

Financial calendar 2020

Annual General Meeting

18 March 2020 at 14.00
Scandic Falkoner
Falkoner Alle 9
2000 Frederiksberg
Denmark

Reporting 2020

7 May
Q1 report 2020

12 August
Q2 report 2020

12 November
Q3 report 2020

DFDS A/S

Sundkrogsgade 11
DK-2100 Copenhagen Ø

Tel. +45 3342 3342
Fax. +45 3342 3311

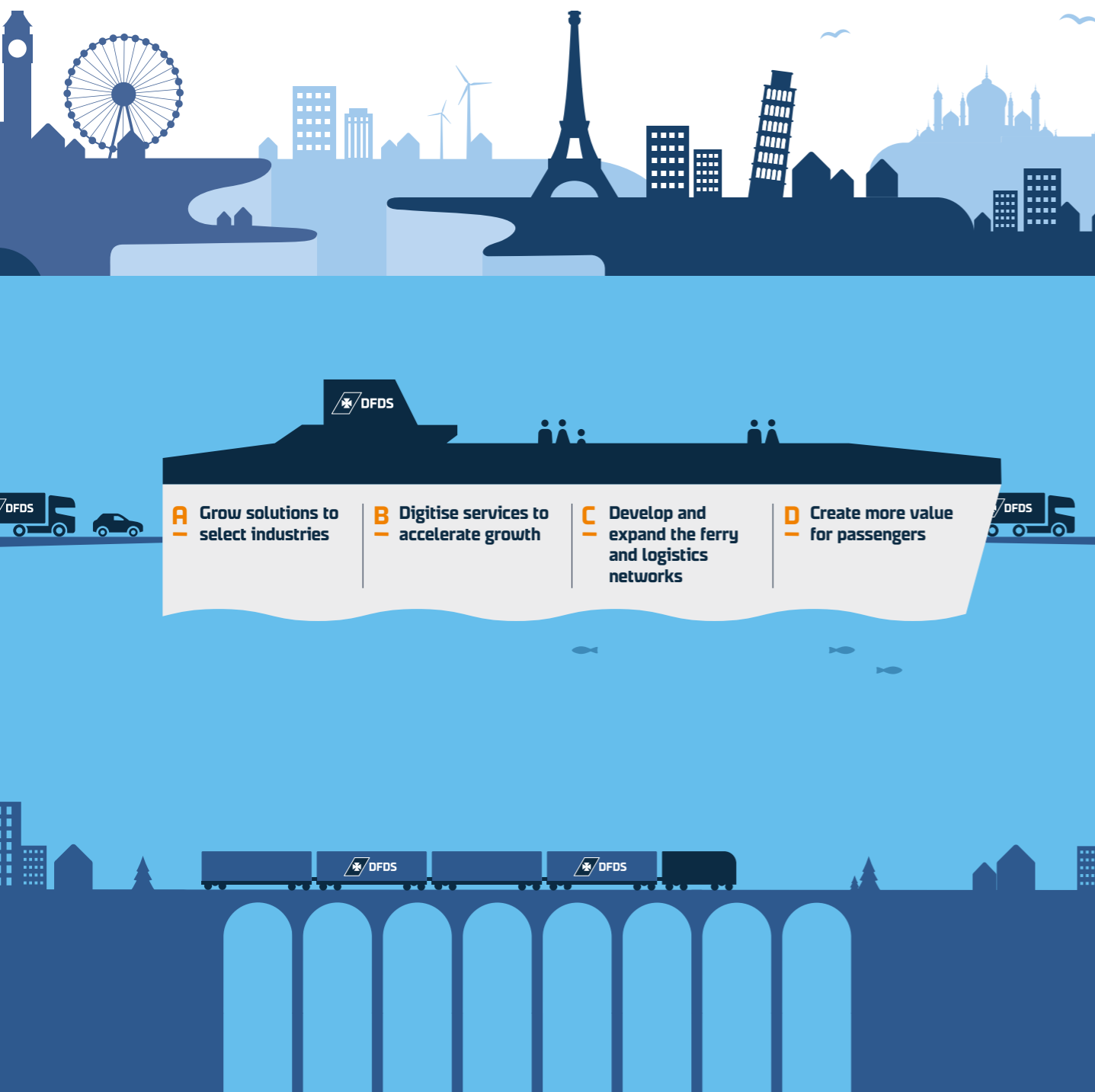
www.dfds.com

CVR 14 19 47 11

Addresses of DFDS' subsidiaries, locations
and offices are available from www.dfds.com

Annual Review 2019

Our Win23 strategy

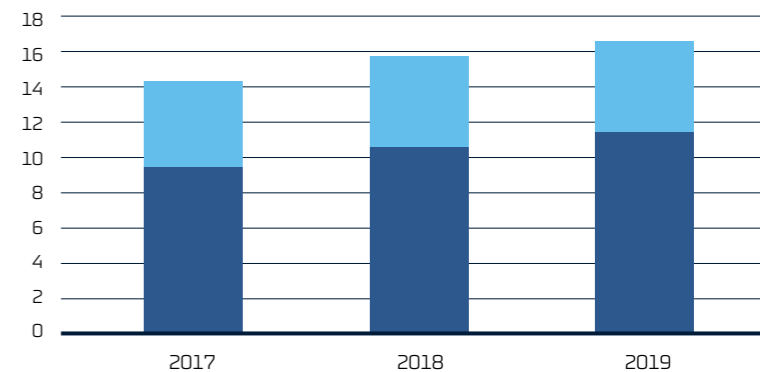


Key results 2019

Revenue up **6%**
to DKK 16.6bn

Revenue per division

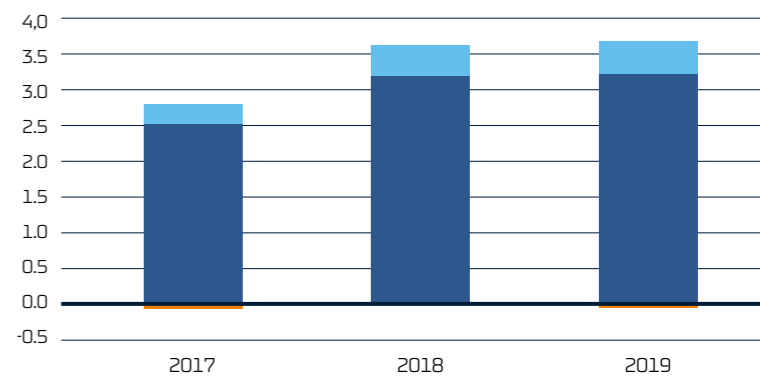
DKK bn



EBITDA¹ up **1%**
to DKK 3.6bn

EBITDA per division before special items¹

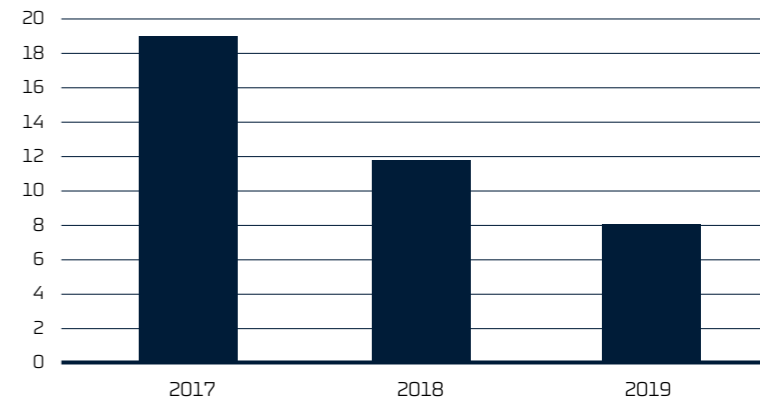
DKK bn



Return on invested capital¹ after tax of **8%**

Return on invested capital (ROIC)¹

%



- Logistics Division
- Ferry Division
- Non-allocated items
- DFDS Group

¹ Before special items

Comparison figures for 2018 are restated according to IFRS 16 on a pro forma and unaudited basis in text, tables with figures and graphs throughout this report, except for page 28. 2017 is not restated.

Strategy and Management well prepared for 2020 – and Win23

2019 was a challenging year for DFDS as Torben Carlsen will elaborate on in his CEO letter. Brexit in UK and the recession in Turkey both demanded extraordinary attention and efforts.

A change of CEO is always a key event. Torben Carlsen, previously DFDS' CFO, was appointed new CEO to succeed Niels Smedegaard who stepped down after 12 successful years in April 2019. As a direct consequence, Karina Deacon was appointed new CFO and member of the Executive Board in July 2019 joining DFDS on 1 January 2020.

An important milestone and a second key event of 2019 was the launch in June 2019 of the Win23 strategy setting new strategic and financial ambitions for 2023. The strategic intent of Win23 is clear: To leverage DFDS' infrastructure of ferry routes and the logistics network to achieve growth above the moderate European outlook we foresee today.

To align competences with the demands of the new strategy, the Executive Management Team was expanded from five to six members as an EVP of IT/Digital was added to the team and new EVPs for Logistics Division and People came on board. Important management changes were also made at business unit and activity levels.

Multiple layers of DFDS' top management have thus been revitalised in a process that has balanced continuity with new perspectives and competences. The Board of Directors saw additional expertise in the logistics area added as Dirk Reich replaced Jørgen Jensen.

The ambitions of Win23 are significant, yet fully aligned with the capabilities of the renewed management team.

Corporate Social Responsibility (CSR)

The interest in sustainability from stakeholders, not least in our environmental footprint, continued to grow in 2019. In response to the call for climate action and the increased interest, a new CSR strategy and organisation was launched at the beginning of 2019. This, amongst many initiatives, includes an investment in a biofuel developer and a large-scale collaboration project to achieve net zero emissions. Safety remains a prevailing priority safeguarding our people and assets and forming an integral part of our strategy of Being a Caring Employer.

Capital structure

Following substantial investments in 2018 and 2019, DFDS' financial leverage is set to decrease in 2020. The Board of Directors, continuously assess the capital structure to carefully balance the spending of cash on value creating investments and distribution to shareholders. To the Annual General Meeting in March 2020, the Board of Directors proposes a dividend of DKK 4.00 per share.

Looking ahead

Whereas the market situation in Turkey seems to show signs of improvements, the negotiation strategy for the Brexit trade deal chosen by UK seems likely to extend the uncertainty that weakened trade in 2019. A key challenge will be to adapt to a possible further weakening in 2020.

With a resilient strategy and a strong management team in place, the Board and I nevertheless have great expectations to 2020. I thank all shareholders for your commitment, and I thank Management and the entire organisation for delivering yet another strong result in the demanding year of 2019.

Claus V. Hemmingsen

Chair of DFDS





High ambitions

2019 turned out to be a tougher year than anticipated as Brexit led to a considerable slowdown in both freight and passenger volumes on our ferry routes between UK and Europe.

We also faced headwind on our Mediterranean routes as Turkey's economy went through a recession in 2019.

Faced with this headwind, the resilience of our employees as well as our combined ferry and logistics network was validated by an increase in operating profit (EBITDA) of 1% to DKK 3.6bn in 2019.

Win23 – new ambitious strategy launched

A key event of 2019 was the launch of our Win23 strategy that includes an ambition to reach an EBITDA of DKK 5.5bn in 2023. This ambition exceeds the modest market growth we foresee in Europe and, therefore, our strategy is to leverage the reach and strength of our network to do more for customers and to raise efficiency.

Looking ahead

While it's up to us to deliver on the strategic initiatives of Win23, the underlying volume growth in our network also reflects external factors such as the development in consumption, manufacturing and trade in our markets.

What will 2020 bring? Will uncertainty persist until a trade agreement between UK and Europe is completed or will the new political clarity in UK fuel a pick-up in activity and investments?

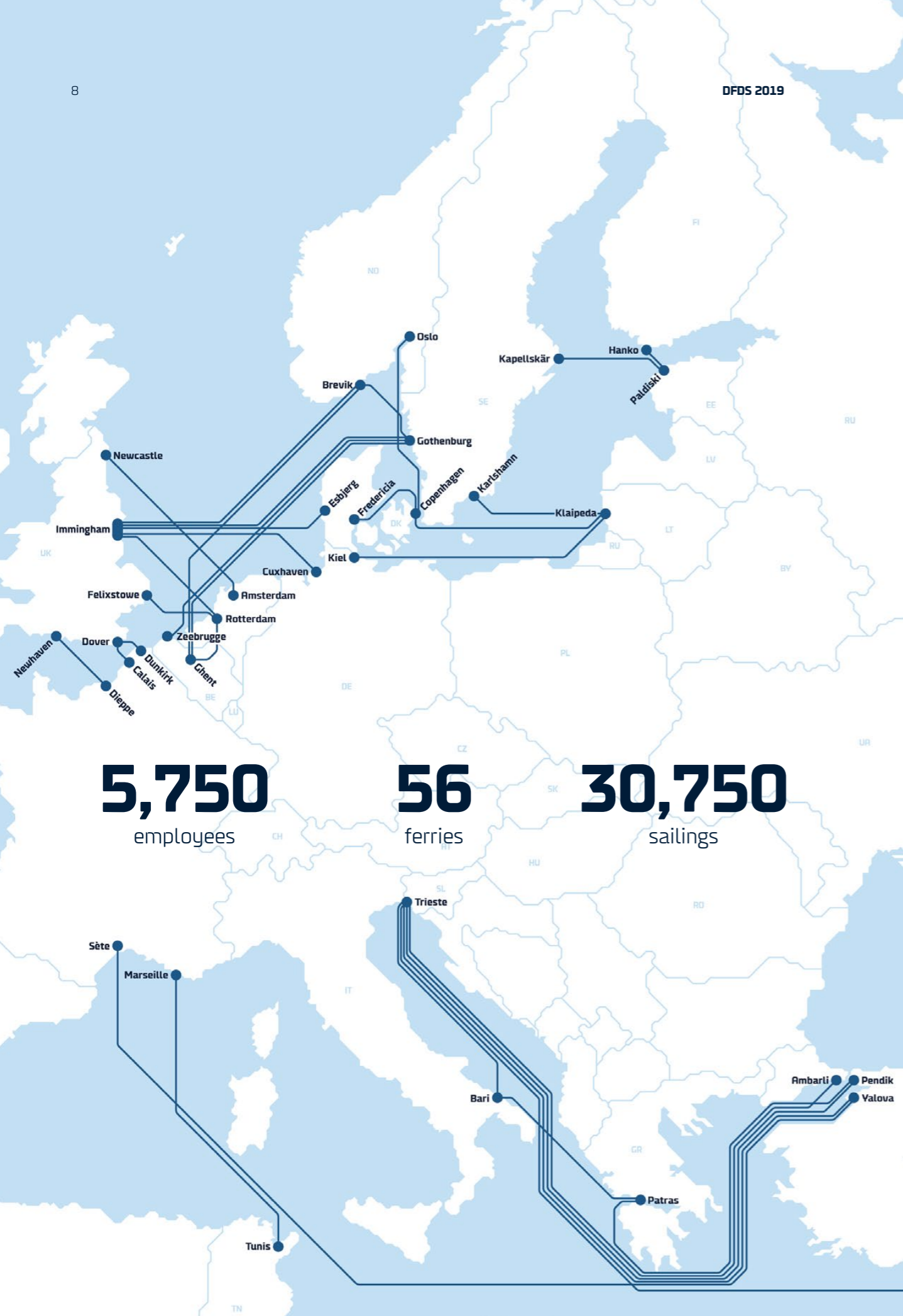
As an infrastructure provider of ferry routes – around half of which link UK to Europe – our volumes mirror activity levels in the regions we connect. As it is uncertain which UK trade scenario will prevail in 2020, we initially adopt a cautious stance on volume growth in our outlook in this part of the network.

The global need for climate action is prompting more requests from customers, employees and shareholders about our footprint. We welcome the increased interest and will continue our focus on the sustainability of our business model. Let me here highlight two key targets: For greenhouse gas (GHG) emissions, we target a 45% reduction in 2030 which is more ambitious than IMO's (International Maritime Organisation) target of a 40% reduction. On gender diversity, we have set a target of 30% minority representation by 2023. More information on our approach to sustainability is available in our CSR Report: www.dfds.com/en/about/group/responsibility.

It is full steam ahead for Win23 in 2020. By year-end I expect considerable progress to have been made in all four pillars of the strategy, not least improved operational efficiency and earnings in Mediterranean.

Torben Carlsen

President and CEO



5,750
employees

56
ferries

30,750
sailings

Ferry Division

Head of division
Peder Gellert Pedersen

Share of DFDS Group revenue 2019
69%

Business areas
- North Sea
- Baltic Sea
- Channel
- Mediterranean
- Passenger

Revenue up 8% to DKK 12.0bn

EBIT before special items down 9% to DKK 1.7bn

ROIC before special items of 9%

- Brexit lowered UK trade volumes with largest impact on Channel's result
- Fast Mediterranean capacity ramp-up delivered growth but at reduced margins

Ferry Division's revenue increased 8% to DKK 12,006m compared to 2018. The increase was driven by the full-year impact of the acquisition of U.N. Ro-Ro and the addition of a new, major customer at the beginning of 2019 in the Mediterranean route network. EBIT before special items decreased 9% to DKK 1,701m and after special items EBIT decreased 12%.

The return on invested capital, ROIC, before special items decreased to 8.7% in 2019 from 12.4% in 2018 due to the full-year impact of the acquisition of U.N. Ro-Ro and a negative earnings impact as uncertainty linked to Brexit lowered UK freight and passenger volumes. Average invested capital increased 31% to DKK 19,318m compared to 2018.

North Sea

Revenue increased 1% to DKK 3,777m compared to 2018 and EBIT before special items decreased 3% to DKK 675m.

Freight volumes decreased 5% in 2019 adjusted for the opening of a new route between Gothenburg and Zeebrugge in June 2019. The volume decrease was caused by uncertainty linked to Brexit. Q1 volumes were boosted by stockpiling ahead of a potential Brexit date end March. In the following three quarters uncertainty about the Brexit process and outcome led to a downturn in trade between UK and the rest of Europe, and hence lower freight ferry volumes, as some manufacturers and consumers adopted a wait-and-see approach.

Ahead of the potential Brexit date of end March 2019, a six-month agreement was entered into with the UK Department for Transport regarding supply of freight ferry capacity, port terminal space and transport of critical goods to UK. The agreement partly mitigated the loss of volumes in Q2 and Q3.

Baltic Sea

Revenue decreased 2% to DKK 1,472m compared to 2018 but was on level with 2018 when adjusted for the decrease in capacity between Germany and Russia during the year. The route was operated as a space charter agreement and closed in April 2019. EBIT before special items decreased 5% to DKK 345m.

Freight volumes were up 2% compared to 2018 adjusted for the closure of the route mentioned above. There was some headwind from trading conditions during the year as a low SEK weakened imports to Sweden and activity in Germany slowed. There was an increase of capacity and competition between Sweden and Lithuania during the year which is expected to continue in 2020.

Passenger volumes increased 9% in 2019 driven by a positive contribution from all routes, especially between Germany and Lithuania.

Channel

Revenue decreased 4% to DKK 2,678m compared to 2018 and EBIT before special items decreased 32% to DKK 268m.

Freight volumes decreased 3% and passenger volumes decreased 9% compared to 2018. The trading pattern of freight volumes mirrored the North Sea volumes with an initial boost in Q1 followed by a downturn in the following three quarters.

The decrease in passenger volumes was higher than the 5% decrease in the total market. Remedies to the sales strategy, however, improved the market share in the second half of the year and through the year more effective pricing models and enhanced yield management improved pricing.

Mediterranean

2019 includes a full-year impact of the acquisition of U. N. Ro-Ro effective from June 2018

Revenue increased 94% to DKK 2,179m in 2019 and EBIT before special items increased 27% to DKK 231m.

Freight volumes increased 98% in 2019 driven by the full-year impact mentioned above and a new, major customer agreement with a leading Turkish logistics provider. The volume growth was, however, below expectations for the year as Turkey went through a longer than expected recession in 2019 triggered by the extraordinary depreciation of TRY at the beginning of August 2018.

In addition to the recession, the operating margin was reduced by a fast ramp-up of route and port terminal capacity to handle volumes from the new customer agreement. The initial ramp-up between Turkey and Italy, as well the addition of a new route to France in July 2019, had resulted in more operational complexity that was remedied by a restruc-

turing of the route network started in October 2019. The ramp-up also included deployment of two new mega freight ferries.

Mediterranean's result is expected to improve in 2020 based on expectations of higher growth in the Turkish economy in 2020 and the operational improvements expected to be completed in Q2 2020.

Passenger

Revenue decreased 1% to DKK 1,709m compared to 2018 and EBIT before special items decreased 49% to DKK 59m.

Passenger volumes decreased 1% as capacity on the Amsterdam-Newcastle route was reduced due to redeployment of one ferry to the Baltic Sea in Q1 2019. Adjusted for the capacity reduction, activity levels improved on two of the three main markets, Netherlands and Germany, helped by a low GBP while the UK market slowed due to the uncertainty linked to Brexit and the depreciation of GBP. In Scandinavia, volumes were above 2018 as lower Scandinavian volumes were offset by an increase in overseas and other European passengers.

A number of passenger projects included in the Organic Actions of Win23 as well as other efficiency projects are expected to improve results in 2020. The outbreak of the Coronavirus at the end of 2019 in China could, on the other hand, entail a negative impact as Chinese and other Asians constitute a high share of the overseas passengers on the Copenhagen-Oslo route.

Ferry Division

DKK m	2019	2018	Δ	Δ%
Revenue	12,006	11,117	889	8.0%
EBITDA before special items	3,205	3,179	26	0.8%
Share of profit/loss of associates and joint ventures	6	2	4	n.a.
Profit/loss on disposal of non-current assets, net	2	1	1	51.8%
Depreciation and impairment	-1,512	-1,323	-189	14.3%
EBIT before special items	1,701	1,859	-158	-8.5%
EBIT-margin before special items, %	14.2	16.7	-2.5	n.a.
Special items, net	-53	17	-70	n.a.
EBIT	1,648	1,876	-228	-12.2%
Invested capital, average	19,318	14,783	4,535	30.7%
ROIC before special items, %	8.7	12.4	-3.7	n.a.
Lane metres, '000	41,280	40,077	1,203	3.0%
Passengers, '000	5,116	5,439	-323	-5.9%

From the fields to Britain's dinner tables

We transport potatoes from the field to the factory, and DFDS is also part of the chain when the processed fries are frozen, stored, transported and distributed to the retail stores on their way to the dinner tables.





2,000
employees

9,000
trailer and
container units

555,000
freight units
delivered

Logistics Division

Head of division
Niklas Andersson

Share of DFDS Group revenue 2019
31%

Business areas
- Nordic
- Continent
- UK & Ireland

Revenue of DKK 5.3bn
on level with 2018

EBIT before special items down 16% to DKK 173m

ROIC before special items of 9%

- Brexit lowered UK trade volumes, Nordic and Continent impacted
- Continued growth of cold chain and domestic businesses in UK & Ireland
- Positive impact in 2020 expected from two acquisitions

Logistics Division's revenue of DKK 5,319m was on level with 2018 while EBIT before special items decreased 16% to DKK 173m. EBIT after special items decreased 15%. The return on invested capital, ROIC, before special items decreased to 9% in 2019 from 12% in 2018. Average invested capital increased 13% to DKK 1,606m.

Nordic

Revenue decreased 6% to DKK 1,748m compared to 2018 and EBIT before special items decreased 43% to DKK 52m.

The trading pattern of freight volumes between the Nordic region and UK was disrupted by Brexit through the year as volumes increased ahead of two potential exit dates in end March and October, respectively. Following a build-up of volumes to these dates, volumes then dropped off sharply which disrupted positioning of equipment. In addition, overall volumes decreased compared to 2018. The European automotive industry as a whole also saw declining volumes in 2019 which resulted in lower revenue from automotive. This was mitigated by a continued high level of activity from one large automotive customer.

In Sweden, revenue and earnings decreased considerably from specialised transports. Results were more stable, or improved, for most other activities in Sweden, Finland, the Baltics and Denmark. In Norway, a new shipping logistics contract in the Forest sector commenced which increased volumes but also entailed a number of start-up costs. This shipping activity will from the beginning of 2020 transfer to the Ferry Division.

Continent

Revenue decreased 3% to DKK 2,390m compared to 2018 and EBIT before special items decreased 26% to DKK 50m.

The trading pattern of freight volumes between the Continent and UK was likewise disrupted by Brexit through the year. The higher volatility in activity lead to less efficient production and increased costs of trailer

traffics to UK from Netherlands, Germany and Belgium. The result of the container traffic to Ireland improved in 2019 as some freight volumes were routed directly to Ireland instead of passing through UK.

The Special Cargo business continued to expand service offerings within the DFDS network in the Nordic region while UK traffics were negatively impacted by Brexit. The activities in the Czech Republic continued to grow in 2019.

UK & Ireland

Revenue increased 17% to DKK 1,350m compared to 2018 and EBIT before special items increased 43% to DKK 72m.

As most of the activities in the UK & Ireland business unit are domestic in scope the impact from Brexit was limited and results improved for most activities during the year. The forwarding and contract logistics activities in Belfast continued to grow and improve earnings since the refocusing of activities was completed in early 2018.

The growing cold chain business in England expanded activity with existing customers and contracts that had underperformed in previous years delivered growth and higher results. The start-up of a new, large contract with a UK producer of frozen food at the beginning of the year was successful.

The aquaculture activities in Grimsby improved results with further improvements from turn-around efforts expected in 2020. Results in Scotland improved driven by volume increases from most producers.

Logistics Division

DKK m	2019	2018	Δ	Δ%
Revenue	5,319	5,324	-5	-0.1%
EBITDA before special items	470	431	39	9.0%
Profit/loss on disposal of non-current assets, net	4	5	-1	-24.2%
Depreciation and impairment	-301	-229	-72	31.4%
EBIT before special items	173	207	-34	-16.4%
EBIT-margin before special items, %	3.3	3.9	-0.6	n.a.
Special items, net	-7	-11	4	n.a.
EBIT	167	196	-29	-14.8%
Invested capital, average	1,606	1,418	188	13.3%
ROIC before special items, %	8.8	12.3	-3.5	n.a.
Tons, '000	765.7	417.3	348.4	83.5%
Units, '000	548.3	567.0	-18.7	-3.3%

Same strategy, different people



A
Martina Karlsson
General Manager
Sweden



B
Sophie-Kim Chapman
VP, Digital & Marketing
Denmark



C
Ayberk Eskin
Route Director
Turkey



D
Teun-Wim Leene
Route Director
The Netherlands

CSR summary

The full CSR Report for 2019 is available from this link:

www.dfdsgroup.com/about/responsibility/

- Increased focus on integration of CSR with business strategy
- Rising urgency of tackling climate change
- Key CSR themes: 'Environmental Footprint' and 'Caring Employer'

The CSR strategy is a key enabler for developing our business sustainably - by reducing our environmental footprint and by being a caring employer. In 2019, our CSR activities reflected a deepened engagement as sustainability was integrated into the new Win23 strategy.

The CSR strategy is aligned with the UN Sustainable Development Goals (SDGs). The SDGs are an external framework that motivates and guides our efforts as they represent global principles and goals for responsible conduct. The CSR strategy specifically links with SDG 3, 5, 13, 14 and 17.

The CSR strategy has six overriding ambitions: support the marine environment; be a responsible neighbour; improve air quality; ensure well-being for all employees; be an inclusive workplace; and provide opportunities to do good.

To operationalise these ambitions, KPIs have been set for each area in 2019. Our ambitions are high knowing that the ideal state keeps evolving and may be a long way off.

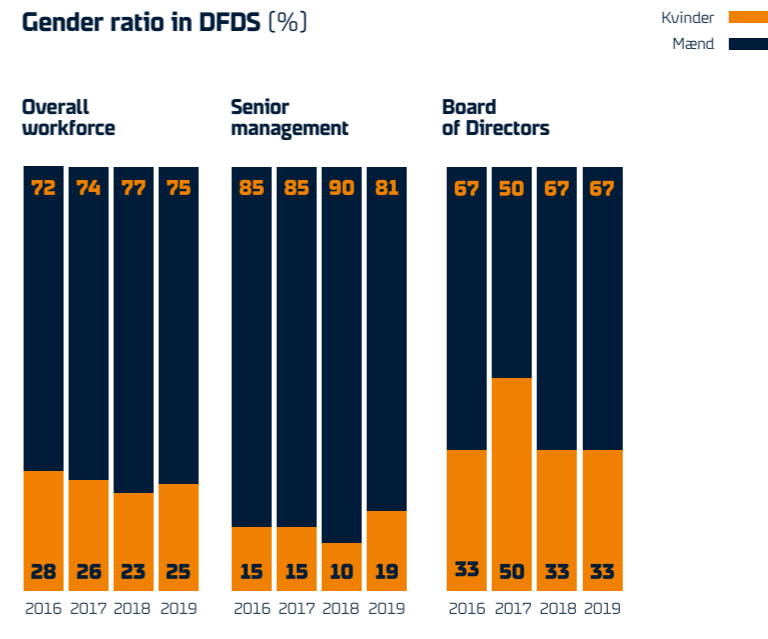
The ambitions are anchored in strategy and governance. Structures and processes are place to ensure we stay committed and prioritise the right initiatives in the business. The CSR team reports to the Strategic CSR Committee - which is made up of the Executive Management Team (EMT) and Operational CSR committee. With representatives from Ferry, Logistics and Group functions, the Strategic CSR Committee supports integration across operations.



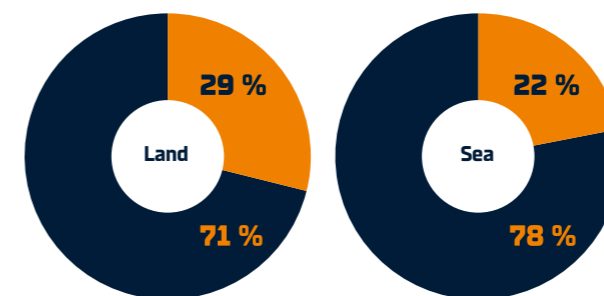
We want to take responsibility for the communities and environments we impact. Through our Code of Business Conduct and company policies, we are committed to the principles of the UN Global Compact and the SDGs, and to ensure responsible supply chain management through the IMPA Act.

To promote full transparency, we voluntarily disclose and/or verify our environmental, social and governance data to third party systems. A critical part of our commitment is to engage in partnerships to develop solutions for the future. These include engagement in industry fora and creating industry partnerships and partnerships with innovative start-ups.

Gender ratio in DFDS [%]



Gender ratio on land and sea [%]



Larger ferries reduce emissions per trailer

Investments in larger ferries benefit the environment. DFDS' six new mega freight ferries can each carry 450 trailers, reducing the energy consumption and emissions per transported unit by 25% compared to the ferries they replace.



The DFDS share and shareholders

Share price increased 24% in 2019

Dividend of DKK 4.00 per share proposed in 2020

Share capital

DFDS has one class of shares. The share capital at the end of 2019 was DKK 1,173m comprising 58,631,578 shares, each with a nominal value of DKK 20. There were no changes to the share capital during 2019.

Stock exchange trading

The DFDS share is listed on Nasdaq Copenhagen where 27.3m DFDS shares were traded in 2019 equal to an annual turnover of DKK 7.6bn compared to DKK 11.0bn in 2018. The average number of trades per day was 1,145 compared to 1,848 in 2018 and the average daily turnover was DKK 30m compared to DKK 44m in 2018. The DFDS share is part of the Large Cap index.

Share price development and yield

DFDS' share price increased 24% to DKK 325 in 2019. The market value at the end of 2019 was DKK 18.6bn, excluding treasury shares. By comparison, the Danish stock market's all-share index increased 26% in 2019. The total distribution yield on the DFDS share was 1.2% in 2019 consisting of a dividend yield.

Distribution policy

The starting point for determining the level of capital distribution to shareholders is the current and expected future financial leverage measured as the ratio between NIBD and EBITDA. Target leverage is a ratio between 2.0 and 3.0. NIBD/EBITDA was 3.3 at the end of 2019.

It is preferred to pay dividend semi-annually to facilitate a faster return of capital to shareholders and to align payments with DFDS' seasonal cash flow that peaks during the third quarter, the high season for passenger travel. Capital is distributed through dividend and share buybacks. The latter instrument is preferred for distribution of excess capital while dividend is preferred to be ongoing and sustainable. Excess capital is assessed based on the leverage target and future investment requirements.

Investor relations

Søren Brøndholt Nielsen, VP,
IR & Corporate Planning
Phone: +45 3342 3359
E-mail: udsbn@dfds.com

Shareholder's secretariat

E-mail: shareholder@dfds.com

Distribution to shareholders in 2019

A dividend of DKK 4.00 per share equal to DKK 229m was distributed to shareholders in March 2019. Distribution of dividend was resumed in 2019 following the acquisition of U. N. Ro-Ro in June 2018. Subsequent to the acquisition, the planned dividend in August 2018 was cancelled.

Dividend proposal

The Board of Directors proposes to the 2020 annual general meeting (AGM) a total dividend of DKK 4.00 per share to be paid in March 2020. The financial leverage is, all else being equal, expected to decrease in 2020 to a NIBD/EBITDA-ratio below 3.0, the upper end of the target range. Additional capital distribution through share buybacks is not expected in 2020.

Shareholders

At the end of 2019, DFDS had 17,860 registered shareholders who owned 94% of the share capital. International shareholders owned 34% (2018: 32%) of the total registered share capital. The Lauritzen Foundation was the largest shareholder with a holding of 41% of the total share capital at the end of 2019.

Ownership structure, end of 2019

Lauritzen Foundation	40.9
Institutional shareholders	42.0
Other registered shareholders	9.2
Treasury shares	2.3
Non-registered shareholders	5.6
Total	100.0

With reference to §38 in the Danish Capital Markets Act, Lauritzen Foundation domiciled in Copenhagen, Denmark, has notified DFDS A/S that it holds more than 5% of the share capital and voting rights of the company.

Shareholder distribution, end of 2019

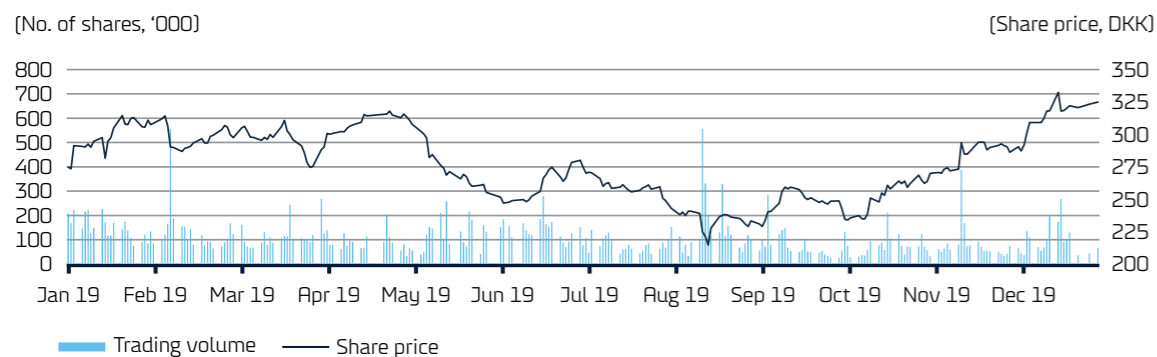
No. of shares	No. of shareholders	% of share capital
1-50	5,458	0.3
51-500	9,675	3.1
501-5000	2,396	5.2
5001-50000	252	6.5
50001-	79	79.4
Total*	17,860	94.4

* Total of registered shareholders

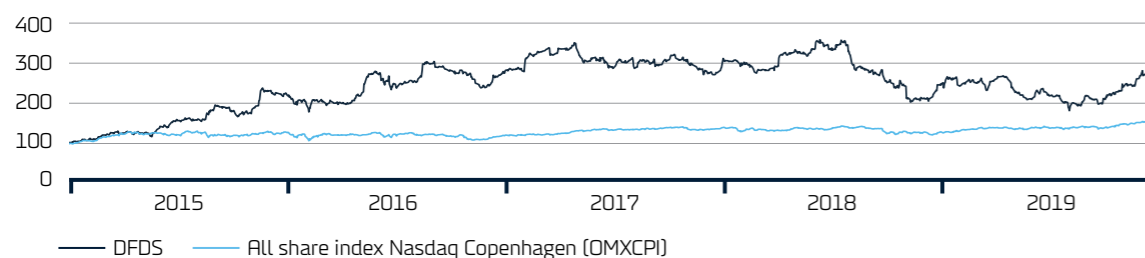
Share related key figures

	2019	2018	2017	2016	2015
Share price DKK					
Price at year-end	325.0	262.2	331.3	322.6	267.0
Price high	332.4	421.2	415.1	359.9	282.0
Price low	214.6	239.4	320.5	211.1	121.0
Market value year-end, DKK m	18,593	14,990	18,106	18,405	15,840
No. of shares year-end, m	59	59	57	60	62
No. of circulating shares year-end, m	57	57	55	57	59
Distribution to shareholders DKK m					
Dividend paid per share, DKK	4.00	4.00	10.00	6.00	5.40
Total dividend paid ex. treasury shares	229	219	555	349	326
Buyback of shares	0	190	1,106	914	401
Total distribution to shareholders	229	409	1,661	1,263	727
FCFE yield, %	-0.8	-15.2	6.1	7.5	9.7
Total distribution yield, %	1.2	2.7	9.2	6.8	4.6
Cash payout ratio, %	-151.7	-17.9	150.7	91.4	47.0
Shareholder return					
Share price change, %	24.0	-20.9	2.7	20.8	125.9
Dividend return, %	1.5	1.2	3.1	2.2	4.6
Total shareholder return, %	25.5	-19.6	5.8	23.1	130.5
Share valuation					
Equity per share, DKK	179.7	160.5	120.7	116.3	105.4
Price/book value, times	1.8	1.6	2.7	2.8	2.5

DFDS share price and trading volume, 2019



Share price performance relative to Copenhagen all share index 2015-2019



Financial review

Revenue increased 6%
to DKK 16.6bn

EBITDA increased 1%
to DKK 3.6bn

Investments of DKK 2.7bn
included DKK 1.2bn
for newbuildings

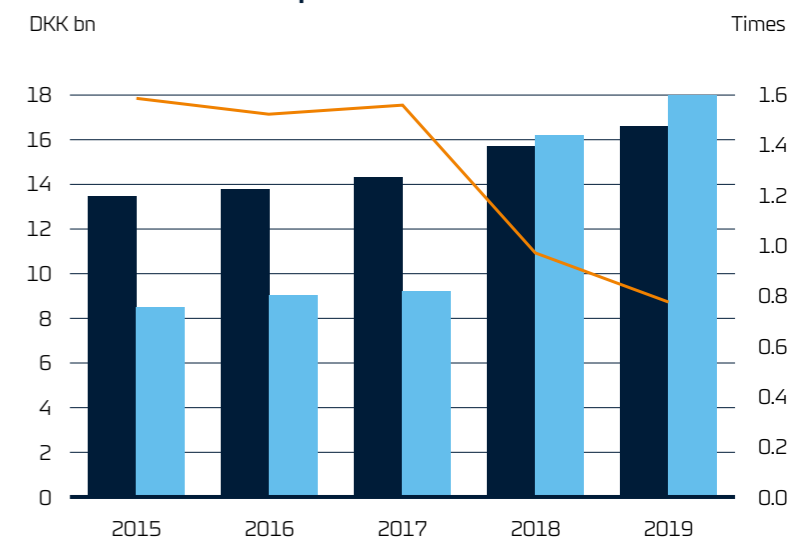
In 2019, two major events had a negative impact on two key markets, UK and Turkey. The Brexit process became increasingly unpredictable through the year and generated a high level of uncertainty among industrials and people in general which resulted in a considerable slowdown in UK freight and passenger volumes. Turkey went into recession following a significant currency depreciation in August 2018 and this likewise had a negative impact, particularly on import volumes and thereby on the balance between import and export volumes.

Moreover, the Mediterranean route network has been in transition in 2019 to efficiently cope with additional volumes from a new, major customer added from the beginning of 2019. This transition is expected to be completed during Q2 2020 when efficiency measures are in place in the two ports currently operated in Trieste. Although this transition has been more challenging than initially expected, the long term market position has been strengthened in the process.

On this background, DFDS' operating profit (EBITDA) before special items increased 1% in 2019 to DKK 3,633m compared to 2018.

The increase was mainly driven by the full-year impact of the acquisition of U. N. Ro-Ro, acquired in June 2018, while earnings for activities linked to UK was reduced by a considerable slowdown in trade volumes that began in April 2019.

Revenue and invested capital



2019 was initially off to a good start as Q1 2019 was positively impacted by stockbuilding ahead of the date set for Brexit at the time, 31 March 2019. This date was extended six months to October 2019 and again extended to 31 January 2020. This sequence of events led to a high level of uncertainty and trade volumes dropped considerably for the rest of the year apart from a pickup in October 2019. In 2019, freight volumes thus decreased on DFDS' Channel and North Sea ferry routes by 3% and 5%, respectively. Logistics volumes to and from UK also decreased. In addition, the number of passengers decreased 9% on DFDS' Channel routes.

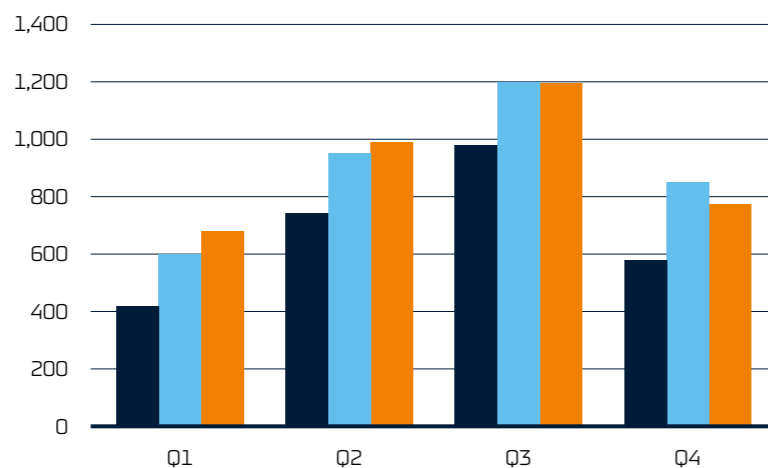
The decrease in UK volumes lowered earnings in the Channel and North Sea business units in the Ferry Division as well as in the Nordic and Continent business units in the Logistics Division. In North Sea, the decrease was mitigated by income from an agreement to provide freight capacity to UK Department for Transport.

Financial leverage, measured by the ratio of net interest-bearing debt (NIBD) to operating profit (EBITDA) before special items, was 3.3 at year-end compared to 3.1 at year-end 2018. The equity ratio was 39% at year-end 2019 compared to 37% in 2018.

The average number of employees increased 7% to 8,367 in 2019. The increase was mainly due to the full-year impact of the acquisition of U. N. Ro-Ro, additional contract logistics activities and more employees in IT and digital functions.

EBITDA before special items per quarter

DKK m



● 2017
● 2018
● 2019

Key figures

DKK million	2019 EUR m ¹	2019	2018 ²	2017 ²	2016 ²	2015 ²
Income statement						
Revenue	2,222	16,592	15,717	14,328	13,790	13,473
• Ferry Division	1,608	12,006	11,117	9,892	9,468	9,071
• Logistics Division	712	5,319	5,324	5,160	4,930	5,034
• Non-allocated items and eliminations	-98	-734	-724	-724	-608	-631
Operating profit before depreciations (EBITDA) and special items	487	3,633	2,988	2,702	2,588	2,041
• Ferry Division	429	3,205	2,713	2,513	2,439	1,906
• Logistics Division	63	470	330	263	252	234
• Non-allocated items	-5	-42	-55	-74	-103	-99
Profit on disposal of non-current assets, net	1	6	7	7	8	5
Operating profit (EBIT) before special items	234	1,751	1,909	1,782	1,644	1,199
Special items, net	-13	-101	-49	-41	-13	-36
Operating profit (EBIT)	221	1,650	1,859	1,741	1,631	1,164
Financial items, net	-37	-278	-165	-55	-43	-121
Profit before tax	184	1,371	1,694	1,686	1,588	1,043
Profit for the year	176	1,313	1,637	1,618	1,548	1,011
Profit for the year excluding non-controlling interest	175	1,309	1,630	1,617	1,548	1,011
Capital						
Total assets	3,596	26,863	22,132	13,308	13,004	12,646
DFDS A/S' share of equity	1,376	10,276	9,175	6,565	6,636	6,480
Equity	1,387	10,356	9,255	6,614	6,685	6,530
Net-interest-bearing debt	1,600	11,954	8,513	2,352	2,424	1,773
Invested capital, end of period	3,009	22,476	17,908	9,099	9,205	8,363
Invested capital, average	2,802	20,927	13,778	9,178	9,037	8,535
Cash flows						
Cash flows from operating activities, before financial items and after tax	436	3,258	2,516	2,666	2,662	2,207
Cash flows from investing activities	-355	-2,651	-4,802	-1,564	-1,207	-571
Acquisition of enterprises and activities	-18	-131	-3,635	0	-51	-7
Other investments, net	-337	-2,519	-1,167	-1,564	-1,156	-564
Free cash flow (FCFF)	81	607	-2,286	1,102	1,455	1,637
Repayment of lease liabilities and interest (IFRS 16 impact reversed)	-101	-758	-	-	-	-
Adjusted free cash flow	-20	-151	-2,286	-1,102	1,455	1,637
Key operating and return ratios						
Average number of employees		8,367	7,791	7,235	7,065	6,616
Number of ships		70	70	64	63	54
Fuel consumption per nautical mile (g/GT/Nm)		4.78	4.93	5.22	5.20	-
Revenue growth, %		5.6	9.7	3.9	2.4	5.4
EBITDA margin, %		21.9	19.0	18.9	18.8	15.1
Operating margin, %		10.6	12.1	12.4	11.9	8.9
Revenue/invested capital average, (times)		0.8	1.1	1.6	1.5	1.6
Return on invested capital (ROIC), %		7.6	13.1	18.6	17.7	13.3
ROIC before special items, %		8.1	13.5	19.0	17.8	13.7
Return on equity, %		13.5	20.7	24.5	23.4	16.1
Key capital and per share ratios						
Equity ratio, %		38.6	41.8	49.7	51.4	51.6
Net-interest-bearing debt/EBITDA, times		3.3	2.8	0.9	0.9	0.9
Earnings per share (EPS), DKK		22.9	29.0	29.1	26.6	16.8
Dividend paid per share, DKK		4.0	4.0	10.0	6.0	5.4
Number of shares, end of period, '000		58,632	58,632	57,000	60,000	61,500
Weighted average number of circulating shares, '000		57,196	56,204	55,594	58,141	60,067
Share price, DKK		325.0	262.2	331.3	322.6	267.0
Market value, DKK m		18,593	14,990	18,106	18,405	15,840

¹ Applied exchange rate for euro as of 31 December 2019: 7.4660 (Average) and 7.4697 (End)

² Comparative numbers are not restated to IFRS 16

Board of Directors

As per 24 February 2020

Claus V. Hemmingsen, Chair, 3,336 shares

Born: 1962

Position: Managing director, CVH Consulting ApS

Joined the board: 29 March 2012

Re-elected: 2013-2019

Period of office ends: 18 March 2020

Chair of the Nomination and Remuneration Committees

Klaus Nyborg, Vice Chair, 0 shares

Born: 1963

Position: Managing director, Return ApS

Joined the Board: 31 March 2016

Re-elected: 2017-2019

Period of office ends: 18 March 2020.

Member of the Nomination and Remuneration Committees.

Marianne Dahl Steensen, Board member,

1,817 shares

Born: 1974

Position: Vice President, Microsoft Western Europe

Joined the Board: 21 March 2017

Re-elected: 2018-2019

Period of office ends: 18 March 2020.

Member of the Nomination and Remuneration Committees.

Anders Götzsche, Board member, 1,300 shares

Born: 1967

Position: Executive Vice President and CFO, H. Lundbeck A/S

Joined the Board: 19 March 2018

Re-elected: 2019

Period of office ends: 18 March 2020.

Chair of the Audit Committee.



Jens Otto Knudsen, Board member

(staff representative), **130 shares**

Born: 1958

Joined the Board: 13 April 2011

Re-elected: 2012-2019

Period of office ends: 19 March 2022.

Jill Lauritzen Melby, Board member, 4,735 shares

Born: 1958

Position: Team Leader Finance, BASF A/S

Joined the Board: 18 April 2001

Re-elected: 2002-2019

Period of office ends: 18 March 2020.

Member of the Audit Committee.

Jesper Hartvig Nielsen, Board member

(staff representative), **30 shares**

Born: 1975

Joined the Board: 19 March 2018

Re-elected: 2019

Period of office ends: 19 March 2022.

Lars Skjold-Hansen, Board member

(staff representative), **30 shares**

Born: 1965

Joined the Board: 22 March 2013

Re-elected: 2014-2019

Period of office ends: 19 March 2022.

Dirk Reich, Board member, 0 shares

Born: 1963

Joined the Board: 1 July 2019

Period of office ends: 18 March 2020.

Member of the Audit Committee



Karina Deacon

Niklas Andersson

Torben Carlsen

Peder Gellert Pedersen

Anne-Christine Ahrenkiel

Executive Management

Torben Carlsen (1965)

President & CEO
MSc (Finance)
Employed by DFDS since 2009

Karina Deacon (1969)

Executive Vice President & CFO
MSc (Aud)
Employed by DFDS since 2020

Niklas Andersson (1973)

Executive Vice President,
Logistics Division
Marketing, IHM Business School
Employed by DFDS since 2012

Peder Gellert Pedersen (1958)

Executive Vice President, Ferry Division
Ship broker, HD (O)
Employed by DFDS since 1994

Anne-Christine Ahrenkiel (1970)

Executive Vice President,
Chief People Officer
MSc (Scient. pol.), Bachelor in French/Italian
Employed by DFDS since 2019

(Not included in photo)

Rune Keldsen (1979)

Executive Vice President,
Chief Technology Officer
MSc (IT)
Employed by DFDS since 2020