DP WORLD

DP WORLD ANNOUNCES STRONG FINANCIAL RESULTS

Net Income of Over $1 Billion for First Time

Dubai, United Arab Emirates, 20 March 2017: Global trade enabler DP World today announces strong financial results from its global portfolio for the twelve months ending 31 December 2016. On a reported basis, revenue grew 4.9% and adjusted EBITDA increased 17.4% with adjusted EBITDA margin of 54.4%, delivering profit attributable to owners of the Company, before separately disclosed items[1], of $1,127 million, up 27.6%, and EPS of 135.7 US cents. On a like-for-like basis, revenue grew 1.3%, adjusted EBITDA increased by 6.6% with adjusted EBITDA margin of 52.6%, and attributable earnings increased 6.2%.

Results before separately disclosed items[1] unless otherwise stated	**2016**	**2015**	**As Reported % change**	**Like-for-like at constant currency % change[2]**
USD million				
Gross throughput[3] (TEU '000)	63,658	61,701	3.2%	2.2%
Consolidated throughput[4] (TEU '000)	29,240	29,110	0.4%	(1.6%)
Revenue	4,163	3,968	4.9%	1.3%
Share of profit from equity-accounted investees	149	53	183.5%	30.5%
Adjusted EBITDA[5]	2,263	1,928	17.4%	6.6%
Adjusted EBITDA margin[6]	54.4%	48.6%	-	52.6%[7]
Profit for the period	1,260	970	29.9%	9.0%
Profit for the period attributable to owners of the Company	1,127	883	27.6%	6.2%
Profit for the period attributable to owners of the Company after separately disclosed items	1,024	883	16.0%	-
Basic Earnings per share attributable to owners of the Company (US cents)	135.7	106.3	27.6%	6.2%
Ordinary Dividend per share (US Cents)	38.0	30.0	26.7%	-

1 Before separately disclosed items (BSDI) primarily excludes non-recurring items. DP World reported separately disclosed items of -$104.4 million.

2 Like-for-like at constant currency is without the addition of new capacity at Yarimca (Turkey), Stuttgart (Germany), Antwerp Inland (Belgium), Prince Rupert (Canada) and Jebel Ali Free Zone (UAE).

3 Gross throughput is throughput from all consolidated terminals plus equity-accounted investees.

4 Consolidated throughput is throughput from all terminals where the group has control as per IFRS.

5 Adjusted EBITDA is Earnings before Interest, Tax, Depreciation & Amortisation including share of profit from equity-accounted investees before separately disclosed items.

6 The adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue, including our share of profit from equity-accounted investees.

7 Like-for-like adjusted EBITDA margin.

Results Highlights

- **Revenue of $4,163 million**
  - Revenue growth of 4.9% supported by full year contribution of Jebel Ali Free Zone (UAE) and Prince Rupert (Canada).
  - Like-for-like revenue increased by 1.3% driven by a 2.3% increase in containerized revenue.
  - Volume growth of 0.4% despite challenging markets.
  - Containerized revenue per TEU (twenty-foot equivalent unit) grew 4.0% and total revenue per TEU by 3.0% on a like-for-like basis.
  - Total containerized revenue grew by 3.8% on a reported basis and 2.3% on a like-for-like basis as containerized Other revenue was up 6.1% on a reported basis and 5.1% on a like-for-like basis. While non-container revenue decreased by 1.1% on a like-for-like basis and increased by 7.5% on a reported basis.

- **Adjusted EBITDA of $2,263 million and adjusted EBITDA margin of 54.4%**
  - Adjusted EBITDA margin for the full year reached a new high of 54.4% reflecting the Jebel Ali Free Zone acquisition and increased contribution from other higher margin locations. Like-for-like adjusted EBITDA margin was at 52.6%.

- **Profit for the period attributable to owners of the Company of $1,127 million**
  - Strong adjusted EBITDA growth resulted in a 27.6% increase in profit attributable to owners of the Company before separately disclosed items on a reported basis and 6.2% growth on a like-for-like basis at constant currency.

- **Strong cash generation, robust balance sheet and credit rating upgrade**
  - Cash from operating activities amounted to $2,002 million up from $1,928 million in 2015.
  - Free cash flow (post cash tax maintenance capital expenditure and pre dividends) amounted to $1,674 million against $1,595 million in 2015.
  - Leverage (Net Debt to adjusted EBITDA) decreased to 2.8 times from 3.2 times in 2015.
  - DP World was upgraded by both rating agencies Fitch and Moody's to BBB from BBB- and Baa2 from Baa3 respectively with stable outlook.

- **Improvement in return on capital employed**
  - Return on capital employed[8] (ROCE) improved by 160 basis points to 9.5% in 2016 from 7.9% in 2015.

- **Reduced financing cost and lowering refinancing risk**
  - Successfully raised $1.2 billion in a new 7-year Sukuk transaction at significantly improved terms, refinancing $1.1 billion of the existing 2017 Sukuk through a tender offer and extending the debt maturity profile. Furthermore, we raised £650 million 20- and 30-year multi tranche term financing placed with pension funds, insurance companies and financial institutions for London Gateway Port, and $CAD 603 million 7-year bank loan for the Canadian business. This further extends the debt maturity profile and reduces the refinancing risk of DP World.

- **Total dividend per share increased by 26.7% to 38 US cents**
  - Ordinary dividend increased by 26.7% to 38 US cents to reflect growth in 2016 earnings.
- Continued investment in high quality long-term assets to drive long-term profitable growth
  - Capital expenditure of $1,298 million invested across the portfolio during the year.
  - By the end of 2016, gross global capacity was at 85 million TEU, an increase of approximately 15 million TEU since 2012, and we expect over 100 million TEU of gross capacity by 2020, subject to market demand.

8 Return on capital employed is EBIT (earnings before interest and taxation) before separately disclosed items as a percentage of total assets less current liabilities.

- We expect capital expenditure in 2017 to be $1.2 billion with investment planned into Jebel Ali (UAE), Prince Rupert (Canada), Berbera (Somaliland), Dakar (Senegal) and London Gateway (UK).

- **Investment partnership and further consolidation in our portfolio**
  - Created $3.7 billion investment platform in partnership with CDPQ[9] and DP World holding 55% share and CDPQ the remaining 45% to invest in ports and terminals globally outside the UAE. Furthermore, DP World seeded the fund with the Canadian container terminals, Vancouver and Prince Rupert, with CDPQ acquiring a 45% stake of the assets for $640 million[10].
  - Acquired an additional 23.94% stake in Pusan Newport Company Limited (PNC) in South Korea to increase our holding to 66.03% ownership, thus consolidating Pusan Port in our portfolio.

DP World Group Chairman and CEO, Sultan Ahmed Bin Sulayem, commented:

"We are pleased to announce another set of strong financial results for 2016, as we delivered earnings in excess of $1 billion and above 50% EBITDA margins for the full year for the first time. Encouragingly, our volumes have continued to grow ahead of the market with gross volumes growing 3.2% vs. Drewry full year market estimate of 1.3%. This is pleasing given the significant challenges parts of our portfolio have faced, and once again demonstrates the resilient nature of our diversified portfolio. Disciplined investment throughout the economic cycle has been one of the keys to delivering consistent growth and in 2016, we invested $1,298 million across our portfolio in markets with strong demand and supply dynamics.

"While 2017 is expected to be another challenging year for global trade, we have made an encouraging start to the year and we expect to continue to deliver ahead-of-market volume growth. Our aim is to continue our disciplined approach to capital allocation in markets with strong growth potential while adding complementary or related services to further diversify and strengthen our business.

"The Board of DP World recommends increasing the dividend by 26.7% to $315.4 million, or 38.0 US cents per share, reflecting the strong earnings growth in the year. The Board is confident of the Company's ability to continue to generate cash and support our future growth whilst maintaining a consistent dividend payout.

"Our significant cash generation and investment partnerships leave us with a strong balance sheet and flexibility to capitalise on the significant growth opportunities in the industry. Overall, we continue to believe that a portfolio which has a 70% exposure to origin and destination cargo and 75% exposure to faster growing markets will enable us to deliver enhanced shareholder value over the long term."

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9 Caisse de dépôt et placement du Québec (CDPQ) is one of North America's largest pension fund managers.

10 The transaction closed in January 2017 so will not be reflected in 2016 accounts.

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Media Conference Call

DP World invites you to participate in a telephone media conference with DP World Group Chairman and CEO, Sultan Ahmed Bin Sulayem, to discuss the financial results **today at 9:30 am [UAE Standard Time]**

Dial-in details:

UAE: 80004449757

UK Freefone: 0800 6781161

UK direct: 01296 311600

International direct: +44 1296 311600

Passcode: 589 744 83#

For a complete list of dial-in numbers available by country, please visit:
http://www.btconferencing.com/globalaccess/?bid=54_attended

Forward-Looking Statements

This document contains certain "forward-looking" statements reflecting, among other things, current views on our markets, activities and prospects. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may or may not occur and which may be beyond DP World's ability to control or predict (such as changing political, economic or market circumstances). Actual outcomes and results may differ materially from any outcomes or results expressed or implied by such forward-looking statements. Any forward-looking statements made by or on behalf of DP World speak only as of the date they are made and no representation or warranty is given in relation to them, including as to their completeness or accuracy or the basis on which they were prepared. Except to the extent required by law, DP World does not undertake to update or revise forward-looking statements to reflect any changes in DP World's expectations with regard thereto or any changes in information, events, conditions or circumstances on which any such statement is based.

Group Chairman and CEO Statement

A Business Model that Continues to Deliver Despite Challenging Markets

Over the years, our portfolio has been accustomed to outperforming in both benign and challenging market conditions but to deliver ahead-of-market growth once again in 2016 has been particularly pleasing given the challenges our industry has faced last year. During the same period, we have seen many in our industry come under significant financial pressure, which has resulted in some of our peers re-evaluating their business model or strategy.

In contrast, our financial performance has remained strong as attributable earnings increased by 27.6% year-on-year to $1,127 million. This is in addition to the 30.7% growth in earnings we delivered in 2015, while our EBITDA margins are well above 50%.

Overall, our resilient volume performance combined with the strong financial performance once again reinforces our view that operating a diversified portfolio with a focus on faster growing markets, and origin and destination cargo, will deliver superior earnings growth and enhance shareholder value.

Global Trade to Remain Resilient

Global trade has remained robust through the various economic cycles of high and low inflationary periods, volatile commodity prices and changing political climates and we expect it to remain resilient even in an era, where there is much discussion about protectionism and increasing trade barriers. In fact, in recent years the container industry has faced significant pressures such as currency volatility, weak commodity prices and geopolitical issues but it is worth noting that despite these challenges, overall volumes have continued to grow and expectations for 2017 are for further growth albeit in low single digits.

In difficult economic times, it is important to constantly review your portfolio and business model to ensure that it can withstand the various challenges and given the consistent performance of our assets, we believe that we are on the right track. Investing wisely throughout the cycle is key to delivering consistent growth and in 2016, we invested $1,298 million in capex across our portfolio, and our expansionary capex has been targeted at select key markets, typically characterized by a long term growth opportunity and attractive demand and supply dynamics.

In addition, in recent years, we have invested in various beyond the gate logistic businesses such as Jebel Ali Free Zone (JAFZ) and inland terminals. These complementary businesses have not only delivered solid financial returns but have also improved the quality of our revenues. Our aim is to continue to add complementary or related services at both existing and new locations where possible in order to further diversify and strengthen our business.

Industry Changes Offers Opportunities

Our industry is going through many changes and as always a time of change offers risk and opportunity and, at DP World, we intend to stay on the front-foot to ensure that we stay ahead of the game. For example, over the last decade, we have seen a significant increase in vessel sizes with greater deployment of ultra-large vessels but our early investment in deep-water capacity allowed us to benefit from this development. More recently, we have seen greater co-operation between our customers to form shipping alliances, which is designed to manage the over-capacity in the shipping sector, and is a positive development for the health of the industry. Our continued focus on delivering operational excellence in addition to investing in relevant capacity should continue to ensure that we remain the port of choice across geographies.

Recent Investments to Deliver Growth

2014 and 2015 were years of sizeable investment including significant M&A transactions but our earnings growth and return on capital employed (ROCE) improvement to 9.5% in 2016 compared to 7.9% in 2015 demonstrating that our investments are delivering. In the near term, we expect further improvement as our recent investments in London Gateway (UK), Yarimca (Turkey), Rotterdam (Netherlands), Embraport (Brazil) and JNP Mumbai (India) continue to ramp up. In fact, at London Gateway, we recently won our first Asia-Europe service which is a major development and we continue to make strong progress in the development of our 859,000 sqm logistics park.

Opportunity Landscape Is Significant

We believe the medium-long term growth potential of the port and terminal sector remains significant and challenging markets can often be a time of opportunity but it is important for us to have the ability to capitalise should attractive assets become available. At DP World, we continue to review our finances to ensure flexibility, and during the year, we successfully refinanced our 2017 Sukuk, which reduced refinancing risk while also providing new capital at significantly improved terms. Furthermore, we created a $3.7 billion investment platform in partnership with the Canadian pension fund CDPQ to invest in global ports and terminals and monetised 45% of our two Canadian container ports – Vancouver and Prince Rupert, for $640 million.

These actions leave us with a strong balance sheet, and going into 2017, with a net leverage of below 3 times, we are well placed to take advantage of any opportunities should they arise at attractive prices.

Capacity

Globally we added approximately 5 million TEU of new gross capacity and 2.2 million TEU of consolidated capacity during 2016 to take our total gross and consolidated capacity to 84.6 million and 42.4 million TEU respectively. By the end of 2017 we anticipate that we will have approximately 89 million TEU of capacity across our portfolio and our aim is to be operating over 100 million TEU of capacity by 2020, subject to demand. For 2017, we look forward to adding further capacity including Jebel Ali (UAE), Prince Rupert (Canada), Berbera (Somaliland), Qingdao (China), Dakar (Senegal) and London Gateway (UK).

ROCE

Return on capital employed (ROCE) is a key measures of how well our investment strategy is delivering to shareholders and we are pleased to report that in 2016 our ROCE improved by 160 basis points to 9.5% from 7.9% in 2015, and we expect our ROCE to continue to increase as our portfolio matures. The average life of our port concession currently stands at 38 years.

Group Chief Financial Officer's Review

Financially, it has been another successful year for DP World, as we have delivered a strong set of results in 2016 with profit attributable to owners of the Company growing 27.6% to $1,127 million. Our adjusted EBITDA was $2,263 million, while adjusted EBITDA margins reached a new high of 54.4%, reaching our medium term target of 50%+ adjusted EBITDA margins ahead of target. Reported revenue grew by 4.9% to $4,163 million.

On a like-for-like basis, 2016 revenues grew by 1.3%, driven by 2.3% containerized revenue growth. Non-container revenue declined by 1.1% on a like-for-like basis following a strong performance in 2015. This resulted in like-for-like adjusted EBITDA growth of 6.6%; like-for-like adjusted EBITDA margin of 52.6% and like-for-like EPS growth of 6.2%.

Revenue growth continues to outperform volume growth which illustrates that our portfolio continues deliver pricing power even in challenging markets.

Middle East, Europe and Africa

Results before separately disclosed items	**2016**	**2015**	**% change**	**Like-for-like at constant currency % change**
USD million				
Consolidated throughput (TEU '000)	21,279	21,556	(1.3%)	(1.9%)
Revenue	3,071	2,911	5.5%	1.9%
Share of profit from equity-accounted investees	18	10	86.1%	37.4%
Adjusted EBITDA	1,791	1,612	11.2%	5.6%
Adjusted EBITDA margin	58.3%	55.4%	-	57.7%[11]

Market conditions in the Middle East, Europe and Africa region were mixed. Growth within our portfolio outside of the UAE was strong with Europe continuing to outperform, mainly driven by the ramp up at London Gateway. Volumes in the UAE were down by 5.3% at 14.8 million TEU in 2016, reflecting a reduction in lower margin cargo, which decelerated in the fourth quarter with volumes marginally down 0.7% year-on-year. Jebel Ali Free Zone continues to perform in line with expectations even in these more challenging markets. Overall, revenue in the region grew 5.5% to $3,071 million on a reported basis, aided by the acquisition of Jebel Ali Free Zone. Like-for-like containerized revenue per TEU was up by 4.5% and total revenue per TEU was up by 3.9%.

Adjusted EBITDA was $1,791 million, 11.2% ahead of the same period last year mostly due to the full year contribution of the Jebel Ali Free Zone, while adjusted EBITDA margin rose to 58.3%. Like-for-like revenue and adjusted EBITDA growth on prior year at constant currency was 1.9% and 5.6% respectively. Like-for-like adjusted EBITDA margins stood at 57.7%.

We invested $1,058 million in the region during the year. Investment was focused across the Middle East and Europe including Jebel Ali (UAE), Jebel Ali Free Zone (UAE), London Gateway (UK) and Yarimca (Turkey).

Asia Pacific and Indian Subcontinent

11 Like-for-like adjusted EBITDA margin.

Results before separately disclosed items	2016	2015	% change	Like-for-like at constant currency % change
USD million				
Consolidated throughput (TEU '000)	4,957	4,870	1.8%	1.8%
Revenue	433	414	4.6%	8.3%
Share of profit from equity-accounted investees	125	111	12.7%	17.7%
Adjusted EBITDA	317	281	12.6%	17.2%
Adjusted EBITDA margin	73.0%	67.8%	-	73.7%[12]

Markets conditions in the Asia Pacific and Indian Subcontinent region were generally positive. Volume growth of 1.8% was driven by the Indian Subcontinent terminals as the region benefited from new capacity in Mumbai (India) and a favourable trading environment.

Revenue growth of 4.6% to $433 million on a reported basis and 8.3% on a like-for-like basis was stronger than volume growth due to an improvement in containerized revenue per TEU, which grew 9.6% on a like-for-like basis. Our share of profit from equity-accounted investees rose 12.7% to $125 million mainly due to strong performance in China and South Korea.

Adjusted EBITDA of $317 million was 12.6% higher than the same period last year, while the adjusted EBITDA margin increased to 73.0%. Like-for-like growth was stronger at 17.2% as currency fluctuations adversely impacted top line growth.

Capital expenditure in this region during the year was $81 million, mainly focused on the capacity expansion in Mumbai (India).

<u>Australia and Americas</u>

Reported results before separately disclosed items	2016	2015	% change	Like-for-like at constant currency % change
USD million				
Consolidated throughput (TEU '000)	3,003	2,684	11.9%	(6.0%)
Revenue	659	642	2.6%	(6.1%)
Share of profit from equity-accounted investees	6.4	(68.0)	109.4%	31.7%
Adjusted EBITDA	293	190	54.5%	6.0%
Adjusted EBITDA margin	44.5%	29.5%	-	41.4%[13]

Market conditions in the Australia and Americas region have been challenging. Volatile currency and weaker commodity prices led to softer economic growth in this region. Reported volumes grew by 11.9%, benefiting from the full year contribution of Prince Rupert (Canada). Revenues grew by 2.6% to $659 million. Profit from equity-accounted investees was $6.4 million, with the year-on-year improvement driven by foreign exchange gains in Brazil.

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12 Like-for-like adjusted EBITDA margin.

13 Like-for-like adjusted EBITDA margin.

Adjusted EBITDA was $293 million, 54.5% ahead of the prior year mainly due to the acquisition of Prince Rupert, foreign exchange gains in Brazil and improved performance in equity-accounted investees. However, like-for-like throughput volumes were down by 6.0%, like-for-like total revenue growth at constant currency was down by 6.1%, but like-for-like adjusted EBITDA improved by 6.0% on the prior period, reflecting strong cost controls.

We invested $156 million capital expenditure in our terminals across this region during the year mainly focused in Prince Rupert (Canada).

Cash Flow and Balance Sheet

It has been a busy year for refinancing as we successfully refinanced $1.1 billion of our 2017 Sukuk with a new 7-year 3.908% Sukuk, which extended our debt maturity profile while also providing new capital at significantly improved terms. Furthermore, we raised £650 million 20 and 30-year multi tranche term financing for London Gateway Port, which was placed with pension funds, insurance companies and financial institutions, and $CAD 603 million 7-year bank loan for the Canadian business. This further extends the debt maturity profile and reduces the refinancing risk of DP World. The credit agencies Fitch and Moody's also recognised the strength and resilience of our business and upgraded our long-term issuer rating to BBB from BBB- and Baa2 from Baa3 respectively with stable outlook.

Cash generation remained strong with cash from operations standing at $2,002 million for 2016. Our capital expenditure reached $1,298 million as we delivered new capacity in Jebel Ali (UAE), London Gateway (UK), Yarimca (Turkey), Antwerp (Belgium) and Mumbai (India). Gross debt fell slightly to $7,618 in 2016 from $7,670 million at 31 December 2015. Net debt was slightly higher at $6,319 million in 2016 compared to $6,234 million in 2015 as the cash on the balance sheet at 31 December 2016 of $1,299 million was lower due to capital expenditure.

Our year-end balance sheet shows leverage (net debt to adjusted EBITDA) decreased to 2.8 times from 3.2 times at 31 December 2015. Overall, the balance sheet remains strong with ongoing strong cash generation and we have plenty of headroom and flexibility to add to our portfolio should favourable assets become available at attractive prices.

Capital Expenditure

Capital expenditure in 2016 was $1,298 million, with maintenance capital expenditure of $170 million. The total spend was in line with our guidance of $1,200-1,400 million as we maintain our disciplined approach to deploying capital and postponed Terminal 3 expansion at Jebel Ali (UAE). We expect 2017 capital expenditure to be around $1,200 million and we look forward to adding further capacity at Jebel Ali (UAE), Prince Rupert (Canada), Berbera (Somaliland), Dakar (Senegal) and London Gateway (UK).

Sultan Bin Sulayem Group Chairman and Chief Executive Officer	Yuvraj Narayan Group Chief Financial Officer