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# Q1 2019 RESULTS

Investor presentation



# Disclaimer

## Forward-looking statements

This announcement contains forward-looking statements that reflect DSV's current expectations and views of future events. Some of these forward-looking statements can be identified by terms and phrases such as "estimate," "expect," "target," "plan," "project," "will" and similar expressions. These forward-looking statements include statements relating to: the expected characteristics of the combined company; expected ownership of the combined company by EGS; expected financial results and characteristics of the combined company; expected timing of the launch and closing of the proposed transaction and satisfaction of conditions precedent, including regulatory conditions; and the expected benefits of the proposed transaction, including related synergies. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from such statements. These forward-looking statements are based on our beliefs, assumptions and expectations of future performance, taking into account the information currently available to us. These statements are only predictions based upon our current expectations and projections about future events. Risks and uncertainties include: the ability of DSV to integrate Panalpina into DSV's operations; the performance of the global economy; the capacity for growth in internet and technology usage; the consolidation and convergence of the industry, its suppliers and its customers; the effect of changes in governmental regulations; disruption from the proposed transaction making it more difficult to maintain relationships with customers, employees or suppliers; and the impact on the combined company (after giving effect to the proposed transaction with Panalpina) of any of the foregoing risks or forward-looking statements, as well as other risk factors listed from time to time in DSV's and Panalpina's public disclosures.

The forward-looking statements should be read in conjunction with the other cautionary statements that are included elsewhere, including the risk factors included in any public disclosures of DSV or Panalpina. Any forward-looking statements made in this announcement are qualified in their entirety by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, us or our business or operations. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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This announcement does not constitute or form part of any offer to exchange or acquire, or a solicitation of an offer to exchange or acquire, Panalpina Shares. This announcement is not a substitute for the (i) Swiss offer prospectus, (ii) listing prospectus for new DSV shares or (iii) the preliminary prospectus / offer to exchange expected to be included in the Registration Statement on Form F-4 (the "Registration Statement") to be filed with the SEC if a vendor placement is not implemented with respect to the holders of the Panalpina Shares who are located in the United States and are not qualified institutional buyers (as defined in Rule 144A under the Securities Act of 1933 (the "Securities Act")) ((i) to (iii) collectively, the "Offer Documents"). The Exchange Offer referenced in this announcement has not yet commenced. No offering of securities shall be made in the United States except by means of a prospectus meeting the requirements of Section 10 of the Securities Act or pursuant to a vendor placement or another applicable exception from the registration requirements pursuant to the U.S. securities laws.

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# Content



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# Highlights

## Gross profit (DKKm)

Q1-19  
5,114

+8.5%\*

## EBIT (DKKm)

Q1-19  
1,454

+14.9%\*

## Adjusted free cashflow (DKKm)

Q1-19  
540

+20.5%

## Share buyback

- Up to maximum of DKK 3.500 million.
- Will run from 30 April to 8 November 2019.
- In line with capital allocation policy and target for financial gearing (below 2.0x EBITDA)






## Management Commentary

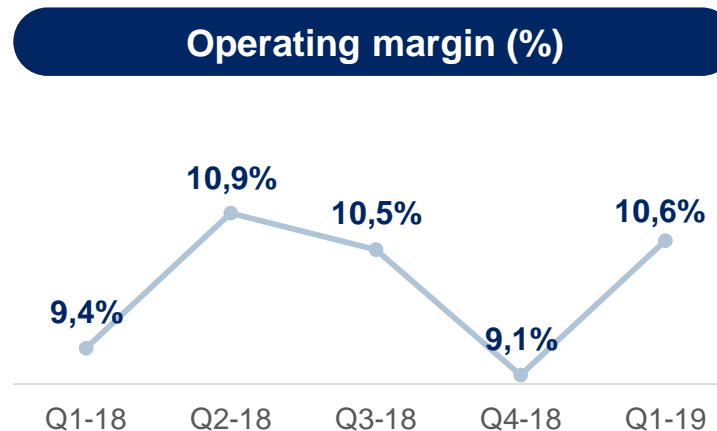
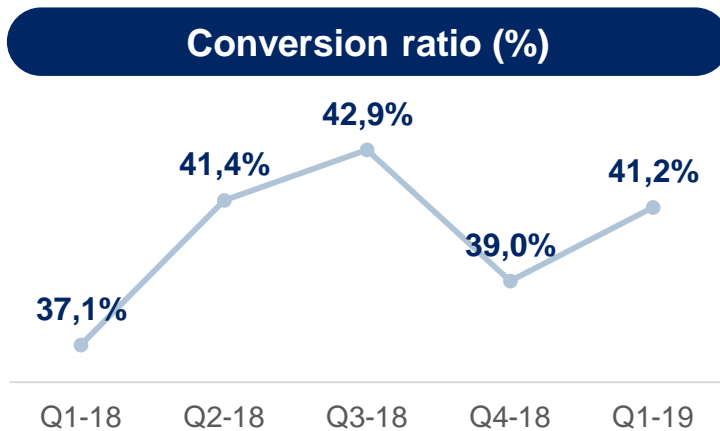
- A strong start to 2019, in spite of soft transport markets.
- Solid gross profit growth of 8.5%, driven by profitable growth in network business.
- EBIT growth of 14.9% driven by all divisions – with Air & Sea as the powerhouse.
- We now expect closing of the Panalpina transaction by the end of Q3-19.
- Financial performance in Q1-19 fully meets published expectations. However, to facilitate the listing of new shares we withdraw the outlook for 2019. An update will be given once the combination with Panalpina is completed.

*\*) Growth rates are in constant currencies and adjusted for IFRS 16 impact*

# Air & Sea

(DKKm)	Q1 2019	Q1 2018	Growth*
 <b>Gross profit</b>	1,194	1,080	+6.9%
 <b>Gross profit</b>	1,230	1,065	+11.6%
 <b>EBIT</b>	998	795	+20.5%

\*In constant currencies and adjusted for IFRS 16 impact

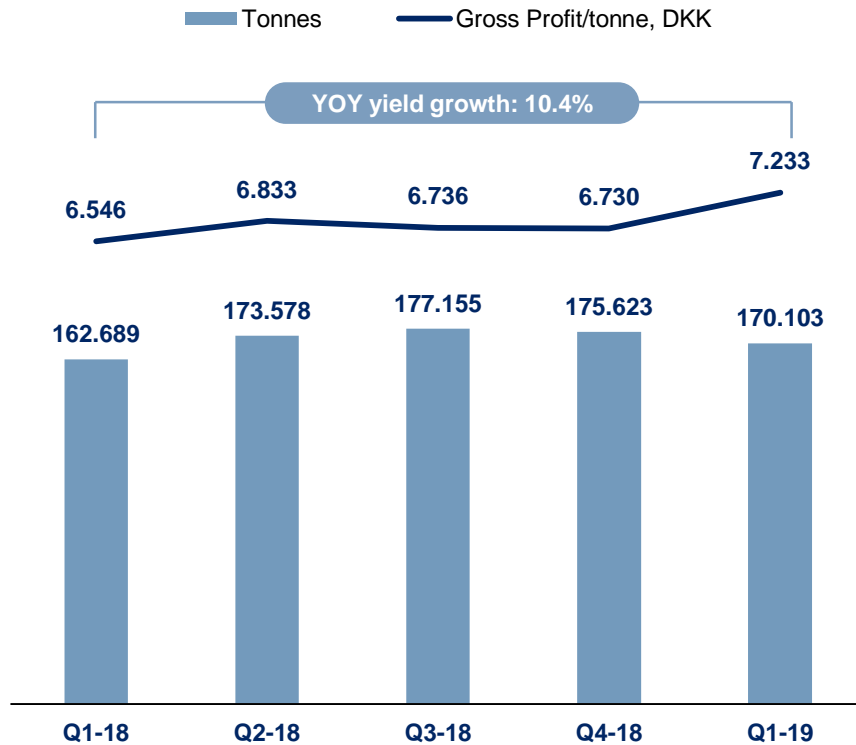


## Management Commentary

- 5% growth in air freight in Q1-19 and positive yield development, mainly driven by growth in export from Americas.
- Sea freight growth of 4% in Q1-19 and positive yield development. Americas was also strongest growth driver for sea freight.
- GP growth with focus on controlled cargo which contributes to the DSV network.
- Strong growth of 20.5% in EBIT in Q1-19.
- Conversion ratio of 41.2% for Q1-19, closing in on 42.5% target.
- Very limited impact of IFRS 16.

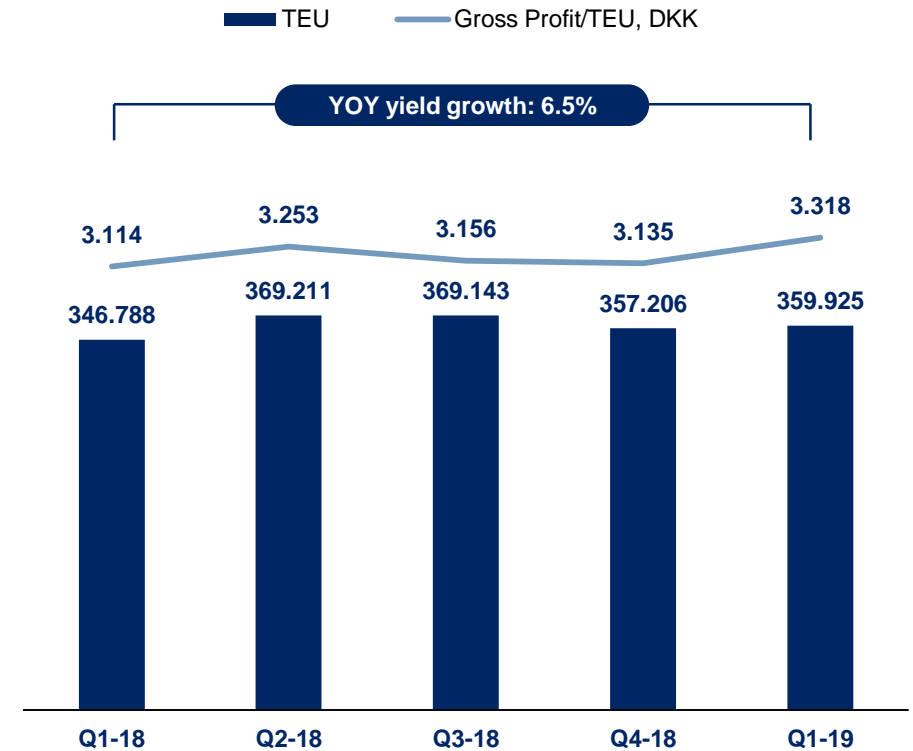
# Air & Sea

## Volume growth and positive yield development in Q1-19



### Volume growth




DSV	10%	12%	7%	5%	5%
Market (est.)	5%	4%	3%	2%	(-1%)



### Volume growth

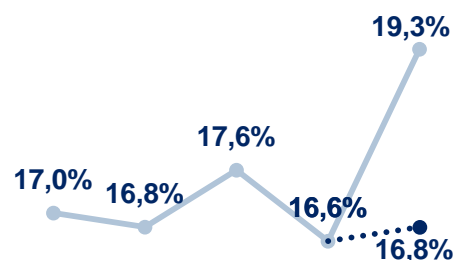
DSV	4%	3%	4%	4%	4%
Market (est.)	3%	3%	3%	3%	1%

# Road

	(DKKm)	Q1 2019	Q1 2018	Growth*
 Revenue		8,102	7,676	+5.7%
 Gross profit		1,561	1,306	+4.4%
 EBIT		298	241	+13.6%

\*In constant currencies and adjusted for IFRS 16 impact

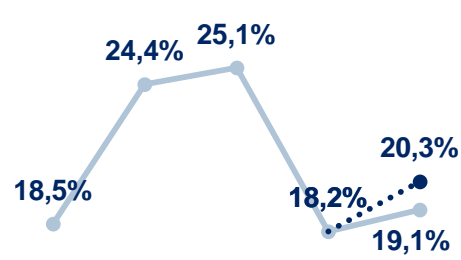
## Gross margin (%)



Q1-18 Q2-18 Q3-18 Q4-18 Q1-19

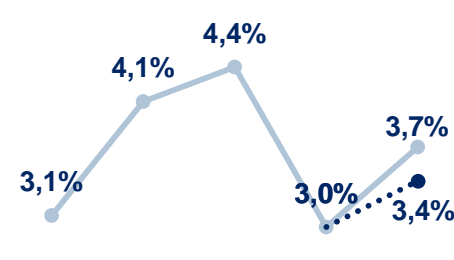
..... excl. IFRS 16

## Conversion ratio (%)



Q1-18 Q2-18 Q3-18 Q4-18 Q1-19

## Operating margin (%)






Q1-18 Q2-18 Q3-18 Q4-18 Q1-19



## Management Commentary

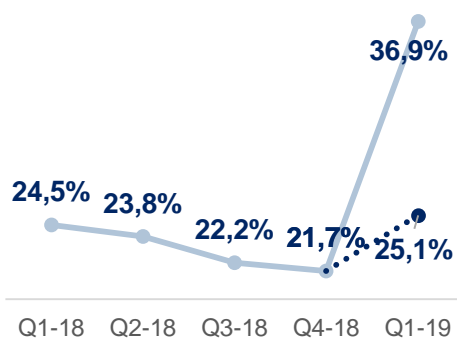
- 5.7% revenue growth reflecting a higher activity level and a slight increase in rates.
- Positive impact from higher number of working days in Q1-19.
- 4.4% underlying growth in gross profit and 13.6% underlying growth in EBIT in Q1-19.
- Improvement in underlying conversion ratio and operating margin.
- IFRS 16 impacted reported gross profit positively by DKK 200 million and EBIT positively by DKK 22 million in Q1-19.

# Solutions

(DKKm)	Q1 2019	Q1 2018	Growth*
 Revenue	3,049	2,848	+6.2%
 Gross profit	1,126	699	+9.1%
 EBIT	193	127	+3.9%

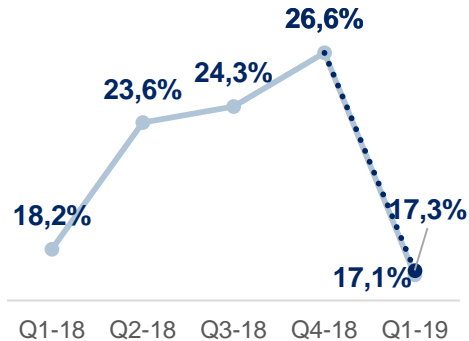
\*In constant currencies and adjusted for IFRS 16 impact

## Gross margin (%)

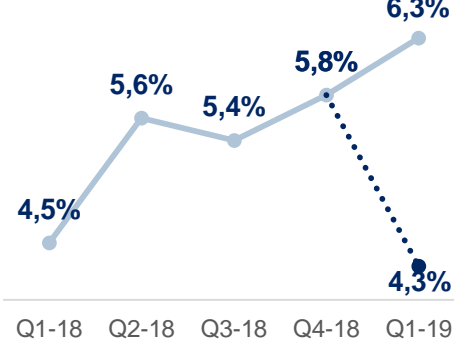


..... excl. IFRS 16

## Conversion ratio (%)



## Operating margin (%)



## Management Commentary

- 6.2% revenue growth reflecting a higher activity level – retail and industrials are main growth drivers.
- 9.1% underlying growth in gross profit and 3.9% underlying growth in EBIT in Q1-19
- Cost base impacted by IT migration and implementation of new technology in warehouses.
- IFRS 16 impacted reported gross profit positively by DKK 362 million and EBIT positively by DKK 61 million in Q1-19.



# P&L

(DKK m)

	Q1 2019	IFRS 16 impact Increase, decrease (-)	Q1 2019 (excl. IFRS 16)	Q1 2018 (excl. IFRS 16)	Underlying growth*
Revenue	19,979		19,979	18,380	7.9%
Direct costs	14,865	(596)	15,461	14,260	7.7%
<b>Gross profit</b>	<b>5,114</b>	<b>596</b>	<b>4,518</b>	<b>4,120</b>	<b>8.5%</b>
Other external expenses	656	(125)	781	758	2.4%
Staff costs	2,195		2,195	2,024	7.8%
<b>EBITDA</b>	<b>2,263</b>	<b>721</b>	<b>1,542</b>	<b>1,338</b>	<b>12.9%</b>
Depreciation of right-of-use assets	632	625	7	7	0.0%
Amortisation and depreciation of owned assets	177		177	175	0.4%
<b>EBIT before special items</b>	<b>1,454</b>	<b>96</b>	<b>1,358</b>	<b>1,156</b>	<b>14.9%</b>
Financial income	22		22	15	
Financial expenses - lease liabilities	89	87	2	3	
Financial expenses	106		106	155	
<b>Profit before tax</b>	<b>1,281</b>	<b>9</b>	<b>1,272</b>	<b>1,001</b>	
Tax on profit for the period	318	2	316	232	
<b>Profit for the period</b>	<b>963</b>	<b>7</b>	<b>956</b>	<b>769</b>	
<b>Key Performance Indicators</b>					<b>Growth</b>
Gross margin (%)	25.6		22.6%	22.4	
Operating margin (%)	7.3		6.8%	6.3	
Conversion ratio (%)	28.4		30.1%	28.1	
Effective tax rate (%)	24.8			23.2	
Diluted adjusted EPS (DKK)	23.4			18.4	27.2%
Full-time employees (end of quarter)	47,281			46,767	

\*In constant currencies and adjusted for IFRS 16 impact



## Management Commentary

- Gross profit growth of 8.5%, driven by all business segments.
- EBIT growth of 14.9%, driven by all business segments.
- Incremental conversion ratio of 51% in Q1 2019, reflecting overall increasing productivity.
- Financial items and tax at expected level.
- IFRS 16 impact in line with the estimates we gave in the 2018 Annual Report.

# Cash flow

(DKKm)	Q1 2019	Q1 2018 (excl. IFRS 16)	Variance
<b>EBIT</b>	<b>1,454</b>	<b>1,156</b>	<b>298</b>
Depreciation of right-of-use assets	632	7	625
Depreciation and amortisation of owned assets	177	175	2
<b>EBITDA</b>	<b>2,263</b>	<b>1,338</b>	<b>925</b>
Share based payments	24	18	6
Change in working capital etc.	(495)	(536)	41
Change in provisions	(34)	(79)	45
Interest	(91)	(100)	9
Corporation tax paid and other adjustments	(215)	(141)	(74)
Change in other financial assets	(9)	(3)	(6)
<b>Cash flow from investing activities</b>	<b>(177)</b>	<b>(52)</b>	<b>(125)</b>
<b>Free cash flow</b>	<b>1,275</b>	<b>448</b>	<b>827</b>
<b>Statement of adjusted free cash flow</b>			
Free cash flow	1,275	448	827
Repayment of lease liabilities (IFRS 16 impact reversed)	(649)	-	(649)
Repayment of lease interest (IFRS 16 impact reversed)	(86)	-	(86)
<b>Adjusted free cash flow (excl. M&amp;A)</b>	<b>540</b>	<b>448</b>	<b>92</b>
<b>Highlights</b>			
<i>NWC in % of revenue</i>	2.7%	2.5%	
<i>Net Interest Bearing Debt (NIBD)</i>	16,107	6,116	
<i>Gearing ratio</i>	1.7	1.1	
<i>Average duration, long-term loan commitments (years)</i>	3.0	3.0	
<i>Invested capital</i>	30,744	20,645	

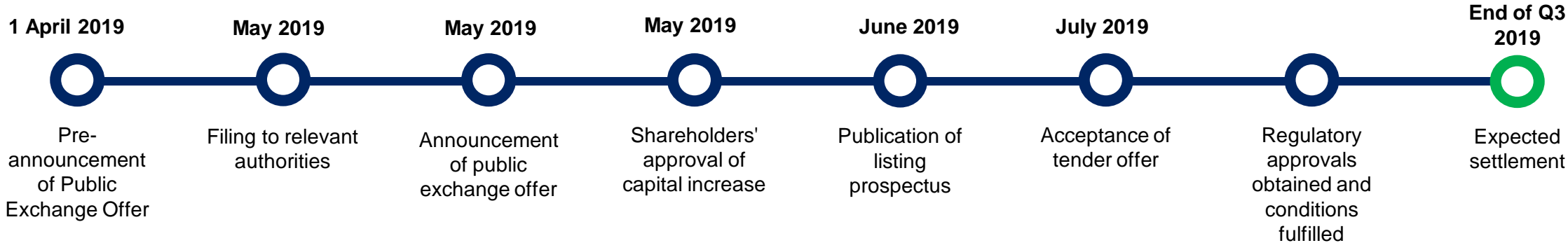


## Management Commentary

- NWC at 2.7% of net revenue – at expected level considering seasonality.
- Revised target for gearing ratio (after IFRS 16): Below 2.0x EBITDA.
- IFRS 16 impact is neutral on adjusted free cash flow.
- Gearing ratio came to 1.7x EBITDA (target: below 2x EBITDA). For the calculation of financial gearing, EBITDA for 2018 has been adjusted for IFRS 16 impact on a pro forma basis.
- NIBD and invested capital are impacted by approx. DKK 10 billion related to IFRS 16.

# Panalpina and DSV to join forces

## Expected timeline





## Appendix



# DSV – Global Transport and Logistics

## We support our customers' entire supply chain

- Operations in more than 75 countries
- More than 1,000 branch offices, terminals and warehouse facilities
- Top 5 global freight forwarder

## One company – three divisions

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

## A dedicated CSR profile

- Based on UN Global Compact

## More about DSV

- Annual revenue of DKK 79 billion (USD 12.5 billion)
- Listed on Nasdaq Copenhagen
- No majority shareholder – 100% free float
- BBB+ credit rating (S&P Global Ratings)





# Three divisions working together to support the entire supply chain



## Air & Sea



- Access to all markets through our global network
- Annual ocean freight volume of 1.5 million TEU
- Annual air freight volume of 700,000 tonnes
- FCL/LCL and project transports
- Special competencies in key industries e.g. automotive, renewable energy

## Road



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

## Solutions



- Contract logistics services worldwide
- 400 logistics facilities – more than 5.7 million m2
- Special competencies in key industries, e.g. automotive, healthcare, consumer products
- Solutions for E-commerce

# A strong global transport and logistics network

## EMEA



458 offices  
405 logistics & cross-dock facilities (4,600,000 sqm)



34,000 employees



320,000 tonnes of air freight (export)



565,000 TEU (export)



30 million shipments

## APAC



101 offices  
73 logistics & cross-dock facilities (500,000 sqm)



5,700 employees



220,000 tonnes of air freight (export)



770,000 TEU (export)

## Americas



100 offices  
38 logistics & cross-dock facilities (625,000 sqm)



7,700 employees



160,000 tonnes of air freight (export)



165,000 TEU (export)



400,000 shipments

# Vision and strategy

We want to be a leading freight forwarder targeting extensive growth and being among the most profitable in our industry



## Customer statement

We offer our customers global and competitive transport and logistics services of a consistent high quality.

## Growth statement

We actively pursue profitable growth balanced between a solid above market organic growth and an active acquisition approach.

## Operational Excellence statement

Operational excellence in our business processes are crucial in order to operate with the highest productivity, enabling us to be competitive and deliver timely and high-quality services to our customers.

## People statement

We strive to attract, motivate and retain talented people by offering responsibility, empowerment and growth opportunities. We treasure sound business acumen and work together as a global family to drive the business forward.

# Corporate Social Responsibility

We are committed to being responsible



The UN Global Compact is based on ten principles concerning:

- Environment and climate
- Business ethics
- Employees and working environment



The 17 UN Sustainable Development Goals (SDG)

- We apply the 17 SDG goals as a framework for defining our strategies and measuring our progress.
- These 5 global goals are where we can contribute directly:



DANISH  
RED CROSS

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

- Logistics services
- Logistics expertise
- Financial support



FTSE4Good

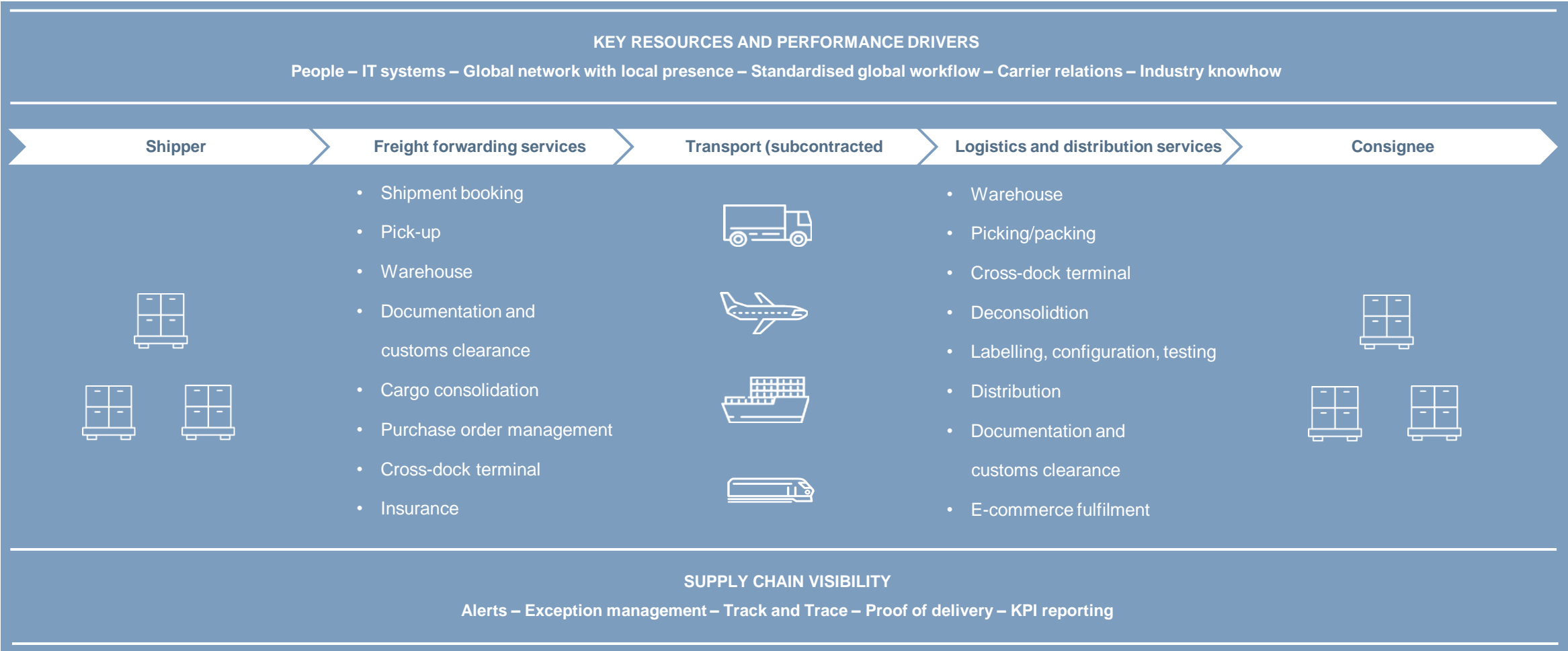
DSV is a constituent of the FTSE4Good Index Series, demonstrating strong practices within the areas:

- Environmental, social and governance



# Creating value in the transport and logistics business

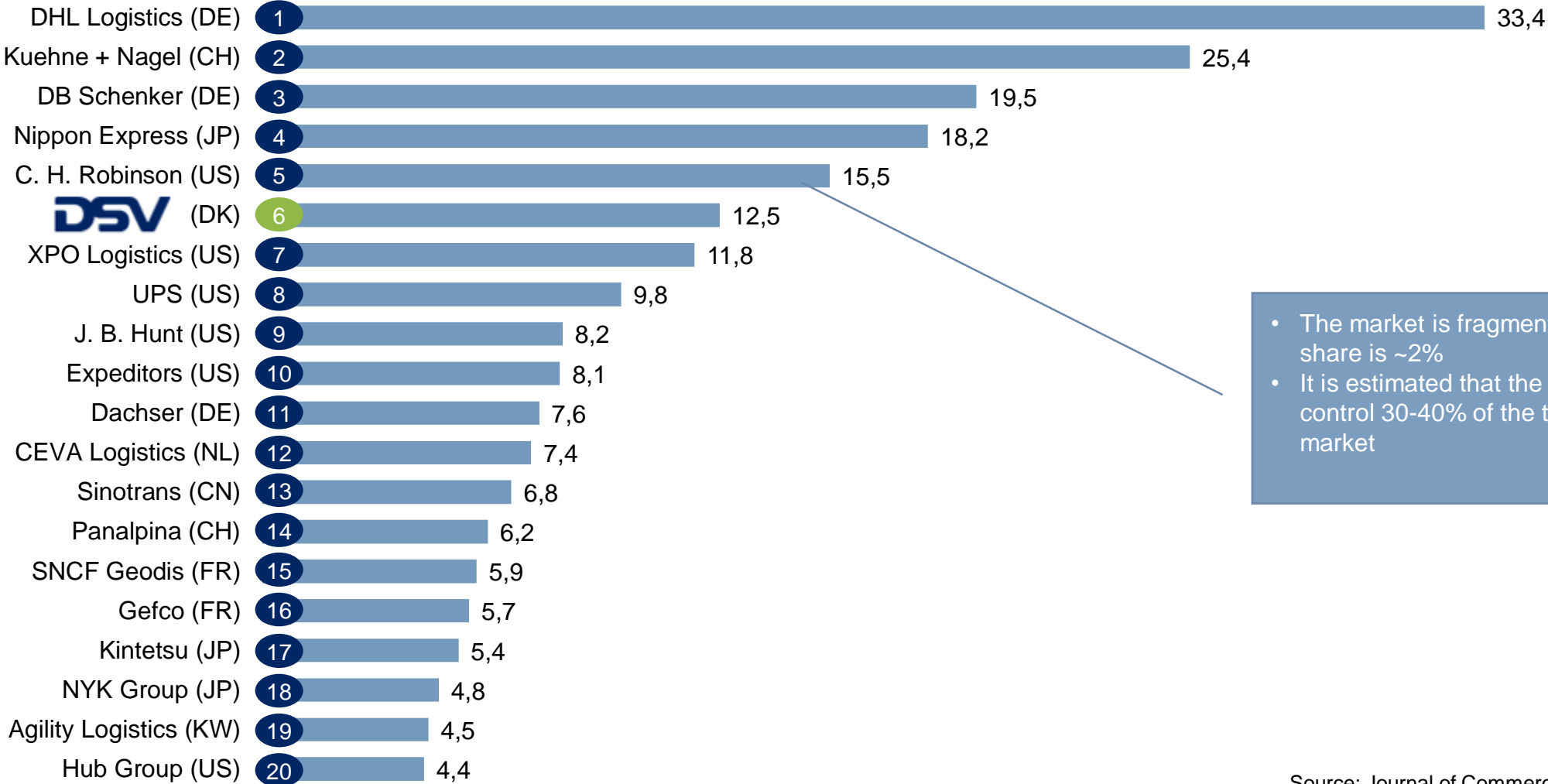
From A to B and much more





# Competitive landscape

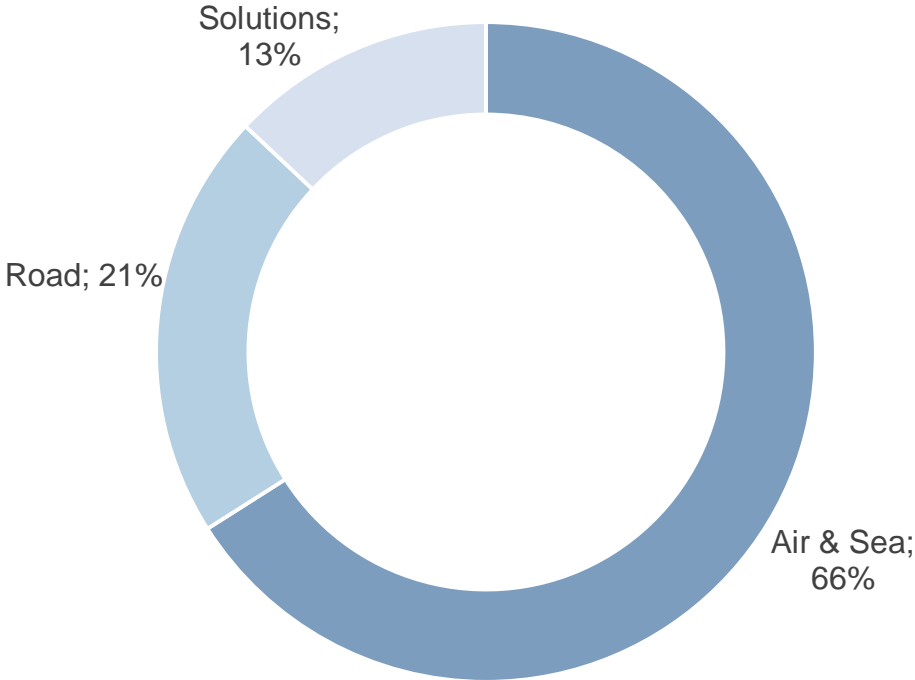
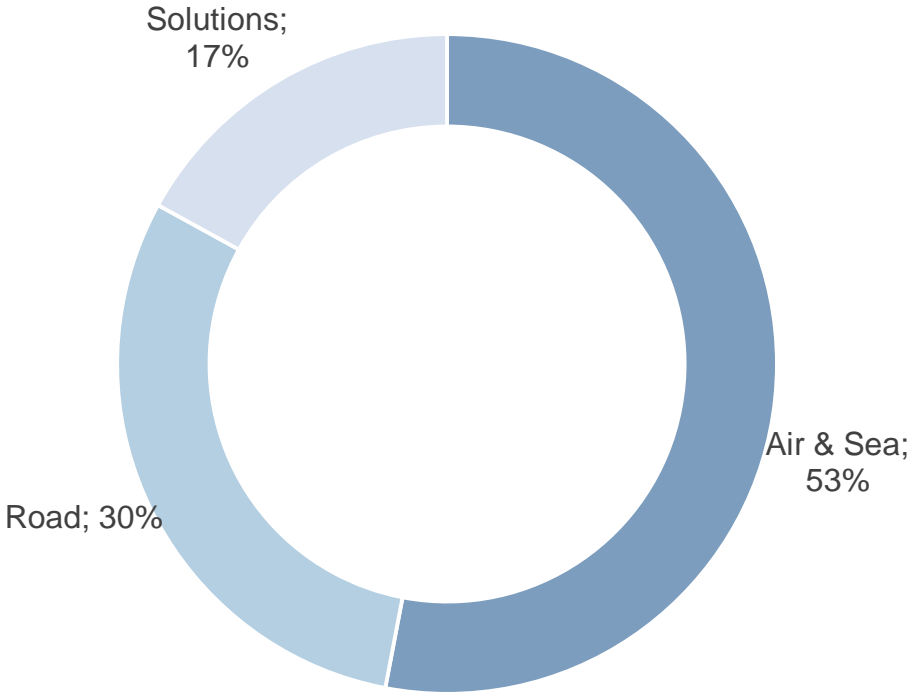
## Global top 20 freight forwarders based on 2018 revenue (billion USD)



- The market is fragmented and DSV's market share is ~2%
- It is estimated that the top 20 companies control 30-40% of the total freight forwarding market

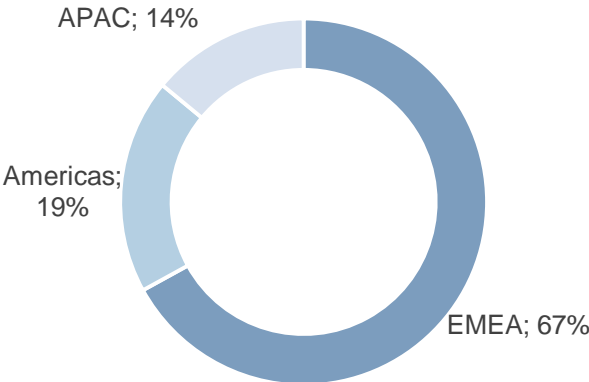
Source: Journal of Commerce, April 2019, DSV estimates

# Divisional share of Gross profit and EBIT FY 2018

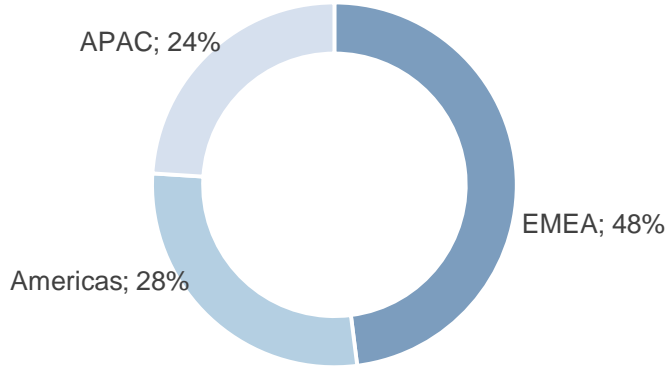


# Geographical exposure by Gross profit FY 2018

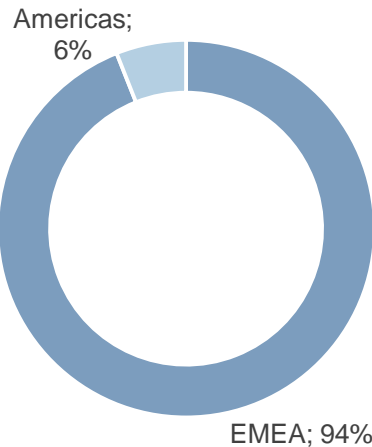
DSV A/S



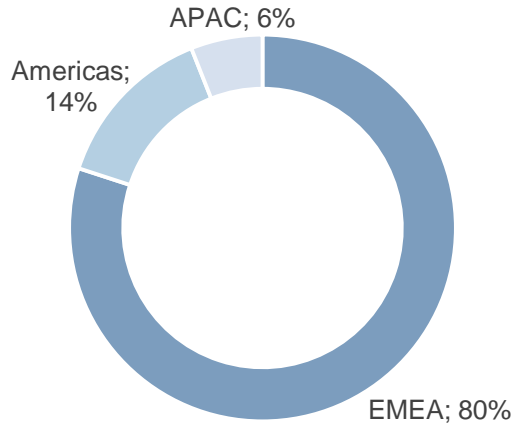
DSV Air & Sea



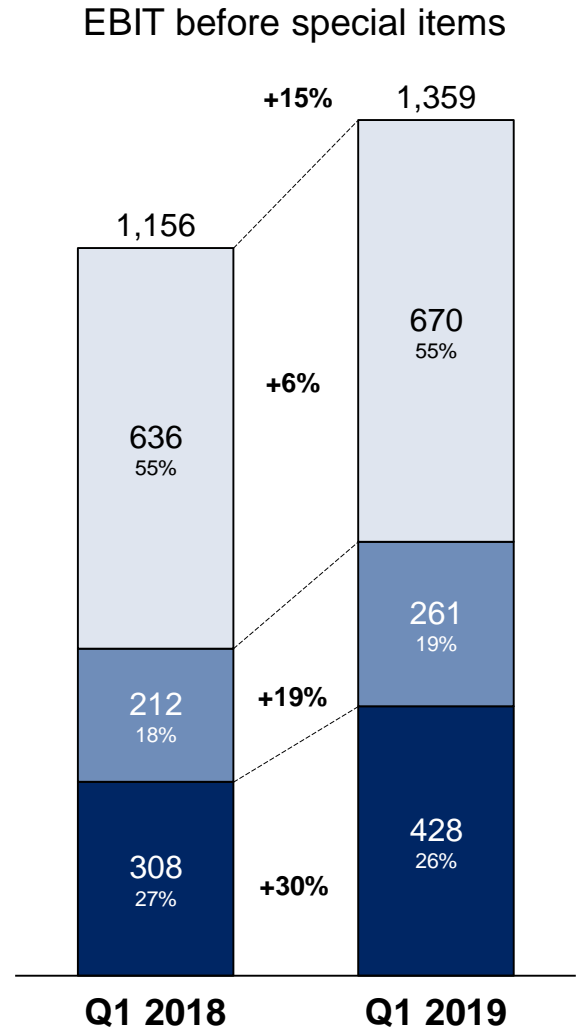
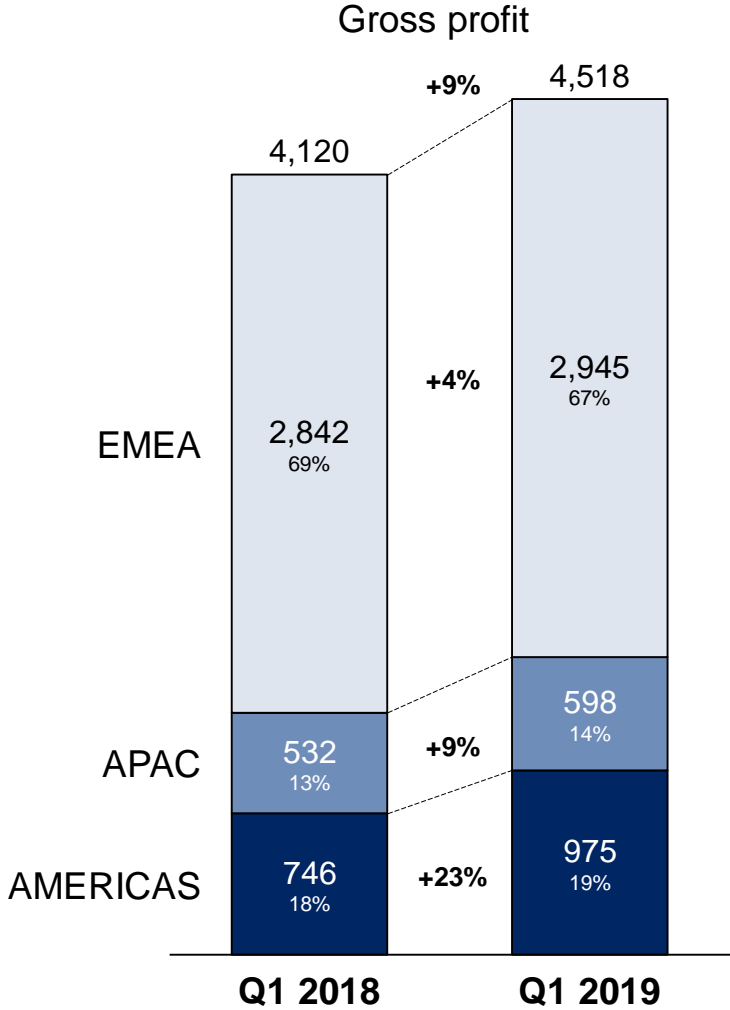
DSV Road



DSV Solutions



# Regional development Q1 2019 (DKKm)



Growth rates are in constant currencies adjusted for IFRS 16 impact



# Historical transport market growth

CAGR in %	1980-2008	2000-2008	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018e
Global real GDP	2.30%	3.60%	2.80%	-0.60%	5.00%	3.90%	3.10%	2.90%	3.20%	3.20%	3.10%	3.50%	3.70%
Global Trade	4.40%	4.60%	2.30%	-11.40%	14.10%	6.50%	3.00%	2.90%	3.10%	2.80%	2.40%	4.20%	4.20%
multiplier ^ (x)	1.9x	1.3x	0.8x	19.8x	2.8x	1.7x	1.0x	1.0x	1.0x	0.9x	0.8x	1.2x	1.1x
Container volumes*	9%	10%	4%	-11%	14%	8.30%	1.00%	4.60%	3.10%	1.20%	3.20%	5.7%	3-4%
multiplier ^ (x)	3.9x	2.8x	1.5x	18.9x	2.8x	2.1x	0.3x	1.6x	1.0x	0.4x	0.9x	1.6x	1.1x
Air freight volumes*	4.90%	3.70%	-3.30%	-0.70%	19.10%	2.30%	-1.00%	1.20%	3.40%	1.40%	4.00%	10.3%	3-4%
multiplier ^ (x)	2.1x	1.0x	-1.2x	1.3x	3.8x	0.6x	-0.3x	0.4x	1.1x	0.4x	1.3x	2.9x	1.1x
Euro Area GDP **	0.90%	0.70%	0.50%	-4.10%	1.70%	1.60%	-0.70%	-0.50%	0.80%	2.00%	1.80%	2.10%	1,90%
European Road freight													
* multiplier (x)	3.60%	2.90%	-1.70%	-10.10%	3.80%	-1.10%	-3.00%	0.30%	1.60%	2.40%	3.90%	4.5%	3-4%
multiplier (x)	4.2x	3.9x	-3.7x	2.5x	2.2x	-0.7x	4.4x	-0.6x	2.1x	1.2x	2.2x	2.1x	2.1x

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

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

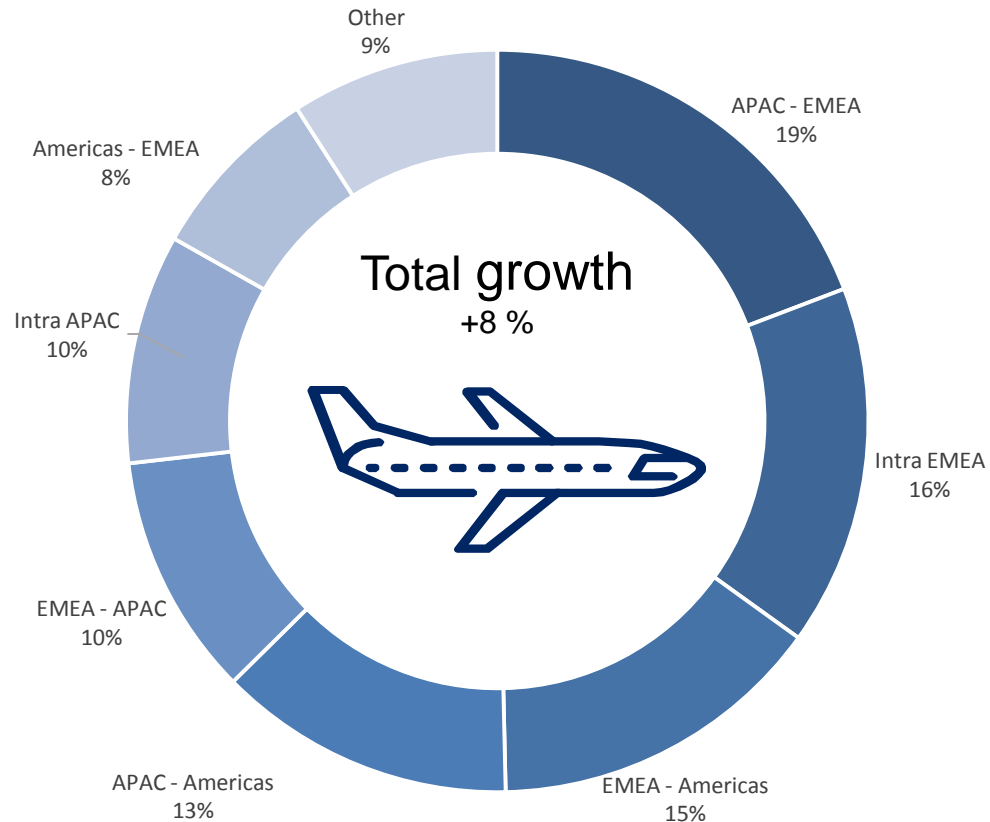
Source: Company data, Morgan Stanley Research



# Air freight volumes

## 700,000 tonnes (2018)

Tradelane Statistics Tonnage 2018



### Market info

- After a strong start to 2018, the air freight market dropped to a more normal level in H2 and landed at a growth level of 3-4%.
- We consider the market growth in 2018 to be close to the growth in the underlying economy.
- There are no capacity issues, and rates remain stable as the market slow down post-peak.

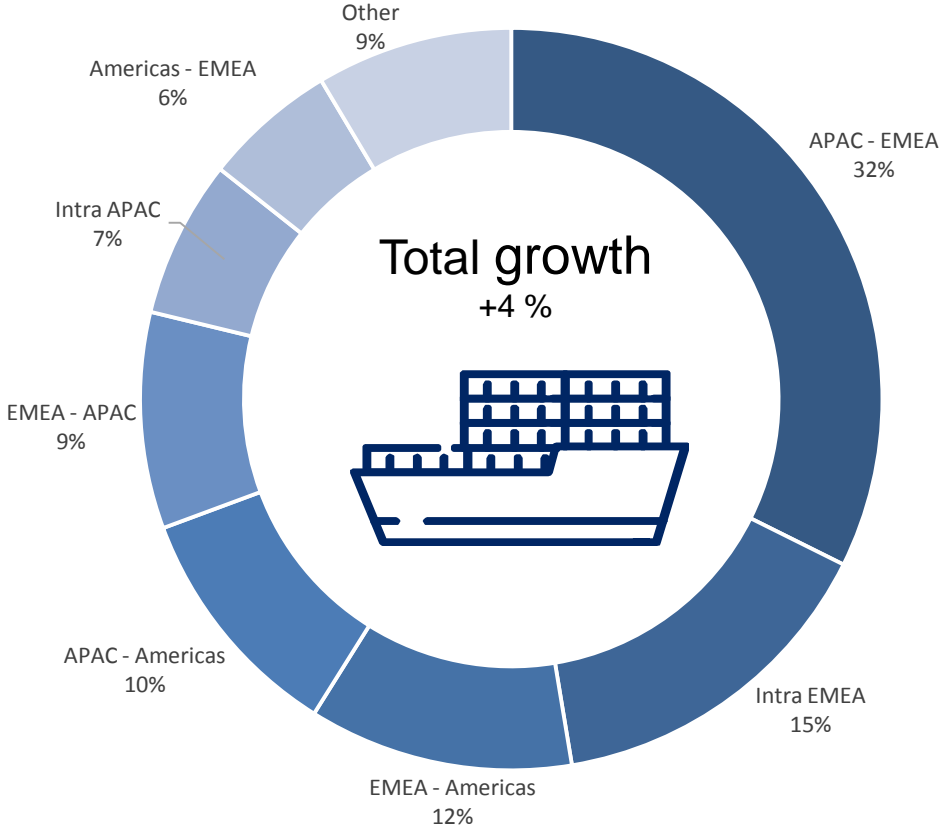
### DSV

- DSV achieved an air freight volume growth above market level at 8%.
- Largest growth achieved on export from Europe to North America and North America to Europe.
- Growth on tradelane Asia – Europe was low during the year, affected by especially a slow automotive industry.

# Sea freight volumes

1,500,000 TEU (2018)

Tradelane Statistics TEU 2018



## Market info

- 2018 was a year of contrasts for the containership market. Despite some initial optimism, overcapacity continued to plague the sector.
- Freight rates were generally weak in 2018, with average CCFI levels for the full year remaining below that of the year before.
- Sea freight market grew an estimated 3-4 % in line with the underlying economy

## DSV

- DSV achieved a sea freight volume growth slightly above market level at 3.8%.
- DSV's performance was impacted by the fact that our largest trade lane, Asia-Europe with approx. 1/3 of total volume, had a weak market development during 2018
- On the positive side, Europe – North America developed strongly during 2018.

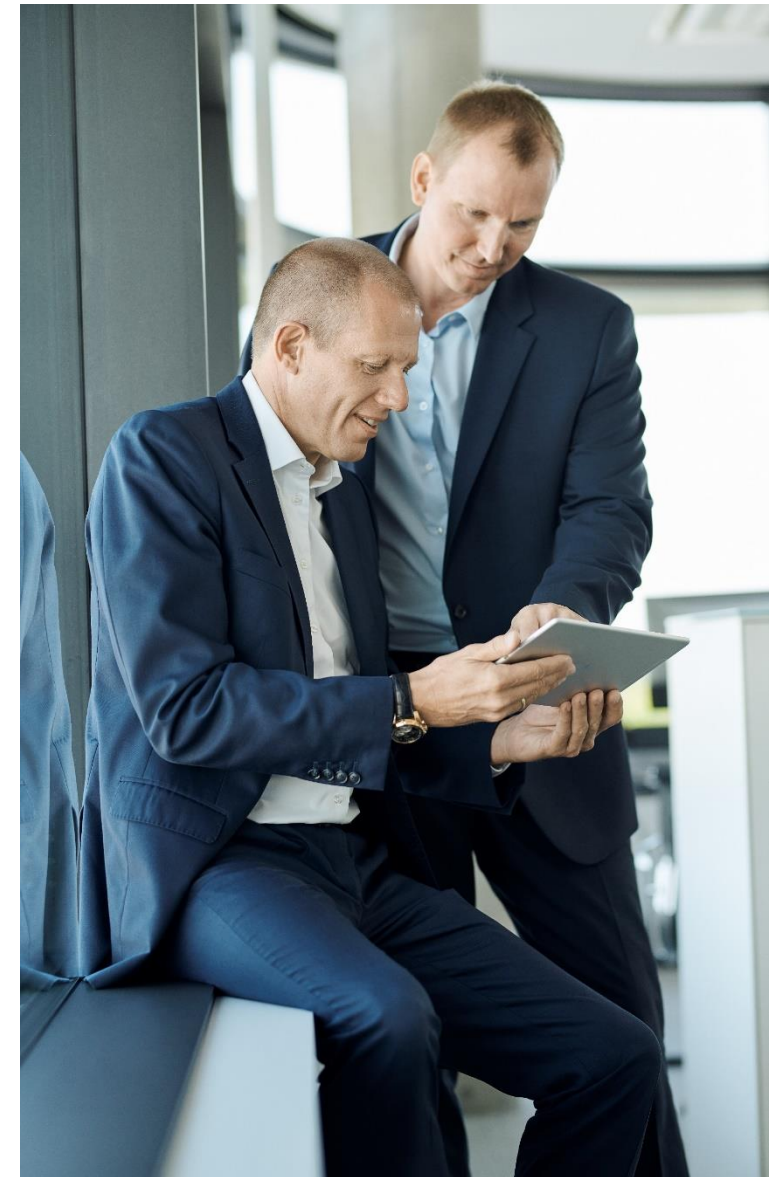
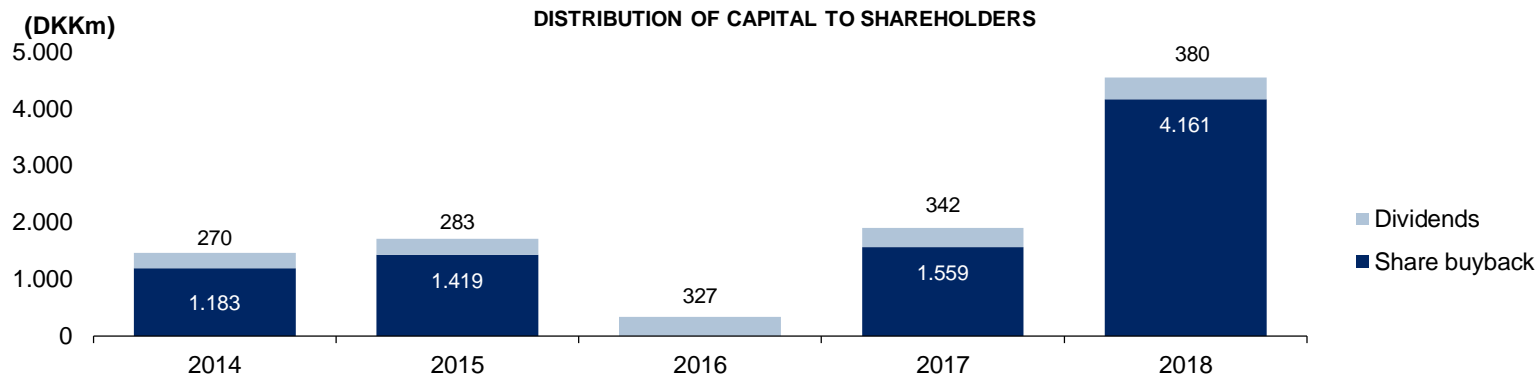
# Capital allocation

## Target for financial gearing and priority for use of free cash flow

- Target (after IFRS 16 implementation): Below 2.0 x EBITDA before special items
- Repayment of debt if financial gearing ratio is above target range
- If below target range:
  1. Value creating acquisitions or further development of the existing business (Gearing ratio may exceed targeted gearing in periods with M&A activity)
  2. Allocation to shareholders via share buyback and dividend

## Dividend policy

- Dividend per share in 2018: DKK 2.25 per share (2017: DKK 2.00)
- Following the Panalpina transaction to propose a dividend policy with a pay-out ratio of approximately 15% of net profit.



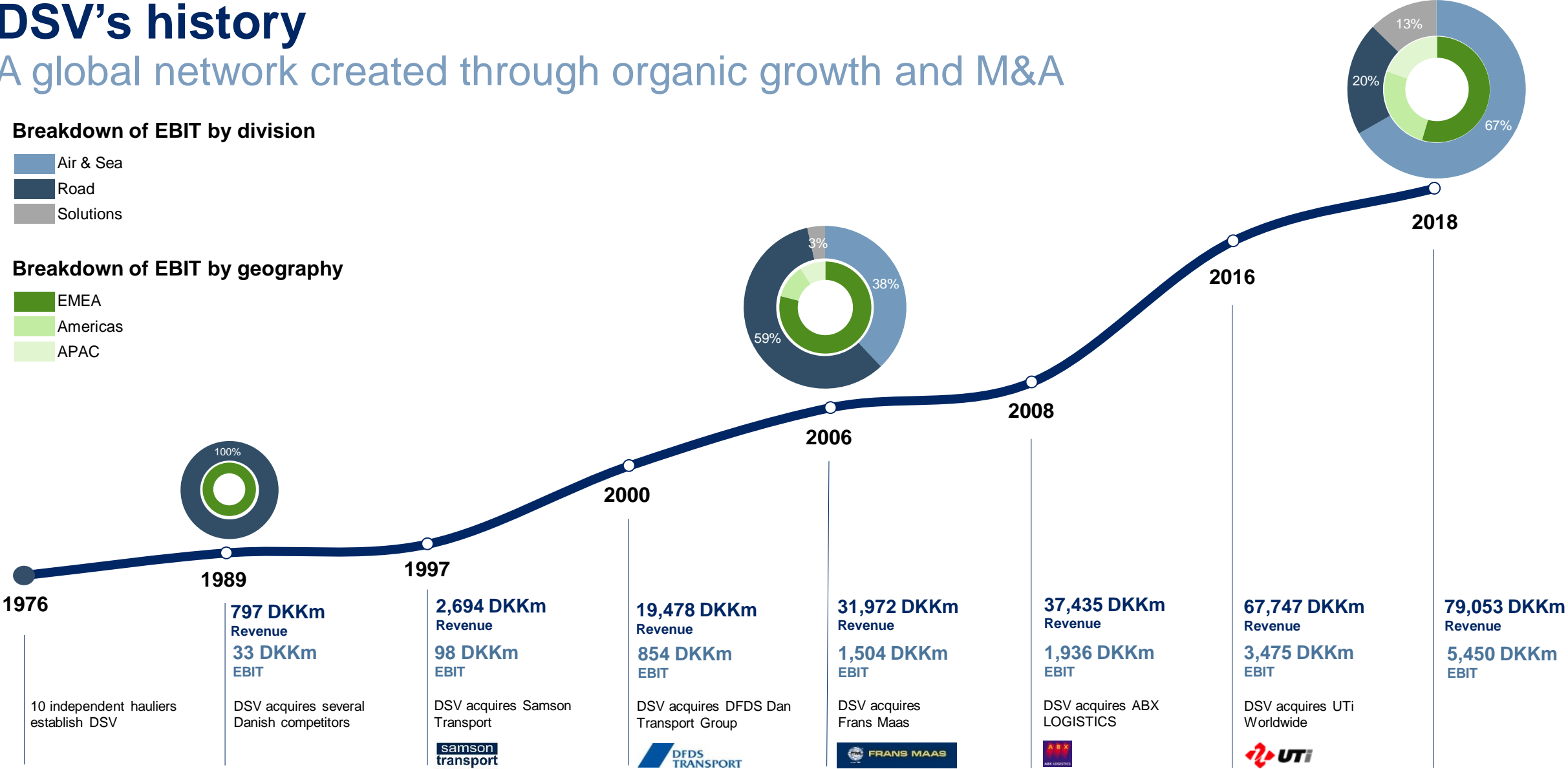
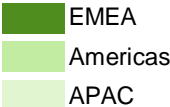
# DSV's history

A global network created through organic growth and M&A




### Breakdown of EBIT by division



### Breakdown of EBIT by geography



# Financial targets 2020

	FY 2018	Previous 2020 targets	IFRS 16 impact	Revised 2020 targets
<b>DSV – total</b>	%	%	%	%
Operating margin	6.9%	7.5%	0.0 – +0.5%	> 7.5%
Conversion ratio	31.2%	32.5%	-1.5 – -2.5%	> 30.0%
ROIC (pre tax)	26.7%	> 25%	-7.0 – -8.0%	> 20.0%
<b>Air &amp; Sea</b> 				
Operating margin	10.0%	10%	0.0 – +0.5%	10%
Conversion ratio	40.2%	42.5%	0.0 – +0.5%	42.5%
<b>Road</b> 				
Operating margin	3.7%	5%	0.0 – +0.5%	5%
Conversion ratio	21.6%	25%	-1.0 – -2.0%	22.5%
<b>Solutions</b> 				
Operating margin	5.4%	6%	+1.0 – +2.0%	7%
Conversion ratio	23.4%	25%	-2.5 – -3.5%	22.5%

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

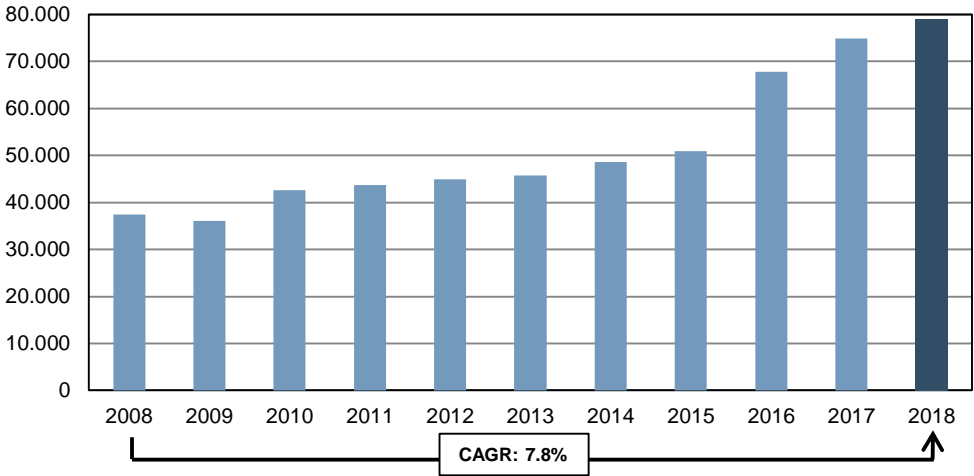
## Key assumptions

- The 2020 targets are adjusted for the expected impact of IFRS 16.
- We assume stable macro-economic development (around 3% growth in global GDP) and that DSV can gain market share in relevant markets.
- Normalised CAPEX around 0.75% of revenue.
- We target NWC at 2% of net revenue, measured at year end.
- Effective tax rate of approx. 23%.
- Revised target for gearing ratio: Below 2.0x EBITDA.

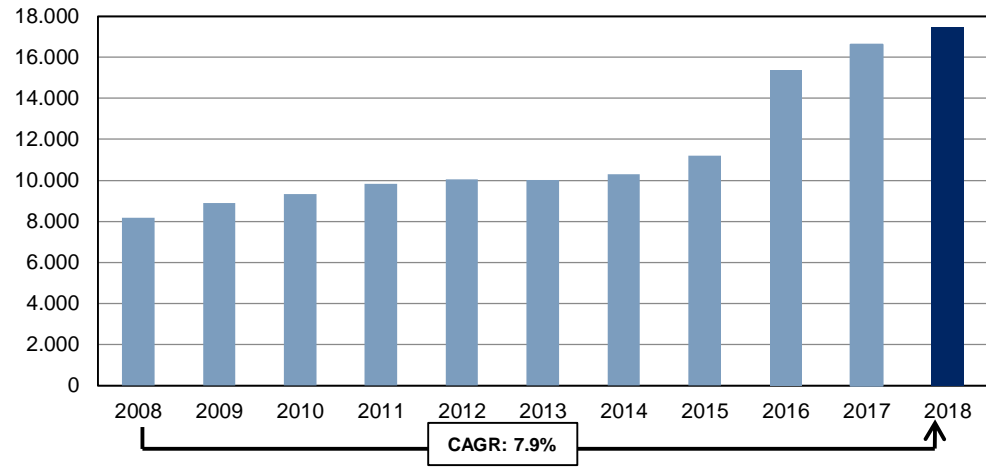
# Financial performance

## CAGR incl. M&A

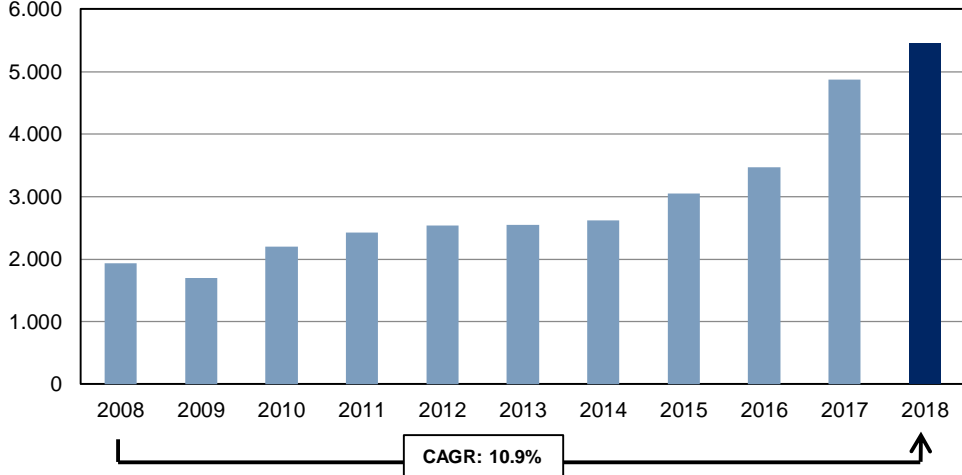
Revenue (DKK m)



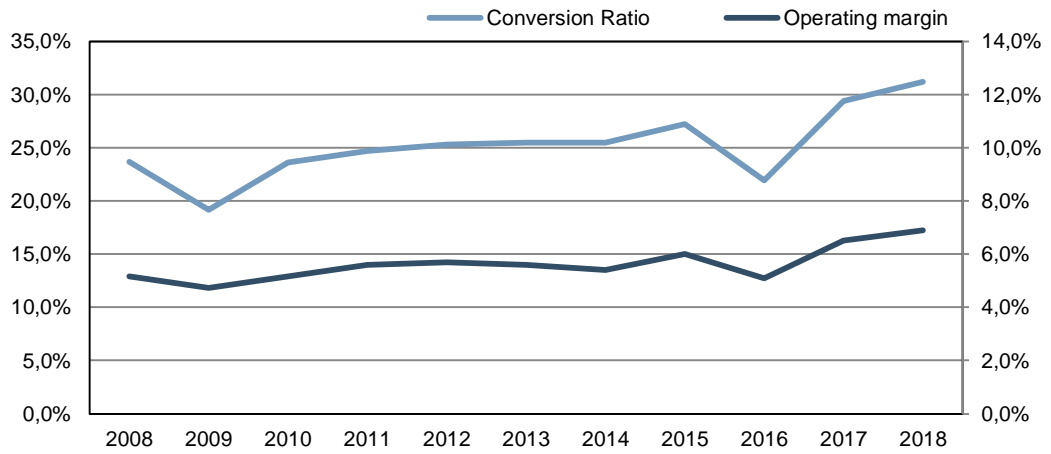
Gross profit (DKK m)



EBIT before special items (DKK m)



Margins (%)

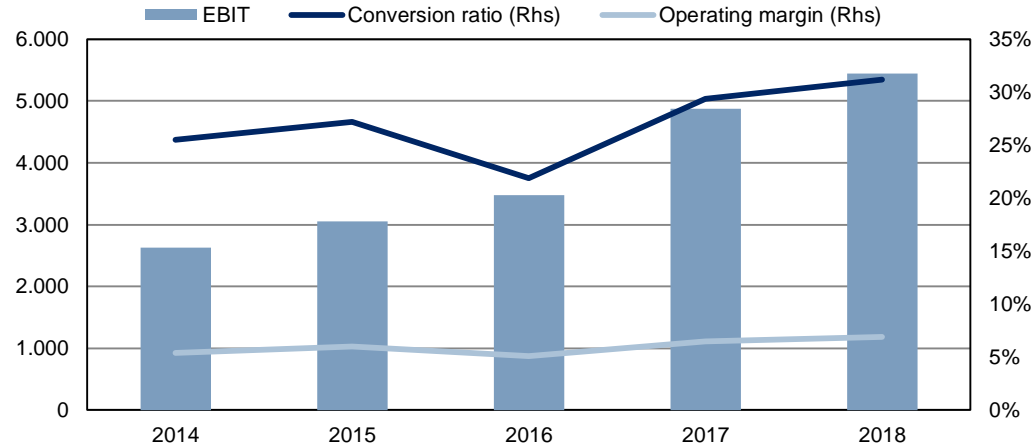




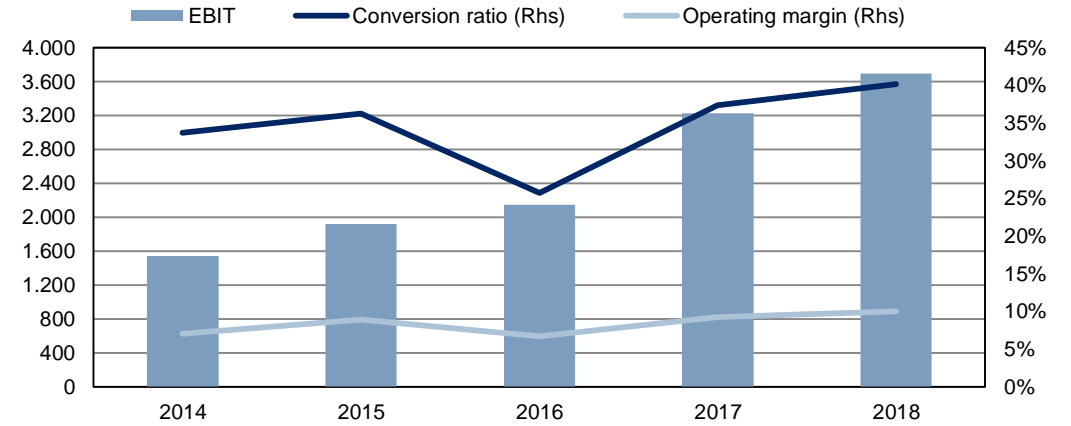
# Financial performance per division

## Selected KPIs

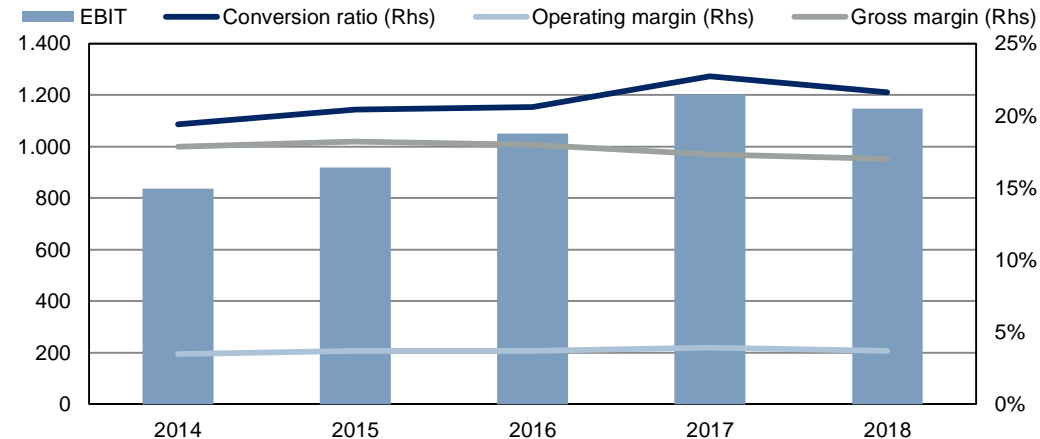
### DSV A/S



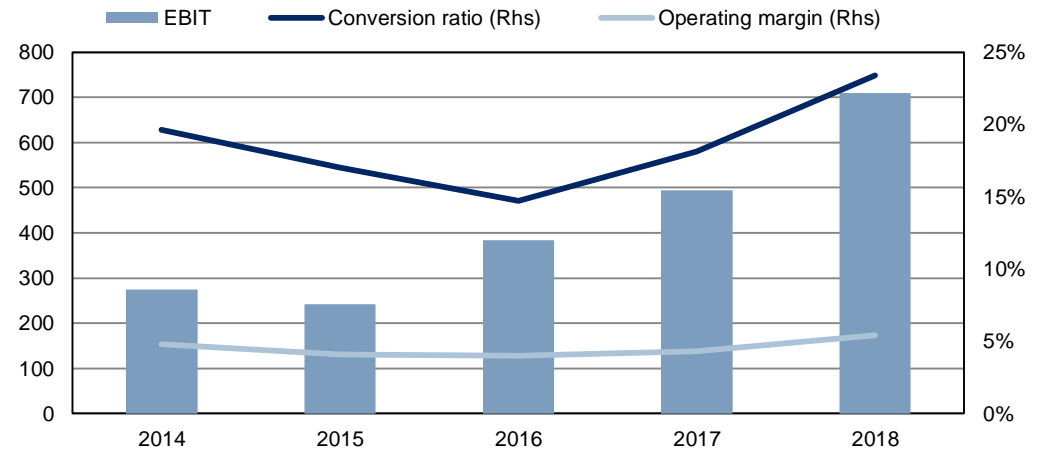
### DSV Air & Sea



### DSV Road

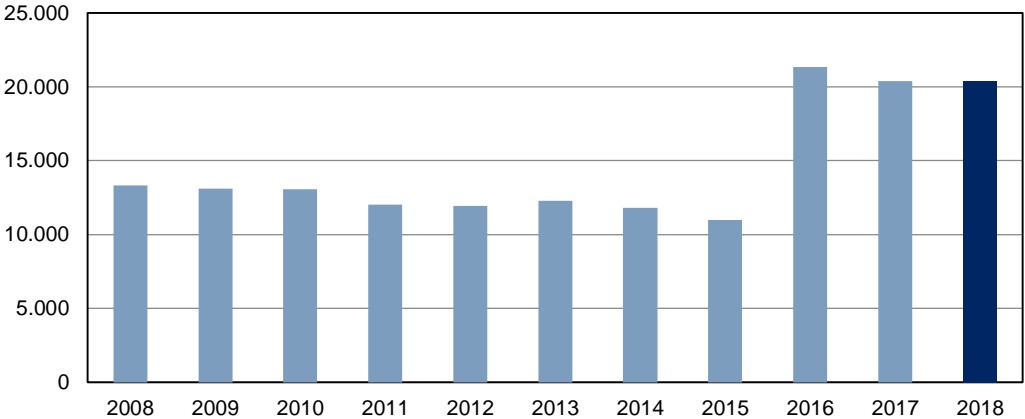


### DSV Solutions

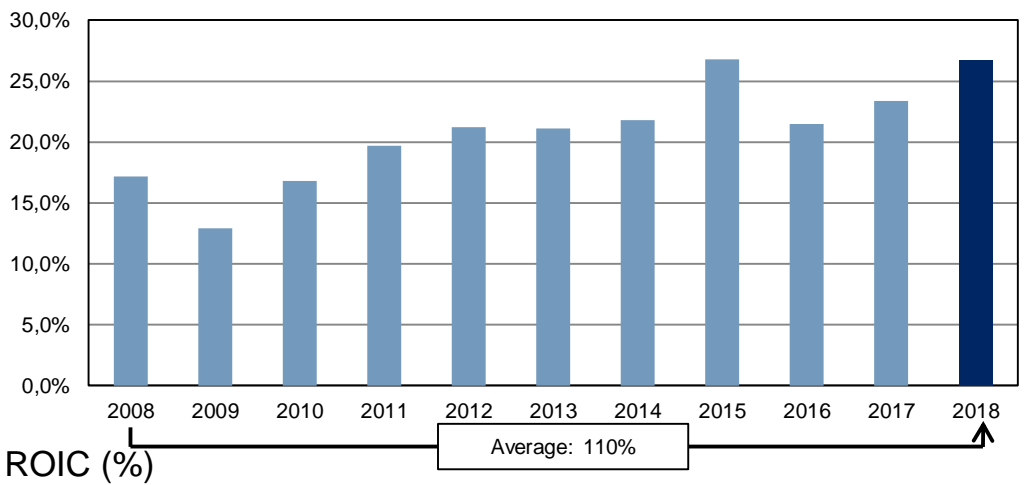


# Cash flow and ROIC

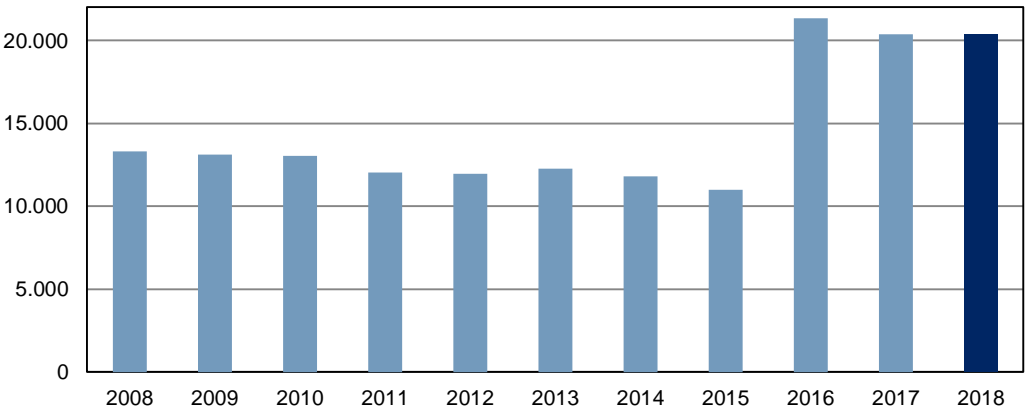
Operating cash flow (DKKm)



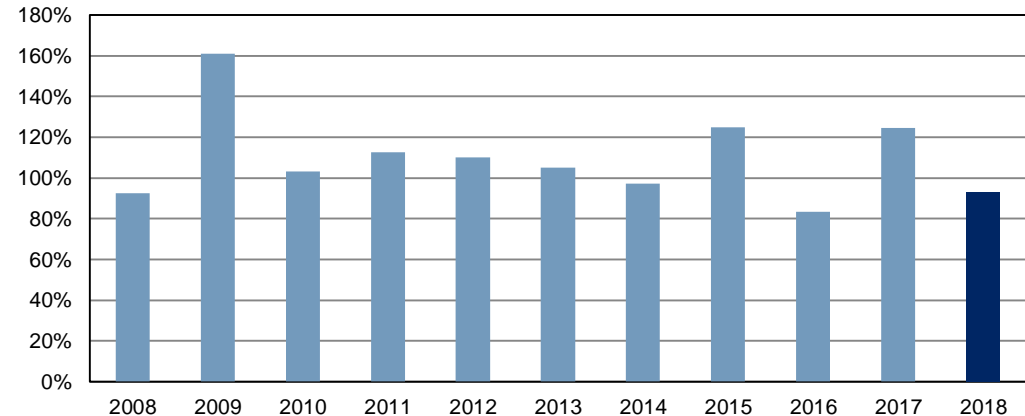
Cash conversion ratio\* (%)



Invested capital (DKKm)



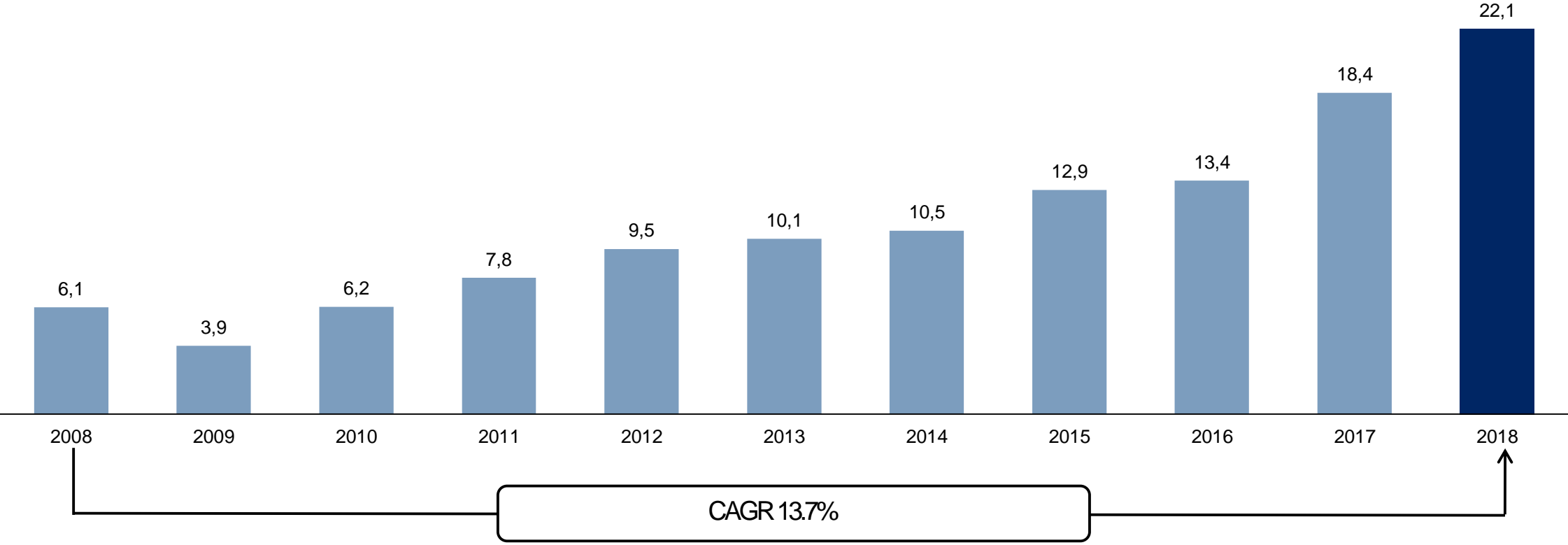
ROIC (%)



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



# Diluted adjusted earnings per share (DKK)



# IFRS 16 impact - divisions

(DKK)m) Air & Sea	Q1 2019	IFRS 16 impact Increase, decrease (-)	Q1 2019 (excl. IFRS 16)	Q1 2018 (excl. IFRS 16)
Revenue	9,411	-	9,411	8,414
Direct costs	6,987	(35)	7,022	6,269
<b>Gross profit</b>	<b>2,424</b>	<b>35</b>	<b>2,389</b>	<b>2,145</b>
Other external expenses	386	(57)	443	457
Staff costs	943	-	943	870
<b>EBITDA</b>	<b>1,095</b>	<b>92</b>	<b>1,003</b>	<b>818</b>
Depreciation of right-of-use assets	82	82	-	1
Amortisation and depreciation of owned assets	15	-	15	22
<b>EBIT before special items</b>	<b>998</b>	<b>10</b>	<b>988</b>	<b>795</b>
<b>Key Performance Indicators</b>				
Gross margin (%)	25.8%		25.4%	25.5%
Operating margin (%)	10.6%		10.5%	9.4%
Conversion ratio (%)	41.2%		41.4%	37.1%

# IFRS 16 impact - divisions

(DKK)m Road	Q1 2019	IFRS 16 impact Increase, decrease (-)	Q1 2019 (excl. IFRS 16)	Q1 2018 (excl. IFRS 16)
Revenue	8,102	-	8,102	7,676
Direct costs	6,541	(200)	6,741	6,370
<b>Gross profit</b>	<b>1,561</b>	<b>200</b>	<b>1,361</b>	<b>1,306</b>
Other external expenses	300	(37)	337	347
Staff costs	719		719	686
<b>EBITDA</b>	<b>542</b>	<b>237</b>	<b>305</b>	<b>273</b>
Depreciation of right-of-use assets	218	215	3	3
Amortisation and depreciation of owned assets	26	-	26	29
<b>EBIT before special items</b>	<b>298</b>	<b>22</b>	<b>276</b>	<b>241</b>
<b>Key Performance Indicators</b>				
Gross margin (%)	19.3%		16.8%	17.0%
Operating margin (%)	3.7%		3.4%	3.1%
Conversion ratio (%)	19.1%		20.3%	18.5%

# IFRS 16 impact - divisions

(DKKm) Solutions	Q1 2019	IFRS 16 impact Increase, decrease (-)	Q1 2019 (excl. IFRS 16)	Q1 2018 (excl. IFRS 16)
Revenue	3,049	-	3,049	2,848
Direct costs	1,923	(362)	2,285	2,149
<b>Gross profit</b>	<b>1,126</b>	<b>362</b>	<b>764</b>	<b>699</b>
Other external expenses	264	(10)	274	235
Staff costs	306		306	278
<b>EBITDA</b>	<b>556</b>	<b>372</b>	<b>184</b>	<b>186</b>
Depreciation of right-of-use assets	314	311	3	3
Amortisation and depreciation of owned assets	49	-	49	56
<b>EBIT before special items</b>	<b>193</b>	<b>61</b>	<b>132</b>	<b>127</b>
<b>Key Performance Indicators</b>				
Gross margin (%)	36.9%		25.1%	24.5%
Operating margin (%)	6.3%		4.3%	4.5%
Conversion ratio (%)	17.1%		17.3%	18.2%



# Quarterly P&L details

## DSV Group

(DKKm)	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Revenue	18,223	18,924	18,735	19,019	74,901	18,380	19,491	20,237	20,945	79,053	19,979
Direct costs	14,003	14,707	14,621	14,965	58,296	14,260	15,041	15,765	16,498	61,564	14,865
<b>Gross profit</b>	<b>4,220</b>	<b>4,217</b>	<b>4,114</b>	<b>4,054</b>	<b>16,605</b>	<b>4,120</b>	<b>4,450</b>	<b>4,472</b>	<b>4,447</b>	<b>17,489</b>	<b>5,114</b>
Other external expenses	851	769	722	768	3,110	758	733	769	776	3,036	656
Staff costs	2,058	2,014	1,889	1,870	7,831	2,024	2,086	2,004	2,127	8,241	2,195
<b>EBITDA before special items</b>	<b>1,311</b>	<b>1,434</b>	<b>1,503</b>	<b>1,416</b>	<b>5,664</b>	<b>1,338</b>	<b>1,631</b>	<b>1,699</b>	<b>1,544</b>	<b>6,212</b>	<b>2,263</b>
Depreciation of right-of-use assets						7				7	632
Amortisation and depreciation of owned assets	182	194	190	220	786	175	182	192	206	755	177
<b>EBIT before special items</b>	<b>1,129</b>	<b>1,240</b>	<b>1,313</b>	<b>1,196</b>	<b>4,878</b>	<b>1,156</b>	<b>1,449</b>	<b>1,507</b>	<b>1,338</b>	<b>5,450</b>	<b>1,454</b>
Special items, net costs	160	88	123	154	525	-	-	-	-	-	-
Financial income											22
Financial expenses - lease liabilities											89
Financial expenses	94	182	149	131	556	155	(120)	94	120	249	106
<b>Profit before tax</b>	<b>875</b>	<b>970</b>	<b>1,041</b>	<b>911</b>	<b>3,797</b>	<b>1,001</b>	<b>1,569</b>	<b>1,413</b>	<b>1,218</b>	<b>5,201</b>	<b>1,281</b>
Tax on profit for the period	206	228	215	136	785	232	382	309	290	1,213	318
<b>Profit for the period</b>	<b>669</b>	<b>742</b>	<b>826</b>	<b>775</b>	<b>3,012</b>	<b>769</b>	<b>1,187</b>	<b>1,104</b>	<b>928</b>	<b>3,988</b>	<b>963</b>
<i>Gross margin, %</i>	23.2	22.3	22.0	21.3	22.2	22.4	22.8	22.1	21.2	22.1	25.6
<i>Operating margin, %</i>	6.2	6.6	7.0	6.3	6.5	6.3	7.4	7.4	6.4	6.9	7.3
<i>Conversion ratio, %</i>	26.8	29.4	31.9	29.5	29.4	28.1	32.6	33.7	30.1	31.2	28.4
<i>Tax percentage</i>	23.5	23.5	20.7	14.9	20.7	23.2	24.3	21.9	23.8	23.3	24.8
<i>Blue collar costs (included in direct costs)</i>	1,081	1,103	1,123	1,149	4,456	1,155	1,184	1,181	1,271	4,791	1,218
Number of full time employees	45,112	44,851	45,161	45,636	45,636	46,767	47,144	48,182	47,394	47,394	47,281

# Quarterly P&L details

<b>Air &amp; Sea</b> <b>(DKKm)</b>	<b>Q1 2017</b>	<b>Q2 2017</b>	<b>Q3 2017</b>	<b>Q4 2017</b>	<b>FY 2017</b>	<b>Q1 2018</b>	<b>Q2 2018</b>	<b>Q3 2018</b>	<b>Q4 2018</b>	<b>FY 2018</b>	<b>Q1 2019</b>
Divisional revenue	8,470	8,873	9,044	8,817	35,204	8,414	9,095	9,625	9,838	36,972	9,411
Direct costs	6,354	6,656	6,845	6,725	26,580	6,269	6,708	7,266	7,536	27,779	6,987
<b>Gross profit</b>	<b>2,116</b>	<b>2,217</b>	<b>2,199</b>	<b>2,092</b>	<b>8,624</b>	<b>2,145</b>	<b>2,387</b>	<b>2,359</b>	<b>2,302</b>	<b>9,193</b>	<b>2,424</b>
Other external expenses	491	451	431	425	1,798	457	485	439	473	1,854	386
Staff costs	904	895	839	852	3,490	870	893	886	911	3,560	943
<b>EBITDA before special items</b>	<b>721</b>	<b>871</b>	<b>929</b>	<b>815</b>	<b>3,336</b>	<b>818</b>	<b>1,009</b>	<b>1,034</b>	<b>918</b>	<b>3,779</b>	<b>1,095</b>
Depreciation of right-of-use assets											82
Amortisation and depreciation of owned assets	31	28	26	26	111	23	21	21	21	86	15
<b>EBIT before special items</b>	<b>690</b>	<b>843</b>	<b>903</b>	<b>789</b>	<b>3,225</b>	<b>795</b>	<b>988</b>	<b>1,013</b>	<b>897</b>	<b>3,693</b>	<b>998</b>
<i>Gross margin, %</i>	<i>25.0</i>	<i>25.0</i>	<i>24.3</i>	<i>23.7</i>	<i>24.5</i>	<i>25.5</i>	<i>26.2</i>	<i>24.5</i>	<i>23.4</i>	<i>24.9</i>	<i>25.8</i>
<i>Operating margin, %</i>	<i>8.1</i>	<i>9.5</i>	<i>10.0</i>	<i>8.9</i>	<i>9.2</i>	<i>9.4</i>	<i>10.9</i>	<i>10.5</i>	<i>9.1</i>	<i>10.0</i>	<i>10.6</i>
<i>Conversion ratio, %</i>	<i>32.6</i>	<i>38.0</i>	<i>41.1</i>	<i>37.7</i>	<i>37.4</i>	<i>37.1</i>	<i>41.4</i>	<i>42.9</i>	<i>39.0</i>	<i>40.2</i>	<i>41.2</i>
Number of full time employees	12,648	12,282	12,177	12,041	12,041	11,996	12,065	12,090	12,130	12,130	12,072
Air, revenue	4,028	4,211	4,450	4,890	17,579	4,206	4,610	4,894	5,182	18,892	4,598
Air, total gross profit	1,033	1,072	1,073	1,040	4,218	1,065	1,186	1,194	1,182	4,627	1,230
Tonnes	147,439	155,430	165,051	167,735	635,655	162,689	173,578	177,155	175,623	689,045	170,103
GP/tonne (DKK)	7,004	6,897	6,501	6,199	6,635	6,546	6,833	6,736	6,730	6,715	7,231
Sea, revenue	4,442	4,662	4,594	3,927	17,625	4,208	4,485	4,731	4,656	18,080	4,813
Sea, total gross profit	1,083	1,145	1,126	1,052	4,406	1,080	1,201	1,165	1,120	4,566	1,194
TEU	332,787	358,383	355,291	343,150	1,389,611	346,788	369,211	369,143	357,206	1,442,348	359,925
GP/TEU (DKK)	3,255	3,195	3,169	3,067	3,171	3,114	3,253	3,156	3,135	3,166	3,317

# Quarterly P&L details

## Road

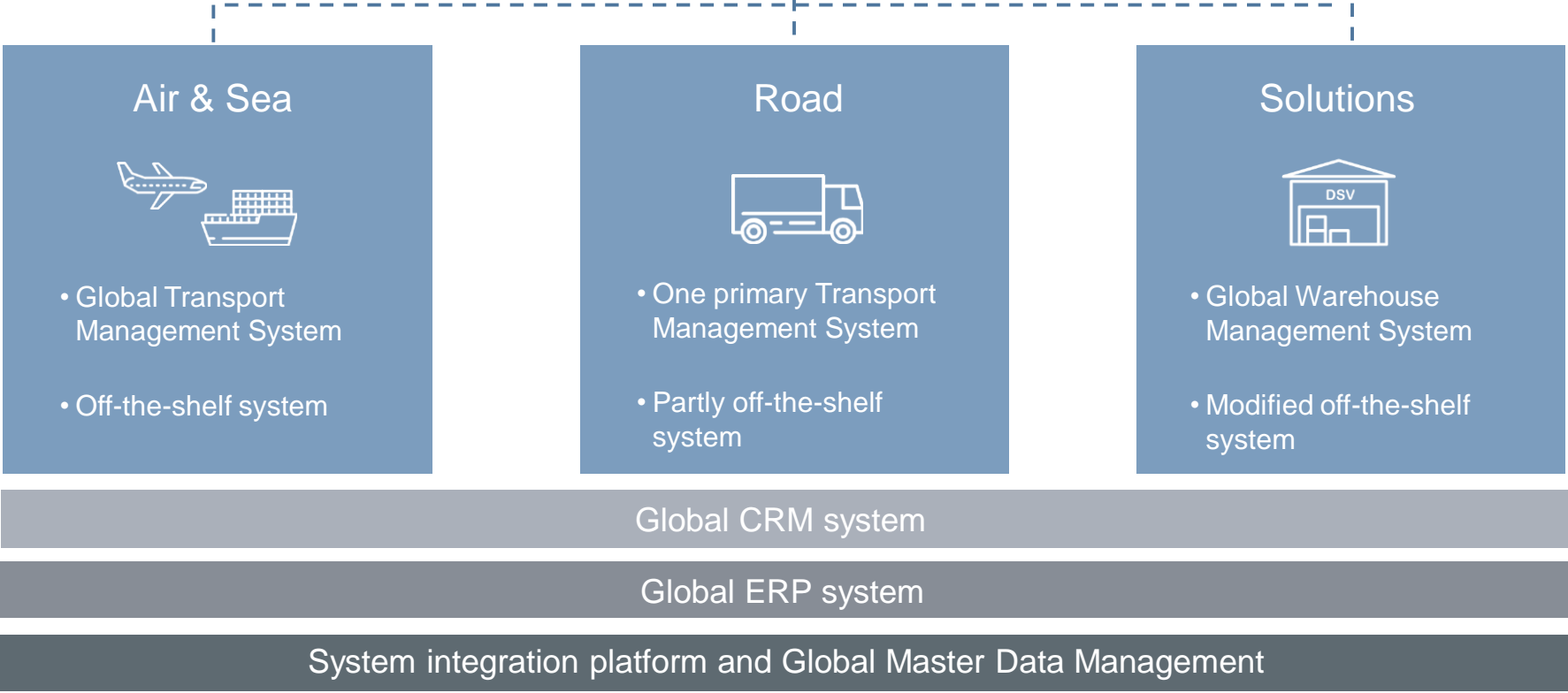
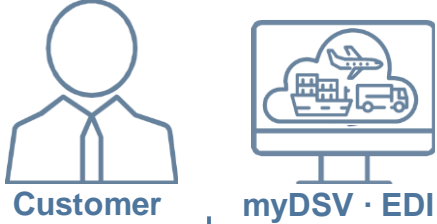
(DKKm)	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Divisional revenue	7,633	7,684	7,514	7,796	30,627	7,676	7,862	7,812	7,893	31,243	8,102
Direct costs	6,200	6,368	6,235	6,537	25,340	6,370	6,544	6,439	6,582	25,935	6,541
<b>Gross profit</b>	<b>1,433</b>	<b>1,316</b>	<b>1,279</b>	<b>1,259</b>	<b>5,287</b>	<b>1,306</b>	<b>1,318</b>	<b>1,373</b>	<b>1,311</b>	<b>5,308</b>	<b>1,561</b>
Other external expenses	332	309	294	334	1,269	347	275	357	347	1,326	300
Staff costs	686	688	641	657	2,672	686	687	639	694	2,706	719
<b>EBITDA before special items</b>	<b>415</b>	<b>319</b>	<b>344</b>	<b>268</b>	<b>1,346</b>	<b>273</b>	<b>356</b>	<b>377</b>	<b>270</b>	<b>1,276</b>	<b>542</b>
Depreciation of right-of-use assets											218
Amortisation and depreciation of owned assets	37	38	33	37	145	32	34	32	31	129	26
<b>EBIT before special items</b>	<b>378</b>	<b>281</b>	<b>311</b>	<b>231</b>	<b>1,201</b>	<b>241</b>	<b>322</b>	<b>345</b>	<b>239</b>	<b>1,147</b>	<b>298</b>
<i>Gross margin, %</i>	18.8	17.1	17.0	16.1	17.3	17.0	16.8	17.6	16.6	17.0	19.3
<i>Operating margin, %</i>	5.0	3.7	4.1	3.0	3.9	3.1	4.1	4.4	3.0	3.7	3.7
<i>Conversion ratio, %</i>	26.4	21.4	24.3	18.3	22.7	18.5	24.4	25.1	18.2	21.6	19.1
Number of full time employees	12,576	12,706	12,788	12,998	12,998	13,047	13,160	13,345	12,850	12,850	13,181

## Solutions

(DKKm)	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019
Divisional revenue	2,678	2,913	2,757	3,014	11,362	2,848	3,111	3,417	3,853	13,229	3,049
Direct costs	2,007	2,223	2,111	2,291	8,632	2,149	2,370	2,659	3,016	10,194	1,923
<b>Gross profit</b>	<b>671</b>	<b>690</b>	<b>646</b>	<b>723</b>	<b>2,730</b>	<b>699</b>	<b>741</b>	<b>758</b>	<b>837</b>	<b>3,035</b>	<b>1,126</b>
Other external expenses	236	220	204	224	884	235	226	235	259	955	264
Staff costs	309	274	264	240	1,087	278	286	283	294	1,141	306
<b>EBITDA before special items</b>	<b>126</b>	<b>196</b>	<b>178</b>	<b>259</b>	<b>759</b>	<b>186</b>	<b>229</b>	<b>240</b>	<b>284</b>	<b>939</b>	<b>556</b>
Depreciation of right-of-use assets											314
Amortisation and depreciation of owned assets	60	68	63	74	265	59	54	56	61	230	49
<b>EBIT before special items</b>	<b>66</b>	<b>128</b>	<b>115</b>	<b>185</b>	<b>494</b>	<b>127</b>	<b>175</b>	<b>184</b>	<b>223</b>	<b>709</b>	<b>193</b>
<i>Gross margin, %</i>	25.1	23.7	23.4	24.0	24.0	24.5	23.8	22.2	21.7	22.9	36.9
<i>Operating margin, %</i>	2.5	4.4	4.2	6.1	4.3	4.5	5.6	5.4	5.8	5.4	6.3
<i>Conversion ratio, %</i>	9.8	18.6	17.8	25.6	18.1	18.2	23.6	24.3	26.6	23.4	17.1
Number of full time employees	17,651	17,692	17,946	18,382	18,382	19,534	19,584	20,384	20,025	20,025	19,862

# Our IT landscape

Designed to support good customer service, high data quality and growth



# myDSV

## DSV's digital self-service platform



Online, convenient and fast. Our self-service platform myDSV is designed for the modern consumer.

**myDSV offers:**



Self-administration of accounts



Detailed shipment status overview



Booking service



Notifications



Basic reporting

### Facts

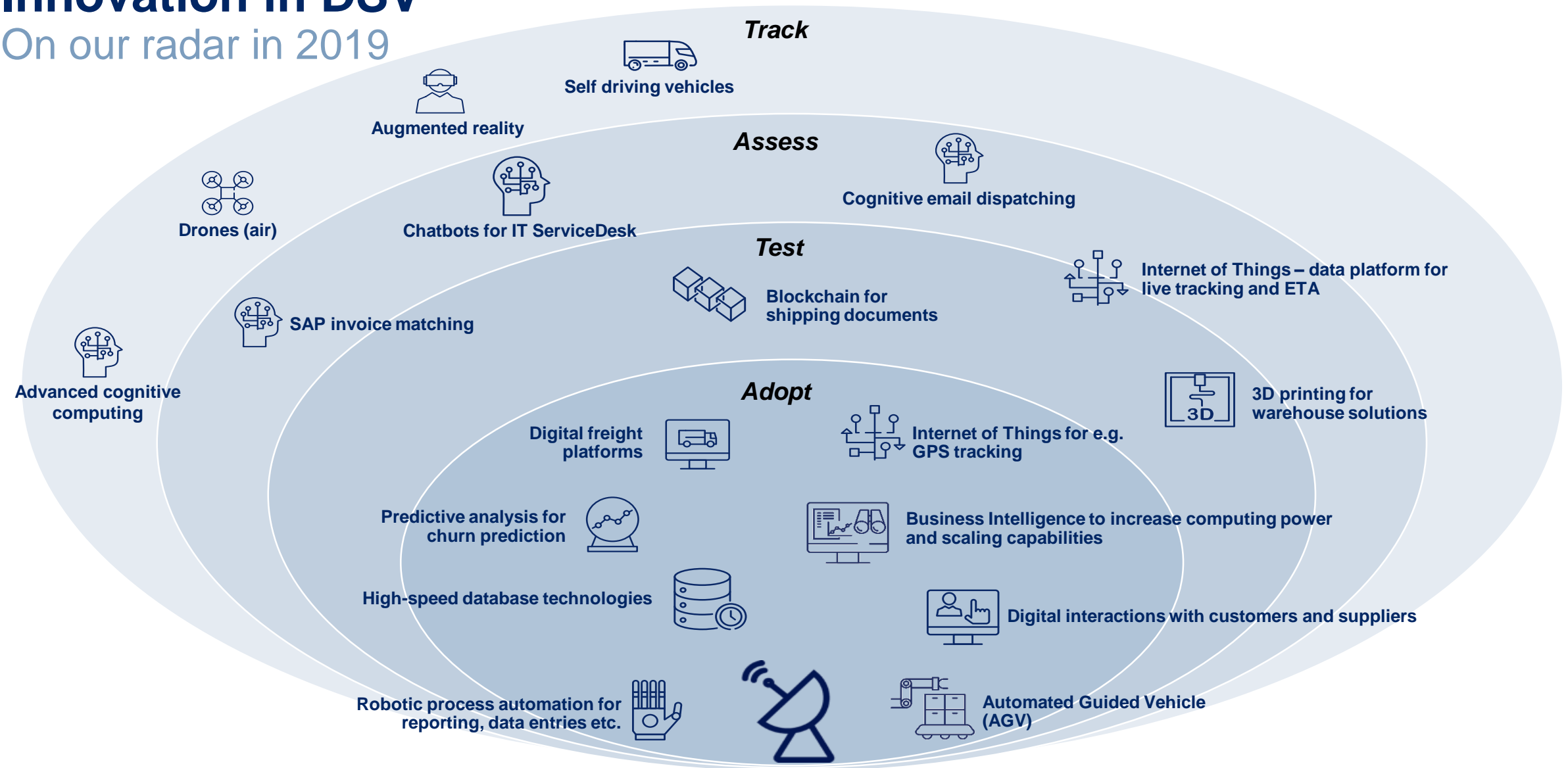
- myDSV handles 250.000 shipments per month
- Rolled out in more than 40 countries
- Fully rolled out in DSV Road in 2018

### Why myDSV?

- Booking, tracking and support in one single platform
- High level of customer data transparency
- Fast response time
- Simple reporting – automated if needed
- Access on computers, tablets and smartphones
- DSV labelling ensuring continuous tracking
- Digital solution meeting future IT requirements

# Innovation in DSV

On our radar in 2019





# Purchase Order Management

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



Purchase Order Visibility

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



Purchase Order Control

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



Purchase Order Management

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

# Investor contact information

## Share information



DSV shares are listed on the stock exchange in Copenhagen under the symbol 'DSV'.

For further company information, please visit DSV's website at: [www.dsv.com](http://www.dsv.com)

## Financial calendar 2019



31 Jul. 2019 Interim Financial Report, H1 2019

25 Oct. 2019 Interim Financial Report, Third Quarter 2019

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