

3/06

9-MONTHS REPORT

Organic growth in turnover in Q3

Employee growth of 8.1 %

Net income for the period at same level as previous year

Key figures for the first three quarters of 2006 in accordance with IFRS

	01.01. – 30.09.2006	01.01. – 30.09.2005	Percentage change	Absolute change
Turnover	61,300 kEUR	53,147 kEUR	+15.3 %	+8,153 kEUR
EBIT	1,773 kEUR	1,973 kEUR	-10.1 %	-200 kEUR
EBIT margin	2.9 %	3.7 %	-	-
Consolidated net income	911 kEUR	921 kEUR	-1.1 %	-10 kEUR
EPS	0.11 EUR	0.12 EUR	-8.3 %	-0,01 EUR
Equity to assets ratio (30 September)	25.4 %	24.0 %	-	-
Employees (30 September)	933	863	+8.1 %	+70

Course of business in the third quarter of 2006

In the third quarter of 2006 the Lila Logistik group was again able to continue its organic growth in turnover achieved in the previous quarters. Overall the cost increases arising from this growth resulted in a group surplus at the same level as the successful same quarter in the previous year.

In the third quarter Müller – Die lila Logistik AG achieved group turnover of kEUR 20,751. This corresponds with organic growth of 20.3 % or kEUR 3,507 compared with the same period of the previous year: (Q3 2005: kEUR 17,244). As a result of the greater use of external services in connection with the strongly increased turnover, the cost of materials increased by 28.2 % compared with the third quarter of 2005. Personnel expenses increased by 17.2 %. This produced a third quarter operating result of kEUR 726 (previous year: kEUR 789). Group consolidated net income of kEUR 304 (previous year: kEUR 303) resulted in (undiluted) earnings per share of 4 euro-cents, which corresponds with the previous year's level.

The present nine month report has been compiled on the basis of accounting methods in accordance with the International Financial Reporting Standards (IFRS), in line with the annual financial statements for the period ending 31 December 2005.

As a result of the planned capital expenditure and business expansion outside the euro currency zone, foreign currency transactions have been carried out with effect from the third quarter of 2006.

Derivative financial instruments for securing against exchange rate exposure

Exchange rate fluctuations without corresponding safeguards are having an increasing impact on the group's capital and income position. The intention is to counter these risks by means of forward exchange contracts and currency options.

In the context of insuring against currency risks Müller – Die lila Logistik AG has entered into currency option deals for Polish zloty with banks for purposes of its own foreign currency dealings.

The attributable present values have been derived from financial and mathematical valuation models or market data.

The exchange hedging strategy aims to achieve general hedging of foreign currency amounts at the time at which a claim or liability expressed in a foreign currency arises by means of acquiring derivative financial instruments from banks or by netting of opposed payment flows in foreign currency. The items to be protected in this context may also be planned future transactions, against the risk of changes in the exchange rates for which short-term hedging instruments (< 1 year) are used. To the extent that the strict documentation and effectiveness requirements in the context of hedge accounting are met, this results in entry in the balance sheet of cash flow and fair value hedges.

In the 2006 financial year fixed contractual agreements known as Firm Commitments were accounted for in the income statement in accordance with the rules of Fair Value Hedging. Their positive market value amounts to kEUR 44.

The currency option deals transacted have a total nominal value of kEUR 4,365. The nominal values are the sums of the purchase or sale amounts of the respective derivatives before netting. The nominal volume corresponds with the volume of the insured underlying deals. The market values reported correspond with the price at which outside third parties would assume the rights or obligations arising from the derivative financial instruments.

The maximum risk of default on derivative financial instruments is to be recognised at the sum of their positive market values.

Business development to date in the period from January to September 2006

After the first three quarters of 2006 the total income of Müller – Die lila Logistik AG amounted to kEUR 61,300. Compared with the previous year this represents organic growth of 15.3 % or kEUR 8,153. The increase in turnover was achieved on the basis of more than proportionate expenses caused by the market, so that in relation to the previous year consolidated net income for the period fell slightly to kEUR 911 (previous year: kEUR 921).

In the nine month comparison as at 30 September 2006 the equity-to-assets ratio improved by 1.4 percentage points to 25.4 %.

The development in the number of employees continues to evidence the ongoing internationalisation of Müller – Die lila Logistik AG. At 30 September 2006 29.2 % of the workforce was employed in Europe outside Germany, while 70.8 % were working in Germany. In total the workforce comprised 933 employees (previous year: 863).

Notes to the income statement

Consolidated companies

In the first nine months of 2006, unlike the same period of the previous year, Müller – Die lila Logistik Ost GmbH, has been included in the consolidated financial statements of Müller – Die lila Logistik AG for the whole of the period. Furthermore, also unlike the same period of the previous year, Vedes-Müller Logistik GmbH, which had been taken into account in the first quarter, was no longer included in the consolidation.

Movements in income and expenses

As a result of organic growth of 15.3 % compared with the previous year, Lila Logistik group's sales revenues increased in the first three quarters of 2006 to kEUR 61,300 (previous year: kEUR 53,147). As a result of higher take-up of external services in connection with the increased turnover, the cost of materials increased by 30 % to kEUR 21,802 (previous year: kEUR 16,765). Personnel expenses also increased to kEUR 22,559 (previous year: kEUR 21,086). Expenses for project start-ups in Antwerp, Bünde, Zwickau, Gliwice and Wroclaw similarly affected the cost side.

The operating result (EBIT) of kEUR 1,773 achieved (previous year: kEUR 1,973) corresponds with a margin of 2.9 % (previous year: 3.7 %).

The balance of interest income and expense declined in comparison with the same period of the previous year to a level of minus kEUR 988 (previous year: minus kEUR 1,063).

The increased profit at a minority interest was the reason for the increase in income from financial assets, accounted for using the equity method, to kEUR 411 (previous year: kEUR 253).

After deduction of income taxes of kEUR 274 (previous year: minus kEUR 188) the remaining consolidated net income after the third quarter was kEUR 911 (previous year: kEUR 921). Earnings per share were consequently 11 euro-cents, at which they were 1 euro-cent below the result in the previous year. The average number of shares in circulation (undiluted) was 7,924,139 (previous year: 7.9 million).

GROUP INCOME STATEMENT
(according to IFRS, unaudited)

	01.07.2006 – 30.09.2006 EUR	01.07.2005 – 30.09.2005 EUR	01.01.2006 – 30.09.2006 EUR	01.01.2005 – 30.09.2005 EUR
Sales revenues	20,750,559	17,244,264	61,300,263	53,147,441
Other operating income	422,705	575,791	1,448,863	1,585,43
Change in inventory of completed services and work in progress	0	0	0	-64,700
Cost of materials/expenses for services received	-7,406,546	-5,775,274	-21,801,883	-16,765,347
Personnel expenses	-7,293,607	-6,225,197	-22,558,610	-21,085,836
Depreciation and amortisation on tangible and intangible assets	-444,025	-417,677	-1,410,997	-1,392,521
Other operating expenses	-5,303,547	-4,613,107	-15,204,691	-13,451,551
Operating result	725,539	788,800	1,772,945	1,972,922
Interest income/expense	-358,730	-375,342	-988,062	-1,062,608
Other income	43,848	0	43,848	0
Income from investments	-18,053	-17,604	-54,643	-54,400
Income from financial assets accounted for using the equity method	53,819	20,909	410,855	252,908
Result before income tax (and minority interests)	446,423	416,763	1,184,943	1,108,822
Taxes on income	-142,086	-114,249	-273,713	-187,695
Group net income	304,337	302,514	911,230	921,127
Result per share (undiluted)	0.04	0.04	0.11	0.12
Result per share (diluted)	0.04	0.04	0.11	0.12
Average number of shares in issue (undiluted)	7,924,139	7,900,000	7,924,139	7,900,000
Average number of shares in issue (diluted)	7,988,472	7,900,000	7,988,472	7,900,000

Development of the business areas

Logistics Design

The business segment Logistics Design finished the third quarter with sales revenues of kEUR 707. This meant that, in comparison with the preceding quarters of 2006, the months of July to September were the strongest turnover months in 2006 so far for Müller – Die lila Logistik AG's planning and consultancy segment. The same picture was apparent in the case of EBIT, which increased to kEUR 148 in the third quarter (Q2/2006 kEUR 95). Compared with the same period of the previous year turnover was 27.5 % lower and was reduced to kEUR 1,972. EBIT fell to kEUR 344 (previous year: kEUR 659).

Logistics Operating

In the business area of operational logistics services Müller – Die lila Logistik AG was able in the third quarter to exceed the turnover achieved in the respective previous quarters. Sales revenues increased by 2.7 % in comparison with the second quarter, reaching a level of kEUR 20,059. After the first three quarters of 2006 sales revenues were 17.7 % better than in the same period of the previous year, which corresponds with an increase of kEUR 8,915. In total, in the operational business area, Müller – Die lila Logistik AG earned total income of kEUR 59,379 (previous year: kEUR 50,464). At kEUR 1,429, EBIT was kEUR 115 above that of the previous year.

Segment reporting (before consolidation)

In thousands of EUR	Turnover 01.01.- 30.09.2006	Turnover 01.01.- 30.09.2005	Percentage change	Absolute change	EBIT 01.01.- 30.09.2006	EBIT 01.01.- 30.09.2005	Percentage change	Absolute change
Logistics Design	1,972	2,721	-27.5 %	-749	344	659	-47.8 %	-315
Logistics Operating	59,379	50,464	+17.7 %	+8,915	1,429	1,314	+8.8 %	+115

GROUP BALANCE SHEET
(according to IFRS)

Assets

Short-term assets

	30.09.2006 EUR	31.12.2005 EUR
Liquid assets	1,123,143	1,091,108
Trade accounts receivable	13,071,712	11,637,706
Receivables from affiliated companies	0	1,000
Receivables from related parties and equity-holding companies	125,971	44,031
Inventories	90,847	125,946
Assets held for sale	6,822,585	0
Accrued income, prepaid expenses and other short-term assets	879,531	627,659
Total short-term assets	22,113,790	13,527,450

Long-term assets

Tangible fixed assets	10,481,821	15,380,677
Investment property	1,826,850	1,865,233
Intangible assets	191,692	299,988
Goodwill	9,798,248	9,798,248
Financial assets	46,678	74,178
Equity interests in associated companies	1,325,641	1,417,507
Loans	3,788	3,788
Deferred tax assets	874,155	917,583
Other assets	56,430	0
Total long-term assets	24,605,303	29,757,202

Total assets

46,719,093 **43,284,652**

Notes to the balance sheet

Assets

Compared with 31 December 2005 liquid assets increased slightly by kEUR 32 to a total of kEUR 1,123 (31 December 2005: kEUR 1,091). As a result of the increase in turnover, trade accounts receivable increased to kEUR 13,072 (31 December 2005: kEUR 11,638). As a result of the scheduled sale of the plot of land in Herne, the additional position 'assets held for sale' amounting to kEUR 6,823 was created under current assets.

As a result of this, tangible fixed assets declined at the same time by the same amount.

Liabilities

As a result of reclassification from long-term liabilities to current liabilities as well as stronger take-up of short-term credit lines, the position 'short-term loans and short-term portion of long-term

loans' increased at 30 September 2006 to kEUR 6,575 (31 December 2005: kEUR 4,695). In the first nine months shareholder loans of kEUR 501 were reduced, so that the position 'short-term portion of long-term shareholder loans' declined to kEUR 250 (31 December 2005: kEUR 751). The take-up of a bonded loan for EUR 3 million and the scheduled repayment changed the position 'long-term loans' by kEUR 1,658 to kEUR 15,723 (31 December 2005: kEUR 14,065). The loss carry-forward declined by kEUR 911 to kEUR 5,924 (31 December 2005: kEUR 6,835).

After the first nine months of 2006 the equity-to-assets ratio was 25.4 % (31 December 2005: 25.3 %). Total assets increased by 7.9 %, primarily as a result of initiated capital expenditure, to kEUR 46,719 (31 December 2005: kEUR 43,285).

GROUP BALANCE SHEET
(according to IFRS)

Liabilities

	30.09.2006 EUR	31.12.2005 EUR
Short-term liabilities		
Short-term portion of financial lease liabilities	238,118	249,536
Short-term loans and short-term portion of long-term loans	6,575,300	4,694,893
Short-term portion of long-term shareholder loans	250,000	750,533
Trade accounts payable	4,840,494	4,827,304
Liabilities within the scope of the group	25,300	25,300
Liabilities to related parties	225,903	237,250
Advances from customers	0	89,000
Provisions	861,869	800,982
Tax liabilities	805,970	713,322
Other short-term liabilities	4,583,827	4,944,070
Total short-term liabilities	18,406,781	17,332,190
Long-term liabilities		
Long-term loans	15,722,797	14,064,539
Long-term capital lease obligations	64,747	264,677
Liabilities to related parties	0	120,000
Deferred taxes	23,015	24,526
Provisions	46,400	20,000
Pension provisions	177,303	117,552
Other long-term liabilities	404,128	378,537
Total long-term liabilities	16,438,390	14,989,831
Shareholders' equity		
Subscribed capital	7,920,750	7,920,750
Capital reserve	9,633,606	9,633,606
Stock options outstanding	29,164	26,567
Other accumulated equity	25,380	27,916
Accumulated deficit	-5,923,826	-6,835,056
Minority interests	188,848	188,848
Total shareholders' equity	11,873,922	10,962,631
Total liabilities	46,719,093	43,284,652

GROUP CASH FLOW STATEMENT
(according to IFRS, unaudited)

	30.09.2006 EUR	30.09.2005 EUR
Group net earnings	911,230	921,127
Changes for		
Minority interests	0	-15,932
Depreciation and amortisation	1,410,997	1,392,521
Change in provisions and allowances	232,964	181,730
Profit from retirement of fixed assets	-132,605	-16,593
At equity valuation	91,866	-209,559
Gain/Losses on exchange	-1,521	19,873
Change SOP	2,597	0
Change in deferred tax assets/ tax liabilities	136,076	57,080
Change in inventories	35,099	44,446
Change in marketable securities	0	162,762
Changes in trade accounts receivable and accounts receivable from associated and affiliated companies	-1,596,847	-1,597,975
Change in accrued income, prepaid expenses and other assets	-307,263	85,492
Change in received prepayments	-89,000	0
Change in trade accounts payable, accounts payable to affiliated companies and accounts payable to related persons	-125,143	199,752
Change in other liabilities, accrued expenses and deferred income	-335,687	623,065
Cash flow from current activities	232,761	1,847,789
Disposal of subsidiaries, net of cash transferred	25,456	-376,523
Acquisition of fixed assets	-3,248,818	-1,006,429
Income from the sale of fixed assets	198,379	990,413
Cash flow from investment activities	-3,024,983	-392,539
Change in short- and long- term loans	3,538,665	-1,752,009
Change in shareholders' loans	-500,533	0
Change in capital leases	-211,348	117,027
Cash flow from finance activities	2,826,784	-1,634,982
Changes in liquid assets caused by exchange rates	-2,527	1,393
Change in liquid assets	32,035	-178,339
Liquid assets at the beginning of the period	1,091,108	1,270,980
Liquid assets at the end of the period	1,123,143	1,092,641

STATEMENT OF CHANGES IN GROUP SHAREHOLDERS' EQUITY

	Subscribed capital EUR	Capital reserves EUR	Accumulated deficit EUR	Outstanding stock options EUR	Minority interests EUR	Other comprehensive income EUR	Total shareholders' equity EUR
Balance at 1 Januar 2006	7,920,750	9,633,606	-6,835,056	26,567	188,848	27,916	10,962,631
Minority interests	0	0	0	0	0	0	0
Consolidated result	0	0	911,230	0	0	0	911,230
Translation of foreign currencies	0	0	0	0	0	-2,536	-2,536
Stock options	0	0	0	2,597	0	0	2,597
Balance at 30 September 2006	7,920,750	9,633,606	-5,923,826	29,164	188,848	25,380	11,873,922
Balance at 1 Januar 2005	7,900,000	9,628,003	-8,198,340	17,477	204,780	19,724	9,571,644
Minority interests	0	0	0	0	-15,932	0	-15,932
Consolidated result	0	0	921,127	0	0	0	921,127
Translation of foreign currencies	0	0	0	0	0	21,266	21,266
Stock options	0	0	0	0	0	0	0
Balance at 30 September 2005	7,900,000	9,628,003	-7,277,213	17,477	188,848	40,990	10,498,105

Cash flow, liquidity

Cash flow from current business activities in the first nine months of 2006 was kEUR 233 (previous year: kEUR 1,848). Müller – Die lila Logistik AG's cash flow as a result of investment activities was minus kEUR 3,025 in the same period (previous year: minus kEUR 393). The inflow of liquid assets from finance activity reached a level of kEUR 2,827 (previous year: minus kEUR 1,635).

On 30 September of this year liquid assets amounted to kEUR 1,123 (previous year: kEUR 1,093).

Capital expenditure, depreciation and amortisation

In the first three quarters of 2006 Lila Logistik group undertook capital investment totalling kEUR 3,249 in the acquisition of fixed assets (previous year: kEUR 1,006), while divestments amounted to kEUR 198 (previous year: kEUR 990). Depreciation and amortisation for scheduled wear and tear of fixed assets amounted to kEUR 1,411 (previous year: kEUR 1,393).

Shareholdings of board members

At 30 September 2006 the members of the Management Board and Supervisory Board of Müller – Die lila Logistik AG owned the following shares and share options in the company:

Name	Position	Shares	Options
Michael Müller	Chairman of the Management Board	4,066,500	12,500
Rupert Früh	Member of the Management Board	6,000	2,000
Wolfgang Monning	Chairman of the Supervisory Board	15,428	-
Prof. Peter Klaus	Deputy Chairman of the Supervisory Board	4,614	-
Volker Buckmann	Member of the Supervisory Board	-	-
Per Klemm	Member of the Supervisory Board	46,450	-
Klaus Langer	Member of the Supervisory Board	2,500	-
Carlos Rodrigues	Member of the Supervisory Board	785	500

Personnel

As at 30 September 2006 the workforce at the Müller – Die lila Logistik AG group had increased in comparison with the previous year by 8.1 % or a total of 70 personnel. All in all 933 people were working for the Lila Logistik group at the end of the third quarter (previous year: 863). This figure also corresponds with the average number of women and men employed at Lila Logistik in the first nine months of 2006 (previous year: 902).

Of the 933 personnel at 30 September 2006, 70.8 % were working in Germany and 29.2 % were working on behalf of Lila Logistik customers in the rest of Europe – primarily in Austria, Poland and Belgium.

Post balance sheet events

The disposal of the property in North Rhine-Westphalia announced in the ad-hoc notification of 22 September 2006 was implemented and the signature of the purchase contract was notarised at the beginning of November.

Outlook

As a result of the favourable turnover of the last nine months, Müller – Die lila Logistik AG is anticipating total turnover for the 2006 financial year of around 80 million euros. The property deal will significantly improve consolidated net income for the year.

Company diary 2006/2007

Presentation to analysts	22 November 2006
Publication of 9-months financial statements	22 November 2006
Publication of annual financial statements	29 March 2007

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