Copenhagen Stock Exchange
Nikolaj Plads 6
DK-1007 Copenhagen K – Electronic reporting

23 August 2006

STOCK EXCHANGE ANNOUNCEMENT NO. 226

Interim Announcement for the period ended 30 June 2006

Revenue amounted to DKK 15,037 million.

Gross profit came to DKK 3,243 million.

Operating profit before impairment of goodwill and special items totalled DKK 723 million.

Operating profit (EBIT) came to DKK 473 million.

Profit before tax amounted to DKK 391 million.

DSV's share of the profit for the period amounted to DKK 258 million, and the fully diluted adjusted earnings per share amounted to DKK 22.

Free cash flow for the period adjusted for the acquisition of enterprises and activities amounted to DKK 520 million.

Group Management considers the results for H1 2006 very satisfactory.

The integration of Frans Maas Groep is progressing as planned, and Group Management expects the aggregate annual synergies to total DKK 450 million when the integration process has been completed, up DKK 50 million on the originally expected synergies.

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MANAGEMENT'S REVIEW

DSV achieved highly satisfactory financial results for the period. This is mainly due to organic growth in the revenue and earnings of the original DSV companies and to the acquisition of Frans Maas Groep N.V. ("Frans Maas").

The integration of Frans Maas

DSV has completed the acquisition of Frans Maas with accounting effect from 1 April 2006. The enterprise value of the acquisition is DKK 3,211 million, DKK 1,490 million of which is net interest-bearing debt. Also taking into account that overdue creditors of Frans Maas amount to about DKK 100 million (non-normalised working capital), the enterprise value is DKK 3,311 million. This figure is above the enterprise value of DKK 3,150 million stated in the interim announcement for the period ended 31 March 2006. This increase is predominantly due to the above-mentioned larger amount tied up as working capital in Frans Maas.

The present process of commercial integration, realisation of synergy potential and adjustment of legal structure proceeds as scheduled. The integration process is comprehensive and complicated, but so far the various challenges have been met in a reasonable manner.

Following the acquisition of Frans Maas, DSV is now represented in some new countries, the essential ones being Italy, Spain and Portugal and a number of Eastern and Central European countries. Moreover, the activities in several existing DSV countries have increased considerably; primarily in the Netherlands and Belgium, which are the home markets of Frans Maas, but also in Germany, the UK, the Nordic countries, Poland and France. Most of the anticipated operational synergies come from these existing DSV countries.

The increase in activities in existing DSV countries has affected the EBITA margins realised because the EBITA margin of Frans Maas is lower than that of the original DSV companies, particularly in the UK, Germany and France. The EBITA margin for the Netherlands is high in spite of the fact that some of the Frans Maas group costs are included in the Dutch Frans Maas companies.

Revenue and earnings of the acquired Frans Maas companies are in accordance with Management expectations, however funds tied up in investments in Q1 and in working capital in Q2 were higher than expected for Frans Maas.

The results of the Frans Maas Group are recognised for the entire second quarter. An opening balance sheet has been prepared at 1 April 2006, and goodwill has been computed on that basis. Minor adjustments are, however, foreseen for the remainder of 2006.

The legal structure of the Frans Maas Group does not match its commercial structure. Road and Air & Sea activities have been conducted under the concept of International Freight Forwarding, and in some countries Solutions activities also include Road and Air & Sea activities. This implies a less strict divisionalisation than the three segments applied by DSV. The conversion of Frans Maas into the DSV segments of Road, Air & Sea and Solutions will be made in tandem with the progress of the restructuring process and accordingly has not been completed yet, for which reason almost all Frans Maas activities are incorporated in the Road Division for Q2 2006. The plan is that the final segmentation of the activities of the Frans Maas companies will be completed by the end of 2006. Management expects about 15% of all Frans Maas activities to be referred to Air & Sea and about 20% to Solutions.

Financial development of DSV

Revenue

Revenue grew by 40.8% in total, attaining DKK 15,037 million for H1 2006 compared with DKK 10,677 million for H1 2005.

Revenue grew organically by 7.8% in H1 2006 compared with the same period of 2005 when adjusted for foreign currency translation differences and the acquisition and divestment of enterprises. This organic growth in revenue grew by 10.1% in H1 2006 on H1 2005 if adjusted for the acquisition of Frans Maas whose growth rates do not yet match those of DSV.

H1 revenue 2005 versus 2006

(DKKm)	
H1 2005 revenue	10,677
Foreign currency translation adjustments	94
Acquisition and divestment of enterprises, net	3,178
Growth	1,088
H1 2006 revenue	15,037

The Group's revenue was 0.4% over the increased budget when adjusted for foreign currency translation differences.

H1 revenue
Budget 2006 versus realised 2006

(DKKm)	
Budgeted H1 2006 revenue	14,965
Foreign currency translation adjustments	15
Acquisition and divestment of enterprises, net	0
Growth	57
H1 2006 revenue	15,037

Gross profit

The consolidated gross margin ratio increased to 21.6% on 21.1% in the same period of 2005. This is mainly related to a change in the product mix after the acquisition of Frans Maas, which has a comparatively higher proportion of international mixed cargo, which usually realises a higher gross margin ratio. This is partly offset by the other enterprises acquired within the Road Division, which enterprises have a lower gross margin ratio, and by changes in the shipping structure in the Nordic countries, which yield a lower gross margin ratio.

Operating profit before impairment of goodwill and special items

The Group returned an operating profit before impairment of goodwill and special items for H1 2006 of DKK 723 million compared with DKK 550 million for the corresponding period of last year. When adjusted for amortisation of customer relationships of DKK 17 million and costs related to share-based payments of DKK 2 million, the operating profit before impairment of goodwill and special items came to DKK 742 million. When adjusted for foreign currency translation differences and acquisition and divestment of enterprises, the operating profit before impairment of goodwill and special items increased by 17.0%. The margin was 4.8% for the period compared with 5.2% for the same period of 2005. The decline is due to the acquisition of Frans Maas, which has lower margins than DSV.

H1 operating profit before impairment of goodwill and special items
Realised 2005 versus realised 2006

(DKKm)	
H1 2006 operating profit before impairment of goodwill and special items	550
Foreign currency translation adjustments	11
Acquisition and divestment of enterprises, net	57
Growth	105
H1 2006 operating profit before impairment of goodwill and special items	723

Operating profit before impairment of goodwill and special items is slightly above the increased budget.

H1 operating profit before impairment of goodwill and special items
Budget 2006 versus realised 2006

(DKKm)	
Budgeted H1 2006 operating profit before impairment of goodwill and special items	714
Foreign currency translation adjustments	3
Acquisition and divestment of enterprises, net	0
Growth	6
H1 2006 operating profit before impairment of goodwill and special items	723

Special items
Special items represent costs of DKK 250 million for the first half of 2006. Special items relate to the expected restructuring costs of the integration of Frans Maas pursuant to the integration plans prepared for the individual countries.

Special items adjusted for the tax effect are mainly entered as provisions and accordingly they only affect the free cash flow for H1 2006 to a limited extent.

Net financial expenses
Financial expenses netted DKK 82 million for the period as against DKK 34 million for the same period of 2005. The increase is mainly due to higher net interest-bearing debt to finance the Frans Maas acquisition and net interest-bearing debt of Frans Maas taken over.

Net financial expenses were slightly below the increased budget.

Profit before tax
Profit before tax came to DKK 391 million for the period as against DKK 481 million for the same period of 2005. The lower profit is attributable to restructuring costs and higher financial expenses for the acquisition of Frans Maas, which is partly offset by a higher operating profit before impairment of goodwill and special items.

Profit before tax is 3.2% above the increased budget.

Fully diluted adjusted earnings per share
Fully diluted adjusted earnings per share came to DKK 44 for 2006 compared with DKK 33 for 2005, corresponding to an increase of 33%.

Balance sheet
The balance sheet stood at DKK 16,102 million at 30 June 2006 as against DKK 10,449 million at 31 December 2005. The increase is primarily attributable to the acquisition of Frans Maas.

Equity
At 30 June 2006, Group equity came to DKK 3,375 million, DKK 122 million of which is attributable to minority interests. The solvency ratio exclusive of minority interests came to 20.2%. This is a decrease on 31 December 2005 when the corresponding ratio was 30.7%. The decrease is mainly due to the acquisition of Frans Maas, which was wholly financed by debt, and distributions of DKK 212 million in Q2 in particular.

Development in equity

(DKKm)	H1 2006
Equity at 1 January 2006	3,323
Net profit for the period	275
Share buy-back, net	(162)
Acquisition/sale minority interests, net	(7)
Foreign currency translation adjustments	(25)
Capital increase	2
Share-based compensation plans	2
Adjustment of interest swaps	17
Dividend	(50)
Equity at 30 June 2006	3,375

Net working capital
The Company's funds tied up in net working capital came to DKK 799 million at 30 June 2006 compared with DKK 451 million at 31 December 2005. The increase is mainly due to the acquisition of Frans Maas, a generally higher level of working capital in the Frans Maas companies acquired and growth in the Group's activity level.

Net interest-bearing debt
Net interest-bearing debt amounted to DKK 5,331 million at 30 June 2006 as against DKK 2,169 million at 31 December 2005. This increase is attributable to the acquisition of Frans Maas and to net interest-bearing debt of Frans Maas taken over.

The Frans Maas acquisition has been provisionally financed with short-term funding. It is expected that the bridge financing will be replaced by bullet loans in the second half of 2006.

Cash flow from operating activities
Cash flow from operating activities came to DKK 502 million for the period compared with DKK 465 million for the same period of 2005. The increase derived mainly

from an improved operating profit and is partly set off by non-normalised working capital in Frans Maas of about DKK 100 million and higher interest payments.

Cash flow from investing activities

Cash flow from investing activities excluding the effect of acquisition and divestment of enterprises netted an outflow of DKK 82 million. The Group has started divesting property and operating fixtures and equipment from the Frans Maas companies acquired in connection with the integration of these companies. One of the divestments of Q2 was a Frans Maas property in the UK sold for about DKK 100 million.

The net outflow for the acquisition and divestment of enterprises was DKK 1,455 million, mainly attributable to the acquisition of Frans Maas.

Free cash flow

Free cash flow for the period was a net outflow of DKK 1,035 million. Adjusted for the acquisition of enterprises and activities as well as normalisation of working capital, the free cash flow for the period was a net inflow of DKK 520 million, which is in accordance with the Group's expectations for the period.

Invested capital including goodwill and customer relationships

The Group's invested capital including goodwill and customer relationships came to DKK 8,870 million at 30 June 2006 as against DKK 5,725 million at 30 June 2005, equal to an increase of DKK 3,145 million. The increase is mainly due to acquisitions in the past year.

ROIC including goodwill and customer relationships

Return on invested capital including goodwill and customer relationships was 19.8% for the period compared with 21.5% for the same period of 2005. The development is attributable to the increase in invested capital resulting from the acquisition of Frans Maas.

Events after the balance sheet date of the Interim Announcement

No material events have occurred after the balance sheet date.

Outlook for 2006

The expected revenue, operating profit before impairment of goodwill and special items, profit after tax and free cash flow for the year remain unchanged from the forecasts stated in stock exchange announcement no. 214 of 27 April 2006.

All the budget figures in this Interim Announcement are in agreement with the increased budget.

The expected annual synergies in connection with the acquisition of Frans Maas are increased to DKK 450 million, or DKK 50 million more than the originally announced figure. DKK 100 million are expected to be realised as synergies in 2006, which amount is included in the previously announced forecast for 2006. The expected synergies for 2007 are DKK 275 million and as from 2008, when the integration process will be completed according to plans, the annual synergy effect is expected to be DKK 450 million.

Management estimates that the fixed capital of the Group will be reduced sooner than expected. Accordingly, the expected total net investments in DSV are lowered from the previous estimate of DKK 300 million to DKK 200 million. This shorter divestment period also implies that net investments in 2007 and 2008 are expected to increase by DKK 50 million to DKK 350 million in each of the years.

Audit

This Interim Announcement has not been audited or reviewed.

Exchange rates

DKK for 100 currency units	Currency	Realised 30.06.2005	Realised 30.06.2006	Year-to-date average 30.06.2005	Year-to-date average 30.06.2006	Budget 2006
Euroland	EUR	745	746	744	746	745
UK	GBP	1,105	1,078	1,085	1,086	1,100
Norway	NOK	94	94	91	94	94
Sweden	SEK	79	81	81	80	80
USA	USD	616	587	580	609	615

MANAGEMENT'S REVIEW

DSV Group – Income statement for the period, summary (DKKm)	01.01.2005-30.06.2005 Realised	01.01.2006-30.06.2006 Budget	01.01.2006-30.06.2006 Realised
Revenue	10,677	14,965	15,037
Direct costs	8,422	11,733	11,794
Gross profit	2,255	3,232	3,243
Other external expenses	523	810	815
Staff costs	1,072	1,556	1,550
Operating profit before depreciation, amortisation, impairment of goodwill and special items	660	866	878
Amortisation, depreciation and impairment of property, plant and equipment and intangibles exclusive of customer relationships	110	135	138
Amortisation and impairment of customer relationships	0	17	17
Operating profit before impairment of goodwill and special items	550	714	723
Impairment of goodwill	0	0	0
Special items, net	(35)	(250)	(250)
Operating profit (EBIT)	515	464	473
Net financial expenses	34	85	82
Profit before tax	481	379	391
Calculated tax	144	114	116
Net profit for the period	337	265	275
Net profit for the period is attributable to:			
Shareholders of DSV A/S	319	249	258
Minority interests	18	16	17

DSV Group – Balance sheet, summary (DKKm)	31.12.2005	30.06.2006
Goodwill and customer relationships (acquisition cost: DKK 4,942 million)	2,981	4,528
Other property, plant and equipment and intangibles	2,485	4,205
Other non-current assets	186	389
Total non-current assets	5,652	9,122
Receivables	4,412	6,508
Cash	385	472
Total current assets	4,797	6,980
Total assets	10,449	16,102
Equity including minority interests	3,323	3,375
Interest-bearing long-term debt	1,852	2,396
Other non-current liabilities, including provisions	611	1,215
Non-current liabilities	2,463	3,611
Interest-bearing short-term debt	702	3,407
Other short-term debt	3,961	5,709
Total current liabilities	4,663	9,116
Total liabilities and equity	10,449	16,102

Number of employees: 18,962.

MANAGEMENT'S REVIEW

DSV Group – Consolidated cash flow statement for the period (DKKm)	01.01.2005-30.06.2005	01.01.2006-30.06.2006
Operating profit before impairment of goodwill and special items	550	723
Reversed depreciation and amortisation of property, plant and equipment and intangibles	110	155
Changes in working capital	(31)	(203)
Changes in provisions	(10)	28
Net interest etc. paid	(34)	(82)
Corporation tax paid	(120)	(119)
Cash flow from operating activities	465	502
Acquisition/divestment of subsidiaries and activities, net	(783)	(1,455)
Acquisition/divestment of property, plant and equipment and intangibles, net	(116)	(83)
Acquisition/divestment of financial assets, net	2	1
Cash flow from investing activities	(897)	(1,537)
Free cash flow	(432)	(1,035)
Net financial payments	491	1,353
Share buy-back	(192)	(162)
Capital increase	392	2
Dividends distributed	(155)	(50)
Cash flow from financing activities	536	1,143
Cash flows for the period	104	108
Cash and cash equivalents at 1 January 2006	172	385
Cash flows for the period	104	108
Foreign currency translation adjustments	12	(21)
Cash and cash equivalents at 30 June 2006	288	472
The cash flow statement cannot be directly derived from the balance sheet and income statement.		
Note 1: Statement of adjusted free cash flow:		
Free cash flow	(432)	(1,035)
Acquisition/divestment of subsidiaries and activities, net	783	1,455
Normalisation of working capital in acquired enterprises and activities	0	100
Adjusted free cash flow	351	520
Note 2: Statement of enterprise value of acquired enterprises:		
Acquisition/divestment of subsidiaries and activities, net	783	1,455
Interest-bearing debt	0	1,874
Normalisation of working capital in acquired enterprises and activities	0	100
Enterprise value of acquired enterprises	783	3,429

Financial ratios (%) – annualised six-month figures	At 31.06.2005	At 31.06.2006
Gross margin ratio	21.1	21.6
EBITDA margin	6.2	5.8
EBITA margin	5.2	4.8
EBIT margin	4.8	3.1
ROIC including goodwill and customer relationships	21.5	19.8
Return on equity (ROE)	18.7	15.2
Equity ratio	37.4	20.2
Key figures (DKKm)		
Adjusted earnings	354	445
Net interest-bearing debt	1,736	5,331
Invested capital including goodwill and customer relationships	5,725	8,870
Financial ratios (DKK) – annualised six-month figures		
Earnings per share of DKK 2	31	26
Fully diluted adjusted earnings per share	33	44
Average number of shares ('000)	20,299	19,856
Average number of diluted shares ('000)	21,419	20,261

The financial ratios have been calculated in accordance with "Recommendations & Financial Ratios 2005" published by the Danish Society of Financial Analysts. See also DSV's 2005 Annual Report, page 37.

SUMMARY OF DIVISION RESULTS

ROAD DIVISION

Revenue

The revenue of the Road Division improved significantly on the corresponding period in 2005 and came a little higher than the increased 2006 budget. This is mainly due to the acquisition of Frans Maas, which has resulted in increases in almost all countries, the most significant results being obtained in Germany, the Netherlands, Belgium, France, Italy, Spain and the UK. Moreover, the Group realised organic growth of DKK 733 million, most of it in the Nordic countries.

Gross profit

The gross margin ratio of the Road Division increased from 21.1% in H1 2005 to 21.4% in H1 2006. This is mainly related to a change in the product mix after the acquisition of Frans Maas, which has a comparatively higher proportion of international mixed cargo, which usually realises a higher gross margin ratio. This is partly offset by the other enterprises acquired, which have a lower gross margin ratio, and by changes in the shipping structure in the Nordic countries, which yield a lower gross margin ratio.

Operating profit before impairment of goodwill and special items

The Road Division achieved results that were significantly better than in the same period of 2005. This is attributable to the acquisition of Frans Maas and the organic growth in the original DSV companies. The organic growth was mainly realised in Sweden and the UK. Moreover, the Group realised profits on the sale of properties and write-down of an IT outsourcing contract of DKK 22 million net in the first quarter of 2006. This is set off in part by a decrease in Germany.

The Road Division is on a level with the increased budget. Sweden and Central Europe are above budget, while Germany and France are below budget.

Balance sheet

The balance sheet of the Road Division stood at DKK 13,841 million at 30 June 2006 as against DKK 7,433 million at 31 December 2005. This increase is mainly attributable to the acquisition of Frans Maas and a generally higher activity level in the Division, offset partly by dividends paid to DSV A/S.

Non-current assets

Non-current assets amounted to DKK 6,840 million at 30 June 2006 as against DKK 3,244 million at 31 December 2005. The increase was caused by the acquisition of Frans Maas.

Net working capital

The Road Division's funds tied up in net working capital came to DKK 650 million at 30 June 2006 compared with DKK 193 million at 31 December 2005. The main reason for the increase is the higher activity level following the acquisition of Frans Maas and a non-normalised working capital in Frans Maas of about DKK 100 million.

Group Management is highly satisfied with the development and results of the Division.

AIR & SEA DIVISION

Revenue

The revenue of the Air & Sea Division improved markedly on the corresponding period last year. This is attributable both to the acquisition of the J.H. Bachmann group and to organic growth, which was 10.7% when adjusted for foreign currency translation differences and the acquisition and divestment of enterprises. In absolute figures, the USA, Sweden and the Project Department in Denmark achieved the largest organic growth.

The revenue was above the increased budget. This is mainly attributable to the organic growth, which was largest in absolute figures in the USA and the Project Department in Denmark. Germany, Canada and Hong Kong underperformed.

Gross profit

The gross margin ratio of the Air & Sea Division was slightly above that of the corresponding period last year.

Operating profit before impairment of goodwill and special items

The Air & Sea Division achieved results that outperformed those of the same period of 2005 by DKK 72 million. The positive difference mainly derived from organic growth, but also from the acquisition of J.H. Bachmann. The organic growth was 24.6% when adjusted for foreign currency translation differences and the acquisition and divestment of enterprises. In absolute figures, the USA and Denmark achieved the largest organic growth.

The Air & Sea Division outperformed the budget by DKK 11 million. This is mainly attributable to the organic growth, which was largest in the USA and Denmark when measured in absolute figures.

Balance sheet

The balance sheet of the Air & Sea Division stood at DKK 2,152 million at 30 June 2006 as against DKK 2,322 million at 31 December 2005. The decline is mainly due to dividends paid to DSV A/S.

Non-current assets

Non-current assets amounted to DKK 642 million at 30 June 2006 as against DKK 625 million at 31 December 2005, attributable to the purchase of the remaining minority shares in China and the acquisition of activities in Taiwan.

Net working capital

The Air & Sea Division's funds tied up in net working capital came to DKK 241 million at 30 June 2006 compared with DKK 239 million at 31 December 2005.

Group Management is highly satisfied with the development in and results of the Division.

SUMMARY OF DIVISION RESULTS

SOLUTIONS DIVISION

Revenue

The revenue of the Solutions Division was better than that for the corresponding period last year and the increased 2006 budget. This is mainly attributable to organic growth.

Gross profit

The gross margin ratio of the Solutions Division increased from 20.4% in H1 2005 to 23.7% in H1 2006. The increase derived mainly from an improved ratio in Sweden.

Operation profit before impairment of goodwill and special items

Operating profit before impairment of goodwill and special items came to DKK 26 million for the first six months of 2006, which is far better than in the corresponding period of 2005 and slightly above the increased budget for 2006. This is mainly due to organic growth in Sweden.

Group Management is highly satisfied with the development in the results of the Division.

ROAD DIVISION

Income statement for the period, summary

(DKKm)	01.01.2005-30.06.2005 Realised	01.01.2006-30.06.2006 Budget	01.01.2006-30.06.2006 Realised
Revenue	7,858	11,205	11,291
Direct costs	6,200	8,789	8,876
Gross profit	1,658	2,416	2,415
Other external expenses	390	630	630
Staff costs	815	1,201	1,196
Operating profit before depreciation, amortisation, impairment of goodwill and special items	453	585	589
Amortisation, depreciation and impairment of property, plant and equipment and intangibles exclusive of customer relationships	95	119	124
Amortisation and impairment of customer relationships	0	12	12
Operating profit before impairment of goodwill and special items	358	454	453

Balance sheet, summary

(DKKm)	31.12.2005	30.06.2006
Goodwill and customer relationships	760	2,279
Other property, plant and equipment and intangibles	2,280	4,020
Other non-current assets	204	541
Total non-current assets	3,244	6,840
Receivables	3,042	5,357
Cash and intercompany balances	1,147	1,644
Total current assets	4,189	7,001
Total assets	7,433	13,841
Equity	1,192	606
Interest-bearing long-term debt	491	1,031
Other non-current liabilities, including provisions	515	1,111
Non-current liabilities	1,006	2,142
Interest-bearing short-term debt, including intercompany debt	2,386	6,386
Other short-term debt	2,849	4,707
Total current liabilities	5,235	11,093
Total liabilities and equity	7,433	13,841

ROIC came to 16.1%. The calculation of ROIC included DKK 3,553 million of goodwill and customer relationships. The item consists of the Division's goodwill, customer relationships and goodwill allocated from DSV. Number of employees: 16,005.

Activities

The Road Division handles transport (full and part loads and mixed cargo) by trucks domestically and in Europe. The actual transports operations have basically been outsourced to sub-contractors.

The Division in brief

As a result of the acquisition of Frans Maas, the period under review was exciting and challenging. The Road and Solutions Divisions are and will remain considerably more affected than the Air & Sea Division.

Q2 saw a very high activity level, and the integration plan has been launched now. Many countries face considerable challenges as well as exciting new commercial possibilities. The Netherlands, the UK, Belgium, Germany, France, Poland and the Czech Republic are particularly affected. The scope of the changes and the complexity in the individual country affected is more or less in accordance with the order in which the countries are listed.

In fact, integration is hard work implying great changes to staff and management – changes in relation to traffic, terminal structure, barcode systems, IT systems, administrative systems and adaptation to a number of new requirements and new customers.

Unfortunately it is not possible to avoid redundancies as wages and salaries constitute the greatest single cost element. Staff reductions have been more or less completed in respect of both administrative and operational staff. For everybody involved this has been a very uncomfortable period. However, the process has been handled very professionally and been under control all the time. Throughout the period, there has been outstanding cooperation with trade unions and works councils.

The integration process follows the expectations voiced in the planning phase. None of the countries has encountered problems so big that they could not handle them. Implementation of the plan will last yet 18 months to two years. This does not mean that there are no more synergies after two years. According to Management experience from similar transactions, the organisation can keep on optimising operations.

ROAD DIVISION

Country	Development in revenue	Development in operating profit before impairment of goodwill and special items (EBITA)	Focus
Denmark	Slightly above budget.	Slightly above budget. Not bad considering the domestic situation.	Restore previous EBITA margin particularly on domestic traffic.
Sweden	Slightly below budget.	Outperformed budget. Handsome European margin.	Handsome improvement of EBITA margin, although there should be continued focus on an improved domestic margin.
Norway	Outperformed budget.	Slightly below budget due to pay conflict.	Better cost control in a rapidly expanding domestic market.
Finland	Slightly below budget.	Slightly above budget.	Handsome growth in revenue – but still focus on improved EBITA.
UK	Slightly below budget.	Outperformed budget.	Integrate the large Frans Maas volume and eliminate losses suffered on Frans Maas activities.
Ireland	Outperformed budget.	Slightly below budget. Influenced by Frans Maas.	Following completion of the integration of Frans Maas, the old EBITA margin ought to be restored.
Germany	On a level with budget.	Below budget. No improvement relative to the integration of Frans Maas.	Unilateral focus on EBITA margin. Bring an end to loss-making activities and exploit the new opportunities of the larger European network.
The Netherlands	Outperformed budget.	Outperformed budget. Clear improvement after the integration of Frans Maas.	Maintain clearly improved EBITA margin following the integration of Frans Maas.
Belgium	Slightly above budget.	On a level with budget. Integration with strong Frans Maas company.	Both companies (Frans Maas/DFDS Transport) have traditionally had high EBITA margins. Maintain the high margin and create growth.
France	Below budget.	Below budget. Faces another tough period – had just achieved a fair EBITA margin.	Critical operational/ commercial review. Reduce costs and achieve an acceptable EBITA margin.
Italy	Below budget.	On a level with budget.	Exploit new opportunities from DFDS Transport traffic added – improved EBITA margin.
Spain and Portugal	Below budget.	Below budget.	Former loss-making area – exploit new opportunities from European traffic added.
Poland	Outperformed budget.	Outperformed budget.	Integration – improved EBITA margin.

ROAD DIVISION

Country	Development in revenue	Development in operating profit before impairment of goodwill and special items (EBITA)	Focus
The Baltics, Russia and Ukraine	Outperformed budget.	Outperformed budget.	Growth and focus on new opportunities from the new countries added by the acquisition of Frans Maas (Ukraine/Russia).
Central Europe	Outperformed budget.	Outperformed budget.	Except for the Czech Republic and Slovakia, this is an area of new countries added to the network – exploit the opportunities from the traffic added.
South Eastern Europe	Outperformed budget.	Outperformed budget.	Many new areas – to be integrated with the remainder of Europe.

Revenue and operating profit before impairment of goodwill and special items (EBITA) by markets

	Revenue			Operating profit before impairment of goodwill and special items (EBITA)			EBITA margin		
(DKKm)	Realised 01.01.05-30.06.05	Budget 01.01.06-30.06.06	Realised 01.01.06-30.06.06	Realised 01.01.05-30.06.05	Budget 01.01.06-30.06.06	Realised 01.01.06-30.06.06	Realised 01.01.05-30.06.05	Budget 01.01.06-30.06.06	Realised 01.01.06-30.06.06
Denmark	2,202	2,341	2,390	126	128	129	5.7	5.5	5.4
Sweden	1,800	2,046	2,036	55	72	77	3.1	3.5	3.8
Norway	1,255	1,394	1,478	68	71	68	5.4	5.1	4.6
Finland	510	590	583	15	17	18	2.9	2.9	3.1
UK	832	1,103	1,022	26	27	29	3.1	2.4	2.8
Ireland	241	275	295	13	12	11	5.4	4.4	3.7
Germany	729	1,735	1,735	7	(4)	(13)	1.0	(0.2)	(0.7)
The Netherlands	235	789	852	12	64	66	5.1	8.1	7.7
Belgium	207	487	490	20	43	43	9.7	8.8	8.8
France	268	545	495	2	3	(8)	0.7	0.6	(1.6)
Italy	-	206	195	-	3	3	-	1.5	1.5
Spain and Portugal	-	190	176	-	(1)	(4)	-	(0.5)	(2.3)
Poland	124	208	237	6	8	9	4.8	3.8	3.8
The Baltics, Russia and Ukraine	244	340	383	13	15	19	5.3	4.4	5.0
Central Europa[1)]	68	212	218	2	0	5	2.9	0.0	2.3
South Eastern Europe[2)]	65	149	165	1	3	5	1.5	2.0	3.0
Total	8,780	12,610	12,750	366	461	457	4.2	3.7	3.6
Group	225	255	261	(8)	5	8	-	-	-
Amortisation of customer relationships	-	-	-	-	(12)	(12)	-	-	-
Eliminated items	(1,147)	(1,660)	(1,720)	-	-	-	-	-	-
Net	7,858	11,205	11,291	358	454	453	4.6	4.1	4.0

1) The segment comprises the following countries: Austria, Switzerland, Hungary, the Czech Republic and Slovakia.
2) The segment comprises the following countries: Greece, Romania, Bulgaria, Slovenia, Croatia, Serbia, Turkey, Morocco, Algeria and Tunisia.

AIR & SEA DIVISION

Income statement for the period, summary

(DKKm)	01.01.2005-30.06.2005 Realised	01.01.2006-30.06.2006 Budget	01.01.2006-30.06.2006 Realised
Revenue	2,668	3,591	3,615
Direct costs	2,141	2,866	2,879
Gross profit	527	725	736
Other external expenses	118	164	162
Staff costs	220	306	308
Operating profit before depreciation, amortisation, impairment of goodwill and special items	189	255	266
Amortisation, depreciation and impairment of property, plant and equipment and intangibles exclusive of customer relationships	7	9	9
Amortisation and impairment of customer relationships	0	3	3
Operating profit before impairment of goodwill and special items	182	243	254

Balance sheet, summary

(DKKm)	31.12.2005	30.06.2006
Goodwill and customer relationships	531	562
Other property, plant and equipment and intangibles	54	49
Other non-current assets	40	31
Total non-current assets	625	642
Receivables	1,275	1,149
Cash and intercompany balances	422	361
Total current assets	1,697	1,510
Total assets	2,322	2,152
Equity	419	341
Interest-bearing long-term debt	2	1
Other non-current liabilities, including provisions	75	73
Non-current liabilities	77	74
Interest-bearing short-term debt, including intercompany debt	790	829
Other short-term debt	1,036	908
Total current liabilities	1,826	1,737
Total liabilities and equity	2,322	2,152

ROIC came to 35.3%. The calculation of ROIC included DKK 1,229 million of goodwill and customer relationships. The item consists of the Division's goodwill, customer relationships and goodwill allocated from DSV.
Number of employees: 2,297.

Activities

The Air & Sea Division handles shipments to overseas markets by air and sea. The activities concentrate on transports between Scandinavia, the Netherlands, Germany, the UK, the USA and the Far East. The Division handles full and part loads, containers and flight palettes. The Division does not have its own fleet of aircraft or ships, but mainly acts as an intermediary between the customer and the shipping line or airline company.

The Division in brief

The results of the Air & Sea Division increased considerably in the period despite falling freight rates. Only a small proportion of the revenue of Frans Maas relate to Air & Sea. In this Interim Announcement, Frans Maas Air & Sea has been incorporated into the Road Division.

The Division set up a new company in Taiwan in the period under review and initiated the establishment of a joint venture in India.

The strongest company of the Division, the US company, has planned an expansion with another two offices in the USA: Detroit and Baltimore.

Following negotiations, Management has bought out the local partner of the Chinese company so that today DFDS Transport is the sole owner of the Chinese company.

Revenue has grown considerably, and even though there is a favourable growth potential and the industry is practically infinite, it is essential for the Division to grow at a higher rate. Revenue for 2006 will exceed DKK 8 billion, and Management still considers a twofold increase of the revenue necessary. The Division has doubled its revenue over the past few years; however, some of the comparable companies have grown more than the Air & Sea Division over the same period.

AIR & SEA DIVISION

Country	Development in revenue	Development in operating profit before impairment of goodwill and special items (EBITA)	Focus
USA	Outperformed budget. Improvement of about 25% on H1 2005.	Outperformed budget. Improvement of about 37% on H1 2005.	Growth, growth, growth.
Denmark (including Project Dept.)	Outperformed budget.	Outperformed budget.	Grow and maintain handsome EBITA.
Norway	Outperformed budget. Handsome growth.	Outperformed budget.	Very handsome improvement of EBITA margin close to the US margin, which ought to be maintained.
Sweden	Outperformed budget. Improvement of more than 30% on H1 2005.	On a level with budget.	Very handsome growth, but reduced EBITA margin. Maintain growth and improve EBITA.
Finland	Outperformed budget.	Outperformed budget.	Ought to grow at a higher pace.
UK	Below budget.	On a level with budget.	EBITA has improved, but is still under Division average. Growth is too small.
Germany	Below budget. Somewhat disappointing.	On a level with budget.	EBITA is much below Division average. A large market which ought to display stronger growth.
The Netherlands	Below budget. Will change when Air & Sea activities of Frans Maas have been incorporated.	On a level with budget.	Improve margin and growth.
Central Europe	Below budget.	Below budget.	The countries are relatively new areas to be developed organically – stronger growth.
Canada	Below budget. In the process of structural changes.	Below budget.	Improved growth and better EBITA margin.
China	Outperformed budget. Improvement of about 50% on H1 2005.	On a level with budget.	Handsome result – maintain growth.
Hong Kong	Below budget. Improvement of about 40% on H1 2005.	Outperformed budget.	Very fine EBITA margin, but growth ought to be improved.
Australia	Outperformed budget.	Outperformed budget.	Maintain positive development and current EBITA margin.
Other Far East	Below budget.	Outperformed budget.	Growth and positive development in EBITA.

AIR & SEA DIVISION

Revenue and operating profit before impairment of goodwill and special items (EBITA) by markets

(DKKm)	Revenue			Operating profit before impairment of goodwill and special items (EBITA)			EBITA margin		
	Realised 01.01.05-30.06.05	Budget 01.01.06-30.06.06	Realised 01.01.06-30.06.06	Realised 01.01.05-30.06.05	Budget 01.01.06-30.06.06	Realised 01.01.06-30.06.06	Realised 01.01.05-30.06.05	Budget 01.01.06-30.06.06	Realised 01.01.06-30.06.06
USA	713	853	886	71	91	97	10.0	10.7	10.9
Denmark	698	686	690	34	39	41	4.9	5.7	5.9
Project Dept.	217	228	311	9	10	11	4.1	4.4	3.5
Norway	104	114	121	6	9	10	5.8	7.9	8.3
Sweden	204	250	268	9	10	10	4.4	4.0	3.7
Finland	83	97	104	2	4	5	2.4	4.1	4.8
UK	429	442	437	15	18	18	3.5	4.1	4.1
Germany	109	558	520	3	12	12	2.8	2.2	2.3
The Netherlands	87	79	74	2	2	2	2.3	2.5	2.7
Central Europe[1)]	6	72	68	1	3	2	16.7	4.2	2.9
Canada	3	103	75	0	3	0	-	2.9	0.0
China	139	203	210	14	16	16	10.1	7.9	7.6
Hong Kong	110	197	156	11	15	17	10.0	7.6	10.9
Australia	11	89	94	0	3	4	-	3.4	4.3
Other Far East[2)]	179	228	219	8	11	12	4.5	4.8	5.5
Total	3,092	4,199	4,233	185	246	257	6.0	5.9	6.1
Group	1	3	5	(3)	-	-	-	-	-
Amortisation of customer relationships	-	-	-	-	(3)	(3)	-	-	-
Eliminated items	(425)	(611)	(623)	-	-	-	-	-	-
Net	2,668	3,591	3,615	182	243	254	6.8	6.8	7.0

1) The segment comprises the following countries: Poland, Hungary and the Czech Republic.
2) The segment comprises the following countries: Indonesia, Thailand, Singapore, Malaysia, the Philippines, Korea, Taiwan and Vietnam.

SOLUTIONS DIVISION

Income statement for the period, summary

(DKKm)	01.01.2005-30.06.2005 Realised	01.01.2006-30.06.2006 Budget	01.01.2006-30.06.2006 Realised
Revenue	432	456	476
Direct costs	344	345	363
Gross profit	88	111	113
Other external expenses	35	37	36
Staff costs	36	43	44
Operating profit before depreciation, amortisation, impairment of goodwill and special items	17	31	33
Amortisation, depreciation and impairment of property, plant and equipment and intangibles exclusive of customer relationships	7	7	7
Amortisation and impairment of customer relationships	0	0	0
Operating profit before impairment of goodwill and special items	10	24	26

Balance sheet, summary

(DKKm)	31.12.2005	30.06.2006
Goodwill and customer relationships	81	81
Other property, plant and equipment and intangibles	114	113
Other non-current assets	26	24
Total non-current assets	221	218
Receivables	203	204
Cash and intercompany balances	93	108
Total current assets	296	312
Total assets	517	530
Equity	166	165
Interest-bearing long-term debt	10	8
Other non-current liabilities, including provisions	20	21
Non-current liabilities	30	29
Interest-bearing short-term debt, including intercompany debt	174	191
Other short-term debt	147	145
Total current liabilities	321	336
Total liabilities and equity	517	530

ROIC came to 19.1%. The calculation of ROIC included DKK 160 million of goodwill and customer relationships. The item consists of the Division's goodwill, customer relationships and goodwill allocated from DSV.
Number of employees: 660.

Activities

The Solutions Division defines solutions as comprehensive logistics solutions, including outsourcing of warehousing, distribution and a number of services related to the customers' supply chain. These services are mainly aimed at large industrial companies, branded products and brands. The Division's business areas also include distribution and cross-docking.

The Division in brief

The Division had a very good six-month period.

Q2 was characterised by connections with the much larger Solutions Division of Frans Maas. The Solutions Division previously mentioned on several occasions will be in existence by the end of this financial year.

The Solutions Division will comprise strong enterprises not only in the Nordic countries, but also in the central part of Europe. Its anticipated size is of about DKK 3 billion.

Management is in no doubt about the value of merging the activities, and the combined knowledge of the common division is great.

SOLUTIONS DIVISION

Country	Development in revenue	Development in operating profit before impairment of goodwill and special items (EBITA)	Focus
Denmark	Slightly above budget.	Outperformed budget.	Increase capacity.
Norway	Outperformed budget.	On a level with budget.	Maintain EBITA level.
Sweden	Outperformed budget.	Outperformed budget.	Stabilise the positive trend achieved by the company.
Finland	Below budget.	Below budget.	Extraordinary effort to regain former growth and EBITA level.

Revenue and operating profit before impairment of goodwill and special items (EBITA) by markets

	Revenue			Operating profit before impairment of goodwill and special items (EBITA)			EBITA margin		
(DKKm)	Realised 01.01.06-30.06.05	Budget 01.01.06-30.06.06	Realised 01.01.06-30.06.06	Realised 01.01.05-30.06.05	Budget 01.01.06-30.06.06	Realised 01.01.06-30.06.06	Realised 01.01.05-30.06.05	Budget 01.01.06-30.06.06	Realised 01.01.06-30.06.06
Denmark	195	204	206	8	8	10	4.1	3.9	4.9
Norway	72	73	85	4	6	6	5.6	8.2	7.1
Sweden	152	166	174	(5)	7	9	(3.3)	4.2	5.2
Finland	51	54	52	3	3	1	5.9	5.6	1.9
Total	470	497	517	10	24	26	2.1	4.8	5.0
Group	3	3	2	-	-	-	-	-	-
Amortisation of customer relationships	-	-	-	0	0	0	-	-	-
Eliminated items	(41)	(44)	(43)	-	-	-	-	-	-
Net	432	456	476	10	24	26	2.3	5.3	5.5

SHAREHOLDER INFORMATION

Remuneration of Executive Board, contractual matters and incentive programmes

In H1 2006, DKK 6.6 million was paid out to the members of the Executive Board of DSV as remuneration.

Three years ago, a stay agreement was concluded with the members of the Executive Board. This agreement will lapse in October 2006. The Supervisory Board has now renewed the agreement with Kurt K. Larsen for a period of two years.

In the period 2002-2005, the Group issued share options to its Executive Board and employees. The market value of the Group's incentive programmes at 30 June 2006 amounted to DKK 129.1 million, DKK 9.9 million of which constituted the proportion held by members of the Executive Board. The market value is assessed by models based on Black & Scholes.

Latest important stock exchange announcements

28 April 2006 (announcement no. 215)
Minutes of Annual General Meeting

16 May 2006 (announcement no. 221)
DSV's financial calendar for 2006

9 August 2006 (announcement no. 224)
DSV reduces its share capital

Investor teleconference

DSV invites investors, shareholders, analysts and others to participate in an investor teleconference on 23 August 2006 at 11:00 a.m.

At this conference, DSV will present this Interim Announcement. Participants will have ample opportunity to ask questions.

Participants from DSV will be:
Kurt K. Larsen, CEO
Jens H. Lund, CFO

The phone number for the teleconference is +45 70 26 50 40. The conference will be in English. No prior registration is required to attend the teleconference.

Web-based investor teleconference

The teleconference can be viewed directly at the DSV website (www.dsv.dk) or via the Copenhagen Stock Exchange (www.cse.dk). Questions can only be asked by telephone. Please note that Microsoft Media Player is required to view the teleconference. Microsoft Media Player can be downloaded free of charge from both websites. It will be possible to test the line switching at the above websites in the hours before the teleconference.

This Interim Announcement has been forwarded to the Copenhagen Stock Exchange and to the press. It is also available on the Internet at www.dsv.dk. The announcement has been prepared in Danish and in English. In the event of discrepancies, the Danish version shall apply.

Inquiries relating to this Interim Announcement

Questions may be addressed to
Kurt K. Larsen, CEO, tel. +45 43 20 30 40, or
Jens H. Lund, CFO, tel. +45 43 20 30 40

Statement by Supervisory Board and Executive Board

Today, the Supervisory Board and the Executive Board have reviewed and approved the Interim Announcement of DSV A/S for the six months ended 30 June 2006.

The Interim Announcement (unaudited) has been prepared in accordance with the rules on recognition and measurement of the International Financial Reporting Standards (IFRS) as well as additional Danish disclosure requirements of the financial reporting of listed companies.

We consider the accounting policies appropriate and the estimates made acceptable so that the Interim Announcement presents a true and fair view of the assets, equity, liabilities and financial position of the Group at 30 June 2006 as well as the results of the activities and the cash flows of the Group for the six-month period ended 30 June 2006.

Brøndby, 23 August 2006

Executive Board:

Kurt K. Larsen CEO	Jens H. Lund CFO

Supervisory Board:

Palle Flackeberg Chairman	Erik B. Pedersen Deputy Chairman
Kaj Christiansen	Hans Peter Drisdal Hansen
Per Skov	Egon Korsbæk
Leif Tullberg	