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LEVALLOIS-PERRET



press release

Record performance for GEODIS in the first half of 2021

- In the first half of 2021, GEODIS achieved revenues of €4,865 million, up +21% compared to 2020 at constant exchange rates and scope of consolidation, resulting from sustained activity recorded in all the Group's business lines and regions.
- EBITDA of €458 million, up by more than 60%.
- The amount of operating cash flow has enabled the Group to finance acquisitions while reducing net financial debt compared to June 2020 (-€123 million).
- GEODIS is thus in line with the trajectory of its Ambition 2023 strategic plan, demonstrating the relevance of the strategic choices made over the past several years.

"In a still uncertain economic environment, GEODIS has confirmed its ability to generate profitable growth, with a revenue up 21% and EBITDA up 60%. These solid results support our ability to invest in growth while investing in the ecological transition of all our activities. Our good performance has enabled us to strengthen our investments in the company's digital transformation and to self-finance our latest acquisition, PEKAES, a leading distribution network in Poland, a strategic country for GEODIS. These solid results are in line with the "Ambition 2023" strategic plan, which aims to achieve growth for the Group at least equal to that of the global logistics market over the period, and to accelerate the conversion of this growth into earnings," explains Marie-Christine Lombard, Chairman of GEODIS' Executive Board.

Growth driven by e-commerce in the United States and Europe

The share of e-commerce activities has continued to grow, posting double-digit growth, and now accounts for more than €2 billion of the company's €8.4 billion in sales. The health crisis has amplified a trend that now seems to be sustainable and has an impact mainly on two business lines of the company:

- Last-mile delivery (Distribution & Express) with 23% of daily deliveries today destined for individuals versus 15% in 2019.
- Contract Logistics with an increase in inventory management and order preparation activities on behalf of global marketplaces but also for many companies that have developed their own online merchant sites.

Faced with this growth in e-commerce, GEODIS has developed three new offers to better serve its customers:

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- GEODIS e-Logistics, an end-to-end logistics offer, the objective of which is to help brands offer the same customer experience online as in store. To do this, GEODIS leverages both its global network of logistic hubs and transportation services along with its new digital platform that allows a real-time overview of all inventory available in stores, warehouses, and/or on the move anywhere in the world.
- GEODIS MyParcel, a direct-to-customer intercontinental delivery service that guarantees delivery in 4 to 6 days, at a lower price than express delivery, from the United States to 27 European countries and Canada.
- GEODIS Zipline, a mobile application developed in the United States, which enables private individuals, selected through a rigorous process, to provide an urban delivery service according to their daily route or to make several deliveries throughout the day.

Strong growth in intercontinental air, sea and rail transport

Despite the extreme tension in the sea and air freight market, GEODIS has been able to meet its customers' demand by securing capacity and completing its offer:

- Chartering of two vessels between Asia and Europe to alleviate the difficulty its customers were having to obtain capacity from regular carriers at a competitive rate. Other charters are planned for the 3rd and 4th quarter of 2021.
- A new air transport offer, GEODIS AirDirect, with a route between Shanghai and Guadalajara constituting the only direct access to Mexico from northern and central China. Unique to the market, this charter service already exists between Europe, China and the United States.

Renewed customer trust

GEODIS' agility and responsiveness throughout the health crisis have been praised by its customers. According to the Ipsos survey, which was launched in the first half of 2021, **89% of customers say they are satisfied with the services and solutions offered by GEODIS.**

(Measurement of customer satisfaction by Ipsos, conducted in the first half of 2021).

Acquisitions to strengthen GEODIS' activities in strategic areas and markets

- The closing of the acquisition of PEKAES, one of the leading LTL (Less-than-TruckLoad) and FTL (Full-TruckLoad) transport networks in Poland. This acquisition allows GEODIS to strengthen its market position in Poland, which is one of the most important European logistics platforms.
- The acquisition of CondiServices, a company located in the North of France, which completes GEODIS' e-commerce offer and more specifically the management of returns.
- The acquisition of Velocity Freight Transport, Inc. in the United States, expanding GEODIS' transportation offering in North America.
- The signature in early July of an agreement to acquire GANDON Transports, a leading player in the transport of temperature-controlled pharmaceutical products in France, with the aim of continuing GEODIS' development in the healthcare market.

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The fight against climate change: a priority

The health crisis has not slowed GEODIS' investments in the environmental field, its ambition being to reduce its CO₂ emissions by 30% by 2030 compared to 2017 in part by:

- **Ordering 200 LNG vehicles** that will be fueled with biogas for urban deliveries in France, with the ambition to deliver in a decarbonized manner to 37 French major cities by 2023. The decarbonization of freight transport will necessarily involve the greening of fleets.
- The launch of a worldwide **carbon offset program**.

The Group obtained an **A- rating by the CDP**. Only 14% of the 5,800 companies assessed by the CDP worldwide in 2020 received an equivalent or higher rating. This result recognizes GEODIS's approach to integrating its suppliers in efforts to reduce CO₂ emissions as well as lobbying at the European Union level to define and impose stricter CO₂ standards for vehicles.

GEODIS – www.geodis.com

GEODIS is a top-rated, global supply chain operator recognized for its commitment to helping clients overcome their logistical constraints. GEODIS' growth-focused offerings (Supply Chain Optimization, Freight Forwarding, Contract Logistics, Distribution & Express, and Road Transport) coupled with the company's truly global reach thanks to a direct presence in 67 countries, and a global network spanning 120 countries, translates in top business rankings, #1 in France, #6 in Europe and #7 worldwide. In 2020, GEODIS accounted for over 41,000 employees globally and generated €8.4 billion in sales.

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