



XPO Logistics Europe Announces 2019 Annual Results

LYON, FRANCE — 28 February 2020 — XPO Logistics Europe reported full year 2019 consolidated revenue of €6,414 million, a 3.6% increase, compared with 2018 (2.7% at a constant exchange rate¹).

Earnings before interest and taxes (EBIT) was €281.7 million for 2019 (€224.2 million before the application of IFRS 16², the new accounting standard on leases), compared with €182.3 million for 2018. Excluding the impact of adopting IFRS 16, the year-over-year increase in 2019 EBIT is primarily due to contract renewals, new business wins and margin improvement, and to the absence of certain discrete items that had a negative impact in 2018, primarily a €15.8 million expense related to UK pension funds and a €13.8 million charge related to a customer bankruptcy.

Net financial expense was €94.2 million in 2019 (€43.6 million before IFRS 16), stable compared with 2018, excluding the impact of adopting IFRS 16.

The group share of net income was €126.0 million in 2019 (€119.9 million before IFRS 16), an increase of €33.2 million compared with 2018, excluding the impact of adopting IFRS 16.

Net debt³ at 31 December 2019 totalled €767.5 million, compared with €764.8 million at 31 December 2018. Net debt including IFRS 16 operating lease liabilities totalled €1,865.4 million at 31 December 2019.

Malcolm Wilson, chief executive officer of XPO Logistics Europe, said, “We delivered positive revenue growth of 2.7% at a constant exchange rate for the full year 2019, despite a softer macro in key countries where we operate. In Supply Chain, organic revenue growth was led by e-commerce and by an accelerated demand in the fashion sector. In Transport, performance was led by the success of our growth initiatives in dedicated truckload and truck brokerage.”

Consolidated key data for FY 2019:

(€m)	2019	2018 ²	Change 2019 v 2018
Revenue	6,414	6,192	3.6%
EBIT, as reported	281.7	182.3	55%
EBIT excluding the impact of IFRS 16	224.2	182.3	23%
Net income - group share, as reported	126.0	86.7	45%
Net income - group share excluding the impact of IFRS 16	119.9	86.7	38%

¹ Variations at constant exchange rates are computed by applying the 2018 foreign exchange rates to the 2019 numbers expressed in local currencies.

² We adopted IFRS 16 prospectively on January 1, 2019. In connection with the adoption of IFRS 16, all leases are accounted for as finance leases in 2019; 2018 has not been recast on the same basis.

³ Net debt is composed of financial debts and bank overdrafts, minus cash and cash equivalents.

EBIT contribution by business unit:

(€m)	2019	2019 excluding IFRS 16	2018 ²	Change 2019 v 2018	Change 2019 v 2018 excl. IFRS 16
Transport	52.8	39.7	50.4	4.7%	(21.3)%
Supply Chain					
Europe	195.0	161.7	104.7	86.3%	54.4%
Supply Chain					
US	33.9	22.8	27.2	24.6%	(16.1)%
Total	281.7	224.2	182.3	54.5%	23.0%

The financial statements for the year ended 31 December 2019 were submitted by the Management Board on 24 February 2020 and reviewed by the Supervisory Board on 28 February 2020. Audits of the statutory and consolidated financial statements have been performed and the audit reports will be issued shortly.

About XPO Logistics

XPO Logistics, Inc. (NYSE: XPO) is a top ten global logistics provider of cutting-edge supply chain solutions to the most successful companies in the world. The company operates as a highly integrated network of people, technology and physical assets in 30 countries, with 1,504 locations and approximately 100,000 employees. XPO uses its network to help more than 50,000 customers manage their goods most efficiently throughout their supply chains. The company's corporate headquarters are in Greenwich, Connecticut, USA, and its European headquarters are in Lyon, France. XPO conducts the majority of its European operations through its subsidiary, XPO Logistics Europe, which trades under the stock symbol XPO on Euronext Paris – Isin FR0000052870.

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Forward-looking Statements

This press release includes forward-looking statements within the meaning of United States federal securities laws. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. All forward-looking statements set forth in this press release are qualified by factors that might cause or contribute to a material difference in actual results, as discussed in XPO's filings with the U.S. Securities and Exchange Commission, including: economic conditions generally; competition; XPO's ability to attract and retain key employees; the ability to develop and implement a suitable information technology system; and the ability to maintain positive relationships with third-party providers. Forward-looking statements set forth in this press release speak only as of the date hereof, and XPO undertakes no obligation to update forward-looking statements to reflect subsequent events or circumstances, changes in expectations or the occurrence of unanticipated events except to the extent required by law.

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