



## **Aramex Announces Strong Results for 2017**

- *Q4 2017 Net Profits increased by 25% to AED 165 million*
- *Q4 2017 Revenues increased by 14% to AED 1,324 million*
- *2017 Full Year Revenues grew by 9%, and Net Profits increased by 2%*

### **Dubai, UAE – February 12, 2018:**

Aramex (DFM: ARMX), the leading global provider of comprehensive logistics and transportation solutions, today announced its financial results for the Fourth Quarter and Full Year ended 31st December 2017.

Aramex's Q4 2017 Revenues registered double-digit growth of 14% to AED 1,324 million, compared to AED 1,158 million in the corresponding period of 2016. Q4 Net Profits reached AED 165 million, which represents an increase of 25%, compared to AED 131.8 million in Q4 2016.

2017 Full Year Revenues reached AED 4,721 million; up by 9% compared to AED 4,343 million in 2016. Revenues were impacted by currency fluctuations, mainly in Egyptian Pound. Excluding this impact, Year-on-Year Revenues would have grown by 11%. Aramex's Net Profits in 2017 increased by 2%, to AED 435.4 million, compared to AED 426.6 million in 2016. Net Profit growth in 2017 was impacted by the one-time fair value adjustment related to Aramex's investment in AMC Logistics joint venture in Egypt in Q2 2016. Excluding this adjustment, Net Profits would have grown by 13% in 2017.

### **Commenting on the results, Bashar Obeid, Chief Executive Officer of Aramex, said:**

"We are pleased to report robust performance in 2017. Our strong results were mostly driven by the surge of cross-border e-commerce activities globally, which continue to fuel the growth of our International Express business. While being excited about the growth potential of global e-commerce business, we have witnessed an exceptional growth of Express volumes in Q4, which highlighted a need to boost investments in last-mile capacity solutions across all our key markets."

### **Q4 2017 Performance:**

Aramex's International Express business performed strongly, growing by 22% to AED 609 million. This is attributed to the strong growth in cross-border e-commerce across all regions.

Domestic Express business grew by double-digit of 10%, to reach AED 272 million, fueled by the rise in domestic e-commerce across most of the regions, especially in the GCC.

Freight-Forwarding business grew by 11%, to AED 304 million, due to the excellent rebound in Aramex's Oil and Gas business in the GCC, and the growth of business in North Africa, Levant, and Asia.

Aramex's Logistics and Supply Chain Management business increased by 2%, to AED 69 million, as a result of the growth of business in key markets and mostly in the UAE and Singapore.



**Full Year 2017 Performance:**

Aramex's International Express business grew by 19% to AED 2,007 million, due to the strong growth in cross-border e-commerce across all regions.

The strong performance of Africa and Asia-Pacific was mirrored by a 4% growth in the company's Domestic Express operations, registering AED 1,022 million.

Growth in the Oil and Gas business in the GCC, together with a strong performance in Africa and Asia saw Aramex's Freight-Forwarding business increasing by 2%, to AED 1,157 million.

Aramex's Logistics and Supply Chain Management operations were impacted by currency fluctuations, particularly in the Egyptian Pound, and decreased by 2%. Excluding this impact, it would have grown by 6%.

While Aramex reported strong growth in International Express e-commerce business, the company's margins came under pressure due to applying volume-based incentive rates to certain key customers. In addition, Aramex adopted a variable last-mile business model in 2017, which put pressure on Domestic Express margins while capping the increase in operating expenses.

**Commenting on Aramex's outlook for 2018, Bashar Obeid said:**

"We are very confident about the growth potential in 2018 amid the continuous boom in e-commerce activities globally, yet we have to remain cautious about the changing competitive environment that requires highest levels of efficiencies and operational effectiveness in meeting customers' expectations. We will be focusing on key strategic initiatives in 2018 aiming at transforming our business into a technology-driven enterprise and enhancing our operational efficiencies through various cost restructuring programs.

In addition to the solid growth in Express revenues, I am delighted that our Freight-Forwarding services, mostly driven by Oil and Gas activities, started to pick up in the fourth quarter, providing us with great business potential. We are extremely positive about the growth signs of these services and will be expanding our investments in technology and talent to accelerate the growth of Supply Chain and Freight-Forwarding services in various market segments and across all our markets."

**Iyad Kamal, Chief Operating Officer at Aramex, added:**

"2017 was a very successful year for us and we are keen to carry the momentum into 2018 and beyond. We will continue to enhance our operations by leveraging innovative technologies that will lead to a further enhanced customer experience and improved business efficiencies. We are also exponentially expanding our capacity on the ground to effectively accommodate the dynamic growth we are witnessing in global e-commerce activities."

- Ends -

**About Aramex:**

Aramex (DFM: ARMX) is the disruptive leader in the global logistics and transportation industry. Established in 1982 as an express operator, the company rapidly evolved into a global brand recognized for its customized services and



innovative multi-product offering. Traded on the NASDAQ from 1997 to 2002, Aramex today is a publicly traded company on the Dubai Financial Market, employing more than 18,000 people in 604 locations across 71 countries and leads a strong alliance network providing global presence, and bringing together 40 independent express companies from around the world. The range of services offered by Aramex includes integrated logistics solutions, international and domestic express delivery, freight forwarding, secure records and information management solutions, and e-services, including e-business solutions and Shop and Ship. [www.aramex.com](http://www.aramex.com)

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