Half-year financial report

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6 months ended June 30, 2015

ID LOGISTICS GROUP
A French corporation (*société anonyme*) with capital of €2,791,440.50
Head office: 410, route du Moulin de Losque - 84300 Cavaillon
AVIGNON Trade & Companies Registry No. 439 418 922

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1 PERSON RESPONSIBLE

1.1 PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

Mr. Eric Hémar, Chairman and CEO of ID Logistics Group.

1.2 STATEMENT OF THE PERSON RESPONSIBLE FOR THE DOCUMENT

I hereby certify that, to the best of my knowledge, the condensed consolidated financial statements for the six months ended June 30, 2015 were prepared in accordance with the applicable accounting standards and give a fair view of the Company's assets and liabilities, financial position and earnings, as well as those of all of its consolidated companies. I also certify that the attached half-year business report presents a fair statement of key events that occurred during the first six months of the year, the impact thereof on the financial statements and the main related party transactions, as well as a description of the main risks and uncertainties to be faced during the remaining six months of the year.

Cavaillon, August 28, 2015

Eric Hémar
Chairman and CEO

2 HALF-YEAR BUSINESS REPORT

The reader is invited to read the following information concerning the Group's financial position and earnings in conjunction with the condensed consolidated financial statements for the six months ended June 30, 2015 as set out in Chapter 3 "Condensed financial statements" of the half-year financial report.

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%.

2.1 First half highlights

No major events or significant changes in consolidation scope took place during the first half of 2015.

2.2 Consolidated income statement

€m	H1 2015	H1 2014*
Revenues	442.1	415.5
Purchases and external charges	(223.7)	(205.8)
Staff costs	(184.8)	(179.2)
Miscellaneous taxes	(7.8)	(7.1)
Other underlying income/(expenses)	(0.1)	0.0
Net (increases)/write-backs to provisions	0.6	0.9
Net depreciation/impairment	(12.0)	(11.4)
EBIT before amortization of acquired customer relations	14.3	12.9
Amortization of acquired customer relations	(0.3)	(0.3)
Non-recurring expenses	-	(0.8)
Operating income	14.0	11.8
Net financial items	(3.2)	(3.7)
Corporate income tax	(4.6)	(3.8)
Share of earnings of equity affiliates	0.3	(0.1)
Total consolidated net income	6.5	4.2
Of which minority interests	0.5	0.3
Of which Group share	6.0	3.9

**Adjusted in accordance with the new IFRIC 21*

First half 2015 consolidated revenues came in at €442.1 million, up 6.4% on first half 2014. At constant exchange rates (like-for-like), revenues rose by 5.6%. Revenues break down as follows:

€m	H1 2015	H1 2014
France	248.2	240.3
International	193.9	175.2
Total revenues	442.1	415.5

France revenues came to €248.2 million, up 3.3% on first half 2014, in which revenues rose sharply (10.6% like-for-like) due to the start-up of new contracts such as the e-commerce contracts with Conforama, Saint Gobain Distribution and Chloé.

International revenues rose by 10.6% to €193.9 million over the same period. Like-for-like growth, adjusted for a slightly favorable exchange rate impact, came to 8.6%. International growth was primarily driven by South Africa, which completed the roll-out of its local fresh produce distribution network with the opening of two regional warehouses, at Gauteng and Durban, during the second quarter. The Netherlands also saw strong growth thanks to the launch of operations for Fujifilm, some of which were previously handled in France. The international percentage is once again on the increase and now accounts for 44% of the Group's revenues.

First half 2015 purchases and external charges amounted to €223.7 million, up from €205.8 million in first half 2014. Purchases and external charges as a percentage of revenues increased from 49.5% to 50.6%, mainly due to increased use of temporary staff, primarily in connection with new contract start-ups in the international segment.

First half 2015 staff costs amounted to €184.8 million, compared to €179.2 million in first half 2014. As a percentage of revenues, staff costs decreased from 43.1% to 41.8% as a result of the increased use of temporary labor mentioned above and tight control over staff costs.

First half 2015 miscellaneous taxes, after adjusting first half 2014 miscellaneous taxes in light of the application of the new IFRIC 21 accounting interpretation, increased in line with revenues. As in first half 2014, other income and expenses and net provision write-backs were close to zero for the first half of 2015. First half 2015 depreciation amounted to 2.7% of revenues, as in first half 2014.

The table below shows the impact of these changes on EBIT margins before amortization of customer relations:

€m	H1 2015	H1 2014*
France	12.4	8.4
EBIT margin (% revenues)	*5.0%*	*3.5%*
International	1.9	4.5
EBIT margin (% revenues)	*1.0%*	*2.6%*
Total	14.3	12.9
EBIT margin (% revenues)	*3.2%*	*3.1%*

**Adjusted in accordance with the new IFRIC 21*

First half 2015 EBIT before amortization of customer relations amounted to €14.3 million, generating an EBIT margin of 3.2%, an improvement compared to first half 2014. The France EBIT margin benefited from the absence of new warehouse launches and related expenses during the period. Conversely, the international segment saw more site launches, which explains the decrease in the margin compared to first half 2014.

Net financial expenses decreased from €3.7 million in H1 2014 to €3.2 million in H1 2015. The net cost of debt decreased from €3.2 million in H1 2014 to €2.7 million in H1 2015, mainly due to repayments of the bank loan taken out in July 2013 to finance the CEPL acquisition and the fall in the borrowing rate applicable to this loan compared to first half 2014. Other financial items, which largely comprise a net expense on interest rate hedges and a discounting expense (primarily related to pension liabilities), amounted to €0.5 million, a stable result compared to H1 2014.

Corporate income tax includes the French "CVAE" (tax on business value-added) amounting to €2.3 million in H1 2015, close to the H1 2014 charge of €2.4 million. Excluding CVAE, the first half 2015 corporate income tax charge amounted to €2.2 million based on the Group's effective tax rate of 26.5%, which is equal to the 2014 effective tax rate.

Group share of earnings of equity affiliates rose to €0.3 million in first half 2015.

Accounting for the above items, first half 2015 consolidated net income came to €6.5 million, up significantly from €4.2 million in the first half of 2014.

2.3 Consolidated cash flow statement

€m	H1 2015	H1 2014*
Net income	6.5	4.2
Net depreciation, impairment and provisions	13.8	10.5
Capital gains/(losses) on sale of assets	0.1	-
Tax charge net of tax paid	0.4	(1.5)
Net financial costs from financing activities	2.7	3.2
Fair value adjustments on financial instruments	(0.1)	0.2
Share of undistributed earnings of equity affiliates	(0.3)	0.1
Change in working capital	(9.9)	8.1
Net cash flow from operating activities	13.2	24.8
Net cash flow from investing activities	(7.6)	(8.3)
Net borrowings taken out (repaid)	(30.8)	(16.6)
Net financial costs from financing activities	(2.7)	(3.2)
Treasury share transactions	(0.5)	(0.5)
Distribution of dividends to minority interests	(0.1)	-
Net cash flow from financing activities	(34.1)	(20.3)
Exchange gains/(losses)	0.4	(0.3)
Net change in cash and cash equivalents	(28.1)	(4.1)
Opening net cash and cash equivalents	80.3	66.6
Closing net cash and cash equivalents	52.2	62.5

**Adjusted in accordance with the new IFRIC 21*

Net cash flow from operating activities

Net cash flow from operating activities for first half 2015 amounted to €13.2 million, down from €24.8 million for first half 2014.

- Before changes in working capital, first half 2015 cash flow from operating activities amounted to €23.1 million, compared to €16.7 million in first half 2014. This increase is in line with the improvement in operating income before depreciation/amortization.
- The first half 2015 change in working capital represented a €9.9 million cash outflow compared to an €8.1 million cash inflow in H1 2014.
    - Operating working capital (i.e. inventories, trade receivables and payables) was positive and increased by €12.4 million compared to H1 2014 when it decreased by €10.0 million. Operating working capital thus increased from 6 days of revenues at December 31, 2014 to 10 days at June 30, 2015, mainly due to the three-day increase in trade receivables days sales outstanding and to the temporary acceleration of some supplier payments.
    - Non-operating working capital (other receivables, other payables and tax and social security payables) was negative and increased by €2.5 million in first half 2015, whereas in H1 2014 it had improved by €1.9 million. As of June 30, 2015 it represented 35 days of revenues compared to 34 days at December 31, 2014.

Net cash flow from investing activities

First half 2015 net cash flow from investing activities amounted to €7.6 million, close to H1 2014 net cash flow of €8.3 million, broken down as follows:

- H1 2015 capital expenditure of €11.5 million, compared to €10.1 million in H1 2014;
- Disposals amounting to €3.8 million in H1 2015 compared to €1.9 million in H1 2014, mainly comprising purchases of facilities by customers.

Net cash flow from financing activities

Total first half 2015 net cash flow from financing activities represented a €34.1 million outflow compared to a €20.3 million outflow in first half 2014.

- Net repayments of borrowings increased from €16.6 million in H1 2014 to €30.8 million, mainly due to a €7.6 million penalty-free early repayment under the CEPL loan made during first half 2015 in addition to the scheduled annual installment of €12.5 million paid in February 2015;
- Net financial expenses decreased, mainly in relation to interest payments under the €75 million CEPL acquisition loan, as mentioned above;
- Treasury stock transactions were undertaken in conjunction with the Group's liquidity contract.

After all of these factors and exchange gains and losses, Group net cash decreased by €28.1 million to €52.2 million over the first half of 2015, compared to a €4.1 million decrease over H1 2014.

2.4 Consolidated balance sheet

€m	6/30/2015	12/31/2014*
Non-current assets	268.0	272.4
Trade receivables	144.3	140.2
Trade payables	(115.2)	(122.4)
Tax and social security payables	(123.1)	(115.4)
Other net payables and provisions	(6.9)	(11.3)
Working capital	(100.9)	(108.9)
Net borrowings	52.6	55.5
Shareholders' equity, Group share	108.8	102.9
Minority interests	5.7	5.1
Shareholders' equity	114.5	108.0

**Adjusted in accordance with the new IFRIC 21*

Non-current assets were down slightly compared to December 31, 2014 given that depreciation/amortization charges exceeded capital expenditure during the period.

Working capital was negative at €100.9 million as of June 30, 2015, a €8.6 million improvement on December 31, 2014. At June 30, 2015, working capital represented 46 days of revenues, a slight improvement on December 31, 2014 (49 days).

The Group continued to pay down debt during the first half of the year. Group borrowings can be broken down as follows:

(€m)	6/30/2015	12/31/2014
Bank loans	42.6	62.8
Real estate leases	41.3	44.4
Asset finance leases	18.3	22.4
Other borrowings	2.6	6.2
Gross borrowings	104.8	135.8
Net cash and cash equivalents	52.2	80.3
Net borrowings	52.6	55.5

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, with the first annual repayment installment due on May 15, 2014. In addition to the scheduled €12.5 million annual installment paid in February 2015, the Group made a €7.6 million penalty-free early repayment under this loan in May 2015.

The loan is subject to compliance with certain financial ratios, calculated on an annual basis. The ratios applicable to fiscal 2015 and 2014 are as follows:

Ratio	Definition	2015 limit	2014 limit
Gearing	Borrowings over consolidated equity	< 1.5	< 2.0
Leverage	Net borrowings excluding current cash over underlying EBITDA	< 1.8	< 2.2
Debt coverage	Cash flow before repayment		

	of debt and interest/Repayment of debt and interest	> 1.0	> 1.0
Capital expenditure	Capital expenditure during the year	< €35 million	< €46 million

As of December 31, 2014 all ratios were in compliance. At the present time there is no reason to doubt the Group's ability to comply with the ratios applicable to fiscal 2015.

Finance leases at June 30, 2015 included €41.3 million in real estate leases on warehouses. 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 June 30, 2015, almost all of the Group’s borrowings (in the form of bank loans, leases or finance leases) are taken out by French legal entities. After interest rate hedges, about 30% of the Group's borrowings are subject to floating interest rates.

Shareholders' equity increased €6.5 million to €114.5 million, boosted by net income of €6.5 million, while currency movements were offset by transactions under the liquidity contract.

2.5 Recent developments and outlook

- Seasonal factors
  Although Group revenues are not subject to major seasonal differences, second-half revenues tend to be slightly higher than first-half revenues, in view of the Group's customer typology and growth profile, and excluding the impact of major discontinued operations.
  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.

- In view of the high revenues generated in first half 2015, the Group plans to continue to grow revenues while improving the EBIT margin and maintaining a strong balance sheet.

2.6 Main risks and uncertainties

The Group's main risks and uncertainties as specified under Chapter 2 of the Registration Document filed with the *Autorité des Marchés Financiers* (French financial markets regulator) on April 28, 2015 have not materially changed at June 30, 2015. As of said date, these are still the main risks and uncertainties facing the Group.

3 CONDENSED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

(€000)	Notes	H1 2015	H1 2014 (1)
Revenues		**442,081**	**415,472**
Purchases and external charges		(223,663)	(205,828)
Staff costs		(184,836)	(179,249
Miscellaneous taxes		(7,795)	(6,998)
Other underlying income/(expenses)		(49)	4
Net depreciation/impairment		(12,021)	(11,427)
Net (increases)/write-backs to provisions		575	902
EBIT before amortization of customer relations		**14,292**	**12,876**
Amortization of acquired customer relations		(269)	(269)
Non-recurring expenses		-	(817)
Operating income		**14,023**	**11,790**
Financial income	Note 9	604	539
Financial expenses	Note 9	(3,801)	(4,219)
Group income before tax		**10,826**	**8,110**
Corporate income tax	Note 10	(4,596)	(3,813)
Share of earnings of equity affiliates		294	(57)
Total consolidated net income		**6,524**	**4,240**
Of which minority interests		474	363
Of which Group share		6,050	3,877
Earnings per share, Group share			
Basic EPS (€)	Note 11	1.08	0.70
Diluted EPS (€)	Note 11	1.02	0.66

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€000)	H1 2015	H1 2014 (1)
Total consolidated net income	**6,524**	**4,240**
Post-tax exchange gains/(losses)	(49)	160
Post-tax pension provision discounting income/(charge)	354	(460)
Other post-tax items	258	(190)
Other post-tax items of comprehensive income transferable to income statement in future periods	**563**	**(490)**
Comprehensive net income	**7,087**	**3,750**
Of which minority interests	585	239
Of which Group share	6,503	3,511

(1) Adjusted in accordance with the new IFRIC 21 - Levies

CONSOLIDATED BALANCE SHEET

(€000)	Notes	6/30/2015	12/31/2014 [1]
Goodwill	Note 1	116,971	116,971
Intangible assets	Note 1	7,692	7,812
Property, plant and equipment	Note 2	126,859	132,391
Investment in equity affiliates		1,428	1,134
Other non-current financial assets		6,151	5,373
Deferred tax assets		8,948	8,714
Non-current assets		**268,049**	**272,395**
Inventories		36	42
Trade receivables	Note 3	144,322	140,191
Other receivables	Note 3	40,546	37,976
Other current financial assets		6,860	5,924
Cash and cash equivalents	Note 4	52,227	80,360
Current assets		**243,991**	**264,493**
Total assets		**512,040**	**536,888**
Capital stock	Note 5	2,791	2,791
Additional paid-in capital	Note 5	53,365	53,365
Exchange differences		(4,168)	(3,940)
Consolidated reserves		50,800	32,664
Net income for the year		6,050	18,003
Shareholders' equity, Group share		**108,838**	**102,883**
Minority interests		5,667	5,082
Shareholders' equity		**114,505**	**107,965**
Borrowings (due in over 1 yr)	Note 6	73,347	99,680
Long-term provisions	Note 7	19,161	19,945
Deferred tax liabilities		3,420	2,460
Non-current liabilities		**95,928**	**122,085**
Short-term provisions	Note 7	23,553	22,575
Borrowings (due in less than 1 yr)	Note 6	30,772	35,321
Other current financial liabilities		674	876
Bank overdrafts	Note 4	-	30
Trade payables	Note 8	115,227	122,438
Other payables	Note 8	131,381	125,598
Current liabilities		**301,607**	**306,838**
Total liabilities and shareholders' equity		**512,040**	**536,888**

(1) Adjusted in accordance with the new IFRIC 21 - Levies

CONSOLIDATED STATEMENT OF CASH FLOWS

(€000)	Note	H1 2015	H1 2014 (1)
Net income		6,524	4,240
Net depreciation, impairment and provisions		13,769	10,461
Fair value adjustments on financial instruments		(107)	176
Share of undistributed earnings of equity affiliates		(294)	87
Capital gains/(losses) on sale of non-current assets		135	-
Change in working capital	Note 12	(9,956)	8,113
Net cash flows from operating activities after net cost of debt and tax		**10,071**	**23,077**
Corporate income tax	Note 10	4,596	3,813
Net financial costs from financing activities	Note 9	2,723	3,220
Net cash flows from operating activities before net cost of debt and tax		**17,390**	**30,110**
Tax paid		(4,154)	(5,313)
Net cash flow from operating activities		**13,236**	**24,797**
Purchase of intangible assets and PP&E	Notes 1-2	(10,378)	(8,652)
Purchase of financial assets		(1,208)	(1,932)
Fixed asset payables		135	451
Sale of intangible assets and PP&E		3,350	862
Sale of financial assets		478	1,016
Net cash flow from investing activities		**(7,623)**	**(8,255)**
Net financial costs from financing activities	Note 9	(2,723)	(3,220)
Loans received		4,775	5,740
Loan repayments		(35,604)	(22,368)
Treasury share transactions		(460)	(512)
Distribution of dividends to minority interests		(88)	
Net cash flow from financing activities		**(34,100)**	**(20,360)**
Exchange gains/(losses)		383	(250)
Net underlying change in cash and cash equivalents		**(28,104)**	**(4,068)**
Opening net cash and cash equivalents	Note 4	80,331	66,588
Closing net cash and cash equivalents	Note 4	52,227	62,520

(1) Adjusted in accordance with the new IFRIC 21 - Levies

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, 2014 [(1)]	**2,791**	**53,265**	**35,983**	**(3,616)**	**88,423**	**2,906**	**91,329**
H1 2014 net income			3,877		3,877	363	4,240
Gains and losses posted to shareholders' equity			(612)	246	(366)	(124)	(490)
Treasury shares			(512)		(512)		(512)
June 30, 2014 [(1)]	**2,791**	**53,265**	**38,736**	**(3,370)**	**91,422**	**3,145**	**94,567**
H2 2014 net income			14,126		14,126	196	14,322
Gains and losses posted to shareholders' equity			(2,873)	(570)	(3,443)	(147)	(3,590)
Treasury shares			162		162		162
Distribution of dividends					-	(280)	(280)
Change in percentage interests			516		516	(516)	-
Share issue		100			100	2,685	2,785
December 31, 2014 [(1)]	**2,791**	**53,365**	**50,667**	**(3,940)**	**102,883**	**5,083**	**107,966**
H1 2015 net income			6,050		6,050	474	6,524
Gains and losses posted to shareholders' equity			593	(228)	365	198	563
Treasury shares			(460)		(460)		(460)
Distribution of dividends					-	(88)	(88)
June 30, 2015	**2,791**	**53,365**	**56,850**	**(4,168)**	**108,838**	**5,667**	**114,505**

(1) Adjusted in accordance with the new IFRIC 21 - Levies

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 around ten other countries.

The Group consolidated financial statements for the six months ended June 30, 2015 were approved by the Board of Directors on August 26, 2015. Unless otherwise indicated, they are presented in thousands of euros.

There were no major seasonal fluctuations in revenues during the period ended June 30, 2015.

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

2.1 Interim financial statements

Pursuant to European Regulation 1606-2002, the ID Logistics Group condensed consolidated interim financial statements for the six months ended June 30, 2015 were prepared in accordance with IAS 34 – Interim Financial Reporting. Since these financial statements are condensed, they do not contain all the disclosures required under IFRS and should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2014 available online at id-logistics.com.

The accounting principles adopted for the preparation of the condensed consolidated interim financial statements comply with the IFRS standards and interpretations adopted by the European Union as of June 30, 2015, which may be viewed on the website:
http://ec.europa.eu/internal_market/accounting/ias/index_en.htm.

These accounting principles are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2014, which are presented in Note 2 to the 2014 consolidated financial statements, except for the items presented in paragraph 2.2 below – New IFRS standards and interpretations.

The valuation methods specific to the condensed consolidated interim financial statements are as follows:

• The interim period tax charge results from the estimated annual Group effective rate applied to the pre-tax interim earnings excluding material non-recurring items. This estimated annual effective rate takes into consideration, in particular, the expected impact of tax planning transactions. The tax charge relating to any non-recurring items of the period is accrued using its specific applicable taxation.

• Stock-based compensation and staff benefit costs are recorded for the period in proportion to their estimated annual costs.

2.2 Change in accounting principles

2.2.1 New compulsory standards, amendments and interpretations adopted by the European Union for fiscal 2015

The following standards, amendments and interpretations were applied:

- IFRIC 21 - Levies;
- 2011-2013 annual improvements.

IFRIC 21 - Levies sets out the conditions for recognizing liabilities for levies that are accounted for in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets. The interpretation provides specific guidance on the timing of the recognition of these levies, which is generally based on the statutory triggering or "obligating" event.

The application of IFRIC 21 has resulted in changes to the timing of the recognition of French property tax (*taxe foncière*) and the French corporate social solidarity contribution (*contribution sociale de solidarité des sociétés* or C3S), which were previously recognized on an accruals basis. These levies are now fully recognized under liabilities as of January 1 with a corresponding offsetting entry in the income statement.

For the purposes of comparison between fiscal 2014 and 2015, the figures for first half 2014 have been adjusted in accordance with IFRIC 21.

The application of IFRIC 21 to the income statement has resulted in an increase in underlying operating expenses amounting to €0.7 million for H1 2015 and €0.8 million for H1 2014.

2.2.2 New standards, amendments and interpretations adopted by the European Union and compulsory for fiscal years beginning 2016

The Group has opted not to apply in advance the other standards and amendments eligible for early application, i.e.:

- 2010-2012 annual improvements;
- Amendments to IAS 19 – Employee Contributions.

These standards and amendments are compulsory from January 1, 2016.
The Group does not expect that their adoption will have a material impact on its financial statements.

3 Highlights

No changes in consolidation took place during the first half of 2015.

4 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 the purposes of determining 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, as 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: Argentina, Brazil, China, Germany, Spain, Réunion, Indonesia, Morocco, the Netherlands, Poland, Russia, South Africa 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 relating to continuing operations, as presented to the chief decision makers, is as follows:

	H1 2015			**H1 2014 (1)**		
	France	**International**	**Total**	**France**	**International**	**Total**
Revenues	250,896	193,982	**444,878**	243,409	175,311	**418,720**
Inter-segment revenues	(2,678)	(119)	**(2,797)**	(3,098)	(150)	**(3,248)**
Net revenues	**248,218**	**193,863**	**442,081**	**240,311**	**175,161**	**415,472**
EBIT before amortization of customer relations	12,356	1,936	**14,292**	8,369	4,507	**12,876**
Operating income	12,086	1,937	**14,023**	7,283	4,507	**11,790**
Net cash flow from operating activities	13,629	(393)	**13,236**	14,443	10,354	**24,797**

Capital expenditure	4,418	5,961	**10,379**	5,535	3,117	**8,652**
Fixed assets	190,043	61,479	**251,522**	203,667	59,978	**263,645**
Headcount	4,992	8,588	**13,580**	5,083	7,929	**13,012**

(1) Adjusted in accordance with the new IFRIC 21 - Levies

5 NOTES RELATING TO THE BALANCE SHEET, INCOME STATEMENT AND STATEMENT OF CASH FLOWS AND CHANGES THERETO

5.1 Balance sheet notes

Note 1: Goodwill and intangible assets

	Goodwill	Software	Customer relations & other	TOTAL
Gross:				
January 1, 2015	**116,971**	**12,481**	**5,002**	**134,454**
Acquisitions	-	1,341	-	1,341
Disposals	-	(513)	-	(513)
Other (reclassification, change in consolidation, etc.)	-	-	-	-
Exchange gains/(losses)	-	(58)	-	(58)
June 30, 2015	**116,971**	**13,251**	**5,002**	**135,224**
Cumulative amortization and impairment				
January 1, 2015	**-**	**8,744**	**927**	**9,671**
Amortization charge	-	958	250	1,208
Impairment	-	-	-	-
Disposals	-	(288)	-	(288)
Other (reclassification, change in consolidation, etc.)	-	-	-	-
Exchange gains/(losses)	-	(30)	-	(30)
June 30, 2015	**-**	**9,384**	**1,177**	**10,561**
Net:				
June 30, 2015	**116,971**	**3,867**	**3,825**	**124,663**

The net book value of goodwill, customer relations, other intangible assets and investments in equity affiliates is reviewed at least once a year and when events or circumstances indicate that a loss in value may have taken place. Such events or circumstances are related to material adverse changes of a permanent nature that impact either the economic context or the assumptions or objectives adopted as of the date of acquisition. An impairment charge is recorded when the recoverable value of the assets tested falls permanently below their net book value.

As of June 30, 2015, the Group reviewed the impairment indicators that could lead to a reduction in the net book value of goodwill and investments in equity affiliates. No indication of loss in value was identified.

Note 2: Property, plant and equipment

	Land and buildings	Plant and equipment	Other fixed assets	Fixed assets in progress	TOTAL
Gross:					
January 1, 2015	**113,796**	**50,792**	**28,910**	**2,949**	**196,447**
Acquisitions	1,033	3,347	1,653	3,005	9,038
Disposals	(4,921)	(1,090)	(563)	-	(6,574)
Change in consolidation					-

Exchange gains/(losses)	181	9	394	(148)	436
Reclassification		408		(408)	-
June 30, 2015	**110,089**	**53,466**	**30,394**	**5,398**	**199,347**
Cumulative depreciation and impairment					
January 1, 2015	**22,217**	**26,857**	**14,982**	**-**	**64,056**
Depreciation charge	3,269	4,786	3,026		11,081
Impairment					-
Disposals	(2,908)	14	(325)		(3,219)
Change in consolidation					-
Exchange gains/(losses) and reclassification	260	1	309		570
June 30, 2015	**22,838**	**31,658**	**17,992**	**-**	**72,488**
Net:					
June 30, 2015	**87,251**	**21,808**	**12,402**	**5,398**	**126,859**

Note 3: Trade and other current receivables

	6/30/2015	12/31/2014
Trade receivables	146,248	141,460
Impairment provisions	(1,926)	(1,269)
Total trade receivables – net	**144,322**	**140,191**
Tax and social security receivables	33,008	29,988
Prepaid expenses	7,538	7,988
Total other receivables – net	**40,546**	**37,976**

Note 4: Net cash and cash equivalents

	6/30/2015	12/31/2014
Cash and cash equivalents	52,227	80,360
Bank overdrafts	-	(30)
Net cash and cash equivalents	**52,227**	**80,330**

Group cash and cash equivalents of €52,227,000 at June 30, 2015 comprise cash, sight bank deposits and €2,576,000 in money-market investments.

Note 5: Issued capital stock and additional paid-in capital

	Additional paid-in capital (€)	Value (€)	Number of shares
January 1, 2015	**53,364,875**	**2,791,441**	**5,582,881**
June 30, 2015	**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.

Note 6: Financial liabilities

	6/30/2015	Due in less than 1 year	Due in 1 to 5 years	Due in more than 5 years
Current borrowings				
Bank loans	13,143	13,143		

Finance leases	15,007	15,007		
Factoring	2,379	2,379		
Other borrowings	243	243		
Total current borrowings	**30,772**	**30,772**		
Non-current borrowings				
Bank loans	28,800		28,800	
Finance leases	44,547		32,810	11,737
Total non-current borrowings	**73,347**		**61,610**	**11,737**
Total borrowings	**104,119**	**30,772**	**61,610**	**11,737**

Breakdown of borrowings by interest rate and by currency	**Amount**	**Currency**	**Rate**
Loan	18	EUR	Fixed
Loan	40,876	EUR	Floating
Loan	951	CNY	Floating
Loan	55	PLN	Floating
Loan	43	BRL	Floating
Factoring	2,379	EUR	Floating
Finance leases	2,037	BRL	Fixed
Finance leases	701	ARS	Fixed
Finance leases	371	PLN	Fixed
Finance leases	0	CNY	Fixed
Finance leases	15,778	EUR	Fixed
Finance leases	40,667	EUR	Floating
Other payables	243	EUR	Fixed
Total	**104,119**		

Note 7: Provisions

	Social security and tax risks	**Operating risks**	**Employee benefits**	**Total**
January 1, 2015	**15,481**	**7,094**	**19,945**	**42,520**
Charges	2,641	4,450	245	7,336
Write-backs used	(2,707)	(2,913)	(1,029)	(6,649)
Write-backs not used	(175)	(307)	-	(482)
Other changes (consolidation, currency, reclassification etc.)	(19)	8	-	(11)
June 30, 2015	**15,221**	**8,332**	**19,161**	**42,714**
Of which current provisions	15,221	8,332	-	23,553
Of which non-current provisions	-	-	19,161	19,161

The provisions for operating risks primarily relate to disputes with customers, lessors etc.

Note 8: Trade and other payables

	6/30/2015	**12/31/2014 (1)**
Trade payables	**115,227**	**122,438**
Tax and social security payables	123,101	115,414
Advances and payments on account received	1,392	1,591
Other current payables	1,327	1,088
Deferred income	5,561	7,505
Total other payables	**131,381**	**125,598**

(1) Adjusted in accordance with the new IFRIC 21 - Levies

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.

5.2 Income statement notes

Note 9: Net financial items

	H1 2015	H1 2014
Interest and related income	496	444
Interest and related financial expenses	(3,219)	(3,664)
Net financial costs from financing activities	**(2,723)**	**(3,220)**
Fair value adjustments on financial instruments	107	95
Discounting of balance sheet accounts	(137)	(318)
Other financial expenses	(444)	(237)
Net other financial expenses	**(474)**	**(460)**
Total	**(3,197)**	**(3,680)**

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

Note 10: Corporate income tax

	H1 2015	H1 2014 (1)
Net current tax (charge)/income	(2,247)	(1,432)
Tax on added value (CVAE)	(2,349)	(2,381)
Total	**(4,596)**	**(3,813)**

(1) Adjusted in accordance with the new IFRIC 21 - Levies

Note 11: Earnings per share

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

(no.)	H1 2015	H1 2014
Average number of shares in issue	5,582,881	5,582,881
Average number of treasury shares	(5,886)	(4,657)
Average number of shares	**5,576,995**	**5,578,224**
Founders' warrants (BSPCE)	40,000	21,260
Equity warrants	328,040	311,040
Average number of diluted shares	**5,945,035**	**5,910,524**

5.3 Other information

Note 12: Change in working capital

	H1 2015	H1 2014 (1)
Change in inventories	7	(384)
Change in trade receivables	(4,331)	6,472
Change in trade payables	(8,142)	3,898
Change in operating working capital	**(12,466)**	**9,986**
Change in other receivables	(3,697)	(3,194)
Change in other payables	6,207	1,321
Change in non-operating working capital	**2,510**	**(1,873)**
Change in working capital	**(9,956)**	**8,113**

(1) Adjusted in accordance with the new IFRIC 21 - Levies

Note 13: 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)	
			H1 2015	H1 2014	6/30/2015	6/30/2014
Comète	Joint director	Services provided	(225)	(225)	(343)	(398)
Financière ID	Joint shareholder	Services provided	347	173	347	-
SCI Financière ID Brebières II	Joint shareholder	Services provided Real estate leases	-	1,543	-	-

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 14: Directors' remuneration

The Chairman of the Board of Directors does not receive any remuneration from the Group. He receives remuneration from Comète, in which he holds a 95.97% equity stake, 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 13.

Gross remuneration of other Board members

	H1 2015	H1 2014
Expense type		
Total gross remuneration	257	226
Post-employment benefits	-	-
Other long-term benefits	-	-
One-time retirement compensation	-	-

Note 15: Commitments and contingencies

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

	6/30/2015	12/31/2014
Commitments given		
Real estate leases	166,236	159,059
Plant and equipment leases	41,994	43,999
Parent company guarantees *	851	3,251
Borrowings subject to covenants	42,431	62,500
Commitments received		
Bank guarantees	14,639	17,579

**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:

	Due in less than 1 year	Due in 1 to 5 years	Due in more than 5 years	Total
June 30, 2015				
Real estate leases	47,365	110,895	7,976	166,236
Plant and equipment leases	16,346	25,648	-	41,994

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)

At June 30, 2015, undrawn lines of credit amounted to €17,404,000 in respect of finance leases and €11,050,000 in respect of credit facilities.

Note 16: Post balance sheet events

None

4 STATUTORY AUDITORS' REPORT

“To the Shareholders,

Pursuant to our engagement by the shareholders' general meeting and to Article L. 451-1-2 III of the French Monetary and Financial Code, we have:

- performed a limited review of the condensed consolidated interim financial statements of ID LOGISTICS GROUP covering the period from January 1 to June 30, 2015, as attached hereto,
- verified the information contained in the half-year business report.

The condensed consolidated half-year financial statements have been prepared under the responsibility of the Board of Directors. Our responsibility is to express our opinion on these financial statements on the basis of our limited review.

- Opinion on the financial statements

We have conducted our limited review in accordance with the professional standards applicable in France. A limited review consists primarily of making inquiries of the members of the management responsible for accounting and financial matters and applying analytical procedures. The work is of limited scope compared to the work required for an audit performed in accordance with the auditing standards applicable in France. Accordingly, the assurance under a limited review that the financial statements, taken as a whole, are free from material misstatement, is moderate and less than that obtained within the scope of an audit.

On the basis of our limited review, we did not identify any material misstatements that cause us to believe that the condensed consolidated half-year financial statements have not been prepared in accordance with IAS 34 – Interim Financial Reporting, as included in the IFRS standards adopted by the European Union.

- Specific testing

We have also verified the information provided in the half-year business report commenting on the condensed consolidated half-year financial statements on which we performed our limited review.

We have no comments on the report's fairness and its consistency with the condensed consolidated half-year financial statements.

Paris and Neuilly-sur-Seine, August 28, 2015
The Statutory Auditors

CFG Audit	Deloitte & Associés
Represented by	Represented by
Philippe Joubert	Albert Aidan"