Q4 and 2016 Earnings Review and Update

February 21, 2016

Forward looking statements and non-GAAP measures

Caution Regarding Forward-Looking Statements

This presentation contains forward-looking statements and forward-looking information within the meaning of applicable U.S. and Canadian securities legislation (collectively, "forward-looking statements"), including, in particular, statements regarding the terms and potential benefits of the proposed transaction between Ritchie Bros. and IronPlanet, the terms and conditions of the proposed transaction, the expected timetable for completing the proposed transaction, benefits and synergies of the proposed transaction, future opportunities for the combined businesses of Ritchie Bros. and IronPlanet, future financial and operational results and any other statements regarding events or developments that Ritchie Bros. believes or anticipates will or may occur in the future. Forward-looking statements are statements that are not historical facts and are generally, although not always, identified by words such as "expect", "plan, "anticipate", "project", "target", "potential", "schedule", "forecast", "budget", "estimate", "intend" or "believe" and similar expressions or their negative connotations, or statements that events or conditions "will", "would", "may", "could", "should" or "might" occur. All such forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Forward-looking statements necessarily involve assumptions, risks and uncertainties, certain of which are beyond Ritchie Bros.'s control, including risks and uncertainties related to: general economic conditions and conditions affecting the industries in which Ritchie Bros., IronPlanet and Caterpillar operate; obtaining regulatory approvals in connection with the proposed transaction; each of Ritchie Bros.' and IronPlanet's ability to satisfy the merger agreement conditions and consummate the transaction on the anticipated timetable, or at all; Ritchie Bros.' ability to successfully integrate IronPlanet's operations and employees with Ritchie Bros.' existing business; the ability to realize anticipated growth, synergies and cost savings in the proposed transaction; the maintenance of important business relationships; the effects of the IronPlanet transaction on relationships with employees, customers, other business partners or governmental entities; transaction costs; deterioration of or instability in the economy, the markets we serve or the financial markets generally; as well as the risks and uncertainties set forth in Ritchie Bros.' Annual Report on Form 10-K for the year ended December 31, 2016, which is available on the SEC, SEDAR, and Ritchie Bros.' website. The foregoing list is not exhaustive of the factors that may affect Ritchie Bros.' forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, and actual results may differ materially from those expressed in, or implied by, these forward-looking statements. Forward-looking statements are made as of the date of this presentation and Ritchie Bros. does not undertake any obligation to update the information contained herein unless required by applicable securities legislation. For the reasons set forth above, you should not place undue reliance on forward-looking statements.

This presentation contains certain 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. These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understand and assessing our financial condition and results. Therefore, these measures should not be considered in isolation or as alternatives to measures of profitability, liquidity or other performance under GAAP. These measures may not be comparable to similarly-titled measures used by other companies.

This presentation also includes certain forward-looking non-GAAP financial measures. We are unable to present a quantitative reconciliation of this forward-looking non-GAAP financial information because management cannot reliably predict all of the necessary components of such measures. Accordingly, investors are cautioned not to place undue reliance on this information.

All figures are in US dollars, unless otherwise noted.

Update from Ravi Saligram

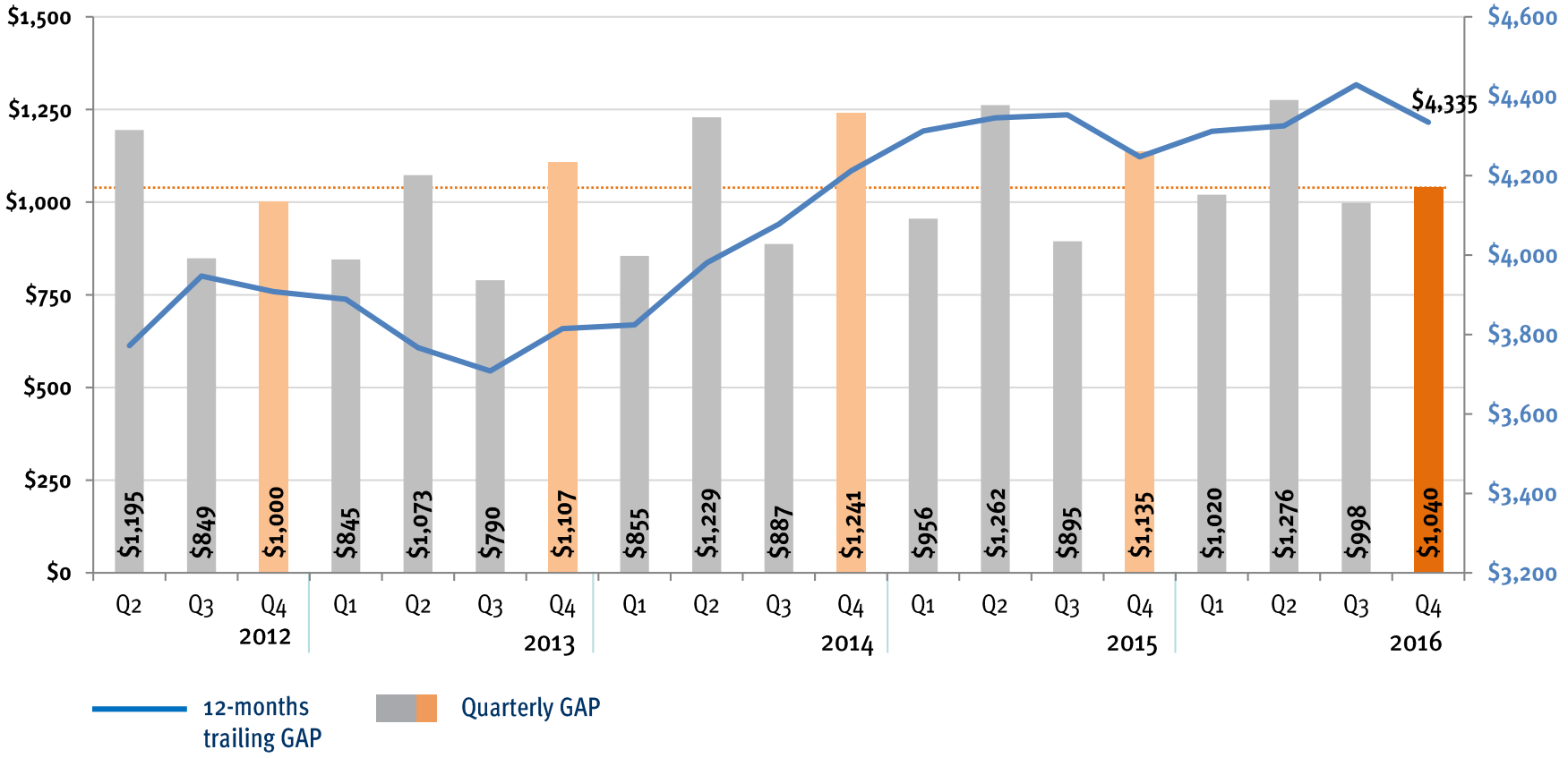
Chief Executive Officer

RITCHIE BROS.™

Gross auction proceeds (GAP): $4.3 bil in 2016

Fourth quarter GAP affected by action timing differences and used equipment pricing (relative to year ago quarter).

Quarterly Gross Auction Proceeds ($US millions)



Total revenue grew 10%, pre-existing[1] business revenue grew 5% in 2016

The strength of our core business lines continues to generate meaningful growth

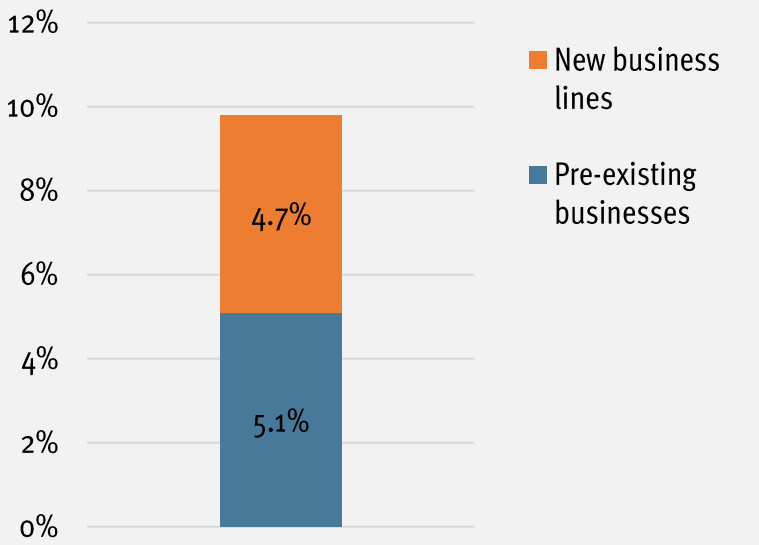
- Underwritten rate went up nearly 100 bps and straight commission increased slightly
- RBFS revenue grew 30% from 2015

Revenue from new business lines supplement the growth trajectory of our core offerings Diversification strategy is working

10% Revenue growth for the entire company, including new business lines =

2016 Revenue Rate of 13.07%

Contributions to 10% reported revenue growth



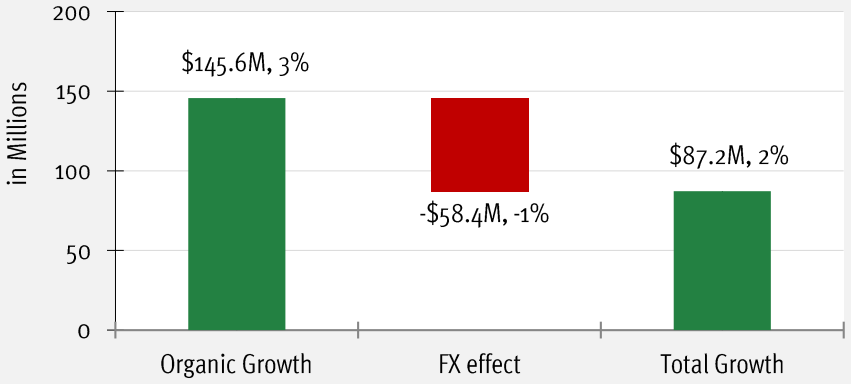
"New business lines" include:

- Private Treaty
- Xcira
- Mascus
- Petrowsky
- Kramer

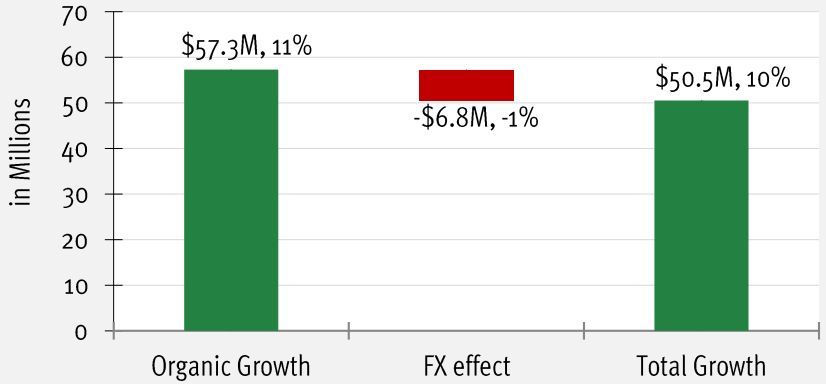
[1] Pre-existing businesses are those that were not acquired or started in the last 5 quarters

Impact of FX on our 2016 annual performance: Not significant

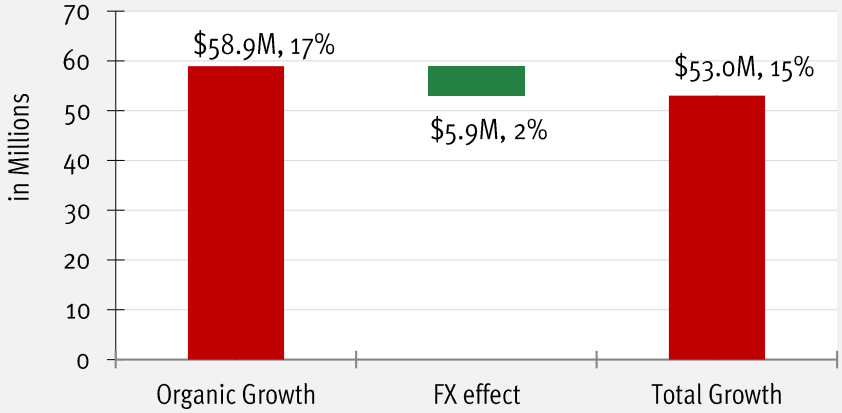
GAP and FX: 2016 vs. 2015



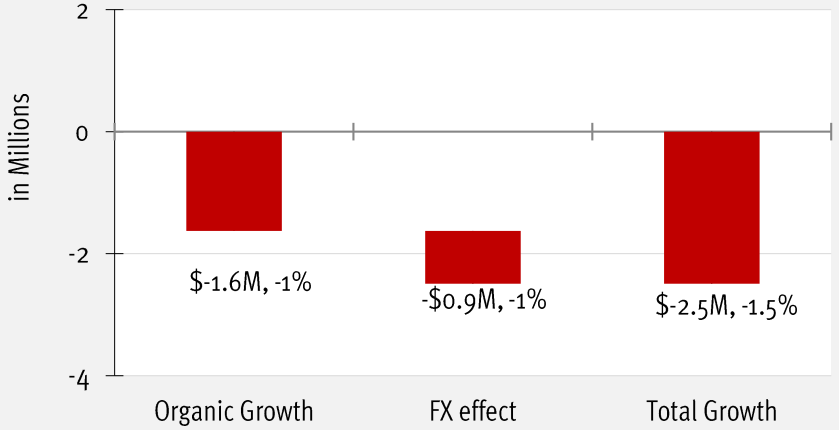
Revenue and FX: 2016 vs. 2015



Expenses (CoS, SG&A, D&A) and FX



Adj. Operating Income & FX: 2016 vs. 2015



* Figures rounded to the million

2016 financial summary

Strong reported revenue growth of 10%

Adjusted operating income and diluted EPS roughly in line with prior year

Adjusted figures remove the impact of non-recurring items (such as E1 write down and debt extinguishment costs)
Adjusted figures still include the impact of $11.8 million of acquisition-related expenses

	2016 Performance (US$ millions, except % and EPS)	Reported % Growth Versus 2015
GAP	$4,334.8	↑ 2%
Revenue	$566.4	↑ 10%
SG&A expenses	$283.5	↑ 11%
Acquisition-related costs	$11.8	↑ >100%
Adjusted Operating Income (non-GAAP)	$164.0	↓ (1%)
Adjusted Operating Income Margin	28.9%	↓ -340 bps
Diluted Adjusted Earnings Per share attributable to stockholders	$1.15	↑ 2%
Operating Free Cash Flow (12 month rolling, a non-GAAP measure)	$147.8	↓ (19%)
ROIC excluding escrowed debt (12 month rolling)	15.5%	↑ +40 bps

Reconciliation of 2016 US GAAP, Adjusted and Comparable figures

2016 ($US Millions except for EPS, %)	US GAAP	Adjusted (Non-GAAP)	Comparable (Non-GAAP)
Revenues	$566.4	$566.4	$566.4
Costs of services, excluding Depreciation & Amortization	66.1	66.1	66.1
Selling, general and administrative expenses	283.5	283.5	283.5
Acquisition-related costs	11.8	11.8	(excluded)
Depreciation & Amortization	40.9	40.9	40.9
(Gain) on disposal of property, plant and equipment	(1.3)	(1.3)	(1.3)
Impairment loss	28.2	(excluded)	(excluded)
Foreign exchange loss	1.4	1.4	1.4
Operating Income	**$135.7**	**$164.0**	**$175.8**
Debt extinguishment costs	6.8	(excluded)	(excluded)
Interest paid on Bond (proceeds currently held in escrow)	0.8	0.8	(excluded)
Other Income (expenses), excl. debt extinguishment costs and interest paid on bond	2.4	2.4	2.4
Tax deduction of impairment charge	1.8	--	--
Tax deduction on acquisition-related costs	2.5	2.5	--
Tax deduction on debt extinguishment costs	1.8	--	--
Tax deduction on Interest on Bond (in escrow)	0.2	0.2	--
Income tax expense	37.0	40.6	43.3
Net Income	**$93.5**	**$125.0**	**$134.9**
Diluted Earnings Per Share attributable to stockholders	$0.85	$1.15	$1.24
Effective tax rate	28.3%	24.5%	24.3%

Clarifying our 2016 results

US GAAP (REPORTED)

Includes full impact of E1 write down, debt extinguishment costs and acquisition-related costs

$0.85
Diluted earnings per Share attributable to stockholders

$135.7
Million in Operating Income

24.0%
Operating Income margin

ADJUSTED (NON-GAAP)

Excludes impact of E1 writedown and debt extinguishment costs; still includes impact of acquisition-related costs and interest on bonds in escrow

$1.15
Diluted adjusted EPS attributable to stockholders

$164.0
Million in adjusted Operating Income

28.9%
Adjusted Operating Income margin

COMPARABLE (NON-GAAP)

Excludes impact of all the E1 writedown, debt extinguishment costs, interest on bonds in escrow and acquisition-related costs

$1.24
Diluted adjusted EPS attributable to stockholders, excluding acquisition-related costs

$175.8
Million in adjusted Operating Income, excluding acquisition-related costs

31.0%
Adjusted operating income margin, excluding acquisition-related costs

Comparing 2016 to 2015 results

US GAAP (REPORTED)

Includes full impact of E1 write down, debt extinguishment costs and acquisition-related costs

(33%)
Diluted EPS attributable to stockholders

(22%)
Million in Operating Income

(990) bps
Operating Income margin

ADJUSTED (NON-GAAP)

Excludes impact of E1 write down and debt extinguishment; still includes impact of acquisition-related costs and interest on bonds in escrow

2%
Diluted adjusted EPS attributable to stockholders

(1%)
Million in adjusted Operating Income

(340) bps
Operating Income margin

COMPARABLE (NON-GAAP)

Excludes impact of all the E1 write down, debt extinguishment costs, interest on bonds in escrow and acquisition-related costs

10%
Diluted adjusted EPS attributable to stockholders, excluding acquisition-related costs

5%
Million in adjusted Operating Income, excluding acquisition-related costs

140 bps
Adjusted operating income margin, excluding acquisition-related costs

2016 Comparable figure financial summary

We delivered solid performance in 2016 on a comparable basis

Comparable figures exclude non-recurring and acquisition-related items

	2016 Comparable Performance[1] (US$ millions, except % and EPS)	Comparable % Growth Versus 2015
GAP	$4,334.8	2%
Revenue	$566.4	10%
Opex	$349.6	13%
Operating Income Margin	31.0%	-140 bps
Diluted earnings per share attributable to stockholders	$1.24	10%
Capex Intensity	5.3%	+250 bps
OFCF as a % of Net Income	118%	
ROIC excluding escrowed debt (12 month rolling)	16.8%	+170 bps

[1] Not adjusted for Foreign Exchange

Meeting our Evergreen Model targets:

On average we have achieved or exceeded all targets except GAP

Performance Metric	Avg. Annual Growth Targets	2015 performance	2016 performance	Average
GAP Growth (%)	High Single Digit to Low Double Digits	✓ +8% constant currency	X +3% constant currency	X 5.5% constant currency
Revenue Growth (%)	Mid Single Digit to High Single Digit	✓ +7% reported +16% constant currency	✓ +10% reported +11% constant currency	✓ +8.5% reported +13.5% constant currency
Operating Expense Growth (%) (COS + SG&A)	Will grow slower than revenues	✓ +3% comparable	X +13% comparable	✓ +8% comparable
Operating Income Margin	50 bps +	✓ +370 bps comparable	X -140 bps comparable	✓ +115 bps comparable
EPS Growth (%)	High Single Digit to Low Double Digits	✓ +22% comparable	✓ +10% comparable	✓ +16% comparable
Net Capex Intensity	<10%	✓ 2.8% (abnormally low)	✓ 5.3%	✓ 4.1%
OFCF % of Net Income	>100%	✓ 150% of comparable NI	✓ 120% of comparable NI	✓ 135% of comparable NI
ROIC (excluding escrowed debt) Increase	50 bps +	✓ +310 bps comparable	✓ +170 bps comparable	✓ +240 bps comparable
Dividend Payout Ratio	55% to 60%	✓ * 53% using adj. NI (*announced 14% increase in dividend in Aug. 2015 based on TTM earnings)	✓ 57% using adjusted NI	✓ 55% using adjusted NI
Net Debt / EBITDA	<2.5X	✓ 0.5X	✓ 0.6X (removes impact of bonds)	✓ 0.55X (removes impact of bonds)

2016 Key Accomplishments

Delivered solid financial performance and met key Evergreen Model targets

- Significant improvement in Underwritten Rate
- Strong Canadian and Australian performance

Achieved 49.4% TSR return in 2016

Announced acquisition of IronPlanet and launched Integration Planning committees

Completed successful strategic alliance with Caterpillar for the combined company

Completed refinancing of credit facility and successfully completed $500 million bond offering

- Financing in place for IronPlanet acquisition close

Completed acquisition of Mascus, Petrowsky, and Kramer; acquired 100% of Ritchie Bros. Financial Services

Strengthened executive team and next few levels throughout the organization through new hires and promotions

Private Treaty is becoming an important sales channel, and is gaining traction

Making progress on fixing the 'pain points' currently on our legacy systems

2016 Sales Highlights

Denver, Colorado – March 17-18, 2016
US$46+ million of GAP
LARGEST EVER DENVER AUCTION

Tipton, California – August 17, 2016
US$21+ million of GAP
LARGEST EVER TIPTON AUCTION

Columbus, Ohio – September 28-29, 2016
US$76+ million of GAP
LARGEST EVER COLUMBUS AUCTION ,
LARGEST EVER SINGLE DAY AT AN RBA US AUCTION

Grande Prairie, Alberta – March 14-15, 2016
CA$62 million+ (US$46+ million) of GAP
LARGEST EVER GRANDE PRAIRIE AUCTION

Bonanza, Alberta – March 30, 2016
CA$24 million+ (US$19+ million) of GAP
LARGEST EVER 'ON THE FARM' AGRICULTURAL AUCTION

Edmonton, Alberta – April 26-30, 2016
CA$240 million+ (US$191+ million) of GAP
LARGEST AUCTION EVER HELD IN CANADA,
SECOND LARGEST IN COMPANY HISTORY

Lethbridge, Alberta – July 21-11, 2016
CA$24+ million (US$18+ million) of GAP
LARGEST EVER LETHBRIDGE AUCTION

Toronto, Ontario – September 28-29, 2016
CA$39+ million (US$30+ million) of GAP
LARGEST EVER TORONTO AUCTION

PRIVATE TREATY TRANSACTIONS
US$46 million of assets sold for customers through our private treaty sales channel



Canada continued to drive growth, on an absolute dollar basis

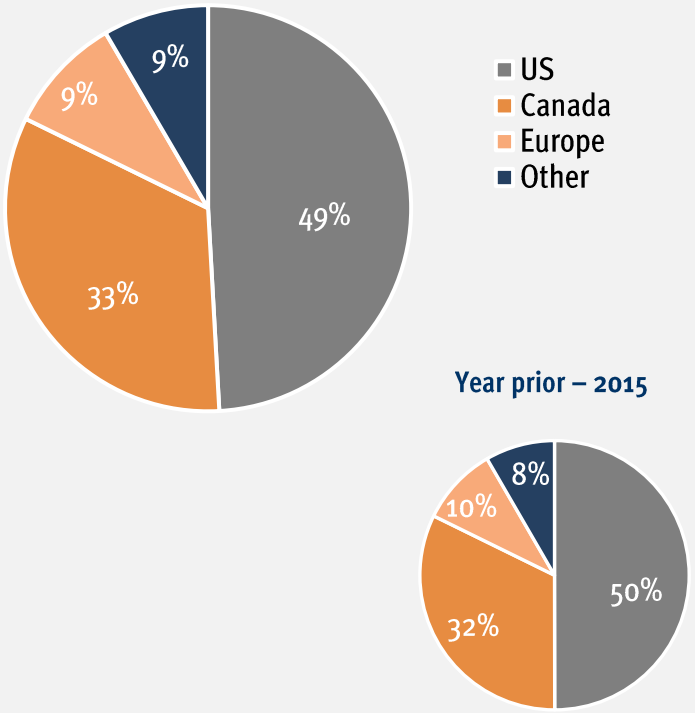
Australia had a great year, Private Treaty is becoming meaningful

US growth was below our targets, given opportunity we believe exists there

- TM turnover in this region negatively affected productivity in H1 2016
- International bidders have declined at US auctions given strength of US dollar
- Mix of items consigned in the US was negatively affected by Transport asset pricing trends
- Uncertainty created in H2 given US election caused a temporary pause

Geographic breakdown of 2016 revenue

$US revenue, as reported by geography (all business lines)



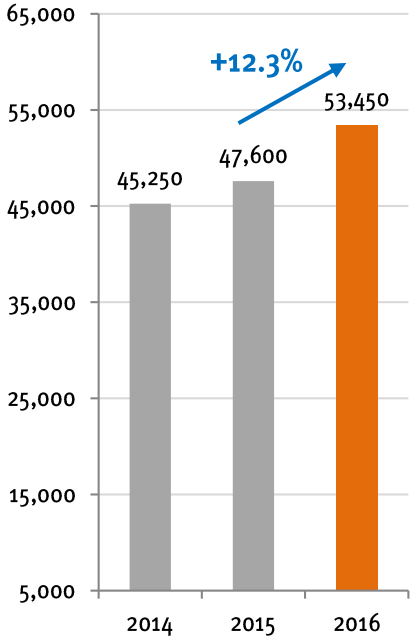
Industrial auction operational metrics demonstrate health of business

2016 Operational metrics were strong

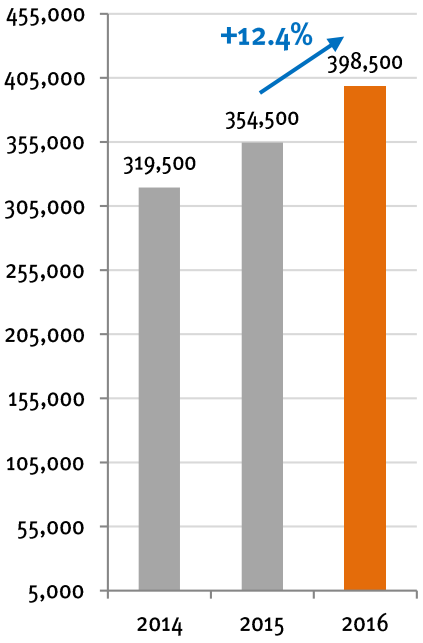
Lot and consignor numbers grew more than 12% during 2016; buyers grew 11.9%

All are new records for RBA

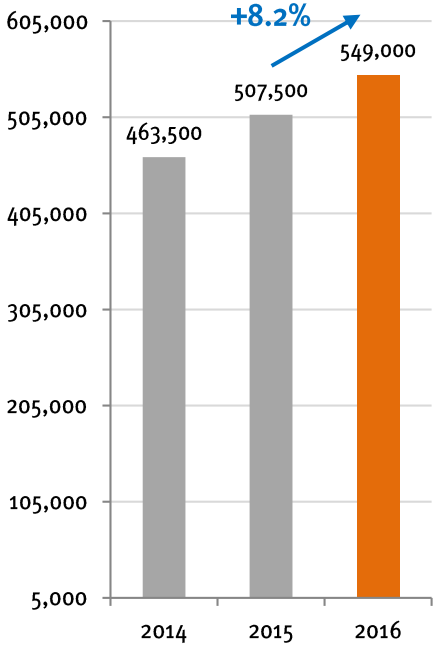
Consignors



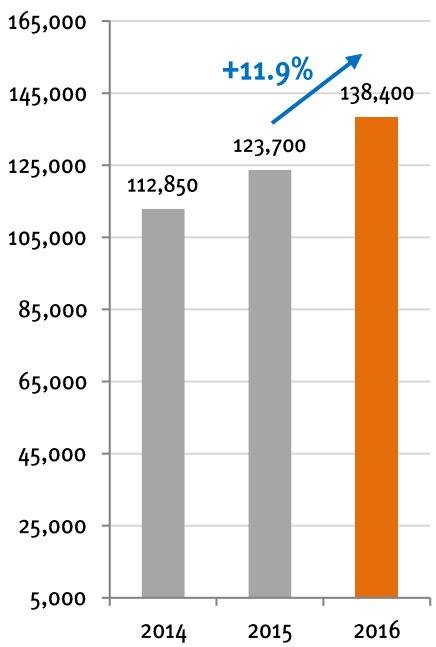
Lots



Registered bidders



Buyers



[1] Data is for Industrial auctions only.

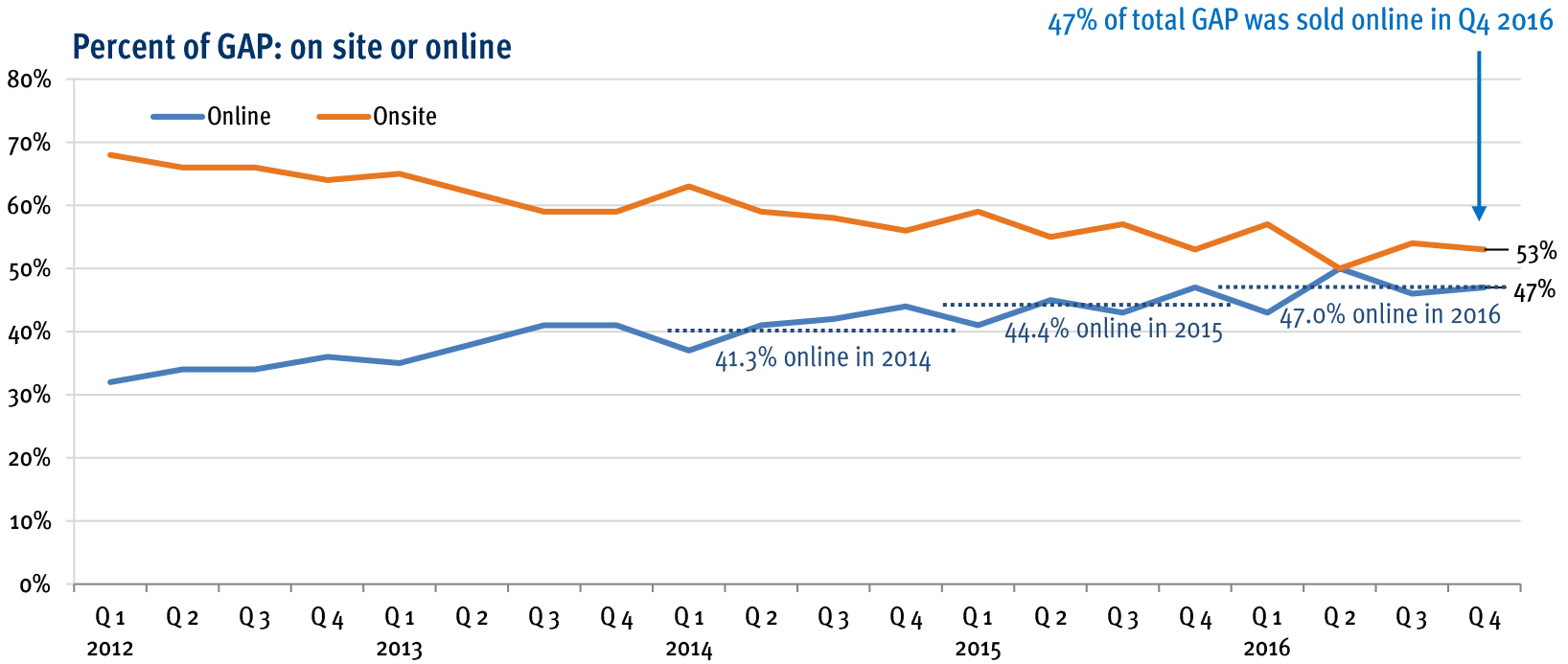
Online bidding continues to be an important option for buyers

During 2016, 53% of buyers purchased their assets through online transactions

- Up from 50% in 2015 and 47% in 2014

Online & on site transactions continue to converge: Q4 stats

- During Q4 2016, 47% of GAP was transacted through online bidding or E1
- 55.5% of buyers during Q4 2016 purchased their assets through online transactions



*Industrial auction data

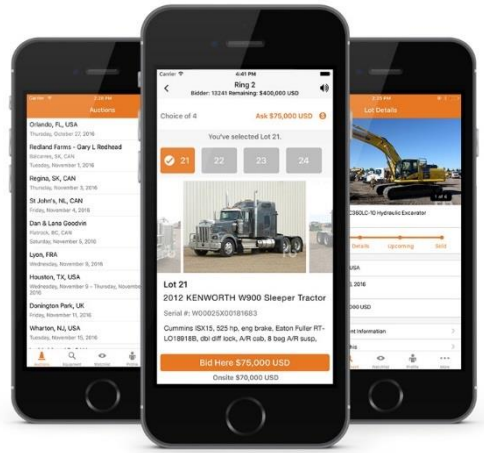
Investments in mobile technology are gaining traction

Mobile bidding app was officially launched on July 11, 2016

In the 5 months since its launch:

- 22,290 users from 132 countries
- 11,000+ active monthly
- 4.5 star rating on Apple App Store; 4.4 star rating on Google Play
- 272,222 engaged searches
- 30,553 items added to 'watch lists' (function went live Sept. 27)
- 5,207 auction registrations
- 10,552 bids
- 736 lots purchased, ~2% of total online GAP (US$11.5 million)

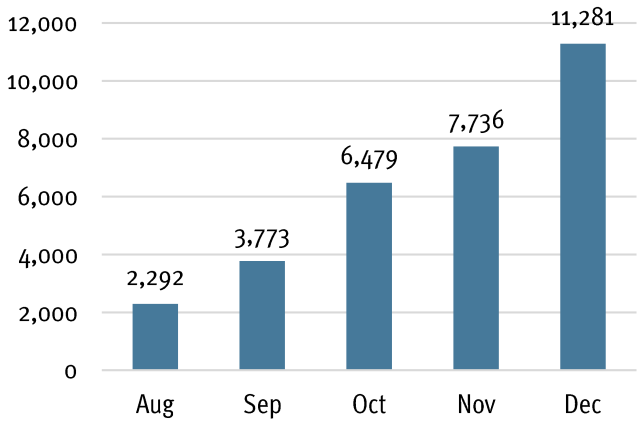
Way-Finder App launched in Phoenix and Orlando



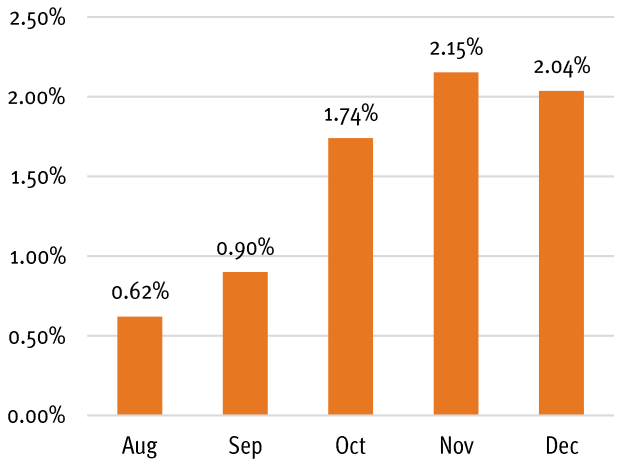
Currently available globally in English

February 2017 will see releases in Spanish, French, Italian and German.

Monthly Average Users



% of Online GAP generated by Mobile App bids



Detailed operating performance of "Other" sales channels

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 $24 million of revenue in 2016
- Both E1 and Mascus were profitable in 2016
- Postponed any expansion of E1 into Europe, pending final integration strategy with IronPlanet
- E1 GTV grew 23% in 2016, compared to 2015
- E1 had a record December for GTV; momentum has built into 2017

Performance metric	EquipmentOne – 2016 full year	Mascus – 2016 full year
GTV	$148.0 million	Not applicable
Revenue Rate (Revenue/GTV)	11.1%	100% (all fee-based revenue, not associated GAP)
Revenue	$16.5 million	$7.5 million

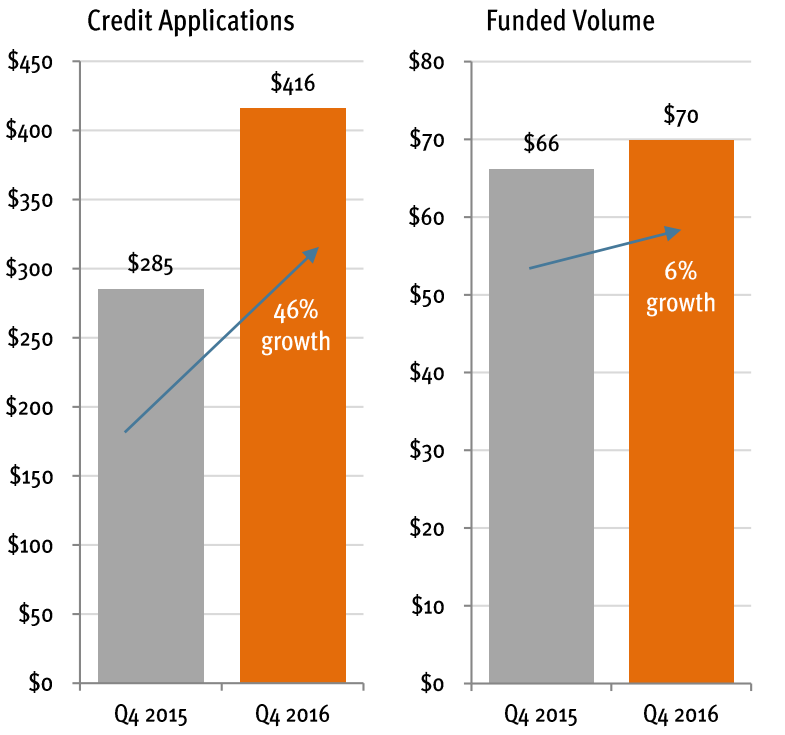
Performance metric	EquipmentOne – Q4 2016	Mascus – Q4 2016
GTV	$40.6 million	Not applicable
Revenue Rate (Revenue/GTV)	11.8%	100% (all fee-based revenue, not associated GAP)
Revenue	$4.8 million	$2.2 million

Ritchie Bros. Financial Services

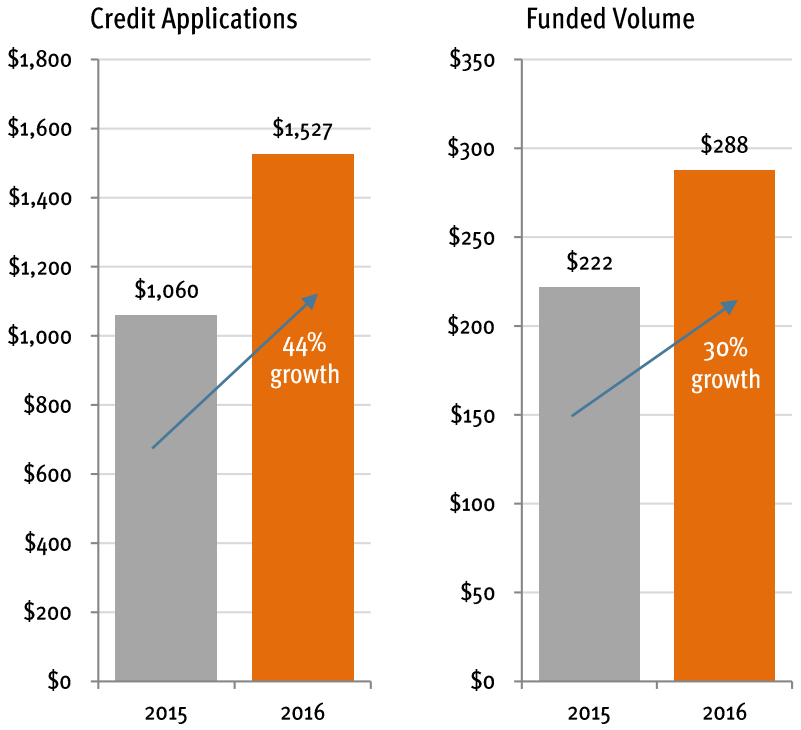
During 2016, RBFS revenue grew 30% to $12.8 million

RBFS contributed $0.04 to diluted EPS attributable to shareholders during 2016[1]

Q4 2016 RBFS metrics
($US millions)



Full year 2016 RBFS metrics
($US millions)



[1] Had RB owned 100% RBFS for the entire year, the contribution would have been $0.05

Q4 2016 Performance

Sharon Driscoll, Chief Financial Officer

RITCHIE BROS.™

Q4 2016 highlights

Edmonton, Alberta: December 8–9, 2016
CA$66+ million of GAP (US$50+ million)

Fort Worth, Texas: November 30–December 1, 2016
US$40+ million of GAP

Houston, Texas: November 9–10, 2016
US$43+ million of GAP

Edmonton, Alberta: October 25–28, 2016
CA$129+ million of GAP (US$96+ million)
4-DAY AUCTION

Private Treaty transactions
US$38+ of GAP during fourth quarter





Q4 GAP impacted by auction timing

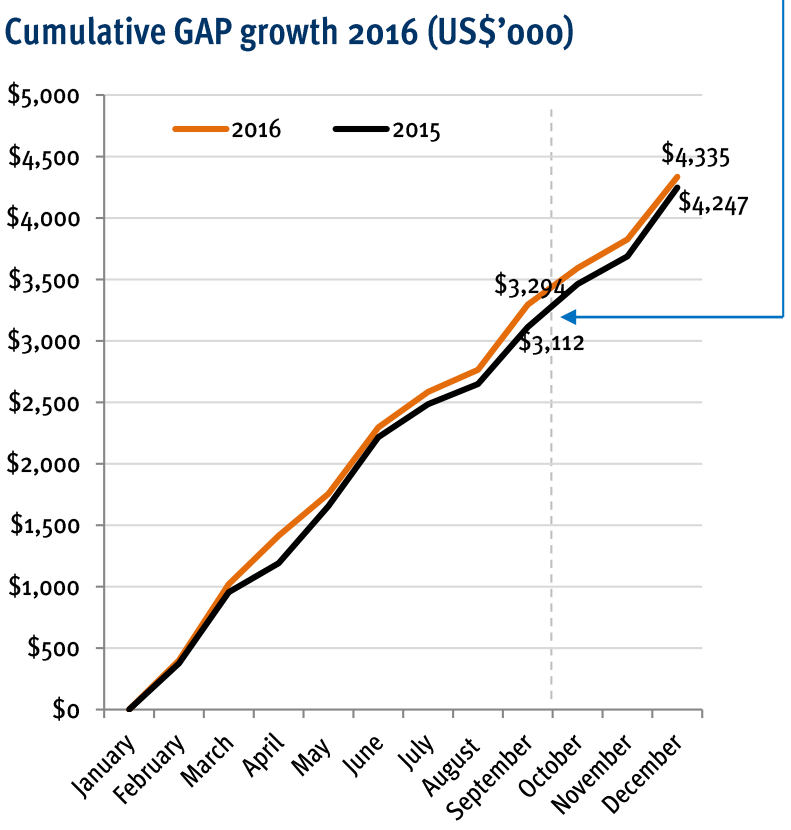
Auction timing impacted Q4 GAP results

- Reported Q4 2016 GAP declined 8% compared to Q4 2015
- Montreal and Columbus auctions occurred in Q3 this year (rather than in Q4 last year)
- Approx. $53 mil of GAP was generated from these two sites in the comparable auctions in 2015
- Adjusting these two auctions to Q3 of 2015 rather than Q4 2015, 'normalized':
  - Q3 2016 GAP grew 5.3%
  - Q4 2016 GAP declined 3.8%

2016 reported GAP increased 2.1%

- FX swings did impact reported GAP vs. constant currency GAP earlier in the year
- 2016 GAP increased 3.4% on a constant currency basis

Auction timing difference will cause monthly or quarterly volatility



Equipment pricing impacts

Equipment pricing has held relatively flat compared to Q3; down ~5% from Q4 last year

Construction assets continued to meet or exceed our pricing expectations in Q4

- On average, hydraulic excavators saw a 10% price increase from Q2 at US auctions (flat at Canadian auctions)
- Wheel loaders sold in the US saw mostly flat pricing

Transportation assets continue to face pricing pressure

Still plenty of choice for buyers in all used-truck sales streams

- Truck Tractors were down ~5% at US auctions on average since Q3
- Vocational trucks still holding, seeing some strength in Construction-based trucks, such as dump trucks (either T/A or Tri-A configurations)

Ag gear continues to perform well in Canada; more volatility in the US

Mining assets have performed better in recent months, than in prior 4 years

- Seeing some greenshoots
- Commodity pricing driving this recent activity. Assets are being put back into service, and idled Mines are reestablishing more than just shutdown maintenance

Oil and gas service companies more optimistic in North America as a result of pipeline approvals

- Sector based assets have experienced some life, as Winch Tractors, Bed Trucks and Crane truck pricing more stable than previous quarters

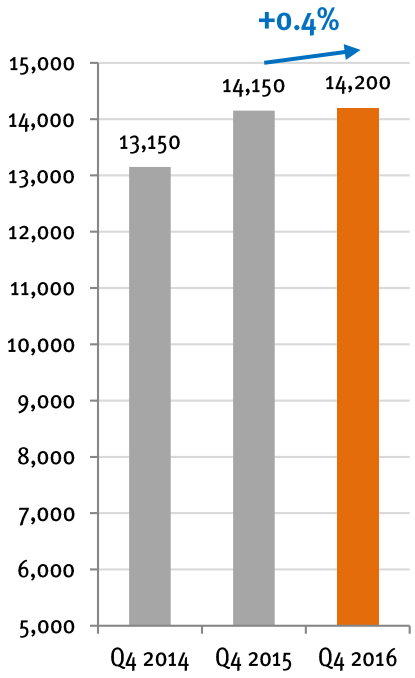
Industrial auction operational metrics demonstrate health of business

Q4 Operational metrics were strong, given auction timing differences relative to Q4 last year[1]

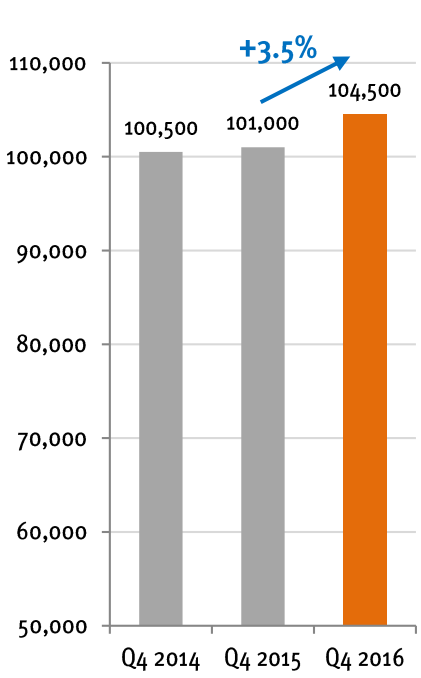
As a reminder, two large auctions (Columbus and Montreal) were held in Q3 this year, but Q4 in 2015

Comparable metrics were therefore affected

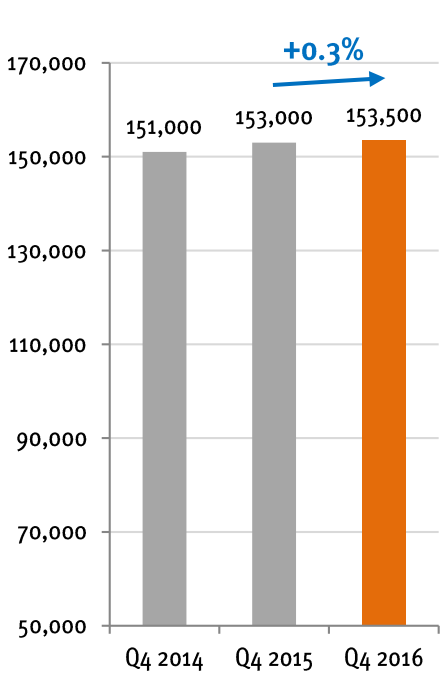
Consignors



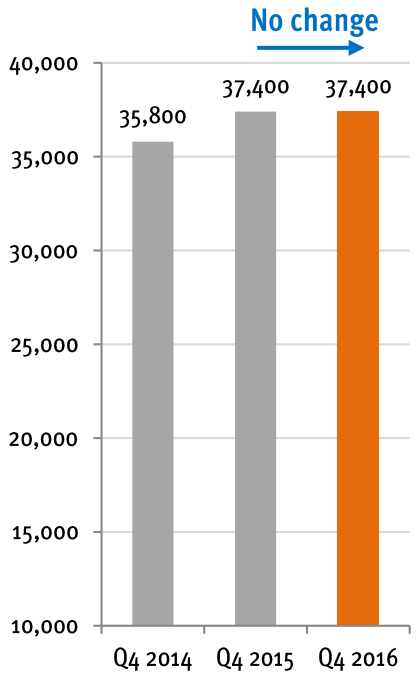
Lots



Registered bidders



Buyers



[1] Data is for Industrial auctions only.

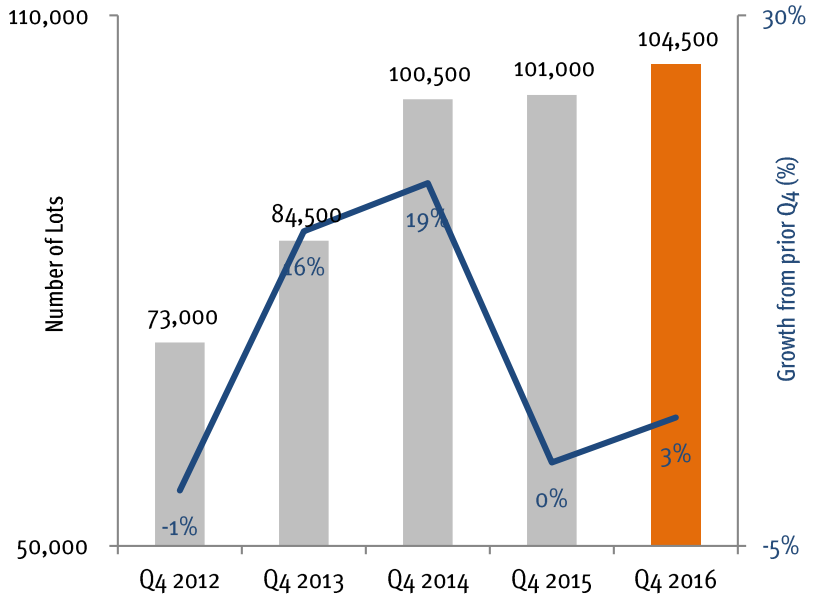
Equipment distributor (sales/rental/leasing) sector provided most lot growth in Q4

Industrial auction volumes increased 3.5% to 104,500 lots during Q4 2016[1]

Lots consigned by customers in the Sales/Rental/Leasing, Finance/Insurance and Light Construction sectors drove most of the Lot growth during the fourth quarter.

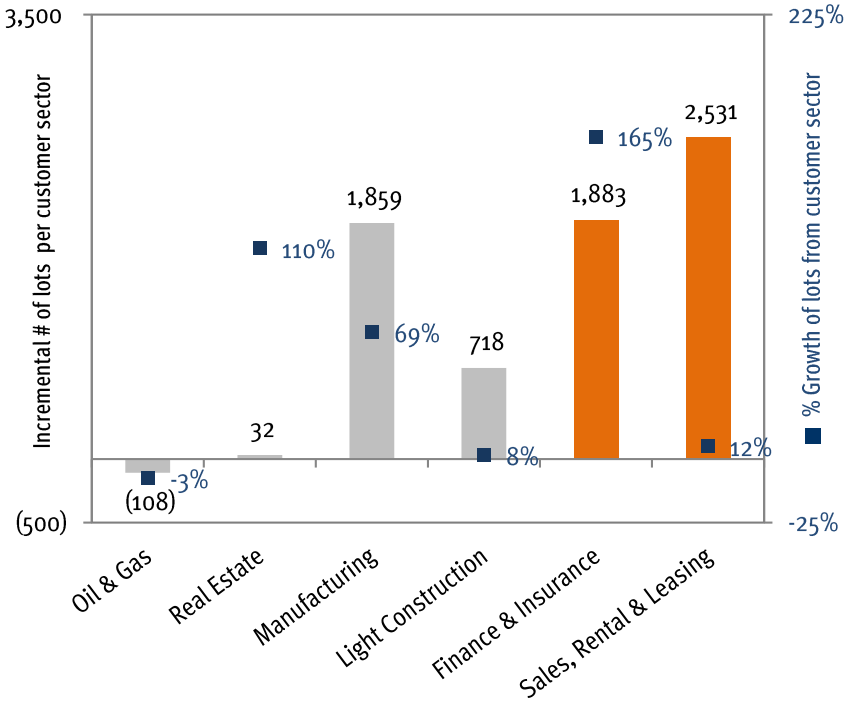
Q4 Auction volumes (Lot count)[1]

Total lots sold per quarter



Q4 2016 Incremental Lots per Customer sector

Lot growth per customer (seller) sector, compared to Q4 2015[2]



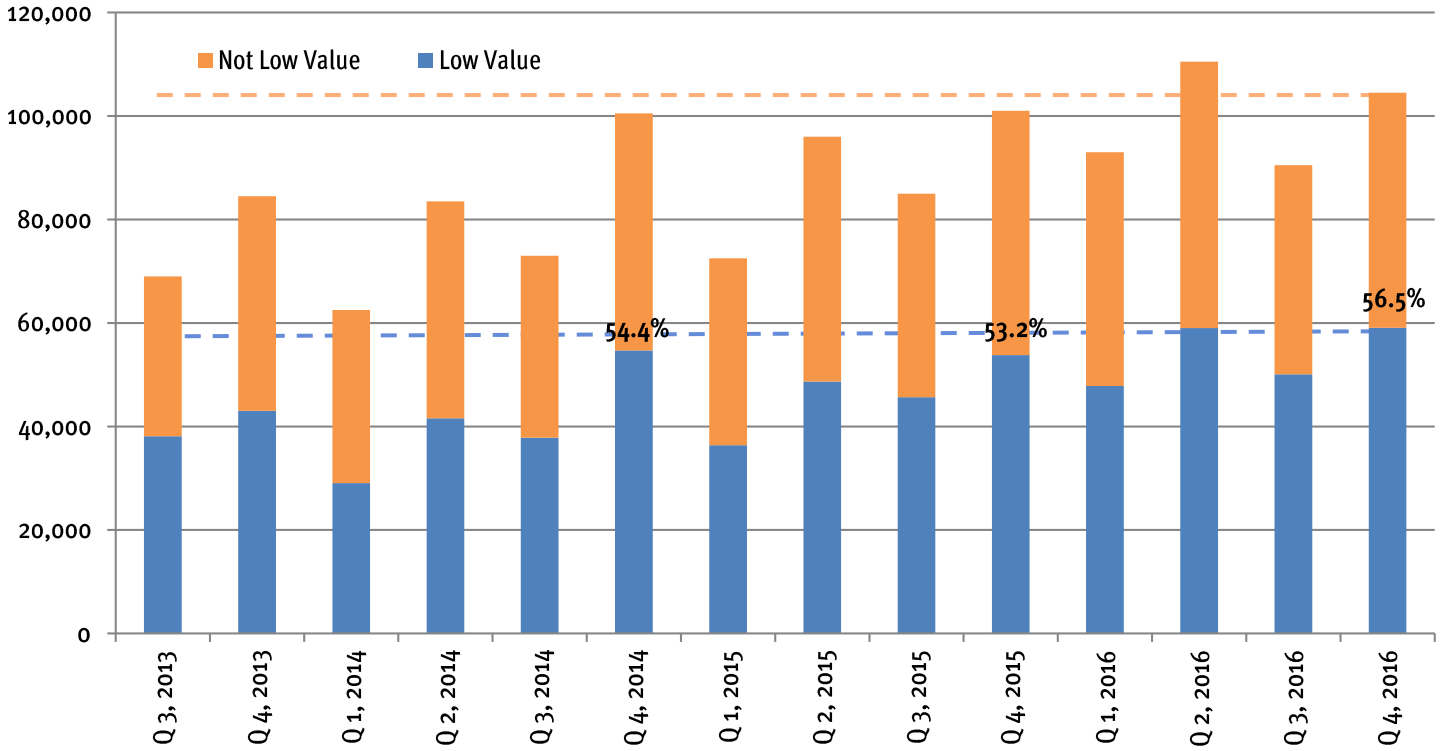
[1] Data is for Industrial auctions only.
[2] Selected customer sectors. Does not include all sectors equipment came from

RBA Core Auction volumes continue to grow

Lower value lots were a larger proportion of lots sold during Q4 2016, relative to the same quarter last year

- This trend is due in part to lower overall pricing relative to year-ago periods and growth of Timed Auction Lots

Proportion of low value lots[1]
(less than $2500 in local currency)



[1] Data is for Industrial auctions only.

Reconciliation of Q4 US GAAP, Adjusted and Comparable figures

Q4 2016 ($US Millions except for EPS, %)	US GAAP	Adjusted (Non-GAAP)	Comparable (Non-GAAP)
Revenues	$146.8	$146.8	$146.8
Costs of services, excluding Depreciation & Amortization	16.2	16.2	16.2
Selling, general and administrative expenses	74.1	74.1	74.1
Acquisition-related costs	4.6	4.6	(excluded)
Depreciation & Amortization	10.3	10.3	10.3
(Gain) on disposal of property, plant and equipment	(265)	(265)	(265)
Foreign exchange loss	1,099	1,099	1,099
Operating Income	**$40.6**	**$40.6**	**$45.3**
Debt extinguishment costs	6.8	(excluded)	(excluded)
Interest paid on Bond (proceeds currently held in escrow)	0.8	0.8	(excluded)
Other Income (expenses), excl. debt extinguishment costs and interest paid on bond	1.9	1.9	1.9
Tax deduction on acquisition-related costs	1.0	1.0	--
Tax deduction on debt extinguishment	1.8	--	--
Tax deduction on interest paid on bonds	0.2	0.2	--
Income tax expense	7.1	8.8	10.0
Net Income attributable to stockholders	**$27.9**	**$32.9**	**$37.1**
Diluted Earnings Per Share attributable to stockholders	$0.26	$0.30	$0.34
Effective tax rate	20.2%	21.2%	21.3%

Income statement summary – Q4 2016

Comparable results exhibit strong underlying operating results

Q4 2016 Income statement summary

3 months trailing ($US Millions except for EPS, %)	December 31, 2016	December 31, 2015	*Better / (Worse)*
GAP	$1,040.4	$1,135.4	*(8%)*
Revenues	$146.8	$135.5	*8%*
Revenue Rate	14.11%	11.93%	*218 bps*
Operating Income	$40.6	$50.4	*(19%)*
Adjusted Operating Income (Non-GAAP)	$40.6	$42.0	*(3%)*
Comparable Operating Income (Non-GAAP)	$45.3	$42.6	*6%*
Operating Income Margin	27.7%	37.2%	*(950) bps*
Adjusted operating income margin (Non-GAAP)	27.7%	31.0%	*(330) bps*
Comparable operating income margin (Non-GAAP)	30.8%	31.5%	*(70) bps*
EBITDA	$47.0	$61.8	*(24%)*
Adjusted EBITDA (Non-GAAP)	$53.8	$53.4	*1%*
Comparable EBITDA (Non-GAAP)	$58.4	$54.0	*8%*
Diluted Earnings per share attributable to stockholders	$0.26	$0.43	*(40%)*
Adjusted Diluted EPS attributable to stockholders (Non-GAAP)	$0.30	$0.29	*3%*
Comparable diluted EPS attributable to stockholders (Non-GAAP)	$0.34	$0.30	*13%*

Q4 Revenue growth due to strong revenue rate on core auction and revenues from new businesses/new channels

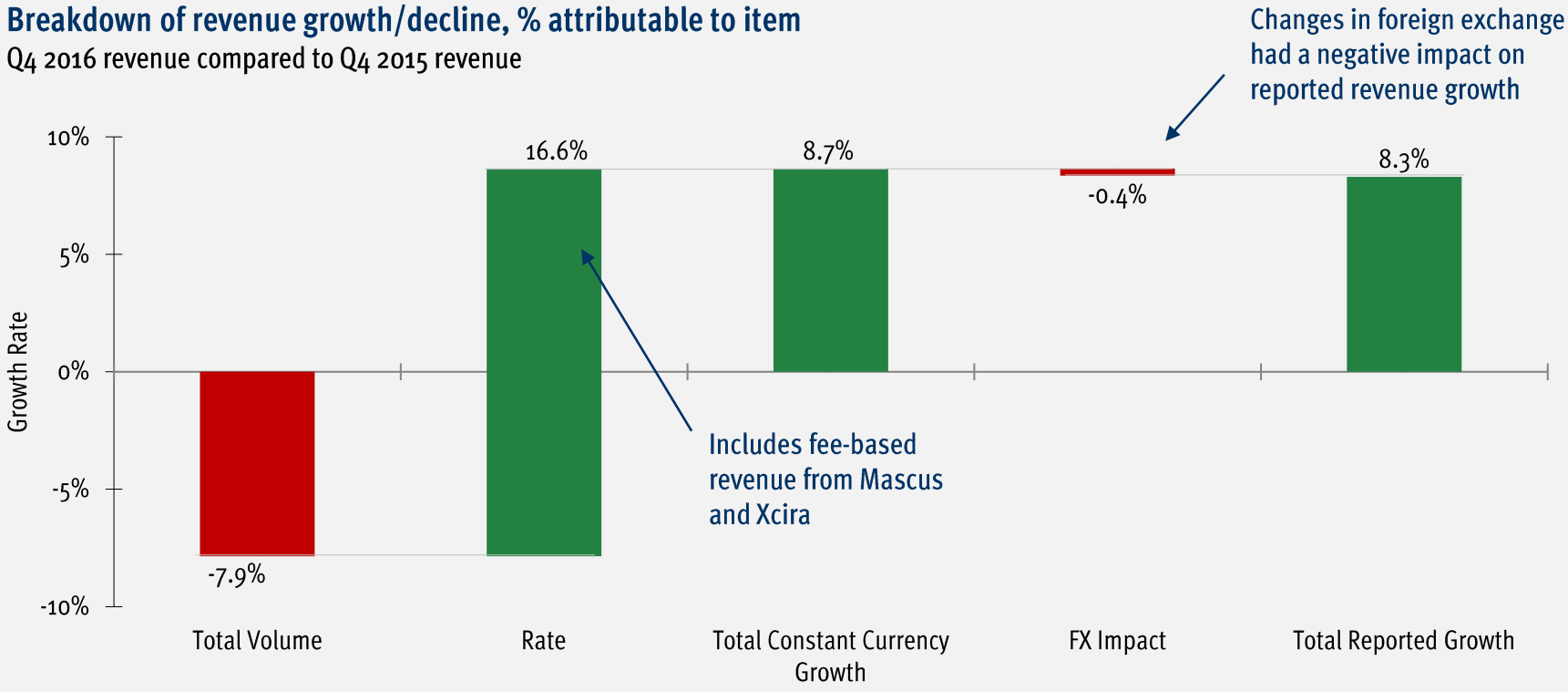
Volume declined in Q4 by ~8% but more than offset by commission and fee-based revenue growth

FX changes in FX had very little impact on our Q4 results

But impacted annual results given earlier FX swings

Breakdown of revenue growth/decline, % attributable to item

Q4 2016 revenue compared to Q4 2015 revenue

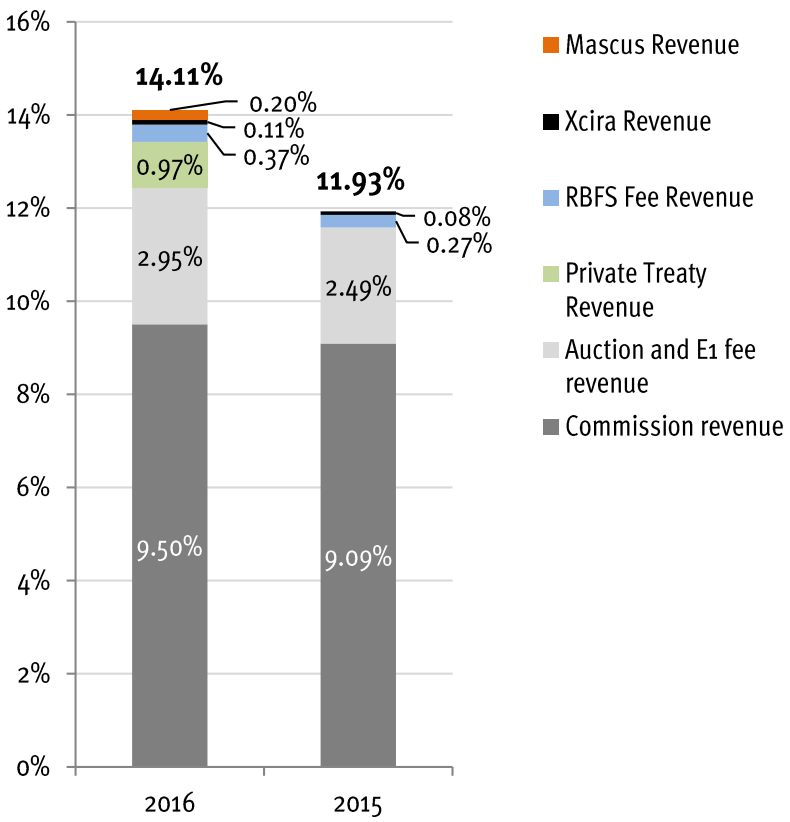


Revenue rate strength from both commission and fee improvement

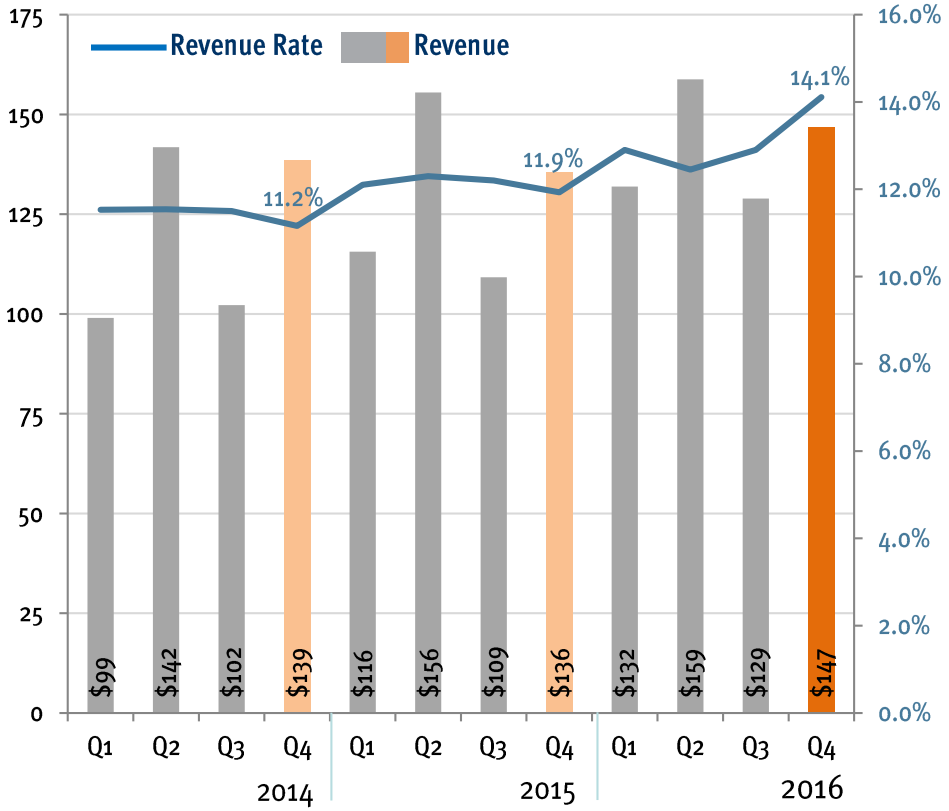
Revenue rate was 218 bps higher than same quarter last year

All revenue streams generated higher revenue rates; Private Treaty transactions added meaningful contribution to overall rate

Q4 2016 Revenue Rate components



Quarterly revenue & Revenue Rate ($US millions)

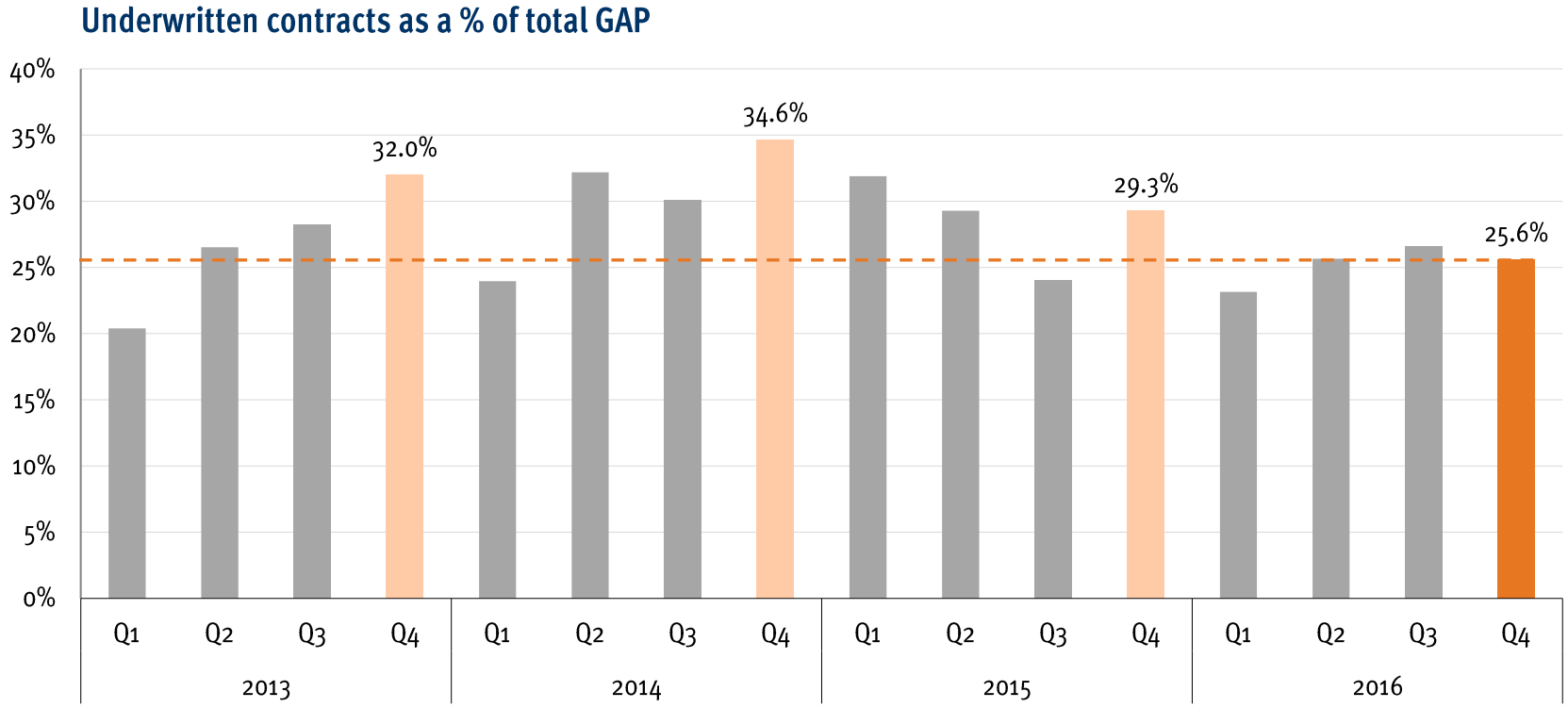


Underwritten business performed well in Q4

Proportion of underwritten business declined in Q4 2016, relative to Q4 in prior years

Underwritten revenue rate improved 516 bps relative to Q4 2015

- Underwritten contract performance at auctions in Grande Prairie, Edmonton, Montreal, and Houston supported the strength of our underwritten rate during the quarter; as did Private Treaty inventory transactions



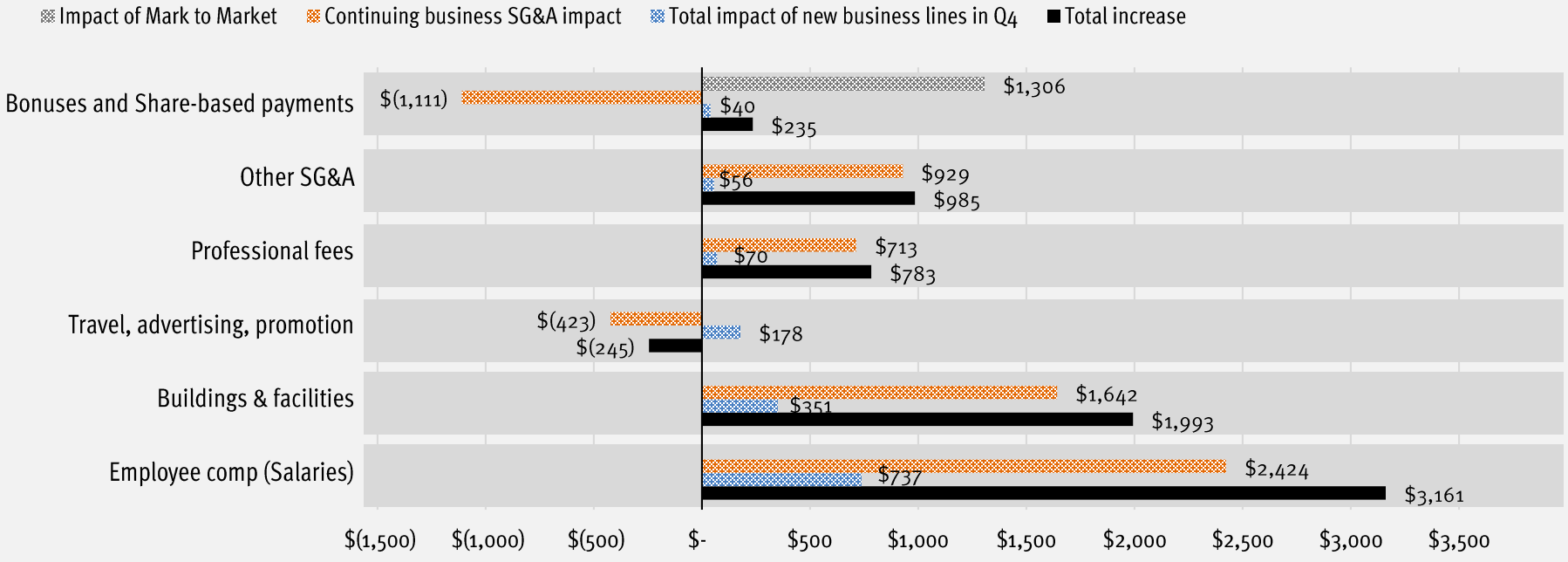
Higher Q4 SG&A relative to comparable quarter last year

Reported SG&A expenses grew 10.3%; 2% growth purely due to new business lines

- Total employee comp expenses increased 10% as a result of an 8% net increase in headcount and new exec roles
  - Also include separation agreement payment to departed exec (affects salaries, bonus and share based payments expense)
- $1.6 mil reduction in bonus payments relative to Q4 last year offset by $1.3 mil mark-to-market charge (due to higher stock price)
- New businesses (Mascus, Petrowsky, Kramer) contributed $1.4 million of costs not on our platform in Q4 2015
- Excluding new business lines and mark-to-market charge, expenses grew 6.7% for 'pre-existing' operations

Q4 2016 SG&A increase:

Impact from new business lines, existing business lines and mark-to-market share based payments (US$'000)



Acquisition-related cost definition update

Acquisition-related costs now include deferred compensation related to earn-outs associated with each acquisition.

Prior period acquisition-related costs have been reclassified and presented separately from SG&A expenses to conform with current quarter's presentation

Acquisition-related cost reclassification ($US '000, pre-tax)

		Previously reported	Reclassified	Current presentation
	Year ended December 31, 2015:			
2015	SG&A expenses	$ 254,990	$ (601)	$ 254,389
	Acquisition-related costs	-	601	601
	Three months ended March 31, 2016:			
Q1 2016	SG&A expenses	$ 68,307	$ (1,197)	$ 67,110
	Acquisition-related costs	-	1,197	1,197
	Three months ended June 30, 2016:			
Q2 2016	SG&A expenses	$ 74,595	$ (603)	$ 73,992
	Acquisition-related costs	-	603	603
	Three months ended September 30, 2016:			
Q3 2016	SG&A expenses	$ 69,000	$ (707)	$ 68,293
	Acquisition-related costs	4,691	707	5,398

Q4 adjusted net income impacted by acquisition-related costs

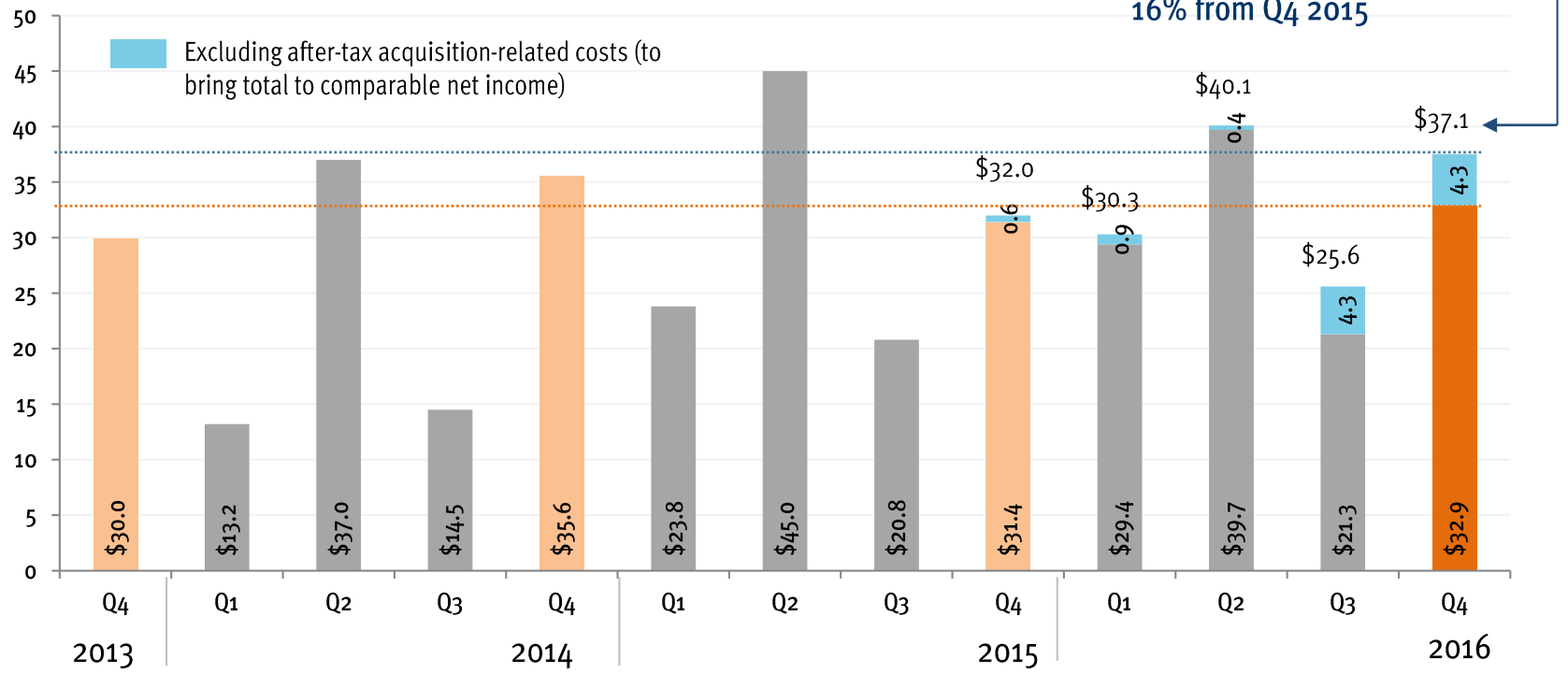
Q4 2016 adjusted net income improved 5% relative to Q4 2015

Excluding impairment charges AND acquisition related costs, 'comparative' net income grew 16%

Quarterly Adjusted Net Income attributable to Stockholders[1]

($US millions)

Adding back $4.6 million of costs associated with M&A activity, 'comparative' net income grew 16% from Q4 2015



[1] Earnings attributable to Ritchie Bros. Incorporated..

Balance sheet and liquidity metrics – Q4 2016

Q4 2016 Balance sheet and liquidity metrics (All unadjusted unless otherwise noted)

12 months trailing ($US Millions except for percent figures)	December 31, 2016	December 31, 2015	*Better / (Worse)*
Operating Free Cash Flow (non-GAAP)	$147.8	$182.3	(19%)
Working Capital	$125.2	$140.1	(11)%
Working Capital Intensity (non-GAAP)	-8.9%	-3.2%	570 bps
Capex Intensity	5.3%	2.8%	(250) bps
ROIC excluding escrowed debt (non-GAAP)	15.5%	15.1%	40 bps
Adjusted Debt[1] / Adjusted EBITDA (non-GAAP)	0.6x	0.5x	(0.1)x

[1] Removes the impact of debt not currently accessible (debt held in escrow to be solely available to fund the IronPlanet acquisition)

Net cash provided by operating activities during 2016: $177.6 million

Completed $500 million senior notes offering in December 2016

Proceeds to be used to partially fund IronPlanet transaction:

- Proceeds will be held in escrow until time of transaction close
- Interest will be paid to bond holders during escrow period (pre-paid 3 months of bond interest)

Financing complements the $325 million delayed draw loan, secured as part of our overall $1 billion of new bilateral credit facilities, completed in October.

5.375% coupon, issue at Par

Bonds rated as:

	S&P	Moody's
Corporate family	BB	Ba3
Senior Secured Revolving Credit Facilities	BBB-	Ba2
Senior Secured Term Loan	BBB-	Ba2
Senior Unsecured Notes	BB-	B2

Expected interest expense associated with Bonds (payable on each Jan. 15 and July 15): $26.88 mil

Capital allocation priorities – before/after IP acquisition

BEFORE IRONPLANET ACQUISITION ANNOUNCEMENT

	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

AFTER IRONPLANET ACQUISITION CLOSES

PRIORITY	DISCUSSION
Grow dividends with earnings	Highly valued return of cash to shareholders
Pay down portion of short-term debt	Intention is to lower net debt-to-EBITDA ratio to 2.5X rapidly
Acquisitions	Continue to explore small bolt-on acquisitions outside North America but no major transactions until we fully absorb IP and reduce debt levels
Share buy-backs	Temporarily hold off on share repurchases to offset dilution from stock options until net debt-to-EBITDA target ratio is achieved
Pay down long-term debt	Only if better economic returns are not available

(1) Priorities for cash utilization after operating CAPEX needs have been met.

Final Comments

Ravi Saligram, Chief Executive Officer

Operational updates

U.S. & LatAm President

- Ravi assumed Acting U.S. and Latin America President role
- Rob Whitsit continues as Acting Chief Sales Officer (US); permanent successor will be named pending IronPlanet closing

Canada President

- Randy Wall intends to retire during Q2 2017
- Internal candidate will be named upon Randy's retirement

Other Appointments:

- Karl Werner promoted to President, International
- Kiran Holm promoted to SVP, Operational Excellence and Efficiencies

Regional Efficiency Initiatives

1. Beijing, China site – lease not renewed (Nov. 2016)
   - Continue to operate in China through offsite auctions
2. Panama site – negotiating lease exit
3. Japan site – strategy has evolved to pursue a primarily digital strategy; continue to view Japan as a source market





Update on IronPlanet acquisition

US regulatory review is still in process

- Department of Justice is currently reviewing; provided a second request for information in December
- Expect the process to be completed by the end of the second quarter
- Continue to be confident about the merits of our case; customers will benefit from transaction

Integration Planning is well underway – highlights include:

- Integration Management Office in place with regular meeting cadence
- Sales teams will receive training to begin selling multi-channel sales solutions
  (Goal is for one sales force selling an integrated offering as soon after close as possible)
- Cost synergies are being looked at proactively and aggressively
- Clearly defined IT plans for day 1, 30, 60 and 90 for integration of IT systems. (Interdependencies exist in sales, marketing, finance and HR systems.)
- Data extraction capabilities for CAT Agreement already in place
- Future org plan nearly final

Financial information about IronPlanet was disclosed on November 30, 2016, in conjunction with RBA's bond marketing: Reconciliation of IP standalone EBITDA and Adjusted EBITDA available in the appendix of this presentation.

2017 Auction Activity – to date

Phoenix, Arizona: February 9, 2017
- Pricing significantly higher than expectations
- 9% of GAP went to Mexico based buyers

Donington Park, UK – February 14, 2017
- Revenues grew from comparable sale last year
- Pricing relatively stable

Houston, Texas – February 15, 2017
- US$43+ million of GAP
- GAP grew from comparable auction last year

Orlando, Florida: February 20–24, 2017 5-DAY AUCTION
- 10,000+ Lots
- Saw very strong pricing so far (on Day 1) of the auction, with great auction attendance

Sold $2.88 billion of assets in Orlando since we opened the Orlando site; confident we're going to go over $3.0 billion this week





One shouldn't base full year expectations on early year auctions

Macro trends & future quarter considerations

Q1 considerations:

- Softening of equipment supply; Equipment pricing so far in Q1 is stronger than anticipated
- Q1 2017 auction calendar to more closely resemble Q1 2014, without the large one-time sales that have occurred in Q1 in the previous two years
  - Grande Prairie auction held in March 2016 (CA$62 mil) will not recur in 2017
  - Wyoming sale in Q1 2015 (US$54 mil) will not recur in 2017

Infrastructure spending promises made by U.S. gov. are driving increased confidence in construction sector

- Until contracts are awarded, some construction firms may wait to realign equipment fleets (to determine fleet requirements)

Keystone and other pipeline approvals is generating some optimism in O&G service sector

- May see some demand for service gear as pipeline contracts are awarded

Surge of Oil and Gas specific equipment is receding; Mining equipment demand seems to be picking up

- Difficult to see continued growth in Edmonton, given so many record quarters
- Some signs mining equipment market may have already bottomed

Revenue rate for future quarters should not be based on strength of rate in Q4

- Exceptionally strong performance of several underwritten contracts and Private Treaty deals significantly bolstered rate in Q4

Ritchie Bros. is a lumpy business. Strongly suggest investors track annual or TTM results, over quarterly performance.

We are reiterating a 11 to 12% Revenue Rate range for our core auction; 12% plus for the total company

(Private Treaty is very lumpy and takes time; Need another year to better predict our service businesses before revising expected revenue rate ranges)

2017 CEO priorities

1. Continue driving the organization to achieve Evergreen Targets in 2017

- Laser focused on executing against business priorities and monitoring KPIs

2. Customer-centricity/Innovation

- Enable front-line employees to become trusted advisors, who can confidently provide a full range of multichannel solutions
- Focus on live auction brand appeal to expand customer base through innovation

3. US Growth

- Galvanize US team to deliver on their growth targets

4. Cost Containment

- Reinforce a strong cost control discipline to keep opex growth lower than revenue growth;
- Accelerate company-wide procurement and sourcing initiative and drive site/network optimization program to deliver additional savings
- Deliver efficiencies by integrating newly acquired businesses and improving their flow-through

5. International

- Accelerate growth with a strong focus on Australia and Germany

Readying the organization for the integration of IronPlanet

Q&A

Ravi Saligram, Chief Executive Officer
Sharon Driscoll, Chief Financial Officer
Jim Barr, Group President
Randy Wall, President – Canada
Doug Olive, SVP, Valuations & Appraisals

RITCHIE BROS.™

Appendix

IronPlanet acquisition information and Adjusted EBITDA Reconcilation
Age of equipment sold
Orlando Feb. Auction – as % of full year GAP
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

RITCHIE BROS.™

The Ritchie Bros. family of brands (post IronPlanet transaction)

Ritchie Bros. will offer five 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).

RITCHIE BROS.™

75% ownership → Xcira (Relentless Optimization)

Integrated technology platform

100% ownership → RITCHIE BROS. Financial Services

Financial intermediary capitalizing on captive customer base to provide an alternative source of capital

- RITCHIE BROS. Auctioneers® — AUCTION SERVICES CAT — Integrated onsite/online auction network[1]
- IRON PLANET — Online marketplace and online auction
- RITCHIE BROS. EQUIPMENT ONE — Online marketplace
- MASCUS — Online listing service
- PRIVATE TREATY, A Ritchie Bros. Solution — Brokerage channel for highly specialized assets

[1] Includes Petrowsky Auctioneers Kramer and Kruse Energy Auctions:

Petrowsky Auctioneers Inc.
KRUSE ENERGY
KRAMER AUCTIONS, A Ritchie Bros. solution

Ritchie Bros. to buy IronPlanet: next logical step of diversification

Strategy enhances customer choice

IronPlanet® is a trusted online auction/marketplace brand for transacting heavy equipment and other durable assets, with GMV[1] of $956 TTM[2] (June 30, 2016)

- Multiple formats, core being weekly unreserved auctions
- Focus on construction sector
- Through their core model, equipment consignors do not have to move equipment
- Have a world-class inspection system ('IronClad® Assurance equipment inspection certification')

Complementary brand to RB, makes combination attractive

- IronPlanet is at an inflection point – growing rapidly, albeit from a smaller base
  - Caterpillar relationship has been a key growth catalyst
- Provides access to a different type of customer
  - Complementary customer bases
  - Buyer base is more tech savvy
  - Recent growth driven by corporate accounts, OEM dealers and OEMs, and new sectors
- Strong, customer friendly technology platform
  - Tracks and enables the entire transaction life cycle
  - Scalable; technology drives the entire process
- Expands penetration into largely untapped sectors, such as Government surplus and Oil & Gas
- Combined company can accelerate international expansion
  - RB scale and infrastructure with IronPlanet's model can appeal to customers in regions such as Germany, Japan and China

IRONPLANET BRANDS:

IRON PLANET

AUCTION SERVICES CAT

TRUCKPLANET

GOVPLANET

KRUSE ENERGY

(1) Gross Merchandise Value – total value of assets sold through IronPlanet sales channels.
(2) Trailing 12 months June 30, 2016

Summary of transaction terms

Ritchie Bros. has entered into an agreement to acquire 100% of IronPlanet

CONSIDERATION	• ~US$758.5 million cash transaction[1] • 13.0X multiple of 2017E EBITDA[2]
EXPECTED FINANCIAL BENEFITS	• The transaction is expected to be earnings accretive within the first year [3] • Annual cost synergies of ~$20 million, expected to be achieved by 2018 • NPV of tax synergies of ~$100 million • Similar operating leverage model as Ritchie Bros. • Similar cash flow characteristics to Ritchie Bros.
GROWTH IMPLICATIONS	• RB's revenue growth target[4] revised upward to high single to low teens (% growth) post transaction • RB's EPS growth target[4] revised upward to low teens to high teens (% growth)
FINANCING	• Fully committed financing in place • Expect to replace committed facility with mix of pre-payable debt and long-term debt • Utilizes strength of Ritchie Bros. balance sheet • After final financing in place, expect <3.0x net to adjusted EBITDA ratio on closing (with a target of returning to 2.5x)
CLOSING	• Expect closing during or before H1 2017 • Transaction is subject to customary closing conditions, including regulatory clearances

(1) Consists of US$740 million in cash plus approximately $18.5 million assumption of unvested equity interests, subject to standard closing adjustments
(2) Inclusive of $100 million NPV of tax synergies and $20 million in run-rate cost synergies. Based on current tax environment
(3) Transaction is expected to be accretive to earnings within the first year, excluding acquisition related costs
(4) Growth implications is part of our new evergreen model post transaction; does not represent annual guidance
Provided to help with modeling an average annual basis over a 5 to 7 year period

IronPlanet Adjusted EBITDA reconciliation

TTM Sept. 30, 2016 performance information for IronPlanet was disclosed in the November 30, 2016 8-K filing, coinciding with our bond marketing

TTM September 30, 2016 Adjusted EBITDA for IronPlanet (standalone) was $19.2 million

A reconciliation of stated EBITDA and Adjusted EBITDA is provided.

- Customer equity incentives ceased Dec. 31, 2016
- IronPlanet's IPO associated costs were removed, as they will not recur (business was considering IPO in parallel with discussions with RBA)
- Mark to market costs associated with one-time equity value increases (due to offer made to acquire IP) will not recur, so are removed

On a TTM Sept. 30, 2016 basis, IronPlanet achieved approx. $1 billion of GMV

IronPlanet standalone EBITDA reconciliation ($US millions)	12 months ended Sept. 30, 2016
Net (loss) Income	$(28.6)
Depreciation and amortization	8.7
Interest expense	2.2
Income tax provision (benefit)	2.2
EBITDA	**$(15.5)**
Customer equity incentives	20.9
Stock-based compensation expense	2.4
Change in fair value to the convertible preferred stock warrant liability	3.9
Impairment charges and recognized losses on cost method investment; and IPO readiness costs	*~1.5*
Acquisition-related costs	1.4
Deferred IPO Write Off	4.4
ADJUSTED EBITDA	**$19.2**

RB's updated evergreen financial model (post transaction)

Transaction is expected to bolster growth

PERFORMANCE METRICS	Before transaction: Avg. Annual Growth Targets
GAP Growth (%)	High Single Digit to Low Double Digits
Revenue Growth (%)[1]	Mid Single Digit to High Single Digit
Operating expense Growth (%)	Will grow slower than revenues
Operating Income Margin	50 bps+
EPS Growth[2] (%)	High Single Digit to Low Double Digits
Capex Intensity[3]	<10%
OFCF[4] % of Net Income	>100%
ROIC[5] Increase	50 bps+
Dividend Payout Ratio	55% to 60%
Net Debt / Adjusted EBITDA	<2.5x

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 Invested Capital.

New Evergreen Model (post transaction)

(Average annual expectation over a 5 to 7 year period)

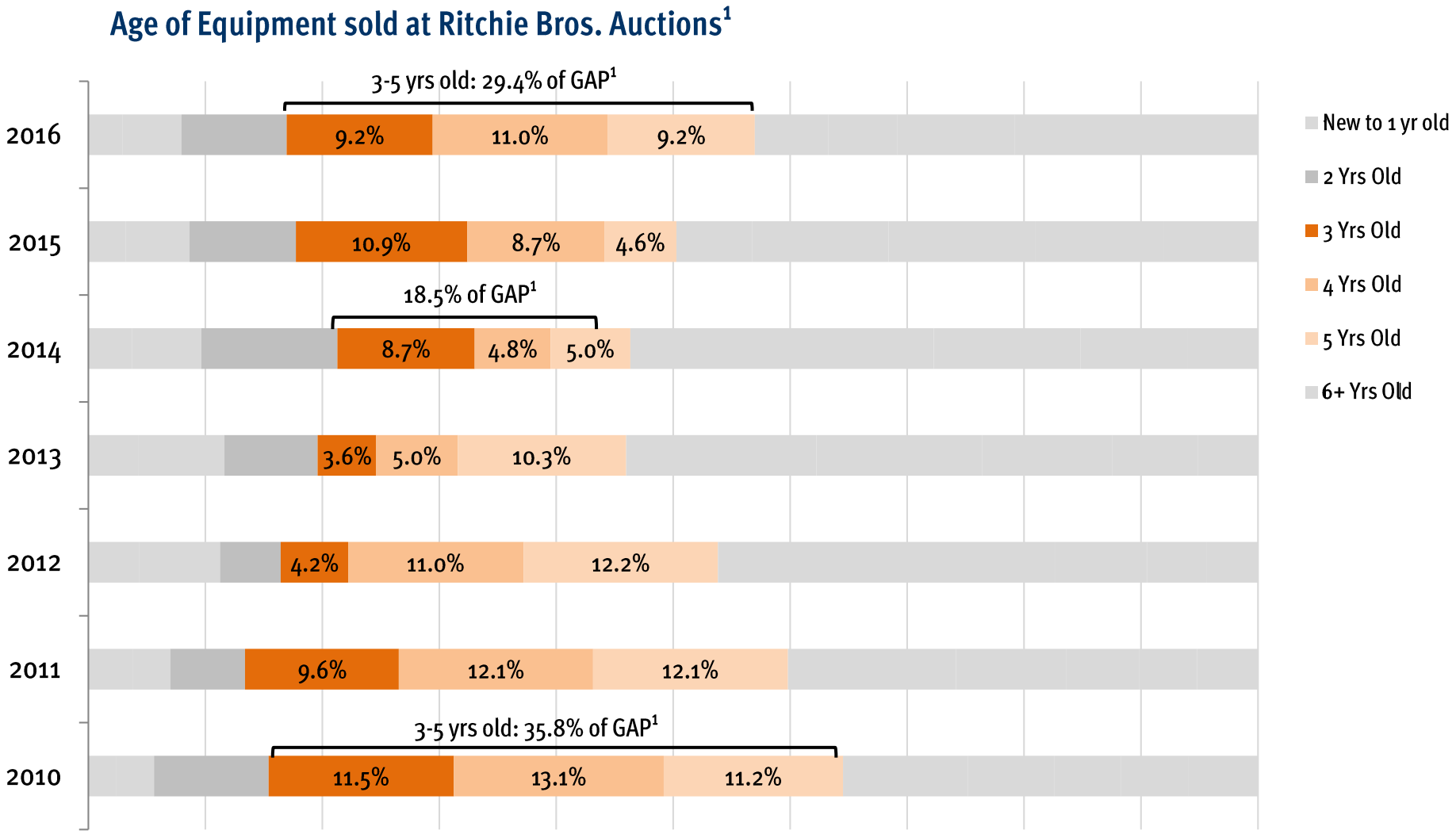
KEY SHAREHOLDER VALUE DRIVERS	Growth targets
GAP & Revenue growth (%)	**High single digit to low teens**
EPS growth (%)	**Low teens to high teens**
OFCF as a % of net income	**> 100%**
Dividend Payout ratio	**55%-60%**

DRIVERS OF EPS GROWTH

- Operating expenses growing slower than revenue
- Cost synergies
- Tax efficiencies

OTHER KEY METRICS	Targets
Net debt to EBITDA	**<2.5 x**
Capex Intensity	**<8.5%**
EBITDA margins of 40%+ by 2018	
ROIC returning to current levels by 2020	(15.1%: Q2 2016 TTM)

Age of equipment sold improving from past years



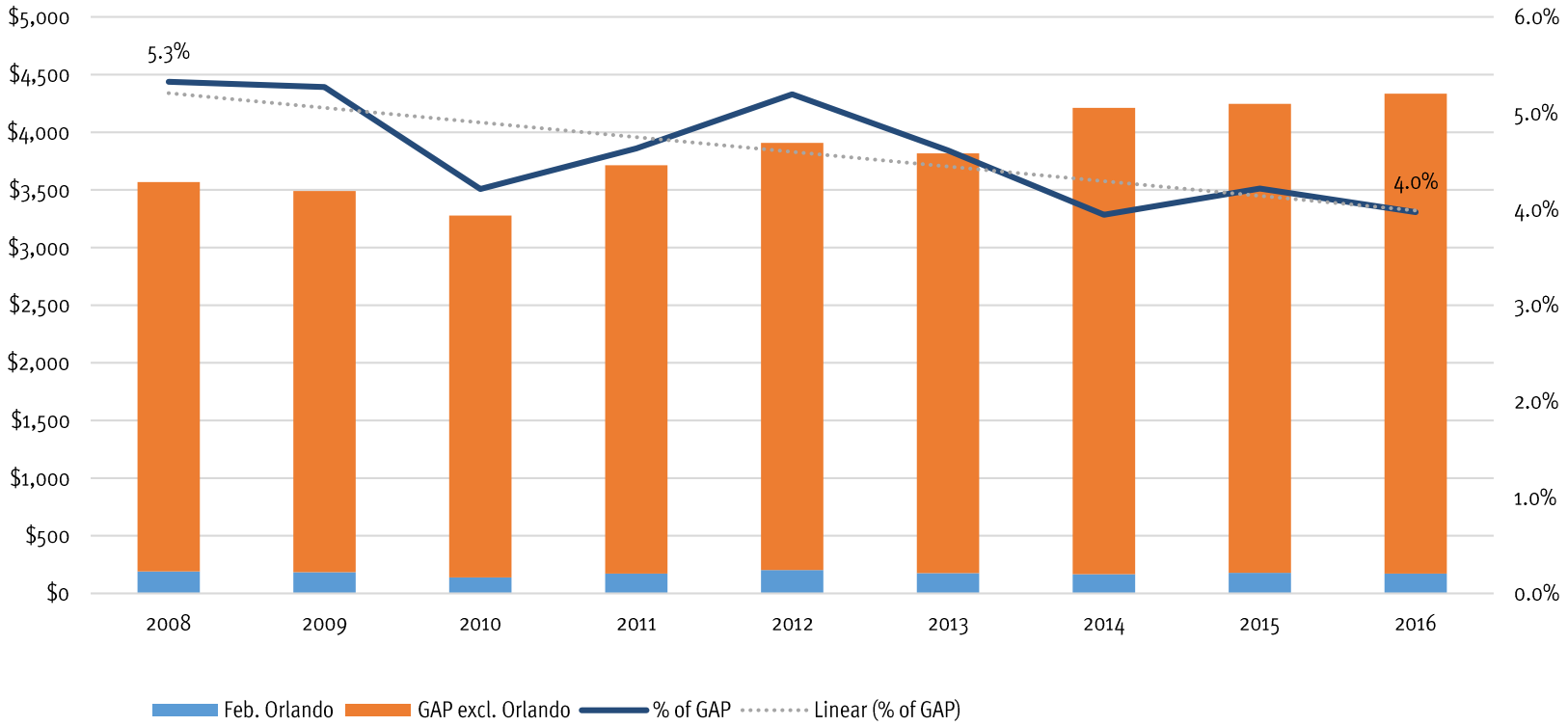
[1] Industrial auctions only. Excludes equipment over 10+ years and equipment with unknown ages.

Growth of other auctions/channels shrinking Orlando's importance

Impact of Orlando auction on full year performance has diminished in recent years

Not a bellwether of annual performance

Orlando as % of annual GAP



Reconciliation of Non-GAAP Measures

The following tables present our adjusted operating income (non-GAAP measure) and adjusted operating income margin (non-GAAP measure) results for the years ended December 31, 2016, 2015, and 2014, as well as reconcile those metrics to operating income, revenues, and operating income margin, which are the most directly comparable GAAP measures in, or calculated from, our consolidated income statements:

	Year ended December 31,			Change	
(in U.S. $ thousands)	2016	2015	2014	2016 over 2015	2015 over 2014
Operating income	$ 135,722	$ 174,840	$ 127,927	(22)%	37%
Pre-tax adjusting items:					
Management reorganization	-	-	5,533	-	(100)%
Gain on sale of excess property	-	(8,384)	(3,386)	100%	(148)%
Impairment loss	28,243	-	8,084	100%	(100)%
Adjusted operating income (non-GAAP measure)	163,965	166,456	138,158	(1)%	20%
Revenues	$ 566,395	$ 515,875	$ 481,097	10%	7%
Operating income margin	24.0%	33.9%	26.6%	-990 bps	730 bps
Adjusted operating income margin (non-GAAP measure)	28.9%	32.3%	28.7%	-340 bps	360 bps

Reconciliation of Non-GAAP Measures

The following table presents our ROIC (non-GAAP measure) and ROIC excluding escrowed debt (non-GAAP measure) results on a trailing 12-month basis, and reconciles those metrics to net income attributable to stockholders, long-term debt, stockholders' equity, and return on average invested capital, which are the most directly comparable GAAP measures in, or calculated from, our consolidated financial statements. Adjusted opening long-term debt (non-GAAP measure) is not presented due to the lack of adjusting items during the relevant periods:

	Year ended December 31,			Change	
(in U.S. $ millions)	2016	2015	2014	2016 over 2015	2015 over 2014
Net income attributable to stockholders	$ 91.8	$ 136.2	$ 91.0	(33%)	50%
Pre-tax adjusting items:					
Management reorganization	-	-	5.5	-	(100)%
Debt extinguishment costs	6.8	-	-	100%	-
Gain on sale of excess property	-	(8.4)	(3.4)	100%	(147)%
Impairment loss	28.2	-	8.1	100%	(100)%
Current income tax effect of adjusting items:					
Management reorganization	-	-	(1.3)	-	(100)%
Debt extinguishment costs	(1.8)	-	-	(100)%	-
Gain on sale of excess property	-	1.1	0.4	(100)%	175%
Deferred income tax effect of adjusting items:					
Impairment loss	(1.8)	-	-	(100)%	-
Deferred tax adjusting item:					
Tax loss utilization	-	(7.9)	-	100%	(100)%
Adjusted net income attributable to stockholders (non-GAAP measure)	$ 123.3	$ 121.1	$ 100.3	2%	21%
Opening long-term debt	$ 97.9	$ 110.8	$ 177.2	(12)%	(37)%
Ending long-term debt	595.7	97.9	110.8	508%	(12)%
Less: long-term debt in escrow	(495.8)	-	-	(100)%	-
Adjusted ending long-term debt (non-GAAP measure)	99.9	97.9	110.8	2%	(12)%
Average long-term debt	$ 346.8	$ 104.4	$ 144.0	232%	(28)%
Adjusted average long-term debt (non-GAAP measure)	98.9	104.4	144.0	(5)%	(28)%
Opening stockholders' equity	$ 703.2	$ 691.9	$ 686.1	2%	1%
Ending stockholders' equity	687.1	703.2	691.9	(2)%	2%
Average stockholders' equity	695.2	697.6	689.0	-	1%
Average invested capital	$ 1,042.0	$ 802.0	$ 833.0	30%	(4)%
Adjusted average invested capital (non-GAAP measure)	794.1	802.0	833.0	(1)%	(4)%
Return on average invested capital[1]	8.8%	17.0%	10.9%	-820 bps	610 bps
ROIC (non-GAAP measure)[2]	11.8%	15.1%	12.0%	-330 bps	310 bps
ROIC excluding escrowed debt (non-GAAP measure)[3]	15.5%	15.1%	12.0%	40 bps	310 bps

Reconciliation of Non-GAAP Measures

(in U.S. $ thousands, except share and per share data)	Year ended December 31, 2016	2015	2014	Change 2016 over 2015	Change 2015 over 2014
Net income attributable to stockholders	$ 91,832	$ 136,214	$ 90,981	(33)%	50%
Pre-tax adjusting items:					
Management reorganization	-	-	5,533	-	(100)%
Debt extinguishment costs	6,787	-	-	100%	-
Gain on sale of excess property	-	(8,384)	(3,386)	(100)%	148%
Impairment loss	28,243	-	8,084	100%	(100)%
Current income tax effect of adjusting items:					
Management reorganization	-	-	(1,321)	-	(100)%
Debt extinguishment costs	(1,787)	-	-	(100)%	-
Gain on sale of excess property	-	1,090	440	(100)%	148%
Deferred income tax effect of adjusting items:					
Impairment loss	(1,798)	-	-	(100)%	-
Deferred tax adjusting item:					
Tax loss utilization	-	(7,862)	-	100%	(100)%
Adjusted net income attributable to stockholders (non-GAAP measure)	$ 123,277	$ 121,058	$ 100,331	2%	21%
Weighted average number of dilutive shares outstanding	107,457,794	107,432,474	107,654,828	-	-
Diluted EPS attributable to stockholders	$ 0.85	$ 1.27	$ 0.85	(33)%	49%
Diluted adjusted EPS attributable to stockholders (non-GAAP measure)	$ 1.15	$ 1.13	$ 0.93	2%	22%

Reconciliation of Non-GAAP Measures

The following tables present our adjusted EBITDA (non-GAAP measure) and adjusted EBITDA margin (non-GAAP measure) results for the years ended December 31, 2016, 2015, and 2014, as well as reconcile those metrics to net income (loss), revenues, and net income margin, which are the most directly comparable GAAP measures in, or calculated from, our consolidated income statements:

	Year ended December 31,			Change	
(in U.S. $ thousands)	2016	2015	2014	2016 over 2015	2015 over 2014
Net income	$ 93,512	$ 138,575	$ 92,563	(33)%	50%
Add: depreciation and amortization expenses	40,861	42,032	44,536	(3)%	(6)%
Less: interest income	(1,863)	(2,660)	(2,222)	(30)%	20%
Add: interest expense	5,564	4,962	5,277	12%	(6)%
Add: current income tax expense	40,341	42,420	33,321	(5)%	27%
Add: deferred income tax expense (recovery)	(3,359)	(4,559)	3,154	(26)%	(245)%
Pre-tax adjusting items:					
Management reorganization	-	-	5,533	-	(100)%
Debt extinguishment costs	6,787	-	-	100%	-
Gain on sale of excess property	-	(8,384)	(3,386)	(100)%	148%
Impairment loss	28,243	-	8,084	100%	(100)%
Adjusted EBITDA	210,086	212,386	186,860	(1)%	14%
Revenues	$ 566,395	$ 515,875	$ 481,097	10%	7%
Net income margin	16.5%	26.9%	19.2%	-1040 bps	770 bps
Adjusted EBITDA margin (non-GAAP measure)	37.1%	41.2%	38.8%	-410 bps	240 bps

Reconciliation of Non-GAAP Measures

The following table presents our adjusted debt/adjusted EBITDA (non-GAAP measures) results as at and for the years ended December 31, 2016, 2015, and 2014, as well as reconciles that metric to debt, net income, and debt as a multiple of net income, which are the most directly comparable GAAP measures in, or calculated from, our consolidated financial statements:

	As at and for the year ended December 31,				
				Change	
(in U.S. $ millions)	2016	2015	2014	2016 over 2015	2015 over 2014
Short-term debt	$ 23.9	$ 12.4	$ 7.8	93%	59%
Long-term debt	595.7	97.9	110.8	508%	(12)%
Debt	619.6	110.3	118.6	462%	(7)%
Less: long-term debt in escrow	(495.8)	-	-	(100)%	-
Adjusted debt (non-GAAP measure)	123.8	110.3	118.6	12%	(7)%
Net income	$ 93.5	$ 138.6	$ 92.6	(33)%	50%
Add: depreciation and amortization expenses	40.9	42.1	44.6	(3)%	(6)%
Less: interest income	(1.9)	(2.7)	(2.2)	(30)%	23%
Add: interest expense	5.6	5.0	5.3	12%	(6)%
Add: current income tax expense	40.3	42.4	33.3	(5)%	27%
Less: deferred income tax recovery	(3.4)	(4.6)	3.2	(26)%	(244)%
Pre-tax adjusting items:					
Management reorganization	-	-	5.5	-	(100)%
Debt extinguishment costs	6.8	-	-	100%	-
Gain on sale of excess property	-	(8.4)	(3.4)	(100)%	147%
Impairment loss	28.2	-	8.1	100%	(100)%
Adjusted EBITDA	$ 210.0	$ 212.4	$ 187.0	(1)%	14%
Debt/net income	6.6x	0.8x	1.3x	725%	(38)%
Adjusted debt/adjusted EBITDA (non-GAAP measure)	0.6x	0.5x	0.6x	20%	(17)%

Reconciliation of Non-GAAP Measures

The following table presents our OFCF (non-GAAP measure) results on a trailing 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:

	Year ended December 31,			Change	
(in U.S. $ millions)	2016	2015	2014	2016 over 2015	2015 over 2014
Cash provided by operating activities	$ 177.6	$ 196.5	$ 149.0	(10)%	32%
Property, plant and equipment additions	18.9	22.1	25.0	(14)%	(12)%
Intangible asset additions	17.6	8.8	13.9	100%	(37)%
Proceeds on disposition of property plant and equipment	(6.7)	(16.7)	(9.3)	(60)%	80%
Net capital spending	$ 29.8	$ 14.2	$ 29.6	110%	(52)%
OFCF (non-GAAP measure)	$ 147.8	$ 182.3	$ 119.4	(19)%	53%

Reconciliation of Non-GAAP Measures

The following table presents our adjusted net income attributable to stockholders (non-GAAP measure) and adjusted dividend payout ratio (non-GAAP measure) results on a trailing 12-month basis, and reconciles those metrics to dividends paid to stockholders, net income attributable to stockholders, and dividend payout ratio, which are the most directly comparable GAAP measures in, or calculated from, our consolidated financial statements:

	Year ended December 31,			Change	
(in U.S. $ millions)	2016	2015	2014	2016 over 2015	2015 over 2014
Dividends paid to stockholders	$ 70.5	$ 64.3	$ 57.9	10%	11%
Net income attributable to stockholders	$ 91.8	$ 136.2	$ 91.0	(33)%	50%
Pre-tax adjusting items:					
Management reorganization	-	-	5.5	-	(100)%
Debt extinguishment costs	6.8	-	-	100%	-
Gain on sale of excess property	-	(8.4)	(3.4)	100%	(147)%
Impairment loss	28.2	-	8.1	100%	(100)%
Current income tax effect of adjusting items:					
Management reorganization	-	-	(1.3)	-	(100)%
Debt extinguishment costs	(1.8)	-	-	(100)%	-
Gain on sale of excess property	-	1.1	0.4	(100)%	175%
Deferred income tax effect of adjusting items:					
Impairment loss	(1.8)	-	-	(100)%	-
Deferred tax adjusting item:					
Tax loss utilization	-	(7.9)	-	100%	(100)%
Adjusted net income attributable to stockholders (non-GAAP measure)	$ 123.3	$ 121.1	$ 100.3	2%	21%
Dividend payout ratio	76.8%	47.2%	63.6%	2960 bps	-1640 bps
Adjusted dividend payout ratio (non-GAAP measure)	57.2%	53.1%	57.7%	410 bps	-460 bps

Reconciliation of Non-GAAP Measures

The following tables present adjusted operating income (non-GAAP measure) and adjusted operating income margin (non-GAAP measure) results for the three months ended December 31, 2016 and 2015, and the years ended December 31, 2016, 2015, and 2014, respectively, as well as reconcile those metrics to operating income, revenues, and operating income margin, which are the most directly comparable GAAP measures in, or calculated from, the consolidated income statements:

	Three months ended December 31,		Change
(in U.S. $ thousands)	2016	2015	2016 over 2015
Operating income	$ 40,628	$ 50,424	(19)%
Pre-tax adjusting item:			
Management reorganization	-	-	-
Gain on sale of excess property	-	(8,384)	100%
Adjusted operating income (non-GAAP measure)	40,628	42,040	(3)%
Revenues	$ 146,769	$ 135,462	8%
Operating income margin	27.7%	37.2%	-950 bps
Adjusted operating income margin (non-GAAP measure)	27.7%	31.0%	-330 bps

	Year ended December 31,			Change	
(in U.S. $ thousands)	2016	2015	2014	2016 over 2015	2015 over 2014
Operating income	$ 135,722	$ 174,840	$ 127,927	(22)%	37%
Pre-tax adjusting items:					
Management reorganization	-	-	5,533	-	(100)%
Gain on sale of excess property	-	(8,384)	(3,386)	100%	(148)%
Impairment loss	28,243	-	8,084	100%	(100)%
Adjusted operating income (non-GAAP measure)	163,965	166,456	138,158	(1)%	20%
Revenues	$ 566,395	$ 515,875	$ 481,097	10%	7%
Operating income margin	24.0%	33.9%	26.6%	-990 bps	730 bps
Adjusted operating income margin (non-GAAP measure)	28.9%	32.3%	28.7%	-340 bps	360 bps

Reconciliation of Non-GAAP Measures

The following tables present adjusted net income attributable to stockholders (non-GAAP measure) and diluted adjusted EPS attributable to stockholders (non-GAAP measure) results for the three months ended December 31, 2016 and 2015, and the years ended December 31, 2016, 2015, and 2014, respectively, as well as reconcile those metrics to net income (loss) attributable to stockholders, the weighted average number of dilutive shares outstanding, and diluted EPS (loss per share) attributable to stockholders, which are the most directly comparable GAAP measures in the consolidated income statements:

	Three months ended December 31,		
			Change
(in U.S. $ thousands, except share and per share data)	2016	2015	2016 over 2015
Net income attributable to stockholders	$ 27,853	$ 46,529	(40)%
Pre-tax adjusting items:			
Management reorganization	-	-	-
Debt extinguishment costs	6,787	-	100%
Gain on sale of excess property	-	(8,384)	100%
Current income tax effect of adjusting items:			
Management reorganization	-	-	-
Debt extinguishment costs	(1,787)	-	(100)%
Gain on sale of excess property	-	1,090	(100)%
Deferred tax adjusting item:			
Tax loss utilization	-	(7,862)	100%
Adjusted net income attributable to stockholders (non-GAAP measure)	$ 32,853	$ 31,373	5%
Weighted average number of dilutive shares outstanding	108,166,241	107,428,709	1%
Diluted EPS attributable to stockholders	$ 0.26	$ 0.43	(40)%
Diluted adjusted EPS attributable to stockholders (non-GAAP measure)	$ 0.30	$ 0.29	3%

Reconciliation of Non-GAAP Measures

The following table presents working capital intensity (non-GAAP measure) results as at and for the years ended December 31, 2016, 2015, and 2014, and reconciles that metric to working capital, trade and other receivables, inventory, advances against auction contracts, auction proceeds payable, trade payables, revenues, and working capital margin, which are the most directly comparable GAAP measures in, or calculated from, the consolidated financial statements:

	As at and for the year ended December 31,				
				Change	
(in U.S. $ millions)	2016	2015	2014	2016 over 2015	2015 over 2014
Working capital	$ 125.2	$ 140.1	$ 140.5	(11)%	(0)%
Select working capital items:					
Trade and other receivables	53.0	59.4	76.1	(11)%	(22)%
Inventory	28.5	58.5	42.8	(51)%	37%
Advances against auction contracts	5.6	4.8	26.2	17%	(82)%
Auction proceeds payable	(98.9)	(101.2)	(109.4)	(2)%	(7)%
Trade payables	(38.7)	(38.2)	(46.8)	1%	(18)%
	(50.5)	(16.7)	(11.1)	202%	50%
Revenues	$ 566.4	$ 515.9	$ 481.1	10%	7%
Working capital margin	22.1%	27.2%	29.2%	-510 bps	-200 bps
Working capital intensity (non-GAAP measure)	-8.9%	-3.2%	-2.3%	-570 bps	-90 bps