# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

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# FORM 8-K

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**CURRENT REPORT**
**Pursuant to Section 13 or 15(d)**
**of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 4, 2015**

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# XPO LOGISTICS, INC.
**(Exact name of registrant as specified in its charter)**

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| Delaware | 001-32172 | 03-0450326 |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer Identification No.) |

**Five Greenwich Office Park, Greenwich, Connecticut 06831**
**(Address of principal executive offices)**

**(855) 976-4636**
**(Registrant's telephone number, including area code)**

**N/A**
**(Former name or former address, if changed since last report)**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 7.01. Regulation FD Disclosure.**

On November 4, 2015, XPO Logistics, Inc. (the "Company") released a slide presentation expected to be used by the Company in connection with certain future investor presentations, together with a corresponding script. Copies of the slide presentation and script are attached as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report on Form 8-K.

The slide presentation and script should be read together and with the Company's filings with the Securities and Exchange Commission, including the Quarterly Report on Form 10-Q for the quarter ended September 30, 2015.

The information furnished in this Item 7.01, including Exhibit 99.1 and Exhibit 99.2, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, and shall not be deemed to be incorporated by reference into any filing of the Company under the Exchange Act or the Securities Act of 1933, as amended, except to the extent that the registrant specifically incorporates any such information by reference.

**Item 9.01. Financial Statements and Exhibits.**

*(d) Exhibits*

| Exhibit No. | Exhibit Description |
|---|---|
| 99.1 | Investor Presentation, dated November 4, 2015 |
| 99.2 | Investor Presentation Script, dated November 4, 2015 |

## SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

| | |
|---|---|
| Date: November 4, 2015 | XPO LOGISTICS, INC. |
| | By: /s/ Gordon E. Devens |
| | Gordon E. Devens |
| | Senior Vice President and General Counsel |

**EXHIBIT INDEX**

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Exhibit 99.1

XPOLogistics

# XPO Investor Presentation and Transcript

Acquires Con-way Inc.
Reports Third Quarter 2015 Results
Issues Financial Targets

November 2015

# Disclaimers

**Forward-Looking Statements**

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including the expected ability to integrate operations, cross-sell services, realize cost savings, synergies and profit improvement opportunities, and our 2016 and 2018 financial targets. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" or the negative of these terms or other comparable terms. However, the absence of these words does not mean that the statements are not forward-looking. These forward-looking statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances.

These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause or contribute to a material difference include those discussed in XPO's filings with the SEC and the following: economic conditions generally; competition and pricing pressure; XPO's ability to find suitable acquisition candidates and execute its acquisition strategy; the expected impact of the Con-way acquisition and the related financing, including the expected impact on XPO's results of operations; the ability to successfully integrate and realize anticipated synergies, cost savings and profit improvement opportunities with respect to Con-way and other acquired companies; XPO's ability to raise debt and equity capital; XPO's ability to attract and retain key employees to execute its growth strategy, including retention of Con-way's key employees; litigation, including litigation related to alleged misclassification of independent contractors; the ability to develop and implement suitable information technology systems; the ability to maintain positive relationships with XPO's and Con-way's networks of third-party transportation providers; XPO's ability to attract and retain qualified drivers; the ability to retain XPO's, Con-way's and other acquired companies' largest customers; fuel price or fuel surcharge changes; rail and other network changes; labor matters; weather and other service disruptions; and governmental regulation. All forward-looking statements set forth in this document are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, XPO or its businesses or operations. Forward-looking statements set forth in this document 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.

**Non-GAAP Financial Measures**

This document contains certain non-GAAP financial measures as defined under Securities and Exchange Commission ("SEC") rules, such as adjusted net loss attributable to common shareholders and adjusted EBITDA, in each case for the three- and nine-month periods ended September 30, 2015 and 2014, and EBITDA for the Transportation and Logistics segments for the quarters ended September 30, 2015 and 2014. As required by SEC rules, we provide reconciliations of these measures to the most directly comparable measure under United States generally accepted accounting principles ("GAAP"), which are set forth in the attachments to this document. We believe that adjusted net loss attributable to common shareholders and adjusted diluted loss per share improves comparability from period to period by removing the impact of nonrecurring expense items, including preferred stock beneficial conversion charge, acquisition-related transaction and integration costs; debt commitment fees; costs related to the rebranding to XPO Logistics (including accelerated amortization of trade names); loss on the conversion of the company's convertible senior notes; impact of non-controlling interests; and gain on sale of intermodal equipment. We believe that EBITDA and adjusted EBITDA improve comparability from period to period by removing the impact of our capital structure (interest expense from our outstanding debt), asset base (depreciation and amortization) and tax consequences, and the nonrecurring expense items noted above. In addition to its use by management, we believe that EBITDA and adjusted EBITDA are measures widely used by securities analysts, investors and others to evaluate the financial performance of companies in our industry. Other companies may calculate EBITDA and adjusted EBITDA differently, and therefore our measure may not be comparable to similarly titled measures of other companies. EBITDA and adjusted EBITDA are not measures of financial performance or liquidity under GAAP and should not be considered in isolation or as an alternative to net income, cash flows from operating activities and other measures determined in accordance with GAAP. Items excluded from EBITDA and adjusted EBITDA are significant and necessary components of the operations of our business, and, therefore, EBITDA and adjusted EBITDA should only be used as a supplemental measure of our operating performance.

# XPO Is A Top Ten Global Leader

**XPO provides cutting-edge supply chain solutions to the most successful companies in the world**

- #2 contract logistics provider worldwide by square footage
- #2 freight brokerage firm worldwide by net revenue
- #1 last mile logistics provider for heavy goods in North America
- #1 manager of expedited shipments in North America
- #1 less-than-truckload provider in Western Europe
- #2 less-than-truckload (LTL) provider in North America
- #3 provider of intermodal in North America
- Cross-border Mexico freight movements by rail, ground and air
- Largest owned truck fleet in Europe
- Largest platform for outsourced e-fulfillment in Europe
- Growing presence in global freight forwarding

Source: Industry publications and company filings

# Built to Serve Customers' Growing Needs

| Sector | Market Size ($ billions) | Projected Growth (x GDP) |
|---|---|---|
| Contract Logistics (North America and Europe) | $120 | 2 to 3 times |
| Road Transport (Europe) | $85 | ~ 2 times |
| Truck Brokerage (North America) | $50 | 2 to 3 times |
| Less-than-Truckload (North America) | $35 | 1 to 1.5 times |
| Intermodal (North America) | $22 | 3 to 5 times |
| Last Mile (North America) | $13 | 5 to 6 times |
| Expedite (North America) | $5 | 3 to 4 times |

Sources: Armstrong & Associates, Norbridge, Inc., EVE Partners LLC, FTR Associates, SJ Consulting Group, Inc., Bureau of Economic Analysis, US Department of Commerce, A.T. Kearney, Transport Intelligence, American Trucking Associations and management estimates

# Blue Chip Customers

LOWE'S Improving Home Improvement | ZARA | MARKS & SPENCER | COSTCO WHOLESALE | L'ORÉAL

Kellogg's | SONY | niagara | LG | LAND O LAKES

Dean Foods | sears | ambev | TalkingRain | Loblaws

TATA STEEL | Ocean Spray | Pilgrim's Pride | Unilever Food Solutions | BASF The Chemical Company

gsk GlaxoSmithKline | C&S Wholesale Grocers | TESCO Every little helps | ConAgra Foods | Carrefour

## Blue Chip Customers

Any trademarks or logos used in this presentation are the property of their respective owners

# $400+ Million 2015 IT Spend Is Among Industry's Highest

**XPO is committed to staying at the forefront of innovation to help customers operate their supply chains more efficiently**

- World-class IT team of over 1,000 professionals
- Over 200 IT projects in 2015
- Sophisticated contract logistics solutions for complex supply chain requirements
- Rigorous inventory management technology
- Freight Optimizer for cutting-edge pricing and load-covering
- Real-time customer experience management solutions
- Online bidding software
- Powerful suite of Rail Optimizer tools

# CEO Bradley S. Jacobs

Prior to XPO, founded and led four highly successful companies, including two world-class publicly-traded corporations

- **United Rentals:** Built world's largest equipment rental company
- **United Waste:** Created 5th largest solid waste business in North America
- **Hamilton Resources:** Grew global oil trading company to ~$1 billion
- **Amerex Oil Associates:** Built one of world's largest oil brokerage firms

***United Rentals stock outperformed S&P 500 by 2.2x from 1997 to 2007***

***United Waste stock outperformed S&P 500 by 5.6x from 1992 to 1997***

# Highly Skilled Management Team

| | |
|---|---|
| **Ashfaque Chowdhury**<br>*CIO, Contract Logistics, Americas* | New Breed |
| **Troy Cooper**<br>*Chief Operating Officer* | United Rentals, United Waste |
| **Louis DeJoy**<br>*CEO, Contract Logistics, Americas* | New Breed |
| **Gordon Devens**<br>*General Counsel* | AutoNation, Skadden Arps |
| **Bill Fraine**<br>*COO, Contract Logistics, Americas* | New Breed, FedEx |
| **Luis Angel Gómez**<br>*Managing Director, Transport, Europe* | Norbert Dentressangle, Christian Salvesen |
| **John Hardig**<br>*Chief Financial Officer* | Stifel Nicolaus, Alex. Brown |
| **Mario Harik**<br>*Chief Information Officer* | Oakleaf Waste Management |
| **Angela Kirkby**<br>*Senior Vice President, Human Resources* | Belk, Bank of America, Accenture |

Partial list



XPO Logistics

# Highly Skilled Management Team (Cont'd)

| | |
|---|---|
| **Scott Malat**<br>*Chief Strategy Officer* | Goldman Sachs, UBS, JPMorgan Chase |
| **Karl Meyer**<br>*Chief Executive Officer, Last Mile* | 3PD, Home Depot |
| **Dominick Muzi**<br>*President, Global Forwarding* | Priority Solutions, AIT Worldwide |
| **Michael O'Donnell**<br>*Executive VP, Expedite Managed Transportation* | Landstar, Penske, TNT |
| **Will O'Shea**<br>*Chief Sales and Marketing Officer, Last Mile* | 3PD, Ryder, Cardinal Logistics |
| **Ludovic Oster**<br>*Senior Vice President, Human Resources, Europe* | Norbert Dentressangle, Delphi, Valeo |
| **Greg Ritter**<br>*Chief Customer Officer* | Knight Transportation, C.H. Robinson |
| **Paul Smith**<br>*President, Intermodal* | Pacer |
| **Malcolm Wilson**<br>*Managing Director, Logistics, Europe* | Norbert Dentressangle, NYK Logistics |

Partial list

XPO Logistics

Acquired Con-way Inc. October 30, 2015

# Transaction Summary

| | |
|---|---|
| **Purchase Price** | ► **Transaction Value:** Approximately $3.0 billion, including $290 million of net debt<br>► **Transaction Multiple:** Approximately 5.7x consensus 2015E EBITDA of $528 million |
| **Financing Sources and Closing** | ► In connection with the completion of the acquisition, XPO entered into a new $1.6 billion term loan credit agreement, the proceeds of which were used, together with cash on hand, to finance a portion of the acquisition consideration as well as other costs and expenses related to the transaction. XPO also entered into a new $1.0 billion asset-based revolving credit facility, which replaced XPO's existing $415 million asset-based revolving credit facility.<br>► The transaction was completed on October 30, 2015. |

Source: Consensus per Thompson



XPO Logistics

# Acquisition Catapults XPO to Second Largest LTL Provider

**XPO has one of North America's largest and most reliable less-than-truckload (LTL) networks**

- LTL in North America is a $35 billion sector
- Best-in-class LTL platform for reliable, time-definite pickup and delivery
- High-value-add, networked business
- Filled an important gap in XPO's supply chain offering
- XPO gained significant capacity while remaining asset-light, with assets accounting for about a third of revenue
- Will accelerate sharing of best practices with Europe, where XPO holds leading LTL positions in the UK, France, Spain and Portugal

Source: company data



XPO Logistics

# XPO Has PF $15 Billion Revenue and $1.1 Billion EBITDA

| XPO's Global Organization | Pre-Con-way | XPO Today |
|---|---|---|
| Customers | 30,000 | Over 50,000 |
| Employees | 54,000 | 84,000 |
| Locations | 887 | 1,469 |
| Countries | 27 | 32 |
| Contract logistics facilities | 129 mm sq. ft. | 151 mm sq. ft. |

***Transaction accelerated XPO to new critical mass***

Revenue and EBITDA are pro-forma for the combination, trailing 12 months
Sources: Con-way company data and XPO company data



XPO Logistics

# Actions Expected to Increase Profit by $170 – $210 Million

**In the next 24 months, XPO expects to realize cost synergies from executing these actions, with initial benefits in the first 12 months:**

- Improving purchasing and supplier management related to facility operations, equipment, fuel, professional services, maintenance, supplies and marketing
- Reducing Con-way's annual technology spend of $227 million
- Eliminating duplicative back-office and public company costs
- Integrating Con-way's brokerage business to share data and capacity
- Reducing its $3.6 billion combined spend on purchased transportation
- Using data from $2.7 billion of freight under management to identify carriers, assign loads and fill backhauls more efficiently
- Utilizing its extensive intermodal network to improve LTL line-haul efficiency

***Expects over $30 million of annualized savings from actions already taken***

Sources: Con-way company data and XPO company data

# Menlo Services Are Highly Synergistic to XPO

**The acquisition of Menlo Logistics, Con-way's asset-light subsidiary, created immediate synergies in three areas of service**

- Supply chain
  - 22 million square feet of contract logistics space – expanded XPO's global logistics footprint to 151 million square feet
  - 160 contract logistics locations
  - Blue chip relationships in verticals such as high tech, healthcare and retail
  - E-fulfillment operations in North America and Europe
- $225 million truck brokerage business
- $1.3 billion of freight under management

***All acquired services are operating under the XPO Logistics brand***

Source: Con-way company data



XPO Logistics

# Additional Compelling Reasons for Con-way Transaction

- Consolidates XPO's position as a major outsourced provider in the high-growth e-commerce sector
- Adds blue chip accounts with e-fulfillment contracts in North America and Europe
- Opens up cross-selling in both directions
  - LTL services offered to XPO's 16,000 existing customers in North America
  - XPO's range of services offered to former Con-way's 36,000 customers
- Expands service to the high-growth cross-border Mexico corridor with the addition of truckload business

Sources: Con-way company data and XPO company data



XPO Logistics

# XPO Gained Massive Capacity to Serve Customers

**Strategic ownership of LTL assets benefits XPO and its customers during periods of tight capacity**

- XPO has a blended “asset right” transportation model of brokered, owned and contracted capacity in North America, similar to its model in Europe
- Combined global capacity – approximately 19,000 owned tractors and 46,000 owned trailers, 10,000 trucks contracted through independent owner-operators, and access to more than 50,000 independent carriers
- Combined North American capacity – approximately 11,000 owned tractors and 33,000 owned trailers, over 6,000 trucks contracted through independent owner operators, and access to more than 38,000 independent carriers
- Lane density covering approximately 99% of all postal codes in the United States, as well as the regions that produce 90% of the eurozone's GDP

***XPO arranges 148,000 deliveries a day, 66% more than the pre-Con-way volume of 89,000 deliveries***

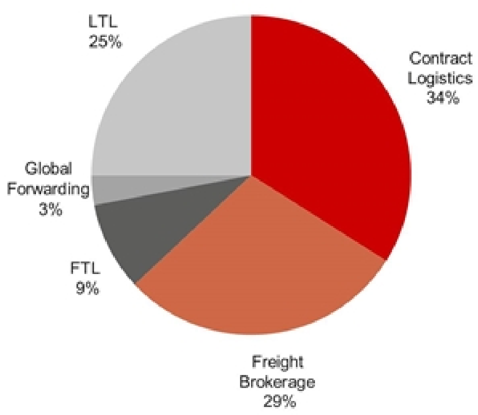
Sources: Con-way company data and XPO company data



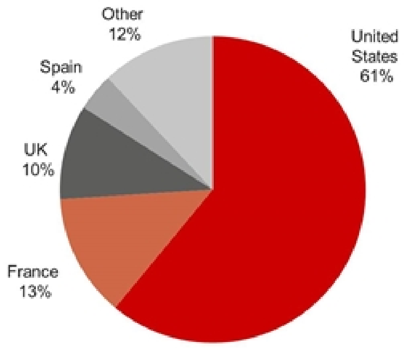
XPO Logistics

# XPO's Combined Revenue

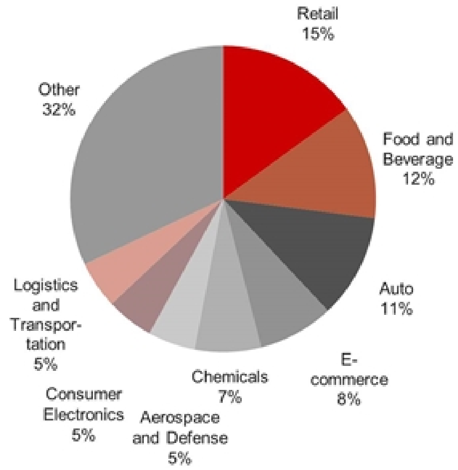
**By Line of Business**




**By Country of Operation**




**By Vertical**




***"Asset right" model – asset light business accounts for approximately 66% of revenue and 77% of free cash flow***

Note: Freight Brokerage includes truck brokerage, intermodal, last mile and expedite
Pro-forma for the Con-way acquisition, trailing 12 months as of June 30, 2015
Sources: Con-way company data and XPO company data

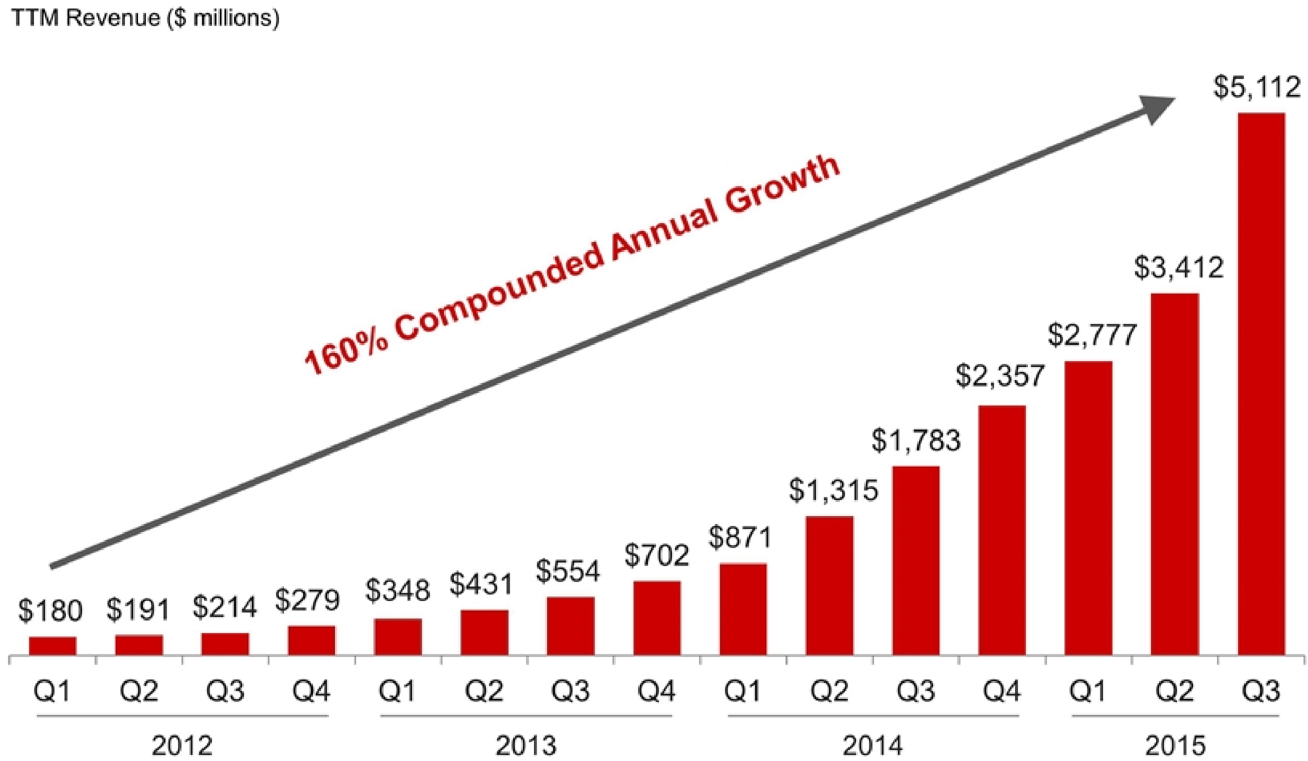


XPOLogistics

XPO Logistics

# Third Quarter 2015 Financial Highlights

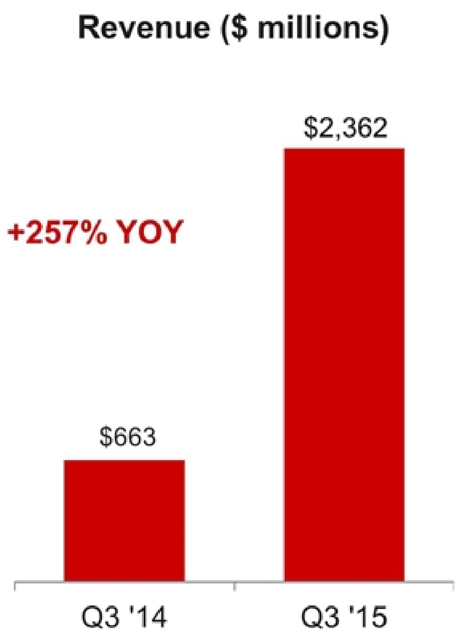
# First 45 Months of XPO's Growth Strategy

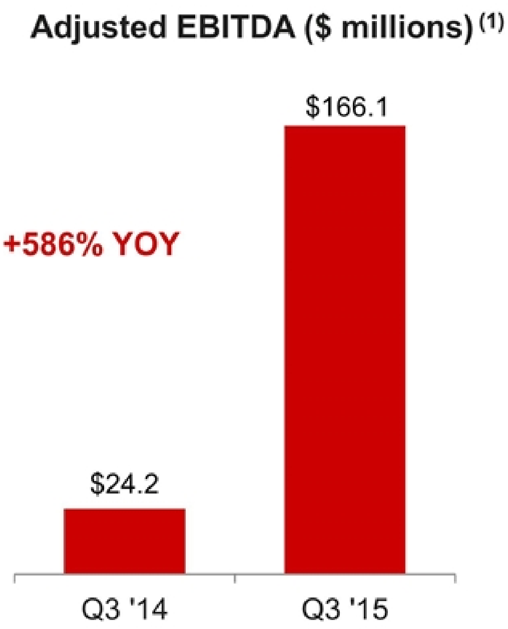





XPO Logistics

# Third Quarter 2015 Results




(1) For a reconciliation of adjusted EBITDA to GAAP net loss, see Appendix



XPO Logistics

# Financial Targets

Taking the Con-way acquisition into account, the company has annual revenue of $15 billion and adjusted EBITDA of $1.1 billion.

The company has issued the following new financial targets:

**For 2016**

- Full year adjusted EBITDA of at least $1.25 billion based on existing operations

**For 2018**

- Full year adjusted EBITDA of approximately $1.7 billion based on existing operations, an increase from the $1.5 billion previously targeted for 2019

# Strong Financial Model and Market Relationships

- As of November 3, 2015, the company had approximately $530 million of cash, and an undrawn $1 billion asset-backed revolver
- Positive and accelerating free cash flow
- Asset-light business: assets account for less than a quarter of free cash flow
- Net capex of only 3.3% of revenue
- Global access to the highest caliber institutional investors
- Raised total of $2 billion of equity in two private offerings
  - September 2014: three global investors endorsed XPO's growth strategy
  - May 2015: same three investors expanded their positions, together with new institutional investors

XPO Logistics

# Acquired Norbert Dentressangle (ND)

June 8, 2015

# Acquired ND as Platform for Growth in Europe

Timing capitalized on strong U.S. dollar and start of expected economic rebound in the eurozone. Added €5.1 billion ($5.5 billion) of annual revenue: (1)

## Contract Logistics

**2014 Revenue**
**€2.6 billion**

- 27,800 employees
- Leading outsourced European e-fulfillment platform
- Also provides reverse logistics, cold chain, chemicals handling, value-added warehousing

## Transportation

**2014 Revenue**
**€2.3 billion**

- 13,900 employees
- Balanced non-asset and asset-based platform includes over €1 billion of freight brokerage revenue
- Largest owned truck fleet in Europe, including over €250 million of dedicated carriage

## Global Forwarding

**2014 Revenue**
**€0.2 billion**

- 650 employees
- 54 offices

(1) 2014 revenue



XPO Logistics

# Preeminent European Transportation Network

- 36-year history as global partner to blue chip customers
- Customer verticals include retail, food and beverage, manufacturing, chemicals, agriculture, e-commerce and high tech
- Serves customers with a blended transportation model of brokered, owned and contracted capacity that offers flexibility and control over capacity
- Rapid growth in freight brokerage, LTL palletized service and dedicated carriage
- Ground transportation in primary markets of the UK, Spain and France is an estimated €95 billion market

Source: Company information

# Leadership in European E-Fulfillment

**Favorable historical performance and future growth opportunities**

- €242 million revenue in e-commerce logistics in 2014
  - Business focused in the UK, Spain and France
- Strong growth potential with approximately 5% market share in estimated €5 billion European e-fulfillment market
  - Expected to increase at 9% to 10% CAGR over the next several years
- Increasingly complex supply chains and customer requirements demand scale, which XPO has and few others can match
- Deep relationships with blue chip B2B and B2C customers
- Leading capabilities in high-growth reverse logistics

Source: Company information



XPO Logistics

# Summary

# Positioned for EBITDA Growth and Value Creation

- XPO is a top ten global transportation and logistics company, providing cutting-edge supply chain solutions to the most successful companies in the world
- Highly integrated, unique, multi-modal organization with blended transportation model
- Became the second largest provider of LTL services in North America with the acquisition of Con-way, and increased presence in contract logistics, freight brokerage and managed transportation
- Significant future EBITDA growth embedded in XPO's business model, in addition to the $170 million to $210 million of profit improvement expected from former Con-way operations
- XPO management owns approximately 17% of fully diluted shares – interests are entirely aligned with those of public shareholders to meaningfully increase EBITDA and create substantial shareholder value

***Clear line of sight to $1.25 billion of adjusted EBITDA in 2016 and $1.7 billion of adjusted EBITDA in 2018***

XPO Logistics

# Supplemental Materials

# Appendix

**Common Stock Equivalent (as of 9/30/2015)**

| | |
|---|---|
| Common Shares | 108.4 million (1) |
| Preferred Shares | 10.4 million |
| Warrants | 10.5 million (7.4 million dilutive) (2) |
| Convertible Senior Notes | 4.0 million shares (3) |
| Stock Options and RSUs | 2.7 million shares dilutive (4) |
| **Fully diluted shares outstanding** | **132.9 million shares** |

(1) Includes new common shares and the conversion of preferred shares issued in the May 2015 PIPE transaction
(2) Dilutive effect of warrants calculated using treasury method (using XPO closing price of $23.83 on September 30, 2015)
(3) Assumes conversion in full of $65.5 million in aggregate principal amount of 4.50% convertible senior notes due 2017 outstanding at September 30, 2015
(4) Dilutive effect of stock options and RSUs outstanding at September 30, 2015, calculated using treasury method (using XPO closing price of $23.83 on September 30, 2015)

# XPO Business Glossary

- **Contract Logistics:** An asset-light, technology-enabled business characterized by long-term contractual relationships with high renewal rates, low cyclicality and a high-value-add component that minimizes commoditization. Contracts are typically structured as either fixed-variable, cost-plus or gain-share. XPO services include highly engineered solutions, e-fulfillment, reverse logistics, packaging, factory support, aftermarket support, warehousing and distribution for customers in aerospace, manufacturing, retail, life sciences, chemicals, food and beverage, and cold chain.

- **Expedite:** A non-asset business that facilitates time-critical, high-value or high-security shipments, usually on very short notice. Revenue is either contractual or transactional, primarily driven by unforeseen supply chain disruptions or just-in-time inventory demand for raw materials, parts or goods. XPO provides three types of expedite service: ground transportation via a network of independent contract carriers; air charter transportation facilitated by proprietary, web-based technology that solicits bids and assigns loads to aircraft; and a managed transportation network that is the largest web-based expedite management technology in North America.

- **Freight Brokerage:** A variable cost business that facilitates the trucking of freight by procuring carriers through the use of proprietary technology. Freight brokerage net revenue is the spread between the price to the shipper and the cost of purchased transportation. In North America, XPO has a non-asset freight brokerage business, with a network of 32,000 independent carriers. In Europe, XPO generates over €1 billion in freight brokerage revenue annually, with capacity provided by an asset-light mix of owned fleet and independent carriers.

- **Global Forwarding:** A non-asset business that facilitates freight shipments by ground, air and ocean. Shipments may have origins and destinations within North America, to or from North America, or between foreign locations. Services are provided through a network of market experts who provide local oversight in thousands of key trade areas worldwide. XPO's global forwarding service can arrange shipments with no restrictions as to size, weight or mode, and is OTI and NVOCC licensed.

# XPO Business Glossary

- **Intermodal:** An asset-light business that facilitates the movement of long-haul, containerized freight by rail, often with a drayage (trucking) component at either end. Intermodal is a variable cost business, with revenue generated by a mix of contractual and spot market transactions. Net revenue equates to the spread between the price to the shipper and the cost of purchasing rail and truck transportation. Two factors are driving growth in intermodal in North America: rail transportation is less expensive and more fuel efficient per mile than long-haul trucking, and rail is a key mode of transportation in and out of Mexico, where the manufacturing base is booming due to a trend toward near-shoring.

- **Last Mile:** A non-asset business that facilitates the delivery of goods to their final destination, most often to consumer households. XPO specializes in two areas of last mile service: arranging the delivery and installation of heavy goods such as appliances, furniture and electronics, often with a white glove component; and providing logistics solutions to retailers and distributors to support their e-commerce supply chains and omni-channel distribution strategies. Capacity is sourced from a network of independent contract carriers and technicians.

- **Less-Than-Truckload (LTL):** The transportation of a quantity of freight that is larger than a parcel, but too small to require an entire truck, and is often shipped on a pallet. LTL shipments are priced according to the weight of the freight, its commodity class (which is generally determined by its cube/weight ratio and the description of the product), and mileage within designated lanes. An LTL carrier typically operates a hub-and-spoke network that allows for the consolidation of multiple shipments for different customers in single trucks.

# Appendix

- The following table reconciles XPO's net loss attributable to common shareholders for the three months ended September 30, 2015 and 2014 to adjusted EBITDA for the same periods

**Reconciliation of Non-GAAP Measures**
**XPO Logistics, Inc.**
**Consolidated Reconciliation of Net Loss to Adjusted EBITDA**
**(Unaudited)**
**(In millions)**

| | Category | Three Months Ended September 30, 2015 | Three Months Ended September 30, 2014 | Three Months Change % | Nine Months Ended September 30, 2015 | Nine Months Ended September 30, 2014 | Nine Months Change % |
|---|---|---|---|---|---|---|---|
| Net loss attributable to common shareholders | Net loss attributable to common shareholders | $ (93.1) | $ (12.3) | 656.9% | $ (183.5) | $ (55.9) | 228.3% |
| Preferred stock beneficial conversion charge | Preferred stock beneficial conversion charge | (52.0) | - | 100.0% | (52.0) | - | 100.0% |
| Preferred dividends | Cumulative preferred dividends | (0.7) | (0.7) | 0.0% | (2.2) | (2.2) | 0.0% |
| Noncontrolling interests | Net income attributable to noncontrolling interests | (5.0) | - | 100.0% | (0.6) | - | 100.0% |
| Net loss | Net loss | (35.4) | (11.6) | 205.2% | (128.7) | (53.7) | 139.7% |
| Debt commitment fees | Interest expense | - | 9.8 | -100.0% | 8.6 | 14.4 | -40.3% |
| Loss on conversion of convertible senior notes | Interest expense | 1.1 | - | 100.0% | 8.0 | 2.3 | 100.0% |
| Other interest expense | Interest expense | 60.4 | 8.0 | 655.0% | 104.3 | 14.6 | 614.4% |
| Income tax benefit | Income tax benefit | 1.9 | (20.1) | -109.5% | (21.3) | (25.2) | -15.5% |
| Accelerated amortization of trade names | Sales, general and administrative expense | - | - | 0.0% | 2.4 | 3.3 | -27.3% |
| Other depreciation expense | Cost of transportation and services | 18.6 | - | 100.0% | 23.9 | 0.1 | 100.0% |
| Other depreciation expense | Direct operating expense | 27.3 | 4.1 | 100.0% | 48.5 | 4.8 | 100.0% |
| Other depreciation & amortization expense | Sales, general and administrative expense | 56.2 | 23.1 | 143.3% | 119.5 | 55.6 | 114.9% |
| **EBITDA** | | $ 130.1 | $ 13.3 | 878.2% | $ 165.2 | $ 16.2 | 919.8% |
| Transaction & integration costs | Other expense | 1.9 | - | 100.0% | 9.7 | - | 100.0% |
| Transaction & integration costs | Foreign currency loss | 13.9 | - | 100.0% | 30.9 | - | 100.0% |
| Transaction & integration costs | Sales, general and administrative expense | 17.3 | 10.0 | 73.0% | 69.1 | 22.3 | 209.9% |
| Gain on sale of intermodal equipment | Other expense | (0.4) | - | 100.0% | (6.0) | - | 100.0% |
| Rebranding costs | Sales, general and administrative expense | 3.3 | 0.9 | 266.7% | 5.8 | 1.3 | 346.2% |
| **Adjusted EBITDA** | | $ 166.1 | $ 24.2 | 586.4% | $ 274.7 | $ 39.8 | 590.2% |

Note: Please refer to the "Non-GAAP Financial Measures" section of the press release. Adjusted EBITDA was prepared assuming 100% ownership of Norbert Dentressangle.



XPO Logistics

**November 4, 2015**

**Presentation Script**

*The following script should be read in conjunction with the accompanying slide presentation, which contains, among other information, source data for certain information set forth in the script.*

Thank you for joining us. We'll start with our recent acquisition of Con-way Inc. After that, we'll introduce you to our company and our intense focus on world-class service for customers. We'll explain the strategy that has made XPO one of the top ten global transportation and logistics companies and continues to drive our plan to create dramatic shareholder value. And we'll cover the highlights of our third quarter results.

First, our purchase of Con-way on October 30. The acquisition made XPO the second largest less-than-truckload (LTL) provider in North America. It expanded our global contract logistics, managed transportation and freight brokerage businesses, and added truckload transportation to our range in North America. Our combined company now has $15 billion of annual revenue and $1.1 billion of EBITDA.

The total transaction value was approximately $3.0 billion, including $290 million of net debt, which represents a multiple, before synergies, of about 5.7 times Con-way's 2015 consensus EBITDA of $528 million. We expect this transaction to be substantially accretive to our earnings in the first 12 months.

We've appointed a 30-year career transportation and logistics executive as president of our new LTL operations. Tony Brooks is a high impact player who's run three of the largest fleets in North America. He's managed complex networks for major companies, including 11 years with LTL long-haul carrier Roadway Express, Inc.

Tony joined us from multinational food distributor Sysco, where he managed North American field operations. Prior to Sysco, he was senior vice president of logistics for Dean Foods, with responsibility for logistics, delivery, warehousing and fleet management. Earlier, over a decade in national operations with Sears, he drove significant cost efficiencies and improved safety performance. For PepsiCo/Frito-Lay, he held executive responsibility for regional transportation, fleet, warehousing and inventory management. We're excited that Tony will be leading our LTL platform to its full potential as part of our larger service offering.

We've been keen to expand in the $35 billion LTL space for some time. LTL is a high-value-add business that almost all of our customers can utilize – and with Con-way, we bought a premier platform that we'll run with a fresh set of eyes as part of our broader offering. Importantly, we gained strategic ownership of LTL assets that will benefit our company and our customers, especially during periods of tight capacity. And we added capacity in the high-growth cross-border Mexico corridor with the addition of Con-way's full truckload business.

Our transportation model in North America is now an “asset right” blend of brokered, owned and contracted capacity, similar to what we have in Europe. We’re still an asset-light company, with assets accounting for about a third of our revenue and less than a quarter of our free cash flow. Our estimated net capex is only about 3.3% of revenue.

Another crown jewel in this transaction was Con-way’s asset-light subsidiary, Menlo Logistics, a top 30 global contract logistics provider with additional lines of business in freight brokerage and managed transportation. Menlo serves contract logistics customers in verticals such as high tech, healthcare and retail, which complement the verticals we serve at XPO. We’re rapidly integrating all of the acquired operations – Con-way Freight, Menlo Logistics, Con-way Truckload and Con-way Multimodal – and rebranding them as XPO Logistics.

One of the main reasons we bought Con-way is that we see a concrete opportunity to increase annual operating profit from the acquired operations by $170 million to $210 million. We’ll do this through cost savings and operational improvements executed over the next two years, with initial benefits in the first 12 months. In fact, we’ve already taken actions that should result in over $30 million of annualized savings.

We expect to realize our target synergies by:

- Improving purchasing and supplier management related to facility operations, equipment, fuel, professional services, maintenance, supplies and marketing;
- Leveraging our combined technology infrastructure to reduce Con-way’s annual technology spend of $227 million, which is largely outsourced;
- Eliminating duplicative back office and public company costs;
- Expanding our freight brokerage platform with the integration of Con-way’s $225 million brokerage business to share capacity and data through our proprietary Freight Optimizer technology;
- Reducing our $3.6 billion combined spend on purchased transportation;
- Using the larger flow of data from our combined $2.7 billion of freight under management to identify carriers, assign loads and fill backhauls more efficiently; and
- Utilizing our extensive intermodal network to improve LTL line-haul efficiency.

Beyond the profit improvement opportunity, there were other compelling rationales for this transaction:

- The combination expanded our global contract logistics platform by 22 million square feet, to a total of 151 million square feet, and added 160 facilities to our footprint. We gained blue chip customers in verticals such as high tech, healthcare and retail, complementing our expertise in aerospace, retail, telecom, agriculture, chemicals and food and beverage.
- The combination expanded our position in e-fulfillment, one of the fastest-growing industry sectors. E-commerce is projected to grow at a pace of 18% to 21% annually, and both XPO and Con-way had e-fulfillment contract logistics platforms in North America and Europe that are now combined.

- Between our June acquisition of Norbert Dentressangle and our acquisition of Con-way, we have significantly more ground transportation capacity to serve customers in Europe and North America. Our network of brokered, owned and contracted capacity has lane density covering approximately 99% of all postal codes in the United States, as well as the regions that produce 90% of the eurozone's GDP.
- The addition of Con-way's truckload fleet, including dedicated carriage, has increased our cross-border Mexico services, which include intermodal, truck brokerage and expedite. Cross-border growth is projected to outperform industry growth, due to the near-shoring of manufacturing.
- The acquisition has given us a blended transportation model of brokered, owned and contracted capacity in North America, similar to the successful blended model we already operate in Europe. We can use our "asset right" model to serve customers consistently in all market conditions and further differentiate our value proposition. In the LTL space, for example, large providers are differentiated on the basis of the amount of capacity they own, as this is important to LTL customers.
- The combination has grown our global ground transportation network to approximately 19,000 owned tractors and 46,000 owned trailers, 10,000 trucks contracted through independent owner operators, and access to more than 50,000 independent carriers. In North America, we have approximately 11,000 owned tractors and 33,000 owned trailers, over 6,000 trucks contracted through independent owner operators, and access to more than 38,000 independent carriers.
- We're sharing best practices between our LTL networks in North America and Europe to increase asset utilization and serve customers more efficiently.

Our purchase of Con-way marks another important milestone in the growth strategy we put in place in September 2011. That's when we began taking XPO from a $177 million U.S. business to one of the top ten transportation and logistics companies in the world. Today, we have approximately 84,000 employees at 1,469 locations in 32 countries operating under the single brand of XPO Logistics.

We run our business on a global basis, with two segments: logistics and transportation. Within each of these segments, we've built robust service offerings in the areas customers value most strongly.

In our logistics segment, our contract logistics business is a major provider of e-commerce fulfillment, cold chain solutions and other high-value-add services. In our transportation segment, we're the largest provider of last mile logistics for heavy goods in North America, the largest manager of expedite shipments, the second largest LTL provider, the second largest freight broker, and the third largest provider of intermodal services, with a full truckload transportation offering. In Europe, we operate the largest owned truck fleet as part of our ground transportation network, and we have leading LTL positions in the United Kingdom, France, Spain and Portugal. We also have a growing position in freight forwarding across our global footprint.

We'll start by taking a look at contract logistics, which is a $120 billion combined market in North America and Europe. We're already a major player in both of these regions.

Our logistics segment, which we call supply chain, includes a range of contract logistics services such as highly engineered and customized solutions, value-added warehousing and distribution, and other inventory solutions. We perform e-commerce fulfillment, reverse logistics, storage, factory support, aftermarket support, integrated manufacturing, packaging, labeling, distribution and transportation, as well as optimization services such as supply chain consulting and production flow management.

We operate approximately 151 million square feet (14 million square meters) of facility space devoted to our contract logistics operations, with about 65 million square feet (6.1 million square meters) of that capacity in the United States.

Contract logistics is compelling for a lot of reasons. In North America and Europe, it's growing at about two to three times GDP as companies continue to outsource parts of their supply chain to gain efficiencies. Large parts of it are non-commoditized. And there's a low cyclicality to the business because our services are high-value-add and critical to our customers' business operations. Our average contractual agreement is five years, and our contracts have a historical renewal rate of over 97%. When we establish these relationships, it can lead to a wider use of our services, such as inbound and outbound logistics. And even though we have a multi-billion dollar contract logistics business, we still have only a small share of the industry.

Our contract logistics customers are the preeminent global names in aerospace, technology, manufacturing, e-commerce, retail, life sciences, wireless, chemical, healthcare, cold chain and other industries where outsourcing is taking root. Food and beverage storage is a specialty of ours – about €1.5 billion of our annual logistics revenue in Europe is related directly or indirectly to food and beverage or other critical-care commodities. Con-way will bring us strong customer relationships in additional verticals and expand our expertise.

One of the most exciting parts of our contract logistics range is e-fulfillment. We've built a major platform in e-commerce through contract logistics services in both North America and Europe. Our North American contract logistics business provides highly customized solutions for omni-channel distribution. In Europe, our €2.2 billion contract logistics business includes about €240 million of e-fulfillment revenue within a €5 billion e-fulfillment market opportunity. In 2014, we grew our e-fulfillment revenue with B2B and B2C customers by a total of 31% year-over-year.

That's our logistics segment. Our other segment – transportation – includes our businesses for LTL, last mile, intermodal, expedite, truckload, freight brokerage and global forwarding.

Last mile logistics is a major opportunity for us. It involves the final stage of the delivery of goods to homes and businesses. Last mile is a fragmented sector where we're number one in the logistics for home delivery of heavy goods in the U.S., but hold just 5% share of the $13 billion market. There are two tailwinds driving sector growth at five to six times GDP: the trend toward outsourcing and, again, the growth in e-commerce.

There are about 30 big-box retailers in North America, and XPO is the main outsourced provider for the last mile of heavy goods for nearly all of them. Last year we facilitated over eight million last mile deliveries, and this year we expect that number to be over 12 million. Our independent contractors often take the goods inside the home, where they perform white glove services such as assembly and installation.

Given the projected demand for e-fulfillment, and our foothold along the e-commerce supply chain, we believe that e-commerce is an area of tremendous potential. Online commerce is expected to grow at a compound annual rate of 18% to 21% worldwide through at least 2018. We're well positioned to expand our last mile operations in North America and our e-fulfillment platform in Europe to capture this growth.

In North America, in addition to our ongoing business development, we've been successful in securing a very large, multi-year last mile contract that we're uniquely qualified to handle. And in Europe, customers are asking us to bring our last mile expertise to that marketplace. Europe hasn't developed its heavy goods home delivery as much as North America has, and there's a lot of room to improve customer satisfaction levels. It's a fragmented landscape with many regional providers. There's a large opportunity for us to apply our technology and expertise and develop the last mile sector for heavy goods in Europe.

Intermodal in North America is another growth opportunity for us. Intermodal rail and drayage is a $22 billion sector that's growing at about three to five times GDP. Here again, there are a couple of secular trends working in our favor. First, intermodal – a combination of rail transport and drayage trucking – is usually a more cost-effective way for shippers to move long-haul freight, versus straight trucking. And second, the near-shoring of manufacturing in Mexico is driving up the volume of cross-border freight. XPO is positioned to capitalize on both of these dynamics.

Several factors are driving the shift to near-shoring. For companies with North American market interests, Mexico's competitively priced labor force and greater speed-to-market measure up favorably against overseas alternatives such as China. In addition, the railroads and the Mexican government have invested heavily in transportation infrastructure, attracting billions of dollars in new plant construction by global manufacturers.

We have a 30-year history in Mexico, and deep relationships with the railroads. We're on the front lines of near-shoring production for automotive, industrial goods, machinery and consumer goods. Even at the current level of cross-border activity, it's estimated that there are approximately 2.8 million truck movements across the U.S.-Mexico border each year, so there's considerable potential for us to convert truck to rail.

Our expedite business is also number one in a fast-growing space that's benefitting from outsourcing. Expedite shipments are time-critical goods or raw materials that have to get somewhere very quickly, typically on very little notice. It's a $5 billion sector in North America, growing at an estimated rate of three to four times GDP. One secular driver of expedite demand is the trend toward just-in-time urgent shipments or JIT.

JIT is a supply chain strategy that requires third party logistics (3PL) support for both manufacturing production and inventory management. As the largest facilitator of expedited shipments, we have the resources to respond and pivot very quickly. We have a network of contracted owner operators who handle ground transportation; an air charter logistics service that assigns loads through an online bid platform; and managed transportation, where our technology holds an auction on the internet every 12 minutes. Expedite carriers bid on freight, and we take a fair markup for handling the logistics: the track-and-trace and back office. We're the largest managed transportation provider of expedite in North America.

Not only does our expedite team serve customers with time-critical needs; they serve our other businesses as well. For example, if a rail track repair stalls a container into Mexico, we can put those goods on a chartered aircraft, or off-load them to an expedite ground carrier in our network. Our ability to find solutions to almost any challenge – often saving our customers thousands of dollars in manufacturing downtime – is a major advantage of our integrated organization.

Freight brokerage is another big opportunity for us. Looking at our two largest markets: we're the number two freight brokerage firm in North America – a sector that's growing at two to three times GDP. And in Europe, we generate over €1 billion of freight brokerage business annually, which is a tiny fraction of the addressable market. We're experienced in facilitating industrial flows of raw materials and finished goods, consumer goods, sensitive freight, high-value freight, high-security freight, and government shipments.

Freight brokerage is part of a global ground transportation industry that's both fragmented and diverse. Truck capacity is critically important to shippers – and it will become even more of a priority as the driver shortage worsens and more regulatory constraints are brought to bear in coming years.

The assets we acquired with Con-way will give us a bigger seat at the table with large shippers, where we can also offer them our leading brokerage services and other solutions. This blended offering is similar to our model in Europe, which includes approximately 7,700 owned trucks. A portion of our fleet in Europe is assigned to dedicated carriage, just as it will be in North America, and generates over €250 million in revenue for us annually. Our trucks are also an important part of our European freight brokerage network, which also includes 3,200 trucks contracted through independent owner-operators and access to another 12,000 independent carriers.

The sixth component of our transportation segment is global forwarding. While we're still a relatively small player at only around $425 million of annual revenue in a $150 billion sector, we're beginning to see the benefits of our growing footprint. Global forwarding requires domestic, cross-border and international expertise. The shipments we manage may have origins and destinations within the same country, or move between countries or continents. They may travel by ground, air, ocean, or some combination of these modes. XPO has a network of independent market experts who provide local oversight in thousands of key trade areas worldwide, and we hold OTI and NVOCC licenses. We believe that we can use our growing volume to purchase transportation more effectively for our global forwarding customers.

That's an overview of our end-to-end range of supply chain solutions. It's worth noting that the great bulk of logistics and transportation is still being handled in-house – but that's changing. One 2015 industry study reported that 67% percent of responding U.S. companies plan to outsource more transportation and logistics. We're positioning XPO to capitalize on outsourcing in every form – whether a customer wants its provider to have control of assets or prefers an asset-light solution.

In addition to outsourcing, another umbrella trend in our favor is the growing preference of companies to consolidate their supply chain relationships. Many large companies, in particular, want to winnow down their relationships to fewer, larger supply chain providers. Furthermore, if a company is multinational, a single provider such as XPO can help customers operate their supply chains more consistently, leading to greater efficiency.

We believe there are good reasons why this trend toward multi-modal will continue. Our integrated service offering can potentially reduce a customer's freight spending and inventory holding costs; we offer flexible solutions that adapt as supply chains change; we can help with structuring an optimal supply chain; we provide technology solutions that use the power of big data to inform supply chain decisions; and we have the resources and infrastructure to provide world-class customer service.

So on both sides of the Atlantic, the fundamentals for value creation are very favorable: a large, growing, fragmented industry with underpenetrated market sectors; trends toward outsourcing in both transportation and logistics; more large companies turning to multi-modal providers; a boom in e-commerce that touches multiple lines of our service; and sector-specific drivers of growth, such as Mexico near-shoring and just-in-time production and inventory management.

As we scale up to capture these opportunities, we're also building resilience into our business model. Both our customer base and our footprint have a healthy diversification. We serve more than 50,000 customers in 32 countries – and our largest customer is just 1.4% of revenue. Geographically, we're not reliant on the economy of any one country or region.

As part of our strategy, we're working diligently to raise our profile in front of every prospective customer that could benefit from our capabilities. One of the ways we do this is by providing comprehensive solutions to our largest customers – our strategic accounts – through cross-selling. Our penetration opportunity with strategic accounts is huge, and it's three-fold. We can expand our existing customer relationships by earning a greater share of spend in the services they currently buy from us. We can become increasingly valuable to these large customers by solving more of their supply chain requirements with multiple XPO services. And third, we can continue to expand our capacity for both transportation and logistics to attract new business.

Our experience tells us that the common denominator across all areas of transportation and logistics is that customers want results. Our company's roots are in expedite, dating back more than 25 years, so a do-or-die mindset of meeting customer expectations is embedded in our DNA. Anything less than stellar service is not an option for us.

Transportation customers want on-time pickup and delivery, and contract logistics customers want their goods to flow smoothly through the supply chain process. If a disruption does occur, customers want to know about it right away and they want to see a solution. If you walk into any XPO office or facility, you'll see that our people are trained to be professional, efficient and on top of things. They understand the importance of communication. And they know what it means to have a zero-fail mentality. We see an opportunity to differentiate XPO on the basis of phenomenal customer service in each of our lines of business.

One of the ways we empower our employees to deliver this level of service is through our information technology. We place massive importance on innovation, because we believe that technology – in the hands of well-trained, outstanding employees – is the ultimate differentiator in our industry. We have a global team of over 1,000 IT professionals who understand how to drive innovation for the benefit of our customers.

Our freight brokerage operations are integrated on our Freight Optimizer system, which is continually being enhanced. On the contract logistics side, we use proprietary technology to facilitate omni-channel distribution, reverse logistics, lean manufacturing support, aftermarket support, supply chain optimization and transportation management. Our logistics technology tracks over two billion inventory units at any given time in North America alone.

In our last mile business, we hold the patents on industry-leading software for real-time workflow visibility and customer experience management. This gives us a competitive advantage in the last mile space, because it documents our ability to deliver superior end-customer satisfaction ratings. It also allows us to move quickly to address any sub-par carrier performance.

We have a combined IT budget of over $400 million this year, with more than 200 projects under development. And we're happy to make that investment, because we see the ongoing development of our proprietary technology as being critical to our ability to continually improve customer service and leverage our scale.

That sums up our many avenues for value creation. Now it comes down to operational excellence and management. So let's spend a few minutes on our senior management team.

Our CEO, Brad Jacobs, has a unique track record in the business world. He started four companies from scratch prior to XPO, including two publicly traded corporations, and built each into a billion or multi-billion dollar enterprise. Brad and the management teams he led created dramatic shareholder value. In the process, they completed nearly 500 acquisitions and opened approximately 250 cold-starts.

The two most recent companies Brad led prior to XPO were United Waste Systems, which he built into the fifth largest solid waste management company in North America, and United Rentals, which he grew to be the largest construction equipment rental company in the world. From 1992, when Brad took United Waste public, to 1997, when he sold it for $2.5 billion to Waste Management, the earnings compounded at about 55% CAGR and the stock price outperformed the S&P 500 by 5.6 times. At United Rentals, over the 10 years he led the company, the stock outperformed the Index by 2.2 times.

Underlying this history is Brad's ability to assemble world-class management talent to execute a business plan with great discipline. One of our most important competitive advantages at XPO is that we have a leadership team whose collective skill set matches our ambitious strategy. For a competitor to successfully copy our business plan, it would need to replicate our deep bench of talent – not only at the senior level, but in every key position. Here are just a few examples:

Troy Cooper is our chief operating officer and global head of XPO's two operating segments: transportation and logistics. Troy previously worked with Brad to help build two public companies. As a vice president for United Rentals, he helped integrate over 200 acquisitions in the United States, Canada and Mexico. For United Waste Systems, he helped build an integrated network of 86 truck-based collection companies and 119 facilities in 25 states. Earlier, Troy was with OSI Specialties, Inc. (formerly a division of Union Carbide, Inc.).

John Hardig, our chief financial officer, has been a significant presence in the transportation industry for nearly two decades. Before joining XPO, John was a managing director in the Transportation & Logistics group at Stifel Nicolaus Weisel, and an investment banker in the Transportation and Telecom groups at Alex. Brown and Sons. Over the course of his career, he has completed over 60 M&A transactions and his teams have raised billions of dollars of capital for many of the industry's leading logistics companies, including IPOs for C.H. Robinson and Hub Group, and follow-ons for Forward Air, Inc., Heartland Express, Inc. and Knight Transportation, Inc.

Scott Malat is our chief strategy officer. Scott is responsible for our company's strategy and capital structure, as well as analyzing potential acquisition opportunities and managing our technology organization. Prior to joining XPO, he was the senior transportation analyst covering air, rail, trucking and shipping at Goldman Sachs. Earlier he was an analyst with UBS, and served as an internal strategy manager with JPMorgan Chase, where he worked with several of the bank's business units. As a global advisor for The Sharma Group, he specialized in M&A opportunities.

Gordon Devens is XPO's general counsel, responsible for executing our acquisition strategy as well as all corporate legal matters, governance and compliance, and legal interests relating to the company's growth initiatives. After working at Skadden, Arps, Gordon spent 15 years with AutoNation, where he was associate general counsel, and later led AutoNation's deal team. He has completed over 250 M&A transactions during his career.

Lance Robinson is our global chief accounting officer, responsible for the financial strategy, risk management, administration and control systems of our global accounting operations. He has extensive senior financial experience, including 10 years as global controller–mergers and acquisitions for General Electric, and positions as chief accounting officer and vice president of business development for NBC Universal. Earlier, he was senior manager–assurance practice with Arthur Andersen. Lance is a certified public accountant, chartered accountant and chartered global management accountant.

Louis DeJoy leads our contract logistics business in the Americas as its chief executive officer. Louis joined XPO upon the acquisition of New Breed Logistics. He became chairman and chief executive officer of New Breed in 1983 and focused the company on technology-oriented supply chain innovations. Louis transformed New Breed from a regional transportation company into the preeminent U.S. provider of highly-engineered contract logistics solutions, including industry-defining services for omni-channel distribution, reverse logistics, transportation management, lean manufacturing support, aftermarket support and supply chain optimization.

Malcolm Wilson is managing director of XPO's logistics business in Europe. Malcolm has two decades of international experience in contract logistics management, including eight years with Norbert Dentressangle, where he served in a similar position and was a member of the executive board. Under Malcolm's leadership, ND's contract logistics business achieved global scale through a mix of organic growth and the integration of the Christian Salvesen and TDG acquisitions in the United Kingdom. He has been instrumental in developing ND's global logistics operations into the company's largest revenue-producing unit. Prior to ND, Malcolm held executive positions with Christian Salvesen, TDG and NYK Logistics.

Luis Angel Gomez is managing director of XPO's transport business in Europe. Luis joined XPO with 15 years of transportation expertise, including eight years with Norbert Dentressangle, where he led the Iberian, then global, transport operations, and served on the executive board. His leadership has been key in developing value-added services as part of the company's international growth strategy for transport, including LTL and palletized cross-border services in Europe and brokerage services. Luis is highly experienced in the dynamics of European markets – he joined ND as managing director of the company's transport operations in Spain, and grew the business to become a top three geography for ND's transport network. Prior to ND, Luis held executive positions with transportation companies Christian Salvesen Gerposa and Transportes Gerposa.

Karl Meyer leads our last mile business as its chief executive officer. XPO entered the last mile sector with the platform acquisition of 3PD – a company Karl founded and built into the premier U.S. last mile logistics provider, with a national network that facilitated millions of deliveries a year. His commitment to innovation produced some of the last mile industry's most groundbreaking mobile technologies for real-time visibility and customer experience management. Karl began his logistics career on the shipper side. He led Home Depot's multi-billion dollar delivery business and successfully transitioned these operations from an in-house to an outsourced model.

Mario Harik is our chief information officer. He was previously the CIO at Oakleaf Waste Management, a logistics provider that was sold in 2011. Mario has been tapped over the years by *Fortune 100* companies for his expertise in building comprehensive IT organizations and proprietary platforms, similar to what we're doing here at XPO. He's put together a superstar team that uses technology in innovative ways tied directly to customer service.

Ashfaque Chowdhury, is executive vice president and chief information officer for XPO's contract logistics business in the Americas, where he leads the technology services and advanced solutions organizations. Ashfaque joined XPO upon the acquisition of New Breed Logistics, where he spent more than 20 years delivering solutions to complex supply chain requirements. Ashfaque has implemented more than 100 logistics operations for some of the most preeminent companies in the world.

Angela Kirkby is senior vice president of human resources for our global organization. She joined XPO with 20 years of experience in strategic and functional human resources management for large companies. Prior to XPO, Angela was vice president of corporate human resources for Belk, Inc., a retailer with over 300 locations and more than 25,000 employees. She served in earlier positions with Bank of America Corporation, Accenture USA and Bose Corporation.

Ludovic Oster is senior vice president of human resources for XPO Logistics Europe. Ludovic joined Norbert Dentressangle in 2008 as head of human resources and played a central role in the successful integration of all acquisitions made by ND from 2007 through its sale to XPO. He is a former member of the Norbert Dentressangle executive board, and previously held positions with Delphi and Valeo.

Greg Ritter is chief customer officer, responsible for developing integrated supply chain solutions for some of the largest companies in North America. Greg has more than three decades of sales and management experience in multi-modal transportation logistics. Prior to XPO, he served as president of Knight Brokerage, a subsidiary of one of the top ten transportation logistics providers in North America. Earlier, Greg spent 22 years with C.H. Robinson Worldwide.

That gives you a sampling of the caliber of our management team. Now let's turn to the third quarter.

In our first full quarter of global results, we drove adjusted EBITDA to $166 million. Prior to the acquisition of Con-way, our target adjusted EBITDA run rate was $625 million at year-end 2015 – so we significantly exceeded this goal three months early.

In our transportation segment, we improved margins year-over-year by optimizing our pricing and lowering our cost of purchased transportation in truck brokerage and intermodal, last mile, expedite and global forwarding. We operated our logistics segment more profitably worldwide, and we're collaborating on an exciting pipeline of cross-selling opportunities. Our European operations overall are performing ahead of expectations – adjusted EBITDA in Europe was up over 26% year-over-year for transport and up 17% for logistics.

As of November 3, 2015, the company had approximately $530 million of cash, and an undrawn $1 billion asset-backed revolver.

We have issued the following financial targets:

- For 2016, full year adjusted EBITDA of at least $1.25 billion based on existing operations.

- For 2018, full year adjusted EBITDA of approximately $1.7 billion based on existing operations, an increase from the $1.5 billion previously targeted for 2019.

We have a clear line of sight to our $1.7 billion EBITDA target for 2018. In our LTL business, we're executing on an expected $170 million to $210 million of annualized cost savings. In addition, we plan to roll out a deferred LTL service offering, improve our pricing strategies and run the business more efficiently overall.

In all of our operations, we'll address unprofitable locations, customers and lanes around the world. We're not interested in growing our top line unless there's underlying EBITDA growth. That's our focus. And we'll continue to cross-sell our service range to our 50,000 customers. Cross-selling is a huge lever for growth that's right on our doorstep.

We're also restructuring our shared services to fit the fit the global company we've become. This entails redesigning the entire organization with one global sales force, one global IT system, one global HR department, one global procurement team, and one global back office. It's not just about efficiency, although that's a significant benefit. It's going to give us a much more cohesive organization with "eyes on the world" so that we can identify profit opportunities and be very agile in responding to them.

So to sum it up:

XPO is a top ten global transportation and logistics company, providing cutting-edge supply chain solutions to the most successful companies in the world. We offer these solutions through our highly integrated, multi-modal organization and blended transportation model.

By acquiring Con-way, we've become the number two provider of LTL in North America. We've also increased our presence and service capabilities in contract logistics, freight brokerage and managed transportation. We've gained strategic ownership of assets that will benefit our company and our customers, especially during periods of tight capacity. And in Tony Brooks, we have a high-impact transportation executive who can take our LTL platform to its full potential.

Today, we're a $15 billion company with adjusted EBITDA of $1.1 billion. We have significant future EBITDA growth embedded in our business model, in addition to the $170 million to $210 million of profit improvement we expect to realize from the Con-way operations from cost synergies and operational improvements.

Our interests are entirely aligned with those of our public shareholders – that is, to meaningfully increase EBITDA and create substantial long-term value. XPO management owns approximately 17% of the company's fully diluted shares.

We're on track to exceed our current year-end financial targets, with a clear line of sight to grow EBITDA to more than $1.7 billion by 2018.

Thank you for your interest!

***Forward-Looking Statements***

*This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including the expected ability to integrate operations, cross-sell services, realize cost savings, synergies and profit improvement opportunities, and our 2016 and 2018 financial targets. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" or the negative of these terms or other comparable terms. However, the absence of these words does not mean that the statements are not forward-looking. These forward-looking statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances.*

*These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause or contribute to a material difference include those discussed in XPO's filings with the SEC and the following: economic conditions generally; competition and pricing pressure; XPO's ability to find suitable acquisition candidates and execute its acquisition strategy; the expected impact of the Con-way acquisition and the related financing, including the expected impact on XPO's results of operations; the ability to successfully integrate and realize anticipated synergies, cost savings and profit improvement opportunities with respect to Con-way and other acquired companies; XPO's ability to raise debt and equity capital; XPO's ability to attract and retain key employees to execute its growth strategy, including retention of Con-way's key employees; litigation, including litigation related to alleged misclassification of independent contractors; the ability to develop and implement suitable information technology systems; the ability to maintain positive relationships with XPO's and Con-way's networks of third-party transportation providers; XPO's ability to attract and retain qualified drivers; the ability to retain XPO's, Con-way's and other acquired companies' largest customers; fuel price or fuel surcharge changes; rail and other network changes; labor matters; weather and other service disruptions; and governmental regulation. All forward-looking statements set forth in this document are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, XPO or its businesses or operations. Forward-looking statements set forth in this document 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.*