



30 August 2018

# FIRST HALF 2018 RESULTS

2018 Interim Results | 30 August 2018



H1 2018 HIGHLIGHTS

H1 2018 RESULTS

OUTLOOK



# H1 2018 HIGHLIGHTS



## H1 2018 HIGHLIGHTS

ID LOGISTICS HAS DELIVERED  
ON ITS "J CURVE" GROWTH MODEL

### 2017 : strong revenue growth (24.2%, organic growth of 8.4%)

- Tight grip on the record number of new contracts won in 2016 - H1 2017
- Move into new business segments (pharmaceuticals, automotive, etc.)
- Need to strengthen organisational capabilities to accommodate growth and the shift towards mechanisation and detail picking

### H1 2018 : revenue growth (organic growth of 6.1%)

- Back to a normal pace of start-ups
- Tighter operational control by strengthening teams and processes
- Brisk growth in European e-commerce

## H1 2018 HIGHLIGHTS

### TIGHT GRIP ON CONTRACT START-UPS AND OPERATIONS

- **Tight grip on contract start-ups**

- 3 in France
- 4 outside France

**Lagardère**  
TRAVEL RETAIL

**LEROYMERLIN**  
*Espirito Constructivo*

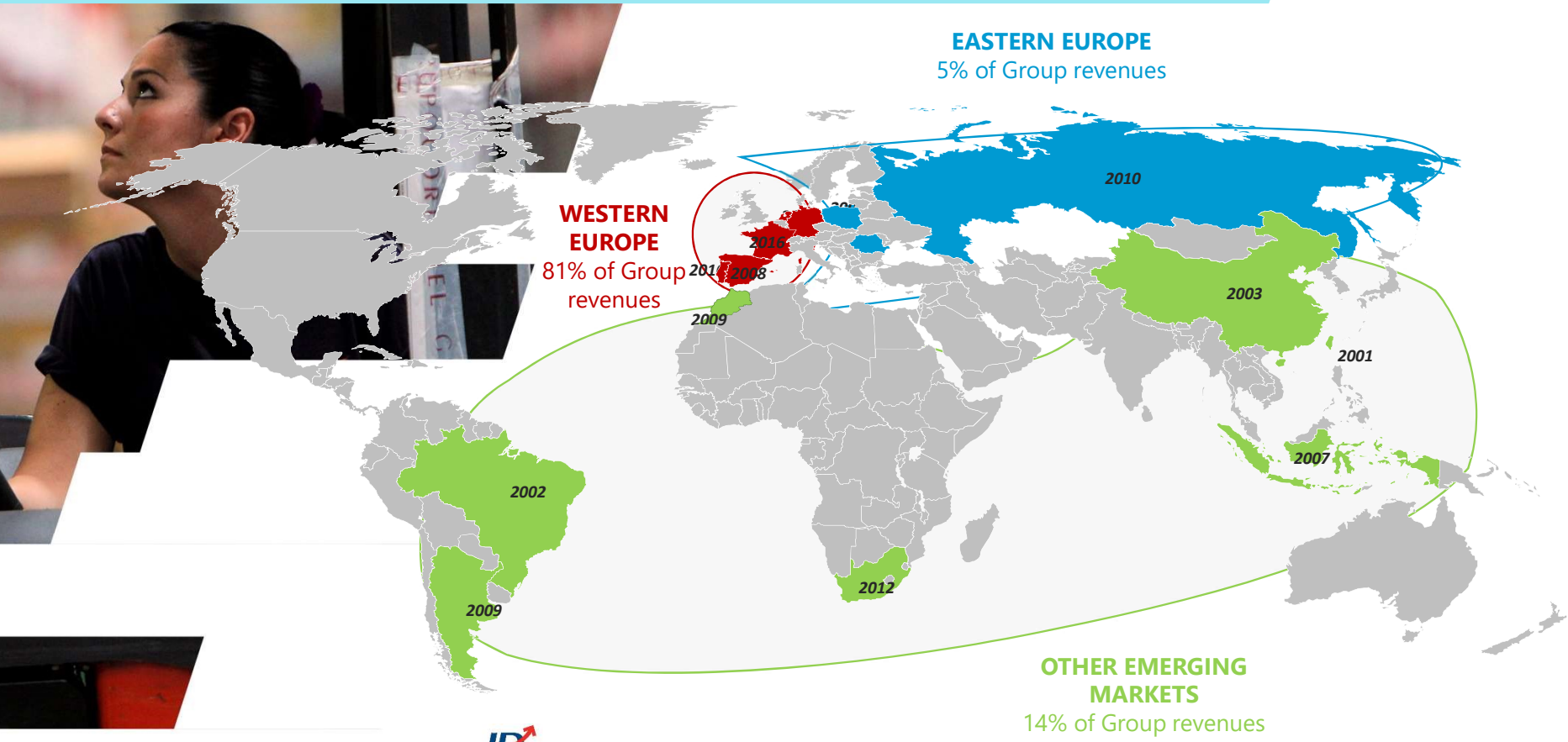
**E.Leclerc**   
*Chez Moi*

- **Healthy pace of expansion in existing contracts, with organic growth running at 6.1%**

## H1 2018 UNDERLYING OPERATING INCOME UP 52%

# H1 2018 HIGHLIGHTS

## BALANCED GEOGRAPHICAL EXPOSURE



## H1 2018 HIGHLIGHTS

### ID LOGISTICS : KEY PLAYER IN E-COMMERCE ACROSS EUROPE

- 5 of the 10 contracts won most recently by ID Logistics are in e-commerce
- Technical specifications
  - ⇒ mechanisation and automation
- Healthy experience curve
- Processes replicable in most European countries
- Financial impact carefully controlled

E-COMMERCE, THE GROUP'S MAIN GROWTH DRIVER

# FIRST-HALF 2018 RESULTS

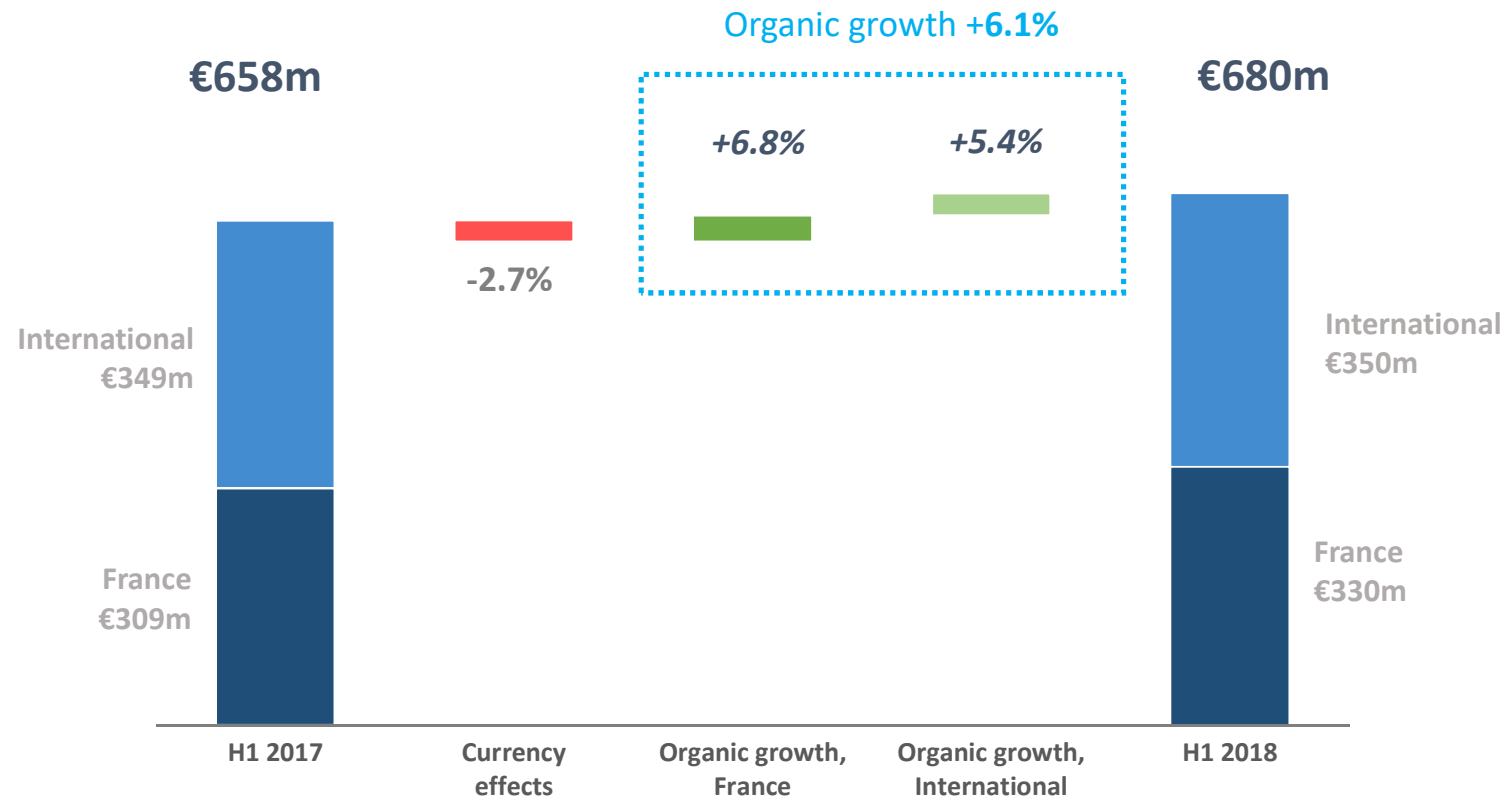
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# H1 2018 RESULTS

## HEALTHY PACE OF ORGANIC REVENUE GROWTH : +6.1%



# H1 2018 RESULTS

## UNDERLYING OPERATING INCOME UP 52%

(€ m)	H1 2018			H1 2017			% change
	France	Internat.	TOTAL	France	Internat.	TOTAL	
Underlying operating income	11.8	3.1	<b>14.9</b>	7.0	2.8	<b>9.8</b>	+52%
<i>As a % of revenues</i>	3.6%	0.9%	<b>2.2%</b>	2.3%	0.8%	<b>1.5%</b>	+70bp

### In France

#### Strong rebound in underlying op. income to €11.8m

- Productivity gains on contracts that started up in 2016 and 2017
- Tight grip on new contracts started up in 2018

### International

#### Further improvement in underlying op. income to €3.1m

- Further productivity gains on contracts started up in 2016 and 2017, building on what was set in motion in 2017
- Currency headwinds primarily in Brazil and Argentina

N.B. Historically, ID Logistics results have benefited from a favorable seasonality in H2

# H1 2018 RESULTS

## SHARP INCREASE IN NET INCOME

(€ m)	H1 2018	H1 2017
<b>Underlying operating income</b>	<b>14.9</b>	<b>9.8</b>
Depreciation of customer relationships	(0.6)	(0.6)
Non-recurring gains/(expenses)	-	(3.2)
Net financial income/(expense)	(2.3)	(2.7)
Income tax	(4.7)	(2.7)
Share in income of associates	0.1	0.1
<b>Consolidated net income</b>	<b>7.4</b>	<b>0.7</b>
<i>o/w non-controlling interest</i>	<i>1.4</i>	<i>0.8</i>
<i>o/w attr. to ID Logistics' shareholders</i>	<i>6.0</i>	<i>(0.1)</i>

2017: Logiters-related restructuring costs

Improvement in net financial expense in tandem with the decline in net debt

Higher tax expense in line with increased earnings

# H1 2018 RESULTS

## VERY HEALTHY CASH GENERATION

(€ m)	H1 2018	H1 2017	
<b>Net income</b>	<b>7.4</b>	<b>0.7</b>	
Depreciation and amortisation	12.6	13.6	
Change in the WCR and other items	10.4	(3.5)	Effective WCR management
Net operating capex	(16.8)	(14.8)	Operating capex up to 2.5% of revenues vs. 2.2% in H1 2017
<b>Cash generated/(used) by operating activities</b>	<b>13.6</b>	<b>(3.8)</b>	
Non-operating capex	(6.4)	-	Investment in the new headquarters and roll-out of a new ERP suite
Net interest paid	(1.9)	(2.2)	
Increases in capital	2.6	0.5	Increases in capital (BSA share warrants, etc.)
Other changes	0.7	(0.5)	
<b>Non-operating changes</b>	<b>(5.0)</b>	<b>(2.2)</b>	
<b>Reduction/(increase) in net debt</b>	<b>8.6</b>	<b>(6.0)</b>	

# H1 2018 RESULTS

## SOLID BALANCE SHEET

(€ m)	30 June 2018	31 Dec. 2017
Goodwill	172.7	172.7
Other non-current assets	130.0	122.3
<b>Non-current assets</b>	<b>302.7</b>	<b>295.0</b>
<b>(Negative) working capital requirement</b>	<b>(78.8)</b>	<b>(69.3)</b>
Current net cash	95.8	90.1
Gross debt	(150.6)	(153.5)
<b>Net debt</b>	<b>(54.8)</b>	<b>(63.4)</b>
<b>Equity</b>	<b>169.1</b>	<b>162.3</b>

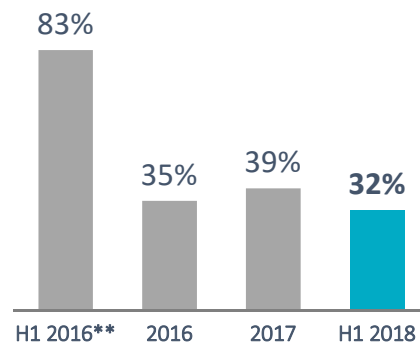
Improvement in negative WCR to 23 days' revenues from 20 days at year-end 2017

Net debt includes the €88.2m outstanding on the Logiters' acquisition loan

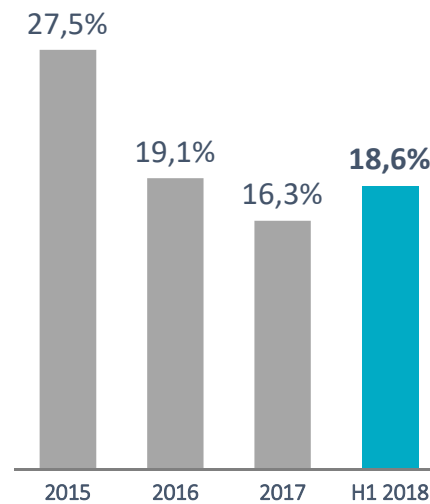
# H1 2018 RESULTS

## SUBSTANTIAL INVESTMENT CAPACITY

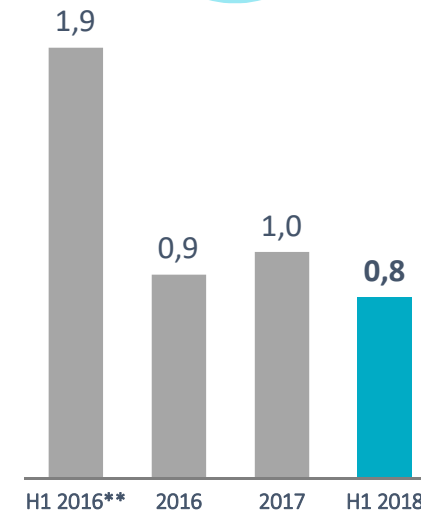
Gearing\*



Pre-tax  
ROCE\*



Net debt  
/EBITDA\*



\*See definitions in the appendix

\*\* pro forma of the Logiters acquisition

# OUTLOOK



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**ID Logistics firmly established  
in business lines, segments and countries  
harbouring the greatest potential**

**Further productivity gains/expertise in  
starting up new contracts**

**Acquisitions to add more extensive European  
coverage**

- Proven ability to integrate new operations
- Strong finances



# APPENDIX



### **EBITDA**

Underlying operating income before net depreciation of property, plant and equipment and amortisation of intangible assets

### **Net debt**

Gross debt plus bank overdrafts and less cash and cash equivalents

### **Gearing**

Ratio of net debt to consolidated equity

### **ROCE**

Ratio of underlying operating income to capital employed (non-current assets less negative working capital requirement)