6 February 2014

2013 ANNUAL REPORT
Company Announcement No. 525

"Closing the year with strong results, we are satisfied with our performance in 2013. Overall, we met the expectations announced in the beginning of the year despite low growth and fierce competition in the market. We are confident that 2014 will offer growth, however we are also prepared for difficult market conditions. The agenda for 2014 is clear: productivity and cost management, value-adding acquisitions and – most importantly – customer focus", says Jens Bjørn Andersen, CEO.

Selected financial data for the 2013 financial statements (1 January - 31 December 2013)

(DKKm)	2013	2012	Q4 2013	Q4 2012
Net revenue	45,710	44,912	11,857	11,408
Gross profit	10,005	10,054	2,526	2,512
Operating profit before special items	2,552	2.540	672	607
Operating margin	*5.6%*	*5.7%*	*5.7%*	*5.3%*
Conversion ratio	*25.5%*	*25.3%*	*26.6%*	*24.2%*
Adjusted earnings	1,788	1,745		
Adjusted free cash flow	1,754	1,509		
Diluted adjusted earnings per share DKK	10.05	9.48		
Proposed dividend per share DKK	1.50	1.25		

A separate company announcement about the launch of a share buyback programme of DKK 200 million will be issued today.

Outlook for 2014

- 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 are expected to constitute an expense of DKK 200 - 300 million
- Net financial expenses are expected to approximate DKK 300 million
- The effective tax rate of the Group is expected to be close to 26%
- The free cash flow, before any acquisition or disposal of entities, is expected to be in the range of DKK 1,600 million

Investor teleconference
DSV will host an investor teleconference on 6 February 2014 at 2.00 p.m. CET. Reference is made to Company Announcement No. 524 for further details.

Inquiries relating to the Annual Report
Questions made be addressed to Jens Bjørn Andersen, CEO, tel. +45 43 20 30 40, or Jens H. Lund, CFO, tel. +45 43 20 30 40.

This announcement has been forwarded to NASDAQ OMX Copenhagen and to the press. It is also available 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

Jens Bjørn Andersen — CEO

Jens H. Lund — CFO

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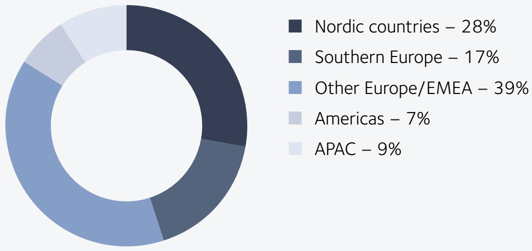
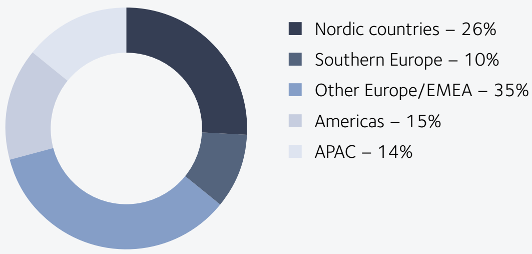
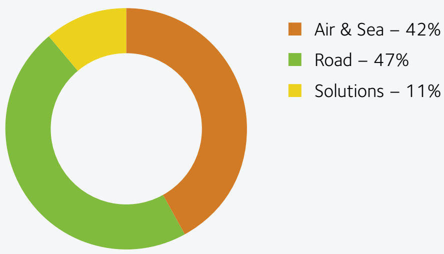
NET REVENUE – BY REGION



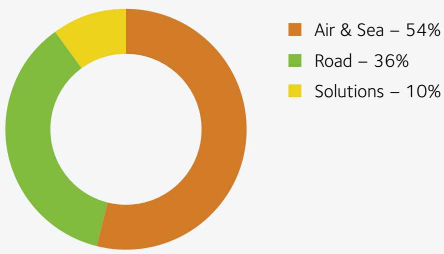
EBIT BEFORE SPECIAL ITEMS – BY REGION



NET REVENUE BY DIVISION



EBIT BEFORE SPECIAL ITEMS BY DIVISION



FINANCIAL HIGHLIGHTS*

	2009	2010	2011	2012	2013
Income statement (DKKm)					
Net revenue	36,085	42,562	43,710	44,912	45,710
Gross profit	8,898	9,320	9,819	10,054	10,005
Operating profit before amortisation, depreciation and special items	2,239	2,721	2,975	3,074	3,052
Operating profit before special items	1,703	2,202	2,426	2,540	2,552
Special items, net	(688)	(5)	-	(275)	(129)
Net financial expenses	555	537	431	246	298
Profit for the year	191	1,194	1,449	1,430	1,571
Adjusted earnings	799	1,290	1,546	1,745	1,788
Balance sheet (DKKm)					
DSV A/S shareholders' share of equity	5,501	6,549	5,279	5,348	6,218
Non-controlling interests	29	36	30	37	30
Balance sheet total	22,180	23,085	22,734	22,794	23,100
Net working capital	135	70	1	307	561
Net interest-bearing debt	6,890	5,872	6,585	6,561	5,949
Invested capital including goodwill and customer relationships	13,100	13,046	12,030	11,953	12,281
Gross investment in property, plant and equipment	488	334	576	453	246
Cash flows (DKKm)					
Operating activities	1,702	1,663	1,863	1,651	1,775
Investing activities	(486)	(151)	(34)	(249)	(348)
Free cash flow	1,216	1,512	1,829	1,402	1,427
Adjusted free cash flow	1,257	1,566	1,894	1,509	1,754
Financing activities (excluding dividends distributed)	(1,373)	(1,346)	(1,712)	(912)	(1,152)
Dividends distributed	-	(52)	(105)	(190)	(235)
Cash flow for the year	(157)	114	12	300	40
Financial ratios (%)					
Gross margin	24.7	21.9	22.5	22.4	21.9
Operating profit margin	4.7	5.2	5.6	5.7	5.6
Conversion ratio	19.1	23.6	24.7	25.3	25.5
Effective tax rate	58.5	28.1	27.4	29.2	26.1
ROIC before tax including goodwill and customer relationships	12.9	16.8	19.7	21.2	21.1
ROIC before tax excluding goodwill and customer relationships	35.8	53.2	62.5	71.1	72.0
Return on equity	4.0	19.7	24.3	26.9	27.3
Solvency ratio	24.8	28.4	23.2	23.5	26.9
Gearing ratio	3.1	2.2	2.2	2.1	1.9
Share ratios					
Earnings per share of DKK 1	0.93	5.68	7.34	7.81	8.91
Diluted adjusted earnings per share of DKK 1	3.93	6.16	7.82	9.48	10.05
Share price at year end (DKK)	94.00	123.30	103.00	145.70	177.80
Proposed dividend per share	0.25	0.50	1.00	1.25	1.50
Staff					
Number of full time employees at year end	21,280	21,300	21,678	21,932	22,021

*) For a definition of the financial highlights, see page 65.

DSV – at a glance

The DSV Group
DSV is a global supplier of transport and logistics solutions. The Group has approx. 22,000 employees worldwide. With own operations in 75 countries and agents and partners across the world we have global coverage.

We have an asset light business model. The actual transport operations are outsourced and we do not own any ships or planes and only a limited number of trucks and trailers.

Measured by revenue DSV ranks as number six among the world's largest freight forwarders and our network has mainly been created through a number of acquisitions during the past 15 years.

DSV is listed on NASDAQ OMX Copenhagen and the DSV share is among the 20 most traded shares on the Copenhagen stock exchange. No shareholder owns more than 5% of the share capital.

The three DSV Divisions together offer a complete range of transport and logistics solutions. In addition to physical transportation services we offer various related services, such as handling of freight documents, customs clearance, cargo insurance, warehousing and distribution.

Operational transport and logistics expertise is the key to success. And the same applies to efficient customer service. Our services are therefore tailored to the needs of each customer – across the globe.

DSV Air & Sea
The Air & Sea Division organises transports of cargo by air and sea. The Division offers conventional and industry-specific services through its global network supplemented by a Project Department, which handles exceptionally large and complex projects. Our approx. 6,300 employees handled 772,000 TEUs sea freight and 259,000 tonnes air freight in 2013.

DSV Road
With around 9,400 employees DSV Road is among the top three road freight forwarders in Europe, offering a complete European network. But there is more to DSV Road than road freight. Transport solutions combining road and rail transport are becoming an increasingly important part of our services. The Division offers transportation of full, part and groupage loads as well as temperature-controlled transport and other specialised services. With approx. 17,000 trucks on the roads every day and more than 200 terminals we deliver efficient, flexible and environmentally friendly transport solutions throughout Europe.

DSV Solutions
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. We provide our customers with a competitive edge by developing, optimising and implementing efficient solutions covering the entire supply chain. We employ approx. 5,800 employees and cover Europe, Asia and America.

Corporate social responsibility
Corporate social responsibility, CSR, is an integral aspect of the DSV Group's operations. As a global freight forwarder we acknowledge that our services affect the environment and society and that our CSR policy is therefore important to our customers. That is why DSV focuses on reducing carbon emissions from our transport activities and wants to take part in the efforts to create a transparent and fair market.

THE DSV BUSINESS MODEL

DSV

Net revenue
+1.8% to DKK 45,710 million

Gross profit
-0.5% to DKK 10,005 million

Conversion ratio
25.5% (2012: 25.3%)

Operating profit before special items
+0.5% to DKK 2,552 million

ROIC
21.1% (2012: 21.2%)

Earnings per share
+14.1% to DKK 8.91

NIBD
-9.3% to DKK 5,949 million

Adjusted free cash flow
+16.2% to DKK 1,754 million

Air & Sea

Net revenue
+1.7% to DKK 20,195 million

Gross profit
+0.7% to DKK 4,298 million

Conversion ratio
32.4% (2012: 33.1%)

Operating profit before special items
-1.4% to DKK 1,392 million

ROIC
21.4% (2012: 22.3%)

Air freight volumes
0%, while the market grew by 1-2%

Sea freight volumes
+6% while the market grew by 2-3%

Road

Net revenue
+2.0% to DKK 23,117 million

Gross profit
-1.1% to DKK 4,299 million

Conversion ratio
21.9% (2012: 21.5%)

Operating profit before special items
+1.0% to DKK 942 million

ROIC
25.1% (2012: 24.8%)

Number of consignments
+4% while the market remained unchanged

Solutions

Net revenue
+5.6% to DKK 5,470 million

Gross profit
-2.0% to DKK 1,409 million

Conversion ratio
18.2% (2012: 17.4%)

Operating profit before special items
+2.4% to DKK 256 million

ROIC
15.1% (2012: 13.6%)

Number of order lines
+4% while the market remained unchanged

Financial data for Q4 2013 are presented on p. 70.

STATUS ON FULL-YEAR OUTLOOK PREVIOUSLY ANNOUNCED

(DKKm)	2013 Outlook	2013 Realised	2014 Outlook
Gross profit	10,100-10,500	10,005 ●	10,100-10,500
Operating profit before special items	2,550-2,750	2,552 ●	2,500-2,700
Net financials	(300)	(298) ●	(300)
Effective tax rate	26%	26% ●	26%
Free cash flow*	1,750	1,754 ●	1,600

* Expected free cash flow adjusted for acquisition and divestment of subsidiaries.

In a market of low growth and fierce competition DSV reported lower than expected gross profit for 2013. On this basis we are pleased that the Group delivered an operating profit before special items and cash flows consistent with expectations.

ACQUISITIONS IN 2013

DSV made four acquisitions in 2013. The integration of the companies is proceeding as planned.

	Annual revenue (DKKm)	Area	Division (primary)
Seatainers	1,000	Denmark/ global	Air & Sea
Airmar Cargo	45	Colombia	Air & Sea
Ontime Logistics	600	Scandinavia	Road
SBS Worldwide	450	UK/USA	Air & Sea

Customers at the centre

DSV delivered results on all parameters and created value for our shareholders in 2013, which turned out to be yet another challenging year.

Our customers

We have a large number of different customers in DSV ranging from small to very large multinationals. They are all very welcome in DSV! Customers are the cornerstone of DSV, and we want to grow and develop with our customers – large and small. Our aim is to service the needs of all types of customers and we have organised our business to meet the needs of both the customer with one single shipment from Barcelona to Paris and the customer requiring more complex services covering multiple countries and transport modes.

High-quality services

During the year we have enlarged our network and announced new services in order for us to meet the increased demands for high-quality supply chain solutions. We listen to our customers and understand that their needs rapidly change. Consequently, we have to be proactive and deliver constant improvements, always supported by strong IT infrastructure. I am adamant that the transport and logistics companies which succeed in reinventing their services will be the future winners of our industry. In 2014 we will continue to make DSV's services even more attractive for both new and existing customers.

2013 in brief

The global economy got off to a slow start but gradually improved during the year, and as the situation around the European debt crisis slowly improved volume growth started to materialise. As a consequence, the beginning of the year showed a negative variance to the previous year, but ended with a strong Q4 which outperformed Q4 2012. The three divisions have all shown satisfactory results in the past year with the Road and Solutions Divisions improving their performance compared to the previous year, and the Air & Sea Division very close to the performance of 2012. All three divisions have worked well together under the theme "One DSV", and I would like to thank each and every employee for their hard work and dedication during 2013.

Jens Bjørn Andersen
CEO
DSV A/S

Tough markets and streamlining initiatives

DSV has a clear strategy of growing faster than the market, and it is satisfactory to conclude that we were successful in achieving this goal in most areas. We handled more shipments in 2013, but a fragmented and very competitive market impacted negatively on our gross profit per shipment. This development made the continued optimisation of business processes and systems even more important in 2013. Some tasks are best handled locally, whereas we can achieve higher quality and productivity levels by gathering a number of processes in regional and central shared service centres. During the past year we have established an international shared service centre in Warsaw, Poland, and it is our ambition to continue this development in the years to come.

"...Customers are the cornerstone of DSV, and we want to grow and develop with our customers – large and small

Operational Excellence 2.0

DSV is already among the most efficient freight forwarders, but we believe that we can work smarter and make DSV even stronger. To support this transition we intend to initiate a programme called "Operational Excellence 2.0". It builds on the initiatives we started in 2012 and will enable us to manage the business even more efficiently in future. The programme will be initiated in 2014, and we expect to see the benefits of this investment during the second half of 2014 and the full-year impact in 2015.

M&A and capital allocation

Acquisitions have been high on the agenda at DSV in 2013. We have managed to strengthen our network by acquiring companies which will add value to all three divisions of DSV. All our acquisitions this year – Seatainers, Ontime Logistics, SBS Worldwide and Airmar Cargo – have progressed as planned. Growth through value creating acquisitions remains a very important element of our growth strategy and we expect that acquisitions will supplement the organic growth plans of DSV also in 2014.

A transparent and reliable capital allocation policy is imperative to DSV. While part of the cash flow in 2013 has been allocated to M&A, we are satisfied that it has been possible for us to continue our share buyback programme and increase dividend payments.

Employees

Loyal, dedicated and experienced employees are critical to our company and they are truly our greatest asset. Employee turnover at DSV has dropped, which is very good news. With the clear aim to attract and retain the best employees in our industry we will continue to invest in relevant training programmes, efficient IT systems and other initiatives which support a good working environment.

CSR

CSR is integrated in our activities. Responsible behaviour and a good reputation are a prerequisite for maintaining our position as a strong player in the global transport market.

Our customers are increasingly requiring reporting on and reduction of their carbon impact on the environment. We work closely together with our customers and this area has become an integral part of our service offerings to customers. In 2010 we set a target of a 15% reduction in carbon emissions per consignment before 2015. It is a pleasure to note that we have reduced emissions in 2013 and that we are therefore close to reaching the target. We have an obligation towards future generations to care about the environment, and a constant reduction of our environmental footprint is high on the agenda at DSV. As an asset light freight forwarder we depend to a large extent on the work of subcontractors, and we have therefore rolled out our Supplier Code of Conduct to a large number of suppliers. This is an important step in ensuring uniform service offerings and high compliance standards for our customers.

Outlook for 2014

Most economists point to increased growth in the world economy in 2014 and, consequently, freight volumes are expected to grow. We are also – cautiously – optimistic about growth rates, but forecasts are obviously uncertain.

We have a clear goal of gaining market share in 2014 through high-quality service offerings to existing and new customers. We expect fierce competition in the market, but with possible future acquisitions and a continued focus on strict cost control the way should be paved for satisfactory results in 2014.

I would like to take this opportunity to thank all customers, shareholders, suppliers and employees for a good – and hectic – 2013. I look forward to a continued good cooperation!

Strategy and financial targets

We want to strengthen DSV's position among the world's leading transport and logistics companies, and we have therefore continued our efforts in 2013 to strengthen our strategic foundation.

The transport and logistics market

OUR SERVICES

As a global freight forwarding company we offer transport and logistics solutions to our customers based on an asset light business model, i.e. we do not own the transport equipment. This means that the actual transport operations are performed by external hauliers, shipping companies and airlines.

In addition to physical transportation services, our customers also demand various related services, such as handling of freight documents, customs clearance, cargo insurance, warehousing and distribution.

COMPETITORS

The transport and logistics market is fragmented with a number of large, global players and many small, local freight forwarding companies. Even the major, global players control relatively modest market shares and the world's 10 largest players are estimated to have an aggregate market share of approx. 35%. The estimated market share of DSV is 2.1%, and measured by revenue (2012) DSV ranks as number six among the world's largest freight forwarders.

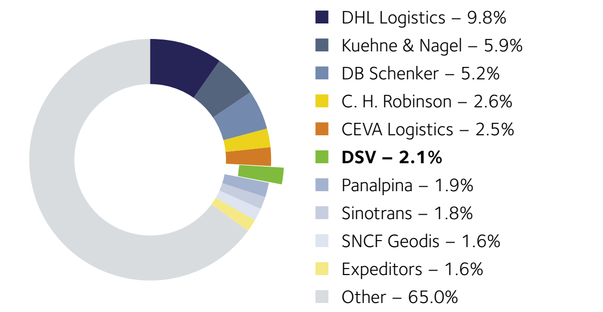
FREIGHT VOLUME DEVELOPMENT

Freight volumes are cyclical and sensitive to the global economic development. Over the last 20 years the average annual growth in freight volumes has been two to three times higher than global economic growth, partly driven by outsourcing of production activities to the Far East and the increasingly complex supply chains of the manufacturing companies.

The production outsourcing trend is estimated to have peaked, particularly in Europe and North America, and in the coming years the gap between freight volume growth figures and the underlying economic growth figures is expected to narrow. However, we expect that efficient logistics solutions will still be in high demand in future and that the global manufacturing industry will be characterised by complex supply chains with different components being manufactured in different parts of the world.

We also expect that increasing prosperity, e.g., in Asia and South America, and in the longer term also in Africa, will provide a basis for continued freight volume growth.

MARKET SHARES



Source: Journal of Commerce, based on 2012 revenue

INCREASING OUTSOURCING OF TRANSPORT AND LOGISTICS SERVICES

There is a growing desire among enterprises to reduce their overall logistics costs and a decreasing number consider transport and logistics operations as part their core competencies. This provides a basis for more outsourcing, thereby boosting the growth of transport and logistics providers relative to the underlying freight volume growth. We see increased outsourcing as the most likely scenario in the coming years. However, companies may also for various reasons want to insource transport and logistics functions that have previously been handled by external freight forwarders.

THE LARGE BECOME LARGER

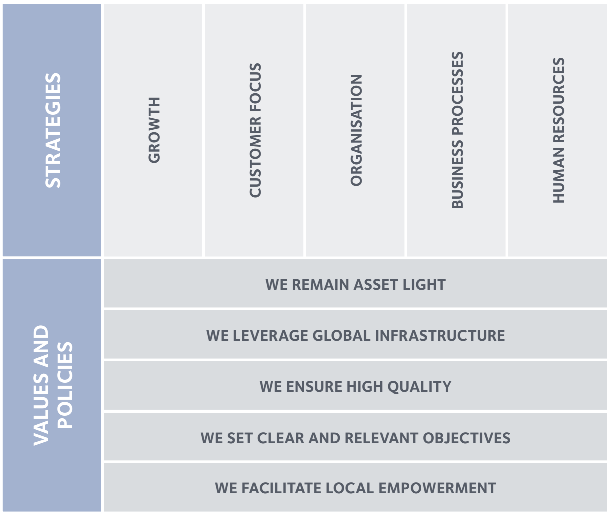
For a number of years, the largest transport and logistics providers have reported higher growth rates than the small players due to economies of scale and strong global networks.

This trend is expected to continue and lead to further consolidation in the industry.

Five key strategies

We focus on five key strategies to support the continued development of the Group. The strategies build on a set of fundamental values and policies.

KEY STRATEGIES



GROWTH

As a world leader in its field DSV must grow its market share over time. Management aims to achieve organic growth above the market growth rate in the markets in which the Group operates through targeted sales efforts and a strong service portfolio. In addition to organic growth, DSV aims to create growth through business acquisitions which can add further economies of scale and strengthen the Company's global network. We have a positive track record when it comes to the efficient and successful integration of acquirees. Management intends to make use of this capability also in future. The primary acquisition targets are air and sea freight providers which can strengthen the overall market position of the Air & Sea Division and increase the exposure in markets outside of Europe, but also bolt-on acquisitions in DSV Road and DSV Solutions.

CUSTOMER FOCUS

Only by continuously offering high-quality services on competitive terms can we add value to our customers' supply chains, and we therefore have constant focus on optimising the Group's service offerings.

The customer segment of small and medium-sized enterprises is a strong vertical of DSV, and we aim to expand our market share in this segment. This objective is supported by targeted local sales efforts in the individual countries and a continued focus on optimisation and adaptation of products and services.

In addition, DSV Global Accounts works closely together with the local business units with the aim to increase our market share among large, global customers. These customers in particular demand transport and logistics services that are tailored to their business. Against this background, Management has decided to target the Company's sales efforts at a number of industries where we have great expertise. The relevant industries include automotive, healthcare, aviation, consumer products and the energy sector.

ORGANISATION

Our corporate structure builds on the three Divisions, supported by strong Group functions, and is characterised by a flat, decentralised organisational structure.

The individual national managements are responsible for their respective operating activities and administration according to the guidelines communicated by Division and Group Managements.

The decentralised structure provides room for manoeuvring while taking account of local market conditions, culture and language. The national managements are close to the local customers and able to quickly make decisions when necessary.

Group Management determines the overall strategy and ensures alignment across the Divisions and execution of business development and streamlining plans to generate the highest possible profit for the Group. The central Group function is in charge of the shared service functions, comprising Global Accounts, IT, Group Procurement, Finance, Compliance, Sales & Marketing, etc. The shared service functions have grown considerably in recent years and are expected to continue this trend in relevant areas in the coming years.

BUSINESS PROCESSES

Effective and efficient business processes are essential to satisfactory earnings in a competitive market characterised by low margins. The continued development and optimisation of business processes are therefore a vital element and we have established central functions to ensure that we make optimum use of the existing and efficient processes across the organisation and in each Division.

Our business processes are highly dependent on IT technology and it is crucial that IT platforms support the day-to-day operations in the best possible way. It is of great importance to Management that the development and implementation of IT systems are defined by the Group's operations, and this is a high focus area of the Group. IT systems are also a pivotal element of our services to customers, and it is therefore crucial that the systems are reliable and meet our customer's requirements.

EMPLOYEES AND HUMAN RESOURCE POLICY

The freight forwarding and logistics industry is highly dependent on human resources. At the same time it is also an industry which poses increasing demands on employees in terms of productivity improvements and readiness for change.

It is imperative for the Group to be able to attract and retain talented employees and managers. Human resources is an area of increasing focus at DSV, and we have a clear goal of motivating our employees and offering them competency development opportunities.

We have offices in 75 countries with different labour market rules and different cultures. It is important for our

Company to offer attractive terms and a good working environment in all countries.

Relevant training programmes within sales, management and IT is an important tool in providing competency development and ensuring high motivation among employees. The training programmes are conducted locally and to an increasing extent also by central Group functions.

Long-term financial targets

The strategic objectives of the Group are translated into the following targets for freight volume growth and financial ratios:

FREIGHT VOLUME GROWTH

DSV aims to gain market share in all markets of the Group. The Air & Sea Division is measured against the global markets, whereas Road and Solutions are measured against the European market.

EARNINGS MARGINS AND ROIC

DSV	Target	Actual 2013
Operating margin	7%	5.6%
Conversion ratio	30%	25.5%
ROIC (%)	25%	21.1%

Air & Sea	Target	Actual 2013
Operating margin	7-8%	6.9%
Conversion ratio	35%	32.4%
ROIC (%)	25%	21.4%

Road	Target	Actual 2013
Operating margin	5%	4.1%
Conversion ratio	25%	21.9%
ROIC (%)	25%	25.1%

Solutions	Target	Actual 2013
Operating margin	7%	4.7%
Conversion ratio	25%	18.2%
ROIC (%)	20%	15.1%

The targets are based on the assumption of a stable economic environment in Europe and globally during the period and average annual market growth of at least 2%.

Management expects that the targets set are achievable within a five-year time frame (from 2013). This timeframe is one or two years longer than previously expected, the main reason being that overall freight volumes were lower than expected in both 2012 and 2013.

Other targets are unchanged from the last annual report of the Company.

CAPITAL STRUCTURE

The targets set for the capital structure are:

- Sufficient financial flexibility to meet the strategic objectives
- A solid financing structure to increase the return on invested capital

The financial gearing ratio, i.e. net interest-bearing debt to EBITDA before special items, was 1.9 at 31 December 2013. Borrowed funds is an important part of the overall financing of the Group, and our target for the ratio of net interest-bearing debt to EBITDA before special items is approx. 2.0. The previous target was "below 2.0 x EBITDA before special items", but this adjustment specifies that we want a financial gearing ratio of approx. 2.0.

The Group's net interest-bearing debt to EBITDA ratio may exceed 2.0 in extraordinary periods due to acquisitions. As part of our efforts to achieve the capital structure targets the long-term loan commitments of the Group are constantly monitored to maintain an adequate duration and mix of bank loans and corporate bonds. At 31 December 2013 the average duration was 4.2 years.

CAPITAL ALLOCATION AND DIVIDEND POLICY

The Group aims to spend free cash flow as follows:

1. Repayment of net interest-bearing debt in periods when the financial gearing ratio of the Group is above the capital structure target.
2. Value-adding investments in the form of acquisitions or development of the existing business.
3. Distribution to the Company's shareholders by means of share buybacks in preparation for capital reduction and dividends.

Seasonality and individual transactions may lead to fluctuations in the free cash flow from quarter to quarter. Management continuously monitors that the realised and expected capital structure of the Group satisfy the targets set. Any adjustments of the capital structure are determined in connection with the release of financial reports and are made primarily by means of share buybacks.

Proposed dividends for 2013 amount to DKK 1.50 per share, corresponding to a 20% increase compared to 2012. We aim to ensure that, going forward, the dividend per share develops in line with the consolidated earnings per share.

Financial review

DSV achieved satisfactory financial results for 2013 in line with the outlook previously announced. We achieved volume growth in most markets, but in an environment of fierce competition which caused earnings per shipment to decline.

Profit for the year

NET REVENUE

Consolidated net revenue was up 1.8% and totalled DKK 45,710 million for 2013. Acquisitions contributed growth of 3.0%.

NET REVENUE 2013 VERSUS 2012

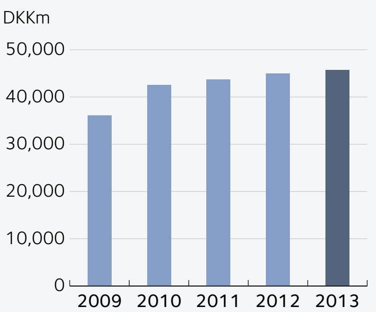
	Growth	DKKm
Net revenue 2012		44,912
Currency translation adjustments	(1.2%)	(554)
Acquisition and divestment of enterprises, net	3.0%	1,363
Organic growth	-	(11)
Net revenue 2013	1.8%	45,710

The Group's sea and road freight volumes and order lines increased in 2013, but average price per shipment dropped as a result of fierce competition and a change in product mix.

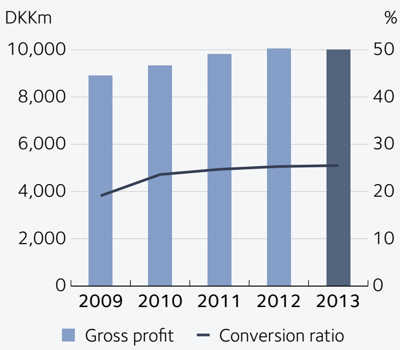
Exchange rate fluctuations impacted negatively on revenue by DKK 554 million, most notably in Air & Sea.

Jens H. Lund
CFO
DSV A/S

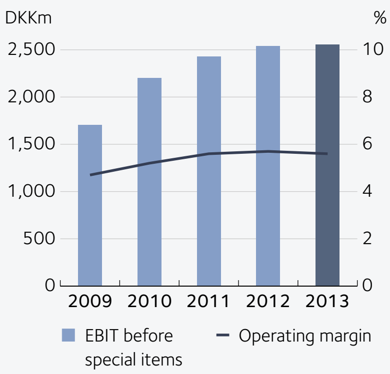
NET REVENUE



GROSS PROFIT



EBIT BEFORE SPECIAL ITEMS



> Diluted adjusted earnings per share grew by 6% on 2012 as a result of the higher adjusted profit and the lower number of outstanding shares

GROSS PROFIT

Consolidated gross profit dropped 0.5% and amounted to DKK 10,005 million for 2013. Acquisitions contributed growth of 1.9% while organic growth was a negative 0.7% causing the gross margin to drop to 21.9% from 22.4% in 2012.

GROSS PROFIT 2013 VERSUS 2012

	Growth	DKKm
Gross profit 2012		10,054
Currency translation adjustments	(1.7%)	(170)
Acquisition and divestment of enterprises, net	1.9%	188
Organic growth	(0.7%)	(67)
Gross profit 2013	(0.5%)	10,005

As a result of the fierce price competition average earnings per shipment declined in most markets of the Group with a negative effect on consolidated gross profit. This situation impacted on Road and Solutions in particular.

Exchange rate fluctuations also impacted negatively on gross profit by DKK 170 million. This mainly affected the Air & Sea Division.

OPERATING PROFIT BEFORE SPECIAL ITEMS

Consolidated operating profit before special items was DKK 2,552 million for 2013 against DKK 2,540 million for 2012. The organic growth was 1.6%.

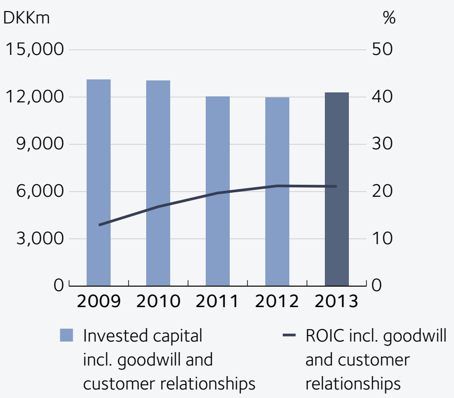
EBIT BEFORE SPECIAL ITEMS 2013 VERSUS 2012

	Growth	DKKm
EBIT before special items 2012		2,540
Currency translation adjustments	(1,4%)	(36)
Acquisition and divestment of enterprises, net	0,3%	8
Organic growth	1,6%	40
EBIT before special items 2013	0,5%	2,552

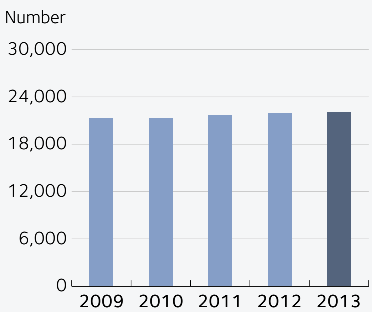
EBIT before special items was affected by a decline in gross profit of DKK 49 million, while total overheads dropped by 0.8% or DKK 61 million. Furthermore, exchange rate fluctuations impacted negatively by DKK 36 million, most notably in the Air & Sea Division.

Staff costs (excluding production staff) increased by 1.6% and totalled DKK 4,943 million for 2013. The increase was mainly due to acquisitions, whereas improved productivity resulted in a decrease in wages and salaries in most of the existing business.

ROIC AND INVESTED CAPITAL INCLUDING GOODWILL AND CUSTOMER RELATIONSHIPS



NUMBER OF EMPLOYEES



Other external expenses dropped 5.0%, totalling DKK 2,010 million for 2013. The significant reduction was partly a result of the reorganisations made in 2012 (project Operational Excellence) which more than compensated for the high costs related to acquisitions.

Amortisation, depreciation and impairment losses were down DKK 34 million on 2012. This was mainly due to gains from the sale of properties and lower amortisation and depreciation costs.

The conversion ratio for the Group was 25.5% for 2013, up from 25.3% in 2012. The operating margin was 5.6% for 2013 against 5.7% for 2012.

Adjusted for non-cash items relating to amortisation of customer relationships and costs of share-based payments, consolidated adjusted EBIT before special items grew by DKK 15 million to DKK 2,704 million for 2013 against DKK 2,689 million for 2012.

SPECIAL ITEMS, NET

Special items amounted to DKK 129 million for 2013 and related mainly to restructuring costs in connection with the acquisition and disposal of companies and activities.

TAX ON PROFIT FOR THE YEAR

The effective tax rate was 26.1% for 2013, which was in line with disclosed expectations and a decrease compared to 2012 when the effective tax rate was exceptionally high at 29.2%.

DILUTED ADJUSTED EARNINGS PER SHARE

Diluted adjusted earnings per share came to DKK 10.05 for 2013 compared to DKK 9.48 for 2012, corresponding to an increase of 6.0%.

(DKKm)	2013	2012
Profit for the year	1,571	1,430
Non-controlling interests' share of consolidated profit for the year	(6)	3
DSV A/S shareholders' share of profit for the year	1,577	1,427
Amortisation of customer relationships	113	109
Share-based payments	39	40
Special items, net	129	275
Related tax effect	(70)	(106)
Adjusted profit for the year	1,788	1,745
Diluted average number of shares in circulation ('000)	177,876	183,971
Diluted adjusted earnings per share of 1 DKK	10.05	9.48

The increase was due to the higher adjusted profit and the lower number of outstanding shares as a result of the share buybacks made.

Cash flow statement

WORKING CAPITAL

The Group's funds tied up in net working capital came to DKK 561 million at 31 December 2013 against DKK 307 million at 31 December 2012. Working capital was affected by the recent acquisitions as well as an increasing pressure regarding payment terms and customer payment behaviour. Working capital increased mainly in Air & Sea.

Working capital as a percentage of revenue was 1.2% against 0.7% for 2012.

CASH FLOW FROM OPERATING ACTIVITIES

Cash flow from operating activities was DKK 1,775 million for 2013 against DKK 1,651 million for 2012. The increase was mainly due to the exceptionally large tax payments in 2012. In both 2012 and 2013 cash flow from operating activities was also negatively affected by the increase in net working capital and payments relating to previous years' provisions for restructuring, etc.

FREE CASH FLOW

The free cash flow came to DKK 1,427 million for 2013 against DKK 1,402 million for 2012. The effect of acquisitions of subsidiaries and activities increased to DKK 269 million against DKK 106 million in 2012.

Net investments in property, plant and equipment totalled DKK 89 million for the year against DKK 174 million for 2012. Property, plant and equipment investments mainly related to computer software and other operating equipment.

CASH FLOW STATEMENT

(DKKm)	2013	2012
Profit before tax	3,052	3,074
Change in net working capital	(217)	(196)
Adjustment, non-cash operating items	(135)	62
Adjustment, other operating items	(925)	(1,289)
Cash flow from operating activities	1,775	1,651
Purchase and sale of intangibles, property, plant and equipment	(89)	(174)
Net acquisition of subsidiaries and activities	(269)	(94)
Other	10	19
Cash flow from investing activities	(348)	(249)
Free cash flow	1,427	1,402
Proceeds from and repayment of short-term and long-term debt	(576)	138
Allocated to shareholders	(935)	(1,493)
Exercised under share option scheme	162	219
Other transactions with shareholders	(38)	34
Cash flow from financing activities	(1,387)	(1,102)
Net change in cash and cash equivalents	40	300
Adjusted free cash flow	1,754	1,509

ADJUSTED FREE CASH FLOW AND CAPITAL ALLOCATION

Adjusted for the acquisition and disposal of subsidiaries and activities and normalisation of the working capital of acquirees, adjusted free cash flow amounted to DKK 1,754 million in 2013 against DKK 1,509 million in 2012 and was in line with the expectations announced.

In accordance with the capital allocation policy consolidated cash flows for 2013 were spent as follows:

- Distribution to the Company's shareholders through share buybacks (DKK 700 million) and dividend payments (DKK 235 million).
- Acquisitions (DKK 269 million).
- Reduction of interest-bearing debt to maintain the financial gearing ratio in line with the Group's target (DKK 612 million).

Capital structure and finances

EQUITY

The equity interest of DSV shareholders came to DKK 6,218 million at 31 December 2013, corresponding to a solvency ratio of 26.9%. The equity interest of DSV shareholders came to DKK 5,348 million at 31 December 2012, corresponding to a solvency ratio of 23.5%. Equity was mainly affected by the profit for the year, share buybacks and distribution of dividends.

DEVELOPMENT IN EQUITY

(DKKm)	2013	2012
Equity at 1 January	5,348	5,279
Net profit for the period	1,577	1,427
Dividends distributed	(235)	(190)
Purchase of treasury shares	(700)	(1,303)
Sale of treasury shares	162	219
Actuarial gains/losses on pension plans	16	(115)
Adjustments relating to hedging instruments	89	(24)
Tax on changes in equity	(26)	54
Other adjustments, net	(13)	1
Equity at 31 December	6,218	5,348

NET INTEREST-BEARING DEBT

Net interest-bearing debt amounted to DKK 5,949 million at 31 December 2013 against DKK 6,561 million at 31 December 2012. The financial gearing ratio (net interest-bearing to EBITDA before special items) was 1.9 at year end 2013. At year end 2012 the financial gearing ratio was 2.1.

Loans and credit facilities amounted to DKK 6,339 million of total net interest-bearing debt, DKK 5,807 million of which was long-term debt.

In June 2013 DSV issued DKK 1 billion worth of 7-year bonds with a coupon of 3.5% p.a. The bonds are listed on NASDAQ OMX Copenhagen. Since then we have issued corporate bonds totalling DKK 1.75 billion and thereby further diversified the Company's financing structure.

Undrawn loan and credit facilities amounted to DKK 1,791 million at 31 December 2013. At 31 December 2013 the total duration of the Group's long-term loan commitments was 4.2 years (2012: 3.7 years).

FINANCIALS

Financial income and expenses developed as expected in 2013 and constituted a net expense of DKK 298 million against DKK 246 million for 2012. In 2012 financials were exceptionally low.

In 2013 the average interest rate payable for the Group's long-term loans and credit facilities including the effect of interest rate swaps was 2.8% against 2.6% in 2012.

INVESTED CAPITAL INCLUDING GOODWILL AND CUSTOMER RELATIONSHIPS

The invested capital including goodwill and customer relationships amounted to DKK 12,281 million at 31 December 2013 against DKK 11,953 million at 31 December 2012. The increase was mainly attributable to acquisitions.

RETURN ON INVESTED CAPITAL (ROIC BEFORE TAX INCLUDING GOODWILL AND CUSTOMER RELATIONSHIPS)

Return on invested capital was 21.1% in 2013 against 21.2% in 2012. The low ratio was mainly due to an increase in average invested capital.

OUTLOOK FOR 2014

(DKKm)	Results 2013	Outlook 2014	Growth (%)
Gross profit	10,005	10,100-10,500	1-5%
Operating profit before special items	2,552	2,500-2,700	(2)-6%
Net financial expenses	(298)	(300)	
Effective tax rate	26%	26%	
Free cash flow*	1,754	1,600	

*) Expected free cash flow adjusted for acquisition and divestment of subsidiaries.

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	Growth 3-5%
Air	Growth 1-3%
Road	Growth 1-2%
Solutions	Growth 1-2%

The consolidated performance forecast measured in Danish kroner (DKK) is based on the average exchange rates listed below:

EXCHANGE RATES USED FOR THE FORECAST 2014

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

The separate divisional reviews provide additional information on expected market developments.

OPERATIONAL EXCELLENCE 2.0

Project Operational Excellence 1.0, which was implemented in 2012, resulted in an annual reduction of overheads of approx. DKK 120 million.

In a market still characterised by low growth and fierce competition, efficient business processes are crucial to maintain the competitive position of the Group.

With the aim to further reduce overheads by 2% (DKK 150 million) per year we plan to invest in a number of streamlining and cost-saving initiatives in 2014.

The investments will relate to the establishment of our international Shared Service Centre in Poland and various other initiatives on both group and local level.

The investment programme is expected to give rise to a non-recurring expense of DKK 200-300 million that will be reported as special items for 2014.

We expect to realise approx. one-third of the total synergies in 2014 and to see the full effect of the initiatives in 2015.

FORWARD-LOOKING STATEMENTS

This Annual Report includes forward-looking statements on various matters, such as expected earnings and future strategies and expansion plans. Such statements are uncertain and involve various risks because many factors, some of which are beyond DSV's control, may result in actual developments differing considerably from the expectations set out in the Annual Report.

Such factors include, but are not limited to, general economic and business conditions, exchange rate and interest rate fluctuations, the demand for DSV's services, competition in the transport sector, operational problems in one or more of the Group's subsidiaries and uncertainty in connection with the acquisition and divestment of enterprises.

DSV Air & Sea

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 has approx. 6,300 employees.

Market development in 2013

The global air and sea freight market was characterised by weak growth throughout most of 2013. Market growth rates were weak in the first six months of the year in particular, but showed signs of improvement towards the end of the year.

Global sea freight volumes measured in number of containers (TEUs) grew by 2-3% in 2013. The Division reported 6% growth in sea freight volumes for 2013 and has thus gained market share. The sea freight volume growth was achieved in our existing Asia-Europe and Europe-North America routes, but the Division also reported growth in the Trans-Pacific trade lanes and routes related to the growth markets in Asia, Africa and South America. Acquirees attributed approx. 3% to the growth for 2013.

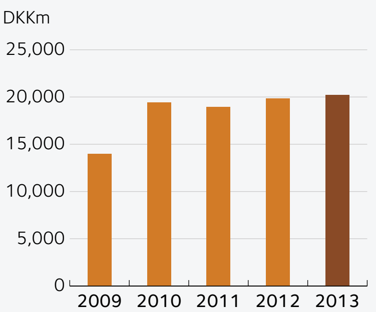
GROWTH IN FREIGHT VOLUMES

	2013 DSV	2013 Market
Sea freight - TEUs	6%	2-3%
Air freight - tonnes	0%	1-2%

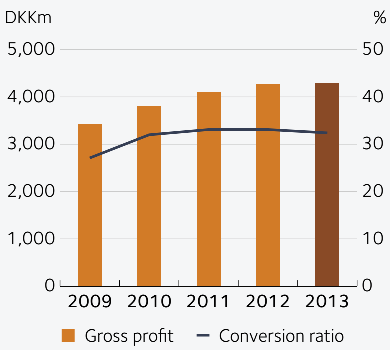
Market growth rates are based on own estimates.

Jørgen Møller
Managing Director
Air & Sea Division

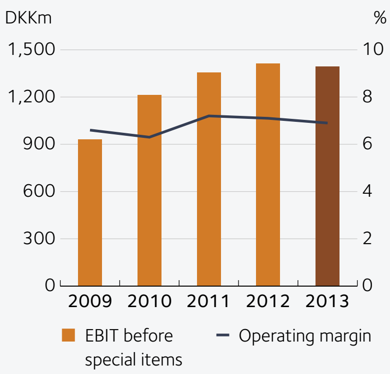
NET REVENUE



GROSS PROFIT



EBIT BEFORE SPECIAL ITEMS



"The implementation of our global IT platform was more or less completed at year end 2013

The global air freight market declined in the beginning of 2013, but towards the end of the year growth rates picked up resulting in an average market growth rate of 1-2%. The air freight volumes reported by the Division for 2013 were in line with 2012, but the Division closed the year on a positive note reporting 7% growth for Q4 and maintains the overall target of gaining market share. Acquirees attributed approx. 1% to Division air freight growth for the year.

Both sea and air freight rates were influenced by a large injection of additional capacity into the market and relatively large rate fluctuations. The sea freight market in particular experienced major fluctuations on several trade lanes during the year.

Strategic and operational highlights

By the acquisitions of Seatainers (April 2013), SBS Worldwide (September 2013) and Airmar Cargo (December 2013) the Division strengthened its network and pursued its strategy of growth through value-adding acquisitions.

The main business area of Seatainers was project transport for the wind power industry, which was a tough market with low activity levels in 2013. We expect improved market conditions in the coming years, and the acquisition of Seatainers has further strengthened DSV's position.

The UK and USA were the main markets of SBS Worldwide, and the acquisition thus boosted our market position and service offerings in a number of our core markets.

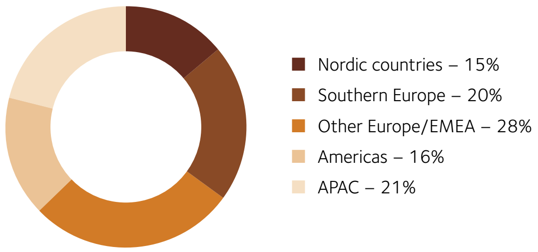
With the acquisition of the Colombia based Airmar Cargo the Division continued the expansion of its network in South America, and in Africa the integration of the Swift Freight organisation proceeded as planned.

In recent years the Division has focused on further developing its competencies and services in specific industries. The largest progress has been achieved in the automotive and aviation industries and we have seen positive results in these areas in 2013. We will continue developing our industry-specific competencies in the coming years.

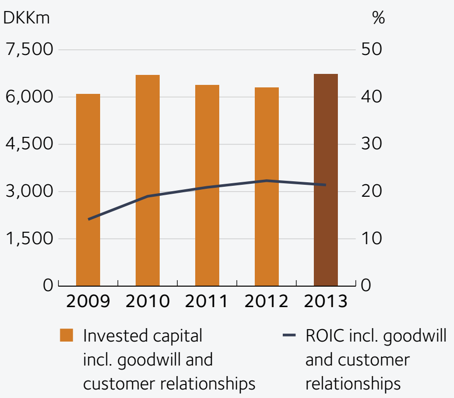
The implementation of our global IT platform was more or less finalised at year end 2013. The system has strengthened the Division both in terms of customer service level and internal productivity.

GEOGRAPHIC EXPOSURE

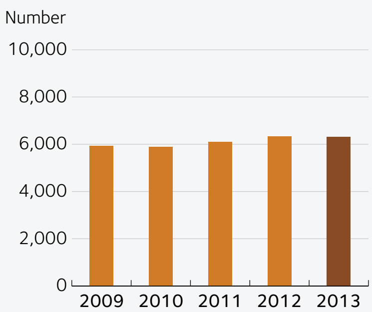
Division revenue can be broken down by the following geographical areas:



ROIC AND INVESTED CAPITAL INCLUDING GOODWILL AND CUSTOMER RELATIONSHIPS



NUMBER OF EMPLOYEES



Financial results for the year

CONDENSED INCOME STATEMENT

(DKKm)	2013	2012
Net revenue	20,195	19,855
Direct costs	15,897	15,586
Gross profit	**4,298**	**4,269**
Other external expenses	917	909
Staff costs	1,883	1,814
EBITDA before special items	**1,498**	**1,546**
Amortisation and depreciation	49	81
Amortisation of customer relationships	57	53
EBIT before special items	**1,392**	**1,412**
Gross margin (%)	21.3	21.5
Conversion ratio (%)	32.4	33.1
Operating margin (%)	6.9	7.1
Number of employees at year end	6,310	6,331
Total invested capital (DKKm)	6,734	6,303
Net working capital (DKKm)	1,185	943
ROIC (%)	21.4	22.3

REVENUE AND GROSS PROFIT

Revenue was up 1.7% and totalled DKK 20,195 million for 2013, with a negative organic growth of 1.2%. Measured in local currencies total revenue growth came to 4.0% including acquisitions.

Gross profit was up 0.7% and totalled DKK 4,298 million for 2013. Measured in local currencies growth in gross profit totalled 3.4% including acquisitions.

The development in sea freight volumes had a positive effect on gross profit, but the market was characterised by fierce price competition in 2013. This situation contributed to the decline in average profit per unit (TEUs). Exchange rate fluctuations also impacted negatively on gross profit by DKK 111 million.

EBIT BEFORE SPECIAL ITEMS

EBIT before special items dropped 1.4% and totalled DKK 1,392 million for 2013. Organic growth was a negative 1.1%. Measured in local currencies operating profit growth totalled 0.6% including acquisitions.

The conversion ratio was 32.4% for 2013 against 33.1% for 2012. The operating margin was 6.9% for 2013 against 7.1% for 2012.

The integration of acquirees impacted on the Division's operating margins. The acquired companies have relatively low conversion ratios, and the integration process and work to increase the financial ratios to the level of the rest of the Division are expected to be completed in 18-24 months.

Adjusted for the effect of acquisitions and currency differences overheads were unchanged from 2012. This was due to increased productivity as a result of the implementation of a new IT platform and various other cost management and process optimisation initiatives. Despite the acquisition of Seatainers, earnings on project logistics were lower than in 2012 which was mainly due to the reduced number of project tenders within, e.g., the wind power, oil & gas and industrial project segments.

Currency translation had a negative impact of altogether DKK 28 million on financial results in the Americas and Asia in particular.

AIR AND SEA SPLIT

	Sea freight		Air freight	
(DKKm)	2013	2012	2013	2012
Net revenue	11,997	11,621	8,198	8,234
Direct costs	9,498	9,213	6,399	6,373
Gross profit	**2,499**	**2,408**	**1,799**	**1,861**
Gross margin (%)	20.8	20.7	21.9	22.6
Volume (TEUs/Tonnes)	772,142	725,806	259,365	259,057
Gross Profit per unit (DKK)	3,236	3,318	6,936	7,184

GROWTH

(DKKm)	2012	Currency translation adjustments	Acquisitions, net	Organic growth	Organic growth	2013
Net revenue	19,855	(435)	1,026	(251)	(1.2%)	20,195
Gross Profit	4,269	(111)	138	2	0.1%	4,298
EBIT before special items	1,412	(28)	23	(15)	(1.1%)	1,392

FINANCIAL TARGETS

The following long-term financial targets have been set for the Division:

	Target	Realised 2013
Operating margin	7-8%	6.9%
Conversion ratio	35%	32.4%
ROIC (%)	25%	21.4%

Outlook for 2014

DSV expects that the global sea freight market will grow by approx. 3-5% in 2014, measured by volume, while the air freight market measured by volume is expected to grow by approx. 1-3%. We also expect that the project logistics market, especially the wind power segment, will see a positive development in 2014.

Management expects to achieve the goal of gaining market share in the markets in which the Division operates. However, competition is expected to remain fierce which may have a negative impact on earnings per unit carried.

In accordance with the financial targets set for the Division DSV Air & Sea is expected to achieve earnings growth in 2014.

AIR & SEA SEGMENT INFORMATION

	Net revenue		Gross profit		EBIT before special items		Operating margin		Conversion ratio	
(DKKm)	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
EMEA	14,191	13,913	2,551	2.578	672	682	4.7	4.9	26.3	26.5
APAC	4,772	4,666	922	930	366	393	7.7	8.4	39.7	42.3
Americas	3,705	3,563	800	754	390	391	10.5	11.0	48.8	51.9
Eliminations, etc.	(2,473)	(2,287)	25	7	(36)	(54)	–	–	–	–
Total	20,195	19,855	4,298	4,269	1,392	1,412	6.9	7.1	32.4	33.1

DSV Road

With a complete European network the DSV Road Division is among the top three 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 has approx. 9,400 employees.

Market development in 2013

The demand for road transport in Europe was still affected by the weak economic environment in most European countries and is estimated to have been in line with 2012. However, the situation improved in the second half of 2013, driven by increasing economic growth in several Northern European countries and the Southern European economies showing signs of stabilisation.

The total freight volume of the Road Division measured in consignments increased by approx. 4% on 2012, and Management estimates that DSV has gained market share in most European countries. Acquirees contributed approx. 1% to the volume growth in 2013.

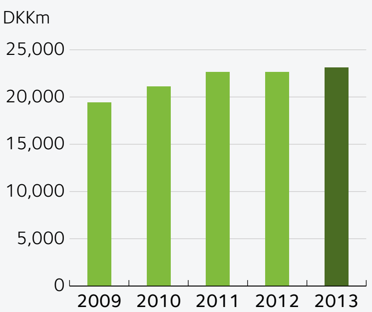
GROWTH IN FREIGHT VOLUMES

	2013 DSV	2013 Market (Europe)
Consignments	4%	Unchanged

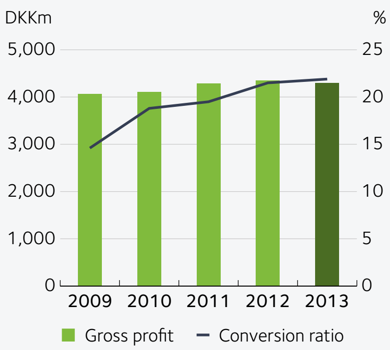
Market growth rates are based on own estimates.

Søren Schmidt
Managing Director
Road Division

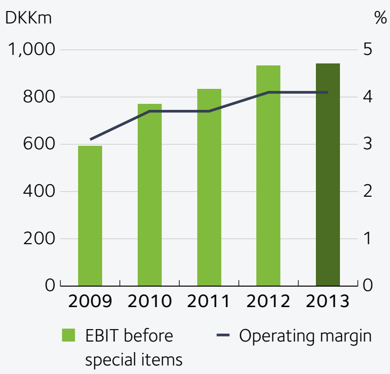
NET REVENUE



GROSS PROFIT



EBIT BEFORE SPECIAL ITEMS



In terms of capacity we estimate that there was a good balance between supply and demand in the international road freight market in Europe. Accordingly, freight rates on international transports also remained relatively stable. In terms of domestic transport and distribution some markets saw periods of scarce capacity and thereby higher freight rates. This scenario applied to Sweden and Germany in particular.

In respect of international and domestic road freight the markets were characterised by fierce competition and significant price pressure from customers.

Strategic and operational highlights

In 2013 we continued our efforts to further develop our services and optimise the DSV network. Part of this work was the continued development and launch of the "DSV Daily Pallet" product offering daily departures across our Euopean network. Parcels are another attractive market for DSV, and we are therefore in the process of developing our "DSV Parcel" product.

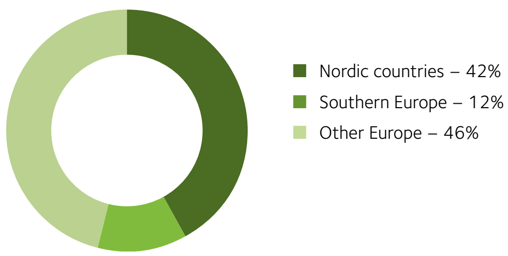
But DSV Road is more than road freight. Intermodal transport solutions combining, e.g., road and rail are becoming an increasingly important part of our service offerings, enabling us to accommodate customers' demand for transport solutions with the lowest possible carbon footprint.

The development and streamlining of business processes and IT systems were also a high focus area in 2013. 7000 trailers have been equipped with GPS trackers as a means to help us maximise our use of transport equipment while delivering enhanced customer service. Furthermore, in 2013 we laid out the roadmap for an upgrade of our existing transport management system; a project planned to run for the next 3-4 years.

In 2013 DSV acquired Ontime Logistics, which has operations in Norway, Sweden and Denmark. By this acquisition DSV Road gained additional volume and competencies in a number of our core markets. Ontime Logistics was a loss-making business at the time of acquistion, and the integration process and work to achieve the expected synergies are expected to be completed in 2 years.

GEOGRAPHIC EXPOSURE

Division revenue can be broken down by the following geographical areas:

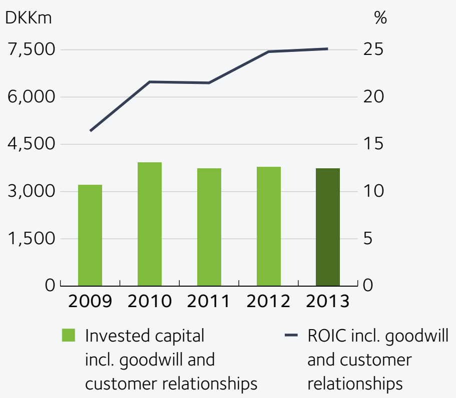


Financial results for the year

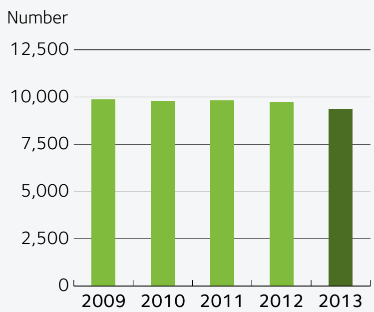
CONDENSED INCOME STATEMENT

(DKKm)	2013	2012
Net revenue	23,117	22,654
Direct costs	18,818	18,308
Gross profit	**4,299**	**4,346**
Other external expenses	975	1,020
Staff costs	2,284	2,258
EBITDA before special items	**1,040**	**1,068**
Amortisation and depreciation	79	117
Amortisation of customer relationships	19	18
EBIT before special items	**942**	**933**
Gross margin (%)	18.6	19.2
Conversion ratio (%)	21.9	21.5
Operating margin (%)	4.1	4.1
Number of employees at year end	9,372	9,730
Total invested capital (DKKm)	3,733	3,786
Net working capital (DKKm)	(346)	(396)
ROIC (%)	25.1	24.8

ROIC AND INVESTED CAPITAL INCLUDING GOODWILL AND CUSTOMER RELATIONSHIPS



NUMBER OF EMPLOYEES



REVENUE AND GROSS PROFIT

Revenue was up 2.0% and totalled DKK 23,117 million for 2013, of which organic growth was 1.2%.

Gross profit was down 1.1% and amounted to DKK 4,299 million for 2013. Organic growth was a negative 1.5%. The gross margin was 18.6% for 2013 against 19.2% for 2012.

The 4% growth in consignments compared to 2012 did not create a corresponding increase in revenue or gross profit. This trend characterised all of 2013 and was to a great extent a result of price pressure in a highly competitive market. Also, the average size of part-load and groupage consignments decreased resulting in a lower average price per consignment.

The Division gained market share in the Nordic countries and Germany in domestic distribution, e.g., for the grocery industry. In this segment average price and gross profit per consignment are typically lower than for international distribution, and product mix therefore also had a negative effect on revenue and gross profit.

Fierce competition and periods of scarce capacity prevailed in the Nordic countries and in the Swedish domestic distribution market in particular, where the Division reported declining earnings in 2013.

EBIT BEFORE SPECIAL ITEMS

EBIT before special items was up 1.0% and totalled DKK 942 million for 2013, of which organic growth was 3.3%.

The operating margin was 4.1% for 2013 and in line with 2012. The conversion ratio was 21.9% for 2013 against 21.5% in 2012.

Also in 2013 effective cost management was a major contributor to the improved operating profit reported by the Division despite the low gross profit. This was partly a result of the adjustment of overheads in 2012 (Project Operational Excellence), the full effect of which was achieved in 2013. Acquisitions had an adverse effect on the Division's operating margins.

> "In 2013 we continued our efforts to further develop our services and optimise the DSV network

FINANCIAL TARGETS

	Target	Realised 2013
Operating margin	5%	4.1%
Conversion ratio	25%	21.9%
ROIC (%)	25%	25.1%

Outlook for 2014

DSV expects the European road freight market to grow by 1-2% compared to 2013. The outlook for the European economy is still highly uncertain and growth rates will show regional differences. The most positive development is expected in Northern Europe, but we also expect a stable development in, e.g., Spain, France and Italy.

The Division aims to use its strong position and service offerings to gain additional market share.

We do not foresee any notably change in the competitive situation prevalent in 2013 for the coming year. This entails the risk that earnings per consignment may be squeezed even further.

The Division will maintain focus on productivity optimisation and adjustment of overheads.

GROWTH

(DKKm)	2012	Currency translation adjustments	Acquisitions, net	Organic growth	Organic growth	2013
Net revenue	22,654	(115)	297	281	1.2%	23,117
Gross profit	4,346	(28)	46	(65)	(1.5%)	4,299
EBIT before special items	933	(7)	(14)	30	3.3%	942

DSV Solutions

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. The Division has approx. 5,800 employees.

Market development

In 2013 the European logistics services market is estimated to have remained unchanged from 2012.

Division volumes measured in order lines (transactions) increased by approx. 4% in 2013 compared to 2012, while the market in general is estimated to have remained unchanged. On this basis we estimate that the Solutions Division gained market share in 2013.

GROWTH IN LOGISTICS VOLUMES

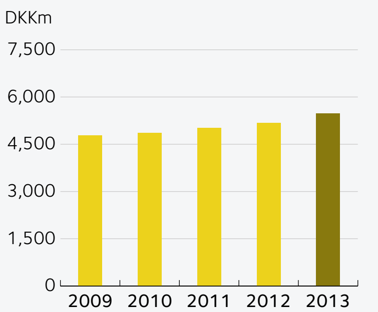
	2013 DSV	2013 Market (Europe)
Order lines	4%	Unchanged

Market growth rates are based on own estimates.

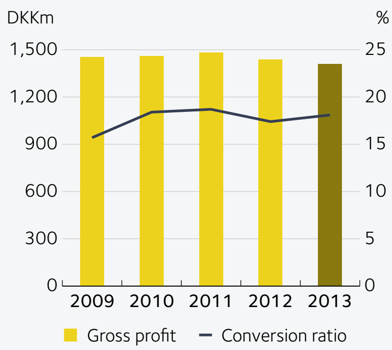
The logistics services market was affected by surplus capacity in many European countries and many enterprises focused on reducing their overall logistics and supply chain management costs. This caused fierce price competition in connection with the renegotiation of contracts and participation in tenders.

Brian Ejsing
Managing Director
Solutions Division

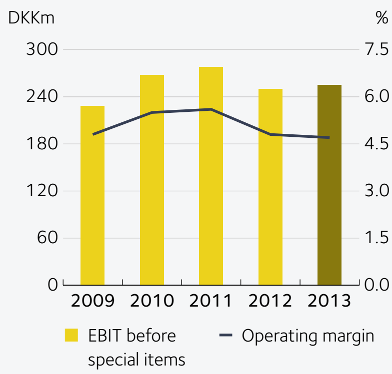
NET REVENUE



GROSS PROFIT



EBIT BEFORE SPECIAL ITEMS



> During 2013 DSV Solutions established independent operations in Asia, mainly China, and most recently in the USA

Strategic and operational highlights

During 2013 DSV Solutions established independent operations in Asia, mainly China, and most recently in the USA. Europe is still the main market of the Division, with the Netherlands, Belgium, Italy, Germany and the Nordic countries being the main areas, however many of our multinational customers would like us to be able to also cater for them outside Europe. In step with the increased global presence of the Air & Sea Division it is a logical strategy for the Solutions Division to keep up and seize the opportunities from this development.

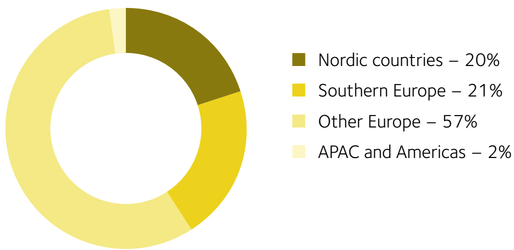
The Division continues its development of industry specific logistics solutions, e.g., for the automotive, healthcare, chemical and retail industries. We succeeded in gaining market share in 2013, largely as a result of our efforts focused on these specific industries.

Furthermore, we offer tailored e-commerce solutions to existing as well as new customers and this area has shown a positive development in 2013. E-commerce related services make up less than 5% of the Division's activities, but we will undoubtedly see some of the highest growth rates in this particular area in the coming years.

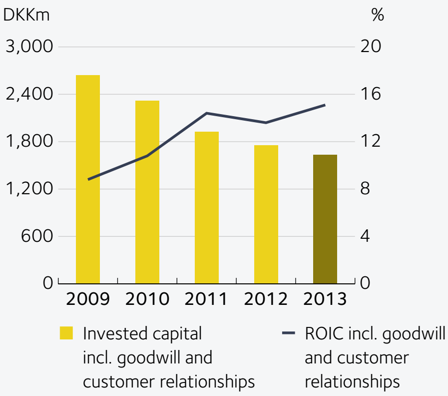
Optimisation of internal processes and systems is an integral element of the Division's work and we have launched several projects relating both to new locations, where the level of utilisation is low in the start-up phase, and to the optimisation of our existing capacity.

GEOGRAPHIC EXPOSURE

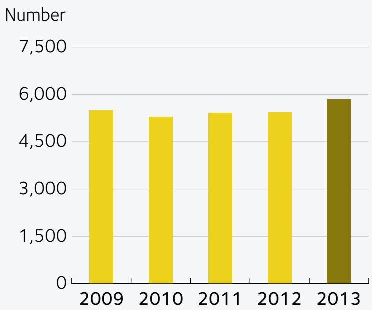
Division revenue can be broken down by the following geographical areas:



ROIC AND INVESTED CAPITAL INCLUDING GOODWILL AND CUSTOMER RELATIONSHIPS



NUMBER OF EMPLOYEES



Financial results for the year

CONDENSED INCOME STATEMENT

(DKKm)	2013	2012
Net revenue	5,470	5,181
Direct costs	4,061	3,743
Gross profit	**1,409**	**1,438**
Other external expenses	444	502
Staff costs	541	541
EBITDA before special items	**424**	**395**
Amortisation and depreciation	133	110
Amortisation of customer relationships	35	35
EBITA before special items	**256**	**250**
Gross margin (%)	25.8	27.8
Conversion ratio (%)	18.2	17.4
Operating margin (%)	4.7	4.8
Number of employees at year end	5,838	5,428
Total invested capital (DKKm)	1,631	1,755
Net working capital (DKKm)	56	76
ROIC (%)	15.1	13.6

REVENUE AND GROSS PROFIT

Revenue was up 5.6% and totalled DKK 5,470 million for 2013, of which organic growth was 5.4%.

However, gross profit dropped by 2.0% and amounted to DKK 1,409 million in 2013. Organic growth was a negative 2.0%. The gross margin was 25.8% for 2013 against 27.8% for 2012.

The low gross margin was mainly due to 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 was up 2.4% and totalled DKK 256 million for 2013, of which organic growth was 3.2%.

The operating margin was 4.7% for 2013 and in line with 2012. The conversion ratio was 18.2% for 2013, up from 17.4% in 2012.

The positive development in EBIT before special items despite the decrease in gross profit was a result of the Division's continued focus on productivity increases and cost base adjustments. The low cost level owes partly to the initiatives implemented under the Operational Excellence Project in 2012.

The start-up of Solutions activities in new countries and at new locations impacted negatively on the operating profit for 2013.

FINANCIAL TARGETS

	Target	Realised 2013
Operating margin	7%	4.7%
Conversion ratio	25%	18.2%
ROIC (%)	20%	15.1%

Outlook for 2014

The European logistics services market is expected to grow by 1-2% in 2014.

We expect to gain market share in 2014 and to improve capacity utilisation. However, we also estimate that fierce competition and structural overcapacity in some markets will impact on the logistics services market in 2014.

GROWTH

(DKKm)	2012	Currency translation adjustments	Acquisitions, net	Organic growth	Organic growth	2013
Net revenue	5,181	(30)	40	279	5.4%	5,470
Gross profit	1,438	(4)	4	(29)	(2.0%)	1,409
EBIT before special items	250	-	(2)	8	3.2%	256

Risk management

It goes without saying that running a business implies certain risks. The critical aspect is how the risks are identified and managed.

Effective risk management is an integral element of our work. The identification and assessment of key risks support the decision-making processes of Management, thereby enabling a timely response to issues that may have a material impact on the Group's earnings and financial position and the achievement of our other financial targets.

All business operations imply risks

The transport and logistics market and customers' demands are constantly changing. That is why we need to be agile and able to exploit new opportunities when they arise. In connection with the development of new services, adaptation of existing services and entry into new markets DSV deliberately takes new, calculated risks. That is necessary in achieving our strategic objectives and drive growth. Increased regulation in our business areas also add to the constantly changing risk scenario. The objective of our risk management procedures is to ensure adequate identification and management of all key risks and avoid taking any unnecessary risks.

Risk management at DSV

The Board of Directors has the ultimate responsibility and lays down the overall framework for the risk management process. The duty of monitoring compliance with Group risk management policies has been delegated to the DSV Audit Committee to a predominant extent. The Executive Board is responsible for identifying and addressing key risks on a day-to-day basis and to develop the risk management procedures of the Group.

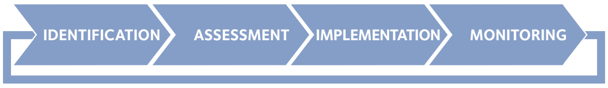
Risk management process

Risk management at DSV is based on established risk management procedures ensuring proper mitigation and management of the Group's risks.

Risk management is an ongoing process involving the identification and registration of risks and assessment of the potential impact on Group earnings.

In continuation hereof, a thorough allocation is made of the organisational responsibility for the implementation of initiatives intended to mitigate any identified risks and for the continuous monitoring.

RISK MANAGEMENT PROCESS



This is done on a continuous basis as well as through scheduled risk mapping analyses at regular intervals, but always according to the same structure. The risk mapping process provides an exhaustive charting and assessment of the Group's risks. Relevant employees of all business areas participate in this process, thoroughly reviewing known risks and identifying any new risks.

Procedures, guidelines and various key control systems have been prepared to monitor and mitigate the risks identified by the Group, thus ensuring optimal management of key risks.

Reporting

Information on any identified risks are collected at central Group functions on an ongoing basis and then reported to the Executive Board. The Executive Board notifies the Board of Directors on a weekly basis of any matters of relevance to the risk management process and of any risk mitigation measures taken. The ongoing dialogue with the Board of Directors and the Audit Committee and regular reports from the Executive Board on the development in key risk factors provide an adequate risk management framework. In addition to the regular reports, the Audit Committee also receives status reports on the key risks at all Committee meetings.

Risk assessment

Based on the most recent review of the risk scenario, Management estimates that the risks identified and the mitigation thereof are unchanged from last year in all essentials. The key risks which are estimated to have a potential effect on consolidated earnings and financial position in 2014 and the long-term achievement of the Group's objectives are described overleaf.

Key risks and exposures

RISK FACTORS	DESCRIPTION
MACROECONOMIC TRENDS	
A decline in production and demand will have a direct, adverse effect on the demand for transport and logistics services and consequently on our financial results.	We expect stable development and moderate economic growth in our main markets in 2014, however we also recognise that economic predictions are uncertain. More than 80% of Group revenue is generated in the Europen market, for which reason developments in this region in particular may affect earnings. Our asset light business model and flexible cost base are important elements in mitigating the risks related to the macroeconomic development. We have a history of stable operating margins, even in periods of declining freight volumes. The Group's reporting systems are designed to provide ongoing monitoring of changes in activity levels, operating results, cash situation, customer payment behaviour, etc., and ensure that any deviations are adequately addressed.
CONSOLIDATION IN THE TRANSPORT INDUSTRY	
The transport industry is in a continuous process of consolidation which may affect the competitive position of the Group.	We expect that the consolidation trend in the transport industry will continue, and major acquisitions among our competitors may weaken the relative competitive position of the DSV Group. It is a central element of our corporate strategy to play an active part in the consolidation process with the aim to strengthen our competitive position. Acquisitions involve the risk that the integration process cannot be completed as planned which may have a negative impact on Group earnings. A strong and structured pre- and post-merger integration process has been implemented to mitigate this risk.
APPLICATION AND IMPLEMENTATION OF IT SYSTEMS	
The business operations of DSV are highly dependent on IT systems. System outages may have a material impact on the Group's operations and earnings.	Additional IT systems will be implemented in 2014 as part of the Group's overall IT system centralisation and optimisation process. The implementation of critical IT systems entails an increased risk of system outages and thereby also a risk of a negative impact on the consolidated profit. Optimisation of the IT production environment, including IT security, is an ongoing process at DSV, and we have established various minimum service level requirements. Several key control systems have been set up to monitor compliance with the required service levels for the Group's IT applications and thereby mitigate the risk of any negative effects of new implementations.
INCREASED REGULATION AND EMBARGOES	
Authorities and organisations enforce increasingly strict regulations relating to tax and VAT, licenses and competition law. Furthermore, an increasing number of countries and organisations are subject to embargoes.	This development affects the Group's activities and increases the risk of violation of rules and regulations. Violations may entail substantial fines and may therefore have a considerable, negative impact on the Group's performance. To mitigate this risk it is of high concern to DSV that IT systems and procedures are designed so as to ensure compliance with relevant legislation and alignment with internal CSR policies. These policies include clear guidelines on how employees should act in relation to particularly risky issues. The Group applies customer and supplier screening systems to ensure that all embargoes are observed. DSV has a clear corporate policy that current legislation must be observed, and Management has communicated a very clear message that no derogation from established policies is accepted. Management monitors the development in this field on a continuous basis and allocates the competencies required to keep up with the development. Most of the compliance related cases involving DSV originate from acquirees and concern activities prior to DSV's acquisition of the relevant entities. The financial risk related to such cases is mitigated by means of agreements with the seller in all essentials as well as through due diligence procedures to safeguard the Group from any involvement in such cases.
TRANSPORT AGREEMENTS AND DAMAGE TO CARGO, ETC.	
DSV may incur liability for damage to cargo and transport equipment.	This risk is typically mitigated by the conclusion of agreements restricting the potential liability of DSV, agreements on the transfer of risk to subcontractors or through insurance coverage. Policies on the conclusion of contracts have been implemented. These policies define the powers of authorisation and stipulate procedures regarding the review and approval of draft agreements by the Group Legal Department.
FINANCIAL RISKS	
As a global group of companies DSV is exposed to financial risks	The financial risks are managed and mitigated on corporate level. This concerns interest rate, exchange rate, credit, financing and liquidity risks. These factors are described in more detail in Chapter 4 of the notes to the consolidated financial statements.

Corporate governance

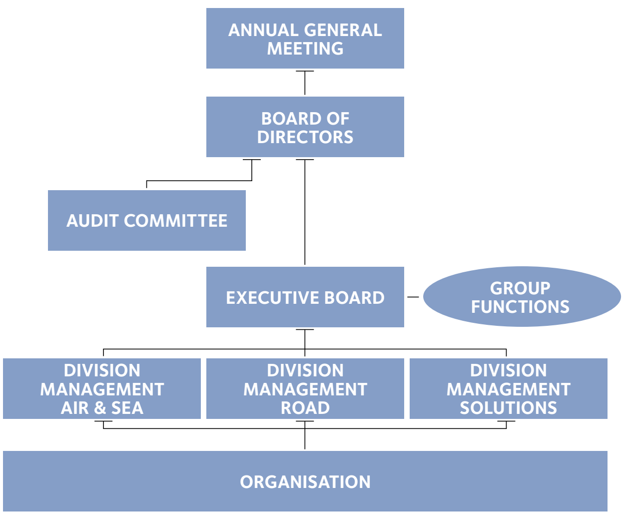
Corporate governance is of great importance at DSV. Our corporate structure and control environment are designed as a simple structure based on the Group's commercial activities with a clear division of management responsibilities.

Management structure

The management structure of DSV consists of a board of directors and an executive board. The ultimate authority rests with the shareholders in general meeting. The Board of Directors supervises the development of the Group and determines the overall visions, strategies and objectives. The Executive Board is responsible for the day-to-day management and the execution of the strategy and contributes essential input to the work of the Board of Directors. The allocation of responsibilities between the Board of Directors and Executive Board is laid down in the relevant Rules of Procedure.

The Division Managers are responsible for the day-to-day operations of the Divisions with support from the centralised Group functions.

MANAGEMENT STRUCTURE



Board of Directors

COMPOSITION AND MEETING FREQUENCY OF THE BOARD OF DIRECTORS

The Board of Directors currently has six members (Directors). According to the Articles of Association of the Company, the Board of Directors must comprise at least five and not more than nine Directors. The composition of the Board is intended to ensure that it has a diverse competency profile to be able to perform its duties as effectively as possible. Reference is made to page 67 for a description of the individual Directors' special competencies in relation to the work of the Board.

Directors are elected for a term of one year at a time, and new Directors are elected according to the applicable rules of the Danish Companies Act. The upper age limit for Directors stipulated in the Company's Articles of Association implies that Directors must retire at the first annual general meeting after having attained the age of 70.

In the financial year of 2013, the Board of Directors held nine ordinary board meetings and one strategy meeting. The content of the meetings is partly determined by the annual cycle of the Board, thus ensuring that all important policies are reviewed.

BOARD OF DIRECTORS SELF-EVALUATION

The Board of Directors conducts an overall performance evaluation of the Board as a whole once a year. This process also includes evaluation of the performance and competencies of the individual Directors to assess whether the mix of competencies is satisfactory and identify any need for further training. The Chairman of the Board is in charge of the self-evaluation, but may retain an external consultant to assist in connection with this process. The self-evaluation report is discussed by the Board of Directors and has not given rise to any further initiatives.

INDEPENDENCE OF BOARD MEMBERS

According to the Recommendations on Corporate Governance, three of the six members of the Board of Directors are regarded as independent persons. Kurt K. Larsen (Chairman) was a member of the Executive Board until he joined the Board of Directors and is not regarded as an independent Board member. Erik B. Pedersen and Kaj Christiansen are not regarded as independent persons as they have both been Directors for more than 12 years.

AUDIT COMMITTEE

The Board of Directors has established an audit committee with the primary task of monitoring the processes relating to the Group's financial reporting, control environment, financial resources and cash situation and determining the framework for the external audit. The Rules of Procedure of the Audit Committee are available at investor.dsv.com/governance.cfm. The Committee held three meetings in 2013.

REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

DSV has adopted a Remuneration Policy which lays down the guidelines for determining and approving the remuneration of the members of the Board of Directors and Executive Board. The Remuneration Policy is designed to always reflect the goal of being able to attract and retain a competent Management. The Remuneration Policy is discussed and approved at the annual general meeting of the Company and is available at investor.dsv.com/governance.cfm.

Recommendations on Corporate Governance

The Recommendations issued by the Committee on Corporate Governance in May 2013 are actively used by the Board of Directors in its work, and the Board regularly assesses its procedures according to the Recommendations. DSV has opted to derogate from three of the 47 Recommendations: (1) the Recommendation on nomination committee, (2) the Recommendation on remuneration committee, and (3) parts of the Recommendation on diversity at management levels.

NOMINATION COMMITTEE AND REMUNERATION COMMITTEE

The Board of Directors regularly considers the need for nomination and remuneration committees, but has not found it necessary to establish such committees for the time being. In the assessment of the Board, the tasks which are to be undertaken by a nomination committee and a remuneration committee according to the Recommendations are performed efficiently by the chairmanship of the Board (chairman and deputy chairman). The chairmanship subsequently reports to the other Directors.

DIVERSITY AT MANAGEMENT LEVELS

The Board of Directors discusses the Group's activities on a regular basis to ensure that the Group has optimal management teams at all management levels.

As the Board of Directors meets the gender-related composition requirement according to the Danish Companies Act DSV has not set specific goals in this respect. In the event that the Board of Directors no longer meets the statutory gender distribution requirement DSV has a legal obligation to set target figures for the under-represented gender and we intend to comply with this requirement.

The Board considers the issue of diversity, including international experience and gender, in relation to the Company's activities, both in connection with new appointments and the evaluation of the composition of Management. However, the Board sees no clear connection between fixed levels of diversity and the best possible governance of the Group. For that reason, the Board of Directors has not found it expedient to set specific targets for diversity at management levels so far.

For a detailed description of our position on the Recommendations, reference is made to investor.dsv.com/governance.cfm. The Recommendations are available in their entirety at www.corporategovernance.dk.

Internal control and risk management in connection with financial reporting

The Board of Directors has the overall responsibility for risk management and internal control in connection with the presentation of financial statements.

The Company's internal control and risk management systems relating to the financial reporting process are designed to minimise the risk of irregularities and significant errors in internal and external financial reports. The internal control and risk management systems are not designed according to one specific method package; rather, they are inspired by a series of methods.

The key elements of the Group's risk management and internal control systems in connection with the presentation of financial statements are summarised below.

Control environment

The control environment in DSV is based on clear guidelines, a simple organisational structure, clear division of responsibilities and constant efforts to strengthen the control environment with due consideration of materiality and risk. This culture is driven from senior management level. The Board of Directors and the Executive Board believe that a strong control environment supported by the tone at the top is crucial to good risk management and effective internal control.

The entire corporate structure is designed as a simple structure based on the Group's commercial activities with a clear division of management responsibilities. The Group Executive Board is represented in the boards of directors of all material subsidiaries, which apply standard provisions regulating the power to bind the company. This supports the creation of a strong control environment throughout the organisation.

At least once a year the Board of Directors and Executive Board establish and approve all general policies, procedures and control systems in essential fields, including Code of Conduct, Corporate Social Responsibility Policy and the Rules of Procedure of the Board of Directors and Executive Board. In addition, policies have been adopted and manuals created within essential fields of financial reporting: accounting and reporting manual; finance, credit and authorisation policies; effective separation of functions and IT strategy.

The Group's central control and compliance functions are responsible for establishing essential policies and manuals and for the relevant follow-up in this respect.

The Audit Committee is also considered to support a strong control environment. As part of its annual responsibilities, the Audit Committee assesses the need for an internal audit function and in that connection formulates recommendations for the Board of Directors regarding the establishment of such function. The Audit Committee deems that the existing control and risk management systems are adequate, and DSV has opted not to establish an internal audit function for the time being.

Risk assessment

The Board of Directors and Executive Board regularly assess key risks and internal control systems in connection with the presentation of consolidated financial statements. This implies, inter alia, that the risk factors and financial and management control systems relating to financial reporting are assessed by the Board of Directors at least once a year. This process includes an assessment of whether the organisational structure and allocation of human resources remain optimal.

The most material and risky items are identified and assessed annually and the identified risks are matched with internal procedures and controls. The items deemed to be the most material and risky are unchanged relative to last year and are described in more detail in Chapter 1 of the notes to the consolidated financial statements.

Control activities

The control activities are designed to address the risks identified by Management. The purpose of the control activities is to verify that the established policies, manuals and procedures are followed and that any material misstatement is prevented, discovered and remedied. In that connection it is vital that the reasons for any misstatements are identified and eliminated. Minimum requirements of control systems that apply to all Group companies have been laid down on the basis of the risks identified. The control activities include procedures for authorisation, approval, reconciliation, results and liquidity analyses and effective separation of functions.

The control systems comprise both manual and automated controls. We also apply various key IT control systems. These key control systems are primarily targeted at corporate IT functions to help safeguard IT operations and thereby support the quality and reliability of the Group's financial reporting.

Group Management and the national managements of the subsidiaries in the various countries have high focus on financial ratios and follow-up in this respect. Monthly internal financial reports are subject to permanent internal control procedures, including central closing of reporting systems and central review and analysis of reports from the subsidiaries.

The review of the reports received is based on an assessment of materiality and risk factors relating to the individual subsidiary.

Detailed procedures and control systems have been established at Group level to ensure timely notification of NASDAQ OMX Copenhagen in accordance with applicable rules.

Information and reporting

DSV has established standardised information and reporting systems to ensure that the financial reporting gives a true and fair view and is in compliance with legislation and that other internal control procedures of the Group are observed. Internal reporting instructions and control procedures are continuously revised and evaluated to constantly ensure that financial reports are reliable and transparent.

Management's position on risk management and changes in reporting requirements are regularly communicated through newsletters, by holding financial conferences for the financial managers of the subsidiaries, through the corporate intranet and dialogue with the individual national managements. Management emphasises an adequate level of internal communication within the framework of the current stock exchange legislation to ensure in the best possible manner that all employees are aware of their responsibilities within the organisation and accordingly are able to effectively and reliably perform their duties.

Monitoring

The internal control and risk management systems in connection with the presentation of financial statements are monitored at various levels. The monitoring consists of monthly reports to the DSV Management on comprehensive consolidated accounting data, the Group's segments and markets, and by means of regular control visits to Group entities and the Audit Committee's work. Furthermore, Management receives cash reports from the subsidiaries on a weekly basis. The monitoring of the financial reporting process by the Audit Committee is based on regular reports from the Group Finance Department, annual updates on the status of key financial reporting control systems and review of critical accounting estimates and policies. The reports are also reviewed by the external auditors, and the Board of Directors oversees the Executive Board to ensure that it responds effectively in case of weaknesses or deficiencies detected by internal control systems or external audits and that any agreed initiatives to improve risk management and internal control are implemented as planned.

DSV has also implemented a global whistleblower programme. The system enables the employees to anonymously report any material offences or suspicion thereof and contributes to strengthening the monitoring of compliance with Group policies. Information regarding the intended use of DSV's Whistleblower Programme has been communicated to all subsidiaries and is available to all employees at the corporate intranet.

Shareholder information

The DSV share is listed on NASDAQ OMX Copenhagen and included in the OMXC20 Index as one of the 20 most traded Danish shares. At year end 2013 the total market capitalisation was DKK 31.1 billion and the share price increased by 22.0% in 2013.

The DSV share in 2013

The average daily trading volume on NASDAQ OMX Copenhagen was 452,000 shares in 2013, down 25% compared to 2012. NASDAQ OMX Copenhagen is the main trading market of the DSV share, but the share is also increasingly traded at alternative trading platforms and through over-the-counter and non-transparent trading.

At year end the closing price of the DSV share on NASDAQ OMX Copenhagen was DKK 177.80 and the share was up by 22.0% (excluding dividends distributed) in 2013. During the same period the OMXC20 (CAP) Index rose by 32.0%.

At year end 2013 the market capitalisation of DSV was DKK 31.1 billion, excluding the value of treasury shares, which is an increase of DKK 5.2 billion on 2012.

BASIC DATA

Number of shares of DKK 1 at 31 December 2013	180,000,000
Share classes	1
Restrictions on transferability and voting rights	None
Listed	NASDAQ OMX Copenhagen
Trading symbol	DSV
ISIN code	DK0060079531

Dividends

The Board of Directors proposes ordinary dividends of DKK 1.50 per share for 2013. Dividends of DKK 1.25 per share were distributed for 2012.

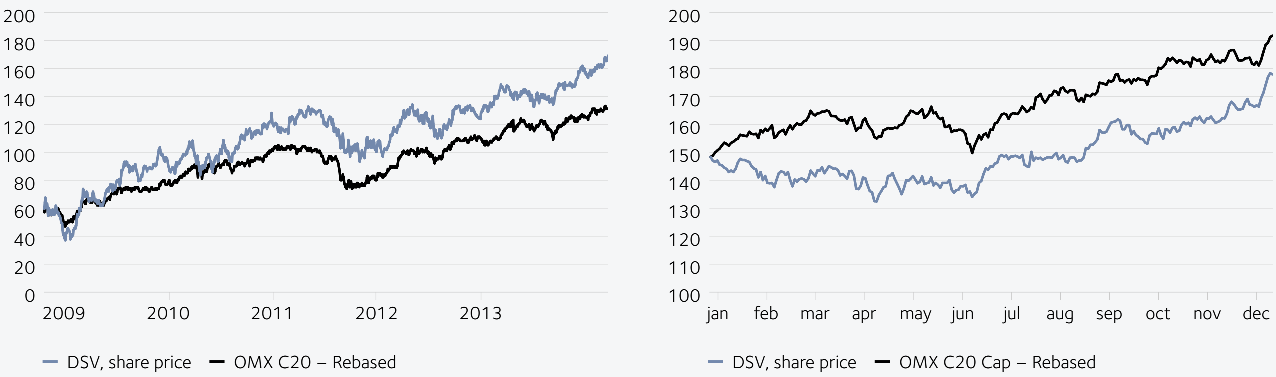
Share buyback

In the financial year of 2013 DSV acquired 4.9 million own shares at a total purchase price of DKK 700 million. The average price of the repurchased shares was DKK 144.1 and the total number of shares repurchased corresponds to 2.6% of the Company's share capital at the beginning of the financial year.

The purpose of the share buyback was to meet the exercise of share options under incentive schemes and adjust the capital structure in accordance with the financial targets. The shares were bought back under the powers granted at the Annual General Meeting of DSV on 21 March 2013 using the Safe Harbour Method.

At 31 December 2013 the Company held 4.9 million shares as treasury shares, corresponding to 2.7% of the share capital. As at 6 February 2014 the Company's portfolio of treasury shares amounted to 4,795,825 million shares.

SHARE PRICE, 2013



Capital reduction

Following the acquisition of treasury shares in 2012 the Company reduced its share capital. The share capital of DSV A/S was reduced by a nominal value of DKK 8 million on 18 April 2013. The capital reduction was carried out in accordance with the resolution passed at the Annual General Meeting on 21 March 2013 through the cancellation of 8 million treasury shares.

At the next General Meeting the Board of Directors expects to propose a further reduction of the Company's share capital of a nominal value of DKK 3 million.

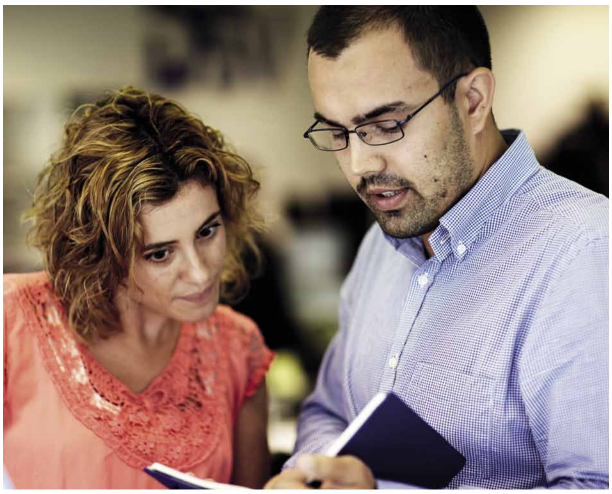
Incentive schemes

Provided that the amendments to the guidelines on incentive pay are approved by the Annual General Meeting, at its meeting on 14 March 2014 the Board of Directors expects to authorise the Executive Board to allocate up to 3 million share options to senior staff members. The allocation will be made at the average quoted price on the five consecutive trading days preceding 31 March 2014.

Authority

The Board of Directors is authorised by the General Meeting to increase the Company's share capital. The total number of shares that may be purchased under the authority is 37.6 million. The authority is valid until 21 March 2017. The Board of Directors has also been authorised by the General Meeting to issue convertible debt instruments and warrants and to make the related capital increase. This authority is valid until 26 March 2015 and covers shares of a total nominal value of up to DKK 25 million. Shareholders have no pre-emptive rights if the Board of Directors exercises the said authorities.

The General Meeting also authorised the Board of Directors on 21 March 2013 to buy back a maximum of 18.0 million shares in the Company. At 6 February 2014 the remaining number of shares that may be purchased under the authority was 13,143,701. The authority is valid until 21 March 2018. The purchase price of treasury shares acquired under the authority may not deviate by more than 5% from the most recently quoted market price of the shares at the date of acquisition. The authorities have been incorporated into the Company's Articles of Association. The Articles of Association are amended according to the rules of the Danish Companies Act. The latest amendment of the Articles of Association was made in connection with the Annual General Meeting on 21 March 2013.



Company announcements published in 2013

DSV published a total of 40 company announcements in 2013 (Nos. 484-523). The most important announcements in 2013 are listed below:

20 February	No. 486	2012 Annual Report
21 March	No. 490	Minutes of DSV's Annual General Meeting
30 April	No. 493	Interim Financial Report First Quarter 2013
30 April	No. 494	Launch of new share buy-back programme according to the Safe Harbour Method
17 June	No. 502	DSV A/S issues corporate bonds
2 July	No. 505	Conclusion of share buy-back programme in DSV A/S
30 July	No. 507	Interim Financial Report H1 2013
30 July	No. 508	Launch of new share buy-back programme according to the Safe Harbour Method
24 October	No. 520	Conclusion of share buy-back programme in DSV A/S
29 October	No. 521	Interim Financial Report Q3 2013

Other company announcements concerned share buybacks and insiders' trading in all essentials. For a complete list of company announcements published in 2013, please refer to investor.dsv.com/releases.cfm.

Shareholder composition

At 31 December 2013 registered shares in DSV A/S totalled 166 million, corresponding to 92% of the share capital. The largest 25 of these shareholders owned 39% of the entire share capital.

Of the registered shareholders, approx. 15% are private investors and 85% institutional investors.

SHAREHOLDERS – GEOGRAPHICAL DISTRIBUTION

Category	Proportion of share capital (%)
Denmark	30
Foreign countries	59
Treasury shares	3
Not registered	8
Total	100

No shareholders have reported that they own or control more than 5% of the Company's share capital.

LIST OF ANALYSTS

ABG Sundal Collier	HSBC
Alm. Brand Markets	Jyske Bank
Bank of America Merrill Lynch	Macquarie
Barclays Capital	Mainfirst
Berenberg Bank	Morgan Stanley
Cantor Fitzgerald	Nomura International
Carnegie Bank	Nordea Markets
Credit Suisse	Nykredit Markets
Danske Markets	RBC
Davy Research	SEB Equities
Deutche Bank	Sydbank
Goldman Sachs	Thompson Davis & Co.
Handelsbanken Capital Markets	UBS

Investor relations policy

We plan and structure the Group's financial reports to the market and dialogue with investors and analysts with a view to ensuring a high and uniform level of information and an open and active dialogue.

The aim is to ensure that the development in the price of the DSV share always reflects the financial and operational development of the Company.

In line with our policy on communication with investors, equity analysts and other stakeholders, the Company's interim and annual reports are webcast and the DSV Management participates in investor meetings and conferences in Denmark and abroad. Finally, we host a Capital Markets Day at regular intervals to give a more detailed presentation of the DSV Group.

It is our aim to make the investor relations pages at investor.dsv.com/index.cfm a natural venue and a complete source of information for current and potential investors. Annual reports, interim reports, investor presentations and other company announcements of the past five years are available at investor.dsv.com/financials.cfm, and investor related questions may be addressed to investor@dsv.com.

The communication between DSV and analysts, investors and other stakeholders is subject to special restrictions for a period of four weeks prior to the publication of the annual report and interim reports.

Financial calendar

The financial calendar for 2014 is as follows:

FINANCIAL CALENDAR

Activity	Date	Start of quiet period
Annual General Meeting	14 March 2014	
Q1 2014 Report	30 April 2014	1 April 2014
H1 2014 Report	30 July 2014	1 July 2014
Q3 2014 Report	29 October 2014	1 October 2014

Corporate social responsibility

CSR is an integral part of DSV and our CSR strategy focuses on three essential areas where we believe that we can make a difference: environment and climate, business ethics and anti-corruption, and employees and working environment.

Since 2009 DSV has actively supported the UN Global Compact Initiative and its focus on advancing key principles on anti-corruption, environment, human rights and labour. We will continually work to change and shape practices towards increased sustainability in our field of business. The following are excerpts of our 2013 progress report, which replaces the statutory report on corporate social responsibility in accordance with the exemption provision in section 99a of the Danish Financial Statements Act. The progress report is available in its entirety on our website at www.dsv.com/About-DSV/csr.

BUSINESS-DRIVEN APPROACH TO CSR

CSR is embedded into our business strategy. In addition to reducing and setting guidelines for our impact on the external environment our CSR initiatives support the increasing customer demand for sustainable products and services and thereby our ability to attract and retain customers and ultimately our earnings capacity. We focus on three areas of importance to DSV where we also believe that we can make a difference: environment and climate, business ethics and anti-corruption, and employees and working environment.

Environment and climate

INCREASING DEMAND FOR ECO-FRIENDLY TRANSPORT

We are seeing that environment and climate are becoming increasingly important to a growing number of customers and sustainability an embedded element of branding and business strategies. The customers want a transport partner who satisfies a number of specific environmental requirements. Very often they demand individual carbon emission reports from our transport operations and to engage in an ongoing partnership to minimise emissions. To meet the new European standard for calculation and declaration of greenhouse gas emissions of transport services we have therefore in 2013 upgraded our IT platform for carbon emission reporting which forms the basis of the individual carbon reports to our customers. The upgrade will give our customers an improved basis for comparing the reports of different transport service providers.

Reducing our environmental footprint necessitates a mutual understanding between DSV and our customers on the need to maximise capacity utilisation. A better use of capacity may result in longer delivery times, but will also lead to reduced carbon emissions.

MORE EFFICIENT TRANSPORT OPERATIONS

DSV has an overall target of improving energy efficiency and thereby reducing carbon emissions of suppliers and own operations by 15% per transport activity by 2015 compared to 2010 levels. To achieve this goal we must focus on optimising utilisation of the available capacity, improving fuel efficiency in collaboration with our suppliers and cooperating with our customers on adjusting cargo volumes to the capacity available.

We can establish that the various initiatives launched to increase energy efficiency have been succesful and increased energy efficiency has been obtained for all transport activities.

For air freight activities the energy efficiency improved by almost 5% compared to 2012 figures and by a total of 10% compared to the base year 2010. The energy efficiency of our sea freight activities improved by almost 11% compared to last year and by a total of 19% compared to the base year 2010. This means that we have reached the target for this area of a 15% improvement by 2015.

Despite a still fragmented and competitive market the Road Division managed to increase the energy efficiency considerably and is close to reaching the 15% improvement target. Compared to the base year 2010 energy efficiency increased by 14%, partly as a result of optimised capacity utilisation and partly an overall improvement in truck fuel consumption of almost 2%.

Business ethics and anti-corruption

Management is engaged in the definition and communication of our corporate rules on business ethics; our Code of Conduct. The Code emphasises the importance of maintaining a high level of business ethics in our relations with all business partners – customers, shareholders, suppliers, public authorities, etc. Regardless where in the world we do business. We continually ensure that all employees, existing

as well as new, have been informed of and have access to read the Group's Code of Conduct.

CODE OF CONDUCT FOR SUPPLIERS

In 2013 the communication of DSV's Supplier Code of Conduct that applies to all our suppliers has been a focus area of the Group. The Code describes what DSV considers appropriate business conduct from our suppliers when they perform services on behalf of or supply products to DSV. The purpose of the Code is to help ensure that our suppliers comply with the same guidelines as apply to all DSV employees. The roll-out of the guidelines will continue in 2014 and will involve the issuance of a special version aimed at small suppliers.

COMBATING FACILITATION PAYMENTS

An important aspect of business ethics and anti-corruption in the transport industry is the dilemma relating to the use of facilitation payments. Facilitation payments are minor additional payments to an external party to expedite a routine matter where all rules and regulations have been observed, e.g., the issuance of a permit, visa, etc.

DSV has a zero tolerance approach to bribery which is clearly communicated in our Code of Conduct. Nor do we accept the practice of facilitaion payments. Unfortunately, it is common practice in certain countries and there may be cases where our employees may see no other option than to follow this practice. Our Code of Conduct contain guidelines for our employees on the difference between bribery and facilitation payments as well as guidelines on the required reporting of cases involving facilitation payments.

In 2013 we analysed the scale of this practice in a number of selected companies and noted that some countries have successfully reduced the use of facilitation payments to a minimum through various initiatives, whereas in other countries more targeted efforts are required. Based on our analyses and experiences we intend to continue our work to curtail the use of facilitation payments at DSV and, with time, completely end the practice of such payments.

Employees and working environment

Our employees are the backbone of DSV and their safety is therefore a key focus area at our company. We have a target of zero occupational accidents in our operations which we will achieve by continually minimising risks and improving routines and behaviour to increase our employees' safety at work.

Another important focus is to meet and comply with internationally proclaimed human rights and national provisions on labour rights. For that reason, Management has set targets dictating that no violations of such rules must be committed by DSV. No violations were reported in 2013 and the target is thus considered to have been achieved,

Fewer accidents than previously thought

We have followed up on the occupational accidents reported by a number of selected companies and discovered that the total number of accidents in 2012 was lower than previously thought. Accordingly, the overall rate therefore landed on 7.9 occupational accidents per million working hours against 9.2 as previously reported. We can therefore establish that we actually reached our target already in 2012 of a 25% reduction in the rate of occupational accidents compared to the 2010 level. And we even managed to exceed the target by a fair margin as the rate dropped by a full 30% in 2012 compared to 2010. Additional resources have subsequently been allocated to strengthen reporting procedures in this area going forward.

The DSV Group maintained the low rate of occupational accidents in 2013 and Management intends to continue the efforts to reduce the number of occupational accidents at DSV. Hence, DSV aims to further improve the rate of occupational accidents every year.

Consolidated financial statements 2013

INCOME STATEMENT

(DKKm)	Note	2013	2012
Net revenue	2.2	45,710	44,912
Direct costs	2.3	35,705	34,858
Gross profit		**10,005**	**10,054**
Other external expenses	2.4	2,010	2,116
Staff costs	2.5	4,943	4,864
Operating profit before amortisation, depreciation and special items		**3,052**	**3,074**
Amortisation and depreciation of intangibles, property, plant and equipment	2.6	500	534
Operating profit before special items		**2,552**	**2,540**
Special items	2.7	(129)	(275)
Financing income	4.4	39	53
Financing expenses	4.4	337	299
Profit before tax		**2,125**	**2,019**
Tax on profit for the year	5.2	554	589
Profit for the year		**1,571**	**1,430**
Profit for the year is attributable to:			
Shareholders of DSV A/S		1,577	1,427
Non-controlling interests		(6)	3
Earnings per share:	4.1		
Earnings per share of DKK 1		8.91	7.81
Diluted earnings per share of DKK 1		8.87	7.76

STATEMENT OF COMPREHENSIVE INCOME

(DKKm)	Note	2013	2012
Profit for the year		**1,571**	**1,430**
Items that will be reclassified to income statement when certain conditions are met:			
Currency translation differences, foreign enterprises		(60)	(42)
Fair value adjustment for the year relating to hedging instruments		34	(85)
Fair value adjustment relating to hedging instruments transferred to financing expenses		55	61
Tax on items reclassified to income statement	5.2	(20)	23
Items that will not be reclassified to income statement:			
Actuarial gains/(losses)	3.4	16	(115)
Tax on items that will not be reclassified to income statement	5.2	(9)	15
Other comprehensive income, net of tax		**16**	**(143)**
Total comprehensive income		**1,587**	**1,287**
Statement of comprehensive income is allocated to:			
Shareholders of DSV A/S		1,593	1,284
Non-controlling interests		(6)	3
Total		**1,587**	**1,287**

CASH FLOW STATEMENT

(DKKm)	Note	2013	2012
Operating profit before amortisation, depreciation and special items		3,052	3,074
Adjustment, non-cash operating items etc.:			
Share-based payments		39	40
Change in provisions		(174)	22
Cash flow from operating activities before change in net working capital and tax		**2,917**	**3,136**
Change in net working capital		(217)	(196)
Special items		(129)	(271)
Interest received		32	46
Interest paid		(292)	(282)
Corporation tax, paid		(536)	(782)
Cash flow from operating activities		**1,775**	**1,651**
Purchase of intangible assets		(177)	(132)
Purchase of property, plant and equipment		(226)	(446)
Disposal of property, plant and equipment		314	404
Acquisition of subsidiaries and activities	5.1	(269)	(106)
Disposal of subsidiaries and activities	5.1	-	12
Change in other financial assets		10	19
Cash flow from investing activities		**(348)**	**(249)**
Free cash flow		**1,427**	**1,402**
Other non-current liabilities incurred		2,485	750
Repayment of loans and credits		(3,003)	(547)
Other financial liabilities incurred		(58)	(65)
Shareholders:			
Dividends distributed	4.2	(235)	(190)
Purchase of treasury shares	4.2	(700)	(1,303)
Sale of treasury shares, exercise of share options		162	219
Other transactions with shareholders		(38)	34
Cash flow from financing activities		**(1,387)**	**(1,102)**
Cash flow for the year		**40**	**300**
Cash and cash equivalents 1 January		552	367
Cash flow for the year		40	300
Currency translation adjustments		115	(115)
Cash and cash equivalents 31 December*		**707**	**552**

The cash flow statement cannot be directly derived from the balance sheet and income statement.

Statement of adjusted free cash flow			
Free cash flow		1,427	1,402
Net acquisition of subsidiaries and activities		269	94
Normalisation of working capital in subsidiaries and activities acquired		58	13
Adjusted free cash flow		**1,754**	**1,509**

*) Cash and cash equivalents comprised DKK 359 million (2012: DKK 369 million) relating to subsidiaries' cash and cash equivalents in countries with foreign exchange control or other restrictions which imply that the cash is not readily available for general use by the Group.

BALANCE SHEET, ASSETS

(DKKm)	Note	2013	2012
Intangible assets	3.1	8,982	8,723
Property, plant and equipment	3.2	3,883	4,261
Other receivables		147	153
Deferred tax asset	5.2	430	409
Total non-current assets		**13,442**	**13,546**
Trade receivables	4.4	7,469	7,238
Work in progress (services)		676	629
Other receivables		794	791
Cash and cash equivalents		707	552
Assets held for sale		12	38
Total current assets		**9,658**	**9,248**
Total assets		**23,100**	**22,794**

BALANCE SHEET, EQUITY AND LIABILITIES

(DKKm)	Note	2013	2012
Share capital	4.1	180	188
Reserves	4.1	6,038	5,160
DSV A/S shareholders' share of equity		**6,218**	**5,348**
Non-controlling interests		30	37
Total equity		**6,248**	**5,385**
Deferred tax	5.2	411	411
Pensions and similar obligations	3.4	1,034	1,078
Provisions	3.5	361	418
Financial liabilities	4.3	6,066	6,190
Total non-current liabilities		**7,872**	**8,097**
Provisions	3.5	242	275
Financial liabilities	4.3	590	923
Trade payables		4,537	4,385
Work in progress (services)		1,252	1,284
Other payables		2,115	2,248
Corporation tax		244	197
Total current liabilities		**8,980**	**9,312**
Total liabilities		**16,852**	**17,409**
Total equity and liabilities		**23,100**	**22,794**

STATEMENT OF CHANGES IN EQUITY – 2013

(DKKm)	Share capital	Treasure 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 year	**-**	**-**	**-**	**-**	**1,577**	**1,577**	**(6)**	**1,571**
Currency translation adjustments, foreign enterprises	-	-	-	(60)	-	(60)	-	(60)
Fair value adjustments for the year relating to hedging instruments	-	-	34	-	-	34	-	34
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	-	55	-	-	55	-	55
Actuarial gains/(losses)	-	-	-	-	16	16	-	16
Tax on other comprehensive income	-	-	(20)	-	(9)	(29)	-	(29)
Other comprehensive income, net of tax	**-**	**-**	**69**	**(60)**	**7**	**16**	**-**	**16**
Total comprehensive income for the period	**-**	**-**	**69**	**(60)**	**1,584**	**1,593**	**(6)**	**1,587**
Transactions with owners:								
Share-based payments	-	-	-	-	39	39	-	39
Dividends distributed	-	-	-	-	(235)	(235)	-	(235)
Purchase and sale of treasury shares, net	-	(3)	-	-	(535)	(538)	-	(538)
Capital reduction	(8)	8	-	-	-	-	-	-
Dividends on treasury shares	-	-	-	-	12	12	-	12
Other adjustments	-	-	-	-	(4)	(4)	(1)	(5)
Tax on transactions with owners	-	-	-	-	3	3	-	3
Total transactions with owners	**(8)**	**5**	**-**	**-**	**(720)**	**(723)**	**(1)**	**(724)**
Equity at 31 December 2013	**180**	**(5)**	**(38)**	**(44)**	**6,125**	**6,218**	**30**	**6,248**

The retained earnings reserve at 31 December 2013 comprised a negative balance between the purchase and sale of treasury shares of DKK 7,036 million (2012: a negative balance of DKK 6,501 million).

Sale of treasury shares relates to the exercise of share options in connection with incentive schemes.

STATEMENT OF CHANGES IN EQUITY – 2012

(DKKm)	Share capital	Treasure shares	Hedging reserve	Translation reserve	Retained earnings	DSV A/S shareholders share of equity	Non-controlling interests	Total equity
Equity at 1 January 2012	**190**	**(4)**	**(106)**	**58**	**5,141**	**5,279**	**30**	**5,309**
Profit for the year	**-**	**-**	**-**	**-**	**1,427**	**1,427**	**3**	**1,430**
Currency translation adjustments, foreign enterprises	-	-	-	(42)	-	(42)	-	(42)
Fair value adjustments for the year relating to hedging instruments	-	-	(85)	-	-	(85)	-	(85)
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	-	61	-	-	61	-	61
Actuarial gains/(losses)	-	-	-	-	(115)	(115)	-	(115)
Tax on other comprehensive income	-	-	23	-	15	38	-	38
Other comprehensive income, net of tax	**-**	**-**	**(1)**	**(42)**	**(100)**	**(143)**	**-**	**(143)**
Total comprehensive income for the period	**-**	**-**	**(1)**	**(42)**	**1,327**	**1,284**	**3**	**1,287**
Transactions with owners:								
Share-based payments	-	-	-	-	40	40	-	40
Dividends distributed	-	-	-	-	(190)	(190)	-	(190)
Purchase and sale of treasury shares, net	-	(8)	-	-	(1,076)	(1,084)	-	(1,084)
Capital reduction	(2)	2	-	-	-	-	-	-
Dividends on treasury shares	-	-	-	-	3	3	-	3
Other adjustments	-	-	-	-	-	-	4	4
Tax on transactions with owners	-	-	-	-	16	16	-	16
Total transactions with owners	**(2)**	**(6)**	**-**	**-**	**(1,207)**	**(1,215)**	**4**	**(1,211)**
Equity at 31 December 2012	**188**	**(10)**	**(107)**	**16**	**5,261**	**5,348**	**37**	**5,385**

Notes to the financial statements:

We have constant focus on developing and simplifying the Company's external reporting. For that reason the note structure has been changed in the 2013 Annual Report for the purpose of highlighting the elements that are of relevance to the Company. The notes section to the consolidated financial statements is divided into five chapters, focusing on different aspects of the financial information. Each chapter contains a brief description of the correlation between the relevant notes and our business operations. The accounting policies and critical accounting estimates and judgements have been incorporated into the notes to make the note information more transparent and clear.

Chapter 1 – Basis of preparation of the consolidated financial statements

The 2013 consolidated financial statements of DSV A/S have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and Danish disclosure requirements for listed companies. The Annual Report of DSV A/S comprises the consolidated financial statements of DSV A/S and its subsidiaries and separate financial statements of DSV A/S. The Board of Directors considered and approved the 2013 Annual Report of DSV A/S on 6 February 2014. The Annual Report will be submitted to the shareholders of DSV A/S for approval at the Annual General Meeting on 14 March 2014.

Basis of measurement
Amounts in the Annual Report are stated in Danish kroner (DKK) and rounded to the nearest million. The Annual Report has been prepared under the historical cost convention, with the exception that derivative financial instruments are measured at fair value. Non-current assets held for sale are measured at the lower of carrying amount before the change in classification and fair value less costs to sell. The accounting policies described in the notes have been applied consistently for the financial year and for the comparative figures.

Changes in accounting policies
We have implemented the standards and interpretations that are effective for the financial year of 2013 and have prematurely implemented the IAS 36 "Impairment of assets" that was amended in 2013. Apart from the amendments of IAS 19 "Employee Benefits", which had only a marginal impact, no other changes have affected DSV's recognition and measurement of financial items for 2013 nor are they expected to have any future impact
.

Minor reclassifications of comparative figures have been made, but had no effect on operating profit before special items, profit for the year, other comprehensive income, balance sheet or equity in the base year.

Significant accounting estimates
In the preparation of the consolidated financial statements of DSV A/S, Management makes various significant accounting estimates and judgements that may affect the reported amounts of assets, liabilities, income, expenses, cash flow and related information at the reporting date. The significant estimates are based on historical experience and other factors deemed reasonable in the circumstances. By their nature, such estimates are subject to some uncertainty and the actual results may deviate from these estimates. The estimates are continually evaluated and the effect of any changes is recognised in the relevant period.

The significant accounting estimates and judgements deemed by Management to be material for the preparation and understanding of the consolidated financial statements are listed below and described in more detail in the relevant notes:

- Net revenue (note 2.2)
- Special items (note 2.7)
- Intangible assets (note 3.1)
- Operating lease obligations (note 3.3)
- Pension obligations (note 3.4)
- Provisions (note 3.5)
- Derivative financial instruments (note 4.5)
- Tax (note 5.2)
- Contingent liabilities and security for debt (note 5.7)

Basis of consolidation
The consolidated financial statements include the Parent, DSV A/S, and the subsidiaries over which DSV A/S exercises control. The consolidated financial statements are prepared based on uniform accounting policies in all Group entities. Consolidation of Group entities is performed after elimination of all intra-group transactions, balances, income and expenses.

Foreign currency
Functional currency
A functional currency is determined for each Group entity. The functional currency is the currency used in the primary financial environment in which the individual entity operates.

Foreign currency translation
On initial recognition, foreign currency transactions are translated into the functional currency at the exchange rate ruling at the transaction dates. Foregin exchange differences between the exchange rates at the transaction date and the date of payment are recognised in the income statement under financials. Monetary items denominated in a foreign currency are translated at the exchange rate ruling at the reporting date. The difference between the exchange rates at the reporting date and the transaction date or the exchange rate used in the latest annual report is recognised in the income statement under financials. Foreign exchange differences arising on the translation of non-monetary items, such as investments in associates, are recognised directly in other comprehensive income.

Recognition in the consolidated financial statements
On preparation of the consolidated financial statements the income statements of entities with a functional currency different from DKK are translated at the average exchange rates for the period and balance sheet items are translated at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation of the equity of foreign entities and on translation of receivables considered part of the net investment are recognised directly in other comprehensive income. Foreign exchange differences on the translation of income statements from the average exchange rate for the period to the exchange rate ruling at the reporting date are also recognised in other comprehensive income. The adjustment is presented under a separate translation reserve in equity.

Key currencies and exchange rates applied in the preparation of the Annual Report:

		31-Dec		Annual average	
	Currency	2013	2012	2013	2012
Euro zone	EUR	746.03	746.04	745.80	744.37
UK	GBP	891.95	913.20	878.14	918.37
China	CNY	89.29	90.79	91.34	91.88
Homg Kong	HKD	69.80	73.00	72.40	74.74
Sweden	SEK	83.56	87.14	86.24	85.61
USA	USD	541.27	565.91	561.60	579.79

Cash flow statement
The cash flows are calculated using the indirect method based on the operating profit before amortisation, depreciation and special items. The cash flow statement cannot be directly derived from the balance sheet and income statement.

Materiality in financial reporting
For the preparation of the Annual Report, Management considers the optimum way of presenting the financial statements. It is important that the content is material to the user. This objective is pursued by making relevant rather than generic descriptions in the Management's Commentary and only including descriptions of risks, the mitigation thereof and value drivers, etc., that may have or had a material influence on the achievement of the Group's targets.

A judgement is made of whether more detailed specifications are necessary in the presentation of the Group's assets, liabilities, financial position and results or whether an aggregation of less material amounts is preferred. The notes to the financial statements are prepared with focus on ensuring that the content is relevant and the presentations clear. All judgements are made with due consideration of legislation, international accounting standards and guidelines and of the Annual Report as a whole presenting a true and fair view.

Changes in terminology
We have previously used the term "EBITA" for operating profit before special items. In future, we will use the term "EBIT before special items". Also, "EBITA margin" has been used as a term for:

$$\frac{\text{Operating profit before special items x 100}}{\text{Net revenue}}$$

In future, the term "operating margin" will be used.

New accounting regulations
A number of new standards and interpretations have been issued which had not become mandatory at the preparation of the 2013 Annual Report. None of these are expected to have any significant impact on the consolidated financial statements of DSV.

Chapter 2 – Profit for the year

This chapter provides a specification of consolidated operating profit before special items. Our business segment structure builds on our three Divisions, which are measured by operating profit before special items. The financial results are presented below, and the profit development of the Group and Divisions is described in more detail in Management's commentary on pp. 11-25.

2.1 SEGMENT INFORMATION

Accounting policies
The business segmental reporting is based on the internal reporting provided to the Division and Group managements.

Business segments
Our activities are divided into three divisions, forming the basis of the Group's business segments.

Air & Sea
Air & Sea provides air and sea freight services through a global network.

Road
Road provides road freight services across Europe.

Solutions
Solutions offers contract logistics, incl. warehousing and inventory management.

Measurement of earnings by segment
Our business segments are measured by operating profit before special items. Segment results are accounted for in the same way as the consolidated financial statements. Income/expenses and assets/liabilities in the segments comprise the items directly attributable to the individual segment as well as the items that may be allocated to the individual segment on a reliable basis.

Income and expenses relating to Group functions, investing activities, corporation tax, special items, etc. are managed on group level. These items are not included in the statement of segment performance. The items are presented under "Other activities, non-allocated items and eliminations".

Financial position of business segments
Assets are included in the segmental reporting to the extent they are used for the operation of the segment. Similarly, liabilities are included to the extent they are related to the operation of the segment. Assets and liabilities which cannot be attributed to either of the three segments on a reliable basis are presented under "Other activities, non-allocated items and eliminations".

Geographical information
DSV operates in almost all parts of the world and has activities in 75 countries in the following geographical regions:

- *EMEA**
- *Americas*
- *APAC*

*) In Management's commentary EMEA is presented as the Nordic countries, Southern Europe and Other Europe/EMEA.

Segment information

	Air & Sea		Road		Solutions		Other activities, non-allocated items and elimination		Total	
(DKKm)	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Condensed income statement										
Revenue	20,195	19,855	23,117	22,654	5,470	5,181	718	624	49,500	48,314
Intercompany revenue	(839)	(846)	(2,005)	(1,692)	(287)	(304)	(659)	(560)	(3,790)	(3,402)
Revenue	19,356	19,009	21,112	20,962	5,183	4,877	59	64	45,710	44,912
Amortisation and depreciation of intangibles, property, plant and equipment	106	134	98	135	168	145	128	120	500	534
Operating profit before special items	1,392	1,412	942	933	256	250	(38)	(55)	2,552	2,540
Special items							(129)	(275)	(129)	(275)
Net financials							(298)	(246)	(298)	(246)
Profit before tax (EBT)							(465)	(576)	2,125	2,019
Condensed balance sheet										
Total gross investments	350	152	205	241	103	183	183	127	841	703
Total assets	13,444	14,351	11,082	11,495	3,557	3,438	(4,983)	(6,490)	23,100	22,794
Total liabilities	10,009	11,633	7,092	7,531	3,302	3,481	(3,551)	(5,236)	16,852	17,409

Geographical information	EMEA		Americas		APAC					
Net revenue	39,178	38,686	3,109	2,944	3,423	3,282			45,710	44,912
Non-current assets *	10,791	10,751	1,605	1,618	616	768			13,012	13,137

Geographical information	Denmark		Germany		Sweden		Italy	
Net revenue	6,505	6,147	5,455	5,425	4,561	4,271	4,420	4,701
Non-current assets *	2,109	1,743	1,473	1,445	1,992	2,115	1,294	1,377

Inter-segment transactions are made on an arm's length basis.
*) Non-current assets less tax assets.

Revenue and non-current assets are allocated to the geographical areas based on the country in which the individual consolidated entity is based. The corporate headquarters of DSV is located in Denmark, which is included in the EMEA segment.

2.2 NET REVENUE

Accounting policies
Net revenue comprises the services provided in the financial year as well as changes in the value of work in progress. All kinds of discounts are offset against net revenue. Net revenue is measured excluding VAT and other tax collected on behalf of third parties.

Significant accounting estimates
At the close of accounting periods significant accounting estimates and judgements are made regarding work in progress, including accrual of income and pertaining direct costs. These estimates are based on experience and continuous follow-up on provisions for work in progress relative to subsequent invoicing.

2.3 DIRECT COSTS

Accounting policies
Direct costs comprise costs paid to generate the revenue for the year. Direct costs include settlement of accounts with haulage contractors, shipping companies and airlines, etc., other direct costs, including staff costs relating to own staff used for fulfilling orders and rental of logistics facilities in Solutions, as well as other operating costs.

2.4 OTHER EXTERNAL EXPENSES

Accounting policies
Other external expenses include expenses relating to marketing, IT, other rent, training and education, office premises, travelling and communications as well as other selling costs and administrative expenses.

2.5 STAFF COSTS

Accounting policies
Staff costs include wages and salaries, pensions, social security costs and other staff costs, but excluding staff costs recorded as direct costs.

Staff costs are recognised in the financial year in which the employee renders the related service. Costs related to long-term employee benefits, e.g. share-based payments, are recognised in the period to which they relate. Reference is made to note 3.4 for detailed information on pension plans, note 5.3 for detailed information on remuneration of Management and note 5.4 for detailed information on the Group's share option schemes and shared held by Management.

Staff costs

(DKKm)	2013	2012
Salaries and wages etc.	5,793	5,702
Defined contribution pension plans	282	259
Defined benefit pension plans	33	45
Other social security costs	1,026	1,035
Share-based payments	39	40
	7,173	7,081
Transferred to direct costs	(2,230)	(2,217)
Total staff costs	**4,943**	**4,864**
Average number of full-time employees	21,865	21,573
Number of full-time employees at year end	22,021	21,932

2.6 AMORTISATION AND DEPRECIATION FOR THE YEAR

Accounting policies
Amortisation and depreciation for the year are recognised based on the amortisation and depreciation profiles determined for the assets (see notes 3.1 and 3.2). The net gain or loss of the sale of property, plant and equipment and intangible assets is included in total amortisation and depreciation.

Amortisation and depreciation for the year

(DKKm)	2013	2012
Software and other intangible assets	131	131
Customer relationships	113	109
Buildings	140	141
Other plant and operating equipment	172	185
Net gain on sale of assets	(56)	(32)
Total amortisation and depreciation of intangibles, property, plant and equipment	**500**	**534**

2.7 SPECIAL ITEMS

Accounting policies
Special items are used in connection with the presentation of the profit or loss for the year to distinguish certain items from the other items of the income statement. The items are stated separately to give a true and fair view of the primary activities of the Group.

Special items consist of:

- Restructuring costs relating to fundamental structural, procedural and managerial reorganisations as well as any related gains or losses on disposals.
- Restructuring costs relating to acquisition and divestment of enterprises.

Significant accounting estimates
In connection with the use of special items it is crucial that they are significant items not directly attributable to the ordinary operating activities of the Group.

Special items

(DKKm)	2013	2012
Restructuring costs relating to acquisition and disposal of enterprises	101	17
Restructuring costs	28	258
Special items, total costs	**129**	**275**
Special items, net	**(129)**	**(275)**

Costs relating to the acquisition and divestment of enterprises were mainly non-recurring expenses in connection with acquisitions. Restructuring costs include non-recurring expenses defrayed by the Group for the purpose of streamlining business processes and adjusting overheads.

Chapter 3 – Operating assets and liabilities

This chapter specifies the operating assets and liabilities which form the basis of our activities.

3.1 INTANGIBLE ASSETS

Accounting policies

Goodwill

On initial recognition, goodwill arising from business combinations is recognised in the balance sheet at cost. Subsequently, goodwill is measured at cost less accumulated impairment losses.

Determination of cash-generating units to which consolidated goodwill is allocated is based on the management structure and system of internal financial control. Such determination is generally made at division level, i.e. for Air & Sea, Road and Solutions.

The carrying amount of goodwill is tested for impairment at least once a year together with the other non-current assets of the division to which the goodwill is allocated. Goodwill is written down to the recoverable amount through the income statement if the carrying amount is higher.

The recoverable amount is determined as the discounted value of the expected future net cash flow from the division to which the goodwill is associated. The calculation of the discounted net cash flow applies discount rates reflecting the risk-free interest rate with the addition of the risks related to the individual cash-generating units, including geographical location and financial risk.

The expected future net cash flow is based on budgets and business plans approved by Management for the year 2014 and projections for subsequent years up to and including 2018. From 2018 and onwards DSV expects the growth rate to remain in line with the expected long-term average growth rate for the industry.

Customer relationships

On initial recognition customer relationships identified from business acquisitions are recognised in the balance sheet at fair value. Subsequently, customer relationships are measured at cost price less accumulated amortisation and impairment losses. Customer relationships are amortised on a straight-line basis over the expected duration of these relations, which is estimated to be 10 years.

Computer software

Computer software bought or developed for internal use is measured at the lower of cost less accumulated amortisation and impairment losses and the recoverable amount. Cost is calculated as costs, salaries and amortisation directly or indirectly attributable to software. After commissioning software is amortised on a straight-line basis over its expected useful life. The amortisation period is 1-8 years.

Significant accounting estimates

In connection with the goodwill impairment test a number of estimates are made of revenue development, gross profit, operating margin, future capital expenditure, discount rate and growth expectations in the terminal period. The estimates are based on assessments of the individual division. The estimates are based on historical experience and assumptions of expected market developments, including the expected average long-term market growth rate.

The impairment test is based on the following key assumptions:

	2013	2012
Air & Sea		
Annual revenue growth	5.0%	5.0%
Operating margin	7.3%	7.1%
Terminal value growth rate	2.0%	2.0%
Pre-tax discount rate	10.3%	10.1%
Road		
Annual revenue growth	4.0%	5.0%
Operating margin	4.4%	4.3%
Terminal value growth rate	2.0%	2.0%
Pre-tax discount rate	10.3%	10.1%
Solutions		
Annual revenue growth	5.0%	5.3%
Operating margin	5.1%	6.2%
Terminal value growth rate	2.0%	2.0%
Pre-tax discount rate	10.2%	10.0%

Intangible assets

(DKKm)	2013 Goodwill	2013 Customer relations	2013 Computer Software	2013 Total	2012 Goodwill	2012 Customer relations	2012 Computer Software	2012 Total
Cost at 1 January	**7,788**	**1,098**	**1,054**	**9,940**	**7,659**	**1,077**	**926**	**9,662**
Additions from acquisition of enterprises	322	81	-	403	97	17	-	114
Additions for the year	-	-	179	179	-	-	132	132
Disposals at cost	-	-	(12)	(12)	-	-	(5)	(5)
Currency translation adjustment	(72)	(18)	(7)	(97)	32	4	1	37
Total cost at 31 December	**8,038**	**1,161**	**1,214**	**10,413**	**7,788**	**1,098**	**1,054**	**9,940**
Total amortisation and impairment at 1 January	**10**	**619**	**588**	**1,217**	**10**	**509**	**460**	**979**
Amortisation and impairment for the year	-	113	131	244	-	109	131	240
Amortisation of assets disposed of	-	-	(11)	(11)	-	-	(4)	(4)
Currency translation adjustment	-	(12)	(7)	(19)	-	1	1	2
Total amortisation and impairment at 31 December	**10**	**720**	**701**	**1,431**	**10**	**619**	**588**	**1,217**
Carrying amount at 31 December	**8,028**	**441**	**513**	**8,982**	**7,778**	**479**	**466**	**8,723**

Breakdown of goodwill by division
The carrying amount of goodwill is allocated to the Group's cash-generating units at the time of the acquisition.

(DKKm)	Carrying amount 2013	Carrying amount 2012	% 2013	% 2012
Air & Sea	4,393	4,171	55%	53%
Road	2,551	2,520	32%	33%
Solutions	1,084	1,087	13%	14%
I alt	**8,028**	**7,778**	**100%**	**100%**

Additions to goodwill from business combinations were DKK 302 million for 2013 (2012: DKK 97 million). In addition, adjustments to goodwill amounted to DKK 20 million in connection with adjustments relating to previous acquisitions.

Impairment testing
Goodwill
As at 31 December 2013, the carrying amount of goodwill was tested for impairment. No indication of impairment of consolidated goodwill was identified.

Sensitivity
Sensitivity tests have been performed to assess the probability that any probable changes in cash flows or discount rate will result in any impairment loss. The test showed that the probable changes in the fundamental assumptions will not make the carrying amount of goodwill exceed the recoverable amount.

3.2 PROPERTY, PLANT AND EQUIPMENT

Accounting policies
Land and buildings, other plant and operating equipment are measured at cost less accumulated depreciation and impairment losses.

The cost comprises the acquisition price and costs directly associated with the acquisition until the time when the asset is ready for use. The cost of assets produced in-house comprises direct and indirect costs for materials, components, sub-contractors, wages and salaries. The present value of estimated costs for dismantling and disposing of the asset as well as restoration costs are added to cost if such costs are recognised as a provision. Material borrowing costs directly attributable to the production of the individual asset are also added to cost. If the individual components of an asset have different useful lives, each component will be depreciated separately.

The cost of assets under finance leases is determined as the lower of the fair value of the assets and the present value of the future minimum lease payments. When the present value is calculated, the internal rate of return of the lease, or an alternative borrowing rate, is applied as the discount rate.

Subsequent costs, such as partial replacement of property, plant and equipment, are included in the carrying amount of the asset in question when it is probable that such costs will result in future economic benefits for the Group. The carrying amount of the replaced parts is derecognised from the balance sheet and recognised in the income statement.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

- Terminals and administration buildings 40-60 years
- Other buildings and building elements 10-25 years
- Technical plant and machinery 6-10 years
- Other plant and operating equipment 3-8 years
- Land is not depreciated

The depreciation basis takes into account the residual value of assets and is reduced by any impairment losses. The residual value is calculated on the date of acquisition and reassessed once a year. If the residual value exceeds the carrying amount of the asset, depreciation will no longer be provided.

The carrying amount of non-current assets is tested once a year to determine whether there is an indication of impairment. If so, the recoverable amount is calculated. The recoverable amount is the higher of the fair value of an asset less the expected costs to sell and the value in use.

The value in use is calculated as the present value of expected future cash flow from the asset or the division of which the asset forms part. Any impairment losses are included in amortisation, depreciation and impairment losses.

Gains and losses on the disposal of property, plant and equipment are recognised in the income statement under amortisation, depreciation and impairment losses.

Accounting estimates

The depreciation periods are determined based on estimates of the expected lives and future residual value of the assets. The estimates are based on historical experience. A reassessment is made once every year to ascertain that the depreciation basis reflects the expected life and future residual value of the assets.

Property, plant and equipment

	2013				2012			
(DKKm)	Land and buildings	Other plant and operating equipment	Property, plant and equipment in progress	Total	Land and buildings	Other plant and operating equipment	Property, plant and equipment in progress	Total
Cost at 1 January	**4,193**	**1,639**	**474**	**6,306**	**4,269**	**1,658**	**427**	**6,354**
Additions from acquisitions	8	5	-	13	-	4	-	4
Additions for the year	28	124	94	246	48	137	268	453
Disposals at cost	(231)	(114)	(48)	(393)	(174)	(187)	(202)	(563)
Transferred to assets held for sale	-	-	-	-	(30)	-	-	(30)
Reclassification	368	72	(440)	-	30	6	(36)	-
Currency translation adjustments	(66)	(42)	(18)	(126)	50	21	17	88
Total cost at 31 December	**4,300**	**1,684**	**62**	**6,046**	**4,193**	**1,639**	**474**	**6,306**
Total depreciation and impairment at 1 January	**895**	**1,130**	**20**	**2,045**	**760**	**1,091**	**-**	**1,851**
Depreciation for the year	140	172	-	312	141	185	-	326
Depreciation of assets disposed of	(48)	(91)	-	(139)	(24)	(161)	-	(185)
Transferred to assets held for sale	-	-	-	-	(4)	-	-	(4)
Impairment*	-	-	-	-	13	-	20	33
Currency translation adjustments	(26)	(29)	-	(55)	9	15	-	24
Total depreciation and impairment at 31 December	**961**	**1,182**	**20**	**2,163**	**895**	**1,130**	**20**	**2,045**
Carrying amount at 31 December	**3,339**	**502**	**42**	**3,883**	**3,298**	**509**	**454**	**4,261**
Of which finance leased assets	376	12	-	388	395	27	-	422

*) Impairment losses are included in Special items.

3.3 OPERATING LEASE OBLIGATIONS

Accounting policies
Lease payments are recognised in the income statement on a straight-line basis over the term of the lease.

Significant accounting estimates
The Group has concluded arm's length leases for buildings, including terminals and warehouses, and other operating equipment. Based on individual assessments of the leases, an assessment is made as to whether these leases are to be considered finance or operating leases in the financial statements.

Land and buildings
Maturity

(DKKm)	2013	2012
0-1 year	1,180	928
1-5 years	2,712	2,263
> 5 years	2,023	1,716
Total	**5,915**	**4,907**

The leases have an average term of 4 years (2012: 4 years).

The Group has concluded back-to-back leases with several customers, securing future activity at some of its premises leased under operating leases. Of the lease obligations, approx. DKK 0.6 billion relate to back-to-back leases (2012: DKK 0.5 billion).

Operating lease costs of DKK 1,140 million relating to land and buildings were recognised in the income statement for the financial year of 2013 (2012: DKK 1,116 million).

Other plant and operating equipment
Maturity

(DKKm)	2013	2012
0-1 year	416	381
1-5 years	616	512
> 5 years	5	9
Total	**1,037**	**902**

Leases of other plant and operating equipment typically have a term of up to 5 years.

Operating lease costs of DKK 558 million relating to other plant and operating equipment were recognised for the financial year of 2013 (2012: DKK 564 million).

3.4 PENSION OBLIGATIONS

Accounting policies
Obligations relating to defined contribution pension plans under which the Group pays regular pension contributions to independent pension funds are recognised in the income statement for the period in which they are earned, and contributions payable are recognised in the balance sheet under other current liabilities.

As regards defined benefit plans, an actuarial valuation of the value in use of future benefits payable under the plan is made once a year. The value in use is calculated on the basis of the assumptions of future development in wage/salary level, interest rates, inflation, mortality, etc. The value in use is only calculated for benefits to which the employees have become entitled during their employment with the Group. The actuarial calculation of the value in use less the fair value of any assets under the plan is recognised in the balance sheet under pension obligations. Pension costs of the year are recognised in the income statement based on actuarial estimates and financial expectations at the beginning of the year.

The differences between the calculated development in pension assets and liabilities and the realised values are recognised in other comprehensive income as actuarial gains or losses.

Changes in the benefits payable for employees' past services to the enterprise result in an adjustment of the actuarial calculation of the value in use, which is classified as past service costs. Past service costs are charged to the income statement immediately if the employees have already earned the right to the adjusted benefits. Otherwise, the benefits will be recognised in the income statement over the period in which the employees earn the right to the adjusted benefits.

Significant accounting estimates
The actuarial assumptions used in calculations and valuations vary from country to country owing to national economic and social conditions. In the European countries, which have the most significant pension plans, the following assumptions are used:

	2013		2012	
(DKKm)	Spread	Weighted average	Spread	Weighted average
Discount rate	2.85% – 4.50%	3.88%	3.00% – 4.50%	4.01%
Future wage/ salary increase	2.00% – 3.80%	2.95%	2.00% – 3.40%	2.82%
Future rate of inflation	1.75% – 2.50%	2.10%	1.75% – 2.50%	2.08%

Life expectancy is based on relevant statistics available on the individual countries included in the calculation.

In determining the obligation, the Group makes use of external and independent actuaries.

Pension obligations
Net obligations at 31 December

(DKKm)	2013	2012
Present value of defined benefit plans	2,726	2,606
Fair value of pension plan assets	1,692	1,528
Pensions obligations, net	**1,034**	**1,078**

Of pensions and similar obligations DKK 828 million relate to unfunded pension obligations (2012: DKK 848 million) and DKK 206 million relate to partly funded obligations (2012: DKK 230 million).

Total pension costs for the year
Net costs of DKK 352 million (2012: DKK 342 million) relating to the Group's pension plans were recognised in the income statement for the financial year of 2013.

Net pension plan costs are recognised in the income statement as follows:

(DKKm)	2013	2012
Staff costs	315	304
Financial expenses	37	38
Total costs recognised	**352**	**342**

Of this amount costs of DKK 70 million relate to defined benefit plans (2012: DKK 83 million), DKK 33 million were recognised as staff costs (2012: DKK 45 million) and DKK 37 million as financial expenses (2012: DKK 38 million). Net costs relating to defined benefit plans may be specified as follows:

(DKKm)	2013	2012
Pension costs relating to current financial year	33	45
Calculated interest on obligations	102	104
Calculated return on plan asset	(65)	(66)
Total recognised for defined benefit plans	**70**	**83**

In addition, DKK 282 million relating to defined contribution plans were recognised for 2013 and included in staff costs (2012: DKK 259 million).

Actuarial adjustments
Cumulative actuarial losses including social security benefits are recognised in other comprehensive income. Actuarial gains/losses for the year was a decline of DKK 16 million (2012: an increase of DKK 115 million).

(DKKm)	2013	2012
Accumulated actuarial losses	(483)	(499)
Social security costs relating to actuarial losses	(11)	(11)
Total	**(494)**	**(510)**

Pension plan obligations
Developments in the present value of obligations relating to defined benefit plans:

(DKKm)	2013	2012
Obligations at 1 January	2,606	2,228
Currency translation adjustments	(25)	35
Pension costs relating to current financial year	33	45
Calculated interest on obligations	102	104
Actuarial losses arising from changes in economic conditions	73	274
Adjustment relating to change in pension plan	22	-
Benefits paid	(85)	(81)
Additions from acquisitions	-	1
Obligations at 31 December	**2,726**	**2,606**

The expected average duration of the obligations is 19 years.

Maturity of pension obligations:

(DKKm)	2013	2012
0-1 year	78	75
1-5 years	311	299
> 5 years	2,337	2,232
Total obligations recognised	**2,726**	**2,606**

Pension plan assets
Developments in the present value of pension plan assets:

(DKKm)	2013	2012
Pension plan assets at 1 January	1,528	1,253
Currency translation adjustments	(19)	20
Calculated interest on plan assets	65	66
Actuarial gains/losses on plan assets	89	158
Paid up	114	115
Benefits paid	(85)	(84)
Pension plan assets at 31 December	**1,692**	**1,528**

DSV expects to contribute DKK 114 million to defined benefit plan assets in 2014.

Composition of pension plan assets

(DKKm)	2013	2012
Shares	20%	23%
Bonds	16%	20%
Insurance contracts	64%	57%
Total	**100%**	**100%**

Return on pension plan assets

(DKKm)	2013	2012
Calculated interest on plan assets	65	66
Actuarial gains/losses on plan assets	89	158
Total actual return on plan assets	**154**	**224**

Sensitivity analysis
The table below illustrates the change in the gross obligation relating to defined benefit plans from a change in the key actuarial assumptions. The analysis is based on fairly probable changes, provided that the other parameters remain unchanged.

(DKKm)	2013
Reported obligation	2,726
Discount rate	
Increase of 0.5%	2,490
Decrease of 0.5%	2,997
Future wage/salary increase	
Increase of 0.5%	2,784
Decrease of 0.5%	2,674
Inflation	
Increase of 0.5%	2,977
Decrease of 0.5%	2,580
Life expectancy	
Life expectancy increase of 1 year	2,789
Life expectancy decrease of 1 year	2,662

3.5 PROVISIONS

Accounting policies
Provisions are recognised when, due to an event occurring on or before the reporting date, the Group has a legal or constructive obligation, and it is probable that the Group will have to give up future economic benefits to meet the obligation.

Provisions are measured on the basis of Management's best estimate of the anticipated expenditure for settlement of the relevant obligation and are discounted if deemed material.

Significant accounting estimates
Management continually assesses provisions, contingencies and the likely outcome of pending and potential legal proceedings. The outcome of such proceedings depends on future events, which are obviously uncertain. Management includes judgements by external legal experts and existing case law in assessing the probable outcome of material legal proceedings, tax issues, etc.

Provisions

(DKKm)	Restructuring costs	Disputes and legal actions	Other	Total
Provisions at 1 January 2013	**190**	**297**	**206**	**693**
Additions from acquisitions	25	-	35	60
Applied for the year	(144)	(61)	(106)	(311)
Provisions for the year	119	22	82	223
Adjustment of provisions made in previous years	(10)	(51)	5	(56)
Currency translation adjustments	(1)	(1)	(4)	(6)
Provisions at 31 December 2013	**179**	**206**	**218**	**603**
Expected time frame of provisions:				
Non-current liabilities	79	150	132	361
Current liabilities	100	56	86	242
Provisions at 31 December 2013	**179**	**206**	**218**	**603**

Provisions are not discounted because the resulting effect is immaterial.

Provisions are expected to be settled within 1-2 years.

Restructuring costs
Restructuring costs mainly relate to the integration of acquires and the restructuring plans previously announced which consist of mainly termination benefits and costs under terminated leases.

Disputes and legal actions
Provisions for disputes and legal actions mainly relate to probable liabilities taken over at the acquisition of enterprises.

Other provisions
Other provisions mainly relate to restoration obligations in connection with property leases and onerous contracts mainly relating to acquisitions. Other provisions also comprise provisions relating to earn-out agreements and ordinary complaints.

Chapter 4 – Capital structure and finances

This chapter explains the Group's capital structure, earnings per share, net interest-bearing debt and finance related risks.

4.1 EQUITY

Accounting policies

Share capital
At year end 2013 the share capital of DSV A/S amounted to 180 million shares with a nominal value of DKK 1 each. All shares are fully paid up. In 2013 DSV A/S cancelled treasury shares of a nominal value of DKK 8 million.

Reserve for treasury shares
The reserve comprises the nominal value of treasury shares. The difference between the market price paid and the nominal value as well as dividends on treasury shares are recognised directly in equity under retained earnings. Treasury shares are bought back to meet obligations under the Company's incentive schemes and adapt its capital structure. The reserve is a distributable reserve.

Hedging reserve
The hedging reserve comprises the fair value of hedging instruments qualifying for hedge accounting. Hedge accounting ceases when the hedging instrument matures or if a hedge is no-longer effective.

Currency translation reserve
The reserve comprises DSV A/S shareholders' share of currency translation adjustments arising on the translation of net investments and related hedging in entities with a functional currency other than DKK. Hedge accounting ceases upon disposal of the entity or if hedge accounting is no longer relevant.

Statement of changes in equity

(DKKm)	2013	2012
Share capital	180	188
Treasure shares	(5)	(10)
Hedging reserve	(38)	(107)
Translation reserve	(44)	16
Retained earnings	6,125	5,261
DSV A/S shareholders share of equity	6,218	5,348
Non-controlling interests	30	37
Total equity	**6,248**	**5,385**

Treasury shares

	Market value (DKKm)	% of share capital before cancellation	% of share capital after cancellation	2013 Million shares of DKK 1 (Nominal value)	2012 Million shares of DKK 1 (Nominal value)
Portfolio, beginning of year	**1,448**	**5.29%**	**5.52%**	**9.9**	**4.4**
Cancellation of treasury shares	(991)	(4.26%)	(4.44%)	(8.0)	(2.0)
Portfolio of treasury shares less cancelled shares	457	1.03%	1.08%	1.9	2.4
Purchased during the year	700	2.58%	2.70%	4.9	10.4
Sold during the year	(246)	(1.01%)	(1.06%)	(1.9)	(2.9)
Value adjustment	(41)	-	-	-	-
Portfolio, end of year	**870**	**2.60%**	**2.72%**	**4.9**	**9.9**

Earnings per share

(DKKm)	2013	2012
Profit for the year	1,571	1,430
Non-controlling interests' share of consolidated profit for the year	(6)	3
DSV A/S shareholders' share of profit for the year	1,577	1,427
Amortisation of customer relationships	113	109
Share-based payment	39	40
Special items, net	129	275
Related tax effect	(70)	(106)
Adjusted profit for the year	**1,788**	**1,745**
('000 shares)		
Total average number of shares	182,367	188,596
Average number of treasury shares	(5,398)	(5,966)
Average number of shares in circulation	176,969	182,630
Average dilutive effect of outstanding share options under incentive schemes	907	1,341
Diluted average number of shares in circulation	**177,876**	**183,971**
Earnings per share of DKK 1	8.91	7.81
Diluted earnings per share of DKK 1	8.87	7.76
Adjusted earnings per share of DKK 1	10.10	9.55
Diluted adjusted earnings per share of DKK 1	10.05	9.48

Diluted average number of shares
Diluted earnings per share and diluted adjusted earnings per share have been calculated excluding out-of-the-money share options. The number of out-of-the-money share options were 0 in 2013 (2012: 2,838,500 share options).

4.2 CAPITAL STRUCTURE AND CAPITAL ALLOCATION

Capital structure
The capital structure of DSV is intended to ensure financial stability for the purpose of reducing its cost of capital and maintain sufficient financial stability to reach its strategic goals. The target for the Group's capital structure states that the ratio of net interest-bearing debt to EBITDA may must be approx. 2.0. The net interest-bearing debt to EBITDA ratio may exceed 2.0 in extraordinary periods due to acquisitions made by the Group.

The gearing ratio, i.e. net interest-bearing debt to EBITDA, was 1.9 at 31 December 2013 (2012: 2.1).

Capital allocation
The Group aims to spend free cash flow as follows:

- Repayment of net interest-bearing debt in periods when the financial gearing ratio of the Group is above the capital structure target.
- Acquisitions if there are attractive candidates or further development of the existing business.
- Distribution to the Company's shareholders by means of share buybacks in preparation for capital reduction and dividends.

Repayment of net interest-bearing debt
The Group has reduced its debt by DKK 612 million.

Value-adding investments
DSV spent DKK 269 million of consolidated free cash flow on four acquisitions in the financial year 2013. Reference is made to note 5.1 for more information.

Distribution to the Company's shareholders
In 2013 DSV spent DKK 700 million on the purchase of treasury shares (2012: DKK 1,303 million) and reduced the share capital by 8 million shares with a nominal value of DKK 1 each. (2012: 2 million shares of nominally DKK 1 each).

DSV A/S paid DKK 235 million as dividends on 27 March 2013, corresponding to DKK 1.25 per share (2012: DKK 190 million, corresponding to DKK 1.00 per share).

It is proposed to distribute a dividend of DKK 1.50 per share. (2012: DKK 1.25).

4.3 NET INTEREST-BEARING DEBT

Accounting policies
Financial liabilities
The financial liabilities of the Group are divided into four financing categories:

- Bank loans and credit facilities
- Issued bonds
- Finance leases
- Other financial liabilities

Bank loans and other borrowings and loans obtained through the issuance of bonds are recognised initially at fair value net of transaction expenses. Subsequently, the financial liability is measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Capitalised residual lease obligations are recognised as finance lease obligations.

Other liabilities are measured at amortised cost, which corresponds to the net realisable value in all essentials.

Net interest-bearing debt

(DKKm)	2013	2012
Loans and credit facilities	4,596	6,025
Issued bonds	1,743	748
Finance leases	269	312
Other non-current liabilities	48	28
Total financial liabilities	**6,656**	**7,113**
Cansh and cash equivalents	707	552
Total financial liabilities	**707**	**552**
Net interest-bearing debt	**5,949**	**6,561**
Financial liabilities as recognised in the balance sheet:		
Non-current liabilities	6,066	6,190
Current liabilities	590	923
Financial liabilities at 31 December	**6,656**	**7,113**

4.4 FINANCIAL RISKS

Liquidity risk
We ensure that the Group has sufficient cash on demand in the form of short-term credit facilities and long-term credit lines from the main banks of the Group and through the issuance of bonds. The total duration of the Group's long-term loan commitments and the amounts drawn on its credit lines at 31 December 2013 are shown in the table below.

In Q2 2013 DSV issued a corporate bond of DKK 1,000 million with a coupon of 3.5%. The loan is a fixed-rate bullet loan with a duration of 7 years. The purpose of the bond loan is to further diversify the Group's long-term debt to make the Group less dependent on bank loans and to utilise the historically low interest rate level. The proceeds have been used to reduce the Group's long-term bank loans.

The loan agreements of the Group are subject to a covenant. The covenant of the Group is related to the ratio of net interest-bearing debt to EBITDA (operating profit before amortisation, depreciation and special items). Quarterly reporting on the development of the covenant is made to the Company's providers of funding. The covenant was observed in 2013.

List of commitments and amounts drawn on long-term credit facilities at 31 December 2013:

Loan facilities	Amount (EURm)	Amount (DKKm)	Expiry of commitments	Duration (years)	Undrawn
Long-term loan I	127	947	31/12/15	2.0	1
Long-term loan II	400	2,984	28/03/18	4.2	1,067
Long-term loan III	100	746	30/09/18	4.8	-
Bond loan I	101	750	23/11/20	6.9	-
Bond loan II	134	1,000	24/06/20	6.5	-
Long-term credit facility I *	52	390	31/12/14	1.0	241
Long-term credit facility II	100	746	20/04/16	2.3	482
Other	1	4	31/03/15	1.2	-
Total and weighted duration	**1,015**	**7,567**		**4.2**	**1,791**

*) Credit facilities expiring in 2014 with 12 months' notice at any time.

The Group's financial liabilities fall due as follows:

(DKKm)	Carrying amount	Total cash flow, including interest	2013 0-1 year	1-5 years	> 5 years
Loans and credit facilities	6,339	7,114	848	4,384	1,882
Finance leases	269	326	53	240	33
Trade payables	4,537	4,537	4,537	-	-
Interest rate derivatives	117	121	85	39	(3)
Total	**11,262**	**12,098**	**5,523**	**4,663**	**1,912**

(DKKm)	Carrying amount	Total cash flow, including interest	2012 0-1 year	1-5 years	> 5 years
Loans and credit facilities	6,773	7,373	1,074	5,434	865
Finance leases	312	378	62	279	37
Trade payables	4,385	4,385	4,385	-	-
Interest rate derivatives	210	217	120	97	-
Total	**11,680**	**12,353**	**5,641**	**5,810**	**902**

The analysis of expected maturity is based on contractual cash flows, including estimated interest payments. Amounts have not been discounted for which reason they cannot necessarily be reconciled to the related items of the balance sheet.

Foreign currency risk
Due to the operating activities of the Group it is exposed to exchange rate fluctuations to a certain extent. DSV seeks to eliminate foreign currency risks by hedging currency exposures centrally via the Treasury Department. The risk exposure is managed on a net basis by using primarily foreign exchange forward contracts.The Group's foreign subsidiaries are not affected where trading income and costs are denominated in the functional currency. This applies to a large part of the Group's activities. Moreover, a large proportion of the income and expenses of the Group are denominated in EUR and USD. The aggregate currency risk is therefore limited.

The Group is also exposed to foreign currency risks, partly on the translation of debt denominated in a foreign currency other than the functional currency of the relevant company and partly on the translation of net investments in entities with a functional currency other than DKK. The former risk affects profit before tax. However, where debt is classified as hedging of net investments in foreign subsidiaries, fair value adjustments are recognised directly in equity under other comprehensive income. On recognition of net investments in foreign subsidiaries, the Group is exposed to a translation risk when the profit or loss and equity of foreign subsidiaries are converted into DKK at the reporting date based on the average rates of exchange and the closing rates. It is assessed on an ongoing basis whether to hedge the Parent's net investments in subsidiaries. It is DSV Group policy to reduce net investments in Group subsidiaries on an ongoing basis by distributing the subsidiaries' profits as dividends

In general, the Group does not hedge euro positions as it expects the official Danish fixed exchange-rate policy against the euro to continue.

Exposure in major foreign currencies breaks down as follows:

(DKKm)	Net position 2013	2012	Exchange rate fluctuation	Impact on profit/loss 2013	2012	Impact on other comprehensive income 2013	2012
CNY/DKK	4	(35)	+/- 5%	7	8	7	13
GBP/DKK	19	14	+/- 5%	10	8	16	14
HKD/DKK	(15)	-	+/- 5%	5	5	5	8
SEK/DKK	13	15	+/- 5%	12	12	46	145
USD/DKK	74	121	+/- 5%	18	18	63	21
Total			**+/- 5%**	**52**	**51**	**137**	**201**

The effect of foreign currency translation has been calculated on the basis of the effect of a 5% change in average rates for 2012 and 2013. The effect on other comprehensive income has been calculated on the basis of the effect of a 5% change in year-end closing rates of exchange for 2012 and 2013. The method applied for the sensitivity analysis is unchanged compared to previous years.

Interest rate risk

The major interest rate risk relates to the long-term floating-rate loans raised by the Parent. These loans are refinanced to a fixed-rate loan by using mainly interest rate swaps with a duration of up to 120 months.

The Group's loans and credit facilities:

(DKKm)	Expiry	Fixed/ floating interest rate	Carrying amount 2013	2012
Bank loans DKK	2015	Floating	742	943
Bank loans EUR	2015-2018	Floating	2,854	4,073
Bank loans other	2015	Floating	4	9
Bond loan	2020	Fixed	1,743	748
Mortgage loans	2015 - 2024	Floating/ fixed	51	65
Long-term credit facility	2014-2016	Floating	413	73
Overdraft facility	2014	Floating	532	862
Loans and credit facilities at 31 December			**6,339**	**6,773**
Loans and credit facilities as recognised in the balance sheet				
Non-current liabilities			5,807	5,911
Current liabilities			532	862
Loans and credit facilities at 31 December			**6,339**	**6,773**

The weighted average interest rate on loans and credit facilities was 2.1% (2012: 1.5%).

The Group also has an interest rate risk in connection with the finance and operating leases concluded. The relevant interest rates are fixed on an ongoing basis for periods of 24 to 48 months.

It is our policies that the average period of fixed interest rates on all net bank debts must be at least 8 months and not more than 40 months at any time.

At year end 2013, duration of the hedges on the bank and bond loans of the Group was 36 months (2012: 33 months).

The weighted average interest rate on the Group's loans and credit facilities including the effect of interest rate swaps was 2.8% in 2013 (2012: 2.6%).

An increase in interest rates by 1 percentage point will reduce profit for the year by DKK 10 million (2012: DKK -18 million) and have an impact on other comprehensive income of DKK 65 million (2012: DKK 108 million).

The method applied for the sensitivity analysis is unchanged compared to previous years.

Financial items

Accounting policies

Financials include interest, share of associates' profit/loss, exchange gains and losses on and impairment of securities, payables and foreign currency transactions as well as amortisation of financial assets and liabilities, including obligations under finance leases. Furthermore, realised and unrealised gains and losses on derivative financial instruments that cannot be classified as hedging contracts are included.

Financial items

Financial income

(DKKm)	2013	2012
Interest income	32	23
Share of associates' profit, net of tax	7	7
Currency translation adjustments, net	-	23
Total financial income	**39**	**53**

Financial expenses

(DKKm)	2013	2012
Interest expenses	289	261
Calculated interest on pension obligations, see note 3.4	37	38
Currency translation adjustments, net	11	-
Total financial expenses	**337**	**299**

Credit risk
The Group's credit risks relate mainly to trade receivables. The Group has no particular concentration of customers or suppliers and is not especially dependent on specific customers or suppliers. The credit risk of the Group is therefore deemed not material. The reported losses on receivables for the year was DKK 72 million, corresponding to 0.2% of consolidated revenue. (2012: DKK 78 million, or 0.2%).

In a number of situations, DSV receives security in the form of financial guarantees or charges for sales on credit, and the security provided is included in the assessment of the necessity to write down doubtful trade receivables. At 31 December 2013 credit insurance had been taken out for DKK 4,380 million of all trade receivables.

DSV is exposed to a counterparty credit risk when entering into derivative financial instruments. In order to reduce this risk, DSV only enters into derivative financial instruments with the existing banks of the Group whose credit rating from Standard & Poor's is long-term A or higher. As a general rule, the Group only makes short-term deposits with banks rated as short-term A-2 or higher by Standard & Poor's and/or as P-2 or higher by Moody's.

Write-down of receivables
The Group has issued an internal credit limit for each debtor. As set out in the Group Credit Policy trade receivables are rated on an ongoing basis. Insurance policies are taken out with a credit insurance company for the majority of the Group's receivables. Based on the internal credit policies and the risk assessment procedures of the Group the credit quality of unimpaired receivables is assessed to have, to a very great extent, a high quality and imply a low risk of loss.

Impairment losses for the year
Impairment losses relating to doubtful trade receivables:

(DKKm)	2013	2012
Impairment at 1 January	226	246
Impairment for the year	72	55
Impairment losses recognised for receivables	(57)	(78)
Reversal of impairments	(14)	1
Currency translation adjustments	(3)	2
Impairment at 31 December	**224**	**226**

Provision is made for expected losses on an individual basis.

Overdue trade receivables not written down break down as follows:

(DKKm)	2013	2012
Overdue for 1-30 days	1,209	1,131
Overdue for 31-120 days	445	414
Overdue for more than 120 days	38	60

4.5 DERIVATIVE FINANCIAL INSTRUMENTS

Accounting policies
Derivative financial instruments are recognised as from the trade date and measured at fair value. Positive and negative fair values of derivative financial instruments are included in other current receivables or other current payables. Positive and negative fair values are only offset if the Group has a right and an intention to settle several financial instruments net (by means of settlement of differences). The fair value of derivative financial instruments is calculated on the basis of market data and recognised valuation models.

Changes in the fair value of derivative financial instruments which are classified as and meet the criteria for recognition as a fair value hedge of a recognised asset or liability are recognised in the income statement together with changes in the value of the part of the asset or liability that has been hedged.

Changes in the part of the fair value of derivative financial instruments which are classified as and meet the criteria for recognition as a future cash flow hedge and which effectively hedge against changes in the value of the hedged item are recognised in other comprehensive income as a separate hedging reserve. When a hedged transaction is carried out, any gain or loss on such hedging transaction is transferred from equity and recognised in the same item as the hedged item. In connection with hedging of proceeds from future loans, however, gains or losses on such hedging transactions are transferred from equity over the term of the loan.

Changes in the fair value of derivative financial instruments not meeting the criteria for treatment as hedging instruments are recognised on an ongoing basis in the income statement under financials.

Foreign currency risk hedging
The Group mainly uses foreign exchange forward contracts to hedge foreign currency risks. The main currencies hedged are SEK, NOK, GBP and USD. The foreign exchange forward contracts are used as fair value hedges of currency exposures relating to balance sheet assets and liabilities.

A gain on hedging instruments of DKK 116 million was recognised in the income statement for the financial year of 2013 (2012: a loss of DKK 34 million).

For the same period, hedged risks were recognised in the income statement by a loss of DKK 127 million (2012: a gain of DKK 57 million).

Interest rate risk hedging
The Group has obtained long-term loans on a floating interest rate basis, which implies that the Group is exposed to interest rate fluctuations. The Group mainly uses interest rate swaps to hedge future cash flow relating to interest rate risks. Thereby floating-rate loans are refinanced as fixed-rate loans.

The weighted average effective interest rate for existing interest rate instruments used as hedges of long-term loans was 1.9% at the reporting date (2012: 1.9%).

Significant accounting estimates
When entering into contracts for financial instruments, an assessment is made of whether the instrument qualifies for hedge accounting, including whether the instrument hedges recognised assets and liabilities or net investments in foreign entities. The effectiveness of recognised financial instruments is assessed on a monthly basis and any ineffectiveness is recognised in the income statement.

External hedging instruments at 31 December 2013

(DKKm)	Currency instruments	Interest rate instruments	Total
Contractual value	6,113	6,730	12,843
Maturity	2014	2014-2020	
Fair value	27	(117)	(90)
Of which recognised in income statement	27	(21)	6
Of which recognised in other comprehensive income	-	(96)	(96)

External hedging instruments at 31 December 2012

(DKKm)	Currency instruments	Interest rate instruments	Total
Contractual value	6,326	7,893	14,219
Maturity	2013	2013-2016	
Fair value	16	(210)	(194)
Of which recognised in income statement	16	(26)	(10)
Of which recognised in other comprehensive income	-	(184)	(184)

4.6 FINANCIAL INSTRUMENTS

Financial instruments by category

(DKKm)	2013 Carrying amount	2012 Carrying amount
Financial assets:		
Currency derivatives	27	16
Trade receivables	7,469	7,238
Other receivables	794	791
Cash and cash equivalents	707	552
Total cash and receivables	8,970	8,581
Financial assets available for sale	7	8
Financial liabilities:		
Interest rate derivatives	117	210
Issued bonds measured at amortised cost	1,743	748
Loans and credit facilities	4,596	6,025
Finance lease liabilities	269	312
Trade payables	4,537	4,385
Financial liabilities measured at amortised cost	11,145	11,470

Fair value hierarchy

Derivative financial instruments – Level 2

The fair value of derivatives is determined based on observable market data using generally accepted methods. Internally calculated fair values are used and these are compared to external market quotes on a monthly basis.

Financial liabilities measured at amortised cost

The fair value of financial liabilities measured at amortised cost does not differ significantly from the carrying amount.

Receivables

The carrying amount of trade and other receivables corresponds to estimated fair value.

DSV has no financial instruments measured at fair value on the basis of level 1 input (measured at fair value) or level 3 input (non-observable market data).

Chapter 5 – Other notes

This chapter contains other statutory notes.

5.1 ACQUISITION AND DISPOSAL OF ENTITIES

Accounting policies
Newly acquired or established entities are recognised in the consolidated financial statements from the date of start-up or acquisition. Entities divested or otherwise ceasing to be subsidiaries or associates are recognised in the consolidated income statement until the date of disposal. On acquisition of entities over which the Parent obtains control the purchase method is applied.

Identifiable assets, liabilities and contingent liabilities of the acquirees are measured at fair value on acquisition.

Identifiable intangibles are recognised if they are separable or arise from a contractual right. Deferred tax is recognised for the revaluation.

The date of acquisition is the date on which DSV A/S or a DSV subsidiary actually obtains control of the acquiree.

The date of disposal is the date on which DSV A/S or a DSV subsidiary actually surrenders control of the entity divested or otherwise ceasing to be a subsidiary or an associate.

The consideration for acquirees consists of the fair value of the agreed consideration in the form of assets and liabilities transferred and equity instruments issued. If part of the consideration is subject to future events or the performance of contractual obligations, such part of the consideration is recognised at fair value on acquisition. Costs attributable to business combinations are recognised directly in the income statement when incurred.

Comparative figures are not adjusted for entities recently acquired, divested or otherwise ceasing to be subsidiaries or associates.

Positive differences (goodwill) between, on the one side, the consideration, the value of non-controlling interests in the entity acquired and the fair value of any participating interests previously acquired and, on the other, the fair value of identifiable assets, liabilities and contingent liabilities acquired are recognised as goodwill under intangibles.

Goodwill and fair value adjustments in connection with the acquisition of a foreign entity whose functional currency differs from the presentation currency of the DSV Group are treated as assets and liabilities belonging to the foreign entity and are translated into the functional currency of the foreign entity using the exchange rate ruling at the date of acquisition.

If, on acquisition, there is uncertainty connected with measurement of the identifiable assets, liabilities and contingent liabilities acquired, the first recognition is made on the basis of a preliminary calculation of fair value. If the allocation of acquisition price is considered preliminary and it subsequently turns out that the identifiable assets, liabilities and contingent liabilities had another fair value on acquisition than first assumed, goodwill may be adjusted for up to 12 months following the date of acquisition. The effect of the adjustments is recognised in equity at the beginning of the financial year and comparative figures are restated. After that, goodwill is not adjusted. Any change in estimated contingent consideration is recognised in the income statement.

Acquisition and disposal of subsidiaries and activities in 2013
In 2013 the Group acquired activities in Denmark, Sweden, Norway, the UK, USA and Colombia relating to the Group's three business areas. No material activities were divested during the year.

On 13 February 2013 we concluded an agreement to acquire the companies of the Seatainers Group. The agreement covered the acquisition of Solutions, Road and Air & Sea related activities with particular focus on project activities and complex transport operations of renewable energy equipment.

On 24 June 2013 we concluded an agreement to acquire the activities of Airmar Cargo. Airmar Cargo is a former agent of DSV and a market leader in sea freight export services from Colombia to Central America and the Caribbean. The acquisition thus strengthened our presence and existing Air & Sea activities in South America.

On 10 July 2013 we concluded an agreement to acquire the Ontime Logistics Group. The acquisition boosted our position in the Nordic road freight market.

Finally, on 29 August 2013 we concluded an agreement with SBS Worldwide. By this acquisition we strengthened the market position of DSV Air & Sea, in particular in our important markets: the UK and USA.

The net purchase price of all four companies totalled DKK 269 million.

In total, the acquisitions contributed DKK 1,363 million to consolidated revenue and DKK 188 million to gross profit and DKK 8 million to the operating profit. If the acquired entities had been owned by DSV from the beginning of the financial year, this would have had no material effect on consolidated revenue or profit.

The assets and liabilities acquired include trade receivables and trade payables as well as goodwill related to the acquisitions. Based on a preliminary calculation of fair value, total assets, excluding goodwill, of DKK 496 million and total liabilities of DKK 690 million were recognised. Of total assets excluding goodwill, DKK 81 million related to identified customer relationships. Goodwill of DKK 302 million was recognised. In addition, goodwill relating to previous acquisitions was adjusted upwards by DKK 20 million. The transaction expenses related to the acquisitions were modest and have been recognised as special items in the income statement.

Due to the continuous adjustment of purchase considerations, the amounts recognised in relation to acquisitions are subject to change.

Non-controlling interests
The Group acquired no material non-controlling interests and sold no material equity interests and sold no equity interests to non-controlling shareholders in 2013 or 2012.

5.2 TAX

Accounting policies

Current tax payable and receivable is recognised in the balance sheet as tax calculated on the taxable income for the year, adjusted for tax on the taxable income for previous years and for prepaid tax.

Deferred tax is recognised based on temporary differences between the carrying amount and the tax value of assets and liabilities. No recognition is made of deferred tax on temporary differences relating to amortisation or depreciation of goodwill, office properties and other items disallowed for tax purposes if, except at the acquisition of enterprises, such temporary differences arise on the date of acquisition without affecting the results or the taxable income. In cases where it is possible to calculate the tax value according to different taxation rules, deferred tax is measured on the basis of the planned use of the asset or the settlement of the liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised under other non-current assets at the expected value of their utilisation, either by elimination in tax on future earnings or by offsetting deferred tax liabilities within the same legal tax entity and jurisdiction. Deferred tax assets and tax liabilities are offset if the enterprise has a legally enforceable right to set off current tax liabilities and tax assets or intends either to settle current tax liabilities and tax assets on a net basis or to realise the assets and liabilities simultaneously. Deferred tax is adjusted for elimination of unrealised intra-Group gains and losses. Deferred tax is measured on the basis of the tax rules and tax rates of the relevant countries which will be effective under current legislation at the reporting date on which the deferred tax is expected to crystallise as current tax.

Tax for the year comprises current tax and deferred tax relating to the profit or loss for the year, interest expenses related to pending tax disputes and adjustments to previous years, including adjustments due to tax rulings. Tax for the year is recognised in the income statement, unless the tax expense relates to items included in other comprehensive income or equity.

Significant accounting estimates

The Group recognises deferred tax assets, including the tax base of tax loss carryforwards, if it is estimated that there will be sufficient future taxable income against which the temporary differences and unutilised tax losses can be utilised. This assessment is based on budgets and business plans for the following years, including planned business initiatives.

Deferred tax assets are tested annually and are only recognised if they are likely to be utilised.

Tax for the year

(DKKm)	2013	2012
The tax for the year is disaggregated as follows:		
Tax on profit for the year	554	589
Tax on other changes in equity	(3)	(16)
Tax on other comprehensive income	29	(38)
Total tax for the year	**580**	**535**
Tax on profit for the year is calculated as follows:		
Current tax	574	648
Deferred tax	(4)	(60)
Tax adjustment relating to previous years	(16)	1
Total tax on profit for the year	**554**	**589**
The tax on profit for the year breaks down as follows:		
Calculated 25% tax on profit for the year before tax	25.0%	25.0%
Adjustment of calculated tax in foreign Group enterprises relative to 25%	2.2%	3.5%
Change in deferred tax from change in corporation tax rate	(0.3%)	(0.2%)
Tax effect of:		
Non-deductible expenses/non-taxable income	0.2%	(2.1%)
Non-deductible losses/non-taxable gains on shares	(0.2%)	(0.5%)
Tax adjustment relating to previous years	(0.7%)	0.0%
Tax asset valuation adjustments, net	(2.8%)	1.1%
Other taxes and adjustments	2.7%	2.4%
Total	**26.1%**	**29.2%**

Tax on other comprehensive income

Fair value adjustment of hedging instruments	(20)	23
Actuarial gains/(losses)	(9)	15
Total	**(29)**	**38**

Deferred tax

Deferred tax recognised in the balance sheet

(DKKm)	2013	2012
Deferred tax at 1 January	2	97
Deferred tax for the year	(4)	(60)
Tax adjustment relating to previous years	(16)	(10)
Tax on changes in equity	4	(29)
Other adjustments	(5)	4
Deferred tax at 31 December	**(19)**	**2**

Deferred tax assets not recognised in the balance sheet

(DKKm)	2013	2012
Temporary differences	13	12
Tax assets not recognised	1,074	1,123
Total tax assets not recognised	**1,087**	**1,135**

Of the unrecognised tax assets, DKK 872 million may be carried forward indefinitely. The remaining DKK 202 million can be carried forward for up to 18 years.

The deferred tax assets and liabilities recognised are allocated to the following items:

2013

(DKKm)	Beginning of year	Recognised in profit/loss	Recognised in equity	Other adjustments	Currency translation adjustments	End of year	Deferred tax assets	Deferred tax liabilities
Intangible assets	198	(28)	-	15	(2)	183	32	(215)
Property, plant and equipment	237	(39)	-	(7)	(3)	188	-	(188)
Provisions	(194)	17	6	(6)	1	(176)	176	-
Other liabilities	5	9	(2)	(4)	1	9	72	(81)
Tax base of tax loss carryforwards	(244)	21	-	(2)	2	(223)	220	3
Offsets	-	-	-	-	-	-	(70)	70
Total	**2**	**(20)**	**4**	**(4)**	**(1)**	**(19)**	**430**	**(411)**

2012

(DKKm)	Beginning of year	Recognised in profit/loss	Recognised in equity	Other adjustments	Currency translation adjustments	End of year	Deferred tax assets	Deferred tax liabilities
Intangible assets	242	(46)	-	-	2	198	33	(231)
Property, plant and equipment	284	(49)	-	-	2	237	-	(237)
Provisions	(170)	(5)	(16)	(2)	(1)	(194)	194	-
Other liabilities	8	6	(13)	5	(1)	5	66	(71)
Tax base of tax loss carryforwards	(267)	24	-	-	(1)	(244)	244	-
Offsets	-	-	-	-	-	-	(128)	128
Total	**97**	**(70)**	**(29)**	**3**	**1**	**2**	**409**	**(411)**

5.3 REMUNERATION OF THE EXECUTIVE BOARD AND THE BOARD OF DIRECTORS

Executive Board
The members of the Executive Board are subject to a notice period of up to 24 months. Remuneration of the members of the Executive Board and the Board of Directors is calculated using the principles of the Company's Remuneration Policy.

The aggregate remuneration for the Executive Board members was DKK 20.3 million (2012: DKK 20.3 million). Specification of the remuneration of the Executive Board:

	Jens Bjørn Andersen		Jens H. Lund	
(DKKm)	2013	2012	2013	2012
Fixed salary	6.5	6.4	4.6	4.6
Pension	1.0	1.0	0.5	0.5
Bonus	2.5	2.5	1.8	1.7
Share-based payment	2.0	2.1	1.4	1.5
Total	**12.0**	**12.0**	**8.3**	**8.3**

Board of Directors
The aggregate remuneration for the Board of Directors of DSV A/S for 2013 was DKK 4.2 million (2012: DKK 3.8 million).

(DKK 1.000)	2013	2012
Kurt K. Larsen, Chairman	1,400	1,181
Erik B. Pedersen, Deputy Chairman	600	525
Kaj Christiansen	400	350
Per Skov (resigned 2012)	-	131
Annette Sadolin	600	525
Birgit W. Nørgaard	400	350
Thomas Plenborg	800	700
Total remuneration of the Board of Directors of the Parent	**4,200**	**3,762**

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5.4 SHARE OPTION SCHEMES AND SHARES HELD BY MANAGEMENT

Accounting policies
The value of the employee services received in exchange for the grant of options is measured at the fair value of the options at the date of grant. The fair value of equity-settled share-based programmes is measured at the grant date and recognised in the income statement under staff costs over the period until the options are vested. The offsetting item is recognised directly in equity. On initial recognition of such share-based programmes an estimate is made of the number of options that the employees are expected to earn.

The estimated number of options is adjusted subsequently to reflect the actual number of options earned. The fair value of the options granted is estimated on the basis of the Black & Scholes valuation model. The estimate is based on the terms and conditions applicable to the grant of options and Management's expectations of the development in the elements on which the valuation model is based.

Accounting estimates
The market value is calculated according to the Black & Scholes valuation model. The assumptions used are based on Management's estimates. The estimated volatility is based on the historical volatility over the preceding 3 years adjusted for any unusual circumstances during the period.

The valuation of the share options granted in 2013 and 2012 is based on the following assumptions:

Assumptions	2013	2012
Share price	142.00	128.00
Volatility	20.0%	28.0%
Risk-free interest rate	0.75%	0.90%
Expected dividends	1.50%	1.75%
Expected remaining life (years)	3.51	3.25

Share option schemes
DSV has launched incentive share option schemes with a view to retaining staff, senior staff and members of the Executive Board. The schemes are also intended to make staff and shareholders identify with the same interests. All exercise prices are set on the basis of the quoted market price at the date of grant. The share options can be exercised by the employees by cash purchase of shares only. The obligation relating to the schemes is partly covered by the Company's treasury shares.

The share options were granted pursuant to the procedures laid down in the Remuneration Policy of the Group applicable in the relevant year.

A total of 1,212 employees held share options at 31 December 2013.

Current share option schemes

Scheme	Number of employees	Options granted	Exercise price	Market value at date of grant (DKKm)
2009	984	1,941,000	41.10	17.6
2010	1,003	1,983,000	98.50	41.2
2011	1,011	1,977,000	129.90	46.9
2012	1,035	1,964,500	128.00	38.0
2013	1,059	1,996,000	142.00	31.5

Incentive share option schemes at 31 December 2013

	Exercise period	Executive Board	Senior staff	Total	Average exercise price per option
Outstanding share options of 2009 scheme	02.04.12 - 31.03.14	-	134,000	134,000	41.10
Outstanding share options of 2010 scheme	02.04.13 - 31.03.15	-	472,605	472,605	98.50
Outstanding share options of 2011 scheme	01.04.14 - 01.04.16	170,000	1,646,000	1,816,000	129.90
Outstanding share options of 2012 scheme	01.04.15 - 31.03.17	170,000	1,684,000	1,854,000	128.00
Outstanding share options of 2013 scheme	02.04.16 - 29.03.18	170,000	1,787,000	1,957,000	142.00
Outstanding at 31 December 2013		**510,000**	**5,723,605**	**6,233,605**	**128.84**
Exercise period open at 31 December 2013		**-**	**606,605**	**606,605**	**85.82**
Life (years)		3.25	3.04	3.06	
Market value (DKKm)		23.0	284.9	307.9	

Development in outstanding share options

	Board of Directors*	Executive Board	Senior staff	Total	Average exercise price per option
Outstanding at 1 January 2012	260,000	720,000	6,437,000	7,417,000	93.93
Granted in 2012	-	170,000	1,794,500	1,964,500	128.00
Exercised in 2012	(170,000)	(210,000)	(2,460,000)	(2,840,000)	77.23
Options waived/expired	-	-	(251,000)	(251,000)	111.03
Outstanding at 31 December 2012	**90,000**	**680,000**	**5,520,500**	**6,290,500**	**111.43**
Granted in 2013	-	170,000	1,826,000	1,996,000	142.00
Exercised in 2013	(90,000)	(340,000)	(1,471,395)	(1,901,395)	85.21
Options waived/expired	-	-	(151,500)	(151,500)	126.66
Outstanding at 31 December 2013	**-**	**510,000**	**5,723,605**	**6,233,605**	**128.84**

The average consideration paid for share options exercised in the financial year was DKK 146.03 per share at the date of exercise.
Outstanding share options for Executive Board members were granted to Jens Bjørn Andersen (300,000 options) and Jens H. Lund (210,000 options).
*) A Director received share options in his former capacity as CEO and in connection with certain day-to-day managerial tasks.

Shares held by members of the Executive Board and the Board of Directors

	Shares at beginning of year	Shares purchased in 2013	Shares sold in 2013	Shares at year-end	Market value (DKKm)
Jens Bjørn Andersen[1]	44,500	200,000	194,500	50,000	8.9
Jens H. Lund [2]	10,000	140,000	111,865	38,135	6.8
Kurt K. Larsen [3]	232,590	90,000	90,000	232,590	41.4
Erik B. Pedersen	300,000	-	25,000	275,000	48.9
Kaj Christiansen	52,000	-	-	52,000	9.2
Annette Sadolin	3,885	-	-	3,885	0.7
Total	**642,975**	**430,000**	**421,365**	**651,610**	**115.9**

1) Of which, 50,000 shares are held in a custody account in the name of a related party, reference is made to Company Announcement No. 509.
2) Of which, 30,000 shares are held in a custody account in the name of a related party, reference is made to Company Announcement No. 510.
3) Of which, 145,500 shares are held in a custody account in the name of a related party, reference is made to Company Announcement No. 440.

5.5 INVESTMENTS IN ASSOCIATES

Accounting policies
Investments in associates comprise entities in which the Group directly or indirectly controls at least 20% but no more than 50% of the share capital. Investments in associates are measured using the equity method. Investments with negative net asset values are recognised at DKK 0.

Investments in associates
DSV holds ownership interests in 22 associates. The aggregate revenue, profit/loss and assets and liabilities of associates are as follows:

(DKKm)	2013	2012
Revenue	464	435
Profit for the year	23	25
Total assets	190	182
Total liabilities	107	117
DSV Group's share of profit for the year	7	7
Total carrying amount at 31 December	25	17

5.6 FEES TO AUDITORS APPOINTED AT THE ANNUAL GENERAL MEETING

(DKKm)	2013	2012
Statutory audit	16	16
Tax and VAT advisory services	5	4
Other services	5	2
Total fees to auditors appointed by the Annual General Meeting	26	22
Others, audit	2	2
Others, total fees	2	2
Total fees	**28**	**24**

5.7 CONTINGENT LIABILITIES AND SECURITY FOR DEBT

Contingent liabilities
Accounting policies
Contingent liabilities comprise probable liabilities which have not yet been confirmed and which may result in a drain on the Group's resources or constructive liabilities which cannot be reliably measured.

Contingent liabilities 2013
In recent years, various competition authorities have carried out inspections of several international transport companies. The inspections are based on alleged violations of competition law in the transport industry. As an international transport provider, DSV has also received notifications and inquiries from the competition authorities. Management believes that these cases will have no material impact on the financial position of the Group. As an international transport provider DSV is regularly involved in tax and VAT disputes and other legal proceedings. The effects of some of these cases are recognised based on Management's assessment of their expected outcome. Other cases are expected to have no material impact on the future financial results of the Group.

Security for debt
Bank guarantees
As part of its ordinary operations DSV has provided bank guarantees relative to authorities, suppliers, etc. The counterparties may claim appropriation of collateral if DSV fails to pay any amount due.

At the reporting date all liabilities relating to the bank guarantees provided were recognised in the balance sheet or described in note 3.3 as operating lease obligations.

Property, plant and equipment provided as security
Land and buildings with a carrying amount of DKK 183 million (2012: DKK 184 million) were pledged as security to mortgage banks.

Mortgage debt amounted to DKK 51 million at 31 December 2013 (2012: DKK 65 million).

Contracts
DSV has concluded IT service contracts. The costs related to these contracts are recognised as the services are provided.

5.8 RELATED-PARTY TRANSACTIONS

DSV has no related parties with control.

Related parties of DSV with significant influence comprise associates, members of the associates' boards of directors, executive boards and senior staff as well as family members of those persons. Related parties also comprise companies in which the aforementioned persons have significant interests.

Associated companies
The Group had the following transactions with associates:

(DKKm)	2013	2012
Sale of services	96	64
Purchase of services	243	160

The Group had the following outstanding balances with associates at 31 December:

(DKKm)	2013	2012
Receivables	44	13
Liabilities	2	3

Board of Directors, Executive Board and senior staff
No transactions were made in 2013 other than ordinary remuneration, as described in notes 5.3 and 5.4.

DEFINITION OF FINANCIAL HIGHLIGHTS

Net interest-bearing debt (NIBD)
Interest-bearing debt at year end less interest-bearing assets at year end.

Net working capital (NWC)
The sum of receivables and other current operating assets less trade payables and other payables and other current operating liabilities.

Invested capital including goodwill and customer relationships
The sum of the net working capital with the addition of property, plant and equipment, intangibles including goodwill and customer relationships and assets held for sale less long-term provisions and pension obligations.

Gross margin
Gross profit multiplied by 100 and divided by revenue.

EBITDA margin
Operating profit before amortisation, depreciation and impairment and special items multiplied by 100 and divided by revenue.

Operating margin
Operating profit before impairment of goodwill and special items multiplied by 100 and divided by revenue.

Conversion ratio*
Operating profit before impairment of goodwill and special items multiplied by 100 and divided by gross profit.

ROIC before tax including goodwill and customer relationships
Operating profit before impairment of goodwill and special items multiplied by 100 and divided by average invested capital including goodwill and customer relationships.

ROIC before tax excluding goodwill and customer relationships
Operating profit before impairment of goodwill and special items multiplied by 100 and divided by average invested capital excluding goodwill and customer relationships.

Effective tax rate*
Tax on profit for the year divided by profit before tax.

Return on equity (ROE)
The DVS A/S shareholders' share of the profit for the year multiplied by 100 and divided by average equity excluding non-controlling interests.

Solvency ratio
Equity excluding non-controlling interests multiplied by 100 and divided by total assets.

Net interest-bearing debt to EBITDA before special items (financial gearing ratio)*
Interest-bearing liabilities at year-end less interest-bearing assets at year-end divided by operating profit before amortisation, depreciation and special items (EBITDA).

Earnings per share
The DSV A/S shareholders' share of profit for the year divided by the average number of shares.

Diluted earnings per share
The DVS A/S shareholders' share of profit for the year divided by the average number of fully diluted shares.

Adjusted earnings
The DSV A/S shareholders' share of profit for the year, adjusted for amortisation and impairment of goodwill and customer relationships, costs related to share-based payments and special items. The tax effect of the adjustments has been taken into account.

Diluted adjusted earnings per share
Adjusted earnings per share divided by the average number of fully diluted shares.

Number of shares at year-end
Total number of shares outstanding at year-end excluding treasury shares.

Diluted average number of shares
Average number of shares during the year including share options, but excluding out-of-the-money options measured relative to the average share price for the year.

Geographical segments
Our operations are structured according to the following main segments:

EMEA: Europe, the Middle East and Africa. For some purposes EMEA is divided into:
- Nordic countries (Denmark, Sweden, Norway and Finland)
- Southern Europe (Italy, Spain, France, Portugal and Greece)
- Other Europe/EMEA (other European countries, the Middle East and Africa)

APAC: Asia, Australia and the Pacific

Americas: North and South America

Earnings per share and diluted earnings per share are calculated pursuant to IAS 33. The other financial ratios are calculated in accordance with 'Recommendations & Financial Ratios 2010' published by the Danish Society of Financial Analysts, except for financial ratios marked with * as these ratios are not included in the Recommendations.

The Board of Directors and the Executive Board

Standing (from left): Annette Sadolin, Jens H. Lund, Jens Bjørn Andersen, Kurt K. Larsen, Thomas Plenborg, Kaj Christiansen.
Sitting (from left): Erik B. Pedersen, Birgit W. Nørgaard.

Executive Board

Jens Bjørn Andersen

CEO
Born: 22 March 1966

Member of the Executive Board since: 2008

Jens H. Lund

CFO
Born: 8 November 1969

Member of the Executive Board since: 2002

Board of Directors

	BOARD POSITIONS		SPECIAL COMPETENCIES
Kurt K. Larsen			
CHAIRMAN Born: 17 September 1945 Member of the Audit Committee Board member since: 2008 Elected until: 2014	(Chairman) (Member)	Polaris III Invest Fonden Ove Wrist & Co. A/S Wrist Ship Supply A/S O.W. Bunker & Trading A/S	• General management experience • CEO of DSV A/S 2005-2008 • Group CEO of DSV A/S 1991-2005
Erik B. Pedersen			
DEPUTY CHAIRMAN Born: 13 June 1948 Board member since: 1989 Elected until: 2014			• General management experience • Sector-specific production experience • Independent haulier 1976-2012
Thomas Plenborg			
MEMBER OF THE BOARD Born: 23 January 1967 Chairman of the Audit Committee Board member since: 2011 Elected until: 2014	(Chairman) (Board member)	Everyday Luxury Feeling A/S COWI A/S SAXO Bank A/S, chairman of audit committee	• Professor of accounting and auditing at Copenhagen Business School • Management experience from directorships and honorary offices held • Experience with strategic and financial planning
Kaj Christiansen			
MEMBER OF THE BOARD Born: 20 February 1944 Board member since: 1995			• General management experience • Sector-specific production experience • Independent haulier 1978-2001
Annette Sadolin			
MEMBER OF THE BOARD Born: 4 January 1947 Member of the Audit Committee Board member since: 2009 Elected until: 2014	(Chairman) (Deputy chairman) (Board member)	Østre Gasværk Theatre DSB A/S Topdanmark A/S Topdanmark Insurance A/S Skodsborg Kurhotel & Spa A/S Skodsborg Health Centre A/S Ratos AB (Sweden) Ny Carlsberg Glyptotek (art museum) Blue Square Reinsurance NV	• General global management experience from General Electric (GE), the reinsurance industry and other organisations • Acquisition and divestment of international enterprises • Experience from directorships at various large companies • Former executive officer of GE Frankona, Munich, Germany • Former CEO of Employers Reinsurance International
Birgit W. Nørgaard			
MEMBER OF THE BOARD Born: 9 July 1958 Board member since: 2010 Elected until: 2014	(Chairman) (Deputy chairman) (Board member)	NNE Pharmaplan A/S Energinet.dk Stakeholder Forum The Danish Council for IT Projects Xilco Holding (CH) AG Xilco (CH) AG The Energy Technology Development and Demonstration Programme (EUDP) Dansk Vækstkapital K/S Dansk Vækstkapital Komplementar ApS Lindab International AB IMI Plc. WSP Global Inc. (Genivar Inc. until 1 January 2014)	• General management experiences from Grontmij NV (COO), Grontmij | Carl Bro A/S (Managing Director), Danisco and McKinsey • Acquisition and divestment of enterprises • Financial management experience

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the Annual Report of DSV A/S for the financial year 2013.

The Annual Report has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and Danish disclosure requirements for listed companies.

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2013 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January - 31 December 2013.

In our opinion, the Management's Commentary includes a fair review of the development in the Group's and Parent Company's operations and financial conditions, the results for the year, cash flow and financial position as well as a description of the significant risks and uncertainty factors that the Group and the Parent Company face.

We recommend that the Annual Report be approved at the Annual General Meeting.

Brøndby, 6 February 2014

Executive Board:

Jens Bjørn Andersen CEO	Jens H. Lund CFO

Board of Directors:

Kurt K. Larsen Chairman	Erik B. Pedersen Deputy Chairman	Kaj Christiansen
Annette Sadolin	Birgit W. Nørgaard	Thomas Plenborg

Independent auditors' report

To the shareholders of DSV A/S

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND THE PARENT COMPANY FINANCIAL STATEMENTS

We have audited the consolidated financial statements and the Parent Company financial statements of DSV A/S for the financial year 1 January - 31 December 2013. The consolidated financial statements and the Parent Company financial statements comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies for the Group as well as for the Parent Company. The consolidated financial statements and the Parent Company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE PARENT COMPANY FINANCIAL STATEMENTS

Management is responsible for the preparation of consolidated financial statements and Parent Company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and Parent Company financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the consolidated financial statements and the Parent Company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the Parent Company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the Parent Company financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and the Parent Company financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of consolidated financial statements and Parent Company financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements and the Parent Company financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

OPINION

In our opinion, the consolidated financial statements and the Parent Company financial statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2013 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January - 31 December 2013 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

STATEMENT ON THE MANAGEMENT'S COMMENTARY

Pursuant to the Danish Financial Statements Act, we have read the Management's Commentary. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the Parent Company financial statements. On this basis, it is our opinion that the information provided in the Management commentary is consistent with the consolidated financial statements and the Parent Company financial statements.

Copenhagen, 6 February 2014

KPMG
Statsautoriseret Revisionspartnerselskab

Jesper Koefoed State Authorised Public Accountant	Michael Groth Hansen State Authorised Public Accountant

DSV

Net revenue
+3.9% to DKK 11,857 million (organic growth +2.3%)

Gross profit
+0.6% to DKK 2,526 million (organic growth +0.8%)

Conversion ratio
26.6% (2012: 24.2%)

Operating profit before special items
+10.7% to DKK 672 million (organic growth +12.0%)

Net financial expenses
was DKK 69 million (2012: DKK 10 million)

Effective tax rate
25.1% (2012: 30.2%)

Staff costs and other external expenses decreased by an aggregate of 2% despite higher costs relating to acquirees.

Financial items were as expected for the quarter, but were extraordinarily low in Q4 2012.

Currency translation differences impacted negatively on consolidated gross profit by DKK 75 million and on EBIT before special items by DKK 19 million.

Air & Sea

Net revenue
+2.7% to DKK 5,298 million (organic growth +0.2%)

Gross profit
+3.7% to DKK 1,117 million (organic growth +3.6%)

Conversion ratio
34.2% (2012: 31.7%)

Operating profit before special items
+12.0% to DKK 382 million (organic growth +12.8%)

Volumes - Air
+7%, while the market is estimated to have increased by 4-5%

Volumes - Sea
+12%, while the market is estimated to have increased by 5-6%

The Division gained market share in both sea freight and air freight in Q4.

Earnings per TEU remained more or less stable, whereas earnings per tonne (air freight) dropped in a fiercely competitive market.

Acquirees contributed volume growth of approx. 4% for sea freight and 2% for air freight.

The project logistics market picked up in Q4, however Air & Sea Projects has failed to deliver on expectations since the Seatainers Group acquisition.

Exchange rates impacted negatively on gross profit by DKK 45 million and on EBIT before special items by DKK 13 million.

Road

Net revenue
+6.2% to DKK 5,965 million (organic growth +5.6%)

Gross profit
-0.2% to DKK 1,058 million (organic growth -0.1%)

Conversion ratio
21.3% (2012: 20.3%)

Operating profit before special items
+4.7% to DKK 225 million (organic growth +8.2%)

Number of consignments
+4%, while the market is estimated to have increased by 1-2%

Gross margin
17.7% (2012: 18.9%)

The volume growth (consignments) of the previous quarters continued. Market growth picked up in most European countries in the last quarter of the year.

The market was still characterised by relatively low growth rates and fierce price competition, resulting in a low gross margin.

The integration of Ontime Logistics contributed to the growth of the Division but also had a negative effect on the earnings margin.

Solutions

Net revenue
+3.4% to DKK 1,380 million (organic growth +2.8%)

Gross profit
-3.4% to DKK 345 million (organic growth -3.4%)

Conversion ratio
18.6% (2012: 18.8%)

Operating profit before special items
-4.5% to DKK 64 million (organic growth -4.5%)

Number of order lines
+3%, while the market is estimated to have remained stable

The Division reported a positive development in order lines in a stagnant market.

The market was still affected by price competition and surplus capacity, causing pressure on Division gross profit.

New locations also impacted negatively on results in Q4 due to low utilisation level in the start-up phase.

FINANCIAL HIGHLIGHTS – QUARTERLY OVERVIEW*

	2013				2012			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Income statement (DKKm)								
Net revenue	10,981	11,406	11,466	11,857	10,819	11,372	11,313	11,408
Gross profit	2,404	2,553	2,522	2,526	2,435	2,578	2,529	2,512
Growth 2013 on 2012	(1.3%)	(1.0%)	(0.3%)	0.6%				
EBIT before special items	509	680	691	672	555	687	691	607
Growth 2013 on 2012	(8.3%)	(1.0%)	-	10.7%				
Special items, net	(2)	(23)	(42)	(62)	(251)	-	(3)	(21)
Net financial expenses	69	81	79	69	81	75	80	10
Profit before tax	438	576	570	541	223	612	608	576
Profit for the period	321	417	428	405	162	430	436	402
Gross margin	21.9%	22.4%	22.0%	21.3%	22.5%	22.7%	22.4%	22.0%
Operating margin	4.6%	6.0%	6.0%	5.7%	5.1%	6.0%	6.1%	5.3%
Conversion ratio	21.2%	26.6%	27.4%	26.6%	22.8%	26.6%	27.3%	24.2%
Balance sheet (DKKm)								
Net working capital	523	611	512	561	(110)	96	210	307
Net interest-bearing debt	6,569	6,528	6,290	5.949	6.584	6,713	6,478	6,561
Cash flows (DKKm)								
Operating activities	275	449	644	407	393	336	407	515
Investing activities	(43)	(87)	(257)	39	(99)	(102)	159	(207)
Free cash flow	232	362	387	446	294	234	566	308
Segment information								
Air & Sea								
Net revenue	4,726	5,000	5,171	5,298	4,414	5,048	5,236	5,157
Gross profit	994	1,090	1,097	1,117	998	1,088	1,106	1,077
Growth 2013 on 2012	(0.4%)	0.2%	(0,8%)	3.7%				
EBIT before special items	276	351	383	382	298	376	397	341
Growth 2013 on 2012	(7.4%)	(6.6%)	(3.5%)	12.0%				
Gross margin	21.0%	21.8%	21.2%	21.1%	22.6%	21.6%	21.1%	20.9%
Operating margin	5.8%	7.0%	7.4%	7.2%	6.8%	7.4%	7.6%	6.6%
Conversion ratio	27.8%	32.2%	34.9%	34.2%	29.9%	34.6%	35.9%	31.7%
Road								
Net revenue	5,666	5,800	5,686	5,965	5,785	5,756	5,494	5,619
Gross profit	1,057	1,112	1,072	1,058	1,099	1,133	1,054	1,060
Growth 2013 on 2012	(3.8%)	(1.9%)	1.7%	(0.2%)				
EBIT before special items	202	269	246	225	220	264	234	215
Growth 2013 on 2012	(8,2%)	1.9%	5.1%	4.7%				
Gross margin	18.7%	19.2%	18.9%	17.7%	19.0%	19.7%	19.2%	18.9%
Operating margin	3.6%	4.6%	4.3%	3.8%	3.8%	4.6%	4.3%	3.8%
Conversion ratio	19.1%	24.2%	22.9%	21.3%	20.0%	23.3%	22.2%	20.3%
Solutions								
Net revenue	1,344	1,372	1,374	1,380	1,285	1,275	1,286	1,335
Gross profit	348	360	356	345	351	361	369	357
Growth 2013 on 2012	(0.9%)	(0.3%)	(3.5%)	(3.4%)				
EBIT before special items	45	76	71	64	55	59	69	67
Growth 2013 on 2012	(18.2%)	28.8%	2.9%	(4.5%)				
Gross margin	25.9%	26.2%	25.9%	25.0%	27.3%	28.3%	28.7%	26.7%
Operating margin	3.3%	5.5%	5.2%	4.6%	4.3%	4.6%	5.4%	5.0%
Conversion ratio	12.9%	21.1%	19.9%	18.6%	15.7%	16.3%	18.7%	18.8%

*) For a definition of the financial highlights, please refer to page 65.

GROUP STRUCTURE

The overview shows active companies of the DSV Group at 31 December 2013 by segment and not by legal structure.

	Country	Ownership share	Air & Sea	Road	Solutions
Parent					
DSV A/S	Denmark	–			
Subsidiaries					
Europe					
DSV Air & Sea NV	Belgium	100%	x		
DSV Road Holding NV	Belgium	100%		x	
ABX Worldwide Holdings NV/SA	Belgium	100%	x		
DSV Road N.V.	Belgium	100%		x	
Marine Cargo Insurance (MCI) Agents N.V.	Belgium	100%		x	
DSV Solutions NV	Belgium	100%			x
DSV Air & Sea OOD	Bulgaria	100%	x		
DSV Road EOOD	Bulgaria	100%		x	x
DSV Air & Sea Holding A/S	Denmark	100%	x		
DSV Air & Sea A/S	Denmark	100%	x		
DSV Road Holding A/S	Denmark	100%		x	
DSV Road A/S	Denmark	100%		x	
DSV Insurance A/S	Denmark	100%			
DSV FinCo A/S	Denmark	100%			
DSV Group Services A/S	Denmark	100%			
DSV Solutions Holding A/S	Denmark	100%			x
DSV Solutions A/S	Denmark	100%			x
Ontime Logistics Danmark A/S	Denmark	100%		x	
DSV Transport AS	Estonia	100%	x	x	
DSV Air & Sea Oy	Finland	100%	x		
Ab Wasa Logistics Ltd Oy	Finland	100%	x		
DSV Road Oy	Finland	100%		x	
Uudenmaan Pikakuljetus OY	Finland	100%		x	
DSV Solutions Oy	Finland	100%			x
DSV Road Holding S.A.	France	100%		x	
DSV Road SAS	France	100%		x	
ING Reeif Wattrelos	France	100%		x	
DSV Air & Sea SAS	France	100%	x		
Frans Maas Holding France S.A.	France	100%		x	
DSV Solutions SAS	France	100%			x
DSV HELLAS S.A.	Greece	100%	x	x	
DSV Solutions Holding B.V.	The Netherlands	100%			x
DSV Solutions (Dordrecht) B.V.	The Netherlands	100%			x
ABX LOGISTICS (Nederland) B.V.	The Netherlands	100%	x		
DSV Solutions Nederland B.V.	The Netherlands	100%			x
Vastgoed Oostrum C.V.	The Netherlands	100%			x
DSV Air & Sea B.V.	The Netherlands	100%	x		
DSV Road B.V.	The Netherlands	100%		x	
DSV Road Holding NV	The Netherlands	100%		x	
DSV Transport Ltd.	Belarus	100%		x	
DSV Air & Sea Limited	Ireland	100%	x		
DSV Road Limited	Ireland	100%		x	
DSV Solutions Ltd.	Ireland	100%			x
Saima Avandero SpA	Italy	99.1%	x	x	x
Logimek SRL	Italy	100%			x
Saima Caspian LLC	Kazakhstan	100%	x		
DSV Hrvatska d.o.o.	Croatia	100%		x	
DSV Transport SIA	Latvia	100%	x	x	
Sia BaltShip Latvia	Latvia	100%		x	
DSV Transport UAB	Lithuania	100%	x	x	
XB Luxembourg Holdings 1 SA	Luxemburg	100%			
XB Luxembourg Holdings 2 SARL	Luxemburg	100%			
DSV Road S.A.	Luxemburg	100%		x	
DSV Air & Sea AS	Norway	100%	x		
DSV Road AS	Norway	100%		x	
Kongeveien 47 AS	Norway	100%		x	
DSV Solutions AS	Norway	100%			x
DSV Air & Sea Sp. z o.o.	Poland	100%	x		
DSV Road Sp. z.o.o.	Poland	100%		x	
DSV Solutions Sp.z o.o.	Poland	100%			x
DSV International Shared Services Sp. z o.o.	Poland	100%			

	Country	Ownership share	Air & Sea	Road	Solutions
Subsidiaries					
Europe (continued)					
DSV SGPS, Lda.	Portugal	100%		x	
DSV Solutions, Lda.	Portugal	100%		x	
DSV Transitarios, Lda.	Portugal	100%	x	x	
DSV Solutions S.R.L.	Romania	100%	x	x	x
OOO DSV Transport	Russia	100%		x	
DSV Road OOO	Russia	100%	x	x	
DSV Solutions OOO	Russia	100%			x
DSV Logistics SA	Switzerland	100%	x	x	x
DSV Road d.o.o.	Serbia	100%		x	
DSV Slovakia S.R.O.	Slovakia	100%	x	x	x
DSV Transport d.o.o.	Slovenia	100%	x	x	
DSV Holding Spain S.L.	Spain	100%		x	
DSV Road Spain S.A.U	Spain	100%		x	
DSV Solutions Spain S.A.U	Spain	100%			x
DSV Air & Sea S.A.U	Spain	100%	x		
DSV Solutions Ltd.	Great Britain	100%			x
DSV Air & Sea Limited	Great Britain	100%	x		
DSV Road Holding Ltd.	Great Britain	100%		x	
DSV Commercials Ltd.	Great Britain	100%		x	
DSV Road Ltd.	Great Britain	100%		x	
SBS Worldwide (Holdings) Ltd.	Great Britain	100%	x		
Virtualized Logistics Ltd.	Great Britain	100%	x		
SBS Worldwide Ltd.	Great Britain	100%	x		
DSV Air & Sea AB	Sweden	100%	x		
DSV Group AB	Sweden	100%		x	
DSV Road AB	Sweden	100%		x	
Göinge Frakt EK	Sweden	100%		x	
DSV Solutions AB	Sweden	100%			x
DSV Road Property Holding AB	Sweden	100%		x	
Sverige Ontime Logistics AB	Sweden	100%		x	
Gamla Industrologistik Hisingbacka AB	Sweden	100%		x	
DSV Air & Sea s.r.o.	Czech Republic	100%	x		
DSV Road a.s.	Czech Republic	100%		x	x
DSV Air & Sea A.S.	Turkey	100%	x		
DSV Road & Solutions A.S.	Turkey	100%		x	x
DSV Road GmbH	Germany	100%		x	
DSV Immobilien GmbH	Germany	100%		x	
POP Gesellschaft für Prozesslogistik mbH	Germany	100%			x
Collico Verpackungslogistik und Service GmbH	Germany	100%			x
Administration & Accounting Service GmbH	Germany	100%		x	
Jolkos Grundstücksverwaltungsgesellschaft mbH	Germany	94%		x	
DSV Air & Sea GmbH	Germany	100%	x		
DSV Solutions Group GmbH	Germany	100%			x
DSV Solutions GmbH	Germany	100%			x
DSV Stuttgart GmbH & Co. KG	Germany	100%		x	
DSV Logistics LLC	Ukraine	100%	x	x	x
DSV Hungaria Kft.	Hungary	100%	x	x	
ABX LOGISTICS (Austria) GmbH	Austria	100%		x	
DSV Österreich Spedition GmbH	Austria	100%	x	x	
North America					
DSV Air & Sea Inc.	Canada	100%	x	x	
DSV Air & Sea, S.A. de C.V.	Mexico	100%	x		
DSV Air & Sea Inc.	USA	100%	x	x	
DSV Air & Sea Holding Inc.	USA	100%	x		
ABX LOGISTICS (USA) Inc.	USA	100%	x		
BaltShip Inc.	USA	100%	x		
SBS Worldwide Inc.	USA	100%	x		
DSV Solutions Inc.	USA	100%			x
South America					
DSV Air & Sea S.A.	Argentina	100%	x		
DSV Air & Sea Logística Ltda.	Brazil	100%	x		
DSV Air & Sea S.A.	Chile	100%	x		
DSV Air & Sea (Latin America) Holding S.A.	Chile	100%	x		
DSV Air & Sea S.A.S.	Colombia	100%	x		
DSV-GL Peru S.A.	Peru	100%	x		

	Country	Ownership share	Air & Sea	Road	Solutions
Asia					
DSV Air & Sea Ltd.	Bangladesh	100%	x		
ABX LOGISTICS (Bangladesh) Ltd.	Bangladesh	100%	x		
DSV Air & Sea (LLC)	United Arab Emirates	100%	x		
Swift Freight International LLC	United Arab Emirates	100%	x		
DSV Air & Sea Inc.	The Philippines	100%	x		
ABX LOGISTICS Holding Philippines Inc	The Philippines	97.6%	x		
DSV Air & Sea Ltd.	Hong Kong	100%	x		x
ABX LOGISTICS (Hong Kong) Ltd.	Hong Kong	100%	x		
Swift Global Logistics Limited	Hong Kong	100%	x		
S-CHP Investments (Hong Kong) Ltd.	Hong Kong	100%	x		
DSV Air & Sea Pvt. Ltd.	India	100%	x		
Swift Shipping and Freight Logistics Private Limited	India	100%	x		
PT. DFDS Transport Indonesia	Indonesia	100%	x		
DSV Air & Sea Co., Ltd.	Japan	100%	x		
DSV Air & Sea Co., Ltd.	China	100%	x		
DSV Logistics Co., Ltd.	China	100%	x		x
Swift Global Logistics Limited	China	100%	x		
BaltShip (China) Co. Ltd.	China	100%	x		
DSV Air & Sea Ltd.	Korea	100%	x		
DSV Air & Sea Sdn Bhd	Malaysia	100%	x		
DSV Logistics Sdn. Bhd.	Malaysia	49%	x		
DSV Air & Sea Pte. Ltd.	Singapore	100%	x		
ABX LOGISTICS Singapore PTE LTD	Singapore	100%	x		
BaltShip (Singapore) Pte.Ltd.	Singapore	100%	x		
DSV Air & Sea Co. Ltd.	Taiwan	100%	x		
DSV Air & Sea Ltd.	Thailand	100%	x		
DSV Air & Sea Co., Ltd.	Vietnam	100%	x		
Other					
DSV Air & Sea Pty Ltd.	Australia	100%	x		
DSV Transport Int'l S.A	Morocco	100%	x		
Terminal Handling Company	Morocco	100%	x		
DSV Air & Sea Limited	New Zealand	100%	x		
BaltShip (NZ) Ltd.	New Zealand	100%	x		
Saima Nigeria Ltd.	Nigeria	40%	x		
Nationwide Clearing & Forwarding Ltd.	Nigeria	36.6%	x		
DSV Air and Sea (Proprietary) Limited	South Africa	100%	x		
Associates					
ABX-Penske Air & Sea Logistica Ltda	Brazil	50%	x		
Swift Freight International Burundi SA	Burundi	33.3%	x		
Swift Freight DRC San NCR KIN	DR Congo	33.3%	x		
DSV Air & Sea LLC	Egypt	20%	x		
DDT Brokerage Inc.	The Philippines	100%	x		
GT Stevedores Oy	Finland	25.5%		x	
FRANCE AIR GROUPAGE SA	France	49.6%	x		
Swift Freight Forwarders (Ghana) Limited	Ghana	33.3%	x		
Sama Al Imad General Transport LLC	Iraq	30%	x		
MGM Lines Srl	Italy	30%	x		
Swift Global Logistics Limited	Kenya	33.3%	x		
Swift Global Logistics Limited	Mozambique	33.3%	x		
Swift Freight International Nigeria Limited	Nigeria	33.3%	x		
DSV Air & Sea (PVT) Limited.	Pakistan	20%	x		
Swift Freight International Rwanda Limited	Rwanda	33.3%	x		
Swift Global Logistics Limited	Tanzania	33.3%	x		
Swift Global Logistics	Togo	33.3%	x		
KM Logistik GmbH	Germany	35%		x	
IDS Logistik GmbH	Germany	28%		x	
Swift Freight International (Uganda) Limited	Uganda	33.3%	x		
Swift Freight International Tours & Travels Limited	Uganda	33.3%	x		
Swift Freight International (Zambia) Limited	Zambia	33.3%	x		

According to agreement, control of DDT Brokerage Inc. has been transferred to a third party and the company is therefore treated as an associate.

Parent 2013

Financial statements

Notes – Financial statements

Notes – Income statement

Notes – Balance sheet

Notes – Supplementary information

INCOME STATEMENT

(DKKm)	Note	2013	2012
Intra-group charges	2	578	480
Gross profit		**578**	**480**
Other external expenses	3	281	193
Staff costs	4	203	200
Operating profit before amortisation, depreciation and special items		**94**	**87**
Amortisation and depreciation of intangibles, property, plant and equipment		126	118
Operating profit before special items		**(32)**	**(31)**
Special items	5	-	(24)
Financial income	6	912	917
Financial expenses	7	243	319
Profit before tax		**637**	**543**
Tax on profit for the year	9	8	41
Profit for the year		**629**	**502**
Proposed distribution of profit			
Proposed dividend per share is DKK 1.50 (2012: DKK 1.25 per share)		270	235
Retained earnings		359	267
Total distribution		**629**	**502**

STATEMENT OF COMPREHENSIVE INCOME

(DKKm)	Note	2013	2012
Profit for the year		**629**	**502**
Items that will be reclassified to income statement when certain conditions are met:			
Fair value adjustment for the year relating to hedging instruments		23	(90)
Fair value adjustment relating to hedging instruments transferred to financials		54	61
Tax on other comprehensive income		(19)	22
Other comprehensive income net of tax		**58**	**(7)**
Total comprehensive income		**687**	**495**

CASH FLOW STATEMENT

(DKKm)	Note	2013	2012
Operating profit before amortisation, depreciation and special items		94	87
Adjustment, non-cash operating items etc.:			
Share-based payments		7	6
Cash flow from operating activities before change in net working capital and tax		**101**	**93**
Change in net working capital		67	2,247
Special items		-	(24)
Interest received		912	913
Interest paid		(243)	(319)
Corporation tax, paid		26	(190)
Cash flow from operating activities		**863**	**2,720**
Purchase of intangible assets	10	(168)	(122)
Purchase of property, plant and equipment		(14)	(6)
Change in other financial assets		21	(1,773)
Cash flow from investing activities		**(161)**	**(1,901)**
Free cash flow		**702**	**819**
Other non-current liabilities incurred		1,723	750
Repayment of loans and credits		(1,739)	(471)
Shareholders:			
Dividends distributed		(235)	(190)
Dividends on treasury shares		12	3
Purchase and sale of treasury shares		(462)	(919)
Cash flow from financing activities		**(701)**	**(827)**
Cash flow for the year		**1**	**(8)**
Cash at 1 January		-	1
Cash flow for the year		1	(8)
Currency translation adjustments		(1)	7
Cash at 31 December		**-**	**-**

The cash flow statement cannot be directly derived from the balance sheet and income statement.

BALANCE SHEET, ASSETS

(DKKm)	Note	2013	2012
Intangible assets	10	489	441
Property, plant and equipment		16	8
Investments in Group entities	11	5,602	5,292
Other receivables		783	1,114
Total non-current assets		**6,890**	**6,855**
Receivables from Group enterprises and other receivables	12	8,333	10,153
Corporation tax		-	21
Total current assets		**8,333**	**10,174**
Total assets		**15,223**	**17,029**

BALANCE SHEET, EQUITY AND LIABILITIES

(DKKm)	Note	2013	2012
Equity			
Share capital		180	188
Reserves		3,229	3,213
Total equity		**3,409**	**3,401**
Deferred tax	13	89	84
Financial liabilities	14	5,564	5,253
Total non-current liabilities		**5,653**	**5,337**
Financial liabilities	14	466	793
Corporation tax		8	-
Payables to Group enterprises and other payables	15	5,687	7,498
Total current liabilities		**6,161**	**8,291**
Total liabilities		**11,814**	**13,628**
Total equity and liabilities		**15,223**	**17,029**

STATEMENT OF CHANGES IN EQUITY – 2013

(DKKm)	Share capital	Treasury shares	Hedging reserve	Retained earnings	Total equity
Equity at 1 January 2013	**188**	**(10)**	**(22)**	**3,245**	**3,401**
Profit for the year	**-**	**-**	**-**	**629**	**629**
Fair value adjustments for the year relating to hedging instruments	-	-	23	-	23
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	-	54	-	54
Tax on other comprehensive income	-	-	(19)	-	(19)
Other comprehensive income	**-**	**-**	**58**	**-**	**58**
Total comprehensive income for the year	**-**	**-**	**58**	**629**	**687**
Share-based payments	-	-	-	7	7
Dividends distributed	-	-	-	(235)	(235)
Purchase and sale of treasury shares, net	-	(3)	-	(459)	(462)
Dividends on treasury shares	-	-	-	12	12
Capital reduction	(8)	8	-	-	-
Other adjustments	-	-	-	(1)	(1)
Total transactions with owners	**(8)**	**5**	**-**	**(676)**	**(679)**
Equity at 31 December 2013	**180**	**(5)**	**36**	**3,198**	**3,409**

The retained earnings at 31 December 2013 comprised the negative balance between the purchase and sale of treasury shares of DKK 6,773 million (2012: a negative balance of DKK 6,314 million). For a more detailed outline of movements in treasury shares, reference is made to note 4.1 of the consolidated financial statements.

STATEMENT OF CHANGES IN EQUITY – 2012

(DKKm)	Share capital	Treasury shares	Hedging reserve	Retained earnings	Total equity
Equity at 1 January 2012	**190**	**(4)**	**(15)**	**3,854**	**4,025**
Profit for the year	**-**	**-**	**-**	**502**	**502**
Fair value adjustments for the year relating to hedging instruments	-	-	(90)	-	(90)
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	-	61	-	61
Tax on other comprehensive income	-	-	22	-	22
Other comprehensive income	**-**	**-**	**(7)**	**-**	**(7)**
Total comprehensive income for the year	**-**	**-**	**(7)**	**502**	**495**
Share-based payments	-	-	-	6	6
Dividends distributed	-	-	-	(190)	(190)
Purchase and sale of treasury shares, net	-	(8)	-	(911)	(919)
Capital reduction	(2)	2	-	-	-
Dividends on treasury shares	-	-	-	3	3
Other adjustments	-	-	-	(19)	(19)
Total transactions with owners	**(2)**	**(6)**	**-**	**(1,111)**	**(1,119)**
Equity at 31 December 2012	**188**	**(10)**	**(22)**	**3,245**	**3,401**

NOTE 1 – SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

For the preparation of the Annual Report of DSV A/S Management makes various accounting estimates and judgements and determines the assumptions to be used as the basis for the recognition and measurement of assets and liabilities, contingent assets and liabilities and the income and costs reported. The estimates made and assumptions used are based on historical experience and other factors deemed by Management to be reasonable in the circumstances, but in the nature of things such experience and factors are uncertain and unpredictable. The assumptions may be incomplete or inaccurate and unforeseen events or circumstances may arise. Moreover, the organisation is subject to risks and uncertainties that may result in outcomes deviating from these estimates.

Management deems the following estimates and the pertaining judgements as well as the estimates and judgements stated in the consolidated financial statements to be essential for the preparation of the financial statements of the Parent.

Investments in subsidiaries
Management assesses annually whether there is an indication of impairment of investments in subsidiaries. If so, the investments will be tested for impairment in the same way as Group goodwill. In the assessment of Management, there was no such indication at 31 December 2013, and therefore investments in subsidiaries have not been tested for impairment.

NOTE 2 – INTRA-GROUP CHARGES

(DKKm)	2013	2012
Intra-group charges	578	480
Total revenue	**578**	**480**

Management fees invoiced by Group entities comprise remuneration for members of the executive boards of the subsidiaries.

NOTE 3 – FEES TO AUDITORS APPOINTED AT THE ANNUAL GENERAL MEETING

(DKKm)	2013	2012
Statutory audit	2	2
Tax and VAT advisory services	2	1
Total fees to auditors appointed at the Annual General Meeting	**4**	**3**
Others, audit	-	2
Others, total fees	**-**	**2**
Total fees	**4**	**5**

NOTE 4 – STAFF COSTS

(DKKm)	2013	2012
Remuneration of the Board of Directors	4	4
Salaries etc.	184	183
Defined contribution pension plans	15	13
Total staff costs	**203**	**200**
Average number of full-time employees	293	284

For information on the remuneration of the Executive Board and the Board of Directors, please refer to note 5.3 of the consolidated financial statements.

NOTE 5 – SPECIAL ITEMS

(DKKm)	2013	2012
Restructuring costs	-	(24)
Total special items, net	**-**	**(24)**

NOTE 6 – FINANCIAL INCOME

(DKKm)	2013	2012
Interest income	24	48
Interest income from Group entities	302	487
Dividends from subsidiaries	586	382
Total financial income	**912**	**917**

Interest income relates to interest from cash included at amortised cost.

NOTE 7 – FINANCIAL EXPENSES

(DKKm)	2013	2012
Interest expenses	217	211
Interest expenses for Group entities	20	95
Currency translation adjustments, net	6	13
Total financial expenses	**243**	**319**

Interest expenses relate to interest on loans included at amortised cost.

NOTE 8 – SHARE OPTIONS SCHEMES

DSV A/S has issued share options to staff, senior staff and members of the Executive Board of the Company. Please refer to note 5.4 of the consolidated financial statements for a calculation of market values and a list of current incentive share option schemes.

Incentive schemes at 31 December 2013

	Exercise period	Executive Board	Senior staff	Total	Average exercise price per share option
Outstanding share options of 2009 scheme	02.04.12 - 31.03.14	-	5,000	5,000	41.10
Outstanding share options of 2010 scheme	02.04.13 - 31.03.15	-	27,605	27,605	98.50
Outstanding share options of 2011 scheme	01.04.14 - 01.04.16	170,000	103,000	273,000	129.90
Outstanding share options of 2012 scheme	01.04.15 - 31.03.17	170,000	104,000	274,000	128.00
Outstanding share options of 2013 scheme	02.04.16 - 29.03.18	170,000	124,500	294,500	142.00
Outstanding at 31 December 2013		**510,000**	**364,105**	**874,105**	**131.88**
Exercise period open at 31 December 2013		**-**	**32,605**	**32,605**	**89.70**
Life (years)		3.25	3.12	3.20	
Market value (DKKm)		23.0	17.6	40.6	

Development in outstanding share options

	Board of Directors*	Executive Board	Senior staff	Total	Average exercise price per share option
Outstanding at 1 January 2012	90,000	510,000	280,000	880,000	89.72
Granted in 2012	-	170,000	114,000	284,000	128.00
Exercised in 2012	-	-	(42,000)	(42,000)	41.10
Outstanding at 31 December 2012	**90,000**	**680,000**	**352,000**	**1,122,000**	**101.23**
Granted in 2013	-	170,000	135,500	305,500	142.00
Exercised in 2013	(90,000)	(340,000)	(102,395)	(532,395)	72.95
Options waived/expired	-	-	(21,000)	(21,000)	135.33
Outstanding at 31 December 2013	**-**	**510,000**	**364,105**	**874,105**	**131.88**

*) A Director received share options in his former capacity as CEO and in connection with certain day-to-day managerial tasks. The share options were granted pursuant to the procedures laid down in the Remuneration Policy of the Group then applicable.

NOTE 9 – TAX FOR THE YEAR

(DKKm)	2013	2012
Tax for the year is disaggregated as follows:		
Tax on profit for the year	8	41
Tax on other comprehensive income	19	(22)
Total tax for the year	**27**	**19**
Tax on profit for the year is calculated as follows:		
Current tax	11	40
Deferred tax	6	(16)
Tax adjustment relating to previous years	(9)	17
Total tax on profit for the year	**8**	**41**
The tax on profit for the year breaks down as follows:		
Calculated 25% tax on profit for the year before tax	25%	25%
Tax effect of:		
Non-deductible expenses/ non-taxable income	(22.3%)	(20.6%)
Tax adjustment relating to previous years	(1.4%)	3.2%
Effective tax rate	**1.3%**	**7.6%**

NOTE 10 – INTANGIBLE ASSETS

	Computer software	
(DKKm)	2013	2012
Cost at 1 January	**803**	**681**
Additions for the year	168	122
Total cost at 31 December	**971**	**803**
Total amortisation and impairment at 1 January	**362**	**250**
Amortisation and impairment for the year	120	112
Total amortisation and impairment at 31 December	**482**	**362**
Carrying amount at 31 December	**489**	**441**

NOTE 11 – INVESTMENTS IN GROUP ENTITIES

DSV A/S owns the following subsidiaries, all of which are included in the consolidated financial statements

	Ownership share 2013	Ownership share 2012	Registered office	Subsidiary share capital (DKKm)
DSV Road Holding A/S	100%	100%	Brøndby, Denmark	100
DSV Air & Sea Holding A/S	100%	100%	Brøndby, Denmark	50
DSV Solutions Holding A/S	100%	100%	Brøndby, Denmark	100
DSV Insurance A/S	100%	100%	Brøndby, Denmark	25
DSV Group Services A/S	100%	100%	Brøndby, Denmark	5
DSV FinCo A/S	100%	100%	Brøndby, Denmark	0.5

NOTE 12 – RECEIVABLES FROM GROUP ENTITIES AND OTHER RECEIVABLES

(DKKm)	2013	2012
Receivables from Group entities	8,237	10,076
Fair value of derivative financial instruments	42	23
Other receivables etc.	54	54
Receivables from Group entities and other receivables at 31 December	**8,333**	**10,153**

NOTE 13 – DEFERRED TAX

(DKKm)	2013	2012
Deferred tax at 1 January	84	100
Deferred tax for the year	6	(16)
Adjustments relating to previous years	(1)	-
Deferred tax at 31 December	**89**	**84**
Deferred tax at 31 December		
Intangible assets	92	94
Current assets	(1)	(9)
Provisions	(2)	(1)
Deferred tax at 31 December	**89**	**84**
Breakdown of deferred tax:		
Deferred tax liability	89	84
Deferred tax at 31 December	**89**	**84**

NOTE 14 – FINANCIAL LIABILITIES

(DKKm)	2013	2012
Issued bonds	1,743	748
Loans and credit facilities	4,287	5,298
Total financial liabilities	**6,030**	**6,046**
Financial liabilities as recognised in the balance sheet:		
Non-current liabilities	5,564	5,253
Current liabilities	466	793
Financial liabilities at 31 December	**6,030**	**6,046**

NOTE 14 – FINANCIAL LIABILITIES (CONTINUED)

Loans and credit facilities

(DKKm)	Expiry	Fixed/ floating	Carrying amount 2013	2012
Bank loans (DKK)	2015	Floating	742	943
Bank loans (EUR)	2016-2018	Floating	2,258	3,475
Bond loan	2020	Fixed	1,743	748
Other	2014-2015	Fixed	13	13
Cash	2014-2016	Floating	1,274	867
Loans and credit facilities at 31 December			**6,030**	**6,046**

Bank loans are subject to standard trade covenants. All financial ratio covenants were observed during the year.

The weighted average effective interest rate was 2.2% (2012: 1.5%).

NOTE 15 – PAYABLES TO GROUP ENTITIES AND OTHER PAYABLES

(DKKm)	2013	2012
Payables to Group entities	5,439	7,134
Fair value of derivative financial instruments	126	201
Other payables	122	163
Payables to Group entities and other payables at 31 December	**5,687**	**7,498**

NOTE 16 – OPERATING LEASE OBLIGATIONS

(DKKm)	2013	2012
Operating lease obligations relating to operating equipment fall due:		
0-1 year	50	24
1-5 years	13	24
Total	**63**	**48**
The following is recognised in the income statement:		
Operating leases relating to operating equipment	23	18
Total	**23**	**18**

DSV A/S leases operating equipment under operating leases with an average lease term of 3.5 years (2012: 4 years).

NOTE 17 – SECURITY FOR DEBT AND OTHER FINANCIAL LIABILITIES

Parent company guarantees

DSV A/S has guaranteed for subsidiaries' outstanding balances with banks and liabilities to leasing companies, suppliers and public authorities, etc., in the amount of DKK 3,624 million (2012: DKK 3,262 million).

Moreover, DSV A/S has issued several declarations of intent relating to balances between subsidiaries and third parties.

Joint and several liability

DSV A/S and the other Danish Group entities registered jointly for VAT purposes are jointly and severally liable for the VAT liabilities.

DSV A/S is assessed jointly for Danish tax purposes with the other domestic Group entities. DSV A/S is the administration company of the joint taxation arrangement and is under an unlimited and joint liability regime for all Danish tax payments and withholding taxes on dividends, interest and royalties from the jointly taxed entities. Corporation tax payments and withholding taxes payable under the joint taxation arrangement amounted to DKK 8 million (2012: Corporation tax receivable DKK 21 million), which is included in the financial statements of DSV A/S.

NOTE 18 – DERIVATIVE FINANCIAL INSTRUMENTS

Hedging instruments at 31 December 2013

Currency (DKKm)	Contractual value	Maturity	Fair value	Of which recognised in income statement	Of which recognised in equity
Currency instruments	7,236	2014	27	27	-
Interest rate instruments	6,461	2014-2020	(111)	(18)	(93)
Total			**(84)**	**9**	**(93)**

The weighted average effective interest rate for existing interest rate instruments was 1.8% at the reporting date (2012: 1.8%).

Hedging instruments at 31 December 2012

Currency (DKKm)	Contractual value	Maturity	Fair value	Of which recognised in income statement	Of which recognised in equity
Currency instruments	7,358	2013	16	16	-
Interest rate instruments	7,518	2013-2016	(193)	(23)	(170)
Total			**(177)**	**(7)**	**(170)**

Foreign currency risk hedging

The Group mainly uses foreign exchange forward contracts to hedge foreign currency risks. The main currencies hedged are SEK, NOK, GBP and USD. The Group is exposed to a low foreign currency risk. Foreign exchange forward contracts used to hedge net investments and satisfying the conditions of hedge accounting are recognised directly in equity. Other fair value adjustments are recognised in the income statement under financials.

Interest rate risk hedging

The Group uses interest rate swaps to hedge interest rate risks. Thereby floating-rate loans are refinanced as fixed-rate loans. Interest rate swaps satisfying the conditions of hedge accounting are recognised directly in equity. Interest rate swaps not satisfying the conditions of hedge accounting as well as accrued interest are recognised in the income statement under financials.

NOTE 19 – FINANCIAL RISKS

The liabilities of DSV A/S fall due as listed below:

2013

(DKKm)	0-1 year	1-5 years	> 5 years	Contractual cash flows, incl. interest
Loans and credit facilities	757	4,449	1,858	7,064
Other payables	122	-	-	122
Payables to Group enterprises	5,439	-	-	5,439
Interest rate derivatives	82	39	(3)	118
Total	**6,400**	**4,488**	**1,855**	**12,743**

2012

(DKKm)	0-1 year	1-5 years	> 5 years	Contractual cash flows, incl. interest
Loans and credit facilities	918	4,774	835	6,527
Other payables	163	-	-	163
Payables to Group enterprises	7,134	-	-	7,134
Interest rate derivatives	107	93	-	200
Total	**8,322**	**4,867**	**835**	**14,024**

The analysis of expected maturity is based on contractual cash flows, including estimated interest payments. Amounts have not been discounted for which reason they cannot necessarily be reconciled to the related items of the balance sheet.

Financial instruments by category

(DKKm)	2013 Carrying amount	2012 Carrying amount
Financial assets:		
Derivative financial instruments	27	16
Loans and receivables	9,116	11,267
Financial liabilities:		
Derivative financial instruments	111	193
Issued bonds measured at amortised cost	1,743	748
Loans and credit facilities	4,286	5,298
Payables to Group enterprises, etc.	5,561	7,297
Total financial liabilities measured at amortised cost	**11,590**	**13,343**

The fair value of financial assets and liabilities does not differ significantly from the carrying amount.

The valuation of financial instruments measured at fair value is based on other observable inputs than prices quoted in active markets (level 2). Interest rate swaps and foreign exchange forward contracts are valued using generally accepted valuation techniques based on relevant observable data.

In June 2013 DSV issued DKK 1.0 billion worth of 7-year bonds with a coupon of 3.5% p.a. The bonds are listed on NASDAQ OMX Copenhagen. Since then we have issued corporate bonds of a total of DKK 1.75 billion.

DSV obtained a corporate bond loan of DKK 750 million with a Danish pension fund in 2012. The loan is a fixed-rate bullet loan with a remaining life of 6.5 years.

NOTE 20 – RELATED PARTIES

DSV has no related parties with control. Related parties of DSV A/S with significant influence comprise members of the companies' boards of directors, executive boards and senior staff as well as family members of those persons. Related parties also comprise companies in which the aforementioned persons have significant interests.

Board of Directors, Executive Board and senior staff
No transactions were made in 2013 other than ordinary remuneration, as described in notes 5.3 and 5.4 to the consolidated financial statements. The Group had no other outstanding balances with the Board of Directors, Executive Board or senior staff.

Intra-group transactions
No transactions were made in 2013 other than as stated in the income statement and notes.

NOTE 21 – DIVIDENDS

See note 4.2 to the consolidated financial statements for more information.

NOTE 22 – ACCOUNTING POLICIES

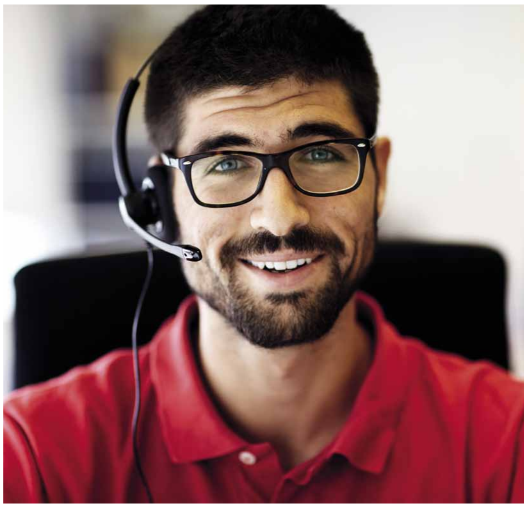
The accounting policies of the Parent, DSV A/S, are identical with the policies for the consolidated financial statements, except for the following:

Dividends from investments in subsidiaries
Dividends from investments in subsidiaries are recognised as income in the Parent's income statement under financial income in the financial year in which the dividends are declared.

Investments in subsidiaries in the Parent's financial statements
Investments in subsidiaries are measured at cost. If there is any indication of impairment, investments are tested for impairment as described in the accounting policies applied by the Group. If the cost exceeds the recoverable amount, the investment is written down to this lower value.

Currency translation
Foreign currency adjustments of balances considered part of the total net investment in enterprises which have a functional currency other than Danish kroner are recognised in the income statement of the Parent under financials.

Global Transport and Logistics



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