/// PRESSE RELEASE

Strong growth and margin improvement in 2019

- **Sales of €1,534.2m, up 10.0% on a like-for-like basis**
- **Underlying operating income of €54.0 million, up +14.2%**
- **Successful integration of Jagged Peak, acquired in the United States in December 2019**
- **Slight increase in net income excluding non-comparable items**
- **Post-acquisition financial debt low at 1.1x EBITDA**

Orgon, 17 March 2020 – 05:45 pm - ID Logistics, (ISIN : FR0010929125, Mnémo : IDL) one of the European leaders in contract logistics, today presents its 2019 results with sales of €1,534.2 million, up 8.8% and 10.0% on a like-for-like basis. Underlying operating income also rose by 14.2%.

Eric Hémar, **Chairman and CEO of ID Logistics**, commented: *« The 2019 financial year is marked by continued good commercial and financial performance, particularly in international markets where business grew strongly and profitability improved significantly. In addition, the acquisition of the Jagged Peak business in December 2019 enabled ID Logistics to extend its geographical coverage in the United States. This new development was achieved under good conditions, and the recovered business is already generating positive results».*

€m	2019	2018
France	*714.7*	*685.6*
International	*819.5*	*724.7*
Revenues Change:	**1,534.2** +8,8%	**1,410.3**
France	*29.0*	*33.5*
International	*25.0*	*13.,8*
Underlying operating income Change:	**54.0** +14,2%	**47.3**

CONTINUED STRONG ORGANIC GROWTH IN SALES, UP 10.0% ON A LIKE-FOR-LIKE BASIS

ID Logistics' 2019 sales totalled €1,534.2 million, up 8.8% and 10.0% on a like-for-like basis :
- In **France**, there was good activity with 2019 sales of €714.7 million, representing annual growth of +4.2%.
- **International** revenues rose sharply in 2019 to €819.5 million, up 13.1% and 15.5% on a like-for-like basis.

In 2019, the most growing business sector was again e-commerce, which, including the acquisition of Jagged Peak in the United States, now accounts for 20% of ID Logistics' sales.

UNDERLYING OPERATING INCOME UP +14.2% TO € 54.0 MILLION

The Group's operating profitability continued to improve despite the cost of 21 start-ups in 2019. The underlying operating income increased by +14.2% to € 54.0 million vs. € 47.3 million in 2018.

The Group's operating margin from recurring operations increased slightly to 3.5%, i.e. +10 basis points.

- In France, underlying operating income in 2019 is down to € 29.0 million, i.e. 4.1% of sales, compared with € 33.5 million and 4.9% in 2018. The increase in productivity for projects started in 2017 and 2018 partially offset the cost of certain major projects started in H2 2019. 2019 was also impacted by changes in the CICE tax credit (€1.4m) and strikes related to the pension reform project in H2 2019.
- International underlying operating income rose sharply in 2019 to €25.0 million, representing a margin of 3.1%, compared with €13.8 million and 1.9% in 2018. The increase in productivity from the 2017 and 2018 start-ups and the implementation of specific action plans, such as the Group's exit from South Africa, account for most of the margin improvement. Finally, Jagged Peak's activity entered the Group's scope of consolidation as of December with a first positive result.

SLIGHT INCREASE IN NET INCOME EXCLUDING NON-COMPARABLE ITEMS

Consolidated net income was €16.9 million in 2019 vs. €28.7 million in 2018 and takes into account the following factors:
- Non-current expenses of €7.3 million following the acquisition costs of Jagged Peak and the closure of South Africa for €4.0 million and €3.3 million respectively.
- Negative impact of IFRS 16 on the financial result of €8.9 million, which goes from €-5.2 million in 2018 to €-15.9 million in 2019.
- Increase in the tax charge notably linked to the change in the CICE.

Excluding non-comparable items, net income is slightly higher than in 2018.

A STILL HIGH CAPACITY FOR INVESTMENT AFTER THE ACQUISITION OF JAGGED PEAK

In 2019, ID Logistics showed good control of working capital requirements despite the strong increase in activity. The Group also continued to invest in mechanized or automated solutions to meet its customers' demand, to the amount of €60.8 million. However, the amount of investments made during the second half of 2019 was significantly reduced compared to the first half of the year. In relation to sales, capital expenditure is thus slightly lower than the ratio observed in 2018 (4.0% vs. 4.2%). The acquisition of Jagged Peak, the price and costs associated with the transaction, weighed €17.2 million on current cash flow.

Overall, net financial debt amounted to €89.1 million excluding IFRS 16 vs. €63.0 million at the end of 2018. After taking into account the rental debt under IFRS 16, net debt came to €468.8 million. It represents 1.1x EBITDA excluding IFRS 16 (2.2x including IFRS 16), confirming ID Logistics' strong investment capacity.

OUTLOOK

In 2020, the Group anticipates a normative level of start-ups around 15 new projects. It will benefit from the increased productivity of projects started in 2019, the full-year effect of Jagged Peak and the action plans initiated during the past year. In addition, ID Logistics will strengthen its leadership in the e-commerce sector, where the Group is now identified as one of the leading players.

To date, it is difficult to predict and quantify the impact of the Coronavirus (Covid-19). ID Logistics is very vigilant on these subjects and regularly monitors the situation affecting its customers and its organization. The Group has taken preventive measures at all its sites and is implementing an action plan in each of the countries where it operates. Nevertheless, the Group would like to remind you that:

- It provides a domestic service in each of the countries where it operates, without any international freight forwarding activity.
- Nearly 40% of the Group's business is in the food retailing and health and personal care products sectors, and 20% is generated in e-commerce. To date, these two sectors have experienced a high level of activity.
- Finally, at the beginning of March 2020, the Group finalized the refinancing of its debt (acquisitions and financial facilities) and is therefore not exposed to a possible tightening of credit conditions linked to the economic situation.

Additional note: Audit procedures on the consolidated financial statements have been performed. The certification report will be issued after completion of the procedures required for the purpose of publishing the annual financial report.

NEXT REPORT

1st quarter 2020 sales: April 28, 2020, after market close.

ABOUT ID LOGISTICS

ID Logistics is an international contract logistics group, with revenue of €1,534 million in 2019. ID Logistics has more than 320 sites across 18 countries, representing 5.8 million square meters of warehousing facilities in Europe, America, Asia and Africa, with 21,000 employees. With a client portfolio balanced between retail, industry, detail picking, healthcare and e-commerce sectors, ID Logistics delivers high-tech solutions and is firmly committed to sustainable development.

ID Logistics is listed on Compartment A of NYSE Euronext's regulated market in Paris (ISIN Code: FR0010929125, Ticker: IDL).

CONTACTS

ID Logistics
Yann Perot
CFO
Tel.: + 33 (0)4 42 11 06 00
yperot@id-logistics.com

NewCap
Emmanuel Huynh / Thomas Grojean
Investor Relations & Financial Communications
Tel.: +33 (0)1 44 71 94 94
idlogistics@newcap.eu

APPENDIX

- **Simplified statement of income**

(€m)	2019*	2018
France	*714.7*	*685.6*
International	*819.5*	*724.7*
Revenues	**1,534.2**	**1,410.3**
France	*29.0*	*33.5*
International	*25.0*	*13.8*
Underlying operating income	**54.0**	**47.3**
Amortisation of customer relationships	(1.3)	(1.3)
Non-current expenses	(7.3)	-
Net financial income/(expense)	(15.9)	(5.2)
Income tax	(13.1)	(12.6)
Share in income of associates	0.5	0.5
Consolidated net income	**16.9**	**28.7**
o/w attributable to ID Logistics' shareholders	*14.8*	*25.3*

*IFRS 16

- **Simplified statement of cash flows**

(€m)	*2019**	*2018*
EBITDA	***205.1***	***74.1***
Change in working capital and others	*(22.2)*	*(12.4)*
Capital expenditure	*(60.8)*	*(59,3)*
Net cash generated/(used) by operating activities	***122.1***	***2.4***
Acquisition of subsidiary	*(17.2)*	-
Net financial expenses	*(4.7)*	*(3.5)*
Net issuance (repayment) of debt	*(113.6)*	*16.1*
Others	*(1.8)*	*0.6*
Increase (decrease) in cash and cash equivalents	***(15.2)***	***15.6***
Cash and cash equivalent – beginning of period	*105.7*	*90.1*
Cash and cash equivalent – end of period	***90.5***	***105.7***

*IFRS 16

- **IFRS 16 « lease »**

IFRS 16 is a new accounting standard for leases, applicable since January 1, 2019. This standard requires accounting:
On the liabilities side, a rental debt corresponding to the rental commitments given by the Group in the context of its activities (rental of warehouses and material or handling equipment)
On the assets side, a right of use corresponding to the rental commitments given by the customers to the Group
In the income statement, rents on leased properties and equipments are now recorded as depreciation.

Definitions

- **Like-for-like change**: change excluding the impact of:
  - acquisitions and disposals: the revenue contribution of companies acquired during the period is excluded from the same period, and the revenue contribution made by companies sold during the previous period is also excluded from that period
  - changes in the applicable accounting principles
  - changes in exchange rates (revenues in the various periods calculated based on identical exchange rates, so that the reported figures for the previous period are translated using the exchange rates for the current period).
- **EBITDA:** Underlying operating income before net depreciation of property, plant and equipment and amortisation of intangible assets
- **Net financial debt:** Gross debt plus bank overdrafts and less cash and cash equivalents
- **Net debt :** Net financial debt plus rent liabilities (IFRS 16)