Q2 2017 Earnings Review and Update

August 8, 2017

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 US and Canadian securities legislation (collectively, "forward-looking statements"), including, in particular, statements regarding the benefits and synergies of the IronPlanet 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.' control, including risks and uncertainties related to: general economic conditions and conditions affecting the industries in which Ritchie Bros operates; 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 IronPlanet transaction; the maintenance of important business relationships; the effects of the IronPlanet transaction on relationships with employees, customers, other business partners or governmental entities; 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.

Opening Remarks

Ravi Saligram, Chief Executive Officer

A transformative combination that accelerates our strategy

1. Offers a superior customer experience
2. Accelerates growth
3. Strengthens relationships with OEM's and Dealers
4. Builds on the power of existing global platform
5. Enhances digital and technology capabilities

RITCHIE BROS. + IRON PLANET

Best Together
A Dynamic & Differentiated Company

THE RIGHT SALES SOLUTIONS
Multiple disposition options

THE RIGHT TIME
Continuous disposition opportunities

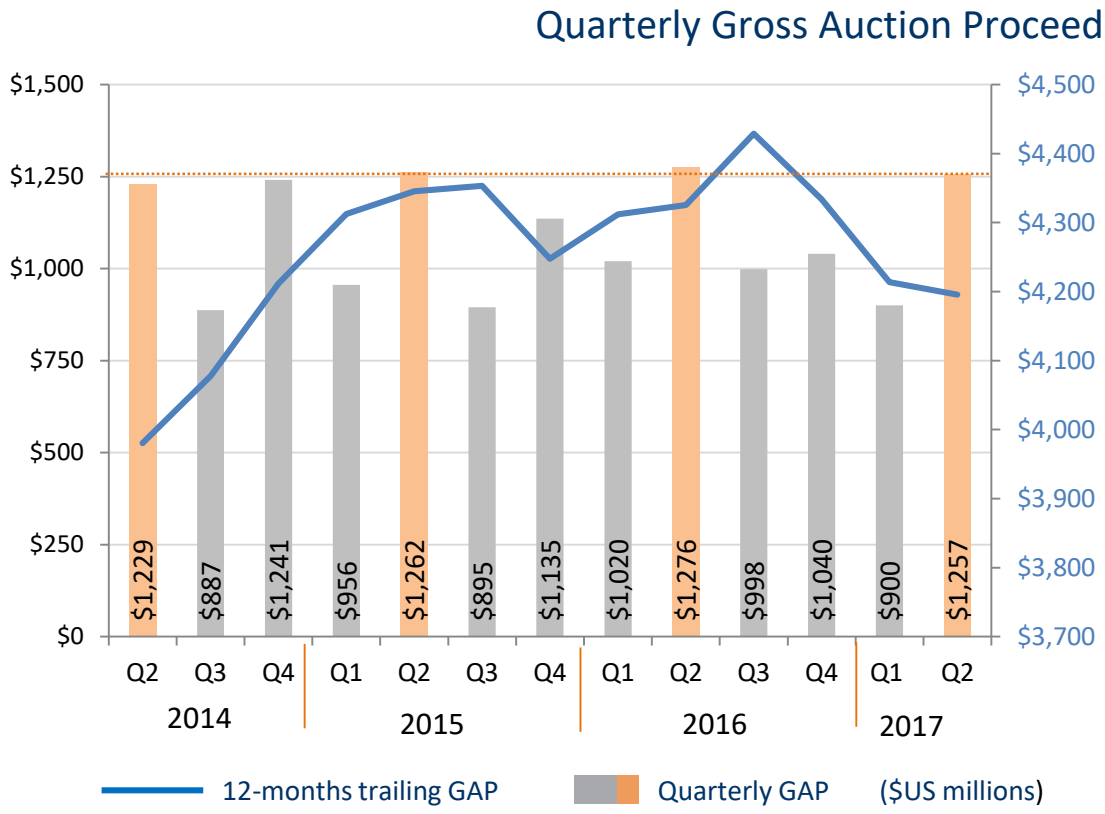
THE RIGHT BUYERS
Better insights driving demand

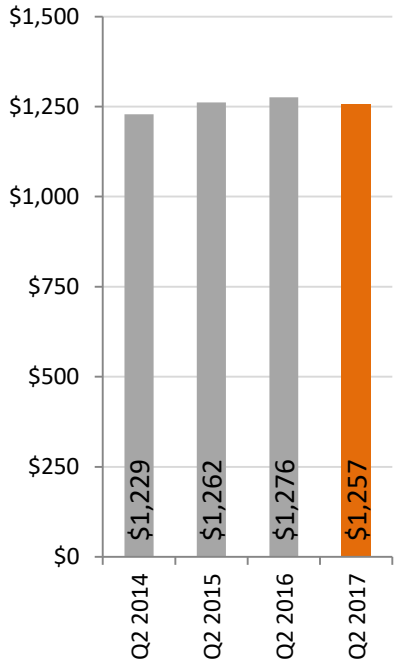
Q2 2017 Business & Financial Review

Sharon Driscoll, Chief Financial Officer

Gross Auction Proceeds (GAP/GTV): $1.3Bn in Q2 2017

Second quarter GAP volume continues to be impacted by constrained supply





GAP includes 1 month (June 2017) IronPlanet results

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Q2 2017 highlights

Edmonton, Alberta: April 25-28, 2017
US$134+ million of GAP
Site record for number of sellers

Toronto, Ontario: May 10-11, 2017
US$32+ million of GAP
Largest Ever Toronto Auction

Fort Worth, Texas: May 17-18, 2017
US$41+ million of GAP

Edmonton, Alberta: June 13-14, 2017
US$54+ million of GAP

Houston, Texas: June 21-22, 2017
US$46+ million of GAP
Largest Ever June Auction for the site

Double-digit growth in Europe, E1, RBFS and Mascus

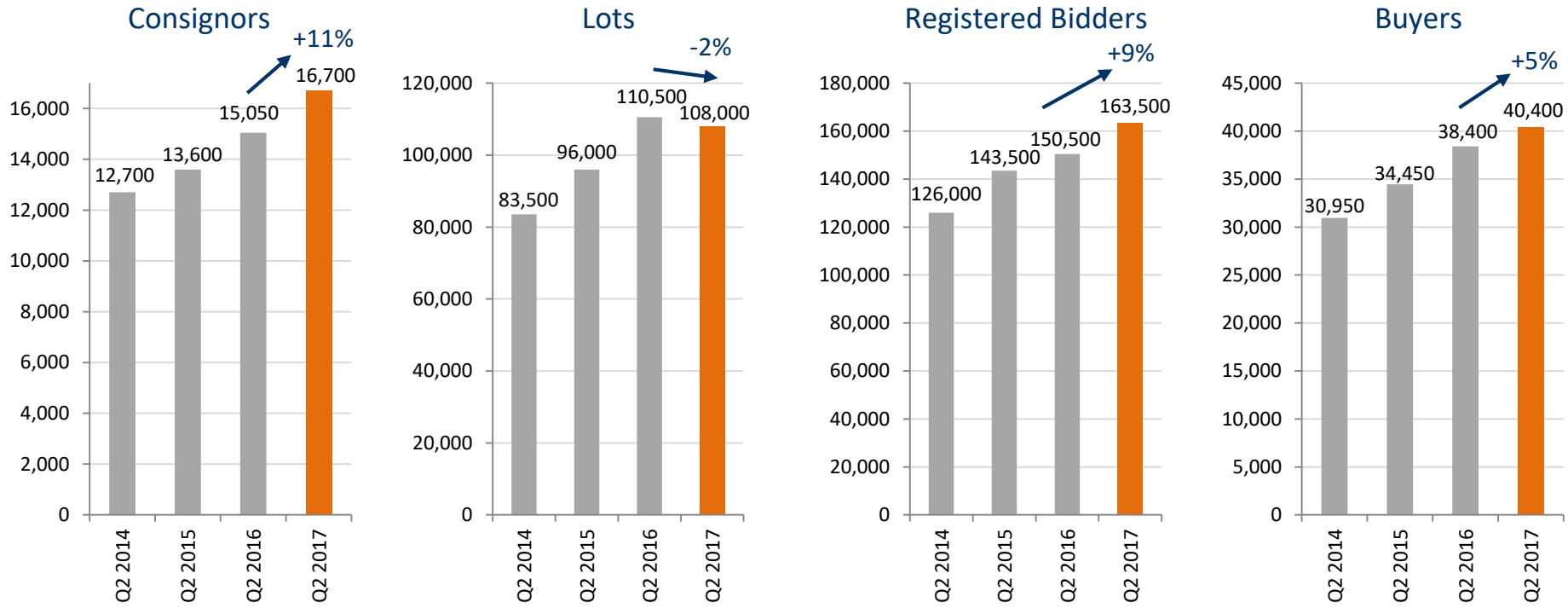
87 Agricultural auctions during the quarter





Industrial auction metrics[1] were mixed in Q2

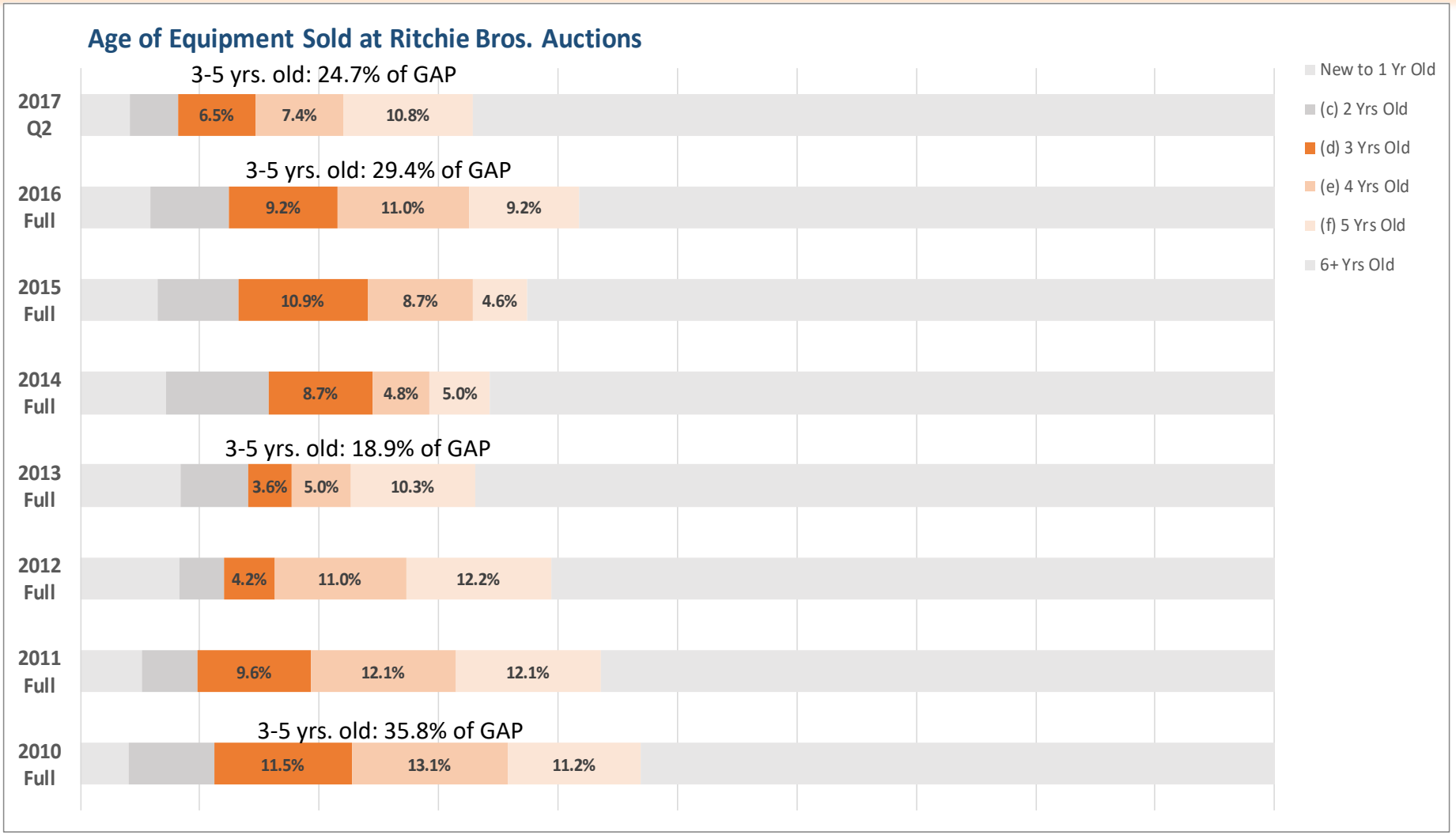
Positive growth in consignors, bidders and buyers while equipment supply constraints impacted number of lots sold



[1] Data is for RBA Industrial auctions only

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Age of equipment is getting older versus a year ago driven by constrained supply and high equipment utilization



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

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Q2 Financial Performance Overview

Q2 2017 Consolidated Financial Information (All unadjusted unless otherwise noted)

($US Millions except EPS)	June 30, 2017	June 30, 2016	*Better / (Worse)*
Revenue	$166.2	$158.8	4.6%
SG&A	$ 74.4	$ 74.0	(1%)
Acquisition-related costs	$ 22.9	$ 0.6	NA
Impairment loss	$ 8.9	$ 0	NA
Operating income	$ 26.9	$ 53.8	(50%)
Net Income attributable to stockholders	$ 17.6	$ 39.7	(56%)
Diluted EPS attributable to stockholders	$ 0.16	$ 0.37	(57%)

Clarifying our Q2 2017 results

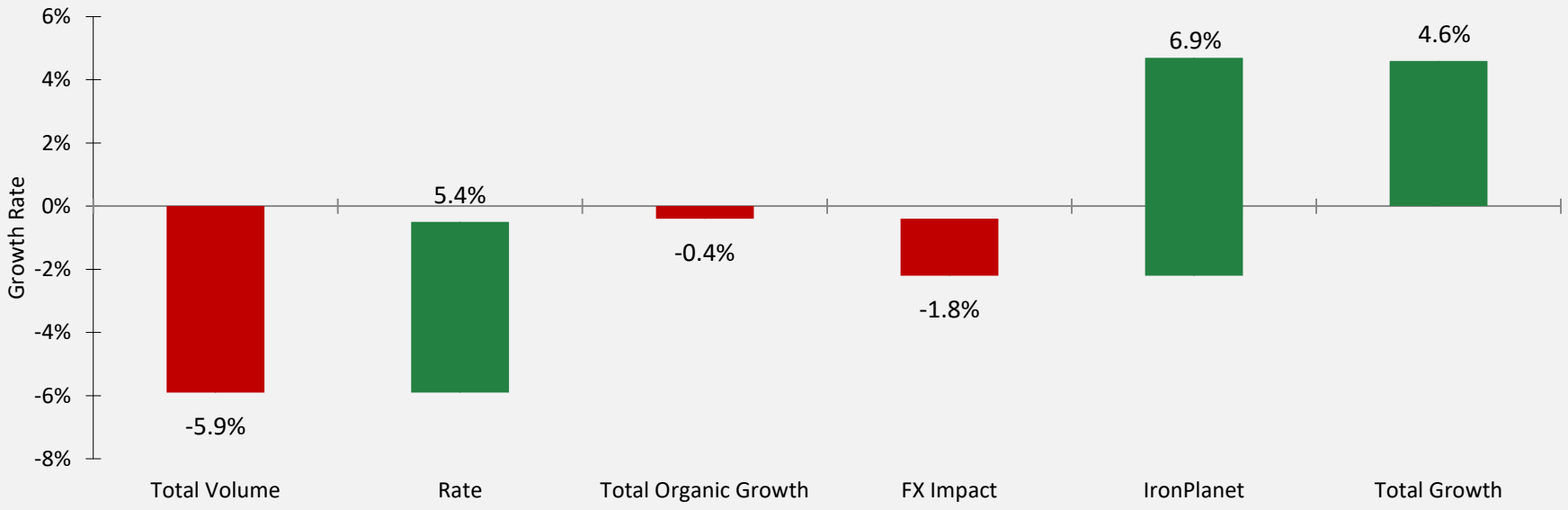
US GAAP (Reported) Includes the impact of acquisition related costs and impairment loss	**Adjusted (Non-GAAP)** Excludes the impact of non-recurring acquisition related costs and impairment loss
$0.16 Diluted EPS attributable to Stockholders	$0.33 Diluted adjusted EPS attributable to Stockholders
$26.9 Million in Operating Income	$51.1 Million in adjusted Operating Income
16.2% Operating Income Margin	30.7% Adjusted Operating Income Margin
(57%) YoY Diluted EPS attributed to Stockholders	(11%) YoY Diluted adjusted EPS Attributable to Stockholders
(50%) YoY Million in Operating Income	(5%) YoY Million in adjusted Operating Income
(1760 bps) YoY Operating Income Margin	(310 bps) YoY Adjusted Operating Income Margin

Total revenue growth +4.6% driven by IronPlanet merger

- Organic Revenue growth excluding FX impact was flat at -0.4%
- Strong Revenue Rate improvements offset most of the impact from volume loss

Breakdown of revenue growth/decline, % attributable to item

Q2 2017 revenue compared to Q2 2016 revenue

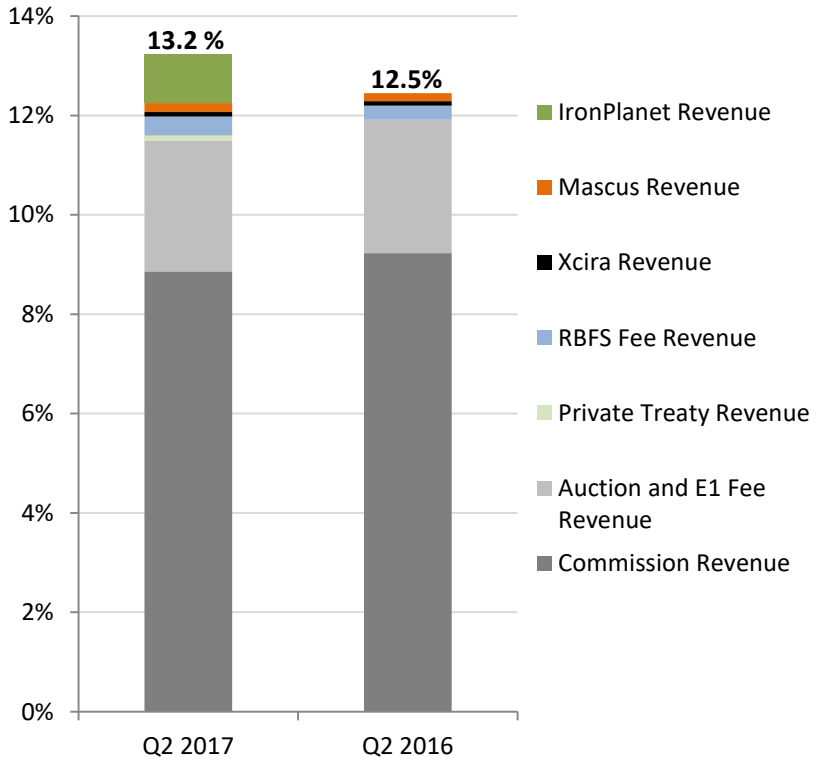


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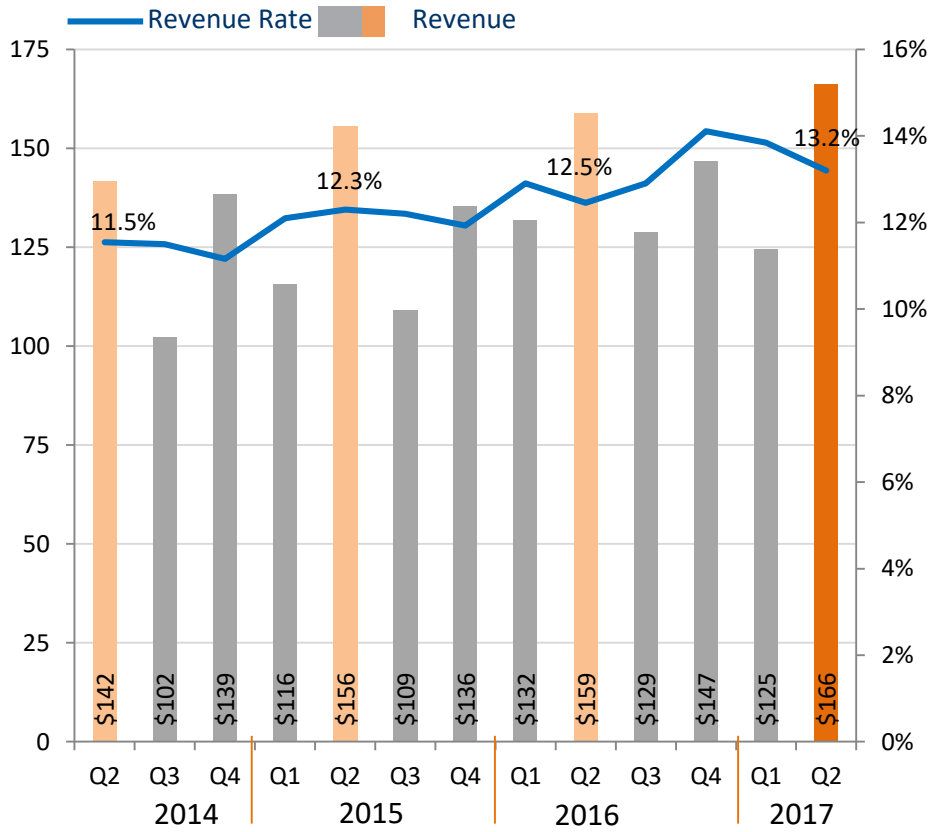
The addition of IronPlanet has been accretive to our revenue rate

Revenue Rate increased to 13.2% in the quarter compared to 12.5% in Q2 2016

Q2 2017 Revenue Rate Components



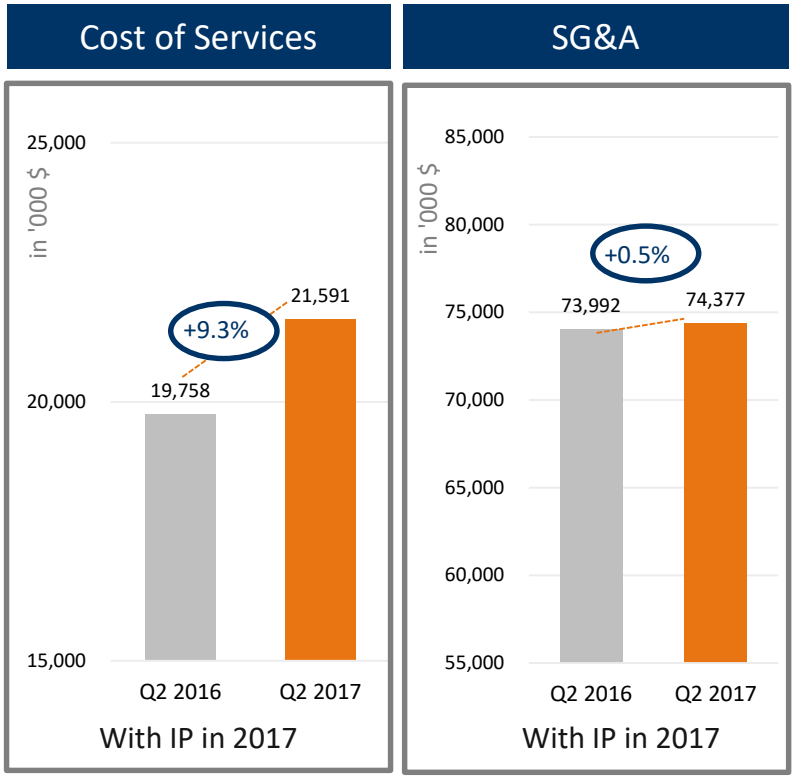
Quarterly Revenue & Revenue Rate ($US millions)

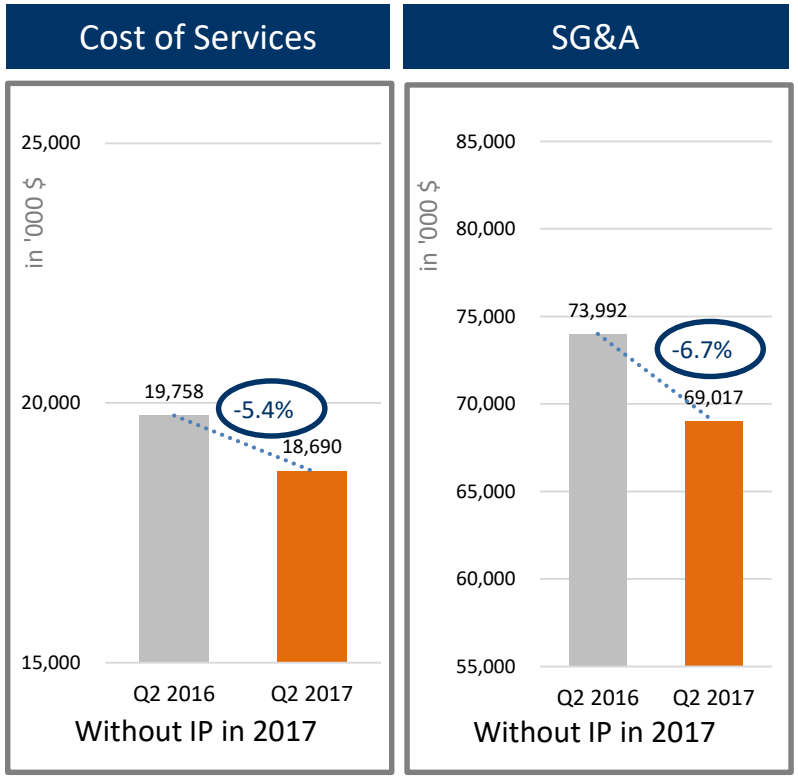


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Q2 Cost of services / SG&A

- Cost of services and SG&A increased primarily due to the inclusion of 1 month (June 2017) of IronPlanet costs post merger
- However, excluding the one month of IronPlanet (for June 2016), cost of services and SG&A decreased over the same period





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Balance sheet and liquidity metrics – YTD Q2 2017

YTD Q2 2017 Balance sheet and liquidity metrics (All unadjusted unless otherwise noted)

12 months trailing ($US Millions except for percent figures)	June 30, 2017	June 30, 2016	*Better / (Worse)*
Operating Free Cash Flow (non-GAAP)	$112.7	$131.8	(14%)
Working Capital	$111.5	$175.7	(37%)
Working Capital Margin	19.7%	32.8%	(1310) bps
Working Capital Intensity (non-GAAP)	-32.6%	-19.8%	(1280) bps
Capex Intensity	5.6%	3.6%	200 bps
ROIC (non-GAAP)	8.8%	15.1%	(630) Bps
Adjusted Net Debt / Adjusted EBITDA (non-GAAP)[1]	2.9x	-0.2x	NA

1. The Company incurred debt to fund the acquisition of IronPlanet. The acquisition closed on May 31, 2017

2H Financial Assumptions (Combined Company)

The following assumptions are provided on a supplementary basis and applicable only to 2H 2017

Financial Assumptions (2H_FY2017 Only)	
Financial Metric	**Assumption**
GAP/Revenue	• Macro headwinds expected to continue in 2H • Tough compares (Columbus sale in Q3 and Private Treaty in Q4)
Revenue Rate (%)	12% to 13%
D&A ($)	$30 to $35mm
Acquisition Related Costs ($)	Approx. $5mm
Net Interest Expense ($)	Approx. $20mm
Tax Rate (%)	Approx. 23% to 25%

Commentary

July 2017 Combined GAP of $249 mm

- *Down 13.8% from July 2016*
- *Decline is principally due to continuing supply constraints and high equipment utilization rates*

2H Comp considerations

- *Equipment supply remains constrained and high equipment utilization rate expected to continue*

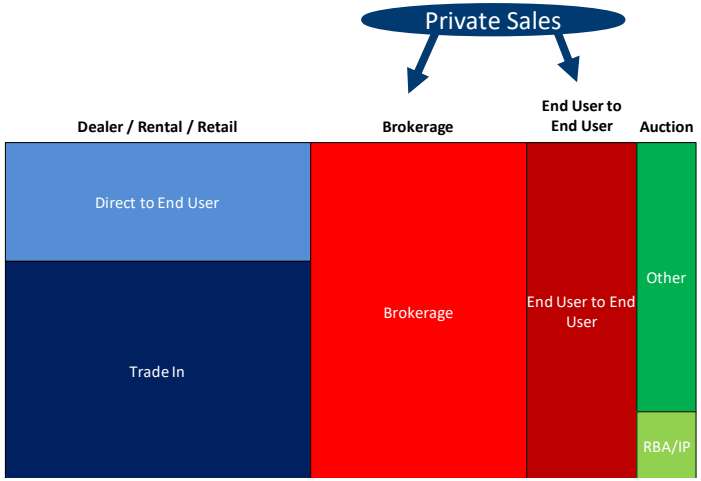
- **Headwind to 2H GAP from:**
  - *Lapping the non-recurring Columbus, OH. Sheehan auction in September 2016 which Generated $76 mm in GAP*
  - *Lapping the non-recurring material Private Treaty deal last year*

Integration Update

Ravi Saligram, Chief Executive Officer

Fragmented global multichannel market opportunity for sale of used equipment characterized by sellers with disparate needs

Sellers have many disposition channels and sell globally in excess of $300Bn annually…



CHANNEL	EST. ANNUAL GTV	TYPE OF TRANSACTION	TYPICAL SELLERS
Dealers Rentals Retail	**~$130Bn+**	Comprised of trade-ins and sales directly to end users	OEM's, OEM dealers, independent dealers and rentals
Private Sales	**~$140Bn+**	Brokerage and end user to end user	1,000s of brokers and equipment resellers and end user to end user transactions via listings
Auctions	**~$25Bn+**	Auction	Global, national and regional onsite and online auction companies

… and these sellers have multiple needs

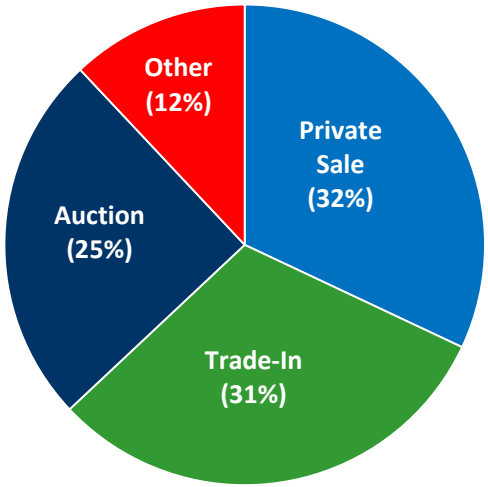


Source: (2015)Manfredi & Associates; (2016)ACT Research; Internal Estimates

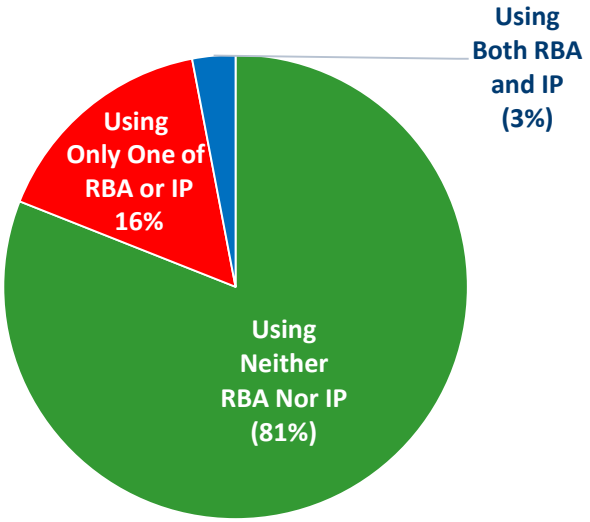
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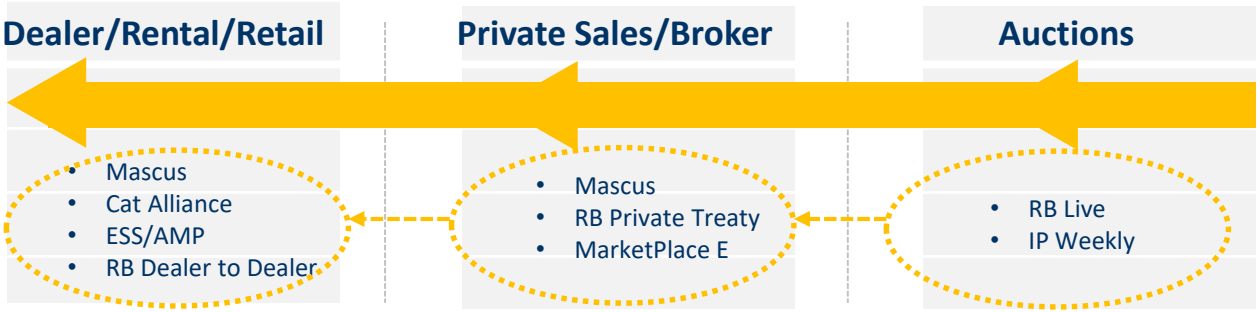
Within our traditional areas of strength, there is significant incremental market opportunity

Full Service Auction Fans Only Give Auctions Less than 25% of Their Business



Strategic Accounts Present a Significant Opportunity in the US Alone





Source: Publicly-available industry lists matched with internal customer lists (de minimis cutoff of 10 lots); N= 884

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We have assembled the broadest coverage in the industry to drive our global opportunity and offer a superior customer experience

As a result of its acquisition of IronPlanet, Ritchie Bros. is the ONLY full-service, end-to-end asset management and disposition company

Multichannel Marketplace Platform:

- Enables one point of entry and movement of assets among channels
- Powers relationship-based decisions versus individual transactions to capture new customers and increased share of wallet

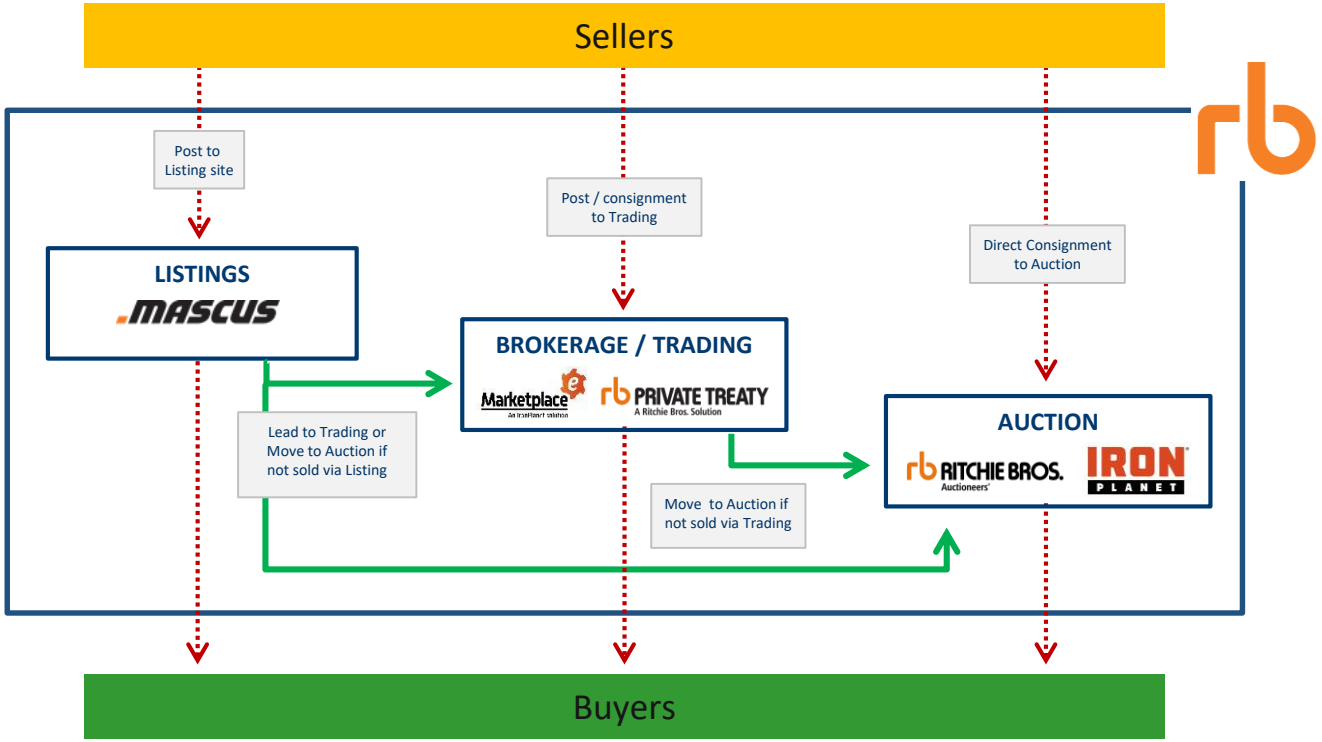
Sellers win:

- ✓ Transact in a channel that is right for them
- ✓ Easily move assets between channels
- ✓ Make informed decisions that are powered by valuable data and "Trusted Advisor"

Buyers win:

- ✓ Source equipment in a one-stop solution
- ✓ Enjoy the broadest selection of assets
- ✓ Benefit from an array of value-added services that make it even easier to buy

THE RITCHIE BROS. ECOSYSTEM



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To accelerate growth and deliver solutions that drive value for our sellers, we will focus our efforts on three core solutions

THREE CORE SOLUTIONS FOR SELLERS

LIVE ONSITE AUCTIONS WITH ONLINE BIDDING



- All-inclusive service
- Pre-sale storage
- Access to global demand
- Certainty of sale

WEEKLY ONLINE AUCTIONS



- Fast time-to-cash
- Frequency of sale
- Access to global demand
- Sell from their own location

RESERVED ONLINE MARKETPLACE



- Control over price & timing
- Access to global demand
- Sell from their own location
- Formats: make offer, buy now, reserve price

DELIVERING VALUE

Right Sales Solutions	Right Time	Right Buyers
Multiple disposition options	Continuous disposition opportunities	Better insights driving demand

Enablers: The Right Talent & The Right Technology

Technology Together

Talent

The combined company's senior leadership technology team has 150+ years of auction / marketplace experience

Collaboration

Teams have quickly come together to provide technology solutions for our unified sales team

Accelerated Digital Transformation

IronPlanet gives us the opportunity to improve legacy systems at an accelerated pace

Technology Integration Roadmap: 2017 to 2019

WAVE 1: Sales unification, enabling the combined company

Planning and Day 1+ execution was a success!

- Employee access to Day One systems
- Canadian & European employees onboarded
- Sales team territories aligned, multi-channel selling rolled out
- Loyalty consignors unified
- VIP/Platinum customer program
- Employee payroll processing enabled
- Organizational changes implemented

In Progress

- IronPlanet sales process integrated with Ritchie Bros.
- Integrated pricing and appraisal tools
- Onboarded Sales Team to common platform
- E1 to combine with IronPlanet's Daily Marketplace
- Services available across platforms
- Complete internet / telco integration between IP and RB

WAVE 2: Buyer Experience

Unify Online Platforms
(Preliminary)

- Customers access brands and transaction history with one account
- Search and access to equipment and event listings across sites
- Expand IronPlanet internationally
- Use IronPlanet personalization technology
- Single contract

WAVE 3: Optimize Operations

Unify Operations
(Preliminary)

- Integrate accounting systems
- Unify customer service CRM
- Consolidate data assets and real time integration
- Optimize workflow systems

Immediately upon closing, we took steps to integrate and align our sales teams

- We have optimized sales territories based on market potential; we will have over 400 global sales team members to ensure strong geographic and account coverage
  - We will have 80 more sales team members than we did in RB standalone at September 2016
    - We are laser focused on filling the 10 TM vacancies, all in the US
  - The best of the best were chosen from each organization to build an industry leading sales organization and become "Best Together"
  - As a reflection of IronPlanet's strength in major and strategic accounts, we have an equal number of legacy Ritchie Bros. and legacy IronPlanet Strategic Account Managers
  - Synergies amounted to 43 team members based on overlap/duplication
- IronPlanet lost some TM's during DOJ review
  - Uncertainty of DOJ outcome created anxiety and made hiring more difficult
    - Several TMs were lured by regional competitors and OEM dealers
  - However, we were able to retain our high performing Strategic Account Managers and CAT Alliance reps

Global Sales Headcount

	Sep 2016	Jul 2017	Diff
Ritchie Bros.	323	314	
IronPlanet	123	79	
Combined	446	393	(53)
Planned Synergies			43
Current Vacancies [1]			(10)
			403

(1) All vacancies are in the US

US Sales Headcount Structure

	Sep 2016		Jul 2017	
	Field	SAG	Field	SAG
Ritchie Bros.	153	32	145	31
IronPlanet	72	28	39	31
	225	60	184	62
Total Field and SAG		285		246
Current Vacancies [1]				10
Total Projected US Sales				256

Integration Guiding Principles and Key Pillars

GUIDING PRINCIPLES

Focus on the Customer

- Do not lose sight of our most important asset
- Communicate early and often
- Make it easy for our customers

Perform While We Transform

- Continue to focus on our operating performance
- Deliver our cost synergies
- Execute plan to leverage assets for growth

Leverage Our Talent and Technology

- Maximize our talent and leverage our leadership
- Reduce complexity and leverage our platforms
- Move quickly but thoughtfully

INTEGRATION PILLARS

Sales Force	Technology	Operations	Finance	People/Culture

We have a well-defined integration plan and have key milestones identified against which we will measure progress

Post Close	Q3 2017	Q4 2017	H1 2018
• Deployed training on "Trusted Advisor" role to foster customer confidence • Enhanced Sales Hub platform to drive efficiency and pipeline visibility • Incorporate IP pricing tool into Sales HUB • Technology Wave 1 – Sales Unification • IronPlanet's and RBA's culture and values are similarly aligned and working well together • Completed Sales Integration in Canada and Europe	• Territory Optimization to integrate sales team, align territories and provide customers with one point of contact; completed in July • Initial IronPlanet and Ritchie Bros. customer integration • RBFS integration into IronPlanet • Sign CAT individual dealer agreements globally/establish Dealer Councils • Pilot CAT Telematics • Complete RB data pipe connectivity with CAT • Integrate E1 Government Services business into GovPlanet • Launch GovPlanet Europe	• Marketplace E launch • Integrate sales workflow • Customer data integration • IronPlanet pricing tool and SalesHub integrated for At Risk • Launch Activity Tracking System on RBA.com • Integrate IP into RB Employee Performance Management process • Leverage the GSA accreditation to drive GovPlanet • Launch IronPlanet Australia • Roll-out CAT Telematics site-by-site	• Drive combined Orlando Auction (Feb) • Unify technology services • US Group Insurance and Retirement Harmonization Implementation (effective Jan 1) • Integrate asset workflow management • Oracle G/L integration for IP finance • Unify sales operations support • Leverage Xcira for CAT auctions

Early Integration Successes – BEST TOGETHER WINS!

Upon closing we have seen early signs of the power of this combination and early wins…

Approx. $90 mm in the pipeline to IronPlanet from legacy RB salespeople with participation from around the globe…

- *~40% has been closed and listed in IP's DM or weekly auction*

GovPlanet awarded GSA Multiple Award Schedule (MAS) Contract

- *Multi-year contract*
- *Federal contract vehicle that can be used by any agency*
- *Examples include the DOD, DHS, to FEMA, Department of Interior, and Department of Energy*

First-time seller consigns multi-million dollar 1,000+ trucks and trailers to IP weekly auctions & RBA onsite auctions…

- *This customer has never done any business with Ritchie Bros. or IronPlanet in the past.*
- *This was The first time we were afforded the opportunity to compete for the deal and won it thanks to our ability to sell on both RBA and IP platforms.*

Legacy IronPlanet dealer customer with rental rollout package to sell across IronPlanet and RBA…

- *At risk contract of a rental rollout package of equipment will utilize IronPlanet's Daily Marketplace and weekly auction as well as Ritchie Bros. onsite auctions*
- *Strategy of selling a rental package with a high number of like items will help minimize risk and help move the assets into the market quicker*

Off to a strong start with Global Caterpillar Family win/win strategic alliance

- *11 Dealers signed new alliance agreements ; excess of 20 commitments*
- *Test Piloted telematics in three sites July/August*
- *1600+ welcome packages to buyers with new data link*

After 2.5 years of trying to monetize a customer relationship – the power of our combined assets proved compelling…

This customer has never done any business with Ritchie Bros. or IronPlanet in the past. Our team put their multi-channel hat on and won the deal on the following merits:

- *Customer opted for IP weekly online auction as cashflow was key*
- *Customer didn't have to move the asset to a physical site to sell*

Second half 2017 priorities

1.	**Revenue Growth**	Position RB to accelerate growth in 2018
2.	**Sales**	Fill TM vacancies, focus on solution cross selling to grow share of wallet, and look to acquire new customers; penetrate new US strategic accounts
3.	**CAT Alliance**	Grow our global strategic alliance; proactively sign dealer agreements to achieve maximum penetration; start data flow to CAT
4.	**Leverage IronPlanet Internationally**	Launch in Australia, leverage in Southern Europe, drive in Canada
5.	**Synergies**	Proactively execute costs synergy plan and identify additional opportunities
Overarching Priority:		**Continue Integration efforts with a particular focus on technology**

Q&A

Members of the RBA Management Team

August 8, 2017

Appendix

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

Included in the Appendix is a revised Evergreen Financial Model, updated as of Q2 2017

Reconciliation of Non-GAAP Measures

The following tables present our adjusted net income attributable to stockholders (non-GAAP measure) and diluted adjusted EPS attributable to stockholders (non-GAAP measure) results for the three and six months, respectively, ended June 30, 2017 and 2016, as well as reconcile those metrics to net income attributable to stockholders, the effect of dilutive securities, the weighted average number of dilutive shares outstanding, and diluted EPS attributable to stockholders, which are the most directly comparable GAAP measures in our consolidated income statements:

(in U.S. $000's, except share and per share data)	**Three months ended June 30,**		**Change**
	2017	**2016**	**2017 over 2016**
Net income attributable to stockholders	$ 17,635	$ 39,710	(56)%
Pre-tax adjusting items:			
Accelerated vesting of assumed options	4,752	-	100%
Acquisition and finance structure advisory	9,063	-	100%
Severance and retention	1,447	-	100%
Impairment loss	8,911	-	100%
Current income tax effect of adjusting items:			
Acquisition and finance structure advisory	(2,447)	-	100%
Severance and retention	(564)	-	100%
Deferred income tax effect of adjusting items:			
Impairment loss	(2,361)	-	100%
Adjusted net income attributable to stockholders (non-GAAP measure)	$ 36,436	$ 39,710	(8)%
Effect of dilutive securities	$ (545)	$ -	(100)%
Weighted average number of dilutive shares outstanding	108,238,660	106,979,810	1%
Diluted EPS attributable to stockholders	$ 0.16	$ 0.37	(57)%
Diluted adjusted EPS attributable to stockholders (non-GAAP measure)	$ 0.33	$ 0.37	(11)%

Reconciliation of Non-GAAP Measures

(in U.S. $000's, except share and per share data)	Six months ended June 30,		Change 2017 over 2016
	2017	2016	
Net income attributable to stockholders	$ 28,012	$ 69,116	(59)%
Pre-tax adjusting items:			
Accelerated vesting of assumed options	4,752	-	100%
Acquisition and finance structure advisory	9,063	-	100%
Severance and retention	1,447	-	100%
Impairment loss	8,911	-	100%
Current income tax effect of adjusting items:			
Acquisition and finance structure advisory	(2,447)	-	100%
Severance and retention	(564)	-	100%
Deferred income tax effect of adjusting items:			
Impairment loss	(2,361)	-	100%
Current income tax adjusting item:			
Change in uncertain tax provision	2,290	-	100%
Adjusted net income attributable to stockholders (non-GAAP measure)	$ 49,103	$ 69,116	(29)%
Effect of dilutive securities	$ (176)	$ -	(100)%
Weighted average number of dilutive shares outstanding	108,014,228	107,069,410	1%
Diluted EPS attributable to stockholders	$ 0.26	$ 0.65	(60)%
Diluted adjusted EPS attributable to stockholders (non-GAAP measure)	$ 0.45	$ 0.65	(31)%

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 and six months, respectively, ended June 30, 2017 and 2016, 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:

(in U.S. $000's)	Three months ended June 30,		
			Change
	2017	2016	2017 over 2016
Operating income	$ 26,888	$ 53,635	(50%)
Pre-tax adjusting item:			
Accelerated vesting of assumed options	4,752	-	100%
Acquisition and finance structure advisory	9,063	-	100%
Severance and retention	1,447	-	100%
Impairment loss	8,911	-	100%
Adjusted operating income (non-GAAP measure)	51,061	53,635	(5%)
Revenues	$ 166,186	$ 158,805	5%
Operating income margin	16.2%	33.8%	-1760bps
Adjusted operating income margin (non-GAAP measure)	30.7%	33.8%	-310bps

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Reconciliation of Non-GAAP Measures

(in U.S. $000's)	Six months ended June 30,		Change
	2017	2016	2017 over 2016
Operating income	$ 50,485	$ 92,809	(46%)
Pre-tax adjusting items:			
Accelerated vesting of assumed options	4,752	-	100%
Acquisition and finance structure advisory	9,063	-	100%
Severance and retention	1,447	-	100%
Impairment loss	8,911	-	100%
Adjusted operating income (non-GAAP measure)	74,658	92,809	(20%)
Revenues	$ 290,685	$ 290,750	-
Operating income margin	17.4%	31.9%	-1450bps
Adjusted operating income margin (non-GAAP measure)	25.7%	31.9%	-620bps

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Reconciliation of Non-GAAP Measures

The following table presents our adjusted net debt/adjusted EBITDA (non-GAAP measures) results on a trailing 12-month basis, 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:

(in U.S. $ millions)	**As at and for the 12 months ended June 30,**		
			Change
	2017	**2016**	**2017 over 2016**
Short-term debt	$ 14.1	$ 22.4	(37)%
Long-term debt	814.3	102.7	693%
Debt	828.4	125.1	562%
Less: cash and cash equivalents	(254.1)	(166.5)	53%
Adjusted net debt (non-GAAP measure)	574.3	(41.4)	(1487)%
Net income	$ 51.1	$ 139.2	(63)%
Add: depreciation and amortization expenses	42.8	41.0	4%
Less: interest income	(2.8)	(2.1)	33%
Add: interest expense	19.9	4.8	315%
Add: current income tax expense	30.4	38.5	(21)%
Less: deferred income tax recovery	(4.8)	(4.7)	2%
Pre-tax adjusting items:			
Accelerated vesting of assumed options	4.8	-	100%
Acquisition and finance structure advisory	9.1	-	100%
Severance and retention	1.4	-	100%
Debt extinguishment costs	6.8	-	100%
Gain on sale of excess property	-	(8.4)	(100)%
Impairment loss	37.2	-	100%
Adjusted EBITDA (non-GAAP measure)	$ 195.9	$ 208.3	(6)%
Debt/net income	16.2x	0.9x	1700%
Adjusted net debt/adjusted EBITDA (non-GAAP measure)	2.9x	-0.2x	(1550)%

Reconciliation of Non-GAAP Measures

The following table presents our ROIC (non-GAAP measure) results on a trailing 12-month basis, and reconciles that metric 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:

(in U.S. $ millions)	As at and for the 12 months ended June 30,		
			Change
	2017	2016	2017 over 2016
Net income attributable to stockholders	$ 50.7	$ 136.5	(63)%
Pre-tax adjusting items:			
Accelerated vesting of assumed options	4.8	-	100%
Acquisition and finance structure advisory	9.1	-	100%
Severance and retention	1.4	-	100%
Debt extinguishment costs	6.8	-	100%
Gain on sale of excess property	-	(8.4)	(100)%
Impairment loss	37.2	-	100%
Current income tax effect of adjusting items:			
Acquisition and finance structure advisory	(2.4)	-	100%
Severance and retention	(0.6)	-	100%
Debt extinguishment costs	(1.8)	-	100%
Gain on sale of excess property	-	1.1	(100)%
Deferred income tax effect of adjusting items:			
Impairment loss	(4.2)	-	100%
Current income tax adjusting item:			
Change in uncertain tax provision	2.3	-	100%
Deferred tax adjusting item:			
Tax loss utilization	-	(7.9)	(100)%
Adjusted net income attributable to stockholders (non-GAAP measure)	$ 103.3	$ 121.3	(15)%
Opening long-term debt	$ 102.7	$ 105.2	(2)%
Ending long-term debt	814.3	102.7	693%
Average long-term debt	$ 458.5	$ 104.0	341%
Opening stockholders' equity	$ 709.0	$ 691.1	3%
Ending stockholders' equity	711.6	709.0	-
Average stockholders' equity	710.3	700.1	1%
Average invested capital	$ 1,168.8	$ 804.1	45%
Return on average invested capital[(1)]	4.3%	17.0%	-1270bps
ROIC (non-GAAP measure)[(2)]	8.8%	15.1%	-630bps

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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, or calculated from, our consolidated statements of cash flows:

(in U.S. $ millions)	12 months ended June 30,		Change
	2017	2016	2017 over 2016
Cash provided by operating activities	$ 144.2	$ 151.0	(5)%
Property, plant and equipment additions	18.2	22.4	(19)%
Intangible asset additions	21.0	11.0	91%
Proceeds on disposition of property plant and equipment	(7.7)	(14.2)	(46)%
Net capital spending	$ 31.5	$ 19.2	64%
OFCF (non-GAAP measure)	$ 112.7	$ 131.8	(14)%

Reconciliation of Non-GAAP Measures

The following table presents working capital intensity (non-GAAP measure) results as at and for the 12 months ended June 30, 2017 and 2016, 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:

(in U.S. $ millions)	As at and for the 12 months ended June 30,		Change
	2017	2016	2017 over 2016
Working capital	$ 111.5	$ 175.7	(37%)
Select working capital items:			
Trade and other receivables	135.4	131.2	3%
Inventory	28.3	74.2	(62%)
Advances against auction contracts	11.5	1.9	505%
Auction proceeds payable	(303.7)	(275.3)	10%
Trade payables	(56.3)	(38.1)	48%
	(184.8)	(106.1)	74%
Revenues	$ 566.3	$ 535.5	6%
Working capital margin	19.7%	32.8%	-1310bps
Working capital intensity (non-GAAP measure)	-32.6%	-19.8%	-1280 bps

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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 2019 **	
ROIC returning to current levels by 2021 ** (15.1%: Q2 2016 TTM)	

****Updated as of 2Q_2017**