DP WORLD ANNOUNCES STRONG FINANCIAL RESULTS
Like-for-like Earnings growth of 15.1% in 2017

Dubai, United Arab Emirates, 15 March 2018. Global trade enabler DP World today announces strong financial results for the twelve months ending 31 December 2017. On a reported basis, revenue grew 13.2% and adjusted EBITDA increased 9.1% with adjusted EBITDA margin of 52.4%, delivering profit attributable to owners of the Company, before separately disclosed items[1], of $1,209 million, up 7.3%, and EPS of 145.6 US cents. On a like-for-like basis, revenue grew 6.0%, adjusted EBITDA increased by 8.0% with adjusted EBITDA margin of 53.2%, and earnings attributable to owners of the Company increased 15.1%.

Results before separately disclosed items[1] unless otherwise stated	**2017**	**2016**	**As Reported % change**	**Like-for-like at constant currency % change[2]**
USD million				
Gross throughput[3] (TEU '000)	70,079	63,658	10.1%	9.7%
Consolidated throughput[4] (TEU '000)	36,476	29,240	24.7%	6.2%
Revenue	4,715	4,163	13.2%	6.0%
Share of profit from equity-accounted investees	124	149	(17.3%)	31.2%
Adjusted EBITDA[5]	2,469	2,263	9.1%	8.0%
Adjusted EBITDA margin[6]	52.4%	54.4%	-	53.2%[7]
Profit for the period	1,363	1,260	8.2%	12.0%
Profit for the period attributable to owners of the Company before separately disclosed items	1,209	1,127	7.3%	15.1%
Profit for the period attributable to owners of the Company after separately disclosed items	1,177	1,024	14.9%	-
Basic earnings per share attributable to owners of the Company (US cents)	145.6	135.7	7.3%	15.1%
Ordinary dividend per share (US Cents)	41.0	38.0	7.9%	-

Results Highlights

- **Revenue of $4,715 million**
  - Revenue growth of 13.2% supported by the strong volume growth across all three DP World regions.
  - Like-for-like revenue increased by 6.0% driven by a 6.9% increase in total containerized revenue.
  - Like-for-like containerized revenue per TEU (twenty-foot equivalent unit) grew 0.7% and total revenue per TEU remained broadly flat (-0.2%).

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[1] Before separately disclosed items (BSDI) primarily excludes non-recurring items. DP World reported separately disclosed items of a loss of $31.8 million.
[2] Like-for-like at constant currency is without the addition of new units at Berbera (Somaliland), Limassol (Cyprus), Saint John (Canada), CXP (Peru), Yarimca (Turkey), Kigali (Rwanda), Posorja (Ecuador) and normalizes for consolidations of PNC (South Korea) and Santos (Brazil).
[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 but 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.
[7] Like-for-like adjusted EBITDA margin.

- **Adjusted EBITDA of $2,469 million and adjusted EBITDA margin of 52.4%**
  - Adjusted EBITDA grew 9.1% and achieved an EBITDA margin for the full year of 52.4%. Like-for-like adjusted EBITDA margin was at 53.2%.

- **Profit for the period attributable to owners of the Company of $1,209 million**
  - Strong adjusted EBITDA growth resulted in a 7.3% increase in profit attributable to owners of the Company before separately disclosed items on a reported basis and 15.1% growth on a like-for-like basis at constant currency.

- **Strong cash generation, robust balance sheet and credit rating upgrade**
  - Cash from operating activities increased to $2,412 million up from $2,002 million in 2016.
  - Free cash flow (post cash tax maintenance capital expenditure and pre-dividends) amounted to $2,095 million against $1,674 million in 2016.
  - Leverage (Net Debt to adjusted EBITDA) decreased to 2.5 times from 2.8 times in 2016.
  - DP World was upgraded again by rating agency Fitch to BBB+ from BBB with stable outlook following the one notch upgrade in 2016.

- **Total dividend per share increased by 7.9% to 41 US cents**
  - Ordinary dividend increased by 7.9% to 41 US cents to reflect earnings growth in 2017.

- **Continued investment in high quality long-term assets to drive long-term profitable growth**
  - Capital expenditure of $1,090 million invested across the portfolio during the year, below the Group's guidance of approximately $1,200 million in 2017.
  - In 2017, gross global capacity was at 88 million TEU and is expected to grow to over 100 million TEU of gross capacity by 2020, subject to market demand.
  - Consolidated capacity was at 50 million TEU up from 42 million TEU in 2016 including the consolidation of Pusan (South Korea).
  - We expect capital expenditure in 2018 to be up to $1.4 billion with investment planned mainly into UAE, Posorja (Ecuador), Berbera (Somaliland), Pusan (South Korea), Maputo (Mozambique) and Sokhna (Egypt).

- **Investment partnership with NIIF and consolidation of DP World Santos**
  - DP World has partnered with the Government of India sponsored, National Investment and Infrastructure Fund (NIIF), to create an investment platform of up to $3 billion of equity to acquire assets and develop projects in the ports, transportation and logistics sector in India. The partnership will also look at opportunities beyond sea ports such as river ports and transportation, freight corridors, special economic zones, inland container terminals, and logistics infrastructure including cold storage.
  - DP World acquired an additional 66.67% stake in Embraport in the Port of Santos (Brazil) from Odebrecht Transport (OTP) to take its shareholding to 100%. The terminal has an annual capacity of 1.2 million TEU and has been rebranded to DP World Santos.

- **Rebound in global trade and market share gains**
  - Benefitting from the improved trading environment and market share gains, our global portfolio delivered ahead-of-market volume growth in 2017.
  - Strong performance across all three regions.
  - Looking ahead into 2018, we expect to continue to grow ahead of the market and see increased contributions from our new developments.

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

"We are pleased to announce another set of strong financial results in 2017, as we again delivered earnings in excess of $1 billion and above 50% EBITDA margin for the full year. On a like-for-like basis, our earnings grew at 15.1% ahead of revenue growth of 6.0% and EBITDA growth of 8.0%. Encouragingly, our volumes have continued to grow ahead of the market with gross volumes growing 10.1% year-on-year, ahead of Drewry Maritime's full year market estimate[8] of 6.0%. Our portfolio has seen strong performance across all three regions benefitting from the improved trading environment and market share gains.

"In recent years, we have leveraged on our in-house expertise to extend our core business into port-related, maritime, transportation and logistics sectors with the objective of diversifying our revenue base and connecting directly with the owners of cargo and aggregators of demand to remove inefficiencies in trade, improve the quality of our earnings and drive returns. Going forward, we expect this trend to continue as we seek opportunities in complementary sectors in the global supply chain and also make use of new technology and data solutions to provide better service to our customers.

"In 2017, we invested $1,090 million of capital expenditure across our portfolio in markets with strong demand and supply dynamics, and we will maintain capital expenditure discipline by bringing capacity in line with demand.

"The Board of DP World recommends increasing the dividend by 7.9% to $340.3 million at 41.0 US cents per share. 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 and deliver enhanced shareholder value over the long term.

"We have made an encouraging start to the year with current trading in line with expectations. As we look ahead into 2018, geopolitical headwinds in some regions pose a challenge but we expect to continue to grow ahead of the market and see increased contributions from our recent investments."

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[8] Drewry Maritime's 4Q Forecaster & Annual Review (December 2017) upgraded full-year 2017 global container throughput volume growth forecast to 6.0%.

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Group Chairman and CEO Statement

A Business Model that Continues to Grow Ahead of the Market

2017 has been an eventful year – not only has global trade outperformed previous expectations but also have three major shipping alliances been formed since April, which have benefitted some major ports at the expense of others. DP World has benefitted from both the improved trading environment as well as the market share gains from the new shipping alliances and although 2017 global port throughput is expected to have grown the most since 2011, we have again outperformed the market.

Our financial performance has also remained strong as our revenues grew 13.2% to $4,715 million and attributable earnings increased by 7.3% year-on-year to $1,209 million. The underlying business performance has been even stronger as we saw earnings growth of 15.1% on a like-for-like basis and EBITDA margins of 53.2%, ahead of 2016 like-for-like numbers, highlighting that we have deployed the right strategy and the relevant capacity in the key markets.

Overall, our strong volume performance combined with the resilient 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.

Recovery in Global Trade to Remain

Global trade has remained resilient through the various economic cycles and despite increasing discussions about protectionism and trade barriers, global trade has picked up significantly in 2017 and the container port industry has posted the highest growth rates since 2011. In fact, DP World volumes grew ahead of the market at 10.1% in 2017 with record volumes of 70.1 million TEU, which is also our highest growth rate since 2011.

As global economic activity rebounded in 2017 with notable upside surprises in Europe, US and Asia, and with the global growth forecasts for 2018 and 2019 also having been revised upwards[9], we are confident that the improved macroeconomic growth momentum will continue. Any upswing in growth will positively affect global trade and DP World's global portfolio of ports. However, while the trade environment may appear more benign, geopolitical headwinds in some regions continue to pose a challenge. Nevertheless, we still expect to grow ahead of the market and see increased contributions from our new developments.

Even in cyclical upswings, it is important to constantly review the Group's portfolio and business model to ensure that it can withstand the various economic cycles and deliver consistent performance of our assets. In 2017, we invested $1,090 million in capex across our portfolio and our expansionary capex has been targeted at key markets with long-term growth opportunity and attractive demand and supply dynamics.

Diversified Growth Strategy and Portfolio Consolidation

We remain committed to growing our role as a global trade enabler and in recent years, we have invested in various port related businesses such as the Jebel Ali Free Zone and inland terminals, which have proven to not only diversify our business but also improve the quality of our earnings. In 2017, DP World was at the forefront of targeting a broader strategy to grow complementary sectors in the global supply chain to add further value for all our stakeholders as evidenced by the acquisitions of Dubai Maritime City (DMC) and Drydocks World (Drydocks) in Dubai (UAE). These new assets further enhance our position as a leading maritime service provider and strengthen the Group's port related businesses. Going forward, we aim to leverage on the technology and data available to us to provide smart solutions to our customers that will remove inefficiencies in trade and deliver stakeholder value.

London Gateway is another great example of our diversified growth strategy as we have not only won the renowned Asia-Europe service from one of the major shipping alliances but also signed new customers to our logistics park. We are the only operator to offer two deep-water ports in the UK and combined with Europe's largest logistics facility, we are well positioned to be a key player in the UK supply chain.

We have continued to increase our stake in key assets, after consolidating our terminal in Pusan (South Korea) in December 2016, we have more recently consolidated Embraport (Brazil), which operates in the Port of Santos with strategic access to sea, road and rail, and with 90% of the cargo destined for Brazil's most populous city, São Paulo. Thus, we have been at the forefront of increasing our stake in key assets and we remain committed to our role as a global trade enabler and are targeting a broader strategy to grow complementary sectors in the global supply chain.

Significant Opportunity Landscape and Strategic Partnership

Our customers, the container shipping industry, are going through many changes as we have seen a number of mergers between shipping lines and more recently the restructuring into three major shipping alliances. These developments addressing the overcapacity in the shipping sector, which include vessel sharing and the more efficient use of ultra-large vessels, are positive developments for the health of the industry. As DP World had already been investing early on in deep-water capacity to accommodate the increasing size of vessels, we are benefitting from these developments with market share gains, which have translated into our volume growth.

[9] In January 2018, the IMF revised 2017 global GDP forecast upward to 3.7% and for 2018 and 2019 the growth forecasts have also been revised upward to 3.9%.

Going forward, our continued focus will be on delivering operational excellence in addition to investing in relevant capacity in order to ensure that we remain the port of choice across geographies. We believe in the significant medium to long-term growth potential of the ports and terminals sector as well as the complementary businesses. To capitalise on this growth potential, we formed some important partnerships such as the investment platform with the Indian National Investment and Infrastructure Fund (NIIF) to invest up to $3 billion in the ports, terminals, transportation and logistics businesses in India.

Capacity

Globally we added approximately 3.6 million TEU of new gross capacity in 2017 to take our total gross capacity to 88 million TEU. Consolidated capacity has increased by 7.3 million TEU to take total consolidated capacity to 50 million TEU, which includes the consolidation of Pusan (South Korea) at the end of 2016. By the end of 2018, we anticipate that we will have approximately 90 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. In 2018, we look forward to adding further capacity including capacity in UAE, Pusan (South Korea), and Maputo (Mozambique).

Regional Review

Middle East, Europe and Africa

Results before separately disclosed items	**2017**	**2016**	**% change**	**Like-for-like at constant currency % change**
USD million				
Consolidated throughput (TEU '000)	22,889	21,279	7.6%	6.7%
Revenue	3,284	3,071	6.9%	4.8%
Share of profit from equity-accounted investees	21	18	18.6%	72.6%
Adjusted EBITDA	1,918	1,791	7.1%	6.3%
Adjusted EBITDA margin	58.4%	58.3%	-	59.2%[10]

In 2017, the market conditions in the Middle East, Europe and Africa (EMEA) region improved as the container volumes at Jebel Ali port (UAE) continue to recover and our terminal at London Gateway (UK) won the prestigious Asia-Europe container line service from the THE Alliance, which is one of the three major shipping alliances formed since April 2017. Consolidated container throughput in the EMEA region grew by 7.6% year-on-year to 22.9 million TEU driven by strong performance in Europe and recovery in UAE.

Overall, revenue in the region grew 6.9% to $3,284 million on a reported basis, benefitting from container volume growth but also aided by the performance of Jebel Ali Free Zone as non-containerized revenue grew 7.1%. Adjusted EBITDA was $1,918 million, up 7.1% compared to 2016, benefitting from the improved trading environment in the UAE and the new services at London Gateway. On a like-for-like basis, revenue grew 4.8%, adjusted EBITDA increased by 6.3% and EBITDA margins rose to 59.2%.

In 2017, we invested $836 million of capital expenditure in the region, which was mainly focused on the capacity expansions at Jebel Ali port (UAE), Jebel Ali Free Zone (UAE) and London Gateway (UK).

Asia Pacific and Indian Subcontinent

Results before separately disclosed items	**2017**	**2016**	**% change**	**Like-for-like at constant**

[10] Like-for-like adjusted EBITDA margin.

USD million				currency % change
Consolidated throughput (TEU ‘000)	10,020	4,957	102.1%	2.4%
Revenue	668	433	54.2%	6.1%
Share of profit from equity-accounted investees	117	125	(6.3%)	13.0%
Adjusted EBITDA	435	317	37.4%	11.7%
Adjusted EBITDA margin	65.1%	73.0%	-	65.7%[11]

Markets conditions in the Asia Pacific and Indian Subcontinent region were generally positive. Asia Pacific performance was relatively stronger with moderate growth in India due to our high levels of utilisation at key locations. Container volume growth of 102.1% was boosted by the consolidation of Pusan (South Korea), therefore the like-for-like growth of 2.4% is a better reflection of the performance in the region.

Similarly, revenue growth of 54.2% to $668 million on a reported basis was boosted by the consolidation of Pusan, therefore, like-for-like revenue growth of 6.1% is a better reflection of the financial performance, which was ahead of volume growth as non-containerized revenue grew at 8.0% and the price for lifting a container (stevedoring revenue per TEU) also grew 4.6% on a like-for-like basis. Our share of profit from equity-accounted investees (joint ventures) dropped 6.3% from $125 million in 2016 to $117 million in 2017 because Pusan was consolidated and no longer included. However, on a like-for-like basis JV profit grew 13.0% due to the strong performance of our joint ventures in Asia Pacific.

On a like-for-like basis, adjusted EBITDA grew 11.7% while the adjusted EBITDA margin stood at 65.7%. Capital expenditure in this region during the year was $88 million, which was invested in capacity expansions at Pusan (South Korea), Mumbai (India), Mundra (India) and Karachi (Pakistan).

Australia and Americas

Reported results before separately disclosed items	2017	2016	% change	Like-for-like at constant currency % change
USD million				
Consolidated throughput (TEU ‘000)	3,567	3,003	18.8%	14.9%
Revenue	762	659	15.6%	11.6%
Share of profit from equity-accounted investees	(15)	6	(332.1%)	39.7%
Adjusted EBITDA	292	293	(0.5%)	7.9%
Adjusted EBITDA margin	38.2%	44.5%	-	39.8%[12]

Market conditions in the Australia and Americas region also improved and volumes grew by 18.8%, benefiting from stronger volumes in the Americas. Strong volume growth prompted 15.6% revenue growth on reported basis but adjusted EBITDA dropped slightly from $293 million in 2016 to $292 million in 2017 due to less favourable foreign exchange movements in Brazil[13]. This also impacted our profit from equity-accounted investees, which recorded a loss of $15 million compared to a gain of $6 million in 2016, however, on a like-for-like at constant currency basis, JV income was up by 39.7%.

Like-for-like revenue growth at constant currency was up 11.6% and like-for-like adjusted EBITDA improved by 7.9%, reflecting a good performance in the region. Furthermore, we invested $164 million of capital expenditure in the region, mainly in our terminal at Prince Rupert (Canada).

[11] Like-for-like adjusted EBITDA margin.
[12] Like-for-like adjusted EBITDA margin.
[13] DP World Santos (Brazil) was reported as a JV up until November 2017.

Group Chief Financial Officer's Review

2017 has been another successful year for DP World as Group revenue grew 13.2% to $4,715 million and our adjusted EBITDA increased by 9.1% to $2,469 million resulting in an EBITDA margin of 52.4%, maintaining our medium-term target of margins at 50% and more. As a result, the profit attributable to the owners of the Company grew 7.3% to $1,209 million.

If we look at our results on a like-for-like basis, which excludes new developments and normalizes for consolidation of businesses and currency effects, our revenues grew by 6.0%, driven by a 6.9% improvement in total containerized revenue as opposed to non-container revenue. Non-container revenue, which includes lease revenue, grew by 3.9% on a like-for-like basis in 2017 which is an improvement to the decline in 2016. Like-for-like adjusted EBITDA grew at 8.0% while adjusted EBITDA margin increased to 53.2% compared to 52.2% in 2016. Like-for-like profit attributable to owners of the Company increased by 15.1% at a higher rate than revenue and EBITDA growth, which directly translate into the basic earnings per share (EPS).

We continue to make good progress on our revenue diversification strategy as containerized revenue now accounts for approximately 70% of Group revenues compared to approximately 80% in 2014. This is despite a 24% absolute growth in containerized revenue during this period and we expect this trend to continue as we estimate non-container revenue share to grow to approximately 40% of Group revenues by the end of 2018.

Cash Flow and Balance Sheet

In 2017, DP World generated $2,412 million in cash from operations while gross debt increased to $7,739 million compared to $7,618 million at the end of 2016. However, net debt was lower at $6,255 million compared to $6,319 million in 2016 as the cash on the balance sheet was higher in 2017 at $1,484 million due to the partial monetisation of our Canadian assets as part of the Caisse de dépôt et placement du Québec (CDPQ) investment partnership.

Furthermore, our leverage (net debt to adjusted EBITDA) decreased to 2.5 times from 2.8 times at 31 December 2016. Overall, the balance sheet remains strong with robust and consistent cash generation and our partnerships with CDPQ, Russian Direct Investment Fund (RDIF) and the National Investment and Infrastructure Fund (NIIF) of India give us further financial flexibility to expand our portfolio should favourable assets become available at attractive prices. The continued strength and resilience of our business was also recognized by the credit rating agency Fitch in 2017 as they upgraded our Long-Term Issuer Default Rating (IDR) to BBB+ from BBB with stable outlook following the upgrade in 2016 from BBB- to BBB.

Capital Expenditure

In 2017, our capital expenditure reached $1,090 million across the portfolio as we invested in new capacity in Jebel Ali port (UAE), Jebel Ali Free Zone (UAE), London Gateway (UK), Prince Rupert (Canada) and Berbera (Somaliland) amongst others. Maintenance capital expenditure stood at $113 million.

The capital expenditure in 2017 was below our guidance of $1.2 billion as we maintain our disciplined approach to deploying capital. We expect 2018 capital expenditure to be up to $1.4 billion and we look forward to adding further capacity in UAE, Pusan (South Korea), and Maputo (Mozambique).

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