Annual General Meeting, Copenhagen, 29 March 2012

Presentation by the Chairman of the Board

Dear shareholders and guests,

The report for 2011 will be presented like last year together with the Executive Board, consisting of Niels Smedegaard and Torben Carlsen.

Let me begin with the results for 2011. It was a record year for DFDS with a pre-tax profit of DKK 742 million, nearly DKK 200 million more than the original pre-tax profit forecast of DKK 550 million. This is a strong result which has fully met the Board's expectations, and it is also worth noting that the result was achieved in a very demanding year for the transport sector as a whole.

The result also includes profits from the sale of activities not supported by DFDS' strategy, and as a result the company enters 2012 as a more focussed and financially robust company. Without compromising the capacity to finance future growth, the proposed dividend for the year has been increased to DKK 14 per share, which equates to a pay-out of DKK 208 million.

[image of priorities]

Many factors contributed to DFDS' success in 2011, not least the fact that we achieved our two highest prioritised strategic objectives:

The first of these objectives was the realisation of the planned synergies from the integration of Norfolkline. At the end of 2011 our calculations show an annual gain from synergies of DKK 220 million, which should be compared with the original estimate of DKK 135 million.

Apart from a few outstanding projects, the integration of DFDS and Norfolkline is now complete and the Supervisory Board is very pleased with progress in this area. It has involved a lot of work for all parties concerned, including the employees of both organisations. DFDS' management team has implemented an effective and productive integration, which has positioned DFDS as the market leading company in our sector in northern Europe.

But it is not only us here at DFDS who feel that the integration has been successful. We have also received praise and recognition from many professional shareholders and investors – this is important because it provides support for our strategy of creating value through growth.

The second highly prioritised objective we successfully achieved was a marked improvement of revenue from our logistics activities. I highlighted just this goal last year, since DFDS' strategy is based on a combination of shipping and logistics or maritime and land transport. Operating profits (earnings before interest and tax, or EBIT) for the Logistics Division increased to DKK 109 million from a deficit of DKK 2 million in 2010, representing an improvement of DKK 111 million.

This significant "turnaround" demonstrates to us and the world at large that our strategy is working. This conviction is strengthened by comparing DFDS' results for 2011 with those of comparable companies, several of which have reported losses.

It is with pleasure and pride that the Supervisory Board puts a strong 2011 to one side and looks forward to an even more challenging 2012.

The biggest challenge we currently face is a general fall in demand compared to 2011. During the first few months of the year demand in the markets around the North Sea have been declining, while overall demand in the Baltic region remains above the level in 2011.

In addition, freight capacity has increased in several markets during 2011 and early 2012. In the Baltic, the capacity on a competing route between Germany and Latvia rose in 2011. On the North Sea, larger ships were deployed on routes between the Netherlands and England in 2011, and in the beginning of 2012 a competing freight route between Sweden and England opened.

At DFDS we thrive on competition, but a significant increase in capacity in an already declining market, as the North Sea most probably will be in 2012, will inevitably lead to price pressures and lower utilisation of capacity for all parties involved. Niels Smedegaard will talk more about the initiatives we have undertaken to counter this trend.

In spite of these short-term challenges anticipated in 2012, DFDS remains in a strong position and is prepared for further growth. As mentioned above we anticipate limited organic growth, but predict that there will be opportunities for growth through acquisition of activities. Thus when I say that DFDS is prepared for new growth, I base this statement both on our financial strength and our organisational readiness.

As mentioned earlier, the Supervisory Board of DFDS is very pleased with the progress that has been made since the acquisition of Norfolkline, but we are also aware that the Group's earnings must continue to improve. The next financial milestone for DFDS is to achieve a 10% return on the total invested capital. That might not sound like much, but compared with 10-year bond yields of around 2% and the presence of several loss-making competitors, it is an ambitious goal. Torben Carlsen will talk more about this challenge in his report.

Before finishing, I would like to highlight DFDS' first comprehensive report on Corporate Social Responsibility (or CSR) which is contained in the Annual Report. The Board wholeheartedly supports the continued development of DFDS' role as a responsible citizen. We believe that this development may help to create more value for our customers, employees, business partners, shareholders and other stakeholders, including the environment. It is our ambition to be the preferred partner for all of our stakeholders.

With respect to corporate governance, DFDS largely follows current recommendations. The company's remuneration policy is available on the DFDS website. This policy provides a framework for the remuneration of the Supervisory Board, the Executive Board and our employees. There have been no adjustments to the policy this year.

Finally, on behalf of the Supervisory Board, I would like to thank the Executive Board, CEO Niels Smedegaard, CFO Torben Carlsen, and the other members of the group management comprising Peder Gellert Pedersen (responsible for the Shipping Division), Eddie Green (responsible for the Logistics Division), and HR director Henrik Holck (with responsibility for People & Ships). You have all delivered an impressive effort in 2011 – thank you.

The results you achieved are based on a huge effort from DFDS' employees, a strong collaboration with our business partners, and last but not least the loyalty of our customers. We thank you all for your contributions and cooperation.

On the basis of the progress we made in 2011, the Board looks forwards to further positive developments at DFDS in the coming year.

It has been a record year for DFDS, and apart from raising the dividend we would like to mark this by giving all shareholders present at the meeting today a gift voucher. We have also listened to the wishes of the meeting on special offers for shareholders, and will shortly introduce a new scheme of offers to shareholders via dfdsseaways.com.

The gift voucher will be handed out after the meeting today and it is valid for up to four people (not during the peak season and the busiest crossings). You can choose between Oslo and Harwich as destinations.

But things don't stop there – more indulgence is on the way! Despite the sale of DFDS Canal Tours a special agreement has been reached which means that like last year we are able to hand out free tickets for DFDS Canal Tours to all shareholders and guests who are present. Enjoy!

I will now give the floor to our President and CEO Niels Smedegaard.

Presentation by Niels Smedegaard

Thank you, Mr Chairman.

As mentioned in the Chairman's report, the integration of Norfolkline is now largely complete. I will therefore begin my presentation with a brief overview of DFDS today.

As shown on the screen our route map now covers the whole of Europe. DFDS' route network is largely confined to the northern part of Europe, but these routes and our logistics activities, including the rail routes illustrated, serve customers from all over Europe. We offer customers reliability, flexibility and security. In other words, customers can rely on DFDS.

In the Baltic, we operate seven routes that connect customers in the Baltic States, Russia and other CIS countries, with customers in Germany, Sweden and Denmark. Our North Sea operations provide freight routes to connect customers in Scandinavia, Britain and continental Europe, and the same applies to our two new cross-channel routes between Britain and the continent. In addition, and as most of you are already aware, we operate three passenger routes, including Copenhagen to Oslo.

We also connect markets on the outskirts of northern Europe, where there is a need for smaller ships, with a container service between Norway, the UK and the continent (including routes to Spain). To ensure a continued supply of freight volumes to our route network, and to thoroughly embed our activities in the markets we serve, we also offer door-to-door transport solutions that make use of our routes or the logistics expertise we have built up over many years in Norfolkline and DFDS.

DFDS has been transformed since mid-2010 by the acquisition and integration of Norfolkline:

- DFDS is now northern Europe's largest combined shipping and logistics company in our sector,
- Since 2009 turnover has grown by about DKK 5 billion to DKK 11.6 billion (a 77% increase),
- The number of employees has also increased by about a third to 5,100 since 2009,
- DFDS' logistics activities have reached critical mass with a turnover of DKK 4.3 billion,
- The geographical coverage of our network has expanded with activities across the English Channel, and now also includes a single route in the Mediterranean,
- Our market position in the southern part of the North Sea has been enhanced with the addition of three freight routes,
- We are completing the unification of IT systems across our business areas.

As the Chairman mentioned, it was a strategic priority in 2011 to realise the projected synergies – and this has been successfully achieved. At the end of 2011, total annual synergies estimated at DKK 220 million have been gained. These synergies are divided into five main areas based on a total of 82 projects, of which some IT projects remain to be completed in 2012.

As shown in the table, in particular the synergies for Logistics and Miscellaneous Business Units have exceeded expectations. With regard to Logistics, the Headlight improvement project has helped to increase synergies, among other ways through a reduction in the cost of purchasing road transport services, by the establishment of a joint trailer pool, and by focusing on yield management at the customer level.

Synergies from other areas are primarily related to increased savings from the merger of locations and organisational changes.

At the end of 2011 the total costs of the integration were DKK 147 million, which is a saving compared to the original forecast of approximately DKK 175 to 200 million.

In addition to creating value through synergies, value has also been created through two major restructuring events:

Norfolkline's loss-making activities in the Irish Sea were wound up by the sale of routes and vessels and the closure of other routes, and a ro-pax vessel was transferred to DFDS' route network in the Baltic Sea – this is also a good example of the flexibility provided by a large route network. In addition, a surplus port terminal at Maasvlakte, Rotterdam was sold.

The total proceeds from the sale of routes and vessels and the port terminal was DKK 715 million. This can be compared with the debt-free purchase price for Norfolkline of DKK 2.6 billion. This corresponds to a recovery of 28% of the purchase price.

The successful integration of Norfolkline has been strategically important for DFDS, as our growth strategy has partly been based on growth through acquisitions. Such acquisitions may be relatively small, such as our purchase of the route between Paldiski and Kapellskär in 2011, or much more significant in size, such as the purchase of

Norfolkline. All acquisitions share the feature that economies of scale are achieved by rolling out our business model to encompass more activities.

We have gained many valuable experiences from the integration of Norfolkline. Key factors include proper preparation, a high degree of involvement of employees in both companies, prioritisation of internal and external communication, and detailed follow-up and reporting on the various integration initiatives in the process. These experiences have formed a part of The DFDS Way, a topic to which I will return, and will provide an important basis for DFDS' future success and growth strategy.

Let me now review the main events which have occurred in business development and operations during 2011.

We have divested non-core activities in order to focus our portfolio of activities. DFDS Canal Tours was sold in March 2011 with a profit of DKK 83 million, the previously mentioned port terminal at Maasvlakte was sold in June 2011 with a profit of DKK 48 million, and the Norwegian dry bulk activities were phased out in the third quarter of 2011 through the sale of contracts and the return of chartered ships. This closure resulted in a profit of DKK 5 million.

Following the sale of two routes on the Irish Sea in late 2010, we closed the two remaining routes at the end of January 2011 as it was not possible to develop a business plan that could improve the performance of these routes significantly.

However there are not only cuts to report. We have created growth in 2011 on the Baltic Sea, where continued growth in the economies of Russia and its neighbouring countries has led to high growth in the freight market. Therefore, the size and capacity of the route network was expanded during the year by insertion of a newly chartered ro-pax ship on the route between Kiel and Klaipeda in September 2011. The capacity on the route between Karlshamn and Klaipeda was increased in February 2011 by the re-assignment of a ro-pax ship from the Irish Sea, and we took over a ro-pax route between Kapellskär in Sweden and Paldiski in Estonia in October 2011. We also opened a new ro-pax route between Kiel and Ust Luga in Russia in May 2011.

Significant events for DFDS also occurred after the end of 2011. On 24 January 2012 a new freight route opened between Gothenburg and Killingholme in competition with DFDS' route between Gothenburg and Immingham. This route has been opened by a Swedish freight forwarder, and as mentioned by the President, the arrival of additional freight capacity between Sweden and the UK will have a significant negative impact on DFDS’ result in 2012.

A happier event to report is the agreement that DFDS and Louis Dreyfus Armateurs signed with the Port of Calais in early February 2012 for port facilities in Calais with regard to the opening of a route between Calais and Dover. The route was opened on 17 February 2012. Since the opening the route has been served by one ship, NORMAN SPIRIT, and in order to offer a competitive product an additional vessel will operate on the route from 27 April this year.

DFDS works in line with four strategic principles, as described on page 8 of the Annual Report. The fourth principle concerns a constant focus on quality and efficiency in our operation, and it is in this light that our projects for continuous improvement and streamlining should be seen.

Since 2008 we have implemented several major projects for improvement and streamlining targeted at those areas most in need of radical change to improve performance. This is being achieved through a combination of reducing costs, improving sales efforts and customer service, and organisational changes.

The focus in 2011 has been on two major improvement and streamlining projects:

Project Headlight encompassed eight northern European business locations within the Nordic Transport, Continental Transport and European Contract business units. The project's objective of an annual improvement in earnings of DKK 60 million was achieved and has been included as part of the overall synergies of integration.

Project Light Crossing includes the Dover-Dunkerque route and is expected to be completed by mid-2012. The objective is an annual improvement in earnings of up to DKK 75 million.

The focus in 2012 will be on four major improvement and streamlining projects:

Project Head Light 2 will encompass the remaining 12 locations in the Logistics Division and should be completed towards the end of 2012. The objective is a further improvement in earnings of up to DKK 40 million.

Project Customer Focus aims to strengthen DFDS' customer relationships based on a better understanding of the background to the buying decisions which our customers make and their satisfaction with the customer service provided by DFDS. The results of this project are expected to become visible in 2013 in the form of greater customer focus, the attraction of new customers, improved customer retention, and an increased engagement with existing customers.

Project Light Capital aims to reduce the amount of money tied up as working capital. The first results are expected in the third quarter of 2012.

The fourth project is called Light Crossing, and as mentioned above should be completed by mid-2012.

In addition to these projects, a new emergency plan was developed and launched in August 2011 to counter a possible new economic downturn. We currently estimate that implementation of this plan would achieve an overall positive effect of about DKK 50 million in 2012 and 2013. The reason for developing this plan was the renewed uncertainty about future economic developments that arose in the financial markets over the summer of 2011. In the second half of 2011 we have seen a weakening of growth in freight volumes in the North Sea and declining growth in the Baltic Sea. However there are still no signs of a steep decline in freight volumes, as was the case in late 2008 and 2009.

I will now proceed to two other important issues, namely corporate social responsibility and The DFDS Way.

First on The DFDS Way – which is fundamentally about making DFDS a stronger and more efficient business by all doing things a little bit better every day.

Based on our experience of the major changes implemented in recent years, we have developed a certain way of doing things which has yielded positive results – and this is what we call The DFDS Way.

We work with a business model where the emphasis is on creating value for customers and achieving continuous improvements. We strive to share knowledge about the best and most effective ways of doing things between business units, we use our size to obtain economies of scale, and last but not least, we strive to foster a culture where performance is recognized and rewarded.

The slightly more technical part of The DFDS Way, which is complemented by a set of behavioural standards, is simply a summary of the way we approach everyday work. These standards are only expressed in English as this is the internal working language of our organisation.

It concerns making sure that we are fully engaged in what we do, that we create an excellent experience for our customers, that we listen to each other before making decisions, and that we do what we say we will do. When we see a problem, we take care of it – and this applies to everything from a towel lying on the floor of a passenger ship to a business unit with low earnings. And it is also about continual learning, development and improvement – every day.

We believe that we have put together some relatively down-to-earth, but important, things in The DFDS Way, and that this has allowed many of our employees to quickly immerse themselves in the spirit of the company, which, as mentioned earlier, reflects the way we do things from day to day.

Turning from The DFDS Way we now move on to the report on corporate social responsibility (or CSR).

In order to focus DFDS' work in the area of CSR, during 2011 we developed a strategy for corporate social responsibility and we have secured the strategy within the organisation by creating a CSR Committee that reports to the group management.

It is our ambition that our CSR work will create continuous improvements and value for all stakeholders in DFDS, and support the company's position as a preferred partner. This includes a continuous reduction in the environmental impact of our activities.

DFDS is responsible for many employees, their working conditions, and health and safety at work. We help to drive infrastructure and supply of goods across northern Europe. We are responsible for passenger safety, our customers’ goods, and the environmentally sound operation of our business. We are also responsible for creating a satisfactory return on any investment made in DFDS – and much more.

The management of this responsibility is the focal point of this year's report on CSR (see pages 38-55 of the Annual Report). This report presents policies and actions, as well as the status of activities, relating to corporate social responsibility.

Pages 42 to 43 provide an overview of DFDS' engagement with its stakeholders. Who are they? How do we work? What do they expect of us? What things were actually implemented in 2011, and what plans do we have for 2012?

On page 44 we have grouped issues related to corporate social responsibility on the basis of their importance to DFDS and its stakeholders respectively. The areas of highest priority are shown in the upper right corner. These are employee and customer welfare, terms of employment, greenhouse gas emissions, and compliance with rules and legislation.

Against this background, we have defined five main areas of work in the area of corporate social responsibility; namely safety, employees and local communities, the environment, customers, and collaboration with suppliers.

In essence this provides a framework for DFDS' future work on corporate social responsibility, and we believe that it is possible to create value for stakeholders and our business through a more focused link between corporate social responsibility and our general operations.

An important part of our work on CSR is the maintenance of dialogue with all stakeholders, including our shareholders. We have entered into dialogue with shareholder Jimmy Flindt on the environmental benefits associated with the installation of wind turbines on our ships. The inspiration for this dialogue comes from Stena Line's trial of such wind turbines, as shown on the screen. At present, it is our opinion that there are a number of technical issues still to be resolved before installation of such wind turbines makes environmental and economic sense, and we will therefore closely follow future developments in this area. But we are grateful for the dialogue and interest. In addition I refer you to the environment section of the CSR report on page 50 to 52 of the Annual Report, where we outline the numerous environmental initiatives on which DFDS is working.

Finally, I would like follow up on the strategic priorities for the DFDS Group which I set out at last year's Annual General Meeting:

We had to complete the integration of Norfolkline and realise synergies – this has been achieved.
We intended to markedly improve the performance of the Logistics Division – this has been achieved with a DKK 111 million increase in operating profit before special items.
And finally, we wanted to further develop The DFDS Way such that it became a part of our corporate culture with emphasis on continuous improvement, innovation, and not least the striving to create a positive result – an objective to which I believe we can also put a tick. However this is not to say that we now intend to stop working with The DFDS Way - rather the opposite, it is a journey which has just begun.

Two strategic priorities for 2012 are identified on page 8 of the Annual Report: the title of the first is streamlining and preparedness. This priority concerns achieving the objectives of the four projects for improvement and streamlining, and ensuring that DFDS' organisation is ready and prepared to implement adjustments in our contingency plan in event of significant changes in market conditions.

The second priority is executing our growth strategy, which is focused on ensuring that the opening of a new route between Dover and Calais meets our expectations. In addition, we shall focus on the further development of our two new Baltic routes which opened in 2011 (Paldiski - Kapellskär and Kiel - Ust-Luga). Additionally, we will proactively pursue consolidation and expansion opportunities through the acquisition of activities and companies.

To sum up, 2012 is all about creating the best possible outcome under the given circumstances, to strengthen DFDS' long-term competitiveness and efficiency through our streamlining strategy, and to pursue any growth opportunities that may arise so that DFDS continues to maintain its leading position within our industry.

2011 has been another eventful and exciting year for DFDS. Thank you to all our shareholders, customers and employees for your contribution to our strong earnings performance.

I would now like to hand over to our CFO, Torben Carlsen.

Presentation by Torben Carlsen

I would now like to move on to the annual accounts for 2011 and anticipated profits for 2012.

First off I would like to make some comments in connection with the Chairman's presentation of DFDS' financial targets in regard to ROIC (return on invested capital).

In 2011 DFDS had an invested capital of approximately DKK 10.42 billion. This figure is mentioned, for example, at the bottom of page 4 in the Annual Report where the return on invested capital is said to be 8.6%. For 2011 this figure includes net earnings before special items in the amount of DKK 102 million, which are not a part of the ordinary day-to-day operations. With an adjustment for these special items ROIC amounted to 7.7% in 2011, to compare with our target of 10%.

This means that we need to improve our earnings by just over 2 percentage points compared to 2011, to reach our target of 10%. In this overview, the return before special items has been divided between the Shipping and Logistics business divisions. The total return on investments in Shipping was 8.9%, with the Baltic Sea and Passenger business units performing above target and North Sea performing below target. The return on investments for Channel was only 1.1%.

In the Logistics Division, the business units Nordic Transport, European Contract and Nordic Contract outperformed the target ROIC, whereas Continental Transport and Intermodal did not achieve the target. Total ROIC for the division was 11.2%, which is well above target.

[areas of focus]

In 2012, ROIC for North Sea in particular will be impacted negatively by the reduction in demand, the increased competition and by owning two ships rather than chartering them. The first two items will have a negative impact on earnings, whereas the latter will increase the capital on which ROIC is calculated. For this reason two business units are crucial to us achieving our target of 10% – North Sea and Channel. Combined, these two business units use more than 60% of the Group's total invested capital.

In order to improve North Sea's return on invested capital, we aim to both streamline operations and carry out structural changes. When it comes to structural changes, we are mainly talking about the routes between the UK and the Continent, which is a very large market, although also, unfortunately, a market suffering from overcapacity.

Channel's low return in 2011 was caused by particularly challenging market and competition conditions, including significant price competition in the freight market on account of SeaFrance's struggle to avoid receivership and Eurotunnel's desire to obtain a higher market share. In addition to this, bunkering costs also increased. SeaFrance was placed under receivership in January 2012, and to strengthen our market position, as well as to achieve synergy benefits and to contribute to a more stable market situation in the Channel, we opened a new route between Dover and Calais in February 2012.

We expect that this move to a competitive situation with two rather than three ferry operators plus Eurotunnel will stabilise the market and contribute to improved earnings for Channel. However, we do not expect the new route to have a positive impact on results in its first year of operation.

All in all we are very focussed on reaching the target of a 10% return for DFDS as a whole, and are making progress to this end, even if 2012 is going to be a challenge.

After this, I would like to move on to the accounts for 2011.

On the screen we can see an excerpt of the consolidated income statement. At the Annual General Meeting we are mostly concerned with the accounts for the parent company, namely DFDS A/S, but because a significant proportion of the activities lie within the subsidiary companies, the starting point for this presentation will be the consolidated accounts.

Group turnover increased by 18% to DKK 11.624 billion in 2011. The majority of the increase had to do with the full-year effect of incorporating Norfolkline assets in July 2010, which increased turnover in both divisions.

Turnover in Shipping increased by 13% to DKK 7.798 billion, where the most significant full-year effects were related to the increase in turnover for Channel and North Sea. On the other hand, the closure of the Irish Sea business unit reduced the increase in turnover. The business unit Baltic Sea was not affected by the merger with Norfolkline, but the turnover in this unit increased by 33%, driven by organic growth from increased transport volumes and increased income from fuel supplements and price increases.

Turnover form Logistics increased by 29% to DKK 4.33 billion, mainly due to the full-year effects of having access to Norfolkline.

The operating profit before depreciation (EBITDA) and special items rose by 17% to DKK 1.495 billion thanks to the successes of both divisions, including the full-year effects of the Norfolkline merger.

In Shipping EBITDA increased by 16% to DKK 1.416 billion due to improved results in both business units, excluding Channel. The improved result in North Sea was driven by synergies from consolidation of routes and port terminals, in addition to increased rates, whereas the improvement in Baltic Sea was mainly due to higher volumes of freight. The closure of Irish Sea had a positive impact on the result, whereas Channel's profits decreased due to the extraordinarily difficult competitive situation mentioned earlier. Passenger retained its profits at the 2010 level, despite an increase in bunker costs.

EBITDA in the Logistics Division increased by 131% to DKK 171 million, due to the successes of all business units. The increased earnings in the Nordic Transport and Continental Transport business units were driven by synergies and putting profitability before volume. European Contracts showed an improved result, based on the streamlining of operations and, again, increased focus on profitability of contracts. Intermodal's earnings improved mainly due to more efficient operations, including improved earnings for the railway activities, and in Nordic Contract increased paper volumes led to an improved result.

Non-allocated items represented a cost of DKK 91 million, which was an increase of DKK 69 million, DKK 25 million of which was due to the effects of transferring the earnings from an unchartered passenger ship to Shipping from non-allocated items as of 1 January 2011. In addition, non-recurring costs such as a loss of receivables and insurance compensation as well as employment and project costs contributed to the increased cost.

Just like last year, the accounts include various special items. In 2011 these represented net earnings of DKK 91 million.

Among other things, special items reflect the integration of Norfolkline and the structural changes that have been implemented. The costs of integrating Norfolkline into the business were DKK 72 million, whereas improvements relating to restructuring accounted for DKK 48 million from the sale of a surplus port terminal in Maasvlakte, Rotterdam, and DKK 17 million from the sale of a ro-pax ship due to the closure of the Irish Sea business unit.

In addition, the sale of DFDS Canal Tours netted a profit of DKK 83 million, the sale of an office building in Latvia gave a profit of DKK 23 million, and lower-than-expected costs of a fire on-board a ro-pax ship in 2010 led to a positive adjustment of DKK 17 million. The final special item constitutes the DKK 25 million write-down of DFDS' ownership in DailyFresh Logistics. This followed reduced earnings at DailyFresh, which is 33% owned by DFDS.

The operating profit, EBIT, after special items was DKK 925 million, an improvement of 36%.

The net cost of financing increased by 36% to DKK 183 million. This was solely due to a decline in earnings from net exchange rate adjustments, as net interest expenditure was reduced by 21% to DKK 129 million on account of a reduction in the average net-interest bearing debt.

In 2011 the net exchange rate adjustments represented a cost of DKK 7 million, compared to an income of DKK 61 million in 2010, which equates to a year-on-year deviation of DKK 68 million.

This brings us to the profit before taxes, which was DKK 742 million. After tax in the amount of DKK 7 million, the profit for 2011 was DKK 735 million, compared to DKK 522 million in 2010.

That was the income statement. Now I will run through the most important conditions affecting investments, cash flow and the balance sheet.

Net investments in 2011 comprised an income of DKK 219 million from sales of activities and businesses as well as the payment of insurance compensation for the ship that suffered a fire in 2010. You can see these items on the screen.

Gross investments in assets comprised DKK 804 million, of which DKK 376 million was represented by payments in connection with the construction of the two new transport vessels. On top of this, we invested DKK 209 million in our vessels in connection with maintenance and dockings, including the fitting of fuel-efficient propellers on several vessels. Other investments were made in load-bearing materials, development of the on-going port terminal in Rotterdam, IT, and miscellaneous.

In terms of the balance sheet, the combined assets were reduced by 8% to DKK 12.795 billion, which led to a narrowing of the balance by just over DKK 1 billion. We have reduced the fixed assets, since depreciation and sale of activities and businesses were higher than the access to the gross investment mentioned earlier. In addition, we have used liquid funds freed by the insurance compensation and other items.

Thus, we have reduced the interest-bearing obligations by 28% to DKK 3.582 billion at the end of 2011, which corresponds to a reduction to the tune of DKK 1.380 million.

DFDS is now in a very strong financial position, having reduced its net interest-bearing debts to DKK 2.555 billion, corresponding to 1.7 times the operating profits, EBITDA.

Finally, regarding the balance sheet, I would like to round off by telling you that DFDS' equity comprised DKK 6.964 billion at the end of 2011. This corresponds to an equity ratio of 54%, up from 46% in 2010.

The graph on the screen demonstrates this year's cash flow and the movements in our holding of cash assets. We started 2011 with cash in the amount of DKK 1.84 billion. Operations produced positive cash flow in the amount of DKK 1.419 billion, and with a positive cash flow of DKK 219 million from invested capital the unrestricted cash flow from operations was DKK 1.638 billion.

This significant positive unrestricted cash flow was used to reduce short- and long-term debt by a net amount of DKK 1.457 million, and for payment of a net-cost of financing in the amount of DKK 174 million, as well as for a dividend payment of DKK 117 million. This takes us to the end of the year, where the cash totalled DKK 931 million.

That concludes the presentation regarding the accounts.

DFDS shares

Despite the good profit in 2011, DFDS' share price fell during 2011, as did the prices on the stock market in general. The share price was DKK 355 at the end of 2011, which was a reduction of 15% compared to 2010. By comparison, an index for similar activities fell by 16% during 2011, and the total index for NASDAQ OMX in Copenhagen fell by 18%. So, as consolation, DFDS' share price did better than other similar businesses and the market as a whole.

It might be interesting to know that the DFDS share actually was the best performing shipping share on the Danish stock market in 2011, i.e. it was the share that fell the least in value.

Expected profits

The final point in my presentation is the expectations for 2012. For most of DFDS' activities we expect that the profits will remain unchanged or improve during 2012.

In Shipping we expect unchanged earnings in three of the four business units (Baltic Sea, Channel and Passenger) despite increased fuel prices. However, the North Sea business unit will be affected by increased competition. As Niels Smedegaard mentioned in his presentation, we have launched a number of actions to counteract the increased competition and otherwise complicated market situation.

Overall, the Logistics Division expects an improved result for 2012.

Just like 2011, the freight activities in 2012 are expected to account for approximately 80% of DFDS' turnover. The increase in the freight market is expected to be the highest in the Baltic area (approximately 2-4%) and the lowest in the North Sea, where reduced volumes are expected. The growth in the passenger market is expected to follow a similar trend.

Against this background we have the following expectations for 2012:

- Turnover is expected to stay on par with 2011, as the Dover-Calais route counteracts both the reduced turnover in the North Sea due to the increased competition, and the expectation of lower volumes in the North Sea.

- As concerns bunkering costs, approximately 70% of the usage is covered by fuel supplements and hedging. A price increase of 1% would, therefore, have a DKK 6 million impact on profits, compared to the price in the middle of February 2012 (which was approximately USD 700 per tonne compared to a current price of approximately USD 750 per tonne).

- EBITDA before special items is expected to be between DKK 1.3 and 1.35 billion
- and EBIT before special items is expected to be between DKK 600 and 650 million.
- This gives a profit before special items and taxes of between DKK 450 and 500 million.

- In 2012 no special items are expected as a rule.
- On the investment side, we are planning investments of in total DKK 650 million, including the final payments for two newly built ro-ro freighters to the amount of approximately DKK 450 million.

These expectations are subject to significant financial changes in the Eurozone, as well as significant fluctuations in the price of oil and exchange rates.

That concludes my presentation on the accounts for 2011 and I hand the podium over to the Chairman