DP WORLD ANNOUNCES ROBUST FINANCIAL RESULTS
Reported revenue growth of 20% in 2018

Dubai, United Arab Emirates, 14 March 2019. Global trade enabler DP World today announces strong financial results for the year ended 31 December 2018. On a reported basis, revenue grew 19.8% and adjusted EBITDA increased 13.7% with adjusted EBITDA margin of 49.7%, delivering profit attributable to owners of the Company, before separately disclosed items[1], of $1,270 million, up 5.1%, and EPS of 153.0 US cents. On a like-for-like basis, revenue grew 4.2%, adjusted EBITDA increased by 6.6% with adjusted EBITDA margin of 54.1%, and earnings attributable to owners of the Company increased 7.6%.

Results before separately disclosed items unless otherwise stated	**2018**	**2017**	**As Reported % change**	**Like-for-like at constant currency % change[2]**
USD million				
Gross throughput[3] (TEU '000)	71,419	70,079	1.9%	2.9%
Consolidated throughput[4] (TEU '000)	36,760	36,476	0.8%	1.4%
Revenue	5,646	4,715	19.8%	4.2%
Share of profit from equity-accounted investees	165	124	33.6%	17.3%
Adjusted EBITDA[5]	2,808	2,469	13.7%	6.6%
Adjusted EBITDA margin[6]	49.7%	52.4%	-	54.1%[7]
Profit for the period	1,333	1,363	-2.2%	1.8%
Profit for the period attributable to owners of the Company before separately disclosed items	1,270	1,209	5.1%	7.6%
Profit for the period attributable to owners of the Company after separately disclosed items	1,297	1,177	10.2%	-
Basic earnings per share attributable to owners of the Company (US cents)	153.0	145.6	5.1%	7.6%
Ordinary dividend per share (US Cents)	43.0	41.0	4.9%	-

Results Highlights

- **Revenue of $5,646 million**

[1] Before separately disclosed items (BSDI) primarily excludes non-recurring items. DP World reported separately disclosed items of a gain of $24.8 million.
[2] Like-for-like at constant currency is without the new additions at Berbera (Somaliland), Limassol (Cyprus), Drydocks World (UAE), Dubai Maritime City (UAE), CWC (India), Mina Rashid Marina (UAE), Kigali (Rwanda), Cosmos Agencia Marítima (Peru), Reyser (Spain), Unifeeder (Denmark); the discontinuation of Doraleh (Djibouti), Saigon (Vietnam), ; and normalizes for the consolidation of DP World 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][7] Like-for-like adjusted EBITDA margin.

- Revenue growth of 19.8% driven by acquisition of Drydocks World, Dubai Maritime City (DMC), Cosmos Agencia Maritima, Continental Warehousing Corporation (CWC) and Santos consolidation
- Like-for-like revenue increased by 4.2% driven by a 6.3% increase in total containerized revenue.

➢ **Adjusted EBITDA of $2,808 million and adjusted EBITDA margin of 49.7%**
- Adjusted EBITDA grew 13.7% and achieved an EBITDA margin for the full year of 49.7%. Like-for-like adjusted EBITDA margin was at 54.1%.

➢ **Profit for the period attributable to owners of the Company of $1,270 million**
- Strong adjusted EBITDA growth resulted in a 5.1% increase in profit attributable to owners of the Company before separately disclosed items on a reported basis and 7.6% growth on a like-for-like basis at constant currency.

➢ **Strong cash generation and robust balance sheet**
- Cash from operating activities was $2,161 million.
- Free cash flow (post cash tax maintenance capital expenditure and pre-dividends) amounted to $1,811 million.
- Leverage (Net Debt to adjusted EBITDA) at 2.8 times.

➢ **Total dividend per share increased by 4.9% to 43 US cents**
- Ordinary dividend increased by 4.9% to 43 US cents to reflect earnings growth in 2018.

➢ **Disciplined investment in high quality long-term assets to drive long-term profitable growth, and create long-term value for shareholders**
- Capital expenditure of $908 million invested across the portfolio during the year, below the Group's guidance of approximately $1,400 million in 2018.
- In 2018, gross global capacity was at 90.8 million TEU. Consolidated capacity was at 49.7 million TEU
- The acquisitions of Drydocks, DMC, CWC, Cosmos Agencia and Unifeeder are performing in line with expectations and we have seen increased contribution to our revenue line.
- We expect capital expenditure in 2019 to be up to $1.4 billion with investment planned mainly into UAE, Posorja (Ecuador), Berbera (Somaliland), Dakar (Senegal) and Sokhna (Egypt).

➢ **Continued investment in Ports and Logistics**
- DP World continued to invest in solution providers and acquired the integrated multimodal logistics player Continental Warehousing Corporation (CWC) in India, Cosmos Agencia Marítima in Peru, and the Unifeeder Group in Denmark, which operates the largest container common user feeder and growing shortsea network in Europe. We have also announced the acquisition of the pan-European logistics business, P&O Ferries.[8]
- Aside from our investments in solution providers, we won a 30-year concession for the management and development of a greenfield port project at Banana in the Democratic Republic of the Congo. We announced the acquisition of two ports in Chile[8], which will allow us to serve cargo owners at five major gateway terminals in the west coast of South America. We have also consolidated our position once again in Australia[8], where there is an opportunity to expand beyond the ports into logistics.

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[8] Announced in 2019

- **Global trade to grow but outlook remains uncertain**
- Global trade continued to grow despite trade dispute and geopolitical challenges.
- We continue to focus on maintaining our disciplined approach to investment to ensure we remain the trade partner of choice as well as strengthening our product offering to play a wider role in the global supply chain as a trade enabler.
- Looking ahead into 2019, we expect to continue to deliver growth and see increased contributions from our new investments.

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

"DP World is pleased to report like-for-like earnings growth of 7.6% in 2018 and attributable earnings of $1,270 million. Adjusted EBITDA grew 13.7% to $2,808 million with margins at 49.7% on a reported basis and 54.1% on a like-for-like basis. This robust performance has been delivered in an uncertain trade environment, once again highlighting the resilience of our portfolio.

We have made good progress in delivering on our strategy of strengthening our portfolio to become a global solution provider and trade enabler with approximately $2.5[9] *billion worth of acquisitions announced in the year. These acquisitions offer strong growth opportunities and enhance DP World's presence in the global supply chain as we continue to diversify our revenue base and look at opportunities to connect directly with the owners of cargo and aggregators of demand.*

Going forward, we aim to integrate our new acquisitions and drive synergies across the portfolio with the objective of removing inefficiencies in global trade, improving the quality of our earnings and driving returns.

The Board of DP World recommends increasing the dividend by 5% to $ 365.9 million at 43 US cents per share, which is in line with past policy of maintaining a payout ratio of approximately 30%. 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.

Current year has started with trading in line with expectations and whilst the near-term outlook remains uncertain with the trade war and geopolitical headwinds, we expect our portfolio to remain resilient and see increased contributions from our recent acquisitions and investments."

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[9] Enterprise value

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Forward-Looking Statements

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Group Chairman and CEO Statement

Solid Financial Performance and Global Trade to Remain Resilient

We are pleased to report a solid set of financial results with revenue growth of 20% driven by acquisitions, and adjusted EBITDA of $2,808 million. Attributable net income was up 5.1% to $1,270 million, once again demonstrating the resilience of our portfolio.

DP World delivered this robust financial performance despite the challenging macroeconomic backdrop with trade tensions between US and China dominating the headlines. Interestingly, despite all the noise, global trade grew at over 4% in volume terms in 2018 and is expected to deliver growth of between 3-4% in 2019, illustrating the buoyancy of global trade.

In 2018, DP World's reported volume growth of 3%, achieved against a tough comparable following a remarkable 10% volume growth in 2017. Furthermore, geopolitical headwinds and loss of low-margin cargo resulted in volume softness in UAE. Looking forward, we expect our portfolio to continue to deliver growth, and we see an increased contribution from our new investments.

2018 Year of Strategic Progress

In 2018, we undertook strategic acquisitions that offer solutions to cargo owners, and we believe these assets not only provide growth opportunities, but importantly add stickiness to some of our existing port volumes. These new businesses either perform a critical role in cargo connectivity that allows shipping lines to be operationally efficient and/or remove inefficiencies in the supply chain for the cargo owner, which enables trade to grow faster.

We have recently made investments in the maritime sector, with Drydocks World (DDW) being the most significant. We are pleased to report that we have made good progress at DDW, achieving double-digit growth in revenue and net income. Difficult decisions were undertaken to optimise the workforce, and we have worked tirelessly to bring a positive culture change. We are now bearing the fruits of these changes and look forward to further progress in the coming years.

In India, we have partnered with the National Investment and Infrastructure Fund (NIIF), to acquire Continental Warehousing Corporation (CWC), a leading integrated multimodal logistics provider of Warehousing, Container Freight Stations (CFS), Inland Container Depots (ICD), Private Freight Terminals (PFT) and integrated logistics solutions. This asset combined with additional planned investment such as the already announced Free Trade Zone in Mumbai (India), will make DP World a significant operator of inland logistics in a fast-growing sizeable market.

In Europe, our strategy is to provide efficient connectivity from hubs to end-markets and vice-versa. We acquired Unifeeder which provides Lo-Lo (lift-on lift-off) short sea connectivity and recently announced the acquisition of P&O Ferries, which offers pan-European Ro-Ro (roll-on roll-off) short sea connectivity. The assets are highly complementary and combined with our significant port assets provide a compelling product offering to end-cargo owners.

In addition to these investments, we continue to invest in our core business of marine container port terminals DP World was awarded a 30-year concession for the management and development of a greenfield port project at Banana in Democratic Republic of the Congo (DRC). This will be the first deep-sea port in the country despite being Africa's third-most populous country. Furthermore, we announced a major entry into Chile, Latin America's most developed economy, with the acquisition of two terminals in Puerto Central (San Antonio) and Puerto Lirquen (Region VIII). We have also once again consolidated our position in Australia by taking a majority stake, where we believe there is an opportunity to expand beyond ports into logistics.

In terms of capital expenditure, we invested $908 million, below the guidance of $1,400 million, as we curtailed spending in response to the uncertain trade environment. Our investment focused on UAE, Posorja (Ecuador), Berbera (Somaliland), Sokhna (Egypt), and London Gateway (UK).

Capacity

Globally we added approximately 2.6 million TEU of new gross capacity in 2018, taking our total gross capacity to 91 million TEU. Consolidated capacity remained flat at 50 million TEU. By the end of 2019, we anticipate that we will have approximately 91.2 million TEU of capacity across our portfolio and we expect to add capacity in line with demand. In 2019, we look forward to adding further capacity in Posorja (Ecuador).

Group Chief Financial Officer's Review

DP World delivered a robust set of financial results in 2018 and continued strong cash generation with profit attributable to owners of the Company at $1,270 million. Our adjusted EBITDA was $2,808 million, while our adjusted EBITDA margin was diluted to 49.7% due to a mix change effect as lower margin businesses have now been consolidated into our portfolio. We expect this trend to continue as we add more asset-light logistics businesses. Reported revenue grew by 19.8% to $5,646 million, aided by acquisitions and steady like-for-like revenue growth.

It is worth noting that our 2018 financials are impacted by the acquisitions we have made during the year with Drydocks World (UAE) being of significance in addition to the consolidation of DP World Santos (Brazil), which was previously treated as an equity-accounted investee and the deconsolidation of Doraleh (Djibouti). As always, we provide a like-for-like analysis which is a truer reflection of the underlying business performance. Under a like-for-like basis, revenues grew by 4.2% while consolidated volumes grew by 1.4%, resulting in a like-for-like adjusted EBITDA growth of 6.6% with like-for-like margins of 54.1% and a 7.6% increase in profit attributable to owners of the Company before separately disclosed items.

Regional Review

Middle East, Europe and Africa

Results before separately disclosed items	**2018**	**2017**	**% change**	**Like-for-like at constant currency % change**
USD million				
Consolidated throughput (TEU '000)	22,585	22,889	-1.3%	2.1%
Revenue	3,852	3,284	17.3%	1.2%
Share of profit from equity-accounted investees	33	21	57.6%	60.2%[7]
Adjusted EBITDA	2,014	1,918	5.0%	-0.9%
Adjusted EBITDA margin	52.3%	58.4%	-	56.5%

Market conditions in the Middle East, Europe and Africa (EMEA) region, excluding UAE, were strong with double digit like-for-like volume growth driven by Europe and Africa. London Gateway (UK) and Yarimca (Turkey) continued to ramp up while Dakar (Senegal) and Sokhna (Egypt) delivered a strong performance due to robust regional economic growth. Performance in the UAE was soft due to the loss of lower margin throughput, with our main focus on profitable cargo.

Overall, revenue in the region grew 17.3% to $3,852 million on a reported basis, benefitting from the acquisition of Drydocks World and Dubai Maritime City. Adjusted EBITDA was $2,014 million, up 5.0% compared to 2017. On a like-for-like basis, revenue grew 1.2%, adjusted EBITDA was down marginally reflecting the challenging market conditions in the UAE.

In 2018, we invested $566 million of capital expenditure in the region, which was mainly focused on Jebel Ali port (UAE), Jebel Ali Free Zone (UAE), Drydocks World (UAE), London Gateway (UK) and Sokhna (Egypt).

Asia Pacific and Indian Subcontinent

Results before separately disclosed items	**2018**	**2017**	**% change**	**Like-for-like at constant currency % change**
USD million				
Consolidated throughput (TEU '000)	10,019	10,020	0.0%	0.5%
Revenue	833	668	24.7%	21.6%
Share of profit from equity-accounted investees	129	117	9.7%	8.6%
Adjusted EBITDA	592	435	36.1%	38.4%[7]
Adjusted EBITDA margin	71.0%	65.1%	-	76.3%

Asia Pacific and Indian Subcontinent region market conditions were broadly positive. Strong performance in Asia Pacific was partially offset by more moderate growth in India due to our high levels of utilisation at key locations. Overall, container volume growth was flat.

Reported revenue growth of 24.7% to $833 million was due to the acquisition of Continental Warehousing Corporation (CWC). Our share of profit from equity-accounted investees (joint ventures) increased 9.7% from $117 million in 2017 to $129 million in 2018 due to a stronger performance in Manila (Philippines) and Surabaya (Indonesia).

On a like-for-like basis, adjusted EBITDA grew 38.4% while the adjusted EBITDA margin stood at 76.3%. Capital expenditure in this region during the year was $42 million, which was invested in capacity expansions at Pusan (South Korea), and Karachi (Pakistan).

Australia and Americas

Reported results before separately disclosed items	**2018**	**2017**	**% change**	**Like-for-like at constant currency % change**
USD million				
Consolidated throughput (TEU '000)	4,157	3,567	16.5%	-0.1%
Revenue	961	762	26.1%	1.7%
Share of profit from equity-accounted investees	3.0	(15)	120.0%	585.5%
Adjusted EBITDA	340	292	16.7%	-8.7%
Adjusted EBITDA margin	35.4%	38.2%	-	40.5%[7]

Market conditions in the Australia and Americas region were mixed, with strong volume growth in Prince Rupert (Canada), Callao (Peru) and Santos consolidation offset by weakness in Buenos Aires (Argentina). Volumes in Australia were broadly stable during the year.

Revenue rose 26.1% to $961 million and adjusted EBITDA increased by 16.7% to $340 million due to the consolidation of Santos (Brazil). On a like-for-like basis, revenue rose 1.7% and adjusted EBITDA decreased 8.7% year on year due to weakness in Argentina.

Profit from equity-accounted investees, which recorded a gain of $3 million compared to a loss of $15 million in 2017, was due to the consolidation of Santos (Brazil). We invested $257 million of capital expenditure in the region, mainly in our terminal in Posorja (Ecuador) and Prince Rupert (Canada).

Cash Flow and Balance Sheet

In 2018, we successfully executed a multi-tranche bond transaction and liability management exercise and raised approximately $3.3bn of new long-term finances at attractive rates. This resulted in gross debt increasing to $10,553 million compared to $7,739 million at the end of 2017. Net debt was $7,938 million compared to $6,255 million in 2017 as the cash on the balance sheet stood at $2,615 million due to the fund raising. Cash generation from operations remains strong at $2,161 million.

Our leverage (net debt to adjusted EBITDA) remains well within the range of our guidance (ceiling of approximately 4x) at 2.8 times in 2018 compared to 2.5 times at 31 December 2017. Overall, the balance sheet remains strong with robust and consistent cash generation and our partnerships with Caisse de dépôt et placement du Québec (CDPQ), and the National Investment and Infrastructure Fund (NIIF) of India give us further financial flexibility.

Capital Expenditure

In 2018, our capital expenditure reached $908 million across the portfolio as we invested in our assets in the UAE, Posorja (Ecuador), Sokhna (Egypt) and London Gateway amongst others. Maintenance capital expenditure stood at $140 million.

The capital expenditure in 2018 was below our guidance of $1.4 billion as we maintain a disciplined approach to deploying capital. We expect 2019 capital expenditure to be up to $1.4billion with investment planned mainly into UAE, Banana (DRC) Posorja (Ecuador), Sokhna (Egypt) and Berbera (Somaliland).

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