

**Compañía de  
Distribución Integral Logista,  
S.A.U. and Subsidiaries and  
Logista France, S.A.S. and  
Subsidiaries**

Combined Special Purpose Financial Statements  
for the years ended 30 September 2012 and 2011  
prepared in accordance with International  
Financial  
Reporting Standards (IFRSs) as adopted by  
the European Union ("Combined Special Purpose  
Financial Statements"), together with Independent  
Auditor's Report

*Translation of combined special purpose financial  
statements originally issued in Spanish and  
prepared in accordance with IFRSs as adopted by  
the European Union (see Notes 2 and 32). In the  
event of a discrepancy, the Spanish-language  
version prevails.*

**COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA, S.A.U. AND SUBSIDIARIES**  
**AND**  
**LOGISTA FRANCE, S.A.S. AND SUBSIDIARIES**

**COMBINED SPECIAL PURPOSE BALANCE SHEETS AT 30 SEPTEMBER 2012 AND 2011**  
(Thousands of Euros)

ASSETS	Notes	2012	2011	EQUITY AND LIABILITIES	Notes	2012	2011
<b>NON-CURRENT ASSETS:</b>				<b>EQUITY:</b>			
Property, plant and equipment	6	237.508	249.919	Share capital	13	77.150	54.050
Investment properties		3.674	4.287	Share premium	14	178.814	180.062
Goodwill	7	691.682	711.873	Reserves of the Parents	14	26.163	22.624
Other intangible assets	8	31.187	34.672	Reserves at consolidated companies	15	184.507	140.891
Investments in associates		541	163	Translation differences		166	190
Other non-current financial assets	9.1	12.921	13.066	Valuation adjustments		19.950	19.950
Deferred tax assets	21	56.851	62.248	Consolidated profit for the period		133.351	185.370
Total non-current assets		1.034.364	1.076.228	Equity attributable to the Parent	16	620.101	603.137
				Equity attributable to non-controlling interests		1.751	8.599
				Total equity		621.852	611.736
<b>CURRENT ASSETS:</b>				<b>NON-CURRENT LIABILITIES:</b>			
Inventories	10	1.191.712	1.289.128	Bank borrowings	17	-	9
Trade and other receivables	11	1.652.095	1.650.371	Non current obligations under finance leases		-	25
Tax receivables	21	12.012	13.695	Other non-current liabilities	18	5.643	7.092
Other current financial assets	9.2	2.422.298	2.442.006	Long-term provisions	20	154.692	147.615
Cash and cash equivalents	12	174.794	155.161	Deferred tax liabilities	21	104.068	101.564
Other current assets		9.362	10.519	Total non-current liabilities		264.403	256.305
Total current assets		5.462.273	5.560.880	<b>CURRENT LIABILITIES:</b>			
				Bank borrowings	17	5.330	7.393
<b>NON-CURRENT ASSETS HELD FOR SALE</b>				Other current financial liabilities	22	32.492	46.219
				Current obligations under finance leases		1	13
				Trade and other payables	23	1.143.256	944.307
				Tax payables	21	4.367.410	4.657.818
				Short-term provisions	20	16.102	17.384
				Other current liabilities	24	59.958	98.469
<b>TOTAL ASSETS</b>		6.510.804	6.639.645	Total current liabilities		5.624.549	5.771.603
				<b>TOTAL EQUITY AND LIABILITIES</b>		6.510.804	6.639.645

The accompanying Notes 1 to 31 and Appendix I and II are an integral part of the combined special purpose balance sheets at 30 September 2012 and 2011

**COMPañÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA, S.A.U.  
AND SUBSIDIARIES  
AND  
LOGISTA FRANCE, S.A.S. AND SUBSIDIARIES**

**COMBINED SPECIAL PURPOSE INCOME STATEMENTS  
FOR THE YEARS ENDED 30 SEPTEMBER 2012 AND 2011**  
(Thousands of Euros)

	Notes	2012	2011
Revenue	26a)	10.129.327	10.271.438
Procurements		(9.088.954)	(9.200.302)
<b>Gross profit-</b>		<b>1.040.373</b>	<b>1.071.136</b>
Cost of logistics networks-			
Staff costs	26b)	(158.250)	(166.151)
Transport costs		(212.915)	(222.592)
Provincial sales office expenses		(79.556)	(85.011)
Depreciation and amortisation charge		(33.279)	(34.721)
Other operating expenses	26c)	(159.061)	(170.178)
Total cost of logistics networks		(643.061)	(678.653)
Commercial expenses-			
Staff costs	26b)	(43.514)	(45.272)
Other operating expenses	26c)	(28.035)	(29.031)
Total commercial expenses		(71.549)	(74.303)
Research expenses-		(4.191)	(5.402)
Head office expenses-			
Staff costs	26b)	(72.491)	(67.041)
Depreciation and amortisation charge		(8.168)	(7.959)
Other operating expenses	26c)	(35.166)	(37.946)
Total head office expenses		(115.825)	(112.946)
Share of results of companies		(432)	(850)
Net loss on disposal and impairment of non-current assets		(20.244)	(96)
Other expenses		(4.654)	(185)
<b>Profit from operations-</b>		<b>180.417</b>	<b>198.701</b>
Finance income	26e)	30.963	46.387
Finance costs	26f)	(11.887)	(10.969)
<b>Profit before tax-</b>		<b>199.493</b>	<b>234.119</b>
Income tax	21	(55.193)	(50.989)
<b>Profit for the period from continuing operations-</b>		<b>144.300</b>	<b>183.130</b>
Loss for the period from discontinued operations net of tax	31	(11.659)	745
<b>Profit for the period-</b>		<b>132.641</b>	<b>183.875</b>
Attributable to-			
Shareholder of the Parent		133.351	185.370
Non-controlling interests		(710)	(1.495)

The accompanying Notes 1 to 31 and Appendix I and II are an integral part of  
the combined special purpose income statements for 2012 and 2011

**COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA, S.A.U. AND SUBSIDIARIES  
AND LOGISTA FRANCE, S.A.S. AND SUBSIDIARIES**

**COMBINED SPECIAL PURPOSE STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEARS ENDED 30 SEPTEMBER 2012 AND 2011**

(Thousands of Euros)

	2012	2011
<b>Profit for the year</b>	<b>132.641</b>	<b>183.875</b>
Net gain (loss) on available for sale financial assets during the year	-	-
Net gain (loss) on cash flow hedging instruments available for sale financial assets during the year	-	-
Net actuarial gain (loss) recognised directly in equity (Note 20)	(3.439)	-
Foreign exchange rate changes	(24)	303
Net gain (loss) on taxes recognised directly in equity	-	-
<b>Total other comprehensive income</b>	<b>(3.463)</b>	<b>303</b>
<b>Total comprehensive income for the year</b>	<b>129.178</b>	<b>184.178</b>
<b>Attributable to-</b>		
Shareholders of the Parent	129.888	185.673
Minority interests	(710)	(1.495)
<b>Total attributable</b>	<b>129.178</b>	<b>184.178</b>
<b>Total effect of changes in accounting policies</b>	<b>-</b>	<b>-</b>

The accompanying Notes 1 to 31 and Appendix I and II are an integral part of  
the combined special purpose statements of comprehensive income for 2012 and 2011

**COMPANÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA, S.A.U. AND SUBSIDIARIES  
AND LOGISTA FRANCE, S.A.S. AND SUBSIDIARIES**

**COMBINED SPECIAL PURPOSE STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED 30 SEPTEMBER 2012 AND 2011**

(Thousands of Euros)

	Share Capital	Share Premium	Reserves of the Parent	Reserves at Consolidated Companies	Valuation Adjustments	Translation Differences	Profit for the Year	Total	Minority Interests	Total Equity
<b>Balance at 30 September 2010</b>	54.050	180.062	347.614	115.036	19.950	(113)	118.352	834.951	10.235	845.186
Net profit for 2011 attributable to the Parent	-	-	-	-	-	303	185.370	185.673	-	185.673
Loss attributable to minority interests	-	-	-	-	-	-	-	-	(1.495)	(1.495)
<b>Income and expenses recognised in the period</b>										
I. Transactions with Shareholders:										
Distribution of profit:										
To reserves										
Dividends (Note 14)	-	-	49.267	25.720	-	-	(74.987)	-	-	-
Distribution of dividend with a charge to reserves (Note 14)	-	-	-	-	-	-	(43.365)	(43.365)	-	(43.365)
Other changes	-	-	(374.257)	-	-	-	-	(374.257)	-	(374.257)
<b>Balance at 30 September 2011</b>	54.050	180.062	22.624	140.891	19.950	190	185.370	603.137	8.599	611.736
Net profit for 2012 attributable to the Parent	-	-	-	-	-	(24)	133.351	133.327	-	133.327
Loss attributable to minority interests	-	-	-	-	-	-	-	-	(729)	(729)
Actuarial losses (Note 20)	-	-	(2.789)	(650)	-	-	-	(3.439)	-	(3.439)
<b>Income and expenses recognised in the period</b>										
I. Transactions with Shareholders:										
Capital increase	23.100	(1.248)	(21.852)	-	-	-	-	-	-	-
Distribution of profit:										
To reserves										
Dividends (Note 14)	-	-	28.180	38.513	-	-	(66.693)	-	-	-
Acquisition of minority interests' participations	-	-	-	-	-	-	(118.677)	(118.677)	(247)	(118.924)
Other changes	-	-	-	6.238	-	-	-	6.238	(5.872)	366
<b>Balance at 30 September 2012</b>	77.150	178.814	26.163	184.507	19.950	166	133.351	620.101	1.751	621.852

The accompanying Notes 1 to 31 and Appendix I and II are an integral part of the combined special purpose statements of changes in equity for 2012 and 2011

**COMPañIA DE DISTRIBUCIÓN INTEGRAL LOGISTA, S.A.U.  
AND SUBSIDIARIES  
AND  
LOGISTA FRANCE, S.A.S. AND SUBSIDIARIES**

**COMBINED SPECIAL PURPOSE STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED 30 SEPTEMBER 2012 AND 2011**

(Thousands of Euros)

	Notes	2012	2011
<b>OPERATING ACTIVITIES:</b>			
Consolidated profit before tax from continuing operations		199.493	234.119
Adjustments for-			
Profit of companies accounted for using the equity method		432	850
Depreciation and amortisation charge	6 and 8	42.630	43.745
Period provisions	9, 10, 11 and 20	30.784	7.462
Proceeds from disposal of non-current assets		948	281
Other adjustments to profit		20.122	(3.007)
Financial profit		(19.076)	(35.418)
Adjusted profit		275.333	248.032
<b>Net change in assets / liabilities-</b>			
(Increase)/Decrease in inventories		90.724	97.554
(Increase)/Decrease in trade and other receivables		(12.088)	(241.460)
(Increase)/Decrease in other current assets		(3.138)	(4.133)
Increase/(Decrease) in trade payables		199.627	(44.465)
Increase/(Decrease) in other current liabilities		(351.908)	259.685
Increase (Decrease) in other non-current liabilities		(10.932)	8.801
Income tax paid		(42.377)	(39.701)
Finance income and costs		19.044	39.987
<b>Total net cash flows from operating activities (I)</b>		<b>164.285</b>	<b>324.300</b>
<b>INVESTING ACTIVITIES:</b>			
Net investment in property, plant and equipment	6	(19.855)	(25.293)
Addition to intangible assets	8	(8.249)	(7.505)
Proceeds from/(Investments) in Group companies and other current and non-current financial assets		19.309	99.318
<b>Total net cash flows from investing activities (II)</b>		<b>(8.795)</b>	<b>66.520</b>
<b>FINANCING ACTIVITIES:</b>			
Dividends paid	14	(118.675)	(417.622)
Changes in current borrowings	17	(15.809)	31.711
Changes in non-current borrowings	17	(1.488)	(5)
Minority interests		115	(1.134)
Reserves and other		-	297
<b>Total net cash flows from financing activities (III)</b>		<b>(135.857)</b>	<b>(386.753)</b>
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (I+II+III)</b>		<b>19.633</b>	<b>4.067</b>
Cash and cash equivalents at beginning of year		155.161	151.094
Net change in cash and cash equivalents during the year		19.633	4.067
<b>Total cash and cash equivalents at end of year</b>		<b>174.794</b>	<b>155.161</b>

The accompanying Notes 1 to 31 and Appendix I and II are an integral part of the combined special purpose statements of cash flows for 2012 and 2011

## **Compañía de Distribución Integral Logista, S.A.U. and Subsidiaries and Logista France, S.A.S. and Subsidiaries**

Notes to the Combined Special Purpose Financial Statements for the years ended 30 September 2012 and 2011 prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union ("Combined Special Purpose Financial Statements")

### **1. General information about the Group**

The combined special purpose financial statements include:

- Compañía de Distribución Integral Logista, S.A.U. and Subsidiaries (Logista Group) consolidated financial statements
- Logista France, S.A.S. (formerly Altadis Distribution France, S.A.S.) and Subsidiaries Logista France or Logista France Group).

#### Logista Group

The Parent, Compañía de Distribución Integral Logista, S.A.U. was incorporated in 1964. On 13 August 2008 the Parent Company inscribed in the Mercantile Registry its condition as a Sole-Shareholder company, being the Sole-Shareholder Altadis, S.A.U. (see Note 13).

In turn, Altadis, S.A.U., the Company's parent, belongs to the Imperial Tobacco Limited Group, which is governed by the corporate legislation in force in the United Kingdom, and whose registered office is at 121 Winterstoke Road, Bristol, BS3 2LL (United Kingdom).

The Parent's registered office is in Leganés (Madrid), Polvoranca Industrial Park, calle Trigo, no. 39, and its company object is as follows:

1. The marketing, purchase and sale, including import and export, storage, transport and distribution of tobacco products (including the raw material and finished product) and accessories relating to their consumption.
2. The distribution of all kinds of documents, forms or certificates issued by public- or private-sector entities.
3. The distribution of other forms, certificates, travel and parking documents, bingo cards, telephone cards and all kinds of cards and tickets for entertainment shows, services related to marketing and supply of all type of gaming products, legally authorized.
4. The distribution of other products to tobacco and stamp vendors and to the various channels that market tobacco product accessories and complementary articles.
5. Trading, manufacturing and business dealings, including import and export and other transactions referring to the articles, objects, products, equipment, parts, elements and materials mentioned in the preceding points.
6. The purchase, sale and distribution of all manner of products and goods relating to food, beverages and usable and consumable articles, their export and import, and their dealership, distribution and marketing.

7. The provision of all manner of technical, transport, commercial and consulting services in their various forms, including manufacturer-supplier mediation services and centralised collection and payment services.
8. The marketing, distribution, transport and sale of all manner of consumer products and goods which are usually supplied to kiosks, tobacconists, supermarkets and hypermarkets, and to other sales outlets easily accessible by the consumer.
9. The acquisition, management, distribution and ownership of shares or equity interests in other companies, whatever are their company object.
10. The supply and marketing of telephone services, prepaid landline services and mobile phone recharge cards, the distribution of phone time "off line" and prepaid minutes on line, distribution, installation and operation of terminals phone recharge, as well as their technical assistance, maintenance and repair thereof.
11. The supply and marketing of services related to information technology and communications, in particular the sale, lease, installation, operation, control, development and / or operation, maintenance and repair of equipment, systems, programs and computer applications and technical infrastructure adequate to provide, by electronic means and / or information technology of the activities mentioned in the preceding paragraphs.

In addition to the operations carried on directly by it, Logista, S.A.U. is the head of a group of domestic and foreign subsidiaries that engage in various business activities and which compose, together with Logista S.A.U., the Logista Group ("the Group").

A detail of the investees included in the scope of consolidation comprising the Logista Group is provided in Appendix I, which includes, inter alia, the percentage and cost of the ownership interest held by the Parent and the line of business, company name and registered office of each investee.

#### Logista France Group

Logista France, S.A.S. (formerly Altadis Distribution France, S.A.S.) was incorporated in 2007 through the partial contribution of assets and liabilities by the logistical subsidiary in France of the Imperial Tobacco Group, plc. Group (SEITA, S.A.S.).

The company engages mainly in the distribution of manufactured tobacco via its tobacconist network in France.

In addition to the operations carried on directly by it, Logista France, S.A.S. is the head of a group of subsidiaries that engage in various business activities and which compose, together with it, the Logista France Group.

A detail of the investees included in the scope of consolidation comprising the Logista France Group is provided in Appendix II, which includes, inter alia, the percentage and cost of the ownership interest held by Logista France Group and the line of business, company name and registered office of each investee.

#### Changes in the scope of consolidation and in the ownership interests

The most significant changes in the scope of consolidation in 2012 and 2011 that affect the comparison between years were as follows:

##### *1) Additions or acquisitions in 2012*

On 26 January 2012, the shareholders at the General Meeting of Compañía de Distribución Integral de Publicaciones Logista, S.L. resolved to reduce share capital by EUR 5,155 thousand in order to offset losses. This reduction was assumed by the shareholders in proportion to their ownership interest in the Company's share capital.

Additionally, on 13 July 2012, the shareholders at the General Meeting of Compañía de Distribución Integral de Publicaciones Logista, S.L. approved an additional capital reduction of EUR 2,037 thousand to reduce share capital to zero and, for this purpose, all this company's shares were retired. At the same time, a capital increase of EUR 1,100 thousand with a share premium of EUR 4,994 thousand was approved in order to restore the company's equity equilibrium.

The aforementioned capital increase and share premium were subscribed and paid in full by Compañía de Distribución Integral Logista, S.A.U., since the other shareholder, Editorial Planeta de Agostini, S.A.U., waived its pre-emption rights.

On 12 December 2011, the subsidiary Logesta Gestión de Transporte, S.A.U. acquired the remaining 40% of Logesta Noroeste, S.A. for EUR 195 thousand. As a result, Logesta Gestión de Transporte, S.A.U. owns all the share capital of the former.

In 2012 there were no additions or acquisitions in Logista France Group.

#### *2) Exits or disposals in 2012*

On 13 December 2011, the subsidiary, Compañía de Distribución Integral de Publicaciones Logista, S.L.U., registered the liquidation of its subsidiary Distriburgos, S.L. at the Mercantile Registry, although this transaction did not give rise to any results for Logista Group.

On 12 July 2012 the subsidiary Compañía de Distribución Integral de Publicaciones Logista, S.L.U. formalized the liquidation of its subsidiary Asturesa, S.A. de Distribuciones. This transaction has not given rise to any results for Logista Group.

On 4 May 2012 the subsidiary Transportes Basegar, S.A. inscribed in the Mercantile Registry the liquidation of its subsidiary Basegar Logística, S.L. This transaction has not given rise to any results for Logista Group.

In 2012 there were no exits or disposals in Logista France Group.

#### *3) Additions or acquisitions in 2011*

In 2011 there were no additions or acquisitions in either of the Groups.

#### *4) Exits or disposals in 2011*

On 1 June 2011, the Parent sold its 60% ownership interest in Logirest, S.L. for EUR 33. The gain on this sale for Logista Group amounted to EUR 73 thousand, which was recognised under "Net Loss on disposal and impairment of non-current assets" in the combined special purpose income statement for 2011.

On 14 June 2011, Compañía de Distribución Integral de Publicaciones Logista, S.L. sold its 60% ownership interest in Valdebro Publicaciones, S.A. for EUR 680. The gain on this sale for Logista Group amounted to EUR 35 thousand, which was recognised under "Net loss on disposal and impairment of non-current assets" in the combined special purpose income statement for 2011.

On 10 May 2011, Altadis Distribution France, S.A.S. sold its 100% ownership in LPM for EUR 1. The impact on the combined special purpose income statement for 2011 is a gain net of taxes of EUR 1,245 thousand, net effect of the loss incurred and the provision recorded for this disposal by Logista France Group at the end of year 2010. This income was recognised under "Loss for the period from discontinued operations net of tax".

## **2. Basis of presentation of the combined special purpose financial statements**

### ***a) Basis of presentation***

#### **a.1) Basis of presentation of the combined special purpose financial statements**

Imperial Tobacco Group Plc (ITG) acquired Altadis Group in 2007. As of that date, both Compañía de Distribución Integral Logista, S.A. and Logista France, S.A.S. were separate subsidiaries of Altadis Group, and therefore they become subsidiaries of Imperial Tobacco Group Plc as a result of the acquisition.

After the acquisition, corporate structure remained unchanged, and both companies operated under common control by the same shareholder (ITG). However, in the structure defined by ITG, in terms of management and financial reporting, both companies and their corresponding subsidiaries constituted the ITG's "Logistics Business Unit", and Logista management has been in charge to prepare the financial reporting of the unit including both subgroups.

Effective 9 October 2012, Compañía de Distribución Integral Logista, S.A. acquired Logista France, S.A.S. As a consequence, only the Logista consolidated financial statements for 2013 include the complete integration of Logista France's assets, liabilities and transactions, which were not included in the historical financial information for the years 2012 and 2011.

In this context and considering the relevance of the contribution of Logista France to Logista Group, it is suitable to include in a prospectus for a potential Initial Public Offering "IPO" of Compañía de Distribución Integral Logista, S.A. in the Spanish Stock Market, combined special purpose financial statements from both Logista France Subgroup and Logista Group for the fiscal years ended as of 30 September 2012 and 2011, with the aim to present homogeneous and comparable historical financial information to investors.

The accompanying combined special purpose financial statements have been prepared in order to show the combined activity of the Logista Group and Logista France in 2011 and 2012, during which time, even though both subgroups were under common control of their ultimate sole shareholder, they were not a consolidated group for the purpose of consolidation. In this regard and in the context of the potential IPO of Compañía de Distribución Integral Logista, S.A., the Compañía de Distribución Integral Logista, S.A.'s Board of Directors have prepared these special purpose combined financial statements.

These combined special purpose financial statements are not necessarily indicative of results that would have occurred if Logista and Logista France had operated under the same legal structure during the years presented, or of future results of the business. Accordingly, the combined special purpose financial statements may not be suitable for other purposes than the aforementioned.

This basis of presentation describes how the combined special purpose financial information has been prepared from the respective audited consolidated financial statements of both Logista and Logista France as of and for the twelve month periods ended 30 September 2012 and 2011, in accordance with International Financial Reporting Standard as adopted by the European Union (IFRS-EU).

These combined special purpose financial statements for 2012 and 2011 were formally prepared considering the following financial information:

- i. Audited Compañía de Distribución Integral Logista, S.A. and subsidiaries consolidated financial statements for the year ended 30 September 2011 prepared in accordance with IFRS-EU.
- ii. Audited Logista France, S.A.S. and subsidiaries consolidated financial statements for the year ended 30 September 2011 prepared in accordance with IFRS-EU.
- iii. Audited Compañía de Distribución Integral Logista, S.A. and subsidiaries consolidated financial statements for the year ended 30 September 2012 prepared in accordance with IFRS-EU.

- iv. Audited Logista France, S.A.S. and subsidiaries consolidated financial statements for the year ended 30 September 2012 prepared in accordance with IFRS-EU.

Separate auditors' reports were issued to the sole shareholder of Compañía de Distribución Integral Logista, S.A. dated 22 January 2013 and 22 December 2011, respectively and separate auditors' report were issued to the sole shareholder of Logista France, S.A.S., dated 26 May 2014.

The combined special purpose financial statements were prepared by:

- i. The aggregation of the two consolidated financial statements for the years ended 30 September 2011 and 2012 mentioned above of each statement (balance sheet, income statement, statement of comprehensive income, statement of changes in equity and statement of cash flow)
- ii. The elimination of the transactions and balances between Logista and Logista France.

Additionally, in preparing the attached combined special purpose financial information, the Board of Directors of Compañía de Distribución Integral Logista, S.A. have considered the Accounting Conventions Commonly Used in the Preparation of Historical Financial Information in Investment Circulars compiled by the Auditing Practice Board (APB) from a number of sources to describe conventions commonly used for the preparation of historical financial information intended to show a true and fair view for the purposes of an investment circular. These Conventions are presented as an Annexure to the Standard Investment Reporting (SIR) 2000 issued by the APB, which is part of the Financial Reporting Council (FCRC).

Specifically in relation to the treatment of events subsequent to the reference date of the respective combined special purpose balances, it is normal practice to consider events only up to the date on which the audit report on the relevant underlying financial statements was originally signed by the auditors, except in relation to the final period presented. Accordingly, it has been considered that the fiscal year ended on 30 September 2013 is the end of the presented period, since the combined financial statements for 2011 and 2012 are complementary to the information included in the consolidated financial statements of the aforementioned years. In respect of this final period, post balance sheet events were reflected in the 2013 consolidated financial statements up to the date on which such historical financial information was approved by the Board of Directors.

The balance sheets included in the combined special purpose financial statements at 30 September 2012 and 2011 were prepared as follows (in thousands of euros):

2012

ASSETS	Logista Group	Logista France Group	Eliminations	Combined	EQUITY AND LIABILITIES	Logista Group	Logista France Group	Eliminations	Combined
<b>NON-CURRENT ASSETS:</b>					<b>EQUITY:</b>				
Property, plant and equipment	210,611	26,997	-	237,608	Share capital	26,550	50,600	-	77,150
Investment property	3,674	-	-	3,674	Share premium	178,814	-	-	178,814
Goodwill	690,921	761	-	691,682	Reserves of the Parent	6,876	19,287	-	26,163
Other intangible assets	28,942	2,345	-	31,187	Reserves at consolidated companies	131,516	52,991	-	184,507
Investments in associates	541	-	-	541	Translation differences	166	-	-	166
Other non-current financial assets	11,448	1,473	-	12,921	Valuation adjustments	19,950	-	-	19,950
Deferred tax assets	47,751	9,100	-	56,851	Consolidated profit for the period	82,186	51,165	-	133,351
<b>Total non-current assets</b>	<b>993,788</b>	<b>40,576</b>	<b>-</b>	<b>1,034,364</b>	Equity attributable to shareholders of the Parent	446,058	174,043	-	620,101
					Minority interests	1,812	(61)	-	1,751
					<b>Total equity</b>	<b>447,870</b>	<b>173,982</b>	<b>-</b>	<b>621,852</b>
<b>CURRENT ASSETS:</b>					<b>NON-CURRENT LIABILITIES:</b>				
Inventories	678,048	513,864	-	1,191,712	Other non-current liabilities	5,521	122	-	5,643
Trade and other receivables	841,670	811,329	-	1,652,999	Long-term provisions	146,829	7,863	-	154,692
Tax receivables	5,183	6,829	-	12,012	Deferred tax liabilities	103,265	803	-	104,068
Other current financial assets	1,122,507	1,299,791	-	2,422,298	<b>Total non-current liabilities</b>	<b>255,615</b>	<b>8,788</b>	<b>-</b>	<b>264,403</b>
Cash and cash equivalents	46,266	128,528	-	174,794	<b>CURRENT LIABILITIES:</b>				
Other current assets	4,851	4,511	-	9,362	Bank borrowings	5,326	-	-	5,330
<b>Total current assets</b>	<b>2,698,525</b>	<b>2,764,852</b>	<b>(904)</b>	<b>5,463,177</b>	Current current financial liabilities	32,492	4	-	32,492
					Trade and other payables	1	-	-	1
<b>NON-CURRENT ASSETS HELD FOR SALE</b>	<b>1,876</b>	<b>12,291</b>	<b>-</b>	<b>14,167</b>	Tax payables	769,932	374,228	(904)	1,143,256
					Short-term provisions	2,141,365	2,226,045	-	4,367,410
<b>TOTAL ASSETS</b>	<b>3,694,189</b>	<b>2,817,519</b>	<b>(904)</b>	<b>6,511,708</b>	Other current liabilities	7,859	8,243	-	16,102
					<b>Total current liabilities</b>	<b>33,729</b>	<b>26,229</b>	<b>-</b>	<b>59,958</b>
					<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,990,704</b>	<b>2,834,749</b>	<b>(904)</b>	<b>5,824,549</b>
						<b>3,694,189</b>	<b>2,817,519</b>	<b>(904)</b>	<b>6,510,804</b>

ASSETS	Logista Group	Logista France Group	Eliminations	Combinado	EQUITY AND LIABILITIES	Logista Group	Logista France Group	Eliminations	Combined Logista Group
<b>NON-CURRENT ASSETS:</b>					<b>EQUITY:</b>				
Property, plant and equipment	219,302	30,617	-	249,919	Share capital	26,550	27,500	-	54,050
Investment property	4,287	-	-	4,287	Share premium	178,814	1,248	-	180,062
Goodwill	701,812	10,061	-	711,873	Reserves of the Parent	6,845	15,779	-	22,624
Other intangible assets	29,471	5,201	-	34,672	Reserves at consolidated companies	83,701	57,190	-	140,891
Investments in associates	163	-	-	163	Translation differences	190	-	-	190
Other non-current financial assets	11,098	1,968	-	13,066	Valuation adjustments	19,950	-	-	19,950
Deferred tax assets	49,409	12,839	-	62,248	Consolidated profit for the period	91,868	93,502	-	185,370
Total non-current assets	1,015,542	60,686	-	1,076,228	Equity attributable to shareholders of the Parent	407,918	195,219	-	603,137
					Minority interests	8,641	(42)	-	8,599
					Total equity	416,559	195,177	-	611,736
<b>CURRENT ASSETS:</b>					<b>NON-CURRENT LIABILITIES:</b>				
Inventories	766,993	522,135	-	1,289,128	Bank borrowings	9	-	-	9
Trade and other receivables	855,895	795,638	(1,162)	1,650,371	Non current obligations under finance leases	25	-	-	25
Tax receivables	12,050	1,645	-	13,695	Other non-current liabilities	6,993	99	-	7,092
Other current financial assets	1,108,711	1,333,295	-	2,442,006	Long-term provisions	140,759	6,856	-	147,615
Cash and cash equivalents	35,384	119,777	-	155,161	Deferred tax liabilities	101,241	323	-	101,564
Other current assets	5,450	5,069	-	10,519	Total non-current liabilities	249,027	7,278	-	256,305
Total current assets	2,784,433	2,777,559	(1,162)	5,560,880	<b>CURRENT LIABILITIES:</b>				
					Bank borrowings	5,844	1,549	-	7,393
<b>NON-CURRENT ASSETS HELD FOR SALE</b>					Other current financial liabilities	46,219	-	-	46,219
					Current obligations under finance leases	13	-	-	13
					Trade and other payables	599,334	346,135	(1,162)	944,307
					Tax payables	2,394,563	2,263,255	-	4,657,818
					Short-term provisions	17,384	-	-	17,384
					Other current liabilities	73,619	24,850	-	98,469
<b>TOTAL ASSETS</b>					Total current liabilities	3,138,976	2,635,789	(1,162)	5,771,603
					<b>TOTAL EQUITY AND LIABILITIES</b>				
						3,802,562	2,838,245	(1,162)	6,639,645

The income statements included in the combined special purpose financial statements at 30 September 2012 and 2011 were prepared as follows:

## 2012

	Logista Group	Logista France Group	Eliminations	Combined
Revenue	5,701,033	4,579,097	(8,692)	10,271,438
Procurements	(4,943,506)	(4,263,057)	6,261	(9,200,302)
<b>Gross profit-</b>	<b>757,527</b>	<b>316,040</b>	<b>(2,431)</b>	<b>1,071,136</b>
Cost of logistics networks-				
Staff costs	(128,638)	(37,513)	-	(166,151)
Transport costs	(187,088)	(35,504)	-	(222,592)
Provincial sales office expenses	(85,011)	-	-	(85,011)
Depreciation and amortisation charge	(29,657)	(5,064)	-	(34,721)
Other operating expenses	(126,056)	(46,553)	2,431	(170,178)
<b>Total cost of logistics networks</b>	<b>(556,450)</b>	<b>(124,634)</b>	<b>2,431</b>	<b>(678,653)</b>
Commercial expenses-				
Staff costs	(6,253)	(39,019)	-	(45,272)
Other operating expenses	(15,799)	(13,232)	-	(29,031)
<b>Commercial expenses</b>	<b>(22,052)</b>	<b>(52,251)</b>	<b>-</b>	<b>(74,303)</b>
Research expenses-		(5,402)	-	(5,402)
Head office expenses-				
Staff costs	(42,596)	(24,445)	-	(67,041)
Depreciation and amortisation charge	(3,986)	(3,973)	-	(7,959)
Other operating expenses	(21,468)	(16,478)	-	(37,946)
<b>Total head office expenses</b>	<b>(68,050)</b>	<b>(44,896)</b>	<b>-</b>	<b>(112,946)</b>
Share of results of companies	(850)	-	-	(850)
Net loss on disposal and impairment of non-current assets	(112)	16	-	(96)
Other expenses	1,848	(2,033)	-	(185)
<b>Profit from operations-</b>	<b>111,861</b>	<b>86,840</b>	<b>-</b>	<b>198,701</b>
Finance income	27,325	19,062	-	46,387
Finance costs	(10,885)	(84)	-	(10,969)
<b>Profit before tax-</b>	<b>128,301</b>	<b>105,818</b>	<b>-</b>	<b>234,119</b>
Income tax	(36,926)	(14,063)	-	(50,989)
<b>Profit for the period from continuing operations-</b>	<b>91,375</b>	<b>91,755</b>	<b>-</b>	<b>183,130</b>
Loss for the period from discontinued operations net of tax	(500)	1,245	-	745
<b>Profit for the period-</b>	<b>90,875</b>	<b>93,000</b>	<b>-</b>	<b>183,875</b>
Attributable to-				
Shareholder of the Parent	91,868	93,502	-	185,370
Minority interests	(993)	(502)	-	(1,495)

2011

	Logista Group	Logista France Group	Eliminations	Combined
Revenue	5.543.318	4.595.978	(9.969)	10.129.327
Procurements	(4.802.309)	(4.293.955)	7.310	(9.088.954)
<b>Gross profit-</b>	<b>741.009</b>	<b>302.023</b>	<b>(2.659)</b>	<b>1.040.373</b>
Cost of logistics networks-				
Staff costs	(122.358)	(35.892)	-	(158.250)
Transport costs	(173.921)	(38.994)	-	(212.915)
Provincial sales office expenses	(79.556)	-	-	(79.556)
Depreciation and amortisation charge	(28.798)	(4.481)	-	(33.279)
Other operating expenses	(122.788)	(38.932)	2.659	(159.061)
Total cost of logistics networks	(527.421)	(118.299)	2.659	(643.061)
Commercial expenses-				
Staff costs	(7.444)	(36.070)	-	(43.514)
Other operating expenses	(15.300)	(12.735)	-	(28.035)
Total commercial expenses	(22.744)	(48.805)	-	(71.549)
Research expenses-		(4.191)	-	(4.191)
Head office expenses-				
Staff costs	(47.409)	(25.082)	-	(72.491)
Depreciation and amortisation charge	(4.764)	(3.404)	-	(8.168)
Other operating expenses	(19.412)	(15.754)	-	(35.166)
Total head office expenses	(71.585)	(44.240)	-	(115.825)
Share of results of companies	(432)	-	-	(432)
Net loss on disposal and impairment of non-current assets	(10.872)	(9.372)	-	(20.244)
Other expenses	(3.720)	(934)	-	(4.654)
<b>Profit from operations-</b>	<b>104.235</b>	<b>76.182</b>	<b>-</b>	<b>180.417</b>
Finance income	25.075	5.888	-	30.963
Finance costs	(11.821)	(66)	-	(11.887)
<b>Profit before tax-</b>	<b>117.489</b>	<b>82.004</b>	<b>-</b>	<b>199.493</b>
Income tax	(35.413)	(19.780)	-	(55.193)
<b>Profit for the period from continuing operations-</b>	<b>82.076</b>	<b>62.224</b>	<b>-</b>	<b>144.300</b>
Loss for the period from discontinued operations net of tax	(600)	(11.059)	-	(11.659)
<b>Profit for the period-</b>	<b>81.476</b>	<b>51.165</b>	<b>-</b>	<b>132.641</b>
Attributable to-				
Shareholder of the Parent	82.186	51.165	-	133.351
Minority interests	(710)	-	-	(710)

**a.2) Basis of general presentation of Logista France Subgroup consolidated financial statements and Logista consolidated financial statements**

These combined special purpose financial statements 2012 and 2011 have been prepared by the Board of Directors of Compañía de Distribución Integral Logista, S.A. at the meeting of its Board of Directors held on 27 May 2014.

The accounting policies used to prepare these combined special purpose financial statements comply with all the IFRSs in force at the date of their preparation. The EU-IFRSs provide for certain alternatives regarding their application. The alternatives applied by Logista and Logista France are described in Notes 3 and 4.

The Logista consolidated financial statements for 2012 and 2011 were formally prepared on the basis of the accounting records kept by Compañía de Distribución Integral Logista, S.A. and by the other subgroup companies, so that they present fairly the Subgroup's consolidated equity and financial position at 31 December 2012 and 2011, and the results of its operations, the changes in consolidated equity and the consolidated cash flows in 2012 and 2011. The Logista's consolidated financial statements for 2012 and 2011 were approved by the sole shareholder of their own on 26 March 2013 and 27 March 2012, respectively.

In turn, the Logista France consolidated financial statements for 2012 and 2011 were formally prepared on the basis of the accounting records kept by Logista France, S.A.S. and by their subsidiaries, so that they present fairly the Subgroup's consolidated equity and financial position at 31 December 2012 and 2011, and the results of its operations, the changes in consolidated equity and the consolidated cash flows in 2012 and 2011. The Logista France consolidated financial statements for 2012 and 2011 were issued by its Board of Directors on 12 May 2014.

In the elaboration of these combined special purpose financial statements, all of the accounting principles and mandatory valuation criteria that have a significant effect on the combined special purpose financial statements have been considered, as well as the alternatives of the policies in this regard, and are described in Notes 3 and 4.

***b) Responsibility for the information and use of estimates***

The information contained in these combined special purpose financial statements for 2012 and 2011 is the responsibility of the Compañía de Distribución Integral Logista, S.A.U. Board of Directors who are responsible for the preparation of these statements in accordance with elaboration criteria of the combined special purpose financial statements mentioned in this same note. Furthermore, the Compañía de Distribución Integral Logista, S.A.U. Board of Directors is responsible for the elaboration and content of the consolidated financial statements for 2012 and 2011 of Compañía de Distribución Integral Logista, S.A.U. which have been the basis for the combined financial statements, such as the internal control considered necessary to permit preparation of financial statements free of material misstatements.

In the combined special purpose financial statements for 2012 and 2011, estimates were occasionally made by management of Logista and Logista France and of the consolidated companies, later ratified by the Compañía de Distribución Integral Logista, S.A.U.'s Board of Directors, in order to quantify certain of the assets, liabilities, income, expenses and obligations reported herein. These estimates relate, basically, to the following:

- The assessment of possible impairment losses on certain assets
- The assumptions used in the actuarial calculations of the pension liabilities and other obligations to employees
- The useful life of the property, plant and equipment and intangible assets
- The measurement and impairment of goodwill and of certain intangible assets
- The market value of certain assets
- The calculation of contingent liabilities and the required provisions

***c) Group currency***

These combined special purpose financial statements are presented in thousands of euros, since this is the currency of the main economic area in which Logista and Logista France operate. Foreign operations are recognised in accordance with the policies described in Note 3f.

***d) Materiality principle used for the purpose of the required disclosures***

It should also be noted that in preparing these financial statements the Group omitted any information or disclosures which, not requiring disclosure due to their qualitative importance, were considered not to be material in accordance with the concept of materiality defined in the IFRS Conceptual Framework.

### **3. Basis of consolidation**

#### **a) *Subsidiaries***

Subsidiaries are defined as companies included in the scope of consolidation which the Parents (Compañía de Distribución Integral Logista, S.A.U. and Logista France, S.A.S.) manage directly or indirectly because they hold a majority of the voting rights in their representation and decision-making bodies or over which it has the capacity to exercise control.

The financial statements of the subsidiaries are fully consolidated. Accordingly, all material balances and transactions between consolidated companies are eliminated on consolidation.

Where necessary, adjustments are made to the financial statements of the subsidiaries to adapt the accounting policies used to those applied by the Group.

The share of minority interests of the equity and profit of the Group is presented under "Minority Interests" in the combined special purpose balance sheet and under "Profit/Loss for the Year Attributable to Minority Interests" in the combined special purpose income statement, respectively.

The results of subsidiaries acquired or disposed of during the year are included in the combined special purpose income statement from the date of acquisition or until the date of disposal, as appropriate.

#### **b) *Joint ventures and joint operations***

"Joint ventures" are deemed to be ventures that are managed jointly by the Parent of Logista Group and third parties unrelated to the Group, where neither party can exercise greater control than the other. The financial statements of the joint ventures are proportionately consolidated.

The assets and liabilities assigned to jointly controlled operations (unincorporated temporary joint ventures, UTEs) or those controlled jointly with other venturers are presented by recognising in its balance sheet the share corresponding to it, in proportion to its ownership interest, of the jointly controlled assets and of the jointly incurred liabilities, classified according to their specific nature. Similarly, the Group's share of the income and expenses of joint ventures is recognised in the combined special purpose income statement on the basis of the nature of the related items. In addition, the proportional part corresponding to the Group of the related items of the joint venture is included in the statement of changes in equity and the statement of cash flows.

Where necessary, adjustments are made to the financial statements of these companies to adapt the accounting policies used to those applied by the Logista Group.

The Logista France Group does not have joint ventures or joint operations.

#### **c) *Associates***

Associates are companies over which the Parent of Logista Group is in a position to exercise significant influence. In general, significant influence is presumed to exist when the Group's percentage of (direct or indirect) ownership exceeds 20% of the voting rights, provided that it does not exceed 50%.

In the combined special purpose financial statements, investments in associates are accounted for using the equity method, i.e. at the Logista Group's share of net assets of the investee, after taking into account the dividends received therefrom and other equity eliminations.

In the case of transactions with an associate, the related profits and losses are eliminated to the extent of the Logista Group's interest in the associate's capital.

Where necessary, adjustments are made to the financial statements of these companies to adapt the accounting policies used to those applied by the Logista Group.

If as a result of losses incurred by an associate its equity were negative, the investment should be presented in the combined special purpose balance sheet with a zero value, unless the Logista Group is obliged to give it financial support, in which case the related provision would be recorded.

The Logista France Group does not have associates.

**d) Standards and interpretations effective in 2012 and 2011**

In the year ended 30 September 2012 the following standards, amendments to standards and interpretations came into force, which, if applicable, were applied by the Group in the preparation of the combined special purpose financial statements and which have not had a significant impact on the aforementioned combined special purpose financial statements for 2012:

<b>Standards and modifications thereof:</b>	<b>Content:</b>	<b>Obligatory Application in Annual Reporting Periods Beginning On or After:</b>
Amendments to IFRIC 14	Prepayments of a Minimum Funding Requirement	1 January 2011
Amendment to IFRS 7 Financial Instruments: Disclosures – Transfers of Financial Assets (a)	Extends and reinforces the disclosures on transfers of financial assets	1 July 2011
IAS 24 (Revised) – Related Party Disclosures	Modifies the definition of “related party” and reduces the disclosure requirements for certain relationships between jointly controlled entities and associates under common control or under significant influence of the Government.	1 January 2011

In the year ended 30 September 2011 the following standards, amendments to standards and interpretations came into force, which, if applicable, were applied by the Group in the preparation of the combined special purpose financial statements and which have not had a significant impact on the aforementioned combined special purpose financial statements for 2011:

<b>Standards and modifications thereof:</b>	<b>Content:</b>	<b>Obligatory Application in Annual Reporting Periods Beginning On or After:</b>
IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments	Extinguishing Financial Liabilities with Equity Instruments	1 July 2010
Amendments to IAS 32 – Financial Instruments: Presentation and Classification of Rights Issues	Modifies the accounting treatment of rights, options and warrants nominated in foreign currency	1 February 2010
Amendments to IFRS 2: Group share-based payment transactions	The entity which receives services from employees or creditors must account for the transaction despite being settled, either in cash or shares, by other entity within the group.	1 January 2010

**e) Standards and interpretations issued but not yet in force in 2012 and 2011**

At the date of preparation of these combined special purpose financial statements, the following standards and interpretations had been published by the IASB but had not yet come into force, either

because their effective date is subsequent to the date of the combined special purpose financial statements or because they had not yet been endorsed by the European Union:

<b>Standards and modifications thereof:</b>	<b>Content:</b>	<b>Obligatory Application in Annual Reporting Periods Beginning On or After:</b>
Amendments to IAS 1, Presentation of Items of Other Comprehensive Income	Requirement for items of OCI to be classified into items that will be reclassified (recycled) to profit or loss in subsequent periods and items that will not be reclassified.	1 July 2012
Amendments to IAS 12, Income Taxes – Deferred Taxes Arising from Investment Property	On the measurement of deferred taxes arising from investment property using the fair value model in IAS 40.	1 January 2012
Amendments to IAS 19, Employee Benefits	The amendments affect mainly defined benefit plans since one of the major changes is the elimination of the “corridor”.	1 January 2013
IFRS 13, Fair Value Measurement	Sets out a framework for measuring fair value.	1 January 2013
Amendments to IFRS 7, Disclosures: Offsetting Financial Assets and Financial Liabilities	Introduction of new disclosure requirements regarding the financial assets and liabilities described in IAS 32.	1 January 2013
Improvements to NIIF 2009-2011	Minor modifications in a series of rules	1 January 2013
Transition rules: Amendments to IFRS 10, IFRS 11 and IFRS 12	Clarification of the transition rules relating to these standards.	1 January 2014
IFRS 10, Consolidated Financial Statements	Supersedes the requirements relating to consolidated financial statements in IAS 27.	1 January 2014
IFRS 11, Joint Arrangements	Supersedes IAS 31 on joint ventures.	1 January 2014
IFRS 12, Disclosure of Interests in Other Entities	Single IFRS presenting the disclosure requirements for interests in subsidiaries, associates, joint arrangements and unconsolidated entities.	1 January 2014
IAS 27 (Revised), Separate Financial Statements	The IAS is revised, since as a result of the issue of IFRS 10 it applies only to the separate financial statements of an entity.	1 January 2014
IAS 28 (Revised), Investments in Associates and Joint Ventures	Revision in conjunction with the issue of IFRS 11, Joint Arrangements.	1 January 2014
Amendments to IAS 32, Offsetting Financial Assets and Financial Liabilities	Additional clarifications to the rules for offsetting financial assets and financial liabilities under IAS 32.	1 January 2014
IFRS 9, Financial Instruments: Classification and Measurement and subsequent amendments to IFRS 9 and IFRS 7, Effective Date and Transition Disclosures (a)	Replaces the IAS 39 classification, measurement and derecognition requirements for financial assets and liabilities.	1 January 2015

The directors of the Compañía de Distribución Integral Logista, S.A.U. have assessed the potential impact that the application of these standards might have on the accompanying combined special purpose financial statements, concluding that no material impact is derived from it.

**f) Translation of foreign currency**

The various items in the balance sheets and income statements of the foreign companies included in consolidation were translated to euros as follows:

- Assets and liabilities were translated to euros at the official year-end exchange rates.
- Share capital and reserves were translated to euros at the historical exchange rate.
- Income statement items were translated to euros at the average exchange rate for the year.

The exchange differences arising from the use of these criteria were included in equity under "Reserves at Consolidated Companies - Translation Differences". These translation differences will be recognised as income or expenses in the period in which the investment that gave rise to them is realised or disposed of in full or in part.

In 2012 and 2011 all of the Logista Group companies presented their financial statements in euros, except for Compañía de Distribución Integral Logista Polska, s.p. Z.oo and Logesta Polska SP, Z.O.O. (both located in Poland) and Logesta Maroc, S.A. (located in Morocco).

In 2012 and 2011 all of the Logista France Group companies presented their financial statements in euros.

**4. Accounting principles and policies and measurement bases**

The principal measurement bases and accounting principles and policies applied in preparing the combined special purpose financial statements for 2012 and 2011 in accordance with the IFRSs in force at the date of the related financial statements are described below. None of the standards were applied early.

**4.1 Property, plant and equipment**

Property, plant and equipment are stated at acquisition cost less any accumulated depreciation. In the case of assets acquired by the Group as a result of asset contributions, acquisition cost is considered to be the market value of these assets determined by professional valuers at the date on which the assets were contributed.

As a result of the transition to International Accounting Standards (IAS), the Group revalued a plot of land assigned to its business activities by EUR 28,500 thousand, on the basis of an appraisal from an independent value and the market value of the aforementioned plot was considered to be the deemed cost on the transition to IFRS. The detail of the aforementioned revaluation is as follows:

Thousands of Euros				
Carrying Amount	Fair Value	Surplus	Tax Effect (Note 21)	Effect on Reserves (Note 14)
9,000	37,500	28,500	(8,550)	19,950

The upkeep and maintenance costs of the various items of property, plant and equipment are recognised in the income statement as incurred. The amounts invested in improvements leading to increased capacity or efficiency or to a lengthening of the useful lives of the assets are capitalised.

In-house work on non-current assets is measured at accumulated cost (external costs plus in-house costs, determined on the basis of direct and general manufacturing costs).

The consolidated companies depreciate their property, plant and equipment using the straight-line method, applying annual depreciation rates determined on the basis of the years of estimated useful life of the related assets. The depreciation rates applied are as follows:

	Annual Depreciation Rates (%)
Buildings	2-10
Plant and machinery	10-25
Other fixtures, tools and furniture	8-30
Other items of property, plant and equipment	12-33

Land is considered to have an indefinite useful life and, therefore, is not depreciated.

#### **4.2 Investment property**

Investment property relates to investments in land and buildings held to earn rentals. Investment property is stated at the lower of cost, less any accumulated depreciation, and market value. Depreciation is recognised using the same methods as those used for items of the same category classified under "Property, Plant and Equipment" (see Note 4.1).

The Group determines periodically the market value of its investment property by reference to the prices of comparable transactions, in-house studies, external appraisals, etc.

#### **4.3 Goodwill**

In the company acquisitions performed, the excess of the cost of the business combination over the interest acquired in the acquisition-date net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill.

Goodwill is only recognised when it has been acquired for consideration.

Goodwill arising from the acquisition of an associate is recognised as an increase in the value of the investment.

Goodwill is not amortised. Accordingly, at the date of each combined special purpose balance sheet the related valuation adjustments are made to ensure that the carrying amount is not higher than fair value less costs to sell. These valuation adjustments are recognised as an expense in the income statement. If there is any impairment, the goodwill is written down and the impairment loss is recognised. An impairment loss recognised for goodwill must not be reversed in a subsequent period.

To perform the aforementioned impairment test, the goodwill is allocated in full to one or more cash-generating units.

The recoverable amount of each cash-generating unit is the higher of value in use and the net selling price of the assets associated with the cash-generating unit. Value in use is calculated on the basis of the estimated future cash flows, discounted using a pre-tax discount rate that reflects market assessments of the time value of money and the risks specific to the business.

#### **4.4 Intangible assets**

Intangible assets with finite useful lives are amortised using the straight-line method, applying annual amortisation rates determined on the basis of the years of the estimated useful lives of the related assets.

Intangible assets include:

##### *Trademarks*

"Trademarks" includes the acquisition cost of the rights over certain trademarks and/or the value assigned thereto on consolidation (see Note 8).

The Group considers "Trademarks" as assets with indefinite useful lives.

##### *Concessions, rights and licences*

"Concessions, Rights and Licences" includes mainly the amounts paid to acquire certain concessions and licences. The assets included in this account are amortised on a straight-line basis over the term thereof.

##### *Computer software*

Computer software is recognised at acquisition cost, including the implementation costs billed by third parties, and is amortised on a straight-line basis over a period of three to five years. Computer software maintenance costs are expensed currently.

##### *Research and development expenditure*

Research and development expenditure is only capitalised when it is specifically itemised by project, the related costs can be clearly identified and there are sound reasons to foresee the technical success and economic and commercial profitability of the related project. Assets thus generated are depreciated on a straight-line basis over their years of useful life (over a maximum period of five years).

#### **4.5 Impairment losses on property, plant and equipment and intangible assets**

The Group assesses each year the possible existence of permanent losses in value requiring it to reduce the carrying amounts of its property, plant and equipment and intangible assets, if their recoverable amounts are below their carrying amounts.

The recoverable amount is determined using the same methods as those employed in testing for goodwill impairment.(see Note 4.3).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount, and the related write-down is recognised through profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the new recoverable amount, which may not exceed the carrying amount that would have been determined had no impairment loss been recognised.

#### **4.6 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the Group, which usually has the option to purchase the assets at the end of the lease under the terms and conditions agreed on execution thereof. All other leases are classified as operating leases.

#### **4.6.1 Finance leases**

In cases where the Company acts as lessee, the Group recognises an asset and the corresponding liability in the balance sheet, at the inception of the finance lease, at the present value of the future minimum lease payments designated as rent in the agreement. To calculate the present value of the lease payments the interest rate stipulated in the finance lease is used.

The cost of assets acquired under finance leases is presented in the combined balance sheet and is depreciated on the basis of the nature of the leased assets under the same methods as those applied to similar items.

Finance charges are recognised over the lease term on a time proportion basis.

#### **4.6.2 Operating leases**

In operating leases, the ownership of the leased asset and substantially all the risks and rewards relating to the leased asset remain with the lessor.

When the Group acts as the lessor, it recognises the operating lease income on a straight-line basis. The amount to be recognised on a straight-line basis is deemed to be the total minimum rental income forecast over the term of the contract, in accordance with the agreed terms and conditions. These assets are depreciated using a policy consistent with the lessor's normal depreciation policy for similar items for own use.

When the Group acts as the lessee, lease costs are recognised in the income statement on a straight-line basis, in accordance with the policies described above.

#### **4.7 Non-current assets held for sale**

Non-current assets are classified as held for sale if it is considered that their carrying amount will be recovered through a sale transaction. Assets are classified under this heading only when the sale is highly probable and the asset is available for immediate sale in its present condition and the sale is expected to be completed within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

The depreciation of non-current assets held for sale is discontinued when they are classified as such. At the date of each combined balance sheet the related valuation adjustments are made to ensure that the carrying amount is not higher than fair value less costs to sell.

#### **4.8 Financial instruments**

##### **4.8.1 Financial assets**

Financial assets are recognised in the combined balance sheet on the date of acquisition at fair value and are classified as:

##### *Trade and other receivables*

Trade and other receivables are measured at amortised cost less any recognised impairment losses, which are estimated based on the solvency of the debtor and the age of the receivables.

#### *Other current and non-current financial assets*

"Other Current and Non-Current Financial Assets" include the following investments:

1. Current and non-current loans granted
2. Guarantees
3. Deposits and other financial assets

The loans granted are measured at their amortised cost, which is understood to be the initial value thereof increased by accrued interest and repayment premiums based on the effective interest rate and decreased by the principal and interest repayments, while also considering possible reductions due to impairment or uncollectibility.

The changes in the amortised cost of the assets included under "Other Current and Non-Current Financial Assets" arising from accrued interest or premiums or from the recognition of impairment are recognised in the income statement.

Guarantees are measured at the amount paid which does not differ substantially from the fair value thereof.

Financial assets held for sale are measured at their fair value, except when it cannot be measured reliably, circumstances in which they are measured at cost. Subsequent variances in the fair value are charged to equity until the financial asset is disposed or the impairment is considered as stable or permanent. In this case the accumulated losses previously recorded against equity are transferred to the combined special purpose income statement.

The Groups perform impairment tests at least at the year-end date for all their financial assets which are not measured at fair value. The Groups consider as an objective evidence of impairment when the recoverable value of a financial asset is below its net book value. In these circumstances, the impairment is recorded in the combined special purpose income statement.

#### **Cash and cash equivalents**

Cash consists of cash and demand deposits at banks. Cash equivalents are short-term investments with a maturity of three months that are not subject to a significant risk of changes in value.

The Group derecognises a financial asset when it matures and collection is made or when the rights to the future cash flows have been transferred and substantially all the risks and rewards of ownership of the financial asset have been transferred.

#### **4.8.2 Financial liabilities**

##### **Bank borrowings**

Bank loans are recognised at the amount received, net of arrangement costs and commissions. These loan arrangement costs and finance charges are recognised in the income statement using the accrual method and on a time proportion basis and are added to the carrying amount of the liability, to the extent that they are not settled, in the period in which they arise.

##### **Trade payables**

Trade payables are initially recognised at fair value and are subsequently measured at amortised cost.

The Group derecognises financial liabilities when the obligations giving rise to them cease to exist.

#### **4.9 Inventories**

In general, the Group companies measure inventories at the lower of the price of the most recent invoice, which does not differ significantly from applying the FIFO formula (first-in, first-out), including in the case of tobacco products, in accordance with the legislation applicable in each country, the excise duties chargeable as soon as they are accrued, and net realisable value.

The Group recognises period provisions for the decline in value of inventories in order to adjust the value of those whose cost exceeds net realisable value. These valuation adjustments are recognised as an expense in the combined income statement.

#### **4.10 Current/Non-current classification**

In the combined special purpose balance sheet assets and liabilities due to be realised or settled or maturing within 12 months are classified as current items and those due to be realised or settled or maturing within more than 12 months as non-current items.

#### **4.11 Termination benefits**

Under current labour legislation and certain employment contracts, the Group companies are required to pay termination benefits to employees terminated under certain conditions.

The accompanying combined balance sheet at 30 September 2012 and 2011 includes the provisions that the Parent's directors consider necessary to cover the restructuring plans in progress at year-end (see Note 20).

#### **4.12 Pension and other obligations to employees**

The Parent Company and other subsidiaries are obliged to supplement the social security retirement, disability or death benefits to employees who have fulfilled certain conditions.

In general, the obligations relating to the current and former employees of these groups are defined contribution obligations and are externalised. The annual contributions made by the Group to meet these obligations are recognised under "Staff Costs" in the combined income statements.

Under the collective agreements currently in force, the Parent is obliged to make a lump-sum payment of a specific amount to each employee on completion of 24 years of service, subject to compliance with certain conditions. Also, the Parent is obliged to make fixed monthly payments to a certain group of current employees and employees who retired prior to 1 January 2009 as compensation for the "free tobacco" benefit. The companies of both group recognise in the combined balance sheets the discounted value of the defined obligations in the combined balance sheets for the years 2012 and 2011, which is calculated based on the corresponding actuarial studies performed by independent experts (see Note 20).

Finally, the Logista France Group entities are obliged to supplement the social security retirement, disability or death benefits to employees who have fulfilled certain conditions. These entities recognise as a liability in the combined balance sheets the discounted value of the defined obligations in the combined balance sheets for the years 2012 and 2011, which is calculated based on the corresponding actuarial studies performed by independent experts (see Note 20).

On 25 June 2008, the Group's Board of Directors approved the "2008 Medium-Term Incentives Plan" under which certain employees are entitled to receive, at the end of the third year from the inception of each block into which the plan is divided, an amount calculated on the basis of the amount deposited by each employee in an external financial entity at the inception of each block and the growth in each three-year period of certain assets related to operations.

On 31 January 2012, the Company's Board of Directors approved the "2011 medium-term incentive plan", the conditions of which are similar to those of the previous incentive plan, although employees are not required to make the aforementioned deposit at an external entity.

The Group distributes the total amount of the estimated incentive for each block on a straight-line basis over three years and charges it to income in the combined special purpose income statement.

#### **4.13 Provisions**

Both groups recognise provisions for the estimated amounts required to cover the liability arising from litigation in progress, indemnity payments or obligations and collateral and other guarantees provided which are highly likely to involve a payment obligation (legal or constructive), provided that the amount can be estimated reliably.

Provisions are quantified on the basis of the best information available on the situation and evolution of the events giving rise to them and are fully or partially reversed when such obligations cease to exist or are reduced, respectively.

Also, the adjustments arising from discounting these provisions are recognised as a finance cost on an accrual basis.

#### **4.14 Currencies other than the euro**

The consolidated financial statements of both groups are presented in euros.

Transactions in currencies other than the euro are recognised at their equivalent euro value by applying the exchange rates prevailing at the transaction date. Any gains or losses resulting from the exchange differences arising on the settlement of balances deriving from transactions in currencies other than the euro are recognised in the combined special purpose income statement as they arise.

Balances receivable and payable in currencies other than the euro at year-end are measured in euros at the exchange rates prevailing on that date. Any gains or losses arising on such measurement are recognised in the combined income statement for the year.

#### **4.15 Revenue and expense recognition**

Revenue and expenses are recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Specifically, revenue represents the amounts receivable for the goods and services provided in the normal course of business, net of discounts, VAT, excise duty on tobacco products and other sales taxes.

As a result of the regulations of the main countries in which the Group operates, the Group makes payments to the relevant tax authorities in respect of excise duties on the tobacco products it sells, which are also charged to customers. The Group does not recognise as income or expenses the amounts relating to the aforementioned excise duties, which amounted to approximately EUR 29,905,963 thousand in 2012 and EUR 29,734,140 thousand in 2011.

In the particular case of books and published materials, the customers are entitled to return the products they fail to sell and in turn, the Group may exercise this right with respect to its suppliers. At each reporting date, a provision is recognised based on the historical experience of the sales returns for the purpose of adjusting the margins obtained during the course of business (see Note 20).

In purchase and sale transactions on which the Group receives commission, regardless of the legal form of such transactions, only commission income is recognised. Distribution and sales commissions are recognised in revenue. The Group recognises income and expenses on transactions involving products held on a commission basis (mainly stamps, certain tobacco and publishing business products) at the date of the sale.

Interest income from financial assets is recognised using the effective interest method and dividend income is recognised when the shareholder's right to receive payment is established. In any case, interest and dividends from financial assets accrued after the date of acquisition are recognised as income in the income statement.

#### **4.16 Income tax**

The current income tax expense is calculated on the basis of the accounting profit before tax, increased or reduced, as appropriate, by the permanent differences from taxable profit, net of tax relief and tax credits. The rates used to calculate the income tax expense are those in force at the balance sheet date.

Deferred tax assets and liabilities are recognised using the balance sheet method, recognising the differences between the carrying amount of the assets and liabilities in the financial statements and their corresponding tax bases.

Deferred tax assets and liabilities are calculated at the tax rates expected at the date on which the asset is realised or the liability is settled. Deferred tax assets and liabilities are recognised in full with a charge to the combined income statement, except when they relate to line items taken directly to equity accounts, in which case the deferred tax assets and liabilities are also recognised with a charge or credit to the related equity accounts.

Deferred tax assets and tax loss carryforwards are recognised when it is considered probable that the groups will be able to utilise them in the future, regardless of when they are recovered. Deferred tax assets and liabilities are not adjusted and are classified as non-current assets or liabilities in the combined balance sheet.

The groups recognise the deferred tax arising from the deductibility of the amortisation, for tax purposes, of certain items of goodwill generated on the acquisition of companies (see Note 21).

The deferred tax assets recognised are reassessed at the end of each reporting period and the appropriate adjustments are made to the extent that there are doubts as to their future recoverability. Also, unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that they will be recovered through future taxable profits.

"Income Tax" represents the sum of the current tax expense and the result of recognising deferred tax assets and liabilities (see Note 21).

The Parent of Logista Group files consolidated income tax returns and consolidated VAT returns as part of the consolidated tax group the Parent of which is Imperial Tobacco Spain.

The Parent of Logista France Group files consolidated income tax returns as part of the consolidated tax group the Parent of which is Imperial Tobacco Ltd, French Branch.

#### **4.17 Combined special purpose statements of cash flows**

The following terms are used in the combined special purpose statements of cash flows, prepared in accordance with the indirect method, with the meanings specified:

1. Cash flows: inflows and outflows of cash and cash equivalents, which are short-term, highly liquid investments that are subject to an insignificant risk of changes in value.
2. Operating activities: the principal revenue-producing activities of the consolidated Group companies and other activities that are not investing or financing activities.
3. Investing activities: the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.
4. Financing activities: activities that result in changes in equity and borrowings.

#### 4.18 Discontinued operations

A discontinued operation is a Group component representing a line of business or significant area which has or will be disposed of by any means other than through ordinary operations. The net assets arising from discontinued operations which have not yet been realised are recognised under "Non-Current Assets Held for Sale".

For this type of operations, the Group includes the profit after tax from discontinued operations and the profit after tax recognised on the disposal of the items composing the discontinued operations under a single item, "Profit for the Year from Discontinued Operations Net of Tax" in the combined income statement. Similarly, "Discontinued Operations" includes, where applicable, the losses recognised as a result of reducing the carrying amount of the items relating to discontinued operations not yet realised at their fair value less estimated costs to sell.

Also, when operations are classified as discontinued, the Group presents under "Profit for the Year from Discontinued Operations Net of Tax" the amount for the preceding year relating to the operations classified as discontinued at the reporting date, also adapting the rest of headings in the combined income statement for the previous year (see Note 31).

#### 5. Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to the Group (after tax and minority interests) by the weighted average number of ordinary shares outstanding during the year, excluding the average number of treasury shares.

Earnings per share for Logista Group are calculated as follows:

	2012	2011
Net profit for the year (thousands of euros)	82,186	91,868
Weighted average number of shares issued (thousands of shares)	44,250	44,250
<b>Earnings per share (euros)</b>	<b>1.86</b>	<b>2.08</b>

At 30 September 2012 and 2011, there were no dilutive effects on basic earnings per share for Logista Group.

Earnings per share for Logista France Group are calculated as follows:

	2012	2011
Net profit for the year (thousands of euros)	51,165	93,502
Weighted average number of shares issued (thousands of shares)	2,750	2,750
<b>Earnings per share (euros)</b>	<b>18.61</b>	<b>34.00</b>

At 30 September 2012 and 2011, there were no dilutive effects on basic earnings per share for Logista France Group.

## 6. Property, plant and equipment

### 6.1 Property, plant and equipment

The changes in "Property, Plant and Equipment" in the combined balance sheets in 2012 and 2011 were as follows:

#### 2012

	Thousands of Euros				
	Balance at 30-09-11	Additions/ Charges	Disposals/ Reductions	Transfers	Balance at 30-09-12
Cost:					
Land and buildings	234,143	23	(2,112)	2,536	2,536
Plant and machinery	147,747	1,312	(1,313)	2,797	2,797
Other fixtures, tools and furniture	123,086	1,948	(5,256)	7,115	7,1152
Other items of property, plant and equipment	46,297	341	(954)	(1,887)	43,797
Property, plant and equipment in the course of construction	17,002	16,236	(511)	(10,734)	21,993
	568,2754	19,860	(10,156)	(173)	78,23825
Accumulated depreciation:					
Buildings	(103,826)	(5,755)	660	(11)	(108,932)
Plant and machinery	(101,680)	(10,701)	1,191	557	(110,633)
Other fixtures, tools and furniture	(83,758)	(10,207)	5,100	(3,960)	(92,825)
Other items of property, plant and equipment	(26,003)	(2,942)	725	3,401	(24,819)
	(315,267)	(29,605)	7,676	(13)	(337,209)
Impairment losses	(3,088)	-	-	-	(3,088)
<b>Total</b>	<b>249,919</b>		<b>(2,480)</b>	<b>(186)</b>	<b>237,508</b>

#### 2011

	Thousands of Euros				
	Balance at 30-09-11	Additions/ Charges	Disposals/ Reductions	Transfers	Balance at 30-09-12
Cost:					
Land and buildings	232,431	12	(616)	2,316	234,143
Plant and machinery	148,372	1,437	(2,378)	316	147,747
Other fixtures, tools and furniture	104,839	2,531	(2,913)	18,628	123,085
Other items of property, plant and equipment	55,543	3,247	(278)	(10,215)	46,297
Property, plant and equipment in the course of construction	16,549	18,063	(1)	(17,609)	17,002
	555,734	25,290	(6,186)	(6,564)	4
Accumulated depreciation:					
Buildings	(98,412)	(6,073)	395	264	(103,826)
Plant and machinery	(94,691)	(10,758)	2,074	1,695	(101,680)
Other fixtures, tools and furniture	(72,645)	(9,924)	2,051	(3,240)	(83,758)
Other items of property, plant and equipment	(25,233)	(2,919)	296	1,853	(26,003)
	(290,981)	(29,674)	4,816	572	(315,267)
Impairment losses	(3,088)	-	-	-	(3,088)
<b>Total</b>	<b>261,665</b>		<b>(1,370)</b>	<b>(5,992)</b>	<b>249,919</b>

### **Additions**

The additions to "Property, Plant and Equipment in the Course of Construction" relate mainly to investments in technological infrastructure renovation projects to increase the functionality of the operational platforms, and investments in expansion and improvement of the Group companies' warehouses, as part of the ordinary business.

### **Disposals**

The disposals in 2012 and 2011 relate mainly to the retirement of items which have been substantially depreciated in full or are not used for the Groups' business and to the sale of various items of property, plant and equipment of scant significance.

### **Transfers**

The transfers in 2012 and 2011 relate mainly to reclassifications of items between different accounts within this caption, and from "Other Intangible Assets" to "Computer Software", "Investment property" and "Non-current assets held for sale" in order to correctly classify them according to their nature.

## **6.2 Other disclosures**

Fully depreciated items of property, plant and equipment in use at 30 September 2012 amounted to EUR 197,562 thousand (EUR 166,329 thousand at 30 September 2011).

At the end of 2012 Logista Group had yet to formalise the acquisition of a land lot in Alcalá de Guadaira (Seville), for which it paid an advance of EUR 4,671 thousand in 2005, which is recognised under "Property, Plant and Equipment in the Course of Construction". This formalisation is dependent upon the municipal authority executing the corresponding land development projects. The Parent's directors have commenced actions aimed at ensuring that the municipal authority meets the obligations assumed.

The groups have taken out insurance policies to cover the possible risks to which its property, plant and equipment are subject and the claims that might be filed against it for carrying on its business activities. These policies are considered to adequately cover the related risks.

The information regarding Property, plant and equipment located abroad is disclosed in Note 27.

## 7. Goodwill

The changes in "Goodwill" in the accompanying combined balance sheets in 2012 and 2011 were as follows:

### 2012

	Thousands of Euros			
	Balance at 30-09-11	Disposals	Impairment	Balance at 30-09-12
Logista Italia, S.p.A.	660,620	-	-	660,620
Dronas 2002, S.L.U.	36,545	-	(10,822)	25,723
Supergroup	9,300	-	(9,300)	-
Terzia, S.p.A.	2,302	-	-	2,302
T2 Gran Canaria, S.A.U.	908	-	-	908
Société Allumetière Française, S.A.S.	761	-	-	761
T2 Opellog, S.A.U.	486	-	-	486
Logista-Dis, S.A.U.	321	-	-	321
Librodis Promotora y Comercializadora del Libro, S.A.U.	178	-	-	178
Transportes Basegar, S.L.	85	-	-	85
Basegar Logística, S.A.	41	(41)	-	-
Otros	326	(28)	-	298
<b>Total</b>	<b>711,873</b>	<b>(69)</b>	<b>(20,122)</b>	<b>691,682</b>

### 2011

	Thousand of Euros		
	Balance at 30-09-10	Disposals	Balance at 30-09-11
Logista Italia, S.p.A.	660,620	-	660,620
Dronas 2002, S.L.U.	36,545	-	36,545
Supergroup	9,300	-	9,300
Terzia, S.p.A.	2,302	-	2,302
T2 Gran Canaria, S.A.U.	908	-	908
Société Allumetière Française, S.A.S.	761	-	761
T2 Opellog, S.A.U.	486	-	486
Logista-Dis, S.A.U.	321	-	321
Librodis Promotora y Comercializadora del Libro, S.A.U.	178	-	178
Transportes Basegar, S.L.	85	-	85
Basegar Logística, S.A.	41	-	41
Otros	345	(19)	326
<b>Total</b>	<b>711,892</b>	<b>(19)</b>	<b>711,873</b>

The recoverable amounts were calculated for each cash-generating unit using profit and loss, investment and working capital projections for the next three years. The discount rate used ranged from 6.9% to 12.7% in 2012 (2011: from 6.9% to 8.83%). Also, the growth rate of activity used to calculate the residual value of each cash-generating unit after the projected period was 0% in both years.

In 2012 Logista Group recorded impairment on the Goodwill generated by its subsidiary Dronas 2002, S.L.U. for a total amount of EUR 10,822 thousand, based on the impairment test performed by the Group. This impairment was classified in the caption "Net loss on disposal and impairment of non-current assets" of the accompanying combined special purpose income statement for the year 2012.

In addition, in 2012 Logista France Group recorded impairment on the Goodwill generated by its subsidiary Supergroup, S.A.S. for a total amount of EUR 9,300 thousand, based on the impairment test performed by the Group. This impairment was classified in the caption "Net loss on disposal and impairment of non-current assets" of the accompanying combined special purpose income statement for the year 2012.

Based on the estimates and projections available at the date of preparation of the financial statements which have been used as a basis for the preparation of these combined special purpose financial statements, the directors of both Parent's consider that the projections of income attributable to the Group originating from the various companies support the recoverability of the carrying amount of the goodwill recognised.

#### **8. Other intangible assets**

The changes in "Other Intangible Assets" in 2012 and 2011 were as follows:

#### **2012**

	Thousands of Euros				
	Balance at 30-09-11	Additions/ Charges	Disposals/ Reductions	Transfers	Balance at 30-09-12
<b>Cost:</b>					
With indefinite useful life- Trademarks Marcas	160	-	-	(52)	108
With finite useful life-					
R&D expenses	-	-	-	2,223	2,223
Computer software	130,067	1,573	(1,896)	6,022	135,766
Concessions, rights and licences	4,958	-	-	(2,798)	2,160
Advances and intangible assets in progress	4,164	6,862	-	(4,888)	6,138
	139,349	8,435	(1,896)	507	146,395
<b>Accumulated amortisation:</b>					
R&D expenses	-	(556)	-	(417)	(973)
Computer software	(101,019)	(11,378)	1,261	(730)	(111,866)
Concessions, rights and licences	(2,514)	(572)	-	1,361	(1,725)
	(103,533)	(12,506)	1,261	214	(114,564)
Impairment losses	(1,144)	-	500	-	(644)
<b>Total</b>	<b>34,672</b>		<b>(135)</b>	<b>721</b>	<b>31,187</b>

## 2011

	Thousands of Euros				
	Balance at 30-09-10	Additions/ Charges	Disposals/ Reductions	Transfers	Balance at 30-09-11
<b>Cost:</b>					
With indefinite useful life- Trademarks Marcas	125	-	-	35	160
With finite useful life- R&D expenses					
Computer software	118,494	1,592	(319)	10,300	130,067
Concessions, rights and licences	4,834	80	-	44	4,958
Advances and intangible assets in progress	2,151	5,833	(4)	(3,816)	4,164
	125,604	7,505	(323)	6,563	139,349
<b>Accumulated amortisation:</b>					
R&D expenses					
Computer software	(87,987)	(12,696)	268	(604)	(101,019)
Concessions, rights and licences	(1,779)	(768)	-	33	(2,514)
	(89,766)	(13,464)	268	(571)	(103,533)
Impairment losses	(644)	(500)	-	-	(1,144)
<b>Total</b>	<b>35,194</b>		<b>(55)</b>	<b>5,992</b>	<b>34,672</b>

The additions to "Advances and intangible assets in progress" in 2012 and 2011 relate mainly to functional development projects for the Groups' existing applications..

The transfers to "Computer Software" in 2012 and 2011 relate to the reclassification of various items that have been put into operation from the account "Advances and intangible assets in progress" attending to their nature.

At 30 September 2012 and 2011, fully amortised intangible assets in use amounted to approximately EUR 91,771 and EUR 70,665 thousand, respectively.

## 9. Financial assets

### 9.1 Other non-current financial assets

The changes in "Other Non-Current Financial Assets" in 2012 and 2011 were as follows:

## 2012

	Thousands of Euros			
	Balance at 30-09-11	Additions	Disposals/ Reductions	Balance at 30-09-12
<i>Credits and other receivables</i>				
Long-term loans	6,031	-	(300)	5,731
Long-term deposits and guarantees	3,813	884	(587)	4,110
<i>Financial assets held for sale</i>				
Other investments	4,868	-	-	4,868
	14,712	884	(887)	14,709
Write-downs	(1,646)	(148)	6	(1,788)
<b>Total</b>	<b>13,066</b>	<b>736</b>	<b>(881)</b>	<b>12,921</b>

2011

	Thousands of Euros			
	Balance at 30-09-10	Additions	Disposals/ Reductions	Balance at 30-09-11
<i>Credits and other receivables</i>				
Long-term loans	6,075	141	(185)	6,031
Long-term deposits and guarantees	4,284	171	(642)	3,813
<i>Financial assets held for sale</i>				
Other investments	4,518	350	-	4,868
	14,877	662	(827)	14,712
Write-downs	(1,579)	(67)	-	(1,646)
<b>Total</b>	<b>13,298</b>	<b>595</b>	<b>(827)</b>	<b>13,066</b>

"Long-Term Loans" in 2012 and 2011 includes mainly a EUR 4,900 thousand loan granted to Publidispatch, S.A.S. The aforementioned loan matures on 1 October 2016 and earns interest tied to Euribor payable annually.

At 30 September 2012 and 2011, Logista Italia, S.p.A. held a 13.33% ownership interest in the share capital of Banca ITB, S.p.A., amounting to EUR 4,198 thousand, recognised under "Other Non-Current Financial Assets – Financial assets held for sale".

## 9.2 Other current financial assets

The detail of "Other Current Financial Assets" in the accompanying combined special purpose balance sheets at 30 September 2012 and 2011 is as follows:

	Thousands of Euros	
	2012	2011
<i>Loans and other accounts receivable</i>		
Loans to related companies (Note 29)	2,395,875	2,409,925
Short-term deposits and guarantees	512	569
Other loans	25,911	31,512
<b>Total</b>	<b>2,422,298</b>	<b>2,442,006</b>

At 30 September 2012, the shareholders of "Compañía de Distribución Integral Logista, S.A.U. and GTECH Global Lottery, S.L.U., unincorporated temporary joint venture", have granted a loan of EUR 89,576 thousand (2011: EUR 63,712 thousand) to the former through a monetary contribution given in equal portions. The Parent of Logista Group included EUR 22,394 thousand (2011: EUR 15,928 thousand) in this connection under "Other Current Financial Assets – Other loans" and "Other Current Financial Liabilities" in the accompanying combined balance sheet at 30 September 2012 and 2011 (see Note 22), related to the accounts receivable and payable with the aforementioned UTE that correspond to the other participant.

## **10. Inventories**

The detail of the Group's inventories at 30 September 2012 and 2011 is as follows:

	Thousands of Euros	
	2012	2011
Tobacco	1,124,680	1,196,359
Published materials	24,034	22,388
Other merchandise	57,386	81,643
Write-downs	(14,388)	(11,262)
<b>Total</b>	<b>1,191,712</b>	<b>1,289,128</b>

The balance of tobacco inventories includes the excise duty chargeable to the tobacco items for the tobacco stock in the Group's warehouses at 30 September 2012 and 2011, for a total amount of EUR 413,568 thousand (2011: EUR 523,661 thousand).

The write-down in year 2012 and 2011 relates mainly to tobacco inventories that were defective or that cannot be sold at year end. The changes in the write-downs relating to "Inventories" in the accompanying combined balance sheet were as follows:

	Thousands of Euros
Inventory write-down at 30 September 2010	12,216
Charge for the year	4,405
Utilization	(5,359)
<b>Inventory write-down at 30 September 2011</b>	<b>11,262</b>
Charge for the year	4,714
Utilization	(857)
Transfers (RPD)	(731)
<b>Inventory write-down at 30 September 2012</b>	<b>14,388</b>

## **11. Trade and other receivables**

The detail of "Trade and Other Receivables" in the accompanying combined special purpose balance sheets at 30 September 2012 and 2011 is as follows:

	Thousands of Euros	
	2012	2011
Trade receivables for sales and services	1,648,424	1,637,763
Related companies (Note 29)	12,635	12,389
Sundry accounts receivable	36,924	40,331
Employee receivables	482	578
Less- Allowances for doubtful debts	(46,370)	(40,690)
	<b>1,652,095</b>	<b>1,650,371</b>

The changes in the "Allowances for Doubtful Debts" in 2012 and 2011 were as follows:

	Thousands of Euros
Allowance for doubtful debts at 30 September 2010	41,646
Applications	(6,772)
Additions	5,816
Allowance for doubtful debts at 30 September 2011	<b>40,690</b>
Applications	(1,591)
Additions	8,127
Transfers (RPD)	(856)
Allowance for doubtful debts at 30 September 2012	<b>46,370</b>

The additions to doubtful debts are recognised under "Other Operating Expenses" in the accompanying combined special purpose income statements for 2012 and 2011.

At 30 September 2012 and 2011, the total amounts of balances provided are older than 90 days.

#### Trade receivables for sales and services

"Trade Receivables for Sales and Services" includes mainly the balances receivable from the sales of tobacco products, postage and other stamps relating basically to the final delivery of each year, which may be settled during the first days of the following year, including the excise duties and VAT associated with tobacco product sales which do not form part of revenue (see Note 4.15).

The average credit period taken on sales of goods and services ranges from 10 to 30 days. No interest is charged on the receivables for the first 30 days after the expiry date of the invoice. Thereafter, interest is generally charged at between 6.5% and 10.25% on the outstanding balance.

None of the clients supposes more than 5% of the trade receivable balances, so there is no clients' concentration risk.

The detail of the past-due receivables for which no allowance had been recognised at 30 September 2012 and 2011 is as follows:

Tranche	Thousands of Euros	
	2012	2011
0-30 days	33,329	26,969
30-90 days	12,648	12,518
90-180 days	5,566	6,741
180-360 days	3,326	1,603
More than 360 days	4,793	3,856

The Group recognizes an allowance for doubtful debts based on seniority of the debt, unless there are additional guarantees of payment.

#### **12. Cash and cash equivalents**

"Cash and Cash Equivalents" in the combined balance sheets at 30 September 2012 and 2011 includes mainly the Group's cash deposited in current accounts at banks.

The average interest rate obtained by Logista Group on its cash and cash equivalent balances was 1.62% in 2012 (1.85% in 2011).

The average interest rate obtained by Logista France Group on its cash and cash equivalent balances was 0.53% in 2012 (1.58% in 2011).

### **13. Share capital and treasury shares**

At the end of 2012 and 2011, the Parent's share capital amounted to EUR 26,550 thousand and was represented by 44,250,000 fully subscribed and paid shares of EUR 0.6 par value each, all of the same class. At 30 September 2012 and 2011, the Logista Group Parent's Sole-Shareholder was Altadis, S.A.U.

At 2012 year-end the share capital of the Parent of the Logista France Group amounted to EUR 50,600 thousand (2011 year-end: EUR 27,500 thousand). In 2012 the sole shareholder of the Parent of the Logista France Group resolved to increase the aforementioned company's share capital by increasing the par value of its 2,750,000 shares from EUR 10 to EUR 18.4 per share. This capital increase was performed with a charge to the share premium recognised at the aforementioned date (EUR 1,248 thousand), the unrestricted legal reserve (EUR 805 thousand) and voluntary reserves (EUR 21,047 thousand).

All the shares of the Parent of the Logista France Group were of the same class and had been fully subscribed and paid at 30 September 2012 and 2011. The sole shareholder of the Parent of the Logista France Group was SEITA, S.A.S. at 30 September 2012 and 2011.

#### **Capital Management-**

The main objectives of the Group's capital management are to ensure financial stability in the short and long term and the adequate funding of investments, keeping debt levels, all aimed at that the Group maintains its financial strength and soundness of their ratios so that it supports their business and maximizes the value for its shareholders.

At September 30, 2012 and 2011 the leverage ratio is as follows:

	Thousands of Euros	
	2012	2011
Bank borrowings	5,330	7,402
Other current financial liabilities	32,615	46,331
<b>Gross debt</b>	<b>37,945</b>	<b>53,733</b>
Noncurrent financial assets held to maturity	(8,481)	(8,706)
Current financial assets held to maturity	(2,421,729)	(2,442,494)
Cash and cash equivalent	(174,794)	(155,161)
<b>Cash assets</b>	<b>(2,605,004)</b>	<b>(2,606,361)</b>
<b>Total net debt</b>	<b>(2,567,059)</b>	<b>(2,552,628)</b>
Total equity	621,853	611,736
<b>Financial leverage</b>	<b>(4.13)</b>	<b>(4.17)</b>

### **14. Reserves of the Parents**

#### **Share premium**

The Spanish Capital Companies Law expressly permits the use of the share premium account balance to increase the capital of the entities at which it is recognised and does not establish any specific restrictions as to its use.

The Commercial Code applicable in France expressly permits the use of the share premium account balance to increase the capital of the entities at which it is recognised and does not establish any specific restrictions as to its use.

#### **Legal reserve**

Under the Spanish Capital Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

Under the Commercial Code applicable in France, the Company must transfer 5% of net profit for each year to the legal reserve until the balance of this reserve reaches at least 10% of the share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At 30 September 2012 and 2011, the Logista Group Parent's legal reserve has reached the stipulated level, for a total amount of EUR 5,902 thousand.

At 30 September 2012 and 2011, the Logista France Group Parent's legal reserve has reached the stipulated level, for a total amount of EUR 1,945 thousand and EUR 2.750 thousand (see Note 13).

#### **Dividends**

On 27 March 2012, the Logista Group Parent's Sole-Shareholder approved the distribution of a dividend of EUR 1.1 per share out of profit for 2011. The total dividend distributed was EUR 48,675 thousand.

On 30 March 2011, the Logista Group Parent's sole shareholder approved the distribution of a dividend of EUR 0.98 per share out of profit for 2011. The total dividend distributed was EUR 43,364 thousand. In addition, on 30 March 2011 the Logista Group Parent's sole shareholder approved the distribution of an additional dividend of EUR 4.39 per share out of the Parent's voluntary reserves. The additional dividend distributed totalled EUR 194,258 thousand.

On 21 September 2011, the sole shareholder of the Parent of the Logista France Group resolved to distribute a dividend of EUR 65.45 per share with a charge to profit for the aforementioned year. The dividend distributed amounted to EUR 180,000 thousand in total. Lastly, on 23 January 2012 the sole shareholder of the Parent of the Logista France Group resolved to distribute a dividend of EUR 90.91 per share with a charge to profit for 2011, which includes the aforementioned interim dividend.

#### **15. Reserves at fully or proportionately consolidated companies**

The detail, by company, of the balance of this heading in the combined special purpose balance sheets at 30 September 2012 and 2011 is as follows:

	Thousands of Euros	
	2012	2011
Reserves in subsidiaries and joint control entities	185,105	140,868
Reserves in associates	(598)	23
<b>Total</b>	<b>184,507</b>	<b>140,891</b>

The reserves at consolidated companies include the retained earnings not appropriated at the beginning of the period relating to the consolidated companies and taking into account the consolidation adjustments.

## **16. Minority interests**

The changes in this heading in 2012 and 2011 were as follows:

	Thousands of Euros	
	2012	2011
Beginning balance	8,599	10,235
Changes in the scope of consolidation (Note 1)	(5,872)	(22)
Change due to profit for the year	(729)	(1,495)
Dividends paid to minority interests and other	(247)	(119)
<b>Ending balance</b>	<b>1,751</b>	<b>8,599</b>

## **17. Bank borrowings**

The detail of the bank borrowings at 30 September 2012 and 2011 is as follows:

	Thousands of Euros					
	2012			2011		
	Non-Current	Current	Total	Non-Current	Current	Total
Bank loans	-	5,330	5,330	9	7,393	7,402
<b>Total</b>	<b>-</b>	<b>5,330</b>	<b>5,330</b>	<b>9</b>	<b>7,393</b>	<b>7,402</b>

At 30 September 2012 and 2011, Logista Group had unused credit facilities granted by various banks of EUR 5,000 and EUR 6,065 thousand, respectively.

The interest rates on bank borrowings are generally tied to Euribor and denominated in euros. The average interest rates on these borrowings in 2012 and 2011 were 3.30% and 4.08%, respectively.

## **18. Other non-current liabilities**

The detail of "Other Non-Current Liabilities" in the accompanying combined special purpose balance sheets at 30 September 2012 and 30 September 2011 is as follows:

	Thousands of Euros	
	2012	2011
Guarantees and deposits received	4,919	6,166
Other liabilities	724	926
<b>Total other non-current liabilities</b>	<b>5,643</b>	<b>7,092</b>

## **19. Risk exposure**

The management of the risks to which the Logista Group and Logista France Group is exposed in the course of its business constitutes one of the basic pillars of its activities aimed at preserving the value of the Group's assets at all the business units and in all the countries in which it operates (mainly Spain, Italy, France, Portugal and Poland) and, as a result, the value of its shareholder's investments. The risk management system is structured and defined to achieve the strategic and operating objectives.

The Group's financial risk management is centralised in the Corporate Finance Division. This Division has the required mechanisms in place to control, based on the Group's financial position and structure and on the economic variables of the environment, the exposure to interest and exchange rate fluctuations and to the credit and liquidity risks, establishing, when necessary, the related credit limits and setting the policy for the doubtful debts allowance.

The main risks and uncertainties faced by the Groups derive from the possible regulatory changes in the industries in which it operates.

#### **Credit risk**

The Groups' principal financial assets are cash and cash equivalents and trade and other receivables, the latter two concentrating the risks of doubtful debts and past-due amounts. In general the Group has its cash and cash equivalents deposited at financial institutions with a high level of solvency, as well as treasury cessions to ITG Group entities under the treasury agreements subscribed, which are detailed in Note 29. The Group controls the default and delinquency risks by setting credit limits and establishing demanding conditions in relation to collection periods.

The commercial risk is spread out over a large number of customers that have shorter collection periods and extremely low historical default rates and, therefore, the Groups' exposure to third-party credit risk is scantily material.

At 30 September 2012 and 2011 the Group's Management considers that the level of credit risk exposure of its financial assets is not significant.

#### **Interest rate risk**

In relation to its cash and cash equivalents and bank borrowings, the Groups are exposed to interest rate fluctuations which might affect its profit and cash flows. However, due to the Group's low borrowing level, management considers that the effect would not be material under any circumstances.

In accordance with the disclosure requirements of IFRS 7, the Groups performed a sensitivity analysis in relation to the possible interest rate fluctuations which might occur in the markets in which it operates. Based on these requirements, the Logista Group's Management considers that each interest rate drop of 10 basis points would give rise to a decrease in the Group's finance income of EUR 1 million.

#### **Foreign currency risk**

The level of exposure of equity and the income statement to the effects of future changes in the foreign currency exchange rates in force is not significant because the volume of the Groups' transactions in currencies other than the euro is not material (see Note 28).

The Groups do not have significant investments in foreign entities which operate in currencies other than the euro and they do not carry out significant transactions in countries whose currency is not the euro.

In addition, all the companies composing the Logista Group and Logista France Group prepare their financial statements in euros, except for two subsidiaries in Poland and another in Morocco, the activities of which are of scant significance in the Group's business taken as a whole.

#### **Liquidity risk**

The Groups have to meet payments arising from their activities, including significant amounts relating to excise duties and VAT.

Also, as a result of the difference between the average collection and payment periods, at 30 September 2012, the combined working capital deficiency amounts to EUR 162,276 thousand (30 September 2011: EUR 210,723 thousand).

In any event, the Groups, for the purpose of ensuring liquidity and enabling it to meet all the payment obligations arising from its business activities, has the cash and cash equivalents disclosed in its combined balance sheet, together with the cash-pooling facilities with companies in the Groups to which it belongs (see Note 29).

## 20. Provisions

The detail of the balance of short- and long-term provisions in the accompanying combined special purpose balance sheets at 30 September 2012 and 2011 and of the main changes therein in the periods is as follows:

### 2012

	Thousands of Euros				
	Balance at 30-09-11	Additions	Provisions used/ Reversed	Transfers	Balance at 30-09-12
Customs and excise duty assessments	108,037	4,543	(5,297)	-	107,283
Obligations to employees	8,250	4,222	(1,310)	-	11,162
Provision for restructuring costs	3,907	5,733	(207)	-	9,433
Provision for contingencies and charges	23,490	1,117	(8,984)	110	15,733
Other	3,931	8,499	(1,349)	-	11,081
<b>Non-current provisions</b>	<b>147,615</b>	<b>24,114</b>	<b>(17,147)</b>	<b>110</b>	<b>154,692</b>
Provision for restructuring costs	12,491	5,490	(15,659)	520	2,842
Customer refunds	4,826	200	(1,011)	-	4,015
Other	67	9,413	(415)	180	9,245
<b>Current provisions</b>	<b>17,384</b>	<b>15,103</b>	<b>(17,085)</b>	<b>700</b>	<b>16,102</b>

### 2011

	Thousands of Euros				
	Balance at 30-09-10	Additions	Provisions used/ Reversed	Transfers	Balance at 30-09-11
Customs and excise duty assessments	106,494	4,543	(3,000)	-	108,037
Obligations to employees	9,372	843	(1,965)	-	8,250
Provision for restructuring costs	6,614	4,235	(521)	(6,421)	3,907
Provision for contingencies and charges	22,895	5,365	(4,449)	(321)	23,490
Other	3,985	6,750	(6,201)	(603)	3,931
<b>Non-current provisions</b>	<b>149,360</b>	<b>21,736</b>	<b>(16,136)</b>	<b>(7,345)</b>	<b>147,615</b>
Provision for restructuring costs	10,272	1,034	(4,743)	5,928	12,491
Customer refunds	4,942	413	(529)	-	4,826
Other	4,758	884	(6,992)	1,417	67
<b>Current provisions</b>	<b>19,972</b>	<b>2,331</b>	<b>(12,264)</b>	<b>7,345</b>	<b>17,384</b>

#### Provisions for tobacco excise duties and customs duty assessments

Logista Group's Parent has recognised provisions for tax assessments resulting from the reviews conducted by the Spanish customs inspection authorities of the tobacco excise duty settlements for 2004 to 2006. Logista Group's Parent signed these assessments on a contested basis and filed an appeal against them. In the event that the outcome of these appeals is not favourable, the Parent recognised provisions to cover payment of deficiency and late-payment interest amounting to EUR 97,901 thousand (2011: EUR 99,143 thousand). The total amount of the provision includes the late-payment interest since the date these assessments were issued, for an amount of EUR 12,890 thousand (2011: EUR 8,654 thousand), of which EUR 4,055 thousand were recognised in the respective accompanying combined special purpose income statement for each of the years 2012 and 2011.

On 10 November 2011, on the grounds of procedural discrepancies, the Supreme Court refused leave to proceed with the appeal filed by Logista Group's Parent in relation to part of the aforementioned tax

assessments. As a result, the Logista Group's Parent paid EUR 5,297 thousand, including late-payment interest, to settle these tax assessments, although the Parent Company's Directors filed an appeal in this connection at the Spanish Constitutional Court, which was given leave to proceed.

In addition, the Parent was issued assessments by the Customs Inspection Authorities for adjustments in the figure for unpaid amounts relating to tariffs and VAT on imports for the years 2000 and 2002 and for the first half of 2003. The total amount of the deficiency, including interest but not penalties in these assessments is EUR 7,935 thousand (2011: EUR 7,300 thousand). The Company has filed two separate appeals against portions of this amount at the Central Economic-Administrative Tribunal, National Court and Supreme Court and the Catalonia High Court, respectively. The amount was provisioned in full at 30 September 2012 and 2011. Since the date these assessments were issued, Logista Group's Parent has recognised EUR 1,447 thousand in relation to the necessary late-payment interest (2011: EUR 1,594 thousand), of which EUR 488 thousand were recognised in the accompanying combined special purpose income statement for each of the years 2012 and 2011.

#### **Provision for obligations to employees**

This account includes the present value of the Logista Group's Parent's obligations in terms of long-service bonuses and the "free tobacco" benefit. The amount of this obligation is calculated using the projected unit credit method and PERM/F 2000P mortality tables, an inflation rate of 1.5% and an annual discount rate of 3.6% as the main assumptions. In 2012 a provision of EUR 1,816 thousand was recognised in this connection, of which EUR 1,600 thousand were recognised with a charge to "Reserves of the Parents" in the accompanying combined special purpose balance sheet since they relate to changes in the actuarial assumptions used to determine the present value of the total obligation assumed by the Company. In 2011 a provision of EUR 216 thousand was recognized in this connection, which was charged to the caption "Staff costs" of the accompanying combined income statement. The balance in this connection in the Logista Group's Parent amounted to EUR 7,140 thousand at 30 September 2012 (2011: EUR 5,540 thousand).

Also, the provision recognised by the Logista France Group to meet its pension obligations is included. This obligation is measured using the projected unit credit method and/or mortality tables PERM/F 2000P, a 2% rate of inflation and an annual discount rate of 3.60% as the main assumptions. In 2012 a provision of EUR 2,183 thousand was recognised, of which EUR 1,839 thousand were recognised with a charge to "Reserves of the Parent" and "Reserves of Consolidated Companies" in the combined special purpose balance sheets for the aforementioned year since they relate to changes in the actuarial assumptions used to determine the present value of the obligation acquired by the companies of the subgroup. In 2011 a provision of EUR 557 thousand was recognised with a charge to "Staff Costs" in the accompanying combined income statement. The balances at year-end for these items in the Logista France Group totalled EUR 3,992 thousand (2011: EUR 2,148 thousand).

#### **Provision for restructuring costs**

Logista Italia. S.p.A. is restructuring its logistics warehousing network which gives rise to termination benefits as the main cost. In 2012, the company recognized a further EUR 5,733 thousand under "Long-term Provisions" (2011: EUR 4,235 thousand). In addition, provisions of EUR 5,807 thousand (2011: EUR 3,970 thousand) were used, of which EUR 207 thousand were recognised under "Long-term Provisions" (2011: EUR 521 thousand) and EUR 5,600 thousand under "Short-term Provisions" (2011: EUR 3,454 thousand). Lastly, during 2012 there has been no transfer from "Long-term Provisions" to "Short-term Provisions" (2011: EUR 5,928 thousand). At year-end EUR 9,433 thousand of "Long-term Provisions" (2011: EUR 3,907 thousand) and EUR 328 thousand (2011: EUR 5,928 thousand) of "Short-term Provisions" had not yet been used.

In 2012 provisions of EUR 5,490 thousand were recognised for restructuring programmes that the Logista Group's Parent Directors intend to carry out (2011: EUR 1,034 thousand). Additionally, in 2012 the Logista Group Parent externalised the payment of survivorship annuity benefits for a group of employees who have taken early retirement. A premium of EUR 7,959 thousand was paid in this connection, and this amount was debited to the related provision. Lastly, in 2012 the Logista Group Parent paid termination benefits of EUR 2,100 thousand from a provision recognised for this purpose (2011: 1,289 thousand). In addition, in 2012 the Parent Company trespassed to this caption an amount of EUR 520 thousand which were recorded in the caption "Non-current provisions – Provisions for restructuring costs" (2011: EUR 493 thousand). At year-end EUR 3,684 thousand (2011: EUR 7,833 thousand) had not yet been used.

### **Provision for contingencies and charges**

At 30 September 2012 the balance of "Provision for Contingencies and Charges" from the detail above includes basically the provisions recognised by Logista Italia, S.p.A. for litigation in progress with members of its logistics warehousing network, which amounts to EUR 7,648 thousand at year-end (2011: EUR 12,564 thousand). In 2012 a provision of EUR 4,498 has been released due to the re-estimation of the risk performed by the Group's Directors. Moreover, the Company has received new demands for this concept which have been provisioned by the Group for a total amount of EUR 283 thousand (2011: EUR 1,883 thousand). In 2011 a provision of EUR 3,035 thousand was used, relating to compensation effectively paid by the Company.

This caption also includes provisions to cover the payment of excise duties relating to tobacco theft primarily in Italy amounting to EUR 3,969 thousand (2011: EUR 4,512 thousand). During 2012, the Company has made disbursements by EUR 543 thousand (2011: EUR 558 thousand).

This balance also includes provisions to cover the risk of various lawsuits held by the Group with third parties.

### **Customer refunds**

The customers of books and publications are entitled to the refund of those products which are finally not sold, and the Group may in turn exercise this entitlement to a refund vis-à-vis its suppliers. At each year-end, the Group recognises a provision based on past experience of the refunds on sales with a view to correcting the margins obtained in the course of the book and publications sales activity.

## **21. Tax matters**

### **Consolidated Tax Group**

Some of the Group companies file consolidated tax returns with Imperial Tobacco Spain (see Note 4.16). The companies included with Imperial Tobacco Spain in the Group's consolidated tax return, for Spanish corporation tax purposes, are as follows: Compañía de Distribución Integral Logista, S.A.U., Distribérica, S.A.U., Publicaciones y Libros, S.A., Distribuidora de las Rías, S.A., Logista-Dis, S.A.U., La Mancha 2000, S.A.U., Dronas, 2002, S.L.U., T-2 Gran Canaria, S.A.U., T-2 Opellog, S.A.U., Cyberpoint, S.L.U., Distribuidora del Noroeste, S.L., Logilenia Distribuidora Farmacéutica, S.L.U., Compañía de Distribución Integral de Publicaciones Logista, S.L.U., Distribuidora del Este, S.A.U., S.A. Distribuidora de Ediciones, Logesta Gestión de Transporte, S.A.U., Logesta Noroeste, S.A.U. and Distribución de Publicaciones Siglo XXI Guadalajara, S.L., as well as other Altadis Group companies.

The subsidiary Logista Italia, S.p.A. files consolidated income tax returns as part of the consolidated tax group of which it is the Parent, along with Terzia, S.p.A. and Logesta Italia, s.r.l.

The Logista Group's other subsidiaries file individual tax returns in accordance with the tax legislation in force in each country.

Regarding the Logista France Group companies, during the referred period all of them filed consolidated tax returns with Imperial Tobacco Group French Branch, head of Imperial Tobacco Group plc.'s consolidated tax group of in France.

### **Years open for review by the tax authorities**

At 30 September 2012, Logista Group's Parent Company had the last five years open for review for income tax, since 2011 for customs duties, since 2009 for excise duties, and the remaining four years for the other taxes applicable to it.

In general, the other consolidated companies have the last years open for review by the tax authorities for the main taxes applicable to them in accordance with the specific legislation of each country.

The Logista Group and Logista France Group's Directors consider that the tax returns for the aforementioned taxes have been filed correctly and, therefore, even in the event of discrepancies in the

interpretation of current tax legislation in relation to the tax treatment afforded to certain transactions, such liabilities as might arise would not have a material effect on the accompanying consolidated financial statements.

#### Tax receivables and payables

The detail of the tax receivables at 30 September 2012 and 2011 is as follows:

	Thousands of Euros	
	2012	2011
<b>Deferred tax assets:</b>		
Provision for restructuring costs	4,343	7,494
Tax loss and tax credit carryforwards	31,989	28,735
Provision for third-party liability	3,400	5,226
Other deferred tax assets	17,119	20,793
	<b>56,851</b>	<b>62,248</b>
<b>Tax receivables (current):</b>		
VAT refundable	9,141	11,955
Income tax refundable	2,633	1,115
Other	238	625
	<b>12,012</b>	<b>13,695</b>

The deferred tax assets relate mainly to the period provisions for restructuring costs, termination benefits and provisions for obligations to employees which will become tax-deductible in coming years.

The detail of the tax payables at 30 September 2012 and 2011 is as follows:

	Thousands of Euros	
	2012	2011
<b>Deferred tax liabilities:</b>		
Assets contributed by Altadis	960	958
Revaluation of land owned by the Parent Company (Note 4.1)	8,550	8,550
Goodwill	92,314	89,453
Other	2,244	2,603
	<b>1063,108</b>	<b>1058,606</b>
<b>Tax payables (current):</b>		
Excise duty on tobacco products	3,467,190	3,687,276
VAT payable	811,488	879,211
Customs duty settlements	5,571	6,627
Income tax, net of prepayments	27,665	29,234
Personal income tax withholdings	2,567	1,989
Social security taxes payable	18,613	18,563
Withholding taxes on sales to tobaccoists France	28,955	30,429
Other	5,361	4,489
	<b>4,367,410</b>	<b>4,657,818</b>

Short-term balances include mainly the "Excise Duty on Tobacco Products" accrued by Logista Group and Logista France Group's Parents and by Logista Italia, S.p.A. and pending payment to the tax authorities.

Until 2011, each year Logista Group's Parent Company decreased its taxable profit by one twentieth of the implicit goodwill included in the acquisition price of its subsidiary in Italy. These reductions are considered to be temporary differences.

On 30 March 2012, Royal Decree-Law 12/2012 came into force, introducing various tax and administrative measures aimed at reducing the public deficit. These measures include limiting the tax deductibility of such goodwill to 1% per year.

#### Reconciliation of the accounting profit to the taxable profit

The reconciliation of the income tax expense resulting from the application of the standard tax rate in force in Spain to the income tax expense recognised for the periods ended 30 September 2012 and 2011:

	Thousands of Euros	
	2012	2011
Consolidated profit before tax	199,493	234,118
Income tax at the applicable tax rate	66,583	74,332
Tax credits applied by Logista France Group	(18,698)	(23,692)
French CVAE	3,715	3,525
Others	4,219	(2,674)
Tax credits arising from:		
Double taxation	(719)	(785)
Investments	(805)	(88)
Others	898	371
<b>Current income tax expense</b>	<b>55,193</b>	<b>50,989</b>

In 2012 and 2011 Logista France made use of certain tax credits as a result of being part of the Imperial Tobacco Group plc. tax group in France.

#### Changes in deferred tax assets and liabilities

The changes in deferred tax assets and liabilities in 2012 and 2011 were as follows:

##### 2012

	Thousands of Euros		
	Balance at 30/09/11	Change in Profit	Balance at 30/09/12
<b>Deferred tax assets:</b>			
Provision for restructuring costs	7,494	(3,151)	4,343
Other deferred tax assets	54,754	(2,246)	52,508
	<b>62,248</b>	<b>(5,397)</b>	<b>56,851</b>
<b>Deferred tax liabilities:</b>			
Goodwill			
Fixed assets	89,453	2,861	92,314
Other deferred tax liabilities	9,833	480	10,313
<b>Deferred tax liabilities</b>	<b>2,278</b>	<b>(317)</b>	<b>1,441</b>
	<b>101,564</b>	<b>3,024</b>	<b>104,068</b>

2011

	Thousands of Euros			
	Balance at 30/09/10	Variación en Resultados	Other movements	Balance at 30/09/11
<b>Deferred tax assets:</b>				
Provision for restructuring costs	6,543	951	-	7,494
Other deferred tax assets	49,417	6,480	(1,143)	54,754
	<b>55,960</b>	<b>7,268</b>	<b>(1,143)</b>	<b>62,248</b>
<b>Deferred tax liabilities:</b>				
Goodwill				
Fixed assets	76,099	13,354	-	89,453
Other deferred tax liabilities	10,227	(394)	-	9,833
<b>Deferred tax liabilities</b>	<b>2,527</b>	<b>(249)</b>	<b>-</b>	<b>2,278</b>
	<b>88,853</b>	<b>12,711</b>	<b>-</b>	<b>101,564</b>

#### Tax credit carryforwards

At 30 September 2012, Logista Group's Parent did not have any tax credit carryforwards.

#### 22. Other current financial liabilities

This heading includes mainly the balance of Logista Group's Parent current account with Imperial Tobacco Enterprise Finance Limited, amounting EUR 10,098 thousand at 30 September 2012 (2011: EUR 30,291 thousand) (see Note 29).

Additionally, this caption includes the loan granted by Logista Group's Parent to Compañía de Distribución Integral Logista, S.A.U. and GTECH Global Lottery, S.L.U., Unión Temporal de Empresas, which amounted to EUR 22,394 thousand as of 30 September 2012 (2011: EUR 15,928 thousand). This amount reflects the account payable by the Group to Global Lottery arisen as a consequence of the debt acquired with the other Shareholder of the mentioned joint venture.

#### 23. Trade and other payables

The detail of "Trade and Other Payables" in the accompanying combined balance sheet at 30 September 2012 and 2011 is as follows:

	Thousands of Euros	
	2012	2011
Accounts payable for purchases and services	917,313	778,105
Notes payable	17,257	15,720
Payable to related companies (Note 29)	208,446	150,249
Advances received on orders	240	233
	<b>1,143,256</b>	<b>944,307</b>

"Trade and Other Payables" includes mainly the amounts outstanding for trade purchases and related costs. The average payment period for trade purchases in both 2012 and 2011 for Logista Group and Logista France Group was approximately 33 days and 40 days, respectively.

#### **24. Other current liabilities**

At 30 September 2012 and 2011, "Other Current Liabilities" includes mainly the remuneration payable to the employees of the various Groups companies.

In 2012 the first phase of the incentive plan implemented by Logista Group's Directors (see Note 4.12) was completed after the Parent Company made a payment of EUR 1,679 thousand to its employees.

#### **25. Guarantee commitments to third parties**

At 30 September 2012, the Groups have provided with bank guarantees totalling EUR 295,075 thousand (30 September 2011: EUR 333,539 thousand) which, in general, secure the fulfilment of certain obligations assumed by the consolidated companies in the performance of their business activities.

These guarantees include those that cover the assessments issued by the public authorities as a result of the inspections performed by the Spanish customs authorities of the settlement of excise duties on tobacco products for 2004 to 2009 which have been appealed and amount to EUR 110,213 thousand in 2012 (2011: EUR 115,510). The Directors of Logista Group consider that the risk of contingencies arising as a result of these guarantees is sufficiently covered by the provisions recognised at 30 September 2012 and 30 September 2011 (see Note 20).

Practically all the remaining guarantees relate to normal commercial transactions; in this connection the Logista Group's Parent Directors consider that the liabilities not foreseen at 30 September 2012 and 2011 which might arise from the aforementioned guarantees provided would not, under any circumstances, be material.

At 30 September 2012 and 2011, the Groups have taken out insurance policies to cover possible contingencies for transport and storage in factories and representative offices, fire and third-party liability for all their work centres. The insured sum adequately covers the aforementioned assets and risks.

#### **26. Income and expenses**

##### **a) Revenue**

The detail of "Revenue" in the combined special purpose income statements for 2012 and 2011 is as follows:

	Thousands of Euros	
	2012	2011
Distribution and logistics	9,851,991	9,970,790
Publications and books	64,278	77,820
Transport	218,075	224,561
Equipment	17,697	20,794
Eliminations	(22,714)	(22,527)
<b>Total</b>	<b>10,129,327</b>	<b>10,271,438</b>

**b) Staff costs**

The detail of the Group's "Staff Costs" of the accompanying combined income statements in 2012 and 2011 is as follows:

	Thousands of Euros	
	2012	2011
Wages, salaries and similar expenses	192,931	198,028
Employer social security costs	60,358	62,543
Other employee benefit costs (Note 4.12)	16,219	14,120
Other social costs	6,726	5,391
	<b>276,234</b>	<b>280,082</b>

The caption "Staff costs" of the accompanying combined special purpose income statements for 2012 and 2011 includes the estimated incentive for each block of the Incentive Plan implemented by the Logista Group's Directors for a total amount of EUR 1,966 thousand and EUR 1,444 thousand, respectively.

The average number of employees at the Group, by professional category, in 2012 and 2011 was as follows:

**2012**

	Number of persons			
	Permanent		Temporary	
	Men	Women	Men	Women
Management	55	7	-	-
Line personnel and clerical staff	2,013	1,494	123	164
Warehousemen	1,405	605	260	57
<b>Total</b>	<b>3,473</b>	<b>2,106</b>	<b>383</b>	<b>221</b>
<b>TOTAL</b>	<b>5,579</b>		<b>604</b>	

**2011**

	Number of persons			
	Permanent		Temporary	
	Men	Women	Men	Women
Management	60	7	-	-
Line personnel and clerical staff	2,109	1,489	172	149
Warehousemen	1,473	686	333	82
<b>Total</b>	<b>3,642</b>	<b>2,182</b>	<b>505</b>	<b>231</b>
<b>TOTAL</b>	<b>5,824</b>		<b>736</b>	

**Remuneration of senior executives**

Senior management functions are discharged by the members of the Management Committee.

The remuneration earned in 2012 by the members of the Parent Company's Management Committee amounted to EUR 3,581 thousand (2011: EUR 2,132 thousand), and included the remuneration received by certain executives who are also members of the Parent Company's Board of Directors.

These amounts include the sums paid to members of the Management Committee in 2012 and 2011 relating to the incentive plan detailed in Note 4.12.

The contributions payable by the company in 2012 to pension plans for the members of the Logista Group's Parent Company's Management Committee amounted to EUR 41 thousand and EUR 30 thousand at 30 September 2012 and 2011.

**c) Other operating expenses**

The detail of "Other Operating Expenses" in the combined income statements for 2012 and 2011 is as follows:

Cost of logistics networks

	Thousands of Euros	
	2012	2011
Leases	35,998	39,485
Security and cleaning	16,029	16,338
Utilities	19,951	19,751
Other operating expenses	87,083	94,604
<b>Total</b>	<b>159,061</b>	<b>170,178</b>

Commercial expenses

	Miles de Euros	
	2012	2011
Leases	2,538	2,445
Security and cleaning	156	156
Utilities	267	377
Other operating expenses	25,074	26,053
<b>Total</b>	<b>28,035</b>	<b>29,031</b>

Head office costs

	Miles de Euros	
	2012	2011
Leases	3,922	4,265
Security and cleaning	696	485
Utilities	576	519
Other operating expenses	29,972	32,677
<b>Total</b>	<b>35,166</b>	<b>37,946</b>

**d) Operating leases**

The Company has the following future rental payment commitments, classified by year of maturity, without considering future contingent rent revisions (in thousands of Euros):

	Thousands of Euros	
	2012	2011
Within one year	19,102	25,864
Between one and five years	50,434	57,351
More than five years	11,292	11,374
<b>Total</b>	<b>80,828</b>	<b>94,589</b>

**e) Finance income**

The detail of "Finance Income" in the accompanying combined income statements for 2012 and 2011 is as follows:

	Thousands of Euros	
	2012	2011
Interest income	27,537	44,210
Other finance income	3,426	2,177
<b>Total</b>	<b>30,963</b>	<b>46,387</b>

**f) Finance expenses**

The detail of "Financial expenses" in the accompanying combined income statements for 2012 and 2011 is as follows:

	Thousands of Euros	
	2012	2011
Accrual for late payment interests and financial update of provisions (Note 20)	4,812	5,195
Negative exchange differences	26	-
Other financial costs	7,049	5,774
<b>Total</b>	<b>11,887</b>	<b>10,969</b>

**27. Segment reporting**

**Basis of segmentation**

Segment reporting is structured by geographical segment. The Group's business activities are located mainly in Iberia (Spain and Portugal), France and Italy. "Corporate and Others" includes Poland.

**Basis and methodology for segment reporting**

The segment reporting below is based on monthly reports prepared by Logista Group management which are generated through a computer application which categorises the transactions by geographical area.

The segment's ordinary revenue relates to the ordinary income directly allocable to the segment plus the relevant proportion of the Group general revenue that can be allocated thereto using reasonable allocation

bases. Each segment's ordinary revenue does not include interest or dividend income or gains arising from sale of investments.

The expenses of each segment are determined as the directly allocable expenses arising from its operating activities plus the relevant proportion of the expenses which may be allocated to the segment using reasonable allocation bases. The expenses allocated do not include interest or losses arising from the disposal of investments; similarly, they do not include the income tax expense or the head office's general administrative expenses that are not related to the segments' operating activities and, therefore, that cannot be allocated using reasonable allocation bases.

The segment profit or loss includes interest income, dividends and gains or losses on sale of investments, and it is presented before any adjustment for minority interests.

The assets and liabilities of the segments are those that are directly related to their operations plus those that can be directly attributed to them on the basis of the aforementioned allocation system, and include the proportional part of joint ventures. Segment liabilities do not include income tax liabilities.

**Primary segment reporting**

	Thousands of Euros									
	Iberia		Italy		France		Corporate and others		Total Group	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
<b>Revenue:</b>										
External sales	2,666,521	2,723,915	2,901,391	2,994,928	4,595,978	4,579,097	10,704	12,956	10,174,594	10,310,897
Inter-segment sales									(45,267)	(39,459)
<b>Total revenue</b>	<b>2,666,521</b>	<b>2,723,915</b>	<b>2,901,391</b>	<b>2,994,928</b>	<b>4,595,978</b>	<b>4,579,097</b>	<b>10,704</b>	<b>12,956</b>	<b>10,129,327</b>	<b>10,271,438</b>
<b>Procurements:</b>										
External procurements	(2,138,678)	(2,183,399)	(2,693,301)	(2,785,656)	(4,293,955)	(4,263,057)	-	(1,000)	(9,125,934)	(9,233,111)
Inter-segment procurements									36,980	32,809
<b>Total revenue</b>	<b>(2,138,678)</b>	<b>(2,183,399)</b>	<b>(2,693,301)</b>	<b>(2,785,656)</b>	<b>(4,293,955)</b>	<b>(4,263,057)</b>	<b>-</b>	<b>(1,000)</b>	<b>(9,088,954)</b>	<b>(9,200,302)</b>
<b>Profit or loss:</b>										
Segment result	62,547	74,126	52,907	49,919	76,182	86,839	(10,787)	(11,333)	180,849	199,551
Share of results of associates									(432)	(850)
<b>Profit (Loss) from operations</b>	<b>62,547</b>	<b>74,126</b>	<b>52,907</b>	<b>49,919</b>	<b>76,182</b>	<b>86,839</b>	<b>(10,787)</b>	<b>(11,333)</b>	<b>180,417</b>	<b>198,701</b>

Inter-segment sales are made at prevailing market prices.

The detail of the other disclosures related to the Group's business segments is as follows:

	Thousands of Euros									
	Iberia		Italy		France		Corporate and others		Total Group	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
<b>Other disclosures:</b>										
Additions to non-current assets	19,429	27,908	4,230	1,431	4,385	3,815	142	78	28,186	33,232
Depreciation and amortisation charge	(29,155)	(28,865)	(4,662)	(4,931)	(8,624)	(9,776)	(189)	(173)	(42,630)	(43,745)
<b>Balance sheet:</b>										
<b>Assets-</b>										
Property, plant and equipment, Investment properties and										
Non-current assets held for sale	190,346	199,869	25,406	25,876	39,188	30,617	410	381	255,349	256,743
Other non-current assets	95,142	102,919	684,085	688,732	13,679	30,069	277	302	793,182	822,022
Inventories	369,684	487,093	308,364	279,900	513,664	522,135	-	-	1,191,712	1,289,128
Trade receivables	519,532	475,097	320,676	379,507	811,328	795,638	559	129	1,652,095	1,650,371
Other current assets									2,618,466	2,621,381
<b>Total combined assets</b>									<b>6,510,804</b>	<b>6,639,645</b>
<b>Liabilities-</b>										
Non-current liabilities	203,316	196,367	52,300	52,660	8,788	7,278	-	-	264,403	256,305
Current liabilities	1,371,665	1,427,143	1,613,035	1,704,802	2,634,749	2,635,789	5,100	3,868	5,624,549	5,771,603
Equity									621,852	611,737
<b>Total combined liabilities</b>									<b>6,510,804</b>	<b>6,639,645</b>

## 28. Foreign currency transactions

The Logista Group's foreign currency transactions in 2012 and 2011, measured in euros at the average exchange rate for the year, were as follows:

	Thousands of Euros	
	2012	2011
Sales	12,300	10,058
Purchases	5,763	4,972
Services received	4,922	4,332

## 29. Balances and transactions with related parties

The balances at 30 September 2012 and 2011 with associates and other related companies were as follows:

### 2012

	Thousands of Euros			
	Debitor balances		Creditor balances	
	Credit Facilities Note 9.2	Accounts Receivable Note 11	Loans Note 22	Accounts Payable Note 23
Altadis, S.A.U.	1,096,084	2,935	-	42,623
Imperial Tobacco Enterprise Finance Limited	-	-	10,098	-
Imperial Tobacco Overseas Holding	-	1,204	-	34,792
Seita, S.A.S.	-	1,721	-	114,201
ITL French Branch	1,299,791	-	-	-
John Player, S.A.	-	3,563	-	11,778
Otros	-	3,212	-	5,052
	<b>2,395,875</b>	<b>12,635</b>	<b>10,098</b>	<b>208,446</b>

### 2011

	Thousands of Euros			
	Debitor balances		Creditor balances	
	Credit Facilities Note 9.2	Accounts Receivable Note 11	Loans Note 22	Accounts Payable Note 23
Altadis, S.A.U.	1,076,568	3,526	-	38,075
Imperial Tobacco Enterprise Finance Limited	-	-	30,291	-
Imperial Tobacco Overseas Holding	-	618	-	23,538
Seita, S.A.S.	-	1,924	-	76,785
ITL French Branch	-	-	-	-
Altadis Financial Services	1,333,295	-	-	4,258
John Player, S.A.	-	3,607	-	7,054
Otros	62	2,714	-	539
	<b>2,409,925</b>	<b>12,389</b>	<b>30,291</b>	<b>150,249</b>

Logista Group's Parent holds a current account with Imperial Tobacco Enterprise Finance Limited, on which interest is paid by the latter at the European Central Bank interest rate, plus a 0.75% spread, both for debtor and creditor balances, pursuant to the agreement entered into by the two parties, which is automatically renewable every 30 September. The interest is payable on a quarterly basis. At 30 September 2012, the account payable on this current account is approximately EUR 10,098 thousand (2011: EUR 30,291 thousand), which are recognised under "Payables to Group Companies and

Associates" in the accompanying combined balance sheet.

In addition, Logista Group's Parent holds since 1 October 2009 an agreement of treasury cessions with Altadis, S.A.U., which bears interest tied to the European Central Bank official rate plus a spread of 0.75% and which is renewed on an annual basis. At 30 September 2012, the balance amounts to EUR 1,096,084 thousand, including interests (2011: EUR 1,076,568 thousand).

Also, Logista France, S.A.S. holds since 1 October 2011 an agreement of treasury cessions with ITL French Branch, which bears interests tied to EONIA rate plus a spread of 0.125% and which is renewed on an annual basis. At 30 September 2012, the balance amounts to EUR 1,299,791 thousand, including interests (2011: EUR 1,333,295 thousand).

The transactions with related companies in 2012 and 2011 were as follows:

## 2012

	Thousands of Euros			
	Operating Income	Finance Income	Purchases	Other Operating Expenses
Altadis, S.A.U.	8,113	19,516	468,588	416
Altadis Polska, S.A.	556	-	-	-
Altadis USA	-	-	279	-
Imperial Tobacco Italy, s.r.l.	580	-	77,678	-
Imperial Tobacco Polska, S.A.	3,404	-	-	2
Imperial Tobacco Enterprise Finance Limited	-	1,566	-	-
Imperial Tobacco International Limited	1,947	-	18,655	-
Imperial Tobacco Portugal SPPLC	791	-	-	-
SEITA, S.A.	8,550	122	523,145	-
John Player, S.A.	2,208	-	34,539	-
Altadis Morocco	242	-	-	-
ITL French Branch	-	5,560	-	1,888
Macotab, S.A.S.	3	-	-	367
Promocigar	4	-	-	-
<b>Total</b>	<b>26,398</b>	<b>26,764</b>	<b>1,122,884</b>	<b>2,673</b>

2011

	Thousands of Euros			
	Operating Income	Finance Income	Purchases	Other Operating Expenses
Altadis, S.A.U.	7,650	20,761	449,639	366
Altadis Polska, S.A.	218	-	-	-
Altadis USA	-	-	305	-
Imperial Tobacco Italy, s.r.l.	1,179	-	68,334	-
Imperial Tobacco Polska, S.A.	3,751	-	-	31
Imperial Tobacco Enterprise Finance Limited	-	3,765	-	-
Imperial Tobacco International Limited	1,553	-	22,859	354
Imperial Tobacco Portugal SPPLC	611	-	-	-
SEITA, S.A.	8,536	-	515,107	277
John Player, S.A.	1,977	-	35,340	-
Corporación Habanos, S.A.	5	-	-	-
Altadis Morocco	287	-	-	-
ITL French Branch	-	-	-	1,388
Macotab, S.A.S.	7	-	-	352
Promocigar	2	-	-	-
Altadis Financial Services	-	18,979	-	-
<b>Total</b>	<b>25,776</b>	<b>43,505</b>	<b>1,091,584</b>	<b>2,768</b>

### 30. Remuneration of Directors

#### Remuneration of Logista Group's Parent's Directors

The remuneration received in 2012 by the Logista Group's Parent's Directors as members of the Board or of certain of its standing committees totalled EUR 211 thousand (2011: EUR 362 thousand).

In 2012 and 2011 the Logista Group's Parent did not carry out with its Directors any transactions not relating to its ordinary business operations or transactions not carried out on an arm's length basis.

No obligations to the members of the Board of Directors have been acquired relating to life insurance, pension plans or similar items for the discharge of their duties.

### 31. Discontinued operations

In 2008 Logista Promotion et Transport, S.A.S. transferred its promotional and marketing material logistics business to Publidispatch, S.A.S., a company incorporated in 2008, and retained certain assets for their subsequent sale or disposal. Since the Group decided to dispose of the latter, these items have been recognised under "Non-Current Assets Held for Sale" since 2008.

Logista Group recognised in loss from discontinued operations the provision recorded in current year to cover the impairment of the net assets of this subsidiary, for a total amount of EUR 600 thousand in both fiscal years.

The detail of the assets owned by this company is as follows:

	Thousands of Euros	
	2012	2011
<b>Buildings:</b>		
Auby	2,117	2,117
Investment in Publidispatch, S.A.S.	392	392
Other	(2,309)	(1,709)
<b>Total</b>	<b>200</b>	<b>800</b>

In 2012 Logista France Group decided the disposal of its shares in its subsidiary RP Diffusion, S.A.S. However, at the year-end date the transaction had not been completed, and therefore this entity has been recorded under the caption Non-Current Assets Held for Sale in the accompanying combined special purpose balance sheet. The impact of this transaction is recorded in the caption Loss for the period from discontinued operations net of tax in the accompanying combined special purpose income statement for the year 2012.

### **32. Explanation added for translation to English**

These combined special purpose financial statements are presented on the basis of IFRSs as adopted by the European Union. Certain accounting practices applied by the Group that conform with IFRSs may not conform with other generally accepted accounting principles.

## Appendix I: Logista Group Subsidiaries and joint-control entities

2012

Company	Audit Firm	Location	% of ownership By the Parent entity		Net Book Value	Thousands of Euros				Profit/ (Loss) For the year
						Data of the companies				
			Assets	Liabilities		Equity				
Compañía de Distribución Integral de Publicaciones Logista, S.L.U.	Deloitte	C/ Electricistas, 3. Pol. Ind. Pinares Llanos. Villaviciosa de Odón (Madrid)	100	-	94	53,673	51,568	2,105	(6,756)	
Logista Portugal, Distribuição de Publicações, S.A. y soc. dependientes (a):	Deloitte	Expansao del area ind. Do Pasill, Lote 1-A, Palhava. Alcochete (Portugal)	-	100	-	33,227	37,232	(4,005)	(4,113)	
Jornal Matinal, LDA. (a)	Deloitte	Expansao del area ind. Do Pasill, Lote 1-A, Palhava. Alcochete (Portugal)	80	167	167	595	375	220	51	
Marco Postal Entrega Personalizada de Publicacoes, LDA. (a)	Deloitte	Expansao del area ind. Do Pasill, Lote 1-A, Palhava. Alcochete (Portugal)	100	458	458	1,010	558	452	(25)	
Distribérica, S.A.U. (a)	No auditada	C/ Electricidad, 3. Pol. Ind. Pinares Llanos. Villaviciosa de Odón (Madrid)	100	2,632	2,632	2,723	5	2,718	2,025	
Publicaciones y Libros, S.A. (a)	Deloitte	C/ Electricidad, 3. Pol. Ind. Pinares Llanos. Villaviciosa de Odón (Madrid)	100	530	530	4,128	3,561	567	(984)	
Distribuidora del Noroeste, S.L. (a)	BDO	Gandarón, 34 Interior- Vigo	49	51	139	2,916	2,014	902	54	
Distribución de Publicaciones Siglo XXI Guadalajara, S.L. (a)	No auditada	C/ Francisco Medina y Mendoza 2. Cabanillas del Campo (Guadalajara)	-	80	64	866	745	121	3	
Distribuidora de Publicaciones del Sur, S.L. (a)	BDO	Poligono Ind. ZAL, Ctra. De las Exclusas/n, Parcela 2, Módulo 4 (Sevilla)	-	50	5	2,892	2,917	(25)	(387)	
Promotora Vascongada de Distribuciones, S.A. (a)	No auditada	C/Guipúzcoa 5. Poligono Industrial Lezama Leguizamón, Echevarri (Vizcaya)	-	100	4	1,466	1,629	(163)	(321)	
Distribuidora de las Rías, S.A. (a)	No auditada	Poligono PO.CO.MA.CO, Parcela D-28. La Coruña	-	100	231	1,194	929	265	55	
Distribuidora Valenciana de Ediciones, S.A. (a)	Deloitte	Poligono Industrial Vara de Quart. c/ Pedrapiquera, 5. Valencia	-	50	-	3,691	2,839	852	(825)	
Cyberpoint, S.L.U. (f)	No auditada	C/ Electricistas, 3. Pol. Ind. Pinares Llanos. Villaviciosa de Odón (Madrid)	-	100	76	85	9	76	11	
Distribuidora del Este, S.A.U. (a)	BDO	Calle Saturno, 11. Alicante	-	100	369	882	513	369	(543)	
S.A.U. Distribuidora de Ediciones (a)	Deloitte	C/ B, Sector B Poligono Zona Franca. Barcelona	-	100	3,513	7,964	7,016	948	676	
La Mancha 2000, S.A.U. (a)	No auditada	Avda. Castilla La Mancha sn. Cabanillas del Campo. Guadalajara	100	-	1,352	2,836	506	2,330	157	

Company	Audit Firm	Location	% of ownership By the Parent entity		Net Book Value	Thousands of Euros			
						Data of the companies			
			Direct	Indirect		Assets	Liabilities	Equity	Profit/ (Loss) For the year
Midsid - Sociedade Portuguesa de Distribuicao, S.A. (a)	Deloitte	Expansao del area ind. Do Pasill, Lote 1-A, Palhava. Alcochete (Portugal)	100	-	3,280	33,851	31,393	2,458	(1,494)
Logista-Dis, S.A.U. (b)	Deloitte	C/ Trigo, 39. Poligono Industrial Polvoranca. Leganés	100	-	1,202	17,070	13,201	3,869	2,235
Logista Libros, S.L. (h)	Deloitte	Avda Castilla La Mancha, 2, Nave 3-4 Poligono Ind La Quinta (Sector P-41) Cabanillas del Campo, Guadalajara	50	-	548	51,187	48,077	3,110	902
Librodis Promotora y Comercializadora del Libro, S.A.U. (a)	No auditada	Avda Castilla La Mancha, 2, Nave 3-4 Poligono Ind La Quinta (Sector P-41) Cabanillas del Campo, Guadalajara	-	50	99	58	366	(308)	(241)
Avanza Libros, S.L.U. (h)	No auditada	Avda Castilla La Mancha, 2, Nave 3-4 Poligono Ind La Quinta (Sector P-41) Cabanillas del Campo, Guadalajara	-	50	100	1,580	1,597	(17)	(341)
Logesta Gestión de Transporte, S.A.U. (d)	Deloitte	C/ Trigo, 39. Poligono Industrial Polvoranca. Leganés	100	-	4,510	34,152	27,271	6,881	2,252
Logesta Italia, s.r.l.	Deloitte	Via in Arcione 98. Roma	-	100	100	8,196	6,570	1,626	830
Transportes Basegar, S.A.	Deloitte	C/ Chavarrí, S/N, Edificio Reimasa. Sestao (Vizcaya)	-	60	186	3,237	2,618	619	158
Logesta Noroeste, S.A.U.	Deloitte	C/ Trigo, 39. Poligono Industrial Polvoranca. Leganés	-	100	615	1,270	519	751	(289)
Logesta Lusa Lda	No auditada	Expansao del area ind. Do Pasill, Lote 1-A, Palhava. Alcochete (Portugal)	-	100	(7)	51	66	(15)	(51)
Logesta Polska Sp. z o.o.	No auditada	Flory nr 9, lok 6. kod-00-586 Warszawa-(Polonia)	49	51	-	1,266	1,244	22	433
Logesta Deutschland GmbH	No auditada	Plotystr 4. 80538- München-(Alemania)	-	100	100	242	238	4	(26)
Logesta France, s.a.r.l.	No auditada	25 Av. Du Bois de la Pie. Z.I. Paris Nord. 93290 Tremblay (Francia)	-	100	100	2,432	1,789	643	191
Dronas 2002, S.L.U. (c)	Deloitte	Pol. Industrial Nordeste, c/ Energía 25-29, Sant Andreu de la Barca	100	-	21,292	117,336	79,659	38,677	2,948
T2 Gran Canaria, S.A.U.	Deloitte	Urbanización El Cebadal. C/ Entrerrios, 3. Las Palmas de Gran Canaria	-	100	1,657	6,446	2,403	4,044	1,047
T2 Opellog, S.A.U.	Deloitte	Poligono Industrial Nordeste. C/ Industria, 53-65. San Andreu de la Barca	-	100	4,330	12,909	8,579	4,330	554
Logilenia Distribuidora Farmacéutica, S.L.U.	No auditada	C/ Trigo, 39. Poligono Industrial Polvoranca. Leganés	-	100	370	6,905	6,535	370	(41)

Company	Audit Firm	Location	% of ownership By the Parent entity		Net Book Value	Thousands of Euros			
						Assets	Liabilities	Equity	Profit/ (Loss) For the year
Logista Italia, S.p.A. (a)	Deloitte	Via in Arciones, 98. Roma (Italia)	100	-	605,629	1,710,684	1,627,463	83,221	48,519
Terzia, S.p.A. (a)	Deloitte	Via in Arciones, 98. Roma (Italia)	-	68	408	6,993	6,402	591	(531)
Logista Transportes, Transitarios e Pharma, Lda. (d)	Deloitte	Expansao del area ind. Do Pasill, Lote 1-A, Palhava. Alcochete (Portugal)	100	-	940	7,977	9,299	(1,322)	(1,378)
Compañia de Distribución Integral Logista Polska, Sp z o.o. (a)	No audited	Al. Jerozolimskie 133. Warszawa. Polonia	100	-	-	1,641	5,111	(3,470)	(783)
Dima Distribución Integral, S.L. (*)	Deloitte Patricio	Poligono Industrial Los Olivos. C/ Confianza, 1. Getafe. Madrid	-	20	-	-	4,052	(4,052)	(2,563)
International News Portugal, LDA. (**)	Moreira,	Alameda dos Oceanos, Lote 1º Lisboa	-	20	-	2,238	-	2,238	488
Logesta Maroc, S.A. (***)	No audited	87 Rue Ahmed El. Casablanca (Marruecos)	-	34	9	53	-	53	(50)

(a) All these companies engage in the distribution and dissemination of publications and in the distribution of tobacco and other consumer products in Spain, Italy, France and Portugal.

(b) These companies engage in the purchase and sale of consumer products.

(c) The Dronas Group engages in integrated shipping, express shipping and pharmaceutical logistics.

(d) These companies' object is the performance of transport activities.

(e) This company engages in the provision of an integrated logistics service in the organised catering network channel.

(f) This company is specialised in software development for the management of points of sale for publications.

(g) This group engages in the distribution of marketing, promotional and advertising material to retail networks and in the distribution of other consumer products.

(h) This company has been proportionately consolidated.

(i) This company is specialised in the development and sale of software and terminals for the points of sale.

(\*) Held indirectly through Companhia de Distribuição Integral de Publicações Logista, S.L.U.

(\*\*) Held indirectly through Logista Portugal. Distribuição de Publicações, S.A.

(\*\*\*) Held indirectly through Logesta Gestão de Transporte, S.A.U.

Company	Audit Firm	Location	% of ownership By the Parent entity		Net Book Value	Thousands of Euros			
						Data of the companies			
			Direct	Indirect		Assets	Liabilities	Equity	Profit/ (Loss) For the year
Compañía de Distribución Integral de Publicaciones Logista, S.L.U.	Deloitte	C/ Electricistas, 3. Pol. Ind. Pinares Llanos. Villaviciosa de Odón (Madrid)	75	-	-	56,824	54,075	2,767	(6,116)
Logista Portugal, Distribuição de Publicações, S.A. y soc. dependientes (a):	Deloitte	Expansao del area ind. Do Pasill, Lote 1-A, Palhava. Alcochete (Portugal)	-	57	-	39,992	42,784	(2,792)	(2,856)
Jornal Matinal, LDA. (a)	Deloitte	Expansao del area ind. Do Pasill, Lote 1-A, Palhava. Alcochete (Portugal)	-	76	106	671	502	169	34
Marco Postal Entrega Personalizada de Publicações, LDA. (a)	Deloitte	Expansao del area ind. Do Pasill, Lote 1-A, Palhava. Alcochete (Portugal)	-	75	493	1,348	871	477	(15)
Distribérica, S.A.U. (a)	No auditada	C/ Electricidad, 3. Pol. Ind. Pinares Llanos. Villaviciosa de Odón (Madrid)	-	75	4,099	1,696	3	1,693	67
Publicaciones y Libros, S.A. (a)	Deloitte	C/ Electricidad, 3. Pol. Ind. Pinares Llanos. Villaviciosa de Odón (Madrid)	-	75	-	3,975	422	3,553	(412)
Distribuidora del Noroeste, S.L. (a)	BDO	Gandarón, 34 Interior- Vigo	49	51	-	3,337	2,489	848	34
Distribución de Publicaciones Siglo XXI Guadalajara, S.L. (a)	No auditada	C/ Francisco Medina y Mendoza 2. Cabanillas del Campo (Guadalajara)	-	60	64	947	829	118	132
Distribuidora de Publicaciones del Sur, S.L. (a)	BDO	Polígono Ind. ZAL, Ctra. De las Exclusas/n, Parcela 2, Módulo 4 (Sevilla)	-	50	69	3,626	3,263	363	91
Promotora Vascongada de Distribuciones, S.A. (a)	No auditada	C/Guiúzcoa 5. Polígono Industrial Lezama Leguizamón, Echevarri (Vizcaya)	-	75	135	1,758	1,600	158	(131)
Asturesa de Publicaciones, S.A. (a)	No auditada	Pérez Galdós, 10. Oviedo	-	75	233	245	-	245	-
Distribuidora de las Rías, S.A. (a)	No auditada	Polígono PO.CO.MA.CO, Parcela D-28. La Coruña	-	75	170	1,549	1,339	210	47
Distribuidora Valenciana de Ediciones, S.A. (a)	Deloitte	Polígono Industrial Vara de Quart. c/ Pedrapiquera, 5. Valencia	-	50	-	5,049	3,373	1,676	(4)
Distriburgos, S.A. (a)	No auditada	C/ Canónigo Isidoro Díaz de Muragarrén, 2, 7ª A Burgos	-	50	-	(6)	936	(942)	-
Cyberpoint, S.L.U. (f)	No auditada	C/ Electricistas, 3. Pol. Ind. Pinares Llanos. Villaviciosa de Odón (Madrid)	-	75	70	40	(24)	64	(9)
Distribuidora del Este, S.A.U. (a)	BDO	Calle Saturno, 11. Alicante	-	75	-	1,486	1,524	(38)	(61)
S.A. Distribuidora de Ediciones (a)	Deloitte	C/ B, Sector B Polígono Zona Franca. Barcelona	-	75	3,513	9,607	9,336	271	(478)

Company	Audit Firm	Location	% of ownership By the Parent entity		Net Book Value	Thousands of Euros Data of the companies			
						Assets	Liabilities	Equity	Profit/ (Loss) For the year
			Direct	Indirect					
La Mancha 2000, S.A.U. (a)	No auditada	Avda. Castilla La Mancha sn. Cabanillas del Campo. Guadalajara	100	-	1,352	2,725	553	2,172	135
Mídsid - Sociedade Portuguesa de Distribuição, S.A. (a)	Deloitte	Expansao del area ind. Do Pasill, Lote 1-A, Palhava. Alcochete (Portugal)	100	-	3,610	38,507	34,555	3,952	1,212
Logista-Dis, S.A.U. (b)	Deloitte	C/ Trigo, 39. Poligono Industrial Polvoranca. Leganés	100	-	1,201	15,442	11,309	4,134	2,557
Logista Libros, S.L. (h)	Deloitte	Avda Castilla La Mancha, 2, Nave 3-4 Poligono Ind La Quinta (Sector P-41) Cabanillas del Campo, Guadalajara	50	-	542	52,365	50,156	2,209	251
Librodis Promotora y Comercializadora del Libro, S.A.U. (a) (h)	No auditada	Avda Castilla La Mancha, 2, Nave 3-4 Poligono Ind La Quinta (Sector P-41) Cabanillas del Campo, Guadalajara	-	50	197	123	191	(68)	65
Avanza Libros, S.L.U. (h)	No auditada	Avda Castilla La Mancha, 2, Nave 3-4 Poligono Ind La Quinta (Sector P-41) Cabanillas del Campo, Guadalajara	-	50	200	1,083	759	324	272
Logesta Gestión de Transporte, S.A.U. (d)	Deloitte	C/ Trigo, 39. Poligono Industrial Polvoranca. Leganés	100	-	4,510	35,897	30,268	5,629	1,042
Logesta Italia, s.r.l.	Deloitte	Via in Arcione 98. Roma	-	100	100	7,811	6,015	1,796	541
Transportes Basegar, S.A.	Deloitte	C/ Chavarri, S/N, Edificio Reimasa. Sestao (Vizcaya)	-	60	186	3,384	2,851	533	187
Basegar Logística, S.L.	No auditada	C/ Alameda Recalde, 34, 2º izda Bilbao	-	50	30	23	167	(144)	(48)
Logesta Noroeste, S.A.U.	Deloitte	C/ Trigo, 39. Poligono Industrial Polvoranca. Leganés	-	60	420	2,368	1,329	1,039	161
Logesta Lusa Lda	No auditada	Expansao del area ind. Do Pasill, Lote 1-A, Palhava. Alcochete (Portugal)	-	100	-	315	279	36	(5)
Logesta Polska Sp. z o.o.	No auditada	Flory nr 9, lok 6. kod-00-586 Warszawa--(Polonia)	-	100	-	1,233	1,630	(397)	142
Logesta Deutschland Gmbh	No auditada	Pilotystr 4. 80538- München-(Alemania)	-	100	100	124	93	31	(23)
Logesta France, s.a.r.l.	No auditada	25 Av. Du Bois de la Pie. Z.I. Paris Nord. 93290 Tremblay (Francia)	-	100	50	1,734	1,281	453	125
Dronas 2002, S.L. y sociedades dependientes (c)	Deloitte	Pol. Industrial Nordeste, c/ Energía 25-29. Sant Andreu de la Barca	100	-	21,292	123,274	86,545	36,729	5,335
T2 Gran Canaria, S.A.U.	Deloitte	Urbanización El Cebadal. C/ Entrerrios, 3. Las Palmas de Gran Canaria	-	100	1,657	4,794	997	3,797	1,030

Company	Audit Firm	Location	% of ownership By the Parent entity		Net Book Value	Thousands of Euros			
						Data of the companies			
			Direct	Indirect		Assets	Liabilities	Equity	Profit/ (Loss) For the year
T2 Opel, S.A.U.	Deloitte	Polígono Industrial Nordeste. C/ Industria, 53-65. San Andreu de la Barca	-	100	3,873	11,983	8,207	3,776	1,439
Logística Distribuidora Farmacéutica, S.L.U.	No auditada	C/ Trigo, 39. Polígono Industrial Polvoranca. Leganés	-	100	410	3,009	2,598	411	53
Logista Italia, S.p.A. (a)	Deloitte	Via in Arcione, 98. Roma (Italia)	100	-	605,629	1,795,134	1,723,840	71,294	37,311
Terzia, S.p.A. (a)	Deloitte	Via in Arcione, 98. Roma (Italia)	-	68	901	5,457	5,335	122	(1,202)
Logista Transportes e Transitarios, Lda. (d)	Deloitte	Expansao del area ind. Do Pasill, Lote 1-A, Palhava. Alcochete (Portugal)	100	-	-	8,590	9,356	(766)	(939)
Compañía de Distribución Integral Logista Polska, Sp z o.o. (a)	No auditada	Al. Jerozolimskie 133. Warszawa. Polonia	100	-	-	1,403	3,869	(2,466)	(1,853)
Dima Distribución Integral, S.L. (*)	Deloitte Patricio Moreira, No auditada	Polígono Industrial Los Olivos. C/ Confianza, 1. Getafe. Madrid	-	15	-	893	100	793	(1,958)
International News Portugal, LDA. (**)		Alameda dos Oceanos, Lote 1º Lisboa	-	15		1,836	-	1,836	652
Logista Maroc, S.A. (***)		87 Rue Ahmed El. Casablanca (Marruecos)	-	34	9	103	-	103	(5)

(a) All these companies engage in the distribution and dissemination of publications and in the distribution of tobacco and other consumer products in Spain, Italy, France and Portugal.

(b) These companies engage in the purchase and sale of consumer products.

(c) The Dronas Group engages in integrated shipping, express shipping and pharmaceutical logistics.

(d) These companies' object is the performance of transport activities.

(e) This company engages in the provision of an integrated logistics service in the organised catering network channel.

(f) This company is specialised in software development for the management of points of sale for publications.

(g) This group engages in the distribution of marketing, promotional and advertising material to retail networks and in the distribution of other consumer products.

(h) This company has been proportionately consolidated.

(i) This company is specialised in the development and sale of software and terminals for the points of sale.

(\*) Held indirectly through Companhia de Distribuição Integral de Publicações Logista, S.L.U.

(\*\*) Held indirectly through Logista Portugal, Distribuição de Publicações, S.A.

(\*\*\*) Held indirectly through Logista Gestão de Transporte, S.A.U.

## Appendix II: Logista France Group Subsidiaries

2012

Company	Audit Firm	Location	% of ownership By the Parent entity		Net Book Value	Thousands of Euros			
						Data of the companies			
			Direct	Indirect		Assets	Liabilities	Equity	Profit/ (Loss) For the year
Logista France, S.A.S. (a)	Deloitte	27 avenue des Murs du Parc, 94300 Vincennes	100	-	-	2,834,578	2,701,666	132,912	63,025
Société Allumetière Française, S.A.S. (b)	Deloitte	2 rue Louis de Broglie, Parc de l'Esplanade 77400 Saint-Thibault-des-Vignes	-	100	22,128	157,059	60,032	97,027	10,885
Supergroup, S.A.S. (b)	Deloitte	2 rue Louis de Broglie, Parc de l'Esplanade 77400 Saint-Thibault-des-Vignes	-	100	7,986	60,593	55,090	5,503	(174)
Strator, S.A.S. (c)	Deloitte	Parc d'activité de la Brèche, 9 rue Olof Palme, Bâtiment Euclide, 9400 Créteil	-	85	3,989	9,639	12,163	(2,524)	(2,260)

(a) This company engages in the distribution of tobacco and other consumer products in France.

(b) These companies engage in the purchase and sale of consumer products.

(c) This company is specialised in the development and sale of software and terminals for the points of sale.

2011

Company	Audit Firm	Location	% of ownership By the Parent entity		Net Book Value	Thousands of Euros			
						Data of the companies			
			Direct	Indirect		Assets	Liabilities	Equity	Profit/ (Loss) For the year
Logista France, S.A.S. (a)	Deloitte	27 avenue des Murs du Parc, 94300 Vincennes	100	-	-	2,774,931	2,633,853	141,078	77,618
Société Allumetière Française, S.A.S. (b)	Deloitte	2 rue Louis de Broglie, Parc de l'Esplanade 77400 Saint-Thibault-des-Vignes	-	100	22,128	144,636	58,188	86,448	15,062
Supergroup, S.A.S. (b)	Deloitte	2 rue Louis de Broglie, Parc de l'Esplanade 77400 Saint-Thibault-des-Vignes	-	100	2,886	56,535	50,699	5,836	1,138
R.P. Diffusion, S.A.S. (b)	Deloitte	2 rue Louis de Broglie, Parc de l'Esplanade 77400 Saint-Thibault-des-Vignes	-	100	8,791	24,248	12,145	12,103	(116)
Strator, S.A.S. (c)	Deloitte	Parc d'activité de la Brèche, 9 rue Olof Palme, Bâtiment Euclide, 9400 Créteil	-	85	3,989	11,250	11,389	(139)	(3,345)

(a) This company engages in the distribution of tobacco and other consumer products in France.

(b) These companies engage in the purchase and sale of consumer products.

(c) This company is specialised in the development and sale of software and terminals for the points of sale.

## Certificate on the issuance of the combined special purpose financial statements

Certificate issued to attest that the undersigned members of the Board of Directors of Compañía de Distribución Integral Logista, S.A. (Sole-Shareholder Company) are apprised of the contents of these combined special purpose financial statements which were issued at the Board of Directors' meeting on 27 May 2014 and are set forth on 63 sheets, on the obverse only, all of which are signed by the Chairman and Secretary of the Board of Directors, who in witness whereof, have signed below:

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Mr. Gregorio Marañón y Bertrán de Lis  
Chairman

---

Mr. Luis Egido Gálvez  
Chief Executive

---

Mr. Stéphane Lissner  
Director

---

Mr. Miguel Ángel Barroso Ayats  
Director

---

Mr. Eduardo Zaplana  
Director

---

Ms. Alison Cooper  
Director

---

Mr. Kenneth Hill  
Director

---

Mr. David Ian Resnekov  
Director

---

Mr. Conrad Richardson Tate  
Director

---

Mr. Rafael de Juan López  
Director and Secretary of the Board

Madrid, 27 May 2014