

Q3 BETTER THAN EXPECTED

Q3 REPORT 2009



12.11.09
Copenhagen



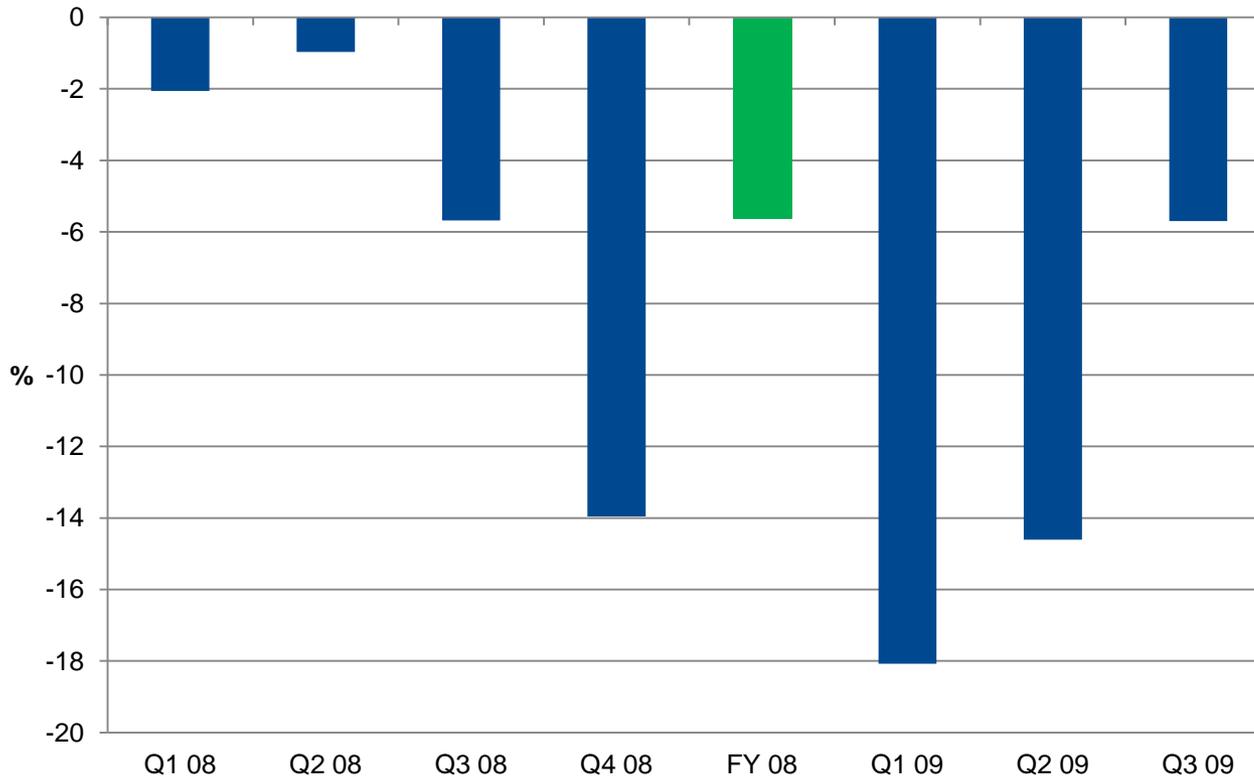
Q3 BETTER THAN EXPECTED

- In Q3, the business areas Ro-Ro Shipping and Passenger Shipping performed above our expectations
- YTD PTP of DKK 76 mill.
- We managed to keep costs below expected levels as operational adjustments started to come through
- Market conditions are still tough, and we do not foresee an upturn in the immediate future
- We maintain our full year PTP expectation of zero as market and counter party risks/costs are expected to put some pressure on Q4 earnings
- DFDS highlights for Q3 (compared to Q3 2008):
 - Passenger Shipping improved EBITDA by DKK 23 mill.
 - Freight volume gap continues to narrow
 - Major adjustments of land and ship organisations implemented
 - Positive profit contribution from exchange rate gains of DKK 29 mill.

DROP IN FREIGHT VOLUMES LEVELLING OUT

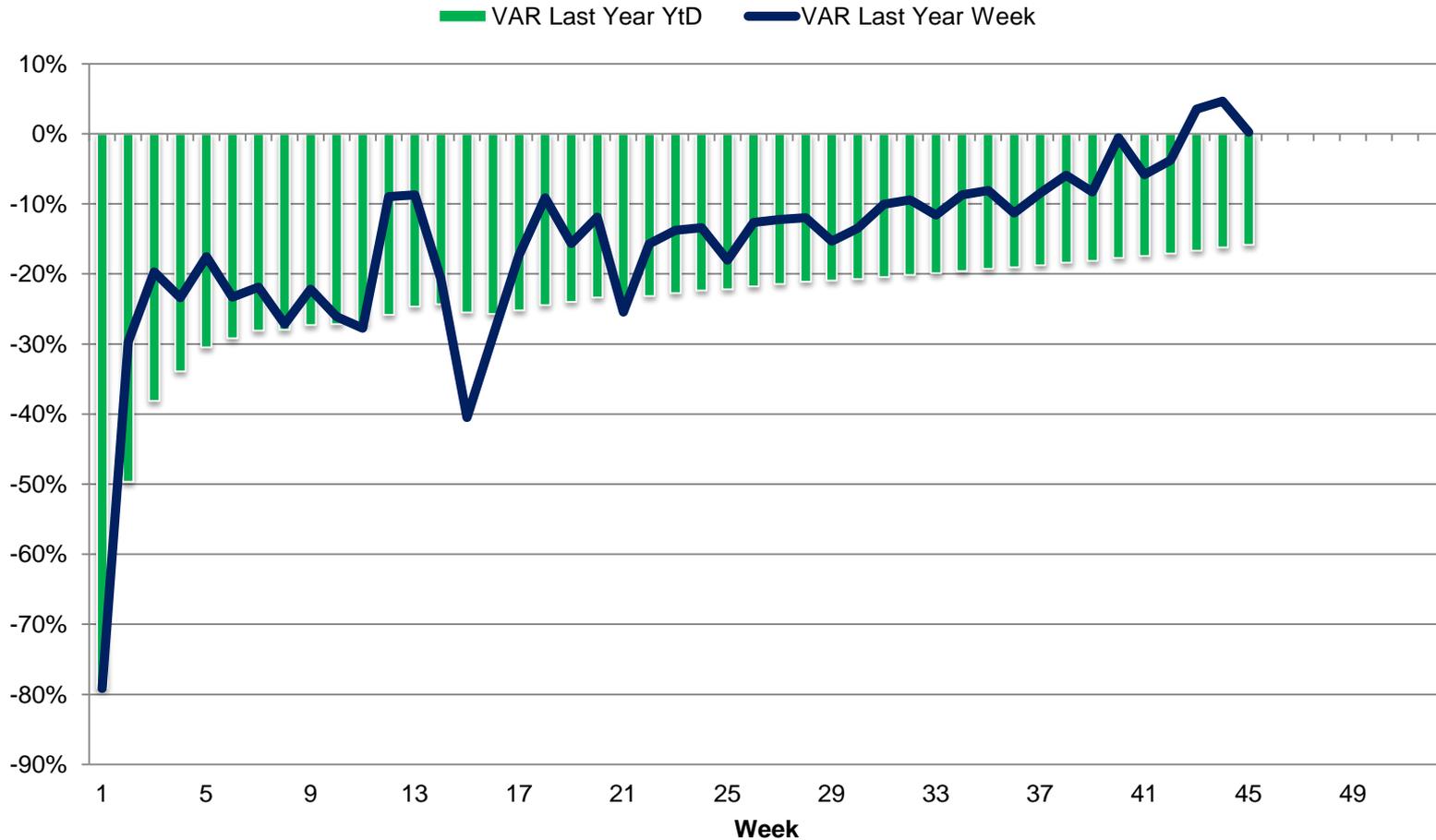
DFDS RO-RO SHIPPING VOLUMES

Ro-Ro Shipping 2008-2009:
Volume growth per quarter & FY



- Polferries route added in September 2008 improves growth by 2-3 ppt per quarter
- Year-to-date 2009 volume is 13% below 2008

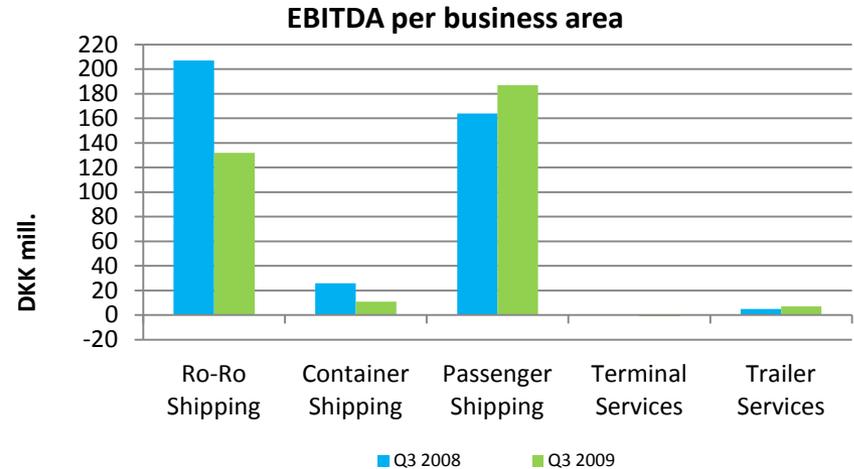
RO-RO WEEKLY VOLUMES* - NOW ABOVE 2008



* Excludes volumes from Passenger Shipping/Polferries

BUSINESS UNIT PERFORMANCE Q3 2009

- **Ro-Ro Shipping:** Volumes down 6% in Q3 vs 15% in Q2. Rate pressure persists in most regions. Transfer of pax profit from Esb-Hrw to Passenger Shipping in 2009 of DKK 18 mill.
- **Container Shipping:** Two thirds of profit decrease due to market collapse for Chartering activities. Lower paper volumes also contribute. Some recovery in other areas. Sideport route Nor-Irl closed, 1 ship redelivered.
- **Passenger Shipping:** Profit up by DKK 23 mill. from pax growth of 4% (adj for Bergen), mainly on Amsterdam. Lower costs & bunker hedge also contribute. After high season price pressure seems to be mounting, soft booking situation
- **Terminal Services:** Low level of volumes partly offset by effects of improvement projects and rationalisation in Immingham
- **Trailer Services:** Belgian operations continued to improve, offsetting weaker performance in other areas, especially Swe-UK corridor (imbalances, rates)



EBITDA per business area

DKK mill.	Q3 2008	Q3 2009	Change
Ro-Ro Shipping	207	132	-75
Container Shipping	26	11	-15
Passenger Shipping	164	187	23
Terminal Services	0	-1	-1
Trailer Services	5	7	2
Tramp (non-recurring)	0	0	0
Non-allocated items	-9	-8	1
DFDS Group	393	328	-65

ONGOING OPERATIONAL ADJUSTMENTS - Q3

ALIGNMENT OF COSTS TO LOWER ACTIVITY LEVELS

Overall adjustments

- DFDS Seaways improvement plan
- Reduction of network capacity
- Reduction of operating costs
- Alignment of organisation
- Focus on sales activities



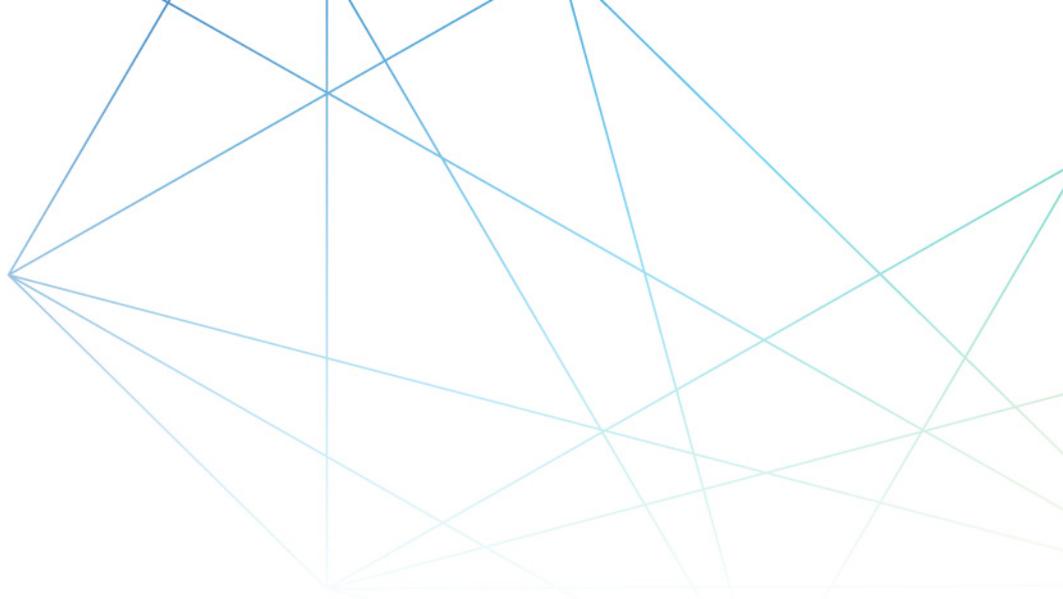
- 10% reduction in HQ employees (27 positions)
- Reduction of 5 employees in Lithuanian land organisation
- Closure of route between Norway and Ireland in Container Shipping
- Reduction of 25 employees in port terminal in Immingham

Project Lightship

- Crewing
- Bunker optimisation
- Port Turn Around Time
- Maintenance
- Supply Chain Management



- New crewing plan on Danish flagged vessels reduced on board positions by 30
- New crewing plan on Lithuanian ships reduced on board positions by 23
- Other work streams developing according to plan



FINANCIALS

Q3 2009

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KEY FIGURES Q3

DKK mill.	Q3 2008	Q3 2009	Change 09/08	2008
Revenue	2.259	1.819	-19%	8.194
Costs				
Operations	820	676	-18%	3.276
<i>% of revenue</i>	36,3	37,1		40,0
Bunker	397	217	-45%	1.309
<i>% of revenue</i>	17,6	11,9		16,0
Charter	162	164	1%	690
<i>% of revenue</i>	7,2	9,0		8,4
Staff	365	330	-10%	1.481
<i>% of revenue</i>	16,1	18,1		18,1
Sales & administration	122	105	-14%	421
<i>% of revenue</i>	5,4	5,8		5,1
Total costs	1.865	1.492	-20%	7.177
<i>% of revenue</i>	82,6	82,0		87,6
EBITDA	393	328	-17%	1.017
<i>EBITDA-margin, %</i>	17,4	18,0		12,4
Profit from associated companies	0	0	0	-7
Profit on disposal of assets	4	-2	-5	40
Depreciations	-141	-148	-7	-594
<i>% of revenue</i>	-6,3	-8,1		
Operating profit (EBIT)	256	178	-30%	456
<i>EBIT-margin, %</i>	11,3	9,8		5,6
Financing, net	-63	-30	34	-235
Pre-tax profit	193	149	-23%	221

Revenue

- Revenue impacted by lower volumes, rate pressure and restructuring of activities including closing of routes
- Negative currency impact from GBP, SEK & NOK of around 2%
- Revenue down 14% adjusted for lower BAF revenue, which was very high in Q3 2008

Costs

- Operations: Cost decrease almost in line with revenue
- Bunker cost reduced, but impact balanced by lower BAF in freight BUs, positive impact in Passenger Shipping
- Charter cost on level, but rising cost ratio
- Reductions achieved for staff/sales/ admin.
- Margin up by 0.6 ppt, adjusted for BAF margin is 0.7 ppt lower

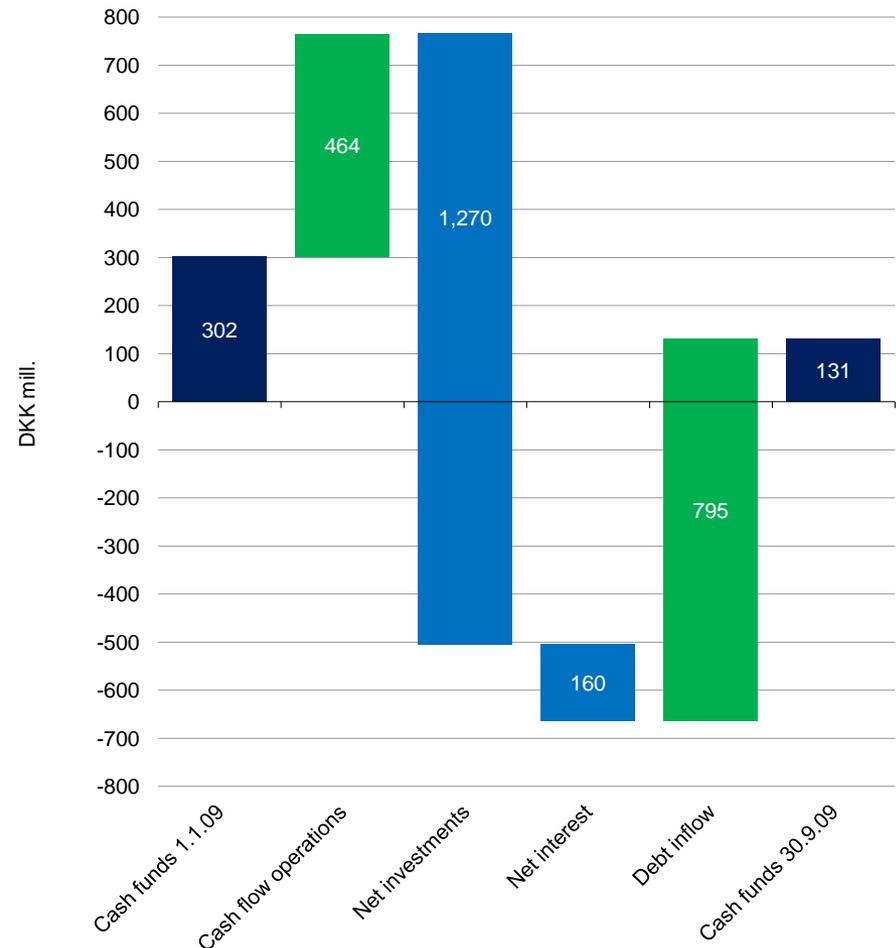
Other

- Depreciations are higher due to delivery of three ships in H1 2009
- Finance cost halved, positive deviation of DKK 29 mill. on exchange rate gains (NOK, SEK)

CASH FLOW & INVESTMENTS

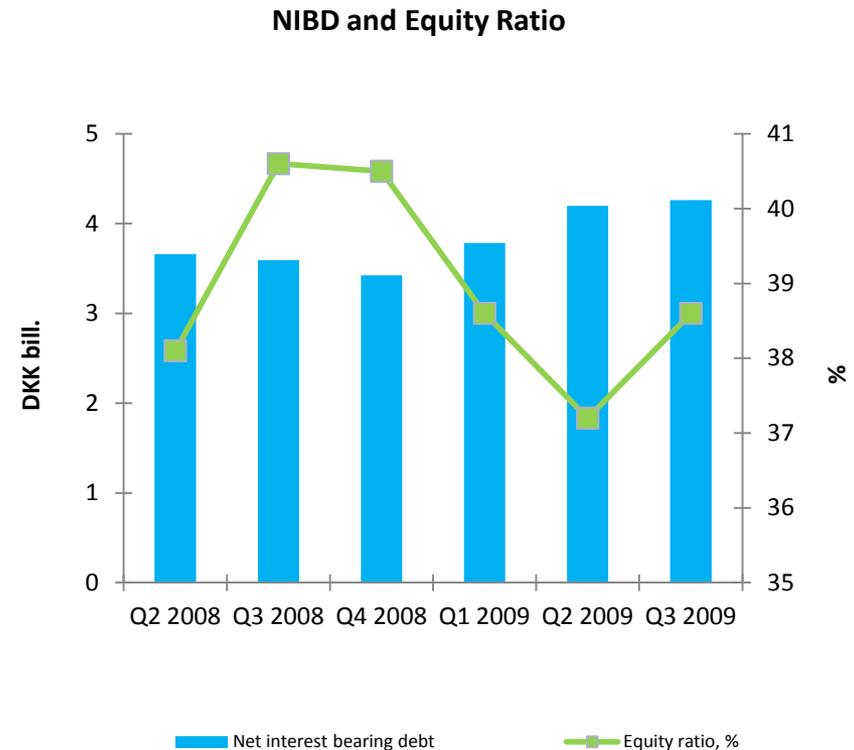
- Lower cash flow from operations due to lower earnings, but positive contribution from change in working capital compared to 2008 (Δ DKK 118 mill.)
- Net investments of DKK 1.270 mill. including two newer ro-ro ships, a ro-pax newbuilding, lengthening of three ships and dockings
- Net debt increase of DKK 795 mill. to finance investments and net interest cost. In addition, DKK 171 mill. drawn on cash funds
- Free cash flow positive by DKK 14 mill. in Q3 as bulk of investments related to H1. Debt level has peaked during Q3
- No new major ship investments planned or committed beyond 2009

Cash flow items Q1-3 2009



CAPITAL STRUCTURE

- Total assets up by DKK 0.9 bill. or 11% from Q4 2008 to Q3 2009 due to purchase of ships
- Average invested capital was DKK 7.7 bill. in Q1-3 2009
- Net-interest bearing debt rose 24% to DKK 4.3 bill. at end of Q3 2009 from end of 2008 and is expected further reduced in Q4
- Equity ratio was 38.6% end of Q3 2009 and is expected to increase slightly in Q4
- Beyond 2009, no refinancing risk envisaged due to positive cash flow from operations and only maintenance investment level





GOING FORWARD

Q3 2009

MARKET OUTLOOK 2009

- Drop in freight volumes are leveling out compared to 2008, but full year 2009 volume will still be down by approx 15% compared to 2008
- In general, operators are therefore left with a significant gap between capacity and utilization - combined with lower rates, this is increasing pressure on operators and owners
- Although freight volumes in some market areas have reached weekly 2008 levels, no further immediate upturn is apparent
- We continue to believe a slow and protracted recovery is the most likely future scenario as demand side is not showing convincing signs of recovery
- Passenger markets are so far more resilient, but after the high season price pressure seems to be rising as operators require volumes to boost capacity utilization
- On a positive note, the challenging market conditions provide opportunities to gain market share and acts as a trigger for industry consolidation
- Even though our 2009 result is far from satisfactory, we compare favorably with our peer group

BUSINESS UNIT EXPECTATIONS 2009

Change compared to 2008

Business unit	Revenue	EBITDA	Focus
Ro-Ro Shipping	-20%	Considerably lower	Adjustment of capacity to market development
Container Shipping	-30%	Considerably lower	Adjustment of capacity to market development
Passenger Shipping	-8%	Considerably higher	Achieve goals for improvement plan
Terminal Services	-15%	Considerably higher	Improve earnings for port terminal in England
Trailer Services	-20%	Higher	Improve earnings for Belgian unit
Non-allocated items	n.a.	Level	Continue process improvement

No change in BU expectations since Q2

DFDS GROUP EXPECTATIONS 2009

- EBITDA still expected to decrease by around 20% compared to 2008
- A pre-tax profit of around zero expected

Assumptions:

- Market visibility still low and price pressure persists in most market areas
- Counter party risks on three ro-ro vessels and break cost for redelivery of 2 side-port ships at year-end
- Revenue: Set to decrease around 20% through lower volumes/rates, reduction of capacity and lower BAF income
- Investments: DKK 1.3 bill. covering ro-pax newbuilding, two newer ro-ro-ships and lengthening of three ro-ro-ships + maintenance
- No major ship investments planned or committed beyond 2009

PREPARED FOR CHALLENGING 2009

Q&A