



HALF-YEAR 2020 RESULTS

DSV Panalpina A/S – Investor presentation

Released 31 July 2020. Updated 14 October 2020.



Forward-looking statements

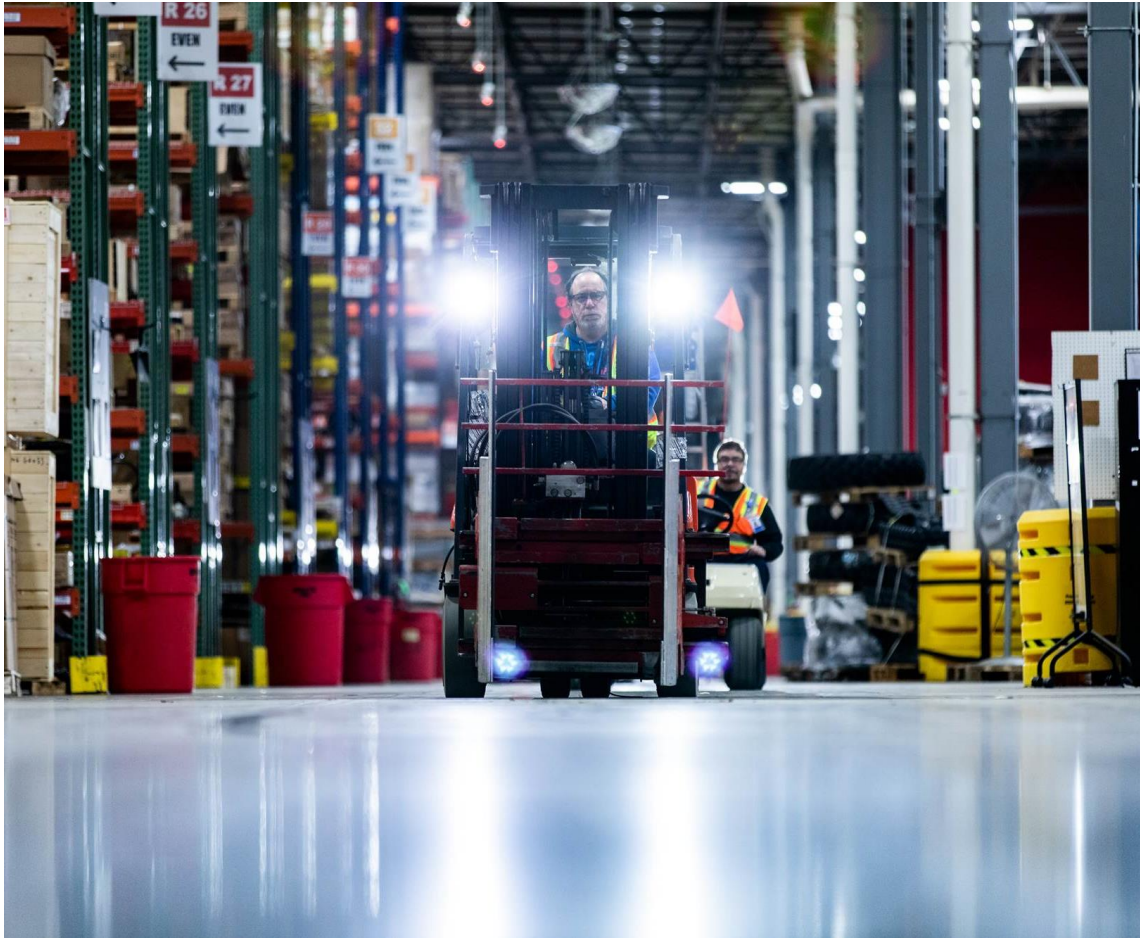


This presentation contains forward-looking statements.

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



Content

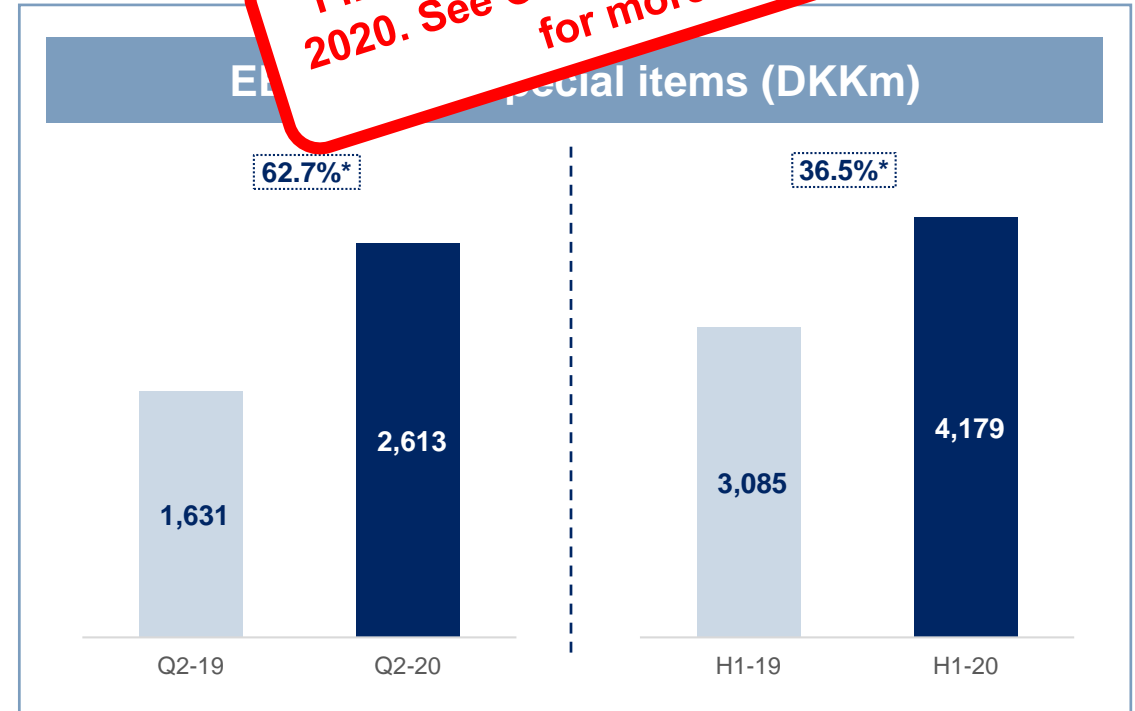
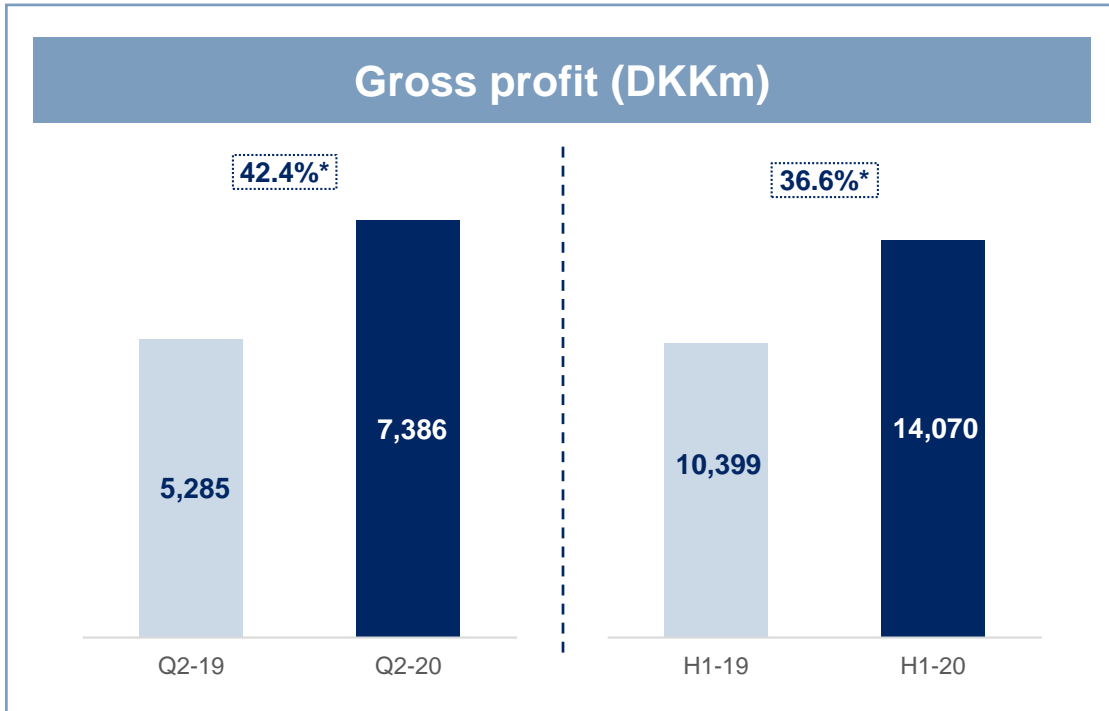


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Highlights

- Strong performance in a challenging market.
- Continued successful integration of Panalpina. Integration synergies and cost savings ahead of plan.
- The extraordinary air freight market and temporary cost savings had a positive impact on Q2-20.
- We reinstate financial guidance and expect EBIT before special items for 2020 in the range of 4,000 to 4,500 DKKm.

Financial outlook upgraded on October 9 2020. See Company Announcement no. 839 for more information



*) Growth rates are in constant currencies and including M&A impact.

Integration update

Successful integration

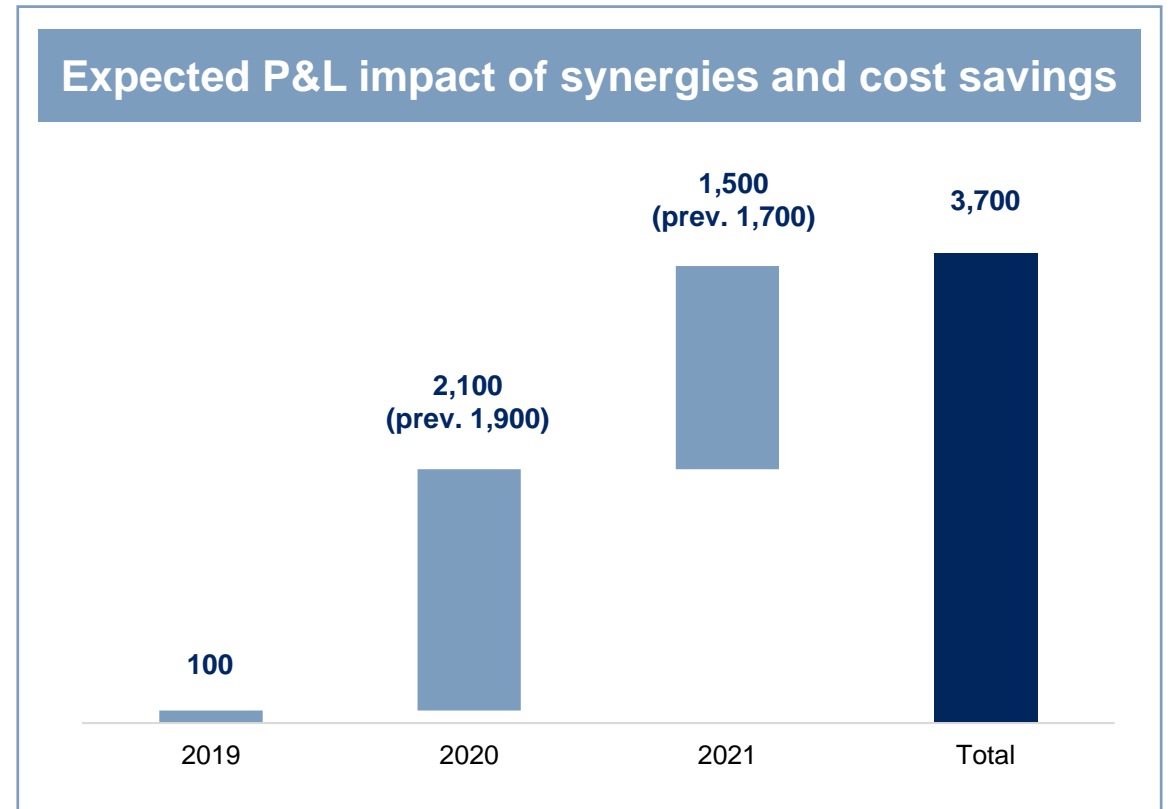
- Synergies have been achieved faster than expected and the timeline has been updated.
- Transfer of customers to DSV systems is progressing well and no significant service issues have emerged.
- Around 50 countries have been onboarded, representing more than 90% of Panalpina's volume.
- The legacy Panalpina air charter network continues and we have increased the number of services and destinations in the network.





Synergies and cost savings

Earlier synergies and lower integration/restructuring costs

- Total synergies and cost savings of DKK 3,700 million are expected from the Panalpina integration and COVID-19 initiatives.
- Of these savings, approx. DKK 800 million were achieved in H1-20.
- Full-year impact is expected from Q1-21.
- Costs related to the integration and COVID-19 initiatives are expected at the level of DKK 3,100 million (previously DKK 3,300 million).
- In 2019, the income statement was impacted by integration costs of DKK 800 million. The remaining integration costs are expected in 2020.



Air & Sea

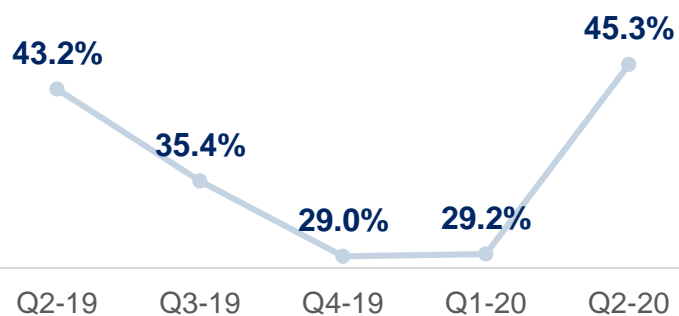
(DKKm)	Q2 2020	Q2 2019	Growth*	H1 2020	H1 2019	Growth*
 Gross profit	1,648	1,305	+27.8%	3,370	2,499	+35.6%
 Gross profit	3,015	1,224	+152.2%	5,168	2,454	+112.3%
Total gross profit	4,663	2,529	+87.6%	8,538	4,953	+73.5%
EBIT	2,112	1,093	+96.5%	3,242	2,091	+56.2%

*) Growth rates are in constant currencies and including M&A impact.

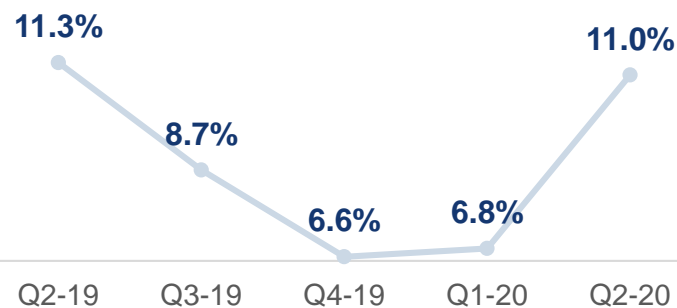
Management commentary

- Strong performance during a period impacted by both COVID-19 and Panalpina integration.
- All-time high conversion ratio for the quarter.
- Positive impact on air freight yields due to extraordinary market conditions. A gradual normalisation is expected in H2-20.
- Sea freight rates have been relatively stable due to efficient capacity management by the carriers (blanked sailings).
- Moderate volume recovery during Q2-20.

Conversion ratio

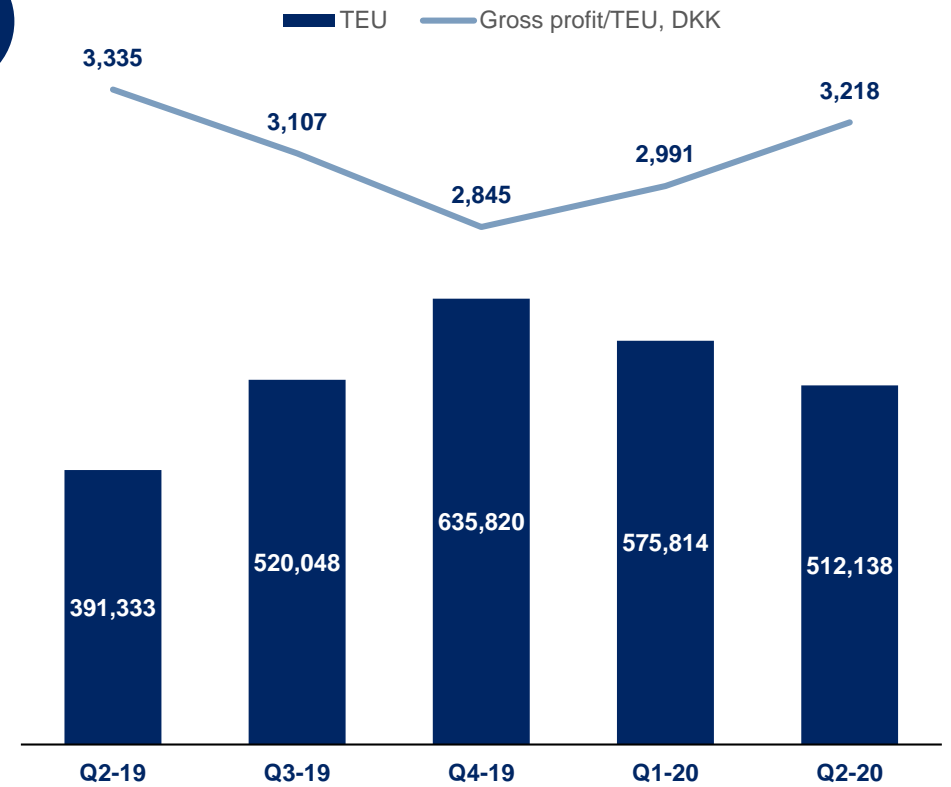
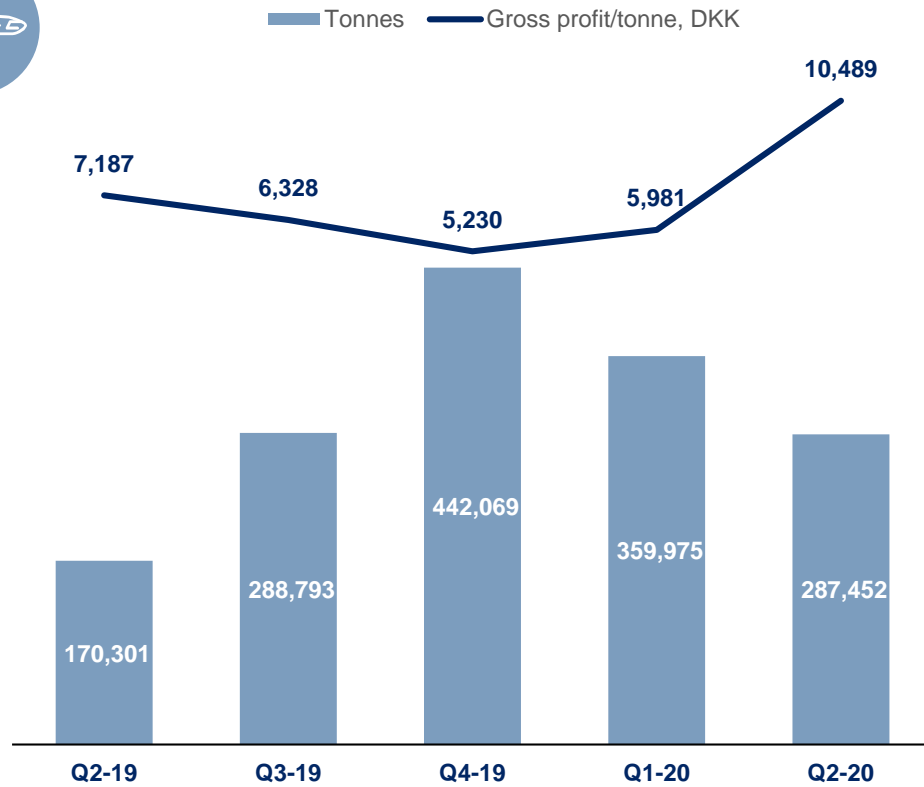


Operating margin



Air & Sea volumes

High air freight yields due to unusual market conditions and change in cargo mix






Volume growth air

DSV (including M&A)	(2%)	63%	152%	112%	69%
Market	(5%)	(4%)	(4%)	(8 - 10%)	(25 - 30%)

Volume growth sea

DSV (including M&A)	6%	41%	78%	60%	31%
Market	2%	2%	2%	(5 - 7%)	(15 - 20%)

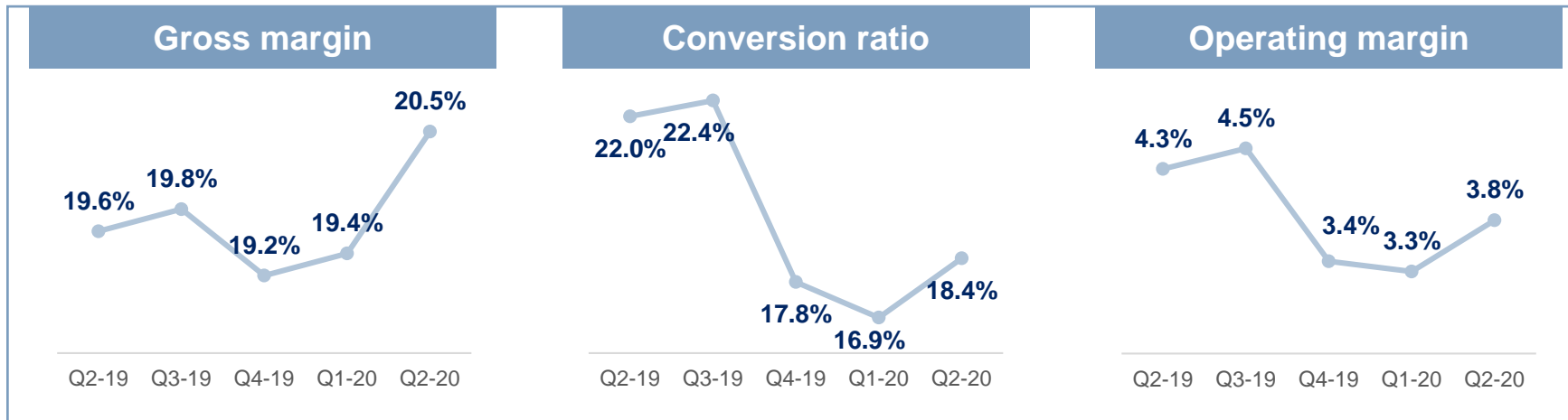
Road

(DKKm)	Q2 2020	Q2 2019	Growth*	H1 2020	H1 2019	Growth*
 Revenue	6,987	7,833	(9.6%)	14,908	15,935	(5.7%)
 Gross profit	1,431	1,535	(5.5%)	2,966	3,096	(3.4%)
 EBIT	263	338	(22.2%)	522	636	(17.8%)




*) Growth rates are in constant currencies and including M&A impact.

Management commentary

- Good results considering the market situation.
- COVID-19 has had a limited impact on domestic transports, whereas international transports have been severely hit.
- Gradual recovery of activity in Europe after the low point in April.
- Improved gross margin in Q2-20 due to smaller average shipment size and activity mix.
- Cost savings are progressing as planned but have not fully compensated for lower activity.



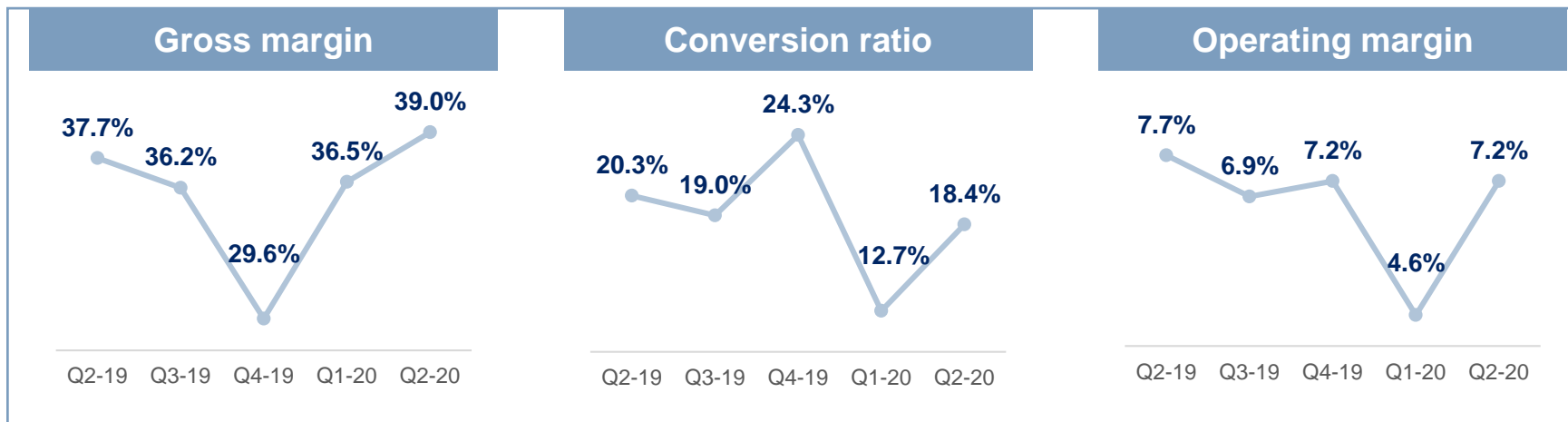
Solutions

(DKKm)	Q2 2020	Q2 2019	Growth*	H1 2020	H1 2019	Growth*
 Revenue	3,256	3,147	5.7%	6,697	6,196	9.1%
 Gross profit	1,271	1,186	10.2%	2,527	2,312	10.9%
 EBIT	234	241	0.0%	393	434	(7.5%)

*) Growth rates are in constant currencies and including M&A impact.

Management commentary

- Good results considering the market situation.
- Automotive, industrials and parts of retail were negatively impacted by COVID-19. E-commerce and pharma/healthcare saw a positive development.
- Gradual recovery in activity since April.
- The growth in revenue and gross profit was mainly driven by the Panalpina acquisition; however, EBIT was negatively impacted by costs related to customer contracts.



P&L H1 2020

(DKK)m	Q2 2020	Q2 2019	Growth*	H1 2020	H1 2019	Growth*
Revenue	28,782	20,079	46.0%	56,091	40,058	41.3%
Direct costs	21,396	14,794		42,021	29,659	
Gross profit	7,386	5,285	42.4%	14,070	10,399	36.6%
Other external expenses	795	642		1,662	1,298	
Staff costs	2,925	2,202		6,138	4,397	
EBITDA before special items	3,666	2,441		6,270	4,704	
Depreciation of right-of-use assets	792	626		1,590	1,258	
Depreciation and amortisation of owned assets	261	184		501	361	
EBIT before special items	2,613	1,631	62.7%	4,179	3,085	36.5%
Special items, costs	515	19		1,026	19	
Financial items, exchange rate adjustments	80	(11)		487	(4)	
Financial items, other	142	160		332	326	
Profit before tax	1,876	1,463		2,334	2,744	
Tax on profit for the period	486	314		613	632	
Profit for the period	1,390	1,149		1,721	2,112	
Gross margin (%)	25.7	26.3		25.1	26.0	
Operating margin (%)	9.1	8.1		7.5	7.7	
Conversion ratio (%)	35.4	30.9		29.7	29.7	
Effective tax rate (%)	25.9	21.5		26.3	23.0	
Diluted adjusted EPS for the last 12 months (DKK)				20.8	23.5	
Full-time employees				53,399	47,552	

*) Growth rates are in constant currencies and including M&A impact.

Cash flow H1 2020

(DKKm)	H1 2020	H1 2019	Variance
EBITDA before special items	6,270	4,704	1,566
Change in working capital, etc.	(227)	(134)	(93)
Tax, interest, change in provisions, etc.	(706)	(1,045)	339
Special items, paid	(964)	(8)	(956)
Cash flow from operating activities	4,373	3,517	856
Cash flow from investing activities	(417)	(296)	(121)
Free cash flow	3,956	3,221	735
Statement of adjusted free cash flow			
Free cash flow	3,956	3,221	735
Net acquisition of subsidiaries and activities	-	(126)	126
Special items (restructuring costs)	964	8	956
Repayment of lease liabilities (IFRS 16 impact reversed)	(1,564)	(1,301)	(263)
Adjusted free cash flow	3,356	1,802	1,554
KPIs			
Net working capital (NWC)	3,367	2,012	
NWC in % of revenue	3.0%	2.5%	
Net interest-bearing debt (NIBD)	18,874	14,778	
Gearing ratio (NIBD/EBITDA)	1.6	1.6	
Average duration, long-term loan commitments (years)	5.4	2.8	
Invested capital	66,546	30,027	
ROIC before tax (incl. goodwill and customer relationships)	16.0%	20.1%	
ROIC before tax (excl. goodwill and customer relationships)	49.4%	41.3%	

Management commentary

- Significant growth in cash flow reflecting the improved EBITDA before special items.
- Cash flow from operating activities was impacted of restructuring costs.
- COVID-19 is likely to increase the pressure on our NWC and we monitor the situation closely.
- Financial gearing in line with target level.
- The Group has undrawn committed credit facilities of more than DKK 9 billion as well as cash and cash equivalents of DKK 2 billion.
- Invested capital and ROIC were impacted by the Panalpina transaction.

Outlook 2020

(DKKm)	Outlook 2020	Actual 2019
EBIT before special items	8,700	6,654
Special items, in the level of		800
Effective tax rate	25%	25.8%

Financial outlook upgraded on October 9 2020. See Company Announcement no. 839 for more information

The outlook for 2020 is based on the actual results for H1-20 and on the following main assumptions:

- A gradual improvement of the global freight markets over the third and fourth quarters as markets reopen and with no material disruptions of global supply chains.
- Freight market volumes in H2-20 will remain below last year, but we expect the negative run rates to lessen.
- Air freight capacity is expected to remain tight for the rest of 2020; however, we expect a gradual normalisation of air freight yields.
- A continued successful integration of Panalpina and implementation of planned COVID-19 cost savings initiatives.

It must be stressed that basic assumptions behind the guidance are more uncertain than normal.

Appendix



DSV Panalpina

Top five global freight forwarder

Global operations



55,000
Employees



1,400
Offices and logistics
facilities



+80
Countries

One company – three divisions



Air & Sea
A global network



Road
Overland transport
in Europe, North
America and South
Africa



Solutions
Contract logistics
services worldwide

DSV Panalpina



Hedehusene, Denmark
Headquarters



Nasdaq Copenhagen
No majority shareholder – 100% free float



BBB+
Credit rating (S&P Global Ratings)



Committed to being responsible

Guided by
UN Global Compact & SDG
(Sustainable Development Goals)



Working together to support the entire supply chain

55,000 people in more than 80 countries at your service

Third-party logistics services (3PL)

Air and Sea

DSV Air & Sea



- Access to all markets through our global network
- Strategic partnerships with leading carriers and airlines
- FCL/LCL and project transports
- Charter network
- Special industry competencies

Road

DSV Road



- Road freight services in Europe, North America and South Africa
- Groupage and LTL/FTL services
- Special industry competencies

Solutions

DSV Solutions



- Contract logistics services worldwide
- Solutions for e-commerce
- Special industry competencies

4PL services

Lead Logistics

Enabling intelligent supply chains



- Planning and control
- Procurement and provider management
- Execution management and support
- Freight audit and pay

DSV XPress • DSV Purchase Order Management • DSV Supply Chain Innovation • DSV Insurance

DSV Panalpina

Global transport and logistics



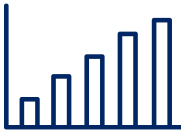
55,000
Employees



1,400
Offices and
logistics facilities



+80
Countries



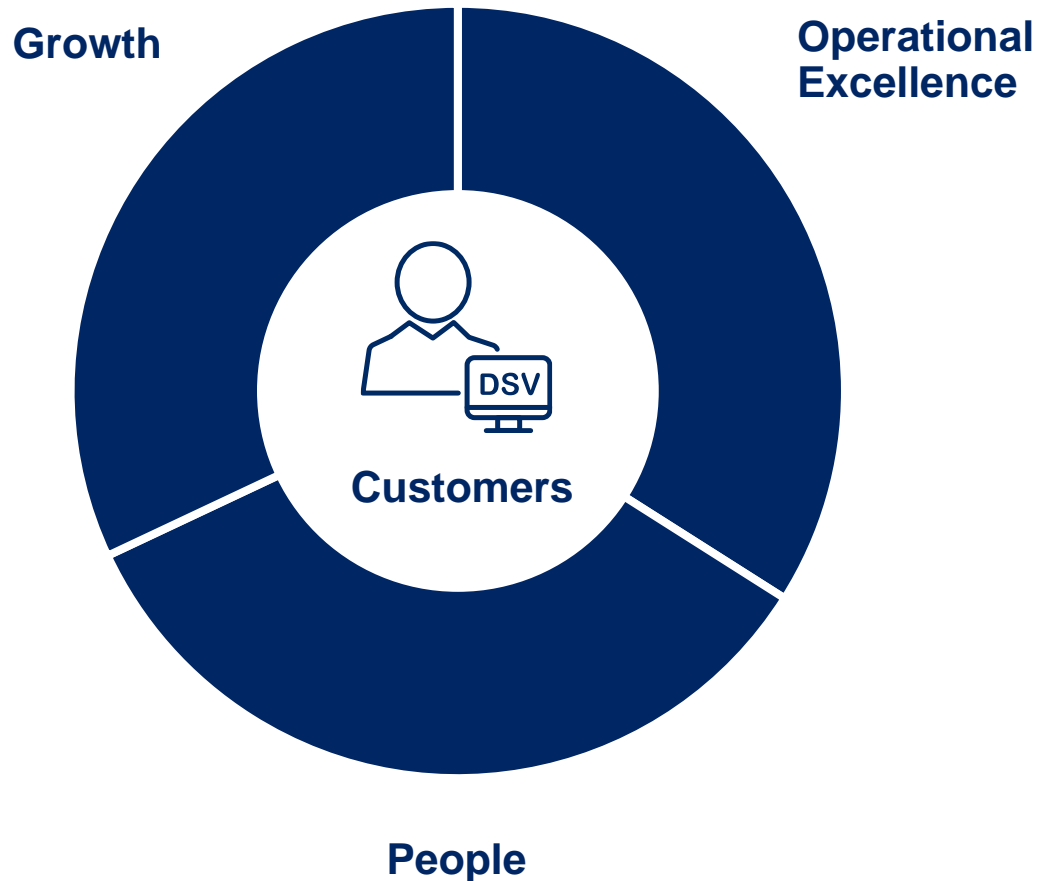
120
Billion DKK annual
revenue



■ DSV Panalpina countries

Our four strategic focus areas

We want to be a leading freight forwarder targeting extensive growth



Customers

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

Growth

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

Operational Excellence

Operational excellence in our business processes is 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

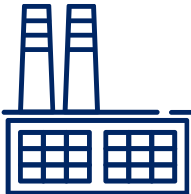
We strive to attract, motivate and retain talented people by offering responsibility, empowerment and growth opportunities. We treasure sound business acumen and work together as a global family to drive the business forward.

Focus on customer needs

Industry-specific expertise and solutions



Automotive



Industrial



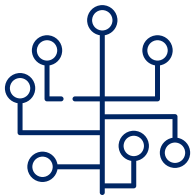
Chemicals



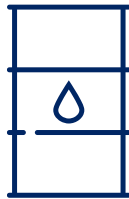
Retail & Fashion



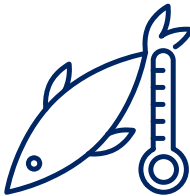
Healthcare



Technology



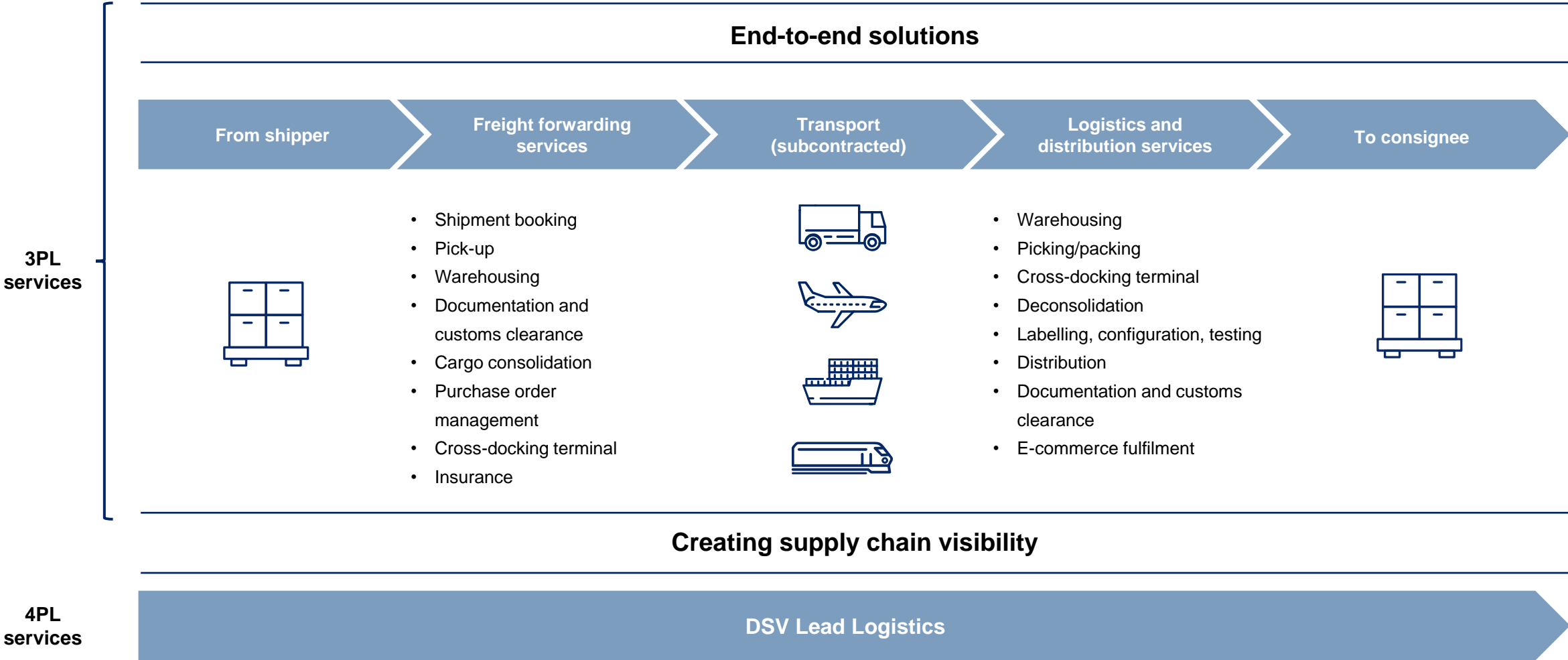
Oil & Gas



Perishables

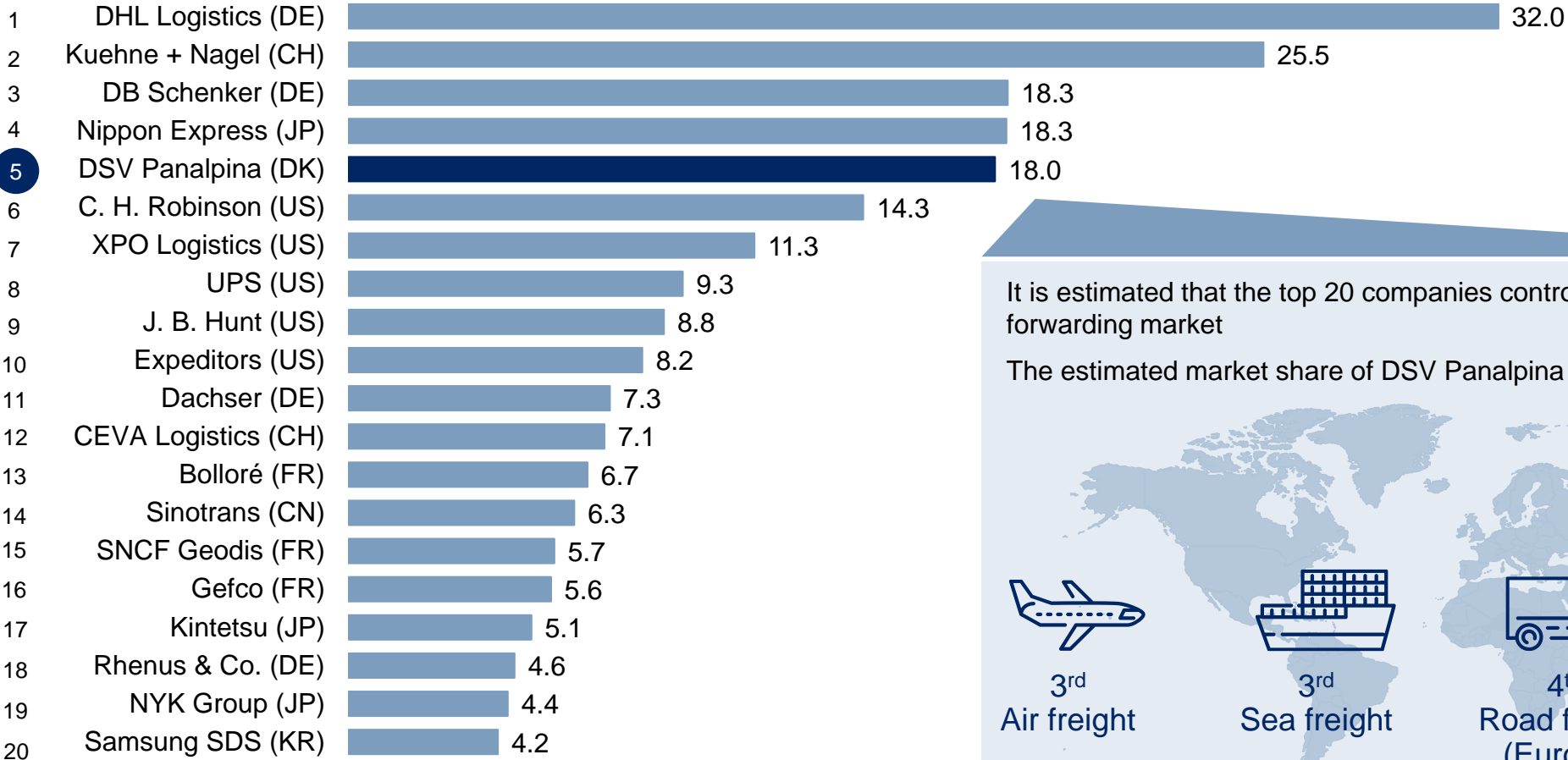
Creating value in the transport and logistics business

From A to B and much more



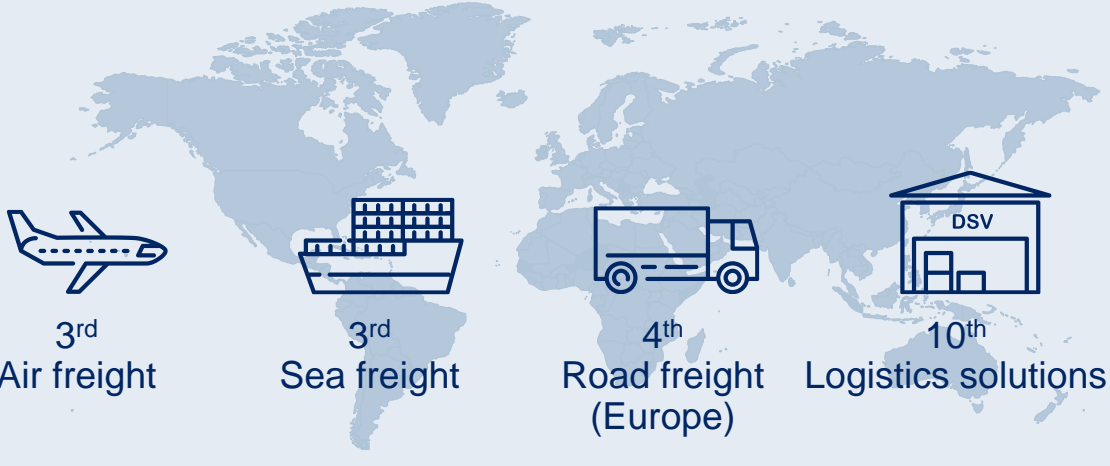
Competitive landscape

Third-party logistics providers by 2019 revenue in USD billion



It is estimated that the top 20 companies control 30-40% of the total freight forwarding market

The estimated market share of DSV Panalpina is 3-4%



Source: Journal of Commerce, DSV estimates



From local haulier to global player

A global network created through organic growth and M&A

Breakdown of EBIT by division

- Air & Sea
- Road
- Solutions

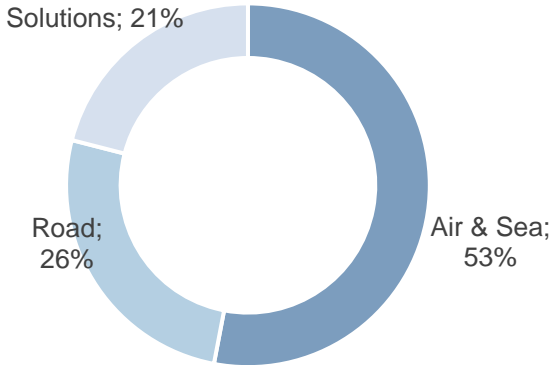
Breakdown of EBIT by geography

- EMEA
- Americas
- APAC

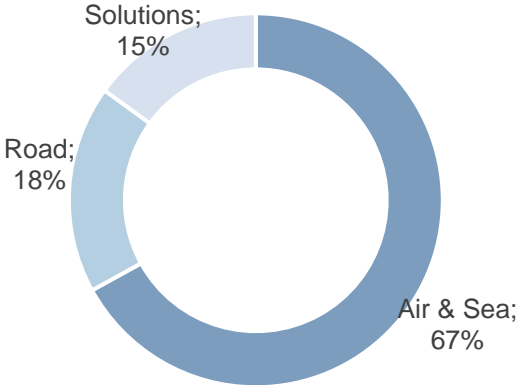


Divisional and geographical exposure by gross profit and EBIT FY 2019

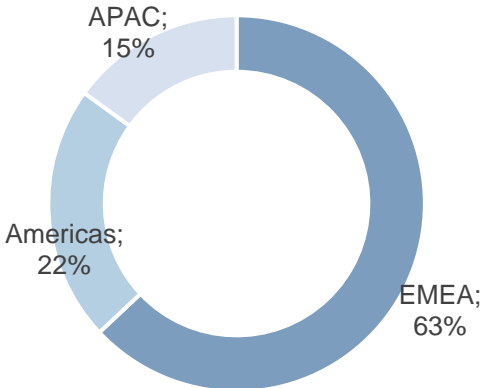
Gross profit, divisional exposure



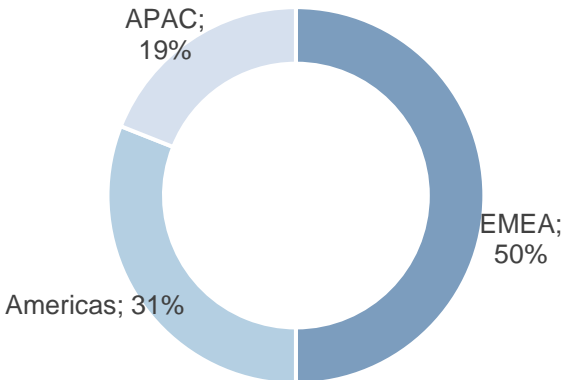
EBIT, divisional exposure



Gross profit, geographical exposure

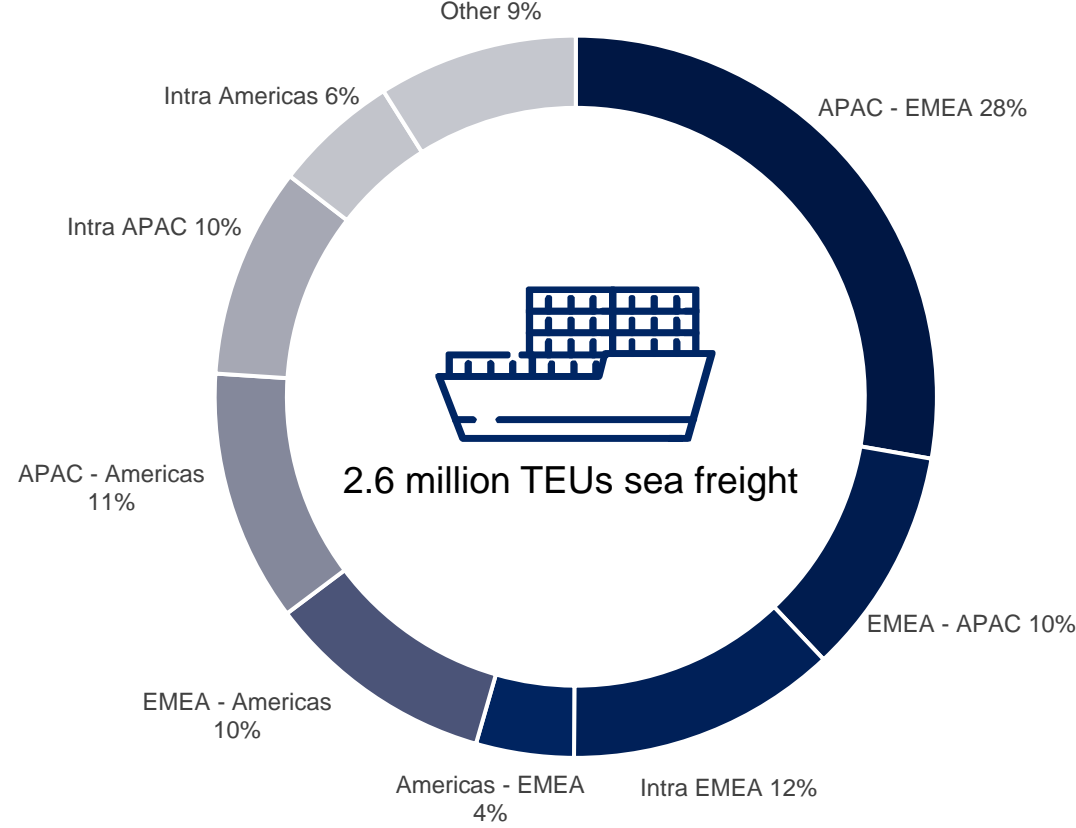
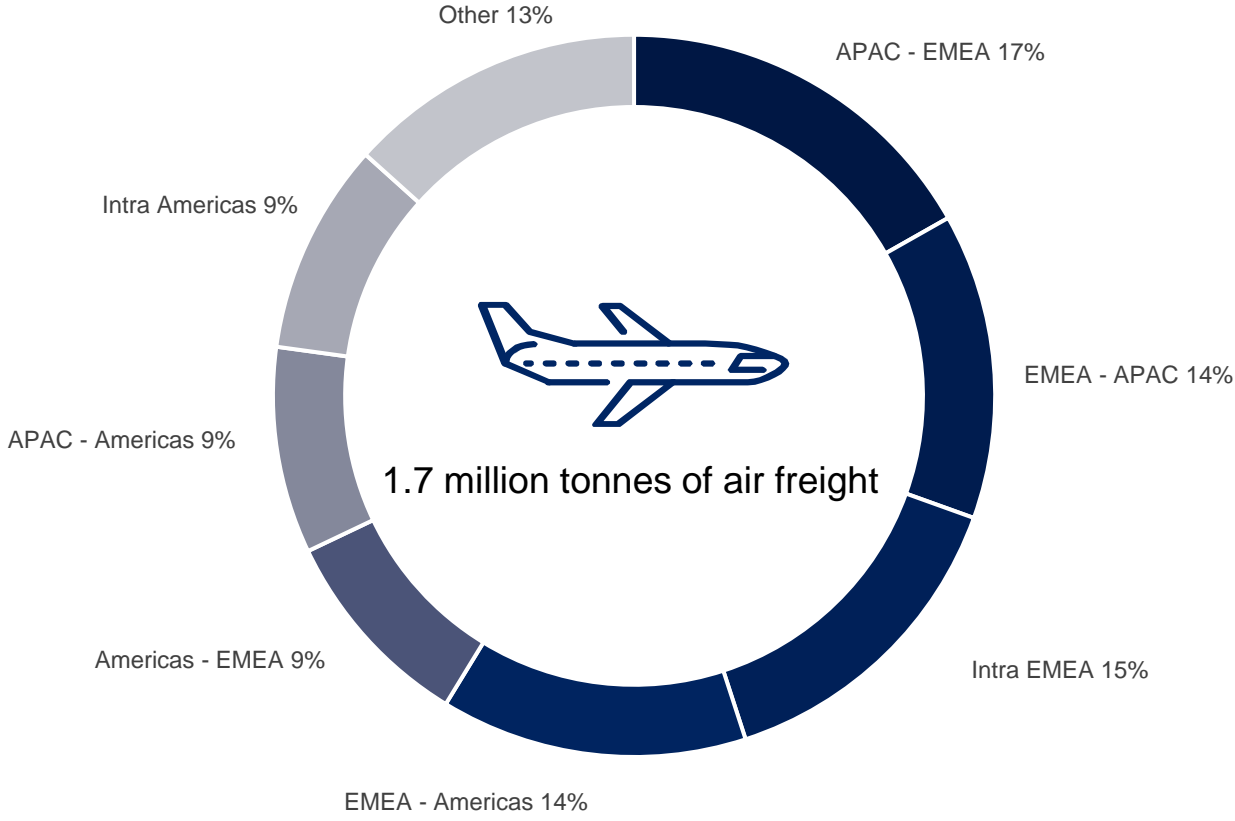


EBIT, geographical exposure



Trade lane statistics

Pro forma 2019



Historical transport market growth

CAGR in %	1980-2008	2000-2015	2015	2016	2017	2018	2019
Global real GDP	2.3%	4.6%	3.2%	3.1%	3.5%	3.7%	3.0%
Global trade	4.4%	4.3%	2.8%	2.4%	4.2%	4.2%	3.4%
multiplier ^ (x)	1.9x	0.9x	0.9x	0.8x	1.2x	1.1x	1.1x
Container volumes*	9.0%	7.0%	1.2%	3.2%	4.0%	4.4%	3.2%
multiplier ^ (x)	3.9x	1.4x	0.4x	1.0x	1.1x	1.2x	1.1x
Air freight volumes*	4.9%	3.7%	1.4%	4.0%	10.3%	4.1%	0.0%
multiplier ^ (x)	2.1x	0.8x	0.4x	1.3x	2.9x	1.1x	0.0x
Euro Area GDP **	0.9%	2.5%	2.0%	1.8%	2.1%	1.9%	1.2%
European road freight *	3.6%	1.0%	2.4%	3.9%	4.5%	4.0%	3.0%
multiplier (x)	4.2x	0.4x	1.2x	2.2x	2.1x	2.1x	2.5x

* 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

We are committed to being responsible

DSV Panalpina has been committed to UN Global Compact since 2009



The UN Global Compact is based on the main areas

- Human rights
- Labour
- Environment
- Anti-corruption



We focus on the five following UN Sustainable Development Goals:

- 8: Decent Work and Economic Growth
- 12: Responsible Consumption and Production
- 13: Climate Action
- 16: Peace, Justice and Strong Institutions
- 17: Partnerships for the Goals

Setting environmental targets

Science-Based Targets initiative

- DSV Panalpina is committed to the Science-Based Targets initiative, who have approved our targets for reducing carbon emissions.
- By 2030, we want to reduce our emissions from buildings and company cars by 40%, and reduce our emissions from freight transport by 30%.
- Our targets are aligned with the goals of the Paris Agreement - to limit global warming to well below 2°C above pre-industrial levels and to pursue efforts to limit warming to 1.5°C.
- DSV Panalpina is one of the first global players in our industry to set science-based targets.



Partnering with Red Cross | Red Crescent

Since 2017, the Danish Red Cross has been DSV Panalpina's international human aid partner.

DSV Panalpina's contribution includes

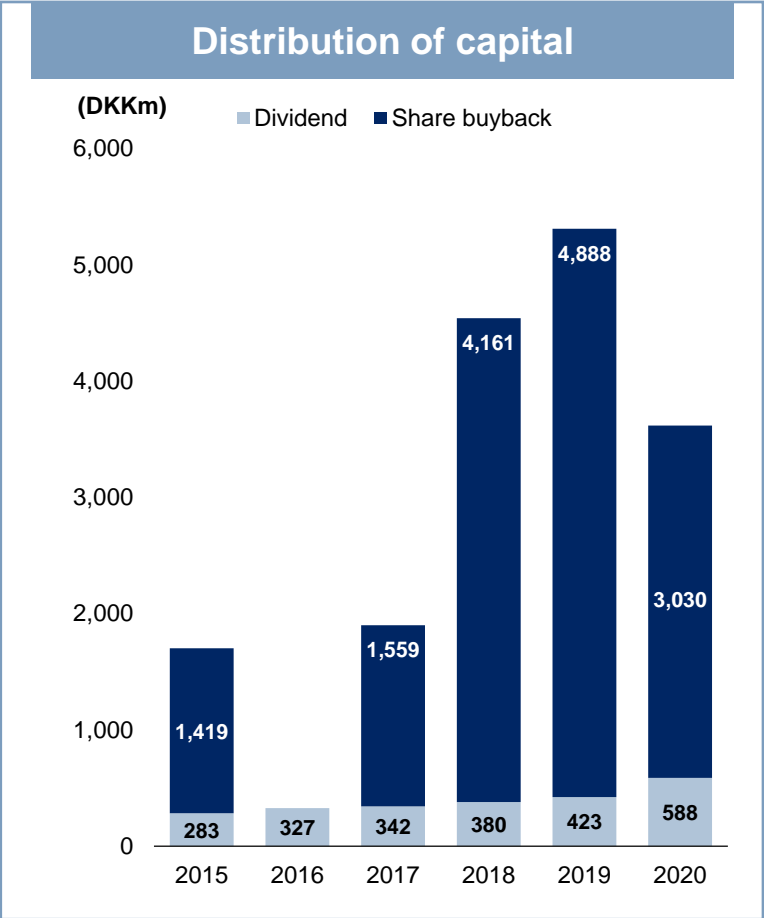
- Warehouse space for storage of emergency relief equipment
- Transport of equipment to ports or airports
- Financial support of international Red Cross projects

DSV Panalpina countries are encouraged to channel local human aid funds/resources into local Red Cross | Red Crescent organisations.



Capital structure and capital allocation

Total announced allocation to shareholders	
Target for financial gearing	Net interest-bearing debt below 2.0x EBITDA before special items.
Free cash flow priorities	<ol style="list-style-type: none"> 1. Repayment of debt (if above target gearing ratio). 2. Value creating acquisitions or further development of the existing business. 3. Allocation to shareholders via share buyback and dividend.
Dividend policy	<p>Dividend per share in 2019: DKK 2.50 per share (2018: DKK 2.25).</p> <p>DSV Panalpina aims to ensure an annual dividend pay-out ratio of approximately 15% of net profit.</p>
Capital expenditures	Normalised CAPEX around 0.75% of revenue.



New financial targets to be published in 2021

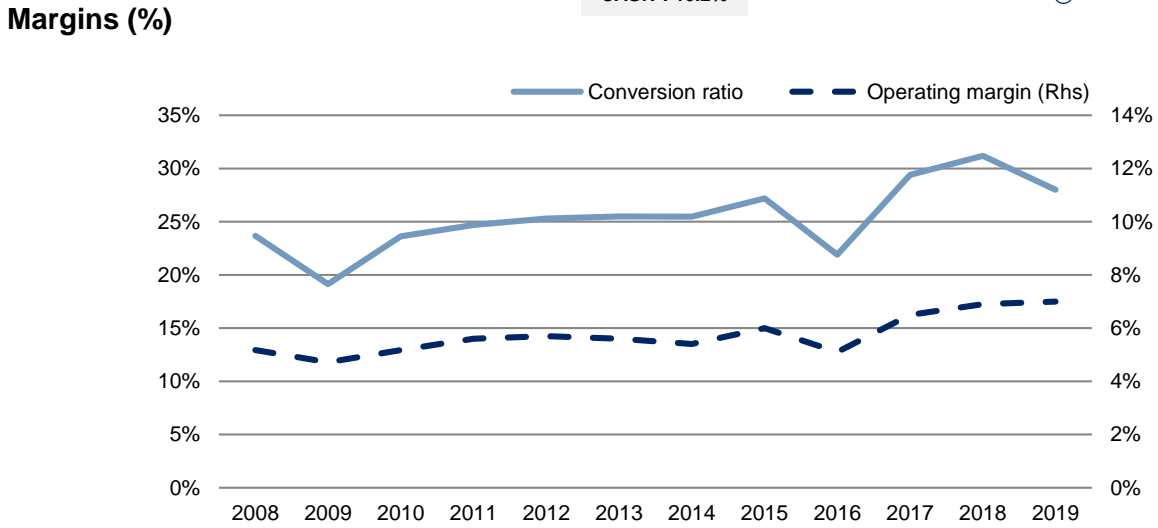
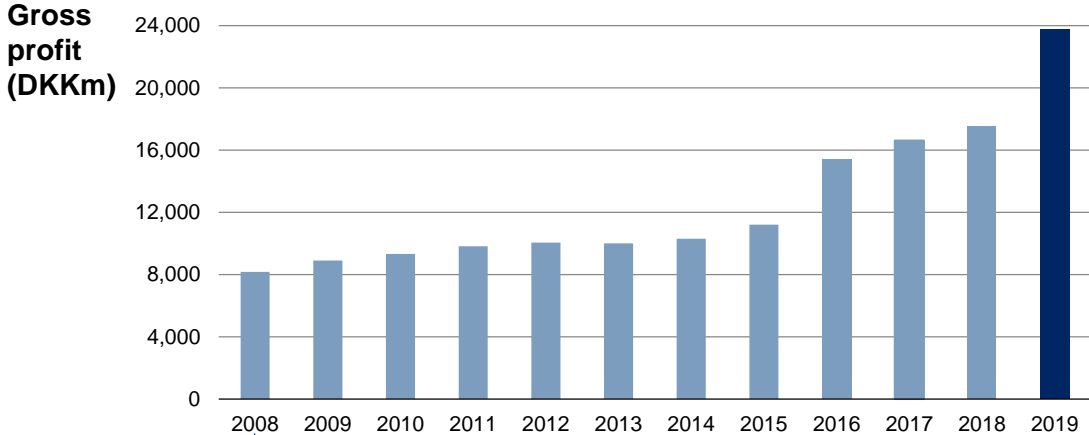
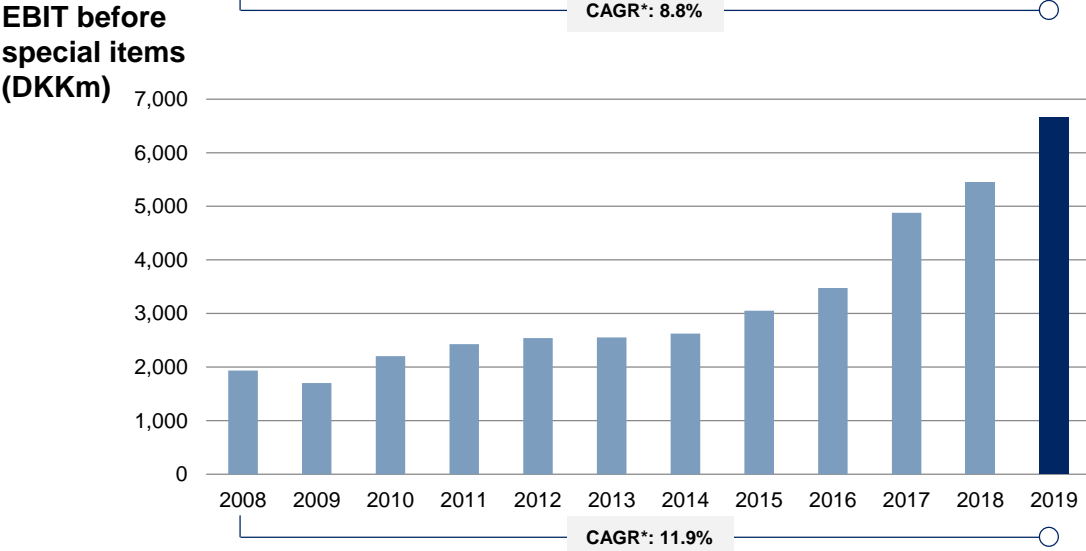
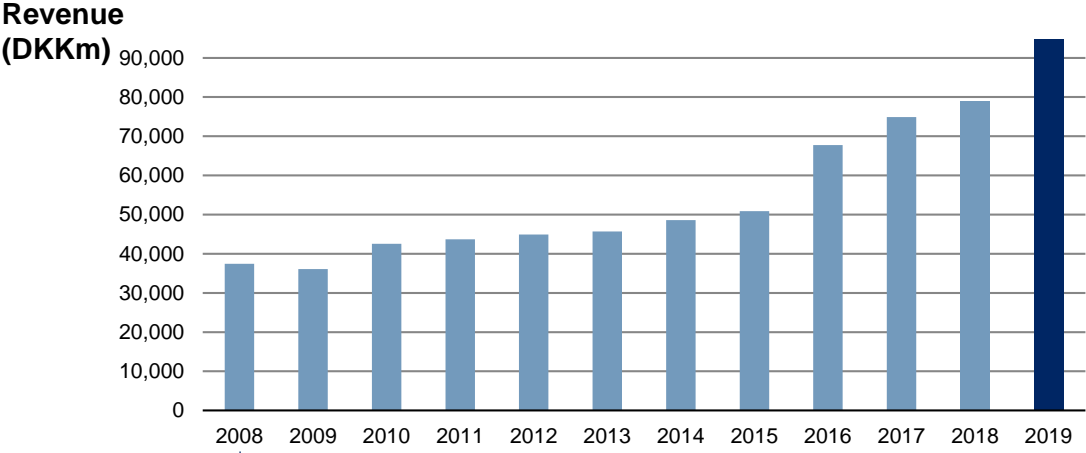
2020 targets were reached by H1-19

	Actual 2019	Actual H1-2019	Previous 2020 targets
Operating margin	7.0%	7.7%	>7.5%
Conversion ratio	28.0%	29.7%	>30.0%
ROIC (before tax)	13.4%	20.1%	>20.0%
Air & Sea			
Operating margin	8.8%	11.0%	10.0%
Conversion ratio	36.0%	42.2%	42.5%
Road			
Operating margin	4.0%	4.0%	5.0%
Conversion ratio	20.3%	20.5%	22.5%
Solutions			
Operating margin	7.0%	7.0%	7.0%
Conversion ratio	20.4%	18.8%	22.5%

Management commentary

- The 2020 financial targets were set in 2016, and reached after the first six months of 2019.
- The integration of Panalpina caused an immediate dilution of the Group's financial KPIs due to the lower profitability of the Panalpina Group.
- As the integration progresses, we expect to get back to the pre-Panalpina operating margin levels for the Group as a whole.
- We expect to announce new long-term financial targets in 2021.

Solid financial performance over the years



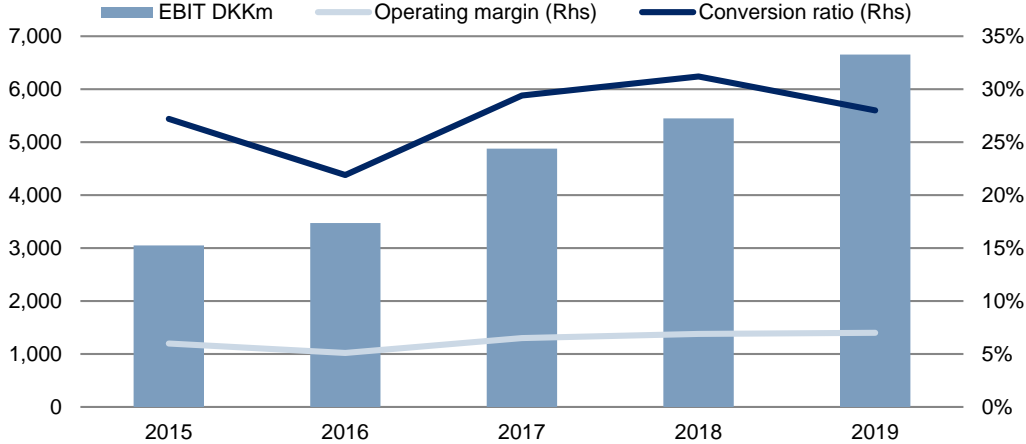
*Average annual growth (CAGR) includes M&A and IFRS 16



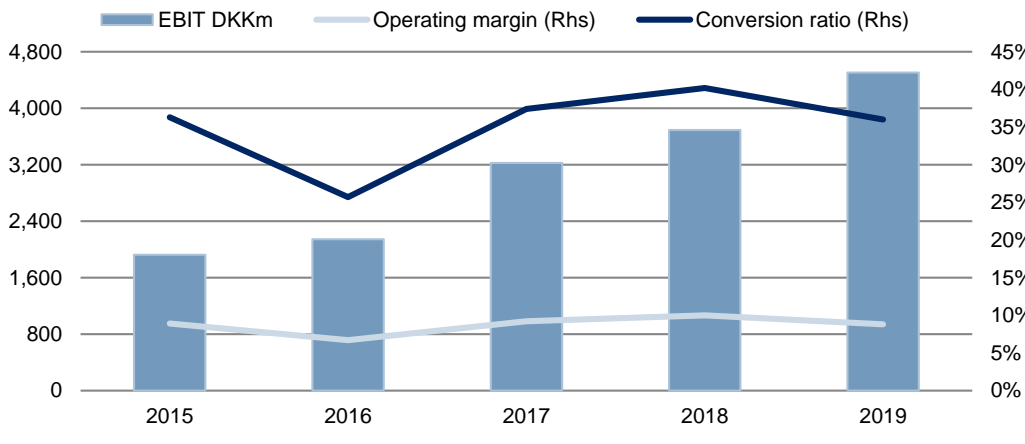
Financial performance per division

Selected KPIs

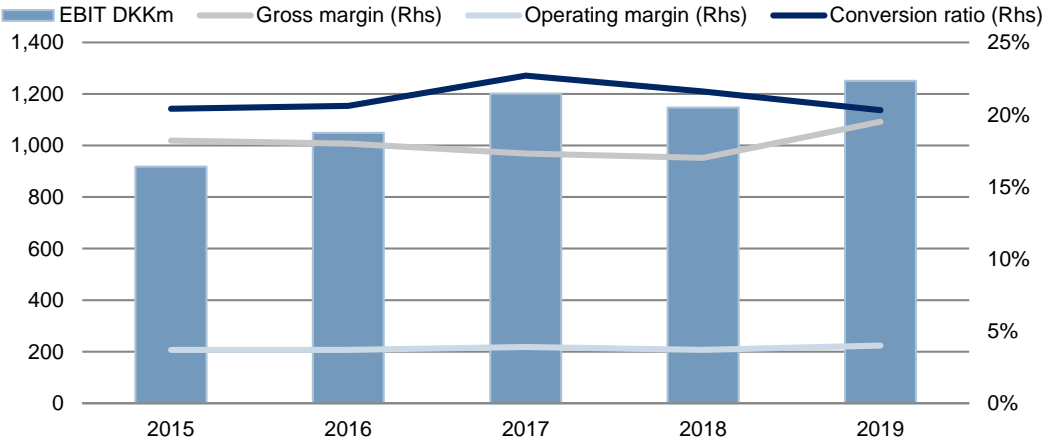
DSV Panalpina Group



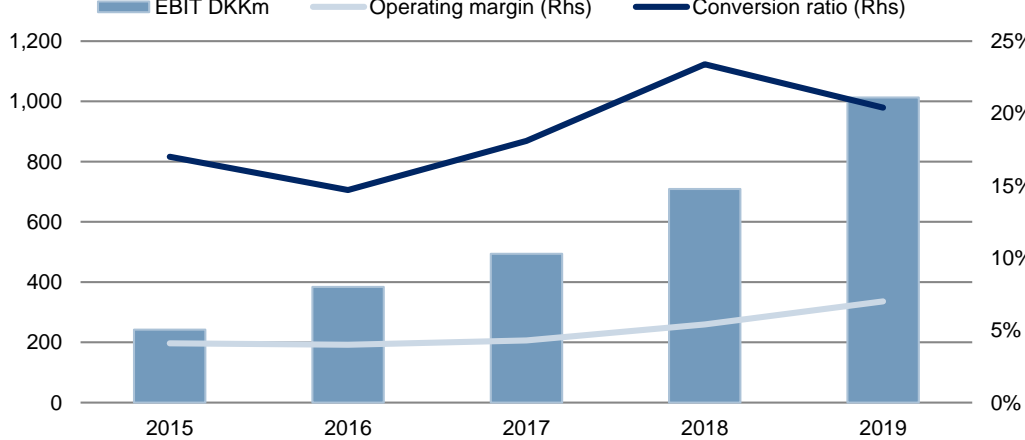
DSV Air & Sea



DSV Road

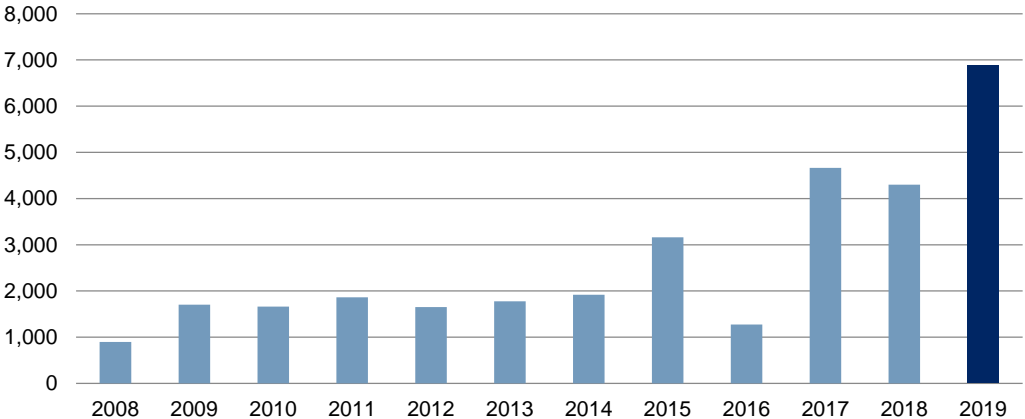


DSV Solutions

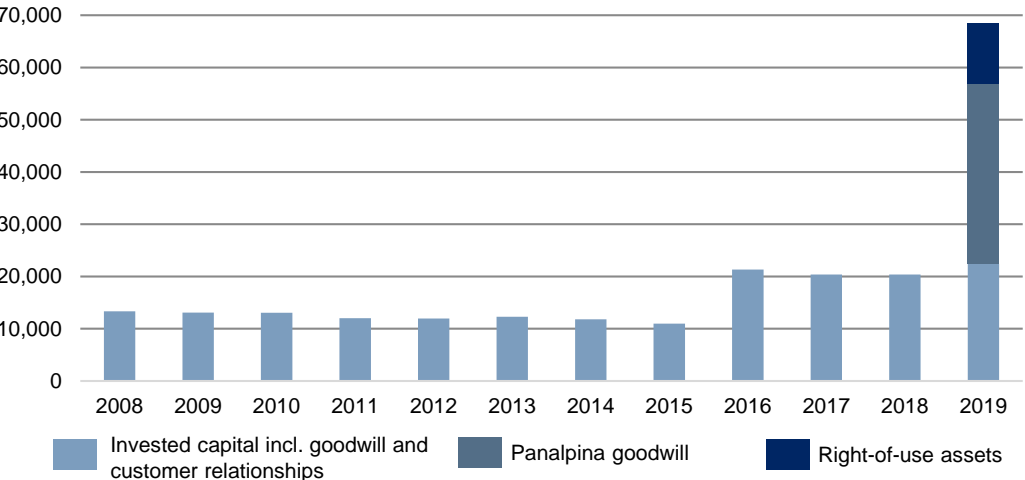


Cash flow and ROIC

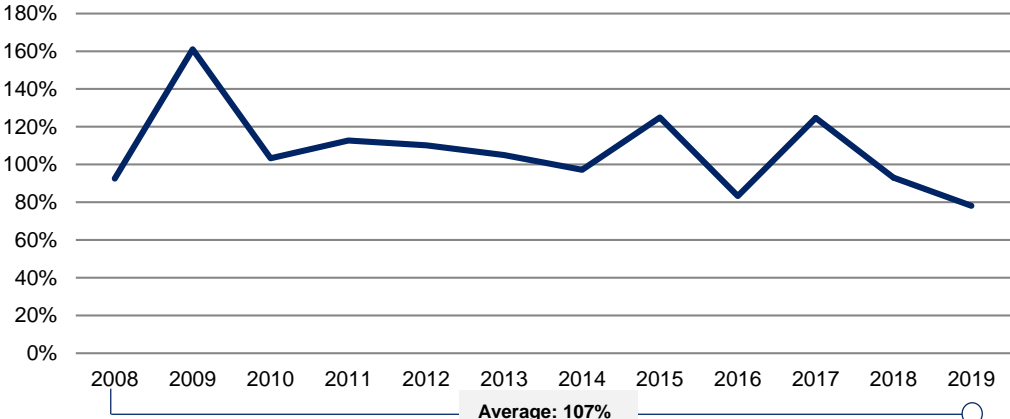
Operating cash flow (DKKm)



Invested capital (DKKm)

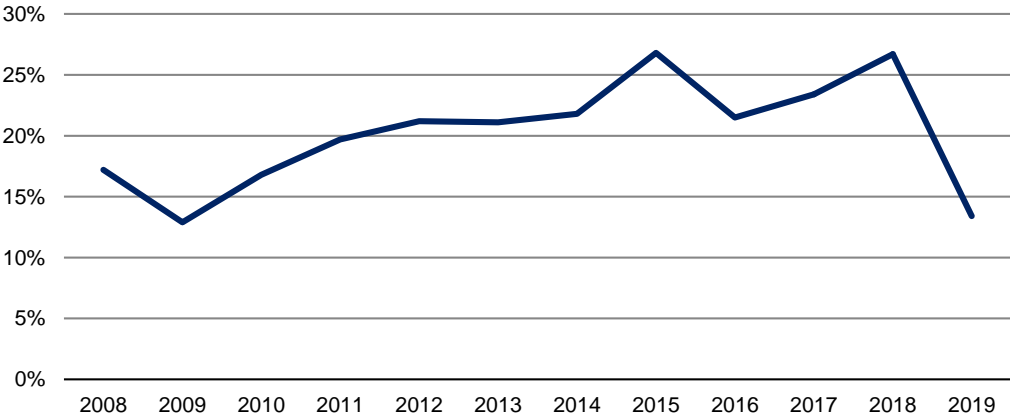


Cash conversion ratio* (%)

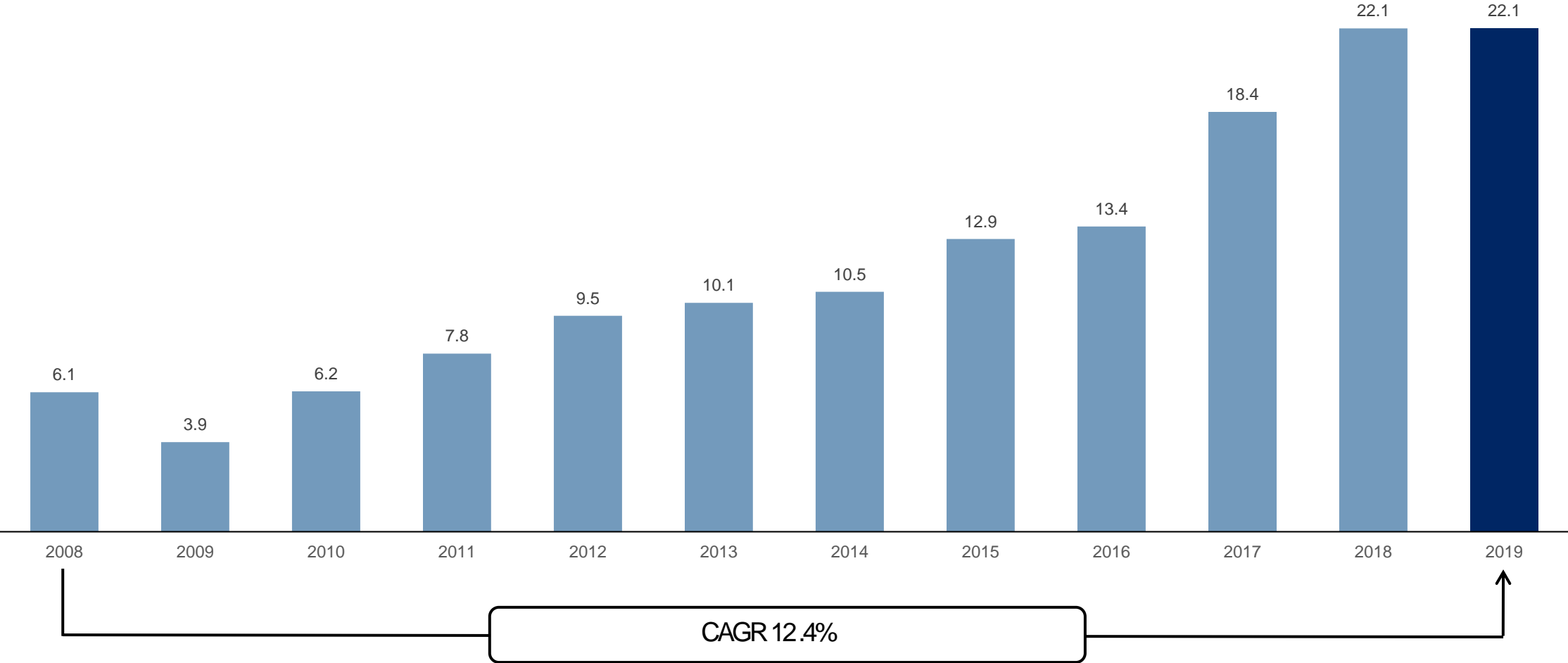


* Cash conversion ratio: (Adjusted free cash flow before net financial items and tax)/EBIT before special items

ROIC before tax (%)



Diluted adjusted earnings per share (DKK)



Quarterly P&L details

DSV Panalpina Group

(DKKm)	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
Revenue	18,380	19,491	20,237	20,945	79,053	19,979	20,079	24,521	30,122	94,701	27,309	28,782
Direct costs	14,260	15,041	15,765	16,498	61,564	14,865	14,794	18,250	23,038	70,947	20,625	21,396
Gross profit	4,120	4,450	4,472	4,447	17,489	5,114	5,285	6,271	7,084	23,754	6,684	7,386
Other external expenses	758	733	769	776	3,036	656	642	817	1,018	3,133	867	795
Staff costs	2,024	2,086	2,004	2,127	8,241	2,195	2,202	2,727	3,205	10,329	3,213	2,925
EBITDA before special items	1,338	1,631	1,699	1,544	6,212	2,263	2,441	2,727	2,861	10,292	2,604	3,666
Depreciation of right-of-use assets						632	626	680	796	2,734	798	792
Amortisation and depreciation of owned assets	182	182	192	206	762	177	184	262	281	904	240	261
EBIT before special items	1,156	1,449	1,507	1,338	5,450	1,454	1,631	1,785	1,784	6,654	1,566	2,613
Special Items, net costs	-	-	-	-	-	-	19	172	609	800	511	515
Financial income						22	25	85	(1)	131	65	156
Financial expenses - lease liabilities						89	91	96	107	383	114	209
Financial expenses	155	(120)	94	120	249	106	83	102	315	606	548	169
Profit before tax	1,001	1,569	1,413	1,218	5,201	1,281	1,463	1,500	752	4,996	458	1,876
Tax on profit for the period	232	382	309	290	1,213	318	314	351	307	1,290	127	486
Profit for the period	769	1,187	1,104	928	3,988	963	1,149	1,149	445	3,706	331	1,390
<i>Gross margin, %</i>	22.4	22.8	22.1	21.2	22.1	25.6	26.3	25.6	23.5	25.1	24.5	25.7
<i>Operating margin, %</i>	6.3	7.4	7.4	6.4	6.9	7.3	8.1	7.3	5.9	7.0	5.7	9.1
<i>Conversion ratio, %</i>	28.1	32.6	33.7	30.1	31.2	28.4	30.9	28.5	25.2	28.0	23.4	35.4
<i>Effective tax rate, %</i>	23.2	24.3	21.9	23.8	23.3	24.8	21.5	23.4	40.8	25.8	27.7	25.9
<i>Blue-collar costs (included in direct costs)</i>	1,155	1,184	1,181	1,271	4,791	1,218	1,231	1,313	1,537	5,299	1,411	1,132
Number of full-time employees	46,767	47,144	48,182	47,394	47,394	47,281	47,552	61,799	61,216	61,216	58,788	53,399

Quarterly P&L details

Air & Sea (DKKm)	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
Divisional revenue	8,414	9,095	9,625	9,838	36,972	9,411	9,682	13,981	18,077	51,151	16,674	19,144
Direct costs	6,269	6,708	7,266	7,536	27,779	6,987	7,153	10,538	13,956	38,634	12,799	14,481
Gross profit	2,145	2,387	2,359	2,302	9,193	2,424	2,529	3,443	4,121	12,517	3,875	4,663
Other external expenses	457	485	439	473	1,854	386	424	594	863	2,267	797	736
Staff costs	870	893	886	911	3,560	943	935	1,442	1,773	5,093	1,679	1,530
EBITDA before special items	818	1,009	1,034	918	3,779	1,095	1,170	1,407	1,485	5,157	1,399	2,397
Depreciation of right-of-use assets						82	61	127	214	484	211	207
Amortisation and depreciation of owned assets	23	21	21	21	86	15	16	60	76	167	58	78
EBIT before special items	795	988	1,013	897	3,693	998	1,093	1,220	1,195	4,506	1,130	2,112
<i>Gross margin, %</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>26.1</i>	<i>24.6</i>	<i>22.8</i>	<i>24.5</i>	<i>23.2</i>	<i>24.4</i>
<i>Operating margin, %</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>11.3</i>	<i>8.7</i>	<i>6.6</i>	<i>8.8</i>	<i>6.8</i>	<i>11.0</i>
<i>Conversion ratio, %</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>	<i>43.2</i>	<i>35.4</i>	<i>29.0</i>	<i>36.0</i>	<i>29.2</i>	<i>45.3</i>
Number of full-time employees	11,996	12,065	12,090	12,130	12,130	12,072	12,103	22,824	21,516	21,516	20,610	18,723
<i>Air</i>												
Revenue, DKKm	4,206	4,610	4,894	5,182	18,892	4,598	4,564	7,352	10,620	27,134	9,530	12,057
Gross profit, DKKm	1,065	1,186	1,194	1,182	4,627	1,230	1,224	1,827	2,313	6,594	2,153	3,015
Air freight, ton	162,689	173,578	177,155	175,623	689,045	170,103	170,301	288,793	442,069	1,071,266	359,975	287,452
GP/ton, DKK	6,546	6,833	6,736	6,730	6,715	7,231	7,187	6,328	5,226	6,155	5,981	10,489
<i>Sea</i>												
Revenue, DKKm	4,208	4,485	4,731	4,656	18,080	4,813	5,118	6,629	7,457	24,017	7,144	7,087
Gross profit, DKKm	1,080	1,201	1,165	1,120	4,566	1,194	1,305	1,616	1,808	5,923	1,722	1,648
TEU	346,788	369,211	369,143	357,206	1,442,348	359,925	391,333	520,048	635,820	1,907,126	575,814	512,138
GP/TEU, DKK	3,114	3,253	3,156	3,135	3,166	3,317	3,335	3,107	2,846	3,106	2,991	3,218

Quarterly P&L details

Road

(DKKm)	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
Divisional revenue	7,676	7,862	7,812	7,893	31,243	8,102	7,833	7,698	7,988	31,621	7,921	6,987
Direct costs	6,370	6,544	6,439	6,582	25,935	6,541	6,298	6,170	6,456	25,465	6,386	5,556
Gross profit	1,306	1,318	1,373	1,311	5,308	1,561	1,535	1,528	1,532	6,156	1,535	1,431
Other external expenses	347	275	357	347	1,326	300	232	261	267	1,060	287	242
Staff costs	686	687	639	694	2,706	719	725	679	741	2,864	757	686
EBITDA before special items	273	356	377	270	1,276	542	578	588	524	2,232	491	503
Depreciation of right-of-use assets						218	213	212	219	862	206	207
Amortisation and depreciation of owned assets	32	34	32	31	129	26	27	33	33	119	26	33
EBIT before special items	241	322	345	239	1,147	298	338	343	272	1,251	259	263
<i>Gross margin, %</i>	<i>17.0</i>	<i>16.8</i>	<i>17.6</i>	<i>16.6</i>	<i>17.0</i>	<i>19.3</i>	<i>19.6</i>	<i>19.8</i>	<i>19.2</i>	<i>19.5</i>	<i>19.4</i>	<i>20.5</i>
<i>Operating margin, %</i>	<i>3.1</i>	<i>4.1</i>	<i>4.4</i>	<i>3.0</i>	<i>3.7</i>	<i>3.7</i>	<i>4.3</i>	<i>4.5</i>	<i>3.4</i>	<i>4.0</i>	<i>3.3</i>	<i>3.8</i>
<i>Conversion ratio, %</i>	<i>18.5</i>	<i>24.4</i>	<i>25.1</i>	<i>18.2</i>	<i>21.6</i>	<i>19.1</i>	<i>22.0</i>	<i>22.4</i>	<i>17.8</i>	<i>20.3</i>	<i>16.9</i>	<i>18.4</i>
Number of full-time employees	13,047	13,160	13,345	12,850	12,850	13,181	13,134	13,493	13,644	13,644	15,200	13,408

Solutions

(DKKm)	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020
Divisional revenue	2,848	3,111	3,417	3,853	13,229	3,049	3,147	3,465	4,729	14,390	3,441	3,256
Direct costs	2,149	2,370	2,659	3,016	10,194	1,923	1,961	2,209	3,328	9,421	2,185	1,985
Gross profit	699	741	758	837	3,035	1,126	1,186	1,256	1,401	4,969	1,256	1,271
Other external expenses	235	226	235	259	955	264	254	278	292	1,088	289	244
Staff costs	278	286	283	294	1,141	306	304	341	355	1,306	385	365
EBITDA before special items	186	229	240	284	939	556	628	637	754	2,575	582	662
Depreciation of right-of-use assets						314	335	329	348	1,326	364	360
Amortisation and depreciation of owned assets	59	54	56	61	230	49	52	69	66	236	59	68
EBIT before special items	127	175	184	223	709	193	241	239	340	1,013	159	234
<i>Gross margin, %</i>	<i>24.5</i>	<i>23.8</i>	<i>22.2</i>	<i>21.7</i>	<i>22.9</i>	<i>36.9</i>	<i>37.7</i>	<i>36.2</i>	<i>29.6</i>	<i>34.5</i>	<i>36.5</i>	<i>39.0</i>
<i>Operating margin, %</i>	<i>4.5</i>	<i>5.6</i>	<i>5.4</i>	<i>5.8</i>	<i>5.4</i>	<i>6.3</i>	<i>7.7</i>	<i>6.9</i>	<i>7.2</i>	<i>7.0</i>	<i>4.6</i>	<i>7.2</i>
<i>Conversion ratio, %</i>	<i>18.2</i>	<i>23.6</i>	<i>24.3</i>	<i>26.6</i>	<i>23.4</i>	<i>17.1</i>	<i>20.3</i>	<i>19.0</i>	<i>24.3</i>	<i>20.4</i>	<i>12.7</i>	<i>18.4</i>
Number of full-time employees	19,534	19,584	20,384	20,025	20,025	19,862	20,146	22,521	22,777	22,777	20,079	18,428

Specification of amortisation and depreciation

(DKKm)	Q2 2020					Q2 2019				
	Air & Sea	Road	Solutions	Group	Total	Air & Sea	Road	Solutions	Group	Total
Right-of-use-assets	207	207	360	18	792	61	213	335	17	626
Owned assets	33	30	64	81	208	13	26	51	89	179
Customer relationships	45	3	4	1	53	3	1	1	-	5
Total	285	240	428	100	1,053	77	240	387	106	810

(DKKm)	H1 2020					H1 2019				
	Air & Sea	Road	Solutions	Group	Total	Air & Sea	Road	Solutions	Group	Total
Right-of-use-assets	418	413	724	35	1,590	143	431	649	35	1,258
Owned assets	48	53	119	178	398	25	51	99	176	351
Customer relationships	88	6	8	1	103	6	2	2	-	10
Total	554	472	851	214	2,091	174	484	750	211	1,619

Our approach to IT

Strong platforms with ongoing development and investments



Consolidated IT landscape with one transport/warehouse management system per division ensuring high data quality and productivity



Millions of shipments are **booked and tracked** by our customers



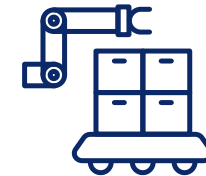
myDSV, our online booking platform, enables our customers to **easily book and track shipments**



An experienced integration team manages **the integration of DSV and Panalpina IT systems**



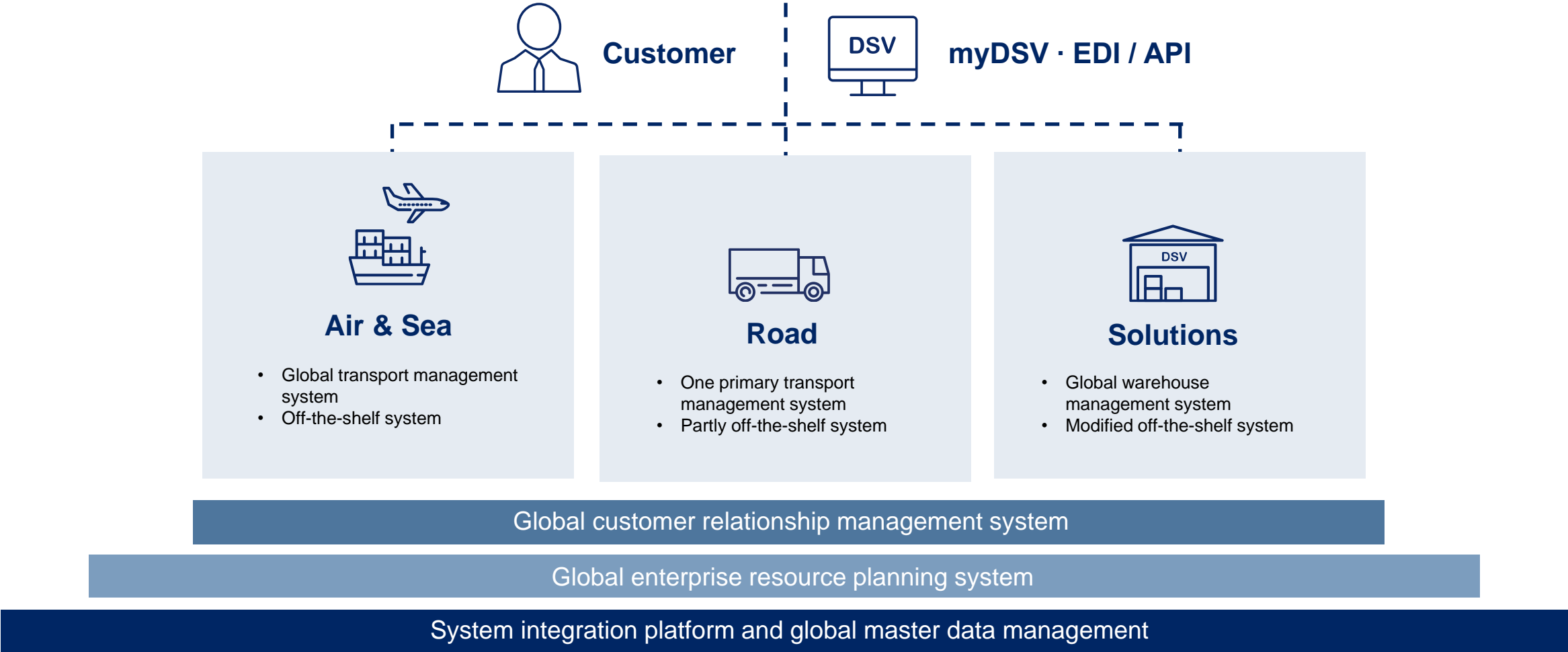
Strong focus on **operational reliability, data security** and safeguarding against **cyberattacks**



We work with established technologies such as **robotics and predictive analytics** and **keep track of emerging technologies**

Our IT landscape

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



myDSV

Our self-service platform

Online, convenient and fast.

myDSV is more than a booking portal; it also supports features such as:



Track & Trace



Reporting



Notifications



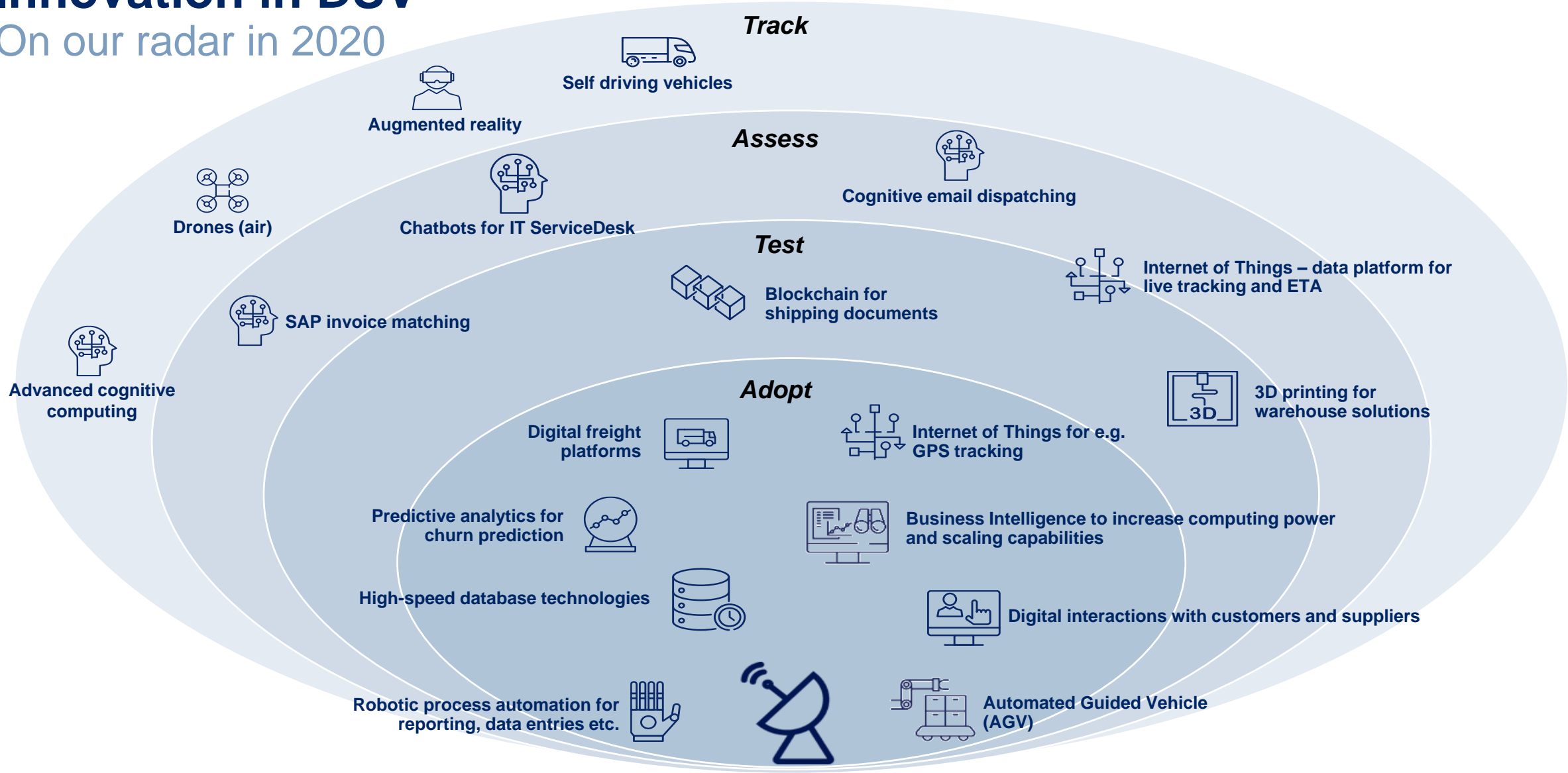
Upload bookings



Label printing

Innovation in DSV

On our radar in 2020



Investor contact information

Share information



DSV Panalpina A/S is listed on the Copenhagen stock exchange under the symbol 'DSV'.

For further company information, please visit: www.dsv.com

Financial calendar 2020



29 Oct. 2020 Interim Financial Report, Third Quarter 2020

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