

Investor Presentation

- FY & 4Q 2016 Results -

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[Management Update](#)

[4Q 2016 Results](#)

[FY 2016 performance](#)

[Management Outlook](#)

[Contacts](#)

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[Disclaimer](#)

[Management Update](#)

[4Q 2016 Results](#)

[FY 2016 performance](#)

[Management Outlook](#)

[Contacts](#)

Aramex is a global provider of logistics and transportation solutions

18,000 employees

567 offices in 69 Countries

AED 4.3 billion revenues

AED 6 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 in 2016

Closing Price FY 2016

AED 4.07

Total Return Metrics:

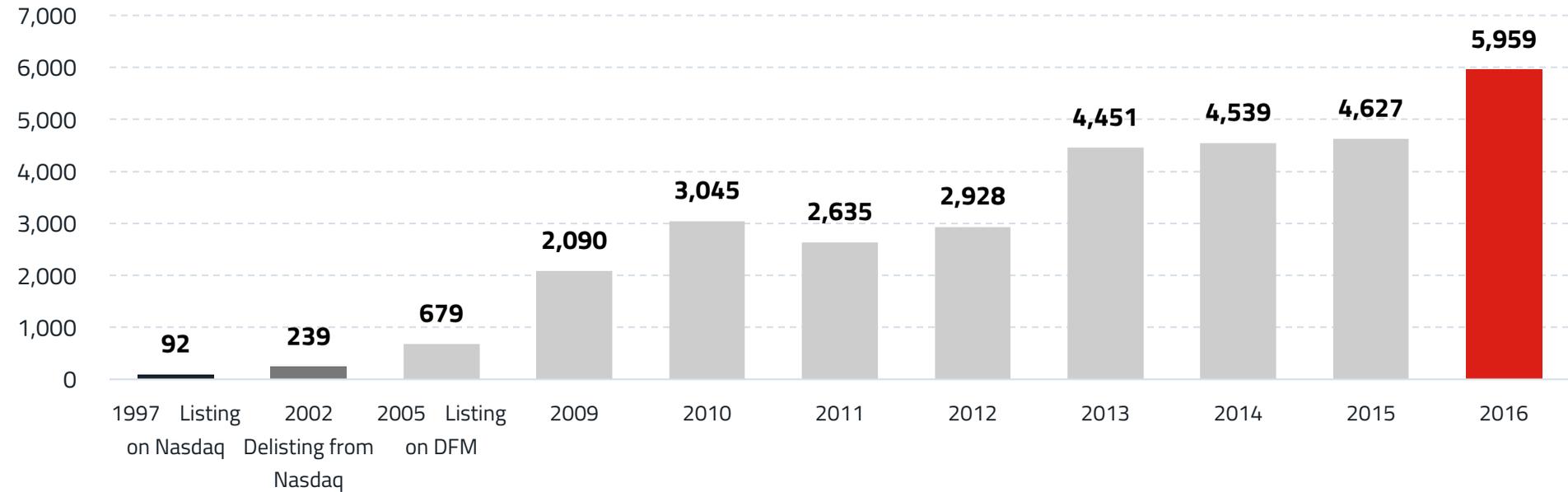
+29%

2016 share price increase

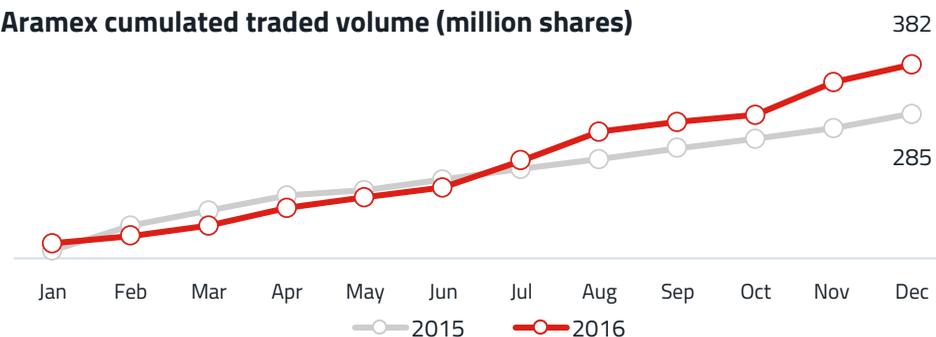
+34%

2016 Total Shareholder Return (Dividend reinvested)

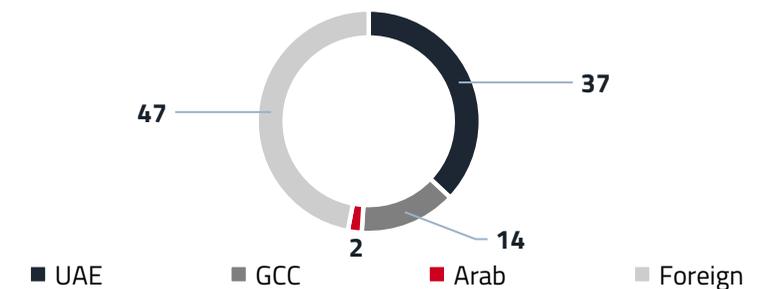
Market Capitalization (AEDm)



Aramex cumulated traded volume (million shares)



Geographic Ownership (%)



Management delivered and exceeded all targets for 2016

		2015 Actual	2016 Target	2016 Actual	
Express	✓	AED 1,387 m	Double-digit growth	↑ 22%	AED 1,687 m
Freight Forwarding	✓	AED 1,203 m	Slight decrease	↓ 6%	AED 1,131 m
Domestic	✓	AED 729 m	Double-digit growth	↑ 35%	AED 981 m
Logistics	✓	AED 206 m	Slight increase	↑ 29%	AED 265 m
Other	✓	AED 229 m	Slight increase	↑ 22%	AED 279 m
Total	✓	AED 3,755 m	Considerable increase	↑ 16%	AED 4,343 m

Management focused on five key areas to drive 2016 results

2016 was a record year for Aramex

Strong top and bottom line performance, especially in Q4 2016

eCommerce



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

Asset-light model



Proves our business model can be successful through market cycles

Innovation and technology



Enhanced 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



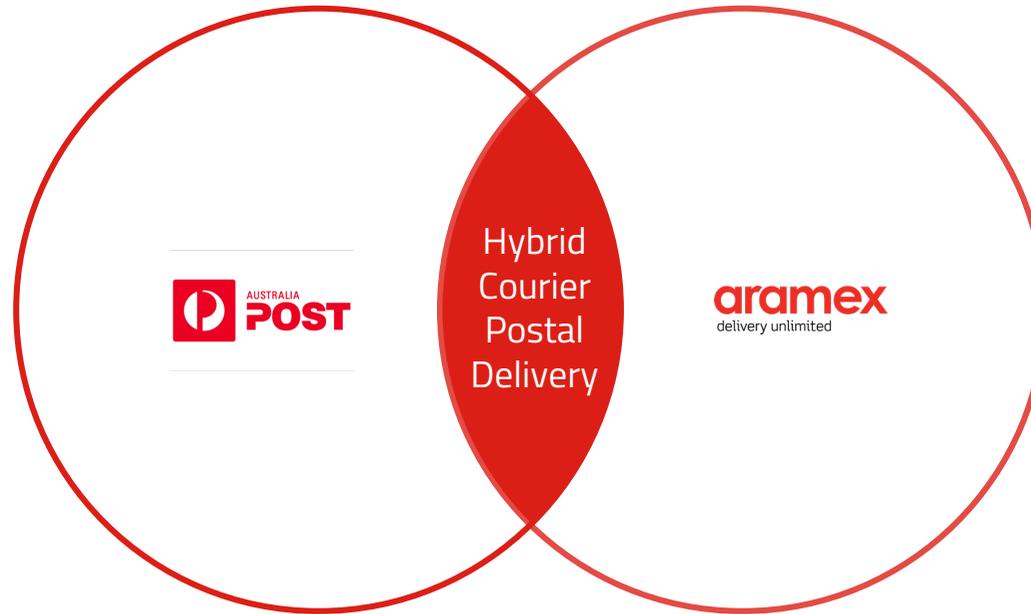
Acquisition of Fastway and JV with Australia Post started to show results

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

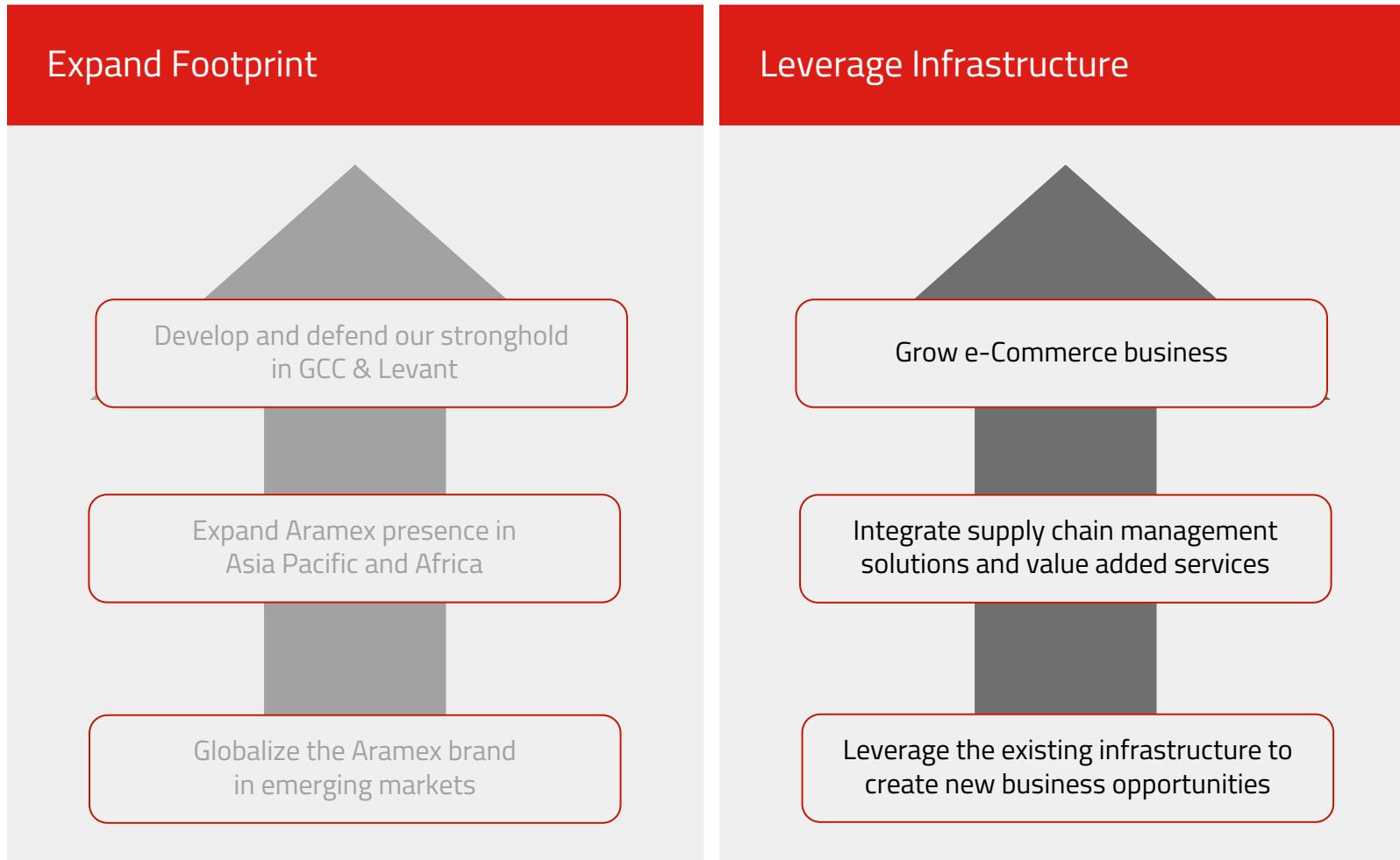
Expand Footprint

Develop and defend our stronghold
in GCC & Levant

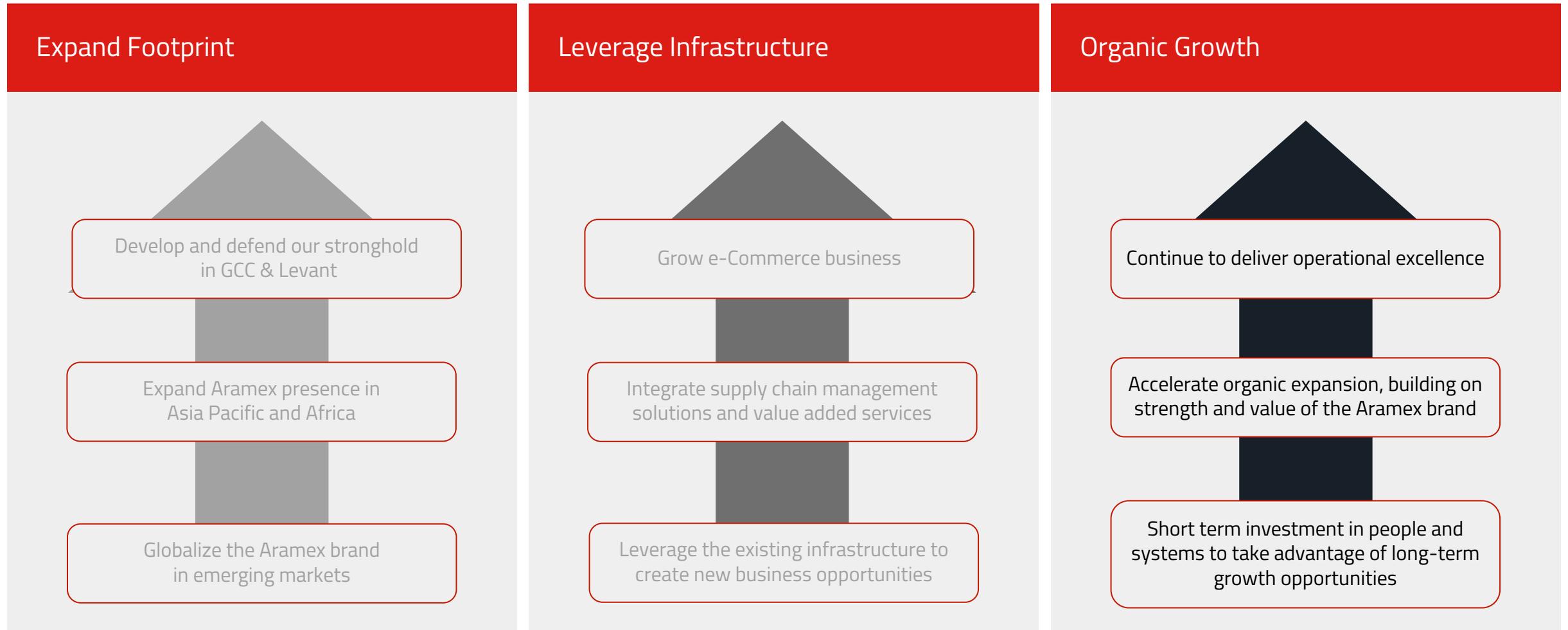
Expand Aramex presence in
Asia Pacific and Africa

Globalize the Aramex brand
in emerging markets

Management remains focused on three key priorities



Management remains focused on three key priorities



Core Beliefs

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



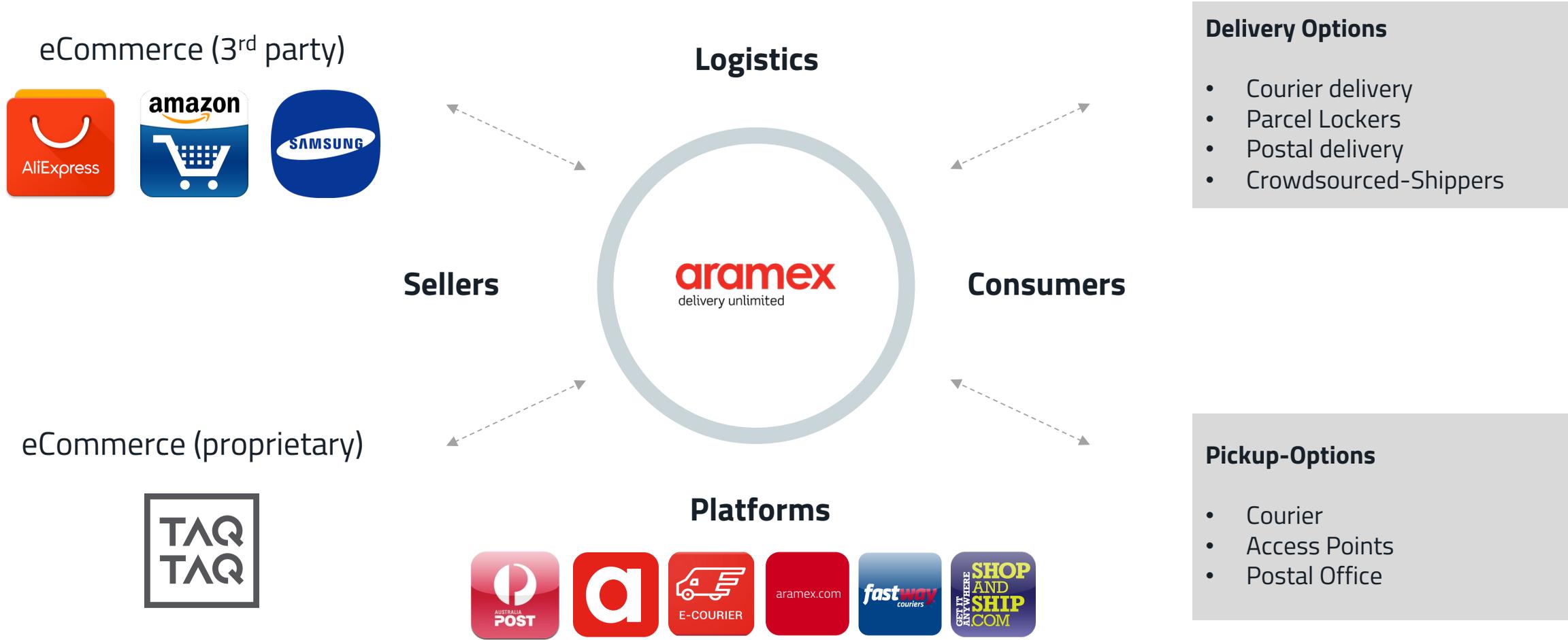
We believe that devices are becoming smarter and are connecting the unconnected

Talent



Better technology will enable employees to become more efficient

We have already started building out the Aramex ecosystem



4Q 2016 Results

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[Management Update](#)

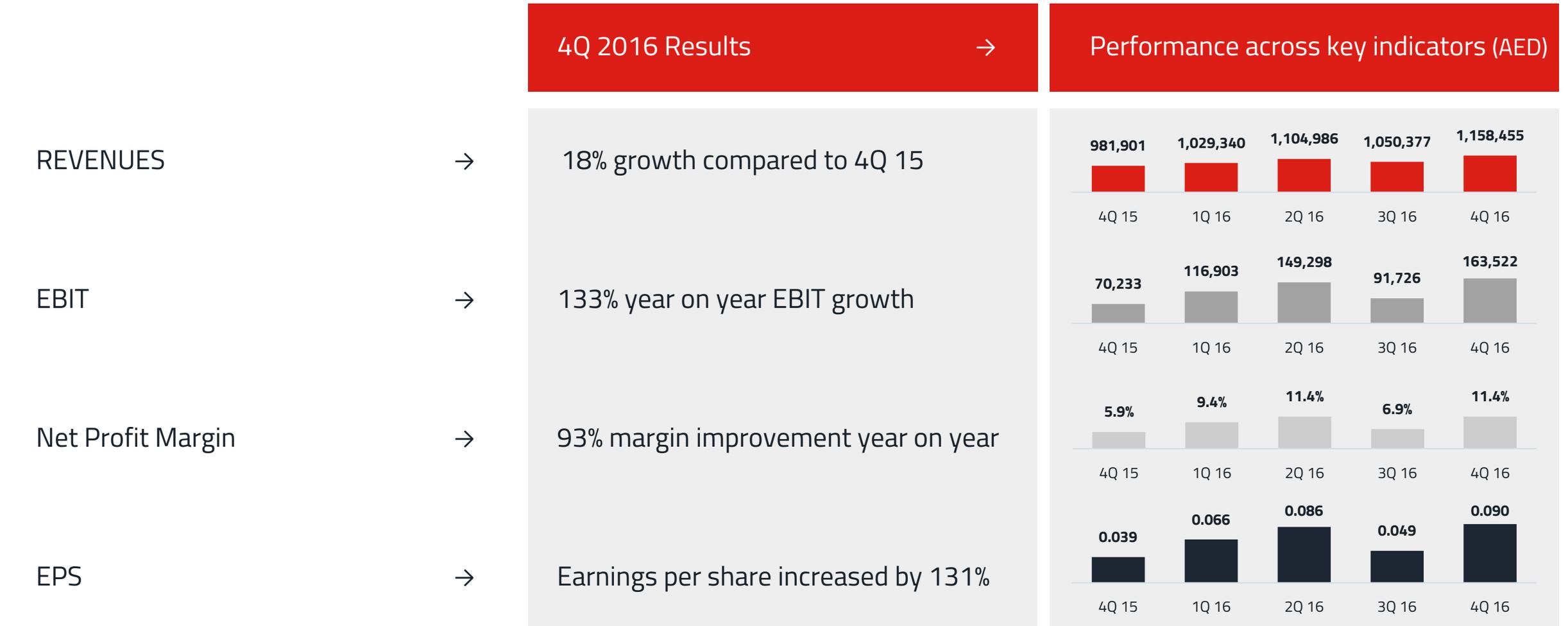
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[FY 2016 performance](#)

[Management Outlook](#)

[Contacts](#)

Strong top and bottom line growth continues



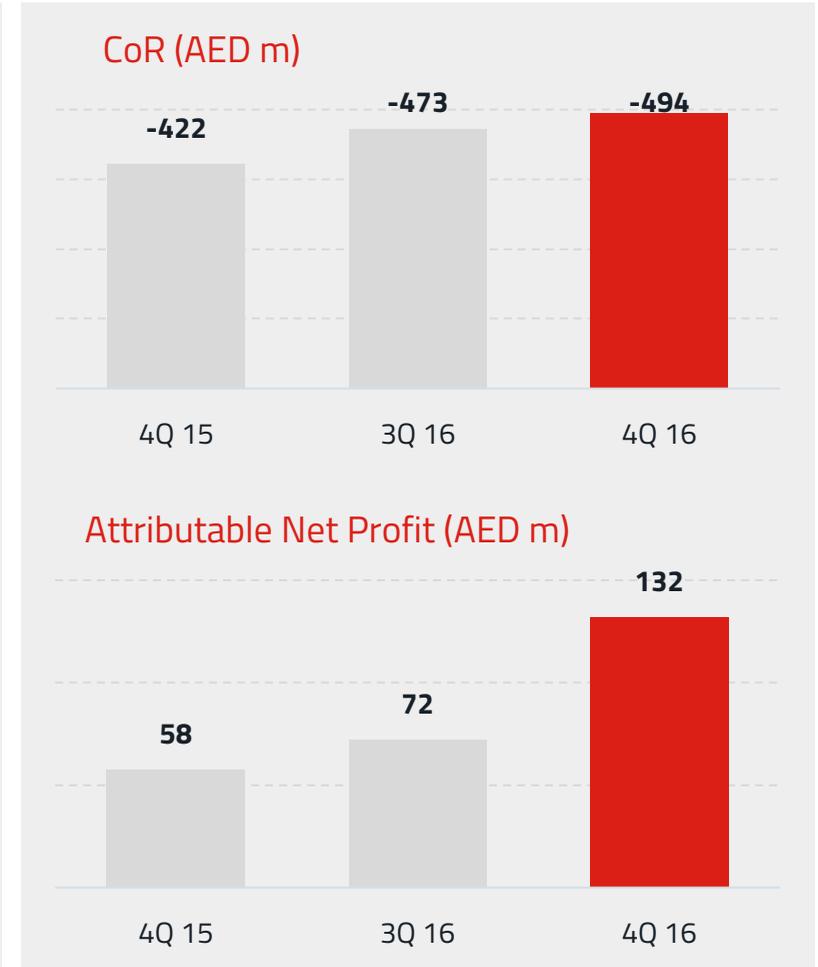
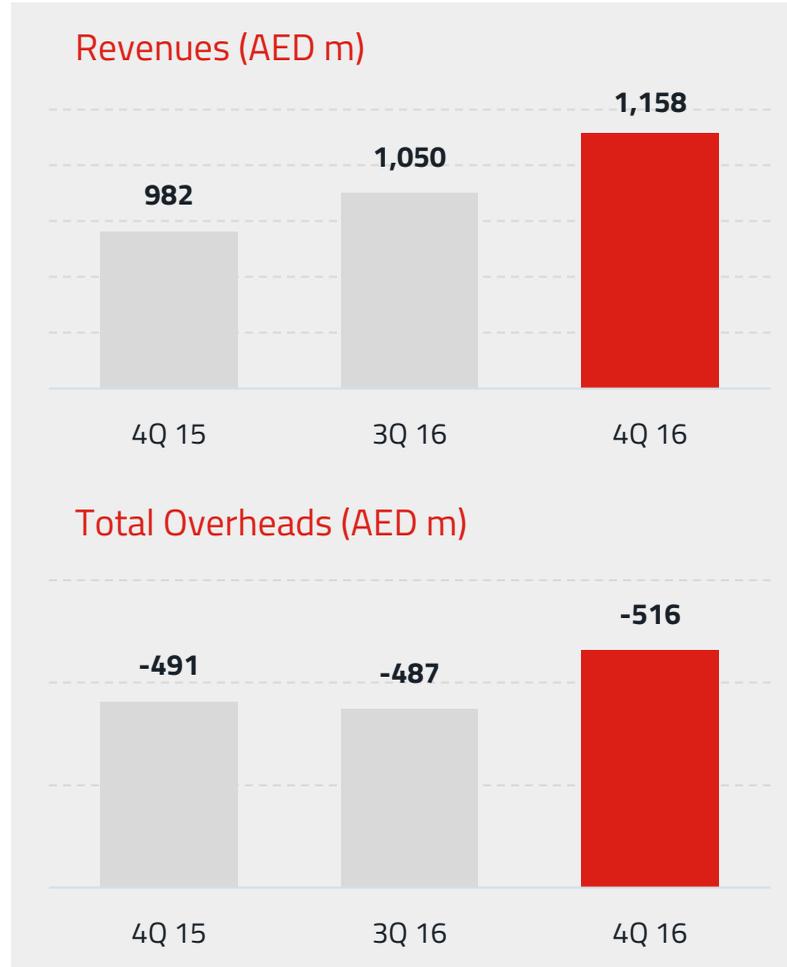
4Q 2016 Group Highlights

Management Comments →

Revenue performance in the fourth quarter was driven by growth across most geographies, with Asia-Pacific being a major contributor.

Cost of Revenues and overheads increased year-on-year in line with overall growth of the business.

Attributable Net Profit rose sharply in 4Q 2016 as a result of the strong revenue performance in combination with improved overhead cost efficiency.



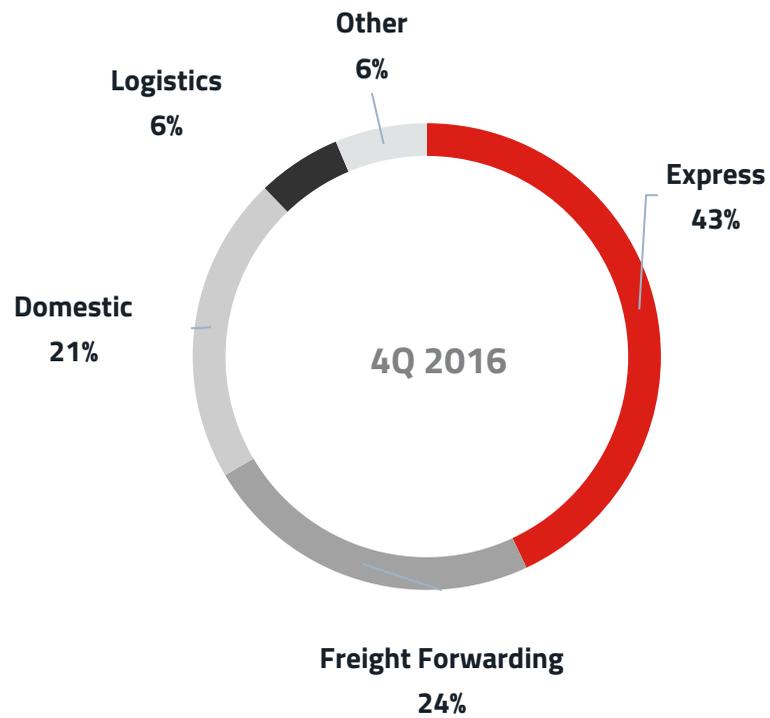
4Q 2016 Financial Highlights

Income Statement (AEDm) →

	Quarter			Movement (%)	
	4Q 16	3Q 16	4Q 15	q-o-q	y-o-y
Revenue	1,158.5	1,050.4	981.9	10%	18%
Cost of Revenues	(494.4)	(472.8)	(422.1)	-5%	-17%
Gross profit	664.1	577.5	559.8	15%	19%
Overheads	(515.8)	(487.2)	(490.8)	-6%	-5%
Income before tax	159.4	87.4	69.8	82%	128%
Profit after tax from cont. operations	139.3	71.9	64.9	94%	115%
Profit for the period	139.3	76.4	66.8	82%	108%
Attributable income	131.8	72.2	57.6	83%	129%
EBIT (Operating income)	163.5	91.7	70.2	78%	133%

Domestic and international express delivered 64% of revenues

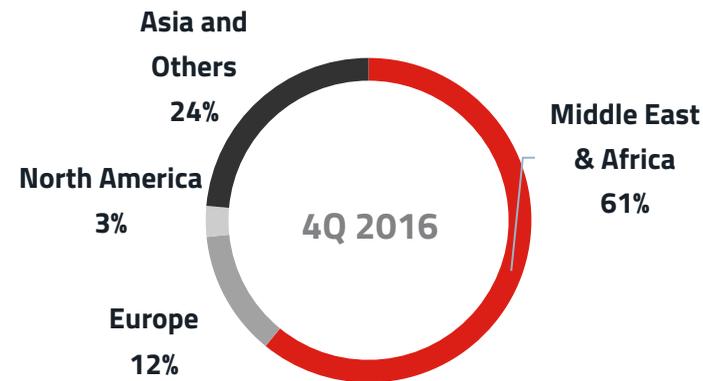
Revenues by segment (AED m) →



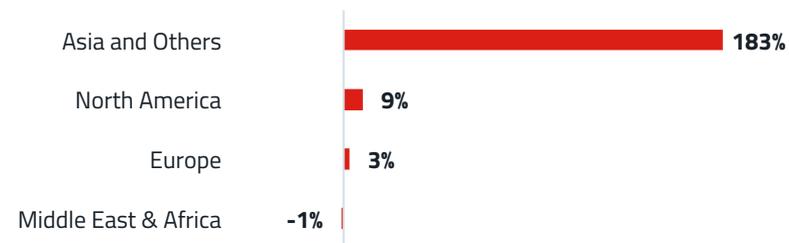
Geographic performance – strongest growth recorded again in Asia

Revenues by Geography →

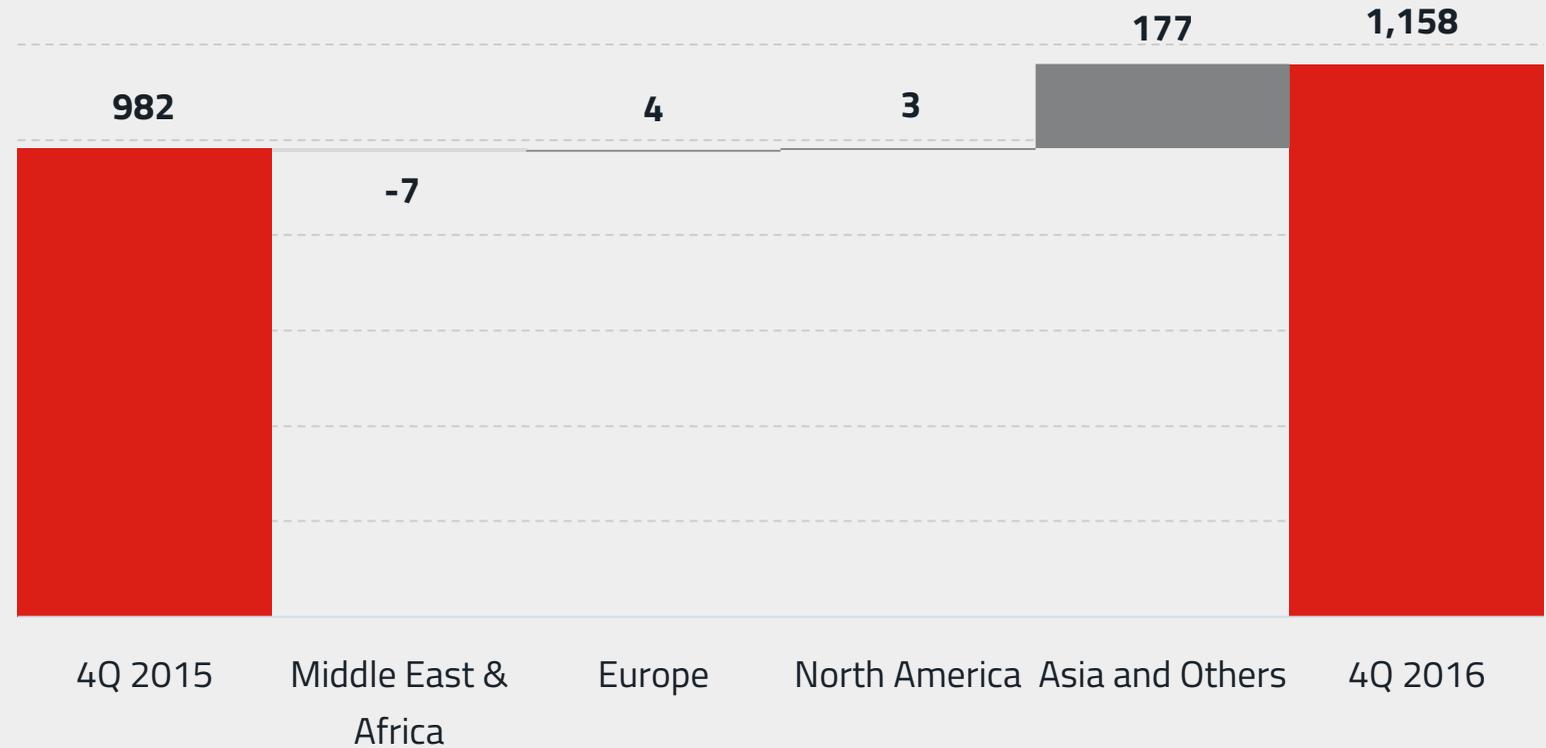
Geographic Contribution (%)



Geographic Performance y-o-y (%)



Revenue Bridge y-o-y (AED m)



4Q 2016 Financial Highlights

Financial Ratios (AEDm) →

	Quarter			Movement	
	4Q 16	3Q 16	4Q 15	q-o-q	y-o-y
EPS (AED)	0.090	0.049	0.039	83%	129%
Gross profit margin (%)	57.3%	55.0%	57.0%	2.3%	0.3%
Net profit margin (%)	11.4%	6.9%	5.9%	4.5%	5.5%
EBITDA margin %	16.4%	11.1%	9.4%	5.3%	7.0%
Debt/Equity %	27.7%	30.2%	15.9%	2.5%	-11.8%

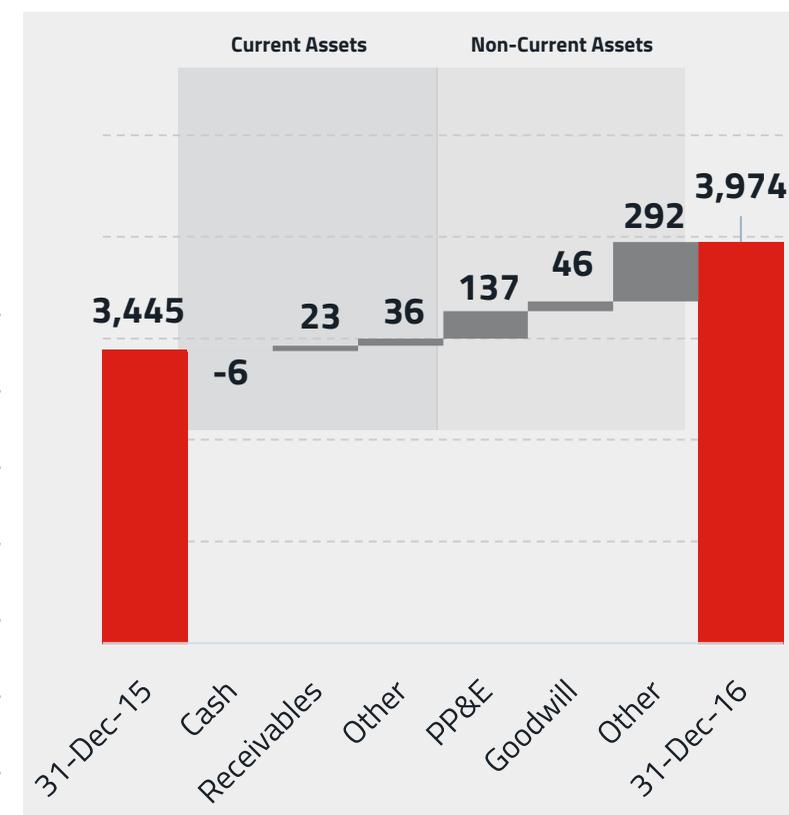
*Annualized

Balance sheet remains strong and liquid

Balance Sheet Highlights →

Asset Movement Y-o-Y (AED m) →

	31 Dec 2016	31 Dec 2015	Actual	Movement Change %
Current assets	1,655	1,602	53	3%
Non-current assets	2,319	1,844	475	26%
Total assets	3,974	3,445	529	15%
Current liabilities	1,122	822	300	37%
Non-current liabilities	578	424	154	36%
Total liabilities	1,700	1,246	454	36%
Non-controlling interest	9	38	-29	-76%
Shareholders' equity	2,265	2,162	103	5%



4Q 2016 Financial Highlights

Financial Ratios (AEDm) →

	31 Dec 2016	31 Dec 2015	Actual	Movement in %
Cash and cash equivalents	701	707	-6	-1%
Receivables (net)	754	731	23	3%
Other current assets	199	163	36	22%
Total current assets	1,655	1,602	53	3%
Property, Plant and equipment (net)	840	703	137	20%
Goodwill (net)	1,084	1,038	46	4%
Other non current assets	395	103	292	285%
Total non-current assets	2,319	1,844	475	26%
Total assets	3,974	3,445	529	15%

Long-term Performance



[Disclaimer](#)

[Management Update](#)

[4Q 2016 Results](#)

[FY 2016 performance](#)

[Management Outlook](#)

[Contacts](#)

Evolution of Express business – outgrowing freight forwarding

Segmental Revenues (%) →

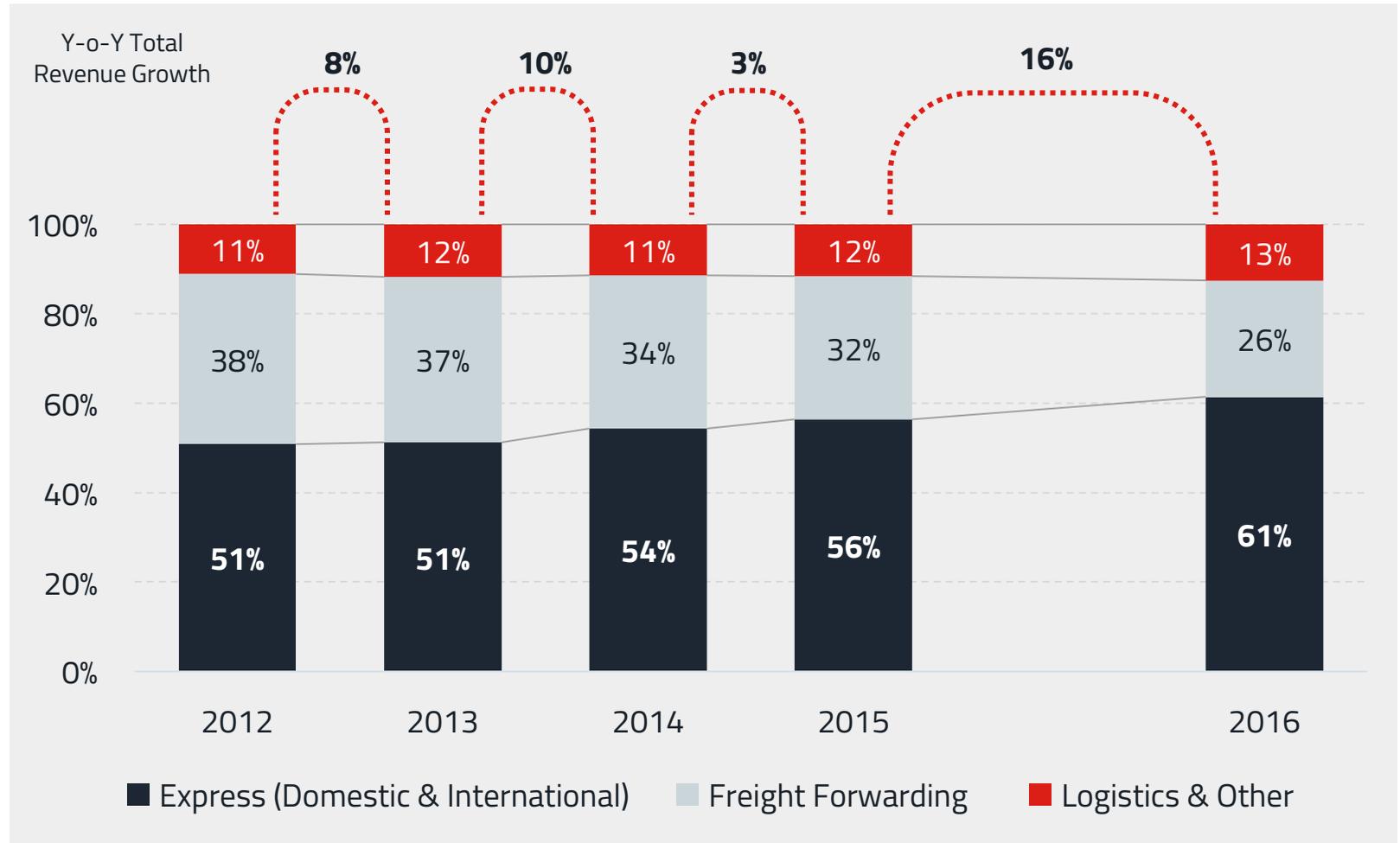
Express contribution to total revenues continues to grow, outgrowing other businesses

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

Express revenue (domestic & international) has grown from 51% to 61% as at FY 2016

Freight forwarding has consistently declined from 38% revenue contribution to 26%

Management expects this trend to continue throughout 2017 and beyond



Aramex maintains a track record of delivering operational excellence

Aramex 2012-2016 (Indexed) →

We delivered a consistently strong performance since 2012

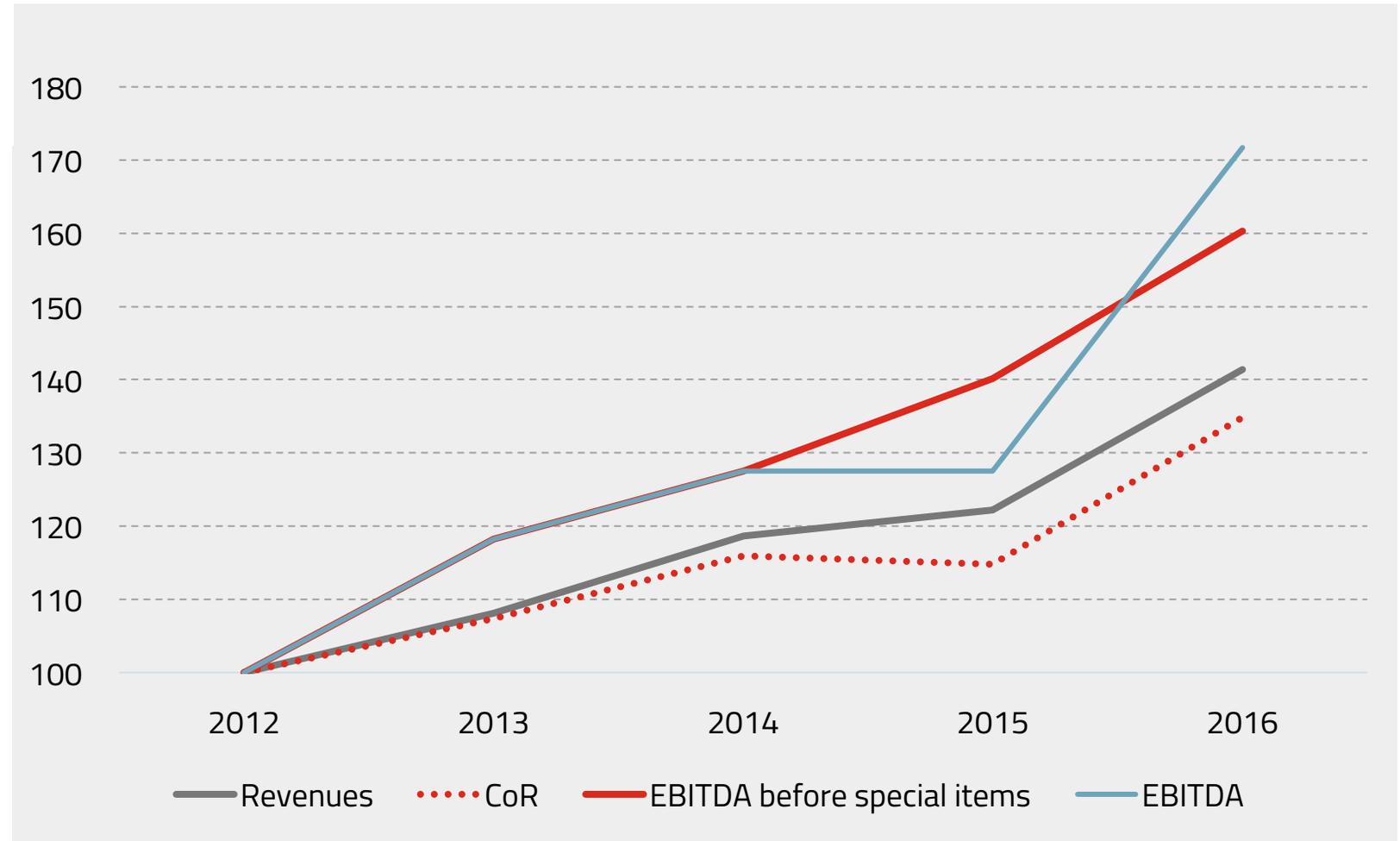
2012-2016 CAGR

Revenues 9.0%

Cost of Revenues 7.8%

EBITDA: 14.2%

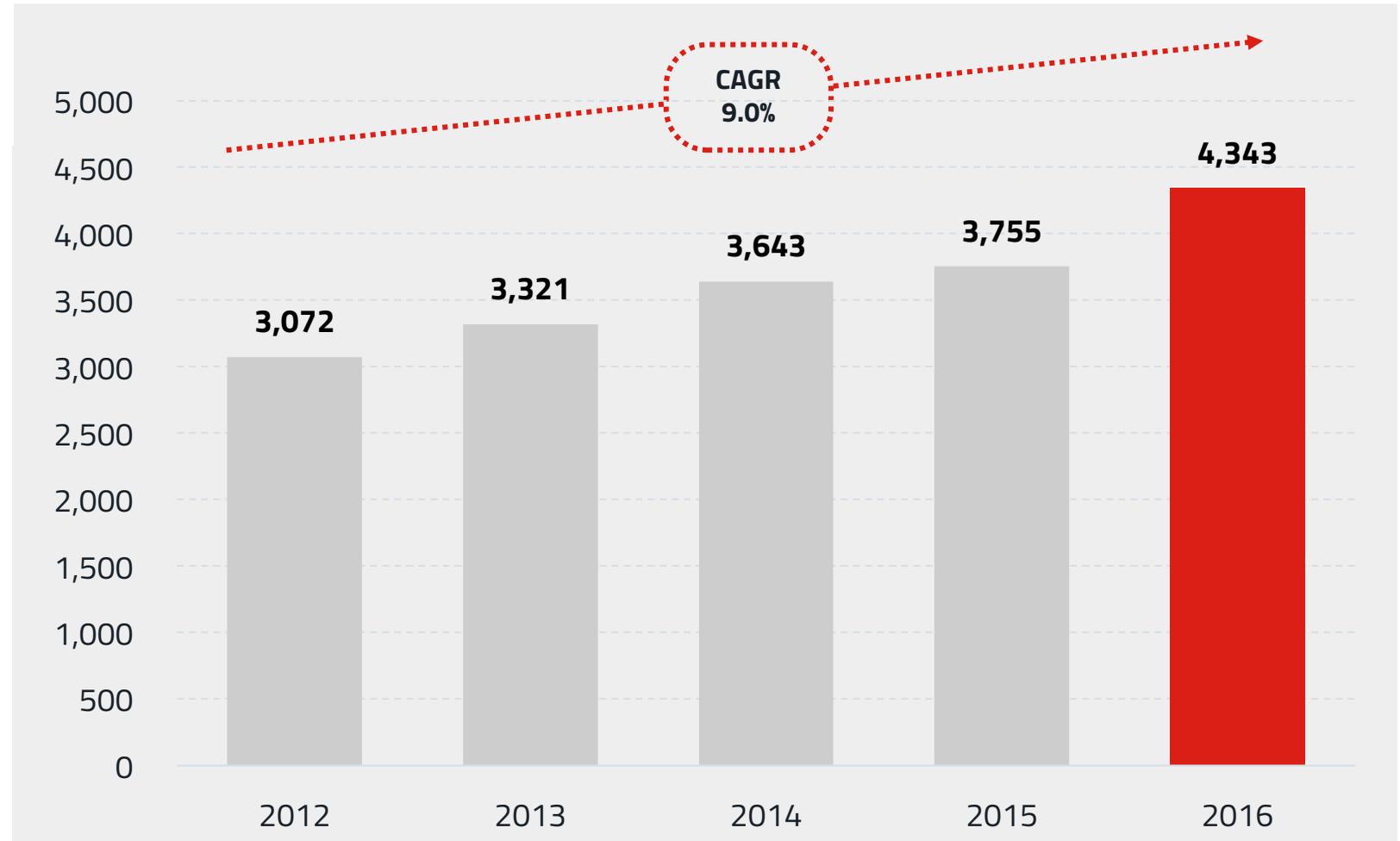
EBITDA before special items: 12.2%



Aramex continues to deliver solid top line performance

Revenues (AED m) →

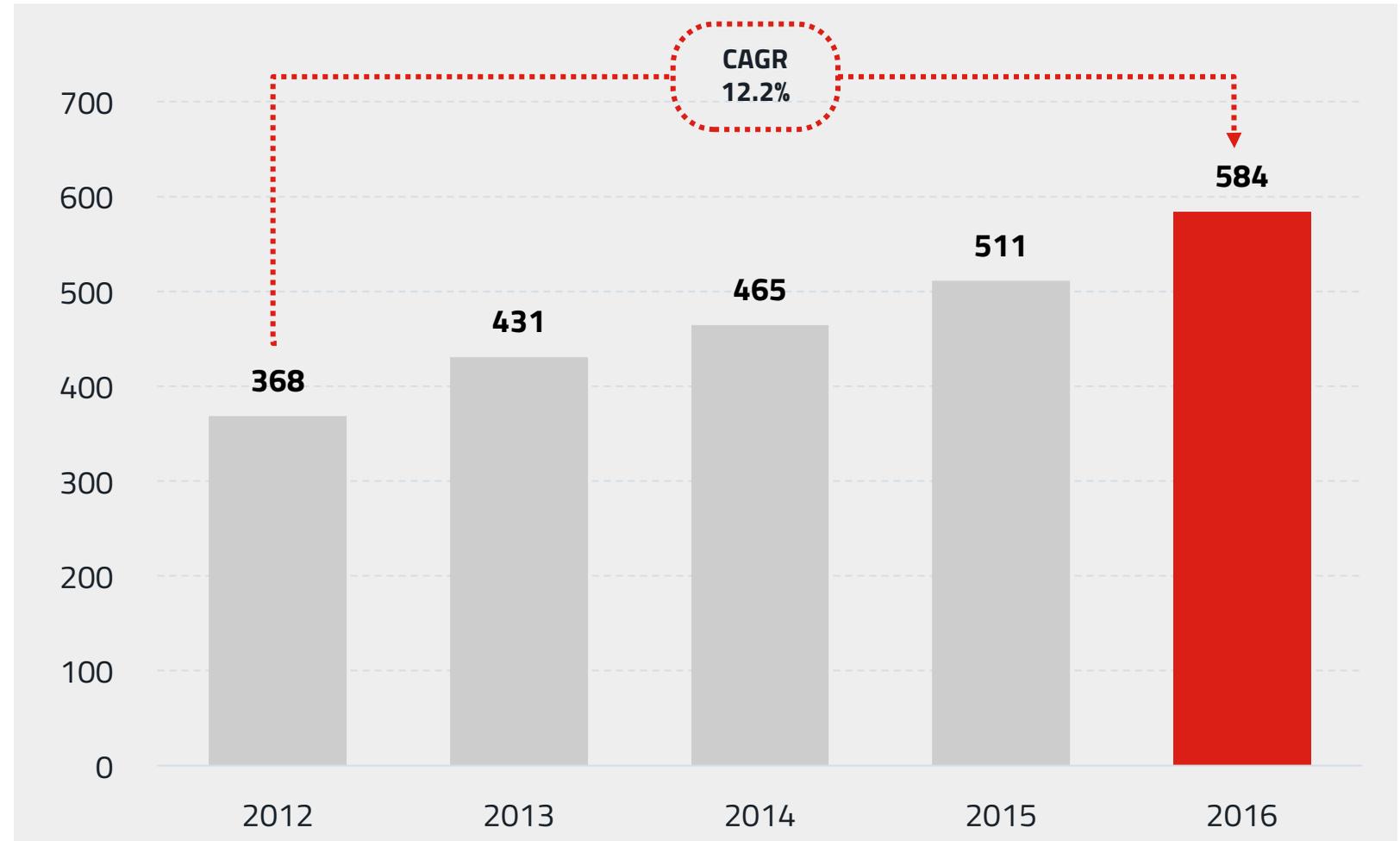
Revenue generation
Strong revenue growth of 16% in 2016 reflects additional income generated primarily in international cross-border express business as well as in Asia Pacific



Strong underlying results right across the business

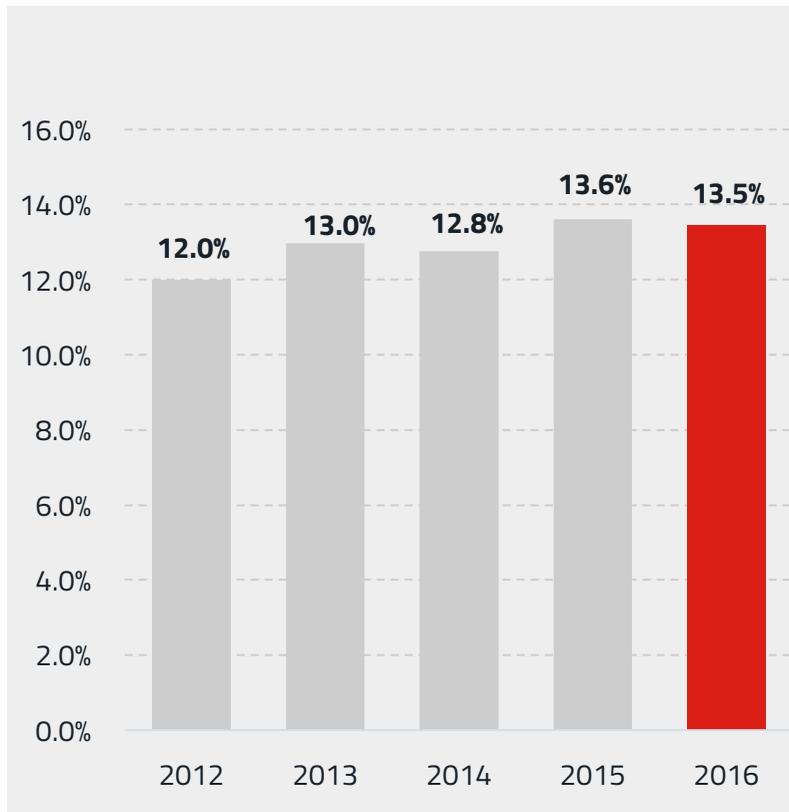
EBITDA before special items (AED m) →

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

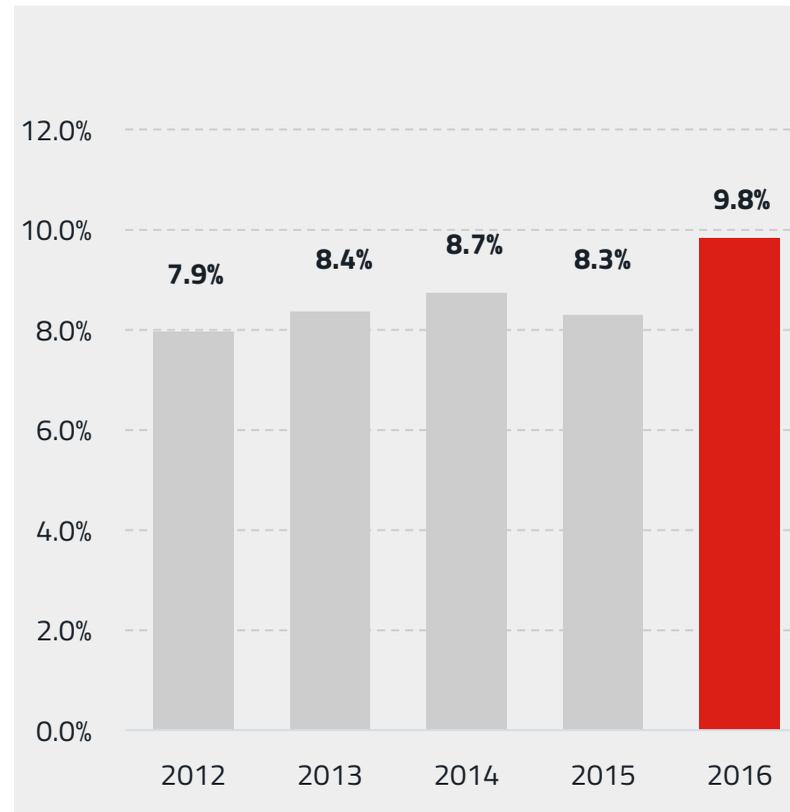


Aramex generates consistent performance across key KPIs

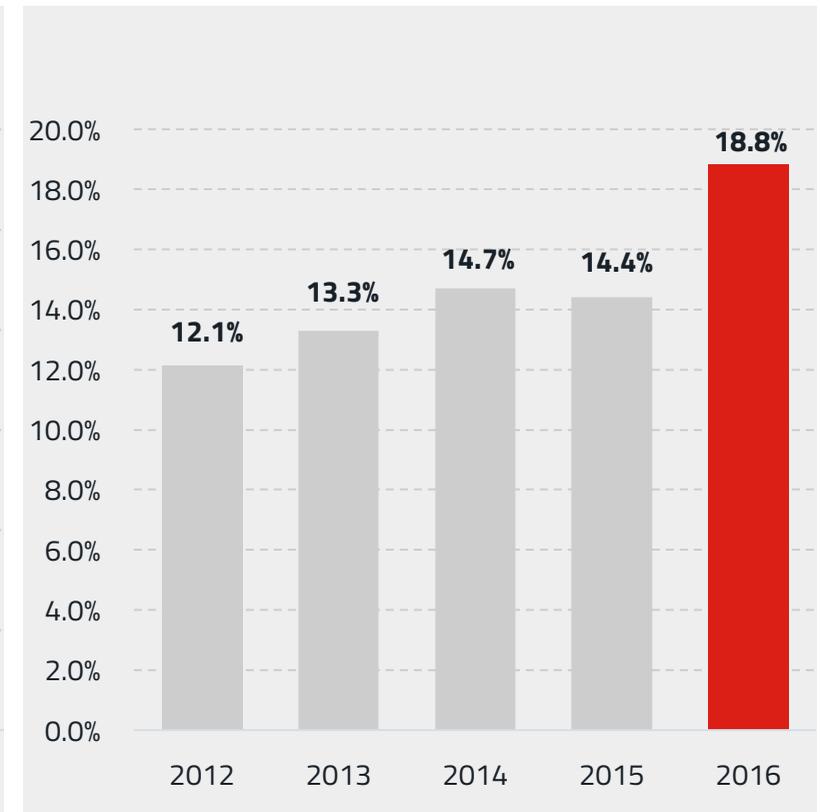
EBITDA margin before special items (%) →



Net Profit Margin (%) →



Return on Equity (%) →

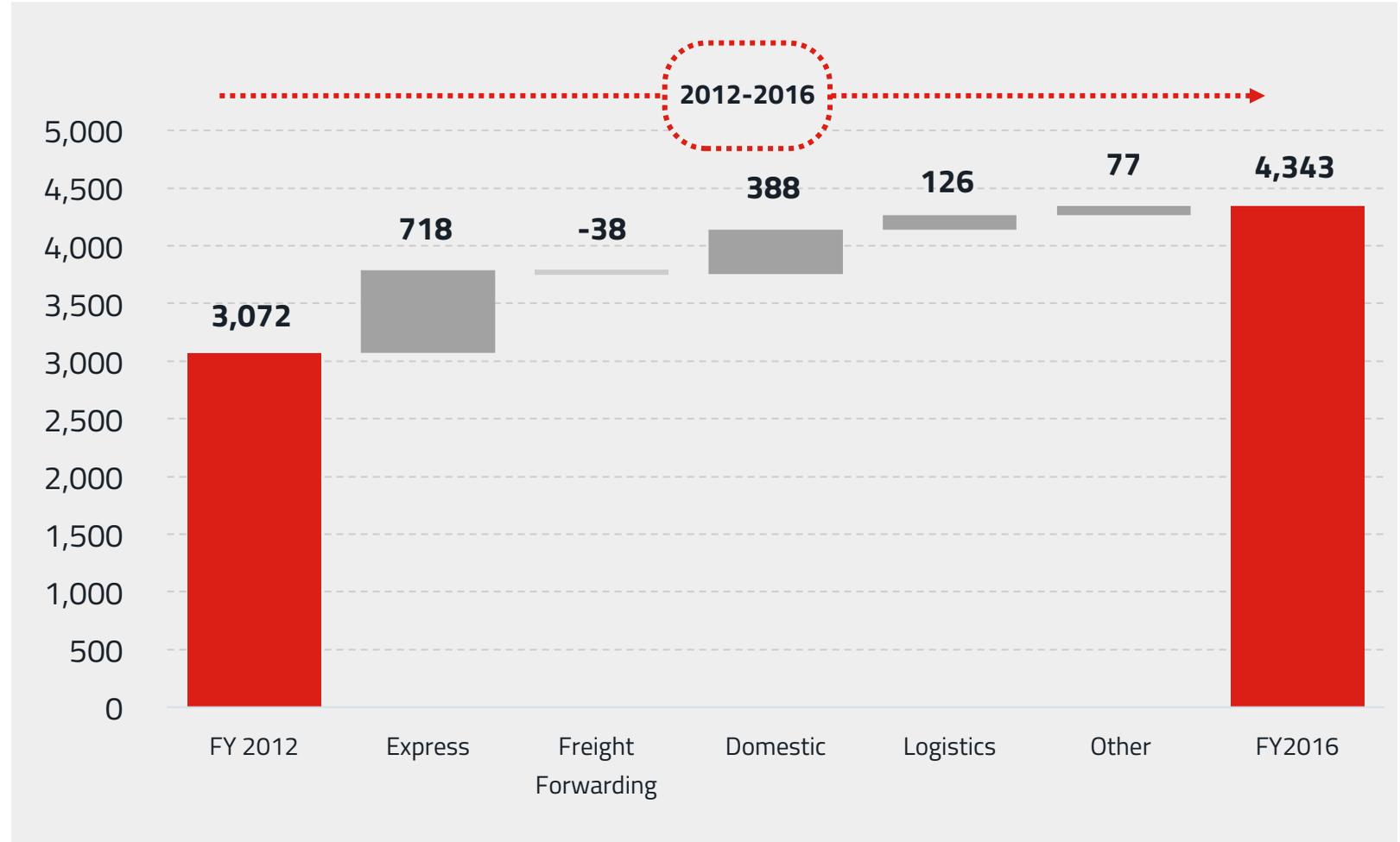


Key components of Aramex's long term growth story

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%

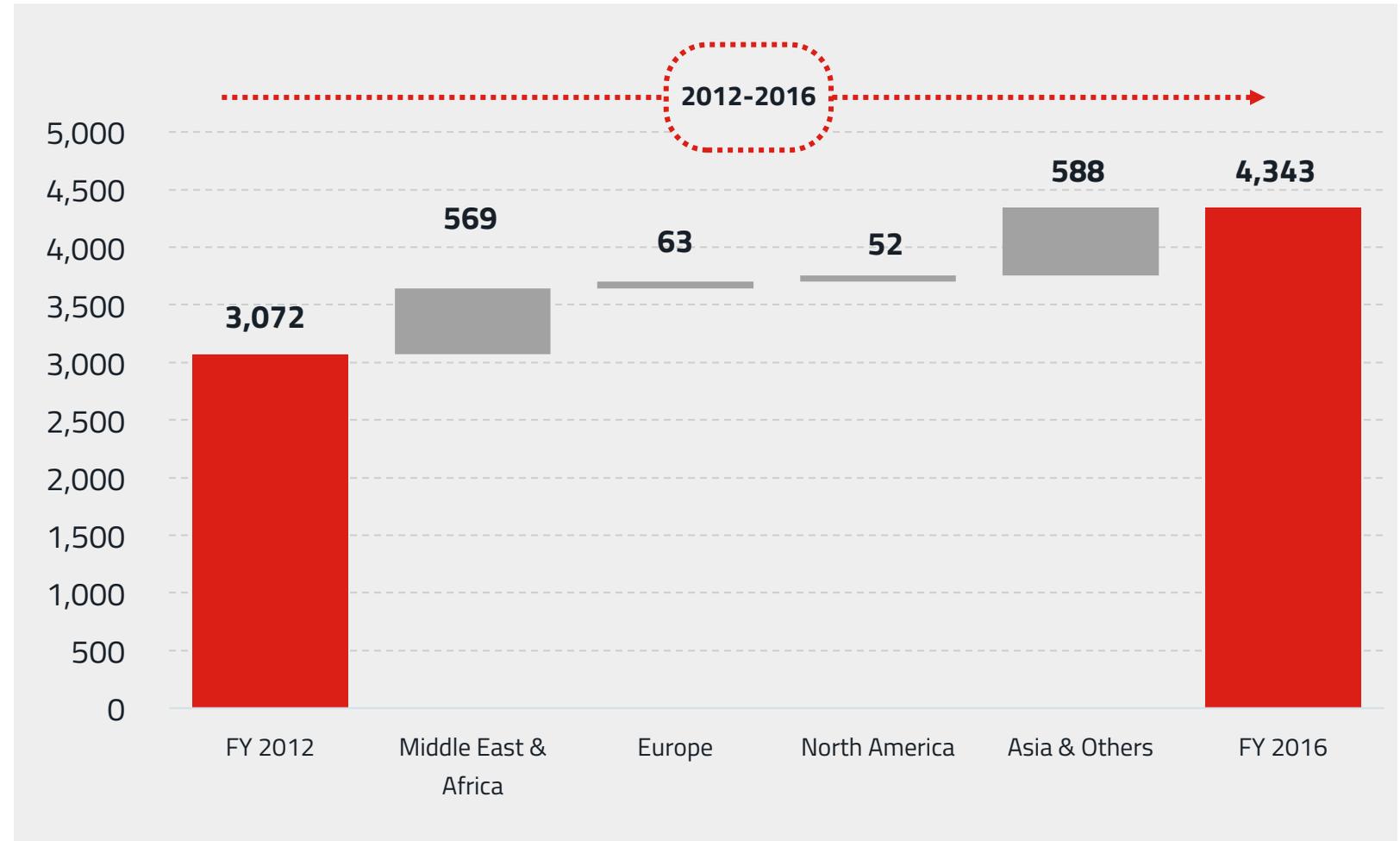


Defending and developing our market position in growth markets

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%



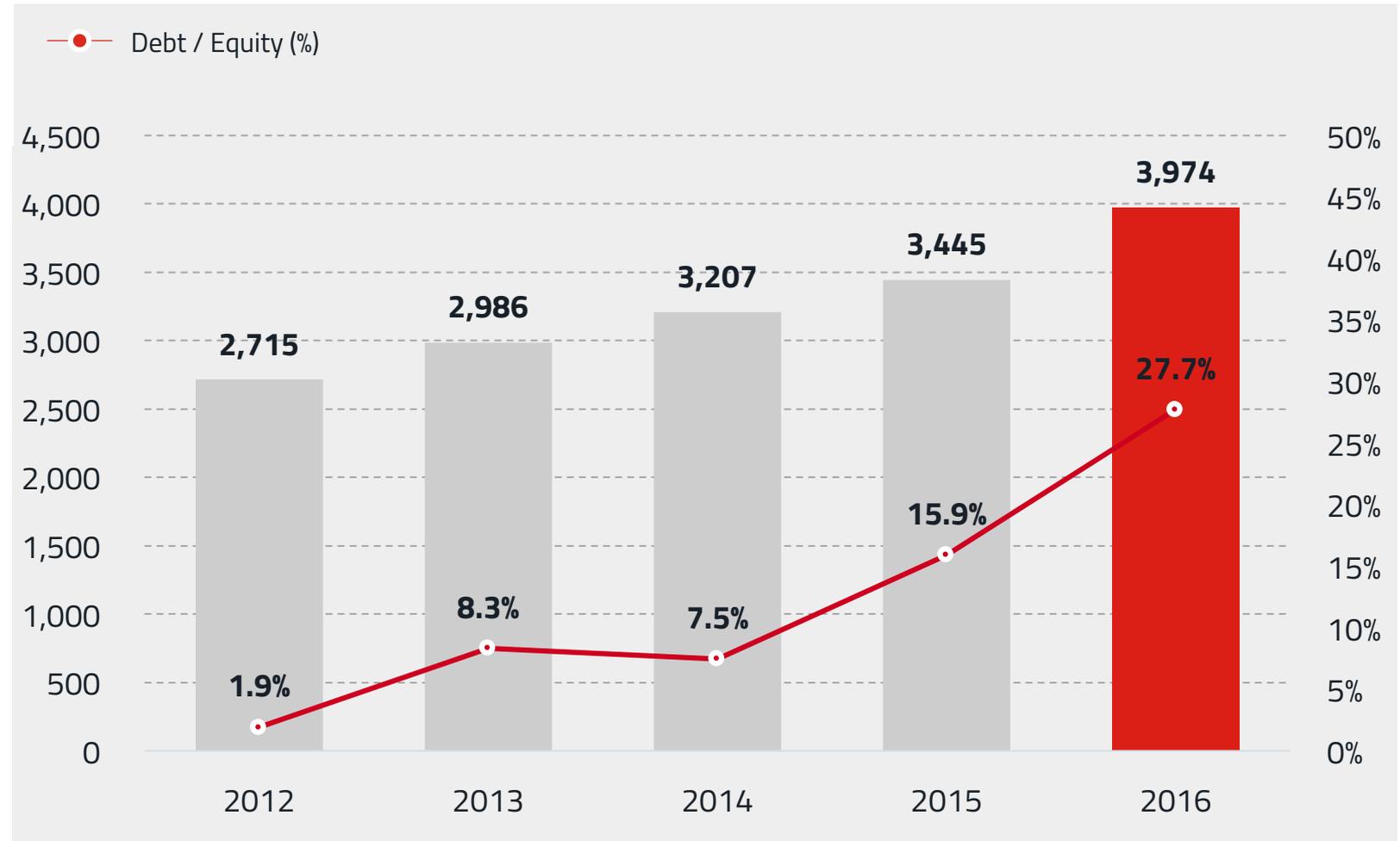
Aramex balance sheet evolution

Total Asset (AED m) →

Aramex has consistently grown its balance sheet. Driven mainly by acquisitions, Aramex will continue to increase leverage.

We will continue to maintain a prudent approach towards managing our debt

Debt*/ Equity at 27.7% as of 31 December 2016



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

Aramex management proposes to pay a dividend of AED 0.16 for 2016

Dividends →

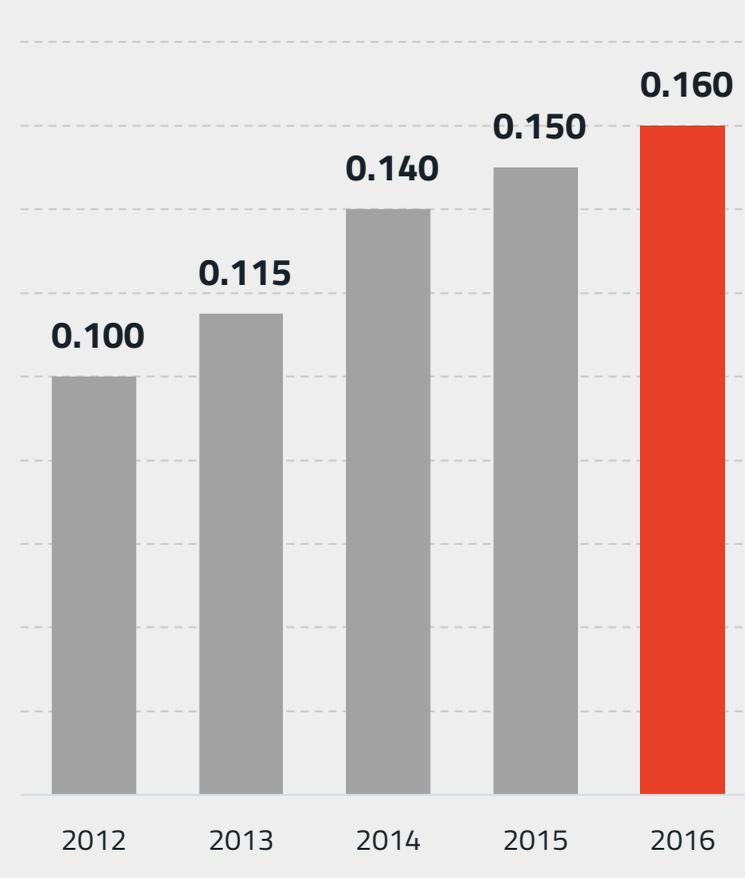
Dividend proposal of AED 0.160 per share to be approved by shareholders at AGM on 19 Feb 2017

Gross dividend yield: 3.9%

Long-term management target:

Dividend payout ratio of > 50%

Dividend Payout (AED / share)



Dividend Payout Ratio (%)



Aramex shareholders rewarded by long term performance

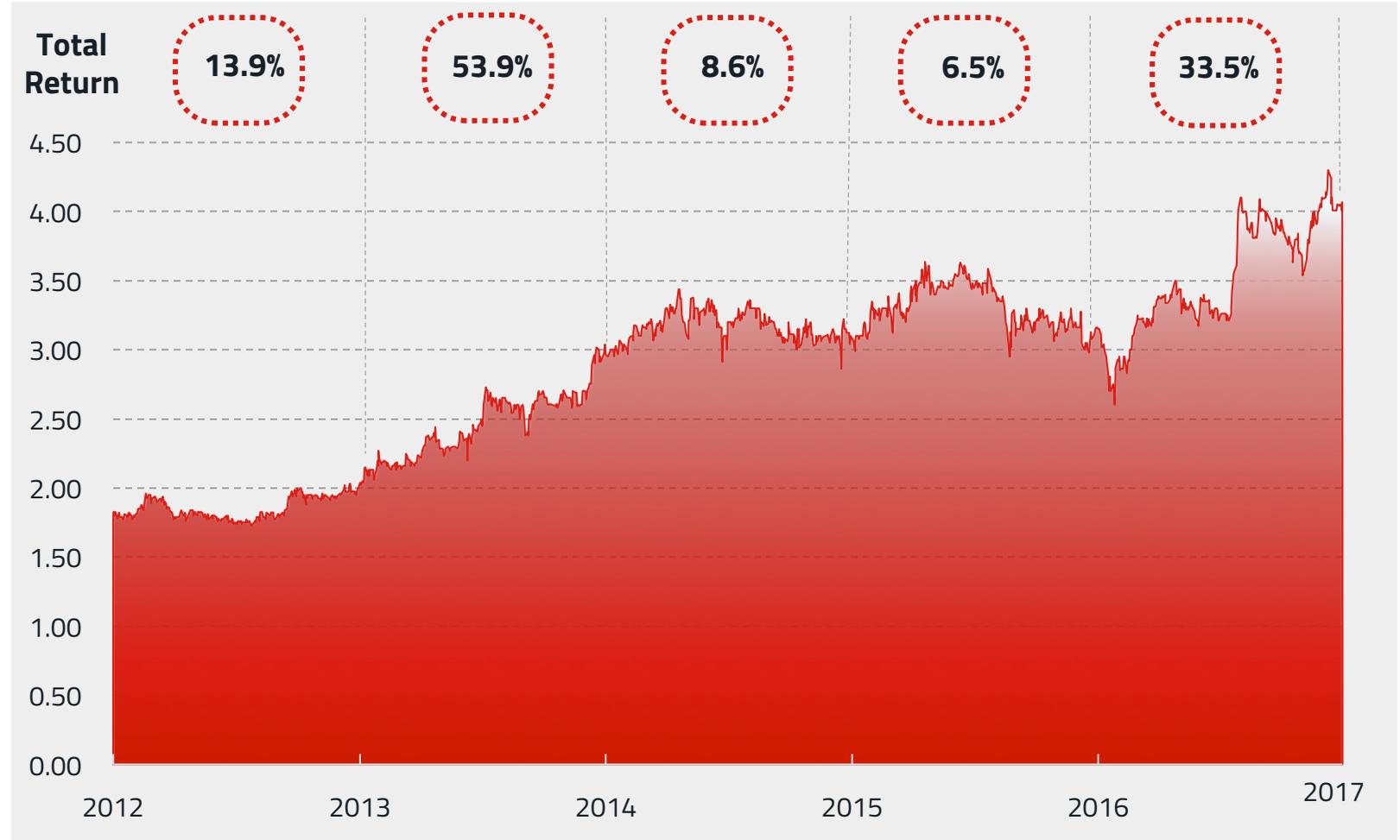
Performance (Jan 2012-Dec 2016) →

Share Price Change: 126.1%

Annualized return: 17.7%

Total Return
(dividends reinvested): 172.4%

Annualized Total Return:
(dividends reinvested) 22.2%





Management Outlook

[Disclaimer](#)

[Management Update](#)

[4Q 2016 Results](#)

[FY 2016 performance](#)

[Management Outlook](#)

[Contacts](#)

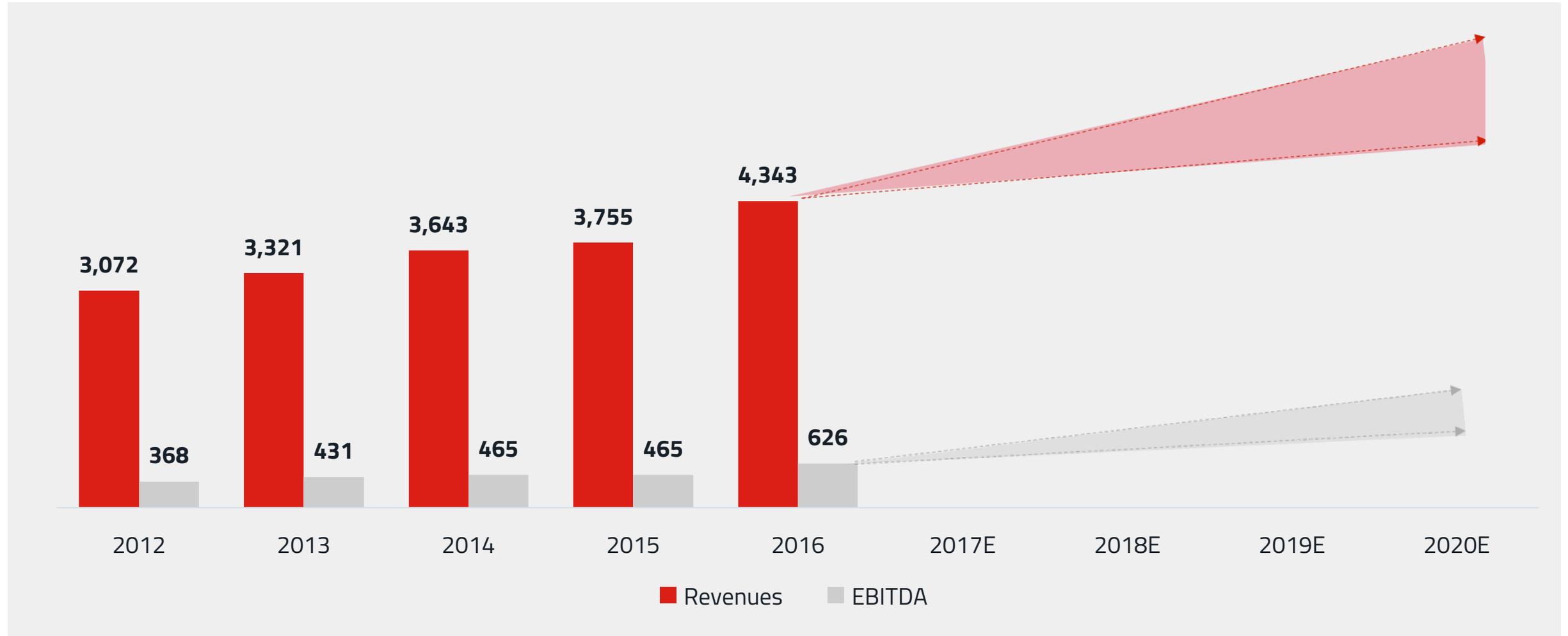
The Way Forward: Management Priorities

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

	2015 Actual	2016 Actual	2017 Targets
Express	AED 1,387 m	AED 1,687 m	Double-digit growth
Freight Forwarding	AED 1,203 m	AED 1,131 m	Single-digit decrease
Domestic	AED 729 m	AED 981 m	Single-digit growth
Logistics	AED 206 m	AED 265 m	Double-digit growth
Other	AED 229 m	AED 279 m	Single-digit growth
Total	AED 3,755 m	AED 4,343 m	Double-digit growth

Long Term Ambition Level – Projected Roadmap to 2020



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