10 February 2016

2015 ANNUAL REPORT

Company Announcement No. 630

"2015 was a good year for DSV. We gained market share across all business segments and delivered strong growth in earnings and cash flow. The Air & Sea Division was the main contributor to the growth in earnings, but the Road Division also delivered a good comeback. 2015 was the year in which we executed on our strategy to grow through acquisitions. In January 2016, we obtained the final approval of the acquisition of UTi Worldwide Inc. We now have a major project ahead of us – the merger of two global logistics providers and lifting the UTi earnings to DSV levels," says Jens Bjørn Andersen, CEO

Selected financial and operating data for the 2015 financial statements (1 January - 31 December 2015)

(DKKm)	Q4 2015	Q4 2014	YTD 2015	YTD 2014
Net revenue	12,606	12,539	50,869	48,582
Gross profit	2,830	2,615	11,201	10,297
Operating profit before special items	749	649	3,050	2,624
Operating margin	*5.9%*	*5.2%*	*6.0%*	*5.4%*
Conversion ratio	*26.5%*	*24.8%*	*27.2%*	*25.5%*
Adjusted earnings			2,211	1,835
Adjusted free cash flow			2,837	1,472
Diluted adjusted earnings per share of DKK 1			12.85	10.53
Proposed dividend per share (DKK)			1.70	1.60
Operating profit before special items				
Air & Sea	492	399	1,923	1,542
Road	197	174	918	837
Solutions	63	90	242	274

Q4 2015 results

For Q4 2015, net revenue amounted to DKK 12,606 million against DKK 12,539 million for Q4 2014. The Air & Sea Division reported a drop in net revenue mainly as a result of lower average freight rates, whereas the Road Division achieved organic net revenue growth of 3.9% and DSV Solutions reported net revenue in line with last year. Freight volume growth for the quarter was 6% for air freight, 1% for sea freight, 6% for Road and 7% for Solutions.

Gross profit was up by 8.2% at DKK 2,830 million for Q4 2015 against DKK 2,615 million for the same period of 2014. Air & Sea landed organic growth of 9.0% and was affected by increasing volumes and high gross profit per shipments. Road achieved organic gross profit growth of 4.1%, whereas Solutions reported gross profit in line with 2014 despite growth in order lines.

Operating profit before special items amounted to DKK 749 million against DKK 649 million for Q4 2014. Organic growth was 10.1%. The Air & Sea and Road divisions achieved earnings growth, whereas Solutions reported a decline.

Dividend

Based on the financial results for the year, the Board of Directors proposes ordinary dividends of DKK 1.70 per share for 2015 (2014: DKK 1.60 per share).

Outlook for 2016

- Operating profit before special items is expected to be in the range of DKK 3,100-3,500 million
- Net financial expenses are expected to approximate DKK 450 million
- The effective tax rate of the Group is expected to be approximately 25%

The group expects integration costs of approx. DKK 1,500 million in relation to the integration of UTi Worldwide Inc. The integration costs will be charged to the income statement under special items in 2016 and 2017.

Due to the UTi acquisition, no guidance is provided in regards to gross profit and free cash flow for 2016.

Investor teleconference

DSV will host an investor teleconference on 10 February 2016 at 11.00 a.m. CET. Reference is made to Company Announcement No. 629 for further details.

Inquiries relating to the Annual Report

Questions may be addressed to:

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- Flemming Ole Nielsen, Director Investor Relations, tel. +45 43 20 33 92.

This announcement has been forwarded to Nasdaq Copenhagen and to the press. It is also available at www.dsv.com. The announcement has been prepared in Danish and in English. In the event of discrepancies, the Danish version prevails.

Yours sincerely,
DSV A/S

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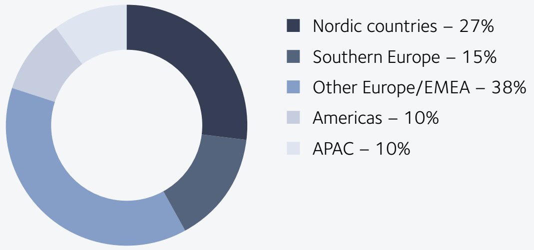
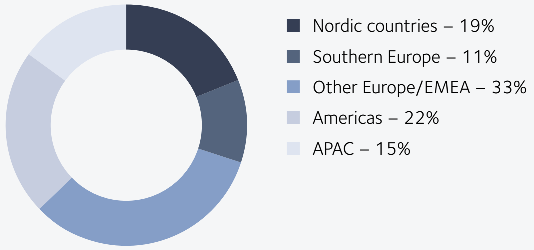
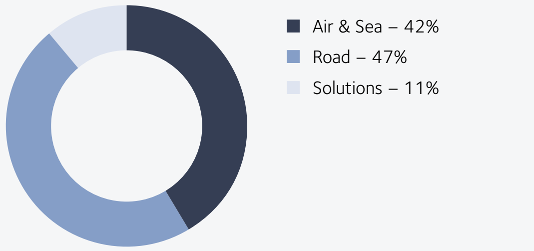
NET REVENUE BY REGION



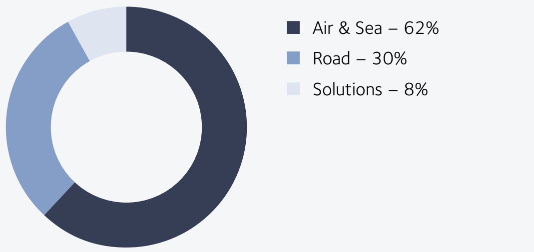
EBIT BEFORE SPECIAL ITEMS BY REGION



NET REVENUE BY DIVISION*



EBIT BEFORE SPECIAL ITEMS BY DIVISION*



* External revenue and EBIT after elimination of intra-Group transactions

FINANCIAL HIGHLIGHTS*

	2015	2014	2013	2012	2011
Income statement (DKKm)					
Net revenue	50,869	48,582	45,710	44,912	43,710
Gross profit	11,201	10,297	10,005	10,054	9,819
Operating profit before amortisation, depreciation and special items	3,575	3,145	3,052	3,074	2,975
Operating profit before special items	3,050	2,624	2,552	2,540	2,426
Net special items, costs	58	304	129	275	-
Net financial expenses	303	306	298	246	431
Profit for the year	2,058	1,491	1,571	1,430	1,449
Adjusted earnings	2,211	1,835	1,788	1,745	1,546
Balance sheet (DKKm)					
DSV A/S shareholders' share of equity	11,809	6,052	6,218	5,348	5,279
Non-controlling interests	32	29	30	37	30
Balance sheet total	27,725	23,680	23,100	22,794	22,734
Net working capital	22	305	561	307	1
Net interest-bearing debt	(546)	5,859	5,949	6,561	6,585
Invested capital including goodwill and customer relationships	10,977	11,797	12,281	11,953	12,030
Gross investment in property, plant and equipment	660	651	246	453	576
Cash flows (DKKm)					
Operating activities	3,160	1,919	1,775	1,651	1,863
Investing activities	(431)	(461)	(348)	(249)	(34)
Free cash flow	2,729	1,458	1,427	1,402	1,829
Adjusted free cash flow	2,837	1,472	1,754	1,509	1,894
Financing activities	1,855	(1,569)	(1,387)	(1,102)	(1,817)
Share buyback	(1,419)	(1,183)	(700)	(1,302)	(2,505)
Dividends distributed	(283)	(270)	(235)	(190)	(105)
Cash flow for the year	4,584	(111)	40	300	12
Financial ratios (%)					
Gross margin	22.0	21.2	21.9	22.4	22.5
Operating margin	6.0	5.4	5.6	5.7	5.6
Conversion ratio	27.2	25.5	25.5	25.3	24.7
Effective tax rate	23.5	26.0	26.1	29.2	27.4
ROIC before tax including goodwill and customer relationships	26.8	21.8	21.1	21.2	19.7
ROIC before tax excluding goodwill and customer relationships	102.1	77.4	72.0	71.1	62.5
Return on equity (ROE)	23.0	24.3	27.3	26.9	24.3
Solvency ratio	42.6	25.6	26.9	23.5	23.2
Gearing ratio	(0.2)	1.9	1.9	2.1	2.2
Share ratios					
Earnings per share of DKK 1	12.09	8.61	8.91	7.81	7.34
Adjusted earnings per share of DKK 1	11.95	8.55	8.87	7.76	7.29
Diluted adjusted earnings per share of DKK 1	12.85	10.53	10.05	9.48	7.82
Number of shares issued ('000)	192,500	177,000	180,000	188,000	190,000
Number of treasury shares ('000)	8,606	7,156	4,892	9,937	4,356
Average number of shares issued ('000) for the past 12 months	169,988	173,113	176,969	182,630	196,232
Average diluted number of shares ('000) for the past 12 months	172,003	174,274	177,876	183,971	197,613
Share price at year end (DKK)	271.70	188.20	177.80	145.70	103.00
Proposed dividend per share (DKK)	1.70	1.60	1.50	1.25	1.00
Staff					
Number of full-time employees at year end	22,783	22,874	22,021	21,932	21,678

*) For a definition of the financial highlights, please refer to pages 78-79.

DSV – at a glance

FACTS – AFTER THE ACQUISITION OF UTI WORLDWIDE INC.

A-Z
Transport and logistics services

Own network across more than **80** countries

The world's **4th** largest freight forwarder

More than **800** offices and **300** logistics facilities

Founded in Denmark in **1976**

OUR SERVICES

DSV AIR & SEA

Transportation of all types of cargo by air and sea. We offer standard and industry-specific logistics solutions through our global network supplemented by a Project Department, which handles exceptionally large or complex projects.

DSV ROAD

One of Europe's leading providers of road freight and distribution services in North America and South Africa. We offer both groupage and full loads as well as more specialised services, including temperature-controlled transportation.

DSV SOLUTIONS

Specialised logistics solutions, including warehousing and distribution, packing, freight management, customs clearance, e-commerce and e-business support.

OUR BUSINESS MODEL

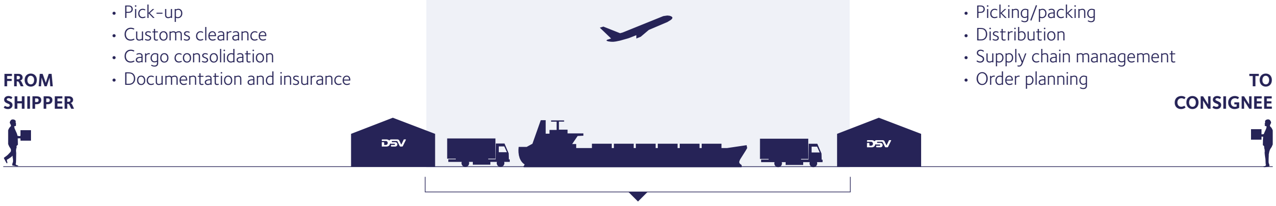
FREIGHT FORWARDING | **TRANSPORTATION** (SUBCONTRACTED) | **LOGISTICS & DISTRIBUTION**

VALUE-ADDED SERVICES
- Shipment booking
- Pick-up
- Customs clearance
- Cargo consolidation
- Documentation and insurance

VALUE-ADDED SERVICES
- Warehousing
- Picking/packing
- Distribution
- Supply chain management
- Order planning

FROM SHIPPER

TO CONSIGNEE



We are brokers in the transport and logistics market

- No ships owned
- No airplanes owned
- Very few trucks owned

FINANCIAL HIGHLIGHTS 2015

NET REVENUE

DKK 50,869 million

4.7%

CONVERSION RATIO

27.2%

6.7%

GROSS PROFIT

DKK 11,201 million

8.8%

OPERATING MARGIN

6.0%

11.1%

OPERATING PROFIT BEFORE SPECIAL ITEMS

DKK 3,050 million

16.2%

ROIC

26.8%

22.9%

ADJUSTED FREE CASH FLOW

DKK 2,837 million

92.7%

EARNINGS PER SHARE

DKK 12.09

40.4%

SELECTED EVENTS IN 2015

March
NEW CEO OF DSV AIR & SEA HOLDING A/S
Carsten Trolle takes over as CEO of DSV Air & Sea Holding A/S.

May
DSV OPENS NEW HEADQUARTERS
Official inauguration of new global headquarters in Denmark.

August
GLOBAL HUMAN RESOURCES
Establishment of global HR department headed by Group HR Director Helle Bach.

September
DSV CARES FOR THE FUTURE
Launch of "Young DSV" – our own international freight forwarder programme.

September
DSV IN KREFELD
The third-largest DSV logistics centre in the world opens in Krefeld, Germany.

October
UTI WORLDWIDE INC.
Announcement of agreement to acquire UTi Worldwide Inc.

Our best year ever

2015 was the year in which we succeeded in gaining market share across all three divisions, achieved a DKK +3 billion operating profit and successfully delivered on our strategy to grow through acquisitions.

Jens Bjørn Andersen
CEO
DSV A/S

Air freight reached new heights in 2015

I am immensely proud of the performance delivered by all our employees in 2015. Once again, the Air & Sea Division took the lead, in particular by reporting air freight growth well above the market average. The air freight results were a key contributor to the Division's organic EBIT growth of 13%. The Road Division regained strength from last year's slightly disappointing results and reported organic EBIT growth of 8%, driven by an increased number of shipments and improved productivity. DSV Solutions reported growth in activity levels, although this development was not reflected in earnings. Common for the three divisions, though, is that they have all achieved above-market results, enabling DSV to report a consolidated operating margin of 6%.

Complex supply chains require specialised solutions

When I visit customers around the world, I see with my own eyes that their production processes and supply chains have become increasingly complex. That makes increasing demands on us, as a freight forwarder, to match that complexity by providing transport and logistics solutions that far exceed A-to-B distribution and warehousing. I have therefore complete and unchanged confidence in our asset-light business model, which places the freight forwarder in the centre as the specialist who has to know the market and figure out efficient and competitive solutions. This cannot be done without highly specialised and experienced employees and good IT solutions that enable the freight forwarder to think alternatives and deliver top customer service.

Our industry is dependent on optimal business processess and strong IT systems, but we also still operate in a "people's business". It is therefore essential to secure and develop the best possible skills in this field through a strategic HR focus. In 2015, we strengthened our efforts in this field and established a global HR Department, headed by an HR Director, to ensure that we maintain an experienced and highly skilled workforce through global training and development programmes.

> 2015 was the year in which we found a good match in UTi Worldwide Inc.

Growth through acquisitions – UTi becomes part of DSV

In a highly fragtmented market it makes good sense to consolidate your business – to grow through acquisitions. This has been a pivotal element of DSV's strategy for years, and 2015 was the year in which we found a good match in UTi Worldwide Inc. The company is an excellent match for DSV; it has the same core business, similar history and culture, and the merger will significantly increase the geographical footprint of the DSV Group, in particular in Africa. In addition, the acquisition will boost DSV's competitive position in a number of business verticals (Automotive, Healthcare/Pharmaceuticals, Energy, etc.) – and will enable us to offer customers even better transport solutions across the globe.

We have a major integration project ahead of us – the combination of offices and sites, IT systems and back-office functions, and continuing the combined operations in the market under one name: DSV. During this process, we must maintain focus on our customer service and use the many new opportunities arising from the merger of UTi Worldwide Inc. and DSV A/S.

We must of course also focus on lifting the combined business to the earnings level that characterises DSV to secure continuous value creation for our shareholders. That is a clear goal which I feel strongly about.

Outlook for 2016

The integration of UTi Worldwide Inc. will be a major theme in 2016, but we must continue the positive development across the DSV Group. Based on the assumption of a stable development in the transport markets, we expect to deliver growth in operating profit in 2016 (before restructuring costs relating to the UTi integration).

According to projections, the global economy will grow by more than 3%, and we expect this to impact positively on transport market growth. Growth forecasts are uncertain by definition, but in the new united DSV – now with more than 40,000 employees – we are ready to do our utmost to deliver good results.

Last but not least, I want to thank our dedicated employees, who by their hard work have contributed to making 2015 the best year ever for DSV.

The transport and logistics market

DSV is among the world's four largest players in a fragmented market, where price will always be a key factor and where customers demand more than just the physical transportation service.

More than just transport

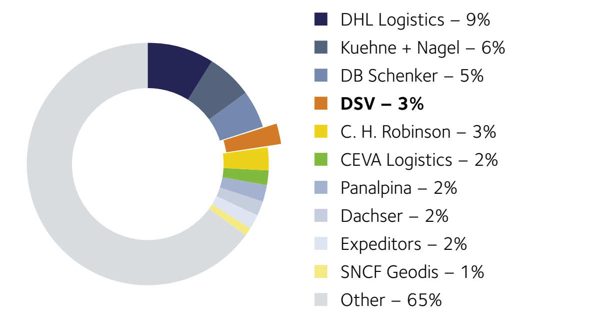
As a global freight forwarding company, we offer our customers transport and logistics solutions based on an "asset-light" business model, i.e. we do not own the transport equipment. This means that the actual transport operations are performed by external haulage contractors, shipping companies and airlines.

The physical transportation services are far from the only service that our customers demand; they also request various related services, such as customs clearance, cargo insurance, warehousing, distribution and supply chain management.

DSV – the world's fourth largest freight forwarder

The transport and logistics market is fragmented with a number of large, global players and many small, local freight forwarding companies. Even the major, global players control relatively modest market shares, and the world's 10 largest players are estimated to have an aggregate market share of approx. 35%. The estimated market share of DSV is 3%, and measured by revenue (2014) DSV ranks as number four among the world's largest freight forwarders (including UTi Worldwide Inc.).

MARKET SHARES



Source: Journal of Commerce, based on 2014 revenue. DSV and UTi Worldwide Inc. combined.

Basis for continued market growth

Cross-border trade and freight volumes are cyclical and sensitive to global economic developments. We expect that the market growth will be in line with the underlying economic growth in the coming years. In other words, the so-called "multiplier effect", i.e. the ratio of economic growth to the growth in freight volumes, is expected to be close to 1.

Market development will vary from region to region, and the developing countries are expected to see higher market growth rates than Europe and North America.

Exchange rate fluctuations and shifting global manufacturing patterns, e.g. reshoring or nearshoring to North America and Europe from the Far East, could also impact the demand for transport services.

Increasing complexity and new distribution channels

The global manufacturing industry is typically characterised by complex supply chains with different components being manufactured in different parts of the world and companies at the same time aiming to minimise funds tied up in stock. We expect that this trend will drive an increasing demand for efficient logistics solutions where reliability and guarantee of delivery are crucial factors.

New technologies and new distribution channels, particularly within e-commerce, cause the distribution systems to change and new needs to emerge. This development will continue in the coming years, and we see it as a good opportunity to pursue growth in new activities and markets.

The large become larger

For a number of years, the largest transport and logistics providers have reported higher growth rates than the small players due to economies of scale and strong global networks.

This trend is expected to continue and presumably lead to further consolidation in the industry.

Vision and strategy

DSV wants to be a leading global provider of transport and logistics solutions that meet the needs of our customers. Our goal is to achieve above-market growth and profitability. The acquisition of UTi Worldwide Inc. is in line with our growth strategy and will strengthen DSV's position in several areas.

Five key strategies towards the target

With a view to supporting DSV's vision and securing the future development of our company, we have formulated strategies for five different areas. The strategies build on a set of fundamental values and policies.

KEY STRATEGIES

STRATEGIES	CUSTOMER FOCUS	GROWTH	HUMAN RESOURCES	BUSINESS PROCESSES	ORGANISATION
VALUES AND POLICIES	WE REMAIN ASSET LIGHT				
	WE USE OUR GLOBAL NETWORK TO ITS FULLEST				
	WE DELIVER HIGH-QUALITY SERVICES				
	WE HAVE CLEAR AND RELEVANT GOALS				
	WE ENCOURAGE LOCAL EMPOWERMENT				

Customers – creating value in the supply chain

We have a clear strategy of providing high-quality and competitive transport and logistics services to our customers. That is how we add value to our customers' supply chains, and we therefore constantly focus on optimising our service offerings based on their needs. Both in terms of our standard products and our tailored solutions.

Quality, price and insight into our customers' individual needs are key concepts, and to remain agile we need to keep a constant dialogue with our customers to build real partnerships.

Small and medium-sized enterprises are a strong customer segment of DSV, and we aim to expand our market share in this segment. This objective is supported by targeted local sales efforts in the individual countries and a continued focus on optimisation and adaptation of our service offerings.

In addition, our Global Commercial Organisation works closely together with the local entities with the aim to increase our market share among large, global customers.

Large customers typically demand tailored transport and logistics solutions. Against this background, Management has decided to target the Company's sales efforts at a number of industries in which we can offer industry-specific solutions, e.g. the automotive, aviation, chemical and pharmaceutical industries, as well as retail distribution and e-commerce.

Growth – organic and acquisition-driven

Being among the world's four largest freight forwarders, DSV has a goal of growing its market share over time. Management aims to achieve organic growth above the market growth rate in the individual business segments through targeted sales efforts and high-quality services.

Business acquisitions have always played an important part in building DSV's existing network and market position, and the Group has a long-established track record of efficiently integrating both large and small acquirees. We want to continue to take part in the consolidation of the industry if attractive and value-adding opportunities arise.

The acquisition of UTi Worldwide Inc. is in line with our aim of considerably strengthening DSV's air and sea freight activities and increasing our exposure to markets outside Europe. The Road and Solutions divisions will also gain increased global presence, and DSV will be able to offer customers even better services.

Human resources – global with a local touch

With the continued growth of the DSV Group, human resources have become an area of increasing focus. We have therefore established a global HR function to oversee a structured and targeted approach in this field.

DSV wants to be an attractive workplace that focuses on motivation and training of our employees. And we have a clear goal of offering attractive terms and a good working environment in all countries, respecting local rules and culture.

Our employees are our most important asset. Our freight forwarders, warehouse staff, sales force, back-office staff, etc., are the ones who develop and run the transport and logistics solutions that our customers request every day. It is therefore imperative for DSV to be able to attract and retain talented employees and managers.

The transport and logistics industry is a business greatly impacted by market and technology changes, which poses ever increasing demands on productivity improvements and employees' adaptability. Structured training programmes in freight forwarding, sales, management, IT, etc., are an important aspect in providing competency development and maintaining motivation among our employees.

Processes and IT – a prerequisite for efficiency

Effective and efficient business processes are essential to satisfactory earnings in a competitive market. We will therefore continuously develop and optimise our business processes, and we have established central functions to oversee that we make optimum use of existing and well-functioning processes across the organisation.

Our business processes are dependent on IT, and it is paramount that IT platforms support the day-to-day operations in the best possible way. IT systems are a pivotal element of the services we offer our customers, and it is therefore crucial that the systems are reliable and meet customers' requirements. Hence, IT system operation, development and optimisation are high-priority areas with top management focus.

Organisation

DSV is organised into three divisions: Air & Sea, Road and Solutions. All Divisions are supported by a number of central Group functions.

The DSV Group is characterised by a flat and decentralised structure in several respects. The individual national managements are in charge of their respective operations and back-office functions according to the guidelines communicated by Division and Group Managements. Maintaining an agile an non-bureaucratic organisation is an important objective for DSV.

The decentralised structure provides room for manoeuvring while taking account of local market conditions, culture and language. Also, the national managements are close to the local customers and able to quickly make decisions when needed.

Our customers often require cross-border logistics solutions that involve multiple modes of transport, and we therefore constantly focus on optimising processes across the organisation.

The main role of Group Management is to lay down the overall strategy and ensure alignment across the Divisions and to oversee the execution of business development and streamlining plans in order to generate the highest possible profit for the Group. Group Management is also in charge of the central Group functions, which comprise IT, Group Procurement, Finance, Compliance, HR, Marketing and Communication, etc.

In 2015, DSV had particular focus on rail transport solutions, including the Europe-China rail route. The many countries along the route have gradually opened up their borders, allowing free passage of goods, and, as a result, rail freight has seen a bit of a revival. Rail transport between Europe and China is faster than by sea and cheaper than air freight, making it an attractive solution for many companies.

DSV and UTi

The acquisition of UTi Worldwide Inc. is part of DSV's growth strategy. It is the largest acquisition of DSV to date, and the combination with UTi will strengthen the DSV Air & Sea Division in particular.

About UTi Worldwide Inc.

UTi is a global, asset-light supply chain and logistics services provider headquartered in the USA. The company employs approx. 21,000 full-time employees in 58 countries across more than 300 offices and 150 own logistics centres.

UTi has a strong presence in North America and a leading position in South Africa. It also operates a network in Asia-Pacific and Europe.

Stronger together

The combined company will be one of the world's strongest transport and logistics networks with more than 40,000 employees in more than 80 countries.

The acquisition will significantly strengthen the Air & Sea Division, and DSV will increase its industry-specific capabilities across all divisions. Furthermore, DSV will now be truly global within contract logistics and expand its road freight activities to cover Europe, North America and South Africa.

The combined group of companies will have a more balanced geographical footprint with approx. 61% of revenue in Europe, Middle East and North Africa, 17% in Americas, 16% in Asia (APAC) and 6% in Sub-Saharan Africa. Before the UTi transaction, Europe accounted for approx. 80% of total DSV Group revenue.

Integration

DSV and UTi are a strong match with many potential synergies as a result of similarities in business models and services:

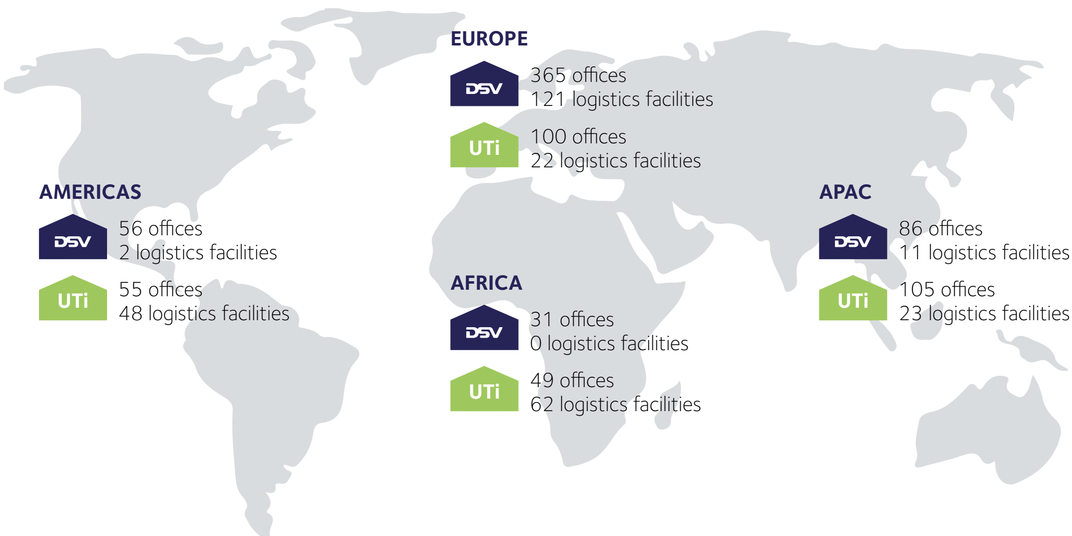
- Commercial synergies from stronger network and service offerings, new competencies and skills
- Consolidation of offices and logistics facilities
- Consolidation of IT infrastructure
- Optimisation of organisational setup
- Stronger buying power

In the first quarter of 2016, we have initiated the comprehensive integration of UTi, realisation of synergies and adaptation of legal and financial structures. Throughout the process we will focus on maintaining a high service level for customers in the transition phase. The synergies are expected to materilise within three years. A large part of the integration will be completed within the first 12 months.

The transaction

The acquisition was announced 9 October 2015 and closed on 22 January 2016.

The total enterprise value of the transaction is DKK 9.5 billion. The transaction is financed partly through a capital increase carried out in November 2015, the proceeds of which representing DKK 5 billion. The remaining part of the purchase price is funded through debt.



Financial targets

The strategic objectives of the Group are translated into the below targets for freight volume growth and financial ratios.

EARNINGS MARGINS AND ROIC

DSV	Target	Actual 2015
Operating margin	7%	6.0%
Conversion ratio	30%	27.2%
ROIC	25%	26.8%

Air & Sea	Target	Actual 2015
Operating margin	7-8%	8.9%
Conversion ratio	35%	36.3%
ROIC	25%	29.0%

Road	Target	Actual 2015
Operating margin	5%	3.7%
Conversion ratio	25%	20.4%
ROIC	25%	33.2%

Solutions	Target	Actual 2015
Operating margin	6%	4.1%
Conversion ratio	25%	17.0%
ROIC	20%	16.8%

The targets set for the Group are unchanged from the latest annual report of the Company. We expect to achieve the targets in 2020.

The targets are based on the assumption of a stable economic development in Europe and globally during the period and the successful integration of UTi Worldwide Inc.

Freight volume growth

DSV aims to gain market share in all markets of the Group.

Periods of large integrations may have a short-term impact on the organic growth of the Company.

Capital structure

The targets set for the capital structure are:

- Sufficient financial flexibility to meet the strategic objectives.
- A robust financing structure to maximise the return for our shareholders.

The target set for the financial gearing ratio, i.e. net interest-bearing debt to EBITDA before special items, is 1.0-1.5.

The Group's financial gearing ratio may exceed that range in periods due to acquisitions. This is the case after the acquisition of UTi Worldwide Inc.

The financial gearing target has been adjusted compared to previous announcements in view of ensuring that the Group has sufficient financial flexibility to meet its strategic objectives while maintaining a robust financing structure. Moreover, it is DSV policy that the Company's financing costs must be deductible for tax purposes. Over the past years, the possibility of obtaining a tax deduction has been tightened in a number of countries.

The long-term loan commitments of the Group are constantly monitored to maintain an adequate duration and mix of bank loans and corporate bonds. At 31 December 2015, the average duration was 3.7 years.

Capital allocation

The Group aims to spend free cash flow as follows:

1. Repayment of net interest-bearing debt in periods when the financial gearing ratio of the Group is above the capital structure target.
2. Value-adding investments in the form of acquisitions or development of the existing business.
3. Distribution to the Company's shareholders by means of share buybacks in preparation for capital reduction and dividends.

Share buybacks and dividend policy

Management continuously monitors that the realised and expected capital structure of the Group satisfy the targets set. Any adjustments of the capital structure are determined in connection with the release of financial reports and are made primarily through share buybacks.

We aim to ensure that the dividend per share develops in line with the consolidated earnings per share. Proposed dividends for 2015 is DKK 1.70 per share (2014: DKK 1.60).

Outlook for 2016

Management expects EBIT before special items in the range of DKK 3,100-3,500 million for 2016. The results of UTi Worldwide Inc. are recognised in the consolidated income statement from the acquisition date.

Outlook for 2016

OUTLOOK FOR 2016

(DKKm)	Results 2015	Outlook 2016
Operating profit befores special items	3,050	3,100-3,500
Net financial expenses	303	450
Effective tax rate	23.5%	25%

The outlook for 2016 is based on the assumption of a stable development in the markets in which the Group operates.

The OECD and IMF project global economic growth of just over 3% in 2016. Relatively low growth rates are expected in Europe and USA, whereas a number of developing countries are expected to see relatively high growth.

We expect that transport market growth will be in line with the underlying economic growth in the individual regions.

Integration of UTi Worldwide Inc.

DSV expects synergies of around DKK 1.5 billion from the integration of UTi Worldwide Inc. into the DSV Group. The synergies are expected to materialise within three years, with a large part of the integration being completed within the first 12 months. The full profit and loss effect of the integration will typically manifest itself 3-6 months after completion of the individual initiatives.

This means that the Company's performance will gradually improve, and we expect to achieve approx. 30% of the synergies in 2016. It should be noted that UTi Worldwide Inc. was running at a loss at the time of acquisition. We expect to achieve approx. 50% of the synergies in 2017 and the final approx. 20% in 2018. The combined operations are expected to be further optimised during 2019 and 2020 with a view to achieving the long-term financial targets.

The integration is expected to trigger restructuring costs, etc., of around DKK 1.5 billion, two-thirds of which we expect defrayed in 2016 and the remaining costs in 2017. Similar to previous restructuring costs, the expense will be treated as special items in the income statement. Restructuring costs are non-recurring expenses defrayed by the Group for the purpose of streamlining business processes and adjusting overheads. This includes costs for the combination of offices and logistics facilities and termination benefits costs.

Exchange rates

The consolidated performance forecast measured in Danish kroner (DKK) is based on the average exchange rates listed below:

EXCHANGE RATES USED FOR THE FORECAST 2016

EUR	746
GBP	980
HKD	86
CNY	104
SEK	79
USD	680

Forward-looking statements

This Annual Report includes forward-looking statements on various matters, such as expected earnings and future strategies and expansion plans. Such statements are uncertain and involve various risks because many factors, some of which are beyond DSV's control, may result in actual developments differing considerably from the expectations set out in the Annual Report.

Such factors include, but are not limited to, general economic and business conditions, exchange rate and interest rate fluctuations, the demand for DSV's services, competition in the transport sector, operational problems in one or more of the Group's subsidiaries and uncertainty in connection with the acquisition and divestment of enterprises.

Financial review

For 2015, DSV reported gross profit of DKK 11,201 million, EBIT before special items of DKK 3,050 million and adjusted free cash flow of DKK 2,837 million. The Group thereby delivered on its forecast, driven by healthy growth in freight volumes in all business segments. Air & Sea and Road saw the best development, whereas Solutions reported a slight drop in earnings.

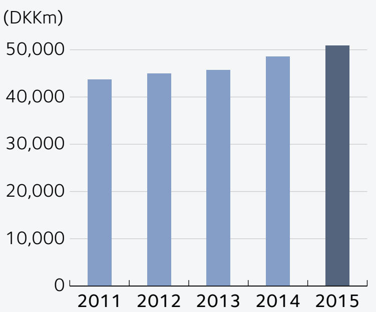
Profit for the year

CONDENSED INCOME STATEMENT

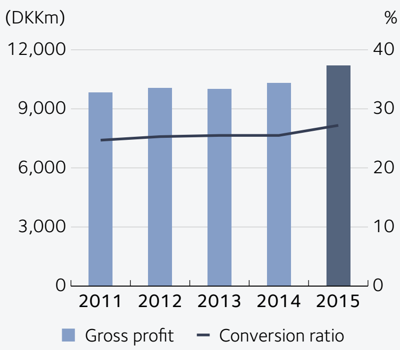
(DKKm)	2015	2014
Net revenue	50,869	48,582
Direct costs	39,668	38,285
Gross profit	11,201	10,297
Other external expenses	2,149	2,058
Staff costs	5,477	5,094
EBITDA before special items	3,575	3,145
Amortisation and depreciation of intangibles, property, plant and equipment	525	521
EBIT before special items	3,050	2,624

Jens H. Lund
CFO
DSV A/S

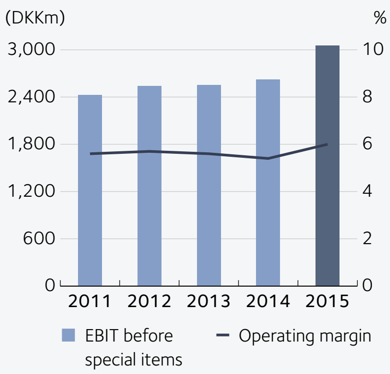
NET REVENUE



GROSS PROFIT



EBIT BEFORE SPECIAL ITEMS



NET REVENUE

Consolidated revenue was up 4.7% and totalled DKK 50,869 million for 2015.

NET REVENUE 2015 VERSUS 2014

	Growth	DKKm
Net revenue 2014		48,582
Currency translation adjustments	2.3%	1,095
Acquisition and divestment of enterprises, net	0.0%	3
Organic growth	2.4%	1,189
Net revenue 2015	4.7%	50,869

Organic growth represented 2.4% and was attributable to Road (reporting 2.7%) and Solutions (reporting 4.6%). The organic revenue growth in both Divisions was mainly driven by volume growth.

The Air & Sea Division reported a negative organic revenue growth of 6.7% despite an increase in number of shipments. This owed to low average freight rates compared to 2014. The freight rates that DSV pays to shipping companies and airlines affect the prices DSV charges its customers.

Exchange rate fluctuations impacted positively on revenue by DKK 1,095 million, most notably in the Air & Sea Division.

> The Group delivered on its forecast, driven by healthy growth in freight volumes in all business segments.

GROSS PROFIT

Consolidated gross profit was up 8.8% and totalled DKK 11,201 million for 2015.

GROSS PROFIT 2015 VERSUS 2014

	Growth	DKKm
Gross profit 2014		10,297
Currency translation adjustments	3.3%	344
Acquisition and divestment of enterprises, net	0.0%	4
Organic growth	5.2%	556
Gross profit 2015	8.8%	11,201

All business segments contributed to the organic gross profit growth of 5.2%. The Air & Sea Division reported organic growth of 7.8%, driven by an increase in number of shipments and improved earnings per unit.

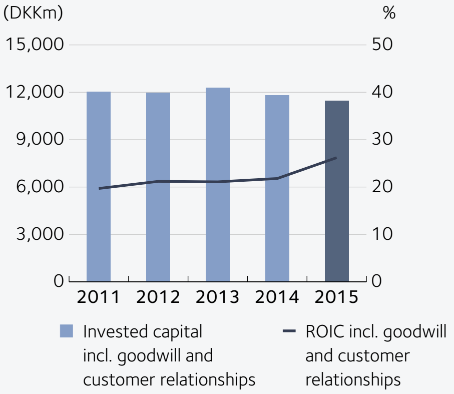
The Road Division reported organic growth of 3.9%, attributable to an increase in number of shipments with stable earnings per shipment.

The Solutions Division reported organic growth of 1.3%. The number of order lines grew by 6%, but earnings were negatively impacted by costs relating to implementation of new customers contracts.

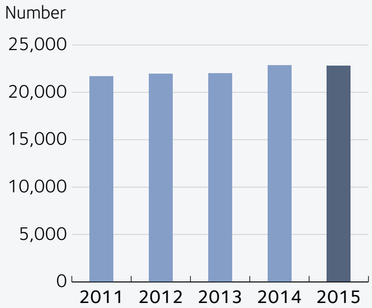
Exchange rate fluctuations also impacted positively on gross profit by DKK 344 million, most notably in the Air & Sea Division.

The gross margin was 22.0% for 2015, up from 21.2% for 2014. The Air & Sea and Road divisions contributed to the increase, whereas Solutions reported a decline in gross profit.

ROIC AND INVESTED CAPITAL INCLUDING GOODWILL AND CUSTOMER RELATIONSHIPS



NUMBER OF EMPLOYEES



OPERATING PROFIT BEFORE SPECIAL ITEMS

Consolidated operating profit before special items was DKK 3,050 million for 2015 against DKK 2,624 million for 2014.

EBIT BEFORE SPECIAL ITEMS 2015 VERSUS 2014

	Growth	DKKm
EBIT before special items 2014		2,624
Currency translation adjustments	6.9%	182
Acquisition and divestment of enterprises, net	(0.1%)	(3)
Organic growth	8.8%	247
EBIT before special items 2015	16.2%	3,050

The Air & Sea Division achieved organic growth of 13.0%, driven by a combination of gross profit growth and improved productivity.

The Road Division reported organic growth in EBIT before special items of 8.0%, whereas Solutions saw a drop in EBIT before special items of 11.7%.

Overall staff costs (excluding production staff) of the Group increased by 7.5% and totalled DKK 5,477 million for 2015. Other external expenses increased 4.4% and totalled DKK 2,149 million for 2015. Both staff costs and external expenses were affected by increased exchange rates, particularly in the Air & Sea Division. In addition, costs increased in certain areas as a result of high activity levels.

The conversion ratio was 27.2% for 2015 against 25.5% for 2014. The increase was mainly attributable to a significant increase in Air & Sea. The Road Division also reported improved productivity.

The operating margin was 6.0% for 2015 against 5.4% for 2014.

SPECIAL ITEMS, NET

Special items totalled DKK 58 million for 2015 and related to costs incurred in relation to the acquisition of UTi Worldwide Inc. The costs mainly comprised consultants' fees and costs for hedging of the purchase price.

TAX ON PROFIT FOR THE YEAR

The effective tax rate was 23.5% for 2015 and below the forecasted 25%.

DILUTED ADJUSTED EARNINGS PER SHARE

As a result of improved adjusted earnings and a reduced number of outstanding shares, diluted adjusted earnings per share increased 22.0% and came to DKK 12.85 for 2015.

DILUTED ADJUSTED EARNINGS PER SHARE

(DKKm)	2015	2014
Profit for the year	2,058	1,491
Non-controlling interests' share of consolidated profit for the year	2	1
DSV A/S shareholders' share of profit for the year	2,056	1,490
Amortisation of customer relationships	108	116
Share-based payments	37	37
Special items, net	58	304
Related tax effect	(48)	(112)
Adjusted profit for the year	2,211	1,835
Diluted average number of shares in circulation ('000)	172,003	174,274
Diluted adjusted earnings per share of DKK 1	12.85	10.53

Cash flow statement

CASH FLOW STATEMENT

(DKKm)	2015	2014
Cash flow from operating activities	3,160	1,919
Cash flow from investing activities	(431)	(461)
Free cash flow	2,729	1,458
Cash flow from financing activities	1,855	(1,569)
Cash flow for the period	4,584	(111)
Adjusted free cash flow	2,837	1,472

CASH FLOW FROM OPERATING ACTIVITIES

Cash flow from operating activities was DKK 3,160 million for 2015 against DKK 1,919 million for 2014. The increase was mainly attributable to the high operating profit and low net working capital.

The Group's funds tied up in net working capital came to DKK 22 million at 31 December 2015 against DKK 305 million at 31 December 2014. The reduction was mainly attributable to an improvement in receivables and trade payables. The Group consolidates and optimises its terminals, warehousing facilities and offices on an ongoing basis. As a general rule, a sale and lease-back transaction is made after the completion of property projects.

CASH FLOW FROM INVESTING ACTIVITIES

Cash flow from investing activities came to DKK -431 million for 2015 against DKK -461 million for 2014.

Acquisitions of subsidiaries and activities represented DKK 108 million against DKK 14 million in 2014.

In addition, investments mainly related to development of the Group's IT systems, logistics and office facilities, operating equipment, etc.

Net investments in property, plant and equipment amounted to a net gain of DKK 21 million for 2015 against net investments of DKK 204 million for 2014.

On 2 September 2015, DSV hosted a Capital Markets Day at Hedehusene, Denmark. Around 60 analysts, investors and journalists attended the event to get an update on DSV's business activities. The event focused equally on business, strategy, divisions, IT systems, sales and financial reporting – with time for questions along the way.

FREE CASH FLOW AND CAPITAL ALLOCATION

Free cash flow came to DKK 2,729 million for 2015 against DKK 1,458 million for 2014.

Adjusted for the acquisition and divestment of subsidiaries and activities and normalisation of the working capital of acquirees, adjusted free cash flow amounted to DKK 2,837 million in 2015 against DKK 1,472 million in 2014.

The Group reported adjusted free cash flow above the forecasted DKK 2.2 billion, mainly as a result of improved net working capital.

In accordance with the capital allocation policy set for the Group, consolidated cash flows for 2015 were used as follows:

- Debt reduction
- Acquisitions
- Distribution to the Company's shareholders through share buybacks and dividend payments

CASH FLOW FOR THE YEAR

Cash flow for the year came to DKK 4,584 million for 2015 against DKK -111 million for 2014.

In addition to the increase in free cash flow, the high cash flow mainly related to the capital increase carried out in November 2015, which yielded net proceeds of DKK 4,761 million. The Group also sold treasury shares of DKK 188 million. The transaction was used as partial financing of the acquisition of UTi Worldwide Inc.

Capital structure and finances

EQUITY

The equity interest of DSV shareholders came to DKK 11,809 million at 31 December 2015, corresponding to a solvency ratio of 42.6%. At 31 December 2014, the equity interest of DSV shareholders came to DKK 6,052 million, corresponding to a solvency ratio of 25.6%. The movements in equity mainly related to the capital increase, profit for the year, purchase and sale of treasury shares and distribution of dividends.

DEVELOPMENT IN EQUITY

(DKKm)	2015	2014
Equity at 1 January	6,052	6,218
Net profit for the period	2,056	1,490
Dividends distributed	(283)	(270)
Purchase of treasury shares	(1,419)	(1,183)
Sale of treasury shares	437	178
Capital increase	4,761	-
Actuarial gains/losses	107	(323)
Other adjustments, net	98	(58)
Equity at 31 December	11,809	6,052

NET INTEREST-BEARING DEBT

Net interest-bearing debt amounted to DKK -546 million at 31 December 2015 against DKK 5,859 million at 31 December 2014.

The financial gearing ratio (net interest-bearing debt to EBITDA before special items) was -0.2 at year end 2015. At year end 2014, the financial gearing ratio was 1.9.

The net interest-bearing debt at 31 December 2015 was affected by extraordinary proceeds of DKK 5 billion from the capital increase and sale of treasury shares carried out in view of the partial financing of the acquisition of UTi Worldwide Inc.

Of total net interest-bearing debt, loans and credit facilities amounted to DKK 4,488 million, DKK 4,184 million of which was long-term debt.

Undrawn long-term loan and credit facilities amounted to DKK 6,748 million at 31 December 2015. At 31 December 2015, the total duration of the Group's long-term loan commitments was 3.7 years (2014: 4.6 years).

DEVELOPMENT IN NET INTEREST BEARING DEBT

(DKKm)	2015	2014
Loans and credit facilities	1,263	2,890
Issued bonds	3,225	3,233
Finance leases	116	143
Other non-current liabilities	–	25
Total financial liabilities	4,604	6,291
Other interest-bearing receivables	242	-
Cash and cash equivalents	4,908	432
Total financial assets	5,150	432
Net interest-bearing debt	(546)	5,859

FINANCIALS

Financial income and expenses developed as expected in 2015 and constituted a net expense of DKK 303 million against DKK 306 million for 2014.

In 2015, the weighted average interest rate payable for the Group's long-term loans and credit facilities including the effect of interest rate swaps was 2.5% against 2.9% in 2014.

INVESTED CAPITAL INCLUDING GOODWILL AND CUSTOMER RELATIONSHIPS

Invested capital including goodwill and customer relationships amounted to DKK 10,977 million at 31 December 2015 against DKK 11,797 million at 31 December 2014. The decline was mainly due to the low level of funds tied up in property, plant and equipment.

RETURN ON INVESTED CAPITAL (ROIC BEFORE TAX INCLUDING GOODWILL AND CUSTOMER RELATIONSHIPS)

Return on invested capital was 26.8% in 2015 against 21.8% in 2014. The increase was attributable to both the improved operating profit (EBIT before special items) and the decrease in average invested capital.

DSV Air & Sea

DSV Air & Sea offers air and sea freight services and designs tailor-made project solutions, where a standard freight service is not an option due to the dimensions and weight of the cargo. After the acquisition of UTi Worldwide Inc., the Division now operates in more than 80 countries.

DSV Air & Sea reported 13.0% organic growth in EBIT before special items for 2015. The growth was mainly driven by an 8% growth in air freight volume and productivity improvements.

NET REVENUE

-1.4%

to DKK 21,685 million

GROSS PROFIT

+15.6%

to DKK 5,291 million

OPERATING PROFIT

+24.7%

to DKK 1,923 million

CONVERSION RATIO

36.3%

(2014: 33.7%)

OPERATING MARGIN

8.9%

(2014: 7.0%)

DSV Air & Sea

DSV gains market share in a weak market

In 2015, the global sea freight market saw a weaker development than expected at the beginning of the year. With an overall decline of approx. 5%, the Asia-Europe lane suffered in particular and was presumably impacted by the weak euro. Other trade lanes saw a more positive development, but the general decline in economic growth curtailed global container freight growth at 0-1%.

In addition, weak demand coupled with the inflow of new ships lead to some surplus capacity and significantly increased sea freight rate volatility.

The global air freight market also showed a weaker than expected development, with global market growth of 2-3%. Affected by the same factors as global sea freight, the air freight market declined especially in the second half of 2015.

DSV showed a strong performance in a tough market and reported above-market growth.

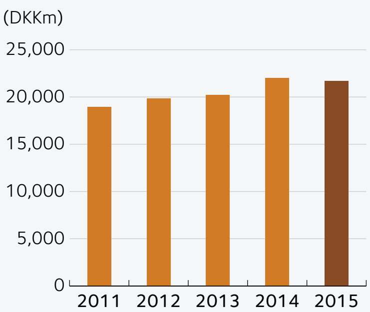
The Division reported 8% growth in air freight volumes. The positive development was particularly noticeable in European and US export volumes, due to an inflow of new customers and increased business with existing customers. The Division's ex-Asia volumes were in line with 2014, which is estimated to be above the underlying market development.

Our sea freight volumes were impacted by the negative growth in transports from Asia to Europe, which is our most important trade lane, but driven by growth in all other trade lanes our total container volumes grew by 2%.

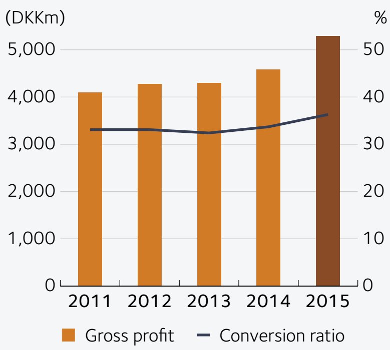
> **The Division reported 8% growth in air freight volumes. The positive development was particularly noticeable in European and US export volumes.**

Carsten Trolle
Managing Director – Air & Sea Division

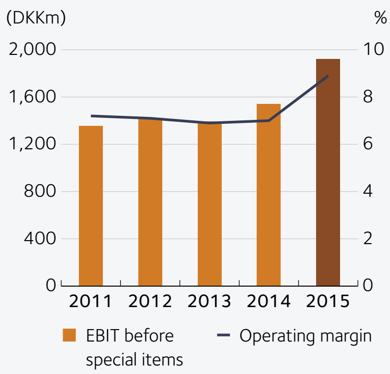
NET REVENUE



GROSS PROFIT



EBIT BEFORE SPECIAL ITEMS



In 2015, DSV and Boeing together opened a new aircraft repair hangar at Copenhagen Airport. DSV oversees the operation of the spare part warehouses at Boeing's hangars at Copenhagen, Stockholm and Oslo airports and thereby assists in keeping the approx. 200 Norwegian aircraft airborne. The spare part warehouses are open 24 hours a day, 365 days a year.

GROWTH IN FREIGHT VOLUMES

	2015 DSV	2015 Market
Sea freight – TEUs	2%	0-1%
Air freight – tonnes	8%	2-3%

Market growth are based on own estimates

Financial results for the year

Revenue totalled DKK 21,685 million for 2015 (2014: DKK 22,001 million), corresponding to a decline of 1.4%. Organic growth was down 6.7 percentage points.

Revenue was positively affected by the growth in freight volumes and high exchange rates, the USD in particular. However, average sea freight and air freight rates were lower than in 2014. The freight rates of the shipping companies and airlines affect the prices that DSV charges its customers.

Gross profit totalled DKK 5,291 million for 2015 (2014: DKK 4,576 million), corresponding to an increase of 15.6% of which organic growth represented 7.8 percentage points.

CONDENSED INCOME STATEMENT AND KEY FIGURES

(DKKm)	2015	2014
Net revenue	21,685	22,001
Direct costs	16,394	17,425
Gross profit	**5,291**	**4,576**
Other external expenses	1,045	971
Staff costs	2,215	1,957
EBITDA before special items	**2,031**	**1,648**
Amortisation and depreciation	50	46
Amortisation of customer relationships	58	60
EBIT before special items	**1,923**	**1,542**
Gross margin (%)	24.4	20.8
Conversion ratio (%)	36.3	33.7
Operating margin (%)	8.9	7.0
Number of employees at year end	6,754	6,761
Total invested capital	6,346	6,939
Net working capital	987	1,414
ROIC (%)	29.0	22.6

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 2014, mainly due to the currency translation effect. An increasing number of value-added services per shipment also had a positive effect on earnings per shipment. Value-added services include order management, consolidation, customs clearance and cargo insurance.

AIR AND SEA SPLIT

	Sea freight		Air freight	
(DKKm)	2015	2014	2015	2014
Net revenue	12,514	13,069	9,171	8,932
Direct costs	9,457	10,406	6,937	7,019
Gross profit	**3,057**	**2,663**	**2,234**	**1,913**
Gross margin (%)	24.4	20.4	24.4	21.4
Volume (TEUs/tonnes)	855,319	835,487	311,193	287,662
Gross profit per unit (DKK)	3,574	3,187	7,179	6,650

EBIT before special items totalled DKK 1,923 million for 2015 (2014: DKK 1,542 million), corresponding to an increase of 24.7%. Organic growth represented 13.0 percentage points.

The conversion ratio was 36.3% for 2015 (2014: 33.7%).

The Division managed to continue the productivity improvements achieved over the past few years. A strong global IT platform, efficient business processes and clear targets and financial ratios are some of the factors that drive this development. The entire global network contributed to the earnings growth, although Americas, with the US as the top performer, have been the key growth driver.

High exchange rates had a significant impact on the cost base in 2015.

The Division's operating margin was 8.9% for 2015 (2014: 7.0%).

Working capital The Air & Sea Division's funds tied up in net working capital came to DKK 987 million for 2015 (2014: DKK 1,414 million).

Strategic and operational highlights

Having for many years focused on small and medium-sized customers, who still make up the major part of our customer base, we have in recent years seen an inflow of large, global customers. This trend manifested itself mainly in air freight, which is also reflected in the growth figures.

During the year, we also witnessed a very positive development in our North and South American activities. To further strengthen our position in this market, we opened a branch office in Costa Rica in 2015 and thereby gained foothold in Central America.

DSV Air & Sea applies a systematic approach to business process optimisation. The Division has established a road map of continuous process improvements, the implementation of which is monitored closely by the Air & Sea Management. Data validation as a mean to facilitate increased automation is an area of particular focus.

Focus areas in 2016

The acquisition of UTi Worldwide Inc. will considerably strengthen the network and market position of DSV Air & Sea. Having gained a stronger foothold in the market, the Division maintains its goal of achieving growth rates above the market average, but the integration of UTi Worldwide Inc. may impact organic growth in 2016.

The overall focus of the UTi integration will be to improve profitability along with offering our customers a continued high level of service.

In 2016, the integration process will mainly focus on the consolidation of offices, transition to one shared transport management system, organisational alignment and contract negotiation with suppliers.

DSV Road

DSV Road offers road and rail transport services – including full loads, part loads and groupage. We have a complete European network of more than 200 terminals. With the acquisition of UTi Worldwide Inc. we will expand our distribution activities to North America and South Africa.

DSV Road reported 8.0% organic growth in EBIT before special items for 2015. The increase was driven by a 5% growth in number of shipments and increased productivity.

NET REVENUE

+2.3%

to DKK 24,718 million

GROSS PROFIT

+4.3%

to DKK 4,497 million

OPERATING PROFIT

+9.7%

to DKK 918 million

CONVERSION RATIO

20.4%

(2014: 19.4%)

OPERATING MARGIN

3.7%

(2014: 3.5%)

DSV Road

DSV Road gains market share

With growth of 2-3%, the European road freight market saw a slightly more positive development than expected in 2015. However, the weak economic growth in Europe in recent years impacts the market, which is still characterised by considerable price pressure.

The positive market development in 2015 was most pronounced in Western and Southern Europe, whereas several Eastern European countries felt the consequences of the embargoes against Russia.

DSV Road reported 5% growth in number of shipments in 2015, and Management estimates that the Division gained market share in most markets.

This means that the positive development was driven by growth in most Road countries and across several business verticals.

GROWTH IN FREIGHT VOLUMES

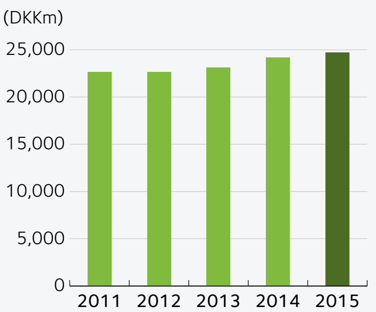
	2015 DSV	2015 Market (Europe)
Shipments	5%	2-3%

Market growth rates are based on own estimates

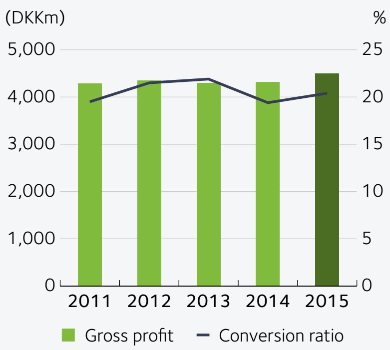
> DSV Road reported 5% growth in the number of shipments in 2015, and Management estimates that the Division gained market share in most markets.

Søren Schmidt
Managing Director – Road Division

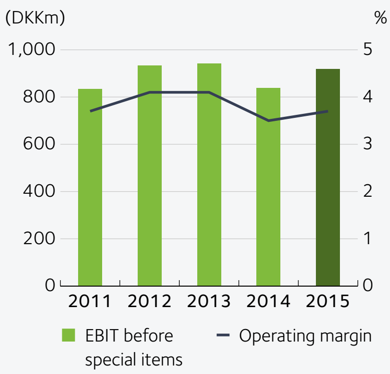
NET REVENUE



GROSS PROFIT



EBIT BEFORE SPECIAL ITEMS



DSV operates five trailer repair shops in Europe, all of which opened in 2015. Fast repair and regular maintenance of our trailers are crucial to avoid operational interruptions and delays. Our mechanics provide all types of repair and maintenance services, and our warehouse management system ensures that we always have the right spare parts in stock. The repair shops have already become a success, and several shops now also provide trailer repair services to other companies than DSV.

Financial results for the year

Revenue totalled DKK 24,718 million for 2015 (2014: DKK 24,169 million), corresponding to an increase of 2.3%. Organic growth was 2.7%.

CONDENSED INCOME STATEMENT AND KEY FIGURES

(DKKm)	2015	2014
Net revenue	24,718	24,169
Direct costs	20,221	19,856
Gross profit	4,497	4,313
Other external expenses	1,049	1,025
Staff costs	2,404	2,319
EBITDA before special items	1,044	969
Amortisation and depreciation	110	112
Amortisation of customer relationships	16	20
EBIT before special items	918	837
Gross margin (%)	18.2	17.8
Conversion ratio (%)	20.4	19.4
Operating margin (%)	3.7	3.5
Number of employees at year end	9,280	9,292
Total invested capital	2,563	2,975
Net working capital	(878)	(694)
ROIC (%)	33.2	25.0

Revenue was positively influenced by the growth in number of shipments, while the average invoiced price per shipment dropped, mainly as a result of low fuel prices.

Gross profit totalled DKK 4,497 million for 2015 (2014: DKK 4,313 million), corresponding to an increase of 4.3%. Organic growth was 3.9%. The Division's gross margin was 18.2% for 2015 (2014: 17.8%).

The Division managed to stabilise average earnings per shipment compared to 2014. This owed to a continuous optimisation of production through improved capacity utilisation of trucks and terminals.

EBIT before special items totalled DKK 918 million for 2015 (2014: DKK 837 million), corresponding to an increase of 9.7%. Organic growth was 8.0%.

The conversion ratio was 20.4% for 2015 (2014: 19.4%).

In 2015, we saw the full effect of the Operational Excellence 2.0 restructuring programme, which was launched in 2014 and which has contributed to the productivity improvements achieved. Under the programme, a few loss-making activities were discontinued and business processes optimised and centralised.

The Division's operating margin was 3.7% for 2015 (2014: 3.5%).

Working capital The Road Division's funds tied up in net working capital came to DKK -878 million at 31 December 2015 (DKK -694 million at 31 December 2014).

Strategic and operational highlights

We continuously optimise our network of cross-dock terminals. In 2015, a number of sites were merged and new terminals established; and in that connection we want to highlight the newly opened DSV Krefeld in Nordrhein-Westphalen, which is now the third-largest DSV site.

Our customer relations is a key factor. In 2015, we launched the DSV Customer Success programme, through which we have gained input on what we can do better to improve customer retention. Price is still an important factor in our negotiations with customers, but we also focus on improving the quality of our services and our communication with customers.

Customers demand an increasingly high level of quality and digital services; a trend that is partly driven by the standards in regards to track and trace and customer alerts set by e-commerce. This requires constant development of IT systems and services. The market is also increasingly affected by local and EU legislation, including salary and working conditions (minimum wage, rules on overnight sleeping in trucks, etc.) and environmental regulation.

The Road Division is in the process of upgrading its transport management system. The objective of the Cargolink Way Forward project is to provide a solution that will enable us to offer customers better services and give our employees a tool which is expected to increase productivity.

The Division saw a positive development in the automotive segment in 2015. This will be an area of increased focus in future, and we have implemented a Hypercare Programme to make sure that our organisation is geared for the stringent quality requirements of the industry.

Focus areas in 2016

The Division will continue to use its strong market position and service offerings to achieve the goal of gaining additional market share. Resources will also be invested in optimising both the physical and the technological infrastructure with a view to increase productivity.

With the acquisition of UTi Worldwide Inc., the Road Division will in 2016 gain activities in new markets in North America and South Africa. We must make sure that we utilise the full potential of our strong, global network across all business segments of DSV and UTi. In particular, we must communicate to UTi's customers that they now have access to one of the strongest distribution networks in Europe.

DSV Solutions

DSV Solutions specialises in contract logistics: logistics and warehousing solutions that support customers' entire supply chain. In addition to traditional warehousing and distribution services, the Division's service portfolio also includes freight management, customs clearance, order management and e-commerce solutions. With the acquisition of UTi Worldwide Inc., DSV Solutions will become a global player in contract logistics.

Despite 6% growth in number of order lines, the Division reported a decline in EBIT before special items for 2015. This was mainly due to costs relating to the start-up of customer contracts during the year.

NET REVENUE

+4.0%

to DKK 5,960 million

GROSS PROFIT

+1.7%

to DKK 1,420 million

OPERATING PROFIT

-11.7%

to DKK 242 million

CONVERSION RATIO

17.0%

(2014: 19.6%)

OPERATING MARGIN

4.1%

(2014: 4.8%)

DSV Solutions

Growth and changes in customer demands

Measured by customer activity levels, the logistics services market picked up in 2015. We saw an overall increase in demand, in Southern Europe in particular, which slightly reduced the surplus capacity which has affected the market in recent years. However, we still see a market impacted by price competition.

There is a general trend of customers demanding relatively short contract periods. This means that, as a logistics services provider, we must be able to implement new contracts fast using standard procedures.

Moreover, e-commerce plays an increasingly important role, resulting in a growing number of small orders to different recipients and more peak periods than previously, e.g. around weekends and holidays. In addition, customers have a clear expectation of quick dispatch.

DSV Solutions reported 6% growth in order lines for 2015, and we estimate that the Division has gained market share. However, the price per order line dropped as a result of a reduced average order size.

GROWTH IN LOGISTICS VOLUMES

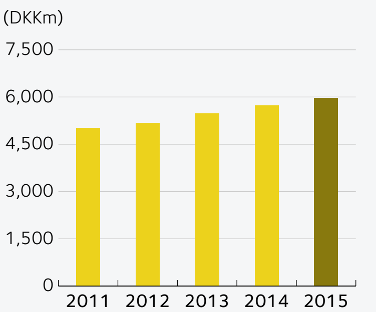
	2015 DSV	2015 Market (Europe)
Order lines	6%	2-3%

Market growth rates are based on own estimates

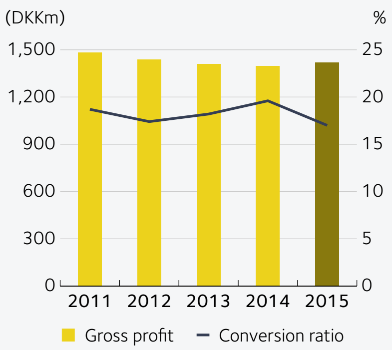
> **DSV Solutions reported 6% growth in order lines for 2015, and we estimate that the Division has gained market share.**

Brian Ejsing
Managing Director – Solutions Division

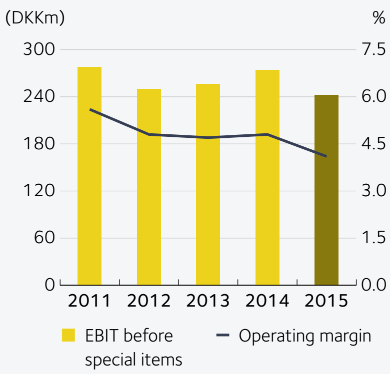
NET REVENUE



GROSS PROFIT



EBIT BEFORE SPECIAL ITEMS



Financial results for the year

CONDENSED INCOME STATEMENT AND KEY FIGURES

(DKKm)	2015	2014
Net revenue	5,960	5,729
Direct costs	4,540	4,333
Gross profit	**1,420**	**1,396**
Other external expenses	486	420
Staff costs	540	540
EBITDA before special items	**394**	**436**
Amortisation and depreciation	117	127
Amortisation of customer relationships	35	35
EBIT before special items	**242**	**274**
Gross margin (%)	23.8	24.4
Conversion ratio (%)	17.0	19.6
Operating margin (%)	4.1	4.8
Number of employees at year end	5,821	6,110
Total invested capital	1,518	1,362
Net working capital	80	(15)
ROIC (%)	16.8	18.3

Revenue totalled DKK 5,960 million for 2015 (2014: DKK 5,729 million), corresponding to an increase of 4.0%. Organic growth was 4.6%.

The revenue growth was mainly driven by the growth in order lines, although average price per transaction declined.

Gross profit totalled DKK 1,420 million for 2015 (2014: DKK 1,396 million), corresponding to an increase of 1.7%. Organic growth was 1.3%.

The gross margin was 23.8% (2014: 24.4%). The gross profit for 2015 was impacted by costs in connection with the implementation of new contracts. The Division saw a significant inflow of new customers in 2015; as a result, a few large contracts which were discontinued in the beginning of the year were replaced by new activities.

Growing e-commerce also created an increase in number of order lines, but reduced earnings per order line.

EBIT before special items totalled DKK 242 million for 2015 (2014: DKK 274 million). The conversion ratio was 17.0% (2014: 19.6%).

The increase in other external expenses was attributable partly to a general increase in wages and salaries and increasing activity levels and partly to costs in connection with new logistics facilities and migration to a new, common IT platform. Moreover, DSV's logistics activities in Japan, Australia and Singapore are now recognised under the Solutions Division as from 2015. Previously, they were part of the Air & Sea Division.

The operating margin was 4.1% for 2015 (2014: 4.8%).

Working capital The Solutions Division's funds tied up in net working capital came to DKK 80 million at 31 December 2015 (DKK -15 million at 31 December 2014).

Strategic and operational highlights

We are in the process of consolidating our IT systems (warehouse management systems) with a view to increase the level of standardisation and data interchange. This work continued in 2015 with the migration of several logistics sites to the common platform CargoWrite.

To keep up with customer requirements and new technology, we continuously build new, modern warehouse facilities and upgrade and consolidate existing facilities. In 2015, projects were completed in Germany, the UK and US, to mention a few.

Concurrently with the development of our logistics sites, we also continuously develop our expertise in specific industry verticals, e.g. the pharmaceutical and aviation industries. In 2015, we established a partnership with a leading aircraft manufacturer regarding warehousing operations in connection with the customer's Scandinavian hangar service facilities. Supply chain services for the aviation industry are becoming an increasingly important business area, and we believe that DSV is well positioned to take part in this development.

Focus areas in 2016

DSV has a goal of achieving growth rates above the market average, but the integration of UTi Worldwide Inc. may impact organic growth in 2016.

The Division will continue the consolidation of the common Warehouse Management System which will simplify business processes, improve transparency and increase productivity.

With the acquisition of UTi Worldwide Inc., DSV Solutions will grow from being a, primarily, European player into becoming a truly global provider of contract logistics. This will strengthen our service offerings to customers, due to our increased geographical footprint and our industry-specific solutions.

Risk management

DSV applies an effective structured risk management process to identify, monitor and report on risks that may affect the Group's ability to achieve its long-term objectives. Risk management is an integral part of DSV's business operations and culture.

Risks are a natural part of DSV's business activities and a condition for generating earnings and creating value. By a structured risk management approach, risks are reduced to an acceptable level.

Regular and structured data collection, analysis and reporting provide a strong basis for Management's decision-making process, enabling it to respond timely to issues that may have a material impact on the Group's earnings and financial position and the achievement of other targets.

Risk governance structure at DSV

The Board of Directors has the ultimate responsibility for the Group's risk management and determines the overall framework. The Audit Committee supervises compliance with the established framework.

The Executive Board is responsible for the day-to-day compliance with the Risk Management Policy and undertakes the continuous development of the Group's risk management activities.

Risk management process

Risk management at DSV is structured as two parallel processes: an ongoing reporting and follow-up on identified risks and a risk analysis based on which the overall risk scenario is updated.

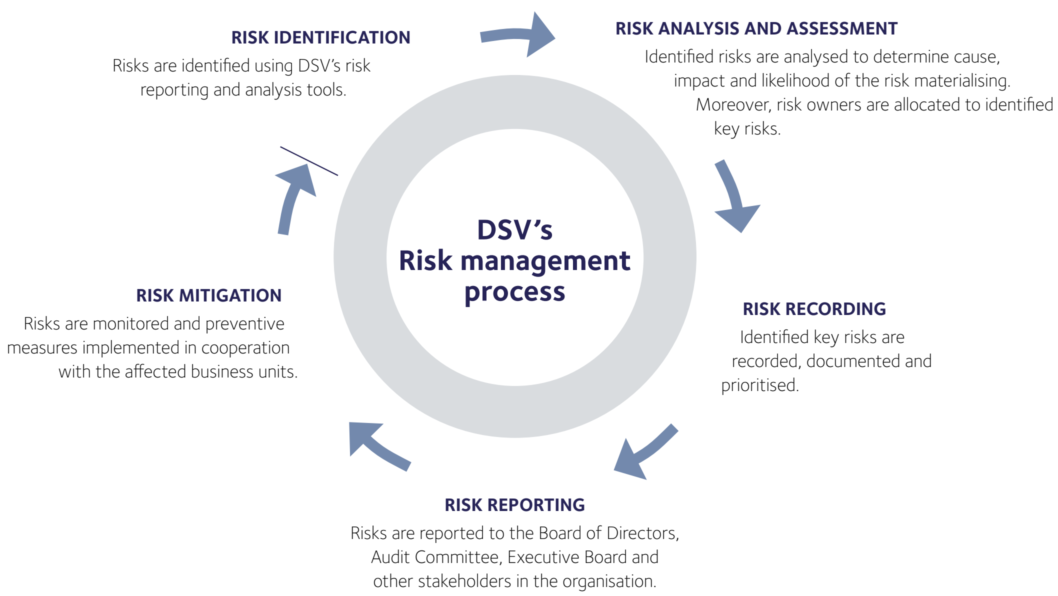
Every week, the Executive Board receives reports from the individual group functions which form the basis of the Executive Board's reporting to the Board of Directors and the Audit Committee. In this connection, the Executive Board notifies the Board of Directors of any actions taken to mitigate the identified risks. In addition to the regular reports, the Audit Committee also receives status reports on the most significant key risks at all Committee meetings.

Every two years as a minimum, a Group-wide risk analysis is carried out through which risks are assessed and quantified by key employees from all business units. Based on this work, a Group key risk analysis is made and discussed by the Executive Board, the Board of Directors and the Audit Committee.

Risk management at DSV – a dynamic process

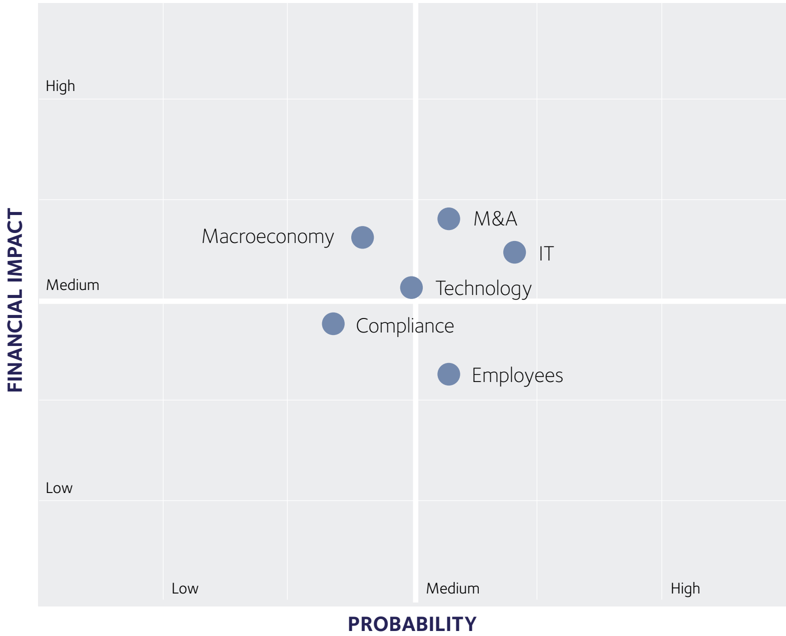
The world around us and our own business are constantly changing, and we therefore have constant focus on adapting our internal risk management procedures.

In 2015, we implemented new actions to strengthen and further develop an already strong process, partly through increased focus on embedding risk ownership throughout the organisation:



Risk assessment 2015

The most recent analysis of the Group's internal and external risks did not result in any significant changes to the risk scenario compared to previous years. The analysis was carried out in Q4 of 2015 and confirmed six risk factors which may have significant impact on the Group's earnings, financial position and achievement of other objectives.



The key risks identified and preventive actions taken are described below:

DESCRIPTION	MITIGATION
IT – SYSTEM AND PROCESS BREAKDOWNS	
IT systems and related processes are of crucial importance to all aspects of our day-to-day operations – from the basic delivery of our core services to the final reporting to the financial markets. This makes us vulnerable to system outages, cyber-attacks and failed IT implementations. Furthermore, we are reliant upon the constant innovation and improvement of our IT systems and related processes to be able to offer competitive services that meet customers' needs.	Our IT strategy comprises continued centralisation and standardisation of system platforms, organisation and related processes. Our Group IT department is in charge of the management of IT risks. In cooperation with the rest of the organisation, Group IT undertakes the implementation and operation of uniform systems, standards, controls and redundant systems and oversees coordinated reporting about status of operations, security risks, etc. As the foundation of our IT platforms, we focus on rolling out centrally managed solutions worldwide to reduce the number of software and hardware applications. This allows central management and monitoring of platforms, master data, control systems and security functions.

DESCRIPTION	MITIGATION
MACROECONOMY – RECESSION AND REGIONAL EXPOSURE	
The supply of logistics services and solutions, mainly in the business-to-business market, is our core business. An economic recession leading to declining business activity will therefore directly impact our activity level and consequently our financial results. A large part of our revenue is generated in Europe, and economic downturn in this market may therefore have a major effect on the Group's earnings, in particular in the Road and Solutions divisions.	A pivotal element of our business model is our asset-light approach and constant focus on process and cost optimisation. This is followed up with close monitoring of market developments, financial results, cash situation, etc., enabling us to react quickly to any changes in activity levels. These measures allow us to adapt costs and reduce tied-up capital and quickly adapt to a potential slowdown in individual markets. We have a history of stable earnings margins, even in periods of declining freight volumes. To mitigate our exposure to the European market, we operate a strategy of growth outside Europe, primarily through our Air & Sea Division, which represents an increasingly larger part of the Group's earnings. In line with this strategy, the UTi Worldwide Inc. acquisition will further diversify the Group's geographical exposure.
M&A AND INTEGRATION	
Growth through acquisitions is a fundamental element of our corporate strategy, and DSV's network is to a large extent a result of strategic acquisitions. A strategic acquisition entails a risk of unsuccessful integration of the acquired company, which may imply that synergies, strategic advantages and economies of scale are delayed or impossible to achieve.	DSV has a history of successful integration of acquirees and realisation of expected synergies. The success builds on several factors. We stress the importance that potential acquirees match DSV's existing business model, and all acquisitions are based on a thorough due diligence process. A team of managers and experts in M&A and integration are responsible for the process. Furthermore, our IT reporting and operational systems are scalable to accommodate the effective integration of new entities into the Group. Finally, our focus in recent years on centralisation of, in particular, administrative processes in shared service centres means that we are able to integrate, adapt and support a range of services for the acquired companies. The acquisition of UTi Worldwide Inc. renders this a highly relevant risk factor with high-level management focus.
COMPLIANCE – FINES, CLAIMS FOR DAMAGES, ETC.	
As a result of our global operations, we are subject to national and international legislation. Statutory regulation relating to tax, VAT and competition law is an area of ever-increasing scope and complexity. DSV as well as its Management and staff may risk fines, prison sentences and claims for damages in case of non-compliance. Non-compliance may also have a long-term negative effect on DSV's reputation.	Our internal procedures and IT systems are designed so as to ensure compliance with relevant legislation and code of corporate conduct to mitigate such risks. This is entrenched in our manuals and business processes, which are embedded throughout the organisation and contain clear guidelines on how employees should act in relation to particularly risky issues or situations. Our global compliance department is responsible for monitoring and managing areas of risk. Group Compliance also oversees compliance with new legislation and ensures that employees receive training in DSV's internal guidelines and relevant national and international legislation. Compliance is an area of major attention and continuous communication at all management levels of the organisation.
EMPLOYEES – RETENTION AND ATTRACTION	
Employees are a vital resource to DSV. Our business operations depend on highly qualified management teams and employees with technical and operational qualifications at all organisational levels, who jointly contribute to the Group's financial results. If we fail to attract new talents or to retain existing, experienced key employees, we risk jeopardising DSV's financial potential in the long term.	To retain and attract good colleagues, we want to make DSV an attractive place to work. This is to be achieved through several individual initiatives undertaken locally or by our recently established Group HR department. Examples of focus areas include internal training programmes targeted at all organisational levels, from trainee programmes to executive training. We also emphasise our corporate culture, which focuses on employee empowerment and the ability to influence own workday and on offering career advancing opportunities for talented employees.

DESCRIPTION	MITIGATION
TECHNOLOGY – ADAPTING TO TECHNOLOGICAL AND BUSINESS DEVELOPMENT	
The transport and logistics industry is constantly developing and is constantly influenced by new technologies. New online solutions, growing e-commerce and applications for booking of shipments are some of the factors that may affect the industry in the coming years. This development means that we must continuously adapt our services, exploit new business opportunities and react to new competition in the market. This represents the risk that we fail to utilise the new opportunities and thereby lose market share and earnings. It is a long-term risk, and the changes will happen gradually.	We constantly monitor the technological and industry developments that may potentially affect our existing and future business. And through our Digital Strategy we aim to ensure that our systems and services meet customers' expectations. To an increasing extent, our services cover the customer's entire supply chain and not only consist of organising the actual transportation of goods, and we constantly seek to increase the scope of value-added services to the customers. By these actions, we want to avoid becoming reduced to merely a marginalised freight forwarder "intermediary", but ensure that we will continue to play a key and value-adding role for the customers.
FINANCIAL RISKS	
Being a global group of companies, DSV is exposed to several financial risks.	The financial risks are monitored and managed on Group level. This concerns interest rate, exchange rate, credit, financing and liquidity risks. For a detailed description of financial risks, reference is made to Chapter 4 of the consolidated financial statements.

Young DSV is the name of DSV's European freight forwarder training programme. In September 2015, the first class of trainees from UK, Spain, Ireland, Belgium, Romania and Norway enrolled. Young DSV is a two-year programme consisting of eight theoretical modules in addition to practical training, and ending with a project and exam. A passed exam leads to a European Diploma in freight forwarding. www.young.dsv.com.

Corporate governance

At DSV, the aim of corporate governance is to support value-adding and accountable management, which is fundamental to our business operations. The Recommendations on Corporate Governance contribute to ensuring reliable information, transparency and insight into our business for our stakeholders.

Management structure

The supreme governing body of DSV is comprised of a board of directors and an executive board. The ultimate authority rests with the shareholders in general meeting. The Board of Directors supervises the development of the Group and outlines the overall visions, strategies and objectives for the development of the Group's business activities. The Executive Board is responsible for the day-to-day management and the execution of the strategy and contributes essential input to the work of the Board of Directors. The allocation of responsibilities between the Board of Directors and Executive Board is laid down in the relevant Rules of Procedure. The individual Division Managers are responsible for the day-to-day operations of the Divisions, supported by centralised Group functions.

Board of Directors

COMPOSITION AND MEETING FREQUENCY OF THE BOARD OF DIRECTORS

The Board of Directors of DSV currently has six members (Directors). According to the Company's Articles of Association, the Board of Directors must comprise at least five and not more than nine Directors. Directors are elected for a term of one year at a time, and new Directors are elected according to the applicable rules of the Danish Companies Act.

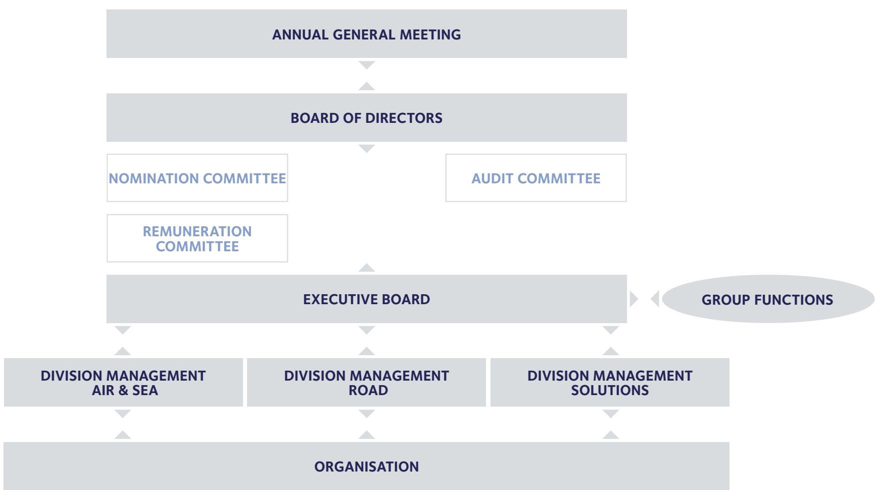
The composition of the Board is intended to ensure that it has a diverse competency profile to be able to perform its duties as effectively as possible. Reference is made to page 39 for a description of the individual Directors' special competencies in relation to the work of the Board.

The Board of Directors held 10 ordinary board meetings in 2015. The content of the meetings is partly determined by the annual cycle of the Board, thus ensuring that all important policies are reviewed. In 2015, the Board was also specifically engaged in the work relating to the acquisition offer for UTi Worldwide Inc.

BOARD OF DIRECTORS SELF-EVALUATION

Once a year, the Board of Directors performs an overall self-evaluation, which focuses on the results, composition and competencies of the Board as a whole. The Chairman of the Board is in charge of the self-evaluation, but may

MANAGEMENT STRUCTURE



retain an external consultant to assist in connection with this process. When completed, the self-evaluation report is discussed by the Board.

INDEPENDENCE OF BOARD MEMBERS

According to the Recommendations on Corporate Governance, four of the six members of the Board of Directors are regarded as independent persons. Kurt K. Larsen (Chairman) and Jørgen Møller were members of the Executive Board and Division Management, respectively, until they joined the Board of Directors and are therefore not regarded as independent Board members.

BOARD COMMITTEES

The Board of Directors has established audit, nomination and remuneration committees to perform various preparatory tasks relating to key areas of the Board's work.

AUDIT COMMITTEE

The Audit Committee consists of three members who possess the required expertise and experience in financial accounting. Their primary task is to monitor the processes relating to the Group's financial reporting, control environment, financial resources and cash situation. The Committee also determines the framework for the external audit and assesses the independence and competencies of the auditors.

The Committee held three meetings in 2015, with special focus on risk management and hedging of any internal and external risks faced by the Group. Cyber security and steps to mitigate the risk of cyber-attacks were other focus areas of the Committee in 2015.

For more information about the Audit Committee, reference is made to the Rules of Procedure available at: investor.dsv.com/governance.cfm.

NOMINATION COMMITTEE

The Nomination Committee consists of three members who are responsible for ensuring an optimal composition of the Board of Directors and Executive Board in view of our strategic goals and the developments in the outside world. The composition of the Board of Directors is based on an assessment of the members' competencies, knowledge and experience. An overall evaluation of the Board with focus on the individual members is made once a year as a minimum.

The Committee must also present proposals on the long-term management structure of DSV.

The Committee held two meetings in 2015, with particular focus on diversity in Group Management and on the self-evaluation report of the Board of Directors. The findings have formed the basis of the Committee's continued work and recommendations to the Board.

The Rules of Procedure of the Nomination Committee are available at investor.dsv.com/governance.cfm.

REMUNERATION COMMITTEE

The Remuneration Committee consists of two members who are responsible for determining the general remuneration policy of DSV, including remuneration for members of the Board of Directors and Executive Board. The Committee must also ensure that the remuneration for members of the Company's supreme governing bodies is in compliance with the Remuneration Policy.

The Remuneration Policy is designed so as to always reflect the goal of being able to attract and retain a competent Management. The Remuneration Policy is discussed and approved at the Annual General Meeting of the Company and is available at investor.dsv.com/governance.cfm.

The Committee held two meetings in 2015. For more information about the Remuneration Committee, reference is made to the Rules of Procedure available at: investor.dsv.com/governance.cfm.


Annual general meeting 2015

Recommendations and reports

The Recommendations issued by the Committee on Corporate Governance in May 2013, revised November 2014, are actively used by the Board of Directors in its work, and the Board regularly assesses its procedures based on the Recommendations.

For a detailed description of the Recommendations, internal controls and risk management systems in relation to financial reporting, please see the statutory report on corporate governance, cf. Article 107b of the Danish Financial Statements Act, available at investor.dsv.com/governance.cfm.

DSV has opted to derogate from three of the 47 Recommendations as described below.

RECOMMENDATION	DEROGATION
2.1.6 DIVERSITY AT MANAGEMENT LEVELS	
The Committee recommends that once a year the board of directors discuss the company's activities to ensure relevant diversity at management levels, including setting specific goals and accounting for its objectives and progress made in achieving the objectives in the management commentary on the company's annual report and/or on the website of the company.	DSV derogates partially from the Recommendation on diversity at management levels. The Board of Directors discusses the Group's activities on a regular basis to ensure that the Group has optimal management teams at all management levels. The Board considers the issue of diversity, including international experience and gender, both in connection with new appointments and the evaluation of the composition of Management. However, the Board sees no clear connection between fixed levels of diversity and the optimal governance of the Group. For that reason, the Board of Directors has not found it expedient to set specific targets for diversity at management levels so far.
3.1.4 RETIREMENT AGE FOR MEMBERS OF THE BOARD OF DIRECTORS	
The Committee recommends that the company's articles of association stipulate a retirement age for members of the board of directors.	DSV does not comply with the Recommendation on retirement age for members of the board of directors. Based on the general social conditions and the concern of ensuring a proper recruitment base of candidates for the Company's Board of Directors, the retirement age stipulated in the Company's Articles of Association was repealed at the Annual General Meeting in 2015. The Board acknowledges the Recommendation on an upper age limit for members of the board of directors, but wishes to focus on a board composition that is based on the competencies and experience of the individual members and not on age as a special consideration.
3.4.2 INDEPENDENCE OF BOARD COMMITTEE MEMBERS	
The Committee recommends that a majority of the members of a board committee be independent.	DSV derogates partially from the Recommendation on independence of board committee members. The majority of the members of the Audit and Nomination Committees are independent. However, that is not the case with the Remuneration Committee, which has two members, of which Kurt K. Larsen is not independent. The Board of Directors wants to make use of the Chairman's many years of experience and has decided that the Remuneration Committee be composed of no more than two members. Hence, the Board has decided to derogate from the Recommendation on independence of board members as regards the Remuneration Committee.

The current composition of the Board of Directors meets the statutory gender distribution requirement under Article 99b of the Danish Financial Statements Act on target figures for the under-represented gender. Policies have been drafted for the gender-related composition of the other management levels of the Danish companies as they do not satisfy the requirement. The policies describe how the qualifications of the under-represented gender can be improved in relation to management experience. A detailed description of the policies are included in the Communication on Progress (COP) report to Global Compact, which is available at www.documents.dsv.com/dsv/816/.

MAN Diesel & Turbo is a long-time customer of DSV, and their products – marine systems, power plants, turbomachinery and engines – present some great logistics challenges for our Projects Department. In October, DSV planned and executed the transport of a group of LNG (Liquefied Natural Gas) tanks to an American shipyard in Pascagoula, Mississippi. The tanks, measuring 35 x 6.4 x 7.7 metres each, were transported from Kandla in India using the Suez Canal route. "A transport project like this involves meticulous planning, and the lifting and moving of such large objects are slow and careful. For this project alone, we have produced a 120-page method statement about lifting, lashing and sailing," Claus Skiffard, Department Manager of Industrial Projects, explains. The shipment was part of a large order relating to the same project, so DSV was busy with the same project again in November and December.

Board of Directors and Executive Board

The Board of Directors and Executive Board of DSV.
Standing (from left): Jens Bjørn Andersen, Jens H. Lund, Robert S. Kledal, Thomas Plenborg, Jørgen Møller, Birgit W. Nørgaard.
Sitting (from left): Annette Sadolin, Kurt K. Larsen.

Name	Office	Member since	Up for re-election	Born	Audit Committee	Nomination Committee	Remuneration Committee
BOARD OF DIRECTORS							
Kurt K. Larsen	Chairman	2008	Yes	1945	Member	Chairman	Chairman
Thomas Plenborg	Deputy Chairman	2011	Yes	1967	Chairman	-	Member
Annette Sadolin	Member	2009	Yes	1947	Member	Member	-
Birgit W. Nørgaard	Member	2010	Yes	1958	-	Member	-
Robert S. Kledal	Member	2014	Yes	1969	-	-	-
Jørgen Møller	Member	2015	Yes	1950	-	-	-
EXECUTIVE BOARD							
Jens Bjørn Andersen	CEO	2008		1966			
Jens H. Lund	CFO	2002		1969			

Kurt K. Larsen

SPECIAL COMPETENCIES
- General management experience
- CEO of DSV A/S 2005-2008
- Group CEO of DSV A/S 1991-2005

BOARD POSITIONS
CHAIRMAN
- Polaris III Invest Fonden

MEMBER
- Wrist Ship Supply A/S

Thomas Plenborg

SPECIAL COMPETENCIES
- Management experience from directorships and honorary offices held
- Strategy and financial management
- Professor of accounting and auditing at Copenhagen Business School

BOARD POSITIONS
CHAIRMAN
- Everyday Luxury Feeling A/S

MEMBER
- COWI A/S
- SAXO Bank A/S

Annette Sadolin

SPECIAL COMPETENCIES
- General international management experience
- Acquisition and divestment of enterprises
- Experience from directorships at various large companies
- Management experience from GE Frankona München (executive board member) and Employers Reinsurance International (CEO)

BOARD POSITIONS
CHAIRMAN
- Østre Gasværk Teater

DEPUTY CHAIRMAN
- DSB A/S

MEMBER
- Topdanmark A/S and two affiliated companies
- Kurhotel Skodsborg A/S
- Skodsborg Sundshedscenter A/S
- Ratos AB (Sweden)
- Ny Carlsberg Glyptotek (art museum)
- Blue Square Reinsurance NV

Birgit W. Nørgaard

SPECIAL COMPETENCIES
- General international management experience
- Acquisition and divestment of enterprises
- Strategy and financial management
- Management experience from Grontmij NV (COO), Grontmij | Carl Bro A/S (CEO), Danisco and McKinsey

BOARD POSITIONS
CHAIRMAN
- Board Leadership Society in Denmark

DEPUTY CHAIRMAN
- NNE Pharmaplan A/S
- The Danish Council for IT Projects
- Dansk Vækstkapital K/S
- Dansk Vækstkapital Komplementar ApS

MEMBER
- IMI Plc.
- WSP Global Inc.
- Cobham Plc
- RGS 90 A/S

Robert S. Kledal

SPECIAL COMPETENCIES
- General international management experience
- International commercial experience
- Strategy and financial management
- Management experience from Wrist Ship Supply A/S (CEO)

BOARD POSITIONS
CHAIRMAN
- Wrist Europe Intership (Algeciras) S.L.
- Wrist Far East (Malaysia) SDN BHD
- Strachans Ltd.
- Saga Shipping A/S

MEMBER
- Member of the boards of directors of nine companies of the Wrist Group
- Marwest West Coast LLC
- Karlo Corporation

Jørgen Møller

SPECIAL COMPETENCIES
- General management experience
- International commercial experience
- CEO of DSV Air & Sea Holding A/S 2002-2015
- Country manager of Dan Transport Corp., USA, 1980-2002

Shareholder information

Maintaining an open and active dialogue and a high and consistent level of information are fundamental principles in our dialogue with the share market. In doing so, we want to create the best possible pricing conditions for a fair valuation of the DSV share.

The DSV share in 2015

The average daily trading volume on Nasdaq Copenhagen was 542,000 shares in 2015, up 18% compared to 2014.

At year end, the closing price of the DSV share on Nasdaq Copenhagen was DKK 271.7. The DSV share was up by 44.4% in 2015. During the same period, the C20 (CAP) Index rose by 29.0%.

At year end 2015, the market capitalisation of DSV (ex treasury shares) was DKK 50 billion against DKK 32 billion last year.

BASIC DATA

Number of shares of DKK 1 at 31 December 2015	192,499,999
Share classes	1
Restrictions on transferability and voting rights	None
Listed	Nasdaq OMX Copenhagen
Trading symbol	DSV
ISIN code	DK0060079531

Dividends

The Board of Directors proposes ordinary dividends of DKK 1.70 per share for 2015 (2014: DKK 1.60).

Share buyback

In the financial year of 2015, DSV acquired 6.1 million own shares at a total purchase price of DKK 1,419 million.

The average price of the repurchased shares was DKK 231.9, and the total number of shares repurchased corresponds to 3.5% of the Company's share capital at the beginning of the financial year.

The main purpose of the share buyback was to meet the exercise of share options under incentive schemes and adjust the capital structure in accordance with the financial targets. The shares were bought back under the powers granted at the Annual General Meeting of DSV on 12 March 2015 and in compliance with the Safe Harbour principles.

At 31 December 2015, the Company held 8.6 million shares as treasury shares, corresponding to 4.48% of the share capital. As at 10 February 2016, the Company's portfolio of treasury shares amounts to 8.6 million shares.

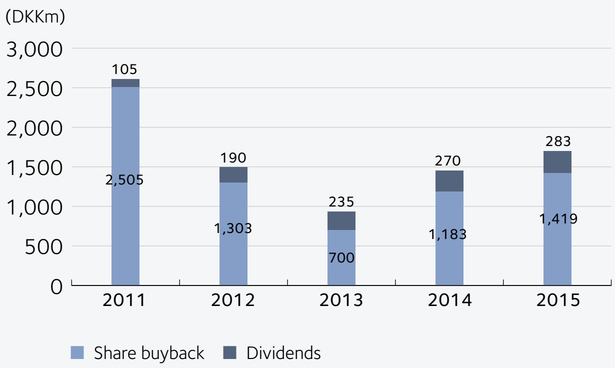
Share capital reduction

Following the acquisition of treasury shares in 2014, the Company reduced its share capital by a nominal value of DKK 2 million on 13 April 2015. The capital reduction was carried out through the cancellation of 2 million treasury shares in accordance with the resolution passed at the Annual General Meeting on 12 March 2015.

At the next General Meeting, the Board of Directors expects to propose a further reduction of the Company's share capital of a nominal value of DKK 2.5 million.

THE DSV SHARE IN 2015

DISTRIBUTION OF CAPITAL TO SHAREHOLDERS (DKKm)



Share capital increase
On 18 November 2015, DSV A/S increased its share capital through the issuance of 17,499,999 new shares and sold 681,819 existing shares of DKK 1 each at a share price of DKK 275. The gross proceeds amounted to DKK 5 billion and will be used as partial financing of the UTi Worldwide Inc. acquisition.

Incentive schemes
At its meeting on 10 March 2016, the Board of Directors expects to authorise the Executive Board to distribute up to 3 million share options to senior staff members in accordance with the guidelines for incentive pay.

The allocation will be made at the average quoted price on the five trading days preceding 31 March 2016.

Authority
The Board of Directors is authorised by the General Meeting to increase the Company's share capital. The total number of shares that may be purchased under the authority is 37.6 million. The authority remains valid until 21 March 2017. At 10 February 2016, the remaining number of shares that may be purchased under the authority may not exceed 20.1 million.

At the next General Meeting, the Board of Directors expects to propose that the Board be granted authority to increase the Company's share capital by up to 38 million shares. The authority is to remain valid until 10 March 2021. The new authority will revoke and replace the existing authority previously granted.

The Board of Directors has been authorised by the General Meeting to issue convertible debt instruments and warrants and to make the related capital increase. The authority remains valid until 12 March 2020 and covers shares of a total nominal value of up to DKK 25 million. Shareholders have no pre-emptive rights if the Board of Directors exercises the said authorities.

The Board of Directors is authorised by the General Meeting to purchase treasury shares. The total number of shares that may be purchased under the authority is 17.5 million. The authority remains valid until 12 March 2020. At 10 February 2016, the remaining number of shares that may be purchased under the authority may not exceed 12.2 million.

At the next General Meeting, the Board of Directors expects to propose that the Board be granted authority to purchase up to 19 million treasury shares. The authority is to remain valid until 10 March 2021 and will revoke and replace the existing authority previously granted. The purchase price of treasury shares acquired under the authority may not deviate by more than 5% from the most recently quoted market price of the shares at the date of acquisition.

The authorities have been incorporated into the Company's Articles of Association. The Articles of Association are amended according to the rules of the Danish Companies Act. The latest amendment of the Articles of Association was made in connection with the share capital increase effected on 18 November 2015.

Company announcements published in 2015
DSV published a total of 49 company announcements in 2015 (Nos. 577-625). The most important announcements in 2015 are listed below:

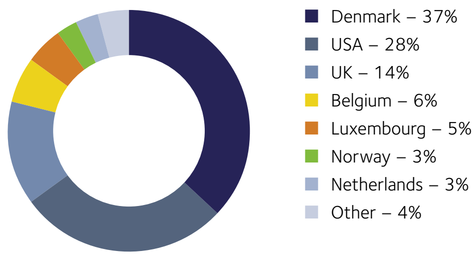
6 February	No. 581	2014 Annual Report
12 March	No. 587	Minutes of DSV's Annual General Meeting
30 April	No. 593	Interim Financial Report First Quarter 2015
4 August	No. 606	Interim Financial Report H1 2015
9 October	No. 614	DSV agrees to acquire UTi Worldwide Inc.
28 October	No. 619	Interim Financial Report Third Quarter 2015
23 November	No. 622	Registration of share capital increase completed

For a complete list of company announcements published in 2015, please refer to investor.dsv.com/releases.cfm.

Shareholder composition
At 31 December 2015, registered shares in DSV A/S totalled 176 million, corresponding to 91% of the share capital. The largest 25 of these shareholders owned 33% of the entire share capital.

BlackRock, Inc., New York, USA, has informed DSV that the company holds 5.39% of DSV's share capital.

SHAREHOLDERS – GEOGRAPHICAL DISTRIBUTION



Investor relations – an open and active dialogue
We plan and structure the Group's financial reports to the market and dialogue with investors and analysts with a view to ensuring a high and uniform level of information and an open and active dialogue.

As part of our communication with investors, equity analysts and other stakeholders, the presentation of the Company's interim and annual reports are webcast. The DSV Management also participates in investor meetings and conferences in Denmark and abroad.

DSV A/S is covered by 24 equity analysts. Reference is made to investor.dsv.com for more information about analyst coverage.

The communication between DSV and analysts, investors and other stakeholders is subject to special restrictions for a period of four weeks prior to the publication of the annual report and interim reports.

Financial calendar
The financial calendar for 2016 is as follows:

FINANCIAL CALENDAR

Activity	Date
Annual General Meeting	10 March 2016
Q1 2016 Report	12 May 2016
H1 2016 Report	5 August 2016
Q3 2016 Report	1 November 2016

Corporate social responsibility

CSR is an integral part of our core business and support our business strategy as a global logistics provider.

Our focus on a business-driven approach to CSR is fundamental to our day-to-day operations. A consistent CSR strategy makes sound business sense as it enables us to act as a responsible and reliable partner to our external customers. A targeted focus of our CSR activities also enables us to contribute to solving environmental and social challenges in our local communities.

Our CSR activities are governed by the Board of Directors, which determines the focus areas and the future CSR strategy together with the Executive Board and our corporate CSR Department and addresses the compliance with existing targets through annual evaluations. The day-to-day CSR activities are driven by the Executive Board and the CSR Department and through local initiatives in the individual subsidiaries.

Since 2009, DSV has actively supported the UN Global Compact initiative and its focus on advancing key principles on anti-corruption, environment and human rights and labour. The initiative continues to provide the framework for our consistent efforts to move towards increased sustainability and higher ethical business standards in our business segments.

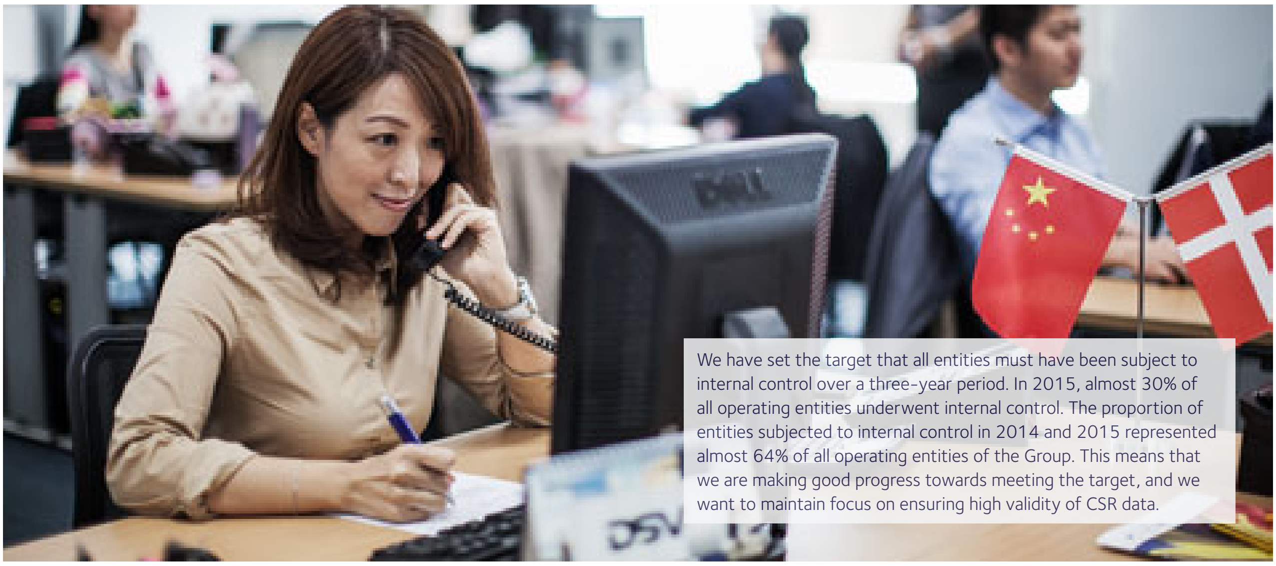
This section is an excerpt from our Communication on Progress (COP) under the United Nations Global Compact dated 10 February 2016. It replaces the statutory CSR reporting prescribed by section 99a of the Danish Financial Statements Act. The full report is available on the website of DSV at www.documents.dsv.com/dsv/816/.

Environment and climate

Due to our asset-light strategy, more than 95% of DSV's total carbon footprint originate from transport activities performed by subcontractors. In the period until 2015, our awareness on the global climate impact made us focus on improving our energy efficiency by 15% on 2010. This entails a corresponding reduction in carbon emissions and other greenhouse gas emissions for each tonne of freight transported by the entities of our network.

EFFICIENT SUBCONTRACTORS

Sea freight and air freight providers continuously invest in modern and more energy efficient ships and aircraft with at least 20 to 25-year long phases of use. These investments in combination with our consistent focus on maximum



We have set the target that all entities must have been subject to internal control over a three-year period. In 2015, almost 30% of all operating entities underwent internal control. The proportion of entities subjected to internal control in 2014 and 2015 represented almost 64% of all operating entities of the Group. This means that we are making good progress towards meeting the target, and we want to maintain focus on ensuring high validity of CSR data.

capacity utilisation of the containers carried by our subcontractors make DSV contribute to high energy efficiency and accordingly, reduced carbon emissions.

By joining forces with our subcontractors we have achieved our targets by a fair margin for both air and sea transport. We have succeeded in achieving an improvement of almost 19% on air freight and as much as 44% on sea freight since the base year (2010).

The energy efficiency of the Road Division decreased by 2% on 2014, but still shows an aggregate improvement of almost 11% on the base year (2010). This means that the target for road transport was not achieved, as was the case for the two other types of transport. However, we will continue to strive for improvements.

NEW ENVIRONMENTAL AND CLIMATE TARGETS

The Board of Directors has adopted new environmental and climate targets as from 2016. The targets focus on processes allowing us greater impact on developments, e.g. where operating equipment and properties are owned by DSV. Our new targets relate to carbon emissions from the trucks operated by DSV companies of the Road Division and to carbon emissions from the consumption of energy and water in DSV's own buildings.

Business ethics and anti-corruption

Our business conduct is an area of increasing focus. Responsible conduct and a good reputation are therefore essential to maintaining a strong presence in the global transport market in future.

The fundamental principle is always that our operations must be conducted in a lawful and conscientious manner. However, business cultures differ around the world, and DSV has to comply with both national and international legislation and specific requirements for our industry. To help DSV employees handle those challenges, we have spelled out guidelines in our Code of Conduct. The guidelines have been worded to give both information and guidance to employees on ethical conduct towards customers, competitors and suppliers.

Employees and working environment

Our employees are our most valuable asset, no matter whether they are freight forwarders, load or unload trucks at terminals, develop optimum transport solutions for customers or contribute to the overall development of operations.

For this reason, it is obvious for DSV to maintain focus on our employees and working environment in our CSR strategy. Ensuring a good and safe working environment and thereby an attractive and stimulating workplace for employees is therefore highly important to DSV.

For the past years, we have continuously focused on achieving an ever better working environment throughout the organisation. The rate of occupational accidents has declined by 48% since 2010, although no improvement was seen from 2014 to 2015. During that period, the number of occupational accidents increased by 1%, but since the staff was expanded during the same period, the rate of occupational accidents remained at the same level.

Management will maintain focus on reducing the number of occupational accidents throughout the Group. In recent years, we have mapped the causes of accidents and used this knowledge to continuously improve local working procedures. This work will continue in 2016.

Subcontractors

Our business model builds on the use of numerous subcontractors to perform the actual transportation for our customers. In recent years, we have taken an even more structured approach to the collaboration with our regular hauliers by implementing our Supplier Code of Conduct and setting up a central function in charge of many of our haulier contracts in Eastern Europe.

Every day we handle thousands of shipments together with our subcontractors, the vast majority of whom are small and medium-sized hauliers when measured in numbers. At the same time, this group of subcontractors is also the least regulated group with the fewest possibilities of taking a structured approach to CSR issues, as compared to our sea freight and air freight subcontractors.

However, we depend on the conduct of our subcontractors. Their encounter with our customers is part of our services, and it may harm our relations to both customers and the wider society if they fail to comply with legislation or otherwise exhibit unethical conduct.

In recent years, we have therefore focused on communicating our Supplier Code of Conduct to the many hauliers, and we include our Supplier Code of Conduct in all major agreements concluded with shipping companies, airlines and other major suppliers.

Consolidated financial statements 2015

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INCOME STATEMENT

(DKKm)	Note	2015	2014
Net revenue	2.2	50,869	48,582
Direct costs	2.3	39,668	38,285
Gross profit		**11,201**	**10,297**
Other external expenses	2.4	2,149	2,058
Staff costs	2.5	5,477	5,094
Operating profit before amortisation, depreciation and special items		**3,575**	**3,145**
Amortisation and depreciation of intangibles, property, plant and equipment	2.6	525	521
Operating profit before special items		**3,050**	**2,624**
Net special items, costs	2.7	58	304
Financing income	4.4	47	46
Financing expenses	4.4	350	352
Profit before tax		**2,689**	**2,014**
Tax on profit for the year	5.2	631	523
Profit for the year		**2,058**	**1,491**
Profit for the year is attributable to:			
Shareholders of DSV A/S		2,056	1,490
Non-controlling interests		2	1
Earnings per share:	4.1		
Earnings per share of DKK 1		12.09	8.61
Diluted earnings per share of DKK 1		11.95	8.55

STATEMENT OF COMPREHENSIVE INCOME

(DKKm)	Note	2015	2014
Profit for the year		**2,058**	**1,491**
Items that will be reclassified to income statement when certain conditions are met:			
Currency translation differences, foreign enterprises		(50)	(195)
Fair value adjustment relating to hedging instruments	4.5	64	(45)
Fair value adjustment relating to hedging instruments transferred to financials		29	57
Tax on items reclassified to income statement	5.2	(9)	(2)
Items that will not be reclassified to income statement:			
Actuarial gains/(losses)	3.5	107	(323)
Tax on items that will not be reclassified to income statement	5.2	(24)	64
Other comprehensive income, net of tax		**117**	**(444)**
Total comprehensive income		**2,175**	**1,047**
Total comprehensive income is attributable to:			
Shareholders of DSV A/S		2,173	1,046
Non-controlling interests		2	1
Total		**2,175**	**1,047**

CASH FLOW STATEMENT

(DKKm)	Note	2015	2014
Operating profit before amortisation, depreciation and special items		3,575	3,145
Adjustments:			
Share-based payments		37	37
Change in provisions		(238)	96
Change in working capital, etc.		758	(280)
Special items		(58)	(296)
Interest received		50	50
Interest paid		(363)	(306)
Corporation tax, paid		(601)	(527)
Cash flow from operating activities		**3,160**	**1,919**
Purchase of intangible assets		(284)	(230)
Purchase of property, plant and equipment		(297)	(373)
Disposal of property, plant and equipment		318	169
Acquisition and disposal of subsidiaries and activities	5.1	(108)	(14)
Change in other financial assets		(60)	(13)
Cash flow from investing activities		**(431)**	**(461)**
Free cash flow		**2,729**	**1,458**
Other non-current liabilities incurred		715	1,489
Repayment of loans and credits		(2,395)	(1,692)
Other financial liabilities incurred		(3)	(128)
Shareholders:			
Capital increase	4.1	4,761	-
Dividends distributed	4.2	(283)	(270)
Purchase of treasury shares	4.2	(1,419)	(1,183)
Sale of treasury shares		437	178
Other transactions with shareholders		42	37
Cash flow from financing activities		**1,855**	**(1,569)**
Cash flow for the year		**4,584**	**(111)**
Cash and cash equivalents 1 January		432	707
Cash flow for the year		4,584	(111)
Currency translation adjustments		(108)	(164)
Cash and cash equivalents 31 December*		**4,908**	**432**

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

Statement of adjusted free cash flow			
Free cash flow		2,729	1,458
Net acquisition of subsidiaries and activities		108	14
Adjusted free cash flow		**2,837**	**1,472**

*) Cash and cash equivalents comprised DKK 463 million (2014: DKK 308 million) relating to subsidiaries' cash and cash equivalents in countries with foreign exchange control or other restrictions which imply that the cash is not readily available for general use by the Group.

BALANCE SHEET, ASSETS

(DKKm)	Note	2015	2014
Intangible assets	3.1	8,996	8,928
Property, plant and equipment	3.2	3,568	3,927
Other receivables		119	297
Deferred tax asset	5.2	515	488
Total non-current assets		**13,198**	**13,640**
Trade receivables	4.4	7,799	7,854
Work in progress (services)		588	744
Other receivables		1,232	985
Cash and cash equivalents		4,908	432
Assets held for sale		-	25
Total current assets		**14,527**	**10,040**
Total assets		**27,725**	**23,680**

BALANCE SHEET, EQUITY AND LIABILITIES

(DKKm)	Note	2015	2014
Share capital	4.1	192	177
Reserves	4.1	11,617	5,875
DSV A/S shareholders' share of equity		**11,809**	**6,052**
Non-controlling interests		32	29
Total equity		**11,841**	**6,081**
Deferred tax	5.2	321	366
Pensions and similar obligations	3.5	1,226	1,311
Provisions	3.6	360	328
Financial liabilities	4.3	4,309	5,702
Total non-current liabilities		**6,216**	**7,707**
Provisions	3.6	270	474
Financial liabilities	4.3	313	589
Trade payables	4.4	4,997	4,782
Work in progress (services)		1,451	1,377
Other payables		2,347	2,458
Corporation tax		290	212
Total current liabilities		**9,668**	**9,892**
Total liabilities		**15,884**	**17,599**
Total equity and liabilities		**27,725**	**23,680**

STATEMENT OF CHANGES IN EQUITY – 2015

(DKKm)	Share capital	Share premium reserve	Reserve for treasury shares	Hedging reserve	Translation reserve	Retained earnings	DSV A/S shareholders' share of equity	Non-controlling interests	Total equity
Equity at 1 January 2015	**177**	**-**	**(7)**	**(28)**	**(239)**	**6,149**	**6,052**	**29**	**6,081**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**2,056**	**2,056**	**2**	**2,058**
Currency translation adjustments, foreign enterprises	-	-	-	-	(50)	-	(50)	-	(50)
Fair value adjustments for the year relating to hedging instruments	-	-	-	64	-	-	64	-	64
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	-	-	29	-	-	29	-	29
Actuarial gains/(losses)	-	-	-	-	-	107	107	-	107
Tax on other comprehensive income	-	-	-	(9)	-	(24)	(33)	-	(33)
Other comprehensive income, net of tax	**-**	**-**	**-**	**84**	**(50)**	**83**	**117**	**-**	**117**
Total comprehensive income for the period	**-**	**-**	**-**	**84**	**(50)**	**2,139**	**2,173**	**2**	**2,175**
Transactions with owners:									
Share-based payments	-	-	-	-	-	37	37	-	37
Dividends distributed	-	-	-	-	-	(283)	(283)	-	(283)
Purchase of treasury shares	-	-	(4)	-	-	(1,415)	(1,419)	-	(1,419)
Sale of treasury shares	-	-	-	-	-	437	437	-	437
Capital increase	17	4,744	-	-	-	-	4,761	-	4,761
Capital reduction	(2)	-	2	-	-	-	-	-	-
Dividends on treasury shares	-	-	-	-	-	12	12	-	12
Other adjustments	-	-	-	-	-	(19)	(19)	1	(18)
Tax on transactions with owners	-	-	-	-	-	58	58	-	58
Total transactions with owners	**15**	**4,744**	**(2)**	**-**	**-**	**(1,173)**	**3,584**	**1**	**3,585**
Equity at 31 December 2015	**192**	**4,744**	**(9)**	**56**	**(289)**	**7,115**	**11,809**	**32**	**11,841**

The retained earnings reserve at 31 December 2015 comprised a negative accumulated balance between the purchase and sale of treasury shares of DKK 9,014 million (2014: a negative balance of DKK 8,036 million).

Sale of treasury shares relate to the exercise of share options in connection with incentive schemes.

STATEMENT OF CHANGES IN EQUITY – 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
Equity at 1 January 2014	**180**	**(5)**	**(38)**	**(44)**	**6,125**	**6,218**	**30**	**6,248**
Profit for the year	**-**	**-**	**-**	**-**	**1,490**	**1,490**	**1**	**1,491**
Currency translation adjustments, foreign enterprises	-	-	-	(195)	-	(195)	-	(195)
Fair value adjustments for the year relating to hedging instruments	-	-	(45)	-	-	(45)	-	(45)
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	-	57	-	-	57	-	57
Actuarial gains/(losses)	-	-	-	-	(323)	(323)	-	(323)
Tax on other comprehensive income	-	-	(2)	-	64	62	-	62
Other comprehensive income, net of tax	**-**	**-**	**10**	**(195)**	**(259)**	**(444)**	**-**	**(444)**
Total comprehensive income for the period	**-**	**-**	**10**	**(195)**	**1,231**	**1,046**	**1**	**1,047**
Transactions with owners:								
Share-based payments	-	-	-	-	37	37	-	37
Dividends distributed	-	-	-	-	(270)	(270)	-	(270)
Purchase of treasury shares	-	(5)	-	-	(1,178)	(1,183)	-	(1,183)
Sale of treasury shares	-	-	-	-	178	178	-	178
Capital reduction	(3)	3	-	-	-	-	-	-
Dividends on treasury shares	-	-	-	-	8	8	-	8
Other adjustments	-	-	-	-	2	2	(2)	-
Tax on transactions with owners	-	-	-	-	16	16	-	16
Total transactions with owners	**(3)**	**(2)**	**-**	**-**	**(1,207)**	**(1,212)**	**(2)**	**(1,214)**
Equity at 31 December 2014	**177**	**(7)**	**(28)**	**(239)**	**6,149**	**6,052**	**29**	**6,081**

Notes to the financial statements

The notes section to the consolidated financial statements is divided into five chapters, focusing on different aspects of the financial information. Each chapter contains a brief description of the correlation between the relevant notes and our business operations. The accounting policies and critical accounting estimates and judgements have been incorporated into the notes to make the note information more transparent and clear.

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Chapter 1 – Basis of preparation of the consolidated financial statements

The 2015 Annual Report of DSV A/S has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and Danish disclosure requirements for listed companies. The Annual Report of DSV A/S comprises the consolidated financial statements of DSV A/S and its subsidiaries. The Board of Directors considered and approved the 2015 Annual Report of DSV A/S on 10 February 2016. The Annual Report will be submitted to the shareholders of DSV A/S for approval at the Annual General Meeting on 10 March 2016.

Basis of measurement

Amounts in the Annual Report are stated in Danish kroner (DKK) and rounded to the nearest million. The Annual Report has been prepared under the historical cost convention, with the exception that derivative financial instruments are measured at fair value. Non-current assets held for sale are measured at the lower of carrying amount before the change in classification and fair value less costs to sell. The accounting policies described in the notes have been applied consistently for the financial year and for the comparative figures.

Changes in accounting policies

We have implemented the standards and interpretations which are effective for the financial year of 2015. The new standards and interpretations did not affect DSV's recognition or measurement of financial items for 2015, nor are they expected to have any significant future impact.

Significant accounting estimates

In the preparation of the consolidated financial statements of DSV A/S, Management makes various significant accounting estimates and judgements that may affect the reported amounts of assets, liabilities, income, expenses, cash flow and related information at the reporting date. The significant estimates are based on historical experience and other factors deemed reasonable in the circumstances. By their nature, such estimates are subject to some uncertainty, and the actual results may deviate from the estimates. The estimates are continually evaluated, and the effect of any changes is recognised in the relevant period.

The significant accounting estimates and judgements deemed by Management to be material for the preparation and understanding of the consolidated financial statements are listed below and described in more detail in the relevant notes:

- Net revenue (note 2.2)
- Special items (note 2.7)
- Impairment testing (note 3.3)
- Operating lease obligations (note 3.4)
- Pension obligations (note 3.5)
- Provisions (note 3.6)
- Derivative financial instruments (note 4.5)
- Tax (note 5.2)
- Contingent liabilities and security for debt (note 5.6)

Basis of consolidation

The consolidated financial statements include the Parent, DSV A/S, and the subsidiaries over which DSV A/S exercises control. Entities in which the Group directly or indirectly controls at least 20%, but not more than 50%, of the share capital are treated as associates and measured using the equity method. Investments with negative net asset values are recognised at DKK 0. The consolidated financial statements are prepared based on uniform accounting policies in all Group entities. Consolidation of Group entities is performed after elimination of all intra-Group transactions, balances, income and expenses.

Foreign currency

Functional currency

A functional currency is determined for each Group entity. The functional currency is the currency used in the primary financial environment in which the individual entity operates.

Foreign currency translation

On initial recognition, foreign currency transactions are translated into the functional currency at the exchange rate ruling at the transaction dates. Foreign exchange differences between the exchange rates at the transaction date and the date of payment are recognised in the income statement under financials. Monetary items denominated in a foreign currency are translated at the exchange rate ruling at the reporting date. The difference between the exchange rates at the reporting date and the transaction date or the exchange rate used in the latest annual report is recognised in the income statement under financials. Foreign exchange differences arising on the translation of non-monetary items, such as investments in associates, are recognised directly in other comprehensive income.

Recognition in the consolidated financial statements
On preparation of the consolidated financial statements, the income statements of entities with a functional currency different from DKK are translated at the average exchange rates for the period, and balance sheet items are translated at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation of the equity of foreign entities and on translation of receivables considered part of the net investment are recognised directly in other comprehensive income. Foreign exchange differences on the translation of income statements from the average exchange rate for the period to the exchange rate ruling at the reporting date are also recognised in other comprehensive income. The adjustments are presented under a separate translation reserve in equity.

Cash flow statement
The cash flows are calculated using the indirect method based on the operating profit before special items. The cash flow statement cannot be directly derived from the balance sheet and income statement.

Materiality in financial reporting
For the preparation of the Annual Report, Management considers the optimum way of presenting the financial statements. It is important that the content is material to the user. This objective is pursued by making relevant rather than generic descriptions in the Management's Commentary and only including descriptions of risks, the mitigation thereof and value drivers, etc., which may have or had a material influence on the achievement of the Group's targets.

A judgement is made of whether more detailed specifications are necessary in the presentation of the Group's assets, liabilities, financial position and results or whether an aggregation of less material amounts is preferred. The notes to the financial statements are prepared with focus on ensuring that the content is relevant and the presentations clear. All judgements are made with due consideration of legislation, international accounting standards and guidelines and of the Annual Report as a whole presenting a true and fair view.

New accounting regulations
The IASB has issued a number of new standards and interpretations which have not yet become effective or approved by the EU and which are therefore not relevant for the preparation of the financial statements for 2015. DSV expects to implement the standards and interpretations when they become mandatory.

The IFRS 16 Leases standard will take effect from 1 January 2019. The standard has not yet been approved by the EU, but is expected to impact on the financial reporting of DSV if approved in its current wording. The new standard broadens the criteria for recognition of lease assets and liabilities to include all leases not covered by the excemption clauses under the Standard. The impact analysis for the Group is continuously adjusted as updated endorsement status reports on the approval of the Standard are published by the EFRAG (EU).

No other new standards or interpretations are expected to have any significant impact on future consolidated financial statements of DSV.

Chapter 2 – Operating profit

This chapter provides a description of consolidated operating profit including special items. The consolidated operating profit is based on our three business segments described below. Reference is also made to the comments on the profit development of the Group and Divisions in Management's commentary on pp. 14-18.

2.1 SEGMENT INFORMATION

Accounting policies
The presentation of business segments is based on the applicable management reporting to the Division and Group Managements and on the type and geographical distribution of the services that we provide.

Business segments
Our business operations are divided into three divisions, which form the basis of our business segmental reporting.

Air & Sea
The Air & Sea Division provides air and sea freight services through its global network.

Road
The Road Division provides road freight services across Europe.

Solutions
The Solutions Division offers contract logistics, incl. warehousing and inventory management.

Measurement of earnings by segment
Our business segments are measured by operating profit before special items. Segment results are accounted for in the same way as the consolidated financial statements. Segment income/expenses and assets/liabilities comprise the items directly attributable to the individual segment as well as the items that may be allocated to the individual segment on a reliable basis.

Income and expenses relating to Group functions, investing activities, corporation tax, special items, etc. are managed on Group level. These items are not included in the statement of segment performance, but are presented under "Other activities, non-allocated items and eliminations".

Financial position of business segments
Assets are included in the segmental reporting to the extent they are used for the operation of the segment. Similarly, liabilities are included to the extent they are related to the operation of the segment. Assets and liabilities which cannot be attributed to any of the three segments on a reliable basis are presented under "Other activities, non-allocated items and eliminations".

Segment information

	Air & Sea		Road		Solutions		Other activities, non-allocated items and elimination		Total	
(DKKm)	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Condensed income statement										
Revenue	21,685	22,001	24,718	24,169	5,960	5,729	941	841	53,304	52,740
Intercompany revenue	(408)	(971)	(1,018)	(2,073)	(156)	(345)	(853)	(769)	(2,435)	(4,158)
Net revenue	21,277	21,030	23,700	22,096	5,804	5,384	88	72	50,869	48,582
Amortisation and depreciation of intangibles, property, plant and equipment	108	106	126	132	152	162	139	121	525	521
Operating profit before special items	1,923	1,542	918	837	242	274	(33)	(29)	3,050	2,624
Condensed balance sheet										
Total gross investments	86	102	259	72	394	132	291	563	1,030	869
Total assets	13,169	13,924	13,128	10,407	3,164	3,821	(1,736)	(4,472)	27,725	23,680
Total liabilities	10,976	9,807	7,396	7,773	3,295	3,568	(5,783)	(3,549)	15,884	17,599

Geographical information

DSV operates in almost all parts of the world and, before the UTi acquisition, has activities in 74 countries, which are divided into the following geographical regions in our management reporting:

- EMEA**: Europe, the Middle East and Africa
- Americas: North and South America
- APAC: Asia, Australia and the Pacific

Revenue and non-current assets are allocated to the geographical areas according to the country in which the individual consolidated entity is based. The corporate headquarters of DSV is located in Denmark, which is included in the EMEA segment.

Geographical information

	2015		2014	
(DKKm)	Net revenue	Non-current assets*	Net revenue	Non-current assets*
EMEA**	41,662	9,936	40,995	10,650
Americas	5,217	2,019	4,003	1,813
APAC	3,990	728	3,584	689
Total	**50,869**	**12,683**	**48,582**	**13,152**

	2015		2014	
(DKKm)	Net revenue	Non-current assets*	Net revenue	Non-current assets*
Denmark	6,238	2,001	6,582	2,098
Germany	6,037	1,428	5,819	1,695
Sweden	4,942	1,870	4,617	1,857
Italy	4,304	1,171	4,397	1,223
USA	4,059	1,988	3,112	1,779
Other	25,289	4,225	24,055	4,500
Total	**50,869**	**12,683**	**48,582**	**13,152**

Inter-segment transactions are made on an arm's lenght basis.

*) Non-current assets less tax assets.

**) In Management's commentary, EMEA is divided into the following regions to illustrate our geographical exposure in EMEA:
- Nordic countries: Denmark, Sweden, Norway, Finland
- Southern Europe: Italy, Spain, France, Portugal, Greece
- Other Europe/EMEA: Other European countries, the Middle East and Africa

2.2 NET REVENUE

Accounting policies

Net revenue comprises the services provided in the financial year as well as changes in the value of work in progress.

Revenue is recognised when the agreed freight forwarding service is considered delivered and control of the cargo has passed to the customer or another logistics services provider. The time of recognition varies depending on the service provided.

All kinds of discounts are offset against net revenue. Net revenue is measured excluding VAT and other tax collected on behalf of third parties.

Significant accounting estimates

At the close of accounting periods, significant accounting estimates and judgements are made regarding work in progress, including accrual of income and pertaining direct costs. These estimates are based on experience and continuous follow-up on provisions for work in progress relative to subsequent invoicing.

Net revenue

(DKKm)	2015	2014
Sale of services	50,492	48,252
Other operating income	377	330
Total net revenue	**50,869**	**48,582**

2.3 DIRECT COSTS

Accounting policies

Direct costs comprise costs paid to generate the revenue for the year. Direct costs include settlement of accounts with haulage contractors, shipping companies, airlines, etc. Direct costs also include other direct costs, including staff costs relating to own staff used for fulfilling orders and rental of logistics facilities in the Solutions Division, as well as other operating costs.

2.4 OTHER EXTERNAL EXPENSES

Accounting policies

Other external expenses include expenses relating to marketing, IT, other rent, training and education, office premises, travelling, communications as well as other selling costs and administrative expenses.

2.5 STAFF COSTS

Accounting policies
Staff costs include wages and salaries, pensions, social security costs and other staff costs, but excluding staff costs recorded as direct costs.

Staff costs are recognised in the financial year in which the employee renders the related service. Costs related to long-term employee benefits, e.g. share-based payments, are recognised in the period to which they relate. Reference is made to note 3.5 for detailed information on pension plans, note 5.3 for detailed information on remuneration of Management and note 5.4 for detailed information on the Group's share option schemes and shares held by Management.

Staff costs

(DKKm)	2015	2014
Salaries and wages etc.	6,333	5,989
Defined contribution pension plans	303	291
Defined benefit pension plans	84	41
Other social security costs	1,019	1,057
Share-based payments	37	37
	7,776	7,415
Transferred to direct costs	(2,299)	(2,321)
Total staff costs	**5,477**	**5,094**
Average number of full-time employees	22,612	22,485
Number of full-time employees at year end	22,783	22,874

2.6 AMORTISATION AND DEPRECIATION FOR THE YEAR

Accounting policies
Amortisation and depreciation for the year are recognised based on the amortisation and depreciation profiles determined for the assets (see notes 3.1 and 3.2).

Amortisation and depreciation for the year

(DKKm)	2015	2014
Software and other intangible assets	134	122
Customer relationships	108	116
Buildings	125	133
Other plant and operating equipment	158	150
Total amortisation and depreciation of intangibles, property, plant and equipment	**525**	**521**

2.7 SPECIAL ITEMS

Accounting policies
Special items are used in connection with the presentation of the profit or loss for the year to distinguish the consolidated operating profit from exceptional items, which by their nature are not related to the Group's ordinary operations or otherwise related to the maintenance or development of our business concept.

Special items consist of:

- Restructuring costs relating to fundamental structural, procedural and managerial reorganisations as well as any related gains or losses on disposals.
- Restructuring costs relating to acquisition and divestment of enterprises.
- Adjustments to fair value of equity investments in connection with step acquisitions.

Significant accounting estimates
In connection with the use of special items it is crucial that they are significant items not directly attributable to the ordinary operating activities of the Group.

Special items

(DKKm)	2015	2014
Restructuring costs and gains/(losses) relating to acquisition and disposal of enterprises	55	-
Restructuring costs	3	304
Net special items, total costs	**58**	**304**

Restructuring costs relating to the acquisition and disposal of enterprises were mainly non-recurring expenses in connection with acquisitions and related mainly to the UTi acquisition. Restructuring costs include non-recurring expenses defrayed by the Group for the purpose of streamlining business processes and adjusting overheads.

Chapter 3 – Operating assets and liabilities

This chapter describes the Group's invested capital that forms the basis of our activities. The invested capital represents the Group's property, plant and equipment and intangible assets and the Group's net working capital in the form of operating assets and liabilities.

The Group's invested capital is structured based on our asset-light approach in our business operations, including our focus on minimising funds tied up in working capital with a view to optimising the consolidated free cash flow. The Group's invested capital also comprises significant intangible assets in the form of goodwill relating to acquisitions made over the years.

3.1 INTANGIBLE ASSETS

Accounting policies

Goodwill

Only goodwill arising from business combinations is recognised and is stated as the difference between the consideration paid for the acquiree, including the value of any remaining non-controlling interests and previously held interests, and the fair value of net assets identified on the date of acquisition. Goodwill is not amortised, but tested for impairment on a regular basis.

Customer relationships

On initial recognition, customer relationships identified from business acquisitions are recognised in the balance sheet at fair value. Subsequently, customer relationships are measured at fair value less accumulated amortisation and impairment losses. Customer relationships are amortised on a straight-line basis over the expected duration of these relations, which is estimated to be 10 years.

Computer software

Computer software bought or developed for internal use is measured at the lower of cost less accumulated amortisa-

Intangible assets

(DKKm)	2015 Goodwill	2015 Customer relationships	2015 Software	2015 Total	2014 Goodwill	2014 Customer relationships	2014 Software	2014 Total
Cost at 1 January	**7,992**	**1,163**	**1,414**	**10,569**	**8,038**	**1,161**	**1,214**	**10,413**
Additions from acquisition of enterprises/adjustments to previous period	35	-	-	35	(10)	-	-	(10)
Additions for the year	-	-	284	284	-	-	228	228
Disposals at cost	(12)	-	(34)	(46)	(11)	-	(10)	(21)
Transferred to assets held for sale	-	-	-	-	-	-	(16)	(16)
Currency translation adjustments	5	11	2	18	(25)	2	(2)	(25)
Total cost at 31 December	**8,020**	**1,174**	**1,666**	**10,860**	**7,992**	**1,163**	**1,414**	**10,569**
Total amortisation and impairment at 1 January	**10**	**838**	**793**	**1,641**	**10**	**720**	**701**	**1,431**
Amortisation for the year	-	108	134	242	-	116	122	238
Amortisation of assets disposed of	-	-	(28)	(28)	-	-	(11)	(11)
Transferred to assets held for sale	-	-	-	-	-	-	(16)	(16)
Currency translation adjustment	-	8	1	9	-	2	(3)	(1)
Total amortisation and impairment at 31 December	**10**	**954**	**900**	**1,864**	**10**	**838**	**793**	**1,641**
Carrying amount at 31 December	**8,010**	**220**	**766**	**8,996**	**7,982**	**325**	**621**	**8,928**

tion and impairment losses and the recoverable amount. Cost is calculated as costs, salaries and amortisation directly or indirectly attributable to software. After commissioning, software is amortised on a straight-line basis over its expected useful life. The amortisation period is 1-10 years.

3.2 PROPERTY, PLANT AND EQUIPMENT

Accounting policies
Land and buildings, other plant and operating equipment are measured at cost less accumulated depreciation and impairment losses.

The cost comprises the acquisition price and costs directly associated with the acquisition until the time when the asset is ready for use. The present value of estimated costs for dismantling and disposing of the asset as well as restoration costs are added to cost if such costs are recognised as a provision. Material borrowing costs directly attributable to the production of the individual asset are also added to cost. If the individual components of an asset have different useful lives, each component will be depreciated separately.

The cost of self-constructed assets comprises direct and indirect costs for materials, components, sub-contractors, wages and salaries. Costs for self-constructed assets are recognised as property, plant and equipment in progress on an ongoing basis until the assets are ready for use.

The cost of assets under finance leases is determined as the lower of the fair value of the assets and the present value of the future minimum lease payments. The internal rate of return of the lease or an alternative borrowing rate is used as the discount rate in the calculation of the present value.

Subsequent costs, such as partial replacement of property, plant and equipment, are included in the carrying amount of the asset in question when it is probable that such costs will result in future economic benefits for the Group. The carrying amount of the replaced parts is derecognised from the balance sheet and recognised in the income statement.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

- Terminals and administration buildings 40-60 years
- Other buildings and building elements 10-25 years
- Technical plant and machinery 6-10 years
- Other plant and operating equipment 3-8 years
- Land is not depreciated

Property, plant and equipment

(DKKm)	2015 Land and buildings	2015 Other plant and operating equipment	2015 Property, plant and equipment in progress	2015 Total	2014 Land and buildings	2014 Other plant and operating equipment	2014 Property, plant and equipment in progress	2014 Total
Cost at 1 January	**4,108**	**1,560**	**345**	**6,013**	**4,300**	**1,684**	**62**	**6,046**
Additions from acquisitions	50	1	-	51	-	-	-	-
Additions for the year	232	266	162	660	116	166	369	651
Disposals at cost	(592)	(111)	(330)	(1,033)	(285)	(124)	-	(409)
Transferred to assets held for sale	-	-	-	-	(30)	(56)	-	(86)
Reclassification	(3)	8	(1)	4	70	(12)	(86)	(28)
Currency translation adjustments	55	2	-	57	(63)	(98)	-	(161)
Total cost at 31 December	**3,850**	**1,726**	**176**	**5,752**	**4,108**	**1,560**	**345**	**6,013**
Total depreciation and impairment at 1 January	**1,026**	**1,059**	**1**	**2,086**	**961**	**1,182**	**20**	**2,163**
Depreciation for the year	125	158	-	283	133	150	-	283
Depreciation of assets disposed of	(111)	(86)	-	(197)	(90)	(99)	-	(189)
Transferred to assets held for sale	-	-	-	-	(3)	(41)	-	(44)
Reclassification	(5)	5	(1)	(1)	35	(42)	(19)	(26)
Currency translation adjustments	9	4	-	13	(10)	(91)	-	(101)
Total depreciation and impairment at 31 December	**1,044**	**1,140**	**-**	**2,184**	**1,026**	**1,059**	**1**	**2,086**
Carrying amount at 31 December	**2,806**	**586**	**176**	**3,568**	**3,082**	**501**	**344**	**3,927**
Of which finance leased assets	**237**	**6**	**-**	**243**	**253**	**7**	**-**	**260**

The depreciation basis takes into account the residual value of assets and is reduced by any impairment losses. The residual value is calculated on the date of acquisition and reassessed once a year. If the residual value exceeds the carrying amount of the asset, depreciation will no longer be provided.

The net gain on the sale of intangible assets, property, plant and equipment is included in other operating income.

Accounting estimates
The depreciation period is determined based on estimates of the expected life and future residual value of the assets. The estimates are based on historical experience. A reassessment is made once every year to ascertain that the depreciation basis reflects the expected life and future residual value of the assets.

At 31 December 2015, the carrying amount of property, plant and equipment in progress comprised DKK 155 million (2014: DKK 330 million) relating to construction of property projects. Property projects are construction projects made in view of a future transfer of property through sale and leaseback arrangements, but where a final agreement may not have been made at the reporting date.

3.3 IMPAIRMENT TESTING

Accounting policies
Goodwill
The carrying amount of goodwill is tested for impairment at least once a year together with the other non-current assets of the Group.

The tests are made for the cash-generating units to which consolidated goodwill is allocated based on the management structure and system of internal financial control. The structure of the cash-generating units thereby follows our divisional structure: Air & Sea, Road and Solutions.

Goodwill is written down to the recoverable amount through the income statement if lower than the carrying amount.

The recoverable amount is determined as the present value of the discounted future net cash flow from the division to which the goodwill relates. The calculation of the present value of discounted net cash flow applies discount rates reflecting the risk-free interest rate with the addition of the risks related to the individual cash-generating units, including geographical location and financial risk.

Other non-current intangible assets, property, plant and equipment
The carrying amount of other non-current assets is tested for impairment at least once a year in connection with the impairment test of goodwill. If the tests show evidence of impairment, the asset is written down to the recoverable amount through the income statement if lower than the carrying amount. The recoverable amount is the higher of the fair value of the asset less the expected costs to sell and the value in use.

The value in use is calculated as the present value of expected future cash flow from the asset or the division of which the asset forms part.

Significant accounting estimates
In connection with the goodwill impairment test, a number of estimates are made of development in revenue, gross profit, operating margin, future capital expenditure, discount rate and growth expectations in the terminal period. The estimates build on assessments of the three divisions and are determined based on historical experience and assumptions of expected market developments, including expected long-term average market growth rates.

Material factors of relevance to the future net cash flow of the three divisions:

Air & Sea
The Air & Sea Division operates globally. Therefore, developments in global economic growth and world trade have a material impact on the Division's future net cash flow. The development in gross profit per shipment, Division cost management initiatives and development in internal productivity (number of shipments per employee) also affect the Division's cash flow.

Road
The Road Division mainly operates in the European market, which means that the Division's future net cash flow is affected by the growth rate in this region in particular. The development in gross profit per shipment, including truck and terminal utilisation rates, Division cost management initiatives and development in internal productivity (number of shipments per employee) also affect the Division's cash flow.

Solutions
The Solutions Division operates in the global market. However, most of its revenue generating activities are located in Europe, and developments in this region therefore have a material impact on the Division's future net cash flow. The development in warehouse lease costs and costs of related services, utilisation of warehouse facilities, Division cost management initiatives and development in internal pro-

ductivity (number of order lines per employee) also affect the Division's cash flow.

The expected future net cash flow is based on budgets and business plans approved by Management for the year 2016 and projections for subsequent years up to and including 2020. From 2020 and onwards, DSV expects the growth rate to remain in line with the expected long-term average growth rate for the industry.

Impairment test

Goodwill

Goodwill was tested for impairment at 31 December 2015. The tests did not result in any impairment of the carrying amounts.

In that connection, a sensitivity analysis was performed to assess whether changes in cash flow or discount rate will result in any impairment loss. The analysis showed that probable changes in the fundamental assumptions will not make the carrying amount of goodwill exceed the recoverable amount.

The assumptions used and the outcome of the sensitivity analysis are stated below. The pre-tax discount rate is calculated in accordance with IAS 36.

The sensitivity analysis shows the lowest possible growth rate or highest possible discount rate by which the assumptions used can be changed, measured in percentage points, without resulting in any impairment loss.

Other non-current intangible assets, property, plant and equipment

Other non-current assets were also tested for impairment together with goodwill at 31 December 2015. No indication of impairment was identified in connection with the tests.

Goodwill impairment test at 31 December 2015

		Budget period		Terminal period		Sensitivity analysis	
(DKKm)	Carrying amount of goodwill	Annual revenue growth	Operating margin	Growth	Pre-tax discount rate	Growth - allowed decline	Discount rate - allowed increase %points
Air & Sea	4,417	5.0%	8.1%	2.0%	9.6%	52.7%	77.6%
Road	2,510	3.0%	3.8%	2.0%	9.0%	26.3%	17.1%
Solutions	1,083	4.0%	4.5%	2.0%	8.8%	28.9%	75.0%

Goodwill impairment test at 31 December 2014

		Budget period		Terminal period		Sensitivity analysis	
(DKKm)	Carrying amount of goodwill	Annual revenue growth	Operating margin	Growth	Pre-tax discount rate	Growth - allowed decline	Discount rate - allowed increase %points
Air & Sea	4,417	5.0%	7.0%	2.0%	9.6%	28.4%	13.8%
Road	2,482	3.0%	3.4%	2.0%	9.6%	33.0%	20.8%
Solutions	1,083	4.0%	4.3%	2.0%	9.6%	18.4%	11.7%

3.4 OPERATING LEASE OBLIGATIONS

Accounting policies
Lease payments are recognised in the income statement on a straight-line basis over the term of the lease.

Significant accounting estimates
The Group has concluded arm's length leases for buildings, including terminals and warehouses, and other operating equipment. Based on individual assessments of the leases, an estimate is made as to whether the leases are to be considered finance or operating leases in the financial statements.

Land and buildings
Maturity

(DKKm)	2015	2014
0-1 year	1,402	1,173
1-5 years	3,198	2,613
> 5 years	1,990	1,742
Total	**6,590**	**5,528**

Leases of land and buildings typically have a term of up to 10 years.

The Group has concluded back-to-back leases with several customers, securing future activity at some of its premises leased under operating leases. Of the lease obligations, approx. DKK 0.5 billion relate to back-to-back leases (2014: DKK 0.6 billion).

Operating lease costs of DKK 1,274 million relating to land and buildings were recognised in the income statement for 2015 (2014: DKK 1,232 million).

Other plant and operating equipment
Maturity

(DKKm)	2015	2014
0-1 year	521	465
1-5 years	681	688
> 5 years	1	2
Total	**1,203**	**1,155**

Leases of other plant and operating equipment typically have a term of up to 5 years.

Operating lease costs of DKK 643 million relating to other plant and operating equipment were recognised in the income statement for 2015 (2014: DKK 604 million).

3.5 PENSION OBLIGATIONS

Accounting policies
Obligations relating to defined contribution pension plans under which the Group pays regular pension contributions to independent pension funds are recognised in the income statement for the period in which they are earned. Contributions payable are recognised in the balance sheet under other current liabilities.

As regards defined benefit plans, an actuarial valuation of the value in use of future benefits payable under the plan is made once a year. The value in use is calculated on the basis of the assumptions of future development in wage/salary levels, interest rates, inflation, mortality, etc. The value in use is only calculated for benefits to which the employees have become entitled during their employment with the Group. The actuarial calculation of the value in use less the fair value of assets under the plan is recognised in the balance sheet under pension obligations. Pension costs for the year are recognised in the income statement based on actuarial estimates and financial outlook at the beginning of the year.

Differences between the calculated development in pension assets and liabilities and the realised values are recognised in other comprehensive income as actuarial gains or losses.

Changes in the benefits payable for employees' past services to the company result in an adjustment of the actuarial calculation of the value in use, which is classified as past service costs. Past service costs are charged to the income statement immediately if the employees have already earned the right to the adjusted benefits. Otherwise, the benefits will be recognised in the income statement over the period in which the employees earn the right to the adjusted benefits.

Significant accounting estimates
In determining the obligation, the Group makes use of external and independent actuaries. The actuarial assumptions used in calculations and valuations vary from country to country owing to national economic and social conditions.

The most significant defined benefit plans of the Group relate to Europe, with Sweden representing 31% (2014: 30%), Germany 30% (2014: 30%) and the Netherlands 17% (2014: 14%) of the total net obligation of DKK 1,226 million (2014: DKK 1,311 million).

The most significant individual defined benefit plans are in Sweden, Germany and the Netherlands. The other individual defined benefits plans that DSV operate are insignificant. The plan in Sweden is a final pay scheme which covers all salaried employees born in or before 1978 and is based on a collective labour agreement. Salaried employees born in or after 1979 are covered by a defined contribution plan.

The plan in Germany covers both salaried and blue-collar employees. Under that plan, employees earn a fixed amount for each year in service. The plan is closed for new employees. The pension plan in the Netherlands is made up of several small schemes.

The following key assumptions are used:

			2015		
(DKKm)	Sweden	Germany	The Netherlands	Other	Weighted average
Discount rate	3.50%	2.10%	2.70%	1.80% - 3.95%	2.99%
Future wage/salary increase	3.00%	2.25%	1.75%	1.75% - 3.30%	2.33%
Future rate of inflation	1.50%	1.75%	1.75%	1.50% - 2.30%	1.86%
Mortality prognosis table	DUS14 w-c	Heubeck 2005G	AG Prognosis 2014		

			2014		
(DKKm)	Sweden	Germany	The Netherlands	Other	Weighted average
Discount rate	2.75%	1.90%	2.30%	1.80% - 3.70%	2.62%
Future wage/salary increase	3.00%	2.25%	2.00%	1.75% - 3.00%	2.45%
Future rate of inflation	1.50%	1.75%	2.00%	1.50% - 2.50%	1.97%
Mortality prognosis table	DUS14 w-c	Heubeck 2005G	AG Prognosis 2014		

Pension obligations

Net obligations at 31 December

(DKKm)	2015	2014
Present value of defined benefit plans	3,369	3,501
Fair value of pension plan assets	2,143	2,190
Pension obligations, net	**1,226**	**1,311**

Of pensions and similar obligations, DKK 900 million relate to unfunded pension obligations (2014: DKK 926 million), and DKK 326 million relate to partly funded obligations (2014: DKK 385 million).

Total pension costs for the year

Net costs of DKK 416 million relating to the Group's pension plans were recognised in the income statement for the financial year of 2015 (2014: DKK 367 million) as follows:

	2015		
(DKKm)	Defined contribution plans	Defined benefit plans	Total
Staff costs	303	84	387
Financial expenses	-	29	29
Total costs recognised	**303**	**113**	**416**

	2014		
(DKKm)	Defined contribution plans	Defined benefit plans	Total
Staff costs	291	41	332
Financial expenses	-	35	35
Total costs recognised	**291**	**76**	**367**

Pension obligations

Developments in the present value of obligations relating to defined benefit plans:

(DKKm)	2015	2014
Obligations at 1 January	3,501	2,726
Currency translation adjustments	73	26
Pension costs relating to current financial year	84	41
Calculated interest on obligations	92	105
Actuarial gains/(losses) arising from changes in economic assumptions	(248)	695
Actuarial gains/(losses) arising from changes in demographic assumptions	(21)	(3)
Experience adjustments	(4)	-
Adjustment relating to change in pension plan	(5)	-
Benefits paid	(103)	(89)
Obligations at 31 December	**3,369**	**3,501**

The expected average duration of the obligations is 20 years.

Expected maturity of pension obligations:

(DKKm)	2015	2014
0-1 year	80	85
1-5 years	346	231
> 5 years	2,943	3,185
Total obligations recognised	**3,369**	**3,501**

Pension plan assets

Developments in the fair value of pension plan assets:

(DKKm)	2015	2014
Pension plan assets at 1 January	2,190	1,692
Currency translation adjustments	46	33
Calculated interest on plan assets	63	70
Actuarial gains/(losses)	(162)	369
Paid up	106	115
Benefits paid	(97)	(89)
Additions from acquisitions	(3)	-
Pension plan assets at 31 December	**2,143**	**2,190**

DSV expects to contribute DKK 102 million to defined benefit plan assets in 2016.

Composition of pension plan assets

(DKKm)	2015	2014
Shares	17%	20%
Bonds	7%	14%
Insurance contracts	76%	66%
Total	**100%**	**100%**

Sensitivity analysis

The table below illustrates the change in the gross obligation relating to defined benefit plans from a change in the key actuarial assumptions. The analysis is based on fairly probable changes, provided that the other parameters remain unchanged.

(DKKm)	2015
Reported obligation	3,369
Discount rate	
Increase of 0.5%point	3,070
Decrease of 0.5%point	3,714
Future wage/salary increase	
Increase of 0.5%point	3,414
Decrease of 0.5%point	3,330
Inflation	
Increase of 0.5%point	3,616
Decrease of 0.5%point	3,154
Life expectancy	
Life expectancy increase of 1 year	3,473
Life expectancy decrease of 1 year	3,266

3.6 PROVISIONS

Accounting policies
Provisions are recognised when, due to an event occurring on or before the reporting date, the Group has a legal or constructive obligation and it is probable that the Group will have to give up future economic benefits to meet the obligation.

Provisions are measured on the basis of Management's best estimate of the anticipated expenditure for settlement of the relevant obligation and are discounted if deemed material.

Significant accounting estimates
Management continually assesses provisions, contingencies and the likely outcome of pending and potential legal proceedings. The outcome of such proceedings depends on future events, which are by nature uncertain. Management includes judgements by external legal experts and existing case law in assessing the probable outcome of material legal proceedings, tax issues, etc.

Provisions

(DKKm)	Re-structuring costs	Disputes and legal actions	Other	Total
Provisions at 1 January 2015	**268**	**169**	**365**	**802**
Applied for the year	(155)	(37)	(153)	(345)
Provisions for the year	43	41	131	215
Adjustment of provisions made in previous years	(43)	18	(24)	(49)
Currency translation adjustments	2	-	5	7
Provisions at 31 December 2015	**115**	**191**	**324**	**630**
Provisions as recognised in the balance sheet:				
Non-current liabilities	42	115	203	360
Current liabilities	73	76	121	270
Provisions at 31 December 2015	**115**	**191**	**324**	**630**

Provisions are not discounted because the resulting effect is immaterial.

Provisions are expected to be settled within 1-2 years in all essentials.

Restructuring costs
Restructuring costs related mainly to the integration of acquirees and the restructuring plans previously announced, which consist mainly of termination benefits and costs under terminated leases.

Disputes and legal actions
Provisions for disputes and legal actions related mainly to probable liabilities taken over at the acquisition of enterprises.

Other provisions
Other provisions related mainly to restoration obligations in connection with property leases and onerous contracts mainly relating to acquisitions.

Chapter 4 – Capital structure and finances

This chapter describes the financial basis of the Group's activities. The financing of our activities is illustrated by our capital structure, which is defined by the mix of funds generated from operations and debt financing and the components of the two, including related financial risks.

The capital structure is linked to our long-term financial target of a financial gearing ratio of approx. 1-1.5 and the related application of the Group's free cash flow. In order of priority, the free cash flow is used to reduce the Group's net interest-bearing debt in periods when the financial gearing exceeds the target, for investments and business acquisitions and for share buybacks or distribution to the Company's shareholders.

4.1 EQUITY

Accounting policies

Share capital
At year end 2015, the share capital of DSV A/S amounted to 192.5 million shares with a nominal value of DKK 1 each. All shares are fully paid up. In 2015, DSV A/S increased its share capital by a nominal value of DKK 17.5 million and cancelled treasury shares of a nominal value of DKK 2 million. The proceeds from the capital increase will be used for the financing of the UTi Worldwide Inc. acquisition.

Share premium reserve
The share premium reserve represents positive differences between the nominal share capital and the amount paid by shareholders for newly issued shares. The reserve is a distributable reserve.

Reserve for treasury shares
The reserve comprises the nominal value of treasury shares. The difference between the market price paid and the nominal value plus dividends on treasury shares are recognised directly as retained earnings in equity. Treasury shares are bought back to meet obligations under the Company's incentive schemes and adapt its capital structure. The reserve is a distributable reserve.

Hedging reserve
The hedging reserve comprises the fair value of hedging instruments qualifying for hedge accounting.
Hedge accounting ceases when the hedging instrument matures or if a hedge is no longer effective.

Currency translation reserve
The reserve comprises DSV A/S shareholders' share of currency translation adjustments arising on the translation of net investments and related hedging in entities with a functional currency other than DKK. The reserve is dissolved upon disposal of the entity or if hedge accounting is no longer relevant.

Treasury shares

	Market value (DKKm)	% of share capital 1 January	% of share capital 31 December	2015 Million shares of DKK 1 (Nominal value)	2014 Million shares of DKK 1 (Nominal value)
Portfolio, beginning of year	**1,347**	**4.04%**	**3.74%**	**7.2**	**4.9**
Cancellation of treasury shares	(348)	(1.13%)	(1.04%)	(2.0)	(3.0)
Portfolio of treasury shares less cancelled shares	999	2.91%	2.70%	5.2	1.9
Purchased during the year	1,419	3.45%	3.16%	6.1	6.8
Sold during the year	(493)	(1.50%)	(1.38%)	(2.7)	(1.5)
Value adjustment	413	-	-	-	-
Portfolio, end of year	**2,338**	**4.86%**	**4.48%**	**8.6**	**7.2**

Earnings per share

(DKKm)	2015	2014
Profit for the year	2,058	1,491
Non-controlling interests' share of consolidated profit for the year	2	1
DSV A/S shareholders' share of profit for the year	2,056	1,490
Amortisation of customer relationships	108	116
Share-based payment	37	37
Special items, net	58	304
Related tax effect	(48)	(112)
Adjusted profit for the year	**2,211**	**1,835**
('000 shares)		
Total average number of shares	177,386	177,855
Average number of treasury shares	(7,398)	(4,742)
Average number of shares in circulation	169,988	173,113
Average dilutive effect of outstanding share options under incentive schemes	2,015	1,161
Diluted average number of shares in circulation	**172,003**	**174,274**
Earnings per share of DKK 1	12.09	8.61
Diluted earnings per share of DKK 1	11.95	8.55
Adjusted earnings per share of DKK 1	13.01	10.60
Diluted adjusted earnings per share of DKK 1	12.85	10.53

Diluted average number of shares

Diluted earnings per share and diluted adjusted earnings per share have been calculated excluding out-of-the-money share options. The number of out-of-the-money share options was 0 in 2015 (2014: 0).

4.2 CAPITAL STRUCTURE AND CAPITAL ALLOCATION

Capital structure

The capital structure of DSV is intended to ensure financial stability for the purpose of reducing the Company's cost of capital and maintain sufficient financial stability to reach its strategic goals. The target for the Group's capital structure states that the ratio of net interest-bearing debt to EBITDA (operating profit before amortisation, depreciation and special items) must be around 1-1.5. The net interest-bearing debt to EBITDA ratio may exceed 1-1.5 in extraordinary periods due to acquisitions made by the Group.

The gearing ratio, i.e. net interest-bearing debt to EBITDA, was -0.2 at 31 December 2015 (2014: 1.9).

Capital allocation

The Group aims to spend free cash flow as follows:

- Repayment of net interest-bearing debt in periods when the financial gearing ratio of the Group is above the capital structure target.
- Value-adding investments in the form of acquisitions or development of the existing business.
- Distribution to the Company's shareholders by means of share buy-backs in preparation for capital reduction and dividends.

Repayment of net interest-bearing debt

Adjusted for proceeds from capital increase and sale of treasury shares in connection with the UTi acquisition, the Group reduced its net interest-bearing debt by DKK 1,456 million in 2015 (2014: DKK 90 million).

Acquisitions

DSV spent DKK 108 million on acquisitions in the financial year 2015 (2014: DKK 14 million).

Distribution to the Company's shareholders

In 2015, the Group spent DKK 1,419 million (net) on the purchase of treasury shares (2014: DKK 1,183 million). The share capital was reduced by 2 million shares with a nominal value of DKK 1 each (2014: 3 million shares of nominally DKK 1 each).

DSV A/S paid DKK 283 million as dividends on 15 March 2015, corresponding to DKK 1.60 per share (2014: DKK 270 million, corresponding to DKK 1.50 per share).

It is proposed to distribute a dividend of DKK 1.70 per share for 2015 (2014: DKK 1.60).

4.3 FINANCIAL LIABILITIES

Accounting policies

The financial liabilities of the Group are divided into four financing categories:

- Bank loans and credit facilities
- Issued bonds
- Finance leases
- Other financial liabilities

Bank loans and other borrowings and loans obtained through the issuance of bonds are recognised initially at fair value net of transaction expenses. Subsequently, the financial liability is measured at amortised cost, corresponding to the capitalised value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Capitalised residual lease obligations are recognised as finance lease obligations.

Other liabilities are measured at amortised cost, which corresponds to the net realisable value in all essentials.

Financial liabilities

(DKKm)	2015	2014
Loans and credit facilities	1,263	2,890
Issued bonds	3,225	3,233
Finance leases	116	143
Other non-current liabilities	18	25
Total financial liabilities	**4,622**	**6,291**
Financial liabilities as recognised in the balance sheet:		
Non-current liabilities	4,309	5,702
Current liabilities	313	589
Financial liabilities at 31 December	**4,622**	**6,291**

4.4 FINANCIAL RISKS

Liquidity risk

We ensure that the Group has sufficient cash on demand in the form of short-term credit facilities and long-term credit lines from the main banks of the Group and through the issuance of bonds. The purpose of the bond loans was to further diversify the Group's long-term debt to make the Group less dependent on bank loans and utilise the historically low interest rate level. The total duration of the Group's long-term loan commitments and the amounts drawn on its credit lines at 31 December 2015 are shown in the table below.

The Group's bank loans and the DKK 750 million bond loan maturing on 23 November 2020 are subject to a covenant. The covenant is related to the ratio of the Group's net interest-bearing debt to operating profit before amortisation, depreciation and special items. Quarterly reporting on the development of the covenant is made to the Company's providers of funding. The covenant was observed in 2015.

The loan agreements of the Group are subject to standard covenants, according to which the Group's debt must be repaid in case of a change in control of the Company.

The analysis of expected maturity is based on contractual cash flows, including estimated interest payments. Amounts have not been discounted, for which reason they cannot necessarily be reconciled to the related items of the balance sheet.

List of commitments and amounts drawn on long-term credit facilities at 31 December 2015:

Loan facilities	Amount (EURm)	Amount (DKKm)	Expiry of commitments	Duration (years)	Undrawn
Long-term loan I	180	1,343	31/12/17	2.0	1,343
Long-term loan II	250	1,866	15/09/19	3.7	927
Long-term loan III	600	4,478	31/12/18	3.0	4,478
Bond loan I	101	750	23/11/20	4.9	-
Bond loan II	134	1,000	24/06/20	4.5	-
Bond loan III	201	1,500	18/03/22	6.2	-
Total and weighted duration	**1,466**	**10,937**		**3.7**	**6,748**

The Group's financial liabilities fall due as follows:

		2015			
(DKKm)	Carrying amount	Total cash flow, including interest	0-1 year	1-5 years	> 5 years
Loans, credit facilities and issued bonds	4,488	5,132	431	3,145	1,556
Finance leases	116	123	43	80	-
Trade payables	4,997	4,997	4,997	-	-
Interest rate derivatives	54	63	16	40	7
Total	**9,655**	**10,315**	**5,487**	**3,265**	**1,563**

(DKKm)	Carrying amount	Total cash flow, including interest	2014 0-1 year	1-5 years	> 5 years
Loans, credit facilities and issued bonds	6,123	6,952	819	2,737	3,396
Finance leases	143	167	36	122	9
Trade payables	4,782	4,782	4,782	-	-
Currency derivatives	76	76	77	(1)	-
Interest rate derivatives	100	116	71	33	12
Total	**11,224**	**12,093**	**5,785**	**2,891**	**3,417**

Foreign currency risk
Due to its operating activities, the Group is exposed to exchange rate fluctuations to a certain extent. DSV seeks to eliminate foreign currency risks by hedging currency exposures centrally via the Group's Treasury Department. The risk exposure is managed on a net basis, primarily by using foreign exchange forward contracts. The Group's foreign subsidiaries are not affected where trading income and costs are denominated in the local functional currency. This applies to a large part of the Group's subsidiaries. Furthermore, a large proportion of the income and expenses of the Group are denominated in EUR and USD. The overall currency risk is therefore limited.

The Group is also exposed to foreign currency risks, partly on the translation of debt denominated in a foreign currency other than the functional currency of the relevant company, and partly on the translation of net investments in enterprises with a functional currency other than DKK. The former risk affects profit before tax. However, where debt is classified as hedging of net investments in foreign subsidiaries, fair value adjustments are recognised directly in equity under other comprehensive income. On recognition of net investments in foreign subsidiaries, the Group is exposed to a translation risk when the profit or loss and equity of foreign subsidiaries are translated into DKK at the reporting date based on the average rates of exchange and the closing rates. The need to hedge the Parent's net investments in subsidiaries is assessed on a regular basis. It is DSV Group policy to reduce net investments in Group subsidiaries on an ongoing basis by distributing the subsidiaries' profits as dividends.

In general, the Group does not hedge euro positions as it expects the official Danish fixed exchange-rate policy against the euro to continue.

Main currency exposures:

	Net position		Exchange rate	Impact on profit/loss		Impact on other comprehensive income	
(DKKm)	2015	2014	fluctuation	2015	2014	2015	2014
CNY/DKK	(26)	(30)	+/- 5%	10	7	10	9
GBP/DKK	(2)	(1)	+/- 5%	15	10	6	9
HKD/DKK	(1)	(17)	+/- 5%	7	5	5	5
SEK/DKK	(21)	20	+/- 5%	11	9	30	42
USD/DKK	164	34	+/- 5%	29	21	66	66
Total			**+/- 5%**	**72**	**52**	**117**	**131**

The effect of foreign currency translation has been calculated based on the effect of a 5% change in average rates for 2014 and 2015. The effect on other comprehensive income has been calculated on the basis of the effect of a 5% change in year-end closing rates of exchange for 2014 and 2015. The method applied for the sensitivity analysis is unchanged compared to previous years.

Interest rate risk

The major interest rate risk relates to the long-term floating-rate loans raised by the Parent. These loans are refinanced to fixed-rate loans by using mainly interest rate swaps with a duration of up to 120 months.

The Group's loans and credit facilities:

(DKKm)	Expiry	Fixed/ floating Interest rate	Carrying amount 2015	2014
Bank loans DKK	2017	Floating	–	741
Bank loans EUR	2018-2019	Floating	938	1,362
Bank loans, other	2020-2022	Floating	21	5
Bond loans	2020-2022	Fixed/ floating	3,225	3,233
Mortgage loans			–	4
Long-term credit facility			–	218
Overdraft facility	2016	Floating	304	560
Loans and credit facilities at 31 December			**4,488**	**6,123**
Loans and credit facilities as recognised in the balance sheet:				
Non-current liabilities			4,184	5,554
Current liabilities			304	569
Loans and credit facilities at 31 December			**4,488**	**6,123**

The weighted average interest rate on loans and credit facilities was 2.6% (2014: 2.4%).

The Group is also exposed to an interest rate risk in connection with the finance and operating leases concluded. The interest rates on the majority of the leases are fixed on an ongoing basis for periods of 24 to 48 months.

It is DSV Group policy that the average period of fixed interest rates on all net bank borrowings must be at least 8 months, but not more than 45 months at any time.

At year end 2015, duration of the hedges relating to the bank and bond loans of the Group was 37 months (2014: 42 months).

The weighted average interest rate on the Group's loans and credit facilities including the effect of interest rate swaps was 2.5% in 2015 (2014: 2.9%).

An increase in interest rates of 1 percentage point would reduce profit for the year by DKK 20 million (2014: DKK -8 million) and impact on other comprehensive income by DKK 108 million (2014: DKK 99 million), based on average NIBD for 2015.

The method applied for the sensitivity analysis is unchanged compared to previous years.

Financial items

Accounting policies

Financials include interest, share of associates' profit/loss, exchange gains and losses and impairment of securities, payables and foreign currency transactions as well as amortisation of financial assets and liabilities, including obligations under finance leases. Furthermore, realised and unrealised gains and losses on derivative financial instruments that cannot be classified as hedging contracts are included.

Financial income

(DKKm)	2015	2014
Interest income	45	45
Share of associates' profit, net of tax	2	1
Total financial income	**47**	**46**

Interest income included interest on financial assets measured at amortised cost of DKK 45 million (2014: DKK 45 million).

Financial expenses

(DKKm)	2015	2014
Interest expenses	295	310
Calculated interest on pension obligations, see note 3.5	29	35
Currency translation adjustments, net	26	7
Total financial expenses	**350**	**352**

Interest expenses included interest on financial liabilities measured at amortised cost of DKK 295 million (2014: DKK 310 million).

Credit risk

The Group's credit risks relate mainly to trade receivables. The Group has no one particular customer segment and is not dependent on any specific customers. The credit risk of the Group is therefore deemed not material. The Group mainly hedges trade credit risks through the use of credit insurance and, to a lesser extent, financial guarantees and charges. At 31 December 2015, credit insurance had been taken out for DKK 5,906 million of all trade receivables. The reported losses on receivables for the year were DKK 66 million, corresponding to 0,13% of consolidated revenue (2014: DKK 79 million, or 0.2%).

DSV is exposed to a counterparty credit risk when entering into derivative financial instruments. In order to reduce this risk, DSV only enters into derivative financial instruments with the existing banks of the Group whose credit rating from Standard & Poor's is long-term A or higher. As a general rule, the Group only makes short-term deposits with banks rated short-term A-2 or higher by Standard & Poor's and/or as P-2 or higher by Moody's.

Write-down of receivables

The Group has issued an internal credit limit for each debtor. As set out in the Group Credit Policy, trade receivables are rated on an ongoing basis. Insurance policies have been taken out with a credit insurance company for the majority of the Group's receivables.

Based on the internal credit policy and the risk assessment procedures of the Group, the credit quality of unimpaired receivables is assessed to have, to a very great extent, a high quality and imply a low risk of loss.

Impairment losses for the year
Impairment losses relating to doubtful trade receivables break down as follows:

(DKKm)	2015	2014
Impairment at 1 January	**204**	**224**
Impairment for the year	84	95
Impairment losses recognised for receivables	(66)	(79)
Reversal of impairments	(36)	(43)
Currency translation adjustments	(1)	7
Impairment at 31 December	**185**	**204**

Provision is made for expected losses on a case-by-case basis.

Overdue trade receivables not written down break down as follows:

(DKKm)	2015	2014
Overdue for 1-30 days	1,104	1,246
Overdue for 31-120 days	374	421
Overdue for more than 120 days	63	33

4.5 DERIVATIVE FINANCIAL INSTRUMENTS

Accounting policies
Derivative financial instruments are recognised as from the trade date and are measured at fair value. Positive and negative fair values of derivative financial instruments are included in other current receivables or other current payables. Positive and negative fair values are only offset if the Group has a right and an intention to settle several financial instruments net (by means of settlement of differences). The fair value of derivative financial instruments is calculated on the basis of market data and recognised valuation models.

Changes in the fair value of derivative financial instruments which are classified as and meet the criteria for recognition as a fair value hedge of a recognised asset or liability are recognised in the income statement together with changes in the value of the part of the asset or liability that has been hedged.

Changes in the part of the fair value of derivative financial instruments which are classified as and qualify for recognition as a future cash flow hedge and which effectively hedge against changes in the value of the hedged item are recognised in other comprehensive income as a separate hedging reserve. When a hedged transaction is carried out, any gain or loss on such hedging transaction is transferred from equity and recognised in the same item as the hedged item. In connection with hedging of proceeds from future loans, however, gains or losses on such hedging transactions are transferred from equity over the term of the loan.

Changes in the fair value of derivative financial instruments not meeting the criteria for treatment as hedging instruments are recognised on an ongoing basis in the income statement under financials.

Foreign currency risk hedging
The Group mainly uses foreign exchange forward contracts to hedge foreign currency risks. The main currencies hedged are SEK, NOK, GBP, CNY and USD. The foreign exchange forward contracts are used as fair value hedges of currency exposures relating to balance sheet assets and liabilities.

A loss on hedging instruments of DKK 212 million was recognised in the income statement for the financial year of 2015 (2014: a loss of DKK 174 million).

For the same period, hedged risks were recognised in the income statement by a gain of DKK 186 million (2014: a gain of DKK 167 million).

Interest rate risk hedging
The Group has obtained long-term loans on a floating rate basis, which implies that the Group is exposed to interest rate fluctuations. The Group mainly uses interest rate swaps to hedge future cash flow relating to interest rate risks. Thereby floating-rate loans are refinanced as fixed-rate loans.

The weighted average effective interest rate for existing interest rate instruments used as hedges of long-term loans was 0.7% at the reporting date (2014: 1.5%).

Significant accounting estimates
When entering into contracts for financial instruments, an assessment is made of whether the instrument qualifies for hedge accounting, including whether the instrument hedges recognised assets and liabilities or net investments in foreign entities. The effectiveness of recognised financial instruments is assessed on a monthly basis, and any ineffectiveness is recognised in the income statement.

External hedging instruments at 31 December 2015

(DKKm)	Currency instruments	Interest rate instruments	Total
Contractual value	17,968	4,763	22,731
Maturity	2016	2016-2023	
Fair value	93	(54)	39
Of which recognised in income statement	39	(5)	34
Of which recognised in other comprehensive income	54	(49)	5

External hedging instruments at 31 December 2014

(DKKm)	Currency instruments	Interest rate instruments	Total
Contractual value	6,689	6,666	13,355
Maturity	2015-2016	2015-2023	
Fair value	(76)	(100)	(176)
Of which recognised in income statement	(79)	(13)	(92)
Of which recognised in other comprehensive income	3	(87)	(84)

The contractual value of currency instruments at 31 December 2015 comprised DKK 9,600 million relating to hedging of the consideration paid for the shares in UTi Worldwide Inc.

4.6 FINANCIAL INSTRUMENTS

Financial instruments by category

(DKKm)	2015 Carrying amount	2014 Carrying amount
Financial assets:		
Currency derivatives	93	-
Trade receivables	7,799	7,854
Other receivables	1,232	985
Cash and cash equivalents	4,908	432
Total cash and receivables	13,939	9,271
Financial assets available for sale	8	9
Financial liabilities:		
Interest rate derivatives	54	100
Currency derivatives	-	76
Issued bonds measured at amortised cost	3,225	3,233
Loans and credit facilities	1,263	2,890
Finance lease liabilities	116	143
Trade payables	4,997	4,782
Financial liabilities measured at amortised cost	9,601	11,048

Fair value hierarchy

Derivative financial instruments – level 2

The fair value of derivatives is determined based on observable market data using generally accepted methods. Internally calculated fair values are used, and these are compared to external market quotes on a monthly basis.

Financial liabilities measured at amortised cost

The fair value of financial liabilities measured at amortised cost does not differ significantly from the carrying amount.

Receivables

The carrying amount of trade and other receivables corresponds to estimated fair value.

DSV has no financial instruments measured at fair value on the basis of level 1 input (measured at fair value) or level 3 input (non-observable market data).

Chapter 5 – Other notes

This chapter contains other statutory notes not directly related to the ordinary operating activities of the Group. The chapter describes the acquisition and disposal of entities during the year, tax on activities, contingent liabilities and security for debt, and transactions with Group Management, auditors and other related parties.

5.1 ACQUISITION AND DISPOSAL OF ENTITIES

Accounting policies
Newly acquired or established entities are recognised in the consolidated financial statements from the date of start-up or acquisition. Entities disposed of or otherwise ceasing to be subsidiaries or associates are recognised in the consolidated income statement until the date of disposal. On acquisition of entities over which the Parent obtains control the purchase method is applied.

Identifiable assets, liabilities and contingent liabilities of the acquirees are measured at fair value on acquisition.

Identifiable intangibles are recognised if they are separable or arise from a contractual right. Deferred tax is recognised for the revaluation.

The date of acquisition is the date on which DSV A/S or a DSV subsidiary actually obtains control of the acquiree.

The date of disposal is the date on which DSV A/S or a DSV subsidiary actually surrenders control of the entity disposed of or otherwise ceasing to be a subsidiary or an associate.

The consideration for acquirees consists of the fair value of the agreed consideration in the form of assets and liabilities transferred and equity instruments issued. If part of the consideration is subject to future events or the performance of contractual obligations, such part of the consideration is recognised at fair value on acquisition. Costs attributable to business combinations are recognised directly in the income statement when incurred.

Comparative figures are not adjusted for entities recently acquired, disposed of or otherwise ceasing to be subsidiaries or associates.

Positive differences (goodwill) between, on the one side, the consideration, the value of non-controlling interests in the acquiree and the fair value of any equity investments previously acquired and, on the other, the fair value of identifiable assets, liabilities and contingent liabilities acquired are recognised as goodwill under intangibles.

Goodwill and fair value adjustments related to the acquisition of a foreign entity whose functional currency differs from the presentation currency of the DSV Group are treated as assets and liabilities belonging to the foreign entity and are translated into the functional currency of the foreign entity using the exchange rate ruling at the date of acquisition.

If, on acquisition, there is uncertainty connected with measurement of the identifiable assets, liabilities and contingent liabilities acquired, the first recognition is made on the basis of a preliminary calculation of fair value. If the allocation of acquisition price is considered preliminary and it subsequently turns out that the identifiable assets, liabilities and contingent liabilities had another fair value on acquisition than first assumed, goodwill may be adjusted for up to 12 months following the date of acquisition. The effect of the adjustments is recognised in equity at the beginning of the financial year, and comparative figures are restated. After that, goodwill is not adjusted. Any change in estimated contingent consideration is recognised in the income statement.

Acquisition and disposal of subsidiaries, non-controlling interests and activities in 2015
No material enterprises, non-controlling interests or activities were acquired or sold in 2015.

5.2 TAX

Accounting policies
Current tax payable and receivable is recognised in the balance sheet as tax calculated on the taxable income for the year, adjusted for tax on the taxable income for previous years and for prepaid tax.

Deferred tax is recognised based on temporary differences between the carrying amount and the tax value of assets and liabilities. No recognition is made of deferred tax on temporary differences relating to amortisation or depreciation of goodwill, properties and other items disallowed for tax purposes if, except at the acquisition of enterprises, such temporary differences arose on the date of acquisition without affecting the results or the taxable income. In cases where it is possible to calculate the tax value according to different taxation rules, deferred tax is measured on the basis of the planned use of the asset or the settlement of the liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised as other non-current assets at the expected value of their utilisation, either by elimination in tax on future earnings or by offsetting deferred tax liabilities within the same legal tax entity and jurisdiction. Deferred tax assets and tax liabilities are offset if the enterprise has a legally enforceable right to set off current tax liabilities and tax assets or intends either to settle current tax liabilities and tax assets on a net basis or to realise the assets and liabilities simultaneously. Deferred tax is adjusted for elimination of unrealised intra-Group gains and losses. Deferred tax is measured on the basis of the tax rules and tax rates of the relevant countries that will be effective under current legislation at the reporting date on which the deferred tax is expected to crystallise as current tax.

Tax for the year comprises current tax and deferred tax relating to the profit or loss for the year, interest expenses related to pending tax disputes and adjustments to previous years, including adjustments due to tax rulings. Tax for the year is recognised in the income statement, unless the tax expense relates directly to items included in other comprehensive income or equity.

Significant accounting estimates

The Group recognises deferred tax assets, including the tax base of tax loss carryforwards, if it is estimated that there will be sufficient future taxable income against which the temporary differences and unutilised tax losses can be utilised. This assessment is based on budgets and business plans for the following years, including planned business initiatives.

Deferred tax assets are tested annually and are only recognised if they are likely to be utilised.

Tax for the year

(DKKm)	2015	2014
The tax for the year is disaggregated as follows:		
Tax on profit for the year	631	523
Tax on other changes in equity	(58)	(16)
Tax on other comprehensive income	33	(62)
Total tax for the year	**606**	**445**
Tax on profit for the year is calculated as follows:		
Current tax	665	506
Deferred tax	4	40
Tax adjustment relating to previous years	(38)	(23)
Total tax on profit for the year	**631**	**523**
The tax on profit for the year breaks down as follows:		
Calculated tax on profit for the year before tax	23.5%	24.5%
Adjustment of calculated tax in foreign Group enterprises relative to 23.5%	2.2%	2.5%
Change in deferred tax from change in corporation tax rate	0.5%	0.1%
Tax effect of:		
Non-deductible expenses/ non-taxable income	(0.9%)	(3.2%)
Non-deductible losses/ non-taxable gains on shares	0.0%	(0.1%)
Tax adjustment relating to previous years	(1.4%)	(1.1%)
Tax asset valuation adjustments, net	(3.0%)	1.2%
Other taxes and adjustments	2.6%	2.1%
Effective tax rate	**23.5%**	**26.0%**

Tax on other comprehensive income

	2015	2014
Fair value adjustment of hedging instruments	(9)	(2)
Actuarial gains/(losses)	(24)	64
Total	**(33)**	**62**

Deferred tax

Deferred tax assets recognised in the balance sheet

(DKKm)	2015	2014
Deferred tax at 1 January	(122)	(19)
Deferred tax for the year	4	40
Tax adjustment relating to previous years	(48)	(25)
Tax on changes in equity	(30)	(75)
Other adjustments	2	(43)
Deferred tax at 31 December	**(194)**	**(122)**

Deferred tax assets not recognised in the balance sheet

(DKKm)	2015	2014
Temporary differences	31	16
Tax loss carryforwards	977	1,070
Total tax assets not recognised	**1,008**	**1,086**

Of tax loss carryforwards, DKK 797 million may be carried forward indefinitely. The remaining DKK 180 million can be carried forward for up to 17 years.

The deferred tax assets and liabilities recognised are allocated to the following items:

2015

(DKKm)	Beginning of year	Recognised in profit/loss	Recognised in equity	Other adjustments	Currency translation adjustments	End of year	Deferred tax assets	Deferred tax liabilities
Intangible assets	269	(7)	-	-	1	263	26	(289)
Property, plant and equipment	109	(27)	-	-	2	84	-	(84)
Provisions	(306)	(47)	24	-	(3)	(332)	332	-
Other liabilities	40	71	(54)	1	1	59	38	(97)
Tax base of tax loss carryforwards	(234)	(34)	-	-	-	(268)	268	-
Offsets	-	-	-	-	-	-	(149)	149
Total	**(122)**	**(44)**	**(30)**	**1**	**1**	**(194)**	**515**	**(321)**

2014

(DKKm)	Beginning of year	Recognised in profit/loss	Recognised in equity	Other adjustments	Currency translation adjustments	End of year	Deferred tax assets	Deferred tax liabilities
Intangible assets	183	86	-	-	-	269	22	(291)
Property, plant and equipment	188	(72)	-	(7)	-	109	1	(110)
Provisions	(176)	(65)	(64)	-	(1)	(306)	306	-
Other liabilities	9	42	(11)	-	-	40	41	(81)
Tax base of tax loss carryforwards	(223)	24	-	(36)	1	(234)	234	-
Offsets	-	-	-	-	-	-	(116)	116
Total	**(19)**	**15**	**(75)**	**(43)**	**-**	**(122)**	**488**	**(366)**

5.3 REMUNERATION OF THE EXECUTIVE BOARD AND THE BOARD OF DIRECTORS

Executive Board

The members of the Executive Board are subject to a notice period of up to 24 months. Remuneration of the members of the Executive Board and the Board of Directors is calculated using the principles of the Company's Remuneration Policy.

The aggregate remuneration for the members of the Executive Board was DKK 22.1 million for 2015 (2014: DKK 21.3 million). The remuneration of the Executive Board breaks down as follows:

	Jens Bjørn Andersen		Jens H. Lund	
(DKKm)	2015	2014	2015	2014
Fixed salary	6.9	6.7	4.7	4.6
Pension	1.4	1.1	0.8	0.6
Bonus	3.0	3.0	2.2	2.2
Share-based payment	1.8	1.8	1.3	1.3
Total	**13.1**	**12.6**	**9.0**	**8.7**

Board of Directors

The aggregate remuneration for the Board of Directors of DSV A/S for 2015 was DKK 4.7 million (2014: DKK 4.6 million). The remuneration of the Board of Directors breaks down as follows:

(DKK '000)	2015	2014
Kurt K. Larsen, Chairman	1,603	1,600
Thomas Plenborg, Deputy Chairman	1,025	850
Erik B. Pedersen (resigned 2015)	175	650
Kaj Christiansen (resigned 2014)	-	100
Annette Sadolin	675	600
Birgit W. Nørgaard	500	450
Robert S. Kledal	400	300
Jørgen Møller (elected 2015)	300	-
Total remuneration of the Board of Directors of the Parent	**4,678**	**4,550**

5.4 SHARE OPTION SCHEMES AND SHARES HELD BY MANAGEMENT

Accounting policies

The value of the employee services received in exchange for the grant of share options corresponds to the fair value of the share options at the date of grant. The fair value of equity-settled share-based schemes is measured at the grant date and recognised in the income statement as staff costs over the period until the share options are vested. The offsetting item is recognised directly in equity. On initial recognition of such share-based schemes, an estimate is made of the number of share options that the employees are expected to earn.

The estimated number of share options is adjusted subsequently to reflect the actual number of share options earned. The fair value of the options granted is estimated on the basis of the Black & Scholes valuation model. The estimate takes into account the terms and conditions applicable to the grant of share options and Management's expectations of the development in the elements on which the valuation model is based.

Accounting estimates
The market value is calculated according to the Black & Scholes valuation model. The assumptions used are based on Management's estimates. The estimated volatility is based on the historical volatility over the preceding 3 years adjusted for any unusual circumstances during the period.

The valuation of the share options granted in 2015 and 2014 is based on the following assumptions:

	Scheme	
Assumptions	2015	2014
Share price	215.00	166.75
Volatility	15.5%	20.0%
Risk-free interest rate	0.30%	0.92%
Expected dividends	1.25%	1.50%
Expected remaining life (years)	3.50	3.51

Share option schemes
DSV has launched incentive share option schemes with a view to motivating and retaining senior staff and members of the Executive Board. The schemes are also intended to make staff and shareholders identify with the same interests. All exercise prices are set on the basis of the quoted market price at the date of grant. The share options can be exercised by the employees by cash purchase of shares only. The obligation relating to the schemes is partly covered by the Company's treasury shares.

The share options were granted pursuant to the procedures laid down in the Remuneration Policy of the Group applicable in the relevant year.

A total of 1,324 employees held share options at 31 December 2015.

Current share option schemes

Scheme	Number of employees	Options granted	Exercise price	Market value at date of grant (DKKm)
2011	1,011	1,977,000	129.90	46.9
2012	1,035	1,964,500	128.00	38.0
2013	1,059	1,996,000	142.00	31.5
2014	1,128	2,119,500	166.75	39.9
2015	1,164	2,168,000	215.00	39.7

Incentive schemes at 31 December 2015

	Exercise period	Board of Directors [1]	Executive Board	Senior staff	Total	Average exercise price per option
Outstanding share options of 2011 scheme	01.04.14 - 01.04.16	-	-	182,000	182,000	129.90
Outstanding share options of 2012 scheme	01.04.15 - 31.03.17	-	-	475,500	475,500	128.00
Outstanding share options of 2013 scheme	02.04.16 - 29.03.18	32,000	170,000	1,649,500	1,851,500	142.00
Outstanding share options of 2014 scheme	31.03.17 - 29.03.19	32,000	170,000	1,801,500	2,003,500	166.75
Outstanding share options of 2015 scheme	03.04.18 - 31.03.20	32,000	170,000	1,918,000	2,120,000	215.00
Outstanding at 31 December 2015		**96,000**	**510,000**	**6,026,500**	**6,632,500**	**171.47**
Exercise period open at 31 December 2015				**657,500**	**657,500**	**128.53**
Life (years)		3.25	3.25	3.05	3.07	
Market value (DKKm)		9.2	48.6	596.0	653.7	

Outstanding share options

	Board of Directors [1]	Executive Board	Senior staff	Total	Average exercise price per option
Outstanding at 1 January 2014	-	510,000	5,723,605	6,233,605	128.84
Granted	-	170,000	1,949,500	2,119,500	166.75
Exercised	-	(170,000)	(1,340,596)	(1,510,596)	117.74
Options waived/expired	-	-	(200,500)	(200,500)	129.50
Outstanding at 31 December 2014	**-**	**510,000**	**6,132,009**	**6,642,009**	**143.45**
Granted	-	170,000	1,998,000	2,168,000	215.00
Transferred [1]	128,000	-	(128,000)	-	-
Exercised	(32,000)	(170,000)	(1,779,509)	(1,981,509)	125.97
Options waived/expired	-	-	(196,000)	(196,000)	163.12
Outstanding at 31 December 2015	**96,000**	**510,000**	**6,026,500**	**6,632,500**	**171.47**

[1)] Options of new member of the Board of Directors, previously received in the Director's former capacity as senior staff member at DSV.

The average consideration paid for share options exercised in the financial year was DKK 225.04 per share at the date of exercise.
Outstanding share options for Executive Board members were granted to Jens Bjørn Andersen (300,000 options) and Jens H. Lund (210,000 options).

Shares held by members of the Executive Board and the Board of Directors

	Shares at beginning of year	Shares purchased in 2015	Shares sold in 2015	Shares at year end	Market value (DKKm)
Jens Bjørn Andersen [1]	50,000	100,000	(100,000)	50,000	13.6
Jens H. Lund [2]	39,335	70,000	(70,000)	39,335	10.7
Kurt K. Larsen [3]	157,590	-	-	157,590	42.8
Robert S. Kledal	2,000	-	-	2,000	0.5
Annette Sadolin	6,635	-	-	6,635	1.8
Jørgen Møller	-	32,000	(32,000)	-	-
Total	**255,560**	**202,000**	**(202,000)**	**255,560**	**69.4**

[1)] Of which 50,000 shares are held in a custody account in the name of a related party.
[2)] Of which 31,200 shares are held in a custody account in the name of a related party.
[3)] Of which 70,500 shares are held in a custody account in the name of a related party.

5.5 FEES TO AUDITORS APPOINTED AT THE ANNUAL GENERAL MEETING

(DKKm)	2015	2014
Statutory audit	14	15
Tax and VAT advisory services	4	2
Other services	4	2
Total fees to auditors appointed at the Annual General Meeting	**22**	**19**
Audit, tax and other services	9	6
Others, total fees	**9**	**6**
Total fees	**31**	**25**

5.6 CONTINGENT LIABILITIES AND SECURITY FOR DEBT

Contingent liabilities

Accounting policies

Contingent liabilities comprise probable liabilities which have not yet been confirmed and which may result in a drain on the Group's resources or constructive liabilities that cannot be reliably measured.

Contingent liabilities 2015

As an international transport service provider, DSV is regularly involved in tax and VAT disputes and other legal proceedings and receives inquiries from competition authorities. The effects of some of these cases are recognised based on Management's assessment of their expected outcome. Management believes that these cases will have no material impact on the financial position of the Group.

Security for debt

Bank guarantees

As part of its ordinary operations, DSV has provided bank guarantees relative to authorities, suppliers, etc. The counterparties may claim appropriation of collateral if DSV fails to pay any amount due. At the reporting date, all liabilities relating to the bank guarantees provided were recognised in the balance sheet or described in note 3.4 as operating lease obligations.

Contracts

DSV has concluded IT service contracts. The costs related to these contracts are recognised as the services are provided.

5.7 RELATED-PARTY TRANSACTIONS

DSV has no related parties with control.

Related parties of DSV with significant influence comprise associates, members of the associates' boards of directors, executive boards and senior staff as well as family members of those persons. Related parties also comprise companies in which the aforementioned persons have significant interests.

Associated companies

DSV holds ownership interests in 7 associates (2014: 10 associates). The Group's share of associates' profit for the year amounted to DKK 2 million (2014: DKK 1 million). The carrying amount of the investment for the year was DKK 28 million at 31 December 2015 (2014: DKK 30 million).

The Group had the following transactions with associates:

(DKKm)	2015	2014
Sale of services	103	107
Purchase of services	171	172

The Group had the following outstanding balances with associates at 31 December 2015:

(DKKm)	2015	2014
Receivables	5	22
Liabilities	15	24

Board of Directors, Executive Board and senior staff

No transactions were made in 2015 other than ordinary remuneration, as described in notes 5.3 and 5.4.

5.8 EVENTS AFTER THE REPORTING DATE

Acquisition of UTi Worldwide Inc.

On 9 October 2015, DSV signed an agreement to acquire 100% of the shares in UTi Worldwide Inc. (UTi) at a cash price of USD 7.10 per ordinary share. The total enterprise value of the transaction is DKK 9.5 billion.

The agreement was approved by the required majority of UTi shareholders at a general assembly held on 14 January 2016, and final approval by relevant competition authorities was provided on 20 January 2016, rendering the acquisition in effect. The acquisition date is considered to be 22 January 2016, consistent with the payment date for the shares in UTi.

At the date of authorisation of the DSV 2015 Consolidated Financial Statements, the UTi business combination is yet to be completed. As the acquisition date of UTi is only a few days from the authorisation date, available financial data have been limited and impracticable to obtain in terms of satisfying the full IFRS 3 disclosure requirements. Therefore, opening balances, total consideration, acquired receivables, contingent liabilities, goodwill and profit and loss effects have not been disclosed within the context of these Financial Statements.

About UTi Worldwide Inc.

UTi is a US based global supply chain services and logistics company. UTi employs approx. 21,000 full-time employees in 58 countries across more than 300 offices and 200 logistics centres and offers complete supply chain services and solutions, including air, sea, distribution, customs clearance and contract logistics. UTi has a strong presence in North America and a leading position in South Africa. It also operates a network in Asia-Pacific and Europe.

Strategic rationale and synergies
The acquisition of UTi is expected to increase DSV's annual revenue by approximately 50%, creating one of the world's strongest transport and logistics networks. The combined workforce will grow to more than 40,000 employees present in more than 80 countries.

The acquisition will significantly strengthen the Air & Sea Division, and DSV will increase its industry-specific capabilities across all divisions. Furthermore, DSV will now be truly global within contract logistics and expand into road freight activities outside Europe. This will enable the company to offer its customers a broader range of services.

The combined companies will have a more balanced geographical footprint with approx. 61% of revenue in Europe, Middle East and North Africa, 17% in Americas, 16% in Asia (APAC) and 6% in Sub-Saharan Africa.

The DSV and UTi business combination provides a strong match with several potential synergies as a result of similarities in business models and services. This includes commercial synergies from stronger network and service offerings, consolidation and optimisation of offices, logistics facilities and IT infrastructure, and a stronger buying power.

DEFINITION OF FINANCIAL HIGHLIGHTS

Key figures

Net interest-bearing debt (NIBD)	=	Interest-bearing debt at year end less interest-bearing assets at year end
Net working capital (NWC)	=	Receivables and other current operating assets less trade payables and other payables and other current operating liabilities
Invested capital including goodwill and customer relationships	=	NWC + property, plant and equipment, intangible assets including goodwill and customer relationships and assets held for sale less long-term provisions and pension obligations
Adjusted earnings	=	The DSV A/S shareholders' share of profit for the year adjusted for amortisation and impairment of goodwill and customer relationships, costs related to share-based payments and special items. The tax effect of the adjustments has been taken into account

Financial ratios

Gross margin	=	$\frac{\text{Gross profit * 100}}{\text{Net revenue}}$
Operating margin	=	$\frac{\text{Operating profit before impairment of goodwill and special items * 100}}{\text{Net revenue}}$
Conversion ratio	=	$\frac{\text{Operating profit before impairment of goodwill and special items * 100}}{\text{Gross profit}}$
Effective tax rate*	=	$\frac{\text{Tax on profit for the year}}{\text{Profit before tax}}$
ROIC before tax including goodwill and customer relationships	=	$\frac{\text{Operating profit before impairment of goodwill and special items * 100}}{\text{Average invested capital including goodwill and customer relationships}}$
ROIC before tax excluding goodwill and customer relationships	=	$\frac{\text{Operating profit before impairment of goodwill and special items * 100}}{\text{Average invested capital excluding goodwill and customer relationships}}$
Return on equity (ROE)	=	$\frac{\text{DSV A/S shareholders' share of profit for the year * 100}}{\text{Average equity excluding non-controlling interests}}$
Solvency ratio	=	$\frac{\text{Equity excluding non-controlling interests * 100}}{\text{Total assets}}$
Financial gearing*	=	$\frac{\text{Interest-bearing debt at year end - interest-bearing assets at year end}}{\text{Operating profit before amortisation, impairment of goodwill and special items}}$

Share ratios

Earnings per share	=	DSV A/S shareholders' share of profit for the year / Average number of shares
Diluted earnings per share	=	DSV A/S shareholders' share of profit for the year / Diluted average number of shares
Diluted adjusted earnings per share	=	Adjusted earnings / Diluted average number of shares
Equity value per share	=	Equity excluding non-controlling interests / Number of shares at year end
Total payout ratio	=	Dividends + total share buybacks * 100 / Profit for the period excluding non-controlling interests
Dividend payout ratio	=	Dividends * 100 / Profit for the period excluding non-controlling interests
Number of shares at year end	=	Total number of shares in circulation at year end excluding treasury shares
Diluted average number of shares	=	Average number of shares in circulation during the year including share options, but excluding out-of-the-money options measured relative to the average share price for the year

Earnings per share and diluted earnings per share are calculated under IAS 33. The other financial ratios are calculated in accordance with 'Recommendations & Financial Ratios 2015' published by the Danish Society of Financial Analysts, except for financial ratios marked with * as these ratios are not included in the Recommendations.

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the Annual Report of DSV A/S for the financial year 2015.

The Annual Report has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and Danish disclosure requirements for listed companies.

It is our opinion that the consolidated financial statements and the Parent Company financial statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2015 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January – 31 December 2015.

In our opinion, the Management's Commentary includes a fair review of the development in the Group's and the Parent Company's operations and financial conditions, the results for the year, cash flow and financial position as well as a description of the significant risks and uncertainty factors that the Parent Company and the Group face.

We recommend that the Annual Report be approved at the Annual General Meeting.

Hedehusene, 10 February 2016

Executive Board:

Jens Bjørn Andersen CEO	Jens H. Lund CFO

Board of Directors:

Kurt K. Larsen Chairman	Thomas Plenborg Deputy Chairman	Annette Sadolin
Birgit W. Nørgaard	Robert S. Kledal	Jørgen Møller

Independent auditors' report

To the shareholders of DSV A/S

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND THE PARENT COMPANY FINANCIAL STATEMENTS

We have audited the consolidated financial statements and the Parent Company financial statements of DSV A/S for the financial year 1 January - 31 December 2015, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies for the Group as well as for the Parent Company. The consolidated financial statements and the Parent Company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE PARENT COMPANY FINANCIAL STATEMENTS

Management is responsible for the preparation of consolidated financial statements and Parent Company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and Parent Company financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the consolidated financial statements and the Parent Company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the Parent Company financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the Parent Company financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and the Parent Company financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of consolidated financial statements and Parent Company financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements and the Parent Company financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

OPINION

In our opinion, the consolidated financial statements and the Parent Company financial statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2015 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January - 31 December 2015 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

STATEMENT ON THE MANAGEMENT'S COMMENTARY

Pursuant to the Danish Financial Statements Act, we have read the Management's Commentary. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the Parent Company financial statements. On this basis, it is our opinion that the information provided in the Management's Commentary is consistent with the consolidated financial statements and the Parent Company financial statements.

Copenhagen, 10 February 2016

ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR No. 30 70 02 28

Jesper Koefoed State Authorised Public Accountant	Michael Groth Hansen State Authorised Public Accountant

GROUP STRUCTURE

The overview below is a list of active companies of the DSV Group at 31 December 2015 and shows the companies by segment and not by legal structure.

	Country	Ownership share	Air & Sea	Road	Solutions
Parent					
DSV A/S	Denmark	-			
Subsidiaries					
Europe					
DSV Air & Sea NV	Belgium	100%	x		
ABX Worldwide Holdings NV/SA	Belgium	100%	x		
DSV Road Holding NV	Belgium	100%		x	
DSV Solutions N.V.	Belgium	100%			x
DSV Road N.V.	Belgium	100%		x	
DSV Air & Sea OOD	Bulgaria	100%	x		
DSV Road EOOD	Bulgaria	100%		x	x
DSV Insurance A/S	Denmark	100%			
DSV Group Services A/S	Denmark	100%			
DSV FS A/S	Denmark	100%			
DSV Air & Sea Holding A/S	Denmark	100%	x		
DSV Air & Sea A/S	Denmark	100%	x		
DSV Solutions Holding A/S	Denmark	100%			x
DSV Solutions A/S	Denmark	100%			x
DSV Road Holding A/S	Denmark	100%		x	
DSV Road A/S	Denmark	100%		x	
DSV Transport AS	Estonia	100%	x	x	
DSV Air & Sea Oy	Finland	100%	x		
Ab Wasa Logistics Ltd Oy	Finland	100%	x		
DSV Solutions Oy	Finland	100%			x
DSV Road Oy	Finland	100%		x	
DSV Air & Sea SAS	France	100%	x		
DSV Solutions SAS	France	100%			x
DSV Road SAS	France	100%		x	
PORTIMMO	France	100%		x	
DSV HELLAS S.A.	Greece	100%	x	x	
DSV Air & Sea B.V.	The Netherlands	100%	x		
DSV Solutions Holding B.V.	The Netherlands	100%			x
DSV Solutions Nederland B.V.	The Netherlands	100%			x
DSV Solutions (Dordrecht) B.V.	The Netherlands	100%			x
DSV Road Holding N.V.	The Netherlands	100%		x	
DSV Road B.V.	The Netherlands	100%		x	
DSV Transport Ltd.	Belarus	100%		x	
DSV Air & Sea Limited	Ireland	100%	x		
DSV Solutions Ltd.	Ireland	100%			x
DSV Road Limited	Ireland	100%		x	
Saima Avandero SpA	Italy	99.1%	x	x	x
DSV Hrvatska d.o.o.	Croatia	100%		x	
DSV Transport SIA	Latvia	100%	x	x	
DSV Transport UAB	Lithuania	100%	x	x	
XB Luxembourg Holdings 1 SA	Luxembourg	100%			
XB Luxembourg Holdings 2 SARL	Luxembourg	100%			

	Country	Ownership share	Air & Sea	Road	Solutions
Europe (continued)					
DSV Air & Sea AS	Norway	100%	x		
DSV Solutions AS	Norway	100%			x
DSV Road AS	Norway	100%		x	
DSV Österreich Spedition GmbH	Austria	100%	x	x	
DSV International Shared Services Sp. z o.o.	Poland	100%			
DSV Air & Sea Sp. z o.o.	Poland	100%	x		
DSV Road Sp. z.o.o.	Poland	100%		x	
DSV Solutions Sp. z.o.o.	Poland	100%			x
DSV Solutions, Lda.	Portugal	100%		x	
DSV Transitarios, Lda.	Portugal	100%	x	x	
DSV Solutions S.R.L.	Romania	100%	x	x	x
DSV Solutions OOO	Russia	100%			x
DSV Road OOO	Russia	100%	x	x	
OOO DSV Transport	Russia	100%		x	
DSV Logistics S.A.	Switzerland	100%	x	x	x
DSV Road d.o.o.	Serbia	100%		x	
DSV Slovakia S.R.O.	Slovaka	100%	x	x	x
DSV Transport d.o.o.	Slovenia	100%	x	x	
DSV Solutions Spain S.A.U.	Spain	100%			x
DSV Road Spain S.A.U.	Spain	100%		x	
DSV Air & Sea, S.A.U.	Spain	100%	x		
DSV Air & Sea Limited	United Kingdom	100%	x		
DSV Commercials Ltd.	United Kingdom	100%		x	
DSV Road Ltd.	United Kingdom	100%		x	
DSV Solutions Ltd.	United Kingdom	100%			x
DSV Air & Sea AB	Sweden	100%	x		
DSV Solutions AB	Sweden	100%			x
DSV Road AB	Sweden	100%		x	
DSV Road Property Holding AB	Sweden	100%		x	
DSV Air & Sea s.r.o.	Czech Republic	100%	x		
DSV Road a.s.	Czech Republic	100%		x	x
DSV Air & Sea A.S.	Turkey	100%	x		
DSV Road & Solutions A.S.	Turkey	100%		x	x
DSV Air & Sea GmbH	Germany	100%	x		
DSV Solutions Group GmbH	Germany	100%			x
DSV Solutions GmbH	Germany	100%			x
DSV Stuttgart GmbH & Co. KG	Germany	100%		x	
DSV Road GmbH	Germany	100%		x	
DSV Logistics LLC	Ukraine	100%	x	x	
DSV Hungaria Kft.	Hungary	100%	x	x	
North America					
DSV Air & Sea Inc.	Canada	100%	x	x	
DSV Air & Sea, S.A. de C.V.	Mexico	100%	x		
DSV Air & Sea Inc.	USA	100%	x	x	
DSV Solutions Inc.	USA	100%			x

	Country	Ownership share	Air & Sea	Road	Solutions
South America					
DSV Air & Sea S.A.	Argentina	100%	x		
DSV Air & Sea Logística Ltda.	Brazil	100%	x		
DSV Air & Sea S.A.	Chile	100%	x		
DSV Air & Sea (Latin America) S.A.	Chile	100%	x		
DSV Air & Sea S.A.	Costa Rica	100%	x		
DSV Air & Sea S.A.	Peru	100%	x		
DSV Air & Sea S.A.S.	Colombia	100%	x		
Asia					
DSV Air & Sea Ltd.	Bangladesh	100%	x		
DSV Air & Sea (LLC)	United Arab Emirates	100%	x		
DSV Air & Sea Inc.	The Philippines	100%	x		
DSV Air & Sea Ltd.	Hong Kong	100%	x		x
DSV Air & Sea Pvt. Ltd.	India	100%	x		
PT. DFDS Transport Indonesia	Indonesia	100%	x		
DSV Air & Sea Co., Ltd.	Japan	100%	x		x
DSV Air & Sea Co., Ltd.	China	100%	x		
DSV Logistics Co., Ltd.	China	100%			x
DSV Air & Sea Ltd.	Korea	100%	x		
DSV Air & Sea Sdn. Bhd.	Malaysia	100%	x		
DSV Logistics Sdn. Bhd.	Malaysia	49%	x		
DSV Air & Sea Pte. Ltd.	Singapore	100%	x		x
DSV Air & Sea Co. Ltd.	Taiwan	100%	x		
DSV Air & Sea Ltd.	Thailand	100%	x		
DSV Air & Sea Co., Ltd.	Vietnam	100%	x		
Oceania					
DSV Air & Sea Pty. Ltd.	Australia	100%	x		x
DSV Air & Sea Limited	New Zealand	100%	x		
Africa					
Swift Freight International Burundi SA	Burundi	100%	x		
Swift Freight DRC SPRL	DR Congo	100%	x		
DSV Air & Sea Limited	Ghana	100%	x		
Swift Global Logistics	Kenya	100%	x		
DSV Transport Int'l S.A	Morocco	100%	x		
DSV - Swift Freight Mozambique Limitada	Mozambique	100%	x		
Saima Nigeria Ltd.	Nigeria	40%	x		
Nationwide Clearing & Forwarding Ltd.	Nigeria	36.6%	x		
DSV Freight International Limited	Nigeria	100%	x		
DSV Air & Sea Ltd.	Rwanda	100%	x		
DSV Air and Sea (Proprietary) Limited	South Africa	100%	x		
DSV Air & Sea Limited	Tanzania	100%	x		
DSV Air & Sea Limited	Togo	100%	x		
DSV Air & Sea Limited	Uganda	100%	x		
Swift Freight International (Zambia) Ltd.	Zambia	100%	x		
Associates					
DSV Air & Sea LLC	Egypt	20%	x		
GT Stevedores Oy	Finland	25.5%		x	
Sama Al Imad General Transport LLC	Iraq	30%	x		
MGM Lines Srl	Italy	30%	x		
DSV Air & Sea (PVT) Limited.	Pakistan	20%	x		
KM Logistik GmbH	Germany	35%		x	
IDS Logistik GmbH	Germany	29.2%		x	

Parent 2015

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INCOME STATEMENT

(DKKm)	Note	2015	2014
Revenue	4	688	635
Gross profit		**688**	**635**
Other external expenses	5	332	316
Staff costs	6	262	237
Operating profit before amortisation, depreciation and special items		**94**	**82**
Amortisation and depreciation of intangibles, property, plant and equipment		138	120
Operating profit before special items		**(44)**	**(38)**
Net special items, costs	8	5	22
Financial income	9	1,087	2,000
Financial expenses	10	254	265
Profit before tax		**784**	**1,675**
Tax on profit for the year	11	-	8
Profit for the year		**784**	**1,667**
Proposed distribution of profit			
Proposed dividend per share is DKK 1.70 (2014: DKK 1.60)		327	283
Retained earnings		457	1,384
Total distribution		**784**	**1,667**

STATEMENT OF COMPREHENSIVE INCOME

(DKKm)	2015	2014
Profit for the year	**784**	**1,667**
Items that will be reclassified to income statement when certain conditions are met:		
Fair value adjustment for the year relating to hedging instruments	8	(50)
Fair value adjustment relating to hedging instruments transferred to financials	29	57
Tax on other comprehensive income	(9)	(2)
Other comprehensive income net of tax	**28**	**5**
Total comprehensive income	**812**	**1,672**

CASH FLOW STATEMENT

(DKKm)	Note	2015	2014
Operating profit before amortisation, depreciation and special items		94	82
Adjustment, non-cash operating items etc.:			
Share-based payments		6	7
Change in net working capital		1,630	(345)
Special items		(5)	(22)
Interest received		1,087	2,000
Interest paid		(264)	(281)
Corporation tax, paid		30	(37)
Cash flow from operating activities		**2,578**	**1,404**
Purchase of intangible assets	12	(272)	(213)
Purchase of property, plant and equipment		(19)	(16)
Change in other financial assets		691	91
Cash flow from investing activities		**400**	**(138)**
Free cash flow		**2,978**	**1,266**
Other non-current liabilities incurred		373	1,490
Repayment of loans and credits		(3,057)	(1,601)
Shareholders:			
Capital increase		4,761	-
Dividends distributed		(283)	(270)
Purchase of treasury shares		(1,419)	(1,183)
Sale of treasury shares		603	258
Other transactions with shareholders		42	37
Cash flow from financing activities		**1,020**	**(1,269)**
Cash flow for the year		**3,998**	**(3)**
Cash at 1 January		-	-
Cash flow for the year		3,998	(3)
Currency translation adjustments		(3)	3
Cash at 31 December		**3,995**	**-**

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

BALANCE SHEET, ASSETS

(DKKm)	Note	2015	2014
Intangible assets	12	739	591
Property, plant and equipment		28	23
Investments in Group entities	13	5,602	5,602
Non-current receivables from Group entities and other non-current receivables		3,397	692
Total non-current assets		**9,766**	**6,908**
Receivables from Group entities and other receivables	14	4,598	8,511
Corporation tax		5	20
Cash and cash equivalents		3,995	-
Total current assets		**8,598**	**8,531**
Total assets		**18,364**	**15,439**

BALANCE SHEET, EQUITY AND LIABILITIES

(DKKm)	Note	2015	2014
Equity			
Share capital		192	177
Reserves		8,202	3,727
Total equity		**8,394**	**3,904**
Deferred tax	15	103	88
Financial liabilities	16	3,235	5,399
Total non-current liabilities		**3,338**	**5,487**
Financial liabilities	16	-	520
Payables to Group entities and other payables	17	6,632	5,528
Total current liabilities		**6,632**	**6,048**
Total liabilities		**9,970**	**11,535**
Total equity and liabilities		**18,364**	**15,439**

STATEMENT OF CHANGES IN EQUITY – 2015

(DKKm)	Share capital	Share premium reserve	Reserve for treasury shares	Hedging reserve	Retained earnings	Total equity
Equity at 1 January 2015	**177**	**-**	**(7)**	**41**	**3,693**	**3,904**
Profit for the year	**-**	**-**	**-**	**-**	**784**	**784**
Fair value adjustments for the year relating to hedging instruments	-	-	-	8	-	8
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	-	-	29	-	29
Tax on other comprehensive income	-	-	-	(9)	-	(9)
Other comprehensive income	**-**	**-**	**-**	**28**	**-**	**28**
Total comprehensive income for the year	**-**	**-**	**-**	**28**	**784**	**812**
Share-based payments	-	-	-	-	6	6
Dividends distributed	-	-	-	-	(283)	(283)
Purchase of treasury shares	-	-	(4)	-	(1,415)	(1,419)
Sale of treasury shares	-	-	-	-	603	603
Dividends on treasury shares	-	-	-	-	12	12
Capital increase	17	4,744	-	-	-	4,761
Capital reduction	(2)	-	2	-	-	-
Other adjustments	-	-	-	-	(2)	(2)
Total transactions with owners	**15**	**4,744**	**(2)**	**-**	**(1,079)**	**3,678**
Equity at 31 December 2015	**192**	**4,744**	**(9)**	**69**	**3,398**	**8,394**

The retained earnings reserve at 31 December 2015 comprised a negative balance between the purchase and sale of treasury shares of DKK 8.506 million (2014: a negative balance of DKK 7,693 million). For a more detailed outline of movements in treasury shares and dividends, reference is made to notes 4.1 and 4.2 to the consolidated financial statements.

STATEMENT OF CHANGES IN EQUITY – 2014

(DKKm)	Share capital	Reserve for treasury shares	Hedging reserve	Retained earnings	Total equity
Equity at 1 January 2014	**180**	**(5)**	**36**	**3,198**	**3,409**
Profit for the year	**-**	**-**	**-**	**1,667**	**1,667**
Fair value adjustments for the year relating to hedging instruments	-	-	(50)	-	(50)
Fair value adjustments relating to hedging instruments transferred to financial expenses	-	-	57	-	57
Tax on other comprehensive income	-	-	(2)	-	(2)
Other comprehensive income	**-**	**-**	**5**	**-**	**5**
Total comprehensive income for the year	**-**	**-**	**5**	**1,667**	**1,672**
Share-based payments	-	-	-	7	7
Dividends distributed	-	-	-	(270)	(270)
Purchase of treasury shares	-	(5)	-	(1,178)	(1,183)
Sale of treasury shares	-	-	-	258	258
Dividends on treasury shares	-	-	-	8	8
Capital reduction	(3)	3	-	-	-
Other adjustments	-	-	-	3	3
Total transactions with owners	**(3)**	**(2)**	**-**	**(1,172)**	**(1,177)**
Equity at 31 December 2014	**177**	**(7)**	**41**	**3,693**	**3,904**

NOTE 1 – ACCOUNTING POLICIES

The 2015 Financial Statements of the Parent, DSV A/S, have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and Danish disclosure requirements for listed companies.

The accounting policies of the Parent are identical with the policies for the consolidated financial statements, except for the following:

Dividends from investments in subsidiaries
Dividends from investments in subsidiaries are recognised as income in the Parent's income statement under financial income in the financial year in which the dividends are declared.

Investments in subsidiaries in the Parent's financial statements
Investments in subsidiaries are measured at cost. If there is any indication of impairment, investments are tested for impairment as described in the accounting policies applied by the Group. If the cost exceeds the recoverable amount, the investment is written down to this lower value.

Currency translation
Foreign currency adjustments of balances considered part of the total net investment in enterprises which have a functional currency other than Danish kroner are recognised in the income statement of the Parent under financials.

NOTE 2 – SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

For the preparation of the Annual Report of DSV A/S, Management makes various accounting estimates and judgements and determines the assumptions to be used as the basis for the recognition and measurement of assets and liabilities, contingent assets and liabilities and the income and costs reported. The estimates made and assumptions used are based on historical experience and other factors deemed by Management to be reasonable in the circumstances, but, by their nature, such experience and factors are uncertain and unpredictable. The estimates are continually evaluated, and the effect of any changes is recognised in the relevant period.

Management deems the following estimates and the pertaining judgements, as well as the estimates and judgements stated in the consolidated financial statements, to be essential for the preparation of the financial statements of the Parent.

Investments in subsidiaries
Management assesses annually whether there is an indication of impairment of investments in subsidiaries. If so, the investments will be tested for impairment in the same way as Group goodwill. In the assessment of Management, there was no such indication at 31 December 2015, and therefore investments in subsidiaries have not been tested for impairment.

NOTE 3 – NEW ACCOUNTING REGULATIONS

Reference is made to Chapter 1 of the Notes to the consolidated financial statements. None of the standards and interpretations referred to are expected to affect the financial statements of the Parent.

NOTE 4 – REVENUE

(DKKm)	2015	2014
Intra-Group charges	688	635
Total revenue	**688**	**635**

NOTE 5 – FEES TO AUDITORS APPOINTED AT THE ANNUAL GENERAL MEETING

(DKKm)	2015	2014
Statutory audit	2	3
Tax and VAT advisory services	1	1
Total fees to auditors appointed at the Annual General Meeting	**3**	**4**
Other fees	2	-
Total other fees	**2**	**-**
Total fees	**5**	**4**

NOTE 6 – STAFF COSTS

(DKKm.)	2015	2014
Remuneration of the Board of Directors	5	5
Salaries etc.	239	216
Defined contribution pension plans	18	16
Total staff costs	**262**	**237**
Average number of full-time employees	310	311

For information on remuneration of the Executive Board and the Board of Directors, please refer to note 5.3 of the consolidated financial statements.

NOTE 7 – SHARE OPTION SCHEMES

DSV A/S has issued share options to senior staff and members of the Executive Board of the Company. Please refer to note 5.4 of the consolidated financial statements for a list of current incentive share option schemes and a description of the assumptions used for the valuation of the share options granted in 2015 and 2014.

Incentive schemes at 31 December 2015

	Exercise period	Board of Directors	Executive Board	Senior staff	Total	Average exercise price per share option
Outstanding share options of 2011 scheme	01.04.14 - 01.04.16	-	-	5,000	5,000	129.90
Outstanding share options of 2012 scheme	01.04.15 - 31.03.17	-	-	24,500	24,500	128.00
Outstanding share options of 2013 scheme	02.04.16 - 29.03.18	32,000	170,000	112,500	314,500	142.00
Outstanding share options of 2014 scheme	31.03.17 - 29.03.19	32,000	170,000	131,500	333,500	166.75
Outstanding share options of 2015 scheme	03.04.18 - 31.03.20	32,000	170,000	159,000	361,000	215.00
Outstanding at 31 December 2015		**96,000**	**510,000**	**432,500**	**1,038,500**	**174.94**
Exercise period open at 31 December 2015				**29,500**	**29,500**	**128.32**
Life (years)		3.25	3.25	3.21	3.23	
Market value (DKKm)		9.20	48.6	40.9	98.7	

Development in outstanding options

	Board of Directors	Executive Board	Senior staff	Total	Average exercise price per share option
Outstanding at 1 January 2014	-	510,000	364,105	874,105	131.88
Granted	-	170,000	149,500	319,500	166.75
Exercised		(170,000)	(72,047)	(242,047)	127.61
Options waived/expired	-		(37,500)	(37,500)	137.87
Outstanding at 31 December 2014	**-**	**510,000**	**404,058**	**914,058**	**144.96**
Granted	-	170,000	164,500	334,500	215.00
Transferred [1]	128,000	-	-	128,000	-
Exercised	(32,000)	(170,000)	(122,558)	(324,558)	126.68
Options waived/expired	-	-	(13,500)	(13,500)	184.06
Outstanding at 31 December 2015	**96,000**	**510,000**	**432,500**	**1,038,500**	**174.94**

[1)] Options of new member of the Board of Directors, previously received in the Director's former capacity as senior staff member at another DSV company.

The average consideration paid for share options exercised in the financial year was DKK 232.04 per share at the date of exercise.

NOTE 8 – SPECIAL ITEMS

(DKKm)	2015	2014
Restructuring costs	(10)	22
Restructuring costs relating to acqusition and disposal of enterprises	15	-
Net special items, total costs	**5**	**22**

NOTE 9 – FINANCIAL INCOME

(DKKm)	2015	2014
Interest income	14	17
Interest income from Group entities	282	295
Currency translation adjustments, net	35	15
Dividends from subsidiaries	756	1,673
Total financial income	**1,087**	**2,000**

Interest income included interest on financial assets measured at amortised cost of DKK 14 million (2014: DKK 17 million).

NOTE 10 – FINANCIAL EXPENSES

(DKKm)	2015	2014
Interest expenses	237	250
Interest expenses for Group entities	17	15
Total financial expenses	**254**	**265**

Interest expenses included interest on financial liabilities measured at amortised cost of DKK 237 million (2014: DKK 250 million).

NOTE 11 – TAX FOR THE YEAR

(DKKm)	2015	2014
The tax for the year is disaggregated as follows:		
Tax on profit for the year	-	8
Tax on other comprehensive income	9	2
Total tax for the year	**9**	**10**
Tax on profit for the year is calculated as follows:		
Current tax	(9)	7
Deferred tax	16	-
Tax adjustment relating to previous years	(7)	1
Total tax on profit for the year	**-**	**8**
The tax on profit for the year breaks down as follows:		
Calculated tax on profit for the year before tax	23.5%	24.5%
Tax effect of:		
Non-deductible expenses/ non-taxable income	(22.6%)	(24.1%)
Tax adjustment relating to previous years	(0.9%)	0.1%
Effective tax rate	**0.0%**	**0.5%**

NOTE 12 – INTANGIBLE ASSETS

	Computer software	
(DKKm)	2015	2014
Cost at 1 January	**1,184**	**971**
Additions for the year	272	213
Disposals for the year	(23)	-
Total cost at 31 December	**1,433**	**1,184**
Total amortisation and impairment at 1 January	**593**	**482**
Amortisation and impairment for the year	117	111
Amortisation of assets disposed of	(16)	-
Total amortisation and impairment at 31 December	**694**	**593**
Carrying amount at 31 December	**739**	**591**

NOTE 13 – INVESTMENTS IN GROUP ENTITIES

DSV A/S owns the following subsidiaries, all of which are included in the consolidated financial statements:

	Ownership share 2015	Ownership share 2014	Registered office	Subsidiary share capital (DKKm)
DSV Road Holding A/S	100%	100%	Hedehusene, Denmark	100
DSV Air & Sea Holding A/S	100%	100%	Hedehusene, Denmark	50
DSV Solutions Holding A/S	100%	100%	Hedehusene, Denmark	100
DSV Insurance A/S	100%	100%	Hedehusene, Denmark	25
DSV Group Services A/S	100%	100%	Hedehusene, Denmark	5
DSV FS A/S	100%	100%	Hedehusene, Denmark	0.5

NOTE 14 – RECEIVABLES FROM GROUP ENTITIES AND OTHER RECEIVABLES

(DKKm)	2015	2014
Receivables from Group entities	4,414	8,412
Fair value of derivative financial instruments	91	-
Other receivables etc.	93	99
Receivables from Group entities and other receivables at 31 December	**4,598**	**8,511**

NOTE 15 – DEFERRED TAX

(DKKm)	2015	2014
Deferred tax at 1 January	88	89
Deferred tax for the year	16	-
Adjustment relating to previous years	(1)	(1)
Deferred tax at 31 December	**103**	**88**
Deferred tax as recognised in the balance sheet:		
Deferred tax liabilities	103	88
Deferred tax, net	**103**	**88**
Specification of deferred tax:		
Intangible assets	110	96
Current assets	(3)	(1)
Provisions	(4)	(7)
Deferred tax at 31 December	**103**	**88**

NOTE 16 – FINANCIAL LIABILITIES

(DKKm)	2015	2014
Issued bonds	3,225	3,233
Loans and credit facilities	10	2,686
Total financial liabilities	**3,235**	**5,919**
Financial liabilities as recognised in the balance sheet:		
Non-current liabilities	3,235	5,399
Current liabilities	–	520
Financial liabilities at 31 December	**3,235**	**5,919**

Loans and credit facilities

(DKKm)	Expiry	Fixed/ floating	Carrying amount 2015	2014
Bank loans (DKK)	2017	Floating	-	741
Bank loans (EUR)	2018-2019	Floating	-	770
Bond loans	2020-2022	Fixed/ floating	3,235	3,233
Other	2019	Fixed	10	9
Cash	2016	Floating	-	1,166
Loans and credit facilities at 31 December			**3,235**	**5,919**

Bank loans are subject to standard trade covenants. All financial ratio covenants were observed during the year.

The weighted average effective interest rate was 3.2% (2014: 2.6%).

NOTE 17 – PAYABLES TO GROUP ENTITIES AND OTHER PAYABLES

(DKKm)	2015	2014
Payables to Group entities	6,295	5,090
Fair value of derivative financial instruments	54	176
Other payables	283	262
Payables to Group entities and other payables at 31 December	**6,632**	**5,528**

NOTE 18 – CONTINGENT LIABILITIES AND SECURITY FOR DEBT

Contingent liabilities

DSV A/S and the other Danish Group entities are registered jointly for VAT purposes and are jointly and severally liable for the VAT liabilities.

DSV A/S is assessed jointly for Danish tax purposes with the other domestic Group entities. DSV A/S is the administration company of the joint taxation arrangement and is under an unlimited and joint liability regime for all Danish tax payments and withholding taxes on dividends, interest and royalties from the jointly taxed entities. Corporation tax and withholding tax receivables under the joint taxation arrangement amounted to DKK 5 million (2014: corporation tax and withholiding tax receivables of DKK 20 million), which is included in the financial statements of DSV A/S.

Parent company guarantees

DSV A/S has guaranteed for subsidiaries' outstanding balances with banks and liabilities to leasing companies, suppliers and public authorities, etc., in the amount of DKK 4,468 million (2014: DKK 3,473 million).

Moreover, DSV A/S has issued several declarations of intent relating to outstanding balances between subsidiaries and third parties.

NOTE 19 – OPERATING LEASE OBLIGATIONS

(DKKm)	2015	2014
Operating lease obligations relating to operating equipment fall due:		
0-1 year	36	38
1-5 years	40	21
Total	**76**	**59**

DSV A/S has concluded leases with an average term of 3.5 years (2014: 3.3 years).

Operating lease costs of DKK 33 million relating to other plant and operating equipment were recognised in the income statement for 2015 (2014: DKK 27 million).

NOTE 20 – DERIVATIVE FINANCIAL INSTRUMENTS

Hedging instruments at 31 December 2015

(DKKm) Currency	Contractual value	Maturity	Fair value	Of which recognised in income statement	Of which recognised in other comprehensive income
Currency instruments	19,907	2016-2017	91	91	-
Interest rate instruments	4,763	2016-2023	(54)	(4)	(50)
Total			**37**	**87**	**(50)**

Hedging instruments at 31 December 2014

(DKKm) Currency	Contractual value	Maturity	Fair value	Of which recognised in income statement	Of which recognised in other comprehensive income
Currency instruments	8,078	2015-2016	(76)	(79)	3
Interest rate instruments	6,666	2015-2023	(100)	(13)	(86)
Total			**(176)**	**(92)**	**(83)**

The weighted average effective interest rate for existing interest rate instruments was 0.7% at the reporting date (2014: 1.5%).

A loss on hedging instruments of DKK 212 million was recognised in the income statement for the financial year of 2015 (2014: a loss of DKK 174 million).

For the same period, hedged risks were recognised in the income statement by a gain of DKK 247 million (2014: a gain of DKK 199 million).

For more information on foreign currency and interest rate risk hedging, please refer to notes 4.4 and 4.5 to the consolidated financial statements.

NOTE 21 – FINANCIAL RISKS

The liabilities of DSV A/S fall due as listed below:

2015

(DKKm)	0-1 year	1-5 years	> 5 years	Contractual cash flows, incl. interest
Loans, credit facilities and issued bonds	201	2,171	1,556	3,928
Other payables	337	-	-	337
Payables to Group entities	6,295	-	-	6,295
Interest rate derivatives	17	36	7	60
Total	**6,850**	**2,207**	**1,563**	**10,620**

2014

(DKKm)	0-1 year	1-5 years	> 5 years	Contractual cash flows, incl. interest
Loans, credit facilities and issued bonds	767	2,555	3,398	6,720
Other payables	262	-	-	262
Payables to Group entities	5,090	-	-	5,090
Currency derivatives	77	(1)	-	76
Interest rate derivatives	71	33	12	116
Total	**6,267**	**2,587**	**3,410**	**12,264**

The analysis of expected maturity is based on contractual cash flows, including estimated interest payments. Amounts have not been discounted, for which reason they cannot necessarily be reconciled to the related items of the balance sheet.

Financial instruments by category

(DKKm)	2015 Carrying amount	2014 Carrying amount
Financial assets:		
Derivative financial instruments	91	-
Receivables	4,598	8,511
Other receivables	3,397	692
Cash and cash equivalents	3,995	-
Total loans and receivables	11,990	9,203
Financial liabilities:		
Interest rate derivatives	54	100
Currency derivatives	–	76
Derivative financial instruments	54	176
Issued bonds measured at amortised cost	3,225	3,233
Loans and credit facilities	10	2,686
Payables to Group entities etc.	6,295	5,090
Total financial liabilities measured at amortised cost	**9,530**	**11,009**

The fair value of financial assets and liabilities does not differ significantly from the carrying amount.

The valuation of financial instruments measured at fair value is based on other observable input than prices quoted in active markets (level 2). Interest rate swaps and foreign exchange forward contracts are valued using generally accepted valuation techniques based on relevant observable data.

NOTE 22 – RELATED PARTIES

DSV A/S has no related parties with control.

Related parties of DSV A/S with significant influence comprise members of the Company's Board of Directors, Executive Board and senior staff as well as family members of those persons. Related parties also comprise companies in which the aforementioned persons have significant interests.

Board of Directors, Executive Board and senior staff
No transactions were made in the financial year of 2015 other than ordinary remuneration, as described in notes 5.3 and 5.4 to the consolidated financial statements.

Intra-Group transactions
No transactions were made in 2015 other than as stated in the income statement and notes.

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