

Grupo Picking Pack

- The acquisition of Logic Control,
a leading Spanish provider of software
services to the SMEs -

Analysts Presentation

30 October 2000

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Table of contents

Logic Control (www.logiccontrol.es)

- Company description
- Business strategy
- Financial highlights

The Transaction

- Rationale
- Calendar / Next steps

The Combined Group

- Integration into Grupo Picking Pack
- Combined financials and EPS analysis
- Summary & Q&A

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Logic Control - Company description

A leading independent software developer for SMEs with an integrated model of management of ASP applications

Software development and distribution

Sale of hardware and maintenance solutions

Connectivity, hosting & network integration

■ SME and SO-HO focus:

- Product offer for SME/SO-HO needs: Financial, HR, Tax, Sales Management
- SME-SO-HO customer base of 22,000 clients
- Developer of ERP in ASP environment for high end SMEs

■ Solid business:

- Sales 99 of Euro 59m and EBIT of Euro 6m, with 690 employees
- Strong brand awareness: extremely well recognised in Spain
- Extensive network, with over 120 exclusive distributors in Spain



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Logic Control - Business strategy

to become an integrated software and ASP services solutions provider

- Leverage on existing software to exploit ASP (Application Service Provider) opportunity given by the Internet
- Consolidate new integrated software solutions for the SMEs and SOHOs
- Increase market penetration in high end SMEs through ERP (Enterprise Resource Planning) product (launch Q1 / Q2 2001)
- Consolidate strong distribution network
- Explore international expansion opportunities (i.e. South America)

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Logic Control - Financial highlights

Financial magnitudes 1998A - 2003E

(Euro million)	1998A	1999A	2000B	2001E	2002E	2003E
Sales	49.3	59.3	61.5	68.6	74.3	82.0
Gross margin	25.0	31.8	32.4	36.6	40.7	46.5
% Margin	50.6%	53.5%	52.7%	53.4%	54.8%	56.7%
EBITDA	3.5	7.5	5.3	8.3	10.8	14.4
% Margin	7.1%	12.7%	8.7%	12.2%	14.6%	17.5%
EBIT	2.2	6.0	3.8	6.2	8.0	10.9
% Margin	4.5%	10.1%	6.2%	9.1%	10.8%	13.3%
CAPEX	1.4	3.8	1.2	2.6	2.6	2.6
Free cashflow	3.8	4.4	3.0	4.6	6.4	8.6
Net Debt / Net cash	5	0.6	-2.4	-7.0	-13.5	-22.1
Net Assets	11.1	11.4	13.9	18.7	24.7	32.5
Total Assets	25.8	27.3	28.4	32.7	39.5	47.1
Leverage	45%	6%	NA	NA	NA	NA



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Logic Control - Financial highlights

Financial magnitudes: GPP consolidated estimations 2001-2003

(Euro million)		2001E	2002E	2003E
Sales	GPP	470	571.3	663.8
	Logic	68.6	74.3	82
	Total	538.6	645.6	745.8
EBITDA	GPP	47.4	80	103.7
	Logic	8.3	10.8	14.4
	Total	55.7	90.8	118.1
% Ebitda		10.3%	14.1%	15.8%
EBIT	GPP	16.5	43.1	63.2
	Logic	6.2	8	10.9
	Total	22.7	51.1	74.1
% Ebit		4.2%	7.9%	9.9%

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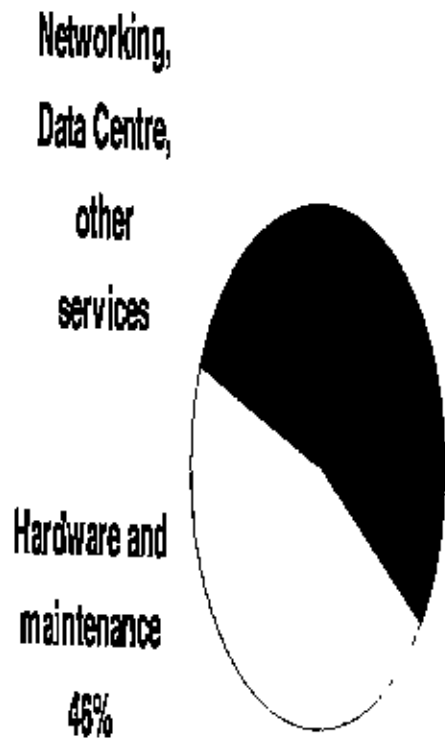


Logic Control - Financial highlights

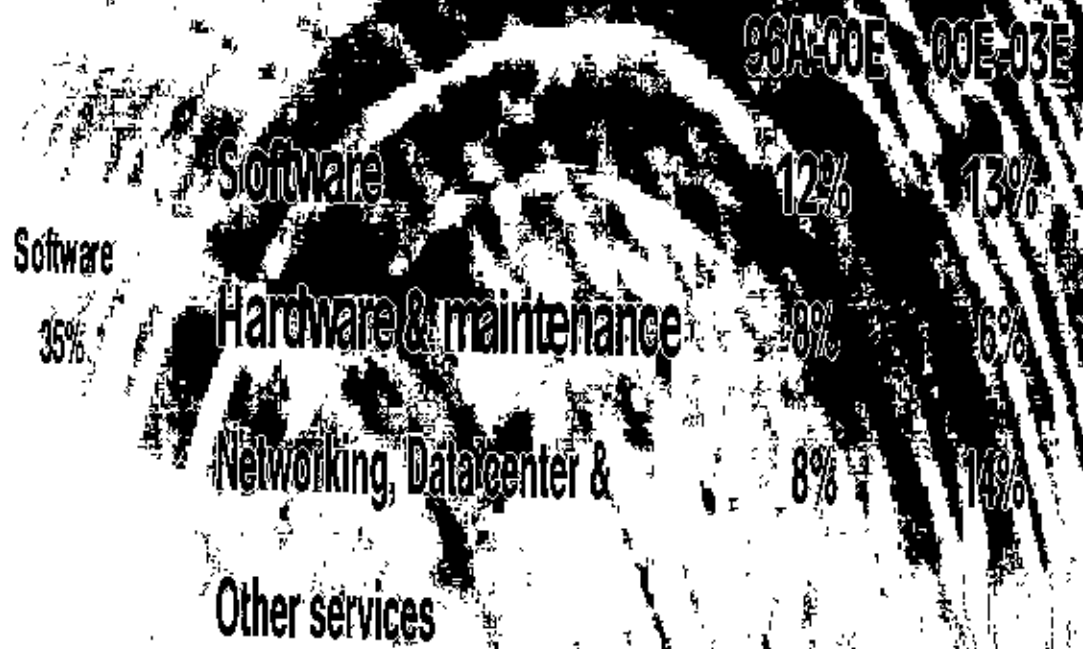
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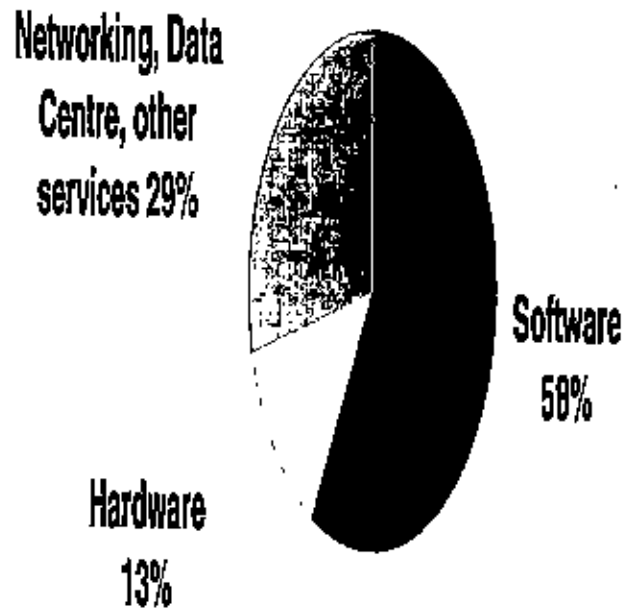
2000E Sales Breakdown



Sales G&CBE Evolution



2000E Gross Margin%



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The transaction - Rationale

Focusing on the provision of services for the SME sector

Industrial rationale

- ✓ Complete GPP services offer adding high technology/data traffic content for the SMEs ("One-stop shop" for the SMEs)
- ✓ Strengthen GPP message of helping SMEs in entering the New Technologies
- ✓ Leverage Ola network to deliver first class ASP service with Logic Control software content
- ✓ Cross fertilisation of customer base (120.000 GPP customers + 22.000 Logic customers)
- ✓ Exposure to double digit growth industry in GPP's domestic market

Financial rationale

- ✓ Stable free cash-flow generator and almost debt free
- ✓ Opportunity to leverage GPP's Balance Sheet, and therefore improve EPS, "as committed in last Roadshow"

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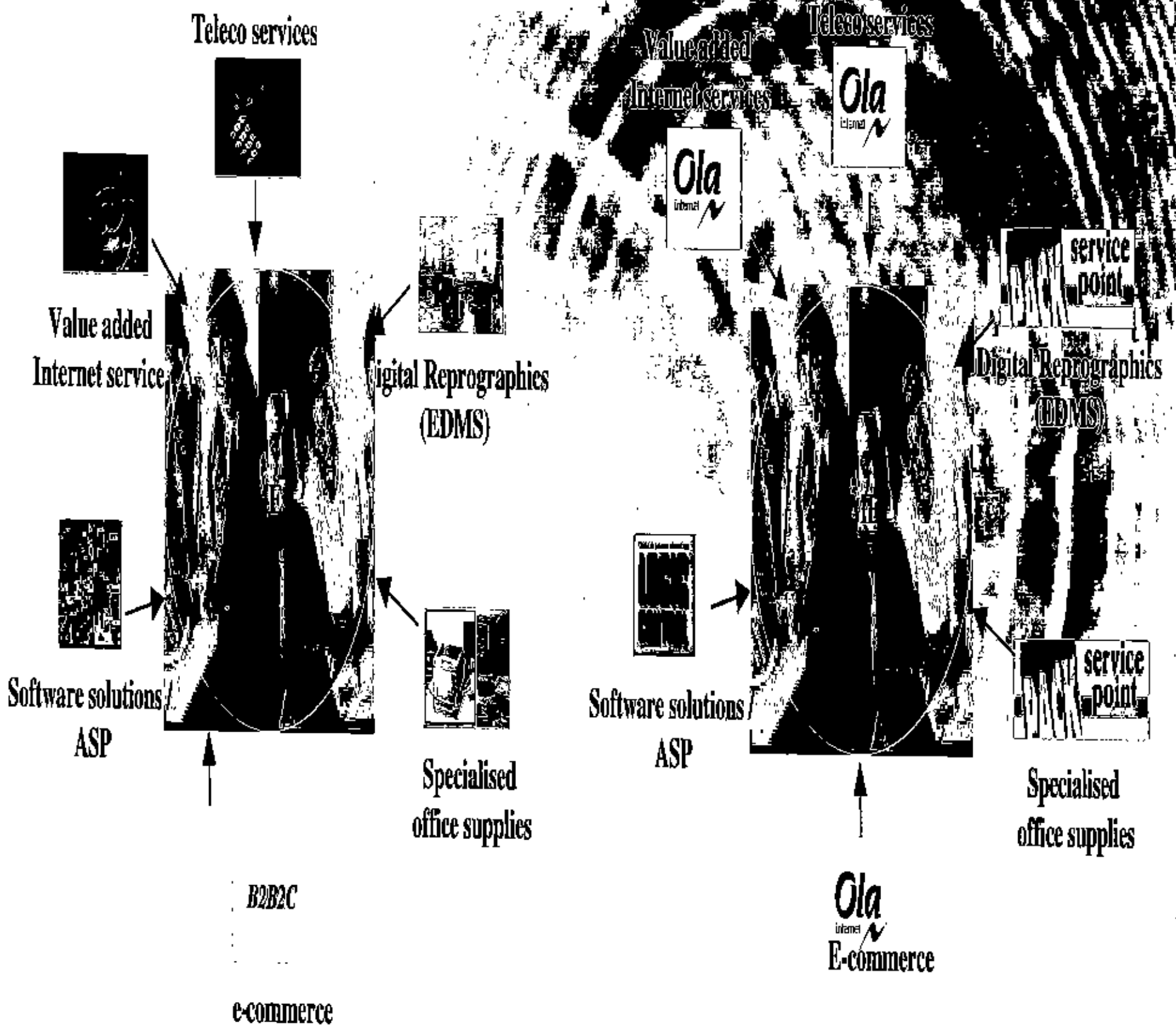
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The transaction - Rationale (continued)

The "One-stop-shop" for the SMT and SOHC markets
We manage voice, data and images



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The transaction - Integration into Grupo Picking Pack

What do GPP and Logic Control bring together?

- ✓ Telecom Internet Protocol (IP) Network to develop ASP
 - ✓ Wide Customer Base: 120,000 clients in Spain as of August 00
 - ✓ Financial Strength: Euro 445m net assets and no debt
 - ✓ Extensive Distribution Network: 150 Service Points
 - ✓ International Presence to support Logic Control future expansion
-
- ✓ Experience: 30 years providing SMEs technology solutions
 - ✓ Brand Awareness: Tier 1 Software Provider in Spain
 - ✓ Customer base: 22,000 active customers growing at 10% per year
 - ✓ Customer care: State of the art Call Centre and CRM integration
 - ✓ R&D Team (83 developers): To develop ASP
 - ✓ Technical sales force: 120 distributors with national coverage

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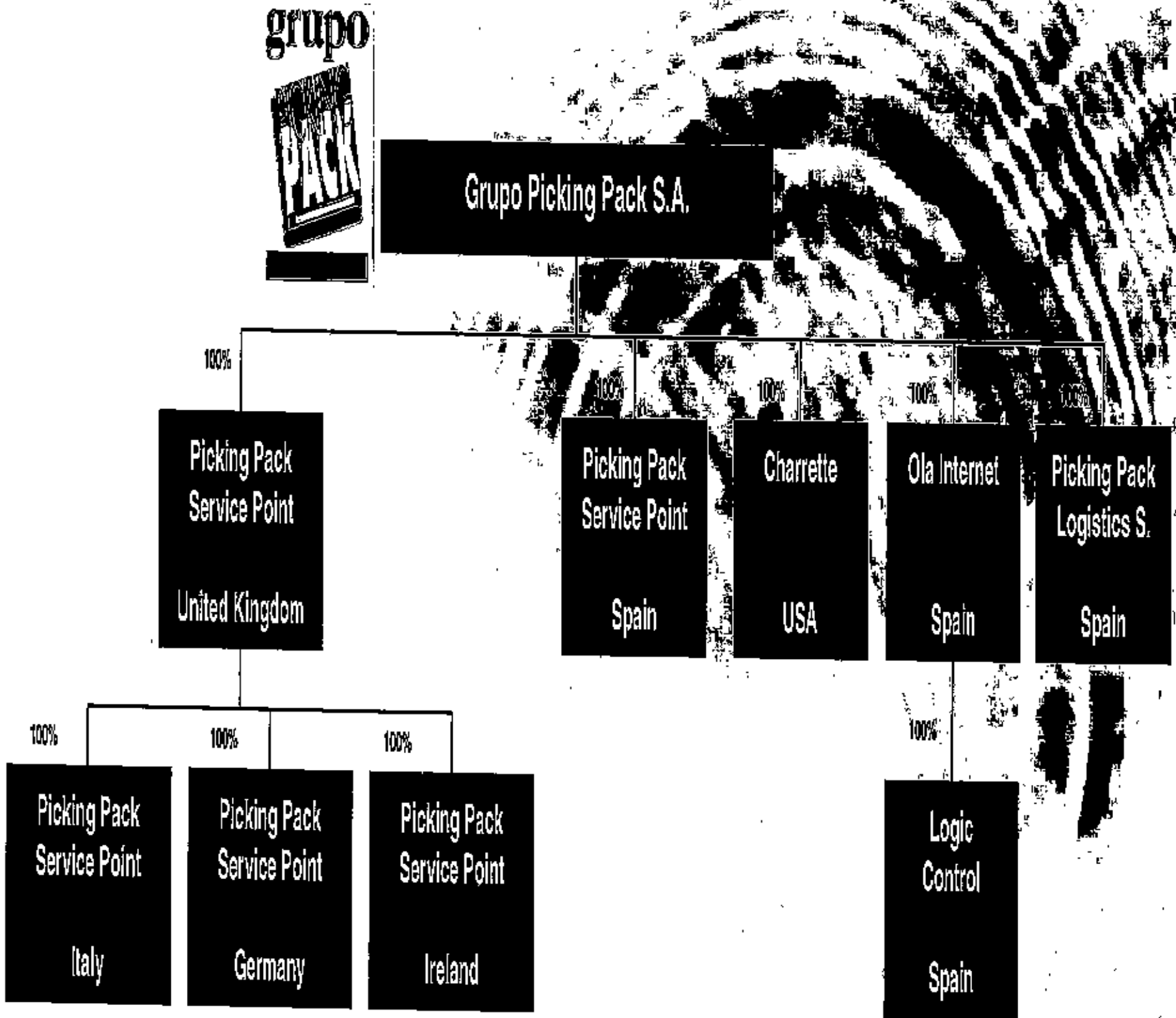
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The transaction - Integration into Grupo Picking Pack

Corporate structure



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The transaction - Price and multiples

- GPP pays Euro 75m both in cash and shares (existing) in 4 years, with a Net Present Value, of Euro 64 mln giving the following multiples:

Transaction multiples

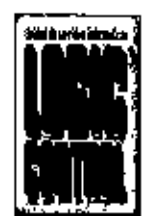
(Euro million)	Sales	EBITDA	EBIT
Financials 1999	59.3	75	6.0
Margin	-	12.9%	10.3%
Transaction multiple	1.10x	8.5x	10.7x

- Comparable companies, such as Computacenter, Getronics, Merkantidata, Morse, Sage, Systematics and WM Data, are trading at 18.1x EBITDA 2000E
- Other financial upsides (Fixed assets capital gain Euro 6 m, revaluation of GPP share price (Euro 3 m if GPP share doubles). This should be reduced for purchase price



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The transaction - Earnings enhancing for GPP

	2001	2002	2003
Net Income GPP ("Folleto")	16,7	43,6	43,9
Number of shares (Mln)	131	131	131
EPS (Eur Cents)	0,127	0,333	0,335
Net Income Logic fully taxed	4,8	6,0	7,8
Add Back Tax Logic if not paid	1,5	2,1	1,8
Finance cost for acquisition	-2,8	-3,7	-4,5
Aggregated Net Income	20,2	48,0	49,0
Number of shares (Min)	131	131	131
EPS (Eur Cents)	0,154	0,366	0,374
EPS Improvement	20,7%	10,0%	11,6%

In 2003 GPP starts to pay taxes

Net full tax shield in 2003

Full interest cost (with no taxshielding)

■ LC will represent aprox 16% of GPP EBIT in 2002



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Summary GPP e-volution

...To create the leading company in the management of voice, data and images for the SMEs.

Company	Acquired	History	Cashflow	Challenge
Buffett (PPSP Spain) 100%	1995			From office supplies to www.captainpack.es
UDO (PPSP UK) 100%	1997	70	££	From rep. graphics to EDMS www.servicepointuk.com
Charette 100%	1999	31	\$\$	From OS! Repro to www.charette.com EDMS
Ola 100%	2000	1	€€	From voice to Data www.olainetnet.es
Logic Control 100%	2000	29	\$\$\$	From trad. Software data to ASP data www.logiccontrol.es

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Frequent analysts Q & A

- Will GPP be able to manage data transmission? (from voice to data)
 - 4,000 data service customers coming from Logic Control
 - Gradual migration of 22,000 active and dormant Logic Control customers into Ola IP network through ASP
- Will GPP be able to grow without doing capital increases?
 - 75 m Euros investment and still a strong balance sheet to leverage (445 m Euros of net assets and 11.6% debt / equity after this transaction)
 - Logic Control acquisition is EPS enhancing from day 1
- Will GPP reduce its dollar and sterling exposure?
 - 54 % of sales in three years will be in the Euro area

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Frequent analysts Q & A (cont.)

- Will GPP be able to retain its key management?
 - UDO/ Charrette, only the CFO of Charrette has left
 - After 6 months of the Ola transaction (some of the Ola people) has left the company.
 - Addition of key management and executives coming from Logic Control with very strong customer centre mentality
- While growing, will GPP focus on its mission statement? (Is GPP a holding company?)
 - Logic Control acquisition is a clear statement that GPP focus is placed on deliver technology services to SMEs (*"we manage voice, data and images"*)
 - Ecuality, Logistics and Iberica.com will be sold 100%

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Summary

**- The acquisition of Logic-Control,
a leading Spanish provider of software services to the SMEs.**

GPP maintains its road show promises:

- To grow in the SMEs high tech offer sector**
- To start leveraging its strong Balance Sheet and enhance EPS**
- To grow data traffic in Ola Network through ASP**
- Create hosting platform for all data especially in the repro EDMS for the group**

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For more information

For more information on the contents of this presentation.

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