ID LOGISTICS GROUP
A French corporation (*société anonyme*) with capital stock of €2,737,240
Head office: 410, route du Moulin de Losque - 84300 Cavaillon
AVIGNON Trade & Companies Registry No. 439 418 922

Registration Document 2012
including the annual financial report

In application of its General Regulation, and in particular Article 212-13 thereof, the Autorité des Marchés Financiers (AMF – the French financial markets authority) filed this registration document on April 30, 2013, under number R. 13-021. This document may only be used for the purposes of a financial transaction if accompanied by a transaction memorandum certified by the AMF.

It was drawn up by the issuer and entails the responsibility of its signatories. It was registered with the AMF in accordance with the provisions of Article L621-8-1-I of the French Monetary and Financial Code (*Code Monétaire et Financier*) after the AMF verified "whether the document is complete and understandable and whether the information it contains is consistent". Registration does not imply certification by the AMF of the accounting and financial information presented.

Copies of this document are available free of charge at the ID Logistics Group head office (410, route du Moulin de Losque 84300 Cavaillon) and in electronic format on the AMF website (www.amf-france.org) and on the Company website (www.id-logistics.com).

Table of contents

GENERAL COMMENTS

Comparative financial statements

Pursuant to Article 28 of EU Commission Regulation 809/2004, the following have been included as comparative figures in this registration document:

- The consolidated financial statements for the year ended December 31, 2010 and the related auditors' report shown on pages 127 and following, and on 213 and 214 of Base Document no. I-12.0003 filed with the AMF on January 24, 2012.
- The consolidated financial statements for the year ended December 31, 2011 and the related auditors' report shown on pages 77 and following, and on 119 and 120 of Base Document Update no. D.12.0024-A01 filed with the AMF on March 16, 2012.

Contents of this document

- The registration document
- The annual financial report
- The management report
- The report of the chairman of the Board of Directors on the members of the board, the procedures for preparing and organizing the board's work and on the internal control and risk management procedures
- Other AMF regulatory disclosures: auditors' fees and description of the share buyback program.

Definitions

In this registration document, except where indicated otherwise:

- "IDL GROUP" means ID Logistics Group SA;
- "Company" means ID Logistics Group SA;
- "Group", "ID Logistics Group" and "ID Logistics" mean the group of companies comprised by ID Logistics Group and its subsidiaries;
- "Registration Document" means this registration document recorded by the French financial markets authority (AMF);
- "Registration Document Date" means the date on which the Registration Document was recorded;

Market information

The Registration Document includes information about markets where the Company and its competitors operate, their respective market shares and the Company's competitive position, in particular in section 1.5 "The market and market developments" and section 1.6 "ID Logistics market positioning". This information is drawn primarily from external surveys. However, publicly available information deemed reliable by the Company has not been verified by an independent expert, and the Company cannot guarantee that a third party using different methods to gather, analyze or calculate market data would obtain the same results.

Risk factors

Investors are invited to give careful consideration to the risk factors described in chapter 2 of the Registration Document, "Risk factors", before making their decision to invest. The occurrence of all or part of these risks could have an adverse effect on the Company's business, position, financial results or objectives. In addition, other risks not yet identified or considered by the Company to be immaterial as of the Registration Document Date could have the same adverse effect, as a result of which investors could lose all or part of their investment.

Forward-looking information

The Registration Document contains forward-looking statements and information on the Group's objectives, in particular in sections 1.6 "ID Logistics market positioning", 1.13 "ID Logistics development strategy" and 4.14 "Business trends", which are sometimes characterized by the use of future and conditional verb forms and forward-looking expressions such as "estimate", "consider", "have as an objective", "expect to", "intend", "should", "wish" and "could", in their affirmative or negative forms, or other similar terms. Such information is based on data, assumptions and estimates deemed reasonable by the Company. The forward-looking statements and objectives referred to in the Registration Document may be affected by known or unknown risks, by uncertainty relating in particular to the regulatory, economic, financial and competitive environments and by other factors that could lead to the Company's future results, performance and achievements being significantly different from the objectives expressed or implied. Such factors may in particular include the factors described in chapter 2 of the Registration Document, "Risk factors".

1/ BUSINESS OVERVIEW

1 BUSINESS OVERVIEW

1.1 ID LOGISTICS: A BOOMING CONTRACT LOGISTICS PURE PLAYER

Founded in 2001, ID Logistics is a major contract logistics operator in France and abroad. With operations based in twelve countries, the Group provides domestic, and therefore principally land-based, contract logistics services in each of them. To date, the Group does not handle international transport, with the exception of a small-scale container management operation.

Capitalizing on its "pure player" position, ID Logistics provides customers with global logistics solutions covering the entire supply chain and provides the following services:

- **Warehousing and value-added services:** warehousing, inventory management, order picking, kitting, co-packing, packaging, replenishment, optimization of logistics flows, cross-docking, etc.

- **Transport and operational organization**: Transport organization, administration of transport orders, routing plan optimization, dedicated vehicle fleet, combined transport, dedicated monitoring team, etc.

- ***Supply chain*:** implementation of integrated ERP or Warehouse Management System (WMS) software on behalf of customers, inbound and outbound warehouse flow monitoring, back-up plan, project management, etc.

- **Turnkey project delivery:** barycentric determination of the optimum customer site location, warehouse design in accordance with the customer's specific requirements, relations with local authorities, obtaining the requisite authorizations, etc.

- **E-commerce**: implementation of specific tools and bespoke office solutions, etc.

Since its inception, the Group has focused growth on a range of customers consisting primarily of major French retailers and European manufacturers.

These customers operate in the following sectors: Dry goods (general retail); non-food or general goods (general or specialized retail); home improvement products; fresh produce (chilled temperature controlled deliveries for retail and manufacturing customers); the FMCG industry (Fast Moving Consumer Goods) (general or specialized retail suppliers); high-tech electrical products (hi-fi and high-tech product retailers); industry (automotive, paints, chemicals, drinking glass manufacture); textiles (specialized distribution of clothing and accessories); fragrances (specialized boutiques or general retail); cross-channel e-commerce (websites developed by retail customers in addition to their bricks-and-mortar retail outlets).

1.2 MILESTONES IN THE COMPANY'S DEVELOPMENT

The key dates in the history of the Company are as follows:

2001
- Incorporation of Vision Investissement, which was subsequently renamed ID Logistics Group
- Acquisition of the logistics business of La Flèche Cavaillonnaise
- First round of funding: Fonds Partenaire Gestion (Banque Lazard) 44%, La Flèche Cavaillonnaise 27%, founders 29%
- Launch of the subsidiary and commencement of operations in Taiwan
- By the end of the year the Group was already operating nearly 100,000 sqm of warehouse space

2002	• Launch of the subsidiary and start of operations in Brazil
2003	• Start of operations in China
2004	• Development and deployment of zero paper order "voice-picking" technology in France • Warehouse space operated by the Group passes the 500,000 sqm mark, with revenues of €100 million • Launch of site equipped with high-frequency sorting at Evry, France
2005	• Launch of two subsidiaries and start of operations on Réunion Island • Shareholder restructuring after Banque Lazard's withdrawal: 50.5% of Company equity now held by Group management
2006	• Launch of the subsidiary and start of operations in Spain
2007	• The Group operates 1 million sqm of warehouse space worldwide and becomes one of the top ten logistics operators in France in terms of revenue (source: Journal de la Logistique, September 2007) • La Flèche Cavaillonnaise becomes a ID Logistics Group subsidiary, now independent and wholly owned by its directors • Launch of the subsidiary and start of operations in Indonesia
2008	• Launch of the subsidiary and start of operations in Poland
2009	• Launch of the subsidiary and start of operations in Argentina
2010	• Start of "Logistic on demand" operations in Morocco (providing "Service as a Software" solutions with leased warehouse management IT systems) • Launch of the subsidiary and start of operations in Russia
2011	• Launch of the first ever smart pick-n-go truck in France: a classic order-picking truck connected to a radio frequency voice recognition system, a warehouse management software and a laser guiding system • Warehouse space operated by the Group worldwide has doubled in 5 years and is now nearly 2 million sqm
2012	• Acquisition of Mory group's logistics division • Company IPO on the Paris NYSE Euronext market with the public float accounting for 25% of capital stock • Launch of the subsidiary and start of operations in South Africa

1.3 SELECTED ANNUAL FINANCIAL INFORMATION

The financial information given below is based on the consolidated financial statements for the years ended December 31, 2012, 2011 and 2010, prepared pursuant to current IFRS. The financial statements for the year ended December 31, 2012 are included in section 4.8 of the Registration Document, "Annual historic financial information".

The principal accounting and operational data should be read in conjunction with the information contained in sections 4.2 "Comparison of years ended December 31, 2012 and December 31, 2011", 4.3 "Cash and capital" and 4.4 "Cash flow".

The figures stated in euro millions in the tables shown in this chapter have been rounded in line with those given under chapter 4, "Financial statements".

The Group posted 2012 revenues of €559.6 million, operating income (EBIT) of €18.8 million and net income of €4.6 million.

Backed by some 10,000 employees, the Group has 141 sites, comprising 2.5 million square meters of warehouse space, and 195 contracts under management.

- Summary income statement for the year ended December 31

€m	**2012**	**2011**	**2010**
Revenues	559.6	462.0	386.2
EBITDA *	33.0	28.9	25.3
EBITDA margin (% revenues)	*5.9%*	*6.3%*	*6.6%*
EBIT	18.8	14.8	12.5
EBIT margin (% revenues)	*3.4%*	*3.2%*	*3.2%*
Total consolidated net income	4.6	6.8	5.0
Net margin (% revenues)	*0.8%*	*1.5%*	*1.3%*

** EBITDA corresponds to underlying operating income before depreciation, impairment and amortization on PP&E and intangible assets.*

- Breakdown of revenues for the year ended December 31

€m	**2012**	**2011**	**2010**
France	340.8	298.7	253.4
International	218.8	163.4	132.8
Total	559.6	462.0	386.2

- Breakdown of underlying operating income (EBIT) for the year ended December 31

€m	**2012**	**2011**	**2010**
France	14.0	11.2	9.1
EBIT margin (% revenues)	*4.1%*	*3.7%*	*3.6%*
International	4.8	3.6	3.4
EBIT margin (% revenues)	*2.2%*	*2.2%*	*2.5%*
Total	18.8	14.8	12.5
EBIT margin (% revenues)	*3.4%*	*3.2%*	*3.2%*

- Summary statement of cash flows for the year ended December 31

€m	**2012**	**2011**	**2010**
Net change in cash and cash equivalents			
- from operating activities	21.4	29.6	31.8
- from investing activities	(19.6)	(17.3)	(44.0)
- from financing activities	26.4	(7.2)	15.1
Other changes	(0.7)	(0.4)	0.2
Net underlying change in cash and cash equivalents	27.5	4.7	3.1

- Summary balance sheet as of December 31

€m	**2012**	**2011**	**2010**
Non-current assets	142.8	133.5	131.4
Working capital	(56.7)	(52.7)	(48.1)
Net borrowings (1)	8.9	33.8	42.3
Total consolidated shareholders' equity	77.2	47.0	41.0

(1) Net borrowings corresponds to gross borrowings plus bank overdrafts less cash and cash equivalents.

1.4 OVERVIEW OF ID LOGISTICS ACTIVITIES

ID Logistics is a contract logistics pure player having developed skills and competencies that distinguish it from its direct competitors; this explains why the Group has grown so strongly over the past few years:

- A totally customer-focused organization

ID Logistics strives to place itself at the core of its customers' logistics strategy. The Group has put in place a specific organization focusing on customer relations in order to meet customers' expectations as closely as possible and to come up with suggestions anticipating future developments in their business.

- Consistent first-grade operational quality worldwide

In order to provide consistent and optimum quality of service throughout all French and foreign subsidiaries, the Group has established a set of "best practices" with a view to ensuring top quality service when launching new sites in France and abroad, and facilitating the transfer of expertise and values within the Group.

- A culture geared towards innovation

Since inception, the Group has made innovation one of its top priorities, notably by setting up an R&D department so that it can offer customers cutting-edge technological solutions. This policy allows the Group to develop so as to improve the operational and financial performance of its operating sites and to offer better working conditions for its employees (e.g. via a reduction in accident rates, increased productivity, etc.).

- Control of information systems

The Group has acquired significant expertise in the management and implementation of information systems, allowing it to install customized solutions according to the site typology and to benefit from real-time access to structured information. The fluidity and reliability of this information allows the Group to analyze and thereby continuously improve site performance.

- Very experienced longstanding employees who share Group values

The Group attaches particular importance to imparting values to employees including enterprise, operational excellence, rigor and solidarity. Moreover, ID Logistics has been able to attract and retain talented people and to construct a stable management team in consequence.

Finally, in addition to its competitive advantages, ID Logistics has adopted a customer-focused strategy of sustainable development and growth. To this end, the Group has set up a number of projects aimed at reducing the Group's carbon footprint and has developed specific environmental and financial analysis and improvement expertise on behalf of its customers.

1.5 THE MARKET AND TRENDS

1.5.1 Definition of contract logistics

*"Logistics comprises all operations that enable the right product to be delivered at the right time, in the right place and at the lowest cost. Specifically, logistics refers to the business of managing flows between an enterprise, its suppliers and its customers. It consists in optimizing the physical flow of goods as well as internal and external information and financial flows. "*Xerfi 2010- Logistics suppliers in France*.*

Contract logistics consists in formalizing the assets to be employed and the objectives to be met by means of a formal contractual commitment between the customer and the service provider.

1.5.2 A changing business

During the last ten years, the shipper (representing the payer of the logistics operator) has gradually shifted its thinking from that of a purchaser of separate services (warehousing, transportation, labor for value-added services, etc.) to thinking in terms of final purpose, where global supply chain management has become a key competitive factor.

The diagram below illustrates this development:

From resource purchase thinking … to final purpose thinking

A strategic link in the value creation chain

In fact, the surface area allocated to warehousing by shippers has decreased sharply owing to the use of part of this surface for sales operations (retailers) or production (manufacturers). The tightening of the regulations has also led to the rapid growth of so-called class "A" logistics sites. This trend is reflected in the increased outsourcing of inventory management and in tighter product flows of increasing speed and complexity.

This tight logistics flow causes major fluctuations in volumes handled, with ever more accentuated activity peaks forcing logistics companies to provide innovative solutions. This is especially the case in the large retail sector. In order to implement flexible and reactive solutions, logistics operators need to anticipate flows in advance, sharing information on their forecasting activities with their customers, and steer the whole of the logistics process from supplier to end customer.

Thus major customers are manifesting a growing preference for service providers able to cover all aspects of logistics and to operate over a wide geographical area. They want to work with logistics operators who can optimize the whole of their logistics process in terms of planning, physical and information flow management and cost reduction (global flow management offer) and who can align themselves with the customer's development strategy and hence with its logistics strategy.

Managing and optimizing a customer's supply chain therefore requires a cross-functional approach to flows within a company, from planning to execution, from the consideration of market requirements to the assets to be deployed in order to satisfy those requirements. This approach frequently results in the implementation of a continuous improvement process and of profound rethinking leading to the reorganization and reengineering of the entire logistics process. The aim of this continuous improvement approach is therefore to improve the availability of a retailer's products for the end customer and, in consequence, the financial performance of the retailer.

Abroad, the growth of major retailers and manufacturers in emerging countries has been supported by the introduction of logistics solutions adapted to the specific features of each country. The rapid pace of growth and state of development in these countries ensures steady growth in the logistics market.

ID Logistics was founded in 2001 specifically in response to growing demand from large consumer goods shippers, retailers and manufacturers, in France and abroad. Its capacity to anticipate market developments and respond to them has been the principal driving force behind the meteoric growth it has enjoyed since inception.

1.5.3 New customer expectations

Current shipper expectations are more complex and more global. They are summarized in the table below:

Shippers' expectations (source: XERFI, aforementioned report)	**Logistics provider's responses**
"Improvement in flexibility (i.e. lead times and reactivity), especially during periods of economic uncertainty"	Define with each customer the tools and resources to ensure such flexibility
"Greater market differentiation and specialization"	Develop a customer-focused approach allowing customers to benefit from specialized know-how according to activity type
"Less price rigidity owing to the ability to offer shared solutions"	Demonstrate ability to offer solutions common to several customers or between manufacturers and retailers
"A more comprehensive traceability offer"	Perfect mastery of advanced IT systems, to

	meet the requirements of customers demanding complete traceability of goods, both food and non-food
"Optimized information systems (EDI, RFID)"	Prioritize integration of IT solutions in order to optimize logistics
"Improved communication"	Formalize and periodically review communication procedures and systems
"More environment-friendly flow management"	Make environment-friendly flow management a standard component in offers
"International services and networks"	As practiced by ID Logistics, incorporate the ability to support customers in foreign operations as a key element in development strategy

1.5.4 The French contract logistics market

The contract logistics market encompasses a wide range of activities including warehouse inventory management, related services such as packaging and end-of-production operations and the management of all associated flows, in particular transportation. It is difficult, therefore, to estimate directly the size of the market, with the result that we must use figures published by the various sub-groups concerned.

The transportation, warehousing and value-added services market

The sources (Xerfi – December 2012, Supply Chain Magazine – May 2012, Insee – various 2012), state that the French warehousing market is estimated to be worth between €8-9 billion. The total size of the transportation, warehousing and value-added services market may be estimated at between €40-45 billion, i.e. 2.5% of French GDP in 2010 (excluding air and sea transportation).

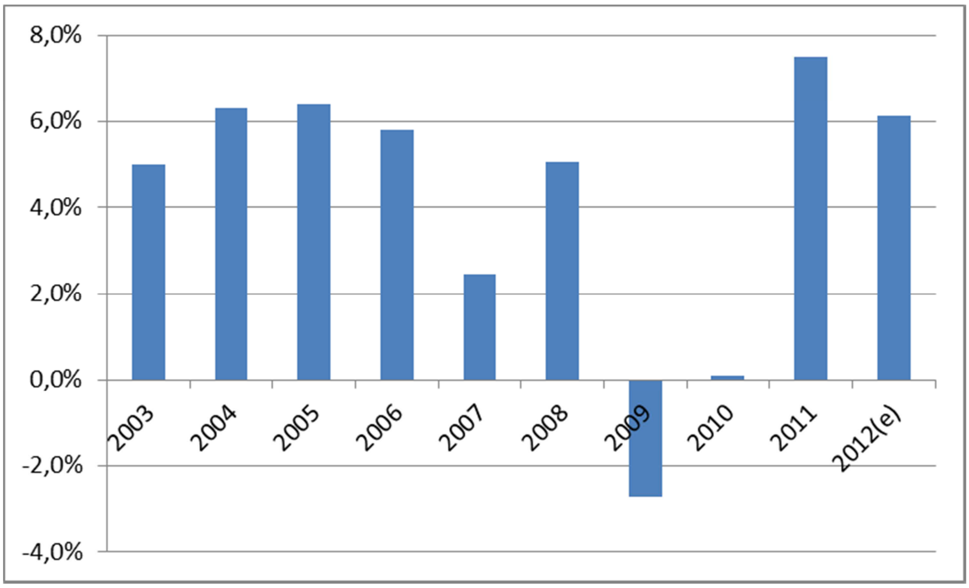
The contract logistics market accounts for less than 20% of this market, but is growing more rapidly

The contract logistics market may be estimated at around €8.5 billion accounting for under 20% of the broader transportation, warehousing and value-added services market. The top ten companies in the French contract logistics market (see details in subsection 1.5.5) account for less than half of this market, and none of them has a market share of more than 10% (source: *Supply Chain Magazine*, May 2012).

Within the global transportation and warehousing market, which is growing in line with GDP, the contract logistics market is growing more strongly, in particular owing to companies' increasing outsourcing of this function.

Indeed, the contract logistics market grew on average at over 5% per year between 2003 and 2008. 2009 was hit by an overall 3% decline largely due to a sharp fall in volumes that mainly affected logistics operators associated with the manufacturing industry, for which volumes fell by 13%. This contrasted with the retail sector, which suffered a fall of only 0.6% in volumes for the same period (source: INSEE). The market subsequently flattened in 2010 before resuming a constant upward as of fourth quarter 2010.

Revenue growth of the leading logistics operators in France



Source: Xerfi, Insee

Market development factors

- **Sensitivity to the state of the economy and consumer trends**

While sensitive to the economic situation, household consumption (particularly for consumer goods) is relatively stable in volume provided that demographic trends are constant. Indeed, during an economic recession, consumers focus primarily on price, with the result that they may reduce their outgoings in value terms but not necessarily in volume. Therefore contract logistics companies, whose income depends mainly on volumes handled (pallets, order picking, etc.) are less affected by economic slowdowns. Nevertheless, the major difficulty for contract logistics players during an economic crisis lies in the erratic fluctuation in volumes handled and the uncertainty that surrounds them. Household consumption also depends on changes in purchasing power and on demographic trends.

Developments in consumer habits (in particular the rise of hard discount stores, specialized retailers, on-line shopping etc.) may result in the emergence of new market players and may induce major customers to modify their logistics arrangements. Adaptation to consumer behavior is a key factor for large retailers and consequently for their logistics operators as well.

- **Optimization of customers' supply chains has become a key strategic factor**

In order to respond to customers' new expectations, logistics groups are positioning themselves as global providers able to manage all types of goods flow over an ever expanding geographical area. Good supply chain management for consumer goods customers has become an important selling point and source of added value through product availability, limiting inventory shortages, minimizing inventories and costs, etc.

In addition, major customers tend to prefer a limited number of suppliers capable of sustaining structuring projects that require genuine expertise and a capacity for investment. This growing importance of leading players in the industry is counterbalanced by a decline in the policy of purchasing services from a wide range of transportation and warehousing suppliers.

- **A strategy of increased outsourcing**

Besides economic factors, the environment in which logistics operators operate is characterized by a structural upward trend in the outsourcing of logistics functions by shippers. The use of subcontractors in this way is justified by the following needs:

- Need for savings: in-house logistics departments are frequently a source of high costs for companies
- Need for flexibility: in order to focus on their core business without the need to concern themselves with logistics issues, customers are expecting their logistics suppliers to demonstrate a real ability to share costs coupled with a certain flexibility
- Need for expertise: the high-level technical know-how required to manage flows of increasing complexity is guaranteed by the logistics operator's experience and capacity for innovation
- Need for support for international expansion: outsourcing increases a company's capacity for deployment abroad, especially in the case of rapid growth.

In France, the rate of logistics function outsourcing is estimated at 30% (*source:* Xerfi) compared to 40 to 45% in Anglo-Saxon countries. There is still considerable scope for progress, especially during the current period when the uncertainty and lack of confidence that plague the global economy are a source of reassurance for economic players that have decided to focus on their core business and outsource their ancillary functions in order to gain flexibility and reduce costs.

- **The development of optimized logistics solutions is necessary owing to the structural increase in the cost of inland transport**

For about ten years, the main shippers have been convinced that the cost of transportation can only rise, due to:

- rising oil prices,
- an increasingly stringent transport taxation policy (road tolls, etc.),
- increasingly stringent environmental regulations, initiated in particular by governments (e.g. the Grenelle Environment Forum in France).

In addition, most shippers have implemented a policy of consolidating transportation and optimizing transport users and processes (e.g. aiming to fill trucks, use of combined transport, etc.).

This strategy is leading to two underlying trends:

- Gradual decline in shipments "per pallet" to the detriment of the major pallet distribution and pooling networks
- Growth in the number of consolidation warehouses that enable consolidation of transport and predominantly "full load" logistics, where a full truck (freight wagon, barge, etc.) leaves from a single point and delivers to a single customer, in contrast to palletized distribution or pooling, where a pallet reaches its destination after being transported in several vehicles across several pooling platforms.

- **Major shippers' sustainable development strategies bolster this trend**

The emergence of sustainable development issues has only accelerated this trend. Indeed, companies' efforts to reduce their carbon footprint compel them to look for ways to step up transport consolidation.

These factors also reinforce the need to have global providers capable of measuring CO2 emissions throughout the supply chain, of proposing sufficiently comprehensive action plans in order to reduce their impact and of proposing global supply chain optimization solutions (see section 6.7 of the Registration Document, "Sustainable development and growth").

1.5.5 Principal contract logistics companies in France

Customers tend to carry out part of their logistics operations internally and to diversify the outsourced part between different providers over the same geographical area. One logistics company may therefore be under several contracts for the same customer without being that customer's sole logistics provider.

Contract logistics services are delivered at domestic market level (no cross-border transport) and therefore markets are assessed on a country-by-country basis. With regard to the Group's competitors, in view of the importance of France for the Group's business (61% of 2011 revenues), ID Logistics has limited the following competitor overview to its primary geographical market. Moreover, the competition in the other countries in which the Group operates mainly consists of companies already present in France and/or local competitors.

The main players on the French market

The table below shows the revenues of the top 10 operators on the French market in 2011.

		2011 revenues – contract logistics France	**2011 revenues – Group total worldwide**	**Comments**
GEODIS	GEODIS	€651 million	SNCF Group: €32,600 million	Fully consolidated into SNCF in 2008
KUEHNE+NAGEL	Kuehne+Nagel	*not available*	€16,736 million	Main activity freight forwarding
NORBERT DENTRESSANGLE	Norbert Dentressangle	€506 million	€3,576 million	Transportation 55%, Logistics 45%, 2011 launch of freight forwarding
DHL	DHL	€400 million	Deutsche Post: €52,800 million	Leader in the sector
STEF-TFE	STEF TFE	€390 million	€2,300 million	Temperature controlled transport and logistics specialist in Europe

	GEFCO	*not available*	€3,782 million + PSA	Wholly-owned subsidiary of PSA
	ID Logistics	€299 million	€462 million	*Pure player*
	FM Logistics	€272 million	€807 million	*Pure player*
	CAT	*not available*	€1,050 million	Automotive logistics specialist
	Olano Group	€160 million	€200 million	Temperature controlled transport and logistics specialist

Source: Supply Chain Magazine (May 2012), Gaullar News (May 2012), Company

Most logistics operators are large companies operating in several businesses (e.g. Kuehne+Nagel in freight forwarding, DHL Deutsche Post in mail, SNCF in rail transport, etc.) that have often acquired logistics companies in the context of their acquisition strategy.

While the number of pure players is limited, it is growing rapidly owing to their specialized nature and expertise.

ID Logistics is one of the top ten players in the industry with a market share in France of around 3.5%.

A strong consolidation trend over the past 10 years

Since 2001, the logistics market has undergone considerable consolidation, as market players have sought to expand their competencies and reach the critical mass required in order to offer a wide range of services and support their customers' international growth.

The table below summarizes the principal acquisitions since 2000:

Target	Buyer	Year
Danzas (Switzerland)	Deutsche Post (Germany)	2000
DHL (USA)	Deutsche Post (Germany)	2006
Exel Logistics (UK)	Deutsche Post (Germany)	2004
Tibbet and Britten (UK)	Exel Logistics (UK)	2002
Ocean Freight (UK)	Exel Logistics (UK)	1998
Barlatier (France)	TNT Logistics (Netherlands)	2002

Transport Nicolas (France)	TNT Logistics (Netherlands)	2003
Stock Express (France)	Danzas (Switzerland)	1999
Giraud Logistics (France)	Wincanton (USA)	2005
Stockalliance (France)	Norbert Dentressangle (France)	2003
TNT Logistics (Netherlands)	Norbert Dentressangle (France)	2006
Christian Salvesen (UK)	Norbert Dentressangle (France)	2008
TDG (UK)	Norbert Dentressangle (France)	2011
Santos (Spain)	FCC Logistica (Spain)	2003
Hays Logistics (UK)	Kuehne+Nagel (Switzerland)	2006
Alloin (France)	Kuehne+Nagel (Switzerland)	2008
Mory Logidis	ID Logistics (France)	2011

The arrival of Japanese (Nippon Express) and Chinese (Sinotrans) competitors is the result of those companies' strategy of supporting their domestic customers abroad. Their operating sites in Europe are confined mainly to import/export warehouses in the form of advanced spare part platforms. For this reason they are not in direct competition with ID Logistics.

1.5.6 Main logistics market trends in foreign countries where the Group operates

Outside France, the Group has chosen to support its customers in 11 countries or regions, comprising Spain, Poland, Russia, China, Taiwan, Indonesia, Morocco, Indian Ocean, Brazil and Argentina.

These countries and regions are predominantly areas of rapid growth that are still behind more developed countries like France and Spain in terms of development. These macroeconomic factors are reflected in a tendency to develop innovative solutions more geared towards growth than towards the reorganization and reengineering of the logistics process.

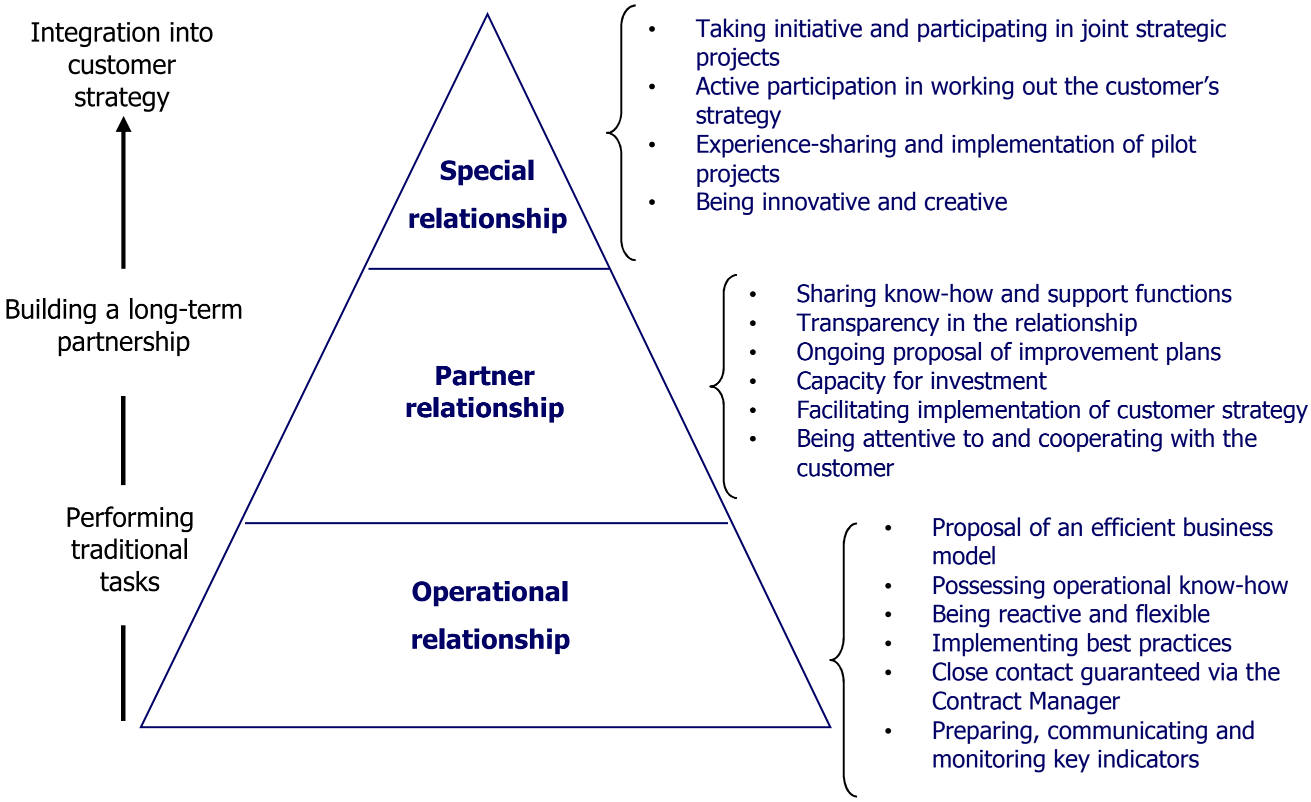
The growth of the logistics market within emerging economies is inextricably linked to the increase in household consumption, creating the need to develop high quality logistics infrastructures for large retailers and manufacturers. Moreover, most of these countries have large growing populations representing major potential, in particular for the consumer goods sector.

1.6 MARKET POSITIONING OF ID LOGISTICS

ID Logistics is a contract logistics pure player in France and abroad. The Group offers an integrated logistics solution including transportation, warehousing and value-added services, designed primarily for major corporate customers.

As a pure player since its incorporation and backed by ten years of experience, ID Logistics can offer not only individual logistics services but also logistics solutions ranging from the performance of traditional logistics operations to the design of solutions that are integrated into the customer's strategy.

The various levels of customer relationship



This positioning enables ID Logistics to place itself at the core of its customers' logistics strategy. This approach is particularly evident in the Group's ongoing commitment to innovation, constant search for financial and environmental optimization solutions, constant endeavor to improve its customers' flows, etc.

Thanks to this approach, the Group has established long-term relationships of trust with its customers, as borne out by the support which the Group has provided to those customers' international development (operating bases in 11 new countries since 2001).

1.6.1 Detailed presentation of ID Logistics' services

ID Logistics offers a wide range of logistics services to its customers:

Warehousing and value-added services

The ID Logistics offer meets the specific requirements of ambient and fresh produce logistics and e-commerce.

- Warehousing: use of a warehouse for the storage of goods
- Inventory management: real-time monitoring of inventory levels, turnover, sell-by dates, etc.
- Order preparation: picking products, packages or pallets in a warehouse for the preparation of an order to be delivered to a distribution center or point of sale

- Kitting: putting several items together to form a kit or pack
- Co-packing: operation involving the grouping of parts into a batch (special offers, for example) or for shop displays
- Packaging (shrink-wrapping or repackaging): preparation of a package in the desired packaging and containers
- Just-in-time assembly line supply and Kanban: supply of a minimum inventory of parts or work-in-progress alongside the assembly line, to be used and replenished based on production requirements. Kanban is one of the just-in-time techniques.
- Consolidation: flow management designed to maximize the loads of the transport vehicle (truck, wagon, barge, etc.)
- Cross-docking: organizing transport such that the goods are received from the suppliers and customer orders prepared and shipped on the same day, with zero time in inventory
- Multi supplier consolidation: sharing of a warehouse by several suppliers of the same customer. The goods remain the property of the suppliers, which are often too small to be able to deliver regularly to retailers at a competitive price. This type of storage guarantees the availability of products to the customer.
- Quality control: an operation designed to control the compliance of goods reception and shipments.

Transportation and flow organization

- Transport organization: on behalf of the customer, ID Logistics organizes and optimizes transport schedules and routes over a given geographical area; the customer maintains a direct contractual relationship with its carriers
- Administration of transport orders: administration of delivery notes, scheduling, arranging meetings, monitoring of disputes, etc.
- Transport schedule optimization: regular proposals to reengineer routing plans in order to reduce costs
- Dedicated vehicle fleet: use of vehicles dedicated to the customer
- Combined transport: use of combined rail and road solutions
- Container tracking: real-time tracking of containers with a view to optimizing the customer’s supply chain
- Dedicated monitoring cell: transport organization on behalf of the customer, including forwarding and contractual relations with the carriers designated by ID Logistics.

Supply chain optimization

- Customer-side installation of warehouse management software (WMS – Warehouse Management System) or ERP software interposed between commercial purchasing management and warehouse inventory management
- Proposed implementation of systems to enable real-time monitoring of supply chain flows
- Management of in/outbound warehouse flows: ID Logistics manages and optimizes inbound and outbound flows at the customer’s warehouses, irrespective of whether or not the warehouse is managed by ID Logistics
- Organization of meetings: ID Logistics manages and optimizes its customer’s meetings with carriers concerning deliveries and dispatches to and from the warehouse
- Back-up plan: ID Logistics designs and manages back-up plans for its customers in order to ensure ongoing delivery to their points of sale even if one or more of their sites are not in operation due to fire, adverse weather conditions, strikes, etc.
- Project management: ID Logistics participates in the design and implementation of all types of projects related to its customers’ supply chains in France and abroad (e.g. prospecting, impact studies, solution consulting, etc.)

Turnkey project delivery

- Determination of the optimum customer site location on the basis of barycentric calculations, making allowance for the customer's inbound and outbound transportation constraints
- Identification and purchase of land
- Design of warehouse plans according to customer specifications
- Relations with local authorities and obtaining the necessary permits and authorizations
- Optimum integration within the environment, construction in accordance with the French High Quality Environment (HQE) standard
- Construction monitoring until handover

E-commerce

The Group has implemented special tools designed to deal with specific issues related to e-commerce:

- Choice of a specific information system: the Group has decided not to resort to the usual systems but to acquire a customized information system suitable for this type of process;
- Appropriate real estate solutions allowing a large degree of flexibility and sharing of e-commerce operations;
- Partnerships with express and pallet distribution networks in order to provide a global offer to the customer.

The Group has acquired particular expertise in this business and applies it in all countries where it operates.

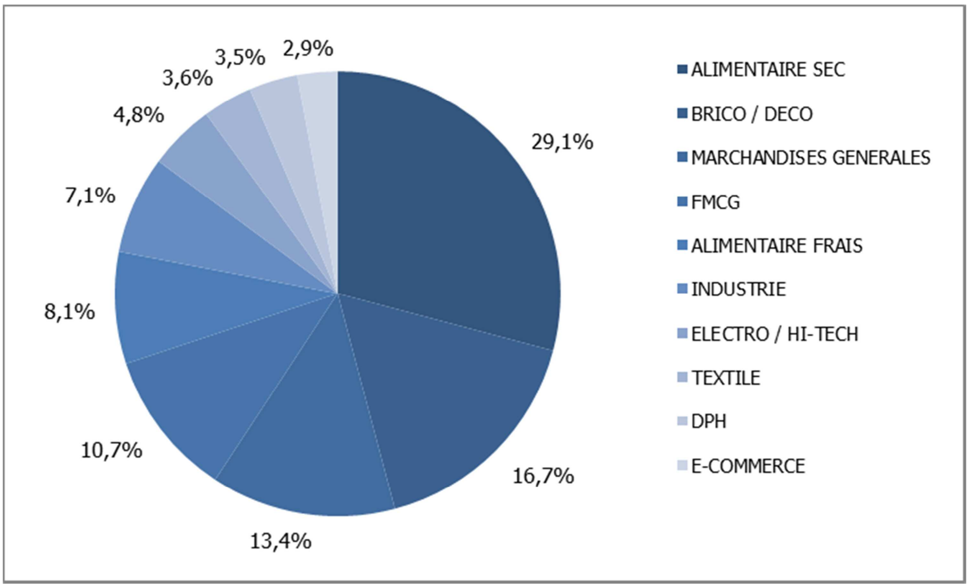
The emergence of e-commerce requires logistics providers to manage more complicated flows. Indeed, a logistics provider must have the requisite systems allowing it to receive a purchase order for a product stored in one of its warehouses and viewed and purchased online by the customer, and to send the product directly to the customer from the warehouse or make it rapidly available at a retail outlet for collection by the customer.

As of the Registration Document Date, the Group operates in the e-commerce market only for retailers also operating traditional retail outlets. The Group does not work with pure e-commerce retailers, which by strategic decision very rarely outsource their logistics requirements.

1.6.2 Market typology

ID Logistics does business in a broad range of markets including retail, specialist distribution, mass consumer market operators and e-commerce.

The pie chart below shows the breakdown of 2012 Group consolidated revenues by service:



** HBA: Health, Beauty & Accessories*

Dry goods (41 contracts spread over all Group countries)

- **Typology**: Mainly large general retailers

- **Customer requirements**: In view of the surge in the number of food product references, major retailers have adopted the policy of drastically reducing their inventory levels to achieve an average close to 10 days per warehouse.
  Several years ago the sector entered a new phase, consisting of further acceleration of flows due to the transformation of warehouses into cross-docking platforms. This new strategy has forced industrial suppliers to adapt their mode of delivery to the new system. Logistics has become a key competitive factor for retail chains that need to ensure constant availability of products at minimum cost.

- **ID Logistics' response:** With 41 contracts accounting for approximately 29% of its revenues, the Group is one of the European leaders in the dry goods logistics sector.

  Since inception, ID Logistics has focused on new technologies and innovation in the management of this type of contract. With *Voice-Picking* deployed in all countries for all dry goods contracts since 2004 and the mechanization of cross-docking centers since 2006, the Group has become a benchmark in this business. The launch of the *Pick and Go* truck at the end of 2010 consolidated the Group's lead over its main competitors.

Non-food or general goods (28 contracts in France, Spain, Poland, Taiwan, and Brazil)

- **Customer typology**: The customers operate in the general or specialized retail sectors, selling a variety of non-food and non-perishable products such as general goods, furniture, kitchen equipment, etc.

- **Customer requirements:** These products are generally imported in mass quantities and require special inventory logistics designed to cope with a wide variety of product types. In addition, updates to the product range entail frequent promotional campaigns. Adapting the logistics service to major seasonal differences is of particular importance.

- **ID Logistics' response:** the ability to respond to major seasonal differences requires genuine flexibility on the part of the logistics operator. Such flexibility is one of the mainstays of the ID Logistics model and is reflected in the management style of its teams as well as in the technologies applied, especially in the installation of a mechanized breaking chain.

  Finally, these types of goods require additional services, such as home delivery, which are currently under development.

Home improvement products/decoration (28 contracts in France, Brazil, Russia and Poland)

- **Typology**: The products concerned are extremely varied in terms of size and weight, and include tools, tiling and garden houses. They are distributed by specialized retail chains.

- **Customer requirements**: The wide variety of products and the seasonal character of the associated activities mean that constant attention must be paid to optimizing asset utilization. The occupancy rate of logistics sites and the vehicle loading ratio are two major economic factors for customers.

- **ID Logistics' response:** This involves very detailed analysis of forecasting data in a constant endeavor to optimize storage consolidation and the search for additional counterflow customers. High-technology tools are deployed principally for container unloading and the ergonomic management of heavy products (tiling). The Group's transport organization (loading ratio, optimization of dedicated fleet, etc.) is a major asset in relation to this type of contract.

Fresh produce (13 contracts in France, Spain, Brazil and Indonesia)

- **Typology**: ID Logistics manages chilled temperature controlled logistics contracts for retail and manufacturing customers. These contracts are generally managed with tight flows and the corresponding logistical organization.

- **Customer requirements**: These customers demand complete mastery of the cold chain and high quality logistics services. Infrastructure adapted to the process is required.

- **ID Logistics' response**: the Group possesses a high degree of expertise in this field, which it has exploited in setting up pilot schemes for mechanization, information systems or voice picking. It is necessary to manage rapid flows that vary considerably from week to week.

  Finally, the Group's transport organization expertise is particularly suited to this type of activity, which is heavily dependent on excellent inbound flow coordination.

  The Group identifies this field as an area of strong potential growth, especially in high growth countries.

FMCG industry (43 contracts, all countries)

- **Typology**: Manufacturers and suppliers for general or specialized large retailers.

- **Customer requirements**: Manufacturers are looking for a logistics service that can support them through the organizational changes required by large retailers. Inventory reduction increases the frequency of deliveries. Customer expectations relate to the picking process and to the organization of the associated transport.

- **ID Logistics' response:** FMCG industry logistics, which has been a driver of strategic growth for ID Logistics since 2007, includes the following specific features:
    - Global supply chain management through a series of indicators that integrate the organization of outbound transportation in a highly systematic way
    - Constant efforts to optimize users and processes, in particular through sharing arrangements between several customers. ID Logistics has thus pioneered the launch of supplier consolidation centers and the creation of a shared distribution center (*entrepôt mutualisé de consolidation aval* - EMCA)
    - The most stringent safety precautions concerning both products and staff
    - Finally, systematic integration of the customer's sustainable development strategy into supply chain management, in particular in the measurement of and commitment to reduce the carbon footprint.

High-tech electrical products (9 contracts in France and Brazil)

- **Typology**: Retail chains specializing in the distribution of hi-fi and high tech products.

- **Customer requirements**: High-value products, heterogeneous in terms of volume (ranging from cameras to refrigerators), large seasonal differences, mostly derived from mass importation, requiring high-precision logistics owing to the nature of the product. Inventory management is the key component of the logistics service.

- **ID Logistics' response:** With a strong presence in this relatively competitive sector, the Group has placed a major priority on safety in terms of equipment and control procedures in this type of contract. This safety procedure is also applied in the installation of a mechanized chain equipped with weight control devices in order to limit the risk of error or theft.

Industry (21 contracts in France, Spain and Brazil)

- **Typology**: This includes the automotive industry, paint manufacture, chemicals and drinking glass manufacture.

- **Customer requirements**: Despite the huge variety of customers, each one requires good understanding of its specific features, with particular emphasis on safety and compliance with regulations.

- **ID Logistics' response:** This is based on several principles:
    - Extensive employee support in relation to staff outsourcing, if applicable
    - Analysis and strict compliance with regulations, particularly in respect of the construction of turnkey depots for toxic materials
    - Specific software systems, in particular those employed in the real time management of contracts that require direct line-side deliveries.

Textiles (3 contracts in France and Spain)

- **Typology**: This relates to distributors specializing in clothing and accessories

- **Customer requirements**: Textile logistics is a particularly demanding field, involving major seasonal differences, the success or failure of collections, issues related to the transportation of clothing flat or on hangers and mass importation.

- **ID Logistics' response:** Having recently (2009) entered this high potential sector, ID Logistics has successfully managed two sites rendered particularly complex owing to the combination of distribution for sale and resupply. The use of cutting-edge mechanized processes has enabled the site to cope with activity peaks with remarkable efficiency. This is a potential area of major growth for the Group.

Fragrances (4 contracts in France and Brazil)

- **Typology**: This comprises distribution of fragrances by general and specialized retailers.

- **Customer requirements**: As a high precision field, perfume logistics requires extensive knowledge of order picking control and optimization of transport systems. Specialized distributors are extremely sensitive to sustainable development issues.

- **ID Logistics' response:** Having entered this market in 2010, the Group focused on mastering the retail order picking process in order to win its first contracts. Its knowledge of mechanized processes and of the specific issues related to toxic materials allowed it to gain new contracts. The customer base in this sector is particularly suited to the Group's geographical positioning, particularly in Asia and Brazil.

E-commerce (5 contracts in France and Brazil)

- **Typology**: Mostly "cross-channel" websites developed by retail customers in addition to their bricks-and-mortar sales outlets.

- **Customer requirements**: E-commerce has become a major issue for all retail customers. It is seen as a growth sector that is complementary to their traditional offer. Major customers are looking for specific logistics adapted to the e-commerce sector and synergies between this and their traditional logistics arrangements.

- **ID Logistics' response:** A strategic factor since 2010, e-commerce is now part of an offer that corresponds closely to customers' requirements. This offer allowed the Group to sign 4 major contracts at the beginning of 2011 on the basis of a new organization and information system.

1.6.3 Global monitoring of key accounts

Top-ranking customers consisting of leading French companies and major multinational groups

Historically, the Group has built its development around major French-based multinationals and has proved its ability to support them in the long term and in their advanced foreign markets in South America and Asia. ID Logistics has been able to reinforce its historical relationships with its principal customers and to adapt to their changing needs, in particular by offering continuous improvement schemes and developing innovative solutions.

On the back of its operational successes with its long-term customers, the Group has expanded and diversified its customer portfolio by supporting the major French retail groups and large manufacturing groups in their foreign operations in regions with high growth potential (i.e. emerging countries).
With very few exceptions, all Group customers are leading players in their respective industries and are present in Europe and worldwide.

The Group's goal is to support these customers' growth in France and abroad while adapting to their changing strategies.

Principal Group customers

Large retailers				Manufacturers			E-commerce
General retailers	DIY Decoration	Household equipment	Other specialized retailers	Food industry	Non-food	Fresh produce	
Auchan E.LECLERC groupe carrefour SIMPLY MARKET U Les Mousquetaires Label'Vie Supermarchés M Netto makro Cash & Carry Belgium Casino supermarché	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 KIABI Norauto YVES ROCHER Marionnaud AVENIR TELECOM	AmBev Heineken Heinz PEPSICO KRAFT HiPP Lesieur harry's RÉMY COINTREAU	PPG ingenico Chevron SOGEFI SANOFI MERIAL UNE SOCIETE SANOFI SAFRAN Snecma NIVEA DEPUIS 100 ANS LE SOIN C'EST LA VIE antalis	Bonduelle Lindt DANONE Dole	GrosBill.com Auchan.fr Alinéa SIMPLY MARKET Marionnaud.fr obuy.com LA POSTE

Support for customers' foreign operations

The Group has chosen to support its customers in their foreign operations, as shown in the table below:

Contracts with customers present in	1 country	2 countries	> 2 countries	Total
Dry goods	9	8	24	41
Non-food	12	2	14	28
DIY/decoration	12	1	15	28
Fresh produce	4	-	9	13
FMCG industry	13	8	22	43
Electrical/hi-fi	9	-	-	9
Sundry industrial	18	-	3	21
Textiles	3	-	-	3
Fragrances / HBA	2	1	1	4
E-commerce	3	2	-	5
	85	**20**	**90**	**195**

- 85 contracts (44%) concern customers who have so far remained with a single ID Logistics subsidiary;

- 20 contracts (10%) concern customers served in two countries in which ID Logistics operates;

- 90 contracts (46%) concern customers served in more than two countries in which ID Logistics operates.

The process of supporting customers in their foreign operations generally starts with an upgrade of operational processes prior to the installation of the technology currently used on the customer's sites in France. During this upgrading process, the revenue per employee (permanent and temporary), converted into euros, is generally lower than the equivalent figure applicable to the French sites.

1.6.4 Relationships established with customers on a contractual, transparent and long-term basis

Contract logistics is based on systematic contractual formalization and the allocation of appropriate dedicated assets.

Systematic contractual formalization

After the tender procedure that is carried out almost systematically by shippers, ID Logistics signs a formal contract with the customer for each project it performs. This includes:

- The operating specifications, which describe the entire service and assets to be provided by the Group

- The quality specifications, which describe the quality commitments undertaken and how they are measured (e.g. KPI, etc.)
- The contract, which specifies payment arrangements, liability, the duration of the contract, renewal clauses, etc.

ID Logistics applies a rule whereby it does not enter into a new contract without prior clarification of all aforementioned items with the customer.

Invoicing system determined when contract is signed

All contracts are subject to different pricing terms and conditions (e.g. indices or volumes) that are a function of commercial negotiations. Revenues are generally recognized as follows: invoicing based on type (e.g. complete palette, preparation of specific packages etc.) and the number of prepared packages. As such, Group revenues are principally based on volumes processed and are largely unaffected by economic trends (see subsection 1.5.4 "Sensitivity to the state of the economy and consumer trends").

While the Group's revenues are not subject to major seasonal fluctuations, second-half revenues tend to be slightly higher than first-half revenues, in view of the breakdown of customers and their growth profile.
However, compared to the second half, the first half tends to see larger swings in volumes handled between activity peaks and lows. This volatility is reflected in lower operational productivity and first-half operating income generally lower than in the second half.
This feature of ID Logistics' business, which is also experienced by some competitors, is entirely factored into its operating procedures and financial management and does not constitute a risk as such.

Assets assigned to each contract

For each contract, ID Logistics provides an appropriate solution designed to meet the specific requirements of each customer, including the following services in particular:

- Dedicated or shared warehouses, equipment, vehicles etc. This policy, known as "asset light", allows the Group to minimize the risk of unoccupied surfaces.

- The table below shows the type of commitments undertaken by the Group in relation to its real estate sites:

Ownership/finance lease	ID Logistics real estate lease	Provided by the customer	On-site operation (usually in plant)	Total
3	72	49	17	141

- Highly advanced information systems (see section 1.6).
- A system for measuring performance and action plans.
- Specifically trained teams assigned to the operation.

As of the Registration Document Date, customer recharging procedures are applied at all warehouses under the Group's management.

An ultra-flexible business model

ID Logistics has traditionally pursued its development according to a model based on flexibility and adaptability. This approach has enabled the Group to offer its customers bespoke solutions, without having to rely solely on its own assets and avoiding the risks associated with the acquisition of a large amount of property, plant and equipment. It is particularly suited to the present economic climate, as it allows the Group to adapt to medium and long-term consumer trends and to the world economic situation.

The Group has therefore chosen not to acquire its own real estate, with the exception of the warehouse at Brebières and two other small warehouses, which together account for some 3% of the surface area under Group management. When an order arrives, the Group can offer bespoke real estate solutions adapted to every customer's requirements: leasing (takeover of the existing warehouse or search for a new location), use of the customer warehouse, construction, etc. In the case of leasing, the term of the lease corresponds to that of the customer's contractual obligation.

In terms of human resources, the Group assigns a training and management team to each contract and determines the staffing requirements in accordance with the specific features of each site. Seasonal effects and activity peaks are absorbed by the use of temporary workers without impacting the ongoing cost structure. The Group works together with the main temporary employment agencies.

In addition, the equipment required for operating the warehouses (e.g. trolleys, forklifts, etc.) are generally leased for the duration of the contract.

Genuine transparency with each customer

The customer partnership approach developed by ID Logistics is based on transparency.

This transparency is reflected in the practice of notifying the customer of all assets deployed and costs incurred in order to guarantee the proper performance of the contract. ID Logistics' operating margin is thus calculated on a clear and shared basis.

However, this transparent approach does not necessarily involve invoicing based on "cost + margin", a practice which, although common in Anglo-Saxon countries, is relatively rare in the countries in which ID Logistics operates.

Every year, ID Logistics reviews price developments and the improvement procedures it undertakes with its customers. ID Logistics' philosophy of long-term customer support is embodied in the form of improvement plans designed to ensure the continuous improvement of logistics operation performance (reducing the overall cost for the customer while optimizing the level of service). The benefits of these improvement plans are shared in a transparent manner between ID Logistics and its customers.

Long-term support

The legal term of a contract depends mainly on the value of the investments required or on other more specific elements, such as the takeover of staff in the context of outsourcing. The term varies between 3 and 10 years. Once the initial contractual term is completed, contracts are renewed on a regular basis.

Since it was founded, the Group has renewed virtually all contracts, reaching a renewal rate over 95%.

If the logistics provider is able to establish a strong relationship with its customer based on transparency and real exchange, contract renewal is frequent, as the costs and the risks of changing provider are deemed to be considerable.

1.7 THE REGULATORY ENVIRONMENT

The Group is subject to two categories of specific regulations:

- Regulations concerning classified sites in the warehousing division;
- Where applicable, regulations concerning transportation.

Compliance with regulations concerning classified sites

The regulations concerning classified sites require a structured approach to each tender offer, consisting in:

- Identifying the exact nature of the products to be stored and the related hazards (e.g. inflammables, explosives, pollutants, etc.)
- Defining volumes for the whole year and periods of peak activity.

These factors are used to determine which sections of the permit to operate facilities classified for environmental protection (ICPE – *Installations Classées pour la Protection de l'Environnement*) are relevant (1510, 2663, 1412, etc.). In the case of a smaller-scale project or cross-docking site, a simple declaration may be sufficient.

In France, the operator must apply to the Prefect's Office (*Préfecture*) responsible for the *région* in which the site will be located for permission to operate a classified site. The permit is managed by the regional environment, development and housing department (DREAL), which is also responsible for carrying out regular checks on the operator's compliance with its obligations once the permit has been granted. Similar regulations exist in foreign countries where the Group operates.

Based on this analysis, ID Logistics identifies existing warehouses on the market or warehouses to be built.

In certain cases, ID Logistics directly launches construction of a warehouse, carrying out all the formalities required for obtaining the requisite ICPE permits. To date, ID Logistics has managed construction of eight warehouses in France, each time obtaining the required operating permits.

Compliance with operating permits is an important part of the work of a logistics operator, which must check that stored products comply with permits granted and that the specific facilities and procedures required under the permit are properly maintained (e.g. fenced-off areas, specific fire hose reels, special surveillance procedures, etc.)

Regulations may differ between the various countries where the Group operates, even though they correspond to the same general principles.

As the Group only operates class "A" warehouses, it has the advantage of using new buildings in compliance with the latest operating permits.

Similar regulations exist in foreign countries where the Group operates. Having established eleven operating subsidiaries, ID Logistics has acquired a wealth of experience in controlling legal risks associated with the contract logistics business.

Compliance with regulations concerning transportation

Transportation and freight forwarding operations are also subject to specific regulations. In countries where ID Logistics conducts these kinds of operations, specific authorization has been requested and obtained.

The Group has always adopted the following procedure when first establishing operations:
- Analysis of the country's legal environment by the Group Legal Affairs department;
- Local support from a top-ranking legal firm;
- Centralization of the required permits by the Group Legal Affairs department.

1.8 PROPERTY, PLANT AND EQUIPMENT

1.8.1 Significant property, plant and equipment, existing or projected, and leases

The Group's head office is located at 410, route du Moulin de Losque, Cavaillon, France. It is occupied under a lease.

The Group owns a warehouse with surface area of 75,000 sqm at Brebières in Northern France. As of December 31, 2012, the net book value of this warehouse was €28.9 million including €4.2 million of land. Since the purchase of a small freight business in 2010, the Group, via two SCI (French real estate companies), has also owned two 4,000 sqm warehouses in the Paris region, which are financed by leases.

The exact location of warehouses is a key factor in the organization of logistics. As such, ID Logistics has a specialist team for identifying and searching for real estate solutions for its existing or potential customers (e.g. existing warehouse, undeveloped land etc.).
In summer 2012, the team applied to PSA management as part of rehabilitating PSA's Aulnay site, as it frequently does with all administrative organizations. This team was a candidate to take over the land and buildings of logistics warehouses with a key option to hire PSA Aulnay staff as a priority. ID Logistics may therefore hold three new sites, each of some 50,000 square meters and ideally located, for which discussions with retail customers have already started.
Pursuant to the Group's "asset light" policy, third party real estate investors will purchase the property rather than ID Logistics. In view of the fact that PSA Aulnay is high profile, the Group's approach attracted coverage in the media. However, this is in a fact a standard case among many other cases handled every year in the normal course of Group business.

To pursue its activities in France and abroad, the Group has signed several commercial leases for warehouses, for which the durations, terms and conditions on exit are generally identical to those specified in the contracts signed with the customers.

As of December 31, 2012, the number of warehouses and their surface area break down as follows:

	Number of warehouses	Surface area (sqm)
France	72	1,301,000

International	69	1,208,000
of which:		
Europe excl. France	16	470,000
Asia	16	107,000
Africa/Indian Ocean	4	52,000
South America	33	579,000
Total	141	2,509,000

Leasing commitments are described under Note 24 to the consolidated financial statements.

As stated under chapter 1.6.4 of the Registration Document ("Relationships established with customers on a contractual, transparent and long-term basis"), warehouses are mostly provided by customers or leased over the term of the customer contract, the rent of which is fully recharged to the customers.

1.8.2 Other property, plant and equipment

Fixed assets other than the land and the Brebières warehouse described above largely relate to transportation or handling equipment and IT facilities. As of December 31, 2012, the net book value of these assets is broken down as follows:

€m	Net book value
Land and buildings	6.6
Plant and equipment	19.6
Other PP&E	9.2
PP&E in progress	1.8
Total	37.2

The property, plant and equipment held by the Company are described under Note 2 to the financial statements in section 4.8, "Annual historic financial information".

1.8.3 Environmental issues

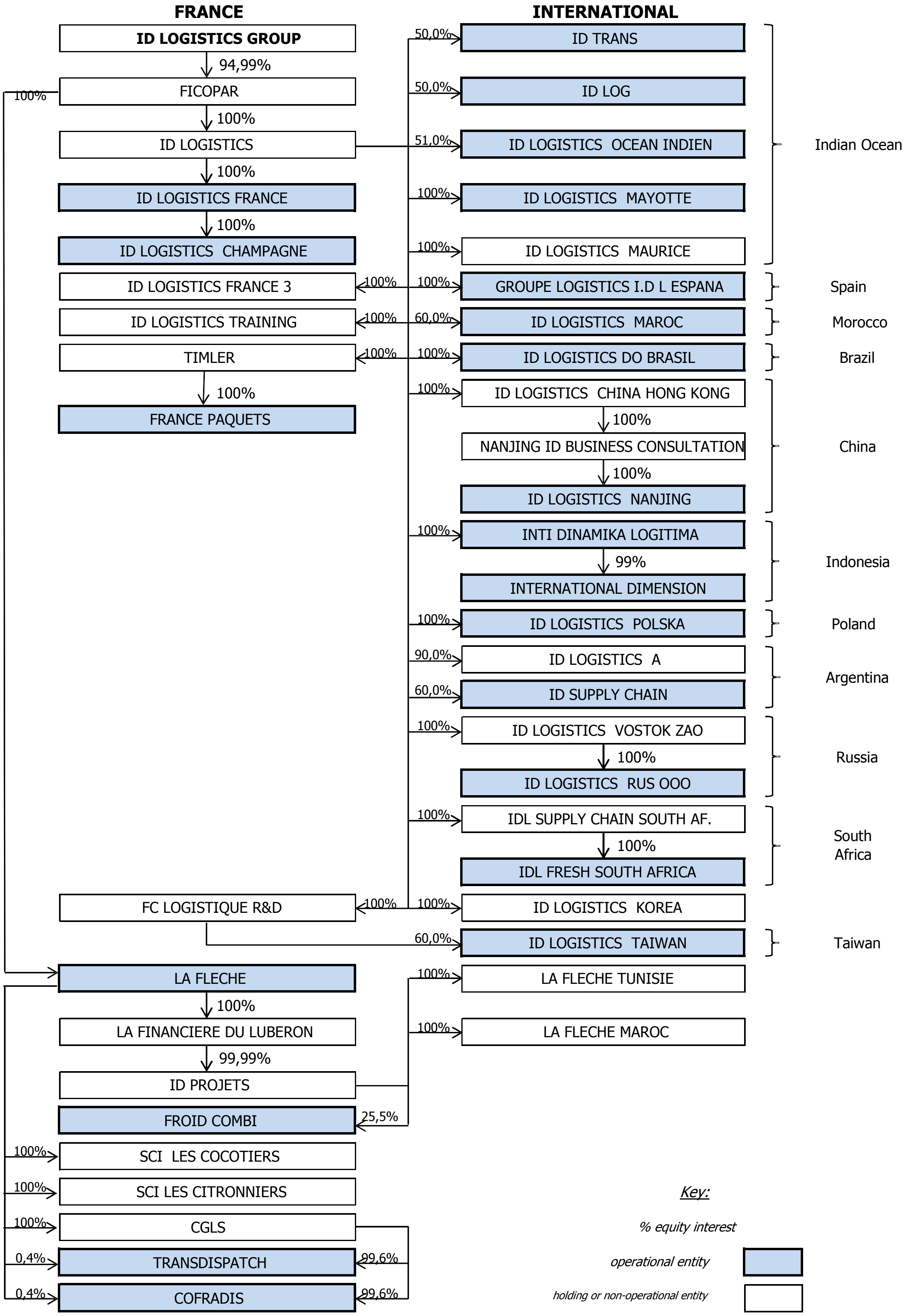
The Group's operations do not represent any material risk for the environment: as of the Registration Document Date, the Group stores and handles materials regarded as toxic under Seveso or equivalent regulations (e.g. aerosols, car batteries, paint, etc.) and provides the corresponding road transport services. These activities and services are of limited scope compared to the rest of the Group’s activities and the Group considers that it is not significantly exposed to environmental risks. The Group also maintains an active policy of sustainable development, as described in section 1.12 of the Registration Document, “Sustainable development and growth”.

In this respect, outside the scope of the usual regulations relating to environmental and safety standards, there is no environmental issue that could significantly influence the use of the Group's property, plant and equipment.

1.9 ORGANIZATION CHART

1.9.1 Legal organization chart

The following diagram shows the Group's simplified organization chart as of December 31, 2012:



The Company is a holding company which has no business operations. It centralizes some of the Group's central services. The business operations are carried out by the subsidiaries (see subsection 1.9.2 "Presentation of the Group's main companies").

As of the Registration Document Date, the Company has direct and indirect shareholdings in 49 companies, of which 25 are located within mainland France. This chapter solely focuses on the main subsidiaries of the Group.

The Group companies' business is described in chapter 1, "Business Overview".

The duties carried out in the subsidiaries by the Company's officers and directors are described in section 3.3, "Operations of the administrative and management bodies".

The Group's operational structure and the main centralized services are described in section 1.10, "Operational organization chart".

Section 1.12.5, "Social and staff commitment", shows the distribution of the Group's employees.

The companies included in the Group's 2012 consolidated financial statements are listed in Note 26 to the Company's consolidated financial statements for the year ended December 31, 2012, appearing in section 4.8 "Annual historic financial information".

As of December 31, 2012, the subsidiaries' share of Group results and assets by operating segment is as follows (€m except for headcount):

	France	International	Total
Revenues	342.7	219.9	562.6
Inter-segment revenues	(1.9)	(1.1)	(3.0)
Net revenues	340.8	218.8	559.6
EBIT	14.0	4.8	18.8
Operating income	7.6	4.8	12.4
Net cash flow from operating activities	23.0	(1.6)	21.4
Capital expenditure	14.5	7.0	21.5
Fixed assets	107.4	22.7	130.1
Headcount	3,430	6,736	10,166

1.9.2 Presentation of the main Group companies

1.9.1.1 Main companies in France

- La Financière de Commerce et de Participations (Ficopar)

Ficopar is a French simplified joint stock company (*société par actions simplifiée*) registered on July 12, 2005 with the Trade and Companies Registry of Avignon.

It was incorporated to take over Lazard Fonds Partenaire Gestion's equity stake when this company withdrew on July 28, 2005 (see section 1.2 of the Registration Document, "Milestones in the Company's development"). At that time, Ficopar took out a €10.0 million loan repayable quarterly until July 31, 2012 (see chapter 4.3 of the Registration Document, "Cash and capital") and a €2.1 million short-term loan, which was fully repaid in August 2007.

Ficopar acts as a cash-pooling holding company under a cash-pooling agreement or under specific financing agreements. It has been at the head of the consolidated tax group since the financial year ending December 31, 2006.

Ficopar has no employees.

- ID Logistics

ID Logistics is a French simplified joint stock company (*société par actions simplifiée*) registered on November 23, 2001 with the Trade and Companies Registry of Avignon.

It was created through the contribution of the existing logistics business of ID Projects (formerly La Flèche Cavaillonnaise) and of ID Logistics Group (formerly Vision Investissement). Until July 2005, it was jointly held by ID Logistics Group, Fonds Partenaire Gestion (Banque Lazard) and La Flèche Cavaillonnaise.

Since that date, it has maintained a holding activity and holds an interest in most of the foreign subsidiaries. In this respect, it may be called upon to enter into financing agreements with its subsidiaries.

ID Logistics has no employees.

- ID Logistics France

ID Logistics France is a French simplified joint stock company (*société par actions simplifiée*) which was registered on December 1, 2000 with the Trade and Companies Registry of Avignon under the name of "La Flèche Logistique". It acquired its current name on February 11, 2002 within the framework of the spin-off of the logistics activity of ID Projets (formerly La Flèche Cavaillonnaise) into a new company whose shares were transferred to ID Logistics in December 2001.

Today, it is the Group's main operating subsidiary and as of December 31, 2012 employed 2,891 persons directly.

- ID Logistics Champagne

ID Logistics Champagne (formerly NEO LOG) is a French simplified joint stock company (*société par actions simplifiée*) registered on September 24, 2004 with the Trade and Companies Registry of Châlons-en-Champagne. It was acquired by the Group in 2010.

It operates a site in France and as of December 31, 2012 employed 62 persons directly.

- La Flèche

La Flèche is a French simplified joint stock company (*société par actions simplifiée*) registered on December 5, 2007 with the Trade and Companies Registry of Avignon. It was created at the time of the Group's acquisition of ID Projets (formerly La Flèche Cavaillonnaise), whose business it operates pursuant to a lease management agreement.

It operates 4 sites in France and as of December 31, 2012 directly employed 295 persons. The company posted 2012 revenues of €36.4 million, 60% of which was earned from existing customers of ID Logistics France. As of December 31, 2012, its fleet consisted of 135 tractors and 264 trailers. The entire fleet is leased.

- ID Projets

ID Projets is a French simplified joint stock company (*société par actions simplifiée*) registered on July 9, 1960 with the Trade and Companies Registry of Avignon under the name of "La Flèche Cavaillonnaise". After it was acquired by the Group in December 2007, it was given its current name.

On January 1, 2008, it entrusted the operation of its business to La Flèche pursuant to a lease management agreement. Furthermore, ID Projets holds an estate agent’s license and may be involved in some of the Group’s real estate projects.

ID Projets has no employees.

- FroidCombi

FroidCombi is a French corporation (*société anonyme*), registered with the Trade and Companies Registry of Avignon on December 22, 1997.

FroidCombi holds combined rail-road transportation operator status, and its objects are the rail transportation of perishable or temperature-controlled goods on the main Avignon-– Paris – Lille routes.

It is jointly owned by SNCF (49.0% of the equity), STEF-TFE (25.5%) and the ID Logistics Group (25.5%).

FroidCombi operates 3 sites in France and as of December 31, 2012 employed 16 persons.

- Transdispatch

Transdispatch is a French simplified joint stock company (*société par actions simplifiée*), registered on March 29, 1990 with the Trade and Companies Registry of Meaux. It was acquired by the Group in 2010.

It operates a site in France and as of December 31, 2012 employed 23 persons directly.

- Cofradis

Cofradis is a French limited liability company (*société à responsabilité limitée*), registered on March 26, 1993 with the Trade and Companies Registry of Meaux. It was acquired by the Group in 2010.

It operates a site in France and as of December 31, 2012 employed 11 persons directly.

- France Paquets

France Paquets is a French corporation (*société anonyme*), registered on January 19, 1990 with the Trade and Companies Registry of Bobigny. It was acquired by the Group in 2012.

It operates a site in France and as of December 31, 2012 employed 58 persons directly.

1.9.1.2 Main companies worldwide

- ID Logistics Taiwan (Taiwan)

ID Logistics Taiwan is a company incorporated under Taiwanese law whose head office is in Lujhu.

It was created in 2001, and was the Group's first foreign subsidiary. It is jointly owned by its co-founder and current General Manager (who has a 40% shareholding).

ID Logistics Taiwan manages food and non-food warehouses for major retailers, mainly in the form of cross-docking. As of December 31, 2012, the company employed 209 persons. It also employs temporary workers to cope with peak business periods.

- ID Logistics do Brasil (Brazil)

ID Logistics do Brasil is a company incorporated under Brazilian law whose head office is in Sao Paulo.

Created in 2002, it is now the Group's main subsidiary outside France. It manages approximately twenty sites for a varied portfolio of clients and provides a diversified range of services, ranging from standard warehouse management for major retailers to Kanban-style supply chain management for a company in the automobile industry.

As of December 31, 2012 ID Logistics do Brasil employed 3,788 persons directly.

- ID Logistics Nanjing (China)

  ID Logistics Nanjing is a company incorporated under Chinese law whose head office is in Shanghai.

  Created in 2007, it manages 12 sites across the east of China (Shenyang, Beijing, Nanjing, Shanghai and Canton). It offers a variety of services, including co-packing for a food industry client and urban distribution for a drinks manufacturer. It holds a transportation license for the Shanghai region.

  As of December 31, 2012 ID Logistics Nanjing employed 319 persons directly.

- ID Log (Réunion Island)

  ID Log is a company incorporated under French law whose head office is in Le Port, Réunion Island.

  Created in 2004, it is held jointly as to 50% by its business partner, whose logistics it manages.

  As of December 31, 2012, ID Log employed 34 persons.

- ID Trans (Réunion Island)

  ID Trans is a company incorporated under French law whose head office is in Le Port, Réunion Island.

  Created in 2004, it is held jointly as to 50% by its business partner for which it manages and organizes transportation.

  As of December 31, 2012 ID Trans employed 9 persons.

- ID Logistics Océan Indien (Réunion Island)

  ID Logistics Océan Indien is a company incorporated under French law whose head office is in Le Port, Réunion Island.

  Created in 2006, it is held jointly as to 49% by an investment fund. It performs logistics operations mainly for clients other than those of the other Réunion Island subsidiaries.

  As of December 31, 2012 ID Logistics Océan Indien employed 38 persons directly.

- Logistics IDL España Group (Spain)

  Logistics IDL España Group is a company incorporated under Spanish law whose head office is in Madrid.

Created in 2006, it operates 5 sites for the major retail and textile sectors. Most of its sites are managed with the help of mechanical systems.

As of December 31, 2012 Logistics IDL España Group employed 1,061 persons directly.

- PT Inti Dinamika Logitima (Indonesia)

  PT Inti Dinamika Logitima is a company incorporated under Indonesian law whose head office is in Jakarta.

  Created in 2007, it operates warehouses, mainly for major retailers. As the holder of a freight forwarding license, it carries out some sea carriage capacity trading operations.

  As of December 31, 2012 PT Inti Dinamika Logitima employed 18 persons directly.

- PT International Dimension (Indonesia)

  PT International Dimension is a company incorporated under Indonesian law whose head office is in Jakarta.

  Created in 2008, it holds a transportation license and offers road transportation management and organization services for major retailers and their suppliers.

  As of December 31, 2012, PT International Dimension had no employees.

- ID Logistics Polska (Poland)

  ID Logistics Polska is a company incorporated under Polish law whose head office is in Katowice.

  Created in 2008, it manages food and non-food warehouses for major retailers and their suppliers. It has also developed a transportation organization and management package and is the holder of an international transportation license.

  As of December 31, 2012 ID Logistics Polska employed 879 persons directly.

- ID Supply Chain (Argentina)

  ID Supply Chain is a company incorporated under Argentinian law whose head office is in Buenos Aires.

  Created in 2008, it is held jointly as to 40% by its co-founder and current General Manager. It manages food and non-food warehouses for major retailers.

  As of December 31, 2012 ID Supply Chain employed 396 persons directly.

- ID Logistics Maroc (Morocco)

  ID Logistics Maroc is a company incorporated under Moroccan law whose head office is in Casablanca.

  Created in 2005, it is held jointly as to 40% by La Voie Express, its joint manager and business partner. It manages a food and non-food warehouse for major retailers.

  As of December 31, 2012 ID Logistics Maroc employed 61 persons directly.

- ID Logistics Rus (Russia)

  ID Logistics Rus is a company incorporated under Russian law whose head office is in Moscow.

  Created in 2010, it is held jointly as to 15% by its co-founders. It manages a warehouse for a distributor in the DIY and decorating sector.

  As of December 31, 2012 ID Logistics Rus employed 28 persons directly.

1.9.3 Main intra-group cash flows

The main 2012 cash flows between Group companies were as follows:

- Cash-pooling agreement

  An automatic cash-pooling agreement has been entered into between Ficopar, in its capacity as cash-pooling company, and the main French subsidiaries, the Spanish subsidiary, the Polish subsidiary and the subsidiaries located in the Indian Ocean. This agreement aims to optimize the management of excess cash and cash requirements at Group level.

  This agreement was entered into in 2005 for an indefinite term.

  Pursuant to this agreement, advances received from subsidiaries bear interest at the 3-month Euribor annual rate less 0.15%, and the advances paid by the pooling company bear interest at the 3-month Euribor annual rate plus 0.15%.

- Financing agreement

  In its capacity as parent company of the foreign operating subsidiaries, ID Logistics SAS has entered into specific financing agreements to promote the start-up and development of certain subsidiaries. This concerns in particular the subsidiaries in China, Korea, Indonesia, Russia, Poland, Brazil and Argentina.

  Such financing agreements are entered into for an indefinite term, unless stricter local regulatory provisions apply. The loans bear interest at rates acceptable for tax purposes to the parties, ranging from 3-month Euribor plus

0.15% (lowest rate) to the Russian Central Bank's rate plus 0.50% (highest rate).

- Tax consolidation agreement

As previously stated, a tax group agreement was entered into in March 2006 between Ficopar, as Group holding company, and ID Logistics, ID Logistics France and FC Logistics R&D. This agreement is still in force to date. In subsequent supplemental agreements, the main French subsidiaries were added to the tax group.

In compliance with Articles 223A et seq. of the French General Tax Code, this agreement sets out the procedures for contribution by the consolidated companies to the tax group's tax debt and the terms of use of the corporation tax savings derived from the application of this system.

- Lease management agreement

As previously indicated, a lease management agreement exists between ID Projets and La Flèche whereby ID Projets leases its business undertaking to La Flèche.

This agreement was effective as of January 1, 2008 for a term of 5 years. During 2012, La Flèche invoiced ID Projets €1.6 million under this agreement.

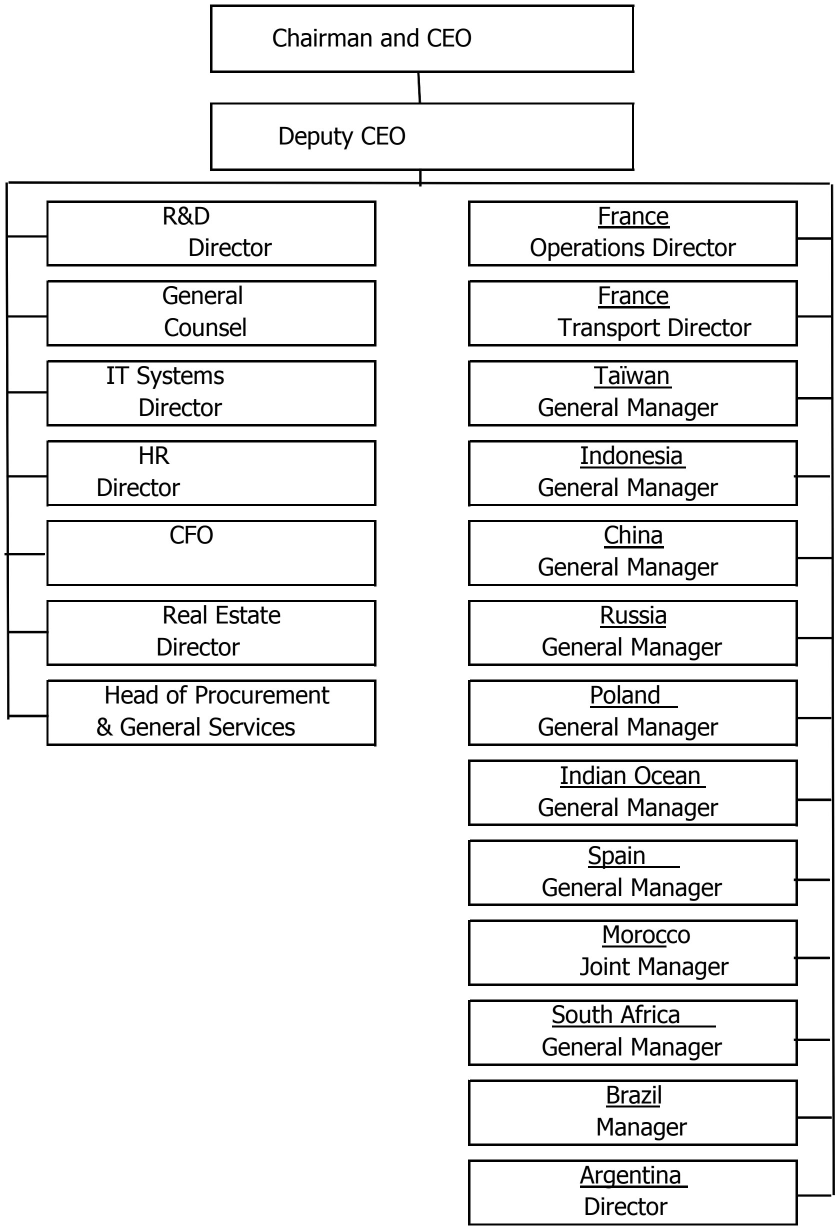
- Business development agreement

A business development agreement was entered into in 2007 between ID Projects and ID Logistics France.

Pursuant to this agreement, ID Logistics France remunerates ID Projets based on the turnover generated from clients in connection with ID Projets.
During 2012, ID Projets invoiced ID Logistics France €0.6 million under this agreement.

1.10 OPERATIONAL ORGANIZATION CHART

As of the Registration Document Date, the Group operational organization chart was as follows:



The Group's senior managers all come with major experience in their respective fields.

1.11 RESEARCH AND DEVELOPMENT, PATENTS, LICENSES, BRANDS AND DOMAIN NAMES

1.11.1 Brands

Since the Group's incorporation, it has owned its brands, which it protects to mitigate the effects of competition. Indeed, the Group's policy is to file its brand name in all countries where it operates or it may operate in the future.

As of the Registration Document Date, the following brand names have been filed:

- ID Logistics: semi-figurative colored brand in categories 35, 37, 38, 39 and 42.
- La Flèche Logistique: semi-figurative colored brand in categories 35, 37, 39 and 42.
- La Flèche Transport: semi-figurative colored brand in categories 35, 37, 39 and 42.
- ID Group: word mark in categories 35, 37, 38, 39 and 42.
- La Flèche: brand with colored logo in categories 39 and 42.
- Froid Combi: word mark in categories 35, 37, 39 and 42.

The Group's legal department, backed by a specialist firm of attorneys, monitors the Group's brand portfolio in terms of both filing and renewal, paying particular attention to the ID Logistics brand, which is the Group's principal brand.

1.11.2 Domain names

Domain names filed by the Company are as follows:

- www.id-logistics.com
- www.la-fleche.eu
- www.id-logistics.eu

1.11.3 Research and development

As stated in section 1.6, "ID Logistics market positioning", since its inception the Group has placed a strong emphasis on technological innovation, enabling it to offer its customers solutions that combine quality of service with productivity, while ensuring more ergonomic working conditions for its staff.

This innovation culture is supported by the Group's R&D department, staffed by 15 technicians who add a new technological perspective to each commercial offer or reengineering request.

Nevertheless, the Group's R&D expenditure does not entitle it to a tax credit. The Group does not capitalize its R&D expenses, but posts them to expenses as and when incurred. The annual amount of R&D costs recorded as expenses by the Company is not material.

1.12 SUSTAINABLE DEVELOPMENT AND GROWTH

Following strong growth, in 2008 ID Logistics defined a strategy for sustainable development based on three fundamental principles:

Environmental: Safeguarding the environment and controlling risks while making business assets such as vehicles and sites more environmentally friendly.

Economic: Supporting customers in their sustainable development and growth strategy by implementing optimized, innovative solutions that meet both financial and environmental criteria;

Staff and social: Improving staff safety and social commitment via training and awareness programs and promote socially responsible initiatives.

1.12.1 Key measures implemented by ID Logistics

ID Logistics has introduced a system for monitoring and sharing environmental best practices with a view to fostering awareness among its entire staff and communicating its commitments to its customers. The introduction of this system has been followed up by a number of action plans that have generated concrete results (waste recycling, reduction in water consumption, etc.).

With regard to its staff, the Group has taken specific steps to improve working conditions for employees and has achieved a sharp reduction in the number of industrial accidents. These actions have resulted in boosting staff involvement and Group performance. The Group has also undertaken commitments to a humanitarian development program as part of its foreign expansion (ID Esperanza).

The Group also strives to offer large retail customers solutions that enable them to reduce their carbon footprint so as to ensure: (i) better environmental practices and (ii) improved procedures leading to reduced fossil fuel consumption.

Finally, the Group gives consideration to sustainable development issues at the planning stage of logistics projects so that such considerations can be factored into the solutions proposed to customers.

1.12.2 Establishing a system to monitor sharing of "sustainable development" best practices

From the outset, this system, which was set up at the beginning of 2010 in the form of an intranet forum, encouraged the dissemination of corporate values as part of ID Logistics' Sustainable Development strategy. The platform allowed the Group to promote the strategy among all employees and to inform the Group's customers about its commitment to sustainable growth and development.

The system also allows activities to be organized at Group level so as to render them:

- More effective (by making detailed information available on the execution of projects)
- Repeatable, on the basis of internal sharing of best practices

At present, all managers are responsible for promoting this sustainable development strategy as part of their remit and for measuring the progress achieved.

Since early 2011, sites have formally undertaken this commitment under their CID certification (see section 1.6) and have developed shared programs with their customers.

In 2012, the Group continued to formalize its sustainable development program by setting up the following two monitoring committees:

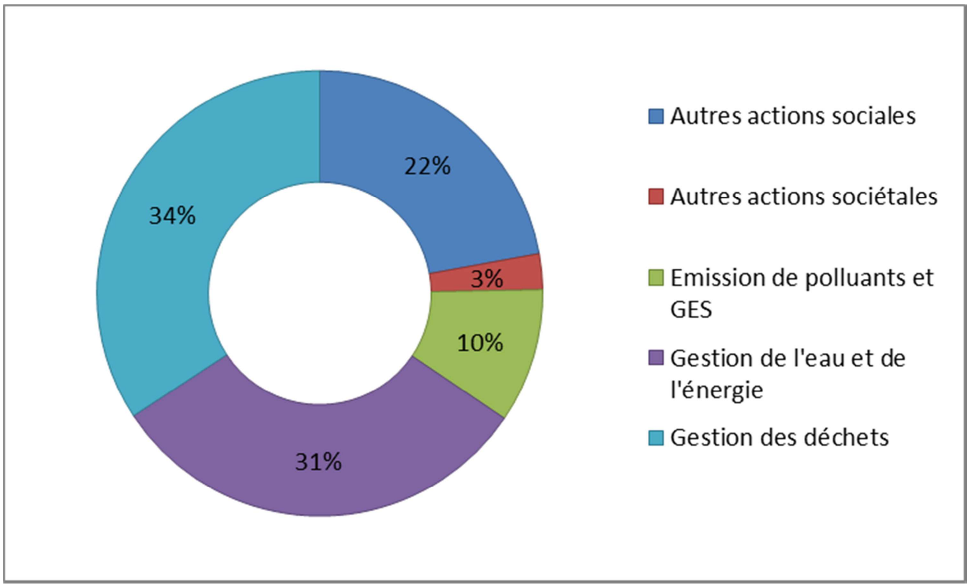
- The Strategic Sustainable Development Committee, comprising the Group Management Committee, meets twice per year. This committee sets the Group's broad sustainable development strategies, oversees progress in relation to established plans, approves key projects and resources allocated to sustainable development and establishes programs to reward staff so as to encourage and promote the best initiatives.
- The Operational Sustainable Development Committee, comprising operational management, the HR department and contract managers, meets four times per year. This committee implements the action plans and the strategies established by the Strategic Sustainable Development Committee, while monitoring trends in indicators in relation to the established action plan and reviewing progress in the sites. This committee is responsible for classifying sites based on their achievements (beginner, intermediate, ...) and submits key draft projects and changes to dedicated resources to the Strategic Sustainable Development Committee.

Unless otherwise stated, the CSR indicators presented in this chapter relate to France. Given that some international Group sites have only recently begun to address the issue, CSR indicators throughout the International segment are not yet completely reliable or regularly monitored. As a result, International indicators are not presented. However, one of the goals of the Group and the sustainable development committees is to roll out accurate CSR indicators throughout the Group so that such indicators can be monitored at Group level as soon as possible.

The charts below show the actions carried out and a thematic breakdown thereof:

	December 2012	December 2011	Change
Number of actions launched	667	348	+95%
Completion rate	79%	59%	+20%
Number of completed projects	530	205	+158%

Breakdown of projects by main theme:



At Group level, the following projects were selected most frequently by the operating managers (% of French sites opting for each project):

Top 5 projects	Difficulty	Impact	2011	2012
Installation of defibrillator	+	+++	48%	80%
Warehouse waste sorting	+++	+++	86%	70%
Introduction of industrial accident tables	+	++	54%	59%
Monitoring consumption (consumables & supplies)	+	+	54%	57%
Cleaner office environment with plants	+	+	40%	52%

A procedure for managing the scheme has been established comprising a half-yearly review conducted by a sustainable development committee. This allows projects to be consolidated, indicators to be monitored and the monitoring procedure to be improved based on the results obtained.

Since the introduction of this procedure, ID Logistics has focused on the following areas:

Waste management

The treatment of waste generated by the logistics sites' operations is now fully integrated into the Company's operating policies.

The 308 waste management projects currently in progress break down as follows:

Waste sorting	17%
Monitoring of waste volumes	15%
Monitoring consumption of consumables and/or supplies	12%
Installation of hooding/wrapping machine	11%
Office waste sorting	8%
Installation of baler	7%
Purchase of eco-friendly maintenance products	6%
Addition of clause to supplier specifications	4%
Designated use of film roll	4%
Purchase of eco-friendly office products	4%
Reusable cups	3%
Implementation of office improvement plans	3%

Other	7%

At present, 80% of warehouses have a waste sorting system, characterized by a high level of employee awareness.

This policy has generated significant results: 51% of waste generated was recycled in 2012.

Water and energy management

The Group has 281 ongoing water and energy management projects. These projects break down as follows:

Reductions in lighting time	15%
WC economical flush systems	14%
Reduction of tap flow-rate	14%
Limit running water time	13%
Monitor power consumption	13%
Reduction in power consumption and paper rolls by use of hand dryers	5%
Cut heating	4%
Leak auditing	4%
Painting walls white	4%
Improvement of warehouse lighting	4%
Install low-energy bulbs	2%
Collect rainwater: Hydraulic power	2%
Other	5%

ID Logistics aims to control its energy consumption and, as far as possible, make use of renewable energy.

Measurement of energy consumption and CO_2 emissions per pallet dispatched

In 2010 the Group established a method for calculating and monitoring the energy consumed and quantity of CO_2 emitted for each pallet dispatched from the warehouse. This method will allow the Group to monitor regularly the results of its sustainable development policy.

Consumption per shipped pallet (on leaving the warehouse excluding transport):

-

	2012	2011	2010
CO_2 kg	3.79	4.01	4.11
kWh	0.83	0.95	1.01

1.12.3 Solutions for reducing carbon footprint during transportation

The activity of a logistics provider has a considerable impact on the environment. This impact is due to both the activity of warehouses and the position of the logistics supplier in its customers' supply chains.

Introducing a scheme for measuring and reducing overall energy consumption enables operating expenses to be stabilized.

Transportation operations are guided by a structured approach involving monthly monitoring of the transportation carbon footprint. This approach is demonstrated in particular by the Group's commitment to:

- Controlling its carbon footprint through its monitoring teams;
- Combined transport;
- Reducing its CO_2 emissions through adherence to the ADEME (French environment and energy management agency) charter.

Transportation monitoring teams

The aim of the Group's transportation monitoring system is to reduce the carbon footprint of the customers concerned. Indeed, optimizing routing plans reduces empty-load mileage and vehicle operating time.

Improved coordination of the various links in the logistics chain (i.e. warehouses - transportation) allows for more efficient truck loading and consequently a reduction in the mileage required for delivering the same quantity of goods.

Combined cold chain logistics

Through its subsidiary Froid Combi, ID Logistics has introduced an integrated rail-road solution using mobile containers, and has thus developed its expertise in rail-road logistics over the last 10 years, with three North-South domestic routes.

Several thousand transport containers are shipped every year via combined rail-road carriage on the Avignon-Valenton and Avignon-Dourges routes.

The ADEME charter

In 2009, the Group signed the ADEME Charter, a voluntary charter for the reduction of CO_2 emissions by road carriers of goods. The Charter was drawn up by the French ecology ministry and various professional organizations in collaboration with ADEME. By signing the charter, the Group has undertaken to achieve certain CO_2 emission reduction targets. The Group aims to meet these targets by modernizing its vehicle fleet, monitoring its fuel consumption, training its drivers, improving load ratios and minimizing empty-load mileage.

A performance indicator:

	2012	2011	2010
CO_2 kg per pallet shipped	11.08	12.28	13.49

1.12.4 Involvement in the sustainable development and growth strategies of the Group's customers

As part of its customer strategy, and through the Contract Managers in particular, ID Logistics aims to contribute to its customers' global sustainable development and growth strategies and, for this purpose, offers the following services:

- Identification of the major sustainable development issues for a customer;
- Formalization of specific action plans drawn up and approved by the customer;
- Implementation of these action plans and measurement of the results;
- Evaluation of the customer's view of these actions by means of an annual questionnaire.

This scheme was launched in 2009 and, to date, approximately 40% of the Group's customers have participated. The Group's target in the short term is to exceed a 50% customer participation rate by 2012.

As such, ID Logistics' strategy is to support its customers in their sustainable development and growth strategies by proposing and implementing optimized, innovative and value-added solutions.

For example, the Group has provided the following solutions to customers:

Vehicle fleet shared between two distributors (general and specialized retail): 42 tons of CO2 reduction per year

In collaboration with two major customers, ID Logistics has organized four circuits, enabling the customers to reduce their CO2 emissions, maximize load ratios and guarantee inventory availability at the stores.

→ Result: Reduction in empty-load mileage and optimization of the fleet, leading to a 42 tons/year reduction in CO2 emissions.

Energy diagnosis

At the request of a customer wishing to carry out a complete diagnosis of its energy consumption, ID Logistics performed an energy diagnostic analysis of the complete logistics service offered to this customer and followed it up with a number of actions aimed at monitoring monthly water and electricity consumption:

- Optimization and reduction of energy consumption through:
  - Installation of presence detectors in loading areas and corridors to limit outside night lighting;
  - Systematic cleaning of lighting equipment in order to improve yield;
  - Installation of timers on electric convection heaters to limit consumption outside working hours. Temperature is now monitored by means of an infra-red thermometer in order to delay boiler activation for as long as possible.
- Rainwater collection in order to reduce the consumption of water for cleaning purposes.

Pilot hybrid vehicle

In June 2012, ID Logistics introduced a test hybrid vehicle in the Marseilles region in partnership with a manufacturer and a retailer. The pilot test was designed to reduce CO2 and other toxic emissions by over 30%. It should also allow these vehicles to operate with zero

CO_2 emissions and low noise levels in zero emission zones (ZEZ) for urban assignments. Powered by a battery-operated electric motor, the vehicle can be recharged by means of a Range Extender or from a mains supply.

This project allows ID Logistics to position itself as a pioneer in the field of urban logistics, which is likely to undergo radical developments over the coming years.

Shared distribution center between a manufacturer and a large retailer

At the request of a major FMCG manufacturer and in partnership with a large retailer, ID Logistics has developed a new platform concept, that of the shared distribution center or EMCA (*Entrepôt Mutualisé de Consolidation Aval*).
The principle of this new warehouse involves setting up a regional manufacturer's inventory hosted at a retailer’s logistics warehouse with rail access, from which products will be shipped both to the host retailer’s stores and also to other retailers’ warehouses.

The first pilot scheme was launched in March 2011 in a warehouse in the south of France. This new development allows major advances to be made in terms of sustainable development and supply chain optimization, particularly through the resumption of rail freight, a means of transport that French and European governments are currently trying to promote.

Over a full year, this scheme is expected to result in a reduction of almost 1,000 trucks on the road (one full train is the equivalent of approximately 40 trucks).

For example, ID Logistics has pioneered the search for shared solutions between several customers, in particular through the launch of supplier consolidation centers (CCC – Collaborative Consolidation Center) or shared distribution centers.

1.12.5 Social and staff commitment

Dynamic management of the Human Resources function

- **Workforce**

As of the balance sheet dates of the reported fiscal years, the Group's headcount was as follows:

	12/31/2012	12/31/2011
France	3,430	3,223
International	6,736	6,080
Total	10,166	9,303
Managers	375	327
Non-managers	9,791	8,976
Total	10,166	9,303

In addition to its own employees, the Group uses temporary workers, who in 2012 accounted for 23% of the Group's total headcount employed.

Women account for 21% of the workforce. While there is equality between men and women in terms of salary, there is not an equal number of men and women in the workforce.

The different occupational categories are represented as follows:

Category	Manual workers	Employees	Supervisors	Managers
%	64%	11%	18%	7%

Each of the Group’s foreign subsidiaries manages industrial relations in accordance with Group values and the applicable regulations of the country in which it is based.

- **EMPLOYEE SHAREHOLDING**

At the Registration Document Date and as specified under subsection 3.1.1 of the Registration Document, "Breakdown of capital stock and voting rights", Group management holds a total of 10.04% of the Company's capital stock. Each manager is responsible for his or her own holdings and there is no collective scheme for equity holdings.

The Company has also established a collective Company shares acquisition scheme for employees, the terms of which are as follows:

- The FCPE (corporate mutual fund) "Actions ID Logistics" was approved by the AMF on February 26, 2013 under authorization number FCE20130024;
- At all times, between one third and 100% of the FCPE's assets will be invested in ID Logistics Group shares, the management objective being to invest between 95% and 100% in Group shares so that the FCPE's value tracks closely the market price of the shares;
- This scheme will be effectively introduced during first half 2013 when the 2012 employee profit sharing is paid out. All or any proportion of the 2013 profit-sharing and/or incentive bonuses and voluntary contributions may be paid into the FCPE.

- **INCENTIVE AND PROFIT-SHARING AGREEMENTS**

There is no Group employee incentive agreement. However, there exist various incentive agreements within the main French subsidiaries. Similarly, while there is no Group employee profit-sharing agreement, profit-sharing agreements have been established in the main French subsidiaries.

The amounts recorded by the Group in France in respect of the employee incentive and profit-sharing agreements are as follows:

€000	2012	2011
Incentives	1,317	1,146
Profit share	1,325	762

- **Training**

The Group has its own training institute, IDL Training, which has expanded its range of competencies. The training institute is a Group subsidiary and is approved by the French employment ministry; as such it holds almost all necessary authorizations relating to employee safety. In 2010, approximately 3,900 employees underwent training courses organized by IDL Training.

In addition, ID Logistics has launched a huge training program concerning management best practices intended for all operational managers (including warehouse managers, operational managers, departmental managers and team leaders). Over 300 employees attend these training programs every year by completing either the full 6-day course or a shortened 3-day version.

Furthermore, in France ID Logistics has established firm relationships with employment partners such as Pôle Emploi (the French nationwide employment agency), the departmental councils, Maisons du Handicap, etc. and has developed programs in various catchment areas for training and recruiting employees from non-transport/logistics professions in the course of retraining. In 2010, 70 employees were recruited through these schemes.

Finally, after the success of the first session, the France Operations Department supervised selections for a second promotion list of young managers with potential, called the "Vivier ID Logistics". The 12 employees included in the new promotion received over 20 days of training provided by experts in the following fields: Finance – Management Control, Real Estate Law, Sales, Human Resources, Management, etc.

In 2012, the total training budget amounted to 0.5% of revenues and was a contributory factor towards internal job transfers within the Group (internal promotion rate of over 80%).

- **Developments in employee social welfare**

Faced with ever-diminishing allowances from the social security department, ID Logistics, already committed to the principle of free complementary health insurance for its employees, together with its staff representative organizations launched a broad call for tenders to all social welfare companies.
Following this process, all employees covered by the Unité Economique et Sociale (a French legal concept comprising a group of distinct legal entities under a common Works Council) benefit from additional insurance covering health and pension costs and a commitment to guarantee insurance costs for 3 years.

- **Staff transfers, a strength of the company**

The Group's business development has entailed several staff transfers both in France and in the foreign subsidiaries. From the very outset, ID Logistics has built up a model for employee transfers. The model is now approaching maturity, and is built around the following cornerstones:

- Capitalizing on the expertise of the staff acquired;
- Availability and attentiveness on the part of HR and operating staff;
- Individual support both before and after the transfer. This ensures career continuity and gives the new staff opportunities to build on their skills and career.

- **Safety and risk prevention at work – a management priority at ID Logistics**

Continuing the campaigns launched three years ago, ID Logistics has once again achieved a steep reduction in its industrial accident rate this year. The main indicators are under control and are in general below sector averages.

Indicators for measuring psychosocial risks have been prepared and will be introduced at pilot warehouses and offices.

In addition to the physical well-being of employees, which must be preserved at all costs, ID Logistics applies best practices to ensure it can anticipate potential causes of psychosocial risks at its warehouses and offices.

Social responsibility as an employer is an integral part of ID Logistics' strategy with regard to its own employees and to the company's relationship with the local business network surrounding each of its sites.

The Group's strategy consists in:

- Building a secure working environment that permits employees to advance their careers with ID Logistics;
- Acting as a responsible corporate citizen within the local community.

Building a secure working environment

Particular emphasis is laid on reducing the number of industrial accidents in all Group sites, on training and on internal job transfers.

	2011	2012
Industrial accidents – frequency rate (1)	56.59	54.05
Industrial accidents – severity rate (2)	1.15	1.13
Hours of training	25,654	51,355
Internal job transfers(3)	160	451

(1) no. of accidents involving stoppages during the year (excluding travel accidents) per million hours of work
(2) no. of days of temporary disability per 1,000 hours of work
(3) no. of internal job transfers with change of workplace

Through the commitment of each site to these principles, ID Logistics strengthens staff commitment through training and awareness programs and encourages ever more responsible initiatives.

This involves:

⇨ Improving working conditions by reducing arduous work and improving industrial accident prevention.

⇨ Developing the skills and employability of personnel. The Group's growth should offer every employee opportunities for promotion and professional fulfillment.

Acting as a responsible corporate citizen

To improve its integration within the local environment, in 2002 ID Logistics founded a charity called "ID Esperança" (renamed Idebra in 2011), which promotes education for young children and teenagers of the Favela Beira Mar, a slum situated very close to one of the Group's sites in Rio de Janeiro.

This project was managed directly by the Group to ensure that funds were used properly and to control the results. The aim of the project is to bring children back into education by means of a series of educational (tutoring), sporting (volleyball) and play-oriented (dance, reading and singing workshops) projects and job training courses (audiovisual and logistics).

2,000 children and adolescents have benefited from the project since its launch.

The annual budget, which amounts to over 450,000 reals, is funded half by ID Logistics and half by partners in the operation, most of which are Group customers or suppliers.

In 2010, the scheme's managers had the pleasure of seeing one of their former alumni go to university for the first time in the history of the Favela Beira Mar.

1.13 ID LOGISTICS GROWTH STRATEGY

Major untapped potential for organic growth

ID Logistics currently operates in most countries where the mass market is a major target for large manufacturers and retailers. The Group intends to focus primarily on sectors where it is already present, in France and abroad.

In France, the Group has many sources of growth through the acquisition of new contracts (either due to a change in logistics supplier or by manufacturers or retailers outsourcing logistics) and the development of multi-channel logistics solutions ("traditional" versus "e-commerce" logistics) in conjunction with the support offered to existing customers. The Group has also made significant inroads into this new business line by the addition, at the beginning of 2011, of four e-commerce contracts in France, Spain and Brazil.

The Group still has major growth potential abroad. In the first stage, ID Logistics pursued a strategy of supporting its customers based in France and abroad. In the second stage, the Group aims to boost its competitive position by supporting local customers, either in their country of origin or via the Group's sites in other countries. In this respect, ID Logistics intends to focus on certain major growth sectors such as textiles, fresh produce and fragrances.

Geographically speaking, the Group does not rule out the possibility of moving into new countries with high growth potential, while maintaining its usual approach of supporting its existing customers then consolidating its local market position.

Stepping up growth through acquisition

In the coming years, the Group also aims to step up growth via acquisitions. The Group might target several kinds of acquisitions in order to:

- Strengthen competitive positions in countries where it is already present in order to consolidate the sector in France and abroad;
- Develop additional logistics expertise in a new business;
- Reinforce the services related to contract logistics operations.

Summary of the Group's main strategic principles

In view of these different sources of growth, ID Logistics follows a strategy based on four major principles:

- **A fundamental approach as a logistics pure player and integrator of technical solutions**

  The Group has made the strategic decision to pursue growth based on its expertise in developing technical solutions specific to individual customers. As such, the Group does not aim to develop business lines in which growth is driven by control of networks (i.e. inland transportation, air and sea freight forwarding, etc.).

- **International positioning focused on mass consumption countries**

  The Group is present in most mass consumption countries where its large retailer or FMCG manufacturer customers operate. The main objective is to increase market share in these countries, in particular through support offered to domestic customers. In the coming years, the activity of supporting existing customers could lead to openings in new countries. The first step would be to continue to offer support to existing customers for their growth in these countries.

- **Continuing focus on the mass market**

  The Group's expertise is based on the logistical management of high-volume contracts and the search for optimizing solutions along the entire supply chain from manufacturer through to end customer. The Group aims to continue to serve new types of customer within this sector.

- **Support for major customers in their new business lines and particularly in cross-channel selling**

  One avenue of potential growth lies in expanding the Group's offer to existing customers. In fact, increasingly decisive logistics support is required in order to keep pace with changing modes of distribution.

  The growth of online selling, the opening of "Drive"-type models, home delivery and other factors entail changes to distributors' logistics organization and thus present the Group with new opportunities.

  In a broader context, changes in consumer habits lead to growing complexity of logistical arrangements, due to:
  - An increase in the number of products offered for sale and the need for those products to be available;
  - Complexity of sales and distribution channels;
  - A requirement for greater flexibility in the management of volumes.

  Expansion of the logistics offering is a suitable response to these requirements.

2/ RISK FACTORS

2 RISK FACTORS

Investors are invited to take into consideration all the information contained in the Registration Document, including the risk factors described in this chapter, before deciding to subscribe for or purchase shares in the Company. The Company has reviewed the risks that could have a material adverse effect on the Group, its business activity, financial position, financial results, outlook or ability to meet its objectives. The Company believes that, as of the Registration Document Date, there are no other significant risks besides those presented in this chapter.

However, investors' attention is drawn to the fact that the list of risks and contingencies described below is not exhaustive. Other known or unknown risks, which are not considered likely to have a material adverse effect on the Group, its business activity, financial position or results as of the Registration Document Date, may exist or become major factors that could have a material adverse effect on the Group, its business activity, financial position, results, development or outlook.

In each section below, the risk factors are presented in descending order of importance based on the Company's opinion as of the Registration Document Date. Any new circumstances within or outside the Group could therefore alter this order of importance in the future.

2.1 RISKS RELATED TO THE GROUP'S BUSINESS ACTIVITY AND MARKET

2.1.1 Risks related to the state of the economy

The Group is a major contract logistics operator in France and abroad. Irrespective of the country, the development of the local contract logistics market is related, in particular, to the local state of the economy.

Although the Group benefits from an extensive and diversified geographical positioning, a slowdown in economic activity or a fall in consumption in one or more markets, particularly in France, which accounted for 61% of Group revenues in 2012, could therefore adversely affect the Group's business activity and financial results.

2.1.2 Risks related to the competition

Contract logistics, including ancillary services, is a highly competitive sector in France and in all of the countries in which the Group has operations. As such, the Group frequently competes with many other companies of different sizes ranging from multinationals to local companies.

Moreover, since its inception the Group has grown strongly, boosted by an offering that stands out from the competition given the Group's ability to understand and adapt to customer requirements and given its technical standards, innovative technology and price. Any change or doubt concerning the Group's ability to stand out from the competition could affect the Group's revenues and financial results.

2.1.3 Risks intrinsic to the activity

Logistics operations are handling operations which, even if they are considerably supported by mechanical and technological assets, nevertheless remain highly manual. Therefore, there is a risk of physical injury to employees. As stated in subsection 1.12.5 "Social and staff commitment", the Group implements preventive measures and monitors the occurrence of industrial accidents with a view to reducing their frequency and severity. New recruits receive specific training in safety procedures and in correct physical movements and positions for handling goods, as well as a safety booklet explaining all applicable Group rules and regulations. In addition, the Group has carried out technological innovations (Pick and Go, securing of bays, etc.) aimed at reducing the number and frequency of accidents. These combined measures have enabled the Group to reduce the number of industrial accidents over the last few years.

	2012	2011
Industrial accidents – frequency rate [(1)]	54.05	56.59
Industrial accidents – severity rate [(2)]	1.13	1.15

(1) no. of accidents involving stoppages during the year (excluding travel accidents) per million hours of work

(2) no. of days of temporary disability per 1,000 hours of work

The Group is also exposed to the risk of road accidents during the performance of the transportation services it may be required to carry out as part of its contract logistics services. Road risk is subject to a specific support and prevention plan that defines the procedures for recruitment, in-house and external training, awareness campaigns and driver monitoring designed to influence driver behavior in order to prevent risks. A driver bonus scheme based on minimizing accidents has been set up.

There is also a risk of destruction or loss of goods or equipment, in particular as a result of fire. The Group installs appropriate fire safety and prevention equipment on its sites, which at a minimum complies with applicable regulations. In addition, the Group's organizational structure is sufficiently responsive to enable it to transfer the operations of a disabled site to a new site within a few days. Buildings, equipment and goods are covered by specific insurance policies for damage, civil liability etc., as described in section 2.7 of this chapter.

Finally, with regard to the transportation services integrated into the Group's contract logistics operations, the Group is subject to fluctuations in the price of diesel. The Group considers that the risk that diesel price fluctuations could have a material impact on its financial results is limited by indexing provisions, which are commonly included in the Group's contracts.

Despite the measures taken, the occurrence of these risks intrinsic to the Group's logistics business could result in higher insurance premiums or affect its financial position, financial results, development and outlook.

2.1.4 Risks related to international growth

The Group is growing internationally, mainly by supporting its existing customers as part of their own international growth. In 2012, business outside France accounted for 39% of Group revenues.

Establishing a presence in a foreign country usually involves setting up a local administrative structure with the management team required to operate the first warehousing site. This structure and team are subsequently responsible for developing the business of the subsidiary.

Under these conditions, establishment in a foreign country involves overheads that cannot be covered by operations. In addition, successive starts with new customers can entail costs that weigh heavily on the subsidiary's financial results until a certain critical mass is achieved.

Finally, throughout this growth period the Group remains locally dependent on a limited number of contracts. The loss of a major contract in a given country could pose a threat to the Group's operations in that country.

The Group's international operations are carried out primarily in fast-growing countries. Such countries are subject to risks to which the Group is also exposed, in particular GDP volatility, relative economic instability (as evidenced by major fluctuations in inflation, interest rates or exchange rates), rapid or major changes in national regulations (e.g. tax, exchange control, foreign investment, etc.), etc.

Finally, without ruling out a similar situation in more developed countries including France, these high-growth countries are exposed to unethical practices. Although it is impossible to protect itself completely against this type of conduct, the Group has implemented control procedures designed to prevent it.

All of these factors could affect the Group's financial position, financial results, development and outlook.

In order to mitigate such risks, which cannot be entirely eliminated, the Group appoints a management team for its various foreign subsidiaries who have solid contract logistics experience and who know the Group's culture and procedures. In particular, the chief financial officers of the foreign subsidiaries are hired by the Group finance department and have a functional reporting line to the Group finance department as well as reporting operationally to local senior management. They follow a 3-week training course at head office before beginning work and are responsible for disseminating best practices within their subsidiary. They are subject to monthly reporting requirements and have at least one monthly operational review meeting. Funding requirements are centralized with the Group finance department. Every subsidiary is visited at least once a year by a team from Group senior management.

2.1.5 Risks related to outsourcing

The Group may employ external service providers (e.g. temporary employment agencies, equipment rental firms, IT subcontractors, etc.) in conjunction with its contract logistics and ancillary service activities. In order to meet its needs, the Group regularly controls the quality of its subcontractors and maintains a large and diversified subcontractor base. As of the Registration Document Date, the Group is not dependent on any one external supplier in such a way that this might represent a risk to the smooth functioning of the Group's operations.

2.1.6 Risks related to information systems

In conjunction with its operations, the Group uses a certain amount of computer equipment and information systems, in particular to manage and safeguard its daily information flows. These systems are used to organize logistics, customer billing, management of operating staff, financial control of operations and communication to customers of the information required for their inventory management.

The Group pays particular attention to data back-up and rapid data restoration in case of an incident. In France, all emergency and back-up networks are duplicated and managed from two separate cleanrooms operated by a leading service provider.

In order to optimize assets and minimize risks, the management of information systems for certain countries or regions outside France (e.g. Spain, Poland, Indian Ocean and Morocco) is centralized and carried out directly by staff and with assets based in France.

Nevertheless, in view of the flow of information managed by the Group, if these information systems failed or if certain databases were destroyed or damaged for any reason whatsoever, the Group's operations could be disrupted. As a result, the Group's financial position and financial results could be adversely affected.

2.1.7 Risks related to real estate

The Group's real estate policy consists in renting its warehouse space for the same periods and under the same lease termination terms and conditions as those applicable to its contracts with its customers. This policy allows the Group to limit the risk of unused space.

As an exception to its policy of leasing real estate, in view of specific market conditions and customer commitments, the Group decided to acquire 75,000 square meters of warehouse space in Brebières in North France by means of a finance lease (see section 1.8 "Property, plant and equipment"). The customer leasing this warehouse is a leading specialized retailer. Under the lease, this customer is committed to a firm period of nearly ten years, which covers practically the whole 12-year term of the finance lease.

This class "A" warehouse, situated in the vicinity of several vibrant commercial hubs, is sufficiently designed for general purposes to allow it to be sold if necessary. However, the Group remains sensitive to the global economic situation and to the risk of fluctuation in the discount rates used to value the warehouse market. An adverse trend in this respect could have an adverse effect on the valuation of the Brebières warehouse and consequently on the Group's financial position and financial results.

As part of its integrated logistics service offering, the Group may be required to assist its customers in the performance of barycentric analyses, a search for land or oversight of a warehouse construction project, including obtaining building permits during the administrative stage. This type of service entails the risks that it may not be possible to defer, recharge to the customer or cancel, in the case of delay or project cancellation, the costs incurred during the preparatory stages, that the requisite financing may not be obtained on favorable terms or that the actual construction cost may be higher than the initial estimate. These risks could in turn have an adverse effect on the Group's financial position and financial results.

As of the Registration Document Date, customer recharging procedures are applied at all warehouses under the Group's management. Furthermore, as of the Registration Document Date, there are no rented warehouses that are not in use. With regard to its real estate policy (harmonization of lease periods and lease termination terms and conditions with those applicable to its customer contracts), in the short term the Group does not expect to see any discrepancy between the periods of the contracts and those of the lease agreements.

2.1.8 Risks of dependence on customers

In accordance with its growth strategy, the Group manages a customer portfolio that is diversified in terms of contract type, business sector, service and geographical region. 2012 revenues from the Group's top three customers amounted to 22% of consolidated revenues, evenly balanced between these three customers, and no single customer contract accounted for as much as 5% of Group consolidated revenues. The Group considers that the risk of loss of any one of these customers having a material adverse effect on the Group's financial performance is limited.

2.1.9 Risks related to managing growth

The Group's business has grown rapidly since its foundation, mainly through organic growth. In the future, this growth will continue to be based on organic growth, possibly supplemented by acquisitions (see section 1.13 "ID Logistics growth strategy").

- Organic growth
  The Group's organic growth is based on growth in revenues from existing contracts (e.g. price indexing, increase in volumes handled, initiation of new services, etc.) and on winning new contracts through tenders. Although the Group has acquired considerable experience in gaining new contracts, in particular through the launch or takeover of sites, this type of growth may involve major costs during the start-up phase, in relation to the start of operations on a new site or the takeover of staff, equipment and information systems on existing sites.

- Acquisitions
  As part of its growth strategy, the Group plans to carry out acquisitions in addition to its organic growth. However, the Group cannot guarantee that it will succeed in identifying, acquiring and integrating the best acquisition targets. Such operations, by their very nature, also involve risks related inter alia to the valuation of the assets and liabilities acquired, the integration of staff, business activities and technologies (including information systems) and the development of relations with the relevant customers and partners.

If the Group was unable to manage its organic growth, acquisitions or any unexpected difficulties encountered during its expansion, this could have an adverse effect on its business activity, financial results, financial position, growth and outlook.

2.2 REGULATORY AND LEGAL RISKS

2.2.1 Risks related to current and future regulations

Contract logistics, including ancillary services, is a highly regulated activity both in France and in the various countries in which the Group operates.

Such regulations are applied through warehouse operating permits, transport licenses and specific environmental regulations.

The Group undergoes periodic compliance audits with regard to its obligations in France and abroad. In the past, the Group has not suffered any material adverse impact on its financial position or results owing to any failure to comply with a regulation. However, in view of the geographical diversity of its sites and the complexity of certain regulations, the Group cannot guarantee that its interpretation of the various regulations will not be challenged and that adverse consequences will not arise therefrom.

In addition to compliance with existing regulations, even if revision clauses are included in most customer contracts whenever there are major amendments to the regulations, any change in operational, environmental, tax, labor or other regulations could affect the Group's business activities, financial position and results.

2.2.2 Environmental risks

By their nature, the Company's activities do not entail material environmental risks. However, the Group ensures that environmental standards are respected, in order to minimize environmental risks, and implements an active policy with regard to sustainable development, as detailed in section 1.12 of the Registration Document, "Sustainable development and growth".

As of the Registration Document Date, the Group stores and handles a certain amount of materials regarded as toxic under Seveso or equivalent regulations (i.e. aerosols, car batteries, paint, etc.) and provides the corresponding road transport services. These activities and services are of limited scope compared to the rest of the Group's activities and the Group considers that it is not significantly exposed to environmental risks.

2.2.3 Risks related to litigation to which the Group is party

During the normal course of its activities, the Group is exposed to legal risks in view of its status as an employer, tax-payer, service provider and purchaser of goods and services.

There are no government, court or arbitration proceedings, including any proceedings of which the Group has cognizance or proceedings which are suspended or threatened, that could have or that have over the last 12 months had a material impact on the Group's and/or the Company's financial position or earnings.

2.2.4 Risks related to intellectual property

The Groups considers that it owns, or validly holds the rights to use, all intellectual property rights that it exercises in conjunction with its business activities (in particular with regard to trademarks, logos and domain names) and that it has taken all reasonable steps, compatible with business requirements, to protect its intellectual property rights.

However, and in particular abroad, the Group cannot be sure that it will obtain similar protection as that obtained in France in countries which could become target markets in the future, and cannot rule out unfair competition or fraud committed by a third party.

2.3 FINANCIAL RISKS

2.3.1 Exchange rate risk

The Group publishes its consolidated financial statements and carries out most of its operations in euros. The Group's subsidiaries situated outside the eurozone trade largely in local currency, which limits the Group's exposure to exchange rate fluctuations.

The difference between assets excluding goodwill and liabilities excluding shareholders' equity denominated in currencies other than the euro (i.e. Taiwanese Dollar, Chinese Yuan, Brazilian Real, Polish Zloty, Argentine Peso, Indonesian Rupee, Russian Ruble and Moroccan Dinar) amounted to the equivalent of €20.8 million as of December 31, 2012 broken down as follows:

Foreign currency amount (€m)	TWD	CNY	BRL	PLN	ARS	Other	Total
Assets excluding goodwill	5.9	3.7	21.7	8.2	18.8	5.1	63.4
Liabilities	(3.6)	(2.4)	(13.5)	(5.6)	(15.8)	(1.7)	(42.6)

Net assets	2.3	1.3	8.2	2.6	3.0	3.4	20.8

The Group periodically reappraises its exposure to exchange risk and, as of December 31, 2012, these amounts were not subject to any specific hedging.

The Group cannot rule out the possibility that major growth in its international business could lead to greater exposure to exchange risk. In this case, the Group might decide to adopt a policy of exchange risk hedging. As of the Registration Document Date, the Group considers that its exposure to exchange risk is not material.

2.3.2 Credit risk

Most Group customers are leading international companies in their respective sectors. Owing to the quality of its principal counterparties, the diversification of its customers and its customer credit management system, the Group has never incurred material bad debt losses and considers that it is not exposed to significant credit risk.

2.3.3 Interest rate risk

As stated below, at December 31, 2012 most of the Group's borrowings (in the form of bank loans or finance leases) are taken out by French legal entities.

€m	Due in less than 1 year	Due in 1 to 5 years	Due in more than 5 years	Total	At variable rates before hedging	At variable rates after hedging
Bank overdrafts	1.4	-	-	1.4	1.4	1.4
Finance leases	9.8	25.6	13.3	48.8	26.6	-
Loans	0.1	0.2	-	0.4	0.3	0.3
Factoring	1.5	-	-	1.5	1.5	1.5
Other borrowings	0.4	2.5	-	2.9	-	-
Other financial liabilities	0.9	-	-	0.9	-	-
Cash and cash equivalents	(46.8)	-	-	(46.8)	(13.3)	(13.3)
Other financial assets	(3.1)	(2.4)	(0.3)	(5.8)	-	-
Net financial (assets) liabilities by maturity	(35.9)	26.0	13.1	3.2	16.5	(10.1)

At this date, 53% of the Group's borrowings before interest rate hedges are subject to floating interest rates. To provide against an adverse movement in interest rates, the Group has adopted a hedging strategy in the form of swaps (between floating and fixed rates) or caps (floating rate caps). The portion of the Group's borrowings after hedges as of December 31, 2012 still subject to floating rates is not material.

As stated under Note 14 to the 2012 Group consolidated financial statements in chapter 4.8.1, a 1% average increase in interest rates would result in a €0.3 million increase in interest expense under net financial items.

2.3.4 Risks related to cash management

The Group practices prudent management of its available cash. Cash and cash equivalents comprise available cash and cash equivalents, call deposits and investments in money market instruments with maturities of no more than three months.

2.3.5 Liquidity risk

The Group periodically reviews its sources of financing in order to maintain sufficient liquidity at any moment. For its financing the Group relies principally on available cash, factoring, bank overdrafts, finance leases, real estate finance leases and a bank loan.

As of December 31, 2012, the Group held net cash and cash equivalents of €45.5 million and borrowings with the following maturities:

€m	Less than 1 year	1 to 5 years	More than 5 years	Total
Finance leases	9.8	25.6	13.3	48.7
Factoring	1.5	-	-	1.5
Other payables	0.5	2.8	-	3.3
Total	11.8	28.4	13.3	53.5

As of December 31, 2012, the Group had unused credit lines amounting to €9.0 million in the form of borrowings and €14.5 million in the form of finance lease liabilities (compared to €8.6 million and €9.7 million respectively as of December 31, 2011). The unused credit lines have terms of one year. In addition, the Group has a master factoring agreement relating to its business in France that represents a total potential resource of €33.4 million, €1.5 million of which had been used as of December 31, 2012.

The Company carried out a specific appraisal of its liquidity risk and considers that it is able to meet its future liabilities as they fall due.

2.3.6 Risks related to goodwill impairment tests

The Group carries out goodwill impairment tests once a year (see notes to the financial statements in section 4.8 of the Registration Document, "Annual historic financial information"). Future events, which are unpredictable by nature, could result in impairment of some of this goodwill.

As of December 31, 2012, the goodwill net book value breaks down by geographical region as follows:

€m	12/31/2012
France	49.5
International	11.1
Total	60.6

Material impairments could have an adverse effect on the Group's financial position and performance for the year in which such charges are recognized.

2.4 RISKS RELATING TO HUMAN RESOURCES

2.4.1 Human resources management

In order to manage and grow the Group's business activities, qualified technicians and managers must be recruited and retained. The success of the Group's operations depends in particular on the experience and the commitment of the management team and other key personnel. The Group's ability to retain its employees, to attract and integrate new high-quality staff and to train and promote promising employees is an important factor.

The Group has implemented an active human resources strategy in France and abroad aimed at identifying, attracting, retaining and updating the skills and competencies required for its operations and growth in a highly competitive environment. If the Group lost the services of one or more of its managers or key personnel, the Group considers that most responsibilities held by such individuals could be assumed by other persons, if necessary after a period of adaptation and/or training for the vacant jobs. However, the departure or long-term absence of one or more such persons could have an adverse effect on the Group's strategy or business activity and could adversely affect the implementation of new projects required for its growth and consequently have an adverse effect on the Group's business activity.

In addition, the Group cannot rule out potential severance costs if employees are released despite options for redeploying staff within the Group.

Furthermore, the Group's operations require a considerable number of temporary employees (23% of the headcount in 2012). These employees are hired through a number of specialized leading employment agencies with which the Group has master agreements enabling it to procure additional personnel at any given moment in accordance with activity peaks. The Group believes that it is not exposed to a temporary employment risk or a risk of dependence on a sole external service provider (see subsection 4.1.5 in particular).

The temporary employment agencies are regularly controlled or invited to bid in tender offers organized by the Group. During these controls and tender offers, the Group pays particular attention to the training, safety and security procedures followed by these agencies and to procedures relating to compliance with legislation (Labor Code, immigration law, etc.). Although the Group cannot rule out the possibility of non-compliance in the procedures followed by its temporary employment agencies, it considers that there is only a limited risk that such non-compliance could have a material impact on the Group's financial position or results.

All the aforementioned factors could therefore affect the Group's financial position, earnings, growth and outlook.

2.4.2 Management of industrial relations

The Group's business activities could be disrupted by strikes, employee claims and other labor action. Given that the Group has no insurance protection for operating losses from business interruption caused by labor action, its business activity, financial position and operating results could be affected. Despite the care which the Group applies to its industrial relations management, it cannot rule out the possibility of deterioration in industrial relations or disruption in labor.

2.5 RISKS RELATED TO THE COMPANY'S SHAREHOLDER STRUCTURE

As of December 31, 2012, Eric Hémar, Christophe Satin and the company Immod, acting in concert, directly and indirectly hold 64.87% of the capital stock and 68.88% of voting rights. As such, these parties acting in concert are entitled to pass resolutions subject to the competence of the shareholders' general meeting, such as appointment of corporate bodies, approval of the financial statements, dividend distributions and amendments to the bylaws, at their sole discretion.

In addition, approximately 3% of the Group's customer contracts include a provision regarding changes in control of the Company whereby the customer may request the termination of the contract in question. Since none of these contracts are material, the Group considers that the risk of change in control is not material.

2.6 RISK OF DILUTION

As of December 31, 2012, Immod held 38.12% of the Company's capital and 155,520 equity warrants, the main terms and conditions of which are described in subsection 5.2.4 "Securities giving entitlement to equity". Each warrant carries the right to subscribe for one share, which means as of the Registration Document Date a maximum potential equity dilution equal to 5.38% of post-dilution capital.

Finally, in the future ID Logistics Group may issue or allot shares or new financial instruments giving access to the Company's capital stock as part of its strategy to incentivize its managers and employees. Any additional allotment or issue would entail a further and potentially material dilution for the Company's shareholders.

2.7 GROUP INSURANCE POLICIES

The Company pursues a policy to insure the main insurable risks, with limits and excesses that correspond to the nature of its business. This strategy is managed centrally via blanket agreements covering all countries in which the Group operates, and is directly managed by the Group Legal Affairs Department.

During fiscal year ended December 31, 2012, the Group incurred total costs amounting to €3.2 million in respect of insurance premiums.

- **Liability**

  The Group's insurance strategy consists in covering liability risks with policies for the entire Group including foreign subsidiaries.

  The Group's insurance companies and brokers are all well known and have international networks.

  Consequently, foreign subsidiaries are insured through policies taken out locally based on "local market best practices", while the French master policy applies with differences in limits and terms and conditions.

  The purpose of the liability insurance policies is to cover:

  - The liability of the Group's directors and corporate officers;
  - Operational liability risks, trustee's liability, post-delivery and professional liability relating in particular to logistics and inventory management activities, owner's liability, organizer's liability, employer's liability arising from gross negligence, liability relating to subcontractors, liability arising from the temporary occupation of premises belonging to

third parties and liability for damage to third-party assets held by the Group;

- Contractual liability and liability for physical damage to goods, as well as any consequential non-physical damage, in particular when performing the Group's transport organizing activities

Movements in liability insurance budgets have been in line with insurance market trends for liability over the last three years, when premiums have been flat or even reduced.

- **Property damage**

The Group's strategy with regard to property damage insurance is identical to its liability insurance strategy as described above.

Property damage insurance is intended to cover physical damage to the Group's property, given that the vast majority of buildings and goods are insured by third parties with mutual waiver of claims.

The general contractual indemnity limit and the wording of the policy are in line with market practice.

Movements in property damage insurance budgets have been in line with insurance market trends for property damage over the last three years, when premiums have been flat or even reduced, varying in accordance with several criteria, including coverage, site protection and risk prevention and claims history.

Over the last three years there have been no major claims that have not been covered by insurance.

- **Automotive Insurance**

The Group's strategy regarding Automotive Insurance consists in covering the Group and its subsidiaries for all owned and/or leased vehicles or third-party vehicles used by them in any capacity.

Automotive fleet budgets have moved in line with the automotive insurance market, which has tightened largely due to increasing losses caused by higher repair costs and increased personal injury claims.

- **Operating loss insurance**

The Group periodically calculates the cost-benefit of operating loss insurance, and has accordingly decided not to take out operating loss insurance.

However, property damage policies including coverage against additional operating costs following a non-excluded claim have been taken out.

In view of the above, ID Logistics considers that its level of risk coverage is in accordance with its business activity and that any excess amount that the Group might be required to pay in connection with an insurance claim would not have a material impact on its financial position.

3/ CORPORATE GOVERNANCE

3 CORPORATE GOVERNANCE

3.1 PRINCIPAL SHAREHOLDERS

3.1.1 Distribution of capital stock and voting rights

The Company's capital stock and voting rights as of the Registration Document Date are detailed in the following table:

Shareholders	Shares and voting rights		
	Amount	% equity	Percentage actual voting rights
Immod [(1)]	2,043,392	37.33%	28.97%
Eric Hémar [(1)]	1,296,460	23.68%	34.86%
Christophe Satin [(1)]	167,820	3.07%	4.51%
Subtotal held in concert	3,507,672	64.07%	68.34%
Others [(2)]	550,080	10.04%	12.65%
Public float	1,414,096	25.84%	19.04%
Treasury shares	2,632	0.05%	0%
TOTAL	5,474,480	100%	100%

[(1)] 85.87% of IMMOD's capital stock was indirectly held by Mr. Eric Hémar, via Comète, and 14.13% by Mr. Christophe Satin.
[(2)] The other shareholders are present or former Group employees, none of whom individually hold more than 2% of the capital stock and voting rights.

- Disclosures of threshold crossing in 2012

Mr. Eric Hémar (and Immod, the French simplified joint stock company in which he has a controlling interest) and Mr. Christophe Satin, acting together in concert, state that December 14, 2012 they increased their shareholding in ID Logistics Group SA to above the two-thirds voting rights threshold and now hold 3,551,120 shares representing 5,127,180 voting rights, or 64.87% of the Company's capital stock representing 68.88% of the voting rights, broken down as follows:

	Shares	% capital	Voting rights	% voting rights
Immod	2,086,840	38.12	2,198,620	29.54
Eric Hémar	1,296,460	23.68	2,592,920	34.83
Christophe Satin	167,820	3.07	335,640	4.51
Concert total	3,551,120	64.87	5,127,180	68.88

This threshold crossing resulted from purchasing ID Logistics Group shares off market. (AMF notice 212C1715)

As of the Registration Document Date, Immod held 37.33% of the Company's capital and 155,520 equity warrants, for which the main terms and conditions are described in section 5.2.4 of the Registration Document, "Securities giving entitlement to equity", it being specified that each warrant carries the right to subscribe for two Company shares. No other shareholders hold any equity warrants. The maximum equity dilution that could arise from exercising these equity warrants is 5.38% of post-dilution capital.

Moneta Asset Management also notified the Company that September 13, 2012 it increased its shareholding to above the 2% threshold and, as of the same date, held 126,000 shares, or 2.3% of capital representing 1.7% of voting rights.

The Company is not aware of any other shareholder who, directly or indirectly, acting alone or in concert, holds over 2% of the capital or voting rights.

3.1.2 Voting rights of the principal shareholders

Pursuant to Article 25 of the Company's bylaws, each Company share gives one voting right. However, pursuant to a resolution passed at the June 21, 2010 shareholders' general meeting, a double voting right compared to other shares representing the same proportion of equity is granted to all fully paid-up shares which can be proved to have been registered in the name of the same shareholder for at least the last four consecutive years.

3.1.3 Control of the company

As of the Registration Document Date, Eric Hémar held:

- 23.68% of the Company's capital stock and 34.86% of the voting rights directly, and
- 37.33% of the Company's capital stock and 28.97% of the voting rights indirectly via Immod, in which he indirectly holds 85.87% of the capital via the company Comète.

Eric Hémar therefore holds directly and indirectly 61.01% of the capital and 63.83% of the voting rights and, acting in concert with Christophe Satin, 64.07% of the capital and 68.34% of the voting rights.

While the Company is controlled as stated above, it considers there is no risk that control may be exercised in an abusive manner, particularly in view of the fact that there are two independent directors on the Board.

There are currently two shareholder agreements.

- The first concerns an agreement between Eric Hémar and Christophe Satin together with former and current Group employees representing 13.11% of the capital as of the Registration Document Date. Most of these persons became shareholders in 2006, when Banque Lazard's equity stake was purchased by the managers (see Section 1.2 "Milestones in the Company's development"). There is no family bond or common interest between the directors and these persons that could be deemed acting in concert. Under the shareholders' agreement, Eric Hémar will have a priority right to acquire shares should the other shareholders sell or transfer their shares.

  Shareholders bound by the aforementioned shareholders' agreement must notify Eric Hémar of their intention to sell or transfer their shares, specifying the number of

shares, the manner of sale or transfer, details of the intended transferee/buyer and price and terms of sale or transfer. The priority purchase right shall be exercised, if applicable, within three days from receipt of the notification.
The agreement was signed for a 5-year term following the Company's IPO, i.e. until April 18, 2017.

- Moreover, in view of the relations existing between Messrs Hémar and Satin since the Company's incorporation, their respective offices and their common status as shareholders of Immod, itself a shareholder of the Company, Messrs Hémar and Satin and Immod have formalized their relationship by signing a second shareholders' agreement that represents an action in concert.

  The principal clauses of the shareholders' agreement stipulate that the parties shall cooperate as follows: The parties undertake to cooperate prior to any decision justifying a common position or materially impacting the number or percentage of voting rights they hold in the company.

  The parties meet: (i) prior to all Company ordinary and extraordinary shareholders meetings, (ii) in the event of a declaration from a third party acting alone or in concert that such third party has crossed the 2% threshold of the Company's capital and voting rights, (iii) in the event of a public tender offer from a third party for the capital stock of ID Logistics Group SA, and (iv) in the event of an issue of stock or any other securities enabling holders immediately or in the future to acquire an equity interest in ID Logistics Group SA.

  The shareholders agreement was signed for a 10-year term with effect from March 7, 2012 and will terminate early vis-à-vis: (i) any party who ceases to carry out his duties in the Company or in a company controlled by the Company, (ii) any party who no longer holds ID Logistics Group stock, (iii) all parties as of the date when the parties, separately or together, no longer hold at least 30% of the Company's capital or voting rights and (iv) all parties should all parties mutually agree on the early termination of the shareholders' agreement.

3.1.4 Agreement that may result in a change of control

There is no particular clause in the Company's deed of incorporation, bylaws, any charter or regulations that could result in delaying, postponing or preventing a change in control of the Company.

To the Company's knowledge, with the exception of the shareholders' agreement between Messrs Hémar and Satin, as of the Registration Document Date there are no other agreements or actions in concert between the Company's shareholders that could result in a change of control over the Company. Eric Hémar holds a preemptive right as described under paragraph 3.1.3. above.

3.1.5 Statement of pledges

To the Company's knowledge, as of the Registration Document Date there are no pledges over the Company's shares.

3.2 BOARD OF DIRECTORS

3.2.1 Members of the Board of Directors

As of the Registration Document Date, the Company's Board of Directors consisted of the following members:

Name	Age	Nationality	Position	Date of appointment [5]	Expiry of term of office	Number of shares held	Independent member
Eric Hémar	49 years	French	Chairman and CEO	6/21/2010	2013	1,296,460	No
Immod[1], represented by Christophe Satin[2]	42 years	French	Director	6/21/2010	2013	2,043,392	No
Nicolas Derouin	36 years	French	Director	6/21/2010	2013	70,700	No
Michel Clair[3]	66 years	French	Director	6/22/2011	2014	8,750	Yes
Jacques Veyrat[4]	50 years	French	Director	6/22/2011	2014	50,000	Yes

(1) As of the Registration Document Date, 85.87% of Immod's capital stock was indirectly held by Mr. Eric Hémar via Comète and 14.13% is held by Mr. Christophe Satin.
(2) At the Registration Document Date, Christophe Satin directly held 167,820 Company shares
(3) Investment held directly and indirectly via Clair Grenelle SAS
(4) Investment held indirectly via Eiffel Diversified Fund FCP-SIF
(5) Date of first appointment

3.2.2 Conflicts of interest among members of the administrative and management bodies and senior management

As of the Registration Document Date, the Chairman and CEO and the directors who make up the management team are direct or indirect shareholders in the Company and/or holders of securities giving access to the Company's capital.

To the Company's knowledge, as of the Registration Document Date there is:

- no conflict of interest between the duties of each member of the senior management team and Board of Directors towards the Company as corporate officers and their private or other interests.
- no arrangement or agreement with the principal shareholders or with any customers, suppliers or other persons appointing any of the members of senior management and Board of Directors.
- no restriction on senior management and Board of Directors members in relation to the sale or transfer of their equity investment in the Company, with the exception of the aforementioned shareholders' agreement.

There are related party agreements which are described under sections 3.5.2 “Contracts between directors and the Company” and 4.10.2 “Transactions with corporate officers”.

3.2.3 Securities giving access to the capital granted to the directors

As of the Registration Document Date, Immod, a company holding 37.33% of the Company’s capital stock, holds 155,520 equity warrants, the main terms of which are as follows:
- Date of issue: October 13, 2008, modified on June 21, 2010
- Number of shares that may be issued on exercise of warrants: 2 shares of common stock for 1 warrant
- Subscription price for each share issued on exercise of warrants: 4.50 Euros
- Timetable for exercise of warrants: all equity warrants can be exercised as of the Registration Document Date
- Deadline for exercise of warrants: no limit
- As of the Registration Document Date:
    - Number of warrants exercised: none
    - Number of warrants canceled or void: none
    - Number of warrants remaining: 155,520

3.3 OPERATION OF THE COMPANY'S ADMINISTRATIVE AND MANAGEMENT BODIES

3.3.1 Company management

By decision of the shareholders' general meeting of June 21, 2010, the Company was transformed into a *société anonyme* (French corporation). The members of the Board of Directors are specified under section 3.2.1 of the Registration Document, "Members of the Board of Directors".

During the year ended December 31, 2012, the Company Board of Directors met on:
- February 21, 2012, principally in order to prepare the March 7, 2012 combined extraordinary and ordinary shareholders' general meeting notice and agenda
- March 7, 2012, principally in order to approve the 2011 Company and consolidated financial statements, to review operations since the beginning of the year and to approve the 2012 budget
- March 26, 2012, principally in order to review the planned IPO and approve the principles of the offering, including the capital increase, the method of setting the issue price and the assignment of powers.
- April 12, 2012, principally in order to approve the terms and conditions of the capital increase via a public issue of the Company's stock and to approve the underwriters' contract with the lead underwriter and bookrunner for the offering
- April 17, 2012, principally in order to take note of the firm and final completion of the capital increase via a public issue of the Company's stock
- August 28, 2012, principally in order to approve the Company’s first-half consolidated financial statements and to adopt its Rules of Procedure
- December 10, 2012, principally in order to approve two related party agreements addressed under Articles L225-38 and following of the French Commercial Code, between the Company and one of its subsidiaries in conjunction with the planned acquisition of Timler and its subsidiary, France Paquets

The directors' meeting attendance rate was 100%.

3.3.2 Contracts between directors and the company

As of the Registration Document Date, there were three indirect services agreements between Eric Hémar and ID Logistics via the company COMETE. These agreements have an unlimited term with a three-month notice period and have the following financial terms and conditions:

Company	Purpose	Fixed fee (€)	Variable fee* (€)
ID Logistics Group SA	General management, man management and strategic oversight, notably abroad	121,000	100,000
ID Logistics France SAS	Sales growth, human resources management	150,000	54,000
La Fleche SAS	Corporate relations, professional organizations, sales growth	90,000	-
Total		361,000	154,000

(*) The variable fee, if applicable, will be paid in 2014.

3.3.3 Chairman's report on internal controls and corporate governance

Dear shareholders,

Pursuant to the provisions of Article L. 225-37 of the French Commercial Code, it is my duty as Chairman of the Company's Board of Directors to produce this report on the members of the Board of Directors, the conditions for preparing and organizing the work of the Board, and internal control and risk management procedures that the Company has implemented.

This report was prepared based on information from several departments, notably the Group legal and finance departments, and then passed to the Audit Committee for discussion and review before being approved by the Board of Directors on March 25, 2013 and sent to the statutory auditors.

I - CORPORATE GOVERNANCE

- Corporate governance code

The Company applies the corporate governance code for MiddleNext listed companies.

This code can be viewed at: *www.middlenext.com .*

Note:

- Recommendation R1 "Combining employment with a position as corporate officer" is not adopted: in view of the Company's shareholder structure and its limited management organization, although the Company is in compliance with Recommendation R1 for fiscal year 2012, it would like to leave the option open to authorize combining employment with a position as corporate officer in the future.
- Given that the Company has not introduced any stock option or bonus share schemes as of the Registration Document Date, adoption of Recommendation R5 "Stock options and issue of bonus shares" is currently under review.
- The adoption of Recommendation R13 "Board and committee meetings" is currently under review: although the Company complies with Recommendation R13 with seven Board of Directors meetings in 2012, it is not sure it will be able to hold at least four Board of Directors meetings per year in the future.
- The Board of Directors has decided to introduce Recommendation R15 "Implementation of evaluations of the board's work" before the end of 2013.

The Company has complied with all other recommendations.

1. The Board of Directors and committees

- Members of the Board of Directors

The Board of Directors comprises five members. Their term of office runs for three years.

Membership of the Board of Directors has been arranged so as to involve the Group's supervisory shareholder representatives in the definition, implementation and monitoring of the Group's development strategy, while giving the Group the diverse international professional experience of the directors.

As of the Registration Document Date, the Company's Board of Directors consisted of the following members:

Name	Age	Nationality	Position	Date of appointment	Expiry of term of office	Number of shares held	Independent member
Eric Hémar	49 years	French	Chairman and CEO	6/21/2010	2013	1,296,460	No
Immod[(1)], represented by Christophe Satin[(2)]	42 years	French	Director	6/21/2010	2013	2,043,392	No
Nicolas Derouin	36 years	French	Director	6/21/2010	2013	70,700	No
Michel Clair[(3)]	66 years	French	Director	6/22/2011	2014	8,750	Yes
Jacques Veyrat[(4)]	50 years	French	Director	6/22/2011	2014	50,000	Yes

(1) As of the Registration Document Date, 85.87% of Immod's capital stock was indirectly held by Mr. Eric Hémar via Comète and 14.13% is held by Mr. Christophe Satin.
(2) At the Registration Document Date, Christophe Satin directly held 167,820 Company shares
(3) Investment held directly and indirectly via Clair Grenelle SAS

[4] *Investment held indirectly via Eiffel Diversified Fund FCP-SIF*

Among the board members, Michel Clair and Jacques Veyrat are considered to be independent based on the definition given in the Middlenext corporate governance code for small and mid caps. Indeed, according to the eighth recommendation of this code, the criteria for classifying a board member as independent are as follows:

- Not being or having been in the previous three years an employee or executive director of the company or of another company in the same group,
- Not being a significant customer, supplier or banker of the company or of another company in the same group, or for which the company or its group represents a material proportion of the business,
- Not being a major shareholder in the company.
- Not having any close family relationship with a corporate officer or a major shareholder,
- Not having been an auditor of the company within the last three years.

As of the Registration Document Date, the Company's Board of Directors only comprised men. The Company would like to improve female representation on the Board, which will be one of its assessment criteria.

There is no family relationship between the people specified above.

To the Company's knowledge, as of the Registration Document Date no Board of Directors or senior management members have, within the last 5 years:

- been condemned for fraud;
- been associated with a bankruptcy, sequestration or liquidation;
- been sentenced to official public sanctions or penalties by the statutory or regulatory authorities.
- been prohibited by a court from acting as a member of an administrative, management or supervisory body of an issuer or from being involved in the management or conduct of the business of an issuer.

- Directors' details

Eric Hémar
Chairman and CEO
Business address: 410, route du Moulin de Losque, 84300 Cavaillon

Eric Hémar, a former student of ENA, began his career at the *Cour des comptes* (French government Court of Audit) before joining the French Equipment, Transport and Tourism ministry in 1993, where he was technical advisor to minister Bernard Bosson. In 1995, he began working for the Sceta group, followed by Geodis as Corporate Secretary. He left Geodis Logistics in March 2001 to found ID Logistics. Eric Hémar has been Chairman and Chief Executive Officer of the Company since the shareholders' general meeting on June 21, 2010, prior to which he was Chairman of the Company.

List of functions and offices exercised as of the Registration Document Date

Principal function
- Chairman and Chief Executive Officer of the ID Logistics group

Other offices within the Group
- Chairman: ID Logistics, ID Logistics France, ID Logistics France 3, ID Logistics Mayotte, ID Logistics Océan Indien, La Financière de Commerce et Participations (Ficopar), Immod 1, ID Logistics Entrepôts, IDL Supply Chain South Africa (Pty) Ltd, IDL Fresh South Africa (Pty) Ltd, Timler, France Paquets
- General Manager: FC Logistique R&D, ID Logistics Maroc, ID Logistics Training
- Member of the Supervisory Board: Dislogic
- Director: ID Logistics China Holding Hong-Kong, ID Logistics Maurice, ID Logistics Nanjing, ID Logistics Polska, ID Logistics Taiwan, ID Logistics Business Consulting, ID Consulting Shanghai

Other offices outside the Group
- Chairman: Les Parcs du Lubéron Holding
- General Manager: Comète, SCI Fininco

List of functions and offices having expired during the last five years
- Chairman: La Flèche

IMMOD, represented by Christophe Satin
Director
Business address: 410, route du Moulin de Losque, 84300 Cavaillon

Immod is a *société anonyme par actions simplifiée* (French simplified joint stock company). As of the Registration Document Date, 85.87% of its capital was held by Mr. Eric Hémar, via Comète, and 14.13% by Mr. Christophe Satin. Immod holds 47.24% of the Company's capital.

List of functions and offices exercised as of the Registration Document Date

Principal function
None

Other offices within the Group
None

Other offices outside the Group
- Chairman: Financière ID SAS

List of functions and offices having expired during the last five years
None

Christophe Satin, Immod representative and Deputy CEO
Business address: 410, route du Moulin de Losque, 84300 Cavaillon

Christophe Satin graduated from ISG and began his career with Arthur Andersen. He went on to work for various industrial companies before joining Geodis as Overseas financial manager for Geodis Logistics. In 2001, he co-founded ID Logistics, for which he was appointed Chief Financial Officer followed by Deputy General Manager.

List of functions and offices exercised as of the Registration Document Date

Principal function
- ID Logistics Group Deputy CEO (appointed September 14, 2011 for an unlimited term)

Other offices within the Group
- Chairman: Comptoir Général de Logistique et de Services, Coop Interflèche, ID Logistics Champagne, La Flèche
- General Manager: SCI Les Citronniers, SCI Les Cocotiers
- Chief Executive Officer: ID Log, ID Trans
- Director: ID Logistics China Holding Hong-Kong, ID Logistics Korea, ID Logistics Maurice, ID Logistics Taiwan, ID Logistics Nanjing, ID Logistics Business Consulting, ID Consulting Shanghai, ID Logistics Polska, France Paquets
- Member of the Supervisory Board: Dislogic

Other offices outside the Group
- General Manager: Libertad

List of functions and offices having expired during the last five years

None

- **Nicolas Derouin**
  Director
  Business address: Rua Dr. Mauro Lindenberg Monteiro, N° 322, Via Simões de Almeida, Osasco, São Paulo – SP 06 278-010, Brazil

Nicolas Derouin, a graduate of the Ecole Centrale de Lille, began his career with Geodis Logistics as engineer of studies and methods in Latin America. Late 2001, he joined ID Logistics for the launch of operations at the Group's Taiwan subsidiary. In 2002, he joined ID Logistics Brazil as engineer of studies and methods before being appointed CEO in 2005.

List of functions and offices exercised as of the Registration Document Date

Principal function
- Chief Executive Officer: ID do Brasil Logistica (Brazil), ID Armazens Gerais (Brazil)

Other offices within the Group
- Director: ID do Brasil Logistica (Brazil)
- Director Suplente: ID Supply Chain (Argentina)

Other offices outside the Group
None

List of functions and offices having expired during the last five years
None

- **Michel Clair**
Independent director
Business address: Astria, 1 square Chaptal, 92300 Levallois Perret

Former student of ENA, Michel Clair was auditor followed by senior advisor for the *Cour des comptes* (1975-91) before taking up various positions within government agencies and several ministries. This latter spell included chief of staff for the Ministry of Trade, Crafts and Services from 1986 to 1988. In 1991, he joined Compagnie Bancaire, for which he was Corporate Secretary and member of the management board. Following the Paribas - Compagnie Bancaire merger, he became a member of the executive committee of Paribas, in charge of real estate and shared services. In 1996 he joined the Klépierre group as member of the board of directors and was appointed Chairman the following year. From 1998 to 2012, he was chairman of the Klépierre management board followed by the supervisory board. He is currently chairman of Astria, France Habitation and OGIF and is chairman of the Comexposium board of directors.

List of functions and offices exercised as of the Registration Document Date

Principal function
- Chairman of the Comexposium Board of Directors

Other offices within the Group
None

Other offices outside the Group
- Chairman of the Supervisory Board: SCS Ségécé
- Chairman of the Board of Directors: SGRHVS
- Chairman: SAS Astria Développement, SAS RHVS 1% Logement, France-Habitation SA HLM, Omnium de Gestion Immobilière de l'Ile-de-France
- Director: GIE Astria, Pax-Progrès-Pallas SA HLM, Domaxis SA HLM

List of functions and offices having expired during the last five years
- - Chairman of the Supervisory Board: Klépierre, SCA Klémurs
- Chairman of the Management Board: Klépierre
- Chairman: SAS Valéry Développement

- **Jacques Veyrat**
Independent director
Business address: Louis Dreyfus SAS, 7 rue Kepler, 75116 Paris

Former student of Ecole Polytechnique and Ecole des Ponts et Chaussées de Paris, Jacques Veyrat began his career with the French government Treasury before taking up various positions with ministerial offices. In 1995, he joined the Louis Dreyfus group where he had various management responsibilities, notably within Louis Dreyfus Armateurs. From 1998 to 2005, Jacques Veyrat was Chairman and CEO of Neuf Telecom and then group Chairman and CEO of Neuf Telecom Cegetel (following the Neuf Telecom and Cegetel merger) until April 2008. He then became Louis Dreyfus group Chairman until summer 2011. Since July 2011 Jacques Veyrat has been Chairman of Impala SAS, which has an energy business (DirectEnergie/Poweo, Neoen) and a finance business (Eiffel Investment Group).

List of functions and offices exercised as of the Registration Document Date

Principal function
- Chairman: Impala SAS

Other offices within the Group
None

Other offices outside the Group
- Director: Direct Energie, Neoen, HSBC France, Imerys
- Member of the Supervisory Board: Eurazeo

List of functions and offices having expired during the last five years

- Chairman: Louis Dreyfus Holding BV, formerly Kurosawa BV, (Netherlands)
- Chairman and Chief Executive Officer: Neuf Cegetel, Louis Dreyfus SAS

- Conditions for preparing the board's work

In order to give sufficient time to Board members to properly prepare for meetings, the Chairman endeavors to send them all information and documentation required in advance. Accordingly, the draft annual financial statements were sent to the directors three days before the designated Board meeting to approve the financial statements.

Every time a Board member has submitted a request, the Chairman has sent him the requested information and documentation as far as possible.

- Board meetings

The Board met seven times in 2012. Meeting notices were sent out at least two days in advance. The directors' Board meeting attendance rate in 2012 was 100%. Meetings are held at Group sites or by conference call.

The statutory auditors were invited to the Board of Directors meeting that approved the annual and half-year financial statements and management forecasts. They were also invited to the Board meetings called to discuss the planned IPO, which they attended.

- Board of Directors Rules of Procedure

The Board has introduced Rules of Procedure, which principally cover the following points:

- The Board's members, role and procedures.

- o Duties of the directors (fiduciary duty, non compete, confidentiality, diligence, prevention of insider trading etc.)
- o Audit committee

The Board of Directors Rules of Procedure can be viewed on the Company's website, in the corporate governance section under "Shareholders".

- Conflicts of interest among Board members

The Board of Directors Rules of Procedure Article 4, "Directors' duties", stipulates that, in a situation that gives rise to or could give rise to a conflict between corporate interests and the direct or indirect private interests of a director or the interests of shareholders or a group of shareholders that he represents, the director in question must:

- inform the Board of the situation as soon as he is aware of it, and
- decide on any consequences affecting his position as a director.

Depending on the individual circumstances, the director must:

- either abstain from voting in the relevant matter,
- or not attend the Board meetings during the period in which he is subject to a conflict of interests,
- or resign as a director.

Non-disclosure shall be construed as an acknowledgment that no conflict of interest exists.

- Tasks of the Board of Directors

The Board of Directors sets the direction of the Company's business and ensures the implementation thereof. Subject to the powers expressly reserved to shareholders in general meeting and subject to the corporate purpose, it addresses any matters pertaining to the proper running of the Company and, by its voting, settles matters concerning the Company.

- Subjects discussed during Board meetings and performance review

During the year ended December 31, 2012, the Company Board of Directors met on:

- February 21, 2012, principally in order to prepare the March 7, 2012 combined extraordinary and ordinary shareholders' general meeting notice and agenda
- March 7, 2012, principally in order to approve the 2011 Company and consolidated financial statements, to review operations since the beginning of the year and to approve the 2012 budget
- March 26, 2012, principally in order to review the planned IPO and approve the principles of the offering, including the capital increase, the method of setting the issue price and the assignment of powers.
- April 12, 2012, principally in order to approve the terms and conditions of the capital increase via a public issue of the Company's stock and to approve the underwriters' contract with the lead underwriter and bookrunner for the offering
- April 17, 2012, principally in order to take note of the firm and final completion of the capital increase via a public issue of the Company's stock
- August 28, 2012, principally in order to approve the Company's first-half consolidated financial statements and to adopt its Rules of Procedure
- December 10, 2012, principally in order to approve two related party agreements addressed under Articles L225-38 and following of the French Commercial Code, between the Company and one of its subsidiaries in conjunction with the planned acquisition of Timler and its subsidiary, France Paquets

The directors' meeting attendance rate was 100%.

The high number of Board of Directors meetings in 2012 is mainly due to the preparation of the Company's IPO. In addition to technical issues on the agenda, each meeting of the Board of Directors is also an opportunity to review the Company's business, its development and changes in its market environment.

- Assessment of the Board's work

In the light of the recent appointment of a large number of members, in particular the independent members, the Board has not yet begun the process of assessing its work. This procedure should be initiated early 2013.

- Organization and operation of specialized committees

Following the admission of the Company's shares for trading on the regulated market of NYSE Euronext in Paris, and as decided by the Board of Directors on September 14, 2011, an Audit Committee has been introduced.

- Audit Committee members

  The Audit Committee has two members, who are independent directors and are appointed by the Board of Directors. All Audit Committee members have expertise in financial matters.

  As of the Registration Document Date, the Audit Committee members, whose professional experience is given above, are as follows:
  - Michel Clair, Chairman of the Audit Committee
  - Jacques Veyrat

- Objectives

  The Audit Committee's objective is to issue opinions or recommendations to the Board of Directors with regard to the accounts, internal and external audit and the Group's financial policies, while ensuring that information provided to shareholders and the market is reliable and clear. To fulfill its mission, the Audit Committee:
  - reviews accounting principles and methods adopted in the preparation of the individual and consolidated financial statements that are submitted to the Board of Directors, ensuring they are appropriate, consistently applied and that any changes proposed are duly justified;
  - reviews draft annual and half-year individual and consolidated financial statements prepared by senior management before presentation to the Board of Directors.
  - reviews draft annual and half-year management reports from the Board of Directors, and all other reports, opinions, statements or other documents containing accounting or financial information, the publication of which is compulsory under current regulations, before their publication, as well as all accounts prepared for purposes of specific material transactions such as capital contributions, mergers, market transactions and payment of interim dividends etc.
  - reviews the company consolidation scope and, if applicable, the reasons for excluding certain companies, changes in consolidation scope and the impact

thereof;

- reviews material off-balance sheet risks and commitments;
- verifies that in-house data collection and checking procedures ensure that the data is accurate, promptly reported and appropriate;
- every year, reviews with internal audit managers and the statutory auditors their audit plans, the conclusions of their audits, their recommendations and the follow-up action taken;
- interviews internal audit managers and control managers from the finance department and issues an opinion on the department's organization;
- conducts the procedure for selecting the statutory auditors prior to their appointment or reappointment and oversees compliance with rules, principles and recommendations ensuring their independence;
- issues an opinion on the fees the statutory auditors request as consideration for conducting the statutory audit of the financial statements and any other engagement;
- if applicable, authorizes, in advance, engagements for the statutory auditors to perform outside their statutory financial audit duties, which must be related or complementary to their statutory financial audit duties, such as due diligence on acquisitions, but which exclude any valuation or consulting engagements;
- reviews regulated agreements requiring the prior approval of the Board of Directors;
- monitors the efficacy of the risk management system; and
- reviews any financial or accounting issue submitted to it by the Board of Directors or its Chairman, and issues, in particular, an opinion on any planned new share issue or issue of securities or borrowings.

• Operations

The Audit Committee meets at least three times per year based on a timetable, established by the committee Chairman, which must give the committee time at least to review the annual and half-year consolidated financial statements, the Group budget and the internal and external audit plan.

The Audit Committee may interview any member of the Company Board of Directors and arrange for the performance of any internal or external audit on any subject which, in its opinion, falls within its remit. The Audit Committee Chairman informs the Board of Directors thereof in advance. In particular, the Audit Committee is entitled to interview people who take part in the preparation of the financial statements or the audit thereof, including the Chief Financial Officer and the main managers of the finance department. The Audit Committee interviews the statutory auditors in the presence of a Company representative or not.

The Audit Committee Chairman reports on the committee's work to the Board of Directors. If, in the course of its work, the Audit Committee detects a material risk that it considers is not managed properly, the Chairman notifies the Chairman of the Board of Directors thereof without delay.

Given that the Audit Committee was set up in 2012, it met for the first time March 22, 2013 to review the annual financial statements. All committee members attended this meeting and were given adequate to time to review the financial and accounting documents. They had the opportunity to meet with the statutory auditors and the Chief Financial Officer.

The Committee reported on its work to the Board, which has taken note thereof and has followed all of its recommendations.

2. General management and Board Chairman

- Detailed arrangements for the exercise of general management

Either the Chairman of the Board of Directors, or another individual appointed by the Board of Directors as Chief Executive Officer, shall carry out and be responsible for the general management of the Company.

The Board of Directors shall choose between the two methods of general management. The decision as to the choice of the general management method shall be taken by a simple majority vote of the directors in attendance or represented. The chosen option must be implemented for a term which cannot be less than one year.

By decision dated June 21, 2010, the Board of Directors appointed Mr. Eric Hémar, whose business address is the Company's head office, as Chairman and Chief Executive Officer of the Company.

- Limitation of the powers of the CEO and the Deputy CEO

The Chief Executive Officer is vested with the broadest powers to act under any circumstances in the name of the Company. He exercises these powers subject to the corporate purpose and subject to powers expressly reserved by law to shareholders' meetings and to the Board of Directors. He represents the Company in its dealings with third parties.

Where the general management of the Company is carried out by the Chairman of the Board of Directors, the following provisions relating to the CEO apply to him.

The CEO is subject to the provisions governing the simultaneous holding of appointments as chief executive officer, member of the management committee, sole managing director, director or member of the supervisory board of corporations (*sociétés anonymes*) whose head office is located in France.

On a motion by the CEO, the Board of Directors may appoint one or more individuals to assist the CEO; such person(s) shall hold the office of deputy CEO. There may not be more than five deputy CEOs.

Where the CEO ceases to carry out his duties or is unable to carry out same, the deputy CEOs shall, unless otherwise resolved by the Board, remain in office and continue to hold their powers until the nomination of the new CEO.

The Board of Directors shall determine the remuneration of the deputy CEOs. The Board of Directors shall, jointly with the CEO, determine the scope and term of the powers conferred on deputy CEOs. Vis-à-vis third parties, deputy CEOs shall hold the same powers as the CEO.

Apart from statutory or regulatory restrictions, no other specific limitation has been made by the Board of Directors on the powers of the CEO or on those of the deputy CEOs.

3. Principles and rules for determining the remuneration of corporate officers

- Directors' remuneration

Until June 21, 2010, the Company was incorporated as a *société par actions simplifiée* (French simplified joint stock company). For purposes of clarity, the figures below represent full-year remuneration regardless of the date when the Company was transformed into a *société anonyme* (French corporation).

The March 7, 2012 shareholders' general meeting decided to pay directors' fees for the first time since the Company was transformed into a *société anonyme* (French corporation). Directors' fees totaling €50,000 were awarded for 2011 and for each subsequent year, on the understanding that the said directors' fees will be distributed between the directors in accordance with the criteria established by the September 14, 2011 Board of Directors meeting and that Mr. Eric Hémar, Immod and Mr. Nicolas Derouin have waived their directors' fees for 2011.

The tables and explanations below cover all remuneration paid by the Group and, where applicable, by the parent company or sister companies.

- Remuneration of Mr. Eric Hémar

  Eric Hémar does not receive any remuneration from the Group. He receives remuneration from the company Comète, in which he holds a 95.97% equity stake (the remainder being held by his wife and children), and which has signed services agreements with various Group subsidiaries. Comète is a family-owned wealth management company. Its equity stake in Immod is its sole financial contribution and Eric Hémar is its sole director.

  The services specified in the aforementioned agreements include management related to strategy and sales growth. In respect of 2011, these agreements are described under section 3.2.2 of the Registration Document, "Contracts between directors and the Company".

  The services mentioned above are remunerated via fees including a fixed part amounting to €361,000 paid in 2012 and a variable part amounting to €154,000 in respect of 2011, which was paid in 2012. In 2011, Comète received fixed remuneration of €361,000. The variable remuneration for 2010 amounted to €154,000 and was paid in 2011. In 2012, as in 2011, Comète's variable remuneration is performance-related based on achievement of the Group's growth targets in terms of new countries, commercial gains and acquisitions. The target achievement for quantified criteria is not published for reasons of confidentiality.

The table below specifies remuneration paid by Comète to Eric Hémar in respect of his position as general manager of Comète. Over the reporting period, Comète did not pay out any dividend.

	2012		2011	
€	Amount due	Amount paid	Amount due	Amount paid
Fixed remuneration	150,000	150,000	150,000	150,000
Variable remuneration	-	-	-	-
Non-recurring remuneration	-	-	-	-

Director’s fees	-	-	-	-
Benefits in kind	-	-	-	-
Subtotal	150,000	150,000	150,000	150,000
Value of stock options granted during the year	-	-	-	-
Value of performance shares granted during the year	-	-	-	-
Total	150,000	150,000	150,000	150,000

It is also specified that the departure of Mr. Hémar would not per se entail the automatic and immediate termination of the services agreements concluded with Comète. Nevertheless, all of these agreements could be terminated by the respective Group companies, subject to a three-month notice period.

- Remuneration of Mr. Christophe Satin

The Company may not and has not paid any remuneration to Immod in respect of its position as director for fiscal 2012 and 2011.

The table below sets out the Group's remuneration for Christophe Satin, Group Deputy CEO and permanent representative for Immod on the Company's Board of Directors. This remuneration includes both a fixed part and a variable part. The calculation of variable pay is based on financial results and personal goals: realization of the Group budget, achievement of Group sales growth objectives, achievement of days sales outstanding (DSO) objectives for Group trade receivables and management of the Group management teams. Achievement of these objectives is measured and established when the financial statements for the year in question have been approved and all items included in the calculation are known. Consequently, the variable part in respect of a fiscal year is not paid until the following year. The achievement of quantified criteria is accurately established but is not published for reasons of confidentiality.

Variable remuneration is determined by the Board of Directors.

	2012		2011	
€	Amount due	Amount paid	Amount due	Amount paid
Fixed remuneration	223,511	223,511	208,690	208,690
Variable remuneration	100,000	100,000	100,000	90,000
Non-recurring remuneration	-	50,000	-	-
Director’s fees	-	-	-	-
Benefits in kind	-	-	-	-
Subtotal	323,511	373,511	308,690	298,690
Value of stock options granted during the year	-	-	-	-
Value of performance shares granted during the year	-	-	-	-
Total	323,511	373,511	308,690	298,690

The exceptional 2012 remuneration arose due to Mr. Christophe Satin's involvement in the Company's IPO.

- Remuneration of Mr. Nicolas Derouin

Nicolas Derouin's remuneration includes both a fixed part and a variable part. The calculation of variable pay is based on financial results and personal goals: realization of the ID Logistics Brazil local budget, achievement of ID Logistics Brazil sales growth objectives, achievement of days sales outstanding objectives for ID Logistics Brazil trade receivables and management of the ID Logistics Brazil management teams. Achievement of these objectives is measured and established when the financial statements for the year in question have been approved and all items included in the calculation are known. Consequently, the variable part in respect of a fiscal year is not paid until the following year. The achievement of quantified criteria is accurately established but is not published for reasons of confidentiality.

This remuneration is determined by Mr. Christophe Satin and approved by Mr. Eric Hémar.

€	2012 Amount due	2012 Amount paid	2011 Amount due	2011 Amount paid
Fixed remuneration	138,739	138,739	125,000	125,000
Variable remuneration	46,246	41,624	40,000	40,000
Non-recurring remuneration	-	-	-	-
Director’s fees	-	-	-	-
Benefits in kind	35,556	35,556	35,298	35,298
Subtotal	220,541	215,919	200,298	200,298
Value of stock options granted during the year	-	-	-	-
Value of performance shares granted during the year	-	-	-	-
Total	220,541	215,919	200,298	200,298

- Remuneration of the other directors

In 2012, the company paid total directors fees for fiscal year 2011 amounting to €10,000 after Mr. Eric Hémar, Immod and Mr. Nicolas Derouin decided their entitlement to directors fees would be paid over to the charity IDEBRA, formerly ID Esperanza. The total expense for the company therefore remains at €40,000. The amounts paid to Mr. Michel Clair and Jacques Veyrat in 2012 in respect of fiscal year 2011 were determined on an accruals basis for the time in their position as from their appointment during the year.

Non-executive corporate officers	Amounts paid during fiscal year 2012	Amounts paid during fiscal year 2011
Michel Clair		

- Directors fees	€5,000	-
- Other remuneration	-	-
Jacques Veyrat		
- Directors fees	€5,000	-
- Other remuneration	-	-
Total	€10,000	-

- Directors fees

  At the proposal of the September 14, 2011 Board of Directors meeting, the March 7, 2012 shareholders' general meeting set the total amount of directors fees to be paid to the Board of Directors members at €50,000 per fiscal year with effect from fiscal 2011. Out of this total amount, the Board of Directors will pay each director €10,000, broken down as follows:
  - €5,000 fixed amount (or accrued portion thereof if the term of office began or expired during the year)
  - €5,000 variable amount in accordance with the rate of attendance at Board meetings during the year.

  In application of these criteria, the Board may distribute €50,000 in respect of fiscal 2012 (notwithstanding the possibility that some administrators may waive their directors fees).

- <u>Amounts accrued by the Company for pensions and other benefits for the directors and senior executives</u>

Executive Director	Employment contract	Supplementary pension scheme	Indemnities or benefits that may be due upon change or expiry of office	Indemnities relating to non-compete clause
Eric Hémar Chairman Chief Executive Officer	No	No	No	No
Christophe Satin Deputy Chief Executive Officer	Yes	No	No	No

The Company has not made any accruals for payment of pensions and other benefits to the directors and senior executives.

The Company has not granted any golden hellos or golden parachutes to the directors and senior executives.

- Stock options and bonus shares

The Company did not grant any options and/or bonus shares.

- Directors' stock options and equity holdings

As of the Registration Document Date, members of the Board of Directors held the following direct and indirect equity investments and securities giving access to the Company's capital stock:

Directors	Shares and voting rights		
	Amount	% equity	Percentage actual voting rights
Eric Hémar	1,296,460	23.68%	34.86%
Immod(1), represented by Christophe Satin(2)	2,043,392	37.33%	28,967
Nicolas Derouin	70,700	1.29%	1.71%
Michel Clair(3)	8,750	0.16%	0.12%
Jacques Veyrat(4)	50,000	0.91%	0.68%

(1) As of the Registration Document Date, 85.87% of Immod's capital stock was indirectly held by Mr. Eric Hémar via Comète and 14.13% was held by Mr. Christophe Satin.
(2) As of the Registration Document Date, Christophe Satin directly held 4.09% of the Company's capital stock and 5.42% of the voting rights.
(3) Investment held directly and indirectly via Clair Grenelle SAS
(4) Investment held indirectly via Eiffel Diversified Fund FCP-SIF

Other than the direct holding stated above, at the Registration Document Date Immod held 155,520 equity warrants, the principal terms and conditions of which are detailed in section 5.2.4 "Securities giving entitlement to equity" under chapter 5 "Additional Information". Each warrant carries the right to subscribe for one share, which means as of the Registration Document Date a maximum potential equity dilution equal to 5.38% of post-dilution capital.

4. Shareholder participation in shareholders' general meetings

Procedures for shareholders to take part in shareholders' general meetings are contained in Articles 20 and 23 of the bylaws.

5. Items likely to have an impact in the event of a public takeover bid

In application of Article L. 225-100-3 of the French Commercial Code, we wish to specify the following points likely to have an impact in the event of a public takeover bid:

- The capital structure, the direct or indirect equity investments known to the company and all relevant details are described under section 3.1.1 of the Registration Document, "Breakdown of capital stock and voting rights".

- There is no restriction in the bylaws on the exercise of voting rights except for the cancellation of voting rights which may be requested by one or more shareholders if a shareholder has failed to declare having crossed a shareholding threshold provided for in the bylaws.

- There is no restriction in the bylaws on share transfers, with the exception of the shareholders' agreements described in section 3.1.4 of the Registration Document, "Control of the Company".

- To the Company's knowledge, there are no agreements or commitments between shareholders other than those described in section 3.1.4 of the Registration Document, "Control of the Company".

- There are no shares granting holders special control. However, a double voting right is conferred upon shares which can be proved to have been registered in the name of the same shareholder for at least four years.

- The rules for the appointment and dismissal of members of the Board of Directors are based on statutory rules and also specified in Articles 12 to 17 of the bylaws described in section 5.3.2 of the Registration Document, "Bylaw provisions or other rules for members of administrative and management bodies".

  With respect to the powers of the Board of Directors, the current authorizations are described in this report under section 5.3.2 of the Registration Document, "Bylaw provisions or other rules for members of administrative and management bodies" (e.g. share buyback program) and in the table of powers to increase capital stock under section 5.2.5 of the Registration Document, "Authorized capital" .
- Changes to the Company's bylaws are made in accordance with statutory and regulatory provisions.

- There are no special agreements providing for compensation if Board of Directors members leave the Company.

II- INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

This chapter comprises a report on the Company's internal control and risk management procedures. The Company relies on the AMF's reference manual and guidelines for small and mid caps published in January 2007 and updated in July 2010 to establish its internal control manual and to structure its approach.

The internal control system covers all companies under the Group's control and included in the Group consolidation. Internal controls are tailored to the specific features of every consolidated company and take into account the relations between the Company and its subsidiaries.

However well the risk management and internal control procedures are designed and applied, they cannot provide an absolute guarantee of the Company's achievement of its objectives, which may partly depend on factors beyond the Company's control. Indeed, there are inherent limitations to any system and procedures in view of factors such as uncertainties in the outside world, use of judgment or flaws that can occur due to technical failures or human or other errors.

1. General principles of risk management

A risk is the possibility of the occurrence of an event, the consequences of which could harm the Company's human resources, assets, environment, objectives or reputation.

Risk management consists of a set of resources, behaviors, procedures and appropriate actions defined and implemented by a company. Risk management aims to identify and analyze the major risks faced by the Company. Risks exceeding limits considered acceptable are dealt with in an appropriate manner. In this context, the Company may implement action plans involving the introduction of appropriate procedures and controls as well as specific insurance programs if applicable.

The objectives of risk management are as follows:

- Make the Company's decision-making and strategic and operational procedures secure with a view to promoting its objectives by taking an objective overview of potential threats and opportunities, resulting in an appropriate risk-taking approach and adequate allocation of human, technical and financial resources,
- Generate and maintain the Company's value, assets and reputation by identifying and analyzing key threats and opportunities to allow risks to be anticipated,
- Ensure that the Company's actions are consistent with its values,
- Mobilize the Company's employees behind a shared vision of the main risks and promote awareness of the challenges and risks related to their job.

Consistent with these objectives, the risk management system is based on:

- An organization
- People involved in internal control
- A reference manual
- A formal periodic review of the principal risks facing the Group

2. General principles of internal control

The internal control procedures are based on the risk management system and are designed to identify the main risks and issues requiring control. The procedures include appropriate controls and ensure these controls are efficient.

They cover a set of resources, behaviors, procedures and actions tailored to the specific features of each subsidiary and the Group as a whole, which:
- Promote control over the business, the efficiency of its operations as well as the effective use of resources,
- And must allow the Group to appropriately take into account major operational, financial and compliance risks.

The internal control procedures are specifically intended to ensure:
- Compliance with laws and regulations in force,
- Compliance with instructions and guidelines laid down by senior management or the Board
- of Directors,
- The proper functioning of Company in-house procedures, including those safeguarding assets,
- Accuracy of accounting and financial data.

By helping to prevent and control the risk of not achieving the objectives set by the Company, internal control plays a key role in the conduct and control of the Group's various businesses. In this context, the Company has adopted a dynamic approach to adapting its internal control procedures to the nature and development of its activities.

The Group internal control procedures are primarily based on its organization, its capacity to disseminate information quickly and its updated human resources policy.
The Group's organizational structure constitutes the underlying internal control environment.

- Board of Directors
  The Board of Directors discusses the key issues facing the Group and decides on major strategies. Through its Rules of Procedure, Audit Committee and ongoing control over Group management, the Board ensures that internal controls function correctly within the Group.

- General management and Coordination Committee
  The Chairman and CEO has overall operational and functional responsibility to implement the Board of Directors' approved strategy throughout all Group businesses. He is specifically responsible for the effective implementation of internal controls within the Group.
  The Chairman and CEO is assisted in his duties by the Deputy CEO and by a Coordination Committee whose members are appointed by the Chairman and Deputy CEO. The members of this committee represent the main Group divisions
  and are responsible for the establishment and monitoring of internal controls in their area of responsibility.

- International Committee
  The International Committee comprises the members of the Coordination Committee, the directors of the 11 countries where the Group operates and some Group directors who are not members of the Coordination Committee.
  During International Committee meetings, members share and communicate information. The Committee ensures that the Group strategy and operational variances, including internal control matters, have been properly implemented.

- Operational Committee France

The Operational Committee France represents the main operating divisions and functional departments in France. It plays the same role as the International Committee but is limited to activities based in France.

- Operating divisions and functional departments
  In view of the Group's highly decentralized structure, the general managers of every business have the necessary powers to organize, direct and manage the operations and functions for which they are responsible, and to delegate authority likewise to the managers who report to them.
  Every division is responsible for adopting internal controls in line with both its organization and Group policies and rules.

The lean Group management and the regular financial, operational, HR, and sales reporting ensures that information is rapidly distributed. The Group has also introduced in-house communication systems including intranet, a staff journal, plasma screens etc., which help to distribute a culture of internal control.

Finally, the human resources function fully adheres to internal control procedures:
- On staff recruitment by ensuring appropriate skills in line with the responsibilities of the position and an awareness of Group policies and values
- Through an ongoing training program
- Through annual performance reviews

3. Internal control relating to the preparation and processing of financial information

As part of the Company's overall internal control system described above, the Group finance department is specifically responsible for accounting and financial internal controls, which help to ensure accounting and financial information is accurate and in compliance. The finance department consists of the following:

- <u>Organization</u>

  - Accounting is centralized for all activities in France. While each country has its own accounting department so as to comply with local rules for statutory accounts, taxation and administrative declarations, as in France, it is centralized and supplier invoices and payments are made directly from the head office of the subsidiaries concerned.

  - The consolidation is performed within the Group finance department. Consolidation instructions and a reporting timetable are sent out at the beginning of every year. Standard consolidation packages are used by the various subsidiaries. Currency conversions and IFRS adjustments are performed within the corporate consolidation department, which constantly checks accounting standards and, where necessary, adjusts the procedure and data reported by the subsidiaries.

    Management accounting is centralized within the Group finance department for all activities in France. Internationally, while every country has its own organization, the key indicators follow Group rules. All reporting and analysis by site and by country is centralized with the Group management accounting department, which prepares all reports that, after review by the Group finance department, are issued to senior management.

- Treasury is centralized for all activities in France. A cash pool has been introduced for euro-denominated business. All borrowings, including outside France, are approved and centralized with the Group finance department.

- Financial communications are centralized and are under the responsibility of the Chairman and CEO, the Deputy CEO and the CFO who are the only people entitled to communicate Group financial data to outsiders. They prepare all financial press releases, which are published via a licensed broadcaster, the Group website and a PR agency.

- This organization is regularly reviewed and the persons involved are subject to an annual performance review. Training plans are put in place in order to maintain skills in line with Group requirements. The Group finance department participates and approves the recruitment of chief financial officers of foreign subsidiaries. New foreign CFOs spend two weeks in induction training at the Group head office in France.

- Systems and procedures

Financial information is prepared on integrated systems: the ERP Deal system covers accounting for all French entities and management reporting for all Group business units worldwide. All users, including foreign CFOs and management accounting managers are trained in using this ERP system and the procedures are distributed. The budget is also prepared in this system in order to facilitate comparisons and analysis.

- Controlling

Management reports are regularly prepared and reported:
On a weekly basis showing margin per warehouse
On a monthly basis including cut-off entries per site and overhead costs per country

These monthly reports are backed up by an accounting closure which supplements these analyses with details concerning net income, cash flows, DSO and the balance sheet for each legal entity.

The monthly reports and financial results are discussed by Group finance department staff every month with every subsidiary before being presented to senior management.

Scoreboards containing these financial indicators alongside operational indicators (throughput volumes, hours worked, load ratio etc.) and human resources indicators (temporary staff rate, accident rates, absenteeism, etc.) are sent every month to senior management. Variances vs. budget and prior year are explained and analyzed.

Real time productivity reports per site (number of packages prepared, resources) are available at all times.

The Group finance department performs a weekly cash review highlighting changes in cash balances over the previous week and a cash flow forecast for the following 5 weeks.

In addition to these various reports, a full-year forecast Group cash flow statement and income statement are prepared every month based on forecasts received from all subsidiaries. These forecasts are presented and discussed with senior management, who subsequently take corrective action required to maintain estimated results in line with in-house budgets.

Finally, once a year, a three-year plan is prepared and presented to senior management per site and per country. These presentations lead to in-depth discussions on the financial results of the current year and for the 3 following years and on operational matters, in order to anticipate their potential financial consequences: customer satisfaction surveys, HR statistics (accidents, absenteeism, employment of the disabled, etc.), identification of high-potential managers, review of staff morale, etc.

4. Outlook

The Company's risk management and internal control functions form part of the Group's ongoing adaptation to growth and continuous improvement.

In this context, the main projects underway or due to be implemented in 2013 are as follows:

- Set up a formal corporate risk management team with their own resources
- Introduce a risk mapping procedure
- Continue to formalize and roll out internal control procedures

Chairman of the Board of Directors
Eric Hémar

3.3.4 Statutory Auditors report established pursuant to Article L. 225-235 of the French Commercial Code, on the report of the Chairman of the Company's Board of Directors

"To the Shareholders,

In our capacity as statutory auditors of ID Logistics Group SA and pursuant to Article L. 225-235 of the French Commercial Code, we hereby present to you our report on the report prepared by the Chairman of your company pursuant to Article L. 225-37 of the French Commercial Code in respect of fiscal year ended December 31, 2012.

It is the chairman's responsibility to prepare and to submit for the approval of the Board of Directors a report reflecting the internal control and risk management procedures adopted within the company and giving other required disclosures under Article L. 225-37 of the French Commercial Code, in particular regarding corporate governance procedures.

It is our responsibility to:

- Inform you of our comments on the information contained in the Chairman's report concerning the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information, and
- Certify that the report includes other required disclosures under Article L. 225-37 of the French Commercial Code, it being specified that it is not our responsibility to verify the accuracy of said disclosures.

We conducted our review in accordance with professional standards applicable in France.

- Information concerning the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

Professional standards of practice require us to follow procedures designed to assess the fairness of information concerning the internal control and risk management procedures relating to the preparation and processing of accounting and financial information contained in the report of the chairman. These procedures include:
- Familiarizing ourselves with the internal control and risk management procedures relating to the preparation and processing of accounting and financial information underlying the information presented in the report of the Chairman, as well as with existing documentation;
- Familiarizing ourselves with the work that enabled the preparation of this information and the existing documentation;
- Determining whether the major internal control deficiencies relating to the preparation and processing of the accounting and financial information that we may have identified during our audit engagement have been appropriately disclosed in the Chairman's report.

On the basis of our work, we have no comment to make on the information concerning the internal control and risk management procedures of the company relating to the preparation and processing of accounting and financial information contained in the report of the Chairman of the Board of Directors, established under the provisions of Article L. 225-37 of the French Commercial Code.

- Other information

We certify that the report of the Chairman of the Board of Directors includes the other disclosures required under Article L. 225-37of the French Commercial Code.

Paris and Neuilly-sur-Seine, March 25, 2013

The Statutory Auditors

Philippe Joubert

Deloitte & Associés

Albert Aidan"

4.3 STATUTORY AUDITORS

3.4.1 Regular statutory auditors

- Deloitte et Associés

185, avenue Charles de Gaulle - 92200 Neuilly-sur-Seine
Represented by Mr. Albert Aidan

Deloitte et Associés was appointed regular statutory auditor at the June 21, 2010 shareholders' general meeting for a period of six fiscal years ending following the ordinary shareholders' general meeting called to approve the financial statements for the fiscal year ending December 31, 2015.

Deloitte et Associés is registered with the Versailles Institute of Statutory Auditors.

- Mr. Philippe JOUBERT
  147, avenue de Suffren - 75015 Paris

  Mr. Philippe Joubert was appointed regular statutory auditor in the Company's first bylaws dated September 12, 2001, and his appointment was renewed at the shareholders' general meeting held on June 30, 2008 for a period of six fiscal years ending following the ordinary shareholders' general meeting called to approve the financial statements for the fiscal year ending December 31, 2013.

  Mr. Philippe Joubert is registered with the Paris Institute of Statutory Auditors.

3.4.2 Alternate statutory auditors

- BEAS
  7-9, villa Houssay - 92200 Neuilly-sur-Seine

  BEAS was appointed alternate statutory auditor at the June 21, 2010 shareholders' general meeting for a period of six fiscal years ending following the ordinary shareholders' general meeting called to approve the financial statements for the fiscal year ending December 31, 2015.

  BEAS is registered with the Versailles Institute of Statutory Auditors.

- Comptabilité Finance Gestion Audit – CFG Audit
  10, rue Ernest Psichari - 75007 Paris

  CFG Audit was appointed alternate statutory auditor in the Company's first bylaws dated September 12, 2001, and its appointment was renewed at the June 30, 2008 shareholders' general meeting for a period of six fiscal years ending following the shareholders' general meeting called to approve the financial statements for the year ending December 31, 2013.

  CFG Audit is registered with the Paris Institute of Statutory Auditors.

Deloitte et Associés was appointed as the Company's statutory auditor on June 21, 2010 for the first time. It has been the statutory auditor of the Group's principal subsidiaries in France and abroad since their foundation. During the period covered by the historic financial information, there has been no resignation or dismissal of any of the statutory auditors.

3.4.3 Fees paid to the statutory auditors

	Deloitte				CFG Audit			
	2012		2011		2012		2011	
	€000	%	€000	%	€000	%	€000	%
Audit								
- Statutory audits, certification, examination of the consolidated and separate financial statements								
Parent company	56.2	14%	56.8	17%	30.0	24%	25.5	22%
Subsidiaries	250.3	64%	247.3	76%	94.7	76%	89.4	78%
- Other procedures and services directly related to the statutory auditor's engagement								
Parent company	61.9	16%	22.0	7%	-	-	-	-
Subsidiaries								
Subtotal	368.4	94%	326.1	100 %	124. 7	100 %	114. 9	100 %
Other services rendered to fully consolidated subsidiaries								
- Legal, tax and human resources	25.7	6%	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
Subtotal	25.7	6%	-	0%	-	0%	-	0%
Total	394.1	100 %	326.1	100 %	124. 7	100 %	114. 9	100 %

4/ FINANCIAL STATEMENTS

4 FINANCIAL STATEMENTS

The reader is invited to read the following information relating to the financial position and the Group's results together with the Group consolidated financial statements prepared under IFRS for the years ended December 31, 2012 and 2011 as given under section 4.8 of the Registration Document, "Annual historic financial information" .

Given that the figures stated in euro millions in the tables and analyses in this chapter have been rounded, the totals shown do not necessarily equal the sum of the individual rounded figures. Similarly, the sum of the percentages that are based on the rounded figures does not necessarily equal 100%.

4.1 GENERAL PRESENTATION

The Company's consolidated financial statements have been prepared pursuant to IFRS, as adopted by the European Union. The financial statements were approved by the Board of Directors at its meeting on March 25, 2013.

4.1.1 Key factors that had a material impact on activities and earnings

- Development of the Group's activities

  The main factor that had a material impact on activities and earnings was the rapid growth in both business and revenues.

  In the past, most growth in revenues was derived from winning new contracts, which generally came from tender offers that put the main market players in competition with each other.

  The start of a new contract involves progressive improvements in productivity due to training and gradual optimization of the staff involved, progressive changes to the site in terms of location of the goods in the warehouse, use of equipment, adapting the materials management procedures (i.e. goods-in, order preparation, shipment, quality controls etc.), and introducing IT systems. In view of this, it can take several months before optimum productivity is reached.

  Furthermore, a new contract may be acquired due to the Group establishing a presence in a new country. As stated under section 2.1 of the Registration Document, "Risks relating to the Group's business and market", additional administrative costs specifically due to establishing a new legal and operational company in the relevant country come on top of a progressive improvement in the site's operational productivity.

  Growth driven by new sites can therefore temporarily dampen the Group's overall earnings, which do not necessarily move in line with changes in revenues.

- Changes in contracts in progress

  On existing contracts, changes in revenues mostly follow movements in the indices used to establish the contractual price for the services and volumes provided. As such, the state of the economy may have an impact on the indices and volumes themselves and on the Group's capacity to successfully pull off commercial negotiations.

- Non renewal of contracts

  Even if the Group's past contract renewal rate stands at over 95%, if a contract is not renewed this may lead to a reduction in Group revenues and, accordingly, in its earnings.

- Volatility of volumes

  Revenues, costs and the Group's operating income are subject to a certain degree of volatility in volumes during a year, a month or even a week. In order to manage such volatility, based on data provided from customers and past knowledge of contracts, the Group optimizes the fixed and variable resources at its disposal in terms of real estate, equipment and staff.

- Changes in production costs

  The Group's operating expenses cover both fixed and variable costs and include the following:
  - Staff costs, including a fixed part and a variable part (due to temporary employees hired to cope with changes in volumes during the year);
  - Real estate costs, which are largely fixed, and related overheads including energy, cleaning etc.
  - Plant and equipment costs (e.g. IT, fork-lift trucks etc.) covering rent, maintenance and consumables.

  The Group strives to keep its costs variable where possible, notably its real estate, equipment and temporary staff expenses, and constantly reengineers its materials management procedures in order to improve the Group's margins.

4.1.2 Summary income statement

- Revenues

  Revenues correspond to invoices for services rendered, which cover handling, storage and other services (i.e. management of movements, transport, co-packing, etc.). Services are invoiced when rendered, generally on a monthly basis.

  Revenues are recorded net of value added tax.

- Purchases and external charges

  Purchases and external charges largely comprise the following items:
  - Temporary staff costs;
  - Premises costs including rent, rental charges, repairs and maintenance, security personnel and utilities such as water, electricity, gas etc.;
  - Handling and transport equipment costs on fork-lift trucks, tractors, articulated trailers, etc. covering rent, repairs and maintenance, fuel etc.;
  - Sub-contracting costs;

- Other purchases and external charges comprise consumables (e.g. film, labels, packaging etc.), travel expenses, IT costs and administrative costs.

- Staff costs

  Staff costs cover all expenses of Group employees including fixed and variable pay, related social security charges, pension accruals and charges, and employee profit share and incentives or the equivalent depending on the country concerned.

- Miscellaneous taxes

  The line 'Miscellaneous taxes' principally relates to tax on salaries, car tax, organic tax (on sales) in France and the equivalent depending on the country concerned.

  In France, the reform of *Taxe Professionnelle* resulted in it being replaced in 2010 by the *Contribution Economique Territoriale* (regional economic contribution) consisting of, on the one hand, the *Cotisation Foncière des Entreprises* (business property tax - "CFE") and, on the other hand, the *Cotisation sur la Valeur Ajoutée des Entreprises* (tax on business added value - "CVAE"). As from January 1, 2010, the Group has taken the option to account for CVAE as a tax on income, while only the part relating to CFE continues to be posted under the line 'Miscellaneous taxes'.

- Other income and expenses

  Other income and expenses largely consist of items that cannot be classified under one of the aforementioned categories, such as subsidies, currency gains and losses, disputes and adjustments and accrual write backs if applicable.

- EBIT

  EBIT reflects the economic performance of the business before material non-recurring items.

4.2 COMPARISON OF YEARS ENDED DECEMBER 31, 2012 AND DECEMBER 31, 2011

2012 highlights included the two following events:

- In the first half of 2012, Group management decided to discontinue its loss-making pallet distribution and temperature controlled (fruit and vegetables) pooling services in France. These operations were mainly carried out in the Group's traditional region of South-East France.
  The cost of discontinuing these services amounted to €6.4 million, broken down as follows:
  - Staff-related costs €3.1m
  - Supplier contract termination compensation and other costs €3.3m

- In connection with the Company's IPO on the NYSE Euronext Paris regulated market on April 18, 2012, the company carried out a capital increase of €28.7 million through the issue of 1,368,620 shares at a price of €21.00 per share (€0.50 par value plus €20.50 issue premium).

€m	2012	2011
Revenues	**559.6**	**462.0**
Purchases and external charges	(284.8)	(233.4)
Staff costs	(232.1)	(193.8)
Miscellaneous taxes	(9.0)	(7.9)
Other underlying income	(0.1)	1.3
Net write-backs (increases) to provisions	(0.7)	0.6
Net depreciation/impairment	(14.2)	(14.1)
EBIT	**18.8**	**14.8**
Non-recurring expenses	(6.4)	-
Operating income	**12.4**	**14.8**
Net financial items	(3.1)	(3.6)
Corporate income tax	(4.8)	(4.4)
Share of earnings of equity affiliates	0.1	0.1
Total consolidated net income	**4.6**	**6.8**
Of which minority interests	0.5	0.3
Of which Group share	4.1	6.5

Consolidated revenues for the year ended December 31, 2012 amounted to €559.6 million, up 21.2% over 2012 (21.6% at constant exchange rates and consolidation, excluding the pallet delivery and fruit and vegetables pooling operations discontinued in June 2012) and is broken down as follows:

€m	2012	2011
France	340.8	298.7
International	218.8	163.4
Total revenues	559.6	462.0

- France
  Annual revenues for France totaled €340.8 million, up 14.0% over the previous year (13.4% like-for-like). The closure of the Group’s pallet delivery and fruit and vegetables pooling operations was offset by the acquisitions of Mory Logidis in October 2011 and France Paquets in December 2012.

- International
  2012 International revenues amounted to €218.8 million, up 33.9% (35.5% like-for-like) on 2011. The Group is reaping the full benefits of emerging markets’ sharp growth, particularly in regions where it has reached critical mass, such as Poland and Latin America, where new contracts won by local sales teams have significantly boosted growth. After the late 2012 launch of a new operation in South Africa, ID Logistics now operates in 12 countries.

In three years, ID Logistics has doubled its international revenues, which now account for nearly 40% of total Group revenues.

2012 purchases and external charges amounted to €284.8 million, or 50.9% of revenues, compared to €233.4 million in 2011 or 50.5% of revenues. This slight increase in percentage of revenues is largely due to greater use of temporary staff in 2012 than in 2011 owing to the sharp revenues growth.

2012 staff costs amounted to €232.1 million, or 41.5% of revenues, compared to €193.8 million in 2011 or 41.9% of revenues. This slight decrease in percentage of revenues reflects greater use of temporary staff in 2012 than in 2011.

Miscellaneous taxes remained stable and represented 1.6% of revenues, similar to 2011.

2012 other income and expenses represent a net €0.1 million expense, compared to net income of €1.3 million in 2011. This change is mainly due to a lack of asset sales and resulting capital gains in 2012.

2012 net increases to provisions amounted to €0.7 million, compared to €0.6 million net write-backs in 2011, which mainly related to risks and expenses that occurred during 2011.

2012 net depreciation charges continue to increase less steeply than revenues, amounting to 2.5% of 2012 revenues compared to 3.1% in 2011, which reflects the Group's "asset light" business model.

In view of the above, 2012 EBIT came in at €18.8 million, which represented an EBIT margin of 3.4% of revenues, compared to 2011 EBIT of €14.8 million and an EBIT margin of 3.2%. EBIT is broken down as follows:

€m	**2012**	**2011**
France	14.0	11.2
EBIT margin (% revenues)	*4.1%*	*3.7%*
International	4.8	3.6
EBIT margin (% revenues)	*2.2%*	*2.2%*
Total	18.8	14.8
EBIT margin (% revenues)	*3.4%*	*3.2%*

- France
  The EBIT margin rose significantly in France, from 3.7% to 4.1%, buoyed by the June 2012 closure of the loss-making pallet delivery and fruit and vegetables pooling operations. Adjusting for this item, the EBIT margin edged up from 4.7% to 4.8%, boosted by tight control over the launch of new sites and a turnaround in earnings of the Mory Logidis business acquired late 2011.

- International
  Despite the surge in revenues caused by the launch of new sites in South America and Poland and the burden of the new South African site launched late 2012, the 2012 EBIT margin on international revenues came in at the same level as in 2011.

As stated above, non-recurring expenses consist of the costs of discontinuing the pallet distribution and fruit and vegetables pooling services. These costs comprise €3.1 million in staff-related costs and €3.3 million of supplier contract termination compensation and other costs.

2012 net financial items largely consist of a net interest expense of €2.6 million, down from a €3.0 million expense in 2011 due to maintaining tight cash management, which was also applied to the proceeds of the April 2012 share issue and capital increase. Other financial items largely comprise a net expense on interest rate hedges and a €0.2 million lower discounting expense compared to 2011.

The 2012 'Corporate Income Tax' charge includes a business added value tax ("CVAE") charge of €3.2 million compared to €2.5 million in 2011. This increase corresponds to the improvement in earnings of the France business over the year. Excluding CVAE, the 2012 tax charge amounted to €1.6 million, representing an effective tax rate of 26.5%, compared to a €1.9 million charge and an effective rate of 21.9% in 2011.

The share of earnings of equity affiliates remained close to break even, as in 2010.

In view of the above, 2012 consolidated net income came in at €4.6 million, down from 2011 net income of €6.8 million. The net loss on pallet distribution and fruit and vegetables pooling services including costs of closure amounted to €5.5 million in 2012 compared to a €1.6 million net loss in 2011. Adjusting for this item, 2012 consolidated net income came in at €10.1 million, up from 2011 consolidated net income of €8.5 million.

The 2012 charge for minority interests came in slightly up on 2011 while net income, Group share, amounted to €4.1 million, down from 2011 net income, Group share, of €6.5 million.

4.3 CASH AND CAPITAL

The reader is invited to read the following information relating to the Group's cash and capital together with the Group consolidated financial statements prepared under IFRS for the years ended December 31, 2012 and 2011 as given under section 4.8 of the Registration Document, "Annual historic financial information".

Given that the figures stated in euro millions in the tables and analyses in this chapter have been rounded, the totals shown do not necessarily equal the sum of the individual rounded figures. Similarly, the sum of the percentages that are based on the rounded figures does not necessarily equal 100%.

4.3.1 Group capital, cash and sources of finance

The Group's net borrowings break down as follows:

€m	12/31/2012	12/31/2011
Net cash and cash equivalents	45.5	18.0
Loans and borrowings	(53.5)	(50.8)
Hedges	(0.9)	(0.9)
Net borrowings	(8.9)	(33.7)

4.3.2 Equity finance

The Company has received a cumulative total of €2,737,240 (before deduction of share issue expenses) from share issues carried out between its September 12, 2001 incorporation and the Registration Document Date as specified below:

Date	Capital stock	Transaction
9/12/2001	€40,000.00	Company incorporation
1/21/2002	€874,720.00	Capitalization of current account
3/28/2002	€381,100.00	Capitalization of current account
12/21/2009	€757,110.00	Capitalization of receivable
4/17/2012	€684,310.00	Cash
Total	€2,737,240.00	

The share issues dated January 21, 2002 and March 28, 2002 were carried out by transferring the current accounts, which represented moneys received from the founders and some managers since the Company's incorporation to fund the Company's development, to capital stock.

The capital increase of 21 December 2009 was fully subscribed by Immod. It is in payment for the acquisition by the Company from Immod of a 29.5% shareholding in the La Financière de Commerce et de Participations (Ficopar) subsidiary.

The April 17, 2012 share issue was subscribed in cash following the Company's IPO and resulted in a public float currently accounting for 25% of capital.

4.3.3 Cash

As of December 31, 2012, the Group's net cash and cash equivalents amounted to €45.5 million, up from €18.0 million as of December 31, 2011.

€m	12/31/2012	12/31/2011
Cash and cash equivalents	46.8	19.5
Bank overdrafts	(1.4)	(1.5)
Net cash and cash equivalents	45.5	18.0

Cash and cash equivalents include cash, sight bank deposits, highly liquid money-market investments with initial maturities of up to three months and bank overdrafts. These investments amounted to €13.3 million as of December 31, 2012 and €3.7 million as of December 31, 2011.

4.3.4 Loan finance

In addition to using net operational cash flows, the Group funds capital expenditure by finance leases and, where necessary, factoring. The Group also took out a €12.1 million bank loan in 2005 which was fully repaid as of December 31, 2012.

These sources of finance are broken down as follows by category:

€m	12/31/2012	12/31/2011

Bank loan	0.4	1.5
Finance leases	48.8	46.7
Factoring	1.5	2.2
Other payables	2.8	0.5
Total	53.5	50.8

At December 31, 2012, finance leases included €27.9 million of real estate leases on warehouses described under section 1.8 of the Registration Document, "Real estate and equipment". The other leases principally comprise finance leases on warehouse plant and equipment (including fork lift trucks, information systems, surveillance and access control and other equipment).

As of December 31, 2012, the Group had unused credit lines amounting to €9.0 million in the form of borrowings and €14.5 million in the form of finance lease liabilities (compared to €8.6 million and €9.7 million respectively as of December 31, 2011). The unused credit lines have terms of one year. In addition, the Group has a master factoring agreement relating to its business in France that represents a total potential resource of €33.4 million, €1.5 million of which had been used as of December 31, 2012.

4.3.5 Loan terms and conditions and financing structure

At December 31, 2012, the maturities of these sources of finance break down as follows:

€m	Due in less than 1 year	1 to 5 years	Due in more than 5 years	Total
Finance leases	9.8	25.6	13.3	48.7
Factoring	1.5	-	-	1.5
Other payables	0.5	2.8	-	3.3
Total	11.8	28.4	13.3	53.5

At December 31, 2012, the breakdown of these sources of finance by interest rate and currency is as follows:

€m	Amount	Currency	Rate
Finance leases	26.6	EUR	Variable
Finance leases	19.0	EUR	Fixed
Finance leases	1.5	ARS	Fixed
Finance leases	1.1	BRL	Fixed
Finance leases	0.6	Other	Fixed
Factoring	1.5	EUR	Variable
Other payables	2.7	EUR	Fixed
Other payables	0.5	Other	Other
Total	53.5		

With the exception of factoring, the other sources of finance at variable rates are hedged via interest rate caps.

4.3.6 Restrictions on the use of finance

There are no restrictions on the use of finance generated or received by the Company and its subsidiaries.

4.3.7 Off-balance sheet commitments

Off-balance sheet commitments granted by the Group are as follows:

€m	12/31/2012	12/31/2011
Real estate leases	51.4	38.0
Plant and equipment leases	20.2	19.8
Parent company guarantees	7.3	8.1
Borrowings subject to covenants	-	1.4
Total	78.9	67.3

Off-balance sheet commitments principally comprise warehouse or equipment lease commitments over the remaining term of the leases summarized as follows at December 31, 2012:

€m	Due in less than 1 year	1 to 5 years	Due in more than 5 years
Real estate leases	24.7	19.4	7.3
Plant and equipment leases	9.1	11.1	-
Total	33.8	30.5	7.3

4.4 CASH FLOW

4.4.1 Comparison of years ended December 31, 2012 and December 31, 2011

€m	**2012**	**2011**
Net income	4.6	6.8
Net depreciation, impairment and provisions	15.4	14.6
Tax charge net of tax paid	(0.1)	1.1
Net financial costs from financing activities	2.6	3.0
Fair value adjustments on financial instruments	(0.0)	0.2
Share of undistributed earnings of equity affiliates	(0.1)	(0.0)
Change in working capital	(1.0)	4.1
Net cash flow from operating activities	**21.4**	**29.6**

Net cash flow from investing activities	**(19.6)**	**(17.3)**
Capital increase	26.7	-
Net borrowings taken out (repaid)	2.8	(4.0)
Net financial costs from financing activities	(2.6)	(3.0)
Sale of treasury shares	(0.2)	0.0
Non-Group dividends distributed	(0.3)	(0.2)
Net cash flow from financing activities	**26.4**	**(7.2)**
Exchange gains (losses)	(0.7)	(0.4)
Net change in net cash and cash equivalents	**27.5**	**4.7**
Opening net cash and cash equivalents	18.0	13.3
Closing net cash and cash equivalents	45.5	18.0

Net cash flow from operating activities

2012 net cash flow from operating activities amounted to €21.4 million, down from €29.6 million in 2011.

- Excluding changes in working capital, 2012 cash flow from operating activities amounted to €22.4 million, down from €25.5 million in 2011, largely due to the June 2012 costs of closing the pallet delivery and fruit and vegetables pooling operations. Adjusting for this item, 2012 cash flow from operating activities amounted to €26.7 million before changes in working capital, slightly up from €25.5 million in 2011.
- The 2012 change in working capital represented a €1.0 million application of funds compared to a €4.1 million source of funds in 2011:
    - Operating working capital (i.e. inventories, trade receivables and payables) increased by €3.6 million in line with higher volumes and remained stable at approximately 11 days of revenues. In particular, the trade receivables days sales outstanding improved from 53 days at December 31, 2011 to 51 days at December 31, 2012.
    - Non-operating working capital (other receivables, other payables and tax and social security payables) increased by €2.6 million, i.e. slower than revenue growth with the result that non-operating working capital represented 45 days of revenues at December 31, 2012, down from 50 days at December 31, 2011.

Net cash flow from investing activities

2012 net cash flow from investing activities amounted to a €19.6 million outflow, up from a €17.3 million outflow in 2011 while remaining in line with revenue growth at 3.5% of revenues, similar to 2011 at 3.7%. As in previous years, 2012 net cash flow from investing activities principally consists of capital expenditure in plant and equipment for company start-ups and, to a lesser extent, payments or repayments of deposits on leased warehouses.

Net cash flow from financing activities

2012 net cash flows from financing activities amounted to an inflow of €26.4 million, compared to a €7.2 million cash outflow in 2011.

- As stated above, one highlight of first half 2012 was the share issue and capital increase, which amounted to €26.2 million after transaction costs.
- Treasury share transactions involved the signing of a liquidity agreement following the Group's IPO in April 2012.
- 2012 new borrowings exceeded repayments of borrowings mainly due to an increase in new finance leases for assets compared to 2011 in line with the growth in business.

In total, after exchange gains and losses, the Group posted €27.5 million in 2012 net cash flow, having posted €4.7 million in 2011.

4.5 REQUIRED SOURCES OF FINANCE FOR THE FUTURE

Group management considers that operating cash flows and available sources of finance as described under section 4.3.4 of the Registration Document, "Loan finance", are sufficient to fund the Group's organic growth.

4.6 CAPITAL EXPENDITURE

4.6.1 Main capital expenditure over the last three fiscal years

Capital expenditure over the last three years breaks down as follows:

€m	**2012**	**2011**	**2010**
Intangible assets	2.1	3.2	0.8
Property, plant and equipment	19.4	15.3	45.4
Financial assets	1.5	1.5	1.4
Total	23.0	20.0	47.6

The main asset purchased over the last three years was a 75,000 sqm warehouse located in Brebières in North France. The warehouse required a total investment in 2010 of €32.0 million, financed by means of a 12-year finance lease with a firm contractual undertaking of nearly 10 years.

The other capital expenditure during this period was related to ordinary operations including storage equipment, fork-lift trucks, transport equipment, information systems, computer hardware, electronic access and surveillance material and equipment. This capital expenditure is usually made at the start of a new contract.

Real estate risks are described in chapter 2.1.7 of the Registration Document, "Real estate risks".

4.6.2 Principal ongoing capital expenditure

As of the Registration Document Date, there is no material capital expenditure in progress.

4.6.3 Main capital expenditure planned

As of the Registration Document Date, the Company's senior management have not adopted any firm commitments regarding major capital expenditure.

4.7 DIVIDEND DISTRIBUTION POLICY

4.7.1 Dividends distributed in the last three fiscal years.

None

4.7.2 Dividend distribution policy

In view of the Group's strategy of development, which covers both organic growth and mergers and acquisitions, it is not planned to make any short-term commitments regarding dividend distribution policy.

However, the Company's Board of Directors will regularly review opportunities to pay out a dividend, taking account of the general state of the economic environment, the specific state of its business sector, the Group's earnings and financial position, the interests of the shareholders and any other factors it deems to be relevant.

4.8 ANNUAL HISTORIC FINANCIAL INFORMATION

Pursuant to Article 28 of European regulation 809/2004 of April 29, 2004, the reader is referred to the Company's Base Document and its updates registered by the *Autorité des Marchés Financiers* (French financial markets authority) on January 24, 2012 and March 16, 2012 under reference number I. 12-003, for the following financial information:

- Financial information for fiscal years 2011 and 2010 covering the management report and the historic consolidated financial statements including audit reports;
- Financial information for fiscal years 2010 and 2009 covering the management report and the historic consolidated financial statements including audit reports;

4.8.1 2012 and 2011 Group consolidated financial statements

CONSOLIDATED INCOME STATEMENT

(€000)	Notes	2012	2011
Revenues		559,630	462,028
Purchases and external charges		(284,793)	(233,358)
Staff costs		(232,061)	(193,780)
Miscellaneous taxes		(8,975)	(7,888)
Other underlying income (expenses)		(140)	1,281
Net (increases) write-backs to provisions		(661)	633
Net depreciation/impairment		(14,228)	(14,095)
EBIT		18,772	14,821
Non-recurring expenses		(6,388)	-

Operating income		12,384	14,821
Financial income	Note 17	958	1,154
Financial expenses	Note 17	(4,046)	(4,792)
Group income before tax		9,296	11,183
Corporate income tax	Note 18	(4,800)	(4,397)
Share of earnings of equity affiliates		101	53
Total consolidated net income		4,597	6,839
Of which minority interests		479	312
Of which Group share		4,118	6,527
Earnings per share, Group share			
Basic EPS (€)	Note 19	0.81	1.59
Diluted EPS (€)	Note 19	0.77	1.48

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(€000)	2012	2011
Total consolidated net income	4,597	6,839
Exchange differences	(1,222)	(733)
Taxation on foreign exchange differences	41	106
Other items	(18)	26
Total gains and losses posted to shareholders' equity net of tax	(1,199)	(601)
Comprehensive net income	3,398	6,238
Of which minority interests	122	273
Of which Group share	3,276	5,965

CONSOLIDATED BALANCE SHEET

(€000)	Notes	12/31/2012	12/31/2011
Goodwill	Notes 1- 3	60,641	60,590
Intangible assets	Note 1	3,472	2,821
Property, plant and equipment	Note 2	65,961	59,731
Investment in equity affiliates	Note 4	1,141	1,062
Other non-current financial assets	Note 5	2,664	2,339
Deferred tax assets	Note 12	8,887	7,003
Non-current assets		142,766	133,546
Inventories	Note 6	221	371
Trade receivables	Note 7	94,919	80,666
Other receivables	Note 7	20,692	17,788
Other current financial assets	Note 5	3,120	2,483
Cash and cash equivalents	Note 8	46,847	19,515
Current assets		165,799	120,823
Total assets		308,565	254,369
Capital stock	Note 9	2,737	2,053
Additional paid-in capital	Note 9	49,562	22,887
Exchange differences		(823)	59
Consolidated reserves		19,075	12,956
Net income for the year		4,118	6,527
Shareholders' equity, Group share		74,669	44,482
Minority interests in net assets		2,194	2,023
Minority interests currency differences		(142)	215
Minority interests in earnings		479	312
Minority interests		2,531	2,550
Shareholders’ equity		77,200	47,032
Borrowings (due in over 1 yr)	Note 10	41,702	37,899
Long-term provisions	Notes 11- 16	1,893	1,411
Deferred tax liabilities	Note 12	116	245
Non-current liabilities		43,711	39,555
Short-term provisions	Note 11	8,975	7,596
Borrowings (due in less than 1 yr)	Note 10	11,839	12,925
Other current financial liabilities	Note 15	863	904
Bank overdrafts	Note 8	1,380	1,542

Trade payables	Note 13	74,869	63,445
Other payables	Note 13	89,728	81,370
Current liabilities		187,654	167,782
Total liabilities and shareholders' equity		308,565	254,369

CONSOLIDATED STATEMENT OF CASH FLOWS

(€000)	Note	2012	2011
Net income		4,597	6,839
Net depreciation, impairment and provisions		15,389	14,550
Fair value adjustments on financial instruments		(41)	156
Share of undistributed earnings of equity affiliates		(78)	(30)
Change in working capital	Note 20	(953)	4,053
Net cash flows from operating activities after net cost of debt and tax		18,914	25,568
Corporate income tax	Note 18	4,800	4,397
Net financial costs from financing activities		2,581	2,980
Net cash flows from operating activities before net cost of debt and tax		26,295	32,945
Tax paid		(4,905)	(3,347)
Net cash flow from operating activities		21,390	29,598
Purchase of intangible assets and PP&E	Notes 1- 2	(21,548)	(18,536)
Purchase of financial assets		(1,468)	(1,536)
Fixed asset payables		(443)	(370)
Purchase of subsidiaries net of cash acquired		2,401	
Sale of intangible assets and PP&E		631	2,279
Sale of financial assets		872	889
Net cash flow from investing activities		(19,555)	(17,274)
Net financial costs from financing activities	Note 17	(2,581)	(2,980)
Net loans received		16,574	11,426
Loan repayments		(13,778)	(15,452)
Sale of treasury shares		(199)	38
Distribution of dividends to minority interests		(281)	(242)
Capital increase		26,668	
Net cash flow from financing activities		26,403	(7,210)
Exchange gains (losses)		(744)	(421)
Net underlying change in cash and cash equivalents		27,494	4,693
Opening net cash and cash equivalents	Note 8	17,973	13,280
Closing net cash and cash equivalents	Note 8	45,467	17,973

CHANGES IN CONSOLIDATED SHAREHOLDERS’ EQUITY

(€000)	Capital stock	Additional paid-in capital	Consolidation reserves	Exchange differences	Shareholders' equity, Group share	Minority interests	Total consolidated shareholders' equity
January 1, 2011	2,053	22,887	12,993	647	38,580	2,444	41,024
2011 net income			6,527		6,527	312	6,839
Gains and losses posted to shareholders’ equity				(588)	(588)	(39)	(627)
Distribution of dividends					-	(242)	(242)
Treasury shares			38		38		38
Other			(75)		(75)	75	-
December 31, 2011	2,053	22,887	19,483	59	44,482	2,550	47,032
2012 net income			4,118		4,118	479	4,597
Gains and losses posted to shareholders’ equity			40	(882)	(842)	(357)	(1,199)
Distribution of dividends					-	(281)	(281)
Treasury shares			(241)		(241)		(241)
Capital increase	684	26,675			27,359		27,359
Change in percentage interest			(207)		(207)	140	(67)
December 31, 2012	2,737	49,562	23,193	(823)	74,669	2,531	77,200

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

ID Logistics Group SA is a *société anonyme* (French corporation) subject to French law whose head office is located at 410, route du Moulin de Losque 84300 Cavaillon. ID Logistics Group SA and its subsidiaries (hereinafter the "Group") carry out their logistics business in France and around ten other countries.

The Group consolidated financial statements for the year ended December 31, 2012 were approved by the Board of Directors on March 25, 2013. Unless otherwise indicated, they are presented in thousands of euros.

2 BASE FOR THE PREPARATION AND PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Accounting principles and methods applied

The Group consolidated financial statements for the year ended December 31, 2012 have been prepared in accordance with International Financial Reporting Standards (hereinafter "IFRS"), as adopted in the European Union as of December 31, 2011. International accounting principles cover all standards approved by the International Accounting Standards Board ("IASB"), i.e. IFRS, International Accounting Standards ("IAS") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC").
Said accounting principles can be viewed on the website
ec.europa.eu/internal_market/accounting/ias/index_en.htm

Some of these accounting standards may be subject to changes or interpretations, for which application may be backdated. Such changes may cause the Group subsequently to modify the consolidated financial statements adjusted to IFRS.

If there are no standards or interpretations applicable to a specific transaction, Group management uses its own judgment to define and apply the accounting principles which result in fair and reliable data so that the financial statements:

- give a fair view of the Group's financial position, results and cash flows;
- reflect the economic substance of the transactions;
- are objective;
- are prudent; and
- are complete in all significant aspects.

2.2 Change in accounting principles

2.2.1 New compulsory standards, amendments and interpretations adopted by the European Union for fiscal 2012

The European Union's adoption of the following standards and interpretations, which are compulsory as of January 1, 2012, has no material impact on the Group consolidated financial statements:

- IFRS 7 amended: Disclosures – Transfers of financial assets;

- IAS 12 amended: Recovery of underlying assets.

2.2.2 New standards, amendments and interpretations adopted by the European Union and compulsory for fiscal years beginning 2013

The Group has not applied in advance standards and interpretations which were not compulsory as of January 1, 2012.

- IFRS 10 – Consolidated financial statements;
- IFRS 11 – Joint arrangements;
- IFRS 12 – Disclosure of interests in other entities;
- IAS 27 revised – Separate financial statements;
- IAS 28 revised – Investments in associates and joint ventures;
- IAS 1 amended – Financial statement presentation of other comprehensive income;
- IAS 19 amended – Staff benefits;
- IFRS 7 amended – Disclosures – Offsetting financial assets and financial liabilities;
- IFRS 13 – Fair value measurement;
- IAS 32 amended: Offsetting financial assets and financial liabilities;

IFRIC 20 – Stripping costs in the production phase of a surface mine.
The Group is currently analyzing the consequences of these new standards, amendments and interpretations and the impact of their application on the financial statements.

2.3 Underlying accounting convention

The consolidated financial statements have been prepared pursuant to the historic cost convention, with the exception of certain assets and liabilities in accordance with IFRS rules. The assets and liabilities in question are mentioned in the notes below.

2.4 Estimates and judgments

To prepare the accounts, the Group makes estimates and assumptions, which affect the financial statements. The Group reviews its estimates and assumptions on a regular basis to take account of past experience and other factors considered relevant in view of economic conditions. Depending on how these assumptions evolve and on various conditions, the actual amounts or the amounts recorded in future financial statements may differ from the current estimates.

The principal estimates made by the Group to prepare the financial statements relate to the valuation and estimated useful lives of intangible and other assets and property, plant and equipment, the value of provisions for contingencies and other operating provisions, the valuation of recognized deferred tax assets and assumptions adopted to calculate staff benefit liabilities.

2.5 Presentation principles

2.5.1 Income statement

Pursuant to IAS 1 - Presentation of financial statements, the Group presents the consolidated income statement by nature of expenses.

2.5.2 Balance sheet

Pursuant to IAS 1 - Presentation of financial statements, the Group presents the consolidated balance sheet distinguishing between current and non-current assets and between current and non-current liabilities.

The Group's operating assets, cash and cash equivalents and operating financial assets are all stated as current assets. Deferred tax assets and the other assets are stated as non-current assets.

The Group's operating liabilities and payables falling due in the next 12 months are stated as current liabilities. Deferred tax liabilities and the other liabilities are stated as non-current liabilities.

3 HIGHLIGHTS

- In the first half of 2012, Group management decided to discontinue its loss-making pallet distribution and temperature controlled (fruit and vegetables) pooling services in France. These operations were mainly carried out in the Group's traditional region of South-East France.
  The cost of discontinuing these services amounted to €6.4 million, broken down as follows:
  - Staff costs: €2.9 million
  - Supplier contract termination compensation and other costs: €3.5 million

- In connection with the Company's April 18, 2012 IPO on the NYSE Euronext Paris regulated market, the Company carried out a capital increase of €28.7 million through the issue of 1,368,620 shares at a price of €21.00 per share (€0.50 par value plus €20.50 issue premium).

- The main changes in consolidation during the year were as follows:

  Start-ups
  The Group set up a business in South Africa by founding two South Africa registered, wholly-owned subsidiaries as follows: ID Logistics Supply Chain South Africa Pty Ltd and ID Logistics Fresh South Africa Pty Ltd. Both companies are consolidated under the full consolidation method.

  Acquisitions
  In December 2012, the Group acquired the entire equity of SAS Timler and its subsidiary France Paquets SA. These subsidiaries are consolidated under the full consolidation method. In Aulnay-sous-Bois, France Paquets acquired a mechanized system that processes up to 300,000 parcels a day under services agreements with various suppliers including ColiPoste, a La Poste group company, as well as companies such as Arvato, STPP (Lagardère group) and Tessi. This business posts annual revenues of around €8 million and has 60 employees. As of the purchase date the business had:
  - Net cash and equivalents of €2.5 million
  - after other non-recurring financial liabilities of €2.5 million due in March 2015 subject to certain performance-based conditions,
  - €50,000 goodwill following the purchase price allocation.

4 ACCOUNTING PRINCIPLES AND METHODS

4.1 Consolidation principles and scope

The Group consists of the parent company, ID Logistics Group SA, and its subsidiaries, joint ventures and equity affiliates. The list of companies included in the Group consolidation is given in Note 26. All consolidated companies have the same balance sheet date.

4.1.1 Subsidiaries

The subsidiaries are exclusively controlled by the Group and are consolidated under the full consolidation method. For these purposes, "exclusive control" means the power directly or indirectly to manage the financial and operational policies of a company in order to benefit from its business, which generally arises when the parent company holds more than half of the voting rights. When assessing the degree of control, potential voting rights that are currently valid are taken into account. Control is generally assumed to exist if the Group holds over 50% of the subsidiary's voting rights.

The subsidiaries' financial statements are included in the consolidated financial statements as from the date when exclusive control was acquired and until the date such control is lost.

Material transactions, balances and inter-company profits and losses between consolidated companies are eliminated.

4.1.2 Joint ventures

Joint ventures are legal entities over which the Group exercises joint control with a limited number of other shareholders based on a contractual agreement. Joint ventures are consolidated under the proportional consolidation method, whereby assets, liabilities, income and expenditure are consolidated in proportion to the Group's equity interest.

Material transactions, balances and inter-company profits and losses between consolidated companies are eliminated in proportion to the Group's equity interest.

4.1.3 Equity affiliates

Equity affiliates are legal entities in which the Group exercises significant influence over the financial and operational policies, which generally arises when the parent company holds between 20% and 50% of the voting rights.

Investments in equity affiliates are consolidated under the equity method. Goodwill in respect of equity affiliates is included in the book value of the investment.

4.2 Conversion of foreign currencies

4.2.1 Operating currency and reporting currency

The accounts are maintained in the operating currency of each Group company, i.e. the currency of the principal economic environment in which it operates, which is generally the local currency.

The consolidated financial statements are stated in euros, which is the operating and reporting currency of ID Logistics Group SA, the consolidating company.

4.2.2 Transactions in foreign currencies

Transactions denominated in foreign currencies are converted at the prevailing exchange rate as of the transaction date. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are converted at the closing rate. Exchange gains and losses arising are posted to income.

Exchange differences on monetary assets and liabilities linked to a net investment in foreign subsidiaries are posted to currency reserves.

4.2.3 Conversion of subsidiaries' financial statements denominated in foreign currencies

Balance sheets of companies whose operating currency is not the euro are converted into euros at closing rate and their income statements and cash flow statements are converted into euros at average rate for the year. The exchange difference arising is posted to shareholders' equity under "Exchange differences". If a company is sold or closed, the related cumulative exchange differences in shareholders' equity are posted to income for the period.

The Group has no subsidiaries in any hyper-inflationary country as defined by IAS 29.

Goodwill is monitored in the currency of the subsidiary concerned.

4.3 Business combinations, purchases of further equity interests and sales of equity interests

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4.3.1 Business combinations carried out until December 31, 2009

The cost of a business combination equals:

- the fair value, at the date of exchange, of the assets given, the actual or contingent liabilities assumed and the Group's equity instruments issued in consideration for taking control of the company acquired; and

- the value of the costs directly attributable to the business combination.

Any additions to the price for business combinations are included in the cost as of the acquisition date if the value can be reliably measured and it is probable that they will be paid. Any subsequent change in the value of price additions is posted to goodwill.

The difference between the cost of a business combination and the purchaser's share of the net fair value of identified assets and liabilities as of the acquisition date is posted to goodwill. If the difference arising is negative (i.e. negative goodwill) it is posted immediately to income.

If the Group takes control of a company in a single transaction, the share of assets and liabilities attributable to the minority interests is recorded at fair value.

If the Group takes control of a company in steps, fair value adjustments on identified assets and liabilities as of the date of taking control relating to the previously held equity interest are posted to shareholders' equity.

4.3.2 Business combinations since January 1, 2010

At the acquisition date, the goodwill equals the difference between:

- the fair value of the consideration transferred in exchange for control of the company, including any additions to the price, plus the value of the minority interests in the acquired company and, for a business combination performed in steps, plus the fair value at the acquisition date of the purchaser's previously held investment in the acquired company, with the corresponding revaluation via the income statement; and

- the fair value of identifiable assets and liabilities acquired at the acquisition date.

Any additions to the price are thus valued at fair value at the acquisition date. After the acquisition date, they are valued at fair value as of each balance sheet date. Following a one-year period with effect from the acquisition date, any subsequent change in fair value is posted to income if the additions to the price are financial liabilities.

If the goodwill is negative, it is immediately posted to income.

Costs directly attributable to the business combination are taken to expenses for the period within financial expenses in the consolidated income statement.

If control under 100% interest is acquired, IFRS 3 revised gives the option for any business combination to record goodwill either based on 100% interest, or based on the percentage interest acquired (without subsequent change if there are further purchases of equity interests not giving control). Minority interests in the acquired company are similarly valued either at fair value, or at the share of net identifiable assets of the company acquired.

4.3.3 Further acquisitions of equity interests after taking control

For further acquisitions of equity interests in a subsidiary completed before January 1, 2010, given that IFRS does not offer any guidance on the issue, the Group has decided to apply the following principle:

- if the Group subsequently acquires assets and liabilities from the minority interests of a controlled company, there will be no further accounting adjustment to their revalued fair value;

- the difference between the acquisition cost and the book value of the assets and liabilities acquired is posted to goodwill.

For further acquisitions of equity interests in a subsidiary completed after January 1, 2010, (IAS 27 revised applies to future acquisitions) without affecting control over this subsidiary, the difference between the purchase price of the investment and the additional share of consolidated equity acquired is posted to shareholders' equity, Group share, without changing the consolidated value of the subsidiary's identifiable assets and liabilities including goodwill. For purposes of the consolidated statement of cash flows, payments for acquisitions paid in cash net of related acquisition costs, are classified as cash flows from financing activities.

4.4 Intangible assets

Intangible assets are stated at cost less cumulative amortization and cumulative impairment.

Intangible assets include amortized assets such as software, patents and customer relations.
Intangible assets are amortized in fixed annual amounts over one to five years.

4.5 Property, plant and equipment

Property, plant and equipment is stated at cost less cumulative depreciation and cumulative impairment.

The cost of borrowings taken out to finance major capital expenditure, incurred during the period of construction, is included in the acquisition cost.

Investment grants are recorded as a deduction from the value of property, plant and equipment.

Land is not depreciated. Other property, plant and equipment is depreciated based on the following estimated useful lives:

Buildings	15 to 25 years
Building fixtures and fittings	10 years
Plant, machinery and tools	3 to 10 years
Vehicles	3 to 8 years
IT and office equipment	3 to 8 years

In view of the nature of the assets held, with the exception of buildings, no material asset components have been identified.

4.6 Leases

Pursuant to IAS 17 - Leases, leases are classified under two categories as follows:
- Finance leases
- Operating leases

Finance leases

Finance leases involve the transfer of substantially all risks and rewards of ownership of the assets in question.

Assets under finance leases are initially recorded under balance sheet assets at the lower of (i) the fair value of the leased asset and (ii) the discounted present value of the minimum lease payments under the lease, while posting a corresponding financial liability. Thereafter, balance sheet assets under finance leases are depreciated based on the same estimated useful lives as the other fixed assets in the same category and the payments in respect of the finance lease liabilities are broken down between repayment of the liability and interest costs.

Operating leases

All other leases are operating leases and are not adjusted for accounting purposes. Payments under operating leases are posted to operating expenses in the income statement.

4.7 Impairment of fixed assets

Impairment of property, plant and equipment and intangible assets

Pursuant to IAS 36 – "Impairment of assets", the Group measures the recoverability of its non-current assets based on the following procedure:

- For depreciated property, plant and equipment and amortized intangible assets, management determines whether there is an indication of loss in value on such assets at each balance sheet date. Indications of loss in value are identified in relation to external or internal criteria. If applicable, an impairment test is carried out by comparing the net book value with the recoverable value, which is the higher of (i) the sales price less future selling costs and (ii) the value in use.

- For goodwill, an impairment test is carried out at least once a year and whenever an indication of loss in value is identified. Goodwill is tested in relation to the geographical region where the relevant business operates.

Value in use is calculated based on the discounted present value of the estimated future cash flows from using the assets. Future cash flows are taken from the three year business plans that are prepared and approved by management, plus a terminal value based on recurring discounted future cash flows including a growth rate to infinity. The discount rate applied represents the Company's post-tax weighted average cost of capital.

Impairment recorded against goodwill cannot be reversed or written back.

Impairment on investments in equity affiliates

Impairment tests on the value of investments in equity affiliates are conducted whenever there is an indication of loss in value. Under these tests, the book value of investments in equity affiliates is compared to the Group share of the present value of future estimated cash flows for the equity affiliate concerned. If the book value of the investment exceeds the present value of future estimated cash flows, an impairment charge for the difference is booked against the value of the investment in the equity affiliate concerned.

Impairment write-backs on intangible assets (other than goodwill), property, plant and equipment and investments in equity affiliates

At every balance sheet date, the Group assesses whether new events or circumstances show that impairment booked in previous periods may be written back.

In this case, if recoverable value based on the new estimates exceeds the net book value of the relevant asset, the Group writes back the impairment for an amount limited to the book value after depreciation that would have resulted had the impairment not been recorded.

4.8 Financial assets

Financial assets are analyzed and classified into the following four categories:

- Financial assets stated at fair value via income including:
  - Financial assets held for sale: a financial asset is classified in this category if it is purchased principally to be resold. The Group has no assets in this category.
  - Financial assets measured at fair value: the group has no assets in this category.
  - Derivatives traded for hedging purposes but not documented as such.
- Financial assets held until maturity: these are non-derivative financial assets with fixed or determinable payments and a fixed maturity, which a company can and intends to hold until maturity. The Group has no assets in this category.
- Loans and receivables: these are non-derivative financial assets with fixed or determinable payments, which are not listed on an active market. Loans and other receivables are included within current assets excluding those which mature in over 12 months, which are included under non-current assets. They mainly comprise trade receivables and deposits from the Group's operations.
- Available for sale financial assets: these are non-derivative instruments in this category or that cannot be allocated to any other category. This category includes equity securities in non-consolidated companies stated at fair value via shareholders' equity.

All financial assets not recorded at fair value via income are initially recorded at fair value plus transaction costs. Financial assets recorded at fair value via income are initially recorded at fair value and transaction costs are posted to expenses in the income statement. Thereafter they are valued at fair value as of each balance sheet date. Loans and other receivables are subsequently stated at amortized cost under the effective interest rate method.

The receivables are initially valued at fair value, which generally equals the amount invoiced. If they contain beneficial terms of payment for the counterparty (e.g. beneficial credit terms) and if the effect of discounting is material, these receivables are recorded at the present value of future cash flows discounted at market rates. These receivables are subsequently valued at amortized cost.

A bad debt accrual is recorded if there is a risk of non-realization, which is assessed individually based on the aging of the financial assets.
Financial assets are written off if the right to receive any cash flow from these assets has expired or has been transferred and if the Group has transferred substantially all the risks and rewards of ownership. If trade receivables are transferred with recourse against the transferor (in the form of a secured deposit or direct recourse) in the event of a payment default by the customer, such trade receivables may not be written off.

Gains and losses resulting from changes in the fair value of financial assets stated at fair value via income are included in income for the period when they arose.
The fair value of listed assets is based on current buy market prices. If there is no active market for a financial asset and in respect of unlisted securities, the Group determines fair value by using valuation techniques. Such valuation techniques include over the counter transactions, other similar instruments or a discounted cash flow analysis using as much market data as possible and not based wherever possible on in-house criteria.

The fair value of financial instruments was determined based on different methods as follows:

- 1. Prices quoted on an active market. When prices quoted on an active market are available, they are used as a matter of preference in determining the market value. As of December 31, 2012, assets valued at fair value consisted of marketable securities.

- 2. In-house model with observable market criteria based on in-house valuation techniques. These techniques make use of customary actuarial methods factoring in observable market data (e.g. futures prices, yield curves, etc.). Most exchange-traded derivative financial instruments are valued using the methods commonly used by market players to value financial instruments. As of December 31, 2012, only hedging instruments were valued using method 2.

- 3. In-house model with unobservable criteria. The fair values used to determine book values are a reasonable estimate of market values. As of December 31, 2012, only non-current financial assets described in Note 5 are valued using method 3.

4.9 Inventories

Inventories are stated at weighted average cost. If the market value is lower than cost, an impairment reserve is set aside.

4.10 Cash and cash equivalents

Cash and cash equivalents include cash, sight bank deposits, highly liquid money-market investments with initial maturities of up to three months and bank overdrafts.

Positive bank accounts are shown under "Cash and cash equivalents" within balance sheet assets and negative bank balances are shown under "Bank overdrafts" within balance sheet liabilities.

Net cash and cash equivalents within the statement of consolidated cash flows represents the amount of cash and cash equivalents less bank overdrafts.

4.11 Treasury shares

Company shares held by the parent company or one of its consolidated subsidiaries are accounted for as a deduction from shareholders' equity at purchase cost. Changes in the fair value of treasury shares while they are held are not accounted for. Post-tax gains and losses on sale of treasury shares are posted to shareholders' equity.

4.12 Financial liabilities

Borrowings and bank loans are first recorded at fair value, which is generally their face value less directly attributable transaction costs. Thereafter, financial liabilities are stated at cost less repayments. Any difference between the cost less repayments and the repayment value is taken to income based on the effective interest and the term of the borrowings.
Liability derivatives are also stated at fair value.
Other financial liabilities, excluding derivatives, are stated at cost less repayments.

4.13 Derivatives

The Group holds derivative financial instruments in order to reduce exposure to interest rate risks. The purpose of such instruments is to hedge against the financial risks facing the Group. Financial instruments are recorded as of the transaction date, i.e. when the hedge was contracted. However, only those that meet the hedge accounting criteria under IAS 39 on financial instruments are accounted for in the manner described below. Changes in fair value on financial instruments not qualifying as hedges are immediately posted to other financial income and expense.

All transactions qualifying as hedges are documented in relation to the hedging strategy specifying the risk hedged, the asset or liability hedged, the hedge itself, the hedging relationship and the method for measuring the effectiveness of the hedge. Measuring the effectiveness of the hedge is updated at each balance sheet date. Derivatives are initially recorded at fair value. Thereafter, fair value is updated at each balance sheet date by reference to market data. Asset and liability derivatives are shown as current or non-current depending on their maturity and that of their underlying assets and liabilities.

A cash flow hedge protects against fluctuations in cash flows arising from an asset or liability or a highly probable future transaction when such fluctuations are liable to affect earnings. At each balance sheet date, the effective portion of the hedge is posted to shareholders' equity and the ineffective portion is posted to income. When the transaction is recorded, the effective portion within shareholders' equity is transferred to income at the same time as recording the hedged asset or liability.

4.14 Staff benefits

Pursuant to the laws and practices in each country where it operates, the Group has various pension plans.

With respect to defined contribution plans, the Group has no liabilities other than to pay contributions.

With respect to defined benefit plans, the Group provides for its liability to pay defined levels of pensions to its employees.

Defined contribution plans

With respect to basic plans and other defined contribution schemes, the Group posts its contributions payable to expenses when they fall due and no accrual is recorded given that the Group has no commitment in addition to the contributions paid.

Defined benefit plans

With respect to defined benefit plans and one-off retirement compensation, the Group calculates its estimated liabilities every year in accordance with IAS 19 – "Employee benefits" based on the projected units of credit method.

This method takes into account future length of service probability, future level of pay, mortality probability and staff turnover on the basis of actuarial assumptions. The liability is discounted using an appropriate discount rate for each country where there are pension commitments. The expense is recorded in proportion to employees' years of service. If pensions are pre-financed by external funds, the assets held by these funds are valued at fair value as of the balance sheet date.

The cost of services rendered (which includes an increase in pension liabilities from the acquisition of one year's additional service), actuarial gains and losses and interest expense on the liability reflecting the reversal of the discounting effect, are all posted to the income statement. The long-term expected return on the pension fund's investments is deducted from expenses. All these expenses and income are recorded under underlying operating income except for the reversal of the discounting effect, which is included in net financial items.

Individual training entitlement

Costs incurred in respect of the *Droit Individuel à la Formation* (DIF - individual training entitlement) are recorded as expenses for the year and consequently are not accrued unless such costs can be considered as remuneration for past services and the liability towards the employee is probable or certain.
The number of employees' hours of training entitlement is disclosed in the notes to the financial statements.

4.15 Provisions and contingent liabilities

The Group books a provision when there is a legal or implicit obligation resulting from past events, which is expected to lead to an outflow of the Group's resources which represent economic benefits.

Provisions are discounted if the impact is deemed material, and if so, the discounting effect is posted to operating income.

Contingent liabilities represent potential obligations resulting from past events that will only be confirmed if future uncertain events, which are not under the company's control, occur. Contingent liabilities also relate to current obligations for which an outflow of resources is not probable. Apart from those arising from business combinations, contingent liabilities are disclosed in the notes and not accrued.

4.16 Revenues

Income from normal operations is recognized within revenues if it is probable that the Group will receive future economic benefits therefrom and if the income can be reliably measured. Income from normal operations is recorded at the fair value of the related receivable.

Services income is recognized when the service is performed.

4.17 Taxation

Corporate income tax charges or income include current tax charges (income) and deferred tax charges (income). Tax charges (income) are recorded in income unless they relate to items within shareholders' equity, in which case they are posted to shareholders' equity.

Current tax

Current tax represents the estimated amount due in respect of taxable income for the period plus or minus any adjustment for current tax in respect of prior periods.

Deferred tax

Deferred tax is determined and recorded based on the liability method in respect of all timing differences between the book value of assets and liabilities and their tax base.

Deferred tax is not recorded for the following items: (i) taxable timing differences arising from the first-time recognition of goodwill, (ii) first-time recognition of an asset or liability in a transaction that is not a business combination and neither affects taxable income nor accounting earnings and (iii) timing differences arising from equity investments in subsidiaries if it is not probable that such differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are computed at the expected tax rates applicable in the periods when the asset will be realized or the liability paid, based on tax regulations that have been adopted or virtually adopted as of the balance sheet date. Deferred tax assets and liabilities are netted off if there is a legally enforceable right to offset current tax receivables and payables and if they relate to corporate income tax charged by the same tax authority for the same entity.

Deferred tax assets are only recognized if it is probable that the Group will have sufficient future taxable income against which the relevant timing differences can be offset. Deferred tax assets are reviewed every balance sheet date and are reduced to the extent that it is no longer probable that sufficient future taxable income will be available. To assess the Group's ability to realize deferred tax assets, the following items have been taken into account:

- Forecasts of future taxable income;
- Non-recurring costs that are included in past losses;
- Historic taxable income for previous years.

With respect to investments in subsidiaries, joint ventures and equity affiliates, a deferred tax liability is booked for all taxable timing differences between the book value of the investments and their tax base, unless:

- the Group can decide the date when such differences reverse, for instance for a dividend payout; and
- it is probable that such differences will not reverse in the foreseeable future.

4.18 Earnings per share

Basic earnings per share is calculated by dividing Group net income by the weighted average number of shares of common stock in issue during the year.

Diluted earnings per share is calculated by dividing adjusted Group net income by the weighted average number of shares of common stock in issue plus any potential future diluting shares excluding any treasury shares.

5 SEGMENT INFORMATION

Pursuant to IFRS 8 – "Operating segments", the information below for each operating segment is identical to that presented to the chief operating decision maker for purposes of deciding on the allocation of resources to the segment and assessing its performance.

An operating segment is a distinct component of the Group:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- for which discrete financial information is available.

The Group's chief operating decision maker has been identified as the Chairman and CEO and the Deputy CEO, who jointly take strategic decisions.

The Group's two operating segments are France and International, determined in accordance with IFRS 8.

The France segment is made up of subsidiaries with head offices in continental France.

The International segment is made up of subsidiaries with head offices in the following countries: Argentina, Brazil, China, Spain, Réunion Island, Indonesia, Morocco, Russia, Poland and Taiwan.

Fixed assets are operating assets used by a segment for operational purposes. They include goodwill, intangible assets and property, plant and equipment. They do not include current assets used for operational purposes, deferred tax assets/liabilities or non-current financial assets.

Segment information, as presented to the chief decision makers relating to continuing operations, is as follows:

	2012			2011		
	France	International	Total	France	International	Total
Revenues	342,769	219,880	562,649	301,327	164,136	465,463
Inter-segment revenues	(1,937)	(1,082)	(3,019)	(2,666)	(769)	(3,435)
Net revenues	340,832	218,798	559,630	298,661	163,367	462,028
EBIT	13,996	4,776	18,772	11,183	3,638	14,821
Operating income	7,608	4,776	12,384	11,183	3,638	14,821
Net cash flow from operating activities	23,021	(1,631)	21,390	21,426	8,172	29,598
Capital expenditure	14,550	7,048	21,598	13,386	4,808	18,194

Fixed assets	107,400	22,674	130,074	104,002	19,140	123,142
Headcount	3,430	6,736	10,166	3,223	6,080	9,303

6 NOTES RELATING TO THE BALANCE SHEET, INCOME STATEMENT AND STATEMENT OF CASH FLOWS AND CHANGES THERETO

6.1 Balance sheet notes

Note 1: Goodwill and intangible assets

	Goodwill	Software	Other	TOTAL
Gross:				
At January 1, 2011	59,369	5,953	-	65,322
Acquisitions	1,221	1,504	497	3,222
Disposals	-	(44)	-	(44)
Change in consolidation				-
Exchange gains (losses)		(83)		(83)
Reclassification				-
At December 31, 2011	60,590	7,330	497	68,417
Acquisitions	51	2,086		2,137
Disposals		(89)		(89)
Change in consolidation		1		1
Exchange gains (losses)		(122)	6	(116)
Reclassification				-
At December 31, 2012	60,641	9,206	503	70,350
Cumulative depreciation and impairment:				
At January 1, 2011	-	4,030	-	4,030
Depreciation for the year		1,013	37	1,050
Impairment				-
Disposals		(32)		(32)
Change in consolidation				-
Exchange gains (losses) and reclassification		(42)		(42)
At December 31, 2011	-	4,969	37	5,006
Depreciation for the year		1,331	52	1,383
Impairment				-
Disposals		(89)		(89)
Change in consolidation				-
Exchange gains (losses) and reclassification		(63)		(63)
At December 31, 2012	-	6,148	89	6,237
Net:				
At December 31, 2011	60,590	2,361	460	63,411
At December 31, 2012	60,641	3,058	414	64,113

The Group has no encumbrances on the use of its fixed assets.

Note 2: Property, plant and equipment

	Land and buildings	Plant and equipment	Other fixed assets	Fixed assets in progress	TOTAL
Gross:					
At January 1, 2011	46,430	34,677	15,019	440	96,566
Acquisitions	1,228	7,946	6,000	141	15,315
Disposals	(1,158)	(10,820)	(4,729)	-	(16,707)
Change in consolidation	-	-	-	-	-
Exchange gains (losses)	(35)	(246)	(170)	-	(451)
Reclassification	-	343	-	(343)	-
At December 31, 2011	46,465	31,900	16,120	238	94,723
Acquisitions	1,479	11,616	4,770	1,596	19,461
Disposals	(291)	(4,490)	(1,206)	-	(5,987)
Change in consolidation		55	262		317
Exchange gains (losses)	(27)	(448)	(5)	7	(473)
Reclassification		153		(153)	-
At December 31, 2012	47,626	38,786	19,941	1,841	108,041
Cumulative depreciation and impairment:					
At January 1, 2011	7,185	21,498	7,965	-	36,648
Depreciation for the year	2,545	5,825	4,675	-	13,045
Impairment	-	-	-	-	-
Disposals	(36)	(10,320)	(4,084)	-	(14,440)
Change in consolidation	-	-	-	-	-
Exchange gains (losses) and reclassification	(17)	(178)	(66)	-	(261)
At December 31, 2011	9,677	16,825	8,490	-	34,992
Depreciation for the year	2,695	6,704	3,243		12,642
Impairment					-
Disposals	(244)	(4,078)	(1,034)		(5,356)
Change in consolidation					-
Exchange gains (losses) and reclassification	38	(258)	22		(198)
At December 31, 2012	12,166	19,193	10,721	-	42,080
Net:					
At December 31, 2011	36,788	15,075	7,630	238	59,731
At December 31, 2012	35,460	19,593	9,220	1,841	65,961

The net value of the plant and equipment includes the following assets held under finance leases:

December 31, 2012: €47,672,000 (of which land and buildings: €31,706,000)
December 31, 2011: €46,090,000 (of which land and buildings: €32,608,000)

The Group has no encumbrances on the use of its fixed assets.

Note 3: Goodwill and impairment tests on long-term assets

The principal assumptions used for impairment tests are as follows:

	2012							
Business sector	Value of related goodwill	Risk-free rate	Market premium	Beta	Country risk premium	Specific risk premium	Discount rate	Growth rate to infinity
France	49,530	2.9%	7.1%	0.98	0.4%	2.9%	11.2%	2.0%
International	11,111	2.9%	7.1%	0.98	0.4-9%	2.9%	11.2-16.6%	2.0%

	2011							
Business sector	Value of related goodwill	Risk-free Rate	Market premium	Beta	Country risk premium	Specific risk premium	Discount rate	Growth rate to infinity
France	49,479	3.4%	6.5%	0.99	0.0%	2.9%	11.2%	2.0%
International	11,111	3.4%	6.5%	0.99	0.0-9%	2.9%	11.2-19.1%	2.0%

All Cash Generating Units underwent impairment tests, which did not result in any impairment.

Discount rates used are post-tax rates applied to cash flows after tax. Using post-tax rates results in a recoverable amount identical to that which would have been obtained by using a pre-tax rate to pre-tax cash flows.

	France	International	Total
Net goodwill as of January 1, 2011	48,258	11,111	59,369
Change in goodwill	1,221	-	1,221
Impairment	-	-	-
Exchange gains (losses)	-	-	-
Net value of goodwill as of December 31, 2011	49,479	11,111	60,590
Change in goodwill	51	-	51
Impairment	-	-	-
Exchange gains (losses)	-	-	-
Net value of goodwill as of December 31, 2012	49,530	11,111	60,641

A 0.5% increase in the discount rate would not lead to any impairment being recorded.

A 0.5% decrease in the discount rate would not lead to any impairment being recorded.

A 5% decrease in the EBIT value used to calculate the terminal value would not lead to any impairment being recorded.

Note 4: Investment in equity affiliates

Key information concerning equity affiliates based on their separate financial statements is as follows:

	Equity interest (%)	Investment in equity affiliates	Shareholders' equity	Revenues	Net income
ID Log	48%	399	240	5,959	(196)
ID Trans	48%	285	285	2,510	(54)
Froid Combi	24%	386	1,515	14,192	310
Dislogic	24%	71	143	2,495	45
Total		1,141			

	2012	2011
At January 1	1,062	1,032
Share of earnings of equity affiliates	101	52
Dividends received	(22)	(22)
Acquisition of equity affiliates		
At December 31	1,141	1,062

Note 5: Other financial assets

Other non-current financial assets

	12/31/2012	12/31/2011
Deposits, bonds and other	2,583	2,288
Investment in non-consolidated companies	81	51
Total net value	2,664	2,339

Provisions on non-current financial assets

	2012	2011
At January 1	(41)	(41)
Charges	(203)	-
Write-backs	-	-
At December 31	(244)	(41)

Other current financial assets

	12/31/2012	12/31/2011
Deposits for security	512	692
Other sundry receivables	2,608	1,791
TOTAL	3,120	2,483

Note 6: Inventories

Inventories amounted to €221,000 at December 31, 2012 compared to €371,000 at December 31, 2011. Inventories primarily consist of diesel fuel.

Note 7: Trade and other current receivables

	12/31/2012	12/31/2011
Trade receivables	95,359	80,871
Impairment provisions	(440)	(205)
Total trade receivables – net	94,919	80,666
Tax and social security receivables	15,655	13,186
Payments on account and advances	-	198
Prepaid expenses	5,037	4,404
Total other receivables - net	20,692	17,788

Tax and social security receivables largely consist of value added tax or the equivalent for foreign subsidiaries.

	2012	2011
At January 1	(205)	(97)
Charges	(412)	(110)
Write-backs	177	2
At December 31	(440)	(205)

The impairment provisions relate to over 90 days past due receivables.

Maturity of trade receivables

	Total	Not due and not impaired	< 90 days past due	> 90 days past due
12/31/2012	95,359	76,565	16,326	2,468
12/31/2011	80,871	63,891	15,725	1,255

The value of receivables less than 90 days past due includes €14,421,000 of receivables less than 30 days past due.
There is no material risk of bad debts in respect of the due receivables.

Note 8: Net cash and cash equivalents

	12/31/2012	12/31/2011

Cash and cash equivalents	46,847	19,515
Bank overdrafts	(1,380)	(1,542)
Net cash and cash equivalents	45,467	17,973

Group cash and cash equivalents of €46,847,000 at December 31, 2012 comprise cash, sight bank deposits and money-market investments amounting to €13,274,000.

Note 9: Issued capital stock and additional paid-in capital

	Transaction type	Change in capital			Capital stock after transactions	
		Number of shares	Par value (€)	Additional paid-in capital (€)	Value (€)	Number of shares
At January 1, 2011				22,887,435	2,052,930	2,052,930
At December 31, 2011				22,887,435	2,052,930	2,052,930
3/7/2012	2-for-1 bonus issue					2,052,930
4/17/2012	Cash capital increase	1,368,620	684,310	26,674,684	684,310	1,368,620
At December 31, 2012				49,562,119	2,737,240	5,474,480

The Group has a single class of shares of common stock that entitle stockholders to the same dividend.

As of December 31, 2012, there were 155,520 equity warrants granting the right to purchase 311,040 new shares. A single shareholder holds all equity warrants.

IPO costs amounting to €1,382,000 after tax have been deducted from the issue premium.

No dividends have been paid out in the last three fiscal years.

Note 10: Financial liabilities

Borrowings as of December 31, 2012

	12/31/2012	Due in less than 1 year	Due in 1 to 5 years	Due in more than 5 years
Current borrowings				
Bank loans	139	139		
Finance leases	9,833	9,833		
Factoring	1,517	1,517		
Other borrowings	350	350		

Total current borrowings	11,839	11,839		
Non-current borrowings				
Bank loans	226		226	
Finance leases	38,976		25,646	13,330
Other borrowings	2,500		2,500	
Total non-current borrowings	41,702		28,372	13,330
Total borrowings	53,541	11,839	28,372	13,330

Breakdown of borrowings by interest rate and by currency	Amount	Currency	Rate
Loan	26	EUR	Fixed
Loan	340	PLN	Variable
Factoring	1,517	EUR	Variable
Finance leases	1,064	BRL	Fixed
Finance leases	1,453	ARS	Fixed
Finance leases	601	PLN	Fixed
Finance leases	48	CNY	Fixed
Finance leases	19,013	EUR	Fixed
Finance leases	26,629	EUR	Variable
Other payables	149	MAD	Fixed
Other payables	2,701	EUR	Fixed
Total	53,541		

Borrowings as of December 31, 2011

	12/31/2011	Due in less than 1 year	Due in 1 to 5 years	Due in more than 5 years
Current borrowings				
Bank loans	1,483	1,483		
Finance leases	8,897	8,897		
Factoring	2,153	2,153		
Other borrowings	392	392		
Total current borrowings	12,925	12,925		
Non-current borrowings				
Bank loans	26		26	
Finance leases	37,783		21,529	16,254
Other borrowings	90		90	
Total non-current borrowings	37,899		21,645	16,254
Total borrowings	50,824	12,925	21,645	16,254

Breakdown of borrowings by interest rate and by currency	Amount	Currency	Rate
Loan	1,409	EUR	Variable
Loan	99	EUR	Fixed
Factoring	2,153	EUR	Variable
Finance leases	1,021	BRL	Fixed
Finance leases	13	TWD	Fixed
Finance leases	185	ARS	Fixed
Finance leases	669	PLN	Fixed
Finance leases	20	CNY	Fixed
Finance leases	15,795	EUR	Fixed
Finance leases	28,978	EUR	Variable
Other payables	149	MAD	Fixed
Other payables	333	EUR	Fixed
Total	50,824		

Note 11: Provisions

	Social security and tax risks	Operating risks	Staff benefits	Other	Total
At January 1, 2011	4,410	3,174	1,130	-	8,714
Charges	1,229	613	251	-	2,093
Write-backs used	(349)	(1,807)	(75)	-	(2,231)
Write-backs not used	(159)	(139)		-	(298)
Other changes	(54)	678	105	-	729
At December 31, 2011	5,077	2,519	1,411	-	9,007
Charges	1,105	1,484	479		3,068
Write-backs used	(697)	(829)	(78)		(1,604)
Write-backs not used	(180)	(348)			(528)
Other changes	242	602	81		925
At December 31, 2012	5,547	3,428	1,893	-	10,868
Of which current provisions	5,547	3,428			8,975
Of which non-current provisions			1,893		1,893

The provisions for operating risks primarily relate to disputes with customers, lessors, etc. and part of the costs of discontinuing the pallet distribution and fruit and vegetables pooling operations.

Note 12: Deferred tax

	12/31/2012	12/31/2011

Deferred tax assets	8,887	7,003
Deferred tax liabilities	(116)	(245)
Net deferred tax	8,771	6,758

	12/31/2012			12/31/2011		
	Deferred tax assets	Deferred tax liabilities	Total	Deferred tax assets	Deferred tax liabilities	Total
Property, plant and equipment and finance leases	177	(1,049)	(872)	139	(675)	(536)
Provisions/staff benefits	4,068	-	4,068	3,523	-	3,523
Tax losses carried forward	5,063	-	5,063	3,620		3,620
Other items	646	(134)	512	437	(286)	151
Offsets	(1,067)	1,067	-	(716)	716	-
Total	8,887	(116)	8,771	7,003	(245)	6,758

Deferred tax changed as follows:

	Property, plant and equipment and finance leases	Provisions and staff benefits	Tax losses carried forward	Other items	Total
Deferred tax as of January 1, 2011	**(326)**	**3,170**	**4,136**	**72**	**7,052**
Amounts posted to income	(210)	109	(412)	(20)	(533)
Amounts posted to shareholders' equity	-	-	-	106	106
Foreign exchange gains or losses	-	(22)	(104)	(7)	(133)
Change in consolidation	-	266	-	-	266
Deferred tax as of December 31, 2011	**(536)**	**3,523**	**3,620**	**151**	**6,758**
Amounts posted to income	(337)	(389)	854	354	482
Amounts posted to shareholders' equity	-	-	691	(18)	673
Foreign exchange gains or losses	1	(79)	(102)	25	(155)
Change in consolidation	-	1,013	-	-	1,013
Deferred tax as of December 31, 2012	**(872)**	**4,068**	**5,063**	**512**	**8,771**

The deferred tax assets arising from unrelieved tax losses were based on future taxable income calculated over a reasonable time frame.

The Group's unrelieved tax losses, for which no deferred tax has been recognized at any balance sheet date, are as follows:

Balance sheet date	Losses	Uncapitalized deferred tax
December 31, 2012	7,703	2,192
December 31, 2011	12,309	3,673

Timing differences from equity affiliates and joint ventures are not material.

Note 13: Trade and other payables

	12/31/2012	12/31/2011
Trade payables	74,869	63,445
Tax and social security payables	78,688	72,738
Advances and payments on account received	1,588	1,290
Other current payables	1,181	1,937
Deferred income	8,271	5,405
Total other payables	89,728	81,370

All the trade and other payables fall due in less than one year.

Note 14: Derivatives and risk management

The Group's principal financial liabilities consist of bank loans and overdrafts, finance lease liabilities, factoring liabilities and trade payables.

Furthermore, the Group holds financial assets such as trade receivables, deposits as security or endorsements and available cash. These arise from the Group's operations.

The table below specifies the book value and the fair value of the financial instruments recorded in the consolidated balance sheet.

12/31/2012	Fair value via shareholders' equity	Loans and other receivables at amortized cost	Financial liabilities at cost less repayments	Finance leases	Undocumented derivatives	Closing book value	Fair value
Non-current financial assets		2,664				2,664	2,664
Trade receivables		94,919				94,919	94,919
Other receivables		20,692				20,692	20,692
Current financial assets		3,120				3,120	3,120
Cash and cash equivalents		46,847				46,847	46,847
Total financial assets	**-**	**168,242**	**-**	**-**	**-**	**168,242**	**168,242**
Borrowings			53,541			53,541	53,541
Trade payables			74,869			74,869	74,869
Other payables			1,181			1,181	1,181
Liability derivatives					-	-	-
Bank overdrafts			1,380			1,380	1,380
Total financial liabilities	**-**	**-**	**130,971**	**-**	**-**	**130,971**	**130,971**

The fair value of the current assets and liabilities is close to the book value given the very low impact of discounting and credit risk.
Group management considers that the balance sheet value of the non-current financial assets represents a reasonable approximation of their fair value. Group management considers that the balance sheet value of the non-current financial liabilities represents a reasonable approximation of their fair value.
Bank loans mainly consist of loans at variable interest rates and finance lease liabilities. The fair value of variable rate loans approximately equals their net book value. The net book value of non-current payables equals the discounted present value of the minimum amounts payable. Group management considers that this value represents a reasonable approximation of their fair value.

Management of financial risks

The main risks of the Group's financial instruments are interest rate, exchange rate and liquidity risks.

<u>Interest rate risk</u>

Loan contracts are approved by the Group Finance Department and are predominately contracted by the French legal entities.

As of December 31, 2012, before taking account of hedges, 53% of borrowings are contracted at variable rates and 47% at fixed rates. A 1% increase in average interest rates would result in an additional €285,000 interest expense within net financial items.

The maturity of borrowings is detailed under Note 10. Trade and other payables represent current operating liabilities and largely fall due in less than one year.

<u>Exchange rate risk</u>

The Group regularly revalues its exposure to exchange rate risk. As of December 31, 2011, no specific hedge was taken out in respect of amounts denominated in currencies other than euros. The total value of foreign currency assets and liabilities as of December 31, 2012 is broken down as follows:

Foreign currency amount	TWD	CNY	BRL	PLN	ARS	Other	Total
Assets excluding goodwill	5,934	3,719	21,657	8,255	18,766	5,096	63,427
Liabilities	(3,556)	(2,377)	(13,503)	(5,590)	(15,767)	(1,758)	(42,551)
Net balance before management	2,378	1,342	8,154	2,665	2,999	3,338	20,876
Management	-	-	-	-	-	-	-
Net balance after management	2,378	1,342	8,154	2,665	2,999	3,338	20,876

<u>Liquidity risk</u>

The Group is financed principally from available cash, factoring, bank overdrafts, finance leases and a syndicated banking loan.

Based on prevailing exchange rates and interest rates as of December 31, 2012, as well as on the contractual loan maturity dates, cash flows related to financial liabilities were as follows:

12/31/2012	Book value	Due in less than 1 year			Due in 1 to 5 years			Due in more than 5 years		
		Fixed rate interest expense	Variable rate interest expense	Repayment	Fixed rate interest expense	Variable rate interest expense	Repayment	Fixed rate interest expense	Variable rate interest expense	Repayment
Bank overdrafts	1,380	-	29	1,380	-	-	-	-	-	-
Finance leases	48,809	1,307	803	9,833	1,118	2,349	25,646	2	805	13,330
Loans	365	-	20	139	-	17	226	-	-	-
Factoring	1,517	-	1	1,517	-	-	-	-	-	-
Other liabilities	2,850	1	-	350	-	-	2,500	-	-	-

Borrowings due in less than one year have the following maturities:

	Due in less than 1 month	Due in 1 to 3 months	Due in more than 3 months	Total
Bank overdrafts	148	256	976	1,380
Finance leases	1,512	982	7,339	9,833
Loans	6	41	92	139
Factoring	1,517	-	-	1,517
Other liabilities	-	30	320	350

	12/31/2012	Amount drawn	Amount not drawn
Credit lines available			
Finance lease liabilities	30,967	16,467	14,500
Borrowings	10,350	1,382	8,968

The Group regularly revalues its exposure to liquidity risk. As of December 31, 2012, management believes it can meet its future liabilities as they fall due.

Note 15: Financial instruments

As stated under Note 10, a portion of the Group's borrowings is contracted at variable rates based on EURIBOR 3 months or EURIBOR 1 month. In order to limit exposure to an increase in rates, the Group has contracted interest rate hedging instruments.

These instruments consist of interest rate caps (limiting variable EURIBOR 3 months to a fixed rate of 2.50%) taken out in 2009 representing a total par value of €25,316,000 as of December 31, 2012 (€27,666,000 at December 31, 2011).

Financial costs include changes in fair value of undocumented derivatives regarding hedges. The impact of these gains and losses is described in the table below:

	Par value	Recorded fair value: Assets	Recorded fair value: Liabilities	Posted to: Net income	Posted to: Shareholders' equity
Interest rate swap	-	-	-	125	-
Interest rate cap	27,666	-	904	(281)	-
December 31, 2011		-	904	(156)	-
Interest rate cap		-	863	41	-
December 31, 2012		-	863	41	-

The financial instrument has the following maturity:

	Due in less than 1 month	Due in 1 to 3 months	Due in more than 3 months	Due in more than 1 year	Total
Cap	-	-	-	863	863

Note 16: Staff benefits

The principal assumptions used for actuarial valuations of the plans are as follows:

France	12/31/2012	12/31/2011
Discount rate	3.25%	3.95%
Annual wage increases	2.00%	2.00%
Social security charge rate	45%	45%
Staff turnover	10%	10%
Survival table	TH 00 02	TH 00 02
Entitlements table	CC Transport	CC Transport

Amounts recorded in respect of one-time retirement compensation are as follows:

	12/31/2012	12/31/2011
Present value of the liabilities	1,893	1,411
Cost of past services not recorded	-	-
Fair value of the pension plan assets	-	-
Net balance sheet liability	1,893	1,411

The sensitivity of the present value of the liability to the discount rate is as follows:

	Annual discount rate

	2.25%	3.25%
	(-100 basis points)	(Base discount rate)
Present value of the liability	2,182	1,893

Amounts recorded in the income statement in respect of pension commitments are as follows:

	2012	2011
Cost of services rendered during the year less services paid for during the year	221	169
Interest on the liability	46	48
Actuarial gains/losses arising during the year	134	(41)
Net expense recorded against income	401	176
Of which under operating income	355	128
Of which under other financial income and expenses	46	48

The expense for the year is included in Staff costs in the income statement.

Changes in the present value of pension liabilities can be broken down as follows:

	2012	2011
Liabilities brought forward	1,411	1,130
Change in consolidation	81	105
Cost of services	299	244
Interest	46	48
Actuarial gains/losses	134	(41)
Services paid	(78)	(75)
Liabilities carried forward	1,893	1,411

The details of the plans for the current year and prior year can be broken down as follows:

	12/31/2012	12/31/2011	12/30/2010	12/31/2009	12/31/2008
Present value of the liabilities	1,893	1,411	1,130	889	704
Fair value of the pension plan assets	-	-	-	-	-
Net liability	1,893	1,411	1,130	889	704

6.2 Income statement notes

Note 17: Net financial items

	2012	2011
Interest and related income	958	1,154
Total financial income	958	1,154
Interest and related expenses	(3,539)	(4,135)
Fair value adjustments on financial instruments	41	(156)
Discounting expense on balance sheet accounts	(249)	(48)
Other financial expenses	(299)	(453)

Total financial expenses	(4,046)	(4,792)
Total	(3,088)	(3,638)

Interest and related expenses largely relate to bank loans, financial lease liabilities and bank overdrafts.

The net cost of debt amounted to €2,581,000 in 2012 and €2,981,000 in 2011.

Note 18: Corporate income tax

	2012	2011
Current tax charge/(income)	2,105	1,632
Net deferred tax charge/(income)	(482)	267
Tax on added value (CVAE)	3,177	2,498
Total tax	4,800	4,397

The reconciliation between the theoretical tax charge/(income) and the actual tax charge/(income) recorded is as follows:

	2012	2011
Total consolidated net income	4,597	6,839
Tax excluding CVAE	1,623	1,899
Earnings in equity affiliates	(101)	(53)
Income before tax	6,119	8,685
Statutory tax rate	36.10%	36.10%
Theoretical tax	2,209	3,135
Permanent differences	39	(532)
Losses for the year not recognized	1,317	922
Use and recognition of prior losses not recognized	(1,636)	(1,119)
Other taxes	40	81
Differences in tax rates	(346)	(588)
Tax excluding CVAE	1,623	1,899
Effective tax rate excl. CVAE	26.52%	21.87%
CVAE	3,177	2,498
Tax including CVAE	4,800	4,397
Effective tax rate	51.64%	39.32%

Note 19: Earnings per share

The average number of shares during the year was as follows:

(no.)	2012	2011

Average number of shares in issue	5,073,268	4,105,860
Average number of treasury shares	(6,240)	(1,959)
Average number of shares	5,067,028	4,103,901
Equity warrants	311,040	311,040
Average number of diluted shares	5,378,068	4,414,941

The combined shareholders' general meeting on March 7, 2012 decided to carry out a 2-for-1 bonus issue resulting in a 50% reduction in the par value without changing the total capital stock. For purposes of comparability with prior years, the number of shares used for the computation of earnings per share was adjusted for this decision and backdated for fiscal 2011.

6.3 Other information

Note 20: Change in working capital

	12/31/2012	12/31/2011
Change in inventories	158	78
Change in trade receivables	(12,368)	(18,424)
Change in trade payables	8,632	14,319
Change in operating working capital	(3,578)	(4,027)
Change in other receivables	(4,081)	344
Change in other payables	6,706	7,736
Change in non-operating working capital	2,625	8,080
Change in working capital	(953)	4,053

Note 21: Headcount

The number of employees under open-ended employment contracts at December 31 was as follows:

(no.)	12/31/2012	12/31/2011
Managers	375	327
Non-managers	9,791	8,976
Total	10,166	9,303

Note 22: Transactions with related parties

Transactions conducted between the Group and affiliated companies on an arm's length basis were as follows:

Company	Type of relationship	Transaction type	Income (expense) 2012	2011	Balance sheet asset or (liability) 2012	2011
Comète	Joint director	Services provided	(515)	(515)	(336)	(229)
Immod	Joint shareholder	Interest on finance	-	(14)	-	-
Les Parcs du Lubéron Gestion	Joint director	Services provided	2	2	-	
Les Parcs du Lubéron 1	Joint director	Services provided	-	114	-	1
Financière ID	Joint shareholder	Services provided	247	209	181	250
SCI Financière ID Brebières II	Joint shareholder	Real estate leases	(1,080)	-	(475)	-
SCI Financière ID Genlis	Joint shareholder	Real estate leases	(158)	-	-	-

Transactions with equity affiliates, which are concluded on an arm's length basis, related to ongoing administrative services and in total are not material in relation to the Group's business.

Note 23: Directors' remuneration

The Chairman of the Board of Directors does not receive any remuneration from the Group. He receives remuneration from Comète, a company in which he holds a 95.97% equity stake (the remainder being held by his wife and children) and which has signed services agreements with various Group subsidiaries. The services specified in these agreements include management related to strategy and sales growth.

The amounts of the aforementioned services are specified under Note 22.

Gross remuneration of other Board of Directors members

	2012	2011
Expense type		
Total gross remuneration	589	509
Post retirement benefits	-	-

Other long-term benefits	-	-
One-time retirement compensation	-	-

Note 24: Commitments and contingencies

The Group's signed commitments at the balance sheet date were as follows:

	12/31/2012	12/31/2011
Commitments given		
Real estate leases	51,434	37,979
Plant and equipment leases	20,210	19,808
Parent company guarantees	7,255	8,139
Borrowings subject to covenants		1,409
Individual training entitlements (“DIF”), no. of hours	246,760	227,200
Commitments received		
Bank guarantees	13,940	10,355

Commitments given in relation to real estate and plant and equipment leases were as follows:

€000	Due in less than 1 year	Due in 1 to 5 years	Due in more than 5 years	Total
At December 31, 2012				
Real estate leases	24,736	19,368	7,330	51,434
Plant and equipment leases	9,141	11,063	6	20,210
At December 31, 2011				
Real estate leases	21,283	16,003	693	37,979
Plant and equipment leases	8,189	11,136	483	19,808

Note 25: Post balance sheet events

There were no significant events between the balance sheet date and the date when the consolidated financial statements were approved.

Note 26: List of consolidated subsidiaries, joint ventures and equity affiliates

	Country	Equity interest (%)		Control (%)		Cons. method	
		2012	2011	2012	2011	2012	2011
ID Logistics Group SA	France					Parent company	Parent company
Ficopar	France	95%	95%	95%	95%	FC*	FC
ID Logistics	France	95%	95%	100%	100%	FC	FC
ID Logistics France	France	95%	95%	100%	100%	FC	FC
ID Logistics France 2	France	-	95%	-	100%	FC	FC
ID Logistics France 3	France	95%	95%	100%	100%	FC	FC
ID Logistics Training	France	95%	95%	100%	100%	FC	FC
FC Logistique R&D	France	95%	95%	100%	100%	FC	FC
La Flèche	France	95%	95%	100%	100%	FC	FC
La Financière du Lubéron	France	95%	95%	100%	100%	FC	FC
ID Projets	France	95%	95%	100%	100%	FC	FC
Immod 1	France	95%	95%	100%	100%	FC	FC
ID Logistics Entrepot	France	95%	95%	100%	100%	FC	FC
Froid Combi	France	24%	24%	25%	25%	EM*	EM
Interflèche	France	95%	95%	100%	100%	FC	FC
CGLS	France	95%	95%	100%	100%	FC	FC
SCI Les Citronniers	France	95%	95%	100%	100%	FC	FC
SCI Les Cocotiers	France	95%	95%	100%	100%	FC	FC
Cofradis	France	95%	95%	100%	100%	FC	FC
Transdispatch	France	95%	95%	100%	100%	FC	FC
ID Logistics Champagne	France	95%	95%	100%	100%	FC	FC
SMTM	France	84%	78%	88%	82%	FC	FC
SIL	France	76%	69%	80%	73%	FC	FC
AFC	France	84%	84%	88%	88%	FC	FC
Timler	France	95%		100%		FC	
France Paquets	France	95%		100%		FC	
ID Logistics Taiwan	Taiwan	57%	57%	60%	60%	FC	FC
ID Logistica Do Brasil	Brazil	95%	95%	100%	100%	FC	FC
ID Armazens Gerais	Brazil	95%	95%	100%	100%	FC	FC
ID Log	DOM**	48%	48%	50%	50%	EM	EM
ID Trans	DOM	48%	48%	50%	50%	EM	EM
ID Logistics Océan Indien	DOM	48%	48%	51%	51%	FC	FC
Dislogic	DOM	48%	48%	50%	50%	EM	EM
ID Logistics Mayotte	DOM	95%	95%	100%	100%	FC	FC
ID Logistics Maurice	Maurice	95%	95%	100%	100%	FC	FC
Group Logistics - IDL Espana	Spain	95%	95%	100%	100%	FC	FC
ID Logistics Maroc	Morocco	57%	57%	60%	60%	FC	FC
ID Log. China Holding Hong Kong	China	95%	95%	100%	100%	FC	FC
ID Logistics Nanjing	China	95%	95%	100%	100%	FC	FC
ID Log. Nanjing Business Consult.	China	95%	95%	100%	100%	FC	FC
ID Consulting Shanghai	China	95%	95%	100%	100%	FC	FC
Pt. Inti Dinamika Logitama Ind.	Indonesia	95%	95%	100%	100%	FC	FC
Pt. International	Indonesia	94%	94%	99%	99%	FC	FC

Dimension Log.							
ID Logistics Polska	Poland	95%	95%	100%	100%	FC	FC
ID Logistics A	Argentina	86%	86%	90%	90%	FC	FC
ID Supply Chain	Argentina	51%	51%	60%	60%	FC	FC
ID Logistics Vostok	Russia	95%	95%	100%	100%	FC	FC
ID Logistics Rus	Russia	95%	85%	100%	89%	FC	FC
IDL Supply Chain South Africa	South Africa	95%		100%		FC	
IDL Fresh South Africa	South Africa	95%		100%		FC	

4.8.2 Statutory auditors' report on the 2012 and 2011 Group consolidated financial statements

"To the Shareholders,

Pursuant to our engagement as statutory auditors by your shareholders' general meeting, we submit to you our report for the year ended December 31, 2012 concerning:

- Our audit of the consolidated financial statements of ID Logistics Group, as attached hereto;
- Justification for our opinion;
- Specific testing required under French law.

The consolidated financial statements were approved by the Board of Directors. It is our responsibility to express an opinion on these financial statements, based on our audit.

I. Opinion on the consolidated financial statements

We have conducted our audit in accordance with auditing standards applicable in France; these standards require that we perform such tests and procedures so as to obtain reasonable assurance that the consolidated financial statements are free from material misstatement. An audit consists of an examination, based on samples or other methods of selection, of evidence relevant to the amounts and disclosures in the consolidated financial statements. It also includes an assessment of the accounting principles used, significant estimates made and an evaluation of the overall adequacy of the presentation of these statements. We believe that the evidence obtained during our audit is sufficient and appropriate as a basis for our opinion.

In our opinion, the consolidated financial statements for the year, in accordance with IFRS accounting standards as adopted in the European Union, give a true and fair view of the results, assets, liabilities and financial position of the Group consisting of the businesses and entities included in the consolidation.

II. Justification for our opinion

Pursuant to Article L. 823-9 of the French Commercial Code relating to the justification for our opinion, please note the following:

The Company regularly reviews its principal intangible assets and goodwill pursuant to the procedures specified under Notes 4.3 "Business combinations, purchases of further equity interests and sales of equity interests", 4.7 "Impairment of fixed assets" and 6.1.3 "Goodwill and impairment tests of long-term assets" of the notes to the consolidated financial statements in order to identify any impairment. Our work included an assessment of the data and assumptions on which such estimates are based. On this basis, we assessed whether the estimates are reasonable.

Our assessments above formed part of our audit of the consolidated financial statements as a whole and therefore contributed to our opinion expressed in the first part of this report.

III. Specific testing

We have also performed specific testing as required by law on the information relating to the Group given in the management report in accordance with applicable professional standards in France.

We have no comment on the truth and fairness of said information and its consistency with the consolidated financial statements.

Paris and Neuilly-sur-Seine, April 8, 2013

The Statutory Auditors

PHILIPPE JOUBERT

Deloitte & Associés

Albert Aidan"

4.9 REVIEW OF RESULTS AND THE FINANCIAL POSITION OF THE COMPANY

4.9.1 Comparison of years ended December 31, 2012 and December 31, 2011

- **Significant events and changes to the bylaws**

  - During 2012

    April 18, 2012 the Company floated on the NYSE Euronext stock exchange in Paris. This IPO consisted of a €28.7 million capital increase through the issue of 1,368,620 shares at a price of €21.00 per share (€0.50 par value plus €20.50 issue premium).

    By decision dated November 23, 2012, the Company decided to wind up (without liquidation) its subsidiary ID Logistics France 2 by assuming all assets and liabilities of ID Logistics France 2 following the December 31, 2012 expiry of the creditors' opposition period.

  - Since the 2012 balance sheet date

    There have been no significant events or changes to the bylaws within ID Logistics Group SA since December 31, 2012.

- **Business summary**

(€m)	**2012**	**2011**

Revenues	1.2	-
EBIT	0.0	(0.6)
Net financial items	0.0	(0.2)
Non-recurring items	0.2	-
Net income	0.2	(0.8)

Non-current assets	44.8	44.3
Working capital	13.4	(13.0)
Net borrowings	-	-
Shareholders' equity	58.2	31.3

ID Logistics Group SA is the parent company of the ID Logistics group and, following its assumption of all ID Logistics France 2 assets and liabilities, it currently employs 12 people. ID Logistics Group SA operates exclusively as a holding company and, in this capacity, recharges services provided to its subsidiaries and sub-subsidiaries, mainly in France. It has no commercial dealings outside the Group.

2012 expenses comprise fees and interest on its borrowings. The non-recurring items comprise a merger bonus following the wind-up (without liquidation) and assumption of all ID Logistics France 2 assets and liabilities.

Non-current assets largely consist of its investment in Ficopar, which itself holds the ID Logistics group's operational activities in France and internationally. Working capital consists of intercompany receivables and payables with various ID Logistics group subsidiaries and a non-material amount of services trade payables, none of which are past due.

- **Equity investments**

With the exception of the assumption of all ID Logistics France 2 assets and liabilities stated above, ID Logistics Group SA has not made any equity investments or takeovers during 2012.

- **Results of subsidiaries**

ID Logistics Group SA holds a 94.99% stake in Ficopar SAS for which the main financial indicators at December 31, 2012 are as follows (€000):

Capital stock	Other equity	Gross investments	Net investments	Loans receivable and advances	Endorsements and sureties	Revenues	Net income	Dividends received
17,082	(6,984)	44,302	44,302	-	-	-	(13,516)	-
17,082	(6,984)	44,302	44,302	-	-	-	(13,516)	-

- **Expenses not deductible for tax purposes**

In accordance with Article 223 *quater* of the French General Tax Code, it is stated that no expenses referred to under Article 39-4 of the General Tax Code have been added back to taxable income during fiscal year 2012.

- **Research and development activities**

In 2012 ID Logistics Group SA did not conduct any R&D activities that entitle it to a tax credit.

- **Human resources and environmental impact of the business**

The objectives of the Group's human resources policy is to ensure all staff attain operational excellence and fit in with the Group's corporate culture. For the last few years ID Logistics has followed a training policy designed to focus on induction of new staff, development of management skills, sharing and transfer of best practices and the spreading of the Group's corporate culture. ID Logistics focuses on staff mobility and promotion to manage staff in France and abroad.

Moreover, the Group's operations are subject to certain environmental laws and regulations. In view of its operations, the Group considers that it does not face a significant environmental risk. Nevertheless, the Group remains actively committed to an environmental and sustainable development policy.

- **Recent developments and outlook**

In 2013, ID Logistics Group SA will continue its role as holding company of the ID Logistics Group. While it may centralize certain administrative Group functions, it does not plan to conduct any business activity as such.

4.9.2 2012 and 2011 Company financial statements

BALANCE SHEET (before earnings appropriation)

ASSETS (€000)	12/31/2012	12/31/2011
Equity investments	44,302	44,302
Other fixed asset investments	228	-
Other financial assets	301	-
Total fixed assets	44,831	44,302
Trade receivables	1,270	75
Other receivables	14,186	102
Cash and cash equivalents	16	10
Prepaid expenses	60	-
Total current assets	15,532	187
TOTAL ASSETS	60,363	44,489

LIABILITIES AND EQUITY (€000)	12/31/2012	12/31/2011
Capital stock	2,737	2,053
Additional paid-in capital	48,871	22,887
Legal reserve	130	130

Other reserves	4,740	4,740
Retained earnings	1,524	2,288
Net income for the year	223	(764)
Shareholders' equity	58,225	31,334
Trade payables	277	256
Tax and social security payables	1,564	12
Other payables	297	12,887
Short-term payables	2,138	13,155
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	60,363	44,489

INCOME STATEMENT (€000)	2012	2011
Services revenues France	1,192	63
Other purchases and external charges	(265)	(645)
Staff costs	(899)	-
Miscellaneous taxes	-	(2)
Operating income/(loss)	28	(584)
Financial income	41	-
Financial expenses	(35)	(206)
Net financial items	6	(206)
Non-recurring items	189	26
NET INCOME/(LOSS)	223	(764)

NOTES TO THE FINANCIAL STATEMENTS

I – Accounting principles

The financial statements for the year ended December 31, 2012 have been prepared in accordance with the provisions of the French Commercial Code and Rule 99-03 of the French Accounting Principles Committee ("CRC").

The financial statements are based on the following underlying conventions and in accordance with the principle of prudence:

- Going concern,
- Consistency of accounting principles between fiscal years,
- Accruals concept,

And in accordance with general principles for the preparation and presentation of annual financial statements.

The underlying method chosen for valuation of accounting items is the historic cost convention.

The main principles used for balance sheet accounts are as follows:

1) Equity investments

The gross value consists of the purchase cost and incidental expenses.

Impairment tests on the value of equity investments are conducted every year. Under these tests, the book value of investments is compared to the Group share of the present value of future estimated cash flows. If the book value exceeds the present value of future estimated cash flows, an impairment charge for the difference is booked against the value of the investment.

2) Liquidity contract

Treasury shares and other liquidity contract assets are included under other fixed asset investments and other financial assets respectively.

The corresponding investment securities are valued pursuant to the FIFO (first in - first out) method and a provision is booked if the average stock market price over the last month of the year is less than the cost of the treasury shares.

3) Receivables and payables

Receivables and payables are recorded at face value. A bad debt provision is recorded against the value of receivables whenever difficulties in collection are anticipated. This risk is assessed on a case-by-case basis.

4) Retirement liabilities

Retirement liabilities are disclosed as off-balance sheet commitments and are not accounted for. They have been calculated based on the following assumptions:

Retirement age:	65 years
Rate of salary increases:	2.00%
Discount rate:	3.25%

5) Consolidation

The Company consolidates all ID Logistics Group companies.

II - Notes to the financial statements

Unless otherwise indicated, data in the notes are stated in thousands of euros.

1) Highlights of the year

April 18, 2012 the Company floated on the NYSE Euronext stock exchange in Paris. This IPO consisted of a €28.7 million capital increase through the issue of 1,368,620 shares at a price of €21.00 per share (€0.50 par value plus €20.50 issue premium).

By decision dated November 23, 2012, the Company decided to wind up (without liquidation) its subsidiary ID Logistics France 2 by assuming all assets and liabilities of ID Logistics France 2 following the December 31, 2012 expiry of the creditors' opposition period.

2) Financial assets

The change in equity investments is broken down as follows:

	1/1/2012	Acquisitions	Disposals	Other changes	12/31/2012

Equity investments	44,302	260	-	(260)	44,302
Total	44,302	260	-	(260)	44,302

The Company acquired the entire equity of ID Logistics France 2 and decided to wind it up without liquidation as of November 23, 2012.

Other fixed asset investments exclusively consist of treasury shares held under the liquidity contract. The Company held 9,165 treasury shares as of December 31, 2012.

Other financial assets correspond to a deposit with the financial intermediary for the liquidity contract.

No impairment has been booked against other financial assets.

3) Maturity of receivables at the balance sheet date

All receivables fall due in less than one year.

4) Receivables and payables with related parties

Required related party disclosures under Article R123-197 of the French Commercial Code are as follows:

	12/31/2012	12/31/2011
Trade receivables	1,270	75
Other receivables	13,705	-
Total assets	14,975	75
Trade payables	6	124
Other payables	295	12,887
Total liabilities and shareholders' equity	301	13,011

Operating expenses and financial expenses on related party transactions amounted to €221,000 and €35,000 respectively.
Revenues and financial income on related party transactions amounted to €1,192,000 and €12,000 respectively.

5) Shareholders equity and change in net assets

	12/31/2011 (before earnings appropriation)	2011 earnings appropriation	Capital increase	2012 net income	12/31/2012 (before earnings appropriation)
Capital stock	2,053		684		2,737
Additional paid-in	22,887		25,984		48,871

capital					
Legal reserve	130				130
Other reserves	4,740				4,740
Retained earnings	2,288	(764)			1,524
Net income for the year	(764)	764		223	223
Total assets	31,334	-	26,668	223	58,225

The March 7, 2012 combined shareholders' general meeting decided to carry out a 2-for-1 bonus issue of Company shares with no change to the total value of capital stock.

Under the Company's IPO on the NYSE Euronext Paris regulated market on April 18, 2012, the company carried out a capital increase of €28.7 million through the issue of 1,368,620 shares at a price of €21.00 per share (€0.50 par value plus €20.50 issue premium). Pre-tax costs arising from the IPO amounted to €2.0 million and have been deducted from the issue premium.

The Company's capital stock consists of 5,474,480 shares with par value of €0.50.

As of December 31, 2012, there were 155,520 equity warrants granting the right to purchase 311,040 new shares. A single shareholder holds all equity warrants.

6) Maturity of payables at the balance sheet date

All payables fall due in less than one year.

7) Accrued income

	12/31/2012	12/31/2011
Trade receivables	1,057	-
Other receivables	20	-
Total	1,077	-

8) Accrued expenses

	12/31/2012	12/31/2011
Trade payables	173	204
Tax and social security payables	1,233	-
Total	1,406	204

9) Prepaid expenses

	12/31/2012	12/31/2011

Operating expenses	6	-
Total	6	-

10) Non-recurring items

Non-recurring income of €189,000 comprise a merger bonus following the wind-up (without liquidation) of ID Logistics France 2.

11) Unrecorded deferred tax

The Company has unrelieved tax losses carried forward amounting to €2,519,000 representing a future corporate tax saving of €840,000.

12) Subsidiaries and equity investments

Subsidiary	Capital stock	Other equity	% Interest	Gross investments	Net investments	Loans receivable and advances	Endorsements and sureties	Revenues	Net income	Dividends received
Ficopar	17,082	(6,984)	95%	44,302	44,302	-	-	-	(13,516)	-
Total	17,082	(6,984)	1	44,302	44,302	-	-	-	(13,516)	-

13) Off-balance sheet commitments

As of December 31, 2012 there were 1,256 unused training hours. Retirement liabilities amounted to €36,000.

Commitments given: None
Commitments received: None

14) Directors' remuneration

2012 directors' fees amounted to €10,000.

15) Post balance sheet events

There were no significant events between the balance sheet date and the date when the consolidated financial statements were approved.

4.9.3 Statutory auditors' report on the 2012 and 2011 Company financial statements

"To the Shareholders,

In accordance with the assignment entrusted to us by your shareholders' general meeting, we submit to you our report for the year ended December 31, 2012 concerning:

- Our audit of the ID Logistics Group SA financial statements attached to this report;
- Justification for our opinion;
- Specific testing and disclosures required by law.

The financial statements were approved by the Board of Directors. It is our responsibility to express an opinion on these financial statements, based on our audit.

I. Opinion on the financial statements

We have conducted our audit in accordance with auditing standards applicable in France; these standards require that we perform such tests and procedures so as to obtain reasonable assurance that the financial statements are free from material misstatement. An audit consists of an examination, based on samples or other methods of selection, of evidence relevant to the amounts and disclosures in the financial statements.. It also includes an assessment of the accounting principles used, significant estimates made and an evaluation of the overall adequacy of the presentation of these statements. We believe that the evidence obtained during our audit is sufficient and appropriate as a basis for our opinion.

In our opinion, the financial statements, in accordance with IFRS accounting standards as adopted in the European Union, give a true and fair view of the results, assets, liabilities and financial position of the company as of the balance sheet date.

II. Justification for our opinion

Pursuant to Article L. 823-9 of the French Commercial Code relating to the justification of our opinion, please note the following:

Note I.1 "Financial assets" of the notes to the financial statements states the accounting principles for the valuation of equity investments. In conjunction with our assessment of the company's accounting principles, we have verified that said accounting principles are appropriate and we have ensured that they have been accurately applied.

Our assessments above formed part of our audit of the financial statements as a whole and therefore contributed to our opinion expressed in the first part of this report.

III. Specific testing and information

In accordance with professional audit standards in France, we have also carried out specific checks required by law.

We have no comment on the fairness and consistency with the financial statements of information provided in the management report of the Board of Directors and in the documents addressed to shareholders on the financial position and the financial statements.

Regarding the information provided pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code on directors' remuneration and benefits as well as on the commitments made to directors, we have verified their consistency with the financial statements or with data underlying the financial statements and, where appropriate, with information the company has received from other companies in the group. On the basis of this work, we certify that said information is fair and accurate.

As required by law, we have ensured that the requisite information relating to equity interests and control and the identity of the holders of capital and voting rights is included in the management report.

Paris and Neuilly-sur-Seine, April 8, 2013

The Statutory Auditors

Philippe Joubert

Deloitte & Associés

Albert Aidan"

4.9.4 Financial results of the Company during the last 5 years

(Art. R. 225-102 of the French Commercial Code)

(€)	2008	2009	2010	2011	2012
I. FINANCIAL POSITION AT YEAR END					
a) Capital stock	1,296,820	2,052,930	2,052,930	2,052,930	2,737,240
b) Number of shares in issue	129,582	205,293	2,052,930	2,052,930	5,474,480
c) Number of convertible bonds/shares					
II. TOTAL RESULTS OF OPERATIONS					
a) Net revenues	7,622	7,622	7,622	63,100	1,192,000
b) Earnings before tax, depreciation and provisions	-1,840	-12,312	-156,184	-763,993	222,512
c) Corporate income tax					
d) Employee profit sharing for the year					
e) Earnings after tax, depreciation and provisions	-1,840	-12,312	-156,184	-763,993	222,512
f) Dividends distributed					
III. EARNINGS PER SHARE					
a) Earnings after tax and employee profit share, before depreciation and provisions	-0.01	-0.06	-0.08	-0.38	0.04
b) Earnings after tax, depreciation and provisions	-0.01	-0.06	-0.08	-0.38	0.04
c) Dividend per share	0.00	0.00	0.00	0.00	0.00

IV. STAFF					
a) Number of employees	0	0	0	0	12
b) Total wages and salaries	0	0	0	0	899,000
c) Total social security and staff benefits	0	0	0	0	0

4.10 TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are specified under Note 22 to the 2012 consolidated financial statements within section 4.8 of the Registration Document, "Annual historic financial information". Current regulated agreements are given in the special reports of the statutory auditors presented below.

No new regulated agreement has been entered into since the preparation of the statutory auditors' special report for fiscal 2012.

4.10.1 Intercompany transactions

Intercompany transactions are described under subsection 1.9.3 of the Registration Document, "Main intra-group cash flows".

4.10.2 Transactions with related parties

As stated under Note 22 of the notes to the consolidated financial statements, agreements signed with Immod, Les Parcs du Lubéron Gestion or Financière ID (a wholly-owned Immod subsidiary) and its wholly-owned subsidiaries SCI Financière ID Brebières II and SCI Financière ID Genlis concern debt interest, services provided and warehouse rent under commercial leases. The services provided concern the recharging of part of the costs of two ID Logistics France employees who carry out occasional administrative assignments for Immod, Les Parcs du Lubéron Gestion and Financière ID. Immod and Financière ID are companies that provide research, expert assessment, technical support, project management and engineering consulting for industrial building projects and, in general, all operations related to transactions involving real estate and business undertakings. They may be called upon to carry out occasional consulting assignments in relation to real estate projects implemented by subsidiaries of ID Logistics Group.

Also refer to subsection 3.3.2 of the Registration Document, "Information on agreements between directors and the Company", and Note 22 to the consolidated financial statements in section 4.8 of the Registration Document, "Annual historic financial information".

4.10.3 Statutory auditors' report on the regulated agreements in respect of the year ended December 31, 2012

"To the Shareholders,

In our capacity as statutory auditors of the Company, we hereby submit our report on regulated agreements.

It is our responsibility to notify you of the principal terms and conditions of the agreements given to us or that we discovered during our engagement based on information given to us; it is not our responsibility to comment on their usefulness or justification or to search for other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code, to assess the reasons for signing these agreements in order to approve them.

It is also our responsibility to report to you any information required under Article R. 225-31 of the French Commercial Code relating to transactions undertaken during the past year under agreements that the shareholders' general meeting has approved in prior years.

We carried out the work that we considered necessary pursuant to professional standards of the French National Auditors Association relating to this engagement. This work consisted of verifying that the information given to us was consistent with the source documents from which it was taken.

- AGREEMENTS AND COMMITMENTS SUBMITTED TO THE APPROVAL OF THE SHAREHOLDERS' GENERAL MEETING.

- Agreements and commitments authorized during the past fiscal year.

Pursuant to Article L. 225-40 of the French Commercial Code, we have been notified of the following agreements and commitments which have been authorized by the Board of Directors in prior years.

✓ Guarantee between ID LOGISTICS GROUP and ID LOGISTICS

Director concerned: Mr. Eric Hémar
Agreement approved by the Board of Directors on December 10, 2012

This guarantee was made in conjunction with the acquisition of SAS TIMLER to ensure the payment of the balance of the sale price to the vendors payable on maturity, unless the vendors repay this fraction of the sale price, which is in escrow, if the long-term business relations with LA POSTE after March 1, 2015 are not assured.
The vendors sought a guarantee from the Company, the Group's parent company, amounting to €2,500,000 and valid until December 31, 2015.

✓ Letter of comfort from ID LOGISTICS GROUP SA, the Group's parent company, in favor of France PAQUETS

Director concerned: Mr. Eric Hémar
Agreement approved by the Board of Directors on December 10, 2012

A letter of comfort from ID LOGISTICS GROUP SA, the Group's parent company, whereby the Company undertakes to ensure that its subsidiary promptly pays any amounts in principal, interest, commissions, costs and other sums due in respect of stamp duty up to a maximum amount of €2,400,000, valid for one year.

- AGREEMENTS AND COMMITMENTS PREVIOUSLY AUTHORIZED BY THE SHAREHOLDERS' GENERAL MEETING

- Agreements and commitments authorized during the past fiscal year

We have also been informed that there were transactions in the past fiscal year in respect of the following agreements and commitments, which were authorized by the extraordinary and ordinary

March 7, 2012 shareholders' general meeting, based on the special report of the statutory auditors dated February 21, 2012.

- ✓ Services agreement between ID Logistics Group and Comète

Director concerned: Mr. Eric Hémar (principal shareholder of Comète)
Agreement approved by the Board of Directors on September 14, 2011.

The purpose of this agreement is the provision by Comète of advisory services, management and strategy support, financial consulting and guidance and additional services.
In consideration for services provided, Comète receives a fixed monthly fee amounting to €10,083 excluding VAT and a variable fee determined at the beginning of each year in accordance with set targets.
In respect of fiscal 2012, if ID Logistics Group achieves the budget Comète will be entitled to a variable fee of €100,000 excluding VAT. ID Logistics Group will also pay the related expenses. This agreement took effect as of January 1, 2011 for an unlimited period, on the understanding that the fees will be reviewed every year on the aforementioned date.

Paris and Neuilly-sur-Seine, April 8, 2013

The Statutory Auditors

Philippe Joubert	Deloitte & Associés
	Albert Aidan"

4.11 DATE OF THE MOST RECENT FINANCIAL INFORMATION

The most recent financial information dates from June 30, 2012.

4.12 MATERIAL CONTRACTS

The Company has not entered into material contracts other than those executed in the ordinary course of business.

4.13 INFORMATION PROVIDED BY THIRD PARTIES, EXPERTS' DECLARATIONS AND DISCLOSURES OF SELF-INTEREST

None

4.14 TRENDS

4.14.1 Principal trends since the most recent fiscal year end, December 31, 2012

ID Logistics first quarter 2013 consolidated revenues amounted to €150.1 million, up 17.2% like for like. Revenues increased 13.2% based on reported results, which were impacted by a 1.4% reduction in the consolidation scope; this comprised closure of the pallet delivery and fruit and vegetables pooling operations, partially offset by the first-time consolidation of France Paquets, acquired in December 2012, and a 2.5% currency loss largely owing to a loss in value of the Brazilian real.

(€m)	Q1 2013	Q1 2012	Change	Like for like change*
Revenues	150.1	132.6	13.2%	17.2%
France	87.8	82.6	6.3%	8.2%
International	62.3	50.0	24.6%	32.3%

** at constant exchange rates and consolidation, excluding the pallet delivery and fruit and vegetables pooling operations discontinued in June 2012*

France revenues came in at €87.8 million, up 6.3% over first quarter 2012 and 8.2% like for like. This growth is driven by a buoyant market trend, the full-year effect in 2013 of contracts launched in 2012, as well as price rises and a slight increase in like-for-like volumes.

International revenues amounted to €62.3 million, up 24.6% over first quarter 2012 and 32.3% adjusting for currency losses. This was largely driven by sharp growth in emerging markets, including Brazil, Argentina and Poland. International revenues as a proportion of Group revenues continue to increase and now stand at nearly 42%.

In first quarter 2013, ID Logistics signed major contracts with new customers such as Go Sport in France and Nivea in Brazil. The launch of the business for Danone in South Africa is proceeding satisfactorily.

4.14.2 Known trends, uncertainties, commitment requests or events reasonably likely to impact the company's outlook

As of the Registration Document Date, apart from the aforementioned items there is no known trend, uncertainty, commitment request or event reasonably likely to have a material impact, either positive or negative, on the Company’s outlook.

4.14.3 Profits forecasts or estimates

The Company does not intend to prepare a profits forecast or estimate.

4.15 COURT AND ARBITRATION PROCEEDINGS

The Group may be involved in court or arbitration proceedings or disputes with the public authorities in the course of its normal activities. The Group books a provision when there is a sufficient probability that such litigation will lead to costs for the Company or one of its subsidiaries, and that such costs can be reliably estimated.

There are no government, court or arbitration proceedings, including any proceedings of which the Group has cognizance or proceedings which are suspended or threatened, that could have or that have over the last 12 months had a material impact on the Group’s and/or the Company's financial position or earnings.

4.16 MATERIAL CHANGE IN THE FINANCIAL OR COMMERCIAL POSITION

To the Company's best knowledge, there has not been any material change in the Group's financial or commercial position since December 31, 2012.

5/ ADDITIONAL INFORMATION

5 ADDITIONAL INFORMATION

5.1 INFORMATION CONCERNING THE COMPANY

5.1.1 Registered name of the Company

The Company's registered name is: ID LOGISTICS GROUP.

5.1.2 Place of registration and Company registration number

The Company was registered with the Trade and Companies Registry of Paris on October 3, 2001 before being transferred on October 4, 2005 to the Trade and Companies Registry of Avignon under number 439 418 922.

5.1.3 Date of incorporation and term

The Company was incorporated for a 99-year term ending October 3, 2100, except in the event of early dissolution or extension.

5.1.4 The Company's head office and legal form, legislation governing its business activities

Originally incorporated as a *société par actions simplifiée* (French simplified joint stock company), the Company was transformed into a *société anonyme* (French corporation) pursuant to the decision of the June 21, 2010 shareholders' general meeting.

The Company is subject to French law and is subject in particular to Articles L. 225-1 et seq. of the French Commercial Code with regard to its operations.

The Company's head office is located at: 410, route du Moulin de Losque, 84300 Cavaillon
The Company's contact details are as follows:
Telephone: +33 (0)4 32 52 96 00
Website: www.id-logistics.com.

5.2 CAPITAL STOCK

5.2.1 Amount of capital stock

As of the Registration Document Date, the Company's capital stock amounted to €2,737,240.00 divided into 5,474,480 fully paid-up shares with a par value of €0.50 each.

As described in subsection 5.2.4 of the Registration Document, "Securities giving entitlement to equity", 155,520 of the shares comprising the Company's capital stock carry one equity warrant each. Each warrant carries the right to subscribe for one share, which means as of the Registration Document Date a 5.38% potential maximum equity dilution of post-dilution capital.

5.2.2 Securities not providing access to the capital stock

Nil.

5.2.3 Acquisition by the Company of its own shares

The Company's Combined Ordinary and Extraordinary General Meeting held on April 6, 2012 authorized the Board of Directors, for a period of eighteen months from the date of the meeting, to implement a share buyback program pursuant to Article L. 225-209 of the French Commercial Code and the General Regulation of the French Financial Markets Authority (*Autorité des Marchés Financiers*, AMF) and under the terms and conditions described below:

Maximum number of shares that may be acquired

- 10% of the capital stock as of the date of the share buyback. When the shares are acquired with a view to fostering trading in and liquidity of the securities, the number of shares taken into account for the calculation of the 10% cap specified above is the number of shares acquired, less the number of shares sold back during the term of the authorization.

Purpose of share buybacks

- to foster trading in and liquidity of the Company's securities pursuant to a liquidity agreement to be entered into with an independent investment service provider, in conformity with the AMAFI Charter of Professional Ethics dated March 8, 2011 recognized by the French Financial Markets Authority on March 21, 2011; or
- to allow the fulfillment of the obligations related to the stock option, bonus share issue and employee savings programs or other share issues to employees of the Company or related entities, including (i) the implementation of any Company share option plan pursuant to the provisions of Articles L. 225-177 et seq. of the French Commercial Code, (ii) the allocation of shares to employees based on their contribution to the growth of the firm and the implementation of any corporate savings plan in accordance with statutory conditions, in particular, Articles L. 3332-1 to L. 3332-8 et seq. of the French Labor Code, or (iii) the issue of bonus shares pursuant to the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code; or
- to issue shares upon the exercise of rights attaching to securities giving access to capital stock through redemption, conversion, exchange, presentation of a warrant or by any other means, in accordance with applicable regulatory provisions; or
- to purchase shares to hold as treasury shares for subsequent reissue for exchange or payment with regard to any potential acquisition transactions; or
- the cancellation of all or part of the securities thus bought back

Maximum purchase price

300% of the price of the shares offered to the public upon admission to trading on NYSE Euronext's Euronext Paris market, as such price is stated in the notice on the final characteristics of the public offering of the Company's shares and on the admission of such shares to trading on NYSE Euronext's Euronext Paris market, excluding costs and fees.

It is specified that the number of shares acquired by the Company to be held as treasury shares for reissue as consideration or in exchange in relation to a merger, demerger or contribution transaction must not exceed 5% of its capital stock.

The shares thus bought back may be canceled.

- Implementation of the share buyback program

Reasons for purchase	% of the program
Influence the share price	100
Employee shareholding	-
Stock options	-
Mergers and acquisitions	-
Cancellation	-

In conjunction with the share buyback program, on April 18, 2012 the Company signed a liquidity contract with Oddo Corporate Finance. Under this program, in the last fiscal year the Company made the following purchases and sales of treasury shares:

Number of shares purchased	44,197
Average purchase price	€22.25
Number of shares sold	35,032
Average sales price	€22.40
Number of treasury shares registered at the balance sheet date	9,165
Value at purchase price	€199,000
Par value	€240,000

As of the Registration Document Date, the Company does not hold any treasury shares in conjunction with the liquidity contract and no shares of the Company are held by any of its subsidiaries or by any third parties on its behalf.

The shares held by the Company have not been used or reassigned for other purposes since the last authorization granted by the shareholders' general meeting.

5.2.4 Securities providing access to a fraction of capital stock

As of the Registration Document Date, Immod, a company holding 37.33% of the Company's capital stock, held 155,520 equity warrants, the main terms of which are as follows:

- Date of issue: October 13, 2008, modified on June 21, 2010
- Number of shares that may be issued on exercise of warrants: 2 shares of common stock for 1 warrant
- Subscription price for each share issued on exercise of warrants: 4.50 euros
- Timetable for exercise of warrants: all equity warrants can be exercised as of the Registration Document Date
- Deadline for exercise of warrants: no limit
- As of the Date of the Registration Document Update:
    - o Number of warrants exercised: none
    - o Number of warrants canceled or void: none

- Number of warrants remaining: 155,520

Each warrant carries the right to subscribe for one share, which means as of the Registration Document Date a 5.38% potential maximum equity dilution of post-dilution capital.

Equity warrants	Total number of issued warrants / shares subscribed or purchased	Weighted average price	Plan 1
Warrants granted during the fiscal year by the issuer and by all other companies included in the warrants program to the ten employees of the issuer and of all other companies included in the warrants program to whom the largest number of warrants were granted. (total figures)	None	None	None
Warrants of the issuer and the aforementioned companies exercised during the fiscal year by the ten employees of the issuer and of said companies having exercised the most warrants. (total figures)	None	None	None

5.2.5 Authorized capital

The extraordinary resolutions for share issues approved by the shareholders' meeting of June 22, 2011 are summarized below:

	Term of validity	Cap (par value)	Procedures for determining issue price
Issue of shares and/or securities providing immediate and/or future access to the Company's capital stock, with continued effectiveness of preferential share subscription right	26 months	Shares: €1,200,000 Debt securities: €50,000,000 (1)	
Issue without preferential share subscription right, by a public offering of shares and/or of securities providing immediate and/or future access to the Company's capital stock and option to confer a preferential right	26 months	Shares: €1,200,000 Debt securities: €50,000,000 (1)	Refer to (2)
Capital increase immediately or in future by an issue of common shares or of any securities providing access to the capital stock, capped at 20% of the capital stock per annum, without any shareholders' preferential share subscription right, by way of an offering to qualified investors or to a close circle of	26 months	Shares: €1,200,000 Debt securities: €50,000,000 (1) and capped at	Refer to (3)

investors within the meaning of paragraph II of Article L-411-2 of the French Monetary and Financial Code (private placement)		20% of capital stock per annum	
Right to increase the number of securities to be issued in case of capital increase with or without preferential share subscription right	26 months	15% of initial issue (4)	Same price as initial issue
Issue of common shares intended as consideration for contributions of securities in the event of a public exchange offering	26 months	€1,200,000 (1)	
Capital increase by way of issue of shares and/or of securities providing immediate and/or future access to the Company's capital stock without preferential share subscription right, as consideration for contributions in kind of equity securities or securities providing access to the capital stock	26 months	Capped at 10% of capital stock per annum	
Increase of capital stock by capitalization of reserves, profits or issue premiums and allocation of bonus shares or increase of Group's par value	26 months	€1,200,000	
Authorization of the Board of Directors to grant Company share subscription or purchase options in favor of the employees and corporate officers of the Group	38 months	Capped at 1% of capital stock without exceeding 5% of capital stock including all bonus shares granted	Refer to (5)
Authorization of the Board of Directors to carry out bonus allocations of existing shares or issues in favor of Group employees and corporate officers	38 months	Capped at 1% of capital stock without exceeding 5% of capital stock including all stock options granted	
Capital increase by way of issue of shares for subscribers to a corporate savings plan implemented pursuant to Articles L-3332-18 to L3332-24 et seq. of the French Labor Code, with no preferential share subscription right in favor of such subscribers	26 months	Capped at 3% of capital stock	
Reduction of capital stock by cancellation of	26	Capped at 10% of	

treasury shares	months	capital stock during a period of 24 months	

(1) These amounts are not cumulative. The maximum aggregate par value cap authorized by the shareholders' meeting in respect of capital increases is set at €1,200,000. The aggregate par value issued of the Company's debt securities carrying rights to acquire the Company's capital stock must not exceed €50,000,000.

(2) The issue price will be determined as follows:

- A) In respect of the capital increase to be carried out when the Company's shares are admitted for trading on NYSE Euronext's Euronext Paris market, the subscription price for a new share shall be determined in light of a comparison of shares offers and subscription requests issued by investors as part of the process known as "construction of order book",
- B) Once the shares have been admitted for trading on NYSE Euronext's Euronext Paris market, the issue price of the shares issued directly shall be at least equal to the minimum required under applicable statutory and regulatory provisions as of the date of the issue (that is as of the date hereof, in accordance with the provisions of the first paragraph of Article L. 225-136-1° of the French Commercial Code, the weighted average of listed prices at the last three trading sessions on NYSE Euronext's Euronext Paris market preceding the setting of the share issue price, and if applicable, less a maximum discount of 5% provided for in Article R. 225-119 of the French Commercial Code), after any correction of this average in case of difference between the vesting dates,
- C) The issue price of securities providing access to the capital stock shall be such that the amount immediately received by the Company, plus any amounts that it may subsequently receive for each share issued after said securities are issued, shall be at least equal to the minimum subscription price defined in the preceding paragraph,
- D) the conversion, redemption or generally the transformation into shares of each security providing access to the capital stock shall be, taking into account the par value of the bond, for a number of shares such that the amount collected by the Company, for each share, shall be at least equal to the minimum subscription price defined in paragraph B above.

(3) The issue price for the shares issued pursuant to this delegation of authority, including future issues, if any (on the exercise of a warrant, on conversion of a bond or in connection with any other security providing access to capital stock that is issued pursuant to this resolution), shall be determined as follows:

- A) The issue price of the shares issued directly shall be at least equal to the minimum required under applicable statutory and regulatory provisions as of the date of the issue (that is as of the date hereof, in accordance with the provisions of the first paragraph of Article L. 225-136-1° of the French Commercial Code, the weighted average of listed prices in the last three trading sessions on NYSE Euronext's Euronext Paris market preceding the setting of the subscription price for the increase and, if applicable, less a maximum discount of 5% provided for in Article R. 225-119 of the French Commercial Code), after any correction of this average in case of difference between the vesting dates,

B) furthermore, subject to a cap of 10% of the capital stock per annum, the Board of Directors is authorized to set the issue price, after taking market opportunities into consideration, at a price at least equal to the weighted average of prices for the last three trading sessions preceding the setting thereof, reduced where applicable by a maximum discount of 15%, it being stated that it must not under any circumstances whatsoever be less than the par value of a share of the Company as of the date of issue of the shares in question,

(4) 15% or any other percentage that is set by decree,

(5) The Board of Directors shall be free to set the price for exercise of the stock options referred to in this authorization, provided however that same is not less than 95% of the average market price of the shares over the last 20 trading days prior to the date of the issue of the stock options.

5.2.6 Information on capital stock of any Group member subject to an option or conditional or unconditional agreement providing for an option in respect thereof

As far as the Company is aware, there is no call or put option or undertaking in favor of the Company's shareholders or any granted by them in respect of the Company's shares.

5.2.7 Capital stock history

5.2.7.1 Changes in capital stock since incorporation of the Company

Date	Nature of transactions	Capital stock (€)	Issue premium (€) (*)	Number of shares created	Par value (€)	Company's capital stock (€)
September 12, 2001	Incorporation	40,000	-	4,000	10.00	40,000
January 21, 2002	Capital increase	874,720	-	87,472	10.00	914,720
March 28, 2002	Capital increase	381,100	-	38,110	10.00	1,295,820
December 21, 2009	Capital increase	757,110	22,887,435.30	75,711	10.00	2,052,930
June 21, 2010	Division of par value by 10	-	-	1,847,637	1.00	2,052,930
March 7, 2012	Division of par value by 2	-	-	2,052,930	0.50	2,052,930
April 17, 2012	Capital increase	684,310	28,056,710	1,368,620	0.50	2,737,240

(*) The issue premiums above are stated at gross value whereas their values, net of capital increase costs, are noted in the financial statements.

The capital increases of January 21, 2002 and March 28, 2002 were carried out by incorporation of the founders' and certain managers' shareholders' accounts credited since the Company's incorporation for the purposes of financing its activities.

The capital increase of December 21, 2009 was fully subscribed by Immod. It is in payment for the acquisition by the Company from Immod of a 29.5% shareholding in the La Financière de Commerce et de Participations (Ficopar) subsidiary.

The April 17, 2012 IPO was subscribed in cash.

5.2.7.2 Changes in shareholders

The breakdown of the Company's shareholders over the last three fiscal years has been as follows:

	12/31/2010	12/31/2011	12/31/2012	Registration Document Date:
Immod	47.90%	47.24%	38.12%	37.33%
Eric Hémar	31.58%	31.58%	23.68%	23.68%
Christophe Satin	4.09%	4.09%	3.07%	3.07%
Subtotal held in concert	83.57%	82.91%	64.87%	64.07%
Michel Vinoche	3.59%	3.59%	-	-
Others [1]	12.72%	13.50%	10.10%	10.04%
Public float	-	-	24.86%	25.84%
Treasury shares	0.12%	-	0.17%	0.05%
Total	100%	100%	100%	100%

[1] The other shareholders are current or former Group employees, none of whom individually holds more than 2% of the capital stock or voting rights as of the Registration Document Date

Eric Hémar was an indirect 90% shareholder of Immod until December 31, 2010 inclusive. As of the Registration Document Date, Eric Hémar is an indirect 85.87% shareholder of Immod via Comète.

Christophe Satin was a 10% indirect shareholder of Immod until December 31, 2010 inclusive. As of the Registration Document Date, Christophe Satin is a 14.13% indirect shareholder of Immod.

The principal change in the breakdown of the Company's shareholders over the last three years relates to the April 17, 2012 capital increase by an initial public offering of stock currently representing a public float of 25%.

Moreover, pursuant to the shareholders' agreement described under section 3.1.4 of the Registration Document, "Control of the Company", Eric Hémar has replaced Immod as the buyer of Company shares from Group employees who have notified their intention to sell all or some of their shares.

5.2.7.3 Distribution of capital stock and voting rights

The breakdown of the shareholders and holders of voting rights is set out in section 3.1 of the Registration Document, "Principal shareholders".

In view of the relations existing between Messrs Hémar and Satin since the Company's inception, their respective offices and their common status as shareholders of Immod, itself a shareholder of the Company, Messrs Hémar and Satin and Immod have formalized their relationship by signing a shareholders' agreement to act in concert.

On a fully diluted basis of all securities entitling holders to acquire capital stock as of the Registration Document Date (i.e. 155,520 equity warrants held by Immod as stated under section 3.2.3 of the Registration Document, "Securities giving access to the capital granted to the directors"), the breakdown of the shareholders and holders of voting rights is as follows:

Shareholders	Shares and voting rights			
	Amount	Amount Diluted amount	Percentage of diluted capital stock	Percentage actual diluted voting rights
Immod [(1)]	2,043,392	2,354,432	40.70%	31.81%
Eric Hémar [(1)]	1,296,460	1,296,460	22.41%	33.45%
Christophe Satin [(1)]	167,820	167,820	2.90%	4.33%
Subtotal held in concert	3,507,672	3,818,712	66.01%	69.59%
Others [(2)]	550,080	550,080	9.50%	12.14%
Public float	1,416,728	1,416,728	24.44%	18.27%
Treasury shares	2,632	2,632	0.05%	-
TOTAL	5,474,480	5,785,520	100%	100%

[(1)] As of the Registration Document Date, 85.87% of Immod's capital stock was indirectly held by Mr. Eric Hémar via Comète and 14.13% held by Mr. Christophe Satin.
[(2)] The other shareholders are present or former Group employees, none of whom individually hold more than 2% of the capital stock and voting rights.

5.3 CONSTITUTIONAL DOCUMENT AND BYLAWS

5.3.1 **Corporate purpose** *(Article 4 of the bylaws)*

The Company's direct or indirect corporate purpose in France and abroad is: advising on and performing logistics services throughout the world and acquiring an interest in any company carrying out any activity; any industrial and commercial transactions pertaining to the creation, acquisition, letting, lease-management of any business undertaking, the rental, installation, operation of any establishment, business undertaking, factory, workshop, pertaining to any of the activities specified above, the filing, acquisition, operation or the assignment of any processes and patents and intellectual property rights regarding such activities, the direct or indirect involvement of the Company in any financial, real property or movable property transactions or commercial or industrial enterprises which may pertain to the corporate purpose or to any similar or related purpose; as well as any transactions whatsoever contributing to the achievement of this purpose.

5.3.2 **Provisions of the bylaws or other provisions pertaining to the members of the administrative and managing bodies.**

Article 12 of the bylaws states that the Board of Directors sets the direction of the Company's business and ensures the implementation thereof. Subject to the powers expressly reserved to shareholders in general meeting and subject to the corporate purpose, it addresses any matters pertaining to the proper running of the Company and by its votes settles matters concerning the Company.

In dealings with third parties, the Company is bound by the acts of the Board of Directors, including where it is acting *ultra vires*, unless the Company shows that the third party was actually or constructively aware of the *ultra vires* nature of the act, provided, however, that the mere publication of the bylaws shall not suffice to constitute evidence to that effect.

The Board of Directors carries out all inspections and verification that it deems appropriate. Each director is provided with all necessary information for the performance of his duties and may request any document he deems useful.

The Board of Directors may decide to set up committees entrusted with the assessment of matters that the Board or its Chairman refers to such committees for review.

Directors may be individuals or legal entities. Legal entities must, upon appointment, name a permanent representative who shall be subject to the same terms and conditions and obligations and incur the same liability as if he were a director in his own right, without prejudice to the joint liability of the legal entity he represents.

This appointment as permanent representative is for a term equal to that of the appointment of the legal entity he represents. It is renewed on each renewal of the latter appointment.

If the legal entity terminates the appointment of its representative, it must immediately notify such termination to the Company by registered mail, and inform it of the identity of its new permanent representative. The same applies in the event of death, resignation or long-term unavailability of the permanent representative.

Individual directors may not hold office on more than five boards of directors or supervisory boards of private companies having their head office in mainland France, save in the cases provided for by law.

An employee of the Company cannot be appointed as director unless his employment contract was entered into prior to his appointment and relates to an existing post. However, the number of directors with whom the Company has entered into an employment contract cannot exceed one third of directors in office.

Subject to statutory derogations, the Board of Directors shall comprise at least three members and no more than eighteen members. Throughout the duration of the company, directors are appointed, or their appointments renewed, by the shareholders' ordinary general meeting. However, in the event of a merger or demerger, the appointment of directors may be carried out at an extraordinary general meeting.

Vacancies - appointment by the board *(Article 13 of the bylaws)*

If one or more positions should become vacant on the Board between two shareholders' meetings, as a consequence of death or resignation, the Board of Directors may make one or more appointments on a provisional basis.

Director appointments made by the Board of Directors are subject to ratification by the shareholders at the next ordinary general meeting. Failing ratification, resolutions adopted and acts performed prior thereto are invalid.

If only one or two directors remain in office, he or they, or alternatively, the statutory auditor(s), must immediately call a shareholders' ordinary general meeting to fill the vacant positions on the Board.

A director appointed in replacement of another shall remain in office for the remaining term of appointment of his predecessor.

Term of directors' appointment *(Article 14 of the bylaws)*

The term of their appointment is three years.

A director ceases to hold office at the close of the ordinary general meeting which deliberates on the financial statements for the financial year ended, held in the year during which the term of office of said director expires.

The directors may always be re-appointed. They may be removed from office at any time by the ordinary general meeting.

Structure, meetings and voting of the Board of Directors *(Article 15 of the bylaws)*

1. Chairman

The Board of Directors elects an individual to be Chairman from amongst its members and fixes his remuneration.

The Chairman is appointed for a term which cannot exceed that of his appointment as director. He is eligible for re-appointment.

The Board of Directors may remove him from office at any time. Any contrary provision shall be deemed to be inapplicable.

The Chairman of the Board of Directors represents the Board of Directors. He organizes and manages the Board's duties, and reports to the shareholders' meeting on the performance thereof. He sees to the proper operation of the Company's decision-making bodies and verifies, in particular, that directors have the capacity to perform their duties.

At the May 29, 2013 shareholders' general meeting, it will be proposed to the shareholders that the last paragraph of this article be amended by deleting the statement that the Board of Directors is represented by its chairman.

2. Board meetings

The Board of Directors shall meet upon notice from its Chairman, as often as the Company's interests so require.

Where the Board has not met for more than two months, at least one third of the members of the Board of Directors may request the Chairman to convene same to vote upon a specified agenda. The CEO may also request the Chairman to convene a meeting of the Board of Directors to deliberate on a specified agenda. The Chairman is bound by the requests thus sent to him.

The meeting shall be held either at the head office or at any other venue indicated in the notice. The notice of the meeting may be made by any means, even verbally. All notices must state the main issues on the agenda.

An attendance register shall be kept and signed by the directors attending the meeting of the Board of Directors.

3. Quorum and majority

The effective presence of at least half of the directors is necessary in order for voting to be valid. Any director may, by any written means, appoint another director as his proxy to represent him at any meeting of the Board. No director may hold more than one proxy at a given session. These provisions are applicable to the permanent representative of a legal entity appointed as director.

Save where the vote relates to

- the appointment, remuneration and dismissal of the Chairman, CEO or deputy CEO,
- the approval of the Company financial statements and consolidated financial statements,

directors taking part in Board meetings by means of video-conference or any other form of telecommunication technology which complies and which is used in a manner that complies with regulatory provisions are deemed to be in attendance for the purposes of determining quorum and majority.

Decisions are taken by a majority of the votes of members in attendance or represented. In the event of a tie, the session's chairman has a casting vote.

Evidence of the number of directors in office and of their appointment vis-à-vis third parties shall validly consist of the mere recording in the minutes of each meeting of the names of the directors in attendance, represented or absent.

At the May 29, 2013 shareholders' general meeting, it will be proposed that directors taking part in Board meetings by video-conference or any other means of telecommunication are deemed to be in attendance for purposes of the quorum and majority provided this complies with the Company's internal regulations.

4. Minutes of proceedings

Voting of the Board of Directors is recorded in minutes of proceedings drawn up in accordance with the law and signed by the session's chairman and by a director or, in the event of unavailability of the chairman, by two directors.

Copies of or excerpts from these minutes may be certified by the Chairman of the Board of Directors, a senior executive officer, a director temporarily appointed as deputy chairman or an authorized person empowered to that end, such as the session's secretary.

5. Duties of confidentiality

The directors, as well as any person called to attend meetings of the Board, are bound by a duty of confidentiality with respect to confidential information given as such by the Chairman of the Board.

Directors' remuneration *(Article 16 of the bylaws)*

The shareholders' meeting may award attendance fees to directors, the amount of which shall be recorded as operating expenditure of the Company and remains applicable until otherwise resolved by the shareholders' meeting.

The Board of Directors determines the apportionment of this remuneration as between the directors.

Exceptional remuneration may be awarded by the Board of Directors for assignments or mandates entrusted to the directors. In that event, such remuneration is recorded as operating expenditure and notified to the statutory auditors and is subject to the approval of the ordinary general meeting.

No remuneration, whether permanent or otherwise, other than that provided herein, may be awarded to directors unless they have entered into an employment contract with the Company on terms and conditions authorized by law.

A motion will be tabled at the May 29, 2013 shareholders' meeting regarding the insertion of a new article, Article 16(b), on advisory board members (*censeurs*).

General management *(Article 17 of the bylaws)*

Either the Chairman of the Board of Directors, or another individual appointed by the Board of Directors as chief executive officer, shall carry out and be responsible for the general management of the Company.

The Board of Directors shall choose between the two methods of general management. The decision as to the choice of the general management method shall be taken by a simple majority vote of the directors in attendance or represented. The chosen option must be implemented for a term which cannot be less than one year.

The managing director may be removed from office at any time by the Board of Directors. Where the CEO is removed without cause, he may be entitled to damages, unless the CEO holds the office of Chairman of the Board of Directors.

The CEO is vested with the broadest powers to act under any circumstances in the name of the Company. He exercises these powers subject to the corporate purpose and subject to those expressly reserved by law to the shareholders' meetings or to the Board of Directors. He represents the Company in its dealings with third parties. The Company is bound by the acts of the CEO, including where he is acting *ultra vires*, unless the Company shows that the third party was actually or constructively aware of the *ultra vires* nature of the act, provided, however, that the mere publication of the bylaws shall not suffice to constitute evidence to that effect.

Decisions of the Board of Directors restricting the CEO's powers are not binding on third parties.

Where the general management of the Company is carried out by the Chairman of the Board of Directors, the following provisions relating to the CEO are applicable to him.

The CEO is subject to the provisions governing the simultaneous holding of appointments as chief executive officer, member of the management committee, sole managing director, director or member of the supervisory board of corporations (*sociétés anonymes*) whose head office is located in France.

On a motion by the CEO, the Board of Directors may appoint one or more individuals to assist the CEO; such person(s) shall hold the office of deputy CEO. There may not be more than five deputy CEOs.

The deputy CEO may be removed from office at any time by the Board of Directors on a motion by the CEO. If the removal is decided upon without just cause, it may give rise to damages.

Where the CEO ceases to carry out his duties or is unable to carry out same, the deputy CEOs shall, unless otherwise resolved by the Board, remain in office and continue to hold their powers until the nomination of the new CEO.

The Board of Directors shall determine the remuneration of the deputy CEOs. The Board of Directors shall, jointly with the CEO, determine the scope and term of the powers conferred on deputy CEOs. Vis-à-vis third parties, deputy CEOs shall hold the same powers as the CEO.

5.3.3 Rights, prerogatives and restrictions attaching to shares of the Company

5.3.3.1 Voting rights *(Article 25 of the bylaws)*

The voting right attaching to shares is proportional to the capital stock they represent. Each equity share or dividend share carries at least one vote. However, a double voting right as compared to that conferred on other shares, in light of the portion of the capital stock that they represent, is ascribed to all fully paid-up shares in respect of which it is shown that they have been registered for at least four consecutive years in the name of the same shareholder. In case of capital increase by capitalization of reserves, profits or issue premiums, or of exchange of shares in connection with a stock split or reverse stock split, the double voting right is conferred on shares allocated in respect of registered shares, provided that those have been held in registered form since allocation thereof, and that the shares in respect of which they were allocated benefited from the double voting right. The Company's merger or demerger shall not affect the double voting right that may be exercised within the beneficiary company if the bylaws of the latter provide for same.

Where shares are pledged, the voting right is exercised by their owner.

A motion will be tabled at the May 29, 2013 shareholders' general meeting with a view to amending the wording of this article so as to refer to the statutory provisions concerning circumstances when double voting rights are maintained notwithstanding any transfer of shares.

5.3.3.2 Rights to dividends and profits *(Article 11 of the bylaws)*

All shares entitle their holders to a share of the Company's assets and profits in proportion to the total capital stock.

5.3.3.3 Dividend lapse period *(Article 30 of the bylaws)*

Dividends that fail to be claimed within 5 years as of the date of distribution will be time-barred in favor of the State (Article L 1126-1 of the French General Public Entities' Assets Code).

5.3.3.4 Right to liquidation surplus *(Article 32 of the bylaws)*

The balance of net assets after repayment of the par value of the shares shall be shared equally between all shareholders.

5.3.3.5 Preferential subscription right *(Article 7 of the bylaws)*

The shares of the Company shall each carry a preferential right to subscribe to increases in capital.

5.3.3.6 Limitation of voting rights

Nil.

5.3.3.7 Identifiable bearer securities *(Article 9 of the bylaws)*

Shares shall be in registered or bearer form, as the shareholder may elect. Where shares are registered, they are registered in an individual account on the terms and conditions and in accordance with the procedures set out in applicable statutory and regulatory provisions.

The Company may in particular, at any time and in accordance with applicable statutory and regulatory provisions, request the central custodian holding the securities issue account (subject to payment of remuneration by the Company) to provide it with information on the holders of securities carrying an immediate or future voting right at its shareholders' meetings, as well as the number of securities held by each of them and, if any, the restrictions affecting such securities.

5.3.3.8 Buyback of Company shares.

Refer to paragraph 21.1.3.

5.3.4 Procedures for amending shareholder rights

The rights of shareholders as set out in the bylaws of the Company may only be amended by the extraordinary general meeting of the Company's shareholders.

5.3.5 Shareholders' general meetings

General rules *(Article 20 of the bylaws)*

Collective decisions of the shareholders are taken at shareholders' meetings, which are ordinary, extraordinary or special depending on the nature of the decisions on which they are called to vote.

Ordinary shareholders' meetings are those which are called to take all decisions that do not amend the bylaws. Any direct or indirect amendment to the bylaws shall be decided by extraordinary general meeting.

Special meetings are those held between holders of shares of a specified class to deliberate on any amendment of the rights attaching to the shares of such class. These meetings are called and vote on the same terms and conditions as extraordinary shareholders' meetings.

Any shareholders' meeting that is validly constituted shall represent all of the shareholders collectively.

Votes of shareholders' meetings are binding on all shareholders, even if absent, dissenting or incapable.

- Ordinary shareholders' meeting

  The ordinary general meeting is that which is called to take all decisions that do not amend the bylaws.

It is convened at least once a year, in accordance with applicable statutory and regulatory notice and time periods, to deliberate on the financial statements of the preceding financial year.

It has, *inter alia*, the following powers:

- approving, amending or rejecting the financial statements submitted to it,
- ruling on the allocation and appropriation of profits in compliance with the provisions of the bylaws,
- granting or withholding release and discharge to directors for the performance of their management duties,
- appointing and removing directors,
- appointing the regular and alternate statutory auditor(s),
- approving or rejecting appointments of directors made on a provisional basis by the Board of Directors,
- setting the amount of directors' fees awarded to the Board of Directors,
- ruling on the statutory auditor's special reports pertaining to agreements requiring the Board of Directors' prior authorization,
- authorizing the issue of ordinary bonds as well as the granting of security in respect thereof,
- authorizing issues of participating securities.

A motion will be tabled at the May 29, 2013 shareholders general meeting to cancel the authority of the ordinary general meeting to issue ordinary bonds.

- Extraordinary general meeting

The extraordinary general meeting alone is authorized to amend provisions of the bylaws. However, unless approved by the shareholders acting unanimously, it may not increase the shareholders' commitments, subject to transactions arising from an exchange of shares or reverse stock split that is validly resolved and implemented.

- Special meeting

Special meetings ratify decisions of the shareholders' meeting that amend the rights pertaining to a class of shares.

Where there are different classes of shares, the special meeting, deliberating in accordance with the quorum and majority requirements set out in the applicable governing provisions, exercises the powers conferred on it by law.

A motion will be tabled at the May 29, 2013 shareholders' meeting to bring the provisions concerning procedures for convening and voting at special meetings into conformity with current regulations.

Notice and holding of shareholders' meetings *(Article 21 of the bylaws)*

Ordinary and extraordinary shareholders' meetings and, where applicable, special meetings, are called in accordance with the formal requirements and time limits laid down by law.

Shareholders' meetings take place at the head office or at any other venue indicated in the notice.

They may take place by video-conference or by telecommunication technology allowing for identification of the shareholders. In that case, shareholders attending the meeting by such means are deemed to be in attendance for the purposes of calculating quorum and majority.

Agenda *(Article 22 of the bylaws)*

The agenda for the meetings is set by the person having served the meeting notice.

One or more shareholders, representing at least that portion of capital stock required by law and acting in accordance with statutory conditions and within the statutory time limits, may, by registered letter with delivery receipt, require draft resolutions to be included in the meeting agenda.

The meeting cannot deliberate on an item that is not included in the agenda, and the latter may not be amended upon second notice. The meeting may, however, at all times, remove one or more directors and replace them.

A motion will be tabled at the May 29, 2013 shareholders' general meeting to amend this article concerning the procedures for including points or draft resolutions on the agenda.

Conditions of admission - Access to meetings - Representation *(Article 23 of the bylaws)*

Shareholders' meetings comprise all shareholders whose securities are fully paid up and are recorded for accounting purposes in the name of the shareholder as of the third business day preceding the shareholders' meeting at midnight, Paris time, either in the registered share accounts kept by the Company, or in the bearer securities account kept by the authorized intermediary.

All shareholders shall have access to the shareholders' meeting, irrespective of the number of securities they hold, simply by producing evidence of their identity and the capacity in which they attend. The Board of Directors may, if it so deems appropriate, issue shareholders with personal admission cards in their names and demand that such cards be shown.

Any shareholder may grant a proxy on the terms and in accordance with the procedures laid down by law and applicable regulations. He may also vote by post on the terms and in accordance with the procedures laid down by law.

In particular, shareholders may, on the terms laid down in applicable statutory and regulatory provisions, send their proxy form and postal vote, either in paper form, or, further to a resolution of the Board of Directors published in the meeting notice documents, by electronic means.

The electronic form may be directly filled out and signed on the internet website implemented by the central meeting administrator or by any means determined by the Board of Directors in compliance with the terms and conditions defined in the first sentence of the second paragraph of Article 1316-4 of the French Civil Code (i.e., the usage of a reliable means of identification guaranteeing the link between the signature and the form), which may in particular consist of a user name and a password.

The proxy or vote thus expressed prior to the meeting by such electronic means, as well as the relevant delivery receipt, shall be deemed to constitute irrevocable written instruments that are binding on third parties, provided, however, that in case of transfer of securities that takes place prior to the third business day preceding the meeting at midnight, Paris time, the Company shall invalidate or amend, as the case may be, the proxy or the vote expressed prior to such date and time accordingly.

Attendance sheet – meeting committee – minutes of proceedings *(Article 24 of the bylaws)*

An attendance sheet complying with statutory requirements is kept at each meeting.

This attendance sheet, duly initialed by the shareholders in attendance and by the proxy holders (and to which the proxies granted to each proxy holder are attached), and, where applicable, the postal voting forms are certified as true by the meeting committee.

Meetings are chaired by the Chairman of the Board of Directors or, in his absence, by a director specifically empowered to that end by the Board. Failing this, the meeting itself elects its chairman.

The duties of scrutineers are carried out by those two members of the meeting, in attendance and accepting such duties, who hold the greatest number of votes, whether personally or as proxy holders.

The committee thus formed appoints a secretary who may but need not be a shareholder.

The duties of the members of the committee are to verify, certify and sign the attendance sheet, to ensure the proper conduct of proceedings, to resolve incidents at meetings, to verify votes cast, to verify the validity thereof, and to ensure that the minutes of proceedings are drawn up.

Minutes of proceedings are drawn up and copies of or excerpts from the deliberations are issued and certified in accordance with applicable regulatory provisions.

Quorum - voting - number of votes *(Article 25 of the bylaws)*

At ordinary and extraordinary shareholders' meetings, the quorum is calculated with respect to all shares comprising the capital stock and, at special meetings, in respect of all shares of the relevant class, subject to deduction of shares deprived of their voting right pursuant to applicable statutory provisions.

A secret ballot may be requested either by the Board of Directors or by shareholders representing at least one quarter of the capital stock and provided that they have submitted a written request to the Board of Directors to that effect.

The ordinary general meeting shall not deliberate validly on first notice unless the shareholders in attendance, represented or voting by post hold at least one-fifth of the shares carrying a voting right. On second notice, no quorum requirement shall apply.

It adopts resolutions by a majority of the votes held by the shareholders in attendance or represented, including shareholders voting by post.

The extraordinary general meeting shall not vote validly unless the shareholders in attendance, represented or voting by post hold at least one quarter of the shares carrying a voting right on first notice, and one fifth on second notice. Failing the latter quorum, the second meeting may be postponed to a date occurring no later than two months following that of the second meeting.

It adopts resolutions by a two-thirds majority of the votes held by the shareholders in attendance or represented, including shareholders voting by post.

As a statutory derogation to the foregoing provisions, the shareholders' meeting that votes on a capital increase by capitalization of reserves, profits or issue premiums may adopt resolutions in accordance with the quorum and of majority requirements applicable to ordinary general meetings.

Furthermore, at extraordinary shareholders' meetings called to vote on the approval of an in-kind contribution or the grant of an individual benefit, the contributor or the beneficiary whose shares are deprived of voting rights shall not take part in the voting, whether personally or as proxy holder.

5.3.6 Mechanisms for delaying, deferring or preventing a change of control

The bylaws of the Company do not contain any mechanism for delaying, deferring or preventing a change of control.

Eric Hémar holds a preemptive right as described under chapter 3.1.3 of the Registration Document, "Control of the Company".

5.3.7 Crossing of thresholds set in the bylaws *(Article 9 of the bylaws)*

In addition to the statutory duty to inform the Company of the ownership of certain percentages of the capital stock or voting rights, any individual or legal entity, acting alone or in concert, that directly or indirectly holds a number of shares or voting rights in the Company that is equal to or greater than 2% of the Company's capital stock or voting rights must, no later than prior to the close of trading on the fourth trading day following the crossing of the threshold as of registration of the securities allowing that shareholder to attain or exceed this threshold, disclose to the Company, by registered letter with delivery receipt, the total number of shares and voting rights that he or it possesses as well as all the details and other information that may be required as a result of the statutory duty of disclosure of crossing of thresholds

This disclosure shall be renewed in accordance with the foregoing provisions whenever a new 2% threshold is reached or exceeded, whether upwards or downwards, irrespective of the reason therefor, including beyond the first statutory threshold.

In case of non-compliance with the foregoing provisions, the shareholder(s) in question shall be deprived of the voting rights attaching to the securities exceeding the thresholds requiring a declaration, on the terms and conditions and subject to the limitations laid down by law.

A motion will be tabled at the May 29, 2013 shareholders general meeting to amend this article so as to specify:

- the duty to declare downward crossing of thresholds set by the bylaws
- applicable sanctions in the event of non declaration.

5.3.8 Special provisions governing capital stock changes

The Company's bylaws do not contain any special provisions governing changes to its capital stock.

5.4 ID LOGISTICS GROUP SECURITIES MARKET

The institution performing financial market services for ID Logistics Group is CACEIS Corporate Trust, 14 rue Rouget de Lisle, 92862 Issy les Moulineaux Cedex 9.

ISIN code: FR0010929125
Stock exchange: Euronext Paris

Market: Euronext Compartment C
Principal index: CAC Small
Other indices: CAC Mid & Small, CAC All-Tradable, CAC Industrials

Schedule of trading

	High and low prices (€)		Closing price	Daily average volumes	
Period	High	Low	Average (€)	Number of shares	Value (€000)
April 2012	21.50	19.85	21.08	23,475	492
May 2012	22.00	19.94	20.97	1,858	40
June 2012	20.50	19.48	19.94	526	10
July 2012	21.70	19.29	20.67	1,052	21
August 2012	20.47	19.41	19.97	1,919	39
Sept. 2012	24.02	19.79	21.47	4,177	87
Oct. 2012	26.80	23.32	25.26	1,680	43
Nov. 2012	26.57	25.74	26.19	841	22
Dec. 2012	26.20	24.70	25.95	11,481	291
January 2013	30.50	26.20	28.88	3,538	103
February 2013	32.50	28.69	30.84	2,503	76

5.5 DOCUMENTS ACCESSIBLE TO THE GENERAL PUBLIC

All of the Company's corporate documents which are required to be made available to the shareholders may be viewed at the Company's head office.

The following in particular may be reviewed:

(a) The constitutional document and the bylaws of the Company;
(b) All reports, correspondence and other documents, historic financial information, valuations and declarations drawn up by any expert at the Company's request, part of which is included or referred to in the Registration Document;
(c) The Company's historic financial information for each of the two fiscal years preceding publication of the Registration Document.

Furthermore, as of the admission of the Company's shares for trading on the Euronext Paris market, the regulated information within the meaning of the General Regulation of the French Financial Markets Authority (AMF) shall also be available, in accordance with the requirements of applicable statutory and regulatory provisions, on the Group's website (www.id-logistics.com).

5.6 LEGISLATION APPLICABLE TO GROUP OPERATIONS

The regulations affecting the Group's operations are described under chapter 1.7 ("Regulatory Environment") and related risks under chapter 2.2.1 ("Current and future regulatory risks") of the Registration Document.

6/ COMBINED ORDINARY AND EXTRAORDINARY GENERAL MEETING OF MAY 29, 2013

6 COMBINED ORDINARY AND EXTRAORDINARY GENERAL MEETING OF MAY 29, 2013

6.1 AGENDA

Ordinary business:

- Approval of the parent company financial statements for the year ended December 31, 2012,
- Approval of the consolidated financial statements for the year ended December 31, 2012,
- Appropriation of earnings for the year,
- Statutory auditors' special report on regulated agreements and commitments and approval of these agreements,
- Reappointment of Mr. Eric Hémar as director,
- Appointment of Mr. Christophe Satin as director to replace Mr. Nicolas Derouin,
- Reappointment of IMMOD in the capacity of director,
- Authorization of the Board of Directors to buy back Company shares in accordance with the provisions of Article L. 225-209 of the French Commercial Code, term of authorization, purposes, procedure, cap,

Extraordinary business:

- Authorization of the Board of Directors to cancel treasury shares purchased by the Company under Article L. 225-209 of the French Commercial Code, term of authorization, cap,
- Delegation of authority to the Board of Directors to carry out capital increases by capitalization of reserves, retained earnings and/or issue premiums, term of delegation, maximum par value of capital increase, conditions applicable to fractional shares,
- Delegation of authority to the Board of Directors to issue shares of common stock and/or securities giving access to the capital stock (of the Company or of a Group company) and/or giving entitlement to the allocation of debt instruments with preferential subscription rights, term of delegation, maximum par value of capital increase, option to make a public offering of non-subscribed securities,
- Delegation of authority to the Board of Directors to issue shares of common stock and/or securities giving access to the capital stock (of the Company or of a Group company) and/or giving entitlement to the allocation of debt instruments without preferential subscription rights, by means of a public offering and/or as consideration for securities in the event of a public exchange offering, term of delegation, maximum par value of capital increase, issue price, option to limit the increase to the subscribed amount or to allocate unsubscribed securities,
- Delegation of authority to the Board of Directors to issue shares of common stock and/or securities giving access to the capital stock (of the Company or of a Group company) and/or giving entitlement to the allocation of debt instruments without preferential subscription rights, by means of an offering within the meaning of section II of Article L.411-2 of the French Monetary and Financial Code, term of delegation, maximum par value of capital increase, issue price, option to limit the increase to the subscribed amount or to allocate unsubscribed securities,
- In the event of an issue without preferential subscription rights, authorization to determine the issue price, on the terms and conditions set by the general meeting, subject to a cap of 10% of the capital stock per annum,
- Authorization to increase the amounts issued in case of oversubscriptions,

- Delegation of authority to the Board of Directors to increase the capital stock by up to 10% as consideration for in-kind contributions of equity securities or securities giving access to capital stock, term of delegation,
- Authorization of the Board of Directors to grant stock purchase and/or subscription options to employees and/or certain corporate officers of the Company or affiliated companies, shareholders' waiver of their preferential subscription right, term of authorization, cap, exercise price, maximum option period,
- Authorization of the Board of Directors with a view to the bonus allocation of existing and/or future shares to employees and/or certain corporate officers of the Company or affiliated companies, shareholders' waiver of their preferential subscription right, term of authorization, cap, term of vesting periods in particular in the event of invalidity and of lock-in,
- Delegation of authority to the Board of Directors to carry out capital increases through the issue of shares without preferential subscription rights in favor of subscribers to a company savings plan, pursuant to Articles L. 3332-18 *et seq.* of the French Labor Code, term of delegation, maximum par value of capital increase, issue price, option of granting bonus shares under Article 3332-21 of the French Labor Code,
- Provisions relating to disclosures of downward crossing of thresholds set by the Company bylaws and determination of the related penalties – Corresponding amendment to Article 9 of the bylaws,
- Inclusion of a clause relating to advisory board members (*censeurs*) in the bylaws – Insertion of Article 16(b) in the bylaws,
- Reassignment of authority to decide upon the issue of ordinary bonds – Corresponding amendment to Article 20 of the bylaws,
- Updating of the bylaws,
- Authority with respect to formalities.

6.2 DRAFT RESOLUTIONS

First Resolution - Approval of the parent company financial statements for the year ended December 31, 2012,

The shareholders at the general meeting, having reviewed the reports of the Board of Directors, the Chairman of the Board and the statutory auditors for the year ended December 31, 2012, hereby approve the parent company financial statements for the year ended December 31, 2012, as submitted to them, which show net income of €222,512.

Second Resolution - Approval of the consolidated financial statements for the year ended December 31, 2012

The shareholders at the general meeting, having reviewed the reports of the Board of Directors, the Chairman of the Board and the statutory auditors on the consolidated financial statements for the year ended December 31, 2012, hereby approve the said financial statements as submitted to them, which show net income Group share of €4,118,112.

Third Resolution - Appropriation of earnings for the year

At the recommendation of the Board of Directors, the shareholders at the general meeting hereby resolve to appropriate earnings for the year ended December 31, 2012 as follows:

Source

- Net income for the year	€222,512
- Retained earnings b/fwd	€1,524,320

Appropriation

- Statutory reserve	€11,126
- Retained earnings c/fwd	€1,735,706

Pursuant to the provisions of Article 243(b) of the French General Tax Code, the shareholders at the general meeting hereby note that they have been reminded that no dividend distributions or other distributions have been made during the past three fiscal years.

Fourth Resolution - Statutory auditors' special report on regulated agreements and commitments and approval of these agreements

The shareholders at the general meeting, deliberating on the statutory auditors' special report on regulated agreements and commitments as submitted to them, hereby approve the new agreements referred to in the said report.

Fifth Resolution - Reappointment of Mr. Eric Hémar as director

The shareholders at the general meeting hereby resolve to reappoint Mr. Eric Hémar*,* as director for a three-year term expiring at the close of the general meeting held in 2016 to approve the financial statements for the year ended December 31, 2015.

Sixth Resolution - Appointment of Mr. Christophe Satin as director to replace Mr. Nicolas Derouin

The shareholders at the general meeting hereby resolve to reappoint Mr. Christophe Satin to replace Mr. Nicolas Derouin*,* as director for a three-year term expiring at the close of the general meeting held in 2016 to approve the financial statements for the year ended December 31, 2015.

Seventh Resolution - Reappointment of IMMOD in the capacity of director

The shareholders at the general meeting hereby resolve to reappoint the company named IMMOD in the capacity of director for a three-year term expiring at the close of the general meeting held in 2016 to approve the financial statements for the year ended December 31, 2015.

Eighth Resolution - Authorization of the Board of Directors to buy back Company shares in accordance with the provisions of Article L. 225-209 of the French Commercial Code

The shareholders at the general meeting, having reviewed the report of the Board of Directors, hereby authorize the Board, for a term of eighteen months, pursuant to Articles L. 225-209 *et seq.* of the French Commercial Code, to buy back, on one or more occasions and at such times as it shall decide, Company shares subject to a cap of 10% of the number of shares comprising the capital stock, adjusted where applicable to take into account any capital increases or reductions carried out during the term of the share buyback plan.

This authorization shall cancel the authorization granted to the Board of Directors by the April 6, 2012 general meeting pursuant to its fifth ordinary resolution.

Company shares may be purchased for the following purposes:

- to stimulate trading on the secondary market or to enhance the liquidity of the ID Logistics Group share pursuant to a liquidity agreement to be entered into with an investment service provider, in compliance with the AMAFI Charter of Professional Ethics as recognized by the French financial markets authority (AMF),
- to hold the shares purchased and subsequently submit them in exchange or payment in connection with potential acquisition transactions, provided that the shares acquired for this purpose do not exceed 5% of the Company's capital stock,
- to ensure coverage of stock option plans and/or bonus share plans (or similar plans) in favor of Group employees and/or corporate officers, as well as all share allocations under Company or Group savings plans (or similar plans) and profit-sharing schemes and/or all other forms of share allocation to Group employees and/or corporate officers,
- to ensure coverage of securities giving entitlement to the allocation of Company shares pursuant to the applicable regulations,
- to cancel purchased shares, if applicable, subject to authorization to be granted by the shareholders at this general meeting pursuant to the ninth extraordinary resolution thereof.

These share buybacks may be carried out by any means, including block trades, and at such times as the Board of Directors shall see fit.

In particular, these transactions may be performed during the period of a public offering, pursuant to the applicable regulations.
The Company reserves the right to use options or derivatives, in compliance with the applicable regulations.

The maximum purchase price is set at €90 per share. In the event of equity transactions, including stock splits, reverse stock splits and bonus share allocations, the aforementioned amount will be revised accordingly, through the application of a multiplier equal to the ratio between the number of shares comprising the capital stock before the transaction and the number of shares comprising the capital stock after the transaction.

The maximum amount of the transaction is thus set at €49,270,320.

The shareholders at the general meeting hereby grant full powers to the Board of Directors to perform these transactions, to define the terms and conditions thereof and to complete all formalities.

Extraordinary business:

Ninth Resolution - Authorization of the Board of Directors to cancel treasury shares purchased by the Company under Article L. 225-209 of the French Commercial Code

The shareholders at the general meeting, having reviewed the report of the Board of Directors and the statutory auditors' report:

1) Hereby authorize the Board of Directors to cancel, at its sole discretion, on one or more occasions, subject to a cap equal to 10% of the capital stock as determined on the day of the decision to

cancel, after deduction of any shares canceled during the preceding 24 months, shares that the Company holds or may acquire as a result of purchases carried out pursuant to Article L. 225-209 of the French Commercial Code, and to reduce the capital stock accordingly, pursuant to the applicable statutory and regulatory provisions,

2) Hereby set the term of this authorization at twenty-four months from the date of this general meeting, i.e. until May 28, 2015,

3) Hereby grant full powers to the Board of Directors for the purposes of performing any operations required in connection with such share cancellations and corresponding capital reductions, making the appropriate amendments to the bylaws and completing all the necessary formalities.

Tenth Resolution - Delegation of authority to the Board of Directors to carry out capital increases by capitalization of reserves, retained earnings and/or premiums

The shareholders at the general meeting, deliberating in accordance with the quorum and majority requirements applicable to the ordinary general meeting, having reviewed the Board of Directors' report, and acting in accordance with the provisions of Articles L. 225-129-2 and L. 225-130 of the French Commercial Code:

1) Hereby authorize the Board of Directors to decide to carry out, on one or more occasions, at such times and on such terms as it will determine, capital increases by the capitalization of reserves, retained earnings, premiums or other amounts for which capitalization is permitted, by the issue and allocation of bonus shares or by an increase in the par value of existing common shares, or by the combined use of these two methods.

2) Hereby resolve that, if this delegated authority is exercised by the Board of Directors, in accordance with the provisions of Article L. 225-130 of the French Commercial Code, in the event of a capital increase via a bonus share issue, the rights to fractional shares may be neither traded nor transferred and the corresponding equity securities shall be sold, the proceeds of the sale being allocated to the rights holders within the period specified in applicable regulations.

3) Hereby set the term of validity of this delegation of authority at twenty-six months from the date of this general meeting.

4) Hereby resolve that the par value of the capital increase resulting from issues carried out under this resolution shall not exceed €1,200,000, without taking into account the amount required in order to comply with statutory provisions concerning the preservation of the rights of holders of securities giving entitlement to shares.

   This cap is independent of all caps set out in the other resolutions of this meeting.

5) Hereby grant full powers to the Board of Directors for the purposes of enforcing this resolution and, in general, of implementing all measures and completing all formalities required for the due execution of each capital increase, recording the completion thereof and making the necessary amendments to the bylaws.

6) Duly note that this delegation of authority cancels, as of this date, any previous delegations of authority made for the same purpose, in the amount of the unused part, where applicable.

Eleventh Resolution - Delegation of authority to the Board of Directors to issue shares of common stock and/or securities giving access to the capital stock and/or giving entitlement to the allocation of debt instruments with preferential subscription rights

The shareholders at the general meeting, having reviewed the report of the Board of Directors and the statutory auditors' special report, pursuant to the provisions of the French Commercial Code and, in particular, Article 225-129-2 thereof:

1) Hereby delegate their authority to the Board of Directors for the purpose of issuing, on one or more occasions, in such proportions and at such times as it shall see fit, either in euros or in foreign currencies or in any other unit of account based on a basket of currencies,

   - shares of common stock,
   - and/or securities giving access, immediately or in the future, at any time or on a specific date, to shares of the Company's common stock, whether by subscription, conversion, exchange, redemption, presentation of a warrant or by any other means,
   - and/or securities giving entitlement to the allocation of debt instruments.

   Pursuant to Article L. 228-93 of the French Commercial Code, the securities to be issued may give access to common shares in any company that directly or indirectly holds more than 50% of the Company's capital stock or in which the Company holds more than 50% of the capital stock.

2) Hereby set the term of validity of this delegation of authority at twenty-six months from the date of this general meeting.

3) Hereby resolve to set the following caps on the amounts of the issues authorized under the present delegation of authority to the Board of Directors:

   The aggregate par value of the shares that may be issued under the present delegation of authority shall not exceed €1,200,000.

   Where applicable, this cap shall be increased by the par value of the common shares issued in order to maintain the rights of holders of securities giving access to the Company's capital stock, pursuant to statutory provisions and to any contractual provisions regarding other adjustments.

   The aggregate par value of the debt instruments that may be issued under the present delegation of authority shall not exceed 50,000,000 euros.

   The aforementioned caps are independent of all caps set out in the other resolutions of this meeting.

4) In the event that the Board of Directors exercises the authority hereby delegated in order to carry out issues as set forth in paragraph 1) above:

   a/ Hereby resolve that the issue(s) of common shares or securities giving access to the capital stock shall be reserved initially for any shareholders who subscribe for them as of right,

   b/ Hereby resolve that if subscriptions by right and any additional subscriptions do not cover the whole of an issue as set forth in paragraph 1), the Board of Directors shall be entitled to implement the following measures:

      - cap the amount of the issue at the amount of subscriptions; in the event of an issue of common shares or securities where the primary security is a share, this option may only be implemented if at least 75% of the amount of the issue set by the Board has been subscribed for,
      - allocate all or part of the unsubscribed securities at its discretion,
      - make a public offering of all or part of the unsubscribed securities,

5) Hereby resolve that, within the limits defined above, the Board of Directors shall hold the requisite powers, in particular, in order to define the terms and conditions of the issue(s),

where appropriate, to witness and record the completion of the ensuing capital increases, to make the corresponding amendments to the Company bylaws, to offset, at its sole discretion, the costs of the capital increases against the amount of the related premiums, to deduct from the said amount the sums required in order to increase the amount of the statutory reserve to one tenth of the new capital stock after each increase and, in general, to take all steps that are necessary in such a matter.

6) Duly note that this delegation of authority cancels any prior delegation of authority having the same purpose.

Twelfth Resolution - Delegation of authority to the Board of Directors to issue shares of common stock and/or securities giving access to the capital stock and/or giving entitlement to the allocation of debt instruments without preferential subscription rights by means of a public offering

The shareholders at the general meeting, having reviewed the report of the Board of Directors and the statutory auditors' special report, pursuant to the provisions of the French Commercial Code including, in particular, Article 225-136:

1. Hereby delegate their authority to the Board of Directors to issue, on one or more occasions, in such proportions and at such times as it shall see fit, on the French and/or international market, by means of a public offering, either in euros or in foreign currencies or in any other unit of account based on a basket of currencies:

   - shares of common stock,
   - and/or securities giving access, immediately or in the future, at any time or on a specific date, to shares of the Company's common stock, whether by subscription, conversion, exchange, redemption, presentation of a warrant or by any other means,
   - and/or securities giving entitlement to the allocation of debt instruments.

   These securities may be issued as consideration for any securities contributed to the Company as part of a public exchange offering of securities that meets the conditions set forth in Article 225-148 of the French Commercial Code.

   Pursuant to Article L. 228-93 of the French Commercial Code, the securities to be issued may give access to common shares in any company that directly or indirectly holds more than 50% of the Company's capital stock or of which the Company holds more than 50% of the capital stock.

2. Hereby set the term of validity of this delegation of authority at twenty-six months from the date of this general meeting.

3. The aggregate par value of the common shares that may be issued under the present delegation of authority shall not exceed €1,200,000.

   Where applicable, this cap shall be increased by the par value of the common shares issued in order to maintain the rights of holders of securities giving access to the Company's capital stock, pursuant to statutory provisions and to any contractual provisions regarding other adjustments.

   This cap is independent of all caps set out in the other resolutions of this meeting.

   The aggregate par value of the debt instruments that may be issued under the present delegation of authority shall not exceed 50,000,000 euros.

This cap is independent of all caps set out in the other resolutions of this meeting.

4. Hereby resolve to cancel the shareholders' preferential subscription right to the common shares and securities giving access to the capital stock and/or debt instruments concerned by this resolution, but to allow the Board of Directors the option of granting the shareholders a priority right, pursuant to the statutory provisions.

5. Hereby resolve that the amount paid or payable to the Company in consideration for each of the common shares issued under the present delegation of authority, after the issue price of any stand-alone warrants issued by the Company has been taken into account, shall not be lower than the minimum amount required pursuant to the statutory and regulatory provisions applicable at the time when the Board of Directors exercises this authority.

6. Hereby resolve, in the event of an issue of securities as consideration for securities contributed within the scope of a public exchange offering, that the Board of Directors shall have the requisite authority, on the terms and conditions set forth in Article L. 225-148 of the French Commercial Code and subject to the aforementioned caps, to approve the list of securities contributed to the exchange, to define the issue terms and conditions, exchange ratio and, where applicable, the amount of the balance to be paid in cash, and to determine the procedure regarding the issue.

7. Hereby resolve that if the subscriptions do not cover the whole of an issue as set forth in paragraph 1), the Board of Directors shall be entitled to implement the following measures:

   - cap the amount of the issue at the amount of subscriptions; in the event of an issue of common shares or securities where the primary security is a share, this option may only be implemented if at least 75% of the amount of the issue set by the Board has been subscribed for,
   - allocate all or part of the unsubscribed securities at its discretion.

8. Hereby resolve that, within the limits defined above, the Board of Directors shall hold the requisite powers, in particular, in order to define the terms and conditions of the issue(s), where appropriate, to witness and record the completion of the ensuing capital increases, to make the corresponding amendments to the Company bylaws, to offset, at its sole discretion, the costs of the capital increases against the amount of the related premiums, to deduct from the said amount the sums required in order to increase the amount of the statutory reserve to one tenth of the new capital stock after each increase and, in general, to take all steps that are necessary in such a matter.

9. Duly note that this delegation of authority cancels any prior delegation of authority having the same purpose.

Thirteenth Resolution - Delegation of authority to the Board of Directors to issue shares of common stock and/or securities giving access to the capital stock and/or giving entitlement to the allocation of debt instruments without preferential subscription rights by means of an offering within the meaning of section II of Article L.411-2 of the French Monetary and Financial Code

The shareholders at the general meeting, having reviewed the report of the Board of Directors and the statutory auditors' special report, pursuant to the provisions of the French Commercial Code including, in particular, Article 225-136:

1. Hereby delegate their authority to the Board of Directors to issue, on one or more occasions,

in such proportions and at such times as it shall see fit, on the French and/or international market, by means of an offering within the meaning of section II of Article L.411-2 of the French Monetary and Financial Code, either in euros or in foreign currencies or in any other unit of account based on a basket of currencies:

- shares of common stock,
- and/or securities giving access, immediately or in the future, at any time or on a specific date, to shares of the Company's common stock, whether by subscription, conversion, exchange, redemption, presentation of a warrant or by any other means,
- and/or securities giving entitlement to the allocation of debt instruments.

Pursuant to Article L. 228-93 of the French Commercial Code, the securities to be issued may give access to common shares in any company that directly or indirectly holds more than 50% of the Company's capital stock or of which the Company holds more than 50% of the capital stock.

2. Hereby set the term of validity of this delegation of authority at twenty-six months from the date of this general meeting.

3. The aggregate par value of the common shares that may be issued under the present delegation of authority shall not exceed €1,200,000, subject, in addition, to a cap of 20% of the capital stock per annum.

   Where applicable, this cap shall be increased by the par value of the common shares issued in order to maintain the rights of holders of securities giving access to the Company's capital stock, pursuant to statutory provisions and to any contractual provisions regarding other adjustments.

   This cap is independent of all caps set out in the other resolutions of this meeting.

   The aggregate par value of the debt instruments that may be issued under the present delegation of authority shall not exceed 50,000,000 euros.

   This cap is independent of all caps set out in the other resolutions of this meeting.

4. Hereby resolve to cancel the shareholders' preferential subscription right to the common shares and securities giving access to the capital stock and/or debt instruments concerned by this resolution.

5. Hereby resolve that the amount paid or payable to the Company in consideration for each of the common shares issued under the present delegation of authority, after the issue price of any stand-alone warrants issued by the Company has been taken into account, shall not be lower than the minimum amount required pursuant to the statutory and regulatory provisions applicable at the time when the Board of Directors exercises this authority.

6. Hereby resolve that if the subscriptions do not cover the whole of an issue as set forth in paragraph 1), the Board of Directors shall be entitled to implement the following measures:

   - cap the amount of the issue at the amount of subscriptions; in the event of an issue of common shares or securities where the primary security is a share, this option may only be implemented if at least 75% of the amount of the issue set by the Board has been subscribed for,
   - allocate all or part of the unsubscribed securities at its discretion.

7. Hereby resolve that, within the limits defined above, the Board of Directors shall hold the

requisite powers, in particular, in order to define the terms and conditions of the issue(s), where appropriate, to witness and record the completion of the ensuing capital increases, to make the corresponding amendments to the Company bylaws, to offset, at its sole discretion, the costs of the capital increases against the amount of the related premiums, to deduct from the said amount the sums required in order to increase the amount of the statutory reserve to one tenth of the new capital stock after each increase and, in general, to take all steps that are necessary in such a matter.

8. Duly note that this delegation of authority cancels any prior delegation of authority having the same purpose.

Fourteenth Resolution - Definition of the method for determining the subscription price of an issue without preferential subscription rights, subject to an annual cap of 10% of the capital stock

The shareholders at the general meeting, having reviewed the report of the Board of Directors and the statutory auditors' special report, and pursuant to the provisions of Article L. 225-136-1, paragraph 2 of the French Commercial Code, hereby authorize the Board of Directors, in the event that it decides upon an issue of common shares or securities giving access to the capital stock in application of the Twelfth and Thirteenth Resolutions, to make an exception, subject to an annual cap of 10% of the capital stock, to the conditions for determining the price set forth in the aforementioned resolutions, and to set the issue price of fungible equity securities to be issued according to the following method:

The issue price of fungible equity securities to be issued immediately or in future shall, at the Board's discretion, not be less than:

- either the weighted average of prices for the last three trading sessions preceding its determination, less a maximum discount of 15% where applicable,
- or the average quoted price over a period of five consecutive trading sessions chosen from the last thirty trading sessions preceding the determination of the issue price, less a maximum discount of 10% where applicable.

Fifteenth Resolution – Authorization to increase the issue amount in case of oversubscriptions

For each of the issues of common shares or securities giving access to the capital stock resolved upon pursuant to the Eleventh and Thirteenth Resolutions, the number of securities to be issued may be increased in accordance with the provisions of Article L 225-135-1 of the French Commercial Code and subject to the caps set by the general meeting, where the Board of Directors notes an oversubscription.

Sixteenth Resolution - Delegation of authority to the Board of Directors to increase the capital stock by up to 10% as consideration for in-kind contributions of equity shares or securities giving access to capital stock

The shareholders at the general meeting, having reviewed the reports of the Board of Directors and the statutory auditors, and pursuant to the provisions of Article L. 225-147 of the French Commercial Code:

1. Hereby authorize the Board of Directors to issue, on the basis of the Contributions Auditor's report, common shares or securities giving access to common shares as consideration for in-kind contributions granted to the Company and consisting of equity securities or securities giving

access to capital stock, where the provisions of Article L. 225-148 of the French Commercial Code do not apply.

2. Hereby set the term of validity of this delegation of authority at twenty-six months from the date of this general meeting.

3. Hereby resolve that the aggregate par value of the common shares that may be issued pursuant to this delegation of authority shall not exceed 10% of the capital stock as of the date of this general meeting, without taking into account the par value of the common shares to be issued in order to maintain the rights of holders of securities giving access to the Company's capital stock, pursuant to statutory provisions and to any contractual provisions regarding other adjustments. This cap is independent of all caps set out in the other resolutions of this meeting.

4. Hereby delegate full powers to the Board of Directors with a view to approving the valuation of the contributions, resolving on the ensuing capital increase, witnessing and recording the completion of the increase, offsetting, where applicable, all costs and taxes related to the capital increase against the issue premium, deducting from the issue premium the sums required in order to increase the amount of the statutory reserve to one tenth of the new capital stock after each increase, making the corresponding amendments to the Company bylaws and, in general, taking all steps that are necessary in such a matter.

5. Duly note that this delegation of authority cancels any prior delegation of authority having the same purpose.

Seventeenth Resolution - Authorization of the Board of Directors to grant subscription or purchase options in favor of employees (and/or certain corporate officers)

The shareholders at the general meeting, having reviewed the report of the Board of Directors and the statutory auditors' special report:

1. Hereby authorize the Board of Directors, pursuant to the provisions of Articles L. 225-177 to L. 225-185 of the French Commercial Code, to grant to the beneficiaries listed below, on one or more occasions, options conferring entitlement to subscribe for new shares of the Company to be issued in connection with a capital increase or to purchase existing Company shares purchased by the Company by way of buybacks carried out in accordance with statutory terms and conditions.

2. Hereby set the term of this authorization at thirty-eight months from the date of this general meeting.

3. Hereby resolve that the beneficiaries of the aforementioned options may only be:

* on the one hand, employees or certain employees or certain classes of employees of ID Logistics Group and, where applicable, of companies or economic interest groups that are related to it within the meaning of Article L. 225-180 of the French Commercial Code;

* on the other hand, corporate officers who meet the criteria set forth in Article L. 225-185 of the French Commercial Code.

4. The total number of options that may be granted by the Board of Directors pursuant to this delegation of authority shall not confer the right to subscribe for or purchase a number of shares exceeding 3% of the capital stock as of the date of the first allocation.

5. Hereby resolve that the price at which the beneficiaries may subscribe for and/or purchase the shares shall be determined on the day on which the options are granted by the Board of

Directors and shall not be lower than the minimum price stipulated by the applicable statutory provisions.

6.

7. Hereby resolve that no option may be granted:

- during a period of ten trading sessions prior to and following the date on which the consolidated financial statements are published, or
- during the period from the date when the Company's governing bodies become aware of an item of information which, if publicly disclosed, could have a material impact on the Company's share prices, and ending on the date falling ten trading sessions after the date on which the said information is made public,
- less than twenty trading sessions after the detachment from the shares of a coupon giving entitlement to a dividend or capital increase.

8. Duly note that this authorization entails an express waiver by the shareholders, in favor of the beneficiaries of the share subscription options, of their preferential subscription rights to the shares to be issued as and when the options are exercised.

9. Hereby delegate full powers to the Board of Directors with a view to defining the other terms and conditions governing the allocation of options and the exercise thereof and, in particular:

- defining the terms and conditions on which the options will be granted and approving the list or the classes of beneficiaries as set out above; determining, where applicable, the length of service conditions applicable to the beneficiaries; defining the terms and conditions on which the price and number of the shares are to be adjusted, in particular in the cases set out in Articles R. 225-137 to R. 225-142 of the French Commercial Code;

- determining the exercise period(s) of the options thus granted, where such period shall not exceed a period of 10 years following the allocation date;

- deciding upon the option of suspending the exercise of options, for a period not exceeding three months, in the event of financial transactions involving the exercise of a right attached to the shares;

- performing or procuring the performance of all acts and formalities with a view to finalizing the capital increase(s) carried out pursuant to the authorization granted under this resolution; amending the bylaws accordingly and, in general, doing all that is necessary;

- at its sole discretion and as it sees fit, offsetting the costs of capital increases against the amount of the related premiums and deducting from this amount the sums required to increase the amount of the statutory reserve to one tenth of the new capital stock after each increase.

10. Duly note that this authorization cancels any prior authorization having the same purpose.

Eighteenth Resolution - Authorization of the Board of Directors to grant bonus shares to employees (and/or certain corporate officers)

The shareholders at the general meeting, having reviewed the Board of Directors' report and the statutory auditors' special report, authorize the Board of Directors to carry out, on one or more occasions, in accordance with Articles L. 225-197-1 and L. 225-197-2 of the French Commercial Code, an allocation of existing or future common shares of the Company to:

- Company employees or employees of companies directly or indirectly related to it within the meaning of Article L. 225-197-2 of the French Commercial Code,

- and/or the corporate officers who meet the criteria laid down in Article L. 225-197-1 of the French Commercial Code.

The total number of bonus shares thus allocated shall not exceed 3% of the capital stock as of the date of the Board's decision to allocate same.

The allocation of the shares to the beneficiaries shall be definitive at the end of a vesting period, the term of which shall be set by the Board of Directors, which period may not be less than two years, the beneficiaries being subject to a prohibition to dispose of these shares during a term set by the Board of Directors, it being specified that the lock-in period shall not be less than two years as from the final allocation of the said shares.

However, the shareholders at the general meeting authorize the Board of Directors, insofar as the vesting period for all or part of one or more allocations is at least four years, to refrain from imposing any lock-in period for the relevant shares.

By way of exception, the final allocation shall occur prior to expiry of the vesting period in case of disability of a beneficiary within the second and third categories set forth in Article L. 341-4 of the French Social Security Code.

Full powers are conferred on the Board of Directors in order to:

- define the terms and conditions and any criteria for the allocation of shares;

- determine the identity of the beneficiaries as well as the number of shares allocated to each of them;

- determine the impact on beneficiaries' rights of the transactions altering the capital stock or likely to affect the value of the shares allocated that are completed during the vesting and lock-in periods and, consequently, to modify or adjust, if necessary, the number of the shares allocated in order to preserve the beneficiaries' rights;

- Where applicable:

    - witness and record the existence of sufficient reserves and, during each allocation, transfer into an unavailable reserve account the amounts required for the paying up of the new shares to be allocated,

    - decide, at the relevant time, to carry out the capital increase(s) by way of capitalization of reserves, premiums or retained earnings in connection with the issue of the new bonus shares,

    - acquire the requisite shares under the share buyback program and assign same to the allocation plan,

    - take all useful measures to ensure compliance with the lock-in period applicable to the beneficiaries,

    - and, generally, pursuant to applicable legislation, take all measures that the implementation of this authorization shall require.

This authorization *ipso jure* entails the waiver by the shareholders of their preferential subscription right in respect of new shares issued by capitalization of reserves, premiums and retained earnings.

It is granted for a term of thirty-eight months effective as of the date of the present Meeting.

It cancels any prior authorization having the same purpose.

Nineteenth Resolution - Delegation of authority to the Board of Directors to carry out capital increases through the issue of shares without preferential subscription rights in favor of subscribers to a company savings plan, pursuant to Articles L. 3332-18 *et seq.* of the French Labor Code

The shareholders at the general meeting, having reviewed the report of the Board of Directors and the statutory auditors' special report, deliberating in accordance with Articles L. 225-129-6 and L. 225-138-1 of the French Commercial Code and Articles L. 3332-18 *et seq.* of the French Labor Code:

1/ Hereby authorize the Board of Directors, as it sees fit and at its sole discretion, to increase the capital stock on one or more occasions through the issue of common shares or securities giving access to the Company's capital stock to subscribers to one or more Company or Group savings plans set up by the Company and/or by the French or foreign companies related to it within the meaning of Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor Code.

2/ Cancel in favor of the aforementioned persons the preferential subscription right to the shares that may be issued pursuant to this delegation of authority.

3/ Hereby set the term of this delegation of authority at twenty-six months from the date of this general meeting.

4/ Cap the maximum par value of capital increase(s) that may be carried out through the exercise of this authorization at 3% of the amount of capital stock existing at the time of the Board of Directors' decision to carry out the increase, this amount being independent of any other cap provided for under any delegation of authority to increase the capital stock. Where applicable, this cap shall be increased by the additional amount of the common shares issued in order to maintain the rights of holders of securities giving access to the Company's capital stock, pursuant to statutory provisions and to any contractual provisions regarding other adjustments.

5/ Hereby resolve, pursuant to the provisions of Article L.3332-21 of the French Labor Code, that the Board of Directors may provide for the allocation to the beneficiaries defined in the first paragraph above, free of charge, of existing or future shares or other securities giving access to the Company's capital stock, by way of (i) the Company contribution that may be paid in accordance with the rules of the Company or Group savings plans, and/or (ii), where applicable, the discount;

6/ Duly note that this delegation of authority cancels any prior delegation of authority having the same purpose.

The Board of Directors shall be authorized to exercise or refrain from exercising this delegation, implement all the required measures and complete all the required formalities.

Twentieth Resolution - Provisions relating to disclosures of downward crossing of thresholds provided for by the Company bylaws and determination of the related penalties – Corresponding amendment to Article 9 of the bylaws

The shareholders at the general meeting, having reviewed the report of the Board of Directors, hereby resolve:

- to provide that disclosures of threshold crossings pursuant to the Company bylaws shall also apply when the percentage held falls below the reporting threshold;

- to amend accordingly the third paragraph of Article 9-3 of the bylaws, "*Form and registration of securities - Identification of holders*", as follows, without changing the other provisions of this article:

"In addition to the statutory duty to inform the Company of the ownership of certain percentages of the capital stock or voting rights, any individual or legal entity, acting alone or in concert, that directly or indirectly holds a number of shares or voting rights in the Company that is equal to or greater than 2% of the Company's capital stock or voting rights, ***or whose percentage of shares or voting rights held falls below this threshold,*** *must, no later than prior to the close of trading on the fourth trading day following the crossing of the threshold as of registration of the securities allowing that shareholder to attain or exceed this threshold, disclose to the Company, by registered letter with delivery receipt, the total number of shares and voting rights that he or it possesses as well as all the details and other information that may be required as a result of the statutory duty of disclosure of crossing of thresholds. "*

- to specify the penalty applicable in the event of failure to comply with the requirement to disclose the crossing of thresholds provided for in the bylaws and accordingly to replace the last paragraph of Article 9-3 of the bylaws, "*Form and registration of securities - Identification of holders*", with the following paragraph, without changing the other provisions of this article:

"***In the event of failure to comply with the requirement provided for in the bylaws, the shares exceeding the undisclosed portion shall be deprived of voting rights at all shareholders' general meetings held until the end of a two-year period following the date on which the requisite disclosure is made, at the request, recorded in the minutes of the general meeting, of one or more shareholders holding at least 2% of the capital stock.*** "

Twenty-first Resolution - Inclusion of a clause relating to advisory board members (*censeurs*) in the bylaws – Insertion of Article 16(b) in the bylaws

The shareholders at the general meeting, having reviewed the report of the Board of Directors, hereby resolve:

- to grant the Board of Directors the authority to establish an advisory board;

- to incorporate into the Company bylaws a corresponding new article, Article 16(b), to be worded as follows;

Article 16(b) – Advisory board members (*censeurs*)

"The Board of Directors may appoint one or more advisory members, who may be either individuals or legal entities chosen either from among the shareholders or otherwise. Any legal entity appointed as an advisory board member shall appoint a permanent representative.

The number of advisory board members shall not exceed four.

The term of their appointment shall be three years. An advisory board member shall cease to hold office at the close of the general meeting held during the year in which his or her term of office expires and called to approve the financial statements for the previous year.

The advisory board members may be reappointed without limitation and may be removed from office, without compensation, by decision of the Board of Directors.

The advisory board members shall be invited to all meetings of the Board of Directors and shall have a consultative vote at such meetings. Their right to information and to reporting is identical to that of the members of the Board of Directors.

They may receive remuneration, which shall be deducted from the amount of directors' fees awarded to the members of the Board of Directors.

The advisory board members shall be responsible for monitoring the application of the bylaws, laws and regulations. They may issue an opinion on any item on the agenda of the Board and may request the Chairman that their comments be communicated to the shareholders' general meeting if they deem it appropriate.

The advisory board members may not under any circumstances become involved in the management of the Company or, in general, take the place of the Company's statutory decision-making bodies."

Twenty-second Resolution - Reassignment of authority to decide upon the issue of ordinary bonds – Amendment to Article 20 of the bylaws accordingly

The shareholders at the general meeting, having reviewed the report of the Board of Directors, hereby resolve:

- to strike out the provisions of the bylaws whereby exclusive authority to decide upon the issue of ordinary bonds is granted to the ordinary general meeting. Therefore, and pursuant to Article L.228-40 of the French Commercial Code, the Board of Directors shall be authorized to carry out new issues of bonds;

- to strike out the penultimate point of Article 20-2 of the bylaws, *"Shareholders' meetings - Ordinary general meetings"* accordingly without changing the other provisions of the article.

Twenty-third Resolution - Updating of the bylaws

The shareholders at the general meeting, having reviewed the report of the Board of Directors, hereby resolve:

- to harmonize Article 15-1 of the bylaws *"Organization, meetings and voting of the Board of Directors - Chairman"* with Article L.225-51 of the French Commercial Code as amended by French Act No. 2003-706 of August 1, 2003, which canceled the representation of the Board by the Chairman, and to amend the fourth paragraph of said article accordingly as follows, without changing the other provisions of the article:

"The Chairman of the Board of Directors organizes and manages the Board's duties and reports to the shareholders' meeting on the performance thereof. *He ensures the proper operation of the Company's decision-making bodies and verifies, in particular, that directors have the capacity to perform their duties".*

- to harmonize Article 15-3 of the bylaws *"Organization, meetings and voting of the Board of Directors - Quorum and majority"* with the provisions of Article L.225-37, paragraph 3 of the French Commercial Code as amended by French Act No. 2005-842 of July 26, 2005 and to amend the third paragraph of said article accordingly as follows, without changing the other provisions of the article:

"**the internal regulations may provide that** directors taking part in Board meetings by means of video-conference or any other form of telecommunication technology used in a manner that complies with regulatory provisions are deemed to be in attendance for the purposes of determining quorum and majority. "

- to harmonize Article 18 of the bylaws, *"Regulated agreements",* which provides for the procedure applicable to standard agreements, with the provisions of Article L.225-39 of the French Commercial Code as amended by the French Act of May 17, 2011, which canceled the requirements that these agreements be reported and that the Chairman of the Board prepare a list of same, and to amend the last paragraph of said article accordingly as follows, without changing the other provisions of the article:

"The foregoing provisions shall not apply to agreements relating to standard Company transactions entered into on an arm's length basis".

- to harmonize Article 20-1 of the bylaws, *"Shareholders' meetings - General rules"*, and Article 20-4 of the bylaws, *"Shareholders' meetings - Special meetings"*, which specify the rules concerning special meetings, with the provisions of Article L.225-99 of the French Commercial Code and:

    - to amend the third paragraph of Article 20-1 of the bylaws accordingly as follows, without changing the other provisions of the article:

"Special meetings are held between holders of shares of a specified class to deliberate on any amendment of the rights attaching to the shares of such class. These meetings are called and resolutions passed **in accordance with statutory and regulatory conditions**".

    - to amend the first paragraph of Article 20-4 of the bylaws accordingly as follows, without changing the other provisions of the article;

"Special meetings ***approve*** *decisions of the shareholders' meeting that amend the rights pertaining to a class of shares".*

- to include in the second paragraph of Article 22 of the bylaws, *"Agenda"*, mention of the shareholders' right to have items included on the agenda as recognized by the French Order of December 9, 2010 and the French Decree of December 23, 2010, whereby Articles L.225-105 and R.225-71 of the French Commercial Code were amended accordingly, and to amend paragraph 2 of said article as follows, without changing the other provisions of the article:

"One or more shareholders, representing at least the portion of capital stock required by law and acting in accordance with statutory conditions and within the statutory time limits, may, by registered letter with delivery receipt ***or by electronic telecommunication****, require* ***items or*** *draft resolutions to be included in the meeting agenda".*

- to simplify the wording of Article 25 of the bylaws, *"Quorum - voting - number of votes",* in accordance with Article L.225-124 of the French Commercial Code and to amend paragraph 2 of the said article as follows, without changing the other provisions of the article:

"The voting right attaching to shares is proportional to the capital stock they represent. Each equity share or dividend share carries at least one vote. However, a double voting right as compared to that conferred on other shares, in light of the portion of capital that they represent, is ascribed to all fully paid-up shares that are shown to have been registered for at least four consecutive years in the name of the same shareholder. In case of capital increase by capitalization of reserves, retained earnings or issue premiums, or of exchange of shares in connection with a stock split or reverse stock split, the double voting right is conferred on shares allocated in respect of registered shares, provided that such shares have been held in registered form since allocation thereof, and that the shares in respect of which they were allocated benefited from the double voting right. ***Registered shares carrying a double voting right that are converted into bearer shares or transferred in ownership shall forfeit the double voting right, except in all cases provided for by law".***

Twenty-fourth Resolution - Authority with respect to formalities

The shareholders at the general meeting hereby grant full powers to the bearer of a copy of or excerpt from the minutes of this meeting to complete all filing and publication formalities required by law.

7/ PERSONS RESPONSIBLE FOR THE REGISTRATION DOCUMENT

7 RESPONSIBLE PERSONS

7.1 PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Mr. Eric Hémar, Chairman and CEO of ID Logistics Group.

7.2 STATEMENT OF THE PERSON RESPONSIBLE FOR THE DOCUMENT

I hereby certify, having taken all reasonable measures to this effect, that the information contained in this Registration Document is, to the best of my knowledge, in accordance with the facts and makes no omission likely to affect its import.

I hereby certify, to the best of my knowledge, that the financial statements have been prepared in accordance with applicable accounting standards and give a fair view of the assets, liabilities, financial position and earnings of the Company and all the entities included in the consolidation, and that the management report presents a fair review of the development of the business, earnings and financial position of the Company and all the entities included in the consolidation as well as a description of the main risks and uncertainties to which they are exposed.

I have received from the statutory auditors an audit completion letter in which they state that they have verified the information relating to the financial position and the financial statements provided in the Registration Document and have read the Registration Document in its entirety.

Eric Hémar
Chairman and CEO

7.3 PERSON RESPONSIBLE FOR FINANCIAL REPORTING

Mr. Yann Perot
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8/ CROSS-REFERENCE TABLES

8 CROSS-REFERENCE TABLES

In order to facilitate the reading of this annual report in the form of a registration document, the cross-reference table given below allows readers to identify the main information provided under Appendix 1 of European Regulation 809/2004 implementing EU Directive 2003-1971. (n/a: not applicable)

Headings of Appendix 1 of EU Regulation 809/2004 Page

In order to facilitate the reading of this document, the cross-reference table below allows readers to find compulsory disclosures for listed companies, pursuant to Articles L 451-1-2 of the French Monetary and Financial Code and 222-3 of the General Regulation of the French Financial Markets Authority, in this Registration Document. The table also specifies chapters that cover "regulated information" as defined by Article 221-1 of the General Regulation of the French Financial Markets Authority.

2012 FINANCIAL REPORT

In order to facilitate the reading of this document, the cross-reference table below allows readers to find management report information in this Registration Document. It is also indicates the chapters corresponding to the documents attached to the management report.

MANAGEMENT REPORT	**Chapter**
Objective and exhaustive analysis of the company's business operations, earnings and financial position, including level of debt, volume and complexity of business with any non-financial key performance indicators relating to the company's specific operations, including environmental and employee matters. Where applicable, this analysis contains references to amounts given in the financial statements and additional explanations.	4.2, 4.4
The company's position and business during the prior fiscal year	4.9.1
Forecasts	4.2
Key post balance sheet events	4.14
Equity interests acquired of 5%, 10%, 20%, 33.33%, 50% and 66.66% of the capital or voting rights, or acquisition of control	4.16
Research and development activities	4.9.1
Earnings of the company and its subsidiaries	4.9.1, 1.11
Progress achieved	4.2, 4.9.1
Difficulties encountered	4.2, 4.9.1
Future prospects	4.14
Choice made of one of the two general management methods, if changed	n/a
Activity of subsidiaries and equity investments by business sector	1.9.2, 4.2
Status of employee shareholdings as of the balance sheet date and proportion of capital held by employees, including stock held by a PEE (corporate savings plan) or FCPE (company mutual fund)	1.12.15
List of offices and functions exercised in all companies by each corporate officer during the fiscal year	3.3.3
For companies operating at least one SEVESO facility: Information on the company's technological accident risk prevention policy, Information on the company's ability to meet its property and personal civil liabilities arising from operating such facilities, Details on the company's resources allocated to compensating victims in cases of technological accidents for which it may be liable	n/a
Treasury shares and cross-shareholdings: identities of controlled companies holding company stock and equity interest held	n/a
Notice of holding more than 10% of the capital of another joint stock corporation. Alienation of cross-shareholdings	n/a
Dividends distributed in respect of the last three fiscal years and amount of distributed earnings eligible and non-eligible to tax allowances broken down by category of stock	4.7.1
Expenses not deductible for tax purposes	4.9.1
Number of shares purchased and sold during the year pursuant to Article L 225-209 of the French Commercial Code stating the average purchase and sales prices, the value of transaction costs, the number of treasury shares held at the balance sheet date, their value at purchase price, their par value for each of the objectives, the number of shares used, any reissues of treasury shares and the proportion of capital they represent	5.2.3
Any injunctions or financial penalties imposed by the French Competition Council for anti-competitive practices	n/a
Details of calculation and results of adjustments to the bases for exercise of securities giving access to the capital in the case of rights issues, bonus share issues, distribution of reserves or issue premiums, change in the distribution of	n/a

earnings or reduction in capital	
Choice of the Board relating to procedures for corporate officers to hold bonus shares and/or shares resulting from the exercise of stock options	n/a
Information on the deadlines for payment of suppliers	4.4
Description of the principal risks and uncertainties	2
Indications on the Company's use of financial instruments	n/a
Amount of remuneration and benefits of any kind paid to agents during the exercise by the Company and the companies controlled and controlling	3.3.3
Indications on the Company's use of financial instruments	n/a
Information on the manner in which the Company takes into account the social and environmental consequences of its activity	1.12
Social commitments in favor of non-discrimination, the promotion of diversity and sustainable development	1.12.5
Details of calculation and results of adjustments to the bases for the exercise of stock options in the case of a Company buyback of its own shares at a price higher than the listed price	n/a
Details of calculation and results of adjustments to the bases of securities giving access to the capital in the case of a Company buyback of its own shares at a price higher than the listed price	n/a
Information on the risks incurred in case of variation in interest rates, exchange rates or stock prices	2.3
Reference to Dutreil Act lock-up agreements	n/a
Quantified information on the impact of the transition to IFRS	n/a
Items likely to have an impact in the event of a public takeover bid	3.3.3
Summary of directors' securities transactions	3.1.1, 5.2.7
Identity of persons directly or indirectly holding more than 5%, 10%, 15%, 20%, 25%, 33.33%, 50%, 66.66%, 90% or 95% of the capital or voting rights	3.1.1
Documents attached to the management report	
Summary of valid powers granted by the shareholders' general meeting to the Board of Directors in respect of capital increases; exercise of such authority during the year	5.2.5
Table of earnings for the last five fiscal years	4.9.4
Chairman's report on internal control and corporate governance	3.3.3

In order to facilitate the reading of this document, the cross-reference table below allows readers to locate the CSR information provided for by Article L. 225-1-102-1 of the French Commercial Code in this Registration Document.

Reg. Doc. pages

CSR INFORMATION

1. Staff information
a) Employment
- total headcount and breakdown of staff by gender, age and geographical region 55
- recruitment and dismissals...*(1)*
- wages and salaries..*(1)*
b) Work organization
- organization of working time..*(1)*
- absenteeism..*(1)*
c) Industrial relations
- organization of industrial relations, including staff communication, consultation and bargaining procedures ....*(1)*
- summary of collective agreements...*(1)*
d) Health and safety
- health and safety conditions at work...57-58, 62-63
- agreements on health and safety at work signed with trade unions or staff representatives .... *(1)*
- industrial accidents, frequency and severity thereof, occupational illnesses.......................58, 63
e) Training
- training policies implemented 56-58
- total training hours 56-58
f) Equal treatment
- measures adopted to promote equal opportunities for men and women................................*(1)*
- measures adopted to promote the employment and integration of disabled persons..............*(1)*
- anti-discrimination policy ....*(1)*
g) Promotion of and adherence to the ILO fundamental conventions relating to
- freedom of association and the right to collective bargaining..*(1)*
- elimination of discrimination in respect of employment and occupation..................................*(1)*
- elimination of forced or compulsory labor ....*(1)*
- effective abolition of child labor ....*(1)*

2. Environmental information
a) Overall environmental policy
- Company organization with regard to environmental issues, measures adopted in relation to environmental assessment and certification...35-36, 48-55
- staff training and awareness programs regarding protection of the environment 48
- resources allocated to the prevention of environmental risks and pollution 35-36, 48-55
- amount of provisions and guarantees in respect of environmental risks, provided such information is not liable to cause serious harm to the Company in connection with an ongoing dispute...n/a
b) Pollution and waste management
- measures to prevent, reduce or repair serious damage to the environment through atmospheric, aqueous or ground emissions 48-55
- waste prevention, recycling and disposal measures...48-55
- measures taken with regard to noise pollution and all other forms of pollution specific to the Company's operations..*(2)*
- land use ....*(2)*
c) Sustainable use of resources
- water consumption and supply with regard to local restrictions 50-51
- raw materials consumption, measures taken to maximize efficiency of use ....*(2)*
- energy consumption, measures taken to maximize energy efficiency and the use of renewable energies...51-52

(1) Relevant indicators not currently monitored with sufficient regularity or reliability at Group level to allow publication. This is an area of improvement for the Group in 2013, particularly with regard to the foreign subsidiaries. The Group aims to publish consolidated data in this respect as from fiscal 2013.
(2) Indicators irrelevant or immaterial with regard to Group operations.

APPENDIX 1

GLOSSARY

"Class A" logistics building	Warehouses with a height of over 9.3m and a maneuvering area over 35m deep. The buildings must also be insulated, heated and equipped with sprinkler systems, with a load-bearing capacity of at least 5 tons per sqm.
CID	A scheme for the certification of best practices which has been gradually rolled out to all Group entities and which enables the Group to guarantee a consistent and high-level operating quality all over the world
Collaborative Consolidation Center (CCC)	Supplier consolidation center
Co-packing	Packaging operation involving the grouping of parts into a batch (special offers, for example) or for shop displays
Cross-docking	Organization of transport such that the goods are received from the suppliers and customer orders prepared and shipped on the same day, with zero storage time
Datacenters	Servers for storage and backup of all data (transport flows, inventories, etc.) managed by ID Logistics
EDI/WEB EDI	Electronic Data Interchange: the transfer of information in electronic form either by direct connection or via the internet (WEB EDI)
Engineering	The specific activity of defining, designing and analyzing

	projects for works, operations, coordination, support or control with a view to the execution and management of such projects
Fast Moving Consumer Goods (FMCG)	Goods that are sold quickly and generally have a low price
Freight forwarding	The organization and management of international transport. The freight forwarder acts as an intermediary between its customer and the international transportation operators and organizes the transit arrangements for the transported goods (insurance, customs and administrative formalities, transport solutions, etc.)
Full load	A load that fills the whole vehicle (truck, freight wagon, barge, etc.), by occupying the entire floor space or by its volume or weight, leaving from a single point and delivered to a single customer
GHG	Greenhouse gases
HBA	Health, Beauty & Accessories
ICPE	"*Installation Classée pour la Protection de l'Environnement*" – classified facility for the protection of the environment
Kanban	A method of production management of Japanese origin designed to ensure just-in-time procurement by means of a card system. The aim of this method is to adapt the inventory level in accordance with actual and forecast consumption.
Key Performance Indicators (KPI)	A set of performance indicators designed to measure the operating quality achieved in relation to a customer contract
Kitting	Putting several items together to form a kit or pack
Mini-load system	An automated compact storage system
Multi-supplier consolidation	The sharing of a warehouse by several suppliers of the same customer. The goods remain the property of the suppliers, which are often too small to be able to deliver regularly to retailers at a competitive price. This type of storage guarantees the availability of products to the customer.
Operating Specifications	Describe the entire service and assets to be provided by the Group
Pick-n-Go / Pick and Go	A system combining the classic picking truck, a voice-operated/radio frequency system, a WMS and a laser guiding system operated by means of terminals situated in the warehouse. The system facilitates the handling of goods and the movements of operators.
Psychosocial risks	Principally stress at work
Quality Specifications	Describe the quality commitments undertaken and how they are to be measured
Radio Frequency Identification (RFID)	Technology enabling the remote collection and storage of data
Shared distribution center (EMCA)	The principle of these warehouses involves setting up a regional industrial inventory hosted at a retailer's logistics warehouse with rail access, from which products will be shipped both to the retailer's stores and to other retailers' warehouses.
Shipment "per pallet"	A form of shipment and pricing per pallet unit (as opposed to full load)
Shipper	The order issuer of the logistics operator
Supply chain	The flow of goods and information through logistics processes from the purchase of raw materials to delivery of the finished products to the customer. The supply chain includes all service providers and customers.
Traditional pallet distribution	Transportation, mainly by road, typified by the weight of

	packages (less than 500 kg) and speed of delivery
Transport Management System (TMS)	A system of transport management enabling providers to manage and plan the customer's transport requirements and to offer optimized integration of the transport organization within its supply chain
Voice-Picking	A system of order picking controlled by voice recognition. The order picker wears a single ear headset.
Warehouse Management System (WMS)	Warehouse management software