

Wednesday 25 March 2015

PRESENTATION OF 2014 RESULTS



Technologie



International



Supply chain



ID
LOGISTICS

ID Logistics reached a new milestone in its development in 2014

- **Healthy financial performance throughout 2014**
 - Strong revenue growth of 19% to €874.5 million
 - Underlying operating income up 31% (operating margin improved to 4.8% from 4.3%)
 - Net income up 50% to €18.0 million
 - Robust balance sheet and debt paydown nearing completion
- **Now a wide range of contract logistics solutions**
 - Able to compete effectively in multi-country tenders launched by international customers involving complex logistics solutions
- **Proven ability to make and integrate a transformative acquisition (CEPL)**



1.

Solid fundamentals

2.

**2014
results**

3.

2015 outlook

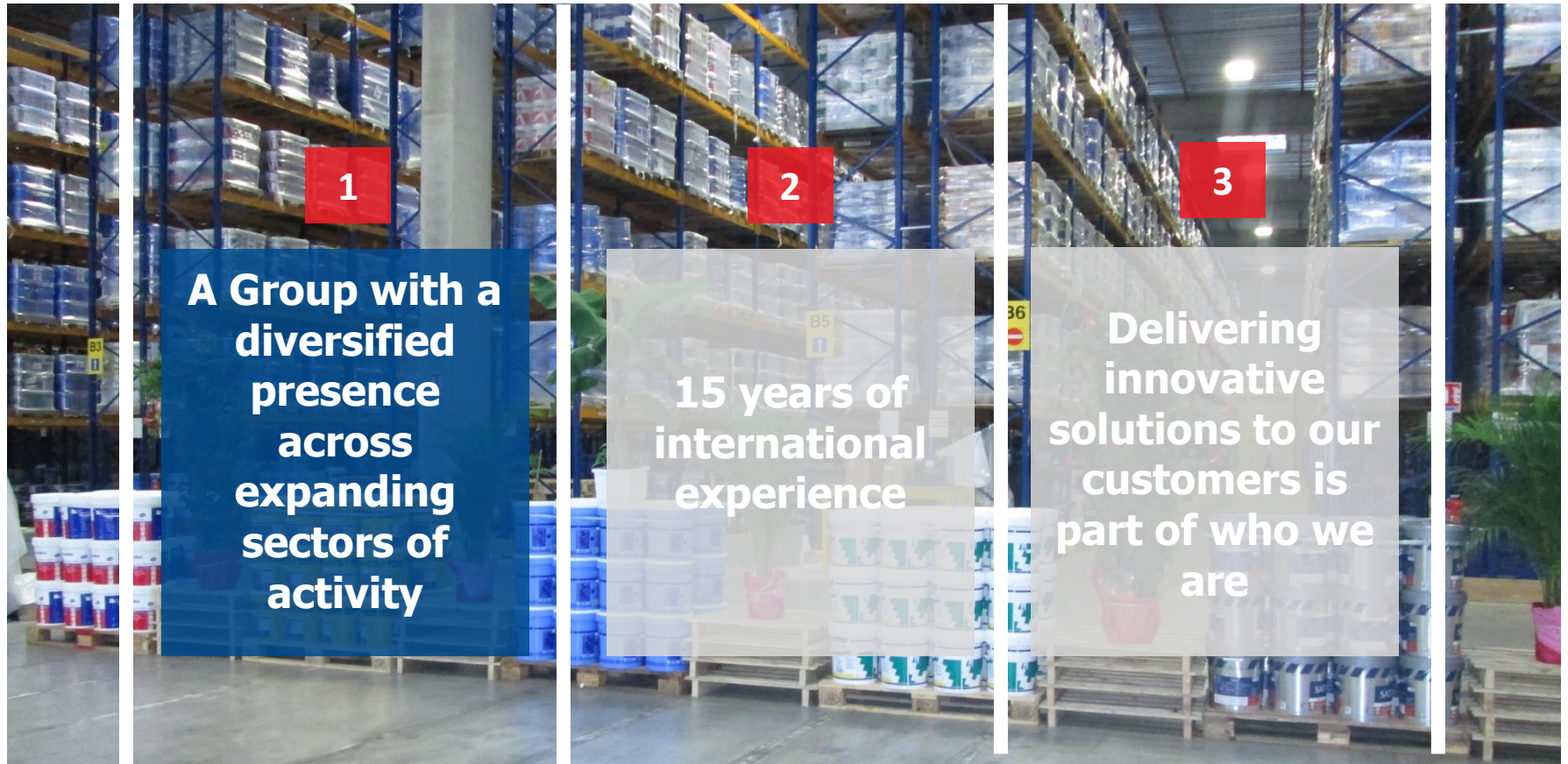
ID Logistics: a Group with solid fundamentals

Thoroughbred contract logistics company with
three distinctive strengths



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1 A Group with a diversified presence across expanding sectors of activity



Example - A new line of business

Fashion logistics



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15 years of international experience

EUROPE

- Positions strengthened in the Netherlands and Germany, with the CEPL acquisition
- Russia: start-up of a contract with Mvideo

SOUTH AMERICA

- Argentina: 8 years of experience, no. 1 in retail logistics (Unilever, Kimberley)
- Brazil: 12 years of experience, second-largest domestic market worldwide, with strong growth potential. ID Logistics ranks 5th in the country (Nivea, AB InBev, Privalia)

ASIA

- Presence in Asia (China, Taiwan, Indonesia) since 2001
- Carrefour in China: ID Logistics' expertise highly regarded by customers and prospects
- Trust of customers gained

AFRICA

- Danone in South Africa: platform for expansion by IDL nationwide and across Africa at large
- Development in Morocco

Strong resilience on account of:

- Its extensive expertise in international markets (Brazil, Russia, Argentina)
- Its ability to sign up local customers (e.g. Mvideo in Russia)
- A strong trend towards outsourcing

Example - Support for customers in international markets

Carrefour in China (July 2014)



- Management of Carrefour's logistics and transport flows in the Shanghai, Jiangsu and Zhejiang provinces
- Unique 26,000m² hub located in Kunshan (60km from Shanghai)
- 150 employees
- Supply deliveries to 62 Carrefour supermarkets



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What sets ID Logistics apart in calls for tenders: *"Thinking outside the box"*

**Technological
expertise**

Nespresso
Pick to Light

**Understanding of
the client's needs
and made-to-
measure process**

Danone
JV France / South
Africa

**International
markets**

SOGEFI
Development in
France, Poland, Brazil

Innovative projects in progress at ID Logistics

e-vigilante security robot

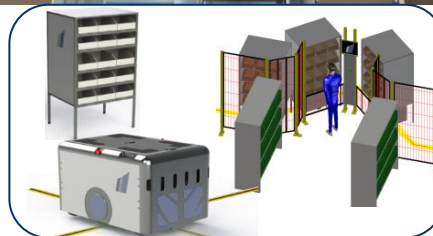
- A robot patrols the warehouse -> security staff are no longer put at risk
- The remote monitoring centre receives a warning in real time via a video feed, it can take remote control of the robot and interact with the interloper
- Removes any doubt immediately -> highly effective response, greater flexibility

Goods to Man

- A robot moves goods from racks to the operator's workstation
- The operator does not move around; the goods are brought to him/her
- Space, productivity and scalability improvements

Easy Check IN

- An automatic terminal, with a link to the TMS, WMS and organisation of the site, checks drivers in and out
- It is multilingual, secures site access and runs automatically





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Further profitable growth in 2014

Revenues

Double-digit growth

€874.5m

+19%

Operating margin

Improvement

4.8%

+50 bp

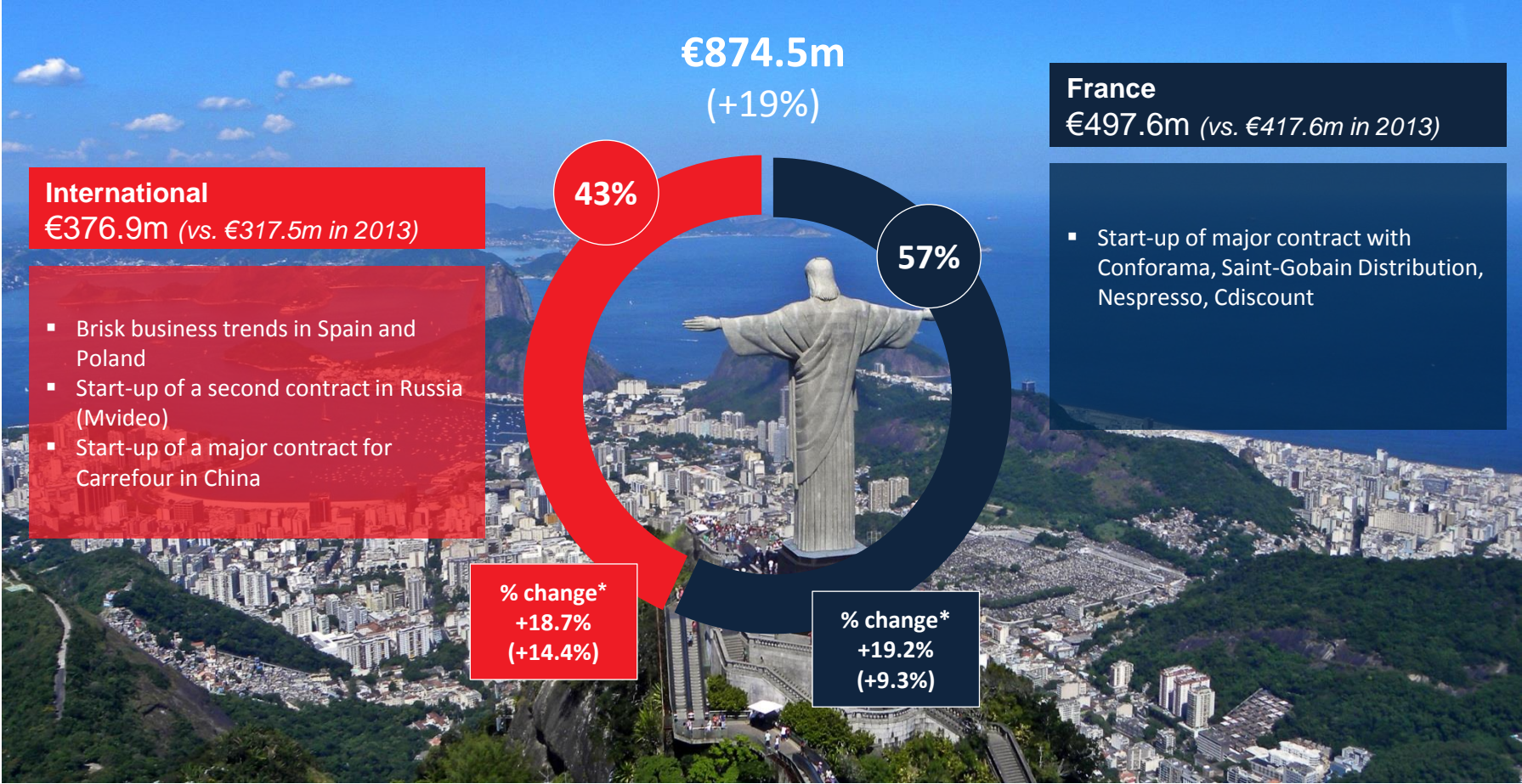
Investment capacity

Net debt/EBITDA

0.9 (vs. 1.5 in 2013)

-0.6 pt

Strong growth in 2014 revenues



*change vs. 2013 (like-for-like)

Continued improvement in operating margin to 4.8% (up 50 bp)

(€ m)	2014			2013			% chg.
	France	Internat.	Total	France	Internat.	Total	
Underlying operating income	27.2	14.4	41.6	23.0	8.8	31.8	+31%
As a % of revenues	5.5%	3.8%	4.8%	5.5%	2.8%	4.3%	+50 bp

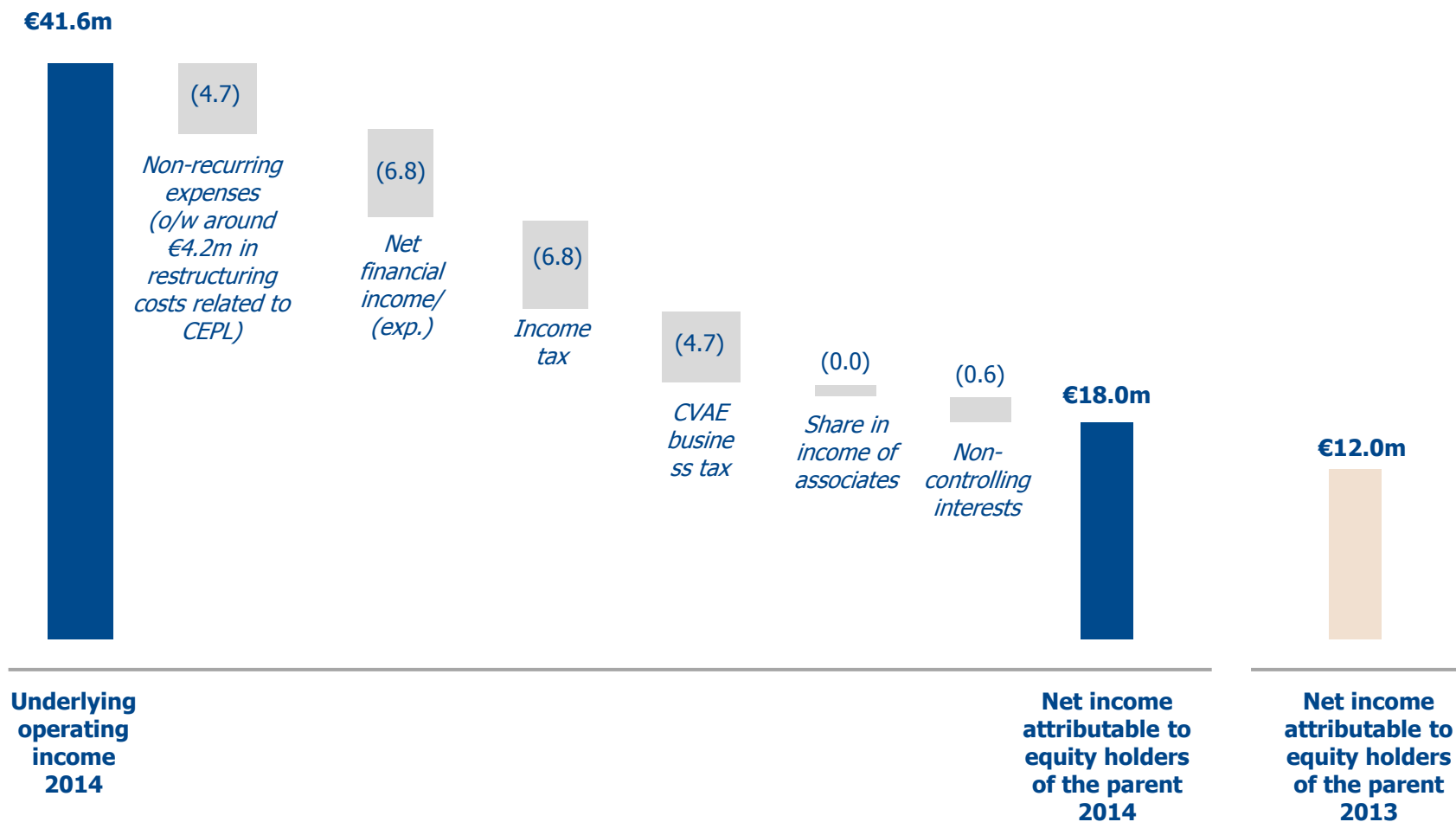
In France: stable at 5.5%

- Dilutive impact of CEPL's activities in first full year of consolidation
- Impact of new business started up in H1 2014
- Offset by ramp-up in productivity of contracts started up in 2013

International: up 100 bp to 3.8%

- Accretive impact of CEPL's operations outside France
- Stronger contribution from Poland, Germany and Spain in particular
- Unfavourable currency effect in value terms (but almost neutral impact on margins)
- Negative impact of the start-up of the major contract with Carrefour in China and of the second year in operation for Danone in South Africa

Net income of €18.0 million in 2014 (up 50%)



Continued healthy cash generation

(€ m)	2014	2013
Cash generated by operating activities before WCR and capex	50.6	41.3
Change in the WCR	2.7	16.2
Capex	(19.1)	(15.7)
Cash generated by operating activities	34.2	41.8
CEPL - price tag including expenses and operational net debt assumed	0	(118.1)
Net interest expense	(5.6)	(4.9)
Increase in capital	2.8	3.8
Other changes	(0.3)	(0.3)
Non-operating changes	(3.1)	(119.5)
Reduction/(increase) in net debt	31.1	(77.7)

Healthy cash generated by operating activities of €34.2 million

- Improvement in the operating margin
- Strict control of the WCR in 2014 after a non-recurring positive effect arising from the first-time consolidation of CEPL in 2013
- Tight grip on operating capex against the backdrop of slower decision-making by customers related to competitive tenders

Tight grip on financing expenses

- Full-year impact of CEPL offset by lower borrowing costs
- Contribution from minority shareholders at subsidiaries

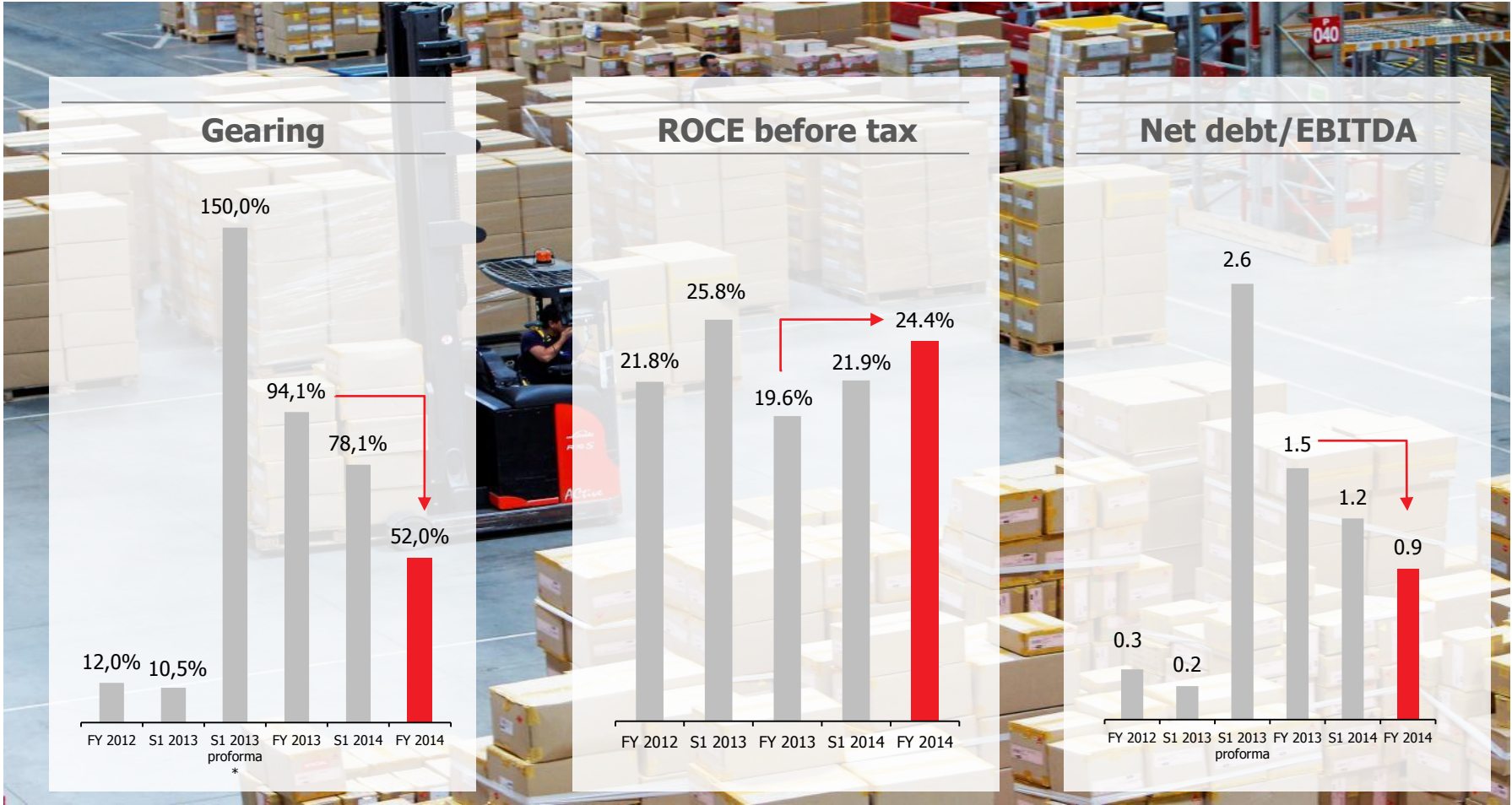
Rapid debt paydown

(€ m)	31 Dec. 2014	31 Dec. 2013
CEPL acquisition debt	62.5	75.0
Real estate leases	44.4	50.5
Equipment leases	22.4	23.7
Other borrowings	6.6	4.0
Gross debt	135.9	153.2
Underlying net cash	80.4	66.6
Net debt	55.5	86.6

Solid finances

(€ m)	31 Dec. 2014	31 Dec. 2013	% chg.
Goodwill	116.7	121.2	(4.5)
Other non-current assets	155.4	161.8	(6.4)
Non-current assets	272.1	283.0	(10.9)
(Negative) working capital requirement	(109.1)	(105.5)	(3.6)
Underlying net cash	80.4	66.6	13.8
Gross debt	135.9	153.2	(17.3)
Net debt	55.5	86.6	(31.1)
Equity	107.5	90.9	16.6

Solid ability to invest



*Pro forma including the effects of the CEPL acquisition as if it had been completed at 30 June 2013



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Governance adapted to the milestone reached in 2014

- **Appointment of three new directors to be proposed at the Annual General Meeting:**

- **Michèle Cyna** – *A graduate of the École Polytechnique, École Nationale des Ponts et Chaussées and MIT, Michèle Cyna is Chairman and CEO of the Burgeap Group and a member of the Executive Board of BIHSE and BURGEAP IGIP Holding SE.*



- **Muriel Mayette-Holtz** – *Muriel Mayette-Holtz was general manager of the Comédie-Française from 2006 until 2014 and is an actor and director.*

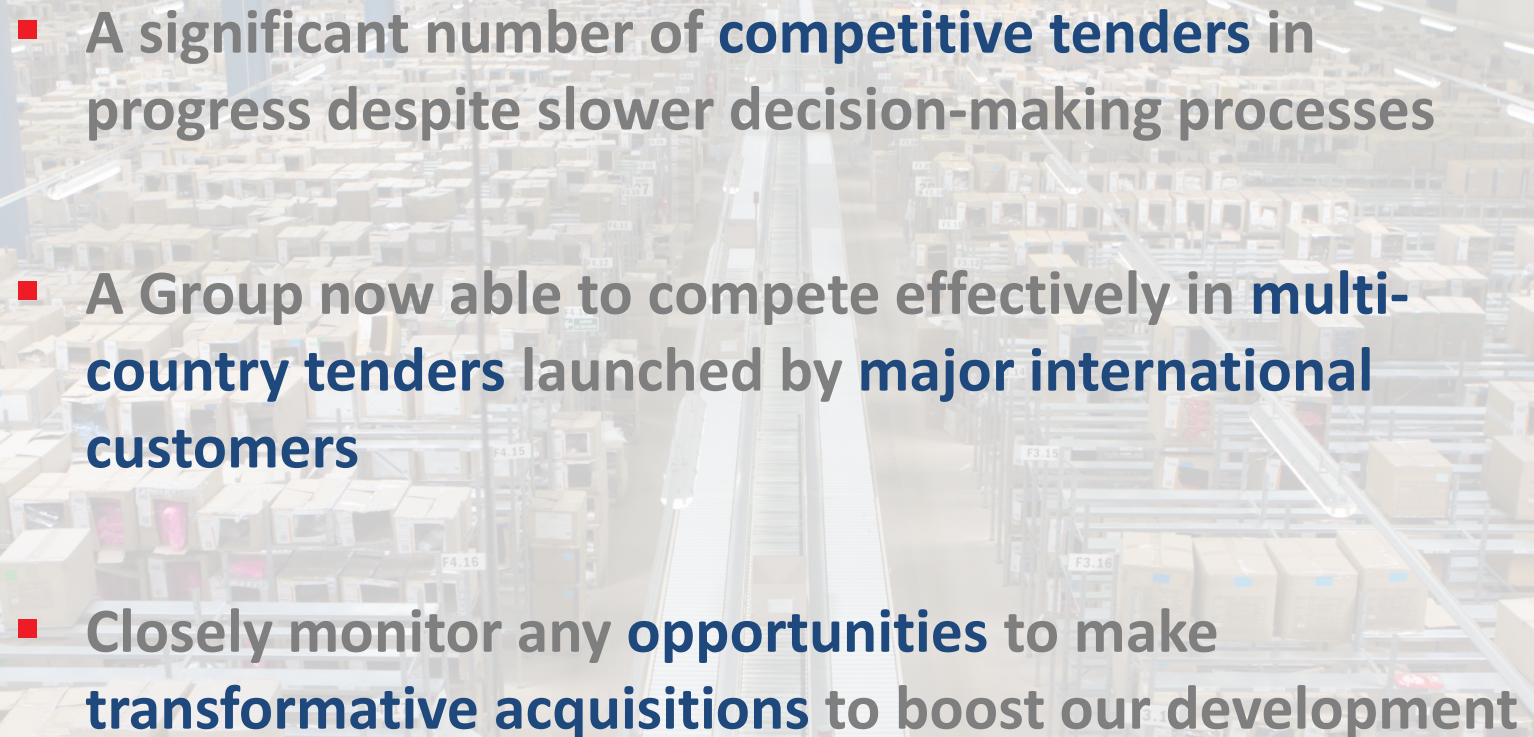


- **Jesus Hernandez Muñoz** – *In March 2006, Jesus Hernandez Muñoz joined ID Logistics as CEO in Spain. In March 2015, he was appointed as CEO in Brazil.*



- **Stronger seven-member Board of Directors including three independent directors and a censor**

A Group well-placed to succeed in 2015

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- A significant number of **competitive tenders** in progress despite slower decision-making processes
 - A Group now able to compete effectively in **multi-country tenders** launched by **major international customers**
 - Closely monitor any **opportunities** to make **transformative acquisitions** to boost our development