STIFEL

XPO Logistics, Inc. XPO – NYSE Buy

Trucking/Logistics

Company Update

Pays Reasonable Price for Another Last-Mile Acquisition; Reiterate Buy

- Acquires Optima Service Solutions—a U.S. last-mile logistics provider based in Atlanta. Optima has a nation-wide network of carriers and technicians that is "eerily" spread out, focusing on electronics (e.g., flat screen television and audio system installations) and appliances (which require plumbing and electrical expertise).
- <u>Multiple looks reasonable</u>: XPO paid \$26.6 million for Optima, or 7.2x LTM EBITDA of \$3.7 million. This is slightly better than our modeled assumption that XPO will pay, on average, 8.9x LTM EBITDA for acquisitions—mainly as this was a proprietary deal for XPO (i.e., no bankers and no competition pushing the price up).
- <u>Little customer and carrier overlap exists.</u> Prior to the acquisition, XPO had ~2,000 last-mile carriers from its acquisition of 3PD. With Optima, XPO will add another 250 carriers and a wide network of technicians across the U.S.
- Optima's EBITDA margin is slightly below previously acquired 3PD. LTM revenue was \$35.7 million, implying an EBITDA margin of 10.4% whereas 3PD's EBITDA margin was 11.4% prior to the transaction's close. This is somewhat reflected in the multiple paid for the business, which is well below the 10.1x paid for 3PD. Interestingly, Optima's revenue has grown at a 16% CAGR over the past five years, and should fit in nicely with the high growth expected in the company's last-mile delivery segment.
- More last-mile acquisitions to come? Management estimates that Optima was in the top 30 last-mile logistics providers, and that several other similar sized and slightly larger players make up the U.S. last-mile market. However, some of those have an agent model that would be slightly less attractive (unless converted upon acquisition).
- Our estimates remain largely unchanged. Overall, this acquisition is generally consistent with our previous estimates and trajectory for the company as well as its last-mile delivery business segment. Our model continues to track the general trajectory of the company hitting its stated goals: \$5 billion in annual revenue in 2016/2017 with 6% EBITDA margins. For more detail on the company's long-term goals, see our note, Clearly Defined Strategy for Growth; Takeaways from Meetings with Management, published on October 3, 2013.
- Reiterating our Buy rating. Our rating is based on our belief that the company will ultimately achieve its long-term goals in combination with the shares' current valuation level. Our target price remains \$25—derived by discounting our 2016 estimated share price of \$42 (or 20.0x our lowered 2016 EPS estimate of \$2.10) back to November of 2014 at an annual discount rate of 37%—and implies roughly 19% upside relative to last night's close.

<u>Changes</u>	Previous	Current
Rating	_	Buy
Target Price	_	\$25.00
FY13E EPS (Net)	_	\$(2.37)
FY14E EPS (Net)	_	\$0.02
FY13E Rev (Net)	\$701.7	\$699.4
FY14E Rev (Net)	\$1.59B	\$1.56B

Price (11/15/13):	\$20.97
52-Week Range:	\$26 - \$14
Market Cap.(mm):	1,192.4
Shr.O/S-Diluted (mm):	56.9
Enterprise Val. (mm):	\$1,239.0
Avg Daily Vol (3 Mo):	414,354
LT Debt/Total Cap.:	20.0%
Net Cash/Share:	\$1.18
Book Value/Share:	\$8.03
Dividend(\$ / %)	\$0.00 / 0.0%
S&P Index	1,790.62

EPS (Net)	2012A	2013E	2014E
Q1	\$(0.36)	\$(0.85)A	\$(0.14)
Q2	(0.17)	(1.00)A	(0.06)
Q3	(0.38)	(0.55)A	0.03
Q4	(0.57)	(0.23)	0.11
FY Dec	\$(1.48)A	\$(2.37)	\$0.02

2013 quarterly EPS estimates do not sum to the annual because of the public offering of shares in 3Q13.

2014 quarterly EPS estimates do not sum to the annual because preferred stock, convertible debt, and warrants are not included in 1Q14's shares outstanding.

Rev (Net)	2012A	2013E	2014E
Q1	\$44.6	\$114.0A	\$293.0
Q2	54.5	137.1A	372.0
Q3	71.0	194.0A	424.5
Q4	108.5	254.4	473.2
FY Dec	\$278.6A	\$699.4	\$1.56B
EV/Revenue	4.4x	1.8x	0.8x

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All relevant disclosures and certifications appear on pages 7 - 8 of this report.

Target Price Methodology/Risks

Target Price: \$25

Our 12-month target price is derived by discounting our 2016 estimated share price of \$42 (i.e. 20.0x our 2016 EPS estimate of \$2.10) back to November of 2014 at an annual discount rate of 37%.

Risks to our target price include the company's inability to achieve anticipated growth through potential acquisitions and "cold starts." Potential to overpay for acquired companies as well as failure to retain talent under a change in control. Integration of acquisitions can become an onerous task and a drain on management's time, leading to an insufficient focus on day-to-day operations and disappointing financial performance. Increased competition in the asset-light brokerage arena, shippers' decisions to bring outsourced transportation in house or deal directly with asset-based carriers. A reduction in freight volumes stemming from the economy slipping into recession. A reduction in available capacity from smaller fleets exiting the industry, or from further consolidation from the larger truckload carriers. Further dilution of the share count from potential future equity capital raises.

Company Description

XPO Logistics, Inc. is a non-asset based transportation service provider offering expedient, single-source solutions for time-critical and service-sensitive shipments through its non-asset based transportation network. XPO serves customers in the U.S, Canada and Mexico with domestic and international freight destinations. XPO's logistics services is offered through three brands: expedited surface transportation through Express-1, Inc., domestic and international freight forwarding services through Concert Group Logistics, Inc., and truckload brokerage services through Bounce Logistics, Inc. With the acquisition of 3PD, XPO Logistics added last-mile delivery to its non-asset based service offerings.

XPO Logistics, Inc. (XPO)

November 15, 2013

STIFEL

Equity Comps - Transportation

							Con	parative	Valuatio	n Matri	X											
(figures in \$US millions, except per share amounts)																						
		Closing Price	Diluted	Market	Total	Cash &			ity value as nings per Sh		Book	TTM	2013E	se value as a	a multiple of TTM	TTM	TTM	TTM	TTM	PEG	Div.	2013E
Company name (Ticker)	Rating	11/14/2013	S/O	cap.	Debt	equiv.	TEV (a)				value	Revenue	EBITDA	EBITDA	EBITDAR (c)	EBIT	ROA	ROE	ROIC	ratio ^(d)		FCF Yld
Non-Asset-Based Forwarding / Logistics																				1715.6%		
C.H. Robinson Worldwide (CHRW)	Sell	59.92	151.6	9,086.0	850.0	129.7	9,806.2	21.7x	22.1x	20.3x	9.2x	5.3x	12.9x	12.8x	12.4x	13.8x	16.9%	38.1%	27.9%	1.7	2.3%	1.5%
DSV A/S (DSV-DK)	NC	DKK 162.00	176.0	5,143.4	1,237.5	112.2	6,268.7	NE	NE	NE	4.9x	3.3x	NE	NM	NM	13.7x	7.1%	29.4%	14.8%	NM	0.6%	NM
Echo Global Logistics (ECHO)	Hold	20.11	24.2	485.8	0.0	53.3	432.4	32.4x	29.1x	23.1x	3.1x	2.7x	11.7x	12.1x	11.4x	17.1x	6.6%	10.6%	10.6%	0.8	0.0%	3.8%
Expeditors International (EXPD)	Hold	43.23	207.5	8,971.3	0.0	1,310.3	7,687.6	27.5x	25.1x	23.1x	4.1x	4.1x	12.6x	13.0x	12.2x	14.1x	11.4%	16.4%	16.0%	2.3	1.4%	4.9%
Forward Air Corp. (FWRD)	Hold	41.94	31.7	1,329.8	0.1	98.6	1,231.4	23.6x	23.0x	20.6x	3.2x	2.0x	10.9x	11.4x	9.6x	14.5x	12.5%	14.5%	14.6%	1.9	1.0%	3.0%
Hub Group (HUBG)	Hold	36.05	37.7	1,357.6	8.7	92.2	1,274.1	19.7x	19.0x	16.6x	2.4x	3.4x	10.5x	10.2x	8.9x	10.8x	7.1%	13.9%	13.9%	1.2	0.0%	1.2%
Kuehne + Nagel International AG (KNIN-CH)	Hold	CHF 111.80	120.1	14,659.7	52.9	1,109.7	13,836.5	24.3x	22.9x	20.2x	5.5x	1.9x	14.5x	15.5x	10.2x	16.3x	9.4%	25.0%	24.9%	1.3	3.1%	6.3%
Landstar System (LSTR)	Hold	56.32	46.0	2,592.0	145.0	132.1	2,604.8	20.3x	22.4x	20.1x	6.1x	1.0x	11.9x	11.8x	11.7x	13.7x	12.9%	30.3%	22.6%	1.3	0.0%	5.9%
Pacer International (PACR)	Hold	7.99	35.9	286.7	0.0	39.7	247.0	NM	27.6x	20.0x	2.3x	1.1x	9.6x	10.1x	4.4x	15.3x	3.9%	7.5%	8.1%	1.3	0.0%	6.8%
Panalpina Welttransport Holding (PWTN-CH)	Hold	CHF 140.70	23.7	3,638.3	4.6	372.0	3,270.8	NM	NM	31.7x	4.4x	1.9x	19.2x	22.7x	11.1x	27.1x	2.3%	6.1%	6.5%	2.1	1.4%	3.2%
Roadrunner Transportation Svcs. (RRTS)	Hold	25.08	36.9	925.3	205.8	8.8	1,122.3	21.6x	18.7x	16.0x	1.9x	0.9x	10.7x	11.3x	10.2x	13.2x	6.3%	11.6%	8.6%	1.1	0.0%	-0.7%
Universal Truckload Svcs. (UACL)	Buy	26.81	30.1	807.9	128.0	5.5	930.4	19.9x	15.2x	13.4x	8.5x	0.9x	8.6x	8.5x	8.3x	10.4x	21.1%	48.7%	30.0%	0.7	1.0%	4.9%
UTi Worldwide (UTIW)	Buy	15.25	104.8	1,597.5	418.0	178.1	1,837.3	31.1x	NM	24.2x	2.1x	1.2x	14.0x	16.9x	9.6x	NM	0.2%	0.5%	1.0%	1.7	0.4%	-0.9%
XPO Logistics, Inc. (XPO)	Buy	20.97	56.9	1,192.4	113.9	67.3	1,239.0	NM	NM	NM	2.6x	14.4x	NM	NM	NM	NM	-9.2%	-14.1%	-8.5%	NM	0.0%	NM
Min				286.7	0.0	5.5	247.0	19.7x	15.2x	13.4x	1.9x	0.9x	8.6x	8.5x	4.4x	10.4x	-9.2%	-14.1%	-8.5%	0.7	0.0%	-0.9%
Mean				3,719.5	226.0	265.0	3,699.2	24.2x	22.5x	20.8x	4.3x	3.1x	12.3x	13.0x	10.0x	15.0x	7.8%	17.0%	13.6%	1.5	0.8%	3.3%
Median				1,477.5	83.4	105.4	1,555.7	22.6x	22.7x	20.2x	3.6x	1.9x	11.8x	12.0x	10.2x	13.9x	7.1%	14.2%	14.3%	1.3	0.5%	3.5%
Max				14,659.7	1,237.5	1,310.3	13,836.5	32.4x	29.1x	31.7x	9.2x	14.4x	19.2x	22.7x	12.4x	27.1x	21.1%	48.7%	30.0%	2.3	3.1%	6.8%
Stifel Transportation Average				9,071.8	1,627.6	448.2	10,297.6	21.7x	20.2x	17.7x	3.4x	2.1x	9.7x	9.7x	8.1x	14.3x	5.4%	18.1%	9.9%	1.4	0.9%	2.8%

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

Excludes non-recurring items

Calculations may vary due to rounding

Source: Company data , First Call, and Stifel estimates

⁽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

XPO Logistics, Inc. (XPO) November 15, 2013

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	XPO Logistics Income Sta									ne State	ement													
(figures in \$ millions, except per share amounts)							ı		201	12		ĺ		20	13		ı		201	14				
Fiscal Year End December 31	2005A	2006A	2007A	2008A	2009A	2010A	2011A	1QA	2QA	3QA	4QA	2012A	1QA	2QA	3QA	4QE	2013E	1QE	2QE	3QE	4QE	2014E	2015E	2016E
Gross revenues	39.8	42.2	52.8	109.5	100.1	158.0	177.1	44.6	54.5	71.0	108.5	278.6	114.0	137.1	194.0	254.4	699.4	293.0	372.0	424.5	473.2	1,562.7	2,829.5	4,387.7
% change y/y	NA	5.9%	25.1%	107.4%	-8.5%	57.8%	12.1%	7.4%	23.7%	49.8%	146.1%	57.3%	155.8%	151.4%	173.3%	134.4%	151.1%	157.0%	171.4%	118.9%	86.0%	123.4%	81.1%	55.1%
Total Direct expense	30.9	31.4	39.9	91.6	83.4	130.6	147.3	37.8	46.1	61.1	92.8	237.8	97.7	117.8	159.1	204.8	579.4	234.9	299.1	342.7	386.6	1,263.3	2,314.5	3,598.6
Net revenues (Gross profits) % change y/y % of gross revenues	9.0	10.8	12.9	17.8	16.7	27.4	29.8	6.8	8.5	9.9	15.7	40.8	16.3	19.3	34.8	49.6	120.0	58.0	72.9	81.9	86.6	299.4	515.0	789.1
	NA	20.0%	19.3%	38.5%	-6.1%	63.7%	8.7%	-6.0%	17.9%	20.7%	118.4%	37.1%	140.1%	128.4%	251.0%	216.5%	193.9%	256.9%	277.1%	135.0%	74.7%	149.5%	72.0%	53.2%
	22.6%	25.6%	24.4%	16.3%	16.7%	17.3%	16.8%	15.2%	15.5%	14.0%	14.4%	14.7%	14.3%	14.1%	18.0%	19.5%	17.2%	19.8%	19.6%	19.3%	18.3%	19.2%	18.2%	18.0%
Operating expenses: Salaries, wages and benefits Purchased services Depreciation Other operating expenses (Gain) loss on sale of fixed assets Total operating expenses Operating ratio (gross) Operating ratio (net)	10.2	7.6	9.3	12.7	13.6	12.0	15.2	5.3	6.0	8.9	15.5	35.8	18.0	20.5	27.1	33.2	98.8	35.8	41.7	43.6	42.1	163.1	226.1	317.1
	0.0	0.0	0.0	0.0	0.0	2.5	6.7	2.7	1.9	5.2	5.6	15.4	3.8	5.9	8.3	7.7	25.8	8.3	10.6	11.1	10.8	40.8	68.9	112.9
	0.0	0.0	0.0	0.0	0.0	1.2	1.0	0.3	0.4	0.7	1.2	2.5	1.5	1.8	5.3	8.0	16.5	8.3	9.2	9.2	9.0	35.8	46.5	49.4
	0.0	0.0	0.0	0.0	0.0	3.2	5.1	2.7	3.6	4.4	4.4	15.1	4.3	5.2	9.5	6.4	25.3	7.2	9.2	10.0	10.1	36.4	59.2	94.9
	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	0.0	0.0
	10.2	7.6	9.3	12.7	13.6	19.0	28.1	11.0	11.8	19.2	26.8	68.8	27.6	33.4	50.2	55.3	166.5	59.6	70.7	73.8	72.0	276.1	400.8	574.4
	103.0%	92.4%	93.3%	95.3%	96.8%	94.7%	99.0%	109.5%	106.2%	113.1%	110.2%	110.0%	110.0%	110.2%	107.9%	102.3%	106.6%	100.5%	99.4%	98.1%	96.9%	98.5%	96.0%	95.1%
	113.1%	70.5%	72.5%	71.0%	81.1%	69.2%	94.2%	162.4%	139.8%	193.5%	170.8%	168.5%	169.9%	172.5%	144.0%	111.6%	138.7%	102.8%	96.9%	90.2%	83.1%	92.2%	77.8%	72.8%
EBIT % margin (gross revenues) % margin (net revenues)	(1.2)	3.2	3.5	5.2	3.2	8.4	1.7	(4.2)	(3.4)	(9.3)	(11.1)	(28.0)	(11.4)	(14.0)	(15.3)	(5.8)	(46.5)	(1.6)	2.2	8.0	14.6	23.3	114.2	214.7
	-3.0%	7.6%	6.7%	4.7%	3.2%	5.3%	1.0%	-9.5%	-6.2%	-13.1%	-10.2%	-10.0%	-10.0%	-10.2%	-7.9%	-2.3%	-6.6%	-0.5%	0.6%	1.9%	3.1%	1.5%	4.0%	4.9%
	-13.1%	29.5%	27.5%	29.0%	18.9%	30.8%	5.8%	-62.4%	-39.8%	-93.5%	-70.8%	-68.5%	-69.9%	-72.5%	-44.0%	-11.6%	-38.7%	-2.8%	3.1%	9.8%	16.9%	7.8%	22.2%	27.2%
EBITDA % margin (gross revenues) % margin (net revenues)	(1.2)	3.2	3.5	5.2	3.2	9.0	2.8	(4.0)	(3.0)	(8.6)	(9.9)	(25.5)	(9.9)	(12.3)	(10.1)	2.3	(29.9)	6.8	11.4	17.3	23.6	59.1	160.7	264.1
	-3.0%	7.6%	6.7%	4.7%	3.2%	5.7%	1.6%	-8.9%	-5.5%	-12.1%	-9.1%	-9.1%	-8.7%	-8.9%	-5.2%	0.9%	-4.3%	2.3%	3.1%	4.1%	5.0%	3.8%	5.7%	6.0%
	-13.1%	29.5%	27.5%	29.0%	18.9%	32.9%	9.3%	-58.4%	-35.4%	-86.8%	-63.2%	-62.4%	-60.7%	-63.4%	-28.9%	4.6%	-24.9%	11.6%	15.7%	21.1%	27.3%	19.7%	31.2%	33.5%
Interest income (expense), net	(0.2)	(0.2)	(0.1)	(0.4)	(0.1)	(0.2)	(0.2)	(0.0)	(0.0)	(0.0)	(3.2)	(3.2)	(3.1)	(3.1)	(3.4)	(3.2)	(12.7)	(3.3) (0.1)	(3.9)	(4.8)	(5.4)	(17.3)	(21.1)	(24.0)
Other income (expense), net	0.0	(0.2)	0.0	(0.1)	(0.1)	(0.1)	(0.1)	0.0	(0.0)	(0.3)	(0.0)	(0.4)	0.1	(0.2)	(0.2)	(0.2)	(0.5)		(0.1)	(0.1)	(0.1)	(0.3)	(0.4)	(0.4)
Profit before tax	(1.4)	2.8	3.5	4.7	3.0	8.1	1.5	(4.2)	(3.4)	(9.6)	(14.3)	(31.5)	(14.3)	(17.3)	(19.0)	(9.2)	(59.7)	(5.0)	(1.7)	3.2	9.2	5.7	92.8	190.3
% margin	-3.4%	6.6%	6.6%	4.3%	3.0%	5.1%	0.8%	-9.5%	-6.2%	-13.5%	-13.2%	-11.3%	-12.6%	-12.6%	-9.8%	-3.6%	-8.5%	-1.7%	-0.5%	0.8%	1.9%	0.4%	3.3%	4.3%
Tax rate	-126.9%	-40.6%	37.5%	40.2%	43.9%	39.7%	48.6%	36.1%	36.1%	37.8%	34.9%	36.1%	-1.6%	-0.4%	34.0%	33.0%	15.3%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%
Net income (prior to preferred) Preferred dividend Net income (loss) from continuing operations Extraordinary item (net of tax) (1-3) Net income % margin	(3.1)	3.9	2.2	2.8	1.7	4.9	0.8	(2.7)	(2.2)	(6.0)	(9.3)	(20.2)	(14.5)	(17.4)	(12.5)	(6.1)	(50.6)	(3.3)	(1.2)	2.1	6.2	3.8	62.2	127.5
	0.0	0.0	0.0	0.0	0.0	0.0	(1.1)	(0.8)	(0.8)	(0.8)	(0.7)	(3.0)	(0.7)	(0.7)	(0.7)	(0.7)	(3.0)	(0.7)	(0.7)	(0.7)	(0.7)	(3.0)	(3.0)	(3.0)
	(3.1)	3.9	2.2	2.8	1.7	4.9	(0.4)	(3.4)	(2.9)	(6.7)	(10.1)	(23.2)	(15.3)	(18.1)	(13.3)	(6.9)	(53.5)	(4.1)	(1.9)	1.4	5.4	0.8	59.2	124.5
	(2.7)	0.0	0.0	0.3	0.0	0.0	(44.2)	0.0	(3.0)	2.8	0.0	(0.2)	0.0	0.0	6.5	0.0	6.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	(5.8)	3.9	2.2	3.2	1.7	4.9	(44.6)	(3.4)	(5.9)	(3.9)	(10.1)	(23.3)	(15.3)	(18.1)	(6.8)	(6.9)	(47.0)	(4.1)	(1.9)	1.4	5.4	0.8	59.2	124.5
	-14.6%	9.3%	4.1%	2.9%	1.7%	3.1%	-25.2%	-7.7%	-10.9%	-5.5%	-9.3%	-8.4%	-13.4%	-13.2%	-3.5%	-2.7%	-6.7%	-1.4%	-0.5%	0.3%	1.1%	0.1%	2.1%	2.8%
Average shares outstanding - diluted	6.6	6.7	6.8	7.9	8.0	8.3	8.2	9.5	17.6	17.7	17.7	15.7	18.0	18.2	24.2	29.9	22.6	30.2	30.7	48.2	48.7	39.4	56.2	59.4
EPS - diluted (continuing operations) % change y/y	(\$0.47) NA	\$0.59 NM	\$0.32 -45.8%	\$0.35 11.7%	\$0.21 -40.8%	\$0.59 180.9%	(\$0.04) -107.5%	(\$0.36) NM	(\$0.17) NM	(\$0.38) NM	(\$0.57) NM	(\$1.48) NM	(\$0.85) NM	(\$1.00) NM	(\$0.55) NM	(\$0.23) NM	(\$2.37) 60.7%	(\$0.14) NM	(\$0.06) NM	\$0.03 NM	\$0.11 NM	\$0.02 NM	\$1.05 NM	\$2.10 99.1%
EPS - diluted	(\$0.88)	\$0.59	\$0.32	\$0.40	\$0.21	\$0.59	(\$5.41)	(\$0.36)	(\$0.34)	(\$0.22)	(\$0.57)	(\$1.49)	(\$0.85)	(\$1.00)	(\$0.28)	(\$0.23)	(\$2.08)	(\$0.14)	(\$0.06)	\$0.03	\$0.11	\$0.02	\$1.05	\$2.10
% change y/y	NA	NM	-45.8%	25.1%	-46.7%	178.5%	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	99.1%

Source: Company data and Stifel estimates

^{(1) 3}Q11 Preferred stock beneficial conversion charge and dividends
(2) 2Q12 excludes \$0.17 per share related to a \$3.0 million non-cash charge valuation allowance for deferred tax assets.
(3) 3Q12 excludes \$0.16 per share related a \$2.8 million non-cash charge reversal of the valuation allowance for deferred tax assets.

STIFEL

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XPO I	Logistics	Balance	Sheet
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(figures in \$ millions, except per share amounts)							ſ		201	12			201	1			201	14		Ī	
(figures in \$ mutions, except per share amounts)	2005A	2006A	2007A	2008A	2009A	2010A	2011A	1QA	2QA	3QA	4QA	1QA	2QA	3QA	4QE	1QE	2QE	3QE	4QE	2015E	2016E
ASSETS																					
Current assets																					
Cash and cash equivalents	0.4	0.1	0.8	1.1	0.5	0.6	74.0	204.5	190.7	296.5	252.3	206.2	178.2	67.3	54.4	10.0	10.0	10.0	10.0	10.0	10.0
Accounts receivable, less allowances	4.4	5.4	5.7	12.2	17.6	24.3	22.4	24.4	30.8	42.9	61.2	73.5	89.7	123.1	90.9	118.6	161.4	201.6	203.2	367.8	570.4
Prepaid expenses	0.3	0.3	0.5	0.4	0.2	0.3	0.4	0.9	0.7	1.2	1.6	1.7	2.1	3.4	2.1	2.6	3.3	4.0	4.7	8.5	13.2
Deferred tax asset	0.5	1.1	1.5	0.5	0.4	0.3	1.0	1.3	0.0	1.5	1.4	1.3	0.9	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income tax receivable	0.0	0.0	0.0	0.0	0.0	1.3	1.1	2.8	2.5	2.8	2.6	2.9	2.8	2.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other current assets	0.1 5.7	0.2	0.1 8.7	0.7 14.8	0.5 19.0	0.8 27.6	0.2 99.1	1.5 235.4	0.7 225.5	1.4 346.2	1.9 320.9	289.3	4.2 278.0	5.1 202.4	0.7 148.1	0.9	1.1	1.3 217.0	1.6	2.8 389.1	4.4 597.9
Total current assets	5.7	6.9	8.7	14.8	19.0	27.0	99.1	235.4	223.3	340.2	320.9	289.3	278.0	202.4	148.1	132.1	175.9	217.0	219.4	389.1	397.9
Total property and equipment		3.9	4.0	5.4	5.4	6.3	6.9	8.4	11.1	12.8	18.4	20.1	22.1	48.9	53.6	61.6	69.6	77.1	84.6	111.6	134.6
Less accumulated depreciation		(1.4)	(1.7)	(2.2)	(2.7)	(3.3)	(3.9)	(4.1)	(4.4)	(4.7)	(5.3)	(6.1)	(6.6)	(9.2)	(17.2)	(25.6)	(34.8)	(44.0)	(53.0)	(99.5)	(148.9)
Property and equipment, net	2.2	2.5	2.3	3.1	2.8	3.0	3.0	4.3	6.7	8.1	13.1	14.0	15.6	39.7	36.3	36.0	34.8	33.1	31.6	12.1	(14.3)
• • • •																					` '
Goodwill	3.6	5.5	7.7	14.9	17.0	17.0	17.0	17.0	19.1	22.5	55.9	66.9	69.9	302.8	319.0	352.0	385.0	418.0	451.0	559.0	643.0
Intangible assets	4.6	4.2	4.0	7.6	9.2	8.5	8.1	7.9	8.9	10.5	22.5	29.4	30.1	154.0	162.1	178.6	195.1	211.6	228.1	282.1	324.1
Loans and advances	0.4	0.1	0.1	0.1	0.0	0.1	0.1	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
Deferred tax asset, LT	1.5	2.1	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Other assets	0.4	0.2	0.6	1.1	1.0	0.5	0.4	0.5	0.5	0.5	0.8	0.8	0.8	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Total assets	18.5	21.6	23.7	41.7	49.0	56.7	127.6	265.2	260.7	387.8	413.2	400.5	394.5	700.3	667.0	700.1	792.2	881.1	931.5	1,243.8	1,552.2
LIABILITIES AND EQUITY																					
Current liabilities																					
Accounts payable	0.9	1.0	0.9	6.6	6.8	8.8	8.6	10.4	8.3	12.3	22.1	20.2	23.6	36.5	34.3	42.5	58.7	62.5	76.6	138.6	215.0
Accrued salaries and wages	0.4	0.7	0.9	0.7	0.3	1.2	2.2	2.3	1.2	2.7	3.5	2.7	5.6	8.6	4.2	3.6	5.2	9.5	9.4	17.0	26.3
Accrued saraties and wages Accrued expenses	2.7	0.7	0.7	0.7	2.3	2.9	2.8	4.7	6.2	11.9	21.1	20.4	23.7	33.4	11.9	20.4	22.3	32.8	26.6	48.1	74.6
Line of Credit	0.0	0.0	0.0	0.0	6.5	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
Current portion of long-term debt	0.2	0.1	0.1	1.2	1.2	1.7	1.7	0.0	0.0	0.4	0.5	0.8	0.9	0.7	0.5	0.4	0.3	0.2	0.2	0.1	0.0
Deferred tax liability	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	0.7	0.9	1.3	1.6	1.6	2.8	4.4
Accrued acquisition earnouts	0.0	2.0	2.2	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
Other current liabilities	0.1	0.1	0.2	1.0	1.0	0.8	0.8	0.8	1.0	1.4	1.8	1.5	1.5	5.1	4.9	3.2	4.7	6.0	10.9	19.8	30.7
Total current liabilities	4.4	4.7	4.9	10.4	18.1	15.3	16.1	18.2	16.8	28.7	49.0	45.6	55.3	84.3	56.5	70.9	92.5	112.7	125.2	226.4	351.0
A/R Securitization, Line of Credit	1.8	1.2	0.0	2.3	0.0	2.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	21.3	92.3	157.0	185.0	300.1	348.8
Long-term debt and capital leases	0.8	0.1	0.0	1.4	0.2	2.1	0.5	0.0	0.1	93.5	109.0	110.8	112.0	113.2	114.6	116.0	117.5	118.9	120.4	126.6	133.0
Deferred tax liability	0.0	0.0	0.0	0.6	1.2	2.0	2.3	2.7	3.4	9.8	6.8	6.9	6.6	18.2	18.2	18.2	18.2	18.2	18.2	18.2	18.2
Other long-term liabilities	0.2	0.3	0.6	0.5	1.2	0.5	0.4	1.0	2.1	3.1	3.4	3.8	3.8	27.9	27.9	27.9	27.9	27.9	27.9	27.9	27.9
Preferred stock	0.0	0.0	0.0	0.0	0.0	0.0	42.8	42.8	42.8	42.8	42.8	42.8	42.8	42.8							
Common stock	0.0	0.0	0.0	0.0	0.0	0.0	42.8 0.0	42.8 0.0	42.8 0.0	42.8 0.0	0.0	0.0	42.8 0.0	42.8 0.0		1					
Additional paid-in capital	20.3	20.5	21.2	26.3	26.5	27.2	102.6	241.0	242.0	260.3	262.6	266.3	267.8	514.5		1					
Treasury stock	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)							
Accumulated earnings	(8.9)	(5.0)	(2.9)	0.3	2.0	6.9	(36.9)	(40.4)	(46.3)	(50.2)	(60.3)	(75.6)	(93.7)	(100.4)							
Less unearned compensation	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		1					
Total stockholders' equity	11.3	15.3	18.2	26.5	28.4	34.0	108.4	243.3	238.3	252.7	245.1	233.4	216.8	456.7	449.9	445.8	443.9	446.3	454.8	544.6	673.2
Total liabilities and stockholders' equity	18.5	21.6	23.7	41.7	49.0	56.7	127.6	265.2	260.7	387.8	413.2	400.5	394.5	700.3	667.0	700.1	792.2	881.1	931.5	1,243.8	1,552.2
					·	·					_			·	_						_
Book value per share	\$1.72	\$2.27	\$2.67	\$3.26	\$3.52	\$4.00	\$13.05	\$25.61	\$13.51	\$14.31	\$13.84	\$12.94	\$11.93	\$18.86	\$15.03	\$14.78	\$14.47	\$9.27	\$9.34	\$9.28	\$11.25
Cash per share	\$0.06	\$0.01	\$0.12	\$0.14	\$0.06	\$0.07	\$8.91	\$21.52	\$10.81	\$16.79	\$14.25	\$11.43	\$9.80	\$2.78	\$1.82	\$0.33	\$0.33	\$0.21	\$0.21	\$0.17	\$0.17
Average age of receivables (days)	41.7	47.1	38.6	53.6	47.8	55.5	50.5	47.9	46.2	47.4	43.8	53.9	54.3	50.1	38.4	32.6	34.3	39.0	39.0	41.1	43.6
Net working capital	1.3	2.2	3.8	4.4	1.0	12.3	83.1	217.2	208.8	317.5	271.9	243.7	222.7	118.1	91.7	61.2	83.4	104.2	94.2	162.7	246.9
Current ratio	1.3x	1.5x	1.8x	1.4x	1.1x	1.8x	6.2x	12.9x	13.5x	12.1x	6.5x	6.3x	5.0x	2.4x	2.6x	1.9x	1.9x	1.9x	1.8x	1.7x	1.7x
Total assets	18.5	21.6	23.7	41.7	49.0	56.7	127.6	265.2	260.7	387.8	413.2	400.5	394.5	700.3	667.0	700.1	792.2	881.1	931.5	1,243.8	1,552.2
Long-term debt	2.6	1.3	0.0	3.7	0.2	4.8	0.5	0.0	0.1	93.5	109.0	110.8	112.0	113.2	114.6	137.3	209.8	275.9	305.5	426.7	481.8
Total debt	2.8	1.4	0.1	5.0	8.0	6.5	2.1	0.0	0.1	93.9	109.4	111.6	112.8	113.9	115.1	137.7	210.1	276.2	305.6	426.7	481.8
Net debt (cash)	2.4	1.3	(0.7)	3.8	7.5	6.0	(71.9)	(204.5)	(190.6)	(202.7)	(142.8)	(94.6)	(65.3)	46.6	60.7	127.7	200.1	266.2	295.6	416.7	471.8
Debt / total book capitalization	20.0%	8.4%	0.5%	15.7%	21.9%	16.1%	1.9%	0.0%	0.1%	27.1%	30.9%	32.4%	34.2%	20.0%	20.4%	23.6%	32.1%	38.2%	40.2%	43.9%	41.7%
Debt / EBITDA	1.3x	0.9x	0.1x	1.9x	1.6x	1.1x	-0.3x	-0.1x	0.0x	-1.4x	-2.6x	-2.8x	-2.3x	-2.8x	12.7x	4.7x	3.8x	3.5x	3.1x	2.2x	1.7x
Debt / EBIT	1.3x	0.9x	0.1x	1.9x	1.6x	1.4x	-0.2x 108.4	-0.1x	0.0x	-1.3x	-2.3x	-2.4x	-2.0x	-1.8x	-5.0x	-19.8x 445.8	19.4x	7.6x	5.0x 454.8	3.0x 544.6	2.1x
Stockholders' equity	11.3	15.3	18.2	26.5	28.4	34.0	108.4	243.3	238.3	252.7	245.1	233.4	216.8	456.7	449.9	445.8	443.9	446.3	454.8	544.6	673.2

Source: Company data and Stifel estimates

XPO Logistics, Inc. (XPO)

November 15, 2013

STIFEL

John Larkin, CFA / jglarkin@stifel.com David Tamberrino, CFA / tamberrinod@stifel.com

0.0% 0.0%

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(figures in \$ millions, except per share amounts)	2005A	2006A	2007A	2008A	2009A	2010A	2011A	1QA	2QA	3QA	4QA	2012A	1QA	2QA	3QA	4QE	2013E	1QE	2QE	3QE	4QE	2014E	2015E	2016E
Operating Activities																								
Net income	(5.8)	3.9	2.2	3.2	1.7	4.9	(0.4)	(2.7)	(5.2)	(3.2)	(9.3)	(20.3)	(14.5)	(17.4)	(6.0)	(6.1)	(44.1)	(3.3)	(1.2)	2.1	6.2	3.8	62.2	127.5
Adjustments	(0.0)	0.0	0.2	(0.1)		(0.1)	0.0		0.0	0.5	0.2	0.0	0.0	0.4		0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Provisions for allowance for doubtful accounts Depreciation and amortization	(0.3)	0.2 1.1	0.2	(0.1)	0.1 1.2	(0.1)	0.2 1.2	0.1 0.3	0.0 0.4	0.6 0.7	0.3 1.3	0.9 2.7	0.2 1.6	0.4 1.8	1.2 8.4	0.0 8.0	1.9 19.8	0.0 8.3	0.0 9.2	0.0 9.2	0.0 9.0	0.0 35.8	0.0 46.5	0.0 49.4
Stock compensation expense	0.0	0.1	0.8	0.2	0.2	0.2	1.2	1.0	1.2	1.2	0.9	4.4	1.0	1.0	1.2	0.0	3.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accretion of debt	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.5	1.5	1.4	1.5	1.5	1.4	5.9	1.4	1.5	1.5	1.5	5.8	6.1	6.4
Non-cash impairment of assets	4.0	0.0	0.0	0.0	0.1	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
Non-cash expenses related to issuance of stock/warrants	0.1	0.0	0.2	0.0	0.0	0.0	1.1	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
(Gain) loss on disposal of fixed assets	0.0	0.1	(0.0)	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.2)	(0.0)	0.0	(0.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NOL cash tax benefit Exchange Loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.2)	0.2	0.0 (0.0)	0.0	0.0	0.0	0.0	1.1 0.0	3.0	4.1 0.0	30.6 0.0	4.1 0.0
Exchange Loss	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)	0.1	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Changes in certain working capital items:																								
Accounts receivable	3.1	(1.1)	(0.5)	(0.2)	(5.5)	(6.6)	1.6	(2.0)	(3.5)	(2.6)	(5.7)	(13.8)	(9.8)	(14.4)	(4.0)	32.2	4.1	(27.7)	(42.9)	(40.1)	(1.6)	(112.2)	(164.7)	(202.6)
Deferred tax expense	0.0	0.0	0.0	2.0	0.7	0.9	(0.3)	0.0	1.5	(5.8)	(4.0)	(8.3)	0.1	0.0	(19.0)	1.3	(17.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income tax receivable Other current assets	0.0 (0.1)	0.0 (0.7)	0.0 (0.4)	0.0 (0.1)	0.0	(1.3) (0.4)	0.2 0.6	(1.7) (1.8)	0.3 1.3	(0.4)	0.3 1.6	(1.6) 1.6	(0.8) 0.0	(0.0)	0.1	2.3 4.4	1.6 4.4	(0.2)	(0.2)	(0.2)	(0.2)	0.0 (0.9)	0.0 (1.3)	0.0 (1.6)
Prepaid Expenses	0.7	0.1	(0.4)	0.1)	0.1	(0.4)	(0.2)	0.0	0.0	(0.4)	(0.3)	(0.8)	(0.1)	(0.0)	(2.1)	1.3	(1.0)	(0.2)	(0.2)	(0.2)	(0.2)	(2.6)	(3.8)	(4.7)
Other long-term assets and advances	(0.1)	(0.5)	1.3	0.2	(0.1)	0.3	0.1	(0.1)	0.0	0.0	(0.3)	(0.3)	(0.1)	(0.2)	(0.1)	0.0	(0.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	(1.2)	0.1	(0.1)	0.3	0.2	2.0	(0.2)	1.8	(3.1)	(1.8)	0.6	(2.6)	(5.2)	(0.8)	(0.2)	(2.3)	(8.4)	8.2	16.2	3.8	14.1	42.3	62.1	76.4
Accrued salaries and wages	(0.2)	0.4	(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	(4.4)	(4.4)	(0.6)	1.6	4.3	(0.2)	5.2	7.6	9.3
Accrued expenses	(0.3)	(0.3)	0.1	(0.6)	1.5	1.3	1.1	2.3	(0.5)	4.4	6.4	12.7	(2.3)	7.2	6.5	(21.5)	(10.0)	8.5	1.9	10.5	(6.2)	14.7	21.5	26.5
Other liabilities Total change in net working capital	(0.0)	(1.8)	0.4	2.6	(3.4)	(4.6)	0.2 3.2	(1.5)	(3.9)	(6.1)	(0.5)	(0.5)	(17.6)	(8.5)	(18.7)	0.5 13.8	(31.0)	(1.6)	(22.1)	(20.8)	4.8 10.1	(46.6)	10.1	12.5
rotal change in net working capital	1.7	(1.0)	0.5	2.0	(3.4)	(4.0)	3.2	(1.5)	(3.7)	(0.1)	(2.0)	(13.3)	(17.0)	(0.5)	(10.7)	13.0	(31.0)	(15.6)	(22.1)	(20.0)	10.1	(40.0)	(00.4)	(,
Net cash provided by operations	1.3	3.6	4.0	7.0	(0.1)	1.8	6.6	(2.8)	(7.4)	(6.8)	(7.4)	(24.3)	(28.0)	(21.0)	(12.5)	17.1	(44.5)	(7.3)	(12.7)	(6.9)	29.8	2.9	77.0	103.3
v																								
Investing Activities Capital expenditures, net	(0.3)	(1.0)	(0.5)	(1.1)	(0.2)	(0.8)	(0.8)	(0.8)	(1.7)	(1.4)	(3.0)	(7.0)	(1.1)	(2.8)	(2.7)	(2.0)	(8.5)	(2.5)	(2.5)	(2.0)	(2.0)	(9.0)	(9.0)	(9.0)
Payment of acquisition earn-out	(1.6)	(1.0)	(2.0)	(2.2)	(1.1)	0.0	(0.8)	(0.8)	0.0	(1.4) 0.0	0.0	(0.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Acquisition of business, net of cash acquired	0.0	0.0	0.0	(8.5)	(2.3)	0.0	0.0	0.0	(3.7)	(3.3)	(50.2)	(57.2)	(16.6)	(3.1)	(332.6)	(27.0)	(379.3)	(55.0)	(55.0)	(55.0)	(55.0)	(220.0)	(180.0)	(140.0)
Proceeds from Loans and Advances	0.2	0.2	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
Proceeds from sale of assets	0.4	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash (used in) provided by investing activities	(1.3)	(2.5)	(2.3)	(11.8)	(3.5)	(0.8)	(1.2)	(1.3)	(5.4)	(4.7)	(53.2)	(64.7)	(17.5)	(5.9)	(335.3)	(29.0)	(387.7)	(57.5)	(57.5)	(57.0)	(57.0)	(229.0)	(189.0)	(149.0)
Cash available for (required by) financing	0.0	1.1	1.8	(4.7)	(3.6)	0.9	5.4	(4.1)	(12.8)	(11.5)	(60.6)	(89.0)	(45.5)	(26.9)	(347.7)	(11.9)	(432.1)	(64.8)	(70.2)	(63.9)	(27.2)	(226.1)	(112.0)	(45.7)
											` '	(*****)	, ,	,,	(,	,	, ,			, ,	` '	, ,		, ,
A/R Securitization/Line of credit, net	0.6	(1.3)	(1.2)	2.3	4.2	(3.8)	(2.7)	0.0	0.0	(2.2)	0.1	(2.1)	0.5	(0.6)	0.0	0.0	(0.1)	21.3	71.0	64.7	28.0	185.0	115.1	48.7
Cash (used in) provided by debt financing	(0.8)	(0.2)	(0.2)	2.6	(1.2)	2.3	(1.6)	(2.1)	0.1	120.2	18.1	136.3	(0.3)	0.3	(0.3)	(0.2)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.0)
Issuance of common stock Repurchase of common stock	(0.3)	0.0	0.3	0.0	0.0	0.0	0.0	137.0 0.0	(0.0)	0.0	0.0	137.0 0.0	0.0	0.0	239.4	0.0	239.4 0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	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	0.0	0.0
Preferred dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	(0.4)	(0.8)	(0.8)	(0.8)	(0.8)	(3.0)	(0.7)	(0.7)	(0.7)	(0.7)	(3.0)	(0.7)	(0.7)	(0.7)	(0.7)	(3.0)	(3.0)	(3.0)
Excess tax benefit from stock options	0.0	0.0	0.0	0.0	0.0	0.0	0.5	0.2	(0.2)	0.0	(1.2)	(1.2)	(0.0)	0.0	(1.6)	0.0	(1.6)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from issuance of preferred stock and warrants	0.0	0.0	0.0	0.0	0.0	0.0	71.6	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
Proceeds from exercise of options/warrants	0.0	0.0	0.0	0.2	0.0	0.6	0.7	0.2	(0.1)	0.0	0.1	0.2	0.0	(0.1)	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash (used in) provided by financing activities	(0.5)	(1.4)	(1.0)	5.0	3.0	(0.9)	68.0	134.6	(1.0)	117.3	16.4	267.2	(0.6)	(1.1)	236.9	(0.9)	234.3	20.4	70.2	63.9	27.2	181.7	112.0	45.7
Beginning cash balance	0.9	0.4	0.1	0.8	1.1	0.5	0.6	74.0	204.5	190.7	296.5	74.0	252.3	206.2	178.2	67.3	252.3	54.4	10.0	10.0	10.0	54.4	10.0	10.0
Net increase (decrease) in cash and equivalents	(0.5)	(0.3)	0.7	0.3	(0.6)	0.1	73.4	130.5	(13.8)	105.8	(44.2)	178.3	(46.1)	(28.0)	(110.9)	(12.8)	(197.9)	(44.4)	0.0	0.0	0.0	(44.4)	0.0	0.0
Ending cash balance	0.4	0.1	0.8	1.1	0.5	0.6	74.0	204.5	190.7	296.5	252.3	252.3	206.2	178.2	67.3	54.4	54.4	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Ever and flow		2.5	2.0	5.0	(0.2)	0.0	5.0	(2.0	(0.1)	(0.2)	(10.6)	(21.2)	(20.1)	(22.9)	(15.1)	(10.7)	(425.5)	(65.6)	(70.0)	(61.6	(20.0)	(220.1)	(115.0)	(40.5)
Free cash flow Per share	1.1 \$0.16	2.7 \$0.40	3.6 \$0.52	5.9 \$0.75	(0.3) (\$0.04)	0.9 \$0.11	5.9 \$0.71	(3.6) (\$0.38)	(9.1) (\$0.52)	(8.2)	(10.4) (\$0.59)	(31.3) (\$1.99)	(29.1) (\$1.61)	(23.8) (\$1.31)	(15.1) (\$0.63)	(12.7) (\$0.42)	(435.1) (\$19.26)	(65.6) (\$2.17)	(70.9) (\$2.31)	(64.6) (\$1.34)	(28.0) (\$0.57)	(229.1) (\$5.81)	(115.0) (\$2.05)	(48.7) (\$0.82)
	ΨυιΣυ	ψοιιο	ΨΟΙΟΣ	ΨΟΙΙΟ	(40.04)	Ψυιλί	ψ0.,1	(40.50)	(40.02)	(40.10)	(40.57)	(ΨΔ•22)	(41.01)	(4.0.1)	(40.02)	(\$0.12)	(Ψ22.20)	(42.17)	(42.51)	(41.07)	(ψ0.57)	(ψεισ1)	(\$2.00)	(ψοιο2)
Current share price \$20.97		10::															24.04							
FCF yield	0.8%	1.9%	2.5%	3.6%	-0.2%	0.5%	3.4%					-9.5%					-91.9%					-27.7%	-9.8%	-3.9%
	0.0		0.0	0.0	0.0	0.0																		

Source: Company data and Stifel estimates

Dividend/FCF

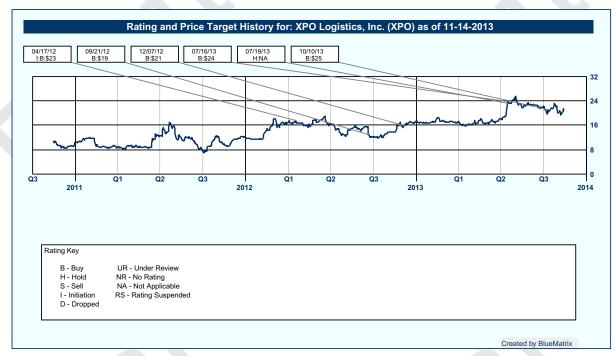
CapEx, net/OCF

0.0%

0.0%

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