DFDS

DFDS ANNUAL REPORT 2009

NORTHERN EUROPE'S LEADING SEA-BASED TRANSPORT NETWORK

DFDS – NORTHERN EUROPE'S LEADING SEA-BASED TRANSPORT NETWORK

DFDS' shipping network integrates freight and passenger services: We deliver high frequency and reliable freight services to haulage and forwarding companies. We develop and deliver industrial logistics solutions in close co-operation with producers of heavy industrial goods. For passengers, we provide transport services for passengers travelling by car and a maritime onboard experience.

DFDS employs approximately 3,900 people and operates a fleet of approximately 50 ships.

DFDS was founded in 1866, is headquatered in Copenhagen and listed on NASDAQ OMX Copenhagen.

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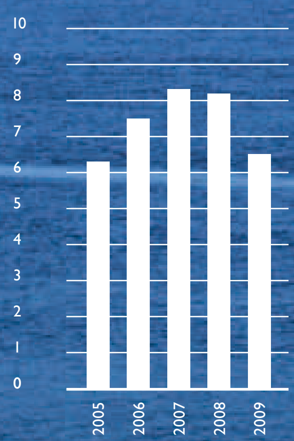
2009 WAS A CHALLENGING YEAR WHERE DFDS ACHIEVED A RESULT THAT WAS AMONG THE BEST IN OUR SECTOR.

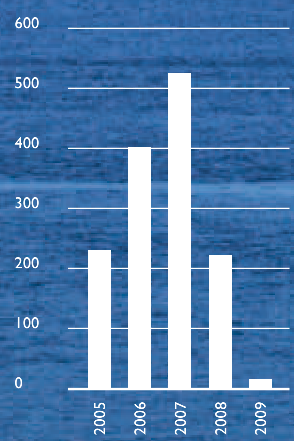
WE TOOK A DECISIVE STEP TOWARDS OUR VISION OF A EUROPEAN SEA-BASED TRANSPORT NETWORK THROUGH THE ACQUISITION OF NORFOLKLINE, AND DFDS IS NOW STRONGLY POSITIONED TO FULFILL THE FUTURE EXPECTATIONS OF OUR CUSTOMERS.

2010 WILL BE A CHALLENGING AND EXCITING YEAR WITH FOCUS ON NAVIGATING THROUGH CONTINUED DIFFICULT MARKET CONDITIONS AND ON THE FIRST PHASE OF INTEGRATING DFDS AND NORFOLKLINE.

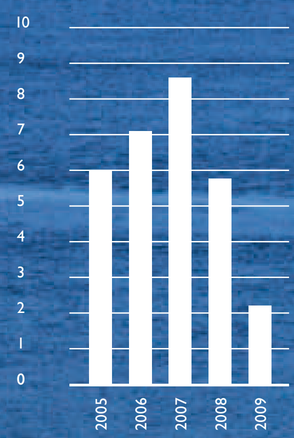
REVENUE
(DKK BILLION)



PRE-TAX PROFIT
(DKK MILLION)



RETURN ON INVESTED CAPITAL (ROIC)
(%)



DFDS ROUTE NETWORK

Per March 2010

RELIABILITY
FREQUENCY
CAPACITY

KEY FIGURES DFDS GROUP

KEY FIGURES

DKK MILLION	2005	2006	2007	2008	2009	2009 EUR MILLION [1]
Income statement						
Revenue [2]	6,278	7,524	8,310	8,194	6,555	881
▪ Ro-Ro Shipping		3,471	3,680	3,799	2,997	403
▪ Container Shipping		1,293	1,623	1,636	1,165	157
▪ Passenger Shipping		1,838	1,932	1,779	1,620	218
▪ Terminal Services		706	703	647	555	75
▪ Trailer Services		918	986	963	776	104
▪ Tramp		117	106	38	-	-
▪ Non-allocated items		131	172	176	189	25
▪ Eliminations		-950	-892	-844	-747	-101
Operating profit before depreciation (EBITDA) [2]	890	1,137	1,311	1,011	786	106
▪ Ro-Ro Shipping		794	914	784	519	70
▪ Container Shipping		128	133	81	5	1
▪ Passenger Shipping		242	249	194	314	42
▪ Terminal Services		12	12	-31	-14	-2
▪ Trailer Services		15	56	31	36	5
▪ Tramp		-4	9	8	-	-
▪ Non-allocated items		-50	-62	-56	-74	-10
Profit on disposal of tangible assets	29	33	37	45	18	2
Operating profit (EBIT)	433	587	758	467	174	23
Financing, net	-202	-193	-232	-246	-154	-21
Profit before tax	231	402	526	221	20	3
Profit for the period	193	364	412	253	89	12
Profit for the period after minority interests	175	352	400	247	86	12
Profit for analytical purposes	182	348	485	227	23	3
Capital						
Total assets	8,457	9,991	9,610	8,610	9,298	1,249
DFDS A/S' share of the equity	2,803	3,154	3,538	3,414	3,641	489
Total equity	2,904	3,265	3,653	3,484	3,688	496
Net interest bearing debt	3,970	4,654	3,828	3,425	4,067	547
Invested capital, average	6,667	7,796	8,107	7,663	7,762	1,043
Average number of employees	4,215	4,346	4,427	4,301	3,924	-
Cash flow						
Cash flow from operating activities before finance and after tax	711	1,167	1,264	983	836	112
Cash flow from investments	-855	-1,698	-151	-345	-1,304	-175
▪ Acquisition of companies, activities and minority interests	-328	-306	-35	-40	-39	-5
▪ Other investments	-527	-1,392	-116	-305	-1,265	-170
Free cash flow	-144	-531	1,113	638	-468	-63
Operations and return						
Number of operating ships	66	68	64	60	51	
Revenue growth, %	9.7	19.8	10.5	-1.4	-20.0	
EBITDA-margin, %	14.2	15.1	15.8	12.3	12.0	
Operating margin, %	6.9	7.8	9.1	5.7	2.7	
Invested capital turnover rate, times	0.94	0.97	1.03	1.07	0.84	
Return on invested capital (ROIC) p.a., %	6.0	7.0	8.6	5.9	2.1	
Return on equity p.a., %	6.8	11.7	14.5	6.5	0.7	
Capital and per share						
Equity ratio, %	34.3	32.7	38.0	40.5	39.7	
Financial gearing, times	1.42	1.48	1.08	1.00	1.12	
Earnings per share (EPS), DKK	23	46	52	32	11	
Dividend per share, DKK	7.5	11.0	15.0	0.0	0.0	
Number of shares at the end of the period, '000	8,000	8,000	8,000	8,000	8,000	
Share price at the end of the period, DKK	382	680	790	399	358	
Market value, DKK mill.	3,056	5,440	6,320	3,192	2,864	

1) Applied exchange rate for euro as of 31 December 2009: 744.15
2) During 2007 a new business area structure was introduced and comparative figures per business area are only available from 2006.

ROUGH WATERS AND EXPANSION

We achieved a result for 2009 among the best in the sector, and we took a decisive step towards our vision of a European, sea-based transport network.

BENT ØSTERGAARD
CHAIRMAN OF THE BOARD

NIELS SMEDEGAARD
PRESIDENT AND CEO

Early in 2009, when it became clear that the global recession would inevitably cause a significant decline in financial performance, we set ourselves the financial goal of achieving one of the best results in the sector. As a result of a great team effort, a number of significant operational adjustments and DFDS' strategically solid market position in Northern Europe, we have met this goal.

ROUGH WATERS

Our business model was challenged in 2009 by the historically steep decline in freight volume at the start of the year caused by the recession. In all material respects, our strategy and business model have been validated. This applies to the value of a network of routes that reduces the vulnerability of each individual activity, and also to integrated passenger and freight routes. It applies to our capacity to secure freight volumes through long-term industrial contracts and our own trailer business, plus the insight and understanding of the freight market that follows. On top of this comes our focus on creating value for freight customers through solutions that cuts across business areas. Finally, our increasingly integrated management model has ensured an effective implementation of operational adjustments.

However, the recession has also raised questions about the flexibility of our tonnage. Our business model must be able to handle the sudden fluctuations that undoubtedly from time to time will impact the market. One priority is to optimise our ability to plan and manage the balance between owned and chartered tonnage, particularly with regard to the flexibility from timing of the return or extension of chartered tonnage.

EXPANSION

DFDS' network strategy is the driving force behind the acquisition of Norfolkline. This acquisition will enable us to achieve significant economies of scale and make progress toward our vision of a European, sea-based transport network. The merger of our companies will generate significant synergies, and we expect that the transaction will enhance our profitability as soon as the market recovers. The acquisition is still subject to approval by the relevant competition authorities.

THANK YOU!

An unusually low degree of visibility characterised 2009, and a degree of uncertainty still surrounds the future economic outlook. In this situation, we are therefore particularly grateful for the loyalty and perseverance of our staff, customers, shareholders and other partners.

FROM ROUTES TO NETWORKS

DFDS' VISION

- A European, sea-based transport network that provides competitive, differentiated and value-generating transport solutions to freight customers and passengers.
- A challenging and attractive workplace for our staff.
- A company with stable and rising profitability, which generates value for our shareholders.
- A responsible, environmentally oriented company engaged in constructive dialogue with the world at large.

STRATEGY

A European, sea-based transport network that provides competitive, differentiated and value-generating transport solutions to freight customers and passengers.

To achieve this vision, DFDS has the following key strategic objectives:

1. Building the leading sea-based European transport and logistics network
2. Integrating value-generating solutions for freight customers and passengers
3. Securing volumes through logistics services and strategic port access
4. Maintaining a constant focus on quality and efficiency of operations.

Below, the market and competitive situation and the four key strategies are detailed.

THE MARKET AND COMPETITION

The current economic slowdown has resulted in a significant decline in demand in virtually all segments of the transport market, which is generally fragmented and characterised by a high level of competition. This trend has therefore reinforced the need for consolidation of the market in order to improve operating efficiency and profitability.

More fundamentally, a key driver in the market is the need to realise the advantages of greater geographic reach related to particularly four factors:

- Freight customers (i.e. transport and production companies) are growing larger and developing more complex supply chains
- Risk diversification
- Resources for system and concept development, as well as investment in new tonnage
- Reduction of unit costs.

The increasing size of freight customers encourages consolidation in order to support delivery of competitive transport solutions. These require wide market coverage, innovative customer concepts and efficient information systems. There is also a need for ongoing streamlining of operations in order to achieve lower unit costs.

The process of consolidation is also underpinned by the need for risk diversification, which includes reducing dependence on individual activities. Larger units also require more resources for system and concept development, as well as the financial capacity to invest in larger, more specialised tonnage. In addition, the distribution of fixed costs across larger volumes produces financial advantages in terms of lower unit costs.

THE FOUR KEY STRATEGIES

The vision is to position DFDS as a European, sea-based transport network, based on four key strategies:

Building a European, sea-based transport network: The network will be expanded to include more regions in Northern Europe to improve the competitiveness of solutions for transport and production companies. An expanded network will also provide opportunities for operational synergies.

Value-generating, integrated customer solutions for freight and passengers: Combined freight and passenger shipping enables gain of higher market shares and exploitation of synergies by using the same tonnage to transport both freight and passengers. Integrating transport systems for freight also improves competitiveness towards more customer segments.

Securing volumes and port access: In order to achieve a stable, high-capacity utilisation of the route network, freight volumes are procured through longer-term partnership agreements with major manufacturers, and through shorter-term agreements with trailer operators. Capacity utilisation on selected routes is also underpinned by DFDS' own trailer operations, which offer solutions that utilise the Group's network. Access to and operation of own port terminals in selected locations also secures the efficiency, stability and growth potential of the network.

Focus on operations: The safe, efficient operation of freight and passenger ships is a central operational competence in DFDS, and one that must be constantly maintained and developed. Maintaining competitive costs and continuous adaptation to market conditions are also key focus areas, as well as competences associated with operation of port terminals and trailer operations.

IMPLEMENTATION

Implementation of the strategy involves three primary focus areas:

- Expansion of the route network to more regions in Northern Europe, particularly in and around the Baltic Sea
- Integration of passenger activities in the network
- Securing higher volumes.

The route network will mainly be expanded through acquisitions, which will also serve to consolidate the network in selected areas. Both these objectives are supported by the acquisition of Norfolkline.

Approval of the Norfolkline acquisition will limit the need to make further major acquisitions related to the United Kingdom and the North Sea. Future expansion of the route network will therefore focus on other European regions in which DFDS will be able to reap benefits from a larger network.

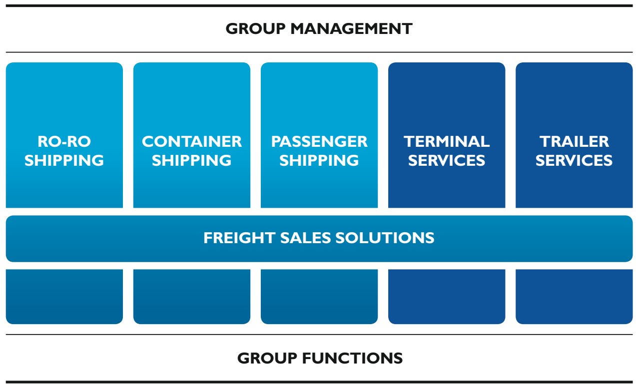
DFDS's passenger competences, which have been built up primarily through cruise-ferry activities, are now to a greater extent employed across both cruise-ferry and ro-pax concepts. This development will continue, and it is expected that growth within passenger activities will be driven first and foremost by ro-pax-oriented concepts.

Securing volumes for the route network is done in three ways. Firstly, co-operation agreements and relationships with transport companies will continue to be developed to mutual advantage. Secondly, the aim is to continue to grow the proportion of industrial logistics through more and longlasting partnerships. Thirdly, DFDS' own trailer activities will be selectively expanded to add volume on specific routes, which the expected acquisition of Norfolkline also will contribute to.

BUSINESS STRUCTURE

DFDS' business structure consists of five areas: The business areas Ro-Ro Shipping, Container Shipping and Passenger Shipping are responsible for different activities on the route network as a whole, while the business areas Terminal Services and Trailer Services support the network.

The sale of freight solutions across business areas and the network in general is co-ordinated by a separate organisational unit, Freight Sales Solutions.



FINANCIAL TARGETS

DFDS' long-term financial objective is a return on invested capital (ROIC) on a level that exceeds the Group's cost of capital by 30-50%. The cost of capital (WACC) in the beginning of 2010 was calculated at 6.5%. This includes a risk-free interest rate of 3.75%, equivalent to a ten-year Danish government bond, a market risk premium of 5.0%, a beta value of 0.94, a borrowing rate before tax of 5.0%, a tax rate of 10.5% and a capital structure with a 50/50 distribution. The capital structure is the ratio between equity and net interest-bearing debt. The management report contained in this annual report for 2009 outlines the current and long-term achievement of these objectives.

It is furthermore an objective to maintain a solidity of approximately 40%.

MANAGEMENT REPORT

- **Market conditions impacted by the recession in 2009**
- **Adjustment of activities to the market situation continued throughout the year**
- **Acquisition of Norfolkline is initial culmination of network strategy**

FINANCIAL PERFORMANCE

Financial performance in 2009 was impacted by the recession, which began with a rapid and steep decline, particularly in the freight market, at the end of Q4 2008. This caused a significant downturn in H1 2009 and led to widespread uncertainty about future market trends. Visibility and consensus about expectations did not begin to improve until Q3 2009. Large fluctuations in oil prices and exchange rates also had an impact on performance.

Against this background, the pre-tax profit forecast for 2009 for DFDS was set at approximately zero, a forecast that subsequently was maintained throughout the year.

The full-year pre-tax profit of DKK 20 million is therefore in line with expectations. Performance in 2009 was not satisfactory compared to DFDS' long-term financial objective, but it is considered satisfactory given the extraordinary market conditions and the performance of comparable companies.

Revenue for the year was DKK 6.6 billion, down 20% compared to 2008. This was likewise in line with the latest expectations published at the end of Q3 2009. Adjusted for oil-price supplements, revenue was 15% lower than 2008.

Tonnage investments increased total Group assets by 8% to DKK 9.3 billion at the end of 2009. Equity was DKK 3.7 billion, corresponding to an equity ratio of 40%.

The average number of staff fell by 9% to 3,924 in 2009. This reduction was due to operational changes, including the full-year effect of changes made in 2008.

FINANCIAL PERFORMANCE PER BUSINESS AREA

The Group's lower performance was primarily due to a downturn in the largest business area, Ro-Ro Shipping. Operating profit (EBIT) in this area was DKK 232 million, compared to DKK 550 million in 2008 – a decrease of 58%.

The lower EBIT in Ro-Ro Shipping can be attributed to an overall volume decrease of 11% and widespread pressure on prices. Capacity was adjusted throughout the year, but not in proportion with the decrease in volume, which reduced capacity utilisation and earnings per unit.

EBIT in Container Shipping fell by DKK 6 million, which also contributed to the lower performance. The results for both 2009 and 2008 contain substantial one-off items. Adjusted for these items, EBIT was reduced to DKK -8 million from DKK 9 million in 2008, primarily due to a collapse of the charter market and lower paper volumes. Despite the market conditions, financial performance for the business unit's other activities improved as a result of changes made in 2008.

Financial performance improved in the three other business units in 2009.

Passenger Shipping's EBIT improved to DKK 103 million from DKK 15 million in 2008. This was due to the full-year effect of the restructuring implemented in 2008; an increase in passenger numbers on the Amsterdam route; and lower bunker costs, including income from hedging bunkers.

Terminal Services' EBIT improved by DKK 18 million to DKK -34 million in 2009. The 2008 figure contained a one-off item at DKK 33 million. Adjusted for this, the result was DKK 15 million lower in 2009. The port terminals' EBIT was negatively affe cted by lower volumes on DFDS' own routes, as well as by lower third-party volumes.

Trailer Services' EBIT increased to DKK 11 million from DKK 7 million in 2008, as a result of improved earnings by the Belgian trailer operator and progress on activities in the Netherlands, Germany and Great Britain. Lower volumes and traffic imbalances led to a considerable decline in Swedish operations.

The cost of non-allocated items amounted to DKK 103 million, an increase of DKK 42 million. This can be attributed to impairment on laid-up tonnage and transaction costs for the expected acquisition of Norfolkline.

EXPECTED ACQUISITION OF NORFOLKLINE

On 17 December 2009, DFDS entered into an agreement with A.P. Moller - Maersk to acquire 100% of the shares in Norfolk Holdings BV. Completion of the transaction remains subject to approval from relevant competition authorities, the implementation of a rights issue and a directed rights issue. The transaction is currently expected to be completed by the end of Q2 2010.

Planning work has begun on the integration of DFDS and Norfolkline, while the actual integration process only can begin upon receival of approval from the competition authorities. Employees from both companies are participating in the integration planning.

The aim of the planning process is to further develop the initial integration plan enabling the integration process to start immediately once the transaction has been completed.

For a more detailed description of the transaction, please refer to DFDS' website (www.dfds.com), where a company announcement and presentation regarding the transaction announced on 17 December 2009 are available.

When the transaction was announced it was contingent on a condition concerning approval by DFDS' extraordinary general meeting to approve the rights issue and the directed rights issue. Both issues were approved at the extraordinary general meeting held on 11 January 2010.

STRATEGY FOLLOW-UP

The expected acquisition of Norfolkline represents the initial culmination of DFDS' network strategy, which was drawn up in 2007 and based on a vision of creating a European, sea-based transport network. The strategy and its objectives are described in greater detail on page 8-9.

Strategically, 2010 and 2011 is expected to be dominated by two main objectives: integrating DFDS and Norfolkline, and improving ROIC in DFDS' existing activities.

As announced at the time of the acquisition, integration of the two companies is expected to last two to three years. However, most of the process will be completed in the first two years. During this period, DFDS' resources will primarily be focused on integration, so no major acquisitions or investments are expected in this period. However, opportunities to pursue acquisitions arise continuously, and smaller acquisitions that underpin the network strategy cannot be ruled out.

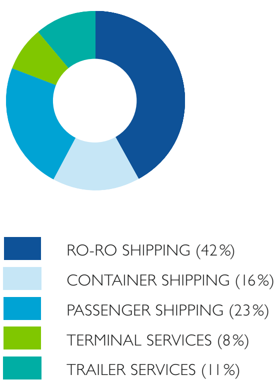
The second main strategic objective relates to achieving a higher ROIC from existing activities. This is dependent partly on implementation of structural changes to activities, as well as ongoing operational changes and improvement in the difficult market conditions caused by the recession.

DFDS implemented a streamlining process in 2008 and 2009, as outlined below, and Ro-Ro Shipping's tonnage has been modernised. A recovery in the freight market and subsequent higher volumes are not expected to result in a need for new tonnage in 2010 or 2011.

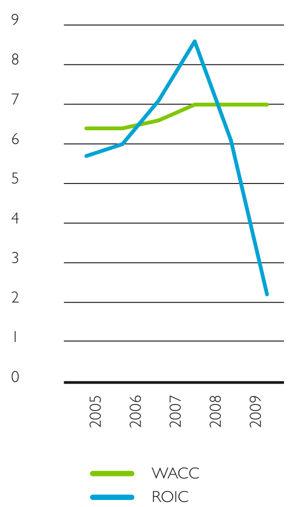
It is foreseen that the planned integration of Norfolkline will help to solve structural earnings problems on routes in the southern part of the North Sea. In addition, there is also a need to restructure certain routes in the Baltic Sea and phase out excess tonnage.

A more focused financial control process was initiated at the end of 2009 with the aim of intensifying focus on areas of activity with low earnings. This process is expected to help improve operations in all business areas.

REVENUE PER BUSINESS AREA 2009



RETURN ON INVESTED CAPITAL (ROIC) AND CAPITAL COST (WACC) (%)



ADJUSTMENT OF ACTIVITIES CONTINUED IN 2009

Since the start of H2 2008 and throughout 2009, DFDS' activities have been continuously adjusted in response to the market conditions arising from the recession.

These changes were primarily designed to reduce the capacity of the route network by returning or chartering out excess tonnage and reducing the number of sailings. Operating costs have been reduced by making changes to ship operations and by renegotiating port and charter agreements. In addition, the head office and freight agency were adapted for a lower level of activity, and sales efforts, particularly those related to industrial customers, were intensified.

The adjacent table shows the main changes to operations in 2009.

Further opportunities for adjustment have been identified should the level of activity be further weakened in 2010.

MORE EFFICIENT SHIP OPERATIONS – PROJECT LIGHTSHIP

In addition to the ongoing process of adjustment outlined above, "Project Lightship" was launched in May 2009 in order to further improve DFDS' competitiveness. Its objective is to streamline ship operations and achieve annual savings of DKK 100 million from 2010 onwards. The project covers the following work streams:

- Staffing
- Bunker optimisation
- Port calls
- Maintenance
- Purchasing and supplies
- Management systems.

Three major changes were made to staffing levels in H2 2009:

- A new plan for crews on ships flying under the Danish flag, which entails the simplification of onboard tasks related to maintenance, supplies and administration, including changes in the allocation of duties between land and sea. The plan led to 30 positions being abolished in Q3.
- A similar plan was introduced on Lithuanian ships, where 23 jobs were abolished in Q3.

Progress is also being made in Project Lightship's other work streams, and especially within bunker optimisation, purchasing and supplies and maintenance savings were achieved in 2009. The project mainly covers activities in the Ro-Ro Shipping and Passenger Shipping business units.

CHANGES TO OPERATIONS IN 2009/2010

AREA OF ADJUSTMENT	ADJUSTMENT
Reduction of capacity on the network of routes, including returning and chartering out of excess tonnage	▪ Return of chartered freight ships: - 3 ro-ro - 3 sideport - 2 container - 5 tramp ▪ Agreement reached to charter out two ro-ro ships to Norfolkline in 2010 ▪ One passenger ship chartered out in February 2010 ▪ One ro-pax ship laid up ▪ Number of weekly sailings reduced on several routes
Reduction of operating costs	▪ Extension of voyage time on several routes ▪ Optimisation of bunker consumption ▪ Renegotiation of port agreements ▪ Renegotiation of charter agreements
Adaptation to lower levels of activity	▪ 10% of positions in DFDS HQ abolished, corresponding to 27 jobs ▪ Land-based organisation in Klaipeda, Lithuania, reduced by five posts ▪ Number of posts in the port terminal at Immingham reduced by 95 ▪ 20 Danish ship officers, corresponding to 10 officer positions, was made redundant in Q4 as a consequence of a reduction of the fleet
Focus on sales activities	▪ Price changes ▪ Cross-selling ▪ New paper-industry contract ▪ New car- and steel-industry contracts


DFDS

FINANCIAL GOALS

ROIC (return on invested capital) declined to 2.1% in 2009 from 5.9% in 2008. The return was therefore lower than DFDS' cost of capital (WACC), which was calculated at 7.0% at the start of 2009. WACC at the start of 2010 was calculated at 6.5%, down half a percentage point from last year, which is mainly due to lower interest rates.

DFDS' long-term target is still to achieve a ROIC that exceeds the Group's cost of capital by 30-50%. However, the recession in 2009 resulted in market conditions that made it impossible to achieve ROIC on a par with WACC in the short term, despite the return on a number of activities being satisfactory.

Achieving a ROIC on a par with WACC depends, among other things, on further structural adjustments in DFDS' activities, as well as improved market conditions, particularly in the freight market. This is expected to provide a basis on which to achieve a return equivalent to the capital cost in 2012.

TONNAGE

The number of ships in the DFDS fleet, and therefore overall capacity, was adapted in line with market trends in 2009. At year end, the fleet had been reduced by 15% to 51 ships, a reduction of nine.

The composition of the ro-ro freight fleet changed in 2009, although the number of ships at year end was unchanged at 22. Two smaller ro-ro ships built in 2000 were purchased and a larger newbuilding was delivered, while three chartered ships were returned. At the start of 2010, the ro-ro fleet was reduced as a result of the sale of the oldest ship for scrap and the chartering out of two ships to Norfolkline. In addition, the last in a series of four chartered newbuildings will be delivered. The number of other, mainly chartered, freight ships (sideport, container and tramp) was reduced with the return of ten ships in 2009.

The ro-pax fleet was increased by one ship in 2009, the newbuilding Lisco Maxima. One older ro-pax ship was laid up in February 2010, and a chartered ro-pax ship will be returned in May 2010. The number of passenger ships (five) remained unchanged in 2009, with one ship, Queen of Scandinavia, laid up for most of the year. For the latter, a three year charter agreement was entered into in February 2010. The agreement also includes purchase options and, furthermore, an agreement concerning manning and technical maintenance of the ship in the charter period.

Ownership share per type of ship varies in relation to the ship's degree of specialisation. The most specialised ships in the fleet are passenger ships, which are entirely owned by DFDS. Parts of the ro-ro fleet are specialised in relation to their size, speed and loading/unloading capability. These ships are primarily deployed in the North Sea. 50% of the ro-ro fleet is owned, an increase on 2008 due to the return of chartered tonnage. The ownership share for standard tonnage, e.g. container and tramp ships (excluding sideport ships), was 0%. The contract period for chartered tonnage varies from a few months to up to ten years.

The average age of DFDS' own ro-ro freight ships was nine years at the end of 2009, which is considered satisfactory. The average age of the passenger ships was 20 years at the end of 2009, excluding the laid-up Queen of Scandinavia, which is considered to be in line the market norm for this type of tonnage.

Against this background, no freight or passenger ships are expected to be purchased in the period up to and including 2012.

NEW CHIEF FINANCIAL OFFICER

Torben Carlsen (born 1965) started as CFO in June 2009 and joined the Executive Board alongside CEO Niels Smedegaard. Torben Carlsen has previously worked abroad for several years, including six years as CFO for an American company. Most recently, he was a partner in a Danish private equity fund.

SOCIAL RESPONSIBILITY (CSR)

As a shipping company, DFDS' activities are subject to extensive regulation by Danish and international legislation, as well as regulations relating to ship operations, e.g. security, onboard working conditions and environmental impact. These areas are deemed to be the most significant in terms of meeting both stakeholders' demands and expectations of DFDS' social responsibility.

In order to ensure regulatory compliance, DFDS continually draws up and revises its policies for the abovementioned and other areas, including an ethical code for all suppliers. DFDS' policies, practices and results in terms of environmental impact and staff welfare are outlined on page 42-45 of this report. Safety conditions are described below. The reporting in this annual report on social responsibility is not yet exhaustive.

SAFETY AND SECURITY ARE TOP PRIORITIES

The security and safety of passengers, crew, tonnage and cargo are of the highest priority, and are integral to the company's overall policies, strategies and targets.

As a result, the safety-management system (ISM) is actively developed on an ongoing basis. The system consists of documented processes that maintain a constant focus on all aspects of onboard security, including verifying fulfilment of the requirements of both legislation and the Group's internal specifications. Much of the safety work takes the form of well-established onboard inspection and maintenance routines. The management continually monitors the results of this work, and individual parts of the system are analysed and processed as required.

This work was further developed in 2009 with a comprehensive safety evaluation of the Group and ship operations. This work, which was carried out in collaboration with management, utilised fixed targets in order to assess whether the shipping company's overall objectives and the individual ships' operations met the safety requirements of both the authorities and the shipping company.

In addition, all ships and the shipping company undergo an internal audit at least once a year. The shipping company's auditors evaluate each ship in relation to the company's objectives and the authorities' requirements for continuous safety improvements. These extensive control mechanisms are designed to ensure safety and to collate important information that can be applied to fleet-wide preventative measures.

At legally specified intervals, both the shipping company and the fleet are subjected to inspections (both with and without prior warning) and security and safety audits by relevant authorities in the state under whose flag the ships sail, as well as by classification societies, the EU and insurance companies.

PROFIT EXPECTATION 2010 FOR DFDS GROUP AND BUSINESS UNITS
EXCLUDING TRANSACTION COSTS

BUSINESS UNIT	REVENUE GROWTH	OPERATING PROFIT (EBITDA) GROWTH	COMMENTS	STRATEGIC FOCUS
Ro-Ro Shipping	8-10%	5%	Large degree of uncertainty concerning rate levels	Restructuring of non-profitable routes. Deployment of excess tonnage
Container Shipping	4-6%	Improvement of DKK 40-50 mill.	One-off costs and several loss-making charter agreements expired end of 2009	Improve earnings for Chartering and Shippng Logistics
Passenger Shipping	1-3%	-15%	Negative impact on earnings from higher bunker cost	Improve earnings for Amsterdam-Newcastle route
Terminal Services	5-8%	Improvement of DKK 20-25 mill.	Full-year impact of rationalisation carried out in 2009	Improve earnings for port terminal in England. Third party volumes
Trailer Services	20-25%	20%	Take-over of contract end of 2009 for volumes between Germany and UK increases revenue	Improve earnings for Swedish activities
Non-allocated items/eliminations	n.a.	Level	Adjusted for acquisition transaction costs in 2009 and 2010	Rationalisation of processes for central functions
Group total	**6-8%**	**5-7%**		

Exercises and training are key elements in optimising onboard safety and emergency procedures. Onboard emergency and safety exercises, involving all or parts of the crew, are conducted on a regular basis. The Company has also made King of Scandinavia and Pearl of Scandinavia available to the authorities for major safety exercises in the Netherlands and Norway respectively. These exercises are a prerequisite for the continuous assessment and improvement of emergency responses, both at sea and on land.

DFDS works actively with various organisations and official bodies on ongoing improvements to onboard security and safety, so that it may influence legislation in this area in the future. This work is done at national, European and international level. DFDS is also represented on several organs in the Danish Shipowners' Association, and by the Danish representative to the International Chamber of Shipping's Passenger Ship Panel. In addition, DFDS chairs "Nordkompass" (the Nordic Committee for Passenger Ship Safety) on behalf of Denmark.

EXPECTATIONS FOR FINANCIAL PERFORMANCE 2010

The expectations outlined below refer exclusively to DFDS. Expected earnings from Norfolkline are not included as well as costs related to the transaction.

The profit expectation is based on an assumption of positive but limited market growth in 2010. It is estimated that the recession of 2009 will be superseded by some growth and progress in 2010, but at present a scenario with low and limited growth is considered more probable than a scenario involving higher growth. Oil-price and currency trends also remain uncertain.

It must be stressed therefore that the expectations for 2010 are subject to a high level of uncertainty.

- **Revenue:** Group revenue is expected to rise by 6-8%, and by 3-5% adjusted for the effect of bunker surcharges. The table above shows how the individual business units are expected to contribute to revenue.
- **EBITDA:** Group operating profit before depreciation (EBITDA) is expected to rise by approximately 5-7% excluding acquisition transaction costs. The expected performance per business unit is shown in the table above.
- **Investments:** Total investments in 2010 are expected to be around DKK 175 million.

Overall, a pre-tax profit of around DKK 100 million is currently expected for 2010.

THE WORLD OUTSIDE DFDS

A number of external factors impact upon DFDS, the most significant of which are political decisions, including new legislation, changes in competition and customer relationships, and the general state of the economy.

POLITICAL DECISIONS & LEGISLATION

Political decisions regarding Northern Europe's infrastructure and the shipping and transport sector have the greatest impact on DFDS. In addition, DFDS is subject to International Maritime Organisation (IMO) conventions. The IMO is the UN body responsible for maritime issues, primarily safety and the environment.

The most important current issues that may affect DFDS are described in brief below.

Legislation on sulphur content in bunkers: Two directives issued by the IMO and the EU regarding the use of low-sulphur bunkers for freight shipping come into force on the Baltic Sea and the North Sea in 2010. Both areas are designated as SECAs (Sulphur Emission Control Areas). One of these directives came into force in early 2010, and limits the sulphur content of bunkers to a maximum of 0.1% while in port. The second will come into force in early July and stipulates a reduction of the sulphur content from 1.5% to 1.0% for shipping in the Baltic Sea and the North Sea.

In the longer term, the objective is to reduce sulphur content in bunkers to 0.1% by 2015. However, this will necessitate establishing reliable low-sulphur bunker supplies. Technology is currently being developed to reduce the sulphur content in the combustion process on board ships instead of sourcing bunkers with a sulphur content of 0.1%. Tests are currently being conducted on board one of the ships in the DFDS fleet.

Freight from road to sea: Transferring freight volumes from road to sea is an established EU objective, the aim of which is to reduce congestion and bottlenecks on the roads and reduce pollution.

Measures introduced in this area include road taxes, bans on trucks at weekends or on Sundays, especially during the summer months, and driving/rest-time regulations for truck drivers. The EU's Marco Polo programme also provides seed funding for new and commercially viable shipping projects that help to relieve bottlenecks and move freight from road to the sea. These programmes have so far mainly supported the establishment of new routes in the Mediterranean, e.g. between Italy and Spain.

THE TONNAGE MARKET

For DFDS, the most important tonnage segments are ro-ro (freight ships) and ro-pax (combined passenger and freight ships). Ro-ro-based passenger and freight ships are built primarily for deployment on specific routes, as opposed to standardised tonnage built for the transportation of containers and commodities such as grain. This cre-

INTERNATIONAL RO-RO PASSENGER AND FREIGHT VOLUMES

	PASSENGERS				FREIGHT UNITS*			
	2007	2008	2009	Δ 09/08	2007	2008	2009	Δ 09/08
Baltic North	16.494.969	17.111.738	17.320.105	1,2%	602.825	621.982	499.650	-19,7%
Baltic South	12.786.379	12.409.269	11.622.530	-6,3%	1.890.247	1.857.858	1.575.585	-15,2%
Kattegat	20.528.892	20.221.329	18.211.664	-9,9%	1.011.332	953.023	807.446	-15,3%
North Sea	2.358.020	2.230.505	2.102.967	-5,7%	1.206.280	1.150.803	979.927	-14,8%
The Channel	17.683.404	17.319.652	16.284.713	-6,0%	2.721.209	2.630.732	2.597.575	-1,3%
Irish Sea	5.640.267	5.264.525	4.916.554	-6,6%	1.296.446	1.278.271	1.184.784	-7,3%
Total routes	**75.491.931**	**74.557.018**	**70.458.533**	**-5,5%**	**8.728.339**	**8.492.669**	**7.644.967**	**-10,0%**
International bridge and tunnel volumes								
Øresund Bridge	14.806.000	14.977.000	15.343.000	1,2%	338.426	341.106	298.071	-12,6%
Eurotunnel	9.343.049	8.313.663	7.712.908	-11,0%	1.414.709	1.254.282	769.261	-38,7%
Total bridge and tunnel	**24.149.049**	**23.290.663**	**23.055.908**	**-3,6%**	**1.753.135**	**1.595.388**	**1.067.332**	**-33,1%**

Source: Shippax, own figures. Statistics are incomplete as some shipping companies are not included in the figures.
* A freight unit corresponds to approximately 13 lanemeter.

ates a relatively stable market for ro-ro-based passenger and freight ships – the global order book at the end of 2009 was approximately 15% of the global fleet. The corresponding proportion for standardised tonnage in recent years has been around 40%.

In 2009, the number of new orders for ro-ro-based passenger and freight ships was limited, and the number of ships sent for scrapping increased. This trend is expected to continue in 2010, and the demand for ro-ro tonnage is predicted to increase from 2012.

IMPACT FROM ECONOMIC CYCLE

In 2009, Northern Europe was characterised by negative economic growth, which led to reductions in product demand and therefore the flow of goods. For shipping, the most significant reductions were in freight volume, while passenger volumes were less affected. Lower volumes have created overcapacity in most Northern European shipping companies, who have responded by selling and chartering out excess tonnage and laying up ships. In addition, tonnage has been redeployed, routes have been closed or combined, and costs have been reduced through organisational changes. Overcapacity has contributed to increased price pressure in the market.

In general, freight and passenger shipping is characterised by a high proportion of fixed costs, e.g. associated with the cost of capital, port fees and bunker, which means that the steep and rapid decline in the market had a negative impact on financial performance. Conversely, the business models operated by shipping companies imply a high proportion of any increase in revenue from higher volumes and prices is converted to operating profit.

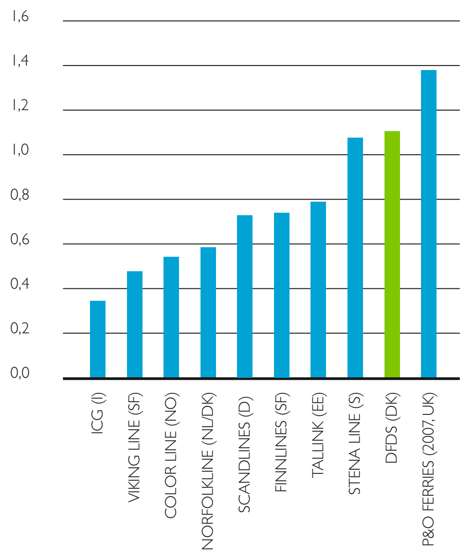
THE MARKET SITUATION AND COMPETITION

Growth in the Northern European passenger market was negative 6% in 2009 due to fewer passengers in all regions – except the northern part of the Baltic Sea, where the number of passengers rose by 1%. In the southern Baltic, volumes were reduced most between Germany, Sweden and Denmark, while the decline was more limited in the Polish and Baltic markets. There was a decrease of 10% in the Kattegat, partly because of restructuring of routes between Norway and Denmark. Adjusted for this, the market was stable compared to 2008, while the market between Sweden and Denmark experienced a decline. The decline of 6% in the English Channel can primarily be attributed to the closure of a fast-ferry route in 2008 and interruptions to the SeaFrance service in 2009.

The total decline in Northern European freight volumes, to which all regions contributed, was around 10% in 2009. In the southern Baltic Sea, the greatest decline was on the market between Germany, Sweden and Denmark. On the North Sea, the decline in volume between Scandinavia and Great Britain, as well as between the Continent and Great Britain, accounted for a setback of 15%. The relatively low decline in the English Channel was partly due to interruptions to Eurotunnel's services.

Measured in terms of revenue, DFDS was the second-largest passenger and freight shipping company in Northern Europe in 2009.

REVENUE 2008: 10 LARGEST NORTH EUROPEAN PASSENGER AND FREIGHT SHIPPING COMPANIES (EUR BILLION)



RO-RO SHIPPING

RO-RO SHIPPING OPERATES A NETWORK OF ROUTES BASED ON RO-RO AND RO-PAX TONNAGE IN THE NORTH SEA AND THE BALTIC SEA

BUSINESS AREA RESPONSIBLE
Peder Gellert Pedersen

RO-RO SHIPPING (42%)

SHARE OF GROUP REVENUE

PRODUCT CONCEPTS
- Trailer system
- Lifting unit system
- Industrial logistics
- Cassette system
- Automobile system
- Special and project cargo

BRANDS
- DFDS Tor Line
- DFDS LISCO
- DFDS Shipping Logistics
- DFDS AutoLogistics
- Polferries (limited right of use)

CUSTOMER GROUPS
- Haulage contractors and forwarding companies
- Producers of heavy industrial goods, e.g. passenger vehicles and trucks, steel, forest products, chemicals
- Passengers, primarily in their own vehicles

COMPARABLE COMPANIES/COMPETITORS
- Cobelfret
- Finnlines
- P&O Ferries
- Stena Line
- Transfennica

SIGNIFICANT EVENTS IN 2009/2010
- Recession led to reduced volumes and rates in all regions
- Capacity of the route network reduced by 6%
- Operations and organisation adapted to changing market conditions
- Two smaller ro-ro ships purchased and deployed in January/February 2009
- Ro-pax newbuilding deployed on the Baltic Sea in May 2009
- Delivery of one chartered ro-ro newbuilding in mid-2009
- Extension of three ro-ro ships completed by mid-2009
- Return of three chartered ro-ro ships at end of 2009, and chartering out of excess tonnage
- Closure of the route between Latvia and Germany, January 2010
- Agreement reached to charter two ro-ro ships to Norfolkline in 2010

MARKETS, ACTIVITIES AND CUSTOMERS

Ro-Ro Shipping's activities comprise the operation of route networks on the North Sea and the southern half of the Baltic Sea. On the North Sea, primarily the flow of goods between Scandinavia and Great Britain/the Continent, as well as between the Continent and Great Britain, are serviced. In the Baltic Sea, services are mainly focused on the flow of goods between Scandinavia and the Continent on the one hand, and Russia, the Baltic States and the CIS countries on the other.

The network includes ro-ro and ro-pax routes, the latter primarily in the Baltic, where the market for unaccompanied trailers is larger than on the North Sea.

International haulage and forwarding companies account for approximately 56% of total volumes, manufacturers of heavy industrial goods approximately 44%. This split remained unchanged from 2008.

The most important industrial target customer groups are the car industry and producers of heavy goods and plant equipment requiring development of tailor-made logistics systems, including investment in specialised transport equipment, IT solutions, dedicated warehouses and, in some cases, deployment of larger tonnage. Industrial logistics contracts are therefore long-term with DFDS operating as part of the customer's supply chain.

MARKET TRENDS

The Northern European ro-ro freight market as a whole declined by about 10% in 2009 as a result of the recession, which began in late 2008. The total decline in DFDS' primary markets in the southern Baltic Sea and the North Sea was around 15%. The largest decrease was experienced in H1 2009, particularly Q1. The market stabilised in H2, and in Q4 volumes reached a level at or above Q4 2008 in several market areas.

The low level of activity created overcapacity in most companies in the ro-ro sector, as well as among container and trailer operators, impacting rate levels negatively. The competitive situation, especially in the Baltic Sea, was characterised by overcapacity in the land-based transport sector. However, in response to the market conditions, several shipping companies adapted capacity by closing routes and by chartering out and laying up tonnage.

RO-RO SHIPPING'S SUCCESS CRITERIA

The most important success criteria for Ro-Ro Shipping are reliability and frequency and a schedule adapted to customers' requirements. Other significant factors include adjusting capacity to reflect market trends, and reducing clients' overall transport time on an ongoing basis, which places demands on tonnage speed and turnaround time in port.

FLEET MODERNISATION AND ADAPTATION

The fleet was further modernised in 2009 following the deployment of two newer ro-ro ships on the route between Rotterdam and Immingham at the start of the year, and a ro-pax newbuilding on the route between Kiel and Klaipeda in May 2009. Customer service has been improved on both routes through increased reliability, frequency and capacity.

In addition, the third in a series of four chartered ro-ro newbuildings was delivered in mid-2009. By the end of 2009, three older chartered ro-ro ships had been returned, and the fleet's oldest ro-ro ship was sold in early 2010.

In mid-2009, three ro-ro ships sailing between Sweden and England were extended, which reduces operating costs and environmental impact per unit, and adds capacity to the market.

The renewal of tonnage in 2008 and 2009 led to savings in terms of both operating costs, including bunker consumption, and improved operational reliability, strengthening the route network's long-term competitiveness. It is therefore currently estimated that no tonnage investments are required within the next couple of years.

THE TONNAGE MARKET

The global decline in activity generated overcapacity in the market for ro-ro and ro-pax tonnage, particularly for older and smaller tonnage. Older ships still constitute a disproportionately large share of global ro-ro tonnage, and rates for newer and larger tonnage are therefore expected to remain relatively stable over the coming years. This is also based on a moderate influx of new tonnage, as capacity on orders constituted approximately 15% of global capacity at the end of 2009. In addition, the number of ships scrapped is expected to rise in 2010 and new orders very limited.

RO-RO SHIPPING	2008					2009				
DKK MILLION	Q1	Q2	Q3	Q4	FULL YEAR	Q1	Q2	Q3	Q4	FULL YEAR
Revenue	926	997	1,009	867	3,799	669	736	798	794	2,997
Operating profit before depreciation (EBITDA)	186	217	207	174	784	119	135	132	133	519
Profit/loss on disposal of tangible assets	0	7	3	2	12	0	0	0	0	0
Depreciation	-62	-65	-66	-53	-246	-63	-69	-73	-82	-287
Operating profit (EBIT)	124	159	144	123	550	56	66	59	51	232
Operating profit margin (EBIT), %	13.4	15.9	14.3	14.2	14.5	8.4	9.0	7.4	6.4	7.7
Invested capital, average	4,596	4,645	4,626	4,491	4,560	4,510	4,916	5,256	5,320	4.965
Return on invested capital (ROIC) p.a., %	10.8	11.9	12.2	10.7	11.7	4.7	5.0	4.4	3.6	4.4
Lanemetres, '000	2,605	2,663	2,474	2,269	10,017	2,139	2,274	2,327	2,457	9,197
Passengers (Baltic Sea), '000	45	58	81	40	224	63	94	129	77	363

THE MAIN CUSTOMER GROUPS ARE INTER-NATIONAL HAULAGE AND FORWARDING COMPANIES AND MANUFACTURERS OF HEAVY INDUSTRIAL GOODS

ADJUSTMENT OF ACTIVITIES

Deterioration of market conditions during the year necessitated an adjustment of activities in H2 to reduce the route network's capacity and lower costs. Sales activities were also intensified. The main adjustments in 2009/10 were:

- Early in 2009, the routes NorBridge (Norway-UK) and AngloBridge (Sweden-UK) were merged, and a ro-ro ship freed up and chartered out
- Freight-agency staffing levels in Germany, Sweden and Lithuania were reduced by 12-17%
- Renegotiation of port and stevedore agreements
- Reduction in the number of departures
- Bunker consumption optimised
- HansaBridge (Latvia-Germany) closed in early 2010.

— FREIGHT ROUTES (RO-RO)
··· PASSENGER AND FREIGHT ROUTES (RO-PAX)
■ SALES AGENCY

PROJECT "LIGHTSHIP"

At Group-level a project was launched in autumn 2009 to improve the efficiency of ship operations. The project's work streams include bunker optimisation, staffing, maintenance, purchasing and supplies, management systems and the efficiency of loading and unloading operations.

The target at Group level is to achieve an overall saving of approximately DKK 100 million in 2010. Ro-Ro Shipping's share of the target represents a saving of around DKK 50 million.

ACTIVITY DEVELOPMENT

Ro-Ro Shipping's routes cover three regions: the Baltic Sea, the North Sea (Sweden/Norway-Belgium/United Kingdom) and the Continent (Denmark/Germany/Netherlands-United Kingdom). The freight capacity for the entire route network was 13.1 million lanemetres in 2009, 6% lower than in 2008, adjusted for the charter agreement with Polferries in September 2008. The largest capacity reduction was implemented in the North Sea by fewer sailings and tonnage changes. Capacity is almost evenly divided between the three regions, although the relationship between the number of sailings and the number and size of ships varies.

The route network's total capacity utilisation was reduced by 4 percentage points in 2009, with the largest reduction on the Continent and the smallest in the Baltic Sea. Figures are adjusted for volumes from Passenger Shipping's route network, where the Bergen route was closed in September 2008, and the charter agreement with Polferries.

Ro-Ro Shipping transported 8.2 million lanemetres in 2009. Adjusted for Polferries and Passenger Shipping, this represents a decrease of 12% compared to 2008. The market stabilised over the year, with a decline of 23% in Q1 and an increase of 6% in Q4. The rise in Q4 was driven by a 20% increase in the Baltic Sea, partly due to the recession taking hold earlier in this region and closure of a competing route. On the North Sea and the Continent, the rise in Q4 was 1-2%.

The business model for liner services with ro-ro ships involves a relatively low proportion of variable costs, related primarily to stevedoring, while remaining costs are largely unaffected by changes in activity levels. Performance is thus sensitive to changes in volume and rate per unit. In addition to lower volumes, the recession in 2009 led to rates in all regions falling by 4-8%. This can be attributed to price pressure, currency fluctuations (particularly in SEK), changes in freight mix, and traffic imbalances.

The significant deterioration in Ro-Ro Shipping's financial performance in 2009 can therefore be attributed to lower volumes and rates and a high proportion of fixed costs on the other hand. The operational changes implemented since mid-2008 have contributed to reduce the rate of decline in all regions.

The North Sea: The weakening of SEK strengthened westbound traffic on the North Sea, but a growing imbalance in the flow of goods reduced the overall rate. Lower volumes, especially from the automobile sector, resulted in a marked deterioration in earnings on the route between Sweden and Belgium. Lower volumes from industrial companies also affected earnings on the route between Sweden and Great Britain.

The Continent: The recession led to significant overcapacity in the market between Benelux and Great Britain, with particularly significant reductions in revenue on the route from Holland. Lower volumes from the automobile sector, especially in H1, impacted the route from Germany while development on the routes from Denmark was more stable.

The Baltic Sea: New tonnage was introduced in 2009, which improved the service level but also raised the cost level. The recession intensified competition between road and sea transport. A competing route closed towards the end of the year, and DFDS closed the route between Latvia and Germany at the end of January 2010 in order to concentrate the route network on the smaller number of ports to the east.

FINANCIAL PERFORMANCE

Revenue was down by 21% to DKK 2,997 million in 2009. Adjusted for bunker surcharges, the reduction was 14%. In addition, three major factors affected the comparison of revenue between 2009 and 2008: Passenger revenue from the ro-pax Esbjerg-Harwich route was transferred to Passenger Shipping at the beginning of 2009; a new charter agreement was signed with Polferries in September 2008; and the route network's reduced capacity led to an increase of 60% in revenue from chartering out tonnage. Adjusted for these items, revenue was 18% lower in 2009, which can be coupled with 12% lower volumes and lower rates and exchange-rate fluctuations averaging a decline of 6%.

Operating profit before depreciation (EBITDA) declined by 34% to DKK 519 million in 2009, a reduction of DKK 265 million. Due to the lower level of activity, the EBITDA margin was reduced to 17% from 21% in 2008. In addition, the variable costs for stevedoring, as well as staff and sales costs, were reduced as a result of the changes implemented. Lower oil prices in 2009 reduced bunker costs, but this was offset by lower revenue from bunker surcharges. Oil consumption was reduced by 11% in 2009, partly due to the bunker-optimisation programmes implemented as part of operational changes, and partly due to reduced capacity on the route network.

Depreciation, excluding value adjustment of goodwill, rose by DKK 22 million in 2009 following the addition of a ro-pax newbuilding and two new ro-ro ships, and the extension of three ships. Operating profit (EBIT) was DKK 232 million, down 58% or DKK 318 million.

Average invested capital in 2009 was DKK 4,965 million, an increase of DKK 405 million. This can be attributed to the addition of three ships and the extensions completed in 2009. The return on invested capital in 2009 was 4.4%.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CONTAINER SHIPPING

CONTAINER SHIPPING CONSISTS OF ROUTE NETWORKS BASED ON LO-LO TONNAGE IN THE NORTH SEA, THE IRISH SEA AND THE NORTH OF SPAIN

BUSINESS AREA RESPONSIBLE
Ole Sehested

PRODUCT CONCEPTS
- Door-door container solutions (dry bulk, refrigerated/frozen)
- Intermodal door-door and quay-quay container solutions
- Shipping logistics for mass-produced industrial goods

CONTAINER SHIPPING (16%)

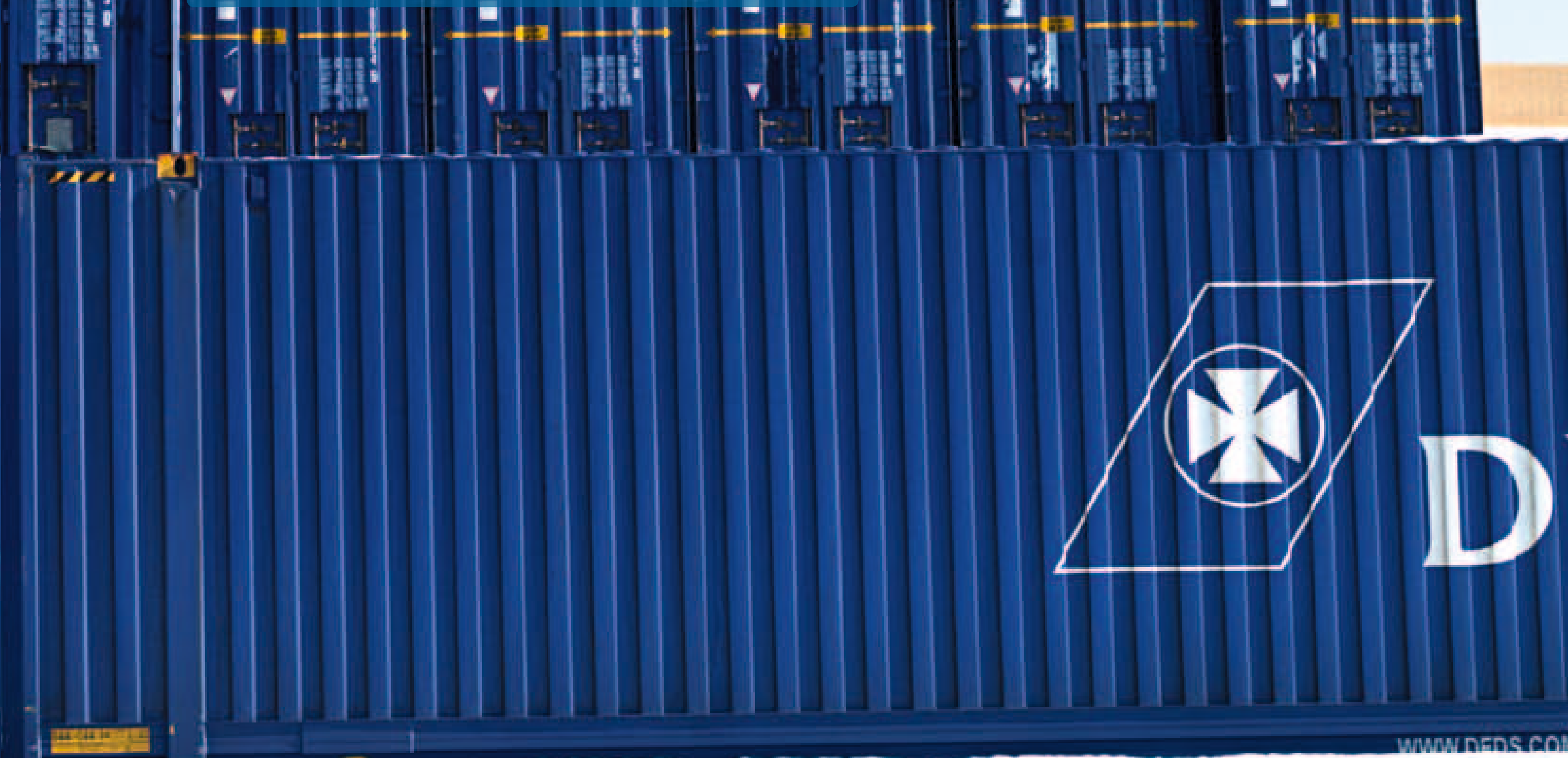
SHARE OF GROUP REVENUE

BRANDS
- DFDS Lys Line
- DFDS Container Line
- DFDS Suardiaz Line

CUSTOMER GROUPS
- International trading companies, finished goods
- Producers of heavy industrial goods, such as forestry products, steel, chemicals and plastics
- Bulk- and tank-container operators
- International haulage companies

COMPARABLE COMPANIES
- BG Freight
- Cobelfret Containers
- Containerships
- Delphis/Team Lines
- Eucon (Irish Continental Group)
- MacAndrews
- Samskip

SIGNIFICANT EVENTS IN 2009/2010
- Lower demand resulted in overcapacity on all major markets in 2009
- Demand stabilised at a lower level in H2
- Capacity utilisation optimised by adaptation of tonnage
- Production partnerships with Samskip/Unifeeder and Eucon
- Reduction of tonnage in Chartering
- Organisation reduced by 10%
- New management in DFDS Container Line and DFDS Lys Line
- Restructuring of routes for sideport activities, with effect from early 2010
- DFDS Container Line calls at Zeebrugge from November 2009



MARKETS, ACTIVITIES AND CUSTOMERS

Container Shipping's activities consist of intermodal door-door container transport between the Nordic Region, the Continent, Great Britain, Ireland and Spain. Logistics solutions are also provided for transporting paper and metal products from Norway and Sweden to Northern and Southern Europe, on the basis of fixed, long-term contracts. In addition, Container Shipping operates a small fleet of tramp ships.

Transport by sea is facilitated by lo-lo ships and combined sideport/container ships. More than 50% of volumes in the industry segment Shipping Logistics are covered by long-term contracts.

The most important industrial customer groups are producers and exporters of paper, metal and plastic products, as well as international trading companies importing and exporting finished goods.

MARKET TRENDS

The negative market trend of 2008 continued into 2009, but stabilised at a lower level in H2. Despite shipping companies significantly reducing their capacity and laying up tonnage, all markets remain characterised by excess capacity. This has resulted in a significant decrease in revenue due to price competition, which in general has not been fully balanced by cost adjustments. Moreover, companies are seeking deployment for surplus tonnage to cover fixed costs. Falling diesel prices and increased supply by Eastern European hauliers with low rates also negatively affected the competitive situation.

The Irish and Spanish markets are still weak, while other markets are relatively stable, albeit at a lower level of activity. Changes in market conditions have led to an increase in the number of vessel sharing agreements between shipping companies with the aim of reducing capacity and costs.

CONTAINER SHIPPING'S SUCCESS CRITERIA

The most important success criteria for Container Shipping are frequency, transit time, flexibility on tonnage and haulage capacity, as well as competitive cost levels underpinned by efficient IT systems.

THE TONNAGE MARKET

In line with falling activity levels, rates have been significantly reduced in the time-charter market for both container and bulk ships. The majority of Container Shipping's tonnage is chartered, and several charter contracts expired in 2009, which made it possible to both cut capacity and further reduce costs over the course of the year.

ACTIVITY DEVELOPMENT

Seen as a whole, Container Shipping's activities and financial performance were not satisfactory in 2009 due to a fall in revenue of 29%, to which all three primary areas of activity -Intermodal Container Transport, Shipping Logistics and Chartering - contributed.

Several significant changes were made to operations in 2009. The organisation as a whole was reduced by 10% in 2009, and new management were appointed in DFDS Lys Line and DFDS Container Line. In Ireland, a number of synergies were achieved by consolidating the various functions within a single Irish DFDS office. At the end of 2009, DFDS Lys Line moved to a new office in Oslo, which will reduce future costs. In addition, the total container equipment fleet was reduced by 25% to 4,000 units.

Intermodal Container Transport: Despite the decline in volumes and rates, significantly improved operating profit was achieved for Intermodal Container Transport in the three main traffic areas (Norway/UK-Continent, Continent-Ireland and Ireland-Spain). Overall market share was maintained in all areas. The progress was due, amongst other things, to integration of the various companies, which now benefit from joint management of tonnage, a shared equipment pool and a common IT system.

The greatest progress was achieved in traffic on the Norway/UK-Continent routes operated by DFDS Lys Line, and can be attributed to streamlining and capacity adjustment. The latter was implemented as part of a production agreement with Samskip, which was entered into in 2007. In May 2009, this was extended to include Unifeeder in a so-called vessel sharing agreement, under which DFDS Lys Line can utilise a fixed proportion of the capacity between the Oslo Fjord and Rotterdam. Following the closure of the route between Norway and Ireland (cf. below), door-door containers between Norway and Ireland are now transported via the Continent/Ireland traffic. The changes made in 2009 have laid the foundations for future progress by DFDS Lys Line's container activities.

DFDS Container Line operates traffic between Ireland and the Continent, where the market is still characterised by low demand and significant price competition. A tonnage agreement with Eucon has facilitated ongoing capacity adjustment between Rotterdam and Dublin. In October 2009, the route between Rotterdam and Waterford was extended to include a call in Zeebrugge. The cost of chartered tonnage in this area was considerably higher in 2009 than the current market level, as the tonnage agreements were reached in 2008. To achieve a competitive future cost level, two charter agreements were cancelled at the end of 2009, which resulted in a one-off cost of DKK

CONTAINER SHIPPING	**2008**					**2009**				
DKK MILLION	Q1	Q2	Q3	Q4	FULL YEAR	Q1	Q2	Q3	Q4	FULL YEAR
Revenue	425	437	419	355	1,636	294	287	286	298	1,165
Operating profit before depreciation (EBITDA)	24	26	26	5	81	5	4	0	-4	5
Associates	1	-1	1	-1	0	0	1	0	0	1
Profit/loss on disposal of tangible assets	0	0	0	1	1	2	7	0	0	9
Depreciation	-19	-19	-17	-56	-111	-14	-13	-10	-13	-50
Operating profit (EBIT)	6	6	10	-51	-29	-7	-1	-10	-17	-35
Operating profit margin (EBIT), %	1.4	1.4	2.4	-14.4	-1.8	-2.4	-0.3	-3.5	-5.7	-3.0
Invested capital, average	774	757	754	667	729	615	615	602	617	617
Return on invested capital (ROIC) p.a., %	3.2	3.0	4.9	-28.9	-3.7	-4.1	-1.2	-6.2	-9.4	-5.4
Tons, '000	642	631	622	551	2,446	450	425	449	406	1,730
Containers, '000	27	30	28	24	109	22	22	21	21	86

15 million. This, combined with greater efficiency in production, is expected to contribute to improved financial performance in 2010.

DFDS Suardiaz Line (50/50 joint venture with Logistica Suardiaz, Bilbao) operates container traffic between Spain and Britain's west coast and Ireland. Financial performance improved in 2009 as a result of adjusting costs to meet changing market conditions, including lower tonnage costs, and this trend is expected to continue in 2010.

Shipping Logistics: Activity levels and the result for industrial logistics activities in Norway and Sweden fell significantly in 2009 due to lower volumes from the paper industry. As a consequence, the route between Norway/Sweden and Ireland was closed in October 2009 and volumes transferred to Ro-Ro Shipping's route between Gothenburg and Immingham. Closing the Ireland route triggered costs for closing the office in Lysekil.

As a result of the above route closure and the changed market conditions in general, the number of sideport ships was reduced from seven to five. The return of two ships in 2009 triggered a one-off cost of DKK 12 million. In close collaboration with industrial clients, the route network was reorganised in early 2010, resulting in an integrated sailing schedule for the three largest sideport/container ships on routes between Scandinavia and the Continent, the UK and Spain. This is expected to provide opportunities for higher volumes and more efficient fleet utilisation. Furthermore, a small container ship has been deployed between Western Norway and Rotterdam to service volumes from the paper industry.

Chartering: Activities include the operation of small tramp ships in Europe and the Mediterranean, based on fixed contracts e.g. with Norwegian industrial customers. Demand fell by approximately 50% in 2009, which resulted in a significant deficit compared to the satisfactory earnings in 2008. In 2009, the fleet was reduced from nine to five ships. Three of these ships will be chartered at rates significantly higher than current market levels until the end of 2010. Financial performance will therefore improve in 2010, but not expected to return to a satisfactory level until 2011.

FINANCIAL PERFORMANCE

Revenue fell by 29% to DKK 1,165 million in 2009. Approximately two thirds of revenue can be attributed to Intermodal Container Transport, where volume was reduced by over 30% due to capacity adjustment, lower revenue from bunker surcharges, and lower volumes and rates. Shipping Logistics' revenue makes up approximately 30% of the total and was reduced by approximately 20%, also as a result of lower revenue from bunker surcharges, lower volumes and lower rates. Chartering revenue was halved in 2009.

Operating profit before depreciation (EBITDA) was reduced to DKK 5 million, from DKK 81 million in 2008. This result includes one-off items amounting to DKK 27 million from the early return of tonnage and cancellation of charter agreements. After adjustment for these one-off items, financial performance was down DKK 49 million, of which DKK 37 million can be attributed to Chartering activities. The remaining decrease was due to lower performance by Shipping Logistics, which was partially offset by improved performance by Intermodal Container Transport. The result also includes costs for staff reductions and further expansion of IT systems.

The early return of two financially leased sideport ships generated a profit of DKK 9 million. Depreciation amounted to DKK 50 million, after which the operating profit (EBIT) was a loss of DKK 35 million.

Average invested capital was DKK 617 million in 2009, down DKK 112 million from 2008 as a result of write-downs made at the end of 2008, the influence of a lower NOK and the return of ships. Return on invested capital in 2009 was a negative 5.4%.

THE MAIN CUSTOMER GROUPS ARE INTERNATIONAL TRADING COMPANIES, AS WELL AS MANUFACTURERS OF HEAVY INDUSTRIAL GOODS

■ SALES AGENCY
□ PORT OF CALL

PASSENGER SHIPPING

PASSENGER SHIPPING OPERATES PASSENGER ROUTES BASED ON CRUISE-FERRY TONNAGE IN THE NORTH SEA AND KATTEGAT/SKAGERRAK

BUSINESS AREA RESPONSIBLE
Carsten Jensen

PRODUCT CONCEPTS
- Transport with own vehicle
- Package tours
- Mini Cruise
- Conferences
- Freight

BRANDS
- DFDS Seaways
- DFDS Canal Tours

CUSTOMER GROUPS
- Families
- Groups of friends
- Business travellers
- Companies, organisations and course organisers
- Tour operators, agents and travel agents

COMPARABLE COMPANIES/COMPETITORS
- Color Line
- Fjord Line
- P&O Ferries
- Stena Line
- Tallink Silja
- Viking Line

SIGNIFICANT EVENTS IN 2009
- Takeover of freight agency on the Copenhagen-Oslo route in autumn
- Takeover of passenger revenue from Ro-Ro Shipping on the Esbjerg-Harwich route
- Share of non-Danish crew on ships increased
- Full-year effect of Project Lighthouse
- Depreciation of net income currencies (GBP and NOK)
- Significant income from bunker hedging
- Queen of Scandinavia laid up, deployed 105 days as a hotel ship
- Write-down of DKK 33 million on Queen of Scandinavia
- Internal transfer of Queen of Scandinavia to non-allocated items at the end of 2009

PASSENGER SHIPPING (23%)

SHARE OF GROUP REVENUE

MARKETS, ACTIVITIES AND CUSTOMERS

DFDS Seaways operates overnight passenger shipping services on three routes in the North Sea and Kattegat/Skagerrak. Its main target groups are Mini Cruise passengers, holidaymakers travelling in their own cars, group travel and transport, and conference passengers. The onboard experience is important for all travellers. The routes also carry freight.

Ticket sales and related services account for approximately 40% of revenue, onboard sales for approximately 50%. Freight revenue represents about 8%, and the remaining revenue is generated from charter activity.

MARKET TRENDS

As a result of the recession, the Northern European market for passenger shipping experienced an overall decline in passenger numbers of around 5% in 2009.

In the Kattegat area, the market between Denmark and Norway was relatively stable after adjustment for the restructuring of several routes in 2008. The market trend between Sweden and Denmark was in general considerably weaker. On the North Sea, routes are operated between Denmark and the Continent/the United Kingdom. The British market was substantially weakened by the recession and a lower pound sterling, but the decline in the number of British travellers was offset by an increase in the number of travellers from the Continent to the United Kingdom. The total passenger market between the east coast of England and the Benelux countries as a whole was stable in 2009.

The recession had a negative impact on passenger shipping activities in 2009 and most shipping companies have experienced a decline in the number of passengers. Moreover, currencies have weakened in several economies outside of Northern Europe raising the cost for travel in Northern Europe. In addition, several airports expanded their capacity in 2009, which has intensified competition.

As a result of the lower demand, pricing strategies in the travel market have been further differentiated in order to secure volumes and onboard earnings.

PASSENGER SHIPPING'S SUCCESS CRITERIA

The onboard maritime experience is key to fulfilling passengers' expectations. A positive experience depends upon an attractive onboard environment that offers a varied, contemporary range of food, drinks, shops and entertainment. In order to maintain and further develop a high level of service, staff skills are constantly enhanced by a variety of courses. In 2010, staff will also be involved in external marketing campaigns under the slogan "Yes, We Will".

To meet customers' needs, new concepts will continue to be developed and introduced, and the onboard physical environment will be adapted and improved. The quality of cabins and cleaning are also important for passenger comfort. Other important factors include timetables, punctuality and safety.

IMPLEMENTATION OF EFFICIENCY PROGRAMMES

Project Lighthouse: In May 2008, a streamlining plan for Passenger Shipping was launched under the heading "Project Lighthouse".

The overall improvement plan was originally expected to lead to an improvement in financial performance of DKK 100 million in 2009, compared with 2007. Improvements were achieved in all of the activities launched in 2009. Measured against 2008, the streamlining plan has accounted for an impact on the 2009 result of approximately DKK 50 million.

The main points of the improvement plan implemented in 2008 were:

- closure of the loss-making Bergen-Newcastle route and the discontinuation of 270 posts
- reorganisation and rationalisation of the land-based organisation (i.e. headquarters and agency organisation)
- new industrial-relations agreements, including more flexible principles for manning the two passenger ships on the Copenhagen-Oslo route
- a new, flat management structure on board all ships
- discontinuation of 130 posts related to the last three points above.

In addition to making the organisation and operations more efficient in general, commercial responsibility for ship organisation has been decentralised, which has underpinned earnings linked to onboard sales. The new route management structure has optimised co-operation between sales organisations on land and on board, which has led to better and quicker adaptation to different customer segments' requirements and their expectations of individual routes/markets.

Project Lightship: Launched in autumn 2009, this project aims to make ship operations more efficient. The target for Passenger Shipping is to achieve total savings of approximately DKK 40 million in 2010.

Improvements and savings are mainly related to the priority areas ship maintenance, procurement with a focus on port contracts, catering and bunker optimisation.

PASSENGER SHIPPING	2008					2009				
DKK MILLION	Q1	Q2	Q3	Q4	FULL YEAR	Q1	Q2	Q3	Q4	FULL YEAR
Revenue	320	503	602	354	1,779	280	443	545	352	1,620
Operating profit before depreciation (EBITDA)	-88	55	164	63	194	-41	105	187	63	314
Profit/loss on disposal of tangible assets	0	1	0	0	1	0	0	0	0	0
Depreciation	-47	-46	-44	-43	-180	-44	-62	-45	-60	-211
Operating profit (EBIT)	-135	10	120	20	15	-85	43	142	3	103
Operating profit margin (EBIT), %	-42.2	2.0	19.9	5.6	0.8	-30.4	9.7	26.1	0.9	6.4
Invested capital, average	1,840	1,767	1,750	1,782	1,794	1,758	1,693	1,659	1,644	1,693
Return on invested capital (ROIC) p.a., %	-29.3	1.9	26.5	4.4	0.8	-18.2	9.6	33.1	0.7	5.7
Passengers, '000	271	390	462	289	1,412	249	368	427	279	1,323

ACTIVITY TRENDS

The activity level on the Copenhagen-Oslo route was affected by the slowdown in the economy and the depreciation of the NOK, resulting in a 3% decline in passenger numbers compared to 2008.
The passenger composition also changed, with fewer passengers from the business and conference segment, although this was partially offset by more holidaymakers. In addition, the number of passengers originating from overseas declined by 16%. Costs were reduced, primarily because of lower oil prices and the effects of Project Lighthouse. Ticket revenue and onboard revenue per passenger was 5% lower and 3% when adjusted for exchange rates. The route's freight activities were handled by DSV via a space-charter agreement until September 2009, when DFDS Seaways took over. Freight earnings on the route were slightly lower in 2009 as a result of the general decline in the freight market.

The Amsterdam-Newcastle route made significant improvements in financial performance in 2009 as a result of increased market share and lower costs for operations and bunkers. Despite difficult market conditions, including the weakened pound sterling and lower demand in Great Britain, the number of passengers increased by 10% compared to 2008. This rise, primarily in the Dutch and German markets, can be attributed to increased marketing and sales efforts directed towards especially tour operators. The UK market remained on a par with 2008. The route's freight turnover was reduced by 19% in 2009.

The Esbjerg-Harwich route's passenger revenues and financial performance were transferred from Ro-Ro Shipping to Passenger Shipping at the start of 2009. The route made positive progress in 2009, with a 9% increase in passenger numbers. Most of the increase was attributable to the Danish market.

Queen of Scandinavia, which has been laid up since the closure of the Bergen-Newcastle route in September 2008, was chartered out as a hotel ship for 105 days in 2009. At the end of the year, the ship was transferred to non-allocated items.

DFDS CANAL TOURS

DFDS Canal Tours operates canal tours in the Port of Copenhagen using 16 boats, including two with restaurants. The number of guests in 2009 was 720,000, which is on a par with 2008. The boats are also hired out for charter trips.

In 2009, one of the tourist boats was converted from motor-driven to battery-operated, which has multiple environmental benefits. Work has been done on concept development, including guided tours in a greater number of languages, dinner cruises, art cruises and architectural cruises.

Financial performance in 2009 was satisfactory.

FINANCIAL PERFORMANCE

Revenue in 2009 was DKK 1,620 million, 9% or DKK 159 million lower than in 2008. Adjusted for the transfer of the Esbjerg-Harwich route's passenger revenue at the start of 2009, the closure of the Bergen-Newcastle route in September 2008 and the chartering out of Queen of Scandinavia in 2009, revenue fell by 7% or DKK 116 million.

The adjusted revenue relates to the Oslo and Amsterdam routes, where 2% of the decline can be attributed to lower revenue from oil-price surcharges due to lower oil prices in 2009. Most of the remaining decline is attributable to the Copenhagen-Oslo route, which was affected by 3% fewer passengers, the weakening of the NOK and generally lower revenue per passenger. On the Amsterdam-Newcastle route, revenue from ticket sales and catering rose by 10% adjusted for the weakened GBP, in line with the increase in the number of passengers. However, this increase was more than offset by lower revenue from tobacco sales and freight.

Operating profit before depreciation (EBITDA) was DKK 314 million, an increase of 62% or DKK 120 million compared to 2008. The results for 2009 and 2008 are not directly comparable due to the aforementioned transfer of the Esbjerg-Harwich route, closure of the Bergen-Newcastle route and the chartering out of a passenger ship. Adjusted for these factors, and for restructuring costs related to Project Lighthouse and VAT refunds in 2008, EBITDA rose by DKK 97 million to DKK 298 million, from DKK 201 million in 2008. Approximately 70% of this increase was due to lower net bunker costs, including hedging transactions, which constitute a large part of the saving. The rest of the increase was mainly due to the Amsterdam-Newcastle route, on which increased passenger earnings and savings on operational and port costs led to significantly improved performance and compensated for lower freight earnings.

Depreciation amounted to DKK 211 million, an increase of DKK 31 million, of which DKK 33 million was due to a write-down on the Queen of Scandinavia.

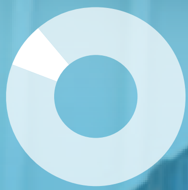
Operating profit (EBIT) was then DKK 103 million.

Average invested capital was DKK 1,693 million in 2009, a reduction of 6% compared to 2008, as depreciation exceeded the level of investment. At year end, the capital invested in Queen of Scandinavia, amounting to DKK 152 million, was transferred to non-allocated items. The ship's invested capital is thus included in Passenger Shipping's invested capital throughout 2009. Return on invested capital was 6.3% compared with 0.8% in 2008.

TERMINAL SERVICES

TERMINAL SERVICES OPERATES PORT TERMINALS IN DENMARK, ENGLAND, THE NETHERLANDS AND NORWAY, WHICH MAINLY PROCESS UNIT LOADS, E.G. TRAILERS, CONTAINERS, AUTOMOBILES AND INDUSTRIAL GOODS

BUSINESS AREA RESPONSIBLE
Peder Gellert Pedersen



TERMINAL SERVICES (8%)

SHARE OF GROUP REVENUE

PRODUCT CONCEPTS
- Loading/discharging of ro-ro, side-port, lo-lo and conventional tonnage
- Provision of added value services such as, warehousing, car compounds, trans-shipments and road and rail distribution
- Project solutions for special loads

CUSTOMER GROUPS
- Freight- and passenger-shipping companies (short sea), primarily internal
- Producers of heavy industrial goods
- Overseas car shipping companies (deep sea)
- Overseas break-bulk shipping companies (deep sea)

BRANDS
- DFDS Shipping Logistics
- DFDS Auto Logistics
- DFDS Scandic Terminal
- DFDS Terminalen
- DFDS Multi Terminal
- DFDS Nordic Terminal
- Northsea Terminal
- KST Terminal
- Moss Container Terminal

COMPARABLE COMPANIES/COMPETITORS
- Private and publicly owned port terminals in geographical proximity

LOCATIONS
- Esbjerg
- Copenhagen
- Rotterdam (Maasvlakte)
- Immingham
- Newcastle (until May 2009)
- Brevik
- Kristiansand
- Moss
- Oslo (ownership share, 33%)

SIGNIFICANT EVENTS IN 2009
- Sharp downturn in volumes of 20-25% in H1; slight decline of 1-2% in Q3 and improvement of 10-15% in Q4
- Ongoing development of break-bulk activities in Rotterdam
- Business rates introduced in UK
- Continued reduction of staff numbers across the terminals
- Successful, ongoing streamlining of DFDS Nordic Terminal, Immingham
- Introduction of dynamic planning tools and improved operational/ financial KPI's
- Operation of Newcastle Terminal transferred to Port of Tyne

MARKETS, ACTIVITIES AND CUSTOMERS

The geographical region for DFDS' Terminal services is dictated by the need to support the internal shipping business units. Each location is optimally placed to serve the lines in the most efficient and cost effective manner. DFDS' objective is to create hubs with operation of several services to/from the same terminals, wherever possible, enabling customers to optimise their own resources and minimise their operational cost.

DFDS' main customer segments are: unit loads (trailers/containers), automotive, forest products, steel, chemicals and project cargo. It is the terminal's purpose to support DFDS' growth by providing first class, cost effective added value services such as: stevedoring, warehousing, car compounds, timber terminals, road/rail distribution, transhipments and project cargo solutions. The same services are to an increasing extent also offered to third-party customers.

The terminal services are linked to DFDS' shipping services by fully integrated IT systems, whereby customers are provided with seamless, tailor made IT solutions for their complete supply chains. Important success criteria for terminal operations include:

- The efficient and safe processing of cargo
- Understanding the industry and customer needs
- Servicing several modes of transport
- Added value activities
- Contributing to the reduction of transit time and total lead time

MARKET TRENDS

As a result of the high dependency on particularly own ro-ro volumes, the operation and profitability of Terminal Services follows the market trend for these shipping routes.

As for the global economy, the market conditions in 2009 were very challenging for the shipping industry with a sudden decline in volumes starting in the last part of 2008 continuing into 2009. As a result, port terminals experienced insufficient capacity utilization and therefore commenced a process of reducing capacity and costs to match volumes. A first phase of this process was completed in mid 2009 and resulted in development of terminal operations with higher levels of efficiency and a more flexible cost base.

Concurrently long-term developments are expected to favour larger terminals, as there is an increasing demand for terminals with high levels of efficiency and through-flow. This is expected to lead to a gradual reduction in the number of smaller ports. In addition, higher volumes from fewer shipping companies, using larger ships, will increase the need for on-going productivity improvements in port terminals.

INTEGRATION PROCESS

The process of integrating the Terminal Services business unit's activities began at the end of 2007. This integration is based on a joint business model that describes work processes and defines productivity targets.

The model defines joint key operational data that form a basis for benchmarking of productivity and exchange knowledge and skills between terminals. This integration enables the organisation to evaluate new concepts, solutions and strategies, in order to meet increasing demands for productivity and thereby implement solutions which have resulted in a reduction in costs.

EFFICIENCY PROGRAMME IMPLEMENTED IN IMMINGHAM

2009 was a turbulent year for Terminal Services, with volumes down on average by 25% in the first half year, and up to 50% in specific areas of activity such as Automotive, Steel and Timber.

An extensive streamlining programme was initiated throughout, but with particular focus on the largest terminal at Immingham. As a result, the total workforce was reduced by 24% against 2008, and cost as a percentage of turnover was reduced considerably.

In the second half of the year the Immingham terminal experienced a relatively robust recovery in volumes, including record monthly volumes for both steel and automotive in the months of September and October. Employees have supported the efficiency and productivity measures positively and together with Management ensured the productivity gains were fully cemented.

As ship's sizes and capacity continue to increase, the role of port terminals became increasingly critical. DFDS will for these reasons continue to monitor and review all existing practises and capabilities, to deliver continued productivity and efficiency gains, cost reductions and improved performance.

TERMINAL SERVICES	2008					2009				
DKK MILLION	Q1	Q2	Q3	Q4	FULL YEAR	Q1	Q2	Q3	Q4	FULL YEAR
Revenue	168	169	166	144	647	128	135	145	147	555
Operating profit before depreciation (EBITDA)	3	0	0	-34	-31	-13	-4	-1	4	-14
Associates	0	0	0	1	1	0	0	0	1	1
Profit/loss on disposal of tangible assets	0	1	0	0	1	0	0	0	1	1
Depreciation	-6	-6	-5	-6	-23	-5	-6	-6	-5	-22
Operating profit (EBIT)	-3	-5	-5	-39	-52	-18	-10	-7	1	-34
Operating profit margin (EBIT), %	-1.8	-3.0	-3.0	-27.1	-8.0	-14.1	-7.4	-4.8	0.7	-6.1
Invested capital, average	419	408	401	356	391	314	321	321	300	312
Return on invested capital (ROIC) p.a., %	-2.7	-4.3	-4.6	-43.4	-13.0	-22.1	-11.7	-7.9	0.6	-10.4
Tons, '000	4,543	4,199	4,033	3,656	16,431	3,246	3,356	3,552	3,848	14,002

MORE THIRD-PARTY CLIENTS IN ROTTERDAM

The DFDS Multi Terminal in Maasvlakte continued the strategy of attracting third-party break-bulk business, mainly producers of steel and world-wide projects cargo for oil, gas and energy. The strategy of further developing operational combinations together with high customer service resulted in an inflow of customers. As a result, the terminal handled 12% more ton in 2009 compared to 2008, whilst the market experienced a 20% drop in break-bulk volumes in the ARA-area (Amsterdam-Rotterdam-Antwerp). This segment will be developed further in 2010.

Due to the growing share of third-party clients and the demand for logistics solutions, the activities in DFDS Shipping Logistics have been transferred internally from Ro-Ro Shipping to Terminal Services in the Netherlands.

SCANDINAVIAN TERMINALS

Danish and Norwegian terminals also initiated a process of reducing capacity and costs to match lower market demand. Cost control actions – such as staffing, reorganisation of machine parks and cost reviews – improved profitability and efficiency of all terminals.

DEVELOPMENT PROJECTS

The potential advantages of setting up terminal activities in other ports in DFDS' route network to support the shipping business units are regularly assessed. Baltic Sea ports are the main focus of development projects. The City of Gothenburg has decided to initiate a privatisation process of parts of the port operations in Gothenburg and this process will be followed closely as Gothenburg is a major hub for Ro-Ro Shipping's operations.

FINANCIAL PERFORMANCE

Revenue in 2009 was DKK 555 millions, 14% lower than in 2008. Approximately 56% of the revenue was generated by internal activities, which was comparable to 2008. Revenue was negatively influenced by decline in volumes especially in the first half of the year, with a gradual upturn in the second half of the year.

The operating loss before depreciation (EBITDA) was reduced from a loss of DKK -31 million in 2008 by DKK 17 million to a loss of DKK -14 million in 2009. The result for 2008 included, however, a provision for business rates in England of DKK 25 million and one-off costs of DKK 8 million related to the terminal in Immingham. Adjusted for these items, EBITDA was a profit of DKK 2 million in 2008 and EBITDA for 2009 thus corresponds to a decrease of DKK 17 million of which DKK 7 million concerns the terminal in Immingham. The effciency of the terminal's operation was improved in 2009, but the profit impact of lower activity outweighed this. The remaining decrease was due to the other terminals, where activity levels likewise was lower in 2009.

After depreciation of DKK 22 million and profit on disposal of tangible assets, EBIT was a loss of DKK -34 million, which was mostly related to DFDS Nordic Terminal in Immingham, however, cost savings and efficiency programmes reduced the loss to a breakeven result in the latter part of 2009.

Average invested capital was DKK 312 million in 2009, DKK 79 million less than in 2008, mainly due to a low level of investment and depreciation of GBP. Return on invested capital was negative with 10.4%, compared to -13.0% in 2008.

56% OF REVENUE IS GENERATED BY INTERNAL CUSTOMERS

TRAILER SERVICES

TRAILER SERVICES OPERATES TRAILER COMPANIES IN SEVERAL COUNTRIES IN NORTHERN EUROPE, PRIMARILY SERVICING THE MARKET WITH TRANSPORT SOLUTIONS FOR FULL LOADS USING DFDS' ROUTE NETWORK

BUSINESS AREA RESPONSIBLE
Ole Sehested

PRODUCT CONCEPTS
- European door-door trailer transport
- Dedicated logistics solutions ("Just in Time") for the automobile industry

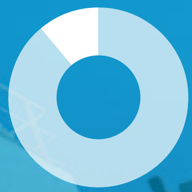
BRANDS
- SpeedCargo
- Halléns

CUSTOMER GROUPS
- Importers and exporters of consumer goods
- Producers of heavy industrial goods, such as forestry products, steel, chemicals and plastics
- The automobile industry and its sub-contractors

COMPARABLE COMPANIES/COMPETITORS
- Cobelfret
- Norfolkline
- P&O Ferrymasters

SALES OFFICES
- Belgium (Ghent)
- Denmark (Copenhagen)
- Finland (Hamina)
- The Netherlands (Rotterdam)
- Ireland (Dublin)
- Norway (Oslo, Brevik, Kristiansand)
- Great Britain (Middlesborough, Immingham)
- Sweden (Gothenburg)
- Germany (Hamburg, Ratingen)

SIGNIFICANT EVENTS IN 2009/2010
- Demand stabilised at a level of around 10% lower than in 2008
- Administrative staff reduced by 8%
- Trailer fleet reduced by 13%
- Establishment of new traffic between Spain and Belgium
- Takeover of Germany-UK traffic from Schnellecke
- Introduction of refrigerated container traffic between the Continent and the UK



TRAILER SERVICES (11%)

SHARE OF GROUP REVENUE

MARKETS, ACTIVITIES AND CUSTOMERS

Trailer Services provides door-door transport solutions of which the majority utilises DFDS' route network in order to contribute to the network's capacity utilisation. The primary market area is Northern Europe.

The most important customer groups consist of importers and exporters of consumer goods, as well as manufacturers of heavy industrial goods, especially the automobile industry, whose logistics requirements include a significant element of transport by sea.

MARKET TRENDS

Like the Group's other freight-based business areas, the market trend for the door-door segment was characterised by a declining level of activity.

Traffic between Sweden and the Continent was affected by reduced demand from the automobile industry, while traffic between Scandinavia and the UK experienced a shift in balance that resulted in increased equipment and positioning costs. Overcapacity on the market led to falling demand and greater price competition.

In general, no significant changes in demand are expected in 2010, but some growth is envisaged in markets where DFDS' current market share is marginal. The primary focus will continue to be on improving profit margins through increased productivity and sales.

TRAILER SUCCESS CRITERIA

The most important success criteria for Trailer Services are reliability of capacity, and delivery based on competitive cost levels. It is also important that combined trailer solutions, which utilise both rail and sea, provide a more environmentally positive alternative to road transport.

INTEGRATION OF THE BUSINESS AREA

DFDS' door-door IT system was installed in Sweden and Norway in January 2009. By mid-2010, all trailer companies in the business unit are expected to operate on the same IT platform. This will increase the possibilities for co-ordinating sales resources and optimising traffic, and will improve utilisation of the established joint trailer pool. It will also provide opportunities to further streamline administrative processes.

In 2009, management of the Dutch subsidiary of SpeedCargo was merged with DFDS Container Line. Likewise, management has now been integrated in Norway, Belgium, the UK and Ireland.

In order to strengthen the overall network and increase geographical coverage, integration of subsidiaries in the business unit will continue in 2010. Another important objective of the integration process is to continue to strengthen the basis for offering network solutions that incorporate multiple parts of DFDS' route network.

ACTIVITY DEVELOPMENT

Despite difficult market conditions and lower level of activity, financial performance improved in 2009. This can largely be attributed to the activities of the Belgian company Halléns and SpeedCargo's activities in the UK and Germany. Traffic was reduced between the UK and Scandinavia, mostly as a result of major imbalances in the flows of goods. The management of the Swedish SpeedCargo subsidiary was replaced in May 2009.

Merging administrative tasks with similar functions in Container Shipping's offices led to more efficient overall financial management. The falling level of activity also necessitated adaptation of the organisation, with an 8% reduction in the number of staff. The efficiency drive will continue as all the companies in the business unit become increasingly closely integrated, e.g. following implementation of the joint IT system.

Halléns' traffic between Sweden and the Continent decreased significantly as a result of lower production in the automobile industry. Changes in the balance of traffic between Finland, Sweden and Denmark resulted in greater unused capacity and increased haulage costs. Halléns established a new trailer traffic between the Nordic Region and the Continent/Spain, based on ro-ro routes between Zeebrugge and Bilbao/Santander.

In December 2009, the German SpeedCargo subsidiary reached agreement with the German transport and logistics company Schnellecke to take over trailer activities between North Germany and the UK. These activities make extensive use of DFDS' ro-ro route between Cuxhaven and Immingham, which is an integral part of the transport chain.

At the end of 2009, the trailer fleet comprised 1,400 units, of which approximately one third were owned compared to two-thirds previously. Overall, the trailer fleet has been reduced by 500 units, notwithstanding the addition of 300 mega-trailers. The share of in-house haulage was also reduced on the Continent in order to achieve greater flexibility and lower costs.

TRAILER SERVICES	2008					2009				
DKK MILLION	Q1	Q2	Q3	Q4	FULL YEAR	Q1	Q2	Q3	Q4	FULL YEAR
Revenue	258	262	230	213	963	182	201	195	198	776
Operating profit before depreciation (EBITDA)	15	9	5	2	31	12	13	7	4	36
Associates	1	0	1	0	2	0	0	0	0	0
Profit/loss on disposal of tangible assets	0	1	0	1	2	0	1	1	4	6
Depreciation	-8	-7	-7	-6	-28	-6	-8	-9	-8	-31
Operating profit (EBIT)	8	3	-1	-3	7	6	6	-1	0	11
Operating profit margin (EBIT), %	3.1	1.1	-0.4	-1.4	0.7	3.3	3.0	-0.5	0	1.4
Invested capital, average	234	229	228	228	231	229	243	285	284	260
Return on invested capital (ROIC) p.a., %	12.5	4.9	-3.7	-6.8	1.8	9.7	8.5	0.1	-0.5	4.1
Shipments, '000	21	20	17	16	74	16	17	16	18	67

TRAILER SERVICES SUPPORTS THE ROUTE NETWORK'S CAPACITY UTILIZATION

FINANCIAL PERFORMANCE

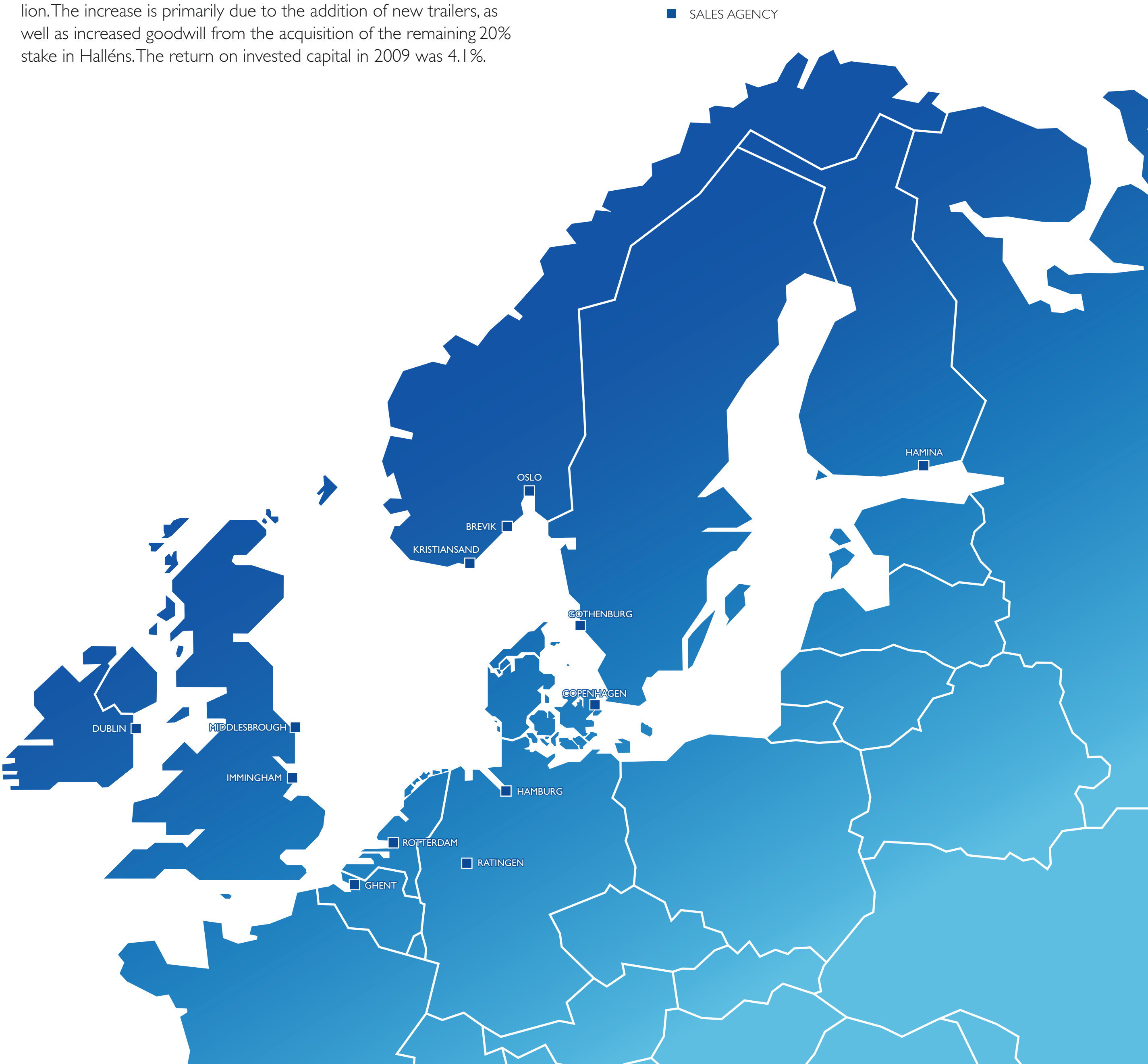
As a result of the general market trend, revenue was reduced by 19% in 2009 to DKK 776 million. Compared to 2008, the number of shipments was around 9% lower. Revenue was also negatively impacted by lower rates and lower oil and diesel fuel supplements.

Despite the decline in revenue, operating profit before depreciation (EBITDA) rose by 16% to DKK 36 million, an increase of DKK 5 million. The EBITDA margin increased in 2009 to 4.6%, from 3.2% in 2008. The margin was improved in the Belgian and Dutch companies through rationalisation and adjustment of operating costs, including lower haulage costs and adjustments to the administration. Operations also improved in the German company.

Depreciation increased from DKK 28 million in 2008 to DKK 31 million due to the renewal of the trailer fleet and a minor write-down. This includes DKK 9 million depreciation of the customer portfolio, most of which relates to Halléns. After 2010, this customer portfolio will be fully depreciated.

Operating profit (EBIT) was DKK 11 million, an increase of DKK 4 million. This also includes an increase of DKK 4 million from the sale of tangible assets.

Average invested capital rose by DKK 29 million to DKK 260 million. The increase is primarily due to the addition of new trailers, as well as increased goodwill from the acquisition of the remaining 20% stake in Halléns. The return on invested capital in 2009 was 4.1%.



FREIGHT SALES SOLUTIONS / FSS

- **Market shares increased in several industries**
- **Large potential in the increasing frequency of major corporate agreements**
- **Ongoing adaptation of the sales organisation to the network strategy**

Freight Sales Solutions (FSS) is a joint sales function that services major customers with transport solutions that cut across business areas and regions. FSS is also responsible for developing shipping logistics solutions matching the growing requirements from large freight customers with increasingly complex supply chains.

FSS' activities are based on a key-accounts concept, which ensures co-ordinated sales activities for major customers. In 2009, the portfolio of large customers accounted for approximately 25% of total group revenue from freight-related business. FSS also operates a number of Commodity Teams that collate and process information, expertise and insight into the transport needs of selected industries. This knowledge is used to generate additional sales and to develop new services targeted at individual customers. In addition, strategic plans with a time frame of one year are drawn up for each major customer.

FSS focuses on transport requirements in the following industries:
- Passenger vehicles, trucks, buses, etc. (Autologistics)
- Forestry
- Chemicals
- Steel
- Project cargo
- Trailer and container operators

FSS is responsible for joint marketing of the Group's freight services, and for drawing up and co-ordinating tenders for large-scale transport solutions. It also organises seminars and conferences for the purpose of enhancing skills and improving internal co-operation among key-account managers in the different business areas. The latter further underpins the sales organisation's shift in focus from individual routes to a network-based approach.

INDUSTRY TRENDS 2009

Automotive: In 2009, the volume of vehicles transported in the shipping market fell by approximately 30%, with the biggest reduction in heavy vehicles. The fall in DFDS' volumes was approximately 25%, with a particularly negative impact in the Baltic states and Russia, implying a rise in DFDS' market share in 2009. The decline in volume was greatest in H1, with higher activity in H2 where several new contracts were signed with leading automobile manufacturers in Europe, also as a result of closer contact with markets and customers.

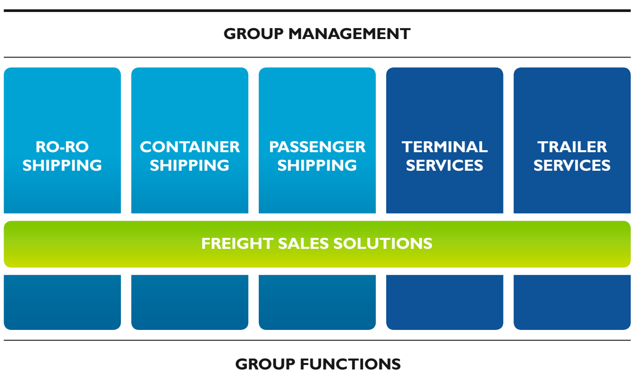
Forestry: DFDS' paper-industry customers operate primarily in Sweden and Norway. Volumes on the Swedish market slightly increased in 2009, despite a general fall elsewhere. Producers of packaging for liquids and other niche products made the most progress. On account of market conditions, sales work was mainly directed at retaining existing customers, with some new customer accounts added.

Chemicals: Chemical production fell in 2009 following weak demand in H1, although H2 was characterised by an upward trend. Changing market conditions led to the closure of production facilities in Europe, which meant that volumes from transporters of powdered and liquid chemicals fell by approximately 30% and 15% respectively. DFDS' chemical volumes were reduced by around 8% in 2009.

Steel: The steel market was charaterized by a scaling-down and reduction of production and capacity, including the closure of facilities, due to high stock levels and declining revenues. Around the middle of Q3, the market began to recover and activity levels rose again. This trend is expected to continue in 2010.

Project cargo: DFDS handles project cargo (large, odd-sized loads) by sea and road. These activities are concentrated in regions linked to the port terminals in Rotterdam (Holland) and Immingham (UK). In 2009, the multi-terminal at Maasvlakte, Rotterdam, increased its order book, including loads with less dependency on shipping.

Trailer and container: The primary focus of sales work in this segment was to generate organic growth through existing large trailer operators with widespread traffic flows in Continental Europe, Scandinavia, the Baltic states, Russia and the rest of Eastern Europe. Collaboration with these customers included adjusting freight rates on individual routes to support network-based solutions for each major customer and for DFDS as a whole. This has also contributed to developing internal co-operation between business areas and their activities.



ARCELORMITTAL AND DFDS

ArcelorMittal is the world's largest steel producer with a very important presence in Northern Europe.

In the past five years DFDS' co-operation with various Belgian and French ArcelorMittal mills has grown through delivery of logistics services that has steadily improved leadtimes, flexibility and reliability in ArcelorMittal's supply chain, making DFDS a preferred supplier for specific trade lanes.

DFDS' services to ArcelorMittal are provided through three different business units. Ro-Ro Shipping supports ArcelorMittal's Swedish transport strategy for 70.000 tons of steel through EuroBridge connecting Ghent and Gothenburg including warehousing and JIT distribution to customers, Terminal Services' port terminals in Immingham and Rotterdam annually handle more than 120,000 tons of steel coils and pipes and Trailer Services transport 10.000 tons of long products in full trailer loads between France, Belgium, Luxembourg and Sweden.

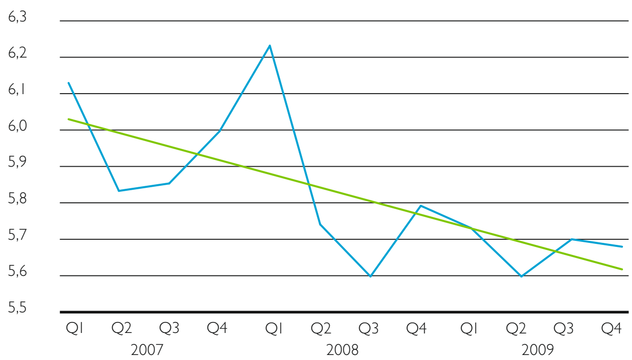
On the back of a strategic customer plan FSS coordinates DFDS' services across business units to ensure customer requirements are fulfilled and new opportunities identified.

ENVIRONMENTAL REPORT – CSR

ENVIRONMENTAL POLICY

- We are committed to improving our operations and activities on an ongoing basis in order to reduce our energy consumption and our impact on the environment.
- We will regularly record and analyse our energy consumption and environmental impact, and disseminate knowledge of company environmental policy among our staff in order to ensure a high degree of awareness about environmental issues.
- We will continuously develop and extend our technical expertise in order to ensure constant progress towards more sustainable operations.

AVERAGE CONSUMPTION OF THE TOTAL FLEET
G/GROSS TONNAGE/NAUTICAL MILE
(g/GT/Nm)



Most of DFDS' impact on the surrounding environment is associated with the operation of ships, and therefore the environmental work is focused on reducing emissions, as well as developing and implementing new environmental technology. The marine environment is protected by national and international laws and regulations, and DFDS respects and supports the continued development of rules designed to make shipping more sustainable in the future.

REDUCING EMISSIONS

DFDS is focused on reducing emissions of harmful substances from ships' engines using bunker. In particular, the work is directed at cutting emissions of CO_2, NOx, SOx and particles into the atmosphere.

CO_2: In 2007, DFDS set a target of a 10% reduction (adjusted for capacity changes) in emissions of CO_2 over a five-year period.

Bunker consumption and emissions are measured continuously on all ships, and the results are distributed throughout the fleet. In 2009, bunker consumption was approximately 13% lower than in 2008. However, most of this decline reflects the reduction in the number of sailings, as capacity has been adjusted to lower demand in the transport market. In order to distinguish the streamlining of bunker consumption from fluctuations in capacity, consumption, and therefore emissions, are quantified per transport unit.

Measured per transport unit, bunker consumption and emissions in 2009 were reduced by 2.7% compared to 2008 and by 4.5% compared to 2007. DFDS is therefore well on its way towards the goal of a 10% reduction in CO_2 emissions over five years.

The reductions in emissions can be attributed to DFDS' bunker-saving programme, one element of which is cutting speed – a key factor in reducing consumption and emissions. To this end, projects have been implemented to ensure faster transhipment in ports reducing port time and allowing sailing time to rise. Other initiatives include optimising engine power and efficiency; better voyage planning; utilisation of waste heat; and frequent hull cleanings to reduce water resistance.

Information and motivation
Another major factor in this work is motivating staff to contribute to energy savings. In order to increase motivation, information is distributed about the environmental policy and objectives, and its emission-reduction initiatives. This is done on a regular basis through internal communications that prioritise environmental issues, as well as through special bulletins about environmental initiatives. A prize of DKK 50,000 is awarded each quarter to the ship's crew whose efforts have resulted in the largest reductions.

Consolidation around larger ships
The most effective way of reducing energy consumption, and therefore CO_2 emissions, is fleet renewal. Modern ships' engines utilise energy more efficiently, and carry more freight using fewer but larger ships. In 2009, the ro-ro ships Tor Ficaria, Tor Begonia and Tor Freesia were each extended by 30 metres, which increased freight capacity from approximately 3,800 lanemetres to approximately 4,600 lane metres. Despite a capacity increase of over 20%, the ships' energy consumption only increased marginally, while CO_2 emissions were reduced significantly per lanemetre.

Sulphur (SOx): Ships' emissions of sulphur are dependent on the amount of oil burned, and the sulphur content of the fuel oil.

In 2010, two directives issued by the IMO and the EU regarding the use of low-sulphur bunker come into force in the Baltic Sea and the North Sea, both of which are designated as ECAs (Emission Control Areas). One directive came into force in early 2010 limiting the sulphur content of bunker to a maximum of 0.1% while in port. The second directive comes into force in early July, and relates to a reduction of the sulphur content in bunker from 1.5% to 1.0% for shipping in the

COMPARISON OF BUNKER CONSUMPTION PER UNIT FOR OLDER AND MODERN/LARGER SHIPS

SHIP	YEAR BUILT	LENGTH, METRES	DEAD-WEIGHT, TONS	LANE METRES	CONSUMPTION AT 18 KNOTS, G/NM/LM
Tor Baltica	1977	169	9,700	1,870	58
Tor Selandia	1998	198	11,080	2,770	48
Tor Magnolia	2003	200	10,070	3,830	33
Tor Ficaria (extended)	2006	230	14,600	4,650	29

Baltic Sea and the North Sea. In the longer term, rules will be introduced that reduce sulphur content in bunker to 0.1% in 2015.

New environmental technology
Technologies are also being developed to reduce the sulphur content of bunker on board ships. DFDS is collaborating with Aalborg Industries and MAN Diesel to develop a so-called "scrubber" that can remove 98% of sulphur and 70% of the particles from emissions. In 2010, one such scrubber, which consists of approximately 30 tons of heavy plant, will be tested as part of the exhaust system on Tor Ficaria. If it lives up to expectations, the scrubber will be a significant tool for reducing emissions of sulphur and particles, particularly in urban areas. The method may also be an alternative to using bunker with low sulphur content, as the scrubber is expected to be able to reduce sulphur emissions to at least the same level.

NOx: Ships' engines expel varying degrees of NOx (nitrogen oxides) from combustion. These emissions are caused by the combustion temperature, and newer engines are designed to operate at temperatures that reduce NOx. Emissions are therefore reduced on modern ships like Tor Fionia, Tor Jutlandia, Tor Corona and Tor Hafnia.

NOx emissions are a particular problem in and around ports. Ships calling at terminals close to urban and residential areas in Oslo and Copenhagen therefore use catalytic converters to purify smoke from their auxiliary engines, which produce power for onboard consumption.

Another way to reduce emissions of harmful substances while in port is to use land-based sources of power. This is only possible in ports that provide power through special coupling points on the quay. This possibility is currently being assessed, e.g. in Gothenburg, in collaboration with the port company. At the same time, several options are being evaluated for environmentally friendly onboard power generation.

CERTIFICATION

DFDS has subsidiaries in several countries in Northern Europe, and does not currently have joint environmental certification for the whole Group, but various forms of certification in the various companies. DFDS has therefore decided to attain joint ISO 14001 environmental certification. The process has already started on the ro-ro routes from Gothenburg to Great Britain, Norway and the Continent. Once this work has been completed, the certification will be gradually extended to other parts of the Group.

ENVIRONMENTALLY FRIENDLY SCRAP

It is DFDS' policy to only sell ships for scrap when it can be guaranteed that the scrapping will be in accordance with national and international legislation, and in accordance with the intentions of the Hong Kong Convention agreed under the auspices of the IMO in October 2009. The latter is an as yet unratified international regulatory framework designed to ensure responsible scrapping of ships. It is expected to come into force in 2013. DFDS supports this convention and other initiatives that, in the meantime, ensure that ships are scrapped in a responsible fashion in relation to both the surrounding environment and the working environment. This policy formed the basis for the sale in early 2010 of a ro-ro ship, Tor Anglia, for scrap to the environmentally certified Jiangmen Yinhu shipyard in China.

BATTERY-POWERED ECO-FRIENDLY CANAL BOATS

DFDS' subsidiary DFDS Canal Tours operates tour boats in the Port of Copenhagen and the canals in the centre of the city. The engine noise and exhaust fumes of the boats place a strain on the surrounding urban environment, and DFDS has decided to develop and deploy a battery-powered boat, which is recharged at night when the proportion of environmentally friendly produced electricity is highest. The first of these emission- and noise-free boats has been delivered and will be operational from the start of the 2010 season. If the el-boat lives up to expectations, ships of this type are expected gradually to replace the existing boats.

OTHER PRIORITIES

Work is also being systematically carried out on the processing of waste and sewage from ships under the rules of the countries in which they dock. In addition, further work is being done to reduce noise during calls and stays in port.

HUMAN RESOURCES – CSR

Employees' skills, commitment and wellbeing are crucial to DFDS' success. The development of human resources and welfare at work are, therefore, important strategic foundations for the company.

"It is the people that distinguish the successful company from the less successful one. Our professional and social skills, along with a constant focus on business results, are what makes the difference."
Henrik Holck, Executive Vice President, HR

MANAGEMENT DEVELOPMENT

DFDS' management programme focuses on developing the individual managers' skills through an internal training program called ZOOM. The programme was developed by Corporate HR and tailored to suit both the composition of the management team and DFDS' general situation. ZOOM consists of two modules. The first is an intensive course of theory and practical teaching that focuses on the role of the manager, communication, DFDS' strategy for staff development, and exchanges of knowledge and experience between different areas. The programme also includes input from and dialogue with Group Management, including the CEO and HR director, about the company's goals.

The second module consists of practical training. It is important for this programme that each team comprises leaders from various fields, including land- and sea-based positions, as well as from the different Northern European countries that make up DFDS' geographic business area. The purpose of the modules is to equip managers with a greater knowledge and understanding not only of the professional work environment, but also of its social and psychological aspects, their own role as managers, and their colleagues' situation. In addition, a number of targets and opportunities serve to develop the individual employee in relation to DFDS' goals and strategy.

"DFDS managers have to generate job satisfaction. Great job satisfaction generates better results and even greater success…"
Henrik Holck, Executive Vice President, HR

In 2009, approximately 115 managers participated in the ZOOM course, split almost equally between managers of sea-based and land-based positions. Efforts were made to ensure representation from all functions, including managers from the deck and engine crews. In 2010, 120 managers are expected to take part, an increasing proportion of whom will be from outside Denmark.

EMPLOYEE WELLBEING

An important goal for DFDS is that employees thrive in their jobs, and that the individual employee experiences that DFDS is a workplace that offers good conditions and opportunities for personal development. In co-operation with external suppliers, extensive studies are conducted at regular intervals to monitor staff wellbeing. In 2009, about 75% of staff took part in the survey, the results of which will be used as a basis for further work to improve and develop DFDS as a workplace.

The study was conducted during the economic crisis of 2009, after changing market conditions necessitated reductions in staffing levels. Notwithstanding this difficult background, the survey results showed a generally high level of job satisfaction that was only marginally below the level for 2008. In general, satisfaction and motivation were high, scoring 5.2 (compared to 5.3 in 2008) out of a maximum 7. Loyalty to DFDS scored 5.9 out of a maximum 7, which was on a par with 2008. Satisfaction with immediate line managers was generally high (5.7 against 5.8 in 2008), although the study revealed the need for improving efforts to increase individuals' opportunities for professional and personal development.

Further development

The survey from 2009 provides the basis for the further development of DFDS as a workplace in 2010. In addition to identifying areas for improvement at Group level, the study also provides results for individual business areas and departments. These results are communicated by the management of the business areas to the individual departments for information, discussion and follow-up. Each department then submits specific development plans for areas identified as in need of change or development. A follow-up wellbeing survey will be conducted in autumn 2011.

Other courses

As well as the management-development programme, a number of statutory and safety-training courses are held each year for staff at sea, as well as focus on provision of relevant technical-training courses in some departments.

Employee development interviews

All employees participate in development review meetings with their immediate line manager once a year. These reviews focus on the individual employee's situation, including the relationship between their job expectations, their skills and their actual duties. The interview also covers the employee's performance in relation to the demands of the job and their jointly agreed goals for the year.

RECRUITMENT

New employees to DFDS are often recruited locally, partly through recruitment agencies in the various countries, partly via the company's website. Other increasingly popular recruitment channels include educational institutions and social networking websites, e.g. Facebook.

In addition to this targeted recruitment of employees, DFDS is part of Blue Denmark, a joint maritime industry project under the auspices of the Danish Shipowners' Association. Blue Denmark aims to highlight the many good jobs, management positions and development opportunities in the maritime industry. Its target audience primarily consists of young people.

TRAINING OF APPRENTICES AND TRAINEES

Every year, DFDS trains apprentices in economics, as well as shipping, administration and travel, and this is an important investment in our future employees. These two-year programmes attract large numbers of applications, and include practical experience and international co-operation. Shipping apprentices, for example, spend a year at offices abroad, where they gain personal experience of other countries' labour markets and business environments within a secure framework.

In addition, DFDS acts as a work-placement venue, and offers many opportunities, both on land and on board, for young people to train as ship's officers, cooks, waiters, etc.

INFORMATION

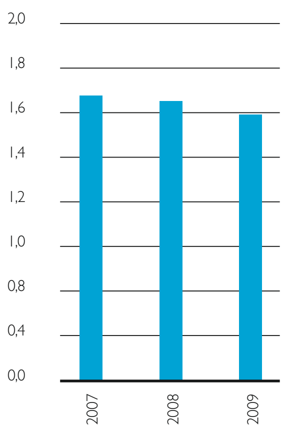
DFDS strives to provide employees and managers with quick, open, clear and credible communication about its development strategy, especially with regard to changes that may affect individual employees and the reasons for those changes. The goal is for changes and new initiatives to be communicated directly to employees via internal media or meetings before the news is broken by external media or spread by rumour.

In late 2009, DFDS concluded an agreement, which is expected to be approved in Q2 2010, to acquire Norfolkline. Making optimal use of both organisations' strengths is a prerequisite for the future success of the combined entity. The merger of the two organisations will therefore entail a significant focus on HR in order to ensure continuous, transparent and credible internal communication about the integration process for both Norfolkline and DFDS staff.

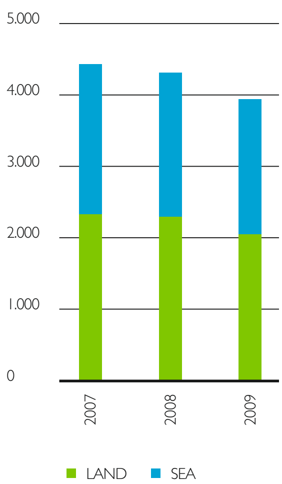
SOCIAL INITIATIVES

DFDS has entered into collaboration with "High Five" in order to create job opportunities for young people with a criminal record. The aim is to give these disadvantaged young people the chance to work in a real job with long-term potential. In 2009, a total of 12 former young offenders were employed on ships under this programme and the results were positive.

REVENUE PER EMPLOYEE
(ADJUSTED FOR BUNKER SURCHARGE)
(DKK MILLION)



DISTRIBUTION OF EMPLOYEES
ON LAND AND SEA
(NO. OF EMPLOYEES)



SHAREHOLDER INFORMATION

SHARE CAPITAL

DFDS A/S' share capital remained unchanged at DKK 800 million throughout 2009. There is only one class of share divided up into 8,000,000 shares, each with a nominal value of DKK 100. The DFDS share is listed on NASDAQ OMX Copenhagen.

PRICE TREND

The DFDS share price at the end of 2009 was 358, down 10% from the end of 2008. By comparison, an index consisting of six comparable companies (Peer Group Index) declined by 13% in 2009. The NASDAQ OMX Copenhagen total index (OMXC) rose by 32% in 2009.

DFDS' Peer Group Index consists of the following companies: Attica Group (GR); Finnlines (SF); Irish Continental Group (IE); Tallink (ES); Transatlantic (S); and Viking Line (SF).

The market value of the total share capital at year-end 2009 was DKK 2,864 million. The market value of the turnover in DFDS shares was DKK 219 million in 2009, a reduction of 63% compared to 2008.

The total shareholder return (price change plus proposed dividend yield) was -10% in 2009.

SHAREHOLDERS

At the end of 2009, DFDS had 16,711 registered shareholders, who owned 86.1% of the share capital. The principal shareholder at the end of 2009 was The Lauritzen Foundation (Vesterhavet Holding A/S), with 56.0%.

Shareholders abroad owned 2.0% of the share capital at the end of 2009, compared with 5.0% at the end of 2008.

DIVIDEND

DFDS' dividend policy aims to distribute an annual dividend corresponding to approximately 30% of annual net profit. However, the annual dividend is determined with due consideration to DFDS' investment requirements and a satisfactory capital structure.

DFDS' Supervisory Board proposes that no dividend be paid for 2009 due to the low profit level and the need to maintain a solid capital structure.

INVESTOR RELATIONS

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E-mail: sbn@dfds.com

FINANCIAL CALENDAR

Annual General Meeting
26 March 2010 at 14:00
Radisson SAS Falconer Center
Falkoner Allé 9
DK-2000 Frederiksberg, Denmark

Interim report in 2010
Q1 report: 12 May
H1 report: 18 August
Q3 report: 16 November

ANALYSTS COVERING THE DFDS SHARE

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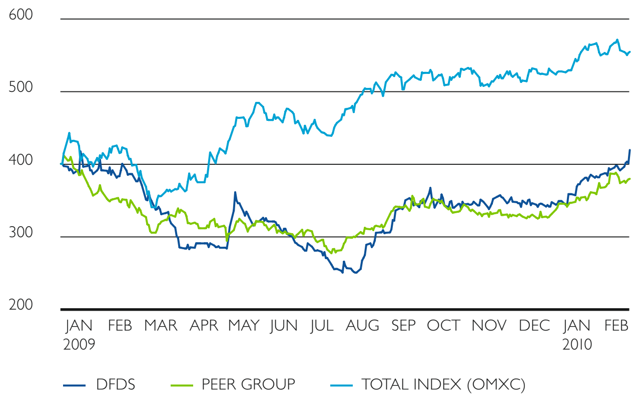
COMPANY ANNOUNCEMENTS 2009*

DATE	ANNOUNCEMENT
23/12	DFDS A/S – Financial Calendar 2010
22/12	Extraordinary General Meeting
17/12	DFDS Creates Northern Europe's Leading Sea-Based Transport Network
12/11	Q3 Report 2009
30/9	DFDS Adjusts HQ
28/9	DFDS Adjusts Manning In Lithuania
1/9	Adaptation Of Ship Operations
13/8	Half-Year Report 2009
17/6	Agreement between Vesterhavet A/S And DSV A/S On Joint Ownership Of Major Shareholding Cancelled
28/5	DFDS Strenghtens Management With Internationally Experienced CFO
20/5	Agreement On Sale Of Passenger Ship Cancelled
13/5	Q1 Report 2009: More Stable Markets, But Still Low Visibility
12/5	Sale Of Passenger Ship
1/5	DFDS Comments On Information Concerning A Possible Transaction
7/4	Articles Of Association Of DFDS A/S
1/4	DFDS A/S – Schedule For Ordinary AGM On April 1 2009
12/3	To the Shareholders of DFDS A/S
9/3	Annual Report 2008: DFDS Prepared For Challenging 2009
25/2	Award Of Share Options To The Executive Board
18/2	Majority Shareholder Announcement
29/1	Changes to the Executive Management of DFDS A/S
13/1	Majority Shareholder Announcement

* Statements about trading subject to compulsory reporting are not included in this list

INDEXED SHARE PRICE 2009-2010 (DKK)



KEY FIGURES

	2005	2006	2007	2008	2009
Earnings per share, DKK	23	46	52	32	11
Dividend per share, DKK	7,5	11	15	0	0
Dividend payout ratio, %	32	24	29	0	0
Dividend yield, %	2.0	1.6	1.9	0.0	0.0
P/E ratio, times	16	15	15	12	33
Equity per share, DKK	350	394	442	427	455
Price/book value, times	1.09	1.73	1.79	0.93	0.79
Share price, DKK:					
Price at year-end	382	680	790	399	358
Price high	465	698	950	785	416
Price low	282	360	692	290	250
Market value, DKK mill.	3,056	5,440	6,320	3,192	2,864
No. of shares at year-end, mill.	8.0	8.0	8.0	8.0	8.0

OWNERSHIP STRUCTURE, END 2009	% OF SHARE CAPITAL
The Lauritzen Foundation (Vesterhavet Holding A/S)	56.0
Clipper Group	16.9
Institutional and financial investors	6.2
Other registered shareholders	2.8
Own shares	4.2
Non-registered shareholders	13.9
Total	**100.0**

RISK FACTORS

GENERAL AND SPECIFIC OPERATIONAL RISKS

Risk management is an integral part of managing DFDS, and risks and opportunities are evaluated continuously.

Macro-economic and market risks

The market for maritime transport of freight and passengers is affected by the general state of the economy. Negative economic growth will typically cause overcapacity in the market and increase the pressure on prices. Partly in order to manage price and volume risks associated with shifting economic trends, approximately half of the ro-ro freight fleet consists of chartered ships, which makes it possible to return tonnage at notice as short as a few months and as long as ten years. Most of the container ships are chartered, while all passenger ships are owned by DFDS. This means that there is a limited scope to make short-term changes to passenger-ship capacity.

DFDS' geographic diversification across Northern Europe implies a low level of dependency on individual activities. Moreover, regional differences in activity levels help to balance the overall commercial risk.

The market for maritime freight and passenger transport is also affected by changes to industry-specific conditions. This includes changes in the market for other forms of transport, such as road, rail and air, the latter of which mainly impacts upon the passenger sector. In addition, the market is influenced by changes in local and regional competition, including the opening of competing routes and the deployment of additional capacity on existing routes.

A significant proportion of the freight on some routes stems from a small number of customers. The risk inherent in such customer relationships is partly limited by entering into long-term partnership agreements.

Risks associated with business development and investments

Business development and investment risks stem from DFDS' growth strategy, which includes both organic growth (e.g. the acquisition of tonnage) and growth through the acquisition of companies and activities. The most important risks associated with organic growth are related to capacity enhancement on the existing route network when deploying new or larger tonnage. Company acquisitions involve significant risks, which increase in line with the size of the investment and the complexity of the subsequent integration process.

Risks associated with all forms of business development are managed by means of in-depth planning and decision-making processes based on internal policies and investment guidelines.

The tonnage market

DFDS mainly charters freight tonnage, which involves risks associated with price trends and the availability of sufficient tonnage in relation to the company's needs. Similar risks are also relevant when chartering out excess tonnage. In addition, certain risks are associated with price trends and the time periods involved in ordering newbuildings.

Due to the ongoing process of replacing and renewing the DFDS fleet, the sale of tonnage or the annulment of contracts may result in gains, losses and costs that are not included in annual profit forecasts.

Security and environment risks

DFDS uses freight and passenger ships, terminals and other operating equipment, all of which involve operational risks. These risks are controlled and minimised partly through compliance with safety requirements and routines, as well as preventative work, and partly through insurance against risk.

Environmental and safety measures are based on DFDS' environmental and safety policies, as well as official regulations and customer demand. Changes in these requirements can cause costs to rise. The Group is insured against environmental risks as far as possible, and participates in preparatory legislative procedures through industry organisations.

Political and legal risks

Political decisions may alter the legal framework for DFDS' activities, with potentially negative consequences for the business. The most significant long-term risks are expected to be requirements to reduce the sulphur content in bunker, the discontinuation of duty-free sales in Norway, which is not expected before 2010 at the earliest, and design and safety requirements on newbuildings.

INTERNAL CONTROL

The purpose of DFDS' internal control and risk management system, as used in the preparation of accounts, is to effciently control the risk of significant misinformation. The Board of Directors approves the policies for risk management prepared by the Executive Board, and the Executive Board implements processes to monitor important risks. The internal control and risk management system is developed and adjusted on an ongoing basis.

On www.dfds.com/english/aboutdfds/internalcontrols/2009uk a detailed description of the main elements of the internal control and risk management system as used in the prerparation of accounts is available.

OIL PRICES

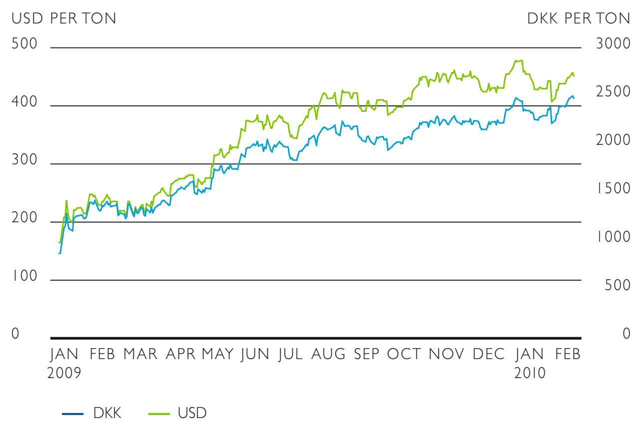
Bunker costs constitute a special operational risk, as a result of significant historical fluctuations in the price of oil. The total annual cost of bunker in 2009 was approximately DKK 800 million, excluding items regarding hedging transactions, which represented an income of DKK 64 million in 2009. Bunker consumption was 402,000 tons.

In the freight sector, bunker costs are hedged to a great extent by bunker surcharge clauses clauses in freight contracts. In the passenger sector, fluctuations in the cost of bunker are reflected in surcharges and ticket price to the extent that market conditions makes it feasible. Hedging transactions, primarily oil swaps, are also used to manage risk.

Bunker consumption in 2010 is expected to be approximately 400,000 tons on a level with 2009. Around 80,000 tonnes of the consumption is related to passenger shipping, of which about 24% is hedged. The majority of the remaining consumption by freight ships is hedged by commercial bunker surcharge agreements.

All in all, it is estimated that a price change of 1% compared to the price level at the end of 2009, which was approximately USD 450 per ton, will entail a profit impact of approximately DKK 2.4 million.

BUNKERPRICE 2009/10 (HFSO 3.5%)



FINANCIAL RISKS

The most important financial risk factors for DFDS are currency and interest-rate fluctuations, both of which are managed by DFDS' central finance department, in accordance with the policies adopted by the Supervisory Board.

Currency risks

Around 80% of DFDS' revenue is invoiced in foreign currency. The most important net income currencies are SEK, NOK, EUR and GBP while USD is the principal net expense currency related to the purchase of bunker.

DFDS actively seeks to reduce currency exposure by matching the currencies for assets and liabilities, and by taking out futures contracts, options and swaps. Hedging of cash flows in currency is evaluated and adjusted on an ongoing basis. At this point in time, no hedging has been entered into for 2010.

Interest-rate risks

DFDS' interest-rate risks stem primarily from interest-bearing debt. The loan portfolio at the end of 2009 amounted to DKK 4.200 million and the average loan period was approximately 3.7 years. Around 40% of the loan portfolio is denominated in foreign currencies, mainly EUR, SEK and NOK.

The management of interest-rate risks is based on a proportion of fixed interest loans at a minimum level of approximately 40%, including the use of rate swaps. Fixed interest loans accounted for approximately 37% of the portfolio at the end of 2009, including rate swaps.

A 1% rise in interest rates compared to the level at the start of February 2010 would raise interest-rate costs by around DKK 27 million in 2010.

Liquidity risks

DFDS improved its minimum cash pool in 2009 through several initiatives. An agreement was entered into for the sale and leaseback of transport equipment for about DKK 60 million. Liquidity was released through a guarantee agreement and an internal ship sale. The latter released liquidity of DKK 55 million. In addition, committed money market lines have been extended to DKK 100 million. Further initiatives are expected in 2010.

For further information about the management of financial risks, including credit and liquidity risks, please refer to Note 28 on page 93.

FINANCIAL REVIEW

BUSINESS STRUCTURE

DFDS's activities are organised in five business areas, three of which – Ro-Ro Shipping, Container Shipping and Passenger Shipping – are responsible for the network of routes. The two other areas – Terminal Services and Trailer Services – support the network by providing port, terminal and transport services.

REVENUE

Revenue was reduced by 20% to DKK 6,555 million in 2009. Adjusted for bunker surcharges, revenue was reduced by 15%, corresponding to a decline of DKK 1,112 million.

The recession in 2009 led to lower demand in all business areas. However, freight activities experienced the largest decrease in revenue. Passenger Shipping's revenue fell by 9%, while the decline in the four other areas, whose activities are directed primarily at freight, was 14-29%.

The decline in revenue in all business areas can be attributed to a combination of lower volumes and prices and the reduction of capacity on several routes. The closure of Passenger Shipping's Bergen-Newcastle route in September 2008 accounted for a significant reduction in capacity increasing the Group's negative revenue growth in 2009 by two percentage points. Currency fluctuations, particularly SEK, NOK and GBP, also had a negative impact.

The Tramp business area was sold in 2008. This led to a reduction in revenue of DKK 38 million in 2009, corresponding to a 0.4 percentage point reduction in Group revenue compared with 2008.

The revenue split between business areas in 2009 was affected by the transfer of passenger revenue on the Esbjerg-Harwich route from Ro-Ro Shipping to Passenger Shipping at the start of 2009. Revenue in this area was DKK 121 million in 2009, which was on a par with 2008.

COSTS AND EBITDA

Operating profit before depreciation (EBITDA) was reduced by 22% to DKK 786 million, due primarily to the effects of the lower revenue of DKK 1.1 billion, adjusted for bunker surcharges. The EBITDA margin was reduced by 0.3% to 12.0% from 12.3% in 2008.

EBITDA includes several one-off items that represent a total cost of DKK 62 million. The items relate, among other things, to transaction costs for the acquisition of Norfolkline; costs for the cancellation of charter contracts for sideport and container ships; a loss incurred on one major debtor related to chartering out of ro-ro ships; and several smaller items. Adjusted for these items, EBITDA was DKK 848 million in 2009, a decrease of 16%.

In response to changing market conditions, a series of adjustments were made to operations in 2009, which contributed to reduce costs and staff numbers. The latter was reduced by 9% to 3,924, from 4,301 in 2008, and total staff costs were 11% lower.

REVENUE PER BUSINESS AREA

DKK MILLION	2008	2009	%-CHANGE
Ro-Ro Shipping	3,799	2,997	-21
Container Shipping	1,636	1,165	-29
Passenger Shipping	1,779	1,620	-9
Terminal Services	647	555	-14
Trailer Services	963	776	-19
Tramp (not continuing)	38	0	-100
Eliminations	-667	-558	-17
DFDS Group total	**8,194**	**6,555**	**-20**

EBITDA PER BUSINESS AREA

DKK MILLION	2008	2009	%-CHANGE
Ro-Ro Shipping	784	519	-34
Container Shipping	81	5	-94
Passenger Shipping	194	314	62
Terminal Services	-31	-14	n.a.
Trailer Services	31	36	14
Tramp (not continuing)	8	0	-100
Non-allocated items	-56	-74	n.a.
DFDS Group total	**1,011**	**786**	**-22**

DFDS GROUP	2008					2009				
DKK MILLION	Q1	Q2	Q3	Q4	FULL YEAR	Q1	Q2	Q3	Q4	FULL YEAR
Revenue	1,944	2,209	2,259	1,782	8,194	1,431	1,648	1,819	1,657	6,555
Operating profit before depreciation (EBITDA)	139	293	393	186	1,011	78	233	317	158	786
Associates	1	1	1	1	4	0	1	1	-1	1
Profit/loss on disposal of tangible assets	0	33	3	9	45	3	8	1	6	18
Depreciation	-142	-144	-142	-165	-593	-135	-159	-144	-193	-631
Operating profit (EBIT)	-2	183	255	31	467	-54	83	175	-30	174
Operating profit margin (EBIT), %	-0.1	8.3	11.3	1.7	5.7	-3.8	5.0	9.6	-1.8	2.7
Profit before tax	-58	127	193	-41	221	-105	32	149	-56	20
Invested capital, average	7,882	7,770	7,692	7,445	7,663	7,326	7,705	8,055	8,095	7,762
Return on invested capital (ROIC) p.a., %	-0.1	8.3	12.8	2.5	5.9	-2.7	4.0	8.4	-1.4	2.1

At business-area level, most of the decline in EBITDA was attributable to Ro-Ro Shipping and Container Shipping, with results down DKK 265 million (-34%) and DKK 76 million (-94%) respectively. The significant deterioration in Ro-Ro Shipping's financial performance in 2009 is attributed to a combination of lower volumes and rates in more or less every part of the route network on the one hand, and to a high proportion of fixed costs on the other. The latter implies a high profit sensitivity to lower revenue. The downturn in Container Shipping was also due to lower volumes and rates, although more particularly from the paper industry and the operation of small bulk carriers. The market for the latter activity was significantly impacted by the recession in 2009, and substantial losses were incurred as a result. Also included in Container Shipping is a one-off cost of DKK 27 million from the cancellation of charter contracts, cf. above.

Passenger Shipping's EBITDA improved by 62% or DKK 120 million to DKK 314 million in 2009. This improvement partly reflects the full-year effect of the restructuring work of Project Lighthouse implemented in 2008, improved operations on the Amsterdam-Newcastle route, and lower bunker costs.

Terminal Services' EBITDA improved by DKK 17 million to DKK -14 million in 2009. Adjusted for a provision for business rates in England of DKK 25 million in 2008, the result was down by DKK 8 million. Operations at the largest terminal, Immingham, were rationalised in 2009, but the improvements were offset by lower activity. The results for the other terminals in 2009 were also weakened by lower activity.

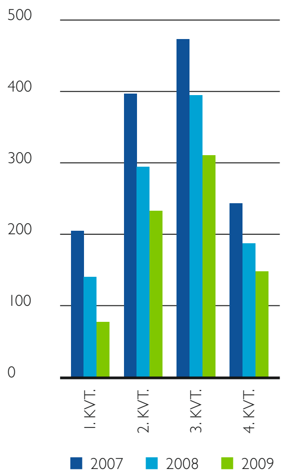
Trailer Services' EBITDA improved by DKK 5 million to DKK 36 million, which can be attributed to the progress of the Belgian subsidiary in particular, but also to subsidiaries in the Netherlands, Germany and Great Britain. However, these results were offset by a downturn in the Swedish subsidiary due to lower activity and increased costs due to traffic imbalances.

The cost of non-allocated items rose by DKK 19 million to DKK 74 million. The increase was mainly due to transaction costs related to the expected acquisition of Norfolkline.

PROFIT/LOSS ON SALE OF ASSETS

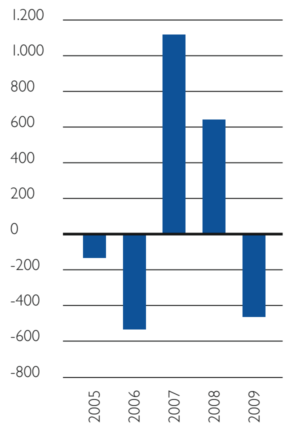
Profit and loss from the sale of tangible assets was DKK 18 million, of which DKK 9 million was related to the early return of three financially leased sideport ships, and DKK 9 million to profits from the sale of cargo carrying equipment.

DFDS GROUP – EBITDA PER QUARTER (DKK MILLION)

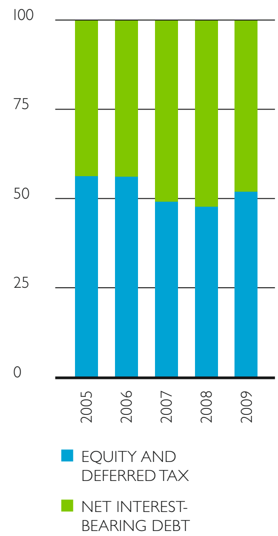


REVENUE AND INVESTED CAPITAL (DKK BILLION) TIMES

FREE CASH FLOW (DKK MILLION)



CAPITAL STRUCTURE (%-SHARE OF CAPITAL)



DEPRECIATION, WRITE-DOWNS AND EBIT

Total depreciation and write-downs amounted to DKK 631 million, of which DKK 61 million consisted of write-downs. The latter consists primarily of a write-down of DKK 53 million on the passenger ship Queen of Scandinavia, and a write-down of DKK 6 million on a ro-ro ship that was sold for scrapping early in 2010.

Depreciation of ships and other long-term assets amounted to DKK 572 million, which was on a par with 2008. The value adjustment of negative goodwill resulted in an income of DKK 1 million in 2009 compared to an income of DKK 20 million in 2008.

Operating profit (EBIT) was then DKK 174 million, down 63% or DKK 293 million compared to 2008.

FINANCING

Net financing amounted to a cost of DKK 154 million, a reduction of DKK 92 million compared to 2008. Net-interest costs, excluding financial leasing, were reduced by 12% or DKK 22 million to DKK 159 million. This was due to a decrease in the average net borrowing rate, which more than offset an increase in average net interest-bearing debt of 7%.

In 2009, net exchange-rate adjustments, excluding financial leasing, constituted an income of DKK 15 million, in contrast to a loss of DKK 19 million in 2008, and thus a profit improvement of DKK 34 million compared to 2008. The adjustments were primarily related to SEK, NOK and USD.

In addition, the cost of finance in 2009 was reduced by a lower cost of DKK 17 million for financial leasing from price adjustments and lower interest plus the return of three ships at the end of the year. Moreover, there was a positive deviation of DKK 22 million from a write-down in 2008 on a receivable from DFDS Suardiaz Line. Costs were incurred from changes in loan conditions.

TAX AND ANNUAL PROFIT

Pre-tax profit in 2009 was DKK 20 million, a decrease of DKK 201 million compared to 2008.

The shipping activities of the DFDS Group are covered by tonnage tax schemes in Denmark, Norway, the Netherlands and Lithuania. Tax on the result for the year constituted an income of DKK 69 million of which DKK 70 million concerns an income from a reversal of the Norwegian transition rules adopted for a new tonnage tax scheme in 2007. A new set of transition rules have yet to be decided upon. Deferred taxes was an income of DKK 30 million primarily from capitalised and deficits carried forward. Tax on the result for the year was a cost of DKK 21 million.

Net profit was then DKK 89 million compared to DKK 253 million in 2008.

INVESTMENTS

Investments in 2009 amounted to DKK 1,304 million, of which DKK 1,191 million consists of investment in ships. The most significant investments were DKK 373 million related to two newer ro-ro ships; DKK 463 million related to a newly-built ro-pax ship; and DKK 272 million for the extension of three ro-ro ships. The remaining DKK 83 million relates to docking of ships.

Of the remaining investments of DKK 113 million, cargo carrying equipment accounted for DKK 52 million, while investments in IT systems and development amounted to DKK 22 million. Acquisition of the remaining 20% stake in the Halléns NV represented an investment of DKK 38 million.

ASSETS AND INVESTED CAPITAL

Total assets increased by 8% to DKK 9.3 billion., a rise of DKK 688 million, derived mainly from the abovementioned investments in ships and the reduction of DKK 147 million in cash funds to DKK 155 million.

Despite investments of DKK 1.3 billion in 2009, average invested capital rose by only 1.2% to DKK 7,762 million in 2009, as a result of the gradual phasing in of investments over the year. Invested capital rose year-on-year by 11% to DKK 7,979 million. The return on invested capital was 2.1%, a decrease of 3.8 percentage points compared to 2008.

FINANCING AND CAPITAL STRUCTURE

Interest-bearing debt rose by 16% to DKK 4,200 million at the end of 2009, corresponding to a rise of DKK 564 million. Net interest-bearing debt increased by 19% to DKK 4,067 million at the end of 2009. Calculated as an average, the increase was 7% in 2009. At the end of 2009, the ratio of net interest-bearing debt to EBITDA was 5.2.

CASH FLOW

Gross cash flow from operations declined by 15% to DKK 861 million. Cash flow was positively affected by a change in working capital of DKK 87 million, including adjustments. Free cash flow from operations, calculated before interest and after investments, was negative DKK 468 million in 2009. The negative free cash flow and payment of interest was, amongst other things, financed by loans of DKK 528 million and a DKK 147 million reduction in cash funds. Short-term debt amounted to DKK 333 million of the loan financing, and helped to reduce the average borrowing rate as a result of declining short-term interest rate throughout the year.

VALUATION OF SHIPS

An annual impairment test is conducted on the Group's ships, based on expected net cash flow and external brokers' evaluations. The tests for 2009 did not lead to any write-downs apart from the passenger ship Queen of Scandinavia and the ro-ro ship Tor Anglia. The impairment test is described in greater detail in note 39.

Queen of Scandinavia, which was laid up for most of the year, was written down by DKK 53 million in 2009 on the basis of a separate evaluation. Tor Anglia was written down by DKK 6 million in 2009 on a basis of a seperate evaluation, because of the ship being transferred to 'asset held for sale'.

Overall, the demand for ro-ro and ro-pax ships fell in 2009, although charter rates for newer and bigger ships remained relatively stable. The market value of the DFDS fleet at the end of 2009, based partly on brokers' evaluations, was slightly higher than the accounting value, which was DKK 6.9 billion.

EQUITY

DFDS' share of the equity increased by 7% or DKK 227 million to DKK 3,641 million at the end of 2009. As well as carrying forward DFDS' share of the annual net profit of DKK 86 million, equity was positively affected by currency adjustments and value adjustments on hedging transactions. Minority interests were reduced to DKK 47 million from DKK 71 million in 2008, primarily as a result of the acquisition of the remaining shares in Halléns NV. Total equity therefore amounted to DKK 3,688 million at the end of 2009.

The equity ratio at the end of the year was 40%, the same share as in 2008.

THE PARENT COMPANY'S FINANCIAL PERFORMANCE

The annual profit for the parent company, DFDS A/S, was DKK 32 million. Total assets at the end of the year amounted to DKK 8,029 million and the equity was DKK 3,465 million.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DFDS

FINANCIAL STATEMENTS 2009

INCOME STATEMENT

PARENT COMPANY
DKK '000

CONSOLIDATED
DKK '000

2007	2008	2009	NOTE	INCOME STATEMENT	2007	2008	2009
5,214,122	5,282,908	4,469,183	2,3	Revenue	8,310,249	8,193,586	6,555,483
				Costs			
-2,642,137	-2,755,536	-2,123,027	4	Operating costs	-4,435,445	-4,586,284	-3,391,541
-681,161	-801,254	-940,604		Charter hire	-593,167	-690,289	-661,514
-674,790	-642,364	-578,254	5	Staff costs	-1,529,088	-1,481,393	-1,325,628
-492,496	-473,855	-442,401	6	Other costs of operation, sales and administration	-441,273	-424,150	-390,424
-4,490,584	-4,673,009	-4,084,286		Total costs	-6,998,973	-7,182,116	-5,769,107
723,538	**609,899**	**384,897**		**Operating profit before depreciation (EBITDA)**	**1,311,276**	**1,011,470**	**786,376**
-	-	-	14	Share of profit/loss of associates	3,264	4,478	1,412
35,371	497	-14,838	7	Profit on disposal of tangible assets	36,844	45,370	17,617
			11,12	*Depreciation and impairment*			
-274,212	-271,411	-262,894		Depreciation Ships	-451,853	-436,954	-448,131
-42,757	-45,366	-50,979		Depreciation other non-current fixed assets	-143,942	-134,758	-124,087
0	-4,413	-59,161	35	Impairment losses for ships and other non-current assets	0	-42,439	-60,650
0	0	0		Value adjustment of goodwill/negative goodwill	1,973	19,947	1,460
-316,969	-321,190	-373,034		Total depreciation and impairment	-593,822	-594,204	-631,408
441,940	**289,206**	**-2,975**		**Operating profit (EBIT)**	**757,562**	**467,114**	**173,997**
74,702	88,779	200,099	8	Financial income	26,807	31,437	34,220
-217,544	-387,539	-161,948	8	Financial expenses	-258,575	-277,619	-188,512
299,098	**-9,554**	**35,176**		**Profit before tax**	**525,794**	**220,932**	**19,705**
0	-10,481	-2,824	9	Tax on profit	-114,097	32,145	69,123
299,098	**-20,035**	**32,352**		**Profit for the year**	**411,697**	**253,077**	**88,828**
				Profit for the year is attributed to			
299,098	-20,035	32,352		Equity holders of DFDS A/S	400,393	246,559	85,728
-	-	-		Minority interest	11,304	6,518	3,100
299,098	-20,035	32,352			411,697	253,077	88,828
			10	**Earnings per share**			
				Basic earnings per share (EPS) of DKK 100	52.39	32.12	11.19
				Diluted earnings per share (EPS-D) of DKK 100	52.01	32.08	11.19
				Proposed profit appropriation			
120,000	0	0		Proposed dividends, DKK 0.00 per share (2008: DKK 0.00 per share, 2007: DKK 15.00 per share)			
179,098	-20,035	32,352		Retained earnings			
299,098	**-20,035**	**32,352**					

COMPREHENSIVE INCOME

PARENT COMPANY DKK '000							CONSOLIDATED DKK '000
2007	**2008**	**2009**	**NOTE**	**COMPREHENSIVE INCOME**	**2007**	**2008**	**2009**
299,098	**-20,035**	**32,352**		**Profit for the year according to the income statement**	**411,697**	**253,077**	**88,828**
				Other comprehensive income			
-5,798	-38,155	59,481		Value adjustment of hedging instruments	-3,016	-84,106	73,373
-2,552	-6,286	-2,077		Value adjustment of hedging instruments transferred to revenue	-2,649	1,741	5,690
54,376	6,646	-63,773		Value adjustment of hedging instruments transferred to operating expenses	54,376	6,647	-63,773
14,145	-7,621	19,872		Value adjustment of hedging instruments transferred to financial expenses	15,453	-57	25,129
0	0	0		Income tax on other comprehensive income*	24	0	15
-3,703	-9,530	3,425		Currency translation, foreign companies	-20,070	-172,425	94,259
-716	-8,456	5,554		Revaluation of securities	-716	-8,456	5,554
55,752	**-63,402**	**22,482**		**Other comprehensive income after tax**	**43,402**	**-256,656**	**140,247**
354,850	**-83,437**	**54,834**		**Comprehensive income for the year**	**455,099**	**-3,579**	**229,075**
				Comprehensive income for the year is attributed to			
354,850	-83,437	54,834		Equity holders of DFDS A/S	443,568	-9,313	225,657
-	-	-		Minority interests	11,531	5,734	3,418
354,850	-83,437	54,834			455,099	-3,579	229,075

* As the majority of the Group companies are taxed under tonnage tax schemes, there are only tax on a very limited number of items recognised in other comprehensive income.

BALANCE SHEET – ASSETS

PARENT COMPANY DKK '000					CONSOLIDATED DKK '000		
2007	**2008**	**2009**	**NOTE**	**BALANCE SHEET AT 31 DECEMBER**	**2007**	**2008**	**2009**
272,687	265,022	268,008		Goodwill	327,397	318,855	343,897
26,264	11,178	3,719		Other non-current intangible assets	111,448	34,532	15,223
36,084	57,859	59,435		Software	36,084	57,859	59,435
9,575	3,975	5,954		Development projects in progress	9,575	3,975	5,954
344,610	*338,034*	*337,116*	11	*Total non-current intangible assets*	*484,504*	*415,221*	*424,509*
10,221	12,621	11,582		Buildings	76,520	76,788	75,321
28,169	26,198	25,213		Terminals	348,138	282,956	278,468
3,845,730	3,472,705	3,268,993		Ships	6,404,565	5,663,515	6,863,951
69,792	88,829	78,824		Equipment, etc.	299,438	293,618	298,821
24,170	232,538	7,071		Work in progress and prepayments	27,399	236,945	9,268
3,978,082	*3,832,891*	*3,391,683*	12	*Total non-current tangible assets*	*7,156,060*	*6,553,822*	*7,525,829*
1,646,439	1,599,673	1,752,281	13	Investments in group enterprises	-	-	-
7,333	7,333	223	14	Investments in associates	11,391	12,167	4,783
556,513	507,522	1,282,553	15	Receivables	3,029	27,644	24,826
24,488	16,157	28,835	16	Securities	25,808	17,453	30,094
0	0	0	19	Deferred tax assets	75,174	72,996	102,642
2,234,773	*2,130,685*	*3,063,892*		*Total other non-current assets*	*115,402*	*130,260*	*162,345*
6,557,465	**6,301,610**	**6,792,691**		**Total non-current assets**	**7,755,966**	**7,099,303**	**8,112,683**
79,581	67,089	64,253	17	Inventories	96,188	79,666	76,780
1,062,788	948,302	1,083,795	15	Receivables	1,023,698	846,989	820,565
27,533	45,650	79,908		Prepayments	98,146	97,924	122,348
140,952	87,409	8,529		Cash at bank and in hand	494,279	301,569	154,592
1,310,854	1,148,450	1,236,485			1,712,311	1,326,148	1,174,285
0	184,971	0	12,35	Assets held for sale	141,796	184,971	10,984
1,310,854	**1,333,421**	**1,236,485**		**Total current assets**	**1,854,107**	**1,511,119**	**1,185,269**
7,868,319	**7,635,031**	**8,029,176**		**Total assets**	**9,610,073**	**8,610,422**	**9,297,952**

BALANCE SHEET – EQUITY AND LIABILITIES

PARENT COMPANY
DKK '000

CONSOLIDATED
DKK '000

2007	2008	2009	NOTE	BALANCE SHEET AT 31 DECEMBER	2007	2008	2009
800,000	800,000	800,000	18	Share capital	800,000	800,000	800,000
-50,338	-103,163	-84,751		Reserves	-53,616	-308,440	-169,145
2,740,483	2,711,335	2,749,357		Retained earnings	2,676,385	2,922,382	3,009,839
114,917	0	0		Proposed dividends	114,917	0	0
3,605,062	*3,408,172*	*3,464,606*		*Total equity attributable to equity holders of DFDS A/S*	*3,537,686*	*3,413,942*	*3,640,694*
-	-	-		Minority interests	115,660	70,550	47,088
3,605,062	**3,408,172**	**3,464,606**		**Total equity**	**3,653,346**	**3,484,492**	**3,687,782**
2,755,749	2,025,798	2,618,156	23	Interest bearing liabilities	3,644,775	2,682,131	3,073,721
0	0	0	19	Deferred tax	222,428	153,578	162,040
14,669	15,051	13,433	21	Pension and jubilee liabilities	226,723	170,240	178,895
0	0	0	22	Other provisions	1,125	0	0
2,770,418	*2,040,849*	*2,631,589*		*Total non-current liabilities*	*4,095,051*	*3,005,949*	*3,414,656*
959,951	1,539,693	1,436,332	23	Interest bearing liabilities	707,650	954,040	1,126,438
160,947	88,917	85,311		Trade payables	411,484	308,317	315,013
2,610	0	0	22	Other provisions	25,168	9,720	6,213
0	0	0	26	Corporation tax	22,516	23,773	26,384
339,894	447,821	382,786	24	Other payables	604,297	668,591	647,982
29,437	24,579	28,552	25	Deferred income	83,171	70,540	73,484
1,492,839	*2,101,010*	*1,932,981*			*1,854,286*	*2,034,981*	*2,195,514*
0	85,000	0	35	Liabilities related to assets held for sale	7,390	85,000	0
1,492,839	*2,186,010*	*1,932,981*		*Total current liabilities*	*1,861,676*	*2,119,981*	*2,195,514*
4,263,257	**4,226,859**	**4,564,570**		**Total liabilities**	**5,956,727**	**5,125,930**	**5,610,170**
7,868,319	**7,635,031**	**8,029,176**		**Total equity and liabilities**	**9,610,073**	**8,610,422**	**9,297,952**

Assets pledged as securities, etc., see Note 12 and 23
Share options, see Note 20
Information on financial instruments, see Note 27
Financial and operational risks, see Note 28
Guarantees and contingent liabilities, see Note 36
Contractual commitments, see Note 37
Related parties, see Note 38
Impairment tests, see Note 39
Critical accounting estimates and judgements, see Note 40
Events after the balance sheet date, see Note 41
Group entities, see Note 42

STATEMENT OF CHANGES IN EQUITY – CONSOLIDATED

		RESERVES								
DKK 1.000	SHARE CAPITAL	TRANS-LATION RESERVE	HEDGING	REVA-LUATION OF SECURITIES	TREASURY SHARES	RETAINED EARNINGS	PROPOSED DIVIDENDS	TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF DFDS A/S	MINORITY INTERESTS	TOTAL
Equity at 1 January 2007	**800,000**	**16,066**	**-91,337**	**12,502**	**-39,112**	**2,372,012**	**83,698**	**3,153,829**	**111,422**	**3,265,251**
Changes in equity 2007										
Comprehensive income		-20,162	64,053	-716		280,393	120,000	443,568	11,531	455,099
Distributed dividends							-84,055	-84,055	-954	-85,009
Adjustments of distributed dividends 2006						-357	357	0		0
Dividends, treasury shares						5,083	-5,083	0		0
Disposal of minority interests								0	-6,338	-6,338
Share-based payment						10,525		10,525		10,525
Sale of treasury shares related to exercise of share options					5,223	8,390		13,613		13,613
Exercise of share options						1,031		1,031		1,031
Other adjustments						-825		-825	-1	-826
Changes in equity 2007	**0**	**-20,162**	**64,053**	**-716**	**5,223**	**304,240**	**31,219**	**383,857**	**4,238**	**388,095**
Equity at 31 December 2007	**800,000**	**-4,096**	**-27,284**	**11,786**	**-33,889**	**2,676,252**	**114,917**	**3,537,686**	**115,660**	**3,653,346**
Equity at 1 January 2008	**800,000**	**-4,096**	**-27,284**	**11,786**	**-33,889**	**2,676,252**	**114,917**	**3,537,686**	**115,660**	**3,653,346**
Changes in equity 2008										
Comprehensive income		-171,820	-75,596	-8,456		246,559		-9,313	5,734	-3,579
Distributed dividends							-115,217	-115,217	0	-115,217
Adjustments of distributed dividends 2007						-300	300	0		0
Disposal of minority interests								0	-50,845	-50,845
Share-based payment						3,588		3,588		3,588
Sale of treasury shares related to exercise of share options					3,000	5,310		8,310		8,310
Acquisition of treasury shares					-3,086	-7,048		-10,134		-10,134
Other adjustments						-978		-978	1	-977
Changes in equity 2008	**0**	**-171,820**	**-75,596**	**-8,456**	**-86**	**247,131**	**-114,917**	**-123,744**	**-45,110**	**-168,854**
Equity at 31 December 2008	**800,000**	**-175,916**	**-102,880**	**3,330**	**-33,975**	**2,923,383**	**0**	**3,413,942**	**70,550**	**3,484,492**
Equity at 1 January 2009	**800,000**	**-175,916**	**-102,880**	**3,330**	**-33,975**	**2,923,383**	**0**	**3,413,942**	**70,550**	**3,484,492**
Changes in equity 2009										
Comprehensive income		93,947	40,439	5,554		85,717		225,657	3,418	229,075
Distributed dividends								0	-1,155	-1,155
Disposal of minority interests								0	-25,726	-25,726
Share-based payment						807		807		807
Sale of treasury shares related to exercise of share options					300	492		792		792
Other adjustments				56		-560		-504	1	-503
Changes in equity 2009	**0**	**93,947**	**40,439**	**5,610**	**300**	**86,456**	**0**	**226,752**	**-23,462**	**203,290**
Equity at 31 December 2009	**800,000**	**-81,969**	**-62,441**	**8,940**	**-33,675**	**3,009,839**	**0**	**3,640,694**	**47,088**	**3,687,782**

STATEMENT OF CHANGES IN EQUITY – PARENT COMPANY

		RESERVES					
DKK 1.000	SHARE CAPITAL	HEDGING	REVALUATION OF SECURITIES	TREASURY SHARES	RETAINED EARNINGS	PROPOSED DIVIDENDS	TOTAL
Equity at 1 January 2007	**800,000**	**-88,278**	**12,558**	**-39,112**	**2,540,232**	**83,698**	**3,309,098**
Changes in equity 2007							
Comprehensive income	0	60,176	-716	0	175,390	120,000	354,850
Distributed dividends						-84,055	-84,055
Adjustments of distributed dividends 2006					-357	357	0
Dividends treasury shares					5,083	-5,083	0
Share-based payment					10,525		10,525
Sale of treasury shares related to exercise of share options				5,223	8,390		13,613
Exercise of share options					1,031		1,031
Changes in equity 2007	**0**	**60,176**	**-716**	**5,223**	**200,062**	**31,219**	**295,964**
Equity at 31 December 2007	**800,000**	**-28,102**	**11,842**	**-33,889**	**2,740,294**	**114,917**	**3,605,062**
Changes in equity 2008							
Comprehensive income	0	-45,417	-8,456	0	-29,564	0	-83,437
Distributed dividends						-115,217	-115,217
Adjustments of distributed dividends 2007					-300	300	0
Share-based payment					3,588		3,588
Acquisition of treasury shares				-3,086	-7,048		-10,134
Sale of treasury shares related to exercise of share options				3,000	5,310		8,310
Egenkapitalbevægelser i 2008	**0**	**-45,417**	**-8,456**	**-86**	**-28,014**	**-114,917**	**-196,890**
Egenkapital pr, 31.12 2008	**800,000**	**-73,519**	**3,386**	**-33,975**	**2,712,280**	**0**	**3,408,172**
Changes in equity 2009							
Comprehensive income	0	13,503	5,554	0	35,777	0	54,834
Share-based payment					807		807
Sale of treasury shares related to exercise of share options				300	492		792
Other adjustments					1		1
Changes in equity 2009	**0**	**13,503**	**5,554**	**300**	**37,077**	**0**	**56,434**
Equity at 31 December 2009	**800,000**	**-60,016**	**8,940**	**-33,675**	**2,749,357**	**0**	**3,464,606**

The Company's share capital, which is not divided into different classes of shares, is divided into 8,000,000 shares of DKK 100 each.
The share capital has been unchanged the last 5 years.

CASH FLOW STATEMENT

PARENT COMPANY
DKK '000

CONSOLIDATED
DKK '000

2007	2008	2009	NOTE	CASH FLOW STATEMENT	2007	2008	2009
723,538	609,899	384,897		Operating profit before depreciation (EBITDA)	1,311,276	1,011,470	786,376
16,408	-1,867	76	29	Adjustments for non-liquid operating items, etc.	30,658	3,566	8,255
61,437	-22,270	60,195	30	Change in working capital	-47,699	12,865	86,749
-1,519	-3,444	-1,289		Payment of pension liabilities and other provisions	-10,409	-20,921	-20,487
799,864	**582,318**	**443,879**		**Cash flow from operating activities, gross**	**1,283,826**	**1,006,980**	**860,893**
96,329	102,539	125,003		Interest income	50,919	83,889	70,077
-252,987	-251,071	-208,269		Interest expenses	-274,350	-292,574	-262,138
0	0	0		Taxes paid	-19,575	-23,726	-25,056
643,206	**433,786**	**360,613**		**Cash flow from operating activities, net**	**1,040,820**	**774,569**	**643,776**
-119,909	-298,936	-144,671		Purchase of ships	-146,882	-362,559	-1,190,728
101,504	0	239,411		Disposal of ships and ship contracts	102,912	160,987	0
-2,032	-3,745	-1,521	31	Buildings and terminals	-14,955	-10,867	-1,411
-18,486	-35,327	-10,380	31	Equipment, etc.	-44,377	-62,225	-51,851
-14,552	-30,747	-22,252		Purchase of non-current intangible assets	-14,451	-32,088	-22,253
-22,587	11,834	0	33	Acquisition of companies and activities	-22,587	-274	0
-23,093	-11,186	0		Capital increase in subsidiaries	-	-	-
-1,626	-20,770	-112,608	34	Acquisition of minority interests	-12,643	-39,796	-39,429
2,500	4,957	10,441	8	Dividends from group enterprises	-	-	-
1,194	1,194	0	8. 14	Dividends from associates	2,503	2,302	1,350
0	0	0	14	Investments in associates	-313	0	0
-97,087	**-382,726**	**-41,580**		**Total cash flow from investing activities**	**-150,793**	**-344,520**	**-1,304,322**
0	0	1,063,801		Proceeds from loans secured by mortgages in ships	0	0	1,063,801
-388,255	-342,707	-592,016		Payment and redemptions of loans secured by mortgages in ships	-543,885	-475,843	-835,285
12,103	2,468	-778,493		Change in other non-current investments	4,658	239	5,220
-70,570	-78,498	-17,053	32	Change in other financial loans, net	-79,609	-103,057	-38,404
-7,873	-10,544	-11,662		Payment of financial lease liabilities	-39,344	-29,065	-30,530
89,975	431,584	-63,282		Change in operating credits	-38,530	124,469	332,733
12,925	8,311	792		Exercise of share options	12,925	8,311	792
-84,055	-115,217	0		Dividends paid to shareholders	-85,009	-115,217	-1,155
-435,750	**-104,603**	**-397,913**		**Total cash flow from financing activities**	**-768,794**	**-590,163**	**497,172**
110,369	**-53,543**	**-78,880**		**Cash flow for the year**	**121,233**	**-160,114**	**-163,374**
30,583	140,952	87,409		Cash at bank and in hand at the beginning of the year	371,367	494,279	301,569
0	0	0		Foreign exchange adjustments	1,679	-32,596	16,397
140,952	**87,409**	**8,529**		**Cash at bank and in hand at year-end**	**494,279**	**301,569**	**154,592**

The above cannot be derived directly from the income statement and the balance sheet.

NOTES

NOTE 1 ACCOUNTING POLICIES

The 2009 annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

Basis for preparation
The annual report is presented in Danish Kroner (DKK) which is the Parent Company's functional currency.

The annual report has been prepared on the historical cost basis except for the following assets and liabilities measured at fair value: derivatives and financial instruments classified as available-for-sale.

Non-current assets and assets held for disposal classified as held for sale are measured at the lower of the carrying amount before the changed classification and the fair value less costs to sell.

The accounting policies as set out below are used consistently for the financial year as well as for the comparative figures.

New International Financial Reporting Standards and Interpretations
With effect from 1 January 2009, the Group has adopted the following new International Financial Reporting Standards and Interpretations:

- IAS 1 (revised 2007) Presentation of Financial Statements
- IAS 23 (revised 2007) Borrowing Costs
- IFRS 2 Share-based Payments: Vesting Conditions and Cancellations
- Amendments to IAS 32 and IAS 1: Puttable Financial Instruments and Obligations Arising on liquidations
- Amendments to IFRS 1 and IAS 27: Cost of an investment in a Subsidiary, Jointly-Controlled Entity or Associate
- Amendment to IFRS 7: Improving Disclosures about Financial Instruments
- Part of Improvements to IFRSs May 2008 (effective date 1 January 2009) and
- IFRIC 13, 15 and 16.

The Group applies revised IAS 1 'Presentation of Financial Statements', which became effective as of 1 January 2009. As a result, the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. Comparative information has been re-presented so that it also is in conformity with the revised standard.

The new standards, amendments and interpretations did not affect recognition and measurement. Additional accounting policies for the consolidated financial accounts and annual accounts 2009 have not been changed in comparison to last year.

Other changes
Profit on disposal of equipment, etc. is re-classified in the income statement. The item is now a part of 'Profit on disposal of assets'. Previously the item was a part of 'Other costs of operation, sales and administration'.

Effect of new accounting regulation applicable for the coming financial year
The IASB has issued the following new and amended Standards and Interpretations, which have been adopted by the EU but are not yet mandatory for the preparation of the DFDS Group's 2009 annual report:

- IFRS 1 (revised) 'First-time Adoption of International Financial Reporting Standards' (1 January 2010)
- Amendments to IFRS 1 'First-time Adoption of International Financial Reporting Standards' 1 January 2010) *
- Amendment to IFRS 2 'Share-based Payment' (1 January 2010) *
- IFRS 3 (revised) 'Business Combinations' (1 July 2009)
- Amendment to IFRS 5 (Part of Improvements to IFRSs 2008) 'Non-current Assets Held for Sale and Discontinued Operations' (1 January 2010)
- IFRS 9 'Financial instruments' (1 January 2013) *
- IAS 24 (revised) 'Related Party Disclosures' (1 January 2011) *
- Amendment to IAS 27 'Consolidated and Separate Financial Statements' (1 July 2009)
- Amendment to IAS 28 'Investments in Associates' (1 July 2009)
- Amendment to IAS 31 'Interests in Joint Ventures' (1 July 2009)
- Amendment to IAS 32 'Financial Instruments: Presentation' (1 February 2010)
- Amendment to IAS 39 'Financial Instruments: Recognition and Measurement' (1 July 2009)
- IFRIC 9 'Reassessment of Embedded Derivatives' (1 July 2009)
- IFRIC 14 'IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction' (1 January 2011) *
- IFRIC 17 'Distributions of Non-cash Assets to owners' (1 July 2009)
- IFRIC 18 'Transfers of Assets from Customers' (1 July 2009)
- IFRIC 19 'Extinguishing Financial Liabilities with Equity Instruments' (1 July 2010) *
- Part of Improvements to IFRSs 2009 (include IFRS 2, 5 and 8 also IAS 1, 7, 17, 36, 38 and 39) *

* = not approved by EU

The DFDS Group expects to adopt the Standards and Interpretations when they become mandatory.

The new standards, amendments and interpretations applicable for the coming financial year did not affect recognition and measurement.

Critical accounting policies
DFDS' management believes that applied accounting policies for consolidated financial statement, non-current intangible assets, ships, operational lease versus financial lease and derivative financial instruments are the most important for the Group. Below the individual areas are described together with other accounting policies.

Significant estimates and judgements in connection with the application of the Group's accounting policies are mentioned in Note 40.

DESCRIPTION OF ACCOUNTING POLICIES

Consolidated financial statements
The consolidated financial statements include the financial statement of DFDS A/S (the Parent Company) and all the companies in which DFDS A/S, at the balance sheet date, directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence (subsidiaries). DFDS A/S and these companies are referred to as the Group.

Companies that are not subsidiaries, but in which the Group holds between 20% and 50% of the voting rights or in some other way exerts significant influence on the operational and financial management, are treated as associates, cf. the Group chart.

The consolidated financial statements are based on the financial statement of the Parent Company and the subsidiaries and are prepared by combining items of a uniform nature and eliminating intercompany transactions, shareholdings, balances and unrealised intercompany profits and losses. The consolidated financial statements are based on financial statements prepared by applying the Group's accounting policies.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' net asset value at the acquisition date.

The Group's investments in associates are recognised in the consolidated financial statements at the proportionate share of the associates' net asset value. Unrealised intercompany profits and losses from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in the entity.

Minority interests

In the consolidated financial statements, the items of subsidiaries are recognised in full. The minority interests' proportionate shares of the subsidiaries' results and equity are adjusted annually and recognised separately in the proposed profit appropriation and statement of changes in equity.

Business combinations

Enterprises acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of are recognised in the consolidated financial statements until the date of disposal. The comparative figures are not adjusted for acquisitions or disposals.

Acquisitions of enterprises in which the Parent Company will be able to exercise control are accounted for using the purchase method. The cost of an acquisition is measured as the fair value of the assets given and liabilities incurred or assumed at the date of acquisition, plus costs directly attributable to the acquisition. In case components of the consideration are linked up to future events, these components are included in the cost of acquisition to the extent that the events are probable and the determination of the consideration is reliable. Identifiable assets, liabilities and contingent liabilities acquired in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. Negative goodwill (badwill) is recognised as income in the income statement at the time of the acquisition.

Positive and negative balances from the acquirees might be adjusted until 12 months from the date of the acquisition provided that the initial recognition was preliminary or incorrect. All other adjustments are recognised in the income statement.

Goodwill is allocated at the date of acquisition to the lowest cash-generating unit to which the goodwill within reason is attributable. The allocation of goodwill to cash-generating units is mentioned in Note 11 and 39.

For business combinations achieved in stages, goodwill and negative goodwill are measured at each transaction using the above-described method until control is obtained. Share of profit or loss is recognised using the acquired ownership at each stage of transaction. For business combinations achieved in stages after control is obtained, goodwill and negative goodwill are measured as the difference between the cost of the additional acquisition and the carrying amount of the acquired net assets.

Gains or losses on subsidiaries and associates disposed of are stated as the difference between the sales amount or disposal costs and the carrying amount of net assets at the date of disposal, including the carrying amount of goodwill, accumulated exchange gains and losses previously recognised in the equity plus anticipated disposal costs.

TRANSLATION OF FOREIGN CURRENCIES

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in Danish Kroner (DKK), which is the functional and presentation currency of the Group.

Translation of transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying for cash flow hedges.

Translation differences on non-monetary items are reported as part of the fair value gain or loss.

Fixed assets acquired in foreign currency are translated at the exchange rate prevailing at the date of transaction. Gains and losses on hedges relating to the acquisition of fixed assets are recognised as part of the fixed asset.

Translation of group companies

Financial statements of foreign subsidiaries are translated into Danish Kroner at the exchange rates at the balance sheet date for assets and liabilities and at average exchange rates for income statement items.

The above exchange gains and losses (exchange rate adjustments) are recognised in a separate reserve in the equity. At full or partial realisation of the net investment the exchange rate adjustments are recognised in the income statement.

Derivative financial instruments

Derivative financial instruments are recognised in the balance sheet at fair values on the transaction date. The fair values of derivative financial instruments are presented as other receivables if positive or other liabilities if negative. Netting of positive and negative derivative financial instruments is only performed if the company is entitled to and has the intention to settle more derivative financial instruments as a net. All fair values are computed on the basis of current market data and generally accepted valuation methods.

Fair value hedge

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a fair value hedge of recognised assets and liabilities are recognised in the income statement together with changes in the value of the hedged asset or liability with respect to the hedged portion. Hedging of future cash flows according to agreements, except for foreign currency hedges, is treated as a fair value hedge of a recognised asset and liability.

Cash flow hedge

Changes in the portion of the fair value of derivative financial instruments designated as and qualifying as a cash flow hedge and which effectively hedge changes in the value of the hedged item are recognised in the comprehensive income. The effective part of the change in the fair value is recognised as a separate equity reserve until the cash flow hedge effect the income statement. If the hedged transaction results in gains or losses, amounts previously recognised in equity are transferred to the same item in the income statement as the hedged item.

For derivative financial instruments that do not qualify for hedge accounting, the hedge is dissolved. As soon as the cash flow hedge effect the income statement, the accumulated changes in fair value that are previously recognised in equity are transferred to the income statement.

For derivative financial instruments that are no longer realised, the accumulated changes are transferred immediately to the income statement.

Net investment hedge

Changes in the fair value of derivative financial instruments used to hedge net investments in foreign subsidiaries or associates and which effectively hedge currency fluctuations in these companies are recognised in the consolidated financial statements directly in a separate translation reserve in equity.

Other derivative financial instruments

For derivative financial instruments that do not fulfil the requirements of being handled as hedge instrument, the changes in fair value are recognised successive in the income statement as financial income and expenses.

Government grants

Government grants related to funding for investments are offset against the cost of the non-current fixed asset and reduce the depreciation of the assets for which the grants are awarded.

Rental and lease matters

When contracts for the hire and lease of ships, buildings and operating assets are of an operational nature, rental payments are recognised in the income statement for the period to which they relate. The remaining rental liability and lease obligations under such contracts are disclosed as contingent liabilities.

Assets held under financial leases are recognised in the balance sheet and depreciated in the same way as the Group's other non-current assets.

Incentive plans

The Group has set up equity-settled and cash-settled share-based compensation plans. Part of the Company's holding of treasury shares is used under the Group's share option plan.

The value of services received in exchange for incentive plans is measured at the fair value of the options granted.

Fair value is measured at the grant date for equity-settled plans. Fair value is measured at each balance sheet date and when vested for cash-settled plans. The fair value is recognised as a staff cost over the period in which the options vest with a corresponding increase in equity (equity-settled plans) and other payables (cash settled plans).

The number of share options, expected to be exercised by employees, is estimated in the initial recognition in accordance with the service conditions described in Note 20. Subsequent to initial recognition, the estimate is adjusted on a continuing basis to reflect the actual number of exercised share options.

The fair value of granted share options for equity-settled plans is estimated using the Black-Scholes option-pricing model. Vesting conditions are taken into account when estimating the fair value of the share options.

Key ratios

Key ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of key ratios "Recommendations and Financial Ratios 2005". The key ratios stated in the survey of consolidated financial highlights are defined on the "definitions and glossary" page.

INCOME STATEMENT

Revenue

Revenue from passenger conveyance, sea freight transport and land transport etc. is recognised in the income statement at the time of delivery to the customer, which is the time of transfer of the risk.

Revenue is measured at fair value, excluding value added tax and after the deduction of trade discounts.

Costs

When passenger conveyance, sea freight and land transport etc. are recognised as income, related costs are recognised in the income statement.

Operating costs related to ships

The operating costs of the ships comprise costs related to catering, ship fuel consumption including hedging and costs for ship maintenance that are not capitalised under non-current tangible assets.

Charter hire

Charter hire comprises costs related to bareboat and time charter agreements.

Staff costs

Wages, salaries, social security contributions, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where the Group provides long-term employee benefits, the costs are accrued to match the rendering of the services by the employees concerned.

Other costs of operation, sales and administration

Other costs of operation, sales and administration comprise operating costs concerning land-based activities, including the lease, rental and maintenance of operating equipment. In addition, costs of sales, marketing and administration are included.

Profit/loss on disposal of assets

Profit/loss on disposal of assets is determined as the difference between the selling price or the disposal price and the carrying amount of net assets at the date of disposal including costs in connection with dismissal of staff on the ships and other disposal costs, such as obligations related to harbour dues and lease of terminal area, etc.

Profit from equity investments in associated companies

The Group's income statement includes the pro rata share of the result in the associated companies after tax and minority interests after elimination of pro rata share of intercompany profit/purchase.

Financial income and expenses

Financial income and expenses comprises interest income and expense, realised and unrealised gains and losses on payables and transactions denominated in foreign currencies, realised gains and losses on securities, as well as the amortisation of financial assets and liabilities including financial leasing commitments as well as surcharges and allowances under the tax prepayment scheme (DK). Also included are realised and unrealised gains and losses on derivative financial instruments that are not designated as hedges.

Tax

Tax for the year comprises income tax, tonnage tax, and joint taxation contribution for the year of Danish subsidiaries as well as changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

The current payable Danish corporation tax is allocated by the settlement of a joint taxation contribution between the jointly taxed companies in proportion to their taxable income. In connection with the settlement the companies with a negative taxable income receive a joint taxation contribution from companies that have used the tax losses to reduce their own taxable profit.

Tax computed on the taxable income and tonnage tax for the year is recognised in the balance sheet as tax payable or receivable or joint taxation contribution for Danish companies considering the payments on account. According to the Danish act of joint taxation, associated companies' own corporation tax liabilities towards the Danish tax authorities are settled concurrently with the payment of the joint taxation contribution to the company that manages the joint taxation.

Deferred tax is measured on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill that is not tax deductible, where temporary differences arise at the date of acquisition without affecting either profit/loss for the year or taxable income.

Deferred tax relating to assets and liabilities subject to tonnage taxation is recognised to the extent that deferred tax is expected to occur.

Deferred tax assets are recognised at the expected value of their utilisation. Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured on the basis of the expected use and settlement of the individual assets and liabilities and according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

ASSETS

Current assets are defined as:
- Assets expected to be realised in, or are held for sale or consumption in, the normal course of DFDS' operating cycle, or
- Assets held primarily for trading purposes or which are expected to be realised within twelve months of the balance sheet date, or
- Cash or cash equivalent assets that are not restricted in use.

All other assets are defined as non-current assets.

Non-current intangible and tangible assets
Generally the following applies unless otherwise specified:
- Non-current intangible and tangible assets are measured at cost less the accumulated amortisation/depreciation and impairment.
- Cost for non-current intangible and tangible assets include the costs of external suppliers, materials and components (only tangible assets), direct wages and salaries.
- Interest paid from the time of payment until the date when the asset is available for use is included in cost. Cost also comprises gains and losses on transactions designated as hedges of non-current tangible assets.
- The basis for amortisation/depreciation is determined as the cost less the expected residual value.
- Non-current intangible and tangible assets are amortised/depreciated on a straight-line basis to the estimated residual value over the expected useful life at DFDS.
- Expected useful life at DFDS and residual value are reassessed at least once a year. In estimating the expected useful life for ships it is taken into consideration that DFDS is continuously spending substantial funds on ongoing maintenance.
- The effect of changes to the amortisation/depreciation period or residual value is recognised prospectively as a change in the accounting estimate.

Goodwill
At initial recognition goodwill is recognised in the balance sheet at cost as described in the section 'Business combinations'. Subsequently, goodwill is measured at cost less accumulated impairments. Goodwill is not amortised.

An impairment test is performed annually in connection with the presentation of next year's budget.

The book value of goodwill is allocated to the Group's cash-generating units at the time of acquisition. Allocation of goodwill to cash-generating units is described in Note 11 and 39.

Development projects
Development projects, primarily the development of IT software, are recognised as non-current intangible assets if the following criteria are met:
- the projects are clearly defined and identifiable;
- the Group intends to use the projects;
- there is sufficient assurance that future earnings can cover development costs and administrative expenses; and
- the cost can be reliably measured.

The amortisation of capitalised development projects starts after the completion of the development project and is provided on a straight-line basis over the expected useful live, normally 3-5 years, but in certain cases up to 10 years.

Other non-current intangible assets
Other non-current intangible assets comprise the value of customer relations or similar identified as a part of acquisitions. Other non-current intangible assets are measured at cost less accumulated amortisations/depreciations and impairment. Depreciation is provided on a straight-line basis over the expected useful live, normally 3-5 years, but in certain cases up to 10 years.

Ships
The rebuilding of ships is capitalised if the rebuilding can be attributed to:
- Safety measures.
- Measures to lengthen the useful life of the ship.
- Measures to improve earnings.
- Docking.

Expenses for improvements and maintenance are recognised in the income statement as incurred, including general maintenance work, to the extent the work can be designated as ongoing general maintenance (day-to-day service). Basically, other costs are capitalised.

Docking costs are capitalised and depreciated on a straight-line basis over the period between two dockings. In most cases, the docking interval is two years for passenger ships and 2½ years for freighters and ro-pax ships.

Gains or losses on the disposal of ships are determined as the difference between the selling price less the selling costs and the carrying amount at the disposal date. Gains or losses on the disposal of ships are recognised as gain/loss on disposal of ships, buildings and terminals.

Passenger and ro-pax ships
Due to differences in the wear of the components of passenger and ro-pax ships, the cost of these ships is divided into components with low wear, such as hulls and engines, and components with high wear, such as parts of the hotel and catering area.

Freighters
Cost of freighters is not divided into components as there is no difference in the wear of these ships.

Depreciation, expected useful life and residual value
The average depreciation period for component with low wear is 30 years for passenger ships and 25 years for ro-pax ships from the year in which the ships were built. The depreciation period for freighters is 25 years from the year in which the ships were built.

For passenger and ro-pax ships, components with high wear are depreciated over 10-15 years. For ships the residual value of components with high wear is determined as DKK 0.

Other non-current tangible assets
Other non-current tangible assets comprise buildings, terminals and machinery, tools and equipment and leasehold improvements.

THE EXPECTED USEFUL LIVES ARE AS FOLLOWS:

Buildings	25-50 years
Terminals etc.	10-40 years
Equipment etc.	4-10 years
Leasehold improvements	are max. depreciated over the term of the lease

Gains or losses on the disposal of buildings, terminals, equipment and leasehold improvements are determined as the difference between the selling price less the disposal costs and the carrying amount at the date of disposal. The gains on the disposal of these non-current assets are recognised in the income statement as 'Profit on disposal of tangible assets'.

Assets held under financial leases
Assets held under financial leases are recognised in the balance sheet at the lower of fair value and the present value of the minimum lease payments. The capitalised minimum lease payments are recognised in the balance sheet as a liability and the interest element of the lease payments is recognised in

'financial costs' the income statement. Assets held under financial leases are depreciated and written-down as the Company's own non-current assets, however not exceeding the term of the lease.

Profits on sale are deferred and recognised over the lease term for financial lease. For operational leases any profits on sale are recognised in the income statement immediately, if the sales price equals the fair value of the asset. Otherwise, the profits are deferred and amortised over the term of the operational lease.

Investments in associates (the Group)
Investments in associates are measured in the consolidated annual accounts under the equity method, whereby the investments in the balance sheet are measured at the proportionate share of the enterprises' net asset values calculated in accordance with the accounting policies of the Group with addition of the carrying value of goodwill and after deduction or addition of the proportionate share of the unrealised intra-group profits and losses.

Associates with negative net asset values are measured at DKK 0. If the Group has a legal or actual commitment to cover the associate's deficit, the liability is recognised.

Any receivables from the associates are written down to the extent that the receivables are considered to be irrecoverable.

Other assets
Other non-current assets and current assets are on initial recognition measured at cost. Subsequently these assets are measured as one of the following categories:

- Trading portfolio: the asset is measured at fair value and the change of value is recognised through the income statement.
- Available-for-sale: the asset is measured at fair value and change of value is recognised through the equity.
- Loans and receivables: the asset is measured at the amortised cost and the change of value is recognised through the income statement.

Investments in subsidiaries and associates (Parent Company)
Investments in subsidiaries and associates are measured at cost in the balance sheet.

Dividends from subsidiaries and investments in associates are recognised in the Parent Company' income statement in the year where the dividends are declared. The cost of investments in subsidiaries and associates are written down to the extent that the dividends are considered repayment of the investment.

Impairment
The carrying amounts of non-current intangible, tangible and financial assets are continuously assessed, at least once a year, to determine whether there is an indication of impairment. When such impairment is present the recoverable amount of the asset is assessed. The recoverable amount is the higher of the net selling price and the net present value of the future net cash flow expected from the asset (value in use). The value in use is calculated as the present value of the future net cash flow the asset is expected to generate either by itself or from the lowest cash-generating unit to which the asset is allocated.

Impairment tests of goodwill (value in use) are performed at least once a year. Impairment tests of the Group's assets are performed once a year, typically in December. DFDS performs tests in between the annual tests in case there is an indication of impairment. Please view Note 39 for description of method.

Securities
Securities included in the trade portfolio are designated as 'available-for-sale' and are measured at fair value, which for listed securities is the market price at the balance sheet date.

When it is not possible to give a faithful estimate of a fair value for non-listed securities, they are recognised at cost less impairment losses.

Unrealised value adjustments on securities are recognised as a separate reserve (revaluation of securities) in equity except for impairments and exchange rate adjustments, which are recognised in the income statement under 'Financial items'. When securities are realised, the accumulated value adjustment recognised directly in the equity under 'financial income or expenses' will be transferred to the income statement.

Inventories
Inventories including catering supplies are measured at cost based on the weighted average cost method or the net realisable value if this is lower. Inventories including bunkers are measured at cost based on the FIFO method for bunkers and average prices for the remaining inventories. The net realisable value is recognised if lower than the cost.

Receivables
Receivables are recognised at amortised cost less impairment losses. Write-down is performed on an individual basis.

Other receivables comprise calculated receivables on hedges, insurance receivables on loss or damage of ships, outstanding balances for chartered ships, interest receivable, etc.

Prepayments
The item includes cost incurred no later than the balance sheet date but which relates to subsequent years, e.g. prepaid charters, rents, etc.

Assets held for sale
Assets held for sale comprise non-current assets and disposal groups that are classified as held for sale. Disposal groups are groups of fixed assets subject to be sold or otherwise disposed of in a single transaction. Liabilities related to assets held for sale comprise liabilities directly attached to these assets and which will follow the assets when disposed. Assets are designated as 'held for sale' when the carrying amount primarily is recovered by a sale within 12 months in accordance with a plan in stead of through continued usage.

Assets or disposal groups 'held for sale' are measured at the lowest value of the carrying amount at the time of designation as 'held for sale' or the fair value less sales costs. Assets are not depreciated as from the date, they are designated as 'held for sale'.

Impairment losses from the initial classification of the non-current assets as held for sale as well as gains and losses from following measurement of the lowest value of the carrying amount or the fair value less sales costs are recognised in the income statement. Gains and losses are described in the Notes.

Assets and the belonging liabilities are reported in separate lines in the balance sheet and the principal items are specified in the notes.

EQUITY

Dividends
Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (time of declaration). The expected dividend payment for the year is disclosed as a separate item under equity.

Treasury shares
The cost of acquisition, consideration and dividends received from treasury shares is recognised directly in retained earnings in the equity. Accordingly, profits from sale of treasury shares are not recognised in the income statement. Holdings of treasury shares are recognised in the balance sheet at zero value. Nominal value of treasury shares (price 100) is recognised directly in equity as a separate reserved (own shares).

Reserve for exchange rate adjustments
Reserve for exchange rate adjustment comprise currency translation differences from translating annual accounts from a foreign currency to Danish Kroner and exchange rate adjustments related to assets and liabilities, which are included in the Group's net investments.

Reserve for hedging
Reserve for hedging comprise the accumulated net change in fair value of hedging when qualifying for cash flow hedging, and the hedged transaction is not yet realised.

Reserve for revaluation of securities
Reserve for revaluation of securities comprises accumulated changes in fair value of the securities classified as 'available-for-sale'. The reserve will be dissolved and transferred to the income statement in line with the selling or writing down the investment.

LIABILITIES

Current liabilities are:
- liabilities expected to be settled in the normal course of DFDS' operating cycle, or
- liabilities due to be settled within twelve months of the balance sheet date.

All other liabilities are classified as non-current liabilities.

Pension obligations and other non-current obligations
Contributions to defined contribution plans are recognised in the income statement in the period to which they relate and any contributions outstanding are recognised in the balance sheet as other payables.

Defined benefit plans are subject to an annual actuarial estimate of the present value of future benefits under the defined benefit plan. The present value is determined on the basis of assumptions about the future development in variables such as salary levels, interest rates, inflation and mortality. The present value is determined only for benefits earned by employees from employment in the Group. The actuarial present value less the fair value of any plan assets is recognised in the balance sheet under pensions, cf. below.

Any difference between the expected development in plan assets and the defined benefit obligation and actual amounts results in actuarial gains or losses. If the cumulative actuarial gains or losses exceed the greatest of 10% of the defined benefit obligation or 10% of the fair value of the plan assets, the gains or losses are recognised in the income statement over the expected remaining working lives of the employees until pension payments are made. Actuarial gains or losses not exceeding the above limits are not recognised in the income statement.

If changes in benefits relating to services rendered by employees in previous years result in changes in the actuarial present value, the changes are recognised in the income statement for the year as historical costs, provided employees have already earned the changed benefits. If employees have not earned the benefits, the historical costs are recognised in the income statement over the period in which the employees earn the changed benefits.

Pension plans, considered as a net asset, are recognised as assets only if the asset equals the value of future repayments, or it will result in reduced payments.

Other non-current personnel obligations include jubilee benefits, etc.

Other provisions
Other provisions are recognised where a legal or constructive obligation has been incurred as result of past events, and it is probable that it will lead to an outflow of resources that can be reliably estimated. Provisions are recognised for the estimated ultimate liability that is expected to arise, taking into account the foreign currency effects and the time-related monetary value.

Interest bearing liabilities
Amounts owed to mortgage credit institutions and banks, relating to loans which the Group expects to hold to maturity, are recognised at the date of borrowing at the net proceeds received less the transaction costs paid.

In subsequent periods, the interest bearing liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement under 'financial costs' over the term of the loan.

Interest bearing liabilities also include the capitalised residual obligation on financial leases. Other liabilities are recognised at amortised cost.

Other payables
Other payables comprise amounts owed to staff, including wages, salaries and holiday pay. Amounts owed to public authorities include payable withholding tax, VAT, excise duties, real property taxes, etc., and amounts owed in connection with purchase/disposal of ships, buildings and terminals, interest expense, fair value of hedges, amounts due in respect of loss on ships and costs related to shipping operations, etc. Other payables also include amounts owed regarding defined contribution plans.

Deferred income
Includes payments received no later than at the balance sheet date but which relate to income in subsequent years.

Cash flow statement
The cash flow statement has been prepared using the indirect method and shows the consolidated cash flow from operating, investing, and financing activities for the year, and the consolidated cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisition and disposal of enterprises is shown separately in cash flows from investing activities.

Cash flow from the acquisition of enterprises is recognised in the cash flow statement from the date of acquisition. Cash flow from the disposal of enterprises is recognised up to the date of disposal.

Cash flow from operating activities is calculated on the basis of the profit/loss before amortisation and depreciation and financing, net and adjusted for non-cash operating items, changes in working capital, payments relating to financial items and corporation tax paid. Cash flow from investment activities includes payments in connection with the acquisition and disposal of enterprises and activities and of non-current intangible assets, tangible assets and investments. Cash flow from financing activities includes changes in the size or composition of the Group's share capital, payment of dividends to shareholders and the obtaining and repayment of mortgage loans and other long-term and short-term debt. Cash and cash equivalents comprise cash.

Significant estimates and judgements of accounts
The preparation of financial statements in conformity with IFRS requires the management to make estimates and assumptions for future events, which affect the reported amounts of assets and liabilities, contingent assets and liabilities, and also income and costs. The management base their estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances. The results of this form the basis of estimating the reported accounting values of assets and liabilities as well as the reported income and costs, which do not appear directly from other material. The estimates and assumptions might be incomplete and inaccurate, and unexpected events or circumstances might occur. Furthermore, the actual outcome might diverge from these estimates due to certain risks and instabilities.

Estimates and judgements are assessed regularly. Changes in accounting estimates are recognised in the period when the estimates are changed and are moving forward.

Estimates and judgements made by the management that have an essential influence on the annual report and judgement with considerable risk that actual amounts might diverge from the amounts estimated by the management, are stated in Note 40.

NOTE 2 SEGMENT INFORMATION

Information about products and services
The segments and the allocation of operating profit, assets and liabilities, etc., are identical with the internal reporting structure in the Group. The costs in the business segments are allocated directly with the addition of a few systematically attributed indirect costs that primarily are related to central service functions.

The applied accounting policy for the statement of the individual segment, including transactions between the segments, is in accordance with the Group's applied accounting policy. Non-allocated costs are thus a term related to the central service functions, which cannot be allocated to the segments and which primarily consist of costs related to the Executive Board and Board of Directors as well as Corporate functions like Treasury, Investor Relation, Legal, Communication and Financial Control. Elimination of transactions between the segments is also included. Transactions between the segments are concluded at arm's lenght.

The "finance, net" is for each segment an allocation of the Groups "finance, net". The allocation is based on a fixed interest rate assessed at the beginning of the year and is calculated on each segments average invested capital. The difference between the allocated "finance, net" and the Groups "finance, net" is reported as non-allocated.

Segment assets includes assets, which are directly related to the segment, including non-current intangible, non-current tangible and other non-current assets, inventories, receivables, prepayments, cash in hand and at bank of group enterprises and deposits at the Parent Company. Segment liabilities include current and non-current liabilities.

Ro-Ro Shipping's main activity is operation of ro-ro and ro-pax tonnage. The customers are mainly transportation and shipping as well as manufacturers of heavy industrial goods with a high demand for sea transportation.

Container Shipping's main activity is operation of lo-lo tonnage. The customers are primarily importers/exporters and manufacturers of heavy industrial goods with a high demand for sea transportation.

Passenger Shipping's main activity is operation of passenger ships, as well as revenue from freight is important. The main business areas cover passengers with own cars, Mini Cruises, conferences and tour operators. Furthermore, the operation of the DFDS Canal Tours in Copenhagen habour is part of this segment.

Terminal Services main activities includes own habour terminals in Denmark, England, Holland and Norway. The terminals handle goods like trailers, containers, cars and industrial goods. In addition, some terminals are also offering passenger transportation. The terminals operate mainly own routes.

Trailer Service's main activity comprises of trailer operators in Norway, Sweden, Denmark, Finland, Germany, Belgium, Holland, England and Ireland, who primarily offers full-load transportation solutions via the DFDS shipping network.

The Tramp Shipping activity consists of four multi-purpose ships. This activity is presented in the balance sheet for 2007 as 'assets and liabilities held for sale' and the activity is disposed of in 2008.

DKK '000	RO-RO SHIPPING	CONTAINER SHIPPING	PASSENGER SHIPPING	TERMINAL SERVICES	TRAILER SERVICES	TRAMP SHIPPING	NON-ALLOCATED	TOTAL
2007								
Revenue from external customers	3,430,471	1,601,542	1,917,066	286,305	961,478	105,936	7,451	8,310,249
Inter-segment revenue	249,866	21,518	14,912	416,748	24,276	0	164,552	891,872
Total revenue	*3,680,337*	*1,623,060*	*1,931,978*	*703,053*	*985,754*	*105,936*	*172,003*	*9,202,121*
Operating expenses, external	-2,328,274	-1,381,850	-1,596,324	-680,420	-687,822	-97,077	-227,206	-6,998,973
Inter-segment operating expenses	-437,914	-108,644	-86,710	-10,560	-241,455	-35	-6,554	-891,872
Operating profit before depreciation (EBITDA)	**914,149**	**132,566**	**248,944**	**12,073**	**56,477**	**8,824**	**-61,757**	**1,311,276**
Share of profit/(loss) of associates	85	537	0	1,763	879	0	0	3,264
Profit on disposal of tangible assets	-975	286	35,049	2,851	303	-67	-603	36,844
Depreciation of ships and other non-current assets	-266,615	-73,538	-183,329	-26,664	-33,342	-8,224	-4,083	-595,795
Value adjustment of goodwill/negative goodwill	1,973	0	0	0	0	0	0	1,973
Operating profit (EBIT)	**648,617**	**59,851**	**100,664**	**-9,977**	**24,317**	**533**	**-66,443**	**757,562**
Finance, net	-129,889	-33,413	-57,411	-13,563	-6,331	-3,908	12,747	-231,768
Profit before tax	**518,728**	**26,438**	**43,253**	**-23,540**	**17,986**	**-3,375**	**-53,696**	**525,794**
Tax on profit								-114,097
Profit for the year								**411,697**
Total assets	4,906,367	1,227,705	2,129,394	523,415	435,116	5,923	240,357	9,468,277
Non-liquid operating items	717	6,169	9,953	166	0	7,019	6,634	30,658
Capital expenditures of the year	99,803	41,607	78,696	8,050	18,465	6,611	6,676	259,908
Investments in associates	0	313	0	0	0	0	0	313
Assets held for sale, see Note 35	0	0	0	0	0	141,796	0	141,796
Liabilities	2,962,391	525,717	1,433,066	175,185	167,293	17,222	675,853	5,956,727

NOTE 2 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 2 CONTINUED

DKK '000	RO-RO SHIPPING	CONTAINER SHIPPING	PASSENGER SHIPPING	TERMINAL SERVICES	TRAILER SERVICES	TRAMP SHIPPING	NON-ALLOCATED	TOTAL
2008								
Revenue from external customers	3,540,464	1,620,657	1,766,055	280,085	943,604	37,582	5,139	8,193,586
Inter-segment revenue	258,247	15,190	12,650	367,133	18,917	0	171,305	843,442
Total revenue	*3,798,711*	*1,635,847*	*1,778,705*	*647,218*	*962,521*	*37,582*	*176,444*	*9,037,028*
Operating expenses, external	-2,635,968	-1,458,670	-1,498,085	-662,618	-675,251	-29,522	-222,002	-7,182,116
Inter-segment operating expenses	-379,007	-96,174	-86,953	-15,403	-256,201	-403	-9,301	-843,442
Operating profit before depreciation (EBITDA)	**783,736**	**81,003**	**193,667**	**-30,803**	**31,069**	**7,657**	**-54,859**	**1,011,470**
Share of profit/(loss) of associates	-30	945	0	1,235	2,328	0	0	4,478
Profit on disposal of tangible assets	11,607	1,423	1,299	1,221	1,921	27,899	0	45,370
Depreciation of ships and other non-current assets	-260,659	-72,978	-179,585	-23,735	-28,657	0	-6,098	-571,712
Impairments of ships and other non-current assets	-4,413	-38,026	0	0	0	0	0	-42,439
Value adjustment of goodwill/negative goodwill	20,094	0	0	-147	0	0	0	19,947
Operating profit (EBIT)	**550,335**	**-27,633**	**15,381**	**-52,229**	**6,661**	**35,556**	**-60,957**	**467,114**
Finance, net	-127,368	-37,499	-51,651	-11,064	-5,936	-1,915	-10,749	-246,182
Profit before tax	**422,967**	**-65,132**	**-36,270**	**-63,293**	**725**	**33,641**	**-71,706**	**220,932**
Tax on profit								32,145
Profit for the year								**253,077**
Total assets	4,622,808	949,063	1,806,260	430,632	395,726	3,890	217,072	8,425,451
Non-liquid operating items	-12	3,964	-5,509	154	0	1,181	3,788	3,566
Capital expenditures of the year	326,880	34,975	62,342	20,452	27,940	0	14,486	487,075
Assets held for sale, see Note 35	0	0	184,971	0	0	0	0	184,971
Liabilities	2,528,252	351,473	1,134,906	170,920	149,728	11,018	779,633	5,125,930

DKK 1.000	RO-RO SHIPPING	CONTAINER SHIPPING	PASSENGER SHIPPING	TERMINAL SERVICES	TRAILER SERVICES	NON-ALLOCATED	TOTAL
2009							
Revenue from external customers	2,767,057	1,152,653	1,619,128	243,846	766,608	6,191	6,555,483
Inter-segment revenue	229,528	12,718	1,019	311,471	9,558	182,992	747,286
Total revenue	*2,996,585*	*1,165,371*	*1,620,147*	*555,317*	*776,166*	*189,183*	*7,302,769*
Operating expenses, external	-2,134,557	-1,096,246	-1,185,886	-554,161	-543,260	-254,997	-5,769,107
Inter-segment operating expenses	-342,532	-64,366	-120,604	-14,958	-196,411	-8,415	-747,286
Operating profit before depreciation (EBITDA)	**519,496**	**4,759**	**313,657**	**-13,802**	**36,495**	**-74,229**	**786,376**
Share of profit/(loss) of associates	24	754	0	628	6	0	1,412
Profit on disposal of tangible assets	27	9,157	70	1,474	6,441	448	17,617
Depreciation of ships and other non-current assets	-282,636	-49,960	-177,748	-22,747	-30,336	-8,791	-572,218
Impairments of ships and other non-current assets	-6,161	0	-33,000	0	-1,489	-20,000	-60,650
Value adjustment of goodwill/negative goodwill	1,460	0	0	0	0	0	1,460
Operating profit (EBIT)	**232,210**	**-35,290**	**102,979**	**-34,447**	**11,117**	**-102,572**	**173,997**
Finance, net	-134,494	-20,914	-46,754	-8,674	-6,423	62,967	-154,292
Profit before tax	**97,716**	**-56,204**	**56,225**	**-43,121**	**4,694**	**-39,605**	**19,705**
Tax on profit							69,123
Profit for the year							**88,828**
Total assets	5,579,774	882,542	1,702,489	439,570	410,318	272,275	9,286,968
Non-liquid operating items	1	4,965	1,466	295	0	1,528	8,255
Capital expenditures of the year	1,156,964	7,724	62,736	2,897	75,399	8,751	1,314,471
Assets held for sale, see Note 35	10,984	0	0	0	0	0	10,984
Liabilities	2,914,579	249,547	1,074,490	197,256	224,174	950,124	5,610,170

NOTE 2 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 2 CONTINUED

Information on geographical segments, etc.
The DFDS Group's risk and management control is attached to the Business Units' activities. The DFDS Group does not have a natural geographic distribution, since the Group is based on a connected route network in Northern Europe, where the routes support each other with sales and customer services located in one country whereas the actual revenue is created in other countries. It is consequently not possible to present a meaningful distribution of revenues and non-current assets by country, and the distribution is therefore presented by water, in which DFDS operates, grouped as 'North Seas and other seas' and 'The Baltic Sea'. The DFDS Group's business model causes that the routes are not directly owning the ships but are only leasing the ships from a vessel pool. The ships are often re-located within the DFDS route network. It is consequently impossible to determine the exact volume of non-current assets by geographic segment, and an adapted model for allocation of non-current assets has been applied.

DKK '000	EXTERNAL REVENUES	NON-CURRENT ASSETS
2007		
North Sea and other seas	7,935,350	6,912,946
The Baltic Sea	637,706	843,020
Elimination	-262,807	0
Total	**8,310,249**	**7,755,966**
2008		
North Sea and other seas	7,933,782	6,299,210
The Baltic Sea	548,907	800,093
Elimination	-289,103	0
Total	**8,193,586**	**7,099,303**
2009		
North Sea and other seas	6,382,086	6,414,504
The Baltic Sea	523,234	1,698,179
Elimination	-349,837	0
Total	**6,555,483**	**8,112,683**

Information on significant customers
The DFDS Group as well as the Parent company does not have specific or associated customers representing individually or group-wise more than 10% of the total revenues.

PARENT COMPANY DKK '000 / CONSOLIDATED DKK '000

2007	2008	2009	NOTE 3 REVENUE	2007	2008	2009
984,082	908,678	798,848	Sale of goods on board	1,001,841	930,181	819,088
4,024,412	4,104,642	3,281,596	Sale of service	7,024,451	7,013,092	5,428,173
205,628	269,588	388,739	Rental income from timecharter and bareboat of ships as well as operating equipment	283,957	250,313	308,222
5,214,122	**5,282,908**	**4,469,183**	**Total revenue**	**8,310,249**	**8,193,586**	**6,555,483**

PARENT COMPANY DKK '000 / CONSOLIDATED DKK '000

2007	2008	2009	NOTE 4 COST OF SALES	2007	2008	2009
1,286,046	1,443,233	970,457	Cost of sales in operation costs related to ships	1,519,112	1,733,198	1,114,648
7,444	2,347	1,945	Write-down of inventories for the year	7,444	2,347	1,945
1,293,490	**1,445,580**	**972,402**	**Total cost of sales**	**1,526,556**	**1,735,545**	**1,116,593**

Cost of sales consists of bunkers and cost of sales related to sale of goods and services on board.

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2007	2008	2009	NOTE 5 STAFF COSTS	2007	2008	2009
542,059	533,514	494,935	Wages and salaries	1,186,598	1,167,399	1,041,538
37,401	40,324	36,338	Defined contributions plans	64,952	64,302	59,115
-824	453	-162	Defined benefit plans, see Note 21	4,811	3,131	9,995
31,690	30,532	28,487	Social security costs, etc.	136,628	136,774	123,077
9,970	2,013	807	Share based payment, see Note 20	9,970	2,013	807
54,494	35,528	17,849	Other staff costs	126,129	107,774	91,096
674,790	**642,364**	**578,254**	**Total staff costs**	**1,529,088**	**1,481,393**	**1,325,628**
			Of this, remuneration for the Executive Board [1]			
14,975	12,264	9,276	Wages and salaries	14,975	12,264	9,276
3,048	2,659	1,347	Defined contributions plans	3,048	2,659	1,347
9,950	2,013	807	Share based payment	9,950	2,013	807
730	354	297	Other staff costs	730	354	297
28,703	**17,290**	**11,727**		**28,703**	**17,290**	**11,727**
			Remuneration for the Parent Company's Board of Directors and Audit Committee			
625	625	625	Chairman	625	625	625
375	375	400	Deputy chairman	375	375	400
1,625	1,750	1,825	Other members of the Board of Directors	1,625	1,750	1,825
2,625	**2,750**	**2,850**		**2,625**	**2,750**	**2,850**
1,735	1,666	1,532	Average number of employees	4,427	4,301	3,924

If members of the Executive Board resigns in accordance with a takeover of the Group, a special remuneration will be paid corresponding to 1 years salary. Beyond this no unusual agreements have been entered into with the Executive Board regarding terms of pension and retirement.

1) Staff costs related to the Executive Board includes agreed severance benefit in connection with a director's resignation at year-end 2007 respectively year-end 2008.

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2007	2008	2009	NOTE 6 OTHER COSTS OF OPERATION, SALES AND ADMINISTRATION	2007	2008	2009
145,206	142,029	138,079	Selling costs, external	193,859	181,863	165,527
225,553	200,906	171,063	Selling costs, internal	-	-	-
121,737	130,920	133,259	Other costs	247,414	242,287	224,897
492,496	**473,855**	**442,401**	**Total other costs of operation, sales and administration**	**441,273**	**424,150**	**390,424**
			Of this, the fee for auditor appointed at the Annual General Meeting, KPMG			
1,195	1,245	1,215	Audit	4,510	4,594	3,716
78	14	100	Other statements with assurance	198	89	532
1,038	435	933	Tax and VAT services	2,185	1,108	1,723
521	520	671	Other services	1,924	1,832	885
2,832	**2,214**	**2,919**	**Total fee**	**8,817**	**7,623**	**6,856**

PARENT COMPANY DKK '000 — CONSOLIDATED DKK '000

2007	2008	2009	NOTE 7 PROFIT ON DISPOSAL OF TANGIBLE ASSETS	2007	2008	2009
			Gain on disposal of tangible assets			
35,045	0	0	Ships	35,359	47,361	9,495
0	0	0	Terminals	2,238	0	670
326	497	326	Equipment, etc.	4,456	5,845	7,707
35,371	*497*	*326*	*Gain on disposal of tangible assets*	*42,053*	*53,206*	*17,872*
			Loss on disposal of tangible assets			
0	0	-14,918	Ships	-5,060	-7,662	-244
0	0	0	Terminals	0	-127	0
0	0	-246	Equipment, etc.	-149	-47	-11
0	*0*	*-15,164*	*Loss on disposal of tangible assets*	*-5,209*	*-7,836*	*-255*
35,371	**497**	**-14,838**	**Total profit on disposal of tangible assets**	**36,844**	**45,370**	**17,617**

PARENT COMPANY DKK '000 — CONSOLIDATED DKK '000

2007	2008	2009	NOTE 8 FINANCE, NET	2007	2008	2009
4,801	11,594	8,228	Interest income, cash, cash equivalents	16,958	28,800	12,002
63,052	68,777	71,350	Interest income from group enterprises	-	-	-
-179,056	-157,229	-150,164	Interest expenses, credit institutions, etc.	-240,452	-219,213	-175,625
-22,803	-30,478	-4,959	Interest expenses for group enterprises	-	-	-
-134,006	*-107,336*	*-75,545*	*Interest, net*	*-223,494*	*-190,413*	*-163,623*
59,371	91,022	133,382	Foreign exchange gains	72,059	138,102	124,564
-74,041	-212,510	-66,106	Foreign exchange losses	-64,804	-167,071	-105,150
-14,670	*-121,488*	*67,276*	*Foreign exchange gains and losses, net*	*7,255*	*-28,969*	*19,414*
4	0	0	Realised capital gains/losses on securities	4	380	-621
0	-76,786	0	Impairment loss of investments in group enterprises	-	-	-
0	0	40,000	Reversal of prior years write-down of interest in group enterprises	-	-	-
561	0	0	Gain on sale/liquidation of group enterprises	-	-	-
0	0	0	Impairment loss on non-current financial assets	-5,490	-22,120	-
2,500	4,957	10,441	Dividends from group enterprises	-	-	-
1,194	1,194	0	Dividends from associates	-	-	-
2,590	2,257	2,804	Other dividends	2,590	2,257	2,804
0	0	0	Defined benefit plans, see Note 21	-8,599	-2,643	-4,223
-1,015	-1,558	-6,825	Other financial income and expenses	-4,034	-4,674	-8,043
5,834	*-69,936*	*46,420*	*Other financial income and expenses, net*	*-15,529*	*-26,800*	*-10,083*
-142,842	**-298,760**	**38,151**	**Finance, net**	**-231,768**	**-246,182**	**-154,292**
			Finance, net is divided into			
74,702	88,779	200,099	Financial income	26,807	31,437	34,220
-217,544	-387,539	-161,948	Financial expenses	-258,575	-277,619	-188,512
-142,842	**-298,760**	**38,151**	**Finance, net**	**-231,768**	**-246,182**	**-154,292**

DFDS A/S makes forward exchange transactions, etc., on behalf of all group enterprises, and therefore foreign exchange gains and losses in DFDS A/S also include the Group's gross transactions. Transactions entered into on behalf of group enterprises are transferred to the group enterprises on back-to-back terms.

"Interest, net" is related to financial instruments measured at amortizised cost.

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2007	2008	2009	**NOTE 9 TAX**	2007	2008	2009
0	0	0	Current tax	-24,345	-21,627	-21,117
0	-2,981	-2,824	Current joint tax contributions	-1,784	-2,888	-2,663
0	0	0	Deferred tax	-3,556	36,922	29,970
0	-7,500	0	Adjustment of corporation tax, previous years	-66,423	-5,578	68,670
0	0	0	Adjustment of deferred tax, previous years	-18,294	25,316	-5,722
0	0	0	Adjustment of deferred tax, 28% to 25%	329	0	0
0	**-10,481**	**-2,824**	**Total tax for the year**	**-114,073**	**32,145**	**69,138**
			Total tax for the year can be specified as follows:			
0	-10,481	-2,824	Tax in the income statement (effective tax)	-114,097	32,145	69,123
0	0	0	Tax of equity movements	24	0	15
0	**-10,481**	**-2,824**	**Total tax for the year**	**-114,073**	**32,145**	**69,138**
			Tax in the income statement can be specified as follows:			
299,098	-9,554	35,176	Profit before tax	525,794	220,932	19,705
311,286	-17,838	-3,120	Of this, tonnage income	431,151	258,443	56,120
-12,188	8,284	38,296	Result before tax (company taxation)	94,643	-37,511	-36,415
3,047	-2,071	-9,574	25% tax of profit before tax	-23,661	9,378	9,104
-	-	-	Adjustment to computed tax in foreign subsidiaries compared to the 25% tax rate	-1,587	4,888	3,458
			Tax effect of:			
-1,550	547	8,282	Non-taxable items	-976	52	2,476
-22	0	0	Tax asset, not recognised	-2,676	-2,088	-7,083
0	0	0	Utilisation of non-capitalised tax asset	1,104	2,058	341
0	-7,500	0	Adjustments of tax related to previous years	-84,388	19,738	62,948
1,475	-9,024	-1,292	Corporation tax of ordinary income	-112,184	34,026	71,244
-1,475	-1,457	-1,532	Tonnage tax	-1,913	-1,881	-2,121
0	**-10,481**	**-2,824**	**Tax in the income statement**	**-114,097**	**32,145**	**69,123**
0.0	-109.7	8.0	Effective tax rate	21.7	-14.5	-350.8
0.0	-31.2	8.0	Effective tax rate before adjustment of previous years' tax	5.7	-5.6	-31.3
			Tax on changes on equity can be specified as follows:			
0	0	0	Adjustments to previous years	24	0	0
0	0	0	Deferred tax	0	0	15
0	**0**	**0**	**Total tax on changes in equity**	**24**	**0**	**15**

The Parent Company has not paid Danish corporation tax in 2009 and the company has no tax liability for that year.

The Parent Company and its Danish subsidiaries are within the Danish Act of compulsory joint taxation with LF Investment ApS and J. Lauritzen A/S and these two companies' Danish affiliated companies. DFDS A/S is liable for the tax of its own taxable income. LF Investment ApS is the administration company in the joint taxation and settles all payments of corporation tax with the tax authorities.

DFDS A/S, AB DFDS Lisco, DFDS Container Line B.V. (on and after 1 November 2007) and DFDS Lys Line Rederi AS have entered into tonnage tax arrangements where the taxable income related from transport of passengers and goods is computed based on the tonnage used during the year. Taxable income related to other activities is taxed according to the normal tax rules.

Adjustment of previous years' tax in 2009 primarily concerns reversal of recognised tax regarding the transition to the new tonnage tax legislation in Norway. Adjustment of previous years' tax in 2007 primarily concerns the new tonnage tax legislation in Norway. See Note 26 for further information.

NOTE 10 EARNINGS PER SHARE	2007	2008	2009
			CONSOLIDATED DKK '000
Profit for the year	411,697	253,077	88,828
Minority interest of the Group's profit for the year	-11,304	-6,518	-3,100
Equity holders share of profit for the year	**400,393**	**246,559**	**85,728**
Weighted average number of issued ordinary shares	8,000,000	8,000,000	8,000,000
Weighted average number of treasury shares	-358,068	-325,006	-337,335
Weighted average number of ordinary shares	7,641,932	7,674,994	7,662,665
Weighted average number of share options issued	56,218	10,173	237
Weighted average number of ordinary shares (diluted)	7,698,150	7,685,167	7,662,902
Basic earnings per share (EPS) of DKK 100	52.39	32.12	11.19
Diluted earnings per share (EPS-D) of DKK 100	52.01	32.08	11.19

NOTE 11 NON-CURRENT INTANGIBLE ASSETS

CONSOLIDATED DKK '000	GOODWILL	OTHER NON-CURRENT INTANGIBLE ASSETS	SOFTWARE	DEVELOPMENT PROJECTS IN PROGRESS	TOTAL
Balance at 1 January 2007	308,839	196,144	82,925	1,117	589,025
Foreign exchange adjustment	-1,845	-2,670	0	0	-4,515
Addition related to acquisition	22,587	0	0	0	22,587
Addition	7,463	0	6,094	8,458	22,015
Disposal	0	-13,887	0	0	-13,887
Cost at 31 December 2007	**337,044**	**179,587**	**89,019**	**9,575**	**615,225**
Balance at 1 January 2007	10,244	44,340	41,169	0	95,753
Foreign exchange adjustment	-597	-1,334	0	0	-1,931
Depreciation	0	39,020	11,766	0	50,786
Depreciation on disposal	0	-13,887	0	0	-13,887
Impairment and depreciation at 31 December 2007	**9,647**	**68,139**	**52,935**	**0**	**130,721**
Carrying amount at 31 December 2007	**327,397**	**111,448**	**36,084**	**9,575**	**484,504**
Balance at 1 January 2008	337,044	179,587	89,019	9,575	615,225
Foreign exchange adjustment	-19,468	-6,399	0	0	-25,867
Transfer to/from other items	0	0	26,962	-26,962	0
Addition related to acquisition	123	0	0	0	123
Addition	9,363	3,119	7,607	21,362	41,451
Cost at 31 December 2008	**327,062**	**176,307**	**123,588**	**3,975**	**630,932**
Balance at 1 January 2008	9,647	68,139	52,935	0	130,721
Foreign exchange adjustment	-1,587	-4,430	0	0	-6,017
Depreciation	0	35,627	12,794	0	48,421
Impairment	147	42,439	0	0	42,586
Impairment and depreciation at 31 December 2008	**8,207**	**141,775**	**65,729**	**0**	**215,711**
Carrying amount at 31 December 2008	**318,855**	**34,532**	**57,859**	**3,975**	**415,221**

NOTE 11 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 11 CONTINUED

CONSOLIDATED DKK '000	GOODWILL	OTHER NON-CURRENT INTANGIBLE ASSETS	SOFTWARE	DEVELOPMENT PROJECTS IN PROGRESS	TOTAL
Balance at 1 January 2009	327,062	176,307	123,588	3,975	630,932
Foreign exchange adjustment	10,523	2,300	0	0	12,823
Transfer to/from other items	0	0	3,185	-3,185	0
Addition	14,905	1,488	17,089	5,164	38,646
Cost at 31 December 2009	**352,490**	**180,095**	**143,862**	**5,954**	**682,401**
Balance at 1 January 2009	8,207	141,775	65,729	0	215,711
Foreign exchange adjustment	386	1,855	0	0	2,241
Depreciation	0	19,753	18,698	0	38,451
Impairment	0	1,489	0	0	1,489
Impairment and depreciation at 31 December 2009	**8,593**	**164,872**	**84,427**	**0**	**257,892**
Carrying amount at 31 December 2009	**343,897**	**15,223**	**59,435**	**5,954**	**424,509**

The Group's carrying amount of goodwill and other non-current intangible assets are allocated to the cash flow-generating units to which the assets can be attributed.

The additions of goodwill in 2009 are related to the acquisition of minority interest in Halléns N.V. (DKK 14.9 million). The additions of goodwill in 2008 are related to the acquisition of minority interest in Halléns N.V. (DKK 9.4 million) and goodwill related to the acquisition of a minor company (DKK 0.1 million). The additions of goodwill in 2007 are primary related to the acquisition of DFDS Container Line B.V. (DKK 22.6 million) and the acquisition of minority interest in a minor company (DKK 7.5 million).

The carrying amount of recognised goodwill concerns the following:

DKK MILLION	**2007**	**2008**	**2009**
DFDS Container Line B.V.	156.0	155.8	155.7
Halléns N.V,	33.3	42.6	57.5
Acquisition of a route/bridge	55.6	47.9	50.9
DFDS Lys Line AS	41.7	33.8	39.9
Canal Tours A/S	14.1	14.1	14.1
Other	26.7	24.7	25.8
Total	**327.4**	**318.9**	**343.9**

Value adjustment goodwill/negative goodwill in the income statement consists of impairment loss relating to goodwill, DKK 0 million (2008: DKK 0.1 million, 2007: DKK 0.0 million) and negative goodwill from acquisition of shares in AB DFDS LISCO amounting DKK 1.5 million (2008: DKK 20.1 million, 2007: DKK 2.0 million).

The carrying amount of other non-current intangible assets primary consist of value of customer portfolio/-relations identified from acquisitions and the right of sailing for a route (5-year non-competition clause) acquired in 2005.

The carrying amount of recognised completed software and development projects in progress is primarily related to software for Passenger Shipping's on-line booking and finance and logistic systems on the ships of Passenger Shipping.

On the basis of the impairment tests performed in 2009 an impairment loss on non-current intangible assets in 2009 of DKK 1.5 million (2008: DKK 42.4 million, 2007: no impairment loss) has been recognized. The impairment loss is recognized in "Depreciation on ships and other non-current assets" in the income statement. See Note 39.

NOTE 11 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 11 CONTINUED

PARENT COMPANY DKK '000	GOODWILL	OTHER NON-CURRENT INTANGIBLE ASSETS	SOFTWARE	DEVELOPMENT PROJECTS IN PROGRESS	TOTAL
Balance at 1 January 2007	275,188	54,693	82,925	1,117	413,923
Foreign exchange adjustment	-2,501	-2,008	0	0	-4,509
Addition	0	0	6,094	8,458	14,552
Cost at 31 December 2007	**272,687**	**52,685**	**89,019**	**9,575**	**423,966**
Balance at 1 January 2007	0	16,506	41,169	0	57,675
Foreign exchange adjustment	0	-806	0	0	-806
Depreciation	0	10,721	11,766	0	22,487
Impairment and depreciation at 31 December 2007	**0**	**26,421**	**52,935**	**0**	**79,356**
Carrying amount at 31 December 2007	**272,687**	**26,264**	**36,084**	**9,575**	**344,610**
Balance at 1 January 2008	272,687	52,685	89,019	9,575	423,966
Foreign exchange adjustment	-7,665	-6,155	0	0	-13,820
Transfer to/from other items	0	0	26,962	-26,962	0
Addition	0	1,778	7,607	21,362	30,747
Cost at 31 December 2008	**265,022**	**48,308**	**123,588**	**3,975**	**440,893**
Balance at 1 January 2008	0	26,421	52,935	0	79,356
Foreign exchange adjustment	0	-4,290	0	0	-4,290
Depreciation	0	10,586	12,794	0	23,380
Impairment	0	4,413	0	0	4,413
Impairment and depreciation at 31 December 2008	**0**	**37,130**	**65,729**	**0**	**102,859**
Carrying amount at 31 December 2008	**265,022**	**11,178**	**57,859**	**3,975**	**338,034**
Balance at 1 January 2009	265,022	48,308	123,588	3,975	440,893
Foreign exchange adjustment	2,986	2,399	0	0	5,385
Transfer to/from other items	0	0	3,184	-3,184	0
Addition	0	0	17,089	5,163	22,252
Kostpris 31/12 2009	**268,008**	**50,707**	**143,861**	**5,954**	**468,530**
Balance at 1 January 2009	0	37,130	65,729	0	102,859
Foreign exchange adjustment	0	1,960	0	0	1,960
Depreciation	0	7,898	18,697	0	26,595
Impairment and depreciation at 31 December 2009	**0**	**46,988**	**84,426**	**0**	**131,414**
Carrying amount at 31 December 2009	**268,008**	**3,719**	**59,435**	**5,954**	**337,116**

The carrying amount of the Parent Company's goodwill of DKK 268.0 million (2008: DKK 265.0 million, 2007: DKK 272.7 million) is related to acquisition of Ro-Ro Shipping routes from the Swedish subsidiary in 2001 and the acquisition of a route in 2005.

The carrying amount of other non-current intangible assets consist of the right of sailing for a route acquired in 2005 (5-year non-competition clause).

The carrying amount of recognised completed software and development projects in progress is primarily related to software for Passenger Shipping's on-line booking and finance and logistic systems on the ships of Passenger Shipping.

On the basis of the impairment tests performed in 2009 no impairment loss on non-current intangible assets (2008: DKK 4.4 million loss, 2007: no impairment loss) has been recognised. The impairment loss in 2008 is recognised in "Depreciation on ships and other non-current assets" in the income statement. See Note 39.

NOTE 12 NON-CURRENT TANGIBLE ASSETS

CONSOLIDATED DKK '000	BUILDINGS	TERMINALS	SHIPS	EQUIPMENT, ETC.	WORK IN PROGRESS AND PREPAYMENTS	TOTAL
Balance at 1 January 2007	93,810	528,309	9,518,547	664,011	11,705	10,816,382
Foreign exchange adjustment	-2,569	-25,759	-49,302	-15,255	1	-92,884
Transfer to/from other items	7,948	0	33,591	0	-41,539	0
Addition	1,677	8,444	98,912	48,698	57,575	215,306
Disposal	0	-25,352	-317,561	-21,709	-343	-364,965
Assets held for sale	0	0	-173,010	0	0	-173,010
Cost at 31 December 2007	**100,866**	**485,642**	**9,111,177**	**675,745**	**27,399**	**10,400,829**
Balance at 1 January 2007	22,382	148,153	2,550,948	338,900	0	3,060,383
Foreign exchange adjustment	-1,017	-6,822	-8,805	-11,777	0	-28,421
Depreciation	2,981	20,541	456,608	69,634	0	549,764
Depreciation on disposal	0	-24,368	-251,102	-20,450	0	-295,920
Assets held for sale	0	0	-41,037	0	0	-41,037
Impairment and depreciation at 31 December 2007	**24,346**	**137,504**	**2,706,612**	**376,307**	**0**	**3,244,769**
Carrying amount at 31 December 2007	**76,520**	**348,138**	**6,404,565**	**299,438**	**27,399**	**7,156,060**
Of this, financial leased assets			62,341	22,225		84,566
Interest recognised in cost at 1 January 2007			46,413			46,413
Foreign exchange adjustment			-835			-835
Interest recognised in cost at 31 December 2007			**45,578**			**45,578**
Balance at 1 January 2008	100,866	485,642	9,111,177	675,745	27,399	10,400,829
Foreign exchange adjustment	-8,155	-69,040	-360,050	-47,723	-3	-484,971
Transfer to/from other items	3,537	0	86,138	4,747	-94,422	0
Addition related to acquisition	0	0	0	73	0	73
Addition	5,648	1,897	67,097	66,815	306,187	447,644
Disposal	0	-365	-71,235	-26,292	-2,216	-100,108
Assets held for sale	0	0	-576,577	0	0	-576,577
Cost at 31 December 2008	**101,896**	**418,134**	**8,256,550**	**673,365**	**236,945**	**9,686,890**
Balance at 1 January 2008	24,346	137,504	2,706,612	376,307	0	3,244,769
Foreign exchange adjustment	-2,865	-20,697	-98,775	-38,348	0	-160,685
Depreciation	3,627	18,393	441,666	64,317	0	528,003
Depreciation on disposal	0	-22	-64,862	-22,529	0	-87,413
Assets held for sale	0	0	-391,606	0	0	-391,606
Impairment and depreciation at 31 December 2008	**25,108**	**135,178**	**2,593,035**	**379,747**	**0**	**3,133,068**
Carrying amount at 31 December 2008	**76,788**	**282,956**	**5,663,515**	**293,618**	**236,945**	**6,553,822**
Of this, financial leased assets			32,772	7,368		40,140
Interest recognised in cost at 1 January 2008			45,578			45,578
Foreign exchange adjustment			-2,364			-2,364
Recognised interest for the year			0		7,599	7,599
Interest recognised in cost at 31 December 2008			**43,214**		**7,599**	**50,813**

NOTE 12 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 12 CONTINUED

CONSOLIDATED DKK '000	BUILDINGS	TERMINALS	SHIPS	EQUIPMENT, ETC.	WORK IN PROGRESS AND PREPAYMENTS	TOTAL
Balance at 1 January 2009	101,896	418,134	8,256,550	673,365	236,945	9,686,890
Foreign exchange adjustment	2,435	15,986	192,390	17,515	-4	228,322
Transfer to/from other items	197	171	315,879	2,166	-318,413	0
Addition	757	1,699	1,112,771	69,858	90,740	1,275,825
Disposal	0	-488	-175,246	-59,137	0	-234,871
Transferred to assets held for sale	0	0	-99,426	0	0	-99,426
Transferred from assets held for sale	0	0	576,577	0	0	576,577
Cost at 31 December 2009	**105,285**	**435,502**	**10,179,495**	**703,767**	**9,268**	**11,433,317**
Balance at 1 January 2009	25,108	135,178	2,593,035	379,747	0	3,133,068
Foreign exchange adjustment	751	4,856	58,559	12,974	0	77,140
Depreciation	4,105	17,086	452,657	64,445	0	538,293
Impairment	0	0	6,161	0	0	6,161
Depreciation on disposal	0	-86	-151,032	-52,220	0	-203,338
Transferred to assets held for sale	0	0	-88,442	0	0	-88,442
Transferred from assets held for sale	0	0	444,606	0	0	444,606
Impairment and depreciation at 31 December 2009	**29,964**	**157,034**	**3,315,544**	**404,946**	**0**	**3,907,488**
Carrying amount at 31 December 2009	**75,321**	**278,468**	**6,863,951**	**298,821**	**9,268**	**7,525,829**
Of this, financial leased assets			0	58,111		58,111
Interest recognised in cost at 1 January 2009			43,214		7,599	50,813
Foreign exchange adjustment			1,195		0	1,195
Recognised interest for the year			8,606		0	8,606
Transferred to/from other items			7,599		-7,599	0
Interest recognised in cost at 31 December 2009			**60,614**		**0**	**60,614**
Carrying amount of assets pledged as securities			6,539,593			

The carrying amount of ships includes passenger ships, DKK 1,650 million (2008: DKK 1,815 million, 2007: DKK 2,253 million) of which components with high decrease in value amounts to DKK 442 million (2008: DKK 505 million, 2007: DKK 623 million) and components with minor decrease in value amounts to DKK 1,208 million (2008: DKK 1,310 million, 2007: DKK 1,630 million).

Interest included in costs for the Group are calculated by using an interest rate based on the general borrowing of the Group. The applied interest rate is 2.0 – 5.5%. The interest rate for capitalized interest is 5.5% in 2008 (no capitalized interests in 2007).

The income statement includes depreciation on ships of DKK -448 million (2008: DKK -437 million, 2007: DKK -452 million). Of this, amortisation of profit/loss on sale and lease back transactions amounts to DKK 4.5 million (2008: DKK 4.7 million, 2007: DKK 4.8 million).

As of 31 December 2009 one ship is classified as assets held for sale. The ship is in 2010 stored for scrap. In 2008 the realised profit from sale of assets, which as of 31 December 2007 were classified as held for sale, was DKK 27.9 million.

On the basis of the impairment tests performed in 2009 an impairment loss on a ship classified as an asset held for sale, DKK 53.0, million, is recognised. The ship is added back to tangible assets as of 31 December 2009. Furthermore an impairment loss on a ship classified as an asset held for sale, DKK 6.1 million, is recognised (2008 and 2007: no impairment). See Note 39 for further information.

PARENT COMPANY DKK '000	BUILDINGS	TERMINALS	SHIPS	EQUIPMENT, ETC.	WORK IN PROGRESS AND PREPAYMENTS	TOTAL
Balance at 1 January 2007	15,330	72,422	5,870,592	144,793	5,208	6,108,345
Transfer to/from other items	0	0	24,860	0	-24,860	0
Addition	906	0	78,397	17,883	44,167	141,353
Disposal	0	-492	-318,392	-1,832	-345	-321,061
Cost at 31 December 2007	**16,236**	**71,930**	**5,655,457**	**160,844**	**24,170**	**5,928,637**
Balance at 1 January 2007	4,692	42,148	1,787,446	75,785	0	1,910,071
Depreciation	1,323	2,105	274,212	16,842	0	294,482
Depreciation on disposal	0	-492	-251,931	-1,575	0	-253,998
Impairment and depreciation at 31 December 2007	**6,015**	**43,761**	**1,809,727**	**91,052**	**0**	**1,950,555**
Carrying amount at 31 December 2007	**10,221**	**28,169**	**3,845,730**	**69,792**	**24,170**	**3,978,082**
Of this, financial leased assets			15,146	4,806		19,952
Interest recognised in cost at 1 January 2007			26,631		0	26,631
Interest recognised in cost at 31 December 2007			26,631		0	26,631

NOTE 12 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 12 CONTINUED

PARENT COMPANY DKK '000	BUILDINGS	TERMINALS	SHIPS	EQUIPMENT, ETC.	WORK IN PROGRESS AND PREPAYMENTS	TOTAL
Balance at 1 January 2008	16,236	71,930	5,655,457	160,844	24,170	5,928,637
Transfer to/from other items	3,537	0	47,921	4,747	-56,205	0
Addition	378	0	40,764	32,790	285,654	359,586
Disposal	0	0	-33,755	-926	-21,081	-55,762
Assets held for sale	0	0	-576,577	0	0	-576,577
Cost at 31 December 2008	**20,151**	**71,930**	**5,133,810**	**197,455**	**232,538**	**5,655,884**
Balance at 1 January 2008	6,015	43,761	1,809,727	91,052	0	1,950,555
Depreciation	1,515	1,971	271,411	18,500	0	293,397
Depreciation on disposal	0	0	-28,427	-926	0	-29,353
Assets held for sale	0	0	-391,606	0	0	-391,606
Impairment and depreciation at 31 December 2008	**7,530**	**45,732**	**1,661,105**	**108,626**	**0**	**1,822,993**
Carrying amount at 31 December 2008	**12,621**	**26,198**	**3,472,705**	**88,829**	**232,538**	**3,832,891**
Of this, financial leased assets			7,294	2,443		9,737
Interest recognised in cost at 1 January 2008			26,631		0	26,631
Recognised interest for the year			0		7,599	7,599
Interest recognised in cost at 31 December 2008			26,631		7,599	34,230
Balance at 1 January 2009	20,151	71,930	5,133,810	197,455	232,538	5,655,884
Transfer to/from other items	130	0	152,183	298	-152,611	0
Addition	646	875	35,508	10,907	110,045	157,981
Disposal	0	0	-399,204	-804	-182,901	-582,909
Transferred to assets held to sale	0	0	-23,988	0	0	-23,988
Transferred from assets held to sale	0	0	576,577	0	0	576,577
Cost at 31 December 2009	**20,927**	**72,805**	**5,474,886**	**207,856**	**7,071**	**5,783,545**
Balance at 1 January 2009	7,530	45,732	1,661,105	108,626	0	1,822,993
Depreciation	1,815	1,860	262,894	20,709	0	287,278
Impairment	0	0	6,161	0	0	6,161
Depreciation on disposal	0	0	-144,885	-303	0	-145,188
Transferred to assets held to sale	0	0	-23,988	0	0	-23,988
Transferred from assets held to sale	0	0	444,606	0	0	444,606
Impairment and depreciation at 31 December 2009	**9,345**	**47,592**	**2,205,893**	**129,032**	**0**	**2,391,862**
Carrying amount at 31 December 2009	**11,582**	**25,213**	**3,268,993**	**78,824**	**7,071**	**3,391,683**
Of this, financial leased assets			0	0		0
Interest recognised in cost at 1 January 2009			26,631		7,599	34,230
Recognised interest for the year			1,910		0	1,910
Transferred to/from other items			442		-442	0
Disposal			0		-7,157	-7,157
Interest recognised in cost at 31 December 2009			**28,983**		**0**	**28,983**
Carrying amount of assets pledged as securities			3,266,287			

The carrying amount of ships includes passenger ships, DKK 1,624 million (2008: DKK 1,787 million, 2007: DKK 2,228 million) of which components with high decrease on value amounts to DKK 442 million (2008: DKK 505 million, 2007: DKK 623 million) and components with minor decrease in value amounts to DKK 1,182 million (2008: DKK 1,282 million, 2007: DKK 1,605 million).

Interest rates included in costs for the Parent Company are calculated by using an interest rate based on the general borrowing. The applied interest rate is 2.0 – 5.5%. The interest rate for capitalized interest is 5.5% in 2009 (2008: 5.5%, 2007: no capitalized interests).

On the basis of the impairment tests performed in 2009 an impairment loss on a ship classified as an asset held for sale, DKK 53.0, million, and on improvements on a ship chartered from an affiliated company, DKK 6.1 million, is recognised (2008 and 2007: no impairment). For further information see Note 39.

PARENT COMPANY
DKK '000

NOTE 13 INVESTMENTS IN GROUP ENTERPRISES	2007	2008	2009
Balance at 1 January	1,677,600	1,703,412	1,735,368
Addition	68,003	31,956	112,608
Disposal	-42,191	0	0
Cost at 31 December	**1,703,412**	**1,735,368**	**1,847,976**
Accumulated impairment loss at 1 January	-63,997	-56,973	-135,695
Impairment loss	0	-78,722	0
Reversal of impairment from previous years	0	0	40,000
Disposal	7,024	0	0
Accumulated impairment loss at 31 December	**-56,973**	**-135,695**	**-95,695**
Carrying amount at 31 December	**1,646,439**	**1,599,673**	**1,752,281**

Overview of group enterprises, see Note 42.

Besides the above investments in group enterprises, DFDS A/S considers receivables DKK 433.7 million (2008: DKK 408.2 million, 2007: DKK 473.5 million) as a part of the net investment in group enterprises. The foreign exchange adjustment of this is DKK 25.4 million (2008: DKK -65.3 million, 2007: DKK -21.3 million), which is recognised directly in equity in the consolidated financial statements. In the financial statements for the Parent Company the foreign exchange adjustment is recognised in the income statement under financial income and expenses, net.

Impairment tests of the carrying amount of the Parent Company's investments in group enterprises are prepared at least once a year. Based on the impairment tests performed in 2009 no impairment on investments in group enterprises has been recognised (2008: impairment on investments in two group enterprises, 2007: no impairment). See Note 39. In 2009 part of an impairment on investment in group enterprises made in 2008 was reversed.

DKK 20.7 million of the addition in 2007 regards cost of group enterprises, which the Parent Company has received in connection with the liquidation of own group enterprises.

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	2009	NOTE 14 INVESTMENTS IN ASSOCIATES	2007	2008	2009
7,333	7,333	7,333	Balance at 1 January	8,770	9,125	8,429
-	-	-	Foreign exchange adjustment	42	-310	169
-	-	-	Addition	313	0	0
-	-	-	Disposal	0	-386	-159
-	-	-7,110	Transferred to other types of assets	0	0	-7,110
7,333	**7,333**	**223**	**Cost at 31 December**	**9,125**	**8,429**	**1,329**
-	-	-	Value adjustments at 1 January	1,455	2,266	3,738
-	-	-	Foreign exchange adjustment	50	-796	566
-	-	-	Disposal	0	92	28
-	-	-	Share of profit for the year	3,264	4,478	1,412
-	-	-	Dividends from associates	-2,503	-2,302	-1,350
-	-	-	Transferred to other types of assets	0	0	-940
-	**-**	**-**	**Value adjustments at 31 December**	**2,266**	**3,738**	**3,454**
7,333	**7,333**	**223**	**Carrying amount at 31 December**	**11,391**	**12,167**	**4,783**

	DOMICILE	OWNERSHIP	REVENUE	PROFIT FOR THE YEAR	TOTAL ASSETS	TOTAL LIABILITIES	THE GROUP'S SHARE DKK '000 EQUITY	THE GROUP'S SHARE DKK '000 PROFIT FOR THE YEAR
2007								
Suardiaz DFDS Autologistics NV	Gent	50.0%[1]	0	-16	439	9	215	-8
ICT Holding A/S	Vejle	19.9%[4]	210,000	4,417	29,906	9,526	6,916	879
UAB Krantas Forwarding	Klaipeda	50.0%	2,123	183	736	164	286	92
Moss Containerterminal AS	Moss	50.0%	16,807	-285	2,892	2,221	336	-143
Oslo Containerterminal AS	Oslo	33.3%	67,209	5,718	16,874	8,754	2,705	1,905
Seafront Projects AS	Kristiansand	34.0%	74,544	1,584	17,759	15,248	854	539
DFDS Suardiaz Line Ltd.	Immingham	50.0%	229,726	-10,982	58,568	73,229	-7,329	-5,490
SCF Lines Ltd.	Sankt Petersburg	40.0%	3,624	0	1,137	940	79	0
							4,062	-2,226
Of which investments in associates with negative value							7,329	5,490
							11,391	3,264
2008								
Suardiaz DFDS Autologistics NV	Gent	50.0%[1]	0	-16	439	25	207	-8
ICT Holding A/S	Vejle	19.9%[4]	275,000	11,698	38,561	10,702	8,050	2,328
UAB Krantas Forwarding	Klaipeda	50.0%	1,689	-43	274	67	104	-22
Moss Containerterminal AS	Moss	50.0%[2]	0	58	0	0	0	29
Oslo Containerterminal AS	Oslo	33.3%	39,356	3,617	15,396	8,641	2,249	1,206
Seafront Projects AS	Kristiansand	34.0%	127,288	2,779	20,444	16,098	1,478	945
DFDS Suardiaz Line Ltd.	Immingham	50.0%	172,748	-22,769	30,288	61,121	-15,416	-11,384
SCF Lines Ltd.	Sankt Petersburg	50.0%	3,624	0	1,098	940	79	0
							-3,249	-6,906
Of which investments in associates with negative value							15,416	11,384
							12,167	4,478
2009								
Suardiaz DFDS Autologistics NV	Gent	50.0%[1]	0	-16	398	0	199	-8
UAB Krantas Forwarding	Klaipeda	50.0%[3]	421	68	0	0	0	34
Oslo Containerterminal AS	Oslo	33.3%	33,192	1,885	16,471	9,209	2,421	628
Seafront Projects AS	Kristiansand	34.0%	103,737	2,217	15,649	9,531	2,080	754
DFDS Suardiaz Line Ltd.	Immingham	50.0%	153,684	-3,238	20,229	67,885	-23,828	-1,619
SCF Lines Ltd.	Sankt Petersburg	50.0%	0	8	166	0	83	4
							-19,045	-207
Of which investments in associates with negative value							23,828	1,619
							4,783	1,412

1) Owned by the Parent Company.
2) Moss Containerterminal AS was an associate up to 31 March 2008 where the rest of the company was acquired. In this table the result for the period 1 January 2008 up to 31 March 2008 is stated.
3) UAB Krantas Forwarding was an associate up to 24 July 2009 where the company was sold.
4) ICT Holding A/S has been transferred to securities because of the reduced number of directorships.

PARENT COMPANY DKK '000				CONSOLIDATED DKK '000		
2007	**2008**	**2009**	**NOTE 15 RECEIVABLES**	**2007**	**2008**	**2009**
556,513	507,522	1,282,553	Amounts owed by group enterprises	-	-	-
0	0	0	Other non-current receivables	3,029	27,644	24,826
556,513	**507,522**	**1,282,553**	**Total non-current receivables**	**3,029**	**27,644**	**24,826**
134,851	128,231	101,610	Trade receivables	935,178	741,335	721,558
912,632	767,001	945,746	Amounts owed by group enterprises	-	-	-
0	1,082	1,140	Amounts owed by associates	9,520	2,251	2,799
0	0	0	Corporation tax and joint taxation contribution, receivable	13,722	6,515	8,307
2,843	27,002	18,177	Derivative financial instruments, forward transactions and bunker hedges	2,843	27,002	10,892
12,462	24,986	17,122	Other receivables and current assets	62,435	69,886	77,009
1,062,788	**948,302**	**1,083,795**	**Total current receivables**	**1,023,698**	**846,989**	**820,565**
1,619,301	**1,455,824**	**2,366,348**	**Total receivables**	**1,026,727**	**874,633**	**845,391**
			Write-downs included in above receivables:			
711	5,542	9,565	Write-downs at 1 January	8,024	16,145	18,854
-	-	-	Foreign exchange adjustment, write-downs 1 January	-243	-1,346	424
6,144	9,055	24,957	Write-downs for the year	11,212	10,482	32,484
-1,212	-2,826	-2,915	Realised losses for the year	-1,409	-3,827	-5,906
-101	-2,206	-11,378	Reversed write-downs for the year	-1,439	-2,600	-13,128
5,542	**9,565**	**20,229**	**Write-downs at 31 December**	**16,145**	**18,854**	**32,728**

Write-downs and realised losses are recognised in operational cost in the income statement.

The carrying amount of receivables is in all material respects approximate to the fair value.

			Age distribution of written down trade receivables			
			Maturity period:			
196	1,242	3,045	Up to 30 days	751	2,452	9,764
0	0	533	31-60 days	405	841	562
0	0	0	61-90 days	2,438	2,326	425
0	0	1,530	91-120 days	1,018	405	1,714
5,346	8,323	15,121	Above 120 days	7,006	10,669	15,321
0	0	0	Categorised write down	4,527	2,161	4,942
5,542	**9,565**	**20,229**		**16,145**	**18,854**	**32,728**

The write-downs are caused by the customers bankruptcy or expected bankruptcy as well as uncertainty about the customers ability and willingness to pay.

			Age distribution of overdue, but not written down, trade receivables			
			Maturity period:			
56,049	63,589	21,480	Up to 30 days	265,974	230,409	155,982
1,419	794	1,852	31-60 days	35,360	21,869	23,600
0	40	1,788	61-90 days	12,115	8,994	10,747
307	327	849	91-120 days	4,114	3,059	3,670
1,561	1,915	3,441	Above 120 days	7,221	4,756	5,485
59,336	**66,665**	**29,410**		**324,784**	**269,087**	**199,484**

No secured receivables are overdue on 31 December 2009 (2008: none, 2007: none).

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	2009	NOTE 16 SECURITIES	2007	2008	2009
14,266	5,810	10,375	Listed shares	14,266	5,810	10,375
8,818	8,818	16,931	Other shares and equity investments	10,138	10,114	18,190
1,404	1,529	1,529	Other investments	1,404	1,529	1,529
24,488	**16,157**	**28,835**	**Total securities**	**25,808**	**17,453**	**30,094**

Securities in both the Parent Company and the Group are non-current assets classified as 'available for sale'.

Other shares and equity investments as well as other investments consist of some minor unlisted enterprises and holdings. These assets are not adjusted to fair value because the fair value cannot be measured reliable. Instead the securities are recognised at cost reduced by write-downs, if any.

During 2009 there has been no disposal of other shares and equity investments. In 2009 ICT Holding A/S was transferred from associate to securities because of the reduced number of directorships.

During 2008 two group enterprises have disposed shares and equity investments, which were recognised at the cost of DKK 20 thousand. The profit from sale constitutes DKK 380 thousand and is included in financial income.

During 2007 the Parent Company has disposed shares and equity investments, which were recognised at the cost of DKK 85 thousand. The profit from sale constitutes DKK -4 thousand and is included in financial costs.

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	2009	NOTE 17 INVENTORIES	2007	2008	2009
49,305	40,404	32,409	Bunkers	60,822	47,644	38,340
37,720	29,032	33,789	Goods for sale and raw materials for restaurants	42,810	34,369	40,385
-7,444	-2,347	-1,945	Write-down of inventories for the year	-7,444	-2,347	-1,945
79,581	**67,089**	**64,253**	**Total inventories**	**96,188**	**79,666**	**76,780**

PARENT COMPANY NUMBER OF SHARES

NOTE 18 HOLDING OF TREASURY SHARES	2007	2008	2009
Holding of treasury shares at 1 January	391,120	338,895	339,751
Disposals of the year related to share options used	-52,225	-30,000	-3,000
Acquisition of treasury shares	0	30,856	0
Holding of treasury shares at 31 December	**338,895**	**339,751**	**336,751**
Market value of treasury shares at 31 December, DKK '000	267,727	135,561	120,388

At the Annual General Meeting in April 2009 the Board of Directors was authorised – until the Annual General Meeting 2010 – to acquire treasury shares at a nominal value totalling 10% of the DFDS A/S' share capital.

The Company's holdings of treasury shares at 31 December 2009 are 336,751 shares (2008: 339,751 shares, 2007: 338,895 shares), corresponding to 4.21% (2008: 4.25%, 2007: 4.24%) of the Company's share capital. Treasury shares have originally been acquired to cover a share option scheme for employees.

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	2009	NOTE 19 DEFERRED TAX	2007	2008	2009
0	0	0	Balance at 1 January	127,663	147,254	80,582
-	-	-	Foreign exchange adjustment	-1,930	-4,434	3,049
0	0	0	Change of corporation tax rate	-329	0	0
0	0	0	Deferred tax for the year recognised in the income statement	3,580	-36,922	-29,970
0	0	0	Deferred tax for the year recognised in the equity	0	0	15
0	0	0	Adjustment, previous years in the income statement	18,294	-25,316	5,722
0	0	0	Adjustment, previous years in the equity	-24	0	0
0	**0**	**0**	**Deferred tax at 31 December, net**	**147,254**	**80,582**	**59,398**
			Deferred tax is recognised in the balance sheet as:			
0	0	0	Deferred tax asset	-75,174	-72,996	-102,642
0	0	0	Deferred tax liability	222,428	153,578	162,040
0	**0**	**0**	**Deferred tax, net at 31 December**	**147,254**	**80,582**	**59,398**

NOTE 19 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 19 CONTINUED

By joining the tonnage taxation scheme, DFDS A/S is subject to the requirements of the scheme until 2012. DFDS A/S is not expected to withdraw from the scheme and consequently no deferred tax relating to assets and liabilities subject to tonnage taxation has been recognised. If DFDS A/S withdraws from the tonnage taxation scheme, deferred tax in the amount of maximum DKK 418 million (2008: DKK 429 million, 2007: DKK 401 million) may crystallise.

DFDS A/S has tax losses carried forward of DKK 333 million (2008: DKK 304 million, 2007: DKK 275 million) of which the tax base has not been recognised in the deferred tax. All taxable losses have no maturity date.

The tax base of the tax losses carried forward is not recognised because of uncertainty regarding the outcome of a pending tax case regarding interpretation of the tonnage tax legislation.

CONSOLIDATED DKK'000	BALANCE AT 1 JANUARY	FOREIGN EXCHANGE ADJUSTMENT	RECOGNISED IN THE INCOME STATEMENT	RECOGNISED IN THE EQUITY	ADJUSTMENT, PREVIOUS YEARS IN THE INCOME STATEMENT	BALANCE AT 31 DECEMBER
2007						
Ships	173,540	-7,334	3,052	0	19,648	188,906
Buildings, terminals and operating equipment	10,690	759	1,400	0	-2,791	10,058
Provisions	-57,925	4,670	-1,687	0	-1,141	-56,083
Value of hedging instruments	328	0	0	0	0	328
Tax losses carried forward	-4,699	-4	569	-24	882	-3,276
Other	5,729	-21	246	0	1,367	7,321
	127,663	-1,930	3,580	-24	17,965	147,254
2008						
Ships	188,906	-24,342	-2,280	0	-31,350	130,934
Buildings, terminals and operating equipment	10,058	402	2,754	0	2,989	16,203
Provisions	-56,083	12,752	2,212	0	1,892	-39,227
Value of hedging instruments	328	0	-440	0	0	-112
Tax losses carried forward	-3,276	3,574	-22,238	0	425	-21,515
Other	7,321	3,180	-16,930	0	728	-5,701
	147,254	-4,434	-36,922	0	-25,316	80,582
2009						
Ships	130,934	9,765	-6,379	0	4,740	139,060
Buildings, terminals and operating equipment	16,203	-57	164	0	-1,020	15,290
Provisions	-39,227	-2,954	-614	0	1,828	-40,967
Value of hedging instruments	-112	0	0	15	0	-97
Tax losses carried forward	-21,515	-1,497	-23,363	0	-2,370	-48,745
Other	-5,701	-2,208	222	0	2,544	-5,143
	80,582	3,049	-29,970	15	5,722	59,398

PARENT COMPANY

DFDS A/S has no deferred tax.

NOTE 20 SHARE OPTIONS

The decision to grant share options is made by the Board of Directors. In 1999 the Group established a share option scheme for the Executive Board and other executive employees. From 2005 share options have only been granted to the Executive Board. Each share option gives the holder of the option the right to acquire one existing share in the company of nominal DKK 100. The share option scheme equals a right to acquire 1.1% of the share capital (2008: 1.1%, 2007: 1.2%) if the remaining share options are exercised.

Share options granted up to and including 2004 have been granted at an exercise price equal to the average share price of the Company's shares of 10 banking days after the publication of the annual report with an addition of 10%. Share options granted in 2005 and 2006 have been granted at an exercise price equal to the average share price of the Company's shares in December the year before the grant. Share options granted in 2007 have been granted at an exercise price equal to the average share price of the Company's shares in December the year before the grant with an addition of 5%. Share options granted in 2008 and 2009 have been granted at an exercise price equal to the average share price of the Company's shares 5 days before the grant with an addition of 5%. Vesting is done on a straight line basis over a period of three years from the date of grant for share options granted in 2005 and 2006. Share options granted in 2007, 2008 and 2009 are fully vested from the date of grant. Special conditions apply regarding illness and death and if the capital structure of the Company is changed, etc.

The share options can be exercised when a minimum 3 years and a maximum of 5 years have elapsed since the grant dates. The options can only be exercised within a period of 4 weeks after publication of annual or interim reports.

For share options granted in the years 2001 to 2003 the holder of the share option can choose between settlement in shares or cash settlement. Share options granted in 2004 and later can only be settled with shares. A part of the treasury shares is reserved for settling the outstanding share options.

KONCERN	EXECUTIVE BOARD NUMBER	EXECUTIVE EMPLOYEES NUMBER	TERMINATED EMPLOYEES NUMBER	TOTAL NUMBER	AVERAGE EXERCISE PRICE PER OPTION DKK	AVERAGE FAIR VALUE PER OPTION DKK	TOTAL FAIR VALUE DKK '000
2007							
Outstanding at the beginning of the year	57,875	48,000	27,500	133,375	287.21	406.58	54,228
Granted during the year	30,000	0	0	30,000	690.00	263.52	7,906
Exercised during the year	-17,875	-38,000[1]	-7,500	-63,375	259.39	498.35	31,583
Expired during the year	0	-2,000	0	-2,000	149.60	600.42	1,201
Transferred between categories	-30,000	0	30,000	0	449.00	410.47	12,314
Outstanding at the end of the year	40,000	8,000	50,000	98,000	431.31	423.11	41,465
Of this exercisable at the end of the year	0	8,000	0	8,000	232.25	565.31	4,522
2008							
Outstanding at the beginning of the year	40,000	8,000	50,000	98,000	431.31	423.11	41,465
Granted during the year	20,000	0	0	20,000	728.00	158.34	3,167
Exercised during the year	-10,000	0	-20,000	-30,000	277.00	110.29	3,309
Expired during the year	0	-2,500	0	-2,500	162.40	629.61	1,574
Outstanding at the end of the year	50,000	5,500	30,000	85,500	734.53	74.19	6,343
Of this exercisable at the end of the year	0	5,500	0	5,500	264.00	120.55	663
2009							
Outstanding at the beginning of the year	50,000	5,500	30,000	85,500	734.53	74.19	6,343
Granted during the year	10,000	0	0	10,000	406.00	85.60	856
Exercised during the year	0	-3,000	0	-3,000	264.00	46.91	141
Expired during the year	0	-2,500	0	-2,500	264.00	46.91	117
Transferred between categories	-30,000	0	30,000	0	0.00	0.00	0
Outstanding at the end of the year	30,000	0	60,000	90,000	563.56	28.44	2,560
Of this exercisable at the end of the year	10,000	0	20,000	30,000	380.00	42.40	1,272

1) Hereof 10.000 shares settled cash due to special conditions.

Value after deduction of the exercise price of exercised share options for the Executive Board amounts to DKK 0.0 million (2008: DKK 2.2 million, 2007: 2.8 million) in both the Group and in the Parent Company.

The average weighted price per share exercised in 2009 amounts to 337 (2008: 713, 2007: 757).

The cost of the year related to share based payment is recognised in the Group's and in the Parent Company's income statement with DKK 0.8 million (2008: DKK 2.0 million, 2007: DKK 10.0 million).

The weighted average fair value per share option (market price minus average exercise prise per option) is assessed at DKK -206.1 (2008: DKK -335.5, 2007: DKK 358.7).

The calculated fair values are based on the Black-Scholes formula for measuring share options.

The outstanding options at 31 December 2009 have an average weighted time to maturity of 2.4 years (2008: 2.5 years, 2007: 3.1 years).

Share options granted during 2002 - 2003

Recognised liabilities regarding share options with the option to choose between settlement in shares or cash as of 31 December 2009 amount to DKK 0.0 million (2008: DKK 0.0 million, 2007: DKK 1.6 million). At 31 December 2009 DKK 0.0 million (2008: DKK 0.0 million, 2007: DKK 1.6 million) can be exercised by the option holder.

Share options granted in 2003 have an exercise price equal to DKK 162.40, and share options granted in 2002 have an exercise prise equal to DKK 149.60.

Share options granted from 2004 and later

The recognised value of share options with settlement in shares amounts to DKK 14.5 million (2008: DKK 13.8 million, 2007: DKK 13.6 million).

NOTE 20 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 20 CONTINUED

Assumptions concerning the calculation of fair value at time of granting:

YEAR OF GRANTING	EXERCISE PRICE	MARKET PRICE AT GRANT DATE	EXPECTED VOLATILITY	RISK-FREE INTEREST RATE	DIVIDEND PER SHARE	EXPECTED TERM	FAIR VALUE PER OPTION AT TIME OF GRANTING
2004	264	264	22.38 %	3.54 %	6	5 years	46.91
2005	277	359	21.49 %	2.77 %	6	5 years	110.29
2006	380	396	21.18 %	3.23 %	7.5	5 years	85.74
2007	690	800	23.53 %	3.90 %	7.5	5 years	263.52
2008	728	703	25.57 %	4.13 %	15	5 years	158.34
2009	406	380	31.28 %	2.86 %	10	5 years	85.60

The expected volatility is based on the historic volatility for the past 36-60 months. The risk free interest rate is based on 5 year treasury bond.

NOTE 21 PENSION AND JUBILEE LIABILITIES

The Group contributes to defined contribution plans as well as defined benefit plans. The majority of the pension plans are funded through payments of annual premiums to independent insurance companies responsible for the pension obligation towards the employees (defined contribution plans). In these plans the Group has no legal or constructive obligation to pay further contributions irrespective of the funding of these insurance companies. Pension costs from such plans are charged to the income statement when incurred.

In the United Kingdom the Group has pension plans, which are defined benefit plans and are included in the balance sheet as shown below. In addition there are minor defined benefit plans in Norway, Holland, Denmark and Sweden.

Some of the pension plans in Sweden are multi-employer plans. The plans are collective and are covered through premiums paid to Alecta. The Swedish Financial Accounting Standards Council's interpretations committee (Redovisningsrådet) has defined this plan as a multi-employer defined benefit plan. Presently, it is not possible to obtain sufficient information from Alecta to assess the plans as defined benefit plans. Consequently, the pension plans are treated as defined contribution plans. The contributions made amount to DKK 5.9 million (2008: DKK 5.1 million, 2007: DKK 6.3 million). The collective funding ration at Alecta amounts to 141% as per December 2009 (December 2008: 112%, December 2007: 152%). For 2010 the contributions are expected to amont to DKK 5.9 million. DFDS' share of the multi-employer plan is 0.037% and the liability follows the share of the total plan.

In the below the calculation of the defined benefit plans is specified in accordance with actuarial methods.

PARENT COMPANY DKK '000				CONSOLIDATED DKK '000		
2007	**2008**	**2009**		**2007**	**2008**	**2009**
0	0	0	Present value of funded obligations	542,492	370,220	497,880
0	0	0	Fair value of plan assets	-432,368	-254,044	-333,920
0	**0**	**0**	**Remaining external coverage of funded obligations, net**	**110,124**	**116,176**	**163,960**
6,397	6,214	5,196	Present value of unfunded obligations	23,909	20,109	20,124
0	0	0	Unrecognised actuarial gains and losses	83,963	24,671	-13,969
6,397	**6,214**	**5,196**	**Recognised liabilities for defined benefit obligations at 31 December**	**217,996**	**160,956**	**170,115**
8,272	8,837	8,237	Provision for jubilee liabilities	8,727	9,284	8,780
14,669	**15,051**	**13,433**	**Total actuarial liabilities at 31 December**	**226,723**	**170,240**	**178,895**
			Movements in the net liability for defined benefit funded and unfunded obligations			
8,098	6,397	6,214	Balance at 1 January	715,642	566,401	390,329
-	-	-	Foreign exchange adjustments	-40,796	-117,108	33,729
-824	453	-162	Current service costs	4,850	6,123	5,312
0	0	0	Calculated interest rate on obligations	34,029	28,265	21,543
0	0	0	Actuarial gain/loss on obligations, net	-128,502	-74,040	84,066
-877	-636	-856	Benefits paid	-16,797	-18,545	-16,431
0	0	0	Employee contributions	-486	-767	-544
0	0	0	Settlements and curtailments	-1,539	0	0
6,397	**6,214**	**5,196**	**Funded and unfunded obligations at 31 December**	**566,401**	**390,329**	**518,004**
			Movements in the defined benefit plan assets			
0	0	0	Balance at 1 January	-448,787	-432,368	-254,044
-	-	-	Foreign exchange adjustments	31,307	81,143	-22,078
0	0	0	Expected return on plan assets	-25,430	-25,622	-17,320
0	0	0	Actuarial gain/loss on plan assets, net	2,776	118,203	-38,738
0	0	0	Employer and employee contributions	-6,686	-11,386	-15,633
0	0	0	Benefits paid	13,716	15,986	13,893
0	0	0	Settlements and curtailments	736	0	0
0	**0**	**0**	**Plan assets at 31 December**	**-432,368**	**-254,044**	**-333,920**

NOTE 21 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 21 CONTINUED

PARENT COMPANY DKK '000				CONSOLIDATED DKK '000		
2007	**2008**	**2009**		**2007**	**2008**	**2009**
			Movements in unrecognised actuarial gains/losses			
0	0	0	Balance at 1 January	-35,827	83,963	24,671
-	-	-	Foreign exchange adjustments	-6,700	-12,137	2,005
0	0	0	Actuarial gain/loss, net on funded and unfunded liabilities	128,502	74,040	-84,066
0	0	0	Actuarial gain/loss, net on plan assets	-2,776	-118,203	38,738
0	0	0	Actuarial gain/loss, recognised in income statement	764	-2,992	4,683
0	**0**	**0**	**Unrecognised actuarial gains/losses at 31 December**	**83,963**	**24,671**	**-13,969**
			Expenses recognised as staff costs in the income statement			
-824	453	-162	Current service costs	4,850	6,123	5,312
0	0	0	Net actuarial gain/loss recognised (corridor)	764	-2,992	4,683
-824	453	-162		5,614	3,131	9,995
0	0	0	Gain/loss on settlements and curtailments	-803	0	0
-824	**453**	**-162**	**Total included in staff costs regarding defined contribution plans**	**4,811**	**3,131**	**9,995**
			Expenses recognised as financial expenses in the income statement			
0	0	0	Calculated interest rate on obligations	34,029	28,265	21,543
0	0	0	Expected return on plan assets	-25,430	-25,622	-17,320
0	**0**	**0**	**Total included in financial expenses regarding defined contribution plans**	**8,599**	**2,643**	**4,223**
-824	**453**	**-162**	**Total expenses for defined benefit plans recognised in the income statement**	**13,410**	**5,774**	**14,218**

Actual return on plan assets in the Group's plans amounts to DKK 56.1 million (2008: DKK -92.6 million, 2007: DKK 22.7 million). There are no plan assets in the Parent Company's plans.

The expected return on plan assets is assessed as a limited spread against the used discount rate for each plan.

The Group expects to contribute DKK 14.6 million (expected for 2009: DKK 13.3 million, expected for 2008: DKK 12.3 million) to the defined benefit plans in 2010. The parent company expects to contribute DKK 0.9 million in 2010 (expected for 2009: DKK 0.4 million, expected for 2008: DKK 0.4 million).

2007	2008	2009		2007	2008	2009
			Plan assets consist of the following			
0	0	0	Listed shares (DFDS A/S shares not included)	340,131	172,484	236,842
0	0	0	Bonds	82,186	64,770	77,573
0	0	0	Cash and cash equivalents	0	4,191	66
0	0	0	Properties	7,086	7,933	8,967
0	0	0	Other assets	2,965	4,666	10,472
0	**0**	**0**		**432,368**	**254,044**	**333,920**
			Defined benefit plans – assumptions [1]			
2.0%	1.9%	1.9%	Discount rate	5.5%	5.3%	5.4%
-	-	-	Expected return on plan assets	6.4%	6.2%	6.3%
0.0%	0.0%	0.0%	Social security rate	0.8%	0.9%	0.7%
0.0%	0.0%	0.0%	Future salary increase	0.9%	1.0%	0.7%
0.9%	0.8%	0.8%	Future pension increase	3.4%	2.6%	3.2%
0.9%	0.8%	0.8%	Inflation	3.4%	2.7%	3.1%

[1] All factors are weighted at the pro rata share of the individual actuarial obligation and the expected return on plan assets is weighted at the pro rata share of the individual plan asset.

NOTE 21 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 21 CONTINUED

	2005	2006	2007	2008	2009
The Group's obligations for defined benefit plans for the past five years consists of the following:					
Present value of the defined benefit obligation	-671,734	-715,642	-566,401	-390,329	-518,004
Fair value of plan assets	401,149	448,787	432,368	254,044	333,920
Deficit in the plan	**-270,585**	**-266,855**	**-134,033**	**-136,285**	**-184,084**
Experience adjustments arising on plan liabilities	-6,987	-1,359	107,569	11,893	-24,553
Experience adjustments arising on plan assets	38,237	21,845	1,757	-114,563	33,937
The Parent Company's obligations for defined benefit plans for the past five years consists of the following:					
Present value of the defined benefit obligation	**-9,099**	**-8,098**	**-6,397**	**-6,214**	**-5,196**
Experience adjustments arising on plan liabilities	0	0	0	0	0

DFDS's future obligations in the defined benefit plans can be influenced significantly by changes in the discount rate, the fair value of the plan assets and the expected return of these, the inflation, the future salary and pension increase, and demographic changes, such as the expected lifetime or other changes.

PARENT COMPANY DKK '000 — CONSOLIDATED DKK '000

Parent 2007	Parent 2008	Parent 2009	NOTE 22 OTHER PROVISIONS	Consolidated 2007	Consolidated 2008	Consolidated 2009
2,610	2,610	0	Balance at 1 January	11,247	26,293	9,720
0	0	0	Provisions made during the year	15,046	1,167	0
0	-2,610	0	Used during the year	0	-6,010	-1,339
0	0	0	Reversal of unused provisions	0	-11,730	-2,168
2,610	**0**	**0**	**Other provisions at 31 December**	**26,293**	**9,720**	**6,213**
			Other provisions are expected to be payable in:			
2,610	0	0	0 - 1 year	25,168	9,720	6,213
0	0	0	1 - 5 year	1,125	0	0
2,610	**0**	**0**	**Other provisions at 31 December**	**26,293**	**9,720**	**6,213**

Of the Group's provision of DKK 6.2 million (2008: DKK 9.7 million, (2007: DKK 26.3 million)), DKK 0 million (2008: DKK 0.0 million, 2007: DKK 14.8 million) relate to costs incurred in connection with the sale of a ship, DKK 6.0 million (2008: DKK 8.2 million, 2007: DKK 7.0 million) relate to costs incurred in connection with a contamination issue, DKK 0 million (2008: DKK 0.0 million, 2007: DKK 2.6 million) relate to a terminated tenancy no longer in use and DKK 0.2 million (2008: DKK 1.5 million, 2007: DKK 1.9 million) relate to other provisions.

The reversal of unused provisions amounting DKK 2.2 million in 2009 regards expected costs regarding a pollution case. The reversal of unused provisions amounting DKK 11.7 million in 2008 regards the sale of a ship in 2006.

The Parent Company's other provisions consist of DKK 0.0 million (2008: DKK 0.0 million, 2007: DKK 2.6 million) relating to a terminated tenancy no longer in use.

PARENT COMPANY DKK '000 — CONSOLIDATED DKK '000

Parent 2007	Parent 2008	Parent 2009	NOTE 23 INTEREST-BEARING LIABILITIES	Consolidated 2007	Consolidated 2008	Consolidated 2009
2,526,157	1,929,419	2,507,579	Mortgage on ships	3,207,236	2,432,915	2,934,788
12,561	0	0	Financial lease liabilities	51,237	20,098	48,839
0	0	51,045	Owed to group enterprises	-	-	-
178,958	119,771	59,532	Bank loans	258,052	164,475	59,532
38,073	19,108	0	Other non-current liabilities	128,250	107,143	30,562
0	-42,500	0	Transferred to liabilities regarding assets held for sale	0	-42,500	0
2,755,749	**2,025,798**	**2,618,156**	**Total interest bearing non-current liabilities**	**3,644,775**	**2,682,131**	**3,073,721**
342,598	533,327	408,301	Mortgage on ships	565,851	722,520	469,159
9,656	11,662	0	Financial lease liabilities	35,294	34,275	8,930
527,869	840,493	466,033	Owed to group enterprises	-	-	-
59,653	178,565	500,097	Bank loans	69,675	212,435	581,701
20,175	18,146	19,401	Other non-current liabilities	36,830	27,310	24,148
0	-42,500	42,500	Transferred to/from liabilities regarding assets held for sale	0	-42,500	42,500
959,951	**1,539,693**	**1,436,332**	**Total interest bearing current liabilities**	**707,650**	**954,040**	**1,126,438**
3,715,700	**3,565,491**	**4,054,488**	**Total interest bearing liabilities**	**4,352,425**	**3,636,171**	**4,200,159**

NOTE 23 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 23 CONTINUED

The fair value of the interest-bearing liabilities in the Group amounts to DKK 4,212 million (2008: DKK 3,636 million, 2007: DKK 4,352 million). The fair value of the interest-bearing liabilities in the Parent Company amounts to DKK 4,066 million (2008: DKK 3,565 million, 2007: DKK 3,716 million). The fair value of the financial liabilities is determined as the present value of expected future repayments and interest rates. The Group's actual borrowing rate for equivalent terms are used as the discount rate.

DKK 301 million of the interest-bearing liabilities in the Group fall due after five years (2008: DKK 926 million, 2007: DKK 1,462 million). DKK 150 million of the interest bearing liabilities in the Parent Company fall due after five years (2008: DKK 685 million, 2007: DKK 1,191 million).

No exceptional conditions in connection with borrowing are made. The loan agreements can be settled at fair value plus a small surcharge.

See Note 12 for assets pledged as securities and Note 28 for financial risks etc.

PARENT COMPANY DKK '000 / CONSOLIDATED DKK '000

2007	2008	2009	ALLOCATION OF CURRENCY, PRINCIPAL NOMINAL AMOUNT	2007	2008	2009
1,851,165	1,521,308	2,463,274	DKK	2,171,051	1,801,274	2,539,161
1,269,271	1,540,182	1,119,846	EUR	1,069,014	1,051,789	1,094,974
550,387	431,957	379,595	SEK	736,162	529,288	370,654
51,652	42,455	37,896	NOK	351,843	227,707	151,129
0	28,961	46,412	GBP	24,355	26,113	43,107
558	0	2,227	USD	0	0	2,163
-7,333	628	6,267	LTL [1]	0	0	0
0	0	-1,029	Other [1]	0	0	-1,029
3,715,700	**3,565,491**	**4,054,488**	**Total interest bearing liabilities**	**4,352,425**	**3,636,171**	**4,200,159**

1) The Parent Company has a right of set-off against the individual group enterprises. As a consequence of this, negative liabilities for the individual currency is possible.

PARENT COMPANY DKK '000 / CONSOLIDATED DKK '000

2007	2008	2009	NOTE 24 OTHER PAYABLES	2007	2008	2009
9,981	9,071	16,624	Amounts owed to group enterprises	-	-	-
0	2,161	0	Amounts owed to associates	121	2,546	4,032
40,585	30,870	23,731	Accrued interests	53,070	36,970	27,850
7,098	11,271	4,622	Public authorities	57,457	41,072	43,860
97,126	76,525	80,218	Holiday pay obligations, etc.	132,237	116,351	118,305
1,574	0	0	Share based payments, cash-settled	1,574	0	0
28,531	146,510	80,036	Derivative financial instruments, forward transactions and bunker hedges	28,931	147,805	80,148
154,999	171,413	177,555	Other, primarily payables	330,907	323,847	373,787
339,894	**447,821**	**382,786**	**Total other payables**	**604,297**	**668,591**	**647,982**

PARENT COMPANY DKK '000 / CONSOLIDATED DKK '000

2007	2008	2009	NOTE 25 DEFERRED INCOME	2007	2008	2009
29,437	24,579	28,552	Prepayments from customers	72,132	64,936	68,570
0	0	0	Other deferred income	11,039	5,604	4,914
29,437	**24,579**	**28,552**	**Total other payables**	**83,171**	**70,540**	**73,484**

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	2009	NOTE 26 CORPORATION TAX	2007	2008	2009
0	0	0	Balance at 1 January	16,585	8,794	17,258
-	-	-	Foreign exchange adjustment	181	-1,690	426
0	0	0	Tax for the year recognised in the income statement	26,128	24,515	23,795
0	0	0	Adjustment, previous years in the income statement	66,423	5,578	-68,670
0	0	0	Corporation taxes paid in the year	-19,575	-23,726	-25,056
0	0	0	Transferred to liabilities related to assets held for sale	-134	0	0
-	-	-	Transferred to other interest-bearing liabilities	-80,814	3,787	70,324
0	**0**	**0**	**Corporation tax at 31 December**	**8,794**	**17,258**	**18,077**
			Corporation tax recognised in the balance sheet			
0	0	0	Current corporation tax receivables	13,722	6,515	8,307
0	0	0	Current corporation tax	22,516	23,773	26,384
0	**0**	**0**	**Total corporation tax**	**8,794**	**17,258**	**18,077**

New tonnage tax regulations in Norway
The Norwegian government has passed an act on a new regulation of tonnage tax for taxation of Norwegian shipping companies. The new act is effective as of 2007.

2007
The transitional provisions for the new regulation imply taxation of untaxed equity (result) generated under the existing system for taxation of shipping companies recognised by the end of 2006. Based on the approved act calculations show a tax cost of DKK 104.6 million for DFDS. The discounted value of this amounts to DKK 80.8 million, which has been recognised in the income statement for 2007. Provisions to use 1/3 of the amount for environmental improvements latest in 2016 are available, of which unutilised amounts must be paid as taxes in 2016.

The tax must be paid evenly over the next 10 years with annually 1/10 of 2/3 of the total amount. The total annual cash flow effect is estimated to be lower, as the Norwegian tax payables are anticipated to be reduced as a consequence of the new Norwegian tonnage tax.

2009
The deadline for using 1/3 of the amount for environmental improvements has been removed. Therefore there is no longer basis for recognising this part in non-current liabilities. Reversal of this reduces the non-current liabilities NOK 19.9 million. The reversal is recognised in the income statement as an adjustment to previous years tax. It is instead reported as a contingent liability, see Note 36.

On 12 February 2010 the Supreme Court in Norway made the decision that the charge of tax concerning the transition to the new regulation of tonnage tax in 2007 was against the Norwegian constitution. As a result of this the recognised corporation tax is reversed and the paid instalments can be recovered. Therefore the paid instalments are recognised in the income statement as 'adjustment of tax related to previous years' and is recognised as other receivables.

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	2009	NOTE 27 INFORMATION ON FINANCIAL INSTRUMENTS	2007	2008	2009
			Carrying amount per category of financial instruments			
19,499	28,259	10,892	Financial assets used for hedge	24,445	28,259	10,892
1,740,754	1,514,974	2,363,985	Loans and receivables (assets)	1,496,561	1,147,943	989,091
24,488	16,157	28,835	Financial assets available for sale	25,808	17,453	30,094
-47,836	-119,382	-76,492	Financial liabilities used for hedge	-49,374	-148,989	-80,148
-4,168,705	-4,067,847	-4,446,093	Financial liabilities measured at amortised cost	-5,326,222	-4,549,090	-5,083,006
-2,431,800	**-2,627,839**	**-2,118,873**	**Total**	**-3,828,782**	**-3,504,424**	**-4,133,077**

NOTE 27 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 27 CONTINUED

Fair value hierarchy of financial instruments

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

THE GROUP DKK '000	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
2007				
Financial assets used for hedge		24,445		24,445
Financial assets available for sale	14,266		11,542	25,808
Financial liabilities used for hedge		-49,374		-49,374
Total	14,266	-24,929	11,542	879
2008				
Financial assets used for hedge		28,259		28,259
Financial assets available for sale	5,810		11,643	17,453
Financial liabilities used for hedge		-148,989		-148,989
Total	5,810	-120,730	11,643	-103,277
2009				
Financial assets used for hedge		10,892		10,892
Financial assets available for sale	10,375		19,719	30,094
Financial liabilities used for hedge		-80,148		-80,148
Total	10,375	-69,256	19,719	-39,162

PARENT COMPANY DKK '000	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
2007				
Financial assets used for hedge		19,499		19,499
Financial assets available for sale	14,266		10,222	24,488
Financial liabilities used for hedge		-47,836		-47,836
Total	14,266	-28,337	10,222	-3,849
2008				
Financial assets used for hedge		28,259		28,259
Financial assets available for sale	5,810		10,347	16,157
Financial liabilities used for hedge		-119,382		-119,382
Total	5,810	-91,123	10,347	-74,966
2009				
Financial assets used for hedge		10,892		10,892
Financial assets available for sale	10,375		18,460	28,835
Financial liabilities used for hedge		-76,492		-76,492
Total	10,375	-65,600	18,460	-36,765

Financial assets and liabilities used for hedge are all measured at level 2. See note 28 for description of the valuation method.

Financial assets available for sale measured at level 1 are listed shares and is measured at the quoted prices. Financial assets available for sale measured at level 3 consist of other shares and equity investments as well as other investments (some minor unlisted enterprises and holdings). They are measured at cost reduced by write-downs, if any.

NOTE 28 FINANCIAL AND OPERATIONAL RISKS

DFDS' risk management policy

The most important financial risk factors for DFDS are oil, currency, interest rate, investments and liquidity. It is the policy of the Group not to enter into active speculation in financial risks. The intention of the financial risk management of the Group is only to manage the financial risks attached to operational and financing activities. The Group uses forward exchange contracts and currency options to hedge forecasted transactions in foreign currencies. Furthermore, the Group uses interest-rate swaps to hedge the forecasted transactions related to interest transactions as well as forward oil contracts to hedge the forecasted oil transactions. The Board of Directors annually approves the financial risk management policy and strategy.

Financial risks

Currency risks
Financial currency risks arise from net investments in foreign companies (translation risks) and from other investments or liabilities denominated in foreign currencies (transactions risks). Currency risks are monitored continuously throughout the year to ensure compliance with the financial risk management policy. DFDS actively seeks to reduce currency exposure by matching the currencies, obtaining multi currency loans and by directing all currency balance positions towards the Parent Company (the transaction risk) if possible.

Transaction risks
The Group's and the Parent Company's most substantial currency balance position is in SEK. A fall of 10% in SEK compared to the level at year-end 2009 would have meant a decreased value for the Group and the Parent Company of DKK 52.0 million in 2009 (2008: DKK 22.7 million, 2007: DKK 17.5 million). A raise would have had a similar positive effect on the balance position.

A strengthening of DKK, as indicated below, against the SEK, GBP and NOK at 31 December would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2008 and 2007. As all subsidiaries are operating in there one base currency no effect will occur on the equity. Hedge is done in the Parent Company. Both the parent company and subsidiaries within the DFDS Group are exposed against fluctuations in EUR vs. DKK. However, due to Denmark's fixed exchange rate regime where the Danish Krone is pegged to the Euro, this is considered an insignificant currency exposure.

PARENT COMPANY DKK '000 — CONSOLIDATED DKK '000

2007	2008	2009		2007	2008	2009
			Hypothetical effect of reasonable possible change against DKK			
0	1.3	0	SEK, equity effect, 10% strengthening (2008: 10%, 2007: 10%)	0	1.3	0
25.4	48.2	84.9	SEK, profit or loss effect, 10% strengthening (2008: 10%, 2007: 10%)	25.4	48.2	84.9
0	0	0	GBP, equity effect, 10% strengthening (2008: 10%, 2007: 10%)	0	0	0
3.1	2.1	0.6	GBP, profit or loss effect, 10% strengthening (2008: 10%, 2007: 10%)	3.1	2.1	0.6
2.1	0	0	NOK, equity effect, 10% strengthening (2008: 10%, 2007: 10%)	2.1	0	0
-5.3	-4.4	21.1	NOK, profit or loss effect, 10% strengthening (2008: 10%, 2007: 10%)	-5.3	-4.4	21.1

A weakening would have had the opposite effect on equity and profit or loss with the same amount.

The sensitivity analysis on currency risk has been prepared under the assumptions that the effect is calculated on the balance sheet items at the balance sheet date; the included hedges are 100% effective and based on the actual market situation and expectations to the development in the currencies.

Translation risks
Translation risks relate to translation of the profit and equity of foreign group enterprises into DKK. These risks are to some extent covered by loans in the respective foreign currencies. Derivatives are not used to hedge translation risks.

The Group's most substantial translation risks are SEK and NOK. A fall in these currencies of 10% compared to the level at year-end 2009 would have meant a value decrease for SEK of DKK 52.1 million in 2009 (2008: DKK -4.9 million, 2007: DKK -3.0 million) and for NOK a value decrease of DKK 39.2 million in 2009 (2008: DKK -34.8 million, 2007: DKK -33.7 million).

Interest rate risks
DFDS is primarily exposed to interest rate risks through the loan portfolio (interest-bearing debt less the short-term bank debts and other debts). The intention of the interest rate risk management is to limit the negative effects of interest rate fluctuation on the earnings. It is DFDS' strategy that a minimum of 50% of the loan portfolio must be fixed-rate loans in view of contracted interest rate swaps etc. The total interest-bearing debt of the Group amounts to DKK 4,200 million at year-end 2009 (2008: DKK 3,721, 2007: DKK 4,352 million), of which the floating-rate debt amounts to DKK 2,690 million at year-end 2009 (2008: DKK 1,631 million, 2007: DKK 1,929 million). Thereby the fixed interest-bearing debt share is 37% at year-end 2009 (2008: 56%, 2007: 56%) including the effect of interest rate swaps etc.

An increase in the interest rate of 1%-point compared to the actual interest rate in 2009 would, other things being equal, have increased net interest payments about DKK 24 million for the Group in 2009 (2008: DKK 18 million, 2007: DKK 20 million). The effect on the Parent Company would have been DKK 27 million in 2009 (2008: DKK 18 million, 2007: DKK 19 million). A decrease in the interest rate would have had the equivalent positive effect.

The total interest-bearing debt except bank overdrafts had an average time to maturity of 3.7 years (2008: 4.6 years, 2007: 5.2 years), and consists primarily of syndicated floating-rate bank loans with security in the ships. The financing is obtained at market rate with addition of a marginal rate reflecting DFDS' financial strength. As part of the financial strategies in DFDS interest rate swaps with a principal amount totalling DKK 1,351 million (2008: DKK 1,844 million, 2007: DKK 2,143 million) have been entered in partial change from floating-rate bank loans to fixed-rate bank loans.

An increase in the interest rate of 1%-point compared to the actual interest rate at balance sheet date would, other things being equal, have had a hypothetical effect on the equity reserve for cash flow hedge of DKK 23 million (2008: DKK 48 million, 2007: DKK 50 million). This is due to the interest rate swaps entered to hedge variable interest rate loans. A decrease in the interest rate would have had a similar negative effect. The sensitivity analysis is based on the assumption that the effectiveness of the included hedges will stay unaffected by the change in the interest rate.

NOTE 28 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 28 CONTINUED

CONSOLIDATED 2007	PRINCIPAL AMOUNT/OUTSTANDING DEBT AT			
CATEGORY	31/12/07	31/12/08	31/12/10	31/12/12
Mortgages on ships	3,773,088	3,207,236	2,030,941	1,418,134
Bank loans	327,726	258,052	59,653	0
Other interest-bearing loans	165,080	128,250	90,932	43,946
Financial lease liabilities	86,531	51,237	0	0
Interest-bearing liabilities	4,352,425	3,644,775	2,181,526	1,462,080
Financial lease liabilities, fixed interest rate	-86,531	-51,237	0	0
Mortgages on ships, fixed interest rate	-97,135	-82,781	-54,073	-25,365
Other liabilities, fixed interest rate	-97,368	-85,130	-66,484	-58,441
Interest swap, (principal amount), fixed rate, (interest paid)	-2,142,845	-1,856,692	-986,376	-597,759
Loans with floating interest rates	1,928,546	1,568,935	1,074,593	780,515

CONSOLIDATED 2008	PRINCIPAL AMOUNT/OUTSTANDING DEBT AT			
CATEGORY	31/12/08	31/12/09	31/12/11	31/12/13
Mortgages on ships	3,155,435	2,432,915	1,701,786	861,754
Bank loans	252,441	164,475	0	0
Bank overdrafts	124,469	0	0	0
Other interest-bearing loans	134,453	107,143	74,676	63,878
Financial lease liabilities	54,373	20,098	0	0
Interest-bearing liabilities	3,721,171	2,724,631	1,776,462	925,632
Financial lease liabilities, fixed interest rate	-54,373	-20,098	0	0
Mortgages on ships, fixed interest rate	-82,714	-68,372	-39,687	-11,002
Other fixed-interest liabilities	-108,817	-81,501	-47,978	-39,104
Interest swap, (principal amount), fixed rate, (interest paid)	-1,844,358	-1,333,924	-851,998	-398,254
Loans with floating interest rates	1,630,909	1,220,736	836,799	477,272

CONSOLIDATED 2009	PRINCIPAL AMOUNT/OUTSTANDING DEBT AT			
CATEGORY	31/12/09	31/12/10	31/12/12	31/12/14
Mortgages on ships	3,446,447	2,934,788	1,398,712	257,687
Bank loans	184,031	59,532	0	0
Bank overdrafts	457,202	0	0	0
Other interest-bearing loans	54,710	30,562	58,030	43,292
Financial lease liabilities	57,769	48,839	30,040	0
Interest-bearing liabilities	4,200,159	3,073,721	1,486,782	300,979
Financial lease liabilities, fixed interest rate	-57,768	-48,838	-30,040	0
Mortgages on ships, fixed interest rate	-68,289	-53,972	-25,318	0
Other fixed-interest liabilities	-76,913	-47,353	-30,288	-18,921
Interest swap, (principal amount), fixed rate, (interest paid)	-1,350,659	-1,001,220	-663,235	-93,154
Loans with floating interest rates	2,646,530	1,922,338	737,901	188,904

NOTE 28 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 28 CONTINUED

PARENT COMPANY 2007	PRINCIPAL AMOUNT/OUTSTANDING DEBT AT			
CATEGORY	31/12/07	31/12/08	31/12/10	31/12/12
Mortgages on ships	2,868,755	2,526,157	1,640,963	1,190,767
Bank loans	238,611	178,958	59,653	0
Debt to group enterprises	527,869	0	0	0
Other interest-bearing loans	58,248	38,073	0	0
Financial lease liabilities	22,217	12,561	0	0
Interest-bearing liabilities	3,715,700	2,755,749	1,700,616	1,190,767
Financial lease liabilities, fixed interest rate	-22,217	-12,561	0	0
Other fixed-interest liabilities	-16,554	-11,292	0	0
Interest swap, (principal amount), fixed rate, (interest paid)	-1,861,200	-1,610,092	-907,876	-597,759
Loans with floating interest rates	1,815,729	1,121,804	792,740	593,008

PARENT COMPANY 2008	PRINCIPAL AMOUNT/OUTSTANDING DEBT AT			
CATEGORY	31/12/08	31/12/09	31/12/11	31/12/13
Mortgages on ships	2,462,746	1,929,419	1,380,234	685,028
Bank loans	179,376	119,771	0	0
Bank overdrafts	118,959	0	0	0
Debt to group enterprises	840,494	0	0	0
Other interest-bearing loans	37,254	19,108	0	0
Financial lease liabilities	11,662	0	0	0
Interest-bearing liabilities	3,650,491	2,068,298	1,380,234	685,028
Financial lease liabilities, fixed interest rate	-11,662	0	0	0
Other fixed-interest liabilities	-37,260	-19,108	0	0
Interest swap, (principal amount), fixed rate, (interest paid)	-1,614,495	-1,164,263	-786,298	-398,254
Loans with floating interest rates	1,987,074	884,927	593,936	286,774

PARENT COMPANY 2009	PRINCIPAL AMOUNT/OUTSTANDING DEBT AT			
CATEGORY	31/12/09	31/12/10	31/12/12	31/12/14
Mortgages on ships	2,958,380	2,507,579	1,174,295	149,614
Bank loans	119,626	59,532	0	0
Bank overdrafts	440,003	0	0	0
Debt to group enterprises	536,479	51,045	0	0
Interest-bearing liabilities	4,054,488	2,618,156	1,174,295	149,614
Interest swap, (principal amount), fixed rate, (interest paid)	-1,174,963	-922,720	-663,235	-93,154
Loans with floating interest rates	2,879,525	1,695,436	511,060	56,460

Oil risks
Financial oil risks in the DFDS Group are caused by oil swaps used to hedge bunker costs.

An increase in the oil price of 10%-point compared to the actual oil price at balance sheet date would, other things being equal, have had a hypothetical positive effect on the equity reserve for cash flow hedge of DKK 2.8 million (2008: DKK 8.5 million, 2007: DKK 0 million). This is due to the oil contracts for future delivery entered to hedge the cost for bunkers. A decrease in the oil price would have had a similar negative effect.

The sensitivity analysis on oil contracts has been prepared under the assumptions that the effect is calculated on the oil contracts entered at the balance sheet date; the hedges are 100% effective and based on the actual market situation and expectations to the development in the oil prices.

NOTE 28 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 28 CONTINUED

Liquidity risks
DFDS aims to maintain a minimum cash resource of DKK 300 million, which is regarded as sufficient for the current operation. The cash resources are managed at Group level, and 12-months rolling cash forecasts are prepared on a monthly basis. The cash resources at 31 December 2009 is DKK 466 million (2008: DKK 913 million, 2007: DKK 1,181 million). The central treasury department manages excess liquidity and cash resources. Cash at bank and in hand are primarily placed in the short money market and due to banks are drawn mostly on money market lines.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

CONSOLIDATED (DKK '000)	CARRYING AMOUNT	CONTRACTUAL CASH FLOW	1 YEAR OR LESS	1-3 YEARS	3-5 YEARS	MORE THAN 5 YEARS
2007						
Non-derivative financial assets						
Liquidity in banks	104,952	104,952	104,952	0	0	0
Non-derivative financial liabilities						
Mortgages on ships	-3,773,088	-4,065,594	-699,662	-1,129,014	-731,076	-1,505,842
Bank loans	-327,726	-350,991	-89,389	-201,016	-60,586	0
Other interest-bearing loans	-165,080	-176,864	-41,558	-83,220	-18,514	-33,572
Financial lease liabilities	-86,531	-93,528	-36,519	-57,009	0	0
Trade and other payables	-411,484	-411,484	-411,484	0	0	0
Derivative financial assets						
Interest swaps	21,602	28,049	8,279	12,454	5,566	1,750
Forward exchange contracts used for hedging	2,843	2,843	2,778	65	0	0
Derivative financial liabilities						
Interest swaps	-33,244	-41,860	-8,471	-14,448	-11,352	-7,589
Forward exchange contracts used for hedging	-16,130	-16,130	-16,130	0	0	0
	-4,683,886	**-5,020,607**	**-1,187,204**	**-1,472,188**	**-815,962**	**-1,545,253**
2008						
Non-derivative financial assets						
Liquidity in banks	87,409	87,409	87,409	0	0	0
Non-derivative financial liabilities						
Mortgages on ships	-3,155,435	-3,614,317	-886,864	-828,491	-974,066	-924,896
Bank loans	-252,441	-262,190	-94,566	-167,624	0	0
Bank overdrafts	-124,469	-124,469	-124,469	0	0	0
Other interest-bearing loans	-134,453	-160,561	-50,123	-40,694	-13,120	-56,624
Financial lease liabilities	-54,373	-57,009	-35,341	-21,668	0	0
Trade and other payables	-308,317	-308,317	-308,317	0	0	0
Derivative financial assets						
Interest swaps	1,257	1,998	3,640	-1,642	0	0
Forward exchange contracts used for hedging	27,002	27,002	27,002	0	0	0
Derivative financial liabilities						
Interest swaps	-69,495	-110,188	-20,950	-61,675	-22,852	-4,711
Forward exchange contracts used for hedging	-44,022	-44,022	-44,022	0	0	0
Oil contracts	-35,472	-35,472	-35,472	0	0	0
	-4,062,809	**-4,600,136**	**-1,482,073**	**-1,121,794**	**-1,010,038**	**-986,231**

NOTE 28 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 28 CONTINUED

CONSOLIDATED (DKK '000)	CARRYING AMOUNT	CONTRACTUAL CASH FLOW	1 YEAR OR LESS	1-3 YEARS	3-5 YEARS	MORE THAN 5 YEARS
2009						
Non-derivative financial assets						
Liquidity in banks	8,529	8,529	8,529	0	0	0
Non-derivative financial liabilities						
Mortgages on ships	-3,446,447	-3,832,301	-649,578	-1,684,523	-1,224,704	-273,496
Bank loans	-184,031	-187,065	-126,551	-60,514	0	0
Bank overdrafts	-457,202	-457,202	-457,202	0	0	0
Other interest-bearing loans	-54,710	-56,491	-24,397	-3,279	1,324	-30,139
Financial lease liabilities	-57,768	-67,991	-12,172	-24,343	-31,476	0
Trade and other payables	-315,013	-315,013	-315,013	0	0	0
Derivative financial assets						
Forward exchange contracts used for hedging	472	472	472	0	0	0
Oil contracts	10,420	10,420	10,420	0	0	0
Derivative financial liabilities						
Interest swaps	-78,401	-93,667	-40,051	-39,209	-13,844	-563
Forward exchange contracts used for hedging	-1,747	-1,747	-1,747	0	0	0
	-4,575,898	**-4,992,056**	**-1,607,290**	**-1,811,868**	**-1,268,700**	**-304,198**

PARENT COMPANY (DKK '000)	CARRYING AMOUNT	CONTRACTUAL CASH FLOW	1 YEAR OR LESS	1-3 YEARS	3-5 YEARS	MORE THAN 5 YEARS
2007						
Non-derivative financial assets						
Liquidity in banks	104,952	104,952	104,952	0	0	0
Non-derivative financial liabilities						
Mortgages on ships	-2,868,755	-3,305,192	-504,769	-751,254	-543,327	-1,505,842
Bank loans	-238,611	-259,015	-74,082	-124,347	-60,586	0
Other interest-bearing loans	-58,248	-97,467	-22,972	-40,923	0	-33,572
Financial lease liabilities	-22,217	-28,523	-14,850	-13,673	0	0
Trade and other payables	-160,749	-160,749	-160,749	0	0	0
Derivative financial assets						
Interest swaps	17,505	24,077	7,192	10,310	4,825	1,750
Forward exchange contracts used for hedging	1,994	1,994	1,994	0	0	0
Derivative financial liabilities						
Interest swaps	-32,953	-41,410	-8,273	-14,196	-11,352	-7,589
Forward exchange contracts used for hedging	-14,883	-14,883	-14,883	0	0	0
	-3,271,965	**-3,776,216**	**-686,440**	**-934,083**	**-610,440**	**-1,545,253**

NOTE 28 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 28 CONTINUED

PARENT COMPANY (DKK '000)	CARRYING AMOUNT	CONTRACTUAL CASH FLOW	1 YEAR OR LESS	1-3 YEARS	3-5 YEARS	MORE THAN 5 YEARS
2008						
Non-derivative financial assets						
Liquidity in banks	87,409	87,409	87,409	0	0	0
Non-derivative financial liabilities						
Mortgages on ships	-2,462,746	-2,801,705	-624,992	-645,291	-802,866	-728,556
Bank loans	-179,376	-217,198	-94,566	-122,632	0	0
Bank overdrafts	-118,959	-118,959	-118,959	0	0	0
Other interest-bearing loans	-37,254	-40,923	-20,342	-20,581	0	0
Financial lease liabilities	-11,662	-13,673	-13,673	0	0	0
Trade and other payables	-88,917	-88,917	-88,917	0	0	0
Derivative financial assets						
Interest swaps	1,257	1,998	3,640	-1,642	0	0
Forward exchange contracts used for hedging	27,002	27,002	27,002	0	0	0
Derivative financial liabilities						
Interest swaps	-65,355	-104,657	-20,320	-57,242	-22,384	-4,711
Forward exchange contracts used for hedging	-18,555	-18,555	-18,555	0	0	0
Oil contracts	-35,472	-35,472	-35,472	0	0	0
	-2,902,628	**-3,323,650**	**-917,745**	**-847,388**	**-825,250**	**-733,267**
2009						
Non-derivative financial assets						
Liquidity in banks	8,529	8,529	8,529	0	0	0
Non-derivative financial liabilities						
Mortgages on ships	-2,958,380	-3,101,222	-502,476	-1,214,745	-1,224,704	-159,297
Bank loans	-119,626	-122,298	-61,784	-60,514	0	0
Bank overdrafts	-440,003	-440,003	-440,003	0	0	0
Other interest-bearing loans	-19,401	-20,403	-20,403	0	0	0
Trade and other payables	-85,311	-85,311	-85,311	0	0	0
Derivative financial assets						
Forward exchange contracts used for hedging	472	472	472	0	0	0
Oil contracts	10,420	10,420	10,420	0	0	0
Derivative financial liabilities						
Interest swaps	-74,745	-88,590	-36,602	-37,581	-13,844	-563
Forward exchange contracts used for hedging	-1,747	-1,747	-1,747	0	0	0
	-3,679,792	**-3,840,153**	**-1,128,905**	**-1,312,840**	**-1,238,548**	**-159,860**

Assumptions for the maturity table:
The maturity analysis is based on undiscounted cash flows including estimated interest payments. Interest payments are estimated based on existing market conditions.

The undiscounted cash flows related to derivative financial liabilities are presented at gross amounts unless the parties according to the contract have a right or obligation to settle at net amount.

Credit risks
DFDS's primary financial assets are trade receivables, other receivables, cash at bank and in hand and derivative financial instruments..

The credit risk is primarily attributable to trade receivables and other receivables.

The amounts in the balance sheet are stated net of reservation for bad debts, which has been estimated based on a specific assessment of the present economic situation.

DFDS's risks regarding trade receivables are not considered unusual and no material risk is attached to a single customer or cooperative partner. According to the Group's policy of undertaking credit risks, current credit ratings of all major customers and other cooperative partners are performed. A few customers have provided guarantees for payment. These guarantees constitutes totally DKK 3.3 million in 2009 (2008: DKK 62.5 million, 2007: 4,4 million). Besides the reservations mentioned in Note 15 no other reservations on receivables have been done and no insurance cover has been taken out on any of the receivables.

The credit risk of cash at bank and in hand and derivative financial instruments is limited, because DFDS and 100% owned group enterprises uses financial partners, which at a minimum have a solid credit rating (P-1 from Moody's). The financial partners are monitored continuously throughout the year.

NOTE 28 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 28 CONTINUED

Capital management
The Group continuously assesses the need for adjustment of the capital structure to balance the required rate of return on equity against the increased uncertainty connected with loan capital. The equity's share of the total liabilities totals 39% at year-end 2009 (2008: 40%, 2007: 38%). The aim is to have an equity ratio of around 40%.

The Group's cost of capital for 2009 was calculated at 7% (2008:7%, 2007: 7%) and the return on invested capital achieved was 2.2% (2008: 6.1%, 2007: 8.6%).

The Group's dividend policy is to distribute around 30% of the DFDS shareholders' share of the Group's profits, however, taking into consideration any significant investments. Proposed dividends for 2009 amount to DKK 0.00 per share equal to 0.0% of the profits (2008: DKK 0 per share or 0% of the profits, 2007: DKK 15 per share or 30.0% of the profits after minority interests).

Hedging of expected future transactions (DKK '000)

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EXPECTED FUTURE TRANSACTIONS	HEDGE INSTRUMENT	TIME TO MATURITY	NOTIONAL PRINCIPAL AMOUNT	EXPECTED TIMING OF RECYCLING TO PROFIT AND LOSS OF GAINS/LOSSES RECOGNISED IN THE EQUITY				
				0-1 YEAR	1-3 YEARS	3-5 YEARS	MORE THAN 5 YEARS	FAIR VALUE
2007								
Goods purchased and sold	Forward exchange contracts	0-2 years	3,841		65			65
Goods purchased and sold	Forward exchange contracts	0-2 years	1,452,668	-12,905				-12,905
Interest	Interest swaps	0-10 years	1,189,175	5,342	8,386	4,311	2,960	21,602
Interest	Interest swaps	0-10 years	953,670	-5,125	-10,121	-9,970	-7,968	-33,244
				-12,688	-1,670	-5,659	-5,008	-24,482
2008								
Goods purchased and sold	Forward exchange contracts	0-2 years	247,533	26,093				26,108
Goods purchased and sold	Forward exchange contracts	0-2 years	153,964	-25,465				-25,465
Interest	Interest swaps	0-7 years	445,000	902	301			1,257
Interest	Interest swaps	0-7 years	2,383,531	-15,131	-23,597	-22,442	-6,901	-68,228
Interest	Currency swaps	0-1 years	208,333	-1,267				-1,267
Goods purchased	Oil contracts for forward delivery (tons)	0-6 months	84,000	-35,472				-35,472
				-50,340	-23,296	-22,442	-6,901	-103,067
2009								
Interest	Interest swaps	0-6 years	1,350,659	-17,671	-32,691	-21,672	-915	-78,401
Goods purchased	Oil contracts for forward delivery (tons)	0-6 months	12,000	10,420				10,420
				-7,251	-32,691	-21,672	-915	-67,981

For 2009 an income of DKK -5.4 million (2008 DKK 0.0 million, 2007: DKK 0.2 million) is recognised in the income statement due to inefficiency in hedging of expected future transactions.

The fair values have been calculated by discounting the expected future interest payments. The discount rate for each interest payment is estimated on the basis of a swap interest curve, which is calculated based on a wide spread of market interest rates.

NOTE 28 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 28 CONTINUED

PARENT COMPANY

EXPECTED FUTURE TRANSACTIONS	HEDGE INSTRUMENT	TIME TO MATURITY	NOTIONAL PRINCIPAL AMOUNT	EXPECTED TIMING OF RECYCLING TO PROFIT AND LOSS OF GAINS/LOSSES RECOGNISED IN THE EQUITY 0-1 YEAR	1-3 YEARS	3-5 YEARS	MORE THAN 5 YEARS	FAIR VALUE
2007								
Goods purchased and sold	Forward exchange contracts	0-2 years	1,456,509	-12,443				-12,443
Interest	Interest swaps	0-10 years	962,000	4,113	6,653	3,508	2,960	17,505
Interest	Interest swaps	0-10 years	899,200	-4,985	-9,970	-9,970	-7,968	-32,953
				-13,315	-3,317	-6,462	-5,008	-27,891
2008								
Goods purchased and sold	Forward exchange contracts	0-2 years	247,533	26,093				26,108
Interest	Interest swaps	0-7 years	445,000	902	301			1,257
Interest	Interest swaps	0-7 years	2,153,668	-12,021	-24,199	-22,222	-6,901	-65,355
Goods purchased	Oil contract for forward delivery (tons)	0-6 months	84,000	-35,472				-35,472
				-20,498	-23,898	-22,222	-6,901	-73,462
2009								
Interest	Interest swaps	0-6 years	1,174,963	-16,529	-31,320	-21,672	-915	-74,745
Goods purchased	Oil contract for forward delivery (tons)	0-6 months	12,000	10,420				10,420
				-6,109	-31,320	-21,672	-915	-64,325

For 2009 DKK -4.3 million (2008 DKK 0.0 million, 2007: DKK 0.2 million) is recognised in the income statement due to inefficiency in hedging of expected future transactions.

The fair values have been calculated by discounting the expected future interest payments. The discount rate for each interest payment is estimated on the basis of a swap interest curve, which is calculated based on a wide spread of market interest rates.

The fair values have been calculated by discounting the expected future interest payments. The discount rate for each interest payment is estimated basis a swap interest curve, which is calculated based on a wide spread of market interest rates. The fair values on forward contracts are based on interest curve calculations in DFDS treasury system. Calculations are based on a spread of market interest rates in the various currencies. Calculation on Oil contracts are based on Morgan Stanley's quoted forward curve.

Operational risks

Operational risks arise from the cash flow transactions. The size of the transactions made through the financial year is affected by the change in different market rates such as interest and foreign exchange rates. Currency risks are monitored continuously throughout the year to ensure compliance with the financial risk management policy.

Currency cash flow risks

Approximately 79% of DFDS' revenues are invoiced in unhedged foreign currencies (2008: 79%, 2007: 76%) with the most substantial net income currencies being SEK and NOK. USD was the most substantial net expense currency. EUR is considered as minor risk bearing due to the currency peg. For other entities than the Parent Company the currencies used are primarily their functional currency. The table below shows the unhedged currency cash flow exposure.

PARENT COMPANY DKK '000 / CONSOLIDATED DKK '000

2007	2008	2009		2007	2008	2009
			Profit or loss effect of reasonable possible change against DKK			
-19.0	-42.4	-21.2	SEK, profit or loss effect, 10% weakening (2008: 10%, 2007: 10%)	-18.9	-42.2	-21.2
-5.4	-7.9	-7.7	NOK, profit or loss effect, 10% weakening (2008: 10%, 2007: 10%)	-5.4	-7.9	-7.7
-1.5	-36.8	-41.5	USD, profit or loss effect, 10% strengthening (2008: 10%, 2007: 10%)	-14.2	-62.8	-48.8

Oil risks

The cost of bunkers constitutes a specific and significant operational risk partly due to large fluctuations in oil prices and partly due to the total annual bunker costs of approximately DKK 794 million or 12.1% of the Group's turnover in 2009 (2008: DKK 1,298 million or 15.8% of the Group's turnover, 2007: DKK 1,036 million or 12% of the Group's turnover).

In the freight sector, bunker costs are hedged by price-adjustment clauses in freight contracts. In the passenger sector, fluctuations in the cost of bunkers are reflected in the ticket price to the extent possible. In addition, hedging transactions, primarily oil swaps, are to some extent also used to manage risk.

The bunker consumption in 2009 was approximately 402,000 tons (2008: 462,000 tons, 2007 477.000 tons). A rise of 10% in the price of bunker compared to the level at year-end 2009 would have meant increased costs for the Group of DKK 14.0 million (2008: DKK 14.3 million, 2007: DKK 21,9 million), and increased cost for the Parent Company of DKK 7.4 million (2008: DKK 6.9 million, 2007: 21,9 milllion).

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	2009	NOTE 29 NON-LIQUID OPERATING ITEMS	2007	2008	2009
1,687	764	-167	Change in provisions	10,302	3,519	-2,145
5,575	-5,097	-402	Change in write-down of inventories	5,575	-5,097	-402
-824	453	-162	Defined benefit plans in the income statement	4,811	3,131	9,995
9,970	2,013	807	Fair value of the share options in the income statement	9,970	2,013	807
16,408	**-1,867**	**76**	**Non-liquid operating items**	**30,658**	**3,566**	**8,255**

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	2009	NOTE 30 CHANGE IN WORKING CAPITAL	2007	2008	2009
-20,163	17,589	3,238	Change in inventories	-23,930	23,180	4,306
74,357	83,975	61,719	Change in receivables	52,382	-79,510	119,080
7,243	-123,834	-4,762	Change in current liabilities	-76,151	69,195	-36,637
61,437	**-22,270**	**60,195**	**Change in working capital**	**-47,699**	**12,865**	**86,749**

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	2009	NOTE 31 INVESTMENTS IN NON-CURRENT FIXED ASSETS, NET	2007	2008	2009
-2,032	-3,745	-1,521	Investments	-18,197	-11,083	-2,483
0	0	0	Sale	3,242	216	1,072
-2,032	**-3,745**	**-1,521**	**Investments in buildings and terminals, net**	**-14,955**	**-10,867**	**-1,411**
-19,069	-35,824	-10,907	Investments	-49,884	-71,786	-69,858
583	497	527	Sale	5,507	9,561	18,007
-18,486	**-35,327**	**-10,380**	**Investments in operating equipment, etc., net**	**-44,377**	**-62,225**	**-51,851**

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	2009	NOTE 32 CHANGE IN OTHER LOANS	2007	2008	2009
-93,141	-79,060	-77,963	Repayments of loans	-121,823	-104,379	-98,487
22,571	562	60,910	Raising of loans	42,214	1,322	60,083
-70,570	**-78,498**	**-17,053**	**Change in other loans, net**	**-79,609**	**-103,057**	**-38,404**

NOTE 33 ACQUISITION OF COMPANIES AND ACTIVITIES

2007
The Group and the Parent Company have not made any acquisitions of companies in 2007. The purchase price regarding the acquisition of DFDS Container Line B.V. have been adjusted DKK 22.6 million.

2008
The Group and the Parent Company have not made any material acquisitions of companies in 2008.

2009
The Group and the Parent Company have not made any acquisitions of companies in 2009.

As of 17 December 2009 DFDS entered into an agreement with A. P. Moller - Maersk to acquire 100% of the shares in the Norfolk Holdings B.V. - Group for a debt free purchase price of DKK 2.6 billion. The purchase price consists of a cash payment of DKK 1.3 billion and an owner share in DFDS A/S of 28.8% (after completion of the transaction).

A. P. Moller – Maersk subscribes 28.2% of the shares on a directed share issue and receives 0.6% of DFDS' own shares. The financing of the transaction includes furthermore a cash pre-emptive rights issue of DKK 550 million.

The transaction is subject to usual conditions, including satisfactory approvals from relevant competition authorities and the completion of the issues.

Please see company Announcement no 24/2009 of 17 December 2009.

The acquisition is recognised as soon as all approvals are available and DFDS A/S obtain the control of the company, which is expected to happen Q2 2010.

PARENT COMPANY DKK '000 — CONSOLIDATED DKK '000

2007	2008	2009	NOTE 34 ACQUISITION OF MINORITY INTERESTS	2007	2008	2009
-1,626	-13,159	-935	AB DFDS LISCO	-1,626	-13,159	-935
0	-7,611	-111,673	Halléns N.V.	0	-26,637	-38,494
0	0	0	Transport Partners Intermodal Ltd.	-11,017	0	0
-1,626	**-20,770**	**-112,608**	**Cash flow from acquisition of minority interests**	**-12,643**	**-39,796**	**-39,429**

2007
AB DFDS Lisco
During 2007 acquisition of shares in AB DFDS LISCO amounts to DKK 1.6 million, equivalent to an ownership of 0.3%, providing an ownership share of 92.6%.

Transport Partners Intermodal Ltd.
On 10 January 2007 the remaining ownership of 49% in Transport Partners Intermodal Ltd. was acquired, and the company is now owned 100% by DFDS Lys Line Ireland.

2008
AB DFDS Lisco
During 2008 acquisition of shares in AB DFDS LISCO amounts to DKK 13.2 million, equivalent to an ownership of 3.2%, providing an ownership share of 95.8%.

Halléns N.V.
The Parent Company have during 2008 acquired 4% of shares in Halléns N.V. amounting to DKK 7.6 million and DFDS Tor Line N.V. have acquired 10% of shares in Halléns N.V. amounting to DKK 19.0 million. The consolidated ownership by the Group is hereafter 80%.

2009
AB DFDS Lisco
During 2009 acquisition of shares in AB DFDS LISCO amounts to DKK 0.9 million, equivalent to an ownership of 0.2%, providing an ownership share of 96.0%.

Halléns N.V.
The Parent Company has in 2009 acquired 20% of the shares in Halléns N.V. amounting to DKK 38.5 million. Furthermore the Parent Company has acquired 42% of the shares in Halléns N.V. from the affiliated company DFDS Tor Line N.V. The Parent Company owns hereafter 100% of the shares in Halléns N.V.

PARENT COMPANY DKK '000 — CONSOLIDATED DKK '000

2007	2008	2009	NOTE 35 ASSETS AND LIABILITIES HELD FOR SALE	2007	2008	2009
0	184,971	0	Non-current assets (see Note 12)	131,973	184,971	10,984
			Current assets			
0	0	0	Inventories	1,561	0	0
0	0	0	Receivables	7,554	0	0
0	0	0	Prepayments	708	0	0
0	**0**	**0**	**Total current assets**	**9,823**	**0**	**0**
0	**184,971**	**0**	**Total assets held for sale**	**141,796**	**184,971**	**10,984**
0	42,500	0	Non-current liabilities (see Note 23)	0	42,500	0
			Current liabilities			
0	42,500	0	Interest-bearing liabilities (see Note 23)	0	42,500	0
0	0	0	Corporation tax	134	0	0
0	0	0	Other liabilities	7,256	0	0
0	**85,000**	**0**	**Total liabilities related to assets held for sale**	**7,390**	**85,000**	**0**

2007
The Tramp activity comprises of the operation of four multi-purpose ships. The activity has no connection to the route network as defined in the strategy announced on 12 September 2007. The four multi-purpose ships were disposed of in 2008 with a profit of DKK 27.9 million. The profit is included in the income statement in the line "Profit on disposal of tangible assets".

2008
The passenger ship Queen of Scandinavia is expected to be disposed of during 2009.

2009
The freighter Tor Anglia is for sale and it is expected to be disposed of during 2010. The passenger ship Queen of Scandinavia is at the end of 2009 transferred to non-current tangible assets because it is considered more likely to charter out the ship than to dispose it of, see Note 41. The ship has been impaired in 2009 (DKK 53 million). See Note 39.

NOTE 36 GUARANTEES AND CONTINGENT LIABILITIES

Guarantees and contingent liabilities amounts to DKK 88.0 million (2008: 79.4 million, 2007: DKK 133.3 million) for the Group.

Guarantees and contingent liabilities amounts to DKK 576.7 million (2008: 802.6 million, 2007: DKK 1,038.0 million) for the Parent Company.

Subsidiaries have provided bank guarantees for the benefit of the Parent Company in the amount of DKK 1,020.0 million (2008: DKK 0 million, 2007: DKK 0 million).

A contaminated land has been registered in one of the Groups companies. Currently the Group does not have a commitment to cleanse the land. If such a commitment should occur, the Group has the possibility to get the cost adjusted in the original purchase price for the company. The deferred payments regarding the purchase price reflect among other things the opportunity for a set-off.

The Parent Company is part of a tax suit regarding interpretation of the tonnage tax regulations, which is not expected to have material impact on the financial position. On grounds of further developments and outcome of the suit no further details can be disclosed.

In case the acquisition of Norfolk Holdings B.V. is not concluded, DFDS A/S is in some cases committed to pay A. P. Moller - Maersk EUR 5 million.

As part of the transitional rules from the old tonnage tax regulations to the new tonnage tax regulations in Norway the companies could choose that 1/3 of the calculated tax by the transition could be invested in improving environmental arrangements. Until now this commitment has been measured as a non-current liability, because the investments must have been carried out within a certain period of time. The deadline has at the beginning of 2009 been removed and the commitment is transferred to contingent liabilities. It is required to make investments in improving environmental arrangements for a minimum of NOK 37.3 million, but without a deadline.

As at 31 December 2009 the Group and the Parent Company are parties in a number of lawsuits. The outcome of these lawsuits is not expected to affect the Group's financial position apart from amounts recognised in the balance sheet.

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2007	2008	2009	NOTE 37 CONTRACTUAL COMMITMENTS	2007	2008	2009
0	1,026,013	0	Contracting of ships and rebuildings, term 0-1 year	0	1,026,013	0
0	**1,026,013**	**0**	**Total contracting obligations**	**0**	**1,026,013**	**0**

Contracting obligations in 2008 consist of purchase of one ro-pax ship, two ro-ro ships and extension of three ro-ro ships. These three ships and the extension of three ships have all been delivered in 2009.

2007	2008	2009	**Operating lease contracts as lessee**	2007	2008	2009
			Minimum lease payments			
21,046	23,066	23,733	0-1 year	30,546	30,776	35,675
88,942	88,856	65,818	1-5 years	100,454	95,579	80,647
15,657	0	0	After 5 years	41,661	21,585	29,182
125,645	**111,922**	**89,551**	**Total buildings**	**172,661**	**147,940**	**145,504**
9,262	9,507	9,808	0-1 year	103,948	85,558	90,729
39,423	40,451	41,748	1-5 years	407,807	333,645	355,525
133,913	123,217	113,240	After 5 years	1,763,923	1,343,217	1,340,542
182,598	**173,175**	**164,796**	**Total terminals**	**2,275,678**	**1,762,420**	**1,786,796**
722,602	1,767,057	799,956	0-1 year	530,392	489,212	401,087
1,203,216	1,093,781	865,562	1-5 years	1,144,305	1,011,824	807,443
1,058,219	875,220	692,096	After 5 years	1,058,219	875,220	692,096
2,984,037	**3,736,058**	**2,357,614**	**Total ships**	**2,732,916**	**2,376,256**	**1,900,626**
14,310	24,290	35,512	0-1 year	30,662	46,461	56,766
20,128	37,085	52,344	1-5 years	43,177	61,098	86,212
0	0	157	After 5 years	0	0	157
34,438	**61,375**	**88,013**	**Total machinery and equipment**	**73,839**	**107,559**	**143,135**
			Total minimum lease payments are expected to fall due as follows:			
767,220	1,823,920	869,009	0-1 year	695,548	652,007	584,257
1,351,709	1,260,173	1,025,471	1-5 years	1,695,743	1,502,146	1,329,827
1,207,789	998,437	805,494	After 5 years	2,863,803	2,240,022	2,061,977
3,326,718	**4,082,530**	**2,699,974**	**Total minimum lease payments**	**5,255,094**	**4,394,175**	**3,976,061**

The specified obligations are not discounted.

Operational leasing and rent costs recognised in the income statement amount for the Group to DKK 734.2 million for 2009 (2008: DKK 695.6 million, 2007: DKK 667.0 million) and for the Parent Company to DKK 947.5 million for 2009 (2008: DKK 854.9 million, 2007: DKK 701.6 million).

Operating lease contracts on ships are typical made with lease terms between three and ten years. The main part of the lease contracts on ships includes an option to extend the lease term. Lease contracts on other assets are normal lease agreements including a minimum lease term after which the lease term can be terminated by giving 1-12 months notice.

Future minimum sublease payments expected to be received under non-cancellable subleases amount for the Group to DKK 177.0 million for 2009 (2008: DKK 203.6 million, 2007: DKK 97.5 million) and for the Parent Company to DKK 243.9 million for 2009 (2008: DKK 348.5 million, 2007: DKK 258.5 million).

DFDS has not entered any substantial agreements, which will be effected, changed nor expired, if the control of the company is changed as a consequence of an effected takeover bid.

No purchase options of operational leased assets are present.

NOTE 37 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 37 CONTINUED

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	2009		2007	2008	2009
			Operating lease contracts as lessor			
			Minimum lease payments			
			Ships			
0	0	0	0-1 year	71,090	71,090	16,067
0	0	0	1-5 years	66,833	50,698	0
0	**0**	**0**	**Total ships**	**137,923**	**121,788**	**16,067**

The specified obligations are not discounted.

Operational leasing and rent income recognised in the income statement amounts for the Group to DKK 308.2 million in 2009 (2008: DKK 250.3 million, 2007: DKK 284.0 million) and for the Parent Company to DKK 388.7 million in 2009 (2008:DKK 269.6 million, 2007: DKK 205.6 million).

The contracts are entered on usual conditions.

2007	2008	2009		2007	2008	2009
			Financial lease contracts as lessee			
			Minimum lease payments			
25,250	22,699	0	0-1 year	80,278	72,956	12,174
22,688	0	0	1-5 years	115,907	50,087	55,827
47,938	22,699	0	Total minimum lease payments	196,185	123,043	68,001
-20,064	-9,662	0	Elements of timecharter	-94,801	-62,661	0
-5,657	-1,375	0	Elements of finance	-14,853	-6,009	-10,232
22,217	**11,662**	**0**	**I alt**	**86,531**	**54,373**	**57,769**
			Current liabilities			
9,656	11,662	0	Non-current liabilities	35,294	34,275	8,930
12,561	0	0	Total recognised in the balance	51,237	20,098	48,839
22,217	**11,662**	**0**	**Total**	**86,531**	**54,373**	**57,769**

The financial lease contracts included in the balance sheet up to 2008 were primarily related to lease of ships (2008: 4 ships, 2007: 4 ships). During 2009 the contract regarding 1 ship expired and 3 ships were returned prior to time. The 3 ships were previous leased on timecharter agreements until 2010. The lease payments were fixed during the lease terms. DFDS had an option to extend the lease terms by an additional three years for 3 of the ships. None of the lease contracts included an option to acquire the ships. A small part of the financial lease contracts included in the balance sheet up to 2008 related to cargo carrying equipment. These financial lease contracts expired during 2009.

In 2009 the financial lease contracts included in the balance sheet are all related to cargo carrying equipment. The lease contracts are entered during 2009 and they expire in 2014.

NOTE 38 RELATED PARTIES

The Group's related parties exercising control are Lauritzen Fonden, Copenhagen, which indirectly holds more than 50% of the shares in DFDS A/S. The members of the Board of Directors and the Executive Board at Lauritzen Fonden are also related parties.

Furthermore, related parties comprise all companies owned by Lauritzen Fonden, DFDS's group enterprises and associates, cf. page 107 and Note 14, and these companies' Executive Board and Board of Directors, executive employees and close members of the family of those.

Apart from intra-group balances and transactions (primary charter hire, trade in ships and commissions etc.), which are eliminated on consolidation, the usual Executive Board remuneration and Board of Directors emoluments (informed in Note 5), share option to the Executive Board (informed in Note 20) and the below transactions, no related-party transactions have been carried out during the year.

Regarding J. Lauritzen A/S, trade in 2007 has primarily related to rendering of services. Trade is conducted on arm's length basis.

NOTE 38 CONTINUED ON THE NEXT PAGE >>>

CONSOLIDATED
DKK '000

	SALE OF SERVICES	PURCHASE OF SERVICES	SALE OF ASSETS	PURCHASE OF ASSETS	RECEIVABLES	LIABILITIES
2007						
J. Lauritzen A/S	671	0	0	0	0	0
Associates	421	11,512	0	0	2	532
2008						
Associates	1,756	25,517	0	0	1,096	3,329
2009						
Associates	925	7,119	0	0	2,799	4,032

PARENT COMPANY
DKK '000

	SALE OF SERVICES	PURCHASE OF SERVICES	SALE OF ASSETS	PURCHASE OF ASSETS	RECEIVABLES	LIABILITIES
2007						
J. Lauritzen A/S	671	0	0	0	0	0
Group entities	296,889	968,051	0	0	1,469,145	537,850
2008						
Associerede virksomheder	0	0	0	0	1,082	2,161
Group entities	329,261	918,119	0	11,874	1,274,523	849,564
2009						
Associerede virksomheder	0	0	0	0	1,140	0
Group entities	288,010	984,971	0	111,673	2,228,299	533,702

NOTE 39 IMPAIRMENT TESTS

Introduction
At the end of each year impairment tests of goodwill and other non-current intangible assets, tangible and financial assets are performed. Impairment tests in between the annual tests will be performed in case there are indications of impairment.

Definition of cash generating unit (CGU)
The division into cash generating units is based on the DFDS organisational structure into business areas, which are the three primary business areas Ro-Ro Shipping, Container Shipping and Passenger Shipping and the two strategic business areas Terminal Services and Trailer Services. The three business areas Ro-Ro Shipping, Container Shipping and Trailer Services are all considered to be the lowest cash generating units and are therefore the level at which the impairment tests are performed. Ro-Ro Shipping acts as a unit, where the individual subsidiaries are supporting companies, and the tonnage is switched between the routes to optimise the tonnage compared to the Group's customers. Container Shipping is also organised in a route network, and the strategic management – among other things the utilization of assets – is carried out across the companies. Trailer Services is strategically operated as one unit and with a common pool of equipment. In the Terminal Services business area, the lowest level for the cash generating unit is represented by the individual terminal.

The individual route in Passenger Shipping is considered to be the lowest cash generating unit. The future expected net cash flows for the individual route are allocated to the individual ship. The distribution is based on the ship's capacity in relation to the route's capacity as well as the expected sailing list during the ship's useful life in the Group. The expected net cash flows for the ship are added to the expected scrap value of the ship at the end of the expected useful life in the Group. The scrap value is calculated as estimated net sales price or net residual value.

Non-current intangible and tangible assets are according to the above definitions allocated to the lowest level of cash generating units, to which the carrying amount can be attributed and which can be calculated with reasonable certainty.

Definition of cash flow and calculation of recoverable amount
The basis for calculating future net cash flows per cash generating unit is the budgeted operating profit (EBIT) after adjustment for significant events such as opening/closing/changing routes, rebuilding of existing ships and new buildings.

The estimated cash flows for the individual cash generating units are based on budget approved by the board of directors for the coming financial year.

The estimated value in use for Passenger Shipping is based on the approved budgets for the coming financial year with addition of an evaluation period of four years as well as a projection as from year six of the useful life of the ships running the route.

The value in use is calculated as the discounted value of future net cash flows for each cash generating unit. The net realisable value is calculated as the fair value of the non-current assets less selling costs. The recoverable amount is the highest of the fair value and the net realisable value. If the recoverable amount is lower than the carrying amount of other non-current intangible and tangible assets the assets are impaired to that lower value.

NOTE 39 CONTINUED ON THE NEXT PAGE >>>

>>> NOTE 39 CONTINUED

The net realisable value for the Group's most important assets, ships, is estimated based on the average of various independent broker assessments. The brokers' assignment is to assess each ship in a "willing buyer – willing seller" situation. The assessments at 31 December 2009, as the assessments at 31 December 2008, are subject to higher uncertainty caused by the economical and financial situation for the world economy with few comparable transactions than if they were assessed in a normal and stable marked. Because the assessments have been obtained from different brokers the Group consider an average of these as the best and most valid estimate for the net realisable value for the ships. The Group collects independent broker assessments each year for the Group's ships.

Discount rate
The Group determines a discount rate for each cash generating unit (business area) based on the interest rate (without risk) with addition of a risk premium attached to the individual business area. The interest rate (without risk) is determined to a 10 year Danish interest rate (without risk) at the end of the year. The risk premium is calculated as a general risk premium of the share market of 5% multiplied with the non-leveraged beta value for each cash generating unit.

The non-leveraged beta values are calculated by gathering non-leveraged beta values for peer-group companies through the data base of Bloomberg for each business area. The validity of the non-leveraged beta value for each peer-group company is evaluated, so the beta values with lowest validity are eliminated. In general only very few peer-group companies exist as the beta values are only calculated for listed companies. As a result of this the non-leveraged beta values for the business areas Ro-Ro Shipping, Container Shipping, Terminal Services and Trailer Services are calculated together as a median of each peer-group company. In addition the four business areas are considered to be very comparable and are influenced by the same social conditions. For these four business areas the non-leveraged beta value is thus calculated of 0.87 (2008: 0.86).

For Passenger Shipping the non-leveraged beta value is calculated to 0.67 (2008: 0.61). The beta value is lower than for the other business areas, as the activity in Passenger Shipping is less sensitive to the general market development than the four other business areas.

Finally the calculated discount rates are evaluated and compared with discount rates determined by a few analysts who follow the share of DFDS A/S.

Sensitivity analyses
In connection with the impairment tests sensitivity analyses of the expected earnings are prepared annually testing relevant risk factors and scenarios which the Group can measure on a reliable basis.

A calculation is also made on each cash generating unit determining the break-even point of the discounting rate, calculating which discount rate that would return a recoverable amount equal to the carrying amount.

Sensitivity analysis are prepared by changing the estimates within probable outcomes. None of these calculations changes the below stated result of impairment tests carried out.

Order of impairment
In case an indication of impairment is identified, goodwill will be the first asset in line to be written down followed by the primary non-current intangible and tangible assets in the individual business areas. The impairments will be based on the book value of the assets unless the write-down results in a value less than the net realisable value of the asset, the value in use of the asset (if available) or zero.

Calculation for 2009
In general no growth is included in the prognosis period (2008: none, 2007: none). Provided that a growth of 0% upon the budget for 2010 does not result in a value in use that at least match the book value, the calculations are based on scenarios with positive growth. These growth rates are compared to IMF's estimate (World Outlook Economic Database, October 2009) of growth in GDP (gross domestic product) (in real terms) for the countries, in which the cash generating unit is operating.

In the projection after the prognosis period a growth of 0% (2008: 0%, 2007: 0%) is assumed for all routes in Passenger Shipping.

Discount rates (before tax) for each business area are:

	2007	**2008**	**2009**
Ro-Ro Shipping	8.1%	7.6%	8.0%
Container Shipping	7.9%	7.6%	8.0%
Passenger Shipping	8.9%	6.4%	7.0%
Terminal Services	8.2%	7.6%	8.0%
Trailer Services	8.8%	7.6%	8.0%

For two passenger ships the value in use is less than book value. The net realisable value for each ship – calculated as the average of the four broker assessments – exceed the book value. In the light of this there is no basis for impairment of any of these two passenger ships.

The net realisable value of the passenger ship Queen of Scandinavia is lower than the book value. Therefore an impairment of DKK 53.0 million is made in 2009.

The net realisable value of the ro-ro ship Tor Anglia, which is classified as an asset held for sale, is lower than the book value. Therefore an impairment of DKK 6.1 million is made in 2009.

Based on the impairment tests carried out in 2009, no basis has been found for impairment of any of the rest of the areas. In 2008 the value in use of the customer portfolio in DFDS Container Line B.V. was less than the book value for which reason an impairment of DKK 38.0 million was carried out. In addition to this other non-current tangible assets was impaired for a value of DKK 4.4 million, since the value in use was less than the book value. In 2007 the impairment tests carried out showed no basis for impairments.

Impairment test of investments in group enterprises and associates (Parent Company)
Impairment tests are made for each investment in group enterprises and associates. Each group enterprise is considered to be the smallest cash generating unit.

The estimated value in use of cash flows is based on management approved budgets for the coming financial year and a projection under the assumption of a growth rate of 0%. Estimate of future cash flows are adjusted for uncertainties based on historical results and take into account expectations of possible fluctuation of future cash flows.

The Parent Company uses a discounting rate, which is determined for the individual group enterprise and associates according to which business area they belong. See above table for discount rates in use for 2007, 2008 and 2009.

In 2009 no impairment is made in group enterprises. In 2008 an impairment on the investment in DFDS Container Line B.V. of DKK 75.0 million and impairment on one other group enterprise of DKK 3.7 million was carried out, as the calculated values in use was lower than the book values. In 2007 no impairment was made in group enterprises.

In 2009 an impairment on the cost price of DFDS Container Line B.V, has been partly reversed (DKK 40 million) because the calculated value in use exceeds the book value.

NOTE 40 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

When preparing the annual report for the Group, DFDS' management makes a number of accounting estimates and assessments to recognise and measure the Group's and the parent company's assets, liabilities, income and expenses. The most significant accounting estimates and assessments are mentioned below.

Valuation of non-current intangible assets
Impairment tests of goodwill and other non-current intangible assets, which primary relates to customer portfolios/-relations, are made annually as a minimum. Impairment tests are based on the expected free cash flow from the cash generating unit in question. For further description of impairment tests of goodwill and other non-current intangible assets, view Note 39.

Estimated useful life, residual values and impairment tests of ships
Significant accounting estimates regarding ships include, among other things, estimates of useful life (including decomposing), residual value and impairment tests. The useful life and the residual values of the ships within the Group are estimated annually as a minimum. Furthermore the carrying amounts of the ships are tested for impairment annually as a minimum. Material changes in estimated useful life as well as residual value and the result of the impairment tests can affect the profit for the year.

Accounting Policies and methods regarding critical estimates regarding estimated useful life, residual values and impairment tests of ships are described in Note 1 and Note 39.

Allowances for doubtful trade receivables
Trade receivables are stated at amortised cost less allowances for potential losses on doubtful trade receivables.

Allowances for doubtful trade receivables are estimated taking the inability of the customers to make required payments into account. If the ability of the costumers to make required payments were to deteriorate, additional allowances may be required in future periods. Management performs analyses on the basis of customers' expected ability to pay, historical information on payment patterns and doubtful debts, customer concentrations and customers' creditworthiness and collateral received when estimating whether write-downs made are sufficient to cover losses.

It is estimated that the allowances are sufficient for covering losses on doubtful trade receivables.

Pensions and similar liabilities
The Groups defined benefit schemes are estimated based on a number of material actuarial assumptions, including discount rates, expected return on the schemes assets, expected rates for salary, pension increase and death-rate etc. Even modest changes to the assumptions may significant change the pension liability.

The value of the Groups defined benefit schemes are based on calculations from external actuaries.

Deferred tax assets
Deferred tax assets, including tax deficit carried forward, are recognised to the extent that it is estimated that the tax assets can be realised through future positive income within the foreseeable future.

Provisions and contingent liabilities
The management assess the provisions and contingent liabilities and the probable outcome of pending and possible lawsuits etc. The outcome is dependent on future events which of nature are uncertain. By the assessment of the most probable outcome of material lawsuits, taxable conditions etc. the management involves external legal advisors and outcomes from case law.

NOTE 41 EVENTS AFTER THE BALANCE SHEET DATE

At the extraordinary general meeting held on 11 January 2010 it was adopted to increase DFDS' share capital by a nominal total of DKK 540 million in conjunction with a cash pre-emptive rights issue and to increase the share capital by at least a nominal DKK 310 million and up to a maximum DKK 530 million by way of a directed rights isssue to A. P. Moller – Maersk, and without pre-emptive subscription rights for shareholders. Please see Company Announcement No. 1/2010.

On 25 January 2010 CEO Niels Smedegaard received a share option of 10,000 shares and CFO Torben Carlsen a share option of 15,750 shares.

On 8 February 2010 an agreement is entered concerning the charter of the passenger ship QUEEN OF SCANDINAVIA for a three year period from 15 April 2010. The agreement includes purchase options and all terms of the agreement have been fulfilled. The charter agreement is entered into with Inflot Cruise and Ferry Ltd. headquartered in St. Petersburg, Russia. QUEEN OF SCANDINAVIA is to be deployed on a new route between St. Petersburg and Helsinki in Finland.

On 12 February 2010 the Supreme Court in Norway made the decision that the charge of tax concerning the transition to the new regulation of tonnage tax in 2007 was against the Norwegian constitution. See Note 26.

Beside the above there have not been any significant events after 31 December 2009.

NOTE 42 DFDS GROUP ENTITIES

COMPANY	OWNERSHIP SHARE 2007*	OWNERSHIP SHARE 2008*	OWNERSHIP SHARE 2009*	COUNTRY	CITY	CURRENCY	SHARE CAPITAL
DFDS Tor Line N.V.				Belgium	Gent	EUR	62,000
Halléns N.V.	66.0	80.0	100.0	Belgium	Gent	EUR	300,000
Aukse Multipurpose Shipping Ltd.	92.6	95.8	96.0	Cyprus	Limassol	CYP	1,709
Lisco Optima Shipping Ltd.	92.6	95.8	96.0	Cyprus	Limassol	CYP	1,709
Rasa Multipurpose Shipping Ltd.	92.6	95.8	96.0	Cyprus	Limassol	CYP	1,709
Tor Botnia Shipping Ltd.			96.0	Cypern	Limassol	EUR	1,000
Tor Finlandia Shipping Ltd.			96.0	Cypern	Limassol	EUR	1,000
Lisco Maxima Shipping Ltd.			96.0	Cypern	Limassol	EUR	1,000
DFDS A/S				Denmark	Copenhagen	DKK	800,000,000
DFDS Canal Tours A/S				Denmark	Copenhagen	DKK	1,000,000
DFDS Stevedoring A/S				Denmark	Esbjerg	DKK	502,000
DFDS Seaways Ltd.				England	Harwich	GBP	8,050,000
DFDS Tor Line Plc.				England	Immingham	GBP	25,500,000
SpeedCargo Ltd.				England	Bradford	GBP	150,000
Halléns OY	66.0	80.0	100.0	Finland	Hamina	EUR	59,000
Halléns France SA	66.0	80.0	100.0	France	Paris	EUR	7,000
DFDS Containerline B.V.				Holland	Rotterdam	EUR	18,151
DFDS Seaways B.V.				Holland	IJmuiden	EUR	18,000
DFDS Tor Line B.V.				Holland	Rotterdam	EUR	23,000
LHT Transport B.V.				Holland	Rotterdam	EUR	21,000
Transport Partners Intermodal Ltd.				Ireland	Dublin	EUR	200
DFDS Italia SRL				Italy	Genova	EUR	77,000
DFDS Tor Line SIA				Latvia	Riga	LVL	10,000
AB Lisco Baltic Service	92.6	95.8	96.0	Lithuania	Klaipeda	LTL	332,547,434
Laivyno Technikos Prieziuros Base	92.6	95.8	96.0	Lithuania	Klaipeda	LTL	3,300,000
UAB Aura Shipping	92.6	95.8	96.0	Lithuania	Klaipeda	LTL	81,000
UAB Krantas Travel	92.6	95.8	96.0	Lithuania	Klaipeda	LTL	400,000
UAB LISCO SL	92.6	95.8	96.0	Lithuania	Klaipeda	LTL	100,000
DFDS Lys Line Rederi AS				Norway	Oslo	NOK	24,990,000
DFDS Lys-Line AS				Norway	Lilleaker	NOK	1,000,000
DFDS Seaways AS				Norway	Oslo	NOK	12,000,000
KST Terminal AS				Norway	Kristiansand	NOK	100,000
Moss Container Terminal AS	50.0	100.0	100.0	Norway	Moss	NOK	1,000,000
NorthSea Terminal AS	66.0	66.0	66.0	Norway	Oslo	NOK	1,000,000
OOO DFDS LISCO				Russia	Kaliningrad	RUR	10,000
DFDS Tor Line AB				Sweden	Gothenburg	SEK	25,000,000
SpeedCargo AB				Sweden	Gothenburg	SEK	1,100,000
DFDS (Deutschland) GmbH				Germany	Hamburg	EUR	102,000
DFDS Tor Line GmbH				Germany	Cuxhaven	EUR	25,000
Lisco Baltic Service GmbH	92.6	95.8	96.0	Germany	Kiel	EUR	26,000
SpeedCargo GmbH				Germany	Hamborg	EUR	25,000
24 inactive and holding companies							

* Unless otherwise indicated, the companies are 100% owned.

Statement by the Executive and Supervisory Boards

The Executive and Supervisory Boards have today discussed and approved the annual report of DFDS A/S for the financial year 1 January - 31 December 2009. The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements in the Danish Financial Statements Act.

It is our opinion that the consolidated financial statements and parent company financial statements give a true and fair view of the Group's and the parent company's financial position at 31 December 2009 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 January - 31 December 2009.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the parent company's operations and financial matters, the results of the Group's and the parent company's operations and financial position and describes the material risks and uncertainties affecting the Group and the parent company.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, den 9 March 2010

EXECUTIVE BOARD

Niels Smedegaard
Managing Director

Torben Carlsen
CFO

BOARD OF DIRECTORS

Bent Østergaard
Chairman

Vagn Sørensen
Deputy Chairman

Claus Arnhild*

Michael Helbo* Jill Lauritzen Melby Anders Moberg Thomas Mørk* Ingar Skaug Lene Skole

* Board member elected by the employees

Independent auditors' report

To the shareholders of DFDS A/S

We have audited the consolidated financial statements and the parent company financial statements of DFDS A/S for the financial year 1 January - 31 December 209, pp. 55-108. The consolidated financial statements and the parent company financial statements comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes for the Group as well as for the parent company. The consolidated financial statements and the parent company financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed financial institutions.

In addition to our audit, we have read the Management's review prepared in accordance with Danish disclosure requirements for listed financial institutions and issued a statement in this regard.

Management's responsibility

Management is responsible for the preparation and fair presentation of the consolidated financial statements and parent company financial statements in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed financial institutions. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. Further, it is the responsibility of Management to prepare a Management's review that gives a fair review in accordance with Danish disclosure requirements for listed financial institutions.

Auditors' responsibility and basis of opinion

Our responsibility is to express an opinion on the consolidated financial statements and parent company financial statements based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements and the parent company financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements and the parent company financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit did not result in any qualification.

Opinion

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's financial position at 31 December 2009 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 January - 31 December 2009 in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed financial institutions.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information given in the Management's review is consistent with the consolidated financial statements and the parent company financial statements.

Copenhagen, 9 March 2010

KPMG
STATSAUTORISERET REVISIONSPARTNERSELSKAB

Kurt Gimsing
State Authorised Public Accountant

Torben Bender
State Authorised Public Accountant

FLEET LIST

FREIGHT SHIPS (RO-RO)

	YEAR BUILT	GT	LANEMETER
Tor Ficaria	2006/09	37,939	4,650
Tor Freesia	2005/09	37,722	4,650
Tor Begonia	2004/09	37,722	4,650
Tor Primula	2004	32,289	3,831
Tor Petunia	2004	32,289	3,831
Tor Magnolia	2003	32,289	3,831
Tor Selandia	1998	24,196	2,772
Tor Suecia	1999	24,196	2,772
Tor Britannia	2000	24,196	2,772
Tor Futura	1996/00	18,725	2,308
Tor Anglia	1977/89	17,492	2,450
Tor Botnia	2000	11,530	1,891
Tor Finlandia	2000	11,530	1,891
Tor Corona [1]	2008	25,609	3,343
Tor Hafnia [1]	2008	25,609	3,343
Tor Fionia [1]	2009	25,609	3,343
Tor Bellona [1]	1980	22,748	2,723
Tor Dania [1]	1978/95	21,491	2,562
Tor Belgia [1]	1978/94	21,491	2,562
Tor Humbria [1]	1978	20,165	2,128
Tor Baltica [1]	1977/86	14,374	1,866
Tor Cimbria (Aquae) [1]	1986	12,189	2,026

FREIGHT SHIPS (RO-RO) FOR DELIVERY IN 2010

	YEAR BUILT	GT	LANEMETER
Jinling NB 405 – Tor Jutlandia [1]	2010	25,609	3,343

PASSENGER & FREIGHT SHIPS (RO-PAX) [2]

	YEAR BUILT	GT	LANEMETER	PASSENGERS
Dana Sirena	2002/03	22,382	2,494	623
Lisco Maxima	2009	25,518	2,623	600
Lisco Optima	1999	25,206	2,300	327
Lisco Gloria	2002	20,140	2,494	302
Lisco Patria	1991	18,332	1,800	204
Kaunas	1989	25,606	1,539	235
Vilnius	1987	22,341	1,539	120
Wawel [1]	1980	25,275	2,250	1,000
Envoy [1]	1979	18,653	2,261	110

PASSENGER & FREIGHT SHIPS (CRUISE FERRY)

	YEAR BUILT	GT	LANEMETER	PASSENGERS
Pearl of Scandinavia	1989/01/05	40,039	1,000	2,166
Crown of Scandinavia	1994/05	35,498	1,005	2,110
Queen of Scandinavia	1981/00	34,093	1,022	1,756
King of Scandinavia	1987/93/06	31,788	1,460	1,620
Princess of Norway	1986/93/06	31,356	1,460	1,650

SIDEPORT-CONTAINER SHIPS

	YEAR BUILT	GT	TEU[3]
Lysvik	1998/04	7,409	160
Lysbris	1999/04	7,409	160
Lysblink	2000/03	7,409	160
Lystind[1]	1990/00	4,471	56
Tistedal[1]	1996	4,464	139

CONTAINER SHIPS

	YEAR BUILT	GT	TEU[3]
Dana Hollandia[1]	2002	6,370	698
Dana Gothia[1]	2003	6,370	698
Petuja[1]	1997	6,362	700
Rheintal[1]	1996	3,824	390
Vanquish[1]	1995	2,997	326

TRAMP SHIPS

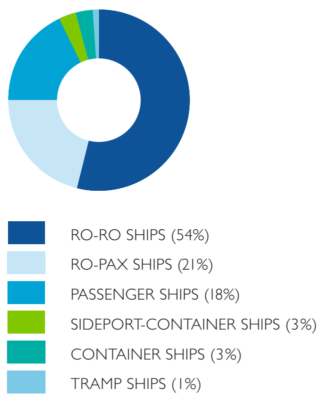
	YEAR BUILT	GT	TEU[3]
Odertal[1]	2007	3,183	231
Janet[1]	1998	2,748	214
Johanne[1]	1998	2,748	214
Komarno[1]	1993	2,446	176
Isartal[1]	1989	2,369	176

TURIST BOATS

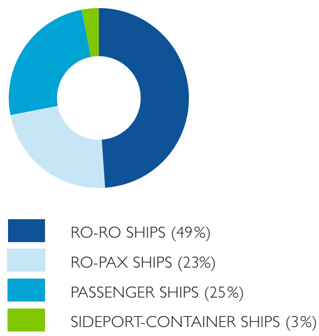
	BOAT TYPE	YEAR BUILT	PASSENGERS
Ole Lukøje	Restaurant boat, covered	2000	133
Klods Hans	Restaurant boat, covered	1998	133
Store Claus	Covered	2008	150
H.C. Andersen	Covered	2004	150
Snedronningen	Covered	1995	144
Nattergalen	Covered	1994	144
Sommerfuglen	Open	2005	167
Prinsessen på Ærten	Open	2003	167
Tinsoldaten	Open	2002	167
Moster	Open	2001	167
Svinedrengen	Open	1998	167
Fyrtøjet	Open	1997	167
Skorstensfejeren	Open	1996	167
Hyrdinden	Open	1996	167
Den Grimme Ælling	Battery powered, open	1992	167
Tommelise	Open	1991	167

1) Chartered tonnage (time charter)
2) Ro-pax: Combined ro-ro and passenger ship
3) TEU: 20 foot of equivalent unit

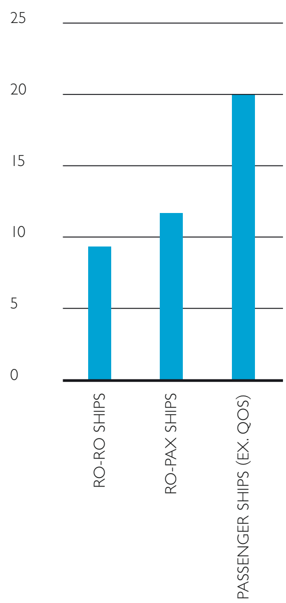
FLEET DISTRIBUTION
(GROSS TONS)



FLEET DISTRIBUTION, NO. OF SHIPS
(GROSS TONS)



OWN TONNAGE, AVERAGE AGE
(YEARS)



COMMERCIAL DUTIES

COMMERCIAL DUTIES OF THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD AS OF 9 MARCH 2010

BOARD OF DIRECTORS

DIRECTOR BENT ØSTERGAARD / CHAIRMAN

Date of birth: 5 October 1944
Joined the board: 1 April 2009
Re-elected: N.a.
Period of office ends: 26 March 2010

Board member: J. Lauritzen A/S (C), Frederikshavn Maritime Erhvervspark A/S (C), Fonden Kattegat Silo (C), Nanonord A/S (C), Cantion A/S (C), Kayxo A/S (C), Mama Mia Holding A/S, Royal Arctic Line A/S, Million Brains A/S, With Fonden, Durisol UK

Other commercial duties: CEO for LF Investment Aps and The Lauritzen Foundation

Special competencies:
- International management experience
- Experience as board member in international companies and quoted companies
- Shipping
- Finance

Due to commercial duties related to DFDS' majority shareholder, The Lauritzen Foundation (Vesterhavet Holding A/S), Bent Østergaard is not considered independent as per the recommendations on Corporate Governance.

DIRECTOR VAGN SØRENSEN / VICE-CHAIRMAN

Date of birth: 12 December 1959
Joined the board: 20 April 2006
Re-elected: 2007-2009
Period of office ends: 26 March 2010

Board member: KMD A/S (C), Scandic Hotels AB (C), Select Service Partner Ltd. (C), TDC A/S (C), ST Global AG (VC), Air Canada Inc., Braganza AS, SIMI A/S, Cimber Sterling A/S, FLSmidth & Co. A/S

Special competencies:
- International management experience
- Experience as board member in international companies and quoted companies
- Airline and service companies

NAUTICAL MANAGER THOMAS MØRK / STAFF REPRESENTATIVE

Date of birth: 11 November 1972
Joined the board: 1 May 2006
Re-elected: 2007
Period of office ends: 2011

CAPTAIN CLAUS ARNHILD, STAFF REPRESENTATIVE

Date of birth: 26 October 1949
Joined the board: 14 April 1999
Re-elected: 2007
Period of office ends: 2011

DIRECTOR ANDERS MOBERG / BOARD MEMBER

Date of birth: 21 March 1950
Joined the board: 11 April 2002
Re-elected: 2003-2009
Period of office ends: 26 March 2010

Board member: Clas Ohlson AB (C), Biva A/S (C), Husqvarna AB, BYGGmax AB, Ahlstrom Corporation OY, Sofia Bank OYJ, HEMA BV, ZetaDisplay AB

Special competencies:
- International management experience
- Experience as board member in international companies and quoted companies
- Retail trade

TEAM LEADER FINANCE JILL LAURITZEN MELBY / BOARD MEMBER

Date of birth: 6 December 1958
Joined the board: 18 April 2001
Re-elected: annually 2002-2009
Period of office ends: 26 March 2010

Special competencies:
- Financial control

Due to family relations to DFDS' majority shareholder, The Lauritzen Foundation (Vesterhavet Holding A/S), Jill Lauritzen Melby is not considered independent as per the recommendations on Corporate Governance.

CHIEF OFFICER MICHAEL HELBO / STAFF REPRESENTATIVE

Date of birth: 5 November 1962
Joined the board: 28 March 2007
Period of office ends: 2011

DIRECTOR INGAR SKAUG / BOARD MEMBER

Date of birth: 28 September 1946
Joined the board: 16 April 1998
Re-elected: annually 1999-2009
Period of office ends: 26 March 2010

Board member: Center for Creative Leadership (C), Bery Maritime AS (C), J. Lauritzen A/S (VC), Miros AS, Berg-Hansen AS, Nortraship, Gard P. & I. Ltd, Petroleum Geo-Services ASA

BENT ØSTERGAARD

VAGN SØRENSEN

THOMAS MØRK

CLAUS ARNHILD

ANDERS MOBERG

JILL LAURITZEN MELBY

MICHAEL HELBO

INGAR SKAUG

LENE SKOLE

NIELS SMEDEGAARD

TORBEN CARLSEN

Other commercial duties: CEO of Wilh. Wilhelmsen ASA

Special competencies:
- International management experience
- Experience as board member in international companies and quoted companies
- Shipping and logistics
- Airlines and service companies

GROUP DIRECTOR LENE SKOLE / BOARD MEMBER

Date of birth: 28 April 1959
Joined the board: 20 April 2006
Re-elected: 2008-2009
Period of office ends: 26 March 2010

Other commercial duties: CFO of Coloplast A/S

Special competencies:
- International management experience
- Financial control

EXECUTIVE BOARD

NIELS SMEDEGAARD / PRESIDENT AND CEO

Date of birth: 22 June 1962

Board member: Danish Shipowners' Association, The Trade Council of Denmark, Denmark-America Foundation

TORBEN CARLSEN / CFO

Date of birth: 5 March 1965

Board member: Crendo Holding AB (C), SEM Stålindustri A/S (C), Envikraft A/S, Weiss A/S

The Executive Board are members on the boards of DFDS Group subsidiaries.

(C): Chairman
(VC): Vice-chairman

EXECUTIVE MANAGEMENT

NIELS SMEDEGAARD (1962)

- President and CEO
- MBA
- Employed by DFDS since 2007

TORBEN CARLSEN (1965)

- CFO
- MBA
- Employed by DFDS since 2009

PEDER GELLERT PEDERSEN (1958)

- Executive Vice President, Ro-Ro Shipping and Terminal Services
- Ship broker, HD (O)
- Employed by DFDS since 1994

OLE SEHESTED (1949)

- Executive Vice President, Container Shipping and Trailer Services
- HD (A)
- Employed by DFDS in 1966-2000 and since 2002

CARSTEN JENSEN (1964)

- Executive Vice President, Passenger Shipping
- MBA
- Employed by DFDS since 2005

HENRIK HOLCK (1961)

- Executive Vice President, HR
- Msc. Psych
- Employed by DFDS since 2007

BJÖRN PETRUSSON (1964)

- Sales director, freight
- Civil Engineer
- Employed by DFDS since 2001

NIELS SMEDEGAARD

TORBEN CARLSEN

PEDER GELLERT PEDERSEN

OLE SEHESTED

CARSTEN JENSEN

HENRIK HOLCK

BJÖRN PETRUSSON

CORPORATE GOVERNANCE IN DFDS

DFDS' corporate governance follows NASDAQ OMX Copenhagen's recommendations for good corporate governance, which became part of the disclosure requirements for companies quoted on the stock exchange as of financial year 2006.

A full report on DFDS' corporate governance is available from www.dfds.com/english/aboutdfds/corporategovernance/2009uk. The following is an outline of the most important principles relating to corporate governance in DFDS.

I. THE ROLE OF THE SHAREHOLDERS AND INTERACTION WITH THE MANAGEMENT

Capital and share structure

DFDS' Articles of Association do not contain any restrictions on voting rights. Each share has a nominal value of DKK 100 and confers the right to one vote. The statutes contain no other restrictions on ownership.

The Board of Directors regularly reassesses the relationship between the capital structure and the Group's cost of capital, as well as the Group's need for financial freedom of action. Such assessments are conducted on the basis of financial reports and separately when major investments are made.

The objective for the capital structure is an equity ratio of around 40% of total assets.

Any capital increases must be presented and approved by the Annual General Meeting.

II. THE ROLE OF STAKEHOLDERS AND THEIR IMPORTANCE TO THE GROUP

The Group's policy in relation to its stakeholders

Mission statement, objectives and policies, including policies for relationships to the Group's stakeholders and the rest of the outside world, constitute key management tools in DFDS. These policies also cover environmental and social conditions.

The roles and interests of stakeholders

The Board of Directors regularly discusses whether the prescribed policies correspond to the Group's relationships with stakeholders and the outside world. It also regularly discusses whether the Group needs to revise its concepts, targets and policies due to changes in the organisation and the outside world.

III. OPENNESS AND TRANSPARENCY

Investor relations

DFDS' website (www.dfds.com) contains information about Investor Relations, including Corporate Governance.

DFDS publishes an Investor Relations Manual that summarises all the guidelines and policies relating to the publication of information in general, and to NASDAQ OMX Copenhagen and the financial markets in particular.

DFDS hosts quarterly telephone conferences for analysts, investors and other stakeholders, coinciding with the publication of its quarterly and annual reports. Presentations from these meetings are made available on the DFDS website immediately after the meeting. In addition, DFDS' management also regularly attends investor meetings in Denmark and abroad.

IV. THE BOARD OF DIRECTORS'S WORK AND RESPONSIBILITIES

Overall tasks and responsibilities

The standing orders for the DFDS Board of Directors stipulate that the Board of Directors and the Executive Board have joint responsibility for the management and organisation of the Group.

The day-to-day management of the Group is handled by the Executive Board in accordance with its standing orders. These describe the allocation of work and responsibilities between the Board of Directors and the Executive Board, as well as the standing orders, authorisations and instructions of each body.

The Board of Directors is responsible for drawing up an annual strategy plan and budget, as well as monthly and quarterly reports.

The Executive Board is apitemed by the Board of Directors. The Executive Board may only implement dispositions of an exceptional nature or of major importance on the basis of special authorisation granted by the Board of Directors as well as between the Audit Committee and the Executive Board.

V. THE COMPOSITION OF THE BOARD OF DIRECTORS

Recruitment and election of members of the Board of Directors

The chairmanship initiates the selection and nomination process for new members of the Board of Directors. When recruiting new members, special emphasis is placed on, for example, general management experience from companies quoted on the stock exchange. In addition, members need insight into and experience of industries related to DFDS' business areas, which include shipping and logistics as well as the consumer market. Other significant recruitment criteria include experience of Group acquisitions, international management experience, and financial insight into, for example, capital-intensive

Group operations. In addition, consideration is taken of the spread of competencies and the ages of the members.

Information about the individual Board of Directors members' special competencies is included in the annual report under Commercial Duties.

The overall profile of the Board of Directors includes significant international management experience. At the end of 2009, the Board of Directors included two non-Danish members: one Swede and one Norwegian. Five out of the six members elected at the general meeting hold or have held executive posts in leading Danish and overseas companies.

Evaluation of the work of the Board of Directors and Executive Board

The chairmanship instigates an annual evaluation of the work of the Board of Directors and Executive Board including co-operation between the Board of Directors and Executive Board. The evaluation is based on the standing orders of the Board of Directors and the Executive Board, and compares results achieved with targets and strategies. The Audit Committee conducts its own evaluation.

The evaluation includes an assessment of the individual members' work, including whether the individual member has had the opportunity to spend the necessary time on Board of Directors work.

VI. REMUNERATION OF THE BOARD OF DIRECTORS AND EXECUTIVE BOARD

Remuneration policy

DFDS' remuneration policy is that payments to both management and staff correspond to work done and results achieved, as well as the conditions in comparable companies.

Members of the Board of Directors receive a fixed annual fee. The amount of the fee is approved by the shareholders and disclosed in the annual report. Members of the Board of Directors receive no incentive pay. Members of the Audit Committe receive a separate fee for their work.

The total remuneration paid to members of the Executive Board consists of a fixed and a variable part. The fixed pay consists of a net salary, pension contribution and other benefits. The variable pay consists of a bonus and share option scheme.

The Chairman and Deputy Chairman of the Board perform an annual review of the remuneration paid to members of the Executive Board relative to the managements of other Danish companies.

Openness about remuneration

The remuneration for the chairmanship, the vice-chairmanship, members of the Audit Committee and the members of the Board of Directors is published in the annual report.

The total remuneration for the Executive Board consist of a fixed and a variable part, which is disclosed in the annual report. The Board of Directors considers that at this time information about remuneration and redundancy schemes to each member of the Executive Board, as recommended by the rules for corporate governance, are not significant for the evaluation of the Annual Report. The Board of Directors is also of the opinion that this is in line with normal practice.

Principles for the establishment of incentive programmes

As an element of the variable pay, members of the Executive Board may receive an annual bonus, subject to achievement of certain benchmarks. The bonus proportion varies among the members of the Executive Board, but is subject to a maximum of around 80% of the annual net salary. The bonus benchmarks are related to the Group's pre-tax profit, but can also include individual benchmarks.

Another element of the variable pay is made up of options and is intended to ensure that the Executive Board's incentive correlates with creation of shareholder value. The option plan is revolving and not subject to achievement of defined benchmarks.

Members of the Executive Board are awarded a number of options each year with a value equal to maximum one year's net pay. The value is calculated in accordance with the Black Scholes formula. Options are awarded with a exercise price which is 5% higher than the market price at the award date. No remuneration are paid to the company for receipt of the options. The options have a term of five years and are exercisable after three years. For tax purposes, the terms of the award entail that the gain is taxed as share income while the costs of the award are not tax-deductible for the Company. The number of options awarded to each member of the Executive Board and their value is disclosed in the Annual Report. Options in the Executive Board share option plan are covered by the Company's holding of treasury shares.

VII. RISK MANAGEMENT

Identification of risks

The management regularly identifies risks associated with the activities of DFDS. Every effort is made to reduce financial and operational risks by using hedging instruments and safety policies and routines, as well as complying with all relevant rules for DFDS' activities. Strategic and business risks are regularly assessed in association with the annual strategy work and the regular reporting, and especially in advance of major investment projects.

VIII. AUDITING

Accounting policy and accounting estimates

In conjunction with the presentation of the annual results, the Audit Committee and the accountant discuss important areas of accounting practice, including accounting estimates.

DEFINITIONS AND GLOSSARY

DEFINITIONS

OPERATING PROFIT BEFORE DEPRECIATION (EBITDA)	Profit before depreciation and impairment on long-term tangible assets
OPERATING PROFIT (EBIT)	Profit after depreciation and impairment on long-term tangible and intangible assets
OPERATING PROFIT MARGIN	$\frac{\text{Operating profit (EBIT)}}{\text{Revenue}} \times 100$
NET OPERATING PROFIT AFTER TAXES (NOPAT)	Operating profit (EBIT) minus payable tax for the period, adjusted for the tax effect of net interest costs
INVESTED CAPITAL	Average net current assets (non-interest-bearing current assets minus non-interest bearing liabilities) plus long-term intangible and tangible assets minus jubilee and pension liabilities and other provisions
RETURN ON INVESTED CAPITAL (ROIC)	$\frac{\text{Net operating profit after taxes (NOPAT)}}{\text{Average invested capital}} \times 100$
WEIGHTED AVERAGE COST OF CAPITAL (WACC)	Average capital cost for liabilities and equity, weighted according to the capital structure
PROFIT FOR ANALYTICAL PURPOSES	Profit for the year excluding regulation of taxes from previous years and remittance of deferred taxes
FREE CASH FLOW	Cash flow from operations, net excluding interest costs, net minus cash flow from investments
RETURN ON EQUITY P.A.	$\frac{\text{Profit for analytical purposes}}{\text{Average equity excluding minority interests}} \times 100$
EQUITY RATIO	$\frac{\text{Equity}}{\text{Total assets}} \times 100$
EARNINGS PER SHARE (EPS)	$\frac{\text{Profit for analytical purposes}}{\text{Weighted average number of shares}}$
P/E RATIO	$\frac{\text{Share price at the end of the year}}{\text{Earnings per share (EPS)}}$
DIVIDEND PER SHARE	$\frac{\text{Dividend for the year}}{\text{Number of shares at year-end}}$
DIVIDEND PAYOUT RATIO	$\frac{\text{Dividend for the year}}{\text{Profit for analytical purposes}}$
DIVIDEND YIELD	$\frac{\text{Dividend per share}}{\text{Share price at the end of the period}}$
BOOK VALUE PER SHARE	$\frac{\text{Equity excluding minority interests at the end of the year}}{\text{Number of shares at the end of the year}}$
MARKET-TO-BOOK VALUE (M/B)	$\frac{\text{Share price at the end of the year}}{\text{Book value per share at year-end}}$

GLOSSARY

Non-allocated items: Central costs not allocated to business areas

Ro-Ro Roll on-roll off: Ship type where cargo is driven on and off

Lo-lo: Lift on-Lift off: Ship type where cargo is lifted on and off

Ro-Pax: A combined ro-ro freight and passenger ship

Side-port ships: Ships that can be loaded/unloaded from the sideport of the ship

Lanemetre: A linear metre in the width of a lane on a shipdeck

Space charter: Contract for the rental of a certain area of a ship deck

Time charter: Contract for the lease of a ship with crew for certain period of time

Bareboat charter: Contract for the lease of a ship without crew for certain period of time

Short-sea: shipping betweeen destinations in a limited geographical area, as opposed to deep-sea shipping between continents

Northern Europe: Scandinavia, the Benelux countries, Great Britain, Ireland, Germany, Poland, the Baltic countries, Russia and the other CIS countries

DFDS' HISTORY

DFDS was founded in 1866, when C. F. Tietgen merged the three biggest Danish steamship companies of the day, and thus DFDS celebrated its 140th anniversary in 2006.

From its inception, DFDS was involved in domestic as well as international trade, transporting both freight and passengers. DFDS' international activities started in the North Sea and the Baltic Sea, followed later by the Mediterranean. Towards the end of the 19th century, routes were also established to the USA and South America.

Land-based transport and logistics also became a part of DFDS' business activities as freight transport by land began to grow, and in the 1960s a door-to-door concept for freight was developed.

A passenger route between New York and Miami, based on a cruise-ferry concept, was opened in 1982 but did not live up to expectations and closed in 1983. Subsequently, the DFDS Group was restructured and the activities in the Mediterranean and the routes to the USA and South America were sold.

Since then, DFDS' geographic focus for shipping has been Northern Europe.

Land-based haulage and logistics activities were developed on the basis of organic growth and company acquisitions. By the late 1990s, DFDS Dan Transport had become one of the largest land-based transport companies in Northern Europe. DFDS Dan Transport was sold in 2000 to concentrate the Group's resources on shipping, and a focused new shipping strategy was introduced in January 2001.

DFDS' current route network for freight and passenger shipping has been developed through organic growth and several acquisitions. The most important investments have been in the Swedish passenger and freight shipping company Tor Line in the early 80s, the Norwegian freight shipping company North Sea Line in the late 90s, the Lithuanian freight and passenger shipping company LISCO in 2001 and the Norwegian freight shipping company Lys-Line in 2003. In recent years, organic growth has been generated by, among other things, investments in tonnage of which the modernisation of the ro-ro fleet has been most significant.

At the end of 2009, DFDS entered into an agreement to acquire Norfolkline, making the combined company Northern Europe's leading passenger and freight company. DFDS is thus on the threshold of starting a new chapter in the company's history. Final approval of the acquisition of Norfolkline from the competition authorities is expected to be received in Q2 2010.

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DESIGN KONTRAPUNKT A/S
LAYOUT & PRODUCTION KP2 A/S
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Addresses of DFDS' subsidiaries, locations and offices are available from DFDS websites.

This annual report has been translated into English from the Danish version. In case of discrepancies, the Danish version shall previal.