Logwin AG

Nine-Month Financial Report 2014

Your Logistics.

Key Figures 1 January – 30 September 2014

Earnings position *In thousand EUR*	**2014**	2013
Revenues		
Group	842,390	932,384
Change on 2013	*-9.7 %*	
Solutions	366,604	470,658
Change on 2013	*-22.1 %*	
Air + Ocean	474,582	461,190
Change on 2013	*2.9 %*	
Operating result (EBITA)		
Group	23,100	17,241
Margin	*2.7 %*	*1.8 %*
Solutions	5,462	258
Margin	*1.5 %*	*0.1 %*
Air + Ocean	23,641	20,908
Margin	*5.0 %*	*4.5 %*
Net result		
Group	13,237	4,000

Financial position *In thousand EUR*	**2014**	2013
Operating cash flows	3,626	2,190
Net cash flows	2,440	10,836

Net asset position *In thousand EUR*	**30 Sep 2014**	31 Dec 2013
Equity ratio	28.1 %	26.3 %
Net liquidity *(in thousand EUR)*	39,373	37,931

	30 Sep 2014	31 Dec 2013
Number of employees	4,307	4,514

The nine-month financial report 2014 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 Global economic growth was marked by considerable uncertainty in the first nine months of 2014 and faltered repeatedly as a result of geopolitical tensions during the spring and summer months of 2014. The overall low level of growth affected the emerging countries as well as the economic situation in the eurozone. The year 2014 has seen a volatile development in the global currency relationships thus far with an impact on the overall economic situation.

German economy and logistics industry After an encouraging start to the year during the first quarter, the German economy recorded a slowing momentum in the second quarter in line with global economic trends and international conflicts. Expectations were that Germany has stagnated in the third quarter. The German logistics industry also exhibited a slow down in the third quarter of the year.

Competition and market The market for both air and ocean freight demonstrated moderate growth in the first nine months of 2014. Freight rates, which have been less volatile in the fiscal year than in the prior year, remained at a historically rather low level despite a slight average increase against the previous year. The contract logistics market exhibited moderately positive volume growth during the first nine months of 2014.

Earnings position

Revenues The Logwin Group generated revenues of EUR 842.4m in the first nine months of 2014, a 9.7 % decrease on the prior year figure of EUR 932.4m.

This decline in revenues has been in line with expectations and is mainly due to the termination or sale of selected activities in the Solutions business segment during the course of 2013. At EUR 366.6m, revenues in this business segment for the first nine months of 2014 thus fell considerably short of the prior year figure (EUR 470.7m), as anticipated by the Group.

The Air + Ocean business segment recorded a 2.9 % improvement in revenues in the first nine months of 2014 compared to the prior year figure, rising from EUR 461.2m to EUR 474.6m. Particularly encouraging volume growth was seen in the area of ocean freight, with growth rates far in excess of market growth. Growth in the air freight segment was also positive, matching the overall market trend. Freight rates, which rose on average over the year, contributed additionally to the increase in the business segment's revenues in the first nine months of the year, whereas the marked weakening of several currency exchange rates had an adverse effect on revenues.

Gross margin and gross profit The gross margin of Logwin Group improved to 8.1 % in the first nine months of 2014 from the prior year figure of 7.6 %. A decline in consolidated revenues resulting from disposals caused gross profit to fall from EUR 70.6m for the first three quarters of 2013 to EUR 68.1m in 2014.

Selling, general and administrative costs Selling, general and administrative costs decreased from EUR 52.0m in the first nine months of the prior year to EUR 45.4m in 2014. This decrease is attributable to the described disposals and a change in the allocation of expenses previously reported under administrative costs. On the contrary, non-recurring negative effects gave rise to an increase in expenses in the first nine months of 2014.

Operating result (EBITA) In the first three quarters of the current year, the Logwin Group's operating result before goodwill impairment (EBITA) came to EUR 23.1m, which marked a significant EUR 5.9m improvement on the prior year figure of EUR 17.2m.

EBITA in the Solutions business segment improved from EUR 0.3m in the first nine months of 2013 to EUR 5.5m in the current year. In the reporting period negative non-recurring expenses in connection with cost reduction measures and capacity adjustments were offset by positive special effects from the sale of business activities at the beginning of 2014. Prior year effects from the disposal of business activities (EUR -2.1m) as well as the profitability increase due to the discontinuation of unprofitable locations and the refocus on core activities have to be considered when analyzing the improvement in operating result before impairments. By contrast, an impairment loss of EUR -1.0m in connection with an intended disposal of real estate which no longer belongs to the Group's core operating activities reduced the nine-month EBITA in 2014.

The Air + Ocean business segment recorded an operating result of 23.6m in the first nine months of 2014, exceeding the prior year figure of EUR 20.9m by 13 %. The Europe Middle East and Far East Asia regions in particular recorded improvements in EBITA against the prior year, which were primarily attributable to distinct growth in the volumes of ocean freight in these regions.

The Logwin Group improved its operating margin from 1.8 % in the first nine months of 2013 to 2.7 % in the first nine months of 2014 as a result of enhanced profitability in the Air + Ocean business segment and a focus on core activities in the Solutions business segment in the prior year. At 1.5 %, EBITA margin of the Solutions business segment in the first nine months of 2014 exceeded the 0.1 % margin in the prior year period, while the EBITA margin of the Air + Ocean business segment rose from 4.5 % to 5.0 %.

EBIT Net result before interest and income taxes (EBIT) for the first nine months of 2014 totaled EUR 23.1m and exceeded the EBIT of the nine-month period 2013 of EUR 13.2m considerably by EUR 9.9m. In the prior year an impairment of goodwill in the Solutions business segment had impacted the result by EUR -4.0m.

Financial result and income taxes At EUR -3.5m, the financial result in the first nine months of 2014 improved on the prior year figure of EUR -4.4m mainly due to the premature loan repayment during the prior year. Reclassification of the accumulated unrealized loss from interest rate hedging activities contributed negatively to the financial result with EUR -0.5m. In view of an increased net result before income taxes, income tax expenses in the first nine months of the year rose to EUR -6.4m in the 2014 reporting period from the prior year figure of EUR -4.8m.

Net result for the period At EUR 13.2m, the Logwin Group's net result for the first nine months of 2014 marked a significant increase on the prior year figure of EUR 4.0m.

Financial position

Operating cash flows The Logwin Group generated cash in-flows from operating activities of EUR 3.6m in the first nine months of 2014 (prior year: EUR 2.2m). Operating cash flows of both periods contain cash in- and outflows resulting from a factoring program. Due to fluctuations in working capital around reporting dates, the improvement in operating result before impairments on the prior year had not yet made its full impact on the operating cash flows of the nine month period 2014.

Investing cash flows Cash flows from investing activities in the reporting period came to EUR -1.2m and included cash inflows from the disposal of consolidated subsidiaries and other business operations amounting to EUR 2.0m. Cash flows from investing activities amounted to EUR 8.6m in the prior year period and included cash received of EUR 13.0m in connection with the sale of business activities in the Solutions business segment.

Net cash flows The Logwin Group's net cash flows of EUR 2.4m in the first nine months of 2014 were thus below the prior year figure of EUR 10.8m.

Financing cash flows Cash outflows from financing activities decreased to EUR -4.5m in the first nine months of 2014 from the prior year figure of EUR -15.1m in particular due to the early repayment of a long term loan in the prior year as well as lower cash outflows from current liabilities. By contrast, cash flows from financing activities in the first nine months of 2014 include a payment of EUR -2.2m for the acquisition of outstanding shares in the local Indian company of the Air + Ocean business segment.

Net asset position

Total assets The Logwin Group's total assets came to EUR 374.7m as of 30 September 2014 (31 December 2013: EUR 345.4m), while non-current assets amounted to EUR 132.5m (31 December 2013: EUR 137.0m) and current assets came to EUR 242.2m (31 December 2013: EUR 208.4m). Trade accounts receivable contained in this figure, which stood at EUR 157.1m as of 30 September 2014, exceeded the prior year end figure of EUR 125.6m due to seasonal fluctuations and thus approximately matched the figure as of 30 September 2013 (EUR 156.4m).

Shareholders' equity The Logwin Group's equity came to EUR 105.3m as of 30 September 2014 (31 December 2013: EUR 90.9m). The equity ratio rose from 26.3 % on 31 December 2013 to 28.1 % at the end of the first nine months of 2014.

Liabilities Non-current liabilities came to EUR 45.4m at the end of the nine month period of 2014 (31 December 2013: EUR 46.0m), while current liabilities amounted to EUR 224.0m as of 30 September 2014 (31 December 2013: EUR 208.4m).

Assets held for sale and associated liabilities A developed property and a building constructed on third party land were stated as "held for sale" as of 30 September 2014 due to the high probability of a sale. Assets disclosed as "held for sale" of EUR 3.1m as of 31 December 2013 and the related liabilities of EUR 1.8m were deconsolidated as planned in the first quarter of 2014 as part of the sale of five eastern European subsidiaries agreed in December 2013.

Cash and net liquidity Cash and cash equivalents of the Logwin Group came to EUR 58.3m at the end of the first nine months of 2014 (31 December 2013: EUR 58.6m). Cash and cash equivalents contributed to the strong net liquidity of EUR 39.4m, which as of 30 September 2014 remained slightly above the high prior year figure of EUR 37.9m.

Employees

As of 30 September 2014, the Logwin Group had 4,307 employees worldwide (31 December 2013: 4,514). Headcount fell by 207 mainly due to the sale of subsidiaries in the Solutions business segment taking effect in January 2014.

Risks

The risk situation of the Logwin Group did not change materially in the first nine month of 2014 compared with the disclosure in the 2013 annual financial report. For detailed information about existing and potential risks, please see the risk report in the 2013 annual financial report as well as the disclosures in the notes to these consolidated interim financial statements.

Outlook

Economic forecast Based on current economic forecasts, the Logwin Group anticipates a moderately positive development in the global economy in the final quarter of 2014. Risks posed by the conflict between Russia and the West and the military and political disputes in the Middle East have a dampening effect. Expectations of weak foreign and domestic demand also result in a subdued outlook for the German economy.

Revenue expectation The Solutions business segment of the Logwin Group will record a decline in revenues for the 2014 year as a whole, which the Group expects as a result of the disposals of business activities made during the year 2013. The Logwin Group expects the Air + Ocean business segment to make a larger revenue contribution following a rise in volumes due to continued successful extensions of customer relationships and continued sales activities, despite a slow down in reported revenues due to the change in exchange rate relations.

Earnings expectation The Logwin Group anticipates the positive earnings trend in the first nine months to carry over into the final quarter of 2014 and thus to increase net income for 2014 against the prior year figure. This development will be supported by cost reduction and optimization measures in the Solutions business segment and in the Group service and holding functions as well as further profitability increases in the Air + Ocean business segment.

Consolidated Interim Financial Statements

Income Statement

1 January - 30 September *In thousand EUR*	9 Months		3rd Quarter	
	2014	2013	2014	2013
Revenues	842,390	932,384	299,222	309,574
Cost of sales	-774,339	-861,756	-272,619	-284,561
Gross profit	**68,051**	**70,628**	**26,603**	**25,013**
Selling costs	-19,489	-19,655	-7,212	-6,645
General and administrative costs	-25,956	-32,346	-7,924	-9,915
Other operating income	4,439	6,394	1,550	1,246
Other operating expenses	-2,906	-7,780	-1,158	-3,153
Operating result before impairments	**24,139**	**17,241**	**11,859**	**6,546**
Impairment of property, plant and equipment	-1,039	-	-1,039	-
Operating result before goodwill impairment (EBITA)	**23,100**	**17,241**	**10,820**	**6,546**
Goodwill impairment	-	-4,000	-	-
Net result before interest and income taxes (EBIT)	**23,100**	**13,241**	**10,820**	**6,546**
Finance income	194	435	69	222
Finance expenses	-3,650	-4,881	-1,488	-1,498
Net result before income taxes	**19,644**	**8,795**	**9,401**	**5,270**
Income taxes	-6,407	-4,795	-3,997	-1,590
Net result	**13,237**	**4,000**	**5,404**	**3,680**
Attributable to:				
Shareholders of Logwin AG	12,975	3,495	5,262	3,515
Non-controlling interests	262	505	142	165
Earnings per share - basic and diluted (in EUR):				
Net result attributable to the shareholders of Logwin AG	**0.09**	**0.02**	**0.04**	**0.02**
Weighted average number of shares outstanding	146,257,596	146,257,596	146,257,596	146,257,596

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

Statement of Comprehensive Income

1 January - 30 September *In thousand EUR*	2014	2013
Net result	**13,237**	**4,000**
Unrealized gains of securities, available-for-sale	30	10
Unrealized gains of cash flow hedges (interest rate swaps)	122	426
Reclassification of cash flow hedge losses of profit or loss	487	-
Gains/losses on currency translation of foreign operations	3,811	-2,842
Reclassification of currency translation differences into profit or loss	-	247
Other comprehensive income that may be reclassified into profit or loss in future periods	**4,450**	**-2,159**
Impairment of deferred tax assets from remeasurements of the net defined benefit liability	-183	-
Other comprehensive income that will not be reclassified into profit or loss in future periods	**-183**	**-**
Other comprehensive income	**4,267**	**-2,159**
Total comprehensive income	**17,504**	**1,841**
Attributable of:		
Shareholders of Logwin AG	17,242	1,336
Non-controlling interests	262	505

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Statement of Cash Flows

1 January - 30 September *In thousand EUR*	2014	2013
Net result before income taxes	19,644	8,795
Financial result	3,456	4,446
Net result before interest and income taxes	23,100	13,241
Reconciliation adjustments to operating cash flows:		
Depreciation and amortization	5,727	7,326
Result from disposal of non-current assets	-719	-369
Goodwill impairment	-	4,000
Impairment of property, plant and equipment	1,039	-
Other	39	-2,438
Income taxes paid	-3,894	-3,145
Interest paid	-1,743	-2,539
Interest received	194	435
Changes in working capital, cash effective:		
Change in receivables	-34,150	-7,811
Change in payables	13,556	-4,370
Change in inventories	182	81
Net cash in-/outflow from utilizing the factoring facility	295	-2,221
Operating cash flows	**3,626**	**2,190**
Capital expenditures	-3,500	-4,209
Proceeds from disposals of consolidated subsidiaries and other business operations, net of cash and cash equivalents	2,022	3,995
Proceeds from disposals of non-current assets	318	9,431
Payments for acquisitions of subsidiaries	-	-200
Other cash flows from investing activities	-26	-371
Investing cash flows	**-1,186**	**8,646**
Net cash flows	**2,440**	**10,836**
Repayment of current loans and borrowings	-926	-4,882
Repayment of non-current loans and borrowings	-	-8,000
Payment of liabilities from leases	-1,240	-2,012
Payments for acquisitions of outstanding non-controlling interests	-2,150	-
Distribution to non-controlling interests	-223	-132
Other cash flows from financing activities	-	-25
Financing cash flows	**-4,539**	**-15,051**
Effects of exchange rate changes on cash and cash equivalents	1,314	-1,219
Changes in cash and cash equivalents	**-785**	**-5,434**
Cash and cash equivalents at the beginning of the year according to the balance sheet	58,646	53,931
Plus cash and cash equivalents which were part of a disposal group as of 31 December 2013	424	-
Cash and cash equivalents at the beginning of the year	59,070	53,931
Change	-785	-5,434
Cash and cash equivalents at the end of the period	**58,285**	**48,497**

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

Balance Sheet

Assets *In thousand EUR*	**30 Sep 2014**	**31 Dec 2013**
Goodwill	75,151	74,865
Other intangible assets	3,562	3,926
Property, plant and equipment	36,961	39,072
Investments	745	760
Deferred tax assets	14,842	16,886
Other non-current assets	1,270	1,452
Total non-current assets	**132,531**	**136,961**
Inventories	2,419	2,601
Trade accounts receivable	157,091	125,590
Income tax receivables	2,011	2,262
Other receivables and current assets	21,978	16,239
Cash and cash equivalents	58,285	58,646
Assets held for sale	390	3,104
Total current assets	**242,174**	**208,442**
Total assets	**374,705**	**345,403**

Liabilities and Shareholders' Equity *In thousand EUR*	**30 Sep 2014**	**31 Dec 2013**
Ordinary shares	131,202	131,202
Group reserves	-27,866	-42,608
Equity attributable to the shareholders of Logwin AG	**103,336**	**88,594**
Non-controlling interests	1,941	2,352
Shareholders' equity	**105,277**	**90,946**
Non-current liabilities from leases	13,627	14,432
Pension provisions and similar obligations	28,387	28,403
Other non-current provisions	2,781	2,507
Deferred tax liabilities	49	48
Other non-current liabilities	492	618
Total non-current liabilities	**45,384**	**46,008**
Trade accounts payable	161,781	142,594
Current liabilities from leases	1,338	1,561
Current loans and borrowings	3,947	4,722
Current provisions	11,975	11,994
Income tax liabilities	3,826	3,318
Other current liabilities	41,177	42,417
Liabilities associated with assets held for sale	-	1,843
Total current liabilities	**224,044**	**208,449**
Total liabilities and shareholders' equity	**374,705**	**345,403**

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

Statement of Changes in Equity

In thousand EUR	Equity attributable to the shareholders of Logwin AG								
				Accumulated other comprehensive income					
	Ordinary shares – voting, no-par value	Capital reserves	Retained earnings	Available-for-sale reserve	Cash flow hedge reserve	Currency translation reserve	**Total**	Non-controlling interests	**Total shareholders' equity**
1 January 2013	**131,202**	**92,321**	**-126,011**	**-73**	**-1,234**	**-653**	**95,552**	**2,602**	**98,154**
Net result			3,495				3,495	505	4,000
Other comprehensive income				10	426	-2,595	-2,159		-2,159
Total comprehensive income			**3,495**	**10**	**426**	**-2,595**	**1,336**	**505**	**1,841**
Distributions							-	-132	-132
Compensation of capital reserves and net losses		-32,478	32,478				-		-
Acquisition of outstanding non-controlling interests			619				619	-634	-15
30 September 2013	**131,202**	**59,843**	**-89,419**	**-63**	**-808**	**-3,248**	**97,507**	**2,341**	**99,848**
1 January 2014	**131,202**	**59,843**	**-97,158**	**-58**	**-609**	**-4,626**	**88,594**	**2,352**	**90,946**
Net result			12,975				12,975	262	13,237
Other comprehensive income			-183	30	609	3,811	4,267		4,267
Total comprehensive income			**12,792**	**30**	**609**	**3,811**	**17,242**	**262**	**17,504**
Distributions							-	-223	-223
Compensation of capital reserves and net losses		-2,712	2,712				-		-
Acquistion of outstanding non-controlling interests			-2,500				-2,500	-450	-2,950
30 September 2014	**131,202**	**57,131**	**-84,154**	**-28**	**-**	**-815**	**103,336**	**1,941**	**105,277**

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

Notes to the Consolidated Interim Financial Statements as of 30 September 2014

1 Basis of accounting

These consolidated interim financial statements have been prepared in accordance with International Financial 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 2013, except for those disclosed in note 4 „New accounting provisions“ or in any other note to these interim financial statements.

The consolidated interim financial statements have been approved by the Audit Committee of Logwin AG on 31 October 2014.

2 Reclassification of the comparative figures

The Logwin Group made a reclassification to the items shown in the income statement. Compared with the financial statements as of 30 September 2013 published in the prior year, the cost of sales rose by EUR 8.2m and administrative costs fell by the same amount. This adjustment concerns sales-related costs allocated within the Group, which were previously stated according to the cost type from the perspective of the providing company. Beginning with the half-year consolidated interim financial statements 2014, these costs will be reported according to the cost type for the receiving company. This allows for better insight into the earnings position of the Logwin Group.

3 Consolidation scope

In addition to Logwin AG as the parent company, the fully consolidated subsidiaries include two domestic and 60 foreign companies as of 30 September 2014 (31 December 2013: two domestic and 67 foreign companies).

The consolidated entities including Logwin AG have developed as follows:

	31 Dec 2013	Additions	Disposals	30 Sep 2014
Luxembourg	3	–	–	3
Germany	21	1	4	18
Other countries	46	1	5	42
Total	**70**	**2**	**9**	**63**

The additions relate to two newly established entities in the first half of 2014. The disposals concern the sale of five European subsidiaries which had been allocated to the Solutions business segment as well as the intra-group merger of four German entities.

4 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 2014:

Standard/interpretation			Mandatory adoption (in the EU) for the annual period beginning on or after	Endorsement
Revised standard	IAS 27	Separate Financial Statements	1 January 2014*	Yes
Revised standard	IAS 28	Investments in Associates and Joint Ventures	1 January 2014*	Yes
Amendment	IAS 32	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities	1 January 2014	Yes
Amendment	IAS 36	Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014	Yes
Amendment	IAS 39	Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014	Yes
New standard	IFRS 10	Consolidated Financial Statements	1 January 2014*	Yes
New standard	IFRS 11	Joint Arrangements	1 January 2014*	Yes
New standard	IFRS 12	Discloures of Interests in Other Entities	1 January 2014*	Yes
Amendment	IFRS 10 IFRS 11 IFRS 12	Transition Guidance	1 January 2014*	Yes
Amendment	IFRS 10 IFRS 12 IAS 27	Investment Entities	1 January 2014	Yes
New interpretation	IFRIC 21	Levies	1 January 2014	Yes

* The effective date was changed for EU companies in comparison to the original standard.

IFRS 10 “Consolidated Financial Statements” is based on existing principles. IFRS 10 centers on the introduction of a uniform consolidation model for all entities based on the control of the subsidiary by the parent. The first-time adoption of IFRS 10 did not have any impact on the classification of investments currently held by the Group.

IFRS 11 “Joint Arrangements” replaces IAS 31 “Interests in Joint Ventures” and SIC-13 “Jointly Controlled Entities – Non-Monetary Contributions by Venturers.” IFRS 11 removes the option to account for jointly controlled entities using proportionate consolidation. As the Logwin Group does not consolidate any existing interest on a proportionate basis in the current financial year, this change did not have any effect on these interim financial statements.

IFRS 12 “Disclosure of Interests in Other Entities” provides standard rules governing disclosure obligations for shares in subsidiaries (previously regulated in IAS 27), in jointly controlled entities and associates (previously IAS 31 and IAS 28) as well as non-consolidated structured entities. None of the disclosures required by the new standard are applicable to interim financial reporting, unless significant events or transactions may occur. Accordingly, the disclosures under IFRS 12 will be made in the notes to the consolidated financial statements as of 31 December 2014.

First-time adoption of the other provisions also did not have any significant effects on the consolidated interim financial statements of Logwin AG.

5 Segment reporting

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 column “Consolidation.”

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

1 January - 30 September 2014 *In thousand €*	Solutions	Air + Ocean	Other	Consolidation	Group
External revenues	365,778	473,142	3,470	–	842,390
Intersegment revenues	826	1,440	1,906	-4,172	-
Revenues	**366,604**	**474,582**	**5,376**	**-4,172**	**842,390**
Operating result before impairments	**6,501**	**23,641**	**-6,002**	**-**	**24,139**
Impairment of property, plant and equipment	-1,039	-	-	-	-1,039
Operating result before goodwill impairment (EBITA)	**5,462**	**23,641**	**-6,002**	**-**	**23,100**
Goodwill impairment	-	-	-	-	-
Net result before interest and income taxes (EBIT)	**5,462**	**23,641**	**-6,002**	**-**	**23,100**
Financial result					-3,457
Income taxes					-6,407
Net result					**13,237**

1 January - 30 September 2013 *In thousand €*	Solutions	Air + Ocean	Other	Consolidation	Group
External revenues	468,888	460,031	3,465	–	932,384
Intersegment revenues	1,771	1,158	2,703	-5,632	-
Revenues	**470,658**	**461,190**	**6,168**	**-5,632**	**932,384**
Operating result before impairments	**258**	**20,908**	**-3,925**	**-**	**17,241**
Impairment of property, plant and equipment	-	-	-	-	-
Operating result before goodwill impairment (EBITA)	**258**	**20,908**	**-3,925**	**-**	**17,241**
Goodwill impairment	-4,000	-	-	-	-4,000
Net result before interest and income taxes (EBIT)	**-3,742**	**20,908**	**-3,925**	**-**	**13,241**
Financial result					-4,446
Income taxes					-4,795
Net result					**4,000**

6 Assets held for sale and associated liabilities

A developed property and a building constructed on third party land were stated as “held for sale” due to the high probability of a sale as of 30 September 2014. As part of the valuation of these properties at its fair value less costs to sell, an impairment loss of EUR 1,039k was recognized as of 30 September 2014.

As of 31 December 2013, assets held for sale and the associated liabilities comprised the assets and liabilities of five consolidated companies of the Solutions business segment for which a signed purchase and transfer agreement existed at the end of reporting period. These subsidiaries were sold in January 2014 effective as of 31 December 2013. The assets and liabilities disposed of included EUR 424k in cash and cash equivalents.

7 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 September 2014 and 31 December 2013:

	Fair Value	
In thousand EUR	**30 Sep 2014**	**31 Dec 2013**
Available-for-sale financial assets	596	565
Derivative financial instruments from currency hedges		
with positive market value	1,418	96
with negative market value	-818	-543
Derivative financial instruments from interest rate hedges (hedge accounting)	-	-610
Derivative financial instruments from interest rate hedges	-487	-
Non-current liabilities from leases*	-14,665	-17,736

* The carrying amounts are stated in the balance sheet on page 9.

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 swap) are reported as other non-current liabilities. We refer to the annual financial report 2013 for disclosure regarding the methods and assumptions used to determine the fair value of financial instruments.

The short-term termination of the existing interest rate swap was decided in the third quarter of 2014. Consequently, the hedging relationship under the former hedge accounting was terminated on 30 September 2014. The cumulative unrealized loss totaling EUR 487k was reclassified from the cash flow hedge reserve to the financial result. The swap will be classified as “held for trading” in accordance with IAS 39 and measured at its fair value through profit or loss until its disposal.

Current loans and borrowings as well as cash and cash equivalents include EUR 2.6m (31 December 2013: EUR 4.0m) from payments made by customers that must be passed on directly to the factoring company.

8 Contingent liabilities and lawsuits

In the first nine months there were no material changes in contingent liabilities in respect of bank and other guarantees, letters of comfort and other liabilities arising in the ordinary course of business. It can be assumed that no significant obligations will arise.

With regard to the ongoing antitrust proceedings against members of the so-called forwarding agents' conference (Speditionssammelkonferenz), which includes three companies belonging to the Logwin Group, the Austrian Supreme Court remanded the legal procedure to the Vienna Higher Regional Court as the court of first instance by resolution dated 2 December 2013 – delivered 14 January 2014 – following the preliminary ruling on legal questions relating to European law and indicated that the defendants will likely be convicted. A provision has been recognized in order to account for potential risks arising from this matter. For more information, please see the 2013 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 a claim for back payment of import VAT for customs clearances that Logwin Road + Rail Austria GmbH performed with joint and several liability on behalf of customers who are now alleged to have been part of a missing trader (VAT carousel) fraud. There were no changes in the first nine months of 2014 that would have required a reassessment of the status as of 31 December 2013. We refer in this matter to the 2013 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 10 August 1915 with all following changes, nor limited reviewed by an auditor.

10 Subsequent events

No significant events occurred after the reporting period.