



INTERIM FINANCIAL REPORT H1 2012

Company Announcement No. 462

31 July 2012

Selected financial and operating data for the period 1 January – 30 June 2012

DSV continued the positive trend of Q1 2012 and delivered the best H1 results in the history of the Group with an operating profit before special items of DKK 1,242 million for the first six months of 2012, corresponding to EBITA growth of approx. 5%.

- Revenue amounted to DKK 22,191 million (2011: DKK 21,882 million)
- Gross profit came to DKK 5,013 million (2011: DKK 4,872 million), corresponding to a gross margin of 22.6% (2011: 22.3%)
- Operating profit before special items (EBITA) came to DKK 1,242 million (2011: DKK 1,183 million), corresponding to an EBITA margin of 5.6% (2011: 5.4%)
- Special items netted an expense of DKK 251 million relating to the restructuring plan previously announced (2011: DKK 0 million)
- Profit before tax amounted to DKK 835 million (2011: DKK 969 million)
- Profit for the period amounted to DKK 592 million (2011: DKK 703 million)
- Adjusted profit for the period came to DKK 834 million (2011: DKK 750 million)
- Diluted adjusted earnings per share were DKK 4.48 for the period (2011: DKK 3.68) and for the 12 months to 30 June 2012 DKK 8.61 (2010/2011: DKK 6.97)
- Free cash flow amounted to DKK 528 million (2011: DKK 1,079 million)

DSV maintains the previously announced outlook for 2012 described on page 6; however, the effective tax rate for 2012 is expected to be 29.0% as against the previously expected 27.0%.

A separate company announcement about the launch of a new share buy-back programme of DKK 300 million will be issued today.

Inquiries relating to the Interim Financial Report

Questions may be addressed to:

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This announcement is available on the Internet at: www.dsv.com. The announcement has been prepared in Danish and in English. In the event of discrepancies, the Danish version shall apply.

Yours sincerely,
DSV A/S

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Global Transport and Logistics

DSV is a global supplier of transport and logistics services.

DSV has offices in more than 60 countries all over the world and an international network of partners and agents, which makes DSV a truly global player offering services worldwide. By our professional and advantageous overall solutions, the approx. 21,000 DSV employees recorded worldwide annual revenue of 5.9 billion euro for 2011.

www.dsv.com

Financial highlights

	Q2 2011	Q2 2012	YTD 2011	YTD 2012
Income statement (DKKm)				
Revenue	11,089	11,372	21,882	22,191
Gross profit	2,500	2,578	4,872	5,013
Operating profit before amortisation, depreciation and special items (EBITDA)	784	819	1,451	1,509
Operating profit before special items (EBITA)	649	687	1,183	1,242
Special items, net	-	-	-	(251)
Operating profit (EBIT)	649	687	1,183	991
Net financial expenses	107	75	214	156
Profit before tax	542	612	969	835
Profit for the period	390	430	703	592
Adjusted earnings for the period	413	458	750	834
Balance sheet (DKKm)				
Balance sheet total			22,669	23,375
Equity			6,051	5,287
Net working capital			241	96
Net interest-bearing debt			6,018	6,713
Invested capital including goodwill and customer relationships			12,845	12,077
Cash flows (DKKm)				
Operating activities			703	729
Investing activities			376	(201)
Free cash flow			1,079	528
Financial ratios (%)*				
Gross margin	22.5	22.7	22.3	22.6
EBITA margin	5.9	6.0	5.4	5.6
EBIT margin	5.9	6.0	5.4	4.5
EBITA as a percentage of gross profit (conversion ratio)	26.0	26.6	24.3	24.8
Effective tax rate	28.0	29.7	27.4	29.1
ROIC before tax including goodwill and customer relationships (ROIC)			17.9	19.9
ROIC before tax excluding goodwill and customer relationships			57.2	66.5
Return on equity (ROE)			22.0	23.7
Solvency ratio			26.5	22.5
Net interest-bearing debt to EBITDA (financial gearing ratio)			2.1	2.2
Share ratios				
Diluted adjusted earnings per share of DKK 1 for the period	2.05	2.47	3.68	4.48
Diluted adjusted earnings per share of DKK 1 for the last 12 months			6.97	8.61
Earnings per share of DKK 1 for the period	1.93	2.33	3.45	3.20
Earnings per share of DKK 1 for the last 12 months			6.51	7.10
Net asset value per share of DKK 1			30.6	28.8
Number of shares issued at 30 June ('000)			204,000	188,000
Number of shares at 30 June ('000)			196,721	182,693
Average number of shares ('000) for the period			202,113	184,721
Diluted average number of shares ('000) for the period	201,704	185,510	203,925	186,098
Average number of shares ('000) for the last 12 months			202,738	187,978
Diluted average number of shares ('000) for the last 12 months			204,550	189,355
Share price quoted at 30 June			123.30	116.10
Staff				
Number of employees at 30 June			21,405	21,433

*) For a definition of the financial highlights, please see page 79 of the 2011 Annual Report.

Management's commentary

DSV continued the positive trend of Q1 2012 and delivered the best H1 results in the history of the Group with an operating profit before special items of DKK 1,242 million for the first six months of 2012, corresponding to EBITA growth of approx. 5%.

Both the Air & Sea and Road Divisions reported earnings growth despite challenging market conditions with stagnation and declining freight volumes in several markets, especially in Southern Europe, as a result of the economic crisis.

Diluted adjusted earnings per share increased by 22% compared with the same period last year. The increase was attributable to higher earnings and a reduced number of shares as a result of the share buy-backs made.

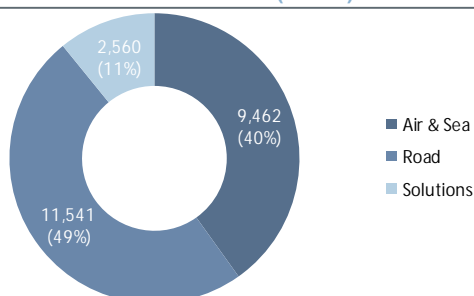
” With EBITA growth of approx. 5% for the first six months of the year, the DSV Group delivered its best H1 results ever.



Revenue

In the first six months of 2012, DSV recorded revenue of DKK 22,191 million as against DKK 21,882 million for the corresponding period of 2011. Adjusted for the acquisition and divestment of activities and for foreign currency translation differences, revenue increased by 0.3%.

REVENUE YEAR-TO-DATE 2012 (DKKm)

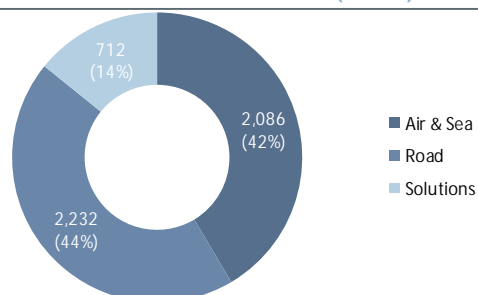


Gross profit

The consolidated gross profit came to DKK 5,013 million for the first six months of the year as against DKK 4,872 million for the same period of 2011, corresponding to organic growth of 1.7%.

The gross profit of the Air & Sea Division grew by 2.9% in the first six months of 2012 despite a slightly lower activity level. The main reason for the increase was a higher average gross profit per shipment. The Road Division also reported an increase in gross profit of 2.9%, mainly as a result of a higher activity level. The gross profit of DSV Solutions decreased slightly as a result of one-off costs related to the implementation of new contracts and a sluggish market in Southern Europe.

GROSS PROFIT YEAR-TO-DATE 2012 (DKKm)



The consolidated gross margin for the period came to 22.6% as against 22.3% for the same period of 2011. The gross margins of the Air & Sea and Road Divisions improved on H1 2011. However, the Solutions Division achieved a lower gross margin for the six-month period under review compared with the same period last year.

Operating profit before special items (EBITA)

The consolidated EBITA came to DKK 1,242 million for the first six months of the year as against DKK 1,183 million for the same period of 2011. Organic growth was 2.6%.

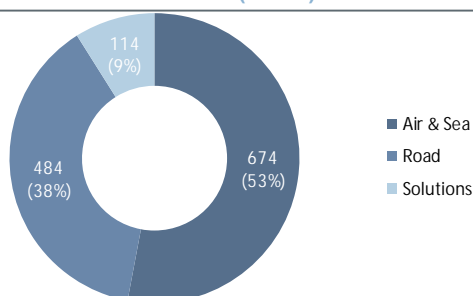
The EBITA margin was 5.6% for the period as against 5.4% for the same period of 2011. The conversion ratio was 24.8% as against 24.3% for the same period of 2011.

The increase in EBITA was attributable to the improved results of the Air & Sea and Road Divisions, whereas the Solutions Division reported a declining EBITA margin.

The initiatives launched in the beginning of the year with the aim to optimise business processes and adjust overheads are progressing as planned, and the restructuring plan is still expected to impact positively in the second half of 2012.

The conversion ratio increased mainly as a result of higher gross profit and the continued focus on the streamlining of business processes and use of IT.

EBITA YEAR-TO-DATE 2012 (DKKm)



When adjusted for amortisation of customer relationships of DKK 54 million and costs related to share-based payments of DKK 19 million, consolidated EBITA came to DKK 1,315 million for the six-month period under review. The corresponding profit for the first six months of 2011 amounted to DKK 1,253 million.

Net financial expenses

Financial expenses netted DKK 156 million for the period as against DKK 214 million for the same period of 2011. Expenses declined because of a lower average interest rate payable on the Group's loans.

Special items, net

Special items netted DKK 251 million for the period and relate to the allocation of a non-recurring expense in connection with the ongoing restructuring plan as described in the 2011 Annual Report.

Profit before tax

Profit before tax came to DKK 835 million for the two quarters of 2012 as against DKK 969 million for the same period of 2011. Profit before tax was negatively affected by special items of DKK 251 million, which were partly counterbalanced by increased EBITA and reduced financial expenses.

Effective tax rate

The effective tax rate was 29.1% for the first six months of 2012 compared with 27.4% for the same period of 2011. The tax rate was affected by isolated internal restructuring initiatives and non-deductible expenses related to the restructuring plan. The expected long-term tax rate is maintained at 27%.

Diluted adjusted earnings per share

Diluted adjusted earnings per share were DKK 4.48 for the first six months of 2012, which is 22% higher than for the same period last year, when diluted adjusted earnings per share came to DKK 3.68.

The 12-month figure to the end of June 2012 was DKK 8.61 per share compared with DKK 6.97 for the same period of 2011, corresponding to an increase of 23.5%.

ORGANIC GROWTH

	Q2 2011	Foreign currency translation adjustments (DKKm)	Acquisitions, net (DKKm)	Organic growth (DKKm)	Organic growth (%)	Q2 2012
Revenue	11,089	152	11	120	1.1%	11,372
Gross profit	2,500	45	(3)	36	1.4%	2,578
EBITA	649	21	-	17	2.5%	687
	YTD 2011					YTD 2012
Revenue	21,882	180	68	61	0.3%	22,191
Gross profit	4,872	59	(1)	83	1.7%	5,013
EBITA	1,183	28	-	31	2.6%	1,242

Balance sheet

The balance sheet stood at DKK 23,375 million at 30 June 2012 as against DKK 22,734 million at 31 December 2011.

Equity

At 30 June 2012, Group equity came to DKK 5,287 million. At 31 December 2011, Group equity was DKK 5,309 million.

The reasons for this development are share buy-backs, the profit for the period, the distribution of dividends and fair value adjustment of hedging instruments.

Ordinary dividends of DKK 190 million were paid in the period under review, corresponding to dividends of DKK 1 per share.

The most recent share buy-back programme (launched on 27 April 2012) of DKK 400 million was completed on 30 July 2012. The Group spent a total amount of DKK 588 million on share buy-backs in the first six months of 2012.

At 30 June 2012, the Company's portfolio of treasury shares amounted to 5,307,350 shares, corresponding to 2.82% of all 188,000,000 shares issued.

The solvency ratio exclusive of non-controlling interests came to 22.5%. This is a decrease on 31 December 2011, when the corresponding ratio was 23.2%. The solvency ratio decreased because the amounts paid to share buy-backs and as dividends exceeded interim profits.

DEVELOPMENT IN EQUITY

(DKKm)	YTD 2011	YTD 2012
Equity at 1 January	6,585	5,309
Profit for the period	703	592
Purchase and sale of treasury shares, net	(1,239)	(430)
Dividends	(105)	(190)
Foreign currency translation adjustments	17	4
Fair value adjustments of interest rate swaps	92	(24)
Other	(2)	26
Equity at 30 June	6,051	5,287

Net working capital

The Group's funds tied up in net working capital came to DKK 96 million at 30 June 2012 compared with DKK 1 million at 31 December 2011. Relative to the expected full-year revenue, the net working capital was 0.2% at 30 June 2012.

The Group's funds tied up in net working capital came to DKK 241 million at 30 June 2011, corresponding to 0.5% of the full-year revenue.

Net interest-bearing debt

Net interest-bearing debt amounted to DKK 6,713 million at 30 June 2012 as against DKK 6,585 million at 31 December 2011.

The Group's long-term credit facilities have a term of 4.0 years and its revolving credit facilities have a term of at least 24 months. Hence, the Group has a solid financial basis to continue its current strategy.

Cash flows

The consolidated cash flow statement for the six-month period ended 30 June 2012, compared with the figures of the same period of 2011, is provided below.

CASH FLOW STATEMENT

(DKKm)	YTD 2011	YTD 2012
Profit before tax for the period	969	835
Change in net working capital, exclusive of changes in provisions for corporation tax and current portion of provisions etc.	(207)	126
Adjustments, non-cash operating items etc.	(59)	(232)
Cash flow from operating activities	703	729
Purchase and sale of intangibles, property, plant and equipment	413	(237)
Acquisition/divestment of subsidiaries and activities	(36)	12
Other	(1)	24
Cash flow from investing activities	376	(201)
Free cash flow	1,079	528
Proceeds from and repayment of short-term and long-term debt	131	191
Transactions with shareholders	(1,257)	(604)
Cash flow from financing activities	(1,126)	(413)
Cash flow for the period	(47)	115

Cash flow from operating activities

Cash flow from operating activities came to DKK 729 million for the first six months of 2012 as against DKK 703 million for the same period of 2011. Cash flow from operating activities was negatively affected by a tax payment following a tax case ruling and payments relating to the ongoing restructuring plan.

Cash flow from investing activities

Cash flow from investing activities amounted to a net outflow of DKK 201 million compared with a net inflow of DKK 376 million for the corresponding period of 2011. The first half of 2011 was positively affected by property transactions.

Free cash flow

Free cash flow for the period amounted to DKK 528 million as against DKK 1,079 million for the same period last year. The development in total free cash flow is in line with expectations.

Cash flow from financing activities

Cash flow from financing activities netted an outflow of DKK 413 million mainly due to the share buy-back schemes and the distribution of dividends.

Invested capital including goodwill and customer relationships

The Group's invested capital including goodwill and customer relationships came to DKK 12,077 million at 30 June 2012 as against DKK 12,845 million at 30 June 2011. The decrease was attributable to improved net working capital.

ROIC including goodwill and customer relationships

Return on invested capital including goodwill and customer relationships was 19.9% for the 12-month period ended 30 June 2012 compared with 17.9% for the corresponding period of 2011. The increase was due to the higher EBITA and the decrease in invested capital.

Impact from seasonality

Seasonality does not have any major impact on the activities of the Group.

Events after the reporting date of the Interim Financial Report

No material events have occurred after the reporting date.

Capital reduction

DSV reduced its share capital on 18 April 2012. The capital reduction was carried out in accordance with the resolution to reduce the share capital by a nominal value of DKK 2,000,000 passed at the Company's Annual General Meeting on 21 March 2012. Subsequently, the share capital of DSV has a nominal value of DKK 188,000,000, corresponding to 188,000,000 shares with a face value of DKK 1 and to 188,000,000 voting rights. The capital reduction was made through the cancellation of 2,000,000 treasury shares.

Following the conclusion of the latest share buy-back programme on 30 July 2012, DSV holds a total of 6,171,578 treasury shares with a face value of DKK 1, corresponding to 3,28% of the total number of shares issued.

Key risks and exposures

Reference is made to the 2011 Annual Report for further information on the risks and exposures of the Group.

As previously announced, similar to other international transport providers DSV has received notifications and inquiries from competition authorities regarding alleged violations of competition law. Some cases have been decided, including two cases as described in Company Announcements Nos. 443 and 445.

Overall, Management believes that the cases will have no material impact on the financial position of the Group.

Outlook for 2012

Except for the expected effective tax rate for the year, DSV maintains the outlook for all of 2012 previously announced. Expectations are as follows:

- Gross profit is expected to be in the range of DKK 10,000-10,500 million
- Operating profit before special items (EBITA) is expected to be in the range of DKK 2,500-2,700 million
- Special items are expected to amount to DKK 250 million
- Net financials are expected to be DKK 300 million
- The effective tax rate of DSV for 2012 is expected to be 29.0% as opposed to 27.0% as previously announced. DSV still expects an effective tax rate of around 27.0% for the coming years.
- Free cash flow adjusted for the acquisition of enterprises is expected to amount to approx. DKK 1,600-1,800 million

Due to the market development in the first half of 2012 and the outlook for the remainder of the year, DSV downgrades its expectations for market volume growth for 2012.

MARKET GROWTH FORECAST – FREIGHT VOLUMES, 2012

	Previous	Adjusted
Sea freight - TEUs	4-5%	3-4%
Air freight - Tonnes	0%	(3-4%)
Road	1-2%	0%
Solutions	1-2%	1-2%

By their nature, the expectations stated above are uncertain and involve various risks. Material factors may influence actual results. Such factors include, but are not limited to, unforeseen developments in economic and political conditions, changes in the demand for DSV services, consolidation in the industry and impact from the acquisition and divestment of enterprises, and other material factors, including interest rate and exchange rate fluctuations. These factors may result in the actual development and results of the Group differing from the expectations set out in this Report.

Air & Sea Division

Activities

The Air & Sea Division specialises in the transportation of cargo by air and sea. The Division has a global network and its primary focus is transportation between the Far East, Europe and Americas. In addition to conventional freight services, the Division also has a Project Department handling major transport projects.

The actual transport operations have been outsourced to sub-contractors.



” Organic EBITA growth was 3% in Q2 2012 compared with the same period of 2011.

INCOME STATEMENT

(DKKm)	Q2 2011	Q2 2012	YTD 2011	YTD 2012
Revenue	4,743	5,048	9,408	9,462
Direct costs	3,723	3,960	7,423	7,376
Gross profit	1,020	1,088	1,985	2,086
Other external expenses	206	224	411	438
Staff costs	436	456	873	909
EBITDA	378	408	701	739
Amortisation, depreciation and impairment of intangibles, property plant and equipment, excluding customer relationships	20	19	39	39
Amortisation and impairment of customer relationships	13	13	26	26
EBITA	345	376	636	674

KEY OPERATING DATA

	Q2 2011	Q2 2012	YTD 2011	YTD 2012
Gross margin (%)	21.5	21.6	21.1	22.0
Conversion ratio (%)	33.8	34.6	32.0	32.3
EBITA margin (%)	7.3	7.4	6.8	7.1
Number of employees at 30 June			6,010	6,016
Total invested capital (DKKm)			6,386	5,960
Net working capital (DKKm)			539	637
ROIC (%)			20.1	22.6

Market development

The global container shipping market was characterised by weak growth in the first six months of 2012, whereas global air freight volumes dropped. Freight volumes still show the most positive development trends in the Asian and South American growth markets, while European imports declined, including in particular Southern European imports.

The performance of the Division relative to the market in Q2 2012 improved on the preceding quarter. The Division still has high focus on initiatives to strengthen the market position of DSV.

Sea freight volumes (TEUs) of the Division dropped by approx. 1% in the six-month period under review compared with the same period last year. The global sea freight market is estimated to have increased by approx. 3-4% in the same period. The Division reported sea freight volume growth of 1% for Q2 2012, while the market in general increased by 3-4%.

Air freight volumes (tonnes) of the Division decreased by approx. 3% in the first six months of 2012 compared with the same period last year. This is estimated to be slightly above the general market development. In Q2 2012, the volume figures reported by the Division dropped by approx. 3%, while the market is estimated to have declined by 4-5%.

The Division has a goal of achieving freight volume growth above the market growth rate and thereby gain market shares. It is also a clear goal that growth must be achieved and market shares must be gained on terms that ensure that new freight volume contribute positively to the results of the Division.

Revenue

Adjusted for the acquisition and divestment of activities and for foreign currency translation differences, revenue decreased by 2.2% in the first six months of 2012 compared with the same period last year. The decrease was primarily a result of reduced volumes and lower average freight rates of shipping companies and airlines in the beginning of the year. Organic growth in revenue was 2.9% in the second quarter of the year, mainly due to increasing sea freight rates in the period.

Gross profit

The Division reported a 2.9% organic growth in gross profit in the first six months of 2012 compared with the same period of 2011. The higher earnings per shipment compared with the same period last year more than counterbalanced the reduced air and sea freight volumes.

Organic gross profit growth was 3.6% in Q2 2012. The increase was still largely due to higher earnings per shipment in both sea and air freight compared with the same period of 2011. From 1 March and throughout the second quarter of the year the shipping companies implemented higher rate increases than ever, and it is very positive to see that the Division maintained a high earnings level per shipment despite these market conditions.

The gross margin of the Air & Sea Division came to 22.0% for the first six months of 2012 as against 21.1% for the corresponding period of 2011. The increase in gross margin was attributable to improved earnings per shipment and the effect of the lower average freight rates in the first quarter of the year.

Operating profit before special items (EBITA)

Organic EBITA growth was 1.7% in the first six months of 2012. This increase was mainly achieved in Q2 2012, when organic growth was 3.0%. In Q2 2012, the Division delivered its best quarterly results ever. This was mainly driven by growth in North America and Asia, while the earnings reported for the European activities were in line with last year despite difficult market conditions, most notably in Southern Europe.

The EBITA margin of the Division was 7.1% for the first six months of 2012 as against 6.8% for the same period last year.

The conversion ratio came to 32.3% for the first half of 2012 as against 32.0% for the corresponding period of 2011.

Net working capital

The Air & Sea Division's funds tied up in net working capital came to DKK 637 million at 30 June 2012 compared with DKK 539 million at 30 June 2011.

ORGANIC GROWTH

	Q2 2011	Foreign currency translation adjustments (DKKm)	Acquisitions, net (DKKm)	Organic growth (DKKm)	Organic growth (%)	Q2 2012
Revenue	4,743	150	11	144	2.9%	5,048
Gross profit	1,020	33	(3)	38	3.6%	1,088
EBITA	345	20	-	11	3.0%	376
	YTD 2011					YTD 2012
Revenue	9,408	195	68	(209)	(2.2%)	9,462
Gross profit	1,985	44	(1)	58	2.9%	2,086
EBITA	636	27	-	11	1.7%	674

AIR & SEA REGIONAL OVERVIEW

(DKKm)	Revenue		Gross profit		EBITA		EBITA margin		Conversion ratio	
	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012
Europe	7,045	6,749	1,271	1,274	332	326	4.7	4.8	26.1	25.6
Asia	1,974	2,181	406	445	177	192	9.0	8.8	43.6	43.1
North America	1,615	1,630	310	358	157	182	9.7	11.2	50.6	50.8
Eliminations, etc.	(1,226)	(1,098)	(2)	9	(30)	(26)	-	-	-	-
Total	9,408	9,462	1,985	2,086	636	674	6.8	7.1	32.0	32.3

RESULTS BY AIR AND SEA FREIGHT

(DKKm)	Sea freight				Air freight			
	Q2 2011	Q2 2012	YTD 2011	YTD 2012	Q2 2011	Q2 2012	YTD 2011	YTD 2012
Revenue	2,651	2,976	5,366	5,523	2,092	2,072	4,042	3,939
Direct costs	2,080	2,356	4,246	4,328	1,643	1,604	3,177	3,048
Gross profit	571	620	1,120	1,195	449	468	865	891
Gross margin (%)	21.5	20.8	20.9	21.6	21.5	22.6	21.4	22.6
Volume (TEUs/Tonnes)	188,870	190,729	369,408	365,436	67,305	65,391	130,408	126,370

Road Division

Activities

The Road Division provides transportation of full, part and groupage loads all over Europe. The transportation services are mainly provided within DSV's own network, the Division being represented in 32 countries in Europe. The actual transport operations have been outsourced to sub-contractors to a predominant extent.



” Organic EBITA growth was 13.9% in H1 2012 compared with the same period of 2011.

INCOME STATEMENT

(DKKm)	Q2 2011	Q2 2012	YTD 2011	YTD 2012
Revenue	5,815	5,756	11,409	11,541
Direct costs	4,695	4,623	9,242	9,309
Gross profit	1,120	1,133	2,167	2,232
Other external expenses	258	257	504	523
Staff costs	579	578	1,160	1,154
EBITDA	283	298	503	555
Amortisation, depreciation and impairment of intangibles, property plant and equipment, excluding customer relationships	34	29	71	62
Amortisation and impairment of customer relationships	4	5	8	9
EBITA	245	264	424	484

KEY OPERATING DATA

	Q2 2011	Q2 2012	YTD 2011	YTD 2012
Gross margin (%)	19.3	19.7	19.0	19.3
Conversion ratio (%)	21.9	23.3	19.6	21.7
EBITA margin (%)	4.2	4.6	3.7	4.2
Number of employees at 30 June			9,731	9,616
Total invested capital (DKKm)			3,916	3,903
Net working capital (DKKm)			(210)	(467)
ROIC (%)			20.4	22.9

Market development

The development in the European market is still characterised by regional differences; most of Southern Europe experiencing declining freight volumes whereas the development in Northern and Eastern Europe has shown more positive trends. Most European markets saw a more feeble development in Q2 than in the first quarter of the year.

Road freight volumes (measured by consignments) increased by approx. 2% in the first six months of 2012 compared with the same period last year. The market in general is estimated to have dropped by 1-2% in the same period. In Q2 2012, the volume figures reported by the Division increased by approx. 1%, while the market is estimated to have declined by approx. 1-2%.

Overall, Management estimates that the Road Division has thus managed to gain market shares in most markets.

Revenue

The Road Division delivered organic revenue growth of 1.2% in the six-month period under review compared with the same period of 2011. The increase was mainly due to higher freight volumes.

In the second quarter of the year, revenue dropped by 1.2%, mainly as a result of a change in product mix. The Division achieved growth in the national distribution segment, where revenue per consignment is lower than for international transports.

Gross profit

The Division achieved organic gross profit growth of 2.9% in the first half of 2012 compared with the same period last year.

The increase was partly a result of higher freight volumes and partly the improved average earnings per consignment achieved by the Division. This improvement is a result of the Division's continued efforts to optimise the procurement and planning of transports with the aim to maximise the utilisation of transport equipment and terminals. Moreover, the Division has terminated a few non-profitable customer contracts or increased prices to make the contracts profitable.

The gross margin of the Division was 19.3% for the period under review as against 19.0% for the same period last year.

Operating profit before special items (EBITA)

Organic EBITA growth was 13.9% in H1 2012 compared with the same period of 2011. In Q2 2012, organic EBITA growth was 7.8%.

The Division's EBITA margin for the period was 4.2% as against 3.7% for the corresponding period of 2011.

The conversion ratio was 21.7% for the period as against 19.6% for the same period of 2011.

The Road Division has high focus on business process optimisation and adjustment of overheads, which is reflected in the continued improvement in productivity and thus a higher conversion ratio. This is an ongoing process, which is also an element of the Operational Excellence Project.

Net working capital

The Road Division's funds tied up in net working capital came to a negative DKK 467 million at 30 June 2012 compared with a negative DKK 210 million at 30 June 2011.

ORGANIC GROWTH

	Q2 2011	Foreign currency translation adjustments (DKKm)	Acquisitions, net (DKKm)	Organic growth (DKKm)	Organic growth (%)	Q2 2012
Revenue	5,815	10	-	(69)	(1.2%)	5,756
Gross profit	1,120	2	-	11	1.0%	1,133
EBITA	245	-	-	19	7.8%	264
	YTD 2011					YTD 2012
Revenue	11,409	(4)	-	136	1.2%	11,541
Gross profit	2,167	3	-	62	2.9%	2,232
EBITA	424	1	-	59	13.9%	484

Solutions Division

Activities

The activities of the Solutions Division are logistics solutions, including freight management, outsourcing of warehousing and customs clearance, distribution and a wide range of services related to customers' supply chains. These services mainly cater for large industrial companies within branded products.



” EBITA was DKK 114 million for H1 2012 as against DKK 134 million for the same period of 2011.

INCOME STATEMENT

(DKKm)	Q2 2011	Q2 2012	YTD 2011	YTD 2012
Revenue	1,259	1,275	2,507	2,560
Direct costs	887	914	1,766	1,848
Gross profit	372	361	741	712
Other external expenses	141	124	275	247
Staff costs	128	141	259	279
EBITDA	103	96	207	186
Amortisation, depreciation and impairment of intangibles, property plant and equipment, excluding customer relationships	29	28	55	54
Amortisation and impairment of customer relationships	9	9	18	18
EBITA	65	59	134	114

KEY OPERATING DATA

	Q2 2011	Q2 2012	YTD 2011	YTD 2012
Gross margin (%)	29.5	28.3	29.6	27.8
Conversion ratio (%)	17.5	16.3	18.1	16.0
EBITA margin (%)	5.2	4.6	5.3	4.5
Number of employees at 30 June			5,319	5,405
Total invested capital (DKKm)			2,347	1,991
Net working capital (DKKm)			153	121
ROIC (%)			11.0	11.9

Market development

The markets of the Division were impacted by the weak economic development, particularly in Southern Europe, in the first six months of 2012. Overall, the logistics services market grew slightly, but was still affected by surplus capacity in several areas, leading to price pressure in connection with the renegotiation of contracts.

The trade volumes of the Division (measured by order lines) rose by approx. 2% in H1 2012 compared with the same period last year. The European market in general is estimated to have increased by approx. 1-2% compared with the same period last year. In Q2 2012, the volume figures reported by the Division increased by approx. 1%, which is estimated to be in line with the market growth rate.

Revenue

The Solutions Division achieved a 2.0% organic growth in revenue in the first six months of 2012 compared with the same period of 2011. Organic growth was 1.0% for Q2 2012. The increase was primarily driven by a higher activity level in markets where the Division has won new contracts, counterbalancing the effects of declining activity levels in Southern Europe, particularly in Italy, which is an important market for the Division.

Gross profit

The gross profit of the Solutions Division was DKK 712 million for the period as against DKK 741 million for the same period of

2011, corresponding to a 4.0% decline. For Q2 2012, the gross profit dropped by 3.2% on Q2 2011. Gross profit was affected by costs in connection with the implementation of new customers and combination of facilities. These costs were lower in Q2 2012 than in the preceding quarter of the year.

The gross margin of the Solutions Division came to 27.8% for the period as against 29.6% for the same period last year.

Operating profit before special items (EBITA)

EBITA was DKK 114 million for H1 2012 as against DKK 134 million for the same period of 2011, corresponding to a decline of 14.9%. For Q2 2012, EBITA dropped by 9.2%. The main reason for the decrease was the reduced gross profit.

The EBITA margin of the Division was 4.5% for the first six months of 2012 as against 5.3% for the same period last year.

The conversion ratio came to 16.0% for the first half of 2012 as against 18.1% for the corresponding period of 2011.

A new Managing Director was appointed for the Division in the second quarter of the year. The new management is expected to continue and strengthen the development of the Division.

Net working capital

The Solutions Division's funds tied up in net working capital came to DKK 121 million at 30 June 2012 compared with DKK 153 million at 30 June 2011.

ORGANIC GROWTH

	Q2 2011	Foreign currency translation adjustments (DKKm)	Acquisitions, net (DKKm)	Organic growth (DKKm)	Organic growth (%)	Q2 2012
Revenue	1,259	3	-	13	1.0%	1,275
Gross profit	372	1	-	(12)	(3.2%)	361
EBITA	65	-	-	(6)	(9.2%)	59
	YTD 2011					YTD 2012
Revenue	2,507	3	-	50	2.0%	2,560
Gross profit	741	1	-	(30)	(4.0%)	712
EBITA	134	-	-	(20)	(14.9%)	114

Accounting policies and Management's statement

Accounting policies

The Interim Financial Report has been presented in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union and Danish disclosure requirements for listed companies.

Except as stated below, the accounting policies applied are consistent with those applied in the 2011 consolidated financial statements. The 2011 consolidated financial statements provide a full description of the accounting policies applied.

DSV A/S has implemented the standards and interpretations that are effective for the financial year of 2012. None of these standards and interpretations had any impact on the recognition and measurement for 2012 and are not expected to impact on DSV A/S.

Accounting estimates and judgements

For the preparation of the Interim Financial Report, Management makes various accounting estimates and judgements that affect the application of accounting policies and the recognition of assets, liabilities and income and expense items. Actual operating results may deviate from such estimates.

Critical accounting estimates and judgements are consistent with those applied in the 2011 consolidated financial statements.

Financial calendar

The financial calendar for the remainder of 2012 is as follows:

FINANCIAL CALENDAR

Stock exchange announcement	Date	Start of quiet period
Q3 2012 Report	25 October 2012	28 September 2012

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today considered and adopted the Interim Financial Report of DSV A/S for the six-month period ended 30 June 2012.

The Interim Financial Report, which has not been audited or reviewed by the Company auditor, has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union and Danish disclosure requirements for interim financial reports of listed companies.

In our opinion, the Interim Financial Report gives a true and fair view of the DSV Group's assets, equity, liabilities and financial position at 30 June 2012 and of the results of the Group's activities and the cash flow for the six-month period ended 30 June 2012.

We also find that the Management's commentary provides a fair statement of developments in the activities and financial situation of the Group, financial results for the period, the general financial position of the Group and a description of the major risks and elements of uncertainty faced by the Group.

Brøndby, 31 July 2012

Executive Board

Jens Bjørn Andersen
CEO

Jens H. Lund
CFO

Board of Directors

Kurt K. Larsen
Chairman

Erik B. Pedersen
Deputy Chairman

Kaj Christiansen

Annette Sadolin

Birgit W. Nørgaard

Thomas Plenborg

Interim Financial Statements

INCOME STATEMENT

(DKKm)	Q2 2011	Q2 2012	YTD 2011	YTD 2012
Revenue	11,089	11,372	21,882	22,191
Direct costs	8,589	8,794	17,010	17,178
Gross profit	2,500	2,578	4,872	5,013
Other external expenses	510	521	1,011	1,036
Staff costs	1,206	1,238	2,410	2,468
Operating profit before amortisation, depreciation and special items (EBITDA)	784	819	1,451	1,509
Amortisation, depreciation and impairment of intangibles, property plant and equipment	135	132	268	267
Operating profit before special items (EBITA)	649	687	1,183	1,242
Special items, net	-	-	-	(251)
Operating profit (EBIT)	649	687	1,183	991
Share of associates' profit net of tax	-	(1)	1	3
Financial income	31	24	56	50
Financial expenses	138	98	271	209
Profit before tax	542	612	969	835
Tax on profit for the period	152	182	266	243
Profit for the period	390	430	703	592
Profit for the period is attributable to:				
Shareholders of DSV A/S	386	430	697	591
Non-controlling interests	4	-	6	1
Earnings per share:				
Earnings per share of DKK 1 for the period (DKK)	1.93	2.33	3.45	3.20
Diluted earnings per share of DKK 1 for the period (DKK)	1.91	2.32	3.42	3.18

STATEMENT OF COMPREHENSIVE INCOME

(DKKm)	Q2 2011	Q2 2012	YTD 2011	YTD 2012
Profit for the period	390	430	703	592
Foreign currency translation adjustments, foreign enterprises	36	(6)	17	4
Fair value adjustments relating to hedging instruments	(23)	(35)	63	(51)
Fair value adjustments relating to hedging instruments transferred to financial expenses	16	14	29	27
Tax on other comprehensive income	1	6	(20)	6
Other comprehensive income net of tax	30	(21)	89	(14)
Total comprehensive income	420	409	792	578
Statement of comprehensive income is allocated to:				
Shareholders of DSV A/S	416	409	788	577
Non-controlling interests	4	-	4	1
Total	420	409	792	578

BALANCE SHEET, ASSETS

(DKKm)	30.06.2011	31.12.2011	30.06.2012
Intangibles	8,713	8,683	8,644
Property, plant and equipment	4,311	4,503	4,546
Investments in associates	21	26	25
Other securities and receivables	132	144	128
Deferred tax asset	461	430	434
Total non-current assets	13,638	13,786	13,777
Trade and other receivables	8,614	8,565	9,151
Cash and cash equivalents	387	367	432
Assets held for sale	30	16	15
Total current assets	9,031	8,948	9,598
Total assets	22,669	22,734	23,375

BALANCE SHEET, EQUITY AND LIABILITIES

(DKKm)	30.06.2011	31.12.2011	30.06.2012
Share capital	204	190	188
Reserves	5,810	5,089	5,068
DSV A/S shareholders' share of equity	6,014	5,279	5,256
Non-controlling interests	37	30	31
Total equity	6,051	5,309	5,287
Deferred tax	564	527	472
Pensions and similar obligations	855	975	979
Provisions	391	391	422
Financial liabilities	5,614	6,091	6,086
Total non-current liabilities	7,424	7,984	7,959
Provisions	184	215	274
Financial liabilities	791	861	1,059
Trade and other payables	7,957	7,938	8,649
Corporation tax	262	427	147
Total current liabilities	9,194	9,441	10,129
Total liabilities	16,618	17,425	18,088
Total equity and liabilities	22,669	22,734	23,375

CASH FLOW STATEMENT

(DKKm)	YTD 2011	YTD 2012
Profit before tax for the period	969	835
Adjustment, non-cash operating items etc.:		
Amortisation, depreciation and impairment losses	268	267
Share-based payments	16	19
Special items	-	8
Changes in provisions	(72)	82
Share of associates' profit net of tax	(1)	(3)
Financial income	(56)	(50)
Financial expenses	271	208
Cash flow from operating activities before change in net working capital	1,395	1,366
Change in net working capital, exclusive of changes in provisions for corporation tax and current portion of provisions etc.	(207)	126
Financial income, paid	56	50
Financial expenses, paid	(271)	(232)
Corporation tax, paid	(270)	(581)
Cash flow from operating activities	703	729
Acquisition of intangibles	(43)	(57)
Acquisition of property, plant and equipment	(182)	(221)
Sale of property, plant and equipment	638	41
Divestment of subsidiaries/activities	-	12
Acquisition of subsidiaries/activities	(36)	-
Changes in other financial assets	(1)	24
Cash flow from investing activities	376	(201)
Free cash flow	1,079	528
Proceeds from non-current liabilities incurred/paid, net	544	221
Other financial liabilities incurred	(413)	(30)
Shareholders		
Dividends distributed	(105)	(190)
Purchase and sale of treasury shares, net	(1,153)	(419)
Other transactions with shareholders	1	5
Cash flow from financing activities	(1,126)	(413)
Cash flow for the period	(47)	115
Cash at 1 January	363	367
Cash flow for the period	(47)	115
Foreign currency translation adjustments	71	(50)
Cash at 30 June	387	432

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

STATEMENT OF CHANGES IN EQUITY – 1 JANUARY - 30 JUNE 2011

(DKKm)	Share capital	Hedging reserve	Translation reserve	Retained earnings	Dividends	DSV A/S shareholders' share of equity	Non-controlling interests	Total equity
Equity at 1 January 2011	209	(110)	66	6,279	105	6,549	36	6,585
Profit for the period	-	-	-	697	-	697	6	703
Foreign currency translation adjustments, foreign enterprises	-	-	19	-	-	19	(2)	17
Fair value adjustments for the period relating to hedging instruments	-	63	-	-	-	63	-	63
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	29	-	-	-	29	-	29
Tax on other comprehensive income	-	(20)	-	-	-	(20)	-	(20)
Total comprehensive income	-	72	19	-	-	91	(2)	89
Total comprehensive income for the period	-	72	19	697	-	788	4	792
Transactions with owners:								
Share-based payments	-	-	-	16	-	16	-	16
Dividends distributed	-	-	-	-	(105)	(105)	(3)	(108)
Purchase and sale of treasury shares, net	-	-	-	(1,239)	-	(1,239)	-	(1,239)
Capital reduction	(5)	-	-	5	-	-	-	-
Other adjustments	-	-	-	4	-	4	-	4
Tax on transactions with owners:	-	-	-	1	-	1	-	1
Total transactions with owners	(5)	-	-	(1,213)	(105)	(1,323)	(3)	(1,326)
Equity at 30 June 2011	204	(38)	85	5,763	-	6,014	37	6,051

STATEMENT OF CHANGES IN EQUITY – 1 JANUARY - 30 JUNE 2012

(DKKm)	Share capital	Hedging reserve	Translation reserve	Retained earnings	Dividends	DSV A/S shareholders' share of equity	Non-controlling interests	Total equity
Equity at 1 January 2012	190	(106)	58	5,032	105	5,279	30	5,309
Profit for the period	-	-	-	591	-	591	1	592
Foreign currency translation adjustments, foreign enterprises	-	-	4	-	-	4	-	4
Fair value adjustments for the period relating to hedging instruments	-	(51)	-	-	-	(51)	-	(51)
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	27	-	-	-	27	-	27
Tax on other comprehensive income	-	6	-	-	-	6	-	6
Total comprehensive income	-	(18)	4	-	-	(14)	-	(14)
Total comprehensive income for the period	-	(18)	4	591	-	577	1	578
Transactions with owners:								
Share-based payments	-	-	-	19	-	19	-	19
Dividends distributed	-	-	-	-	(190)	(190)	-	(190)
Purchase and sale of treasury shares, net	-	-	-	(430)	-	(430)	-	(430)
Other adjustments	-	-	-	(86)	85	(1)	-	(1)
Capital reduction	(2)	-	-	2	-	-	-	-
Dividends, treasury shares	-	-	-	5	-	5	-	5
Tax on transactions with owners	-	-	-	(3)	-	(3)	-	(3)
Total transactions with owners	(2)	-	-	(493)	(105)	(600)	-	(600)
Equity at 30 June 2012	188	(124)	62	5,130	-	5,256	31	5,287

SEGMENT INFORMATION – ACTIVITIES

Condensed income statement (DKKm)	Air & Sea Division		Road Division		Solutions Division		Parent		Other activities, non-allocated items and eliminations		Total	
	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012
Revenue	9.408	9.462	11.409	11.541	2.507	2.560	228	237	-	49	23.552	23.849
Intercompany revenue	(433)	(374)	(827)	(856)	(182)	(160)	(228)	(237)	3	(31)	(1.670)	(1.658)
Revenue	8.975	9.088	10.582	10.685	2.325	2.400	-	-	3	18	21.882	22.191
Gross profit	1.985	2.086	2.167	2.232	741	712	(21)	-	(248)	(17)	4.872	5.013
Operating profit before special items (EBITA)	636	674	424	484	134	114	(19)	(34)	8	4	1.183	1.242
Profit (loss) before tax (EBT)	636	674	424	484	134	114	(19)	(34)	(206)	(403)	969	835
Total assets	12.919	13.137	10.213	12.138	4.276	3.705	17.171	17.842	(21.910)	(23.447)	22.669	23.375

KEY OPERATING DATA

	Air & Sea Division		Road Division		Solutions Division		Parent		Other activities, non-allocated items and eliminations		Total	
	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012	YTD 2011	YTD 2012
Gross margin	21,1%	22,0%	19,0%	19,3%	29,6%	27,8%	-	-	-	-	22,3%	22,6%
EBITA margin	6,8%	7,1%	3,7%	4,2%	5,3%	4,5%	-	-	-	-	5,4%	5,6%
Conversion ratio	32,0%	32,3%	19,6%	21,7%	18,1%	16,0%	-	-	-	-	24,3%	24,8%