Full-year 2012 results presentation

ID LOGISTICS

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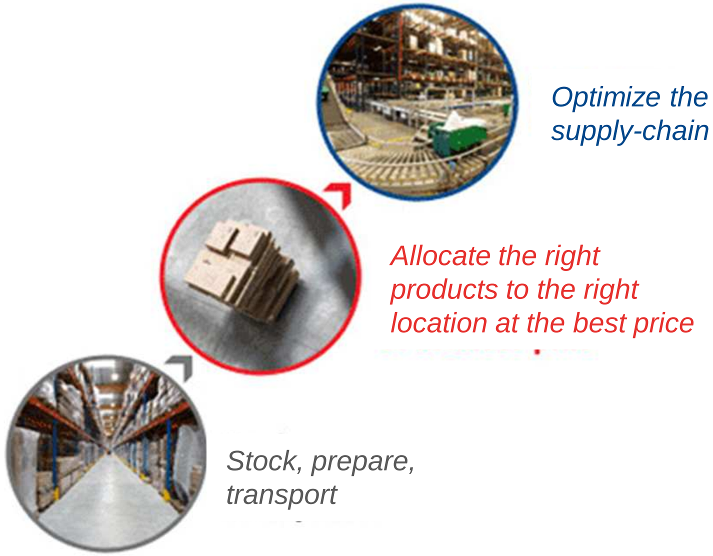
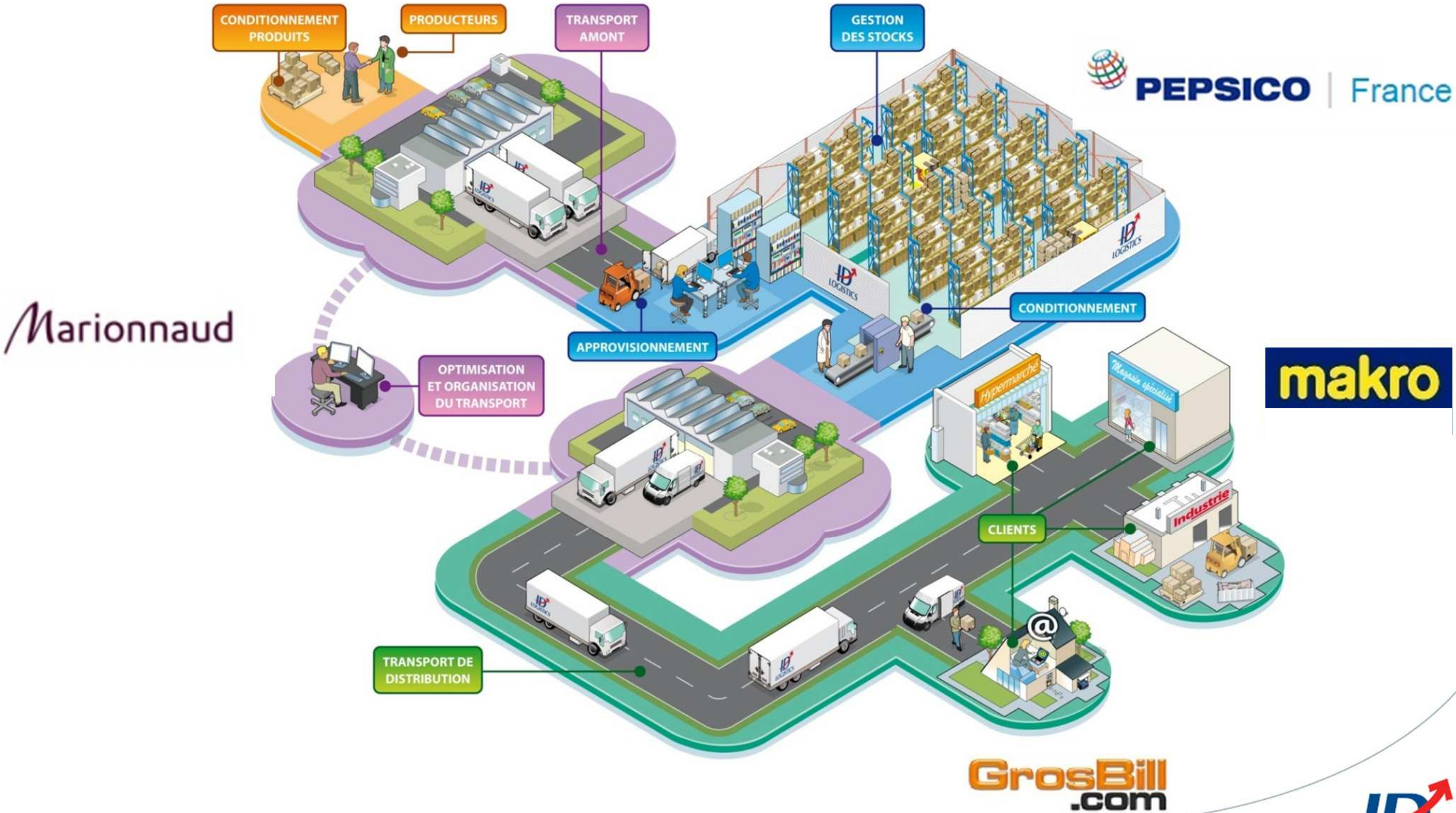
What is contractual logistics?

Long-term contract between an industrial or a retailer and a logistics contractor, to **provide end-to-end specific solutions**, which will ensure the **optimization of its supply-chain management and cost control**.



ID Logistics, a pure player in contract logistics …



… with a strong footprint in emerging markets

56% of our logistics contracts cover customer operations in **at least two countries**

ID Logistics: a diversified customer base

Retail (65% of revenue)				Manufacturing (30% of revenue)			e-commerce (5% of revenue)
Supermarkets	DIY	Home appliances and electronics	Other	Processed food	Fresh food	Non-food	
E.LECLERC groupe carrefour Auchan U Les nouveaux commerçants Les Mousquetaires Label'Vie Supermarchés M Simply Market Netto makro Cash & Carry Belgium Casino	BRICO MARCHÉ BRICOMAN PLUS PRO, MOINS CHER castorama Weldom POINT.P Matériaux de Construction LEROY MERLIN LA PLATEFORME DU BATIMENT	Alinéa boulanger Conforama fnac GPdécors	DECATHLON GRUPO CORTEFIEL YVES ROCHER Marionnaud AVENIR TELECOM Norauto	AmBev Heineken Heinz PEPSICO France KRAFT HiPP Lesieur harrys RÉMY COINTREAU	Bonduelle Lindt DANONE Dole	PPG Chevron NIVEA LE SOIN DEPUIS 100 ANS C'EST LA VIE ingenico SANOFI MERIAL SAFRAN Snecma sogefi antalis	GrosBill.com Auchan.fr Vivons mieux. Vivons moins cher. Marionnaud Alinéa Simply Market La Poste obuy.com

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Contract logistics positioning in its environment

Transport & logistics market

Mail & parcel delivery	Freight-forwarding	Land transport	Contract logistics

Multi-service global leaders

UPS · FedEx · TNT · DHL · KUEHNE+NAGEL

Incumbent national players

LA POSTE · Royal Mail · Deutsche Post

Integrated transport & logistics companies

GEODIS · GEFCO · NORBERT DENTRESSANGLE · STEF-TFE

Pure players

ID LOGISTICS · FM LOGISTIC made in satisfaction

Contract logistics: a growing market

Worth some €200 billion globally in 2011

of which €8.5 billion in France alone,

with 3.3% average annual growth expected for 2012-2015*

Strong growth in emerging markets

Outsourcing rate still low

(30% to 45% depending on the country)

**Sources: Xerfi, Insee, and* Supply Chain Magazine

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2012, a dynamic year for ID Logistics

> **Strong organic growth**
> – Development of automated retail order fulfillment

> **Strengthening of the e-commerce business unit**
> – Acquisition of France Paquets (December 2012)

> **Expansion into a new country : South Africa**

> **Closure of the fruit & vegetable groupage**

> **Reinforced capital thanks to the IPO**

FRANCE PAQUETS
la logistique du colis

- ✓ Privileged access to Colipost network
- ✓ 30 clients in e-commerce stamping and delivery

December 2012

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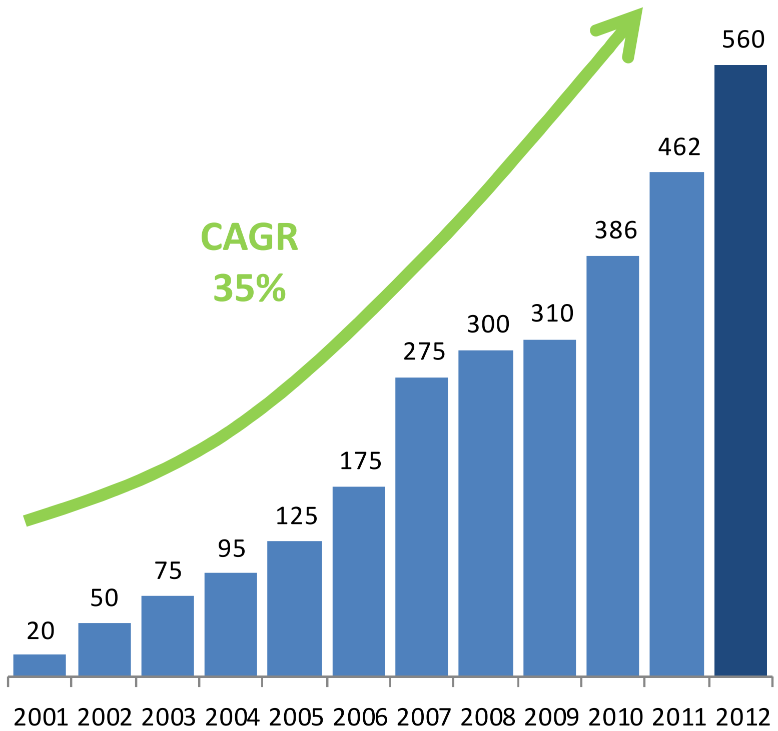
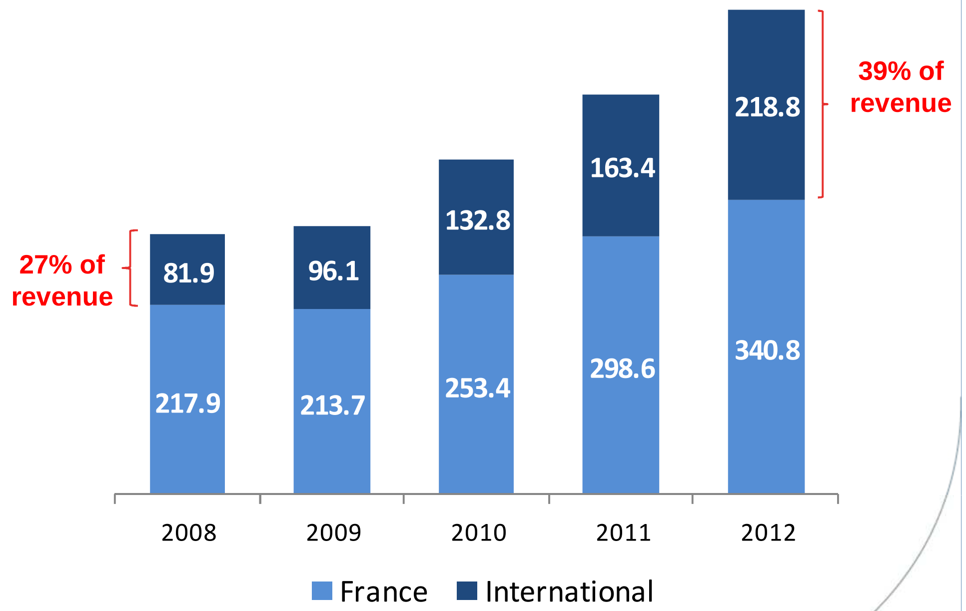
Sustained organic growth

Over a decade of robust revenue growth



Increasing % of international revenue



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A proven growth strategy

	Four growth drivers	FRANCE	INTERNATIONAL	NEW COUNTRIES
1	Positive price/volume effect with existing customers	↗	↗	✗
2	New contracts from existing customers	↗↗ Les Mousquetaires, Auchan	↗↗↗ Leroy Merlin, groupe carrefour	↗ Danone
3	New customers in existing sectors (retail or manufacturing)	↗↗ Groupe Casino	↗ makro Cash & Carry Belgium, real	✗
4	New customers in new sectors	↗↗ Marionnaud	↗ MWM International	✗

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Positive momentum fuelled by organic growth

> **Existing scope**
- Embedded growth
- Long-term contracts offer good visibility

> **New contracts**
- Profitability:
  - Follows a J curve
  - Peaks at end of Year 2
- Investment:
  - CapEx at the beginning of the contract

> **New countries**
- Same profitability & investment profile as new contracts
- Headquarters, overhead costs

Organic growth = Ongoing positive momentum

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A resilient and efficient business model

> **Revenue: prices and volumes**
- Based on the volume of goods stored or handled
- Main costs are linked to indices (real estate prices and inflation)
- Fairly insensitive to the value of goods stored or handled

> **Cost structure can adapt to changing volumes**
- Main expense is personnel costs
- 23% of personnel are temp workers

> **Asset-light business model**
- Resources allocated to each contract
- Operating assets are leased
- Real estate strategy

> **Effective organisational structure suited to rapid growth**
- 12 years' experience in operational financial controls
- Centralised cash management and financing

Excellent financial performance in 2012

> **21.1% jump in revenue to €559.6 million**
  – Market share gains in France
  – Buoyant business in emerging markets

> **Further improvement in profitability**
  – 27% increase in recurring operating income to €18.8 million
  – A 20 basis point rise in the recurring operating margin to 3.4%

> **€4.6 million net profit**
  – Excluding fruit & vegetable groupage activities : €10.1 million (+20%)

> **A healthy balance sheet**
  – €26.7 million of fresh capital from the IPO
  – Net debt-to-equity ratio of 12%

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Strong increase in revenue up 21.6% (y-o-y)

million €	**2012**	2011	Δ	Like-for-like*
Revenue	**559.6**	462.0	21.1%	21.6%
France	**340.8**	299.0	14.0%	13.4%
International	**218.8**	163.0	34.2%	35.5%

The Mory Logidis and France Paquets acquisitions offset the closure of the fruit & vegetable groupage

**At constant scope and exchange rates, excluding the fruit & vegetable pallet delivery and pooling operations discontinued in June 2012*

France (61% of revenue)

> Tight management of existing contracts

> Market share gains thanks to accurate forecasts of customer demand

> Rollout of highly-automated solutions (Marionnaud)

> Ramp-up of the e-commerce businesses

International (39% of revenue)

> Buoyant business in emerging markets (Poland and Latin America)

> Successful expansion into South Africa

27% increase in recurring operating income

million €	**2012**	2011	Δ	**2012 adjusted***	2011 adjusted*	Δ
Recurring operating income	**18.8**	**14.8**	**27%**	**20.7**	**16.8**	**23%**
As % of revenue	***3.4%***	*3.2%*	*20 bps*	***3.7%***	*3.8%*	*-10 bps*
France	**14.0**	11.2	25%	**15.9**	13.2	20%
As % of revenue	***4.1%***	*3.7%*	*40 bps*	***4.7%***	*4.7%*	*0 bps*
International	**4.8**	3.6	33%	**4.8**	3.6	33%
As % of revenue	***2.2%***	*2.2%*	*0 bps*	***2.2%***	*2.2%*	*0 bps*

**Excluding the fruit & vegetable pallet delivery and pooling operations discontinued in June 2012*

France: improvement in underlying operating margin

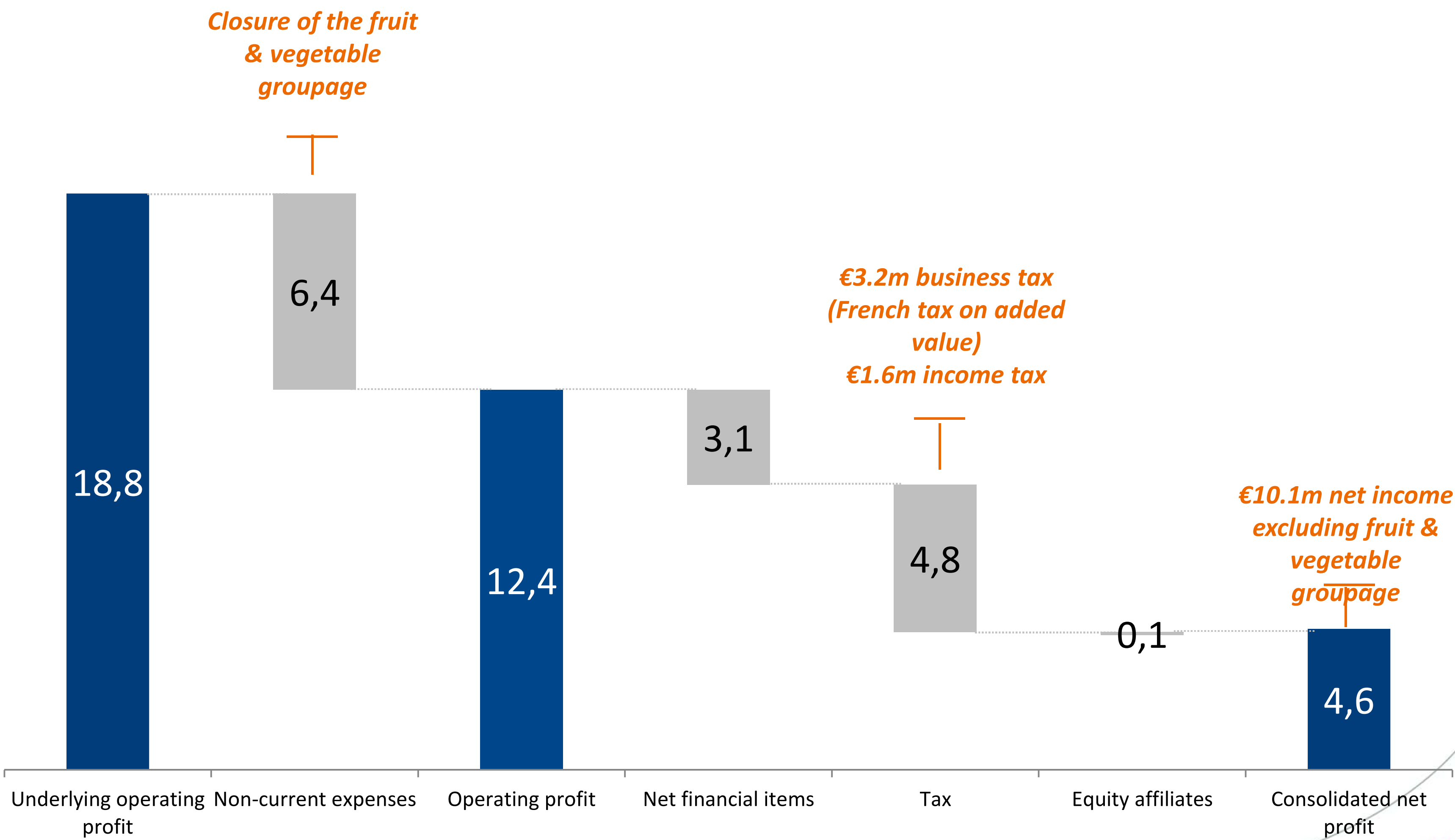
> Shutdown of loss-making fruit and vegetables groupage services

> Operating margin remains stable in the restated scope (despite the first year of integrating the Mory business, whose turnaround was completed in H2 2012), and start-up of new sites in 2012

International: stability of operational profitability

> Despite the opening of new sites and start-up of the South African business end of 2012

€4.6 million net profit impacted by restructuring costs



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Careful cash flow management

million €	2012	2011	Δ
Free cash flow	**27.5**	**4.7**	**N/A**
Including:			
Recurring operating income	18.8	14.8	27%
ΔOperating WCR	(3.6)	(4.0)	-10%
ΔNon-operating WCR	2.6	8.0	-67%
CapEx	(19.6)	(17.3)	13%
Restructuring costs	(4.4)	-	N/A
Proceeds from share issue	26.7	-	N/A

Non-recurring items:
- ***Closure of the fruit & vegetable groupage***
- ***IPO***

Excluding non-recurring items, free cash flow was €5.2 million

> Higher income from operations

> Better control of operating WCR (DSO reduced to 51, from 53 at end-2011)

> Decrease in non-operating WCR (non recurring reimbursments in 2011)

> CapEx in line with revenue growth

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A solid balance sheet

	2012	2011
Gearing *(Net debt/Equity)*	**12%**	72%
Leverage *(Net debt/EBITDA)*	**0.3**	1.2
Interest coverage *(Rec. Op. Income/Net interest expense)*	**7.5**	4.9
ROCE *(Taxed Rec. Op. Income/Capital employed)*	**14.0%**	11.7%

- Sharp reduction in gearing following the IPO
- Enough capital on-hand to finance its external growth ambitions
- High ROCE reflecting the company's asset-light business model

2012 in short: promises kept

- Strong organic growth of 21.6%
- Stable operating margins despite the start-up of several new projects
- Expansion into new sectors
- Expansion into new countries
- Exit from loss-making businesses
- Higher ROCE

Contents

Promising outlook for 2013

- A geographical positioning allowing reasonable optimism for 2013
- High visibility thanks to embedded growth
- On-going sales momentum
- Strong revenue growth
- On the watch for acquisition opportunities

Go Sport: End-to-end order fulfillment solution

> **Signature in February 2013 with Go Sport of a long-term contract to take over the group's logistics on a 50 000 sqm site in Picardie**

> **Design a complete turn-key fulfillment solution**

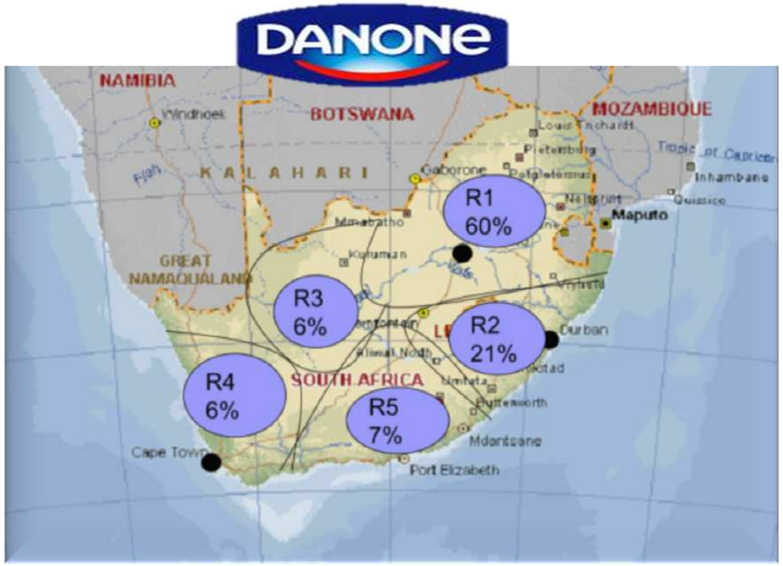
– Installing next-generation logistics software
– Setting up a novel process coupled with a system that allows for automated tasks
– Real estate solution of the warehouse including designing, building, and delivering of a customized logistics platform

> **Underscores ID Logistics' positioning as an expert in comprehensive order fulfillment solutions for the French retail sector**

Danone in South Africa: a new location

- **October 2012 : Take-over logistics activities on the Johannesburg production site**
  - Take-over staff
  - Reengineering of the warehouse
  - Change in IT system

- **2013 : take-over of 3 regional warehouses and organisation of the primary transport**



- **High potential country**
  - 51 million inhabitants
  - First economy in Africa
  - Emergence of a middle class with a strong growth of the consumption (GDP / inhabitant x 3 in10 years to USD 7,600)

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In summary: ID Logistics is well-positioned for the medium-term

- Solid base of long-term contracts with a favourable price/volume profile
- Opportunities with large companies that are increasingly outsourcing supply chain management
- Expansion into new industrial sectors
- Capacity to support customers across the globe
- A player in the market’s consolidation

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2012 consolidated income statement

(million €)	2012		2011		2010	
Revenue	**559.6**		**462.0**		**386.2**	
Purchases and external expenses	(284.8)		(233.4)		(199.5)	
Personnel costs	(232.1)		(193.8)		(155.9)	
Other income and expenses	(9.8)		(5.9)		(5.5)	
EBITDA	**33.0**	***5.9%***	**28.9**	***6.3%***	**25.3**	***6.6%***
Depreciation and amortisation	(14.2)		(14.1)		(12.8)	
Recurring operating income	**18.8**	***3.4%***	**14.8**	***3.2%***	**12.5**	***3.2%***
Non-recurring expenses	(6.4)		-		-	
Operating income	**12.4**	***2.2%***	**14.8**	***3.2%***	**12.5**	***3.2%***
Net financial expenses	(3.0)		(3.6)		(4.1)	
Tax expenses	(4.8)		(4.4)		(3.2)	
Share of profit of associates	(0.1)		0.0		(0.1)	
Consolidated net profit	**4.6**	***0.8%***	**6.8**	***1.5%***	**5.1**	***1.3%***

2012 consolidated cash flow statement

(million €)	2012	2011	2010
Cash flow from operating activities, excluding WCR	**22.3**	**25.5**	**22.5**
ΔWCR	(1.0)	4.1	9.5
Cash flow from operating activities	**21.4**	**29.6**	**32.0**
Cash flow from investing activities	**(19.6)**	**(17.3)**	**(44.0)**
Net financial expense	(2.6)	(3.0)	(3.5)
Other changes in cash flow	26.2	(0.9)	(2.6)
Reduction (increase) in net debt	**25.5**	**8.4**	**(18.1)**
of which cash & cash equivalents	*27.5*	*4.7*	*3.1*
of which debt	*(2.0)*	*3.7*	*(21.2)*

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2012 summary consolidated balance sheet

(million €)	31 Dec. 2012	31 Dec. 2011	31 Dec. 2010
Non-current assets	**142.8**	**133.5**	**131.4**
Trade receivables	94.9	80.9	62.4
Trade payables	(74.9)	(63.4)	(49.5)
Tax and social security liabilities	(78.7)	(72.7)	(62.5)
Net other receivables	2.0	2.5	1.3
Net working capital	**(56.7)**	**(52.7)**	**(48.2)**
Net debt	**(8.9)**	**(33.8)**	**(42.2)**
Equity	**77.2**	**47.0**	**41.0**

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Bios

> **Eric Hémar, Chairman and Chief Executive Officer**
> Eric Hémar, 49, graduated from France's prestigious *École Nationale d'Administration* and started his career at the French National Audit Office (*Cour des Comptes*). In 1993 he was appointed technical advisor to the French Minister of Transport, Tourism, and Public Works (Bernard Bosson). In 1995 he joined Sceta, then Geodis as Corporate Secretary. He led Geodis Logistics until March 2001, when he left to create ID Logistics.

> **Christophe Satin, Executive Vice President**
> Christophe Satin, 42, holds a degree from French management school *Institut Supérieur de Gestion*. He started his career at Arthur Andersen, then gained experience at various companies before joining Geodis as head of overseas finance for Geodis Logistics. He co-founded ID Logistics in 2001 and served as Chief Financial Officer until 2007, when he was appointed Executive Vice President.

> **Yann Perot, Chief Financial Officer**
> Yann Perot, 42, obtained a degree from French business school EDHEC before working for Deloitte in France and the US. He joined Lagardère in 2000 as the CFO of Lagardère Active. In 2007 he took a position as CFO of NRJ Group, then became the CFO of ID Logistics in 2009.

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