

## Analysis of Sales/Earnings

## 1Q13 Misses Street On Continued Y/Y Net Revenue Margin Decline; Reiterate Sell

- Missed Street:** 1Q13 EPS of \$0.64 missed the Street consensus by \$0.05. Furthermore, 1Q13 EPS decreased 1.5% y/y, or by \$0.01. We would point out that the 1Q13 EPS miss could have been worse if not for the company's variable compensation plan being reigned in as performance deteriorates.
 

**1Q13 net revenue margin (net revenue divided by gross revenue) declined from 16.3% in 1Q12 to 15.2% in the 1Q13.** The company generally continues to be unable to pass through all the increased cost of purchased services to its customers—especially in the company's truckload brokerage segment. Truckload net revenue (59% of 1Q13 net revenue) increased only 1.9% y/y while LTL net revenue (12.8% of 1Q13 net revenue) increased 12.9% y/y.
- Ocean, air, and customs revenue increased 4.5% y/y** (14.9% of net revenue during 1Q13), after adjusting for the acquisition of Phoenix.
- Operating margin declined from 40.9% in 1Q13 to 37.0% in 1Q13** due to increases in personnel expense and depreciation/amortization expense as percentage of sales from headcount additions and the Phoenix acquisition.
- Phoenix acquisition continues to progress, with a long-term view towards net revenue margin improvement.** 10 of the 35 overlapping offices have been combined. Long-term the company plans grow freight forwarding net revenue (ocean, air, and customs) from a pro forma combined \$300 million in 2012 to a range of \$500 million to \$600 million and return to the historical Phoenix operating margin of 30% in that time frame (currently in the low double digits—10% to 15%—in 1Q13).
- April net revenue margin in the company's North American Truckload brokerage business have been consistent y/y.** However, 2Q12 net revenue margins were 14.4%—the lowest quarterly net revenue margins since 3Q02.
- Balance sheet remains strong, in our view.** However, the company's debt-to-total capitalization and net debt-to-total capitalization ratios increased sequentially to 20.8% and 13.4%.
- We are decreasing our 2013, 2014, and 2015 EPS estimates** from \$3.00, \$3.25, and \$3.50, to \$2.90, \$3.20, and \$3.45, respectively. Our updated estimates include the 1Q13 EPS miss, the continued softness in net revenue margin currently being experienced so far in 2Q13, as well as a reduction in net revenue and operating margin assumptions in our forecast period given management's comments regarding Phoenix.
- Reiterating our Sell.** Our 12-month fair value estimate for the company's shares remains \$53 (or 15.5x our updated 2015 EPS estimate of \$3.45), and provides approximately 14% downside potential over the 12-month investment horizon—enough downside over the coming 12-months to reiterate our Sell

Changes	Previous	Current
Rating	—	Sell
Target Price	—	NA
FY13E EPS (Net)	\$3.00	\$2.90
FY14E EPS (Net)	\$3.25	\$3.20
FY13E Rev (Net)	\$1.88B	\$1.89B
FY14E Rev (Net)	\$1.98B	\$1.98B

Price (05/07/13):	\$61.56
52-Week Range:	\$68 – \$51
Market Cap.(mm):	9,914.5
Shr.O/S-Diluted (mm):	161.1
Enterprise Val. (mm):	\$10,145.2
Avg Daily Vol (3 Mo):	1,659,218
LT Debt/Total Cap.:	20.8%
Net Cash/Share:	\$0.99
Book Value/Share:	\$9.25
Dividend(\$ / %)	\$1.40 / 2.3%
S&P Index	1,625.96

EPS (Net)	2012A	2013E	2014E
Q1	\$0.65	\$0.64A	\$0.72
Q2	0.71	0.74	0.81
Q3	0.72	0.77	0.85
Q4	0.68	0.75	0.82
FY Dec	\$2.76A	\$2.90	\$3.20
P/E	22.3x	21.2x	19.2x

2011 Q1 Excludes \$0.02 after-tax charge for vicarious liability case

Rev (Net)	2012A	2013E	2014E
FY Dec	\$1.72B	\$1.89B	\$1.98B
EV/Revenue	5.9x	5.4x	5.1x

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All relevant disclosures and certifications appear on pages 10 - 11 of this report.

rating on the company's common shares.

**1Q13 EPS of \$0.64 missed the Street consensus by \$0.05.** Furthermore, 1Q13 EPS decreased 1.5% y/y, or by \$0.01. The 27 sell-side analysts carrying 1Q13 EPS estimates prior to the company's earnings release had published 1Q13 EPS estimates ranging from a low of \$0.65 to a high of \$0.71. Our estimate (\$0.67) sat slightly below the Street consensus (\$0.69). As such, the company missed the even the lowest estimate on the Street by \$0.01. Relative to our estimates, the company saw slightly higher top line revenue growth (17.3% y/y versus our forecasted increase of 15.4% y/y) but that was offset by a lower than forecasted net revenue margin (15.2% reported versus our forecast for 15.4% net revenue margin)—which also decreased 110 basis points y/y, as the company continues to experience increased competition from rapidly expanding high quality competitors—as well as higher personnel expenses y/y. We would point out that the 1Q13 EPS miss could have been worse if not for the company's variable compensation plan being reigned in as performance deteriorates. However, had the tax rate not been higher than previously anticipated (tax law change in California has increased management's 2013 expected tax rate from a range of 38% to 38.5% to a range of 38.25% to 38.75%)—equating to ~\$0.01 less in 1Q13 EPS—and had 1Q13 not included \$3.0 million in additional payroll tax expense (or ~\$0.01 in EPS) related to the delivery of previously vested restricted equity awards, 1Q13 EPS would have registered \$0.66, still below our EPS estimate as well as the Street consensus.

**Overall, 1Q13 net revenue margin (i.e., net revenue divided by gross revenue) declined from 16.3% in 1Q12 to 15.2% in the 1Q13.** In general, the company continues to be unable to pass through all the increased cost of purchased services to its customers. This is especially true in the company's truck brokerage segments (i.e., Truckload and LTL), which—even with the recent acquisitions and divestitures—combined to represent 72% of net revenue in 1Q13. Truckload volumes increased by 9% y/y and LTL shipments increased by 12% (both sequential declines from 4Q12's y/y growth rates of 12% and 16%, respectively). However, Truckload net revenue increased only 1.9% y/y as the y/y increase in cost per mile (+2.5% y/y) in North America outpaced the y/y increase in rate per mile (+1.5% y/y) in North America, leading to another y/y decline in Truckload net revenue margin—a continuing trend experienced over the last seven quarters. Similarly, the company noted that it experienced y/y net revenue margin compression in its LTL brokerage business although LTL net revenues increased 12.9% y/y from the volume increase and a slight increase in pricing.

**Intermodal net revenue decreased 6.4% y/y in 1Q13.** Despite increased pricing y/y, a decline in volumes and higher cost of capacity drove net revenue down y/y. This resulted as the company's Intermodal business continues to see a mix shift to larger customers, leading to lane mix change and less spot market/transactional business. The company does own domestic containers (~1,000) in its fleet and is looking to become more cost competitive in this segment, but it still has little impact on the company's EPS growth trajectory as it remains only 2.0% of net revenue in 1Q13 and has now seen y/y net revenue declines over the past four quarters.

**Ocean freight forwarding net revenue increased 170% y/y in 1Q13, airfreight forwarding net revenue increased 89% y/y, and customs revenue increased 153% y/y, all due to the acquisition of Phoenix.** Combined, the three increased 142% y/y. However, excluding revenue from the Phoenix acquisition, ocean, air, and customs net revenue increased 4.5% y/y. Increased net revenue in ocean resulted from increases in volume, pricing, and the segment's net revenue margin. In the airfreight forwarding segment, net revenues increased due to increased volumes in combination with increased pricing; however, net revenue margin did decline y/y. Combined, the ocean freight forwarding, airfreight forwarding, and

customs businesses represented 14.9% of net revenue during 1Q13, up from the 6.8% of net revenues they represented for the comparable period in 2012 due to the acquisition of Phoenix. In our forecast, we expect these three segments to increase to roughly 16% of net revenue by 2015, still relatively small compared to the ~70% share of net revenue that the company's truck brokerage business is forecasted to maintain.

**Other Logistics Services net revenues grew a robust 22% y/y in 1Q13.** As customers have more broadly utilized the company to perform warehousing, transportation management, small parcel, and other logistics services, the Other Logistics Services segment has emerged as a more meaningful contributor to the company's profitability. 1Q13 continued to be evidence of this trend as Other Logistics Services net revenues as a percentage of overall net revenues grew slightly y/y from 3.4% in 1Q12 to 3.8% in 1Q13.

**Sourcing net revenues decreased 0.3% y/y in 1Q13 while 1Q13 payment services net revenues declined 83.2% y/y.** The sourcing net revenue—which represented 7.0% of net revenue in the 1Q13, down from 7.7% in 1Q12—decline was due to a decrease in net revenue margin from volatile weather and commodity markets somewhat offset by volume growth of ~6% y/y. Payment services, which included T-Check revenue in the prior year period, were down y/y as a result of the completed divestiture. As such, payment services should continue to see large y/y declines throughout 2013.

**Operating margin declined from 40.9% in 1Q12 to 37.0% in 1Q13.** Operating margin (defined as operating income as a percentage of net revenue) deterioration was a result of increases in personnel expense and depreciation/amortization expense as percentage of sales. Personnel expenses increased y/y as a result of headcount additions, both from legacy C.H. Robinson businesses as well as the two completed acquisitions, in combination with a change in business mix—i.e. increase in lower operating margin businesses from the Phoenix acquisition. Note that the additions in headcount were partially offset by declines in variable incentive plans based on earnings growth, i.e., y/y operating margin deterioration could have been higher. Also of note, the company experienced additional payroll tax expense of \$3 million during the quarter (or ~\$0.01) related to the delivery of previously vested restricted equity awards—which occurs every three years (lookout 1Q16). Amortization expense increased y/y in 1Q13 as a percentage of sales to account for the Phoenix acquisition purchase price amortization expense.

**Phoenix acquisition continues to progress, with a long-term view towards net revenue margin improvement.** The company has focused on establishing a common leadership team and office locations in the five months post acquisition. As of the acquisition close back in November of 2012, the combined company had 140 offices (75 Phoenix and 65 C.H. Robinson), and 25% (35) of those offices were located in the same city as another. As such, the company is currently combining those offices, with 10 of the 35 having been physically combined to date. The other offices are currently sharing resources and working together under one common leadership. However, management expects that the integration of information systems—which management previously noted will need to occur in order to facilitate cross-selling, sharing account management practices, et cetera—and financial reporting will take an additional 18 months to get through. It appears that timeline has been pushed out slightly since the 4Q12 earnings conference call. Furthermore, management has plans to take its freight forwarding net revenue (ocean, air, and customs) from a pro forma combined \$300 million in 2012 to a range of \$500 million to \$600 million over the next five years, with a return to the historical Phoenix operating margin of 30% in that time frame. Currently, operating margins on the freight forwarding business have stepped down to low double digits (10% to 15%) on account of the mix of legacy lower

margin C.H. Robinson business and the inclusion of the purchase price allocation for Phoenix. Management is looking to deliver double digit revenue growth by taking share and expanding the company's network in a market that they expect to grow in the mid single digits. Margin expansion is expected to be attained from scale and increased efficiency.

**April net revenue margin in the company's North American Truckload brokerage business have been consistent y/y.** Although it is positive that the company is currently seeing flat y/y net revenue margins—when compared to continued y/y net revenue margin declines—we note that there is an easing of comps when comparing to 2Q12, where overall net revenue margins were 14.4%—the lowest quarterly net revenue margins since 3Q02.

**The company's balance sheet remains strong, in our view.** After the purchases of Phoenix International and Apreo Logistics as well as the divestiture of T-Chek, the company's debt-to-total capitalization and net debt-to-total capitalization ratios were only 20.8% and 13.4%—although that is up sequentially from 14.5% and 2.8% at the end of 2012. Additionally, the company repurchased 1.563 million shares of common stock at an average price of \$61.66 during 1Q13—851,555 from open market repurchases and 712,037 from withholding on the delivery of restricted stock in January—lowering its outstanding share count by 1.4% y/y. Going forward we expect the company to use its free cash flow to pay down debt, continue its share repurchase program, as well as pay its quarterly dividend. Additionally, we note that the company still maintains enormous financial dry powder to do additional acquisitions, but continues to have its hands full with the integration of recent acquisitions (namely Phoenix) and increased competition in the domestic truck brokerage market.

**We are decreasing our 2013, 2014, and 2015 EPS estimates from \$3.00, \$3.25, and \$3.50, to \$2.90, \$3.20, and \$3.45, respectively.** Our updated estimates include the 1Q13 EPS miss, the continued softness in net revenue margin currently being experienced so far in 2Q13, as well as a reduction in net revenue and operating margin assumptions in our forecast period given management's comments regarding Phoenix. Our estimates drive y/y EPS growth of 5.1%, 10.3%, and 7.8% in 2013, 2014, and 2015, respectively. Clearly our modeled y/y EPS growth rates do not fully rebound back to the company's stated long-term EPS growth objective (i.e., 15% EPS growth) as we believe that the company will struggle with acquisition integration, the law of big numbers, increased levels of competition in the domestic truckload brokerage arena, and a contraction of available capacity—even if the economy continues to grow modestly. Our model is predicated on a continuation of the 1.5% to 2.0% annual economic growth rate in the U.S. Our model assumes y/y gross revenue growth of 10.9%, 3.8%, and 3.1% and y/y net revenue growth of 10.0%, 5.0%, and 5.0% for the years 2013, 2014, and 2015, respectively. Lastly, for the three year forecast period, our net revenue (gross profit) margin assumptions are 15.0%, 15.2%, and 15.4%, and our operating margin assumptions are 40.3%, 41.5%, and 41.8%, respectively.

**We are reiterating our Sell rating on the company's common shares.** We continue to believe that the company will suffer from the law of large numbers and post unimpressive (<10% per year) year-over-year EPS growth versus the company's target EPS growth of 15% per year. We also believe that the company's truckload brokerage business will continue to see margin pressure as a result of the relative balance that has, of late, existed between supply and demand within the truckload sector—pushing up purchased transportation costs faster than the company can recoup with its customers under longer-term contracts—as well as from increased competition. Additionally, the company will be wrapped up with the integration of its recent fully priced acquisition of Phoenix International for over the next year, in our view. Our 12-month fair value estimate

for the company's shares remains \$53 (or 15.5x our updated 2015 EPS estimate of \$3.45). Given the common shares' recent trading price, approximately 14% downside potential exists over the 12-month investment horizon. That is enough downside over the coming 12-months to reiterate our Sell rating on the company's common shares. Furthermore, with the company's 2014 P/E multiple, book value multiple, PEG ratio, and enterprise value to projected 2013 EBITDA multiple all trading at respective, and varying, premiums to the both the non-asset-based forwarding/logistics group and the broader transportation and logistics group, we believe that the company's shares are currently overvalued.

#### **Company Description**

C.H. Robinson Worldwide, Inc., founded in 1905, is one of the largest third-party logistics companies in North America. The company is a global provider of multimodal transportation services and logistics solutions, serving 37,000 customers through a network of 234 offices in North America, South America, Europe and Asia. C.H. Robinson maintains the single largest network of motor carrier capacity in North America through contracts with more than 45,000 motor carriers, and is one of the largest third-party providers of intermodal services in the United States.

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## Equity Comps - Transportation

## Comparative Valuation Matrix

(figures in \$US millions, except per share amounts)

Company name (Ticker)	Rating	Closing Price 5/7/2013	Diluted S/O	Market cap.	Total Debt	Cash & equiv.	TEV <sup>(a)</sup>	Equity value as a multiple of			Enterprise value as a multiple of					TTM ROA	TTM ROE	TTM ROIC	PEG ratio <sup>(d)</sup>	Div. Yield	2013E FCF Yld	
								2012A <sup>(b)</sup>	2013E <sup>(b)</sup>	2014E <sup>(b)</sup>	Book value	TTM Revenue	2013E EBITDA	TTM EBITDA	TTM EBITDAR <sup>(c)</sup>							TTM EBIT
<b>Non-Asset-Based Forwarding / Logistics</b>																						
<b>C.H. Robinson Worldwide (CHRW)</b>	<b>Sell</b>	<b>61.56</b>	<b>161.1</b>	<b>9,914.5</b>	<b>390.6</b>	<b>159.9</b>	<b>10,145.2</b>	<b>22.3x</b>	<b>21.2x</b>	<b>19.2x</b>	<b>6.7x</b>	<b>5.8x</b>	<b>12.4x</b>	<b>13.3x</b>	<b>12.7x</b>	<b>14.1x</b>	<b>17.8%</b>	<b>32.3%</b>	<b>28.3%</b>	<b>1.6</b>	<b>2.3%</b>	<b>1.7%</b>
DSV A/S (DSV-DK)	NC	DKK 137.10	188.3	25,816.5	1,161.1	72.1	26,954.7	NE	NE	NE	NM	3.6x	NE	NM	43.2x	NM	6.5%	27.4%	14.5%	NM	0.7%	NM
Echo Global Logistics (ECHO)	Buy	18.00	23.9	430.8	0.0	44.1	386.7	29.0x	22.0x	17.1x	3.0x	2.6x	9.2x	11.4x	10.7x	15.9x	6.7%	10.8%	10.8%	0.6	0.0%	5.3%
Expeditors International (EXPD)	Buy	38.73	206.5	7,997.6	0.0	1,394.7	6,618.8	24.7x	22.5x	20.6x	3.8x	3.6x	10.7x	11.5x	10.8x	12.4x	11.2%	16.0%	15.7%	2.1	1.5%	5.0%
Forward Air Corp. (FWRD)	Hold	38.29	31.1	1,190.9	0.2	71.6	1,119.5	21.5x	19.6x	17.8x	3.1x	1.9x	9.5x	10.8x	9.1x	13.6x	13.1%	15.5%	15.6%	1.7	1.0%	3.8%
Hub Group (HUBG)	Hold	38.45	37.7	1,448.2	0.0	86.3	1,362.0	21.0x	18.3x	16.2x	2.8x	3.8x	10.3x	11.2x	9.7x	11.9x	7.7%	14.4%	14.5%	1.2	0.0%	2.1%
Kuehne + Nagel International AG (KNIN-CH)	Hold	CHF 109.60	120.0	13,154.0	73.0	1,246.4	12,194.6	23.8x	22.1x	19.1x	4.7x	1.8x	12.6x	14.5x	9.4x	15.4x	9.0%	22.9%	22.5%	1.3	3.2%	5.7%
Landstar System (LSTR)	Hold	54.30	46.8	2,543.6	130.5	139.8	2,534.3	19.6x	19.3x	17.2x	6.2x	0.9x	10.4x	10.8x	10.8x	12.3x	15.3%	35.2%	26.2%	1.1	0.0%	5.2%
Pacer International (PACR)	Buy	6.39	35.5	226.9	0.0	27.7	199.2	NM	25.6x	16.0x	1.9x	0.9x	8.8x	9.8x	4.1x	16.5x	2.8%	5.5%	6.1%	1.1	0.0%	14.6%
Panalpina Welttransport Holding (PWTN-CH)	Hold	CHF 97.00	23.7	2,295.6	2.0	422.0	1,875.6	NM	NM	24.9x	2.9x	1.1x	15.7x	17.4x	8.0x	21.6x	1.5%	3.7%	3.4%	1.7	2.1%	2.9%
Roadrunner Transportation Svcs. (RRTS)	Buy	24.99	36.0	899.6	157.3	16.2	1,040.7	21.5x	18.5x	16.4x	2.2x	0.9x	10.1x	12.3x	10.9x	14.2x	6.3%	11.2%	8.9%	1.1	0.0%	-0.1%
Universal Truckload Svcs. (UACL)	Buy	25.15	30.1	757.1	136.0	4.8	888.3	18.6x	15.7x	13.7x	10.9x	0.9x	8.6x	8.9x	8.6x	10.9x	17.8%	69.9%	33.0%	0.7	0.0%	4.2%
UTi Worldwide (UTIW)	Buy	16.09	104.0	1,672.7	375.4	237.3	1,810.8	34.2x	NM	20.6x	2.0x	1.1x	10.9x	12.4x	8.1x	21.5x	1.7%	4.2%	3.5%	1.4	0.4%	1.3%
XPO Logistics, Inc. (XPO)	Buy	17.56	44.6	783.4	109.4	252.3	640.6	NM	NM	NM	3.2x	12.7x	NM	NM	NM	NM	-10.3%	-14.3%	-9.9%	NM	0.0%	NM
<b>Min</b>				226.9	0.0	4.8	199.2	18.6x	15.7x	13.7x	1.9x	0.9x	8.6x	8.9x	4.1x	10.9x	-10.3%	-14.3%	-9.9%	0.6	0.0%	-0.1%
<b>Mean</b>				4,938.0	181.1	298.2	4,840.8	23.6x	20.5x	18.2x	4.1x	3.0x	10.8x	12.0x	12.0x	15.0x	7.7%	18.2%	13.8%	1.3	0.8%	4.3%
<b>Median</b>				1,560.5	91.2	113.0	1,586.4	21.9x	20.4x	17.5x	3.1x	1.8x	10.3x	11.4x	9.7x	14.1x	7.2%	15.0%	14.5%	1.2	0.2%	4.0%
<b>Max</b>				25,816.5	1,161.1	1,394.7	26,954.7	34.2x	25.6x	24.9x	10.9x	12.7x	15.7x	17.4x	43.2x	21.6x	17.8%	69.9%	33.0%	2.1	3.2%	14.6%
<b>Stifel Transportation Average</b>				<b>8,381.6</b>	<b>1,546.9</b>	<b>459.3</b>	<b>9,506.9</b>	<b>19.6x</b>	<b>17.7x</b>	<b>15.6x</b>	<b>2.9x</b>	<b>2.0x</b>	<b>8.7x</b>	<b>9.1x</b>	<b>6.7x</b>	<b>13.5x</b>	<b>5.0%</b>	<b>14.7%</b>	<b>10.2%</b>	<b>1.2</b>	<b>1.0%</b>	<b>5.5%</b>

(a) Total Enterprise Value = Market Capitalization of Equity + Total Debt - Cash + Market Value of Minority Interest

(b) Stifel estimates for those rated and First Call mean estimates for unrated securities

(c) Enterprise value adjusted to include the capitalization of off balance sheet operating leases with lease expense (or rent expense) being added back to EBITDA for the valuation multiple calculation

(d) 2014E P/E divided by First Call mean or Stifel estimated long-term growth rate

Excludes non-recurring items

Calculations may vary due to rounding

Source: Company data, First Call, and Stifel estimates





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C.H. Robinson Worldwide Income Statement

(figures in \$ millions, except per share amounts)  
Fiscal Year End December 31

	2012										2013				2014															
	1998A	1999A	2000A	2001A	2002A	2003A	2004A	2005A	2006A	2007A	2008A	2009A	2010A	2011A	1Q	2Q	3Q	4Q	2012A	1Q	2Q	3Q	4Q	2013E	1Q	2Q	3Q	4Q	2014E	2015E
<b>Gross revenues</b>	2,038.1	2,261.0	2,882.2	3,090.1	3,294.5	3,613.6	4,341.5	5,688.9	6,556.2	7,316.2	8,578.6	7,577.2	9,274.3	10,336.3	2,552.1	2,955.7	2,880.4	2,970.9	11,359.1	2,994.3	3,275.4	3,193.6	3,139.3	12,602.5	3,127.7	3,372.4	3,306.6	3,273.3	13,080.0	13,489.6
% change y/y	13.8%	10.9%	27.5%	7.2%	6.6%	9.7%	20.1%	31.0%	15.2%	11.6%	17.3%	-11.7%	22.4%	11.5%	7.9%	9.2%	6.9%	15.7%	9.9%	17.3%	10.8%	10.9%	5.7%	10.9%	4.5%	3.0%	3.5%	4.3%	3.1%	
Cost of transportation and products	1,792.5	1,967.7	2,462.8	2,633.5	2,810.7	3,068.8	4,809.2	5,473.7	6,072.4	7,150.5	6,195.2	7,806.3	8,703.7	10,336.3	2,137.4	2,530.2	2,447.7	2,526.2	9,641.5	2,538.5	2,797.2	2,714.5	2,662.1	10,712.4	2,649.1	2,869.9	2,804.0	2,772.5	11,095.5	11,405.6
Transportation																														
Truck	164.2	202.9	313.7	348.0	361.4	401.7	501.9	666.6	823.0	949.3	1,030.1	1,040.7	1,076.2	1,236.6	315.4	312.6	328.0	328.3	1,284.3	327.1	331.4	341.1	339.8	1,339.3	340.2	344.7	354.7	353.4	1,392.9	1,448.6
% change y/y	23.3%	23.6%	34.6%	10.9%	3.8%	11.2%	25.0%	32.8%	23.5%	15.3%	8.5%	1.0%	3.6%	14.9%	7.1%	-0.5%	2.1%	7.1%	3.9%	3.7%	6.0%	4.0%	3.5%	4.3%	4.0%	4.0%	4.0%	4.0%	4.0%	
Intermodal	6.7	10.7	14.4	16.1	21.1	28.1	30.0	31.4	36.2	38.7	43.6	35.2	36.6	41.2	9.7	10.0	10.1	9.0	38.8	9.1	10.6	10.8	9.4	39.9	9.5	11.0	11.2	9.8	41.5	43.2
% change y/y	-31.1%	61.0%	34.3%	11.8%	31.0%	33.1%	6.6%	4.8%	15.2%	6.9%	12.8%	-19.2%	3.7%	12.2%	1.2%	-7.8%	-4.4%	-11.6%	-5.8%	-6.3%	6.0%	7.0%	4.5%	2.8%	4.0%	4.0%	4.0%	4.0%	4.0%	
Ocean	10.2	11.5	16.3	16.3	17.0	19.0	20.6	29.2	37.2	43.5	62.1	54.2	60.8	66.9	15.8	17.0	18.5	33.7	84.9	42.5	44.1	44.4	44.5	175.5	45.9	47.0	47.5	47.6	188.6	202.8
% change y/y	10.7%	12.3%	42.4%	0.0%	4.1%	11.9%	8.0%	41.9%	27.3%	17.2%	42.6%	-12.7%	12.1%	10.1%	1.2%	3.4%	3.5%	98.0%	27.0%	169.6%	160.0%	140.0%	32.0%	106.6%	8.0%	8.0%	7.0%	7.0%	7.5%	
Air	3.4	2.9	3.6	2.7	3.1	4.9	8.6	13.3	21.5	31.3	35.4	32.7	42.3	39.4	8.9	10.6	9.0	15.9	44.0	16.8	19.6	17.1	18.4	71.9	18.0	21.0	18.4	19.9	77.3	83.2
% change y/y	75.4%	-16.6%	24.4%	-24.1%	13.7%	59.4%	75.2%	55.4%	61.6%	45.4%	13.0%	-7.7%	29.6%	-7.0%	-3.4%	-7.5%	-9.0%	81.0%	12.9%	89.0%	85.0%	89.0%	15.5%	61.7%	7.5%	7.5%	7.5%	8.0%	7.6%	
Other	5.3	5.9	7.2	7.3	8.8	11.0	14.7	19.8	28.2	35.2	41.4	44.8	57.3	59.9	17.5	18.8	17.2	22.2	75.7	25.8	27.5	26.5	28.9	108.6	28.1	29.9	28.9	31.5	118.4	129.0
% change y/y	0.2%	11.3%	21.7%	1.5%	20.4%	25.2%	34.0%	34.8%	42.0%	25.2%	17.5%	8.2%	27.8%	4.6%	24.2%	26.7%	16.6%	30.0%	26.4%	47.7%	47.0%	54.0%	30.0%	43.5%	9.0%	9.0%	9.0%	9.0%	9.0%	
Total transportation	189.8	233.8	355.1	390.4	411.3	464.7	575.7	760.3	946.0	1,098.0	1,212.6	1,273.1	1,443.9	1,637.7	367.2	369.0	382.8	409.1	1,528.1	421.3	433.1	439.8	441.0	1,735.2	441.7	454.3	460.7	462.1	1,818.8	1,906.8
% change y/y	19.2%	23.2%	51.9%	9.9%	5.3%	13.0%	23.9%	32.1%	24.4%	16.1%	10.4%	-0.4%	5.4%	13.4%	7.1%	0.3%	2.2%	14.1%	5.8%	14.7%	17.4%	14.9%	7.8%	13.5%	4.8%	4.9%	4.7%	4.8%	4.8%	
Sourcing	44.2	42.8	43.8	45.2	46.5	50.4	51.8	81.5	94.2	100.2	111.6	128.6	139.4	128.4	31.9	40.2	33.7	30.5	136.4	31.8	42.6	36.8	31.8	143.0	34.1	45.6	39.4	34.0	153.0	163.7
% change y/y	16.2%	-3.3%	2.4%	3.1%	3.1%	8.2%	2.8%	57.3%	15.7%	6.4%	11.4%	15.2%	8.4%	-7.8%	-3.2%	15.1%	2.0%	11.3%	6.2%	-0.3%	6.0%	9.0%	4.0%	4.8%	7.0%	7.0%	7.0%	7.0%	7.0%	
Payment Services	11.6	16.7	20.4	21.0	25.9	29.8	33.5	38.0	42.4	45.5	50.8	45.8	55.5	60.3	15.6	16.3	16.1	4.9	53.0	2.6	2.4	2.4	4.5	11.9	2.8	2.6	2.6	4.7	12.7	13.4
% change y/y	33.8%	42.3%	22.4%	2.8%	23.6%	14.8%	12.5%	13.4%	11.5%	7.5%	11.5%	-9.8%	21.4%	8.7%	8.1%	8.3%	4.2%	-67.6%	-12.7%	-83.2%	-85.0%	-85.0%	-10.9%	-77.5%	6.0%	6.0%	6.0%	6.0%	6.0%	
<b>Net revenues (Gross profits)</b>	245.7	293.3	419.3	456.6	483.8	548.8	661.0	879.8	1,082.5	1,243.8	1,375.0	1,382.0	1,468.0	1,637.7	414.7	425.5	437.7	444.6	1,717.6	457.7	478.2	479.0	477.2	1,890.1	478.5	502.5	502.6	500.8	1,984.4	2,084.0
% change y/y	19.2%	19.4%	43.0%	8.9%	6.0%	12.6%	21.3%	33.1%	23.1%	14.9%	10.5%	0.5%	6.2%	11.2%	6.3%	1.8%	2.3%	10.8%	5.2%	9.9%	12.4%	10.7%	7.3%	10.0%	5.0%	5.1%	4.9%	5.0%	5.0%	
% of gross revenues	12.1%	13.0%	14.5%	14.8%	14.7%	15.1%	15.2%	15.5%	16.5%	17.0%	16.0%	18.2%	15.8%	15.8%	16.3%	14.4%	15.0%	15.0%	15.1%	15.2%	14.6%	15.0%	15.2%	15.0%	15.3%	14.9%	15.2%	15.3%	15.2%	15.4%
Operating expenses:																														
Personnel expenses	115.0	136.1	205.1	225.0	244.3	279.0	334.1	427.3	515.9	568.0	601.8	597.6	632.1	696.2	183.4	177.2	179.3	191.5	731.4	212.6	208.8	204.9	208.3	834.7	216.0	216.0	211.3	215.7	859.0	897.8
Depreciation and amortization	8.5	10.1	17.3	19.1	14.0	11.0	11.8	18.2	23.9	27.4	31.2	30.5	29.4	32.5	8.4	8.8	8.9	12.0	38.1	13.8	14.1	13.8	14.1	55.8	14.6	14.3	14.0	14.0	56.9	58.2
Other selling, general and administrative expenses <sup>(5)</sup>	5.3	6.2	7.9	7.2	7.6	7.8	9.2	11.0	12.4	13.8	17.0	16.9	18.3	20.3	5.3	5.6	5.7	6.3	23.1	60.6	59.2	58.1	59.1	237.1	61.3	61.6	60.2	61.8	244.9	257.2
<b>Total operating expenses</b>	177.2	209.5	302.3	322.3	334.8	366.8	438.2	556.2	664.7	734.1	803.4	797.1	845.1	934.0	245.2	240.6	245.4	267.3	998.5	287.0	282.1	276.9	281.5	1,127.6	291.9	291.9	285.5	291.5	1,160.8	1,213.3
Operating ratio (gross)	96.6%	96.3%	95.9%	95.7%	95.5%	95.1%	94.9%	94.3%	93.6%	93.0%	92.7%	92.3%	93.3%	93.2%	93.4%	93.7%	93.5%	94.0%	93.7%	94.4%	94.0%	93.7%	93.8%	93.9%	94.0%	93.8%	93.4%	93.6%	93.7%	93.5%
Operating ratio (net)	72.1%	71.4%	72.1%	70.6%	69.2%	67.7%	66.3%	63.2%	61.4%	59.0%	58.4%	57.7%	57.6%	57.2%	59.1%	56.5%	56.7%	60.1%	58.1%	63.0%	59.0%	57.8%	59.0%	59.7%	61.0%	58.1%	56.8%	58.2%	58.5%	58.2%
<b>EBIT</b>	68.4	83.8	117.0	134.3	148.9	176.0	222.8	323.6	417.8	509.7	571.6	584.8	622.9	698.6	169.5	184.9	187.3	177.3	719.0	168.7	196.1	202.2	195.6	762.6	186.6	210.5	217.1	209.3	823.6	870.7
% margin (net revenues)	27.9%	28.6%	27.9%	29.4%	30.8%	32.3%	33.7%	36.8%	39.6%	41.0%	41.6%	42.3%	42.8%	42.8%	40.9%	43.5%	43.3%	39.9%	41.9%	37.0%	41.0%	42.2%	41.0%	40.3%	39.0%	41.9%	43.2%	41.8%	41.5%	41.8%
<b>EBITDA</b>	77.0	94.0	134.3	153.4	163.0	187.0	234.6	342.1	441.8	537.1	602.8	615.3	652.2	731.1	178.0	193.7	196.1	189.3	757.1	182.5	210.2	216.0	209.7	818.4	201.2	224.8	231.1	223.3	880.5	929.0
% margin (net revenues)	31.3%	32.0%	32.0%	33.6%	33.7%	34.3%	35.5%	38.9%	40.8%	43.2%	43.8%	44.5%	44.4%	44.8%	42.9%	45.5%	45.3%	42.6%	44.1%	40.0%	44.0%	45.1%	44.0%	43.3%	42.1%	44.7%	46.0%	44.6%	44.4%	44.6%
Investment and other income (expense), net	2.8	4.6	0.8	4.1	1.3	2.1	3.1	6.2	11.8	13.8	6.8	2.3	1.2	2.0	0.2	0.7	0.1	0.6	1.6	(0.1)	(3.9)	(3.4)	(2.6)	(10.0)	(2.5)	(2.6)	(2.1)	(1.8)	(9.0)	(6.1)
Other income (expense), net	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Profit before tax</b>	71.3	88.5	117.8	138.4	150.3	178.6	226.0	330.0	429.7	523.5	578.4	587.1	624.1	700.6	169.8	185.6	187.3	177.9	720.6	168.6	192.2	198.7	193.1	752.6	184.2	207.9	215.0	207.5	814.6	864.6
% margin (net revenues)	29.0%	30.2%	28.1%	30.3%	31.1%	32.8%	34.2%	37.5%																						

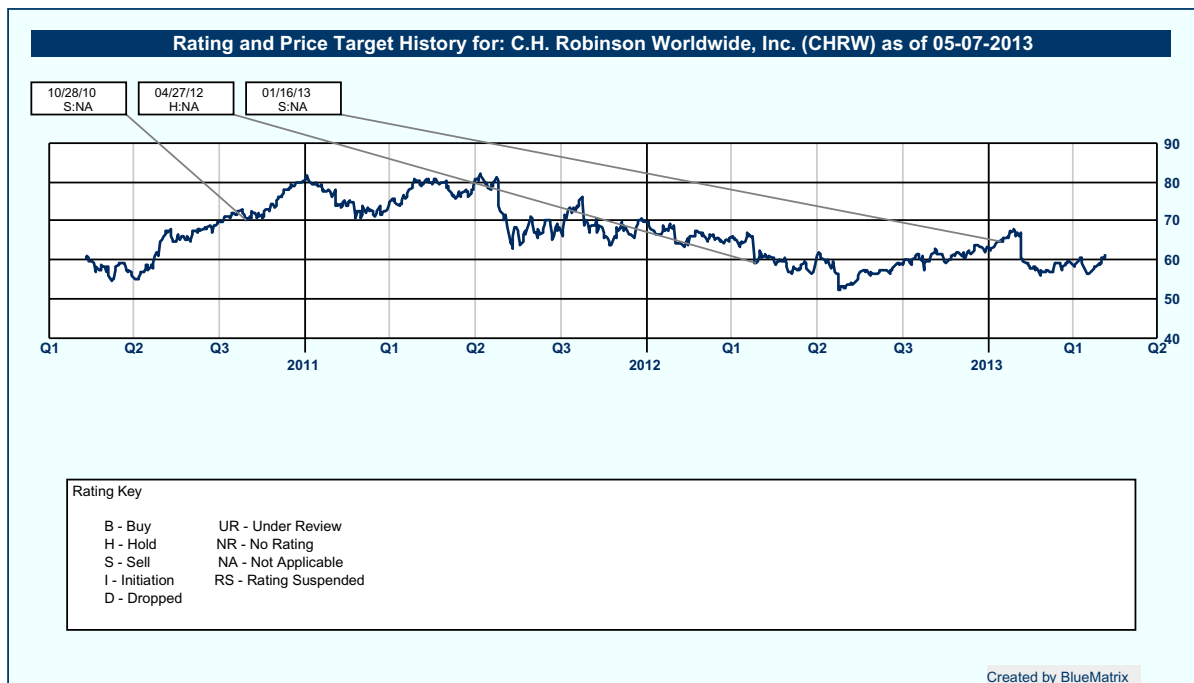






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