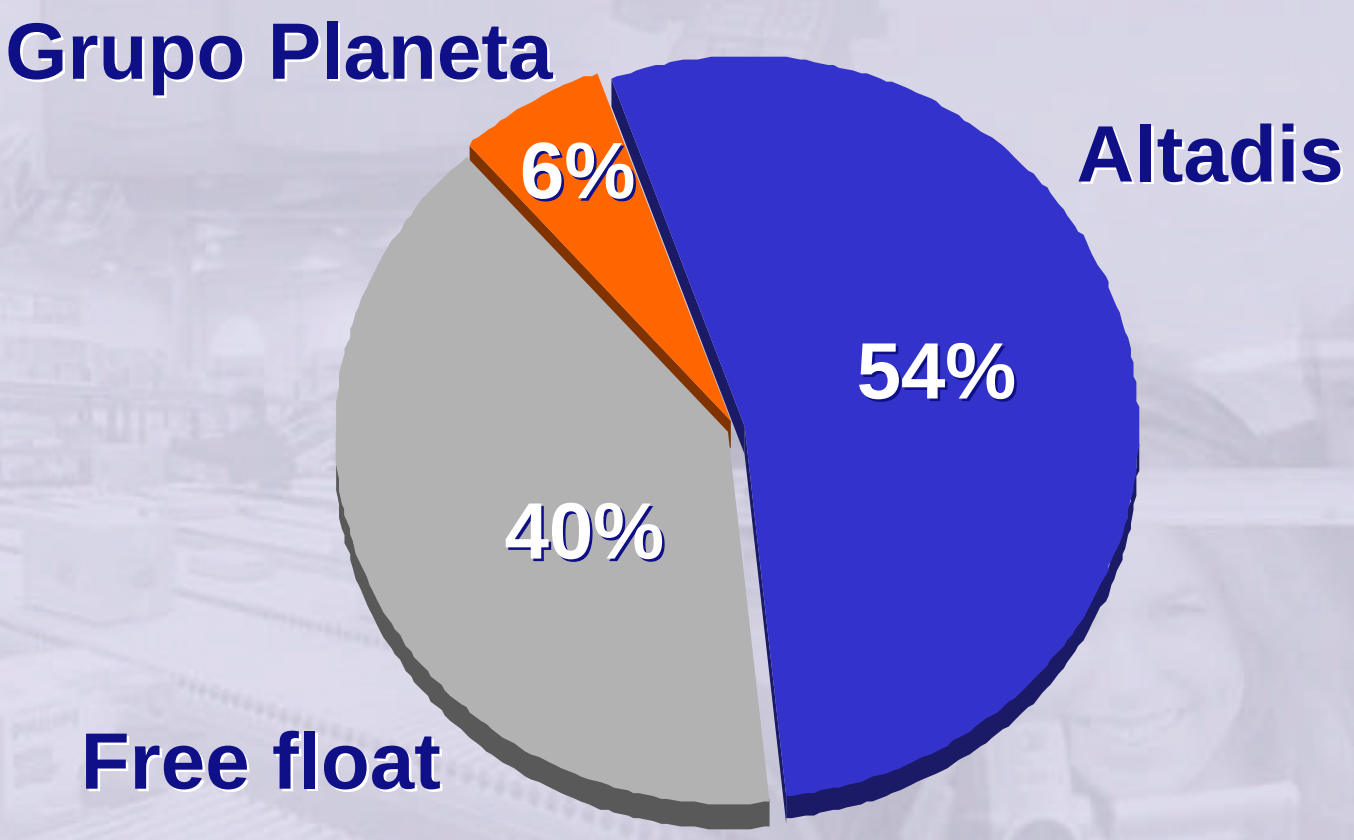
Logista

La mejor compañía para su empresa

January 2001

Secondary offering of shares by Altadis and Grupo Planeta

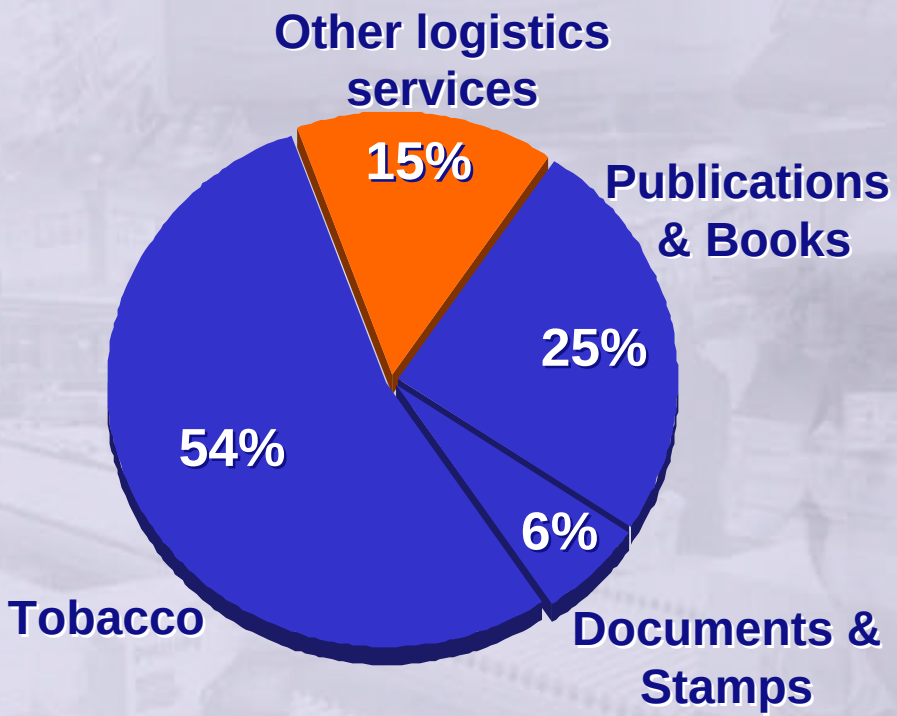


A leading logistics provider in Spain and Portugal

- **Leader in Spain & Portugal with 16% market share.**
- **Widest and most technologically advanced logistics platform.**
- **Logistic operator in sectors like tobacco, publications, books, retail, with high barriers to entry**

Logista at a glance

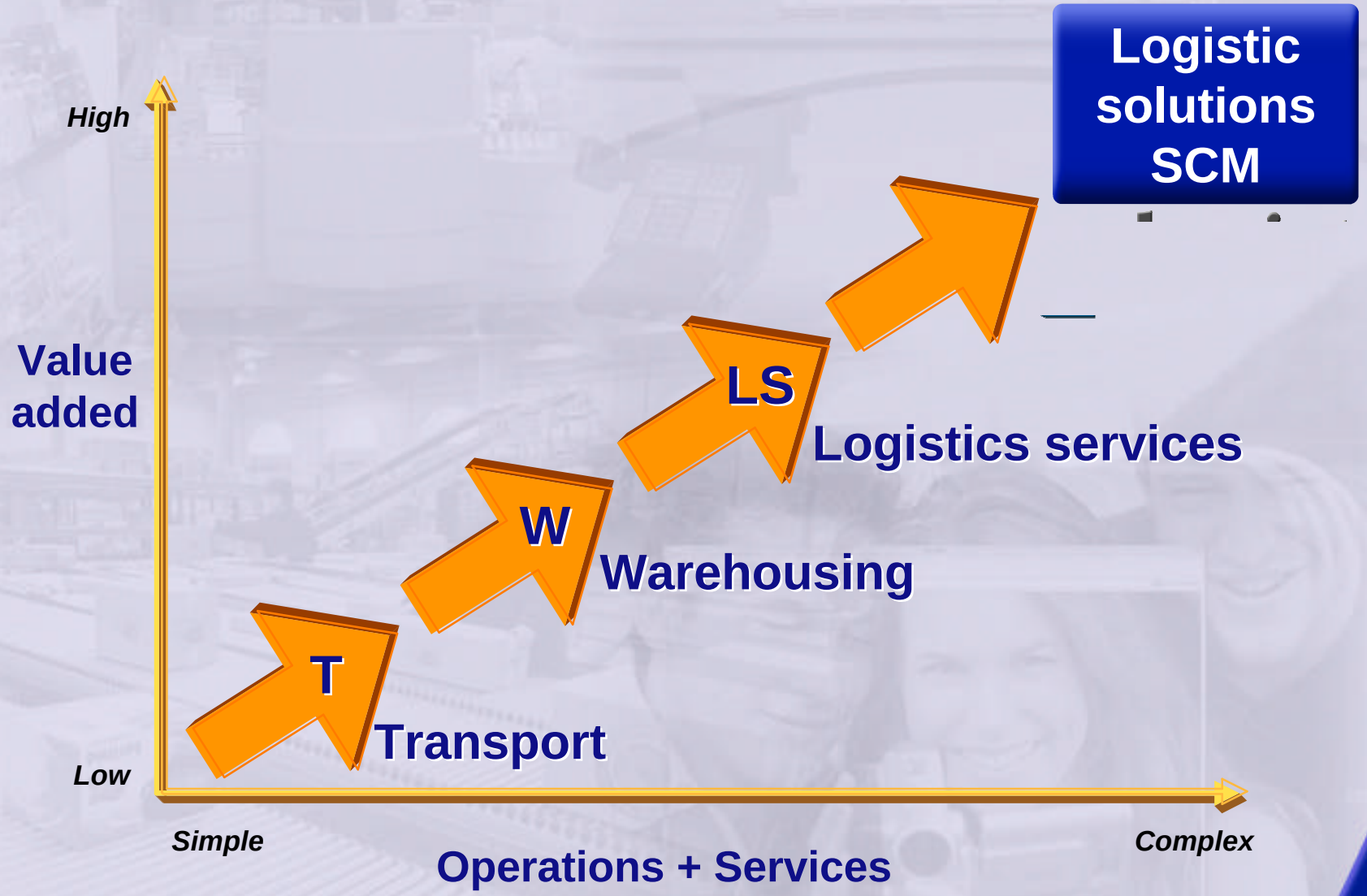
1999 economic sales



Total ec. sales	247 mm euros
EBITDA	76 m euros
Net Profit	50 m euros
Equity (30/9/00)	305 m euros
Net cash (30/9/00)	356 m euros

Logista has demonstrated ability to offer fully integrated logistics services

Positioning within the industry



The broadest distribution platform in Spain and Portugal

Portugal

- 10,000m2 of storage capacity.
  - 4 warehouses.
  - 36 storage facilities.
- Subcontracted fleet.
  - 170 delivery vehicles.
- Access to 20,000 points of sale.

Spain

- 350,000m2 of storage capacity.
  - 8 regional warehouses.
  - 80 storage facilities.
  - Capacity of 2.5 million m^3.
- 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

SAP/ R3

- 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

Logista's management team

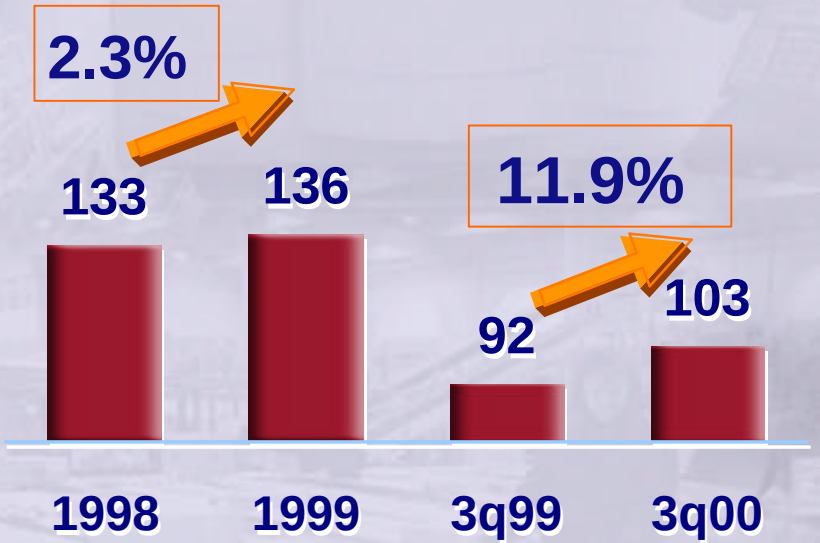
- 2.000 employees (≃25% temporary).
- Management team: avge > 20 years experience.

Logistic's core business

- **Logista is a niche player in Spain and Portugal.**
  - **Tobacco sector.**
  - **Publications & book sector.**
  - **Documents & Stamps.**
- **Cagr 2000 - 2003 sales: 6 - 8%**
- **Constant cash flows to finance gradual improvement in profitability.**

Longstanding relationships with core tobacco clients

Tobacco



Highlights

- Market leader in Spain (95% share) and Portugal (20% share).
- Strong barriers to entry.
- Stable cash flow generation.

Trends

- Change in product mix and growth from cigars in Spain.
- Participation in Portuguese consolidation.
- Increasing productivity through continuous investment.

2000-2003 target economic sales cagr by 2-4%.

Demostrated ability to offer new logistic services to existing and new clients

Publications & Books

Highlights

- Developing new services for existing clients (infomation, transport, exports..).
- New contracts gathering momentum (REPSOL YPF, Euro).

Trends

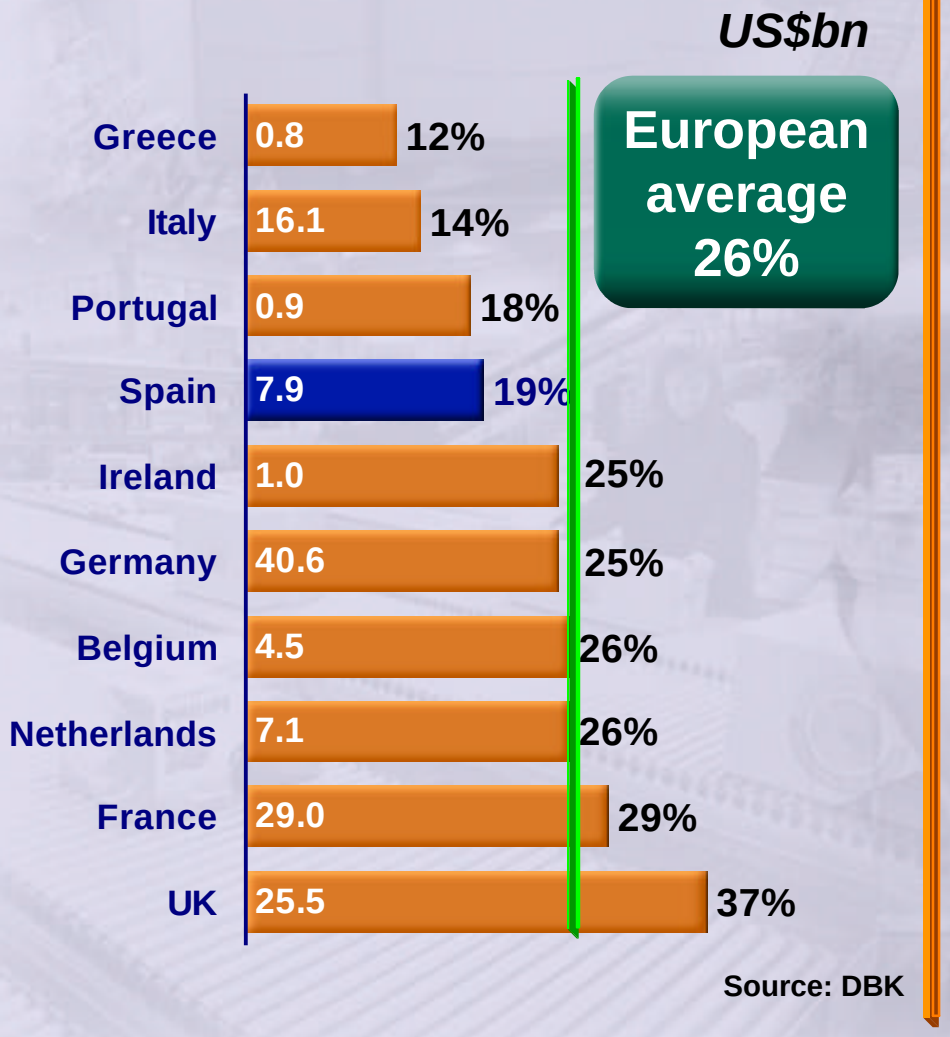
- Continued search for new services to existing clients.
- Leveraging on IT and consulting capabilities to optimize SCM.
- Geographical skills through alliances/acquisitions.

2000-2003 economic sales cagr by 20-30%.

Contract Logistics

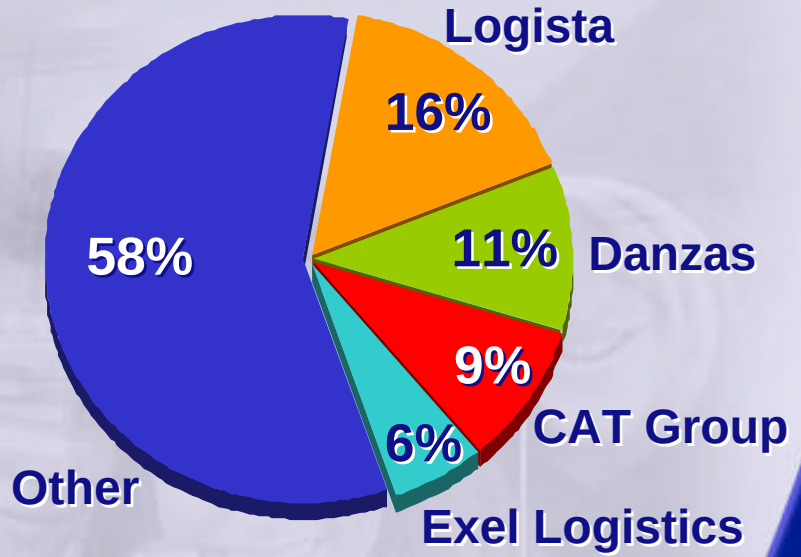
Spain offers attractive growth opportunities for logistics companies: + 20%(*)

Outsourcing levels in Europe



Source: DBK

Spain: Largest companies (1)



(*)Source: DBK

[1] Source: DBK-Logista

Southern Europe expansion

- Increase capabilities in Spain & France and enlarge the base of clients.
- Partnership high with Seita Distribution in France.
- Analyse opportunities in the Italian market.

B2C e-fulfillment

A solid track record in home delivery

- Current activity based on promotional campaigns, 1.8 m parcels home delivered in 2000 (e).
- Consolidating our current and solid base of clients.
- Rolling out operations into Latam through JV with Terra-Lycos, BBVA, Bertelsmann.

Logista's technological support for B2C

- Orders capture through Internet.
- "On-line" availability of products.
- Selection of different type of service.
- Delivery expenses are "on-line" calculated.
- "On-line" credit cards payments check .
- After sale credit card payment.
- Orders confirmation.
- Cancel and modification of orders.
- "Self service" information to the final consumer via Internet.

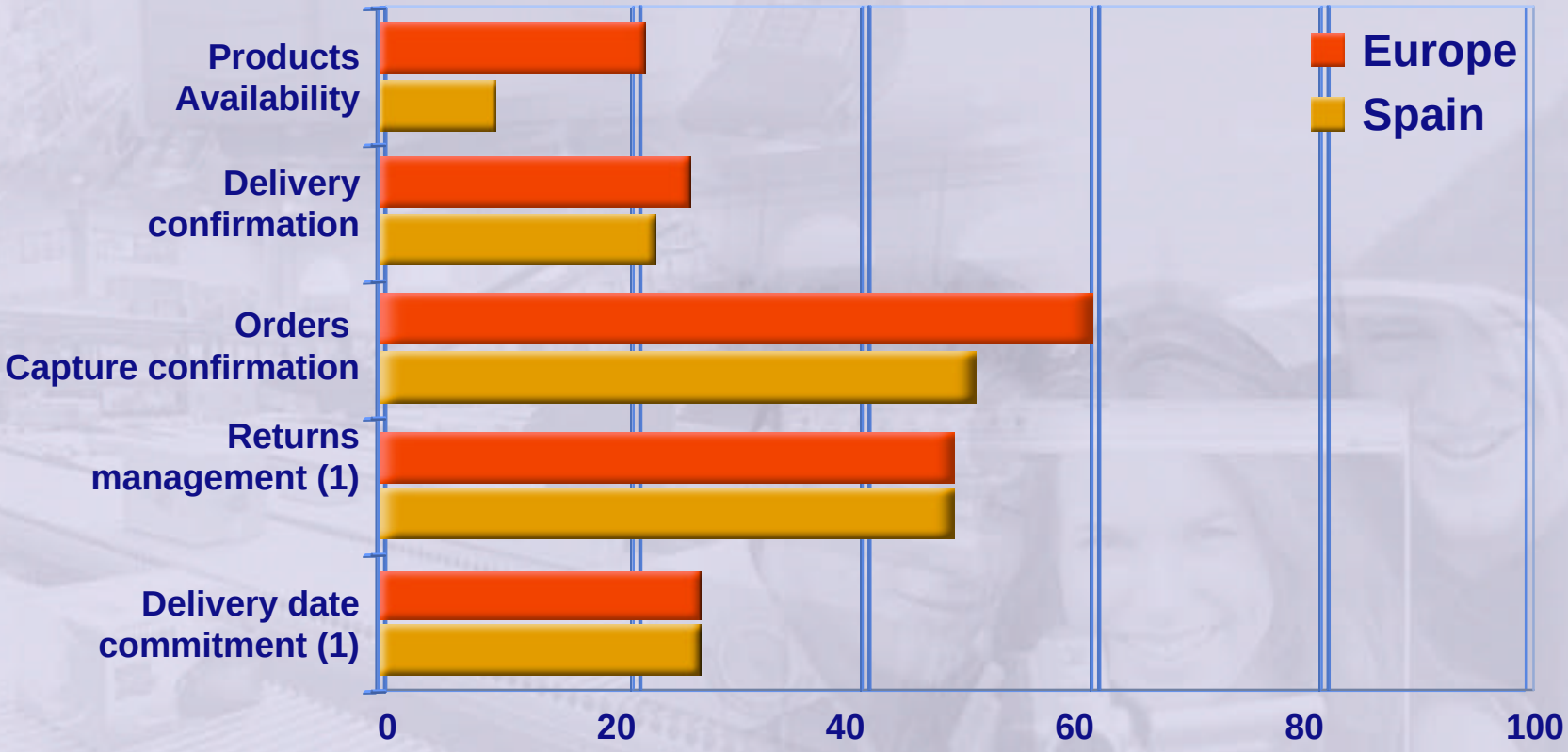
✓

Phase 1
(Completed)

* CRM to be implemented.

Logista's competitive advantages

- **Current web services development stands ahead of the services being offered by e-tailers in Europe (*).**



(*) Andersen Consulting: eFulfillment European Survey.
(1) European data, no breakdown by country.

Logista Dis

“Logista Dis” to leverage on current access to 65.000 outlets in Spain and Portugal

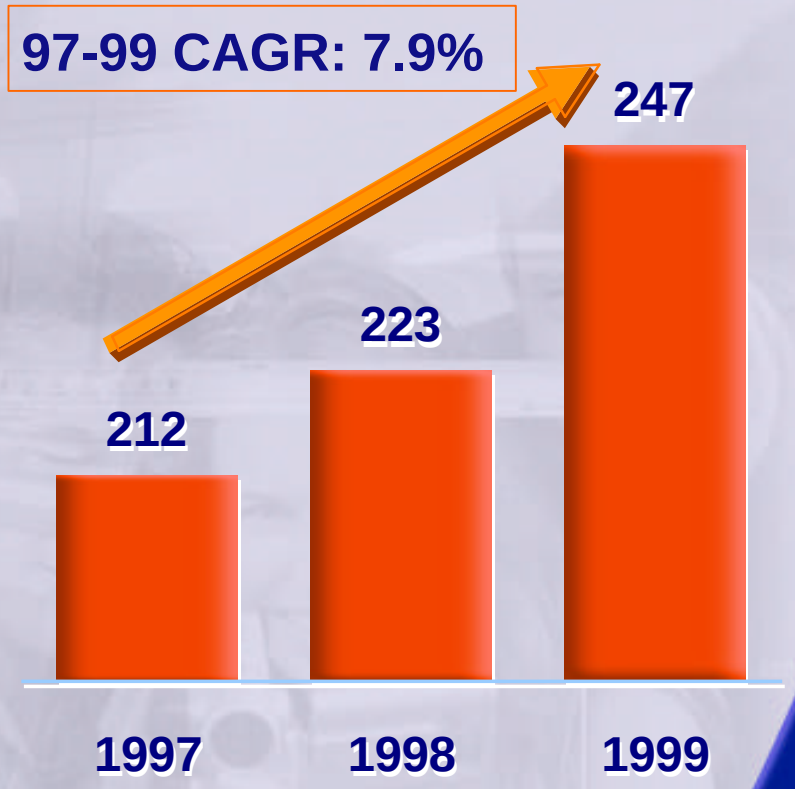
Logista’s Marketplace

- Expanding into wholeselling activities based on:
  - Outlets know how.
  - Logistic synergies.
- Recent acquisition of a tobacconist buying center company to reinforce strategy (sales €5.6 m).
- Marketing and selling activities directed mainly through “Logista’s Marketplace”.

Logista has generated strong revenue growth …

Net sales (€mm)

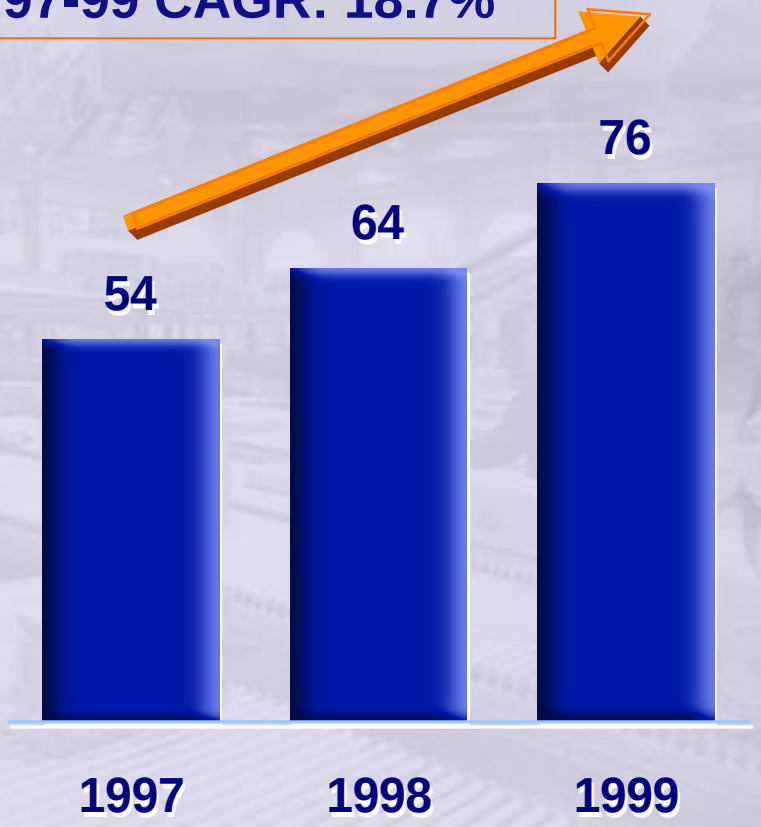
Economic sales (€mm)



… and bottom line results

EBITDA (€mm)

97-99 CAGR: 18.7%



Net income (€mm)

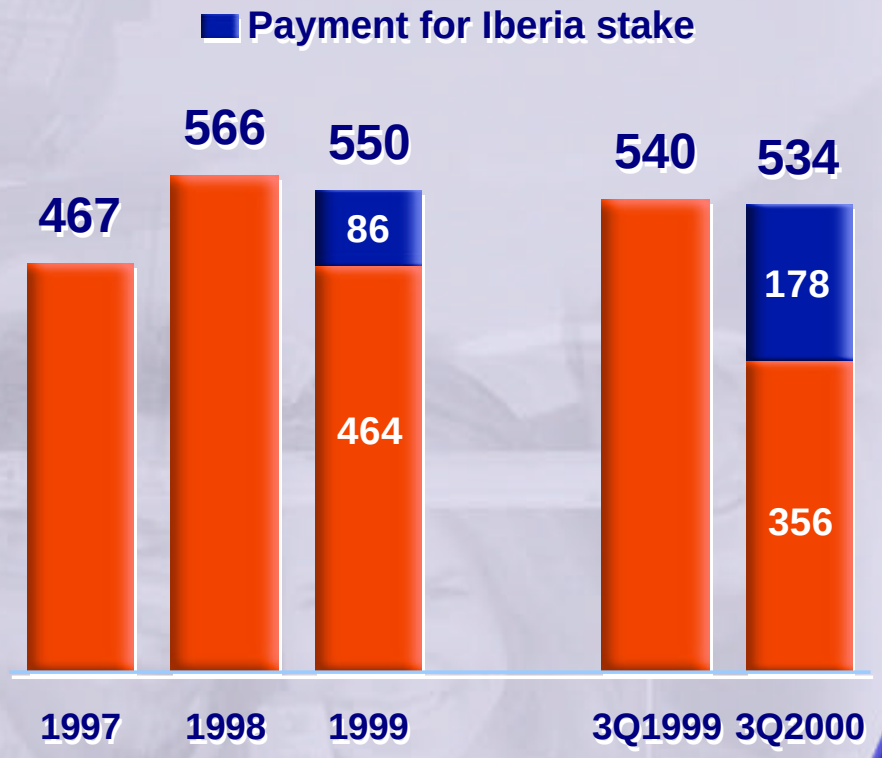
97-99 CAGR: 16.4%

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)



5 year investment programme to support growth strategy

€ mm	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
IT	3.9	4.1	4.3	12.3
Spanish e-commerce	10.2	16.3	7.7	34.2
Total	26.1	53.4	51.1	130.6

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