



ID LOGISTICS GROUP

A French corporation (*société anonyme*) with capital stock of €2,791,440.50

Head office: 410 Route du Moulin de Losque - 84300 Cavaillon

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Registration Document

including the annual financial report

This translation is only for the convenience of English-speaking readers. Only the French text has legal value.



Pursuant to its General Regulation, and in particular Article 212-13, the *Autorité des marchés financiers* (AMF – French financial markets authority) registered this registration document on April 28, 2015 under number R. 15-026. This document may only be used for the purposes of a financial transaction if accompanied by a securities note 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 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 at 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).

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APPENDIX 1 GLOSSARY

GENERAL COMMENTS

Comparative financial statements

Pursuant to Article 28 of EU Commission regulation 809/2004, the following comparative data is included in this registration document:

- The consolidated financial statements for the year ended December 31, 2012 and the related auditors' report, which can be found on pages 119 et seq. and on pages 158 and 159 respectively of Registration Document no. R-13.021 filed with the AMF on April 30, 2013.
- The consolidated financial statements for the year ended December 31, 2013 and the related auditors' report, which can be found on pages 135 et seq. and on pages 180 and 181 respectively of Registration Document no. R-14.023 filed with the AMF on April 28, 2014.

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 base 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 registered by the French financial markets authority (AMF);
- "Registration Document Date" means the date on which the Registration Document was registered.

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 "Risk factors" of the Registration Document 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 growth 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 "Risk factors" of the Registration Document.

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 fourteen 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. The Group 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.
- **Organization of transport flows:** 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 appropriate 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 food (general retail); non-food or general goods (general or specialized retail); home improvement and DIY; fresh produce (chilled temperature controlled deliveries for retail and manufacturing customers); the FMCG industry (Fast Moving Consumer Goods) (retail or specialized distribution suppliers); high-tech electrical products (hi-fi and high-tech product retailers); industry (automotive, paints, chemicals, drinking glass manufacture); luxury and cosmetics (selective distribution of cosmetics, leather goods and high-end branded accessories); 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 Group are as follows:

- | | |
|------|---|
| 2001 | <ul style="list-style-type: none">• 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
- Development and deployment of zero paper order "voice-picking" technology in France
- 2004 • 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
- Launch of two subsidiaries and start of operations on La Reunion
- 2005 • Shareholder restructuring after Banque Lazard's withdrawal: 50.5% of Group equity now held by the management
- 2006 • Launch of the subsidiary and start of operations in Spain
- 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)
- 2007 • La Flèche Cavaillonnaise becomes a subsidiary of the ID Logistics Group, now independent and wholly owned by its management
- 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
- Launch of "Logistics on demand" operations in Morocco (providing "Service as a Software" solutions with leased warehouse management IT systems)
- 2010 • Launch of the subsidiary and start of operations in Russia
- Launch of the first ever *Pick-n-Go* smart fork-lift truck in France: a traditional order-picking truck connected to a radio frequency voice recognition system, a warehouse management system and a laser guiding system
- 2011 • Warehouse space operated by the Group worldwide has doubled in 5 years and is now nearly 2 million sqm.
- Acquisition of Mory group's logistics division
- 2012 • Flotation of the Company's shares on the NYSE Euronext Paris Stock Exchange by a new stock issue representing a 25% float
- Launch of the South Africa subsidiary and start of operations
- 2013 • Acquisition of the entire capital of CEPL, leading French retail order-picking operator. This acquisition boosts the Group's market share in France and Spain and gives it a foothold in Germany and the Netherlands
- The surface area operated by the Group worldwide now exceeds 3 million square meters.
- 2014 • Customer partnerships strengthened via two new joint ventures with Danone (transport organization in Europe and fresh produce logistics in South Africa)
- Development of a dedicated offer and first commercial success in retail order picking and e-commerce

1.3 SELECTED ANNUAL FINANCIAL INFORMATION

The financial information given below is based on the consolidated financial statements for the years ended December 31, 2014, 2013 and 2012, prepared pursuant to current IFRS. The 2014 financial statements are set out in section 4.8 "Annual historic financial information" of the Registration Document.

These key accounting and operational results should be read in conjunction with the information contained in sections 4.2 "Comparison of years ended December 31, 2014 and December 31, 2013", 4.4 "Cash and capital" and 4.5 "Cash flow".

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

The Group posted 2014 revenues of €874.5 million, underlying operating income (EBIT) before acquired customer relations amortization of €41.6 million and net income of €18.6 million.

Backed by some 13,000 employees, the Group has 184 sites comprising 3.6 million square meters of warehouses serving 238 customer contracts.

- Summary income statement for the year ended December 31

€m	2014	2013 Proforma **	2013*	2012
Revenues	874.5	821.2	735.1	559.6
EBITDA ***	64.5	56.0	50.7	33.0
EBITDA margin (% revenues)	7.4%	6.8%	6.9%	5.9%
EBIT****	41.6	34.9	31.8	18.8
Underlying EBIT margin (% revenues)	4.8%	4.2%	4.3%	3.4%
Total consolidated net income	18.6	13.2	13.1	4.6
Net margin (% revenues)	2.1%	1.6%	1.8%	0.8%

* 2013 data includes CEPL group since July 1, 2013

** Proforma as if CEPL had been acquired as of January 1, 2013 (see Note 30 to the consolidated financial statements, section 4.9.1 "2014 Group consolidated financial statements" of the Registration Document)

*** EBITDA corresponds to underlying operating income (EBIT) before depreciation, amortization and impairment of PP&E and intangible assets.

**** Before amortization of acquired customer relations

- Breakdown of revenues for the year ended December 31

€m	2014	2013*	2012
France	497.6	417.6	340.8
International	376.9	317.5	218.8
Total	874.5	735.1	559.6

* 2013 data includes CEPL group since July 1, 2013

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

€m	2014	2013*	2012
France **	27.2	23.0	14.0
EBIT margin (% revenues)	5.5%	5.5%	4.1%
International	14.4	8.8	4.8
EBIT margin (% revenues)	3.8%	2.8%	2.2%
Total	41.6	31.8	18.8
EBIT margin (% revenues)	4.8%	4.3%	3.4%

* 2013 data includes CEPL group since July 1, 2013

** Including 2013 CICE tax credit of €3.5 million or 0.5% of the EBIT margin and 2014 CICE tax credit of €6.4 million or 0.7% of the EBIT margin (see section 4.2 "Comparison of years ended December 31, 2014 and December 31, 2013")

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

€m	2014	2013*	2012
Net change in cash and cash equivalents			
- from operating activities	53.3	57.6	21.4
- from investing activities	(19.1)	(104.0)	(19.6)
- from financing activities	(20.5)	68.3	26.4
Other changes	0.1	(0.8)	(0.7)
Net underlying change in cash and cash equivalents	13.7	21.1	27.5

* 2013 data includes CEPL group since July 1, 2013

- Summary balance sheet as of December 31

€m	2014	2013	2012
Non-current assets	272.4	283.0	142.8
Working capital	(109.4)	(105.5)	(56.7)
Net borrowings ⁽¹⁾	55.5	86.6	8.9
Total consolidated shareholders' equity	107.5	90.9	77.2

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

1.4 OVERVIEW OF THE ID LOGISTICS BUSINESS

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 organizational system

ID Logistics strives to place itself at the core of its customers' logistics strategy. The Group has implemented a specific organizational system focusing on customer relations in order to meet customer expectations as closely as possible while offering proposals that anticipate their future development.

- Consistent top-class operational quality worldwide

In order to provide optimum and consistent service throughout its subsidiaries in France and abroad, the Group has established a set of "best practices". These are intended to ensure world-class quality of service when setting up new operational facilities in France and abroad, while ensuring that know-how and values are shared 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 in particular to analyze and thus continuously improve site performance.

- Experienced long-standing employees who share Group values

The Group attaches particular importance to imparting the following values among employees: entrepreneurial spirit, operational excellence, challenging goals 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 operators 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 as a 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
<i>"Improvement in flexibility (i.e. lead times and reactivity), especially during periods of economic uncertainty"</i>	Define with each customer the tools and resources with which to ensure such flexibility
<i>"Greater market differentiation and specialization"</i>	Develop a customer-focused approach allowing customers to benefit from specialized know-how according to activity type
<i>"Less price rigidity owing to the ability to offer shared solutions"</i>	Demonstrate ability to offer solutions common to several customers or between manufacturers and retailers
<i>"A more comprehensive traceability offer"</i>	Perfect mastery of advanced IT systems, to meet the requirements of customers demanding complete traceability of goods, both food and non-food
<i>"Optimized information systems (EDI, RFID)"</i>	Prioritize integration of IT solutions in order to optimize logistics
<i>"Improved communication"</i>	Formalize and periodically review information exchange systems
<i>"More environment-friendly flow management"</i>	Make environment-friendly flow management a standard component in offers
<i>"International services and networks"</i>	As practiced by ID Logistics, incorporate the ability to support customers in foreign operations as a key element in their development strategy

1.5.4 The global contract logistics market

In view of the varying degree of integration between transportation activities and contract logistics activities in different countries and the lack of a specific world market contract logistics study, it is difficult to estimate the size of the market. However, given the Group's international footprint, its experience and publications of its competitors, ID Logistics estimates this market was worth some €200 billion in 2014, up 2-5% over 2013. Already very large, the global market is growing in line with inflation and GDP growth in the various local markets; furthermore its growth is boosted by a trend among customers towards increased outsourcing. ID Logistics estimates that, barring a genuine economic upturn, the 2015 world market will grow at the same pace as in 2014.

1.5.5 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 therefore difficult to appreciate the size of the market. We must also use figures published by the various sub-segments concerned.

The transportation, warehousing and value-added services market

According to various sources (Xerfi – February 2014, Supply Chain Magazine – May 2014, INSEE – several 2014 reports), the total value of the transportation, warehousing and value-added services market may be estimated at some €40-45 billion, i.e. 2.5% of French GDP (excluding air and sea freight).

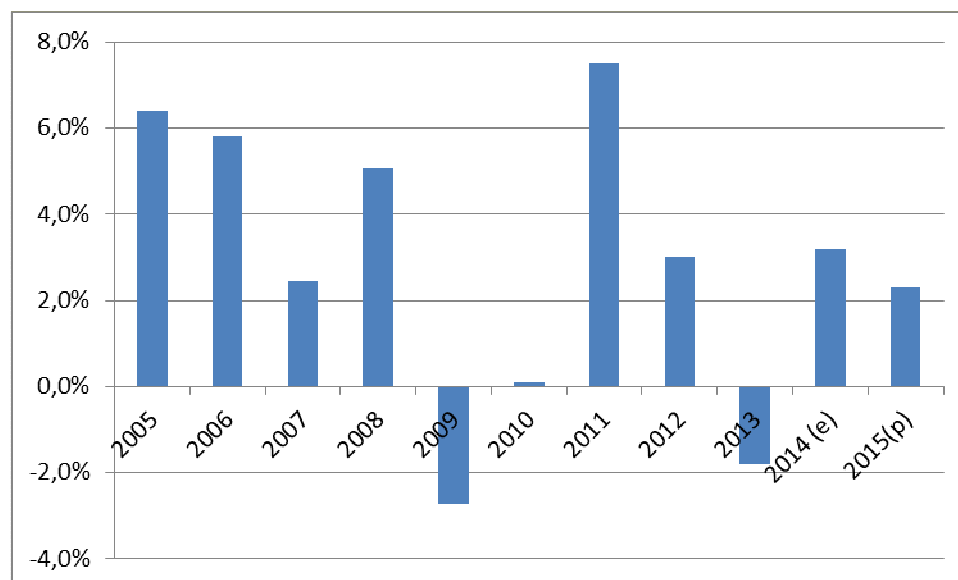
The contract logistics market accounts for less than 20% of this market, but is growing more rapidly

The contract logistics market may be estimated at just under €10 billion, representing 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 section 1.5.6) 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 2014, *Le Journal de la Logistique* - December 2014).

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.

As such, the contract logistics market enjoyed average annual growth above 5% between 2003 and 2008. 2009 featured an overall 3% decline largely due to a sharp reduction 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 then leveled off in 2010 before leaping back to growth in 2011. The 2013 market declined again, by 1.8%, but bounced back in 2014 with estimated growth of 3.2% before stabilizing at estimated 2.3% growth for 2015.

Revenue growth of leading French logistics operators



Source: Xerfi, Insee, Journal de la logistique

Market development factors

- **Sensitivity to economic conditions 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, online 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.

- **Optimizing 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 and minimizing stockouts, 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 providers 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 cost 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 having to concern themselves with logistics issues, customers expect their logistics operators to demonstrate a real ability to share costs while also being flexible.
- 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 to support growth abroad: outsourcing makes it much easier to set up foreign operations, especially when growth is booming.

In France, outsourcing is estimated to account for 30-35% of logistics activities (*source: Xerfi*) compared to 40-45% in English-speaking 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 confirm the choices made by 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 has triggered 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 (or 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, proposing sufficiently comprehensive action plans in order to reduce their impact and proposing global supply chain optimization solutions (see section 1.12 "Sustainable development and growth" of the Registration Document).

1.5.6 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 (57% of 2014 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 operators on the French market

The table below shows the revenues of the 10 principal operators on the French market in 2013.

		2013 revenues – contract logistics France*	2013 revenues – Group total worldwide	Comments
 GEODIS	GEODIS	€670 million	€6,891 million	Fully consolidated into SNCF in 2008
 KUEHNE+NAGEL	Kuehne+Nagel	€625 million	€17,000 million	Main activity: freight forwarding
 NORBERT DENTRESSANGLE	Norbert Dentressangle	€489 million	€4,032 million	Transportation 45%, Logistics 51%, Freight Forwarding 4%
 ID LOGISTICS	ID Logistics (+ CEPL)	€468 million	€821 million	<i>Pure player</i>
 STEF-TFE	STEF TFE	€465 million	€2,633 million	Temperature controlled transport and logistics specialist in Europe
 FM LOGISTIC MADE IN SATISFACTION	FM Logistics	€280 million	€1,043 million	<i>Pure player</i>
 DHL	DHL	€274 million	Deutsche Post: €55,000 million	Industry world leader
 VIAPOST LA LOGISTIQUE CONNECTÉE	Viapost	€260 million	La Poste €21,715 million	Merger of La Poste subsidiaries
 RHENUS LOGISTICS	Rhenus Logistics	€240 million	€4,100 million	Temperature-controlled transport and logistics specialist
 SDV Logistics. Imagination.	SDV	€225 million	Bolloré Logistics €5,469 million	Freight forwarding and industry specialist

Source: Logistiques Magazine (December 2014), Gaullier News (June 2014), Company

** Including related contract transport services*

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

While there are few pure players, they are booming backed by their specialized focus and expertise.

ID Logistics is one of the top five logistics operators in the industry. In 2013 its share of the French market, including the results of the CEPL group acquired in July 2013, came to around 4.9%.

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
DHL (USA)	Deutsche Post (Germany)	2006
Exel Logistics (UK)	Deutsche Post (Germany)	2004
Giraud Logistics (France)	Wincanton (USA)	2005
TNT Logistics (Netherlands)	Norbert Dentressangle (France)	2006
Christian Salvesen (UK)	Norbert Dentressangle (France)	2008
TDG (UK)	Norbert Dentressangle (France)	2011
Hays Logistics (UK)	Kuehne+Nagel (Switzerland)	2006
Alloin (France)	Kuehne+Nagel (Switzerland)	2008
Mory Logidis (France)	ID Logistics (France)	2011
Orium (France)	La Poste (France)	2012
Morin Logistic (France)	La Poste (France)	2012
Fiege (Spain/Italy)	Norbert Dentressangle (France)	2013
CEPL (France)	ID Logistics (France)	2013
MGF (France)	Norbert Dentressangle (France)	2014
Jacobson (US)	Norbert Dentressangle (France)	2014

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.

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

The Group has decided to support customers in the following 13 foreign countries and regions: Spain, Poland, Russia, China, Taiwan, Indonesia, Morocco, Indian Ocean, South Africa, Brazil, Argentina, Germany and the Netherlands.

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.

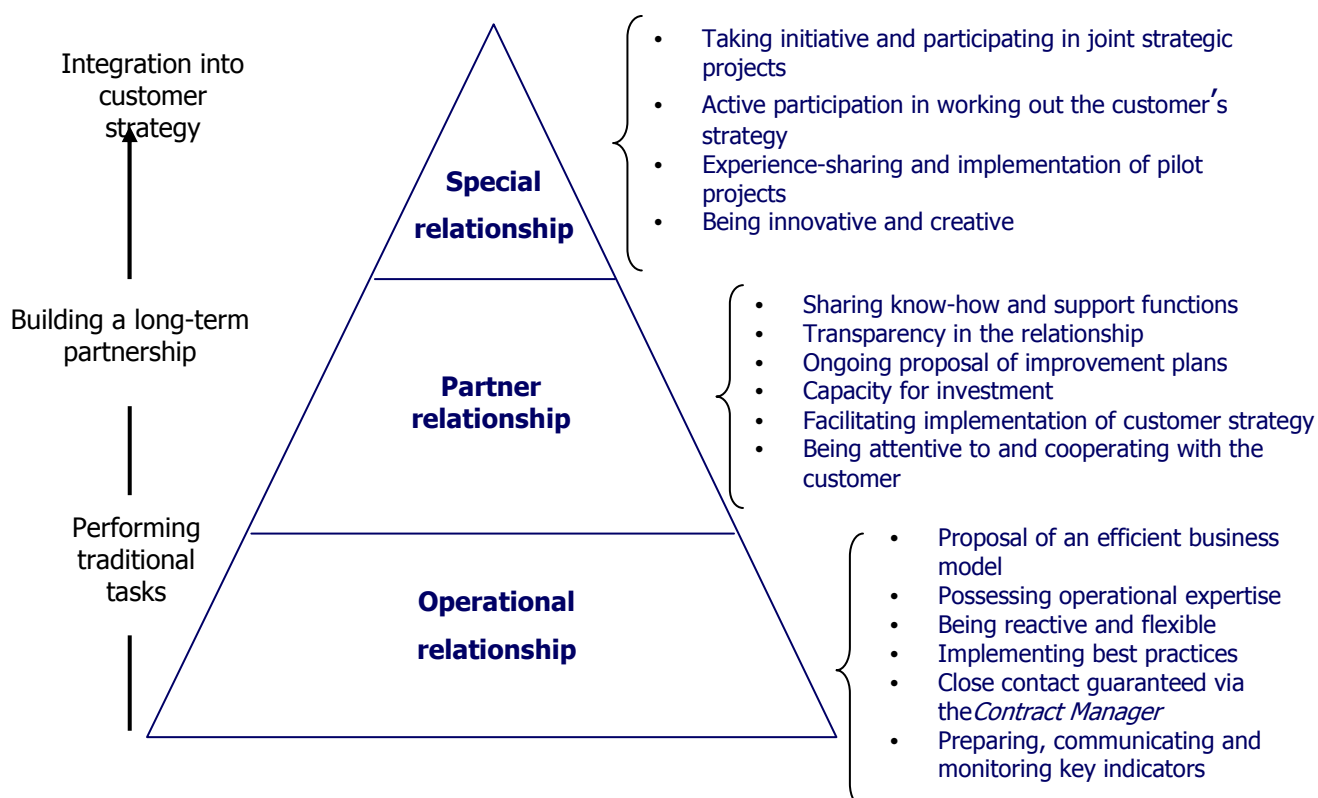
The growth of the logistics market within emerging economies is inextricably linked to the increase in household consumption, creating the need to develop high quality logistics infrastructures for large retailers and manufacturers. Moreover, most of these countries have large growing populations representing 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 incorporation and backed by just under 15 years experience, ID Logistics can offer not only individual logistics services but also logistics solutions ranging from the performance of traditional logistics operations to developing solutions as part of 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 for those customers' international development (operating bases in 13 new countries since 2001).

1.6.1 Detailed presentation of ID Logistics' services

ID Logistics provides a broad range of logistical 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 to store goods
- Inventory management: real-time monitoring of inventory levels, turnover, sell-by dates, etc.
- Order picking: collection of 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*: packaging operation involving the grouping of parts into a batch (e.g. for special offers) 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 techniques of just-in-time procurement.
- Consolidation: flow management designed to optimize the loading ratio 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 received 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.
- Routing plan optimization: regular proposals to reengineer routing plans in order to cut 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 team: 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 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 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
- Warehouse layout design in accordance with customer specifications,
- Relations with local authorities and obtaining the necessary permits and authorizations,
- Optimum integration within the environment and 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.

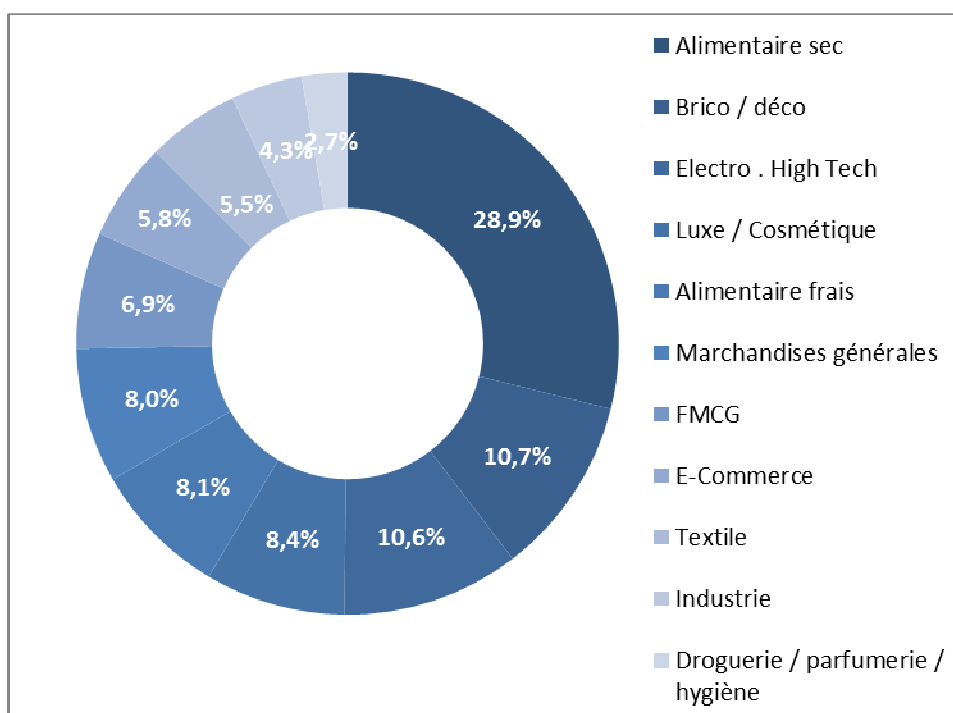
The emergence of e-commerce requires logistics providers to manage more complicated flows. Indeed, a logistics provider must have the requisite systems allowing it to receive a purchase order for a product stored in one of its warehouses and viewed and purchased online by the customer, and to send the 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 the major retail and specialized retail sectors, the consumer goods industry and e-commerce.

The pie chart below shows the breakdown of 2014 Group consolidated revenues by market:



Key:

- Dry food
- DIY/decoration
- High-tech electrical products
- Luxury & cosmetics
- Fresh food
- General goods
- FMCG
- E-commerce
- Textile
- Industry
- Health, Beauty & Accessories (HBA)

Dry food (28.9% of 2014 revenues vs. 27.7% in 2013)

- **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 dry food business stepped up a gear further accelerating flows by transforming warehouses into cross-docking platforms. This new strategy has forced industrial suppliers to adapt their mode of delivery to the new system. This new logistics system has become a key competitive factor for retail chains that need to ensure constant availability of products at minimum cost.
- **ID Logistics' response:** With logistics accounting for approximately 29% of Group revenues, ID Logistics is a European market leader in dry food logistics.

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 food contracts since 2004 and the mechanization of cross-docking centers since 2006, the Group has become the benchmark in the field. The late 2010 launch of the *Pick and Go* truck consolidated the Group's lead over its main competitors.

Non-food or general goods (8.0% of 2014 revenues vs. 8.9% in 2013)

- **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 and kitchen equipment.
- **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 underpinning 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.

DIY/decoration 10.7% of 2014 revenues vs 11.7% in 2013)

- **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 highly detailed analysis of forecasting data, in a constant endeavor to optimize storage consolidation, and searching 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, dedicated fleet optimization, etc.) is a major asset in relation to this type of contract.

Fresh food (8.1% of 2014 revenues vs 7.0% in 2013)

- **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. Facilities particularly adapted to the process are required.
- **ID Logistics' response:** The Group possesses a high degree of expertise in this field prompting it to set up pilot schemes for mechanization, information systems and 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 (6.9% of 2014 revenues vs 8.2% in 2013)

- **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:
 - o Global supply chain management through a series of indicators that cover virtually all downstream transportation coordination activities

- 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 a shared distribution center (EMCA)
- The most stringent safety precautions concerning both products and staff
- Finally, systematically including the customer's sustainable development strategy in supply chain management, in particular by measuring and pledging to reduce carbon emissions.

High-tech electrical products (10.6% of 2014 revenues vs 10.8% in 2013)

- **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 and security 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 (4.3% of 2014 revenues vs 4.6% in 2013)

- **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, security 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.

Textile (5.5% of 2014 revenues vs 5.9% in 2013)

- **Typology:** 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 entered this high potential sector in 2009, ID Logistics has successfully managed two sites made particularly complex by 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 (2.7% of 2014 revenues vs 3.6% in 2013)

- **Typology:** This comprises distribution of fragrances by general and specialized retailers.
- **Customer requirements:** 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 sector 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. Customers in this sector are particularly suited to the Group's geographical positioning, particularly in Asia and Brazil.

Luxury and cosmetics (8.4% of 2014 revenues vs 8.2% in 2013)

- **Typology:** Luxury and cosmetics covers retail of selected cosmetics, leather goods and accessories.
- **Customer requirements:** Luxury products and cosmetics logistics requires high-precision management of a wide variety of consumer products and sales promotion accessories, given the fragility and high unit value of the products. This applies in particular to the order-picking process, in which the rate of error must be kept as low as possible. It must also cope with a concentration of sales around public holidays, sales campaigns and launches of products with relatively short life cycles.
- **ID Logistics' response:** ID Logistics made a dramatic entry into this market with the acquisition of the CEPL group in 2013. Besides mechanization, ID Logistics provides staff and resources pooling solutions to cope with volume peaks while ensuring excellent reliability and paying attention to product fragility. Customers in this market are well suited to the Group's geographical presence, notably Asia, Russia and Brazil.

E-commerce (5.8% of 2014 revenues vs 3.4% in 2013)

- **Typology:** Originally, mostly "cross-channel" websites developed by retail customers in addition to their bricks-and-mortar sales outlets, plus pure player websites since 2013.
- **Customer requirements:** E-commerce has become a major issue for all retail customers. It is seen as a high-growth market that is complementary to retailers' traditional sales outlets. Major customers seek both specific e-commerce logistics and synergies with their traditional logistics arrangements while demanding 100% quality rates.
- **ID Logistics' response:** A strategic factor since 2010, e-commerce is now part of an offer that corresponds closely to customers' requirements. The July 2013 acquisition of CEPL, no. 1 French retail order-picking operator, boosted e-commerce by opening up new sales opportunities in this high-growth market.

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 Latin 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



Key:

Large retail

Specialized retail

Luxury & cosmetics

Textile & footwear

Industry & FMCG

E-commerce

Support for customers' foreign operations

Since its inception, the Group has chosen to support its customers in their foreign operations. Today, the Group serves over half its customers in at least two countries.

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 customers' sites in France. During this upgrading process, revenue per employee (permanent and temporary), converted into euros, is generally lower than the equivalent figure in French-based 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 new project. 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)
- 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 the 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) defined during the course of commercial negotiations. Revenue is generally recognized as follows: the customer is invoiced based on specifications (e.g. full pallet, preparation of special packages, etc.) and quantity of packages prepared. The Group's revenues therefore depend mainly on volumes handled and are relatively immune to changes in the economic climate (see section 1.5.4 "Sensitivity to economic conditions 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 is 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:

- Dedicated or shared warehouses, equipment, vehicles etc. Under this "asset light" policy, the Group can minimize the risk of redundant areas.

- The table below shows the type of the Group's commitments in relation to its real estate sites as of December 31, 2014:

Ownership/finance lease	ID Logistics real estate lease	Provided by the customer	Total
16	87	81	184

- 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 almost all of the warehouses managed by the Group.

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 decided to focus on leasing its warehouses (88% of warehouse surface area in operation as of December 31, 2014). When an order arrives, the Group can offer bespoke real estate solutions adapted to each 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.) is 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 English-speaking 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 of over 95%.

If the logistics provider is able to establish a strong relationship with its customer based on transparency and real communication, contracts are frequently renewed as changing providers involves major costs and risks.

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 or pollutants)
- 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 region 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, completing 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 approval.

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.

Similar regulations exist in foreign countries where the Group operates. Having established operating subsidiaries in fourteen countries, ID Logistics has acquired a wealth of experience in controlling legal risks in relation to 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 Material existing or projected property, plant and equipment and leases

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

As of December 31, 2014, the number of warehouses and their surface area break down as follows:

	Number of warehouses	Surface area (sqm)
France	94	1,921,000
International	90	1,678,000
of which:		
Europe excl. France	27	820,000
Asia	20	149,000
Africa/Indian Ocean	6	65,000
South America	37	644,000
Total	184	3,599,000

- Asset light model

The optimum customer site location is a key factor in the organization of logistics. As such, ID Logistics has a specialist team for identifying real estate solutions for its existing and potential customers (e.g. existing warehouses, undeveloped land, etc).

As stated above, the Group has decided to focus on leasing its warehouses over a lease term that matches the duration of the customer contract. This approach provides the Group with considerable flexibility in supporting customer developments, given that it can offer them an optimum site location whenever the customer renews its contract.

- 12% of all real estate holdings are owned

In view of specific market conditions and customer requirements, in 2009 the Group made a one-off exception to this leasing approach by building a warehouse with a surface area of around 75,000 sqm at Brebières in Northern France. As of December 31, 2014, the net book value of this warehouse was €26.0 million including €4.2 million of land.

In addition, since the purchase of a small freight business in 2010 and, above all, the July 2013 takeover of CEPL (see section 1.13 "ID Logistics growth strategy"), the Group has also owned a group of warehouses amounting to 332,000 square meters. These warehouses are category B or C with less surface area than the Brebières warehouse. Until the ID Logistics takeover, CEPL followed a different real estate model, in that it owned approximately 50% of its operating surface area. To ensure future growth, CEPL will adopt the ID Logistics asset light model, preferring to lease its warehouses.

As of December 31, 2014, the Group therefore owns 415,000 sqm of warehouses; while this quantity is similar to 2013, owned warehouses still only account for 12% of operating surface area.

	12/31/2014	12/31/2013
Used surface area (sqm)	415,000	415,000
Net book value (€m)	91.6	97.9

- 88% of real estate holdings are leased or provided by customers

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.

Real estate leasing commitments are described under Note 28 to the consolidated financial statements.

As stated under section 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, while all leasing costs are paid by customers.

1.8.2 Other property, plant and equipment

Apart from land and buildings described above, most other PP&E relate to handling equipment or vehicles and computer facilities and equipment. As of December 31, 2014, the net book value of these assets is broken down as follows:

<i>€m</i>	Net book value
Plant and equipment	23.9
Other PP&E	14.0
PP&E in progress	2.9
Total	40.8

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 a certain amount of materials regarded as toxic under Seveso or equivalent regulations (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, 2014:

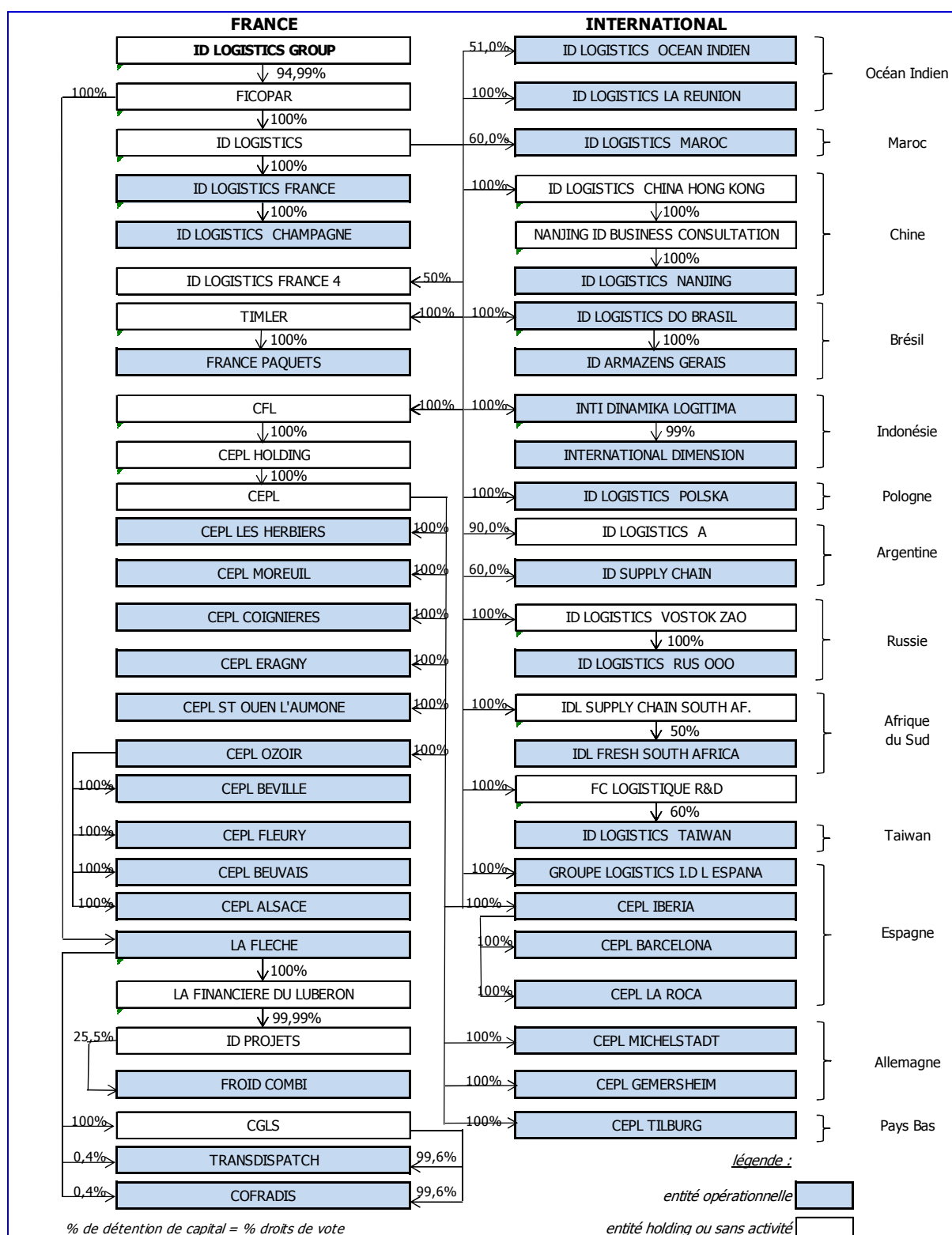


Chart key:

% interest = % voting rights

BLUE – operating entity

WHITE – holding/non-operating company

Countries/regions in descending order: Indian Ocean, Morocco, China, Brazil, Indonesia, Poland, Argentina, Russia, South Africa, Taiwan, Spain, Germany, Netherlands.

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 section 1.9.2 "Presentation of the Group's main companies").

As of December 31, 2014, the Company held direct and indirect equity investments in 88 companies, 50 of which are located within mainland France. This chapter only covers the Group's main subsidiaries.

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 1.12.1, "Staff information", shows a breakdown of Group employees.

The companies included in the Group's 2014 consolidated financial statements are listed in Note 30 to the Company's consolidated financial statements appearing in section 4.8 "Annual historic financial information".

The 2014 breakdown of subsidiaries by operating segment is as follows:

<i>(€m except for headcount)</i>	France	International	Total
Revenues	504.3	377.1	881.5
Inter-segment revenues	(6.7)	(0.3)	(7.0)
Net revenues	497.6	376.9	874.5
EBIT before amortization of acquired customer relations	27.2	14.4	41.6
Operating income	22.5	14.4	36.9
Net cash flow from operating activities	37.6	15.7	53.3
Capital expenditure	11.8	9.8	21.6
Fixed assets	196.3	60.5	256.9
Headcount	5,134	7,941	13,075

1.9.2 Presentation of the main Group companies

1.9.2.1 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").

Ficopar acts as the Group's 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 ended 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 businesses of ID Projets (formerly La Flèche Cavaillonnaise) and 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 July 2005, it has operated as a holding company and holds the interests in most subsidiaries. In this respect, it may be called upon to enter into financing agreements with its subsidiaries.

ID Logistics was the holding company that purchased CEPL (see section 1.13 "ID Logistics growth strategy"). For this reason, in July 2013 it contracted a €75 million bank loan described under section 4.4.4 "Debt finance".

ID Logistics has no employees.

- ID Logistics France

ID Logistics France is a French simplified joint stock company (*société par actions simplifiée*) registered on December 1, 2000 with the Trade and Companies Registry of Avignon under the name "*La Flèche Logistique*". It was given its current name on February 11, 2002 within the framework of the spin-off of the logistics business 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 had 3,623 direct employees as of December 31, 2014.

- 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 3 sites in France and had 234 direct employees as of December 31, 2014. The company posted 2014 revenues of €29.7 million, most of which was earned from existing ID Logistics France customers.

- 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 transferred its business operations 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.

- 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 had 29 direct employees as of December 31, 2014.

- ID Logistics France 4

ID Logistics France 4 is a French simplified joint stock company (*société par actions simplifiée*) registered on October 18, 2013 with the Trade and Companies Registry of Avignon. It is a 50/50 joint venture with Danone.

It operates a transport monitoring unit in France and had 18 direct employees as of December 31, 2014.

- Compagnie Financière de Logistique (CFL)

CFL is a French simplified joint stock company (*société par actions simplifiée*), registered on November 20, 2008 with the Trade and Companies Registry of Chartres.

CFL is the parent company of CEPL, which ID Logistics acquired in July 2013 (see section 1.13 "ID Logistics growth strategy" and Note 3 to the consolidated financial statements in section 4.8.1 "2013 Group consolidated financial statements"). As such, as of the acquisition date it carried the LBO debt, which was not transferred to ID Logistics. CFL was also the parent company of CEPL's French subsidiaries tax group. As of September 1, 2013, CFL and its French subsidiaries joined the Ficopar tax group.

CFL is a holding company directly employing 32 people as of December 31, 2014.

- CEPL Les Herbiers

CEPL Les Herbiers is a French simplified joint stock company (*société par actions simplifiée*), registered on June 1, 2006 with the Trade and Companies Registry of La Roche sur Yon. CEPL Les Herbiers is an indirect subsidiary of CFL, acquired in 2013.

It operates one site in France and had 83 direct employees as of December 31, 2014.

- CEPL Moreuil

CEPL Moreuil is a French simplified joint stock company (*société par actions simplifiée*), registered on June 22, 2009 with the Trade and Companies Registry of Amiens. CEPL Moreuil is an indirect subsidiary of CFL, acquired in 2013.

It operates one site in France and had 205 direct employees as of December 31, 2014.

- CEPL Coignières

CEPL Coignières is a French simplified joint stock company (*société par actions simplifiée*), registered on February 4, 2009 with the Trade and Companies Registry of Versailles. CEPL Les Herbiers is an indirect subsidiary of CFL, acquired in 2013.

It operates one site in France and had 11 direct employees as of December 31, 2014.

- CEPL Eragny

CEPL Eragny is a French simplified joint stock company (*société par actions simplifiée*), registered on March 17, 2003 with the Trade and Companies Registry of Pontoise. It is an indirect subsidiary of CFL, acquired in 2013.

It operates one site in France and had 62 direct employees as of December 31, 2014.

- CEPL Saint Ouen l'Aumone

CEPL Saint Ouen l'Aumone is a French simplified joint stock company (*société par actions simplifiée*), registered on June 18, 2009 with the Trade and Companies Registry of Pontoise. It is an indirect subsidiary of CFL, acquired in 2013.

It operates one site in France and had 28 direct employees as of December 31, 2014.

- CEPL Ozoir

CEPL Ozoir is a French simplified joint stock company (*société par actions simplifiée*), registered on December 5, 2000 with the Trade and Companies Registry of Chartres. It is an indirect subsidiary of CFL, acquired in 2013.

CEPL Ozoir is a holding company with no employees as of December 31, 2014.

- CEPL Béville

CEPL Béville is a French simplified joint stock company (*société par actions simplifiée*), registered on July 29, 1999 with the Trade and Companies Registry of Chartres. It is an indirect subsidiary of CFL, acquired in 2013.

It operates one site in France and had 102 direct employees as of December 31, 2014.

- CEPL Fleury

CEPL Fleury is a French simplified joint stock company (*société par actions simplifiée*), registered on December 1, 1999 with the Trade and Companies Registry of Evreux. It is an indirect subsidiary of CFL, acquired in 2013.

It operates two sites in France and had 106 direct employees as of December 31, 2014.

- CEPL Beauvais

CEPL Beauvais is a French simplified joint stock company (*société par actions simplifiée*), registered on November 9, 2000 with the Trade and Companies Registry of Beauvais. It is an indirect subsidiary of CFL, acquired in 2013.

It operates one site in France and had 75 direct employees as of December 31, 2014.

- CEPL Alsace

CEPL Alsace is a French simplified joint stock company (*société par actions simplifiée*), registered on March 19, 2001 with the Trade and Companies Registry of Saverne. It is an indirect subsidiary of CFL, acquired in 2013.

It operates one site in France and had 75 direct employees as of December 31, 2014.

1.9.2.2 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. ID Logistics Taiwan had 216 direct employees as of December 31, 2014.

- ID Logistics do Brasil (Brazil)

ID Logistics do Brasil is a company incorporated under Brazilian law whose head office is in São 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 line-side delivery for a company in the automotive industry.

As of December 31, 2014 ID Logistics do Brasil had 3,062 direct employees.

- ID Logistics Nanjing (China)

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

Founded in 2007, it manages 12 sites across Eastern China. It offers a variety of services, including fresh produce logistics for food industry customers, a large retailer's regional platform and urban distribution for a drinks manufacturer. It holds a transportation license for the Shanghai region.

As of December 31, 2014 ID Logistics Nanjing had 313 direct employees.

- 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 not covered by the other Réunion Island subsidiaries.

As of December 31, 2014 ID Logistics Océan Indien had 42 direct employees.

- 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 8 sites for major retailers and the textile industry. Most of its sites are managed with the help of mechanical systems.

As of December 31, 2014 Logistics IDL España Group had 937 direct employees.

- CEPL Iberia (Spain)

CEPL Iberia is a company incorporated under Spanish law whose head office is in Barcelona. It is an indirect subsidiary of CFL, acquired in 2013.

CEPL Iberia operates two sites in the Madrid region and had 59 direct employees as of December 31, 2014.

- CEPL Barcelona (Spain)

CEPL Barcelona is a company incorporated under Spanish law whose head office is in Barcelona. It is an indirect subsidiary of CFL, acquired in 2013.

CEPL Barcelona operates one site in the Barcelona region and had 101 direct employees as of December 31, 2014.

- CEPL La Roca (Spain)

CEPL La Roca is a company incorporated under Spanish law whose head office is in Barcelona. It is an indirect subsidiary of CFL, acquired in 2013.

CEPL La Roca operates one site in the Barcelona region and directly employed 85 people as of December 31, 2014.

- 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, 2014 PT Inti Dinamika Logitima had 17 direct 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, 2014 ID Logistics Polska had 1,021 direct employees.

- 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, 2014 ID Supply Chain had 447 direct employees.

- 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 co-manager and business partner. It manages a food and non-food warehouse for major retailers.

As of December 31, 2014 ID Logistics Maroc had 125 direct employees.

- ID Logistics Rus (Russia)

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

Founded in 2010, it operates two sites and had 177 direct employees as of December 31, 2014.

- ID Logistics Fresh South Africa (South Africa)

ID Logistics Fresh South Africa is a company incorporated under South African law with head office in Johannesburg. Founded in 2012, it is a 50/50 joint venture with Danone.

It operates two sites and had 73 direct employees as of December 31, 2014.

- CEPL Michelstadt (Germany)

CEPL Michelstadt is a company incorporated under German law whose head office is in Weilbach. It is an indirect subsidiary of CFL, acquired in 2013.

CEPL Michelstadt operates two sites in the Frankfurt region and had 186 direct employees as of December 31, 2014.

- CEPL Gemersheim (Germany)

CEPL Gemersheim is a company incorporated under German law whose head office is in Gemersheim. It is an indirect subsidiary of CFL, acquired in 2013.

CEPL Gemersheim operates one site in the Karlsruhe region and had 274 direct employees as of December 31, 2014.

- ID Logistics Benelux (Netherlands)

ID Logistics Benelux (formerly CEPL Tilburg) is a company incorporated under Dutch law whose head office is in Tilburg. It is an indirect subsidiary of CFL, acquired in 2013.

ID Logistics Benelux operates one site and had 285 direct employees as of December 31, 2014.

1.9.3 Main intra-group transactions

The main 2014 transactions 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, the main French subsidiaries, and the

Spanish, Polish and Indian Ocean subsidiaries. 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 15 bps, while advances paid by the pooling company bear interest at the 3-month Euribor annual rate plus 15 bps.

- 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 applies in particular to the subsidiaries in China, Indonesia, Russia, Poland, Brazil, Argentina and South Africa.

Such financing agreements are entered into for indefinite terms, unless stricter local regulatory provisions apply. The loans bear interest at rates acceptable for tax purposes to the parties and which vary from 3-month Euribor plus 15 bps (in the case of the lowest rate) to the Russian Central Bank's rate plus 50 bps (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 Logistique R&D. In subsequent supplemental agreements, the main French subsidiaries were added to the tax group. Following the CEPL acquisition, Compagnie Financière de Logistique (CFL) and its French subsidiaries joined the Ficopar tax group with effect from September 1, 2013.

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. It was extended on January 1, 2013 for a further 5 years. During 2014, ID Projets invoiced La Flèche €0.1 million under this agreement.

- Business development agreement

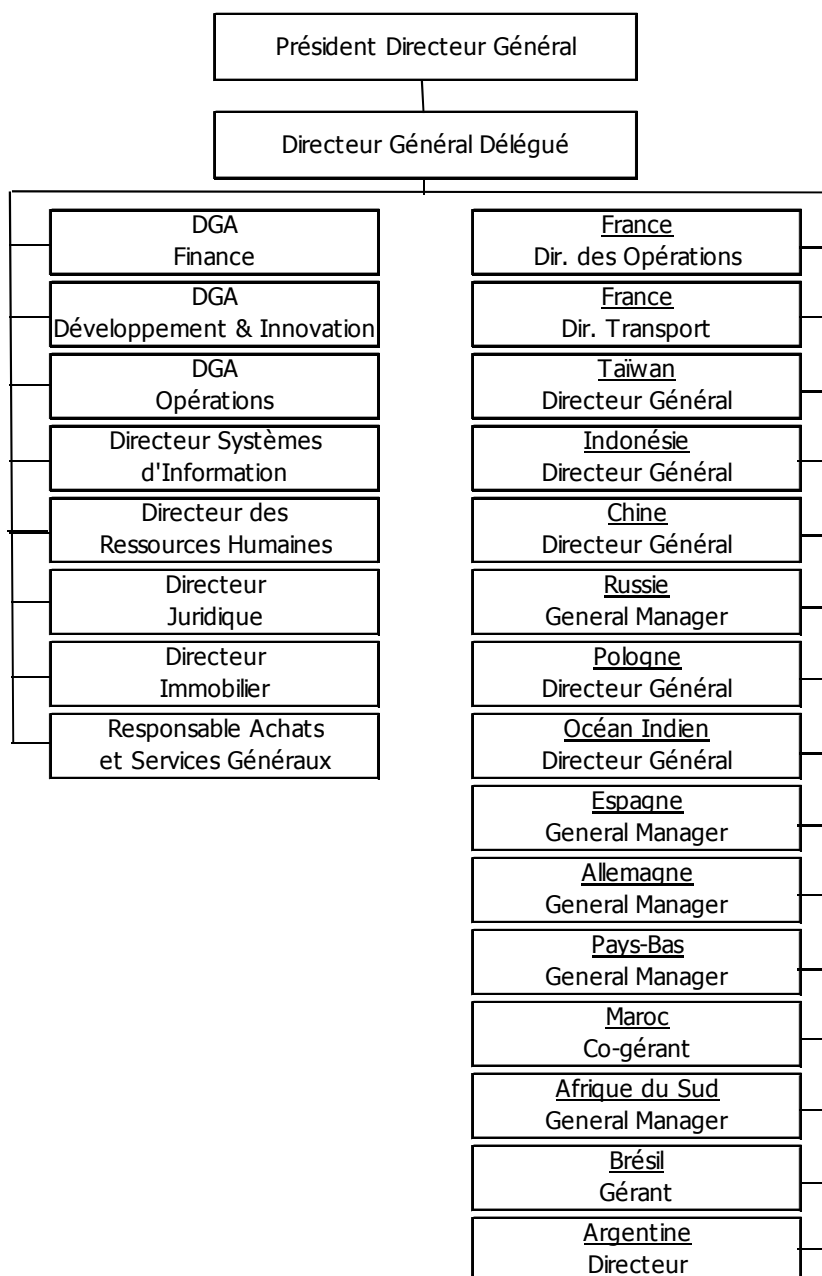
A business development agreement was entered into in 2007 between ID Projets and ID Logistics France.

Pursuant to this agreement, ID Logistics France remunerates ID Projets based on the revenues generated from clients in contact with ID Projets.

During 2014, 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:



Key:

	Chairman & CEO
	Deputy General Manager
Chief Financial Officer	<u>France</u>
Chief Development & Innovation Officer	Operations Director

Chief Operating Officer	<u>France</u>
Chief Information Officer	Transport Director
Human Resources Director	<u>Taiwan</u>
Chief Legal Officer	Managing Director
Head of Real Estate	<u>Indonesia</u>
Head of Procurement & General Services	Managing Director
	<u>China</u>
	Managing Director
	<u>Russia</u>
	General Manager
	<u>Poland</u>
	Managing Director
	<u>Indian Ocean</u>
	Managing Director
	<u>Spain</u>
	General Manager
	<u>Germany</u>
	General Manager
	<u>Netherlands</u>
	General Manager
	<u>Morocco</u>
	Joint Manager
	<u>South Africa</u>
	General Manager
	<u>Brazil</u>
	Manager
	<u>Argentina</u>
	Director

All Group senior managers have extensive experience in their respective fields.

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

1.11.1 Trademarks

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

As of the Registration Document Date, the following trademarks are registered:

- ID Logistics: two French and two Community semi-figurative colored trademarks:
 - One in classes 35, 37, 38, 39 and 42;
 - The other in classes 35, 39 and 42.
- ID Group: French word mark in classes 35, 37, 38, 39 and 42.
- La Flèche: French trademark with colored logo in classes 39 and 42.
- La Flèche: Community trademark with colored logo in classes 38, 39 and 42.
- FroidCombi: word mark in classes 35, 37, 39 and 42.

Backed by a specialist law firm, the Group legal affairs department monitors the Group's trademark portfolio in terms of both registration and renewal, paying particular attention to the ID Logistics brand name, which is the Group's principal brand.

1.11.2 Domain names

Domain names filed by the Company are as follows:

- Id-logistics.es
- Prestalid.es
- Prestalid.com
- Prestalid.net
- Id-logistics.com.ar
- Id-logistics.co.za
- Id-logistics.com.tw
- Id-logistics.com.cn
- id-logistics.nl
- id-logistics.com
- id-logistics.fr
- la-fleche.com
- cepl.fr
- id-logistics.com.br
- id-logistica.com.br
- idlogistica.com.br
- idlbrasil.com.br
- idebra.com.br
- id-logistics.re
- id-logistics.oil.com
- id-logistics.com
- la-fleche.eu
- id-logistics.eu
- la-fleche.eu
- 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 promoting socially responsible initiatives.

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 such as waste recycling, reduction in water consumption, etc.

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.

With regard to its staff, the Group has taken specific steps to improve working conditions for employees and prevent industrial accidents. These actions have boosted staff involvement and Group performance. The Group has also undertaken commitments to a humanitarian development program as part of its foreign expansion (IDEBRA).

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.

Reported information

The information given in this chapter is published pursuant to Article 225 of the July 2010 "Grenelle II" French Act.

Consolidation policies applied to calculate the reported indicators are the same as the accounting principles described under Notes 4 and 31 to the consolidated financial statements.

The 2013 scope of the data was as follows:

- Staff information: unless otherwise indicated, 'France' includes all operational subsidiaries with employees and head office in metropolitan France, with the exception of CEPL entities acquired in July 2013, which account for 23% of total France headcount as of December 31, 2013. The reported indicators for France are also monitored by various international subsidiaries, but with different definitions depending on local reporting or monitoring requirements and less regular reporting, in particular for certain small subsidiaries. For these reasons, International data is excluded from the reported indicators for 2013 and 2012.
- Environmental information: unless otherwise indicated, the France scope is the same as that described above for employee data. International data has been excluded from the reported indicators for the same reasons as described above.

In accordance with the progress plan introduced at the end of 2013, the 2014 scope has been expanded as follows:

- Employee data: all consolidated companies, both in France and abroad with the exception of:
 - Germany
 - The Netherlands for managers and non-managers
 - Absenteeism and the industrial accident severity rate, which are only calculated for France

- Environmental data:
 - The scope covers all businesses in France, Brazil (with the exception of waste indicators), Spain and Poland which together represent just under 85% of Group headcount and 84% of operating surface area as of December 31, 2014.
 - Sites included for environmental reporting must have operated for at least 6 months during the year and have 6 months of data. Sites that have operated for at least 6 months but have less than 6 months of data impact the indicator's coverage (which is calculated on the number of sites). Unless otherwise indicated in the report, the indicators have 100% coverage.
 - Branches and transport units were included in 2014 environmental reporting apart from those in premises neither owned nor leased by ID Logistics

More details about some indicators:

- Industrial accident indicators reported under 1.d) are calculated based on the following data:
 - Total payroll hours of all ID Logistics employees in France, based on each employee's hours per employment contract less paid vacation days
 - The number of days lost due to industrial accidents (excluding travel accidents), based on a "prevention" approach, i.e. excluding extended absences or relapse related to industrial accidents in prior years
 - The number of lost time industrial accidents (excluding travel accidents) during the year
- Absenteeism is calculated by dividing the total number of days off due to accidents and sickness by total payroll days. Other reasons for absence are not included in the reporting and are not monitored on a regular and standard basis throughout the scope.
- The dismissals rate excludes redundancies.
- Staff turnover is calculated by dividing the number of voluntary leavers in the year by headcount at 12/31/2013 in respect of permanent employees.
- The waste recycling rate concerned mainly cardboard, packaging, film and paper waste at operating sites (excluding head office and other administrative offices). Management of the light vehicle fleet is outsourced and data covering light vehicle waste is not available and is not included in waste reporting. The waste indicators do not include Brazil because data is not available for all indicators or sites in Brazil.

CO₂ emissions are calculated based on conversion factors that have been updated with the latest Ademe CO₂ figures issued in February 2014. As in 2013, gas coolants are excluded from the calculation of CO₂ emissions in 2014. For 2015, the Group plans to broaden the scope of employee and environmental data to all consolidated companies and to include gas coolants in the CO₂ emissions calculation.

1.12.1 Staff information

a) Employment

- **Total headcount and employee breakdown by gender, age and region**

At the reported balance sheet dates, the Group's directly employed headcount (including maternity leave, temporary employees and paid trainees) was as follows:

	12/31/2014	12/31/2013 ⁽¹⁾
France	5,134	4,974
International	7,941	8,085
Total	13,075	13,059

⁽¹⁾ Headcount includes employees of CEPL acquired in July 2013

The Group uses temporary workers in addition to its own employees. In 2014 temporary workers calculated on a full time equivalent basis accounted for 28% of the total workforce.

	2014	2013
France	31%	32%
International	25%	n/a
Total	28%	n/a

Women accounted for 24% of the Group's permanent employees. Gender equality is respected in terms of pay but, even if the situation improves, equality will not be achieved given the type of work concerned:

	2014	2013
France	27%	22%
International	23%	n/a
Total	24%	n/a

The average age remained stable between 2013 and 2014:

	2014	2013
France	41	38
International	35	n/a
Total	36	n/a

The different occupational categories are represented as follows:

	12/31/2014		12/31/2013	
	Managers and supervisors	Non-managers	Managers and supervisors	Non-managers
France	7%	93%	7%	93%
International	15%	85%	n/a	n/a
Total	12%	88%	n/a	n/a

The logistics business requires little supervision by managers or supervisors in relation to the total headcount. The Group's proportion of managers is in line with other companies in the industry.

- **Hiring and dismissals**

	2014		2013	
	Hires	Dismissals*	Hires	Dismissals*
France	954	397	1,136	212
International	5,685	1,753	n/a	n/a
Total	6,639	2,150	n/a	n/a

* Excluding redundancies

ID Logistics prioritizes permanent employment contracts in line with its long-term approach to staffing requirements. The use of additional labor is strictly limited to short-term peaks in volumes, replacing absent employees, and staff required for specific projects.

Staff turnover was as follows:

	2014	2013
France	2.3%	1.8%
International	20.0%	n/a
Total	13.1%	n/a

ID Logistics is conducting an ambitious review of future staffing requirements in order to anticipate the Company's future changes in employees. By identifying potential movements and preparing for them in advance, the Group aims to perform the requisite internal staff changes with greater speed and efficiency as opportunities arise.

In 2014, ID Logistics saw the following staff changes across the reporting scope:

	2014	2013
France	369	341
International	899	n/a
Total	1,268	n/a

- Salaries and pay rises**

Recognizing every employee's contribution to the success of ID Logistics is a major source of individual and collective motivation and forms an integral part of the Group's salary and career development system. ID Logistics seeks to attract, motivate, and retain staff, in particular by providing them fair overall remuneration that is competitive and in line with market rates.

The pay policy is based on recognizing talent and skills while encouraging dedication and offering fair pay for results.

Overall pay packages for ID Logistics employees are based on the following:

- A fixed base salary. The base salary takes into account the seniority of the position and the job holder's development of skills covering both technical know-how for the job and behavioral or managerial skills. These skills are assessed every year as part of the Annual Performance Interview.

- Variable pay such as bonuses rewards employees' daily work based on performance indicators relating to productivity, quality of work and satisfying individual annual objectives in line with the corporate strategy.

- **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, there exist profit-sharing agreements within the main French subsidiaries.

The amounts recorded in France in respect of these incentive and profit-sharing agreements were as follows:

€000	2014	2013
Incentives	2,398	1,758
Profit share	2,337	1,914

- **Employee shareholding**

At December 31, 2014 and as specified under section 3.1.1 of the Registration Document, "Breakdown of capital stock and voting rights", Group management holds a total of 6.05% of the Company's capital. 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 share 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 closely tracks the market price of the shares;
- This scheme was introduced during first half 2013 when the 2012 employee profit sharing was paid out. Since then a new scheme is launched every spring when the employee profit sharing is paid out.
- At December 31, 2014, 428 employees, or 8.3% of French-based headcount, hold shares via the FCPE amounting to some 0.19% of capital stock.

b) Labor organization

- **Working time arrangements**

ID Logistics Group complies with local legislation regarding working hours. Working hours vary by country: in France, the working week is 35 hours, while abroad it can go up to 44 hours.

On some sites and/or at certain times of year, staff may work in shifts that can cover a full 24 hours in order to meet the needs of the business. These arrangements are always adopted within the framework of collective working time arrangements so as to strike a balance between work and private life, and work and pay, with a view to establishing fair procedures for each individual.

- **Absenteeism**

Absenteeism (i.e. the total number of days absent due to accidents or sickness over total payroll days per calendar year) was as follows:

	2014	2013
France	5.2%	4.6%

c) Labor relations

- **Arrangements for labor dialog**

Meetings and discussion should serve as a basis for resolving any difficulties and it is up to Group management and staff representatives to provide early warnings of difficulties encountered or breaches of the principles specified in the Code of Ethics. To comply with this early warning principle, local company management and staff representatives show willingness to communicate in order to prevent any difficulties arising from degenerating into labor conflicts.

The objective is to promote understanding between all levels of the company and to place labor dialog at a global level, so as to improve it globally, including discussions between unions and management and between managers and their staff.

Employees themselves are the main focus of labor dialog and discussions are expanded to let them collectively or individually voice their opinions, the objective being, by speaking and listening, to identify warning signals in advance and thereby avert conflicts, while taking note of actual working conditions and suggested improvements.

- **List of collective employee agreements**

ID Logistics continuously strives to strike a fair balance between business needs and the collective interests of the staff.

As such, the agreements applied in France demonstrate the Group's intention to factor all employees' interests into its strategy. These agreements concern issues such as exercising trade union rights, employee savings based on incentive and profit-sharing schemes, individual company savings schemes and the Group savings scheme.

Overall, nearly 90% of Group employees are covered by collective labor agreements covering, in particular, work arrangements and working hours, pay rates and fringe benefits.

d) Health and safety

- **Health and safety conditions at work**

Although there is no collective health and safety agreement as such, ID Logistics continues the actions launched in 2010 to ensure that all temporary and permanent employees work in a safe environment.

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.

- **Industrial accidents**

Considerable attention is paid to control the level of industrial accidents on all sites.

The frequency rate (i.e. number of lost time industrial accidents (excluding travel accidents) during the year over total payroll hours times 1,000,000) was as follows:

	2014	2013
France	48.6	54.6
International	72.1	n/a
Total	64.3	n/a

The severity rate (i.e. number of days lost due to industrial accidents (excluding travel accidents and extended absences or relapses arising from industrial accidents in prior years) over total payroll hours times 1,000) was as follows:

	2014	2013
France	1.5	2.0

In 2014, as in the previous year, in France five people declared occupational sickness with the CPAM (French employee welfare organization) and to date have not been rejected. Given that the occupational sickness definition is too diverse between the countries where the Group operates, only the France indicator, which is the most significant, is disclosed.

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.

The objective is to improve working conditions by reducing onerous tasks and improving industrial accident prevention.

- **Health insurance**

In terms of employee welfare, a specific ID Logistics insurance policy, in addition to the general industry policy, gives 100% coverage for a major proportion of health care costs while ID Logistics pays the related premiums for the basic plan.

e) Training

The Group has its own training institute, IDL Training, which has expanded its coverage. 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 addition, ID Logistics has launched a huge training program concerning management best practices intended for all operational managers (including warehouse managers, operations managers, departmental managers and team leaders). Over 300 employees attend these training programs every year in France, completing either the full 6-day course or a shortened 3-day version.

Finally, following a successful initial course, the France Operations Department supervised the selection of a second batch of high-potential young managers under a scheme named "Vivier ID Logistics" in partnership with EM Lyon. The 12 employees included in the new round of promotions received over 20 days of training provided by experts in the following fields: Finance and financial

control, real estate law, sales, human resources, management, etc.

In 2014, ID Logistics provided over 86,000 hours of training accounting for 0.4% of payroll hours:

	2014	2013
France ⁽¹⁾	46,265	37,244
International	40,529	n/a
Total	86,839	n/a

(1) Training hours include employees' statutory training entitlement (DIF) but exclude vocational qualification periods.

f) Equal treatment

One of ID Logistics' strengths is the diversity of its workforce, consisting of men and women of many different nationalities and backgrounds working together and sharing common goals. Encouraging staff diversity is one of the Group's key commitments toward its employees.

In this respect, ID Logistics strives to build an inclusive culture where all employees are valued for their different knowledge, skills, experience, culture and background.

ID Logistics also strives to develop programs promoting the employment of disabled people. As an employer, ID Logistics encourages fair employment practices worldwide while respecting equal opportunity for all employees in terms of both hiring and career development.

- **Measures adopted to promote equal opportunities for men and women**

The Group has not yet signed a collective agreement on this issue but has chosen to focus initially on completing a comprehensive review of the situation in France. This review, which was shown to and discussed with staff representatives, revealed that:

- There is no difference in salary levels between men and women for comparable jobs.
- The Group's workforce is largely male (a ratio of approximately 70:30)

This is due to the fact that the Group's core business requires repetitive handling of heavy parcels. Obviously male staff are more suited to this type of work. Nevertheless, whenever possible, the Group does employ female staff. This is particularly true for retail picking tasks. As regards management positions, the Group recruits and promotes male and female staff on the same footing. This applies to warehouse management jobs as well as head office support functions.

- **Measures adopted to promote employment and integration of disabled persons**

Here also, the Group has preferred not to sign a collective agreement yet. Instead, in 2014 it continued to step up initiatives in cooperation with staff representatives as part of the "Han'Action" project, aimed at:

- combating the stigma of disability within the Company
- informing and reassuring existing staff who may qualify as being disabled
- keeping existing staff subsequently recognized as disabled in employment
- recruiting new staff with recognized disabilities both to production and support jobs (by organizing special job forums at some Group locations, close cooperation with organizations working to put disabled people into jobs, etc.)

In view of progress achieved, the Group may decide to sign a collective agreement on this issue late 2015 or in 2016.

At December 31, 2014, the proportion of disabled Group employees was as follows:

	2014
France	3.6%
International	0.8%
Total	1.9%

- **Anti-discrimination policy**

Agreements along the lines of the government-promoted "generational employment contracts" (*contrats de génération*) were concluded with the trade unions in 2013 for the two largest French subsidiaries (ID Logistics France and La Flèche), which account for 75% of the French workforce. These commitments focus on:

- promoting jobs for young people (under 26)
 - at ID Logistics France, 10% of new hires are young people under 26, while La Flèche has undertaken to maintain its level of employment of young people.
 - priority of access to training leading to qualification will be reserved each year to at least 20% of new hires under the age of 26 who lack qualifications.
 - access for young people to the 1% housing scheme, without seniority requirement
 - establishment of an induction process for young recruits, including a welcome meeting and booklet, etc.
 - 100% of those hired under 26 will be assigned a mentor for 3 months
 - ID Logistics France undertakes to offer 40 internships and 25 combined work-study contracts
- Commitments towards hiring and retaining senior staff (at least 57 years old, and at least 55 for disabled employees), and passing on knowledge and skills to young people:
 - The number of seniors hired by ID Logistics France will comprise at least 3% of total new hires, and the Company undertakes to maintain the percentage of older employees in the total workforce over the next 3 years. As for La Flèche, the percentage of senior hires will be at least 3% of total hires for the company.
 - Improvement in working conditions and avoidance of onerous tasks: equipment and working methods adapted for senior staff, annual medical check-up for senior staff, adoption of procedures for identifying risks of employee burnout, monitoring of staff health, review of need for internal job transfers, adoption of "second career interviews" for all staff aged over 45, skills and qualification improvements / access to training (additional individual training entitlement (DIF) system, priority access to validation of prior experience (VAE) schemes and CIF training sabbaticals).
 - transition between working life and retirement: assistance by the HR department in preparing the employee's pension application, organization of training schemes under the DIF system to prepare for retirement.
 - organization of tutoring work for employees aged 57 or over who volunteer to pass on knowledge and skills

A steering committee will be set up comprising members of the Works Council, trade union representatives, employees over 50 and senior managers. The committee will be responsible for verifying the application of the commitments made.

At December 31, 2014, the proportion of Group employees over 55 years was as follows:

	2014
France	4.5%
International	2.7%
Total	3.4%

g) Promotion of and adherence to the ILO fundamental conventions

All the aforementioned initiatives related to work organization, health and safety and equal treatment contribute to the promotion of and compliance with the fundamental conventions of the International Labor Organization.

In addition, the Group Code of Ethics recognizes the employees' right to form or join a trade union and to negotiate and sign collective agreements, with specific reference to ILO conventions 87 and 98.

The Group is also committed to combating child labor and forced labor and to preventing these risks within its legal scope of responsibility through its HR policies.

1.12.2 Environmental information

a) Overall environmental policy

The Group stores and handles a certain amount of materials regarded as toxic under Seveso or equivalent regulations (e.g. aerosols, car batteries and paint) and provides the corresponding road transport services. These activities and services are relatively limited compared to the rest of the Group's activities. Therefore, the Group considers that it is not significantly exposed to environmental risks and causes no serious harm to the environment.

As of December 31, 2014, the Group did not book any provisions for environmental risks.

An intranet platform launched early 2010 has greatly enhanced the circulation of ID Logistics' sustainable development principles. The platform has allowed the Group to promote these principles 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 make 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 a 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 a year. This committee transforms the strategies established by the Strategic Sustainable Development Committee into action plans, monitors trends in indicators in relation to the defined action plan and reviews progress made by the Group's sites. This committee is responsible for classifying sites based on their achievements (beginner, intermediate, ...). It submits proposals for key projects and changes to dedicated resources to the Strategic Sustainable Development Committee.

b) Pollution and waste management

The treatment of waste generated by the logistics sites is now fully integrated into the Company's operating policies. The waste largely comprises wooden pallets, excess product packaging, such as cardboard boxes and shrink-wrapping, used for inbound transportation of products to ID Logistics warehouses, and paper (e.g. labels, listings, print-outs etc.). In 2014, waste tonnage generated (excluding Brazil) broke down as follows:

Type	Tonnage*	%
Cardboard	7,550	42.9%
Wood	2,719	15.4%
Plastic	1,807	10.3%
Ordinary industrial waste and other	5,536	31.4%
	17,612	100.0%

** The coverage (based on the number of sites for which data is available over the number of sites included in the reporting procedure, as per the procedural memo) amounted to 72%.*

The waste recycling rate was as follows:

	2014	2013
France	69%	66%
International	71%	n/a
Total	69%	n/a

The Group's main activity of warehouse management generates minimal discharges into the air, water and soil that could seriously impact the environment (France's gas coolant leaks are nevertheless tracked). Moreover, its secondary activity carried out via the transport monitoring units enables customers to optimize use of their own or their transport providers' fleets while reducing polluting emissions caused by trucks.

c) Sustainable use of resources

• Water consumption

Water consumption was as follows:

	2014			2013
	France	International	Total	France
Cubic meters	122,490	94,327	216,816	63,999
Cubic meters per shipped pallet*	0.007	0.012	0.008	0.004
Cubic meters per warehouse sqm	0.067	0.109	0.081	0.046

* Shipped pallets are pallets shipped from our warehouses.

Water consumption is most acute in warehouse cleaning work. In order to reduce water consumption for cleaning, ID Logistics continues to install rainwater collection tanks at its sites.

• Energy consumption

Energy consumption in France broke down as follows:

	2014			2013		
	MWh	%	kWh per shipped pallet	MWh	%	kWh per shipped pallet
Electricity	81,154	55.2%	4.529	58,115	66.9%	3.994
Natural gas	20,321	13.8%	1.134	22,097	25.4%	1.519
Diesel	40,023	27.2%	2.234	2,736	3.1%	0.188
Gasoline	-	-	-	-	-	-
Non-road diesel	2,786	1.9%	0.155	2,210	2.5%	0.152
LPG	1,309	0.9%	0.073	1,427	1.6%	0.098
Fuel oil	1,402	1.0%	0.078	290	0.3%	0.020
VNG*	103	0.1%	0.006			

* Vehicle Natural Gas

International energy consumption broke down as follows:

	2014		
	MWh	%	kWh per shipped pallet
Electricity	40,512	73.6%	5.034
Natural gas	4,345	7.9%	0.540

Diesel	7,813	14.2%	0.971
Gasoline	826	1.5%	0.103
Non-road diesel	-	-	-
LPG	1,054	7.9%	0.131
Fuel oil	505	0.9%	0.063
VNG	-	-	-

Total Group energy consumption broke down as follows:

	2014		
	MWh	%	kWh per shipped pallet
Electricity	121,666	60.2%	4.686
Natural gas	24,666	12.2%	0.950
Diesel	47,836	23.7%	1.842
Gasoline	826	0.4%	0.032
Non-road diesel	2,786	1.4%	0.107
LPG	2,363	1.2%	0.091
Fuel oil	1,907	0.9%	0.073
VNG	103	0.1%	0.004

The Group's activities consume few raw materials in the strict sense. Consumables similar to raw materials mainly consist of cardboard packaging and shrink-wrapping. In addition to recycling waste, the Group also seeks to reduce consumption, in particular with regard to shrink-wrapping by introducing automatic stretch wrap machines at most sites. These stretch wrap machines lead to lower shrink-wrapping consumption compared to manual shrink-wrapping processes.

Lastly, specific protection measures for land use are not appropriate in view of the Group's activities.

d) Prevention of global warming

In 2010 the Group established a method for calculating and monitoring CO₂ emissions. This method will allow the Group to monitor regularly the results of its sustainable development policy.

To date, only the French operations (excluding freight and the CEPL operations acquired in July 2013) have a reliable monitoring system. The reported CO₂ emissions cover Scopes 1 and 2 of the GHG Protocol. For the given scope, CO₂ emissions were as follows:

	2014		2013
	France	International	France
Total			

CO ₂ tons ⁽¹⁾	38,876	21,849	17,027	10,025
CO ₂ kg per pallet shipped	1.497	1.219	2.116	0.69

(1) The emission factors applied are based on the ADEME "Bilan Carbone" method (combustion for Scope 1, production for Scope 2).

While ID Logistics is aware of the challenges and acts as a responsible corporate citizen, it has not yet conducted a specific study to forecast and analyze the potential impact of climate change on its business.

• Solutions for reducing carbon footprint during transportation

Logistics activities impact the environment due to warehouse activities and, most of all, due to the logistics supplier's positioning in its customer supply chains.

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

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 more efficient truck loading and consequent reduction of 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, La Flèche, the Group's freight division, signed the ADEME Charter, a voluntary charter for the reduction of CO₂ 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 CO₂ 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.



• Involvement in customers' sustainable development and growth strategies

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 customer's key sustainable development issues;
- 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 taken part in it. The Group's short-term goal is to exceed a 50% customer participation rate. 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:

Rail-road transport unit for Evian Volvic World

In 2014 Evian Volvic World (a Danone subsidiary) and ID Logistics signed a partnership agreement to set up a unit that will manage all European industrial road and rail shipments across five countries (France, Germany, Belgium, Switzerland and the UK) from 4 production plants and 17 warehouses, involving 1,500 full-load trains per year, with the option of adding other customers in order to improve capacity management by pooling resources.

The objective of managing and optimizing shipments for Evian Volvic World (Evian, Volvic, Badoit, Salvétat) is to reduce costs at each stage of the supply chain (loading, transportation, warehousing and driving), slash Evian Volvic World's carbon footprint in the long term and improve its environmental record.

A 100% natural gas fleet for Castorama in Paris:

In April 2014, working with ID Logistics Castorama introduced 6 NGV (natural gas vehicle) trucks for deliveries to its Paris supermarkets (Clichy, Nation, Grenelle, Flandre and La Défense) from its logistics warehouse in Pantin that is also managed by ID Logistics. In addition to providing major environmental benefits, NGV trucks are fully in line with Castorama's and ID Logistics' CSR strategies given that they produce half as much noise, no fumes, few particles and an odorless exhaust gas, in order to promote a clean urban environment. Furthermore, these trucks meet the stringent requirements of the 'Piek' standard, which is designed to avoid noise pollution caused by transport of goods.

- **Reduction in noise and other forms of pollution specific to ID Logistics' businesses**

In addition to reducing CO₂ emissions, the introduction of hybrid vehicles described above also aims to combat noise, especially when making deliveries in urban zones.

In addition, although the warehouses managed by ID Logistics are generally located in specific logistics hubs, ID Logistics generally provides its warehouses with green spaces and hedgerows in order to limit visual pollution.

- **Participation in the Carbon Disclosure Project (CDP)**

For several years ID Logistics has been a member of the Carbon Disclosure Project (CDP), an independent international rating agency. The Group's rating increased from 61 in 2012 to 74 in 2013 and 81 in 2014, well above the industry average of 70 according to the CDP report.

e) Protection of biodiversity

ID Logistics also implements ad hoc measures for the protection of biodiversity. For example:

- Installation of beehives on the Brétigny site
- Eco-friendly lawn mowing using sheep at the Brebières and Brétigny sur Orge sites
- Plants suited to the local climate at the Graveson site in Provence
- Participation in the project to restore the semi-tropical forest on La Réunion, in partnership with the La Réunion National Park and the Coastal Conservation Agency

1.12.3 Social information

a) Regional, economic and social impact and relations with stakeholders

The Group demonstrates its commitment to solidarity, one of its core values, by fostering new initiatives aimed at providing support to employees, customers and suppliers in difficulty and by driving or taking part in initiatives geared towards responsible and sustainable development.

In Brazil, so as to improve its local community relations, in 2002 ID Logistics founded a charity called "ID Esperança" (renamed Idebra in 2011), which promotes education for young children and teenagers from the Favela Beira Mar, a slum situated right next to one of the Group's Rio de Janeiro sites.

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, singing and audiovisual media workshops) projects.

Over 1,600 people have participated in the program since its inception. Since 2010, the scheme's managers have had the pleasure of seeing two of their former protégés go to university for the first time in the history of the Favela Beira Mar.

The annual budget, which amounts to over 300,000 reais, is funded half by ID Logistics and half by other sponsors, most of which are Group customers or suppliers.

In 2014, the program hosted 200 people who benefited from the new premises occupied by Idebra since late 2013. 2014 also featured the Group's first ever course for the new logistics assistant training program.

In September 2014, ID Logistics France signed a partnership with the *Trophée d'Improvisation Culture & Diversité* (Improvisation, Culture & Diversity award). This charity, founded in 2010 by Jamel Debbouze and Marc Ladreit de Lacharrière, organizes a national inter-school prize involving theatrical improvisation contests. Under the program, pupils enrolled in the schools (largely in poor neighborhoods) can learn about and practice theatrical improvisation, a key factor for personal development and social inclusion. Since 2010, 517 budding improvisers have been trained in 5 cities and 12 partner schools. Over five years ID Logistics will provide financial and logistical support to the charity while expanding the program in the south of France.

b) Subcontracting, suppliers and fair commercial practices

The Group's financial and purchasing policies establish particular ethical rules for relations with ID Logistics Group's business partners (i.e. suppliers, sub-contractors, etc.).

Specifically, the Code of Ethics prepared throughout 2013 and approved by the Board of Directors on March 25, 2014 specifies in Article 2.3.1: "*We are committed to the practice of fair competition based solely on the quality of our services and solutions. As such, in view of our commitment to comply with current anti-corruption legislation, Group directors, senior executives and employees should not offer, promise or give anything to an individual from the public or private sector that could inappropriately influence the judgment of a third party on the services or solutions provided by ID Logistics or by another company, gain illegitimate advantage from a commercial transaction, influence the timing of business transactions or harm the reputation of ID Logistics if the offer, the promise or the payment were publicly disclosed.*"

In addition to the work performed by temporary staff, which accounts for one third of all purchases and external charges, temping agencies provide their services subject to master agreements that specify their commitments with regard to:

- Ways to improve qualifications of temporary staff allocated, in particular in relation to prevention and safety
- General health and safety rules by appropriate information communicated via instructional material that highlights the importance of equipment (safety shoes etc.)
- Instructing staff assigned about the Group waste treatment policy and procedures implemented at all locations
- Helping the Group to fulfill its obligation to employ disabled people by proposing the résumés and skills of disabled workers registered with the agency

ID Logistics very rarely has direct contact with end consumers. However, by the nature of its logistics operations and related procedures (e.g. compliance with cold chain procedures, administration of sell-by dates, product traceability etc.), it helps to promote consumer health and safety.

c) Other initiatives for the promotion of human rights

The Code of Ethics prepared throughout 2013 and approved by the Board of Directors on March 25, 2014 lays down the following principles in Article 1.2.3: "*We uphold human rights as defined in the Universal Declaration of Human Rights; ID Logistics respects those rights in the conduct of its operations throughout the world. Wherever we are, we strive to ensure that the presence of ID Logistics encourages healthy relationships and averts civil conflicts.*"

The Group also believes that all the above activities with regard to ongoing employee training, the internal promotion program and sponsorship initiatives such as Idebra help to safeguard the dignity, well-being and rights of Group employees, their families and the communities in which they live, as well as other persons affected by its operations.

1.12.4 Certificate of inclusion and limited assurance report from one of the auditors

"To the Shareholders,

In our capacity as statutory auditors of ID LOGISTICS GROUP SA and appointed independent third party agency accredited by COFRAC under number 3-1048¹, we hereby submit our report on the consolidated staff, social and environmental information for the year ended December 31, 2014 as presented in the management report (hereinafter the "CSR Information"), pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code.

¹ The scope of which can be viewed at www.cofrac.fr

Company's responsibility

It is the responsibility of the Board of Directors to produce a management report containing the CSR Information provided for in Article R. 225-105-1 of the French Commercial Code, prepared in accordance with the guidelines applied by the Company (hereinafter the "Reference Data") a summary of which is contained in the management report and available on request at the Company's head office.

Independence and quality control

Our independence is defined in regulations, the industry code of ethics and the provisions of Article L. 822-11 of the French Commercial Code. In addition, we have introduced a quality control system including documented policies and procedures designed to ensure compliance with applicable rules of ethics, professional standards, legislation and regulations.

Auditor's responsibility

It is our responsibility, based on our review, to:

- certify that the required CSR Information is disclosed in the management report or, if absent, is explained pursuant to Article R. 225-105, paragraph 3, of the French Commercial Code (CSR Information certificate of inclusion);
- give limited assurance on the fact that the CSR Information, taken as a whole, in all material aspects is fairly stated in accordance with the Reference Data (justified opinion on the fairness of the CSR Information).
- Our review was carried out by a four-person team over approximately three weeks between mid February and early April, 2015. In conducting our procedures, we called on assistance from our CSR experts.
- We conducted the procedures described below in accordance with professional standards of practice applicable in France, the May 13, 2013 decree laying down the terms and conditions under which the independent organization carries out its assignment and, with regard to the justified opinion of fairness, in accordance with ISAE 3000².

1. CSR Information certificate of inclusion

Based on interviews with managers of the relevant departments and divisions, we have noted the presentation of sustainable development strategies covering the social and environmental consequences of the company's business, the company's commitments to society and any actions or programs arising therefrom.

- We compared the CSR Information presented in the management report with the list required under Article R. 225-105-1 of the French Commercial Code.
- Where certain consolidated information was missing, we verified that explanations were provided in accordance with the provisions of Article R. 225-105, paragraph 3, of the French Commercial Code.
- We verified that the CSR Information covered the consolidation scope, namely the company and its subsidiaries as defined under Article L. 233-1 and the companies it controls as defined under Article L. 233-3 of the French Commercial Code, subject to limits specified in the procedural note under paragraph 1.12 of the management report.

² ISAE 3000 - *Assurance engagements other than audits or reviews of historical information*

- Based on our review and taking into account the above restrictions, we hereby report that the information on remuneration and changes thereto is not disclosed or explained as required.

2. Justified opinion on the fairness of the CSR Information

Nature and scope of review procedures

- We conducted a dozen interviews with the people responsible for preparing the CSR Information in the departments responsible for collecting the information and, where appropriate, with internal audit and risk management managers, in order to:
 - assess the appropriateness of the Reference Data in terms of its relevance, completeness, accuracy, objectivity and clarity, taking industry best practices into consideration where appropriate;
 - verify the implementation of a collection, compilation, processing and control procedure designed to ensure the completeness and consistency of the CSR Information, and note the internal control and risk management procedures relating to the preparation of CSR Information.
- We established the nature and scope of our testing and procedures based on the nature and materiality of the CSR Information in relation to the company, its social and environmental challenges, its sustainable development strategies and industry best practices.

The most important CSR Information that we reviewed is as follows³:

- At the group level, we consulted source documents and conducted interviews to confirm the qualitative information (organization, policies, actions), we performed analytical procedures on the quantified data and, based on sample testing, checked the data calculations and consolidation and we verified the consistency of this data with the other information in the management report;
- We selected a representative sample of entities⁴ based on their business operations, materiality in relation to consolidated indicators, location and a risk analysis, and conducted interviews to ensure that the procedures had been properly applied. We also performed detailed sample tests to check calculations and reconcile the data to the underlying documents. The selected sample covers 67% of Group headcount and 59% to 78% of the quantified reported environmental data.
- We assessed the consistency of the remaining consolidated CSR Information in relation to our knowledge of the company.
- Lastly, we reviewed whether explanations relating to any complete or partial omissions of certain information were justified.
- We believe that the sampling procedures and sample sizes that we applied based on our professional judgment allow us to issue a limited assurance

³ Quantified data:

Staff: Group employees broken down by geographical region; proportion of women in the permanent headcount; total managers/supervisors and non-managers (%); total hires ; total dismissals; total training hours;

Health and safety: Frequency rate; severity rate;

Environment: Waste recycling rate; total water consumption in cubic meters; total electricity consumption in MWh; total diesel consumption in MWh; total gasoline consumption in MWh; total non-road diesel consumption in MWh; total natural gas consumption in MWh; total fuel oil consumption in MWh; total LPG consumption in MWh; total VNG (vehicle natural gas) consumption in MWh; total CO₂ in tons;

Social: Proportion of temporary workers in total workforce.

Qualitative information:

Staff: Staff management policy including agency staff; "Organization of working hours" paragraph; gender equality study, notably pay levels (France);

Health and safety: Measures taken to reduce onerous tasks and boost prevention of industrial accidents;

Environment: "Involvement in customers' sustainable development and growth strategies" paragraph.

⁴ Group activities in France and Brazil

- opinion; a higher level of assurance would have required more extensive testing procedures. In view of the use of sampling techniques and other limitations inherent in the operation of any information and internal control system, the risk of failure to detect a material error in the CSR Information cannot be fully ruled out.

Qualification

The industrial accident severity and absenteeism rates included in the CSR Information only include French operations, i.e. 40% of Group headcount.

Conclusion

On the basis of our review and subject to the foregoing qualification, we did not find any material misstatement or omission that would cast doubt on the fact that the CSR Information, taken as a whole, is fairly stated in accordance with the Reference Data.

Neuilly-sur-Seine, April 3, 2015

One of the auditors,

DELOITTE & ASSOCIES

Albert Aidan
Partner

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) or 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 acquisitions

In coming years, the Group also aims to step up growth via 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.

It was precisely this strategy which led to the July 2013 acquisition of CEPL that confirmed the strategic advantage of stepping up growth by acquisition and the Group's ability to carry out and integrate value-adding acquisitions.

Thanks to this acquisition, ID Logistics Group has boosted its service offering in the individual order-picking market segment and is now the no. 1 French operator in automated retail order picking. The Group is expanding its customer base to take on new market segments such as electronic and cultural goods, perfumes and clothing and now serves well-known high-potential customers such as Sony, Bouygues Telecom, Givenchy, Guerlain, Yves Rocher, Elizabeth Arden, Le Coq Sportif and André. This operation also allows ID Logistics to bolster its e-commerce services with customers such as vente-privee.com.

Furthermore, CEPL's in-depth expertise in automation and order picking should allow ID Logistics Group to offer innovative solutions to all customers while providing flexible, bespoke logistics services to e-commerce customers. As a result of this transaction, ID Logistics boosted its European network by expanding into Germany and the Netherlands while consolidating its traditional operations in Spain. Lastly, CEPL's existing customers provide potential for commercial growth abroad.

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 where growth is driven by control of networks (i.e. inland transportation, air and sea freight forwarding, etc.).

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

The Group is present in most mass consumption countries where its large retail and FMCG manufacturing 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 launch of "click and collect" services, 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, earnings, 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, as of the Registration Document Date, are not considered likely to have a material adverse effect on the Group, its business activity, financial position or earnings may exist or become major factors that could have a material adverse effect on the Group, its business activity, financial position, earnings, development or outlook.

In each section below, the risk factors are presented in descending order of importance based on the Company's assessment 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, an economic slowdown or fall in consumption in one or more markets, particularly in France, which accounted for 57% of Group revenues in 2014, could therefore adversely affect the Group's business activity and earnings.

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 operates. 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 prices. Any change or doubt concerning the Group's ability to stand out from the competition could affect the Group's revenues and earnings.

2.1.3 Risks intrinsic to the activity

Logistics operations are handling operations which, even if they are considerably supported by mechanical and technological resources, nevertheless remain highly manual. Therefore, there is a risk of physical injury to employees. As stated in section 1.12.1 "Staff information", the

Group takes preventive steps and monitors 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 and severity of work accidents over the last few years. In France, accident rates were as follows:

	2014	2013
Frequency rate ⁽¹⁾	48.6	54.6
Severity rate ⁽²⁾	1.5	2.0

(1) number of lost time industrial accidents (excluding travel accidents) during the year over total payroll hours times 1,000,000

(2) number of days lost due to industrial accidents (excluding travel accidents and extended absences or relapses arising from industrial accidents in prior years) over total payroll hours times 1,000

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 earnings 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 social security charges and could affect its financial position, earnings, 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 2014, business outside France accounted for 43% 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, earnings, 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 database. As of the Registration Document Date, the Group is not dependent on any given 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 via staff and 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 earnings 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, in 2009 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.

In addition, since the 2010 purchase of a small freight business and, above all, the July 2013 takeover of CEPL, the Group has also owned a group of warehouses amounting to 310,000 square meters. These warehouses are category B or C with less surface area than the Brebières warehouse but in line with demand from potential investors who may be inclined to buy this asset class.

However, the Group remains exposed to the global economic climate and to the risk of fluctuation in the discount rates used to value the warehouse market. An adverse movement in these factors could have an adverse effect on the valuation of warehouses and consequently on the Group's financial position and earnings.

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 is higher than the initial estimate. These risks could in turn have an adverse effect on the Group's financial position and earnings.

As of the Registration Document Date, customer recharging procedures are applied at almost all of the warehouses managed by the Group. Furthermore, as of the Registration Document Date, there are no leased 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. 2014 revenues from the Group's top three customers amounted to 21% of consolidated revenues, evenly balanced between these three customers, and no single contract with any of these customers 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 in particular 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.

The Group's inability to manage its organic growth, acquisitions or unexpected difficulties encountered during its expansion could have an adverse effect on its business activity, earnings, 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 earnings 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, and 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 earnings.

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 (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 effect on the Group's and/or the Company's financial position or earnings.

2.2.4 Risks related to intellectual property

The Group 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

The Group financial statements are given in chapter 4 "Financial Statements" of this Registration Document.

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 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 €24.7 million as of December 31, 2014, broken down as follows:

<i>Foreign currency amount €m</i>	TWD	CNY	BRL	PLN	ARS	RUB	ZAR	Other	Total
Assets excluding goodwill	6.1	5.4	25.7	7.4	15.1	2.6	6.4	3.9	72.6
Liabilities	(3.8)	(5.2)	(16.2)	(5.9)	(11.0)	(1.5)	(2.4)	(1.9)	(47.9)
Net assets	2.3	0.2	9.5	1.5	4.1	1.1	4.0	2.0	24.7

The Group periodically reappraises its exposure to exchange risk and, as of December 31, 2014, 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, 2014 most of the Group's borrowings (in the form of bank loans or finance leases) are contracted by French legal entities.

<i>€m</i>	Due in less than 1 year	Due in 1 to 5 years	Due in more than 5 years	Total	At floating rates before hedging	At floating rates after hedging
Bank overdrafts	0.0	-	-	0.0	0.0	0.0
Finance leases	15.7	37.3	13.8	66.8	43.7	22.8
Loans	13.0	48.6	-	61.6	61.5	21.4
Factoring	3.9	-	-	3.9	3.9	3.9
Other borrowings	2.8	-	-	2.8	-	-
Other financial liabilities	-	0.9	-	0.9	-	-
Cash and cash equivalents	(80.4)	-	-	(80.4)	-	-
Other financial assets	(5.9)	(3.2)	(2.2)	(11.3)	-	-
Net financial (assets) liabilities by maturity	(50.9)	83.6	11.6	44.3	109.1	48.1

At this date, 81% 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). After hedges, some 35% of the Group's borrowings as of December 31, 2014 are at floating rates.

As stated under Note 14 to the 2014 Group consolidated financial statements in section 4.8.1 "2014 Group consolidated financial statements", a 1% average increase in interest rates would result in a €0.7 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, 2014, the Group held net cash and cash equivalents of €80.3 million and borrowings with the following maturities:

€m	Due in less than 1 yr	Due in 1 to 5 years	Due in more than 5 yrs	Total
Finance leases	15.7	37.3	13.8	66.8
Loans	13.0	48.6	-	61.6
Factoring	3.9	-	-	3.9
Other borrowings	2.8	-	-	2.8
Total	35.4	85.9	13.8	135.1

As stated in section 4.4.4 "Debt finance", the €60.9 million bank loan as of December 31, 2014 is subject to compliance with certain financial ratios. Repayments for this loan are made every year until February 15, 2019. Non-compliance with these covenants, or a lack of prior waiver or approval from the lending banks, may lead to the remaining principal balance falling due immediately as of the date of the non-compliance. As of December 31, 2014, all covenants were in compliance.

As of December 31, 2014, the Group had unused credit lines amounting to €11.8 million reported under borrowings and €18.0 million reported under finance lease liabilities (compared to €11.2 million and €20.9 million respectively as of December 31, 2013). 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 average potential resource of €59.3 million, €3.9 million of which had been used as of December 31, 2014.

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 "Annual historic financial information" of the Registration Document). Future events, which are unpredictable by nature, could result in impairment of some of this goodwill.

As of December 31, 2014, the goodwill net book value breaks down by geographical region as follows:

€m	12/31/2014
France	90.8
International	26.2
Total	117.0

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 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 (28% of the headcount in 2014). 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 section 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 earnings.

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 covering 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, 2014, Eric Hémar, Christophe Satin and Immod, acting in concert, directly and indirectly held 60.53% of the capital stock and 73.24% of voting rights. As such, the concert party is entitled to take decisions alone that fall within the powers of the shareholders' general meeting, such as appointment of corporate bodies, approval of the financial statements, dividend distributions and amendments to the bylaws.

In addition, less than 2% of the Group's customer contracts include a clause 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, 2014, Immod held 34.84% of the Company's capital and 155,520 equity warrants, the main terms and conditions of which are described in section 5.2.4 "Securities giving entitlement to equity". Each warrant carries the right to subscribe for two shares, which means as of the Registration Document Date a 5.28% potential maximum equity dilution of post-dilution capital.

Furthermore, as stated in the equity warrants paragraph of 3.3.3 "Chairman's report on internal control and corporate governance":

- The March 25, 2014 Board of Directors meeting decided to assign 40,000 founders' warrants representing a maximum potential dilution of 0.71% of post-dilution capital as of the Registration Document Date;

- The August 27, 2014 Board of Directors meeting decided to issue 17,000 redeemable equity warrants, which, as of the Registration Document Date, means a 0.30% maximum potential equity dilution 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 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 of insuring the main insurable risks, with limits and excesses deemed to 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.

In 2014, the Group incurred total costs of €3.7 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 uses only reputed insurance companies and brokers with 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 part 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 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 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 motor 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 breakdown of the Company's shareholders over the last three fiscal years has been as follows:

	12/31/2012	12/31/2013	12/31/2014
Immod	38.12%	34.82%	34.84%
Eric Hémar	23.68%	23.22%	23.22%
Christophe Satin	3.07%	3.01%	2.47%
Subtotal held in concert	64.87%	61.05%	60.53%
Others ⁽¹⁾	10.10%	8.94%	6.05%
Public float	24.86%	29.97%	33.30%
Treasury shares	0.17%	0.03%	0.12%
Total	100%	100%	100%

⁽¹⁾ The other shareholders are employees or former employees of the Group, none of whom individually holds more than 2% of the capital stock or voting rights as of the Registration Document Date.

The Company's capital stock and voting rights as of December 31, 2014 are detailed in the following table:

Shareholders	Number of shares	% capital stock	% theoretical voting rights	% actual voting rights
Immod ⁽¹⁾	1,944,922	34.84%	41.51%	41.54%
Eric Hémar ⁽¹⁾	1,296,460	23.22%	28.63%	28.65%
Christophe Satin ⁽¹⁾	137,820	2.47%	3.04%	3.05%
Subtotal held in concert	3,379,202	60.53%	73.18%	73.24%
Others ⁽²⁾	337,820	6.05%	6.22%	6.22%
Public float	1,858,859	33.30%	20.52%	20.54%
Treasury shares	7,000	0.12%	0.08%	0%
TOTAL	5,582,881	100%	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 or voting rights.

As stated under 3.1.2 below, a double voting right is conferred upon shares which have been registered in the name of the same shareholder for at least four years. This principle explains any differences in the above table between the equity interest percentage and the voting rights percentage. The difference between the theoretical and actual voting rights percentages arises from treasury shares.

As of the Registration Document Date, the distribution of the Company's capital stock and actual voting rights have not materially changed since December 31, 2013.

As of the Registration Document Date, Immod held 34.82% of the Company's capital and 155,520 equity warrants, for which the main terms and conditions are described in section 5.2.4 ("Securities giving entitlement to equity") of the Registration Document, where each warrant carries the right to subscribe for two Company shares. The maximum equity dilution that could arise from exercising these equity warrants is 5.28% of post-dilution capital.

Furthermore, as stated in the equity warrants paragraph of 3.3.3 "Chairman's report on internal control and corporate governance":

- The March 25, 2014 Board of Directors meeting decided to assign 40,000 founders' warrants representing a maximum potential dilution of 0.71% of post-dilution capital as of the Registration Document Date;
- The August 27, 2014 Board of Directors meeting decided to issue 17,000 redeemable equity warrants, which means, as of the Registration Document Date, a 0.30% maximum potential equity dilution of post-dilution capital.

- Crossing of bylaw thresholds

Sycomore Asset Management notified the Company that on June 23, 2014 it increased its shareholding to above the 2% threshold and that, as of the same date, it held 117,827 shares, or 2.11% of the capital representing 1.30% 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 as of December 31, 2014.

- Crossing of statutory thresholds

In the last three fiscal years, statements of crossing statutory thresholds have been made as follows:

- By letter received December 24, 2013, Mr. Eric Hémar (and Immod SAS, the simplified joint stock company controlled by Mr. Hémar) and Mr. Christophe Satin, acting in concert, declared that on December 21, 2013 they increased their shareholding above the two-thirds voting rights threshold and that, as of the same date, they held 3,408,318 shares representing 6,585,758 voting rights, i.e. 61.05% of the capital stock and 72.11% of voting rights in the Company. This threshold crossing resulted from Immod SAS being granted double voting rights.
On the same date, Immod SAS alone increased its holdings above the 30% and 1/3 voting rights thresholds in the Company, while Mr. Eric Hémar alone decreased his holdings below the same thresholds (AMF decision 213C2019).

- By letter received December 11, 2013, Mr. Eric Hémar (and Immod SAS, which he controls) and Mr. Christophe Satin, acting in concert, declared that on December 4, 2013 they reduced their holdings below the two-thirds voting rights threshold in the Company and held 3,408,318 shares representing 5,071,538 voting rights, i.e. 61.05% of the capital stock and 66.57% of voting rights in the Company. This threshold crossing resulted from an off-market sale of Company shares (AMF decision 213C1928).
- By letter received October 25, 2013, Mr. Eric Hémar (and Immod SAS, which he controls) and Mr. Christophe Satin, acting in concert, declared that on October 23, 2013 they increased their holding above the two-thirds voting rights threshold in the Company and held 3,513,214 shares representing 5,200,274 voting rights, i.e. 62.93% of the capital stock and 68.41% of voting rights in the Company. This threshold crossing resulted from an off-market purchase of Company shares (AMF decision 213C1631).
- By letter received July 26, 2013, Mr. Eric Hémar (and Immod SAS, which he controls) and Mr. Christophe Satin, acting in concert, declared that on July 22, 2013 they reduced their holdings below the two-thirds voting rights threshold in the Company and held 3,441,726 shares representing 5,048,404 voting rights, i.e. 61.65% of the capital stock and 66.63% of voting rights in the Company. This threshold crossing resulted from a Company share issue as part of ID Logistics Group's acquisition of CEPL (AMF decision 213C1091).
- By two letters received December 18, 2012 and December 19, 2012, Mr. Eric Hémar (and Immod SAS, which he controls) and Mr. Christophe Satin, acting in concert, declared that on December 14, 2012 they increased their holdings above the two-thirds voting rights threshold in the Company and held 3,551,120 shares representing 5,127,180 voting rights, i.e. 64.87% of the capital stock, representing 68.88% of voting rights in the Company. This threshold crossing resulted from an off-market purchase of Company shares (AMF decision 212C1715).
- Exemption from requirement to file a public tender offer

In its January 21, 2014 meeting, the French financial markets authority (AMF) reviewed a request for exemption from the requirement to file a public tender offer for the Company's shares pursuant to Articles 234-9, 6) and 234-10 of the AMF General Regulation.

Following the December 21, 2013 grant of 1,514,220 double voting rights to Immod SAS, Immod SAS declared that, as of this date, it held 1,944,038 Company shares representing 3,657,198 voting rights, i.e. 34.82% of the capital stock and 40.05% of voting rights in the Company and the parties acting in concert with a controlling interest stated that they held 3,408,318 Company shares representing 6,585,758 voting rights, i.e. 61.05% of the capital stock and 72.11% of voting rights in the Company,

Under this transaction, Immod SAS alone increased its holding above the 30% voting rights threshold in the Company that constitutes the level above which shareholders must file a public tender offer pursuant to Article 234-5 of the AMF General Regulation.

Given that the concert composed of Mr. Eric Hémar, Immod SAS, which he controls, and Mr. Christophe Satin held more than 50% of voting rights in the Company prior to the December 21, 2013 grant of double voting rights, the AMF granted the requested waiver on the stated regulatory grounds (AMF decision 214C0124).

3.1.2 Voting rights of the principal shareholders

Pursuant to Article 25 of the Company bylaws, each Company share carries 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 December 31, 2014, Eric Hémar held:

- 23.22% of the Company's capital stock and 28.65% of the voting rights directly, and
- 34.84% of the Company's capital stock and 41.54% 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 58.06% of the capital and 70.19% of the voting rights and, acting in concert with Christophe Satin, 60.53% of the capital and 73.24% of the voting rights.

As of the Registration Document Date, the control of the Company's capital stock and actual voting rights as described above have not materially changed since December 31, 2013.

The Company is controlled as stated above. Steps taken to ensure that control is not abused include the presence of an independent director and one independent advisor on the Board of Directors.

There are currently two shareholder agreements in force.

- The first concerns an agreement between Eric Hémar and Christophe Satin together with former and current Group employees holding 8.52% of the capital as of December 31, 2014. Most of these people 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 such that they could be deemed to be acting in concert. Under the shareholder 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 shareholder agreement must notify Eric Hémar of their plan to sell or transfer their shares, specifying the number of shares, the manner of sale or transfer, details of the intended transferee 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, expiring on 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 shareholder agreement that represents an action in concert.

The principal clauses of the shareholder 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 shareholder 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 to terminate the shareholder agreement early (AMF decision 212C0523).

3.1.4 Agreements 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 shareholder agreement between Messrs Hémar and Satin and Immod, 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 priority purchase right as described in 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.

3.1.6 Summary statement of share transactions carried out by Company directors or officers as defined under Article L. 621-18-2 of the French Monetary and Financial Code

During 2014 the following transactions on Company shares were reported by directors or officers:

Director or officer Position in the Company	Immod Director	Christophe Satin Director and Deputy CEO
Sales		
- Total number of shares sold	-	30,000
- Total sales value (€000)	-	2,190
Purchases		
- Total number of shares purchased	1,000	-
- Total purchase value (€000)	62	-

3.2 BOARD OF DIRECTORS

3.2.1 Members of the Board of Directors

Board members are detailed in the Chairman's report on internal control and corporate governance under section 3.3.3 of the Registration Document.

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 the senior management team and the 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 shareholder 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

Securities giving access to the capital granted to the directors are detailed in section 5.2.4 "Securities giving entitlement to equity" of the Registration Document.

3.3 OPERATION OF THE COMPANY'S ADMINISTRATIVE AND MANAGEMENT BODIES

3.3.1 Company management

The operations of the Company's senior management are detailed in the Chairman's report on internal control and corporate governance under section 3.3.3 of the Registration Document.

The Board of Directors has reviewed the Middlednext Code points requiring special attention. Specifically:

- Points concerning the Board's supervisory powers were discussed in conjunction with assessing the work of the Board of Directors in February 2014;

- Points concerning executive and sovereign powers were reviewed at the March 24, 2015 Board of Directors meeting in conjunction with discussions with potential directors about the corporate strategy, and during discussions about the interest of establishing an Appointments and Remuneration Committee.

3.3.2 Chairman's report on internal control 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 membership of the Board of Directors, the conditions for preparing and organizing its work and internal control and risk management procedures that the Company has implemented.

This report was prepared based on information provided by several departments, notably the Group legal affairs and finance departments, and then passed to the Audit Committee for discussion and review before being approved by the Board of Directors on March 24, 2015 and subsequently submitted 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. In 2014 the Company was in compliance with all of the code's recommendations.

1. The Board of Directors and committees

- Members of the Board of Directors

The following changes to the membership of the Board of Directors took place in 2014:

June 10, 2014 general meeting	<ul style="list-style-type: none">• Reappointment of Mr. Michel Clair as director
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The Board of Directors consists of four directors and two independent advisors. Their term of office runs for three years.

Membership of the Board of Directors has been arranged so as to involve the Group's controlling shareholder representatives in the definition, implementation and monitoring of the Group's growth strategy, while ensuring that the Group benefits from the diverse international professional experience of its Board members.

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

Name	Age	Nationality	Position	Date of appointment	Expiry of term of office	Number of shares held	Independent member
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Eric Hémar	51 years	French	Chairman and CEO	5/29/2013	2016	1,296,460	No
Immod ⁽¹⁾ , represented by Marie-Aude Hémar	50 years	French	Director	5/29/2013	2016	1,944,922	No
Christophe Satin	44 years	French	Deputy General Manager Director Director	5/29/2013	2016	137,820	No
Michel Clair ⁽²⁾	68 years	French	Chairman of the Audit Committee	6/22/2011	2014	8,000	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% by Mr. Christophe Satin.

⁽²⁾ Investment held directly and indirectly via Clair Grenelle SAS

Mr. Jacques Veyrat, 52 years old and a French national, also attends Board meetings as an independent advisor. He was initially appointed to the Board of Directors on June 22, 2011 and reappointed on September 1, 2013 for a term expiring in 2016.

As stated in section 6.2 "Draft resolutions", the next shareholders' general meeting will include a resolution to appoint the following three persons as directors:

- Ms. Michèle Cyna: As chairman and CEO of Burgeap Group, which has 400 employees in France, Michèle Cyna also sits on the Executive Board of BIHSE (BURGEAP IGIP Holding SE), which has just under 1,000 employees worldwide. Having graduated from *Ecole Polytechnique*, *Ecole Nationale des Ponts et Chaussées* and MIT, Michele Cyna began her career in the *Ponts et Chaussées* (bridges and roads) institute. As such she has worked in managerial positions for the Seine-et-Marne departmental urban transport research center and the Marne la Vallée EPA urban development institute. In 1992, she became transportation engineer at the World Bank in Washington. She returned to France two years later to take charge of on-the-job training for the *Ecole Nationale des Ponts et Chaussées*, where she worked for five years. In 1999, she was appointed head of Eurovia's techniques and promotion department, and 8 years later became Veolia Transdev's international affairs director. In 2013, she joined Burgeap engineering firm as chairman and CEO. Having chaired *Sciences ParisTech au Féminin* and sat on the board of the *Grandes Ecoles au Féminin* (GEF), Michèle Cyna currently chairs *Ponts Alliance*, an association for former students of the *Ecole Nationale des Ponts et Chaussées*. She also chairs the Geothermal Commission of the *Syndicat des Energies Renouvelables* (SER). Michèle Cyna is an Officer of the French Order of Merit and Knight of the French Legion of Honor.
- Ms. Muriel Mayette-Holtz: As managing director of the *Comédie-Française* from 2006 to 2014, Muriel Mayette-Holtz is an actress and stage director. Having studied under Michel Bouquet, Claude Régy and Bernard Dort, she was visiting professor at the *Conservatoire National Supérieur d'Art Dramatique* between 2000 and 2006. Muriel Mayette-Holtz joined the *Comédie-Française* in 1985 after training with CNSAD and was named 477th member in 1988. She has played numerous parts under directors including Antoine Vitez, Jacques Lassalle, Matthias Langhoff, Alain Françon, Catherine Hiegel, Claude Stratz, Otomar Krejca and Bob Wilson. She has also produced around forty plays including *Le Songe d'une Nuit d'Eté* currently showing at the *Comédie-Française*. She currently sits on the *Radio France* and *Alliance Française* governing boards and is an Officer of the French Order of Arts and Letters, Knight of the Order of Merit and Knight of the Legion of Honor.

- Mr. Jesus Hernandez: Having graduated from the Madrid technical university, Jesus Hernandez developed international management skills during a broad career in logistics. He started work with C&A, where he remained for 19 years. His jobs during this time included Coordination Logistics Director in Düsseldorf, Germany. He then joined logistics operator Tibbett & Britten as chief operating officer in Spain and, just a year later, was appointed chief executive for Spain, Portugal and Morocco. He remained in this position following Exel Logistics' acquisition of his company. In March 2006, Jesus Hernandez joined ID Logistics as General Manager Spain. In March 2015, he was appointed General Manager Brazil.

Under the eighth recommendation of the Middlednext corporate governance code for small and mid caps, 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 corporate officer 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 have 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.

On March 24, 2015 the Board of Directors decided that Ms. Cyna and Ms. Mayette-Holz could be regarded as independent under the independence criteria of the Middlednext listed companies corporate governance code, which the Company uses as its corporate governance reference.

These appointments will boost the profile of women managers and the proportion of independent and foreign directors on the Board.

Among Board members, given that Michel Clair meets all criteria listed in the code, he is also deemed to be independent.

Mrs. Marie-Aude Hémar, Immod's permanent representative, is the wife of Mr. Eric Hémar. There are no other family links between the other members listed above.

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

- been sentenced for fraud;
- been involved in a bankruptcy, sequestration or liquidation;
- incurred official public sanctions or penalties imposed by 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.

- Director information

- **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 the ID Logistics group. Eric Hémar has been Chairman and Chief Executive Officer of the Company since the June 21, 2010 shareholders' general meeting, 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), IDL Supply Chain South Africa (Pty) Ltd, IDL Fresh South Africa (Pty) Ltd, Timler, France Paquets, ID Logistics La Réunion
- 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 Marie-Aude Hémar

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 34.84% 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

- **Marie-Aude Hémar, Immod representative**

Business address: 410, route du Moulin de Losque, 84300 Cavaillon

Having graduated from IDRAC Paris, from 1986 to 2011 Marie-Aude Hémar held various positions at Caisse d'Epargne IDF, including business client manager, business branch manager and inspector with the Controlling Department. Mrs. Marie-Aude Hémar, Immod's permanent representative, is the wife of Mr. Eric Hémar.

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

- Joint manager: Comète

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

None

- **Christophe Satin**

Director, audit committee member 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 CEO.

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

Principal function

- ID Logistics Group Deputy CEO

Other offices within the Group

- Chairman: Comptoir Général de Logistique et de Services, Coop Interflèche, ID Logistics Champagne, La Flèche, Compagnie Financière de Logistique (CFL), CEPL Holding Compagnie, Compagnie Européenne de Prestations Logistiques (CEPL)
- 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 and Chairman: Dislogic

Other offices outside the Group

- General Manager: Libertad

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

None

- **Michel Clair**

Independent director and Chairman of the Audit Committee

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 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: Astria*, France Habitation*, Omnium de Gestion Immobilière d'Ile de France (OGIF)*, SAS RHVS*
- Deputy Chairman: KLESIA Retraites AGIRC
- Director: GIE Astria*, Pax Progrès Pallas SA*, Domaxis SA*, SICI*, HSR*, KLESIA Prévoyance

* *Astria Group*

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

- Information on independent advisors

- **Nicolas Derouin**

Nicolas Derouin resigned as independent advisor on March 24, 2015.

- **Jacques Veyrat**

Advisor

Business address: Impala SAS, 7 rue Kepler, 75116 Paris

Former student of Ecole Polytechnique and Ecole des Ponts et Chaussées of 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 in 2005) until April 2008. He then became Louis Dreyfus group Chairman until summer 2011. Since July 2011 Jacques Veyrat has been Chairman of Impala SAS.

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

- Chairman: Impala Holding

- Director: HSBC France, Fnac Group, Nexity

- Member of the Supervisory Board: Eurazeo, Neoen, Sucres et Denrée

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
- Director: Poweo Direct Energie, Imerys, ID Logistics Group

- 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 four times in 2014. Meeting notices were sent out at least two days in advance. In 2014, all members attended all Board meetings. Meetings are held at Group locations or by conference call.

The statutory auditors were invited to the Board of Directors meetings called to approve the annual and half-year financial statements and management forecasts, 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.
- Duties of the directors (fiduciary duty, non compete obligations, confidentiality, diligence, prevention of insider trading etc.)
- Audit Committee

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

- Conflicts of interest among Board members

Article 4, "Directors' duties", of the Board of Directors Rules of Procedure 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 on the relevant matter,
- or not attend the Board meetings during the period in which he is involved in 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, 2014, the Company Board of Directors met on:

- January 24, 2014, principally to convene an extraordinary shareholders' general meeting with a view to issuing founders' warrants and equity warrants,
- March 25, 2014, principally to approve the 2013 Company and consolidated financial statements, to review operations since the beginning of the year and to approve the 2014 budget. During this meeting, members also assessed the Board's operations, approved the Chairman's report on internal control and corporate governance and prepared the invitation to the annual general meeting. Lastly, this meeting decided to issue 40,000 founders' warrants in accordance with the authorization granted by the March 19, 2014 extraordinary general meeting.
- June 10, 2014, principally to reappoint Michel Clair as Audit Committee Chairman following his reappointment as director by the general meeting held on the same date, and to implement the share buyback program approved by said general meeting,
- August 27, 2014, principally in order to approve the interim Company financial statements and to review first half 2014 operations. During this meeting directors also decided to

issue 17,000 redeemable equity warrants in accordance with the authorization granted by the March 19, 2014 extraordinary general meeting.

In addition to technical issues on the agenda, Board meetings are always an opportunity to review the Company's business, its development and changes in its market environment.

- Assessment of the Board's work

In February 2014, the Board conducted a formal assessment of its own work and that of the Audit Committee.

The improvement points identified related to appointing more Board members to bring new skills, including international experience, and to appoint more women directors.

The Board adopted these improvement points by proposing appointments of new directors as stated above.

- Organization and operation of the special committee

Following the admission of the Company's shares for trading on the NYSE Euronext regulated market 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, preferably both independent directors, appointed by the Board of Directors. Following the resignation of Jacques Veyrat as director on August 28, 2013, the Audit Committee was left with only one member, committee Chairman and independent director Michel Clair. When an independent member is next appointed to the Board of Directors, said member shall join the Audit Committee to replace Jacques Veyrat. In the meantime, Christophe Satin, director, will replace Jacques Veyrat on the Audit Committee with Michel Clair as Chairman.

All Audit Committee members have financial expertise (see "Director information" above).

- 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 proposed changes are properly 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 and 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, rapidly 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 controllers 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 requested by the statutory auditors for the performance of their statutory audit of the financial statements and for any other engagements;
- if applicable, authorizes, in advance, engagements for the statutory auditors to perform outside their statutory financial audit responsibilities, which must be related or complementary to their statutory financial audit responsibilities, 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 issue of new shares, securities or debt.

- Operations

The Audit Committee meets according to 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 that, 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 persons involved in preparing or auditing the financial statements, including the Chief Financial Officer and the main managers within the finance department. The Audit Committee's interview of the statutory auditors may, but need not be attended by any representative of the Company.

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

The Audit Committee met twice in 2014, on the following dates:

- March 24, 2014 to review the 2013 financial statements;
- August 26, 2014 to review the 2014 half-year financial statements.

All committee members attended this meeting and were given adequate time to review the financial and accounting documents. They had the opportunity to interview the statutory auditors and the Chief Financial Officer.

The Committee reported on its work to the Board, which has taken note 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 of no less than one year.

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

- Limitation of the powers of the CEO and Deputy CEOs

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 the shareholders' meeting or Board of Directors. He represents the Company in its dealings with third parties.

Where the general management of the Company is performed 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 Chief Executive Officer. 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 set by the Board of Directors on the powers of the CEO or Deputy CEOs.

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

- Directors' remuneration

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 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. 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 business development. In respect of 2014, these agreements are described under section 3.3.2 of the Registration Document, "Contracts between directors and the Company". See also the statutory auditors' special report in section 4.10.3.

Fees for the aforementioned services include fixed fees amounting to €450,000 paid in 2014, and variable fees in respect of 2013 amounting to €225,000, which were paid in 2014. In 2013, Comète received fixed fees of €383,250. The 2012 variable fee amounted to €154,000 and was paid in 2013. Furthermore, in conjunction with the July 2013 CEPL acquisition, Comète carried out a review prior to the acquisition and provided assistance for CEPL's integration, for which an amount of €71,000 was invoiced and paid in 2013. In 2014, as in 2013, the variable part of Comète's remuneration is performance-related, based on achievement of the Group's growth targets in terms of new market openings, income growth 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.

€	2014		2013	
	Amount paid	Amount due	Amount paid	Amount due

Fixed remuneration	150,000	150,000	150,000	150,000
Variable remuneration	-	-	-	-
Deferred variable remuneration	-	-	-	-
Non-recurring remuneration	-	-	-	-
Directors' fees	-	-	-	-
Benefits in kind	-	-	-	-
Subtotal	150,000	150,000	150,000	150,000
Deferred variable remuneration	-	-	-	-
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 Immod

With the exception of directors' fees described below, the Company may not and did not pay any fees to Immod for its duties as director in respect of 2014 and 2013, nor to Mrs. Marie-Aude Hémar, Immod's permanent representative on the Company's Board of Directors.

- Remuneration of Mr. Christophe Satin

The table below sets out the remuneration paid by the Group to Christophe Satin, Group Deputy CEO and Company director. 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.

€	2014		2013	
	Amount paid	Amount due	Amount paid	Amount due
Fixed remuneration	254,102	254,102	242,500	242,500

Variable remuneration	120,000	120,000	100,000	110,000
Deferred variable remuneration	-	-	-	-
Non-recurring remuneration	-	-	10,000	-
Directors' fees	-	-	-	-
Benefits in kind	-	-	-	-
Subtotal	<u>374,102</u>	<u>374,102</u>	<u>352,500</u>	<u>352,500</u>
Deferred variable remuneration	-	-	-	-
Value of stock options granted during the year	-	-	-	-
Value of performance shares granted during the year	-	-	-	-
Total	<u>352,500</u>	<u>352,500</u>	<u>352,500</u>	<u>352,500</u>

The exceptional 2013 remuneration arose due to his involvement in the planned CEPL acquisition.

- Remuneration of the other directors

In 2014, the Company paid total directors' fees for fiscal year 2013 amounting to €21,392 after Eric Hémar, Christophe Satin and Nicolas Derouin decided to waive their directors' fees amounting to €28,608 and have them paid over to Idebra, a charity formerly named ID Esperanza. The total expense for the Company therefore remains at €50,000.

Non-executive corporate officers	Amounts paid during fiscal year 2014	Amounts paid during fiscal year 2013
Michel Clair		
- Directors' fees	€10,000	€10,000
- Other remuneration	-	-
Jacques Veyrat		
- Directors' fees	€8,892	€10,000
- Other remuneration	-	-
Marie-Aude Hémar		
- Directors' fees	€2,500	-
- Other remuneration	-	-
Total	€21,392	€20,000

- Directors' fees

The June 10, 2014 shareholders' general meeting set the total amount of directors' fees to be paid to Board members at €60,000 per fiscal year with effect from fiscal 2014. 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 €60,000 in respect of fiscal 2014 (notwithstanding the possibility that some directors may waive their directors' fees).

To take account of the appointment of three new Board members, we hereby state that the May 21, 2015 extraordinary and ordinary general meeting will include a draft resolution to increase total directors' fees for Board members from €60,000 to €80,000. This resolution shall apply from fiscal 2015 and shall be maintained until it is superseded by a future resolution.

- Amounts accrued by the Company for pensions and other benefits for directors and senior executives

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 and CEO	No	No	No	No
Christophe Satin Deputy CEO	Yes	No	No	No

Christophe Satin jointly founded ID Logistics in 2001 and has worked for ID Logistics for 14 years. When he was first appointed in 2010 as representative of Immod, director, he had already been an ID Logistics employee for nine years. His employment contract contains no special clause for severance pay in the event of dismissal. However, his employment contract does entitle him to a pension based on his length of service with the Group. His entire remuneration is detailed under 3.3.3 "Chairman's report on internal control and corporate governance".

The Company has not made any accruals for payment of pensions and other benefits to 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 stock options or bonus shares.

- Equity warrants ("BSA") and founders' warrants ("BSPCE")

The March 19, 2014 extraordinary general meeting gave authority to the Board of Directors to issue up to 40,000 BSPCEs (founders' warrants) without shareholder priority subscription rights to a named individual and authority to issue up to 20,000 equity warrants to a given category of persons, namely employees and directors of the Company or a Company subsidiary.

Under this authorization:

- i. The March 25, 2014 Board of Directors meeting decided to allocate 40,000 founders' warrants to a Company salaried manager who is not a corporate officer.

The details of this scheme are as follows:

General meeting date	March 19, 2014
Board of Directors meeting date	March 25, 2014
Maximum number of warrants to be issued	40,000
Maximum number of shares that may be acquired <i>of which by corporate officers</i>	40,000 <i>none</i>
Earliest date for exercising the warrants	March 25, 2015
Expiry date	March 25, 2019
Share subscription price ⁽¹⁾	€68.49
Terms for exercising the warrants ⁽²⁾	1 share for 1 warrant
Number of shares subscribed as of the Registration Document Date	None
Number of canceled or lapsed warrants to date	None
Number of shares potentially subscribed as of the Registration Document Date	None
Remaining founders' warrants as of the Registration Document Date	0

(1) Subject to future adjustments, each warrant will entitle the holder to subscribe for one Company share of common stock at the subscription price, be equal to the volume-weighted average price of the Company share over the forty trading sessions immediately preceding March 24, 2014, amounting to €68.49 per share.

(2) Should the warrant holder leave the Company before March 25, 2015, he may not exercise any warrants and all warrants will automatically be canceled as of the date of departure.

Provided the warrant holder does not leave before March 25, 2015, he may exercise 20,000 warrants from March 25, 2015 inclusive to March 25, 2019 exclusive ("Tranche 1").

Provided the warrant holder does not leave the Company before March 25, 2017, he may exercise his current holdings of warrants, amounting to 20,000 warrants plus any unexercised Tranche 1 warrants, from March 25, 2017 inclusive to March 25, 2019 exclusive, on the understanding that all warrants not exercised by the end of this period will be automatically void and canceled.

Note that the term "leave" refers to when the warrant holder's duties within the Company are terminated for any reason whatsoever, and that the leaving date shall be determined as follows, depending on the circumstances: (i) in the event of redundancy, the postmark date of the first redundancy letter; (ii) in the event of resignation, the date when the employer receives the resignation letter; (iii) in the event of voluntary or compulsory retirement, the date of receipt of the letter of notice; (iv) in the event of contractual termination of the employment contract with the Company, the date of signing of the termination agreement; (v) in the event of death, the date of death; and (vi) in the event of 2nd or 3rd category permanent disability as defined under Article L. 341-4 of the French Social Security Code, the date when the disability arises, provided that the consultant doctor of the relevant social security fund (caisse de sécurité sociale) has classified the warrant holder as a disabled person.

- ii. The August 27, 2014 Board of Directors meeting decided to assign 17,000 redeemable equity warrants ("BSAR") to Group employees.

The details of this scheme are as follows:

General meeting date	March 19, 2014
Board of Directors meeting date	August 27, 2014
Maximum number of warrants to be issued	17,000
Maximum number of shares that may be acquired of which by corporate officers	17,000 none
Earliest date for exercising the warrants	August 27, 2014
Expiry date	August 27, 2019
Share subscription price ⁽¹⁾	€68.53
Terms for exercising the warrants ⁽²⁾	1 share for 1 warrant
Number of shares subscribed as of the Registration Document Date	None
Number of canceled or lapsed warrants to date	None
Number of shares potentially subscribed as of the Registration Document Date	None
Remaining warrants as of the Registration Document Date	0

(1) Subject to future adjustments, each warrant will entitle the holder to subscribe for one Company share of common stock at the subscription price, equal to the volume-weighted average price of the Company share over the forty trading sessions immediately preceding August 27, 2014, amounting to €68.53 per share.

There were no other founders' warrants or redeemable equity warrants granted by the Company or held and exercised during the year.

As of the Registration Document Date, Immod SAS with 34.82% of the Company's capital stock holds 155,520 shares with 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:
 - o Number of warrants exercised: none
 - o Number of warrants canceled or void: none
 - o Number of warrants remaining: 155,520

Each warrant carries the right to subscribe for two shares, entailing as of the Registration Document Date a 5.28% potential maximum equity dilution of post-dilution capital.

- Directors' stock options and equity holdings

As of December 31, 2014, 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		
	Quantity	% equity	% actual voting rights
Eric Hémar	1,296,460	23.22%	28.65%
Immod ⁽¹⁾ , represented by Marie-Aude Hémar	1,944,922	34.84%	41.54%
Christophe Satin	137,820	3.47%	3.05%
Michel Clair ⁽²⁾	8,000	0.14%	0.09%

⁽¹⁾ At the Registration Document Date, 85.87% of Immod's capital stock was indirectly held by Mr. Eric Hémar, via Comète, and 14.13% by Mr. Christophe Satin.

⁽²⁾ Investment held directly and indirectly via Clair Grenelle SAS

As of the date of this report, the Board members' direct and indirect equity holdings described above has not materially changed.

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 two shares, entailing as of the Registration Document Date a 5.28% potential maximum equity dilution of post-dilution capital.

4. Shareholder participation in shareholders' general meetings

The procedures concerning shareholder participation in shareholders' general meetings are set out in Articles 20 and 23 of the bylaws (see section 5.3.5 "Shareholders' general meetings").

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 one or more shareholders may request, 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 shareholder 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 are 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 buy-back program), and in the table of powers to increase capital stock under section 5.2.5 of the Registration Document, "Authorized capital". The Board of Directors' share buyback powers are described under section 5.2.3 "Treasury stock - Description of the share buyback program".
- Changes to the Company bylaws are made in accordance with statutory and regulatory provisions.
- The voting rights of ID LOGISTICS shares held by staff via the ID Logistics Group employee equity mutual fund (FCPE) are exercised by a representative authorized by the fund's supervisory board to represent the holders in shareholders' general meetings.
- There are no special agreements providing for compensation if Board members or employees resign, are made redundant without actual and serious cause or if their employment is terminated due to a public takeover bid.
- The loan the Company contracted for the CEPL acquisition will be canceled and the remaining balance (€62,741,000 at December 31, 2014) will immediately fall due in the event of a change in control.

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,
- Safeguard and enhance the Company's value, assets and reputation by identifying and analyzing key threats and opportunities so that risks may be anticipated,
- Ensure that the Company's actions are consistent with its values,
- Rally 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
- A code of ethics.

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 the efficiency thereof.

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 designed to safeguard its 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 adapt 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 targeted 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 throughout the Group.

- Senior management and Executive Committee
The Chairman and CEO has overall operational and functional responsibility to implement the Board of Directors' approved strategy across 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 an Executive Committee whose members are appointed by the Chairman and the Deputy CEO. As of the Registration Document Date, the Executive Committee comprised the Chief Financial Officer, the Chief Development and Innovation Officer and the Chief Operating Officer.
Executive Committee members are responsible for setting up and monitoring internal control systems in their respective areas of responsibility.
- International Committee
The International Committee comprises the members of the Coordination Committee, the directors of the 13 countries where the Group operates and some Group directors who are not members of the Coordination Committee.
The International Committee is designed to be a forum for the exchange and communication of information between its members. The Committee ensures that Group strategy and the operational policies derived from it, including internal control matters, have been properly implemented.
- Operational Committee France
The Operational Committee France represents the main operational and functional departments in France. It plays the same role as the International Committee but 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.
Each division is responsible for adopting internal controls in line with both its organization and Group policies and rules.

The Group's lean management style and the regular financial, operational, HR and sales reporting ensure 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 spread 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 that accounting and financial information is accurate and in compliance. The system functions as follows:

- Organization

- 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 under the direct 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 employees 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 in 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 financial controllers, 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.

Monthly scoreboards showing these financial indicators alongside operational indicators (e.g. throughput volumes, hours worked, load ratio etc.) and human resources indicators (e.g. temporary staff rate, accident rates, absenteeism, etc.) are sent 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 on an ongoing basis.

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 projected 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 the next three years, as well as on operational matters in order to anticipate their potential financial consequences: customer satisfaction surveys, HR statistics (industrial accidents, absenteeism, employment of disabled persons, 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 plans for 2015 are as follows:

- Continue to regularly update the initial risk map and implement the action plans identified during the initial mapping exercise
- Continue to formalize a comprehensive internal control procedures manual, distribute it and introduce a control procedure to ensure proper application of these procedures
- Set up a network of risk management officers in the international subsidiaries

- Backed by this network of risk management staff, roll out the risk-mapping approach worldwide beginning with Brazil, South Africa, Spain and Poland as initially planned for 2014

Chairman of the Board of Directors
Eric Hémar

3.3.3 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 the fiscal year ended December 31, 2014.

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 accounting and financial information, and
- Certify that the report includes other statutory 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 Chairman's report. 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 Chairman's report, as well as with existing documentation;
- Familiarizing ourselves with the work that enabled the preparation of this information and with 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 company's internal control and risk management procedures relating to the preparation and processing of accounting and financial information contained in the report of the Chairman of the Board of Directors, established pursuant to 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 statutory disclosures under Article L. 225-37 of the French Commercial Code.

Paris and Neuilly-sur-Seine, April 3, 2015

The Statutory Auditors

CFG Audit
Philippe Joubert

Deloitte & Associés
Albert Aidan"

3.3.4 Contracts between directors and the company

As of the Registration Document Date, there were three indirect services agreements between Eric Hémar and ID Logistics Group via the company Comète. These agreements have an unlimited term with a three-month notice period and are subject to the following financial terms and conditions for 2015:

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	Business development, human resources management	281,000	125,000
La Flèche SAS	Corporate relations, professional organizations, business development	48,000	-
Total		450,000	225,000

() The variable fee, if applicable, will be paid in 2016.*

The fees in respect of 2014 are detailed in the paragraph entitled "Directors' remuneration" in section 3.3.3 "Chairman's report on internal control and corporate governance".

See also the statutory auditors' special report in section 4.10.3.

3.4 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 six-year term ending at the close of the ordinary

shareholders' general meeting called to approve the financial statements for the fiscal year ending December 31, 2015.

Deloitte et Associés has been the statutory auditor of the Group's principal subsidiaries in France and abroad since incorporation.

Deloitte et Associés 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 regular statutory auditor at the June 10, 2014 shareholders' general meeting for a six-year term ending at the close of the ordinary shareholders' general meeting called to approve the financial statements for the fiscal year ending December 31, 2019.

CFG Audit 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 six-year term ending at the close of 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.

- Fiduciaire Gestion Saint Honoré Audit
8, rue Dupleix - 75015 Paris

Fiduciaire Gestion Saint Honoré Audit was appointed alternate statutory auditor at the June 10, 2014 shareholders' general meeting for a six-year term ending at the close of the ordinary shareholders' general meeting called to approve the financial statements for the fiscal year ending December 31, 2019.

- Fiduciaire Gestion Saint Honoré Audit is registered with the Paris Institute of Statutory Auditors.

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 / P Joubert				Other			
2014		2013		2014		2013		2014		2013	
€000	%	€000	%	€000	%	€000	%	€000	%	€000	%

Audit

- Statutory audits, certification, examination of the consolidated and separate financial statements

Parent company	40	8%	49	7%	35	21%	40	25%	0	0%	0	0%
Subsidiaries	471	92%	495	71%	129	79%	123	75%	80	100%	62	100%

- Other procedures and services directly related to the statutory audit engagement

Parent company	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Subsidiaries	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%

Subtotal	511	100%	544	78%	164	100%	163	100%	80	100%	62	100%
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Other services rendered to fully consolidated subsidiaries

- Legal, tax and human resources

0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
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- Other

0	0%	151	22%	0	0%	0	0%	0	0%	0	0%
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Subtotal	0	0%	151	22%	0	0%	0	0%	0	0%	0	0%
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Total	511	100%	695	100%	164	100%	163	100%	80	100%	62	100%
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4/ FINANCIAL STATEMENTS



4 FINANCIAL STATEMENTS

The reader is invited to read the following information relating to the Group's financial position and earnings together with the Group consolidated financial statements prepared under IFRS for the years ended December 31, 2014 and 2013 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 March 24, 2015 meeting.

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

- Development of the Group's business

The main factor that had a material impact on the Group's business and earnings was rapid growth and the corresponding increase in 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, adaptation of logistical processes (i.e. goods-in, order picking, shipment, quality controls etc.) and the introduction of IT systems. Given these requirements, 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", the administrative costs of setting up a new operational legal entity in the relevant country are a further burden in addition to the fact that initial operational productivity is below the optimum level.

Growth driving 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, month or even 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 re-engineers 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 shipments, 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 and gas;
- 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. films, labels and packaging), 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.

The accrued income under the CICE competitiveness and employment tax credit is deducted from staff costs.
- 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.

The Group has opted to account for CVAE as a tax on income, while only the part relating to CFE continues to be posted under '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 results of operations before non-recurring items (such as restructuring costs) and non-operating items (such as amortization of acquired customer relations).

4.2 COMPARISON OF YEARS ENDED DECEMBER 31, 2014 AND DECEMBER 31, 2013

2014, as the first full year following the July 2013 CEPL acquisition, was considerably influenced by the results of CEPL, a French automated retail order picking specialist (see section 1.13 "ID Logistics growth strategy"), the completion of its integration and the resulting sales growth in retail order picking.

€m	2014	2013
Revenues	874.5	735.1
Purchases and external charges	(436.5)	(373.3)
Staff costs	(359.5)	(299.3)
Miscellaneous taxes	(13.7)	(11.6)
Other underlying income (expenses)	(0.4)	(0.8)
Net write-backs (increases) to provisions	0.1	0.6
Net depreciation/impairment	(22.9)	(18.9)

EBIT before amortization of acquired customer relations	41.6	31.8
Amortization of acquired customer relations	(0.5)	(0.3)
Non-recurring expenses	(4.2)	(4.0)
Operating income	36.9	27.5
Net financial items	(6.8)	(5.2)
Corporate income tax	(11.4)	(9.3)
Share of earnings of equity affiliates	(0.1)	0.1
Total consolidated net income	18.6	13.1
Of which minority interests	0.6	1.1
Of which Group share	18.0	12.0

2014 consolidated revenues amounted to €874.5 million, up 19.0% over 2013, and up 11.4% like-for-like (constant consolidation and exchange rates). Revenues are broken down as follows:

€m	2014	2013
France	497.6	417.6
International	376.9	317.5
Total revenues	874.5	735.1

- **France**
2014 revenues for France totaled €497.6 million, up 19.2% over the previous year. Like-for-like growth came in at 9.3%, the effect of consolidation changes being mainly due to the acquisition of CEPL, consolidated as from July 1, 2013. The buoyant growth in like-for-like revenues arose from major new business in retail and e-commerce order picking as a result of revenue synergies due to the 2013 CEPL acquisition.
- **International**
2014 International revenues amounted to €376.9 million, up 18.7% (up 14.4% like-for-like). As with France, the impact of changes in consolidation is due to the consolidation of CEPL's international operations with effect from July 1, 2013. This was partly offset by a currency loss of around 3.6% mainly on the Brazilian real and the Argentine peso. ID Logistics was boosted in 2014 by strong sales of its subsidiaries in Spain and Poland, a new second site in Russia and winning an important contract for its market profile in China. 2014 international revenues accounted for 43% of total Group revenues.

2014 purchases and external charges amounted to €436.5 million, or 49.9% of revenues, compared to €373.3 million or 50.8% of revenues in 2013. The revenue percentage reduction primarily arose from lower use of agency staff compared to 2013 and the subsequent hiring of agency staff engaged for the numerous startups in that year. Adjusting for this item, the 2014 purchases and external expenses revenue percentage edged up largely due to CEPL integration costs and some related renovating costs.

2014 staff costs amounted to €359.5 million, or 41.1% of revenues, compared to €299.3 million or 40.7% of revenues in 2013. As stated above, this increase arose principally from

engaging agency staff in 2013 for many business startups, who were hired in 2014 as Group employees in line with the Group's business model. Total staff costs (Group employees and agency staff) reduced as a revenue percentage in 2014, equally boosted by a more beneficial method of calculating the 'CICE' tax credit for competitiveness and employment that is included under staff costs, and by tight control over headcount.

Miscellaneous taxes remained stable and represented 1.6% of revenues, similar to 2013.

2014 other income and expenses amounted to a €0.4 million net expense, similar to a €0.8 million net expense in 2013.

2014 net provision write-backs amounted to €0.1 million, similar to €0.6 million in 2013.

Net depreciation increased in line with revenues, amounting to 2.6% of 2014 and 2013 revenues.

In view of the above, 2014 EBIT before acquired customer relations amortization came in at €41.6 million, which represented a 4.8% underlying margin on revenues, compared to 2013 EBIT of €31.8 million and a 4.3% margin. EBIT is broken down as follows:

€m	2014	2013
France	27.2	23.0
<i>EBIT margin (% revenues)</i>	<i>5.5%</i>	<i>5.5%</i>
International	14.4	8.8
<i>EBIT margin (% revenues)</i>	<i>3.8%</i>	<i>2.8%</i>
Total	41.6	31.8
<i>EBIT margin (% revenues)</i>	<i>4.8%</i>	<i>4.3%</i>

- **France**
France 2014 EBIT margin was flat at 5.5%: the dilution effect arising from CEPL's full-year revenues in France (CEPL has been consolidated since July 2013) was offset by steps taken to upgrade CEPL sites and a rise in productivity of contracts launched in 2013.
- **International**
The EBIT margin improved sharply from 2.8% to 3.8%, boosted by full-year consolidation of CEPL's international operations, which turn in higher margins than the Group's traditional operations; this offset a currency loss, business turnaround expenses in China to hire more local managers and start-up costs for the Group's first large retail site.

2014 non-recurring expenses include severance pay, primarily for operational jobs as part of the CEPL integration. 2013 non-recurring expenses also included CEPL-related severance pay, amounting to €1.4 million, but primarily for management and support jobs, and €2.6 million of professional fees on the CEPL acquisition.

The 2014 net financial loss increased to €6.8 million from €5.2 million in 2013. The 2014 net cost of debt amounted to €5.6 million, up from €5.0 million in 2013 largely due to a full-year interest charge on the CEPL acquisition bank loan and on CEPL real estate lease liabilities. Adjusting for these items, 2014 net cost of debt amounted to €2.8 million, down from €3.1 million in 2013 in line with a net increase in net operating cash. Other financial items largely comprise a net expense on interest rate hedges and a discounting expense that was up €0.4 million compared to 2013.

The 2014 'Corporate income tax' charge includes a business added value tax ("CVAE") charge of €4.7 million compared to €4.3 million in 2013. This increase is in line with the rise in France's earnings during the year. Excluding CVAE, the 2014 tax charge amounted to €6.7

million, representing an effective tax rate of 26.5%, compared to a €5.0 million charge and an effective rate of 27.8% in 2013.

The share of earnings of equity affiliates remained close to break even, as in 2013.

In view of the above, 2014 consolidated net income came in at €18.6 million, up from 2013 net income of €13.1 million.

Minority interests decreased between 2013 and 2014, while net income, Group share, amounted to €18.0 million, up from 2013 net income, Group share, of €12.1 million.

4.3 PROFORMA FINANCIAL INFORMATION

Consolidated proforma financial information for the year ended December 31, 2013 (hereinafter "Proforma Financial Information") has been prepared to reflect the combination of ID Logistics and CEPL under the acquisition method as prescribed by IFRS, as if the acquisition had occurred on January 1, 2013. The Proforma Financial Information is provided only as a guideline and does not reflect the post-acquisition results of operations or financial situation of the new Group that would have arisen if the acquisition had occurred on January 1, 2013. Furthermore, the Proforma Financial Information is not indicative of future results of operations or the future financial position of the new Group.

€m	ID Logistics Group 2013	CEPL 1/1 - 6/30/2013	Adjustments Proforma	ID Logistics Group Proforma 2013
Revenues	735.1	86.1	-	821.2
Depreciation/impairment	(18.9)	(2.1)	(0.1)	(21.1)
EBIT	31.8	(1.0)	4.1	34.9
Amortization of acquired customer relations	(0.3)	-	(0.3)	(0.5)
Non-recurring expenses	(4.0)	-	-	(4.0)
Net financial items	(5.2)	(14.7)	12.7	(7.3)
Income before tax	22.3	(15.8)	16.5	23.0
Earnings of equity affiliates	0.1	-	-	0.1
Tax on added value (CVAE)	(4.3)	(0.6)	(0.1)	(4.9)
Corporate income tax	(5.0)	4.5	(4.6)	(5.1)
Consolidated net income/(loss)	13.1	(11.8)	11.9	13.2

The principles underlying the preparation and presentation of financial information are detailed in Note 30 to the consolidated financial statements, "Proforma Financial Information", in section 4.8.1 of the Registration Document, "2014 and 2013 Group consolidated financial statements".

The proforma financial information above is taken from Note 30 of the 2013 Group consolidated financial statements, "Proforma Financial Information". Proforma results form part of the audit scope for the auditors of the 2013 consolidated financial statements, whose report is given in section 4.8.2, "Statutory auditors' report on the 2013 Group consolidated financial statements".

4.4 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, 2014 and 2013 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%.

4.4.1 Group capital, cash and sources of finance

The Group's net borrowings break down as follows:

€m	12/31/2014	12/31/2013
Net cash and cash equivalents	80.4	66.6
Loans and borrowings	(135.0)	(152.3)
Hedges	(0.9)	(0.8)
Net borrowings	(55.5)	(86.6)

4.4.2 Equity finance

The Company has received a cumulative total of €2,791,440.50 (before deduction of share issue expenses) from share issues carried out between its incorporation on September 12, 2001 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

7/22/2013	€54,200.50	In-kind capital contribution
Total	€2,791,440.50	

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 December 21, 2009 share issue 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.

The July 22, 2013 share issue was carried out in consideration for the receipt of 151 bonds issued by Compagnie Financière de Logistique, the CEPL group parent company, in conjunction with the CEPL acquisition.

4.4.3 Cash

As of December 31, 2014, the Group's net cash and cash equivalents amounted to €80.4 million, up from €66.6 million as of December 31, 2013.

€m	12/31/2014	12/31/2013
Cash and cash equivalents	80.4	67.4
Bank overdrafts	(0.0)	(0.8)
Net cash and cash equivalents	80.4	66.6

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 €5.2 million as of December 31, 2014 and €2.7 million as of December 31, 2013.

4.4.4 Loan finance

In addition to using operating cash flows, the Group funds capital expenditure by loans, finance leases and, where necessary, factoring.

These sources of finance are broken down as follows by category:

€m	12/31/2014	12/31/2013
Bank loan	61.6	73.7
Finance leases	66.8	74.2
Factoring	3.9	1.6
Other payables	2.8	2.9

Total	135.0	152.3
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In conjunction with the CEPL acquisition, in July 2013 the Group also took out a bank loan initially amounting to €75.0 million repayable over six years, the first annual repayment installment being May 15, 2014. Bank fees in relation to setting up this loan are accounted for as a deduction from the initial amount and amortized over the 6-year loan term.

This loan is subject to the following bank covenants at December 31, 2014:

Ratio	Definition	Calculation	Limit
Gearing	Borrowings over consolidated equity	1.3	< 2.0
Leverage	Net borrowings excluding current cash over underlying EBITDA	0.9	< 2.2
Debt service coverage	Free cash flow over debt service	1.5	> 1.0
Capital expenditure	Capital expenditure during the current year	17.7	< €72.6 million

All ratios were in compliance at December 31, 2014.

At December 31, 2014, finance leases included €44.4 million of real estate leases on warehouses described under section 1.8 of the Registration Document, "Real estate and equipment", down from €50.5 million at December 31, 2013. The decrease is due to lease installments paid during the year as scheduled. 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, 2014, the Group had unused credit lines amounting to €11.8 million reported under borrowings and €18.0 million reported under finance lease liabilities (compared to €11.2 million and €20.9 million respectively as of December 31, 2013). 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 average potential resource of €59.3 million, €3.9 million of which had been used as of December 31, 2014.

4.4.5 Loan terms and conditions and financing structure

At December 31, 2014, the maturities of these borrowings break down as follows:

€m	Due in less than 1 yr	Due in 1 to 5 yrs	Due in more than 5 yrs	Total
Bank loan	13.0	48.6	-	61.6
Finance leases	15.7	37.3	13.8	66.8
Factoring	3.9	-	-	3.9
Other payables	2.8	-	-	2.8
Total	35.4	85.9	13.8	135.1

At December 31, 2014, the breakdown of these borrowings by interest rate and currency is as follows:

€m	Amount	Currency	Rate
Bank loan	60.9	EUR	Floating
Bank loan	0.7	Other	Other
Finance leases	43.7	EUR	Floating
Finance leases	19.7	EUR	Fixed
Finance leases	0.9	ARS	Fixed
Finance leases	2.0	BRL	Fixed
Finance leases	0.4	Other	Fixed
Factoring	3.9	EUR	Floating
Other payables	2.8	EUR	Fixed
Total	135.0		

With the exception of factoring, the other sources of finance at floating rates are hedged via interest rate caps.

4.4.6 Restrictions on the use of finance

There is no restriction on the use of funds generated or raised by the Company and its subsidiaries, with the main exception of any net proceeds from sale of real estate, which must first be used for early repayment of the CEPL acquisition bank loan as detailed above.

4.4.7 Off-balance sheet commitments

Off-balance sheet commitments granted by the Group are as follows:

€m	12/31/2014	12/31/2013
Real estate leases	159.1	138.6
Plant and equipment leases	44.0	38.3
Parent company guarantees	3.3	3.3
Borrowings subject to covenants	62.5	75.0
Total	268.9	255.2

In order to raise €75 million of funds for the CEPL acquisition, the Group pledged the following assets to the initial lenders:

- Ficopar shares held by ID Logistics Group
- ID Logistics shares held by Ficopar
- ID Logistics France shares held by ID Logistics
- Compagnie Financière de Logistique shares held by ID Logistics
- ID Logistics business goodwill (including the ID Logistics brand)

In addition to the borrowings subject to covenants described in section 4.3.5 of the Registration Document, "Loan terms and conditions and financing structure", the off-balance sheet commitments at December 31, 2014 mainly relate to lease commitments on warehouses or equipment over the remaining term of the lease, as follows:

<i>€m</i>	Due in less than 1 yr	Due in 1 to 5 yrs	Due in more than 5 yrs
Real estate leases	46.7	95.4	17.0
Plant and equipment leases	16.8	27.2	0.0
Total	63.5	122.6	17.0

4.5 CASH FLOWS

4.5.1 Comparison of years ended December 31, 2014 and December 31, 2013

<i>€m</i>	2014	2013
Net income	18.6	13.1
Net depreciation, impairment and provisions	25.2	18.2
Tax charge (income) net of tax paid	1.3	2.7
Net financial costs from financing activities	5.6	5.0
Professional fees on subsidiary acquisitions	-	2.6
Fair value adjustments on financial instruments	(0.2)	(0.1)
Share of undistributed earnings of equity affiliates	0.1	(0.1)
Change in working capital	2.7	16.2
Net cash flow from operating activities	53.3	57.6
Net capital expenditure	(19.1)	(15.7)
Acquisitions of subsidiaries net of cash acquired	-	(85.7)
Professional fees on subsidiary acquisitions	-	(2.6)
Net cash flow from investing activities	(19.1)	(104.0)
Share issue	2.8	3.8
Net borrowings taken out (repaid)	(17.1)	69.4
Net financial costs from financing activities	(5.6)	(5.0)
(Purchase) sale of treasury shares	(0.4)	0.3
Non-Group dividends distributed	(0.3)	(0.3)
Net cash flow from financing activities	(20.6)	68.3
Exchange gains (losses)	0.1	(0.8)
Net change in cash and cash equivalents	13.7	21.1
Opening net cash and cash equivalents	66.6	45.5
Closing net cash and cash equivalents	80.3	66.6

Net cash flow from operating activities

2014 net cash flow from operating activities amounted to €53.3 million, slightly down from €57.6 million in 2013.

- Excluding changes in working capital, 2014 cash flow from operating activities amounted to €50.6 million, up sharply from €41.3 million in 2013 due to the full-year consolidation of CEPL in 2014 (vs. 6 months in 2013) and to higher like-for-like cash flow.
- The 2014 change in working capital represented a €2.7 million net source of funds compared to a €16.2 million net source of funds in 2013:
 - o While operating working capital (i.e. inventories, trade receivables and payables) consumed capital, it fell €6.3 million from 8 days of revenues in 2013 to 6 days in 2014. In particular, trade receivables days sales outstanding improved from 49 days at December 31, 2013 to 47 days at December 31, 2014.
 - o Non-operating working capital (other receivables, other payables and tax and social security payables) was an inflow reduced by €3.6 million, amounting to 36 days of revenues at December 31, 2014 compared to 41 days at December 31, 2013.

Net cash flow from investing activities

2014 net cash flow from investing activities amounted to a €19.1 million outflow, an improvement compared to a €104.0 million outflow in 2013.

- 2014 net capital expenditure amounted to €19.1 million, compared to €15.7 million in 2013. As in previous years, 2013 net cash flow from investing activities principally consists of capital expenditure on plant and equipment required for starting up new sites and, to a lesser extent, payments or repayments of deposits on leased warehouses. Capital expenditure represented 2.2% of 2014 revenues, flat compared to 2.1% in 2013 given that there were fewer new sites launched in 2014 than in 2013 (especially late 2013) and they required little capex.
- One highlight of 2013 was the €88.3 million CEPL acquisition - €95.5 million purchase price plus €2.6 million professional fees less CEPL's €9.8 million cash at the acquisition date.

Net cash flow from financing activities

2014 net cash flows from financing activities amounted to an outflow of €20.6 million, compared to a €68.3 million inflow in 2013.

- 2013 featured a new €75.0 million loan to fund the CEPL acquisition, for which the first repayment installment amounting to €12.5 million was paid in 2014. Adjusting for these items, 2014 net equipment and real estate finance lease installments remained stable at €4.6 million compared to €5.5 million in 2013, in line with operating capital expenditure.
- As stated above, the Group has sold an equity stake in two of its subsidiaries, primarily operating in South Africa, to a customer. These transactions consisted of the subsidiaries concerned issuing a total €2.8 million of new shares in 2014. In 2013, a portion of the CEPL purchase price was provided by a share issue amounting to €3.8 million net of costs.
- 2014 net interest expense rose €0.6m over 2013 due to full-year interest on the bank loan contracted for the CEPL acquisition and on CEPL finance leases together amounting to €1.3 million. Adjusting for the CEPL acquisition, net interest expense fell €0.7 million in line with improved operating cash flow.
- Treasury share transactions relate to a liquidity agreement established following the Group's IPO in April 2012.

In total, after exchange gains and losses, the Group posted €13.7 million in 2014 net cash flow, having posted €21.1 million in 2013.

4.6 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.

4.7 CAPITAL EXPENDITURE

4.7.1 Main capital expenditure over the last three fiscal years

Capital expenditure over the last three years excluding subsidiary acquisitions breaks down as follows:

<i>€m</i>	2014	2013	2012
Intangible assets	2.3	1.9	2.1
Property, plant and equipment	19.3	15.7	19.4
Financial assets	1.7	3.3	1.5
Total	23.3	21.9	23.0

These assets relate 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.

4.7.2 Principal ongoing capital expenditure

As of the Registration Document Date, there are no material capital expenditures in progress.

4.7.3 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.

4.8 DIVIDEND DISTRIBUTION POLICY

4.8.1 Dividends distributed in the last three fiscal years

None

4.8.2 Dividend distribution policy

In view of the Group's growth strategy, which covers both organic growth and mergers and acquisitions, Group management is not planning 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.

4.9 ANNUAL HISTORIC FINANCIAL INFORMATION

Pursuant to Article 28 of European regulation 809/2004 dated April 29, 2004, the reader is referred to the:

- Company's Registration Document registered by the *Autorité des Marchés Financiers* (French financial markets authority or AMF) on April 28, 2014 under reference number R.14-023, for the following financial information pertaining to fiscal 2013: management report and the historic consolidated financial statements including audit reports;
- Company's Registration Document registered by the *Autorité des Marchés Financiers* (French financial markets authority or AMF) on April 30, 2013 under reference number R.13-021, for the following financial information pertaining to fiscal 2012: management report and the historic consolidated financial statements including audit reports.

4.9.1 2014 Group consolidated financial statements

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

(€000)	Notes	2014	2013
Revenues		874,503	735,124
Purchases and external charges		(436,523)	(373,342)
Staff costs		(359,572)	(299,255)
Miscellaneous taxes		(13,694)	(11,594)
Other underlying income (expenses)	Note 17	(378)	(793)
Net (increases) write-backs to provisions	Note 18	136	609
Net depreciation/impairment	Note 19	(22,901)	(18,940)
EBIT before amortization of customer relations		41,571	31,809
Amortization of acquired customer relations		(537)	(287)
Non-recurring expenses	Note 20	(4,150)	(3,950)
Operating income		36,884	27,572
Financial income	Note 21	1,340	946

Financial expenses	Note 21	(8,131)	(6,180)
Group income before tax		30,093	22,338
Corporate income tax	Note 22	(11,460)	(9,313)
Share of earnings of equity affiliates	Note 4	(47)	93
Total consolidated net income		18,586	13,118
Of which minority interests		560	1,068
Of which Group share		18,026	12,050
Earnings per share, Group share			
Basic EPS (€)	Note 23	3.23	2.18
Diluted EPS (€)	Note 23	3.04	2.07

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€000)	2014	2013
Total consolidated net income	18,586	13,118
Post-tax pension provision discounting income/(charge)	(4,090)	430
Other comprehensive income that will not be transferred to the income statement	(4,090)	430
Post-tax exchange differences	115	(3,496)
Other post-tax items	(105)	(172)
Other comprehensive income that may be transferred to the income statement	10	(3,668)
Total gains and losses posted to shareholders' equity net of tax	(4,080)	(3,238)
Comprehensive net income	14,506	9,880
Of which minority interests	290	613
Of which Group share	14,216	9,267

CONSOLIDATED BALANCE SHEET

(€000)	Notes	12/31/2014	12/31/2013 ⁽¹⁾
Goodwill	Notes 1-3	116,971	116,971
Intangible assets	Note 1	7,812	8,050
Property, plant and equipment	Note 2	132,391	138,223
Investment in equity affiliates	Note 4	1,134	1,211
Other non-current financial assets	Note 5	5,373	4,503
Deferred tax assets	Note 12	8,714	8,909
Non-current assets		272,395	277,867
Inventories	Note 6	42	105
Trade receivables	Note 7	140,191	134,239
Other receivables	Note 7	37,976	31,578
Other current financial assets	Note 5	5,924	5,124
Cash and cash equivalents	Note 8	80,360	67,440
Current assets		264,493	238,486
Total assets		536,888	516,353
Capital stock	Note 9	2,791	2,791
Additional paid-in capital	Note 9	53,365	53,265
Exchange differences		(3,940)	(3,616)
Consolidated reserves		32,210	23,479
Net income for the year		18,026	12,050
Shareholders' equity, Group share		102,452	87,969
Minority interests		5,060	2,882
Shareholders' equity		107,512	90,851
Borrowings (due in over 1 yr)	Note 10	99,680	122,915
Long-term provisions	Notes 11-16	19,945	15,061
Deferred tax liabilities	Note 12	2,182	1,466
Non-current liabilities		121,807	139,442
Short-term provisions	Note 11	22,575	20,538
Borrowings (due in less than 1 yr)	Note 10	35,321	29,425
Other current financial liabilities	Note 15	876	802
Bank overdrafts	Note 8	30	852
Trade payables	Note 13	122,438	110,166
Other payables	Note 13	126,329	124,277
Current liabilities		307,569	286,060
Total liabilities and shareholders' equity		536,888	516,353

⁽¹⁾ The comparative figures as of December 31, 2013 have been adjusted to take account of the final purchase price allocation for the CEPL logistics group. The adjustments are specified under Note 1 hereto.

CONSOLIDATED STATEMENT OF CASH FLOWS

(€000)	Note	2014	2013
Net income		18,586	13,118
Net depreciation, impairment and provisions		25,226	18,132
Fair value adjustments on financial instruments		(214)	(60)
Share of undistributed earnings of equity affiliates	Note 4	77	(71)
Change in working capital	Note 24	2,654	16,259
Net cash flows from operating activities after net cost of debt and tax		46,329	47,378
Corporate income tax	Note 22	11,460	9,313
Costs on acquisitions of equity investments		-	2,585
Net financial costs from financing activities	Note 21	5,553	4,958
Net cash flows from operating activities before net cost of debt and tax		63,342	64,234
Tax paid		(10,064)	(6,659)
Net cash flow from operating activities		53,278	57,575
Purchase of intangible assets and PP&E	Notes 1-2	(21,623)	(17,628)
Purchase of financial assets		(1,688)	(3,348)
Fixed asset payables		(427)	845
Purchase of subsidiaries net of cash acquired		-	(85,653)
Costs on acquisitions of equity investments		-	(2,585)
Sale of intangible assets and PP&E	Notes 1-2	3,930	1,904
Sale of financial assets		728	2,485
Net cash flow from investing activities		(19,080)	(103,980)
Net financial costs from financing activities	Note 21	(5,553)	(4,958)
Net loans received	Note 10	14,725	88,187
Loan repayments	Note 10	(31,874)	(18,694)
Net (purchase) / sale of treasury shares		(350)	285
Minority interest dividends		(280)	(263)
Share issue	Note 9	100	3,757
Transactions with minority interests		2,685	
Net cash flow from financing activities		(20,547)	68,314
Exchange gains (losses)		92	(788)
Net underlying change in cash and cash equivalents		13,743	21,121
Opening net cash and cash equivalents	Note 8	66,588	45,467
Closing net cash and cash equivalents	Note 8	80,331	66,588

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, 2013	2,737	49,562	23,193	(823)	74,669	2,531	77,200
2013 net income			12,050		12,050	1,068	13,118
Gains and losses posted to shareholders' equity			9	(2,793)	(2,784)	(454)	(3,238)
Distribution of dividends					-	(263)	(263)
Treasury shares			277		277		277
Share issue	54	3,703			3,757		3,757
December 31, 2013	2,791	53,265	35,529	(3,616)	87,969	2,882	90,851
2014 net income			18,026		18,026	560	18,586
Gains and losses posted to shareholders' equity			(3,485)	(324)	(3,809)	(271)	(4,080)
Distribution of dividends					-	(280)	(280)
Treasury shares			(350)		(350)		(350)
Change in equity interest			516		516	(516)	-
Share issue		100			100	2,685	2,785
December 31, 2014	2,791	53,365	50,236	(3,940)	102,452	5,060	107,512

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 thirteen other countries.

The Group consolidated financial statements for the year ended December 31, 2014 were approved by the Board of Directors on March 24, 2015. Unless otherwise indicated, they are presented in thousands of euros.

2 BASIS 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, 2014 have been prepared in accordance with International Financial Reporting Standards (hereinafter "IFRS"), as adopted in the European Union as of December 31, 2014. International accounting principles cover all standards approved by the International Accounting Standards Board ("IASB"), i.e. IFRS, International Accounting Standards ("IAS") and the interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC").

The said accounting principles can be viewed on the following website:

http://ec.europa.eu/finance/accounting/ias/index_en.htm

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, earnings 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 2014

Compulsory standards, amendments to standards and interpretations published by the IASB and applicable from fiscal 2014 are as follows:

- IFRS 10 - Consolidated financial statements, which lays down a new definition of control for consolidation purposes.

In accordance with IFRS 10, the Group's consolidated financial statements include all entities that the Group directly or indirectly controls regardless of its equity interest in the entity. The Group controls an entity when it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns

through its power over the entity. IFRS 10 has had no impact on the Group's consolidation scope.

- IFRS 11 - Joint arrangements, which establishes accounting principles for arrangements where two or more parties exercise joint control. Based on the rights and obligations of the parties, a joint arrangement is:
 - Either classified as a joint operation, for which the Group recognizes its assets and liabilities in proportion to its rights and obligations thereto,
 - Or as a joint venture, accounted for under the equity method.

The Group has joint control over a joint arrangement when decisions concerning the arrangement's operations require the unanimous consent of the Group and the other controlling parties. A joint operation is an arrangement where the parties with joint control over the operation have rights to the operation's assets and obligations for its liabilities.

IFRS 11 has had no impact on the Group's consolidation scope.

Joint operations are recognized in proportion to the Group's equity interest in the operations.

- IFRS 12 - Disclosure of interests in other entities.

The Group's consolidation scope is given under Note 31.

2.2.2 New standards, amendments and interpretations adopted by the European Union and compulsory for fiscal years beginning 2015

The Group has not applied in advance new standards and other amendments and interpretations approved by the European Union, including the following:

- IFRIC 21 - Levies
- IAS 19 - Employee benefits
- Annual improvements – 2010-2012 cycle
- Annual improvements – 2011-2013 cycle

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 historical 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 non-current operating assets and goodwill, the valuation of contingency

and other operating provisions, the valuation of recorded deferred tax assets and assumptions adopted to calculate employee 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

The Group did not carry out any material changes in consolidation scope in 2014.

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 31. All consolidated companies have the same balance sheet date.

4.1 Subsidiaries

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.

4.2 Conversion of foreign currencies

4.2.1 Operating currency and reporting currency

The accounts are maintained in the operational 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 operational 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 operational currency is not the euro are converted into euros at the closing rate, while their income statements and cash flow statements are converted into euros at the 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.

Goodwill is monitored in the currency of the subsidiary concerned.

The Group has no subsidiaries in any hyper-inflationary country as defined by IAS 29.

4.3 Business combinations, purchases of further equity interests and sales of equity interests

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 for business combinations 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 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 business combinations are recognized as expenses in the period.

If less than 100% control is acquired, IFRS 3 revised gives the option, for any business combination, to recognize goodwill based either on 100% interest or on the percentage interest acquired (without subsequent change in the event of further purchases of equity interests not giving control). Minority interests (non-controlling interests) in the acquired company are similarly valued either at fair value or at the share of net identifiable assets of the company acquired.

Business combinations prior to January 1, 2010 used to be accounted for under the partial goodwill method, which was the only applicable method.

For further acquisitions of equity interests in a subsidiary completed after January 1, 2010, 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.

If business combinations when the customer profile, market share or operations of the entity acquired allows it to continue trading with its customers in view of customer loyalty programs, customer relations are posted to intangible assets and amortized over an estimated period as of the acquisition date.

Intangible assets are amortized in fixed annual amounts over one to twelve 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. 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 derived from (i) three-year business plans prepared and approved by management, (ii) five further years of extrapolated cash flows after the business plan period in order to take account of business growth trends and a gradual rise in operating margins to normal levels, plus (iii) a terminal value based on normal discounted cash flows applying 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 expected future cash flows for the equity affiliate concerned. If the book value of the investment exceeds the present value of expected future 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 customer 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 their ownership. If trade receivables are assigned 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, 2014, assets measured 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 derivatives are valued using the methods commonly used by market players to value such financial instruments. As of December 31, 2014, only derivatives were valued under 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, 2014, only non-current financial assets and liabilities as described in Note 5 were valued under 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 non-material risk of loss, and bank overdrafts.

Positive bank balances are shown under "Cash and cash equivalents" within balance sheet assets and negative 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 measured at fair value on an ongoing basis.

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 Employee 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 unit of credit method.

This method takes into account future length of service probability, future level of pay, life expectancy 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 adding one year's additional service) and interest expense on the liability reflecting the reversal of the discounting effect, are all posted to the income statement. Updates to the pension fund's investments are deducted from

the foregoing 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.

4.15 Provisions and contingent liabilities

The Group books a provision when there is a legal or constructive obligation resulting from past events that 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 upon the occurrence of future uncertain events that are beyond the company's control. 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 temporary 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 (deferred tax liability) 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 applying 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 temporary 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;
- Historical 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 about 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 in order 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: South Africa, Argentina, Brazil, China, Spain, Germany, Netherlands, La Réunion, 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:

	2014			2013		
	France	International	Total	France	International	Total
Revenues	504,322	377,148	881,470	423,206	318,102	741,308
Inter-segment revenues	(6,705)	(262)	(6,967)	(5,567)	(617)	(6,184)
Net revenues	497,617	376,886	874,503	417,639	317,485	735,124
EBIT before amortization of customer relations	27,190	14,381	41,571	22,994	8,815	31,809
Operating income	22,503	14,381	36,884	19,268	8,304	27,572
Net cash flow from operating activities	37,404	15,874	53,278	39,758	17,817	57,575
Capital expenditure	11,781	9,842	21,623	11,535	6,093	17,628
Fixed assets	196,564	60,610	257,174	196,730	66,514	263,244
Headcount	5,134	7,941	13,075	4,974	8,085	13,059

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:				
January 1, 2013	60,641	9,206	503	70,350
Acquisitions	-	1,880	-	1,880
Disposals	-	(195)	-	(195)
Change in consolidation	56,330	109	4,499	60,938
Exchange gains (losses)	-	(276)	-	(276)
Reclassification	-	-	-	-
December 31, 2013	116,971	10,724	5,002	132,697
Acquisitions	-	2,283	-	2,283
Disposals	-	(471)	-	(471)
Change in consolidation	-	-	-	-
Exchange gains (losses)	-	(55)	-	(55)
Reclassification	-	-	-	-
December 31, 2014	116,971	12,481	5,002	134,454
Cumulative depreciation and impairment:				
January 1, 2013	-	6,148	89	6,237
Depreciation for the year	-	1,468	287	1,755
Impairment	-	-	-	-
Disposals	-	(181)	-	(181)
Exchange gains (losses) and reclassification	-	(135)	-	(135)
December 31, 2013	-	7,300	376	7,676
Depreciation for the year	-	1,725	551	2,276
Impairment	-	-	-	-
Disposals	-	(277)	-	(277)
Exchange gains (losses) and reclassification	-	(4)	-	(4)
December 31, 2014	-	8,744	927	9,671
Net:				
December 31, 2013	116,971	3,424	4,626	125,021
December 31, 2014	116,971	3,737	4,075	124,783

The purchase price allocation of the CEPL assets and liabilities as of July 22, 2013 was based on their estimated fair values at July 1, 2013. Pursuant to IFRS 3, the Group had a twelve-month period with effect from the acquisition date to finalize the purchase price allocation of the CEPL assets, liabilities and contingent liabilities.

The now finalized purchase price allocation breaks down as follows:

	Amount
Real estate assets	65,514
Customer relations amortized over 9 years	4,499
Other non-current financial assets	21,898
Operating working capital	(5,949)
Current provisions	(14,051)
Non-current provisions	(12,689)
Operating cash and cash equivalents	9,847
Operating borrowings	(29,899)
Total revalued net assets	39,170
Investment purchase price	95,500
Goodwill	56,330

Changes between the initial and final purchase price allocation are as follows:

	Amount
Net deferred tax assets	(892)
Trade receivables	2,752
Net deferred tax liabilities	4,287
Current provisions	(1,914)
Change to goodwill	4,233

Note 2: Property, plant and equipment

	Land and buildings	Plant and equipment	Other fixed assets	Fixed assets in progress	TOTAL
Gross:					
January 1, 2013	47,626	38,786	19,941	1,688	108,041
Acquisitions	2,419	7,072	5,783	473	15,747
Disposals	(1,210)	(1,024)	(4,558)	-	(6,792)
Change in consolidation	65,514	7,848	3,742	114	77,218
Exchange gains (losses)	(329)	(1,379)	(635)	(2)	(2,345)
Reclassification	-	1,844	-	(1,844)	-
December 31, 2013	114,020	53,147	24,273	429	191,869
Acquisitions	1,417	8,500	6,784	2,639	19,340
Disposals	(1,785)	(10,627)	(2,124)	(118)	(14,654)
Change in consolidation	-	-	-	-	-
Exchange gains (losses)	144	(228)	(23)	(1)	(108)
Reclassification	-	-	-	-	-
December 31, 2014	113,796	50,792	28,910	2,949	196,447
Cumulative depreciation and impairment:					

January 1, 2013	12,166	19,193	10,721	-	42,080
Depreciation for the year	4,258	8,338	4,875	-	17,471
Impairment	-	-	-	-	-
Disposals	(86)	(586)	(4,230)	-	(4,902)
Exchange gains (losses) and reclassification	(205)	(516)	(282)	-	(1,003)
December 31, 2013	16,133	26,429	11,084	-	53,646
Depreciation for the year	6,366	9,607	5,188	-	21,161
Impairment	-	-	-	-	-
Disposals	(431)	(9,179)	(1,308)	-	(10,918)
Exchange gains (losses) and reclassification	149	-	18	-	167
December 31, 2014	22,217	26,857	14,982	-	64,056
Net:					
December 31, 2013	97,887	26,718	13,189	429	138,223
December 31, 2014	91,579	23,935	13,928	2,949	132,391

The net value of the plant and equipment includes the following assets held under finance leases:

December 31, 2014: €79,440,000 (of which land and buildings: €56,686,000)

December 31, 2013: €87,442,000 (of which land and buildings: €63,831,000)

Note 3: Goodwill and impairment tests on long-term assets

The principal assumptions used for impairment tests are as follows:

2014								
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	90,747	3.2%	6.0%	0.96	0.6%	2.8%	11.4%	2.0%
International	26,224	3.2%	6.0%	0.96	0.0-11.3%	2.8%	11.0-20.3%	2.0%
2013								
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	90,747	3.1%	6.5%	0.91	0.6%	2.9%	10.8%	2.0%
International	26,224	3.1%	6.5%	0.91	0.0-9.8%	2.9%	10.5-17.5%	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 applying a pre-tax rate to pre-tax cash flows.

	France	International	Total
Book value of goodwill at December 31, 2012	49,530	11,111	60,641
Change in goodwill	41,217	15,113	56,330
Impairment	-	-	-
Exchange gains (losses)	-	-	-

Book value of goodwill at December 31, 2013	90,747	26,224	116,971
Change in goodwill	-	-	-
Impairment	-	-	-
Exchange gains (losses)	-	-	-
Book value of goodwill at December 31, 2014	90,747	26,224	116,971

A 0.5% increase in the discount rate would not lead to any impairment being recorded.

A 0.5% decrease in the growth rate to infinity 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	50%	399	240	-	-
ID Trans	50%	285	285	-	-
Froid Combi	25%	359	1,410	16,285	(143)
Dislogic	50%	91	182	2,647	(21)
Total		1,134			
				2014	2013
At January 1				1,211	1,141
Share of earnings of equity affiliates				(47)	93
Dividends received				(30)	(23)
At December 31				1,134	1,211

Note 5: Other financial assets

Other non-current financial assets

	12/31/2014	12/31/2013
Deposits, bonds and other	5,373	4,503
Investment in non-consolidated companies	-	-
Total net value	5,373	4,503

Provisions on non-current financial assets

	2014	2013
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At January 1	(397)	(244)
Charges	(87)	(153)
Write-backs		

At December 31	(484)	(397)
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Other current financial assets

	12/31/2014	12/31/2013
Security deposits	302	440
Supplier receivables	2,446	2,487
Staff	901	693
Other	2,275	1,504
TOTAL	5,924	5,124

Note 6: Inventories

Inventories amounted to €42,000 at December 31, 2014 compared to €105,000 at December 31, 2013. Inventories primarily consist of diesel fuel.

Note 7: Trade and other current receivables

	12/31/2014	12/31/2013
Trade receivables	141,460	135,302
Impairment provisions	(1,269)	(1,063)
Total trade receivables — net	140,191	134,239
Tax and social security receivables	29,988	22,848
Prepaid expenses	7,988	8,730
Total other receivables - net	37,976	31,578
	2014	2013
At January 1	(1,063)	(440)
Charges	(341)	(728)
Write-backs	135	105
At December 31	(1,269)	(1,063)

Tax and social security receivables largely consist of value added tax or the equivalent for foreign subsidiaries. They also include tax receivables of €11,452,000.

The doubtful receivables impairment provision changed as follows:

	2014	2013
At January 1	(1,063)	(440)
Charges	(341)	(728)

Write-backs	135	105
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At December 31	(1,269)	(1,063)
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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
12/31/2014	141,460	120,964	16,532	3,964
12/31/2013	135,302	110,713	17,586	7,003

The value of receivables less than 90 days past due includes €13,142,000 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

	12/31/2014	12/31/2013
Cash and cash equivalents	80,360	67,440
Bank overdrafts	(30)	(852)
Net cash and cash equivalents	80,330	66,588

Group cash and cash equivalents of €80,360,000 at December 31, 2014 comprise cash, sight bank deposits and money-market investments amounting to €5,239,000.

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
January 1, 2013				49,562,119	2,737,240	5,474,480
7/22/2013	Non-cash share issue	108,401	54,201	3,702,796	54,201	108,401
December 31, 2013		108,401	54,201	53,264,915	2,791,441	5,582,881
	Equity warrants			99,960		
December 31, 2014		108,401	54,201	53,364,875	2,791,441	5,582,881

The Group has a single class of shares of common stock that entitle stockholders to the same dividend.

As of December 31, 2014, there were 155,520 equity warrants outstanding granting the right to purchase 311,040 new shares. All equity warrants are held by Immod, which holds a 34.8% equity stake in ID Logistics Group.

Following the March 19, 2014 general meeting, the Company issued 40,000 founders' warrants (BSPCE).

By decision dated August 27, 2014, the Board of Directors offered 17,000 redeemable equity warrants at a €5.88 subscription price.

No dividends have been paid out in the last three fiscal years.

Note 10: Financial liabilities

Borrowings as of December 31, 2014

	12/31/2014	Due in less than 1 year	Due in 1 to 5 years	Due in more than 5 years
Current borrowings				
Bank loans	12,963	12,963		
Finance leases	15,658	15,658		
Factoring	3,871	3,871		
Other borrowings	2,829	2,829		
Total current borrowings	35,321	35,321		
Non-current borrowings				
Bank loans	48,599		48,599	
Finance leases	51,081		37,283	13,798
Other borrowings				
Total non-current borrowings	99,680		85,882	13,798
Total borrowings	135,001	35,321	85,882	13,798
Breakdown of borrowings by interest rate and by currency				
	Amount	Currency	Rate	
Loan	54	EUR	Fixed	
Loan	60,886	EUR	Floating	
Loan	439	CNY	Floating	
Loan	107	PLN	Floating	
Loan	76	BRL	Floating	
Factoring	3,871	EUR	Floating	
Finance leases	2,028	BRL	Fixed	
Finance leases	908	ARS	Fixed	
Finance leases	430	PLN	Fixed	
Finance leases	2	CNY	Fixed	
Finance leases	19,716	EUR	Fixed	
Finance leases	43,655	EUR	Floating	
Other payables	2,829	EUR	Fixed	
Total	135,001			

Borrowings as of December 31, 2013

	12/31/2013	Due in less than 1 year	Due in 1 to 5 years	Due in more than 5 years
Current borrowings				
Bank loans	12,738	12,738		
Finance leases	14,731	14,731		
Factoring	1,574	1,574		
Other borrowings	382	382		
Total current borrowings	29,425	29,425		
Non-current borrowings				
Bank loans	60,934		48,613	12,321
Finance leases	59,481		40,522	18,959
Other borrowings	2,500		2,500	
Total non-current borrowings	122,915		91,635	31,280
Total borrowings	152,340	29,425	91,635	31,280
Breakdown of borrowings by interest rate and by currency				
	Amount	Currency	Rate	
Loan	109	EUR	Fixed	
Loan	73,043	EUR	Floating	
Loan	158	CNY	Floating	
Loan	222	PLN	Floating	
Loan	140	BRL	Floating	
Factoring	1,574	EUR	Floating	
Finance leases	1,221	BRL	Fixed	
Finance leases	1,353	ARS	Fixed	
Finance leases	307	PLN	Fixed	
Finance leases	24	CNY	Fixed	
Finance leases	21,867	EUR	Fixed	
Finance leases	49,440	EUR	Floating	
Other payables	2,882	EUR	Fixed	
Total	152,340			

Borrowings changed as follows:

	12/31/2013	New borrowings	Repayments	Consolidation change	Exchange differences	12/31/2014
Bank loans	73,672	1,039	(13,160)	-	11	61,562
Finance leases	74,212	9,574	(16,846)	-	(201)	66,739
Factoring	1,574	3,871	(1,574)	-	-	3,871
Other borrowings	2,882	241	(294)	-	-	2,829
Total	152,340	14,725	(31,874)	-	(190)	135,001

In conjunction with the CEPL acquisition, in July 2013 the Group took out a bank loan initially amounting to €75.0 million repayable over six years, the first annual repayment installment being May 15, 2014. Bank fees in relation to setting up this loan are accounted for as a deduction from the initial amount and amortized over the 6-year loan term.

This loan is subject to the following bank covenants at December 31, 2014:

Ratio	Definition	Calculation	Limit
Gearing	Borrowings over consolidated equity	1.3	< 2
Leverage	Net borrowings excluding current cash over underlying EBITDA	0.9	< 2.2
Capital expenditure	Capital expenditure during the current year	17.7	< €72.6 million
Debt service coverage ratio	Free cash flow over debt service	1.5	> 1.0

All ratios were in compliance at December 31, 2014.

Note 11: Provisions

	Social security and tax risks	Operating risks	Employee benefits	Total
January 1, 2013	5,547	3,428	1,893	10,868
Charges	2,218	1,256	965	4,439
Write-backs used	(2,318)	(2,533)	(486)	(5,337)
Write-backs not used	(704)	(148)		(852)
Other (e.g. consolidation, currency etc.)	5,580	8,212	12,689	26,481
December 31, 2013	10,323	10,215	15,061	35,599
Charges	7,877	1,772	6,913	16,562
Write-backs used	(2,264)	(4,165)	(2,029)	(8,458)
Write-backs not used	(438)	(707)		(1,145)
Other (e.g. consolidation, currency etc.)	(17)	(21)		(38)
December 31, 2014	15,481	7,094	19,945	42,520
Of which current provisions	15,481	7,094	-	22,575
Of which non-current provisions	-	-	19,945	19,945

The provisions for operating risks primarily relate to disputes with customers, lessors etc. and future contract losses.

Note 12: Deferred tax

	12/31/2014	12/31/2013
Deferred tax assets	8,714	8,909
Deferred tax liabilities	(2,182)	(1,466)

Net deferred tax	6,532	7,443
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	12/31/2014			12/31/2013		
	Deferred tax assets	Deferred tax liabilities	Total	Deferred tax assets	Deferred tax liabilities	Total
Property, plant and equipment and finance leases	1,486	(15,373)	(13,887)	1,301	(14,513)	(13,212)
Provisions/employee benefits	12,893	-	12,893	13,170	-	13,170
Tax losses carried forward	6,617	-	6,617	6,427	-	6,427
Other items	1,261	(352)	909	1,445	(387)	1,058
Offsets	(13,543)	13,543	-	(13,434)	13,434	-
Total	8,714	(2,182)	6,532	8,909	(1,466)	7,443

Deferred tax changed as follows:

	Property, plant and equipment and finance leases	Provisions and employee benefits	Tax losses carried forward	Other items	Total
Deferred tax as of January 1, 2013	(872)	4,068	5,063	512	8,771
Amounts posted to income	(484)	3,042	(2,678)	542	422
Amounts posted to shareholders' equity	-	-	-	70	70
Foreign exchange gains or losses	(3)	(8)	(213)	(66)	(290)
Change in consolidation	(11,853)	6,068	4,255		(1,530)
Deferred tax as of December 31, 2013	(13,212)	13,170	6,427	1,058	7,443
Amounts posted to income	(725)	(1,559)	(328)	(82)	(2,694)
Amounts posted to shareholders' equity	-	1,277	524	109	1,910
Foreign exchange gains or losses	50	5	(6)	(176)	(127)
Deferred tax as of December 31, 2014	(13,887)	12,893	6,617	909	6,532

The deferred tax assets arising from unrelieved tax losses were based on future taxable income calculated over a reasonable time frame.

The amounts of the Group's unrelieved tax losses, for which no deferred tax has been recognized to date, are as follows:

Balance sheet date	Losses	Unrecognized deferred tax
December 31, 2014	110,161	40,458
December 31, 2013	107,802	39,859

Timing differences from equity affiliates and joint ventures are not material.

Note 13: Trade and other payables

	12/31/2014	12/31/2013
Trade payables	122,438	110,166
Tax and social security payables	116,145	109,841
Advances and payments on account received	1,591	2,192
Other current payables	1,088	1,175
Deferred income	7,505	11,069
Total other payables	126,329	124,277

Trade and other payables all fall due in less than one year except for some deferred income which is amortized over the term of the customer contracts.

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.

12/31/2014	Fair value via shareholders' equity	Loans and other receivables at amortized cost	Financial liabilities at cost less repayments	Finance leases	Derivatives	Closing book value	Fair value
Non-current financial assets	-	5,373	-	-	-	5,373	5,373
Trade receivables	-	140,191	-	-	-	140,191	140,191
Other receivables *	-	29,988	-	-	-	29,988	29,988
Current financial assets	-	5,924	-	-	-	5,924	5,924
Cash and cash equivalents	-	80,360	-	-	-	80,360	80,360
Total financial assets	-	261,836	-	-	-	261,836	261,836
Borrowings	-	-	68,262	66,739	-	135,001	135,001
Trade payables	-	-	122,438	-	-	122,438	122,438
Other payables	-	-	1,088	-	-	1,088	1,088
Liability derivatives	-	-	-	-	876	876	876
Bank overdrafts	-	-	30	-	-	30	30
Total financial liabilities	-	-	191,818	66,739	876	259,433	259,433

12/31/2013	Fair value via shareholders' equity	Loans and other receivables at amortized cost	Financial liabilities at cost less repayments	Finance leases	Derivatives	Closing book value	Fair value
Non-current financial assets	-	4,503	-	-	-	4,503	4,503

Trade receivables	-	134,239	-	-	-	134,239	134,239
Other receivables *	-	22,848	-	-	-	22,848	22,848
Current financial assets	-	5,124	-	-	-	5,124	5,124
Cash and cash equivalents	-	67,440	-	-	-	67,440	67,440
Total financial assets	-	234,154	-	-	-	234,154	234,154
Borrowings	-	-	78,128	74,212	-	152,340	152,340
Trade payables	-	-	110,166	-	-	110,166	110,166
Other payables	-	-	1,175	-	-	1,175	1,175
Liability derivatives	-	-	-	-	802	802	802
Bank overdrafts	-	-	852	-	-	852	852
Total financial liabilities	-	-	190,321	74,212	802	265,335	265,335

* Tax and social security receivables described under Note 7

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, excluding bank loans, represents a reasonable approximation of their fair value.

Bank loans mainly consist of loans at floating interest rates and finance lease liabilities. The fair value of floating 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.

Interest rate risk

Loan contracts are approved by the Group finance department and are predominantly contracted by the French legal entities.

As of December 31, 2014, 81% of borrowings before hedges were contracted at floating rates and 19% at fixed rates. A 1% increase in average interest rates would result in an additional €680,000 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.

Exchange rate risk

The Group regularly revalues its exposure to exchange rate risk. As of December 31, 2014, 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, 2014 is broken down as follows:

Foreign currency amount	TWD	CNY	BRL	PLN	ARS	Other	Total
Assets excluding goodwill	6,119	5,449	25,720	7,421	15,051	12,813	72,573
Liabilities	(3,843)	(5,167)	(16,174)	(5,879)	(10,988)	(5,825)	(47,876)

Net balance before hedging	2,276	282	9,546	1,542	4,063	6,988	24,697
Hedging	-	-	-	-	-	-	-
Net balance after hedging	2,276	282	9,546	1,542	4,063	6,988	24,697

Liquidity risk

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, 2014, as well as on the contractual loan repayment schedules, cash flows related to financial liabilities were as follows:

12/31/2014	Book value	Due in less than 1 year			Due in 1 to 5 years			Due in more than 5 years		
		Fixed rate interest expense	Floating rate interest expense	Repayment	Fixed rate interest expense	Floating rate interest expense	Repayment	Fixed rate interest expense	Floating rate interest expense	Repayment
Bank overdrafts	30	-	-	30	-	-	-	-	-	-
Loans	61,562	377	1,429	12,963	1,413	2,447	48,599	-	-	-
Finance leases	66,739	1,235	760	15,658	704	2,134	37,283	-	563	13,798
Factoring	3,871	-	6	3,871	-	-	-	-	-	-
Other liabilities	2,829	-	-	2,829	-	-	-	-	-	-

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	30	-	-	30
Loans	(292)	12,649	606	12,963
Finance leases	1,831	2,271	11,556	15,658
Factoring	3,871	-	-	3,871
Other liabilities	-	2,741	88	2,829

	12/31/2014	Amount drawn	Amount not drawn
Credit lines available			
Finance lease liabilities	34,191	16,174	18,017
Borrowings	11,850	30	11,820

The Group regularly revalues its exposure to liquidity risk. As of December 31, 2014, management believes the Group 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 floating rates primarily based on EURIBOR 3 months. In order to limit exposure to an increase in rates, the Group has contracted interest rate hedging instruments.

These hedges comprise an interest rate cap (limiting floating EURIBOR 3 months to a 2.5% fixed rate) contracted in 2009 with a total notional value of €20,228,000 at December 31, 2014 (€22,839,000 at December 31, 2013) and two interest rate swaps contracted in 2013, each with a total face value of €20,833,000 at December 31, 2014.

Financial expenses include changes in the fair value of the interest rate cap in respect of its non-effective portion.

The fair value of the interest rate swaps is recognized in assets with a matching deduction to shareholders' equity corresponding to the amount net of tax, pursuant to IAS 39.

The impact of these gains and losses is described in the table below:

	Notional value	Recorded fair value		Posted to	
		Assets	Liabilities	Net income	Shareholders' equity
Interest rate swap	50,000	-	195	-	(195)
Interest rate cap	22,839	-	607	256	-
December 31, 2013		-	802	256	(195)
Interest rate swap	41,667	-	482	-	(287)
Interest rate cap	20,228	-	394	213	-
December 31, 2014		-	876	213	(287)

The financial instruments have the following maturity profile:

	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/swap	-	-	-	876	876

Note 16: Employee benefits

16 a) Pensions

Assumptions applied

The principal assumptions used for actuarial valuations of the plans are as follows:

France	12/31/2014	12/31/2013
Discount rate	1.80%	3.25%

Annual wage increases	2.00%	2.00%
Social security charge rate	45%	45%

International	12/31/2014	12/31/2013
Discount rate	2.10-2.20%	3.25-3.75%
Annual wage increases	2.00-2.50%	2.00-2.50%
Annual pensions increase	1.50-2.00%	1.50-2.00%

The discount rates were based on the yield on AA rated corporate bonds in the relevant countries as of the balance sheet date. The recorded liabilities have maturities similar to those of the underlying commitments.

The mortality tables used for the calculated values are in line with current legislation and statistics published in the various countries involved.

Accrued gross liability

	France	International	Total
January 1, 2014	8,016	19,297	27,313
Amount paid	(1,035)	(76)	(1,111)
Recognized expenses	849	469	1,318
Actuarial gains and losses	1,707	11,844	13,551
Change in consolidation	-	-	-
December 31, 2014	9,537	31,534	41,071

Accrued net liability

Amounts recorded in respect of employee benefits are as follows:

	France	International	Total
Actuarial liability	9,537	31,534	41,071
Value of plan assets	(938)	(20,188)	(21,126)
Net balance sheet liability	8,599	11,346	19,945

The Group's recognized net liability changed as follows:

	France	International	Total
January 1, 2014	7,020	8,041	15,061
Amount paid	(1,034)	(995)	(2,029)
Recognized expenses	848	(102)	746
Actuarial gains and losses	1,765	4,402	6,167
Change in consolidation	-	-	-

December 31, 2014	8,599	11,346	19,945
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The plan assets changed as follows:

January 1, 2014	(996)	(11,256)	(12,252)
Return on plan assets	58	(439)	(381)
Employer contribution	-	(919)	(919)
Employee contribution	-	(276)	(276)
Payment of benefits	-	5	5
Actuarial gains and losses	-	(7,442)	(7,442)
Other items	-	139	139
Change in consolidation	-	-	-
December 31, 2014	(938)	(20,188)	(21,126)

These assets, which include no Company shares or Group assets, are broken down as follows:

	France	International	Total
Equities	-	-	-
Bonds	-	-	-
Insurance policies	938	20,188	21,126
Other	-	-	-
Total	938	20,188	21,126

Income statement expense

The 2014 expense can be broken down as follows:

	France	International	Total
Service cost	639	(490)	149
Net interest expense	209	249	458
Administrative costs	-	139	139
December 31, 2014	848	(102)	746

Actuarial gains and losses on the value of the plan assets and liabilities are broken down as follows:

	France	International	Total
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Demographic assumptions	-	1,864	1,864
Financial assumptions	1,172	2,619	3,791
Experience gains or losses on liability	593	(81)	512
Experience gains or losses on plan assets	-	-	-
Actuarial gains/(losses)	1,765	4,402	6,167

The sensitivity of the present value of the liability to the discount rate is as follows:

	Annual discount rate		
	(-100 basis points)	Base discount rate	(+100 basis points)
Present value of the liability	51,842	41,071	32,194

16 b) Share-based pay

	Founders' warrants (BSPCE)	Redeemable equity warrants
General meeting date	3/19/2014	3/19/2014
Board of Directors meeting date	3/25/2014	8/27/2014
Maximum number of shares that may be subscribed or purchased	A: 20,000 B: 20,000	17,000
Corporate officers		
Top ten employee beneficiaries	40,000	17,000
Earliest date for exercising warrants	A: 3/25/2015 B: 3/25/2017	8/27/2014
Expiry date	A: 3/25/2019 B: 3/25/2019	8/27/2019
Subscription price	68.49	68.53

The cost of the plans is based on binomial-coefficient algorithms less the gross annual expense.

The calculation factors included are the exercise price, term of the option, non-exercise period, retention period, conditions for obligatory amendments, share value, dividend payout, risk-free rate until warrant maturity, and volatility and margin of the share loan.

	Founders' warrants (BSPCE)	Redeemable equity warrants
Board of Directors meeting date	3/25/2014	8/27/2014
Dividend payout	0.00%	0.00%
Volatility rate	20.00%	21.75%
Exercise price	68.49	68.53
Fair value	A: 7.61 B: 5.33	5.88

All the above employee warrants resulted in a €141,000 expense for 2014 and a corresponding reduction in net assets.

6.2 Income statement notes

Note 17: Other underlying income and expenses

	2014	2013
Other underlying income	476	1,116
Other underlying expenses	(854)	(1,909)
Other underlying income and expenses	(378)	(793)

Note 18: Provision charges and write-backs

	2014	2013
Provision write-backs	6,912	4,198
Provision charges	(6,776)	(3,589)
Provision charges and write-backs	136	609

Note 19: Depreciation/impairment

	2014	2013
Depreciation/impairment	(22,901)	(18,940)
Provision write-backs	-	-
Net depreciation/impairment	(22,901)	(18,940)

Note 20: Non-recurring expenses

Non-recurring expenses are broken down as follows:

	2014	2013
Restructuring costs	(4,150)	(1,365)
Costs on acquisitions of equity investments	-	(2,585)
Total non-recurring expenses	(4,150)	(3,950)

Total restructuring costs of €5.5 million for 2013 and 2014 comprised staff costs incurred by the Group in conjunction with the integration of the CEPL businesses.

The €2,585,000 of costs relating to acquisitions of equity investments relate to the CEPL acquisition.

Note 21: Net financial items

	2014	2013
Interest and related income	1,340	946
Total financial income	1,340	946
Interest and related expenses	(6,893)	(5,904)
Fair value adjustments on financial instruments	214	255
Discounting of balance sheet accounts	(561)	(226)
Other financial expenses	(891)	(305)
Total financial expenses	(8,131)	(6,180)
Total	(6,791)	(5,234)

Interest and related expenses largely relate to bank loans, finance lease liabilities and bank overdrafts.

The net cost of debt amounted to €5,553,000 in 2014, compared to €4,958,000 in 2013.

Note 22: Corporate income tax

	2014	2013
Current tax charge	4,038	5,432
Net deferred tax charge/(income)	2,695	(422)
Tax on added value (CVAE)	4,727	4,303
Total tax	11,460	9,313
	2014	2013
Total consolidated net income	18,586	13,118
Tax excluding CVAE	6,733	5,010
Earnings in equity affiliates	47	(93)
Income before tax	25,366	18,035
Statutory tax rate	38.00%	38.00%
Theoretical tax	9,639	6,853
Permanent differences	(2,211)	(610)
Losses for the year not recognized	2,248	2,205
Use and recognition of prior losses not recognized	(1,649)	(2,885)
Other taxes	(79)	99
Differences in tax rates	(1,215)	(652)
Tax excluding CVAE	6,733	5,010
Effective tax rate excl. CVAE	26.54%	27.78%
CVAE	4,727	4,303
Tax including CVAE	11,460	9,313
Effective tax rate	38.08%	41.69%

Note 23: Earnings per share

The average number of shares during the period was as follows:

	(no.)	2014	2013
Average number of shares in issue		5,582,881	5,522,773
Average number of treasury shares		(6,058)	(5,021)
Average number of shares		5,576,823	5,517,752
Equity warrants		315,290	311,040
Founders' warrants (BSPCE)		30,795	-
Average number of diluted shares		5,922,908	5,828,792

6.3 Other information**Note 24: Change in working capital**

	2014	2013
Change in inventories	62	117
Change in trade receivables	(6,939)	(15,765)
Change in trade payables	13,175	26,185
Change in operating working capital	6,298	10,537
Change in other receivables	(5,546)	(7,434)
Change in other payables	1,902	13,156
Change in non-operating working capital	(3,644)	5,722
Change in working capital	2,654	16,259

Note 25: Headcount

The number of employees under open-ended employment contracts at December 31 was as follows:

	(no.)	12/31/2014	12/31/2013
Managers		562	531
Non-managers		12,513	12,528
Total		13,075	13,059

Note 26: 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)		Balance sheet asset or (liability)	
			2014	2013	2014	2013
Comète	Joint director	Services provided	(675)	(679)	(364)	(396)
Les Parcs du Lubéron 1	Joint director	Services provided	5	-	-	-
Financière ID	Joint shareholder	Services provided	339	313	-	239
SCI Financière ID Brebières II	Joint shareholder	Services provided	1,543	(1,568)	-	-
SCI Financière ID Genlis	Joint shareholder	Services provided	-	105	-	-
SAS Logistics II	Joint shareholder	Services provided	-	92	-	-
SAS Logistics III	Joint shareholder	Services provided	-	(135)	-	-
SCI Financière Haute Picardie	Joint shareholder	Services provided	-	2	-	-

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 27: 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 business development.

The amounts of the aforementioned services are specified under Note 26.

Gross remuneration of other Board members

	2014	2013
Expense type		
Total gross remuneration	573	583
Post-employment benefits	-	-
Other long-term benefits	-	-
One-time retirement compensation	-	-

Note 28: Commitments and contingencies

The Group's signed commitments at the balance sheet date were as follows:

	12/31/2014	12/31/2013
Commitments given		
Real estate leases	159,059	138,629
Plant and equipment leases	43,999	38,315
Parent company guarantees *	3,251	3,251
Borrowings subject to covenants	62,500	75,000
Commitments received		
Bank guarantees	17,579	13,875

* The parent company guarantees above do not include guarantees given for leasing commitments or for debt with covenants, which are described on the corresponding lines.

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
December 31, 2014				
Real estate leases	46,659	95,399	17,001	159,059
Plant and equipment leases	16,823	27,159	17	43,999
December 31, 2013				
Real estate leases	44,828	78,368	15,433	138,629
Plant and equipment leases	14,729	23,169	417	38,315

In order to raise €75 million of funds for the CEPL acquisition, the Group pledged the following assets to the initial lenders:

- Ficopar shares held by ID Logistics Group
- ID Logistics shares held by Ficopar
- ID Logistics France shares held by ID Logistics
- Compagnie Financière de Logistique shares held by ID Logistics
- ID Logistics business goodwill (including the ID Logistics brand)

Note 29: Post balance sheet events

None

Note 30: Proforma financial information

1. Presentation basis

1.1 Underlying assumptions

Consolidated proforma financial information for the year ended December 31, 2013 (hereinafter "Proforma Financial Information") is stated in euro thousands and has been prepared to reflect the combination of ID Logistics and CEPL under the acquisition method as prescribed by IFRS, as if the acquisition had occurred on January 1, 2013.

The Proforma Financial Information is given for illustrative purposes only and does not reflect the post-acquisition results of operations or financial position of the new Group that would have arisen if the acquisition had occurred on January 1, 2013. Furthermore, the Proforma Financial Information is not indicative of future results of operations or the future financial position of the new Group.

Only proforma adjustments relating directly to the acquisition that can be documented and accurately estimated have been included. The Proforma Financial Information has not been prepared assuming that the cost savings and other synergies arising from the acquisition apply as from January 1, 2013. The same applies to the consequences of CEPL French subsidiaries joining the ID Logistics tax group for French subsidiaries as from September 1, 2013.

The Proforma Financial Information has been prepared on the basis of the 2013 ID Logistics Group IFRS consolidated financial statements (including CEPL from July 1, 2013) and a CEPL IFRS consolidated balance sheet at June 30, 2013.

1.2 Basis for the preparation and presentation of the consolidated financial statements

The CEPL consolidated financial statements for the period January 1 to June 30, 2013 have been prepared pursuant to ID Logistics Group accounting principles described in Note 2 "Basis for the preparation and presentation of the consolidated financial statements" and Note 4 "Accounting principles and methods" to the consolidated financial statements.

1.3 Intercompany transactions

There were no transactions between CEPL and ID Logistics before the acquisition. Since the acquisition, all transactions between CEPL and ID Logistics have been classified as intercompany transactions. Sales and purchases between companies of the new Group have been eliminated for purposes of the Proforma Financial Information.

2. 2013 ID Logistics Group Proforma Financial Information

	ID Logistics Group Reported 12/31/2013	CEPL Data 1/1 - 6/30/2013	Proforma adjustments	ID Logistics Group Proforma 12/31/2013
Revenues	735,124	86,100	-	821,224
Depreciation/impairment	(18,940)	(2,109)	(127)	(21,176)
EBIT before amortization of customer relations	31,809	(1,033)	4,077	34,853
Amortization of acquired customer relations	(287)	-	(250)	(537)
Non-recurring expenses	(3,950)	-	-	(3,950)
Net financial items	(5,234)	(14,749)	12,689	(7,294)
Income before tax	22,338	(15,782)	16,516	23,072

Earnings of equity affiliates	93	-	-	93
Tax on added value (CVAE)	(4,303)	(555)	(63)	(4,921)
Corporate income tax	(5,010)	4,538	(4,571)	(5,043)
Consolidated net income/(loss)	13,118	(11,799)	11,882	13,201

3. Proforma adjustments

As stated above, the CEPL data has not been prepared assuming that the cost savings and other synergies arising from the acquisition apply as from January 1, 2013. The same applies to the consequences of CEPL French subsidiaries joining the ID Logistics tax group for French subsidiaries as from September 1, 2013.

However, the CEPL income statement items below were adjusted in the Proforma Financial Information.

3.1 Adjustments related to CEPL's pre-acquisition structure

Before the acquisition:

- CEPL group belonged to its former shareholders following an LBO. CEPL debt in relation to the LBO amounted to some €250 million, which was not transferred to ID Logistics on acquisition. For purposes of the Proforma Financial Information, the cost of servicing this debt amounting to €14,334,000 before tax has been excluded from the CEPL data.
- Before the acquisition CEPL was in financial difficulties, which led to negotiations with its creditors and to the opening of consensual pre-insolvency proceedings. A search process for investors was begun, which concluded with the ID Logistics acquisition of CEPL. This process resulted in bank, legal and various consultancy fees as well as exceptional bonuses for the management and management fees charged by the CEPL group parent company. For purposes of the Proforma Financial Information, these fees amounting to €4,204,000 before tax have been excluded from the CEPL data.

3.2 Adjustments to the purchase price allocation

The purchase price calculation and allocation are given under Note 3 to the 2013 consolidated financial statements, "Changes in consolidation".

With respect to the purchase price calculation and allocation:

- The revaluation of CEPL's real estate resulted in additional depreciation which, for purposes of the Proforma Financial Information, was computed with effect from January 1, 2013 and amounted to €127,000 for the 6 months ended June 30, 2013.
- The recognition of CEPL's customer relations resulted in additional amortization which, for purposes of the Proforma Financial Information, was computed with effect from January 1, 2013 and amounted to €250,000 for the 6 months ended June 30, 2013.

3.3 Adjustments related to financing the acquisition

As stated under Note 3 to the 2013 consolidated financial statements, "Main changes in consolidation scope", a portion of the purchase price was funded by a €75 million bank loan, which has been hedged with an interest rate swap.

The Proforma Financial Information has been adjusted as if the acquisition bank loan and corresponding interest rate swap had been contracted as of January 1, 2013:

- The interest on the €75 million loan has been extrapolated over the full year, leading to a €1,152,000 pre-tax interest expense in addition to the actual interest costs since July 22, 2013, the effective date of the loan;
- As stated under Note 10 "Financial liabilities", bank fees for setting up the purchase price loan have been deducted from the loan and will be amortized over the 6-year loan term. For purposes of the Proforma Financial Information, corresponding amortization has been extrapolated over the full year, leading to a €268,000 pre-tax financial expense in addition to the actual charge since July 22, 2013, the effective date of the acquisition;
- Interest paid under the interest rate swaps to financial institutions has been extrapolated over the full year compared to the actual interest paid since the effective date of November 15, 2013 without taking account of changes in the underlying EURIBOR 3 month rate during the period. This extrapolation resulted in €225,000 pre-tax additional expense.

ID Logistics paid €16.5 million of the purchase price directly from available cash. However, the opportunity cost associated with this cash, had it been paid out on January 1, 2013, was not taken into account in the proforma adjustments given that such cost was not material.

3.4 Tax adjustments

- CVAE (French tax on business value added) was estimated on proforma adjustments that affected value added under ordinary law.
- Corporate income tax was estimated by applying the effective tax rate, excluding CVAE, of 27.78% for the year, including CEPL data as from July 1, 2013, to the proforma adjustments and 2013 first-half earnings.

4. Seasonal factors

Like ID Logistics, CEPL does not encounter major seasonal fluctuations in revenues. However, first-half revenues tend to be more volatile in terms of volumes with larger swings between business peaks and lows than in the second half. This volatility is reflected in lower operational productivity, and first-half EBIT is generally lower than in the second half.

Note 31: List of consolidated subsidiaries, joint ventures and equity affiliates

	Country	Equity interest (%)		Control (%)		Cons. method	
		2014	2013	2014	2013	2014	2013
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 3	France	95%	95%	100%	100%	FC	FC
ID Logistics France 4	France	48%	95%	50%	100%	FC	FC
ID Logistics France 5	France	95%	95%	100%	100%	FC	FC

ID Logistics France VIII	France	95%		100%		FC	
ID Logistics France 9	France	95%		100%		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
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%	84%	88%	88%	FC	FC
SIL	France	76%	76%	80%	80%	FC	FC
AFC	France	84%	84%	88%	88%	FC	FC
Timler	France	95%	95%	100%	100%	FC	FC
France Paquets	France	95%	95%	100%	100%	FC	FC
Cie Financière de Logistique	France	95%	95%	100%	100%	FC	FC
CEPL Holding et Cie	France	95%	95%	100%	100%	FC	FC
CEPL	France	95%	95%	100%	100%	FC	FC
CEPL SPV1	France	95%	95%	100%	100%	FC	FC
CEPL SPV2	France	95%	95%	100%	100%	FC	FC
CEPL Chalon	France	95%	95%	100%	100%	FC	FC
CEPL Coignières	France	95%	95%	100%	100%	FC	FC
CEPL Courtaboeuf	France	95%	95%	100%	100%	FC	FC
ID Logistics Selective	France	95%	95%	100%	100%	FC	FC
CEPL Les Herbiers	France	95%	95%	100%	100%	FC	FC
CEPL Moreuil	France	95%	95%	100%	100%	FC	FC
CEPL Saint Ouen L'Aumone	France	95%	95%	100%	100%	FC	FC
CEPL Seclin	France	95%	95%	100%	100%	FC	FC
CEPL Ozoir	France	95%	95%	100%	100%	FC	FC
CEPL Alsace	France	95%	95%	100%	100%	FC	FC
CEPL Beauvais	France	95%	95%	100%	100%	FC	FC
CEPL Beville	France	95%	95%	100%	100%	FC	FC
CEPL Chateauroux	France	95%	95%	100%	100%	FC	FC
CEPL Eragny	France	95%	95%	100%	100%	FC	FC
CEPL Fleury	France	95%	95%	100%	100%	FC	FC
CEPL La Tour du Pin	France	95%	95%	100%	100%	FC	FC
SCI Alsace	France	95%	95%	100%	100%	FC	FC
CEPL Wiesbaden	Germany	95%	95%	100%	100%	FC	FC
CEPL Michelstadt	Germany	95%	95%	100%	100%	FC	FC
CEPL Objektgesellschaft GmbH	Germany	95%	95%	100%	100%	FC	FC
CEPL Objektgesellschaft mbH	Germany	95%	95%	100%	100%	FC	FC
CEPL Fugas	Germany	95%	95%	100%	100%	FC	FC
CEPL Fugas KG	Germany	95%	95%	100%	100%	FC	FC
CEPL Germesheim	Germany	95%	95%	100%	100%	FC	FC
CEPL Iberia	Spain	95%	95%	100%	100%	FC	FC
CEPL Barcelona	Spain	95%	95%	100%	100%	FC	FC
CEPL La Roca	Spain	95%	95%	100%	100%	FC	FC
ID Logistics Benelux	Netherlands	95%	95%	100%	100%	FC	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 La Réunion	DOM	95%	95%	100%	100%	FC	FC
ID Logistics Maurice	Mauritius	95%	95%	100%	100%	FC	FC
Group Logistics - IDL Espana	Spain	95%	95%	100%	100%	FC	FC
Prestalid	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 Dimension Log.	Indonesia	94%	94%	99%	99%	FC	FC
Pt. Inti Dinamika Logistics Ind.	Indonesia	95%		100%		FC	FC
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%	95%	100%	100%	FC	FC
IDL Supply Chain South Africa	South Africa	95%	95%	100%	100%	FC	FC
IDL Fresh South Africa	South Africa	48%	95%	50%	100%	FC	FC

* FC - Full consolidation; EM – Equity method; DOM – French overseas territory

4.9.2 Statutory auditors' report on the 2014 Group consolidated financial statements

To the Shareholders,

Pursuant to our engagement as statutory auditors by your shareholders' general meeting, we hereby submit our report for the year ended December 31, 2014 concerning:

- Our audit of the ID LOGISTICS GROUP SA consolidated financial statements as attached hereto;
- Justification of our opinion;
- Specific audit 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 of 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 earnings, assets, liabilities and financial position of the Group consisting of the businesses and entities included in the consolidation.

II. Justification of our opinion

Pursuant to Article L. 823-9 of the French Commercial Code relating to the justification of our opinion, please note the following:

The Company regularly reviews its principal intangible assets and goodwill pursuant to the procedures specified under Notes 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 loss in value. 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 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 3, 2015

The Statutory Auditors

CFG Audit
Philippe Joubert

Deloitte & Associés
Albert Aidan"

4.10 REVIEW OF RESULTS AND FINANCIAL POSITION - PARENT COMPANY FINANCIAL STATEMENTS

4.10.1 Comparison of years ended December 31, 2014 and December 31, 2013

- **Significant events and changes to the bylaws**

There have been no material events or changes to the bylaws within ID Logistics Group SA since December 31, 2013.

- **Business summary**

(€m)	2014	2013
Revenues	4.3	4.8
EBIT	0.0	(0.7)
Net financial items	0.0	0.5
Non-recurring items	-	(0.3)
Net income	0.0	(0.5)
Non-current assets	45.5	45.0
Working capital	16.0	16.4
Cash and cash equivalents	0.1	0.0
Shareholders' equity	61.6	61.4

ID Logistics Group SA is the parent company of the ID Logistics group and employs 11 people. ID Logistics Group SA operates as a holding company and recharges services provided to its subsidiaries and sub-subsidiaries, mainly in France. It has no commercial dealings outside the Group.

Revenues are represented by recharges to Group subsidiaries, which increased in view of the higher costs ID Logistics Group incurred on their behalf. Expenses, consisting of fees and staff costs, were similar to 2013 expenses.

Financial income and expenses represent ID Logistics Group earnings on the liquidity contract and interest income charged to the subsidiaries' current accounts.

2013 non-recurring items consisted of a capital loss on sale of Compagnie Financière de Logistique shares that arose due to ID Logistics Group charging interest to Compagnie Financière de Logistique for the period July 22, 2013 to August 31, 2013, which is included under the Company's net financial income.

Non-current assets largely consist of the Company's 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.

- **Equity investments**

The Company did not make any equity investments during 2014.

- **Results of subsidiaries**

ID Logistics Group SA holds a 94.99% stake in Ficopar SAS, for which the key figures at December 31, 2014 are as follows (€000):

Capital stock	Other equity	Gross investments	Net investments	Loans receivable and advances	Endorsements and sureties	Revenues	Net income	Dividends received
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17,082	(1,860)	44,302	44,302	13,080	-	-	5,124	-
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- **Expenses not deductible for tax purposes**

In accordance with Article 223 *quater* of the French General Tax Code, it is stated that the following expenses referred to under Article 39-4 of the same code have been definitively added back to 2014 taxable income:

- Vehicle leasing: €20,600
- Vehicle taxes: €10,400

- **Research and development activities**

In 2014 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 objective of the Group's human resources policy is to ensure that all staff attain operational excellence and adhere to 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 2015, 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.

4.10.2 2014 parent company financial statements

BALANCE SHEET (before earnings appropriation)

ASSETS (€000)	12/31/2014	12/31/2013
Equity investments	44,302	44,302
Other fixed asset investments	456	107
Other financial assets	705	574
Total fixed assets	45,463	44,983
Trade receivables	2,242	2,032
Other receivables	16,163	17,369

Cash and cash equivalents	138	15
Prepaid expenses	19	50
Total current assets	18,562	19,466

TOTAL ASSETS	64,025	64,449
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LIABILITIES AND EQUITY (€000)	12/31/2014	12/31/2013
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Capital stock	2,791	2,791
Additional paid-in capital	52,673	52,573
Legal reserve	141	141
Other reserves	4,740	4,740
Retained earnings	1,204	1,736
Net income for the year	50	(532)

Shareholders' equity	61,599	61,449
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Trade payables	243	392
Tax and social security payables	2,178	2,605
Other payables	5	3

Short-term payables	2,426	3,000
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TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	64,025	64,449
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INCOME STATEMENT (€000)	2014	2013
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Services revenues France	4,284	4,773
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Other purchases and external charges	(1,052)	(1,269)
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Staff costs	(3,113)	(4,213)
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Miscellaneous taxes	(95)	(52)
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Operating income/(loss)	24	(761)
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Financial income	46	483
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Financial expenses	(20)	-
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Net financial items	26	483
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Non-recurring income	-	21,719
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Non-recurring expenses	-	(21,973)
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Non-recurring items	-	(254)
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NET INCOME/(LOSS)	50	(532)
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NOTES TO THE FINANCIAL STATEMENTS

I – Accounting principles

The financial statements for the year ended December 31, 2014 have been prepared in accordance with the provisions of the French Commercial Code and Rule 2014-03 of the French Accounting Principles Authority ("ANC").

The financial statements are based on the following underlying conventions, 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 historical cost convention.

The main principles used for balance sheet accounts are as follows:

1) Equity investments

The gross value consists of the purchase cost excluding 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:	62 years
Wage growth rate:	2.00%
Discount rate:	1.80%

5) Consolidation

The Company consolidates all ID Logistics Group companies.

II - Notes to the financial statements

Unless otherwise indicated, data in the notes is stated in thousands of euros.

1) Highlights of the year

None

2) Financial assets

The change in equity investments is broken down as follows:

	1/1/2014	Acquisitions	Disposals	12/31/2014
Equity investments	44,302	-	-	44,302
Total	44,302	-	-	44,302

Other fixed asset investments exclusively consist of treasury shares held under the liquidity contract. At December 31, 2014, the Company held 7,000 treasury shares amounting to €456,000.

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:

	12/31/2014	12/31/2013
Trade receivables	2,242	2,032
Other receivables	15,907	17,108
Total assets	18,149	19,140
Trade payables	4	4
Other payables	-	-
Total liabilities and shareholders' equity	4	4

Revenues and financial income on related party transactions amounted to €4,284,000 and €46,000 respectively.

Operating expenses with related parties amounted to €224,000.

5) Shareholders' equity and change in net assets

	12/31/2013 (before earnings appropriation)	2013 earnings appropriation	Issue of BSARs	2014 net income	12/31/2014 (before earnings appropriation)
Capital stock	2,791	-	-	-	2,791
Additional paid-in capital	52,573	-	100	-	52,673
Legal reserve	141	-	-	-	141
Other reserves	4,740	-	-	-	4,740
Retained earnings	1,736	(532)	-	-	1,204
Net income for the year	(532)	532	-	50	50
Total assets	61,449	-	100	50	61,599

The Company's capital stock consists of 5,582,881 shares, each with a par value of €0.50.

As of December 31, 2014, there were 155,520 equity warrants outstanding granting the right to purchase 311,040 new shares. A single shareholder holds all equity warrants.

In 2014, the Company issued founders' warrants (BSPCE) and redeemable equity warrants (BSAR) with the following main terms and conditions:

	BSPCE	BSAR
General meeting date	3/19/2014	3/19/2014
Board of Directors meeting date	3/25/2014	8/27/2014
Maximum number of shares that may be subscribed or purchased	A: 20,000 B: 20,000	17,000
Corporate officers		
Top ten employee beneficiaries	40,000	17,000
Earliest date for exercising warrants	A: 3/25/2015 B: 3/25/2017	8/27/2014
Expiry date	A: 3/25/2019 B: 3/25/2019	8/27/2019
Subscription price	68.49	68.53

6) Maturity of payables at the balance sheet date

All payables fall due in less than one year.

7) Accrued income

	12/31/2014	12/31/2013
Trade receivables	1,659	1,502
Other receivables	4	20

Total	1,663	1,522
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8) Accrued expenses

	12/31/2014	12/31/2013
Trade payables	167	170
Tax and social security payables	1,667	1,933
Total	1,834	2,103

9) Prepaid expenses

	12/31/2014	12/31/2013
Operating expenses	19	50
Total	19	49

10) Net financial income/(loss)

	2014	2013
Gains and losses on sale of investments	(20)	152
Interest on current accounts	46	331
Total	26	483

11) Non-recurring items

None

12) Unrecorded deferred tax

The Company has unrelieved tax losses carried forward amounting to €3,180,000 representing a future corporate income tax saving of €1,060,000.

13) 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	3,039	95%	44,302	44,302	15,907	-	-	4,899	-
Total	17,082	3,039		44,302	44,302	15,907	-	-	4,899	-

14) Off-balance sheet commitments

As of December 31, 2014 there were 1,241 unused training hours. Pension liabilities amounted to €77,000.

Commitments given:

Sureties:	€65,000,000
Parent company guarantees:	€7,168,000

Commitments received:

None

In conjunction with the purchase of CFL shares, the Company is a party to the loan contract as a joint and several guarantor on behalf of ID LOGISTICS for an amount capped at €75,000,000. The Company has pledged its investment in Ficopar to the lenders.

15) Directors' remuneration

2014 directors' fees amounted to €50,000.

The directors received remuneration totaling €374,000.

16) Headcount

The average headcount was 11 people.

17) Post balance sheet events

There were no significant events between the balance sheet date and the date when the parent company financial statements were approved.

4.10.3 Statutory auditors' report on the 2014 Company financial statements

To the Shareholders,

Pursuant to our engagement as statutory auditors by your shareholders' general meeting, we hereby submit our report for the year ended December 31, 2014 concerning:

- Our audit of the ID Logistics Group SA financial statements as attached hereto;
- Justification of our opinion;
- Specific testing and disclosures required under French law.

The parent company 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 parent company 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 parent company 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 parent company 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 parent company financial statements, in accordance with French generally accepted accounting principles, give a true and fair view of the results of the Company's operations for the year ended and of the Company's financial position, assets and liabilities as of the balance sheet date.

II. Justification of 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 "Equity investments" to the financial statements specifies the accounting principles for the valuation of equity investments. In conjunction with our assessment of the Company's accounting principles, we have verified the appropriateness of said accounting principles and we have checked that they have been accurately applied.

Our assessments above formed part of our audit of the parent company financial statements as a whole and therefore contributed to our opinion expressed in the first part of this report.

III. Specific testing and disclosures

In accordance with French professional audit standards, we have also carried out specific testing required under French law.

We have no comment on the fairness and consistency with the parent company 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 verified that the various disclosures relating to the identity of the holders of capital and voting rights have been made to you in the management report.

Paris and Neuilly-sur-Seine, April 3, 2015

The Statutory Auditors

CFG Audit
Philippe Joubert

Deloitte & Associés
Albert Aidan"

4.10.4 Financial results of the Company during the last 5 years

(Art. R. 225-102 of the French Commercial Code)

(€)	2010	2011	2012	2013	2014
<u>I. FINANCIAL POSITION AT YEAR END</u>					
a) Capital stock	2,052,930	2,052,930	2,737,240	2,791,440.50	2,791,440.50
b) Number of shares issued	2,052,930	2,052,930	5,474,480	5,582,881	5,582,881
c) Number of convertible bonds/shares					
<u>II. TOTAL RESULTS OF OPERATIONS</u>					
a) Revenues excl. VAT	7,622	63,100	1,192,000	4,773,328	4,283,831
b) Earnings before tax, depreciation and provisions	-156,184	-763,993	222,512	(532,068)	49,683
c) Corporate income tax					
d) Employee profit sharing for the year					
e) Earnings after tax, depreciation and provisions	-156,184	-763,993	222,512	(532,068)	49,683
f) Dividends distributed					
<u>III. EARNINGS PER SHARE</u>					
a) Earnings after tax and employee profit share, before depreciation and provisions	-0.08	-0.38	0.04	-0.10	0.01
b) Earnings after tax, depreciation and provisions	-0.08	-0.38	0.04	-0.10	0.01
c) Dividend per share	0.00	0.00	0.00	0.00	0.00
<u>IV. STAFF</u>					
a) Number of employees	0	0	12	11	11
b) Total wages and salaries	0	0	899,000	4,213,000	3,113,000
c) Total social security and staff benefits	0	0	0	0	0

4.11 TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are specified under Note 25 to the 2014 consolidated financial statements in 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 2014.

4.11.1 Intercompany transactions

Intercompany transactions are described under section 1.9.3 of the Registration Document, "Main intra-group cash flows".

4.11.2 Transactions with related parties

As stated under Note 26 to the consolidated financial statements in section 4.8 "Annual historic financial information" of the Registration Document, agreements signed with Les Parcs du Lubéron 1 or Financière ID and its wholly-owned subsidiaries SCI Financière ID Brebières II, SCI Financière ID Genlis, SAS Logistics II, SAS ID Logistics III and SCI Financière Haute Picardie concern services provided and warehouse renting under commercial leases. The services provided concern recharges of part of the costs for two ID Logistics France employees who carry out occasional administrative assignments for Les Parcs du Lubéron 1 and Financière ID. Financière ID is a company that provides 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. Financière ID may be called upon to carry out occasional consulting assignments in relation to real estate projects implemented by subsidiaries of the ID Logistics Group.

Also refer to section 3.3.2 "Contracts between directors and the Company" of the Registration Document.

4.11.3 Statutory auditors' report on regulated agreements and commitments in respect of the year ended December 31, 2014

"To the Shareholders,

In our capacity as statutory auditors of the Company, we hereby submit our report on regulated agreements and commitments.

It is our responsibility to communicate to you, based on information given to us, the principal terms and conditions of the agreements and commitments notified to us or that we discovered during our engagement; it is not our responsibility to comment on their usefulness or justification or to search for other agreements and commitments. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code, to assess the reason for signing these agreements and commitments 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 in conjunction with agreements and commitments 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 FOR THE APPROVAL OF THE SHAREHOLDERS' GENERAL MEETING
- Agreements and commitments approved in prior years

We hereby state that we have not been given notice of any agreement authorized during the past year requiring approval from the general meeting pursuant to the provisions of Article L.225-38 of the French Commercial Code.

- AGREEMENTS AND COMMITMENTS PREVIOUSLY AUTHORIZED BY THE SHAREHOLDERS' GENERAL MEETING
- Agreements and commitments approved in prior years, for which transactions continued during 2014

Pursuant to Article R. 225-30 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 and which continued to run in 2013.

- ✓ Guarantee between ID LOGISTICS GROUP and ID LOGISTICS RUS

Director concerned: Mr. Eric Hémar

Agreement approved by the Board of Directors on May 10, 2013 and June 5, 2013

This guarantee was issued in conjunction with opening a fresh produce logistics platform in Russia. ID LOGISTICS RUS, a subsidiary of ID LOGISTICS Group, took out a lease of warehouse space (currently under construction) for a minimum 6-year term, with a total surface area of around 12,500 sqm, located in Noginsk (58km from Moscow).

To ensure compliance with the lease requirements, the lessor requested a parent company guarantee amounting to \$5,796,716 valid for the minimum lease term.

- ✓ Guarantee between ID LOGISTICS GROUP, FICOPAR and ID LOGISTICS

Director concerned: Mr. Eric Hémar

Agreement approved by the Board of Directors on May 29, 2013

In conjunction with the CFL acquisition, ID LOGISTICS GROUP and FICOPAR are parties to the loan contract as a joint and several guarantor of ID LOGISTICS for any sum falling due under the contract (loan value: €75 million).

- ✓ 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 continuation of business relations with LA POSTE after March 1, 2015 is not confirmed.

The vendors sought a joint and several 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 parent company letter of comfort for France Paquets was issued by ID Logistics Group whereby the Company undertakes for a one-year term to ensure that its subsidiary promptly repays any sum due including principal, interest, fees, costs and other amounts in respect of postage costs up to a maximum of €2,400,000.

- ✓ Services agreement between ID LOGISTICS GROUP and Comète

Director concerned: Mr. Eric Hémar

Agreement approved by the Board of Directors on September 14, 2011

The purpose of this agreement is the provision by Comète of advisory, administrative, strategic assistance, financial consulting 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 based on set targets.

This agreement took effect on January 1, 2011 for an unlimited period, and the terms for determining the variable fees will be reviewed every year as of January 1. These terms and variable fees were not changed in 2014.

2013 fees excluding VAT charged under this agreement amounted to:

- Fixed fee: €120,996
- Variable fee: €100,000

Paris and Neuilly-sur-Seine, April 3, 2015

The Statutory Auditors

CFG Audit
Philippe Joubert

Deloitte & Associés
Albert Aidan"

4.12 DATE OF THE MOST RECENT FINANCIAL INFORMATION

The most recent financial information dates from December 31, 2014.

4.13 MATERIAL CONTRACTS

The Company has not entered into any material contracts other than those executed in the ordinary course of business.

4.14 INFORMATION PROVIDED BY THIRD PARTIES, EXPERTS' DECLARATIONS AND DISCLOSURES OF INTERESTS

None

4.15 TRENDS

4.15.1 Principal trends since the most recent fiscal year end, December 31, 2014

ID Logistics posted first-quarter 2015 revenues of €214.3 million, up 6.1% compared with the first quarter of 2014 and up 5.1% like-for-like.

<i>(en millions of euros)</i>	Q1 2015	Q1 2014	Var.	Like-for-like change*
Revenues	214,3	201,9	6.1%	5.1%
France	121,6	116,6	4.3%	4.3%
International	92,7	85,3	8.7%	6.2%

* at constant exchange rates

In France, revenues totalled €121.6 million. With a growth of 4.3%, revenues in the first quarter of 2015 were underpinned by a mildly positive price and volume effect, amid inflation running at close to zero. As forecast in late 2014, a smaller number of new contracts than in the first quarter of 2014 started up because decision-making by customers regarding important projects is longer.

International revenues came to €92.7 million, up 8.7% compared with the first quarter of 2014 and up 6.2% on a like-for-like basis. International business was vibrant, owing mainly to the start-up of new contracts in 2014, a positive price and volume effect and, for the first time in two years, broadly supportive currency effects.

4.15.2 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.

4.15.3 Profits forecasts or estimates

The Company does not intend to prepare a profits forecast or estimate.

4.16 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 effect on the Group's and/or the Company's financial position or earnings.

4.17 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, 2014.

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 €2,791,440.50 divided into 5,582,881 fully paid-up shares with a par value of €0.50 each.

As described in section 5.2.4 of the Registration Document, "Securities giving entitlement to equity", the Company's capital stock includes 155,520 shares carrying one equity warrant each. Each warrant carries the right to subscribe for two shares, entailing as of the Registration Document Date a 5.38% potential maximum equity dilution of post-dilution capital.

5.2.2 Securities not giving entitlement to equity

None.

5.2.3 Treasury stock - Description of the share buyback program

Share buyback program approved by the June 10, 2014 general meeting

The Company's Combined Ordinary and Extraordinary General Meeting held on June 10, 2014 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), under the terms and conditions described below:

- Securities: shares of common stock
- Maximum proportion of capital stock allowed for the program: 10% of capital (i.e. 558,288 shares currently), with the proviso that this limit shall be applied as of the share buyback dates so as to take account of any share issues or capital reductions that may occur during the term of the program. The number of shares included in the calculation of this limit represents the number of shares purchased less the number of shares resold during the term of the program under the liquidity objective.
- Given that the Company may not hold over 10% of capital stock, in view of the existing 4,298 treasury shares (or 0.08% of capital), up to 553,990 shares (or 9.92% of capital) may be purchased unless existing treasury shares are sold or canceled.
- Maximum purchase price: €210
- Maximum value of the program: €117,240,480
- Share buyback procedures: purchases, sales and transfers can be made by any means on financial markets or OTC markets, including by block trades provided that the draft shareholder resolution does not reduce the portion of the program that may be completed by block share purchases. These transactions may be carried out during periods of public tender offers pursuant to current regulations.
- Objectives:
 - To stimulate trading on the secondary market or to enhance the liquidity of the ID Logistics Group share pursuant to a liquidity agreement 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 purchased shares for subsequent reissue as consideration or in exchange with regard to potential acquisition transactions, provided that the shares purchased 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 applicable regulations,
- To cancel the purchased shares if applicable, subject to approval from the May 22, 2014 shareholders' general meeting.
- Term of the program: 18 months with effect from the May 22, 2014 general meeting until November 21, 2015.

Implementation of the share buyback program

Reasons for purchase	% of the program
Influence the share price	100
Employee shareholding	-
Stock options and warrants	-
Mergers and acquisitions	-
Cancellation	-

In conjunction with the share buyback program, the Company extended the liquidity contract entered into with Oddo Corporate Finance on April 18, 2012 until April 17, 2015. Under the liquidity contract, in 2014 the Company made the following purchases and sales of treasury shares:

Number of shares purchased	80,087
Average purchase price	€68.58
Number of shares sold	75,016
Average sales price	€68.29
Number of treasury shares at the balance sheet date	7,000
Value at purchase price	€480,000
Par value at balance sheet date	€469,000

As of the Registration Document Date, the Company does not hold any treasury shares apart from the shares held under the liquidity contract, and no Company shares 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.

New share buyback program submitted to the May 21, 2015 general meeting

- Securities: shares of common stock
- Maximum proportion of capital stock allowed for the program: 10% of capital (i.e. 558,288 shares currently), with the proviso that this limit shall be applied as of the share buyback dates so as to take account of any share issues or capital reductions that may occur during the term of the program. The number of shares included in the calculation of this limit represents the number of shares purchased less the number of shares resold during the term of the program under the liquidity objective.

- Given that the Company may not hold more than 10% of its capital stock, the maximum number of shares that can be purchased shall be 558,288 shares including existing treasury shares (7,000 as of December 31, 2014).
- Maximum purchase price: €200
- Maximum value of the program: €111,657,600
- Share buyback procedures: purchases, sales and transfers can be made by any means on financial markets or OTC markets, including by block trades provided that the draft shareholder resolution does not reduce the portion of the program that may be completed by block share purchases. These transactions may be carried out during periods of public tender offers pursuant to current regulations.
- Objectives:
 - To stimulate trading on the secondary market or to enhance the liquidity of the ID Logistics Group share pursuant to a liquidity agreement 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 purchased shares for subsequent reissue as consideration or in exchange with regard to potential acquisition transactions, provided that the shares purchased 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 applicable regulations,
 - To cancel the purchased shares if applicable, subject to approval from the May 21, 2015 shareholders' general meeting.
- Term of the program: 18 months with effect from the May 21, 2015 general meeting until November 20, 2016.

5.2.4 Securities giving entitlement to equity

As of the Registration Document Date, Immod, a director company holding 34.84% of the Company's capital stock, holds 155,520 shares with 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:
 - o Number of warrants exercised: none
 - o Number of warrants canceled or void: none
 - o Number of warrants remaining: 155,520

Each warrant carries the right to subscribe for two shares, entailing as of the Registration Document Date a 5.28% potential maximum equity dilution of post-dilution capital.

Moreover, as stated in the Chairman's report on internal control and corporate governance under section 3.3.3 of the Registration Document, there are founders' warrant (BSPCE) and redeemable equity warrant (BSAR) plans for Group management. The main terms and conditions of these plans are as follows:

	BSPCE	BSAR
General meeting date	March 19, 2014	March 19, 2014
Board of Directors meeting date	March 25, 2014	August 27, 2014
Maximum number of warrants to be issued	40,000	17,000
Maximum number of shares that may be acquired <i>of which by corporate officers</i>	40,000 <i>none</i>	17,000 <i>none</i>
Earliest exercise date	March 25, 2015	August 27, 2014
Expiry date	March 25, 2019	August 27, 2019
Share subscription price	€68.49 ⁽¹⁾	€68.53 ⁽¹⁾
Terms of exercise	1 share for 1 BSPCE ⁽²⁾	1 share for 1 BSAR
Number of shares subscribed as of the Registration Document Date	None	None
Total number of warrants to date	None	None
Number of shares potentially subscribed as of the Registration Document Date	20,000	None
Remaining warrants as of the Registration Document Date	0	3,000

(1) Subject to adjustments

(2) Should the BSPCE holder leave the Company before March 25, 2015, he may not exercise any BSPCEs and all BSPCEs will automatically be canceled as of the date of departure.

Provided the BSPCE holder does not leave before March 25, 2015, he may exercise 20,000 BSPCEs from March 25, 2015 inclusive to March 25, 2019 exclusive ("Tranche 1").

Provided the BSPCE holder does not leave the Company before March 25, 2017, he may exercise his current holdings of BSPCEs, amounting to 20,000 BSPCEs plus any unexercised Tranche 1 BSPCEs, from March 25, 2017 inclusive to March 25, 2019 exclusive, on the understanding that all BSPCEs not exercised by the end of this period will be automatically void and canceled.

Note that the term "leave" refers to when the BSPCE holder's duties within the Company are terminated for any reason whatsoever, and that the leaving date shall be determined as follows, depending on the circumstances: (i) in the event of redundancy, the postmark date of the first redundancy letter; (ii) in the event of resignation, the date when the employer receives the resignation letter; (iii) in the event of voluntary or compulsory retirement, the date of receipt of the letter of notice; (iv) in the event of contractual termination of the employment contract with the Company, the date of signing of the termination agreement; (v) in the event of death, the date of death; and (vi) in the event of 2nd or 3rd category permanent disability as defined under Article L. 341-4 of the French Social Security Code, the date when the disability arises, provided that the consultant doctor of the relevant social security fund (caisse de sécurité sociale) has classified the BSPCE holder as a disabled person.

5.2.5 Authorized capital

The extraordinary resolutions for share issues approved by the shareholders' general meeting of May 29, 2013 are summarized below:

	Term of validity	Cap (par value)	Use during year ended 12/31/2014
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	None

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 priority right	26 months	Shares: €1,200,000 Debt securities: €50,000,000	None
Capital increase immediately or in future by an issue of shares of common stock 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 investors within the meaning of paragraph II of Article L-411-2 of the French Monetary and Financial Code (private placement)	26 months	Shares: €1,200,000 and capped at 20% of capital stock per year Debt securities: €50,000,000	None
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 capital securities or securities providing access to the capital stock	26 months	Capped at 10% of capital stock per annum	None
Capital increase by capitalization of reserves, profits or additional paid-in capital	26 months	€1,200,000	None
Authorization to be given to the Board of Directors to grant Company share subscription or purchase options in favor of Group employees and corporate officers	38 months	Capped at 3% of capital stock as of the date of the first option granted	None
Authorization to be given to the Board of Directors to carry out bonus allocations of new or existing shares in favor of Group employees and corporate officers	38 months	Capped at 3% of capital stock as of the date of the first bonus share granted	None
Capital increase by way of issue of shares for subscribers to a corporate savings plan implemented pursuant to Articles L3332-18 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	None

The extraordinary resolutions for share issues approved by the shareholders' meeting of March 19, 2014 are summarized below:

	Term of validity	Cap (par value)	Use during year ended 12/31/2014	Balance at 12/31/2014
Power to issue equity warrants	18 months	20,000 warrants potentially representing a €10,000 capital increase	17,000 warrants granted by the Board of Directors on 8/27/2014	3,000 warrants potentially representing a €1,500 capital increase
Power to issue founders' warrants	18 months	40,000 warrants potentially representing a	40,000 warrants granted by the Board of Directors	none

		€20,000 capital increase	on 3/25/2014	
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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 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	Share issue	874,720	-	87,472	10.00	914,720
March 28, 2002	Share issue	381,100	-	38,110	10.00	1,295,820
December 21, 2009	Share issue	757,110	22,887,435.30	75,711	10.00	2,052,930
June 21, 2010	10-for-1 stock split	-	-	1,847,637	1.00	2,052,930
March 7, 2012	2-for-1 stock split	-	-	2,052,930	0.50	2,052,930
April 17, 2012	Share issue	684,310	28,056,710	1,368,620	0.50	2,737,240
July 22, 2013	Share issue	54,200.50	3,945,796.40	108,401	0.50	2,791,440.50
September 27, 2014	BSAR issue	-	99,960	-	-	-

(*) The issue premiums above are stated at gross value whereas their values, net of capital increase costs, are noted in the financial statements.

The January 21, 2002 and March 28, 2002 share issues were carried out by incorporation of the founders' and certain managers' shareholders' accounts credited since the setting up of the Company for the purposes of financing its activities.

The December 21, 2009 share issue 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.

The July 22, 2013 share issue was carried out in consideration for the receipt of 151 bonds issued by Compagnie Financière de Logistique, the CEPL group parent company, in conjunction with the CEPL acquisition.

As authorized by a resolution of the March 19, 2014 extraordinary general meeting, on August 27, 2014 the Board of Directors offered 17,000 redeemable equity warrants (BSAR) at a subscription price of €5.88 per warrant. All warrants were exercised between August 27 and September 20, 2014.

5.2.7.2

Changes in shareholders

The breakdown of the Company's shareholders over the last three fiscal years has been as follows:

	12/31/2012	12/31/2013	12/31/2014
Immod	38.12%	34.82%	34.84%
Eric Hémar	23.68%	23.22%	23.22%
Christophe Satin	3.07%	3.01%	2.47%
Subtotal held in concert	64.87%	61.05%	60.53%
Others ⁽¹⁾	10.10%	8.94%	6.05%
Public float	24.86%	29.97%	33.30%
Treasury shares	0.17%	0.03%	0.12%
Total	100%	100%	100%

⁽¹⁾ The other shareholders are employees or former employees of the Group, none of whom individually holds more than 2% of the capital stock or voting rights as of the Registration Document Date.

As of the Registration Document Date, Eric Hémar held 85.87% of Immod's capital indirectly via Comète and Christophe Satin held a 14.13% indirect stake in Immod.

As of the Registration Document Date, the distribution of the Company's capital has not materially changed since December 31, 2013.

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 shareholder 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 between Messrs Hémar and Satin since the Company's inception, their respective offices and their common status as shareholders of Immod SAS, itself a shareholder in the Company, Messrs Hémar and Satin and Immod SAS have formalized their relationship by signing a shareholder agreement to act in concert (AMF decision no. 212C053).

On a fully diluted basis of all securities entitling holders to acquire capital stock granted as of the Registration Document Date, as specified above under section 5.2.4 of the Registration Document, "Securities giving entitlement to equity", the breakdown of shareholders and holders of voting rights would be as follows:

Shareholders	Shares and voting rights			
	Quantity	Diluted amount	Percentage of diluted capital stock	Percentage actual diluted voting rights
Immod ⁽¹⁾	1,944,922	2,255,962	37.91%	43.22%
Eric Hémar ⁽¹⁾	1,296,460	1,296,460	21.79%	27.53%
Christophe Satin ⁽¹⁾	137,820	137,820	2.32%	2.93%
Subtotal held in concert	3,379,202	3,690,242	62.01%	73.68%
Others ⁽²⁾	337,820	394,820	6.63%	6.58%
Public float	1,858,859	1,858,859	31.24%	19.74%
Treasury shares	7,000	7,000	0.12%	-
TOTAL	5,582,881	5,950,921	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% 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 or voting rights.

5.3 DEED OF INCORPORATION 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 corporations 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 exceptions, 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 shall nevertheless remain valid.

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 directors' appointment is three years.

A director ceases to hold office at the close of the ordinary general meeting called to approve 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 organizes and manages the Board's duties, and reports to the shareholders' general meeting on the Board's work. He sees to the proper operation of the Company's decision-making bodies and verifies, in particular, that directors are in a position to perform their duties.

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 Chief Executive Officer 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 Board meeting. 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 removal of the Chairman, Chief Executive Officer or Deputy Chief Executive Officer,

- the approval of the parent company and consolidated financial statements,

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.

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.

The mere recording, in the minutes of each meeting, of the names of the directors in attendance, represented or absent shall constitute valid proof, vis-à-vis third parties, of the number of directors in office and of their appointment.

Directors taking part in Board meetings by video-conference or any other telecommunication means are deemed to be in attendance for purposes of the quorum.

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, if the chairman is indisposed, 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 persons 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 directors' fees, 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 distribution of this remuneration between the directors.

Exceptional remuneration may be awarded by the Board of Directors for assignments or mandates entrusted to 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.

Board advisors (*Article 16 bis*)

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 Board meeting agenda and may request of 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.

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 of no less than one year.

The Chief Executive Officer may be removed from office at any time by the Board of Directors. Where the Chief Executive Officer is removed without cause, he may be entitled to damages, unless the Chief Executive Officer holds the office of Chairman of the Board of Directors.

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 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 Chief Executive Officer, 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 Chief Executive Officer'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 Chief Executive Officer 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 Chief Executive Officer. 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 amount of 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 the event of a capital increase by capitalization of reserves, retained earnings or additional paid-in capital, or an 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 they are held in registered form following allocation and that the shares in respect of which they were allocated carried a double voting right.

Where shares are pledged, the voting right is exercised by their owner.

Registered double voting shares that are converted to bearer shares, sold or transferred shall forfeit their double voting rights except in cases provided for by law.

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 amount of capital stock they represent.

5.3.3.3 Dividend lapse period (*Article 30 of the bylaws*)

Dividends that fail to be claimed within 5 years from 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 Company's shares shall each carry a preferential right to subscribe to share issues.

5.3.3.6 Limitation of voting rights

None.

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

See section 5.2.3.

5.3.4 Procedures for amending shareholder rights

The rights of shareholders as set out in the Company bylaws 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 may be 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 an 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 such shares. These meetings shall be convened and shall pass resolutions under statutory and regulatory conditions.

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 legally incapacitated.

- Ordinary general 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.

Its powers include the following:

- o approving, amending or rejecting the financial statements submitted to it,
- o ruling on the allocation and appropriation of profits in compliance with the provisions of the bylaws,
- o granting or withholding release and discharge to directors for the performance of their management duties,
- o appointing and removing directors,
- o appointing the regular and alternate statutory auditor(s),
- o approving or declining provisional appointments of directors made by the Board of Directors,
- o setting the amount of directors' fees awarded to the Board of Directors,
- o ruling on the statutory auditors' special reports on agreements requiring the prior authorization of the Board of Directors,
- o authorizing issues of profit participation certificates.

- Extraordinary general meeting

Only the extraordinary general meeting is authorized to amend provisions of the bylaws. However, unless approved by the shareholders acting unanimously, it may not increase the shareholders' commitments, except in the case of 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.

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 means allowing 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 or by electronic telecommunication, request that items or draft resolutions be included in the meeting agenda.

The meeting cannot deliberate on an item that is not included in the agenda. The agenda may not be amended upon second notice. The meeting may, however, at all times, remove one or more directors and replace them.

Conditions of admission - Access to meetings - Representation *(Article 23 of the bylaws)*

Shareholders' meetings comprise all shareholders whose shares are fully paid up and have been recorded for accounting purposes in the name of the shareholder by zero hour, Paris time, on the third business day preceding the shareholders' meeting, either in the registered share accounts kept by the Company, or in the bearer securities account kept by the authorized intermediary.

All shareholders may attend 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. They 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 website set up 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 for example 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 midnight, Paris time, on the third business day preceding the meeting, the Company shall accordingly invalidate or amend, as the case may be, the proxy or the vote expressed prior to such date and time.

- The May 21, 2015 extraordinary and ordinary shareholders' general meeting will include a draft resolution to bring paragraphs 1 and 6 of Article 23 of the Company's bylaws (cited above) into compliance with decree no. 2014-1466 dated December 8, 2014 amending Article R. 225-85 of the French Commercial Code regarding the date and procedures for establishing the list of persons authorized to participate in shareholders' meetings. Paragraphs 1 and 6 of said article would be amended as follows, while the remainder of the article would remain unchanged:

"Shareholders' meetings comprise all shareholders whose shares are fully paid up and have been recorded in the name of the shareholder by zero hour, Paris time, on the second business day preceding the shareholders' meeting, either in the registered share accounts kept by the Company, or in the bearer securities account kept by the authorized intermediary.

(...)

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 ownership that takes place prior to midnight, Paris time, on the second business day preceding the meeting, the Company shall accordingly invalidate or amend, as the case may be, the proxy or the vote expressed prior to such date and time."

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 are attached the proxies granted to each proxy holder), and where applicable postal voting forms, is 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 be, but need not be a shareholder.

The duties of the committee members are to verify, certify and sign the attendance sheet, to ensure the proper conduct of proceedings, to resolve incidents at meetings, to verify votes expressed, 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 the date 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 exception to the foregoing provisions, the shareholders' meeting that deliberates on a capital increase by capitalization of reserves, retained earnings or additional paid-in capital may adopt resolutions in accordance with the quorum and majority requirements applicable to ordinary general meetings.

Furthermore, at extraordinary shareholders' meetings called to deliberate 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 vote, whether personally or as proxy holder.

5.3.6 Mechanisms for delaying, deferring or preventing a change of control

The Company bylaws do not contain any mechanism for delaying, deferring or preventing a change of control.

Eric Hémar holds a priority purchase right as described under section 3.1.3. of the Registration Document, "Control of the Company".

5.3.7 Crossing of bylaw thresholds *(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, the Company bylaws provide that any individual or legal entity, acting alone or in concert, that comes to hold, directly or indirectly, 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, to disclose to the Company, by registered letter with delivery receipt, the total number of shares and voting rights that they hold as well as all the details and other information that may be required as a result of the statutory duty to disclose threshold crossings.

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, subject to a request made by one or more shareholders holding at least 2% of the capital stock and recorded in the minutes of the general meeting, the shares exceeding the undisclosed threshold shall be stripped of voting rights at all shareholders' general meetings held until the expiry of a two-year period following the date on which the non-disclosure is rectified.

5.3.8 Special provisions governing capital stock changes

The Company 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 B

Principal index: CAC Small

Other indices: CAC Mid & Small, CAC All-Tradable, CAC Industrials

Schedule of trading

Period	High and low prices (€)		Closing price Average (€)	Daily average volumes	
	High	Low		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
March 2013	32.40	31.01	31.96	838	27
April 2013	34.75	31.04	32.65	1,438	47
May 2013	38.80	33.49	36.58	2,519	91
June 2013	39.50	36.73	37.59	2,445	92
July 2013	43.00	36.20	39.82	5,269	209
August 2013	47.00	38.25	40.98	2,474	102

Sept. 2013	54.00	44.24	49.88	5,012	240
Oct. 2013	54.70	47.75	50.28	2,825	147
Nov. 2013	57.79	52.12	55.06	5,583	297
Dec. 2013	57.80	53.00	55.92	5,412	295
January 2014	67.29	57.50	63.18	8,473	541
February 2014	73.20	63.60	67.79	3,206	217
March 2014	79.73	69.60	72.21	4,052	291
April 2014	75.97	70.55	73.34	4,689	342
May 2014	78.85	72.25	76.31	2,666	200
June 2014	76.89	65.00	69.22	5,973	424
July 2014	71.50	60.00	67.97	3,613	245
August 2014	74.29	66.25	69.43	4,345	309
Sept. 2014	74.50	66.50	68.91	3,561	245
Oct. 2014	67.75	58.22	62.82	8,848	546
Nov. 2014	68.49	61.25	65.73	2,108	138
Dec. 2014	68.49	63.40	66.83	1,926	127
January 2015	73.70	66.25	68.63	4,940	344
February 2015	87.01	71.40	77.16	3,641	285
March 2015	91.30	81.01	86.72	3,767	329

5.5 DOCUMENTS AVAILABLE 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 Company's deed of incorporation and bylaws;
- (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, in accordance with the requirements of applicable statutory and regulatory provisions, regulated information as defined in the General Regulation of the French financial markets authority (AMF) shall also be available 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 section 1.7 ("Regulatory Environment") and related risks under section 2.2.1 ("Current and future regulatory risks") of the Registration Document.

6/ MAY 21, 2015 EXTRAORDINARY AND ORDINARY GENERAL MEETING



6 MAY 21, 2015 EXTRAORDINARY AND ORDINARY GENERAL MEETING

6.1 AGENDA

Ordinary business:

- Approval of the parent company financial statements for the year ended December 31, 2014 and approval of expenses not deductible for tax purposes,
- Approval of the consolidated financial statements for the year ended December 31, 2014,
- Appropriation of earnings for the year,
- Statutory auditors' special report on regulated agreements and commitments including confirmation of no new agreements,
- Appointment of Ms. Michèle Cyna as director,
- Appointment of Ms. Muriel Mayette-Holtz as director,
- Appointment of Mr. Jesus Hernandez as director,
- Directors' fees granted to Board members,
- Authorization to be granted to the Board of Directors for the Company to buy back its own shares in accordance with the conditions specified under Article L. 225-209 of the French Commercial Code, including the duration of the authorization, objectives, procedures and cap.

Extraordinary business:

- Authorization to be granted to the Board of Directors for the Company to cancel treasury shares purchased by the Company in accordance with the conditions specified under Article L. 225-209 of the French Commercial Code, including the duration of the authorization, objectives, procedures and cap.
- Authorization to be granted to the Board of Directors to increase capital stock by capitalizing reserves, retained earnings and/or additional paid-in capital, term of the authorization, maximum par value of the capital increase and treatment of fractional shares,
- Authorization to be granted to the Board of Directors to issue shares of common stock and/or equity securities giving access to other equity securities or giving entitlement to debt securities and/or securities giving access to future equity securities (of the Company or a Group company) with preferential subscription rights, term of the authorization, maximum par value of the capital increase and power to offer unsubscribed securities to the public,
- Authorization to be granted to the Board of Directors to issue shares of common stock and/or equity securities giving access to other equity securities or giving entitlement to debt securities and/or securities giving access to future equity securities (of the Company or a Group company) without preferential subscription right via a public offering and/or as consideration for securities in conjunction with a public exchange offer, term of the authorization, maximum par value of the capital increase, issue price and power to limit the offering to the amount of subscriptions or to distribute unsubscribed securities,
- Authorization to be granted to the Board of Directors to issue shares of common stock and/or equity securities giving access to other equity securities or giving entitlement to debt securities and/or securities giving access to future equity securities (of the Company or a

Group company) without preferential subscription right, by an offer as referred to in Article L. 411-2 (II) of the French Monetary and Financial Code, term of the authorization, maximum par value of the capital increase, issue price, power to limit the offering to the amount of subscriptions or to distribute unsubscribed securities,

- With regard to issues without preferential subscription rights, authorization to set the issue price, subject to a cap of 10% of capital stock per year, under terms and conditions approved in this general meeting,
- Authorization to increase the total value of issues in the event of surplus demand,
- Authorization to be granted to the Board of Directors to increase capital stock by issuing shares of common stock and/or securities giving access to capital, up to 10% of capital stock, in consideration for non-cash transfers received of equity securities or securities giving access to capital, term of the authorization,
- Authorization to be granted to the Board of Directors with a view to issuing equity warrants ("BSA"), warrants to subscribe for and/or purchase new and/or existing shares ("BSAANE") and/or redeemable warrants to subscribe for and/or purchase new and/or existing shares ("BSAAR") without preferential subscription right to a specific category of persons, maximum par value of the capital increase, term of the authorization and exercise price,
- Authorization to be granted to the Board of Directors to increase capital stock by issuing shares of common stock and/or securities giving access to the capital without preferential subscription right to members of a company savings plan pursuant to Articles L. 3332-18 et seq. of the French Labor Code, term of the authorization, maximum par value of the capital increase, issue price and power to grant bonus shares pursuant to Article L. 3332-21 of the French Labor Code,
- Bylaws amendments for legal compliance,
- Powers for formalities.

6.2 DRAFT RESOLUTIONS

Ordinary resolutions:

First Resolution - Approval of the parent company financial statements for the year ended December 31, 2014 - Approval of expenses not deductible for tax purposes

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, 2014, hereby approve the parent company financial statements for the year ended December 31, 2014 as presented, which show net income of €49,683.

The shareholders at the general meeting specifically approve expenses referred to in Article 39 (4) of the French General Tax Code, amounting to €31,102, as well as the tax thereon.

Second Resolution - Approval of the consolidated financial statements for the year ended December 31, 2014

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, 2014, hereby approve the said financial statements as submitted to them, which show net income Group share of €18,025,612.

Third Resolution - Appropriation of earnings for the year

On the recommendation of the Board of Directors, the shareholders at the general meeting hereby resolve to appropriate earnings for the year ended December 31, 2014 as follows:

Source

- Net income for the year	€49,683
- Retained earnings b/fwd	€1,203,638

Appropriation

- Statutory reserve	€2,485
- Other reserves	-€
- Retained earnings c/fwd	€47,198

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 earnings distributions have been made during the past three fiscal years.

Fourth Resolution - Statutory auditors' special report on regulated agreements and commitments [and approval [and/or ratification] of these agreements] - Confirmation of no new agreements

The shareholders at the general meeting, having reviewed the special auditors' report stating there are no new agreements as specified under Articles L. 225-38 et seq. of the French Commercial Code, merely take note thereof.

Fifth Resolution - Appointment of Ms. Michèle Cyna as director

The shareholders at the general meeting hereby resolve to appoint Ms. Michèle Cyna as director in addition to the serving directors, for a three-year term expiring at the close of the general meeting held in 2018 to approve the financial statements for the year ended December 31, 2017.

Sixth Resolution - Appointment of Ms. Muriel Mayette-Holtz as director

The shareholders at the general meeting hereby resolve to appoint Ms. Muriel Mayette-Holtz as director in addition to the serving directors, for a three-year term expiring at the close of the general meeting held in 2018 to approve the financial statements for the year ended December 31, 2017.

Seventh Resolution - Appointment of Mr. Jesus Hernandez as director

The shareholders at the general meeting hereby resolve to appoint Mr. Jesus Hernandez as director in addition to the serving directors, for a three-year term expiring at the close of the general meeting held in 2018 to approve the financial statements for the year ended December 31, 2017.

Eighth Resolution - Directors' fees granted to Board members

The shareholders at the general meeting hereby resolve to increase total directors' fees to be granted

to the Board of Directors from €60,000 to €80,000.

This resolution applies to the current fiscal year and shall be maintained until it is superseded by a future resolution.

Ninth 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 in the ninth ordinary resolution of the June 10, 2014 general meeting.

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 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 purchased shares for subsequent reissue as consideration or in exchange with regard to potential acquisition transactions, provided that the shares purchased 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 applicable regulations,
- To cancel the purchased shares if applicable, subject to approval of the tenth extraordinary resolution of this general meeting of shareholders.

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.

The Company reserves the right to use options or derivatives, in compliance with applicable regulations.

The maximum purchase price is set at €200 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 value of the transaction is thus set at €111,657,620.

The shareholders at the general meeting hereby grant full powers to the Board of Directors to perform these transactions, define the terms and conditions thereof, sign any agreements and to complete all formalities.

Extraordinary resolutions:

Tenth 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 reports of the Board of Directors and the statutory auditors:

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 applicable statutory and regulatory provisions,
2. Hereby set the term of this authorization at twenty-four months from the date of this general meeting,
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 required formalities.

Eleventh Resolution - Authorization to be granted to the Board of Directors to increase capital stock by capitalization of reserves, retained earnings and/or additional paid-in capital

The shareholders at the general meeting, voting in accordance with the quorum and majority requirements applicable to ordinary general meetings, having reviewed the report of the Board of Directors, and pursuant to the provisions of Articles L. 225-129-2 and L. 225-130 of the French Commercial Code:

1. Hereby delegate to the Board of Directors their power to increase capital stock, on one or more occasions and at such times as it shall decide, by capitalization of reserves, retained earnings, additional paid-in capital or other accounts that may legally be transferred to capital stock, by issuing and granting bonus shares or by increasing the par value of existing shares of common stock, or by a combination thereof.
2. Hereby resolve that should the Board of Directors use this authorization, pursuant to Article L. 225-130 of the French Commercial Code, in the event of a capital increase by issue of bonus shares, fractional shares shall not be tradable or transferable and that the corresponding shares shall be sold; the proceeds arising therefrom shall be distributed to the relevant shareholders within regulatory deadlines.
3. Hereby set the term of this authorization 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, excluding amounts required to safeguard the statutory rights of holders of securities giving entitlement to shares.

This cap is independent of all other caps under other resolutions of this general meeting.

5. Hereby grant the Board of Directors all powers to implement this resolution and, generally, to take all steps and perform all required formalities for proper completion of every capital increase, to record the completion of such capital increases and to amend the bylaws accordingly.
6. Hereby take note that this authorization immediately cancels any unused part of any prior authorization having the same purpose.

Twelfth Resolution - Authorization to be granted to the Board of Directors to issue shares of common stock and/or equity securities giving access to other equity securities or giving entitlement to debt securities and/or securities giving access to future equity securities 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, and pursuant to the provisions of the French Commercial Code, specifically Articles L. 225-129-2, L. 228-92 and L. 225-132 et seq:

1. Hereby delegate to the Board of Directors their power to issue, on one or more occasions, in the proportions and at times it shall choose, in euros or foreign currency or in any other unit established by reference to a basket of currencies:
 - Shares of common stock, and/or
 - Equity securities giving access to other equity securities or giving entitlement to debt securities and/or
 - Securities giving access to future equity securities.

In accordance with Article L. 228-93 of the French Commercial Code, future securities may entitle holders to equity securities to be issued by the Company and/or by any company which directly or indirectly owns more than half of the Company's capital stock or in which the Company directly or indirectly owns more than half of the capital stock.

2. Hereby set the term of this authorization at twenty-six months from the date of this general meeting.
3. Hereby resolve to set the permitted limits for the issues should the Board of Directors use this authorization, as follows:

The total par value of the shares to be issued under this authorization shall not exceed €1,200,000.

The par value of any shares of common stock issued in the future to safeguard the rights of holders of securities giving access to the Company's capital stock, shall be added to this cap in accordance with the law and any contractual requirements providing for other adjustments.

The par value of the debt securities which may be issued pursuant to this authorization may not exceed €50 million.

The caps referred to above are independent of all caps determined in other resolutions of this general meeting.

4. Should the Board of Directors use this authorization to carry out the issues referred to in 1) above:
 - a/ Hereby resolve that any issue of shares of common stock or securities giving access to capital stock shall be reserved in priority to shareholders who will be entitled to subscribe with no

reduced allotments,

- b/ Hereby resolve that if statutory subscriptions plus any additional subscriptions do not cover the entire issue referred to under 1/ above, the Board of Directors may:
- Limit the total issue value to the amount of the subscriptions, it being understood that, in the event of issuing shares of common stock or securities giving access to capital stock where the primary security is a share, subscriptions must amount to at least three quarters of the resolved issue value for this limitation to be valid,
 - Distribute any or all unsubscribed securities at its own discretion,
 - Offer any or all unsubscribed securities to the public,
5. Hereby resolve to grant the Board of Directors, within the time limits set out above, the necessary powers to set the issue terms and conditions, and determine the issue price if applicable, record the completion of the capital increases arising therefrom, amend the bylaws accordingly, decide or not to charge the cost of capital increases against any premium on issue related thereto and deduct from this value the amount required to increase the statutory reserve to one-tenth of the new capital stock after each share issue and generally take all steps that are necessary.
6. Take note that this authorization cancels any prior authorization having the same purpose.

Thirteenth Resolution - Authorization to be granted to the Board of Directors to issue shares of common stock and/or equity securities giving access to other equity securities or giving entitlement to debt securities and/or securities giving access to future equity securities without preferential subscription rights by offer to the public

The shareholders at the general meeting, having reviewed the report of the Board of Directors and the statutory auditors' special report and in accordance with the provisions of the French Commercial Code, specifically Articles L. 225-129-2, L 225-136, L. 225-148 and L. 228-92:

1. Hereby delegate to the Board of Directors their power to issue, on one or more occasions, in the proportions and at the times it shall choose, on the French and/or international stock exchange, by an offer to the public in euros or foreign currency or in any other unit established by reference to a basket of currencies:
- Shares of common stock, and/or
 - Equity securities giving access to other equity securities giving entitlement to debt securities, and/or
 - Securities giving access to future equity securities,

These securities may be issued in consideration for securities transferred to the Company in conjunction with a public exchange offer of securities that meets the conditions laid down under Article L. 225-148 of the French Commercial Code.

In accordance with Article L. 228-93 of the French Commercial Code, future securities may entitle holders to equity securities to be issued by the Company and/or by any company which directly or indirectly owns more than half of the Company's capital stock or in which the Company directly or indirectly owns more than half of the capital stock.

2. Hereby set the term of this authorization at twenty-six months from the date of this general meeting.
3. The total par value of the shares of common stock to be issued under this authorization shall not exceed €1,200,000.

The par value of any shares of common stock issued in the future to safeguard the rights of holders of securities giving access to the Company's capital stock shall be added to this cap in accordance with the law and any contractual requirements providing for other adjustments.

This cap is independent of all other caps under other resolutions of this general meeting.

The par value of the debt securities which may be issued pursuant to this authorization may not exceed €50 million.

This cap is independent of all other caps under other resolutions of this general meeting.

4. Hereby resolve to remove the preferential subscription right of shareholders to shares of common stock and securities giving access to capital stock and/or debt securities covered by this resolution, while nevertheless authorizing the Board of Directors to grant shareholders a priority right in accordance with the law.
5. Hereby resolve that the sum payable to the Company for all shares of common stock issued under this authorization, after taking into account the issue price of any standalone equity warrants issued, will be no less than the applicable statutory and regulatory minimum as of the date when the Board of Directors implements the authorization.
6. Hereby resolve, should securities be issued in consideration for securities received under a public exchange offer, that the Board of Directors may, as stipulated in Article L. 225-148 of the French Commercial Code and within the limits set out above, determine the list of securities transferred as consideration, set the terms and conditions of issue, the exchange ratio and any additional cash payment, and determine the terms of issue.
7. Hereby resolve that if the subscriptions do not account for the entire issue referred to under 1/ above, the Board of Directors may:
 - Limit the total issue value to the amount of the subscriptions, it being understood that, in the event of issuing shares of common stock or securities giving access to capital stock where the primary security is a share, subscriptions must amount to at least three quarters of the resolved issue value for this limitation to be valid,
 - Distribute any or all unsubscribed securities at its own discretion.
8. Hereby resolve to grant the Board of Directors, within the time limits set out above, the necessary powers to set the issue terms and conditions, and, if applicable, record the completion of the capital increases arising therefrom, amend the bylaws accordingly, decide or not to charge the cost of capital increases against any premium on issue related thereto and deduct from this value the amount required to increase the statutory reserve to one-tenth of the new capital stock after each share issue and generally take all steps that are necessary.
9. Take note that this authorization cancels any prior authorization having the same purpose.

Fourteenth Resolution - Authorization to be granted to the Board of Directors to issue shares of common stock and/or equity securities giving access to other equity securities or giving entitlement to debt securities and/or securities giving access to future equity securities **without preferential subscription right by an offer as referred to in Article L. 411-2 (II) 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 and in accordance with the provisions of the French Commercial Code, specifically Articles L. 225-129-2, L 225-136 and L. 228-92:

1. Hereby delegate to the Board of Directors their power to issue, on one or more occasions, in the proportions and at the times it shall choose, on the French and/or international stock exchange, by an offer as referred to in Article L. 411-2 (II) of the French Monetary and Financial Code in euros or foreign currency or in any other unit established by reference to a basket of currencies:

- Shares of common stock, and/or
- Equity securities giving access to other equity securities or giving entitlement to other shares of common stock or debt securities, and/or
- Securities giving access to future equity securities.

In accordance with Article L. 228-93 of the French Commercial Code, future securities may entitle holders to other equity securities to be issued by the Company and/or by any company which directly or indirectly owns more than half of the Company's capital stock or in which the Company directly or indirectly owns more than half of the capital stock.

2. Hereby set the term of this authorization at twenty-six months from the date of this general meeting.

3. The total par value of the shares of common stock to be issued under this authorization shall not exceed €1,200,000, it being specified that the total par value will be further limited to 20% of capital stock per year.

The par value of any shares of common stock issued in the future to safeguard the rights of holders of securities giving access to the Company's capital stock shall be added to this cap in accordance with the law and any contractual requirements providing for other adjustments.

This cap is independent of all other caps under other resolutions of this general meeting.

The par value of the debt securities which may be issued pursuant to this authorization may not exceed €50 million.

This cap is independent of all other caps under other resolutions of this general meeting.

4. Hereby resolve to remove the preferential subscription right of shareholders to shares of common stock and securities giving access to capital stock and/or debt securities covered in this resolution.

5. Hereby resolve that the sum payable to the Company for all shares of common stock issued under this authorization, after taking into account the issue price of any standalone equity warrants issued, will be no less than the applicable statutory and regulatory minimum as of the date when the Board of Directors implements the authorization.

6. Hereby resolve that if the subscriptions do not account for the entire issue referred to under 1/ above, the Board of Directors may:

- Limit the total issue value to the amount of the subscriptions, it being understood that, in the event of issuing shares of common stock or securities giving access to capital stock where the primary security is a share, subscriptions must amount to at least three quarters of the resolved issue value for this limitation to be valid,
- Distribute any or all unsubscribed securities at its own discretion.

7. Hereby resolve to grant the Board of Directors, within the time limits set out above, the necessary powers to set the issue terms and conditions, and, if applicable, record the completion of the capital increases arising therefrom, amend the bylaws accordingly, decide or not to charge the cost of capital increases against any premium on issue related thereto and deduct from this value the amount required to increase the statutory reserve to one-tenth of the new capital stock after each share issue and generally take all steps that are necessary.

Take note that this authorization cancels any prior authorization having the same purpose.

Fifteenth Resolution - Procedures for setting the subscription price when issuing shares without preferential subscription rights capped at 10% of capital stock per year

The shareholders at the general meeting, having reviewed the report of the Board of Directors and the statutory auditors' special report and in accordance with Article L. 225-136-1, paragraph 2, of the French Commercial Code, hereby authorize the Board of Directors having decided to issue shares of common stock or securities giving access to capital stock under the thirteenth and fourteenth resolutions hereto, to deviate from the price setting requirements specified in said resolutions and, subject to a maximum 10% of capital stock per year, to set the issue price of future fungible equity securities as follows:

At the discretion of the Board of Directors, the issue price of the fungible equity securities to be issued immediately or subsequently may not be less than:

- Either the weighted average share price of the last three trading sessions preceding the share price determination less a potential maximum 15% discount,
- Or the average share price over five consecutive trading sessions selected from the last thirty sessions preceding the share price determination less a potential maximum 10% discount.

Sixteenth Resolution - Authorization to increase the issue amount in the event of over-subscription

For each issue of shares of common stock or securities giving access to capital stock under the twelfth to fourteenth resolutions hereto, the number of securities to be issued may be increased under conditions laid down in Articles L 225-135-1 and R 225-118 of the French Commercial Code and subject to a cap set by the general meeting, in the event of over-subscription recognized by the Board of Directors.

Seventeenth Resolution - Authorization to be granted to the Board of Directors to increase capital stock by issuing shares of common stock and/or securities giving access to capital, up to [10]% of capital stock, in consideration for non-cash transfers received of securities 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 in accordance with Articles L. 225-147 and L. 228-92 of the French Commercial Code:

1. Hereby authorize the Board of Directors, having received a report from the independent accountant for the transaction, to issue shares of common stock or securities giving access to shares of common stock in consideration for non-cash asset transfers to the Company comprising shares or securities giving access to capital if the provisions of Article L. 225-148 of the French Commercial Code are not applicable.
2. Hereby set the term of this authorization at twenty-six months from the date of this general meeting.

3. Hereby resolve that the total par value of all shares of common stock that may be issued pursuant to this authorization shall not exceed 10% of capital stock as of this general meeting date, excluding the par value of future shares of common stock issued to safeguard the rights of holders of securities giving access to the Company's capital in accordance with the law and any contractual stipulations providing for other adjustments. This cap is independent of all other caps under other resolutions of this general meeting.
4. Delegate all powers to the Board of Directors to approve the assessment of the transfers, to decide on the resulting share issue, to record the completion thereof, to charge the full costs and fees of the share issue against any transfer premium and to deduct from this value the amount required to increase the statutory reserve to one-tenth of the new capital stock after each share issue, to amend the bylaws accordingly and generally to take all steps that are necessary.
5. Take note that this authorization cancels any prior authorization having the same purpose.

Eighteenth Resolution - Authorization to be granted to the Board of Directors to issue equity warrants ("BSA"), warrants to subscribe for and/or purchase new and/or existing shares ("BSAANE") and/or redeemable warrants to subscribe for and/or purchase new and/or existing shares ("BSAAR"), and/or founders' warrants ("BSPCE") without preferential subscription right, to a specific category of persons

The shareholders at the general meeting, having reviewed the report of the Board of Directors and the statutory auditors' special report and in accordance with Articles L. 225-129-2, L. 225-138 and L. 228-91 of the French Commercial Code:

- 1) Hereby delegate to the Board of Directors their power, on one or more occasions, in the proportions and at the times it shall choose, both in France and abroad, to issue equity warrants ("BSA"), warrants to subscribe for and/or purchase new and/or existing shares ("BSAANE") and/or redeemable warrants to subscribe for and/or purchase new and/or existing shares ("BSAAR"), and/or founders' warrants ("BSPCE") without preferential subscription right, to a specific category of persons.
- 2) Hereby set the term of this authorization at eighteen months from the date of this general meeting.
- 3) Hereby resolve that the total par value of the shares to which the holders of warrants issued under this authorization shall be entitled may not exceed 10% of capital stock amounting to €310,160. The par value of any shares of common stock issued in the future to safeguard the rights of holders of BSA, BSAANE, BSAAR and/or BSPCE shall be added to this cap in accordance with the law and any contractual requirements providing for other adjustments. This cap is independent of all other caps under other resolutions of this general meeting.
- 4) Hereby resolve that the subscription and/or purchase price of shares to which warrant holders shall be entitled, after taking account of the warrant issue price, shall be no less than the average price of the ID Logistics Group share weighted by volume for the forty trading sessions preceding the date of the decision to issue the warrants.

- 5) Hereby resolve to cancel the shareholders' preferential subscription right to future BSA, BSAANE, BSAAR and BSPCE in favor of the following category of persons: employees of the Company or of a Company subsidiary.
- 6) Note that this authorization involves shareholders waiving their preferential subscription right to Company shares that may be issued to BSA, BSAANE, BSAAR and/or BSPCE warrant holders on exercise.
- 7) Hereby resolve that if the subscriptions do not account for an entire issue of BSA, BSAANE, BSAAR and/or BSPCE, the Board of Directors may:
- Limit the total issue value to the amount of the subscriptions,
 - Distribute any or all unsubscribed BSAs, BSAANEs, BSAARs and/or BSPCEs at its own discretion among the aforementioned category of persons.
- 8) Hereby resolve that the Board of Directors will have all necessary powers, under statutory conditions and as stated above, to issue BSAs, BSAANEs, BSAARs and/or BSPCEs and:
- Determine the specific list of beneficiaries within the aforementioned category of persons, the type and number of warrants to be granted to each beneficiary, the number of shares corresponding to each warrant, the warrant issue price and the subscription and/or purchase price of the shares to which warrant holders are entitled, under the conditions laid down above, warrant subscription and exercise conditions and deadlines, and adjustment procedures, and generally determine all issue terms and conditions;
 - Draw up a supplementary report describing the final terms of the issue;
 - Purchase the requisite shares under the share buyback program and assign them to the warrant plan;
 - Carry out the share issue arising from the exercise of BSA, BSAANE, BSAAR and/or BSPCE and amend the bylaws accordingly;
 - On its sole initiative, charge the costs of the share issues against any related premium on issue and deduct from this value the amount required to increase the statutory reserve to one-tenth of the new capital stock after each share issue;
 - Sub-delegate to the Chief Executive Officer powers required to carry out the share issue and comply with the applicable limits, in accordance with any procedures determined in advance by the Board of Directors;
 - And generally do everything that is necessary in such matters.

The general meeting takes note that this authorization cancels any prior authorization having the same purpose.

Nineteenth Resolution - Authorization to be granted to the Board of Directors to increase capital stock by issuing shares of common stock and/or securities giving access to capital stock without preferential subscription right to members of 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 and pursuant to Articles L. 225-129-6, L. 225-138-1 and L. 228-92 of the French Commercial Code and Articles L. 3332-18 et seq. of the French Labor Code:

1. Hereby authorize the Board of Directors, if it deems appropriate and at its sole discretion, to increase capital stock on one or more occasions by issue of Company common shares or securities giving access to future equity securities of the Company to members of one or more company or group savings plans set up by the Company and/or its French or foreign related companies pursuant

to Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labor Code.

2. Cancel, in favor of such persons, the preferential subscription right for shares that may be issued pursuant to this authorization.
3. Hereby set the term of this authorization at twenty-six months from the date of this general meeting,
4. Cap the maximum par value of any capital increases carried out under this authorization to 3% of capital stock as of the date when the Board of Directors decides to carry out this increase, said cap being independent of all other authorized capital increase caps. Where applicable, the additional amount of common shares issued in the future to safeguard the rights of holders of securities giving access to the Company's capital stock shall be added to this cap in accordance with the law and any contractual requirements providing for other adjustments.
5. Hereby resolve, pursuant to paragraph 1. of this authorization, that the future share price may not vary, up or down, by more than 20%, or 30% when the plan lock-in period in accordance with Articles L. 3332-25 and L. 3332-26 of the French Labor Code is at least ten years, from the average opening share price during the twenty trading sessions preceding the Board of Directors decision to increase the capital and issue shares accordingly.
6. Hereby resolve, pursuant to the provisions of Article L. 3332-21 of the French Labor Code, that the Board of Directors may allot free of charge future or existing shares, or securities giving access to the Company's future or existing capital stock, to the beneficiaries specified in paragraph 1. above, in order to (i) provide an employer contribution pursuant to regulations governing company or group savings schemes, and/or (ii), provide for a discount if appropriate;
7. Take note that this authorization cancels any prior authorization having the same purpose.

The Board of Directors may or may not implement this authorization, take all steps and carry out any necessary formalities.

Twentieth Resolution - Bylaw amendments for legal compliance

The shareholders at the general meeting, having reviewed the report of the Board of Directors, hereby resolve to amend:

- Article 18 paragraph 5 of the bylaws relating to regulated agreements to bring it into compliance with the July 31, 2014 Order no. 2014-863 relating to corporate law, which amended Article L. 225-39 of the French Commercial Code, as follows, while the rest of the article shall remain unchanged:

"The foregoing provisions shall **not** apply to agreements relating to the Company's ordinary transactions entered into on an arm's length basis ***or to agreements signed between two companies, one of which wholly owns the other's equity capital directly or indirectly, and, if applicable, less the minimum number of shares required to meet the requirements of Article 1832 of the French Civil Code or Articles L. 225-1 and L. 226-1 of the French Commercial Code***".

- Article 23 paragraphs 1 and 6 of the Company's bylaws to bring them into compliance with the December 8, 2014 Decree no. 2014-1466, which amended Article R. 225-85 of the French

Commercial Code concerning the record date and drafting procedure applicable to the list of persons authorized to participate in shareholders' meetings, as follows:

*"Shareholders' meetings comprise all shareholders whose shares are fully paid up and have been **recorded** in the name of the shareholder by zero hour, Paris time, on the **second** business day preceding the shareholders' meeting, either in the registered share accounts kept by the Company, or in the bearer share account kept by the authorized intermediary.*

(...)

*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 ownership** that takes place prior to midnight, Paris time, on the **second** business day preceding the meeting, the Company shall accordingly invalidate or amend, as the case may be, the proxy or the vote expressed prior to such date and time."*

Twenty-first Resolution - Powers for 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
Chief Financial Officer
Address: 410, route du Moulin de Losque - BP 70132 - 84304 Cavaillon Cedex
Telephone: +33 (0)4 32 52 96 00
Email: yperot@id-logistics.com

8/ CROSS-REFERENCE TABLES



8 CROSS-REFERENCE TABLES

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... ..1.12.1

- Effective abolition of child labor
... ..1.12.1

2. Environmental information

a) General environmental policy	
- Company organization with regard to environmental issues, steps taken in relation to environmental assessment and certification	1.12.2
- Staff training and awareness programs regarding protection of the environment	1.12.2
- Resources allocated to the prevention of environmental risks and pollution	1.12.2
- 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	1.12.2
b) Pollution and waste management	
- Measures to prevent, reduce or repair serious damage to the environment through atmospheric, water or ground emissions	1.12.2
- Waste prevention, recycling and disposal measures	1.12.2
- Steps taken with regard to noise pollution and all other forms of pollution specific to the Company's operations	1.12.2
- Land use	1.12.2
c) Sustainable use of resources	
- Water consumption and supply with regard to local restrictions	1.12.2
- Consumption of raw materials and steps taken to improve efficiency of use	1.12.2
- Energy consumption, steps taken to improve energy efficiency and use of renewable energies	1.12.2
d) Climate change	
- Greenhouse gas emissions	1.12.2
- Adaptation to the consequences of climate change	1.12.2
e) Protection of biodiversity	
- Steps taken to preserve and enhance biodiversity	1.12.2
3. Social commitments to promote sustainable development	
a) Territorial, social and economic impact of the Company's operations	
- On jobs and regional development	1.12.3
- On the local population	1.12.3
b) Relations with stakeholder individuals or organizations affected by the Company's operations, such as social inclusion charities, educational establishments, environment protection organizations, consumer and resident associations	
- Conditions of dialog with these stakeholders	1.12.3
- Partnerships or sponsorship	1.12.3
c) Subcontracting and suppliers	
- Inclusion of social and environmental factors in the purchasing policy	

- Extent of subcontracting and the importance assigned to supplier and subcontractor social and environmental responsibility in relations with these parties... ..1.12.3
- d) Fair practices
- Anti-corruption steps taken1.12.3
- Measures adopted to promote consumer health and safety1.12.3
- e) Other measures relevant to this section regarding promotion of human rights1.12.3

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
Class A, B or C warehouses	<ul style="list-style-type: none"> Class A warehouses: multi-function warehouses. Criteria include: height over 9.3m, maneuvering area over 35m deep, 1,000 sqm of wharfing, load-bearing capacity 5 tons per sqm, heating, sprinkler system; Class B warehouses: warehouses that meet modern standards. Criteria include: height over 7.5m, maneuvering area over 32m deep, 1,500 sqm of wharfing, load-bearing capacity at least 3 tons per sqm, sprinkler system; Class C warehouses: this category includes all warehouses which do not fall within classes A or B.
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 ensuring 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 gas
HBA	Health, Beauty & Accessories
ICPE	" <i>Installation Classée pour la Protection de l'Environnement</i> " – 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 Indicator (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 warehouses used by other retailers in the sector.
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	A term meaning the various suppliers and stages involved in purchasing. 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 500kg) 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