

Investor Presentation

- 3Q 2017 Results -

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Aramex is a global provider of logistics and transportation solutions

18,000 employees

567 offices in 69 Countries

AED 4.3 billion revenues

AED 7.3 billion market cap

Business Units

**Domestic
Express**



**International
Express**



Freight



**Logistics &
Other**



eCommerce



At a glance

Aramex Domestic Express offers reliable door to door solutions for time-critical packages to be delivered within a country or city.

International Express offers global solutions for moving time-sensitive documents and parcels door-to-door around the world and within a variety of transit time options.

We provide a global and cost-effective solution to land, sea and air freight needs through a worldwide network.

Aramex covers all stages of the logistics supply chain from the moment inventory leaves suppliers until the moment it reaches its destination. We provide customized solutions for various industries and records management services via InfoFort.

eCommerce is the key driver of Aramex's growth, innovation and M&A strategy.

Aramex shareholders were rewarded by strong TSR

Closing Price 3Q 2017

AED 4.98

Total Return Metrics:

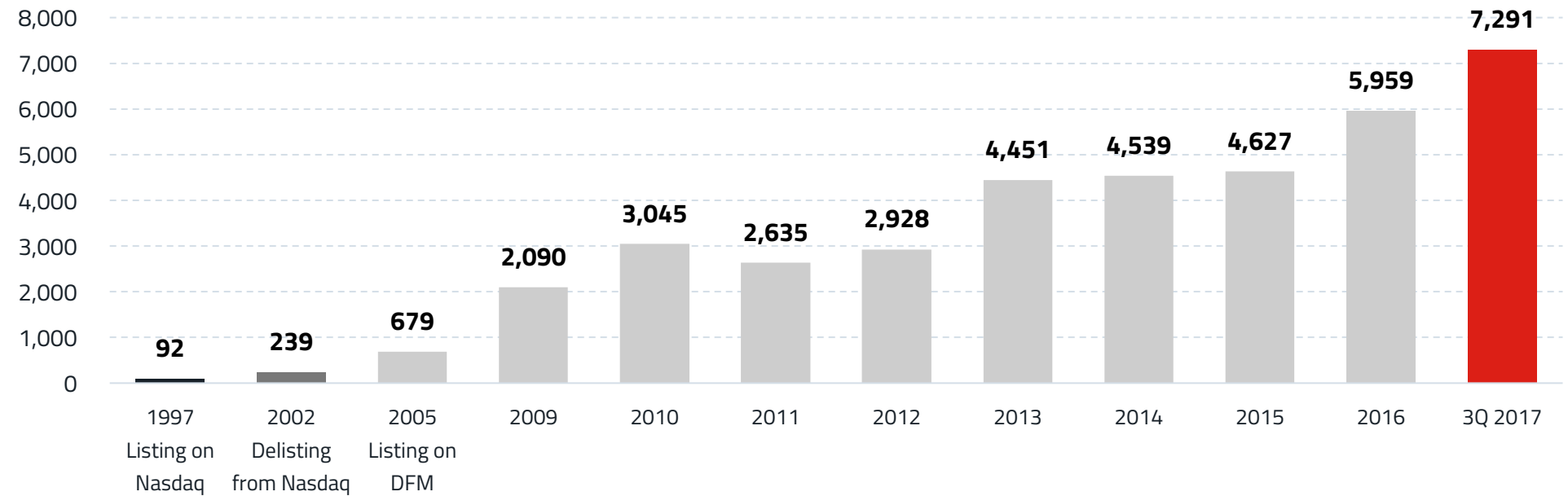
+22%
YTD 2017 share price increase

+28%
YTD Total Shareholder Return
(Dividend reinvested)

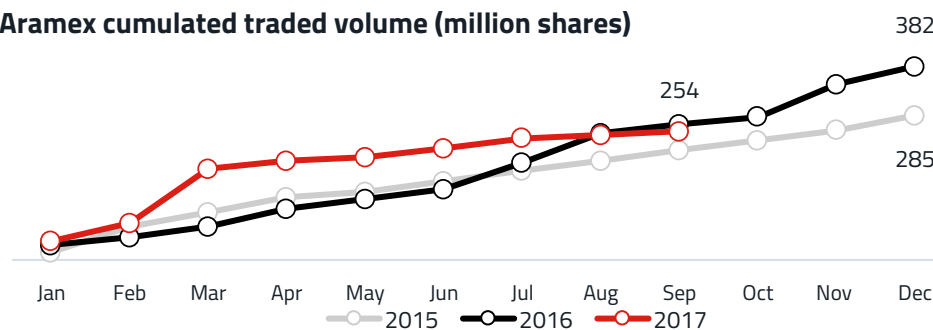
+29%
2016 share price increase

+34%
2016 Total Shareholder Return
(Dividend reinvested)

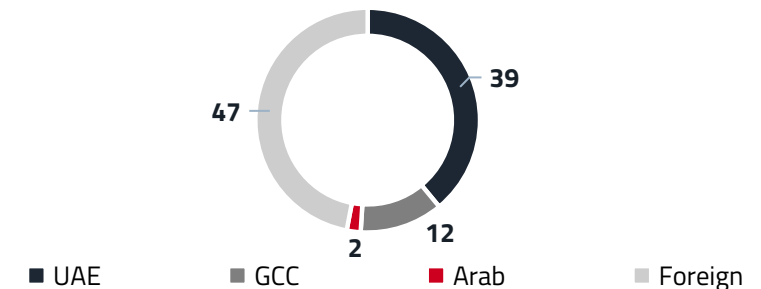
Market Capitalization (AEDm)



Aramex cumulated traded volume (million shares)



Geographic Ownership (%)



Management expects to deliver 2017 revenue targets

		2016 Actual		2017 Target	9M 2017 Actual	
Express	✓	↑ 22%	AED 1,687 m	Double-digit growth	↑ 18%	AED 1,399 m
Freight Forwarding	✓	↓ 6%	AED 1,131 m	Single-digit decrease	↓ 1%	AED 853 m
Domestic	✓	↑ 35%	AED 981 m	Single-digit growth	↑ 2%	AED 750 m
Logistics	✓	↑ 29%	AED 265 m	Single-digit growth*	↓ 3%	AED 192 m
Other	✓	↑ 22%	AED 279 m	Single-digit growth	↓ 1%	AED 204 m
Total	✓	↑ 16%	AED 4,343 m	Double-digit growth	↑ 7%**	AED 3,397 m

* Revised Guidance

** Excluding exchange rate impacts, Total revenue grew 10% y-o-y.

Management focused on five key areas to drive 2017 results

Focus Areas

Management remains focused on long-term growth drivers

eCommerce



Continues to be the main growth driver of Aramex express and logistics businesses

Asset-light model



Proves our business model can be successful through market cycles

Innovation and technology



Enhances our customer experience and enables us to expand our business operations

Operational efficiency



Implementation of ERP platform fosters enterprise-wide collaboration

M&A and partnerships



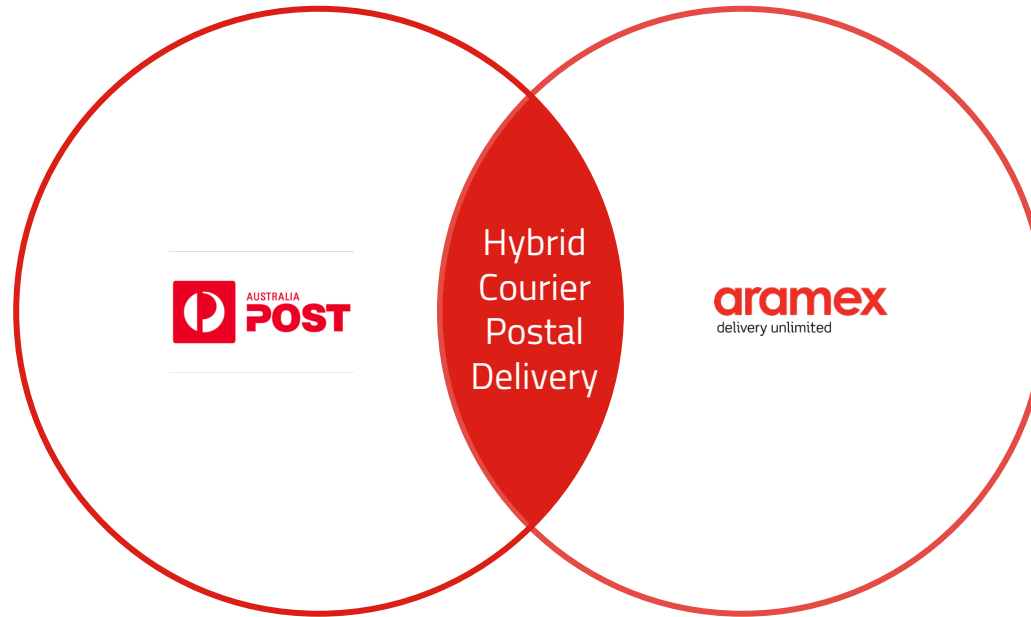
JV with Australia Post started to show results

Key Messages

Delivering the best of both worlds to offer customers maximum flexibility

Postal Strengths

- Delivers to every address in the world
- Most respected network by all nations
- Largest number of pick-up-drop-off locations
- Competitive prices



Courier Strengths

- Tracking and notification technology
- Ability to pay duties and taxes at checkout
- Full control over line haul speed and visibility
- No weight restrictions

Result

Residential coverage in 192 countries
Cheaper than courier
Faster than mail

Management remains focused on three key priorities

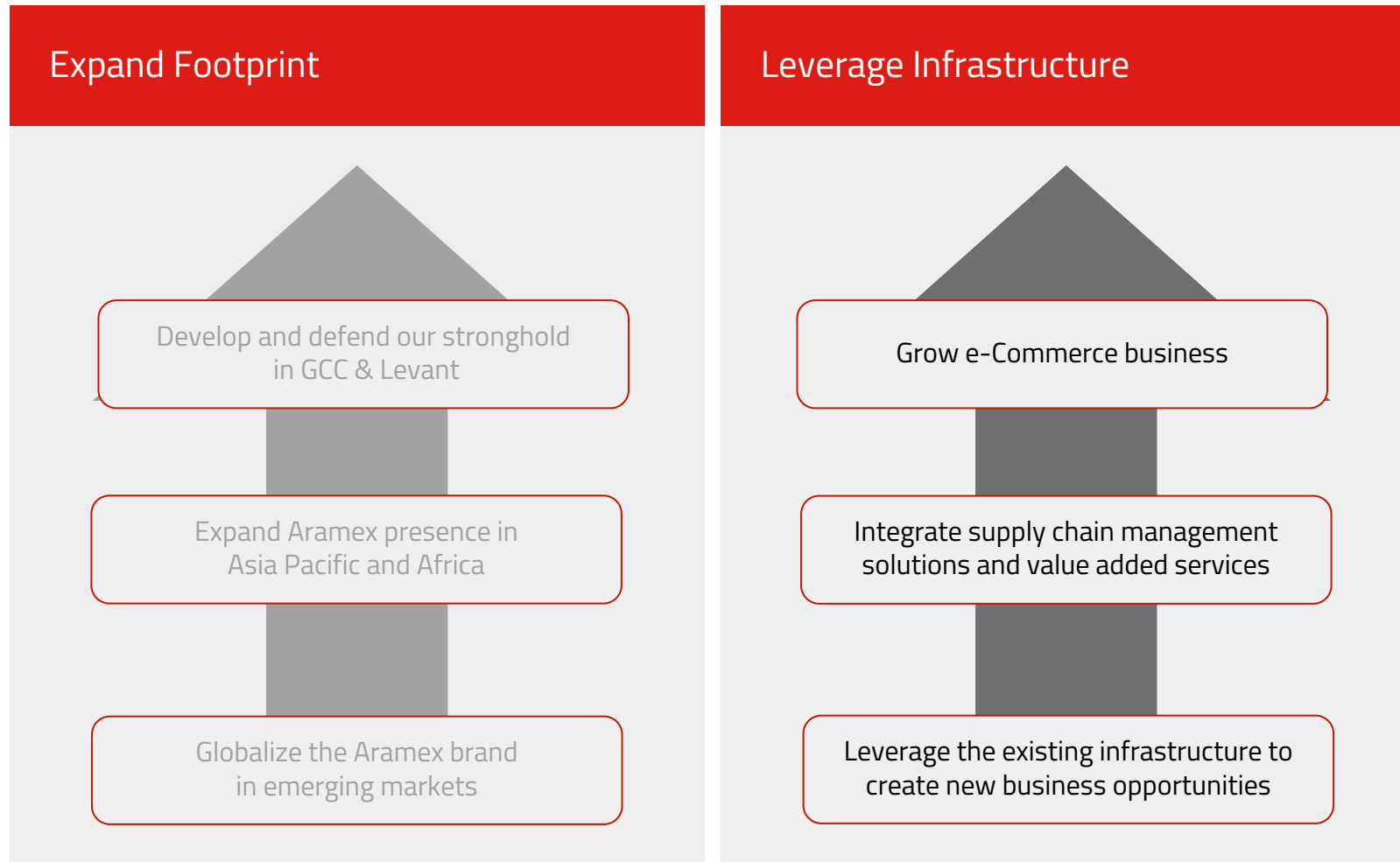
Expand Footprint

Develop and defend our stronghold
in GCC & Levant

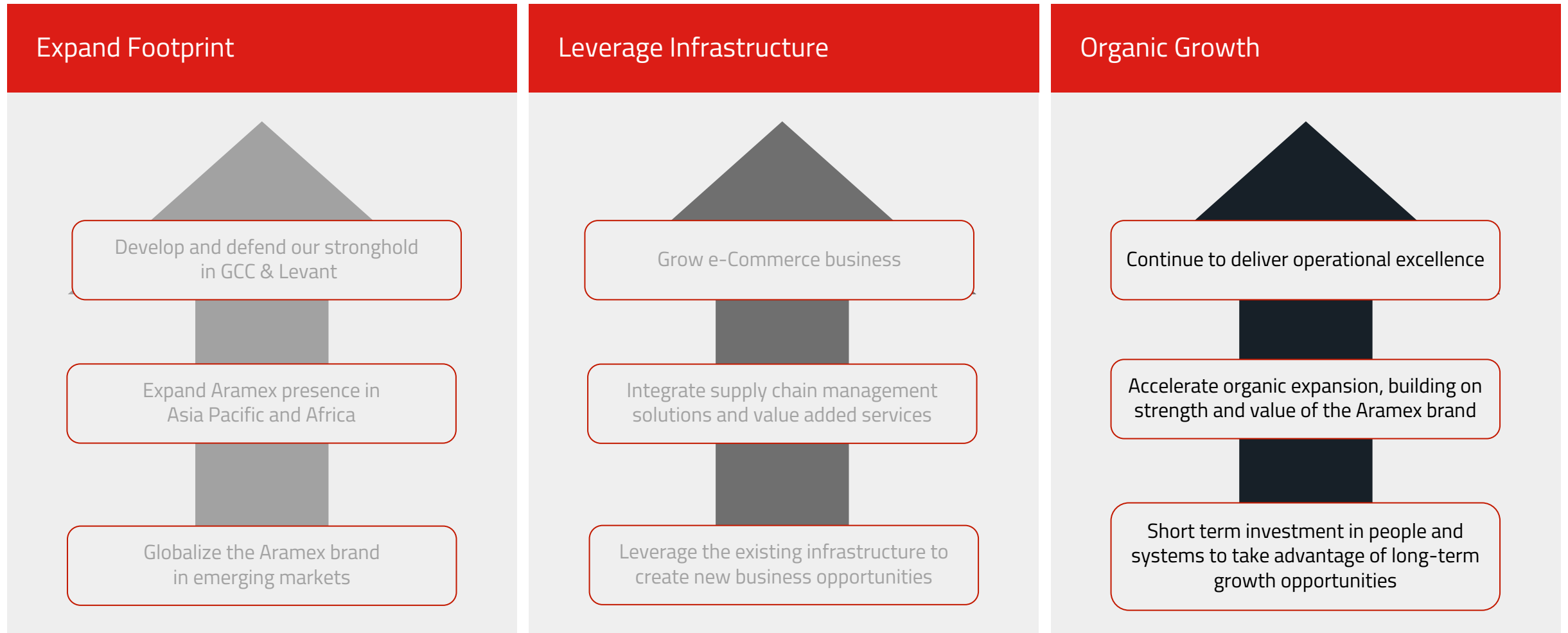
Expand Aramex presence in
Asia Pacific and Africa

Globalize the Aramex brand
in emerging markets

Management remains focused on three key priorities



Management remains focused on three key priorities



We believe in transforming our business to succeed in a digital world

Business Model Disruption



We believe that the current logistics model will not last

Shipping is changing



All the way from bulk to containers to pallets to boxes to pieces – new industry dynamics apply to all players in the industry

Ecosystem



We believe in winning with an ecosystem that connects “sharing” platforms

Technology



We believe that technology has already accelerated the pace of industry change

Devices



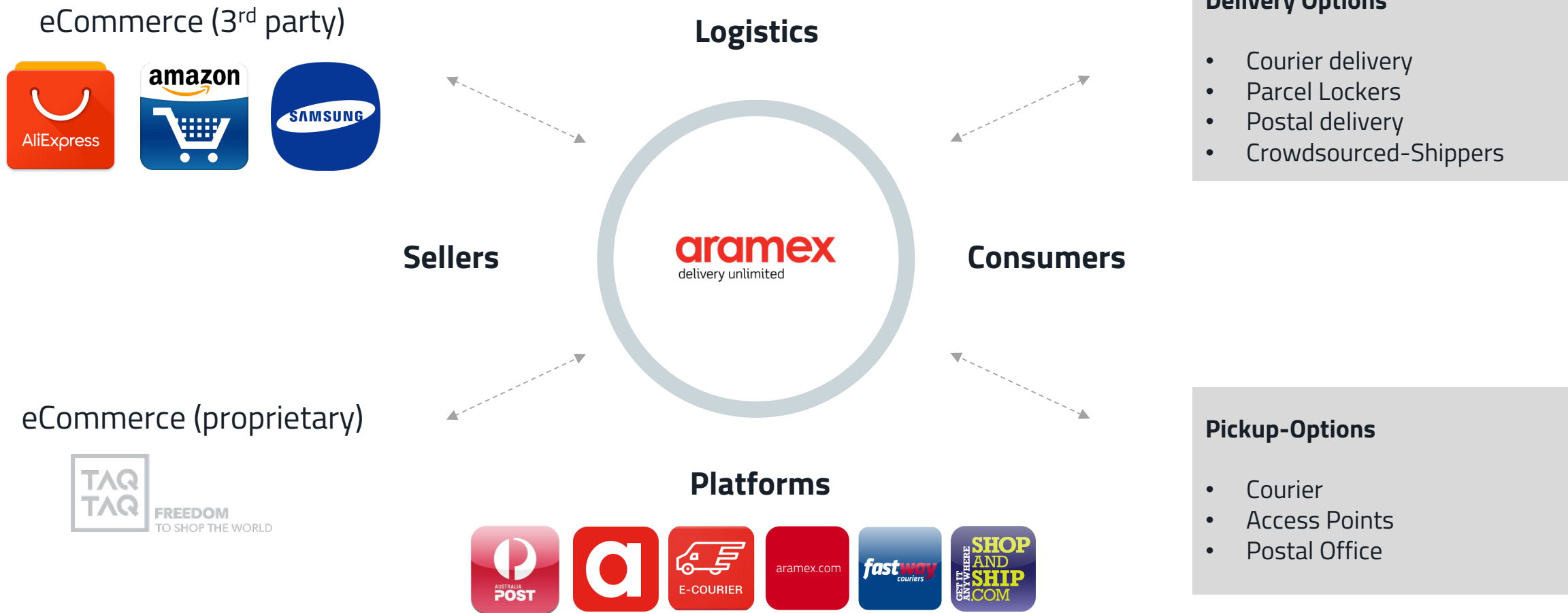
We believe that devices are becoming smarter and are connecting the unconnected

Talent



Better technology will enable employees to become more efficient

We are continuing to build out the Aramex ecosystem



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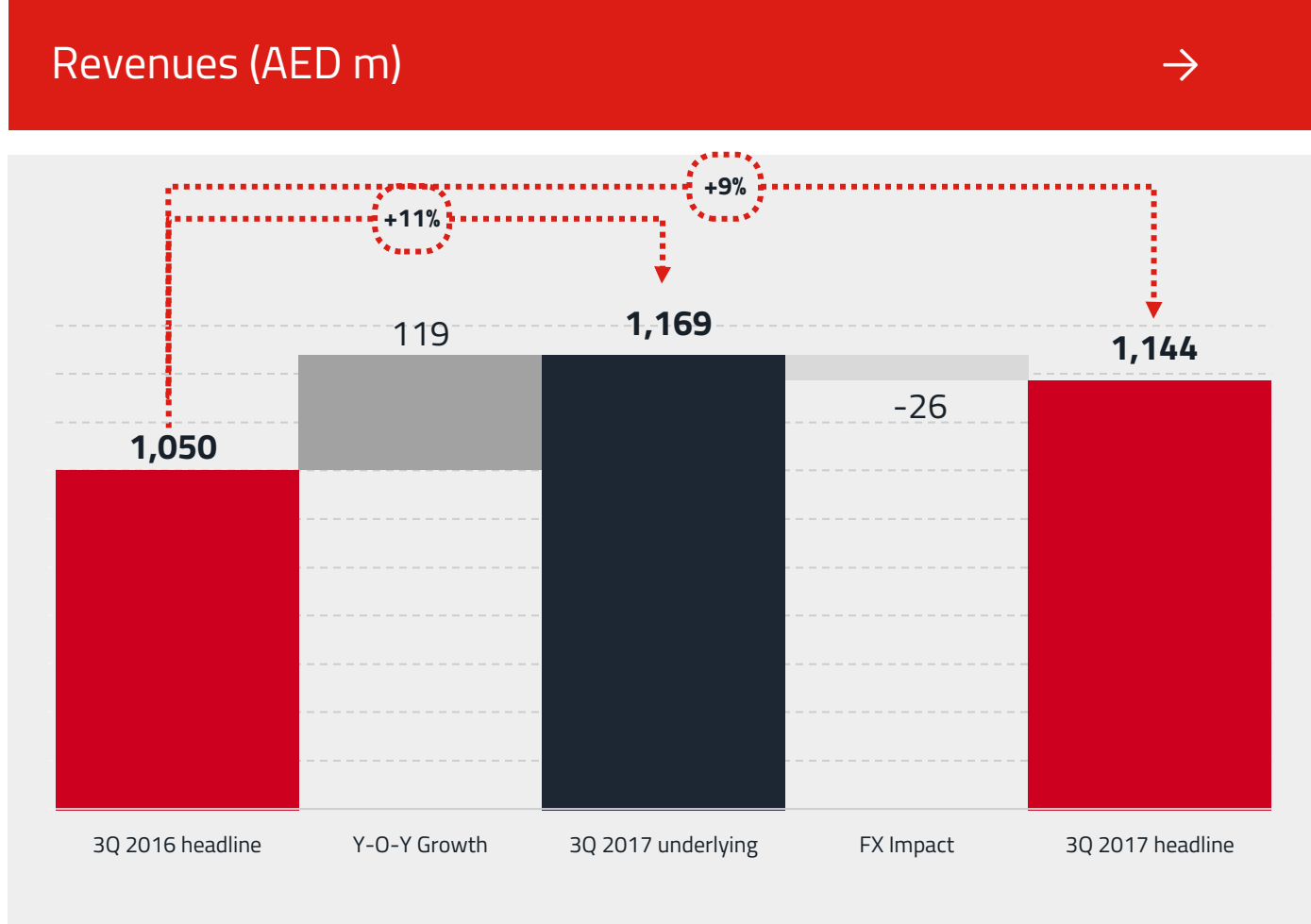
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Underlying performance remains strong – impacted by FX



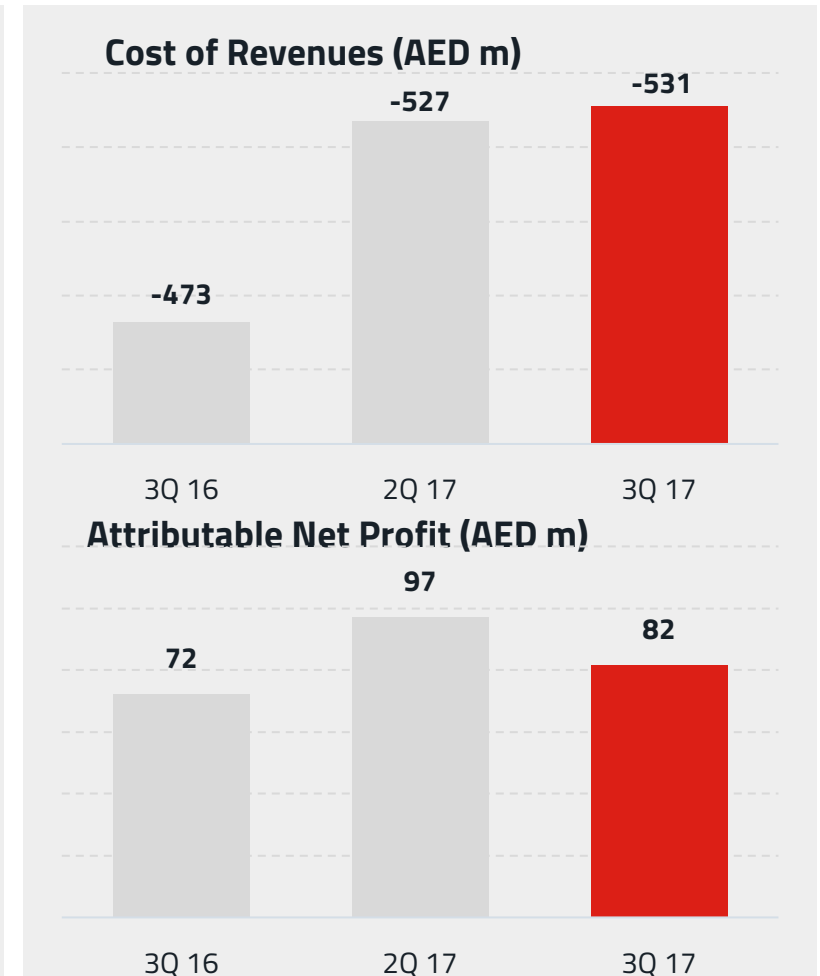
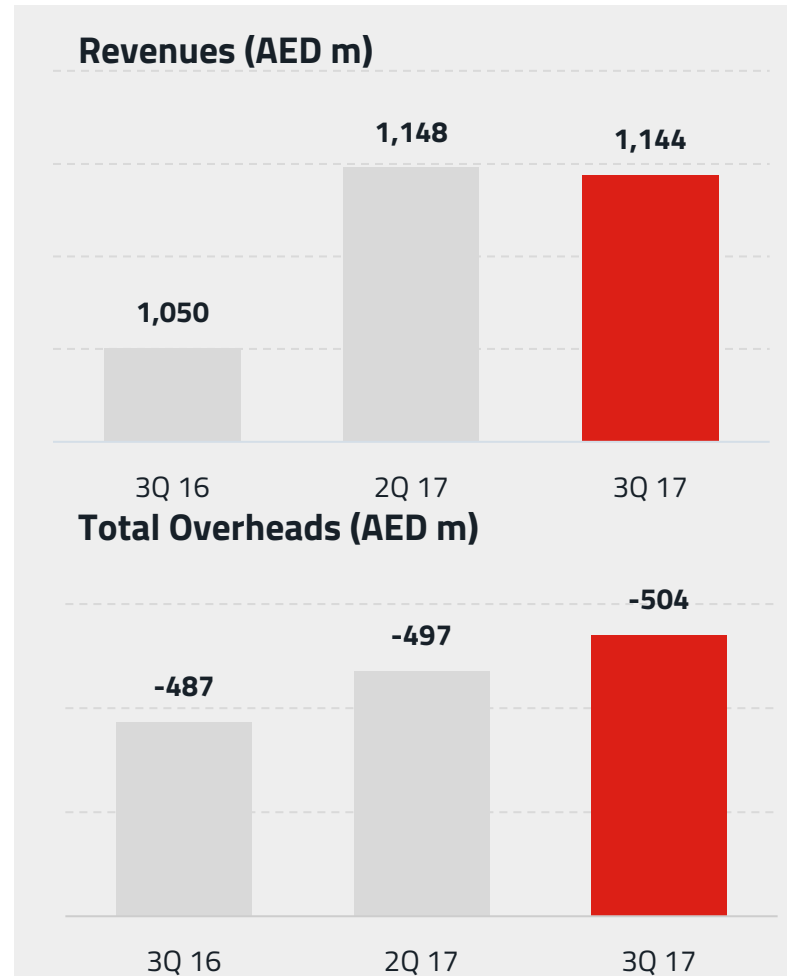
Impact of FX



3Q 2017 Group Highlights

Management Comments →

- Revenue growth in Q3 2017 was driven by most geographies with Asia being a major contributor.
- Cost of Revenues and overheads increased year-on-year in line with overall growth of the business.
- Attributable Net Profit grew in line with revenue growth.



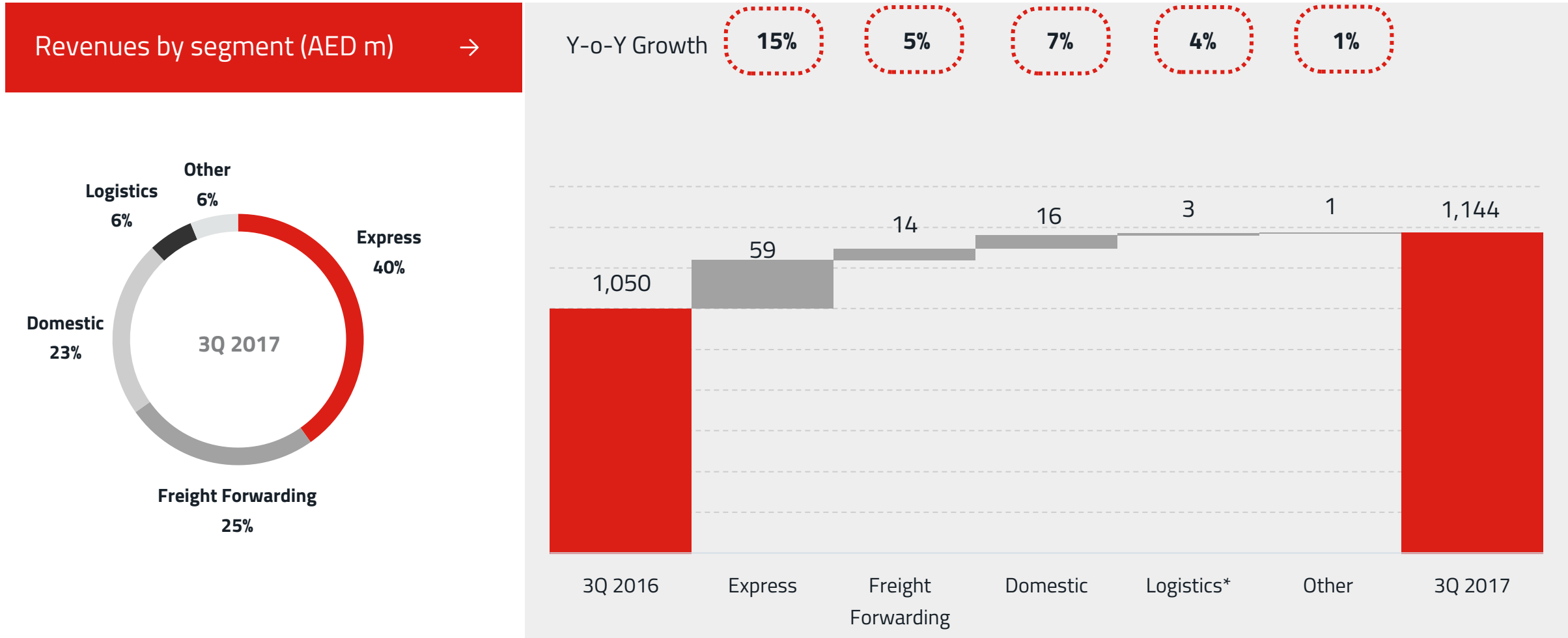
3Q 2017 Financial Highlights

Income Statement (AEDm) →

	3Q 17	Quarter		Movement (%)	
		2Q 17	3Q 16	q-o-q	y-o-y
Revenue*	1,144	1,148	1,050	0%	9%
Cost of Revenues	(531)	(527)	(473)	-1%	-12%
Gross profit	613	621	578	-1%	6%
Overheads	(504)	(497)	(487)	-1%	-3%
Profit for the period	84	101	76	-17%	10%
EBITDA	135	151	117	-11%	15%

*Excluding exchange rate impacts, revenue grew 11% y-o-y.

Revenue growth across all segments

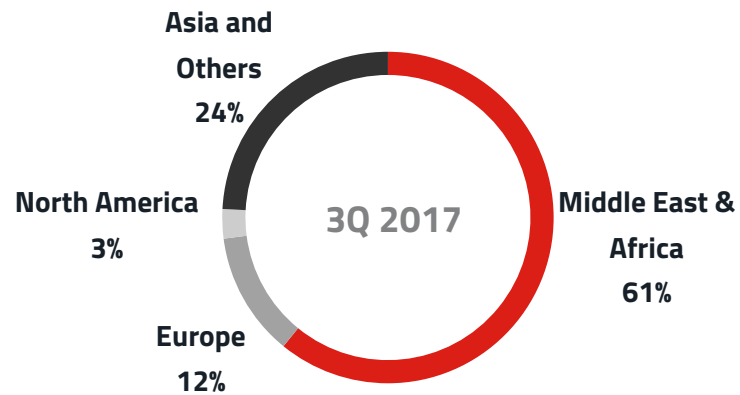


* Excluding exchange rate impacts, Logistics revenue grew 15% y-o-y.

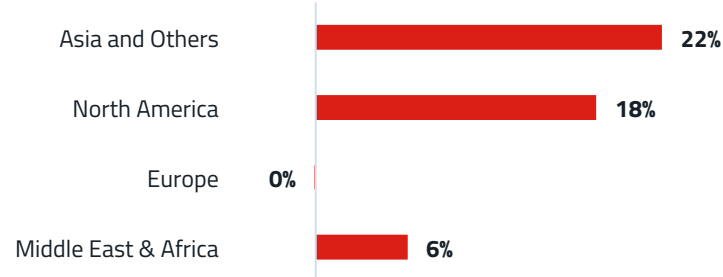
Geographic performance – strongest growth recorded again in Asia

Revenues by Geography →

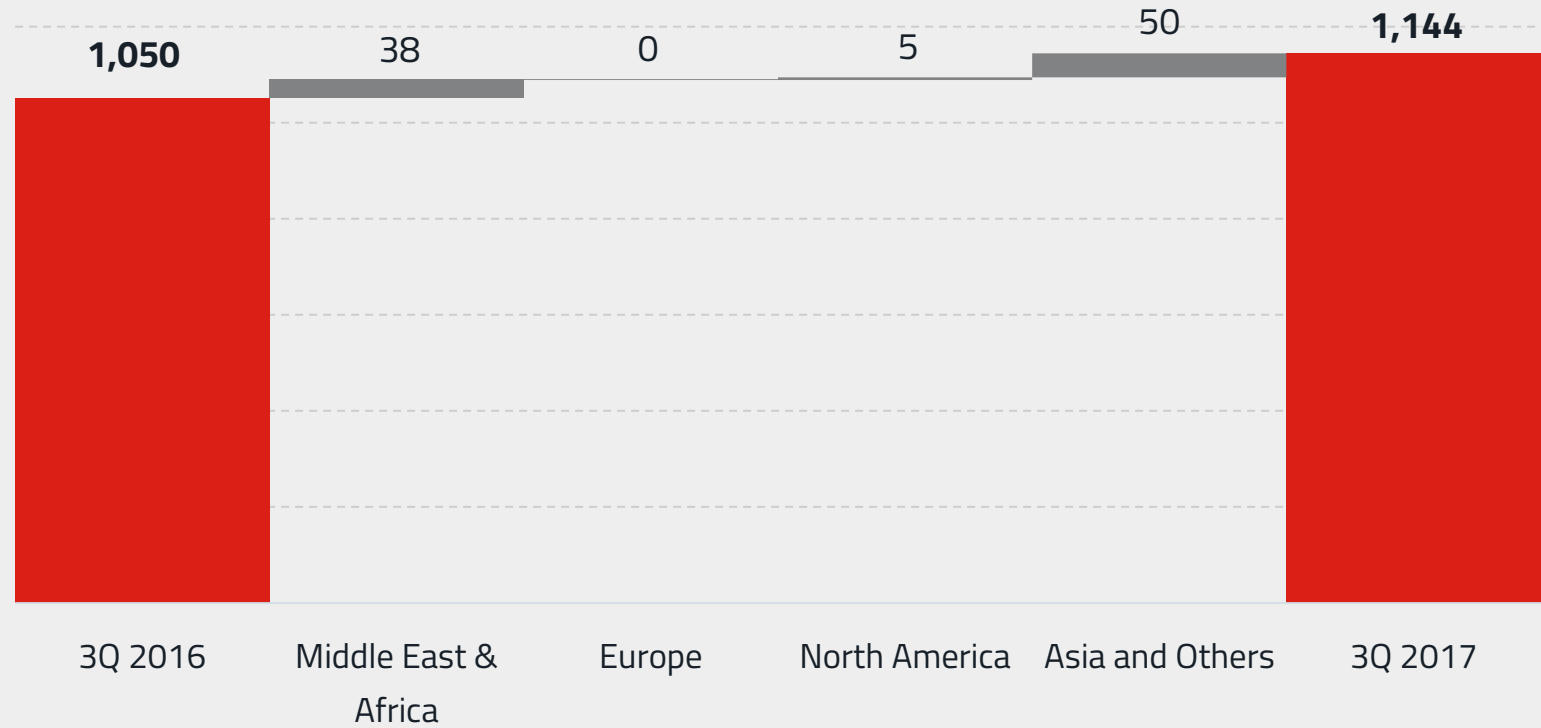
Geographic Contribution (%)



Geographic Performance y-o-y (%)



Revenue Bridge y-o-y (AED m)



3Q 2017 Financial Highlights

Financial Ratios (AEDm) →

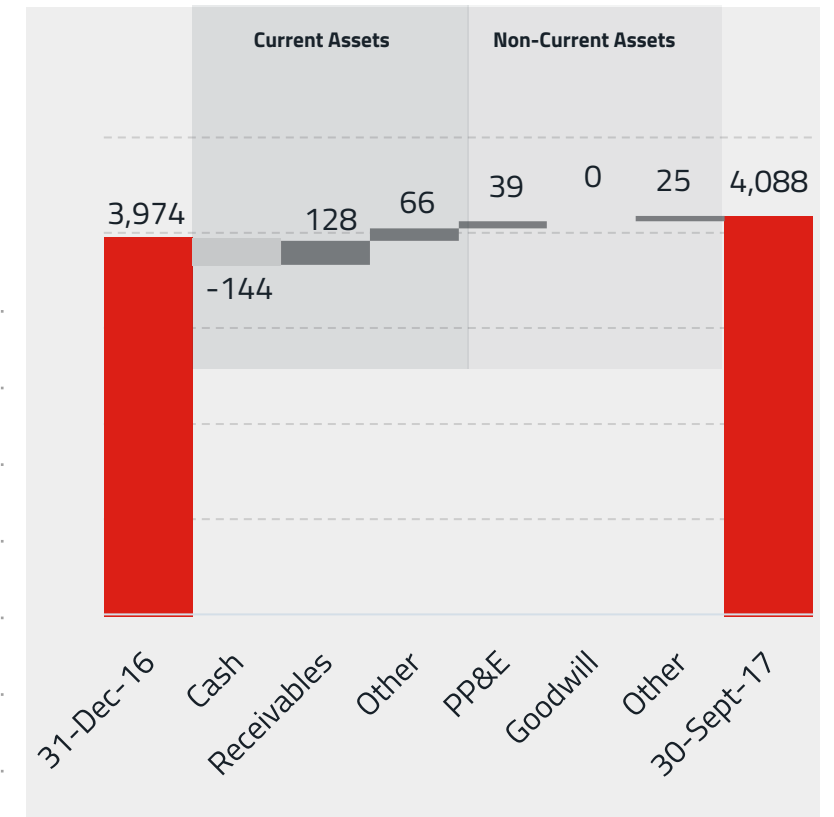
	Quarter			Movement	
	3Q 17	2Q 17	3Q 16	q-o-q	y-o-y
EPS (AED)	0.056	0.066	0.049	-16%	13%
Gross profit margin (%)	53.6%	54.1%	55.0%	-0.5%	-1.4%
Net profit margin (%)	7.1%	8.5%	6.9%	-1.3%	0.3%
Debt/Equity %	27.2%	30.1%	30.5%	2.9%	3.3%

Balance sheet remains strong and liquid

Balance Sheet Highlights →

Asset Movement Y-o-Y (AED m) →

	30 Sept 2017	31 Dec 2016	Movement	
			Actual	Change %
Current assets	1,705	1,655	50	3%
Non-current assets	2,383	2,319	64	3%
Total assets	4,088	3,974	114	3%
Current liabilities	1,259	1,122	137	12%
Non-current liabilities	522	578	-56	-10%
Total liabilities	1,781	1,700	81	5%
Non-controlling interest	12	9	3	37%
Shareholders' equity	2,294	2,265	29	1%



Composition of assets

Financial Ratios (AEDm)



	30 Sept 2017	31 Dec 2016	Actual	Movement in %
Cash and cash equivalents	557	701	-144	-21%
Receivables (net)	883	754	128	17%
Other current assets	265	199	66	33%
Total current assets	1,705	1,655	50	3%
Property, Plant and equipment (net)	879	840	39	5%
Goodwill (net)	1,084	1,084	0	0%
Other non current assets	420	395	25	6%
Total non-current assets	2,383	2,319	64	3%
Total assets	4,088	3,974	114	3%

Long-term Performance



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Express business continues to drive growth

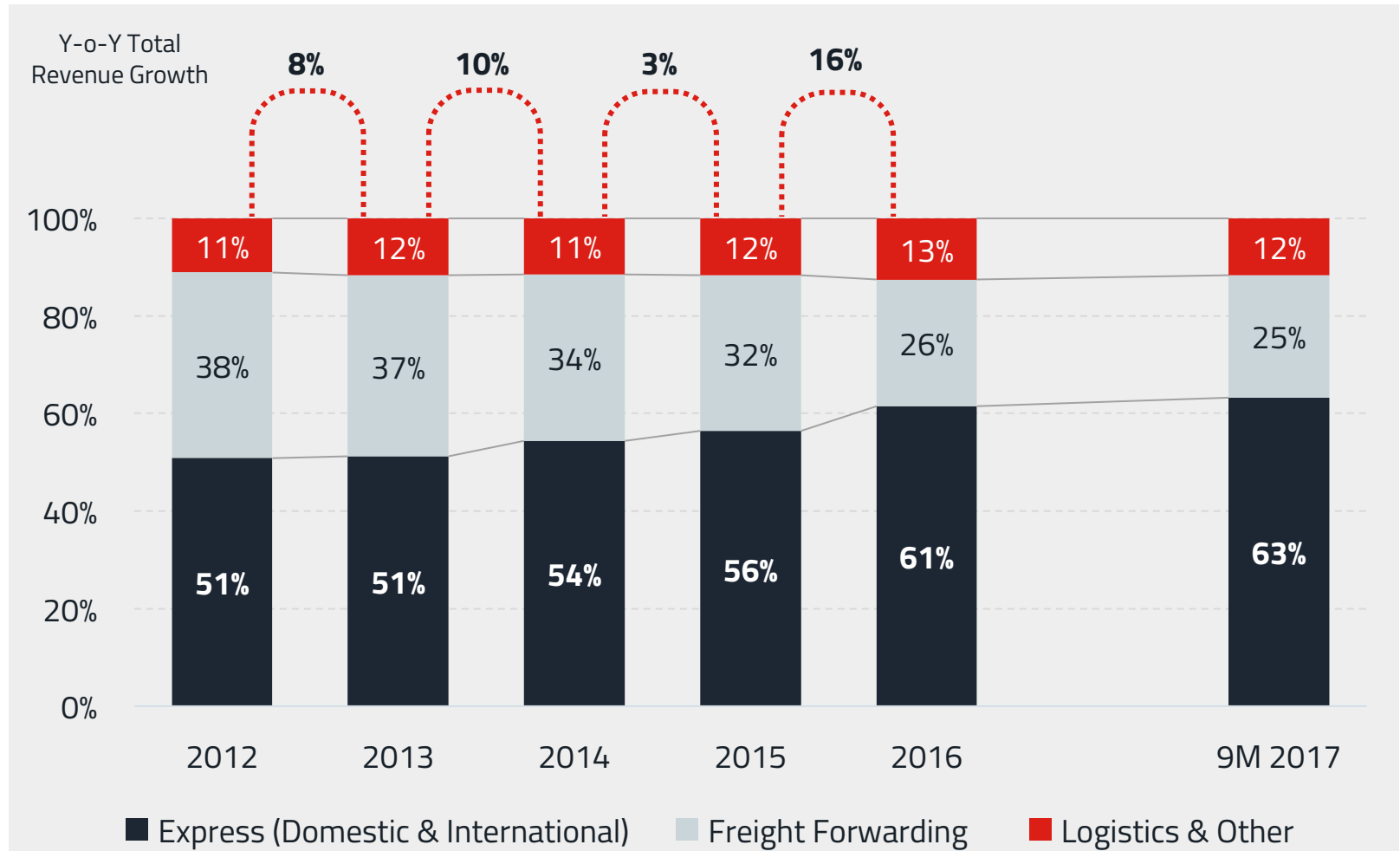
Segmental Revenues (%) →

Express contribution to total revenues continues to grow, outgrowing all other businesses

The key driver of this development is the fast-growing eCommerce business

Express revenue contribution has grown from 51% to 63% as at 9M 2017

Freight forwarding continues to decline from 38% revenue contribution to 25%



Aramex maintains a track record of delivering operational excellence

Aramex 2012-9M 2017 (Annualized)→

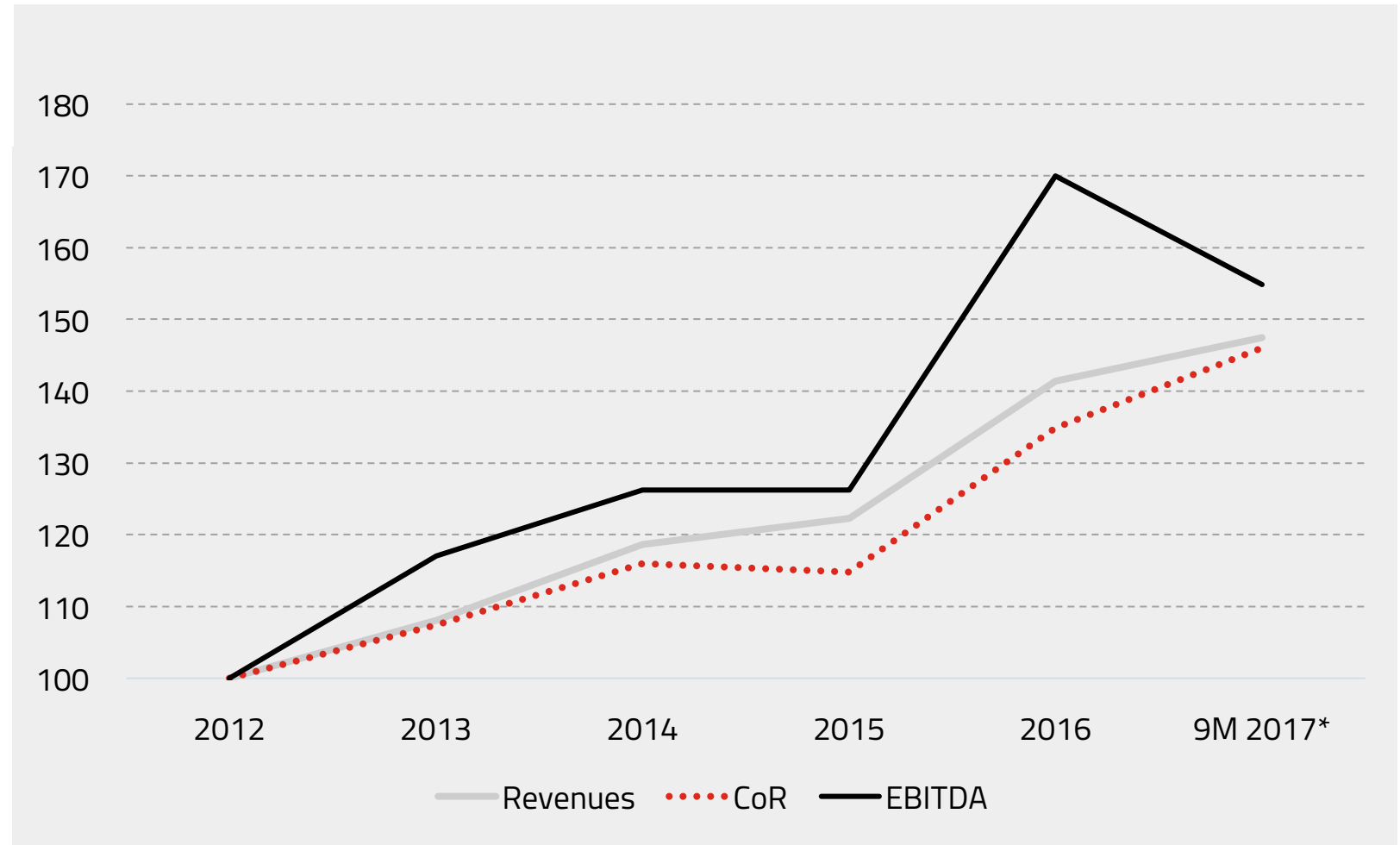
We delivered a consistently strong performance since 2012

2012-2016 CAGR

Revenues 9.0%

Cost of Revenues 7.8%

EBITDA: 14.2%



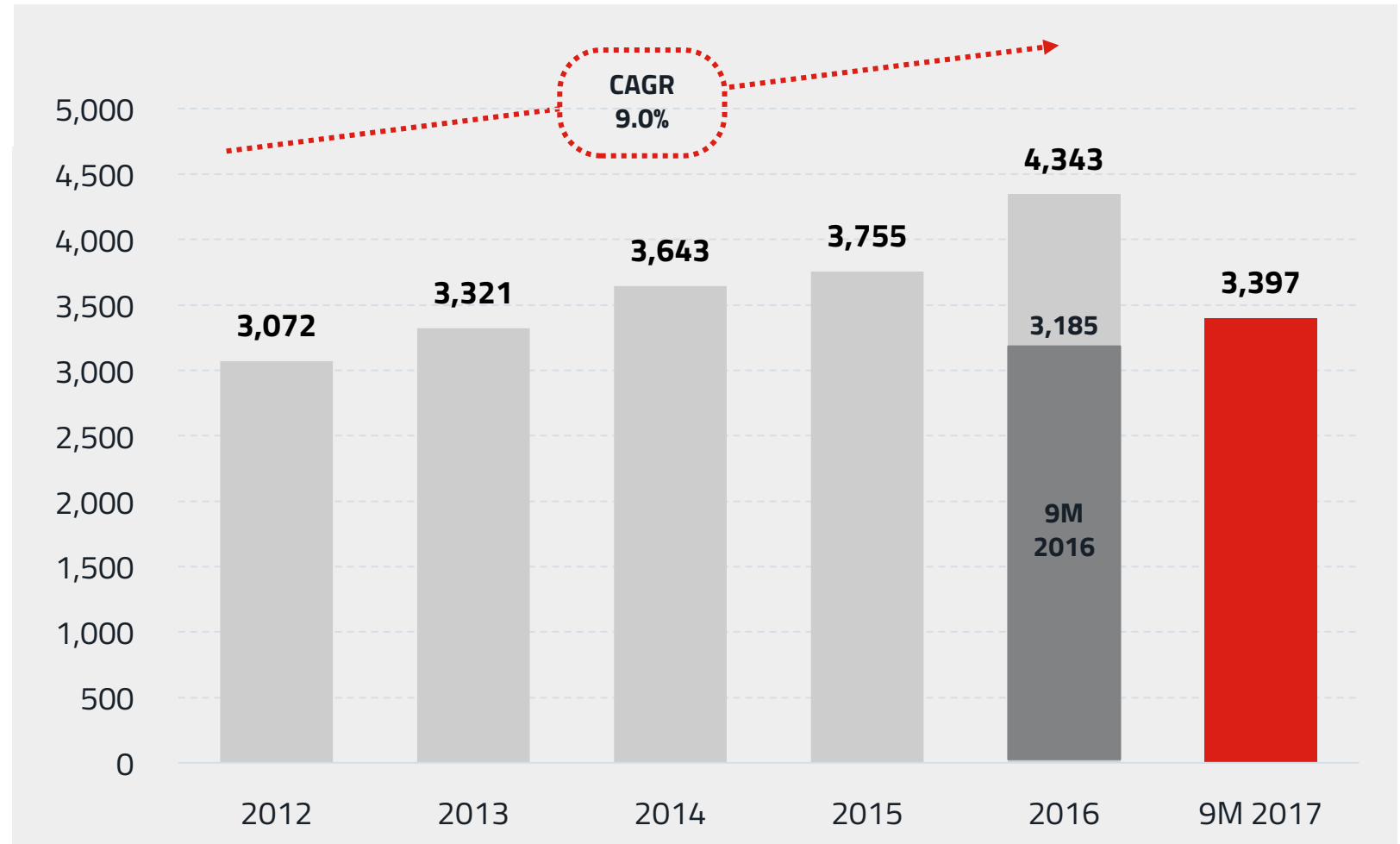
*annualized

Aramex continues to deliver solid top line performance

Revenues (AED m) →

Revenue generation

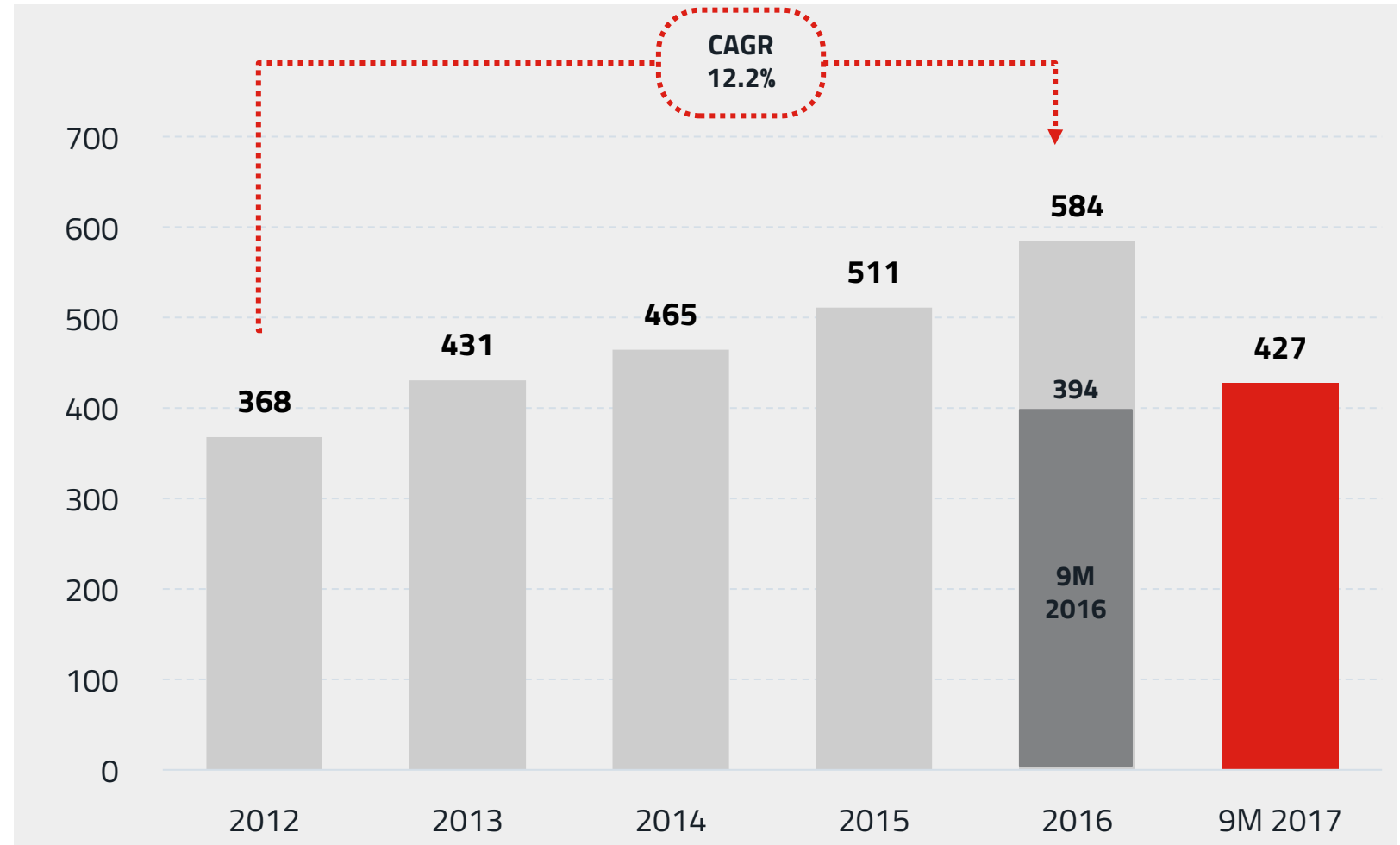
- Strong revenue growth of 16% in 2016 reflects additional income generated primarily in international cross-border express business as well as in Asia Pacific
- Trend continues in 9M 2017, though impacted by exchange rate volatility



Strong underlying results right across the business

EBITDA before special items (AED m) →

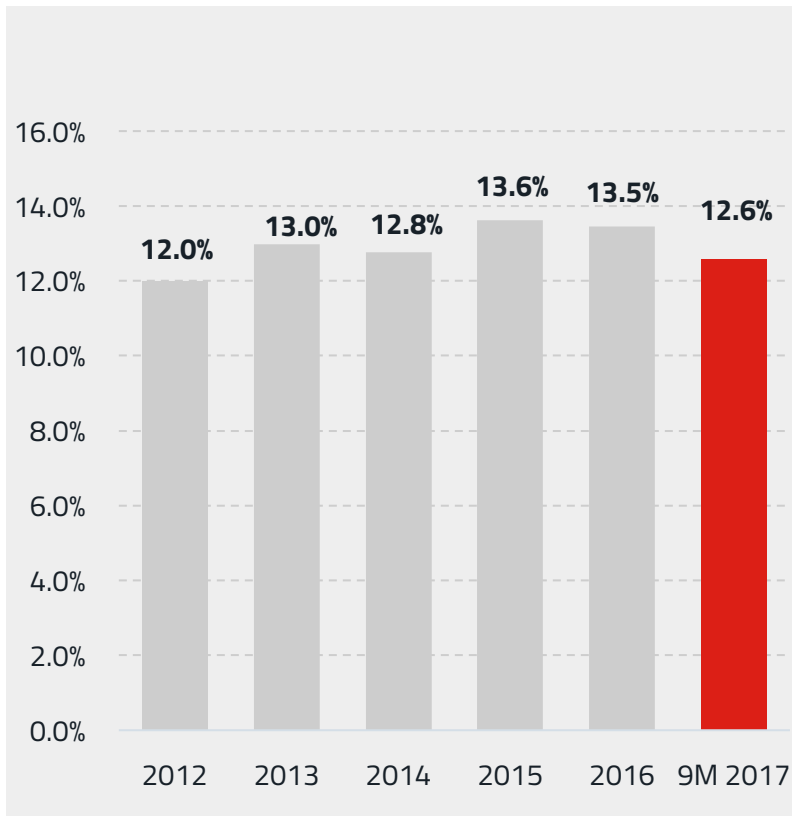
EBITDA before special items:
Aramex generated strong underlying results
across the business



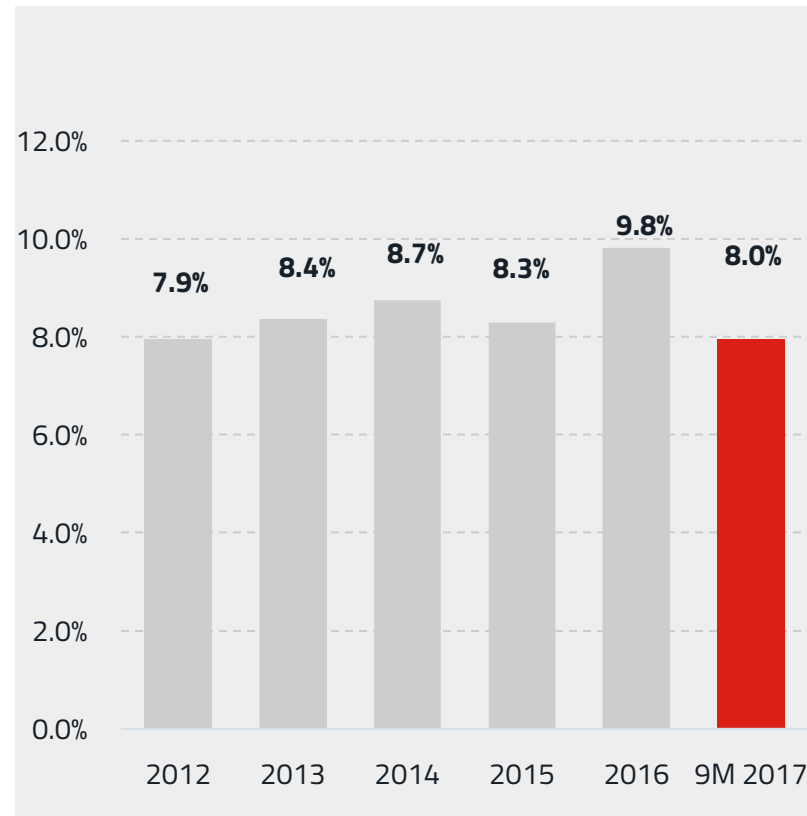
*Special items comprise: 2Q 2016 – gain on bargain purchase of AMC of AED 41,568 thousand; 2015 – additional provision of AED 46,271 thousand related to company's incentive scheme.

Aramex generates consistent performance across key KPIs

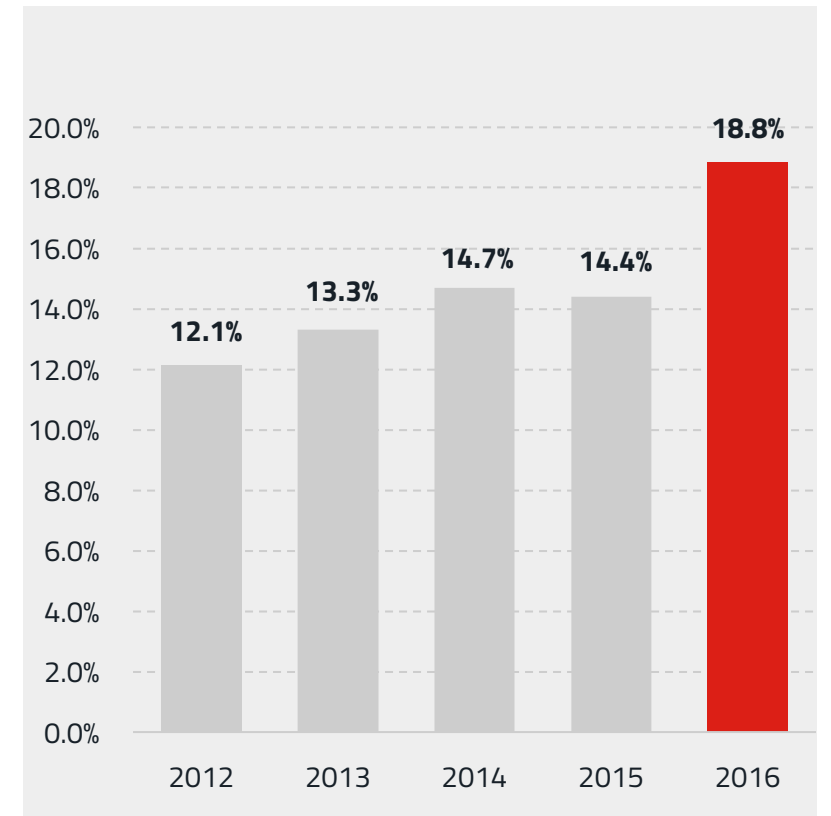
EBITDA margin (%) →



Net Profit Margin (%) →



Return on Equity (%) →

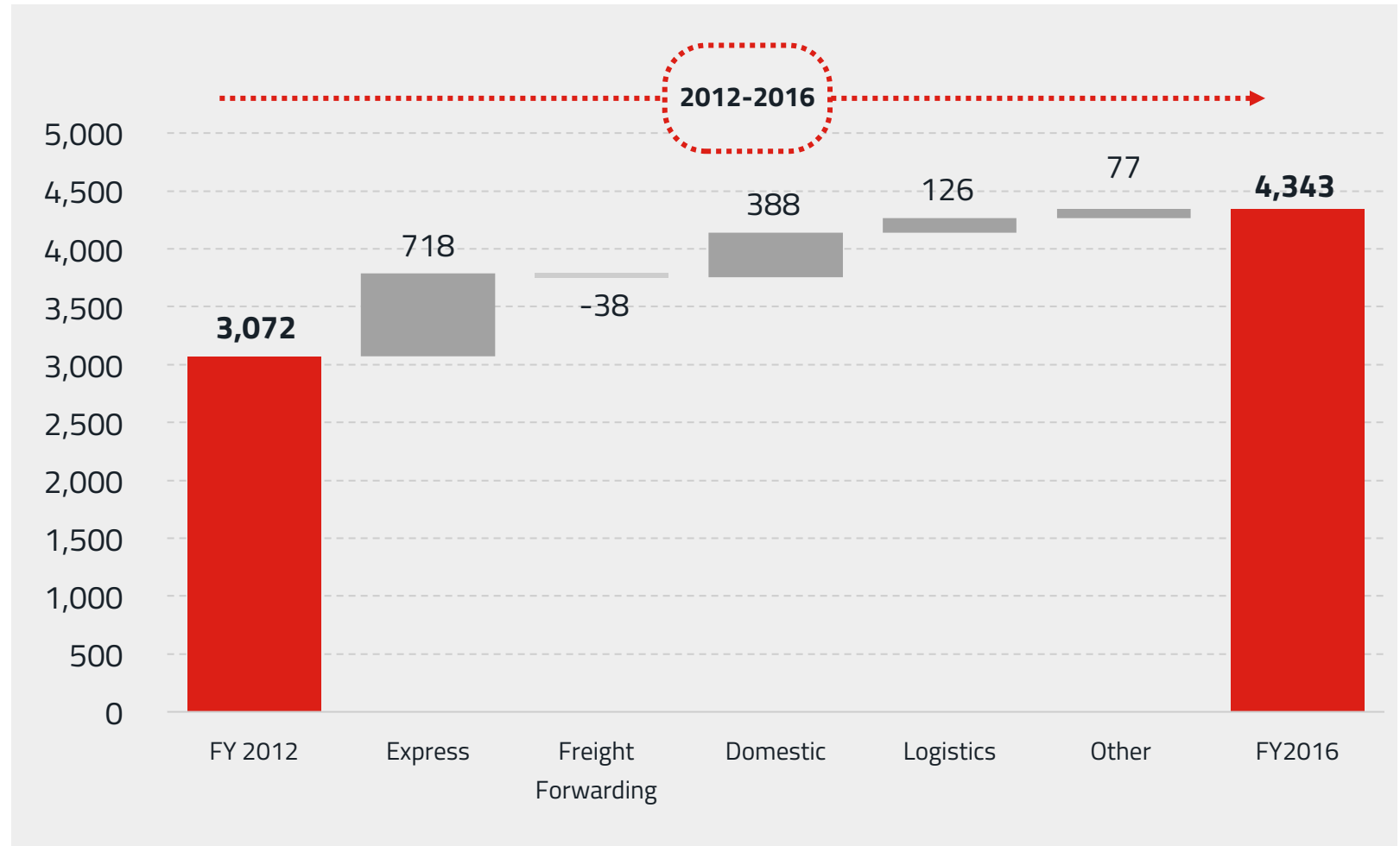


Key components of Aramex's long term growth story

Contribution by Business (AED m) →

Growth story since 2012

CAGR Express	14.9%
CAGR Freight Forwarding	-0.8%
CAGR Domestic	13.4%
CAGR Logistics	17.6%
CAGR Other	8.4%

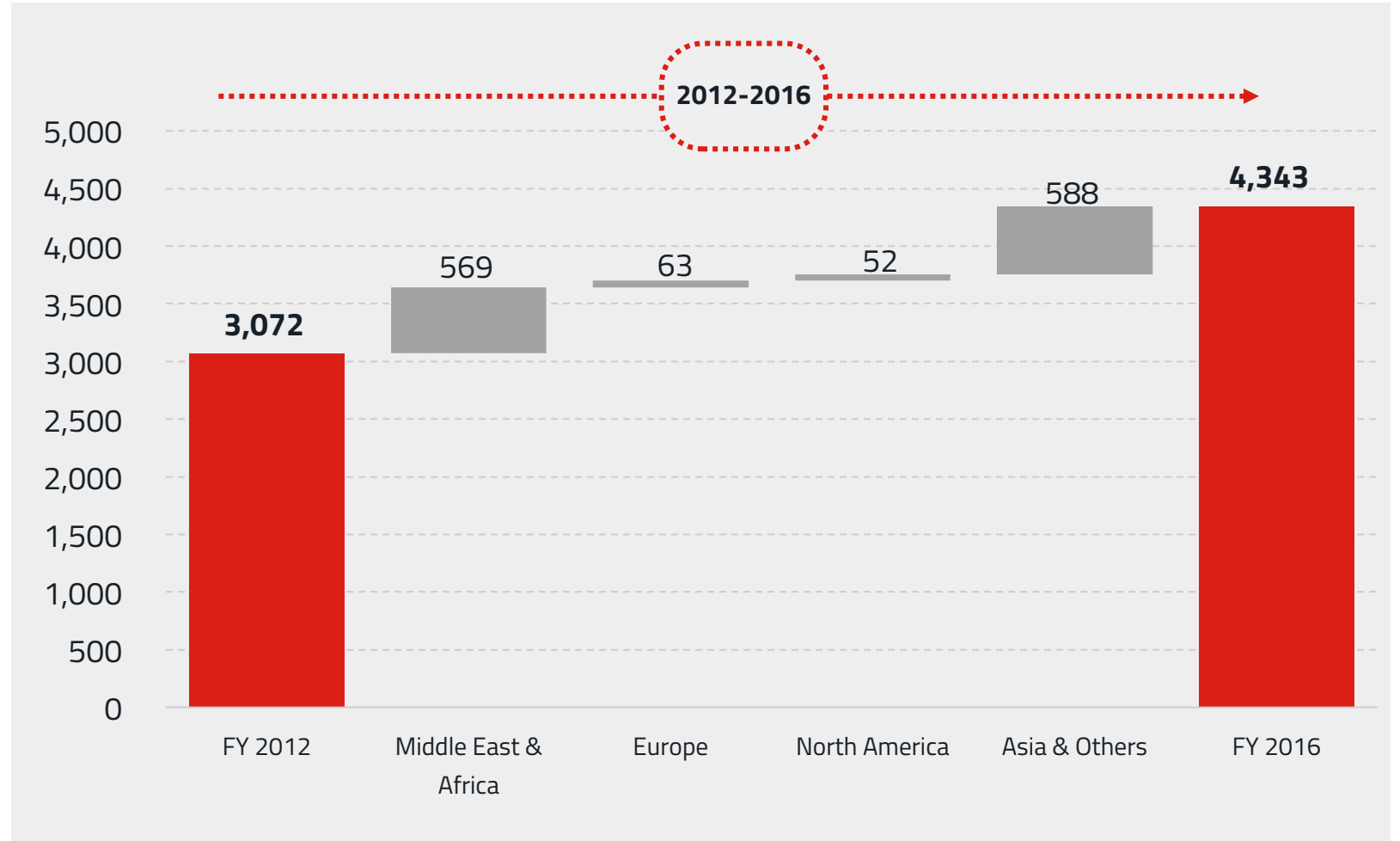


Defending and developing our market position in growth markets

Contribution by Geography (AED m) →

Growth story since 2012

CAGR Middle East	5.8%
CAGR Europe	3.0%
CAGR North America	15.5%
CAGR Asia & Other	33.0%



Aramex balance sheet evolution

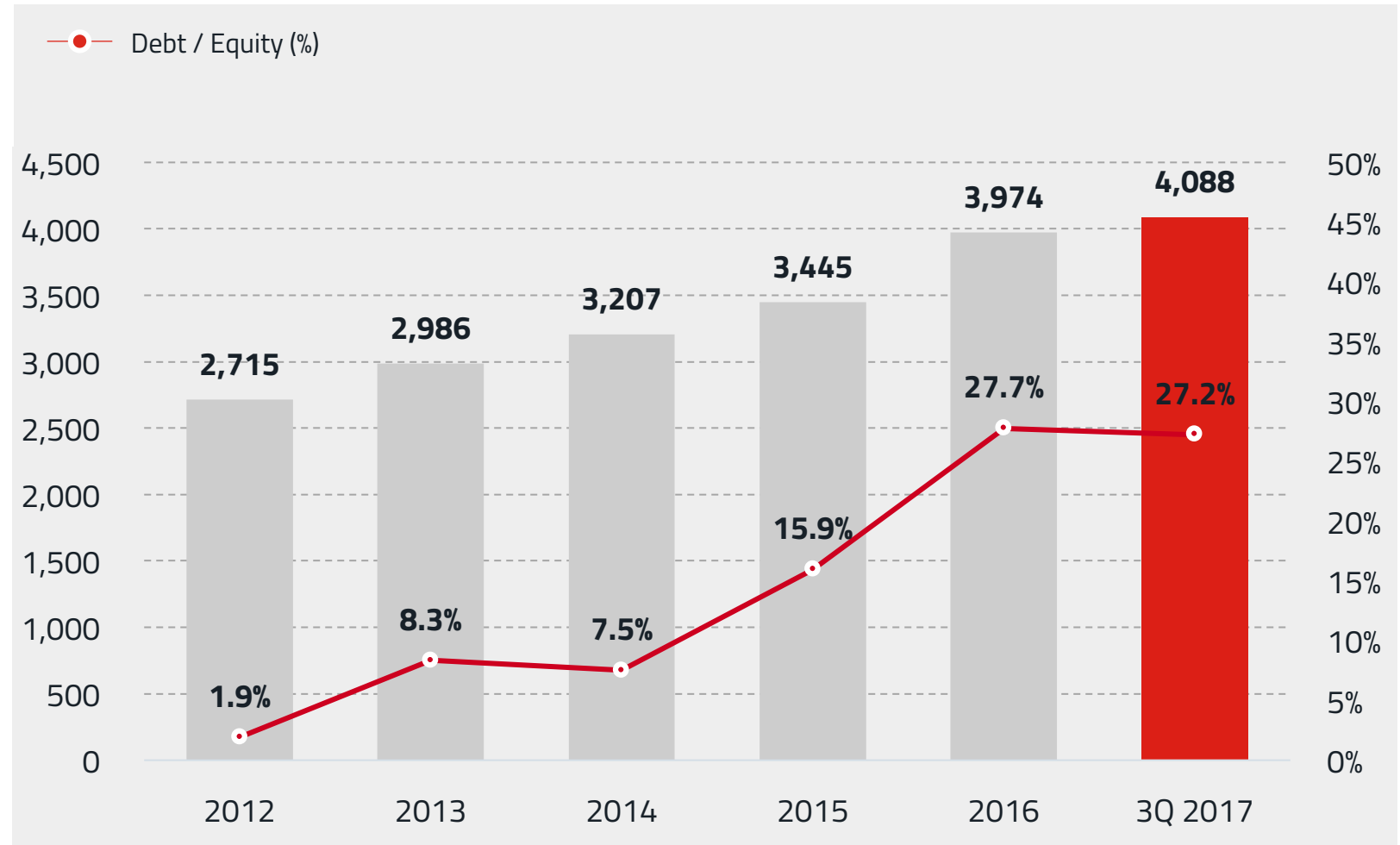
Total Asset (AED m) →

Aramex has consistently grown its balance sheet.

Driven mainly by acquisitions, Aramex will continue to increase leverage.

Management continues to maintain a prudent approach towards managing debt.

Debt* / Equity at 27.2% as of 30 Sept 2017.



*Debt for this purpose consists of interest-bearing short & long term liabilities

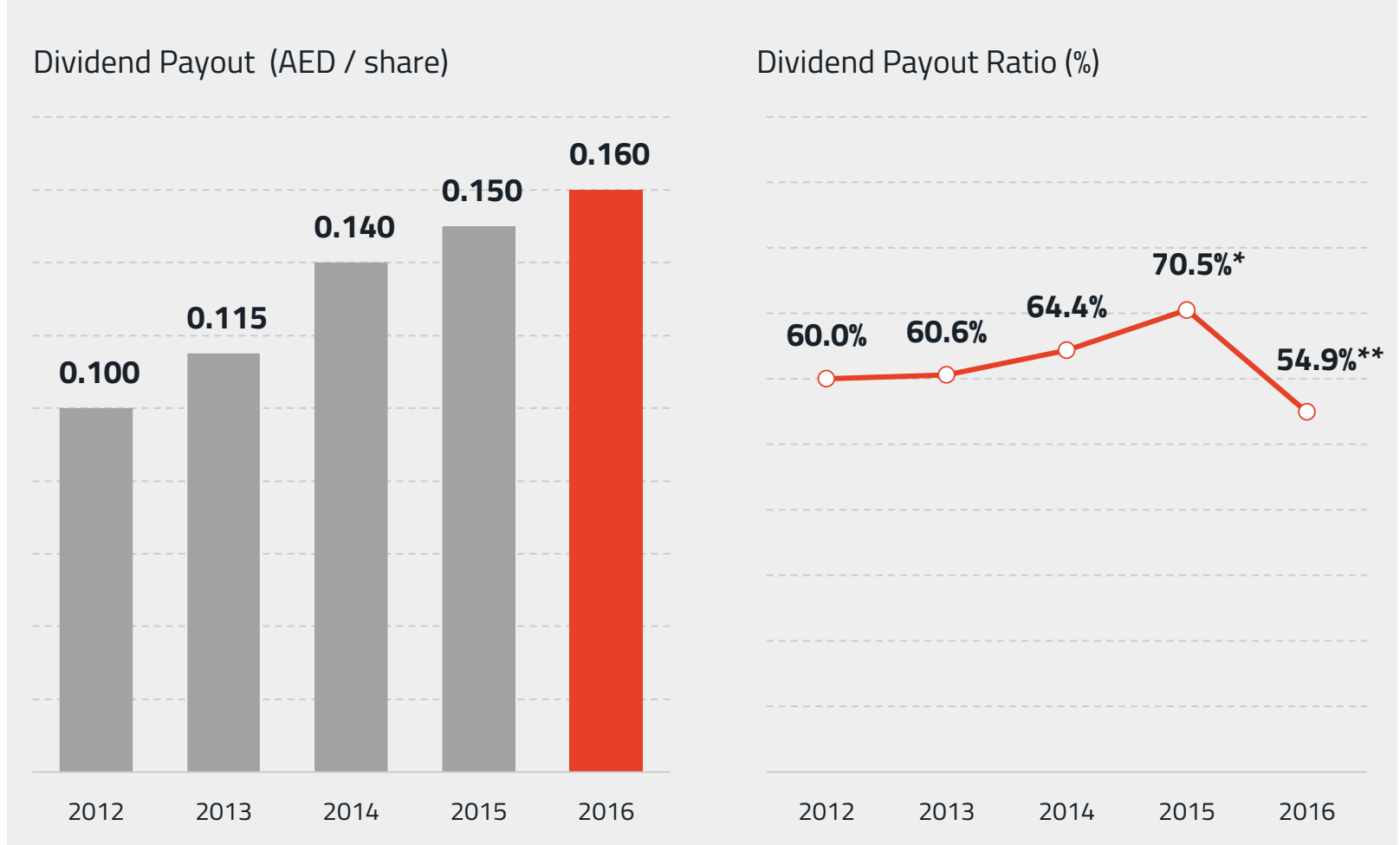
Aramex management paid a dividend of AED 0.16 for 2016

Dividends →

Dividend proposal of AED 0.160 per share approved by shareholders at AGM on 19 Feb 2017

Long-term management target:

Dividend payout ratio of > 50%



*Excluding additional provision of AED 46,271 thousand related to company's incentive scheme, Dividend Payout Ratio – 61.4%

** Excluding gain on bargain purchase of AMC of AED 41,568 thousand, Dividend Payout Ratio – 60.8%.

Long Term Performance

Aramex shareholders are rewarded by long term performance

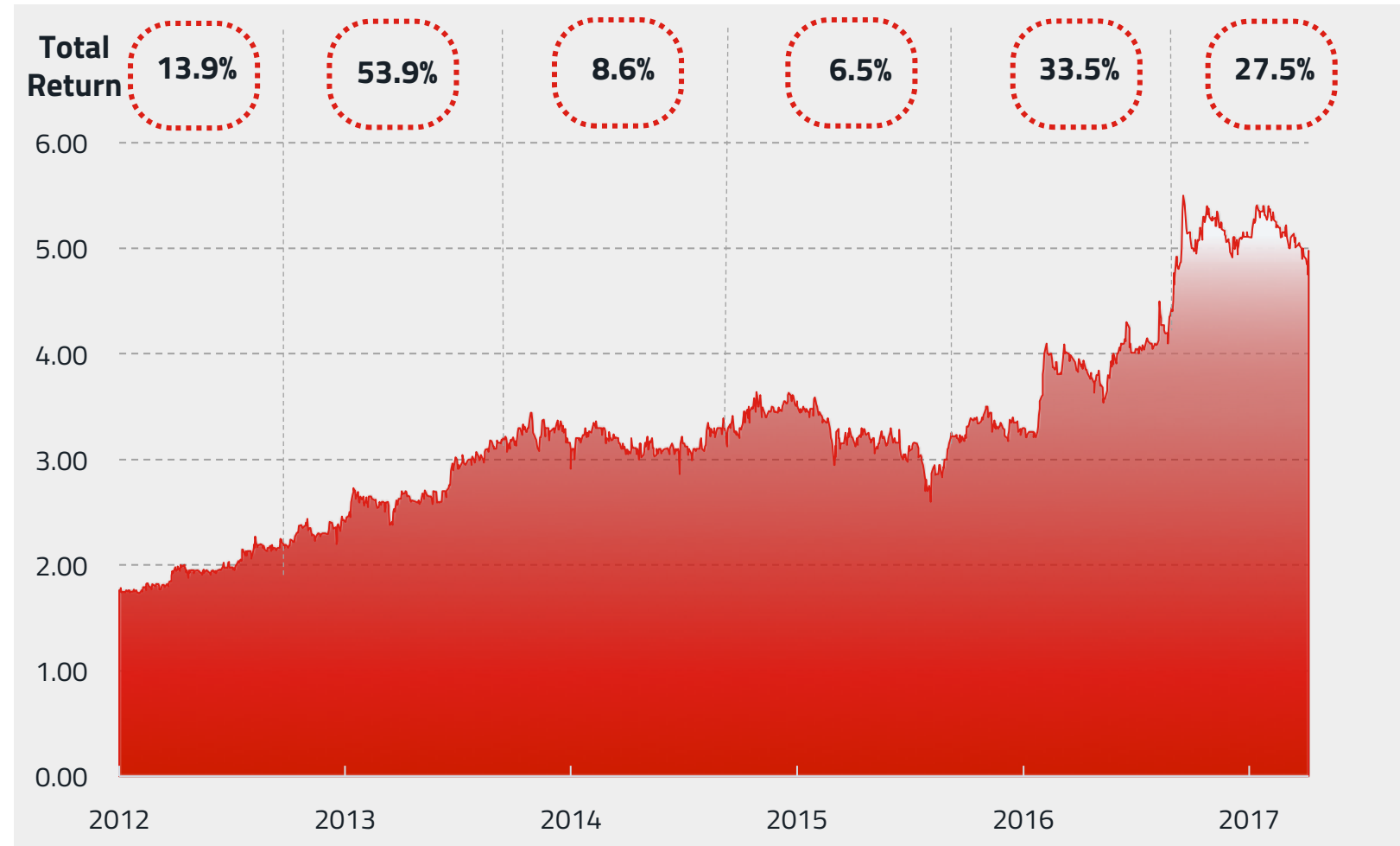
Performance (Jan 2012 - Sept 2017) →

Share Price Change: 176.7%

Annualized return: 19.3%

Total Return
(dividends reinvested): 243.32%

Annualized Total Return:
(dividends reinvested) 23.90%





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The Way Forward: Management Priorities

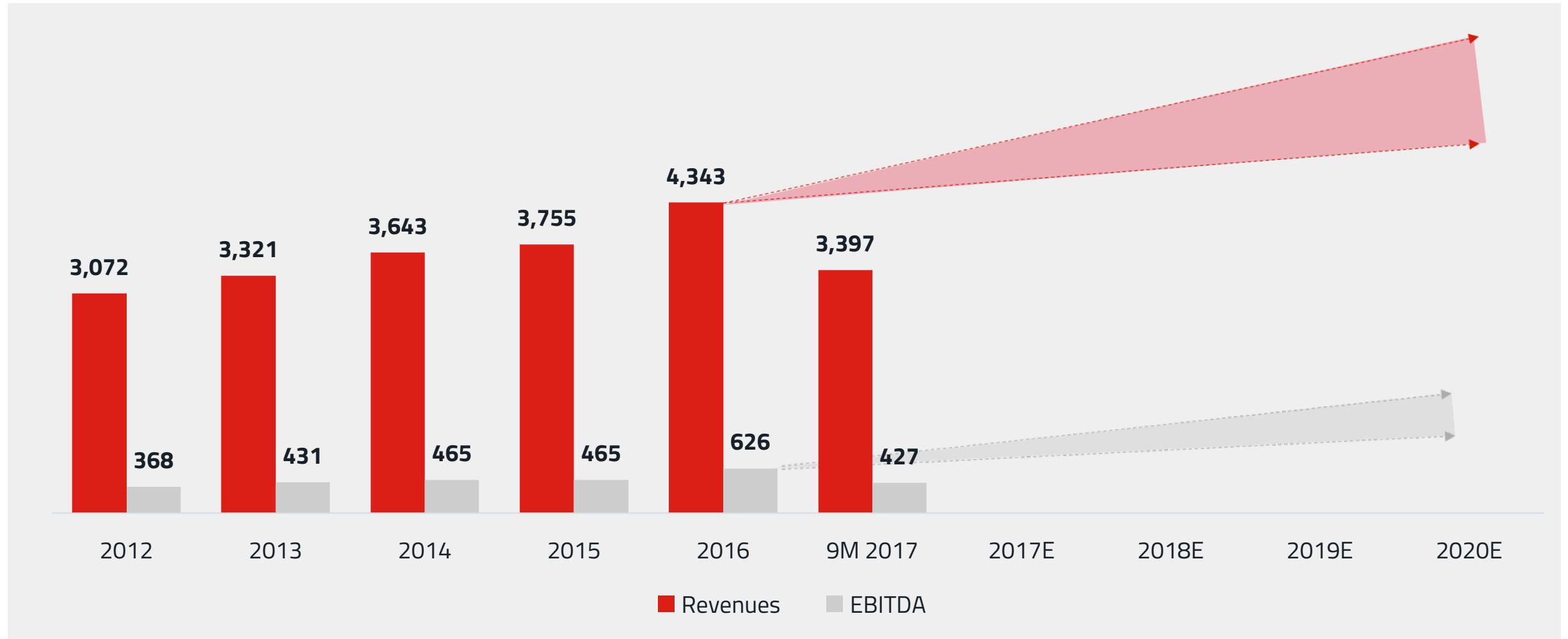
Grow the business	Consistent profitability	Shareholder participation
Focus on innovation and technology →	Focus on operational excellence →	Continue with our progressive dividend policy →
Grow eCommerce Portfolio →	Variabilization of cost structure →	Target Payout Ratio: > 50% →
Organic growth plus acquisitions →	Actively manage FX volatility →	
Attractive growth markets →		

Management Ambition: Guidance

	2016 Targets	2016 Actual	2017 Targets
Express	Double-digit growth	↑ 22% AED 1,687 m	Double-digit growth
Freight Forwarding	Slight decrease	↓ 6% AED 1,131 m	Single-digit decrease
Domestic	Double-digit growth	↑ 35% AED 981 m	Single-digit growth
Logistics	Slight increase	↑ 29% AED 265 m	Single-digit growth*
Other	Slight increase	↑ 22% AED 279 m	Single-digit growth
Total	Considerable increase	↑ 16% AED 4,343 m	Double-digit growth

* Revised Guidance.

Long Term Ambition Level – Projected Roadmap to 2020



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