



# Supply Chain Solutions that Deliver



## UTi Worldwide 2011 Investor Day Introduction and Strategy

Eric Kirchner

Chief Executive Officer

June 23, 2011

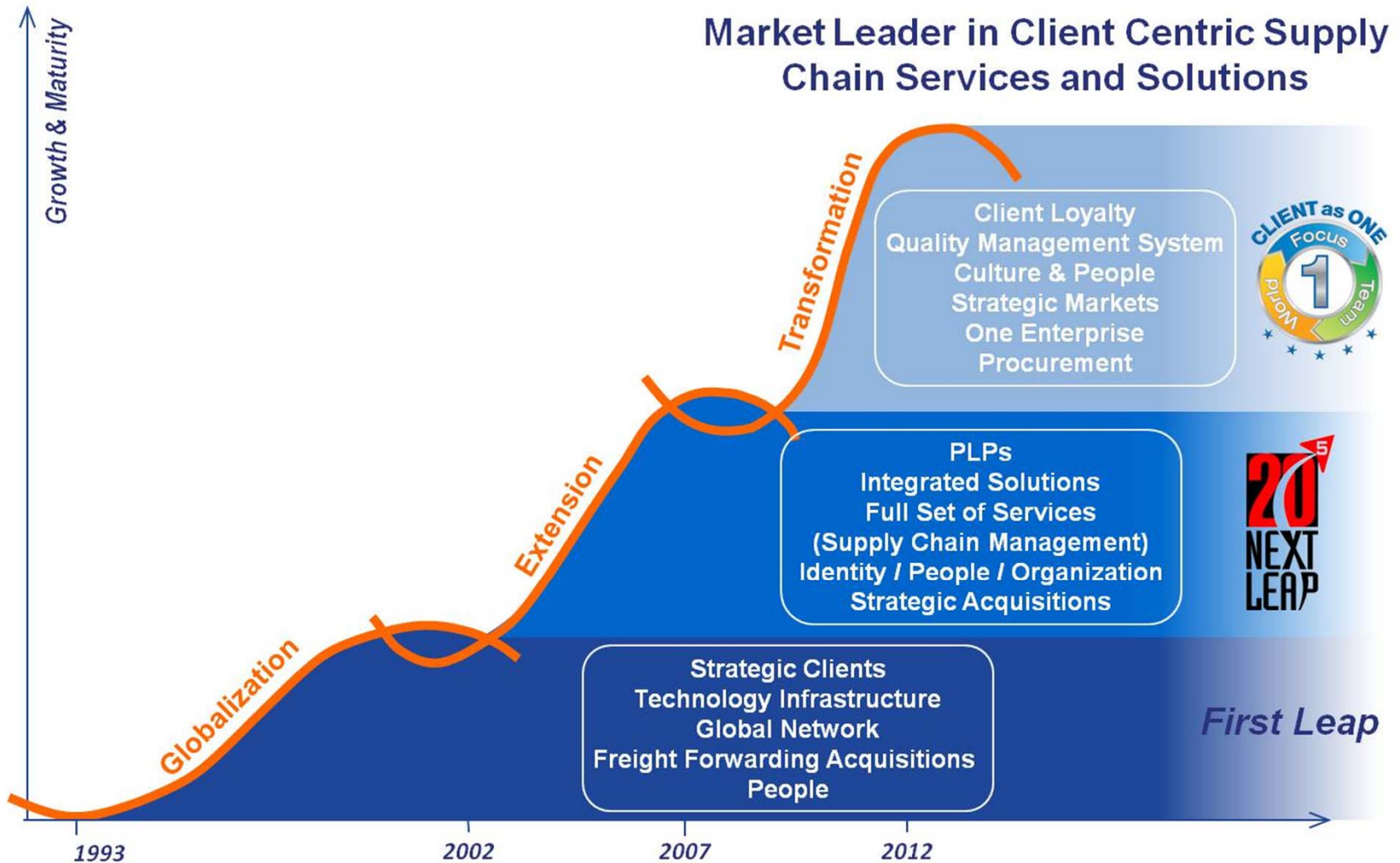
# Overview

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- Background
- Strategy
- Competitive Landscape and Growth
- Transformation Goals



# The UTi Journey



# UTi Worldwide - Leader in Global Supply Chain Services

## Financial Highlights (FY11)



Revenues:	\$4.5 billion
Net Revenues:	\$1.6 billion
Operating Income:	\$123 million
Net Income – continuing ops:	\$70 million (\$0.68/share)



## Comprehensive Global Network

20,596 employees (FY11)  
 372 Owned Freight Forwarding locations in 280 cities in 62 countries  
 Operate in 23.7 M Sq Ft: 189 UTi Leased and 55 Client Owned Logistics Centers Globally



## Six Major Industry Verticals

- Consumer & Retail
- Hi-Tech
- Fashion and Apparel
- Pharmaceutical
- Automotive
- Chemical

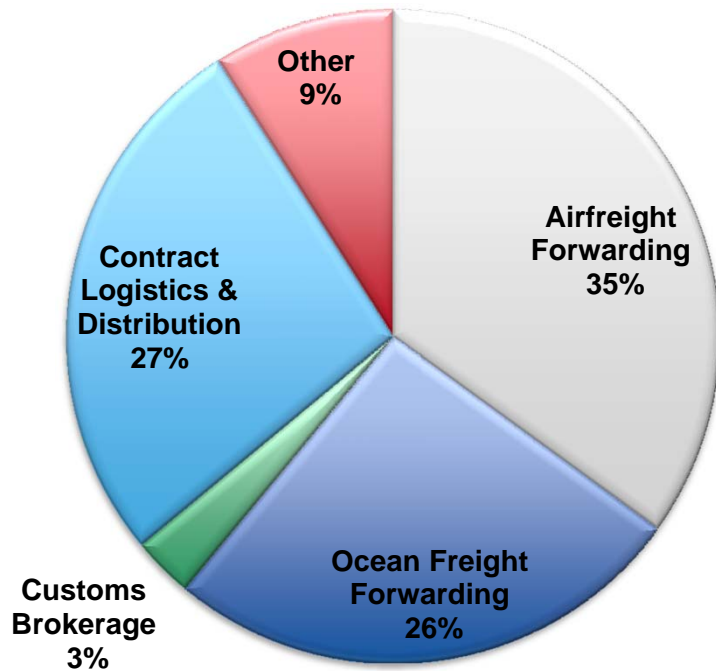
## Service Lines

- Air and Ocean Freight Forwarding
- Contract Logistics & Distribution
- Customs Clearance
- Managed Transportation Services
- Supply Chain Management Services

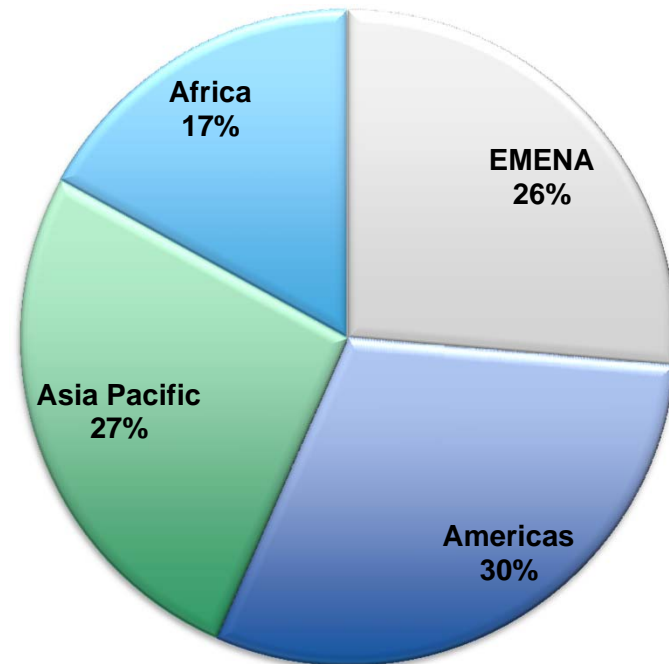


# Balanced Portfolio

## Revenue by Service



## Revenue by Region



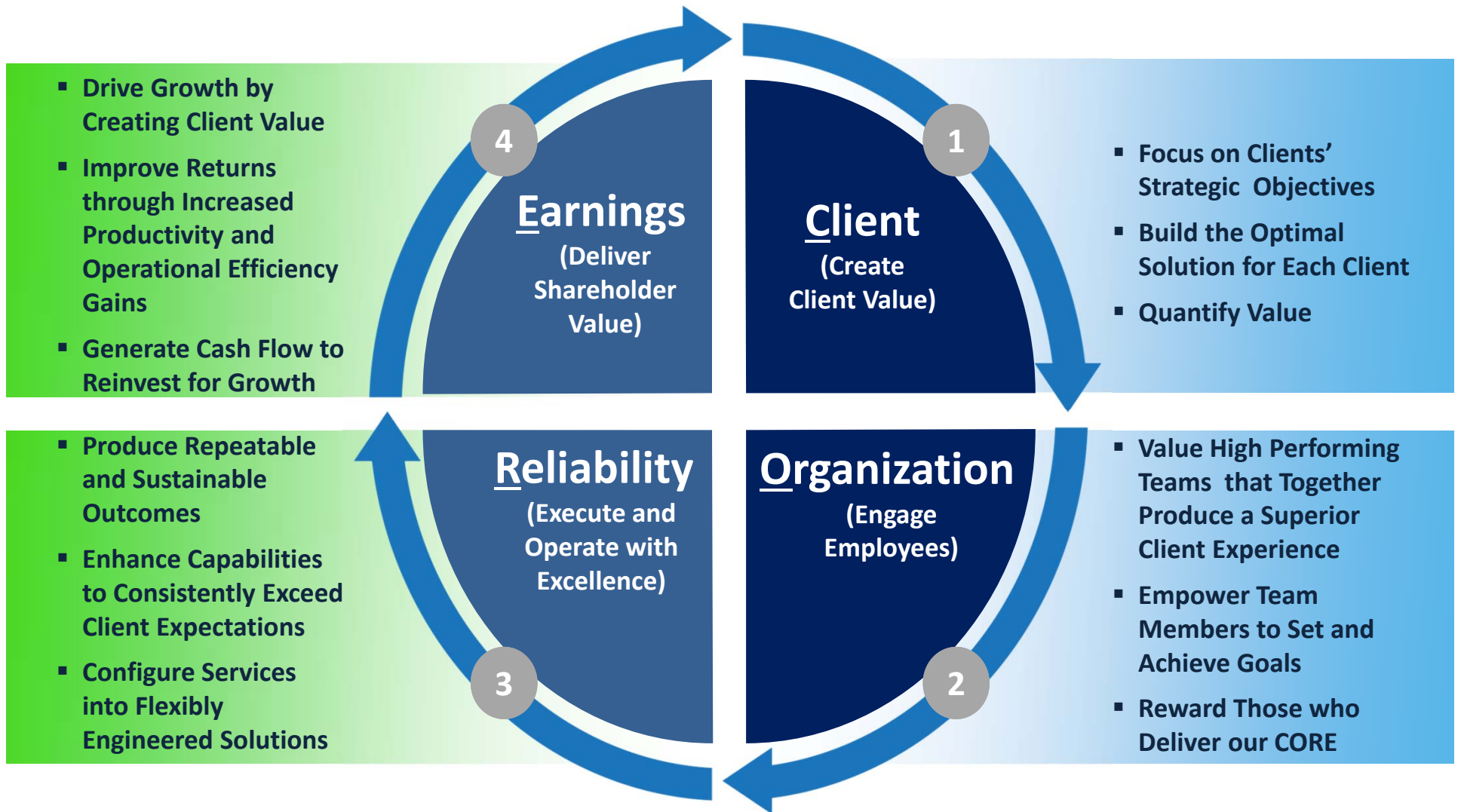
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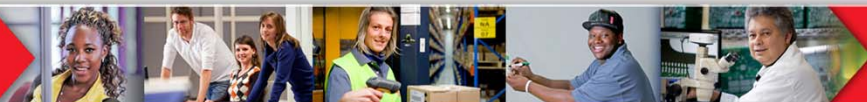
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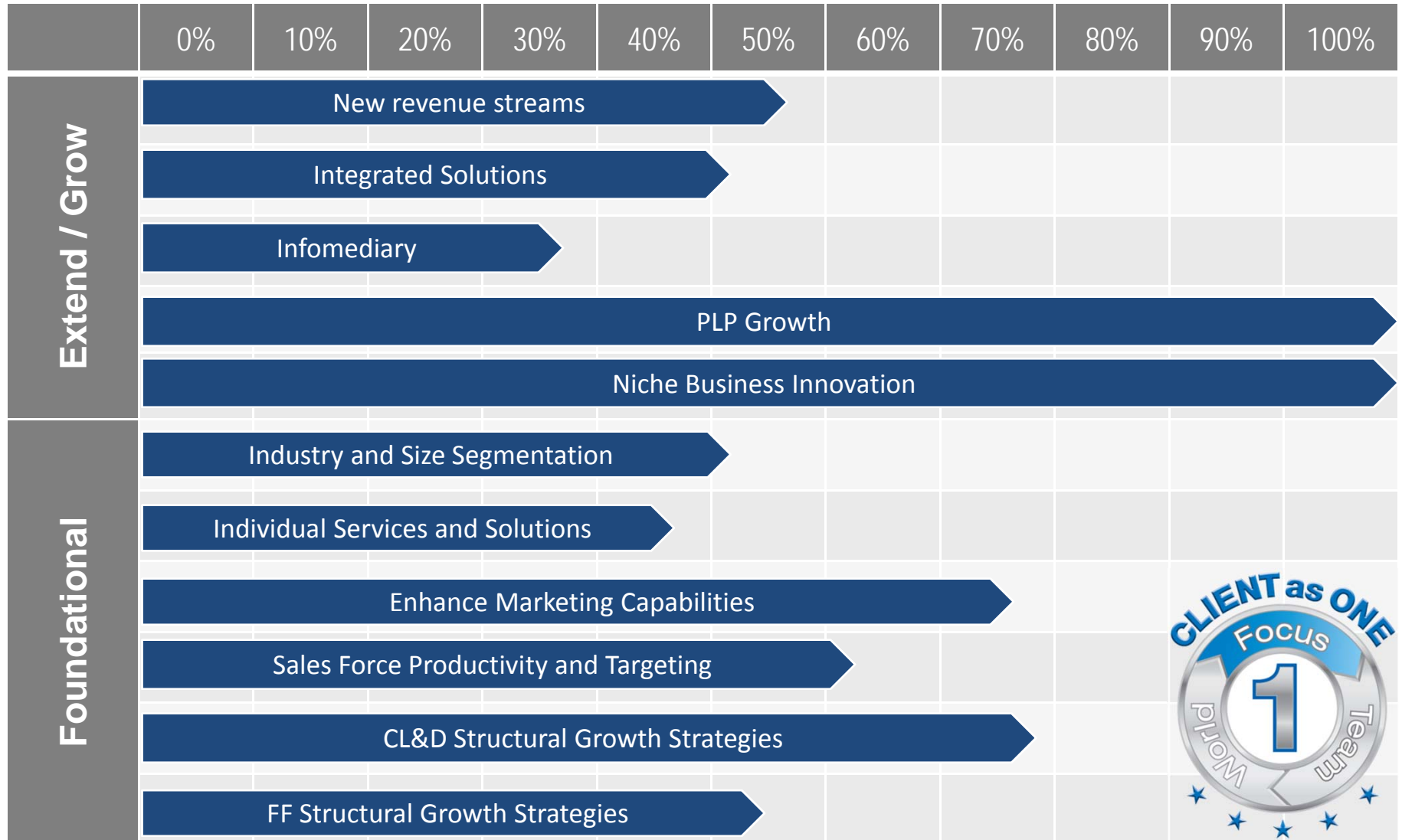
# The Four CORE Elements of *CLIENTasONE* Form UTi's Strategy



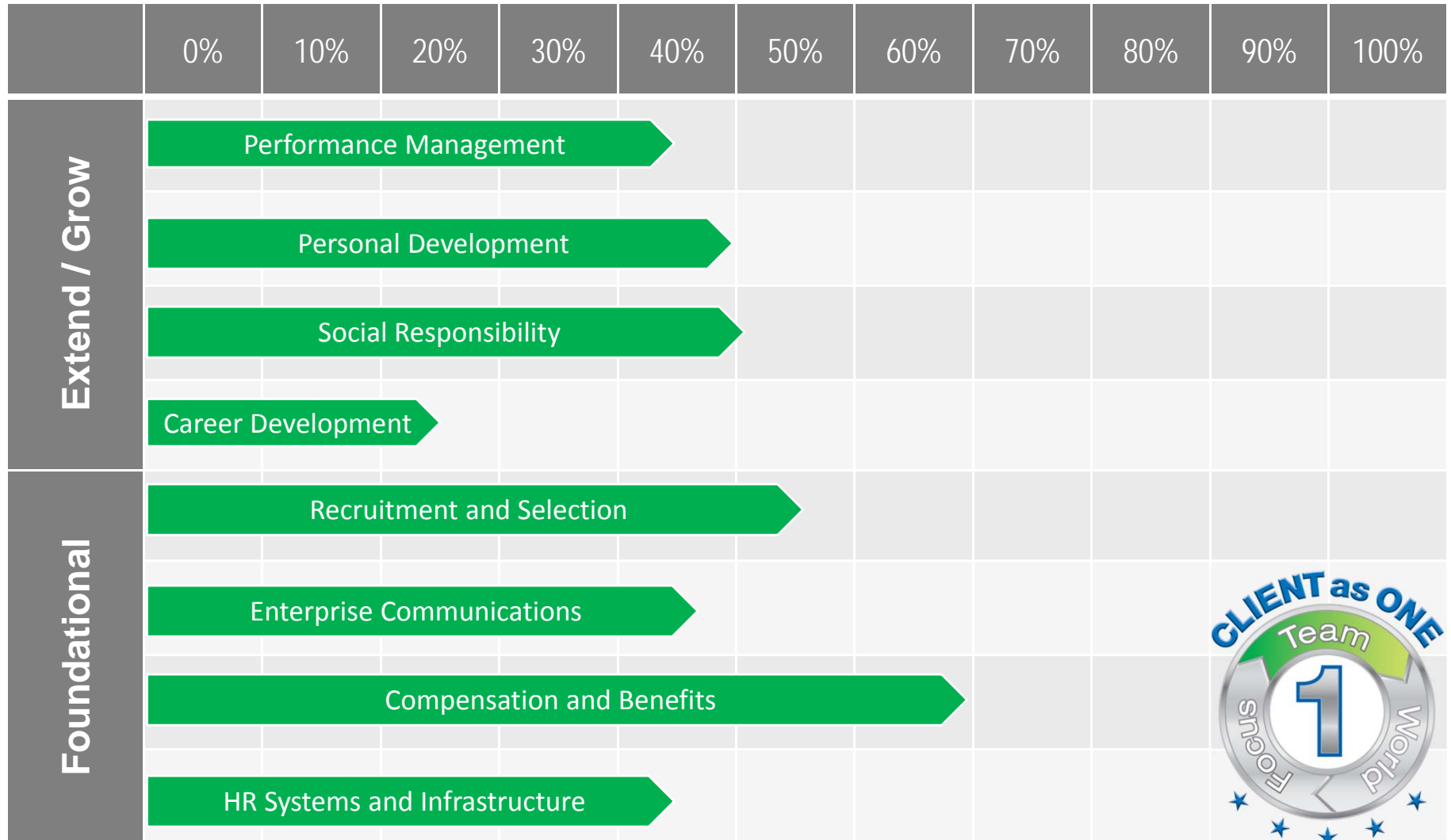
# UTi's Strategy Requires all These, in Sequence and Aligned with One Another



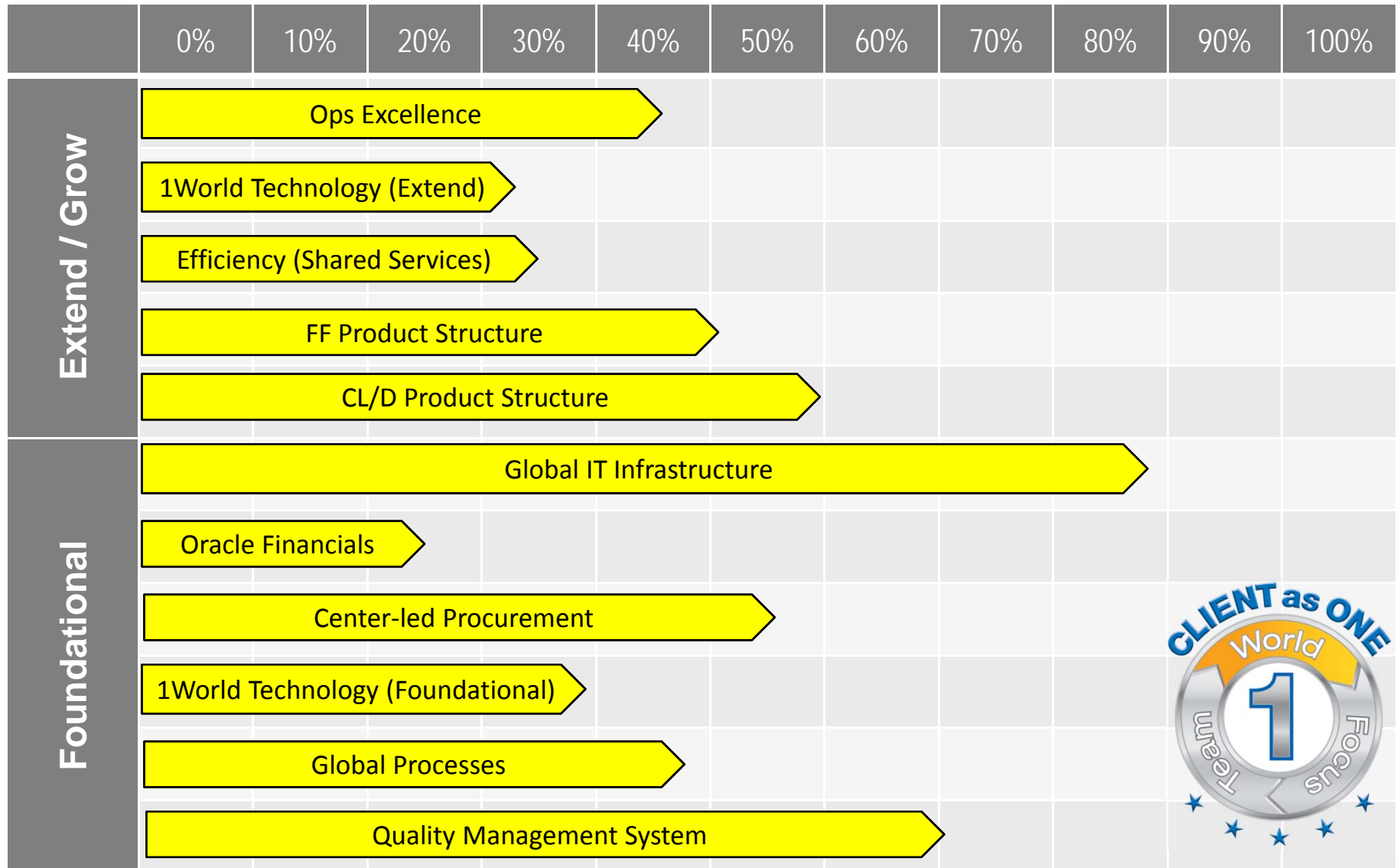
# Client: 1Focus Initiatives



# Organization: 1Team Initiatives



# Reliability: 1World Initiatives



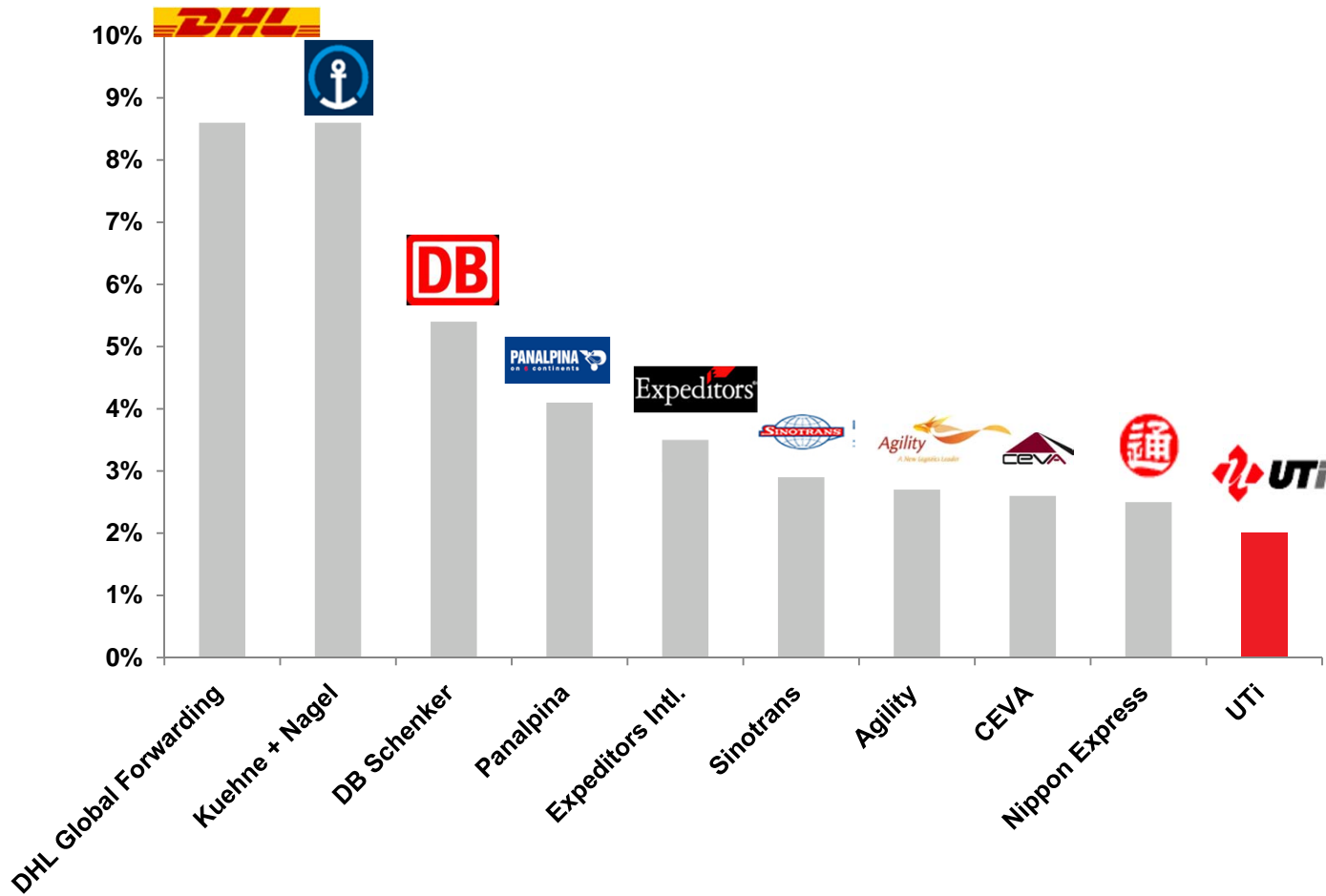
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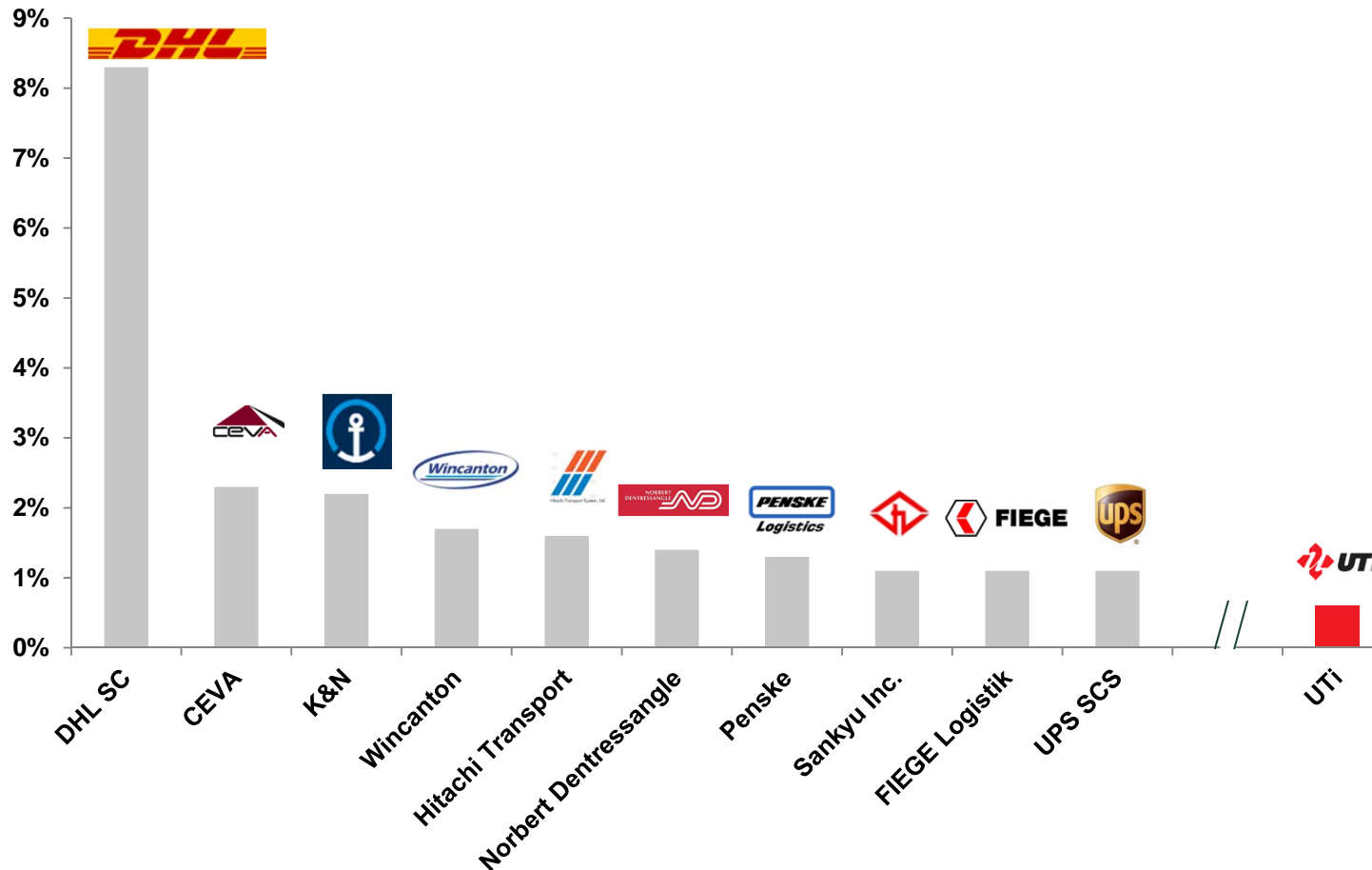
# Global Freight Forwarding Market Share



Market Share	
DHL Global Forwarding	8.6%
Kuehne + Nagel	8.6%
DB Schenker	5.4%
Panalpina	4.1%
Expeditors Intl.	3.5%
Sinotrans	2.9%
Agility	2.7%
CEVA	2.6%
Nippon Express	2.5%
UTi	2.0%
<b>Other</b>	<b>57.1%</b>

Source: Transport Intelligence - Global FF 2010 and UTi Worldwide Internal Estimates

# Global Contract Logistics and Distribution Market Share



Market Share	
DHL SC	8.3%
CEVA	2.3%
K&N	2.2%
Wincanton	1.7%
Hitachi Transport	1.6%
Norbert Dentressangle	1.4%
Penske	1.3%
Sankyu Inc.	1.1%
FIEGE Logistik	1.1%
UPS SCS	1.1%
UTi	0.6%
<b>Other</b>	<b>77.3%</b>

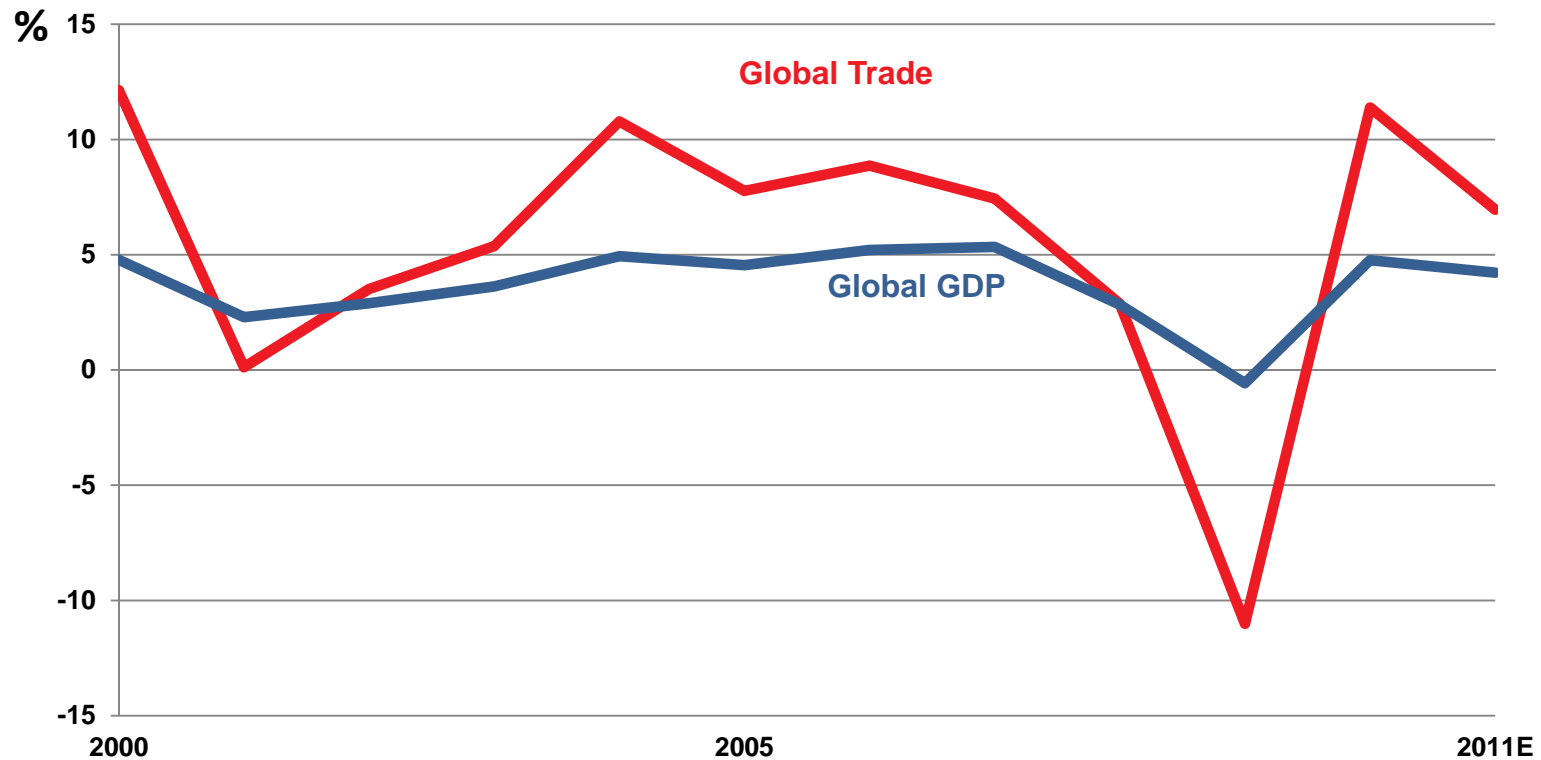
Source: Transport Intelligence - Global Contract Logistics 2011 and UTi Worldwide Internal Estimates



# Growth Environment

## Global Trade and Global GDP

Annual Growth, 2000 – 2011E

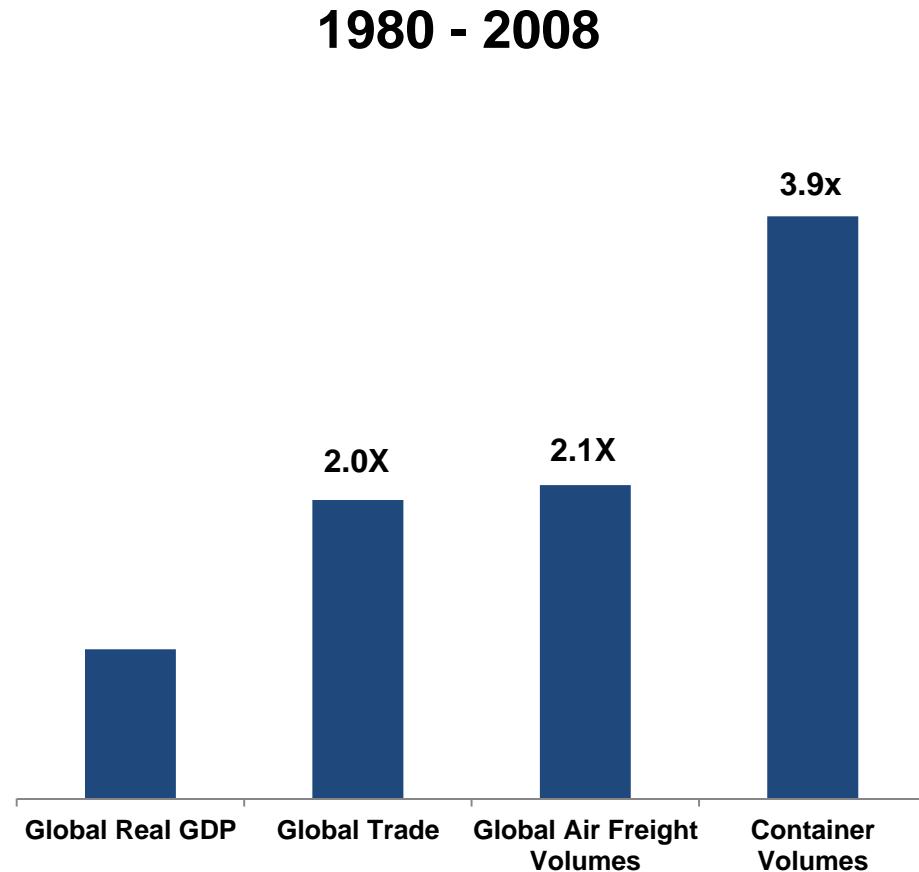


Source: IMF World Economic Outlook Database, Oct. 2010



# Global Trade – Historical Growth Rates of Air Freight and Container Markets vs. Global GDP

- Drivers
  - » Globalization
  - » Offshoring
  - » Favorable policy changes
- Future Expectations
  - » Reduced multiples projected through 2012, but still outpacing GDP growth



Source: Industry Reports

# Growth: Post Transformation Competitive Positioning



Top 10 Providers

All Other Providers



UTi Value Proposition



UTi Value Proposition

- Integrated Solutions
- Quantified Value
- Configured to Each Client
- Agility



- Client Centric Approach Enhanced by:
- Differentiated Products
  - Industry Leading IT Solutions
  - Scale Benefits



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# CLIENTasONE – Transformation Vision



## Strategic Initiatives



- Provide client value
- Maintain focus on clients' objectives

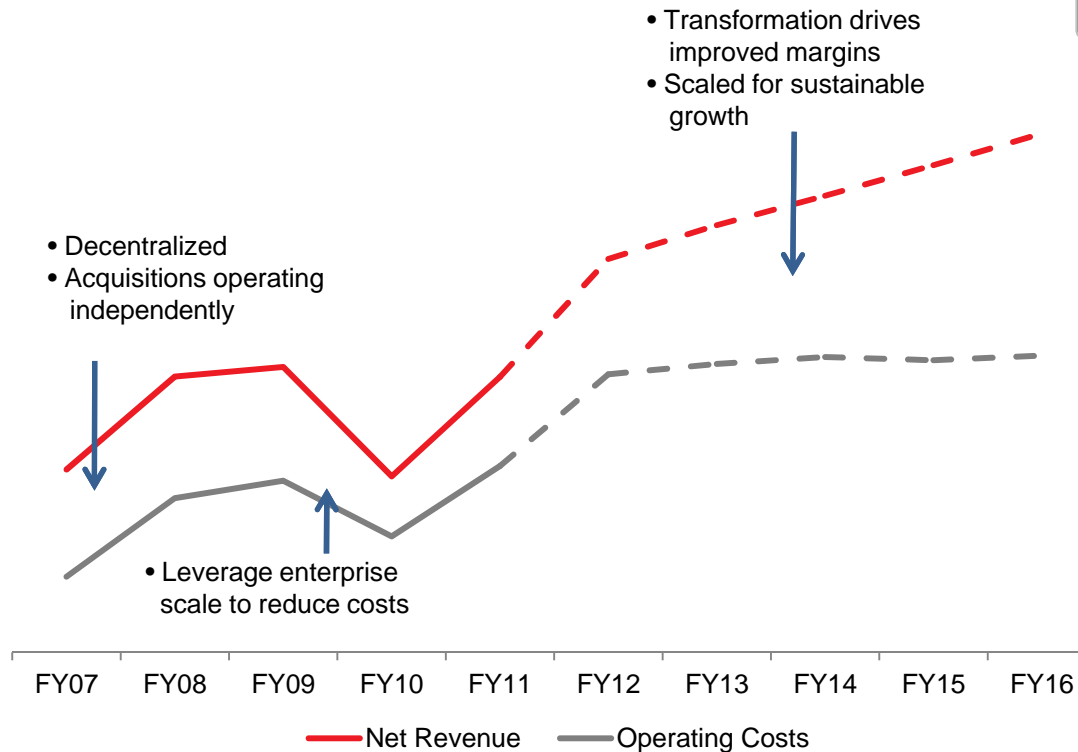


- Engage employees
- Improve productivity



- Deliver superior client experience
- Lower operating costs

## Net Revenue vs. Operating Costs at Market Growth Rates



## Benefits

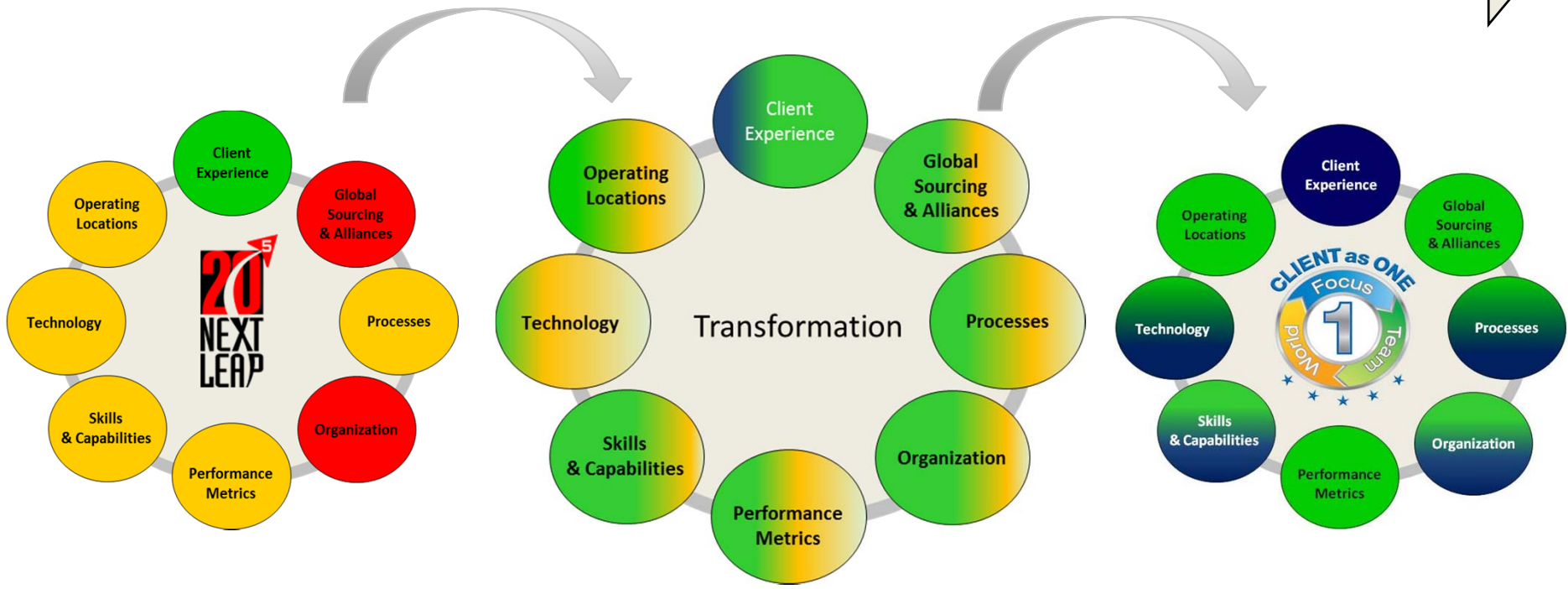
- Consistently exceed client expectations
- Deliver quantified value
- Growth ahead of the market
- Increased employee opportunities
- Operations scaled for sustainable growth
- Improved operating margins
- Increased earnings per share

# Transforming through *CLIENTasONE*

What We Were	What We Will Be
Regionally developed processes, systems, and structure	Enterprise led consistency through global processes, systems, and structure
Customized solutions	Configured solutions
Pockets of operational excellence	Globally consistent, predictable, and proactive operational excellence
Operating costs growing faster than net revenue	Net revenue growing faster than operating costs
Inconsistent people measurements	People retention and engagement measurement



# CLIENTasONE Progress



<b>Level I</b>	Major Gaps Exist	<b>Level III</b>	Most Gaps Addressed – On Par with Our Competitors
<b>Level II</b>	Gaps Exist but operates Adequately	<b>Level IV</b>	All Major Gaps Addressed & Industry Leader – Our Competitive Advantage



## Transformation: Key Goals

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- Transformation benefits of \$75-95 million per year
  - Scales up; incremental improvement
  - Full annual run-rate in FY16
- Cap-ex of \$95-100 million
- Positive return on investment
- Operating margin goal of 12-13%
- Earnings growth of 15-20% CAGR from FY12-17

Note: All figures exclude severance

