OUTLOOK RAISED AFTER STRONG Q2

DFDS GROUP
Q2 2016

18 August 2016

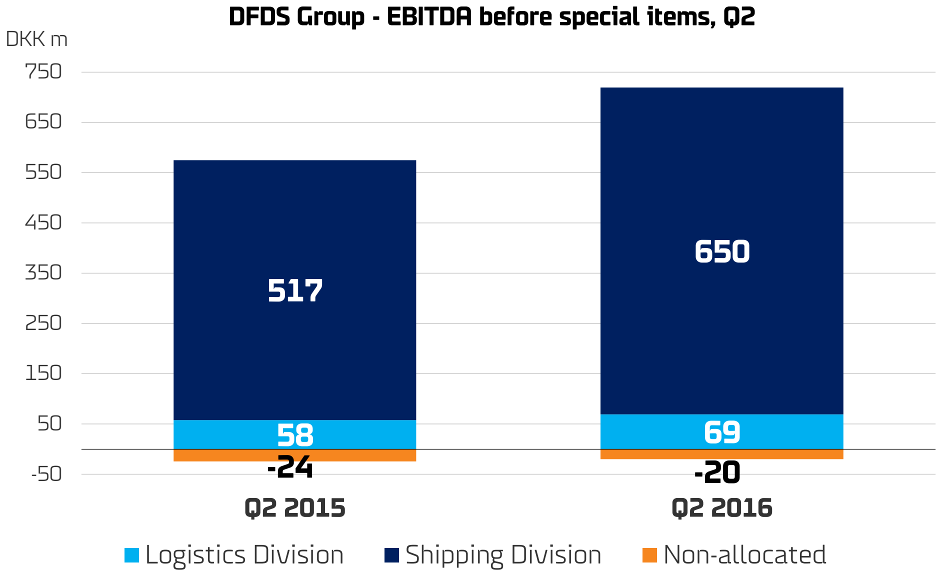
DFDS

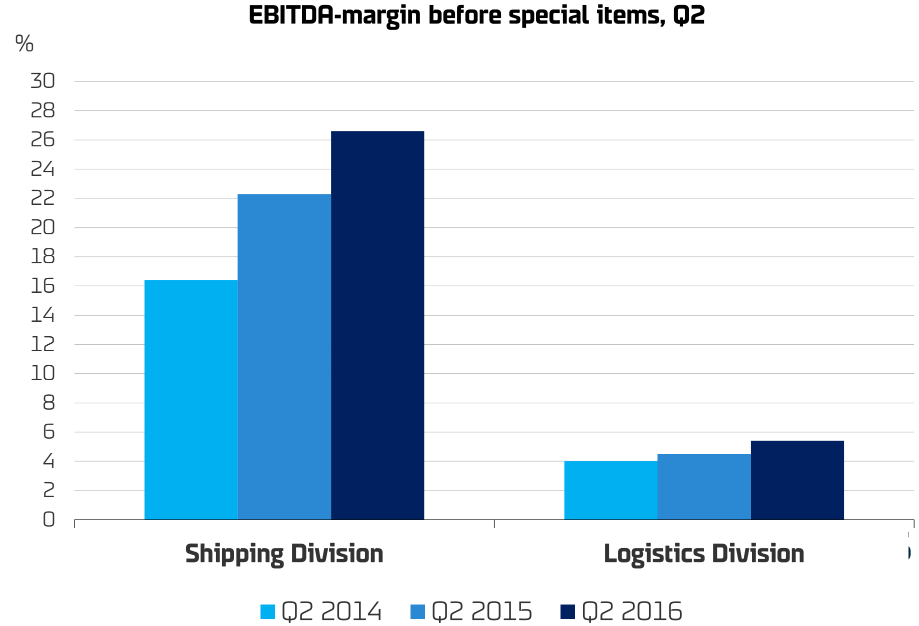
Contents

The statements about the future in this announcement contain risks and uncertainties. This entails that actual developments may diverge significantly from statements about the future.

Strong Q2 for both Shipping and Logistics

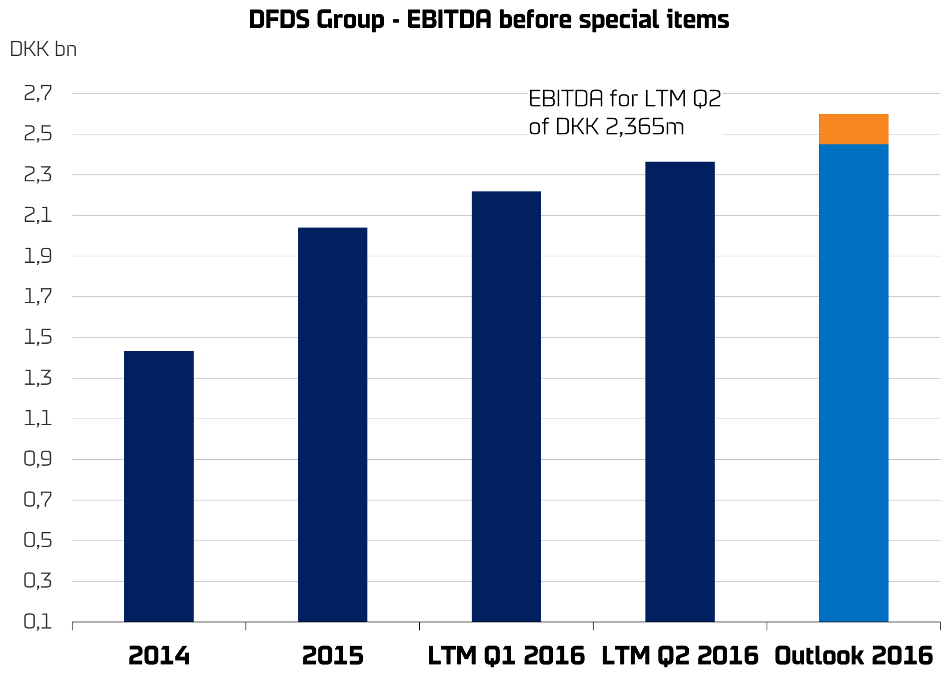
- Q2 benefitted from **continued growth** in freight markets and competitive stability – 9% growth in freight shipping other than Channel
- **Channel's** freight volume growth of 63% exceeded expectations
- **North Sea** and **Baltic Sea** freight operations delivered solid performance driven by volume growth and higher unit revenues in Baltic Sea
- **Passenger activities** impacted by early Easter falling in Q1 in 2016 vs Q2 in 2015
- **Logistics Division** delivered overall strong performance raising margins to record levels
- Performance improved in **Nordic and Continent** while **UK & Ireland** was impacted by the depreciation of GBP



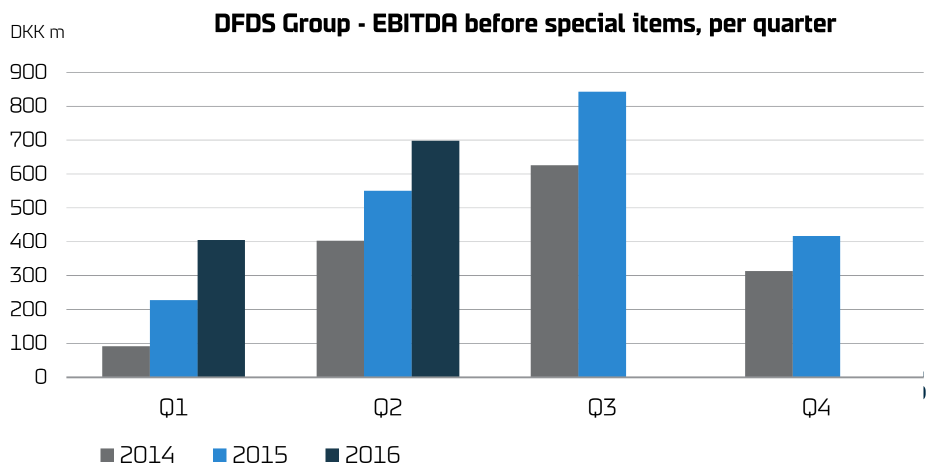


Full-year outlook raised to DKK 2.45-2.60bn

- **ROIC** LTM* Q2 increased to 16.4% (2015: 13.7%) before special items
- No material signs of a slowdown following **Brexit** in reported shipping volumes, July/August
- Some softness in logistics activity levels, although holiday season still ongoing
- **Negative EBITDA currency impact** in H1 2016 of around DKK 15m vs 2015
- Depreciation of GBP is main driver of an expected negative EBITDA currency impact in H2 2016 of around DKK 60m
- **EBITDA outlook raised to DKK 2,450-2,600m** (DKK 2,300-2,500m), including currency headwind



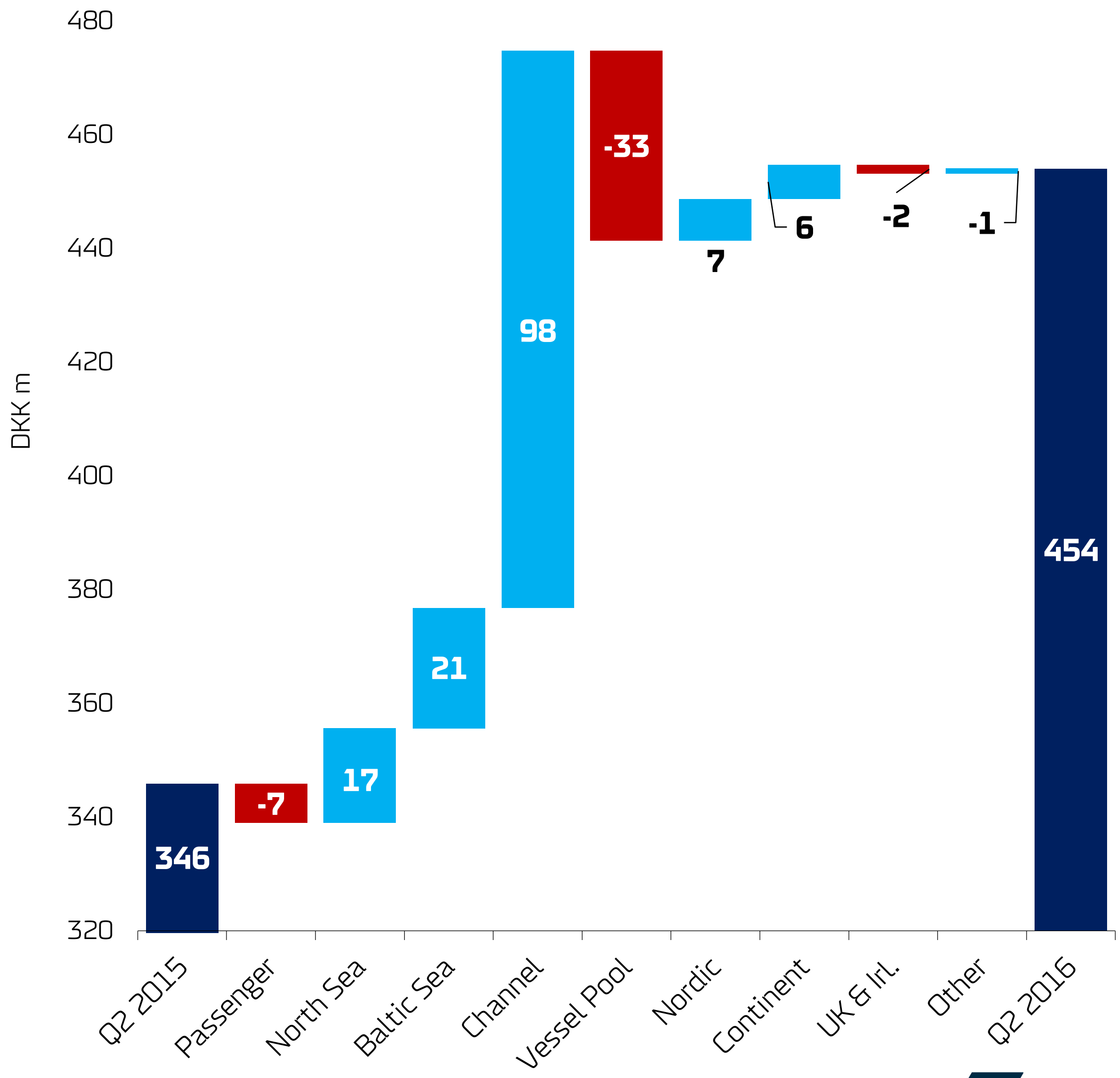
*LTM: Last twelve months



Channel was a key EBIT driver in Q2

- **Channel +98m:** Result improved by higher volumes and higher unit revenues, primarily from freight
- **North Sea +17m:** Benefits from capacity increases on key routes and higher earnings in port terminals
- **Baltic Sea +21m:** Capacity allocation on routes improved compared to 2015. Third ship deployed between Sweden and Lithuania
- **Vessel pool -33m:** One-off depreciations of DKK 18m included due to reclassification of ship from assets held for sale. Extra costs for redelivery of ship
- **Logistics, Nordic +7m:** Result mainly improved by contract logistics activities and higher Baltic activity
- **Logistics, Continent +6m:** Result improved by positive contributions from all forwarding activities
- **Logistics, UK & Ireland -2m:** Result reduced by lower temperature controlled and steel volumes and the depreciation of GBP

Q2 2016: DFDS Group EBIT development vs LY



Q2 2016 in numbers

- **7% revenue growth** excluding revenue from bunker surcharges - currency impact of -2.6 ppt. Reported revenue growth of 4%
- High operating leverage in Shipping increased **EBITDA-margin** to 19.7% (2015: 16.1%)
- Increase in **depreciations** includes one-off cost of DKK 18m due to reclassification of a ship from assets held for sale. Other increase mainly due to addition of Channel ferries and full-year impact of scrubber installations
- **Net finance cost** reduced by net positive currency adjustment and lower net interest cost
- **Tax** reduced to DKK 13m as share of tonnage-taxed profits increased
- **Invested capital** increased mainly due to addition of Channel ferries and purchase of ro-pax ship

DKK m	Q2 16	Q2 15	Change vs LY	Change %
REVENUE	3,553	3,432	121	4%
EBITDA BEFORE SI	**699**	**551**	**148**	**27%**
margin, %	19.7	16.1	3.6	n.a.
P/L associates	0	-5	5	-100%
Gain/loss asset sales	3	0	3	650%
Depreciations	-248	-201	-47	23%
EBIT BEFORE SI	**454**	**346**	**108**	**31%**
margin, %	12.8	10.1	2.7	n.a.
Special Items	-7	-11	4	n.a.
EBIT	447	335	112	34%
Finance	-11	-26	16	-60%
PBT BEFORE SI	**444**	**319**	**124**	**39%**
PBT	**436**	**308**	**128**	**42%**
Tax	-13	-46	34	-73%
NET PROFIT	**424**	**262**	**162**	**62%**
EMPLOYEES avg., no.	6,915	6,470	445	7%
INVESTED CAPITAL	9,348	8,454	894	11%
ROIC LTM ex. SI, %	**16.4**	**10.3**	**6.1**	**n.a.**
NIBD	2,932	2,219	713	32%
NIBD/EBITDA, times	**1.2**	**0.9**	**0.3**	**n.a.**

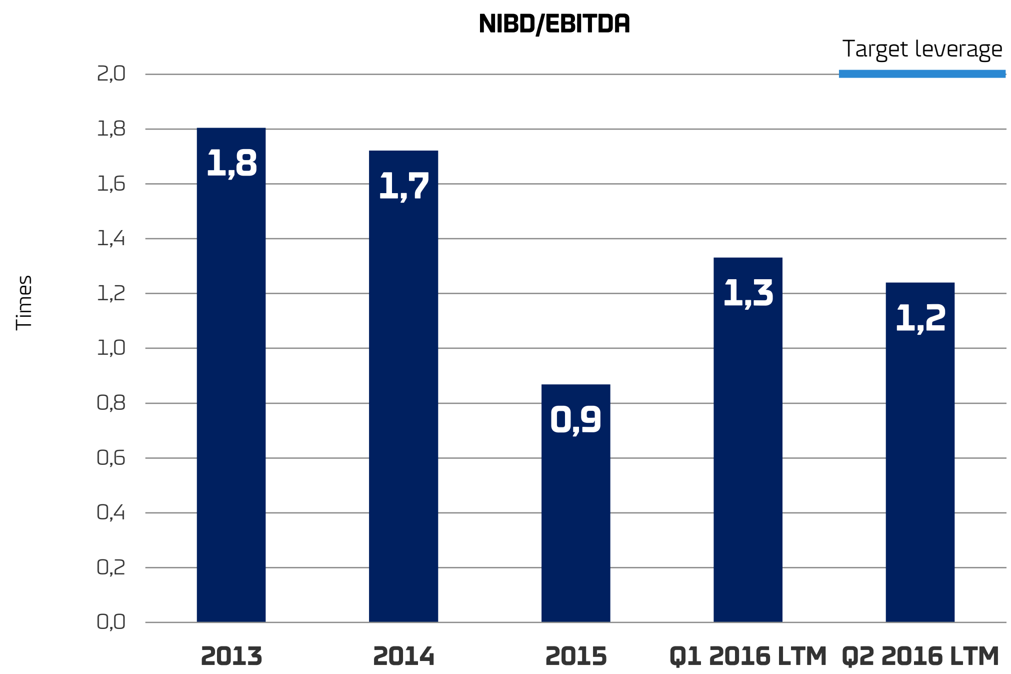
SI: Special items. PBT: Profit before tax. NIBD: Net interest-bearing debt.

Strong cash generation reduces leverage

- **LTM operating cash flow after tax** of DKK 2.6bn boosted by reduction in **working capital**
- Conversion of EBITDA into operating cash flow **remains above 1**
- **Free cash flow** (FCFF) of DKK 1.4bn
- Strong cash generation contributing to reduction of NIBD/EBITDA to 1.2 at end of Q2 2016 – despite addition of debt from Channel ferries and newly acquired Ro-pax vessel
- Channel ferries expected to impact free cash flow in June 2017 when Eurotunnel intends to exercise put option

Cash flow overview

DKK m	Q2 2016	2015	LTM Q2 2016
EBITDA	**699**	**2,041**	**2,365**
Change in working capital	88	199	278
Other	-42	-19	-42
Tax paid	-10	-14	-20
Operating cash flow	**735**	**2,207**	**2,580**
Investments	-405	-571	-1,159
Free cash flow (FCFF)	**330**	**1,637**	**1,422**



LTM: Last twelve months

Distribution to shareholders increased to DKK 1.25bn in 2016

- **Interim dividend raised** to DKK 3.00 per share from the previously planned DKK 2.00 per share

- **New share buyback** of DKK 350m launched today to run until latest 6 February 2017 – of which around DKK 250m expected to be completed in 2016

- Total expected 2016 distribution increased to DKK 1.25bn – an increase of +DKK 500m compared to 2015

Capital distribution overview

DKK m	2016, expected		2015
	New	**Previous**	
Buyback 1	400	400	101
Buyback 2	250	250	300
Buyback 3[1]	250	n.a.	n.a.
Total share buyback	**900**	**650**	**401**
Dividend[2], Apr	175	175	218
Dividend[2], Aug	175	115	108
Total dividend[2]	**350**	**290**	**326**
Total distribution	**1,250**	**940**	**727**

[1] 2016: the amount equals the expected buyback in 2016 of the total buyback of DKK 350m running until latest 6 February 2017

[2] Excluding treasury shares

EBITDA outlook for 2016 raised to DKK 2.45-2.6bn

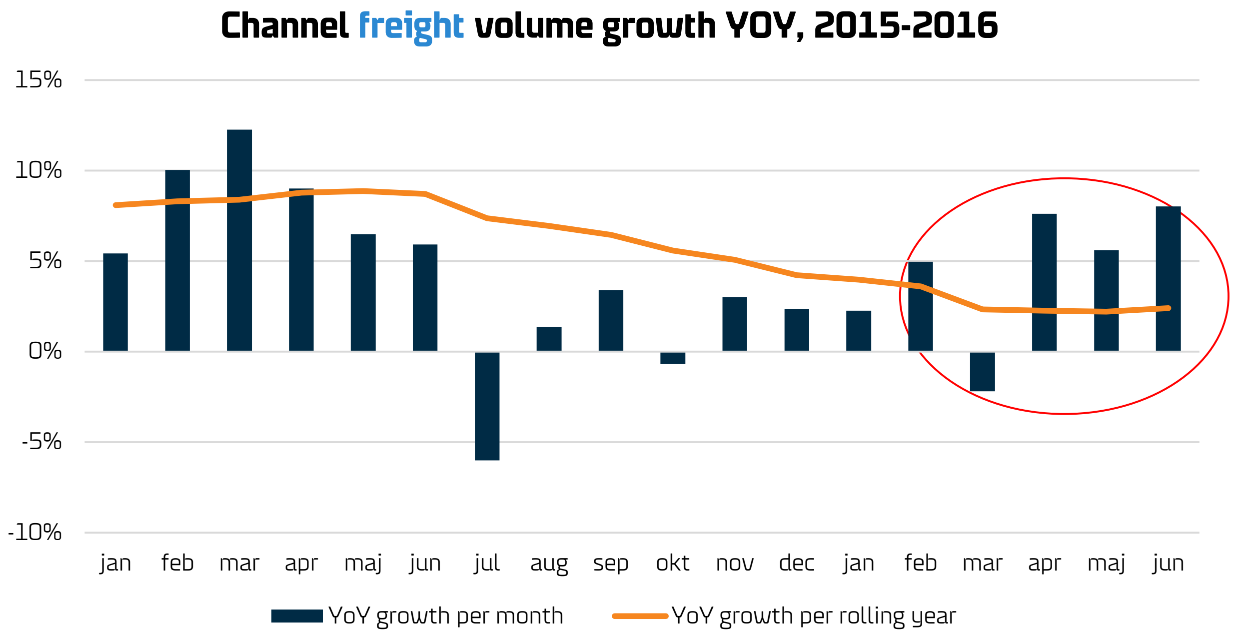
- **Moderate growth** in Europe expected to continue in second half of 2016 – although UK growth at risk following Brexit
- Freight shipping volumes still encouraging in most markets
- Passenger markets more challenged
- Revenue growth outlook **maintained** at around 6% - despite expected GBP currency headwind in H2 2016 of around 2.5 ppt
- **Order** of two freight ship (ro-ro) new buildings planned for second half of 2016
- Outlook for **investments** in 2016 reduced to DKK 1.0bn from previously DKK 1.9bn as Eurotunnel's assumed exercise of their put option on chartered Channel ferries moved to June 2017

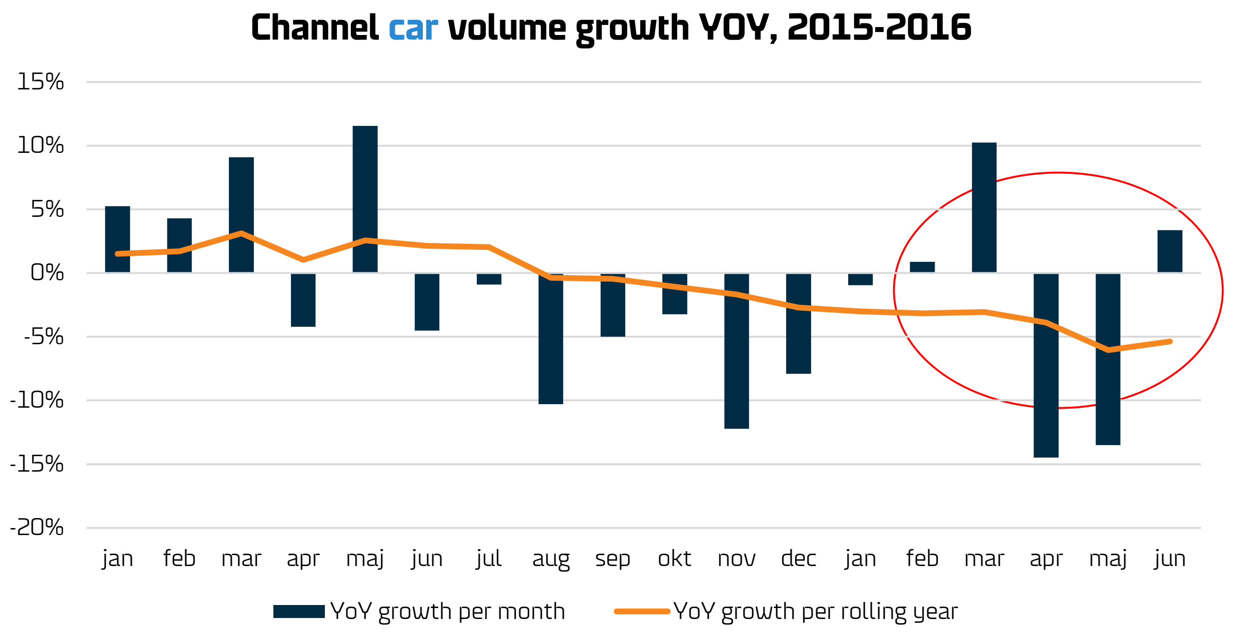
NEW OUTLOOK 2016

- Revenue growth of around 6%, excluding revenue from bunker surcharges
- EBITDA of DKK 2.45-2.6bn (prev. DKK 2.3-2.5bn)
  - Shipping Division: DKK 2,300-2,425m
  - Logistics Division: DKK 250-275m
  - Non-allocated items: DKK -100m
- Investments of DKK 1.0bn (prev. DKK 1.9bn)

Strong freight volumes on Channel in Q2

- **Freight** market volumes were up by 7.1% in Q2 2016
- The YOY growth per rolling year was in June at 2.4% with a positive trend
- **Car** market volumes were down by 8.3% in Q2 2016, including a decrease of 14.5% in April due to the early Easter
- Car volumes in March/April, taken together to adjust for Easter, decreased by 4.5%
- June car volumes were up by 3.4% going into the holiday season
- Market trend has been impacted by disruptions in 2015 and terror incidents





2016 outlook: update of major performance drivers

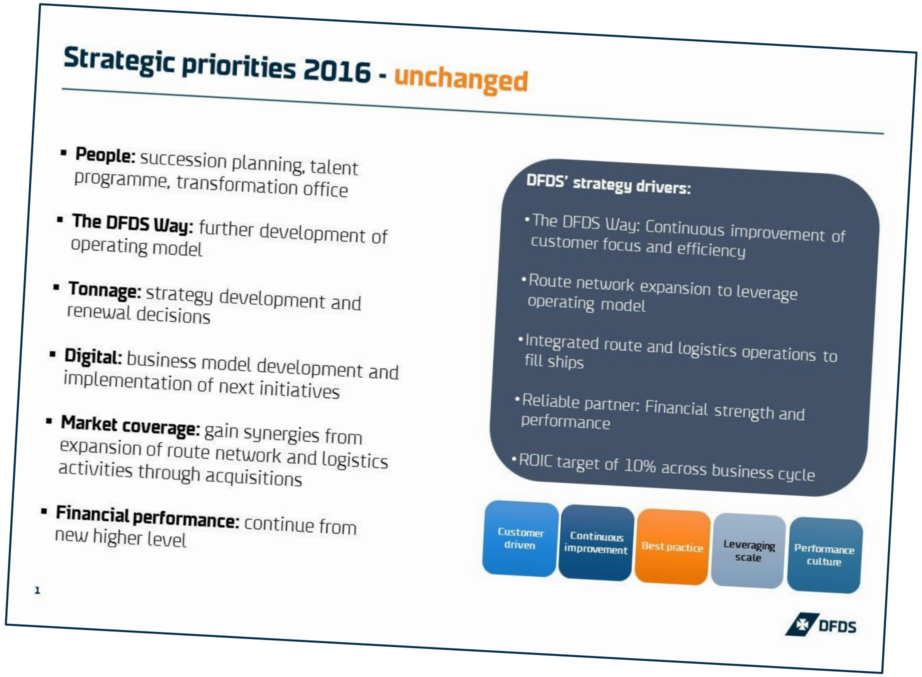
Certain/Likely	Expected	Uncertain	Macro drivers
• Capacity expansion: Channel, North Sea - **implemented** • Capacity reduction: Baltic Sea – **reduction on Russian & Danish routes but extra capacity added Sweden–Lithuania due to high demand from customers** • Revenue increase from new logistics contracts – **achieved, but offset from drop in fuel surcharges, GBP depreciation, slower ramp-up on one contract**	• Freight shipping volume growth **expected at 15-20%** • Passenger volume growth **expected at 15-20%** • Competitive pricing environment • Bunker cost savings in Passenger • Logistics earnings boost from new contracts - **achieved**	• Channel competitor dynamics after deployment of upgraded ferries • Competitor actions • Impact of stock market setback on general economy – **markets have recovered** • Possible impacts from migration and terrorist attacks – **passenger markets are softer**	• UK economy – slowdown? – **increased risk** • Brexit referendum – **UK to leave EU** • Swedish economy – pick up? • Norwegian economy – slowdown? **ongoing** • Russian market demand set to remain 'zero' • Changes in oil price and exchange rates – **oil price fluctuating, GBP depreciation**

Focus areas in second half of 2016

- **Continuous improvement:**
    - Achieving benefits from projects
    - Customer satisfaction – growing the topline
    - Keeping costs in line

- Monitoring **Brexit** and adapting to change in GBP

- **Fleet renewal:**
    - Charter of two freight ship (ro-ro) new buildings for delivery in 2017
    - Purchase of one ro-pax
    - Planning order of two freight ship (ro-ro) new buildings for delivery in 2018-19



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Q&A