

- Structure of the Offer
- Key Investment Highlights
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- Financial Highlights
- Conclusion



### Structure of the Offering

#### **Securities Offered**

15.2 million ordinary shares (excluding Greenshoe)

Greenshoe: 15%

Approximately 35.6% of outstanding shares

Spanish Stock Exchange

#### Listing

Structure

Three tranches: International Institutional, Domestic Institutional and Domestic Retail (including employee tranche)

#### **Purpose of** Offering

Create more liquid stock and broaden investor base

Increase analyst coverage and highlight value

Create acquisition currency

**Price Range** 

• €20 - €23 per share

Lock up

180 days from Altadis, Grupo Planeta and the Company

Global Coordinators

BBVA

• J.P. Morgan

**Timetable** 

Roadshow: July 4th - July 14th

Pricing: July 17<sup>th</sup>

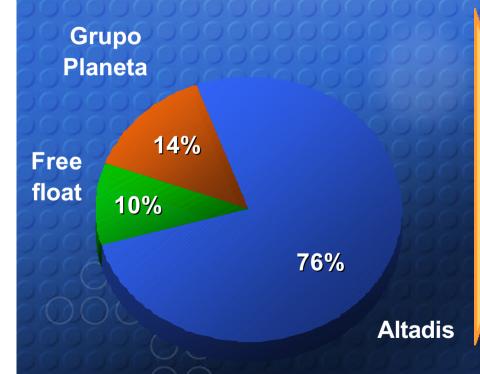
Trading: July 18th



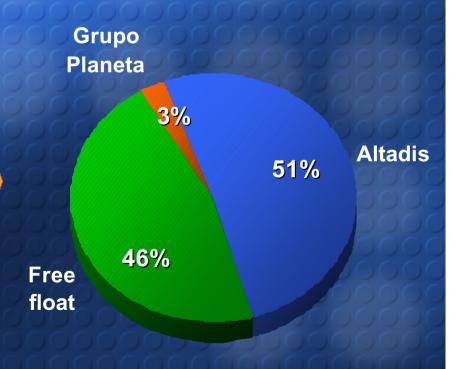
## Secondary Offering of Shares by Altadis and Grupo Planeta

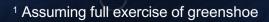
### **Shareholder Structure**

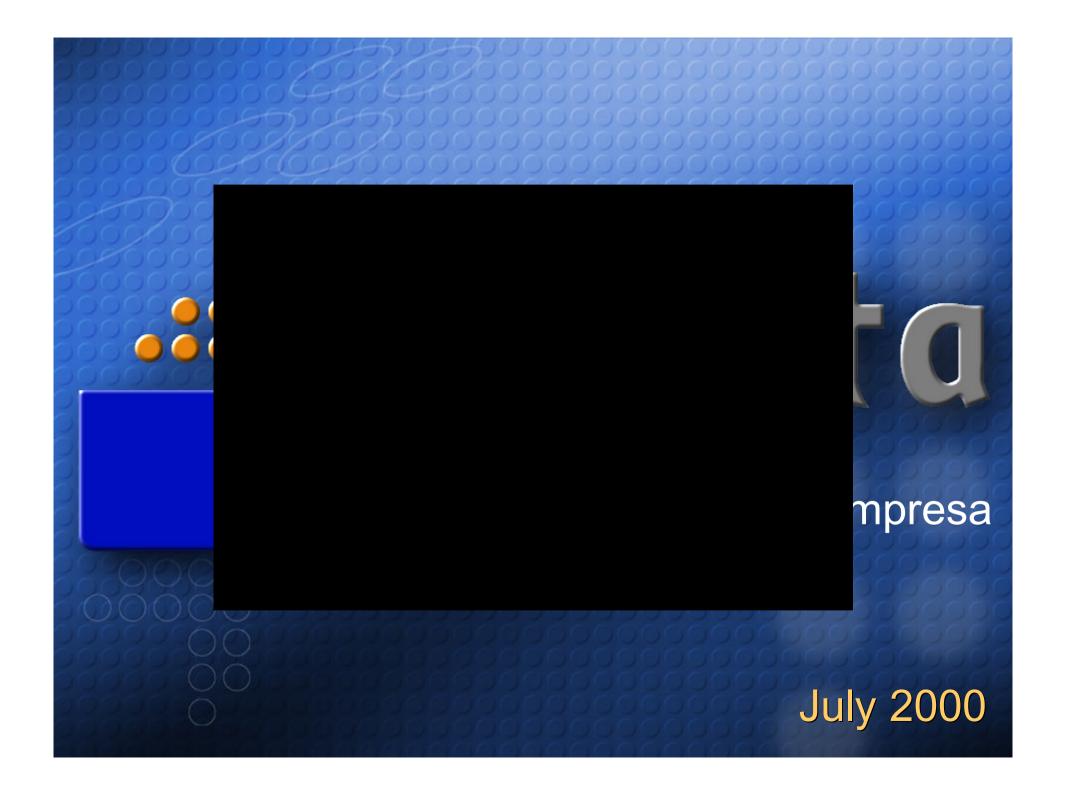


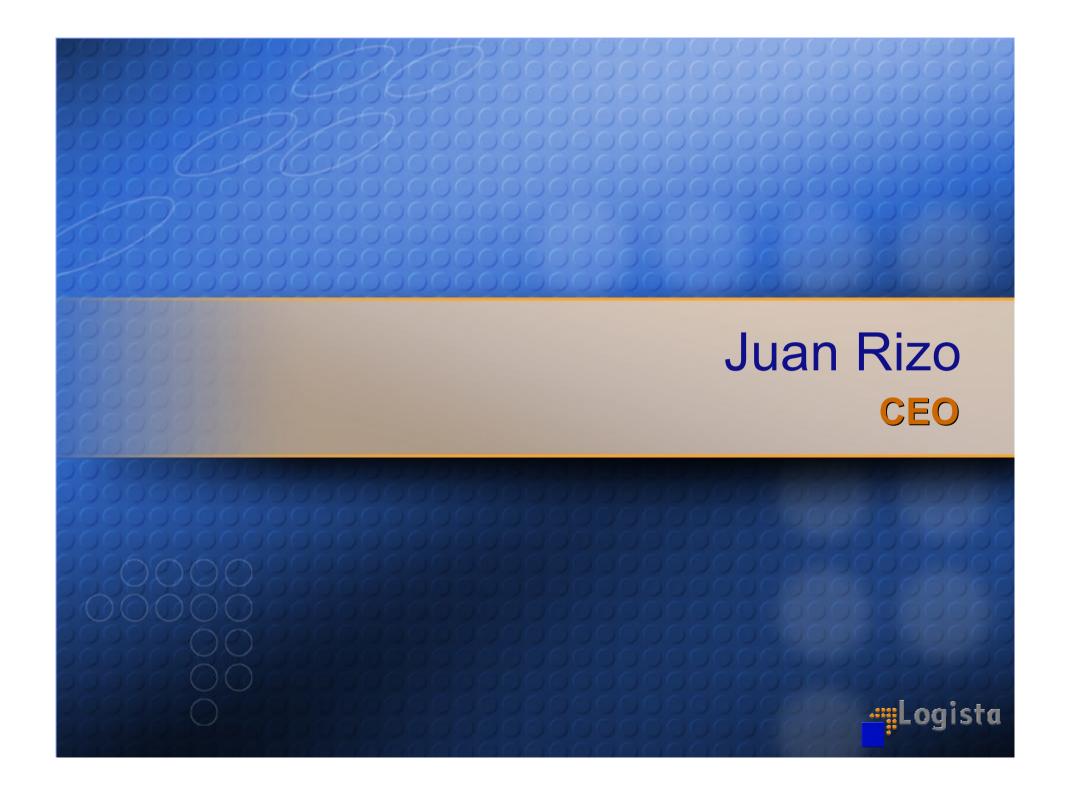


## Shareholder Structure Post Transaction<sup>1</sup>









## Logista's Management Team

César Alierta Chairman

Juan Rizo
Chief Executive Officer

Rafael de Juan
Secretary of Board of Directors
& Legal Advisor

#### Luis Egido

General Manager
Tobacco,
Documents
& Logistics
Services

#### José Maria Sanjuanbenito

General Manager
Publications

#### Javier Soláns

Commercial Manager

#### Manuel Suárez

Chief Financial Officer

#### Teresa Casla

Director of Corporate Development

Technology and Infrastructure

e-commerce for Books Contract Logistics and e-commerce Solutions

e-commerce Investments e-commerce Corp. Development and Internationalisation



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## Logista: A Leading Logistics Provider in Spain and Portugal

### **Key Investment Highlights**

- Leading logistics provider in Spain & Portugal with presence in stable sectors with high barriers to entry
- Widest and most technologically advanced logistics platform
- Significant future growth opportunities in:
  - Contract logistics Marketplaces

e-fulfilment

- International expansion
- Double digit bottom line CAGR expected in next years
- **Balance sheet strength**



## Proven Track Record in Expanding from our Core Business

## Activities Incorporated to Logista's Core Businesses



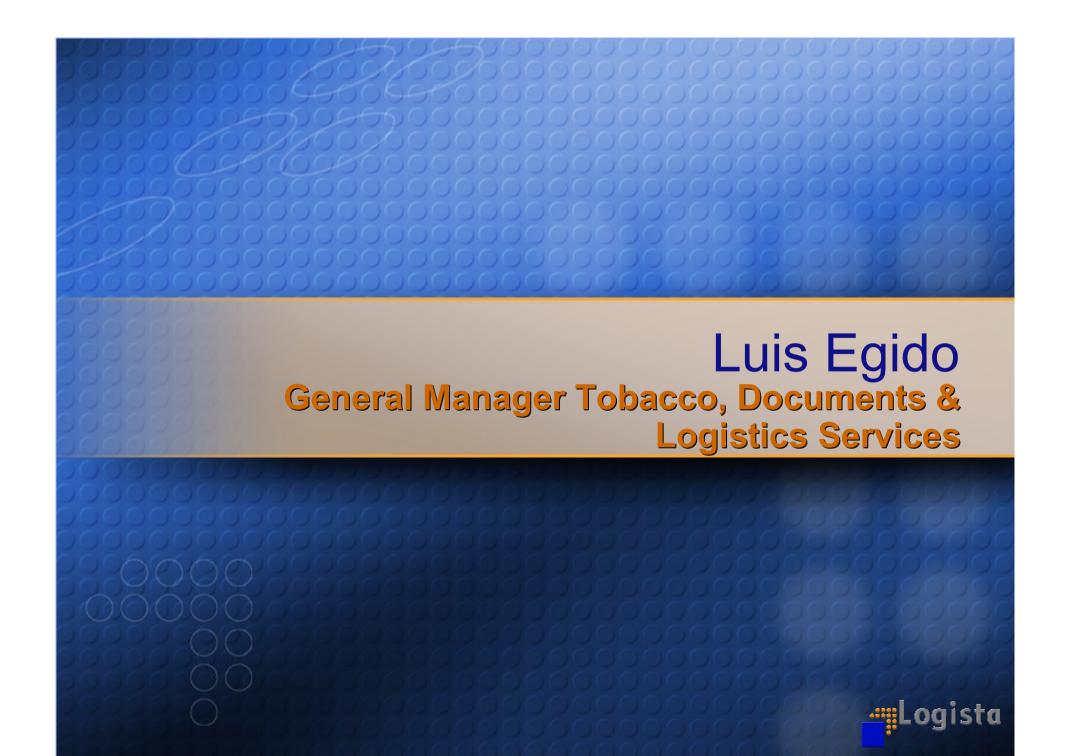
## Leveraging Existing Strengths Into New Growth Areas





#### 2003E Economic Sales Breakdown



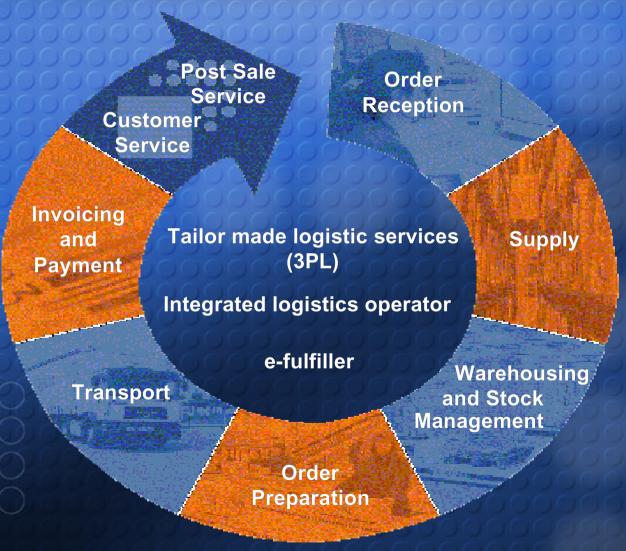


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# Logista has Demonstrated Ability to Offer Fully Integrated Logistics Services

Logista: a One-stop-shop in the Supply Chain



## The Broadest Distribution Platform in Spain and Portugal

#### **Distribution Network**

### Portugal

- 10,000m<sup>2</sup> of storage capacity
  - 4 warehouses
  - 36 storage facilities
- Subcontracted fleet
  - 170 delivery vehicles

 Access to 20,000 points of sale

### Spain

- 350,000m<sup>2</sup> of storage capacity
  - 8 regional warehouses
  - 80 storage facilities
  - Capacity of 2.5 million m<sup>3</sup>
- Subcontracted fleet
  - 282 trucks
  - 1,000 delivery vehicles
  - Exclusive and identified
- Access to 45,000 points of sale

## Proprietary Development of State-of-the-Art Technology

- Telematics
- GPS Route Control
- Automatic Warehouses
- Automatic Picking Systems
- Online connection with all links of supply chain
- Bar code I.D.
- Extensive Databases
- Expert Systems (Artificial Intelligence, Teseo Web)

- Dedicated IT team (40 people)
- €50 mm IT budget (next 3 years)



## Strong Business Relationships with Leading Corporations

































Bertelsmann





## Logista: a Value Added Logistics Operator

### Logista's Strategy

Leader in strong cash generating sectors with high barriers to entry:

- High quality integrated logistics services
- Complete coverage of Spain and Portugal
- Proprietary technology through own R&D
- High barriers to entry
- Tobacco
- Documents
- Publishing
- Books

Leader in contract logistics and e-fulfilment:

- Leverage existing infrastructure and know-how
- Profitable margins through high value added services
- Leading edge technology and in-house R&D
- First mover in B2C
- Alliances with market leaders
- Focus on geographical expansion
  - Contract logistics
  - E-fulfilment (B2C, B2B)
  - Market Place
  - International expansion

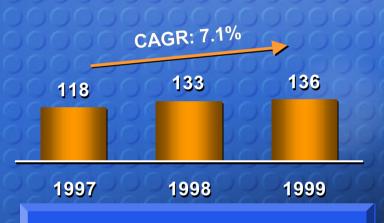
- Structure of the Offer
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  - Tobacco Products
  - Stamps and Documents
  - Publications
  - Books
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### Longstanding Relationships with Core Tobacco Clients

#### **Tobacco Products**

#### **Economic Sales** (€mm)



#### Highlights

- Market leader in Spain (95% share)
   and Portugal (20% share)
- Strong barriers to entry
- Smuggling reduced to below 5%
- Shift towards higher value products (blonde, cigars)

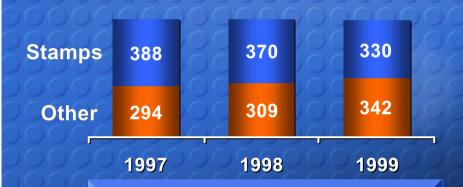
- Change in product mix and growth from cigars in Spain
- Moderate growth in Portugal in volume and prices
- Participation in Portuguese consolidation
- Increasing productivity through continuous investment



## Increasing Exposure to Higher Value Document Products

### **Stamps and Documents**

#### Sales at Retail Price (€mm)



#### Highlights

- Exclusivity for stamps to 2002
- Integrated services to high value documents
- Over 100 contracts
- Increasing exposure to higher margin products

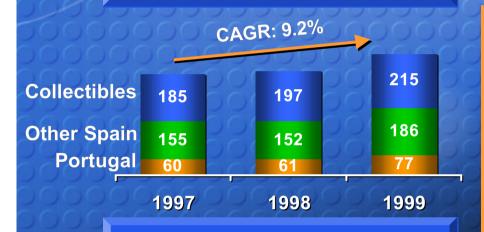
- Renew contract on postage and fiscal stamps on attractive terms
- Change in product mix to higher margin products
- Increase number of clients and references



## Leading Independent Logistics Provider in Publications in Spain and Portugal

#### **Publications**

#### Sales at Retail Price (€mm)



### Tailored logistics services

 Leader in collectibles with 93% market share (75% in Portugal)

Highlights

- Leading independent in magazines (15% share in Spain, 12% in Portugal)
- Established presence in periodicals

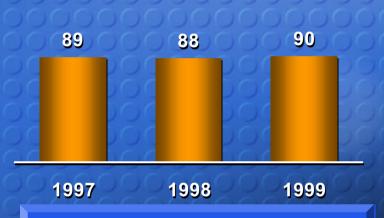
- Retain sector leadership in growing collectibles market (1996-1999 CAGR of 8%)
- Increase market share in magazines and newspapers through local acquisitions / partnerships and increasing outsourcing trend



## Sole Independent Logistics Provider on Books Market in Spain and Portugal

#### Books

#### Sales at Retail Price (€mm)



#### Highlights

- Sole independent provider of logistics services
- 11% market share
- State-of-the-art dedicated facilities
- Synergies with publications

- Take market share from self-distributors
- Take advantage of e-business outsourcing opportunities
- Increase volumes and margins through promotion of integrated services to potential clients
- Target 18-20% market share in three years



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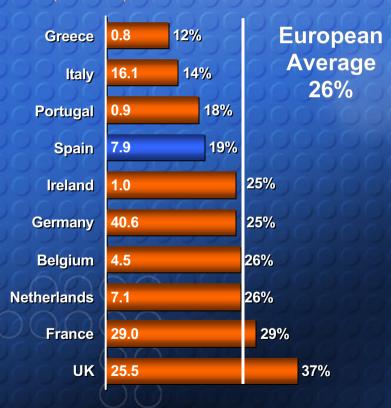


## Spain Offers Attractive Growth Opportunities for Logistics Companies

### **Logistics Market**

#### Outsourcing Levels in Europe

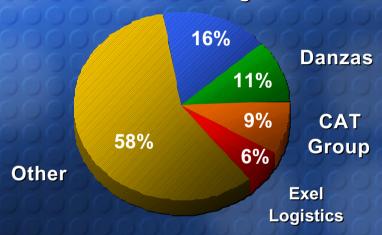
(US\$bn)



Source: DBK

#### **Largest Companies**

Logista



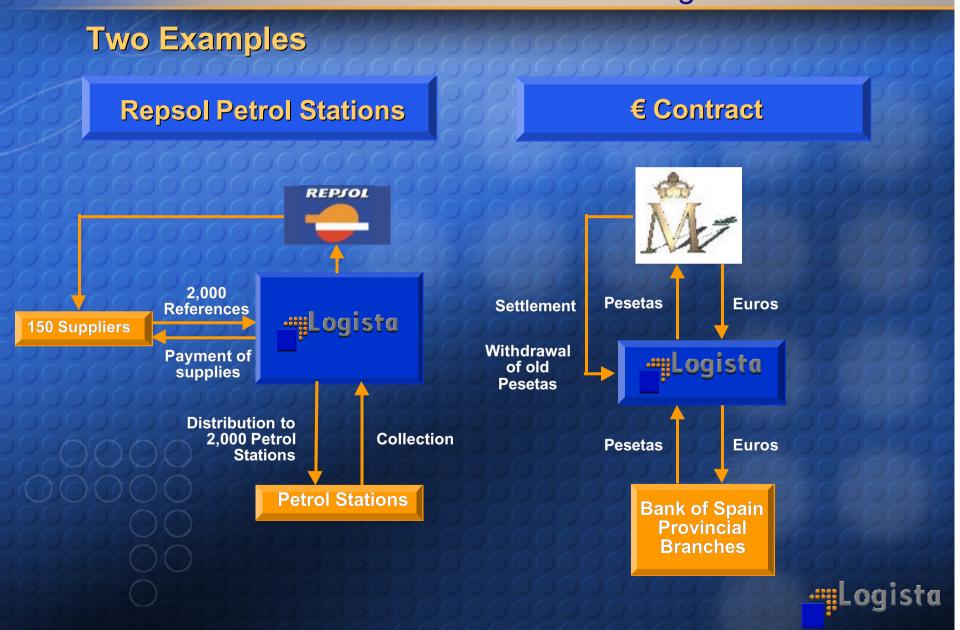
#### **Other Major Players**

- SDF Ibérica
   TNT Logistics
- Tibbet&Britten
   Frans Maas Spain
- Gefco

Source: DBK - Logista



## Logista has Established Strong Presence in Contract Logistics Market



## Logista's Growth Strategy in Contract Logistics: Built on Key Strengths

### Logista's Strategy

- Exploit niche markets
- Provide value-added integrated services
- Offer tailor-made services
- Target high unit value products and complex services
- Provide unbeatable value-service proposition for clients
- Sign profitable long-term contracts







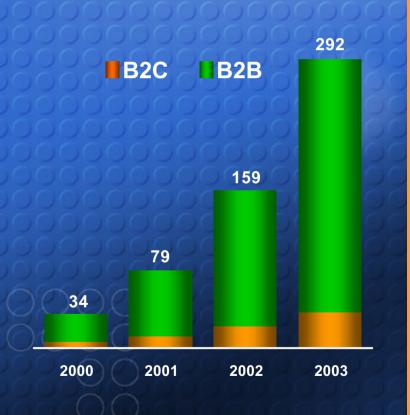
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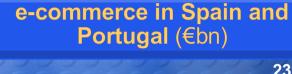


## Significant e-commerce Growth in Europe Offers Opportunities for Logista

#### e-commerce Market

e-commerce in Continental Europe¹ (€bn)







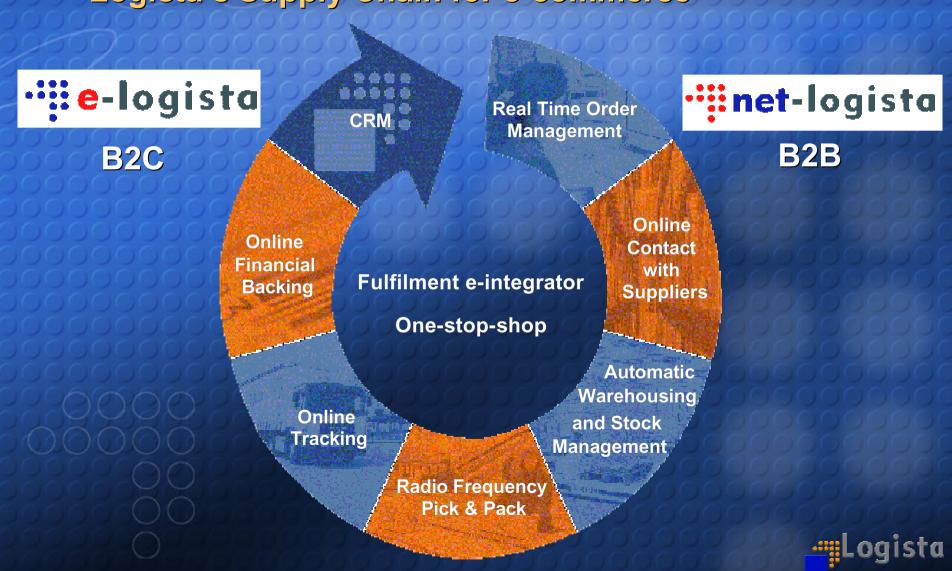
Source: IDC, January, 2000

<sup>1</sup> Includes Spain, Portugal, France, Italy, Germany



## Logista has Developed the Platform for Successful e-fulfilment

Logista's Supply Chain for e-commerce



#### Unparalleled Experience in Home Delivery to be a Leader in B2Ć

## Logista's Experience in B2C

B<sub>2</sub>C

**Since 1989** 

**Deliveries** in promotional



Joint venture with European leader in catalogue sales

- campaigns
- **Spanish financial** institutions (BBVA, La Caixa, other)
- Tobacco loyalty campaigns
- 1.3 mm deliveries in 1999







#### To May 2000

**B2C** global partnership



**New contracts:** 















## Proven Track Record in Developing Relationships with B2C Leaders

### **Principal Agreements**

#### ViaPlus as a Client

- Leading Spanish B2C company, with 45,000 references from 200 suppliers
- Logista provides efulfilment services (virtual stock management, picking & packing, delivery and returns management)
- Logista has developed adhoc IT interfaces to link suppliers, ViaPlus, and call centres

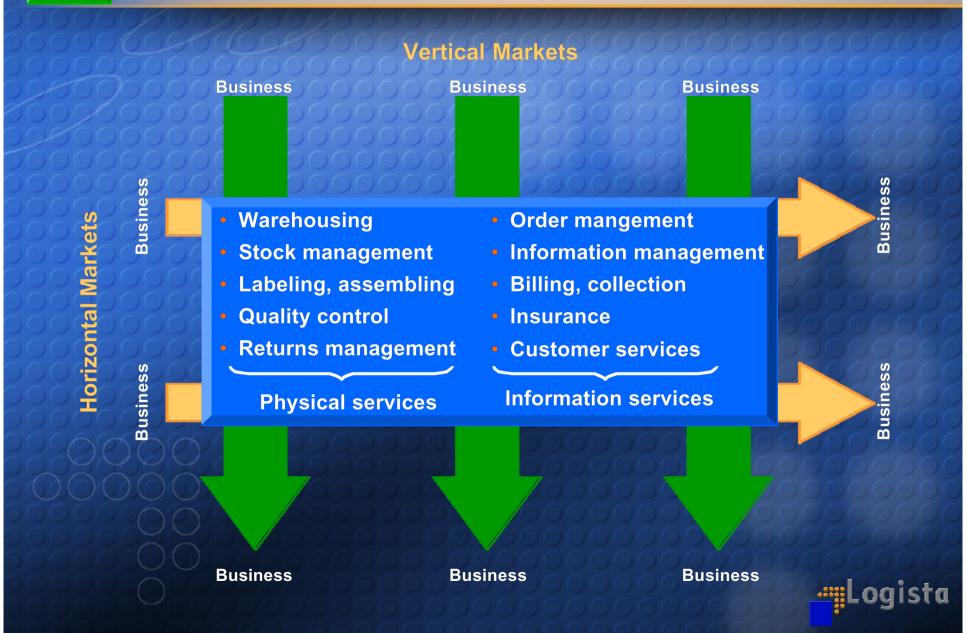
#### Partnership with Terra

- Leading portal in Spain, Brazil and Mexico, established presence throughout LATAM
- Initial agreement to provide logistics to B2C companies in Europe and LATAM
- Other participants :
  - BBVA
  - Bertelsmann
- Agreed time frame to develop business plan



B2B

## Services Provider for Horizontal and Vertical Markets in B2B`



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# Logista has Established Priorities for International Strategy

## **International Strategy**

#### e-integrator / Fulfiller

- One stop shop
- Technology driven
- Supply chain
  - Owned / acquisitions
  - Subcontracted/ 3PL

Our Vision: "We intend to engage in joint ventures and acquisitions which either provide us with competencies which we currently do not have or extend the geographical reach of our existing business"



First priority Second priority

## Implementing the International Strategy

#### Spain, Portugal and France

One-stop-shop to French and Spanish clients

- Joint e-fulfilment strategy
- Share know-how and technology

Seita distribution at a glance

- 185,000 m<sup>2</sup> of storage capacity
  - 18 regional warehouses and 31 storage facilities
- Coverage of 73,800 points of sale (34,100 tobacconists)

#### **Latin America**

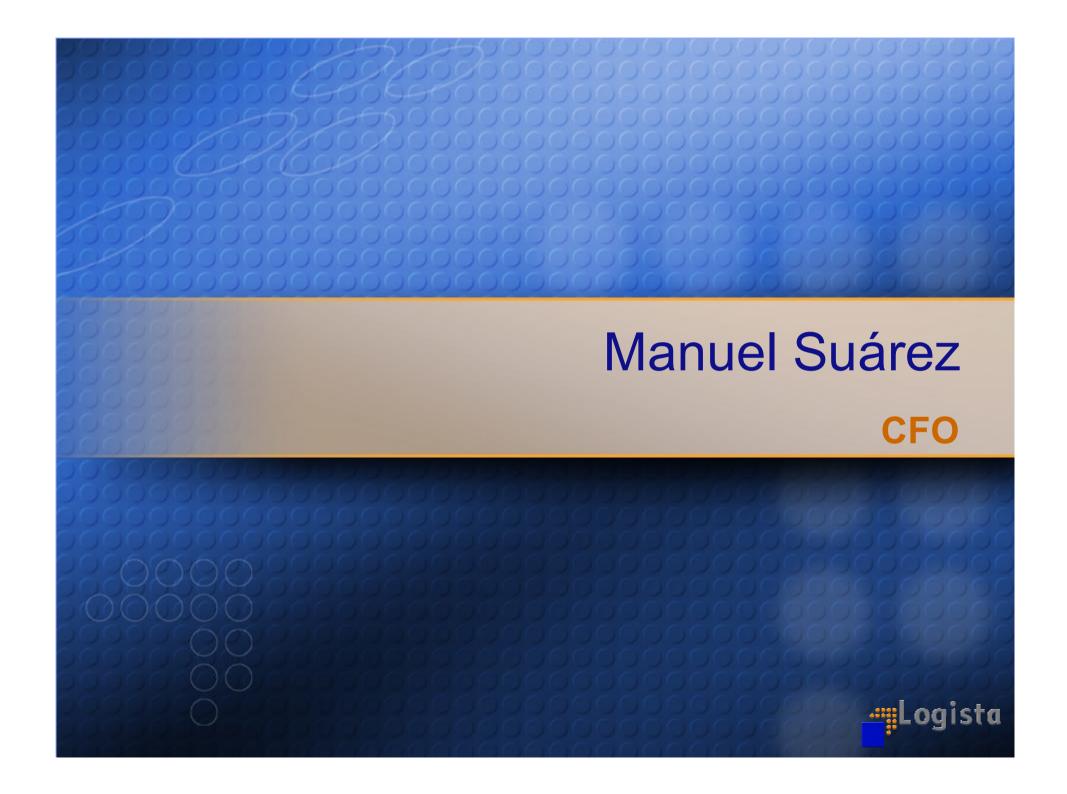
Be the leading e-fulfiller

- Profitable growth:
  - Acquisitions/partnerships
    - Expansion with clients (e.g. Terra)
- Logista Iberia partnership
  - One-stop-shop
  - Integrated information systems
- Iberia highlights
  - Market leader in Spain Latin America freight traffic
  - Leading same-day express service in Spain
  - Implementing LATAM expansion









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## Strong Financial Track Record

Consistent revenue and earnings growth

1997-1999 Growth	1Q1999-1Q2000
------------------	---------------

#### Growth

	Net sales	11.9%	12.8%
•	Economic sales	7.9%	16.9%
•	EBITDA	18.6%	18.5%
•	Net income	16.4%	8.3%

- Stable cash flow from operations: €64 mm (1999)
- Strong balance sheet to support strategy (1Q 2000)
  - Solid equity base: €285 mm
  - Net cash: €312 mm
  - Negative working capital: €334.8 mm
- Above market profitability
  - 1999 ROE: 19.5%
  - 1999 ROCE: 36.2%



## Logista has Generated Strong Revenue Growth ...





#### **Economic Sales** (€mm)





## ... and Bottom Line Results



### Net Income (€mm)





## Strong Financial Base to Support Growth

### **Balance Sheet Strength**

- Self financed
- Net cash position
- Favourable working capital position
- Low capital intensity
- Large debt capacity
  - Stable low-risk cash flows
- Critical mass

#### **Net Cash Position** (€mm)

■ Payment for Iberia stake





# 5 Year Investment Programme to Support Growth Strategy

### **Investment Plan**

S mm COOCOCOCOCO	2000E	2001E	2002E	Total
Maintenance	7.2	7.6	7.9	22.7
Warehouses	20.1	25.6		45.7
New investments	4.8	5.3	5.6	15.7
	3.9	4.1	4.3	12.3
Spanish e-commerce	10.2	16.3	7.7	34.2
Total	46.2	58.9	25.5	130.6

- No further investment expected for B2B expansion
- Does not include investments in international expansion



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# Logista has Developed Strategy for Growth From Current Business Strengths



**Traditional Business** 

**Virtual Market** 

**Contract Logistics** 

e-fulfilment in B2C

e-fulfilment in B2B

Internationalisation

#### 2003E Economic Sales Breakdown





Traditional Business



- B2B sales
- International Expansion





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- International expansion
- Double digit bottom line CAGR expected in next years
- **Balance sheet strength**

