



*The Membership
Community of
Intelligent Investors*

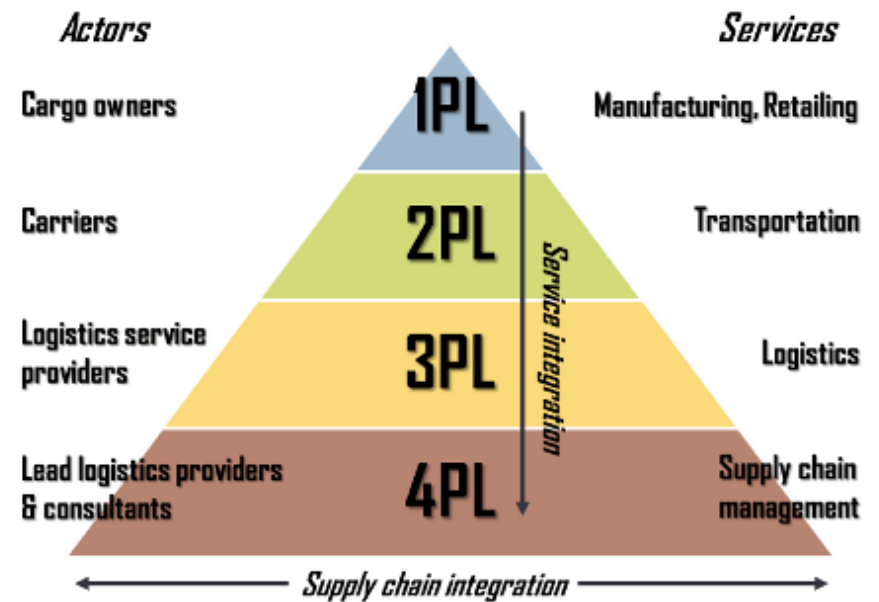
**MOI
GLOBAL**



XPO Logistics (XPO)

Logistics Industry

- \$8.1 trillion global industry in 2015, expected to grow to \$15.5 trillion by 2023
 - 7.5% CAGR in value, 6% CAGR in volume growth [1]
- Within U.S. and Europe, 3PL and beyond is a \$1 trillion addressable opportunity [2]
- Highly fragmented
- Inefficient



Source: Steve Norall, Logistics, Cerasis – August 8, 2013

Ripe for consolidation

[1] Transparency Market Research, October 19, 2016

[2] XPO Logistics November 2017 Investor Presentation

Bradley Jacobs

“Every time you have a problem, that’s an opportunity to create value”

- 1979: Drops out of Brown University. Co-founds Amerex, an oil brokerage firm. Serves as CEO
- 1983: Sells Amerex
- 1984: Starts Hamilton Resources (UK), an oil trading company with savings and credit line. Serves as CEO
- 1988: Leaves Hamilton Resources, Ltd to move back to the U.S. with \$7 million
- 1989: Starts United Waste with plan to consolidate rural garbage collectors. Serves as CEO
- 1992: United Waste goes public
- Aug 1997: Sells United Waste to USA Waste Services after over 200 acquisitions
- Sep 1997: Starts United Rentals with plan to consolidate equipment rental companies. Serves as CEO
- Dec 1997: United Rentals goes public
- 1998: United Rentals acquires US Rentals to create largest equipment rental company in the US
- 2003: Steps down as United Rentals CEO after over 250 acquisitions. Remains as Executive Chairman until 2007
- 2011: Jacobs Private Equity invests \$150 million in Express-1 Expedited Solutions (XPO). Serves as CEO

XPO Logistics

- Express-1 Expedited Solutions renamed XPO Logistics (XPO) on September 3rd 2011, following Jacob's 71% purchase for \$150 million
 - Jacobs said, "*I plan to build a multi-billion dollar transportation brokerage business over the next several years. Express-1 is an ideal platform, with prominent positions in expedited services, freight brokerage and freight forwarding. I'm excited about leading the company into its next phase of growth.*"

- Through a series of acquisitions financed by equity and debt raises, XPO grows from \$160 million to \$15 billion in annual revenues in six years
 - \$2 billion in direct equity from prominent long-term investment funds (GIC, Ontario's Teacher's Pension, PSP, etc.)
 - Transition from purely non-asset business to diversified third party logistics
 - Sales wins

- Best In Class - Brand, Customer Service, Reach, Efficiency and Technology
 - #1 in US last mile logistics
 - #1 in North America expedited shipments
 - #1 in Europe outsourced e-fulfillment
 - #2 contract logistics provider worldwide
 - #2 in North America less-than truckload freight
 - #2 global freight broker
 - #3 Intermodal and drayage services in U.S

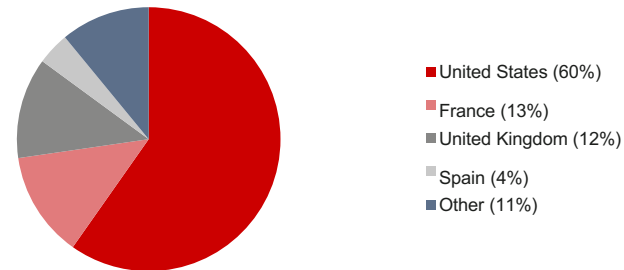
Scale & Diversity

Key Metrics

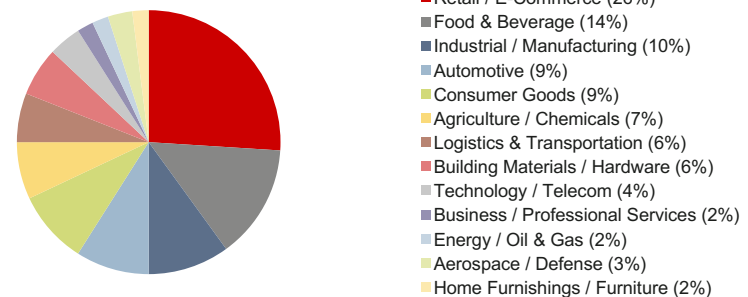
Customers	Over 50,000
Employees	91,000
Locations	1,444
Countries of Operation	32
Contract Logistics Facilities	166 million sq. feet (15.4 million sq. meters)

Gross Revenue Profile

By Country of Operation



By Customer Vertical



Note: Gross revenue profile reflects FY2016 total revenue, excluding North American truckload business divested in 2016

Source: XPO Logistics November 2017 Investor Presentation

Leader in Fast-Growing Sectors

		As Percent of XPO's Gross Revenue ⁽¹⁾	Projected Industry Growth Rate X GDP ⁽²⁾
Contract Logistics	<ul style="list-style-type: none"> ▪ Second largest provider of contract logistics globally ▪ Largest outsourced e-fulfillment provider in Europe 	37%	2 – 3x
North American Less-Than-Truckload	<ul style="list-style-type: none"> ▪ Second largest LTL provider in North America ▪ More same-day and next-day lanes than any other provider 	24%	1 – 1.5x
European Transport	<ul style="list-style-type: none"> ▪ Largest provider of truck brokerage and largest owned fleet in Europe ▪ Leading provider of LTL in Western Europe 	17%	1 – 1.5x
Truck Brokerage, Expedite, Forwarding	<ul style="list-style-type: none"> ▪ Second largest freight brokerage firm globally ▪ Largest manager of expedited shipments in North America, with largest web-based auction TMS for expedite 	10%	2 – 4x
Intermodal and Drayage	<ul style="list-style-type: none"> ▪ Third largest intermodal provider in North America and a drayage leader ▪ A leader in cross-border Mexico freight movements by rail 	6%	3 – 5x
Last Mile Logistics	<ul style="list-style-type: none"> ▪ Largest last mile logistics provider for heavy goods in North America ▪ Expanding U.S. network hubs to 55 in 2017 and a targeted 85 in 2018 	6%	5 – 6x

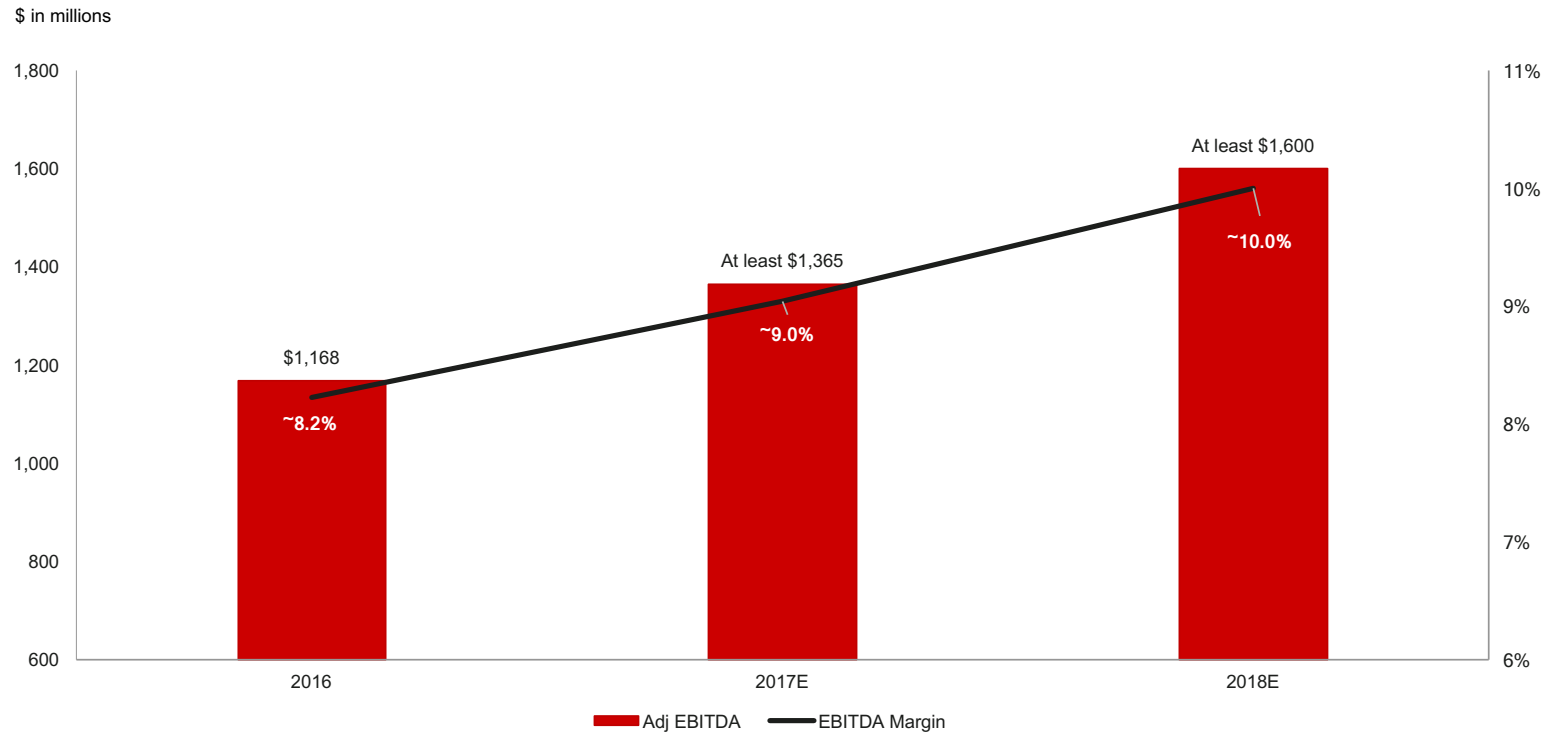
(1) Revenue mix for FY 2016, excludes North American truckload business divested in 2016

(2) Sources: Armstrong & Associates, Norbridge, Inc., EVE Partners LLC, FTR Associates, SJ Consulting Group, Inc., Bureau of Economic Analysis, US Department of Commerce, A.T. Kearney, Transport Intelligence, American Trucking Associations, Technavio, Wall Street Research and management estimates

Source: XPO Logistics November 2017 Investor Presentation

EBITDA & Margin Expansion

Adjusted EBITDA and EBITDA Margin %



Note: Excludes impact of North American truckload unit: 2016 revenue of \$431.9 million and adjusted EBITDA of \$80.1 million,

Source: XPO Logistics November 2017 Investor Presentation

Runway

- \$1 trillion addressable market opportunity
- Currently seeking acquisition of up to \$8 billion
- E-commerce, Contract Logistics, & Last-Mile
- “Uberisation” of Supply Chain
- Asia-Pacific
- Takeover

Industry Sector Size in Billions ⁽¹⁾

Ordered by Share of XPO's Revenue

Contract Logistics	~\$120
North American Less-Than-Truckload	~\$35
European Transport ⁽²⁾	~\$455
North American Truckload and Expedite	~\$375
North American Intermodal and Drayage	~\$22
North American Last Mile	~\$13

Source: XPO Logistics November 2017 Investor Presentation

(1) Includes only North American and European markets. Sources: Armstrong & Associates, Norbridge, Inc., EVE Partners LLC, FTR Associates, SJ Consulting Group, Inc., Bureau of Economic Analysis, US Department of Commerce, A.T. Kearney, Transport Intelligence, American Trucking Associations, Technavio, Bain & Company, Wall Street research and management estimates
 (2) European transport includes truckload and brokerage

Risks

- Key man
- Equity and credit markets “close”
- Economic slowdown
- Large customers become competitors
- Overpaying / Bad Acquisitions

XPO Stock Price



Source: *Sentio*



Thank you