Half-Year Financial Report 2013

Logwin AG

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Key Figures January 1 - June 30, 2013

Group *in thousand €*	**2013**	2012
Revenues	622,810	652,696
Change on 2012	*-4.6 %*	
Operating result (EBITA) before valuation effects and disposals of goodwill	12,037	7,601
Margin	*1.9 %*	*1.2 %*
Net result	320	-50,868
Net result excluding impairment and disposals of goodwill	5,662	2,584
Operating cash flow	-4,987	4,677
Net cash flow	4,803	3,634

Business Segments *in thousand €*	**2013**	2012
Solutions		
Revenues	324,388	343,924
Change on 2012	*–5.7 %*	
Operating result (EBITA) before valuation effects and disposals of goodwill	2,521	-2,172
Margin	*0.8 %*	*-0.6 %*
Air + Ocean		
Revenues	298,066	309,570
Change on 2012	*-3.7 %*	
Operating result (EBITA)	12,235	12,108
Margin	*4.1 %*	*3.9 %*

	June 30, 2013	Dec. 31, 2012
Equity ratio	26.4 %	24.8 %
Net liquidity *(in thousand €)*	12,686	7,180
Number of employees	4,830	5,505

The half-year financial report 2013 is published both in English and German. The English version is a translation from the German original, which is authoritative.

Group Interim Management Report

Business Development

Following subdued growth in the first three months of 2013, the global economy gradually gained momentum in the second quarter of the year. After a period of stabilisation at the beginning of the year, Germany, too, showed a slight underlying upward trend despite the continuing burden caused by the uncertainty surrounding the way the crisis will develop in the euro area.

The Logwin Group was able to maintain its solid position in the first half of 2013 against the backdrop of this overall economic development. The Group's high level of financial stability was underpinned by continued positive net liquidity. Revenues generated in the business segment Air + Ocean were just below the level of the prior year, mainly as a result of freight rates, while profitability increased slightly compared with the corresponding period last year. Location closures and the disposal of business activities led to an overall decline in revenues in the business segment Solutions. Operating result improved in comparison with the prior year partly as a result of the implementation of organisational changes.

The sale of the locations in Nuremberg, Gochsheim/Schweinfurt and Ludwigsburg of Logwin Solutions Deutschland GmbH was completed as part of an asset deal as of June 30, 2013. These three locations with a focus on land transportation and associated logistics activities generated revenues of approximately 105 million euros with around 425 employees in 2012.

Earnings Position

Logwin Group Total revenues of the Logwin Group amounted to 622.8 million euros in the first half of 2013 and were thus below the value of the prior year of 652.7 million euros. This development can be attributed to both business segments. Revenues in the business segment Air + Ocean decreased slightly as a result of freight rates. Revenues of the business segment Solutions were influenced by location closures and the sale of business activities. Gross profit increased from 49.4 million euros in the first half of 2012 to 51.1 million euros this year partly as a result of lower operating costs in the business segment Solutions. The gross margin improved from 7.6 % to 8.2 %. Selling, general and administrative costs in the first six months of 2013 decreased to a total of 40.9 million euros primarily in the business segment Solutions as a consequence of the measures implemented aimed at stabilising the earnings position of the business segment (2012: 43.5 million euros). The balance of other operating income and expenses amounted to 0.5 million euros in the first half of 2013 (2012: 1.2 million euros) and contained one-off effects totalling -0.5 million euros including a disposal of goodwill amounting to -1.3 million euros (2012: -0.5 million euros) in connection with the sale of the aforementioned locations. Other operating income and expenses of the first six month of 2013. Operating result before valuation effects and disposals of goodwill totalled 12.0 million euros in the first half of 2013 and were thus above the same period of the prior year of 7.1 million euros. The operating margin before valuation effects and disposals of goodwill increased from 1.2 % in the prior year to 1.9 % in the first months of 2013.

The disposal that was performed of partly very large Solutions locations with their focus on land transportation will lead to a change in revenue structure at the business segment. This gave rise to goodwill impairment of -4.0 million euros resulting in net result before interest and income taxes (EBIT) of the Logwin Group of 6.7 million euros. In the prior year EBIT amounted to -45.9 million euros and included impairment losses for goodwill at the business segment Solutions of -53.0 million euros.

The Logwin Group concluded the first half of 2013 with a financial result of -3.2 million euros, which was at the same level as the prior year (2012: -3.2 million euros). Income tax charges increased from -1.8 million euros in 2012 to -3.2 million euros in 2013.

The net result in the first six months of 2013 increased to 0.3 million euros (2012: -50.9 million euros). After adjustment for the impairment and disposals of goodwill, the net result for the current year amounted to 5.7 million euros compared with the net result for the same period last year of 2.6 million euros.

Solutions The business segment Solutions generated revenues of 324.4 million euros in the first half of 2013 (2012: 343.9 million euros). The functional unit Logistics and Warehousing was able to achieve significant increases in volume with its activities in Austria, which were however largely cancelled out by volume declines owing to the closure of individual locations in Germany and Turkey. The functional unit Transport and Retail Networks was impacted by decreased production quantities at a number of locations in the first six months. Operating result before valuation effects and disposals of goodwill at the business segment Solutions improved to 2.5 million euros in 2013 from -2.2 million euros in the same period of the prior year. The positive influence of the systematic implementation of organisational changes aimed at lowering structural costs and increasing profitability in the business segment in the prior year had a noticeable effect in the first half.

Air + Ocean The business segment Air + Ocean reported revenues of 298.1 million euros in the first half of 2013, which was slightly below the level of the prior year of 309.6 million euros owing to overall lower freight rates. The volume of sea freight increased compared with the prior year despite stagnation in the overall market. Total air freight volume in the business segment was lower, but also the market as a whole was below the level of the prior year. Operating result at the business segment was influenced by the weak economic situation in Asia. In contrast, the South American regions reported pleasant growth. Overall, the business segment was able to increase operating result in the first half of 2013 slightly compared with the prior year to 12.2 million euros (2012: 12.1 million euros).

Financial and Net Asset Position

The Logwin Group recorded a net cash outflow from operating activities of -5.0 million euros in the first half of 2013 (2012: cash inflow of 4.7 million euros). This figure includes a net cash inflow from the utilisation of the factoring facility in the first six months of 2013 totalling 9.4 million euros (2012: 19.3 million euros). The utilisation of the factoring facility is reported within operating cash flow on the basis of the "true sale" character of actual factoring. Operating cash flow at the end of the first half of 2013 adjusted for the effects of factoring amounted to -14.4 million euros (2012: -14.6 million euros).

Cash flow from investing activities for the reporting period was 9.8 million euros and was thus significantly above the prior year's cash flow figure of -1.0 million euros, which was mainly due to payments in connection with the sale of the three locations. The Logwin Group reported total net cash flow of 4.8 million euros (2012: 3.6 million euros). Cash flow from financing activities amounted to -7.8 million euros (2012: -9.9 million euros).

At the end of the first half of 2013, the total assets of the Logwin Group amounted to 369.7 million euros compared with 396.4 million euros at December 31, 2012.

At June 30, 2013, non-current assets decreased to 140.0 million euros (December 31, 2012: 161.0 million euros), which was largely due to the disposal of business activities and subsidiaries. The most significant items included in non-current assets was capitalised goodwill of 75.8 million euros (December 31, 2012: 81.1 million euros) together with property, plant and equipment totalling 40.9 million euros (December 31, 2012: 55.5 million euros), other intangible assets of 4.8 million euros (December 31, 2012: 5.6 million euros) and deferred tax assets of 15.7 million euros (December 31, 2012: 16.5 million euros). Current assets of the Logwin Group totalled 229.6 million euros at the end of the second quarter of 2013 (December 31, 2012: 235.4 million euros) and mainly consisted of trade accounts receivable of 149.9 million euros (December 31, 2012: 150.0 million euros) and cash and cash equivalents of 50.2 million euros (December 31, 2012: 53.9 million euros). At June 30, 2013, trade accounts receivable were reduced by the utilisation of the factoring facility totalling 15.4 million euros as a result of the "true sale" character of factoring (December 31, 2012: 6.0 million euros).

The Logwin Group concluded the first half of 2013 with shareholders' equity of 97.6 million euros compared with 98.2 million euros at the prior year's reporting date. The equity ratio increased from 24.8 % at December 31, 2012 to 26.4 % at June 30, 2013.

Non-current liabilities decreased from 66.5 million euros at December 31, 2012 to 62.7 million euros at the end of the second quarter due to the disposal of business activities and subsidiaries. Current liabilities amounted to 209.4 million euros at June 30, 2013 (December 31, 2012: 231.7 million euros) and consisted mainly of trade accounts receivable of 151.0 million euros (December 31, 2012: 161.7 million euros).

Reflecting the pleasing financial situation positive net liquidity increased from 7.2 million euros at December 31, 2012 to 12.7 million euros at June 30, 2013 due in part to payments from the sale of non-current assets and consolidated subsidiaries and other business operations.

The rating by Standard & Poor's for the Logwin Group (corporate credit rating) remained unchanged in the first half of 2013 at "B+".

Employees

At June 30, 2013, the Logwin Group employed 4,830 staff compared with 5,505 at December 31, 2012. This represents a decrease of 675 employees, which was partly due to the aforementioned disposals of locations and subsidiaries.

Other Reporting

Annual General Meeting The Annual General Meeting of Logwin AG was held in Luxembourg on April 10, 2013. The individual agenda items can be viewed in the notification to all shareholders on the Logwin website under: www.logwin-logistics.com/investors. The proposals of the Board of Directors, including the approval of the annual financial statements and the consolidated financial statements for the fiscal year ended December 31, 2012, were confirmed and adopted by a majority of shareholders.

Investigations by Austrian Federal Competition Authorities As reported at length in the 2012 annual financial report, the Vienna Higher Regional Court (Oberlandesgericht – OLG) rejected in the first instance in February 2011 claims brought by the Austrian Federal Competition Authorities against members of the so-called forwarding agents' conference (Speditionssammelkonferenz - SSK), including three companies belonging to the Logwin Group, for alleged infringements of Austrian and European antitrust legislation. In the course of the subsequent appeals process the Austrian Supreme Court (Österreichischer Oberster Gerichtshof – OG) referred the case to the European Court of Justice (ECJ) in December 2011 for a preliminary ruling on legal questions relating to European law. The judgement of the ECJ was delivered on June 18, 2013. The ECJ ruled that a company is not protected by legitimate expectation when an offence is committed on the basis of a company's misapprehension of the legality of its conduct that was caused by the content of legal advice provided by a lawyer or the decision of a national competition agency. The process will now continue to be conducted by the OG. It is assumed that the OG will refer the case back to the OLG for a renewed taking of evidence, hearing and decision. In this context, it cannot be ruled out that the OLG will decide to impose fines on the members of the SSK. As the Austrian Federal Competition Authorities has yet to state any amount in its application for the imposition of fines and it is still not possible to make a reliable estimate of any fines and thus of the potential outflow at resources embodying economic benefits, there has been no change in the assessment of potential risks for the Logwin Group since December 31, 2012. We refer in this matter to the 2012 annual financial report.

Claim for payment of import sales tax The independent tax tribunal (Finanzsenat) in Salzburg has suspended proceedings pending a decision by the Austrian Supreme Administrative Court in a similar case relating to a claim for payment of import sales tax for customs clearance effected by Logwin Road + Rail Austria GmbH which the company performed with joint and several liability on behalf of customers who are now alleged to have been part of a so-called sales-tax carousel. There were no changes in the first six months of 2013 that would have required a reassessment of the status at December 31, 2012. We refer in this matter to the 2012 annual financial report.

Events after the reporting period

The main customer in the media unit in the business segment Solutions announced in July 2013 that it would be selling its regional newspapers and parts of its magazine portfolio to another publishing group. A significant share of the services that Logwin provides to the customer is accounted for by the newspapers and magazines being sold. It is not yet possible to assess what consequences will result for the Logwin Group based on the information currently available.

Outlook

Based on current economic forecasts, the Logwin Group continues to expect a moderate revival in the German and global economy during the current year. However, the predicted recovery remains susceptible to disruptions from financial markets or an increase in the prices of raw materials and depends to a large extent on the way the crisis in the euro area develops. The positive underlying trend should result in a continuing stable financial position for the Logwin Group over the remaining months of the reporting year.

In view of the general economic situation, the business segment Air + Ocean expects to deliver sound business performance for the remainder of 2013 despite the uncertain course of the crisis in the euro area and other factors such as the volatility of freight rates. The business segment Solutions anticipates lower revenues for the second half of 2013 as a result of location closures together with the disposal of business activities and subsidiaries. Risks arising from individual customer relationships and locations continue to exist and could put pressure on profitability.

Consolidated Interim Financial Statements

Income Statement

January 1 - June 30, *in thousand €*	6 Months 2013	6 Months 2012	2nd Quarter 2013	2nd Quarter 2012
Revenues	622,810	652,696	302,113	322,833
Cost of sales	–571,739	–603,322	–279,192	–300,360
Gross profit	**51,071**	**49,374**	**22,921**	**22,473**
Selling costs	–13,009	–15,127	–6,560	–7,754
General and administrative costs	–27,888	–28,347	–13,899	–13,734
Other operating income	5,149	4,191	3,445	1,655
Other operating expenses	–4,628	–2,942	–3,229	–1,593
Operating result before valuation effects	**10,695**	**7,149**	**2,678**	**1,047**
Goodwill impairment	-4,000	–53,000	–4,000	–53,000
Net result before interest and income taxes (EBIT)	**6,695**	**–45,851**	**–1,322**	**–51,953**
Finance income	213	388	108	164
Finance expenses	–3,383	–3,569	–1,636	–1,686
Net result before income taxes	**3,525**	**–49,032**	**–2,850**	**–53,475**
Income taxes	-3,205	–1,836	–1,404	–267
Net result	**320**	**–50,868**	**–4,254**	**–53,742**
Attributable to:				
Shareholders of Logwin AG	-20	–51,082	–4,428	–53,834
Non-controlling interests	340	214	174	92
Earnings per share – basic and diluted (in EUR):				
Net result attributable to the shareholders of Logwin AG	**0.00**	**-0.35**	**–0.03**	**-0.37**
Weighted average number of shares outstanding	146,257,596	146,257,596	146,257,596	146,257,596

Statement of Comprehensive Income

January 1 - June 30, *in thousand €*	2013	2012
Net result	**320**	**-50,868**
Unrealised gains/losses on securities, available-for-sale	-1	15
Unrealised gains/losses on cash flow hedges (interest rate swaps)	332	–155
Gains/losses on currency translation of foreign operations	-1,281	1,515
Reclassification of currency translation differences into profit or loss	247	-
Other comprehensive income that may be reclassified into profit or loss in future periods	**-703**	**1,375**
Other comprehensive income that will not be reclassified into profit or loss in future periods	**-**	**-**
Other comprehensive income	**-703**	**1,375**
Total comprehensive income	**-383**	**-49,493**
Attributable to:		
Shareholders of Logwin AG	–723	-49,707
Non-controlling interests	340	214

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

Statement of Cash Flows

January 1 - June 30, *in thousand €*	2013	2012
Net result before income taxes	3,525	-49,032
Financial result	3,170	3,181
Net result before interest and income taxes	6,695	-45,851
Reconciliation adjustments to operating cash flows:		
Depreciation and amortisation	5,146	5,689
Result from disposal of fixed assets	-649	–403
Goodwill impairment	4,000	53,000
Other	–2,388	–837
Income taxes paid	-2,715	–2,272
Interest paid	–1,545	–1,950
Changes in working capital, cash effective:		
Change in receivables	–11,151	–24,025
Change in payables	–11,900	2,131
Change in inventories	85	-63
Net cash inflow from utilising the factoring facility	9,435	19,258
Operating cash flows	**–4,987**	**4,677**
Capital expenditures	–3,243	–3,890
Proceeds from disposals of consolidated subsidiaries and other business operations, net of cash and cash equivalents	4,035	2,888
Proceeds from disposals of non-current assets	9,392	593
Payments for acquisitions of subsidiaries	–215	–200
Other cash flows from investing activities	–179	–434
Investing cash flows	**9,790**	**–1,043**
Net cash flow	**4,803**	**3,634**
Repayment of current loans and borrowings	–5,291	–3,746
Repayment of non-current loans and borrowings	–1,000	–4,960
Payment of liabilities from leases	–1,419	–1,077
Distribution of non-controlling interests	-132	-196
Other cash flows from financing activities	–7	41
Financing cash flows	**–7,849**	**–9,938**
Effects of exchange rate changes on cash and cash equivalents	-666	467
Changes in cash and cash equivalents	**–3,712**	**–5,837**
Cash and cash equivalents at the beginning of the year	53,931	41,036
Change	–3,712	–5,837
Cash and cash equivalents at the end of the period	**50,219**	**35,199**

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

Balance Sheet

Assets *in thousand €*	June 30, 2013	Dec. 31, 2012
Goodwill	75,765	81,082
Other intangible assets	4,810	5,619
Property, plant and equipment	40,880	55,508
Investments	1,131	1,182
Deferred tax assets	15,670	16,463
Other non-current assets	1,789	1,118
Total non-current assets	**140,045**	**160,972**
Inventories	2,296	2,453
Trade accounts receivable	149,902	150,007
Income tax receivables	2,964	3,195
Other receivables and current assets	19,634	21,206
Cash and cash equivalents	50,219	53,931
Assets held for sale	4,616	4,616
Total current assets	**229,631**	**235,408**
Total assets	**369,676**	**396,380**

Liabilities and Shareholders' Equity *in thousand €*	June 30, 2013	Dec. 31, 2012
Ordinary shares	131,202	131,202
Group reserves	–35,754	–35,650
Equity attributable to the shareholders of Logwin AG	**95,448**	**95,552**
Non-controlling interests	2,176	2,602
Shareholders' equity	**97,624**	**98,154**
Non-current liabilities from leases	15,171	17,418
Non-current loans and borrowings	15,000	16,000
Pension provisions and similar obligations	29,208	29,260
Other non-current provisions	2,330	2,408
Deferred tax liabilities	31	197
Other non-current liabilities	941	1,246
Total non-current liabilities	**62,681**	**66,529**
Trade accounts payable	151,003	161,704
Current liabilities from leases	1,592	2,359
Current loans and borrowings	5,770	10,974
Current provisions	8,220	10,440
Income tax liabilities	2,336	2,820
Other current liabilities	40,450	43,400
Total current liabilities	**209,371**	**231,697**
Total liabilities and shareholders' equity	**369,676**	**396,380**

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

Statement of Changes in Equity

	Equity attributable to the shareholders of Logwin AG								
				Accumulated other comprehensive income					
in thousand €	Ordinary shares – voting, non-par value	Capital reserves	Retained earnings	Available-for-sale reserve	Cash flow hedge reserve	Currency translation reserve	**Total**	Non-controlling interests	**Total share-holders' equity**
January 1, 2012	**131,202**	**92,321**	**-53,101**	**-111**	**-1,027**	**-976**	**168,308**	**2,280**	**170,588**
Net result			-51,082				-51,082	214	-50,868
Other comprehensive income				15	-155	1,515	1,375		1,375
Total comprehensive income			**-51,082**	**15**	**-155**	**1,515**	**-49,707**	**214**	**-49,493**
Distributions							-	-196	-196
June 30, 2012	**131,202**	**92,321**	**-104,183**	**-96**	**-1,182**	**539**	**118,601**	**2,298**	**120,899**
January 1, 2013	**131,202**	**92,321**	**-126,011**	**-73**	**-1,234**	**-653**	**95,552**	**2,602**	**98,154**
Net result			-20				-20	340	320
Other comprehensive income				-1	332	-1,034	-703		-703
Total comprehensive income			**-20**	**-1**	**332**	**-1,034**	**-723**	**340**	**-383**
Distributions							-	-132	-132
Acquisition of outstanding non-controlling interests			619				619	-634	-15
June 30, 2013	**131,202**	**92,321**	**-125,412**	**-74**	**-902**	**-1,687**	**95,448**	**2,176**	**97,924**

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

Notes to the Consolidated Interim Financial Statements as of June 30, 2013

1 Basis of accounting

These consolidated interim financial statements are prepared in accordance with the International Financial Reporting Standards (IFRSs) 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 statements of Logwin AG as of December 31, 2012.

2 Consolidation scope

In addition to Logwin AG as the parent company, the fully consolidated subsidiaries include one domestic and 67 foreign companies as of June 30, 2013 (as of December 31, 2012: two domestic and 67 foreign companies).

The consolidated entities including Logwin AG have developed as follows:

	Dec. 31, 2012	Additions	Disposals	June 30, 2013
Luxembourg	3	–	1	2
Germany	19	1	–	20
Other countries	48	1	2	47
Total	**70**	**2**	**3**	**69**

The additions relate to two newly established entities of the business segment Air + Ocean. The disposal in Luxembourg relates to a intragroup merger of a company which had been allocated to the central corporate division. The disposals of the companies in other countries concern the sales of two European subsidiaries of the business segment Solutions.

3 Goodwill impairment

As of June 30, 2013, the sale of three locations of Logwin Solutions Deutschland GmbH was completed as part of an asset deal. This disposal of partly very large Solutions locations will lead to a change in revenue structure at the business segment Solutions. For this reason, the Logwin Group once more subjected the goodwill allocated to the business segment Solutions to an impairment test that resulted in recording of an impaiment loss of 4.0 million euros.

For the purpose of the goodwill impairment test, the recoverable amount of the cash-generating unit was determined on the basis of the calculation of the value in use using cash flow forecasts that are based on financial planning covering a period of at maximum five years. The financial planning is based on the business plan of the business segment Solutions and has been adjusted for the effects from the sale of the locations. The revised business plan foresees an EBIT margin of 2.3 % for the last planning year (December 2012, 31: 2.2 %). The average EBIT margin of 2012 (actual) through to 2016 (plan) was taken as the sustainable EBIT margin amounting to 1.31 % to calculate the perpetual annuity (December 2012, 31: 1.35 %).

Beyond the five-year period the growth rate was assumed unchanged from the prior year at 0.75 %. The expected cash flows were discounted using a discount rate of 7.1 % after tax (December 2012, 31: 7.3 %), which is equivalent to an interest rate of 10.2 % before tax (December 2012, 31: 10.5 %).

4 Segment reporting

The classification of segments is made according to the business segments of the Logwin Group. The segment structure reflects the current organisational 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:

January 1 - June 30, 2013 *in thousand €*	Solutions	Air + Ocean	Other	Consolidation	Group
External revenues	323,203	297,275	2,333	–	622,810
Intersegment revenues	1,185	791	1,794	-3,770	–
Revenues	**324,388**	**298,066**	**4,126**	**-3,770**	**622,810**
Operating result before valuation effects	**1,179**	**12,235**	**-2,719**	**–**	**10,695**
Goodwill impairment	-4,000	-	-	-	-4,000
Net result before interest and income taxes (EBIT)	**-2,821**	**12,235**	**-2,719**	**–**	**6,695**
Financial result					–3,170
Income taxes					–3,205
Net result					**320**

January 1 - June 30, 2012 *in thousand €*	Solutions	Air + Ocean	Other	Consolidation	Group
External revenues	341,897	308,544	2,255	–	652,696
Intersegment revenues	2,027	1,026	1,697	-4,750	–
Revenues	**343,924**	**309,570**	**3,952**	**–4,750**	**652,696**
Operating result before valuation effects	**-2,624**	**12,108**	**–2,335**	**–**	**7,149**
Goodwill impairment	-53,000	-	-	-	-53,000
Net result before interest and income taxes (EBIT)	**-55,624**	**12,108**	**-2,335**	**–**	**–45,851**
Financial result					–3,181
Income taxes					–1,836
Net result					**–50,868**

June 30, 2013 *in thousand €*	Solutions	Air + Ocean	Other	Consolidation	Group
Segment assets	139,618	143,612	13,487	–	296,717
Unallocated assets					72,959
Total consolidated assets					**369,676**
Segment liabilities	109,592	103,440	18,606	–	231,638
Unallocated liabilities					40,414
Total consolidated liabilities					**272,052**

December 31, 2012 *in thousand €*	Solutions	Air + Ocean	Other	Consolidation	Group
Segment assets	161,247	143,301	14,424	–	318,972
Unallocated assets					77,408
Total consolidated assets					**396,380**
Segment liabilities	116,506	109,761	21,707	–	247,974
Unallocated liabilities					50,252
Total consolidated liabilites					**298,226**

Assets and liabilities of the business segment Solutions decreased mainly due to the sale of two subsidiaries and three locations of a German subsidiary.

5 Proceeds from disposals of consolidated subsidiaries and other business operations

Proceeds from disposals of consolidated subsidiaries and other business operations in the first half of 2013 include cash inflows from the disposal of investments disclosed in note 4 „Segment Reporting“. The proceeds of the prior year period relate to the cash inflow from a deferred purchase price receivable relating to the sale of a subsidiary in previous years and cash received for the sale of a subsidiary in the first six month of 2012.

The assets and liabilities of the subsidiaries that were sold in the first half of 2013 included TEUR 150 in cash and cash equivalents (2012: TEUR 267).

6 Loans and borrowings

In the first six month of 2013 the Logwin Group was in compliance with the financial covenants as defined in the agreement of the loan taken out in 2011.

Current loans and borrowings as well as cash and cash equivalents included 2.9 million euros (December 31, 2012: 7.3 million euros) from payments made by customers that must be passed on directly to the factoring company.

7 Additional information on financial instruments

The following table shows the fair values of derivative financial instruments and material non-current primary financial instruments whose fair value could be reliably determined as of June 30, 2013 and December 31, 2012:

	Fair Value	
in thousand €	June 30, 2013	Dec. 31, 2012
Available-for-sale financial assets	550	551
Derivative financial instruments from currency hedges		
with positive market value	495	538
with negative market value	-1,129	–1,400
Derivative financial instruments from interest rate hedges (hedge accounting)	–902	–1,234
Non-current liabilities from leases*	–16,183	–17,616
Non-current loans and borrowings*	–15,000	–16,000

* The carrying amounts are stated in the balance sheet on page 8.

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, while derivatives designated as hedging instruments (interest rate swaps) are reported as other non-current liabilities.

We refer to the annual financial report 2012 for disclosure regarding the methods and assumptions used to determine the fair value of financial instruments.

8 Contingent liabilities

In the first six month 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 liabilties will arise herefrom.

As reported at length in the 2012 annual financial report, the Vienna Higher Regional Court (Oberlandesgericht – OLG) rejected in the first instance in February 2011 claims brought by the Austrian Federal Competition Authorities against members of the so-called forwarding agents' conference (Speditionssammelkonferenz - SSK), including three companies belonging to the Logwin Group, for alleged infringements of Austrian and European antitrust legislation. In the course of the subsequent appeals process the Austrian Supreme Court (Österreichischer Oberster Gerichtshof – OG) referred the case to the European Court of Justice (ECJ) in December 2011 for a preliminary ruling on legal questions relating to European law. The judgement of the ECJ was delivered on June 18, 2013. The ECJ ruled that a company is not protected by legitimate expectation when an offence is committed on the basis of a company's misapprehension of the legality of its conduct that was caused by the content of legal advice provided by a lawyer or the decision of a national competition agency. The process will now continue to be conducted by the OG. It is assumed that the OG will refer the case back to the OLG for a renewed taking of evidence, hearing and decision. In this context, it cannot be ruled out that the OLG will decide to impose fines on the members of the SSK. As the Austrian Federal Competition Authorities has yet to state any amount in its application for the imposition of fines and it is still not possible to make a reliable estimate of any fines and thus of the potential outflow at resources embodying economic benefits, there has been no change in the assessment of potential risks for the Logwin Group since December 31, 2012. We refer in this matter to the 2012 annual financial report.

The independent tax tribunal (Finanzsenat) in Salzburg has suspended proceedings pending a decision by the Austrian Supreme Administrative Court in a similar case relating to the claim for payment of import sales tax for customs clearance effected by Logwin Road + Rail Austria GmbH which the company performed with joint and several liability on behalf of customers who are now alleged to have been part of a so-called sales-tax carousel. There were no changes in the first six month of 2013 that would have required a reassessment of the status as of December 31, 2012. We refer in this matter to the 2012 annual financial report.

9 External review

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

10 Events after the reporting period

Between June 30, 2013, and the date of authorisation of the half-year financial report by the Audit Committee of Logwin AG on August 1, 2013 the main customer in the media unit in the business segment Solutions announced that it would be selling its regional newspapers and parts of its magazine portfolio to another publishing group. A significant share of the services that Logwin provides to the customer is accounted for by the newspapers and magazines being sold. It is not yet possible to assess what consequences will result for the Logwin Group based on the information currently available.

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."

Berndt-Michael Winter	Dr. Antonius Wagner
(Chairman of the Board of Directors)	(Deputy Chairman of the Board)