

# Q1 2006

Analyst meeting,  
24 May 2006



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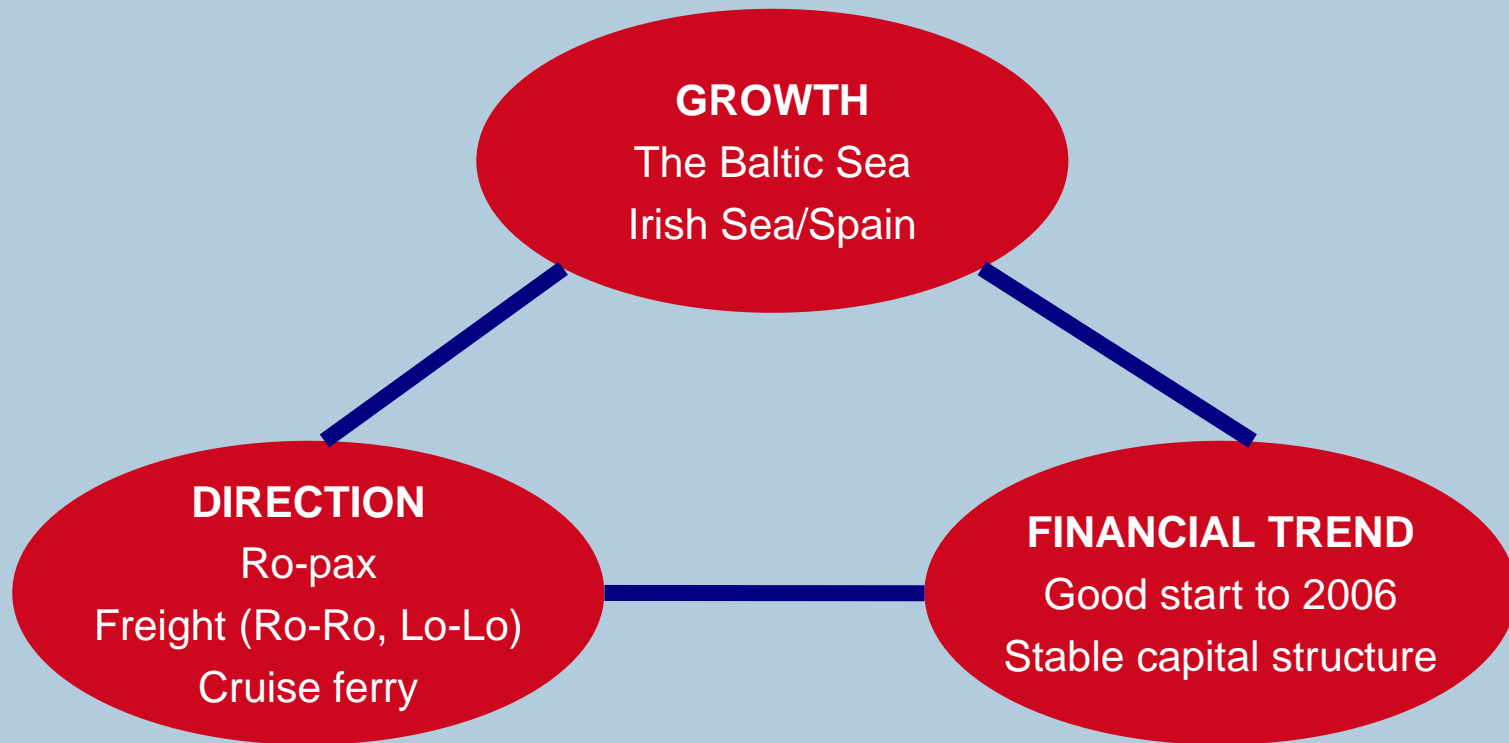
- The quarter in brief
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- Q1 financial performance & full-year profit forecast 2006



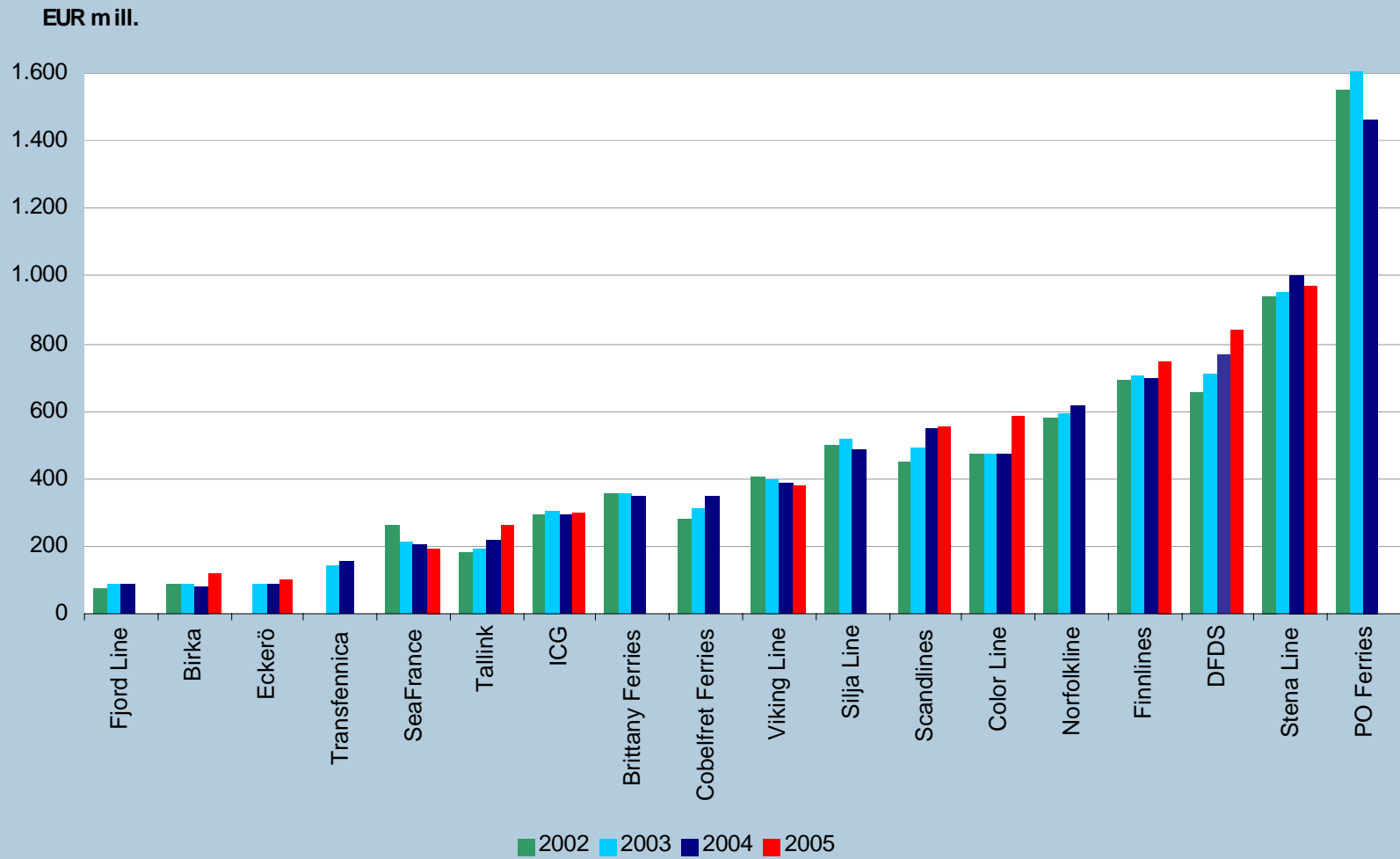
## Q1 2006 in brief

- Revenue DKK 1,591 million, +22%
- Pre-tax profit up DKK 87 million to DKK -13 million
- Significant improvement by DFDS Tor Line
- Progress by DFDS Seaways
- DFDS Seaways' new passenger ship deployed as planned
- Q1 exceeded expectations
- Full-year profit forecast unchanged

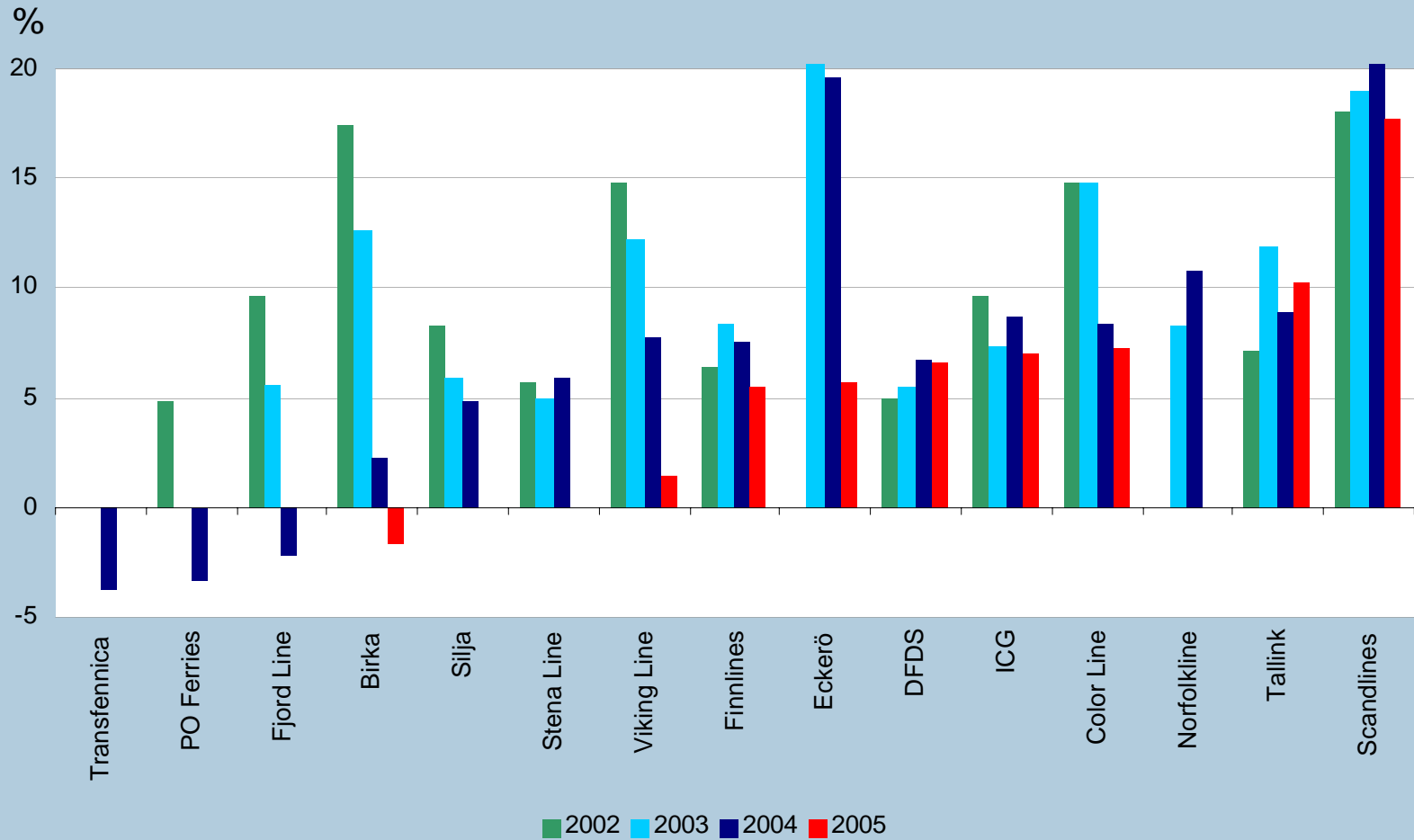
# Strategy on course

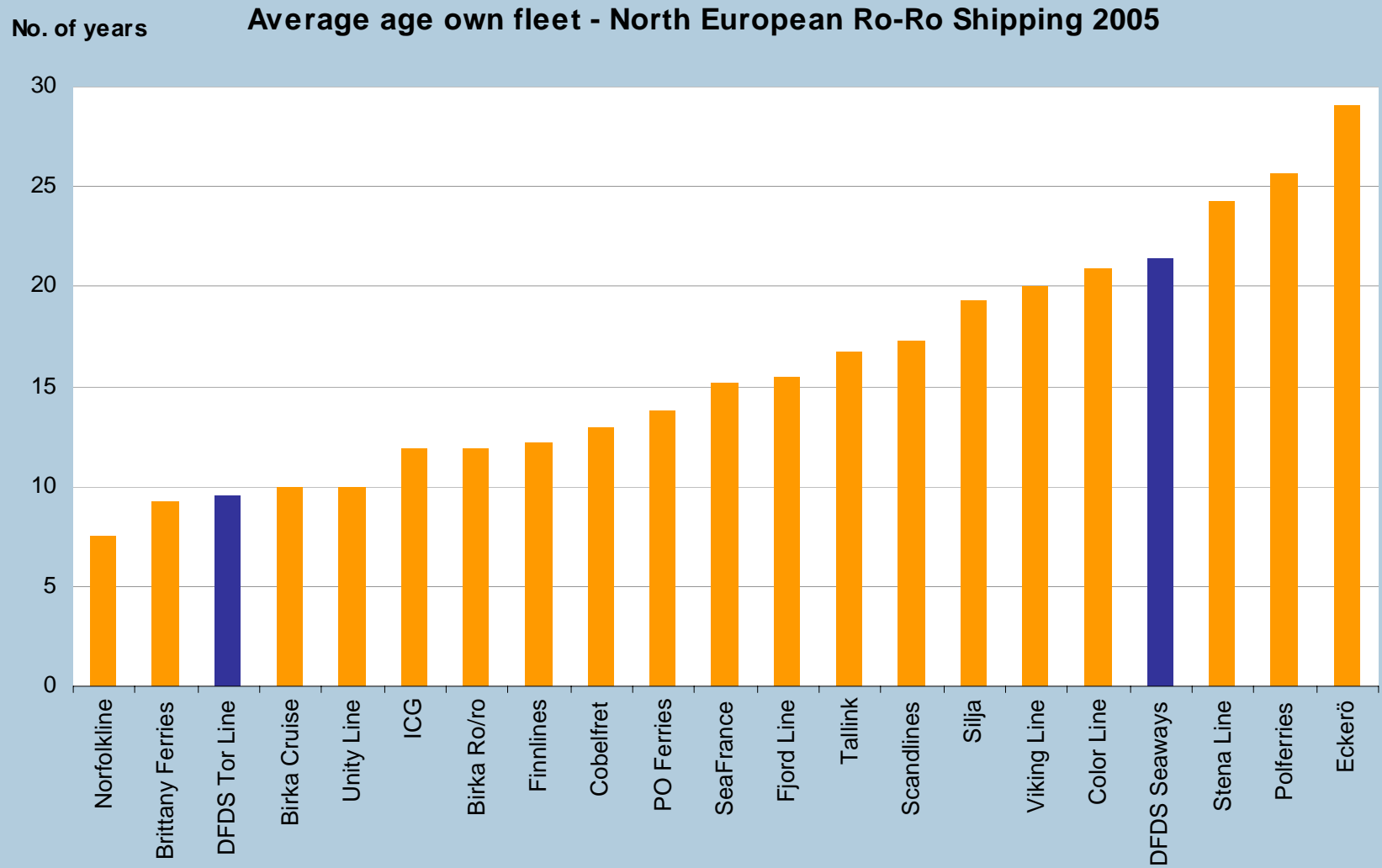


### Revenue - North European ro/ro-shipping

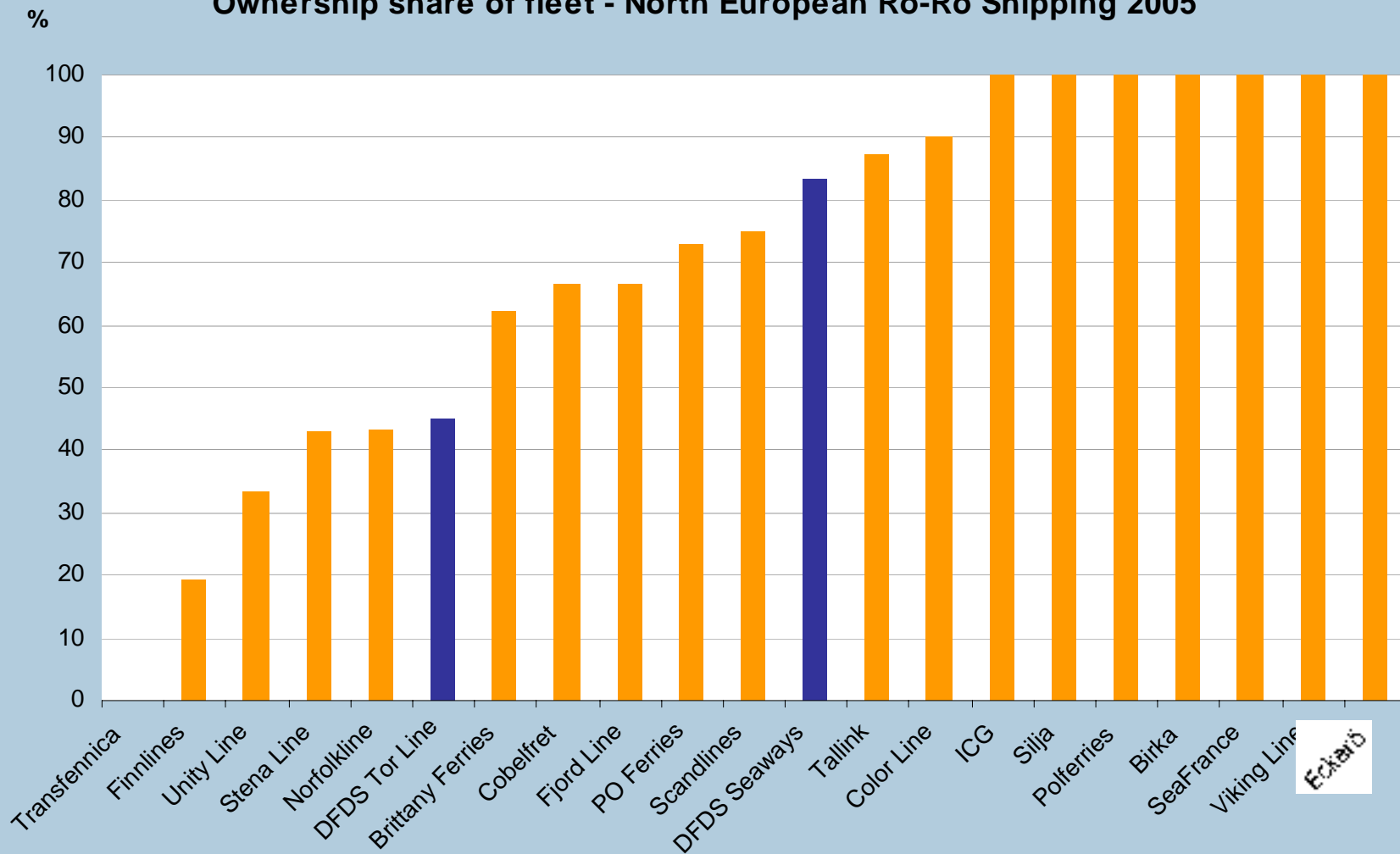


## ROIC (pre tax) - Ro-Ro Shipping, Northern Europe





### Ownership share of fleet - North European Ro-Ro Shipping 2005





An aerial photograph of a ship's deck, showing a white circular logo with a stylized 'Z' or 'S' shape. The background is a deep blue color, likely representing the sea or sky. The text 'DFDS Seaways' is overlaid in white.

DFDS Seaways

Q1 2006

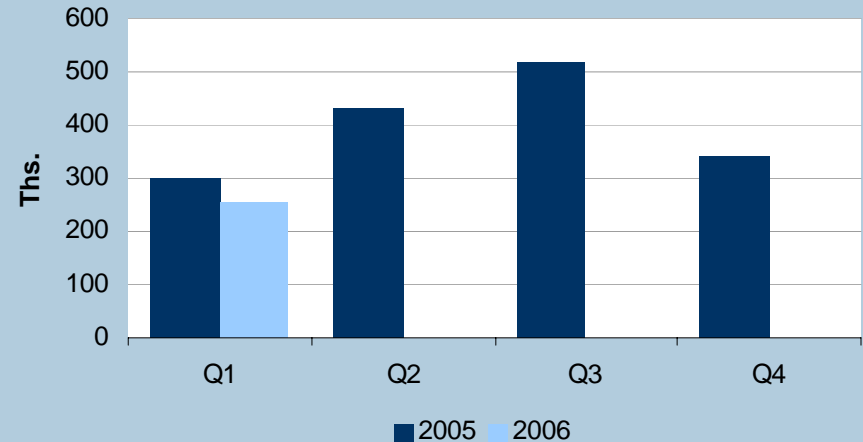
## Market trends

- Generally high level of activity in the travel market
- However, low price expectations still dominate
- Positive trend on the Danish market
- Other markets slightly below expectations
- Oil-price supplement increased
- New price strategy introduced

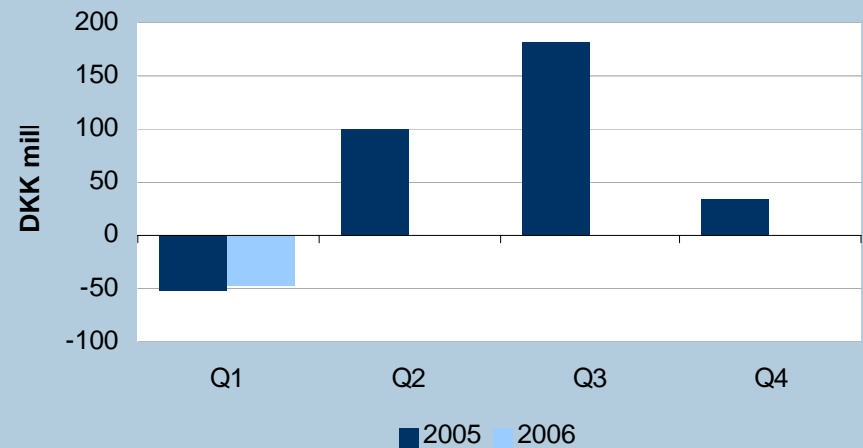
# Financial performance

- Number of departures down 21% due to:
  - Tonnage re-allocation when new tonnage deployed
  - Tonnage chartered out
  - Closure of the Cuxhaven route
- Number of passengers per departure higher
- EBITDA and EBITA up DKK 5 million
- Positive impact of closure of the Cuxhaven route
- Considerably higher bunker costs

### DFDS Seaways - Passenger development



### DFDS Seaways - EBITDA





# Amsterdam- Newcastle

KING OF SCANDINAVIA

# Amsterdam-Newcastle – new tonnage

- KING OF SCANDINAVIA deployed 11 March
  - Conversion and deployment as planned
  - Route capacity up 33% for both passengers and freight
  - The route's main markets are the UK, the Netherlands and Germany
  - The target for 2006 is to increase volume to 500,000 passengers
-

# New price strategy

- Dynamic pricing model adjusted daily to meet demand
- Ticket price rises as ship fills up: Book early, travel cheaper!
- Fewer categories of cabins and products



# New price strategy

- New on-line booking dialogue

**Vælg kahyts kategori** Vis min rejse

Herunder skal du vælge hvilken kahytstype der passer dig bedst. Den viste pris er for hele kahytten inkluderet det antal personer der er køjer / senge til i kahytten.

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<b>Total pris inkl. tillæg</b>			<b>2.772</b>
Udrejse 17.apr kl. 17.00 Ankomst: 18.apr kl. 9.15	<b>2 personer i 1 kahyt</b>		<b>1.296</b>
Hjemrejse 30.apr kl. 17.00 Ankomst: 1.maj kl. 9.15	<b>2 personer i 1 kahyt</b>		<b>1.296</b>

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**København-Oslo** *CROWN OF SCANDINAVIA*

Udrejse 16.apr 17.apr 18.apr

**Seaways Class**

**Kahyt for 1 person**

Enkelt kahyt m. Havudsigt	648		598
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**Kahyt for 1-2 personer**

Indvendig kahyt med køjer	648	0	598	598
Indvendig kahyt - støj forekommer	648			598
Stor indvendig kahyt m. Senge		0	948	
Kahyt med havudsigt, senge		0	996	

**Kahyt for 1-3 personer**

Indvendig kahyt øvre dæk		0	1.296	
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**Kahyt for 1-4 personer**

Indvendig kahyt - dæk 2		0	996	
Indvendig kahyt - risiko for støj	996			996
Indvendig kahyt øvre dæk	<b>1.296</b>	1	<b>1.296</b>	<b>1.296</b>
Kahyt m. Havudsigt	1.396	0	1.396	1.396

**Commodore Class**

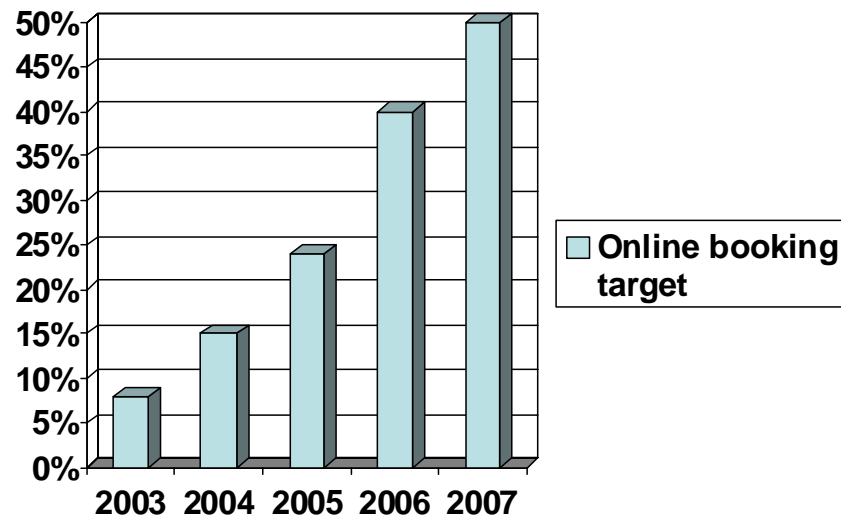
**Kahyt for 1-2 personer**

Commodore kahyt	1.496	0	1.496	1.496
Commodore de luxe (begr. Udsyn)	1.796			1.796
Commodore de luxe	1.796	0	1.796	1.796
Commodore de luxe (begr. Udsyn)	1.896			1.896
Commodore balcony		0	1.996	

# New price strategy

- 50% of revenue to be generated by online sales in 2007
- The proportion of online sales in 2005 was 24% (30% in December)
- The target for 2006 is 40%

Q1 DFDS Seaways Total	Actual 2005	Actual 2006	%
Unique online visits (1.000)	643	873	36%
Conversion rate %	2,8%	2,4%	-13%
Basket Size (DKK)	3.285	3.431	4%







**DFDS SEAWAYS**  
JUST SAIL AWAY

**OSLO ER FROST**

**KØBENHAVN ER TØ**

**OG MIDT IMELLEM BLIVER DU VILD MED DANS TIL VANDS**

Vild med dans! Så inviter din partner på alle tiders MiniCruise midt imellem København og Oslo. Tre fredage i trækket er der Soffie fra Vild med Dans og hendes professionelle mandskab til at navigere jer gennem forrygende latinamerikanske danse i Columbus Club for at navigere jer gennem forrygende latinamerikanske danse. Ingen dommere, ingen point, kun en masse sjove oplevelser. Og måske lidt tørstige gaver og trætte ben - men bare rolig: Champagner er sat på køl og jacuzzi'en på 'massage'. Se hele programmet på dfds.dk

Alle mand på dansgulvet!

**MINICRUISE**  
VILD MED DANS  
PÅ **XXX,-**  
PR. PERSON

[WWW.DFDS.DK](http://WWW.DFDS.DK)



**DFDS SEAWAYS**  
JUST SAIL AWAY

**KØBENHAVN - OSLO**

**OG MIDT IMELLEM BLIVER DU VILD MED DANS TIL VANDS**

Vild med dans! Så inviter din partner på alle tiders MiniCruise midt imellem København og Oslo. Tre fredage i trækket er der Soffie fra Vild med Dans og hendes professionelle mandskab til at navigere jer gennem forrygende latinamerikanske danse i Columbus Club for at navigere jer gennem forrygende latinamerikanske danse. Ingen dommere, ingen point, kun en masse sjove oplevelser. Og måske lidt tørstige gaver og trætte ben - men bare rolig: Champagner er sat på køl og jacuzzi'en på 'massage'. Se hele programmet på dfds.dk

Alle mand på dansgulvet!

**MINICRUISE FROM**  
**298.-** PR. PERSON  
**BESTIL TIDLIGT. REJS BILLIGST**

[WWW.DFDS.DK](http://WWW.DFDS.DK)

An aerial photograph of a ship's deck, showing a white circular logo with a stylized 'Z' or 'S' shape. The background is a deep blue color. The text 'DFDS Tor Line' is overlaid in white.

DFDS Tor Line

Q1 2006

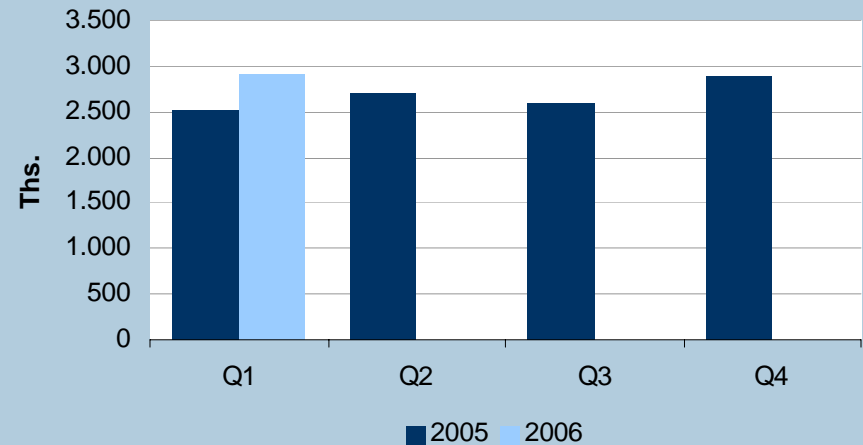
## Market trends

- Positive market trend in most areas
- Parts of the North Sea market boosted by German road tax
- Continued imbalance in traffic volumes
- Positive trend continues in Baltic Sea Region
- Shortage of drivers had positive impact on transport by sea

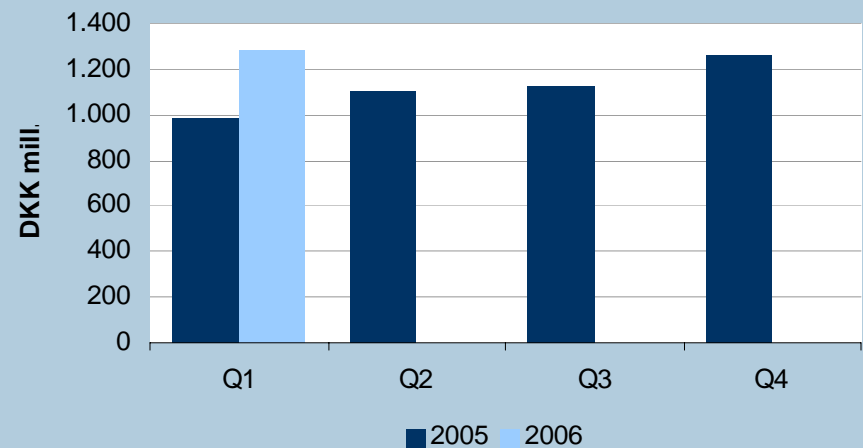
# Revenue

- Lane metres up 15%:
  - HumberBridge
  - Greater capacity on BalticBridge
  - Conference taken over on DFDS LISCO Line
  - NevaBridge
  - Growth in industrial logistics, especially paper and cars
- Revenue up 30%
- Approx. 40% of rise due to acquisition of trailer operators in Q2 2005

### DFDS Tor Line - Lane metres

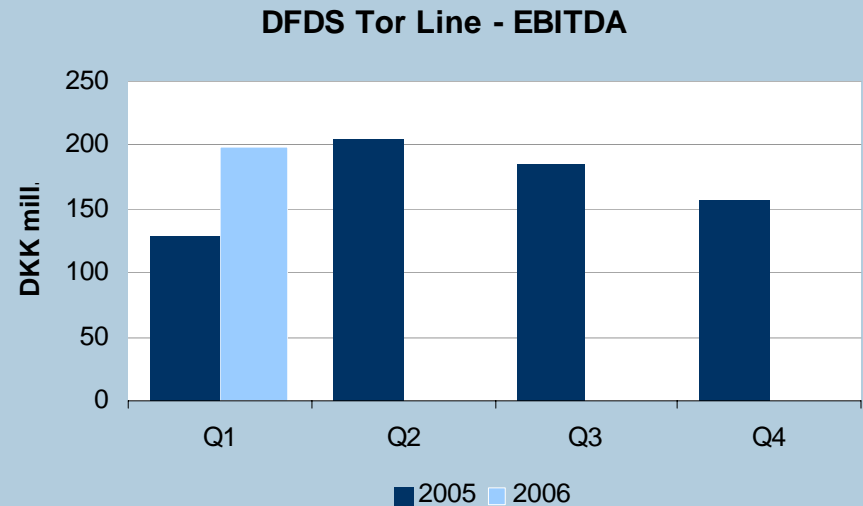


### DFDS Tor Line - Revenue



# Financial performance

- EBITDA up 55% to DKK 198 million in Q1
- EBITA up 126% including profit from sale of assets of DKK 18 million in Q1
- Generally high level of activity improves earnings
- Several loss-making activities phased out or restructured
- Contribution by new activities



# DFDS Suardiaz Line

- New partnership between Spanish Suardiaz and DFDS Lys Line
- New weekly lo-lo route between Bilbao and Dublin, Greenock and Avonmouth





## Immingham

New terminal med with three ramps.

Terminal expanded by 42% to 680,000 m<sup>2</sup>



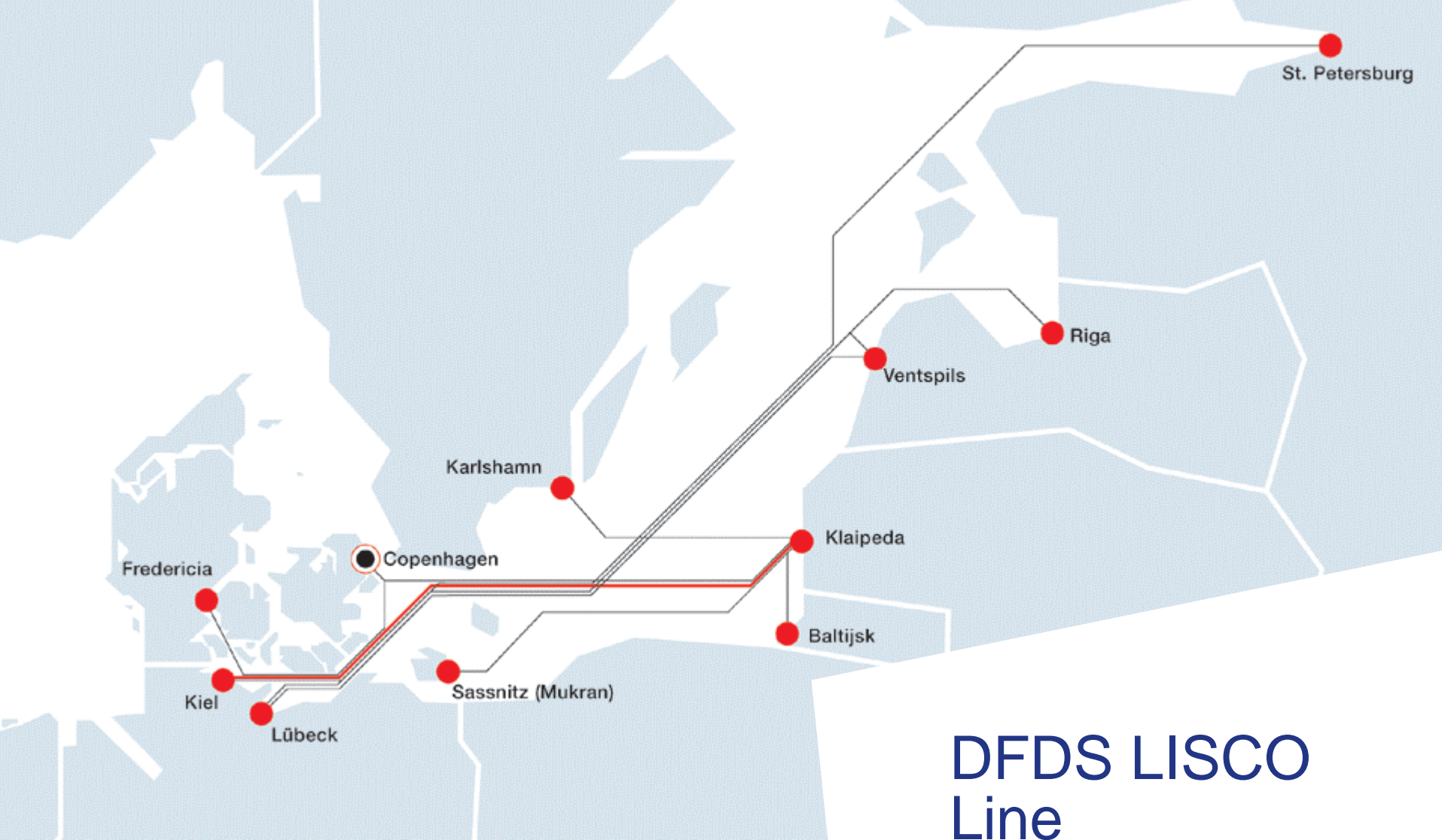
# LISCO OPTIMA

Built in 1999

2,300 lane metres

327 passengers





## DFDS LISCO Line

Conference taken over 1  
January 2006.

The Klaipeda-Kiel route is plied  
by two ro-pax ships



## ElbeBoston Line

Lo-lo route between Hamburg and Boston transferred to Cuxhaven-Immingham. Taken over in March 2006. Chartered tonnage is used on the route.



# The DFDS Group

Q1 2006

# DFDS Group – P/L

DKK mill.	Q1 2005	Q1 2006	Change, %	In % of revenue	
<b>Revenue</b>	<b>1.302</b>	<b>1.591</b>	<b>22,3</b>	<i>n.a.</i>	<i>n.a.</i>
Ship operating costs	698	886	26,8	53,6	55,7
Charter costs	131	142	8,8	10,0	8,9
Staff costs	314	325	3,5	24,1	20,4
Other costs	97	97	-0,2	7,5	6,1
<b>Operating profit before depreciations (EBITDA)</b>	<b>62</b>	<b>142</b>	<b>129,0</b>	<b>4,8</b>	<b>8,9</b>
Profit/loss on sale of ships, buildings & terminals	7	18	163,2	0,5	1,1
Depreciations	118	127	7,6	9,1	8,0
<b>Operating profit (EBITA)</b>	<b>-49</b>	<b>33</b>	<b>n.a.</b>	<b>-3,8</b>	<b>2,1</b>
Profit share, associated companies	0	0	<i>n.a.</i>	0,0	0,0
Value adjustment goodwill/badwill	0	0	<i>n.a.</i>	0,0	0,0
Financial items, net	51	46	-9,4	3,9	2,9
<b>Pre-tax profit</b>	<b>-99</b>	<b>-13</b>	<b>n.a.</b>	<b>-7,6</b>	<b>-0,8</b>
Tax	1	5	671,4	0,1	0,3
<b>Profit for the year</b>	<b>-100</b>	<b>-18</b>	<b>n.a.</b>	<b>-7,7</b>	<b>-1,1</b>

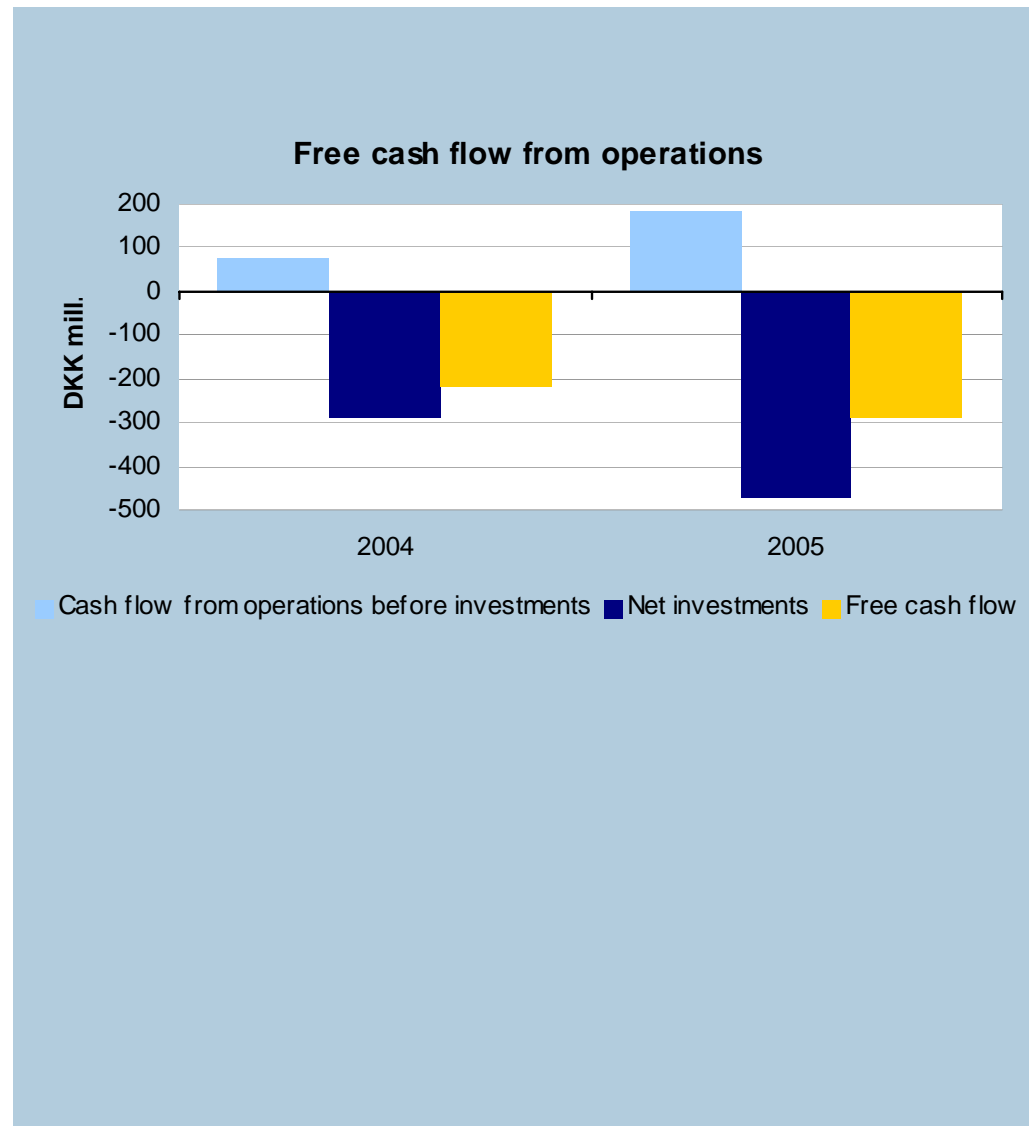


# The DFDS Group - Balance sheet

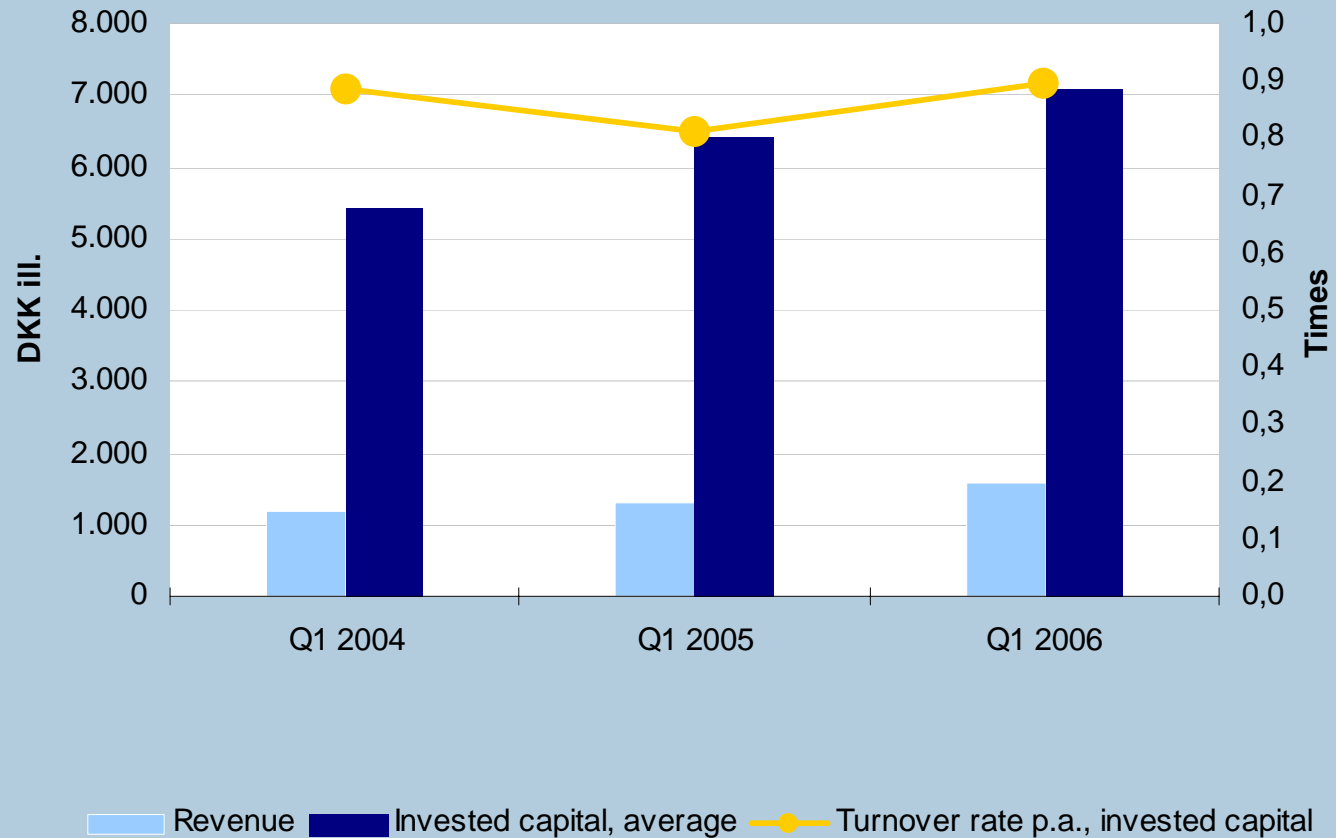
DKK mill.	Q1 2005	Q1 2006	Change, %	In % of revenue	
Intangible assets	103	290	181,5	1,2	3,3
Tangible assets	6.805	7.126	4,7	81,4	80,6
Other non-current assets	168	144	-14,3	2,0	1,6
Current assets	1.285	1.282	-0,3	15,4	14,5
<b>Total assets</b>	<b>8.361</b>	<b>8.842</b>	<b>5,7</b>	<b>100,0</b>	<b>100,0</b>
Equity	2.688	2.954	9,9	32,2	33,4
Non-current liabilities	3.931	4.200	6,9	47,0	47,5
Current liabilities	1.742	1.688	-3,1	20,8	19,1
<b>Total liabilities</b>	<b>8.361</b>	<b>8.842</b>	<b>5,7</b>	<b>100,0</b>	<b>100,0</b>

# Cash flow & investments

- Operational cash flow improves significantly
- Investment made in KING OF SCANDINAVIA

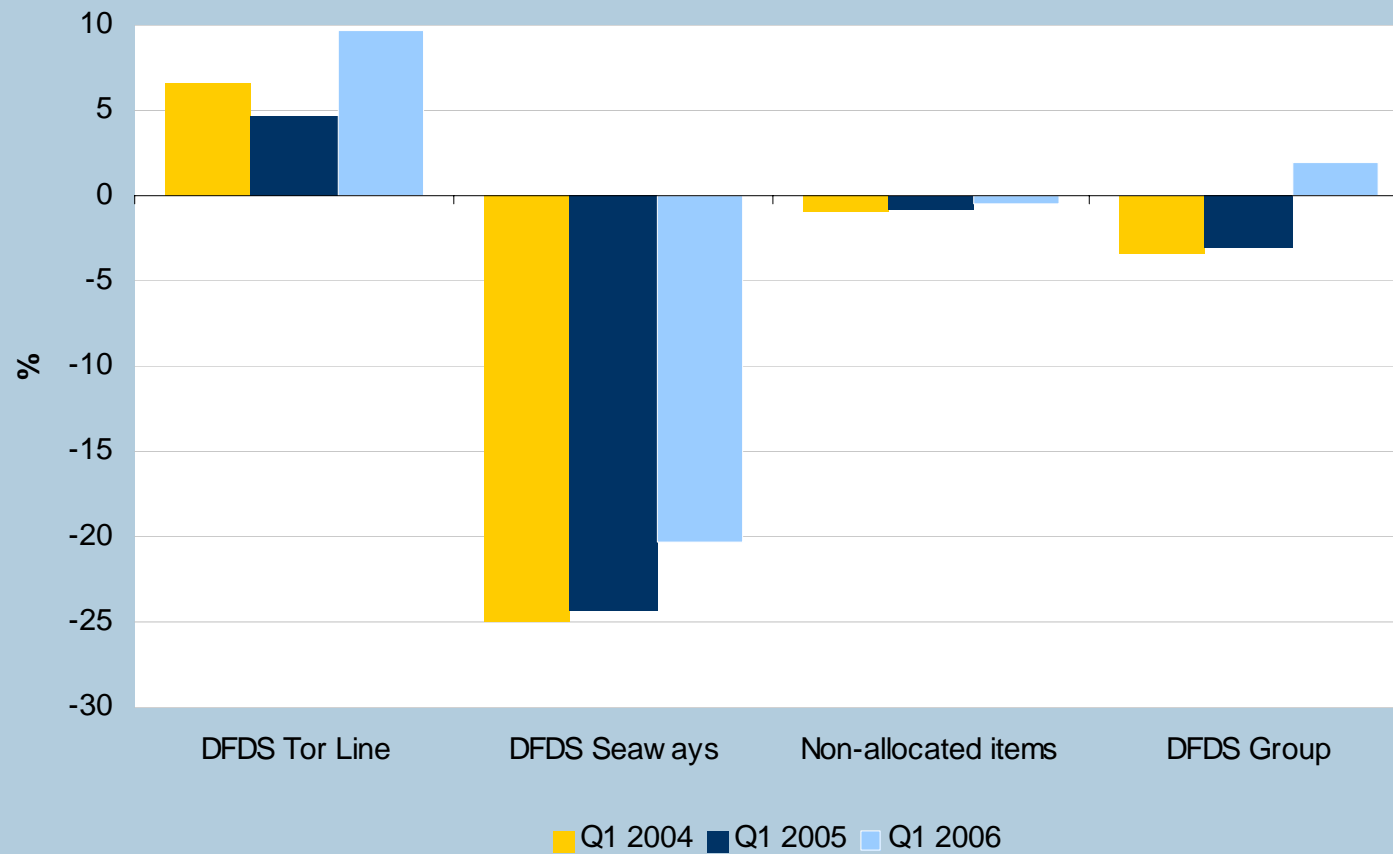


# Turnover rate improving





# ROIC per division



# Profit forecast 2006

- Expected revenue growth 12-15%:
  - Full-year effect of acquisition of trailer operators
  - Start-up of new activities
  - Higher freight volumes
  
- Full-year investments still expected to be approx. DKK 1,200 million:
  - Acquisition of cruise-ferry ship and ro-pax ship approx. DKK 750 million.
  - Remaining investments in sixth ro-ro newbuilding approx. DKK 250 million.
  - Extension of Immingham terminal

# Profit forecast 2006

- Oil prices up by approx. 15% since New Year
- Hedging of bunkers:
  - The majority of bunker consumption for the rest of the year has been hedged by price adjustment agreements
  - The price of low-sulphur bunkers is approx. 10-15% higher than other products (MARPOL)
- Currency risk: Exposure limited by hedging
- The usual uncertainty surrounds prospects for the high season

# Profit forecast 2006

- Q1 profit was better than expected
- The majority of DFDS' profit is generated in Q2 and Q3
- Significant uncertainty still surrounds the full-year forecast, due in particular to high oil prices
- The DFDS Group expects a pre-tax profit in the region of DKK 250 million in 2006.



Thank you!