Agility

12 August, 2018

M/s Boursa Kuwait

<u>Subject: Analyst/ Investor Conference for the second quarter 2018</u>

Reference to the above mentioned subject and pursuant to the requirements of Boursa Kuwait Rule Book issued as per Resolution No. (1) of 2018, we wish to inform you that the quarterly Analyst/ Investors Conference was held through a Live Webcast at 2:00 pm local time on Thursday August 9, 2018.

Please refer to the attachment for the minutes of the conference and the presentation (Q2-2018).

Best Regards,

for

Tarek Abdulaziz Sultan Al Essa
Vice Chairman and CEO

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Paid Capital: KD 153,298,309.400

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Agility Public Warehousing Company
Q2 2018 Analyst Webcast

Sunday, August 12th 2018

Kindly find enclosed minutes of Agility's analysts' webcast, which was held on Thursday August 9th at 2.00 PM Kuwait time, to discuss second quarter's earnings.

Attendees from Agility:
Ehab Aziz – Group CFO
Soriana Borjas – Investor Relations Manger

From Arqaam Capital:
Rita Al Gendy

Participants:

- Arkadin
- Ajeej Capital
- Amwal L.L.C.
- Wafra International Investment Company
- Arqaam Capital
- Jadwa investment
- Abu Dhabi Commercial Bank
- SICO
- Samba Capital
- RWC Partners
- SHUAA
- ADCB Asset Management
- DICO Investment Co LLC
- Amwal Capital Partners
- Fiera Capital
- NBK Capital
- The National Investor
- KFH capital
- Schroders
- Tethys

Operator: Ladies and gentlemen, welcome to Agility's 2018 second quarter earnings webcast. I will now hand it over to your host, Rita Guindy from Arqaam Capital. Madame, please go ahead.

Rita: Good morning and good afternoon ladies and gentlemen, and thank you for joining us today. This is Rita Guindy, and on behalf of Arqaam Capital, I'm delighted to welcome you to Agility's second quarter 2018 earnings webcast.

I have with me here today Mr. Ehab Aziz, Group Chief Financial Officer and Agility's investor relations team.

Without further delay, I will now turn over the call to Soriana Borjas, Agility's investor relations manager.

Soriana: Thank you Rita, and welcome everyone to Agility's second quarter 2018 earnings webcast. I am joined today by Ehab Aziz, our Group CFO, who will be presenting Agility's performance during this quarter and answering all your questions after wards.

If you would like to ask any questions, please type it in the Q&A box on your screen anytime during the presentation and we will address them during the Q&A session at the end of the call.

Before I hand over the call to Mr. Ehab, I would like to draw your attention to the disclaimer on page two of this presentation. As this presentation may contain forward looking statements, such statements are subject to risk and uncertainties as various factors, many of which are beyond our control, may cause actual developments and results to differ materially from expectations contained in the presentation.

Thank you. Ehab, mic to you.

Ehab: Thank you Soriana.

Good day, everyone. Thank you all for joining our second quarter earning call. On today's call I will walk you through the group financial and operating results. We'll move into the business segment performance, and after that we'll open the floor for Q&A. Hopefully this will be a short and productive presentation. We start with our main highlights on slide five.

As you can see, the group's numbers came in line with our expectations and met our internal plans. EBITDA recorded double-digit growth in this quarter, EBITDA has been our main focus for several years now, and it came in line with the guidance we have communicated to the investment community.

We remain focused on investing in technology, and heavily focused on technology that is shaping the world around us and the sphere we operate in. Many of our initiatives are tech related and I think we'll get the benefit of that in the near future, especially in our logistics business. One of those main initiatives is Shipa freight. Shipa freight, as most of you might have read about, is an online platform to support our customers with their business needs.

For those who don’t know the company, we are organized under 2 business groups: First, our Global Integrated Logistics (also called GIL) where all the logistics freight forwarding, contract logistics and so forth under that umbrella (GIL). We also have our Infrastructure group of companies, that are operating entities focused on infrastructure related activities. Under this group one of the main entities is industrial real estate where we are investing in warehousing capacity that has synergetic value with GIL.

For this quarter, GIL recorded positive numbers, driven by growth in the freight forwarding business mainly Air and Ocean freight, so we have been doing extremely well in air and ocean where volumes have been growing. However, margins have been depressed due to yield degradation in Road freight and Project Logistics. GIL remains focused on transforming its operating platform and introducing new digital services like Shipa Freight and Operating system to transform the day to day job for the operator, and I think we are coming quite close to implementing and rolling out some of those initiatives, which will give some benefits to the business in a very tough and competitive environment.

As for our Infrastructure group, it performed well in this quarter, and almost all entities within this group supported this growth.

Moving to slide number 6, as you can see Agility’s revenue grew by 12% year over year from KD 342 million to KD 384 million. Revenue here is a function of freight rates, and freight rates have been increasing this year and as a result, our revenue has also been going up. So the 12% increase has also an implication on the working capital requirements, operating cash flow and free cash flows accordingly. This growth in revenue was also translated into a 6% growth in net revenue (gross profit in other terms) from KD 118 million into KD 124 million.

However, margins came under pressure in this quarter compared to Q2 2017. This is a result of the yield pressure in Ocean Freight and yield degradation in Road freight and Project Logistics. The ocean freight is still very healthy but it’s decelerating from previous year.

We are pleased to see our EBITDA grew at double digit rate, as we can see a clear path to achieve our goal, which is a stretched goal to reach $ 800 million by 2020. We have recorded a 14% growth, to reach KD 37 million in this quarter. We expect this trend to continue and we expect by 2020 with certain initiatives to hit our EBITDA target. EBITDA margin remained healthy at 9.6% for the quarter.

Net profit witnessed a similar growth pattern with double digit growth of 19% in this quarter from KD 17 million to KD 20 million, translated into an EPS of 13.8 fils per share for this quarter.

We are seeing positive momentum and consistency quarter over quarter adjusting for the cyclicality of GIL business.

As you can see from slide number 7, for the first 6 months of 2018, our revenue and net revenue grew by 14% and 9% respectively. EBITDA grew at a double digit rate of 18%, mirroring what we have seen in the quarter. Reiterating the same pattern and message that performance is progressing at the level of revenue, net revenue, EBITDA and net profit in a heathy manner. Net profit grew at 24% year over year which is very healthy growth rate given the size of our business and the size of our organization and the tough environment we operate in despite that we were able to report that healthy growth in net profit.

The contribution of each business group to this performance is presented in slide number 8. As we mentioned previously, 1H revenue grew by almost KD 94 million, driven mainly by GIL's performance in freight business mainly air and ocean. In numbers, 75% of this growth came from GIL group – about KD 72 million. The rest of the growth came from the infrastructure group, which is a very profitable group.

GIL contributes in terms of revenues 75%-80% of our group's revenues, however, that % contribution might vary slightly from quarter to quarter due to the cyclicality of the GIL business, where GIL tends to make higher revenue and profits in the third and fourth quarter.

The EBITDA growth of KD 11 million is coming mainly from the infra group. Infra contributed around KD 9 million out of the KD 11 million and KD 2 million is coming from GIL. As you can see at the EBITDA level, the picture is different, where we see more than 75% of our profitability is coming from the infra group.

On Slide number 9, you can see our balance sheet. Agility enjoys a healthy balance sheet, with around KD 1.8 billion in assets and almost KD 1 billion in equity. Which gives us lots of flexibility to lever up in case good opportunities present themselves and also gives us confidence in executing our strategy and our objective moving forward. Our main focus in the past was to remain flexible without burdening our balance sheet with too much debt, however, since the past few quarters we moved from a net cash to a net debt position due to the initiatives and investments we are making across the different businesses we have.

Our Net Debt position stands today at KD 131 million, compared to KD 109 million a year earlier. We expect that to continue in a very managed and moderate manner, so we don't expect to lever up our balance sheet to a level that becomes uncontrollable. We remained focused on cash and debt management. Although we have moved into a net debt position we don't see that to cause any financial risk on the company.

ND/EBITDA stood at 0.9X which is relatively low, but we expect that to increase towards 2020 after which we expect that ratio to start going down.

If you turn to Slide #10, you can see that we have been generating a healthy cash flow from operations. For this period, Agility generated a total of KD 29 million operating cash flow, which is highly linked to EBITDA; however, in Q2 due to the cyclicality of the business and higher revenue from GIL- which witnessed a double digit growth compared to the single digit growth we have been seeing in the past several years- our working capital was impacted, and this impact is reflected in our operating cash flow. So in the first half of the year, we have KD 35 million changes in working capital that is mainly coming from GIL.

In addition, due to the normal cyclicality of the business, usually the second half of the year has a higher ability to generate cash than Q1 & Q2, so we expect the operating cash flows to be higher in the second half of the year.

If you look at the first half of last year, the negative cash flow is mainly due to US government settlement that has been reflected in the operating cash flow.

We expect EBITDA to Cash conversion to be at around 70% by the end of the year, however, for the first half it stood at 39% due to the reasons I mentioned. Free cash flow for this period stood at KD 1 million due to the capex program we are funding mainly into the infrastructure group shown in the chart on the right hand side.

Moving to slide 12, in terms of business segment, GIL continued to post healthy growth for the second quarter in this year. For the first 6 months of the year, GIL's gross revenue grew 15% and Net revenue rose by 6% to KD 131 million, primarily due to business growth in Freight Forwarding (Air and ocean) and Contract Logistics.

Air freight continued to perform strongly this quarter, driven by solid volume growth. For the first 6 months of 2018, air freight volume grew by 9% with stable rates compared to the same period of last year. Ocean freight had consistent volume growth but with lower yields. For 1H of 2018, container volume increased about 10% compare to same period last year.

GIL's net revenue margin was 23% in Q2 2018, little bit down from 24.9% and that degradation in margins is primarily due to Road freight and Project Logistics, primarily in the Middle East and Europe. GIL's EBITDA reached KD 9.3 million in Q2, and margins stood at 3.2% for the quarter. Our medium term target is to reach an EBITDA margin of 4%. We have been making good progress in this regard in a very tough environment, and with the initiatives we are taking, despite their cost burden, we will be able to reach this target. For the first half, EBITDA grew 13% to almost KD 17 million. EBITDA margin stood at 2.9%.

Regionally, we have seen growth across all regions, with the only exception of MEA almost flat compared to same period last year. Air freight and Ocean freight performance was strongest in the Americas, Asia Pacific and Europe. Contract Logistics continued its steady growth, primarily in the Middle East, but this was offset by the project logistics and road freight.

The next slide, number 13, we have the performance of the infra group. The Infra group as a whole delivered remarkable results for the second half of 2018 and are on the right track and pace to attain this year's goals. The infra group reported a 15% revenue growth, a genuine and real growth, and a 46% EBITDA nominal growth. If we were to adjust for the US government settlement that happened in 2017, EBITDA would have still grown by 21% year over year on an adjusted basis.

All entities within the infrastructure group contributed to this performance. Infra EBITDA grew faster than its revenue and that is driven by the saving in the legal costs due to the settlement with the US government as we previously announced to the investment community.

As a group, we have 6 main engines, including GIL the largest in terms of revenues, under the infrastructure we have five more engines which are: Industrial real estate and that is now expanding into Africa, it's operating now in Ghana and starting new developments in Cote d'Ivoire and Mozambique, and finalizing a land acquisition in Nigeria. We are expanding aggressively in Africa, where there is lack of infrastructure and proper warehousing facilities and we expect because of the demographics the growth to accelerate and the demand for such assets to be quite favorable.

In the Middle East, we have been focusing on Saudi in the industrial real estate side. We have delivered 80K SQM of warehousing capacity this year and we expect to deliver another 120K SQM in the next few quarters.

The remaining entities under the infrastructure group, are National Aviation Services (NAS) which is focusing on Africa and the GCC.

Tristar is focusing on shipping fuel logistics, fuel storage and chemical logistics, Tristar is performing very well and has enough capital to fund several opportunities in the pipeline after GIC bought 19% in Tristar a year ago. They have the capital, good opportunities and the previous management that has been driving the business since 2003.

United Projects for Aviation (UPAC), which now building one of the largest malls in the Abu Dhabi on the Reem Island, and the last entity is Global Customs Services, a company based in Kuwait managing all the ports on a concession from the government.

Over all, I will sum it up, our numbers are coming in line with our expectations, and they have been consistent for the past several quarters seeing double digit growth in EBITDA and Net profit and we expect that to continue. We expect the ND position to increase but in a controlled manner, we also expect Operating cash flow to be positive affected by some working capital requirements mainly from the GIL business. With that I will open the floor for the Q&A.

Operator: Thank you. We will now start our question and answer session, ladies and gentlemen. To participate in our Q&A, just type your question into the Ask Questions text area, then click the Submit button. Our speakers will take some time to gather all your questions. Thank you for holding.

Soriana: Thank you, Ehab. We're going to start now with the Q&A session. The first question is from Wafra for International Investments. In a statement dated 4 of July , the company stated that the regulator will not renew the land of Amghara, which results in a 6 million KD in revenue direct cash. What is the indirect effect if the land is withdrawn?

Ehab: As we have announced, there is a legal case in the court now, so we will not be able to answer that question in details. However, we believe, as we have announced, that we have the right to continue the agreement. We will have a note in our financials that explains this in some details and will give you a view on the potential impact, the implication of the potential withdrawal.

As we said, we have a strong balance sheet. We have an asset base of 1.8 billion and an equity base of about one billion KD. Of course, if any negative outcome of this dispute materializes, it will have an impact, but I don't think that would impair our plans or impair our ability to grow and to continue to be profitable.

Soriana: Thank you, Ehab. Same question from NBK Capital related to Amghara case, we have already answered, so we're going to move to your second question, Rajat. Update on Reem Mall. How much has been spent to date? Effective ownership of Agility in Reem Mall after completion? Expected commencement of operation?

Ehab: Reem Mall is progressing very well in terms of construction and in terms of leasing. We can send you the details of how much we have spent so far, later on if you don't mind, as I don't have the numbers off the top of my head. But I think we are on plan in terms of costs and in terms of time. There was maybe a couple of weeks of delay, but the contractor is catching up, which is very normal in such a project.

Of course we all see the weak retail market in the GCC region and in the UAE, but I think the government of the UAE is actually realizing the negative impact on the economy from the taxes and the currency - which is pegged to the dollar and making it stronger to the euro and to Russian currency- and they need to do some initiatives to stimulate the economy.

We hope that by the time the mall is up and running, which is targeted toward the end of 2020, to start seeing the economy picking up and the retail market is restored. We are still very optimistic about the project. We believe it's one of the best projects in Abu Dhabi in terms of design, in terms of functionality, because it's not only a shopping mall but a family entertainment destination. The design, the quality and the location, I think differentiates it from the competition in this market.

In terms of ownership. Our ownership will depend on the amount of funding we put, but it will not be less than 51% as this is stipulated in the agreement. So we retain that right to control the project, as Agility, and we also retain the right to convert the debt that we have into equity. At the very minimum, 51%. Expectation, I think it can go up to 70 or 75%, if we convert everything.

However, it's too early to judge because as you know, the project is a one billion dollar project and we don't know how much will be the final cost. We also don't know if there will be any delay or anything else that might have a cost implication, which of course we don't foresee at this stage. We have two years after the project is up and running to decide what we want to do and how we want to convert our debt to equity.

Soriana: Thank you. Question again from Wafra international Investment. What is the latest development of the telecommunication company in Iraq? In addition to the late development regarding the customs.

Ehab: The latest development in Iraq is, we are now in arbitration with the government of Iraq because we believe that our asset has been expropriated. I think now the lawyers are going through the different motions and the different preparation for the arbitration. We expect that to take some time, because as you know, arbitration doesn't end in a short period of time, especially when it's at a sovereign level. We are very confident with our case. So basically, our assets have been expropriated in Iraq which has been extremely unfortunate, despite all the support that we have extended to the company and to the economy in Iraq. It is what it is. I think again, in terms of our balance sheet, this investment represent around 10% of our equity and we don't depend on it for any cash generation. It's an investment. Of course, we don't want to write it off or to end up writing it off, but from a future cashflow generation, it doesn't have any impact. It will only have a positive impact if the case is ruled in our favor.

Soriana: Thank you. Another question from NBK Capital. Can you share some headline numbers for Tristar and NAS for the first half of 2018? And guidance on the future growth for those two entities.

Ehab: Unfortunately I cannot give details of such, because we don't disclose the numbers by entity, but I would say that we have what we call the $100 million EBITDA club, and Tristar is one of those in this club, from the six entities that we have.

NAS target is to reach that level too, the $100 million, by 2020. Unfortunately I cannot give you the exact numbers, but roughly that's what Tristar and NAS range will be 2020.

Soriana: Question from the National Investor. What is the target of net debt to EBIDTA?

Ehab Aziz: I think we want to remain an investment grade company. We might see net debt to EBIDTA 0.9 times now but this is still evolving, to reach maybe two times. But we don't expect that to remain at this level for an extended period of time. Once we reach there, which I believe will be by 2020, this ratio will start going down back to below one. Again, that's unless we do a transformation acquisition.

As I mentioned, if you look at our balance sheet throughout the years, since the privatization of the company in 1997, one of our main focus has been balance sheet management and making sure that we have enough capacity and enough flexibility within our balance sheet.

Even if we have facilities, and you hear several announcements from our side every time we sign a facility, it's only to keep it as dry powder to give us flexibility as and when opportunities present themselves.

Soriana: Another question from NBK Capital again. Can you guide us to the future momentum we can expect in defense logistics segment? What is the range of EBIDTA margin we can estimate for this particular line of business?

Ehab: DGS business, since we have settled we are now back in the business, although it will take some time to basically get into the game as they require some past performance. Such contracts are a long sales/ bidding cycle type opportunities, but I think we are very active and we are much focused to get there and be back in that game, in the defense business game. We don't have today enough income from this segment, irrelevant to the size of the business today, so it's quite small to talk about margins. This year, our EBIDTA would probably reach $550 million, and DGS represents very, very, very small fraction of that.

If you are talking in general about the margin, this can vary from a low single digit to maybe 15 -20%, as the margins will depend on the type of opportunity and the region itself and also on the amount of risk the government asks you to take. It also depends if it's asset heavy or not. But we are confident that we have the abilities in terms of service delivery and the focus from a business development perspective to start winning some business in that space.

Soriana: Question from NBK Capital. Can you please give us more details on UPAC conversion of debt to equity at Reem Mall? I think we answered that. Would you like to add anything you have?

Ehab Aziz: No, I think I've answered that.

Soriana: Question from SICO, Could you please share some guidance on the expected margins from the recently won defense logistics contract? The current contract is very small.

Ehab: Again, that's a contract we had before, but we won a new bid for an additional four years, you can classify this contract as a real estate business since it's a storage business, so the margins are quite high. That's what I was talking about in the previous question. The margin of the DGS business will vary based on the type of service, the location of that service, etc. This contract, I would say has quite high margin like a typical real estate business, because it has two components. One is the storage where we are providing fuel storage capacity and then service side of it as well.

Soriana: Also given the increase in leverage, could we expect some sort of cut in actual dividend payout?

Ehab: I don't foresee a major cut in the level of the current dividends payout. We have already cut the dividends, I think two years ago. I think there is more upside of dividends distribution than a cut. Again, it all depends on the operating cashflow and the free cashflow that we will generate in the next few years. Dividends is one of the things that we know the region we operate in like, we know that we have leverage capacity that we can gear up to fund our projects, so I would say we are focusing on balancing the growth and the capital and the cash requirement vs. investors' appetite for dividends.

That is definitely one of the things that we are focusing on and managing as much as we can in a balanced way.

Soriana: Unfortunately we're going to take the last question for today due to time constraints. Other questions we will be answering you directly. The last question comes from Jadwa Investment. Can you shed more light on your infrastructure business in Saudi? Can you still grow in light of the current economic environment?

Ehab: We actually see the current economic environment as positive. I think Saudi's going through historical transformation which usually comes with uncertainty, risks and distractions, but our view is positive and I think with our position in Saudi, especially in the industrial real estate side, is very well. We are seeing significant demand from global e-commerce players coming to the Saudi market for our facilities as there is a lack of proper infrastructure there, so we are very bullish. As I said, we have delivered 80,000 this year. We are delivering around 120,000 square meter in the next few quarters and we are looking to expand our land bank in other cities in Saudi. So we are very positive. Despite all the noise and all the risk and all the distraction, that is ongoing, we believe eventually things will pay out well for the economy in Saudi. Some of the macro numbers started to come out more positively than before and we are long players in the Saudi market.

Soriana: Thank you Ehab. Again, we are left with some unanswered questions. We will get back to you individually on those. I would like to thank you all today for joining us. Before we end this call, I would like to remind you that this presentation is available in our investor relations page, and it will be posted along with a transcript on the stock exchanges website Sunday before trading hours. Thank you for joining, and have a nice day.

Analyst Call – Second Quarter 2018

9th of August 2018

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Agenda : Q2 2018

1. Financial Highlights
2. Business Segments
3. Q & A

Q2 2018 Results

Q2 2018 highlights

Agility sustained the positive momentum trend that started in 2018

Agility

- Second quarter results came in line with our expectations and consistent with previous growth trend
- Double digit EBITDA growth which is expected to continue to reach our 2020 target
- Accelerating transformation and evolving the effort to establish ourselves as a digital leader in the logistics industry

GIL

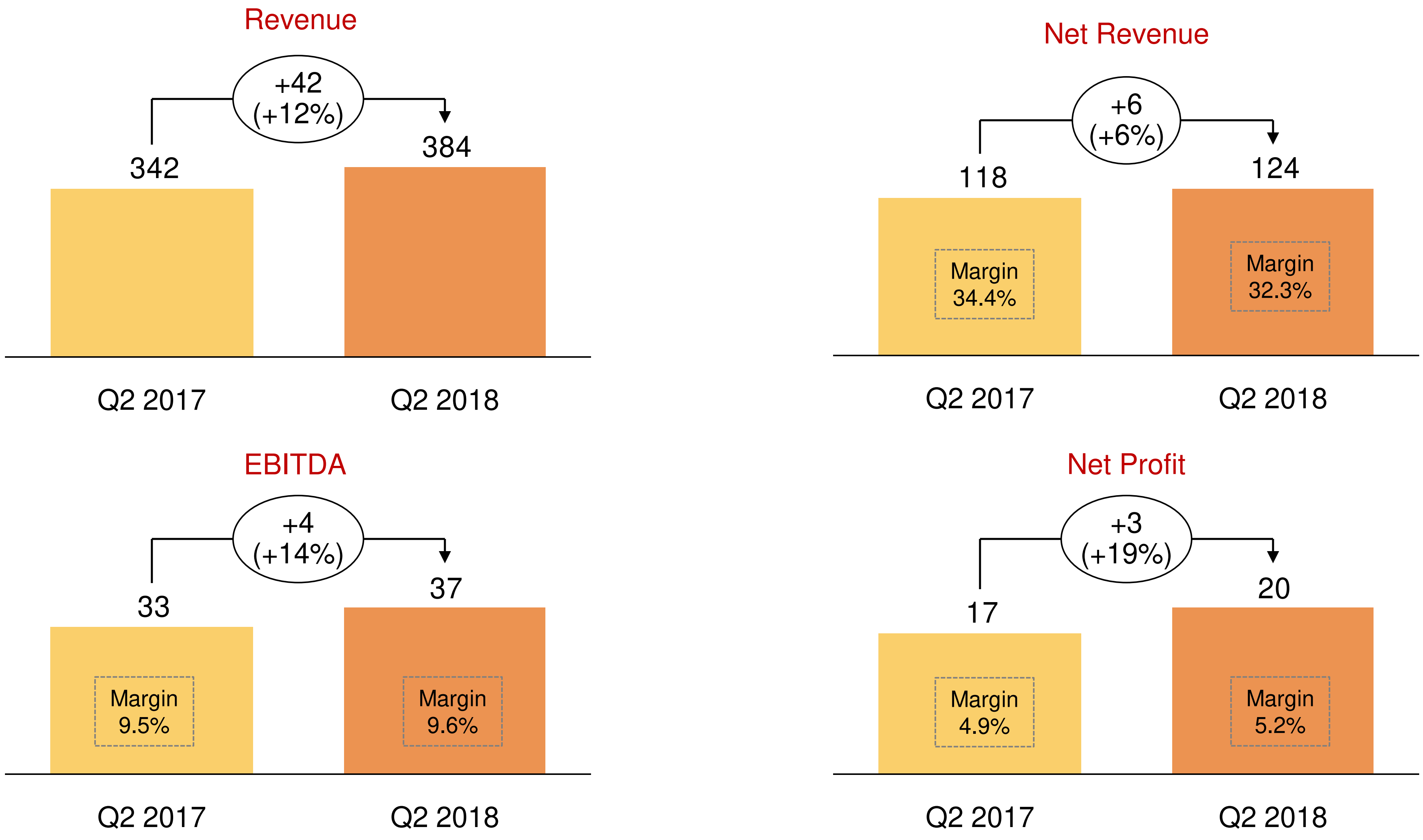
- Growth was driven by good air and ocean freight business coupled with contract logistics performance. GIL continues to drive efficiency within the business through technology-based transformation
- Margins remained under pressure from road freight and project logistics performance
- GIL is evolving its digital strategy to further improve performance and its market differentiation

Infrastructure

- Continues to deliver healthy growth driven by the performance of its main entities
- Entities continue to expand its customer and geographic reach to support future growth

Q2 Group financial performance
KD Mn

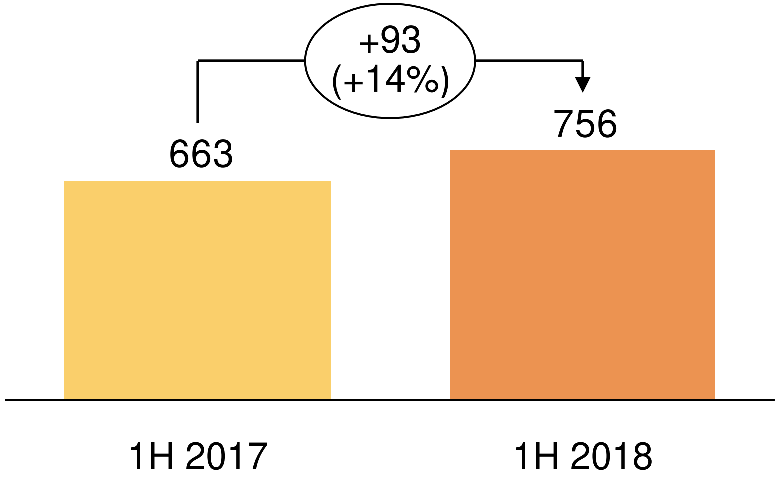
Agility progressively improves its financial performance consistent with its 2018 targets



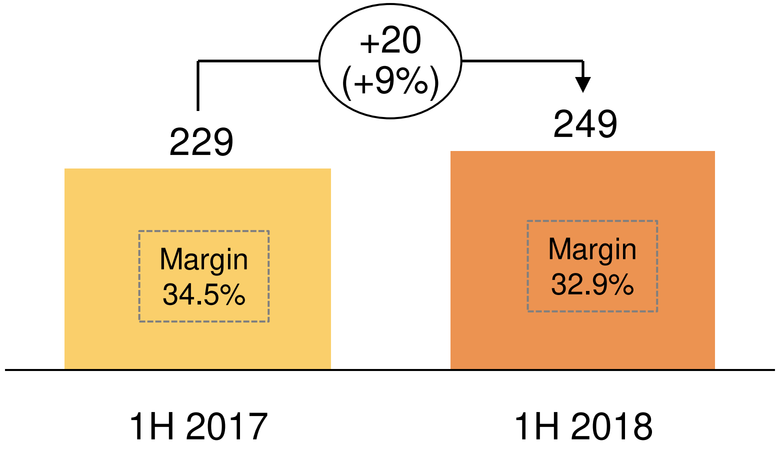
1H 2018 Group financial performance
KD Mn

Growth was contributed across all business units

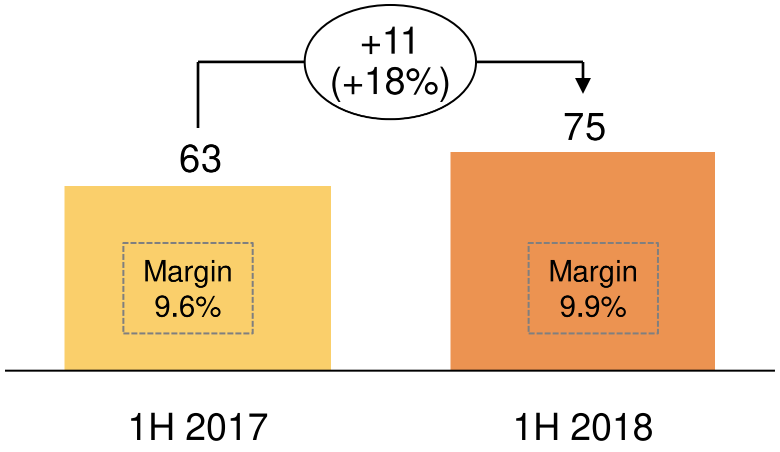
Revenue



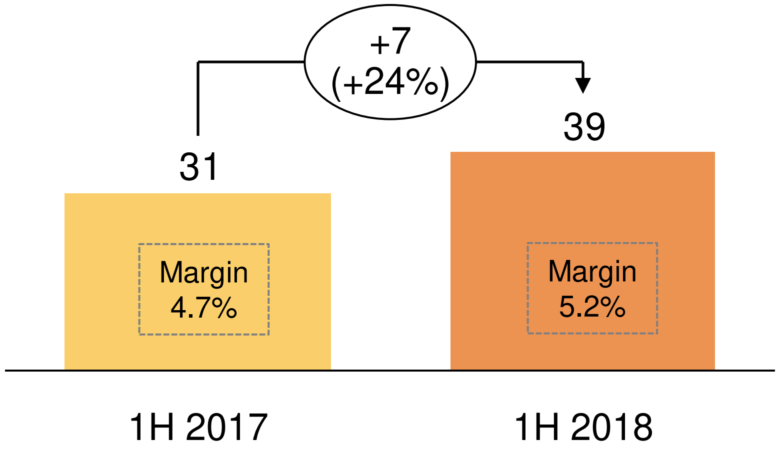
Net Revenue



EBITDA

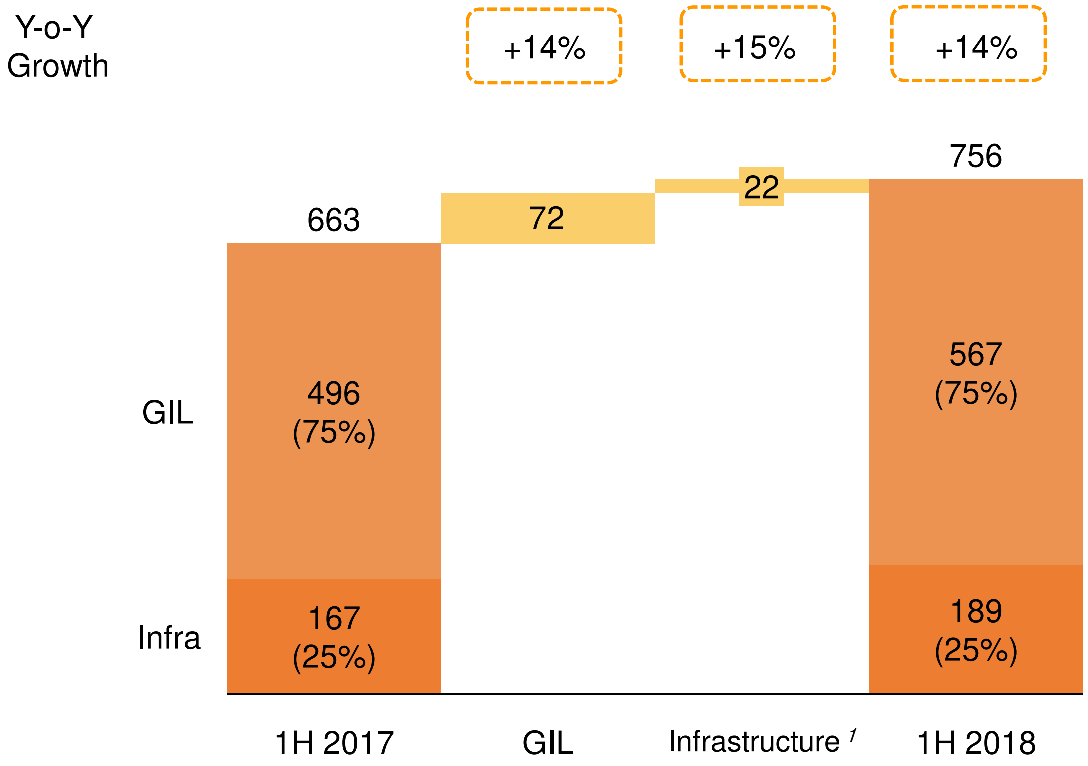


Net Profit

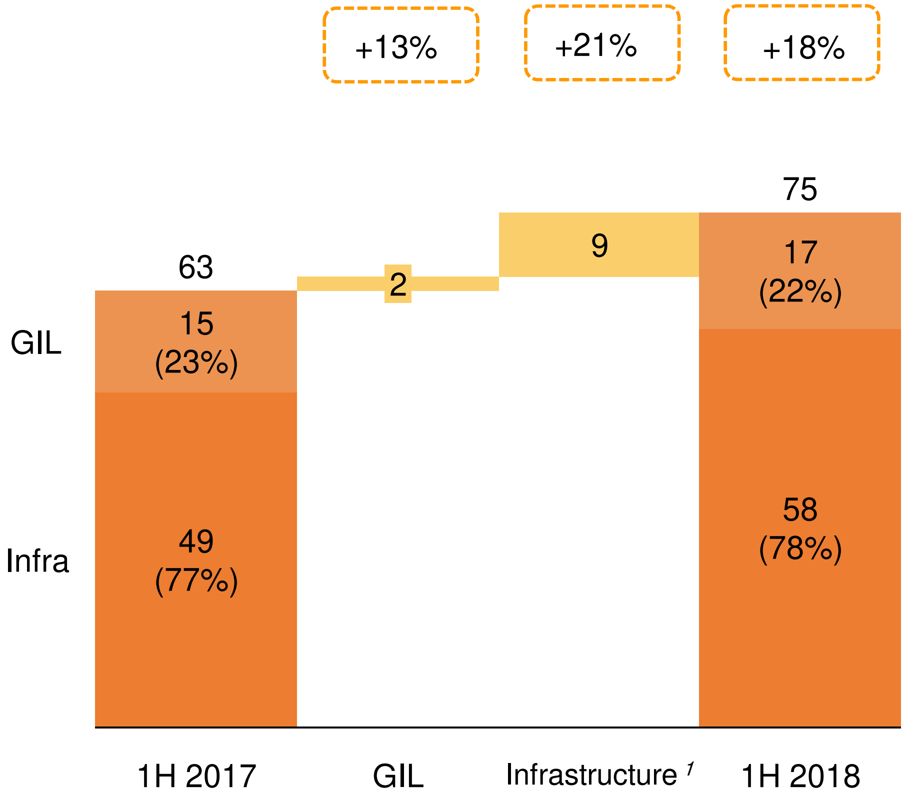


1H 2018 Group financial performance
KD Mn

Revenue contribution by Business Group



EBITDA contribution by Business Group



[1] *includes corporate*

Balance Sheet
KD Mn

Maintaining a strong balance sheet

Balance sheet	1H 2018	1H 2017	Variance	%
Current assets	546	472	74	16%
Non-Current assets	1,204	1,131	73	6%
Total assets	**1,750**	**1,603**	**147**	**9%**
Current liabilities	580	479	101	21%
Non-current liabilities	149	146	3	2%
Total liabilities	**729**	**625**	**104**	**17%**
Non-controlling Interest	45	32	13	41%
Shareholders' equity	**976**	**946**	**30**	**3%**

Highlights

	1H 2018	1H 2017
Net Debt (ND)	(131)	(109)
ND / EBITDA[1]	0.9X	0.9X

[1] TTM

** Numbers above are rounded*

Agility maintains a healthy balance sheet with strong asset base of KD 1.8 Bln and relatively low leverage.

Agility has entered an investment and growth phase since 2016, driven by our 2020 goal, hence:

- Agility moved into a net debt position from the net cash position maintained historically.
- Debt will predominantly be ring-fenced at the operating level with limited recourse and guarantee to the parent.
- Agility remains committed to its stakeholders: Shareholders, Banks, and internal business.

Statement of cash flows
KD Mn

Investing in the business to capture profitable growth opportunities

Cash Flow Statement	1H 2018	1H 2017	Variance	%
Cash from Operating activities before changes in working capital	77	65	12	18%
Changes in working capital	(35)	(32)	(4)	12%
Other Items	(12)	(38)	26	67%
Net Cash flow from operating activities	**29**	**(4)**	**33**	**785%**
CAPEX	(26)	(36)	10	29%
Other items	(2)	(9)	7	73%
Net Cash flow from investing activities	**(28)**	**(45)**	**17**	**38%**
Free Cash Flow	**1**	**(50)**	**51**	**103%**

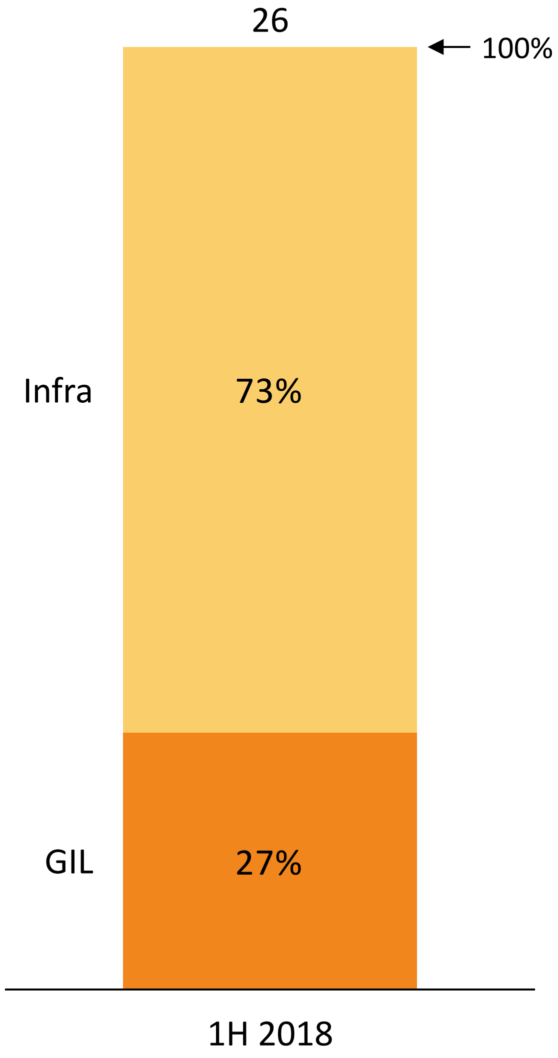
Highlights

Conversion ratio (OCF/EBITDA)	39%	39%[1]
CAPEX in % of Revenue	3%	5%

[1] *Adjusted for US Government settlement*

* *Numbers above are rounded*

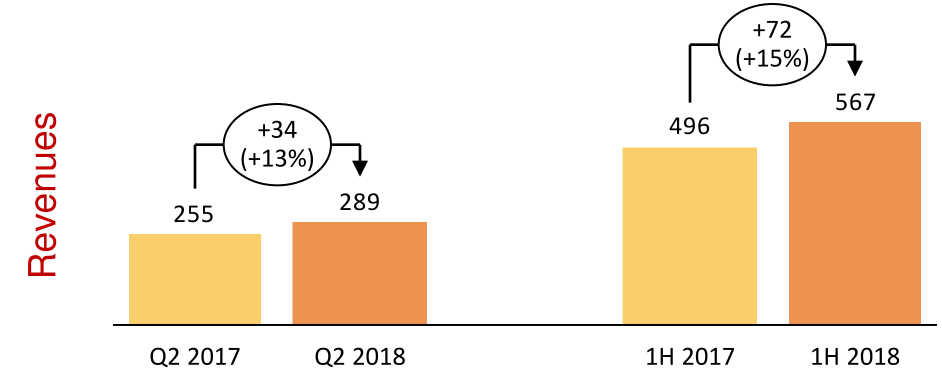
CAPEX 2018

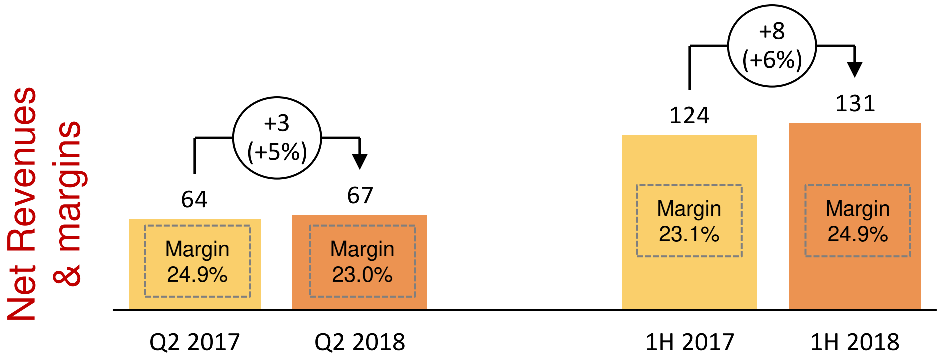


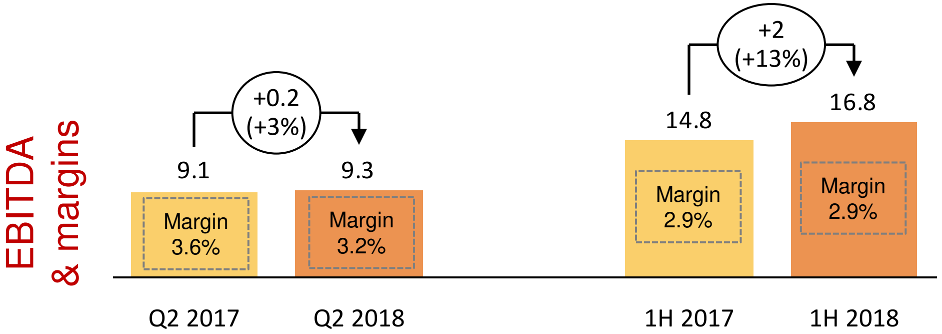
Business Segments

GIL financial performance – YTD 2018
KD Mn

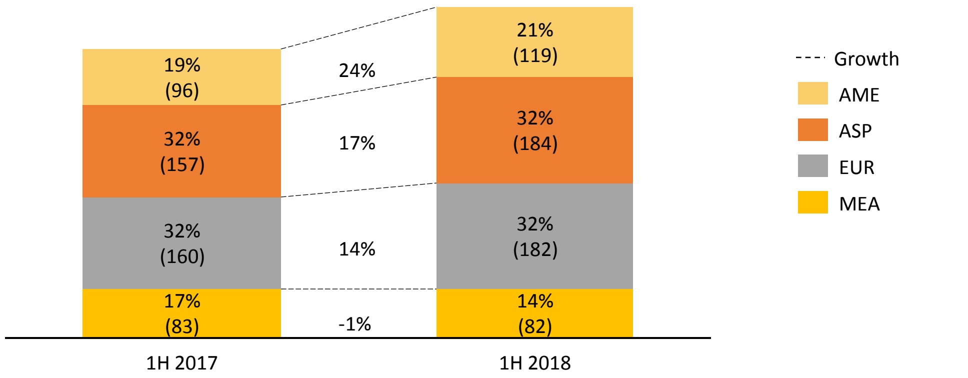
Financial Highlights



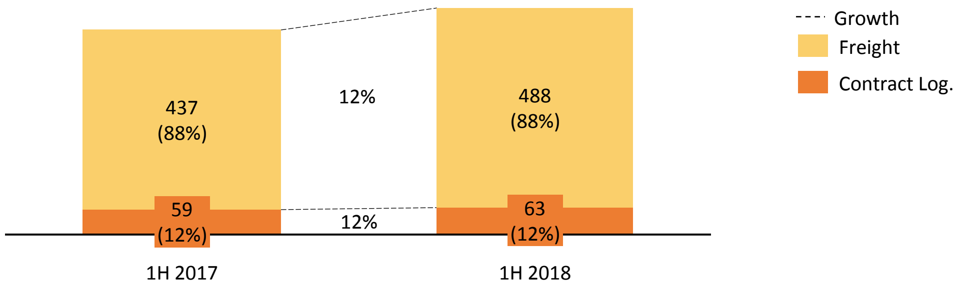




Regional Revenue Contribution



Service Revenues



Air Freight volumes

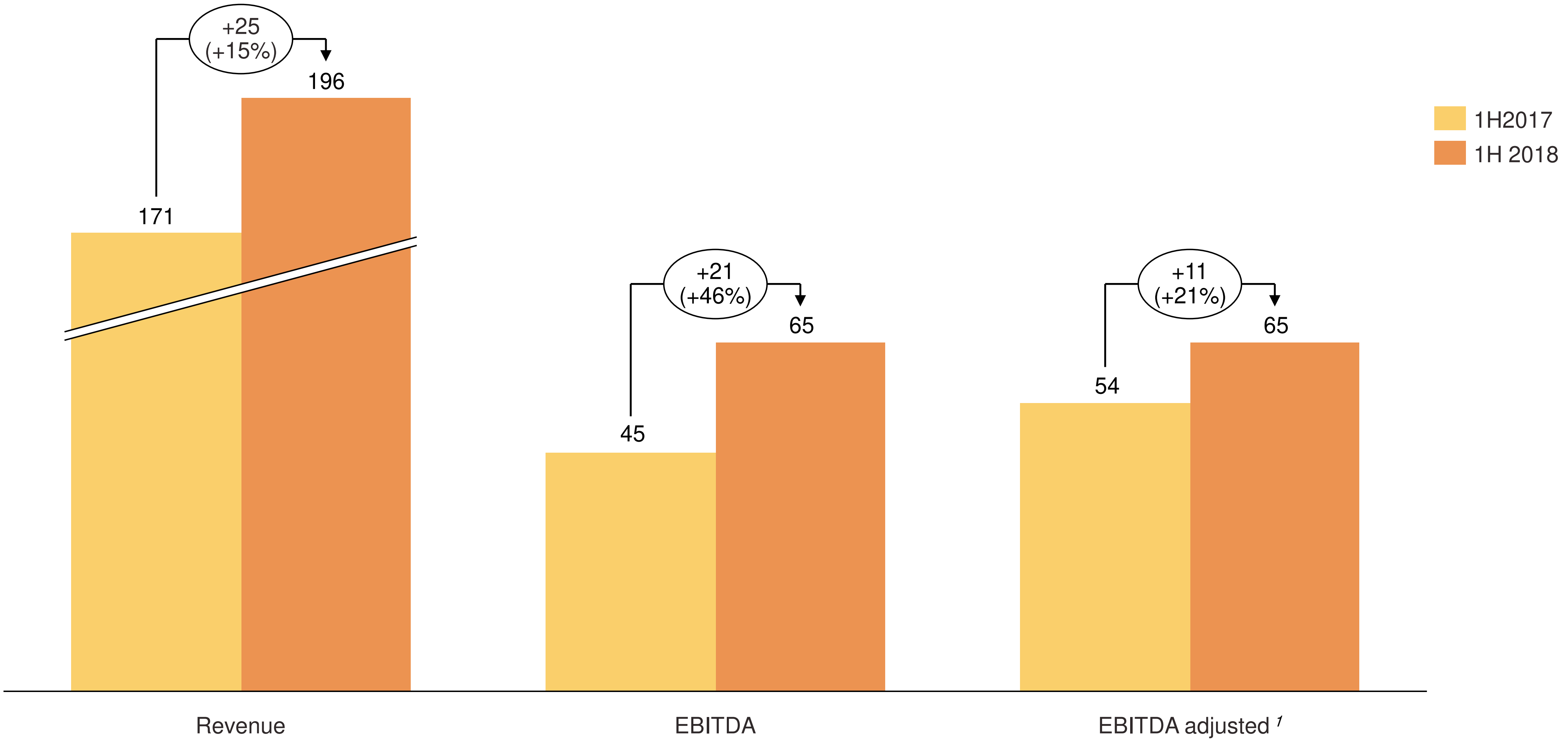
+9%
Vs 1H 2017

Ocean Freight volume

+10%
Vs 1H 2017

1H 2018Infrastructure group
KD Mn

Strong performance across all key entities



[1] *Adjusted for US Government settlement*

Q & A