

INTERIM REPORT Q3 2017

ON TRACK FOR RECORD RESULT

FREIGHT VOLUMES
RISE IN LINE WITH
EUROPE'S GROWTH

HIGH GROWTH IN
NORTH SEA

STRONG EBITDA
MAINTAINED



Q3 2017

- EBITDA of DKK 976m
- North Sea freight volumes up 8%
- Passenger volumes flat, yield impacted by lower GBP
- ROIC of 18.1% (LTM) up from 17.4% in Q3 2016

OUTLOOK 2017

- Revenue growth of around 3%, previously around 4%
- EBITDA range of DKK 2,650-2,750m (2016: DKK 2,588m) narrowed from DKK 2,600-2,800m
- Investments now forecast at DKK 1.6bn (DKK 1.8bn)
- Distribution to shareholders of DKK 1.7bn

“We are pleased to confirm our outlook for a result in 2017 above last year's record driven by higher freight earnings. The wheels are turning faster in Europe and many of our freight customers plan to expand their activities in 2018. We aim to support their growth and enhance our services through new digital solutions.”

Niels Smedegaard, CEO

Revenue increased 3% in Q3 adjusted for non-comparable items. Reported revenue was up 3% to DKK 3.9bn.

EBITDA before special items was DKK 976m as the Shipping Division maintained a result on level with last year's record Q3 result and the Logistics Division achieved a higher result. EBITDA was DKK 980m adjusted for the Belfast reefer activity divested in November 2017.

The Shipping Division's EBITDA before special items was DKK 926m. Freight earnings increased overall while passenger earnings were impacted by the depreciation of the GBP and a subdued Norwegian market.

Trading between UK, continental Europe and Scandinavia continued to grow in Q3 as did trading in the Baltic region. Trading has remained robust into Q4.

The Logistics Division's EBITDA before special items increased 10% to DKK 66m

driven mainly by activities based in Sweden and Belgium as well as acquisitions. Excluding the divested Belfast activity, the increase in EBITDA was 20%.

Distribution to shareholders

At the end of Q3, DKK 1.5bn had been distributed to shareholders, out of expected DKK 1.7bn for the full year, through dividends of DKK 556m and share buybacks of DKK 942m. In total, an increase of 39% compared to the same period in 2016.

Outlook 2017

The Group's revenue growth for 2017 is now expected to be around 3% compared to previously around 4%, excluding revenue from bunker surcharges.

The range for EBITDA before special items is narrowed to DKK 2,650-2,750m (2016: DKK 2,588m) from previously DKK 2,600-2,800m.

See full section on Outlook on page 6.

KEY FIGURES

DKK m	Q3	Q3		LTM	LTM		FY
Before special items	2017	2016	Δ %	2016-17	2015-16	Δ %	2016
Revenue	3,922	3,799	3.3%	14,181	13,763	3.0%	13,790
EBITDA	976	972	0.4%	2,641	2,494	5.9%	2,588
EBIT	742	738	0.5%	1,703	1,574	8.2%	1,644
Profit before tax	714	732	-2.6%	1,649	1,511	9.1%	1,600

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DISCLAIMER

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

DFDS GROUP KEY FIGURES

	2017	2016	2017	2016	2016-2017	2016
DKK m	Q3	Q3	Q1-Q3	Q1-Q3	LTM	Full year
Income statement						
Revenue	3,922	3,799	10,830	10,439	14,181	13,790
• Shipping Division	2,835	2,744	7,512	7,204	9,776	9,468
• Logistics Division	1,261	1,208	3,841	3,695	5,076	4,930
• Non-allocated items	103	87	298	259	378	340
• Eliminations	-276	-240	-820	-719	-1,049	-948
Operating profit before depreciation (EBITDA) and special items	976	972	2,128	2,075	2,641	2,588
• Shipping Division	926	927	1,981	1,944	2,476	2,439
• Logistics Division	66	60	187	183	256	252
• Non-allocated items	-16	-15	-40	-52	-92	-103
Profit/loss on disposal of non-current assets, net	0	2	6	6	8	8
Operating profit (EBIT) before special items	742	738	1,433	1,373	1,703	1,644
Special items, net	-5	0	-8	-7	-14	-13
Operating profit (EBIT)	737	738	1,425	1,366	1,690	1,631
Financial items, net	-28	-6	-51	-40	-55	-43
Profit before tax	708	732	1,374	1,326	1,635	1,588
Profit for the period	687	709	1,322	1,276	1,595	1,548
Profit for the period excluding non-controlling interest	703	708	1,338	1,275	1,611	1,548
Capital						
Total assets	-	-	13,238	12,995	-	13,004
DFDS A/S' share of equity	-	-	6,435	6,491	-	6,636
Equity	-	-	6,466	6,540	-	6,685
Net interest-bearing debt	-	-	2,636	2,554	-	2,424
Invested capital, end of period	-	-	9,229	9,184	-	9,205
Invested capital, average	9,203	9,266	9,198	8,994	9,195	9,037

	2017	2016	2017	2016	2016-2017	2016
DKK m	Q3	Q3	Q1-Q3	Q1-Q3	LTM	Full year
Cash flows						
Cash flows from operating activities, before financial items and after tax	861	825	1,985	2,014	2,633	2,662
Cash flows from investing activities	-218	-151	-1,342	-906	-1,644	-1,207
• Acquisition of enterprises and activities	0	-0	0	-0	-50	-51
• Other investments, net	-218	-151	-1,342	-905	-1,593	-1,156
Free cash flow	643	674	642	1,108	989	1,455
Key operating and return ratios						
Average number of employees	-	-	7,247	7,017	7,134	7,065
Number of ships	-	-	57	55	-	57
Revenue growth, %	3.3	0.2	3.7	2.9	2.8	2.4
EBITDA-margin, %	24.9	25.6	19.6	19.9	18.6	18.8
Operating margin, %	18.9	19.4	13.2	13.2	12.0	11.9
Revenue, invested capital average, (times)	-	-	-	-	1.5	1.5
Return on invested capital (ROIC), %	-	-	-	-	18.0	17.7
ROIC before special items, %	-	-	-	-	18.1	17.8
Return on equity, %	-	-	-	-	24.9	23.4
Key capital and per share ratios						
Equity ratio, %	-	-	48.8	50.3	-	51.4
Net interest bearing debt/EBITDA, (times)	-	-	-	-	1.0	0.9
Earnings per share (EPS), DKK	12.72	12.24	23.96	21.83	28.66	26.63
Dividend paid per share, DKK	7.00	3.00	10.00	6.00	10.00	6.00
Number of shares, end of period, '000	-	-	57,000	60,000	-	60,000
Weighted average number of circulating shares, '000	-	-	55,842	58,423	-	58,141
Share price, DKK	-	-	359.7	335.0	-	322.6
Market value	-	-	19,826	19,304	-	18,405

Definitions on page 24.

MARKET OVERVIEW

As in Q2, freight volumes continued to grow in most markets across northern Europe supported by the economic growth.

The real GDP of UK, DFDS' largest market, increased year-on-year by 1.5% in Q3 and this level of growth is widely expected to continue in Q4 2017. Trade between UK and Continental Europe likewise increased year-on-year in Q3, both for imports and exports. UK export volumes have in particular picked up since the British pound (GBP) depreciated post the Brexit vote in June 2016.

The average rate of GBP/DKK was 5% lower in the quarter compared to Q3 2016.

The demand for passenger ferry services in the Q3 high season was more or less on level with last year as demand in UK and Norway continued to be subdued while demand from overseas markets, especially Asia, is increasing. Some increase in passenger volumes from the Continent to UK were recorded in the quarter.

The generally positive outlook for Europe's economy for Q4 and 2018 was further confirmed during Q3.

IMPORTANT EVENTS IN Q3

NOK 1.25bn bond issued

On 22 September, a NOK 1,250m senior unsecured bond was issued. The bond is due on 28 September 2022 with a coupon of 3-month Nibor +132 bps and priced at par.

NOK was subsequently hedged against DKK and the interest rate was swapped into a floating Danish interest rate. An application to list and admit the bonds to trading on Oslo Stock Exchange will be filed within three months.

The main purpose of the bond issue was to refinance existing bonds and extend debt maturity.

IMPORTANT EVENTS AFTER Q3

Belfast logistics restructured

The reefer activity of DFDS' logistics activities based in Belfast has been divested to focus remaining operations and improve the return on invested capital.

The growth and financial performance of the door-door reefer line-haul business between Ireland and Great Britain have in recent years not met expectations and have been lossmaking in 2017. This activity, including more than 100 employees, was therefore divested effective 1 November 2017.

The total annual revenue of the divested activity is around DKK 250m. The restructuring will result in an accounting loss in 2017 of around DKK 10m.

Going forward, the focus in Belfast will be on door-door trailer solutions for ambient cargo, mainly covering Northern Ireland and England/Scotland and contract logistics for major retailers. The restructuring is expected to improve earnings for Belfast in 2018.

Logistics company Alpatrans acquired

To further expand and develop DFDS' European logistics services, DFDS has acquired 100% of the share capital of the Dutch company Alpatrans Group BV headquartered in Rotterdam. More information in separate announcement on the transaction.

DIGITAL JOURNEY AND CONTINUOUS IMPROVEMENT

Investing in further digital development

A review of our IT operation has led to the launch of a new digital and IT operating model, including future investment requirements. The new model creates a clear governance for stakeholders and will support topline growth by enhancing the customer experience and accelerating the time-to-market. Scalability for new digital solutions will also be improved.

The focus on digital development is expected to increase costs by around DKK 50m in 2017 compared to last year and add investments of around DKK 30m.

Efficiency and improvement projects

The pursuit of continuous improvement through targeted efficiency and improvement projects is currently focused on four projects:

- Toplight – simplified rate structure and preparing freight shipping for digital customer solutions and efficiency gains

- Carpe Momentum – improve on board sales and spend per passenger on Channel routes
- Haulage Drive – improve efficiency of sub-contracted haulage
- DFDS WAY 2.0 – further development of operating model.

FINANCIAL PERFORMANCE

Revenue

The Group's revenue in Q3 was DKK 3,922m, an increase of 3.3% compared to 2016. Revenue increased by 3.1% adjusted for currency changes, acquisitions, the divested Belfast activity and excluding revenue from bunker surcharges.

The Shipping Division's Q3 revenue of DKK 2,835m increased 3.3% and by 2.4% adjusted for currency changes, primarily depreciation of GBP, acquisition of a route and excluding revenue from bunker surcharges.

Freight revenue increased overall mainly driven by North Sea while passenger revenue was reduced by lower demand in the UK and Norwegian markets. The former being impacted by the depreciation of GBP.

The Logistics Division's Q3 revenue of DKK 1,261m increased 4.4% and by 5.9% adjusted for currency changes, primarily depreciation of GBP, the acquisitions of Shetland Transport and Italcargo in November and December 2016 respectively, and the divested Belfast activity.

The revenue growth was mainly driven by high volumes and additional activities in Sweden as well as in the Netherlands and Belgium. UK & Ireland's revenue was impacted by the depreciation of GBP.

Operating profit before depreciation (EBITDA) and special items

The Group's EBITDA increased 0.4% to DKK 976m in Q3 and by 1.0% to DKK 980m adjusted for the discontinued activity in Belfast.

The Shipping Division's Q3 EBITDA of DKK 926m was on level with 2016. The continued growth of freight volumes increased North Sea's result while lower passenger volumes and spending, partly due to the depreciation of GBP, reduced earnings in the other business units. The recovery of freight market share in Channel continued in Q3.

The Logistics Division's Q3 EBITDA increased 10% to DKK 66m. The increase was 20% excluding the divested Belfast activity. The improved result was mainly driven by the Continent business unit following higher activity and a higher share of high-margin contracts. The result also includes contributions from two acquisitions in Nordic and UK & Ireland respectively.

Depreciation and operating profit (EBIT) before special items

Depreciation in Q3 of DKK 233m was on level with 2016 as lower ship depreciations offset increased depreciations on cargo carrying equipment, software and IT-systems.

The Group's EBIT before special items for Q3 of DKK 742m was slightly up compared to last year.

Financial items

The total net cost of financing in Q3 increased by DKK 22m mainly due to a lower gain on net currency changes and costs related to a tender offer for the repurchase of existing bonds.

Profit before and after tax

The profit before tax for Q3 decreased 3% to DKK 708m following the increase in the finance cost. The decrease was also 3% excluding special items. The profit after tax was DKK 687m following taxes of DKK 21m.

Earnings per share

Earnings per share (EPS) for the quarter increased to DKK 12.72 from DKK 12.24 in Q3 2016, an increase of 4%.

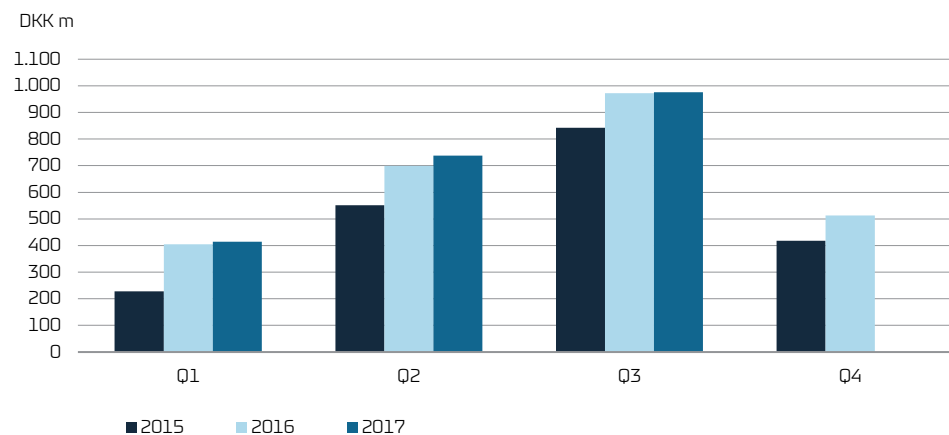
Cash flow and investments

The free cash flow (FCFF) of Q3 was DKK 643m after investments of DKK 218m mainly related to ships, including payments on new buildings.

The cash flow from financing activities was negative by DKK 271m in Q3 as the cash flow related to loan financing was positive by DKK 225m while DKK 495m was distributed to shareholders.

The net cash flow for Q3 was positive by DKK 372m and at the end of Q3 cash amounted to DKK 830m.

DFDS GROUP - EBITDA BEFORE SPECIAL ITEMS



REVENUE

DKK m	Q3 2017	Q3 2016	Change, %	Change
Shipping Division	2,835	2,744	3.3	90
Logistics Division	1,261	1,208	4.4	53
Non-allocated items	103	87	18.2	16
Eliminations	-276	-240	-14.9	-36
DFDS Group	3,922	3,799	3.3	124

OPERATING PROFIT BEFORE DEPRECIATION (EBITDA) & SPECIAL ITEMS

DKK m	Q3 2017	Q3 2016	Change, %	Change
Shipping Division	926	927	-0.2	-2
Logistics Division	66	60	10.3	6
Non-allocated items	-16	-15	-4.7	-1
DFDS Group	976	972	0.4	4
EBITDA-margin, %	24.9	25.6	-2.8	-0.7

ASSOCIATES AND JOINT VENTURES, PROFITS ON DISPOSALS AND DEPRECIATION

DKK m	Q3 2017	Q3 2016	Change, %	Change
EBITDA before special items	976	972	0.4	4
Associates and joint ventures	-1	-2	52.3	1
Profit on disposals	0	2	-81.2	-2
Depreciation and impairment	-233	-234	0.3	1
EBIT before special items	742	738	0.5	4

FINANCIAL ITEMS

DKK m	Q3 2017	Q3 2016	Change, %	Change
Interest, net	-16	-15	-9.9	-1
Foreign exchange gains/losses, net	1	15	-95.4	-14
Other items	-13	-6	n.a.	-7
Total finance, net	-28	-6	n.a.	-22

Capital structure

At the end of Q3 net-interest-bearing debt (NIBD) was DKK 2,636m, an increase of 9% compared to year-end 2016 mainly due to increasing capital distribution and investments.

Financial leverage, as measured by the ratio of NIBD to EBITDA (LTM) before special items, was a multiple of 1.0 compared to 0.9 at year-end 2016. The equity ratio was 49% at the end of Q3.

Equity

Equity amounted to DKK 6,466m at the end of Q3, including minority interests of DKK 32m. This was 3% below equity at year-end 2016 as total comprehensive income year-to-date was DKK 1,205m while transactions with owners reduced equity by DKK 1,423m, including dividends and share buybacks.

Invested capital and ROIC

Invested capital was DKK 9,229m at the end of Q3 and on level with the same time last year while the average invested capital of the quarter increased by 2% to DKK 9,198m.

For the last twelve months, the return on invested capital, ROIC, was 18.1% before special items compared to 17.8% for 2016.

MANAGEMENT SHAREHOLDINGS

Current shareholdings for Niels Smedegaard, CEO, and Torben Carlsen, CFO, are available at <https://www.dfds.com/group/about/management>.

OUTLOOK 2017

DKK m	OUTLOOK 2017 - NEW	OUTLOOK 2017 - PREVIOUS	2016
Revenue growth	3% ¹	4% ¹	13,790
EBITDA before special items	2,650-2,750	2,600-2,800	2,588
Per division:			
Shipping Division	2,475-2,550	2,450-2,600	2,439
Logistics Division	250-275	250-300	252
Non-allocated items	-75	-100	-103
Depreciation	0%	-2%	-950
Special items	-20	-20	-13
Investments	-1,600	-1,800	-1,207

¹ Excluding bunker surcharges

OUTLOOK 2017

The European growth outlook continues to be favourable to DFDS' infrastructure of ferry routes and the logistics operations.

The Group's revenue is now expected to increase by around 3% compared to previously 4% excluding bunker surcharges. The change includes the divestment of the Belfast reefer activity, lower passenger revenue and currency impact. The revenue growth is now expected to be around 3% including bunker surcharges compared to previously 5%.

The range for the Group's EBITDA before special items is narrowed to DKK 2,650-2,750m (2016: DKK 2,588m) compared to previously DKK 2,600-2,800m.

Investments, including the Alphatrans acquisition, are expected to be around DKK 1.6bn compared to previously

DKK 1.8bn as several port terminal projects are now expected to occur in 2018 instead of 2017. In addition, some dockings and a number of smaller projects have been postponed to 2018.

A number of risks and uncertainties pertain to the outlook. The most important among these are possible major changes in the demand for ferry shipping and transport and logistics services. For DFDS, such demand is to a large extent linked to the level of economic activity in primarily Europe, especially northern Europe and in particular the UK following its decision to leave the EU, but also adjacent regions, as well as to competitor actions. The outlook can also be impacted by political changes, first and foremost within the EU, as well as changes in economic variables, especially the oil price and exchange rates. Consequently, the future financial results may differ significantly from expectations.

Unloading of freight ferry in the port of Immingham, a key hub in the North Sea business unit that recorded 8% volume growth in Q3 2017 compared to Q3 2016.

DFDS' four freight routes out of Immingham are part of the infrastructure that facilitates trade between the UK and Sweden, Denmark, Germany and the Netherlands.



SHIPPING DIVISION

The Shipping Division operates DFDS' route network organised in five business units:

- North Sea
- Baltic Sea
- Channel
- France & Mediterranean
- Passenger

SHIPPING

	2017			2017	2016	2016				2016-2017	2016
DKK m	Q1	Q2	Q3	Q1-Q3	Q1-Q3	Q1	Q2	Q3	Q4	LTM	Full year
Revenue	2,154	2,523	2,835	7,512	7,204	2,020	2,440	2,744	2,264	9,776	9,468
EBITDA before special items	376	680	926	1,981	1,944	367	650	927	495	2,476	2,439
Share of profit/loss of associates and joint ventures	6	0	-1	5	-3	-1	0	-2	0	5	-3
Profit/loss on disposal of non-current assets, net	0	0	0	1	4	0	2	2	0	1	4
Depreciation and impairment	-202	-203	-198	-603	-617	-194	-218	-205	-211	-814	-828
EBIT before special items	180	478	726	1,384	1,329	173	434	722	284	1,668	1,613
EBIT margin before special items, %	8.4	18.9	25.6	18.4	18.4	8.6	17.8	26.3	12.5	17.1	17.0
Special items, net	0	9	0	9	-7	0	-7	0	-6	3	-13
EBIT	180	486	726	1,393	1,322	173	427	722	278	1,671	1,600
Invested capital, average	8,264	8,287	8,347	8,290	8,131	7,845	8,381	8,417	8,202	8,323	8,145
ROIC before special items, %	-	-	-	-	-	-	-	-	-	19.9	19.6
Lane metres, '000	9,223	9,433	9,513	28,169	28,004	8,610	9,954	9,440	9,779	37,947	37,783
Passengers, '000 *	756	1,428	2,144	4,329	4,320	841	1,329	2,150	1,009	5,337	5,329

* The definition of passenger volumes have been changed to exclude truck drivers so only passengers are reported going forward. Comparative figures have been restated.

Q3 MARKET, ACTIVITY AND RESULT TRENDS

North Sea

Freight volumes in Q3 were 7.9% above 2016 while year-to-date volumes were up 7.6%. Continued growth in trade between UK and the Continent supported high growth in the Netherlands-UK corridor along with an increase in un-accompanied transport solutions for trailers due to a lower supply of drivers in the market. The Sweden-Belgium corridor was boosted by higher automotive volumes and capacity was increased in mid-August. Trading between Sweden and UK picked up and the

balance improved in line with increasing UK exports.

EBIT increased 50% to DKK 174m mainly driven by the higher volumes that also benefitted port terminals. Operating costs in UK were lower due to the depreciation of GBP.

Baltic Sea

Freight volumes in Q3 were 19.5% above 2016 and on level after adjustment for a new route between Hanko, Finland, and Paldiski, Estonia, acquired in October 2016. Year-to-date volumes were down 0.7%, likewise adjusted. Volumes were ahead of last

year on all routes except one. Passenger volumes were down 5.8% mostly due to a lower market share between Sweden and Estonia.

EBIT decreased 3% to DKK 116m primarily due to the lower freight and passenger volumes on two routes.

Channel

Passenger volumes were on level with 2016 in both Q3 and year-to-date. The demand for passenger ferry services from UK residents continued to be soft due to the depreciation of GBP.

DFDS' freight market share continued to recover during Q3. Freight volumes in Q3 decreased 6.0% driven mainly by the Dover-Dunkirk route as some volumes have been transferred from Dunkirk back to Calais following the shutdown of the illegal migrant camp close to the Calais port in late 2016. Year-to-date, freight volumes were down 6.4%.

EBIT decreased 11% to DKK 202m in Q3 due to the lower freight volumes and somewhat lower pricing in the passenger market, including an impact from the depreciation of GBP.

France & Mediterranean

Freight volumes in Q3 were 9.1% below 2016 while passenger volumes were 4.7% down. Year-to-date, freight volumes decreased 5.3% while passenger volumes were 4.7% lower. The decrease in freight volumes was mainly due to the Western Channel market.

EBIT decreased 20% to DKK 18m mainly due to the lower passenger volumes.

Passenger

The number of passengers in Q3 increased 1.2% compared to 2016 as growth between UK and the Continent driven by Continental passengers was offset by flat passenger numbers between Norway and Denmark. Year-to-date passenger volumes increased 1.6%.

EBIT decreased 7% to DKK 184m in Q3 mainly due to lower on board sales, an increase in bunker costs and a lower contribution from freight.

Non-allocated items

These items comprise primarily external charter activities and laid-up ships not deployed on a route.

EBIT decreased 18% to DKK 33m primarily due to timing differences.

SHIPPING DIVISION

DKK m	2017			2017	2016	2016				2016-2017	2016
	Q1	Q2	Q3	Q1-Q3	Q1-Q3	Q1	Q2	Q3	Q4	LTM	Full year
NORTH SEA											
Revenue	926	928	897	2,750	2,495	812	861	822	870	3,620	3,365
EBIT before special items	151	179	174	505	386	128	142	117	129	634	515
Invested capital	4,263	4,136	4,115	4,189	4,150	4,018	4,177	4,296	4,240	4,210	4,168
ROIC before special items, %	-	-	-	-	-	-	-	-	-	14.9	12.1
Lane metres freight, '000	3,077	3,185	3,145	9,407	8,740	2,807	3,020	2,913	3,031	12,437	11,770
BALTIC SEA											
Revenue	341	382	388	1,110	1,010	299	340	371	339	1,449	1,349
EBIT before special items	74	105	116	295	290	78	92	119	73	368	363
Invested capital	1,218	1,181	1,182	1,211	1,188	1,056	1,387	1,326	1,265	1,234	1,203
ROIC before special items, %	-	-	-	-	-	-	-	-	-	29.7	30.0
Lane metres freight, '000	1,118	1,169	1,146	3,433	2,895	938	998	959	1,154	4,587	4,049
Passengers, '000 **	34	55	76	164	165	34	52	79	44	208	209
CHANNEL											
Revenue	457	563	746	1,766	1,780	428	586	766	508	2,274	2,288
EBIT before special items *	-1	75	202	275	346	23	97	226	50	325	396
Invested capital	2,057	2,055	2,022	2,041	1,914	2,227	2,185	2,135	2,030	2,060	1,937
ROIC before special items, %	-	-	-	-	-	-	-	-	-	15.7	20.4
Lane metres freight, '000	4,643	4,684	4,848	14,175	15,147	4,493	5,493	5,161	5,178	19,352	20,325
Passengers, '000 **	455	908	1,482	2,845	2,845	531	830	1,484	615	3,459	3,460
FRANCE & MEDITERRANEAN											
Revenue	98	123	150	370	376	98	124	153	105	475	481
EBIT before special items	-8	2	18	11	20	-7	5	22	-9	2	11
Invested capital	76	40	33	33	-32	-71	-8	17	-17	30	-29
ROIC before special items, %	-	-	-	-	-	-	-	-	-	7.4	n.a.
Lane metres freight, '000	243	248	234	726	767	237	272	258	237	962	1,003
Passengers, '000	31	92	166	288	302	37	92	174	50	338	353
PASSENGER											
Revenue	272	460	586	1,317	1,340	286	465	590	373	1,690	1,713
EBIT before special items	-59	88	184	212	234	-60	96	198	19	231	253
Invested capital	620	711	725	670	565	566	523	571	625	650	577
ROIC before special items, %	-	-	-	-	-	-	-	-	-	35.2	43.1
Lane metres freight, '000	141	147	140	429	455	135	171	149	180	607	634
Passengers, '000 **	237	374	421	1,031	1,007	239	356	413	300	1,331	1,307
NON-ALLOCATED ITEMS											
Revenue	101	121	123	345	357	149	111	97	131	477	488
EBIT before special items *	23	30	33	86	52	11	2	40	22	108	74

The invested capital in the quarter is shown as per the end of the period. For the full year, the invested capital is shown as an average. * EBIT has been restated in Q1 and Q2 2016 as costs for the redelivery of a laid-up chartered ship was not consistently reported between business units and all costs have therefore been moved to Non-allocated items. ** The definition of passenger volumes have been changed to exclude truck drivers so only passengers are reported going forward. Comparative figures have been restated.

LOGISTICS DIVISION

The Logistics Division operates DFDS' logistics activities organised in three business units:

- Nordic
- Continent
- UK & Ireland

LOGISTICS

DKK m	2017			2017	2016	2016				2016-2017	2016
	Q1	Q2	Q3	Q1-Q3	Q1-Q3	Q1	Q2	Q3	Q4	LTM	Full year
Revenue	1,235	1,346	1,261	3,841	3,695	1,220	1,268	1,208	1,235	5,076	4,930
EBITDA before special items	48	73	66	187	183	54	69	60	70	256	252
Profit/loss on disposal of non-current assets, net	3	1	0	4	2	1	1	1	1	5	4
Depreciation and impairment	-25	-24	-25	-74	-69	-24	-23	-22	-25	-99	-94
EBIT before special items	26	49	42	116	116	30	47	39	46	162	161
EBIT margin before special items, %	2.1	3.6	3.3	3.0	3.1	2.5	3.7	3.2	3.7	3.2	3.3
EBIT	26	49	42	116	116	31	47	39	45	162	162
Invested capital, average	1,123	1,127	1,139	1,133	1,072	1,122	1,064	1,022	1,130	1,109	1,084
ROIC before special items, %	-	-	-	-	-	-	-	-	-	12.5	13.4
Tons, '000	99.0	100.0	94.1	293.0	308.9	114.3	98.2	96.4	118.3	411.3	427.2
Units, '000	131.9	140.9	136.1	408.9	388.1	125.7	132.5	129.9	134.2	543.1	522.3

Q3 MARKET, ACTIVITY AND RESULT TRENDS

Nordic

The number of transported units in Q3 increased 17.1% compared to 2016 and by 15.0% adjusted for the acquisition of Italcargo in December 2016. Additional contract logistics activities accounted for around half of the increase. Volumes for door-door trailer solutions increased in the Sweden-UK corridor and in the Baltic region while both trailer and container volumes out of Norway were on level with last year. Norwegian sideport volumes were below last year.

EBIT increased 7% to DKK 13m as higher earnings for the Swedish trailer solutions were partly offset by lower earnings for some contract logistics activities and sideport shipping.

Continent

The number of transported units in Q3 were up 1.2% which does not fully reflect solid underlying growth in the market. Volume growth for the Netherlands-UK traffics as well as Belgium-Sweden traffics was high. This was, however, offset by a significant reduction of volumes in Italy following activity changes.

EBIT increased 70% to DKK 18m mainly driven by the Benelux activities, including growth in high-margin solutions and additional contract logistics activities.

UK & Ireland

The number of transported units in Q3 increased 1.6% compared to 2016 and 1.1% adjusted for the acquisition of Shetland Transport in November 2016 and the divested Belfast activity. The volume growth

was mainly driven by increasing aquaculture volumes in Scotland and England as well as higher activity in cold stores in England. This was partly offset by lower activity between UK and Italy and steel volumes.

EBIT decreased 6% to DKK 15m, excluding the divested Belfast activity, due to a negative currency impact from the depreciation of GBP. A positive result for Shetland Transport was offset by lower margins in aquaculture and reduced volumes in other areas.

LOGISTICS DIVISION

DKK m	2017			2017	2016	2016				2016-2017	2016
	Q1	Q2	Q3	Q1-Q3	Q1-Q3	Q1	Q2	Q3	Q4	LTM	Full year
Nordic											
Revenue	429	486	461	1,377	1,213	411	418	383	400	1,777	1,613
EBIT before special items	9	17	13	39	41	13	16	13	12	52	53
Invested capital	332	360	411	356	319	320	305	304	322	346	319
ROIC before special items, %	-	-	-	-	-	-	-	-	-	15.1	16.2
Units, '000 *	31.0	35.8	32.9	99.7	89.0	30.5	30.4	28.1	30.4	130.1	119.4
Tons, '000	99.0	100.0	94.1	293.0	308.9	114.3	98.2	96.4	118.3	411.3	427.2
Continent											
Revenue	479	518	500	1,497	1,478	489	501	489	479	1,976	1,957
EBIT before special items	9	17	18	44	35	9	16	11	12	56	47
Invested capital	346	340	344	346	335	350	326	340	355	345	339
ROIC before special items, %	-	-	-	-	-	-	-	-	-	12.4	11.5
Units, '000	54.2	57.1	56.1	167.4	168.3	55.7	57.1	55.5	54.8	222.2	223.0
UK & Ireland											
Revenue	359	378	339	1,077	1,105	353	384	368	389	1,466	1,494
EBIT before special items	9	14	10	33	40	8	15	16	21	54	61
Invested capital	445	429	394	430	419	426	400	374	453	419	426
ROIC before special items, %	-	-	-	-	-	-	-	-	-	10.6	12.8
Units, '000 **	46.7	48.0	47.1	141.7	130.7	39.5	44.9	46.3	49.1	190.8	179.8
Non-allocated items											
Revenue	53	54	55	163	156	54	52	49	45	208	201
EBIT before special items	0	0	0	0	0	0	0	0	0	0	0

* Excluding volumes related to automotive Logistics contract.

** Volumes from Haulage Shetland Ltd. not included in Q4 2016.

The invested capital in the quarter is shown as per the end of the period. For the full year, the invested capital is shown as an average.

MANAGEMENT STATEMENT

The Board of Directors and the Executive Board have reviewed and approved the interim report of DFDS A/S for the period 1 January – 30 September 2017.

The interim report, which has not been audited or reviewed by the Company's auditor, has been prepared in accordance with IAS 34, "Interim Financial Reporting", as adopted by the EU, and additional Danish interim reporting requirements for listed companies.

In our opinion, the interim report gives a true and fair view of the DFDS Group's assets, liabilities and financial position at 30 September 2017 and of the results of the DFDS Group's operations and cash flow for the period 1 January – 30 September 2017.

Further, in our opinion, the Management review p. 1-12 gives a true and fair review of the development in the Group's operations and financial matters, the result of the DFDS Group's operations for the period and the financial position as a whole.

Copenhagen, 14 November 2017



EXECUTIVE BOARD **NIELS SMEDEGAARD** President & CEO, **TORBEN CARLSEN** CFO

BOARD OF DIRECTORS **CLAUS HEMMINGSEN** Chair, **PERNILLE ERENBJERG** Deputy Chair,
JØRGEN JENSEN, **JENS OTTO KNUDSEN**, **JILL LAURITZEN MELBY**,
KLAUS NYBORG, **LARS SKJOLD-HANSEN**, **MARIANNE DAHL STEENSEN**, **KENT VILDBÆK**

DFDS GROUP - INCOME STATEMENT

DKK m	Note	2017 Q3	2016 Q3	2017 Q1-Q3	2016 Q1-Q3	2016-2017 LTM	2016 Full year
Revenue		3,922.2	3,798.5	10,830.4	10,439.4	14,181.5	13,790.4
Costs							
Operating costs		-1,914.2	-1,857.3	-5,745.9	-5,465.2	-7,614.0	-7,333.2
Charter hire		-148.3	-118.9	-445.7	-413.0	-597.1	-564.5
Employee costs		-676.0	-653.0	-1,985.7	-1,942.5	-2,651.2	-2,607.9
Costs of sales and administration		-208.1	-197.6	-525.1	-543.2	-678.4	-696.6
Operating profit before depreciation (EBITDA) and special items		975.6	971.8	2,128.0	2,075.5	2,640.8	2,588.2
Share of profit/loss of associates and joint ventures		-1.0	-2.1	5.2	-2.9	5.1	-3.0
Profit/loss on disposal of non-current assets, net		0.5	2.5	5.8	6.4	7.9	8.5
Depreciation, ships		-184.5	-191.9	-560.4	-576.9	-744.3	-760.8
Depreciation, other non-current assets		-48.9	-42.0	-145.9	-129.1	-191.0	-174.3
Impairment losses, ships and other non-current assets		0.0	-0.1	0.0	-0.1	-15.0	-15.1
Operating profit (EBIT) before special items		741.7	738.1	1,432.8	1,372.9	1,703.4	1,643.6
Special items, net	3	-5.2	0.0	-7.6	-6.8	-13.6	-12.8
Operating profit (EBIT)		736.5	738.1	1,425.2	1,366.1	1,689.8	1,630.7
Financial income		1.5	1.5	19.3	5.5	69.7	56.0
Financial costs		-29.7	-7.2	-70.7	-45.5	-124.3	-99.1
Profit before tax		708.3	732.4	1,373.7	1,326.1	1,635.3	1,587.6
Tax on profit		-21.4	-23.8	-51.7	-50.4	-40.6	-39.3
Profit for the period		686.9	708.6	1,322.1	1,275.7	1,594.7	1,548.3
Attributable to:							
Equity holders of DFDS A/S		703.2	708.5	1,338.1	1,275.4	1,610.8	1,548.1
Non-controlling interests		-16.3	0.1	-16.0	0.3	-16.1	0.2
Profit for the period		686.9	708.6	1,322.1	1,275.7	1,594.7	1,548.3
Earnings per share							
Basic earnings per share (EPS) of DKK 20, DKK		12.72	12.24	23.96	21.83	28.66	26.63
Diluted earnings per share (EPS-D) of DKK 20, DKK		12.63	12.09	23.75	21.54	28.36	26.35

DFDS GROUP - COMPREHENSIVE INCOME

	2017	2016	2017	2016	2016-2017	2016
DKK m	Q3	Q3	Q1-Q3	Q1-Q3	LTM	Full year
Profit for the period	686.9	708.6	1,322.1	1,275.7	1,594.7	1,548.3
Other comprehensive income						
Items that will not be reclassified subsequently to the Income statement:						
Remeasurement of defined benefit pension obligations	0.0	-214.7	0.0	-214.7	62.1	-152.6
Tax on items that will not be reclassified to the Income statement	0.4	0.0	1.9	0.0	-8.5	-10.4
Items that will not be reclassified subsequently to the Income statement	0.4	-214.7	1.9	-214.7	53.6	-163.0
Items that are or may be reclassified subsequently to the Income statement:						
Value adjustment of hedging instruments:						
Value adjustment for the period	33.0	18.0	-65.1	51.8	-39.8	77.1
Value adjustment transferred to operating costs	-1.9	-0.8	-8.3	11.9	-11.5	8.7
Value adjustment transferred to financial costs	-68.1	8.3	-25.4	-20.7	-10.9	-6.1
Value adjustment transferred to non-current tangible assets	4.3	0.0	4.1	0.0	0.3	-3.8
Foreign exchange adjustments, subsidiaries	11.8	-24.5	-24.0	-108.6	-28.7	-113.3
Unrealised value adjustment of securities	0.0	25.2	0.0	25.2	0.0	25.2
Realised value adjustment of securities transferred to financial items	0.0	0.0	0.0	0.0	-25.2	-25.2
Items that are or may be reclassified subsequently to the Income statement	-21.0	26.2	-118.8	-40.3	-115.9	-37.5
Total other comprehensive income after tax	-20.6	-188.5	-116.9	-255.0	-62.4	-200.4
Total comprehensive income	666.3	520.1	1,205.2	1,020.7	1,532.3	1,347.9
Attributable to:						
Equity holders of DFDS A/S	682.6	519.9	1,221.2	1,020.5	1,548.5	1,347.9
Non-controlling interests	-16.3	0.2	-16.0	0.2	-16.2	0.0
Total comprehensive income	666.3	520.1	1,205.2	1,020.7	1,532.3	1,347.9

BALANCE SHEET ASSETS

	2017	2016	2016
DKK m	Q1-Q3	Q1-Q3	Full year
Goodwill	553.4	553.3	555.8
Other non-current intangible assets	33.7	23.8	37.5
Software	229.6	190.9	195.7
Development projects in progress	12.0	29.7	37.0
Non-current intangible assets	828.7	797.7	826.1
Land and buildings	140.7	109.4	161.8
Terminals	489.5	502.2	510.6
Ships	7,707.0	8,082.5	7,904.0
Equipment, etc.	600.9	454.1	542.7
Assets under construction and prepayments	196.4	34.2	135.9
Non-current tangible assets	9,134.4	9,182.3	9,255.0
Investments in associates and joint ventures	33.5	29.4	28.6
Receivables	135.8	25.0	24.8
Securities	9.5	9.5	9.5
Deferred tax	67.0	74.6	94.6
Derivative financial instruments	0.0	17.5	34.5
Other non-current assets	245.8	156.0	192.1
Non-current assets	10,208.9	10,136.0	10,273.1
Inventories	134.9	117.0	139.2
Trade receivables	1,785.9	1,631.3	1,602.2
Receivables from associates and joint ventures	62.2	51.5	52.2
Other receivables	116.7	179.3	119.2
Prepaid costs	97.0	92.4	84.2
Derivative financial instruments	2.7	9.4	25.0
Securities	0.0	34.1	0.0
Cash	829.5	729.9	695.6
Current assets	3,028.9	2,845.0	2,717.6
Assets classified as held for sale	0.0	13.5	13.5
Total current assets	3,028.9	2,858.5	2,731.1
Assets	13,237.8	12,994.5	13,004.3

EQUITY AND LIABILITIES

	2017	2016	2016
DKK m	Q1-Q3	Q1-Q3	Full year
Share capital	1,140.0	1,200.0	1,200.0
Reserves	-397.2	-290.9	-299.7
Retained earnings	5,691.9	5,582.2	5,556.1
Proposed dividends	0.0	0.0	180.0
Equity attributable to equity holders of DFDS A/S	6,434.8	6,491.3	6,636.4
Non-controlling interests	31.6	48.4	48.2
Equity	6,466.4	6,539.8	6,684.6
Interest-bearing liabilities	3,061.7	2,145.0	2,100.9
Deferred tax	193.4	164.9	191.2
Pension and jubilee liabilities	440.5	522.3	460.2
Other provisions	46.7	54.7	54.9
Derivative financial instruments	39.0	127.2	145.6
Non-current liabilities	3,781.3	3,014.1	2,952.8
Interest-bearing liabilities	346.1	1,067.4	907.9
Trade payables	1,793.0	1,616.4	1,722.3
Payables to associates and joint ventures	31.4	31.8	28.4
Other provisions	36.7	56.3	67.1
Corporation tax	42.3	33.9	30.2
Other payables	491.2	471.1	472.0
Derivative financial instruments	103.1	13.6	0.2
Prepayments from customers	146.4	150.1	138.9
Current liabilities	2,990.1	3,440.7	3,366.9
Liabilities	6,771.4	6,454.8	6,319.7
Equity and liabilities	13,237.8	12,994.5	13,004.3

DFDS GROUP STATEMENT OF CHANGES IN EQUITY (1 JANUARY – 30 SEPTEMBER 2017)

DKK m	RESERVES							Equity attributable to equity holders of DFDS A/S	Non-controlling interests	Total
	Share capital	Translation reserve	Hedging Reserve	Revaluation of securities	Treasury shares	Retained earnings	Proposed dividends			
Equity at 1 January 2017	1,200.0	-279.6	38.8	0.1	-58.9	5,556.1	180.0	6,636.4	48.2	6,684.6
Comprehensive income for the period										
Profit for the period						1,338.1		1,338.1	-16.0	1,322.1
Other comprehensive income										
Items that will not be reclassified subsequently to the Income statement:										
Tax on items that will not be reclassified to the Income statement						1.9		1.9		1.9
Items that will not be reclassified subsequently to the Income statement	0.0	0.0	0.0	0.0	0.0	1.9	0.0	1.9	0.0	1.9
Items that are or may be reclassified subsequently to the Income statement:										
Value adjustment of hedging instruments for the period			-65.1					-65.1		-65.1
Value adjustment transferred to operating costs			-8.3					-8.3		-8.3
Value adjustment transferred to financial costs			-25.4					-25.4		-25.4
Value adjustment transferred to non-current tangible assets			4.1					4.1		4.1
Foreign exchange adjustments, subsidiaries		-24.0						-24.0	0.0	-24.0
Items that are or may be reclassified subsequently to the Income statement	0.0	-24.0	-94.7	0.0	0.0	0.0	0.0	-118.8	0.0	-118.7
Total other comprehensive income after tax	0.0	-24.0	-94.7	0.0	0.0	1.9	0.0	-116.9	0.0	-116.9
Total comprehensive income	0.0	-24.0	-94.7	0.0	0.0	1,339.9	0.0	1,221.2	-16.0	1,205.2
Transactions with owners										
Acquisition, non-controlling interests						0.4		0.4	-0.6	-0.2
Dividend paid							-167.9	-167.9		-167.9
Dividend on treasury shares						12.1	-12.1	0.0		0.0
Proposed extraordinary dividend						-399.0	399.0	0.0		0.0
Extraordinary dividend paid							-387.8	-387.8		-387.8
Extraordinary dividend on treasury shares						11.2	-11.2	0.0		0.0
Vested share-based payments						19.5		19.5		19.5
Cash from sale of treasury shares related to exercise of share options					12.6	42.7		55.3		55.3
Purchase of treasury shares					-51.3	-890.5		-941.8		-941.8
Reduction of share capital by cancellation of treasury shares	-60.0				60.0			0.0		0.0
Other adjustments						-0.7		-0.7		-0.7
Transactions with owners Q1-Q3 2017	-60.0	0.0	0.0	0.0	21.3	-1,204.1	-180.0	-1,422.9	-0.6	-1,423.4
Equity at 30 September 2017	1,140.0	-303.6	-56.0	0.1	-37.6	5,691.9	0.0	6,434.8	31.6	6,466.4

DFDS GROUP STATEMENT OF CHANGES IN EQUITY (1 JANUARY – 30 SEPTEMBER 2016)

DKK m	RESERVES							Equity attributable to equity holders of DFDS A/S	Non-controlling interests	Total
	Share capital	Translation reserve	Hedging Reserve	Revaluation of securities	Treasury shares	Retained earnings	Proposed dividends			
Equity at 1 January 2016	1,230.0	-166.5	-37.0	0.1	-43.5	5,312.7	184.5	6,480.2	49.5	6,529.7
Comprehensive income for the period										
Profit for the period						1,275.4		1,275.4	0.3	1,275.7
Other comprehensive income										
Items that will not subsequently be reclassified to the income statement:										
Remeasurement of defined benefit pension obligations						-214.7		-214.7		-214.7
Items that will not subsequently be reclassified to the Income statement	0.0	0.0	0.0	0.0	0.0	-214.7	0.0	-214.7	0.0	-214.7
Items that are or may be reclassified subsequently to the Income statement:										
Value adjustment of hedging instruments for the period			51.8					51.8		51.8
Value adjustment transferred to operating costs			11.9					11.9		11.9
Value adjustment transferred to financial costs			-20.7					-20.7		-20.7
Foreign exchange adjustments, subsidiaries		-108.5						-108.5	-0.1	-108.6
Unrealised value adjustment of securities				25.2				25.2		25.2
Items that are or may be reclassified subsequently to the Income statement	0.0	-108.5	43.1	25.2	0.0	0.0	0.0	-40.2	-0.1	-40.3
Total other comprehensive income after tax	0.0	-108.5	43.1	25.2	0.0	-214.7	0.0	-254.9	-0.1	-255.0
Total comprehensive income	0.0	-108.5	43.1	25.2	0.0	1,060.7	0.0	1,020.5	0.2	1,020.7
Transactions with owners										
Acquisition, non-controlling interests						1.0		1.0	-1.3	-0.3
Dividend paid							-175.4	-175.4		-175.4
Dividend on treasury shares						9.1	-9.1	0.0		0.0
Proposed extraordinary dividend						-180.0	180.0	0.0		0.0
Extraordinary dividend paid							-173.6	-173.6		-173.6
Extraordinary dividend on treasury shares						6.4	-6.4	0.0		0.0
Vested share-based payments						5.6		5.6		5.6
Purchase of treasury shares					-55.5	-674.4		-729.9		-729.9
Cash from sale of treasury shares related to exercise of share options					21.8	42.4		64.2		64.2
Reduction of share capital by cancellation of treasury shares	-30.0				30.0			0.0		0.0
Other adjustments						-1.3		-1.3		-1.3
Transactions with owners Q1-Q3 2016	-30.0	0.0	0.0	0.0	-3.7	-791.2	-184.5	-1,009.4	-1.3	-1,010.7
Equity at 30 September 2016	1,200.0	-275.0	6.0	25.3	-47.2	5,582.2	0.0	6,491.3	48.4	6,539.8

DFDS GROUP - CASH FLOW STATEMENT

	2017 Q3	2016 Q3	2017 Q1-Q3	2016 Q1-Q3	2016-2017 LTM	2016 Full year
DKK m						
Operating profit before depreciation (EBITDA) and special items	975.6	971.8	2,128.0	2,075.5	2,640.8	2,588.2
Cash flow effect from special items related to operating activities	0.0	0.1	0.0	-2.5	-0.1	-2.6
Adjustments for non-cash operating items, etc.	2.3	4.2	9.7	2.5	21.5	14.3
Change in working capital	-108.2	-141.9	-90.5	30.4	47.5	168.4
Payment of pension liabilities and other provisions	-5.7	-6.4	-50.7	-76.2	-60.0	-85.5
Cash flow from operating activities, gross	864.0	827.9	1,996.6	2,029.7	2,649.7	2,682.7
Interest etc. received	45.0	32.2	91.3	82.7	117.3	108.7
Interest etc. paid	-45.6	-37.0	-132.7	-137.6	-177.3	-182.2
Taxes paid	-3.1	-2.9	-11.9	-15.9	-16.4	-20.4
Cash flow from operating activities, net	860.3	820.2	1,943.3	1,958.8	2,573.3	2,588.8
Investments in ships including dockings, rebuildings and ships under construction (incl. settlement of forward exchange contracts)	-170.8	-129.9	-1,175.8	-794.6	-1,336.9	-955.7
Investments in other non-current tangible assets	-39.1	-21.9	-153.5	-98.7	-261.0	-206.2
Sale of other non-current tangible assets	2.5	0.0	30.4	16.8	31.6	18.1
Investments in non-current intangible assets	-9.4	-3.8	-33.5	-33.8	-52.1	-52.4
Acquisition of enterprises, associates, joint ventures and activities	0.0	-0.5	0.0	-0.5	-50.4	-50.9
Sale of activities etc.	0.0	5.0	0.0	5.0	0.0	5.0
Sale of securities	0.0	0.0	0.0	0.0	34.1	34.1
Other investing cash flows	-1.3	0.0	-10.0	0.0	-10.0	0.0
Dividend from associates and joint ventures	0.0	0.0	0.0	0.0	0.8	0.8
Cash flow to/from investing activities, net	-218.1	-151.0	-1,342.4	-905.7	-1,643.9	-1,207.2
Proceed from loans secured by mortgage in ships	0.0	0.0	671.6	0.0	671.6	0.0
Repayment and instalments of loans secured by mortgage in ships	-12.5	-15.6	-56.2	-270.5	-84.5	-298.7
Proceed from issuance of corporate bonds	993.9	0.0	993.9	0.0	993.9	0.0
Repayment of corporate bonds incl. settlement of cross currency swap	-504.9	0.0	-504.9	-493.5	-504.9	-493.5
Change in other financial loans, net	-250.4	0.0	5.5	-23.1	-18.4	-47.0
Payment of financial lease liabilities	-1.2	-18.9	-34.9	-62.7	-59.7	-87.5
Change in operating credits	0.0	-29.0	0.0	118.9	-119.8	-0.9
Acquisition of non-controlling interests	-0.1	0.0	-0.2	-0.3	-0.2	-0.3
Acquisition of treasury shares	-107.7	-142.7	-941.8	-729.9	-1,125.9	-914.1
Other non-current receivable	0.0	0.0	-111.0	0.0	-111.0	0.0
Cash received from exercise of share options	0.0	0.0	55.3	64.2	55.3	64.2
Government grants related to purchase of assets	0.0	0.0	11.9	0.7	31.0	19.7
Other financing cash flows	0.0	0.1	0.0	3.6	-0.7	2.9
Dividends paid	-387.8	-173.6	-555.7	-349.0	-555.7	-349.0
Cash flow to/from financing activities, net	-270.6	-379.8	-466.5	-1,741.7	-829.1	-2,104.3
Net increase (decrease) in cash and cash equivalents	371.5	289.4	134.5	-688.6	100.4	-722.7
Cash and cash equivalents at beginning of period	458.0	441.3	695.6	1,422.6	729.9	1,422.6
Foreign exchange and value adjustments of cash and cash equivalents	-0.1	-0.7	-0.6	-4.0	-0.8	-4.2
Cash and cash equivalents at end of period	829.5	729.9	829.5	729.9	829.5	695.6

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

NOTE 1 ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies. The interim report has been prepared using the same accounting policies as for the annual report for 2016. DFDS has adopted all new, amended or revised accounting standards and interpretations (IFRSs) endorsed by the EU effective for the accounting period beginning on 1 January 2017. The new standards and interpretations have not had any material impact on the Group's interim report.

NOTE 2 SEGMENT INFORMATION

DKK m	Shipping Division	Logistics Division	Non-allocated	Total
Q1-Q3 2017				
External revenue	6,988.0	3,826.1	16.4	10,830.4
Intragroup revenue	523.5	15.4	281.4	820.2
Total revenue	7,511.5	3,841.4	297.8	11,650.7
Operating profit (EBIT) before special items	1,384.0	116.2	-67.4	1,432.8
Operating profit after special items (EBIT)	1,392.6	116.2	-83.6	1,425.2

DKK m	Shipping Division	Logistics Division	Non-allocated	Total
Q1-Q3 2016				
External revenue	6,753.7	3,679.5	6.1	10,439.4
Intragroup revenue	450.2	15.6	253.4	719.2
Total revenue	7,203.9	3,695.2	259.5	11,158.6
Operating profit (EBIT) before special items	1,328.7	115.9	-71.6	1,372.9
Operating profit after special items (EBIT)	1,321.5	116.2	-71.6	1,366.1

NOTE 3 SPECIAL ITEMS

	2017 Q1-Q3	2016 Q1-Q3
DKK m		
Adjustment of estimated Earn-Out to seller regarding the route Kapellskär-Paldiski acquired in 2011 and Hanko-Paldiski acquired in 2016.	8.6	-7.1
Adjustment when finalising Earn-out regarding the acquisition of Quayside Group	0.0	0.3
Accrual of the total estimated costs (estimated fair value) related to the DFDS shares awarded to DFDS employees as a special one-off award in connection with DFDS' 150 years anniversary in December 2016. The costs accrue from December 2016 to February 2020.	-16.2	0.0
Special items, net	-7.6	-6.8

ACCOUNTING POLICY FOR SPECIAL ITEMS

Special items include significant income and expenses not directly attributable to the Group's recurring operating activities, such as material restructuring of processes and significant organizational restructurings/changes which are of significance over time. In addition, other non-recurring amounts are classified as special items, including impairment of goodwill; significant impairments of non-current tangible assets; significant transaction costs and integration costs in connection with large business combinations; changes to estimates of contingent considerations related to business combinations; gains and losses on the disposal of activities; and significant gains and losses on the disposal of non-current assets.

These items are classified separately in the income statement in order to provide a more transparent view of income and expenses that are considered not to have recurring nature.

NOTE 4 ACQUISITION OF ENTERPRISES AND SALE OF ACTIVITIES

2017

ACQUISITION

There have been no acquisitions in 2017.

DISPOSAL

DFDS' logistics activities based in Belfast have been restructured to focus operations and improve the return on invested capital. The reefer line-haul business will therefore be taken over by Manfreight Ltd. effectively from 1 November 2017, including more than 100 employees. The total annual revenue of activities included in the restructuring is around DKK 250m. The restructuring will result in an accounting loss in 2017 of around DKK 10m.

2016

ACQUISITION

On 1 September 2016 DFDS entered into an agreement with the Estonian company Navirail OÜ to acquire the company's freight and passenger route (ro-pax) between Paldiski (Estonia) and Hanko (Finland). The transaction was approved by the Estonian Competition Authorities at 28 September 2016 and the route is consolidated with effect from 1 October 2016.

On 14 November 2016 the acquisition of the Scottish company Haulage Shetland Ltd. was completed.

On 21 December 2016 the acquisition of the Swedish company Italcargo AB Sweden was completed.

For further details of these acquisitions, refer to the annual report for 2016.

NOTE 5 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The table discloses fair value and carrying amount of financial instruments measured at fair value in the balance sheet. Furthermore, categorisation of the valuation method according to the fair value hierarchy is stated.

Transfers between levels of the fair value hierarchy are considered to have occurred at the date of the event or change in circumstances that caused the transfer.

There were no transfers between the levels in the fair value hierarchy in Q1-Q3 2017.

TECHNIQUES FOR CALCULATING FAIR VALUES

DERIVATIVES

DFDS' usage of derivatives includes interest rate swaps, bunker swaps, forward exchange contracts and currency swaps. The fair values on interest rate swaps 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 value on forward exchange 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 bunker swaps are based on quoted forward curve from various financial institutions.

ASSETS HELD FOR SALE

During Q1 2017 the former Norfolkline domicile in Scheveningen with a carrying amount of DKK 13.5m was sold, which has resulted in an accounting gain of approx. DKK 1.1m.

DKK m	Q1-Q3 2017		Q1-Q3 2016	
	Fair value	Carrying amount	Fair value	Carrying amount
Financial assets				
Derivatives (Level 2)	2.7	2.7	26.9	26.9
Financial assets available for sale (Level 3)	0.0	0.0	34.1	34.1
Assets held for sale (non-recurring fair value measurement) (Level 3)	0.0	0.0	13.5	13.5
Financial liabilities				
Derivatives (Level 2)	142.1	142.1	140.9	140.9

NOTE 6 SUPPLEMENTARY FINANCIAL INFORMATION ON THE PARENT COMPANY

As a result of DFDS A/S' issuance of corporate bonds on Oslo Stock Exchange there is a requirement to provide certain supplementary financial information on the Parent Company. The following financial information has been prepared using the same accounting policies as for the Annual report for 2016. However, DFDS has adopted all new, amended or revised accounting standards and interpretations (IFRSs) endorsed by the EU effective for the accounting period beginning on 1 January 2017. These IFRSs have not had any material impact on the DFDS A/S' interim report.

The Parent Company's revenue increased by DKK 419m, equivalent to 6.2%. Operating profit before depreciation and special items (EBITDA) increased from DKK 1,486.6m to DKK 1,507.6m, equivalent to an increase of 1.4%. Both increases are primarily due to general improvement on most of the company's shipping routes.

Profit before tax decreased from DKK 1,348.5m in 2016 to DKK 1,232.5m in 2017.

The Parent Company's net interest-bearing debt decreased from DKK 4,466.1m at 31 December 2016 to DKK 3,895.5m at 30 September 2017.

	2017	2016	2016-2017	2016
DKK m	Q1-Q3	Q1-Q3	LTM	Full year
Income statement				
Revenue	7,227.9	6,809.3	9,455.7	9,037.1
Operating profit before depreciation (EBITDA) and special items	1,507.6	1,486.6	1,860.6	1,839.6
Operating profit (EBIT) before special items	1,130.6	1,101.4	1,339.3	1,310.1
Special items, net	111.4	-7.1	105.6	-12.9
Operating profit (EBIT)	1,242.0	1,094.3	1,444.9	1,297.2
Financial items, net	-9.5	254.2	-29.8	233.9
Profit before tax	1,232.5	1,348.5	1,415.1	1,531.1
Profit for the period	1,229.6	1,343.6	1,427.6	1,541.6
Assets				
Non-current intangible assets	361.4	307.8		351.3
Non-current tangible assets	4,279.9	5,241.8		5,270.4
Investments in affiliated companies, associates and joint ventures	3,873.6	3,838.8		3,892.5
Other non-current assets	120.6	9.5		44.0
Non-current assets	8,635.5	9,397.9		9,558.2
Current receivables from affiliated companies	980.3	591.6		615.0
Receivables from associates and joint ventures	55.2	51.0		49.8
Cash and securities	743.6	661.9		612.6
Other current assets	956.3	1,001.8		863.7
Current assets	2,735.4	2,306.2		2,141.1
Assets	11,370.9	11,704.1		11,699.3
Equity and liabilities				
Equity	4,465.3	4,720.4		4,750.3
Non-current liabilities	2,492.7	2,134.6		2,264.8
Current liabilities to affiliated companies	2,788.0	2,532.4		2,555.8
Other current liabilities	1,624.9	2,316.8		2,128.4
Current liabilities	4,412.9	4,849.2		4,684.2
Equity and liabilities	11,370.9	11,704.1		11,699.3
Equity ratio, %	39.3%	40.3%		40.6%
Net interest-bearing debt	3,895.5	3,987.1		4,466.1

DEFINITIONS

Operating profit before depreciation (EBITDA)	Profit before depreciation and impairment on non-current assets
Operating profit (EBIT)	Profit after depreciation and impairment on non-current intangible and tangible assets
Operating profit margin	$\frac{\text{Operating profit (EBIT) before special items}}{\text{Revenue}} \times 100$
Net operating profit after taxes (NOPAT)	Operating profit (EBIT) minus payable tax for the period adjusted for the tax effect of net finance cost
Invested capital	Net working capital (non-interest bearing current assets minus non-interest bearing current liabilities) plus non-current intangible and tangible assets minus pension and jubilee liabilities and other provisions
Net Interest-bearing debt	Interest-bearing liabilities (excluding provision for pensions) minus interest-bearing assets minus cash and securities
LTM	Last twelve months
Return on invested capital (ROIC)	$\frac{\text{Net operating profit after taxes (NOPAT)}}{\text{Average invested capital}} \times 100$
Free cash flow (FCFF)	Cash flow from operating activities excluding net interest received and paid minus cash flow from net investments
Return on equity	$\frac{\text{Profit for the period excluding non-controlling interests}}{\text{Average equity excluding non-controlling interests}} \times 100$
Equity ratio	$\frac{\text{Equity at end of period}}{\text{Total assets}} \times 100$
Earnings per share (EPS)	$\frac{\text{Profit for the period excluding non-controlling interests}}{\text{Weighted average number of ordinary shares in circulation}} \times 100$
P/E ratio	$\frac{\text{Share price at the end of the period}}{\text{Earnings per share (EPS)}} \times 100$
Dividend per share	$\frac{\text{Dividend for the year}}{\text{Number of shares at the end of the period}} \times 100$
Market value	Number of shares, ex. treasury shares, end of period times share price end of period

Roundings may in general cause variances in sums and percentages in this report.