

Strong revenue and earnings growth in 2018

- Revenues up +9.3% at constant exchange rates to €1,410.3 million
- Underlying operating income up +28.9% to €47.3 million
- Underlying operating margin up 60 basis points to 3.4%
- Consolidated net income up +57% to €28.7 million
- Reduction in net debt at 0.9x EBITDA

Orgon, 13 March 2019 - 6:00pm - ID Logistics, (ISIN: FR0010929125, Ticker: IDL) one of the French leaders in contract logistics, is reporting its 2018 results, with revenues of €1,410.3 million, up 6.1% and up 9.3% at constant exchange rates. Underlying operating income and net income also posted strong growth.

Eric Hémar, Chairman and CEO of ID Logistics, commented: *“In 2018, the Group posted good financial performances, demonstrating the strength and competitiveness of our business model. The year 2018 was marked in particular by the improvement in the productivity of recently opened sites and the tight grip we had on the contracts that started up. We have established ourselves as a long-term partner for our customers, and we provide effective support to them with the transformation of their organisation, especially in the e-commerce sector, in which the Group is a leader.”*

(€ m)	2018	2017
Revenues	1,410.3	1,329.3
Underlying operating income	47.3	36.7
	<i>% of revenues</i>	<i>2.8%</i>
Net income	28.7	18.3
	<i>% of revenues</i>	<i>1.4%</i>
Net debt	63.0	63.4
Equity	189.8	162.3

RAPID PACE OF REVENUE GROWTH MAINTAINED: 9.3% INCREASE AT CONSTANT EXCHANGE RATES

ID Logistics' 2018 revenues came to €1,410.3 million, up +6.1% and up +9.3% at constant exchange rates:

- In France, 2018 revenues grew at a very strong pace of +8.4% to €685.6 million.
- International revenues came to €724.7 million in 2018, up +4.0% and up +10.2% on a like-for-like basis. All of ID Logistics' country units delivered growth thanks to positive momentum and the new contracts that started up during the year.

UNDERLYING OPERATING INCOME UP +29% TO €47.3 MILLION

2018 underlying operating income came to €47.3 million, a strong improvement of +28.9% compared with 2017. The Group's underlying operating margin widened by 60 basis points to 3.4% in 2018.

- In France, full-year underlying operating income totalled €33.5 million, or 4.9% of revenue, compared with €24.7 million or 3.9% in 2017. This increase was driven by productivity gains on the contracts that started up in 2016 and 2017 and by tight cost control on those that started up in 2018.
- International underlying operating income came to €13.8 million in 2018, which represented a margin of 1.9%, compared with €12.0 million or 1.7% in 2017. As in France, the improvement in margin reflected productivity gains on recent contracts and a tight grip on the contracts that started up in 2018. International underlying operating income included a negative currency effect of €1.5 million compared with 2017.

STRONG INCREASE OF 57% IN NET INCOME TO €28.7 MILLION

The change in 2018 net income reflects the following factors:

- No non-recurring restructuring expenses were incurred in 2018, whereas a charge of €5.6 million was taken in 2017 following the acquisition of Logiters in Spain.
- Net financial expense improved from €5.6 million to €5.2 million.
- Income tax expense grew in line with earnings.

Net income totalled €28.7 million in 2018, up +57% compared to 2017.

SUBSTANTIAL INVESTMENT CAPACITY

With the improvement in its earnings and tight management of the working capital requirement, ID Logistics more than doubled cash from operating activities to €61.7 million in 2018 from €28.4 million in 2017. This healthy performance covered the Group's €52.4 million in capital expenditure (vs. €32.5 million in 2017), which chiefly related to the contracts that started up in 2018. This capital expenditure increased as a result of strong demand from customers for automated or mechanised solutions.

Overall, ID Logistics' net debt remained stable compared with 2017 at less than one year's EBITDA in 2018. Its healthy investment capacity will enable it to continue expanding.

OUTLOOK

In 2019, ID Logistics intends to continue pursuing profitable growth by delivering its customers solutions geared to each of their markets. It will also continue to devise novel solutions supporting the evolution of their business model. In so doing, it aims to establish itself as a key partner for their digital transformation whether they are distributors, e-merchants or manufacturers.

In addition, ID Logistics continues to monitor external growth opportunities, especially in Northern Europe, in order to be able to offer the widest possible geographical coverage.

N.B. The consolidated financial statements have been audited. The audit report will be issued once the procedures required for the publication of the annual financial report have been completed.

NEXT REPORT

Publication of first-quarter 2019 revenues on 24 April 2019 after market close.

ABOUT ID LOGISTICS

ID Logistics is an international contract logistics group, with revenue of €1,410 million in 2018. ID Logistics has more than 300 sites across 18 countries, representing 5.5 million square meters of warehousing facilities in Europe, Latin America, Asia and Africa, and 20,000 employees. With a client portfolio balanced between retail, industry, detail picking, healthcare and e-commerce sectors, ID Logistics delivers high-tech solutions and is firmly committed to sustainable development.

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

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APPENDIX

(€ m)	2018	2017
<i>France</i>	685.6	632.6
<i>International</i>	724.7	696.7
Revenues	1,410.3	1,329.3
<i>France</i>	33.5	24.7
<i>International</i>	13.8	12.0
Underlying operating income	47.3	36.7
Amortisation of customer relationships	(1.3)	(1.3)
Non-recurring gains/(expenses)	-	(5.6)
Net financial income/(expense)	(5.2)	(5.6)
Income tax	(12.6)	(6.3)
Share in income of associates	0.5	0.4
Consolidated net income	28.7	18.3
<i>o/w attributable to ID Logistics'</i>	25.3	16.1

(€ m)	2018	2017
Consolidated net income	28.7	18.3
Depreciation and amortisation	28.1	28.4
Change in the working capital requirement and other	4.9	(18.3)
Operating capital expenditure	(52.4)	(32.5)
Net cash generated/(used) by operating activities	9.3	(4.1)
Other non-operating changes	(8.9)	(8.2)
Reduction/(increase) in net debt	0.4	(12.3)

DEFINITIONS

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