



# INTERIM FINANCIAL REPORT

## First quarter 2015

Company Announcement No. 593

30 April 2015

### Selected financial and operating data for the period 1 January - 31 March 2015

(DKKm)	Q1 2015	Q1 2014
Net revenue	12,601	11,602
Gross profit	2,682	2,465
Operating profit before special items	641	546
<i>Operating margin</i>	5.1%	4.7%
<i>Conversion ratio</i>	23.9%	22.2%
Profit before tax	569	161
Adjusted earnings for the period	454	373
Adjusted free cash flow	143	486
Diluted adjusted earnings per share of DKK 1 for the period	2.65	2.12

Jens Bjørn Andersen, CEO: "We have started 2015 at full speed. The Air & Sea Division continued the positive development of 2014, and the Road Division has turned around the negative development that dampened last year's performance. We are now seeing the effect of the streamlining initiatives we launched in 2014, and reporting EBIT growth of 17% for the first three months of the year we have reason to be optimistic about the next three quarters."

DSV maintains its full-year outlook for 2015 previously announced.

A separate company announcement about the launch of a new share buyback programme of DKK 500 million will be issued today.

#### **Inquiries relating to the Interim Financial Report may be addressed to:**

Jens Bjørn Andersen, CEO, tel. +45 43 20 30 40

Jens H. Lund, CFO, tel. +45 43 20 30 40

Flemming Ole Nielsen, Director Investor Relations, tel. +45 43 20 33 92 or by email to [investor@dsv.com](mailto:investor@dsv.com)

This announcement is available at [www.dsv.com](http://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

DSV A/S, Hovedgaden 630, 2640 Hedehusene, Denmark, tel. +45 43 20 30 40, CVR No. 58233528, [www.dsv.com](http://www.dsv.com).

#### **Global Transport and Logistics**

DSV is a global supplier of transport and logistics services. We have offices in more than 70 countries and an international network of partners and agents, making us a truly global player that offers services worldwide. The effective, professional solutions provided by the company's 23,000 employees enabled DSV to record worldwide revenue of 6.5 billion euro for 2014.

[www.dsv.com](http://www.dsv.com)

## Financial highlights\*

	Q1 2015	Q1 2014
<b>Income statement (DKKm)</b>		
Net revenue	12,601	11,602
Gross profit	2,682	2,465
Operating profit before amortisation, depreciation and special items	769	676
Operating profit before special items	641	546
Net special items, costs	-	300
Net financial expenses	72	85
Profit before tax	569	161
Profit for the period	427	119
Adjusted earnings for the period	454	373
<b>Balance sheet (DKKm)</b>		
DSV A/S shareholders' share of equity	6,049	5,945
Non-controlling interests	30	28
Balance sheet total	24,981	23,504
Equity	6,079	5,973
Net working capital	454	221
Net interest-bearing debt	6,088	5,800
Invested capital including goodwill and customer relationships	12,123	11,848
Gross investment in property, plant and equipment	128	31
<b>Cash flows (DKKm)</b>		
Operating activities	348	558
Investing activities	(205)	(72)
Free cash flow	143	486
Adjusted free cash flow	143	486
Financing activities	14	(596)
Share buyback	(252)	(156)
Dividends distributed	(283)	(270)
Cash flow for the period	157	(110)
<b>Financial ratios (%)</b>		
Gross margin	21.3	21.2
Operating margin	5.1	4.7
Conversion ratio	23.9	22.2
Effective tax rate	25.0	26.1
ROIC before tax including goodwill and customer relationships	22.7	21.6
ROIC before tax excluding goodwill and customer relationships	81.0	75.4
Return on equity	30.0	24.0
Solvency ratio	24.2	25.3
Gearing ratio	1.9	1.9
<b>Share ratios</b>		
Earnings per share of DKK 1 for the period	2.51	0.68
Diluted earnings per share of DKK 1 for the period	2.49	0.67
Diluted adjusted earnings per share of DKK 1 for the period	2.65	2.12
Diluted adjusted earnings per share of DKK 1 for the last 12 months	11.07	10.22
Number of shares issued ('000)	177,000	180,000
Average number of shares for the last 12 months ('000)	171,778	176,167
Average number of diluted shares for the last 12 months ('000)	173,064	177,160
Share price at 31 March (DKK)	216.30	174.90
<b>Staff</b>		
Number of full-time employees at 31 March	22,599	22,133

\*) For a definition of the financial highlights, please refer to pages 76-77 of the 2014 Consolidated Annual Report.

# Management's commentary

Reporting organic gross profit growth of 5% and organic growth in EBIT before special items of 9%, DSV started 2015 on a positive note. Driven by growth in freight volumes the Air & Sea Division and the Road Division reported operating profit growth, whereas the Solutions Division saw a slight drop.

” EBIT before special items increased by 17.4% and totalled DKK 641 million for Q1 2015



## Profit for the period

### Net revenue

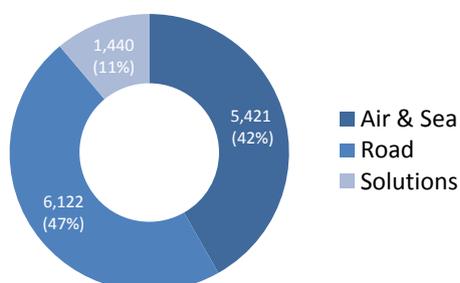
Net revenue was up 8.6% on the same period last year and totalled DKK 12,601 million for the first three months of 2015. Organic growth was 5.6%.

### Gross profit

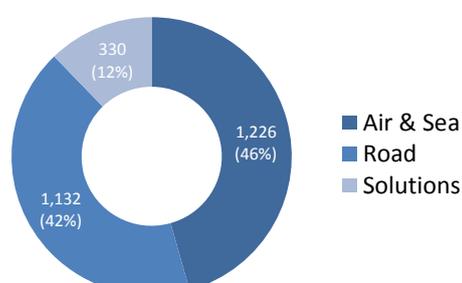
Gross profit was up 8.8% on the same period last year and totalled DKK 2,682 million for Q1 2015. Organic growth was 4.8%.

Both net revenue and gross profit were positively affected by increasing freight volumes. The Air & Sea Division also saw a positive impact from high exchange rates.

### NET REVENUE YTD 2015 (DKKm)



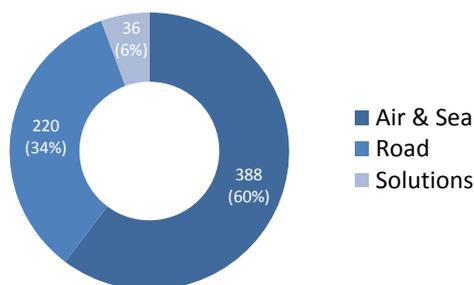
### GROSS PROFIT YTD 2015 (DKKm)



The Air & Sea and Road Divisions contributed to the high gross profit, while the Solutions Division delivered gross profit in line with last year.

The Group's gross margin for the first three months of 2015 was 21.3% and in line with the same period of 2014.

#### Operating profit before special items YTD 2015 (DKKm)



#### Operating profit before special items

Operating profit before special items increased by 17.4% on Q1 2014 and totalled DKK 641 million for the first three months of 2015. The organic growth was 8.5%.

The operating margin (before special items) came to 5.1% for the first three months of 2015 against 4.7% for the corresponding period of 2014. Conversion ratio was 23.9% against 22.2% for the same period of 2014.

The high earnings were attributable to Air & Sea and Road, with both Divisions delivering gross profit growth and improved productivity. Solutions reported a slight drop in earnings.

High exchange rates impacted positively on operating profit by DKK 45 million in Q1 2015 compared to the same period last year. Currency translation adjustments affected the Air & Sea Division in particular.

The Operational Excellence 2.0 restructuring programme launched in 2014, under which various streamlining and cost saving initiatives were implemented, contributed to the improved earnings in Q1 2015. The cost saving measures had a positive impact on gross profit and also affected staff costs and other external expenses.

#### Effective tax rate

The effective tax rate was in line with expectations at 25.0% for the first three months of 2015 against 26.1% for the same period of 2014.

#### Profit for the period

The profit for the period was DKK 427 million against DKK 119 million for the same period of 2014. The increase owed partly to the high operating profit and partly the decline in special items relating to the Operational Excellence 2.0 programme compared to 2014.

#### Diluted adjusted earnings per share

Diluted adjusted earnings per share were DKK 2.65 for the first three months of 2015, which was 25% higher than for the same period last year. The increase was attributable to the increase in adjusted earnings and the reduced number of shares as a result of the share buybacks made.

The 12-month figure to the end of March 2015 was DKK 11.07 per share against DKK 10.22 for the same period of 2014, corresponding to an increase of 8.3%.

#### GROWTH

(DKKm)	Q1 2014	Currency translation adjustments	Acquisitions, net	Organic growth	Organic growth	Q1 2015
Net revenue	11,602	287	46	666	5.6%	12,601
Gross profit	2,465	90	5	122	4.8%	2,682
EBIT before special items	546	45	-	50	8.5%	641

## Cash flows

### Working capital

The Group's funds tied up in net working capital came to DKK 454 million at 31 March 2015 against DKK 221 million at 31 March 2014. Relative to estimated full-year revenue the net working capital was 0.9% at 31 March 2015 (31 March 2014: 0.5%).

The high net working capital was partly attributable to the high activity level compared to the first three months of 2014. Furthermore, short-term provisions at 31 March 2014 were impacted by the Operational Excellence 2.0 programme.

### Cash flow from operating activities

Cash flow from operating activities was DKK 348 million for the first three months of 2015 against DKK 558 million for the same period of 2014. Cash flow from operating activities was positively affected by the high operating profit. However, compared to Q1 2014, the high net working capital and payment of short-term provisions impacted negatively on cash flow.

### Cash flow from investing activities

Cash flow from investing activities was negative at DKK 205 million for the first three months of 2015 against a negative DKK 72 million for the same period of 2014. The increase was mainly a result of property transactions relating to temporary investments which will be reversed in connection with the completion of ongoing property projects (sale and leaseback).

### Free cash flow

Free cash flow for the three-month period under review came to DKK 143 million against DKK 486 million for the same period last year.

## CASH FLOW STATEMENT

(DKKm)	Q1 2015	Q1 2014
<b>EBITDA before special items</b>	<b>769</b>	<b>676</b>
Change in net working capital	(120)	(24)
Adjustment, non-cash operating items	(110)	353
Adjustment, other operating items	(191)	(447)
<b>Cash flow from operating activities</b>	<b>348</b>	<b>558</b>
Purchase and sale of intangibles, property, plant and equipment	(181)	(68)
Acquisition and disposal of subsidiaries and activities	-	-
Other	(24)	(4)
<b>Cash flow from investing activities</b>	<b>(205)</b>	<b>(72)</b>
<b>Free cash flow</b>	<b>143</b>	<b>486</b>
Proceeds from and repayment of short-term and long-term debt	454	(226)
Allocated to shareholders	(535)	(426)
Exercise of share options	62	13
Other transactions with shareholders	33	43
<b>Cash flow from financing activities</b>	<b>14</b>	<b>(596)</b>
<b>Cash flow for the period</b>	<b>157</b>	<b>(110)</b>
<b>Adjusted free cash flow</b>	<b>143</b>	<b>486</b>

## Capital structure and finances

### Equity

At 31 March 2015, Group equity came to DKK 6,049 million. At 31 March 2014, Group equity came to DKK 5,945 million.

Equity was mainly affected by the distribution of dividends, share buybacks and the profit for the period. Including treasury shares, ordinary dividends of DKK 283 million were paid in the period under review, corresponding to a dividend of DKK 1.60 per share.

At 31 March 2015, the Company's portfolio of treasury shares amounted to 7,840,292 shares, corresponding to 4.43% of all 177,000,000 shares issued. At 30 April 2015, the Company's portfolio of treasury shares amounts to 5,526,692 shares.

DSV reduced its share capital on 13 April 2015 through the cancellation of 2,000,000 treasury shares. The capital reduction was carried out in accordance with the resolution passed at the Company's Annual General Meeting on 12 March 2015. Consequently, the share capital of DSV has a current nominal value of DKK 175,000,000, corresponding to 175,000,000 shares with a face value of DKK 1.

The solvency ratio excluding non-controlling interests came to 24.2% at 31 March 2015. At 31 March 2014, the solvency ratio was 25.3%.

## DEVELOPMENT IN EQUITY

(DKKm)	Q1 2015	Q1 2014
<b>Equity at 1 January</b>	<b>6,052</b>	<b>6,218</b>
Net profit for the period	426	119
Dividends distributed	(283)	(270)
Purchase of treasury shares	(252)	(156)
Sale of treasury shares	62	13
Adjustments relating to hedging instruments	6	5
Tax on changes in equity	16	(7)
Other adjustments, net	22	23
<b>Equity at 31 March</b>	<b>6,049</b>	<b>5,945</b>

### Net interest-bearing debt

Net interest-bearing debt amounted to DKK 6,088 million at 31 March 2015 against DKK 5,800 million at 31 March 2014. At 31 March 2015, the financial gearing ratio was 1.9 and in line with the Group's target.

The duration of the Group's long-term loan and credit facilities was 4.5 years at 31 March 2015 against 4.6 years at 31 March 2014.

### Net financial expenses

Financial expenses netted DKK 72 million for the three-month period under review against DKK 85 million for the same period of 2014.

## Invested capital including goodwill and customer relationships

The Group's invested capital including goodwill and customer relationships amounted to DKK 12,123 million at 31 March 2015 against DKK 11,848 million at 31 March 2014. The increase was mainly due to the development in net working capital.

## Return on invested capital (ROIC including goodwill and customer relationships)

Return on invested capital including goodwill and customer relationships was 22.7% for the 12-month period ended 31 March 2015 against 21.6% for the 12-month period ended 31 March 2014.

## Impact of seasonality

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

## Outlook for 2015

DSV maintains its full-year outlook for 2015 previously announced:

- Gross profit is expected to be in the range of DKK 10,500-10,900 million
- Operating profit before special items is expected to be in the range of DKK 2,700-2,900 million
- Net financial expenses are expected to approximate DKK 300 million
- The effective tax rate of DSV is expected to be 25%
- Free cash flow before any acquisition or divestment of enterprises is expected to approximate DKK 2,000 million

The outlook for 2015 is based on the assumption of a stable development in the markets in which the Group operates.

### MARKET GROWTH FORECAST – FREIGHT VOLUMES, 2015

Sea freight	Growth 3-5%
Air freight	Growth 3-5%
Road	Growth 1-2%
Solutions	Growth 1-2%

The consolidated performance forecast is based on the exchange rates listed below:

### EXCHANGE RATES

EUR	745
GBP	970
HKD	81
CNY	100
SEK	79
USD	640

By their nature, the expectations stated above are uncertain and involve various risks. Critical factors may influence actual results. Such factors include, but are not limited to, unforeseen changes in economic and political conditions, changes in the demand for DSV's 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.

# DSV Air & Sea

## Activities

The Air & Sea Division specialises in the transportation of cargo by air and sea. The Division offers conventional freight services and tailored project cargo solutions through its Project Department.

DSV Air & Sea delivered 25.2% growth in EBIT before special items for Q1 2015. The increase was a result of freight volume growth, productivity improvements and high exchange rates.



” The Division reported a 4% increase in sea freight volumes and 8% in air freight for Q1 2015

## INCOME STATEMENT

(DKKm)	Q1 2015	Q1 2014
Net revenue	5,421	5,024
Direct costs	4,195	3,970
<b>Gross profit</b>	<b>1,226</b>	<b>1,054</b>
Other external expenses	264	236
Staff costs	545	481
<b>EBITDA before special items</b>	<b>417</b>	<b>337</b>
Amortisation and depreciation	14	12
Amortisation of customer relationships	15	15
<b>EBIT before special items</b>	<b>388</b>	<b>310</b>

## KEY OPERATING DATA

	Q1 2015	Q1 2014
Gross margin (%)	22.6	21.0
Conversion ratio (%)	31.6	29.4
Operating margin (%)	7.2	6.2
Number of employees at 31 March	6,796	6,285
Total invested capital (DKKm)	6,650	6,434
Net working capital (DKKm)	1,160	909
ROIC (%)	24.8	22.6

## Market development

### Freight volume growth on Q1 2014

	DSV Q1 2015	Market* Q1 2015
Sea freight – TEUs	4%	2-3%
Air freight – tonnes	8%	3-4%

\*) Market growth rates are based on own estimates.

The Air & Sea Division reported an increase in sea freight volumes (TEUs) of 4% for Q1 2015 compared to the same period of 2014. The market is estimated to have grown 2-3% in the three-month period. European imports were impacted by the weak euro, a situation which had a dampening effect on volume growth on the major Asia-Europe trade lane in the first three months of the year.

The air freight volumes of the Division grew by 8% in Q1 2015 compared to the same period of 2014, with market growth estimated at 3-4% for the period.

### Net revenue

Net revenue was up 7.9% and totalled DKK 5,421 million for the first quarter of the year. Adjusted for the effect of currency translation, revenue was in line with the first three months of 2014, as the increase in freight volumes was counterbalanced by a decline in average freight rates. Freight rates declined partly as a result of low fuel prices.

### Gross profit

Gross profit was up 16.3% and totalled DKK 1,226 million for the period. The organic growth was 6.6%.

Gross profit was positively affected by the growth in freight volumes and high exchange rates. Gross profit per shipment increased for both sea freight and air freight compared to the same period last year, the currency translation effect again a main contributing factor.

The gross margin for the three-month period under review was 22.6% against 21.0% for the same period of 2014.

### EBIT before special items

EBIT before special items increased by 25.2% and totalled DKK 388 million for Q1 2015. The organic growth was 11.2%.

Conversion ratio was 31.6% for the three-month period under review against 29.4% for the same period last year. The increase was attributable to the Division's continued focus on profitable growth and productivity improvements. As part of the Division's operating activities, investments are made to further expand the Division's network, i.a., through the opening of new offices and the continued integration of acquirees in Africa.

The Division's operating margin for the first quarter of 2015 was 7.2% against 6.2% for the same period last year.

### Working capital

The Air & Sea Division's funds tied up in net working capital came to DKK 1,160 million at 31 March 2015 against DKK 909 million at 31 March 2014. The increase was mainly a result of high activity levels and high exchange rates.

## GROWTH

(DKKm)	Q1 2014	Currency translation adjustments	Acquisitions, net	Organic growth	Organic growth	Q1 2015
Net revenue	5,024	342	56	(1)	0.0%	5,421
Gross profit	1,054	89	7	76	6.6%	1,226
EBIT before special items	310	39	-	39	11.2%	388

## AIR AND SEA SPLIT

(DKKm)	Sea freight		Air freight		Total	
	Q1 2015	Q1 2014	Q1 2015	Q1 2014	Q1 2015	Q1 2014
Net revenue	3,276	3,018	2,145	2,006	5,421	5,024
Direct costs	2,563	2,402	1,632	1,568	4,195	3,970
<b>Gross profit</b>	<b>713</b>	<b>616</b>	<b>513</b>	<b>438</b>	<b>1,226</b>	<b>1,054</b>
Gross margin (%)	21.8	20.4	23.9	21.8	22.6	21.0
Volume (TEUs/tonnes)	204,057	195,970	71,749	66,654		
Gross profit per unit (DKK)	3,492	3,142	7,153	6,586		

# DSV Road

## Activities

With a complete European network DSV Road is among the top three road freight companies in Europe. The Division offers full load, part load and groupage services through a strong network of more than 200 terminals across Europe.

DSV Road delivered 10.6% growth in EBIT before special items for Q1 2015. The increase was driven by a growing number of consignments and improved gross profit per consignment.



” The Division reported 5% growth in the number of consignments for Q1 2015

## INCOME STATEMENT

(DKKm)	Q1 2015	Q1 2014
Net revenue	6,122	6,024
Direct costs	4,990	4,945
<b>Gross profit</b>	<b>1,132</b>	<b>1,079</b>
Other external expenses	274	254
Staff costs	606	593
<b>EBITDA before special items</b>	<b>252</b>	<b>232</b>
Amortisation and depreciation	28	28
Amortisation of customer relationships	4	5
<b>EBIT before special items</b>	<b>220</b>	<b>199</b>

## KEY OPERATING DATA

	Q1 2015	Q1 2014
Gross margin (%)	18.5	17.9
Conversion ratio (%)	19.4	18.4
Operating margin (%)	3.6	3.3
Number of employees at 31 March	9,206	9,457
Total invested capital (DKKm)	3,167	3,725
Net working capital (DKKm)	(522)	(321)
ROIC (%)	24.9	24.5

## Market development

### Freight volume growth on Q1 2014

	DSV	Market*
	Q1 2015	Q1 2015
Consignments	5%	1-2%

\*) Market growth rates are based on own estimates.

With consignment growth of approx. 5% in Q1 2015 compared to the same period last year, Management estimates that the Road Division has gained market share. The Division continued the positive development in number of consignments that also characterised 2014.

### Net revenue

Net revenue was up 1.6% and totalled DKK 6,122 million for the first quarter of the year. The organic growth was 2.4%.

Net revenue was mainly influenced by the growth in number of consignments, while the average invoiced price per consignment dropped, mainly as a result of low fuel prices.

### Gross profit

Gross profit was up 4.9% and totalled DKK 1,132 million for the first three months of 2015. The organic growth was 4.9%.

The Division's gross margin for the three-month period under review was 18.5% against 17.9% for the same period last year.

In a market characterised by continued fierce price competition, the Division managed to increase its average earnings per consignment. This owed partly to increased profitability on contracts that were concluded in 2014 and where operations have been optimised.

### EBIT before special items

EBIT before special items increased by 10.6% and totalled DKK 220 million for the first quarter of 2015. The organic growth was 8.4%.

The conversion ratio for the period under review was 19.4% against 18.4% for the same period last year. The operating margin for the period was 3.6% against 3.3% for the same period last year.

The Operational Excellence 2.0 programme implemented in 2014 had a positive impact on both gross profit and EBIT before special items for the first three months of 2015. Under the programme a few loss-making activities have been discontinued and a number of business processes have been optimised and centralised.

### Working capital

The Division's funds tied up in net working capital came to a negative DKK 522 million at 31 March 2015 against a negative DKK 321 million at 31 March 2014.

## GROWTH

(DKKm)	Q1 2014	Currency translation adjustments	Acquisitions, net	Organic growth	Organic growth	Q1 2015
Net revenue	6,024	(47)	-	145	2.4%	6,122
Gross profit	1,079	-	-	53	4.9%	1,132
EBIT before special items	199	4	-	17	8.4%	220

# DSV Solutions

## Activities

DSV Solutions specialises in logistics solutions across the entire supply chain, including freight management, customs clearance, warehousing and distribution, information management and e-business support.

The Division reported a DKK 10 million drop in EBIT before special items for Q1 2015. The negative development was mainly attributable to low gross margin in connection with the implementation of new contracts.



” Division volumes measured in order lines increased by approx. 5% in Q1 2015

## INCOME STATEMENT

(DKKm)	Q1 2015	Q1 2014
Net revenue	1,440	1,345
Direct costs	1,110	1,015
<b>Gross profit</b>	<b>330</b>	<b>330</b>
Other external expenses	125	105
Staff costs	133	140
<b>EBITDA before special items</b>	<b>72</b>	<b>85</b>
Amortisation and depreciation	27	30
Amortisation of customer relationships	9	9
<b>EBIT before special items</b>	<b>36</b>	<b>46</b>

## KEY OPERATING DATA

	Q1 2015	Q1 2014
Gross margin (%)	22.9	24.5
Conversion ratio (%)	10.9	13.9
Operating margin (%)	2.5	3.4
Number of employees at 31 March	5,690	5,830
Total invested capital (DKKm)	1,495	1,594
Net working capital (DKKm)	29	44
ROIC (%)	17.1	15.2

## Market development

### Volume growth on Q1 2014

	DSV	Market*
	Q1 2015	Q1 2015
Order lines	5%	1-2%

\*) Market growth rates are based on own estimates.

Division volumes measured in order lines increased by approx. 5% in the three-month period under review compared to the same period of 2014, while the market is estimated to have grown 1-2%. The first quarter of 2015 was affected by a steady inflow of new customers and the planned discontinuation of a few existing contracts.

### Net revenue

Net revenue was up 7.1% and totalled DKK 1,440 million for the first three months of 2015. The organic growth was 8.1%.

### Gross profit

Gross profit was DKK 330 million for the three-month period under review and in line with the same period of 2014.

The gross margin for the period under review was 22.9% against 24.5% for the same period of 2014.

The European contract logistics market is still characterised by surplus capacity resulting in continued price pressure. In addition, the first three months were impacted by costs related

to the implementation of new contracts. This item is part of operating costs, but involved large-scale expenses in the three months under review.

### EBIT before special items

EBIT before special items was DKK 36 million for the first three months of 2015 against DKK 46 million for the same period of 2014. The organic growth was a negative 25%.

Conversion ratio for the three-month period under review was 10.9% against 13.9% for the same period last year. The operating margin was 2.5% for the three-month period under review against 3.4% for the same period last year.

The Division's performance for the quarter under review was impacted by the transfer of certain Solutions activities (in the APAC region) which were previously operated by DSV Air & Sea. The activities are still of moderate size and the transfer was made in response to the Division gaining increasing foothold in new markets outside Europe.

### Working capital

The Solutions Division's funds tied up in net working capital came to DKK 29 million at 31 March 2015 against DKK 44 million at 31 March 2014.

## GROWTH

(DKKm)	Q1 2014	Currency translation adjustments	Acquisitions, net	Organic growth	Organic growth	Q1 2015
Net revenue	1,345	(4)	(9)	108	8.1%	1,440
Gross profit	330	3	(2)	(1)	(0.3%)	330
EBIT before special items	46	2	-	(12)	(25.0%)	36

# Interim financial statements

## INCOME STATEMENT

(DKKm)	Q1 2015	Q1 2014
Net revenue	12,601	11,602
Direct costs	9,919	9,137
<b>Gross profit</b>	<b>2,682</b>	<b>2,465</b>
Other external expenses	543	512
Staff costs	1,370	1,277
<b>Operating profit before amortisation, depreciation and special items</b>	<b>769</b>	<b>676</b>
Amortisation and depreciation of intangibles, property, plant and equipment	128	130
<b>Operating profit before special items</b>	<b>641</b>	<b>546</b>
Net special items	-	300
Financial income	18	10
Financial expenses	90	95
<b>Profit before tax</b>	<b>569</b>	<b>161</b>
Tax on profit for the period	142	42
<b>Profit for the period</b>	<b>427</b>	<b>119</b>
<b>Profit for the period is attributable to:</b>		
Shareholders of DSV A/S	426	119
Non-controlling interests	1	-
<b>Earnings per share:</b>		
Earnings per share of DKK 1 for the period	2.51	0.68
Diluted earnings per share of DKK 1 for the period	2.49	0.67
<b>Supplementary information:</b>		
Diluted adjusted earnings per share of DKK 1 for the period	2.65	2.12
Diluted adjusted earnings per share of DKK 1 for the last 12 months	11.07	10.22

## STATEMENT OF COMPREHENSIVE INCOME

(DKKm)	Q1 2015	Q1 2014
<b>Profit for the period</b>	<b>427</b>	<b>119</b>
<b>Items that will be reclassified to income statement when certain conditions are met:</b>		
Currency translation adjustments, foreign enterprises	-	4
Fair value adjustment relating to hedging instruments	(7)	(12)
Fair value adjustment relating to hedging instruments transferred to financials	13	17
Tax on items reclassified to income statement	-	-
<b>Other comprehensive income, net of tax</b>	<b>6</b>	<b>9</b>
<b>Total comprehensive income</b>	<b>433</b>	<b>128</b>
<b>Total comprehensive income is attributable to:</b>		
Shareholders of DSV A/S	431	128
Non-controlling interests	2	-
<b>Total</b>	<b>433</b>	<b>128</b>

## CASH FLOW STATEMENT

(DKKm)	Q1 2015	Q1 2014
Operating profit before amortisation, depreciation and special items	769	676
<i>Adjustment, non-cash operating items etc.:</i>		
Share-based payments	10	10
Change in provisions	(120)	343
Change in net working capital	(120)	(24)
Special items	-	(300)
Interest received	18	10
Interest paid	(92)	(69)
Corporation tax, paid	(117)	(88)
<b>Cash flow from operating activities</b>	<b>348</b>	<b>558</b>
Purchase of intangible assets	(63)	(50)
Purchase of property, plant and equipment	(118)	(29)
Disposal of property, plant and equipment	-	11
Change in other financial assets	(24)	(4)
<b>Cash flow from investing activities</b>	<b>(205)</b>	<b>(72)</b>
<b>Free cash flow</b>	<b>143</b>	<b>486</b>
Proceeds from and repayment of short-term and long-term debt	440	(214)
Other financial liabilities incurred	14	(12)
<i>Shareholders:</i>		
Dividends distributed	(283)	(270)
Purchase of treasury shares	(252)	(156)
Sale of treasury shares, exercise of share options	62	13
Other transactions with shareholders	33	43
<b>Cash flow from financing activities</b>	<b>14</b>	<b>(596)</b>
<b>Cash flow for the period</b>	<b>157</b>	<b>(110)</b>
Cash and cash equivalents at 1 January	432	707
Cash flow for the period	157	(110)
Currency translation adjustments	(128)	1
<b>Cash and cash equivalents at 31 March</b>	<b>461</b>	<b>598</b>
The cash flow statement cannot be directly derived from the balance sheet and income statement.		
Statement of adjusted free cash flow		
Free cash flow	143	486
Net acquisition of subsidiaries and activities	-	-
Normalisation of working capital in subsidiaries and activities acquired	-	-
<b>Adjusted free cash flow</b>	<b>143</b>	<b>486</b>

## BALANCE SHEET, ASSETS

(DKKm)	31.03.2015	31.03.2014	31.12.2014
Intangible assets	8,977	8,985	8,928
Property, plant and equipment	4,132	3,815	3,927
Other receivables	320	149	297
Deferred tax asset	499	437	488
<b>Total non-current assets</b>	<b>13,928</b>	<b>13,386</b>	<b>13,640</b>
Trade receivables	8,792	7,860	7,854
Work in progress (services)	809	779	744
Other receivables	964	858	985
Cash and cash equivalents	461	598	432
Assets held for sale	27	23	25
<b>Total current assets</b>	<b>11,053</b>	<b>10,118</b>	<b>10,040</b>
<b>Total assets</b>	<b>24,981</b>	<b>23,504</b>	<b>23,680</b>

## BALANCE SHEET, EQUITY AND LIABILITIES

(DKKm)	31.03.2015	31.03.2014	31.12.2014
Share capital	177	180	177
Reserves	5,872	5,765	5,875
<b>DSV A/S shareholders' share of equity</b>	<b>6,049</b>	<b>5,945</b>	<b>6,052</b>
Non-controlling interests	30	28	29
<b>Total equity</b>	<b>6,079</b>	<b>5,973</b>	<b>6,081</b>
Deferred tax	342	420	366
Pensions and similar obligations	1,317	1,032	1,311
Provisions	346	382	328
Financial liabilities	5,875	5,620	5,702
<b>Total non-current liabilities</b>	<b>7,880</b>	<b>7,454</b>	<b>7,707</b>
Provisions	317	601	474
Financial liabilities	884	778	589
Trade payables	5,338	4,523	4,782
Work in progress (services)	1,558	1,409	1,377
Other payables	2,674	2,507	2,458
Corporation tax	251	259	212
<b>Total current liabilities</b>	<b>11,022</b>	<b>10,077</b>	<b>9,892</b>
<b>Total liabilities</b>	<b>18,902</b>	<b>17,531</b>	<b>17,599</b>
<b>Total equity and liabilities</b>	<b>24,981</b>	<b>23,504</b>	<b>23,680</b>

**STATEMENT OF CHANGES IN EQUITY – 1 JANUARY - 31 MARCH 2015**

(DKKm)	Share capital	Reserve for treasury shares	Hedging reserve	Translation reserve	Retained earnings	DSV A/S shareholders' share of equity	Non-controlling interests	Total equity
<b>Equity at 1 January 2015</b>	177	(7)	(28)	(239)	6,149	6,052	29	6,081
<b>Profit for the period</b>	-	-	-	-	426	426	1	427
Currency translation adjustments, foreign enterprises	-	-	-	(1)	-	(1)	1	-
Fair value adjustments relating to hedging instruments	-	-	(7)	-	-	(7)	-	(7)
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	-	13	-	-	13	-	13
Tax on other comprehensive income	-	-	-	-	-	-	-	-
<b>Other comprehensive income, net of tax</b>	-	-	6	(1)	-	5	1	6
<b>Total comprehensive income for the period</b>	-	-	6	(1)	426	431	2	433
Transactions with owners:								
Share-based payments	-	-	-	-	10	10	-	10
Dividends distributed	-	-	-	-	(283)	(283)	-	(283)
Purchase of treasury shares	-	(1)	-	-	(251)	(252)	-	(252)
Sale of treasury shares	-	-	-	-	62	62	-	62
Capital reduction	-	-	-	-	-	-	-	-
Dividends on treasury shares	-	-	-	-	12	12	-	12
Other adjustments	-	-	-	-	1	1	(1)	-
Tax on transactions with owners	-	-	-	-	16	16	-	16
<b>Total transactions with owners</b>	-	(1)	-	-	(433)	(434)	(1)	(435)
<b>Equity at 31 March 2015</b>	177	(8)	(22)	(240)	6,142	6,049	30	6,079

**STATEMENT OF CHANGES IN EQUITY – 1 JANUARY - 31 MARCH 2014**

(DKKm)	Share capital	Reserve for treasury shares	Hedging reserve	Translation reserve	Retained earnings	DSV A/S shareholders' share of equity	Non-controlling interests	Total equity
<b>Equity at 1 January 2014</b>	180	(5)	(38)	(44)	6,125	6,218	30	6,248
<b>Profit for the period</b>	-	-	-	-	119	119	-	119
Currency translation adjustments, foreign enterprises	-	-	-	4	-	4	-	4
Fair value adjustments relating to hedging instruments	-	-	(12)	-	-	(12)	-	(12)
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	-	17	-	-	17	-	17
Tax on other comprehensive income	-	-	-	-	-	-	-	-
<b>Other comprehensive income, net of tax</b>	-	-	5	4	-	9	-	9
<b>Total comprehensive income for the period</b>	-	-	5	4	119	128	-	128
Transactions with owners:								
Share-based payments	-	-	-	-	10	10	-	10
Dividends distributed	-	-	-	-	(270)	(270)	-	(270)
Purchase of treasury shares	-	(1)	-	-	(155)	(156)	-	(156)
Sale of treasury shares	-	-	-	-	13	13	-	13
Dividends on treasury shares	-	-	-	-	8	8	-	8
Other adjustments	-	-	1	-	-	1	(2)	(1)
Tax on transactions with owners	-	-	-	-	(7)	(7)	-	(7)
<b>Total transactions with owners</b>	-	(1)	1	-	(401)	(401)	(2)	(403)
<b>Equity at 31 March 2014</b>	180	(6)	(32)	(40)	5,843	5,945	28	5,973

# Notes

## NOTE 1 – ACCOUNTING POLICIES

The Interim Financial Report has been prepared 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 2014 consolidated financial statements. The 2014 consolidated financial statements provide a full description of the accounting policies applied.

### Changes in accounting policies

DSV A/S has implemented the standards and interpretations effective as from 1 January 2015. None of the changes affected DSV's recognition and measurement of financial items.

Certain reclassifications have been made to the income statement which are not critical and which have not affected operating profit before special items or profit for the period.

## NOTE 2 – 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.

Significant accounting estimates and judgements are consistent with those applied in the 2014 consolidated financial statements.

## NOTE 3 – SEGMENT INFORMATION

(DKKm)	Air & Sea		Road		Solutions		Other activities, non-allocated items and eliminations		Total	
	Q1 2015	Q1 2014	Q1 2015	Q1 2014	Q1 2015	Q1 2014	Q1 2015	Q1 2014	Q1 2015	Q1 2014
Revenue	5,421	5,024	6,122	6,024	1,440	1,345	227	202	13,210	12,595
Intercompany revenue	(100)	(213)	(262)	(511)	(35)	(82)	(212)	(187)	(609)	(993)
<b>Net revenue</b>	<b>5,321</b>	<b>4,811</b>	<b>5,860</b>	<b>5,513</b>	<b>1,405</b>	<b>1,263</b>	<b>15</b>	<b>15</b>	<b>12,601</b>	<b>11,602</b>
<b>Gross profit</b>	<b>1,226</b>	<b>1,054</b>	<b>1,132</b>	<b>1,079</b>	<b>330</b>	<b>330</b>	<b>(6)</b>	<b>2</b>	<b>2,682</b>	<b>2,465</b>
Other external expenses	264	236	274	254	125	105	(120)	(83)	543	512
Staff costs	545	481	606	593	133	140	86	63	1,370	1,277
Amortisation and depreciation of intangibles, property, plant and equipment	29	27	32	33	36	39	31	31	128	130
<b>Operating profit before special items</b>	<b>388</b>	<b>310</b>	<b>220</b>	<b>199</b>	<b>36</b>	<b>46</b>	<b>(3)</b>	<b>(9)</b>	<b>641</b>	<b>546</b>
Total assets	13,476	13,607	13,604	11,450	3,389	3,622	(5,488)	(5,175)	24,981	23,504
Total liabilities	12,174	10,028	8,466	7,451	3,604	3,352	(5,342)	(3,300)	18,902	17,531

**NOTE 4 – INCENTIVE SCHEME**

DSV has launched an incentive share option scheme with a view to retaining senior staff and members of the Executive Board. The incentive schemes are also intended to make staff and shareholders identify with the same interests.

Options are granted pursuant to the corporate guidelines for incentive pay for staff of DSV A/S as approved at the Annual General Meeting of the Company on 14 March 2014.

The options can be exercised by the employees by cash purchase of shares only. The obligation relating to incentive schemes is covered by the Company's treasury shares.

Under the 2015 scheme, share options have been granted to 1,164 employees.

Grant						
Scheme	Exercise period	Executive Board	Senior Staff	Options granted	Exercise price	Market value at date of grant (DKKm)
2015	03.04.18-31.03.20	170,000	1,998,000	2,168,000	215	39.7

Estimated market value at date of issue						
Scheme	Exercise price	Share price	Volatility	Risk-free interest rate	Expected dividends	Expected remaining life (years)
2015	215	215	15.5%	0.30%	1.25%	3.5

The market value is calculated according to the Black & Scholes valuation model. The assumptions used are based on Management's estimates.

**Incentive schemes at 31 March 2015**

The aggregate market value of the Group's incentive schemes was DKK 462.2 million, of which share options amounting to DKK 38.5 million were held by Executive Board members.

# 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 three-month period ended 31 March 2015.

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 statements give a true and fair view of the DSV Group's assets, equity, liabilities and financial position at 31 March 2015 and of the results of the Group's activities and the cash flow for the three-month period ended 31 March 2015.

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.

Hedehusene, 30 April 2015

## Executive Board:

Jens Bjørn Andersen  
CEO

Jens H. Lund  
CFO

## Board of Directors:

Kurt K. Larsen  
Chairman

Annette Sadolin

Birgit W. Nørgaard

Thomas Plenborg

Robert S. Kledal

Jørgen Møller