



EXPOLANKA HOLDINGS PLC
INVESTOR PRESENTATION 2016

An International logistics company listed in Sri Lanka

Market Cap in excess of LKR 13.8BN

Global Footprint spanning 20+ Countries

International Companies contribute 71% of Group EBIT

Revenue > LKR 56 BN

PBT > LKR 2BN

**Growth &
Stability**

56% growth in PBT

Focus on Freight Forwarding Operations

Promise

Continued Journey on Restructure

Confidence

Sagawa Group Increased Stake in Expolanka to 67%

RESTRUCTURE - UPDATE

Objective of Restructure:

- Drive Focus towards Core Freight Forwarding Operations
- Re-allocate Resources and Capital in the Optimum Manner towards Improved Returns

Achievement

Re-organized, Lean & Focused Structure

Sales Proceeds of LKR 1.8BN

Minimized Gearing

GROUP OVERVIEW

OUR SECTORS – 2012/13

Freight & Logistics



Travel and Leisure



International Trading & Manufacturing



Expolanka Commodities



Investments and Services



GROUP OVERVIEW
OUR SECTORS – PRESENT DAY

Freight & Logistics



Travel and Leisure



International Trading & Manufacturing



Investments and Services



Corporate Services

Income Statement 2015/16
(LKR MN)

	2015/16	2014/15	2013/14
Revenue	56,015	52,652	53,319
Gross Profit	10,358	8,517	8,458
EBIT	2,102	1,455	2,168
Net Profit	1,445	1,047	1,570
NP for Equity Holder	1,113	886	1,426
Recurring NP*	1,431	930.5	969

* The one off gains includes profits derived from sale of several subsidiaries during the period.

Freight & Logistics Sector drives Growth

- Continued Focus within the Sector driving strong growth
- Profits from the Sector swelled by 46%
- Positive growth in both Volume & Yield

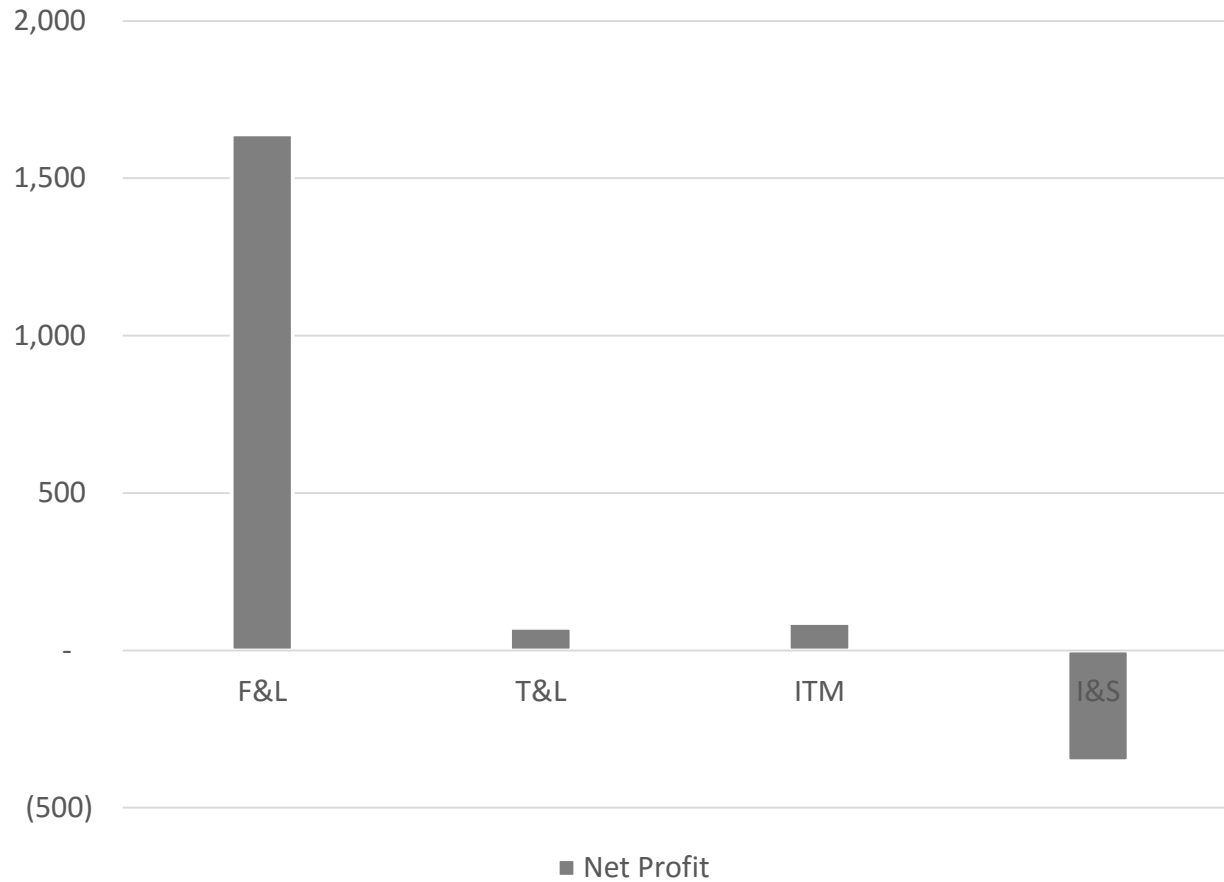
Consolidating Performance in the Travel, Trading Sectors

- Growth initiatives & restructure initiatives helped to consolidate performance

Focus on Balance Sheet

- Initiatives to Improve Working Capital & Minimize Gearing

PERFORMANCE REVIEW SECTOR ANALYSIS



Key Highlights:

- The Freight Sector continues to drive performance
- Group Focus will remain on core operations
- Opportunities on Restructure and Reorganization to be pursued in other sectors

Key Financials for Freight & Logistics 2016 Vs. 2015 (LKR MN)

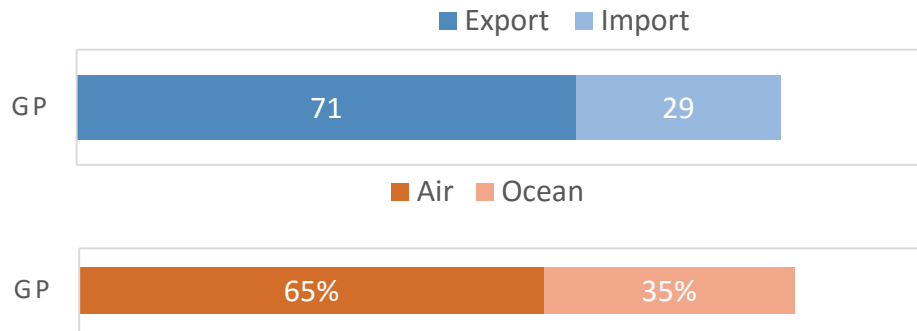
	2015/16	2014/15	Change
Revenue	46,666	40,649	15%
EBIT	2,219	1,483	50%
Net Profit	1,639	1,123	46%

Key Highlights

- Growth Fuelled through Strong US Trade Lane performance
- Strong Volume Growth across all Products.
- Focus on procurement efforts enabled Improvements in margin
- New Customer acquisitions & Increased Wallet Share helping to drive Volume

FREIGHT SECTOR - OPERATING SEGMENTS

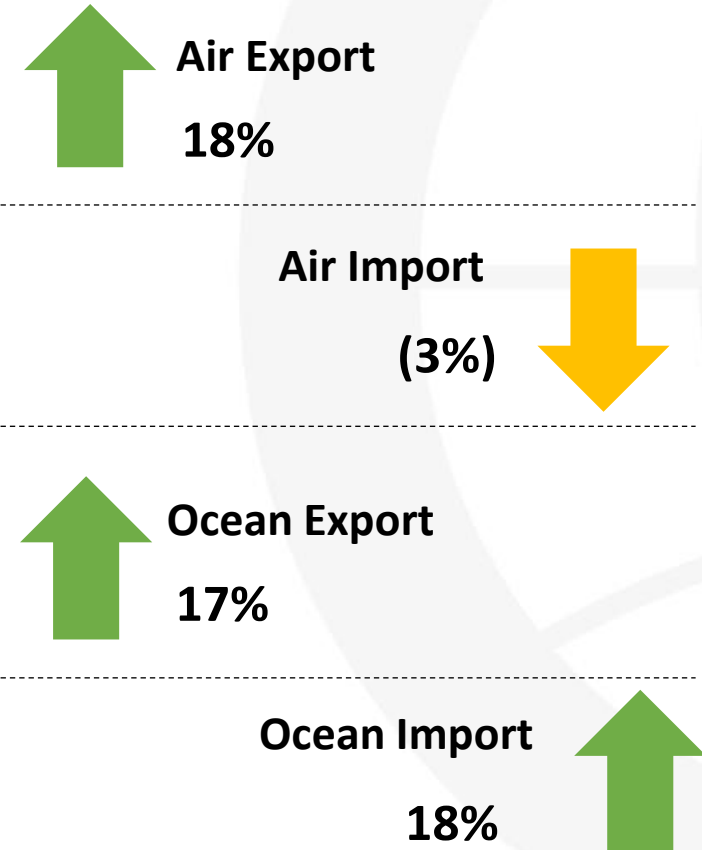
GP Composition 2015/16



Key Highlights

- USA Trade Lane key driver of Growth
- Consolidation in the ocean segment of the business
- Improved Yields driving Improved Margins

F&L Volumes 2014 vs. 2013



- Continued Focus on Market Share & Client Acquisition.
 - Target Growth Rate for Air Freight Segment at 8%
 - Growth Rationalization primarily affected due to Retail Inventory build up
- Yield Stabilization expected to take place during the year.
- Focus efforts to drive Operational Efficiency and deployment of Technology
- Logistics Sector expected to continue turnaround in performance

OVERVIEW OF TRAVEL AND LEISURE SECTOR

Key Financials for Travel & Leisure 2016 Vs. 2015 (LKR MN)

	2015/16	2014/15	Change
Revenue	4,159	2,793	49%
EBIT	117	157	(26%)
Net Profit	71	139	(49%)

Key Highlights:

- Ticketing & Outbound Segment continued growth in Profitability
- Challenges remain in the Destination Management Segment with reducing margins.

Outlook:

- Classic Travels is expected to continue on its Journey of Growth
- Destination Management Business to be re-organized.

OVERVIEW OF THE INTERNATIONAL TRADING AND MANUFACTURING SECTOR

Key Financials for Intl. Trading & Manufacturing. 2016 Vs. 2015 (LKR MN)

	2016/15	2014/15	Change
Revenue	4,550	8,527	(47%)
EBIT	127	118	7%
Net Profit	87	71	22%

Key Highlights:

- Strong performance from the Perishable Export division driving growth within the Sector
- Earning Stabilization in the Processed Food Unit
- Divestment of the Paper Recycling unit occurred during Q1

Outlook:

- Proceed on Focused Divestment Plan within the sector
- Small Investments within the Perishable Export division to drive growth

Key Financials for Investments & Services 2016 Vs. 2015 (LKR MN)

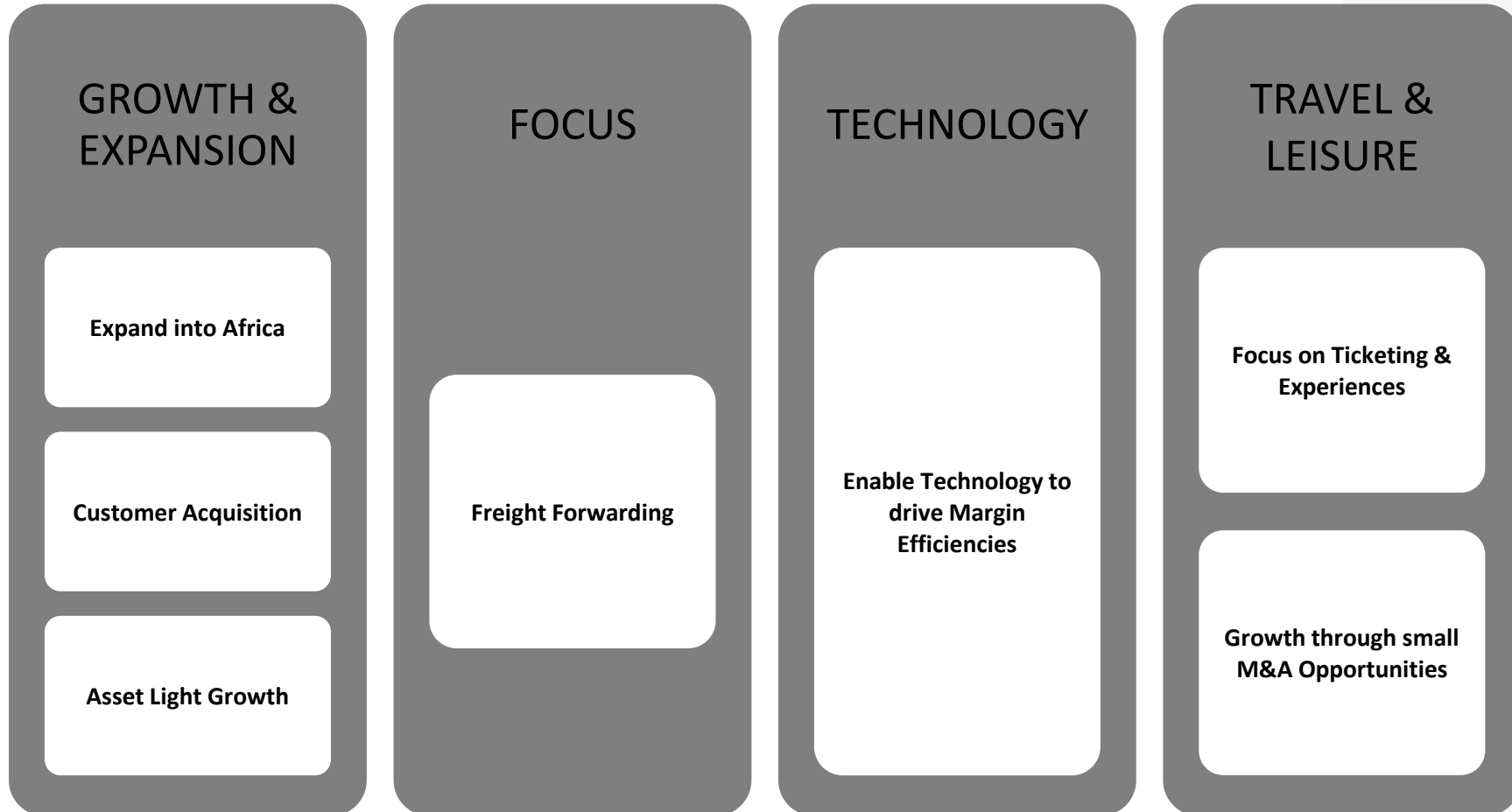
	2016/15	2014/15	Change
Revenue	638	681	(6%)
EBIT	(324)	(290)	(12%)
Net Profit	(351)	(287)	

Key Highlights:

- GSA Sector – Turnaround Year resulting in strong profits

Outlook:

- Focused & sustainable growth within the GSA Sector
- Focus on Process efficiency improvements and cost rationalization at the Corporate Office
- Complete the Divestments of the Non-Core / Passive Investments



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