



# FULL YEAR 2017 RESULTS

Investor presentation



# Forward-looking statements

This presentation contains forward-looking statements.

Such statements are subject to risks and uncertainties as various factors, many of which are beyond DSV A/S' control, may cause actual developments and results to differ materially from the expectations contained in the presentation.

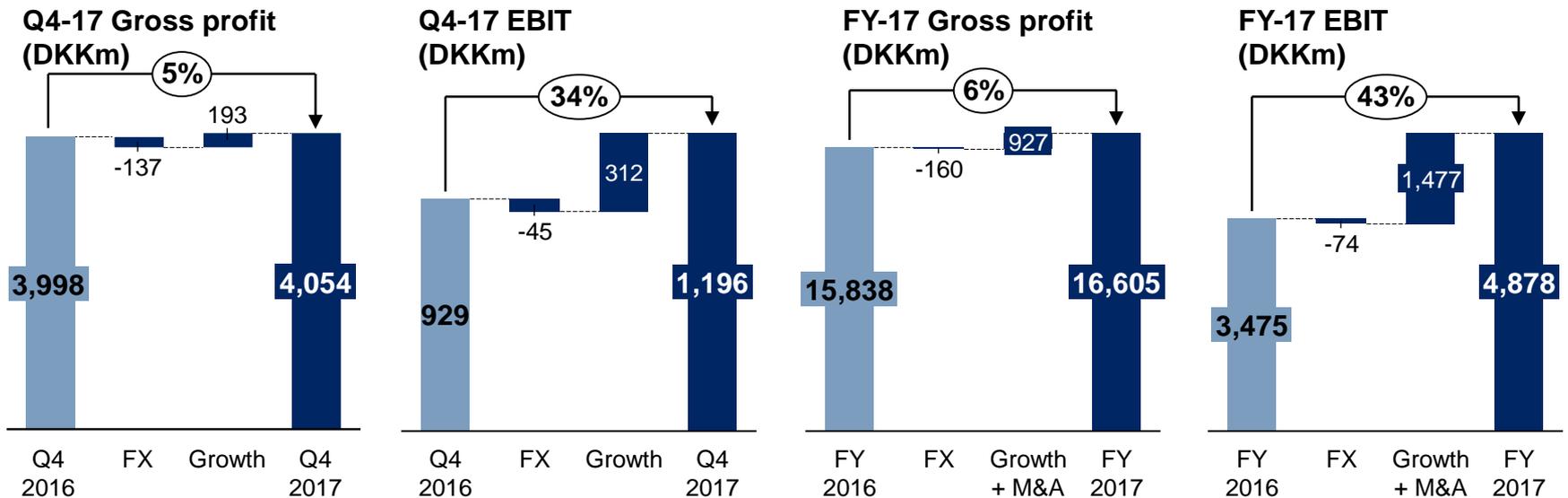
# Agenda

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- 2** Outlook for 2018
- 3** Business segments
- 4** Financial review
- 5** 2020 financial targets
- 6** Appendix



# Highlights 2017

- Strong financial results driven by successful UTi integration and operational performance
- Accelerating volume growth in the second half of 2017
- Adjusted free cash flow of DKK 4,835 million (2016: DKK 1.838 million)
- Financial targets for 2020 revised upwards



All growth rates are in constant currencies (cc)

# Outlook for 2018

<b>(DKKm)</b>	<b>2017 outlook</b>	<b>2017 actual</b>	<b>2018 outlook</b>
Operating profit before special items	4,700-4,900	4,878	5,000-5,400
Effective tax rate	23%	21%	23%
Adjusted free cash flow	4,400	4,835	4,000

- In constant currencies we expect growth in operating profit before special items of 6-14%
- The expected cash flow for 2018 is lower than 2017. This is mainly due to the positive impact from improved net working capital in 2017.

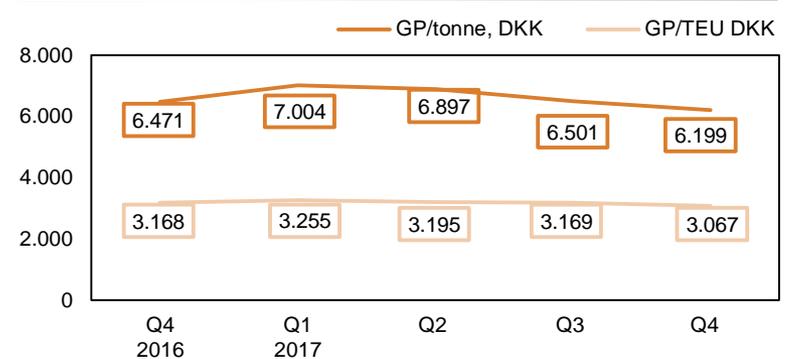
## Other assumptions

- Global freight markets will grow in line with GDP and DSV will be able to gain market shares
- Full year impact of the remaining DKK 200 million UTi cost synergies
- Negative currency translation impact on operating profit before special items of DKK 150 million, based on the spot rates as of 8 February 2018
- Financial expenses, excluding the impact from exchange rate losses or gains and fair value adjustments, of around DKK 300 million
- Effective tax rate of 23%

# Business segments – Air & Sea

- EBIT growth of 53.2% and gross profit growth of 5.1%
- Market share gains in second half of 2017 – most significant in air freight
- Yields were impacted by currency translation and tight capacity in air freight in Q3 and Q4 2017
- Financial targets 2020 exceeded in 2017

GP per TEU/tonne

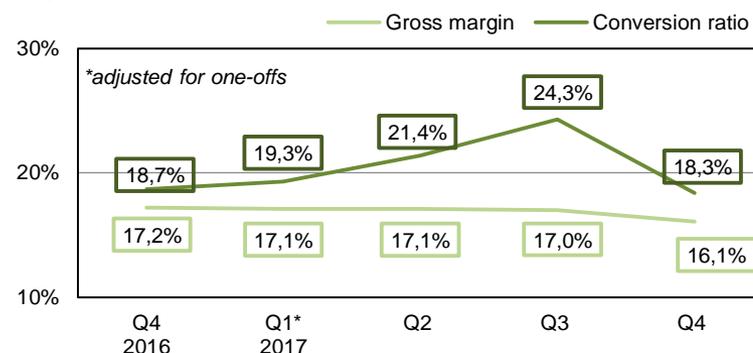


(DKKm)	Q4		Variance	Constant currencies	FY		Variance	Constant currencies
	2017	2016			2017	2016		
Net revenue	8,817	8,347	5.6%	11.1%	35,204	32,100	9.7%	11.6%
Gross profit	2,092	2,030	3.1%	8.3%	8,624	8,338	3.4%	5.1%
EBIT bef. special items	789	569	38.7%	46.0%	3,225	2,143	50.5%	53.2%
<i>Operating margin</i>	8.9%	6.8%			9.2%	6.7%		
<i>Conversion ratio</i>	37.7%	28.0%			37.4%	25.7%		
Sea, total gross profit	1,052	1,043	0.9%	6.1%	4,406	4,347	1.4%	3.1%
GP/TEU, DKK	3,067	3,168	-3.2%	2.0%	3,171	3,329	-4.7%	-3.0%
Transport volume - TEU	343,150	329,214	4.2%		1,389,611	1,305,594	6.4%	
<i>Estimated market growth</i>			3-4%				3-4%	
Air, total gross profit	1,040	987	5.4%	10.6%	4,218	3,991	5.7%	7.4%
GP/tonne, DKK	6,199	6,471	-4.2%	1.0%	6,635	6,945	-4.5%	-2.8%
Transport volume – tonnes	167,735	152,521	10.0%		635,655	574,644	10.6%	
<i>Estimated market growth</i>			6-7%				8-9%	

# Business segments – Road

- EBIT growth of 15.9% and gross profit growth of 4.5%
- Gross profit and EBIT were positively affected by a gain from property transactions of ~ DKK 125 million (Q1-17)
- Temporary gross margin pressure in Q4-17 due to tight haulage capacity
- 2017 impacted by loss making activities, management has high focus on improving performance

## Key financial ratios

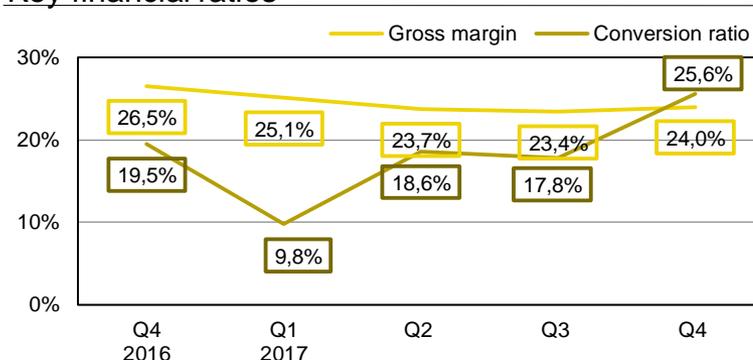


(DKKm)	Q4		Variance	Constant currencies	FY		Variance	Constant currencies
	2017	2016			2017	2016		
Net revenue	7,796	7,156	8.9%	10.5%	30,627	28,323	8.1%	8.9%
Gross profit	1,259	1,231	2.3%	3.5%	5,287	5,094	3.8%	4.5%
EBIT bef. special items	231	230	0.4%	0.3%	1,201	1,049	14.5%	15.9%
Gross margin	16.1%	17.2%			17.3%	18.0%		
Operating margin	3.0%	3.2%			3.9%	3.7%		
Conversion ratio	18.3%	18.7%			22.7%	20.6%		
Shipments, growth	5%				6%			
Estimated market growth	3-4%				3-4%			

# Business segments – Solutions

- EBIT growth of 28.2% and gross profit growth of 3.8%
- Strong operational performance in 2017 lead to higher profit margins
- Growth across several industries (industrials, automotive and retail/e-commerce)
- Gross profit was impacted by reclassification of terminal costs in connection with UTi integration

Key financial ratios



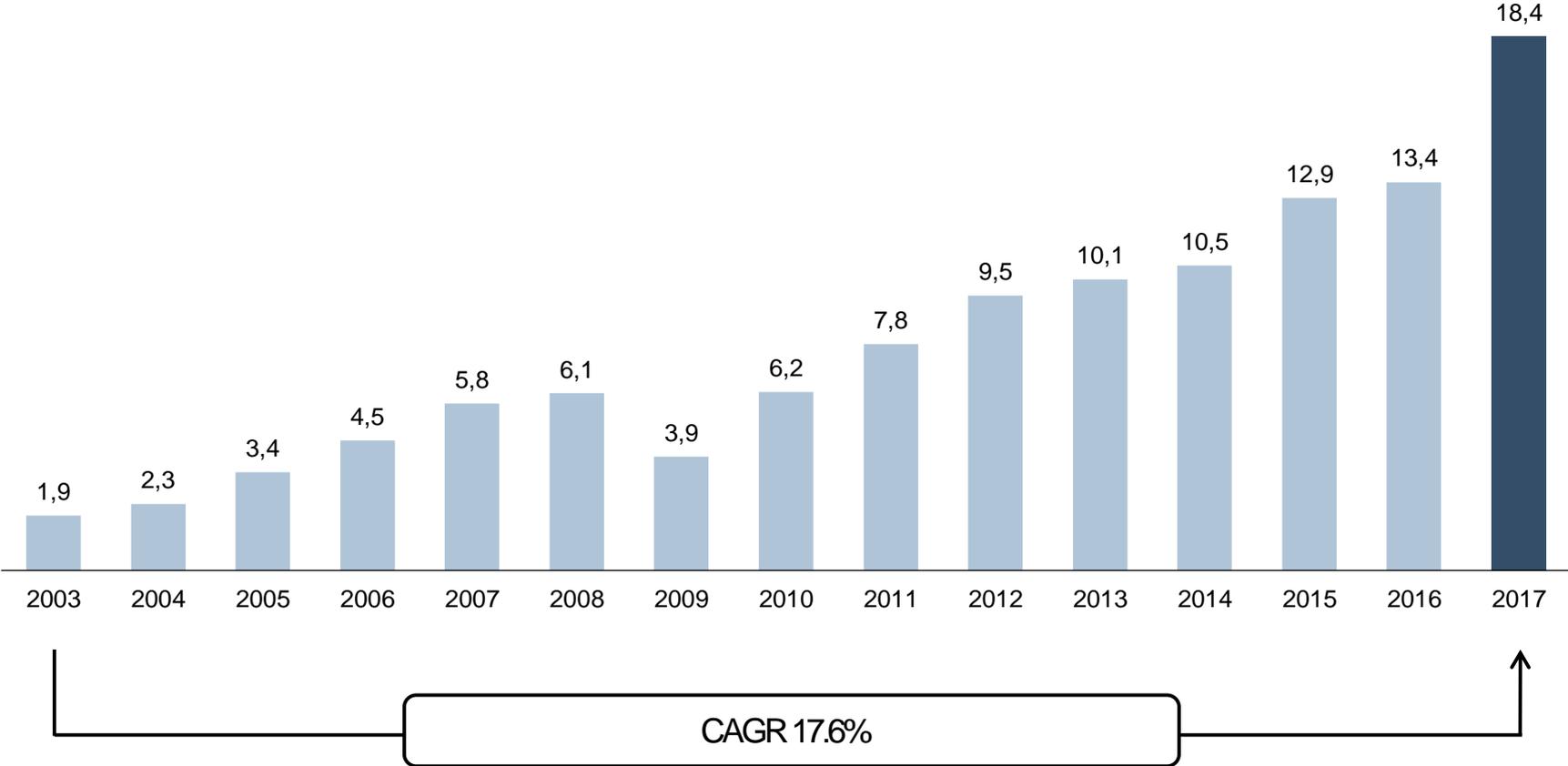
(DKKm)	Q4	2016	Variance	Constant currencies	FY	2016	Variance	Constant currencies
	2017				2017			
Net revenue	3,014	2,742	9.9%	12.8%	11,362	9,683	17.3%	17.5%
Gross profit	723	727	-0.6%	1.7%	2,730	2,616	4.4%	3.8%
EBIT bef. special items	185	142	30.3%	30.6%	494	384	28.6%	28.2%
Gross margin	24.0%	26.5%			24.0%	27.0%		
Operating margin	6.1%	5.2%			4.3%	4.0%		
Conversion ratio	25.6%	19.5%			18.1%	14.7%		

# Financial review Q4 and FY 2017

(DKKm)	Q4 2017	Q4 2016	Variance	Constant currencies	FY 2017	FY 2016	Variance	Constant currencies
Net revenue	19,019	17,617	8.0%	11.6%	74,901	67,747	10.6%	11.8%
<b>Gross profit</b>	<b>4,054</b>	<b>3,998</b>	<b>1.4%</b>	<b>4.8%</b>	<b>16,605</b>	<b>15,838</b>	<b>4.8%</b>	<b>5.9%</b>
Other external costs	768	854	-10.1%	-6.3%	3,110	3,307	-6.0%	-5.2%
Staff costs, white-collar	1,870	2,029	-7.8%	-5.1%	7,831	8,281	-5.4%	-4.7%
<b>EBITDA</b>	<b>1,416</b>	<b>1,115</b>	<b>27.0%</b>	<b>31.4%</b>	<b>5,664</b>	<b>4,250</b>	<b>33.3%</b>	<b>35.1%</b>
Amortisation and depreciation	220	186	18.3%	20.9%	786	775	1.4%	1.6%
<b>EBIT before special items</b>	<b>1,196</b>	<b>929</b>	<b>28.7%</b>	<b>33.6%</b>	<b>4,878</b>	<b>3,475</b>	<b>40.4%</b>	<b>42.5%</b>
Special items, costs	154	136			525	1,002		
Financial items	131	41			556	184		
<b>Profit before tax</b>	<b>911</b>	<b>752</b>	<b>21.1%</b>		<b>3,797</b>	<b>2,289</b>	<b>65.9%</b>	
Tax on profit for the period	136	192	-29.2%		785	611	28.5%	
<b>Profit for the period</b>	<b>775</b>	<b>560</b>	<b>38.4%</b>		<b>3,012</b>	<b>1,678</b>	<b>79.5%</b>	
<b>Key Performance Indicators</b>								
Gross margin (%)	21.3	22.7			22.2	23.4		
Operating margin (%)	6.3	5.3			6.5	5.1		
Conversion ratio (%)	29.5	23.2			29.4	21.9		
Effective tax rate (%)	14.9	25.5			20.7	26.7		
Diluted adjusted EPS (DKK)	4.8	3.6	33.3%		18.4	13.4	37.3%	
Full-time employees (year end)					45,636	44,779		

- FY17 was impacted by one extra month of UTi activities
- EBIT before special items was in line with latest outlook
- Cost below GP were impacted by integration synergies
- Significant impact from currency translation in Q4-17
- Financial items impacted by exchange rate loss of DKK 260 million in FY-17 (mainly intra-group with no cash flow impact)
- Tax rate impacted by restructuring of UTi and changes in tax legislation in several countries

# Diluted adjusted earnings per share (DKK)



# Financial review FY 2017 – cash flow and debt

(DKKm)	FY 2017	FY 2016
<b>EBITDA</b>	<b>5,664</b>	<b>4,250</b>
Change in net working capital	944	-1,158
Provisions	-279	-168
Special items	-488	-644
Corporation tax paid and other adjustments	-1.177	-1.007
Cash flow from operating activities	4,664	1,273
Cash flow from investing activities	-325	-4,953
<b>Free cash flow</b>	<b>4,339</b>	<b>-3,680</b>
<b>Adjusted free cash flow (excl. M&amp;A and special items)</b>	<b>4,835</b>	<b>1,838</b>
<b>Highlights</b>		
<i>NWC in % of revenue</i>	1.9%	2.7%
<i>Net Interest Bearing Debt (NIBD)</i>	5,575	8,299
<i>Financial gearing (NIBD/EBITDA)</i>	1.0	2.0
<i>Average duration, long-term loan commitments (years)</i>	3.2	2.9
<i>Intangible assets</i>	16,573	17,247
<i>Invested capital</i>	20,391	21,336
<i>ROIC before tax</i>	23.4%	21.5%

- Adjusted free cash flow was above latest outlook, primarily due to NWC performance
- NWC reduced to 1.9% of net revenue at year end 2017
- Going forward we expect NWC ratio at 2% or lower, but seasonality can impact quarterly performance
- Financial gearing ratio within target range (1.0-1.5x)
- ROIC before tax is now at 23.4%

# Allocation to shareholders

- The ongoing DKK 1.25 billion share buyback will run until 23 March 2018
- Proposed dividend for 2017 is DKK 2.00 per share
- In 2017 3.3 million shares were bought back at an average price of DKK 466.3 per share
- 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

<b>Announced allocations to shareholders 2017 and Q1-18 (DKKm)</b>	<b>Q1 -17</b>	<b>Q2-17</b>	<b>Q3 -17</b>	<b>Q4 -17</b>	<b>2017</b>	<b>Q1-18</b>
Dividend / proposed dividend	342	-	-	-	342	380
Share buyback - 1,000	-	-	735	265	1,000	-
Share buyback - 1,250	-	-	-	559	559	691
<b>Total</b>	<b>342</b>	<b>-</b>	<b>735</b>	<b>824</b>	<b>1,901</b>	<b>1,071</b>

# Financial targets 2020 - update

	FY 2017	Revised targets	Previous targets
<b>DSV Group</b>	%	%	%
Operating margin	6.5%	7.5%	7.0%
Conversion ratio	29.4%	32.5%	30.0%
ROIC (pre tax)	23.4%	> 25.0%	25.0%
<b>Air &amp; Sea</b> 			
Operating margin	9.2%	10.0%	7.0-8.0%
Conversion ratio	37.4%	42.5%	35.0%
<b>Road</b> 			
Operating margin	3.9%	5.0%	5.0%
Conversion ratio	22.7%	25.0%	25.0%
<b>Solutions</b> 			
Operating margin	4.3%	6.0%	6.0%
Conversion ratio	18.1%	25.0%	25.0%

*Operation margin = EBIT before special items as % of revenue*

*Conversion ratio = EBIT before special items as % of gross profit*

- Targets for Air & Sea and DSV Group raised
- 2020 timeline maintained
- New IFRS leasing standard will be implemented in 2019. This will trigger an update of the financial targets

## Other key assumptions

- Stable macro-economic development and DSV aims to gain market share in all relevant markets
- Normalised CAPEX around 0.5% of revenue
- NWC at 2% of net revenue or lower
- Effective tax rate of approx. 23%



# Appendix

# DSV – Global Transport and Logistics

## We support our customers' entire supply chain

- Operations in more than 80 countries
- More than 1,000 branch offices, terminals and warehouse facilities
- Top 5 global freight forwarder

## One company – three divisions

- Air & Sea – global network
- Road – overland transport on three continents
- Solutions – contract logistics services worldwide

## A dedicated CSR profile

- Based on UN Global Compact

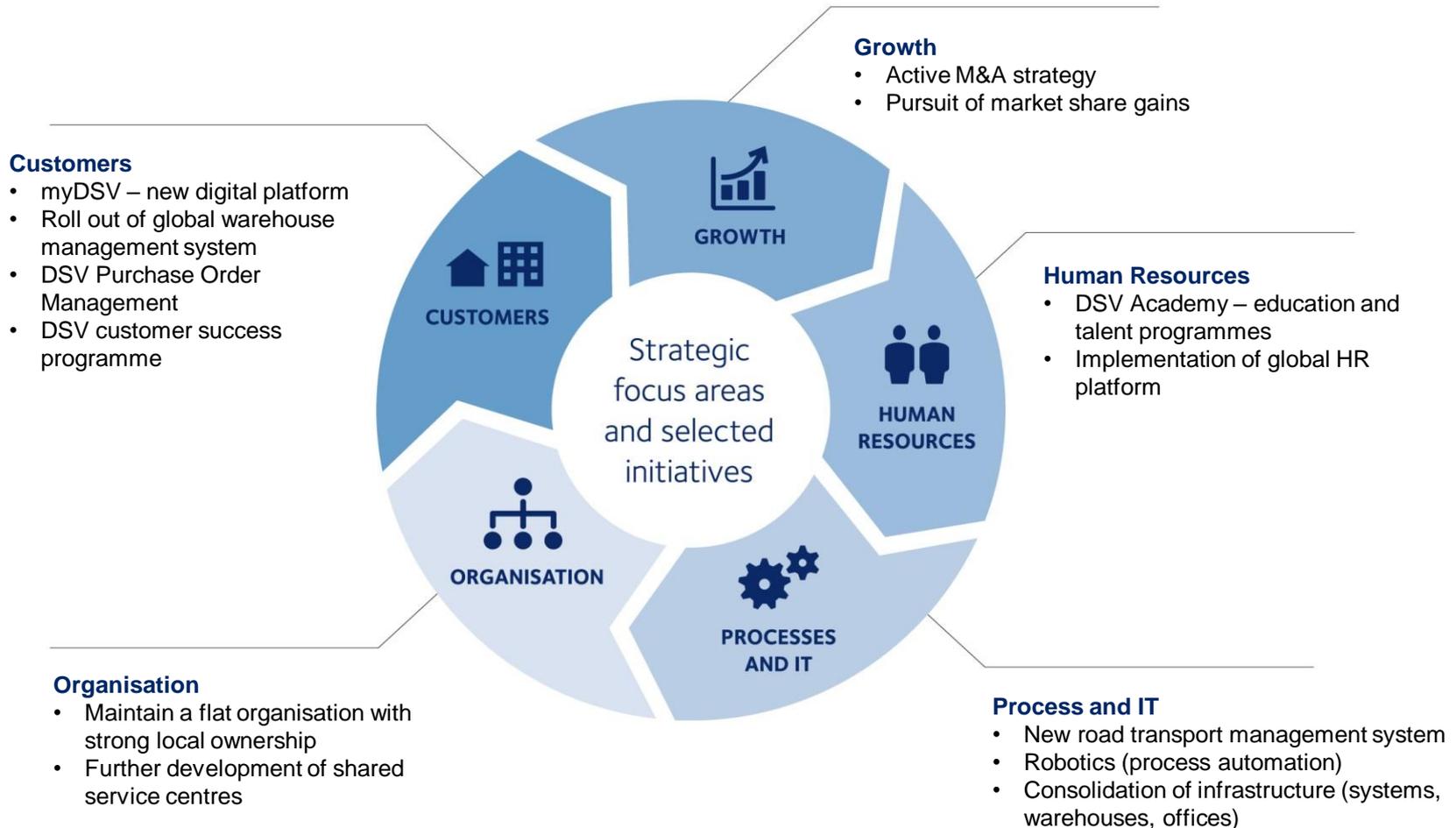
## More about DSV

- Annual revenue of DKK 75 billion (USD 11.3 billion)
- Listed on Nasdaq Copenhagen
- No majority shareholder – 100% free float



# Vision and strategy

We want to be a leading freight forwarder targeting above market level profit and growth



# DSV Corporate Social Responsibility

Ensuring our work and partnerships are based on an ethical business model



**Global Compact is based on ten universally accepted principles relating to:**

- Environment and climate
- Business ethics and anti-corruption
- Employees and working environment
- Community engagement



DANISH  
RED CROSS

**Red Cross Denmark is DSV's international humanitarian aid partner. We work together providing:**

- Logistics services
- Logistics expertise
- Financial support



FTSE4Good

**DSV is a constituent of the FTSE4Good Index Series, demonstrating strong practices within the areas:**

- Environmental
- Social
- Governance

# A strong global transport and logistics network

## Americas



108 offices  
40 logistics & cross-dock facilities (760,000 sqm)



7,700 employees



120,000 tonnes of air freight (export)



150,000 TEU (export)



400,000 shipments

## EMEA



460 offices  
385 logistics & cross-dock facilities (4,220,000 sqm)



31,900 employees



290,000 tonnes of air freight (export)



520,000 TEU (export)



30 million shipments

## APAC



107 offices  
56 logistics & cross-dock facilities (600,000 sqm)



6,000 employees



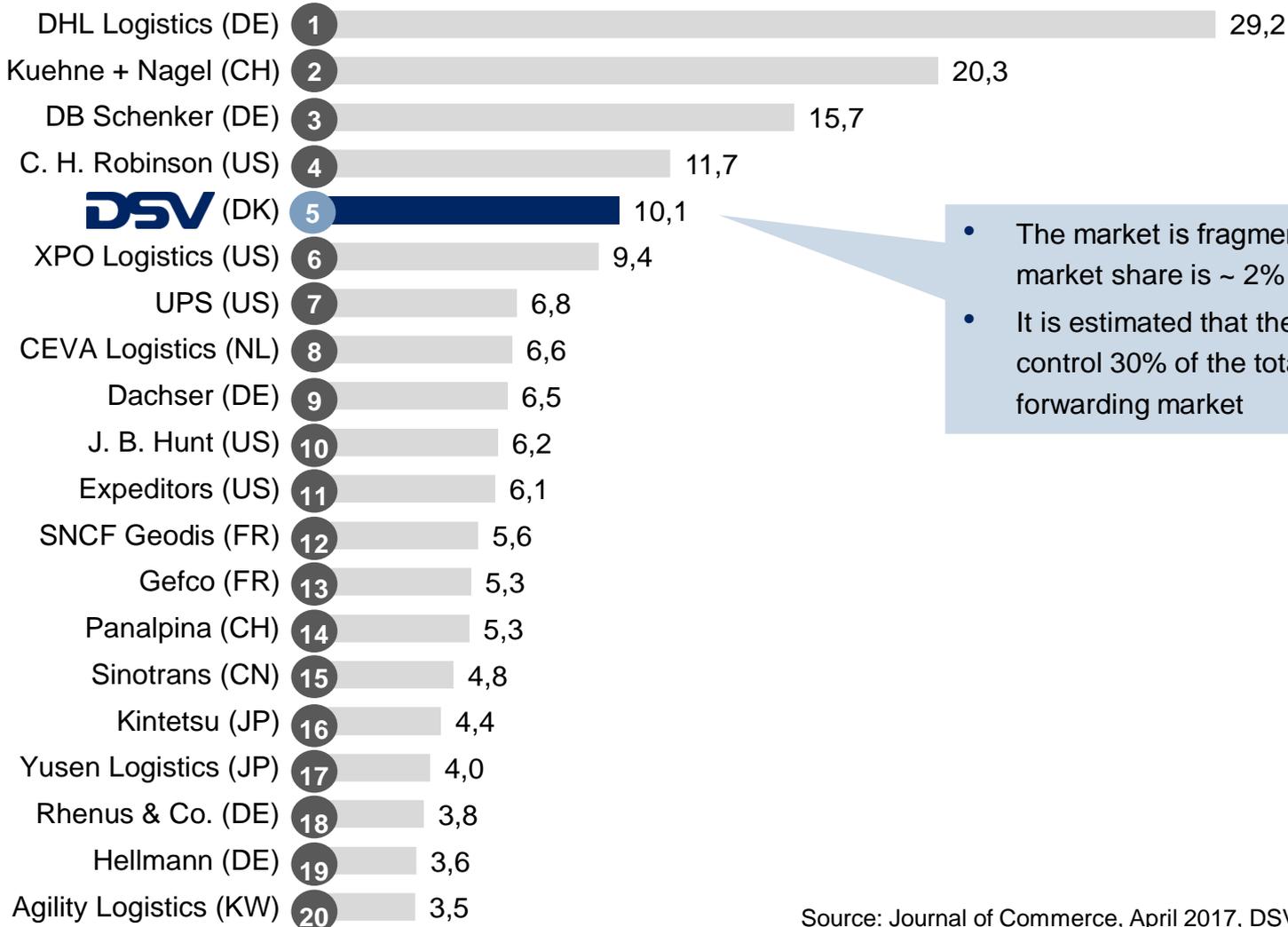
220,000 tonnes of air freight (export)



730,000 TEU (export)

# Competitive landscape

Global top 20 freight forwarders based on 2016 revenue (billion USD)



- The market is fragmented and DSV's market share is ~ 2%
- It is estimated that the top 20 companies control 30% of the total freight forwarding market

Source: Journal of Commerce, April 2017, DSV estimates

# Historical transport market growth

CAGR in %	1980-2008	2000-2008	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(e)
Global real GDP	2.30%	3.60%	2.80%	-0.60%	5.00%	3.90%	3.10%	2.90%	3.20%	3.20%	3.10%	3.70%
Global Trade	4.40%	4.60%	2.30%	-11.40%	14.10%	6.50%	3.00%	2.90%	3.10%	2.50%	2.20%	4.70%
multiplier ^ (x)	1.9x	1.3x	0.8x	19.8x	2.8x	1.7x	1.0x	1.0x	1.0x	0.8x	0.7x	1.3x
Container volumes*	9%	10%	4%	-11%	14%	8.30%	1.00%	4.60%	3.10%	1.30%	2.70%	3-4%
multiplier ^ (x)	3.9x	2.8x	1.5x	18.9x	2.8x	2.1x	0.3x	1.6x	1.0x	0.4x	0.9x	0.9x
Air freight volumes*	4.90%	3.70%	-3.30%	-0.70%	19.10%	2.30%	-1.00%	1.20%	3.40%	1.40%	3.30%	8-9%
multiplier ^ (x)	2.1x	1.0x	-1.2x	1.3x	3.8x	0.6x	-0.3x	0.4x	1.1x	0.4x	1.1x	1.9x
Euro Area GDP **	0.90%	0.70%	0.50%	-4.10%	1.70%	1.60%	-0.70%	-0.50%	0.80%	2.00%	1.70%	2.40%
European Road freight												
* multiplier (x)	3.60%	2.90%	-1.70%	-10.10%	3.80%	-1.10%	-3.00%	0.30%	1.60%	2.70%	3.00%	3-4%
multiplier (x)	4.2x	3.9x	-3.7x	2.5x	2.2x	-0.7x	4.4x	-0.6x	2.1x	1.4x	1.8x	1.7x

\* Containers in TEU, Air freight in tonnes, road in tonne-km

\*\*EURO Area GDP for the period 1980-2008 refers to the 1992-2008 period

Source: Company data, IMF, Drewry, IATA, ICAO, Eurostat, Morgan Stanley Research

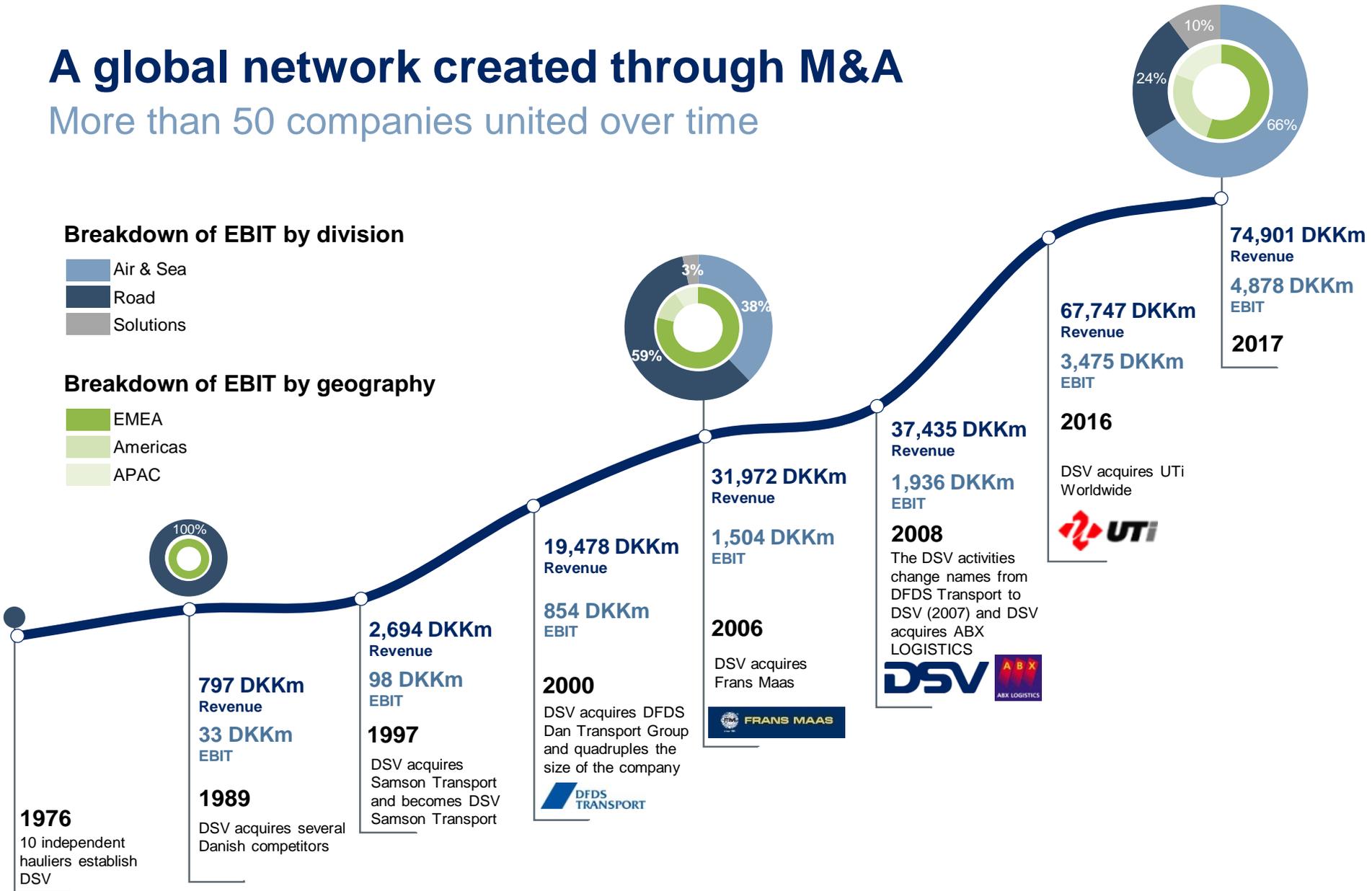
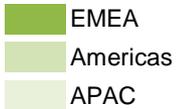
# A global network created through M&A

More than 50 companies united over time

## Breakdown of EBIT by division



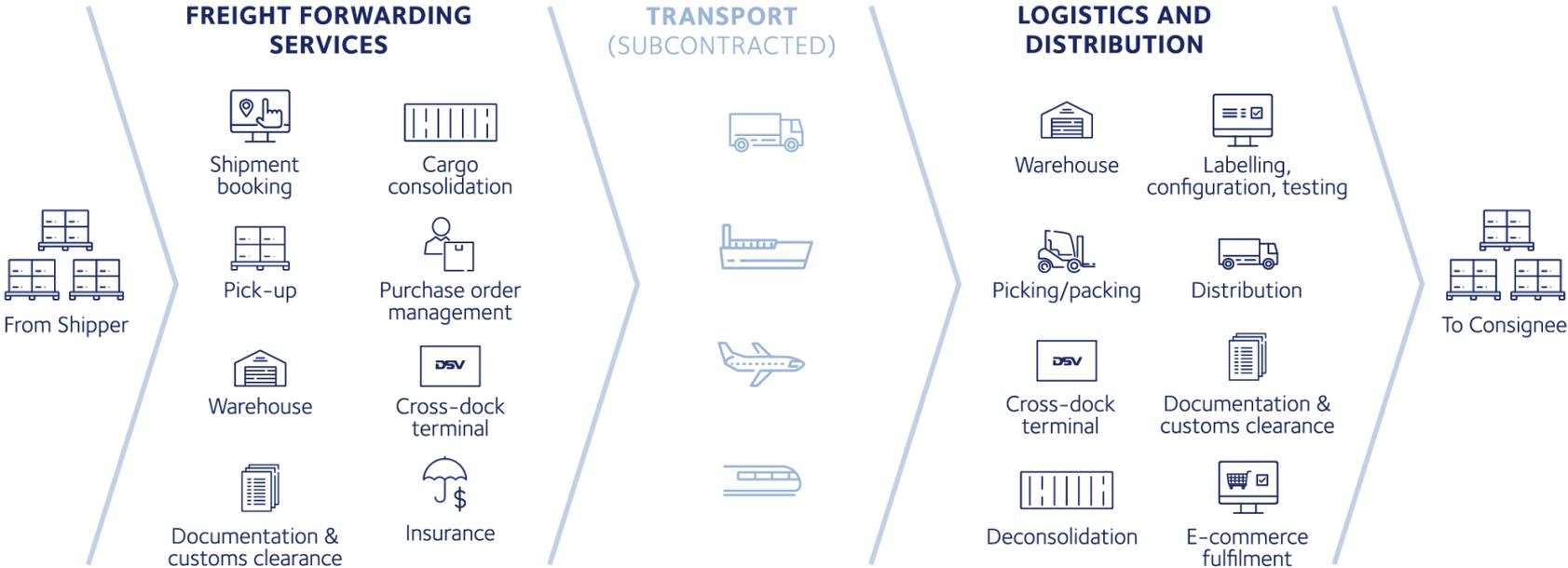
## Breakdown of EBIT by geography



# We support our customers' entire supply chain

People    IT systems    Industry knowhow    Standardised global workflows    Carrier relations    Global network with local presence

## KEY RESOURCES AND PERFORMANCE DRIVERS



## SUPPLY CHAIN VISIBILITY

Alerts    Exception management    Track and Trace    Proof of delivery    KPI reporting

# Three divisions working together to support the entire supply chain



## Air & Sea



- Access to all markets through our global network
- Annual ocean freight volume of 1.4 million TEU
- Annual air freight volume of 650,000 tonnes
- FCL/LCL and project transports
- Special competencies in key industries e.g. automotive, renewable energy

## Road



- Road freight services in Europe, North America and South Africa
- More than 20,000 trucks on the road every day
- Handling 30 million shipments annually
- Groupage and LTL/FTL services
- Special competencies in key industries, e.g. automotive, retail

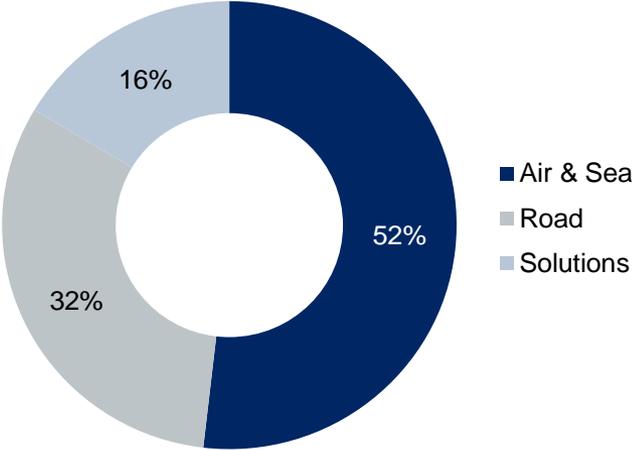
## Solutions



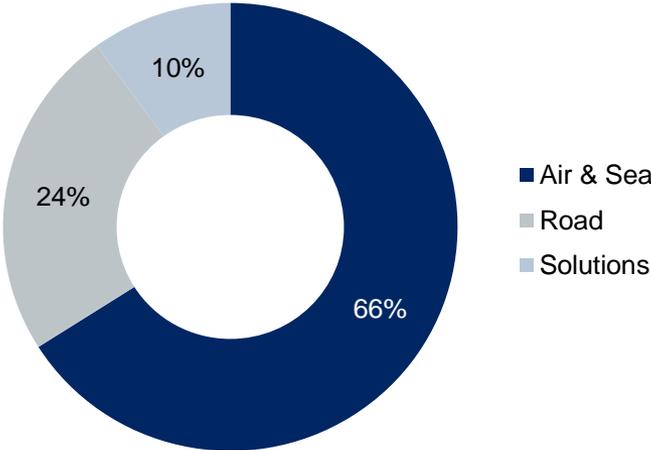
- Contract logistics services worldwide
- 400 logistics facilities – more than 5 million m2
- Special competencies in key industries, e.g. automotive, healthcare, consumer products
- Solutions for E-commerce

# Divisional share of Gross profit and EBIT FY 2017

Gross profit

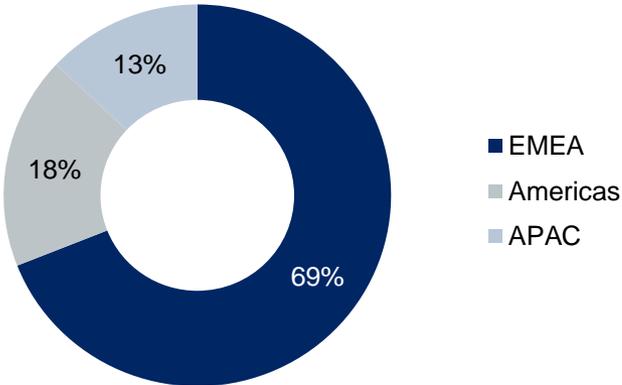


EBIT before special items

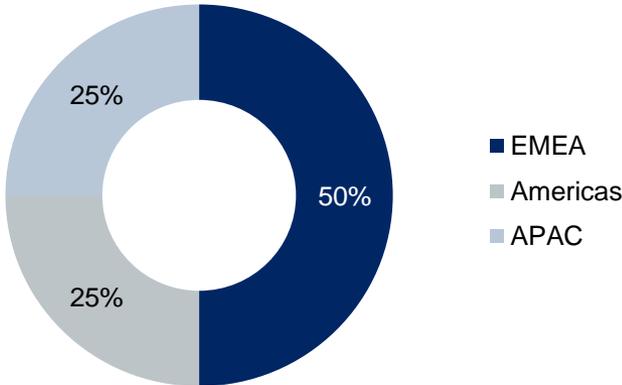


# Geographic Exposure by Revenue FY 2017

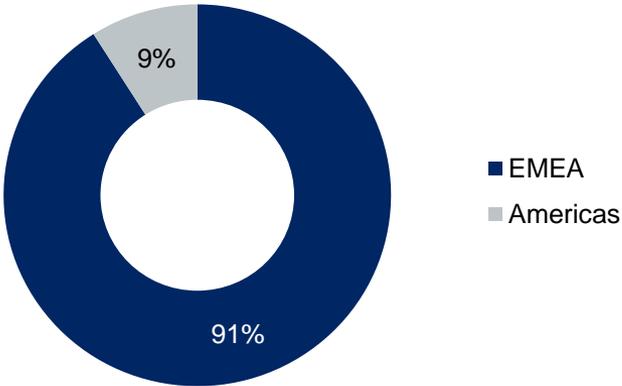
DSV A/S



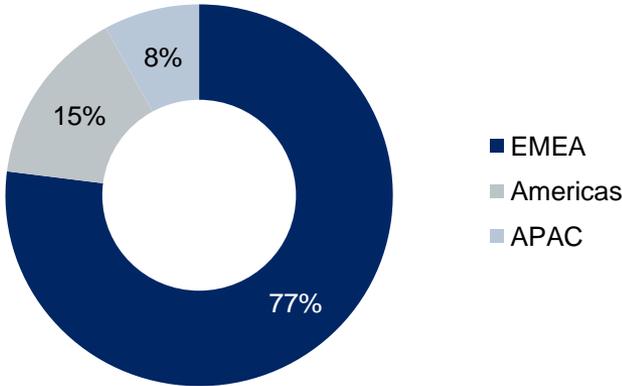
DSV Air & Sea



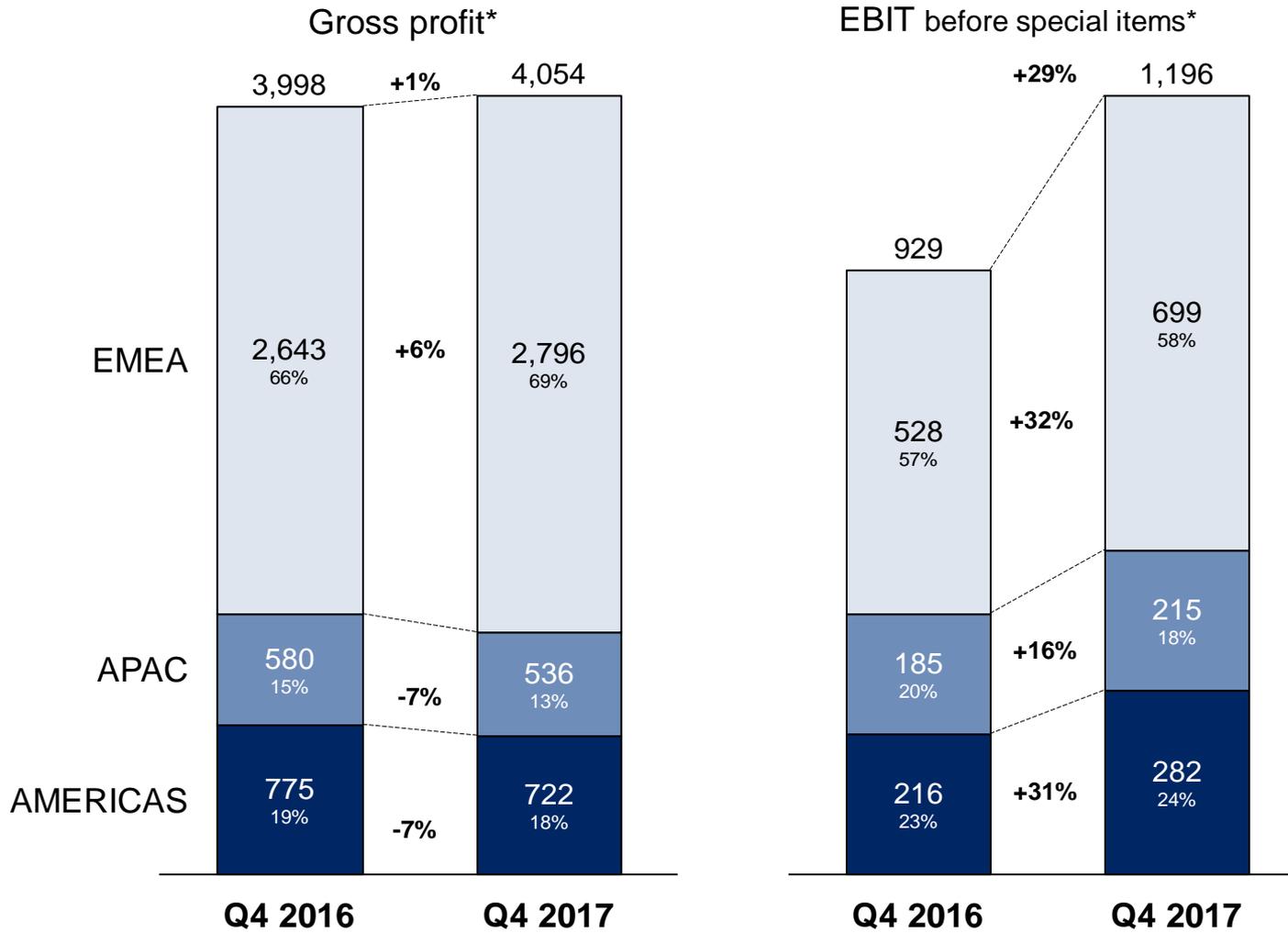
DSV Road



DSV Solutions

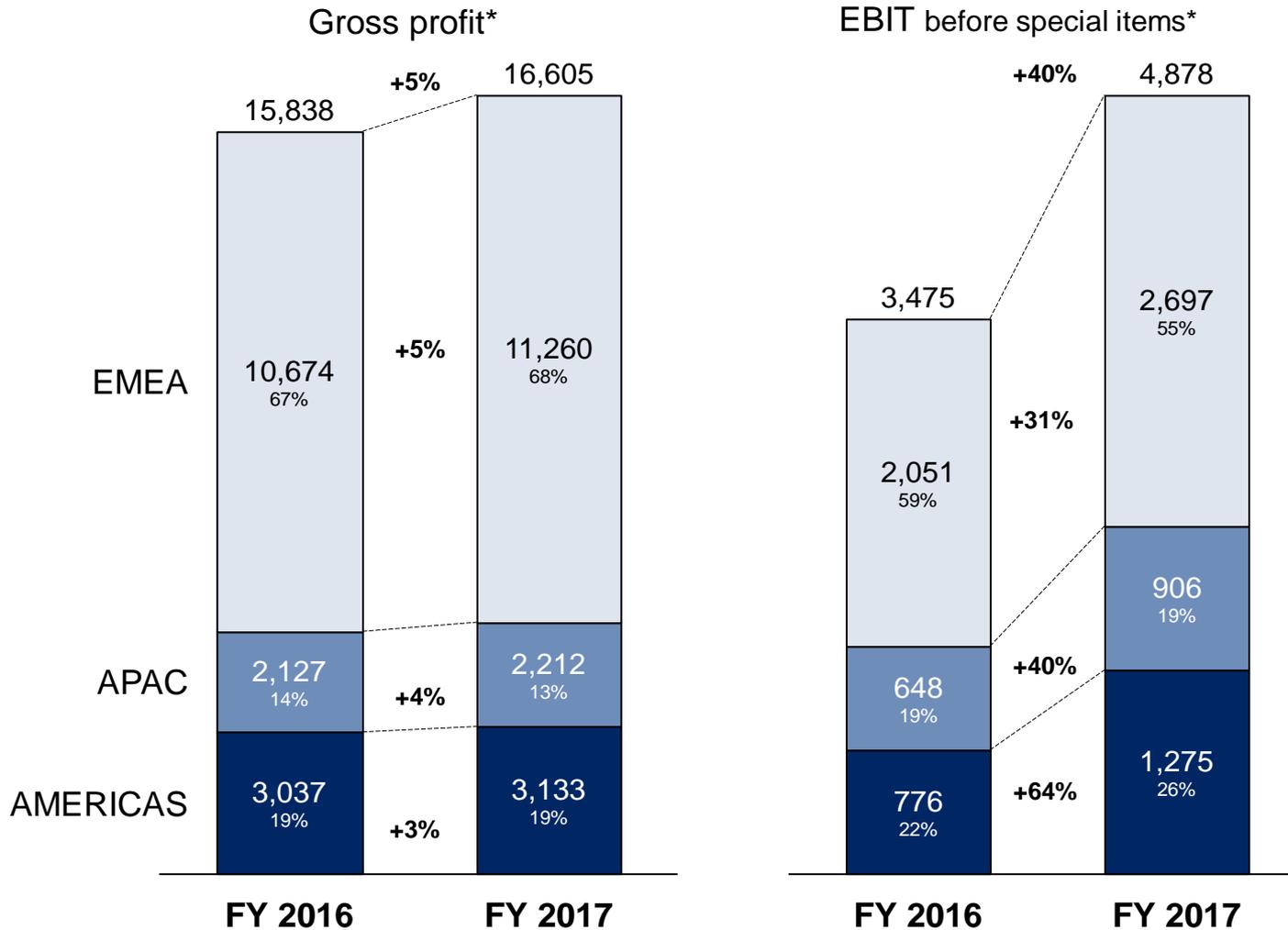


# Regional development Q4 2017 (DKKm)



\*) Growth % includes the effect of M&A and is not adjusted for the effect of currency translations

# Regional development FY 2017 (DKKm)



\*) Growth % includes the effect of M&A and is not adjusted for the effect of currency translations

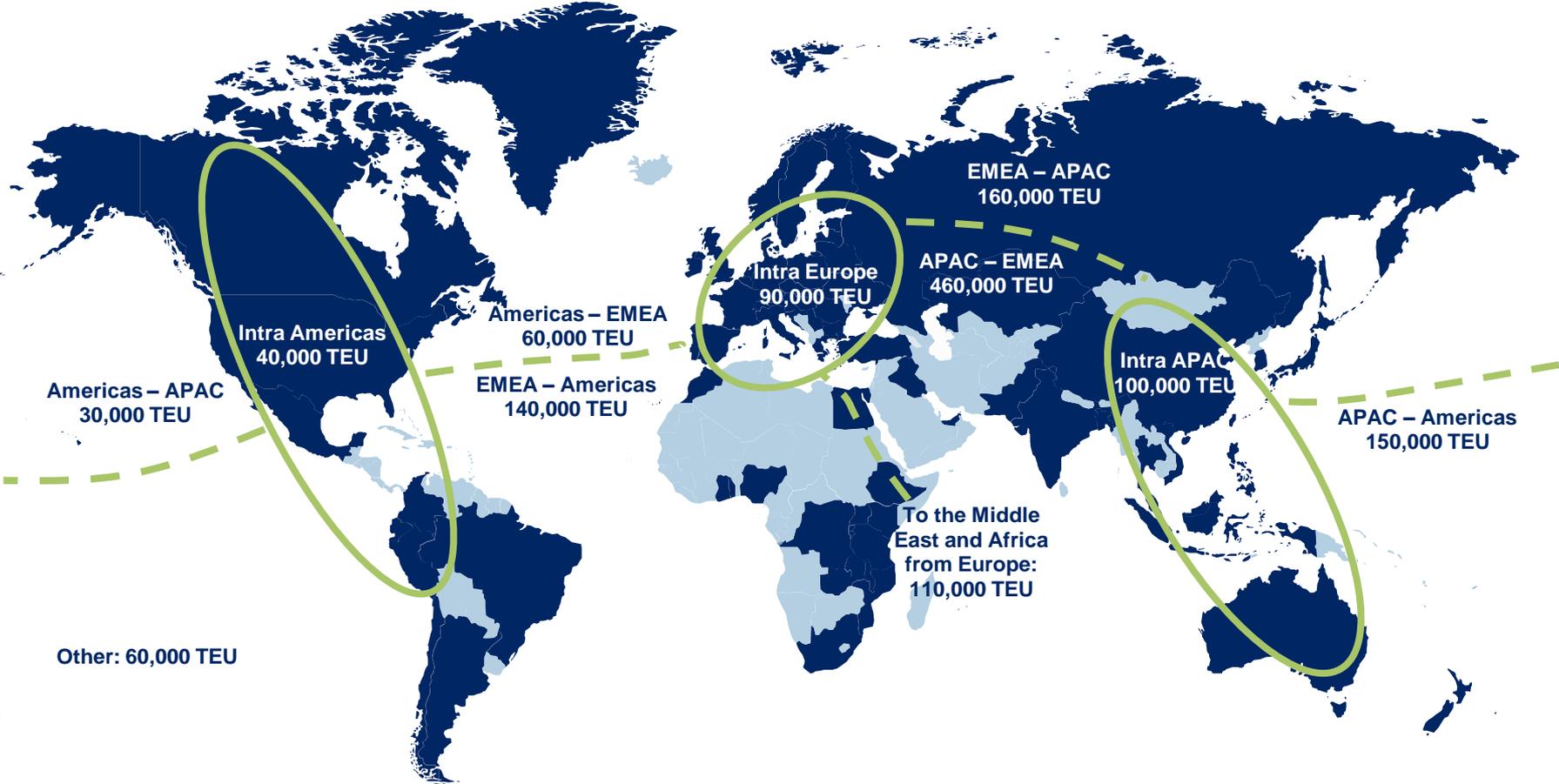
# Air freight volumes

650,000 tonnes annually



# Sea freight volumes

1,400,000 TEU annually



# Capital structure and allocation

## Target for financial gearing (net interest-bearing debt/EBITDA)

- Target: 1.0-1.5 x EBITDA before special items
- Gearing ratio may exceed this level in periods with M&A activity

## Capital allocation – priority for use of free cash flow

1. Repayment of debt if financial gearing ratio is above target range
2. Value creating acquisitions or further development of the existing business
3. Allocation to shareholders via share buyback and dividend
  - We aim to ensure that dividend develops in line with the consolidated earnings (proposed dividend for 2017: DKK 2.00 per share)



# Estimated impact from IFRS 16

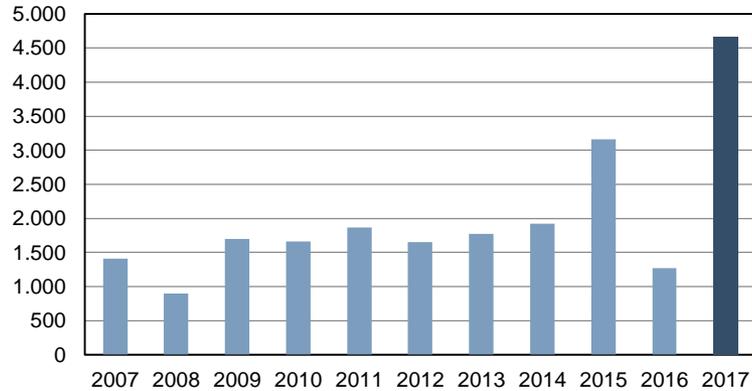
From 2019 operational leases must be recognised in the balance sheet

(DKK)	Increase (+), decrease (-)	Estimated change
<b>Balance sheet - 1 January 2018 opening balance</b>		
Lease assets	+	6.5-7.5 bn
Lease liabilities	+	7.5-8.5 bn
<b>Income statement - 2018</b>		
EBITDA before special items	+	2.4-2.9 bn
EBIT before special items	+	0.2-0.4 bn
Financial expenses	+	0.4-0.6 bn
Financial gearing	+	0.6-0.7x

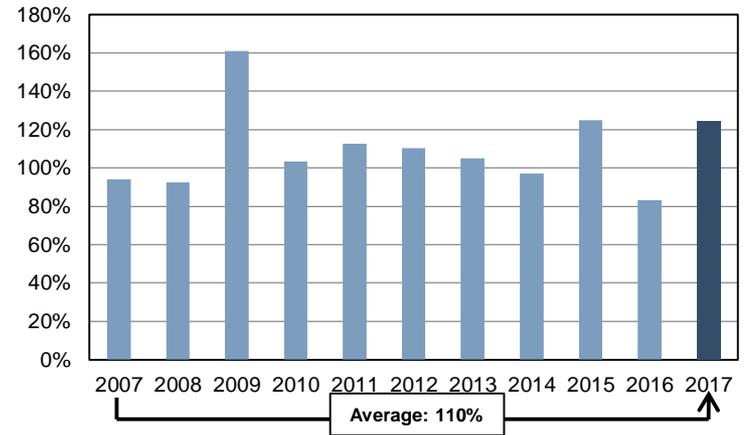
- IFRS 16 will take effect on 1 January 2019 and will be applied following the retrospective approach with full restatement for the comparison period (2018)
- The estimated effects on 2018 are provisional and based on current lease contract portfolio
- The impact on net profit will be neutral over time, but timing differences will occur
- Reported cash flow from operating activities will increase but be offset by an increased cash outflow from financing activities, and, accordingly, there will be no change in the underlying cash flow
- The changes to IFRS 16 will not impact DSV's cooperation with the banks.

# Cash flow and ROIC

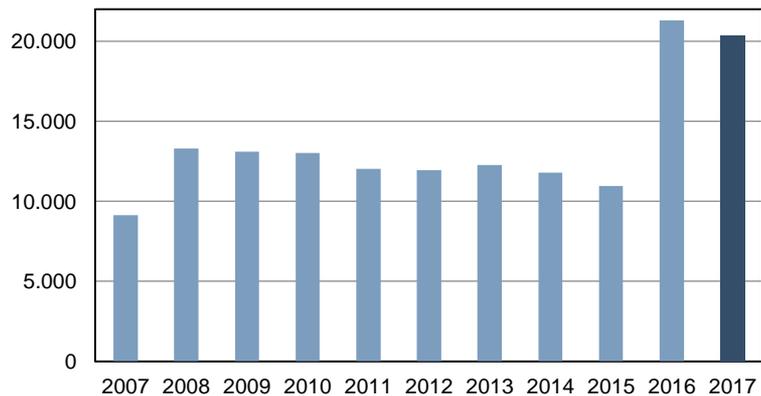
Operating cash flow (DKKm)



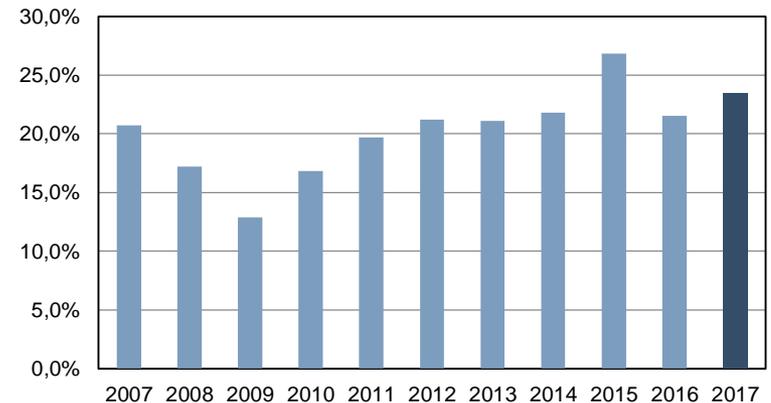
Cash conversion ratio\* (%)



Invested capital (DKKm)



ROIC (%)

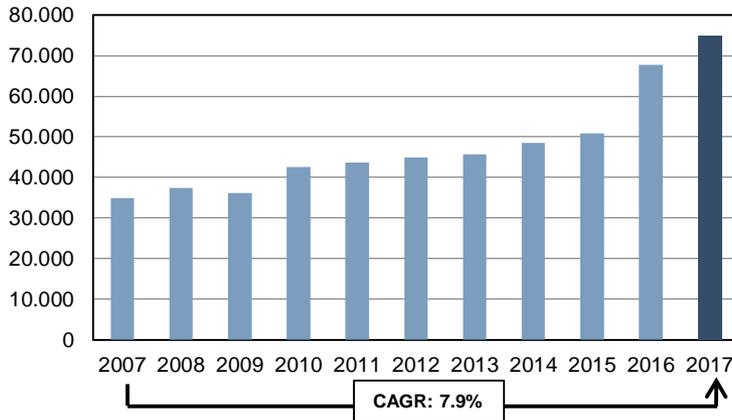


\* Cash Conversion Ratio: (Adjusted free cash flow before net financial items and tax)/EBIT before special items

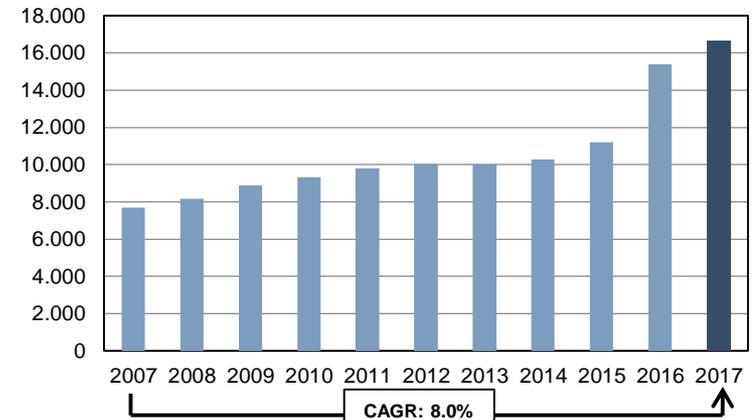
# Financial performance

CAGR incl. M&A

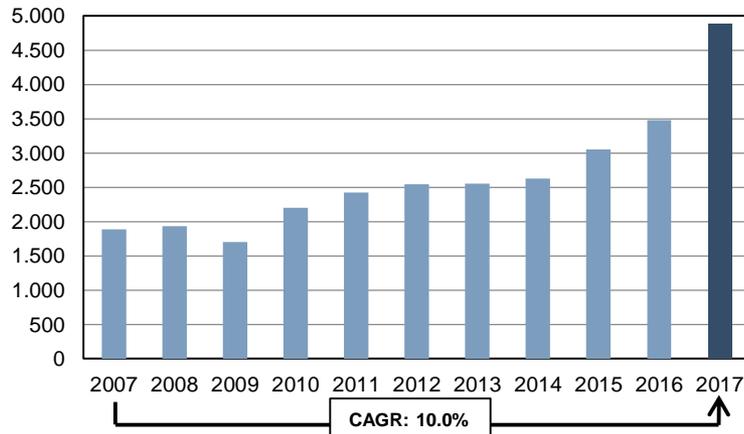
## Revenue (DKKm)



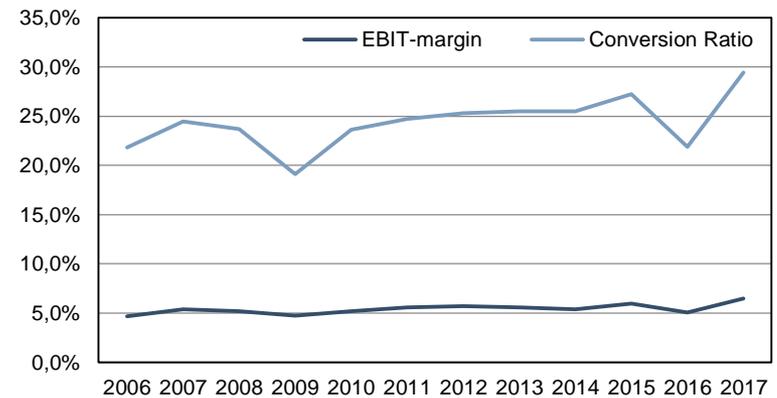
## Gross profit (DKKm)



## EBIT before special items (DKKm)



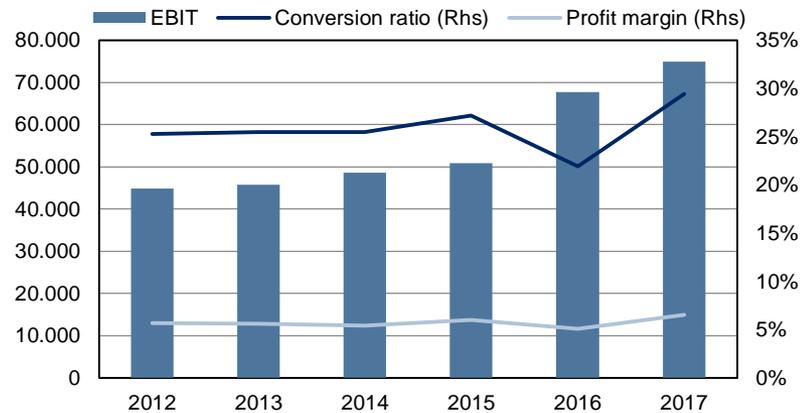
## Margins (%)



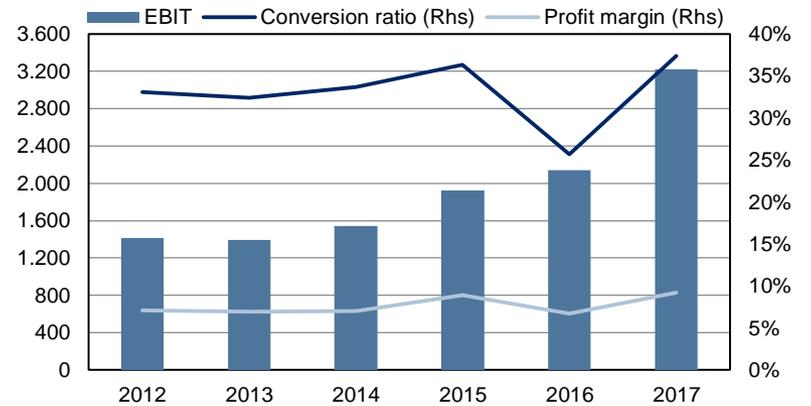
# Financial performance per division

## Selected KPI's

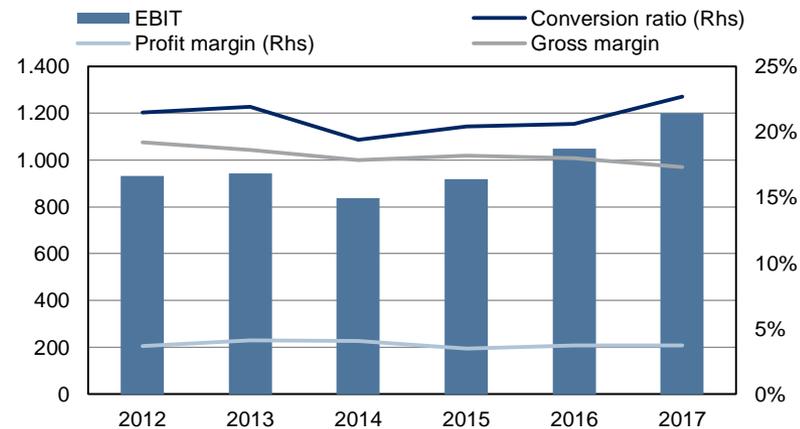
### DSV A/S



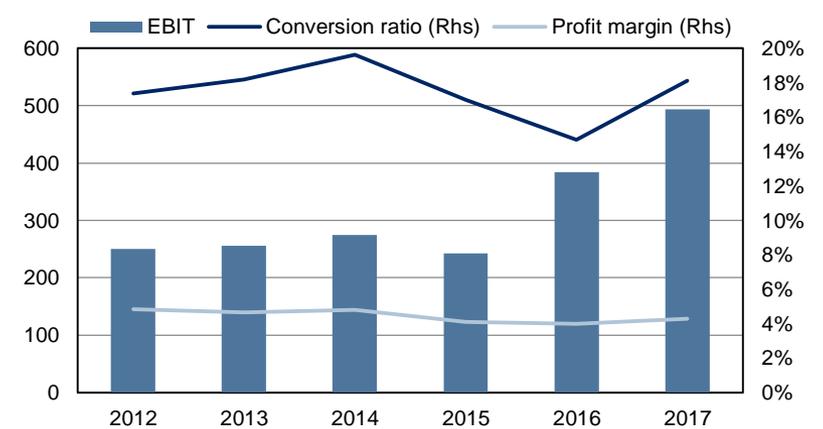
### DSV Air & Sea



### DSV Road



### DSV Solutions



# Growth details Q4-17 and FY-17

## DSV

(DKKm)	YTD 2016	Currency translation adjustments	Growth incl. acquisition	Growth incl. acquisition	YTD 2017
Net revenue	67,747	-851	8,005	11.8%	74,901
Gross profit	15,838	-160	927	5.8%	16,605
EBIT before special items	3,475	-74	1,477	42.5%	4,878

(DKKm)	Q4 2016	Currency translation adjustments	Growth incl. acquisition	Growth incl. acquisition	Q4 2017
Net revenue	17,617	-637	2,039	11.6%	19,019
Gross profit	3,998	-137	192	4.8%	4,054
EBIT before special items	929	-44	312	33.6%	1,196

## AIR & SEA

(DKKm)	YTD 2016	Currency translation adjustments	Growth incl. acquisition	Growth incl. acquisition	YTD 2017
Net revenue	32,100	-626	3,730	11.6%	35,204
Gross profit	8,338	-140	427	5.1%	8,624
EBIT before special items	2,143	-59	1,141	53.2%	3,225

(DKKm)	Q4 2016	Currency translation adjustments	Growth incl. acquisition	Growth incl. acquisition	Q4 2017
Net revenue	8,347	-460	930	11.1%	8,817
Gross profit	2,030	-105	168	8.3%	2,092
EBIT before special items	569	-43	262	46.0%	789

# Growth details Q4-17 and FY-17

## ROAD

(DKKm)	YTD 2016	Currency translation adjustments	Growth incl. acquisition	Growth incl. acquisition	YTD 2017
Net revenue	28,223	-217	2,520	8.9%	30,627
Gross profit	5,094	-35	228	4.5%	5,287
EBIT before special items	1,049	-14	167	15.9%	1,201

(DKKm)	Q4 2016	Currency translation adjustments	Growth incl. acquisition	Growth incl. acquisition	Q4 2017
Net revenue	7,156	-115	753	10.5%	7,796
Gross profit	1,231	-14	43	3.5%	1,259
EBIT before special items	230	1	1	0.3%	231

## SOLUTIONS

(DKKm)	YTD 2016	Currency translation adjustments	Growth incl. acquisition	Growth incl. acquisition	YTD 2017
Net revenue	9,683	-19	1,698	17.5%	11,362
Gross profit	2,616	13	100	3.8%	2,730
EBIT before special items	384	1	109	28.2%	494

(DKKm)	Q4 2016	Currency translation adjustments	Growth incl. acquisition	Growth incl. acquisition	Q4 2017
Net revenue	2,742	-80	352	12.8%	3,014
Gross profit	727	-18	12	1.7%	723
EBIT before special items	142	-1	44	30.6%	185

# Quarterly P&L details

## DSV

(DKKm)	FY 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
Net revenue	50,869	15,319	17,606	17,205	17,617	67,747	18,223	18,924	18,735	19,019	74,901
Direct costs	39,668	11,712	13,392	13,186	13,619	51,909	14,003	14,707	14,621	14,965	58,296
<b>Gross profit</b>	<b>11,201</b>	<b>3,607</b>	<b>4,214</b>	<b>4,019</b>	<b>3,998</b>	<b>15,838</b>	<b>4,220</b>	<b>4,217</b>	<b>4,114</b>	<b>4,054</b>	<b>16,605</b>
Other external expenses	2,149	790	877	786	854	3,307	851	769	722	768	3,110
Staff costs	5,477	1,997	2,228	2,027	2,029	8,281	2,058	2,014	1,889	1,870	7,831
<b>EBITDA before special items</b>	<b>3,575</b>	<b>820</b>	<b>1,109</b>	<b>1,206</b>	<b>1,115</b>	<b>4,250</b>	<b>1,311</b>	<b>1,434</b>	<b>1,503</b>	<b>1,416</b>	<b>5,664</b>
Amortisation and depreciation	525	177	209	203	186	775	182	194	190	220	786
<b>EBIT before special items</b>	<b>3,050</b>	<b>643</b>	<b>900</b>	<b>1,003</b>	<b>929</b>	<b>3,475</b>	<b>1,129</b>	<b>1,240</b>	<b>1,313</b>	<b>1,196</b>	<b>4,878</b>
Special Items, net costs	58	370	341	155	136	1,002	160	88	123	154	525
Financial costs, net costs	303	(46)	104	85	41	184	94	182	149	131	556
<b>Profit before tax</b>	<b>2,689</b>	<b>319</b>	<b>455</b>	<b>763</b>	<b>752</b>	<b>2,289</b>	<b>875</b>	<b>970</b>	<b>1,041</b>	<b>911</b>	<b>3,797</b>
Tax on profit for the period	631	86	122	211	192	611	206	228	215	136	785
<b>Profit for the period</b>	<b>2,058</b>	<b>233</b>	<b>333</b>	<b>552</b>	<b>560</b>	<b>1,678</b>	<b>669</b>	<b>742</b>	<b>826</b>	<b>775</b>	<b>3,012</b>
<i>Gross margin, %</i>	22.0	23.5	23.9	23.4	22.7	23.4	23.2	22.3	22.0	21.3	22.2
<i>Operating margin, %</i>	6.0	4.2	5.1	5.8	5.3	5.1	6.2	6.6	7.0	6.3	6.5
<i>Conversion ratio, %</i>	27.2	17.8	21.4	25.0	23.2	21.9	26.8	29.4	31.9	29.5	29.4
<i>Tax percentage</i>	23.5	27.0	26.8	27.7	25.5	26.7	23.5	23.5	20.7	14.9	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	1,149	4,456
Number of full time employees	22,783	44,334	43,593	45,395	44,779	44,779	45,112	44,851	45,161	45,636	45,636

# 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	Q4 2017	FY 2017
Divisional net revenue	21,685	7,055	8,416	8,282	8,347	32,100	8,470	8,873	9,044	8,817	35,204
Direct costs	16,394	5,178	6,108	6,159	6,317	23,762	6,354	6,656	6,845	6,725	26,580
<b>Gross profit</b>	<b>5,291</b>	<b>1,877</b>	<b>2,308</b>	<b>2,123</b>	<b>2,030</b>	<b>8,338</b>	<b>2,116</b>	<b>2,217</b>	<b>2,199</b>	<b>2,092</b>	<b>8,624</b>
Other external expenses	1,045	479	640	550	508	2,177	491	451	431	425	1,798
Staff costs	2,215	937	1,078	898	911	3,824	904	895	839	852	3,490
<b>EBITDA before special items</b>	<b>2,031</b>	<b>461</b>	<b>590</b>	<b>675</b>	<b>611</b>	<b>2,337</b>	<b>721</b>	<b>871</b>	<b>929</b>	<b>815</b>	<b>3,336</b>
Amortisation and depreciation	108	47	56	49	42	194	31	28	26	26	111
<b>EBIT before special items</b>	<b>1,923</b>	<b>414</b>	<b>534</b>	<b>626</b>	<b>569</b>	<b>2,143</b>	<b>690</b>	<b>843</b>	<b>903</b>	<b>789</b>	<b>3,225</b>
<i>Gross margin, %</i>	24.4	26.6	27.4	25.6	24.3	26.0	25.0	25.0	24.3	23.7	24.5
<i>Operating margin, %</i>	8.9	5.9	6.3	7.6	6.8	6.7	8.1	9.5	10.0	8.9	9.2
<i>Conversion ratio, %</i>	36.3	22.1	23.1	29.5	28.0	25.7	32.6	38.0	41.1	37.7	37.4
Number of full time employees	6,754	16,686	15,016	13,799	12,891	12,891	12,648	12,282	12,177	12,041	12,041

## Road

(DKKm)	FY 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
Divisional net revenue	24,718	6,688	7,368	7,111	7,156	28,323	7,633	7,684	7,514	7,796	30,627
Direct costs	20,221	5,431	6,009	5,864	5,925	23,229	6,200	6,368	6,235	6,537	25,340
<b>Gross profit</b>	<b>4,497</b>	<b>1,257</b>	<b>1,359</b>	<b>1,247</b>	<b>1,231</b>	<b>5,094</b>	<b>1,433</b>	<b>1,316</b>	<b>1,279</b>	<b>1,259</b>	<b>5,287</b>
Other external expenses	1,049	332	314	304	274	1,224	332	309	294	334	1,269
Staff costs	2,404	670	691	612	689	2,662	686	688	641	657	2,672
<b>EBITDA before special items</b>	<b>1,044</b>	<b>255</b>	<b>354</b>	<b>331</b>	<b>268</b>	<b>1,208</b>	<b>415</b>	<b>319</b>	<b>344</b>	<b>268</b>	<b>1,346</b>
Amortisation and depreciation	126	36	44	41	38	159	37	38	33	37	145
<b>EBIT before special items</b>	<b>918</b>	<b>219</b>	<b>310</b>	<b>290</b>	<b>230</b>	<b>1,049</b>	<b>378</b>	<b>281</b>	<b>311</b>	<b>231</b>	<b>1,201</b>
<i>Gross margin, %</i>	18.2	18.8	18.4	17.5	17.2	18.0	18.8	17.1	17.0	16.1	17.3
<i>Operating margin, %</i>	3.7	3.3	4.2	4.1	3.2	3.7	5.0	3.7	4.1	3.0	3.9
<i>Conversion ratio, %</i>	20.4	17.4	22.8	23.3	18.7	20.6	26.4	21.4	24.3	18.4	22.7
Number of full time employees	9,280	11,581	11,931	12,710	12,518	12,518	12,576	12,706	12,788	12,998	12,998

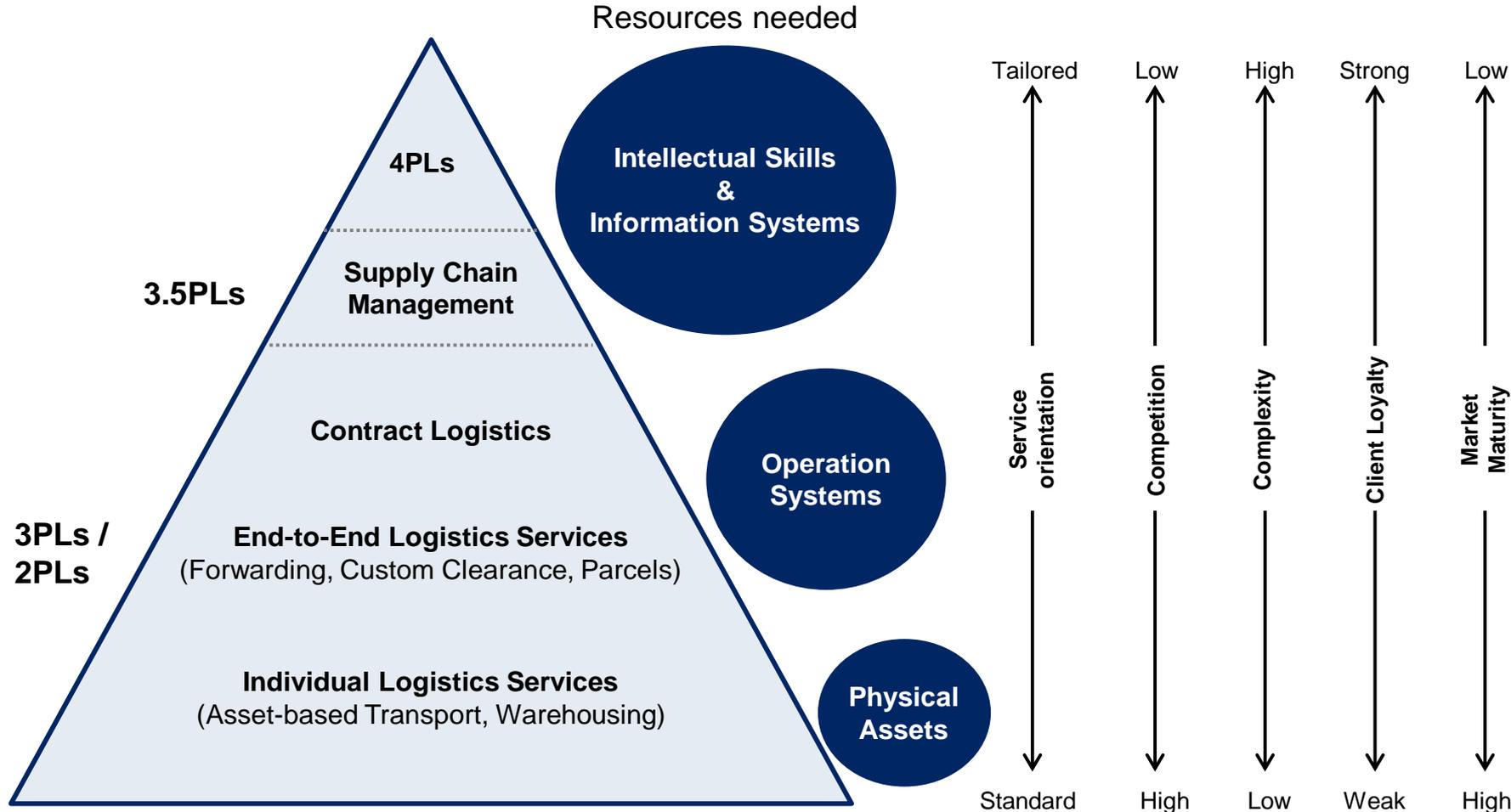
# Quarterly P&L details

## Solutions

(DKKm)	FY 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	FY 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
Divisional net revenue	5,960	2,043	2,406	2,492	2,742	9,683	2,678	2,913	2,757	3,014	11,362
Direct costs	4,540	1,507	1,737	1,808	2,015	7,067	2,007	2,223	2,111	2,291	8,632
<b>Gross profit</b>	<b>1,420</b>	<b>536</b>	<b>669</b>	<b>684</b>	<b>727</b>	<b>2,616</b>	<b>671</b>	<b>690</b>	<b>646</b>	<b>723</b>	<b>2,730</b>
Other external expenses	486	165	192	202	242	801	236	220	204	224	884
Staff costs	540	273	322	311	282	1,188	309	274	264	240	1,087
<b>EBITDA before special items</b>	<b>394</b>	<b>98</b>	<b>155</b>	<b>171</b>	<b>203</b>	<b>627</b>	<b>126</b>	<b>196</b>	<b>178</b>	<b>259</b>	<b>759</b>
Amortisation and depreciation	152	51	65	66	61	243	60	68	63	74	265
<b>EBIT before special items</b>	<b>242</b>	<b>47</b>	<b>90</b>	<b>105</b>	<b>142</b>	<b>384</b>	<b>66</b>	<b>128</b>	<b>115</b>	<b>185</b>	<b>494</b>
<i>Gross margin, %</i>	23.8	26.2	27.8	27.4	26.5	27.0	25.1	23.7	23.4	24.0	24.0
<i>Operating margin, %</i>	4.1	2.3	3.7	4.2	5.2	4.0	2.5	4.4	4.2	6.1	4.3
<i>Conversion ratio, %</i>	17.0	8.8	13.5	15.4	19.5	14.7	9.8	18.6	17.8	25.6	18.1
Number of full time employees	5,821	15,057	14,598	16,854	17,432	17,432	17,651	17,692	17,946	18,382	18,382



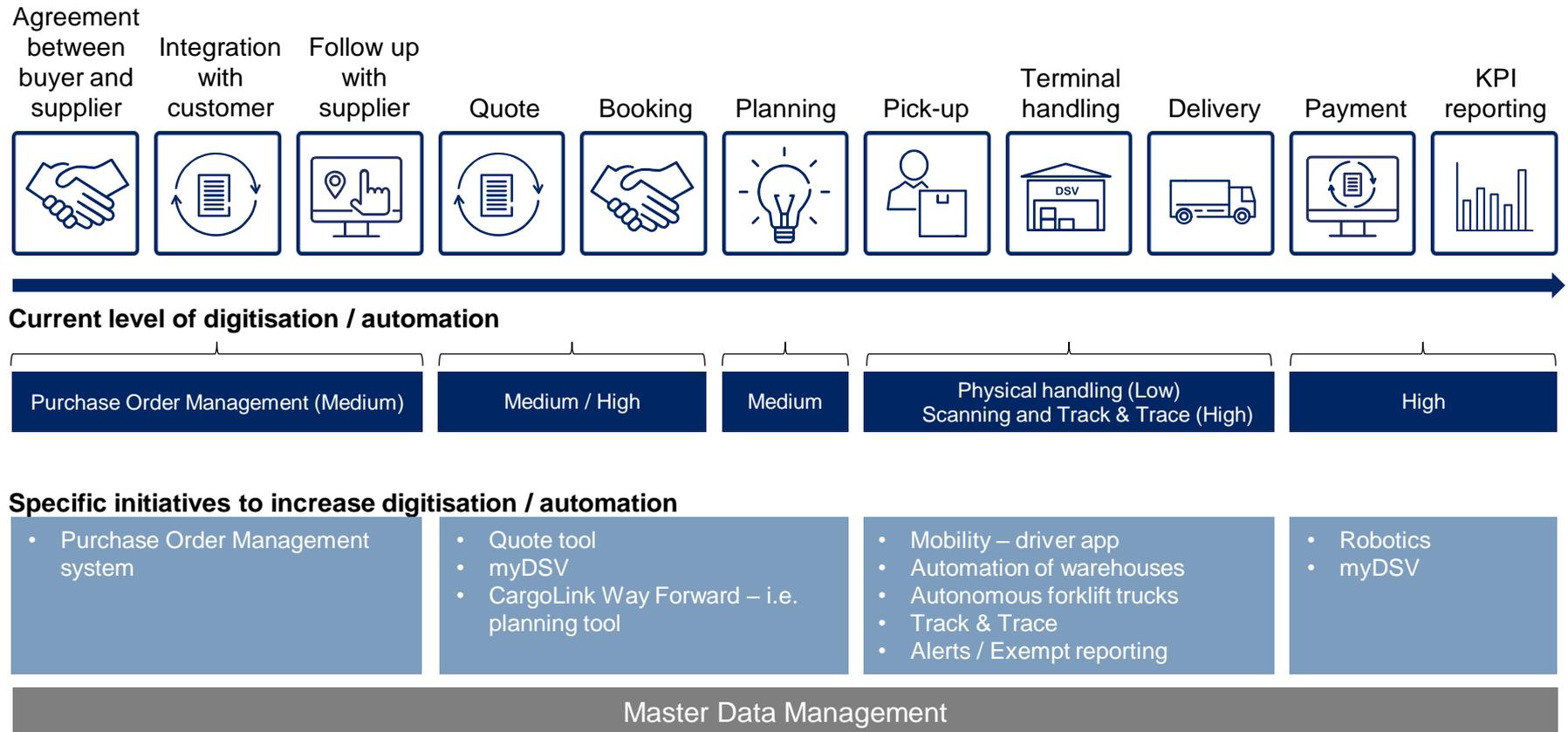
# Logistics services are moving up in the value chain



Source: Transport Intelligence, Total Logistics 2017 and DSV

# Digitisation

DSV's workflows are already digitised / automated to a large extent



# DSV is well positioned for further digitisation

Making progress on several initiatives already

## Strong foundation



Consolidated  
IT landscape



Master Data  
Management

## EDI

Workflows are already  
digitised / automated to a  
large extent

## ...with further potential (examples)



Shipping made  
easy with  
myDSV



Robotics



Purchase Order  
Management

*“The change is easier for those 3PLs that have a single IT system and are ready to combine internal rethinking of their processes, strong engagement across the organisation and investment in resources such as master data management.”*

*Source: Drewry, e-Business Disruptions in Global Freight Forwarding, November 2016*

# Purchase Order Management

An example of how we add value to our customers supply chain



## Purchase Order Visibility

The entry-level module that provides visibility on purchase order level



## Purchase Order Control

Allows customers full control over in-transit inventory on purchase order and SKU level



## Purchase Order Management

The dynamic service with active interventions by our network of specialized control towers in Warsaw, Shanghai and Manila

# 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](http://www.dsv.com)

## Investor Relations contacts

DSV A/S  
Hovedgaden 630, 2640 Hedehusene, Denmark

Flemming Ole Nielsen +45 4320 3392

Ronni Funch Olsen +45 4320 3193

Helle K. Hansen +45 4320 3358

Frederikke Anna Linde +45 4320 3195

## Financial calendar 2018



- 8 Feb. 2018 Annual Report 2017
- 8 Mar. 2018 Annual General Meeting
- 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



[investor@dsv.com](mailto:investor@dsv.com)

[flemming.o.nielsen@dsv.com](mailto:flemming.o.nielsen@dsv.com)

[ronni.f.olsen@dsv.com](mailto:ronni.f.olsen@dsv.com)

[helle.k.hansen@dsv.com](mailto:helle.k.hansen@dsv.com)

[frederikke.a.linde@dsv.com](mailto:frederikke.a.linde@dsv.com)