

Securities Note

FRN DFDS A/S Senior Unsecured Bond Issue
2013/2018

NO 001 067352.8



Arrangers:



28.05 2013

Important notice

The Securities Note has been prepared in connection with listing of the securities at Oslo Børs. The Prospectus has been reviewed and approved by the Norwegian FSA in accordance with sections 7-7 and 7-8, cf. section 7-3 of the Norwegian Securities Trading Act. The Norwegian FSA has not controlled or approved the accuracy or completeness of the information given in this Prospectus. The approval given by the Norwegian FSA only relates to the Issuer's descriptions pursuant to a pre-defined check list of requirements. The Norwegian FSA has not made any form of control or approval relating to corporate matters described in or otherwise covered by this Prospectus. New information that is significant for the Borrower or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to the expiry of the subscription period. Such information will be published as a supplement to the Securities Note pursuant to Section 7-15 of the Norwegian Securities Trading Act. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Borrower or its subsidiaries may not have been changed.

Only the Borrower and the Arrangers are entitled to procure information about conditions described in the Securities Note. Information procured by any other person is of no relevance in relation to the Securities Note and cannot be relied on.

Unless otherwise stated, the Securities Note is subject to Norwegian law. In the event of any dispute regarding the Securities Note, Norwegian law will apply.

In certain jurisdictions, the distribution of the Securities Note may be limited by law, for example in the United States of America or in the United Kingdom. Verification and approval of the Securities Note by Finanstilsynet implies that the Securities Note may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute the Securities Note in any jurisdiction where such action is required. Persons that receive the Securities Note are ordered by the Borrower and the Arrangers to obtain information on and comply with such restrictions.

This Securities Note is not an offer to sell or a request to buy bonds.

The content of the Securities Note does not constitute legal, financial or tax advice and bond owners should seek legal, financial and/or tax advice.

Contact the Borrower to receive copies of the Securities Note.

This Securities Note should be read together with the Registration Document dated 28.06 2012 and Supplement to the Registration Document dated 28.05 2013. The documents together constitute a prospectus.

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1. Risk factors

All investments in interest bearing securities have risk associated with such investment. The risk is related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors. An investment in interest bearing securities is only suitable for investors who understand the risk factors associated with this type of investments and who can afford a loss of all or part of the investment. Please refer to the Registration Document dated 28.06 2012 for a listing of company specific risk factors.

There are four main risk factors that sum up the investors total risk exposure when investing in interest bearing securities: **liquidity risk, interest rate risk, settlement risk and market risk** (both in general and issuer specific).

Liquidity risk is the risk that a party interested in trading bonds in the Loan cannot do it because nobody in the market wants to trade the bonds. Missing demand of the bonds may incur a loss on the bondholder.

Interest rate risk is the risk borne by the Loan due to variability of the NIBOR interest rate. The coupon payments, which depend on the NIBOR interest rate and the Margin, will vary in accordance with the variability of the NIBOR interest rate. The interest rate risk related to this bond issue will be limited, since the coupon rate will be adjusted quarterly according to the change in the reference interest rate (NIBOR 3 months) over the 5 year tenor. The primary price risk for a floating rate bond issue will be related to the market view of the correct trading level for the credit spread related to the bond issue at a certain time during the tenor, compared with the credit margin the bond issue is carrying. A possible increase in the credit spread trading level relative to the coupon defined credit margin may relate to general changes in the market conditions and/or Issuer specific circumstances. However, under normal market circumstances the anticipated tradable credit spread will fall as the duration of the bond issue becomes shorter. In general, the price of bonds will fall when the credit spread in the market increases, and conversely the bond price will increase when the market spread decreases.

Settlement risk is the risk that the settlement of bonds in the Loan does not take place as agreed. The settlement risk consists of the failure to pay or the failure to deliver the bonds.

Market risk is the risk that the value of the Loan will decrease due to the change in value of the market risk factors. The price of a single bond issue will fluctuate in accordance with the interest rate and credit markets in general, the market view of the credit risk of that particular bond issue, and the liquidity of this bond issue in the market. In spite of an underlying positive development in the Issuers business activities, the price of a bond may fall independent of this fact. Bond issues with a relatively short tenor and a floating rate coupon rate do however in general carry a lower price risk compared to loans with a longer tenor and/or with a fixed coupon rate.

No market-maker agreement is entered into in relation to this bond issue, and the liquidity of bonds will at all times depend on the market participants view of the credit quality of the Issuer as well as established and available credit lines.

2. Person responsible

DFDS A/S confirms that, having taken all reasonable care to ensure that such is the case, the information contained in the prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

28.05 2013

DFDS A/S

3. Information concerning the securities

ISIN code:	NO 001 067352.8
The Loan/ The Bonds/The Issue:	FRN DFDS A/S Senior Unsecured Bond Issue 2013/2018
Borrower/Issuer:	DFDS A/S
Security Type:	Bond issue with floating rate.
Maximum Amount:	NOK 1 000 000 000
Outstanding Amount:	NOK 700 000 000
Denomination – Each Bond:	NOK 1 000 000 - each and among themselves pari passu ranking.
Securities Form:	The Bonds are electronically registered in book-entry form with the Securities Depository.
Disbursement/Issue Date:	21 March 2013.
Interest Accrual Date:	Disbursement/Issue Date.
Interest Bearing To:	Maturity Date.
Maturity Date:	21 March 2018
Interest Rate:	NIBOR + Margin
Margin:	2.90 percentage points per annum
Current Rate:	4,75%
Bond Reference Rate:	3 months NIBOR
Interest Payment Date:	21 March, 21 June, 21 September and 21 December each year
NIBOR:	The rate for an interest period will be the rate for deposits in Norwegian Kroner for a period as defined under Bond Reference Rate which appears on the Reuters Screen NIBR Page as of 12.00 noon, Oslo time, on the day that is two Business Days preceding that Interest Payment Date. If such rate does not appear on the Reuters Screen NIBR Page, the rate for that Interest Payment Date will be determined as if the Bond Reference Rate is NIBOR Reference Rate as the applicable floating rate option.
NIBOR Reference Rate:	The rate for an interest period will be determined on the basis of the rates at which deposits in Norwegian Kroner are offered by four large authorised exchange banks in the Oslo market (the "Reference Banks") at approximately 12.00 noon, Oslo time, on the day that is two Business Days preceding that Interest Payment Date to prime banks in the Oslo interbank market for a period as defined under Bond Reference Rate commencing on that Interest Payment Date and in a representative

	<p>amount. The Bond Trustee will request the principal Oslo office of each Reference Banks to provide a quotation of its rate. If at least two such quotations are provided, the rate for that Interest Payment Date shall be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that Interest Payment Date will be the arithmetic mean of the rates quoted by major banks in Oslo, selected by the Bond Trustee, at approximately 12.00 noon, Oslo time, on that Interest Payment Date for loans in Norwegian Kroner to leading European banks for a period as defined under Bond Reference Rate commencing on that Interest Payment Date and in a representative amount.</p>
Day Count Fraction - Coupon:	Act/360
Business Day Convention:	<p>Modified Following.</p> <p>If the relevant Interest Payment Date falls on a day that is not a Business Day, that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day (Modified Following Business Day Convention).</p>
Issue Price:	100 % (par value).
Yield:	<p>Dependent on the market price. Yield for the first Interest period will be notified 2 Banking Days prior to Disbursement Date.</p> <p>For future Yield, the Interest Rate will be set two Banking Days prior to each Interest Payment Date.</p>
Business Day:	Any day on which both Norwegian and Danish commercial banks are open for general business, and when Norwegian as well as Danish banks can settle foreign currency transactions.
Maturity:	The Bonds shall mature in full on the Maturity Date, and shall be repaid at par (100%) by the Issuer.
Change of control:	See Bond Agreement section 10.2.
Redemption:	<p>Matured interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.</p>
Status of the Bonds and security:	<p>The Bonds shall be senior debt of the Issuer. The Bonds shall rank at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application) and shall rank ahead of subordinated debt.</p> <p>The Bonds are unsecured.</p>
Covenants:	See Bond Agreement section 13.
Financial Covenants:	<p>Book Equity Ratio</p> <p>The Issuer shall ensure that the Group, on a consolidated basis maintains a Book Equity Ratio (Book</p>

	Equity divided by Total Assets) which constitutes more than 30 %, calculated on each Quarter Date.
Events of Default:	See Bond Agreement section 15.
Purpose:	The net proceeds of the Bonds shall be employed for general corporate purposes of the Group.
Approvals:	The Bonds were issued in accordance with the Borrower's Board approval 27.02 2013.
Listing:	An application for listing will be sent Oslo Børs as soon as possible after the Prospectus has been approved by Finanstilsynet.
Bond Agreement:	<p>The Bond Agreement has been entered into between the Borrower and the Trustee. The Bond Agreement regulates the Bondholder's rights and obligations in relations with the issue. The Trustee enters into this agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Agreement.</p> <p>When bonds are subscribed / purchased, the Bondholder has accepted the Bond Agreement and is bound by the terms of the Bond Agreement.</p> <p>Information regarding bondholders' meeting and the Bondholder's right to vote are described in the Bond Agreement clause 16.</p> <p>Information regarding the role of the Trustee, see Bond Agreement clause 17.</p> <p>The Bond Agreement is attached to this Securities Note.</p>
Documentation:	Registration Document, Supplement to Registration Document, Securities Note, Bond Agreement.
Availability of the Documentation:	www.dfdsgroup.com and Norsk Tillitsmann ASA
Trustee:	Norsk Tillitsmann ASA, P.O. Box 1470 Vika, 0116 Oslo, Norway.
Listing Agent:	Norsk Tillitsmann ASA, P.O. Box 1470 Vika, 0116 Oslo, Norway.
Arrangers:	<p>Nordea Bank Danmark A/S, Strandgade 3, DK-1401 Copenhagen K, Denmark</p> <p>Skandinaviske Enskilda Banken, Denmark, branch of Skandinaviska Enskilda Banken AB (publ), Sweden Bernstorffsgade 50, DK-1577 Copenhagen V, Denmark</p>
Paying Agent:	Nordea Bank Norge ASA, Issuer Service, Middelthunsgate 17, N-0368 Oslo, Norway
Calculation Agent:	Norsk Tillitsmann ASA, P.O Box 1470 Vika, Norway.
Securities Depository:	Verdipapirregisteret ("VPS"), Postboks 4, 0051 OSLO

Market-Making:	There is no market-making agreement entered into in connection with the Loan.
Legislation under which the Securities have been created:	Norwegian law.
Fees and Expenses:	See Bond Agreement section 14 The Issuer is responsible for withholding any withholding tax imposed by applicable law.
Total expenses:	Total expenses related to the admission to trading for is approximately NOK 65 000,-.

4. Definitions

“**Book Equity**” means the aggregate consolidated book value of the Group’s total equity in accordance with GAAP, as set out in the most recent consolidated Financial Statements or Quarterly Financial Reports (as applicable).

“**Financial Statements**” means the audited unconsolidated and consolidated annual accounts and financial statements of the Issuer for any financial year, drawn up according to GAAP, such accounts to include a profit and loss account, balance sheet, cash flow statement and report from the Board of Directors.

“**GAAP**” means the generally accepted accounting practice and principles in the country in which the Issuer is incorporated including, if applicable, the International Financial Reporting Standards (IFRS) and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof), in force from time to time.

“**Group**” means the Issuer and the Subsidiaries, and a “**Group Company**” means the Issuer or any of the Subsidiaries.

“**Quarter Date**” means each 31 March, 30 June, 30 September and 31 December.

“**Quarterly Financial Reports**” means the unaudited unconsolidated and consolidated management accounts of the Issuer as of each Quarter Date, such accounts to include a profit and loss account, balance sheet, cash flow statement and management commentary.

“**Subsidiary**” means an entity over which another entity or person has a determining influence due to (i) direct and indirect ownership of shares or other ownership interests, and/or (ii) agreement, understanding or other arrangement. An entity shall always be considered to be the subsidiary of another entity or person if such entity or person has such number of shares or ownership interests so as to represent the majority of the votes in the entity, or has the right to vote in or vote out a majority of the directors in the entity.

“**Total Assets**” means the aggregate consolidated book value of the Group’s total assets in accordance with GAAP, as set out in the most recent consolidated Financial Statements or Quarterly Financial Reports (as applicable).

5. Additional information

The involved persons in DFDS A/S have no interest, nor conflicting interests that is material to the Issue.

DFDS A/S has mandated Nordea Bank Danmark A/S and Skandinaviska Enskilda Banken, Denmark, Branch of Skandinaviska Enskilda Banken AB (publ), Sweden, as Arrangers for the issuance of the Loan. The Arrangers has acted as advisors to DFDS A/S in relation to the pricing of the Loan.

Prospective investors should also read the detailed information set out in the Registration Document 28.06 2012 and Supplement to the Registration Document 28.05 2013 to reach their own views prior to making any investment decision.

Statement from the Listing Agent:

Norsk Tillitsmann ASA, acting as Listing Agent, has assisted the Issuer in preparing this Securities Note. The Listing Agent has not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and the Listing Agent expressly disclaims any legal or financial liability as to the accuracy or completeness of the information contained in this Securities Note or any other information supplied in connection with bonds issued by the Issuer or their distribution. The statements made in this paragraph are without prejudice to the responsibility of the Issuer. Each person receiving this Securities Note acknowledges that such person has not relied on the Listing Agent nor on any person affiliated with it in connection with its investigation of the accuracy of such information or its investment decision.

6. Appendix:

- Bond Agreement