

2013 annual report

SMART LOGISTICS



Technology



International



Supply chain



ID[↑]
LOGISTICS

The logo for ID Logistics, featuring the letters 'ID' in a stylized, bold font with an upward-pointing arrow above the 'D', and the word 'LOGISTICS' in a clean, sans-serif font below it.

ID Logistics, a contract logistics group founded in 2001, develops and implements tailored-made solutions for all or part of the supply chain. With 13,000 employees and operations in 14 countries, the Group support its customers worldwide. Its core value proposition is developing smart logistics to combine the benefits of a dedicated architecture, cutting-edge technology, operational efficiency and innovative capability, always with a strong commitment to sustainability. ID Logistics is listed on the NYSE Euronext. Revenues amounted to €735 million in 2013, with a balanced spread between the retail, manufacturing, unit picking and e-commerce sectors.



14
COUNTRIES



13,000
EMPLOYEES

€735
MILLION OF
REVENUES



EMPLOYEES

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“

Smart logistics at the heart of the value chain.

”



ÉRIC HEMAR
Chairman and Chief Executive Officer

HOW DO YOU ASSESS YOUR BUSINESS PERFORMANCE IN 2013?

In 2013, we achieved further sustained organic growth coupled with equally strong external growth. Our buoyant business momentum was reflected in new contracts that contributed about 18% of our revenue growth. We also acquired CEPL in July 2013, a company with revenues of €180 million, half of which was consolidated by us in 2013. All in all, we reported growth of more than 31% in revenues and more than 69% in operating income, pushing the operating margin up to 4.3%. I think we can say that ID Logistics reached a new milestone in 2013.

WHAT DOES ACQUISITION OF CEPL MEAN FOR YOU?

We were well prepared for this major deal, thanks not only to our previous acquisition experience but also to our own IPO in 2012, which provided us with the resources we needed. CEPL is the French leader in unit picking and was therefore of particular interest to us. It significantly enhances our capability in this strategic area. It not only strengthens our positions in the buoyant luxury goods, cosmetics, cultural goods and high-tech markets, but also enables us to offer this type of service to our traditional manufacturing and retail customers. With their increasingly diverse distribution channels, and particularly the boom in e-commerce, they are seeking contract logistics specialists capable of handling unit picking and providing smart logistics solutions.

WHAT DOES SMART LOGISTICS MEAN?

Logistics has become a core pillar in the value chain for manufacturers and retailers. It is crucial for them to have the right product at the right time in the right place at the least possible cost, otherwise they cannot be competitive in the market. Distribution methods are evolving and have grown increasingly complex, particularly with direct deliveries to the consumer and in-store online order pick-up. Strong competition requires a high quality performance in logistics services. Contract logistics consists of building

and implementing a made-to-measure solution for each customer, comprising services tailored to their specific needs. Through our end-to-end personalised service offering, we can guarantee to deliver results. Smart logistics is the ability to build up this set of services using new technologies wherever they can save time and cost.

WHAT STAGE HAVE YOU REACHED IN YOUR INTERNATIONAL EXPANSION?

The CEPL acquisition has strengthened our positions in Europe. Since its foundation in 2001, ID Logistics has set up in one new country on average per year. With our expertise and experience in international logistics, we can support our customers in their strategies around the world. We set up a subsidiary in a country to meet the needs of a specific company and then develop the subsidiary's business internationally and locally.

WHAT ARE YOUR OBJECTIVES FOR 2014 AND BEYOND?

After our very strong internal and external growth in 2013, this year we plan to focus on completing the integration of CEPL and consolidating further on our positions in our various markets. We want to win new customers in unit picking to prove that not only do we have this expertise but also that we have strengthened it. After that, we will pursue our growth strategy, including targeted acquisitions, with a strong focus on international expansion.

STRENGTH

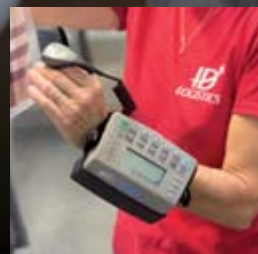
NO. 1

FOCUS ON NEW TECHNOLOGIES



NIVEA

In the world of personal care and cosmetics, there can be no compromise with perfection. A new platform dedicated to Nivea, with integrated scanners, software, interfaces and RFID, was set up in Brazil in 2013. All these technologies avoid the need for manual operations and therefore eliminate the risk of error, reduce lead times and optimise costs. All goods flows are monitored automatically on an article-by-article basis.



120

EMPLOYEES WORK
AROUND THE CLOCK
IN THREE SHIFTS

145,000

ORDERS
PER DAY



Technology: value creation for our customers

SPECIALISED INFORMATION SYSTEMS FOR EACH BUSINESS

In logistics, the use of new technologies, especially information systems, is a vital factor in operations support and tracking. The key direct benefits for the client company are improved organisation and the ability to provide better information to its own customers. In this area, ID Logistics has high quality internal resources that are specialised by business type for superior performance.

The Group has always been at the cutting-edge of technological innovation. Examples include the use of smart forklift truck in warehousing operations and the development of specific tools to manage transport sharing between the various supply chain partners (suppliers, production plants, stores, etc.).

At ID Logistics, technical and technological innovation is an important factor in designing and implementing dedicated solutions. The aim is to improve product availability at the best possible cost. For our client companies, logistics has therefore become a core pillar of their value chain.

OPTIMUM PRODUCTIVITY AT EACH LINK OF THE CHAIN

In order to achieve the results specified in our contract with each customer, we use innovative tools in our warehousing facilities, value-added services and transport management operations. These tools contribute directly to optimising productivity at each stage of the logistics chain. For example, the use of voice picking technology eliminates the need for an operator, thereby speeding up the process and making it more reliable. The use of radio-frequency identification (RFID) technology enables goods to be tracked across the entire logistics chain by communicating with RFID tags on containers, pallets, crates and, sometimes, units. The benefits include accuracy, visibility, reliability, productivity optimisation and better traceability.



*Pick-to-light
system*



*Warehouse
management
system*

A FORWARD-LOOKING APPROACH

Our approach to new technologies has taken on a new dimension with the creation of an innovation department. It is responsible not only for implementing the most recent developments but also for anticipating future trends. A guarantee that our customers will always benefit from the most effective tools in the market and that the Group will retain its lead in this field.

STRENGTH
NO.2
UNIT PICKING

GUERLAIN AND LVMH FRAGRANCE

What Guerlain and LVMH Fragrance are looking for in a logistics provider is a high quality partner in selective distribution and e-commerce, capable of tailoring its solutions to all distribution channels, from a single article through to boxes and pallets, and also of providing a personalised online order handling service.



AUTOMATED
PLATFORMS
TOTALLING
ALMOST

40,000 M²



5.5
MILLION
ORDER LINES
PER YEAR

Unit picking: a booming market

To support its customers in the perfumes and cosmetics industry, which include Guerlain and LVMH Fragrance Brands (Givenchy, Kenzo and Fendi), Elizabeth Arden, Marionnaud, Puig, Yves Rocher, By Terry and Revlon, ID Logistics provides a unit picking solution with a high-end service combining quality, strict compliance with lead times, responsiveness, flexibility, efficiency, traceability and innovation. All these requirements are met regardless of the distribution channel or number of articles delivered.

GROWING NEEDS

Our unit picking solution meets the traditional needs of both manufacturers and retailers of cultural and high-tech goods. But today, it is also of growing interest to companies in other business sectors. Until recently, the point of sale was the main distribution channel for most manufacturers and retailers but with the boom in e-commerce, they now need an entirely new form of logistics organisation.



*Order picking
quality control*

END-TO-END APPROACH AND HIGH VALUE-ADDED SOLUTIONS

In 2013, ID Logistics acquired CEPL, strengthening its expertise in unit picking. CEPL's experts have developed effective end-to-end, personalised solutions:

- upstream, with component storage and management, transport, customs management and container deconsolidation;
- downstream, with transport and customs management for all distribution channels;
- across the distribution chain, with high value-added services such as assembling kits and display cases, assembling box sets, co-packing, cellophane wrapping and personalised packaging according to the market.

*Unit picking chain
for cosmetics
and perfumes*



INTEGRATION OF CEPL, FRENCH NO. 1 IN UNIT PICKING

The acquisition in 2013 of CEPL, French leader in unit picking, has helped ID Logistics to consolidate its positions in the buoyant perfume, cosmetics and cultural goods markets. CEPL's customers will gain the benefit of the Group experience, and particularly its highly-reputed international support. In addition, ID Logistics traditional customers will benefit from its improved capability in unit picking.

Scan the QR code to watch the video on unit picking in Barcelona.



STRENGTH
NO.3
TEAM INVOLVEMENT



LE COQ SPORTIF

By making logistics a core pillar of its organisation, Le Coq Sportif can guarantee its customers optimum quality in the delivery of its sportswear and leisurewear. Goods are distributed throughout the world from a single platform in Alsace with a dedicated ID Logistics team committed to providing each distribution channel with an effective, personalised service.



4

MILLION PACKAGES
DELIVERED EACH YEAR,
COMPRISING 35,000 ITEMS

4,600

SALES OUTLETS
WORLDWIDE



Commitment: shared values focusing on the customer

In logistics, a company's expertise is based first and foremost on its people, their skills and their commitment. From the outset, ID Logistics united its teams around strong values. All employees, whether they joined the Group at its very beginnings or later on, have endorsed and adopted these values and illustrate them at all times in their commitment to the customer.

UNITED THROUGHOUT THE WORLD

These values create a close-knit team regardless of geographical location or function. The first value is Entrepreneurship. A genuine watchword for the Group, which we define as dare, imagine, develop and be rigorous when taking and measuring risks. Operational Excellence, our second value, means total compliance with contract specifications and service levels, an absolute must in contract logistics. It also means focusing on new technologies to hone this excellence on an ongoing basis. The third value is being Demanding. In other words, rigour, discipline and professionalism in human



Inventory management team

relationships whether within the Group or with customers and partners. The fourth value is Solidarity between employees and between the Group's business units. This means supporting customers and partners when difficulties arise, and leading or taking part in many programmes to promote responsible, sustainable development.

TEAM SPIRIT IN EACH SUBSIDIARY AND EACH SITE

Combined with training, talent identification and promotion, these values create a very strong team spirit within the Group. This approach is supported by our "CID" internal certification programme, which promotes and helps to spread best practices, always for the customer's benefit.

Forklift truck operator with on-board terminal



4 FOUNDING VALUES

ENTREPRENEURSHIP

Dare, imagine, develop and be rigorous when taking and measuring risks.

OPERATIONAL EXCELLENCE

Total compliance with specifications and service levels. Focus on new technologies to hone our excellence.

DEMANDING

Rigour, discipline and professionalism in human relationships whether within the Group or with customers and partners.

SOLIDARITY

Foster solidarity between employees and between the Group's business units. Support employees, customers and partners when difficulties arise, lead or take part in responsible, sustainable development initiatives.

Scan the QR code to watch the video welcoming CEPL employees after the acquisition of their company.



Intelligence at each sta

Providing dedicated
or shared LOGISTICS
SOLUTIONS

END-TO-END CUSTOMER SUPPLY CHAIN SOLUTIONS

Inbound goods, inventory management, order picking... The services ID Logistics provides to its manufacturing customers may also include co-packing, delayed differentiation and delivery to their distribution centres as well as their end customers. The Group also provides them with international support.

MORE THAN

50%

OF OUR SITES
ARE DEDICATED
TO CUSTOMERS WE
WORK WITH IN MORE
THAN ONE COUNTRY



OPTIMISING
processes

TRANSPORT MANAGEMENT

ID Logistics manages its customers' transport operations through tracking centres. Its efficient IT systems, which include Transport Management Systems (TMS) and a Web portal, enable the Group to optimise all the customer's physical goods flows, improve productivity and traceability and promote sustainable development.

1.2

MILLION
TRANSPORT
ORDERS
EACH YEAR



ge of the supply chain

Putting
**CUTTING-EDGE
TECHNOLOGY** at
the customer's
service

INVENTORY MANAGEMENT AND OPTIMISATION

Manufacturers' products are received by ID Logistics on behalf of major or specialised retailers. Using innovative technology, our teams control, manage and prepare orders for delivery to sales outlets and consumers, especially in e-commerce.

3,100,000

M² OF
WAREHOUSES
MANAGED
THROUGHOUT
THE WORLD



Creating
**ADDED
VALUE** and
guaranteeing
results

ORDER PICKING AND DISTRIBUTION

ID Logistics delivers goods to stores or direct to consumers in strict compliance with the agreed contractual terms. The Group may also provide other specific services such as replenishment or product returns management.

ALMOST
100%
SERVICE
LEVEL



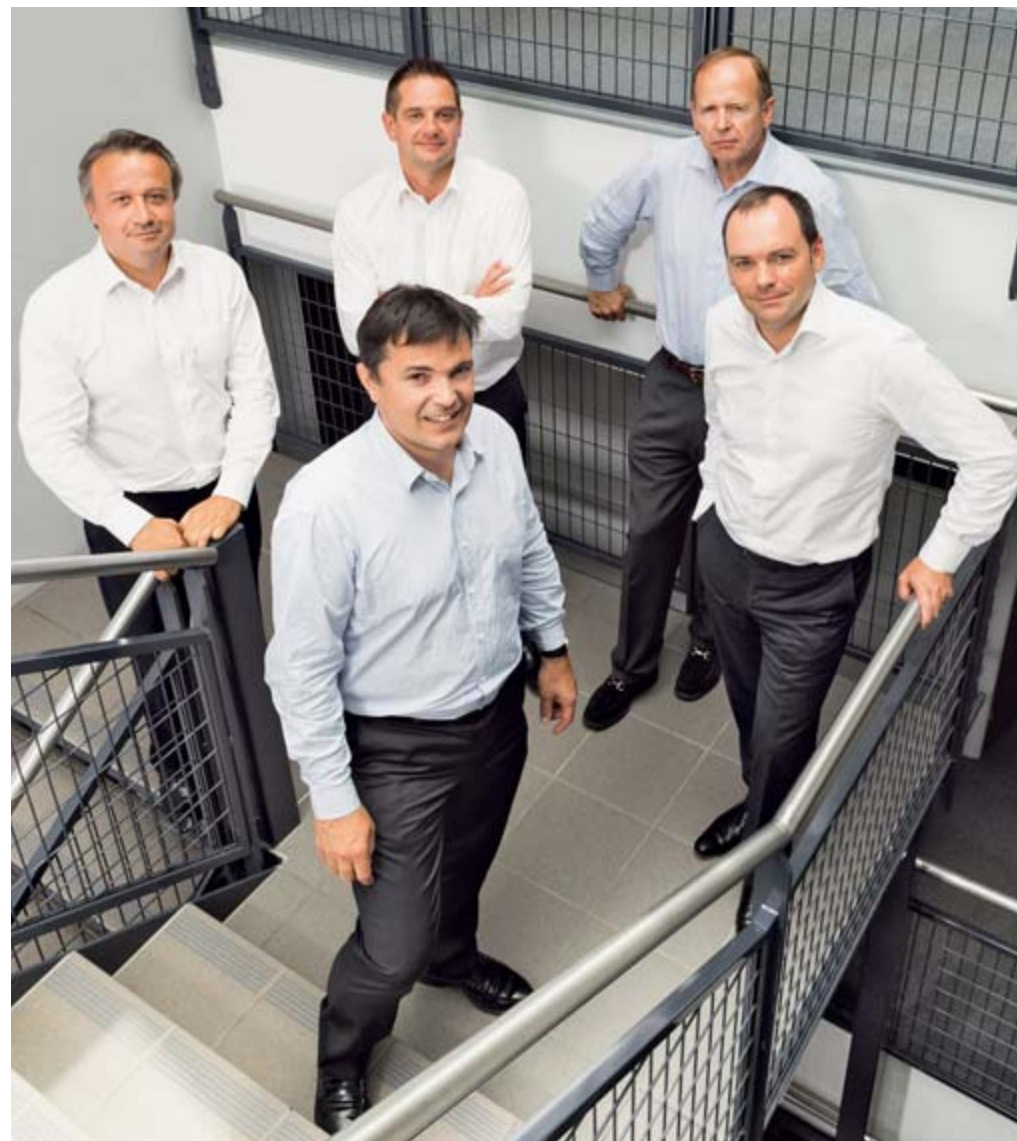
Focus on transparency and efficiency

ID Logistics is majority owned by its management. It is governed by a Board of Directors which includes a number of independent directors and has an Audit Committee, in line with international practices and the standards required of a listed company.

MANAGEMENT COMMITTEE

Combined with its organic growth, the Group's acquisition of CEPL has changed its dimension by opening up new avenues of growth. In order to capitalise on these new opportunities, ID Logistics has set up a challenging new programme called "New Step". The goal for each subsidiary is to strengthen best practices, whether shared or subsidiary-specific, in five areas: operations, business development, contract management, human resources and finance. The Management Committee is directly responsible for managing change related to the programme.

ID Logistics' head office in Cavillon



Management Committee



CHRISTOPHE SATIN
Managing Director

“ My job is to implement the Group’s strategy by making sure we have the right people and the right resources. This means anticipating change and thinking about where the company wants to be in the future to ensure that it remains attractive and competitive.



VINCENT FONTAINE
Executive Vice-President
Operations

“ It is vital for our customers to be able to rely on optimum productivity, cost and service level. I am therefore responsible for implementing and ensuring compliance with our best practices by selecting and developing the skills of our employees.



YANN PEROT
Executive Vice-President
Finance

“ I am in charge of organising our financial resources to serve the Group’s strategy and ambitions. Financial management contributes directly to our performance and to preventing risks.



LUDOVIC LAMAUD
Executive Vice-President
Business Development
& Innovation

“ My role is to define the Group’s commercial strategy. I am also involved in the made-to-measure solutions we develop for each customer in order to anticipate their future needs. I run our innovation activities both in new technologies and new services.



ÉRIC HÉMAR
Chairman and Chief
Executive Officer



With the Board of Directors, I define the Group’s strategy and make sure that the company always stays close to its customers. I am responsible for the commitments the company makes to its customers, employees and shareholders.



ÉRIC HÉMAR



CHRISTOPHE SATIN



MARIE-AUDE HÉMAR



MICHEL CLAIR

BOARD OF DIRECTORS

The Board of Directors comprises representatives of the shareholders and independent business people:

Éric Hémar, Chairman and Chief Executive Officer;

Christophe Satin, Managing Director;

Immod, represented by **Marie-Aude Hémar**;

Michel Clair, independent director and chairman of the Audit Committee;

Jacques Veyrat, non-voting director and member of the Audit Committee;

Nicolas Derouin, non-voting director and Chief Executive Officer of ID Logistics Brazil.



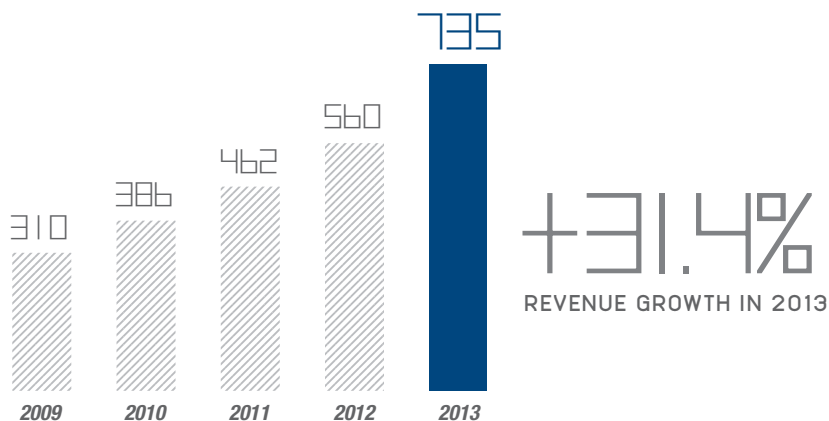
JACQUES VEYRAT



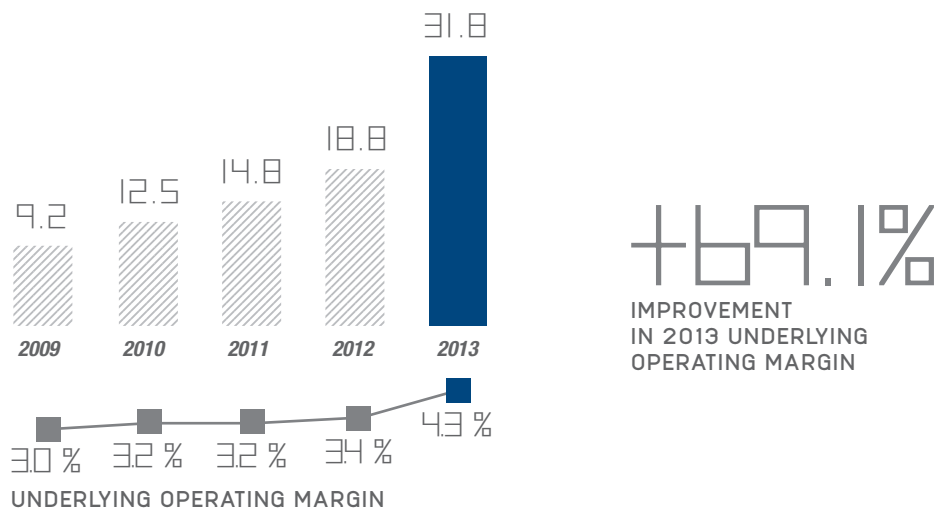
NICOLAS DEROUIN

Momentum confirmed in 2013

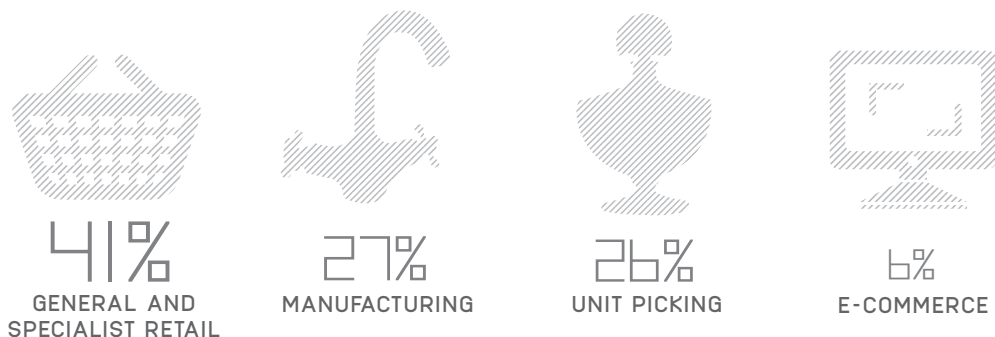
REVENUES (in € millions)



UNDERLYING OPERATING INCOME (in € millions)



BREAKDOWN OF REVENUES BY MARKET



BREAKDOWN OF REVENUES BY GEOGRAPHICAL AREA

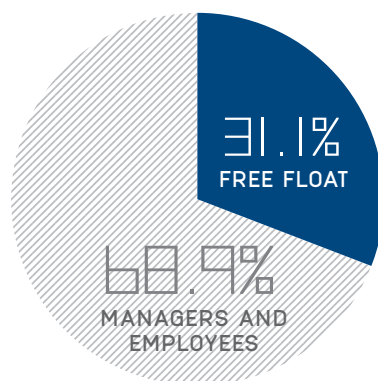


A successful year on the stock market

After its successful IPO in April 2012, ID Logistics continued to attract new investors. At the end of its first full year as a listed company, ID Logistics joined Compartment B of the NYSE Euronext Paris and became a member of the CAC Small, CAC Mid & Small and the CAC All-Tradable indices.

ISIN: FR0010929125

OWNERSHIP STRUCTURE at 31 May 2014



TRENDS IN SHARE PRICE AT 13 JUNE 2014 (in €)



The ID Logistics team with the President of the French Republic at the "Audace créatrice" innovation and creativity awards on 27 September 2013

NEW AWARDS FOR THE GROUP

THE "AUDACE CRÉATRICE" AWARD was presented to **Éric Hémar** by the President of the French Republic, **François Hollande**, at the **Élysée Palace** on 27 September 2013. The award recognises a listed French company that has succeeded in simultaneously increasing its results, profitability and workforce in France.

Having won the NYSE EURONEXT IPO AWARD in 2012, the Group received the MERGERS & ACQUISITIONS AWARD for the acquisition of the CEPL Group in 2013. The award, which is presented by Option Finance magazine, is based on the deal's innovative, technical, communication and value creation content.

“ The stock market listing is fully in line with the Group's development strategy through the financial resources it provides and the standards of transparency it requires.



YANN PEROT
Executive Vice-President
Finance

2013, A YEAR OF GROWTH, INNOVATION AND COMMITMENT

On an international level, the integration of CEPL has strengthened the Group's positions in Europe while its business growth has consolidated its positions in several countries. In R&D, human resources and social responsibility, ID Logistics has continued to demonstrate momentum, anticipation and efficiency, always with a strong commitment to sustainable development.



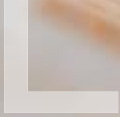
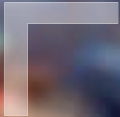
International



R&D



CSR



End of unit picking chain

Continued international expansion

International expansion is a core component of ID Logistics' strategy and reflects its ability to support its customers in their operations worldwide. At the end of 2013, the Group consolidated its positions in many countries.

Immediately after its foundation in 2001, ID Logistics began to expand internationally by opening a subsidiary in Taiwan. International expansion then continued apace, first in Brazil and then in China, Spain and all continents at a rate of about one new country per year. Supporting our customers has always been a key priority for us, through our ability to handle complex operations and provide high-quality logistics services in remote countries.

The Group has taken a pragmatic approach to its international expansion by opening subsidiaries in countries initially to support a specific customer. Its international expertise and experience guarantee its success no matter where the Group decides to set up in business. Once in place, the subsidiary then develops its business for new international or local customers.

2013 was notable mainly for our expansion in Europe. The integration of CEPL gave us new positions or strengthened our existing positions in Germany, the Netherlands and in particular Spain, a country with major growth potential.

RUSSIA

SEPTEMBER
2013



ID Logistics has been operating in Russia since 2011 and on 16 September 2013 started working on a major contract for Atak, a subsidiary of Auchan. A 12,500 m² site in Noginsk, 40 kilometres from Moscow, delivers more than 100 stores in the area. More than 22 million parcels containing fresh produce and fruit and vegetables are handled around the clock each year under a full logistics service that includes a turnkey property solution, controlled temperature cross-docking operations and downstream transport management and optimisation.

The cutting-edge equipment used at the site, such as voice picking and ergonomic wireless terminals, are combined with process optimisation to deliver an excellent service level, fully tailored to Atak's needs in Russia.

SOUTH AFRICA

OCTOBER
2013



The South African subsidiary was opened in October 2012 to support Danone, one of our long-standing customers, in its growth strategy. The subsidiary acquired a logistics site with 110 people in Boksburg, near Johannesburg. In South Africa, like the rest of Africa, Danone's dairy business is enjoying strong growth. Operations started up in early 2013 and include a full warehousing service and downstream transport management.

Our support for Danone is set to expand in 2015, when we will take over responsibility for the entire distribution of its products in South Africa.

BRAZIL | CONTINUED GROWTH IN 2013



Brazil was among the Group's first international developments and is now its largest subsidiary, both in terms of revenue and workforce. In 2013, business expanded rapidly with new contracts, including Nivea.

This trend confirms the importance of this strategic country in a booming part of the world. The Brazilian subsidiary provides technical assistance to the Argentinian subsidiary and in 2013 enjoyed steady growth both with Brazilian customers and large international groups.



- | | |
|-----------|--------------|
| ARGENTINA | NETHERLANDS |
| BRAZIL | POLAND |
| CHINA | RÉUNION |
| FRANCE | RUSSIA |
| GERMANY | SOUTH AFRICA |
| INDONESIA | SPAIN |
| MOROCCO | TAIWAN |

Continent	Country	Warehouses (in m²)
EUROPE	6	2,300,000
SOUTH AMERICA	2	630,000
ASIA	3	135,700
AFRICA	2	49,000
INDIAN OCEAN	1	37,000



ID Logistics has operated in Shanghai since 2003, where it manages the distribution for several major manufacturing and retail customers

Innovation, a strategic priority

ID Logistics has four goals in terms of innovation: promoting business development by providing high value-added logistics solutions to manufacturing and retail customers; continuously improving the quality and cost of service for existing customers through new services; optimising operational efficiency to gain in productivity and agility; maintaining and ultimately strengthening its differentiation in the markets where the Group operates.

A PIONEERING LOGISTICS GROUP

ID Logistics has always been a pioneer. For example, the Group was one of the first logistics providers in France to use voice-picking technology and to test smart trucks. To speed up this innovative capability, a formal R&D site was set up in 2013 and a manager was appointed to head up a four-man team with correspondents in the Group's various departments. This site covers two types of research. The first is fundamental research, which is essential to promote innovative breakthroughs that can be used in totally new services likely to radically alter the customer experience and the business model. The second is based on grass roots experience. Here, the entire process, from identifying a need through to designing, testing, validating and deploying a new product or service, is shorter and takes about one year instead of two or three.



LUDOVIC LAMAUD
Executive Vice-President
Business Development
& Innovation

“
Twice as many
innovations within
the next two
to three years.”
”

EXTENDED ECOSYSTEM TO ENHANCE RESEARCH

As part of our review in 2013, the Group identified and listed its innovations in order to drill them down into best practices. R&D does not flourish in a vacuum. An extensive ecosystem has therefore been built throughout the company and through a network of research centres, major schools and universities, customers and suppliers, to enhance the Group R&D work. Combined with this partnership approach, ID Logistics new R&D site should enable the Group to achieve an ambitious goal of doubling the number of innovations within the next two or three years.

Scan the QR code
to see the interview
with Ludovic Lamaud.



Since the outset, ID Logistics has made innovation a core pillar of its service offering and a strategic priority. The aim is to improve its value proposition further.



HIGH-TECH WAREHOUSES

*End of packaging
chain before shipping*

**Voice picking, RFID,
smart trucks...**
**ID Logistics has always taken
on groundbreaking innovations
as soon as they are available.**
**Promising new technologies
include augmented reality:
using special glasses,
operators will be able to obtain
information about product
outflows, the optimum path
or product data by projecting
a virtual model onto the real
world environment.**

Preserving the environment wherever the Group operates

ID Logistics sustainability strategy is based on three pillars: environmental, social and economic responsibility. In each area, issues are assessed on both an internal basis (actions taken within the Group) and an external basis (customers or partners).



On the left, an automatic rotary arm stretch wrapper

On the right, a roll packer for waste containers

To promote greater efficiency, ID Logistics sustainability policy is largely decentralised. The Group sites have defined a set of actions divided into five key areas: energy, waste, water, workforce and social. The number of actions has risen from about fifty at the outset to more than eighty today. Each action is presented on the Group intranet with its toolbox. For example, for the installation of a sorter, the expected gains were quantified, the processes described and master agreements drafted (particularly for consumables).

MORE THAN 1,000 ACTIONS VALIDATED

This formal yet pragmatic approach involves ranking ID Logistics sites according to their maturity in the Group, from “beginner” level through to “champion”. Each one is required to reach targets, which are validated by a points system based on the difficulty and

impacts of each action. Since the approach was first introduced, more than 1,000 local projects have been approved internally under the CID (internal certification process).

JOINT ACTIONS WITH CUSTOMERS

Other programmes are developed centrally, for example employee car sharing. Through a specialised website, this approach is extremely effective in reducing greenhouse gas emissions and has been adopted by some fifteen sites.

Among the Group external actions, the sales and marketing teams are tasked with engaging all customers in discussions on issues that can be tackled jointly. For example, a recent study on the use of pallets conducted jointly with Auchan enabled us to reduce the environmental impact of ID Logistics transport operations.

CERTIFIED ENERGY SAVINGS

With two major retail chains, ID Logistics has focused on reducing the consumption of heavy goods vehicles, mainly through better management of tyres and driver training. This approach has obtained the ADEME's validation of energy savings certificates, which are sold to energy producers and distributors under an official French scheme. The Group aim to extend this approach to other links in the supply chain.

A Castorama decarbonised vehicle used for deliveries in Paris



Identifying talent and fostering its fulfilment

Sustainability entails having a responsible, incentivising human resources management policy. ID Logistics goal is to continuously develop its people's skills, both for their own personal fulfilment and to deliver the best possible service quality to its customers.

At ID Logistics, fulfilling talent and potential is a process that begins immediately upon recruitment and continues right through to training and career management. Talent is identified through a formal approach set out in a forward-looking programme called "Talents 2020", which enables managers to determine their career path and receive the right training.

MAJOR CAREER OPPORTUNITIES

More broadly, logistics is a business that offers substantial opportunities for internal promotion. More than one third of the site managers began their career as order pickers. To promote this approach, ID Logistics endeavours to recognise talent at all levels. Training programmes are specific to each subsidiary and very comfortably exceed legal requirements.

DECENTRALISATION AND SHARING FUNDAMENTALS

The CEPL staff who joined ID Logistics in 2013 were given a specific induction programme. The Group promotes a shared culture, especially among new joiners, through a decentralised Human Resources approach at grassroots level, and by spreading our values and operating methods. In this way, the Group can guarantee to deliver a consistently high service level throughout the world. From facility organisation through to safety in the workplace, fundamental operating principles are set out formally, spread, shared and implemented. Having completed the integration of CEPL, is now paying particular attention to these fundamentals.

LEAN MANAGEMENT AND MOBILITY

At the more mature sites, ID Logistics has introduced lean management programmes to ensure that all employees optimise their working methods. This has resulted in progress in team performance and safety. Also in 2013, international mobility was extended beyond the French framework to embrace other countries. Another advance was the greater involvement of employees in the Group's capital with the 2013 launch of the ID Logistics Group's employee share savings plan, which encourages employees to purchase shares in the company.



A team of safety engineers in Brazil

SAFETY, A DAY-TO-DAY PREOCCUPATION

ID Logistics has an above-average safety record in the French industry, with a 1.95 severity rate and a 54.61 frequency rate for workplace accidents. ID Logistics has invested in training as well as technical equipment to avoid certain gestures and postures (forklifts, pallet strapping machines, automatic stretch wrappers, etc.). Each month, results are analysed at a national operations meeting, which encourages forward thinking at the sites. The internal CID standards will be deployed in all the subsidiaries.

Scan the QR code to discover an original musical initiative at the ID Logistics Graveson facility.



Contributing to local development and the local economy

In the 14 countries where ID Logistics operates, its business makes a direct contribution to local, economic and social development. Each subsidiary broadens this involvement by confirming its social responsibility towards the local authorities and by promoting diversity among its workforce.



Children under the care of the IDEBRA association in Brazil, with a teacher

Solidarity, one of the Group's four core values, goes beyond a merely operational scope to encompass many initiatives wherever the Group operates. These initiatives not only benefit the employees of the Group subsidiaries but also residents living near their sites.

EDUCATIONAL INCLUSION IN BRAZIL

Among the major campaigns in this field, ID Logistics work with the IDEBRA association illustrates the Group's desire to strengthen its local roots and contribute to local development. IDEBRA was launched by the Group's Brazilian subsidiary when it was first set up in 2004 and aims to get children from the Beira Mar de Rio favela back into school. More than 1,500 youngsters have already benefited from the association's educational, sports and artistic projects. Each year, the Group, its partners and customers provide and manage funding for the association.

Many other, very diverse one-off actions are also taken by the local teams, always for the benefit of the local residents and their environment. For example, employees of the Réunion subsidiary helped to clear an entire major pathway on the island in 2013.

DISABILITY INCLUSION

The subsidiaries express their social responsibility through respect for diversity in their workforce. The Group has set up a specific programme called "Han'action" to promote disability inclusion. It is also lucky enough to have Nicolas Savant, a top-level table tennis player, on its payroll. Supported by ID Logistics, Nicolas won a bronze medal at the London Paralympics in 2012.

STRENGTHENING ACTIONS IN FAVOUR OF DISABILITY INCLUSION

In 2013, ID Logistics joined forces with the International Disability Employment Week with the aim of combating prejudice at its sites. An information brochure on the subject was distributed to all staff. The Group also took part in the Employment Forum run by ADAPT, an association that promotes the social and professional inclusion of disabled people.



2013 CONSOLIDATED FINANCIAL STATEMENTS

In 2013, the Group not only achieved strong organic growth but also acquired the CEPL Group, which has been fully consolidated in the financial statements since 1 July 2013. ID Logistics also improved its operational profitability and generated strong cash flow, giving the Group a robust financial structure.



Results

Consolidated income statement

(in thousands of euros)	31/12/2013	31/12/2012
Revenues	735,124	559,630
Purchases and external charges	(373,342)	(284,793)
Staff costs	(299,255)	(232,061)
Taxes other than on income	(11,594)	(8,975)
Other recurring income/(expense)	(793)	(140)
Net (charges to)/reversals from provisions	609	(661)
Depreciation and amortisation	(18,940)	(14,191)
Underlying operating income amortisation of customer relation acquired	31,809	18,809
Amortisation of customer relation acquired	(287)	(37)
Non-recurring expenses	(3,950)	(6,388)
Operating income	27,572	12,384
Financial income	946	958
Financial expense	(6,180)	(4,046)
Net income before tax	22,338	9,296
Income taxes	(9,313)	(4,800)
Share in income of associates	93	101
NET INCOME OF CONSOLIDATED COMPANIES	13,118	4,597
Attributable to non-controlling interests	1,068	479
Attributable to ID Logistics' shareholders	12,050	4,118
EARNINGS PER SHARE		
Basic (€)	2.18	0.81
Diluted (€)	2.07	0.77

The statements presented are a summary of the full version of the financial statements. The full version and the statutory auditors' reports are available on the ID Logistics Group's website at:
www.id-logistics.com/actionnaires/informations-reglementees

Consolidated balance sheet

(in thousands of euros)	31/12/2013	31/12/2012
Goodwill	121,204	60,641
Intangible assets	8,050	3,472
Property, plant and equipment	138,223	65,961
Investments in associates	1,211	1,141
Other non-current financial assets	4,503	2,664
Deferred tax assets	9,801	8,887
Non-current assets	282,992	142,766
Inventories	105	221
Trade receivables	131,487	94,919
Other receivables	31,578	20,692
Other current financial assets	5,124	3,120
Cash and cash equivalents	67,440	46,847
Current assets	235,734	165,799
TOTAL ASSETS	518,726	308,565
Share capital	2,791	2,737
Additional paid-in capital	53,265	49,562
Exchange differences	(3,616)	(823)
Consolidated reserves	23,479	19,075
Net income for the year	12,050	4,118
Equity attributable to ID Logistics' shareholders	87,969	74,669
Non-controlling interests	2,882	2,531
Equity	90,851	77,200
Financial liabilities due in more than one year	122,915	41,702
Non-current provisions	15,061	1,893
Deferred tax liabilities	5,753	116
Non-current liabilities	143,729	43,711
Current provisions	18,624	8,975
Financial liabilities due in less than one year	29,425	11,839
Other current financial liabilities	802	863
Bank overdrafts	852	1,380
Trade payables	110,166	74,869
Other payables	124,277	89,728
Current liabilities	284,146	187,654
TOTAL EQUITY AND LIABILITIES	518,726	308,565

Consolidated statements of cash flows

(in thousands of euros)	31/12/2013	31/12/2012
Net income	13,118	4,597
Depreciation, amortisation and charges to provisions	18,132	15,389
Change in the fair value of financial instruments	(60)	(41)
Share in undistributed income of associates	(71)	(78)
Change in working capital	16,259	(953)
Net cash provided by operating activities after the net cost of debt, acquisition-related expenses and income taxes	47,378	18,914
Income tax expense	9,313	4,800
Expenses related to acquisitions of equity investments	2,585	
Net financial expense attributable to financing activities	4,958	2,581
Net cash provided by operating activities before the net cost of debt, acquisition-related expenses and income taxes	64,234	26,295
Income taxes paid	(6,659)	(4,905)
Net cash provided by operating activities	57,575	21,390
Acquisitions of property, plant and equipment and intangible assets	(17,628)	(21,548)
Acquisitions of financial assets	(3,348)	(1,468)
Increase in liabilities arising from acquisitions of non-current assets	845	(443)
Acquisitions of subsidiaries net of cash acquired	(85,653)	2,401
Expenses related to acquisitions of equity investments	(2,585)	
Disposals of property, plant and equipment and intangible assets	1,904	631
Disposals of financial assets	2,485	872
Net cash used by investing activities	(103,980)	(19,555)
Net financial expense attributable to financing activities	(4,958)	(2,581)
Net new borrowings	88,187	16,574
Repayments of borrowings	(18,694)	(13,778)
Sales of shares held in treasury	285	(199)
Dividends paid to non-controlling interests	(263)	(281)
Increase in capital	3,757	26,668
Net cash provided by financing activities	68,314	26,403
Currency effects	(788)	(744)
CHANGE IN NET CASH AND CASH EQUIVALENTS	21,121	27,494
Net cash and cash equivalents at beginning of year	45,467	17,973
Net cash and cash equivalents at end of year	66,588	45,467



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