

**GEODIS**

**GEODIS ANNOUNCES COMPLETION OF OHL (Ozburn-Hessey  
Logistics) DEAL**

**3 November 2015**

**Press Kit**

# GEODIS ANNOUNCES COMPLETION OF OHL (Ozburn-Hessey Logistics) DEAL

*GEODIS, the number 4 European supply chain operator - 100% owned by SNCF Logistics – has acquired OHL (Ozburn-Hessey Logistics)*

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## Press release

# GEODIS ANNOUNCES COMPLETION OF OHL (Ozburn-Hessey Logistics) DEAL

**GEODIS is pleased to announce that it has received the regulatory approvals and officially completed the acquisition of OHL (Ozburn-Hessey Logistics) based in Nashville, Tennessee (USA). OHL is one of the leading 3PL companies in the USA, with annual revenue in excess of €1.2 billion. This acquisition is effective as of today.**

The combined structure will generate a consolidated annual turnover of over €8 billion with more than 38,000 employees and 165,000 customers. With around 400 logistics warehouses in the world, additional Freight Forwarding capability and enhanced e-fulfillment expertise, GEODIS expands its global footprint and builds a solid platform to better serve its clients.

*“The acquisition is a great achievement for GEODIS and a significant step toward our “Ambition 2018” strategic plan – to be the global growth partner for our clients,”* states Marie-Christine Lombard, CEO of GEODIS. *“This acquisition allows us to offer a market leading set of solutions on a global level with enhanced expertise at each phase of the Supply Chain”.* She adds: *“I’m delighted to welcome Randy Curran, CEO of OHL, as a new member of GEODIS’ Executive Committee. His in-depth knowledge of the US market and global experience will add greatly to our leadership team.”*

*“The merger of our two companies makes outstanding sense. It’s a great opportunity for OHL and its employees to join GEODIS which is recognized for its high quality service level, professionalism and broad global, logistics capabilities”* said Randy Curran, CEO of OHL. *“By offering GEODIS’ European customers our capabilities and opening to our US based customers GEODIS’ global capabilities in the EU and elsewhere, we aim to enhance our existing customer relationships and attract new ones.”* He adds: *“from the beginning the cultural fit between our two companies has been remarkable and will be a source of strength going forward.”*

Founded in 1951, OHL is one of the leading 3PL companies in the world, operating more than 120 value-added distribution centers in North America with over 36 million square feet of flexible warehouse space, and providing integrated global supply chain management solutions including transportation, warehousing, customs brokerage, freight forwarding, and import and export consulting services.

Employing over 8,000 transportation and fulfillment professionals, OHL has unparalleled experience in direct-to-consumer fulfillment, serving a wide range of business sectors from specialty retail to manufacturing. OHL specializes in the sectors of apparel, electronics, healthcare, food and beverage, and consumer packaged goods.

GEODIS offers tailor-made solutions in over 67 countries through its five lines of business: Supply Chain Optimization, Freight Forwarding, Contract Logistics, Distribution & Express and Road Transport. With over 120,000 customers and 30,000 employees, GEODIS’s annual revenue amounts to €6.8 billion.

Earlier this year, GEODIS unified its portfolio of businesses and services under one unique brand: GEODIS. In time, OHL will also be rebranded as GEODIS.

The transaction for this acquisition is financed with available cash resources, and through existing and new debt arrangements.

## **A strategic acquisition**

*The merger of GEODIS and OHL makes outstanding sense. As the number one logistics and Transportation Company in France, and the number four player in Europe, GEODIS needs to extend its reach into other strong growing regions in order to accompany its customers as their growth partner. North America is one of these prime regions.*

### **North-America, a priority market:**

On July 8<sup>th</sup> in front of the Commission for Sustainable Development of the National Assembly, Guillaume Pepy, CEO of the SNCF Group declared that the development of the group must "accelerate in logistics" and "help GEODIS filling some holes in their global presence for example in the United States."

The US represents a large logistics market with good economic growth.

OHL is strong in the US operating over 120 distribution centers and featuring a domestic distribution capability. GEODIS is strong in Europe with a worldwide reach and operating over 180 distribution centers next to our capabilities in Distribution and Express, Road Transport and Supply Chain Optimization.

Many of GEODIS' European customers need a US logistics provider and many of OHL's US customers will be excited about GEODIS' network across Europe, Asia and Latin America. Combining the strengths of GEODIS and OHL allows both companies to provide an expanded portfolio of capabilities to their existing customers.

On a financial level, logistics is a more profitable business in the United States than in Europe. The average operating margin of the sector is around 7%. In Europe, this varies by country, but overall, it would be more in the order of 5%. Financially, it is a beautiful operation. OHL is profitable and the acquisition will be accretive in the first year.

### **Complementary services:**

In addition to extending our reach into a prosperous and strategic market with complimentary capabilities, we also share highly compatible customer portfolios. OHL has unparalleled experience in direct-to-consumer fulfillment, serving a wide range of business sectors from specialty retail to manufacturing. OHL specializes in the sectors of apparel, electronics, healthcare, food and beverage, and consumer packaged goods. OHL's customers include companies familiar to us all, such as Apple, HP, Mattel, Nestle, H&M, Walmart, Amazon, Ikea, DOW, Starbucks and many more.

Moreover, both companies have a complementary Freight Forwarding footprint, operating the same system (Cargowise). Similar to Freight Forwarding within GEODIS, OHL has outstanding Customs Brokerage expertise, being the top-10 US Customs Broker and the top-5 UK Air Forwarder.

In freight forwarding, OHL will be a source of organic growth. It will also immediately increase our contract logistics business by 66%, from today's total of just €1.2 billion

### **Similar values:**

Both companies have a strong sense of dedication and positive mindset geared towards creating an excellent customer experience. In this aspect, both organizations share similar values and have a strong cultural fit.

## About GEODIS

GEODIS is a Supply Chain Operator ranking among the top companies in its field in Europe and the World. GEODIS, which is part of SNCF Logistics, which in turn is a business line of the SNCF Group, is the number one Transport and Logistics operator in France and ranked number four in Europe. The international reach includes a direct presence in 67 countries and a global network spanning over 120 countries. With its five Lines of Business (Supply Chain Optimization, Freight Forwarding, Contract Logistics, Distribution & Express and Road Transport), GEODIS manages its customers Supply Chain by providing end-to-end solutions enabled by our people, our infrastructure, processes and systems.

## Mission, Vision, Values

GEODIS manages its customers' supply chain by providing end-to-end solutions enabled by its infrastructure, people, processes and systems. Our mission, vision and values reflect who we are as an organization, our approach and what we bring to the partnership with our customers.

### Mission



We help our clients succeed by overcoming logistical constraints

### Vision



We are the growth partner for our clients

### Values



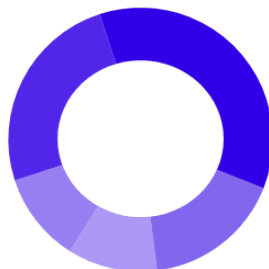
We are committed to our clients  
We continuously innovate  
We are passionate  
We demonstrate solidarity  
We build trust

## Key Figures

The international reach includes a direct presence in **67** countries and a global network spanning over **120** countries with more than **30,000** employees to better serve its **150,000** customers.

### 2014 revenue split\* by activity

€ 6.8bn\*\* Revenue

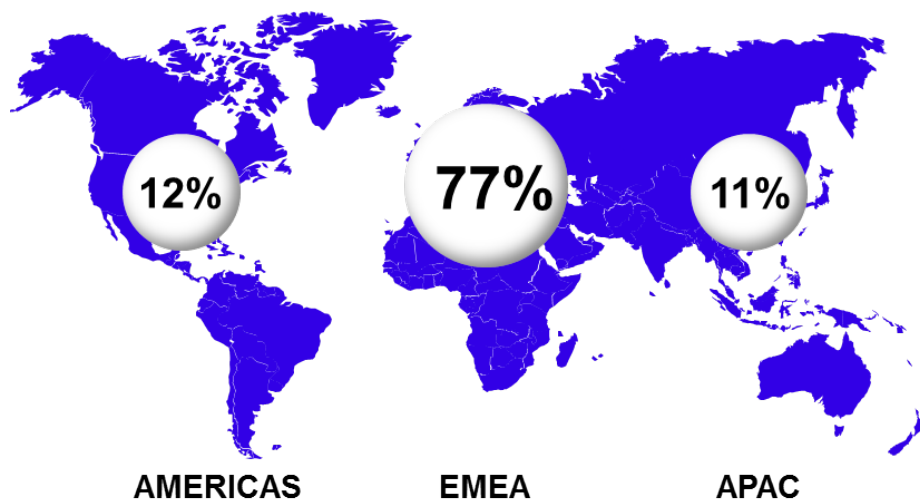


Freight Forwarding	39 %
Distribution & Express	23 %
Contract Logistics	17 %
Road Transport	11 %
Supply Chain Optimization	10 %

\*: before elimination at GEODIS Group level

\*\* : after elimination at GEODIS Group level

### 2014 revenue split by region



## Geodis Global Offer

### Our Approach

Our approach to win customer's trust: understanding customers' needs, designing the best solutions, executing them consistently across the world, measuring operational performance and identifying areas for continuous improvement.

#### We understand



Listening to our customers is our priority because it helps us gain a clear understanding of their unique needs. This is our approach to find robust proven solutions and innovative ways to help them overcome their logistical challenges.

#### We design



We recognize that customers have specific logistics needs related to their industry and we are sufficiently agile to meet these needs. We design industry-specific solutions which help you gain the competitive edge in your market.

#### We measure



GEODIS measures KPIs to manage operational performance and identify areas for continuous improvement. Achieving these KPIs that drive cost reduction and achieve total customer satisfaction requires ongoing development of technology solutions.

#### We execute



To optimize customers' supply chain every step of the way, our five Lines of Business apply their expertise covering supply chain optimization, intercontinental transportation and customs clearance, road freight transportation, warehousing management and distribution. We manage parts or all of the supply chain through our owned assets or through selected partners.

#### We improve



GEODIS is committed to continuous improvement to achieve total customer satisfaction. To achieve this target, we will raise our standards of service, reduce transit times and reduce costs. Our objective is to streamline our processes through innovative solutions to manage our customers' future supply chain requirements.



## Our Offer

Our approach to understanding our customers' needs, designing the best solutions that help them overcome their logistical constraints and executing consistently across the world sums up the GEODIS total value proposition.



GEODIS services over 150,000 customers globally. We recognize that customers have specific logistics needs related to their industry and we are sufficiently agile to meet those needs. For them, we design solutions that are industry-specific and that help them gain the competitive edge in their market.



### Aerospace & Defense

Where security and reliability are key



### Automotive

Where being just-in-time is standard



### FMCG

Where flexibility is a differentiator



### Retail

Where consumer satisfaction is paramount



### High-Tech

Where speed-to-market matters



### Industrial

Where differentiation is essential



### Healthcare

Where compliance is mandatory

## Geodis' Key Services

GEODIS is organized around its five Lines of Business, each with specific key services:

- Supply Chain Optimization:
  - o Supply Chain Consultancy
  - o Supply Management
  - o Flow Management
  
- Freight Forwarding:
  - o Air Freight
  - o Ocean freight
  - o Multimodal e.g sea-air / road-rail
  - o Industrial projects handling
  
- Distribution & Express
  - o Groupage
  - o Industrial Express
  - o Chartering
  
- Road Transport
  - o FTL / LTL
  - o Mutimodal transport
  - o Conditioned & bulk transport
  - o Transport on-request, dedicated or rental
  
- Contract Logistics
  - o Inbound & in-house logistics
  - o Outbound logistics
  - o Aftersales & returns logistics



Road  
Transport



Freight  
Forwarding



Supply Chain  
Optimization



Distribution  
& Express



Contract Logistics



## **About OHL ((Ozburn-Hessey Logistics)**

*OHL is one of the largest 3PL companies in the world, providing integrated global supply chain management solutions including transportation, warehousing, customs brokerage, freight forwarding, and import and export consulting services.*

*OHL operates in more than 120 value-added distribution centers, offering comprehensive transportation management services, employing over 8,000 people and creating global supply chain solutions for companies of all sizes.*

### **OHL'S MISSION:**

To be the preferred logistics solutions provider, supporting and meeting the changing needs of its customers in a global environment.

### **OHL'S CORE VALUES:**

#### **Integrity**

Integrity and trust are the foundation of OHL's success. We will never compromise our integrity or our reputation, knowing that it ensures our long-term success.

#### **Entrepreneurship**

We are committed to maintaining our entrepreneurial spirit. We encourage creativity, flexibility, empowerment and speed of decision making to manage our business.

#### **Operational Excellence**

We will consistently provide the highest level of quality service and leadership. We will execute and measure this through continuous improvement, efficient processes and utilizing best practices.

#### **Customer Relationships**

We are committed to our customers. We will provide superior customer service and drive continuous improvement through operational excellence, innovation and flexibility.

#### **Employee Relationships**

We value our employees. We are committed to a diverse workplace that allows all of our employees to thrive and fulfill their potential within the company. We will provide an environment of openness, trust and respect.

## OHL'S KEY FIGURES

- OHL is one of the largest 3PL companies in the world, providing logistics services since 1951
- OHL belongs to the Top-3 North American Logistics providers
- It has over 8,000 employees with revenues exceeding €1.2Bn
- The company operates 120 value-added Distribution Centers with over 3.4 million square feet of flexible warehousing space
- OHL provides integrated global Supply Chain management solutions with:
  - o 55% of the activity being Contract Logistics,
  - o 25% Freight Forwarding
  - o and 20% Transport Management
- It has a global network including North America, Europe, Australia and Asia

## OHL'S KEY SERVICES

- o Supply chain analysis and design
- o Warehousing and fulfillment
- o Customs Brokerage
- o E-commerce fulfillment
- o Assembly and packaging
- o Transportation management
- o Truckload, LTL and small parcel shipping
- o Ocean and air freight
- o Trade Services

## OHL'S KEY VERTICAL MARKETS

OHL's team of transportation and fulfillment professionals has experience in direct-to-consumer fulfillment, and serves a wide range of business sectors:

- o Specialty retail
- o Manufacturing
- o Apparel
- o Electronics
- o Healthcare
- o Food & Beverage
- o Consumer packaged goods