



Q2 2016 Earnings Review and Update

August 9, 2016

RBA
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NYSE



Forward looking statements and non-GAAP measures

This presentation contains forward-looking statements.

Forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions. Actual results may differ materially from those expressed herein. Additional information concerning factors that could affect the Company's actual results is included in the Company's filings with securities regulators. The Company undertakes no obligation to update publicly any forward-looking statements except as required by securities legislation.

This presentation contains non-GAAP financial measures.

For a discussion of non-GAAP measures and the most directly comparable GAAP financial measures, see the Appendix to this presentation as well as our earnings release and our Form 10-Q interim report, which are available at: investor.ritchiebros.com

All figures are in US dollars, unless otherwise noted.

While rounding may occur in performance numbers for presentation purposes, percent change figures are calculated using full, unrounded numbers.











Update from Ravi Saligram

Chief Executive Officer

Q2 2016 financial highlights

Revenue grew modestly on a tough comp versus prior year; maintained strong revenue rate

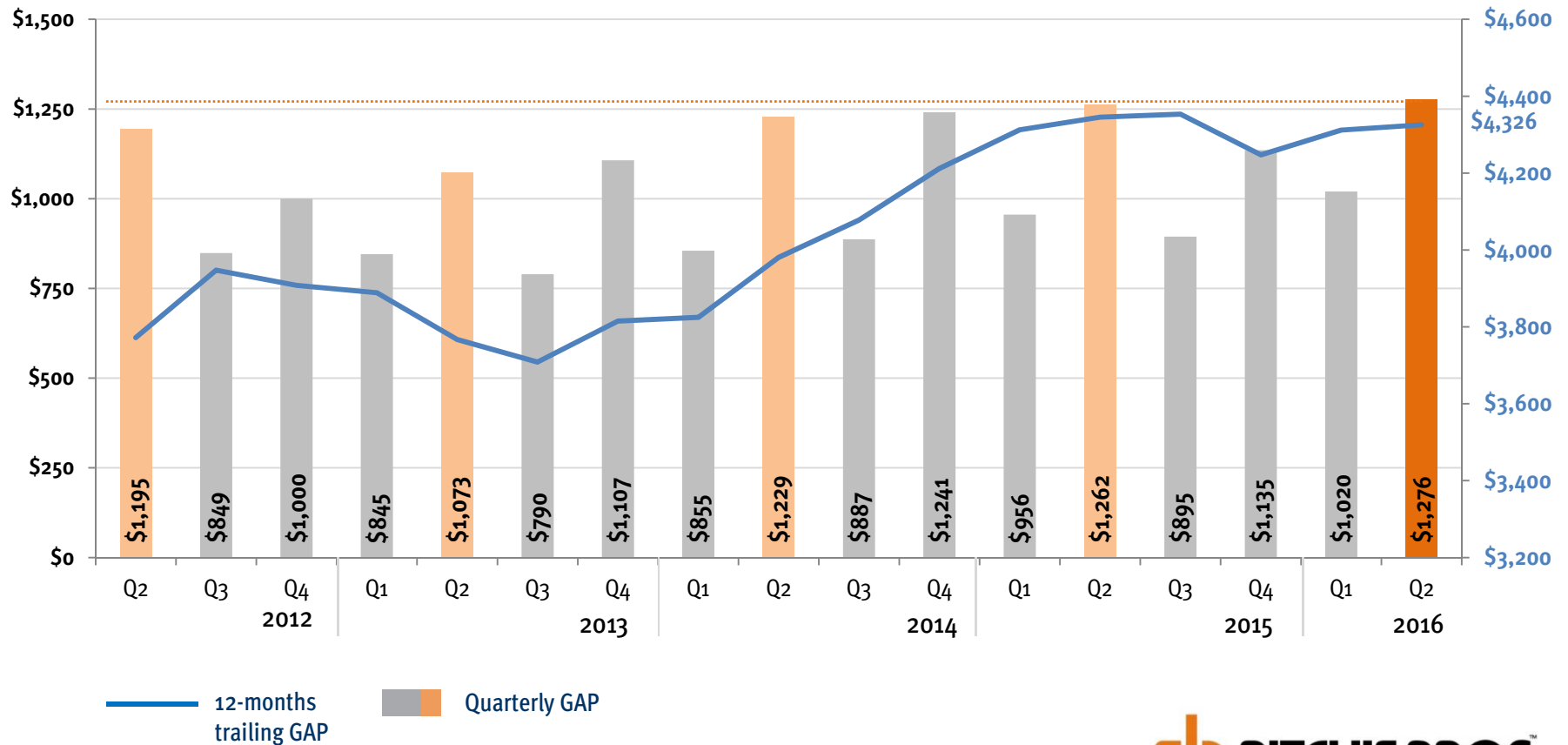
- Costs of Services and SG&A increased disproportionately on account of new businesses, headcount investment in strategic initiatives, and increased auction volumes;
- Cash flow declined due to timing issues, but company remains a strong cash generator

	Reported - % Growth		Constant Currency - % Growth	
	Versus Q2 2015		Versus Q2 2015	
GAP		1%		3%
Revenue		2%		4%
Operating Income		(15)%		(13)%
Diluted EPS attributable to stockholders		(12)%		n/a
Operating Free Cash Flow (12 month rolling)		(63)%		n/a
RONA excl. term loan reclass (12 month rolling)		260 bps		n/a
ROIC (12 month rolling)		60 bps		n/a

Quarterly gross auction proceeds (GAP)

GAP grew 1% from Q2 2015, despite volumes up 14% due to asset mix and equipment pricing

Quarterly Gross Auction Proceeds (\$US millions)



Equipment pricing impacts

Equipment pricing volatility was experienced during the second quarter, including a particularly meaningful decline in June.

July & August pricing appears to be stabilizing

Construction assets down ~6% Q2 2016 vs. Q2 2015

Other categories saw further pricing erosion, including
Transportation and Agricultural assets

Pricing erosion during Q2 occurred on several equipment categories:

- Motor Graders, Motor Scrapers, Articulated Trucks, Excavators, and Over the Road Trucks (Highway based)

Continued to see solid pricing in general small construction assets:

- Skid steers, Loader Backhoes, Mini Excavators and support equipment.

Oil and Gas assets that cannot be repurposed continue to struggle and be challenging to generate solid returns

Large Construction equipment tied to the Mining sector also faced continued headwinds

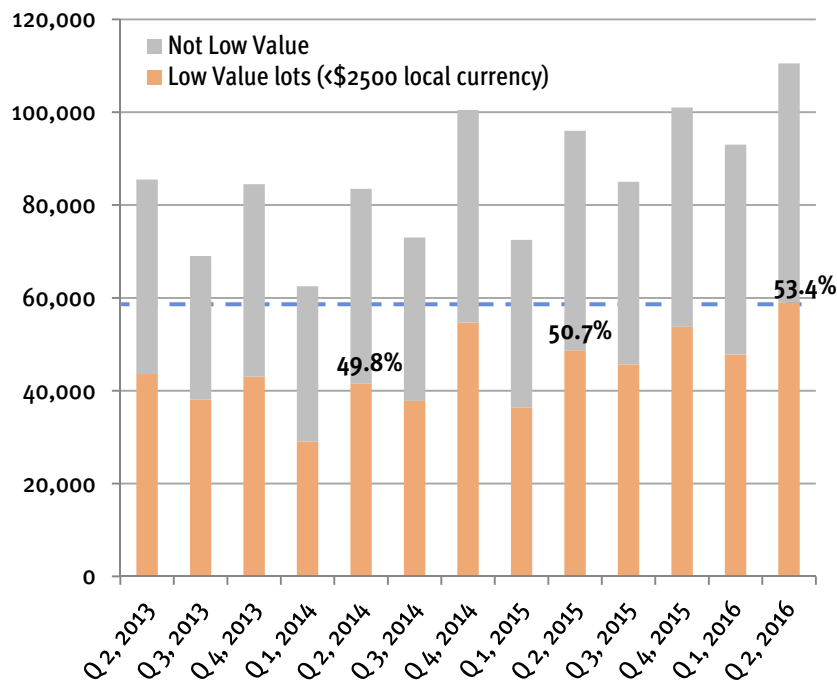
RBA Core Auction volumes continue to grow

Auction volumes up 15%¹, supporting revenue growth; Core Revenue Rate² +4 bps from Q2 2015

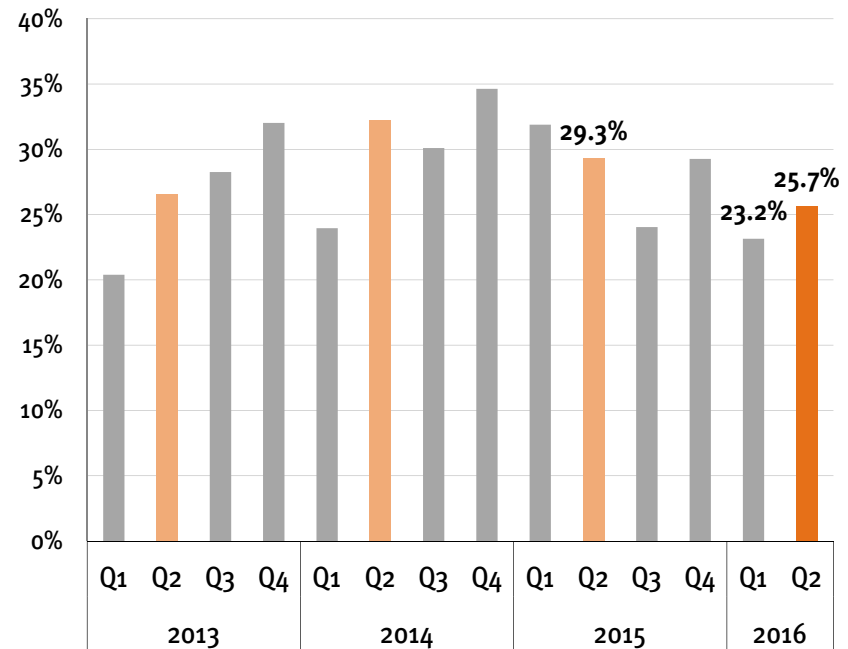
Using our multiple sales channels to attract large underwritten/inventory packages

- Smaller value lots are a growing proportion of lots sold (due in part to pricing trends and growth of Timed Auction Lots)

Increase in number of Low Value Lots sold¹



Underwritten deals as a % of Total GAP



¹ Data is for Industrial auctions only.

² Includes straight and underwritten contracts, buyers fees, RBFS fees, ancillary services and Xcira

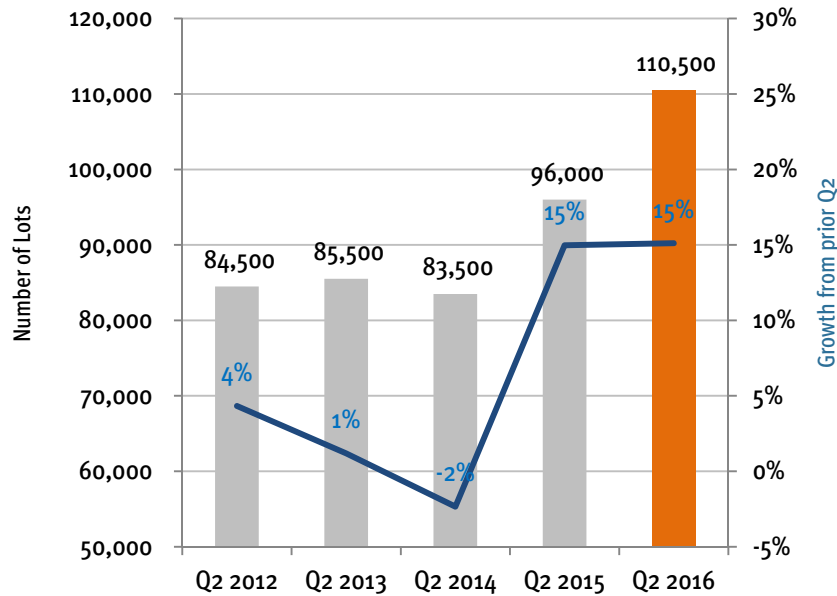
Transportation customers provided most lot growth in Q2

Auction volumes increased 15% to a Q2 record of 110,500 lots during Q2 2016¹

Lots provided by customers in the Transportation and Sales/Leasing/Rental and Light construction drove most of the increase.

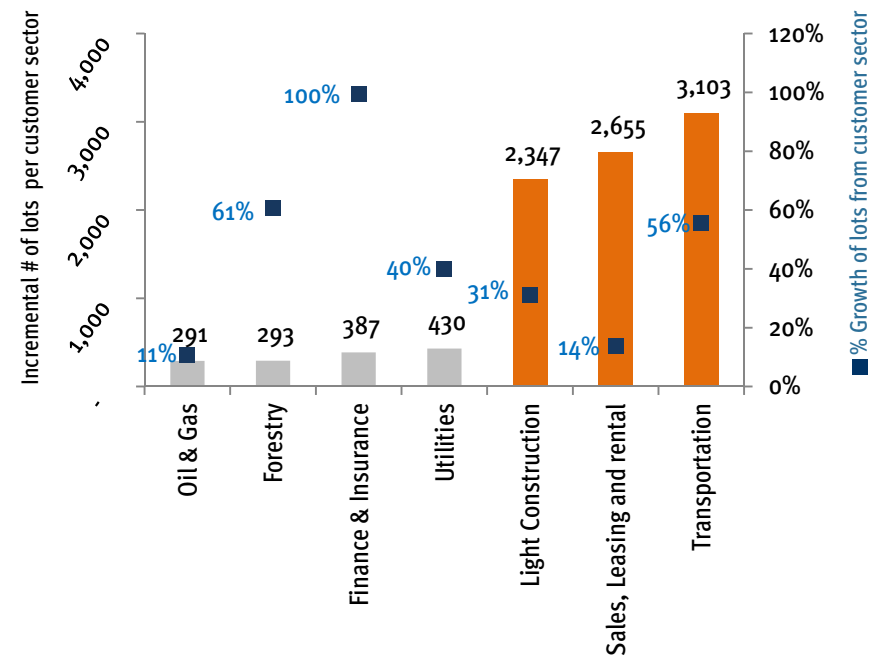
Q2 Auction volumes (Lot count)

Total lots sold per quarter



Q2 2016 Incremental Lots per Customer sector

Lot growth per customer (seller) sector, compared to Q2 2015²



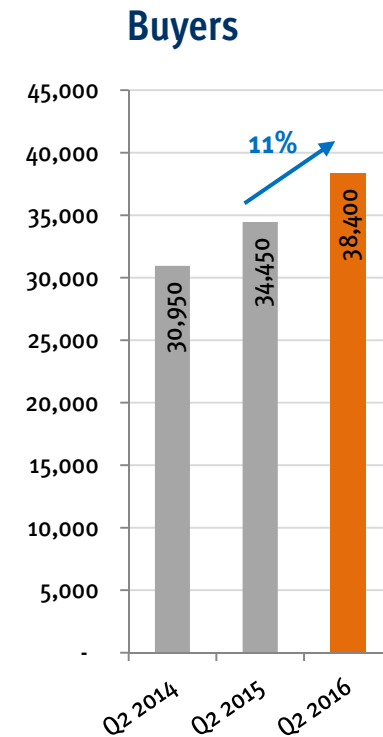
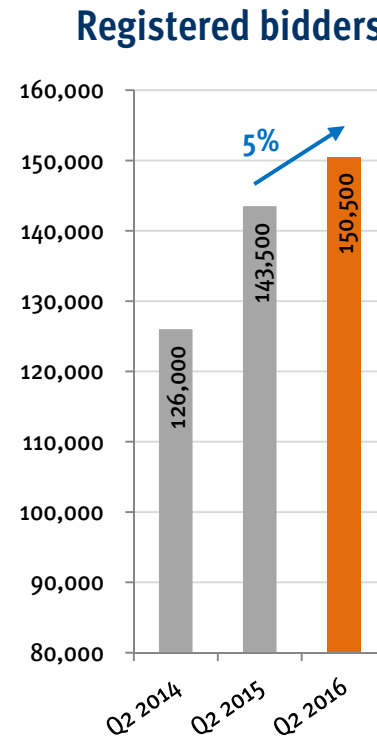
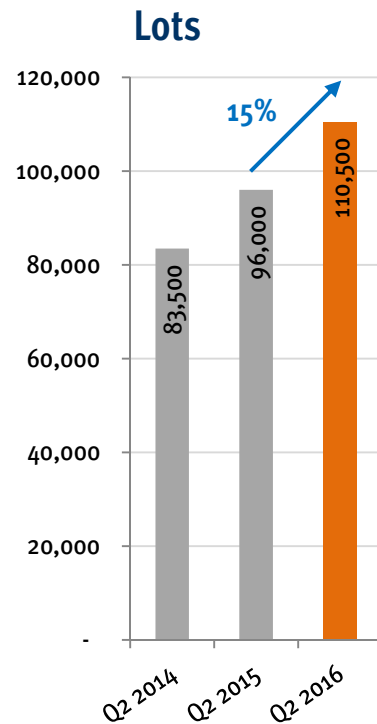
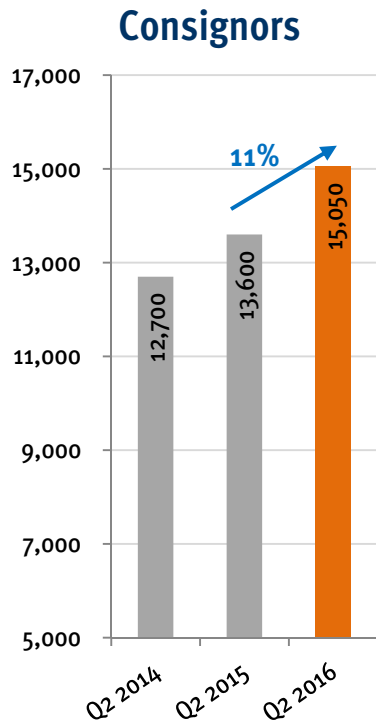
¹ Data is for Industrial auctions only.

² Selected customer sectors. Does not include all sectors equipment came from

Strong auction operational performance

Record auction consignors, lot volumes, bidders and buyers achieved for second quarter¹

Demonstrates the operational strength of our core business



Q2 2016 auction highlights

Edmonton, Alberta – June 14-16, 2016

CA\$91+ million of GAP (US\$70+ million)

Toronto, Ontario – May 11-12, 2016

CA\$36+ million of GAP (US\$28+ million)

LARGEST EVER ONTARIO AUCTION

Fort Worth, Texas – May 4-5, 2016

US\$46+ million of GAP

Edmonton, Alberta – April 26-30, 2016

CA\$240+ million of GAP (US\$191+ million)

FIRST 5-DAY AUCTION EVER HELD IN CANADA

LARGEST AUCTION EVER CANADIAN AUCTION

Houston, Texas – April 20-21, 2016

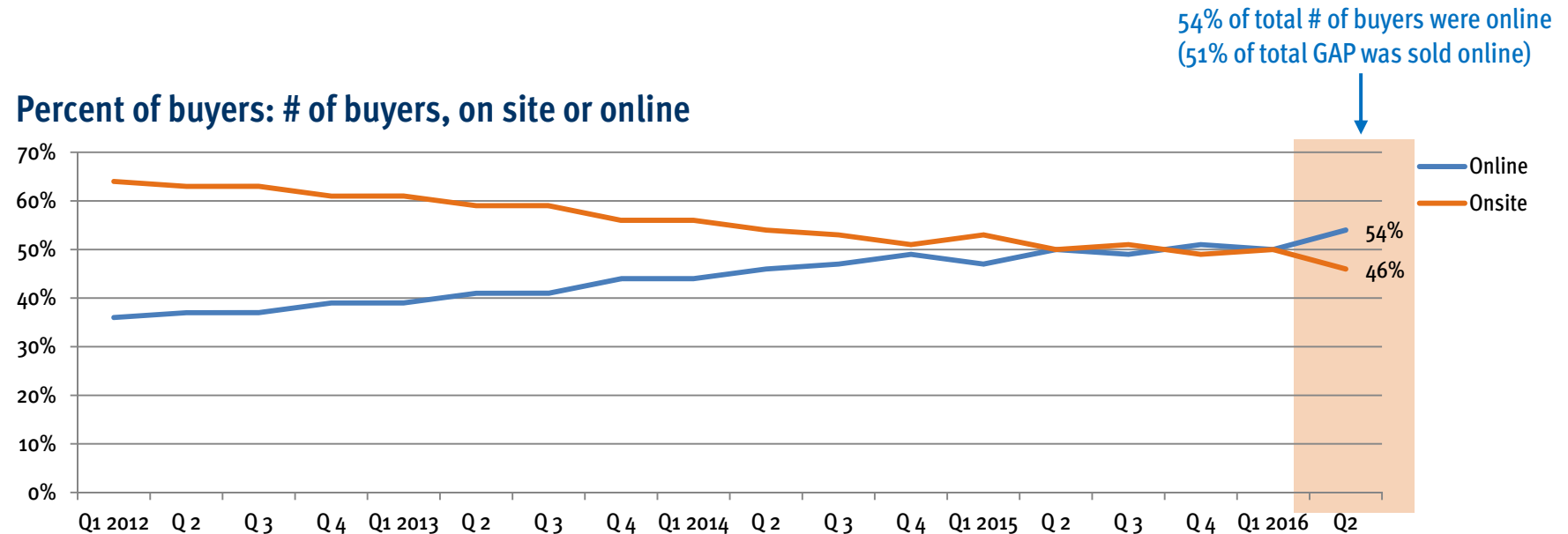
US\$47+ million of GAP



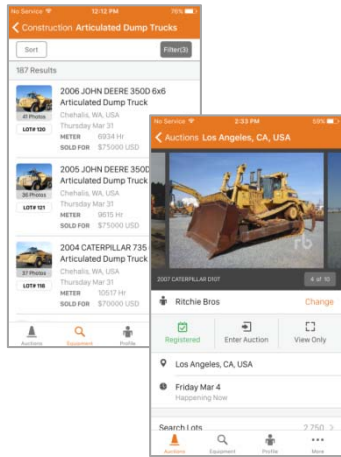
First time majority of GAP sold online

Online purchases comprised 51% of GAP in Q2 2016, the first time more than half of GAP was generated by online buyers.

- Online transactions growing due to changing customer preferences, greater participation from non-local bidders, the introduction of the Ritchie Bros. app, and growth of E1
- Sold approx. \$650 million of assets through online transactions (incl. E1) during Q2 2016, an increase of 11% from Q2 2015
- 54% of buyers during Q2 2016 participated in our auctions online

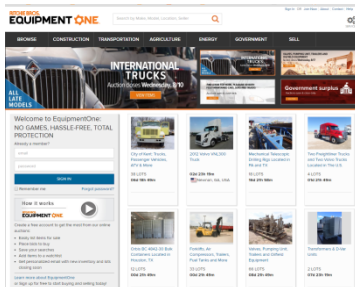


Investing in our digital capabilities



Public launch of Ritchie Bros. App has been highly successful

- Officially launched in App stores July 11, 2016
- Early reviews in App stores are all 5-stars, demonstrating strong user endorsement
- Including the beta testing period in Q1 and Q2 (prior to public launch), the app has accumulated:
 - 68 successful winning bids
 - US\$1.35 million of GAP
- Increased promotion of the App (and smartphone enabled bidding) will occur in coming months



Creation of Enterprise Sales Solution direct user portals for key EquipmentOne accounts launched earlier this year

- Flexible, end-to-end solution that allows companies to better control asset management
- Product includes data integrations, automated process workflows, remarketing solutions, public and private (e.g. dealer to dealer networks, internal corporate redeployment sites) disposition channels, and detailed reporting capabilities.
- New customers include one of the world's largest transportation OEM's and a leading energy companies; interest in the product is aggressively growing

Other sales channels performing well

EquipmentOne and Mascus reported as “Other” business segment

Both are considered to be online only service models, to facilitate the sale of equipment

- Segment produced \$6.3 million of revenue in Q2 2016
- Both businesses operated EBITDA positive
 - Depreciation and Amortization continues to weigh on E1 performance



Performance metric	EquipmentOne – Q2 2016	Mascus – Q2 2016
GTV	\$41.6 million	<i>Not applicable</i>
Revenue Rate (<i>Revenue/GTV</i>)	10.2%	100% (<i>all fee-based revenue, no associated GAP</i>)
Revenue	\$4.23 million	\$2.04 million
Cost of Services	\$0.10 million	\$0.22 million
SG&A expenses	\$3.76 million	\$1.69 million

Ritchie Bros. Financial Services

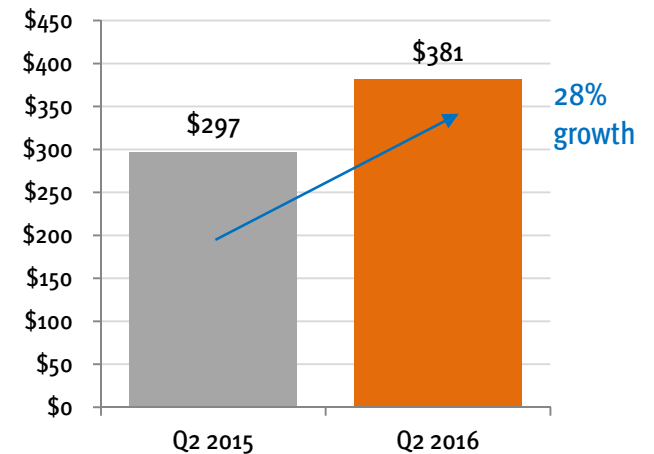
Acquired remaining 49% interest in RBFS on July 12, 2016

- Shareholders will receive the full benefit of RBFS earnings growth beginning Q3 2016
- Jim Case will continue leading the business
- Paid cash consideration of CAD\$53.9 million (US\$41.1 million).
 - Additional compensation may be provided to the former shareholders of the minority interest, contingent upon certain operating performance targets being achieved

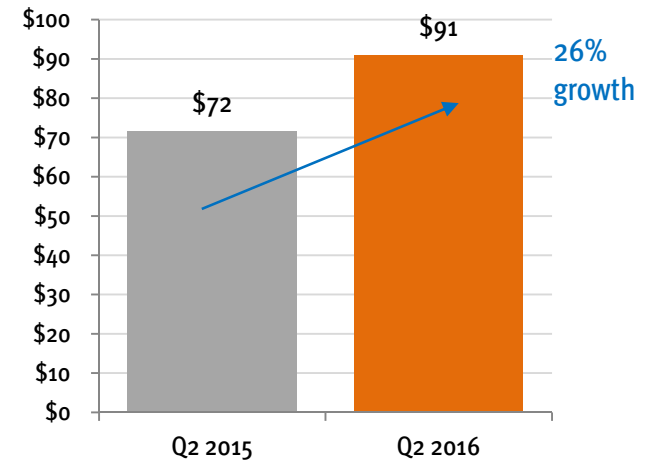
Market penetration (of addressable GAP) improved 18 bps to 11.37% in Q2 2016, compared to Q2 2015

Full ownership of RBFS during Q2 would have contributed another \$0.01 to diluted EPS attributable to shareholder during the quarter

Credit Applications (\$US millions)



Funded Volume (\$US millions)



Q2 2016 Performance

Sharon Driscoll, Chief Financial Officer



Income statement scorecard – Q2 2016

GAP and Revenue Rate increased modestly;
Op income and EPS impacted by lower margins than in Q2 2015

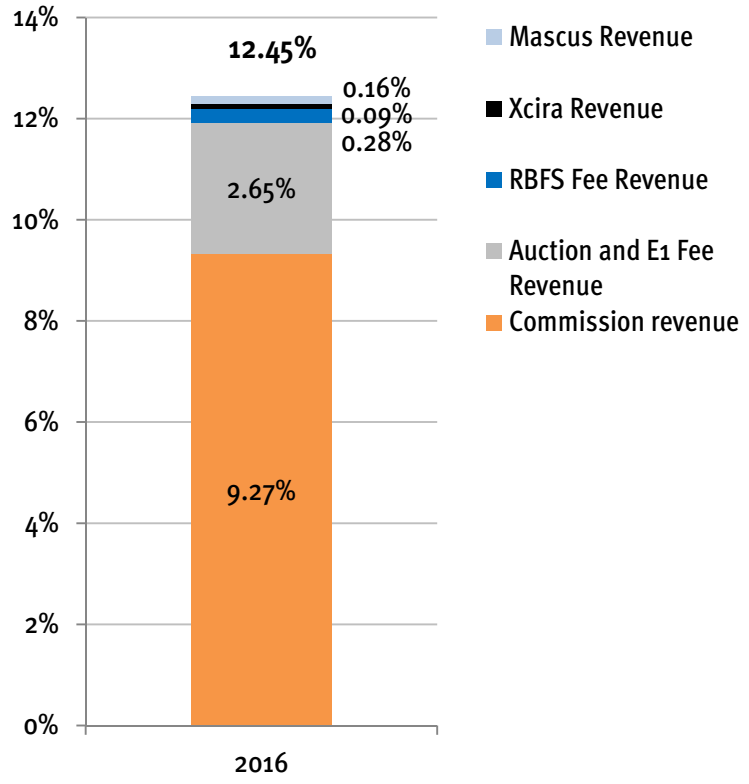
Q2 2016 Income statement scorecard

<i>3 months trailing</i> (\$US Millions except for EPS, %)	June 30, 2016	June 30, 2015	<i>Better / (Worse)</i>
GAP	\$1,275.7	\$1,262.2	1%
Revenues	\$158.8	\$155.5	2%
Revenue Rate	12.45%	12.32%	13 bps
Operating Income	\$53.6	\$62.8	(15)%
Operating Income Margin	33.8%	40.4%	(660) bps
EBITDA	\$64.7	\$74.7	(13)%
Diluted EPS attributable to stockholders	\$0.37	\$0.42	(12)%

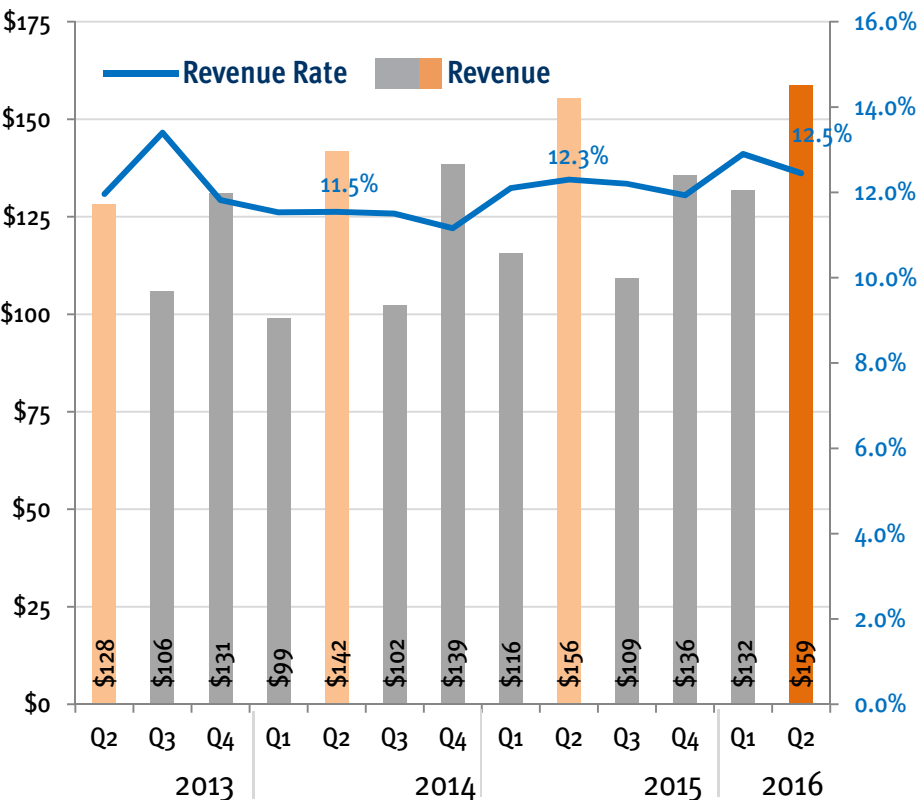
Revenue Rate strength supported by fee revenue

New business channels are supplementing strong auction commission rates

Q2 2016 Revenue Rate components



Quarterly revenue & Revenue Rate (\$US millions)

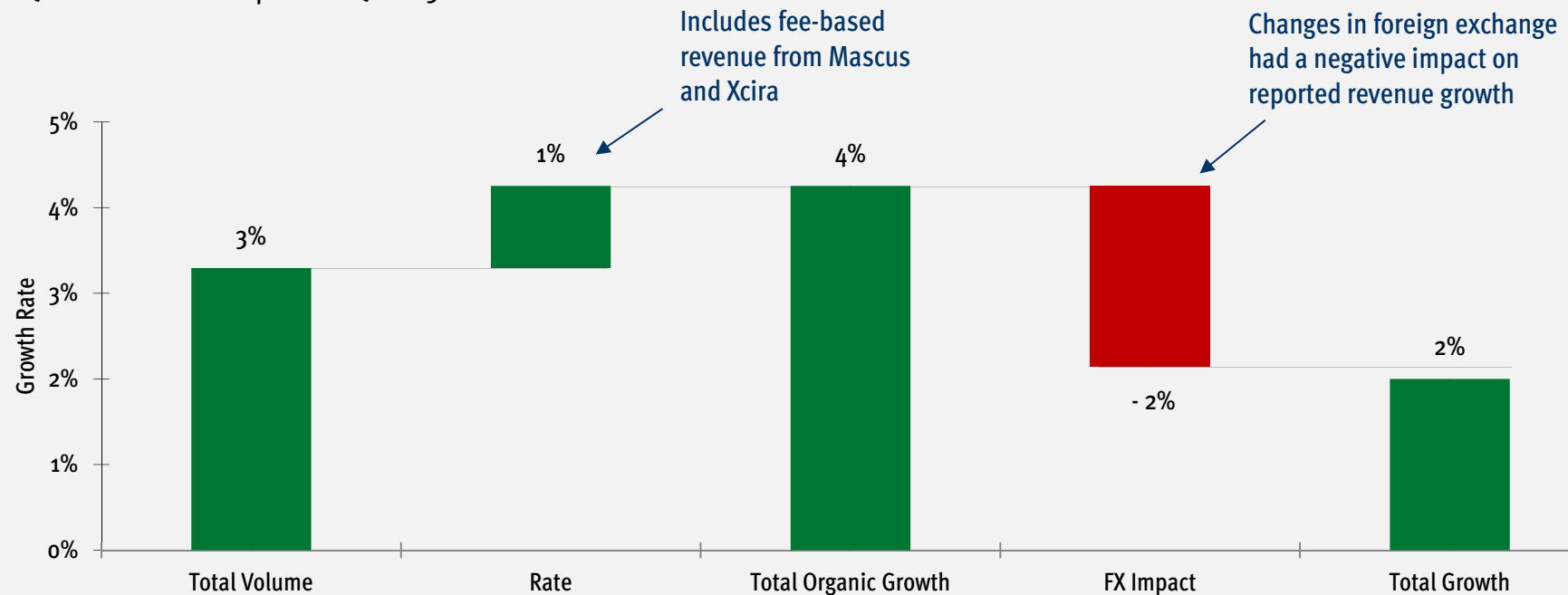


Volume & rate increases contributed to revenue growth

FX continues to mute reported revenue growth

Breakdown of revenue growth/decline, % attributable to item

Q2 2016 revenue compared to Q2 2015 revenue

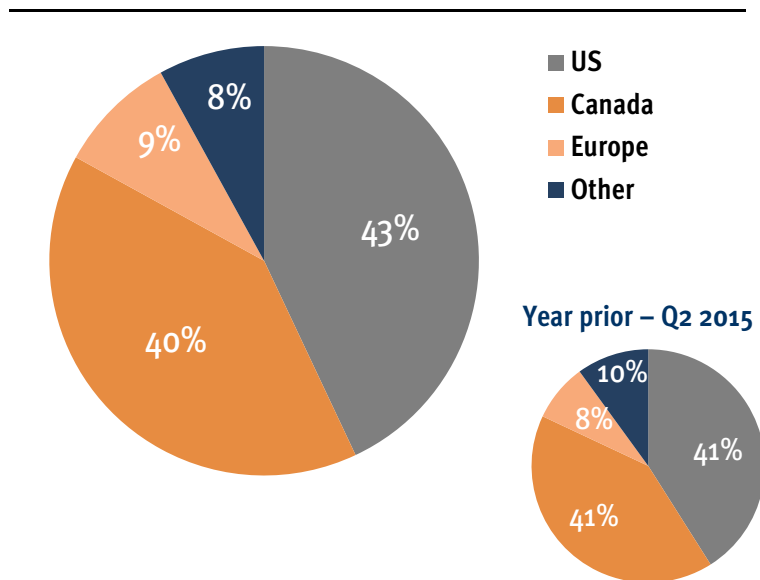


US and Canada continue to be the major drivers of revenue

US contributed slightly larger proportion of revenue in Q2 2016 vs. year ago quarter (FX impacts)
 Canada and “other” regions also generated positive revenue growth in local currencies in core business

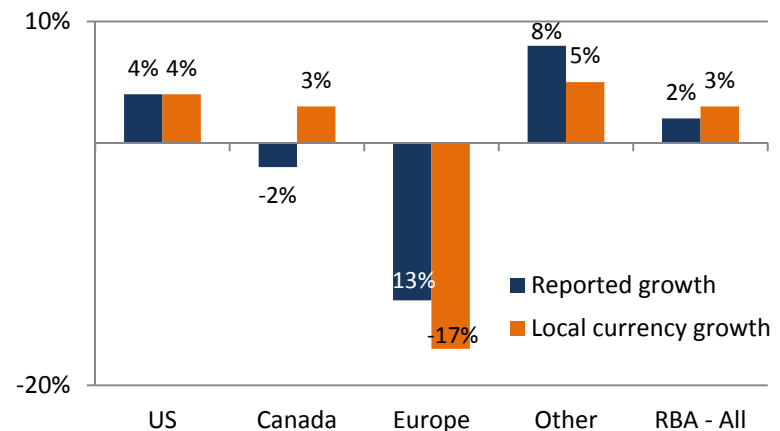
Geographic breakdown of Q2 revenue

\$US revenue



Q2 Core auction¹ revenue growth rates

\$US growth; local currency (Core auction does not include E1, Mascus)



¹ Core includes Xcira, RBFS, and ancillary service revenues.

Higher expenses relative to comparable quarter

Both Costs of Services and SG&A expenses increased relative to year ago period

- New businesses contributed \$3.5 million of costs that were not on our platform in Q2 2015
- SG&A largely affected by increased staffing levels, greater advertising and marketing efforts, and a larger operating platform (due to recent acquisitions)

Expense growth: Q2 2016 vs. Q2 2015

(US\$ mil)

Increase from existing business
NEW costs from acquired businesses

Reporting segment:	Cost of Services	SG&A
Core Auction business:		
Xcira	\$0.7	\$0.9
All other core auction (incl. corporate and head office)	\$1.7	\$6.4
	\$2.4	\$7.3
Other:		
EquipmentOne	\$0.1	\$0.3
Mascus	\$0.2	\$1.7
	\$0.3	\$2.0
Total increase relative to Q2 2015	\$2.7	\$9.4

- Core Auction COS increase associated with handling higher auction volume (lot count up 14%¹ from Q2 2015) and more off-site auctions
- Core SG&A impacted mostly by higher staffing levels, including exec roles that were not permanently filled in year-ago quarter; as well as increased marketing and advertising spend

\$3.5 million of new expenses from business lines that were not owned in year-ago quarter

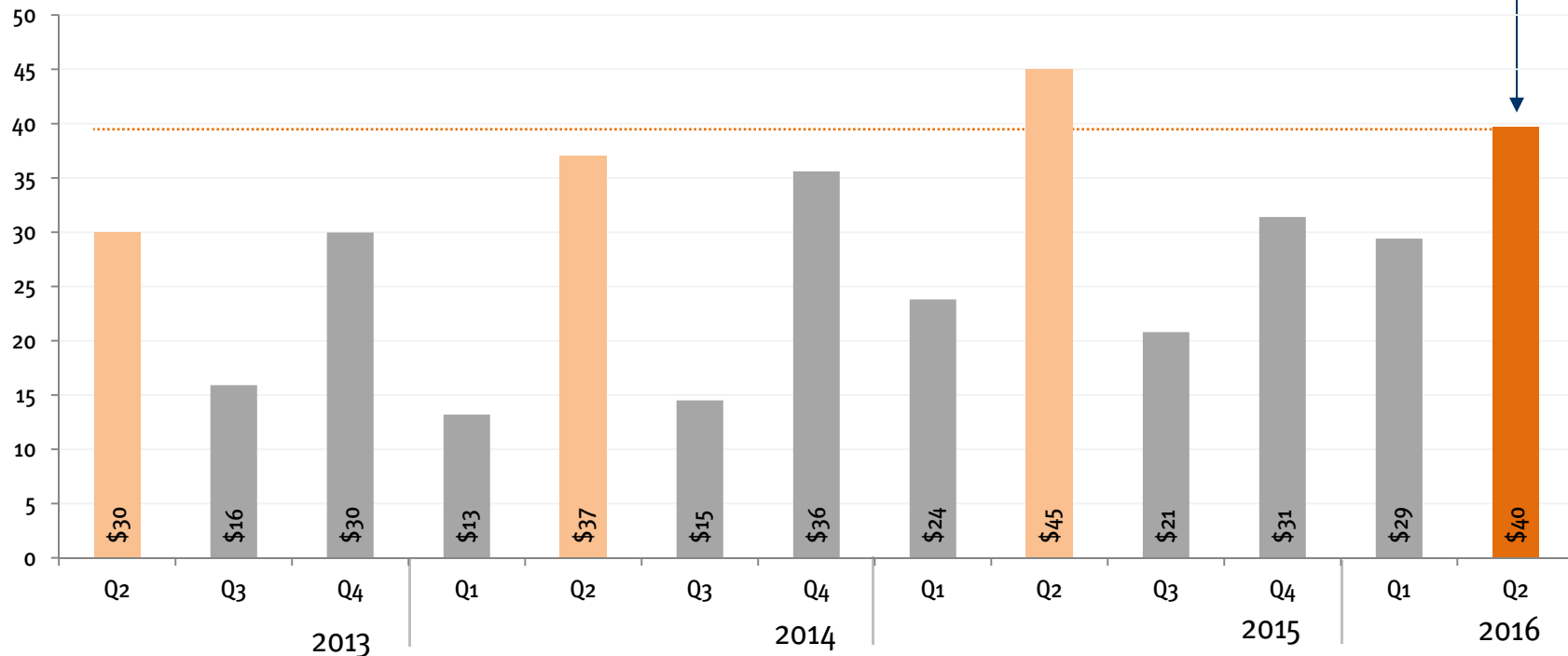
Q2 earnings impacted by lower margins

Q2 2016 net income declined 12% relative to Q2 2015

Higher SG&A and Costs of Services caused margin compression

Quarterly Adjusted Net Income attributable to Stockholders¹

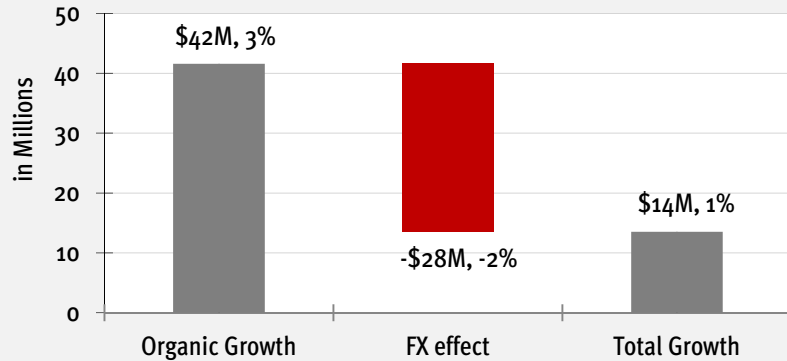
(\$US millions)



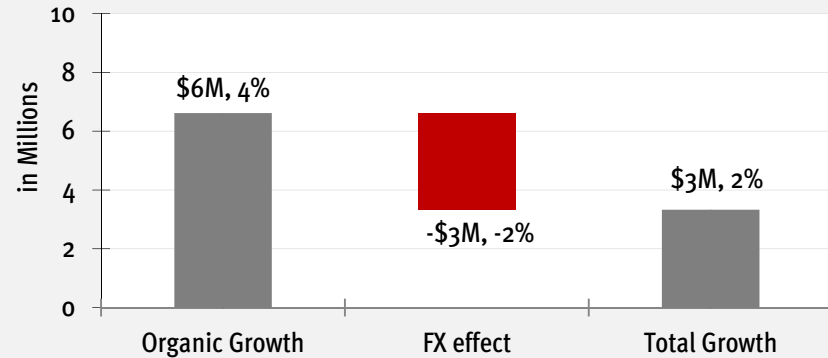
12% decrease from Q2 2015
7% increase from Q2 2014

Impact of FX on our Q2 2016 performance

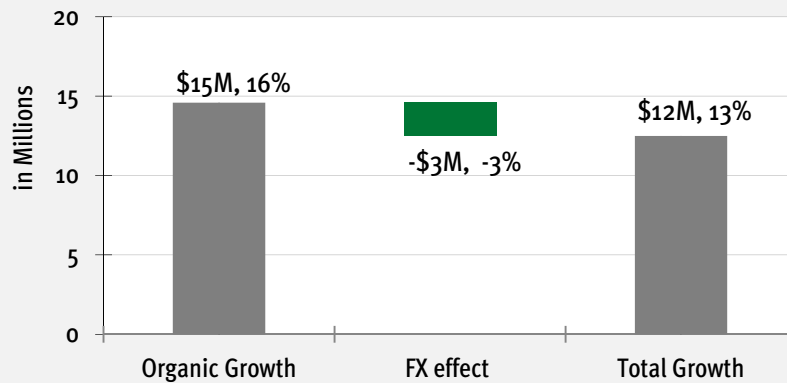
GAP and FX – Q2 2016 QoQ



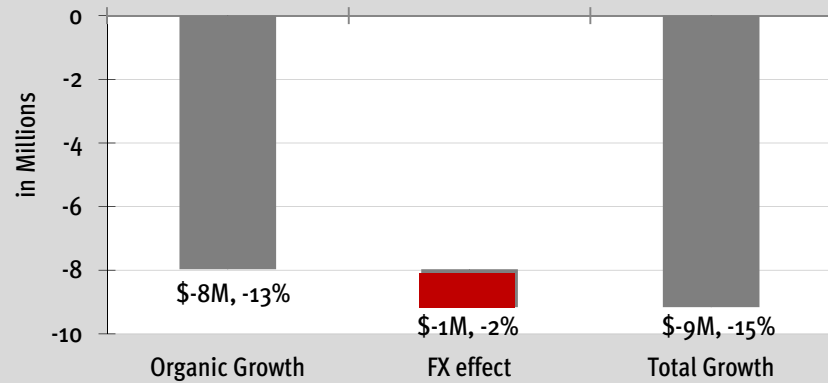
Revenue and FX – Q2 2016 QoQ



Expenses (DE, SG&A, D&A) and FX – Q2 2016



Operating Income and FX – Q2 2016 QoQ



Balance sheet scorecard – Q2 2016

Q2 2016 Balance sheet scorecard

<i>12 months trailing</i> (US Millions except for percent figures)	June 30, 2016	June 30, 2015	<i>Better / (Worse)</i>
Operating Free Cash Flow	\$81.6	\$218.1	<i>(63)%</i>
Working Capital Intensity	-19.8%	-23.9%	<i>(410) bps</i>
Capex Intensity	3.6%	3.2%	<i>(40) bps</i>
ROIC (Return on Invested Capital)	15.1%	14.5%	<i>60 bps</i>
RONA (Return on Net Assets)	25.4%	25.3%	<i>10 bps</i>
<i>RONA excluding term loan reclassification</i>	25.4%	22.8%	<i>260 bps</i>
Debt / Adjusted EBITDA	0.6x	0.6x	<i>no change</i>

Op Free Cash Flow affected by auction timing/inventory

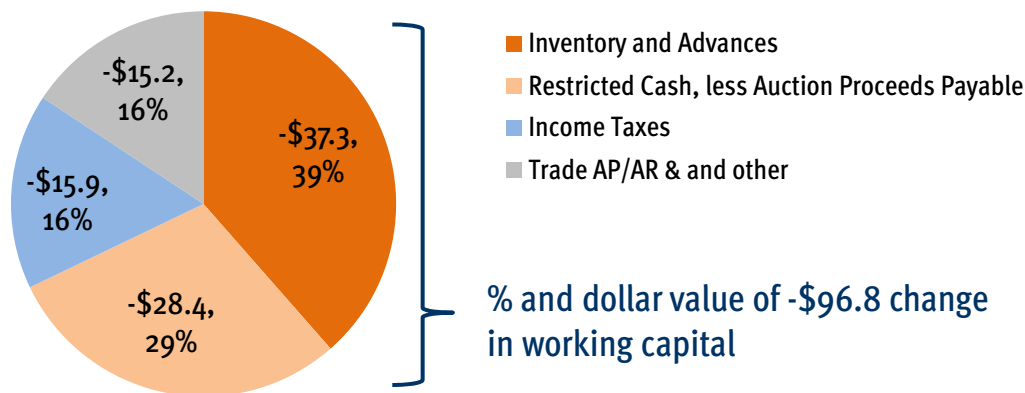
Changes in working capital negatively affected operating free cash flow – not a change in cash management; due to inventory decisions and timing of auctions

- Large increase in inventory and advances compared to year ago period
 - Further into sector specific bankruptcy cycles, you more often need to purchase outright rather than offering guarantees
- Timing was a large factor in working capital changes. Large auctions held near the end of the quarter in regions requiring restricted cash (cash not lifted from restricted status at end of quarter)

Working Capital changes (declines): H1 2016 vs. H1 2015

(US\$ mil)

Change in Working Capital:	H1 2016	H1 2015	Total change
	-\$52.9	+\$43.9	-\$96.8



Company remains
a strong cash
generator.

Capital allocation priorities

Priority	Discussion	
1. Grow dividends with earnings	Highly valued return of cash to shareholders	✓
2. Hold fully-diluted shares flat	Offset dilution from management stock options through share buybacks	✓
3. Acquisitions	Accelerate top-line growth and leverage the model	✓
4. Share buy-backs	Growth initiatives are a higher priority at this time	
5. Pay down debt	Only if better economic returns are not available	

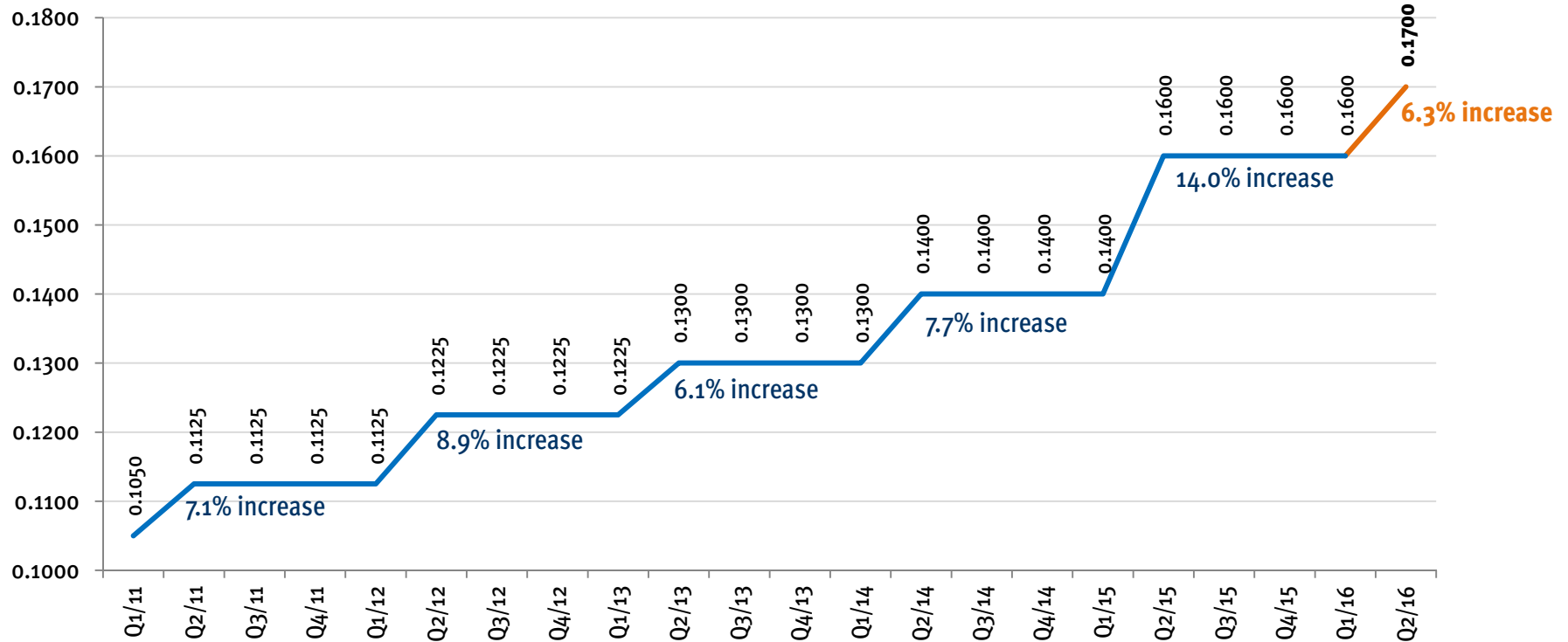
Consistently make use of cash on our balance sheet to facilitate underwritten transactions;
The strength of our balance sheet is a competitive advantage.

Increasing quarterly cash dividend by 6.3%

Growing our dividend alongside earnings; announced a 1 cent increase to quarterly cash dividend

Committed to 55-60% dividend payout, based on earnings trailing 12 months

Dividends declared (\$US cash dividends)



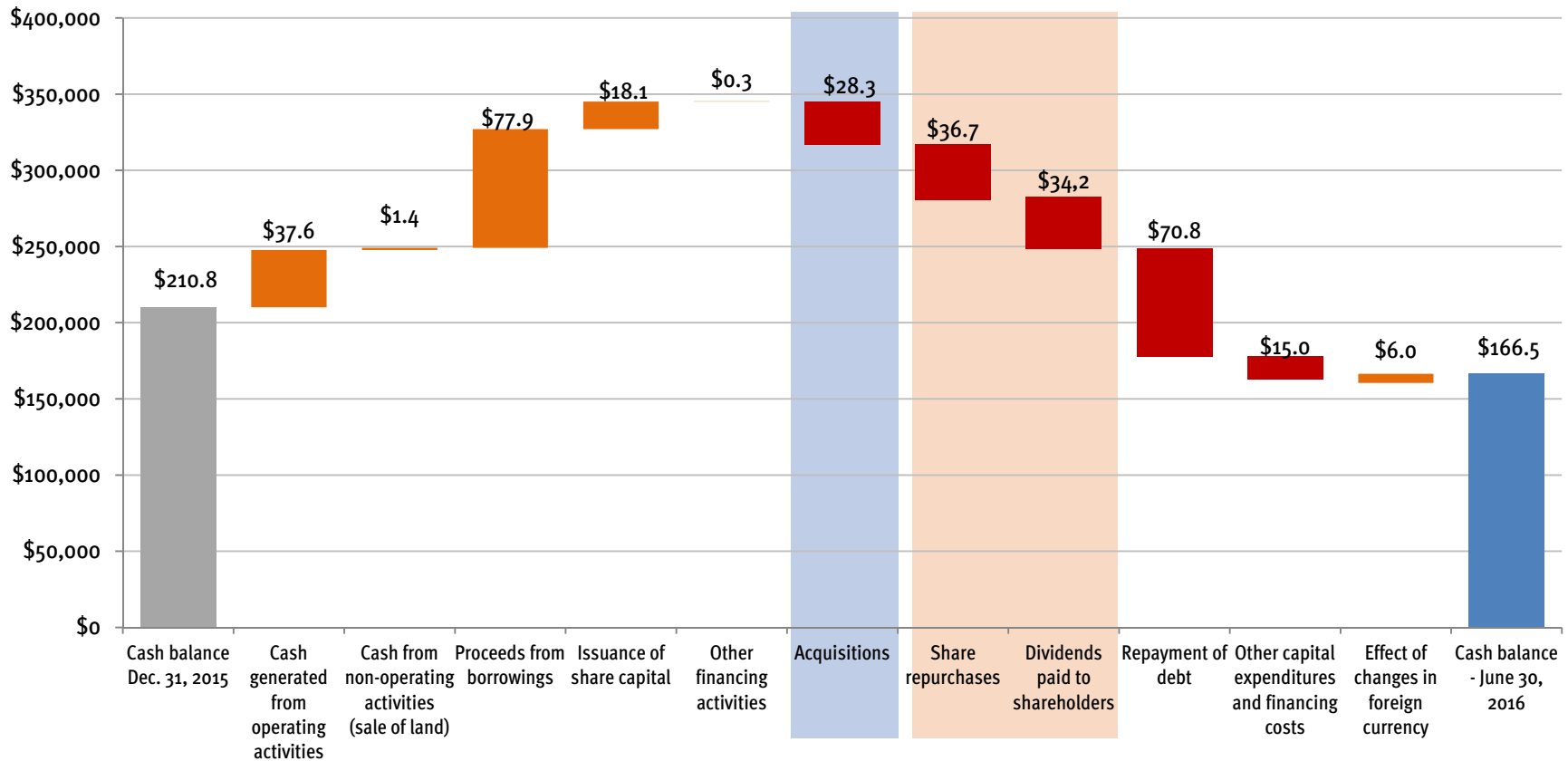
Allocating Cash to growth initiatives & shareholder returns

Use of Cash – H1 2016

(US\$ mil)

\$28 million spent on growth initiatives

\$71 million spent on returning cash to shareholders



Final Comments

Ravi Saligram, Chief Executive Officer

Acquisition activity has increased

Since November 2015 we have deployed \$90 million of capital to grow our sales channels and bolster our core business

- Subsequent to Q2 2016 we announced the acquisition of the remaining 49% stake of Ritchie Bros. Financial Services, a minority investment in Machinio, and the purchase of Petrowsky Auctioneers
- Continue to evaluate M&A opportunities that could be strategically important and/or accretive to GAP and earnings

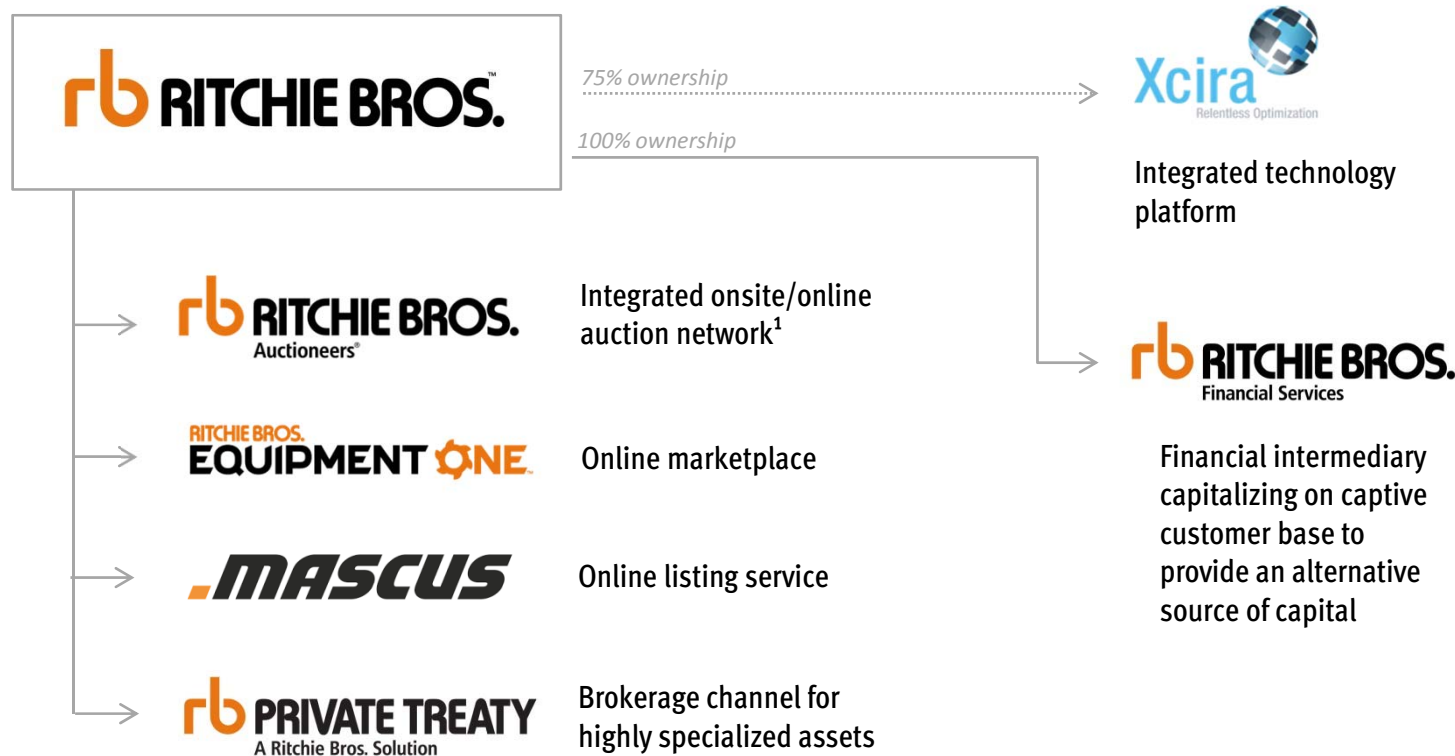
Recent M&A Activity:



Growing our sales platform

Ritchie Bros. offers four main sales channels to equipment owners











Business units are supported through Ritchie Bros. ownership of Xcira (online auction technology provider) and Ritchie Bros. Financial Services (financial solutions partner for equipment buyers).



H1 2016 financial highlights

While Q1 generated solid results, first half results for 2016 were proportionately impacted by larger Q2

Foreign exchange continues to have an impact on quarterly comparators

	Reported - % Growth		Constant Currency - % Growth	
	Versus H1 2015		Versus H1 2015	
GAP		4%		6%
Revenue		7%		10%
Operating Income		(3)%		(2)%
Diluted EPS attributable to stockholders		2%		n/a
Operating Free Cash Flow (12 month rolling)		(63)%		n/a
RONA excl. term loan reclass (12 month rolling)		260 bps		n/a
ROIC (12 month rolling)		60 bps		n/a

July GAP demonstrated strong YoY growth

Encouraged by trends we saw in July

Pricing appears to be stabilizing

Pipeline of large consignments is robust

July GAP up 7.8% on reported basis, 9.0% in constant currency

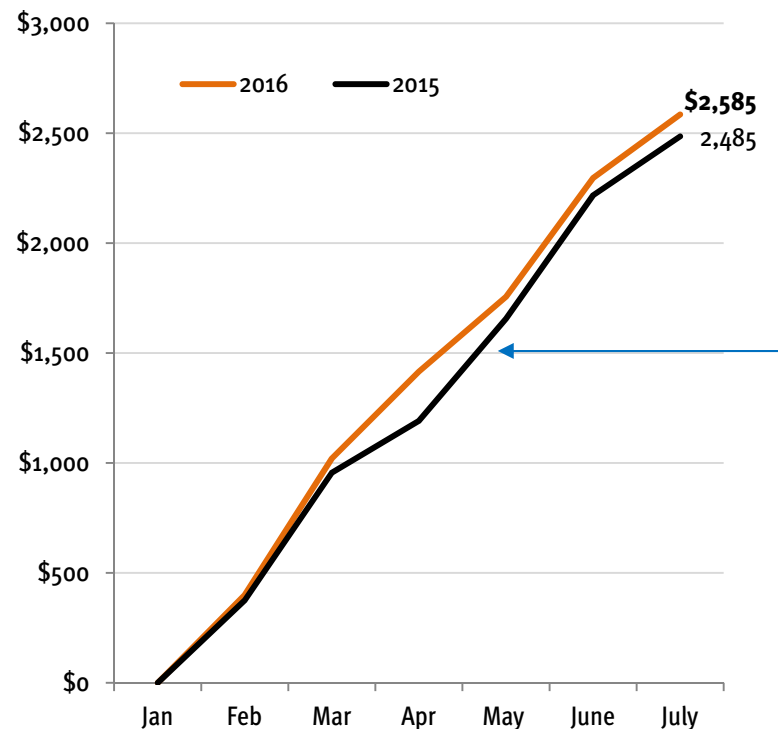
- Growth due largely to better performance of comparable auction sales relative to July last year
- 4 (new) additional industrial auctions added to July compared to July 2015
- While fewer Ag auctions were held, they were larger sales

2016 YTD GAP up 4.0%, 6.1% in constant currency

- Growth achieved in spite of softer pricing environment compared to 2015

Auction timing difference will cause
month-to-month volatility

Cumulative GAP growth YTD (US\$'000)



Operating leverage in our model is still intact

Immediately enacting measures to contain costs and accelerate revenue growth

1. Enforcing strict discipline on SG&A costs: focus on reducing overtime, travel expenditures and trade show participation
2. Already implemented a partial hiring freeze; continue to allow TMs to be hired in the field
3. Proactively looking for procurement efficiencies
4. Addressing inefficient sites in our auction site network; as a first step Beijing lease will not be renewed
5. Increased discipline on underwritten contracts
6. Strongly encouraging sales team to focus on consignments with higher value items; less small value lots
7. Refocusing on “Cash is King” program to reignite awareness of cash flow
8. We are restoring focus on our core construction sector



Q&A

Ravi Saligram, Chief Executive Officer

Sharon Driscoll, Chief Financial Officer

Jim Barr, Group President

Terry Dolan, President – US and Latin America

Randy Wall, President – Canada

Appendix

Evergreen Model

Age of equipment sold

Reconciliation of Non-GAAP measures

Non- GAAP Measures

The following tables reconcile non-GAAP measures referred to in this presentation to the most directly comparable GAAP measure reflected in the Company's financial statements

RBA's evergreen financial model

Performance Metric	Avg. Annual Growth Targets	2015 performance	
• GAP Growth (%)	High Single Digit to Low Double Digits	✓	+8% (organic)
• Revenue Growth (%) ⁽¹⁾	Mid Single Digit to High Single Digit	✓	+16% (organic)
• SG&A Growth (%)	Will grow slower than revenues	✓	+12% (organic, excl. D&A)
• Operating Income Margin	50 bps +	✓	+360 bps
• EPS Growth (%) ⁽²⁾	High Single Digit to Low Double Digits	✓	+22% (adjusted)
• Net Capex Intensity ⁽³⁾	<10%	✓	2.8% (abnormally low)
• OFCF ⁽⁴⁾ % of Net Earnings	>100%	✓	150%
• RONA ⁽⁵⁾ Increase	50 bps +	✓	+910 bps (excl. current portion of long term debt)
• Dividend Payout Ratio	55% to 60%	✓*	53% (*announced 6.3% increase to dividend Aug 8, 2016)
• Net Debt / EBITDA	<2.5X	✓	0.5X

Above model reflects our aspiration on how the model should work in the next 5 to 7 years

(1) Includes Tuck In and Bolt On acquisitions

(2) Variances may occur in certain years based on tax rate that is influenced by geographic revenue mix

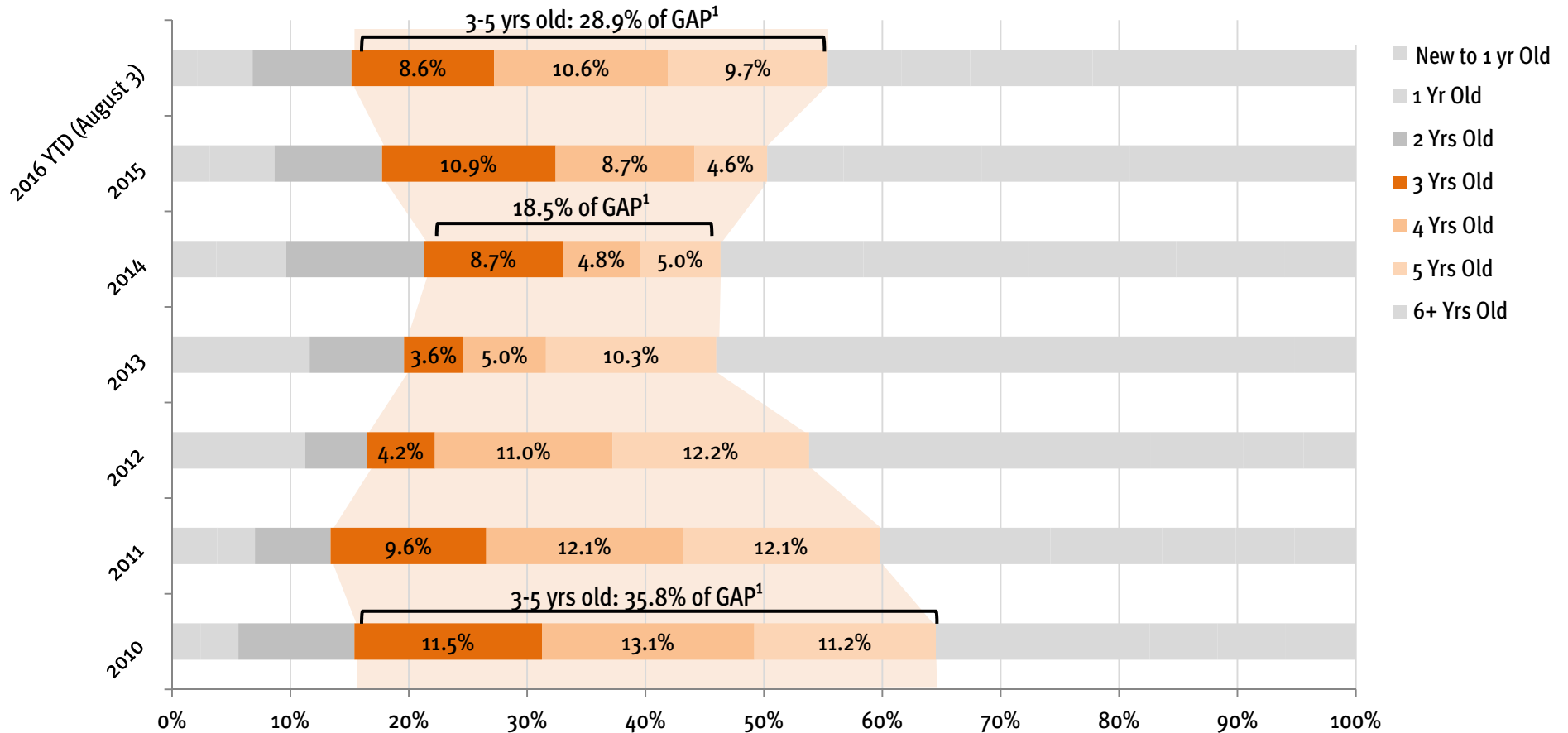
(3) Net Capital Spending as % of Revenue

(4) Operating Free Cash Flow

(5) Return on Net Assets

Age of equipment sold improving from past years

Age of Equipment sold at Ritchie Bros. Auctions¹



¹ Industrial auctions only. Excludes equipment over 10+ years and equipment with unknown ages.

Reconciliation of Non-GAAP Measures

The following table presents our OFCF results on a rolling 12-month basis, and reconciles that metric to cash provided by operating activities and net capital spending, which are the most directly comparable GAAP measures in our consolidated statements of cash flows:

(in U.S. \$ millions)	12 months ended June 30,		% Change
	2016	2015	2016 over 2015
Cash provided by operating activities	\$ 100.8	\$ 234.6	(57%)
Property, plant and equipment additions	22.4	17.2	30%
Intangible asset additions	11.0	11.0	-
Proceeds on disposition of property plant and equipment	(14.2)	(11.7)	21%
Net capital spending	\$ 19.2	\$ 16.5	16%
Operating Free Cash Flow	\$ 81.6	\$ 218.1	(63%)

The following table presents Working Capital Intensity results on a rolling 12-month basis, and reconciles that metric to trade and other receivables, inventory, advances against auction contracts, auction proceeds payable, and trade payables, which are the most directly comparable GAAP measures in the consolidated balance sheets:

(in U.S. \$ millions)	As at and for the 12 months ended June 30,		% Change
	2016	2015	2016 over 2015
Trade and other receivables	\$ 131.2	\$ 129.6	1%
Inventory	74.2	34.5	115%
Advances against auction contracts	1.9	9.0	(79%)
Auction proceeds payable	(275.3)	(256.8)	7%
Trade payables	(38.0)	(38.7)	(2%)
	\$ (106.0)	\$ (122.4)	(13%)
Revenues	535.5	511.8	5%
Working Capital Intensity	-19.8%	-23.9%	(17%)

Reconciliation of Non-GAAP Measures

The following table presents our Adjusted Net Income attributable to stockholders and ROIC results on a 12-month rolling basis, and reconciles those metrics to net income attributable to stockholders, long-term debt, and stockholders' equity, which are the most directly comparable GAAP measures in our consolidated financial statements:

(in U.S. \$ millions)	12 months ended June 30,		% Change 2016 over 2015
	2016	2015	
Net income attributable to stockholders	\$ 136.5	\$ 109.7	24%
Pre-tax adjusting items:			
Management reorganization	-	5.5	(100%)
Gain on sale of excess property	(8.4)	(3.4)	(147%)
Impairment loss	-	8.1	(100%)
Current income tax effect of adjusting items:			
Management reorganization	-	(1.3)	100%
Gain on sale of excess property	1.1	0.4	175%
Deferred tax adjusting item:			
Tax loss utilization	(7.9)	-	(100%)
Adjusted Net Income attributable to stockholders	\$ 121.3	\$ 119.0	2%
Opening long-term debt	105.2	128.3	(18%)
Ending long-term debt	102.7	105.2	(2%)
Average long-term debt	\$ 104.0	\$ 116.8	(11%)
Opening stockholders' equity	691.1	715.8	(3%)
Ending stockholders' equity	709.0	691.1	3%
Average stockholders' equity	\$ 700.1	\$ 703.5	-
Average invested capital	\$ 804.1	\$ 820.3	(2%)
ROIC	15.1%	14.5%	4%

Reconciliation of Non-GAAP Measures

RONA is a non-GAAP financial measure that the Company believes, by comparing on a 12-month rolling basis for different financial periods, provides useful information about the after-tax returns generated by the Company's net assets employed by the business. The Company calculates RONA by dividing net income attributable to stockholders, excluding net after-tax interest expenses, by total assets, excluding cash and cash equivalents, restricted cash, and current liabilities.

(in U.S. \$ millions)	As at and for the 12 months ended June 30,			% Change 2016 over 2015
	2016	2015		
Net income attributable to stockholders	\$ 136.5	\$ 109.7		24%
<i>Less:</i> Interest income	(2.1)	(2.6)		(19%)
<i>Add:</i> Interest expense	4.8	5.1		(6%)
<i>Less:</i> Income tax recovery on finance costs	(0.5)	(0.7)		(29%)
	\$ 138.7	\$ 111.5		24%
Total assets	\$ 1,325.4	\$ 1,242.1		7%
<i>Less:</i> Cash and cash equivalents	(166.5)	(214.2)		(22%)
<i>Less:</i> Restricted cash	(196.2)	(151.0)		30%
<i>Less:</i> Current liabilities	(416.6)	(435.5)		(4%)
	\$ 546.1	\$ 441.4		24%
RONA	25.4%	25.3%		-

Reconciliation of Non-GAAP Measures

The following table presents our Debt/Adjusted EBITDA results as at and for the 12 months ended June 30, 2016 and 2015, as well as reconciles that metric to debt and net income, which are the most directly comparable GAAP measures in our consolidated financial statements:

(in U.S. \$ millions)	As at and for the 12 months ended June 30,			% Change
	2016	2015	2016 over 2015	
Short-term debt	\$ 22.4	\$ 13.8		62%
Long-term debt	102.7	105.2		(2%)
Debt	\$ 125.1	\$ 119.0		5%
Net income	\$ 139.2	\$ 111.5		25%
<i>Add:</i> depreciation and amortization expenses	41.0	44.4		(8%)
<i>Less:</i> interest income	(2.1)	(2.6)		(19%)
<i>Add:</i> interest expense	4.8	5.1		(6%)
<i>Add:</i> current income tax expense	38.5	45.4		(15%)
<i>Less:</i> deferred income tax recovery	(4.7)	(1.8)		161%
Pre-tax adjusting items:				
Management reorganization	-	5.5		(100%)
Gain on sale of excess property	(8.4)	(3.4)		(147%)
Impairment loss	-	8.1		(100%)
Adjusted EBITDA	\$ 208.3	\$ 212.2		(2%)
Debt/Adjusted EBITDA	0.6x	0.6x		-