GUIDANCE ABOVE DKK 3BN REAFFIRMED

DFDS GROUP
Q3 2018

13 November 2018

DFDS

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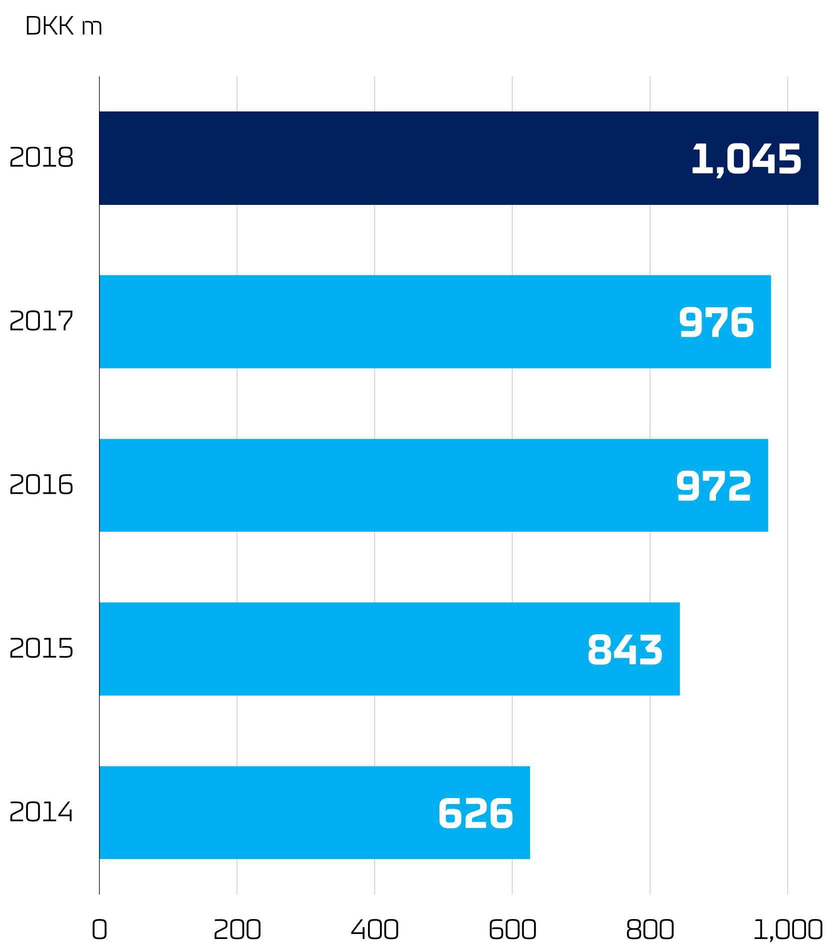
The statements about the future in this announcement contain risks and uncertainties.
This entails that actual developments may diverge significantly from statements about the future.

Acquistions drive Q3 improvement as Brexit slows growth

- **DFDS Group** revenue up 12% and EBITDA up 7% to DKK 1,045m in Q3
- **EU-Turkey** market stabilised, except Mersin region
- **Slowdown in UK** trading in Q3. Uncertainty linked to Brexit outcome impacting the trading
- **The EBITDA outlook range** for full-year 2018 is narrowed to DKK 3.0-3.1bn
- **Financial leverage**, NIBD/EBITDA, at 2.3 on FY pro forma basis

Q3 EBITDA before special items



Currently some headwind but sound platform

- **Brexit** concerns slowed market growth in northern Europe in Q3
- As a result, **freight volumes** on DFDS routes to and from UK were lowered
- Businesses and consumers require **clarity** on Brexit for growth to continue
- New Mediterranean route network linking Europe and Turkey **on track** to perform as expected when acquired in April
- **Robust** performance on key Mediterranean routes
- Turkish export industry expected to lead **recovery** of economy going forward
- We are **reaffirming** the full-year outlook for an EBITDA above DKK 3.0bn, an increase of more than 10% vs last year

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Q3 2018 EBIT flat as depreciations increase

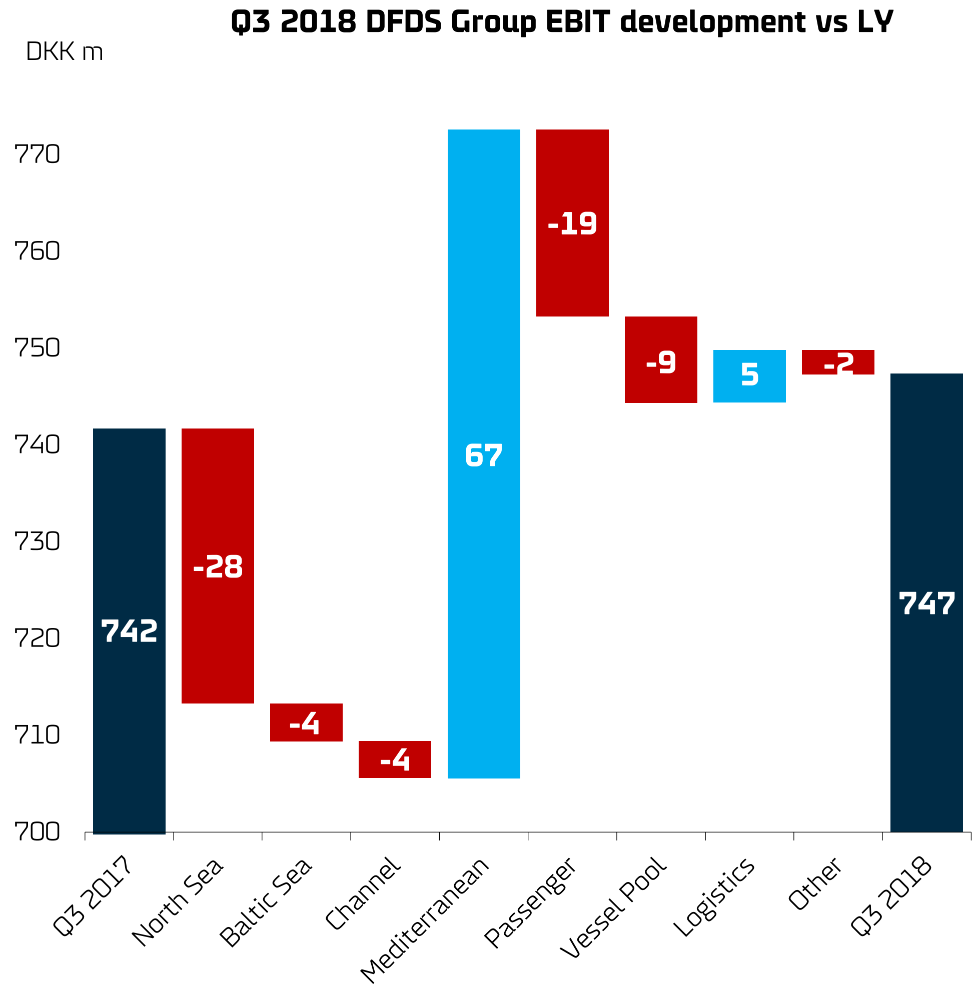
- **12% revenue growth** driven mainly by UNRR
- **EBITDA** up 7% to DKK 1,045m driven by UNRR as Northern European freight earnings reduced by Brexit slowdown and non-comparable items
- **Depreciation** increase of DKK 65m mainly due to acquisitions and Digital/IT. Offset of DKK 18m from change in ship depreciations
- **Finance** cost increase includes DKK 70m from currency losses on receivables. Remaining increase related to UNRR acquisition
- **Profit before special items and tax** decreased 13% to DKK 622m

DKK m	Q3 18	Q3 17	Change vs LY	Change %
REVENUE	4,383	3,922	461	12%
EBITDA BEFORE SI	**1,045**	**976**	**69**	**7%**
margin, %	23.8	24.9	-1.0	n.a.
P/L associates	-1	-1	0	n.a.
Gain/loss asset sales	2	0	1	n.a.
Depreciations	-298	-233	-65	-28%
EBIT BEFORE SI	**747**	**742**	**6**	**1%**
margin, %	17.1	18.9	-1.9	n.a.
Special items	3	-5	9	n.a.
EBIT	751	737	14	2%
Finance	-126	-28	-98	-346%
PBT BEFORE SI	**622**	**714**	**-92**	**-13%**
PBT	**625**	**708**	**-83**	**-12%**
EMPLOYEES avg., no.	7,705	7,247	458	6%
INVESTED CAPITAL	16,393	9,229	7,164	78%
ROIC LTM ex. SI, %	**14.8**	**18.1**	**-3.3**	**n.a.**
NIBD	7,666	2,636	5,030	191%
NIBD/EBITDA, times	**2.7**	**0.9**	**1.8**	**n.a.**
SOLVENCY, %	39	49	-10	n.a.

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

UK-linked business units impacted by Brexit concerns

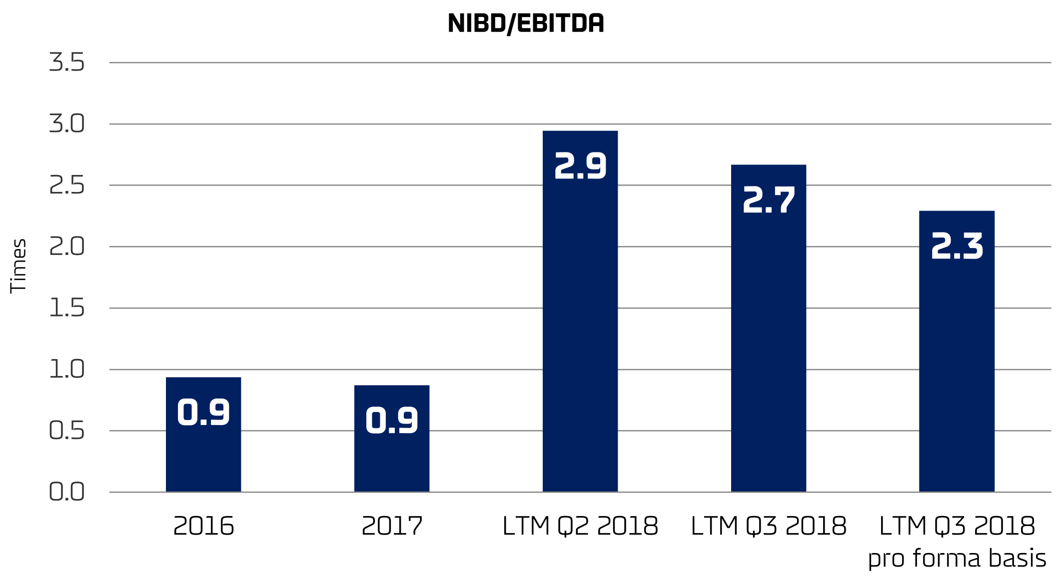
- **North Sea -28m**: 1.9% lower volumes driven by Brexit slowdown and dip in automotive volumes. Negative SEK impact
- **Baltic Sea -4m:** Higher pax contribution partly offset lower freight earnings
- **Channel -4m**: Dover Strait result improved by higher pax contribution. Timing difference of DKK -13m on Newhaven-Dieppe
- **Mediterranean +67m**: Addition of UNRR reduced by higher cost on existing Med route
- **Passenger -19m**: Result lowered mainly by higher bunker cost
- **Logistics +5m**: Special Cargo performing well. Positive impact from closure of lossmaking activities. Result held back by automotive and cost recovery lag



Increased cash flow drives deleveraging

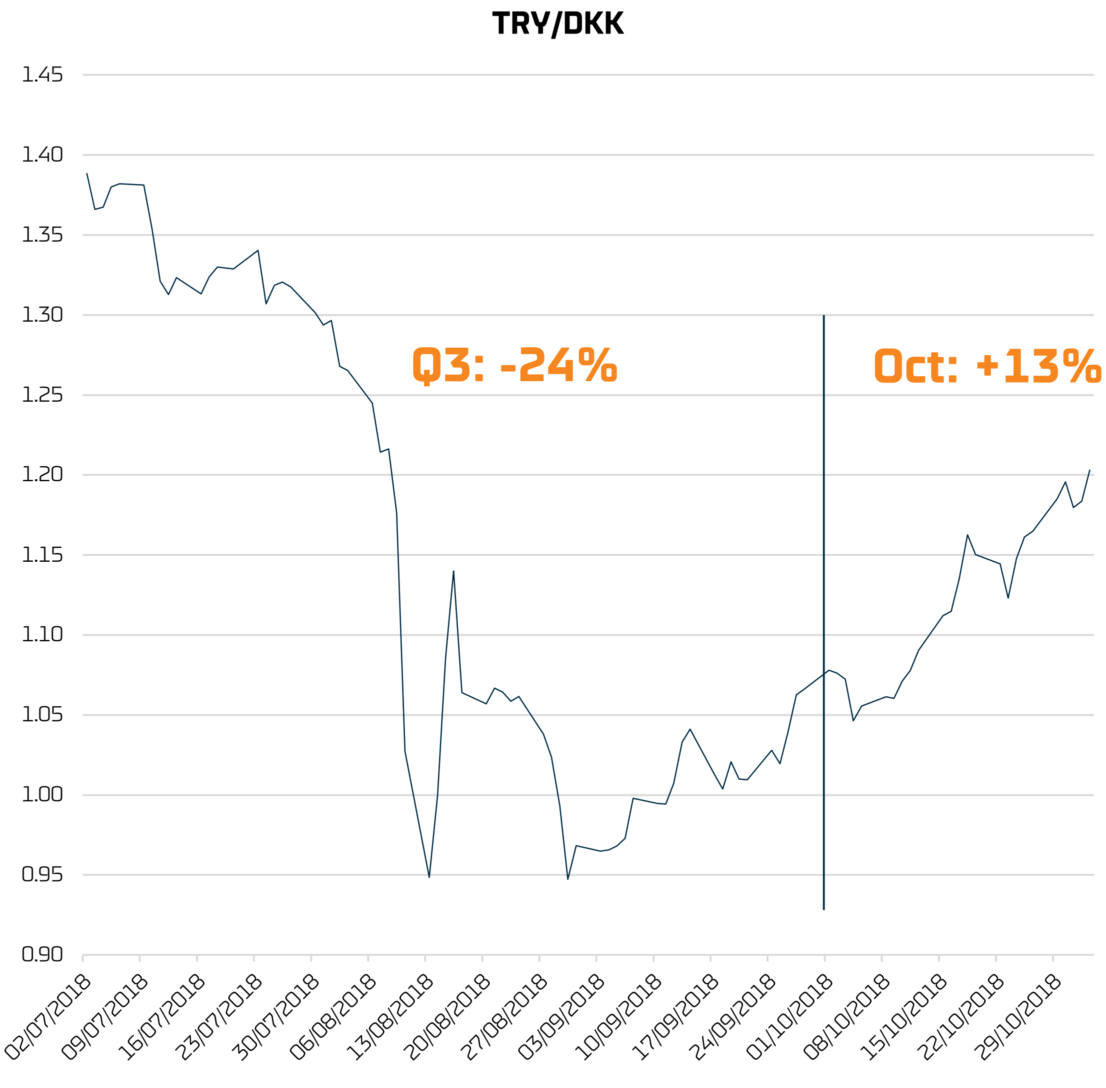
- **Operating cash flow** increased 9%
- **Free cash flow** increased 10%, including investments of DKK 234m mainly related to ships
- **NIBD** was DKK 7.7bn end Q3
- **NIBD/EBITDA**-multiple decreased to 2.7x from 2.9x end of Q2. On a pro forma FY basis the multiple is 2.3x
- Board will in **February 2019** review capital structure and distribution

DKK m	Q3 2017	Q3 2018	Δ	Δ %
EBITDA	976	1,045	69	7%
Working capital & adjustments	-112	-85	26	-24%
Taxes	-3	-18	-14	n.a.
Operating cash flow	861	942	81	9%
Investments	-218	-234	-16	7%
Free cash flow (FCFF)	**643**	**709**	**66**	**10%**



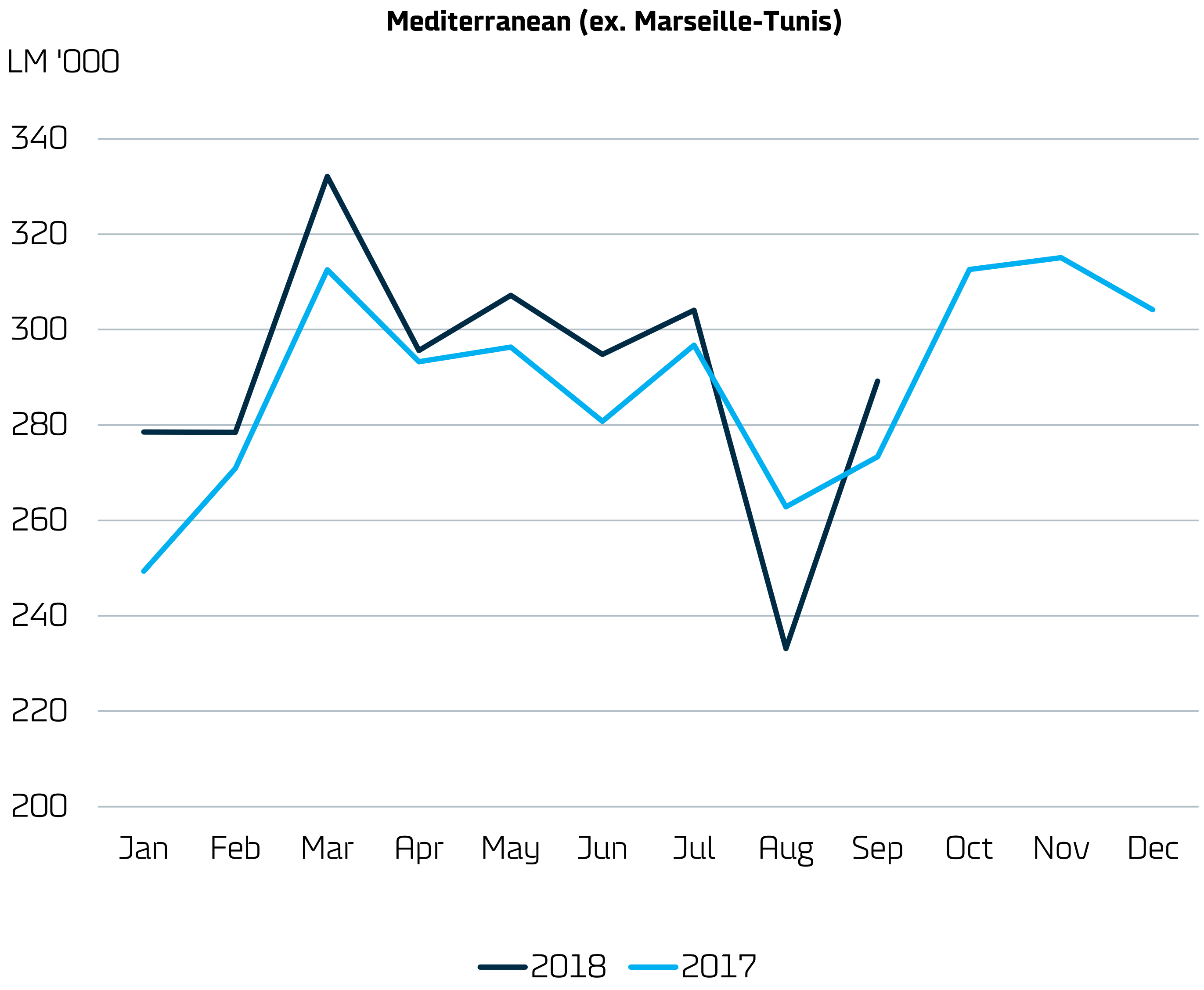
Mediterranean – impact of TRY depreciation on finance items

- TRY-depreciation is linked to high inflation rates in Turkey:
  - 2016: 8%
  - 2017: 11%
  - 2018: Oct ~ 25%
- Turkey's real GDP growth estimated to become negative in H2 after growth of 7% and 5% in Q1 and Q2
- TRY currency exposure on customer receivables of around DKK 300m
- **'One-off' currency loss** in Finance items of DKK 70m in Q3 from 24% TRY depreciation
- Currency gain of around DKK 39m since start of Q4



Robust Mediterranean volume development

- **YTD* volumes: +3.0%**
- **Q3 volumes: -0.8%**
- Volumes consistently above 2017 until July
- TRY depreciation and extended holiday lowered volumes in August
- Rebound to above 2017 in September, positive impact from catch-up after holiday



*DFDS acquired UNRR with effect from 7 June 2018

EBITDA outlook 2018 narrowed to DKK 3.0-3.1bn

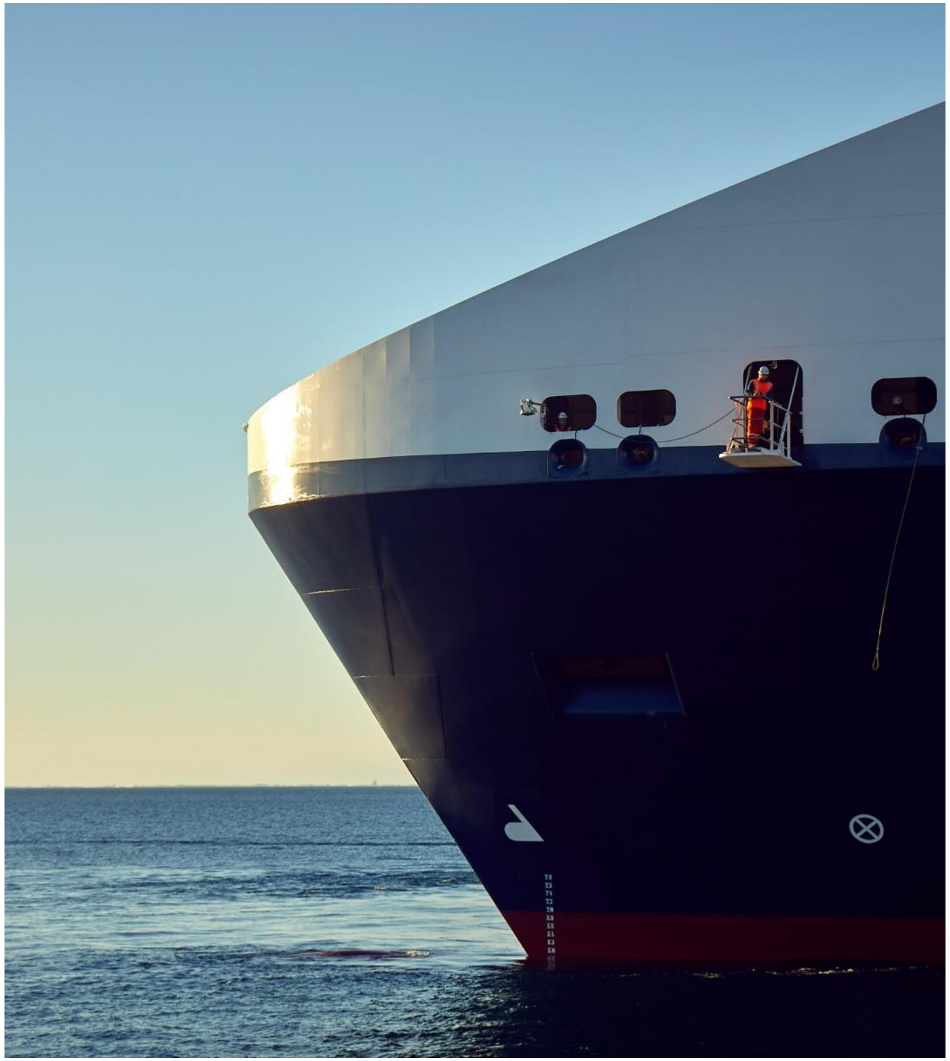
- **European real GDP** growth slowed in Q3, now expected just below 2% in 2018
- Slowdown in **UK market** lowered freight demand in Q3
- **EBITDA range** narrowed to DKK 3.0-3.1bn from DKK 3.0-3.2bn
- **Investments** reduced by DKK 300m to DKK 4.7bn

OUTLOOK 2018

- Revenue growth of around 10%
- EBITDA range of DKK 3,000-3,100m (2017: DKK 2,702m)
  - Shipping Division: DKK 2,800-2,875m (2017: DKK 2,513m)
  - Logistics Division: DKK 300-325m (2017: DKK 263m)
  - Non-allocated items: DKK -100m (2017: DKK -74m)
- Investments of DKK 4.7bn

Current priorities

- Preparing for **Brexit** transition
- **Customer satisfaction** – grow the topline
- Continue push for **efficiency** improvements
- Improve performance of Passenger business unit
- Integration of **U.N. Ro-Ro**
- Realise our next steps in **digital strategy**
- Deployment of two freight **new buildings** (ro-ro) beginning 2019
- Pursue value-creating **M&A**



Q&A