



INTERIM FINANCIAL REPORT

First quarter 2014

Company Announcement No. 541

30 April 2014

Selected financial and operating data for the period 1 January - 31 March 2014

(DKKm)	Q1 2014	Q1 2013
Net revenue	11,602	10,981
Gross profit	2,465	2,404
EBIT before special items	546	509
<i>Operating margin</i>	4.7%	4.6%
<i>Conversion ratio</i>	22.2%	21.2%
Special items, net	300	2
Profit before tax	161	438
Adjusted earnings for the period	373	352
Adjusted free cash flow	486	232
Diluted adjusted earnings per share of DKK 1 for the period	2.12	1.96

Jens Bjørn Andersen, CEO: "We started 2014 on a positive note and we see growing optimism and healthy growth rates in the transport markets. Despite a continued competitive market situation, we have managed to convert volume growth into earnings growth and achieved good results in the first quarter of 2014 for air and sea freight in particular. We continuously focus on optimising our service offerings. The results of these efforts are clear, and DSV has a strong position for future growth, organic as well as through acquisitions."

DSV maintains its full-year outlook for 2014 previously announced.

A separate company announcement about the launch of a new share buyback programme of DKK 400 million will be issued today.

Inquiries relating to the Interim Financial Report may be addressed to:

Jens Bjørn Andersen, CEO, tel. +45 43 20 30 40

Jens H. Lund, CFO, tel. +45 43 20 30 40

Flemming Ole Nielsen, Director Investor Relations, tel. +45 43 20 33 92 or by email to investor@dsv.com

This announcement is available on the Internet at www.dsv.com. The announcement has been prepared in Danish and in English. In the event of discrepancies, the Danish version shall apply.

Yours sincerely,
DSV A/S

DSV A/S, Banemarksvej 58, 2605 Brøndby, Denmark, tel. +45 43203040, fax +45 43203041, CVR No. 58233528, www.dsv.com.

Global Transport and Logistics

DSV is a global supplier of transport and logistics services.

DSV has offices in 75 countries all over the world and an international network of partners and agents, which makes DSV a truly global player offering services worldwide. By our professional and advantageous overall solutions, the approx. 22,000 DSV employees recorded worldwide annual revenue of 6 billion euro for 2013.

www.dsv.com

Financial highlights*

	Q1 2014	Q1 2013
Income statement (DKKm)		
Net revenue	11,602	10,981
Gross profit	2,465	2,404
Operating profit before amortisation, depreciation and special items	676	642
Operating profit before special items (EBIT before special items)	546	509
Special items, net	300	2
Net financial expenses	85	69
Profit for the period	119	321
Adjusted earnings for the period	373	352
Balance sheet (DKKm)		
DSV A/S shareholders' share of equity	5,945	5,495
Non-controlling interests	28	36
Balance sheet total	23,504	23,236
Equity	5,973	5,531
Net working capital	221	523
Net interest-bearing debt	5,800	6,569
Invested capital including goodwill and customer relationships	11,848	12,123
Gross investment in property, plant and equipment	31	47
Cash flows (DKKm)		
Operating activities	558	275
Investing activities	(72)	(43)
Free cash flow	486	232
Adjusted free cash flow	486	232
Financing activities (excluding dividends distributed, share buybacks and sale of treasury shares)	(183)	(40)
Share buybacks	(156)	-
Dividends distributed	(270)	(235)
Cash flow for the period	(110)	(13)
Financial ratios (%)		
Gross margin	21.2	21.9
Operating margin	4.7	4.6
Conversion ratio	22.2	21.2
Effective tax rate	26.1	26.7
ROIC before tax including goodwill and customer relationships	21.6	20.8
ROIC before tax excluding goodwill and customer relationships	75.4	69.6
Return on equity	24.0	29.8
Solvency ratio	25.3	23.6
Gearing ratio	1.9	2.2
Share ratios		
Earnings per share of DKK 1	0.68	1.81
Diluted earnings per share of DKK 1 for the period	0.67	1.80
Diluted adjusted earnings per share of DKK 1 for the period	2.12	1.96
Diluted adjusted earnings per share of DKK 1 for the last 12 months	10.22	9.66
Number of shares issued at 31 March ('000)	180,000	188,000
Number of treasury shares at 31 March ('000)	5,624	9,415
Share price at 31 March (DKK)	174.90	140.50
Staff		
Number of full-time employees at 31 March	22,133	21,650

*) For a definition of financial highlights, see p. 65 of the 2013 Annual Report.

Management's commentary

Reporting organic gross profit growth of 3% and 8% organic growth in operating profit before special items, DSV started the first quarter of 2014 on a positive note. Operating profit before special items was DKK 546 million for the period and, in line with previous announcements, the Group has charged special items of DKK 300 million related to "Operation Excellence 2.0" to revenue. The investment is expected to generate annual savings of approx. DKK 150 million.

” Operating profit before special items increased by 7.3% and totalled DKK 546 million for Q1 2014

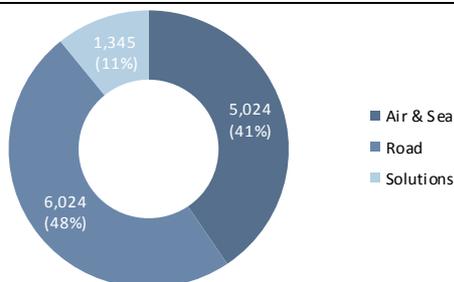


Profit for the period

Net revenue

Net revenue was up 5.7% and totalled DKK 11,602 million for the first quarter of the year. The organic growth was 4.5%.

NET REVENUE YTD 2014 (DKKm)

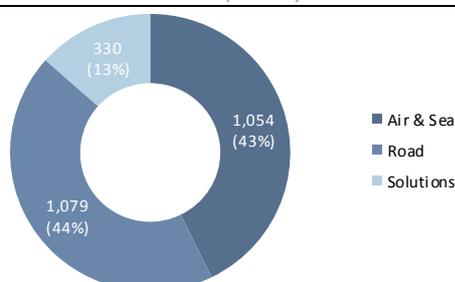


Gross profit

Gross profit was up 2.5% and totalled DKK 2,465 million for the period. The organic growth was 3.1%.

Both net revenue and gross profit were positively affected by the acquisitions made and increasing freight volumes. However, fierce price competition in the Group's main markets also impacted negatively on gross profit.

GROSS PROFIT YTD 2014 (DKKm)

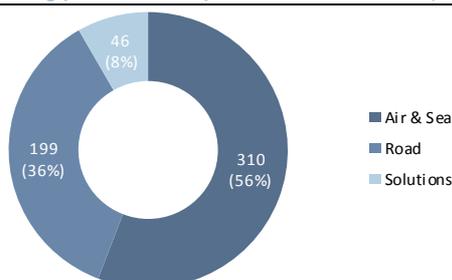


The Air & Sea and Road Divisions contributed to the high gross profit, whereas the Solutions Division reported a lower gross profit on the corresponding period of 2013.

Low exchange rates impacted negatively on gross profit by DKK 73 million in Q1 2014 compared to the same period of 2013.

The consolidated gross margin for the period came to 21.2% against 21.9% for the same period of 2013.

Operating profit before special items YTD 2014 (DKKm)



Operating profit before special items

Operating profit before special items increased by 7.3% and totalled DKK 546 million for Q1 2014. The organic growth was 8.1%.

The operating margin (before special items) came to 4.7% for the first three months of 2014 against 4.6% for the corresponding period of 2013. Conversion ratio was 22.2% against 21.2% for the same period of 2013.

The increase in both operating margin and conversion ratio was mainly due to the high gross profit, while overheads were maintained at a relatively stable level taking into account the integration of acquirees. The Air & Sea Division in particular contributed to earnings growth.

Low exchange rates impacted negatively on operating profit before special items by DKK 11 million in Q1 2014 compared to the same period of 2013.

Special items, net

Special items netted DKK 300 million for the first three months of 2014 against DKK 2 million for the same period of 2013.

Special items for the period related mainly to the streamlining and cost-saving initiatives under the project name "Operational Excellence 2.0" as previously announced. The programme comprises investments that relate to the establishment of DSV's international Shared Service Centre in Poland and various operational and administrative initiatives on both group, regional and local level.

The planned initiatives are expected to generate annual savings of approx. DKK 150 million, with full effect from 2015. The estimated implementation costs include termination benefits and settlement of leases.

Effective tax rate

The effective tax rate was in line with expectations at 26.1% for the first three months of 2014 compared to 26.7% for the same period of 2013.

Profit for the period

The profit for the period was DKK 119 million against DKK 321 million for the same period of 2013. The decline was mainly due to the expenses related to the Operational Excellence 2.0 programme, although the expenses were counterbalanced to a certain extent by the improved operating profit before special items.

Diluted adjusted earnings per share

Diluted adjusted earnings per share were DKK 2.12 for the first three months of 2014, which was 8.2% higher than for the same period last year. The increase was attributable to the increase in adjusted earnings and the reduced number of shares as a result of the share buybacks made.

The 12-month figure to the end of March 2014 was DKK 10.22 per share compared to DKK 9.66 for the same period of 2013, corresponding to an increase of 5.8%.

GROWTH

(DKKm)	Q1 2013	Currency translation adjustments	Acquisitions, net	Organic growth	Organic growth	Q1 2014
Net revenue	10,981	(287)	413	495	4.5%	11,602
Gross profit	2,404	(73)	59	75	3.1%	2,465
EBIT before special items	509	(11)	7	41	8.1%	546

Cash flows

Working capital

The Group's funds tied up in net working capital came to DKK 221 million at 31 March 2014 against DKK 561 million at 31 December 2013. Relative to estimated full-year revenue the net working capital amounted to 0.5% at 31 March 2014.

The reduced net working capital was mainly due to an increase in short-term provisions related to Operational Excellence 2.0. Adjusted for the short-term provisions, net working capital came to 1.1% of estimated full-year revenue.

The Group's funds tied up in net working capital came to DKK 523 million at 31 March 2013, corresponding to 1.2% of full-year revenue.

Cash flow from operating activities

Cash flow from operating activities was DKK 558 million for the first three months of 2014 against DKK 275 million for the same period of 2013. Cash flow from operating activities was positively affected by the high operating profit, improved working capital and the low tax payments compared to Q1 2013.

Free cash flow

Free cash flow for the period came to DKK 486 million against DKK 232 million for the same period last year.

CASH FLOW STATEMENT

(DKKm)	Q1 2014	Q1 2013
EBITDA before special items	676	642
Change in net working capital	(24)	(127)
Adjustment, non-cash operating items	353	(42)
Adjustment, other operating items	(447)	(198)
Cash flow from operating activities	558	275
Purchase and sale of intangibles, property, plant and equipment	(68)	(42)
Other	(4)	(1)
Cash flow from investing activities	(72)	(43)
Free cash flow	486	232
Proceeds from and repayment of short-term and long-term debt	(226)	(2)
Allocated to shareholders	(426)	(235)
Exercised under share option scheme	13	30
Other transactions with shareholders	43	(38)
Cash flow from financing activities	(596)	(245)
Cash flow for the period	(110)	(13)
Adjusted free cash flow	486	232

Adjusted free cash flow and capital allocation

Free cash flow for the period came to DKK 486 million against DKK 232 million for the same period last year. The development in free cash flow follows expectations.

In accordance with our capital allocation policy, consolidated cash flows for the three-month period ended 31 March 2014 were spent as follows:

- Distribution to the Company's shareholders through share buybacks (DKK 156 million) and dividend payments (DKK 270 million).

Capital structure and finances

Equity

At 31 March 2014, Group equity came to DKK 5,945 million. At 31 December 2013, Group equity was DKK 6,218 million.

Equity was mainly affected by the distribution of dividends, share buybacks and the profit for the period. Including treasury shares, ordinary dividends of DKK 270 million were paid in the period under review, corresponding to dividends of DKK 1.50 per share.

At 31 March 2014, the Company's portfolio of treasury shares amounted to 5,623,566 shares, corresponding to 3.12% of all 180,000,000 shares issued. At 30 April 2014, the Company's portfolio of treasury shares amounts to 2,510,300 shares.

DSV reduced its share capital on 14 April 2014 through the cancellation of 3,000,000 treasury shares. The capital reduction was carried out in accordance with the resolution passed at the Company's Annual General Meeting on 14 March 2014. Consequently, the share capital of DSV has a current nominal value of DKK 177,000,000, corresponding to 177,000,000 shares with a face value of DKK 1.

The solvency ratio excluding non-controlling interests came to 25.3% at 31 March 2014. At 31 December 2013, the solvency ratio was 26.9%.

DEVELOPMENT IN EQUITY

(DKKm)	YTD 2014	YTD 2013
Equity at 1 January	6,218	5,348
Net profit for the period	119	322
Dividends distributed	(270)	(235)
Purchase of treasury shares	(156)	-
Sale of treasury shares	13	30
Adjustments relating to hedging instruments	5	21
Tax on changes in equity	(7)	(17)
Other adjustments, net	23	26
Equity at 31 March	5,945	5,495

Net interest-bearing debt

Net interest-bearing debt amounted to DKK 5,800 million at 31 March 2014 against DKK 5,949 million at 31 December 2013. At 31 March 2014, the financial gearing ratio was 1.9 and in line with the capital structure target of the Group.

The duration of the Group's long-term loan and credit facilities was 4.6 years at 31 March 2014 against 4.2 years at 31 December 2013.

In Q1 2014, DSV issued DKK 1,500 billion worth of 8-year corporate bonds, DKK 750 million of which with a fixed coupon of 3.5% and DKK 750 million as floating rate bonds. The proceeds

have been used to reduce the Group's long-term bank loans, and the Group has thereby obtained longer average duration and further diversified its financing structure. Consequently, the long-term debt funding is now structured as 50% bank loans and 50% corporate bonds.

Net financial expenses

Financial expenses netted DKK 85 million for the period against DKK 69 million for the same period of 2013.

Invested capital including goodwill and customer relationships

The Group's invested capital including goodwill and customer relationships amounted to DKK 11,848 million at 31 March 2014 against DKK 12,123 million at 31 March 2013. The decline was mainly due to the development in net working capital.

ROIC including goodwill and customer relationships

Return on invested capital including goodwill and customer relationships was 21.6% for the 12-month period ended 31 March 2014 against 20.8% for the 12-month period ended 31 March 2013.

Impact from seasonality

Seasonality does not have any major impact on the activities of the Group.

Outlook for 2014

DSV maintains the outlook for 2014 previously announced:

- Gross profit is expected to be in the range of DKK 10,100-10,500 million
- Operating profit before special items is expected to be in the range of DKK 2,500-2,700 million
- Special items in the range of DKK 300 million are expected in connection with the execution of the Operational Excellence 2.0 investment programme
- Net financial expenses are expected to approximate DKK 300 million
- The effective tax rate of DSV is expected to be 26%
- Free cash flow before any acquisition or divestment of enterprises is expected to approximate DKK 1,600 million

The outlook for 2014 is based on the assumption of a stable development in the markets in which the Group operates.

MARKET GROWTH FORECAST – FREIGHT VOLUMES, 2014

Sea freight	3-5% growth
Air freight	1-3% growth
Road	1-2% growth
Solutions	1-2% growth

The consolidated performance forecast is based on the exchange rates listed below:

EXCHANGE RATES

EUR	746
GBP	896
HKD	70
CNY	91
SEK	86
USD	550

By their nature, the expectations stated above are uncertain and involve various risks. Critical factors may influence actual results. Such factors include, but are not limited to, unforeseen changes in economic and political conditions, changes in the demand for DSV's services, consolidation in the industry and impact from the acquisition and divestment of enterprises, and other material factors, including interest rate and exchange rate fluctuations. These factors may result in the actual development and results of the Group differing from the expectations set out in this Report.

DSV Air & Sea

Activities

DSV Air & Sea organises transports of cargo by air and sea. The Division offers conventional freight services through its global network supplemented by a Project Department.



” The Division reported a 10% increase in sea freight volumes and 12% in air freight for Q1 2014

INCOME STATEMENT

(DKKm)	Q1 2014	Q1 2013
Net revenue	5,024	4,726
Direct costs	3,970	3,732
Gross profit	1,054	994
Other external expenses	236	232
Staff costs	481	460
EBITDA before special items	337	302
Amortisation and depreciation	12	13
Amortisation of customer relationships	15	13
EBIT before special items	310	276

KEY OPERATING DATA

	Q1 2014	Q1 2013
Gross margin (%)	21.0	21.0
Conversion ratio (%)	29.4	27.8
Operating margin (%)	6.2	5.8
Number of full-time employees at 31 March	6,285	6,049
Total invested capital (DKKm)	6,434	6,207
Net working capital (DKKm)	909	871
ROIC (%)	22.6	23.0

Market development

Freight volume growth on Q1 2013

	DSV Q1 2014	Market* Q1 2014
Sea freight – TEUs	10%	3-5%
Air freight – tonnes	12%	2-4%

*) Market growth rates are based on own estimates.

The Air & Sea Division reported an increase in sea freight volumes (TEUs) of approx. 10% for Q1 2014 compared to the same period of 2013 and is estimated to have gained market share. Acquirees contributed approx. 4% to the volume growth.

The air freight volumes (tonnes) of the Division grew by 12% in Q1 2014 compared to the same period of 2013, and the Division is estimated to have gained market share also in this segment. Acquirees contributed approx. 2% to the volume growth.

The growth in air and sea freight volumes was achieved in the traditional trade lanes of the Division, Asia-Europe and Europe-North America, and in the markets where the Division has strengthened its network and sales efforts in recent years, e.g. South America and Afrika.

Net revenue

Net revenue was up 6.3% and totalled DKK 5,024 million for the first quarter of the year. The organic growth was 4.0%.

The high net revenue mainly owes to the growth in freight volumes. Net revenue was also negatively affected by low exchange rates and continued fierce competition in the main markets of the Division.

Gross profit

Gross profit was up 6.0% and totalled DKK 1,054 million for the period. The organic growth was 6.5%.

Gross profit was positively affected by the growth in freight volumes, whereas gross profit per shipment declined for both sea freight and air freight compared to the same period last year. The low gross profit per shipment was mainly due to tough competition and lower exchange rates compared to the same period last year.

The gross margin for the first three months of 2014 was 21.0% and in line with the same period last year.

EBIT before special items

EBIT before special items increased by 12.3% and totalled DKK 310 million for Q1 2014. The organic growth was 11.9%.

Conversion ratio for the period under review was 29.4% against 27.8% for the same period last year.

The positive development in conversion ratio mainly related to the high gross profit, coupled with productivity increases and stable overheads despite the integration of acquirees.

The Division's operating margin for the period under review was 6.2% against 5.8% for the same period last year.

Working capital

The Air & Sea Division's funds tied up in net working capital came to DKK 909 million at 31 March 2014 compared to DKK 1,185 million at 31 December 2013.

GROWTH

(DKKm)	Q1 2013	Currency translation adjustments	Acquisitions, net	Organic growth	Organic growth	Q1 2014
Net revenue	4,726	(181)	284	195	4.0%	5,024
Gross profit	994	(43)	39	64	6.5%	1,054
EBIT before special items	276	(9)	10	33	11.9%	310

AIR & SEA SEGMENT INFORMATION

(DKKm)	Net revenue		Gross profit		EBIT before special items		Operating margin		Conversion ratio	
	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
EMEA	3,507	3,360	621	599	140	132	4.0	3.9	22.5	22.0
APAC	1,153	1,078	219	215	83	77	7.2	7.1	37.9	35.8
Americas	998	834	203	172	93	76	9.3	9.1	45.8	44.2
Eliminations, etc.	(634)	(546)	11	8	(6)	(9)	-	-	-	-
Total	5,024	4,726	1,054	994	310	276	6.2	5.8	29.4	27.8

AIR AND SEA SPLIT

(DKKm)	Sea freight		Air freight		Total	
	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Net revenue	3,018	2,811	2,006	1,915	5,024	4,726
Direct costs	2,402	2,233	1,568	1,499	3,970	3,732
Gross profit	616	578	438	416	1,054	994
Gross margin (%)	20.4	20.6	21.8	21.7	21.0	21.0
Volume (TEUs/Tonnes)	195,970	178,013	66,654	59,643		
Gross profit (TEUs/Tonnes)	3,142	3,248	6,586	6,966		

DSV Road

Activities

With a complete European network, DSV Road is among the top three road transport companies in Europe. The Division offers full load, part load and groupage services through a strong network of more than 200 terminals across Europe.



” The Division reported 5% growth in the number of consignments for Q1 2014

INCOME STATEMENT

(DKKm)	Q1 2014	Q1 2013
Net revenue	6,024	5,666
Direct costs	4,945	4,609
Gross profit	1,079	1,057
Other external expenses	254	244
Staff costs	593	579
EBITDA before special items	232	234
Amortisation and depreciation	28	27
Amortisation of customer relationships	5	5
EBIT before special items	199	202

KEY OPERATING DATA

	Q1 2014	Q1 2013
Gross margin (%)	17.9	18.7
Conversion ratio (%)	18.4	19.1
Operating margin (%)	3.3	3.6
Number of full-time employees at 31 March	9,457	9,220
Total invested capital (DKKm)	3,725	3,949
Net working capital (DKKm)	(321)	(201)
ROIC (%)	24.5	23.1

Market development

Freight volume growth on Q1 2013

	DSV Q1 2014	Market* (Europe) Q1 2014
Consignments	5%	1-3%

*) Market growth rates are based on own estimates.

With an increase in the number of consignments of approx. 5% in Q1 2014 on the same period last year, Management estimates that the Road Division has gained market share. Acquirees are estimated to have contributed approx. 1% to the volume growth in the period under review.

Net revenue

Net revenue was up 6.3% and totalled DKK 6,024 million for the first quarter of the year. The organic growth was 5.8%.

Net revenue was mainly influenced by the growth in the number of consignments, while the average invoiced price per consignment dropped.

Gross profit

Gross profit was up 2.1% and totalled DKK 1,079 million for the period. The organic growth was 1.9%.

The Division's gross margin for the period under review was 17.9% against 18.7% for the same period last year.

The road freight market is still a competitive market, which is reflected in the low gross margin. This was a continuation of the trend in 2013, when the gross margin declined in the second half of the year in particular.

Both net revenue and gross profit were negatively affected by low exchange rates in some of the Division's main markets.

EBIT before special items

EBIT before special items dropped 1.5% and totalled DKK 199 million for Q1 2014. The organic growth was 0.5%.

Conversion ratio for the period under review was 18.4% against 19.1% for the same period last year. The Division's operating margin for the period under review was 3.3% against 3.6% for the same period last year.

Overheads were mainly impacted by the integration of acquirees.

The Division maintains an intense focus on cost control, and the initiatives launched under the Operational Excellence 2.0 programme will further strengthen these efforts.

Working capital

The Road Division's funds tied up in net working capital came to a negative DKK 321 million at 31 March 2014 compared to a negative DKK 346 million at 31 December 2013.

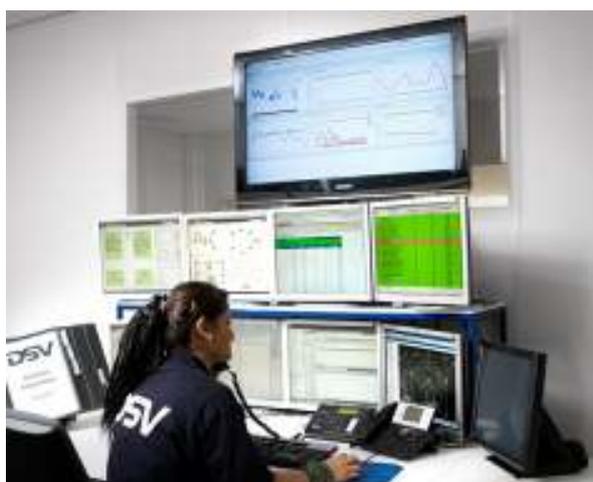
GROWTH

(DKKm)	Q12013	Currency translation adjustments	Acquisitions, net	Organic growth	Organic growth	Q12014
Net revenue	5,666	(99)	129	328	5.8%	6,024
Gross profit	1,057	(17)	19	20	1.9%	1,079
EBIT before special items	202	(1)	(3)	1	0.5%	199

DSV Solutions

Activities

DSV Solutions specialises in logistics solutions across the entire supply chain, including freight management, customs clearance, warehousing and distribution, information management and e-business support.



” In the first three months of 2014, Division volumes measured in order lines increased by approx. 2%

INCOME STATEMENT

(DKKm)	Q1 2014	Q1 2013
Net revenue	1,345	1,344
Direct costs	1,015	996
Gross profit	330	348
Other external expenses	105	119
Staff costs	140	141
EBITDA before special items	85	88
Amortisation and depreciation	30	34
Amortisation of customer relationships	9	9
EBIT before special items	46	45

KEY OPERATING DATA

	Q1 2014	Q1 2013
Gross margin (%)	24.5	25.9
Conversion ratio (%)	13.9	12.9
Operating margin (%)	3.4	3.3
Number of full-time employees at 31 March	5,830	5,916
Total invested capital (DKKm)	1,594	1,793
Net working capital (DKKm)	44	121
ROIC (%)	15.2	13.1

Market development

Volume growth on Q1 2013

	DSV Q1 2014	Market* (Europe) Q1 2014
Order lines	2%	1-3%

*) Market growth rates are based on own estimates.

Division volumes measured in order lines increased by approx. 2% in the first three months of 2014 compared to the same period of 2013, which is estimated to be in line with market growth.

Net revenue

Net revenue was DKK 1,345 million for the period and in line with the same period of 2013. The organic growth was 1.5%.

Gross profit

Gross profit was down 5.2% and totalled DKK 330 million for the period. Organic growth was a negative 4.6%.

The gross margin for the period under review was 24.5% against 25.9% for the same period last year.

The contract logistics market is still characterised by surplus capacity in some countries. The gross margin was impacted by

several factors, including the influx of new customers with reduced profitability and price pressure in connection with the renegotiation of contracts. Moreover, the rate of utilisation was too low at some locations and the unutilised capacity impacted negatively on gross profit.

EBIT before special items

EBIT before special items increased by 2.2% and totalled DKK 46 million for Q1 2014. The organic growth was 2.2%.

Conversion ratio for the period under review was 13.9% against 12.9% for the same period last year. The Division's operating margin for the first three months of 2014 was 3.4% and in line with the same period last year.

Process optimisation and cost management remain a key focus area of the Division, and these efforts will be further intensified under the Operational Excellence 2.0 programme.

Working capital

The Solutions Division's funds tied up in net working capital came to DKK 44 million at 31 March 2014 against DKK 56 million at 31 December 2013.

GROWTH

(DKKm)	Q12013	Currency translation adjustments	Acquisitions, net	Organic growth	Organic growth	Q12014
Net revenue	1344	(19)	-	20	1.5%	1345
Gross profit	348	(2)	-	(16)	(4.6%)	330
EBIT before special items	45	-	-	1	2.2%	46

Interim financial statements

INCOME STATEMENT

(DKKm)	Q1 2014	Q1 2013
Net revenue	11,602	10,981
Direct costs	9,137	8,577
Gross profit	2,465	2,404
Other external expenses	512	520
Staff costs	1,277	1,242
Operating profit before amortisation, depreciation and special items	676	642
Amortisation and depreciation of intangibles, property, plant and equipment	130	133
Operating profit before special items	546	509
Special items, net	300	2
Net financial expenses, net	85	69
Profit before tax	161	438
Tax on profit for the period	42	117
Profit for the period	119	321
Profit for the period is attributable to:		
Shareholders of DSV A/S	119	322
Non-controlling interests	-	(1)
Earnings per share:		
Earnings per share of DKK 1 for the period (DKK)	0.68	1.81
Diluted earnings per share of DKK 1 for the period (DKK)	0.67	1.80
Supplementary information:		
Diluted adjusted earnings per share of DKK 1 for the period	2.12	1.96
Diluted adjusted earnings per share of DKK 1 for the last 12 months	10.22	9.66

STATEMENT OF COMPREHENSIVE INCOME

(DKKm)	Q1 2014	Q1 2013
Profit for the period	119	321
Items that will be reclassified to income statement when certain conditions are met:		
Currency translation adjustments, foreign enterprises	4	4
Fair value adjustment relating to hedging instruments	(12)	6
Fair value adjustment relating to hedging instruments transferred to financial expenses	17	15
Tax on items reclassified to income statement	-	(5)
Other comprehensive income, net of tax	9	20
Total comprehensive income	128	341
Statement of comprehensive income is allocated to:		
Shareholders of DSV A/S	128	342
Non-controlling interests	-	(1)
Total	128	341

CASH FLOW STATEMENT

(DKKm)	Q1 2014	Q1 2013
Operating profit before amortisation, depreciation and special items	676	642
<i>Adjustment, non-cash operating items etc.:</i>		
Share-based payments	10	10
Change in provisions	343	(52)
Cash flow from operating activities before special items, change in net working capital and tax	1,029	600
Change in net working capital, excluding changes in provisions for corporation tax and current portion of provisions, etc.	(24)	(127)
Special items	(300)	(2)
Net financial expenses	(59)	(65)
Corporation tax, paid	(88)	(131)
Cash flow from operating activities	558	275
Purchase of intangible assets	(50)	(41)
Purchase of property, plant and equipment	(29)	(47)
Disposal of property, plant and equipment	11	46
Change in other financial assets	(4)	(1)
Cash flow from investing activities	(72)	(43)
Free cash flow	486	232
Proceeds from and repayment of short-term and long-term debt	(214)	9
Other financial liabilities incurred	(12)	(11)
Shareholders:		
Dividends distributed	(270)	(235)
Purchase of treasury shares	(156)	-
Sale of treasury shares, exercise of share options	13	30
Other transactions with shareholders	43	(38)
Cash flow from financing activities	(596)	(245)
Cash flow for the period	(110)	(13)
Cash and cash equivalents at 1 January	707	552
Cash flow for the period	(110)	(13)
Currency translation adjustments	1	(11)
Cash and cash equivalents at 31 March	598	528
The cash flow statement cannot be directly derived from the balance sheet and income statement.		
Statement of adjusted free cash flow		
Free cash flow	486	232
Net acquisition of subsidiaries and activities	-	-
Normalisation of working capital in subsidiaries and activities acquired	-	-
Adjusted free cash flow	486	232

BALANCE SHEET, ASSETS

(DKKm)	31.03.2014	31.03.2013	31.12.2013
Intangible assets	8,985	8,707	8,982
Property, plant and equipment	3,815	4,217	3,883
Other receivables	149	158	147
Deferred tax asset	437	412	430
Total non-current assets	13,386	13,494	13,442
Trade receivables	7,860	7,697	7,469
Work in progress (services)	779	628	676
Other receivables	858	877	794
Cash and cash equivalents	598	528	707
Assets held for sale	23	12	12
Total current assets	10,118	9,742	9,658
Total assets	23,504	23,236	23,100

BALANCE SHEET, EQUITY AND LIABILITIES

(DKKm)	31.03.2014	31.03.2013	31.12.2013
Share capital	180	188	180
Reserves	5,765	5,307	6,038
DSV A/S shareholders' share of equity	5,945	5,495	6,218
Non-controlling interests	28	36	30
Total equity	5,973	5,531	6,248
Deferred tax	420	417	411
Pensions and similar obligations	1,032	1,082	1,034
Provisions	382	418	361
Financial liabilities	5,620	6,088	6,066
Total non-current liabilities	7,454	8,005	7,872
Provisions	601	237	242
Financial liabilities	778	1,009	590
Trade payables	4,523	4,487	4,537
Work in progress (services)	1,409	1,227	1,252
Other payables	2,507	2,542	2,115
Corporation tax	259	198	244
Total current liabilities	10,077	9,700	8,980
Total liabilities	17,531	17,705	16,852
Total equity and liabilities	23,504	23,236	23,100

STATEMENT OF CHANGES IN EQUITY – 1 JANUARY - 31 MARCH 2014

(DKKm)	Share capital	Treasury shares	Hedging reserve	Translation reserve	Retained earnings	DSV A/S shareholders' share of equity	Non-controlling interests	Total equity
Equity at 1 January 2014	180	(5)	(38)	(44)	6,125	6,218	30	6,248
Profit for the period	-	-	-	-	119	119	-	119
Currency translation adjustments, foreign enterprises	-	-	-	4	-	4	-	4
Fair value adjustments relating to hedging instruments	-	-	(12)	-	-	(12)	-	(12)
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	-	17	-	-	17	-	17
Other comprehensive income, net of tax	-	-	5	4	-	9	-	9
Total comprehensive income for the period	-	-	5	4	119	128	-	128
Transactions with owners:								
Share-based payments	-	-	-	-	10	10	-	10
Dividends distributed	-	-	-	-	(270)	(270)	-	(270)
Purchase and sale of treasury shares, net	-	(1)	-	-	(142)	(143)	-	(143)
Dividends on treasury shares	-	-	-	-	8	8	-	8
Other adjustments	-	-	1	-	-	1	(2)	(1)
Tax on transactions with owners	-	-	-	-	(7)	(7)	-	(7)
Total transactions with owners	-	(1)	1	-	(401)	(401)	(2)	(403)
Equity at 31 March 2014	180	(6)	(32)	(40)	5,843	5,945	28	5,973

STATEMENT OF CHANGES IN EQUITY – 1 JANUARY - 31 MARCH 2013

(DKKm)	Share capital	Treasury shares	Hedging reserve	Translation reserve	Retained earnings	DSV A/S shareholders' share of equity	Non-controlling interests	Total equity
Equity at 1 January 2013	188	(10)	(107)	16	5,261	5,348	37	5,385
Profit for the period	-	-	-	-	322	322	(1)	321
Currency translation adjustments, foreign enterprises	-	-	-	4	-	4	-	4
Fair value adjustments relating to hedging instruments	-	-	6	-	-	6	-	6
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	-	15	-	-	15	-	15
Tax on other comprehensive income	-	-	(5)	-	-	(5)	-	(5)
Other comprehensive income, net of tax	-	-	16	4	-	20	-	20
Total comprehensive income for the period	-	-	16	4	322	342	(1)	341
Transactions with owners:								
Share-based payments	-	-	-	-	10	10	-	10
Dividends distributed	-	-	-	-	(235)	(235)	-	(235)
Purchase and sale of treasury shares, net	-	-	-	-	30	30	-	30
Dividends on treasury shares	-	-	-	-	12	12	-	12
Tax on transactions with owners	-	-	-	-	(12)	(12)	-	(12)
Total transactions with owners	-	-	-	-	(195)	(195)	-	(195)
Equity at 31 March 2013	188	(10)	(91)	20	5,388	5,495	36	5,531

Notes

NOTE 1 – ACCOUNTING POLICIES

The Interim Financial Report has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the European Union and Danish disclosure requirements for listed companies.

Except as stated below, the accounting policies applied are consistent with those applied in the 2013 consolidated financial statements. The 2013 consolidated financial statements provide a full description of the accounting policies applied.

Changes in accounting policies

DSV A/S has implemented the standards and interpretations effective as from 1 January 2014. None of the changes are expected to affect DSV’s recognition and measurement of financial items.

Certain reclassifications have been made to the income statement which are non-critical and which have not affected operating profit before special items or profit for the period.

NOTE 2 – ACCOUNTING ESTIMATES AND JUDGEMENTS

For the preparation of the Interim Financial Report, Management makes various accounting estimates and judgements that affect the application of accounting policies and the recognition of assets, liabilities and income and expense items. Actual operating results may deviate from such estimates.

Critical accounting estimates and judgements are consistent with those applied in the 2013 consolidated financial statements.

NOTE 3 – SEGMENT INFORMATION

Condensed income statement (DKKm)	Air & Sea		Road		Solutions		Other activities, non-allocated items and eliminations		Total	
	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013	Q1 2014	Q1 2013
Revenue	5,024	4,726	6,024	5,666	1,345	1,344	202	175	12,595	11,911
Intercompany revenue	(213)	(199)	(511)	(490)	(82)	(74)	(187)	(167)	(993)	(930)
Net revenue	4,811	4,527	5,513	5,176	1,263	1,270	15	8	11,602	10,981
Gross profit	1,054	994	1,079	1,057	330	348	2	5	2,465	2,404
Amortisation and depreciation of intangibles, property, plant and equipment	27	26	33	32	39	43	31	32	130	133
EBIT before special items	310	276	199	202	46	45	(9)	(14)	546	509
Total assets	13,607	12,948	11,450	11,148	3,622	3,673	(5,175)	(4,533)	23,504	23,236
Total liabilities	10,028	10,128	7,451	7,638	3,352	3,514	(3,300)	(3,576)	17,531	17,705

NOTE 4 – INCENTIVE SHARE OPTION SCHEME

DSV has launched an incentive share option scheme with a view to retaining senior staff and members of the Executive Board. The incentive schemes are also intended to make staff and shareholders identify with the same interests.

Options are granted pursuant to the corporate guidelines for incentive pay for staff of DSV A/S as approved at the Annual General Meeting of the Company on 14 March 2014.

The options can be exercised by the employees by cash purchase of shares only. The obligation relating to incentive schemes is covered by the Company's treasury shares.

Under the 2014 scheme, share options have been granted to 1,141 employees.

Grant of share options

Scheme	Exercise period	Executive Board	Senior staff	Share options granted	Exercise price	Market value at date of grant (DKKm)
2014	31.03.17 - 29.03.19	170,000	1,949,500	2,119,500	166.75	39.9

Calculation of market values at date of issue

Scheme	Exercise price	Share price	Volatility	Risk-free interest rate	Expected dividends	Expected remaining life (years)
2014	166.75	166.75	20.0%	0.92%	1.50%	3.5

The market value is calculated according to the Black & Scholes model. The assumptions used are based on Management's estimates.

Incentive share option schemes at 31 March 2014

The aggregate market value of the Group's incentive share option schemes was DKK 310.8 million, of which share options amounting to DKK 25.3 million were held by Executive Board members.

Statement by the Executive Board and the Board of Directors

The Board of Directors and the Executive Board have today considered and adopted the Interim Financial Report of DSV A/S for the three-month period ended 31 March 2014.

The Interim Financial Report, which has not been audited or reviewed by the Company auditor, has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union and Danish disclosure requirements for interim financial reports of listed companies.

In our opinion, the interim financial statements give a true and fair view of the DSV Group's assets, equity, liabilities and financial position at 31 March 2014 and of the results of the Group's activities and the cash flow for the three-month period ended 31 March 2014.

We also find that the Management's commentary provides a fair statement of developments in the activities and financial situation of the Group, financial results for the period, the general financial position of the Group and a description of the major risks and elements of uncertainty faced by the Group.

Brøndby, 30 April 2014

Executive Board:

Jens Bjørn Andersen
CEO

Jens H. Lund
CFO

Board of Directors:

Kurt K. Larsen
Chairman

Erik B. Pedersen
Deputy Chairman

Annette Sadolin

Birgit W. Nørgaard

Thomas Plenborg

Robert Steen Kledal