

INTERIM REPORT Q2 2017

STEADY PROGRESS

RECORD Q2 EBITDA
6% UP TO DKK 738M

EUROPEAN GROWTH
SET TO CONTINUE

DIVIDEND INCREASE
& NEW **BUYBACK**



Q2 2017

- EBITDA up 6%
- North Sea freight volumes up 6%
- Passenger volumes up 7% driven by late Easter
- Profit before special items and tax increased 12% to DKK 495m
- ROIC of 18.1% (LTM) up from 16.4% in Q2 2016

OUTLOOK 2017

- EBITDA range of DKK 2.6-2.8bn unchanged
- Total distribution to shareholders increased to DKK 1.7bn

“We are pleased with our steady progress and remain on track to improve on the record result of last year. The activity in our route and logistics network reflects Europe's growth. Prospects for continued growth in the key UK market remain positive and trading with continental Europe is increasing, especially UK exports.”

Niels Smedegaard, CEO

Revenue increased 2% in Q2 adjusted for non-comparable items. Reported revenue was up 4% to DKK 3.7bn.

EBITDA before special items increased 6% to DKK 738m following higher earnings in both divisions.

The Shipping Division's EBITDA before special items increased 5% to DKK 680m as North Sea benefited from continued growth in trading between UK, continental Europe and Scandinavia. The Baltic Sea route network also increased earnings and together offset a lower result in Channel driven by a weakening of the passenger market, following the depreciation of GBP, and a lower freight market share.

The Logistics Division's EBITDA before special items increased 5% to DKK 73m driven mainly by the Nordic business unit as well as acquisitions performing above expectations.

Distribution to shareholders

The planned extraordinary dividend of DKK 5.00 per share is raised to DKK 7.00 for payment in August. Moreover, a new share buyback of DKK 300m is launched today; more information in separate announcement.

The raised dividend and new buyback increases the expected total distribution in 2017 to DKK 1.7bn from previously DKK 1.3bn.

Outlook 2017

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

The Group's expected revenue growth for 2017 is around 4%, excluding revenue from bunker surcharges. The range for EBITDA before special items is unchanged at DKK 2,600-2,800m (2016: DKK 2,588m).

KEY FIGURES

DKK m	Q2	Q2		LTM	LTM		FY
Before special items	2017	2016	Δ %	2016-17	2015-16	Δ %	2016
Revenue	3,688	3,553	3.8%	14,058	13,757	2.2%	13,790
EBITDA	738	699	5.6%	2,637	2,365	11.5%	2,588
EBIT	502	454	10.6%	1,700	1,461	16.3%	1,644
Profit before tax	495	443	11.6%	1,668	1,373	21.4%	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	Q2	Q2	H1	H1	LTM	Full year
Income statement						
Revenue	3,688	3,553	6,908	6,641	14,058	13,790
• Shipping Division	2,523	2,440	4,677	4,460	9,685	9,468
• Logistics Division	1,346	1,268	2,581	2,488	5,023	4,930
• Non-allocated items	97	86	195	172	363	340
• Eliminations	-277	-241	-544	-479	-1,013	-948
Operating profit before depreciation (EBITDA) and special items	738	699	1,152	1,104	2,637	2,588
• Shipping Division	680	650	1,056	1,017	2,478	2,439
• Logistics Division	73	69	120	123	250	252
• Non-allocated items	-15	-20	-24	-36	-91	-103
Profit/loss on disposal of non-current assets, net	1	3	5	4	10	8
Operating profit (EBIT) before special items	502	454	691	635	1,700	1,644
Special items, net	3	-7	-2	-7	-8	-13
Operating profit (EBIT)	506	447	689	628	1,691	1,631
Financial items, net	-7	-11	-23	-34	-32	-43
Profit before tax	498	436	665	594	1,659	1,588
Profit for the period	485	424	635	567	1,616	1,548
Profit for the period excluding non-controlling interest	485	423	635	567	1,616	1,548
Capital						
Total assets	-	-	12,941	12,772	-	13,004
DFDS A/S' share of equity	-	-	6,241	6,287	-	6,636
Equity	-	-	6,290	6,335	-	6,685
Net interest bearing debt	-	-	2,774	2,932	-	2,424
Invested capital, end of period	-	-	9,177	9,348	-	9,205
Invested capital, average	9,179	9,215	9,188	8,931	9,219	9,037

	2017	2016	2017	2016	2016-2017	2016
DKK m	Q2	Q2	H1	H1	LTM	Full year
Cash flows						
Cash flows from operating activities, before financial items and after tax	689	735	1,124	1,189	2,597	2,662
Cash flows from investing activities	-906	-405	-1,124	-755	-1,577	-1,207
• Acquisition of enterprises and activities	0	0	0	0	-51	-51
• Other investments, net	-906	-405	-1,124	-755	-1,526	-1,156
Free cash flow	-218	329	0	434	1,021	1,455
Key operating and return ratios						
Average number of employees	-	-	7,145	6,915	7,021	7,065
Number of ships	-	-	56	55	-	57
Revenue growth, %	3.8	3.5	4.0	4.5	1.9	2.4
EBITDA-margin, %	20.0	19.7	16.7	16.6	18.8	18.8
Operating margin, %	13.6	12.8	10.0	9.6	12.1	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, %	-	-	-	-	25.8	23.4
Key capital and per share ratios						
Equity ratio, %	-	-	48.6	49.6	-	51.4
Net interest bearing debt/EBITDA, (times)	-	-	-	-	1.1	0.9
Earnings per share (EPS), DKK	8.70	7.27	11.31	9.66	28.42	26.63
Dividend paid per share, DKK	0.0	3.0	3.00	3.0	6.00	6.00
Number of shares, end of period, '000	-	-	57,000	60,000	-	60,000
Weighted average number of circulating shares, '000	-	-	56,129	58,705	-	58,141
Share price, DKK	-	-	346.9	293.1	-	322.6
Market value	-	-	19,226	17,024	-	18,405

Definitions on page 24.

MARKET OVERVIEW AND OUTLOOK

The general outlook for Europe's economy continues to be positive and the growth levels achieved in the first half-year are expected to continue in the second half of 2017.

Freight volumes continued to grow in most market areas across northern Europe supported by the economic growth.

The real GDP of UK, DFDS' largest market area, increased year-on-year by 1.7% in Q2 and this level of growth is widely expected to continue in 2017. Trade between UK and Continental Europe increased year-on-year in Q2, 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 GBP weakened towards the end of Q2 and the average rate of GBP/DKK was 9% lower in the quarter compared to Q2 2016.

The demand for passenger ferry services in Q2 compared to last year was boosted by the late Easter. Outside peak seasons demand from UK residents continue to be soft while demand from overseas markets, especially Asia, is increasing.

IMPORTANT EVENTS IN Q2

Share capital reduced

On 21 April 2017, the reduction of the share capital of DFDS A/S from 60m shares to 57m shares was completed following a cancellation of 3m shares purchased through share buybacks.

Two more freight ships (ro-ro) ordered

To enable DFDS' freight customers to grow their business and to support trade and growth in Europe, two additional freight ship (ro-ro) new buildings were ordered on 16 June 2017 for delivery in early 2020.

The ships are similar to the two ships ordered in September 2016, for delivery in early 2019, and are likewise designed to each carry 6,700 lane metres of freight equivalent to around 450 trailers. The large size of the ships will decrease unit costs as well as the environmental impact per transported unit.

The two ships will also be built by Jinling Shipyard in China. Both ships are planned to be deployed in DFDS' route network on the North Sea.

Purchase of two Channel ferries

In June 2015, DFDS and Eurotunnel entered into longterm bareboat charter agreements for two Channel ferries. A put option agreement was also entered into providing Eurotunnel with the right to require DFDS to purchase the ferries. The exercise of this put option was completed on 23 June 2017.

The purchase of the ferries amounted to DKK 740m. An additional amount of DKK 111m was also paid and is subject to litigation due to a disagreement concerning the purchase. The disputed amount is recognised in the accounts as a receivable.

IMPORTANT EVENTS AFTER Q2

Share buyback of DKK 300m completed

On 12 July, the share buyback of DKK 300m started on 8 February 2017 was completed following the purchase of 806,924 shares.

Distribution to shareholders increased to DKK 1.7bn in 2017

Today, DFDS' Board of Directors increased the distribution to shareholders in light of the higher level of earnings and alignment of the financial leverage to the policy on capital structure and distribution.

The planned extraordinary dividend of DKK 5.00 was raised to DKK 7.00 for payment on 22 August.

In addition, a new share buyback of DKK 300m was announced and started for completion no later than 6 February 2018.

The Board of Directors thus plan to distribute a total of around DKK 1.7bn to shareholders in 2017 equal to a distribution yield of currently around 8%.

FINANCIAL PERFORMANCE

Revenue

The Group's revenue in Q2 was DKK 3,688m, an increase of 3.8% compared to 2016. Revenue increased by 2.0% adjusted for currency changes, acquisitions and excluding revenue from bunker surcharges.

The Shipping Division's Q2 revenue of DKK 2,523m increased 3.4% and by 0.3% adjusted for currency changes, primarily depreciation of GBP, acquisition of a route and excluding revenue from bunker surcharges.

Revenue was reduced by 7.1% lower freight volumes, adjusted for the acquisition of the Hanko-Paldiski route. The decrease was driven entirely by Channel where freight volumes were 14.7% down due to the late Easter and a dip in market share that was recovering towards the end of Q2 and into Q3. Freight volumes were up 2.3% excluding Channel and Hanko-Paldiski. Revenue was, on the other hand, increased by higher freight unit revenues and 7.0% growth in passenger volumes driven by a positive impact from the late Easter.

The Logistics Division's Q2 revenue of DKK 1,346m increased 6.1% and by 6.4% adjusted for currency changes, primarily depreciation of GBP, and the acquisitions of Shetland Transport and Italcargo in November and December 2016 respectively.

Revenue increased in a number of markets. The main drivers were high volumes and additional activities in Sweden. Volume

growth also increased revenue in the Netherlands and Belgium while revenue in UK & Ireland was negatively impacted by the depreciation of GBP and lower volumes in N. Ireland.

Operating profit before depreciation (EBITDA) and special items

The Group's EBITDA increased 6% to DKK 738m in Q2 driven by higher earnings in both divisions.

The Shipping Division's Q2 EBITDA increased 5% to DKK 680m. The primary driver of the increase was a higher result in North Sea that benefited from higher freight volumes despite the late Easter. Terminal and other costs were also reduced in the UK due to the depreciation of GBP and there was a further positive impact from a lag in the BAF-coverage (bunker adjustment factor) following a decline in the oil price through most of the quarter.

Channel's result was compared to last year negatively impacted by the depreciation of GBP that has weakened the UK passenger market. In addition, freight volumes were lower due to the late Easter and a decline in market share that was recovering towards the end of Q2 and into Q3.

The Logistics Division's Q2 EBITDA increased 5% to DKK 73m driven by the higher activity levels in particularly the Nordic and Continent business units as well as contributions from the two acquisitions. This was, however, partly offset by lower results for the activities in Latvia, Italy and N. Ireland,

including a negative currency impact of DKK 2m.

Depreciation and operating profit (EBIT) before special items

Depreciation in Q2 decreased 4% to DKK 237m primarily due to a one-off catch-up depreciation last year of DKK 18m related to a reclassification of a ship from assets held for sale. This also offset increased depreciations on software and IT-systems.

The Group's EBIT before special items for Q2 was DKK 502m, an increase of 11% compared to last year.

Financial items

The total net cost of financing in Q2 decreased by DKK 3m mainly due to a reduction in the net interest cost following changes to the mix of debt types.

Profit before and after tax

The profit before tax for Q2 increased 14% to DKK 498m. The increase was 12% excluding special items. The profit after tax was DKK 485m following a tax on profit of DKK 13m.

Earnings per share

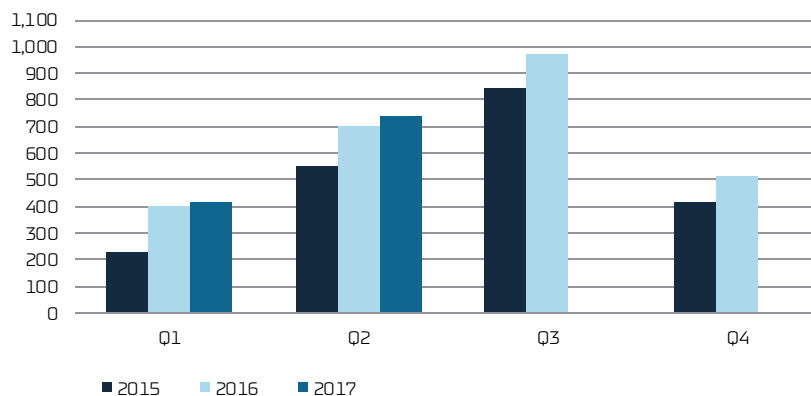
Earnings per share (EPS) for the quarter increased to DKK 8.70 from DKK 7.27 in Q2 2016, an increase of 20%.

Cash flow and investments

The free cash flow (FCFF) of Q2 was DKK -218m after investments of DKK 906m mainly related to the purchase of two Channel ferries, dockings and ship upgrades.

DFDS GROUP - EBITDA BEFORE SPECIAL ITEMS

DKK m



REVENUE

DKK m	Q2 2017	Q2 2016	Change, %	Change
Shipping Division	2,523	2,440	3.4	83
Logistics Division	1,346	1,268	6.1	78
Non-allocated items	97	86	12.1	10
Eliminations	-277	-241	-15.0	-36
DFDS Group	3,688	3,553	3.8	135

OPERATING PROFIT BEFORE DEPRECIATION (EBITDA) & SPECIAL ITEMS

DKK m	Q2 2017	Q2 2016	Change, %	Change
Shipping Division	680	650	4.7	31
Logistics Division	73	69	5.3	4
Non-allocated items	-15	-20	26.7	5
DFDS Group	738	699	5.6	39
EBITDA-margin, %	20.0	19.7	1.8	0.3

ASSOCIATES AND JOINT VENTURES, PROFITS ON DISPOSALS AND DEPRECIATION

DKK m	Q2 2017	Q2 2016	Change, %	Change
EBITDA before special items	738	699	5.6	39
Associates and joint ventures	0	0	n.a.	0
Profit on disposals	1	3	-67.2	-2
Depreciation and impairment	-237	-248	-4.3	11
EBIT before special items	502	454	10.6	48

FINANCIAL ITEMS

DKK m	Q2 2017	Q2 2016	Change, %	Change
Interest, net	-13	-17	21.9	4
Foreign exchange gains/losses, net	13	11	-11.3	1
Other items	-7	-5	-31.4	-2
Total finance, net	-7	-11	31.3	3

The cash flow from financing activities was positive by DKK 409m in Q2, including a distribution to shareholders of DKK 176m through a share buyback. The net cash flow for Q2 was positive by DKK 180m and at the end of Q2 cash amounted to DKK 458m.

Capital structure

At the end of Q2 net-interest-bearing debt (NIBD) was DKK 2,774m, an increase of 14% compared to year-end 2016 mainly due to increasing capital distribution and investments.

Financial leverage, as measured by the ratio of NIBD to the full-year EBITDA before special items, was a multiple of 1.1 compared to 0.9 at year-end 2016. The equity ratio was 49% at the end of Q2.

Equity

Equity amounted to DKK 6,290m at the end of Q2, including minority interests of DKK 48m. This was 6% below equity at year-end 2016 as total comprehensive income year-to-date was DKK 539m while transactions with owners reduced equity by DKK 934m, including dividends and share buybacks.

Invested capital and ROIC

Invested capital was reduced by 1.8% to DKK 9,177m at the end of Q2 compared to the same time last year while the average invested capital of the quarter increased by 2.9% to DKK 9,188m.

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

DKK m	Outlook 2017	2016
Revenue growth	+4% ¹	13,790
EBITDA before special items	2,600-2,800	2,588
Per division:		
Shipping Division	2,450-2,600	2,439
Logistics Division	250-300	252
Non-allocated items	-100	-103
Depreciation, change	-2%	-950
Special items	-20	-13
Investments	-1,800	-1,207

¹Excluding bunker surcharges.

MANAGEMENT SHAREHOLDINGS

At the end of Q2 2017, Niels Smedegaard, CEO, and Torben Carlsen, CFO, owned 148,168 shares and 80,000 shares respectively. The holdings were unchanged compared to Q1.

OUTLOOK 2017

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

The Group's revenue is still expected to increase by around 4%, excluding revenue from bunker surcharges. The revenue growth is expected to be around 5% including bunker surcharges.

The Group's EBITDA before special items is still expected to be within a range of DKK 2,600-2,800m (2016: DKK 2,588m).

Investments are expected to amount to around DKK 1.8bn in 2017 following an increase of DKK 100m related to down payments on two ships ordered in June.

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.

As part of DFDS' ongoing fleet renewal to ensure capacity and reliability in the route network, the first of two newly built freight ships was deployed on the route between Vlaardingen, adjacent to Rotterdam, and Immingham in July. The route's primary customers are freight forwarders transporting cargo for fast delivery.

GARDENIA SEAWAYS

KLAIPEDA

SHIPPING DIVISION

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

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

SHIPPING

DKK m	2017		2017	2016	2016				2016-2017	2016
	Q1	Q2	H1	H1	Q1	Q2	Q3	Q4	LTM	Full year
Revenue	2,154	2,523	4,677	4,460	2,020	2,440	2,744	2,264	9,685	9,468
EBITDA before special items	376	680	1,056	1,017	367	650	927	495	2,478	2,439
Share of profit/loss of associates and joint ventures	6	-0	6	-1	-1	0	-2	0	4	-3
Profit/loss on disposal of non-current assets, net	0	0	0	2	-0	2	2	0	2	4
Depreciation and impairment	-202	-203	-405	-412	-194	-218	-205	-211	-821	-828
EBIT before special items	180	478	658	607	173	434	722	284	1,663	1,613
EBIT margin before special items, %	8.4	18.9	14.1	13.6	8.6	17.8	26.3	12.5	17.2	17.0
Special items, net	0	9	9	-7	0	-7	0	-6	3	-13
EBIT	180	486	666	600	173	427	722	278	1,666	1,600
Invested capital, average	8,264	8,287	8,259	8,024	7,845	8,381	8,417	8,202	8,322	8,145
ROIC before special items, %	-	-	-	-	-	-	-	-	19.8	19.6
Lane metres, '000	9,223	9,433	18,656	18,565	8,610	9,954	9,440	9,779	37,874	37,783
Passengers, '000 *	756	1,428	2,185	2,170	841	1,329	2,150	1,009	5,343	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.

Q2 MARKET, ACTIVITY AND RESULT TRENDS

Volumes were in Q2 in general impacted by the late Easter compared to Q2 2016: freight negatively and passengers positively.

North Sea

Freight volumes in Q2 were 5.7% above 2016 while year-to-date volumes were up by 7.8%. Continued growth in trade between UK and the Continent supported high growth in the Netherlands-UK corridor. The Sweden-Belgium corridor was in addition to European growth supported by high automotive volumes and capacity was increased

in mid-August to meet higher demand from customers. Growth between Sweden and UK slowed during the quarter.

EBIT increased by 27% to DKK 179m driven by the higher volumes also benefiting port terminals. Operating costs in UK were lower due to the depreciation of GBP. There was a positive impact in Q2 from a lag in the coverage of oil price changes due to falling prices in most of the quarter.

Baltic Sea

Freight volumes in Q2 were 17.1% above 2016 and down 2.1% after adjustment for a new route between Hanko, Finland, and Paldiski, Estonia, in October 2016. Year-to-

date volumes were down by 1.0%. Volume growth was impacted by reduced capacity between Denmark and Lithuania and extended dockings. Q2 volumes in 2016 were also positively impacted by the Polish-Russian border dispute and underlying market growth thus continued to be in line with expectations. Passenger volumes were up by 5.2% helped by the late Easter.

EBIT increased by 14% to DKK 105m due to a higher contribution from passengers, bunker cost savings and a positive contribution from the new route, Hanko-Paldiski.

Channel

Passenger volumes in Q2 increased 9.4% and were year-to-date flat. The increase in Q2 vs 2016 was mainly driven by the late Easter. Outside the peak season, the demand for passenger ferry services from UK residents continued to be soft due to the depreciation of GBP which also reduced prices and spending. There was no material offset from Continental passengers that benefit from the lower GBP, also due to several terror-related events on both sides of the Channel during Q2.

DFDS' freight market share was reduced in Q2 as customers transferred some volumes from Dunkirk back to Calais following the shutdown of the immigration camp close to the Calais port in late 2016. The market share was also negatively impacted by price increases amplified by higher BAF-fees compared to last year.

On this background, freight volumes in Q2 decreased 14.7%, also impacted by the late Easter, and were year-to-date down 6.6%. Towards the end of Q2 and continuing into Q3, the freight market share was recovering.

EBIT decreased by 23% to DKK 75m in Q2 as freight volumes were lower and pricing was reduced in the passenger market. In addition, extra costs were incurred following an upgrade of a ferry.

France & Mediterranean

Freight volumes in Q2 were 8.8% below 2016 while passenger volumes were flat. Year-to-date, freight volumes decreased 3.4% while passenger volumes were 4.8% lower. The decrease in freight volumes was entirely driven by the Western Channel route.

EBIT decreased by DKK 3m to DKK 2m mainly due to the lower freight volumes and higher ship costs.

Passenger

The number of passengers in Q2 increased 3.6% compared to 2016. Year-to-date passenger volumes increased 1.8%. The late Easter increased volumes which offset lower revenue per passenger, also due to the depreciation of GBP.

EBIT decreased 9% to DKK 88m in Q2 mainly due to an increase in bunker costs, although mitigated by bunker hedging, 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 increased by DKK 28m to DKK 30m primarily due to a one-off catch-up depreciation in Q2 2016 of DKK 18m related to a reclassification of a ship from assets held for

sale. In addition, costs were incurred in Q2 2016 for the redelivery of a chartered ship.

SHIPPING DIVISION

DKK m	2017		2017	2016	2016				2016-2017	2016
	Q1	Q2	H1	H1	Q1	Q2	Q3	Q4	LTM	Full year
NORTH SEA										
Revenue	926	928	1,853	1,673	812	861	822	870	3,546	3,365
EBIT before special items	151	179	330	270	128	142	117	129	576	515
Invested capital	4,263	4,136	4,213	4,102	4,018	4,177	4,296	4,240	4,222	4,168
ROIC before special items, %	-	-	-	-	-	-	-	-	13.4	12.1
Lane metres freight, '000	3,077	3,185	6,263	5,827	2,807	3,020	2,913	3,031	12,206	11,770
BALTIC SEA										
Revenue	341	382	722	639	299	340	371	339	1,432	1,349
EBIT before special items	74	105	179	170	78	92	119	73	371	363
Invested capital	1,218	1,181	1,221	1,142	1,056	1,387	1,326	1,265	1,275	1,203
ROIC before special items, %	-	-	-	-	-	-	-	-	29.0	30.0
Lane metres freight, '000	1,118	1,169	2,287	1,936	938	998	959	1,154	4,400	4,049
Passengers, '000 **	34	55	89	86	34	52	79	44	212	209
CHANNEL										
Revenue	457	563	1,020	1,014	428	586	766	508	2,294	2,288
EBIT before special items *	-1	75	73	120	23	97	226	50	349	396
Invested capital	2,057	2,055	2,047	1,840	2,227	2,185	2,135	2,030	2,092	1,937
ROIC before special items, %	-	-	-	-	-	-	-	-	16.6	20.4
Lane metres freight, '000	4,643	4,684	9,327	9,987	4,493	5,493	5,161	5,178	19,665	20,325
Passengers, '000 **	455	908	1,363	1,361	531	830	1,484	615	3,461	3,460
FRANCE & MEDITERRANEAN										
Revenue	98	123	221	223	98	124	153	105	479	481
EBIT before special items	-8	2	-6	-3	-7	5	22	-9	7	11
Invested capital	76	40	33	-49	-71	-8	17	-17	22	-29
ROIC before special items, %	-	-	-	-	-	-	-	-	30.6	n.a.
Lane metres freight, '000	243	248	492	509	237	272	258	237	986	1,003
Passengers, '000	31	92	122	129	37	92	174	50	346	353
PASSENGER										
Revenue	272	460	731	750	286	465	590	373	1,694	1,713
EBIT before special items	-59	88	29	36	-60	96	198	19	246	253
Invested capital	620	711	652	563	566	523	571	625	610	577
ROIC before special items, %	-	-	-	-	-	-	-	-	39.5	43.1
Lane metres freight, '000	141	147	288	306	135	171	149	180	616	634
Passengers, '000 **	237	374	611	594	239	356	413	300	1,323	1,307
NON-ALLOCATED ITEMS										
Revenue	101	121	222	260	149	111	97	131	451	488
EBIT before special items *	23	30	53	13	11	2	40	22	115	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	H1	H1	Q1	Q2	Q3	Q4	LTM	Full year
Revenue	1,235	1,346	2,581	2,488	1,220	1,268	1,208	1,235	5,023	4,930
EBITDA before special items	48	73	120	123	54	69	60	70	250	252
Profit/loss on disposal of non-current assets, net	3	1	3	2	1	1	1	1	6	4
Depreciation and impairment	-25	-24	-49	-47	-24	-23	-22	-25	-96	-94
EBIT before special items	26	49	75	77	30	47	39	46	159	161
EBIT margin before special items, %	2.1	3.6	2.9	3.1	2.5	3.7	3.2	3.7	3.2	3.3
EBIT	26	49	75	77	31	47	39	45	159	162
Invested capital, average	1,123	1,127	1,128	1,092	1,122	1,064	1,022	1,130	1,086	1,084
ROIC before special items, %	-	-	-	-	-	-	-	-	12.8	13.4
Tons, '000	99.0	100.0	199.0	212.5	114.3	98.2	96.4	118.3	413.7	427.2
Units, '000	131.9	140.9	272.8	258.2	125.7	132.5	129.9	134.2	536.9	522.3

Q2 MARKET, ACTIVITY AND RESULT TRENDS

Volumes were in Q2 in general negatively impacted by the late Easter compared to Q2 2016.

Nordic

The number of transported units in Q2 increased 17.7% compared to 2016 and by 15.7% adjusted for the acquisition of Italcargo in December 2016. The main volume drivers were increasing Sweden-UK trailers and additional automotive services. Moreover, volumes continued to grow in the Norwegian and Baltic traffics offset by lower volumes in Danish traffics.

EBIT increased 10% to DKK 17m mainly due to higher earnings in Sweden, including the addition of Italcargo.

Continent

The number of transported units in Q2 were overall flat as high growth in the Netherlands-UK trailer traffics was offset by lower Germany-UK container and automotive volumes and a significant reduction of volumes in Italy following activity changes. The small Czech trailer operation continued its rapid growth.

EBIT increased 10% to DKK 17m driven by a combination of higher volumes and margins offset by a lower result in Italy.

UK & Ireland

The number of transported units in Q2 increased 6.8% compared to 2016 and by 3.0% adjusted for the acquisition of Shetland Transport in November 2016. The volume growth was mainly driven by increasing volumes in Scotland and more activity in England. Volumes were reduced by lower

activity between N. Ireland and England and the Continent.

EBIT decreased 7% to DKK 14m as higher earnings in mainly Scotland, including the addition of Shetland Transport, was offset by lower earnings in Grimsby and N. Ireland as well as a negative currency impact of DKK 2m from the depreciation of GBP.

LOGISTICS DIVISION

DKK m	2017		2017	2016	2016				2016-2017	2016
	Q1	Q2	H1	H1	Q1	Q2	Q3	Q4	LTM	Full year
Nordic										
Revenue	429	486	916	829	411	418	383	400	1,699	1,613
EBIT before special items	9	17	26	28	13	16	13	12	51	53
Invested capital	332	360	338	323	320	305	304	322	325	319
ROIC before special items, %	-	-	-	-	-	-	-	-	15.7	16.2
Units, '000 *	31.0	35.8	66.9	60.9	30.5	30.4	28.1	30.4	125.4	119.4
Tons, '000	99.0	100.0	199.0	212.5	114.3	98.2	96.4	118.3	413.7	427.2
Continent										
Revenue	479	518	997	989	489	501	489	479	1,964	1,957
EBIT before special items	9	17	26	25	9	16	11	12	49	47
Invested capital	346	340	347	334	350	326	340	355	342	339
ROIC before special items, %	-	-	-	-	-	-	-	-	10.6	11.5
Units, '000	54.2	57.1	111.3	112.8	55.7	57.1	55.5	54.8	221.5	223.0
UK & Ireland										
Revenue	359	378	738	737	353	384	368	389	1,495	1,494
EBIT before special items	9	14	23	24	8	15	16	21	60	61
Invested capital	445	429	442	435	426	400	374	453	420	426
ROIC before special items, %	-	-	-	-	-	-	-	-	12.4	12.8
Units, '000 **	46.7	48.0	94.7	84.4	39.5	44.9	46.3	49.1	190.1	179.8
Non-allocated items										
Revenue	53	54	107	107	54	52	49	45	201	201
EBIT before special items	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 June 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 June 2017 and of the results of the DFDS Group's operations and cash flow for the period 1 January – 30 June 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, 17 August 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 Q2	2016 Q2	2017 H1	2016 H1	2016-2017 LTM	2016 Full year
Revenue		3,688.2	3,552.8	6,908.3	6,640.8	14,057.8	13,790.4
Costs							
Operating costs		-1,961.0	-1,865.0	-3,831.8	-3,607.9	-7,557.1	-7,333.2
Charter hire		-152.5	-133.4	-297.4	-294.1	-567.7	-564.5
Employee costs		-671.0	-662.5	-1,309.7	-1,289.6	-2,628.1	-2,607.9
Costs of sales and administration		-165.2	-192.9	-317.0	-345.6	-667.9	-696.6
Operating profit before depreciation (EBITDA) and special items		738.5	699.0	1,152.4	1,103.6	2,637.0	2,588.2
Share of profit/loss of associates and joint ventures		-0.1	0.0	6.2	-0.7	4.0	-3.0
Profit/loss on disposal of non-current assets, net		1.0	3.0	5.3	3.9	9.9	8.5
Depreciation, ships		-188.8	-204.7	-375.9	-384.9	-751.8	-760.8
Depreciation, other non-current assets		-48.3	-43.2	-97.0	-87.1	-184.1	-174.3
Impairment losses, ships and other non-current assets		0.0	0.0	0.0	0.0	-15.1	-15.1
Operating profit (EBIT) before special items		502.2	454.1	691.1	634.8	1,699.9	1,643.6
Special items, net	3	3.5	-7.2	-2.4	-6.8	-8.5	-12.8
Operating profit (EBIT)		505.6	446.9	688.7	628.0	1,691.4	1,630.7
Financial income		13.2	3.6	17.8	4.1	69.7	56.0
Financial costs		-20.4	-14.2	-41.0	-38.3	-101.8	-99.1
Profit before tax		498.4	436.3	665.4	593.7	1,659.3	1,587.6
Tax on profit		-13.5	-12.6	-30.3	-26.6	-43.0	-39.3
Profit for the period		485.0	423.7	635.1	567.2	1,616.3	1,548.3
Attributable to:							
Equity holders of DFDS A/S		484.6	423.4	634.9	567.0	1,616.0	1,548.1
Non-controlling interests		0.4	0.3	0.3	0.2	0.3	0.2
Profit for the period		485.0	423.7	635.1	567.2	1,616.3	1,548.3
Earnings per share							
Basic earnings per share (EPS) of DKK 20, DKK		8.70	7.27	11.31	9.66	28.42	26.63
Diluted earnings per share (EPS-D) of DKK 20, DKK		8.64	7.19	11.21	9.52	28.15	26.35

DFDS GROUP - COMPREHENSIVE INCOME

	2017 Q2	2016 Q2	2017 H1	2016 H1	2016-2017 LTM	2016 Full year
DKK m						
Profit for the period	485.0	423.7	635.1	567.2	1,616.3	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	0.0	0.0	0.0	-152.6	-152.6
Tax on items that will not be reclassified to the Income statement	0.7	0.0	1.4	0.0	-8.9	-10.4
Items that will not be reclassified subsequently to the Income statement	0.7	0.0	1.4	0.0	-161.5	-163.0
Items that are or may be reclassified subsequently to the Income statement:						
Value adjustment of hedging instruments:						
Value adjustment for the period	-80.2	22.3	-98.1	33.8	-54.8	77.1
Value adjustment transferred to operating costs	-2.7	3.3	-6.4	12.7	-10.4	8.7
Value adjustment transferred to financial costs	30.8	-11.4	42.7	-28.9	65.5	-6.1
Value adjustment transferred to non-current tangible assets	-0.2	0.0	-0.2	0.0	-4.0	-3.8
Foreign exchange adjustments, subsidiaries	-39.6	-50.8	-35.8	-84.1	-65.0	-113.3
Unrealised value adjustment of securities	0.0	0.0	0.0	0.0	25.2	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	-91.8	-36.6	-97.7	-66.5	-68.7	-37.5
Total other comprehensive income after tax	-91.1	-36.6	-96.3	-66.5	-230.3	-200.4
Total comprehensive income	393.9	387.1	538.8	500.7	1,386.0	1,347.9
Attributable to:						
Equity holders of DFDS A/S	393.5	386.9	538.5	500.6	1,385.8	1,347.9
Non-controlling interests	0.4	0.3	0.3	0.0	0.2	0.0
Total comprehensive income	393.9	387.1	538.8	500.7	1,386.0	1,347.9

BALANCE SHEET ASSETS

	2017	2016	2016
DKK m	H1	H1	Full year
Goodwill	551.7	516.7	555.8
Other non-current intangible assets	34.8	25.4	37.5
Software	230.2	186.8	195.7
Development projects in progress	10.6	36.0	37.0
Non-current intangible assets	827.3	764.8	826.1
Land and buildings	141.3	112.8	161.8
Terminals	496.3	512.4	510.6
Ships	7,841.0	8,088.1	7,904.0
Equipment, etc.	576.1	469.0	542.7
Assets under construction and prepayments	87.1	93.1	135.9
Non-current tangible assets	9,141.8	9,275.4	9,255.0
Investments in associates and joint ventures	34.5	32.1	28.6
Receivables	135.8	24.9	24.8
Securities	9.5	18.4	9.5
Deferred tax	76.1	81.9	94.6
Derivative financial instruments	0.4	0.0	34.5
Other non-current assets	256.3	157.2	192.1
Non-current assets	10,225.5	10,197.4	10,273.1
Inventories	125.2	117.5	139.2
Trade receivables	1,837.0	1,673.4	1,602.2
Receivables from associates and joint ventures	60.9	51.6	52.2
Other receivables	110.3	183.7	119.2
Prepayments	119.8	80.4	84.2
Derivative financial instruments	4.0	13.4	25.0
Cash	458.0	441.3	695.6
Current assets	2,715.1	2,561.2	2,717.6
Assets classified as held for sale	0.0	13.5	13.5
Total current assets	2,715.1	2,574.7	2,731.1
Assets	12,940.6	12,772.2	13,004.3

EQUITY AND LIABILITIES

	2017	2016	2016
DKK m	H1	H1	Full year
Share capital	1,140.0	1,200.0	1,200.0
Reserves	-370.1	-308.2	-299.7
Retained earnings	5,072.5	5,214.8	5,556.1
Proposed dividends	399.0	180.0	180.0
Equity attributable to equity holders of DFDS A/S	6,241.4	6,286.6	6,636.4
Non-controlling interests	48.1	48.5	48.2
Equity	6,289.5	6,335.2	6,684.6
Interest bearing liabilities	2,081.4	2,154.9	2,100.9
Deferred tax	189.7	162.1	191.2
Pension and jubilee liabilities	443.8	320.6	460.2
Other provisions	45.9	17.0	54.9
Derivative financial instruments	19.6	0.0	145.6
Non-current liabilities	2,780.4	2,654.7	2,952.8
Interest bearing liabilities	1,013.6	1,096.8	907.9
Trade payables	1,798.6	1,638.6	1,722.3
Payables to associates and joint ventures	41.8	37.4	28.4
Other provisions	36.6	52.3	67.1
Corporation tax	36.6	25.3	30.2
Other payables	463.6	443.9	472.0
Derivative financial instruments	173.0	165.9	0.2
Prepayments from customers	307.0	322.3	138.9
Current liabilities	3,870.7	3,782.3	3,366.9
Liabilities	6,651.1	6,437.0	6,319.7
Equity and liabilities	12,940.6	12,772.2	13,004.3

DFDS GROUP STATEMENT OF CHANGES IN EQUITY (1 JANUARY – 30 JUNE 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						634.9		634.9	0.3	635.1
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						1.4		1.4		1.4
Items that will not be reclassified subsequently to the Income statement	0.0	0.0	0.0	0.0	0.0	1.4	0.0	1.4	0.0	1.4
Items that are or may be reclassified subsequently to the Income statement:										
Value adjustment of hedging instruments for the period			-98.1					-98.1		-98.1
Value adjustment transferred to operating costs			-6.4					-6.4		-6.4
Value adjustment transferred to financial costs			42.7					42.7		42.7
Value adjustment transferred to non-current tangible assets			-0.2					-0.2		-0.2
Foreign exchange adjustments, subsidiaries		-35.8						-35.8	0.0	-35.8
Items that are or may be reclassified subsequently to the Income statement	0.0	-35.8	-62.0	0.0	0.0	0.0	0.0	-97.7	0.0	-97.7
Total other comprehensive income after tax	0.0	-35.8	-62.0	0.0	0.0	1.4	0.0	-96.3	0.0	-96.3
Total comprehensive income	0.0	-35.8	-62.0	0.0	0.0	636.3	0.0	538.6	0.3	538.8
Transactions with owners										
Acquisition, non-controlling interests						0.3		0.3	-0.4	-0.1
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
Vested share-based payments						13.2		13.2		13.2
Cash from sale of treasury shares related to exercise of share options					12.6	42.7		55.3		55.3
Purchase of treasury shares					-45.2	-788.9		-834.1		-834.1
Reduction of share capital by cancellation of treasury shares	-60.0				60.0			0.0		0.0
Other adjustments						-0.4		-0.4		-0.4
Transactions with owners H1 2017	-60.0	0.0	0.0	0.0	27.4	-1,119.9	219.0	-933.6	-0.4	-933.9
Equity at 30 June 2017	1,140.0	-315.4	-23.2	0.1	-31.5	5,072.5	399.0	6,241.4	48.1	6,289.5

DFDS GROUP STATEMENT OF CHANGES IN EQUITY (1 JANUARY – 30 JUNE 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						567.0		567.0	0.2	567.2
Other comprehensive income										
Items that are or may be reclassified subsequently to the Income statement:										
Value adjustment of hedging instruments for the period			33.8					33.8		33.8
Value adjustment transferred to operating costs			12.7					12.7		12.7
Value adjustment transferred to financial costs			-28.9					-28.9		-28.9
Foreign exchange adjustments, subsidiaries		-83.9						-83.9	-0.2	-84.1
Items that are or may be reclassified subsequently to the Income statement	0.0	-83.9	17.6	0.0	0.0	0.0	0.0	-66.3	-0.2	-66.5
Total other comprehensive income after tax	0.0	-83.9	17.6	0.0	0.0	0.0	0.0	-66.3	-0.2	-66.5
Total comprehensive income	0.0	-83.9	17.6	0.0	0.0	567.0	0.0	500.6	0.0	500.7
Transactions with owners										
Acquisition, non-controlling interests						0.7		0.7	-1.0	-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
Vested share-based payments						3.8		3.8		3.8
Cash from sale of treasury shares related to exercise of share options					21.8	42.4		64.2		64.2
Purchase of treasury shares					-46.6	-540.6		-587.2		-587.2
Reduction of share capital by cancellation of treasury shares	-30.0				30.0			0.0		0.0
Other adjustments						-0.4		-0.4		-0.4
Transactions with owners H1 2016	-30.0	0.0	0.0	0.0	5.2	-664.9	-4.5	-694.2	-1.0	-695.3
Equity at 30 June 2016	1,200.0	-250.4	-19.5	0.1	-38.3	5,214.8	180.0	6,286.6	48.5	6,335.2

The majority of amounts included in Other comprehensive income relates to Group companies which are taxed under tonnage tax schemes. There is no tax on this.

DFDS GROUP - CASH FLOW STATEMENT

	2017 Q2	2016 Q2	2017 H1	2016 H1	2016-2017 LTM	2016 Full year
DKK m						
Operating profit before depreciation (EBITDA) and special items	738.5	699.0	1,152.4	1,103.6	2,637.0	2,588.2
Cash flow effect from special items related to operating activities	0.0	-0.5	0.0	-2.5	-0.1	-2.6
Adjustments for non-cash operating items, etc.	4.3	0.2	7.4	-1.7	23.4	14.3
Change in working capital	-12.6	88.0	17.7	172.3	13.8	168.4
Payment of pension liabilities and other provisions	-37.4	-42.0	-44.9	-69.8	-60.6	-85.5
Cash flow from operating activities, gross	692.8	744.6	1,132.6	1,201.8	2,613.6	2,682.7
Interest etc. received	29.1	22.7	46.3	50.6	104.5	108.7
Interest etc. paid	-40.8	-53.9	-87.1	-100.7	-168.7	-182.2
Taxes paid	-4.1	-9.7	-8.9	-13.0	-16.3	-20.4
Cash flow from operating activities, net	677.1	703.6	1,083.0	1,138.6	2,533.2	2,588.8
Investments in ships including dockings, rebuildings and ships under construction (incl. settlement of forward exchange contracts)	-814.9	-381.2	-1,005.0	-664.7	-1,295.9	-955.7
Investments in other non-current tangible assets	-73.1	-18.1	-114.4	-76.8	-243.7	-206.2
Sale of other non-current tangible assets	1.6	7.4	27.9	16.8	29.1	18.1
Investments in non-current intangible assets	-12.8	-13.4	-24.1	-30.0	-46.5	-52.4
Acquisition of enterprises, associates, joint ventures and activities	0.0	0.0	0.0	0.0	-50.9	-50.9
Sale of activities etc.	0.0	0.0	0.0	0.0	5.0	5.0
Sale of securities	0.0	0.0	0.0	0.0	34.1	34.1
Other investing cash flows	-7.1	0.0	-8.7	0.0	-8.7	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	-906.3	-405.4	-1,124.2	-754.7	-1,576.7	-1,207.2
Proceed from loans secured by mortgage in ships	671.6	0.0	671.6	0.0	671.6	0.0
Repayment and instalments of loans secured by mortgage in ships	-31.2	-122.7	-43.7	-254.8	-87.6	-298.7
Repayment of corporate bonds incl. settlement of cross currency swap	0.0	-493.5	0.0	-493.5	0.0	-493.5
Change in other financial loans, net	56.2	-22.7	255.9	-23.2	232.0	-47.0
Payment of financial lease liabilities	-12.7	-23.2	-33.7	-43.8	-77.5	-87.5
Change in operating credits	0.0	145.8	0.0	147.9	-148.9	-0.9
Acquisition of non-controlling interests	-0.1	-0.1	-0.1	-0.3	-0.1	-0.3
Acquisition of treasury shares	-175.5	-111.6	-834.1	-587.2	-1,161.0	-914.1
Other non-current receivable	-111.0	0.0	-111.0	0.0	-111.0	0.0
Cash received from exercise of share options	0.0	1.1	55.3	64.2	55.3	64.2
Government grants related to purchase of assets	11.9	0.7	11.9	0.7	31.0	19.7
Other financing cash flows	0.0	2.8	0.0	3.5	-0.6	2.9
Dividends paid	0.0	-175.4	-167.9	-175.4	-341.5	-349.0
Cash flow to/from financing activities, net	409.1	-799.0	-195.8	-1,361.9	-938.3	-2,104.3
Net increase (decrease) in cash and cash equivalents	179.9	-500.7	-237.0	-977.9	18.2	-722.7
Cash and cash equivalents at beginning of period	279.0	943.3	695.6	1,422.6	441.3	1,422.6
Foreign exchange and value adjustments of cash and cash equivalents	-0.9	-1.3	-0.5	-3.4	-1.4	-4.2
Cash and cash equivalents at end of period	458.0	441.3	458.0	441.3	458.0	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
H1 2017				
External revenue	4,330.1	2,570.3	7.9	6,908.3
Intragroup revenue	346.9	10.3	186.8	544.0
Total revenue	4,677.0	2,580.6	194.7	7,452.3
Operating profit (EBIT) before special items	657.5	74.8	-41.3	691.1
Operating profit after special items (EBIT)	666.1	74.8	-52.3	688.7

DKK m	Shipping Division	Logistics Division	Non-allocated	Total
H1 2016				
External revenue	4,157.4	2,477.2	6.1	6,640.8
Intragroup revenue	302.4	10.3	166.0	478.7
Total revenue	4,459.8	2,487.5	172.2	7,119.5
Operating profit (EBIT) before special items	606.7	77.1	-49.1	634.8
Operating profit after special items (EBIT)	599.6	77.5	-49.1	628.0

NOTE 3 SPECIAL ITEMS

DKK m	2017 H1	2016 H1
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	0.4
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.	-11.0	0.0
Special items, net	-2.4	-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 structuring 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 or disposals in 2017.

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 Q2 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	H1 2017		H1 2016	
	Fair value	Carrying amount	Fair value	Carrying amount
Financial assets				
Derivatives (Level 2)	4.4	4.4	13.4	13.4
Assets held for sale (non-recurring fair value measurement) (Level 3)	0.0	0.0	13.5	13.5
Financial liabilities				
Derivatives (Level 2)	192.6	192.6	165.9	165.9

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 328m, equivalent to 7.8%. Operating profit before depreciation and special items (EBITDA) increased from DKK 750.2m to DKK 806.4m, equivalent to an increase of 7.5%. Both increases are primarily due to general improvement on most of the company's shipping routes.

Result before tax decreased from DKK 659.7m in 2016 to DKK 659.0m in 2017.

The parent company's net interest bearing debt decreased from DKK 4,466.1m at 31 December 2016 to DKK 3,866.9m at 30 June 2017.

	2017	2016	2016-2017	2016
DKK m	H1	H1	LTM	Full year
Income statement				
Revenue	4,536.5	4,208.5	9,365.2	9,037.1
Operating profit before depreciation (EBITDA) and special items	806.4	750.2	1,895.9	1,839.6
Operating profit (EBIT) before special items	545.4	493.3	1,362.3	1,310.1
Special items, net	113.2	-7.1	107.4	-12.9
Operating profit (EBIT)	658.6	486.2	1,469.6	1,297.2
Financial items, net	0.4	173.6	60.7	233.9
Profit before tax	659.0	659.7	1,530.3	1,531.1
Profit for the period	657.8	659.8	1,539.5	1,541.6
Assets				
Non-current intangible assets	359.5	311.8		351.3
Non-current tangible assets	4,236.5	5,240.2		5,270.4
Investments in affiliated companies, associates and joint ventures	3,904.1	3,829.8		3,892.5
Other non-current assets	121.0	18.4		44.0
Non-current assets	8,621.1	9,400.2		9,558.2
Current receivables from affiliated companies	1,149.1	754.6		615.0
Receivables from associates and joint ventures	53.8	50.2		49.8
Cash and securities	378.1	379.3		612.6
Other current assets	947.8	897.8		863.7
Current assets	2,528.8	2,081.9		2,141.1
Assets	11,150.0	11,482.0		11,699.3
Equity and liabilities				
Equity	4,411.6	4,302.5		4,750.3
Non-current liabilities	1,492.6	2,142.4		2,264.8
Current liabilities to affiliated companies	2,806.8	2,693.4		2,555.8
Other current liabilities	2,439.0	2,343.8		2,128.4
Current liabilities	5,245.8	5,037.2		4,684.2
Equity and liabilities	11,150.0	11,482.0		11,699.3
Equity ratio, %	39.6%	37.5%		40.6%
Net interest bearing debt	3,866.9	4,334.0		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.