

# Stock Exchange Announcement



SEA no. 16/2005  
25 November 2005

## Q3 2005

### Quarterly report for 1 January to 30 September 2005

- Revenue for Q1-Q3 rose by 7% to DKK 4.6 billion
- Operating profit (EBITA) for Q1-Q3 was DKK 365 million on a level with 2004
- Competitive travel market reduced earnings for DFDS Seaways' passenger activities
- Good improvement in earnings for DFDS Tor Line's freight activities
- Purchase of cruise ferry vessel increases passenger and freight capacity on the Amsterdam-Newcastle route from March 2006
- Lossmaking passenger route between Cuxhaven and Harwich closed
- Presiding Director Ole Frie to retire at the end of 2006. Search process initiated for a new Group CEO
- DFDS continues to expect pre-tax profits for 2005 of approximately DKK 225 million

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*DFDS is a leading North European liner shipping company based in Copenhagen. The DFDS route network includes combined passenger and freight routes as well as routes devoted exclusively to freight. The Group also operates its own sales companies and port terminals for handling freight and passengers. DFDS employs approximately 4,000 people and operates a fleet of approximately 65 ships. DFDS was founded in 1866 and is listed on the Copenhagen Stock Exchange.*

*This report has been translated from Danish. In case of discrepancies, the Danish version shall prevail.*

## Key Figures DFDS Group

DKK mill.	2005 Q3	2004 Q3	2005 Q1-Q3	2004 Q1-Q3	2004 Full year
<b>Income statement</b>					
Revenue	1,721	1,636	4,619	4,311	5,723
Operating profit before depreciation (EBITDA)	356	376	714	730	870
Profit/loss on disposal of ships, buildings and terminals	0	6	11	6	20
Operating profit (EBITA)	237	256	365	369	375
Financing, net	-44	-36	-145	-131	-190
Profit before tax	193	221	222	254	200
Profit for the period	185	209	205	241	194
Profit for the period after minority interest	179	204	189	228	176
Profit for analytical purposes	182	209	196	227	167
<b>Balance sheet</b>					
Non-current assets			7,158	6,900	6,911
Current assets			1,281	1,127	1,073
Total assets			8,439	8,027	7,983
Equity			2,932	2,841	2,699
Non-current liabilities			3,778	3,658	3,744
Current liabilities			1,729	1,528	1,541
Total equity and liabilities			8,439	8,027	7,983
Invested capital			6,879	6,425	6,418
Net interest bearing debt			3,632	3,385	3,526
<b>Cash flow</b>					
Cash flow from operating activities, gross	230	336	526	638	785
Cash flow from operating activities, net	179	309	418	541	597
Cash flow from investing activities	-57	-273	-543	-1,276	-1,446
Cash flow from financing activities	-162	-17	95	596	697
Cash flow for the period	-40	19	-29	-139	-151
<b>Financial ratios, %</b>					
Operating profit margin (EBITA)	13.8	15.6	7.9	8.6	6.5
Return on invested capital (ROIC)	13.4	15.5	6.9	7.7	5.7
Return on equity	27.4	32.1	9.9	11.6	6.6
Equity ratio	-	-	34.7	35.4	33.8
Earnings per share, DKK	22.8	26.1	24.6	28.4	20.9
Share price at end of period, DKK	-	-	419	257	285
Equity per share, DKK	-	-	346	336	318
Price/book value, times	-	-	1.21	0.76	0.89
Dividend per share, DKK	-	-	-	-	7
Number of shares at end of period, '000	-	-	8,000	8,000	8,000
Number of employees, average	-	-	4,208	4,041	4,026

Key figures and financial ratios have been changed in accordance with new accounting policies.

Definitions on page 14

# Q3 2005

Increasing competition on the Norwegian passenger market

Decreasing competitive pressure in the Baltic region

Considerable profit improvement expected for Q4 compared to 2004

## Market trends

Competition in the northern European *travel market* remains high as a consequence of the large range of low-cost flights available.

Competition has been particularly tough in the Norwegian market due to capacity expansions in both passenger shipping and low-cost air travel.

The purchasing power of consumers remains good in the Scandinavian countries, while in continental Europe, the level of demand is slightly more subdued. The British market showed a declining trend.

*Freight market* trends in the North Sea region were positive in the third quarter, with particular improvements in traffic areas affected by the German road tax.

In the Baltic region, the level of activity is growing, due to increasing trade between Scandinavia and Russia, the Baltic nations and Eastern Europe in general. The competitive pressure from the land transport sector in the east-west traffic, due to over-capacity following the expansion of the EU, decreased during the third quarter as a consequence of continued market growth.

## Cruise ferry activities

Profit development for DFDS Seaways in the third quarter was somewhat lower than in the same period last year.

The main part of the profit decline is attributable to the Oslo route, where a high level of costs, due amongst other things to the new port terminal in Copenhagen and bunkers, had a negative effect on earnings. A 7% drop in passengers, primarily on the Norwegian market where competition is tough, also had a negative impact.

Despite the fewer passengers, the profit contribution from catering on the Oslo route was on a par with last year, as catering revenues per passenger rose by 5% during the quarter.

Profit development on the other routes during the third quarter was generally a little lower than expected.

For all routes, the number of passengers during the first nine months of 2005 was 6% down on the same period last year. On the Oslo

and Gothenburg routes, the main part of the decrease is attributable to 6% fewer departures caused by the upgrading of three ships in January 2005, as the number of passengers per departure was slightly higher for the whole period. Numbers of British passengers on the Amsterdam-Newcastle route declined as a consequence of the change in Dutch tobacco duties.

Bookings for the rest of 2005 are currently as expected and slightly higher than last year.

## Ro-pax and freight activities

The number of transported lane metres of freight rose by 6% during the first nine months of 2005 compared with the same period last year.

In the North Sea, the new HumberBridge route was integrated with AngloBridge, which improved the level of service and increased volumes.

The level of activity on the North Sea routes was generally satisfactory, due to increased capacity following the introduction of five ro-ro newbuildings.

After an unsatisfactory first half-year, the BelgoBridge route was restructured as a space charter agreement, which produced a considerable improvement in third-quarter earnings.

In the Baltic region, levels of activity on the DFDS Tor Line and LISCO routes showed an increasing trend in the third quarter following a first half-year characterised by a high level of competitive pressure. The HansaBridge route between Lübeck and Riga and LISCO's route between Klaipeda and Karlshamn both performed well during the quarter.

On 17 September, DFDS introduced a ro-ro vessel on the SCF DFDS Line linking Kiel with St Petersburg. The route is operated in cooperation with the Russian shipping company Sovcomflot.

The performance of Lys-Line's lo-lo activities in the North Sea was somewhat poorer than anticipated during the third quarter, due to decreasing paper volumes. Lys-Line's other activities showed satisfactory results, although the declining tendency in the tramp market continued.

## Cuxhaven-Harwich route closed

The Cuxhaven-Harwich passenger route was closed on 7 November 2005, and on the same date, the chartered passenger vessel which plied the route, the DUCHESS OF SCANDINAVIA, was returned to its Norwegian owners. The closure of the route was due to continued unsatisfactory financial performance.

## More capacity on Amsterdam-Newcastle

To fully exploit the earnings potential of the route and create a higher degree of balance between the two ships sailing on the route, new tonnage will be added to the Amsterdam-Newcastle route.

The route was opened in 1995 and in 2003 the number of passengers exceeded 500,000. However, due to the sale of older tonnage, the capacity of the route was reduced at the end of 2003. By introducing larger and newer tonnage, it is expected that the route will be able to resume growth.

DFDS has therefore entered into an agreement with the French shipping company Brittany Ferries to purchase the cruise ferry vessel the VAL DE LOIRE. The ship will replace the DUKE OF SCANDINAVIA, and will thereby increase both the route's passenger and freight capacity by approximately 33%.

Due to the purchase, the DUKE OF SCANDINAVIA will be bare-boat chartered to Brittany Ferries for a two-year period, with the possibility of an extension.

The VAL DE LOIRE was built in 1987 and can carry 2,050 passengers and 1,400 lane metres of freight. The ship will be named KING OF SCANDINAVIA.

It is expected that DFDS will take delivery of the ship at the end of February 2006, after which the ship will enter operations from the middle of March 2006 following a minor upgrade.

DFDS' total investment in ship and upgrade amounts to around DKK 425 million, of which approximately 10% will be paid in 2005.

## New Group CEO

DFDS' Presiding Director, Ole Frie, will retire as planned at the end of 2006, at which time he will have been employed by DFDS for 46 years.

The DFDS Supervisory Board has initiated a search process for a new Group CEO to lead the future development of DFDS.

## Quarterly accounts and expectations

### Revenue

Revenue for the first nine months of 2005 rose by 7% compared with the same period last year, to DKK 4,619 million.

### Revenue

<i>DKK mill.</i>	Q304	Q305	Q1-304	Q1-305
DFDS Seaways	643	610	1,515	1,429
DFDS Tor Line	1,000	1,126	2,819	3,218
Non-allocated items	-7	-15	-23	-28
<b>DFDS Group</b>	<b>1,636</b>	<b>1,721</b>	<b>4,311</b>	<b>4,619</b>

The rise in revenue is due to growth in the freight sector, with about half the rise attributable to the whole-year effect of company acquisitions undertaken in the middle of 2004.

The remainder of the rise is related to increased activities in the DFDS Tor Line route network and in Lys-Line and LISCO. Increased activity among third-party customers at the DFDS Nordic Terminal in Immingham also had a positive impact.

In the passenger sector, the above-mentioned change in Dutch tobacco duties led to a significant reduction in low-margin on-board sales of tobacco products on the Amsterdam-Newcastle route. The decrease corresponds to slightly less than half the overall drop in revenue for DFDS Seaways during the first nine months of the year.

A 6% decrease in departures on the Oslo and Gothenburg routes, due to extended dockings for upgrading of the fleet, also had a negative impact, as did slightly lower ticket revenues per passenger. As a result, revenues for DFDS Seaways during the first nine months of 2005 were 6% lower than during the same period in 2004.

### Operating profit (EBITA)

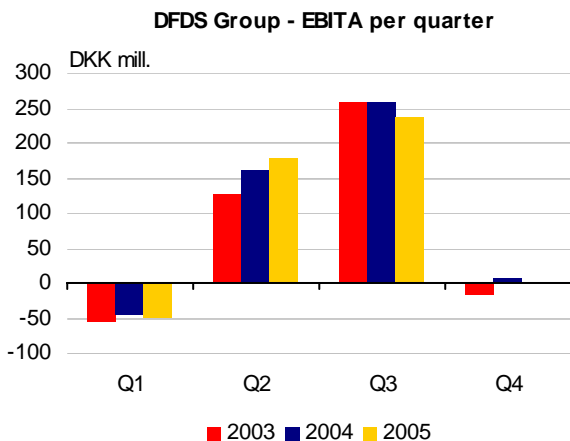
Operating profit (EBITA) for Q1-Q3 2005 was DKK 365 million, a decrease of 1%, or DKK 4 million, in relation to the same period last year.

### Operating profit (EBITA)

<i>DKK mill.</i>	Q304	Q305	Q1-304	Q1-305
DFDS Seaways	179	142	151	109
DFDS Tor Line	88	107	253	288
Non-allocated items	-11	-13	-35	-32
<b>DFDS Group</b>	<b>256</b>	<b>236</b>	<b>369</b>	<b>365</b>

The lower operating profit (EBITA) is attributable to DFDS Seaways, where operating profit (EBITA) for the first nine months was DKK 42 million less than in the same period last year, while DFDS Tor Line achieved an increase of DKK 35 million during the period.

The lower operating profit (EBITA) at DFDS Seaways relates primarily to the third quarter, where operating profit (EBITA) was down by DKK 37 million. A large part of the decline was related to the Oslo route, where a combination of higher costs and 7% fewer passengers negatively affected profits for the route. The rise in costs on the route was mainly due to terminal operations and bunkers.



The improvement in operating profits (EBITA) for DFDS Tor Line was due to a generally higher level of activity following the introduction of five cost-efficient ro-ro newbuildings. LISCO's performance was satisfactory, due to lower fleet costs and an increasing level of activity. Lys-Line's financial performance was poorer than anticipated, due to its lo-lo activities in the North Sea.

### Financing

The net cost of financing during the first nine months of 2005 was DKK 14 million, or 11% higher than during the same period last year. Disregarding currency effects, net interest costs rose by 12%, while the rise in the average net interest-bearing debt was 20%. The smaller increase in net interest costs was caused by the declining interest rate during the period.

### Pre-tax profit

Pre-tax profit for the first nine months of 2005 was DKK 222 million, which is DKK 18 million less than during the same period last year, after adjustment of the pre-tax profit for 2004 for an income of DKK 14 million from negative goodwill related to the purchase of shares in LISCO.

### Balance sheet and investments

The balance at the end of the first nine months was DKK 8,439 million, which is approximately DKK 400 million more than at the same time last year. The main reason for the increase was the addition of ro-ro newbuildings.

Net investments during the first nine months of 2005 amounted to a total of DKK 543 million. Most of this amount is related to the ro-ro newbuildings from Flensburg Shipyard and the upgrading of three passenger vessels, together with the purchase from Cobelfret of a route between Sweden and Britain.

### Invested capital and ROIC

Average invested capital amounted to DKK 6,680 million during the first nine months of 2005, a rise of 13% in relation to the same period last year.

The rise in invested capital is primarily due to the addition of five ro-ro newbuildings.

Return on invested capital p.a. for the first nine months of 2005 was 6.9%, compared to 7.7% in the same period last year.

### Profit forecast for 2005

Revenue for the full year 2005 is expected to rise by around 8-9%, which is slightly higher than the original forecast of 6-8%.

Net investments are expected to amount to around DKK 750 million for 2005, including initial payments for the purchase of the VAL DE LOIRE. Net investments were previously expected to total around DKK 650-700 million for the full year.

A large part of the expected currency cash flow for the rest of the year has been hedged, and DFDS' exchange rate risks are thus limited.

A significant proportion of DFDS' expected consumption of bunkers for the fourth quarter of 2005 has been hedged by oil price surcharges in the passenger sector and similar price regulation agreements in the freight sector. The hedging is however incomplete.

A significant profit improvement is expected during the year's final quarter compared to the same period last year. This is partly attributable to a lower level of depreciations, as Q4 2004 was impacted by depreciations attributable to the upgrading of three ships and other items. Moreover, introduction of the IFRS rules has reduced depreciations for especially passenger ships. In addition, profit improvements in general are expected.

In the annual report for 2004, operating profit (EBITA) for DFDS Seaways was forecast to rise by 10-15% in 2005. At the present time, DFDS Seaways' operating profit (EBITA) for the year is expected to be approximately on a par with 2004.

For DFDS Tor Line, a profit increase of 5-10% was expected. At the present time, DFDS Tor Line's operating profit (EBITA) for the year is expected to be approximately 15-20% higher than in 2004.

Overall, and despite the increase in bunkers cost, DFDS continues to expect a pre-tax profit for 2005 of approximately DKK 225 million.

## **Statement by the Executive and Supervisory Boards**

The Executive and Supervisory Boards have today discussed and adopted the quarterly report for the period 1 January–30 September 2005.

The report, which has not been audited, was prepared in accordance with the financial reporting requirements for interim reports for listed companies.

As far as recognition and measurement are concerned, the report was drawn up in accordance with the IFRS and related interpretations which are expected to apply to the Group Report for the full year 2005.

We consider that the quarterly report gives a true and fair view of the Group's assets, liabilities and financial position as per 30 September 2005, and of the result of the Group's operations and cash flows for the period 1 January – 30 September 2005.

Copenhagen, 25 November 2005

### **Executive Board:**

Ole Frie  
Christian Merrild  
Søren Jespersen

### **Supervisory Board:**

Ivar Samrén  
Svend Jakobsen  
Ole Adamsen  
Claus Arnhild  
Jill Lauritzen Melby  
Anders Moberg  
Ingar Skaug  
Ib Sørensen

See [www.dfds.com](http://www.dfds.com) for more information about DFDS.

## Transition to IFRS

As of financial year 2005, DFDS has changed its accounting policy in accordance with the IFRS.

As far as recognition and measurement are concerned, the accounts for the first nine months of 2005 have therefore been drawn up in compliance with IFRS and related interpretations which are expected to be applied to the DFDS Group Report for the full year 2005.

Details of the changes in accounting policy associated with the transition to IFRS were published in the annual report 2004 and quarterly reports for 2005. The most important changes concern the following areas:

- Goodwill/negative goodwill**  
 Goodwill will not be amortised after 1 January 2004, unlike previously, when goodwill was written off over the estimated economic lifetime. Negative goodwill, which occurred after 1 January 2004, will be recognised on the takeover date. Previously, negative goodwill was recognised in the income statement in step with the realisation of adverse developments.
- Tangible fixed assets**  
 Costs in addition to the acquisition costs for fixed assets, including major inspections and replacement of parts of assets, will be capitalised in accordance with IAS 16. Previously, these items were expensed. The residual value and the estimated useful life of the assets will be subject to annual revaluation. Changes in residual values and useful life will be treated as changes in accounting estimates.
- Share option schemes**  
 Equity-based schemes are calculated at fair value on the grant date and the costs are recognised in the income statement under staff costs for the period during which the right to the options were acquired. Schemes based on cash value will be settled per 1 January 2004, and thereafter on each balance sheet day and at the end of the scheme. Changes in the value are recognised in the income statement as staff costs. Previously, the costs of share-based remuneration schemes were not recognised.

Following a new interpretation made after publication of the annual report, the DFDS Pension Fund will not be included in the Group accounts as stated in the annual report.

As announced in the annual report for 2004 and quarterly reports for 2005, DFDS has applied the transitional regulations contained in IFRS 1 concerning first-time use to the following areas:

- Defined benefit schemes**  
 DFDS has recognised non-included actuarial profit and loss after tax from defined benefit schemes into the opening equity per 1 January 2004.
- Business combinations**  
 DFDS has recognised the existing accounting values of assets and liabilities for business combinations conducted before 1 January 2004.

In addition, DFDS has elected to apply the transitional regulations in IFRS 1 for accumulated exchange rate adjustments regarding subsidiaries, joint ventures and associated companies, which have been reset to zero in the net equity per 1 January 2004.

As mentioned in the annual report for 2004 and quarterly reports for 2005, the transition to IFRS will cause a change to the classification of minority interests, i.e. the share of profits and equity in subsidiaries owned by minority interests will be an integrated part of the Group's annual profit/loss and equity.

The most significant effects of the transition to IFRS are shown in the table below. Minor adjustments have been made to the opening balance as of 1 January 2004 in relation to the information published in the H1 2005 report as a result of updated information. The regulations described should be considered preliminary, as the final regulations resulting from the transition to IFRS will be determined according to the standards and interpretations valid as per 31 December 2005.

### Change of comparative figures in connection with transition to IFRS

DKK mill.	Profit	Balance sheet 1 January 2004			Balance sheet 30 September 2004		
	1-3Q 2004	Assets	Liabilities	Equity	Assets	Liabilities	Equity
<b>Present accounting policies</b>	<b>214</b>	<b>6,999</b>	<b>4,471</b>	<b>2,528</b>	<b>7,941</b>	<b>5,256</b>	<b>2,685</b>
Adjustments:							
Goodwill/negative goodwill	17	33	-	33	49	-	49
Docking costs	10	25	-	25	35	-	35
Depreciation of deposits	(1)	-	-	-	(1)	-	(1)
Share-based payment	(8)	-	6	(6)	-	8	(8)
Defined benefit schemes	(6)	1	92	(67)	2	98	(70)
Tax effect	2	-	(24)	-	-	(26)	-
Minority interest	-	-	(166)	166	-	(151)	151
<b>Total adjustments</b>	<b>14</b>	<b>59</b>	<b>(92)</b>	<b>151</b>	<b>85</b>	<b>(71)</b>	<b>156</b>
<b>New accounting policies (IFRS)</b>	<b>228</b>	<b>7,058</b>	<b>4,379</b>	<b>2,679</b>	<b>8,026</b>	<b>5,185</b>	<b>2,841</b>

## DFDS Group - Profit Development per Segment

### DFDS Seaways

DKK mill.	2004					2005			2005	2004
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q1-Q3	Q1-Q3
Revenue	336	536	643	419	1,934	319	500	610	1,429	1,515
Operating profit (EBITA)	-100	72	179	-32	119	-93	60	142	109	151
Operating profit margin (EBITA), %	-29.8	13.4	27.8	-7.6	6.2	-29.2	12.0	23.3	7.6	10.0
Invested capital, average	1,602	1,552	1,551	1,551	1,569	1,535	1,507	1,520	1,528	1,576
Return on invested capital (ROIC) p.a., %	-25.0	16.7	44.3	-7.6	7.0	-24.2	14.8	36.0	9.0	11.9
Passengers, '000	297	471	565	360	1,693	301	430	519	1,250	1,333

### DFDS Tor Line

DKK mill.	2004					2005			2005	2004
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q1-Q3	Q1-Q3
Revenue	869	950	1,000	996	3,815	988	1,104	1,126	3,218	2,819
Operating profit (EBITA)	64	101	88	51	304	58	123	107	288	253
Operating profit margin (EBITA), %	7.4	10.6	8.8	5.1	8.0	5.9	11.1	9.5	8.9	9.0
Invested capital, average	3,979	4,456	4,846	4,959	4,527	5,063	5,245	5,354	5,209	4,412
Return on invested capital (ROIC) p.a., %	6.4	8.2	7.0	3.8	6.2	4.6	8.7	7.7	6.9	7.1
Lane metres, '000	2,445	2,476	2,429	2,570	9,920	2,527	2,708	2,588	7,823	7,350

### Non-allocated items

DKK mill.	2004					2005			2005	2004
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q1-Q3	Q1-Q3
Operating profit (EBITA)	-11	-13	-11	-14	-49	-14	-5	-13	-32	-35

### DFDS Group

DKK mill.	2004					2005			2005	2004
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q1-Q3	Q1-Q3
Revenue	1,198	1,477	1,636	1,412	5,723	1,301	1,597	1,721	4,619	4,311
Operating profit before depreciation (EBITDA)	72	282	376	140	870	62	296	356	714	730
Operating profit (EBITA)	-47	160	256	5	374	-49	178	236	365	369
Operating profit margin (EBITA), %	-3.9	10.8	15.6	0.4	6.5	-3.8	11.1	13.7	7.9	8.6
Profit before tax	-93	127	220	-54	200	-96	125	193	222	254
Invested capital, average	5,528	5,968	6,339	6,421	6,030	6,519	6,711	6,840	6,680	5,933
Return on invested capital (ROIC) p.a., %	-3.4	9.7	15.5	0.2	5.7	-3.0	9.8	13.4	6.9	7.7

## DFDS Group - Income Statement

DKK mill.	2005 Q3	2004 Q3	2005 Q1-Q3	2004 Q1-Q3	2004 Full year
Revenue	1,720.5	1,635.8	4,618.8	4,310.9	5,722.9
<i>Costs:</i>					
Operating costs related to ships	811.1	730.7	2,253.2	2,053.6	2,765.3
Charter hire	133.7	122.3	379.7	373.0	502.6
Staff costs	321.7	299.1	956.2	861.3	1,180.0
Other costs of operation, sales and administration	97.7	107.8	315.5	292.8	405.3
<i>Total costs:</i>	<u>1,364.2</u>	<u>1,259.9</u>	<u>3,904.6</u>	<u>3,580.7</u>	<u>4,853.2</u>
<b>Operating profit before depreciation (EBITDA)</b>	<b>356.3</b>	<b>375.9</b>	<b>714.2</b>	<b>730.2</b>	<b>869.7</b>
Profit/loss on disposal of ships, buildings and terminals	0.4	5.8	11.2	6.3	20.0
<i>Depreciation and impairment</i>					
Ships	-105.0	-107.3	-311.2	-311.7	-439.2
Other fixed assets	-15.1	-18.5	-49.0	-55.5	-76.0
<i>Total depreciation and impairment</i>	<u>-120.1</u>	<u>-125.8</u>	<u>-360.2</u>	<u>-367.2</u>	<u>-515.2</u>
<b>Operating profit (EBITA)</b>	<b>236.6</b>	<b>255.9</b>	<b>365.2</b>	<b>369.3</b>	<b>374.5</b>
Value adjustment goodwill/negative goodwill	0.0	-0.1	0.6	14.2	14.3
Share of profit of associates	-0.1	0.8	0.7	1.8	1.7
Financial income	26.7	20.6	87.3	58.5	120.7
Financial expenses	-70.4	-56.7	-231.9	-189.4	-310.9
<b>Profit before tax</b>	<b>192.8</b>	<b>220.5</b>	<b>221.9</b>	<b>254.4</b>	<b>200.3</b>
Tax on profit	-8.2	-12.0	-17.4	-13.3	-6.5
<b>Profit for the period</b>	<b>184.6</b>	<b>208.5</b>	<b>204.5</b>	<b>241.1</b>	<b>193.8</b>
<b>Attributable to:</b>					
Equity holders of DFDS A/S	178.7	204.0	189.0	228.2	176.2
Minority interest	5.9	4.5	15.5	12.9	17.6
	<u>184.6</u>	<u>208.5</u>	<u>204.5</u>	<u>241.1</u>	<u>193.8</u>

## DFDS Group - Balance Sheet, Assets

DKK mill.	30.09. 2005	30.09. 2004	31.12. 2004
<b>Non-current assets</b>			
<i>Intangible assets</i>			
Goodwill	119.0	56.3	56.9
Software	33.9	29.8	28.4
Development projects in progress	3.2	1.1	1.2
Other intangible assets	56.8	6.4	13.1
<i>Total Intangible assets</i>	<u>212.9</u>	<u>93.6</u>	<u>99.6</u>
<i>Tangible assets</i>			
Buildings	69.1	66.7	64.8
Terminals	259.4	234.6	233.2
Ships	6,074.0	5,967.5	5,851.1
Machinery, tools and equipment	164.6	166.5	159.4
Work in progress and prepayments	215.3	181.8	325.2
<i>Total tangible assets</i>	<u>6,782.4</u>	<u>6,617.1</u>	<u>6,633.7</u>
<i>Investments</i>			
Investments in associates	6.7	6.6	5.0
Securities	27.1	6.0	10.4
Other investments	32.7	105.2	94.3
Deferred tax assets	96.2	71.4	67.6
<i>Total investments</i>	<u>162.7</u>	<u>189.2</u>	<u>177.3</u>
<b>Total non-current assets</b>	<b>7,158.0</b>	<b>6,899.9</b>	<b>6,910.6</b>
<b>Current assets</b>			
Inventories	88.3	56.4	57.1
Trade receivables	706.5	575.1	547.0
Amounts owed by associates	0.9	0.0	2.2
Other receivables and current assets	118.1	115.2	92.0
Prepayments	103.1	80.3	86.0
Current securities	0.1	2.3	2.3
Cash at bank and in hand	263.7	297.4	286.0
<b>Total current assets</b>	<b>1,280.7</b>	<b>1,126.7</b>	<b>1,072.6</b>
<b>Total assets</b>	<b>8,438.7</b>	<b>8,026.6</b>	<b>7,983.2</b>

## DFDS Group - Balance Sheet, Equity and Liabilities

DKK mill.	30.09. 2005	30.09. 2004	31.12. 2004
<b>Equity</b>			
Share capital	800.0	800.0	800.0
Retained earnings	1,608.6	1,507.1	1,402.3
Reserves	358.7	384.0	290.0
Proposed dividends	0.0	0.0	53.0
Total equity attributable to equity holders of DFDS A/S	2,767.3	2,691.1	2,545.3
Minority interest	165.0	149.9	153.6
<b>Total equity</b>	<b>2,932.3</b>	<b>2,841.0</b>	<b>2,698.9</b>
<b>Liabilities</b>			
<i>Non-current liabilities</i>			
Deferred tax	156.5	128.9	133.4
Pensions	237.1	228.5	223.9
Other provisions	26.1	44.0	40.7
Credit institutions	3,358.0	3,256.1	3,345.7
<i>Total non-current liabilities</i>	<i>3,777.7</i>	<i>3,657.5</i>	<i>3,743.7</i>
<i>Current liabilities</i>			
Credit institutions	584.7	441.8	431.8
Trade payables	350.5	321.3	326.9
Corporate tax	10.7	6.8	11.1
Other payables	657.4	638.9	673.0
Deferred income	125.4	119.3	97.8
<i>Total current liabilities</i>	<i>1,728.7</i>	<i>1,528.1</i>	<i>1,540.6</i>
<b>Total liabilities</b>	<b>5,506.4</b>	<b>5,185.6</b>	<b>5,284.3</b>
<b>Total Equity and liabilities</b>	<b>8,438.7</b>	<b>8,026.6</b>	<b>7,983.2</b>

## DFDS Consolidated Cash Flow Statement

DKK mill.	2005 Q3	2004 Q3	2005 Q1-Q3	2004 Q1-Q3	2004 Full year
<b>Cash flows from operating activities</b>					
Profit before depreciation (EBITDA)	356.3	375.9	714.2	730.2	869.7
Adjustments	6.8	10.0	-34.9	-56.5	-34.9
Change in working capital	-137.5	-45.2	-143.5	-21.3	-25.6
Change in provisions	3.9	-5.0	-9.4	-14.4	-24.1
<b>Cash flow from operating activities, gross</b>	<b>229.5</b>	<b>335.7</b>	<b>526.4</b>	<b>638.0</b>	<b>785.1</b>
Financing, net	-45.4	-20.2	-99.0	-78.4	-175.8
Taxes paid	-4.8	-6.9	-9.0	-18.5	-12.0
<b>Cash flow from operating activities, net</b>	<b>179.3</b>	<b>308.6</b>	<b>418.4</b>	<b>541.1</b>	<b>597.3</b>
<b>Cash flow from investing activities</b>					
Ships	-18.6	-267.0	-387.4	-1,168.3	-1,316.6
Buildings and terminals	-13.7	-10.4	-63.3	-58.9	-60.9
Operating equipment	-9.1	-5.5	-27.4	-32.1	-42.6
Intangible assets	-2.6	-3.0	-50.7	-11.3	-11.2
Acquisition of companies	-13.1	13.2	-13.1	9.7	12.0
Acquisition of minority interests	0.0	0.0	-1.5	-15.1	-17.8
Associates	0.0	0.0	0.5	0.0	-8.5
<b>Cash flow from investing activities</b>	<b>-57.1</b>	<b>-272.7</b>	<b>-542.9</b>	<b>-1,276.0</b>	<b>-1,445.6</b>
<b>Cash flow from financing activities</b>					
Change in other investments	12.1	21.5	46.2	38.7	47.4
Change in loans secured by mortgages in ships	-130.0	79.9	-22.1	511.9	625.1
Change in other financial loans	3.7	0.0	-1.4	42.1	37.0
Change in operating credits	-40.2	-118.2	133.6	40.7	25.2
Dividends paid to shareholders	-7.7	0.0	-61.0	-37.7	-37.7
<b>Cash flow from financing activities</b>	<b>-162.1</b>	<b>-16.8</b>	<b>95.3</b>	<b>595.7</b>	<b>697.0</b>
<b>Cash flow for the period</b>	<b>-39.9</b>	<b>19.1</b>	<b>-29.2</b>	<b>-139.2</b>	<b>-151.3</b>
Cash at bank and in hand and securities at beginning of period	302.5	279.2	287.6	437.9	437.9
Foreign exchange adjustments	1.2	1.4	5.4	1.0	1.7
<b>Cash at bank and in hand and securities at end of period</b>	<b>263.8</b>	<b>299.7</b>	<b>263.8</b>	<b>299.7</b>	<b>288.3</b>

*The above cannot be derived directly from the income statement and the balance sheet*

## DFDS Group - Statement of Movements in Equity

DKK mill.	30.09. 2005	30.09. 2004	31.12. 2004
<b>Equity at beginning of period</b>	<b>2,698.9</b>	<b>2,693.5</b>	<b>2,693.5</b>
Change in accounting policy	0.0	-13.8	-13.7
Foreign exchange adjustment relating to foreign companies' equity at beginning of the year	11.5	6.3	1.4
Effect of difference between year-end and average rates on profit	0.3	-0.3	0.2
Value adjustment of hedging instruments	66.4	-49.1	-139.2
Share based payment	1.2	0.6	0.8
Profit for the period	204.5	241.1	193.8
Distributed dividends	-56.0	-40.0	-40.0
Distributed dividends, own shares	2.9	2.2	2.2
Excercise of share options	6.4	9.9	9.8
Other adjustments regarding minority interest	-4.1	-28.9	-29.9
Adjustments	0.3	19.5	20.0
<b>Equity end of period</b>	<b>2,932.3</b>	<b>2,841.0</b>	<b>2,698.9</b>

## Definitions

Profit before depreciation (EBITDA)	Profit before depreciation and impairment on tangible assets
Operating profit (EBITA)	Profit after depreciation and impairment on tangible assets
Operating profit margin	$\frac{\text{Operating profit (EBITA)}}{\text{Revenue}} \times 100$
Operating profit after tax (NOPAT)	Operating profit (EBITA) minus payable tax for the period, adjusted for the tax effect of net interest costs
Invested capital	Average net current assets (non-interest-bearing current assets minus non-interest bearing liabilities) plus accumulated goodwill and tangible assets minus provision for pensions and other provisions
Return on invested capital (ROIC)	$\frac{\text{Net operating profit after taxes (NOPAT)}}{\text{Average invested capital}} \times 100$
Profit for analytical purposes	Profit for the period after minority interests, excluding regulation of taxes from previous years, extraordinary items and remittance of deferred taxes
Return on equity p.a.	$\frac{\text{Profit for analytical purposes}}{\text{DFDS' share of equity, average}} \times 100$
Equity ratio	$\frac{\text{Equity}}{\text{Total assets}} \times 100$
Earnings per share (EPS)	$\frac{\text{Profit for analytical purposes}}{\text{Weighted average number of shares}}$
Dividend per share	$\frac{\text{Dividend for the year}}{\text{Number of shares at the end of the period}}$
Book value per share	$\frac{\text{DFDS' share of equity at the end of the period}}{\text{Number of shares at the end of the period}}$
Market-to-book value (K/I)	$\frac{\text{Share price at the end of the period}}{\text{Book value per share at the end of the period}}$