

Annual Report 2005

Analyst Presentation
17 March 2006



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2005 in brief

- Pre-tax profits, DKK 238 million
 - Revenue increase, 10%
 - ROIC, 6.0%
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- Continued growth within the freight sector
 - Market position improved via company acquisitions
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- Difficult passenger market – with bright spots
 - Position in passenger market consolidated



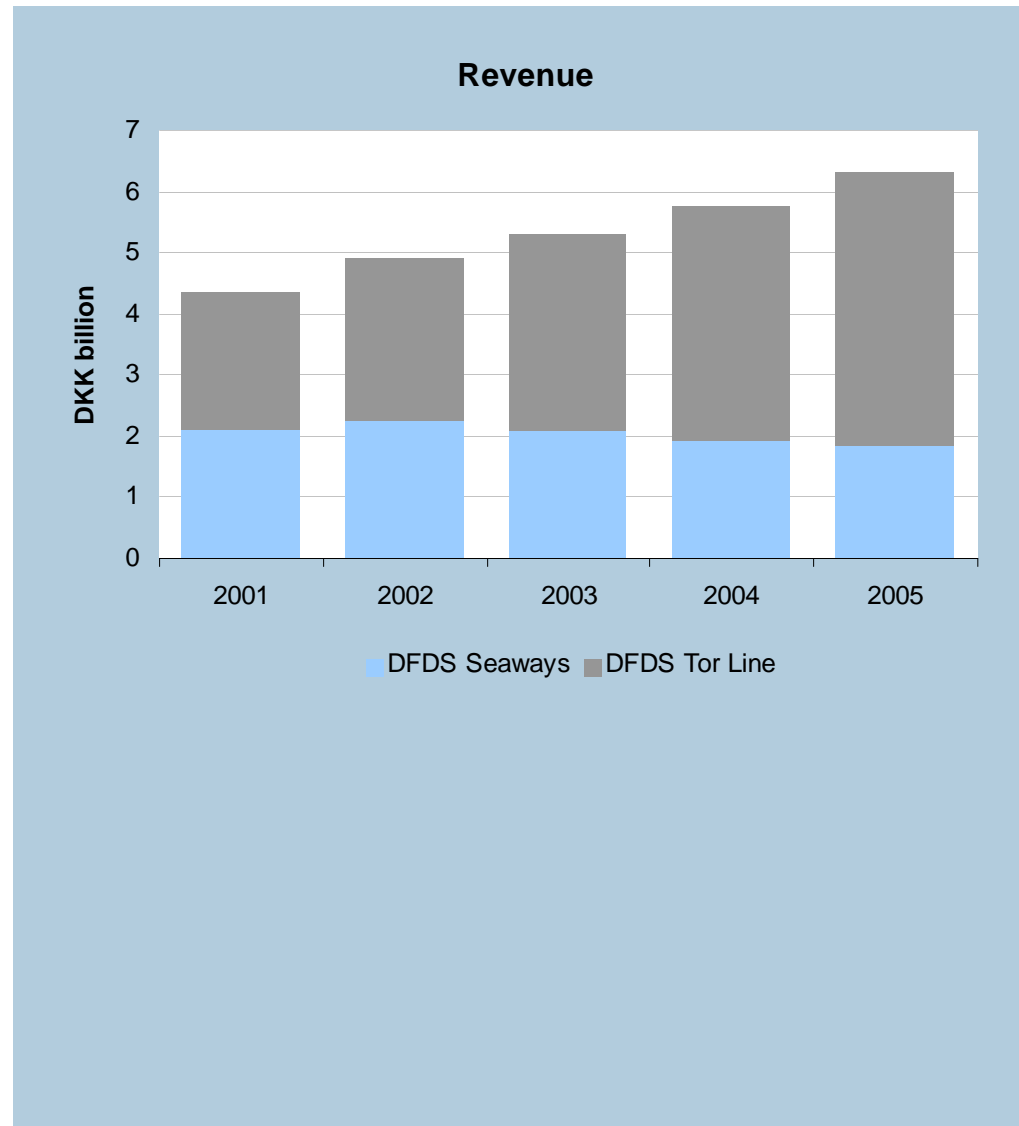
Group strategy

Follow up
2001-2005

The next five
years

01-05: Follow up

- Market position strengthened via organic growth and company acquisitions
- Adaptation of passenger activities to market conditions
- Share of industrial logistics customers increased
- Revenue share from the Baltic region increased to 10%





DFDS TOR LINE - NORDSØEN

Ruter:
 AngloBridge (Gøteborg-Immingham/Tilbury)
 EuroBridge (Gøteborg-Brevik-Gent)
 NorBridge (Brevik-Kristiansand-Immingham)
 BritanniaBridge (Esbjerg-Immingham/Harwich)
 EbeBridge (Cuxhaven-Immingham)
 ShortBridge (Rotterdam-Immingham)
 BelgøBridge (Zeebrugge-Killingholme)

Havneterminaler:
 DFDS Scandic Terminal, Esbjerg
 DFDS Tor Terminal, Maasvlakte (Rotterdam)
 DFDS Nordic Terminal, Immingham
 North Shields, Newcastle
 Northsea Terminal, Brevik
 KST Terminal, Kristiansand
 Skogn Terminal, Skogn (Trondheim)
 OCT, Oslo

DFDS LYS-LINE

Ruteområder:
 Norge-England/Kontinentet
 Norge-Irland
 Norge-Kontinentet
 Norge-Spanien

Trampaktiviteter



DFDS SEAWAYS

Ruter:
 København-Helsingborg-Oslo
 Amsterdam-Newcastle
 Gøteborg-Kristiansand-Newcastle
 Esbjerg-Harwich

Havneterminaler:
 DFDS Terminalen, København

Kanalundfart / København:
 DFDS Canal Tours

DFDS TOR LINE - ØSTERSØEN

Ruter:
 BalticaBridge (Fredericia-København-Klaipeda)
 HansaBridge (Lübeck/Riga/Ventspils)
 NavaBridge (Kiel-Skt. Petersborg)
 DFDS LISCO Line (Klaipeda-Kiel)
 ScanBridge (Baltijsk-Klaipeda-Karlshamn)
 Klaipeda-Sassnitz

Trampaktiviteter

- DFDS Tor Line havneterminal
- DFDS Seaways havneterminal



01-05: Follow up

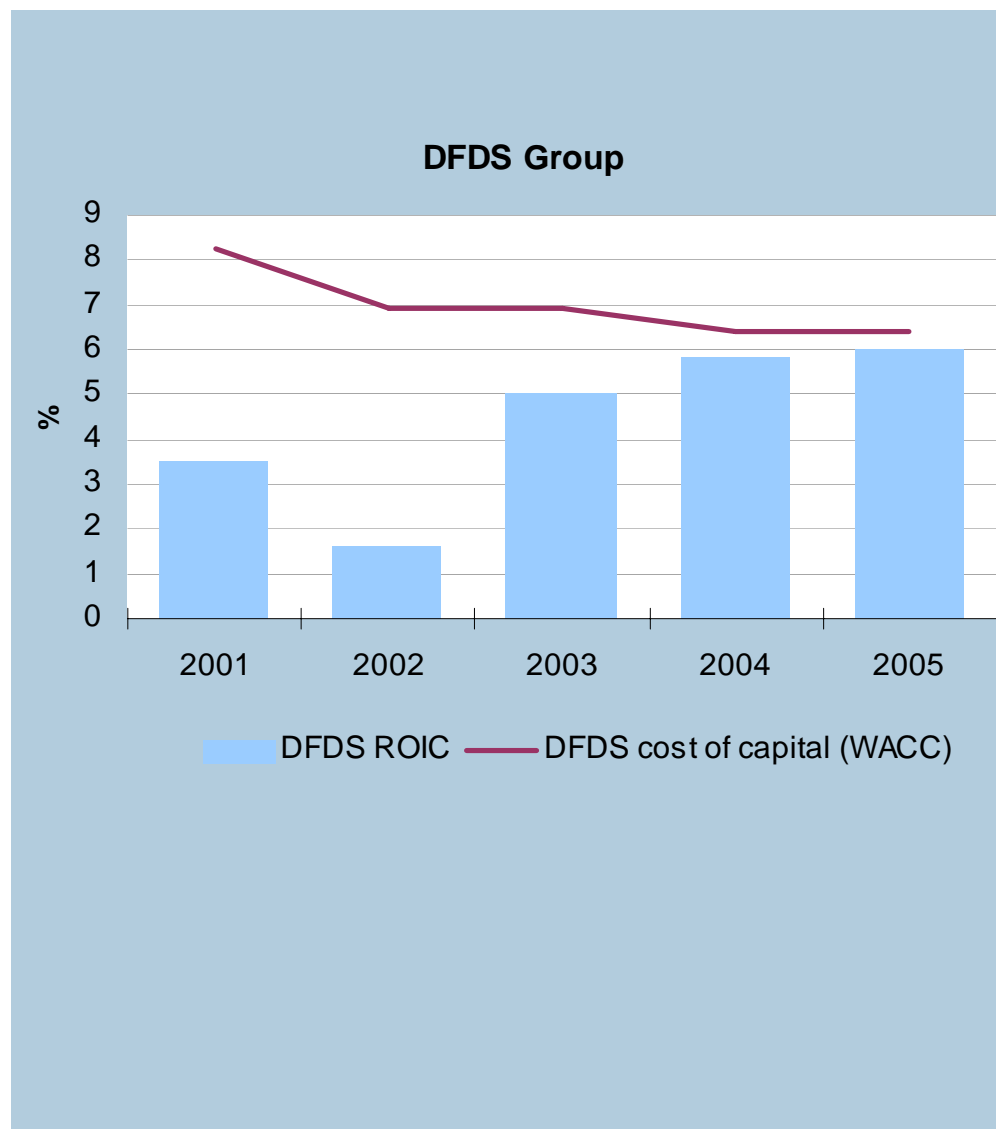
- Freight fleet in line with goals
- Passenger fleet age slightly higher than goal
- KING OF SCANDINAVIA reduces average age (excl. DUKE OF SCANDINAVIA)
- Productivity and flexibility

Development in strategic fleet goals

	2001	2002	2003	2004	2005	Goals
Freight fleet:						
Average age, years	13,9	12,5	10,6	9,1	9,5	10
Ownership share, %	87	62	51	43	45	45-50
Passenger fleet:						
Average age, years	20,6	19,8	19,4	20,4	21,4	20
Ownership share, %	100	100	83	83	83	80

01-05: Follow up

- ROIC has improved year by year on a comparable basis
- Gap of 0.4% points to weighted average cost of capital (WACC)
- Phase 1 goal: ROIC on a par with WACC
- Phase 2 goal: ROIC higher than WACC

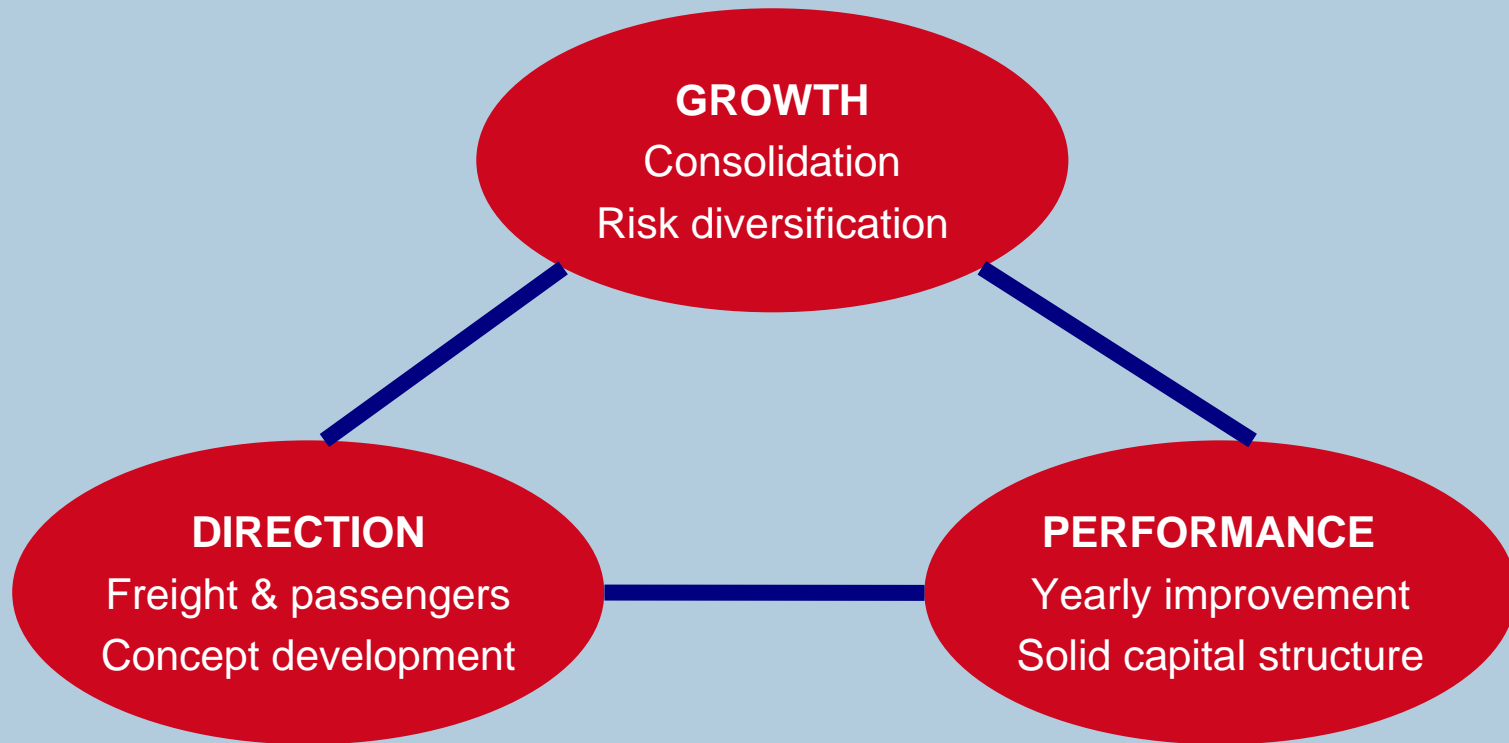




2001-2005

Solid foundation
created for
DFDS's further
development

Three main strategies for the next five years



Direction – freight and passenger transport, with the accent on freight

- Freight and passengers belong together in most markets
– DFDS has strong competencies in both areas
 - Steady growth in the freight market expected to continue
 - Moderate or no growth generally expected in passenger transport, with the exception of certain geographical areas – value game
 - Continuing concept development: shipping logistics, trailer operators, on-board experience/transport
-

Performance

- Further improvements required in earnings
 - Minimum goal: ROIC higher than capital costs
 - Annual improvements to be achieved via:
 - Greater capacity utilisation
 - Competitive customer concepts
 - Increased operational efficiency : lower unit costs
 - Close monitoring of contribution of activities to capital cost
 - Synergies from company acquisitions
-

Growth

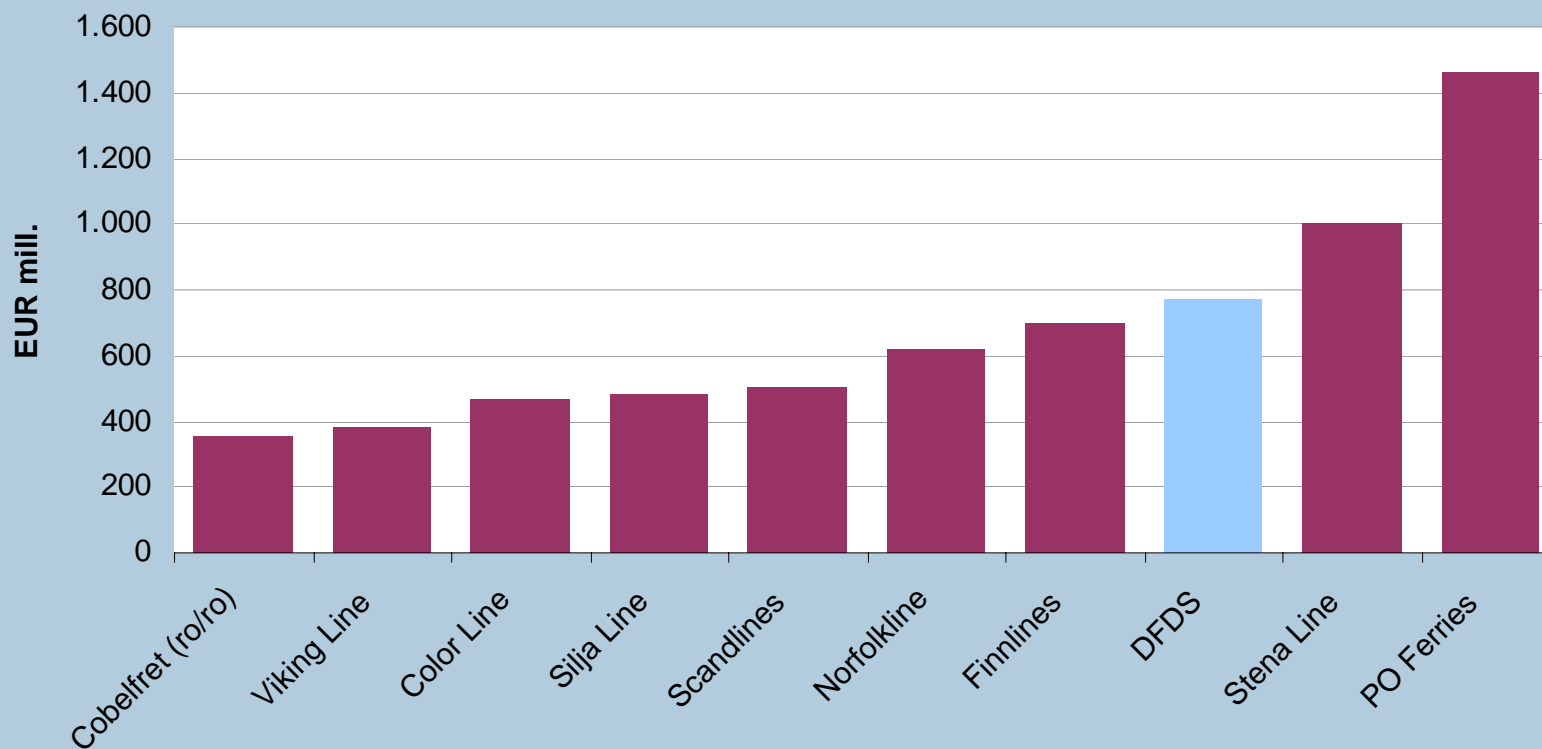
- Consolidation will continue to be driven by consolidation in land transport and a high level of competition
 - DFDS is well positioned, both geographically and in terms of activities
 - Broader/deeper income base will facilitate economies of scale and greater competitiveness in services
 - Increased risk diversification
 - Main market areas continue to be Northern Europe, plus the Iberian Peninsula and the Irish Sea
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Peer Group companies



Peer Group

Revenue: Ten largest ro-ro based, North European freight and passenger shipping companies





DFDS Seaways

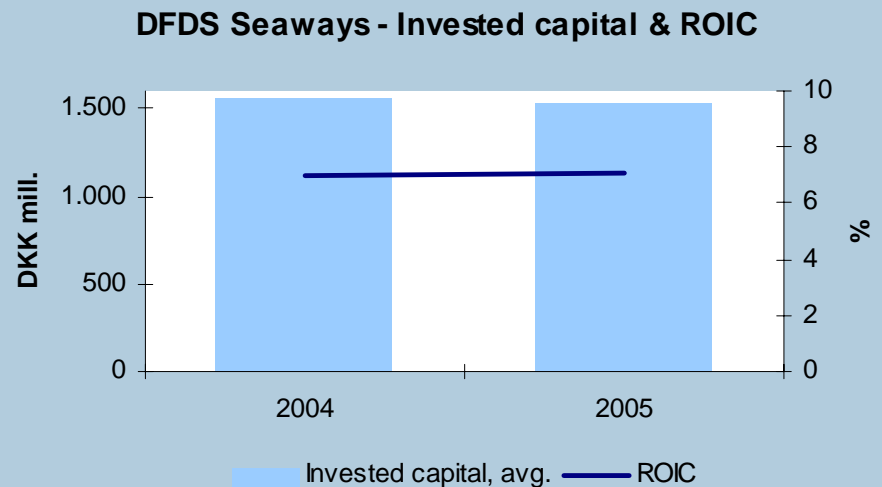
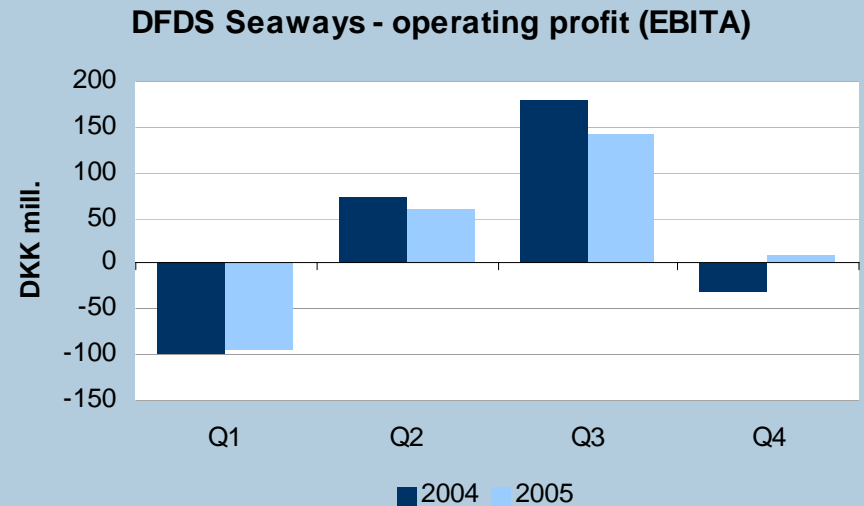
2005 and
beyond

Important events

- Difficult passenger market – with bright spots
- Three passenger vessels upgraded
- New tonnage bought for Amsterdam route
- Chartering-out of excess tonnage
- Cuxhaven route closed in November
- German sales organisation restructured
- New marketing platform introduced
- Oil price surcharge accepted in the market

Financial performance

- EBITA for 2005 on a par with 2004
- Increased cost of bunkers
- Q3 negatively influenced by high level of competition in Norway and "the alcohol affair"
- Q4 influenced by closure of Cuxhaven route
- General growth in on-board sales
- ROIC rose to 7.1% in 2005



Amsterdam - Newcastle – new tonnage

- KING OF SCANDINAVIA placed in service 11 March 2006
- Rebuilding and introduction went as planned
- Route capacity improved by 33% for both passengers and freight
- In 2006, the goal is to increase volume to 500,000 passengers

Market trends in 2006

- Experiences and special activities are in demand, as well as culture and nature
 - Less loyalty shown than before
 - The Internet is the most important planning tool and sales channel
 - "Book in good time at lower prices" becomes more widespread
 - Travellers increasingly "package" their own trips
 - More, but shorter trips - continued growth
 - Value for money
-

DFDS Seaways - strategy

- Future-oriented platform in place
 - From volume-game to value-game
 - New price and distribution strategy
 - More online sales
 - On-board concepts and level of service are decisive to the success of the cruise ferry experience
 - Competitive level of unit costs achieved by on-going efficiency increases in the value chain
-

An aerial, high-angle photograph of a ship's deck and the ocean. The deck is a deep blue color with a white circular logo on the left side. A white wake is visible in the water to the right. The ship's railing and a person in a red jacket are visible on the deck. The overall scene is dominated by blue tones.

DFDS Tor Line

2005 and
beyond

Important events

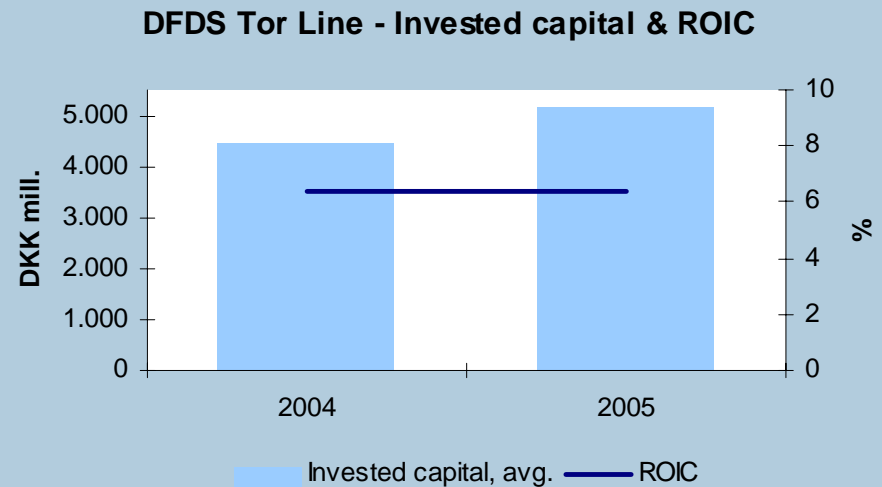
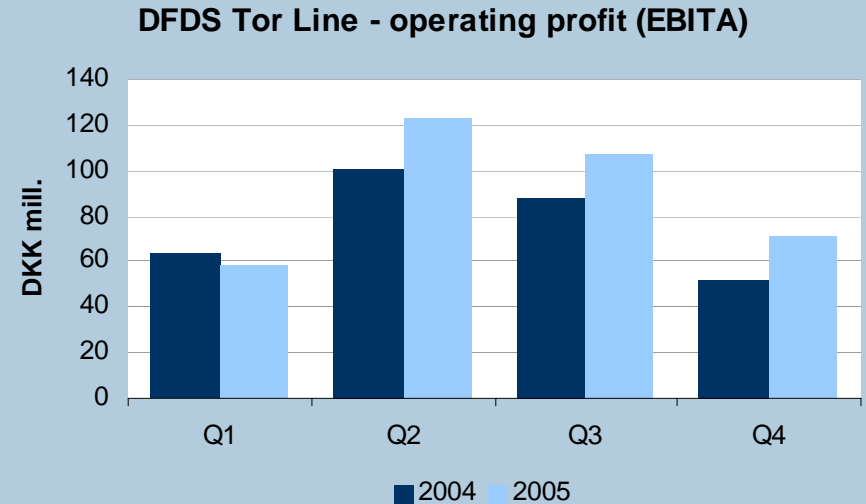
- Market growth in most areas
- North Sea route acquired from Cobelfret
- Purchase of 66% of Halléns, Belgian trailer operators
- Remaining 34% of shares in Lys-Line bought

- AngloBridge South switched to Tilbury
- New port of call in Baltijsk, Kaliningrad
- Partnership initiated with SOVCOMFLOT on route between St. Petersburg and Kiel

- Fifth ro-ro newbuilding delivered by Flensburg Shipyard
- Two small lo-lo ships sold in Q1

Financial performance

- EBITA rose by 18% to DKK 359 million
- Good progress on North Sea routes due to higher volumes
- LISCO on a par with 2004
- DFDS Lys-Line's result somewhat lower, due to lo-lo-activities in the North Sea
- ROIC was 6.4% in 2005

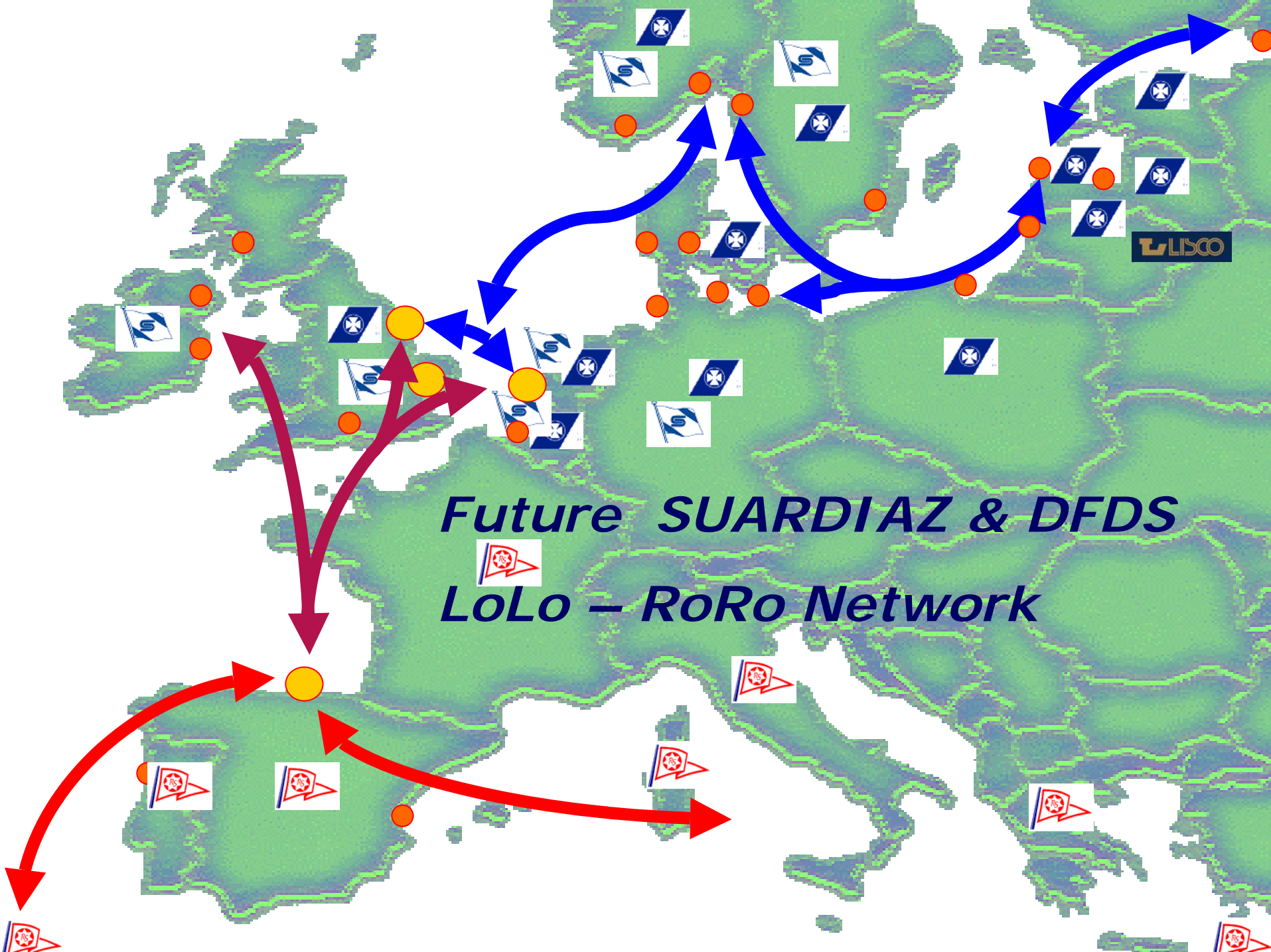




DFDS Suardiaz Line

Weekly Sailing schedule:

Bilbao	Friday
Avonmouth	Sunday
Dublin	Monday
Greenock	Tuesday



Future SUARDIAZ & DFDS
LoLo – RoRo Network

Market trends in 2006

- Continued high rate of growth expected in Russia and the Baltic countries
 - Strong economy in Northern Europe
 - Favourable conditions for continued growth in short-sea shipping: driving and rest time regulations, road taxes
 - Possible rise in German road tax this year
 - Consolidation in the land transport sector will continue
 - Globalisation implies the restructuring of industrial production, both within the EU, and between the EU and the surrounding world
-

DFDS Tor Line - strategy

- Competitive liner services: frequency, capacity and reliability
 - Integrated network of ro-ro, ro-pax and lo-lo services to meet market demands
 - Trailer operators remain the most important customer group
 - Shipping logistics: steel, paper, cars and plastic
 - Increase capacity utilisation in network
 - Expand activities in the Baltic region, the Irish Sea and the Iberian Peninsula
 - Strengthen market position via company acquisitions and alliances
-

Ramp, Immingham



Ramp, Immingham



Ramp, Immingham



SpeedCargo





TOR FICARIA

DEF TOR LINE

An aerial photograph of a ship's deck, showing a helipad with a white 'H' and a lightning bolt symbol. A white diagonal banner runs across the bottom right corner of the image. The text 'DFDS Group' is overlaid on the left side of the image, and 'Annual accounts 2005' is overlaid on the white banner.

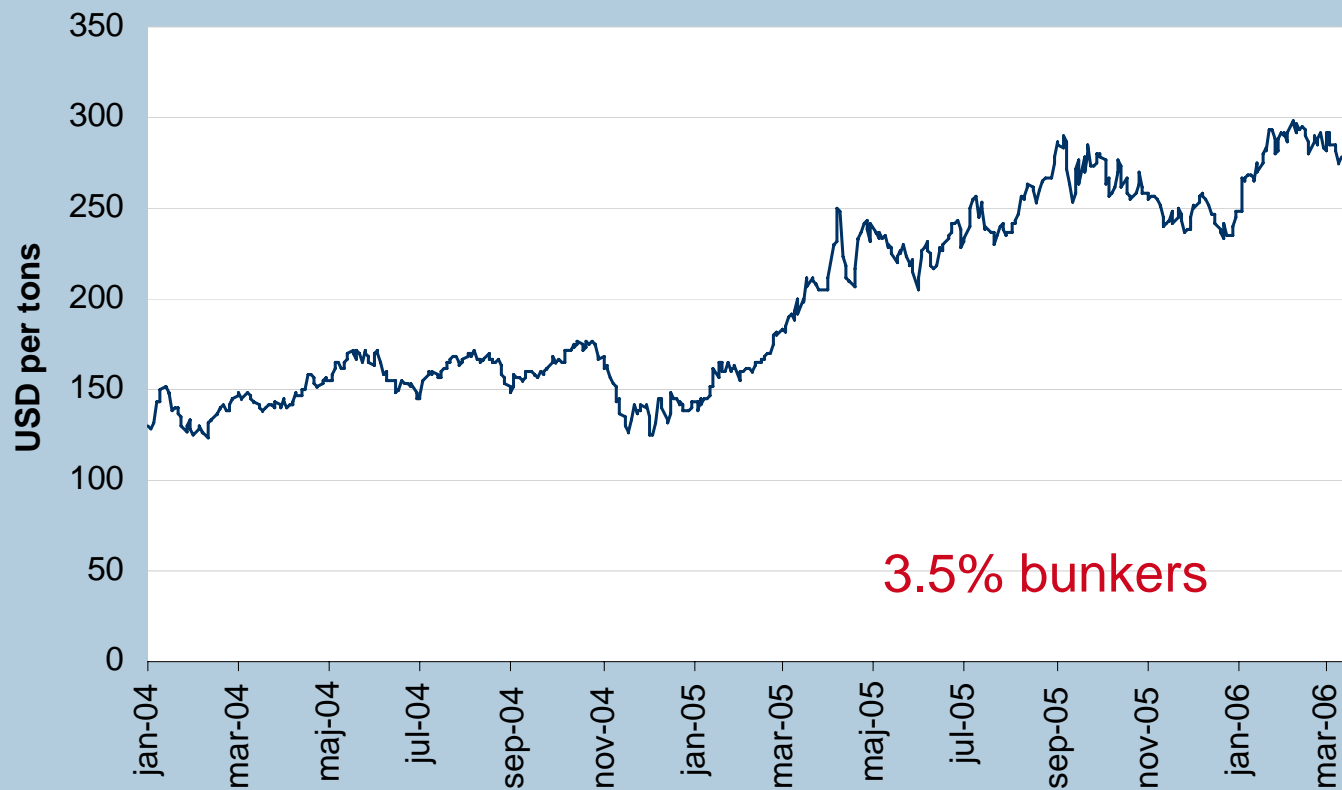
DFDS Group

Annual accounts
2005

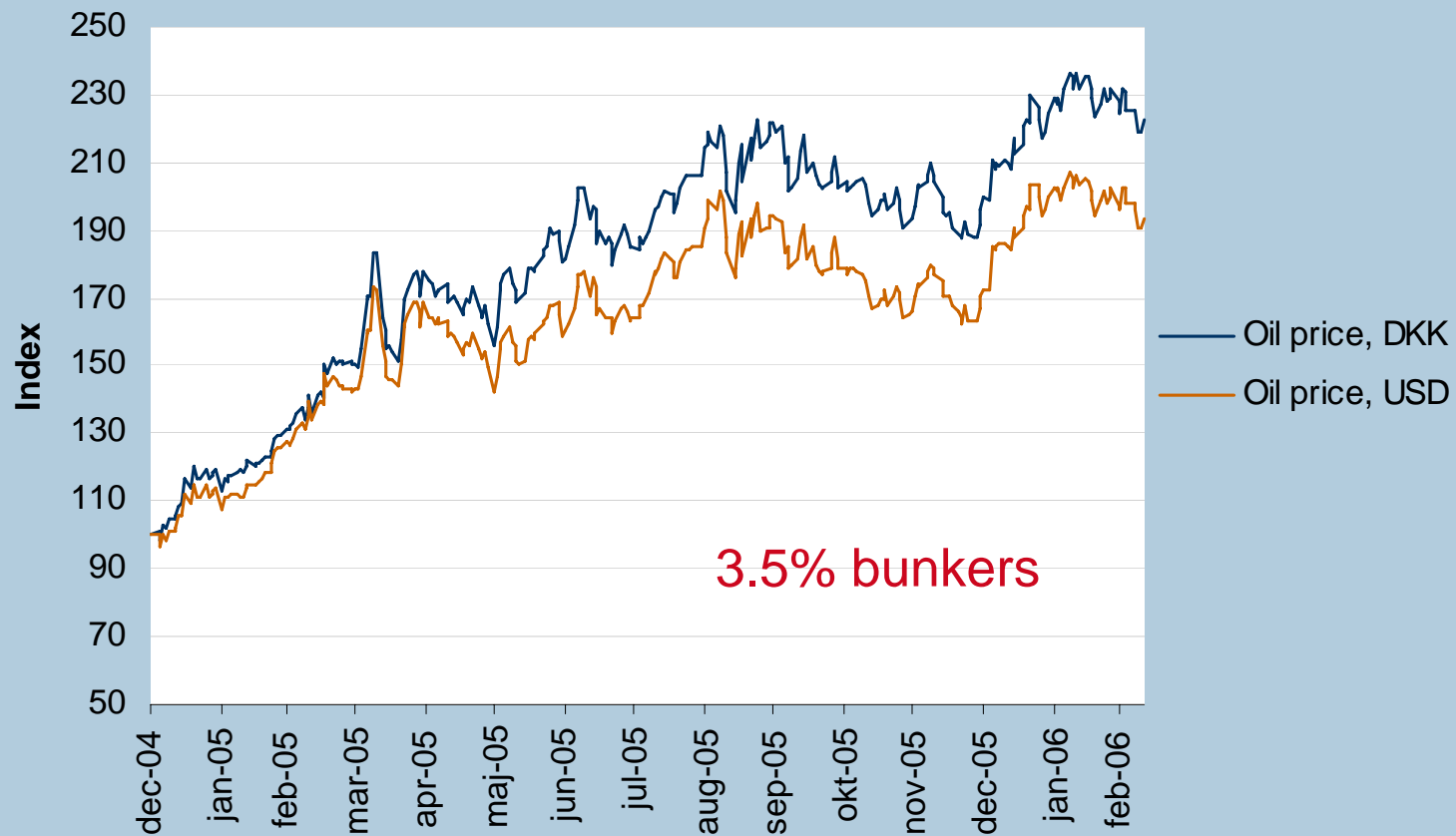
DFDS Group - Profit and loss account

DKK mill.	2004	2005	Change, %	In % of revenue	
Revenue	5.723	6.278	9,7	<i>n.a.</i>	<i>n.a.</i>
Ship operating costs	2.765	3.154	14,1	48,3	50,2
Charter costs	503	525	4,6	8,8	8,4
Staff costs	1.180	1.292	9,4	20,6	20,6
Other costs	405	417	2,8	7,1	6,6
Operating profit before depreciations (EBITDA)	870	890	2,4	15,2	14,2
Profit/loss on sale of ships, buildings & terminals	20	29	43,0	0,3	0,5
Depreciations	515	487	-5,5	9,0	7,8
Operating profit (EBITA)	374	432	15,4	6,5	6,9
Profit share, associated companies	2	1	-66,7	0,0	0,0
Value adjustment goodwill/badwill	14	1	-95,8	0,2	0,0
Financial items, net	190	195	2,5	3,3	3,1
Pre-tax profit	200	238	18,9	3,5	3,8
Tax	7	37	473,8	0,1	0,6
Profit for the year	194	201	3,7	3,4	3,2

Oil price trends 2004-2006



Indexed oil price trends, 2005-2006

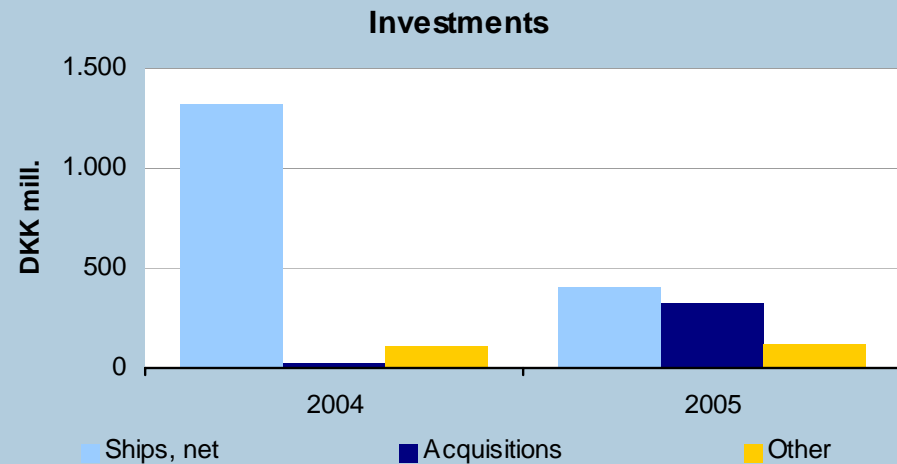
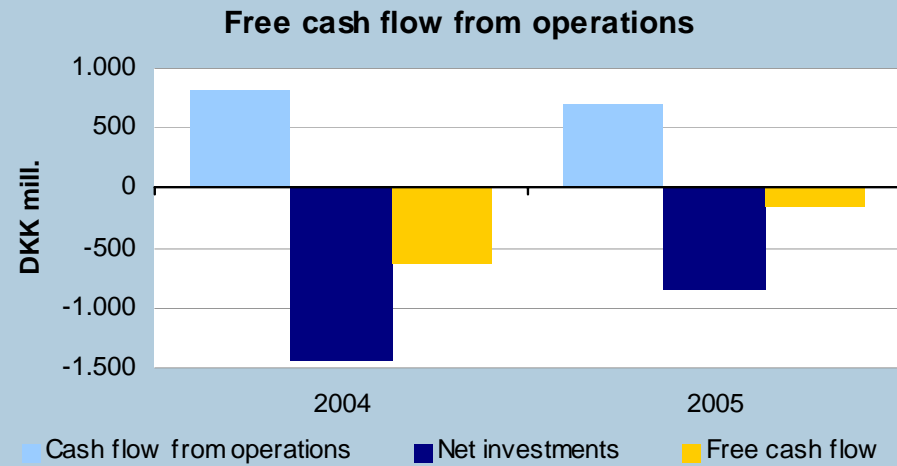


DFDS Group - Balance sheet

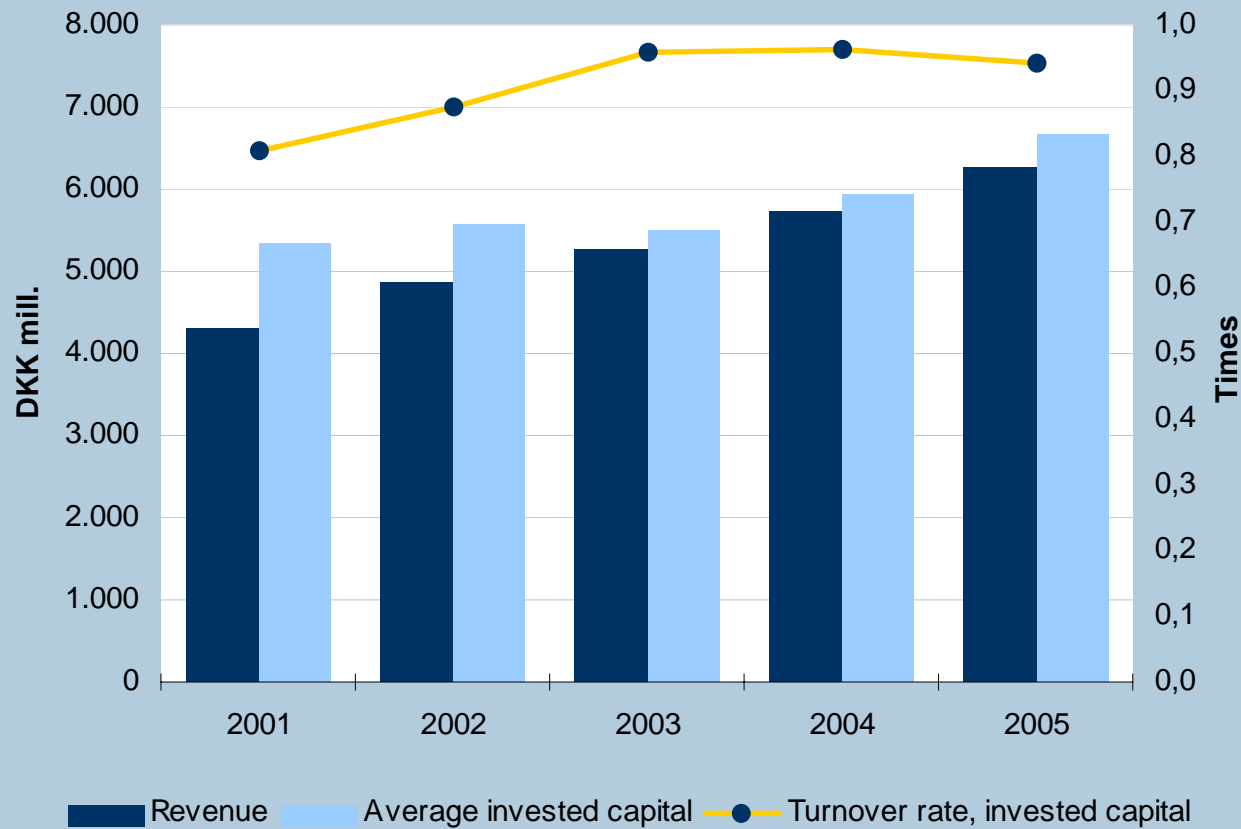
DKK mill.	2004	2005	Change, %	In % of revenue	
Intangible assets	100	292	192,8	1,2	3,4
Tangible assets	6.595	6.735	2,1	82,6	79,6
Other non-current assets	152	148	-2,3	1,9	1,8
Current assets	1.140	1.282	12,5	14,3	15,2
Total assets	7.986	8.457	5,9	100,0	100,0
Equity	2.700	2.904	7,5	33,8	34,3
Non-current liabilities	3.739	3.902	4,4	46,8	46,1
Current liabilities	1.548	1.651	6,7	19,4	19,5
Total liabilities	7.986	8.457	5,9	100,0	100,0

Cash flow & investments

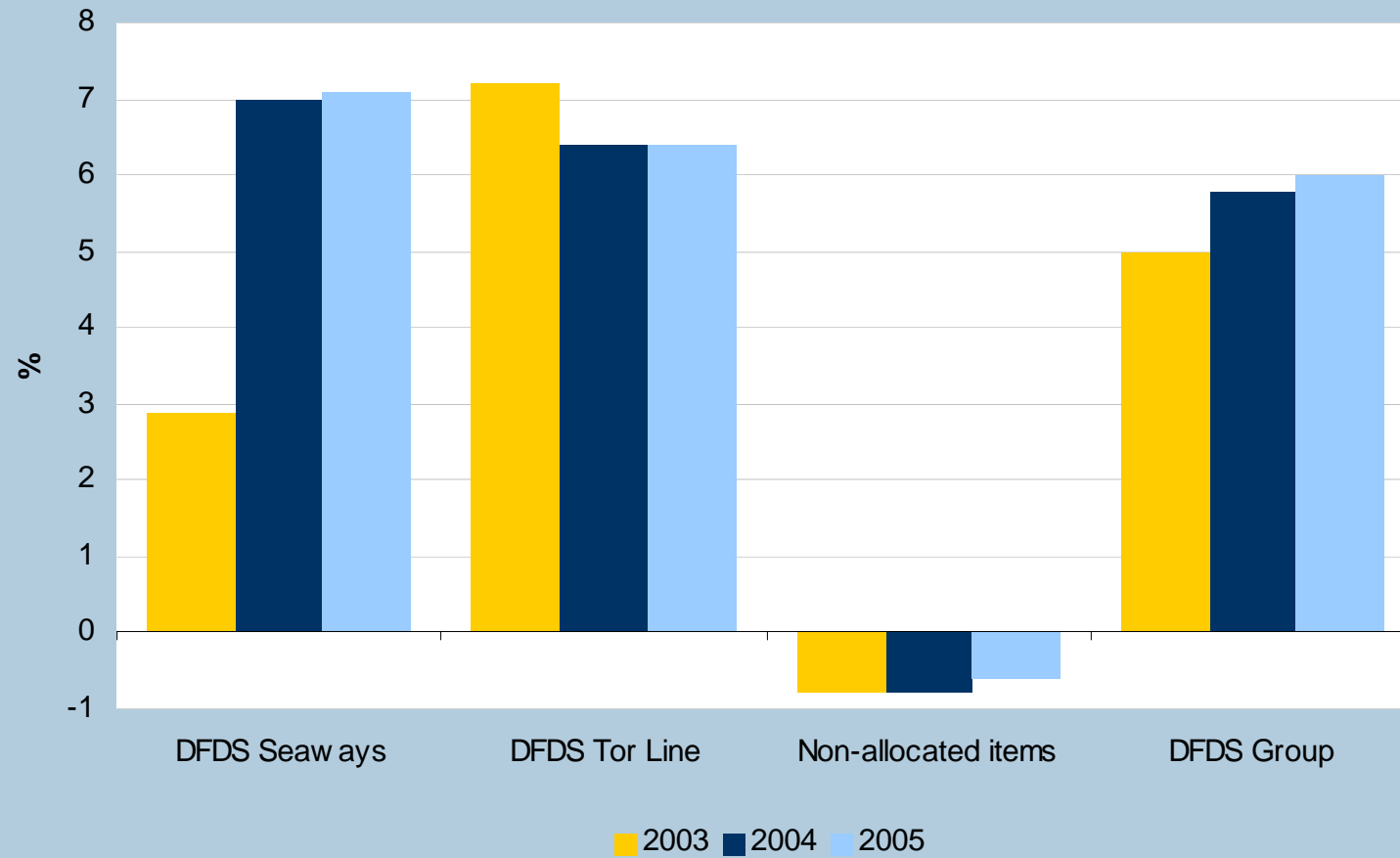
- Cash flow from operations negatively influenced by rise in working capital
- Continued relatively high level of investment in 2005 due to company acquisitions
- Company acquisitions include financing contracts for DKK 96 million due for payment after 2005



Rate of turnover, invested capital



ROIC by division



Dividend



Profit forecast 2006

- Revenue increase of around 8 -10%:
 - Full-year effect of purchases of trailer operators
 - Volume increase in the freight sector
 - Capacity enhancement and more departures in passenger traffic

- Investments totalling approx. DKK 1,200 million:
 - Purchase of passenger ship and ro-pax vessel, approx. DKK 750 million.
 - Remaining investment in sixth ro-ro newbuilding, approx. DKK 250 million.
 - Extension to Immingham terminal

Profit forecast 2006

- Bunkers hedging:
 - Most of the bunker consumption for Q1 hedged by financial instruments and price adjustment agreements
 - Consumption for the remainder of the year primarily hedged by price-adjustment agreements
 - Price of low-sulphur bunkers approximately 10-15% higher than other products

- Currency hedging:
 - Approx. 80% of USD hedged
 - Approx. 58% of NOK hedged
 - Approx. 22% of SEK hedged
 - Smaller hedging of GBP and EUR

Profit forecast 2006

- DFDS Tor Line's operating profit (EBITA) is expected to rise by around 10%, including a profit of DKK 16 million from the sale of a ship in January 2006
- DFDS Seaways' operating profit (EBITA) is expected to rise by 5-8%
- Non-allocated items expected to remain on the same level as 2005
- For the DFDS Group as a whole, pre-tax profits are expected of approximately DKK 250 million



Thank you for
your attention!