

3-MONTHS REPORT

Start in 2007 according to plan

Again increase in number of staff in Q1/2007

Project start-ups in Poland

Key figures for the first quarter of 2007 in accordance with IFRS

	01.01. – 31.03.2007	01.01. – 31.03.2006	Change in percent	Change in absolute terms
Turnover	20,367 kEUR	20,423 kEUR	-0.3 %	-56 kEUR
EBIT	792 kEUR	694 kEUR	+14.1 %	+98 kEUR
EBIT margin	3.9 %	3.4 %	-	-
Period surplus	575 kEUR	419 kEUR	+37.2 %	+156 kEUR
EPS	0.07 €	0.05 €	-	-
Equity ratio (31.03.)	30.6 %	25.7 %	-	-
Employees (31.03.)	934	920	+1.5 %	+14

Course of business in the first quarter of 2007

The business volume of the first quarter of 2007 of the Lila Logistik group was at the level of the first quarter of the year 2006. The first three months of 2007 were determined by the investments in the Logistics Services Center in Gliwice (Poland) as well as the first project start-ups associated with it.

As at the key date 31 March, sales revenues were 20,367 kEUR with a period surplus totalling 575 kEUR. Earnings per share increased to 7 eurocents.

The present quarterly report was compiled retaining the accounting methods in accordance with the International Financial Reporting Standards (IFRS), analogously to the annual financial statements for the period ending 31 December 2006.

Notes to the income statement

Consolidated companies

In comparison with the same period of the previous year, there were no changes in the basis of consolidation of the Lila Logistik group.

Development of income and expenses

In the period under review, the Lila Logistik group generated sales revenues amounting to 20,367 kEUR and thus at previous year's level of 20,423 kEUR. The increase in other operating income to 889 kEUR (previous year: 453 kEUR) was primarily due to a special effect based on the reversal of tax provisions of previous periods. As a result of the higher volume of transport services received, cost of materials/expenses for services received increased by 7.4 % to 7,716 kEUR (previous year: 7,184 kEUR). Mainly influenced by the first project start-ups of the Polish subsidiary, personnel expenses rose to 7,953 kEUR (previous year: 7,598 kEUR).

The operating result (EBIT) of 792 kEUR achieved (previous year: 694 kEUR) represents a margin of 3.9 % (previous year: 3.4 %).

In comparison with the same period of the previous year, the balance of interest income and expense declined to a negative figure of 143 kEUR (previous year: -297 kEUR) due to the repayment of loans using earnings from property transactions.

From the market valuation of derivative foreign exchange transactions based on the exchange rate of the Polish Zloty against the Euro with a nominal volume of 3,878 kEUR, revenues amounting to 13 kEUR were recognized in the income statement of the first quarter of 2007. Measurement at fair value of an existing interest swap with a nominal volume of 4,500 kEUR resulted in revenues of 20 kEUR.

Taking account of taxes on income amounting to 102 kEUR (previous year: 71 kEUR), the remaining consolidated net income is 575 kEUR (previous year: 419 kEUR) in the period under review. Earnings per share were 7 eurocents and consequently 2 eurocents above the result for the same period of the previous year. The average number of shares in issue (on an undiluted basis) was 7,938,375 (previous year: 7,920,750).

Development of the business areas

Logistics Design

At the beginning of the year 2007, the planning and consulting operations of Müller – Die lila Logistik AG developed positively. Sales in the first quarter were up 4.2 % on the previous year and totalled 688 kEUR (previous year: 660 kEUR). Earnings before interest and tax (EBIT) of Logistics Design amounted to 132 kEUR which is a 30.7 % growth on the figure of the same quarter of the previous year. As a result, the EBIT margin could be improved to 19.2 %.

Logistics Operating

In the first quarter of 2007, sales revenues in the operational logistics services business area were at about the same level as in the first quarter of the previous year. In total, this segment achieved sales revenues of 19,676 kEUR (previous year: 19,779 kEUR). The resulting earnings before interest and tax (EBIT), on the other hand, were up 67 kEUR or 11.3 % on the prior year's comparable value and were 660 kEUR (previous year: 593 kEUR) in absolute terms taking account of the special effect.

Segment reporting (before consolidation)

In thousand of EUR	Sales from 01.01.-31.03.2007	Sales from 01.01.-31.03.2006	Change in percent	Change in absolute terms in kEUR	EBIT 01.01.-31.03.2007 in kEUR	EBIT 01.01.-31.03.2006 in kEUR	Change in percent	Change in absolute terms in kEUR
Logistics Design	688	660	+4.2 %	+28	132	101	+30.7 %	+31
Logistics Operating	19,676	19,779	-0.5 %	-103	660	593	+11.3 %	+67

GROUP INCOME STATEMENT
(according to IFRS, unaudited)

	01.01.2007- 31.03.2007 EUR	01.01.2006- 31.03.2006 EUR
Sales revenues	20,366,652	20,423,365
Other operating income	889,039	453,255
Change in inventory of completed services and work in progress	-7,938	0
Cost of materials/expenses for services received	-7,715,850	-7,184,072
Personnel expenses	-7,953,097	-7,597,640
Depreciation and amortisation on tangible and intangible assets	-354,949	-480,436
Other operating expenses	-4,431,876	-4,920,593
Operating result	791,981	693,879
Interest income/expense	-143,495	-297,335
Income from investments	-18,501	-18,501
Income from financial assets accounted for using the equity method	47,319	111,349
Result before income tax (and minority interests)	677,304	489,392
Tax on income	-101,895	-70,792
Group net income	575,409	418,600
Result per share (undiluted)	0.07	0.05
Result per share (diluted)	0.07	0.05
Average number of shares in issue (undiluted)	7,938,375	7,920,750
Average number of shares in issue (diluted)	7,951,848	7,988,500

GROUP BALANCE SHEET
(according to IFRS)

Assets	31.03.2007 EUR	31.12.2006 EUR
Short-term assets		
Liquid assets	3,858,134	4,345,289
Trade accounts receivable	13,971,619	10,459,697
Receivables from affiliated companies	0	1,000
Receivables from related parties and equity-holding companies	42,971	45,947
Inventories	69,067	48,850
Tax refund claims	153,071	291,175
Accrued income, prepaid expenses and other short-term assets	1,877,000	707,029
Total short-term assets	19,971,862	15,897,987
Long-term assets		
Tangible fixed assets	13,882,100	11,235,070
Investment property	867,660	870,011
Intangible assets	234,817	266,807
Goodwill	9,754,084	9,754,084
Financial assets	61,903	61,903
Equity interests in associated companies	1,425,804	1,378,485
Loans	3,722	3,722
Deferred taxes	856,229	887,284
Tax refund claims	64,925	64,925
Total long-term assets	27,151,244	24,522,291
Total assets	47,123,106	40,420,278

Notes to the balance sheet

Assets

In comparison with the figure of 31 December 2006, liquid assets of the Lila Logistik group decreased by 487 kEUR to 3,858 kEUR as at 31 March 2007. As a consequence of a system conversion as well as a higher proportion of customers paying on longer credit terms, trade accounts receivable showed a short-term increase to 13,972 kEUR as at the key date (31.12.2006: 10,460 kEUR). The increase in accrued income, prepaid expenses and other short-term assets by 1,170 kEUR to 1,877 kEUR was essentially due to the delayed VAT refund in connection with the investment in Poland. These investment activities of the Polish subsidiary were also the main reason for the increase in tangible fixed assets by 2,647 kEUR to 13,882 kEUR as at the end of the first quarter of 2007.

Liabilities

As a result of the stronger use of the short-term credit lines, the item 'total short-term loans and short-term portion of long-term loans' rose to 3,488 kEUR (31.12.2006: 2,234 kEUR) as at 31 March 2007. At the beginning of January 2007, a partial amount of 200 kEUR of the loan contributed by the shareholder Michael Müller was repaid by the company resulting in a decrease of shareholder loans to 50 kEUR. As at the key date, trade accounts payable amounted to 6,843 kEUR (31.12.2006: 4,302 kEUR).

Particularly as a result of the financial investments in the Logistics Services Center in Poland, the item 'long-term loans' grew by 2,073 kEUR to a total of 14,170 kEUR in comparison with the amount as at 31 December 2006.

GROUP BALANCE SHEET
(according to IFRS)

Liabilities	31.03.2007 EUR	31.12.2006 EUR
Short-term liabilities		
Short-term portion of financial lease liabilities	192,422	263,639
Short-term loans and short-term portion of long-term loans	3,488,291	2,233,709
Short-term portion of long-term shareholder loans	50,000	250,000
Trade accounts payable	6,843,024	4,301,691
Liabilities within the scope of the group	25,450	25,450
Liabilities to related parties	103,494	191,910
Provisions	365,756	509,865
Tax liabilities	1,081,127	1,014,890
Other short-term liabilities	5,853,670	5,273,796
Total short-term liabilities	18,003,234	14,064,950
Long-term liabilities		
Long-term loans	14,170,093	12,097,353
Long-term financial lease obligations	0	12,411
Deferred taxes	12,553	11,024
Provisions	114,200	49,800
Pension provisions	161,401	161,233
Other long-term liabilities	222,431	154,047
Total long-term liabilities	14,680,678	12,485,868
Shareholders' equity		
Subscribed capital	7,938,375	7,938,375
Capital reserve	9,638,364	9,638,364
Stock options outstanding	23,341	23,341
Other accumulated equity	12,825	18,500
Accumulated deficit	-3,362,559	-3,937,968
Minority interests	188,848	188,848
Total shareholders' equity	14,439,194	13,869,460
Total liabilities	47,123,106	40,420,278

The loss carry-forward declined by 575 kEUR to 3,363 kEUR (31.12.2006: 3,938 kEUR).

The balance sheet total increased primarily due to the investments and the rise in receivables by 16.6 % to 47,123 kEUR (31.12.2006: 40,420 kEUR) causing the equity-to-assets ratio to decline to 30.6 % (31.12.2006: 34.3 %) in the first quarter.

GROUP CASH FLOW STATEMENT
(according to IFRS)

	31.03.2007 EUR	31.03.2006 EUR
Group net earnings	575.409	418.600
Changes for		
Depreciation and amortisation	354.949	480.436
Change in provisions and allowances	-41.115	191.722
Profit from retirement of fixed assets	-51.407	-35.046
At equity valuation	-47.319	-111.350
Gain/Losses on exchange	-5.552	15.785
Change SOP	0	866
Change in deferred tax assets/tax liabilities	240.307	57.348
Change in inventories	-20.217	24.502
Change in trade accounts receivable and accounts receivable from associated and affiliated companies	3.547.375	-601.852
Change in accrued income, prepaid expenses and other assets	-1.169.970	-498.081
Change in trade accounts payable, accounts payable to affiliated companies and accounts payable to related persons	2.452.918	-592.617
Change in other liabilities, accrued expenses and deferred income	648.260	74.734
Cash flow from current activities	-611,112	-574,953
Disposal of subsidiaries, net of cash transferred	0	25,456
Acquisition of fixed assets	-3,007,910	-280,877
Income from the sale of fixed assets	91,680	39,981
Cash flow from investment activities	-2,916,230	-215,440
Change in short- and long-term loans	3,327,321	1,203,382
Change in shareholders' loans	-200,000	0
Change in capital leases	-83,628	-61,189
Cash flow from finance activities	3,043,693	1,142,193
Changes in liquid assets caused by exchange rates	-3,506	
Change in liquid assets	-487,155	-351,800
Liquide assets at the beginning of the period	4,345,289	1,091,108
Liquide assets at the end of the period	3,858,134	1,442,908

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 2007	7,938,375	9,638,364	-3,937,968	23,341	188,848	18,500	13,869,460
Minority interests	0	0	0	0	0	0	0
Consolidated result	0	0	575,409	0	0	0	575,409
Translation of foreign currencies	0	0	0	0	0	-5,675-5,675	
Stock options	0	0	0	0	0	0	0
Balance at 30 March 2007	7,938,375	9,638,364	-3,362,559	23,341	188,848	12,825	14,439,194
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	418,600	0	0	0	418,600
Translation of foreign currencies	0	0	0	0	0	15,785	15,785
Stock options	0	0	0	866	0	0	866
Balance at 30 March 2006	7,920,750	9,633,606	-6,416,456	27,433	188,848	43,701	11,397,882

Cash flow, liquidity

The Lila Logistik group's outflow of funds from the operating activities was 611 kEUR (previous year: 575 kEUR) in the period under review. The outflow as a result of the investment activities, particularly of the Polish subsidiary, amounted to 2,916 kEUR (previous year: 215 kEUR). These outflows were offset by inflows from finance activities reaching 3,044 kEUR (previous year: 1,142 kEUR).

At 31 March 2007, liquid assets amounted to 3,858 kEUR (previous year: 1,443 kEUR).

Capital expenditure, depreciation and amortisation

During the period under review, capital investments by the group totalled 3,008 kEUR (previous year: 281 kEUR). Depreciation and amortisation amounted to 355 kEUR (previous year: 480 kEUR) for scheduled depreciation of fixed assets.

Shareholdings of board members

At 31 March 2007, the members of the Management Board and the 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
Prof. Peter Klaus	Chairman of the Supervisory Board	9,614	–
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	5,000

Personnel

As at 31 March 2007, the Lila Logistik group employed 934 staff, 14 more than in the same period of the previous year. 70 % of the workforce worked in Germany, 30 % of the total staff were employed in Europe outside Germany – above all in Austria, Poland and Belgium. At the same time, in addition 45 young men and women were undergoing training within the Lila Logistik group.

Post balance sheet events

On application of the Management Board, Registergericht (registration office) Stuttgart appointed Dr. Gerd Wecker as a member of the Supervisory Board of Müller – Die Lila Logistik AG until the next General Meeting of Shareholders on 22 June 2007.

Outlook

After completion of the Logistics Services Center in Poland in mid-2007, further operating business activities will be started at this location. The Lila Logistik group considers the expansion of its presence in Poland to be the basis of the establishment of further business relations as well as the basis of the expansion of the business activities in the CEE countries.

In the third quarter of the current financial year, the investment phase started in mid-2006 shall be completed. In parallel, long-term liabilities will moderately increase. Another focus will then be on the optimisation of the investments.

For the current fiscal year 2007, the company expects a slight increase in sales revenues. In the second and third quarter, the development of results, adjusted for the special effect in the first quarter of 2007, will be weaker in accordance with the plans. The forecast here considers the effects from the successful

project start-ups in the course of the fiscal year 2006 as well as the first positive contributions to earnings from the Logistics Services Center in Poland at the end of 2007.

Please note that actual results may differ from these forecasts.

Company diary 2007

Publication of 3-months financial statements	24 May 2007
General Meeting of Shareholders	22 June 2007
Publication of 6-months financial statements	21 August 2007
Publication of 9-months financial statements	28 November 2007
Analysts' presentation	28 November 2007

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Note:

With the exception of the historical information, the information contained herein includes forward-looking statements within the meaning of the "Safe Harbour" conditions of the US Private Securities Litigation Reform Act of 1995 which may involve risks and uncertainties. There are a number of factors that could cause actual results to differ materially from those projected. Such factors include, among others, risks relating to the development of products and services, to the introduction of new products and services, to the sustained demand for services, to the services and pricing of competitors, to a change in the economic conditions at home and abroad and to the prompt performance by partner companies. Further information on these matters can be found in the company's sales prospectus and other publications made in the context of publications required by the stock-exchange supervisory authorities.