NORBERT DENTRESSANGLE

2013 ANNUAL REPORT

Portraits

Norbert Dentressangle, leading supply chain management partner ■ LOGISTICS: Our expertise extends beyond Europe ■ TRANSPORT: Our European network is getting stronger ■ FREIGHT FORWARDING: Our new expertise makes the difference ■ 2013 FINANCIAL STATEMENTS: Solid foundations for the future.

Contents

04 THIRTY-FIVE YEARS OF GROWTH

06 2013 OVERVIEW

08 THE GROUP HAS STRENGTHENED ITS COMPETENCIES IN ITS KEY STRATEGIC AREAS
Norbert Dentressangle, Chairman of the Supervisory Board

10 GOVERNANCE: STRONG AND INDEPENDENT

14 NORBERT DENTRESSANGLE, LEADING SUPPLY CHAIN MANAGEMENT PARTNER
Hervé Montjotin, CEO

16 COMMITMENT TO CSR IS AN INTEGRAL PART OF OUR ECONOMIC MODEL

26 OVERVIEW OF TRANSPORT
28 A year of stability for the Transport Division
Luis Angel Gómez, Managing Director of the Transport Division
30 Highlights 2013
35 Proof of our expertise

36 OVERVIEW OF LOGISTICS
38 Solid performance due to effective logistics solutions
Malcolm Wilson, Managing Director of the Logistics Division
40 Highlights 2013
44 Proof of our expertise

46 OVERVIEW OF FREIGHT FORWARDING
48 The Freight Forwarding Division, a credible and attractive international partner
Guillaume Col, Managing Director of the Freight Forwarding Division
50 Highlights 2013
54 Proof of our expertise

56 FINANCIAL STATEMENTS
56 A solid financial situation which reflects Group dynamics
Patrick Bataillard, CFO
60 Financial statements as at 31 December 2013

26


36


46

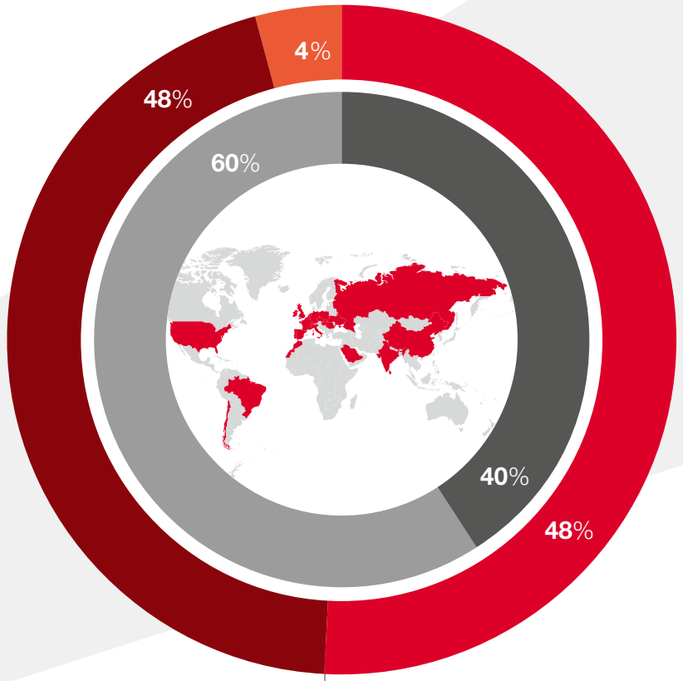
Norbert Dentressangle, 35 years of **change** to its business and geographic areas

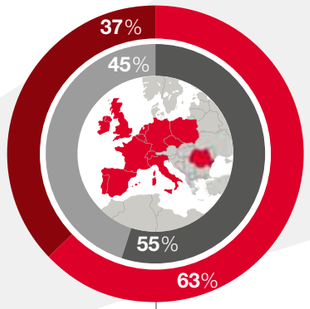
Breakdown of turnover by business line

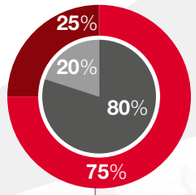
- TRANSPORT
- LOGISTICS
- FREIGHT FORWARDING

Breakdown of turnover by geographic area

- FRANCE
- OUTSIDE FRANCE







TURNOVER
€4,032 MILLION
of which 3% outside Europe

EMPLOYEES
37,700

1979

International transport between the Continental Europe-United Kingdom axis is started.

1994

Norbert Dentressangle is listed on the stock exchange.

1998

A second area of expertise is integrated: Logistics.

2007

Norbert Dentressangle doubles in size through the acquisition of the British company, Christian Salvesen.

2010

Launch of a third area of expertise: Freight Forwarding.

2013

- **Norbert Dentressangle obtains dual listing on Euronext Paris and London stock exchanges.**
- **Acquisition of Daher's Freight Forwarding activities: establishing presence in Russia and reaching critical mass in France.**
- **Acquisition of Fiege's Logistics activities in Italy, Spain and Portugal: strengthening of position in Southern Europe.**

Personal responses to supply chain **challenges**

3
continents

26
countries

520
sites

8,000
vehicles

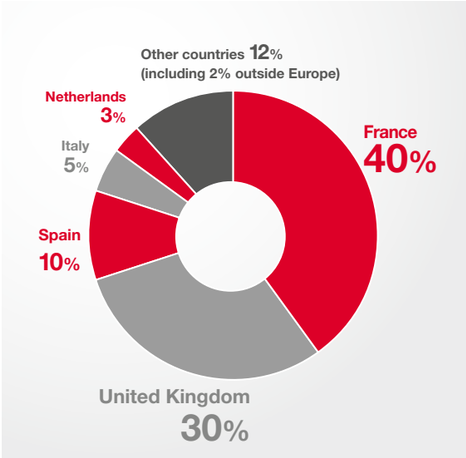
7,800,000 m²
warehousing

Multi-sector expertise
of supply chain management

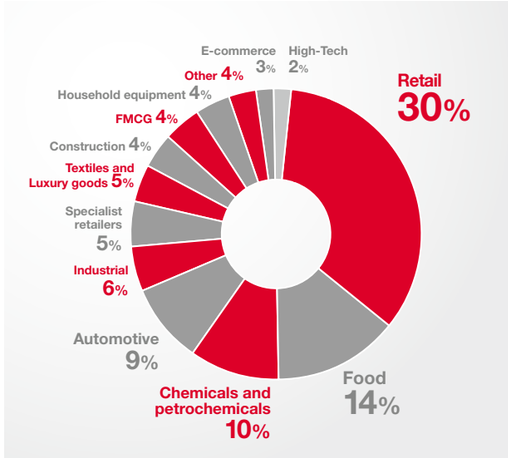
BREAKDOWN OF STAFF WORLDWIDE

- 14,683 United Kingdom
- 12,927 France
- 2,742 Spain
- 1,220 Romania
- 5,604 The rest of Europe (including Russia)
- 659 Rest of the world

BREAKDOWN OF TURNOVER BY COUNTRY



BREAKDOWN OF TURNOVER BY BUSINESS SECTOR



TO FIND OUT MORE: WWW.NORBERT-DENTRESSANGLE.COM

The Group has strengthe ned its competencies in its key **strategic areas**

In order to review the results recorded by Norbert Dentressangle SA for the 2013 financial year, I would like to recall that in spite of the globalisation of our activities, 97% of the Transport, Logistics and Freight Forwarding services were undertaken across the European continent. This is an economic area that has experienced weak growth in 2013, with the notable exception of the United Kingdom.
Whilst it is not the only lever of growth for our activities, economic dynamics do influence them significantly, particularly as far as Transport activities are concerned, which magnifies both upwards and downwards GDP movements.
In this context, Norbert Dentressangle SA has succeeded in capitalising on its Franco-British axis and the balance of its product mix to generate growth and continue to achieve operating results comparable to those of 2012.
In fact, in the United Kingdom, which has the same business and staff volumes as Norbert Dentressangle in France, the Industrial and Retail sectors have particularly increased demand for Transport and Logistics services. Likewise, pallet distribution Transport and Logistics services, closely linked to the end user, have enjoyed extremely high performance levels everywhere, compensating for the decline in profitability in domestic and international full load Transport of industrial products, particularly in France.
Norbert Dentressangle SA has also emerged from 2013 stronger with major improvements in all the strategic areas related to its position as a leading supply chain management partner.

Firstly, the Group has increased its presence in Southern Europe, with the acquisition of the logistics activities of Fiege, and outside Europe, in the immense Russian territory, with the acquisition of Daher's Freight Forwarding activities and the creation of a joint venture with Danone.
The services we offer were further extended particularly to include new expertise in Freight Forwarding and customs management, as well as in e-Commerce. These improvements have made it possible to grow the Company's customer base.

« The strong entrepreneurial culture of the staff, their sense of operational efficiency and results along with their commitment to performance are the cornerstones that will ensure the long-term success of our Group. »

Finally, the Group consolidated its balance sheet by reducing its debt and readied itself with significant investment capabilities by the extremely well-timed renegotiation of its debt at the end of 2013.
The markets also increased the value of Norbert Dentressangle stocks throughout 2013 and I see this - quite apart from correcting the gap in valuation multiple that existed with other operators in our sector - as an acknowledgement of the strategy implemented by the Board of Directors and above all, of the favourable perspectives associated with that strategy in terms of growth and profitability.
Our ambition remains unchanged: to develop a global Transport, Logistics and Freight Forwarding group, and I am convinced that we, along with our clients, will continue to grow, encouraged by increasing emerging markets and world population, as well as digital innovations.
All these factors will also encourage the development of international trade, the main driving force behind our activities.
The strong entrepreneurial culture of the staff at Norbert Dentressangle SA, their sense of operational efficiency and results along and their commitment to performance are the cornerstones that will ensure the long-term success of our Group.

Visiting the Transport site in Madrid, Spain.

Norbert Dentressangle
Chairman of the Supervisory Board

The **Governance** of Norbert Dentressangle: strong and independent

❶ Norbert Dentressangle - ❷ Bruno Rousset - ❸ Henri Lachmann - ❹ Jean-Luc Poumarède
❺ Pierre-Henri Dentressangle - ❻ Jean-Bernard Lafonta - ❼ Evelyne Dentressangle
❽ Vincent Ménez - ❾ François-Marie Valentin - ❿ Clare Chatfield

COMMENTS OF THE CHAIRMAN OF THE SUPERVISORY BOARD ON GOVERNANCE

All measures have been taken to ensure that the Supervisory Board is composed of independent members, well-placed to assure shareholders and the market that its duties are carried out with the necessary independence and objectivity, and thus preventing any risk of conflicts of interest with the company and its directors.
As it is a quoted company, at least 33% of the members of the Supervisory Board must be independent. For the 2013 financial year, 60% of members were independent.
.

MEMBERS OF DENTRESSANGLE INITIATIVES

Evelyne Dentressangle
Vice-chairwoman of the Supervisory Board of Norbert Dentressangle SA

“ An attractive enterprise to entice the best talent ”

"In order to keep its place as a leading Supply Chain provider, Norbert Dentressangle must have an international presence and extend its range of services. This is a challenge that depends on the quality and motivation of its staff, the owners of the entrepreneurial values of the business. Consequently, the business must remain attractive in order to entice the best talent, capable of providing the best service to our clients. It must then help them to progress by providing them with high-quality training and succession plans.
I am particularly vigilant in relation to these issues on the Supervisory Board."

Pierre-Henri Dentressangle
CEO of Hi Inov

“ The shift to new technologies ”

"Norbert Dentressangle has successfully undertaken the shift to new technologies, particularly in relation to e-Commerce, which now represents sales of approximately €200 million. This knowledge highlights its ability to listen and anticipate, and get ahead to offer its clients innovative solutions. The company is already exploring new markets and tools to improve the efficiency of its solutions."

Vincent Ménez
Managing Director
of Dentressangle Initiatives
Member of the Audit Committee

“ The Group is "wired" for growth ”

"The difference between Norbert Dentressangle and many of its competitors is its ability to implement services using its own teams and its own resources.

A commitment to service and results from one end of the supply chain to the other is a definite advantage for internationalisation. Its second major strength: the strength of collective working practices, which are disseminated as acquisitions take place, ensuring that good working practices are shared for the benefit of the company's clients. Finally, I would say the Group is "wired" for growth: stable growth, which forms a part of the company's culture and which constitutes a factor of employee development and fulfilment."

The Governance of Norbert Dentressangle: strong and independent

INDEPENDENT DIRECTORS

Clare Chatfield
Senior Partner at L.E.K. Consulting
and Managing Director of L.E.K. Paris

“ Achieve growth whilst keeping an entrepreneurial spirit ”

"Norbert Dentressangle's strength is that it has achieved growth, outside Europe too, whilst keeping its entrepreneurial spirit. The strength of the brand's identity - recognised and acknowledged by the public - has also been hugely advantageous for its development. Lastly, I would like to underline the Group's commitment, via the Executive Board and the Supervisory Board, to defining a long-term strategy. To hold such a course demands courage on the part of the Management."

Henri Lachmann
Vice-Chairman and Lead Director of the
Board of Directors of Schneider Electric SA

“ A successful combination of strategy and management ”

"The internationalisation of Norbert Dentressangle gathered momentum in 2013, with geographical and business developments matching clients' needs as closely as possible. The launch of a third business line in 2010 opened new opportunities, making the Group less dependent on European market conditions. In order to maintain its position as a leading supply chain player, the Group must push

its development outside Europe, continue its acquisition strategy and most importantly, increase its profitability. No strategy, no business; no management, no more business. Today, Norbert Dentressangle is successful on both levels."

Jean-Bernard Lafonta
CEO of HLD Associés

“ A management team of the highest quality ”

"Norbert Dentressangle can rely on an exemplary management team, exercising real leadership over all the company's personnel. The Group has the means and the infrastructure to develop, whether by acquisition or internal growth. Norbert Dentressangle has always known how to maintain top class management capabilities, bolstered by its financial stability and strategic vision. Its strong corporate culture, shared by its teams worldwide, constitutes a catalyst for growth."

Jean-Luc Poumarède
Managing Director of Fast Booking, Investor and Director
of the personal services company To Do Today
and Wealth Management Consultant
Chairman of the Audit Committee

“ An international Executive Board, reflecting the company's composition ”

"Norbert Dentressangle is a group which is constantly developing, internationally and in new markets, such as Russia or Saudi Arabia, using a joint-venture model which has distinguished itself by its amazing success. Furthermore, we have confidence in the continued development of Freight Forwarding: only three years after it began, Norbert Dentressangle is already a major partner in the market. In my opinion, the Group's success stems from the quality of work of the Executive Board: now it is international, its governance reflects the reality of the business."

SPECIAL COMMITTEES OF THE SUPERVISORY BOARD: THE AUDIT COMMITTEE

In 2008, the Supervisory Board decided to set up an Audit Committee. Two-thirds of the Committee is made up of independent members.
The purpose of the Audit Committee is to keep an objective eye on the Group's risks, how they are managed and how they are conveyed in financial information.
It assists the Supervisory Board in the following areas:
- critical study of the annual financial statements and periodic disclosures,
- supervision to ensure adequate internal control taking into account the perception of the risks and the effectiveness of both internal and external audits,
- monitoring to ensure observance of regulations and legal conformity.

“ A solid financial result ”

"As Member of the Supervisory Board and Chairman of the Audit Committee of Norbert Dentressangle, I am particularly vigilant about financial matters. The results and the financial stability of the Group are a real source of satisfaction. In 2013, the Group resolved to restructure its debt and furnished itself with the financial means to invest in its development. Owing to the excellent work of the Executive Board, the financial results are solid, allowing the company to continue to invest in development."

François-Marie Valentin
Director - Trustee of pension funds CSPS
and TDGPS

“ Developing synergies between the three business lines ”

"In 2013, Norbert Dentressangle experienced real international deployment in Europe, Asia and in South America. However, certain geographical areas can still be developed like the United States or even Germany. In terms of expertise, I believe firmly in finding synergies between business lines and particularly in relation to developing freight forwarding services. Lastly, actually inside the business lines, development drivers do exist, particularly in terms of exploiting new technologies as the Group did to keep on track with the rise of e-Commerce."

Bruno Rousset
Founding CEO of the April Group and
Founding CEO of the capital investment
fund Evolem
Member of the Audit Committee

“ A model of solid development and management ”

"In 2013, in a sector in crisis, Norbert Dentressangle kept its head well above water, proving that it has solid foundations, with good management and in particular good Human Resources management.

Over the last few years, the Group has experienced harmonious development by external growth, demonstrating its real know-how in terms of integrating businesses. Growth, whether in geographical or business terms, depends on clear, specific and constant processes: that's what makes it successful. At all levels, the Group's development fulfils a long-term vision that had been carefully thought through by the Supervisory Board."

Norbert Dentressangle, **leading partner** in supply chain management

Interview with Hervé Montjotin, CEO

What is your analysis of the financial results for 2013, particularly in relation to profitability?

Norbert Dentressangle experienced solid performance in a sluggish European economic environment in 2013.

The Group's annual turnover was €4,032 million, an increase of 3.9% compared to 2012, with strong growth of its Logistics activities (+6.7%), moderate growth of its Freight Forwarding business and a slight reduction for the Transport business.

With 60% of business performed outside France, the Group's internationalisation continues to move forward.

EBITA (earnings before interest, taxes and amortisation) amounted to €141.7 million, comparable to 2012, in other words an operating margin of 3.5% compared to 3.7% in 2012. Good performance in Logistics compensated for the shrink in operating profit in Transport, exposed to a rather difficult state of affairs in French Industry.

What do you have to say about the year 2013 as far as the Group's ambition to continue to be a leading supply chain partner is concerned?

The 2013 financial year confirms that the model and strategy adopted by Norbert Dentressangle are sound. 2013 was a year of change in the sense that we acted on all the devices that allow us to be a supply chain market leader, and in particular, to support our clients in their development.

As far as geographical expansion is concerned, we have extended our area of involvement to promising territories such as Russia. In buying Daher's freight forwarding activities and starting logistics activities with Danone as part of a joint venture, it is now in our top five countries. We also rolled out our Transport services into Morocco and Turkey.

As far as scale is concerned, the 4% growth we posted in 2013 provides us with new scope. The acquisition of Fiege's Logistics and Transport activities raises us to fourth place in the Italian logistics market and allows us to consolidate our position in Transport in Spain and Portugal.

It should be added that in Freight Forwarding, we are reaching a critical mass in France which favours commercial synergies with Transport and Logistics.

As far as our service offering is concerned, the Group has strengthened and consolidated its expertise in its three business lines. We have widened our range of services with new expertise in customs management, particularly in Russia, and we have also confirmed our leading position in e-Commerce, a booming area of the economy. In Transport, the strengthening of our KeyPL® transport organisation solution in 2013 allowed us to win new clients with major product lines in France and to renew two major clients in the United Kingdom.

> « The 2013 financial year confirms that the business model and strategy adopted by Norbert Dentressangle are sound. »

How has the "Norbert Dentressangle Way" made a difference in 2013 in enabling the Group to achieve its ambition?

Our company's culture, flexibility and our ability to innovate are our strengths and what set us apart in the marketplace: together, they form the basis of what we call the "Norbert Dentressangle Way". Every day, this unique way we conduct our business translates into agility, team empowerment and operational simplicity.

The "Norbert Dentressangle Way" is also embodied in company initiatives of which we are very proud such as our joint venture, Log'Ins, for which we won the Big Businesses' Special Prize at the French Corporate Citizens Awards (Trophée National de l'Entreprise Citoyenne) in 2013.

This project illustrates our commitment to social integration and highlights an essential facet of our company - that of giving everyone a chance. In-house promotion is another area of strength in the development of our teams and consequently, of our company.

To this effect, we launched the Red Graduate Programme in 2013 to integrate and develop young graduates who will become the managers of tomorrow. This programme demonstrated how very attractive our company is to young people. With trained and motivated staff, we are well equipped for the future of our business.

The Executive Board from left to right:
Malcolm **Wilson**, Managing Director of the Logistics Division, *pages 38 and 39.* Hervé **Montjotin**, CEO.
Patrick **Bataillard**, CFO, *pages 56 and 57.* Luis Angel **Gómez**, Managing Director of the Transport Division, *pages 28 and 29.*

2014 Outlook

What is the Group's objective for 2014 and how will the business lines contribute towards its success?

Norbert Dentressangle's goal is to double its size in the medium term. In order to become and remain a leading supply chain partner, we are going to work on our three businesses. In Transport, we would like to develop our operations in Central Europe to support the growth of our clients in these countries. In Logistics, we would like to consolidate our European market-leading position and to continue to export our knowledge into new territories, as we did in Russia in 2013. In Freight Forwarding, a business that completes our global supply chain services, we are going to continue developing our sector expertise in new geographical lines, whilst relying on the strengthened capabilities of our teams.

What will be Norbert Dentressangle's success factors?

Norbert Dentressangle is approaching 2014 with better financial resources and strategic foundations as well as a strong brand, favouring development beyond its original territory. These key advantages combined with the commitment and professionalism of its teams and the flexibility of our internationally proven organisational structures, place Norbert Dentressangle in a position to win market share in Europe and beyond.

The Company's commitment to CSR is an integral part of its economic mode

For Norbert Dentressangle, being responsible vis-à-vis the environment, society and staff is an integral part of its economic model. Our Group has a clear objective - to become and remain a leading international supply chain partner - and its corporate social responsibility commitment forms a key part of this goal.

The Corporate Social Responsibility (CSR) initiative undertaken by Norbert Dentressangle is intended to give meaning to its actions vis-à-vis its clients and its teams. Our CSR commitments become really meaningful when they combine economic, environmental, social and corporate interests. With regard to HR policies, health & safety and the environment, these commitments have a central place in our differentiation strategy: they are integral to how we carry out the solutions we provide to our clients and contribute towards making Norbert Dentressangle a responsible brand.

> Our responsible approach, embodied daily by all our staff, gives meaning to our unique way of meeting our clients' needs.

OUR FOUR PILLARS OF SUSTAINABLE DEVELOPMENT

At the heart of our sustainable development policy, we have defined four pillars whose performance we have been following for a number of years. These pillars are directly linked to the characteristics of our business.

ROAD SAFETY

As Europe's leading transport provider, employing more than 10,000 drivers, we make road safety our priority and consequently ensure our staff are properly integrated into the company, trained and motivated. With each driver covering on average 550,000 km without causing an accident, our transport performance is significantly better than the sector average.

REDUCING CO_2 EMISSIONS

In operating Europe's largest fleet, we are at the forefront of the fight to reduce the greenhouse gases produced by our transport activities. Thanks to numerous initiatives focused on our vehicles (and fuel in particular), and on driving and route planning, we can now boast a result of 65.17 g of CO_2 emissions/tonne-km, compared to 65.97* g CO_2 emissions/tonne-km in 2012. Our efforts have saved 54,000 tonnes of CO_2 since 2010.

* the average for the sector in France is 84 g CO_2/tonne-km

ENVIRONMENTAL SITE MANAGEMENT

Operating almost 300 logistics sites across Europe, we are constantly trying to find ways to reduce the environmental impact of our activity, so practice environmental site management. By the end of 2013, 42% of our buildings in Europe had ISO 14001 certification.

SOCIAL INTEGRATION AND PROMOTION

To meet its growth targets Norbert Dentressangle can rely on the commitment of its 37,700 staff worldwide. Our HR policy prioritises training and internal promotion for everyone.
Our objective for the year: to fill 60% of key positions by internal promotion.

ANNUAL REPORTING

In the domain of CSR, we are committed to the long-term as it allows us to measure performance and undertake corrective action if necessary. We have a detailed CSR reporting protocol, which meets the requirements of the French "Grenelle II" Law. With a view to continuous improvement, this protocol is updated annually and distributed to all those involved in its reporting. The performance indicators presented in the "Corporate, Social and Environmental Report" were selected by the Group based on their relevance to the activity of the three business lines.

NORBERT DENTRESSANGLE ADHERES TO THE UNITED NATIONS GLOBAL COMPACT*

Norbert Dentressangle has signed the United Nations Global Compact*. By supporting the 10 principles of this Compact, the Group has publicly committed to supporting human rights, employment rights, the protection of the environment and anti-corruption. As a corporate citizen, Norbert Dentressangle affirms its desire to further these principles by ensuring they are respected across its business and by demanding that its suppliers and partners also respect them. For the sake of transparency and responsibility, Norbert Dentressangle will publish the supporting results of these 10 principles annually.

* The United Nations Global Compact, the world's foremost corporate responsibility initiative, counts thousands of members from over 100 countries.

ENVIRONMENTAL SITE MANAGEMENT

Waste management:

50,000 TONNES OF WASTE PRODUCED IN 2013
84% TREATED
60% RECYCLED

As a major European logistics provider, Norbert Dentressangle operates 281 logistics sites across 16 countries, with 7.8 million m² of ambient storage and 3.9 million m³ temperature controlled. Whilst logistics sites do not consume large amounts of energy or produce large amounts of waste, the Group has nevertheless established a demanding standard of environmental management that is applied to all its logistics operations. The Group has also extended its ISO 14001 environmental certification process to all its European sites. This certification ensures conformity, monitoring and measuring energy and water consumption and monitoring and measuring discharges and waste. In 2013, 42% of sites had ISO 14001 certification, approximately equivalent to 50% of the Logistics business' sales.

For continuous improvement of the environmental management of our logistics sites

TEMPERATURE CONTROLLED LOGISTICS

CO_2, a new generation refrigerant

The use of harmful chlorinated and fluorinated hydrocarbons (HCFC) for refrigeration purposes will be prohibited in the European Union from 2015. Ahead of this legislation, the Group is using carbon dioxide (CO_2) for its new temperature controlled facilities in France, which is a widely available natural liquid that has no impact on the ozone layer and a negligible impact on greenhouse gases.

In the United Kingdom, the Netherlands, Belgium and Romania, temperature controlled sites are equipped instead with ammonia (NH3) which has also little direct impact on the greenhouse effect.

PERFORMANCE ATTITUDE

Seeking out any wastage

In 2013, following the success of the initiative at the Satolas-et-Bonce logistics site (south-east France) to improve its process and limit its impact on the environment, the logistics teams in France and the Netherlands began a continuous improvement (Lean Management) initiative named "Performance Attitude". The objective of this initiative, involving all staff members, is to identify and eliminate all sources of wastage and poor quality. In environmental terms, it makes energy (water, electricity, gas, etc.) savings and reduced waste. "Performance Attitude" falls fully within the continuous improvement framework practised at all our sites.

Belgian teams rewarded with the Lean & Green Award

In 2013, Norbert Dentressangle's logistics team in Belgium won the Lean & Green Award for its plan to reduce 20% of CO_2 emissions produced by its activities over five years. This award rewards the environmental commitment and innovative actions of our teams.

KEY FIGURES

ISO 14001 SITES

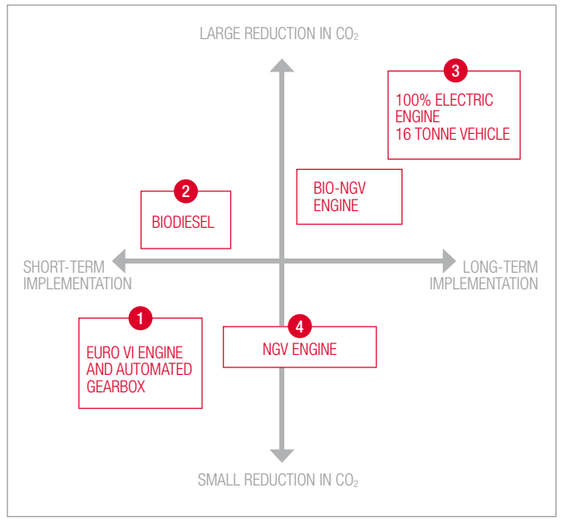
42% of sites have ISO 14001 certification

49% of Logistics turnover

REDUCING CO_2

As the market-leading European transport provider, Norbert Dentressangle is at the forefront of the campaign to find more environmentally friendly trucks and is working to reduce the CO_2 generated by its activities, as well as toxic discharges and emissions.
In operating Europe's cleanest fleet, the Group has invested for many years in new technologies offered by manufacturers and tested alternative fuels and engines so that it can improve transport productivity whilst reducing its environmental impact.
The objective: to develop modern, efficient, reliable and environmentally-friendly transport. By examining all aspects (vehicles, driving, fuel and transport planning), our work has enabled us to improve our performance and significantly reduce CO_2 emissions. Since 2010, we have saved 54,000 tonnes in CO_2 emissions, with a 2013 result of 65.17 g CO_2/tonne-km, 0.5% less than in 2012.

Norbert Dentressangle is leading the campaign to find cleaner transport



The chart above illustrates the various technologies available based on their short or long-term availability and their environmentally friendly performance.

1 EURO VI

Introduction of first Euro VI vehicles

In 2013, before the European standard had even come into force (1st January 2014), Norbert Dentressangle already had 30 Euro VI vehicles. These vehicles enable particulate emissions to be halved and nitrogen oxide emissions reduced by 77%.

2 DUAL-FUEL

A winning combination

On behalf of our client, BOC UK Limited, which specialises in gas transport, the British Transport team is testing the new Dual Fuel technology, combining diesel and liquefied natural gas (LNG). In 2013 ten tractor units were introduced across the United Kingdom. This technology should allow a gas substitution rate of 50 to 70%.

3 DIESEL-ELECTRIC HYBRID ENGINES

Melodys: promising technology

Since June 2013, the Transport Division has been testing Renault Trucks Midlum Electric Vehicles in the Paris region for our client, Thyssen Krupp Materials France. Called Melodys, it is an electric vehicle with a range extender with a diesel tank that takes over when the batteries need recharging. Ideal for urban deliveries, this vehicle can cover 60 kilometres in 100% electric mode with a total range of 400 kilometres. Expected performance: a 30% reduction in CO_2 emissions compared to diesel.

4 NGV ENGINES

Less harmful particles

In 2013, the agency in Plessis Pâté (Paris region) tested the performance of an Iveco tractor running on Natural Gas for Vehicles (NGV) for urban deliveries.
With fuel consumption of 28.81 kg of NGV/100 km, the tested vehicle falls within the average for diesel vehicles with the same range (27 l/100 km). Consumption aside, this vehicle has major advantages: it allows a 70% reduction in nitrogen oxide emissions (NOx), a 96% reduction in particulate emissions, and noise pollution levels are reduced threefold. This is a vehicle that is particularly well-suited to urban deliveries!

CO_2 TARGET CHARTER, TRANSPORT PROVIDERS MAKE A COMMITMENT

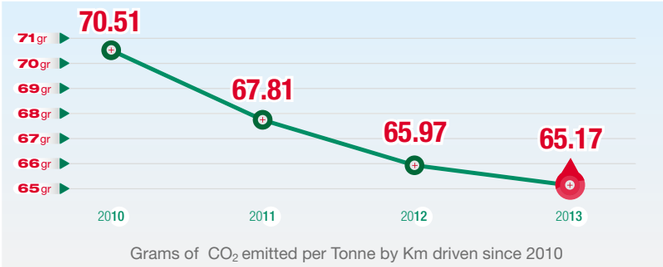
To reduce CO_2 emissions by 6% by 2015

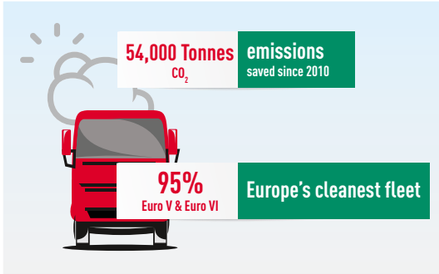
Norbert Dentressangle has signed the "CO_2 target charter, transport providers make a commitment" with ADEME* for the third time. This is a voluntary initiative that our Group has been involved with since its inception. After encouraging results (40% above the target set), our new target is to reduce CO_2 emissions by a further 6% by 2015. This target implies that we have to reduce our fuel consumption by 2 litres for every 100 kilometres.

* French Environment and Energy Management Agency

Since the beginning of 2013, Norbert Dentressangle has integrated 1,739 motor vehicles with EEV certification (Enhanced Environmentally Friendly). These vehicles enable us to reduce particulate emissions by 30% compared to the Euro V standard.

INCREASINGLY LESS EMISSIONS





ROAD SAFETY

At Norbert Dentressangle, road safety is a top priority. Each year, the day-to-day commitment of all our staff and the conduct of our drivers on the road prove it. In 2013, we can be proud of our results: each driver covered on average 550,000 km without causing an accident. This is the result of an ongoing initiative that is unprecedented for our company which created the Safe Driving Plan back in 1991, a road safety programme encouraging drivers to adopt driving behaviours to avoid accidents at all times. Today, we hold all the cards to continue to move forward: recognised in-house experts (40 monitors and 350 driver-trainers), drivers who are regularly trained from the moment they join, and a relatively new and well-maintained fleet of vehicles.

A continuous collective effort to ensure road safety

OUR COMMITMENT THROUGHOUT EUROPE

To prove our commitment, we signed the European Road Safety Charter a number of years ago with the Directorate-General for Energy and Transport of the European Commission. Through our daily efforts, we actively participate towards achieving the charter's target: "to save 25,000 lives".

Striving for less with "Road to Zero"

As part of the company's annual health and safety plan in the United Kingdom, the "Road to Zero" programme is a new strategy that addresses key risk areas and identifies areas for improvement across the company. Building on the key strategic principles of safety leadership, safe processes & systems and safety communications, "Road to Zero" aims to provide the tools and framework to support a zero tolerance approach. For drivers, this means an initial 30% reduction in vehicle accidents over 30 kilometres per hour. As its name implies, the long-term vision for the business is to reduce both vehicle and personal accident rates to zero. With a strong, supportive and consistent leadership at the forefront of this mission, we are sure to achieve this goal. If everyone in the organisation is aware of the dangers inherent in our industry - and how to avoid them - we should be well on the road to zero.

Our drivers demonstrate their skill in safe driving challenges in both France and the United Kingdom.

FRANCE 2013 TOP DRIVER

The best of the best

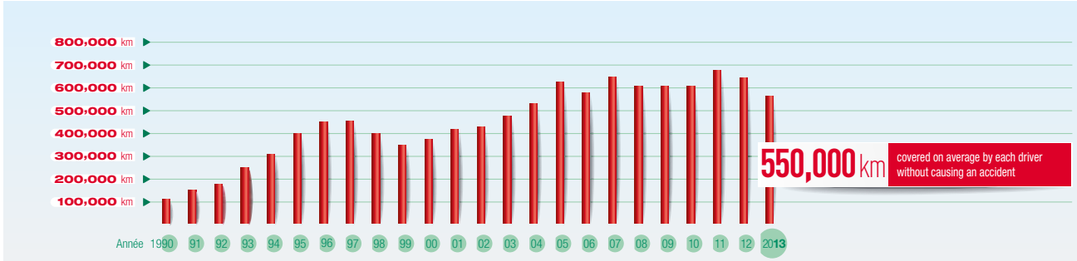
Norbert Dentressangle's drivers are our most visible ambassadors: on the road and at our clients' premises, their behaviour must be exemplary, particularly when it comes to safety. In 2013, to celebrate their excellence and skill, the Transport Division launched the Top Driver challenge in France. This challenge was open to 5,300 French drivers and all staff members got involved. After nine months of theoretical and practical tests and trials, the final organised at the driving centre at Le Creusot produced the 2013 Top Driver, Julien Dodré. Given how successful this was with everyone, the company is launching a new challenge in 2014 across several European countries.

DRIVER OF THE YEAR IN THE UNITED KINGDOM

Exceptional performance

For the second year running, the UK's Driver of the Year award, organised by our Transport teams, recognised the outstanding performance of one driver from across the entire division. As part of the competition, all nominated drivers participated in an assessment of safe driving techniques and the Highway Code before competing in the final challenge - the practical driving test.
Andrew Wyles was named Driver of the Year for the second year running!

SAFETY MAINTAINED AT THE HIGHEST LEVELS



Number of kilometres covered on average by each driver without causing an accident since 1990

SOCIAL INTEGRATION AND PROMOTION

In order to support its growth ambitions, Norbert Dentressangle must be able to count on its teams' commitment. With both internal and external growth in mind, the Group recognises it must attract motivated, enterprising people. At the same time, the Group encourages employees who want to progress to demonstrate their talent, to be innovative and to evolve and thus contribute to the company's growth. In fact, at Norbert Dentressangle, we are convinced that the success of every individual contributes to the development of the company. That is why this belief features at the heart of our HR pledge: "You grow, We grow". With hands-on management, a voluntary training policy and in-house development opportunities: at every key-stage of the career pathway, our organisation rewards the initiative of its staff, to promote shared growth.

Succeeding together

RED GRADUATE PROGRAMME

Integrating and training the managers of tomorrow

To support its development, Norbert Dentressangle must strengthen its teams and prepare them for future business challenges. This means we must attract young, talented people and keep them. With this in mind, Norbert Dentressangle launched the Red Graduate Programme.
In 2013, 12 young graduates were recruited on permanent contracts in France, Belgium and the Netherlands to be trained and become the managers of tomorrow. Over a period of two years, these Red Graduates will carry out four consecutive six-month assignments in the Group's three businesses, with support services, including one international placement. Supported by a manager and a mentor for the duration of the course, they will take up management positions at the end of the programme.

LOG'INS

The corporate citizens' prize

In November 2013, Norbert Dentressangle received the Big Business' Special Prize at the National Corporate Citizens' Awards for its socially-oriented joint venture, Log'Ins. This award rewards the exemplary work initiated and rolled out by the companies in the public interest, linking civic values to their business mission. This prize echoes Norbert Dentressangle's values and engagement as a corporate citizen.

A springboard for employment
Log'Ins, a joint venture formed by Norbert Dentressangle and ARES (French Association for the Inclusion of People in Difficulty), was formed in 2011. Its mission is to train disadvantaged people (disability, lack of qualifications) for jobs in the logistics sector. Objective: to help them obtain employment in the workplace by providing customised social and professional support.

A new site in which to develop
In summer 2013, Log'Ins moved to the logistics site at Coudray-Montceau (Paris region). Having set up premises inside one of the largest and most modern of Norbert Dentressangle's warehouses, Log'Ins is now fully equipped to continue its growth. It is on target to recruit 80 employees via this process by 2015.

THE **RED MANAGEMENT PROGRAMME** IS BEING ROLLED OUT

Designed by Norbert Dentressangle to prepare for the challenges of tomorrow and to anticipate its needs in terms of competencies, the Red Management Programme trains site directors, operations managers and commercial managers. On the back of its success, this programme has been extended to include support functions and new geographical areas such as Russia.

2,000 managers have participated in the Red Management Programme

in accordance with the Group's targets

KEY FIGURE

Target: 60% of key positions filled by internal promotion

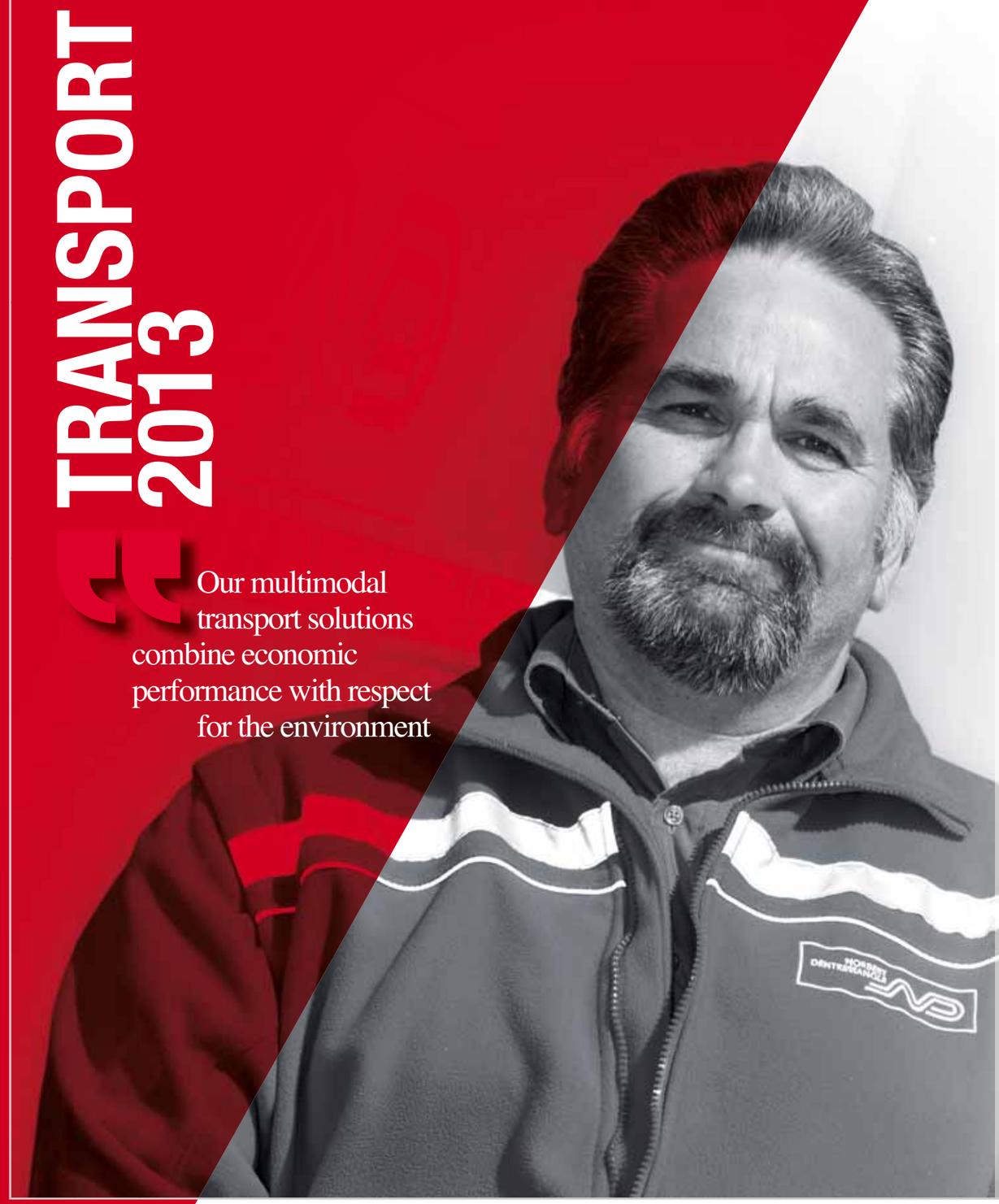
(key indicator measured each year as part of our sustainable development policy)

UNITED KINGDOM

Rebecca Smith - Young Woman of the Year

Rebecca Smith joined Norbert Dentressangle in the United Kingdom under the Fast Track Talents Programme, a training programme for young graduates created by the company. During her last placement, Rebecca worked in Tanzania assisting with the delivery of Trainsaid's Professional Driver Training Project. Transaid is a development charity which focuses on improving driver training and road safety in sub-Saharan Africa. In 2013, during this placement, she was named "Young Woman of the Year" by the organisation, "Women in Logistics". This organisation is a non-profit, support and networking group which helps and guides women's careers in the sector.

TRANSPORT 2013



"Our multimodal transport solutions combine economic performance with respect for the environment"

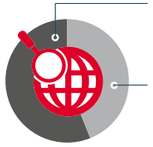
THE CHALLENGES AND CHARACTERISTICS OF THE TRANSPORT MARKET

- An extremely fragmented market
- Significant potential for growth in Europe
- Network coverage: a challenge with regard to competitiveness and business development
- Environmental pressures

NORBERT DENTRESSANGLE'S POSITION

- Developing a range of added-value services
- Maintaining the pace of growth in Europe
- Expanding the network outside France
- Committing to reducing its carbon footprint and improving road safety through innovation and continuous improvement

€1,947 million
turnover



13,400
employees

13
countries

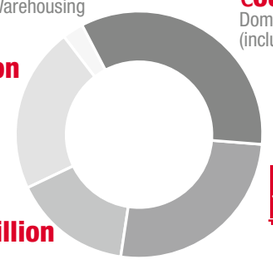
182
sites

1st FLEET IN EUROPE

10,150 Trailers

8,000 Motor vehicles

A COMPLETE RANGE OF SERVICES



€53 million
Warehousing

€685 million
Domestic and International FTL (including cross-Channel)

€434 million
KeyPL®
and Transport organisation

€527 million
Domestic and European Pallet Distribution (RED EUROPE)

€313 million
RED INSIDE
Contract distribution

BREAKDOWN OF EMPLOYEES IN EUROPE

7,842	**France**
2,740	**United Kingdom**
984	**Spain**
767	Poland
690	Romania
155	Portugal
82	Germany
70	Luxembourg
25	Italy
14	Slovakia
5	Morocco
5	Ireland

A year of stability for the Transport Division

Interview with Luis Angel Gómez, Managing Director of the Transport Division

How did the Transport Division perform in 2013?
Our Division's performance in 2013 was stable compared to the previous year, with turnover of almost €2 billion, a dip of 1.2% on 2012, or -0.6% on a like for like basis. This stability was achieved mainly thanks to the positive trend in our pallet distribution business in Iberia and France and full truck load activity in Central Europe and Iberia, which offset the drop in market activity and customer volumes in full truck load business in France. Revenues from our contract distribution services, Red Inside were up close to 5%.
Our operating profits stood at €53 million, down 12% on 2013, although our operating margin was down only 0.3% at 2.7%, reflecting the contrasted situations on our main markets.

What are the key developments for the Transport Division in 2013?
Our positive performance in pallet distribution went further with our acquisition of the Fiege Group's transport activities in Spain and Portugal, allowing us to strengthen our leadering position on the Iberian Peninsula, with new customers in sectors including chemicals and pharmaceuticals. The integration of Spanish company Tilar further supported that position.

The Division undertook a series of organisational changes in 2013, improving the synergies between its teams and creating a flat structure for enhanced agility. We merged our pallet distribution and groupage activities, streamlined our full truck load activities in France and strengthened a new Transport Business Unit in the United Kingdom, combining the country's pallet distribution, full truck load and groupage activities.
We also reinforced our transport organisation offer KeyPL®, a solution which analyses customer flows, defines transport plans and so optimizes organisation and budget. Several leading customers chose this offer or renewed their contract with us in 2013, particularly in France and the United Kingdom.

> "Innovative teams with the expertise to provide optimum performance for our customers."

Which strengths of the Transport business have made a difference in the market?
We are aiming to accelerate our growth in 2014, in high potential markets such as Russia, Turkey and Morocco. We intend to maintain the strong development trend in countries where we have positive signs of organic growth as Iberia, the United Kingdom, Poland, Romania and Italy.
We also expect profitability to be back to the last year's level, in full truck load in France through both sales development and operating efficiency. As far as the full truck load business is concerned, our objective is to create a real European network between our different countries, able to provide to our customers sustainable and competitive transport services.
And, of course, our teams will continue to make the difference in our transport services. Norbert Dentressangle supports them through extensive training programmes and the results are clear in our road safety performance: the average distance without at-fault accident for our drivers was 550,000 km in 2013. We also improved our performance on CO_2 emissions and are continuing to enhance our vehicles to ensure we meet our target of a 5% reduction by 2015.

And in the future?

What challenges lie ahead in 2014 and beyond?
We are proud to have a flat structure, and we intend to maintain this, as it means more agility and customer proximity. We will also continue to encourage internal promotion, with around 60% of key positions filled internally. Our main challenge is to reduce our exposure to risk in France and Western Europe and diversify by focusing on strong development in more dynamic markets such as Poland, Turkey, Morocco and Russia.

What is your vision for the future?
My vision is for our Division to become the benchmark in the European transport market, either in own fleet management and in transport organisation solutions. When potential customers think about transport, Norbert Dentressangle has to be at the front of their mind as is currently the case in France. I believe the strength of our brand will support us in this as the Group's ambitions go far beyond the Transport Division alone.

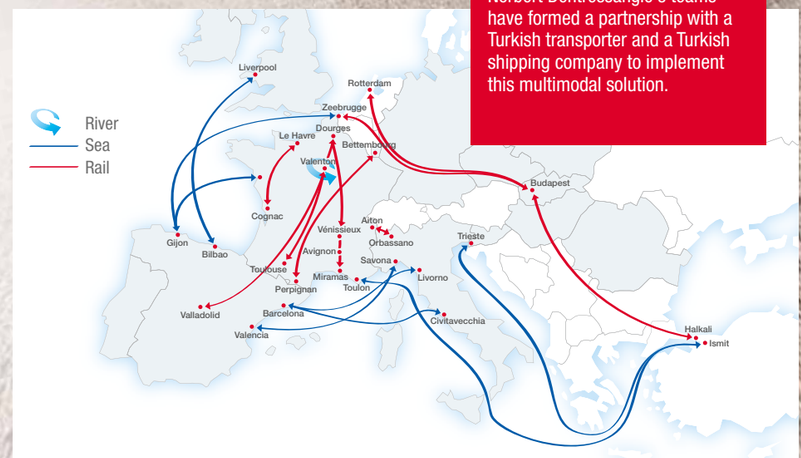
MULTIMODAL

OUR ALTERNATIVES TO ROAD TRANSPORT

BY OFFERING MULTIMODAL SOLUTIONS, COMBINING ROAD AND RAIL, RIVER AND SHORT SEA TRANSPORT, NORBERT DENTRESSANGLE ENABLES COMPANIES TO MEET TWO REQUIREMENTS AT ONCE: TO REDUCE CO_2 EMISSIONS, AND TO OPTIMISE THEIR FLOWS BY ADOPTING THE MOST EFFECTIVE AND ECONOMICAL TRANSPORT SOLUTION.

"A la carte" multimodal transport in Europe

In anticipation of its clients' requirements, Norbert Dentressangle has designed a map of multimodal transport in Europe. This analysis and identification of existing flows - covering road, rail, sea and river transport - demonstrates the ability of the Transport Engineering team to design the most effective solutions in economic and environmental terms. Using this map and based on their clients' flows, Norbert Dentressangle's experts are able to recommend the best possible transport plan, with the guarantee of a modal shift if it is possible and competitive.



Road/short sea transport for the automotive industry

Norbert Dentressangle performs FTL transport of parts for a large automotive manufacturer between its factories in France, Spain and Turkey. To manage these complex flows, multi-disciplinary teams at Norbert Dentressangle (with members from sales and marketing, engineering and operations) have developed a mixed road/short sea solution between Turkey, France and Spain via Pendik (Turkey), Toulon (France) or Trieste (Italy).

Norbert Dentressangle's teams have formed a partnership with a Turkish transporter and a Turkish shipping company to implement this multimodal solution.

PALLET DISTRIBUTION

INFORMATION MANAGEMENT, LEVERAGING COMPETITIVE ADVANTAGE

Domestic and European pallet distribution requires processing large amount of information whilst ensuring products are fully traceable. To meet this challenge, Norbert Dentressangle is investing in improving the electronic data interchange (EDI) with its clients, as well as the method of labelling and identifying merchandise. To ensure optimal transport management, almost 2,800 of our drivers in Europe are equipped with mobile terminals allowing them to confirm their load and to track and trace deliveries at all times.

Our pallet distribution service is being deployed across the Iberian Peninsula

The acquisition of Fiege's transport businesses in Spain and Portugal allows Norbert Dentressangle to further strengthen its pallet distribution service and its position amongst the market leaders. With almost 1,000 employees, 1,800 vehicles and 36 cross-docking centres, the integrated pallet distribution network covers the whole of the Iberian Peninsula, meeting the needs of manufacturers of consumer goods, chemicals, vehicles, pharmaceuticals and textiles.

SPAIN:

Two new centres

In 2013, to further support the growth of the pallet distribution service in Spain, Norbert Dentressangle invested in the construction of two centres in Vigo (Galicia) and Logroño (La Rioja), two important economic regions in Spain. These sites also strengthen and modernise the network.

Award-winning solution for **Candido Hermida**

In 2013, Norbert Dentressangle won a contract with Cándido Hermida, Spanish provider of wood furnishings to the United Kingdom's largest yacht manufacturer, transporting products from Naron, Spain to Poole, Dorset. Because delays in delivery can compromise the yacht production process, Cándido Hermida require a reliable transport service to the United Kingdom. Red Europe, our European pallet distribution network solution, provides "just in time" dedicated van deliveries to meet production deadlines and ensure customer orders are completed on schedule. And, when required, Cándido Hermida also benefit from Red Europe Express, a new service that moves pallets and part loads across Europe. This solution contributed to Norbert Dentressangle winning the Road Freight category in the 2013 Global Freight Awards, a distinction which recognises excellence in the worldwide freight and logistics industry.

Our British teams take off with **Agusta Westland**

In the United Kingdom, our Transport teams renewed a major contract with the Anglo-Italian helicopter manufacturer, AgustaWestland, one of the leading global suppliers for both military and civilian markets. There are two teams managing these operations: one is based on the client's Yeovil site (Somerset) and the other is situated at the Royal Navy's airbase at Helston (Cornwall). Their mission: to manage daily parts deliveries, at a rate of 19,000 shipments per year. Their agenda: same-day and deliveries in under 24 hours, carried out by the Specialist Services team: a service that more than meets the exacting requirements of the aviation industry.

KeyPL®

MANAGING AND OPTIMISING FLOWS

FOR COMPANIES THAT ARE KEEN TO RATIONALISE HOW THEIR MULTI-FLOW TRANSPORTATION IS ORGANISED, REDUCE THEIR COSTS AND CONTROL THE QUALITY OF THEIR SERVICE, NORBERT DENTRESSANGLE HAS DEVELOPED THE KeyPL® SERVICE. THIS ADDED-VALUE SOLUTION TO MANAGE AND OPTIMISE ALL OF A COMPANY'S FLOWS SUPPORTED BY A TAILOR-MADE INFORMATION SYSTEM, ALSO ENSURES TRANSPORT IS IMPLEMENTED AND TRACEABLE AND MANAGES ITS PERFORMANCE.

Developed by Norbert Dentressangle, the KeyPL® service provides a solution to the challenges faced by companies, from solution design to performance monitoring. The Norbert Dentressangle teams analyse companies' flows in advance and draw up optimised transport plans at domestic or European level. They constantly seek to rationalise transport organisation and budgets for the duration of the project, by combining multiple partners and possibly different transport modes. Whatever volumes need to be handled, our teams consolidate and supervise the fulfilment of transport orders, managing a pool of sub-contractors whose performance they measure. All these operations are monitored by the KeyPL® TMS, allowing the teams and their clients to share planning, assignment, implementation, traceability, administrative management and reporting information.

Intersnack in France

Intersnack France, market leader in the savoury snacks market, entrusted its transport operations to Norbert Dentressangle via its KeyPL® transport organisation service. The Norbert Dentressangle team manages transport flows for the manufacturer from its two production sites to 250 points of sale. This bespoke system guarantees the flexibility required to handle huge seasonal demands.

Innovation, securement and performance measurement in the **soft drinks** sector

The second largest drinks retailer in France asked Norbert Dentressangle to manage its transport operations in the south-eastern quarter of France. Using KeyPL®, its transport organisation solution, our team manages the transport between two of the client's production sites, its two warehousing centres and its two co-packing sites to major retailers across the country. In total, this represents 24,000 transport orders per year. For the client, Norbert Dentressangle's solution was unique on many levels: innovation, securement and performance measurement, the structure of the transport plan and above all, the know-how of the team.

A WINNING COMBINATION

TRANSPORT ORGANISATION AND RED INSIDE

Petitjean, a firm specialising in urban lighting, has asked Norbert Dentressangle's transport team in France for a transport organisation solution as well as a Red Inside contract distribution solution. Specifically, ten dedicated vehicles deliver metal masts in France and throughout Europe from the client's site.

IDEAS & DISCUSSION

Article by
Hervé Montjotin

IN LES ECHOS 11/12/2013

WHY WE NEED TO SUPPORT FRENCH HAULAGE

Twenty years ago, France had plenty of large independent haulage firms, forming a diverse network and serving a strong French industrial economy. Half of France's exports passed through their hands.
Where are they now, in today's pan-European transport market? How many have real European clout? How many have been absorbed by European competitors? And how many more have retreated into the bosom of the shareholder state? Today, only 15% of France's foreign trade is carried by French hauliers.

> "The French flag has vanished from the international transport market."

So what happened? French hauliers have transformed their services, embracing new information technology, respect for the environment and the highest possible safety standards, yet they have seen their competitiveness decline and their profits wear away, because of a reduction in real productive hours that results from the country's own regulatory regime.

We are faced with a paradoxical situation: France, located at the heart of Europe, ought to be a crucible of strong transport businesses, and yet the French flag has vanished from the international transport market. A French driver today earns less than his German counterpart, but costs more for each kilometre he drives - a double whammy.
Let us look back to 2005, when the markets were first opened, specifically to Eastern Europe. At Norbert Dentressangle, we had a simple choice: either lose 20% of our business by refusing to provide transport on an international basis to our customers, or adjust to the new reality and continue to expand in France and abroad, while remaining in strict compliance with the tough regulations that govern our operations.
We chose to look to the future, and to remain a major European partner in international transport by setting up our own subsidiaries in every country.

> "Regulations have failed to adapt to the European 28-member market."

This Europeanization of our group has enabled us to strengthen our position in France and create French jobs. Where French transport groups operate in Romania and Poland, they do so via these subsidiaries. These subsidiaries are real operational businesses: they employ Romanian and Polish truck drivers who drive vehicles registered in their home countries and they adhere rigorously to the group's policies, especially as regards road safety, thereby helping to materially raise industry standards. Responsiveness, coupled with the highest levels of reliability and flexibility, is essential for industrial firms to manage their products, their services and their prospects, but it is also a source of their competitive advantage.
This is where we come in, as a supplier of complete and complex solutions for our customers.
Today, France needs to accept all the consequences of the Europe of 28: our markets are open, flows of goods and people have grown at a rapid rate, yet in some sectors regulations have failed to adapt. We as transport providers are being hit by another double blow: the lack of harmonization in the regulation of non-driving hours for cross-border operations, and the lack of a European transport worker status which would enable common and specific conditions to be set for this unique occupation. If France wants to encourage a strong industrial base, then it must support the transport industry and firmly demand that coherent, harmonized policies and regulations are adopted at the European level.

Proof of our expertise

Transport in total safety from start to finish for **BASF**

BASF, world leader in the chemicals industry, entrusts the transportation of its hazardous materials throughout the Iberian Peninsula to Norbert Dentressangle. First, the Spanish team implements international FTL transport of raw materials from Germany and Belgium to BASF factories in Spain. Then, it carries out the distribution of the palletised products across the whole Iberian Peninsula. Fully trained in ADR* standards, Norbert Dentressangle's drivers are experts in the handling and transportation of hazardous materials.

** International agreement concerning the transport of dangerous goods by road.*

Filling up with **Tesco**

To distribute its fuel across the United Kingdom, Tesco Plc, one of the leading supermarket retailers in Great Britain, draws on the experience of Norbert Dentressangle. The British team assigns 340 drivers and 122 tanker trucks 24 hours/day, 7 days a week, to replenish its 500 petrol stations and Tesco depots, adjusted depending on fluctuations in demand. Norbert Dentressangle transports no less than six billion litres of fuel in this way every year.

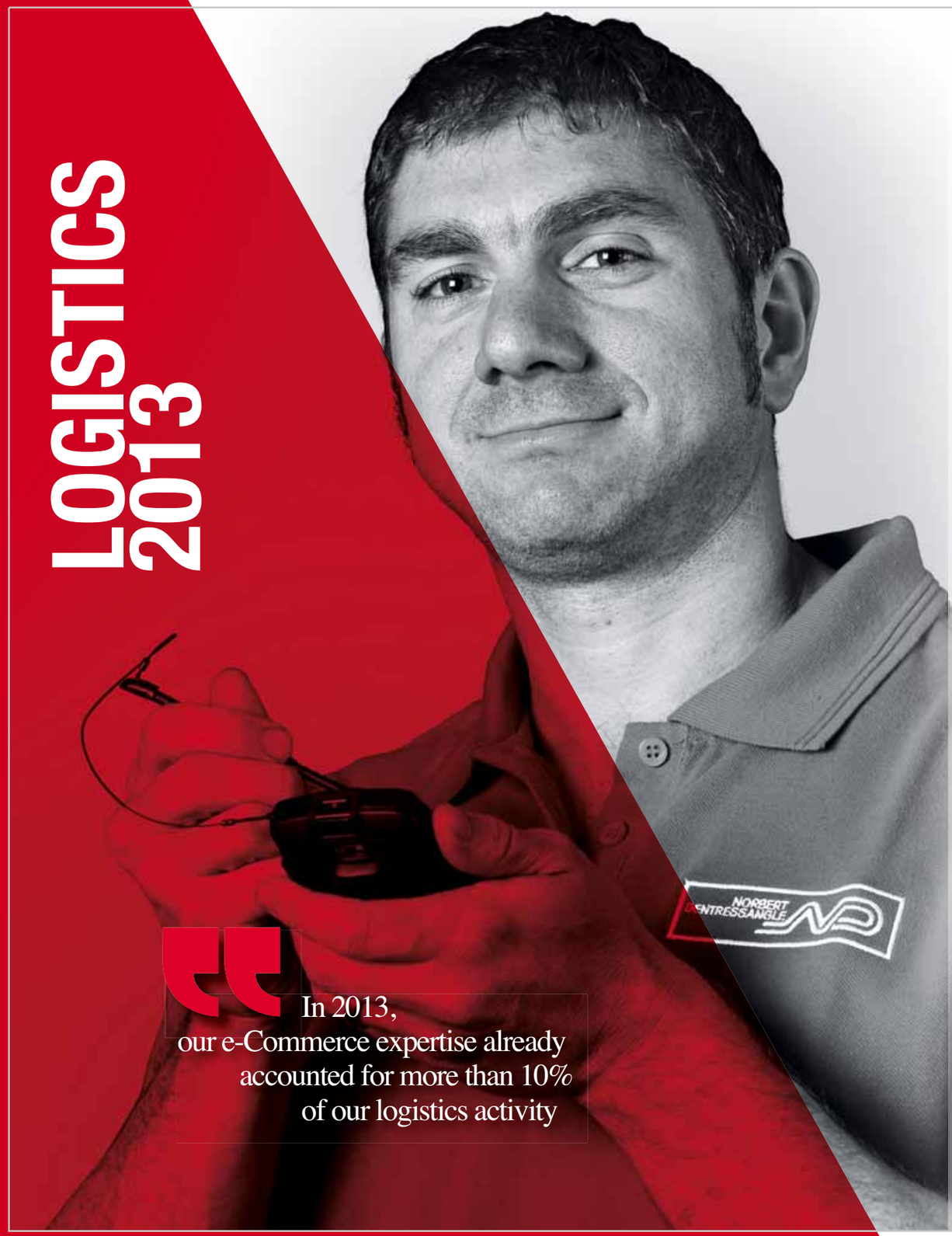
Meeting **Interfloor's** challenge with Red Inside

When leading European flooring manufacturer, Interfloor, was finding it hard to load their products due to their size and weight, it began looking for an experienced partner to which it could outsource its UK transport operation.

Interfloor chose Norbert Dentressangle's contract distribution solution, Red Inside, to manage its transport effectively and to improve its customers' satisfaction, and gained a flexible, reliable and fast transport service in the process.

RED INSIDE

LOGISTICS 2013



> In 2013, our e-Commerce expertise already accounted for more than 10% of our logistics activity

THE CHALLENGES AND CHARACTERISTICS OF THE LOGISTICS MARKET

- Few partners operating on a European scale
- Business is 100% contract-based
- Major retailers and FMCG manufacturers are the main growth sectors to target
- Profitability and international expansion make the difference

NORBERT DENTRESSANGLE'S POSITION

- Increasing international activity
- Exporting logistics business outside Europe
- Supporting clients in their global development
- Strengthening expertise in retail and FMCG sectors
- Maintaining operational excellence

€1,943 million
turnover

Sales outside France
75%

Temperature Controlled Logistics
€492 million

TURNOVER BY SECTOR

- Retail: **€765 million**
- FMCG: **€577 million**
- Household equipment: **€230 million**
- Industrial: **€191 million**
- e-Commerce: **€187 million**

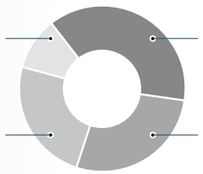
WAREHOUSING

7,800,000 m²
ambient

3,900,000 m³
temperature controlled

42% sites have **ISO 14001**
64% sites have **ISO 9001**
7% sites have **ISO 22000**
16% sites have **ISO 18001**
17% sites have **HACCP**

A COMPLETE RANGE OF AMBIENT AND TEMPERATURE-CONTROLLED SERVICES



Added-value services
€198 million

Order preparation
€740 million

Distribution
€471 million

Warehousing and stock management
€541 million

23,600
employees

16
countries

281
sites

BREAKDOWN OF EMPLOYEES

11,895	**United Kingdom**
4,721	**France**
1,924	**Spain**
825	Belgium
736	Netherlands
657	Russia
613	Italy
529	Romania
419	Poland
354	Saudi Arabia
341	Switzerland
215	Ukraine
160	Czech Republic
82	Germany
80	Ireland
26	Portugal

Strong **performance** through smart logistics

Interview with Malcolm Wilson, Managing Director of the Logistics Division

Our acquisition of the Fiege Group's logistics activities in Italy, Spain and Portugal is a major step forward for our Division, strengthening our position in Southern Europe. We are now number four in logistics in Italy and have acquired further expertise in sectors such as pharmaceuticals. Integration has gone smoothly and we are well on target for positive financial returns. Our geographical expansion extended further thanks to our joint venture with Danone in Russia. This model has already proved itself in Saudi Arabia, Romania and Spain and the promising operational performance we are already seeing in Russia confirms that.

> "Increased profitability through innovative and agile customer solutions delivered by proactive teams."

How did the Logistics Division perform in 2013?
The Logistics Division performed very strongly in 2013, posting turnover of more than €1.9 billion, up 9.4% on the previous year, or 6.7% on a like for like basis. We generated operating profits of €87.4 million, up 12% on 2012, and an operating margin of 4.3% of turnover. These figures reflect an especially strong year of organic growth, with solid performances in our two major countries, France and the United Kingdom, as well as in the Netherlands, Italy and Spain. Business retention has been excellent and we have also extended our geographical reach in Europe and beyond through external growth.

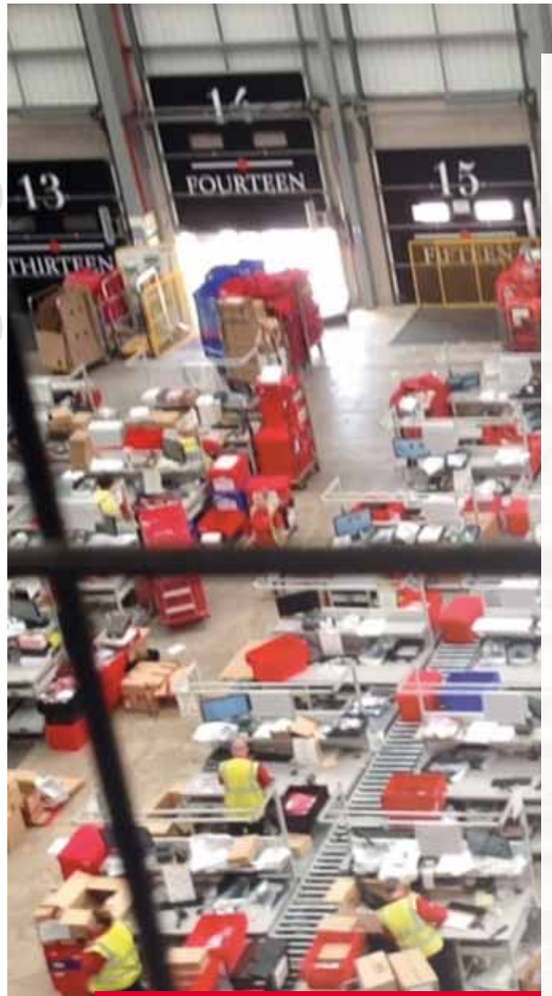
What are the key developments for the Logistics Division in 2013?
We performed especially well in e-Commerce, extending our partnership with a leading Spanish retailer and winning a major contract with ASOS, the UK's number one clothing e-tailer. This success clearly confirms our company as a world-class logistics partner in the buoyant e-Commerce sector, totalling some €200 million in revenues for the Group in 2013.

Which strengths of the Logistics business have made a difference in the market?
Our top priority is to continue to grow faster than the market, as we have done over the last two years, and to increase profitability through innovation and increasingly efficient service solutions. We have expertise in most market sectors, especially retail, food and temperature controlled and our capacity to innovate and optimise our customers' operational costs continues to differentiate us from other logistics partners. Thanks to the expertise, and entrepreneurial spirit of our teams, we constantly bring our customers new ideas that not only optimise their costs, but also make improvements to their operations. The warehouse environment is moving ever faster and we are always challenging our current practices to identify better solutions. We have also achieved greater synergies than ever before and continue to bring our customers the benefits of cross-selling between our teams in different countries. The next step is to accelerate the synergies between our different Divisions. We made good progress on this in 2013, establishing working groups and appointing "champions" (experts representing each sector) to drive the synergies forward to benefit both ourselves and our customers.

And in the future?

What challenges lie ahead in 2014 and beyond?
We need to continue with our strong organic growth and keep looking for acquisitions that complement either our service offer or geographical reach. The real challenge lies in maintaining our high quality services and good commercial offer, so that our customers continue to work with us in the long-term.

What is your vision for the future?
Logistics has become an increasingly important and complementary part of Norbert Dentressangle's offer to its customers, thanks to the resilient way in which we've grown, even without acquisitions. That will continue in 2014 as we look for further synergies to accelerate that ability while remaining agile and flexible in our offer to our customers as the business changes. Our key mission is to keep that agility in our DNA as the company grows. That's also a great opportunity, as by doing so we ensure we can keep growing faster than the market.



E-COMMERCE

THE SUPPLY CHAIN SERVING E-CONSUMERS

THE RAPID GROWTH OF E-COMMERCE HAS BROUGHT WITH IT NEW BUYING HABITS, NECESSITATING THE CREATION OF NEW SERVICES AND A FASTER SUPPLY CHAIN. NORBERT DENTRESSANGLE USES ITS CAPACITY FOR INNOVATION AND ITS LOGISTICS KNOW-HOW TO MEET ITS CLIENTS' CHALLENGES.

A booming market across the world, e-Commerce is worth an estimated €810 billion, with yearly growth forecasts of between 12 to 15%.

Operating in constantly evolving markets such as FMCG, fashion and accessories, electronics and telephones, the major operators in this sector - pure e-Commerce partners or those developing multi-channel retailing strategies - face major logistics challenges to ensure their clients receive their deliveries quickly and securely, in good order, and include return options.

Norbert Dentressangle has set up a flexible and responsive organisational structure to develop the most effective solutions for its clients and ensure that the supply chain contributes fully to ensuring customer satisfaction in relation to the experience.

NORBERT DENTRESSANGLE AND E-COMMERCE IN NUMBERS:

- **10** years of experience
- **€21** million returns handled
- **47** major clients
- **€180** million in sales
- **160** million items handled each year

An important contract with **ASOS**, the online fashion retailing giant, in the United Kingdom

In 2013, our logistics team won an important contract with ASOS, No 1 online fashion retailer in the United Kingdom: it is responsible for managing the firms international logistics centre located in Barnsley, and has integrated more than 1,350 employees. With more than 60,000 product lines, 6.5 million consumers registered on its online shopping site and parcels bound for more than 240 countries, preparation, packaging and transport operations are particularly demanding where ASOS is concerned.

From the start, Norbert Dentressangle has proven its ability to integrate teams and take responsibility for managing operations to a high level of quality and innovation.

Its e-Fulfilment experience sets it apart to support ASOS in its international growth.

David Cameron visits our Barnsley site

In 2013, the British Prime Minister, David Cameron, visited the global distribution centre at Barnsley, the logistics nerve centre of ASOS, the online fashion retailing giant. David Cameron paid tribute to the success of ASOS and Norbert Dentressangle in relation to these activities, which make an important contribution to the local economy.

Norbert Dentressangle strengthens its position in Southern Europe

In 2013, Norbert Dentressangle acquired the Fiege Group's logistics activities in Italy, Spain and Portugal. This transaction has consolidated the Group's presence and its expertise in Southern Europe.

In line with its development strategy, Norbert Dentressangle is pursuing the expansion of its European logistics network with the acquisition of Fiege's logistics activities in Italy, Spain and Portugal. The Group's decision to invest in these key countries meets clients' growing requirements for reliable and robust transport and logistics solutions.

This operation allows Norbert Dentressangle to consolidate its position among the market leaders and grow its logistics activity with newly acquired knowledge in the FMCG, health and pharmaceutical sectors.

Norbert Dentressangle is consolidating its position to achieve critical mass to enable new commercial opportunities in Southern Europe, a region with real development potential.

ITALY

Norbert Dentressangle doubles in size in Italy and becomes the No 4 logistics player

- **€220 million** turnover
- **35** sites
- **630,000 m²** warehousing
- **1,200** employees

PHARMACEUTICALS EXPERTISE

"CONTROLLED" LOGISTICS FOR THE PHARMACEUTICAL SECTOR

Against a regulatory background that is increasingly strict, the pharmaceutical industries have to be able to guarantee the integrity of their entire supply chain. Their challenge: to remain competitive and responsive in the face of fluctuating supply demands.

As partner to a number of clients in this sector - pharmaceuticals, medical and hospital equipment - Norbert Dentressangle places health, security and product safety at the heart of its logistics solutions: security in the form of guards and equipment to protect the sites against theft, quality procedures, and temperature-controlled warehouses (single or multi-temperature) certified to receive hazardous materials etc.

For "controlled" logistics, the Norbert Dentressangle teams utilise all their experience and the necessary systems to manage and share with the clients the flow of information concerning the products (traceability, shipping history, managing expiry dates). They also undertake to satisfy all urgent orders on which lives may depend.

Italy

Centralising logistics for 11,400 pharmacies

FederFARMACO, which groups together 32 pharmacy cooperatives in Italy, representing approximately two-thirds of Italian dispensaries, has entrusted its logistics to Norbert Dentressangle. The Norbert Dentressangle teams have completely reviewed the existing logistics solution to make operations more fluid and the supply of pharmaceutical products more reliable. In a sector in which legislation has a strong impact on operational processes, the flow of goods has been reorganised and the IT system has been redesigned to improve communication between central warehouses and cooperative warehouses.

Danone

Our joint venture model is being rolled out

As part of a new 50/50 joint venture the Logistics Division combined forces with Danone in Russia, last July. Our teams are responsible for the storage and distribution of Danone's fresh food throughout Russia and fulfil the logistics requirements of other manufacturers and retailers. Using the same model, we have already set up three other joint ventures with Danone in Spain, Romania and Saudi Arabia. Norbert Dentressangle's logistics teams provide their temperature controlled warehousing and distribution expertise for operations in controlled temperatures between 2°C and 6°C.

Danone is entrusting us with all its products and its distribution network. Through these major achievements, Norbert Dentressangle has proven its ability to develop its logistics expertise on large-scale projects to support its clients in new geographical areas across the globe.

Looking after PPG Refinish's industrial coatings

In the United Kingdom, Norbert Dentressangle is responsible for the warehousing and distribution of products manufactured by PPG Refinish, an industrial coatings producer and a subsidiary of PPG Industrial Coatings Group. To manage these hazardous and fragile products, the logistics team at Stowmarket, ensure safety procedures and regulations are strictly observed and take the utmost care with packaging and transport operations. Using its innovative management methods, it has even permitted PPG Refinish to become more productive and efficient.

TEXTILES

Challenge handled with flying colours for a global textiles giant

In 2013, Norbert Dentressangle was awarded a contract with a global textiles giant to provide the logistics for its e-Commerce business in Spain bound for 10 European countries. In only three months, the logistics team renovated a 43,000 m² warehouse in the Guadalajara region, recruited and trained 350 staff and developed their whole IT solution. The work performed by our multidisciplinary team, combined with the experience of the British and French teams working on the same project, fully met the client's requirements. During the summer sale, Norbert Dentressangle successfully handled 50,000 orders in only three days!

Bespoke logistics for **Carrefour**

For its French textile logistics services, Carrefour calls upon the expertise of Norbert Dentressangle in the Paris region. Each year, 120 million items are handled by our staff for delivery into 20 superstores.

Norbert Dentressangle's team provides Carrefour with its innovative ability and operational excellence to find a flexible solution, ensuring multi-flow and multiple barcode management to fulfil the stores.

99.7%
Service quality level achieved

A new logistics system for **Macron**

Inventory error rate
< 0.2%

Macron, an internationally recognised licensed professional sports clothing manufacturer, has had to rethink its logistics system to support its growth. The Italian company asked Norbert Dentressangle to optimise the logistics process at its site at Crespellano which now manages a three times greater merchandise volume.

L'Oreal: Because we're worth it!

The No 1 global cosmetics company, L'Oreal France Consumer Products Division, chose Norbert Dentressangle to distribute its mass market products for clients in Southern France.

Since October 2013, the logistics teams at Saint-Vulbas (France) have been getting ready to take over product receipts, storage, and order preparation.

CO-PACKING

Responsiveness and innovation for our clients

At the Boigny-sur-Bionne (France) site, which supports large food manufacturers, I am responsible for co-packing activities: this involves repackaging products for sales promotions by major retailers. These operations are either performed manually or are automated with special packaging, labelling or film wrapping lines. Our flexibility means that we can work for several clients at the same time.

There is constant innovation, like this new automated line with stickers to assemble the boxes between them which eliminates the need for plastic film.

Thierry Pauwels,
Co-packing Manager,
Boigny-sur-Bionne,
France

Managing **Liberty Global's** European Distribution Centre in the Netherlands

The American Group, Liberty Global, the leading cable TV operator, connects millions of clients worldwide to digital television, broadband internet and telephone services. To improve flexibility and optimise its stocks, the Group is centralising its logistics in distribution centres close to its markets.

From its distribution centre at Venray in the Netherlands, Liberty Global is calling on Norbert Dentressangle's proven e-Commerce experience as well as on its flexibility and its ability to customise solutions for its clients. From this 20,000 m² site, our teams handle almost 7,000 parcels per day for next day delivery, as well as reverse logistics operations.

White Goods' Universities: think labs

Norbert Dentressangle is the leading logistics operator in household electrical appliances in France. Constantly searching for improvements, the logistics team has created White Goods' Universities. Assembling multidisciplinary teams and their clients from the sector, whether manufacturers or retailers, several times per year, the White Goods' Universities are truly think-tanks designed to look at the challenges faced by the sector and design innovative logistics solutions. Whirlpool already takes part in this initiative and can already see the advantages.

The logistics teams have designed a vertical, mass storage system, making it possible to reduce warehousing surface without compromising on safety.

FREIGHT FORWARDING 2013

In 2013, our customs management experts carried out approximately 100,000 customs declarations.

THE CHALLENGES AND CHARACTERISTICS OF THE FREIGHT FORWARDING MARKET

- Few large operators and many small ones
- Players favour either an integrated global network strategy or a niche positioning

NORBERT DENTRESSANGLE'S POSITION

- Expanding its global freight forwarding network
- Gaining in critical mass on particular trade lanes

€145 million
turnover

TURNOVER BY CONTINENT

A COMPLETE RANGE OF SERVICES

Customs management solutions, air or sea freight for key industries:

- Chemicals
- Retail/Specialised retail
- Aviation/Aircraft On the Ground (AOG)
- High Tech
- Cargo projects/ Industrial transfers
- Luxury
- Industry
- Food/Perishables

60,000 TEUs*
* Twenty Foot Equivalent Units

720
employees

14
countries

57
offices

BREAKDOWN OF EMPLOYEES

France	**217**
China	**161**
Russia	98
Sri Lanka	49
USA	39
United Kingdom	39
Spain	34
India	29
Chile	17
Netherlands	13
Ireland	12
Brazil	8
Belgium	5
Hong Kong	3

The Freight Forwarding Division: a credible and attractive international partner

Interview with Guillaume Col, Managing Director of the Freight Forwarding Division

How did the Freight Forwarding Division perform in 2013?
The Freight Forwarding Division achieved sales of €145 million during the 2013 financial year, an increase of 1.3% compared to 2012.
These figures include the Daher Group's freight forwarding activities in France and Russia from October 2013.
Today, we have teams totalling approximately 720 people, spread across 57 offices in 14 countries.
In the full year, freight forwarding activities are expected to reach €220 million in sales.

Slightly higher than in 2012, operating profit has risen to €1.3 million for 2013. Here too, integrating Daher's activities has improved the average profit margin compared to 2012, which has risen to 18.1%.

What are the key developments for the Freight Forwarding Division in 2013?
The acquisition of Daher's freight forwarding activities in 2013 was the highlight of the year: we integrated 287 new staff members and strengthened our network with eight offices in France and eight offices in Russia. With this acquisition, our Division has reached a critical mass in France and is establishing itself in a new territory, Russia, completing our coverage of key countries (China, India, US, Brazil, etc.).

> In 2013, we reached the critical mass required to access new markets.

During the year, we have improved the organisation of our teams in China and we have developed a more selective approach in terms of our client portfolio to allow our business to return to profitability and to prepare for our growth there. Based on the premise that quality of service and speed of information are primary selection criteria for our clients, we used 2013 to introduce our new SAP operating system. We have developed an innovative and highly advanced market-leading solution, reflecting our dynamic and responsive attitude. This system comprises an interface between us, our clients and in time, all of our suppliers (shipping and aviation companies and hauliers).

Which strengths of the Freight Forwarding business have made a difference in the market?
Following the integration of the Daher teams, we strengthened our expertise in demanding and sensitive sectors such as chemicals, aviation and luxury goods. In Russia, we took on 103 new experienced staff members who are expert in customs management, which allowed us to become a vital partner for companies developing commercial activities with this country. The fact that we are now larger in size and possess more knowledge should open up significant commercial opportunities with Norbert Dentressangle's Transport and Logistics activities. Freight Forwarding is by its nature a people-focused job. That is why we have continued to invest in the quality of our employees by ensuring our management team is stable and strengthening our sales and marketing force. Their experience and length of service are key to our success.

And in the future?

What challenges lie ahead in 2014 and beyond?
We have reached a critical mass in the market, with a presence in all the major trading regions. Now we have to consolidate the profitability of the whole set-up, which is our priority. In terms of tools, we will continue to roll-out our SAP information system worldwide.
With regard to the services we offer, we are going to develop new lines between the various countries where we are established and Russia, modelled on the France-Russia line with which we have achieved excellent results. At the same time, we are going to focus on major business sectors like luxury, chemicals and aviation to take our expertise into other countries.

What is your vision for the future?
We are making significant investments in strengthening synergies between Norbert Dentressangle's three business lines. Now, the Freight Forwarding business has the critical mass necessary to qualify for tenders launched by major transport and logistics clients. Already, the proportion of business synergies with transport is increasing, particularly in France and the United Kingdom, and we intend to increase this in other countries going forward.
Naturally, the development of our business will also be achieved by new acquisitions.
Our objective: to join the leading global Freight Forwarding partners.

ACQUISITION

NEW KNOWLEDGE AND A LARGER OPERATING AREA

WITH THE ACQUISITION OF DAHER'S INTERNATIONAL TRANSPORT ACTIVITIES, OUR FREIGHT FORWARDING DIVISION HAS REACHED CRITICAL MASS IN FRANCE AND IS CONQUERING A NEW MARKET: RUSSIA.

In 2013, Norbert Dentressangle acquired the Daher Group's freight forwarding activities. This strengthened our network with eight offices in France and eight in Russia.

Critical mass in France

With this acquisition, our Freight Forwarding teams are developing new knowledge in demanding and sensitive sectors such as chemicals, as well as aviation, automotive and luxury goods, on behalf of prestigious clients. In France, our Freight Forwarding activity is reaching critical mass only three years after it was launched.

Our increased knowledge will also lead to significant commercial opportunities with our transport and logistics activities.

Establishment in Russia

This acquisition also allowed us to establish a presence in Russia. In this immense and promising territory, we have integrated 103 experienced staff members with expertise in transport and customs management working from offices located in Moscow, Yekaterinburg and Saint Petersburg. Norbert Dentressangle has become a vital partner for companies developing commercial activities with this country.

Norbert Dentressangle's Freight Forwarding team in Moscow.

CUSTOMS ENGINEERING

Conquering Russia

Three questions for Gilles Deslangles, Freight Forwarding Director of Norbert Dentressangle in Russia

What are the challenges confronted by companies with import/export activities, particularly in Russia?

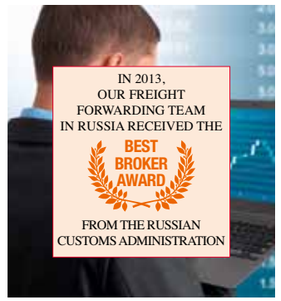
These firms often face customs operations that are complex and different in each country, including administrative and tax optimisation issues. In Russia, administrative and customs procedures are complex and require perfect knowledge of local legislation. To develop in this territory, companies need a partner to whom they can confidently delegate all their customs procedures.

What does the customs expertise developed by Norbert Dentressangle consist of?

Our teams are experts in customs management. To this end, they establish in advance the legislative and tax framework allowing certain tax and duty exemptions in relation to imports and customs clearance, they negotiate with local customs authorities, they manage the transport of the products and are responsible for customs clearance operations on the ground when they arrive. They are responsible for ensuring that the administration and documentation is managed smoothly to assist easy entry of the products into the territory, without wasting time.

What are the strengths of the Norbert Dentressangle team in Russia?

Norbert Dentressangle's local Freight Forwarding teams have 20 years' experience of the Russian market. They look after the relationship between companies and local administrative services at every step, from customs management to the actual import of the products. For clients, it is essentially about the assurance of short transit times and tax optimisation.

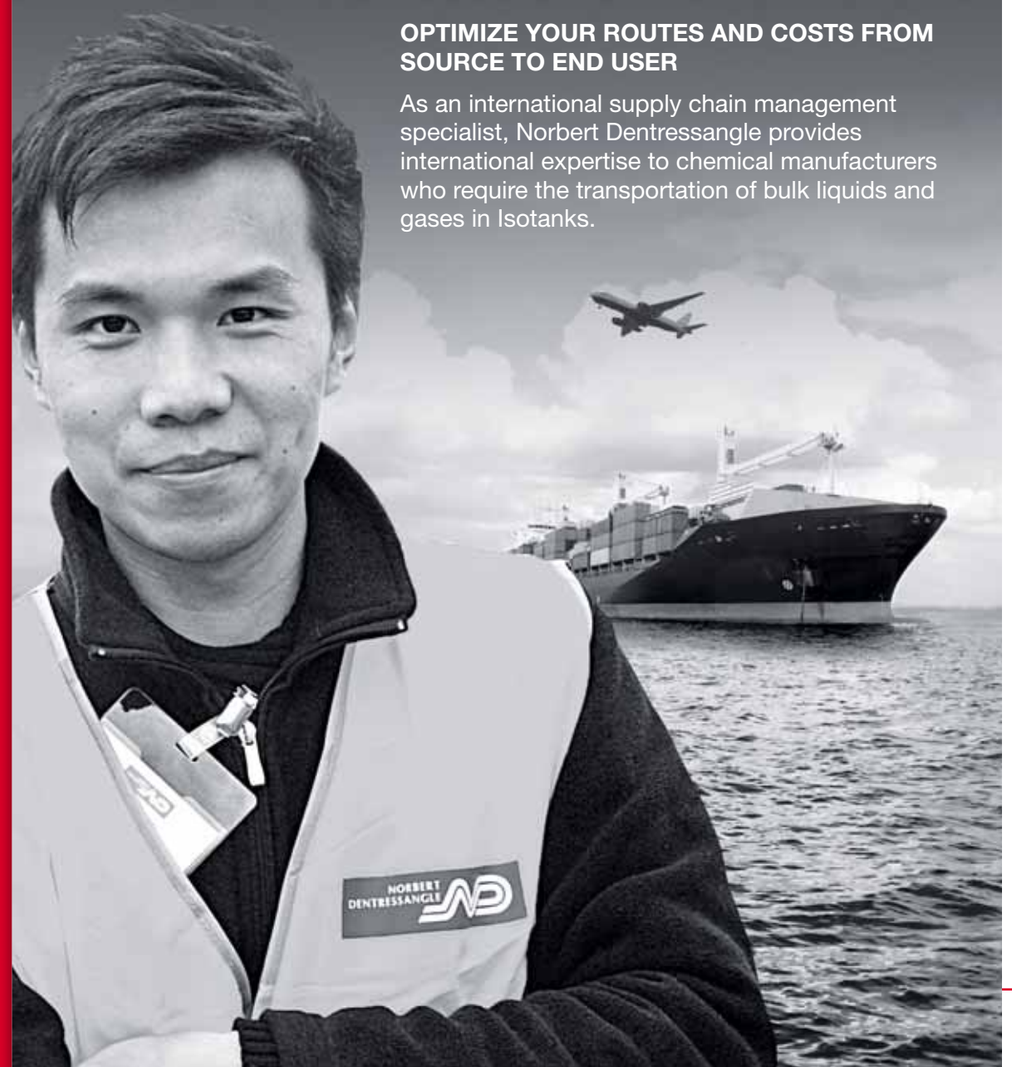


NORBERT DENTRESSANGLE

It all started with one chemical manufacturer seeking to combine safety with efficient routing...

OPTIMIZE YOUR ROUTES AND COSTS FROM SOURCE TO END USER

As an international supply chain management specialist, Norbert Dentressangle provides international expertise to chemical manufacturers who require the transportation of bulk liquids and gases in Isotanks.



FREIGHT FORWARDING

Isotank operator

Our expertise in Chemicals, from sourcing through to distribution

EURTEAM Reliability Assured

For chemicals manufacturers, Norbert Dentressangle's freight forwarding experts recommend international transport organisation solutions designed for both packed and bulk liquid chemicals, and containerised gas.

Experienced and trained in the regulatory constraints concerning these dangerous or fragile products, Norbert Dentressangle's teams design complete end-to-end solutions, incorporating land transport, logistics and freight forwarding as well as managing customs operations, whilst ensuring that safety and environmental standards are fully adhered to. They are constantly working to optimise costs and flows. As a member of EURTEAM, the European Alliance of major chemicals supply chain players, Norbert Dentressangle provides its clients with a unique geographic network. The teams measure the performance of solutions throughout the supply chain using tracking tools and managing quality indicators.

LUXURY

Developing our expertise in Russia

As I am in charge of the Luxury Division in the Freight Forwarding team in Russia, I am used to finding last minute solutions for our luxury goods-sector clients. Consequently, I have the satisfaction of implementing major projects with retailers, transport companies and customs. As a result, I was able to contribute towards the successful organisation of a Dior fashion show on Red Square in Moscow!

Anastasia Vasilchuk,
Head of Luxury Division,
Moscow, Russia

Rémy Chavot,
Finance Manager, China

We share the same commitment to service in China

Since being relocated to China in 2013, I am now the Finance Manager for the Freight Forwarding business in this country. This experience is teaching me a lot about culture and local working methods. This constitutes essential knowledge for our activity as an international transport commissioner, in which China is a key country. Despite an economic model that is unique in the world and constant changes in accounting and tax standards, the Freight Forwarding business in China is essentially the same. Wherever we are based, Santiago, London, Moscow or Beijing, we work with the same international standards and in particular, with the same commitment to service.

For **CIDEF**, importing vehicles to Chile

Asia, the United States, and Europe: since 2012, CIDEF, the market-leading retailer of new vehicles in Chile, and a subsidiary of Errázuriz, one of the largest Chilean Groups, imports utility and passenger vehicles for sale to the local market and across South America. The presence of Norbert Dentressangle teams in Chile, as part of a global network covering the main importing countries (China, USA, and Europe), convinced CIDEF to allow Norbert Dentressangle to organise the sea transport of vehicles to Chile. The teams manage the operations as if they were CIDEF's own in-house import service.

Transport of off-shore equipment from Lille to Brazil

Routing seven 90-tonne containers to off-shore oil fields: a one-of-a-kind project successfully implemented by Norbert Dentressangle's freight forwarding teams for Subsea 7, a company working in the oil, petrochemical and related industries. This contract involved French and Brazilian teams from Lille and Rio de Janeiro.

We export Chilean products to the rest of the World

As Operations Manager, I am in charge of relationships with clients all over the world (the agri-food industry, the automotive industry, etc.) with responsibility for customs formalities and supervising product flows. We mainly export Chilean products to the United States, Europe and Asia. For example, we send tonnes of salmon by boat to Japan from the South of the country. We also transport fruit from Chile, and we are the second major export operator in this sector.

Carmensonia Holley,
Import/Export Operations Manager, Santiago, Chile

Bespoke service for luxury yachts in the Pacific

C2C Inc., a luxury yacht support services company, depends on the freight forwarding expertise of Norbert Dentressangle to transport all products that its clients need to their yacht across the world: works of art, clothes, foodstuffs, etc. The freight forwarding team also manages emergencies for C2C customers in the event of a breakdown in record time: they gather the defective parts, send them to another country for repair and then deliver them directly to the customer. The objective is to return the yachts to water in the shortest possible time frame and to avoid significant port charges.

100% of customs clearance operations for **Ansett** imports in the United States

Since 2007, Norbert Dentressangle's freight forwarding team in the United States has managed 100% of Ansett Aircraft Spares & Services' customs clearance operations for its international freight imports.
The team uses an electronic system that allows it to remotely manage the customs clearance process and to accelerate consignments for the company, which specialises in retailing parts, consumables, instruments and engines for commercial, military and civil aircraft. Up to 50 cargos are handled in this manner, arriving at eight ports of entry from Alaska to Hawaii.

Special convoy for a helicopter from France to Chile

Transporting a whole helicopter across the seas: a challenge that our French and Chilean freight forwarding teams handled successfully thanks to their experience in air cargo transportation. Departing from Marignane (France), the helicopter was transported to Amsterdam (Netherlands) by road and then by air freight to Santiago in Chile.

A **solid financial position** reflecting the Group's development

Analysis by Patrick Bataillard, Group CFO

In 2013, Norbert Dentressangle generated consolidated sales of €4,032 million, representing an increase of 3.9%, in line with the Group's objectives. On a like-for-like basis, organic growth rose 2.4% compared to the 2012 financial year. The impact of currency exchange fluctuations for the period was - 1.6%. The last quarter highlighted the favourable trends already observed during the 3rd quarter with a growth in sales up almost 10% compared to the 4th quarter of 2012.

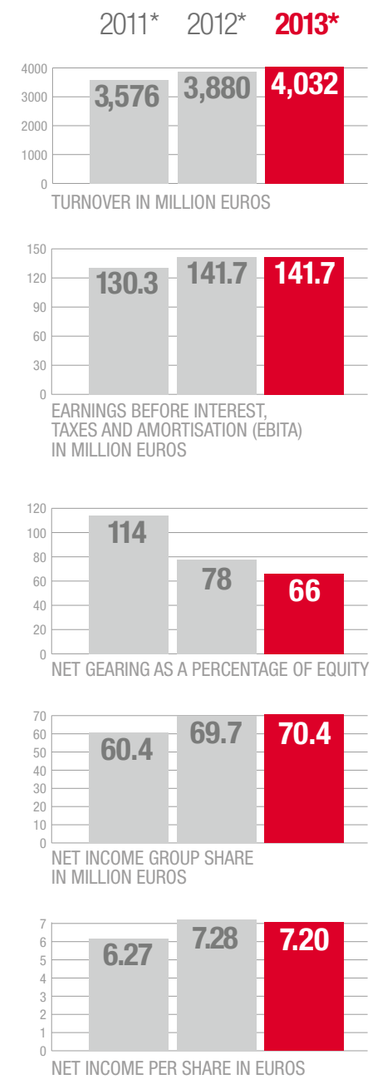
Earnings before interest, taxes and amortisation (EBITA) rose to €142 million, comparable to 2012 EBITA (restated on initial adoption of standard IAS19R) and in line with forecasts, an operating margin of 3.5% (compared to 3.7% in 2012). It should be noted that the Group's profitability was boosted by extraordinary income (€11.7 million in relation to property transactions), which demonstrates the quality of our management, and which compensated for significant restructuring costs incurred in 2013 to adapt the Group to make it fit for its market (€10 million in Transport). Net profit for 2013 is €70.1 million, an increase of 0.6% compared to 2012.

Financial charges, maintained at €26.7 million (€32 million in 2012), stem from the fall in the Group's financial debt, whilst the average tax rate is 25%, higher than in the 2012 financial year in which benefits were reaped from the effects of the TDG Group's restructuring.

Following a refinancing operation, the financing flow was positive in 2013, at €59 million.
Against favourable market conditions, the Group repaid corporate finance budget lines amounting to €330 million in advance and set up a renewable credit facility agreed for an amount of up to €400 million over a period of five years.
At the same time, the Group finalised a private investment (EuroPP), a bond issue worth €235 million, with maturities of six and seven years. Successfully managed, this operation constitutes a new and significant step for Norbert Dentressangle towards diversifying its sources of financing, strengthening its financial flexibility and increasing the maturity of its debt with advantageous conditions.
Together, these two financing operations have enabled Norbert Dentressangle to furnish itself with an investment capacity of €500 to 600 million.

On the balance sheet, the Group presents consolidated equity of €570 million as at 31/12/2013.
This item takes into account the new IAS 19R accounting standard, and all British pension fund deficits are recognised within the balance sheet. The balance sheet reports a decrease of €33 million in financial debt which now stands at €456 million in 2013 whilst the Group has invested €58 million in external growth achieved in 2013. This performance proves that working capital has been managed successfully.

Finally, with Gearing (84%) and Net debt/ EBITDA (1.8x) ratios improved compared to 2012, Norbert Dentressangle continues to improve the robustness of its financial structure.
This financial robustness is necessary in a period where rigour and control are paramount and will allow Norbert Dentressangle to seize external growth opportunities.



(After deduction of shares held directly by the Group and calculated based on the Group's share of net consolidated income.)

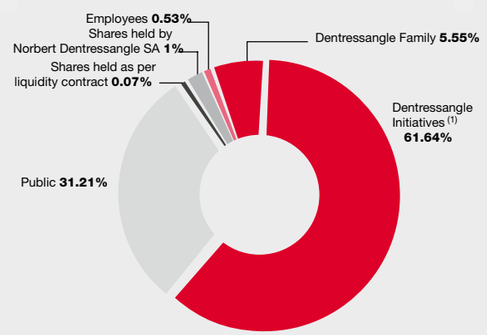
adjusted for the impact of application of accounting standard IAS 19 R.

And in the future?

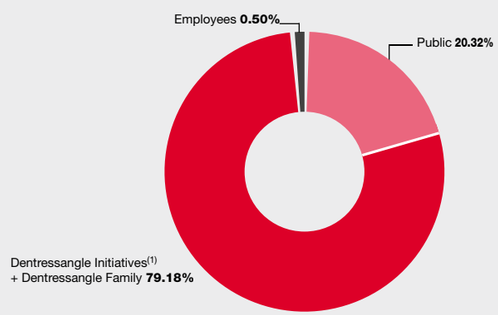
What are the trends for 2014?
In 2013, despite a rather unfavourable economic context, Norbert Dentressangle produced good results, generated cash, continued to reduce its debt and re-established sources of financing.
Once again this year, our rigorous financial management enables us to prepare for the future at a time when economic activity is reviving in Europe, particularly in the United Kingdom and the Netherlands.
We should also underline that Norbert Dentressangle's market capitalisation increased in value by 75% in 2013.
This revaluation expresses the market's recognition of the Group's strategy, in what was nonetheless a difficult year.

A family-owned group listed on the **stock exchange**

DISTRIBUTION OF CAPITAL



DISTRIBUTION OF VOTING RIGHTS



(1) Dentressangle Initiatives is 100% owned by the Dentressangle family.

CAPITAL

On 31 December 2013, Norbert Dentressangle equity rose to €19,672,482, consisting of 9,836,241 shares with a nominal value of €2.

SITUATION ON 31/12/2013	Shares - Quantity	Voting rights - Quantity
Dentressangle Family	545,666	1,091,312
Dentressangle Initiatives	6,063,132	12,108,532
Employees	52,294	82,731
Public	3,069,932	3,387,976
Shares held by Norbert Dentressangle SA	98,002	0
Shares held as per liquidity contract	7,215	0
TOTAL	**9,836,241**	**16,670,551**

STOCK EXCHANGE INFORMATION	2013	2012	2011
Price on 31/12 in €	**93.50**	58.45	54.00
Number of shares on 31/12[1]	**9,836,241**	9,836,241	9,836,241
Market capitalisation in €m	**919.6**	574.9	531.2
Net income per share in €[2]	**7.20**	7.80	6.56
Net dividend in €	**1.60**[3]	1.50	1.25
Distribution ratio in %[1]	**22.5**	19.7	19.4

The distribution ratio corresponds to the net dividend divided by the net income.

[1] Including treasuring shares.

[2] After deduction of treasury shares.

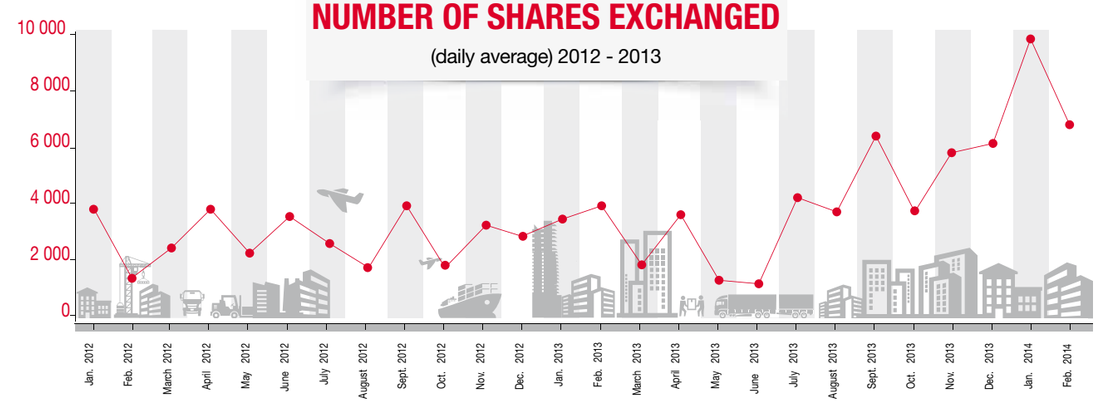
[3] Proposed to the General Meeting of 21 May 2014.

AVERAGE CLOSING PRICE

(in euros) 2012 - 2013

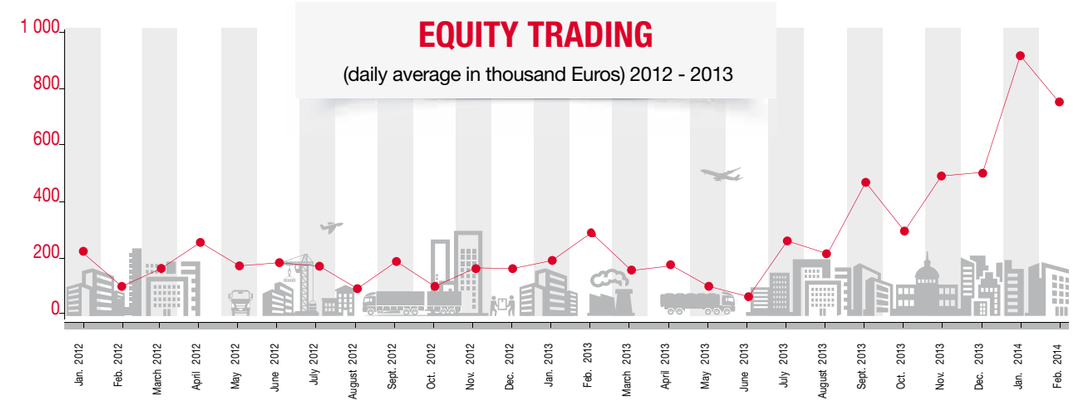
NUMBER OF SHARES EXCHANGED

(daily average) 2012 - 2013



EQUITY TRADING

(daily average in thousand Euros) 2012 - 2013



Consolidated financial statements year ended 31 December 2013

CONSOLIDATED INCOME STATEMENT

€000	Note	31/12/2013	31/12/2012 adjusted	31/12/2011 adjusted
REVENUES	**c**	**4,031,858**	**3,880,268**	**3,576,195**
Other purchases and external costs		(2,496,322)	(2,375,849)	(2,173,850)
Staff costs		(1,237,537)	(1,202,225)	(1,102,554)
Taxes, levies and similar payments		(43,743)	(46,086)	(42,490)
Amortisation and depreciation charges	e	(117,047)	(121,324)	(120,690)
Other operating expenses (income)	e	2,808	4,357	(3,210)
(Gains)/losses on sales of operating assets		3,504	3,000	2,911
Restructuring costs	e	(13,792)	(2,748)	(9,061)
Fixed assets gains or losses		11,926	2,243	3,082
EBITA		**141,655**	**141,636**	**130,333**
Amortisation of allocated Customer Relations	e	(6,525)	(6,667)	(5,794)
Amortisation of goodwill	l		(5,500)	
EBIT	**c-e**	**135,130**	**129,469**	**124,539**
Financial income	f	4,827	3,438	3,029
Financial costs	f	(31,486)	(35,671)	(32,381)
GROUP PRE-TAX INCOME		**108,471**	**97,237**	**95,184**
Income tax	g	(36,637)	(26,795)	(34,381)
Group share of earnings of companies treated under the equity method	m	(1,477)	8	240
NET INCOME		**70,357**	**70,450**	**61,043**
Minority interests		257	778	649
NET INCOME GROUP SHARE		**70,100**	**69,672**	**60,394**
EARNINGS PER SHARE				
Basic EPS on net income for the year	i	**7.20**	**7.28**	**6.27**
Diluted EPS on net income for the year	i	**7.06**	**7.19**	**6.16**

STATEMENT OF AMOUNTS POSTED TO SHAREHOLDERS' EQUITY

€000	31/12/2013	31/12/2012 adjusted	31/12/2011 adjusted
NET INCOME GROUP SHARE	**70,357**	**70,450**	**61,043**
Translation adjustments	(4,475)	7,084	1,069
Gains and losses on revaluation of financial instruments	10,025	(1,685)	(7,927)
Tax on financial instruments and translation adjustments	(3,824)	868	4,559
Other	27	(50)	(272)
Sub-total of items recyclable to profit or loss	**1,753**	**6,217**	**(2,571)**
Actuarial gains and losses on employee benefits	(50,170)	(12,559)	(2,624)
Tax impact	8,024	1,160	(79)
Other			94
Sub-total of items not recyclable to profit or loss	**(42,146)**	**(11,399)**	**(2,609)**
OTHER ITEMS AMOUNTS POSTED TO SHAREHOLDERS' EQUITY	**(40,393)**	**(5,182)**	**(5,180)**
TOTAL COMPREHENSIVE INCOME	**29,964**	**65,268**	**55,863**
Minority interests share of comprehensive income	143	774	376
Group share of comprehensive income	29,821	64,494	55,487

CONSOLIDATED BALANCE SHEET

ASSETS

€000	Note	31/12/2013	31/12/2012 adjusted	31/12/2011 adjusted
Goodwill	j-l	599,951	549,447	551,863
Intangible fixed assets	j	133,128	110,840	114,608
Tangible fixed assets	k	532,849	583,676	643,987
Investments in associated companies	m	2,877	4,427	4,511
Other non-current financial assets	n	33,146	28,518	44,357
Deferred tax assets	h	53,347	47,750	59,300
NON-CURRENT ASSETS		**1,355,298**	**1,324,658**	**1,418,626**
Inventories	o	14,049	14,688	15,808
Trade receivables	p	775,879	622,374	653,841
Current tax receivable	p	17,621	12,079	43,858
Other receivables	p	141,743	129,141	124,171
Other current financial assets	n			
Cash and cash equivalents	q	396,622	255,877	245,338
CURRENT ASSETS		**1,345,914**	**1,034,159**	**1,083,016**
TOTAL ASSETS		**2,701,212**	**2,358,817**	**2,501,642**

LIABILITIES

€000	Note	31/12/2013	31/12/2012 adjusted	31/12/2011 adjusted
Share capital	r	19,672	19,672	19,672
Share premium		19,077	18,891	18,891
Translation adjustments		(22,464)	(18,103)	(25,191)
Consolidated reserves	r	456,182	427,415	398,225
Net income for the financial year		70,100	69,672	60,394
SHAREHOLDERS' EQUITY GROUP SHARE		**542,567**	**517,547**	**471,991**
Minority interests		27,595	3,251	2,851
SHAREHOLDERS' EQUITY		**570,162**	**520,798**	**474,842**
Long-term provisions	s	190,583	147,166	158,987
Deferred tax liabilities	h	72,846	71,690	82,385
Long-term borrowings	t-w	742,884	581,068	640,229
Other non-current financial liabilities		17,451	20,506	
NON-CURRENT LIABILITIES		**1,023,764**	**820,430**	**881,601**
Short-term provisions	s	20,605	22,364	35,839
Short-term borrowings	t-w	102,507	154,534	141,497
Other current borrowings	v	9,330	16,726	21,137
Bank overdrafts	q	7,200	8,837	87,928
Trade payables	v	601,548	503,028	523,593
Current tax payable	v	11,528	11,032	10,536
Other debt	v	354,568	301,069	324,669
CURRENT LIABILITIES		**1,107,286**	**1,017,590**	**1,145,199**
TOTAL LIABILITIES		**2,701,212**	**2,358,817**	**2,501,642**

CONSOLIDATED CASH FLOW STATEMENT

€000	Note	31/12/2013	31/12/2012 adjusted	31/12/2011 adjusted
Net income		**70,100**	**69,672**	**60,394**
Depreciation and provisions		119,088	119,210	128,301
Capital gains or losses on disposals of fixed assets		(15,450)	(5,220)	(5,244)
Deferred tax and taxes posted to shareholders' equity		(3,169)	3,582	9,499
Net deferred tax income or expenditure		23,897	28,379	28,444
Net financial costs on financing transactions		1,258	1,064	1,963
Operational cash flow		**195,724**	**216,687**	**223,357**
Change in inventories		2,943	986	356
Trade receivables		(63,270)	30,458	(32,334)
Trade payables		21,966	(13,905)	5,687
Operating working capital		**(38,361)**	**17,539**	**(26,291)**
Social security receivables and payables		5,379	3,607	3,018
Tax receivables and payables		4,733	18,824	3,854
Other receivables and payables		(7,444)	1,750	(9,176)
Non-operating working capital		**2,668**	**24,181**	**(2,304)**
Operational working capital		**(35,693)**	**41,720**	**(28,595)**
Change in Pension Fund		(10,385)	(11,174)	(12,919)
NET CASH FLOW FROM OPERATIONS		**149,646**	**247,233**	**181,843**
Sales of intangible and tangible fixed assets		93,941	87,929	96,303
Receivables on sales of fixed assets		(1,308)	1,789	305
Sales of financial assets		103	13	(16)
Acquisition of intangible and tangible fixed assets		(119,843)	(133,360)	(198,382)
Acquisition of financial assets				(128)
Payables on acquisitions of fixed assets		15,657	(26,793)	9,960
Net cash flow from company acquisitions and sales	u	(54,123)	(3,086)	(288,405)
NET CASH FLOW FROM INVESTMENT TRANSACTIONS		**(65,573)**	**(73,508)**	**(380,363)**
NET CASH FLOW		**84,073**	**173,725**	**(198,520)**
Dividends paid to parent company shareholders		(14,579w)	(12,056)	(10,688)
Net new loans		567,389	144,337	357,837
Capital increase/(reduction)		4,438		350
Treasury shares		6,918	(3,181)	114
Other financial assets/liabilities				
Repayment of loans		(481,547)	(185,720)	(159,617)
Net financial costs on financing transactions		(23,897)	(28,379)	(28,444)
NET CASH FLOW FROM FINANCING TRANSACTIONS		**58,722**	**(84,999)**	**159,552**
Exchange differences on foreign currency transactions		(414)	904	(73)
Change in cash		**142,381**	**89,630**	**(39,041)**
Opening cash and cash equivalents		247,041	157,410	196,451
Closing cash and cash equivalents		389,422	247,040	157,410
Change in cash (closing - opening)		**142,381**	**89,630**	**(39,041)**

Cash flows from taxes received and paid amounted to a net outflow of €45.4 million for 2013 compared with a net inflow of €9.2 million for 2012 and a net outflow of €23.0 million for 2011.

CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY

€000	Share capital	Share premium	Undistributed reserves	Other reserves	Earnings	Translation adjustments	Shareholders' equity, Group share	Minority interests	TOTAL hareholders' equity
AS AT 31 December 2010 adjusted	**19,672**	**18,537**	**377,797**	**(20,492)**	**57,175**	**(26,533)**	**426,156**	**0**	**426,156**
Appropriation of earnings			57,175		(57,175)				
Dividends paid			(10,688)				(10,688)		(10,688)
Net profit for the year					60,394		60,394	649	61,043
Other items posted to shareholders' equity			(2,609)	(3,640)		1,342	(4,907)	(273)	(5,180)
(Acquisitions) disposals of treasury shares			(1,083)	113			(970)		(970)
Capital increase		354					354		354
Share-based remuneration			1,113				1,113		1,113
Changes in consolidation			539				539	2,475	3,014
AS AT 31 December 2011 adjusted	**19,672**	**18,891**	**422,244**	**(24,019)**	**60,394**	**(25,191)**	**471,991**	**2,851**	**474,842**
Appropriation of earnings			60,394		(60,394)				
Dividends paid			(12,027)				(12,027)	(29)	(12,056)
Net profit for the year					69,672		69,672	778	70,450
Other items posted to shareholders' equity			(11,399)	(867)		7,088	(5,178)	(4)	(5,182)
(Acquisitions) disposals of treasury shares			(40)	(3,142)			(3,182)		(3,182)
Capital increase									
Share-based remuneration			501				501		501
Changes in consolidation			(4,252)				(4,252)	(345)	(4,597)
Other variations			22				22		22
AS AT 31 December 2012 adjusted	**19,672**	**18,891**	**455,443**	**(28,028)**	**69,672**	**(18,103)**	**517,547**	**3,251**	**520,798**
Appropriation of earnings			69,672		(69,672)				
Dividends paid			(14,388)				(14,388)	(191)	(14,579)
Net profit for the year					70,100		70,100	257	70,357
Other items posted to shareholders' equity			(42,146)	6,228		(4,361)	(40,279)	(114)	(40,393)
(Acquisitions) disposals of treasury shares			325	8,302			8,627		8,627
Capital increase		186	(69)				117	2,713	2,830
Share-based remuneration			719				719		719
Impact of changes in the consolidation method								22,047	22,047
Other variations			124				124	(368)	(244)
AS AT 31 December 2013	**19,672**	**19,077**	**469,680**	**(13,498)**	**70,100**	**(22,464)**	**542,567**	**27,595**	**570,162**

NOTES TO THE 2013 CONSOLIDATED FINANCIAL STATEMENTS - IFRS

1. General information regarding the issuer

Name: Norbert Dentressangle.

Head Office: 192 avenue Thiers - 69457 LYON Cedex 06 - France.

Legal form: French public limited company (société anonyme) with an Executive Board and Supervisory Board, governed by the French Commercial Code.

The Group's holding company is Norbert Dentressangle S.A.

It is subject to French law.

The Company is listed on the Eurolist market, compartment B.

The Shareholders' General Meeting called to vote on the financial statements for 2013 shall be held on 21 May 2014.

The financial statements of Norbert Dentressangle were approved by the Executive Board on 21 February 2014.

The Group's businesses are Transport, Logistics and Freight Forwarding.

2. Accounting policies and methods

a) Consolidation principles

Pursuant to EC Regulation 1606/2002 of 19 July 2002 on international standards, the consolidated financial statements of Norbert Dentressangle for the financial year ended 31 December 2013 have been drawn up in accordance with International Financial Reporting Standards (IFRS) applicable as at that date and approved by the European Union at the date of preparation of the financial statements.

These accounting standards may be consulted on the European Commission website at: http://ec.europa.eu/internal_market/accounting/ias/index_en.html.

The Group consolidated financial statements for the year ended 31 December 2013 are available on request at the Company registered office or on www.norbert-dentressangle.com.

Some of said standards may be subject to changes or interpretations with retroactive effect. As a consequence of such modifications, the Group may subsequently restate the consolidated financial statements to meet IFRS requirements.

The 2013 consolidated financial statements have been drawn up in euros, i.e. the Group's operational currency, and are stated in thousands of euros (€000).

b) Change in accounting principles and methods

The accounting policies applied for the preparation of the financial statements are identical to those applied for the preparation of the financial statements for the year ended 31 December 2012 with the addition of the following new standards and interpretations, which became mandatory as from 1 January 2013:

- IAS 1 amended: Presentation of Items of Other Comprehensive Income.
- IAS 12 amended: deferred tax applicable to revalued assets.
- IAS 7 amended: Offsetting Financial Assets and Financial Liabilities.
- IFRS 13: Fair Value Measurement.

None of these standards have a material impact on the Group's earnings and financial position, or on the presentation of the financial statements and financial information.

- The impact of IAS 19 (revised) – Employee Benefits, is as follows:
  - Use of a single rate to calculate the estimated return on assets and discount the future liability;
  - The recognition of actuarial gains and losses under items of other comprehensive income; these differences were hitherto not recognised in the Group's financial statements, but were simply amortised over time as part of the withdrawal from the corridor method;
  - The recognition of administrative costs relating to pension fund management in the income statement;
  - No further recognition of corridor method amortisation in the income statement;

The Group has not applied any standards, interpretations or amendments, as adopted or in the process of adoption by the European Union, for which their mandatory date of application is after 31 December 2013.

- IAS 28 R: Investments in Associates.
- IFRS 10: Consolidated Financial Statements.
- IFRS 11: Joint Arrangements.
- IFRS 12: Disclosure of Interests in Other Entities.

None of these new standards or amendments, which are applicable from 1 January 2014, will have a material impact on the presentation of the Group's financial statements.

c) Estimates and judgments

In order to draw up its financial statements, the Group must make certain estimates and assumptions that can affect the financial statements. The Group periodically reviews its estimates and assessments to take into account past experience and other factors deemed to be relevant in light of economic conditions. Depending on changes in these various assumptions or conditions, the amounts recorded in its future financial statements may differ from current estimates.

The main financial statement headings that may be subject to estimates are the following:

- Impairment of goodwill, the valuation of which is largely based on assumptions regarding future cash flows, discount rates, and terminal values which are based principally on long-term growth rates;
- Valuation of retirement assets and liabilities based on current actuarial assumptions as at the balance sheet date (e.g. discount rate, salary increase rate and inflation rates);
- Valuation of customer relations;
- Valuation of financial instruments;
- Deferred taxes and tax charges.

IFRS 13 ("Fair Value Measurement"), which is applicable at the latest to accounting periods beginning on or after 1 January 2013, determines the principles for fair-value measurement; these principles apply to both initial and subsequent measurements.

One of the accounting provisions of this standard requires counterparty risk to be taken into account in the revaluation of financial hedging instruments.

This risk has been considered as non-material given the nature of Norbert Dentressangle's asset and liability financial instruments, and the non-material amount represented by the value of these contracts in view of the balance sheet total, in view of financial liabilities and assets and in view of the Group's main financial partners, which are top-tier banks with a high credit rating.

The financial statements reflect the best estimates based on available information as at the balance sheet date. They were prepared in accordance with the historical cost principle, excluding certain items, in particular financial assets and liabilities, which were stated at fair value.

The local company financial statements of each Group company were drawn up in accordance with the accounting policies and regulations in force within their respective countries. They are restated as necessary to comply with consolidation policies applied within the Group.

d) Scope of consolidation

The consolidated financial statements comprise the financial statements of companies exclusively controlled, whether directly or indirectly, by Norbert Dentressangle S.A., the Group's holding company.

The balance sheet dates of the various entities comply with those set by the Group.

• Exclusive control

Control is the power to directly or indirectly direct the financial and operating policies of a firm so as to derive benefits from its activities. Control is generally deemed to exist where the Group holds over half of the voting rights in the controlled company. The financial statements of subsidiaries are included in the consolidated financial statements as of the date of transfer of effective control until the date on which control ceases.

The Group consolidates French special-purpose entities solely intended to finance road tractors.

These entities, referred to as "Locad" entities, are economic interest groupings (EIGs) and are majority owned by a banking pool.

They purchase a vehicle fleet meeting the Group's requirements and finance same by means of loans from a banking pool. The vehicles are exclusively leased to the various French user companies. Given that these entities operations are directly controlled and that said entities are exclusively used by the Group, pursuant to SIC 12, they are consolidated under the full consolidation method.

These companies have been granted firm buy-back commitments from the manufacturers of these motor vehicles.

• Joint control

Companies that the Group controls jointly with a limited number of partners pursuant to a contractual agreement are consolidated by applying the proportional consolidation method.

The assets, liabilities, income and expenditure are consolidated in proportion to the Group's shareholding.

• Significant influence

Associated companies are those over which the Group exercises significant influence regarding financial and operational policies, without exercising control. Where an investor directly or indirectly holds at least 20% of the voting rights in the company held, it is deemed to have significant influence, unless otherwise clearly shown.

Companies over which the Group exercises significant influence are accounted for under the equity method.

All of the companies in which the Group holds majority control are consolidated, without any exception.

• Acquisition of minority interests

In accordance with the IAS 27 revision dated 10 January 2008, additional acquisitions of minority interests in entities in which the Group already holds a controlling interest will be directly taken to shareholders' equity.

e) Currency conversion

• Recording foreign currency transactions in the financial statements of consolidated companies

Foreign-currency transactions recognised in the income and expenditure statements are converted by applying the exchange rate prevailing on the date of the transaction. Monetary items recognised in the balance sheet and not subject to hedging are converted by applying the exchange rate prevailing on the balance sheet date. Any resulting foreign exchange differences are recorded in the income statement.

Currency differences relating to monetary items forming an integral part of the net investment in foreign subsidiaries are posted to translation adjustments.

• Translation of financial statements of foreign subsidiaries

The balance sheets of foreign companies with non-euro operational currencies are translated into euros at the exchange rate prevailing on the balance sheet date and their income statements are translated at the average rate for the financial year. Any resulting conversion adjustment is recognised in shareholders' equity as "Translation adjustments".

In the event of disposal of an entity, translation adjustments are recorded as income for the financial year.

Goodwill is tracked in the currency of the relevant subsidiary.

None of the Group's significant subsidiaries are located in a high-inflation country.

f) Business combinations

According to IFRS 3 revised, the consideration paid (i.e. the acquisition cost) is measured at fair value of the equity shares issued and assets and liabilities transferred as at the transaction date. The acquired company's identifiable assets and liabilities are stated at fair value as at the acquisition date. Costs directly attributable to the takeover are now posted to financial expenses.

The current versions of IAS 27 revised and IAS 32 oblige groups to record any commitments to purchase minority interests under financial debt. The Group has opted to record to shareholders' equity the difference between the discounted fair value of the stock option exercise price and the value of the minority interests posted to liabilities.

Consolidated reserves are adjusted every year for changes in the difference between the discounted fair value of the stock option exercise price and the value of the minority interests. This treatment, which would be adopted if the options were exercised currently, is the method that best reflects the substance of the transaction.

g) Goodwill

Goodwill is valued at cost – such cost being the excess of the investment in consolidated companies over the acquiring entity's interest in the net fair value of assets, liabilities and identifiable and contingent liabilities.

Positive goodwill is subject to impairment tests at least once per annum, or more frequently where events or changes in circumstances indicate impairment of the relevant CGUs. Any impairment recorded is irreversible.

Goodwill for companies accounted for under the equity method is recorded as "Investments in associated companies".

h) Intangible fixed assets

• Customer relations

Customer relations identified during the Christian Salvesen and TDG acquisitions, pursuant to IFRS 3 and IAS 38, are valued based on the margin generated on forecast revenues and the return on capital employed, over a period estimated in relation to actual customer attrition rates.

Such assets are amortised over 11 to 20 years under the straight line method.

Specific customer contracts with unlimited terms are not amortised but are subject to impairment tests at least once a year or more often if events or changing circumstances point to impairment.

• Software

Software is subject to straight line depreciation over 12 to 60 months.

Two types of costs are applied in respect of internally developed software:

- external costs (licences, use of specialist consultants, etc.); and
- direct costs of employees involved in the project design, set-up and delivery phases.

The total cost thus recorded is matched with the recoverable value of the software. This analysis may lead to impairment.

i) Tangible fixed assetss

• Carriage equipment

Carriage equipment is initially recorded at cost. Each year, the Group reviews market conditions and the buy-back terms agreed with its suppliers. These terms depend on the year of purchase and type of vehicle (tractor, semi trailer and truck tractor).

Based on the said criteria, the Group projects the estimated useful life of the vehicles on a straight line basis and a depreciation period is thus obtained. Thus, vehicles are currently depreciated on a straight line basis over a period of 66 to 152 months.

Residual values of other fixed assets are reviewed each year. Impairment tests are carried out in accordance with the procedure set forth hereinbelow in section k "Impairment tests".

• Other tangible fixed assets

Investments in tangible fixed assets are initially recorded at purchase cost.

Depreciation is calculated on a straight line basis over the estimated useful life of the various categories of fixed assets.

The main expected useful lives of assets are the following:

- Buildings: straight line over a period of 15 to 40 years;
- Building fixtures and fittings: straight line over 10 years;
- Plant, machinery and equipment: straight line over 5 years;
- Other tangible fixed assets: straight line over 3 to 10 years.

In light of the nature of the fixed assets held by the Group, no major components were identified.

Residual values of fixed assets are reviewed annually. Impairment tests are carried out where benchmarks are available (market value in the case of real estate).

j) Lease contracts

The Group records its finance lease contracts as assets in its balance sheet as of the effective date of the lease.

The amount recorded in the balance sheet is the lesser of the fair value of the asset and the present value of the minimum lease payments.

Finance leases transfer virtually all risks and benefits of ownership to the lessee, and comply with the main indications referred to in IAS 17, which are as follows:

- an option to transfer ownership upon expiry of the lease, the terms and conditions of such option being such that, as at the date of execution of the contract, there appears to be a high probability of transfer of ownership;
- the term of the lease spans most of the useful life of the asset under the lessee's conditions of use; and
- the present value of minimum lease payments is comparable to the fair value of the leased asset upon execution of the lease.

Finance lease payments are broken down into interest and reduction of the outstanding liability, so as to obtain a constant periodic interest rate on the remaining balance of the liability. The interest costs are directly recorded in the income statement.

Contracts characterised as operating leases are not subject to restatement.

Operating leases are recorded as expenditure, in most cases on a straight line basis until expiry of the contract.

Fixed assets purchased under finance leases are recorded as assets in the balance sheet and depreciated over the same periods as those described hereinabove where the Group expects to obtain title to the asset upon expiry of the lease. Otherwise, the asset is depreciated over the shorter of the useful life of the asset and the term of the lease.

The Group must occasionally carry out sale and leaseback transactions in respect of certain assets.

In accordance with IAS 17, the accounting treatment of these transactions depends inter alia on the following:

- Subsequent classification of the lease entered into (operating lease or finance lease);
- Terms of sale of the asset previously held (arm's length selling price).

k) Impairment tests

Pursuant to IAS 36 - Asset Impairment, the Group values long-term assets under the following procedure:

- for depreciated intangible and tangible fixed assets, at each closing date the Group considers whether there are any indications of impairment on fixed assets. Such indications are identified based on 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 the following two values: sales price less selling costs or value in use;
- for non amortised intangible assets and goodwill, an impairment test on each CGU is carried out at least once a year or when an indication of impairment has been identified. Goodwill impairment for individual companies is attributed to the CGU of the business to which they belong.

The value in use is based on the discounted value of estimated cash flows arising from the use of the assets. The future estimated cash flows are based on the 5-year business plan prepared and approved by management plus a terminal value based on usual discounted cash flows applying a growth rate to infinity. The discount rate used corresponds to the company's weighted average cost of capital.

• Impairment of investments in associated companies

Impairment tests on the value of investments in associated companies are carried out once there is an indication of impairment. The main indications of impairment include a material adverse change on the associated company's markets or a prolonged material reduction in said company's listed share price.

Impairment tests are carried out in accordance with IAS 28 and IAS 36, by comparing the book value of the investment in the associated company and the Group's share of the present value of estimated future cash flows forecast by the associated company. If the recoverable value is lower than the book value, the loss in value is deducted from the investment in the related associated company.

l) Inventories

Inventories are stated at cost using the average weighted cost method.

m) Trade receivables

Trade receivables are valued at face value. They are written down by way of an impairment provision based on risk of non-recovery. The risk is assessed per individual receivable following analysis based on receivables ageing. Impaired receivables are recognised as a loss when they are deemed to be irrecoverable.

n) Provisions

Provisions are discounted if the impact thereof is deemed to be significant. The effect of such discounting is recognised as operating income where applicable.

The own insurance provisions for occurrences of risk are valued with reference to the claims notified as at the balance sheet date of the financial statements and to claims incurred but not notified.

Provisions for restructuring are recognised in accordance with IAS 37 as follows:

- provided there is a detailed formal plan, identifying at least:
  - the relevant business or part of business;
  - the location;
  - the position and approximate number of the employees who are to be compensated;
  - expenditures to be incurred;
  - the date of implementation of the plan; and
- whether the enterprise has raised in those affected a valid expectation, that it will carry out implementation in connection with the restructuring.

o) Employee benefits

• Post-employment benefits

There are various Group retirement plans for certain employees. Retirement plans, related payments and other employee benefits classified as defined-benefit plans (plans whereby the Group undertakes to guarantee a certain amount or level of defined benefits), are recognised on the balance sheet based on an actuarial valuation of the commitments on the balance sheet date, reduced by the fair value of the related assets.

This valuation is carried out by independent actuaries applying a method that takes into account forecast salaries (known as the projected unit credit method) on a case-by-case basis, relying on assumptions as to life expectancy, staff turnover, wage variations, reassessment of annuities and revision of amounts payable. The assumptions peculiar to each plan take into account local economic and demographic data.

Payments made for plans classified as defined-contribution plans, that is, where the Group is not subject to any obligation other than payment of the contribution, are recognised as expenditure for the financial year.

Defined-benefit retirement and related commitments assumed by the Norbert Dentressangle group companies are as follows:

- retirement benefit plans (indemnités de fin de carrière) for all French companies in accordance with collective bargaining agreements in force (road transport, automobile services, knowledge-based economic sectors and cleaning companies);
- end-of-service benefits (trattamento di fine rapporto) for Italian companies;
- retirement plans for certain companies in UK, Ireland and the Netherlands.

In application of IAS 19R, actuarial gains and losses relating to experience and/or to changes in the actuarial assumptions are recognised in "Other items of comprehensive income".

The cost of past services, interest expense and administrative expenses are recognised under expenses.

• Other long-term benefits

Other long-term benefits mainly relate to bonus plans for long-service awards, reserved for French companies forming part of the Logistics Division.

Expenses incurred in respect of Individual Training Rights (Droit Individuel à la Formation) are recorded as expenditure for the financial year and do not entail any provision, except where such expenses can be deemed to constitute remuneration for past service and where the obligation assumed vis-à-vis the employee is likely or firm.

The Notes include information on the number of hours vested at the balance sheet date, as well as the number of hours having been requested by employees.

p) Loans and borrowing costs

Upon initial recognition, bond loans and other debt are recorded at fair value, against which transaction costs directly attributable to the issue of the liability are set off.

The fair value generally corresponds to the cash collected.

After initial recognition, loans are recorded on the basis of the amortised cost by applying the effective interest method.

Loan issue premiums and costs as well as bond redemption premiums are taken into account when computing amortised cost by applying the effective interest method, and are therefore recorded as income on a discounted basis over the term of the liability.

q) Share-based payments

Certain Group employees and corporate officers hold share warrants and are beneficiaries of stock options and performance-based share schemes.

These instruments are valued as at the allotment date by applying the Black & Scholes model, which is a valuation model that computes the fair value as at the allotment date and which takes into account various parameters such as share price, exercise price, expected volatility, forecast dividends, risk-free interest rate and the term of the option.

The cost thus computed is recorded as expenditure for the financial year during which the rights are vested, with a net offsetting entry in a separate balance sheet account.

No expenses are recognised for instruments that are not ultimately acquired, except for those the acquisition of which is contingent on market conditions. These are deemed to be acquired, whether or not market conditions are fulfilled, where the other performance criteria are fulfilled.

If the terms and conditions of any equity-based remuneration are amended, an expenditure is recorded for at least the amount that would have been recognised in the absence of such amendment.

An expense is also recorded to take into account the impact of changes that increase the aggregate fair value of the share-based payment agreement or that entail any other staff benefits. This is valued as at the date of the change.

r) Deferred taxes

Deferred tax assets and liabilities are assessed at the tax rate expected to be applied for the year during which the asset is to be realised or the liability settled, with reference to the tax rates and regulations enacted or substantially enacted as at the balance sheet date.

Deferred tax arising from timing differences between the tax value and the book value of an asset or liabilities are accounted for based on the following procedures:

- Deferred tax liabilities are booked in full;
- Deferred tax assets are only recorded insofar as there is a reasonable likelihood of realisation or recovery.

s) Derivative financial instruments

Where derivatives are classified as hedging instruments, the treatment thereof depends on whether they are designated as a:

- fair-value hedge;
- cash flow hedge; or
- hedge of a net investment in a foreign entity.

All derivative financial instruments are stated at fair value. Fair value is either the market value, for instruments listed on a stock market, or a value provided by financial institutions using traditional criteria (over-the-counter market).

All effective hedges in accordance with criteria specified under IAS 32 are accounted for as hedges.

• Foreign-exchange hedges

The hedges' underlyings are the operating assets and liabilities recorded in the balance sheets of Group companies.

The Group takes out fair value hedges, cash flow hedges and hedges for net investments abroad. The effective portion of the hedges is posted to a separate account within shareholders' equity (translation adjustments) until the hedged transaction is executed, and reversed to income if the hedged transaction is also posted to income.

• Interest rate hedges

Derivative financial instruments mostly consist of interest-rate swap contracts.

As the liabilities of the special-purpose financing entities are assumed at variable rates and rent instalments invoiced by these entities are index-linked to a variable rate, the Group has implemented hedging instruments to limit its exposure to interest-rate risk.

Derivatives characterised as cash flow hedges are recognised on the balance sheet as current financial assets or borrowings, with an offset in shareholders' equity.

t) Other financial assets

Financial assets are classified into four categories depending on the nature thereof and the reasons for holding them:

- assets held to maturity;
- financial assets at fair value through profit and loss;
- assets held for sale; and
- loans and receivables (non customer).

Financial assets are recognised at cost when acquired and stated at cost in balance sheets thereafter, corresponding to the fair value of the price paid plus purchase costs.

Other financial assets mostly consist of deposits and guarantees paid to lessors of premises where the Group conducts its operations.

u) Treasury shares

Treasury shares held for all purposes are eliminated on consolidation via shareholders' equity.

No gain or loss is recognised as income upon the acquisition, sale, issue or cancellation of Group equity instruments.

v) Cash and cash equivalents

Cash corresponds to bank account balances (credit balances and overdrafts) and cash in hand.

Cash equivalents are short-term and highly liquid investments that can be rapidly converted into a known amount of cash and are not exposed to a material risk of loss in value. They largely comprise fixed term accounts and SICAV (mutual funds).

They are classified in the balance sheet as "Cash and cash equivalents" assets and as "Bank overdrafts" liabilities.

Cash and cash equivalents presented in the cash flow statement comprise the cash and cash equivalents as defined hereinabove.

w) Earnings per share

Net earnings per share are obtained by dividing net income for the financial year by the number of shares outstanding at year-end, reduced by the number of treasury shares.

Consolidated diluted net earnings per share take into account shares issued as a result of the exercise of stock options, minus treasury shares.

x) Revenues

Revenue from ordinary activities is recognised where it is likely that future economic benefits will accrue to the Group and this income can be assessed reliably.

Such income is assessed at the fair value of the consideration to be received.

Income from the provision of services provided within the framework of the logistics business is recognised as of completion of the contractually agreed assignments.

Income from the transport business is recognised as soon as the service has been provided.

Income from the freight forwarding business is recognised as soon as the service has been provided.

y) EBITA

EBITA: Earnings Before Interest Taxes and Amortisation of purchase accounting intangibles.

Earnings before amortisation and impairment of intangible assets from acquisitions, goodwill impairment and recognition of negative goodwill.

z) EBIT

EBIT represents earnings before Group share of associated companies' profits, interest and tax.

3. Notes to the 2013 annual financial statements

a) Events during the financial year – changes in consolidation scope

• Acquisition of the Fiege Group subsidiaries

On 24 May 2013, Norbert Dentressangle acquired the Fiege Group's logistics operations in Italy, Spain and Portugal, as well as its transport operations in the Iberian Peninsula. This acquisition, which was entirely funded by equity, enabled Norbert Dentressangle to consolidate its leadership on the European logistics market while continuing to provide a high level of service quality together with innovative bespoke solutions to its clients in the main sectors of the economy (mass market, healthcare and pharmaceuticals).

As a result of this acquisition, Norbert Dentressangle doubled the size of its operations in Italy, becoming the 4th largest logistics operator in the country.

In the Iberian Peninsula, Norbert Dentressangle boosted its leading position in the transport sector and significantly increased the size of its logistics operations.

• Acquisition of the Daher Group's Freight Forwarding operations

On 30 September 2013, Norbert Dentressangle acquired the Daher Group's Freight Forwarding operations. The scope of this business includes 11 offices (8 in France and 3 in Russia) employing a total of 287 people and generating revenues of €80 million in 2012.

Accordingly, Norbert Dentressangle is incorporating a recognised and respected expertise, which enables it to strengthen its special ties with prestigious and demanding customers, who are leaders in the aeronautics, automotive, chemical and luxury goods industries, all extremely attentive to the quality of transport operations for technical, sensitive and complex products.

By taking over a standard-setting player in the international freight forwarding and customs sector covering movements to and from Russia, with 103 employees based in Moscow, Yekaterinburg and Saint Petersburg and with revenues of over €15 million, Norbert Dentressangle has acquired a premium position on the Russian market.

• Change in the governance of the Logistics and Distribution entities, in partnership with the Danone Group in Spain and Romania

Following a change in the contractual relations and governance of the two entities owned by Norbert Dentressangle and Danone, namely Salvesen Logistica (Spain) and NDL Frigo Romania (Romania), on 20 December 2013, Norbert Dentressangle now has control over these two entities to the extent that it manages their relevant operations (business policy, operational management and other operations that have an impact on these entities' returns). These entities, which were previously consolidated on a proportional basis, have been fully consolidated from 20 December 2013, so as to reflect this change.

The items in the income statement remained proportionately consolidated on a 50% basis until 20/12/2013; the consolidated 50% share in these entities' combined revenues and operating income (EBITA) for the 2013 financial year amounted to €79.3 million and €3.9 million respectively. These aggregates will be fully consolidated starting from the 2014 financial year.

Meanwhile, as the acquisition of exclusive control became effective on 20 December 2013, all the assets and liabilities were fully consolidated from 20/12/2013. The impact in terms of the various aggregates on the Group's consolidated balance sheet was non-material.

The purchase price allocation for these acquisitions, which is provisional at this stage, is as follows:

€000	Fiege	Daher	Salvesen Logistica	NDL Frigo Romania
Total revalued net assets	(3,503)	1,018	43,748	346
Share of revalued net assets acquired	(3,503)	1,018	0	0
Purchase cost	26,312	27,864	0	0
Goodwill	29,815	26,846	0	0

• New Logistics and Distribution operations in Saudi Arabia and Russia

Norbert Dentressangle has founded two companies with Danone in order to develop logistics operations in Saudi Arabia and Russia.

Norbert Dentressangle controls the relevant operations of each entity, and controls their business and operational policy; accordingly, these companies are fully consolidated.

• Debt refinancing

On 19 December 2013, Norbert Dentressangle announced the completion of a private placement in the form of a €235 million Euro PP bond issue, including a €75 million tranche with a 6-year maturity and a 3.8% coupon, and a €160 million tranche with a 7-year maturity and a 4.0% coupon. The bonds were subscribed by institutional investors as part of a private placement.

For Norbert Dentressangle, this transaction represents a major new stage in the diversification of its sources of funding, as it will help to increase the Group's financial flexibility while extending the maturity of its debt under favourable conditions.

Given the favourable market conditions, Norbert Dentressangle took the opportunity to renew its corporate bank facilities at the same time, by arranging a confirmed 5-year €400 million revolving credit facility.

Lastly, we would point out that the issuance of the Euro PP in December 2013 (€160 million with a 7-year maturity and €75 million with a 6-year maturity), the early repayment of the 2010 syndicated loan and the arrangement of a €400 million revolving credit facility (of which £140 million was drawn down at 31 December 2013 for currency hedging purposes) have no impact on net borrowings.

These items did, however, have an impact on cash in the 31 December 2013 balance sheet, which stood at a very high level of €389 million.

b) "Ad hoc" entities

At 31/12/2013, the residual debt balance relating to the "Ad hoc" entities amounted to €88.9 million compared with €122.9 million at the end of 2012 (included in consolidated net debt).

c) Operating segment

Norbert Dentressangle has four different types of company, as follows:

- Transport operating companies, whose role is to operate a vehicle fleet and its drivers in order to transport goods in line with customer needs.
- Logistics operating companies, whose role in France and abroad is to provide storage services, while also offering additional services such as order preparation, product customisation and tracing, quality control, distribution channel management and reverse logistics.
- Freight Forwarding operating companies, the Group's new business, whose role in France and abroad is to provide international organisational freight forwarding services.
- So-called services companies, whose role is to provide the operating companies with services so that they can focus on their core business. These companies include the Group's holding company and the country holding companies which assist the Group in terms of strategy and communication.

The weighting of the three Group businesses is given in the segment information in the Notes to the financial statements below.

Transport activities consist of transport solutions (management of all of a customer's transport), international and domestic pallet distribution, outsourcing of customer fleets, contract distribution and logistics on customer sites.

The main Logistics activities comprise stock management, order preparation, quality control, packing, customisation, sub-assembly, co-packing, distribution, delivery to final customer, reverse logistics, information management and real-time traceability control.

The Freight Forwarding business consists of providing global organisational freight forwarding services.

• Information per operating segment

The Group presents detailed information about its activities, Transport, Logistics and Freight Forwarding, given that they operate in different markets and each have specific levels of capital intensity.

€m	Transport	Logistics	Freight Forwarding	Elimination of inter segment transactions	Total
Revenue					
31/12/2011	1,966	1,589	86	(65)	**3,576**
31/12/2012	2,038	1,783	143	(84)	**3,880**
31/12/2013	2,014	1,950	145	(77)	**4,032**
Inter-segment revenue					
31/12/2011	(65)	(7)	-	7(*)	**(65)**
31/12/2012	(77)	(11)	(4)	8(*)	**(84)**
31/12/2013	(67)	(7)	(3)	-	**(77)**

(*) Including revenues of UK Dagenham site, sold on 1 October 2012.

€m	Transport	Logistics	Freight Forwarding	Other activities	Total
EBIT					
31/12/2011	46.0	75.8	0.3	2.3	**124.5**
31/12/2012	53.0	72.4	1.2	2.9	**129.5**
31/12/2013	51.3	82.4	1.4	-	**135.1**
Operating cash flow					
31/12/2011	110.8	72.7	(1.8)		**181.8**
31/12/2012	136.5	112.2	(1.5)		**247.2**
31/12/2013	88.7	65.2	(4.2)		**149.7**

	Transport	Logistics	Freight Forwarding	Total
Staff				
31/12/2011	15,055	17,180	463	**32,698**
31/12/2012	13,591	18,234	599	**32,424**
31/12/2013	13,438	23,577	724	**37,739**
Number of motor vehicles				
31/12/2011	6,652	1,080		**7,732**
31/12/2012	6,111	1,256		**7,367**
31/12/2013	6,025	1,962		**7,987**
Number of m²				
31/12/2011	589	5,971		**6,560**
31/12/2012	564	5,604		**6,168**
31/12/2013	621	7,209		**7,830**

• Information per geographic region

	31/12/2013				31/12/2012				31/12/2011			
€m	France	United Kingdom	Others	Total	France	United Kingdom	Others	Total	France	United Kingdom	Others	Total
Revenue	1,611	1,218	1,203	4,032	1,596	1,236	1,048	3,880	1,623	1,013	940	3,576
Fixed assets (1)	409	436	421	1,266	432	483	329	1,244	460	505	346	1,311
Staff	12,824	14,688	10,227	37,739	12,584	12,709	7,131	32,424	13,127	12,808	6,763	32,698
Number of motor vehicles	3,863	1,702	2,422	7,987	4,089	1,718	1,560	7,367	4,282	1,697	1,753	7,732
Number of m²	2,142	3,456	2,232	7,830	2,113	2,458	1,597	6,168	2,149	2,794	1,617	6,560

(1) Goodwill, intangible and tangible fixed assets

The "other" main countries are Belgium, Italy, Netherlands, Poland, Portugal, Romania, Russia, Saudi Arabia and Spain.

d) Staff

	31/12/2013	31/12/2012	31/12/2011
Executives	2,503	2,091	1,715
Employees and supervisors	8,940	7,924	8,491
Drivers	10,363	10,373	11,038
Manual workers	15,933	12,036	11,454
TOTAL	**37,739**	**32,424**	**32,698**

e) Operating income

• Reconciliation of EBITDA with EBIT:

€000	31/12/2013	31/12/2012	31/12/2011
EBITDA	**251,460**	**244,826**	**252,264**
Amortisation and depreciation charges	(117,047)	(121,324)	(120,690)
Provision charges and reversals (1)	7,241	18,134	(1,240)
Amortisation of customer relations	(6,525)	(6,667)	(5,794)
Impairment of goodwill		(5,500)	
TOTAL (PROVISIONS)/REVERSALS	**(116,331)**	**(115,357)**	**(127,707)**
EBIT	**135,129**	**129,469**	**124,539**

(1) The €7,241,000 are broken down in the consolidated income statement as follows: €7,688,000 under "Other purchases and external costs", €3,520,000 under "Other operating expenses (income)", €(3,248,000) under "Restructuring costs" and €(719,000) under "Staff costs".

f) Financial profit or loss

€000	31/12/2013	31/12/2012	31/12/2011
Interest and similar financial income	4,383	3,342	2,629
Profit or loss from disposals of investments		7	400
Other financial income		89	
Reversals of provisions on equities and financial fixed assets	444		
TOTAL FINANCIAL INCOME	**4,827**	**3,438**	**3,029**
Interest and similar expenditure	(25,788)	(29,057)	(27,922)
Exchange losses	(1,126)	(2,406)	(2,249)
Other financial costs	(1,366)	(409)	(1,300)
Depreciation and amortisation charges	(3,206)	(3,799)	(910)
TOTAL FINANCIAL COSTS	**(31,486)**	**(35,671)**	**(32,381)**
TOTAL	**(26,659)**	**(32,233)**	**(29,352)**

g) Corporation tax

€000	31/12/2013	31/12/2012	31/12/2011
Net current tax charge/income	(26,843)	(10,196)	(12,151)
Other taxes	(12,962)	(12,806)	(12,705)
Net deferred tax charge/income	3,168	(3,793)	(9,525)
TOTAL TAX CHARGE	**(36,637)**	**(26,795)**	**(34,381)**

• Tax proof

€000	31/12/2013	31/12/2012	31/12/2011
CONSOLIDATED INCOME BEFORE TAX AND BEFORE CVAE	**108,471**	**97,237**	**95,184**
CVAE	(12,962)	(13,226)	(13,139)
CONSOLIDATED INCOME BEFORE TAX AND AFTER CVAE	**95,509**	**84,011**	**82,045**
National tax rate	38.0%	36.10%	36.10%
THEORETICAL TAX CHARGE	**(36,293)**	**(30,328)**	**(29,618)**
CICE	4,465		
Other permanent differences	(7,773)	50	2,981
Impairment of goodwill		(1,986)	
Legal restructuring of the UK holding companies*		22,635	
Losses not triggering deferred tax	(3,981)	(12,307)	(3,973)
Recognition of previously unrecognised losses	10,537	3,759	2,740
Other taxes		688	3,184
Impact of tax rate differences in the UK	6,281	3,920	3,455
Other effects of tax rate differences	3,090		
TAX CHARGE EXCLUDING CVAE	**(23,675)**	**(13,569)**	**(21,231)**
Effective tax rate excluding CVAE	**24.8%**	**16.2%**	**25.9%**
CVAE	(12,962)	(13,226)	(13,150)
TAXES AND CVAE RECOGNISED	**(36,637)**	**(26,795)**	**(34,381)**
Effective tax rate	**33.8%**	**27.6%**	**36.1%**

* see 2012 Management Report.

The third French Amending Finance Act of 2012 introduced a Tax Credit for Competitiveness and Employment (CICE), which corresponds to a tax credit (deductible from tax or repayable at the end of a three-year period) of 4% based on salaries lower than or equal to 2.5 times the French Minimum Wage and paid from 1 January 2013 (the rate was increased to 6% from 1 January 2014).

Norbert Dentressangle has chosen to present the CICE as a deduction from staff costs. The CICE recognised in 2013 amounted to €11.7 million. This non-taxable income explains the €4.4 million tax credit included in the permanent differences presented in the tax proof.

h) Deferred tax

€000	31/12/2013	31/12/2012	31/12/2011
Deferred tax assets	53,347	47,750	59,300
Deferred tax liabilities	(72,846)	(71,690)	(82,385)
Net deferred tax	**(19,499)**	**(23,940)**	**(23,085)**

• Deferred tax breaks down by type as follows:

	31/12/2013			31/12/2012			31/12/2011		
€000	Deferred tax assets	Deferred tax liabilities	Total	Deferred tax assets	Deferred tax liabilities	Total	Deferred tax assets	Deferred tax liabilities	Total
Intangible assets	637	(42,877)	(42,239)	123	(37,948)	(37,825)	402	(40,425)	(40,023)
Tangible fixed assets and finance leases	8,775	(42,098)	(33,323)	11,462	(49,547)	(38,085)	13,868	(50,182)	(36,314)
Provisions and employee benefits	40,920	(746)	40,174	29,949	(243)	29,706	34,642	(222)	34,420
Tax losses carried forward	8,523		8,523	10,604		10,604	11,423	(14)	11,409
Other items	9,777	(2,411)	7,366	12,726	(1,066)	11,660	9,522	(2,101)	7,422
Total	**68,632**	**(88,132)**	**(19,499)**	**64,864**	**(88,804)**	**(23,940)**	**69,857**	**(92,942)**	**(23,085)**
Offsets	(15,285)	15,285		(17,114)	17,114		(10,557)	10,557	
Recorded taxes	**53,347**	**(72,846)**	**(19,499)**	**47,750**	**(71,690)**	**(23,940)**	**59,300**	**(82,385)**	**(23,085)**

• Deferred tax breaks down as follows:

€000	Intangible assets	Tangible fixed assets and finance leasing	Provisions and employee benefits	Tax losses carried forward	Other items	Total
Deferred tax as at 31/12/2011	**(40,024)**	**(36,313)**	**34,420**	**11,408**	**7,424**	**(23,085)**
Amounts posted to profit or loss	2,995	(823)	(4,631)	(1,279)	(264)	(4,002)
Foreign exchange gains or losses	(463)	299	73	(3)	68	(26)
Amounts posted to shareholders' equity, reclassifications and impact of changes in consolidation scope	(333)	(1,248)	(156)	478	4,432	3,173
Deferred tax as at 31/12/2012	**(37,825)**	**(38,085)**	**29,706**	**10,604**	**11,660**	**(23,940)**
Amounts posted to profit or loss	2,548	5,020	(1,766)	(2,575)	(56)	3,168
Foreign exchange gains or losses	398	(260)	294	(6)	21	447
Amounts posted to shareholders' equity, reclassifications and impact of changes in consolidation scope	(7,359)	2	11,941	500	(4,258)	826
Deferred tax as at 31/12/2013	**(42,239)**	**(33,323)**	**40,174**	**8,523**	**7,366**	**(19,499)**

Deferred tax liabilities principally arise on the recognition of customer relations (intangible assets), on the revaluation of real estate recognised on the Christian Salvesen and TDG group acquisitions and on the difference in depreciation periods for vehicles between the consolidated financial statements and the local statutory company accounts.

Tax losses, for which deferred tax has not been recognised, amount to €97 million representing €23 million in unrecognised deferred tax assets. Deferred tax assets have only been recognised in respect of recoverable amounts based on future outlook for entities operating as going concerns in the medium term.

i) Average number of shares

	31/12/2013	31/12/2012	31/12/2011
Average number of shares in issue	9,836,241	9,836,241	9,836,241
Average number of treasury shares	(105,217)	(259,434)	(200,116)
Average number of shares	**9,731,024**	**9,576,807**	**9,636,125**
Share warrants	140,000	115,000	175,000
Stock options (*)	51,940	0	0
Average number of diluted shares	**9,922,964**	**9,691,807**	**9,811,125**

* As at the balance sheet date, the Group believes that it is more likely than unlikely that the options will be exercised, in contrast to previous financial years.

j) Intangible fixed assets

€000	Goodwill	Concessions, patents, licences	Other intangible fixed assets	Total
Gross values				
Value as at 31 December 2011	**551,863**	**37,659**	**128,881**	**718,403**
Acquisitions		4,107	79	4,186
Disposals		(3,668)	(5,085)	(8,753)
Translation adjustments	6,078	195	2,153	8,426
Change in consolidation and reclassification	(2,995)	1,027	4,369	2,401
Value as at 31 December 2012	**554,947**	**39,322**	**130,396**	**724,665**
Acquisitions		3,694	2,783	6,477
Disposals		(647)	(2)	(649)
Translation adjustments	(6,158)	(140)	(1,976)	(8,274)
Change in consolidation and reclassification	56,661	5,671	26,097	88,429
Value as at 31 December 2013	**605,451**	**47,900**	**157,298**	**810,649**
Amortisation and depreciation				
Value as at 31 December 2011	**0**	**(32,651)**	**(19,282)**	**(51,933)**
Charge	(5,500)	(3,851)	(7,002)	(16,353)
Write-back		3,641	152	3,793
Translation adjustments		(157)	(337)	(494)
Change in consolidation and reclassification		47	562	609
Value as at 31 December 2012	**(5,500)**	**(32,971)**	**(25,907)**	**(64,378)**
Charge		(4,010)	(6,833)	(10,843)
Write-back		614	2	616
Translation adjustments		86	366	452
Change in consolidation and reclassification		(3,908)	491	(3,417)
Value as at 31 December 2013	**(5,500)**	**(40,189)**	**(31,881)**	**(77,570)**
Net value as at 31 December 2011	**551,863**	**5,008**	**109,599**	**666,471**
Net value as at 31 December 2012	**549,447**	**6,351**	**104,488**	**660,287**
Net value as at 31 December 2013	**599,951**	**7,711**	**125,417**	**733,079**

At 31 December 2013, the allocation of the purchase price to the identifiable assets and liabilities of the logistics and transport operations acquired from the Fiege Group and the Daher Group's Freight Forwarding operations was still in progress and is likely to change.

There are no restrictions on the Group's use of its fixed assets.

Goodwill has an unlimited useful life.

Customer relations and the contract with an unlimited term amounting in total to €125.2 million at 31 December 2013, compared to €104.3 million at 31 December 2012 and to €109.3 million at 31 December 2011, which were recognised for purposes of the different acquisitions, are posted to "Other intangible fixed assets".

Customer relations with fixed terms amount to €74 million and unlimited terms €51.3 million if no attrition is forecast in view of the specific nature of the underlying commercial agreements.

The customer relations impairment test is included in the goodwill impairment test and did not identify any loss of value.

k) Tangible fixed assets

€000	Land and building fixtures	Buildings	Equipment, plant and machinery	Carriage equipment	Other tangible fixed assets	Advances and down payments	Total
Gross values							
Value as at 31 December 2011	**66,475**	**155,157**	**140,212**	**584,778**	**132,223**	**7,704**	**1,086,549**
Acquisitions	147	3,258	19,777	82,937	22,161	1,065	129,345
Disposals	(14,445)	(6,382)	(20,020)	(124,812)	(8,037)	(171)	(173,867)
Translation adjustments	827	1,085	1,393	5,032	656	57	9,050
Change in consolidation and reclassification	192	(13)	(197)	2,112	49	(4,542)	(2,399)
Value as at 31 December 2012	**53,196**	**153,105**	**141,165**	**550,047**	**147,052**	**4,112**	**1,048,678**
Acquisitions	9	2,612	16,513	86,170	20,359	11,240	136,903
Disposals	(17,180)	(21,000)	(11,003)	(108,635)	(11,709)	(35)	(169,562)
Translation adjustments	(806)	(1,229)	(1,212)	(2,370)	(508)	34	(6,091)
Change in consolidation and reclassification	1	1,403	12,594	7,194	12,314	(4,701)	28,805
Value as at 31 December 2013	**35,220**	**134,891**	**158,057**	**532,406**	**167,508**	**10,650**	**1,038,732**
Amortisation and impairment							
Value as at 31 December 2011	**(856)**	**(70,803)**	**(66,582)**	**(206,272)**	**(98,049)**		**(442,562)**
Charges	(59)	(10,256)	(19,705)	(71,626)	(15,723)		(117,369)
Write-back	81	2,641	9,458	76,812	7,135		96,127
Translation adjustments		(62)	(361)	(1,369)	(433)		(2,225)
Change in consolidation and reclassification	(201)	120	295	592	219		1,025
Value as at 31 December 2012	**(1,034)**	**(78,359)**	**(76,894)**	**(201,864)**	**(106,851)**		**(465,002)**
Charges	(69)	(8,558)	(18,684)	(68,034)	(18,264)		(113,609)
Write-back		7,355	9,730	62,816	10,609		90,510
Translation adjustments		159	375	769	282		1,585
Change in consolidation and reclassification		211	(9,152)	(2,179)	(8,247)		(19,367)
Value as at 31 December 2013	**(1,103)**	**(79,193)**	**(94,626)**	**(208,492)**	**(122,470)**		**(505,883)**
Net value as at 31 December 2011	**65,619**	**84,354**	**73,630**	**378,506**	**34,174**	**7,704**	**643,987**
Net value as at 31 December 2012	**52,162**	**74,746**	**64,271**	**348,183**	**40,202**	**4,112**	**583,676**
Net value as at 31 December 2013	**34,117**	**55,698**	**63,431**	**323,914**	**45,038**	**10,650**	**532,849**

• Capitalised and leased assets

	Gross values			Amortisation and impairment		
€000	31/12/2013	31/12/2012	31/12/2011	31/12/2013	31/12/2012	31/12/2011
Land and building fixtures	6,539	6,539	6,539			
Buildings	19,245	26,580	26,465	(8,831)	(10,554)	(9,316)
Equipment, plant and machinery	1,985	2,572	2,733	(1,331)	(1,449)	(1,138)
Carriage equipment	44,930	30,025	34,739	(11,667)	(11,582)	(9,460)
TOTAL	**72,699**	**65,716**	**70,476**	**(21,829)**	**(23,585)**	**(19,914)**

Motor vehicle manufacturers have entered into buy-back commitments.

l) Goodwill and fixed-asset impairment tests

The main assumptions applied for valuation of the impairments tests are as follows:

Weighted average cost of capital per CGU	31/12/2013	31/12/2012
Logistics France	7.9%	7.2%
Logistics UK	8.1%	7.2%
Logistics Italy	9.1%	8.8%
Logistics other countries	9.5%	8.3%
Logistics Spain	9.0%	8.9%
Logistics Benelux	8.0%	7.4%
Transport & Distribution UK	8.1%	7.2%
Transport France	7.9%	7.2%
Distribution France	7.9%	7.2%
Transport & Distribution Iberica	9.0%	8.9%
Transport other countries	9.5%	8.3%
Freight Forwarding	8.4%	7.9%

The long-term growth rate used for all the CGUs was 2.2%, as in 2012.

Impairment tests were performed on all the Cash Generating Units in 2013. These tests did not result in any impairment.

Change in net book value (€000)	Freight Forwarding	Transport	Logistics	Total
Net value as at 31/12/2011	**41,298**	**235,658**	**274,908**	**551,863**
Variation in goodwill for 2012	761	(5,075)	1,320	(2,994)
Impairment for 2012		(5,500)		(5,500)
Foreign-exchange differences	256	1,866	3,957	6,079
Net value as at 31/12/2012	**42,314**	**226,949**	**280,185**	**549,447**
Variation in goodwill for 2013	27,931		28,730	56,661
Impairment for 2013				
Foreign-exchange differences	(873)	(1,575)	(3,710)	(6,158)
Net value as at 31/12/2013	**69,372**	**225,374**	**305,205**	**599,951**

Goodwill breakdown per CGU (€000)	31/12/2013	31/12/2012	31/12/2011
Logistics France	41,694	41,694	41,694
Logistics UK	172,268	175,969	170,929
Logistics Italy	38,131	8,316	8,316
Logistics Spain	32,266	32,266	32,266
Logistics Benelux	19,352	20,437	20,158
Logistics other countries	1,494	1,503	1,545
Transport & Distribution UK	78,112	79,685	77,972
Transport France	8,360	8,360	8,360
Distribution France	91,044	91,044	91,044
Transport & Distribution Iberica	47,308	47,308	52,808
Transport other countries	550	552	5,474
Freight Forwarding	69,372	42,314	41,298
TOTAL	**599,951**	**549,447**	**551,863**

The changes in value between the two financial years are primarily the result of:

- the acquisition of the Daher Group's Freight Forwarding operations in France and Russia, which resulted in the recording of goodwill amounting to €26.8 million;

- the acquisition of the Fiege Group's Logistics operations in Italy, Spain and Portugal, which resulted in the recording of goodwill amounting to €29.8 million.

As in the previous financial year, the value in use of the Transport Distribution Iberica CGU remained close to its net book value.

The following sensitivity tests were performed:

- 0.5% reduction in the long-term growth rate (i.e. 1.7% rather than 2.2%),
- 0.5% increase in the weighted average cost of capital,
- 5% reduction in revenues,
- 5% reduction in EBIT.

The change in the sensitivity assumptions resulted in a value in use for the Transport Distribution Iberica CGU that was 1 to 2% lower than its net book value; these differences are non-material.

The value in use of all the other CGUs remained above their net book value.

m) Investments in associated companies

€000	31/12/2013	31/12/2012	31/12/2011
Investment brought forward	**4,428**	**4,511**	**5,772**
Share of earnings	(1,477)	8	221
Other comprehensive income	27	(149)	(25)
Dividends	0	0	(30)
Capital increase and decrease	1	1	907
Translation difference	(104)	55	97
Changes in consolidation	2	2	(2,431)
Investment carried forward	**2,877**	**4,428**	**4,511**

€000	Investment	Shareholders' equity	Revenue	Net income
Centrale des franchisés				
31/12/2012	(45)	(128)	14,480	6
31/12/2013	(54)	(159)	13,932	(32)
NDB Logistica Romania				
31/12/2012	831	1,663	4,247	(181)
31/12/2013	692	1,383	4,683	(273)
Salto				
31/12/2012	108	317	5,596	38
31/12/2013	123	363	4,916	46
Interbulk				
31/12/2012	3,554	106,050	345,801	5,345
31/12/2013	2,157	88,166	319,757	(15,999)
MNS				
31/12/2012	44	104	0	(6)
31/12/2013	43	102	0	(2)
NCG UK				
31/12/2012	(7)	(13)	2,777	(98)
31/12/2013	(25)	(50)	2,682	(36)
LOG INS ARES				
31/12/2012	(57)	(117)	871	(190)
31/12/2013	(58)	(118)	1,471	(1)

n) Other assets

• Other non-current assets

€000	31/12/2013	31/12/2012	31/12/2011
Loans	1,204	878	1,269
Deposits and guarantees	31,854	23,399	26,389
Shareholdings in non-consolidated companies	88	250	657
Employee benefits	0	3,991	16,042
TOTAL	**33,146**	**28,518**	**44,357**

Loans, deposits and guarantees as at 31 December 2013 are broken down by maturity date in the following table:

€000	Balance 31/12/2013	Maturity dates		
		Less than 1 year	1 to 5 years	More than 5 years
Loans	1,204	679	318	207
Deposits and guarantees	31,854	5,155	23,617	3,082
TOTAL	**33,058**	**5,834**	**23,935**	**3,289**

The loans are interest-bearing loans. Deposits and guarantees do not bear interest.

• Other current financial assets

None.

• Change in impairment

No impairment.

• Amount of overdue financial assets, by maturity, that have not been written down

There are no overdue financial assets that have not been written down.

o) Inventories

At 31 December 2013, inventories stood at €14 million compared to €14.7 million at 31 December 2012. Inventories largely consist of diesel, vehicle spare parts and various consumables for the Logistics business.

p) Trade and other receivables

€000	31/12/2013	31/12/2012	31/12/2011
Trade receivables	795,593	637,198	666,567
Impairment provisions	(19,714)	(14,824)	(12,726)
Trade receivables	**775,879**	**622,374**	**653,841**
Tax and social security receivables	63,606	64,994	69,637
Advances and down payments	11,134	1,470	1,519
Pre-paid expenses	48,583	43,575	29,608
Other miscellaneous receivables	18,420	19,103	23,407
Other receivables	**141,743**	**129,141**	**124,171**
Current tax receivables	**17,621**	**12,079**	**43,858**

Tax and social security receivables largely relate to deductible VAT.

Customer receivable bad debt provisions are broken down as follows:

€000	31/12/2013	31/12/2012	31/12/2011
Opening	**(14,824)**	**(12,726)**	**(7,152)**
Provisions for the financial year	(6,290)	(4,762)	(4,450)
Reversals used	2,536	2,507	826
Unused reversals	808	605	507
Change in consolidation and reclassification	(2,023)	(445)	(2,416)
Translation adjustments	79	(3)	(39)
Closing	**(19,714)**	**(14,824)**	**(12,726)**

Customer receivable maturities were as follows:

€000	Total	Not matured and not impaired	Payable within 0 to 90 days	Maturity exceeding 90 days
31/12/2012	622,374	381,375	233,203	7,795
31/12/2013	775,879	485,830	277,499	12,551

Receivables with a maturity date exceeding 90 days do not bear interest.

• Receivables transferred and fully written off in the books

The Group did not assign any trade or non-trade receivables at the end of the financial year, whilst receivables amounting to €20.6 million had been assigned on 31 December 2012.

q) Cash and equivalents

€000	31/12/2013	31/12/2012	31/12/2011
Cash equivalents	197,638	63,177	98,167
Cash	198,984	192,700	147,171
Cash and cash equivalents	**396,622**	**255,877**	**245,338**
Banks accounts (credit balances)	(7,200)	(8,837)	(87,928)
Net cash position	**389,422**	**247,040**	**157,410**

Cash equivalents consist of interest-bearing term accounts, which are available and liquid at any time and have a known value.

No restrictions apply to the Group's use of its cash.

r) Issued share capital and reserves

Year	Nature of transaction	Change in share capital			Share capital following transaction	
		Number of shares	Nominal value in euros	Share premiums in euros	Amount in euros	Number of shares
As at 31 December 2010					19,672,482	9,836,241
As at 22 July 2011	Share warrants	75,000	2	3,726,000	19,822,482	9,911,241
As at 24 October 2011	Capital reduction	75,000	2	(3,374,861)	19,672,482	9,836,241
As at 31 December 2011					19,672,482	9,836,241
As at 31 December 2012					19,672,482	9,836,241
As at 18 September 2013	Share warrants	30,000	2	1,759,200	19,732,482	9,866,241
As at 20 December 2013	Capital reduction	30,000	2	1,648,680	19,672,482	9,836,241
As at 31 December 2013					19,672,482	9,836,241

During the 2013 financial year, the Group carried out a share capital increase and decrease involving 30,000 shares, with a par value of €2 per share, following the exercise of 30,000 stock warrants; the entire transaction was recorded by the Executive Board meeting of 20 December 2013.

The share capital consists of shares having a nominal value of €2 each.

Each share carries one vote. However, a double vote – carrying twice the weight of that of other shares in proportion to the fraction of share capital represented – is allocated to:

a) all fully paid-up shares in registered form and recorded in the name of the same shareholder for at least four years; and

b) registered bonus shares allocated to a shareholder in the event of a capital increase by way of capitalisation of reserves, income or share premiums, through existing shares held that carry such entitlement.

This double voting right shall ipso jure be forfeited in the case of any share converted into bearer form - if the shares were listed on an official stock market – or transfer of ownership. However, the above period shall not be accelerated and the double voting right shall be preserved in case of transfer by inheritance, liquidation of joint matrimonial estate, inter vivos donations in favour of a spouse or relative being a statutory heir.

In addition to voting rights, each share carries an entitlement to the company's assets, profits or liquidation surplus in proportion to the number and value of existing shares.

In order for all shares to be allocated the same net amount without any distinction and be listed as the same investment, and unless prohibited by law, the Company shall bear the amount of any proportional tax that may be levied on certain shares only, including in connection with winding-up of the Company or a capital reduction; however the Company shall not bear this tax burden where the tax applies to all shares of a given class on the same terms, where there are various classes of shares carrying different entitlements.

Where ownership of a specific number of shares is required in order to exercise a right, the shareholders that do not meet this requirement shall be solely responsible for consolidating shares to that end.

c) notwithstanding any statutory disclosure requirements, any shareholder acting alone or jointly with others and holding at least 2% of the Company's share capital or a multiple of this percentage, up to 50%, must notify the Company by registered letter with advice of receipt whenever any of these thresholds are exceeded within five trading days of the occurrence thereof.

The penalty incurred for non-compliance with this obligation may be the deprivation of voting rights for the shares exceeding the undeclared fraction at any Shareholders' General Meeting held within two years from the date on which the requisite notice is duly served.

This penalty may not be enforced otherwise than at the request, as recorded in the minutes of the Shareholders' General Meeting, of one or more shareholders holding at least 5% of the share capital or voting rights in the Company.

Shareholders are also required to notify the Company in accordance with the above provisions in the event that their shareholding in the company falls below any of these thresholds, within five days of the occurrence thereof.

These provisions were adopted by the Shareholders' Combined Ordinary and Extraordinary General Meeting of 23 December 1998 and amended by the Meetings of 29 May 2002, 25 May 2004, 24 May 2005, 23 May 2006 and 20 May 2010.

There has been no other change since then in these provisions of the Articles of Association.

Dividends per share paid in respect of the last three financial years were as follows:

€	2012	2011	2010
Dividends	1.50	1.25	1.10

Other reserves are broken down as follows:

€000	31/12/2013	31/12/2012	31/12/2011
Undistributed reserves	**469,680**	**455,443**	**422,244**
Treasury shares	(6,408)	(14,710)	(11,568)
Fair value of cash flow and net foreign investment hedges	(12,797)	(22,822)	(21,137)
Tax on financial instruments and translation adjustments	6,151	9,975	9,107
Other	(444)	(471)	(421)
Total Other Reserves	**(13,498)**	**(28,028)**	**(24,019)**
Total Consolidated Reserves	**456,182**	**427,415**	**398,225**

s) Provisions

€000	Occurrences of risk	Employee and tax disputes	Employee benefits	Other provisions	Total
Value as at 31 December 2011	**20,225**	**11,326**	**96,737**	**66,537**	**194,826**
Provisions	5,040	1,977	9,125	12,395	28,537
Reversals used	(5,719)	(3,900)	(11,265)	(14,230)	(35,114)
Non-allocated reversals	(3,013)	(875)	0	(16,923)	(20,811)
Changes in consolidation		(53)	67	1,077	1,091
Other items of comprehensive income			(2,027)		(2,027)
Reclassification	168	1,629	0	(1,694)	103
Translation differences	392	(29)	1,907	658	2,928
Value as at 31 December 2012	**17,093**	**10,075**	**94,544**	**47,820**	**169,532**
Provisions	4,976	3,437	1,863	9,359	19,635
Reversals used	(4,239)	(3,147)	(13,418)	(7,503)	(28,307)
Non-allocated reversals	(2,758)	(1,318)	0	(4,779)	(8,855)
Changes in consolidation	(1)	3,446	5,125	6,410	14,980
Other items of comprehensive income			50,170		50,170
Reclassification	72	(352)	(3,801)	(193)	(4,271)
Translation differences	(286)	(63)	(691)	(656)	(1,696)
Value as at 31 December 2013	**14,858**	**12,080**	**133,792**	**50,460**	**211,188**

For the year ended 31 December 2013, employee benefits specifically included the employee benefits for British former employees of Christian Salvesen and TDG, which amounted to €101.4 million, compared with €65 million at 31 December 2012.

The balance of the "other provisions" amounting to €50.5 million as at 31 December 2013 breaks down as follows:

- €12.2 million of provisions for dilapidation costs on operating leases
- €4 million of provisions for onerous leases,
- €8.6 million relating to business litigation;
- €4.8 million relating to restructuring provisions;
- €13.3 million relating to employee-related contingencies;
- €7.6 million relating to various non-material provisions.

The provision for claims includes a UK IBNR provision of €8.4 million as at 31 December 2013 compared to €10.5 million as at 31 December 2012.

The €4.8 million in unclassified reversals under "Other provisions" included €2.2 million in reversals on provisions for onerous leases and dilapidation costs, together with a €1.3 million provision reversal relating to payments received in connection with business litigation.

• Procedures for valuing the "Rehabilitation of UK buildings" provision

This provision is set aside during the use of the buildings leased under operating leases from third parties and is designed to cover potential expenses due to their rehabilitation.

• Procedures for valuing the UK IBNR provision

The IBNR provision covers the potential cost of claims for compensation following a third party loss largely relating to vehicles and employer's civil liability. This provision comprises the deductible borne by the company and the value of uninsured external claims. While claims for compensation fall due in less than one year, management forecast that the average duration of these provisions exceeds five years given the time taken for claims and potential court actions.

t) Borrowings

€000	31/12/2012	31/12/2013	Maturity dates: Less than 1 year	1 to 5 years	More than 5 years
NON-CURRENT					
Long-term borrowings	563,394	713,181		400,637	312,544
Finance leases	15,728	28,664		26,887	1,777
Other miscellaneous financial liabilities	1,946	1,039		867	172
TOTAL NON-CURRENT	**581,068**	**742,884**		**428,391**	**314,493**
CURRENT					
Short-term borrowings	147,553	94,454	94,454		
Finance leases	6,101	7,628	7,628		
Other miscellaneous financial liabilities	879	425	425		
TOTAL CURRENT	**154,534**	**102,507**	**102,507**		
TOTAL GROSS DEBT	**735,602**	**845,391**	**102,507**	**428,391**	**314,493**
Cash and cash equivalents	(255,877)	(396,622)	(396,622)		
Bank overdrafts	8,837	7,200	7,200		
TOTAL NET CASH	**(247,040)**	**(389,422)**	**(389,422)**		
TOTAL NET DEBT	**488,562**	**455,969**	**(286,915)**	**428,391**	**314,493**

The aged balances are valued based on exchange rates at 31 December 2013.

Breakdown of borrowings by currency and interest rate	Currency	Interest rates	€000
Loan	EUR	Euribor 1 month	74,552
Loan	EUR	Euribor 3 months	313,067
Bond loan	EUR	Fixed rate	233,675
Loan	GBP	Libor 1 month	165,146
Loan	GBP	Libor 3 months	18,796
Loan	GBP	UK BBR	2,399
Finance leases	GBP	UK BBR	10,091
Finance leases	EUR	Euribor 1 month	14,675
Finance leases	EUR	Euribor 3 month	1,995
Finance leases	GBP	Libor 1 month	7,825
Finance leases	GBP	Libor 3 months	1,706
Other debt	EUR	Fixed rate	1,186
Other debt	GBP	Fixed rate	278
BALANCE BEFORE HEDGES			**845,391**
of which		**Fixed rate**	**235,139**
of which		**Variable rate**	**610,252**
Interest rate hedges	EUR		210,000
	GBP		169,675
BALANCE AFTER HEDGES			
		Fixed rate	**614,814**
		Variable rate	**230,577**

At 31 December 2013, 72% of gross borrowings (bonds and bank loans) were indexed to floating rates and 28% to fixed rates, compared with 99% and 1% respectively at 31 December in 2012.

All loans are denominated in euros, with the exception of GBP loans amounting to €206,241,000, which is equivalent to £171,943,000 (€296,948,000 equivalent to £242,339,000 in 2012).

At 31/12/2013, due to the implementation of interest-rate hedges and fixed-rate debt, 73% of the Group's debt was indexed to fixed rates.

At 31/12/2013, the revaluation of the interest-rate hedge portfolio had a €6,630,000 (net of deferred tax) positive impact on Group net assets, compared with a negative impact of €1,056,000 at 31/12/2012.

Breakdown of debt by type (€m)	31/12/2013	31/12/2012	31/12/2011
Corporate debt – Acquisition facility	0	241	272
Corporate debt – Revolving facility	165	95	100
Corporate debt – Euro PP loan	75	0	0
Corporate debt – Euro PP bond debt	234	0	0
Asset finance debt	371	400	400
Of which finance leases	*36*	*22*	*30*
Other	0	0	10
Total borrowings	**845**	**736**	**782**

• Borrowing ratios

Following the refinancing of the corporate debt, some of the Group's credit lines are subject to three financial ratios. At 31/12/2013, the value of the loans subject to these financial ratios amounted to €473 million.

The three financial ratios mentioned hereafter are calculated every half year based on the published consolidated financial statements in accordance with the contractual definitions and on a rolling 12-month basis.

- The "gearing" ratio is the ratio between total net debt (i.e. gross debt less cash and cash equivalents) and consolidated shareholders' equity;
- The "interest cover" ratio is the ratio between operating income (i.e. consolidated EBIT) and net financial expenses;
- The "leverage" ratio is the ratio between total net debt (i.e. gross debt less cash and cash equivalents) and EBITDA.

As at 31 December 2013, the Group complied with these three ratios.

- The "gearing" ratio, as defined in the agreements, amounted to 0.66.

Its value at 31 December 2013 had to be lower than or equal to 2.00.

- The "interest cover" ratio, as defined in the agreements, amounted to 6.55.

Its value at 31 December 2013 had to be higher than or equal to 3.00.

- The "leverage" ratio, as defined in the agreements, amounted to 1.81.

Its value at 31 December 2013 had to be lower than or equal to 3.50.

In view of the Group's continued operations in the future and in particular for 2014, the Group considers it will continue to comply with the three ratios in 2014 within the limits specified in the loan agreement.

u) Cash flow

Cash flows arising from acquisitions and disposals of subsidiaries break down as follows:

€000	31/12/2013
Outflows from purchase of subsidiaries	(57,984)
Net cash received/(disposed) of companies acquired or sold	3,861
NET CASH FLOW OF ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES	**(54,123)**

v) Trade and other payables

€000	31/12/2013	31/12/2012	31/12/2011
Other current liabilities	**9,330**	**16,726**	**21,137**
Trade receivables	**601,548**	**503,028**	**523,593**
Current tax payables	**11,528**	**11,032**	**10,536**
Other tax and social security payables	293,916	270,365	283,557
Other current payables	60,652	30,704	41,113
Other debt	**354,568**	**301,069**	**324,669**

w) Financial instruments and risk management

The Group's main financial liabilities consist of bank and bond loans, bank overdrafts, finance lease liabilities and trade payables.

The main purpose of these borrowings is to finance the Group's operational activities. The Group holds other financial assets such as customer receivables, cash and short-term deposits that are directly generated by its operations.

The Group also takes out interest rate swap derivatives and currency hedges (RON/EURO and PLN/EURO).

• Derivatives

Given that Group debt financing tangible assets was contracted at the floating three-month Euribor rate, the Group has implemented hedging instruments to limit its exposure to interest-rate fluctuations. In 2013 the hedging strategy was revised.

The rate hedging portfolio exclusively consists of interest rate swaps (exchanging a variable three-month Euribor rate for a fixed rate) pertaining to a total nominal value of € 135,000,000 (€143,750,000 as at 31 December 2012). These contracts mature over periods of 1 to 2 years.

As the Corporate debt is also agreed at a floating rate, the Group has contracted hedging instruments to limit its exposure to interest-rate risk.

The related hedging portfolio exclusively consists of interest rate swaps (exchanging a variable rate for a fixed rate) pertaining to a total nominal value of €75,000,000 and £141,458,000 (€169,675,000). These contracts mature over periods of 1 to 5 years.

Income or expenses due to the difference between interest rates paid and received are posted to earnings for the year. The net amount recorded in respect of 2013 was an expense of €8,592,000 (2012: loss of €10,196,000).

The fair value of the interest-rate hedging instrument was recorded on the balance sheet in accordance with IAS 39, and its amount net of tax was offset by a capital increase of €6,630,000 at 31 December 2013, compared with a decrease of €1,506,000 at 31 December 2012.

The nominal value includes a portfolio of active forward start options. The Group does not contract derivatives for speculative purposes.

€000	Nominal value	Fair value on balance sheet*				Posted to	
		Opening		Closing		Earnings	Sharehol-ders' Capital equity*
		Asset	Liability	Asset	Liability		
Int. rate swaps							
Year ended 31 December 2012	745,764	0	13,298	0	14,804	0	(1,506)
Year ended 31 December 2013	655,514	0	14,804	0	8,175	0	6,630

*After tax.

• Risk management

The main risks attached to the Group's financial instruments are interest rate risk on cash flows, liquidity risk, currency risk, risks on equities and other financial products and commodity risk.

Currency risk

The total amount of assets denominated in currencies other than the Group's currency (i.e GBP, RON, CZK, PLN, HUF, CHF, RUB, INR, LKR, CLP, BRL, SAR, MAD, UAH, USD, RMB, and HKD) pertaining to companies located outside the euro zone is summarised in the following table. These amounts are not hedged.

Foreign currency consideration in €000	GBP (United Kingdom)	RUB (Russia)	PLN (Poland)	RMB (China)	RON (Romania)	OTHERS	Total
Net asset (liability) before hedging	150,191	23,818	16,467	11,689	10,629	14,101	226,895
Hedging							
Net balance after hedging	**150,191**	**23,818**	**16,467**	**11,689**	**10,629**	**14,101**	**226,895**

During the 2013 financial year, the change in translation adjustments recognised in consolidated shareholders' equity for the net assets exposed to currency risk amounted to a €4.4 million net loss, which includes the impact of a €1.6 million gain derived from natural hedges recognised as an increase in shareholders' equity at the financial year-end (net foreign investment and cash flow hedges), in accordance with IAS 21 and IAS 39.

The amount reversed to income for the cash flow hedges subject to foreign exchange risk was a €0.3 million expense in 2013 vs. a €1.1 million expense in 2012.

In 2013, 2012 and 2011, no amounts were transferred to income in respect of net investment hedges.

The Group is principally exposed to GBP. A 10% appreciation in GBP would lead approximately to an €16.7 million increase in net assets converted into euros. A 10% depreciation in GBP would lead approximately to a €13.6 million decrease in net assets converted into euros. A 10% appreciation in GBP would lead approximately to a €3.4 million increase in net income. A 10% depreciation in GBP would lead approximately to a €2.8 million decrease in net income.

Interest rate risk

Interest rate risk is centrally managed for all Group positions.

Borrowings are concentrated within certain Group companies: Norbert Dentressangle S.A., ND Location, ND Logistics, NDLI, NDT, ND Logistics Ltd, ND Gerposa, LOCAD entities and ND Holdings Ltd. All contracts are negotiated and approved by the Group Finance Department.

Sensitivity of earnings and shareholders' equity to changes in fair value of interest rate derivatives:

€000	Change in base points	Impact on pre-tax earnings Product/(Loss)
2012	+ 100 / - 100	3,909 / (2,475)
2013	+ 100 / - 100	3,858 / (1,243)

€000	Change in base points	Impact on shareholders' equity Increase / (Decrease)
31/12/2012	+ 100 / - 100	8,413 / (9,098)
31/12/2013	+ 100 / - 100	6,373 / (6,376)

The maturity of borrowings (€845,391,000 as at 31 December 2013) is described in the paragraph Borrowings. Trade payables (€601,548,000) and "Other accounts payable" (€354,568,000) are mostly due on a short-term basis (within one year).

The amount reversed to income for the cash flow hedges subject to interest rate risk was a €2.4 million expense in 2013 vs. a €4.1 million expense in 2012.

Debt ratios

Debt ratios are described in the paragraph "Debt" of this Note.

Liquidity risk

As at 31 December 2013, the Group had a €400 million confirmed revolving line of credit maturing in more than one year, of which €235 million was unused, confirmed and unconfirmed overdraft facilities of €48 million and €51 million respectively, and available cash and cash equivalents of €389 million. Some of the Group's sources of finance are subject to compliance with financial performance conditions (as described in the paragraph) "Debt ratios".

Cash flows from borrowings based on non-discounted contractual payments are as follows:

€000	Book value	Less than 1 year			1 to 5 years			More than 5 years		
		Fixed rate interest expense	Variable rate interest expense	Repayment of principal	Fixed rate interest expense	Variable rate interest expense	Repayment of principal	Fixed rate interest expense	Variable rate interest expense	Repayment of principal
Borrowings										
Borrowings	807,635	9,250	8,466	94,454	37,000	16,046	400,637	15,650	419	312,544
Finance lease liabilities	36,292		548	7,628		880	26,887		62	1,777
Other borrowings	1,464			425			1,039			
Bank overdrafts	7,200			7,200						

The assumptions applied for valuation of the above maturity breakdown are as follows:

- exchange rate applied closing rate
- interest rate applied rate as at 31/12/2013

€000	31/12/2013	Of which confirmed		Of which not confirmed	
		Drawn	Undrawn	Drawn	Undrawn
Lines of credit available					
Finance lease liabilities	51,617	36,292	15,325	0	0
Borrowings	1,042,489	807,635	234,854	0	0
Bank overdrafts	99,739	1,118	46,861	4,170	47,230

The Group has carried out a specific review of its liquidity risk and considers that it can meet its liabilities due in less than one year.

Risk on equities and other financial investments

The Group does not have any financial investments likely to be exposed to a price fluctuation risk.

Commodities risk

In conjunction with its Transport, Logistics and Freight Forwarding business, the Group is exposed to fluctuations in the oil price.

The price of fuel in Europe depends on movements in the oil price, fuel taxes and the euro/dollar exchange rate.

The 2013 fuel expense amounted to some €263.3 million, which breaks down into €210.3 million for transport and €53 million for logistics.

The bulk volumes in France (134,000 m³, or 87% of the total) are bought on a spot basis, while the remaining balance (13%), which is purchased via credit cards, was invoiced at a scale price minus the negotiated discount.

In the UK, fuel is exclusively purchased based on Platt's, both the 34,000 m3 (65% of total volumes) consumed from our own fuel stations and the 20,000 m³ (35%) bought from petrol stations with charge cards.

During the financial year, the price of one cubic metre of diesel in France (which accounts for 62% of the volumes) fluctuated between €1,070 and €1,150, while in the UK (21% of volumes) the price fluctuated between £1,094 and £1,147; these amounts correspond to the minimum and maximum average monthly prices.

However, the Group includes price adjustment clauses in the event of a change in the fuel purchase price in its transport customer contracts. These clauses are specific to each customer.

These procedures mean that virtually all fluctuations in the purchase price of fuel apart from during short-term economic fluctuations, can be passed on to customers in the sales price. However, due to the dramatic swings in the market, adjusting prices for fluctuations in fuel prices can turn out to be complex. Furthermore, the 5 January 2006 decree forcing customers of French hauliers to pay invoices within 30 days of the invoice date, obliges them to accept the price index for movements in the fuel price.

The impact of a one euro centime increase in the fuel price at the pump would have a €2.1 million per year impact on the entire Transport Division's expenses. This is only the impact on costs since the impact on earnings is less given that most of our transport services have an indexation clause for fuel, as stated above.

Given that fuel represents a major portion of production costs, the Transport Division establishes a monthly summary showing volumes consumed, actual purchase prices in relation to benchmarks (e.g. Platt's and DIMAH), and off-site consumption per country.

For operating units, the IT system enables them to monitor consumption per vehicle and per driver.

• Equity management

The Group's main objective in terms of management of its equity is to ensure the preservation of a satisfactory credit risk rating and healthy equity ratios, so as to facilitate its business and maximise value for shareholders.

The Group manages its equity by applying a ratio of net debt divided by shareholders' equity and net debt.

The Group's net debt includes interest-bearing borrowings, cash and cash equivalents, excluding discontinued operations.

Shareholders' equity includes the Group's shareholding, as well as unrealised income and losses directly recorded as shareholders' equity.

€000	31/12/2013	31/12/2012	31/12/2011
Interest-bearing debt maturing after more than one year	742,884	581,068	640,229
Interest-bearing debt maturing within one year	102,507	154,534	141,497
Bank overdrafts	7,200	8,837	87,928
Cash and cash equivalents	(396,422)	(255,877)	(245,338)
Net debt	**455,969**	**488,562**	**624,316**
Group interest in shareholders' equity	542,467	517,547	471,991
Ratio	**0.8**	**0.9**	**1.3**

• Financial instruments

The fair value of an agreement is the arm's length consideration. On the date of the transaction, it generally represents the transaction price. Computation of fair value is then based on verifiable market data that provide the most reliable assessment of the fair value of a financial instrument.

For swaps, the fair value of the derivative is determined on the basis of discounted contractual cash flows.

The fair value of borrowings is computed by discounting the contractual cash flows at market interest rates.

The fair value of trade payables and receivables is the book value in the balance sheet, as the impact of discounted future cash flows is not material.

The comparison between book value and fair value of the Group's financial instruments is as follows:

€000	Book value			Fair value		
	2013	2012	2011	2013	2012	2011
Borrowings						
Financial debt	807,635	710,947	739,552	790,456	703,326	722,053
Finance lease liabilities	36,292	21,829	30,267	35,520	21,567	29,551
Other financial debt	1,464	2,825	11,906	1,464	2,825	11,626
Bank overdrafts	7,200	8,837	87,928	7,200	8,837	87,928
Total	**852,591**	**744,438**	**869,653**	**834,640**	**736,555**	**851,158**

€000	Book value	Assets or liabilities measured at fair value through income	Assets or liabilities measured at fair value through equity	Assets held for sale	Loans and receivables	Assets or liabilities measured at amortised cost	Derivatives
31 December 2012							
Non-current assets	45,896	21,369		250	24,277		
Trade receivables	622,374				622,374		
Other receivables	141,220				141,220		
Cash and cash equivalents	255,877	255,877					
Total financial assets	**1,065,367**	**277,246**		**250**	**787,871**		
Financial debt	735,602					735,602	
Overdrafts	8,837					8,837	
Other current borrowings	20,506		4,854			6,955	8,697
Trade payables	503,028					503,028	
Current tax liabilities	11,032					11,032	
Other debts	301,069					301,069	
Other current borrowings	16,726					2,600	14,126
Total borrowings	**1,596,801**		**4,854**			**1,569,124**	**22,823**
31 December 2013							
Non-current financial assets	33,146			87	33,058		
Trade receivables	775,879				775,879		
Other receivables	159,365				159,365		
Cash and cash equivalents	396,622	396,622					
Total financial assets	**1,365,012**	**396,622**		**87**	**968,302**		
Financial debt	845,391					845,391	
Overdrafts	7,200					7,200	
Other non-current borrowings	17,451		5,496			5,918	6,037
Trade payables	601,548					601,548	
Current tax liabilities	11,528					11,528	
Other debts	354,579					354,579	
Other current borrowings	9,330					2,571	6,759
Total financial borrowings	**1,847,027**		**5,496**			**1,828,645**	**12,796**

The fair value of short term investments comprising marketable securities is based on the market price (level 1: reference to an active market).

The fair value of interest rate swap contracts is determined using the present value of estimated future cash flows (level 2: valuation based on observable data).

x) Employee benefits

• Retirement benefits

The main actuarial assumptions applied for the valuation of retirement benefits are set forth hereinbelow:

In%	31/12/2013		31/12/2012		31/12/2011	
	France	United Kingdom	France	United ingdom	France	United Kingdom
Discount rate	3.0	4.4	3.0	4.4	4.50	4.85
Inflation rate (RPI)		3.3		2.8		3.00
Inflation rate (CPI)	2.0	2.4	2.0	1.9	2.00	2.10
Pensions growth rate		2.1 to 3.1		1.9 to 2.7		2.1 to 2.9
Salary growth rate						
- Driver	3.0		3.0		3.0	
- Other	2.5		2.5		2.5	
Mobility rates						
- Transport	6.4		6.5		9.8	
- Logistics	8.7		8.9		9.8	
Life expectancy tables	INSEE TD/TV 2009-2011		INSEE TD/TV 2008-2010		INSEE TD/TV 2007-2009	

In the case of France, retirement ages take into account the measures implemented to extend active working lives under the Fillon Act of 21 August 2003 (Loi Fillon), as well as the option for drivers to retire at the age of 55.

Determination of the discount rate:
France: the discount rate applied is based on prevailing long-term corporate bond interest rates at the valuation date;
UK: the discount rate is determined on the basis of the rate for AA-rated corporate bonds.

Plan assets consist of the following

In%	31/12/2013	31/12/2012	31/12/2011
C. Salvesen Fund			
Equities	5	1	12
Bonds	49	73	28
Risk Parity /Dynamic asset allocation	26		
Collateral pool & synthetic equity			28
LDI	20		30
Other		26	2
TDG Fund			
Equities		20	17
Bonds	10	46	47
Risk Parity /Dynamic asset allocation	43		
LDI	31		
Cash		1	17
Other	16	34	19

Sensitivity to changes in the indicators

Change in the liability (€m)	Sensitivity to discount rate	Sensitivity to wage growth rate
France		
- 0.5%	1.1	(1.0)
- 0.25%	0.5	(0.5)
+ 0.25%	(0.5)	0.5
+ 0.5%	(1.0)	1.0

Change in the liability (€m)	Sensitivity to discount rate	Sensitivity to inflation rate (RPI)
UK		
+ 0.1%	(12.8)	8.1

€000	31/12/2013 France and others	31/12/2013 United Kingdom	31/12/2013 Total
Provision net of surplus b/fwd	**29,586**	**61,002**	**90,588**
Expenditure for the financial year	(1,739)	3,602	1,863
Consolidation	5,125	0	5,125
Use during the financial year	(1,205)	(1,829)	(3,034)
Contributions paid to the pension funds	0	(10,385)	(10,385)
Other movements	587	49,583	50,170
Translation adjustments	(11)	(526)	(537)
Provision net of surplus c/fwd	**32,343**	**101,448**	**133,791**
Of which provisions and pension funds in deficit	**32,743**	**101,448**	**133,791**
Of which pension funds in surplus	**0**	**0**	**0**
Cost of services provided during the year	1,690	840	2,530
Administrative costs		1,295	1,295
Interest costs (income)	733	1,467	2,200
Past service costs – Curtailment gain	(4,021)	0	(4,021)
Reductions and terminations	(141)	0	(141)
Expenditure for the year	**(1,739)**	**3,602**	**1,863**
Discounted value of opening commitments	**38,676**	**913,594**	**952,270**
Cost of services provided during the year	1,690	475	2,165
Interest costs (income)	1,080	37,770	38,850
Actuarial losses (gains)	181	57,481	57,662
Impact of business combinations	0	0	0
Benefits paid	(1,205)	(37,156)	(38,361)
New pensioners	5,125	0	5,125
Other movements	0	0	0
Reductions and terminations	(119)	0	(119)
Change in plan and assumptions	(3,914)	(641)	(4,555)
Translation adjustments	(11)	(18,210)	(18,221)
Experience gains and losses	0	0	0
Reclassification of Other Provisions	0	0	0
Discounted value of closing commitments	**41,503**	**953,313**	**994,816**
Discounted value of opening plan assets	**9,090**	**852,592**	**861,682**
Actual return on plan assets	348	35,563	35,911
Actuarial losses (gains)	(278)	6,145	5,867
Benefits paid	0	10,577	10,577
Benefits paid by the funds	0	(35,327)	(35,327)
Impact of business combinations	0	0	0
Translation adjustments	0	(17,684)	(17,684)
Discounted value of closing plan assets	**9,160**	**851,865**	**861,025**

€000	31/12/2012 France and others	31/12/2012 United Kingdom	31/12/2012 Total	31/12/2011 France and others	31/12/2011 United Kingdom	31/12/2011 Total
Provision net of surplus b/fwd	**20,248**	**60,447**	**80,696**	**16,195**	**75,625**	**91,820**
Expenditure for the financial year	4,882	4,243	9,125	1,600	1,734	3,334
Consolidation	66	-	66	3,460	(5,841)	(2,381)
Use during the financial year	(794)	-	(794)	(821)	-	(821)
Contributions paid to the pension funds	(334)	(11,136)	(11,470)	-	(12,919)	(12,919)
Actuarial losses (gains)	5,496	6,020	11,516	(155)	214	59
Translation adjustments	22	1,428	1,450	(30)	1,633	1,603
Provision net of surplus c/fwd	**29,586**	**61,002**	**90,588**	**20,249**	**60,447**	**80,696**
Of which provisions and pension funds in deficit	**29,586**	**64,958**	**94,544**	**20,249**	**76,489**	**96,738**
Of which pension funds in surplus	**-**	**(3,955)**	**(3,955)**	**-**	**(16,042)**	**(16,042)**
Cost of services provided during the year	4,323	421	4,744	1,226	1,358	2,584
Administrative costs		1,110	1,110	-	346	346
Interest costs (income)	618	2,713	3,361	560	144	704
Reductions and terminations	(89)	-	(89)	(186)	-	(186)
Expenditure for the year	**4,882**	**4,243**	**9,125**	**1,600**	**1,848**	**3,448**
Discounted value of opening commitments	**28,204**	**854,054**	**882,258**	**16,322**	**381,157**	**397,479**
Cost of services provided during the year	4,008	421	4,429	1,226	3,663	4,889
Interest costs (income)	1,395	41,559	42,954	563	41,940	42,503
Actuarial losses (gains)	3,377	33,632	37,009	134	30,764	30,898
Impact of business combinations	66	-	66	-	398,433	398,433
Benefits paid	(1,079)	(35,911)	(36,990)	(763)	(31,916)	(32,679)
New pensioners	71	-	71	3,456	1,021	4,477
Other movements	-	-	-	(1,337)	25	(1,112)
Reductions and terminations	(84)	-	(84)	(210)	-	(210)
Change in plan and assumptions	2,696	-	2,696	798	-	798
Translation adjustments	22	19,840	19,862	(30)	28,965	28,935
Experience gains and losses	-	-	-	14	-	14
Reclassification of Other Provisions	-	-	-	-	-	-
Discounted value of closing commitments	**38,676**	**913,594**	**952,270**	**20,373**	**854,052**	**874,425**
Discounted value of opening plan assets	**7,956**	**793,607**	**801,563**	**127**	**305,530**	**305,657**
Actual return on plan assets	1,084	38,846	39,930	4	43,093	43,097
Actuarial losses (gains)	-	26,760	26,760	-	22,698	22,698
Benefits paid	329	10,852	11,181	-	15,785	15,785
Benefits paid by the funds	(279)	(35,886)	(36,165)	(7)	(31,916)	(31,923)
Impact of business combinations	-	-	-	-	411,107	411,107
Translation adjustments	-	18,412	18,412	-	27,310	27,310
Discounted value of closing plan assets	**9,090**	**852,592**	**861,682**	**124**	**793,607**	**793,731**

The amount to be paid by the Group under defined-benefit retirement plans represents benefits paid to employees, the Group's contributions to pension funds, subject to deduction of benefits directly paid by the said funds. The estimated amount thereof for FY 2014 is €19.9 million.

• Share-based remuneration

	Stock options	Warrants	Warrants	Performance-based shares
Date of Shareholders' General Meeting	30/05/07	22/05/08	23/05/13	24/05/12
Date of Executive Board Meeting	25/07/08	15/09/08	29/07/13	24/04/13
Total number of shares to be subscribed or purchased	**250,000**	**245,000**	**110,000**	**56,650**
Corporate officers		175,000	110,000	
The ten highest employee allottees	40,200			6,400
Commencement date of exercise period of warrants or options	26/07/12	A:01/06/11 B:01/06/13	A:01/06/16 B:01/06/19	
Expiry date	26/07/14	A:31/05/13 B:31/05/15	A:31/05/19 B:31/05/21	01/05/16 01/05/17
End of lock-in period				01/05/18
Subscription or purchase price	€ 56.37	A: €59.52 B: €60.64	A: €59.55 B: €59.55	
Warrants or options cancelled as at 31/12/2010	24,880	70,000		
Warrants or options cancelled during 2011	17,100			
Warrants or options cancelled as at 31/12/2011	41,980	70,000		
Warrants or options exercised as at 31/12/2011	1,080			
Warrants or options outstanding as at 31/12/2011	**206,940**	**175,000**		
Warrants or options cancelled during 2012	14,220	60,000		
Warrants or options cancelled as at 31/12/2012	56,200	130,000		
Warrants or options exercised as at 31/12/2012	1,080			
Warrants or options outstanding as at 31/12/2012	**192,720**	**115,000**		
Warrants or options cancelled during 2013	2,160	55,000		
Warrants or options exercised during 2013	138,620	30,000		
Warrants or options cancelled as at 31/12/2013	58,360	185,000		
Warrants or options exercised as at 31/12/2013	139,700	30,000		
Warrants or options outstanding as at 31/12/201	**51,940**	**30,000**	**110,000**	**56,650**

Following the approval granted by the General Meeting of 20 May 2010 in its Twenty-Second Resolution, the performance conditions attached to the stock warrants awarded by the General Meeting of 22 May 2008 in its Sixteenth Resolution were cancelled.

The cost of the plans was computed by applying the Black & Scholes formula and the gross annual expenditure deducted therefrom.

This formula takes into account:

- The share price on the date of allocation;
- The exercise price;
- The vesting period;
- The market risk-free investment rate (the rate for risk-free zero coupon bonds with the same maturity); and
- The share's volatility (Group's historical volatility).

	Warrants	Performance-based shares
Date of Executive Board meeting	29/07/13	24/04/13
Valuation of options and stock warrants		
Dividend rate	2.1%	
Volatility rate	30%	
Exercise price	€59.55	
Fair value	€11.39 TA €14.92 TB	
Valuation of performance shares		
Discount on the allotment price		(19)%

All the employee benefits give rise to a charge against net assets of €719,000 in 2013 compared to €501,000 in 2012.

• **Other benefits**

Neither Group employees nor management are entitled to any other benefit. There are no supplementary defined-benefit salary-based pensions for officers and directors.

y) Employee benefits - Retirement

The impact of revised IAS 19 on shareholders' equity at 31 December 2012 is set out below:

€000	31/12/2012		
	Reported total	Adjustment	Adjusted total
Provision net of surpluses at 1 January 2012	**30,382**	**50,313**	**80,695**
Expenses for the period	2,588	6,538	9,125
Additions to the consolidation scope	66		66
Amounts used during the financial year	(794)		(794)
Pension fund contributions paid	(11,470)		(11,470)
Actuarial gains and losses		11,516	11,516
Translation impact	405	1,044	1,450
Provision net of surpluses at 31 December 2012	**21,177**	**69,411**	**90,588**
Of which provision and pension fund deficit	**42,510**	**52,034**	**94,544**
Of which pension funds with a surplus	**(21,333)**	**17,378**	**(3,955)**
Net deferred tax at 31 December 2012	**(10,688)**	**(15,494)**	**(26,976)**
Net adjustment to shareholders' equity at 31 December 2012		**(53,917)**	

The impact of revised IAS 19 on the 2012 income statement is set out below:

€000	31/12/2012		
	Reported total	Adjustment	Adjusted total
Net revenues	**3,880,268**		**3,880,268**
Operating expenses	(3,750,181)	(618)	(3,750,799)
Operating income (EBIT)	**130,087**	**(618)**	**129,469**
Net financial items	**(26,313)**	**(5,919)**	**(32,232)**
Income before tax	**103,774**	**(6,537)**	**97,237**
Income tax	(28,276)	1,481	(26,795)
Share of earnings of associated companies	8		8
Net income	**75,506**	**(5,056)**	**70,450**
Non-controlling interests	**778**		**778**
Net income, Group share	**74,728**	**(5,056)**	**69,672**

The impact of revised IAS 19 on shareholders' equity at 31 December 2011 is set out below:

€000	31/12/2011		
	Reported total	Adjustment	Adjusted total
Provision net of surpluses at 1 January 2011	**48,065**	**43,755**	**91,820**
Expense (income) for the period	(601)	3,935	3,334
Additions to the consolidation scope	(2,381)		(2,381)
Amounts used during the financial year	(821)		(821)
Pension fund contributions paid	(12,919)		(12,919)
Actuarial gains and losses	(1,112)	1,171	59
Translation impact	151	1,452	1,603
Provision net of surpluses at 31 December 2011	**30,383**	**50,313**	**80,696**
Of which provision and pension fund deficit	**46,425**	**50,313**	**96,738**
Of which pension funds with a surplus	**(16,042)**	**-**	**(16,042)**
Net deferred tax at 31 December 2011	**(8,844)**	**(12,852)**	**(21,696)**
Net adjustment to shareholders' equity at 31 December 2011		**(37,460)**	

The impact of revised IAS 19 on the 2011 income statement is set out below:

€000	31/12/2011		
	Reported total	Adjustment	Adjusted total
Net revenues	**3,576,195**		**3,576,195**
Operating expenses	(3,451,639)	(17)	(3,451,656)
Operating income (EBIT)	**124,556**	**(17)**	**124,539**
Net financial items	**(25,437)**	**(3,918)**	**(29,355)**
Income before tax	**99,119**	**(3,935)**	**95,184**
Income tax	(35,381)	1,000	(34,381)
Share of earnings of associated companies	240		240
Net income	**63,978**	**(2,935)**	**61,043**
Non-controlling interests	**649**		**649**
Net income, Group share	**63,329**	**(2,935)**	**60,394**

z) Information relating to related parties

1. Transactions contracted at arm's length terms between the Group and companies directly or indirectly owned by Norbert Dentressangle S.A.'s majority shareholder are as follows:

€000	Nature	Income or (expense)		Balance sheet debit or (credit)		Provision for doubtful receivables		Security given or received	
Company		31/12/13	31/12/12	31/12/13	31/12/12	31/12/13	31/12/12	31/12/13	31/12/12
Dentressangle Initiatives	Administrative services	(1,328)	(1,303)	(244)	(84)		-		-
Dentressangle Initiatives	Use of the brand and logo free of charge	(10)	(13)				-		-
Dentressangle Initiatives	Miscellaneous services	142	277				-		-
Other companies directly or indirectly owned by Dentressangle Initiatives	Rent	(21,113)	(18,788)	28	(5,230)			5,828	5,183
	Rental and miscellaneous expenses	(1,758)	(1,766)						

2. All transactions with companies, over which Norbert Dentressangle exercises significant influence and accounted for under the equity method, are current transactions concluded at arm's length for amounts that are not material in relation to the Group's business. Balance sheet balances at the year end are also not material.

3. Gross remuneration awarded to managerial bodies

€000	31/12/2013	31/12/2012	31/12/2011
Nature of expense			
Short-term staff benefits	2,078	2,905	1,753
Post-employment benefits			
Other long-term benefits			
Termination benefits			
Staff benefits in respect of stock options, share warrants and performance-based shares	269	167	524
Attendance fees	233	221	174

4. Remuneration awarded to officers and directors in the form of shares

€000	31/12/2013	31/12/2012	31/12/2011
Subscriptions during the financial period			
Warrants	110,000		
Performance-based shares			
Exercised during the year			
Warrants	(30,000)		(75,000)
Performance-based shares			(18,000)
Cancellations during the financial year			
Warrants	(55,000)	(60,000)	
Performance-based shares			
Held at year end			
Warrants	140,000	115,000	175,000
Performance-based shares			

aa) Consolidation scope

All consolidated companies close their accounts on 31 December with the exception of NDO India and NDO Lanka, which close their accounts on 31 March 2013. Interim accounts as at 31 December were prepared for NDO India and NDO Lanka for purposes of the Group financial statements.

The main companies included in the consolidation are stated below:

		Percentage interest		Percentage control		Method	Note
		2013	2012	2013	2012		
ND THIER	Germany	100	100	100	100	IG	
ND LOGISTICS (DEUTSCHLAND) GMBH	Germany	100		100		IG	
TDG DEUTSCHLAND GMBH	Germany	100	100	100	100	IG	
NDL LLC	Saudi Arabia	50	50	50	50	IG	
NDO BELGIUM	Belgium	100	100	100	100	IG	
NORBERT DENTRESSANGLE LOGISTICS ANTWERP NV	Belgium	100	100	100	100	IG	
NORBERT DENTRESSANGLE LOGISTICS BELGIUM NV	Belgium	100	100	100	100	IG	
NORBERT DENTRESSANGLE LOGISTICS WELKENRAEDT	Belgium	100	100	100	100	IG	
ND OVERSEAS BRAZIL	Brazil	100	100	100	100	IG	
ND OVERSEAS CHILE	Chile	100	100	100	100	IG	
NDO FREIGHT FORWARDING (Tianjin) Co.LTD	China	100	100	100	100	IG	
NDO BEIJING	China	75	75	75	75	IG	
ND LOGITICS ESPANA, SERVICIOS INTEGRALES S.L.U	Spain	100	100	100	100	IG	
NORBERT DENTRESSANGLE GERPOSA SL	Spain	100	100	100	100	IG	
NDFI LOGISTICA Y TRANSPORTE SL	Spain	100	100	100	100	IG	
NORBERT DENTRESSANGLE IBERICA SL	Spain	100	100	100	100	IG	
NORBERT DENTRESSANGLE IBERICA ESTE SL	Spain	100	100	100	100	IG	
SALVESEN LOGISTICA SA	Spain	50	50	50	50		(4)
NORBERT DENTRESSANGLE OVERSEAS SPAIN	Spain	100	100	100	100	IG	
FIEGE IBERIA	Spain	100		100		IG	(1) (3)
NDO AMERICA INC.	United States	100	100	100	100	IG	
NDO HOLDING USA INC.	United States	100	100	100	100	IG	
AUTOLOG	France	100	100	100	100	IG	
BRIVE-TRANSIT	France	100	100	100	100	IG	
CEMGA LOGISTICS	France	100	100	100	100	IG	
CENTRALE DES FRANCHISES ND SCA	France	34	35	34	35	MEQ	
CHRISTIAN SALVESEN SA	France	100	100	100	100	IG	
DARFEUILLE LOGISTICS	France	100	100	100	100	IG	(3)
DI CI VRAC SUD OUEST	France	100	100	100	100	IG	
GEL SERVICES SA	France	100	100	100	100	IG	
IMMOTRANS	France	100	100	100	100	IG	
LA TARNOSIENNE	France	100	100	100	100	IG	
LOG'INS ARES NORBERT DENTRESSANGLE	France	49	49	49	49	MEQ	
MAGASINS GENERAUX CHAMPAGNE-ARDENNE SAS	France	100	100	100	100	IG	
MNS SAS	France	42	42	42	42	MEQ	
ND CAVAILLON ENTREPOTS	France	100	100	100	100	IG	(3)
ND CENTRAL EUROPE	France	100	100	100	100	IG	
ND FORMATION	France	100	100	100	100	IG	

		Percentage interest		Percentage control		Method	Note
		2013	2012	2013	2012		
ND FRANCHISE	France	100	100	100	100	IG	
ND GESTION SNC	France	100	100	100	100	IG	
ND HYDROCARBURES SAS	France	100	100	100	100	IG	
ND INFORMATIQUE SNC	France	100	100	100	100	IG	
ND INTER-PULVE SAS	France	100	100	100	100	IG	
ND LOCATION SNC	France	100	100	100	100	IG	
ND LOGISTICS SAS	France	100	100	100	100	IG	
ND MAINTENANCE SNC	France	100	100	100	100	IG	
ND PHARMA	France	100		100		IG	(2)
ND RED EUROPE	France	100	100	100	100	IG	
ND SERVICES SNC	France	100	100	100	100	IG	
NDH SAS	France	100	100	100	100	IG	
NDL INTERNATIONAL SAS	France	100	100	100	100	IG	
NDT SAS	France	100	100	100	100	IG	
NDU	France	100	100	100	100	IG	
NORBERT DENTRESSANGLE CHIMIE SAS	France	100	100	100	100	IG	
NORBERT DENTRESSANGLE DISTRIBUTION SAS	France	100	100	100	100	IG	
NORBERT DENTRESSANGLE DISTRIBUTION EUROPE	France	100	100	100	100	IG	
NORBERT DENTRESSANGLE DISTRIBUTION SERVICES	France	100	100	100	100	IG	
NORBERT DENTRESSANGLE OVERSEAS	France	100	100	100	100	IG	
NORBERT DENTRESSANGLE OVERSEAS FRANCE SAS	France	100	100	100	100	IG	
NORBERT DENTRESSANGLE SILO SAS	France	100	100	100	100	IG	
OMEGA X	France	100	100	100	100	IG	
SNC PORT DE BOUC TRANSIT SNC	France	100	100	100	100	IG	
SALVESEN PROPERTY SCI	France	100	100	100	100	IG	
SCI DE L'AUBIFRESNE	France	100	100	100	100	IG	
SNM VALENCIENNES SAS	France	100	100	100	100	IG	(3)
SONECOVI NORD	France	100	100	100	100	IG	
SONECOVI SUD	France	100	100	100	100	IG	
TFND EST SAS	France	100	100	100	100	IG	
THT LOGISTICS SARL	France	100	100	100	100	IG	
S.N.N. CLERMONT SAS	France	100	100	100	100	IG	
TND CHAMPAGNE	France	100	100	100	100	IG	
TND FRIGO INDUSTRIE	France	100	100	100	100	IG	
TND FRIGO LOCATION	France	100	100	100	100	IG	
TND ILE DE FRANCE SAS	France	100	100	100	100	IG	
TND NORD SAS	France	100	100	100	100	IG	
TND NORMANDIE BRETAGNE SAS	France	100	100	100	100	IG	

		Percentage interest		Percentage control		Method	Note
		2013	2012	2013	2012		
TND OUEST SAS	France	100	100	100	100	IG	
TND SUD SARL	France	100	100	100	100	IG	
TND SUD OUEST SAS	France	100	100	100	100	IG	
TND VOLUME SAS	France	100	100	100	100	IG	
TRANSIMMO PICARDIE	France	100	100	100	100	IG	
TRANSPORTS HARDY SAS	France	100	100	100	100	IG	
TRANSPORTS NORBERT DENTRESSANGLE SAS	France	100	100	100	100	IG	
UNITED SAVAM	France	100	100	100	100	IG	
NORBERT DENTRESSANGLE SA	France	100	100	100	100	IG	
LOCAD 05	France	100	100	100	100	IG	
LOCAD 06	France	100	100	100	100	IG	
LOCAD 07	France	100	100	100	100	IG	
LOCAD 08	France	100	100	100	100	IG	
LOCAD 10	France	100	100	100	100	IG	
LOCAD 11	France	100	100	100	100	IG	
NORBERT DENTRESSANGLE OVERSEAS HK LIMITED	Hong-Kong	100	100	100	100	IG	
ND OVERSEAS INDIA LTD	India	80	80	80	80	IG	
TND HUNGARY	Hungary	100	100	100	100	IG	
NDO HUNGARY	Hungary	100	100	100	100	IG	
NORBERT DENTRESSANGLE LOGISTICS IRELAND LTD	Ireland	100	100	100	100	IG	
NORBERT TRANSPORT SERVICES IRELAND	Ireland	100	100	100	100	IG	
NORBERT DENTRESSANGLE OVERSEAS IRELAND	Ireland	100	100	100	100	IG	
INVERALMOND INSURANCE LIMITED	Ireland	100	100	100	100	IG	
ND LOGISTICS ITALIA SPA	Italy	100	100	100	100	IG	
NORBERT DENTRESSANGLE ITALIA SRL	Italy	100	100	100	100	IG	
FIEGE LOGISTICS ITALIE	Italy	100		100		IG	(1)
FIEGE BORRUSO	Italy	100		100		IG	(1)
SAVAM LUX SA	Luxembourg	100	100	100	100	IG	
NORBERT DENTRESSANGLE MAROC	Morocco	100	100	100	100	IG	
NDL HOLDING RUSSIE	Netherlands	50		50		IG	(2)
ND LOGISTICS NEDERLAND B.V	Netherlands	100	100	100	100	IG	
TD HOLDINGS BV	Netherlands	100	100	100	100	IG	
TCG EAST & SOUTH	Netherlands	65	65	65	65	IG	
NDO NETHERLAND BV	Netherlands	100	100	100	100	IG	
ND POLSKA SP ZOO	Poland	100	100	100	100	IG	
ND LOGISTICS POLAND SP ZOO	Poland	100	100	100	100	IG	
FIEGE IBERIA OPERADOR LOGISTICO LDA	Portugal	100		100		IG	(1)
ND PORTUGAL TRANSPORTES LDA	Portugal	100	100	100	100	IG	
ND LOGISTICS CZ SRO	Czech Republic	100	100	100	100	IG	

		Percentage interest		Percentage control		Method	Note
		2013	2012	2013	2012		
NDB LOGISTICA ROMANIA SRL	Romania	50		50		MEQ	
ND LOGISTICS ROMANIA SRL	Romania	100	100	100	100	IG	
NORBERT DENTRESSANGLE OVERSEAS ROMANIA	Romania	100	100	100	100	IG	
TRANSCONDOR SA	Romania	100	100	100	100	IG	
NDL FRIGO LOGISTICS	Romania	50	50	50	50		(4)
AJG INTERNATIONAL LIMITED	United Kingdom	100	100	100	100	IG	
CHRISTIAN SALVESEN INVESTMENTS LTD	United Kingdom	100	100	100	100	IG	
NORBERT DENTRESSANGLE HOLDINGS LIMITED	United Kingdom	100	100	100	100	IG	
NORBERT DENTRESSANGLE MAINTENANCE UK LTD	United Kingdom	100	100	100	100	IG	
NORBERT DENTRESSANGLE TANKERS LTD	United Kingdom	100	100	100	100	IG	
NORBERT DENTRESSANGLE TRANSPORT UK LIMITED	United Kingdom	100	100	100	100	IG	
NORBERT DENTRESSANGLE LOGISTICS LIMITED	United Kingdom	100	100	100	100	IG	
NORBERT DENTRESSANGLE SERVICES LTD	United Kingdom	100	100	100	100	IG	
SALVESEN LOGISTICS LTD	United Kingdom	100	100	100	100	IG	
TDG LTD	United Kingdom	100	100	100	100	IG	
TDG (UK) LTD	United Kingdom	100	100	100	100	IG	
NCG UK LTD	United Kingdom	49.9	49.9	49.9	49.9	MEQ	
NORBERT DENTRESSANGLE OVERSEAS UK LIMITED	United Kingdom	100	100	100	100	IG	
TDG OVERSEAS	United Kingdom	100	100	100	100	IG	
NDO RUS	Russia	100		100		IG	(1)
UNIMILK	Russia	50		50		IG	(1)
TRANSPORTS NORBERT DENTRESSANGLE SLOVAKIA	Slovakia	100	100	100	100	IG	
ND OVERSEAS LANKA LTD	Sri Lanka	40	40	40	40	IG	
LUXURY GOODS LOGISTICS SA	Switzerland	49	49	49	49	IG	
ND LOGISTICS SWITZERLAND SAGL	Switzerland	100	100	100	100	IG	
ND LOGISTICS UKRAINE SRL	Ukraine	100	100	100	100	IG	

(1) Company acquired in 2013
(2) Company formed in 2013
(3) Company liquidated/taken over/sold in 2013
(4) Company consolidated on a proportional basis until 20 December 2013, and subsequently fully consolidated

ab) Commitments and contingencies

The Group's commitments (holding company and fully consolidated companies) are as follows:

€000	31/12/2013	31/12/2012	31/12/2011
Commitments given			
Commitments on acquisitions/disposals			
Acquisition of shares	see below	see below	see below
Liability guarantees	24,189	25,007	800
Commitments on financing			
Endorsements and guarantees	87,638	38,316	44,603
Borrowings subject to financial covenant	473,300	337,396	372,000
Contribution to defined benefit pension schemes UK and Ireland	137,917	91,900	62,851
Commitments from operating activities			
Bank guarantees	1,097	974	
Property rent	966,768	680,113	695,092
Vehicle rent	204,018	135,946	98,735
Training expressed in number of hours	1,196,714	1,174,549	1,173,091
Commitments received			
Commitments on acquisitions/disposals			
Liability guarantees	40,589	31,268	30,900
Commitments on financing			
Unused lines of credit available	see below	see below	see below
Commitments from operating activities			
Mortgages and asset charges	0	0	2,225
Property rent	6,263	682	0
Manufacturers	159,774	171,410	185,379

• Commitments given

Commitments relating to the acquisition of shares

The pledge of the NDT SAS securities as a guarantee for the syndicated credit facilities that financed the acquisition of Christian Salvesen Ltd was released following the Group's refinancing transactions in December 2013.

Warranties against claims

The Group has given liability guarantees for the sale of TFND Sud Est and the sale of the Dagenham UK site.

Liability guarantees received:

Excess amounts: €0.1 million

The guarantee cap at the end of 2013 amounted to €24.2 million (of which €24.0 million expires in 2019).

Commitment to pay contributions relating to the defined-benefit pension funds in the UK and Ireland

	€000
1 year	19,902
1 to 5 years	55,984
More than 5 years	62,031
Total	**137,917**

Commitments for real-estate rent instalments

These relate to rent instalments that fall due between 1 January 2014 and the earliest legally permissible lease cancellation date. They are payable as follows:

	€000
1 year	178,242
1 to 5 years	470,479
More than 5 years	318,049
Total	**966,768**

Vehicle lease commitments

	€000
1 year	53,095
1 to 5 years	135,573
More than 5 years	15,348
Total	**204,020**

Individual training right (droit individuel à la formation) commitments

During 2013, 14,169 hours were used up compared to 12,252 hours in 2012.

• Commitments received

Commitments for available lines of credit

Available and unused lines of credit are specified in the paragraph Financial instruments and risk management, paragraph Liquidity risk.

Warranties against claims

The Group has received liability guarantees for the purchase of TDG, Daher, Fiege, Nova Natie, Brune Lavage and MGF.

Liability guarantees received:

Excess amounts: €0.5 million

The guarantee cap at the end of 2013 amounted to €40.6 million (of which €3 million expires in 2017 and €36.4 million in 2018).

This cap may be increased by €20.1 million in the event of fraud.

The Group has received liability guarantees for the purchase of APC: 100% compensation on all statements (no excess, cap or time limit).

The Group has also received guarantees for the John Keells acquisition, which apply as of 31 October 2012 for three years (no excess or cap).

ac) Post balance sheet events

There were no material events to report.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2013

To the Shareholders,

In performance of the assignment entrusted to us by your Shareholders' General Meetings, please find herein our report on the financial year ended 31 December 2013 in respect of:

- The auditing of the attached consolidated financial statements of Norbert Dentressangle S.A.;
- Justification for our assessment; and
- Specific testing required by law.

The consolidated financial statements have been approved by the Executive Board. Our responsibility is to express an opinion on these financial statements in light of our audit.

I. Opinion on the consolidated financial statements

We carried out our audit in compliance with professional standards applicable in France. These standards require that we perform the audit so as to obtain reasonable assurance that the consolidated financial statements are free of any material misstatements.

An audit involves the review, by way of sample tests or other means of selection, of the documents underlying the amounts and information set forth in the consolidated financial statements. It also includes an assessment of the accounting policies applied and any material estimates made in drawing up the financial statements, as well as an assessment of the presentation thereof as a whole.

We believe that the evidence we have received provides a reasonable basis for our opinion.

We certify that in accordance with the IFRS accounting standards adopted by the European Union, the consolidated financial statements for the year provide a true and fair view of the net assets, financial position and earnings of the companies and entities within the consolidation.

Without calling into question the opinion expressed above, we would draw your attention to Notes II.b and III.y in the Notes to the consolidated financial statements, which set out the impact of the initial application of revised IAS 19 on the financial statements.

II. Justification for our assessment

In accordance with the requirements of Article L. 823-9 of the French Commercial Code regarding the provision of justification for our assessment, we wish to bring the following to your attention:

- At every period end, the Group carries out impairment tests on cash generating units (CGU) including an assessment of any long term indications of loss in value based on procedures described under II.g, II.h, II.k, III.j et III.l of the Notes to the consolidated financial statements. We reviewed the procedures adopted for said impairment tests, the cash flow forecasts and the assumptions applied and we checked that II.g, II.h, II.k, III.j et III.l of the Notes to the consolidated financial statements included the proper disclosures. As part of assessing the estimates applied in the financial statements, we ensured such estimates were reasonable.
- The Company sets aside provisions for risks and charges as described under II.n and III.s of the Notes to the consolidated financial statements. Based on information received to date, our audit included a review of data and assumptions underlying such estimates, a review of a sample of the calculations performed and an examination of the procedure for management to approve such estimates. On this basis, we assessed whether the estimates are reasonable.
- As stated under II.r and III.h of the Notes to the consolidated financial statements, "Deferred tax assets" are measured based on estimates and assumptions. We verified the consistency of the assumptions underlying the forecasts of taxable income and resulting use of tax losses, and available documentation and on this basis reviewed the reasonableness of the estimates made.

The resulting assessments thus form part of our audit of the consolidated financial statements, considered as a whole, and therefore contributed to the formation of our opinion as expressed in the first section of this report.

III Specific testing

In accordance with professional standards applicable in France, we also carried out specific testing, as specified in the French Information Act (loi des informations) relating to the Group, on data in the management report.

We do not have any comments to express in respect of the accuracy of this information or the consistency thereof with the consolidated financial statements.

Lyon, 4 April 2014

The Statutory Auditors

GRANT THORNTON
French member of Grant Thornton International
Robert Dambo
Partner

ERNST & YOUNG et autres
Daniel Mary-Dauphin - Nicolas Perlier
Partners

COMPANY FINANCIAL STATEMENTS

BALANCE SHEET (prior to appropriation of earnings)

ASSETS

€000	31/12/2013	31/12/2012	31/12/2011
Gross amount	1,723	1,594	1,182
Depreciation and impairment	(1,234)	(1,090)	(891)
INTANGIBLE FIXED ASSETS	**489**	**504**	**291**
Gross amount	656	638	466
Depreciation and impairment	(243)	(173)	(121)
TANGIBLE FIXED ASSETS	**413**	**465**	**345**
Gross amount	517,350	758,007	868,252
Impairment	(7,598)	(3,088)	(4,654)
FINANCIAL ASSETS	**509,752**	**754,919**	**863,598**
TOTAL FIXED ASSETS	**510,655**	**755,888**	**864,234**
Inventories and WIP	59	135	125
Trade receivables	2,278	2,344	2,732
Other receivables	64,717	25,578	59,611
Cash	275,493	168,114	116,540
Pre-paid expenses	215	253	1
TOTAL CURRENT ASSETS	**342,763**	**196,424**	**179,009**
POSITIVE TRANSLATION ADJUSTMENTS	**7,277**	**22,133**	**14,947**
TOTAL ASSETS	**860,695**	**974,445**	**1,058,190**

LIABILITIES

€000	31/12/2013	31/12/2012	31/12/2011
Share capital	19,672	19,672	19,672
Reserves	233,410	218,911	204,429
Net income for the financial year	82,626	28,759	26,510
Regulated provisions	347	223	559
SHAREHOLDERS' EQUITY	**336,056**	**267,565**	**251,170**
Provisions for risks and charges	7,819	22,133	16,335
Provisions for tax	0	0	0
PROVISIONS AND OTHER-LONG TERM LIABILITIES	**7,819**	**22,133**	**16,335**
Bond loan	235,000	0	0
Financial debt	242,926	373,614	436,223
LONG-TERM BORROWINGS	**477,926**	**373,614**	**436,223**
Financial debt	626	43,775	33,124
Convertible bond loan			
Trade and other payables	4,229	3,783	5,365
Other liabilities	32,460	251,965	296,197
Banks	1,082	2,799	1,136
SHORT-TERM PAYABLES	**38,398**	**302,322**	**335,822**
NEGATIVE TRANSLATION ADJUSTMENTS	**495**	**8,811**	**18,640**
TOTAL LIABILITIES	**860,695**	**974,445**	**1,058,190**

INCOME STATEMENT

	31/12/2013		31/12/2012		31/12/2011	
	€000	%	€000	%	€000	%
NET REVENUE	**15,668**	**100**	**14,812**	**100**	**16,344**	**100**
Operating expenditure	(22,618)	(144.4)	(18,211)	(123.0)	(17,508)	(107.1)
Other income	45	0.3	946	6.4	49	0.3
EBIT	**(6,906)**	**(16.6)**	**(2,453)**	**(16.6)**	**(1,116)**	**(6.8)**
Share of income of associates	(0)	(0.0)	(0)	(0.0)	56	0.3
Net financial expenditure	69,423	443.1	71,860	485.2	(6,204)	(38.0)
Non-recurring items	189	1.2	(65,860)	(444.7)	1,558	9.5
INCOME BEFORE TAX	**62,705**	**400.2**	**3,547**	**23.9**	**(5,706)**	**(34.9)**
Income taxes	19,921	127.1	25,212	170.2	32,217	197.1
NET INCOME	**82,626**	**527.4**	**28,759**	**194.2**	**26,510**	**162.2**

NOTES

1. Accounting policies and methods

a) Application of accounting policies

The Company has applied generally accepted accounting policies, pursuant to the prudence principle and underlying assumptions, notably going concern, consistency of accounting policies from one year to the other and the accruals concept, and in accordance with the French 1999 General Chart of Accounts and principles for preparing and presenting annual financial statements admitted in France.

b) Intangible fixed assets

Intangible fixed assets are stated at cost.

They largely comprise software and IT licences and are amortised over 12 to 60 months on a straight line basis.

c) Tangible fixed assets

Tangible fixed assets are stated at cost.

Depreciation is calculated over the estimated useful life of the assets based on the following methods:

- Plant, machinery and equipment: straight line over 5 years
- Facilities and building fixtures: straight line over 5 to 10 years.
- Office equipment: straight line over 3 to 10 years.
  Reducing balance over 5 years

d) Equity investments

The gross value of the equity investments is the purchase cost. Fees paid when acquiring them are also capitalised as assets.

In accordance with Opinion no. 2007-C dated 15 June 2007 of the Urgency Committee of the CNC (French accounting standards committee), acquisition costs within equity investments are amortised over 5 years under the straight line tax depreciation method.

The investment portfolio of Norbert Dentressangle S.A. is periodically valued to determine whether there is any need to set aside an impairment provision.

This is based on the consolidated value of the company, its current and future contribution to Group consolidated income and its current and future capacity to generate positive cash flow.

A provision is set aside where the valuation based on these various criteria shows that the book value of securities exceeds the company's earnings and cash flow capacity.

e) Other long-term investments

Other long-term investments comprise treasury shares administered under a liquidity contract.

f) Liquidity contract

The breakdown of the Company's liquidity contract is disclosed under Long term investments within the following headings:

- Treasury shares are included under "Other long-term investment securities".
- Other items under "Other long term investments".

g) Derivative instruments

The Group may use interest rate hedges on its borrowings, which largely consist of interest rate swaps. The Group policy is to select counterparties for its hedges whose credit worthiness makes any default on maturity improbable.

Gains and losses arising on these instruments are recorded under earnings in a manner symmetrical with the gains or losses earned on the underlying hedged transactions.

These hedging instruments are disclosed as off-balance sheet commitments.

h) Receivables

Receivables are stated at face value and are subject to specific impairment provisions based on the estimated risk of bad debts.

i) Transferable securities

Transferable securities are stated at cost. If market value based on average cost over the last few months of the year is lower than cost, a provision is set aside to reduce the book value to realisable value.

j) Provisions for risks and charges

A provision is set aside whenever the Company's management bodies become aware of a legal or implied obligation arising from a past event, which would probably lead to an outflow of resources without at least equivalent consideration. The provisions are accrued based on individual valuations of the corresponding risks and charges.

Performance shares: in 2013 the Company introduced a performance share allotment plan. Pursuant to CNC Opinion no. 2008-17 dated 6 November 2008, a provision for risks and charges must be set aside for this purpose in proportion to the progress of the plan.

k) Taxes

Pursuant to the tax group agreement, tax savings due to earnings of the subsidiaries are accounted for as reductions from the tax charge of Norbert Dentressangle S.A., the Group's parent company.

l) Currency conversion

Foreign-currency transactions are converted by applying the exchange rate prevailing on the date of the transaction. Foreign-currency unhedged receivables and payables are converted by applying the exchange rate prevailing on the balance sheet date. Exchange differences arising therefrom result in translation assets or liabilities. Provisions for the full amount of translation assets are booked under provisions for financial risks and charges.

m) Treasury shares

The treasury shares held as part of the implementation of the share buy-back programme are shown under the "Transferable investment securities" heading, and are the subject of a year-end valuation based on the share price recorded at the end of the financial year (average price in the last month). An impairment provision is set aside if the purchase cost is higher than the market value.

n) Share of income of consolidated associate companies

This line comprises prior year earnings of the Group's SNCs/SCIs, in proportion to Norbert Dentressangle SA's equity interest in each one.

o) Non-recurring items

Non-recurring items comprise income and expenses, which in view of the activities of the Norbert Dentressangle's holding company, and given their type, frequency and materiality, do not form part of the Company's ongoing operations.

p) Pension liabilities

Pension liabilities and similar defined-benefit schemes contracted by Norbert Dentressangle S.A. cover the retirement benefit plan in accordance with the current collective bargaining agreement for the road transport industry.

q) Identity of the consolidating company

The Company's financial statements are consolidated by:

Dentressangle Initiatives

30 Bis, rue Saint Hélène

69002 Lyon, France

2. Highlights of the year

a) Transfer of the registered office

On 23 May 2013 Norbert Dentressangle S.A.'s registered office was transferred from Beausemblant (Quartier Les Pierrelles, 26240 Beausemblant, France) to Lyon (192 Avenue Thiers, 69006 Lyon, France).

b) Debt refinancing

On 19 December 2013, Norbert Dentressangle announced the completion of a private placement in the form of a €235 million Euro PP bond issue, including a €75 million tranche with a 6-year maturity and a 3.8% coupon, and a €160 million tranche with a 7-year maturity and a 4.0% coupon. The bonds were subscribed by institutional investors as part of a private placement.

For Norbert Dentressangle, this transaction represents a major new stage in the diversification of its sources of funding, as it will help to increase the Group's financial flexibility while extending the maturity of its debt under favourable conditions.

Given the favourable market conditions, Norbert Dentressangle took the opportunity to renew its corporate bank facilities at the same time, by arranging a confirmed 5-year €400 million revolving credit facility.

Lastly, we would point out that the issuance of the Euro PP in December 2013 (€160 million with a 7-year maturity and €75 million with a 6-year maturity), the early repayment of the 2010 syndicated loan and the arrangement of a €400 million revolving credit facility (of which £140 million was drawn down at 31 December 2013 for currency hedging purposes) have no impact on consolidated net borrowings. Conversely, these items did have an impact on the consolidated balance sheet cash position at 31 December 2013, which stood at a high level of €389 million.

3. Notes to the financial statements

a) Tangible and Intangible fixed assets

Gross amounts (€000)	01/01/2013	Reversals	Disposals	31/12/2013
Concessions, patents, software	1,594	129	0	1,723
Intangible fixed assets in progress	0	13	0	13
Total intangible fixed assets	**1,594**	**142**	**0**	**1,736**
Land	0	0	0	0
Buildings	201	0	0	201
Facilities and building fixtures and fittings:	190	2	0	192
Carriage equipment	0	0	0	0
Furniture, office and IT equipment	210	3	0	213
Works of art	36	0	0	36
Tangible fixed assets in progress	0	0	0	0
Total tangible fixed assets	**638**	**6**	**0**	**643**
Total tangible and intangible fixed assets	**2,231**	**148**	**0**	**2,379**

Depreciation and impairment (€000)	01/01/2013	Provisions	Reversals	31/12/2013
Concessions, patents, software	1,090	143	0	1,234
Intangible fixed assets in progress	0	0	0	0
Total intangible fixed assets	**1,090**	**143**	**0**	**1,234**
Buildings	61	20	0	82
Facilities and building fixtures and fittings	24	21	0	44
Carriage equipment	0	0	0	0
Furniture, office and IT equipment	87	29	0	117
Works of art	0	0	0	0
Tangible fixed assets in progress	0	0	0	0
Total tangible fixed assets	**173**	**70**	**0**	**243**
Total tangible and intangible fixed assets	**1,263**	**213**	**0**	**1,476**

b) Long-term investments

Long-term investments are broken down as follows:

€000	Gross value	Impairment	Net value
Equity investments	212,793	7,598	205,195
Other long-term investment securities	649	0	649
Loans	303,219	0	303,219
Other long-term investments	688	0	688
TOTAL	**517,350**	**7,598**	**509,752**

€000	Gross value 01/01/2013	Increases	Reductions	Gross value 31/12/2013
Equity investments	190,452	22,401	(60)	212,793
Other long-term investment securities	697	3,371	(3,418)	649
Loans	566,623	7,895	(271,298)	303,219
Other long-term investments	236	1,739	(1,287)	688
TOTAL	**758,007**	**35,406**	**(276,063)**	**517,350**

€000	Impairment 01/01/2013	Charges	Write-back	Impairment 31/12/2013
Equity investments	3,088	4,510	0	7,598
Other long-term investment securities	0	0	0	0
Loans	0	0	0	0
Other long-term investments	0	0	0	0
TOTAL	**3,088**	**4,510**	**0**	**7,598**

• Equity investments

The €22,401,000 increase in equity investments breaks down as follows:

- Capital increase for NDO SAS of €19,683,000;
- Capital increase for OMEGA VII of €2,698,000;
- Purchase of OMEGA XVIII shares for €4,000;
- Purchase of OMEGA XIX shares for €4,000;
- Purchase of OMEGA XX shares for €4,000;
- Purchase of OMEGA XXI shares for €4,000;
- Purchase of OMEGA XXII shares for €4,000;

The €60,000 decrease in investments corresponds to the disposal of investments in OMEGA XIV (€20,000), OMEGA XV (€20,000) and NDU (€20,000).

• Other long-term investment securities

Other long-term investment securities comprise 7,354 treasury shares purchased under a liquidity contract.

• Loans

Loans only consist of loans granted to Group companies as follows:

€000	31/12/2013	Less than one year	1 to 5 years	Over 5 years
Loans	303,219	5,849	18,218	279,151
TOTAL	**303,219**	**5,849**	**18,218**	**279,151**

• Other long-term investments

Other long-term investments comprise €12,000 of sureties and €676,000 of UCITS (held in conjunction with the liquidity contract).

c) Net cash and cash equivalents

Net cash and cash equivalents is broken down as follows:

€000	31/12/2013	31/12/2012	31/12/2011
Transferable securities	178,000	63,000	85,693
Treasury shares	5,756	14,011	10,877
Banks/Cash	90,655	88,801	19,324
NET CASH AND CASH EQUIVALENTS PER CASH FLOW STATEMENT	**274,411**	**165,812**	**115,895**

Marketable securities comprise deposit certificates including the following:

€000	Purchase price
Société Générale	60,000
BNP	38,000
Banque Populaire	15,000
LCL	5,000
BECM	60,000
TOTAL	**178,000**

• Treasury shares

Norbert Dentressangle SA held 98,002 Company treasury shares with a gross value of €5,756,000 (2012: €14,011,000 and 2011: €10,878,000).

d) Maturity of receivables at the balance sheet date

€000	31/12/2013	Less than 1 year	1 to 5 years	Over 5 years
Trade receivables	2,278	2,278	0	0
Other receivables	64,717	55,911	8,807	0
TOTAL ACTIF	**66,995**	**58,189**	**8,807**	**0**

e) Receivables and payables with related companies

€000	31/12/2013	31/12/2012	31/12/2011
Loans	301,924	560,870	619,922
Trade receivables	2,081	2,128	2,608
Intercompany current accounts	55,248	23,168	25,456
Intercompany receivables	3	4	0
Deposits and guarantees	0	2	2
TOTAL ASSETS	**359,255**	**586,172**	**647,987**
Loans	0	77,771	96,720
Deposits and guarantees received	0	0	0
Trade payables	170	571	2,056
Intercompany current accounts	27,193	250,514	294,566
Intercompany payables	3,501	2	8
TOTAL LIABILITES	**30,864**	**328,858**	**393,350**

f) Off balance sheet commitments

• Financial instruments

The Company hedges a part of the Group's exposure to the risk of movements in interest rates on rent from leasing tractors and industrial vehicles via swaps.

For the year ended 31 December 2013, the hedging portfolio exclusively consists of interest rate swaps (exchanging a variable 3-month Euribor rate for a fixed rate) pertaining to a total nominal value of €135,000,000 (€143,750,000 in 2012). These contracts mature over periods of 1 to 4 years. There are no embedded derivatives.

Given that the acquisition debt was contracted at variable rates, the Group took out hedging instruments in order to limit its exposure to interest rate fluctuations.

The hedging portfolio exclusively consists of interest rate swaps (exchanging a variable rate for a fixed rate) pertaining to a total nominal value of €75,000,000 and £141,458,000 (or €169,675,000). These contracts mature over periods of 1 to 5 years. There are no embedded derivatives.

Any income or expense arising from the difference between the rates granted and received is recorded as income for the financial year. The 2013 result amounted to a €8,592,000 loss (€10,196,000 loss in 2012).

• Commitments and guarantees received

At 31 December 2013, the Group had a €400 million revolving line of credit repayable in instalments maturing in more than one year, of which €232 million was not used (€55 million at 31/12/2012).

• Commitments and guarantees given

First-demand guarantee: GBP 25 million

Guarantees: €7,550,000

Salvesen Logistics Ltd pension fund guarantee: GBP 70.2 million

In conjunction with the syndicated loan taken out in 2013, Norbert Dentressangle SA has a commitment covering drawdowns on this line of credit made by the Group subsidiaries which are signatories to the syndicated loan contract.

At 31 December 2013, no drawdown had been made by the subsidiaries on the syndicated line of credit.

• Commitments for future payments

Commitments for future payments concern the following:

- A commercial lease amounting to €2,105,000 including €281,000 due in less than one year, €1,123,000 due in one to five years and €701,000 due in more than five years.

• Compensation on retirement commitments

Retirement commitments covering all employees amounted to €208,000 as at 31 December 2013 (€170,000 as at 31 December 2012), and are calculated based on an actuarial method, the principle assumptions of which are as follows:

	2013	2012
Discount rate	3.00%	3.00%
Salary growth rate	2.5 to 3.00%	2.5 to 3.00%
Mobility rates	6.4%	6.5%
Employer social security and tax charges:		
- Executives	45%	45%
- Senior Supervisors/Supervisors	42%	42%
- Employees and manual workers	30%	30%
- Drivers	INSEE TD/TV 2009-2011	INSEE TD/TV 2008-2010
Life expectancy table	55 to 63 years	55 to 63 years

Entitlements to compensation on retirement are laid down by the French collective bargaining agreement for the road transport industry (no. 3085).

For a voluntary retirement an employee between 60 and 65 years old (55 for drivers eligible for French retirement leave), the compensation payable by the Company is as follows:

- for non-managers: from 0.5 to 2.5 months of salary depending on time in employment (from 10 to 30 years);
- for managers: between 4.5% and 25% of annual salary depending on time in employment (from 10 to 30 years).

• Training entitlements

French Act no. 2004-391 of 4 May 2004 relating to job training throughout an employee's career and dialogue between management and labour gives employees with an unlimited-term employment contract a right to training (DIF) amounting to at least 20 hours per year, which may be accumulated over a period of 6 years. At 31 December 2013, there were 2,454 cumulative and outstanding earned DIF training hours.

• Leasing

Leasing: N/A

g) Share-based remuneration

	Share purchases	Warrants	Warrants	Performance-based shares
Date of Shareholders' General Meeting	30/05/07	22/05/08	23/05/13	24/05/12
Date of Executive Board Meeting	25/07/08	15/09/08	29/07/13	24/04/13
Total number of shares to be subscribed or purchased	250,000	245,000	110,000	56,650
Corporate officers		175,000	110,000	
The ten highest employee allottees	40,200			6,400
Commencement date of exercise period of warrants or options	26/07/12	A:01/06/11 B:01/06/13	A:01/06/16 B:01/06/19	
Expiry date	26/07/14	A:31/05/13 B:31/05/15	A:31/05/19 B:31/05/21	01/05/16 01/05/17
Expiry of the lock-in period				01/05/18
Subscription or purchase price	€56.37	A: €59.52 B: €60.64	A: €59.55 B: €59.55	
Warrants or options cancelled as at 31/12/2010	24,880	70,000		
Warrants or options cancelled in 2011	17,100			
Warrants or options cancelled as at 31/12/2011	41,980	70,000		
Warrants or options exercised as at 31/12/2011	1,080			
Warrants or options outstanding as at 31/12/2011	**206,940**	**175,000**		
Warrants or options cancelled in 2012	14,220	60,000		
Warrants or options cancelled as at 31/12/2012	56,200	130,000		
Warrants or options exercised as at 31/12/2012	1,080			
Warrants or options outstanding as at 31/12/2012	**192,720**	**115,000**		
Warrants or options cancelled in 2013	2,160	55,000		
Warrants or options exercised in 2013	138,620	30,000		
Warrants or options cancelled as at 31/12/2013	58,360	185,000		
Warrants or options exercised as at 31/12/2013	139,700	30,000		
Warrants or options outstanding as at 31/12/2013	**51,940**	**30,000**	**110,000**	**56,650**

h) Shareholders' equity and change in net assets

Net assets varied as follows during the financial year:

€000	31/12/12 prior to appropriation	Appropriation of 2012 net income – earnings	Dividends	Share issue	Capital reduction	Other movements	2013 net income	31/12/2013 prior to appropriation
Share capital	19,672			60	(60)			19,672
Share premium	10,492			1,774	(1,649)			10,617
Merger premium	3,914							3,914
Goodwill on consolidation	4,394							4,394
Warrants	88					63		151
Statutory reserve	1,985							1,985
Non-distributable reserves	115							115
Distributable reserves	150,000	10,000				(72)		159,928
Retained earnings	47,924	4,382						52,306
Reserves for long-term capital gains	0							0
Dividends	0	14,377	(14,377)					0
2013 net income	0						82,626	82,626
2012 net income	28,759	(28,759)						0
Regulated provisions	223					124		347
Net assets	**267,565**	**0**	**(14,377)**	**1,834**	**(1,709)**	**116**	**82,626**	**336,056**

Please note that net profits for 2012 were appropriated by the Shareholders' General Meeting in accordance with the Executive Board's proposals.

i) Provisions

€000	01/01/2013	Charges	Write-back		31/12/2013
			Provision used	Provision unused	
Regulated provisions					
- Accelerated depreciation	223	155	31		347
Provisions for risks					
- For exchange losses	22,133	7,277	0	22,133	7,277
- For staff risks	0	500	0	0	500
- Other provisions for risks	0	43	0	0	43
	22,536	**7,975**	**31**	**22,133**	**8,167**

The main movements in provisions were as follows:

- a provision for employee-related contingencies of €500,000 was recorded in 2013 in connection with a dispute involving a former manager of the Company;
- a provision for contingencies amounting to €43,000 was recorded for the performance share plan introduced in 2013.

j) Payables

€000	31/12/2013	31/12/2012	31/12/2011
Other bonds	235,000		
Borrowings with credit institutions	242,926	337,396	371,679
Bank credit balances	1,082	2,798	1,098
Accrued interest	626	1	38
TOTAL	**479,635**	**340,195**	**372,815**

• Maturity of payables at the balance sheet date

All payables due in less than one year with the exception of borrowings for which the amounts due in more than one year break down as follows:

1 to 5 years	167,926,000
Over 5 years	310,000,000
Total	**477,926,000**

• Borrowings and payables from credit institutions

This account includes bank credit balances amounting to €1,082,000.

• Debt ratios

Following the refinancing of the corporate debt, some of the Group's credit lines are subject to three financial ratios. As at 31 December 2013, the value of borrowings subject to these financial ratios amounted to €473 million.

The aforementioned three financial ratios are calculated every half year based on the published consolidated financial statements in accordance with the contractual definitions and over a rolling 12-month basis:

- The "gearing" ratio is the ratio between total net debt (i.e. gross debt less cash and cash equivalents) and consolidated equity;
- The "interest cover" ratio is the ratio between operating income (i.e. consolidated EBIT) and net financial expenses;
- The "leverage" ratio is the ratio between total net debt (i.e. gross debt less cash and cash equivalents) and EBITDA.

As at 31 December 2013, the Group complied with these three ratios.

The "gearing" ratio as defined in the agreements amounted to 0.66. Its value at 31 December 2013 had to be less than or equal to 2.0.

The "interest cover" ratio as defined in the agreements amounted to 6.55. Its value at 31 December 2013 had to be higher than or equal to 3.0.

The "leverage" ratio as defined in the agreements amounted to 1.81. Its value at 31 December 2013 had to be less than or equal to 3.50.

In view of the Group's continued operations in the future and in particular for 2014, the Group considers it will continue to comply with the three ratios in 2014 within the limits specified in the loan agreement.

k) Pre-paid expenses and deferred income

Prepaid expenses amounted to €215,000 compared with €253,000 in 2012; there was no deferred income for this financial year, as was the case in 2012.

These accounts only consist of operating expenses arising from the Company's normal course of business.

l) Accrued expenses and income receivable

Income receivable (€000)	31/12/2013	31/12/2012
Accrued interest on convertible bonds and loans	1,295	5,752
Accrued interest receivable	1,452	750
Outstanding customer invoices	5	69
Discounts receivable	0	26
TOTAL	**2,752**	**6,597**

Accrued expenses (€000)	31/12/2013	31/12/2012
Outstanding supplier invoices	1,440	1,282
Accrued interest payable	0	1
Accrued interest on borrowings	626	2,222
Employee payables and similar	800	732
Taxes, levies and similar payments	26	1
Social security	800	672
Outstanding fixed asset supplier invoices	0	0
Outstanding customer credit notes	107	0
TOTAL	**3,799**	**4,910**

m) Net revenue

Revenues have changed as follows:

€000	31/12/2013	31/12/2012	31/12/2011
Sold services France	8,698	1,044	2,566
Sold services Abroad	6,970	13,768	13,778
TOTAL	**15,668**	**14,812**	**16,344**

Revenues largely comprise recharges for services rendered to Group companies.

n) Operating expenditure

€000	31/12/2013	31/12/2012	31/12/2011
Raw materials and other supplies	75	176	132
Other purchases and external costs	15,932	11,501	10,717
Staff costs	5,590	5,608	4,792
Taxes, levies and similar payments	575	445	348
Amortisation and depreciation charges	213	257	232
Provision charges and reversals	0	0	1,113
Other expenses	233	224	174
TOTAL	**22,618**	**18,211**	**17,508**

o) Share of income/loss from joint ventures

The share of earnings of joint ventures amounted to €0 in 2013, as for the previous year.

p) Financial income and costs

€000	31/12/2013	31/12/2012	31/12/2011
Income from securities	69,119	67,733	9,565
Loan interest	8,879	16,986	15,828
Interest	(8,533)	(9,660)	(9,427)
Accrued interest	(1,203)	(3,852)	(6,083)
Interest rate hedges	(8,592)	(10,196)	(8,781)
Sundry financial income and costs	2,994	830	1,708
Exchange differences	(6,202)	15,599	3,999
Gains/ losses on sales of investment securities	0	7	415
Impairment/provisions	12,960	(5,586)	(13,427)
TOTAL	**69,423**	**71,861**	**(6,204)**

As at 31 December 2013, financial costs payable to related companies amounted to €2,605,000 (€6,603,000 in 2012) and financial income from related companies amounted to €78,401,000 (€84,821,000 in 2012).

q) Income tax

Norbert Dentressangle and its principal French subsidiaries elected the French tax group system (French Finance Act 1988).

€000		Income before tax	Tax due	Net income
Current		62,517	0	62,517
	ST	189	0	189
	LT	-	-	
Tax group (costs)			(19,921)	19,921
Carry back			0	0
TOTAL		**62,705**	**(19,921)**	**82,626**

The 2013 taxable loss of the tax group was computed taking account of the opening balances of unrelieved tax losses based on rules restricting the use of tax losses carried forward with effect from 2011.

Total tax losses carried forward amounted to €22,663,000 as at 31 December 2013.

r) Non-recurring items

€000	31/12/2013	31/12/2012	31/12/2011
Gain/loss on fixed asset disposals	324	(64,943)	(308,120)
Provision charges/reversals and depreciation	(624)	(657)	310,179
Other non-recurring items	489	(260)	(501)
TOTAL	**189**	**(65,860)**	**1,558**

s) Increases and reduction in future tax charges

Nature	01/01/2013		Change	31/12/2013	
	Asset	Liability		Asset	Liability
I – Certain or potential timing differences					
1 – Regulated provisions		85	47		132
2 – Investment grants					
3 – Accounting expenses tax deductible in the future					
. Organic tax		16	0		16
. Translation differences - liability		3,348	(3,160)		188
. Translation differences - assets	8,411		(5,645)	2,765	0
. Provision for exchange losses		8,411	5,645		2,675
. Other provisions for risks and charges			0		0
4 - Non taxable income					
5 - Expenses deducted for tax (or income taxed) and not accounted for					
TOTAL I	**8,411**	**11,860**	**(3,113)**	**2,765**	**3,102**
II – Outstanding items					
1 – Tax losses carried forward	17,575		(8,963)	8,612	
2 - Long-term capital losses					
3 - Other					
TOTAL II	**17,575**	**0**	**(8,963)**	**8,612**	**0**
Tax rates	**38.00%**			**38.00%**	

t) Average number of employees

Average	31/12/2013	31/12/2012	31/12/2011
Executives and supervisors	36	34	24
Employees	3	2	5
TOTAL	**39**	**36**	**29**

u) Directors' remuneration

In respect of 2013, remuneration paid to Executive Board members amounted to €1,820,310 and Supervisory Board members amounted to €412,503.

v) Results and other key figures of the Company over the last five financial years

€	31/12/2009	31/12/2010	31/12/2011	31/12/2012	31/12/2013
CLOSING SHARE CAPITAL					
. Share capital	19,672,482	19,672,482	19,672,482	19,672,482	19,672,482
. Number of ordinary shares	9,836,241	9,836,241	9,836,241	9,836,241	9,836,241
. Number of non-voting preference shares					
. Max. number of shares to be created:					
By bond conversion	0	0	0	0	0
By subscription rights	250,000	250,000	175,000	115,000	140,000
OPERATIONS AND INCOME/(LOSS)					
. Gross revenues	24,465,892	24,046,211	16,344,066	14,811,570	15,667,561
. Earnings before taxes, investments, depreciation, amortisation and provisions	266,817,329	7,118,992	(301,161,412)	9,141,710	50,582,843
. Income taxes	(59,831,615)	(27,359,313)	(32,216,560)	(25,211,966)	(19,920,877)
. Employee profit-sharing	0	0	0	0	0
. Net income	19,711,229	28,998,467	26,510,323	28,759,092	82,626,195
. Income distributed	8,852,617	10,819,885	12,295,301	14,754,362	15,737,986
EARNINGS PER SHARE					
. Income/(loss) after tax, investments before allowances for amortisation, depreciation and provisions	34.14	3.51	(27.34)	3.49	7.17
. Income/(loss) after tax, investments and allowances for amortisation, depreciation and provisions	2.06	2.95	2.70	2.92	8.40
. Dividend paid	0.90	1.10	1.25	1.50	1.60*
EMPLOYEES					
. Average number of employees	39	37	29	36	39
. Wages and salaries	4,079,589	4,092,903	3,442,628	4,015,502	3,637,472
. Social security charges	1,682,532	1,564,551	1,349,823	1,592,778	1,952,635

* Proposed to the Shareholders' General Meeting of 21 May 2014 on the basis of the number of shares as at the balance sheet date.

w) Subsidiaries and shareholdings

SUBSIDIARIES	Share capital	Other shareholder's equity	% held	Gross value of securities	Net value of investment	Loans and sharehold loans	Revenue	Net income	Dividends collected
NDT	50,000	79,034	100	99,639	99,639	28,999	18,173	9,212	21,886
NDL INTERNATIONAL	63,449	83,277	100	61,103	61,103	(1,143)	7,897	36,347	40,500
ND OVERSEAS	37,963	(5,146)	100	41,183	41,183	56,802	2,314	(5,096)	0
OMEGA 7	500	86	100	4,298	587	1,100	1,263	86	0
INTERBULK	55,968	31,956	4.27	5,902	2,082	0	322,856	(16,154)	0
NDL UK	240	194	100	450	450	0	0	0	0
Non-Group equity investments	0	0	0	66	0	0	0	0	0
Acquisition costs	0	0	0	82	82	0	0	0	0
TOTAL	**208,120**	**189,401**		**212,723**	**205,125**	**85,758**	**352,503**	**24,395**	**62,386**
Total book value of equity investments				212,793	205,195				
Other investment				70	70				

	Average rate 31/12/2013	Closing rate 31/12/2013	Annual average rate 30/09/2012 - 30/09/2013	Closing rate 30/09/13
NDL UK	0.84925	0.83370		
INTERBULK			0.84105	0.83600

NDL UK and Interbulk are sterling-managed foreign companies. The closing rate is applied for share capital and shareholders' equity computations, and an annual average rate is applied for revenue and net income. The other columns, notably value of investment securities are taken from Norbert Dentressangle SA 2013 financial statements.

Apart from the subsidiaries listed, Norbert Dentressangle S.A. holds ten other companies with a gross value of €70,000.

x) Post balance sheet events

There have been no material post balance sheet events.

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2013

To the Shareholders,

In performance of the assignment entrusted to us by your Shareholders' General Meetings, please find herein our report on the financial year ended 31 December 2013 in respect of:

- The auditing of the attached annual financial statements of Norbert Dentressangle S.A.;
- Justification for our assessment; and
- The specific testing and disclosures required by law.

The financial statements were approved by the Executive Board. Our responsibility is to express an opinion on these financial statements in light of our audit.

1. Opinion on the annual financial statements

We carried out our audit in compliance with professional standards applicable in France. These standards require that we perform the audit so as to obtain reasonable assurance that the annual financial statements are free of any material misstatements. An audit involves the review, by way of sample tests or other means of selection, of the documents underlying the information set forth in the financial statements. It also includes an assessment of the accounting policies applied and any material estimates made in drawing up the financial statements, as well as an assessment of the presentation thereof as a whole. We believe that the evidence we have received provides a reasonable basis for our opinion.

We certify that, in accordance with French accounting policies and regulations, the annual financial statements provide a true and fair view of the Company's results of operations for the financial year ended 31 December 2013 as well as its financial position and net assets at said date.

2. Justification for our assessment

In accordance with the requirements of Article L. 823-9 of the French Commercial Code regarding the provision of justification for our assessment, we wish to bring the following to your attention:

- Net long term investments stated on the 31 December 2013 balance sheet amount to €509,752,000, and principally consist of equity investments and loans to subsidiaries. The equity investments are valued at acquisition cost and written down based on their earnings potential in accordance with the methods described under Note I d) of the notes to the financial statements.

Based on information we were given, our work consisted of assessing the data on which the valuations were performed and verifying consistency of the assumptions applied with the forecasts of the strategic plans prepared by each business under the supervision of senior management.

We assessed whether these estimates were reasonable.

The resulting assessments thus form part of our audit of the annual financial statements, considered as a whole, and therefore contributed to the formation of our opinion as expressed in the first section of this report.

3. Specific testing and disclosures

In accordance with professional standards applicable in France, we also carried out the specific checks required by law.

We have no comment on the accuracy and consistency with the annual financial statements of the information set forth in the Executive Board's management report and in the documents circulated among shareholders on the financial position and the annual financial statements.

Concerning the disclosures made pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code on the remunerations and benefits paid to the corporate officers and on the commitments granted to them, we verified the consistency thereof with the financial statements or with the data underlying the preparation of said statements and, where applicable, with the information the Company collected from its controlling companies or the companies it controls. Based on the above, we certify that this information is true and accurate.

As required by law, we verified that the management report sent to you contains the requisite disclosures on the acquisition of equity and controlling interests and the identity of holders of equity interests and voting rights.

Lyon, 4 April 2014

The Statutory Auditors

GRANT THORNTON
French member of Grant Thornton International
Robert Dambo
Partner

ERNST & YOUNG et autres
Daniel Mary-Dauphin - Nicolas Perlier
Partners

FINANCIAL INFORMATION

PATRICK BATAILLARD
CFO
Tel: +33 472 836 600
Fax: +33 472 836 601
www.norbert-dentressangle.com
(Investors section)

AUDITORS

ERNST & YOUNG et autres
Member of the “Compagnie Régionale de Versailles”

GRANT THORNTON
French member of Grant Thornton International

Current auditors

NORBERT DENTRESSANGLE SA

192, Avenue Thiers

69457 Lyon cedex 6 - France

RCS 309 645 539

PUBLICIS ACTIV Lyon Photo credits: S. Rambaud - N. Bouchut - P. Caron - G. Perret - Demouveaux - Green Imaging Ltd - D. Green - Studio 3 - V. Traver - A. Ramella - Céline Delige - Shutterstock - Internal photos.

www.norbert-dentressangle.com

NORBERT DENTRESSANGLE

Bringing people closer to their dreams