



Q3 2017 RESULTS

Conference call – 26 October 2017, 11.00 am CEST

Presentation available at investor.dsv.com



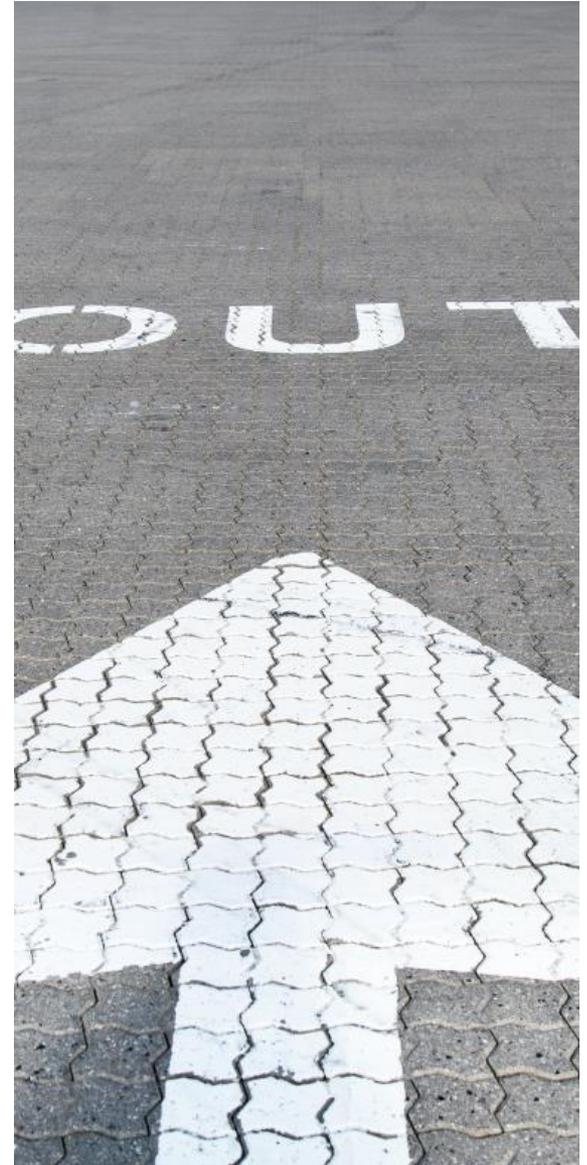
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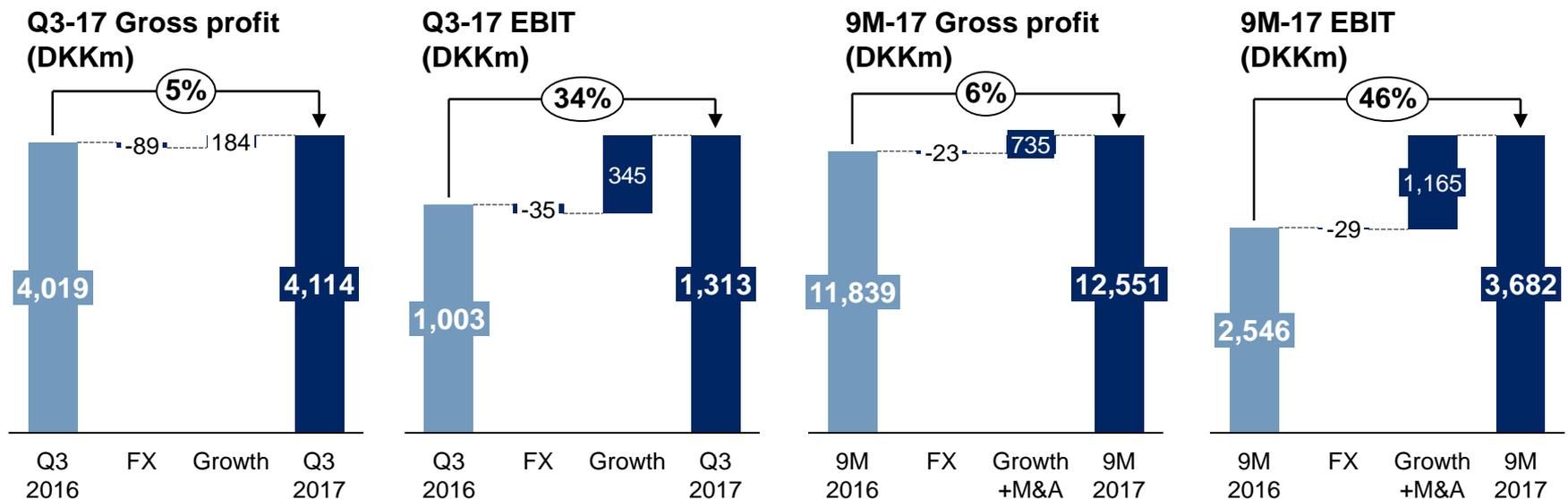
Agenda

- 1 Highlights
- 2 Business segments
- 3 Financial review
- 4 Share buyback
- 5 Revised outlook for 2017
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Highlights Q3 2017

- EBIT before special items grew 34.4%
- Gross profit growth of 4.6% and volume growth in line with or above market
- Financial outlook for 2017 revised upwards:
 - Expected EBIT before special items now DKK 4,700-4,900 million (from DKK 4,500-4,700 million)
 - The upgrade is partly due to faster than expected realisation of integration synergies in 2017. We now expect cost synergies of DKK 200 million in 2018 (previous estimate DKK 300 million)

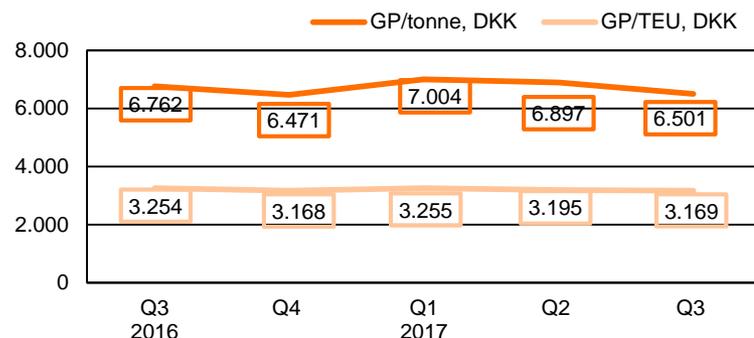


All growth rates are in constant currencies (cc)

Business segments – Air & Sea Q3 2017

- EBIT growth of 49.4% (cc)
- Gross profit growth of 6.9% (cc)
- Air freight volume growth of 11.7% and sea freight growth of 2.8%
- Yield pressure in Q3-17 was mainly due to FX impact. Underlying sea freight yields increased sequentially and were slightly down for air freight

Development in GP per TEU/tonne

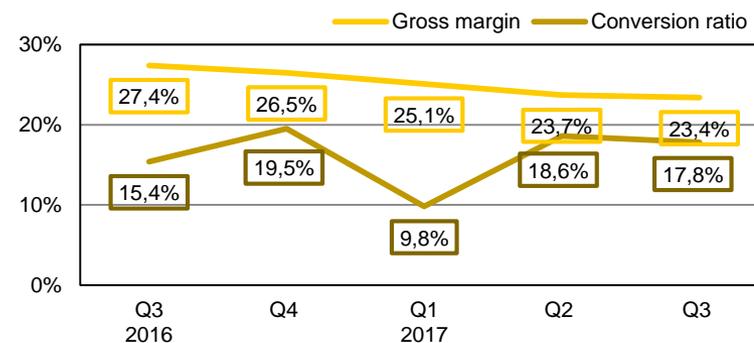


(DKKm)	Q3				YTD			
	2017	2016	Var.	FX	2017	2016	Var.	FX
Net revenue	9,044	8,282	9.2%	-4.7%	26,387	23,753	11.1%	-1.8%
Gross profit	2,199	2,123	3.6%	-3.3%	6,532	6,308	3.6%	-0.6%
EBIT bef. special items	903	626	44.2%	-5.1%	2,436	1,574	54.8%	-1.1%
Operating margin	10.0%	7.6%			9.2%	6.6%		
Conversion ratio	41.1%	29.5%			37.3%	25.0%		
			Market				Market	
Sea, gross profit	1,126	1,124	0.2%		3,354	3,304	1.5%	
TEU	355,291	345,463	2.8%	3-4%	1,046,461	976,380	7.2%	3-4%
GP/TEU, DKK	3,169	3,254	-2.6%		3,205	3,384	-5.3%	
Air, gross profit	1,073	999	7.4%		3,178	3,004	5.8%	
Tonnes	165,051	147,744	11.7%	10-12%	467,920	422,123	10.8%	9-11%
GP/tonne, DKK	6,501	6,762	-3.9%		6,792	7,116	-4.6%	

Business segments – Solutions Q3 2017

- 11.4% growth in EBIT (cc)
- High growth in net revenue, but gross profit negatively impacted by competitive pricing and increasing operating costs
- Furthermore, gross profit was impacted by reclassification of terminal costs in connection with UTi integration
- Consolidation of infrastructure is progressing, leading to higher conversion ratio

Development in key financial ratios



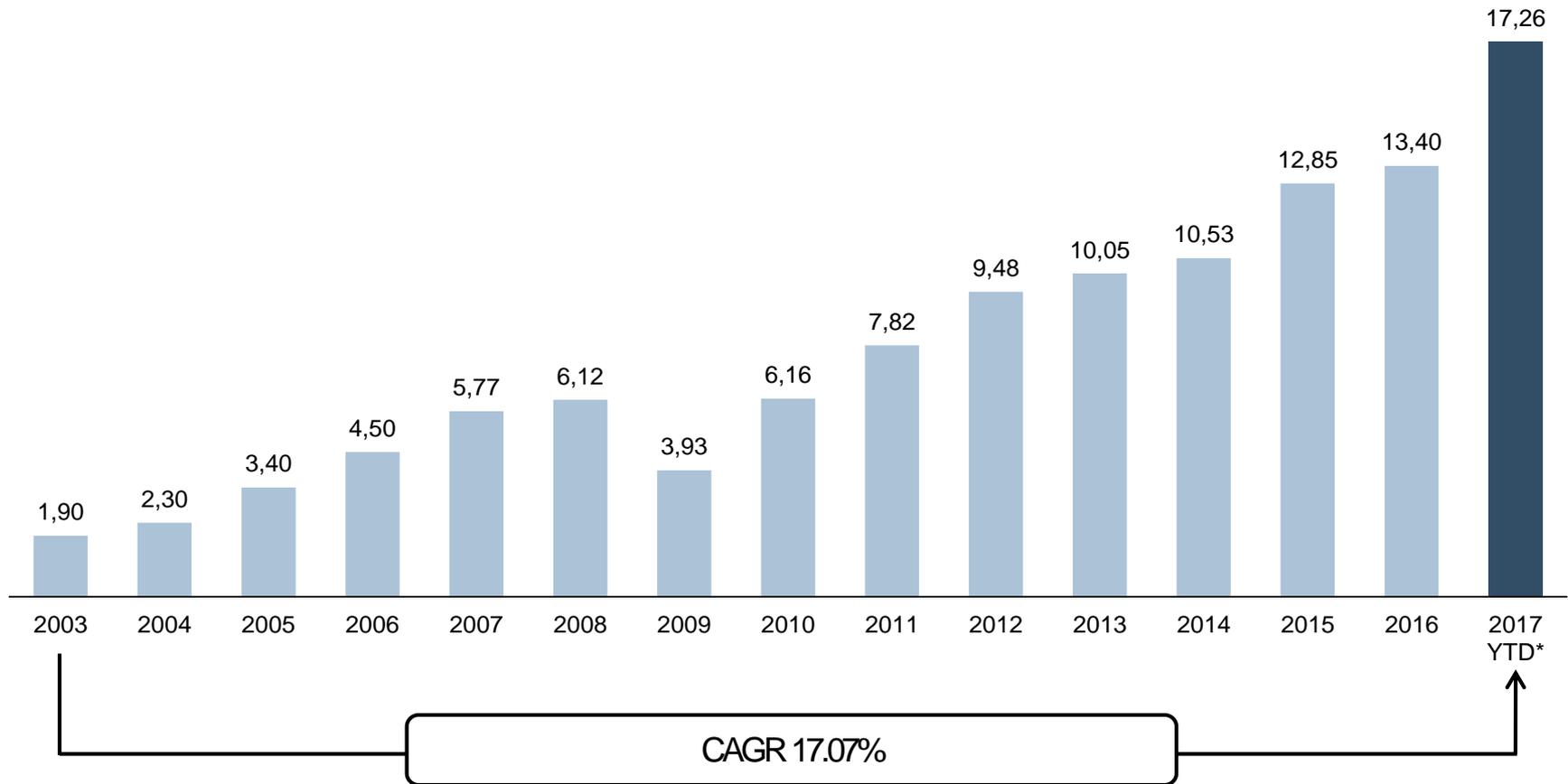
(DKKm)	Q3				YTD			
	2017	2016	Var.	FX	2017	2016	Var.	FX
Net revenue	2,757	2,492	10.6%	-1.6%	8,348	6,941	20.3%	0.9%
Gross profit	646	684	-5.6%	-1.0%	2,007	1,889	6.2%	1.6%
EBIT bef. special items	115	105	9.5%	-1.9%	309	242	27.7%	0.8%
Gross margin	23.4%	27.4%			24.0%	27.2%		
Operating margin	4.2%	4.2%			3.7%	3.5%		
Conversion ratio	17.8%	15.4%			15.4%	12.8%		

Financial review 9M 2017 – P&L

(DKKm)	Q3	Q3	Growth		9M	9M	Growth	
	2017	2016	Var.	FX	2017	2016	Var.	FX
Net revenue	18,735	17,205	8.9%	-2.8%	55,882	50,130	11.5%	-0.9%
Gross profit	4,114	4,019	2.4%	-2.2%	12,551	11,839	6.0%	-0.2%
Other external costs	722	786	-8.1%		2,342	2,452	-4.5%	
Staff costs, white-collar	1,889	2,027	-6.8%		5,961	6,252	-4.7%	
EBITDA	1,503	1,206	24.6%		4,248	3,135	35.5%	
Amortisation and depreciation	190	203	-6.4%		566	589	-3.9%	
EBIT before special items	1,313	1,003	30.9%	-3.5%	3,682	2,546	44.6%	-1.1%
Special items, costs	123	155			371	866		
Financial items	149	85			425	143		
Profit before tax	1,041	763	36.4%		2,886	1,537	87.8%	
Tax on profit for the period	215	211	1.9%		649	419	54.9%	
Profit for the period	826	552	49.6%		2,237	1,118	100.1%	
Key Performance Indicators								
Gross margin (%)	22.0	23.4			22.5	23.6		
Operating margin (%)	7.0	5.8			6.6	5.1		
Conversion ratio (%)	31.9	25.0			29.3	21.5		
Effective tax rate (%)	20.7	27.7			22.5	27.3		
Employees, end of quarter					45,161	45,395		
<i>Diluted adjusted EPS for the period</i>	4.96	3.69	34.4%		13.63	9.79	39.2%	

- 9M-17 was impacted by one extra month of UTi activities
- EBIT before special items positively impacted by further cost reduction in connection with the integration of UTi. Synergies have been realised faster than expected in 2017, and we now expect remaining full-year impact of DKK 200 million in 2018 (previous 2018 estimate DKK 300 million)
- Financial items impacted by exchange rate loss of DKK 195 million in 9M-17 (mainly intra-group with no cash flow impact)

Diluted adjusted earnings per share (DKK)



*Diluted adjusted earnings per share of DKK 1 for the last 12 months

Financial review 9M 2017 – cash flow and debt

(DKKm)	9M 2017	9M 2016
EBITDA	4,248	3,135
Change in working capital, etc.	101	-825
Change in provisions	-172	-275
Special items	-314	-441
Corporation tax paid and other adjustments	-953	-741
Cash flow from operating activities	2,910	853
Cash flow from investing activities	-185	-4,915
Free cash flow	2,725	-4,062
Adjusted free cash flow	3,047	1,248
Highlights		
<i>NWC in % of revenue</i>	2.9%	2.7%
<i>Net interest-bearing debt (NIBD)</i>	6,298	8,561
<i>Financial gearing (NIBD/EBITDA)</i>	1.2	2.1
<i>Average duration, long-term loan commitments (years)</i>	3.4	3.1
<i>Intangible assets</i>	16,547	16,834
<i>Invested capital</i>	21,183	21,968
<i>ROIC before tax</i>	21.4	19.8

- Positive impact from higher EBITDA
- NWC at 2.9% of net revenue
- We maintain focus on reducing NWC after the UTi integration
- Financial gearing ratio within target range (1.0-1.5x)
- In Q3-17 DSV issued EUR 200 million worth of 7-year corporate bonds (1.75% fixed coupon)
- ROIC before tax is now at 21.4%

Share buyback

- DKK 1 billion programme finalised on 13 October 2017, under which 2.2 million shares were bought back at an average price of DKK 455.49 per share
- New share buyback programme of DKK 1.25 billion according to safe harbour method starting 30 October 2017 and running until 23 March 2018
- The purpose of the share buyback programmes is to adjust the capital structure and meet obligations relating to the Group's share-based incentive programmes

Announced allocations to shareholders 2017 and Q1-18 (DKKm)

	Q1 -17	Q2-17	Q3 -17	Q4 -17	Q1-18	Total
Dividend (DKK 1.80 per share)	342	-	-	-	-	342
Share buyback - 1,000	-	-	735	265	-	1,000
Share buyback - 1,250 (estimated quarterly split)	-	-	-	~525	~725	1,250
Total announced allocations	342	-	735	790	725	2,592

Revised outlook for 2017

(DKKm)	2016 actual	2017 previous	2017 revised
EBIT before special items	3,475	4,500-4,700	4,700-4,900
Net financial expenses (excluding FX gains/losses)	299	300	300
Effective tax rate	26.7%	23%	23%
Free cash flow	-3,680	3,750	3,900
Adjusted free cash flow	1,838	4,250	4,400

- Expected *EBIT before special items* and *adjusted free cash flow* are revised because of continuous progress in the integration process, especially in Air & Sea and headquarter / administrative functions, as well as strong operational performance
- Faster than expected realisation of integration synergies in 2017. We now expect cost synergies of DKK 200 million in 2018 (previous estimate DKK 300 million)
- The outlook for 2017 is based on the assumption of a stable development in the markets in which the Group operates and that currency rates remain at current levels (October 2017)
- Integration costs of approx. DKK 500 million are expected in connection with the integration of UTi in 2017 (9M-17: DKK 371 million)

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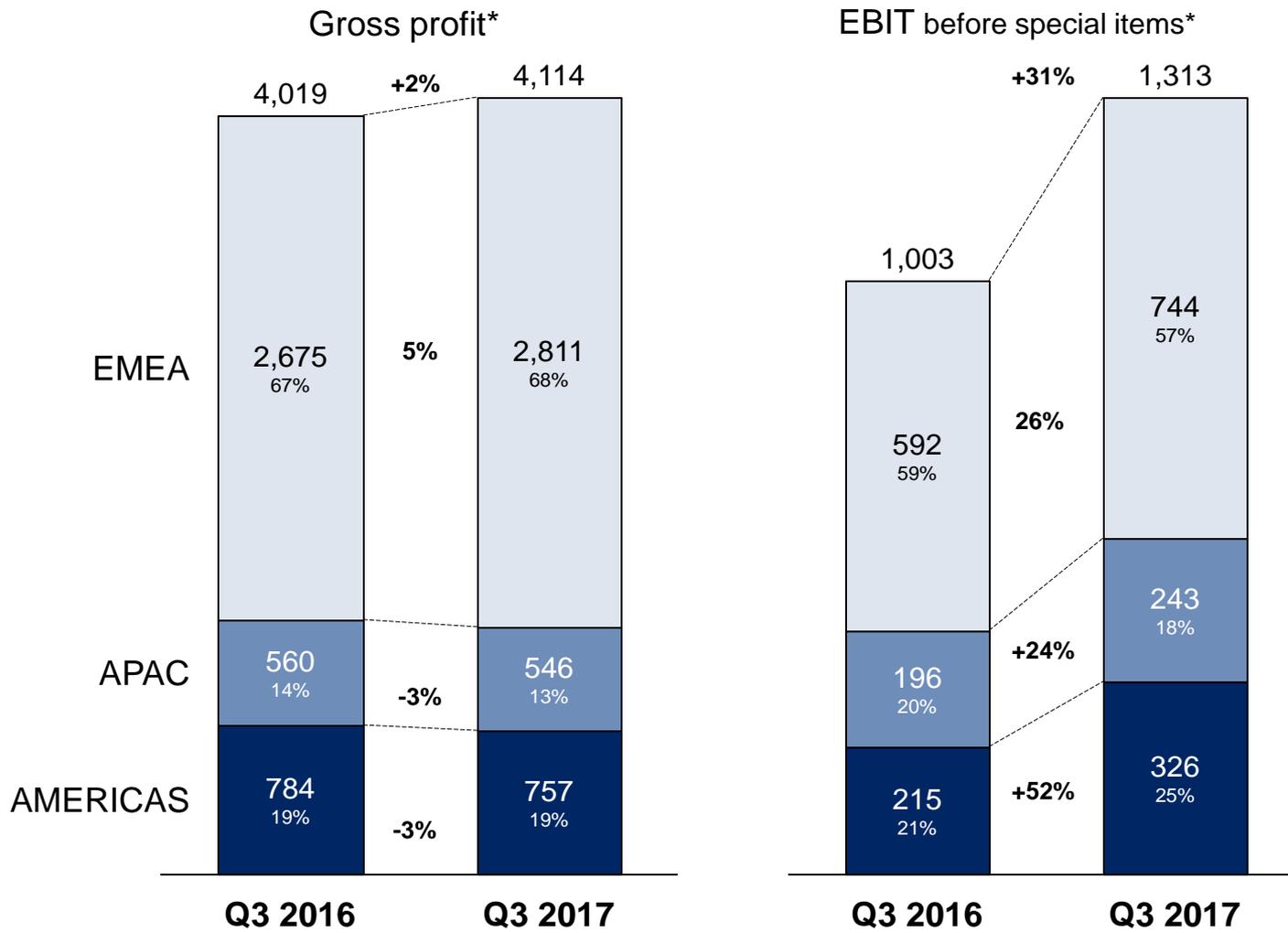
To ask questions press "0" and then "1"



Back up slides

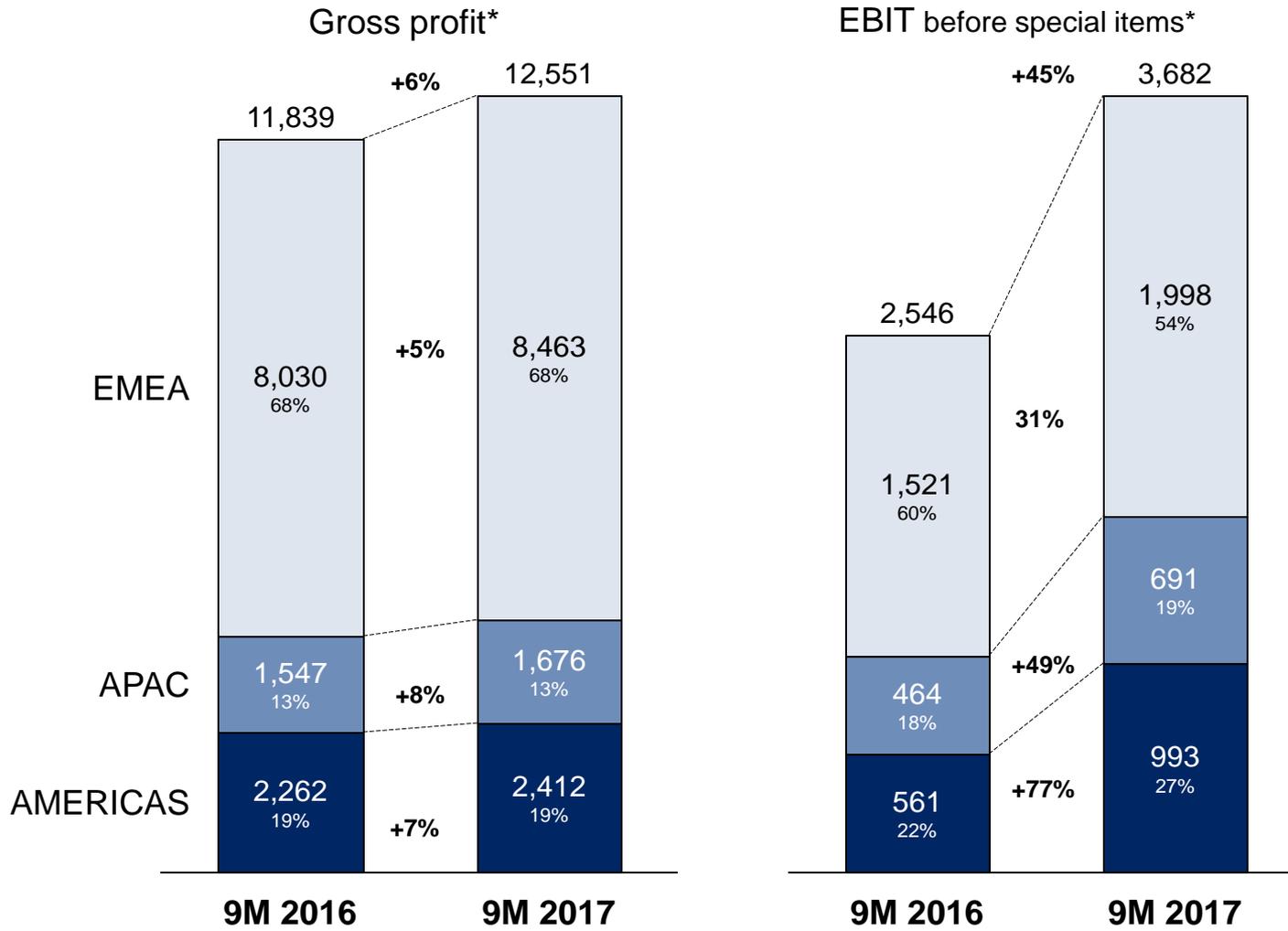


Regional development Q3 2017 (DKKm)



*) Growth % includes M&A and currency effects

Regional development 9M 2017 (DKKm)



*) Growth % includes M&A and currency effects

Quarterly P&L details

DSV

(DKKm)	FY 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	FY 2016	Q1 2017	Q2 2017	Q3 2017
Net revenue	50,869	15,319	17,606	17,205	17,617	67,747	18,223	18,924	18,735
Direct costs	39,668	11,712	13,392	13,186	13,619	51,909	14,003	14,707	14,621
Gross profit	11,201	3,607	4,214	4,019	3,998	15,838	4,220	4,217	4,114
Other external expenses	2,149	790	877	786	854	3,307	851	769	722
Staff costs	5,477	1,997	2,228	2,027	2,029	8,281	2,058	2,014	1,889
EBITDA before special items	3,575	820	1,109	1,206	1,115	4,250	1,311	1,434	1,503
Amortisation and depreciation	525	177	209	203	186	775	182	194	190
EBIT before special items	3,050	643	900	1,003	929	3,475	1,129	1,240	1,313
Special items, net costs	58	370	341	155	136	1,002	160	88	123
Financial costs, net costs	303	-46	104	85	41	184	94	182	149
Profit before tax	2,689	319	455	763	752	2,289	875	970	1,041
Tax on profit for the period	631	86	122	211	192	611	206	228	215
Profit for the period	2,058	233	333	552	560	1,678	669	742	826
<i>Gross margin, %</i>	22.0	23.5	23.9	23.4	22.7	23.4	23.2	22.3	22.0
<i>Operating margin, %</i>	6.0	4.2	5.1	5.8	5.3	5.1	6.2	6.6	7.0
<i>Conversion ratio, %</i>	27.2	17.8	21.4	25.0	23.2	21.9	26.8	29.4	31.9
<i>Tax percentage</i>	23.5	27.0	26.8	27.7	25.5	26.7	23.5	23.5	20.7
<i>Blue-collar costs (included in direct costs)</i>	2,299	812	993	1,034	1,121	3,960	1,081	1,103	1,123
Number of full-time employees	22,783	44,334	43,593	45,395	44,779	44,779	45,112	44,851	45,161

Quarterly P&L details

Air & Sea

(DKKm)	FY 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	FY 2016	Q1 2017	Q2 2017	Q3 2017
Divisional net revenue	21,685	7,055	8,416	8,282	8,347	32,100	8,470	8,873	9,044
Direct costs	16,394	5,178	6,108	6,159	6,317	23,762	6,354	6,656	6,845
Gross profit	5,291	1,877	2,308	2,123	2,030	8,338	2,116	2,217	2,199
Other external expenses	1,045	479	640	550	508	2,177	491	451	431
Staff costs	2,215	937	1,078	898	911	3,824	904	895	839
EBITDA before special items	2,031	461	590	675	611	2,337	721	871	929
Amortisation and depreciation	108	47	56	49	42	194	31	28	26
EBIT before special items	1,923	414	534	626	569	2,143	690	843	903
<i>Gross margin, %</i>	24.4	26.6	27.4	25.6	24.3	26.0	25.0	25.0	24.3
<i>Operating margin, %</i>	8.9	5.9	6.3	7.6	6.8	6.7	8.1	9.5	10.0
<i>Conversion ratio, %</i>	36.3	22.1	23.1	29.5	28.0	25.7	32.6	38.0	41.1
Number of full-time employees	6,754	16,686	15,016	13,799	12,891	12,891	12,648	12,282	12,177

Road

(DKKm)	FY 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	FY 2016	Q1 2017	Q2 2017	Q3 2017
Divisional net revenue	24,718	6,688	7,368	7,111	7,156	28,323	7,633	7,684	7,514
Direct costs	20,221	5,431	6,009	5,864	5,925	23,229	6,200	6,368	6,235
Gross profit	4,497	1,257	1,359	1,247	1,231	5,094	1,433	1,316	1,279
Other external expenses	1,049	332	314	304	274	1,224	332	309	294
Staff costs	2,404	670	691	612	689	2,662	686	688	641
EBITDA before special items	1,044	255	354	331	268	1,208	415	319	344
Amortisation and depreciation	126	36	44	41	38	159	37	38	33
EBIT before special items	918	219	310	290	230	1,049	378	281	311
<i>Gross margin, %</i>	18.2	18.8	18.4	17.5	17.2	18.0	18.8	17.1	17.0
<i>Operating margin, %</i>	3.7	3.3	4.2	4.1	3.2	3.7	5.0	3.7	4.1
<i>Conversion ratio, %</i>	20.4	17.4	22.8	23.3	18.7	20.6	26.4	21.4	24.3
Number of full-time employees	9,280	11,581	11,931	12,710	12,518	12,518	12,576	12,706	12,788

Quarterly P&L details

Solutions

(DKKm)	FY 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	FY 2016	Q1 2017	Q2 2017	Q3 2017
Divisional net revenue	5,960	2,043	2,406	2,492	2,742	9,683	2,678	2,913	2,757
Direct costs	4,540	1,507	1,737	1,808	2,015	7,067	2,007	2,223	2,111
Gross profit	1,420	536	669	684	727	2,616	671	690	646
Other external expenses	486	165	192	202	242	801	236	220	204
Staff costs	540	273	322	311	282	1,188	309	274	264
EBITDA before special items	394	98	155	171	203	627	126	196	178
Amortisation and depreciation	152	51	65	66	61	243	60	68	63
EBIT before special items	242	47	90	105	142	384	66	128	115
<i>Gross margin, %</i>	23.8	26.2	27.8	27.4	26.5	27.0	25.1	23.7	23.4
<i>Operating margin, %</i>	4.1	2.3	3.7	4.2	5.2	4.0	2.5	4.4	4.2
<i>Conversion ratio, %</i>	17.0	8.8	13.5	15.4	19.5	14.7	9.8	18.6	17.8
Number of full-time employees	5,821	15,057	14,598	16,854	17,432	17,432	17,651	17,692	17,946

Investor contact information

Share information



DSV shares are listed on the stock exchange in Copenhagen under the symbol 'DSV'.
For further company information, please visit DSV's website at: www.dsv.com

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Financial calendar 2017



26 Oct. 2017 Interim Financial Report, Third Quarter 2017

8 Feb. 2018 Annual Report 2017

1 May 2018 Interim Financial Report, First Quarter 2018

1 Aug. 2018 Interim Financial Report, H1 2018

26 Oct. 2018 Interim Financial Report, Third Quarter 2018



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