DFDS ANNUAL REPORT 2008

BRINGING PEOPLE AND BUSINESSES TOGETHER BY SEA

DFDS

DFDS

A LEADING SEA TRANSPORT NETWORK IN NORTHERN EUROPE

IN 2008 WE TRANSPORTED:
- 10,000,000 LANEMETRES FREIGHT
- 109,000 CONTAINERS
- 1,600,000 PASSAGENGERS
- 16,000 TONS FREIGHT
- 74,000 SHIPMENTS

DFDS ROUTE NETWORK

RELIABILITY FREQUENCY CAPACITY

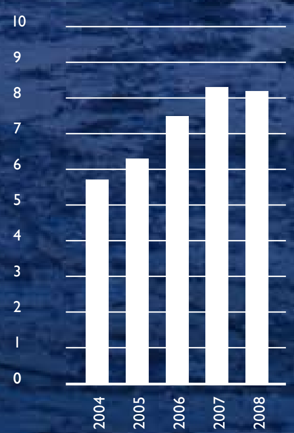
DFDS' shipping network integrates freight and passenger services: We deliver high frequency and reliable freight services to haulage and forwarding companies. We develop and deliver industrial logistics solutions in close co-operation with producers of heavy industrial goods. For passengers, we provide transport services for passengers travelling by car and a maritime onboard experience.

DFDS employs approximately 4,300 people and operates a fleet of approximately 60 ships.

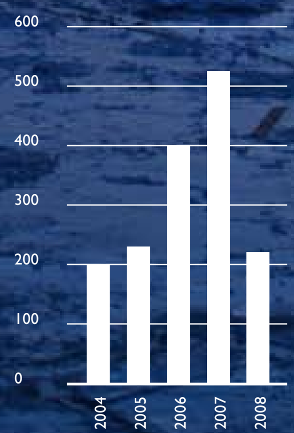
DFDS was founded in 1866, is headquatered in Copenhagen and listed on NASDAQ OMX The Nordic Exchange Copenhagen.

- REVENUE AND PROFIT IMPACTED BY LOWER VOLUMES IN H2, AND ESPECIALLY IN Q4
- ACTIVITIES ADJUSTED TO CHANGES IN MARKET CONDITIONS SINCE HALF-YEAR
- SOLIDITY IMPROVED

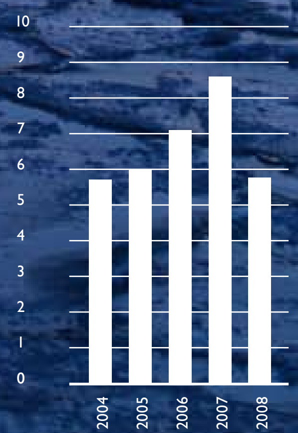
REVENUE
(DKK BILLION)



PRE-TAX PROFIT
(DKK MILLION)



RETURN ON INVESTED CAPITAL (ROIC)
(%)



KEY FIGURES DFDS GROUP

KEY FIGURES

DKK MILL.	2004	2005	2006	2007	2008	2008 EUR MILL.[1]
Income statement						
Revenue[2]	5,723	6,278	7,524	8,310	8,194	1,100
▪ Ro-Ro Shipping			3,471	3,680	3,799	510
▪ Container Shipping			1,293	1,642	1,654	222
▪ Passenger Shipping			1,838	1,932	1,779	239
▪ Terminal Services			706	703	647	87
▪ Trailer Services			918	986	963	129
Operating profit before depreciation (EBITDA)[2]	870	890	1,137	1,316	1,017	136
▪ Ro-Ro Shipping			794	896	767	103
▪ Container Shipping			128	151	101	14
▪ Passenger Shipping			242	249	194	26
▪ Terminal Services			12	15	-29	-4
▪ Trailer Services			15	57	33	4
Profit on disposal of ships, buildings, and terminals	20	29	33	33	40	5
Operating profit (EBIT)	391	433	587	752	456	61
Financing, net	-190	-202	-193	-226	-235	-32
Profit before tax	200	231	402	526	221	30
Profit for the period	194	193	364	412	253	34
Profit for the period after minority interests	176	175	352	400	247	33
Profit for analytical purposes	177	182	348	485	227	30
Capital						
Total assets	7,986	8,457	9,991	9,610	8,610	1,156
DFDS A/S' share of the equity	2,546	2,803	3,154	3,538	3,414	458
Total equity	2,700	2,904	3,265	3,653	3,484	468
Net interest bearing debt	3,556	3,970	4,654	3,828	3,425	460
Invested capital, average	6,458	6,667	7,796	8,107	7,671	1,030
Average number of employees	4,026	4,215	4,346	4,427	4,301	-
Cash flow						
Cash flow from operating activities before finance and after tax	829	711	1,167	1,264	983	132
Cash flow from investments	-1,449	-855	-1,698	-151	-345	-46
▪ Acquisition of companies, activities and minority interests	-18	-328	-306	-35	-40	-5
▪ Other investments	-1,431	-527	-1,392	-116	-305	-41
Free cash flow	-620	-144	-531	1,113	638	86
Operations and return						
Number of ships	66	66	68	64	60	
Revenue growth, %	8.7	9.7	19.8	10.5	-1.4	
EBITDA-margin, %	15.2	14.2	15.1	15.8	12.4	
Operating margin, %	6.8	6.9	7.8	9.0	5.6	
Invested capital turnover rate, times	0.89	0.94	0.97	1.03	1.07	
Return on invested capital (ROIC) p.a., %	5.8	6.0	7.0	8.6	5.8	
Return on equity p.a., %	7.0	6.8	11.7	14.5	6.5	
Capital and per share						
Equity ratio, %	33.8	34.3	32.7	38.0	40.5	
Financial gearing, times	1.40	1.42	1.48	1.08	1.00	
Earnings per share (EPS), DKK	22	23	46	52	32	
Dividend per share, DKK	7.0	7.5	11.0	15.0	0.0	
Number of shares at the end of the period, '000	8,000	8,000	8,000	8,000	8,000	
Share price at the end of the period, DKK	285	382	680	790	399	
Market value, DKK mill.	2,276	3,035	5,440	6,320	3,192	

Key figures and financial ratios for 2004 have been changed in accordance with the IFRS accounting policies.

1) Applied exchange rate for euro as of 31 December 2008: 745.06
2) During 2007 a new business area structure was introduced and comparative figures per business area are only available for 2006. The figures per business area do not sum to the Group figures as, among other things, eliminations and non-allocated items are not included.

PREPARED FOR CHALLENGING 2009

2009 will no doubt be charaterised by a very low level of demand. Under these circumstances it is our challenge to adapt capacity and costs to the level of activity – while preserving our competitive strength for the time when the wind changes and fills our sails again.

The process of adaptation was enacted early and began in May 2008 with DFDS Seaways' improvement plan. Halfway through the year, we began implementing adaptations to our freight capacity and organisational structure, and this work has continued into 2009.

DFDS is therefore well prepared for a challenging 2009.

Our fleet will be further modernised in 2009, and we will continue to create value for our customers by investing in and developing our new freight-sales organisation. This, combined with the improvements and adaptations already in place, means DFDS will be well equipped to gain market share in the years to come, despite the current difficult market conditions.

The shipping and transport sectors are sensitive to economic fluctuations, and the rapid and steep fall in demand reduced DFDS's profitability in 2008. Profitability will most likely continue to be affected by the slowdown in growth across the EU in 2009. However, our low ownership share of parts of the fleet does afford a certain flexibility that allows us to alleviate some of the effects of the economic trend.

We increased the equity ratio to 40% at the end of 2008, and our capital requirements for 2009 have also been secured. In terms of financing, DFDS is therefore well prepared for 2009.

Subject to approval from the competition authorities, DSV indirectly acquired 25% of DFDS's share capital at the start of 2009. We believe this strengthens DFDS's opportunities to meet its strategic and financial targets, including consolidation of the company's market position.

In the light of last year's extraordinarily volatile market conditions, we would like to extend a special thank you to all DFDS staff, customers, shareholders and business partners for their contribution and co-operation in 2008.

IVAR SAMRÉN
CHAIRMAN OF THE BOARD

NIELS SMEDEGAARD
PRESIDENT AND CEO

FROM ROUTES TO NETWORKS

THE DFDS VISION

- **A European, sea-based transport network that provides competitive, differentiated and value-generating transport solutions to freight customers and passengers.**
- **A challenging and attractive workplace for our staff.**
- **A company with stable and rising profitability, which generates value for our shareholders.**
- **A responsible, environmentally-oriented company engaged in constructive dialogue with the world at large.**

Strategy

DFDS's vision and strategy were updated in 2007 in response to a significant expansion of activities, the change in management at the start of 2007, and new circumstances in the world at large.

The new Group strategy is based on four main elements:

1. Building a sea-based European transport network
2. Integrating value-generating customer solutions for freight and passengers
3. Securing volumes
4. Maintaining a constant focus on operations

The market and the competitive situation are outlined below, followed by the four main strategies.

The market and competitive situation

In all probability, the consolidation of European freight and passenger shipping will continue over the next few years, in much the same manner as the consolidation experienced by the land-based transport sector.

This process is driven by the need to reap the benefits of greater geographic reach in particular with regard to four factors:

- Freight customers (i.e. transport and production companies) are growing larger and have more complex supply chains
- Risk diversification
- Resources for system and concept development, as well as investment in new tonnage
- Reduction of unit costs

The most important driving force is the continual expansion of our freight-customer base. Just as land-based transport companies have expanded to meet the needs of their growing customers, including global companies, European shipping companies with a high proportion of freight customers are expected to consolidate across regions in order to supply more competitive transport solutions and function as equal partners.

The consolidation process is also underpinned by the need for risk diversification, which reduces dependence on individual activities. Larger units require greater resources for system and concept development, as well as for investment in larger and more expensive tonnage. In addition, the distribution of fixed costs across larger volumes produces financial advantages in terms of lower unit costs.

The future competitive situation is therefore expected to be increasingly characterised by, on the one hand, competition between shipping companies and, on the other, competition – but also integration and co-operation – between sea, road, rail and air-based transport networks.

DFDS's activities and geographic spread in the North Sea and the Baltic Sea provide a strong foundation for reaping the benefits of consolidation.

The four main strategies

The vision is to position DFDS as a European, sea-based transport network, based on four main strategies:

Building up a sea-based European transport network: The network will be expanded to include several more regions in Northern Europe, in order to improve the competitiveness of solutions for transport and production companies. An extended network will also provide opportunities for operational synergies.

Integrating value-generating customer solutions for freight and passengers: Combined freight and passenger shipping makes it possible to achieve significant market shares, and to exploit synergies associated with transporting both freight and passengers using the same tonnage. The integration of transport systems for freight will also improve competitiveness in several customer segments.

Securing volumes: In order to achieve a stable and high capacity utilisation of the route network, freight volumes are to be secured through longer-term partnership agreements with major production companies, and through shorter-term agreements with trailer operators. Capacity utilisation on selected routes should also be underpinned by DFDS's own trailer operators offering transport solutions that utilise DFDS's network. In addition, operation of own port terminals in selected locations contributes to the efficiency, stability and growth potential of the network.

Maintaining a constant focus on operations: The safe, efficient operation of freight and passenger ships is a central operational competence in DFDS, one that must be constantly maintained and developed. The operation of port terminals and trailer companies also demands related competences.

Implementation

Implementation of the strategy involves three primary priority areas:

- Expansion of the route network to more regions in Northern Europe
- Integration of passenger activities in the network
- Securing higher volumes

The route network will mainly be expanded through the acquisition of companies and activities, which apart from expansion also serves to consolidate the network in selected areas.

DFDS's passenger competences, which have been primarily built up through cruise-ferry activities, will to a greater extent than at present be applied to the current cruise-ferry and ro-pax concepts. It is expected that the growth in passenger activities will first and foremost be achieved through ro-pax-oriented concepts.

Securing new volumes for the network will be strengthened in three ways. Firstly, co-operation agreements and relationships with transport companies will be further developed to mutual advantage. Secondly, the proportion of industrial logistics should be increased based on more and longer-lasting partnerships. Thirdly, DFDS's own trailer activities will be selectively expanded in order to add new volumes on specific routes.

Business structure

The business structure consists of five areas.

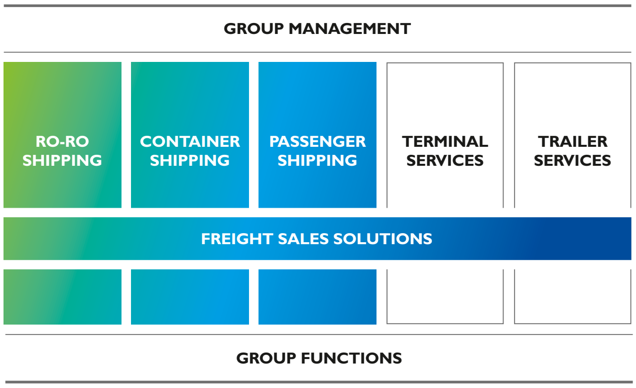
The business areas Ro-Ro shipping, Container Shipping and Passenger Shipping are responsible for different activities on the route network as a whole, while Terminal Services and Trailer Services support the network by operating port terminals and trailer activities.

A co-ordinating sales unit – Freight Sales Solutions – has also been set up. Its purpose is to strengthen and co-ordinate sales efforts on transport solutions that cut across business areas and the network.

Financial targets

The return on invested capital should be raised to a level that exceeds the Group's cost of capital by 30–50%. The cost of capital (WACC) in early 2009 was calculated at 7.0%.

The target for the capital structure is an equity ratio of 35–40%. In periods of major investment, the equity ratio may be temporarily reduced to approximately 30%.



MANAGEMENT REPORT

- Extraordinarily difficult and changeable market
- Early adaptation to market conditions
- Improvement plan implemented for passenger activities
- Equity ratio increased to 40%

Financial performance

Market conditions, oil prices and currency rates all shifted considerably in 2008 as the economy continued to deteriorate throughout the year.

Mainly as a result of the general economic climate, pre-tax profit for 2008 fell by 58% to DKK 221 million. This result is not satisfactory in terms of DFDS's long-term financial targets, but it is considered satisfactory given 2008's extraordinarily difficult and changeable market conditions.

The first signs of a change in the economic climate became apparent towards the end of 2007, and in March 2008, when the annual report for 2007 was published, there was still great uncertainty about prevailing economic trends. The expectations announced in the annual report were therefore subject to greater uncertainty than usual.

Halfway through 2008, it became obvious that a long-lasting and widespread recession was on the way, starting with difficult market conditions in the second half of the year.

In this light, the profit forecast for the year was adjusted downwards at the end of the second quarter. As market conditions worsened to a greater extent than expected in the second half of the year, the profit forecast was again adjusted downwards, and the third-quarter announcement reported a pre-tax profit expectation in the range DKK 250–300 million. The profit for 2008 was thus lower than the expected range due primarily to an unforeseen write-down concerning customer portfolio of DKK 42 million. Operating profit before depreciation (EBITDA) was reduced by 23%, which was within the forecast parameters of a 20–25% reduction.

Revenue was DKK 8.2 billion, 1% lower than 2007. The forecast growth for revenue by the third quarter was around 0%. Adjusted to take into account the rise in oil-price surcharges, revenue was down 5%. The majority of this reduction may be attributed to the fourth quarter, when revenue fell by 15%.

The Group's total assets were reduced by 10% in 2008. The equity ratio was increased to 40%.

The economic climate's impact on financial performance

The deterioration of the economy had a negative impact on DFDS's results in 2008 as a result of:

- **Difficult market conditions:** Low market growth negatively impacted operations by reducing capacity utilisation and increasing competitive pressure – especially in the fourth quarter, which saw a reduction in revenue of 15%.
- **High oil prices in Q2 and Q3:** The increase in oil prices in Q2 and Q3 exerted further price pressure in the passenger and freight markets. Bunker costs rose considerably at the end of Q3, but the pronounced fall in oil prices in Q4 more or less balanced out the earlier rise.
- **Restructuring costs:** In response to changing market conditions, a streamlining and adaptation programme was implemented throughout the year, which incurred one-off costs of DKK 43 million.

It is difficult to quantify and isolate the individual impact of low market growth and high oil prices, as the latter helped weaken demand up to and including Q3. The untenable and unstable combination of low growth and high prices for raw materials subsequently triggered an abrupt drop in the level of activity and demand in Q4.

Financial performance at business-area level

Operating profit (EBIT) was lower across all five business areas in 2008. Ro-Ro Shipping's EBIT fell by 15%, mainly due to a weak market for the Baltic Sea route network and to activities related to the automobile sector.

The decline in financial performance was more severe in the four other business areas, where results were affected not only by the general economic climate but also by a number of one-off costs.

Container Shipping's EBIT was negative in 2008 due to intense competition in several areas of activity, including routes between Ireland and the Continent and Spain; intermodal activities on the North Sea; chartering activities; and a write-down related to DFDS Container Line.

In addition, as in 2007, Passenger Shipping's EBIT for 2008 contains several non-comparable items. Adjusted for this, EBIT was more than halved in 2008, which can largely be attributed to the reduction in financial performance on the Amsterdam route.

Terminal Services' EBIT was negative in 2008 as a result of one-off costs totalling DKK 33 million and a loss at the terminal in Immingham, England.

Trailer Services' EBIT was significantly reduced in 2008 following a pronounced deterioration in performance by the Belgian trailer operator. This was due, among other factors, to a high level of reliance on the automobile sector. The other activities in this business area reported minor improvements in financial performance in 2008.

Strategic development

The main strategic thrust in 2008 was internal.

The new organisational structure comprising five business areas, which was introduced in the second half of 2007, was fully implemented. Several functions that serviced multiple areas of business were centralised, and the HR and communications areas were upgraded. In addition, a new sales division was introduced for freight (Freight Sales Solutions), which provides services across the business areas.

The strategic focus was sharpened by selling off the Tramp business area, which generated a satisfactory profit of DKK 28 million.

In order to prepare DFDS to realise the growth targets set in the strategy, a wide-ranging improvement and efficiency programme, the "Go Forward Plan", was introduced in spring 2007. This programme continued in 2008, and its most important results are outlined below.

One of the strategic goals for DFDS is to expand the route network in Northern Europe. This will mainly be achieved through acquisitions. Analysis work was ongoing during the year to prepare for taking advantage of any consolidation opportunities that may arise.

DFDS's strategies and targets are described in greater depth on pages 10-11.

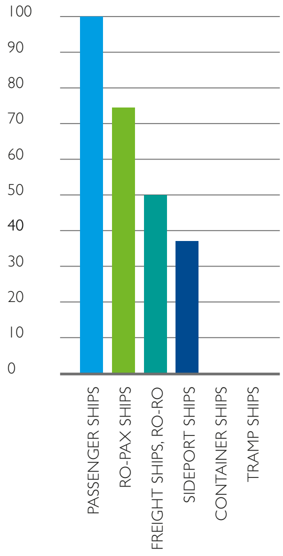
Efficiency programme continued

The improvement and efficiency programme (the "Go Forward Plan") continued in 2008, with the focus on strengthening management and control processes, improving operational efficiency and implementing projects directed towards high earnings from specific activities. The primary task was the improvement plan for DFDS Seaways.

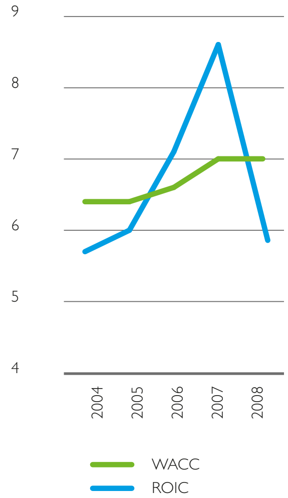
The most important initiatives implemented in 2008 were:

- **Improvement plan for Passenger Shipping (DFDS Seaways):** The restructuring is expected to generate savings of around DKK 100 million in 2009. At present, it is estimated that 90% of the savings will be achieved. The plan resulted in the closure of the Bergen route; rationalisation and reorganisation projects on land and on board the ships; and the introduction of new and more flexible industrial-relations agreements and crewing principles.
- **Price control, Ro-Ro Shipping:** Reporting tools have been developed in order to conduct an analysis of the connections between pricing, product range and capacity utilisation across the route network. Transparency has been improved with regards to optimisation of the individual departures' earnings, which helped to underpin freight rates and capacity.
- **Setting up of Freight Sales Solutions:** The new sales unit, Freight Sales Solutions, was launched at the start of April 2008. It has already improved the co-ordination of sales work between the business areas and agencies. It has also supported the overall strategy for major freight customers whose transport and logistics needs reach across the network. A number of new contracts were also signed (see page 42 for details).

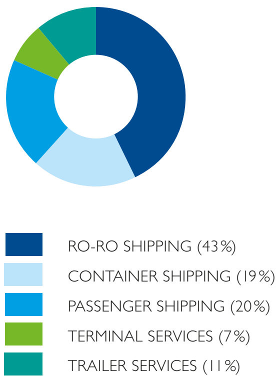
OWNERSHIP SHARE PER SHIP TYPE (%)



DEVELOPMENT IN RETURN ON INVESTED CAPITAL (ROIC) AND CAPITAL COST (WACC) (%)



REVENUE PER BUSINESS AREA 2008



60 SHIPS OPERATED BY DFDS IN 2008

- **Following up on debtors:** In order to optimise DFDS's cash flow, new processes and systems were developed to follow up on outstanding debts. Several pilot projects were introduced, with satisfactory results. A new model was introduced in several subsidiaries, and will be gradually rolled out throughout the Group.
- **Integration of passenger activities:** An integration process has been launched in order to utilise Passenger Shipping's competences across the network. In 2008, the DFDS Seaways' booking system was installed at DFDS LISCO, which operates four ro-pax routes in the Baltic Sea. A new business model for separating freight and passenger activities on ro-pax vessels was developed and subsequently implemented on the Esbjerg–Harwich route in 2009. Passenger revenue of approx. DKK 110 million will be transferred from Ro-Ro Shipping to Passenger Shipping.

Activities adapted to market conditions

In the second half of 2008 and the start of 2009, several activities were adapted in response to the ongoing deterioration of market conditions.

These changes were designed to reduce the capacity of the route network by returning or chartering out excess tonnage and reducing the number of sailings. Operating costs were reduced by changes to ship operations and the renegotiation of port and charter agreements. The freight agency was adapted for a lower level of activity. Sales efforts, particularly those related to industrial customers, were intensified.

Further opportunities for adaptation have been identified should the level of activity fall even further in 2009.

Financial goals

Return on invested capital (ROIC) fell to 5.8% in 2008, from 8.6% in 2007. The return was therefore lower than DFDS's cost of capital, which was calculated at 7.0% at the start of 2008.

The cost of capital at the start of 2009 was calculated at 7.0% – the same as 2008, partly because a lower risk-free interest rate was balanced by a higher borrowing rate.

DFDS's long-term financial objective is to achieve a return that exceeds the cost of capital by 30–50%. For 2009, this target corresponds to a return of 9.1–10.5%, based on the calculated cost of capital of 7.0%.

The profit forecast for 2009 implies a decrease in ROIC, which reflects the expected continuation of difficult market conditions in 2009. At present, the outlook seems to predict low-growth scenarios across Northern Europe over the next two–three years. All things being equal, such a scenario will make it difficult to achieve the long-term targets, whereas achieving a ROIC on a level with the cost of capital is deemed to be realistic.

ADAPTATION OF ACTIVITIES

AREA OF ADAPTATION	EFFECT
Reduction of capacity, including returning and chartering out of excess tonnage	▪ Redelivery of three ships ▪ Chartering out of four ro-ro ships ▪ One passenger ship laid up ▪ Number of weekly sailings reduced on several routes
Reduction of operating costs	▪ Extension of sailing time ▪ Optimisation of bunker consumption ▪ Renegotiation of port agreements ▪ Renegotiation of charter agreements
Alignment of organisation	▪ Freight agency in Esbjerg closed ▪ Number of jobs in freight agencies reduced by 12–17% in: - The UK - The Netherlands - Ireland - Lithuania - Norway - Sweden - Germany ▪ Number of jobs in port terminals in Britain to be reduced by 15% (70 positions)
Focus on sales activities	▪ Price changes ▪ Cross selling ▪ New paper-industry contract ▪ New car- and steel-industry contracts

Tonnage

At the end of 2008, DFDS operated a total of 60 ships, a reduction of four compared to the same period in the previous year. This was mainly due to the sale of the Tramp business area, which operated four vessels.

As a result of adaptations to the capacity on the route network due to the generally lower level of activity and the addition of tonnage in 2008, the number of ships chartered out externally rose from three at the start of 2008 to eight at the start of 2009. Two chartered ships were also returned in 2008, and a passenger ship was laid up in September. In February 2009, the passenger ship was chartered out as a floating hotel. This agreement will expire in April 2009.

EXPECTATIONS PER BUSINESS UNIT FOR 2009

BUSINESS UNITS	REVENUE	EBITDA	FOCUS
Ro-Ro Shipping	Considerably lower	Considerably lower	Adjustment of capacity to market development
Container Shipping	Lower	Somewhat lower	Adjustment of capacity to market development
Passenger Shipping	Lower	Considerably higher	Achieve goals for improvement plan
Terminal Services	Considerably lower	Level	Improve earnings for port terminal in England
Trailer Services	Lower	Level	Improve earnings for Belgian unit
Non-allocated items	n.a.	Level	Continue process improvement for central functions

Ownership share per type of ship varies in relation to the ship's degree of specialisation. The most specialised vessels in the fleet are passenger ships, which have an ownership share of 100%. Parts of the ro-ro fleet are specialised in relation to their size, speed and loading/unloading capability. These vessels are primarily deployed in the North Sea. The ownership share for the whole of the ro-ro fleet is 50%. The ownership share for standard tonnage, such as container ships, is 0%.

All things being equal, a low ownership share affords better opportunities to make short-term adjustments to capacity by returning chartered tonnage. The contract period for chartered tonnage varies from a few months to up to ten years. Ownership shares for the different types of ship are currently considered satisfactory.

The average age of DFDS's own ro-ro freight ships was 8.4 years at the end of 2008, which is considered to be satisfactory. The average age of the passenger ships was 21 years at the end of 2008, which is also satisfactory and on a par with similar passenger fleets.

In 2007, a contract was signed to charter four newly built ro-ro freight ships, the first two of which were delivered in 2008. The other two are expected in June 2009 and January 2010. In addition, two more ro-ro ships were added in January 2009, and three ro-ro ships were extended in 2009. As a result, no further investment in the purchase of ro-ro vessels is expected between now and 2012.

In January 2008, a contract was signed for delivery of a ro-pax newbuilding in May 2009. The vessel will be deployed on the Baltic Sea in order to expand both passenger and freight capacity.

No new acquisitions of passenger ships are expected until 2011, although refurbishment and upgrading of existing tonnage may become necessary within that period.

Challenging year for staff

DFDS's staff faced many changes and challenges in 2008 as a result of the implementation of improvement plans and efficiency programmes, as well as the introduction of the new organisational structure. Due to the ongoing deterioration of market conditions, it was also necessary to adapt activities, primarily in the second half of the year and the start of 2009.

Throughout 2008, the staff were a model of loyalty and demonstrated admirable commitment to coping with the changes.

On average, staff numbers fell by 3% to 4,301 in 2008. This reduction was mainly related to the changes implemented in the Passenger Shipping business area.

Further information about HR is available on page 46.

Changes in the Executive Board and Group Management

On 21 April 2008, Carsten Jensen was appointed director of the Passenger Shipping business area and joined DFDS's Group Management. He has worked for DFDS since 2005, when he was appointed deputy director of DFDS Seaways with responsibility for sales and marketing.

Christian Merrild, DFDS's Chief Financial Officer for 16 years, decided on his own accord that he would be leaving the company in April. The process of finding a successor has begun.

In January 2009, Group Management was further expanded with the appointment of Björn Petrusson (46) to strengthen the focus on commercial freight. Björn Petrusson is also responsible for Freight Sales Solutions, and has been director of the DFDS Tor Line AB subsidiary since 2001.

Safety and security are top priorities

The security and safety of passengers, crew, tonnage and cargo are of the highest priority and constitute an integral part of the company's overall policies, strategies and targets.

The safety-management system (ISM) is actively developed on an ongoing basis. The system is based on documented processes that focus on all aspects of onboard security, including ensuring that the requirements of both legislation and internal Group specifications are fulfilled. Much of the safety work takes the form of well-established onboard inspection and maintenance routines. The management continually monitors the results of this work, and individual parts of the system are analysed and processed as required.

In addition, all the ships are subjected to an in-house audit at least once a year. The purpose of these extensive control mechanisms is to ensure safety, and to collate important information that can be applied to fleet-wide preventative measures.

At legally specified intervals, both the shipping company and the fleet are subjected to inspections and security and safety audits by relevant authorities in the state under whose flag the ships sail. These inspections are carried out by classification societies, by the EU and by insurance companies.

Exercises and training are key elements in safety work. Different types of onboard emergency and safety exercises, involving all or parts of the crew, take place all the time. In addition, the fleet regularly takes part in exercises with different countries' emergency services, in order to train staff, exchange experiences and ensure the ships are prepared for any eventuality.

DFDS engages in active discussion about ongoing improvements to onboard security and safety with various organisations and official bodies at national, European and international level. DFDS is also represented on several organs in the Danish Shipowners' Association, and by the Danish representative to the International Chamber of Shipping's Passenger Ship Panel. On behalf of Denmark, DFDS also chairs "Nordkompass", the Nordic Committee for Passenger Ship Safety.

Profit forecast 2009

DFDS's primary market is Northern Europe, where the general outlook for 2009 is one of negative economic growth. At present, it is uncertain whether the economic trend will remain negative throughout the whole of 2009 or whether an improvement will materialize towards the end of the year.

Oil-price and currency trends also remain uncertain.

The result for 2009 will be affected by the following items:

- **Revenue:** Group revenue is expected to decline compared to 2008 due to lower volumes and reduction of capacity. In the first two months of 2009 freight volumes were around 25% lower than in 2008, while the passenger market was less impacted
- **Bunker costs:** It is estimated that a price change of 1% compared to the price level beginning of March 2009 entails a profit impact of approximately DKK 0.2 million
- **EBITDA:** Group operating profit before depreciation (EBITDA) is expected to decline by around 20% compared to 2008
- **Investments:** Total investments are expected to amount to DKK 1.3 billion in 2009. No major asset investments are planned or 2010 and 2011.
- **Depreciations:** As a result of the above-mentioned investments, depreciations are expected to rise by approx. DKK 40 million.

On this background, and already initiated cost adjustments, the Group expects a pre-tax profit for 2009 of around nil. The forecast is subject to significant uncertainty.

EBITDA IS EXPECTED TO DECREASE BY AROUND 20% IN 2009

THE WORLD OUTSIDE DFDS

A number of external factors impact upon DFDS, the most significant of which are political decisions, including new legislation, changes in competition and in the conditions faced by customers, and the general state of the economy.

Political decisions & legislation

Political decisions regarding Northern Europe's infrastructure and the shipping and transport sector have the greatest impact on DFDS. In addition, DFDS is subject to International Maritime Organisation (IMO) conventions. The IMO is the UN body responsible for maritime issues, primarily safety and the environment.

The most important topical issues that may affect DFDS are described in brief below.

Legislation on sulphur content in bunkers: Directives issued by the IMO and the EU regarding the use of low-sulphur bunkers for freight shipping came into force on the North Sea in August 2007. A similar directive for passenger shipping had already come into force in 2006. From early 2010, EU legislation will limit the sulphur content of bunkers to a maximum of 0.1% while in port.

In 2008, the decision was taken to introduce a sulphur-content limit of 0.1% for bunkers in the Baltic Sea and the North Sea from 2015. Both seas are designated as SECAs (Sulphur Emission Control Area). Outside of these areas, the target is a sulphur-content level of 0.5%.

In order to meet the sulphur–reduction targets, it is first necessary to establish reliable supplies of this product. This is not the case at present, and the transition is expected to increase costs. Technology is currently being developed to reduce the sulphur content of bunkers on board ships, instead of purchasing bunkers with a sulphur content of 0.1%.

Road tax (the Eurovignette): In 2006, the EU issued the Eurovignette, a directive designed to regulate the content of road-tax schemes. The EU is still processing the directive on the introduction of end-user payments for infrastructure, with a view to covering costs related to, for example, pollution and traffic congestion. Initially aimed at the road-transport sector, the directive is designed to support cleaner trucks, the use of less congested routes, the optimisation of capacity utilisation and, in general, more efficient use of EU's infrastructure.

All else being equal, road tolls will increase the costs associated with road haulage compared to sea and rail transport. This is expected to have an ongoing positive impact on the competitiveness of DFDS's route network.

INTERNATIONAL RO-RO PASSENGER AND FREIGHT VOLUMES

	PASSENGERS			FREIGHT UNITS*		
	2007	2008	CHANGE	2007	2008	CHANGE
Baltic North	16,494,969	17,084,807	3.6 %	602,825	621,982	3.2 %
Baltic South	12,786,379	12,409,269	-2.9 %	1,890,247	1,857,858	-1.7 %
Kattegat	20,528,892	20,221,329	-1.5 %	1,011,332	953,023	-5.8 %
North Sea	2,358,020	2,230,505	-5.4 %	1,206,280	1,139,034	-5.6 %
The Channel	17,683,404	17,108,958	-3.2 %	2,721,209	2,636,246	-3.1 %
Irish Sea	5,640,267	5,264,525	-6.7 %	1,296,446	1,245,410	-3.9 %
Ro-ro total	**75,491,931**	**74,319,393**	**-1.6 %**	**8,728,339**	**8,453,553**	**-3.1 %**
International bridge and tunnel volumes						
Øresund Bridge	14,806,000	14,977,000	1.2 %	338,426	341,106	0.8 %
Eurotunnel	9,343,049	8,313,663	-11.0 %	1,414,709	1,254,282	-11.3 %
Total bridge and tunnel	**24,149,049**	**23,290,663**	**-3.6 %**	**1,753,135**	**1,595,388**	**-9.0 %**

Source: Shippax, own figures. Statistics are incomplete as some shipping companies are not included in the figures.
* A freight unit corresponds to approx. 13 lanemeter.

Driving/rest-time regulations: In March 2006, the EU adopted new and stricter regulations regarding driving and resting time for lorries, the aim of which is to improve road safety and drivers' working conditions. The new regulations came into force in April 2007. In March 2009, the scheme will be extended to include independent haulage contractors.

Subsidies: The EU's Marco Polo programme provides seed funding for new and commercially viable shipping projects. Short-sea shipping is also part of the EU infrastructure programme TEN (Trans European Network), which has considerable funds at its disposal.

Both programmes are designed to relieve bottlenecks on EU roads and move freight from road to sea.

Impact of the economic cycle

After a prolonged period of economic growth in Northern Europe, the economic trend reversed in 2008, with the last quarter of the year in particular characterised by negative economic growth. Within the EU, the current consensus is that negative growth in 2009 will be around 2%.

Reduced demand in the economy will entail lower production and consumption, and therefore a generally lower level of activity in the transport sector. The consequences for passenger and freight shipping will be lower market volumes – which will lead to over-capacity, as tonnage capacity is adapted in stages and involves a certain time lag. As a result, the opportunities to reduce capacity may be limited in the short and medium term. In the worst-case scenario, economic trends may lead to route closures. In addition, over-capacity will also increase price pressures in the market.

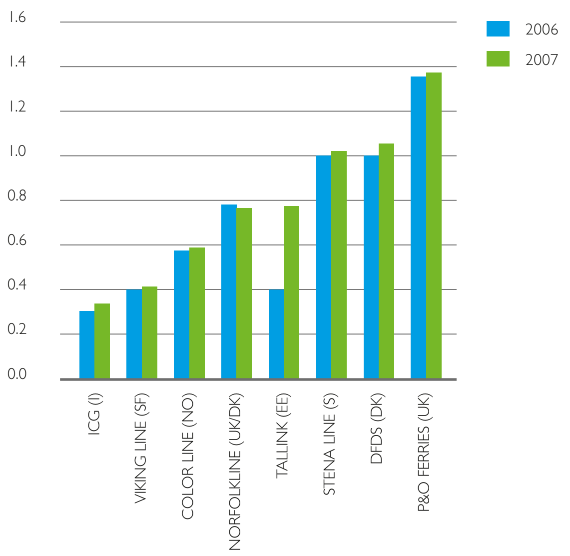
Consolidation of European shipping

The negative economic trend outlined above is expected to act as a catalyst for further consolidation of European ro-ro-based shipping. This is due to the need to improve the earnings level and financial stability through mergers and by rationalisation of activities.

A certain degree of consolidation took place among Northern European ferry-shipping companies in autumn 2008, when the Greek shipping company Superfast Ferries, owned by Attica Group, closed the company's remaining Northern European route, between Scotland and Belgium. The Danish-owned shipping company Norfolkline announced that it will reopen the route in April 2009. The Norwegian shipping company Kystlink opened a route between Norway and Denmark in 2008, which was then closed in the autumn – partly because Color Line deployed new ro-pax tonnage on the same route. New ro-pax tonnage was also deployed on the northern part of the Baltic Sea in 2008.

In February, a comprehensive restructuring of the French shipping company SeaFrance, which sails between France and England, was announced. In the Mediterranean, the Greek ferry sector was consolidated through acquisitions made by Grimaldi Naples and Attica Group.

EIGHT LARGEST NORTH EUROPEAN PASSENGER AND FREIGHT SHIPPING COMPANIES, REVENUE (EUR BILLION)

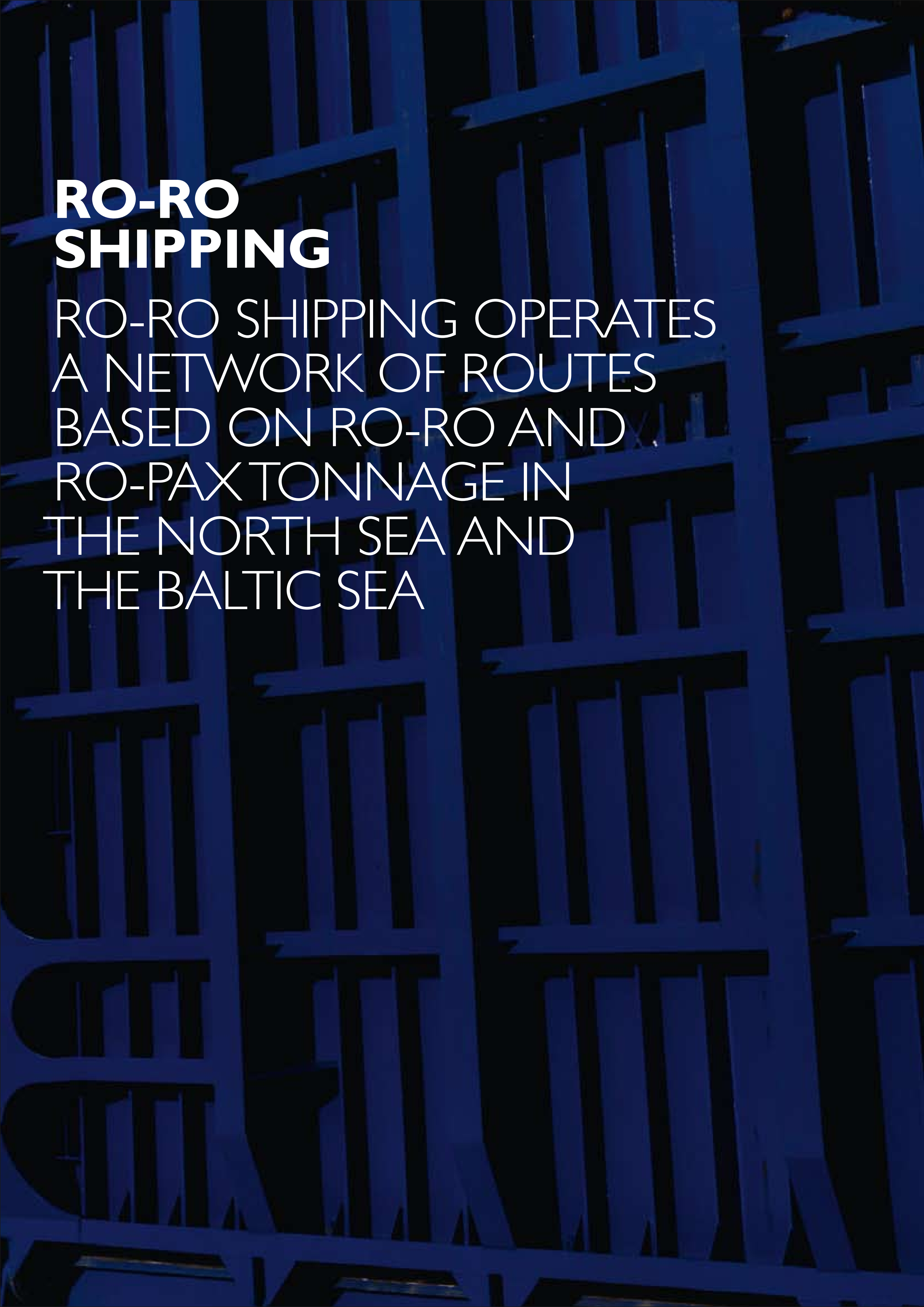


Market trends and competition

The Northern European freight and passenger-shipping market is characterised by a regional structure. Most shipping companies' activities are focused on one or two regions, although a handful of larger companies, including DFDS, operate across several regions in Northern Europe.

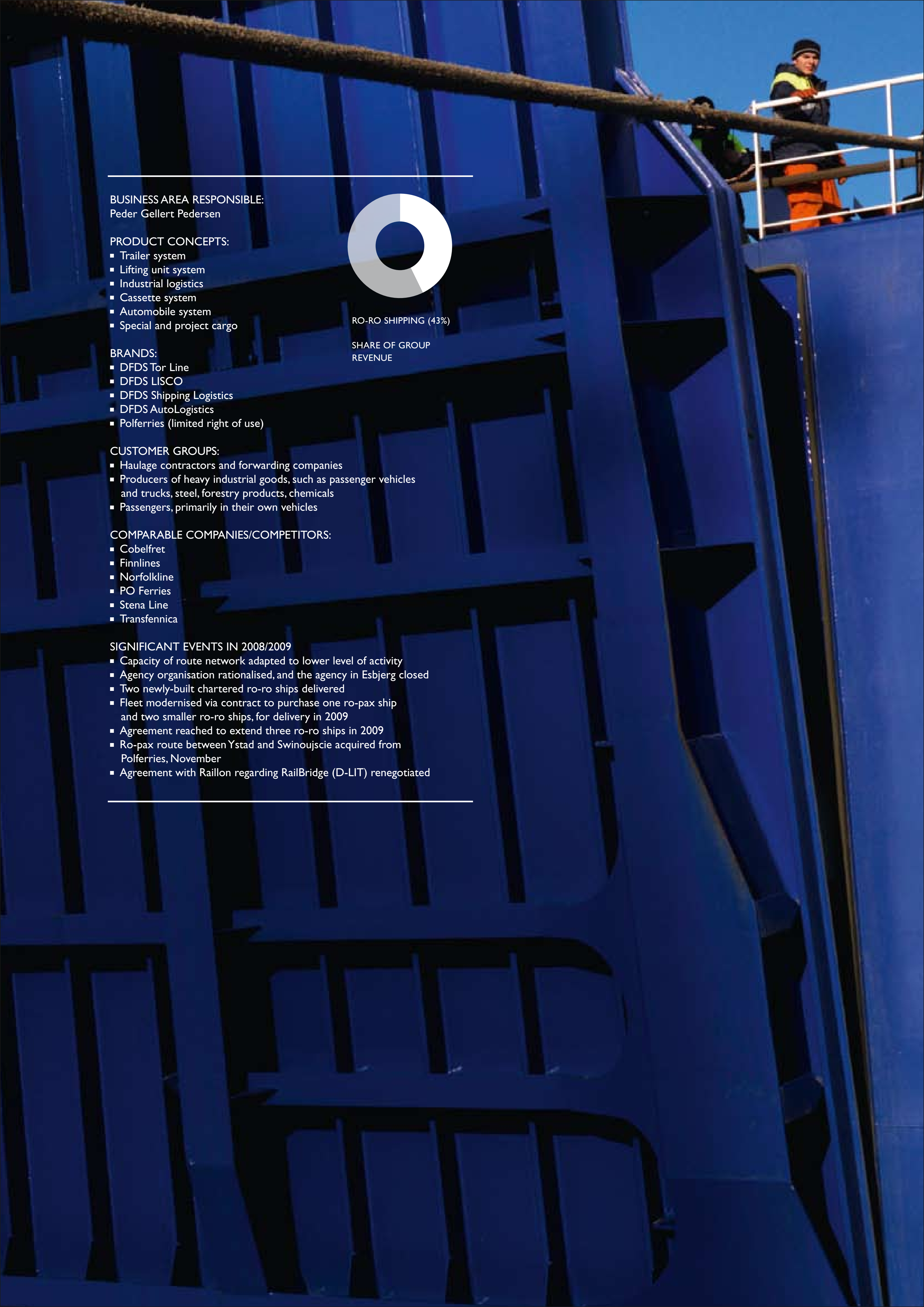
Growth in the Northern European ro-ro passenger market was -2% in 2008. Market growth was positive in the north of the Baltic Sea, spurred on by the introduction of new tonnage and negative growth in the other regions. Corrected for route closures, the number of passengers on the North Sea was on a par with 2007. The growth pattern for freight was similar, although total growth was -3%.

Levels of activity in the first half of 2008 were more or less the same as 2007, while the second half of the year was characterised by negative growth, which peaked in November and December. In these months, freight volumes were significantly impacted by extraordinary circumstances, including the emptying of stocks and temporary production stops by industrial companies.



RO-RO SHIPPING

RO-RO SHIPPING OPERATES A NETWORK OF ROUTES BASED ON RO-RO AND RO-PAX TONNAGE IN THE NORTH SEA AND THE BALTIC SEA



BUSINESS AREA RESPONSIBLE:
Peder Gellert Pedersen

RO-RO SHIPPING (43%)

SHARE OF GROUP REVENUE

PRODUCT CONCEPTS:
- Trailer system
- Lifting unit system
- Industrial logistics
- Cassette system
- Automobile system
- Special and project cargo

BRANDS:
- DFDS Tor Line
- DFDS LISCO
- DFDS Shipping Logistics
- DFDS AutoLogistics
- Polferries (limited right of use)

CUSTOMER GROUPS:
- Haulage contractors and forwarding companies
- Producers of heavy industrial goods, such as passenger vehicles and trucks, steel, forestry products, chemicals
- Passengers, primarily in their own vehicles

COMPARABLE COMPANIES/COMPETITORS:
- Cobelfret
- Finnlines
- Norfolkline
- PO Ferries
- Stena Line
- Transfennica

SIGNIFICANT EVENTS IN 2008/2009
- Capacity of route network adapted to lower level of activity
- Agency organisation rationalised, and the agency in Esbjerg closed
- Two newly-built chartered ro-ro ships delivered
- Fleet modernised via contract to purchase one ro-pax ship and two smaller ro-ro ships, for delivery in 2009
- Agreement reached to extend three ro-ro ships in 2009
- Ro-pax route between Ystad and Swinoujscie acquired from Polferries, November
- Agreement with Raillon regarding RailBridge (D-LIT) renegotiated

Markets, activities and customers

Ro-Ro Shipping's activities include the operation of route networks on the North Sea and the southern half of the Baltic Sea. On the North Sea, the company primarily services the flow of goods between Scandinavia and Great Britain/the Continent, as well as between the Continent and Great Britain. In the Baltic Sea, the company mainly services the flow of goods between Scandinavia and the Continent on the one hand, and Russia, the Baltic States and the CIS countries on the other.

The route network includes both ro-ro and ro-pax routes, the latter primarily in the Baltic, where the market for unaccompanied trailers is larger than on the North Sea.

International haulage and forwarding companies make up approximately 55% of the volumes, while producers of heavy industrial goods account for approximately 45% of the total. The volume split remained more or less unchanged compared to 2007.

The most important industrial target groups are producers of heavy goods. Tailor-made logistics systems are developed for these customers often requiring investment in specialised transport equipment, IT solutions, dedicated warehouses and, in some cases, the deployment of larger tonnage. Industrial logistics contracts are therefore long-term, which means that DFDS becomes part of the customer's logistics chain.

Market trends

As a whole, the Northern European ro-ro freight market was reduced by approximately 3% in 2008 as a result of the general economic crisis.

Volumes in H1 2008 were more or less on a par with 2007. In H2, especially in Q4, the level of activity in both the North Sea and the Baltic Sea was negatively affected by the economic slowdown in Northern Europe. The level of activity in Q4 was affected to an extraordinary degree by the emptying of stocks and temporary production stops, i.e. extended industry holidays and shorter working weeks. In certain areas of the market, the level of activity in November and December fell by 15-25%.

The lower level of activity generated over-capacity for most providers in the ro-ro sector, as well as in the container and trailer sectors, which had a negative effect on freight rates. Throughout the year, the competitive situation in the Baltic Sea was characterised by over-capacity in the land-based transport sector. At the end of 2008 and the beginning of 2009, several shipping companies adapted their capacity to meet the changed market conditions by circulating and chartering out tonnage and laying up vessels.

Ro-Ro Shipping's success criteria

The most important success criteria for Ro-Ro Shipping's customer service are reliability and frequency. It is therefore necessary to have in place a timetable that suits customers' needs. Adapting capacity to reflect market trends and reducing the client's overall lead time are also important factors. Transit times must therefore be reduced on an ongoing basis, which will places demands on the speed of the tonnage and turnaround times in port.

Fleet modernisation and adaptation

Modernisation of the fleet continued in 2008 with the purchase of a ro-pax newbuilding for deployment in the Baltic Sea in mid-2009, and the purchase of two smaller and newer ro-ro ships for deployment in the North Sea. The new tonnage will improve customer service by virtue of increased reliability, frequency and capacity. The ro-ro ships were deployed in January 2009.

In the second half of 2009, three ro-ro ships that sail between Sweden and England will be extended, which will reduce operating costs and the environmental impact per unit, as well as add capacity to the market.

Due to deteriorating market conditions throughout the year, the route network's production capacity was reduced by approximately 2% over the whole of 2008. The majority of the reduction can be attributed to Q4, when capacity was reduced by approximately 8% as a result of the returning and chartering out of tonnage. Capacity utilisation in 2008 fell by three percentage points to 71%.

The renewal of tonnage in both 2008 and 2009 leads to savings in terms of operating costs, including bunker consumption, and improved operational reliability, which strengthens the route network's long-term competitiveness.

RO-RO SHIPPING	**2007**					**2008**				
DKK MILL.	Q1	Q2	Q3	Q4	FULL YEAR	Q1	Q2	Q3	Q4	FULL YEAR
Revenue	875	904	951	950	3,680	926	997	1,009	867	3,799
Operating profit before depreciation (EBITDA)	211	243	244	198	896	181	213	202	171	767
Profit on disposal of ships, buildings, and terminals	-2	0	0	0	-2	0	7	3	1	11
Depreciation and impairment	-63	-63	-65	-65	-256	-60	-63	-64	-51	-238
Operating profit (EBIT)	146	180	179	133	638	121	157	141	121	540
Operating profit margin (EBIT), %	16.7	19.9	18.8	14.0	17.3	13.1	15.7	14.0	14.0	14.2
Invested capital, average	4,533	4,475	4,444	4,408	4,464	4,435	4,486	4,472	4,354	4,409
Return on invested capital (ROIC) p.a., %	12.9	14.2	15.3	11.1	13.2	10.9	12.1	12.4	10.9	11.9
Lanemetres, '000	2,666	2,689	2,623	2,637	10,615	2,611	2,663	2,474	2,269	10,017
Passengers (Baltic Sea), '000	39	57	76	48	220	45	58	81	40	224

Quarterly figures in 2007 and 2008 are not audited.

The tonnage market

As a result of the global fall in the level of activity, the market for ro-ro and ro-pax tonnage is currently characterised by excess capacity – especially in terms of older, smaller tonnage, which still accounts for a disproportionately large share of global ro-ro tonnage. The rate level for newer and larger tonnage is therefore expected to remain relatively stable over the next three years, partly due to a limited introduction of new tonnage during that period.

Activity trends

Full year volumes in 2008 were 6% lower than in 2007. The reduction in the level of activity was primarily related to H2, when the level of activity fell by 6% in Q3, and 14% in Q4. Emptying of stocks and reductions to production capacity affected the level of activity in Q4 to an extraordinary degree.

In the North Sea, the number of lane metres transported was on a par with 2007 during H1, but the level of activity fell in H2. Activity on the route between Sweden and Belgium (EuroBridge) was particularly affected by the general market trend, which can partly be attributed to a decline in automobile production.

THE MAIN CUSTOMER GROUPS ARE INTERNATIONAL HAULAGE AND FORWARDING COMPANIES AND MANUFACTURERS OF HEAVY INDUSTRIAL GOODS

12% WAS THE RETURN ON INVESTED CAPITAL IN 2008

The level of activity also fell on the route between Norway and England (NorBridge). At the end of the year, the route was merged with the route between Sweden and England (AngloBridge). As a result, its tonnage was replaced with AngloBridge's tonnage, which significantly reduced costs. As consequence of this restructuring, the route no longer calls at Kristiansand, while the Brevik call has been retained.

Depreciation of sterling (GBP) in 2008 produced a more balanced freight pattern, as it led to an increase in export volumes from England. However, this was countered by the depreciation of the Swedish crown (SEK) at the end of 2008, which boosted westward bound traffic.

In the Baltic Sea, over-capacity in the road-transport sector and the generally difficult market conditions led to a significant reduction in the level of activity and earnings, especially on the East–West routes along the coast. The deployment of more tonnage on the route between Denmark and Lithuania (BalticBridge) increased capacity and the level of service. The competitive situation improved at the end of the year following the closure of a competitor's route.

North–South traffic on the route between Sweden and Lithuania (ScanBridge) achieved positive growth in Q1–3 but volume development weakened in Q4.

Adaptation of activities

The ongoing deterioration of market conditions throughout the year led to the adaptation of activities in H2 in order to reduce capacity on the route network and the level of costs in general. Sales activities were also intensified.

Significant adaptations in 2008/09:

- The routes NorBridge (N–UK) and AngloBridge (S–UK) were merged. One ro-ro ship was freed up for chartering out
- EuroBridge (S–B): Tonnage was reduced from four to three vessels, July. Number of departures reduced, December
- HansaBridge (D–Latvia): Number of departures reduced, June. Tonnage reduced from two ro-pax ships to one, October
- NevaBridge (D–Rus): Tonnage reduced from two ro-ro ships to one, November
- Two excess ro-ro vessels chartered out
- Freight agency in Esbjerg closed
- Freight-agency staffing levels in Germany, Sweden and Lithuania reduced by 12–17%
- Renegotiation of port agreements initiated

Financial performance

Revenue rose by 3% to DKK 3,799 million as a result of higher income from oil-price surcharges. Adjusted for the rise in oil-price surcharges, revenue fell by 2% in 2008, which should be seen in connection with a 6% reduction in the number of lane metres transported in 2008. On average, the freight rate was on a par with 2007, even though the level fell towards the end of the year.

Operating profit before depreciation (EBITDA) was DKK 767 million, down 14%. The result was negatively influenced by lower capacity utilisation due to deteriorating market conditions throughout the year, and to increased costs for chartered tonnage and bunkers. Much of the reduction in financial performance can be attributed to the unstable competitive situation in the Baltic Sea.

Profit from the sale of assets was DKK 11 million, related to reversal of provisions related to an earlier sale of a ship. Depreciation was DKK 18 million lower than in 2007, primarily as a result of badwill amounting to DKK 20 million. Operating profit (EBIT) was DKK 540 million.

Average total invested capital in 2008 was DKK 4,409 million in 2008, 1% less than in 2007. The return on invested capital was 12%, which was one percentage point lower than in 2007.

CONTAINER SHIPPING

CONTAINER SHIPPING CONSISTS OF ROUTE NETWORKS BASED ON LO-LO TONNAGE IN THE NORTH SEA, THE IRISH SEA AND THE NORTH OF SPAIN

BUSINESS AREA RESPONSIBLE:
Ole Sehested

PRODUCT CONCEPTS:
- Door–door container solutions (dry bulk, refrigerated/frozen)
- Intermodal door–door and quay–quay container solutions
- Shipping logistics for break bulk

BRANDS:
- DFDS Lys Line
- DFDS Container Line
- DFDS Suardiaz Line

CUSTOMER GROUPS:
- Importers and exporters
- Producers of heavy industrial goods, such as forestry products, steel, chemicals and plastics
- Bulk- and tank-container operators
- International haulage companies

COMPARABLE COMPANIES:
- Eimskip/Containerships
- MacAndrews
- Samskip
- Eucon

SIGNIFICANT EVENTS IN 2008/2009
- Steep decline in demand for the majority of activities in H2
- Over-capacity on all main markets
- Capacity utilisation optimised by adaptation of container tonnage
- Ongoing reduction of chartered tonnage
- Volatile oil and diesel prices
- Organisation adjusted to lower level of activity
- Production partnerships with Samskip and Eucon
- New IT system implemented

CONTAINER SHIPPING (19%)

SHARE OF GROUP REVENUE

Markets, activities and customers

Container Shipping's activities consist of intermodal door–door container transport between the Nordic Region, the Continent, Great Britain, Ireland and Spain. In addition, logistics solutions for paper and metal products are provided including shipment from Norway and Sweden to Northern and Southern Europe on the basis of fixed long-term contracts.

Sea transport is facilitated by sea lo-lo ships and combined side-port/container ships. More than 50% of the volumes in Shipping Logistics are covered by long-term contracts. A small fleet of bulk ships is also operated.

The most important industrial customer groups are producers and exporters of paper, metal and plastic products, as well as importers and exporters of finished goods.

Success criteria

The most important success criteria for Container Shipping's customer service are frequency, transit time, flexibility on tonnage and haulage capacity, as well as competitive cost levels underpinned by efficient IT systems.

Market trends

Market conditions were extraordinarily difficult and changeable in 2008, particularly in H2. The negative economic trend led to a general fall in volumes on the market, which created over-capacity and more price competition within door-door containers and bulk transport. High and volatile oil prices increased costs for haulage contractors, and therefore added to competitive pressures.

The Irish market began to stagnate as far back as H2 2007, and was further weakened throughout the whole of 2008, especially in Q4. The other markets were also negatively influenced by the economic trend in H2, especially in Q4. At the sector level, demand was significantly reduced primarily with regard to building materials, raw materials and long term consumer durables.

In Q4, the reduction of costs for bunkers and haulage, as well as several shipping companies' adaptation of tonnage to the lower level of activity, led to a certain consolidation of the markets, which is expected to continue in 2009.

The tonnage market

As levels of activity continued to fall, prices in the time-charter market for both container and bulk ships were significantly reduced. The majority of Container Shipping's tonnage is chartered, and several charter contracts are due to expire in 2009. This will afford the opportunity to both cut capacity and further reduce the cost level over the course of the year.

Activity trends

Container Shipping's activities and results in 2008 were not satisfactory as a the whole, especially activities related to intermodal (door-door) container transport, which was subject to intense competition.

Despite difficult market conditions, industrial logistics activities, which primarily stem from Norway, achieved a satisfactory result. This can partly be attributed to a high proportion of long-term contracts. The largest customer group in this area is the paper industry and as a result of combining the route networks of Container Shipping and Ro-Ro Shipping, a new contract was achieved for paper exports from Finland to Spain. A new route deployed by a side-port and container ship opened between the west of Norway, Scotland and Ireland, primarily shipping paper volumes.

Financial performance for the container activities deteriorated significantly throughout 2008 for all three main activities: Ireland–the Continent, Norway–England/the Continent, and Spain–Ireland/England. In general, the activities were characterised by a high level of competition, and the use of standardised tonnage and falling volumes led to over-capacity in the market. At the same time, costs increased prior to Q3 for both bunkers and external haulage, which accounts for a significant part of the production costs. Intense price competition made it difficult to fully compensate for the higher costs.

In order to adjust to this trend, the tonnage between Ireland and the Continent was reduced from five to four vessels in August, and agreements were reached on tonnage partnerships with other shipping companies in order to reduce the capacity on the market. The organisation was also adjusted by a reduction in staffing levels. Costs are expected to be further reduced in 2009 by negotiating charter agreements at lower rates.

Results in Chartering, which primarily operates smaller bulk ships in Europe and the Mediterranean, were satisfactory until Q3, after which the market was heavily impacted by the fall in demand. Tonnage

CONTAINER SHIPPING	2007					2008				
DKK MILL.	Q1	Q2	Q3	Q4	FULL YEAR	Q1	Q2	Q3	Q4	FULL YEAR
Revenue	412	394	420	416	1,642	430	441	424	359	1,654
Operating profit before depreciation (EBITDA)	38	40	40	33	151	29	30	31	11	101
Share of profit/loss of associates	-2	0	-3	0	-5	-1	-2	-2	-6	-11
Depreciation and impairment	-20	-21	-18	-22	-81	-21	-21	-19	-58	-119
Operating profit (EBIT)	16	19	19	11	65	7	7	10	-53	-29
Operating profit margin (EBIT), %	3.9	4.8	4.5	2.6	4.0	1.6	1.6	2.4	-14.8	-1.8
Invested capital, average	955	950	965	970	960	935	916	907	805	880
Return on invested capital (ROIC) p.a., %	6.8	7.0	7.6	4.0	6.2	2.9	2.9	4.1	-25.6	-3.2
Tons, '000	565	540	549	536	2,190	642	631	622	551	2,446
Containers, '000	29	31	29	28	117	27	30	28	24	109

Quarterly figures in 2007 and 2008 are not audited.

was reduced towards the end of 2008, and further reductions are expected in H1 2009.

Financial performance

Revenue in 2008 was DKK 1,654 million, 1% higher than in 2007. Adjusted for the rise in the oil-price surcharge, revenue was 4% lower. The main fall in revenue can be attributed to container transport, as a result of capacity reduction and lower volumes.

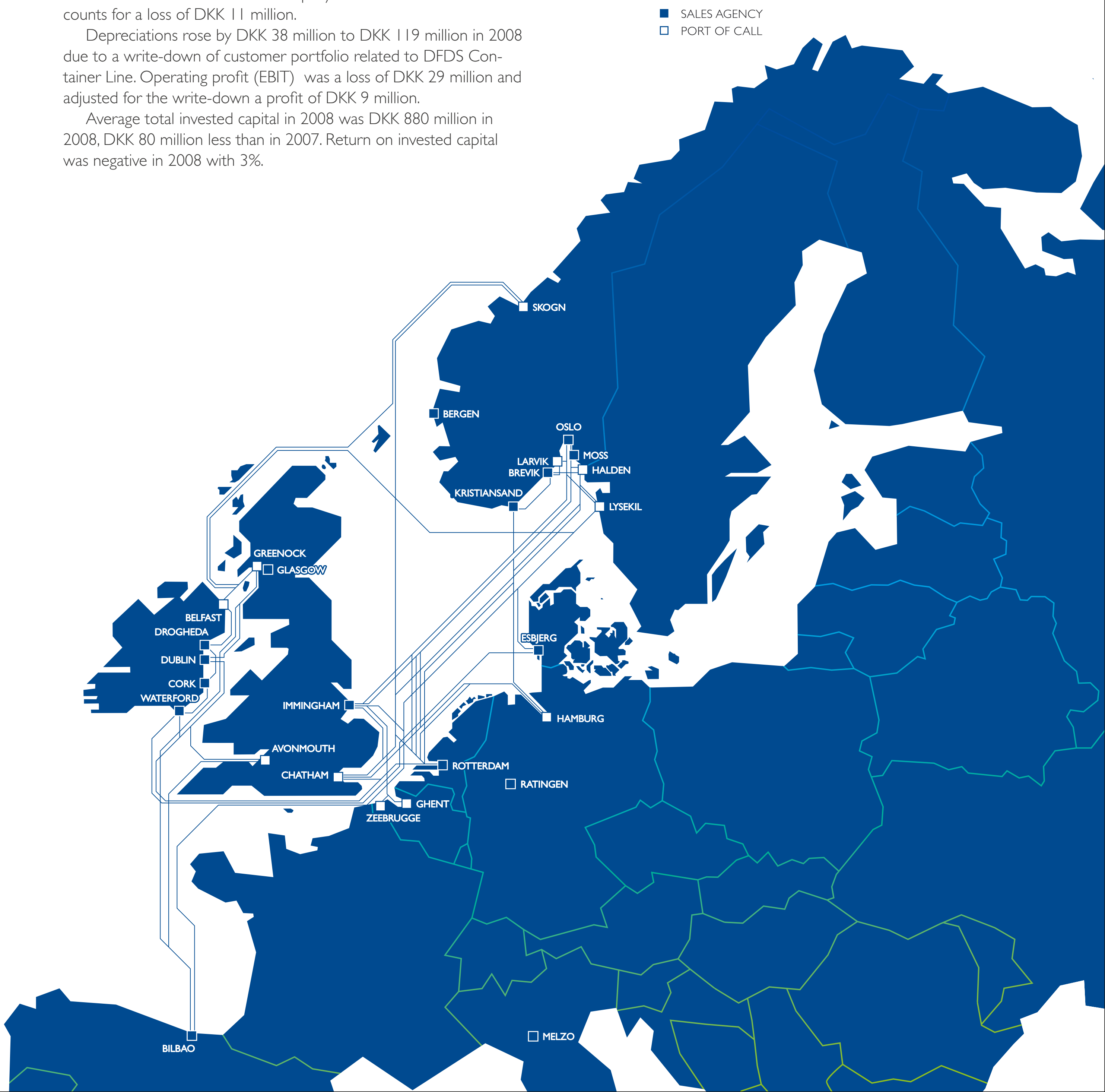
Operating profit before depreciation (EBITDA) fell by 33% to DKK 101 million, mainly as a result of lower capacity utilisation and higher operating costs in container activities. Chartering's income also fell, especially in Q4. The result was also negatively influenced by costs related to adapting the organisation and the introduction of a new IT system. The latter also led to a period of cost control problems in early 2008.

The result in the associated company DFDS Suardiaz Line Ltd accounts for a loss of DKK 11 million.

Depreciations rose by DKK 38 million to DKK 119 million in 2008 due to a write-down of customer portfolio related to DFDS Container Line. Operating profit (EBIT) was a loss of DKK 29 million and adjusted for the write-down a profit of DKK 9 million.

Average total invested capital in 2008 was DKK 880 million in 2008, DKK 80 million less than in 2007. Return on invested capital was negative in 2008 with 3%.

THE MAIN CUSTOMER GROUPS ARE IMPORTERS AND EXPORTERS, AS WELL AS MANUFACTURERS OF HEAVY INDUSTRIAL GOODS



PASSENGER SHIPPING

PASSENGER SHIPPING OPERATES PASSENGER ROUTES BASED ON CRUISE-FERRY TONNAGE IN THE NORTH SEA AND KATTEGAT/SKAGERRAK

BUSINESS AREA RESPONSIBLE:
Carsten Jensen (from April 2008)

PASSENGER SHIPPING (20%)

SHARE OF GROUP REVENUE

PRODUCT CONCEPTS:
- Transport with own vehicle
- Package tours
- Mini Cruise
- Conferences
- Freight

BRANDS:
- DFDS Seaways
- DFDS Canal Tours

CUSTOMER GROUPS:
- Families
- Groups of friends
- Business travellers
- Companies, organisations and course organisers
- Tour operators, agents and travel agents

COMPARABLE COMPANIES/COMPETITORS:
- Color Line
- Fjord Line
- PO Ferries
- Stena Line
- Tallink Silja
- Viking Line

SIGNIFICANT EVENTS IN 2008
- Closure of the loss-making Bergen route
- Reorganisation and rationalisation of the land-based organisation (i.e. headquarters and agency)
- Further decentralisation of commercial responsibility for ship organisation
- More flexible agreements on ships' hotel operations
- Centralisation of purchasing and logistics
- Queen of Scandinavia laid up from 1 September 2008 due to route closure
- Depreciation of net income currencies (GBP and NOK)
- High oil prices, especially in Q2 and Q3

Markets, activities and customers

DFDS Seaways operates overnight passenger-shipping services on three routes in the North Sea and Kattegat/Skagerrak. The main target groups are Mini Cruise passengers, holidaymakers travelling in their own cars, group travel and transport, and conference passengers. The onboard experience is important for all travellers. The routes also carry freight.

Ticket sales and related services account for approximately 40% of revenue, onboard sales for approximately 52%. Freight revenue makes up the remaining 8%.

Market trends

The Northern European market for ro-ro-based passenger shipping fell by just under 2% in 2008. Although the trend was positive in H1, the situation deteriorated in H2. This can be attributed first and foremost to the general downturn in the economic climate.

In the Kattegat area, capacity in the cruise-ferry segment increased as a result of the full-year effect of the deployment of new, larger tonnage between Norway and Germany in H2 2007. Two new ro-pax ships were also deployed between Norway and North Jutland, and several changes were made to the route structure between Norway and Denmark.

In the North Sea, the number of passengers fell by 5%. However, adjusted for the closure of a route between Scotland and Belgium in 2007, and also for the closure of DFDS Seaways' Norway–England route in September 2008, the level of activity was on a par with 2007.

In general, price competition grew more intense in the travel market as a result of increased costs for bunkers and raw materials. However, these factors also led to the closure of a Scandinavian budget airline, which had a certain stabilising effect. As a result of lower demand in the market, pricing strategies are becoming more differentiated in order to secure volumes and thereby onboard earnings.

Passenger Shipping's success criteria

The onboard maritime experience is key to fulfilling passengers' expectations. A positive experience depends upon an attractive onboard environment that offers a varied and contemporary range of food, drinks, shops and entertainment. The recent revamp of the land and sea-based organisation, which further decentralised responsibility for onboard activities, not only improved efficiency but also ensured a higher standard of customer service.

In order to meet customers' needs, new concepts are still being developed and introduced, e.g. steakhouses, DJ concepts, regionalised menus, refurbishment of shopping areas, and theme cruises, e.g. the "rock cruise". The quality of cabins and cleaning are also important for passenger comfort. Other important factors include timetables and punctuality.

Improvement plan implemented

A comprehensive improvement plan was implemented in 2008. Its main effects were:

- the closure of the loss-making Bergen route and the discontinuation of 270 jobs
- the reorganisation and rationalisation of the land-based organisation (i.e. headquarters and agency), including the discontinuation of 70 jobs
- new industrial-relations agreements, which outline more flexible principles for manning two passenger ships
- a new flat management structure on board all ships
- the discontinuation of 60 jobs related to the two points above.

In addition to making the organisation and operations more efficient in general, commercial responsibility for ship organisation has been decentralised. This is expected to underpin earnings linked to onboard sales, which constitute an increasing proportion of the revenue in the business area.

The overall improvement plan was originally expected to lead to an improvement in financial performance of DKK 100 million in 2009. It is currently expected that 90% of this improvement will be achieved in 2009.

Activity trends

Activity levels on the Oslo route were affected by the economic slowdown and depreciation of the NOK, especially in H2, which led to a 5% decline in passenger numbers. Costs also rose due to increased oil prices. However, revenue per passenger also increased by 2%, which helped to maintain the route's earnings on a level that was satisfactory under the circumstances.

The level of activity on the Amsterdam route was affected by the general economic climate and the depreciation of GBP. However, an active marketing and sales effort succeeded in limiting the decline in passenger numbers to 2%. Freight earnings on the route increased by 5% in 2008, although capacity utilisation was still lower than planned.

PASSENGER SHIPPING	**2007**					**2008**				
DKK MILL.	Q1	Q2	Q3	Q4	FULL YEAR	Q1	Q2	Q3	Q4	FULL YEAR
Revenue	333	517	650	432	1,932	320	503	602	354	1,779
Operating profit before depreciation (EBITDA)	-49	99	191	8	249	-88	55	164	63	194
Profit on disposal of ships, buildings, and terminals	0	0	0	35	35	0	1	0	0	1
Depreciation and impairment	-53	-42	-50	-38	-183	-47	-46	-44	-43	-180
Operating profit (EBIT)	-102	57	141	5	101	-135	10	120	20	15
Operating profit margin (EBIT), %	-30.6	11.0	21.7	1.2	5.2	-42.2	2.0	19.9	5.6	0.8
Invested capital, average	2,038	1,967	1,958	1,921	1,973	1,840	1,767	1,750	1,782	1,794
Return on invested capital (ROIC) p.a., %	-20.1	10.2	27.5	0.9	4.7	-29.3	1.9	26.5	4.4	0.8
Passengers, '000	271	402	494	332	1,499	271	390	462	289	1,412

Quarterly figures in 2007 and 2008 are not audited.

The weakening of GBP, a significant increase in the route's bunker costs and ongoing low capacity utilisation led to a significant deterioration in the route's financial performance in 2008. A number of new initiatives have been implemented to improve earnings on the route in 2009 by adapting the onboard concepts and making operations more efficient. The current oil-price level will also significantly improve performance, as will the closure of a competing route in 2008.

Passenger Shipping is responsible for the passenger part of the Esbjerg–Harwich ro-pax route. With effect from 2009, the route's passenger revenue and financial performance will be transferred from Ro-Ro Shipping to Passenger Shipping. The route's freight revenue and financial performance will continue to be managed by Ro-Ro Shipping. As a result, Passenger Shipping's revenue is expected to be increased by approximately DKK 110 million in 2009. This change should be viewed in the context of the Group's strategy to optimise the utilisation of Passenger Shipping's competences.

The Bergen route closed on 1 September 2008 as a result of unsatisfactory profitability. The route's financial performance improved in H1, but not as much as expected and the situation remained unsatisfactory. Queen of Scandinavia, which sailed the route and which has been laid up since the closure, will be sold.

Several port agreements were renegotiated in H2 2008. This is expected to have a positive effect on financial performance in 2009.

DFDS Canal Tours

DFDS Canal Tours operates canal tours in the Port of Copenhagen using 16 boats, including two with restaurants. The number of guests in 2008 was 720,000, slightly higher than in 2007. The boats are also hired out for charter trips.

Financial performance in 2008 was satisfactory. A newly built covered tourist boat was delivered in 2008, and the company's oldest wooden boat was sold with a profit of DKK 1 million.

Financial performance

Revenue for 2008 was DKK 1,779 million, a reduction of 8% compared with 2007. Around DKK 60 million of this decline can be attributed to the closure of the Bergen route in early September 2008. The figure also includes the chartering out of a passenger ship with a turnover of DKK 42 million in 2007.

The rest of the reduction, approximately DKK 50 million, can be attributed to a lower level of activity and the negative impact of the depreciation of GBP and NOK.

Operating profit before depreciation (EBITDA) was DKK 194 million, which was DKK 55 million or 22% lower than 2007. The results for 2007 and 2008 also contains several non-comparable one-off items:

- Restructuring costs in 2008, DKK 35 million
- Income of DKK 28 million from a VAT refund from previous years
- Revenue of DKK 20 million from the chartering out of a passenger ship in 2007

Adjusted for these one-off items, EBITDA was DKK 201 million in 2008, which was DKK 28 million or 12% lower than 2007. The lower result can be attributed to higher bunker costs and a reduced level of activity.

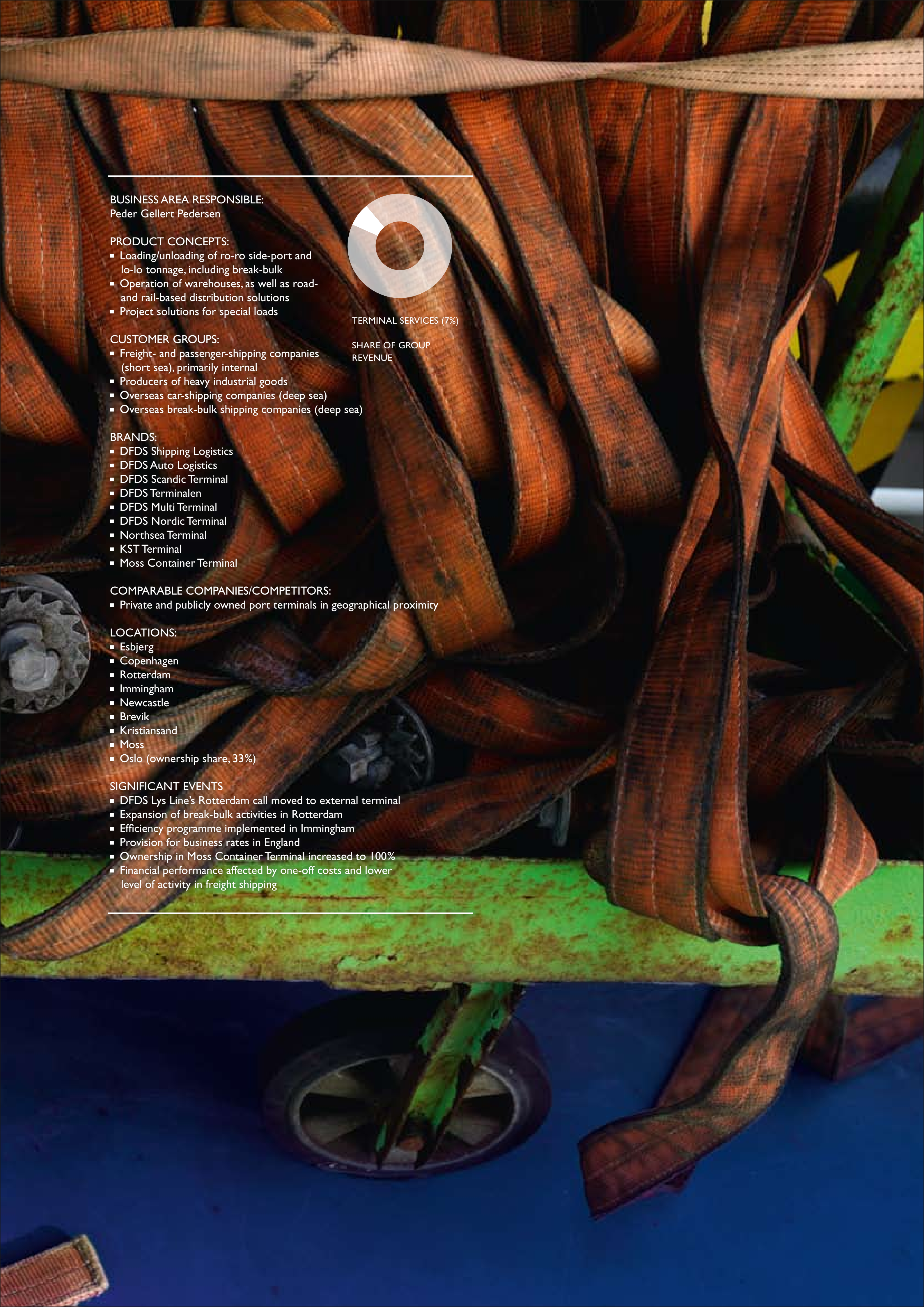
Depreciation fell by DKK 4 million to DKK 180 million, primarily as a result of laying up the passenger ship Queen of Scandinavia. Operating profit (EBIT) was DKK 15 million.

Average invested capital was DKK 1,794 million in 2008, a reduction of 9% compared to 2007, as depreciation exceeded the level of investment. Return on invested capital was 1%, compared with 5% in 2007.

THE MOST IMPORTANT CUSTOMER GROUPS ARE PASSENGERS WITH THEIR OWN CARS, MINI CRUISE PASSENGERS, CONFERENCES AND TOUR OPERATORS

TERMINAL SERVICES

TERMINAL SERVICES OPERATES PORT TERMINALS IN DENMARK, ENGLAND, THE NETHERLANDS AND NORWAY, WHICH MAINLY PROCESS UNIT LOADS, E.G. TRAILERS, CONTAINERS, AUTOMOBILES AND INDUSTRIAL GOODS



BUSINESS AREA RESPONSIBLE:
Peder Gellert Pedersen

PRODUCT CONCEPTS:
- Loading/unloading of ro-ro side-port and lo-lo tonnage, including break-bulk
- Operation of warehouses, as well as road- and rail-based distribution solutions
- Project solutions for special loads

TERMINAL SERVICES (7%)

SHARE OF GROUP REVENUE

CUSTOMER GROUPS:
- Freight- and passenger-shipping companies (short sea), primarily internal
- Producers of heavy industrial goods
- Overseas car-shipping companies (deep sea)
- Overseas break-bulk shipping companies (deep sea)

BRANDS:
- DFDS Shipping Logistics
- DFDS Auto Logistics
- DFDS Scandic Terminal
- DFDS Terminalen
- DFDS Multi Terminal
- DFDS Nordic Terminal
- Northsea Terminal
- KST Terminal
- Moss Container Terminal

COMPARABLE COMPANIES/COMPETITORS:
- Private and publicly owned port terminals in geographical proximity

LOCATIONS:
- Esbjerg
- Copenhagen
- Rotterdam
- Immingham
- Newcastle
- Brevik
- Kristiansand
- Moss
- Oslo (ownership share, 33%)

SIGNIFICANT EVENTS
- DFDS Lys Line's Rotterdam call moved to external terminal
- Expansion of break-bulk activities in Rotterdam
- Efficiency programme implemented in Immingham
- Provision for business rates in England
- Ownership in Moss Container Terminal increased to 100%
- Financial performance affected by one-off costs and lower level of activity in freight shipping

Markets, activities and customers

DFDS's route network is underpinned by the strategic locations of the nine port terminals operated by Terminal Services in Northern Europe, which also service third-party clients.

The terminals' primary activity is processing unit cargo, including trailers and containers. In addition, project cargo is handled and, to a lesser but increasing degree, break-bulk.

As well as servicing DFDS's own routes and tonnage, Terminal Services handles project cargo and major logistics contracts for producers of steel, forestry products, automobiles and chemicals. These customer segments are the main focus of sales and marketing activities designed to increase the number of third-party clients.

In general, the terminals are an increasingly important element in the transport chain. The ongoing expansion of the individual ships' capacity places ever-greater demands upon efficient loading and unloading processes, as well as upon the storage of goods for subsequent distribution. In addition, freight customers are increasingly demanding quicker transit times and shorter total lead times.

Important success criteria for terminal operations include:

- the efficient and safe processing of cargo
- understanding the industry and customer service
- servicing several modes of transport
- flexibility
- supplying value-generating activities
- contributing to the reduction of transit time and total lead time.

Market trends

As a result of a high proportion of internal revenue, the market trend is closely linked to developments in DFDS's three shipping business areas, especially Ro-Ro Shipping.

Declining volumes in H2 2008 slowed down the rate of turnover and increased transit time in the terminals. This had a negative effect on the level of earnings, as lower processing income was only partially offset by higher storage income.

Long-term developments are expected to favour larger terminals, as there is an increasing demand for terminals with high levels of efficiency and through-flow. This is expected to lead to a gradual reduction in the number of smaller ports. In addition, higher volumes from fewer shipping companies, using larger vessels, will increase the need for regular productivity improvements in port terminals.

This trend is reflected in the replacement of the ro-ro route between Brevik, Kristiansand and Immingham (NorBridge) with a call in Brevik by tonnage operating on the Gothenburg–Immingham route (AngloBridge). This served to centralise cargo in Brevik and led to termination of the call in Kristiansand. The volumes are now concentrated on fewer ships, which therefore demands increased productivity in Immingham.

Integration of business units

The process of integrating the Terminal Services business area's activities began at the end of 2007. This integration is based on a joint business model that describes work processes and defines productivity targets.

The model defines joint key operational data that form a basis on which to mutually quantify productivity and exchange knowledge and skills between terminals. This makes it possible to quickly evaluate new concepts and speed up the learning process, in order to meet increasing demands for productivity and thereby reduce the cost per unit.

Efficiency programme implemented in Immingham

Since the extension of DFDS Nordic Terminal in Immingham in 2006 capacity utilisation has been increased, although the terminal is still lossmaking.

A comprehensive efficiency programme was implemented in 2008, and significantly improved performance is expected in 2009. Implementation of the programme led to a series of restructuring initiatives that incurred one-off costs of DKK 8 million. Extra resources have also been used for training and retraining staff in 2008.

The efficiency programme, which focused on process optimisation in all stevedoring activities (i.e. loading/unloading, car handling and depots), realised significant savings through the restructuring and reallocation of the workforce, and through productivity improvements such as the more effective utilisation of terminal equipment. As part of this process, a new management system was developed and implemented, and fixed costs

TERMINAL SERVICES	**2007**					**2008**				
DKK MILL.	Q1	Q2	Q3	Q4	FULL YEAR	Q1	Q2	Q3	Q4	FULL YEAR
Revenue	177	174	173	179	703	168	169	166	144	647
Operating profit before depreciation (EBITDA)	2	3	2	8	15	3	1	0	-34	-30
Share of profit/loss of associates	1	0	1	0	2	0	0	0	1	1
Depreciation and impairment	-7	-7	-6	-7	-27	-6	-6	-5	-6	-23
Operating profit (EBIT)	-4	-4	-3	1	-10	-3	-5	-5	-39	-52
Operating profit margin (EBIT), %	-2.3	-2.3	-1.7	0.6	-1.4	-1.8	-3.0	-3.0	-27.1	-8.0
Invested capital, average	466	493	485	440	466	419	408	401	356	391
Return on invested capital (ROIC) p.a., %	-3.7	-2.5	-2.8	1.1	-2.0	-2.7	-4.3	-4.6	-43.6	-13.0
Tons, '000	4,460	4,484	4,489	4,446	17,879	4,543	4,199	4,033	3,656	16,431

Quarterly figures in 2007 and 2008 are not audited.

were reduced. As a result, lower costs per unit were achieved at the end of the year, and these improvements are expected to continue in 2009.

Despite the difficult market conditions, DFDS Nordic Terminal continued to enter into new third-party customer contracts.

More third-party clients in Rotterdam

In order to optimise operational synergies with DFDS Container Line, DFDS Lys Line's container activities were moved to an external terminal used by DFDS Container Line in 2008. In preparation for the move, focus has increasingly been on securing break-bulk and project cargo from third-party clients, and this ensured a satisfactory financial performance for the terminal in 2008. The potential in this segment will be further developed in 2009.

Due to the growing share of third-party clients and the demand for logistics solutions, the activities in DFDS Shipping Logistics have been moved from Ro-Ro Shipping to Terminal Services in the Netherlands.

Focus on logistics solutions

The new Freight Sales Solutions division has increased the focus on the sale of logistics solutions and concepts to third-party clients. Processing, storage and distribution are key elements of industrial logistics solutions, and therefore Terminal Services plays an important role in the working groups looking into specific shipping-logistics areas, such as automobiles, forestry products, steel, chemicals, trailers and containers.

Development projects

The potential advantages of setting up terminal activities in other ports in the DFDS route network in order to support the other business areas are regularly assessed. Baltic Sea ports are the main focus of development projects.

Financial performance

Revenue in 2008 was DKK 647 million, 8% lower than in 2007. Approximately 57% of the revenue was generated by internal activities, compared to 59% in 2007.

The operating result before depreciation (EBITDA) was DKK -30 million. The result incorporates a DKK 25 million provision for business rates in England, as well as restructuring costs of DKK 8 million related to DFDS Nordic Terminal's efficiency programme.

Adjusted for these one-off items, EBITDA was DKK 3 million, compared with DKK 15 million in 2007. The difference can be attributed to all of the terminals except Rotterdam, which made progress due to its higher proportion of third-party clients. The trend for other terminals was determined by a lower level of activity in 2008, including an extraordinarily low level of activity in Q4.

After depreciation of DKK 23 million, EBIT was DKK -52 million. Adjusted for the above-mentioned one-off items, EBIT was DKK -19 million. The loss of the business area is exclusively related to DFDS Nordic Terminal in Immingham, where the efficiency programme is expected to significantly improve performance in 2009.

Average invested capital in 2008 was DKK 391 million, a reduction of 16% in relation to 2007, mainly due to the depreciation of GBP and a low level of investment. Return on invested capital in 2008 was negative with 13%.

57 % OF REVENUE IS GENERATED BY INTERNAL CUSTOMERS

PORT TERMINAL

TRAILER SERVICES

TRAILER SERVICES OPERATES TRAILER COMPANIES IN SEVERAL COUNTRIES IN NORTHERN EUROPE. IT PRIMARILY SERVICES THE MARKET WITH TRANSPORT SOLUTIONS FOR FULL LOADS USING DFDS'S ROUTE NETWORK

BUSINESS AREA RESPONSIBLE:
Ole Sehested

PRODUCT CONCEPTS:
- European door–door trailer transport
- Dedicated logistics solutions (Just in Time) for the automobile industry

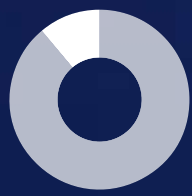
BRANDS:
- SpeedCargo
- Halléns

CUSTOMER GROUPS:
- Importers and exporters of consumer goods
- Producers of heavy industrial goods, such as forestry products, steel, chemicals and plastics
- The automobile industry and its sub-contractors

COMPARABLE COMPANIES/COMPETITORS:
- Cobelfret
- Norfolkline
- P&O Ferrymasters

SALES OFFICES:
- Belgium (Ghent)
- Denmark (Copenhagen)
- Finland (Hamina)
- The Netherlands (Rotterdam)
- Ireland (Dublin)
- Norway (Oslo, Brevik, Kristiansand)
- Great Britain (Middlesborough, Immingham)
- Sweden (Gothenburg)
- Germany (Hamburg, Rattingen)

SIGNIFICANT EVENTS IN 2008/2009
- Steep drop in demand in all activities in Q4
- Significant downturn in financial performance in traffic between Belgium and Scandinavia
- Better results for traffic between Scandinavia and the UK/Ireland
- Establishment of joint trailer pool
- New management in Belgium, the Netherlands, Germany and the UK
- SpeedCargo Ltd merged with DFDS Lys Line Ltd
- Door-door IT system developed and rolled out in the Netherlands, Germany and the UK
- LHT BV changed name to SpeedCargo Netherlands
- Establishment of traffic between Sweden and the Baltic States/Russia



TRAILER SERVICES (11%)

SHARE OF GROUP REVENUE

Markets, activities and customers

Trailer Services provides door-door transport solutions, primarily within Northern Europe, that mainly use DFDS's route network in order to support the network's capacity utilisation. At the end of 2008, the trailer fleet comprised 1,600 units, of which approximately 2/3 were owned by DFDS.

The most important customer groups consist of importers and exporters of consumer goods, as well as manufacturers of heavy industrial goods, especially the automobile industry, whose logistics needs include a significant element of transport by sea.

Market trends

Like the trend in DFDS's other freight-oriented business areas, the market trend for the door-door segment was characterised by declining activity levels in Q3 and a significant fall in volumes in Q4.

The market between Sweden and the Continent was hit by falling demand in the automobile market. Traffic between Scandinavia and the UK was relatively stable until Q4, when the level of activity fell. In general, it was difficult to raise prices to compensate for increased haulage costs stemming from higher fuel prices, and this reduced the level of earnings.

In general, further deterioration is expected in volumes on all markets in 2009. This will necessitate the ongoing adaptation of both production and administration. Action plans have been implemented to support this development and limit the financial impact.

Trailer success criteria

The most important success criteria for Trailer Services are reliability of capacity and delivery based on competitive cost levels. It is also important that combined trailer solutions, which utilise both rail and sea, provide a more environmentally positive alternative to road transport.

Integration of the business area

In order to generate operational synergies, the process of integrating the companies in this business area continued in 2008. The process includes, for example, co-ordinating sales resources, integrating IT systems and optimising runs, as well as establishing joint supplier contracts and a joint trailer pool.

Another objective of the integration is to facilitate offering network solutions that incorporate additional parts of the company's route network.

Activity trends

On the whole, activity levels and financial performance for Trailer Services were not satisfactory in 2008. This was mainly due to the Belgian trailer operator that operates traffic between the Continent and Sweden, Norway and Finland. Other activities in Trailer Services achieved satisfactory financial performance in 2008, despite the difficult market conditions.

Operating profit (EBIT) for the Belgian company, Halléns, was DKK 28 million lower in 2008 as a result of several factors. Halléns specialises in the automobile sector, where the level of activity fell significantly during 2008 and led to an imbalance in the traffic flow between Sweden and the Continent. External haulage costs rose as a result of high diesel prices. In addition, a change in management at the end of 2007 led to problems with the IT system and reporting. As a result, the company suffered a prolonged period during which cost control was not satisfactory. New management was put in place at the start of the year, and the monitoring and reporting systems are now satisfactory.

Trailer Services' activities between Scandinavia and the UK developed in a satisfactory manner in 2008, although volumes fell significantly in Q4.

In 2008, Belgium, the Netherlands, Germany and the UK all experienced changes in management. In addition, the process of implementing DFDS's new door–door system began, and is expected to be

TRAILER SERVICES	2007					2008				
DKK MILL.	Q1	Q2	Q3	Q4	FULL YEAR	Q1	Q2	Q3	Q4	FULL YEAR
Revenue	250	250	242	244	986	258	262	230	213	963
Operating profit before depreciation (EBITDA)	14	18	11	14	57	15	10	5	3	33
Share of profit/loss of associates	0	0	1	0	1	1	0	1	0	2
Depreciation and impairment	-9	-8	-9	-8	-34	-8	-7	-7	-6	-28
Operating profit (EBIT)	5	10	3	6	24	8	3	-1	-3	7
Operating profit margin (EBIT), %	2.0	4.0	1.2	2.5	2.4	3.1	1.1	-0.4	-1.4	0.7
Invested capital, average	209	201	212	233	218	241	236	236	236	238
Return on invested capital (ROIC) p.a., %	10.7	16.5	6.4	9.1	10.3	13.1	5.3	-2.2	-5.6	2.7
Shipments, '000	20	21	20	20	81	21	20	17	16	74

Quarterly figures in 2007 and 2008 are not audited.

TRAILER SERVICES SUPPORTS THE ROUTE NETWORK'S CAPACITY UTILIZATION

finished in the course of 2009. All of the companies have drawn up action plans designed to ensure greater efficiency and rapid adaptation to changing market conditions. A renewal of the trailer fleet has also commenced and the average age of the fleet is expected to be reduced as the number of trailer days per transport is reduced.

In 2008, new traffic was established between Sweden and the Baltic States and Russia, based on the Baltic Sea route network. This activity will be expanded to include the UK and the Continent in 2009.

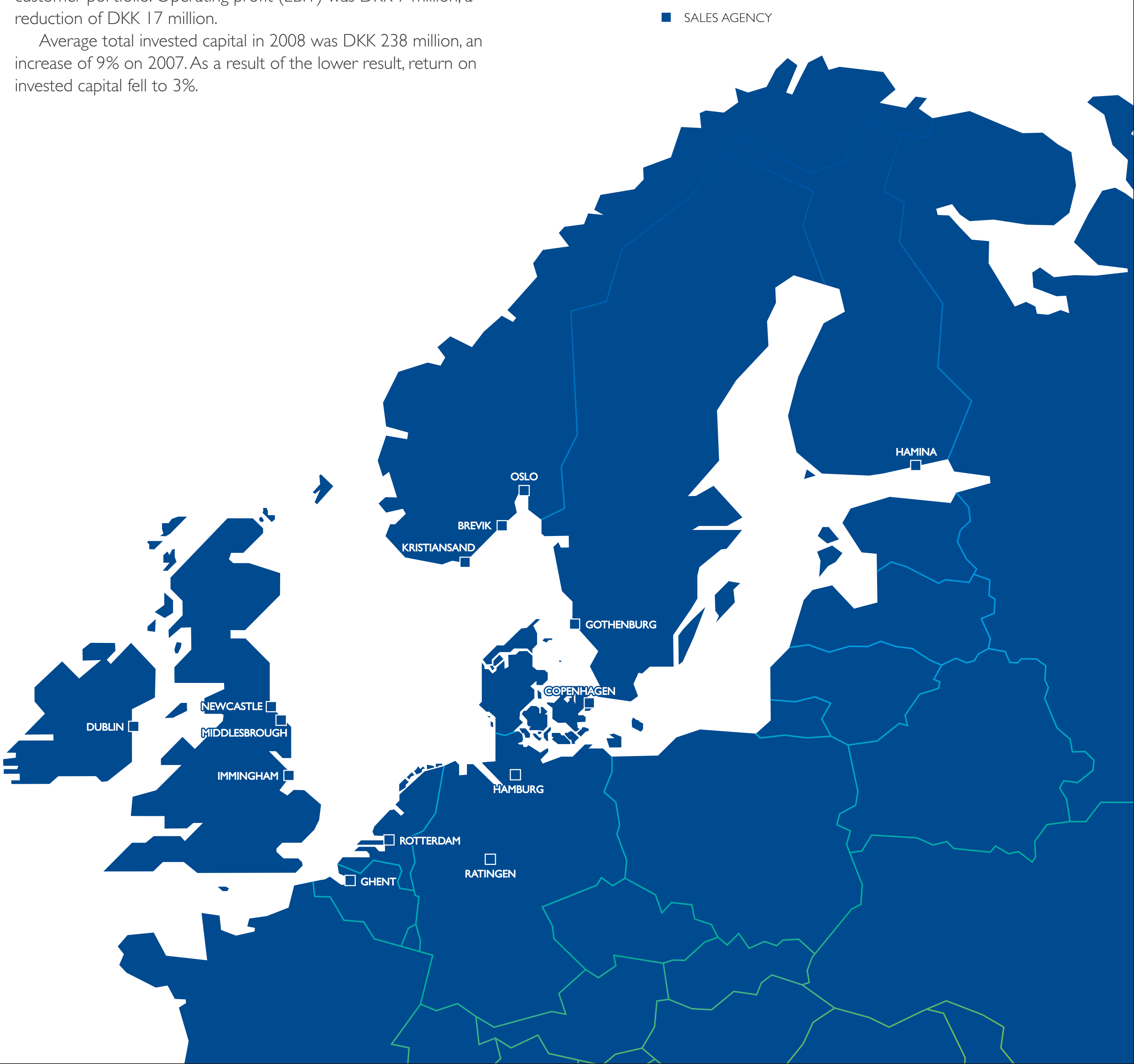
Financial performance

Revenue fell by 2% to DKK 963 million as a result of reduced demand in H2 2008. In comparison with the 2007, volumes were approximately 9% lower, but revenue was positively affected by oil and fuel surcharges.

Operating profit before depreciation (EBITDA) was DKK 33 million, a reduction of DKK 24 million. The lower result can be attributed to the significantly reduced profit of the Belgian trailer operator. In general, the other activities achieved satisfactory progress in 2008.

Depreciation was reduced to DKK 28 million from DKK 34 million in 2007, due primarily to a lower level of depreciations concerning customer portfolio. Operating profit (EBIT) was DKK 7 million, a reduction of DKK 17 million.

Average total invested capital in 2008 was DKK 238 million, an increase of 9% on 2007. As a result of the lower result, return on invested capital fell to 3%.



MORE SOLUTIONS, MORE CUSTOMERS

As a direct consequence of DFDS's network strategy, a sales unit for the Group's freight activities has been set up. FSS (Freight Sales Solutions) transcends the individual business areas and develops unique shipping logistics solutions for a range of industries, including:

- automobiles
- forestry products
- steel
- chemicals

Staff with special industry-specific competencies and experience work with each of these industries.

Since the launch of FSS in February 2008, these "Commodity teams" have been systematically identifying potential customers in the market, developing specific industrial solutions and submitting bids for major international tenders. These efforts have already resulted in new contracts, as well as ongoing projects with customers interested in DFDS's shipping logistics solutions.

By virtue of its industry-specific focus, the forestry products team won a series of large contracts representing an annual volume of more than 180,000 tons.

During a period of otherwise falling volumes, new business attracted by the team targeting the chemical industry resulted in a 3% increase in shipments of tank containers in 2008. This was achieved due to the team's close customer focus and an emphasis on network solutions that involve several different routes.

Local sales staff in DFDS's Northern European agency organisation play a key role in establishing and maintaining close customer contact. Their efforts are critical for the successful rollout of the new strategy for the sale of network solutions and services. To support the new strategy, a Customer Relationship Management (CRM) system was installed in 2008, and is now used by all of the business areas.

The new system makes it easier for sales staff to work with international customers and calculate prices. It also supports a focus on industry sales, follows up potential business opportunities and provides new marketing opportunities.

Key staff with in-depth knowledge

The new sales set-up means that key staff can focus on certain major customers, on the basis of in-depth knowledge of their industries and specific needs. It is now a more simple process to offer tailor-made integrated solutions for customers in all of the Group's business areas.

FSS in Group Management

Björn Petrusson, who is responsible for FSS, joined DFDS's Group Management in January 2009. His role is to anchor the commercial focus on freight activities in the management and planning of the Group.

TOWARDS SUSTAINABLE SHIPPING

DFDS'S ENVIRONMENTAL POLICY

- We are committed to continually developing our operations and activities towards lower energy consumption and less impact on the environment.
- We will continually monitor and analyse our energy consumption and our impact on the environment within the framework of ISO 14001 certification.
- We will disseminate knowledge of our environmental policy among our staff and management in order to ensure a higher degree of awareness about environmental issues. We will constantly develop and extend our knowledge and technical expertise in order to ensure continual progress towards more sustainable operations.

Laws and regulations

The marine environment is protected by both national and international laws and regulations. We respect and support the continued development of measures designed to facilitate progress towards more sustainable shipping.

Emissions

CO_2 is the most common greenhouse gas, and the volume emitted rises or falls proportionally with fuel consumption. The most effective means of reducing CO_2 emissions is therefore to reduce the consumption of bunkers per transported unit.

Reduction of consumption of bunkers

DFDS has initiated a project designed to reduce the consumption of bunkers, and therefore emissions of CO_2 into the atmosphere. The project consists of a whole series of technical and operational initiatives, as well as the ongoing registration of consumption. Technical initiatives include, for example, improved engine efficiency, the recycling of excess heat and better management of onboard energy consumption.

The operational aspect involves changing departure and arrival times in order to reduce the ships' service speed as much as possible, which will therefore reduce the consumption of bunkers. The consumption of bunkers was lowered by approximately 4% in 2008 than in 2007.

Concentration of volumes provide environmental advantages In addition, the Group's long-term goal is to move the fleet towards bigger ships. Concentrating freight volumes on larger but fewer vessels will also reduce energy consumption and emissions per transported unit.

Targets for reductions

Since 2007, DFDS has been operating with a five-year target to reduce emissions of CO_2 by 10%.

Sulphur

The amount of sulphur particles emitted by ships' engines depends not only on the volume of fuel consumed but also on its sulphur content. In 2006, following international legislation, the permitted sulphur level in fuel oil for vessels in the Baltic Sea and the North Sea was reduced to 1.5%, compared to 4.5% elsewhere. The targets are regularly reassessed, and the IMO has set a new limit for sulphur content. From 2015, the limit will be 0.1% in the Baltic Sea and the North Sea, compared to 0.5% elsewhere.

Concerted efforts are also being made to find alternative means of reducing ships' sulphur emissions. One possibility is to install "scrubbers" in the ships' funnels, which strip the sulphur out of waste gas.

DFDS is taking part in a development project for a newly designed scrubber, which will be installed on a North Sea freight ship in summer 2009. The scrubber method offers certain advantages, as uncertainty exists about the availability and reliability of supplies of fuel oil with a maximum sulphur content of 0.1%, as well as about the price level. A scrubber will make it possible to purchase oil with a higher sulphur content. In addition, provisional test results suggest that the method may have additional environmental advantages, as it also removes particles from the waste gas.

Antifouling paint

The previously used types of antifouling paints, which contained tin and emitted environmentally damaging heavy metals into the marine environment, are no longer permitted. DFDS is currently replacing its antifouling paint with a new type of silicone-based paint. This is not only environmentally friendly, but also reduces the ships' friction in the water, which in turn reduces energy consumption and emissions.

Sewage emissions

DFDS's ships are fitted with biological cleansing units that biodegrade the sewage generated by onboard water consumption. The sewage is then collected in tanks and later discharged away from coastal and particularly sensitive sea areas, which minimises the impact on the marine environment.

As appropriate units are set up to receive the waste, and as improved cleansing and storage facilities are developed on new ships, DFDS expects to introduce new procedures, including pumping sewage onshore.

4% REDUCTION OF BUNKER CONSUMPTION IN 2008

Noise

DFDS is actively involved in efforts to reduce noise pollution from ships calling at and docking in ports in areas with noise-sensitive environments. In particular, technical improvements are being developed in the form of noise insulation for engines and ramps. Attempts are also being made to reduce noise by changing routines wherever possible. Noise will be easier to address in future, as architects will focus on noise reduction in the early stages of vessel construction.

Information

In order to improve environmental awareness, DFDS issued the information pack "DFDS & the Environment" to all members of staff in 2008. It describes the Group's environmental policy, and outlines initiatives to reduce the company's environmental impact. The pack also describes ways in which individual members of staff can help to reduce the impact on the environment.

Future work on the environment

Work on reducing the environmental impact of the Group's activities will continue as the environmental policy is developed. As part of this process, work has commenced on co-ordinating efforts across the business areas and in the different countries in order to ensure a coherent and consistent approach to environmental work. Several subsidiaries now have their own environmental certification. The eventual aim is to collate certification in order to achieve quantifiable, objective indicators of progress towards an increasingly sustainable company at Group level.

HUMAN RESOURCES

The staff and management's competences and commitment are crucial to DFDS's ability to compete effectively. Ongoing development of the company's human resources is therefore an important element in DFDS's strategy, "From Routes to Networks".

HR work aims to help increase the satisfaction, commitment and productivity of the staff. As part of this work, a comprehensive satisfaction analysis was conducted in autumn 2008. In general, the study revealed widespread well-being and loyalty to DFDS, but it also revealed a desire for greater opportunities for personal development and career planning. This underlines the need for the work currently being done on providing a greater range of HR services for development, training and further education.

Recruitment work will be a top priority in the next few years, as demographic developments are expected to lead to greater competition for trainees and other young people. DFDS plays an active role in the Danish Shipowners' Association's "Blue Denmark" project, which promotes the opportunities and advantages of careers in shipping. Its activities include publicising the options for overseas employment, management positions and training.

Management development

A greater degree of uniformity will be sought in management development across all of the business areas. Although the manager's job is to generate results, this can only be achieved with the help of a team of competent staff who are able to work together, engage in dialogue and transcend business areas. The manager delegates, challenges and takes decisions.

In 2009, a two-week training programme called "Zoom" will be introduced. It will provide basic management training, with the primary focus on interpersonal communication.

Skills enhancement

For individual staff members, success is rooted in competence. DFDS's starting point is that the individual member of staff wishes to develop personally and improve job skills. On the one hand, this improves the individual's contribution to the financial performance of the company. On the other, it also improves the opportunities available to individual staff members. Skills are enhanced through, for example, courses, coaching, delegating responsibility and assessing the way in which work is organised.

The DFDS Academy

In the longer term, an "academy" will be set up to promote training and educational activities, and to ensure that these are co-ordinated across the different parts of the company.

Social relations

HR work also includes the development of social policies that deal with and provide support to staff with alcohol, drug, stress and other problems. For example, an agreement has recently been reached on health insurance.

Information

HR also involves making sure that staff receive quick and clear information about changes that impact upon their working conditions, employment or on the state of the company in general.

DFDS' HUMAN RESOURCES 2008

DFDS's HR Department put a great deal of effort into the implementation of DFDS Seaways' improvement plan, which reduced the number of jobs but ensured a future business platform.

HR's role was to keep individual members of staff informed during the process, and to retain an overview of the overall implementation of the plan in order to ensure that the process was as painless as possible for staff.

Closure of the Bergen route and adaptation of the land-based organisation

The decision to close the Bergen route meant redundancy for approximately 270 members of staff on a passenger ship, and 70 in the headquarters and agency.

HR co-ordinated the redundancies in compliance with the national labour-market regulations in Denmark, Norway and England. Co-ordinated information was provided, both on land and on board the ship. Managers and staff from the HR Department served redundancy notices, redeployed staff to other ships and briefed the crew.

Change of management structure and industrial-relations agreements on board

During this phase of the improvement plan, the aim was to increase flexibility on board the two passenger ships on the Oslo route. A more simple management structure was also introduced, and commercial responsibility was further decentralised on all ships.

In order to restructure operating costs by changing the staffing principles, HR re-negotiated the existing agreements with the Danish trade unions 3F Privat Service, Hotel og Restauration and Dansk Sø Restaurations Forbund.

In future, the catering function will consist of three groups: a full-time crew; a flexible crew that can transfer between ships; and part-time workers who will be called in for unusually busy sailings – for example, during weekends and holiday periods.

The new principles represent a considerable improvement in our ability to tailor staff levels to suit the number of passengers on board. Implementation of the model would not have been possible had the trade unions not fully understood its necessity. The new structure therefore helps to pave the way for a significantly more positive trend in both passenger activities and future employment levels.


REVENUE PER EMPLOYEE
(DKK MILLION)
2.0
1.8
1.6
1.4
1.2
1.0
0.8
0.4
0.0
2006
2007
2008
DISTRIBUTION OF EMPLOYEES
ON LAND/SEA
(NO. OF EMPLOYEES)
5,000
4,000
3,000
2,000
1,000
0
2006
2007
2008
LAND
SEA

SHAREHOLDER INFORMATION

Share capital

DFDS A/S' share capital remained unchanged at DKK 800 million throughout 2008. The company has only one class of share. The capital is divided up into 8,000,000 shares with a nominal value of DKK 100 each. DFDS is listed on the NASDAQ OMX Nordic Exchange in Copenhagen.

Price trend

The DFDS share price at the end of 2008 was 399, 49% down from the end of 2007. By comparison, an index consisting of six comparable companies (Peer Group) fell by 38% in 2008. The total index (OMXC) for the NASDAQ OMX Nordic Exchange Copenhagen fell by 43% in 2008.

DFDS's Peer Group Index includes the following companies: Attica Group (GR), Finnlines (SF), Irish Continental Group (IE), Tallink (ES), Transatlantic (S) and Viking Line (SF).

The market value of the total share capital at year-end 2008 was DKK 3.19 billion. The market value of the turnover in DFDS shares was DKK 586 million, a decline of 53% compared to 2007.

The total shareholder return (price change plus proposed dividend yield) was 49% in 2008.

Shareholders

At the end of 2008, 86% of DFDS's share capital was owned by 16,528 registered shareholders. Vesterhavet A/S is the principal shareholder, with a shareholding of 56.0%.

In January 2009, Vesterhavet A/S sold a stake corresponding to 25% of DFDS's total share capital to DSV A/S and joint ownership has been established through Vesterhavet-DSV Holding A/S such that this company owns 56.0% of the share capital in DFDS A/S.

Clipper Group A/S announced in February 2009 that the company had increased the ownership share in DFDS A/S to 15.0%, of which 7.8% is registered shares.

Foreign shareholders owned 5.0% of the share capital at the end of 2008.

Dividend

DFDS's dividend policy aims for distribution of an annual dividend corresponding to approximately 30% of annual net profit. However, the annual dividend is determined with due consideration to DFDS's development plans and a satisfactory capital structure.

The Supervisory Board proposes that no dividend is paid due to the current financial outlook.

Investor relations

Søren Brøndholt Nielsen, IR Manager
Tel.:: +45 33 42 33 59
e-mail: sbn@dfds.com

Financial Calender

Annual General Meeting
1 April 2009 at 16:00
Radisson SAS Falconer Hotel and Conference Centre
Falkoner Allé 9
DK-2000 Frederiksberg, Denmark

Publication of Group results in 2009
Report for the first quarter, 13 May
H1 report, 13 August
Report for the third quarter, 12 November

ANALYSTS FOLLOWING THE DFDS SHARE

Danske Markets Equities
Johannes Møller
Tel.: +45 4512 8036
E-mail: joml@danskebank.dk

Gudme Raaschou Bank
Stig Nymann
Tel.: +45 3344 9093
E-mail: sny@gr.dk

Handelsbanken Capital Markets
Dan Togo Jensen
Tel.: +45 3341 8246
E-mail: dato01@handelsbanken.dk

SEB Enskilda
Steven Brooker
Tel.: +45 3697 7000
E-mail: steven.brooker@enskilda.dk

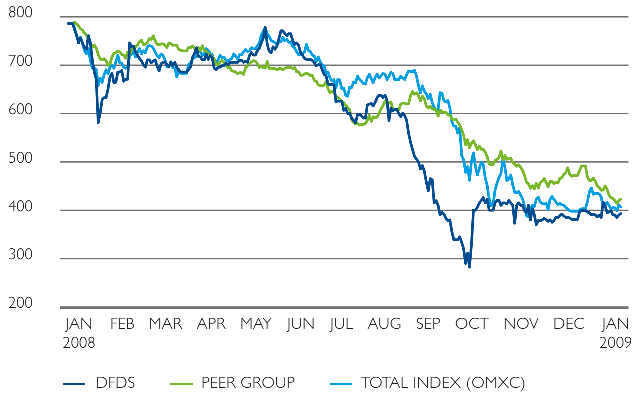
NORDEA
Finn Bjarke Petersen
Tel.: +45 8896 8606
E-mail: finn.bjarke.petersen@nordea.com

STATEMENTS TO THE STOCK EXCHANGE 2008*

DATE	STATEMENT
17/01	DFDS expands its passenger and freight capacity in the Baltic
28/01	DFDS A/S – Majority Shareholder Announcement
11/03	Annual Report 2007 for the DFDS Group
13/03	Notice of Annual General Meeting
17/03	DFDS buys another two ro-ro cargo vessels
10/04	DFDS A/S – main business of the Annual General Meeting
21/04	Award of share options to the executive Board
21/04	Carsten Jensen new head of DFDS Seaways
06/05	DFDS sharpens its strategic focus: Sells four Lithuanian tramp vessels
20/05	Interim report Q1 2008
21/05	DFDS financial calendar 2008 - update
27/05	Extensive improvement plan to safeguard earnings at DFDS Seaways
01/07	Passenger Shipping's profit improvement plan under implementation
14/08	Increasingly difficult market conditions and high oil prices necessitate downward profit adjustment
26/08	Interim report for H1 2008
26/08	DFDS increases freight capacity in the North Sea in 2009
18/09	Special agreements and a new management structure to increase efficiency on DFDS Seaway's ships
30/10	DFDS and Polferries to collaborate on Swinoujscie-Ystad
26/11	Interim financial statement for Q1-3 2008
22/12	Financial Calender 2009 for DFDS A/S

* Statements about trading subject to compulsory reporting are not included in the list.

PRICE TREND, 2008-2009
(DKK)



SHARE-RELATED KEY DATA

	2004	2005	2006	2007	2008
Earnings per share, DKK	22	23	46	52	32
Dividend per share, DKK	7	7,5	11	15	0
Dividend payout ratio, %	32	32	24	29	0
Dividend yield, %	2.5	2.0	1.6	1.9	0.0
P/E ratio, times	13	16	15	15	12
Equity per share, DKK	318	350	394	442	427
Price/book value, times	0.90	1.09	1.73	1.79	0.93
Share price, DKK:					
Price at year-end	285	382	680	790	399
Price high	285	465	698	950	785
Price low	185	282	360	692	290
Market value, DKK mill.	2,280	3,056	5,440	6,320	3,192
No. of shares at year-end, mill.	8.0	8.0	8.0	8.0	8.0

OWNERSHIP STRUCTURE, YEAR-END 2008	% OF SHARE CAPITAL
Vesterhavet A/S (Copenhagen)	56.0
Clipper Group A/S (Copenhagen)*	7.8
Other institutional and financial investors	10.2
Other registered shareholders	7.8
Own shares	3.9
Non-registered shareholders	14.3
Total	**100.0**

* Clipper increased their shareholding to 15.0% in February 2009.

RISK FACTORS

General and specific operational risks

Risk management is an integral part of the management of DFDS, and risks and opportunities are weighed up on a regular basis. At the end of each quarter, details of significant risks are also submitted to the Supervisory Board.

Macro-economic and market risks

The market for maritime transport of freight and passengers is affected by the general state of the economy. Negative economic growth will typically cause over-capacity and increase price pressures in the market. Partly in order to manage the price and volume risks associated with shifting economic trends, approximately half of the ro-ro freight fleet consists of chartered vessels, which makes it possible to return some tonnage within months. Most of the container vessels are chartered, while all passenger ships are owned by DFDS. This implies limited opportunities to make short-term changes to passenger-ship capacity.

DFDS's geographic diversification across Northern Europe entails a low dependency on individual activities. It also entails that regional differences in activity levels contributes to balance the overall commercial risk.

The market is also affected by industry-specific conditions such as changes in the market for alternative forms of transport, including road, rail and air, the latter of which mainly impacts the passenger sector. In addition, the market is influenced by changes in local and regional competition, including the opening of competing routes and the deployment of additional capacity on existing routes.

A significant proportion of the freight on some routes stems from a small number of customers. The risk inherent in such relationships is limited by entering into long-term partnership agreements.

In downturn periods risks related to foreclosure of large industrial customers may emerge and debtor risks will increase.

Risks associated with business development and investments

Business development and investment risks stem from DFDS's growth strategy, which includes both organic growth (e.g. the acquisition of tonnage) and growth through the acquisition of companies and activities. The most important risks associated with organic growth are related to capacity enhancement on the existing route network when deploying new or larger tonnage. Company acquisitions involve significant risks, which increase in line with the size of the investment and the complexity of the subsequent integration process.

Risks associated with all forms of business development are managed by means of in-depth planning and decision-making processes based on internal policies and investment guidelines.

The tonnage market

DFDS mainly charters freight tonnage, which involves risks associated with price trends and the availability of tonnage in relation to the company's needs. Similar risks are also relevant when chartering out excess tonnage. In addition, certain risks are associated with price trends and the time periods involved in ordering newbuildings.

Due to the ongoing process of replacing and renewing the DFDS fleet, the sale of tonnage may result in gains or losses that are not included in annual profit forecasts.

Security and environment risks

DFDS uses freight and passenger ships, terminals and other operating equipment, all of which involve operational risks. These risks are controlled and minimised partly through compliance with safety requirements and routines, as well as preventative work, and partly through insurance against risk.

Environmental and safety measures are based on DFDS's environmental and safety policies, as well as official regulations and customer demand. Changes in these factors can increase costs. The Group is insured against environmental risks as far as possible, and participates in preparatory legislative procedures through industry organisations.

Political and legal risks

Political decisions may alter the legal framework for DFDS's activities, with potentially negative consequences for the business. The main long-term risk is deemed to be the discontinuation of duty-free sales in Norway, which is not expected until 2015.

Oil-price risks

Bunker costs constitute a special operational risk, as a result of historically significant fluctuations in the price of oil. The total annual cost in 2008 was approx. DKK 1.3 billion, approximately 16% of Group revenue.

In the freight sector, bunker costs are hedged to a great extent by price-adjustment clauses in freight contracts. In the passenger sector, fluctuations in the cost of bunkers are reflected in oil-price surcharges and ticket prices to the extent permitted by market conditions. Hedging transactions, primarily oil swaps, are also used to manage risk.

Bunker consumption in 2009 is expected to be approximately 440,000 tons, a decrease of approximately 5% compared to 2008. Passenger Shipping accounts for approximately 20% of the consumption, of which approximately 80% is covered by hedging transactions. It is expected that the remaining consumption will be hedged by price-adjustment agreements.

It is estimated that a change of 1% in the price level, calculated beginning of March 2009, would entail an impact of approximately DKK 0.2 million on financial performance.

Financial risks

The most important financial risk factors for DFDS are currency and interest-rate fluctuations, both of which are managed by DFDS's central finance department, in accordance with the policies adopted by the Board of Directors.

Currency risks

Around 80% of DFDS's revenue is invoiced in foreign currency. The most important net income currencies are SEK, NOK, EUR and GBP. USD is the principal net expense currency related to the purchase of bunkers.

DFDS actively seeks to reduce currency exposure by matching the currencies for assets and liabilities, and by taking out futures contracts, options and swaps.

For 2009, around 22% of USD exposure has been hedged at an average level of approx. USD/DKK 480. 6% of SEK exposure has been hedged at a level of SEK/DKK 79. Cash flow in other currencies has not been hedged in 2009. Hedging is evaluated and adjusted on an ongoing basis.

Interest-rate risks

DFDS's interest-rate risks stem primarily from interest-bearing debt. The loan portfolio at the end of 2008 amounted to DKK 3.6 billion, with an average loan period of approximately 4.6 years. Around DKK 1.8 billion of the loan portfolio is denominated in foreign currencies, mainly EUR, SEK and NOK.

The management of interest-rate risks is based on an expectation that the proportion of fixed interest loans will be at least 50%, including the use of rate swaps. Fixed interest loans accounted for approximately 56% of the portfolio, including rate swaps, at the end of 2008. This level is expected to be maintained in 2009.

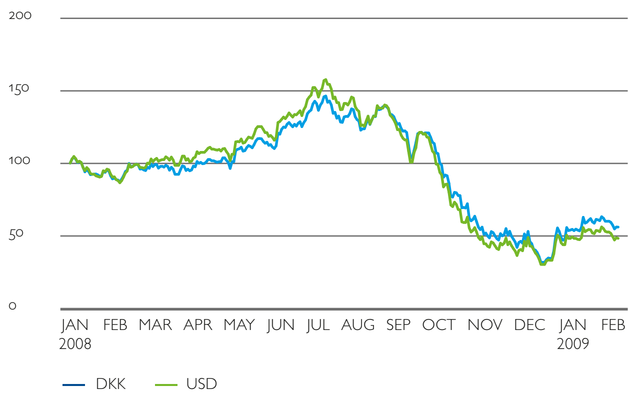
A 1% rise in interest rates compared to the level in February 2009 would raise interest-rate costs by around DKK 14 million.

Liquidity risks

In February 2009 a loan agreement of DKK 1.1 billion was entered into with a syndicate of three banks covering financing needs related to planned investmens in 2009 and at the same time covering refinancing risks for 2009.

For further information about the management of financial risks, including credit and liquidity risks, please refer to Note 26 on page 91.

INDEXED OIL PRICE DEVELOPMENT IN USD AND DKK – 2008/2009
(INDEX)



DFDS

FINANCIAL STATEMENTS 2008

FINANCIAL REVIEW

Business structure

DFDS's activities are organised in five business areas, three of which – Ro-Ro Shipping, Container Shipping and Passenger Shipping – are responsible for the route network. The two other areas – Terminal Services and Trailer Services – support the network by providing port, terminal and transport services.

Revenue

Revenue fell by 1% to DKK 8,194 million in 2008. Adjusted for the rise in oil-price surcharges, revenue fell by 5% or DKK 430 million.

The higher revenue for the business areas Ro-Ro Shipping and Container Shipping can be attributed to increases in oil-price surcharges, as the volumes transported in both business areas declined as a result of the downturn in the Northern European economies in 2008. For Ro-Ro Shipping, the decline was spread across activities, while for Container Shipping it was primarily related to activities based in Ireland.

Revenue for Passenger Shipping fell by 8% in 2008 as a result of the closure of the Bergen route in early September, which reduced revenue by approx. DKK 60 million. In addition, a passenger ship that had been chartered out was returned in 2007, which accounted for approx. DKK 40 million. The rest of the reduction was related to a fall in passenger numbers and to the depreciation of the GBP and NOK.

Lower revenue in Terminal Services mainly reflects the fall in volume on DFDS's own freight routes, while the lower revenue in Trailer Services was due primarily to reduced activity in the automobile sector.

The business area Tramp was sold, as planned in 2008. Compared with 2007, this led to a reduction in revenue of DKK 68 million, corresponding to a 0.8% reduction in Group revenue in 2008.

Costs and EBITDA

Operating profit before depreciation (EBITDA) decreased by 23% to DKK 1,017 million, and the EBITDA margin was reduced by 3.4% to 12.4%, from 15.8% in 2007. A decline in revenue of DKK 430 million, adjusted for oil-price surcharges, also had a profit impact.

Adjusted for the rise in oil-price surcharges the decrease in margin was 2.9 percentage points.

The reduction of the EBITDA-margin is the result of developments in several cost groups, but generally reflects lower capacity utilisation. This can be seen in the rising cost percentages for operational activities and charter hire, including the addition of two chartered ro-ro newbuildings in 2008. Staff cost percentages also rose in 2008, exclusively due to one-off costs related to redundancies. All things being equal, lower staff costs are expected in 2009. Cuts in sales and administration costs over the course of the year led to an unchanged cost percentage in 2008.

At business-area level, EBITDA was lower in all business areas in 2008 because of the reduced level of activity, and also as a result of several major one-off items during the year.

REVENUE PER BUSINESS AREA

DKK MILLION	2007	2008	%-CHANGE
Ro-Ro Shipping	3,680	3,799	3
Container Shipping	1,642	1,654	1
Passenger Shipping	1,932	1,779	-8
Terminal Services	703	647	-8
Trailer Services	986	963	-2
Tramp (non-recurring)	106	38	-65
Eliminations	-739	-686	n.a.
Group total	**8,310**	**8,194**	**-1**

EBITDA PER BUSINESS AREA

DKK MILLION	2007	2008	%-CHANGE
Ro-Ro Shipping	896	767	-14
Container Shipping	151	101	-33
Passenger Shipping	249	194	-22
Terminal Services	15	-29	n.a.
Trailer Services	57	33	-42
Tramp (non-recurring)	9	8	-13
Non-allocated items	-61	-57	n.a.
Group total	**1,316**	**1,017**	**-23**

COST AS A PERCENTAGE OF REVENUE

DKK MILLION	2007	2008	CHANGE, %-POINT
Operating costs	53.4	54.2	0.8
Charter hire	7.1	8.8	1.7
Staff costs	18.4	18.8	0.4
Cost of operation, sales and administration	5.3	5.3	0.0
Total costs	84.2	87.1	2.9
EBITDA-Margin	**15.8**	**12.9**	**-2.9**

* Adjusted for rise in bunker surcharges

Passenger Shipping incurred restructuring costs of DKK 35 million related to implementation of the improvement plan, including the closure of one route. A VAT refund from previous years amounting to DKK 28 million was received in 2008. Adjusted for this, and for income of DKK 20 million from the chartering out of a passenger ship in 2007, EBITDA was 13% lower in 2008.

Terminal Services' result incorporates a DKK 25 million provision for business rates in England, as well as restructuring costs of DKK 8 million. Adjusted for this, EBITDA was DKK 2 million in 2008.

Profit/loss on sale of assets

Profit on the sale of ships, property and terminals in 2008 was DKK 40 million, of which the profit from the sale of the Tramp business area accounts for DKK 28 million, while the reversal of a provision related to a previous ship sale led to an income of DKK 12 million.

Share of result from associated company

Associated companies represented a loss of DKK 7 million, which includes a loss from DFDS Suardiaz Line of DKK 11 million of which DFDS owns 50%.

Depreciation, write-downs and EBIT

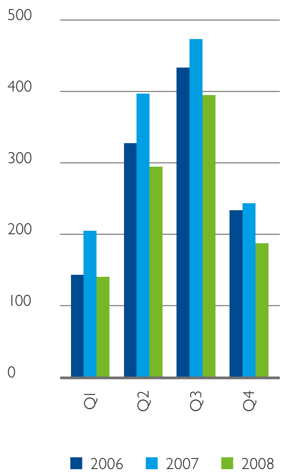
Total depreciations and write-downs amounted to DKK 594 million of which DKK 42 million was a write-down of customer portfolio and other non-current intangible assets. The value adjustment of negative goodwill from the purchase of stocks in DFDS LISCO led to an income of DKK 20 million, and a positive variance of DKK 18 million compared to 2007. Adjusted for these items depreciations were reduced by the sale of the Tramp business area in 2008 and the sale of a passenger ship in 2007. In addition comes several smaller changes.

Operating profit (EBIT) was therefore DKK 456 million, down 39% compared to 2007.

Financing

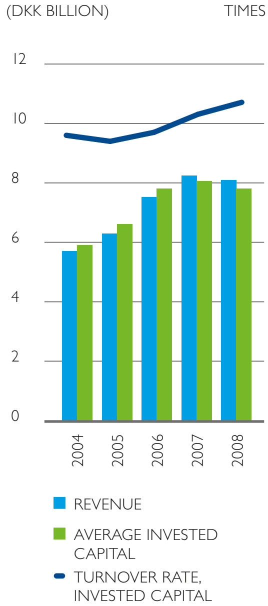
Net financing amounted to a cost of DKK 235 million, a rise of DKK 9 million compared to 2007. The cost includes a write-down of DKK 11 million related to a financial receivable concerning DFDS Suardiaz Line. Net interest charges fell by 15% to DKK 190 million due to a reduction in the average net interest-bearing debt of 14% and a smaller reduction in borrowing rates. However, the saving on interest payments was more or less balanced by the loss on net-price adjustments for exchange rates.

DFDS GROUP – EBITDA PER QUARTER
(DKK MILL.)

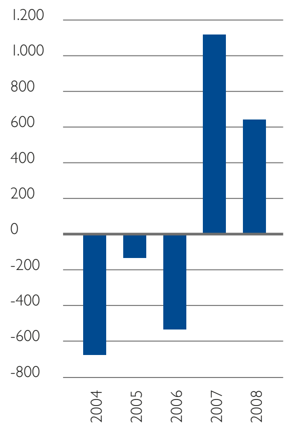


QUARTERLY FIGURES 2006-2008
ARE NOT AUDITED

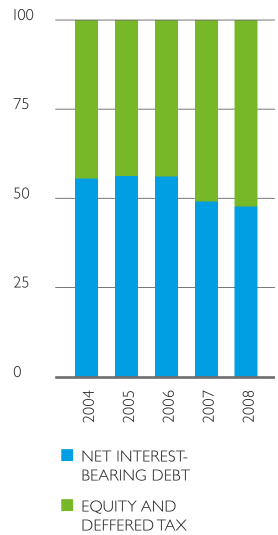
REVENUE AND
INVESTED CAPITAL
(DKK BILLION)



FREE CASH FLOW
(DKK MILLION)



CAPITAL STRUCTURE
(%-SHARE OF CAPITAL)



15% REDUCTION IN INTEREST-BEARING DEBT

Tax and annual profit

Pre-tax profit in 2008 was DKK 221 million, a decline of 58% compared to 2007.

The activities of the DFDS Group are subject to the tonnage tax scheme in Denmark, Norway, Holland and Lithuania. Tax on the result for the year constituted an income of DKK 32 million, which incorporates an income of DKK 37 million from deferred tax.

The net profit after tax was DKK 253 million.

Investments

Investments in 2008 totalled DKK 515 million, while the sale of assets amounted to DKK 170 million. The net investment total was therefore DKK 345 million.

Investment in ships was DKK 363 million, of which DKK 139 million consists of advance payments on tonnage to be delivered in 2009, and DKK 84 million of advance payments concerning the extension of three ships. The rest of the investment in ships is associated with dockings and minor refurbishments. An additional DKK 72 million was invested in cargo-carrying material.

The sale of the business area Tramp provided a cash flow of DKK 160 million.

Assets and invested capital

Total assets were reduced by 10% to DKK 8.6 billion, corresponding to a fall of DKK 1.0 billion. Approximately half of this fall can be attributed to the depreciation of currencies in 2008. The main impact was on tangible fixed assets.

Total assets were also reduced by depreciations exceeding net investments, and a reduction in current assets, including liquid holdings.

Average invested capital fell by 5% to DKK 7.7 billion. The return on invested capital was 5.8%, a decline of 2.8 percentage points compared with 2007.

Financing and capital structure

Interest-bearing debt was reduced by 15% to DKK 3.7 billion at the end of 2008, corresponding to a reduction of DKK 631 million. Debt secured by ships was reduced by DKK 618 million, while short-term liabilities, other than provisions, were increased by DKK 289 million. At the end of 2008, the proportion of fixed-interest debt was 56%, including the use of rate swaps.

Net-interest-bearing debt was reduced by 11% to DKK 3.4 billion at the end of 2008.

Cash flow

Gross cash flow from operations fell by 22% to DKK 1.0 billion due to the 23% decline in EBITDA.

Free cash flow from operations, calculated before interest and after investments, was positive DKK 638 million in 2008.

The cash flow was used, amongst other things, to pay interest expenses of DKK 209 million, reduce debt by DKK 454 million and pay a dividend of DKK 115 million. Total cash flow for the year was negative DKK 160 million, which together with exchange rate adjustments reduced cash funds to DKK 302 million at the end of 2008.

Valuation of ships

An annual impairment test is conducted on the Group's ships, based on their expected net cash flow and external brokers' evaluations. The calculations for 2008 did not lead to any write-downs. This impairment test is described in greater detail in Note 37.

Demand for ro-ro and ro-pax ships decreased in H2 2008, but remains stable for newer and larger ships. The market value of the DFDS fleet at the end of 2008, based partly on brokers' evaluations, was somewhat higher than the book value of DKK 5.7 billion. The book value of the fleet was reduced by DKK 261 million on account of exchange rate adjustments in 2008. Since the types of ships used in the DFDS fleet, are primarily traded in EUR, these exchange rate adjustments do not affect the fleet's market value.

Equity

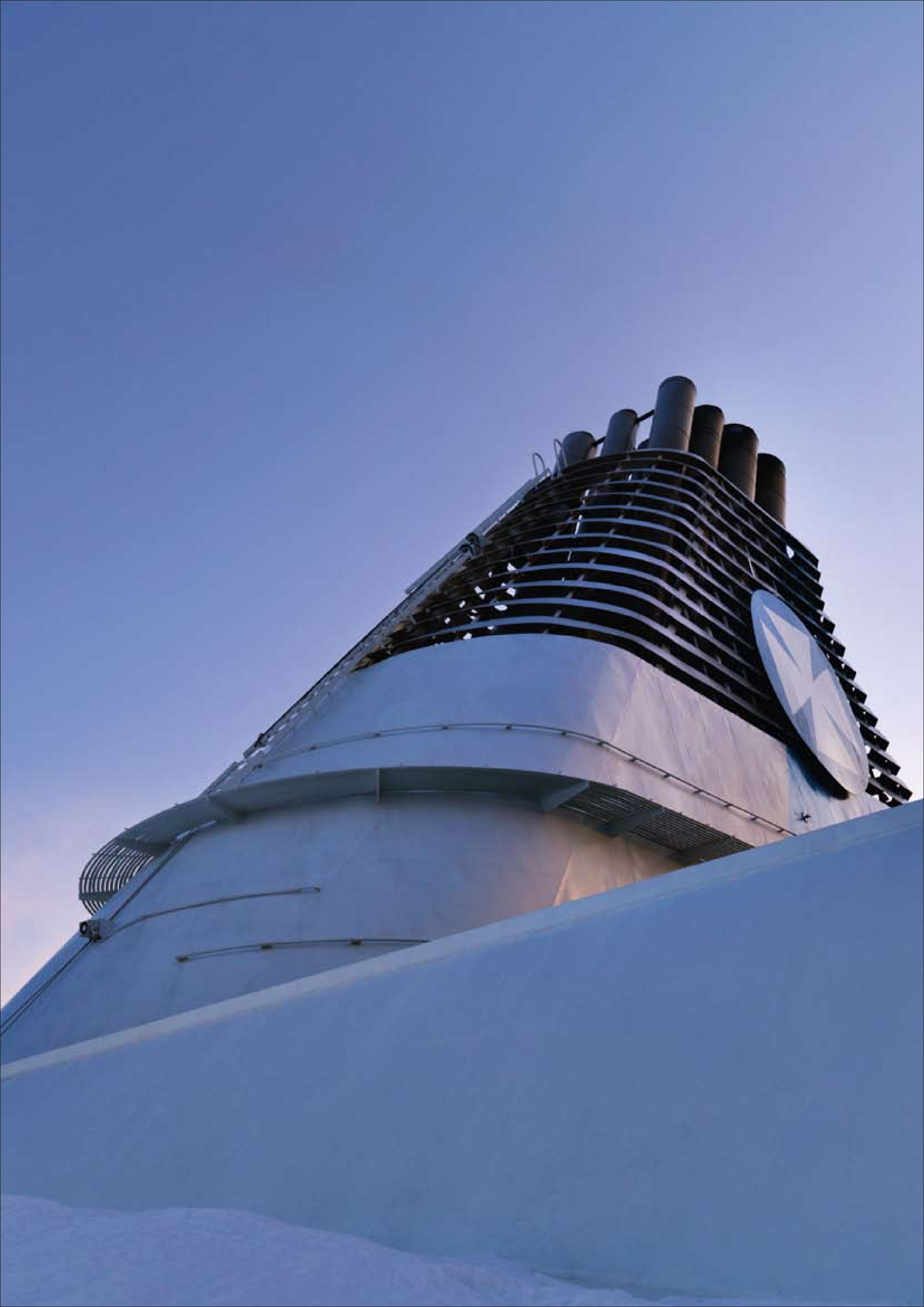
Equity declined by 5% to DKK 3,484 million.

The total equity movement was negative DKK 169 million in 2008, partly because of exchange-rate adjustments of subsidiaries' equity amounting to DKK -167 million, and partly due to value adjustment from hedging transactions of DKK -84 million. The result carried over to equity was DKK 253 million and the dividend payout in 2008 was DKK 115 million, excluding the dividend on Group-owned shares.

The equity ratio at the end of the year was 40%, an increase of two percentage points compared to 2007.

The parent company's financial performance

The annual profit for the parent company, DFDS A/S, was DKK -20 million. Total assets at the end of the year amounted to DKK 7,635 million and the equity total was DKK 3,408 million.



INCOME STATEMENT

PARENT COMPANY
DKK '000

CONSOLIDATED
DKK '000

2007	2008	NOTE	INCOME STATEMENT	2007	2008
5,214,122	5,282,908	2,3	Revenue	8,310,249	8,193,586
			Costs		
-2,642,114	-2,755,039	4	Operating costs	-4,434,730	-4,583,660
-681,161	-801,254		Charter hire	-593,167	-690,289
-674,790	-642,364	5	Staff costs	-1,529,088	-1,481,393
-492,193	-473,855	6	Other costs of operation, sales and administration	-437,681	-420,976
-4,490,258	-4,672,512		Total costs	-6,994,666	-7,176,318
723,864	**610,396**		**Operating profit before depreciation (EBITDA)**	**1,315,583**	**1,017,268**
-	-	14	Share of profit/loss of associates	-2,226	-6,906
35,045	0	7	Profit on disposal of ships, buildings and terminals	32,537	39,572
		11,12	*Depreciation and impairment*		
-274,212	-271,411		Ships	-451,853	-436,954
-42,757	-45,366		Other non-current fixed assets	-143,942	-134,758
0	-4,413		Impairment losses for ships and other non-current assets	0	-42,439
0	0		Value adjustment of goodwill/negative goodwill	1,973	19,947
-316,969	-321,190		Total depreciation and impairment	-593,822	-594,204
441,940	**289,206**		**Operating profit (EBIT)**	**752,072**	**455,730**
74,702	88,779	8	Financial income	26,807	31,437
-217,544	-387,539	8	Financial expenses	-253,085	-266,235
299,098	**-9,554**		**Profit before tax**	**525,794**	**220,932**
0	-10,481	9	Tax on profit	-114,097	32,145
299,098	**-20,035**		**Profit for the year**	**411,697**	**253,077**
			Profit for the year is attributed to		
299,098	-20,035		Equity holders of DFDS A/S	400,393	246,559
-	-		Minority interest	11,304	6,518
299,098	-20,035			411,697	253,077
		10	**Earnings per share**		
			Basic earnings per share (EPS) of DKK 100	52.39	32.12
			Diluted earnings per share (EPS-D) of DKK 100	52.01	32.08
			Proposed profit appropriation		
120,000	0		Proposed dividends, DKK 0.00 per share (2007: DKK 15.00 per share)		
179,098	-20,035		Retained earnings		
299,098	**-20,035**				

BALANCE SHEET – ASSETS

PARENT COMPANY
DKK '000

CONSOLIDATED
DKK '000

2007	2008	NOTE	BALANCE SHEET AT 31 DECEMBER	2007	2008
272,687	265,022		Goodwill	327,397	318,855
26,264	11,178		Other non-current intangible assets	111,448	34,532
36,084	57,859		Software	36,084	57,859
9,575	3,975		Development projects in progress	9,575	3,975
344,610	*338,034*	11	*Total non-current intangible assets*	*484,504*	*415,221*
10,221	12,621		Buildings	76,520	76,788
28,169	26,198		Terminals	348,138	282,956
3,845,730	3,472,705		Ships	6,404,565	5,663,515
69,792	88,829		Equipment, etc.	299,438	293,618
24,170	232,538		Work in progress and prepayments	27,399	236,945
3,978,082	*3,832,891*	12	*Total non-current tangible assets*	*7,156,060*	*6,553,822*
1,646,439	1,599,673	13	Investments in group enterprises	-	-
7,333	7,333	14	Investments in associates	11,391	12,167
556,513	507,522	15	Receivables	3,029	27,644
24,488	16,157	16	Securities	25,808	17,453
0	0	19	Deferred tax assets	75,174	72,996
2,234,773	*2,130,685*		*Total other non-current assets*	*115,402*	*130,260*
6,557,465	**6,301,610**		**Total non-current assets**	**7,755,966**	**7,099,303**
79,581	67,089	17	Inventories	96,188	79,666
1,062,788	948,302	15	Receivables	1,023,698	846,989
27,533	45,650		Prepayments	98,146	97,924
140,952	87,409		Cash at bank and in hand	494,279	301,569
1,310,854	1,148,450			1,712,311	1,326,148
0	184,971	12, 33	Assets held for sale	141,796	184,971
1,310,854	**1,333,421**		**Total current assets**	**1,854,107**	**1,511,119**
7,868,319	**7,635,031**		**Total assets**	**9,610,073**	**8,610,422**

BALANCE – EQUITY AND LIABILITIES

PARENT COMPANY DKK '000				CONSOLIDATED DKK '000	
2007	**2008**	**NOTE**	**BALANCE SHEET AT 31 DECEMBER**	**2007**	**2008**
800,000	800,000	18	Share capital	800,000	800,000
-50,149	-104,108		Reserves	-53,483	-309,441
2,740,294	2,712,280		Retained earnings	2,676,252	2,923,383
114,917	0		Proposed dividends	114,917	0
3,605,062	*3,408,172*		*Total equity attributable to equity holders of DFDS A/S*	*3,537,686*	*3,413,942*
-	-		Minority interests	115,660	70,550
3,605,062	**3,408,172**		**Total equity**	**3,653,346**	**3,484,492**
2,755,749	2,025,798	23	Interest bearing liabilities	3,644,775	2,682,131
0	0	19	Deferred tax	222,428	153,578
14,669	15,051	21	Pension and jubilee liabilities	226,723	170,240
0	0	22	Other provisions	1,125	0
2,770,418	*2,040,849*		*Total non-current liabilities*	*4,095,051*	*3,005,949*
959,951	1,539,693	23	Interest bearing liabilities	707,650	954,040
160,947	88,917		Trade payables	411,484	308,317
2,610	0	22	Other provisions	25,168	9,720
0	10,481	25	Corporation tax	22,516	23,773
339,894	437,340	24	Other payables	567,172	622,219
29,437	24,579		Deferred income	120,296	116,912
1,492,839	*2,101,010*			*1,854,286*	*2,034,981*
0	85,000	33	Liabilities related to assets held for sale	7,390	85,000
1,492,839	*2,186,010*		*Total current liabilities*	*1,861,676*	*2,119,981*
4,263,257	**4,226,859**		**Total liabilites**	**5,956,727**	**5,125,930**
7,868,319	**7,635,031**		**Total equity and liabilities**	**9,610,073**	**8,610,422**

Guarantees pledged as surety, etc., see Note 12 and 23
Share options, see Note 20
Guarantees and contingent liabilities, see Note 34
Contractual commitments, see Note 26 and 35
Related parties, see Note 36
Impairment tests, see Note 37
Critical accounting estimates and judgements, see Note 38
Events after the balance sheet date, see Note 39

STATEMENT OF CHANGES IN EQUITY – CONSOLIDATED

		RESERVES								
DKK '000	SHARE CAPITAL	CURRENCY TRANSLATION	HEDGING	REVALUATION OF SECURITIES	TREASURY SHARES	RETAINED EARNINGS	PROPOSED DIVIDENDS	TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF DFDS A/S	MINORITY INTERESTS	TOTAL
Equity at 1 January 2007	**800,000**	**16,066**	**-91,337**	**12,502**	**-39,112**	**2,372,012**	**83,698**	**3,153,829**	**111,422**	**3,265,251**
Equity movements 2007										
Foreign exchange adjustment relating to foreign companies' beginning equity and goodwill		-20,911						-20,911	80	-20,831
Effect of difference between year-end and average rates on profit		749						749	12	761
Value adjustment of hedging instruments			-3,151					-3,151	135	-3,016
Value adjustment of hedging instruments transferred to revenue			-2,649					-2,649		-2,649
Value adjustment of hedging instruments transferred to operating expenses			54,376					54,376		54,376
Value adjustment of hedging instruments transferred to financial expenses			15,453					15,453		15,453
Tax of equity movements			24					24		24
Value adjustment of securities				-712				-712		-712
Value adjustment of securities from sale transferred to the income statement				-4				-4		-4
Net income/(expense) recognised directly in equity	0	-20,162	64,053	-716	0	0	0	43,175	227	43,402
Profit for the year						280,393	120,000	400,393	11,304	411,697
Total recognised income	0	-20,162	64,053	-716	0	280,393	120,000	443,568	11,531	455,099
Distributed dividends							-84,055	-84,055	-954	-85,009
Adjustments of distributed dividends 2006						-357	357	0		0
Dividends treasury shares						5,083	-5,083	0		0
Disposal of minority interests								0	-6,338	-6,338
Share-based payment						10,525		10,525		10,525
Sale of treasury shares related to exercise of share options					5,223	8,390		13,613		13,613
Exercise of share options						1,031		1,031		1,031
Other adjustments						-825		-825	-1	-826
Equity movements 2007	**0**	**-20,162**	**64,053**	**-716**	**5,223**	**304,240**	**31,219**	**383,857**	**4,238**	**388,095**
Equity at 31 December 2007	**800,000**	**-4,096**	**-27,284**	**11,786**	**-33,889**	**2,676,252**	**114,917**	**3,537,686**	**115,660**	**3,653,346**

STATEMENT OF CHANGES IN EQUITY – CONSOLIDATED

		RESERVES								
DKK '000	SHARE CAPITAL	CURRENCY TRANSLATION	HEDGING	REVALUATION OF SECURITIES	TREASURY SHARES	RETAINED EARNINGS	PROPOSED DIVIDENDS	TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF DFDS A/S	MINORITY INTERESTS	TOTAL
Equity at 1 January 2008	**800,000**	**-4,096**	**-27,284**	**11,786**	**-33,889**	**2,676,252**	**114,917**	**3,537,686**	**115,660**	**3,653,346**
Equity movements 2008										
Foreign exchange adjustment relating to foreign companies' beginning equity and goodwill		-166,132						-166,132	-549	-166,681
Effect of difference between year-end and average rates on profit		-5,688						-5,688	-56	-5,744
Value adjustment of hedging instruments			-83,927					-83,927	-179	-84,106
Value adjustment of hedging instruments transferred to revenue			1,741					1,741		1,741
Value adjustment of hedging instruments transferred to operating expenses			6,647					6,647		6,647
Value adjustment of hedging instruments transferred to financial expenses			-57					-57		-57
Value adjustment of securities				-8,076				-8,076		-8,076
Value adjustment of securities from sale transferred to the income statement				-380				-380		-380
Net income/(expense) recognised directly in equity	0	-171,820	-75,596	-8,456	0	0	0	-255,872	-784	-256,656
Profit for the year						246,559	0	246,559	6,518	253,077
Total recognised income	0	-171,820	-75,596	-8,456	0	246,559	0	-9,313	5,734	-3,579
Distributed dividends							-115,217	-115,217	0	-115,217
Adjustments of distributed dividends 2007						-300	300	0		0
Disposal of minority interests								0	-50,845	-50,845
Share-based payment						3,588		3,588		3,588
Sale of treasury shares related to exercise of share options					3,000	5,310		8,310		8,310
Acquisition of treasury shares					-3,086	-7,048		-10,134		-10,134
Other adjustments						-978		-978	1	-977
Equity movements 2008	**0**	**-171,820**	**-75,596**	**-8,456**	**-86**	**247,131**	**-114,917**	**-123,744**	**-45,110**	**-168,854**
Equity at 31 December 2008	**800,000**	**-175,916**	**-102,880**	**3,330**	**-33,975**	**2,923,383**	**0**	**3,413,942**	**70,550**	**3,484,492**

STATEMENT OF CHANGES IN EQUITY – PARENT COMPANY

DKK '000	SHARE CAPITAL	RESERVES HEDGING	RESERVES REVALUATION OF SECURITIES	RESERVES TREASURY SHARES	RETAINED EARNINGS	PROPOSED DIVIDENDS	TOTAL
Equity at 1 January 2007	**800,000**	**-88,278**	**12,558**	**-39,112**	**2,540,232**	**83,698**	**3,309,098**
Equity movements 2007							
Foreign exchange adjustment relating to goodwill					-3,703		-3,703
Value adjustment of hedging instruments		-5,793					-5,793
Value adjustment of hedging instruments transferred to revenue		-2,552					-2,552
Value adjustment of hedging instruments transferred to operating expenses		54,376					54,376
Value adjustment of hedging instruments transferred to financial expenses		14,145					14,145
Value adjustment of securities			-712				-712
Value adjustment of securities from sale transferred to the income statement			-4				-4
Other adjustments					-5		-5
Net income/(expense) recognised directly in equity	0	60,176	-716	0	-3,708	0	55,752
Profit for the year					179,098	120,000	299,098
Total recognised income	0	60,176	-716	0	175,390	120,000	354,850
Distributed dividends						-84,055	-84,055
Adjustments of distributed dividends 2006					-357	357	0
Dividends treasury shares					5,083	-5,083	0
Share-based payment					10,525		10,525
Sale of treasury shares related to exercise of share options				5,223	8,390		13,613
Exercise of share options					1,031		1,031
Equity movements 2007	**0**	**60,176**	**-716**	**5,223**	**200,062**	**31,219**	**295,964**
Equity at 31 December 2007	**800,000**	**-28,102**	**11,842**	**-33,889**	**2,740,294**	**114,917**	**3,605,062**
Equity movements 2008							
Foreign exchange adjustment relating to goodwill					-9,530		-9,530
Value adjustment of hedging instruments		-38,156					-38,156
Value adjustment of hedging instruments transferred to revenue		-6,286					-6,286
Value adjustment of hedging instruments transferred to operating expenses		6,646					6,646
Value adjustment of hedging instruments transferred to financial expenses		-7,621					-7,621
Value adjustment of securities			-8,456				-8,456
Other adjustments					1		1
Net income/(expense) recognised directly in equity	0	-45,417	-8,456	0	-9,529	0	-63,402
Profit for the year					-20,035	0	-20,035
Total recognised income	0	-45,417	-8,456	0	-29,564	0	-83,437
Distributed dividends						-115,217	-115,217
Adjustments of distributed dividends 2007					-300	300	0
Share-based payment					3,588		3,588
Sale of treasury shares related to exercise of share options				3,000	5,310		8,310
Acquisition of treasury shares				-3,086	-7,048		-10,134
Equity movements 2008	**0**	**-45,417**	**-8,456**	**-86**	**-28,014**	**-114,917**	**-196,890**
Equity at 31 December 2008	**800,000**	**-73,519**	**3,386**	**-33,975**	**2,712,280**	**0**	**3,408,172**

The Company's share capital, which is not divided into different classes of shares, is divided into 8,000,000 shares of DKK 100 each,
The share capital has been unchanged the last 5 years,

CASH FLOW STATEMENT

PARENT COMPANY
DKK '000

CONSOLIDATED
DKK '000

2007	2008	NOTE	CASH FLOW STATEMENT	2007	2008
723,864	**610,396**		**Operating profit before depreciation (EBITDA)**	**1,315,583**	**1,017,268**
16,082	-2,364	27	Adjustments for non-liquid operating items, etc.	26,351	-2,232
61,437	-22,270	28	Change in working capital	-47,699	12,865
-1,519	-3,444		Payment of pension liabilities and other provisions	-10,409	-20,921
799,864	**582,318**		**Cash flow from operating activities, gross**	**1,283,826**	**1,006,980**
96,329	102,539		Interest income	50,919	83,889
-252,987	-251,071		Interest expenses	-274,350	-292,574
0	0		Taxes paid	-19,575	-23,726
643,206	**433,786**		**Cash flow from operating activities, net**	**1,040,820**	**774,569**
-119,909	-298,936		Purchase of ships	-146,882	-362,559
101,504	0		Disposal of ships and ship contracts	102,912	160,987
-2,032	-3,745	29	Buildings and terminals	-14,955	-10,867
-18,486	-35,327	29	Equipment, etc.	-44,377	-62,225
-14,552	-30,747		Purchase of non-current intangible assets	-14,451	-32,088
-22,587	11,834	31	Acquisition of companies and activities	-22,587	-274
-23,093	-11,186		Capital increase in subsidiaries	-	-
-1,626	-20,770	32	Acquisition of minority interests	-12,643	-39,796
2,500	4,957	8	Dividends from group enterprises	-	-
1,194	1,194	8,14	Dividends from associates	2,503	2,302
0	0	14	Investments in associates	-313	0
-97,087	**-382,726**		**Cash flow from investing activities**	**-150,793**	**-344,520**
-388,255	-342,707		Payment and redemptions of loans secured by mortgages in ships	-543,885	-475,843
12,103	2,468		Change in other non-current investments	4,658	239
-70,570	-78,498	30	Change in other financial loans	-79,609	-103,057
-7,873	-10,544		Payment of financial lease liabilities	-39,344	-29,065
89,975	431,584		Change in operating credits	-38,530	124,469
12,925	8,311		Exercise of share options	12,925	8,311
-84,055	-115,217		Dividends paid to shareholders	-85,009	-115,217
-435,750	**-104,603**		**Cash flow from financing activities**	**-768,794**	**-590,163**
110,369	**-53,543**		**Cash flow for the year**	**121,233**	**-160,114**
30,583	140,952		Cash at bank and in hand at the beginning of the year	371,367	494,279
0	0		Foreign exchange adjustments	1,679	-32,596
140,952	**87,409**		**Cash at bank and in hand at year-end**	**494,279**	**301,569**

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

NOTER

NOTE 1 ACCOUNTING POLICIES

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. The latter Danish disclosure requirements are laid down in the Danish Executive Order on applying IFRS standards issued pursuant to the Danish Financial Statements Act and the Copenhagen Stock Exchange.

Basis for preparation

The annual report is presented in Danish Kroner (DKK) rounded off to the nearest 1,000 DKK.

The annual report is prepared according to the historical cost convention with the exception of the following assets and liabilities measured at fair value: derivatives and financial instruments classified as available-for-sale.

Long-term assets and assets held for disposal are measured at the lowest value of the carrying amount before the changed classification or cost market value deducted any selling costs.

The applied accounting policies as described below are used consistently for the financial year as well as for the comparative figures.

Change of accounting policies and presentation

The accounting policies applied in the preparation of the annual report and the presentation of the annual report are consistent with those of the annual report for 2007 except from IFRIC 14 - 'IAS 19 – The limit on a defined benefit asset, minimum funding requirement and their interaction'.

IFRIC 14 provides guidance on assessing the limit in IAS 19 'Employee benefits' on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. The guideline has no impact on the Group's Financial Statements.

Other changes

The item 'Share of profit/loss of associates' is re-classified in the income statement. The item is now a part of 'Operating profit (EBIT)'. Previously the item was classified together with financial items before 'Profit before tax'.

The following interpretation (International Financial Reporting Interpretation Committee) is effective as of financial year 2008 but not relevant for the Group:

- IFRIC 11 'IFRS 2: Group and Treasury Share Transactions'
- IFRIC 12 'Service concession arrangements'

Standards early adopted by the Group

IFRS 8 'Operating segments' was early adopted in 2007. The standard is effective from 1 January 2009. The adoption has no impact on the Group's Financial Statements.

Effect of new accounting regulation

At the end of 2008 the following standards and interpretations were issued with effective date for annual periods beginning on or after 1 January 2009 or later but have not yet been implemented:

- IAS 1 (revised), 'Presentation of financial statements' (1 January 2009)
- Amendment to IAS 19 'Employee benefits' (1 January 2009)
- Amendment to IAS 23 'Borrowing costs' (1 January 2009)
- IAS 27 (revised), 'Consolidated and separate financial statements' (1 January 2009)
- Amendment to IAS 28 'Investments in associates' (1 January 2009)
- Amendment to IAS 32 'Financial instruments: Disclosure and Presentation' (1 January 2009)
- Amendment to IAS 36 'Impairment of assets' (1 January 2009)
- Amendment to IAS 38 'Intangible assets' (1 January 2009)
- Amendments to IFRS 2 'Share-based payment' (1 January 2009)
- Amendment to IFRS 3 'Business combinations' (1 July 2009)
- Amendment to IFRS 5 'Non-current assets held-for-sale and discontinued operations' (1 July 2009)
- Amendment to IFRS 7 'Financial instruments: Disclosures' (1 January 2009)
- IFRIC 16 'Hedges of a net investment in a foreign operation' (1 January 2009)

These standards and interpretations are implemented concurrently when becoming effective, but are not expected to have a significant effect on the Financial Statements of DFDS. Currently, only IAS1, IAS 23, and IFRS 2 are approved by EU. Other amendments and interpretations are not relevant to the Group's financial statement.

Critical accounting policies

DFDS' management estimates that applied accounting policies for consolidated financial statement, non-current intangible assets, ships, operational lease versus financial lease and derivative financial instruments are the most important for the Group. Below are the individual areas described together with other accounting policies.

Significant estimates and judgements in connection with the application of the Group's accounting policies are mentioned in Note 38.

DESCRIPTION OF ACCOUNTING POLICIES

Consolidated financial statements

The consolidated financial statements include the financial statement of DFDS A/S (the Parent Company) and all the companies in which DFDS A/S, at the balance sheet date, directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence (subsidiaries). DFDS A/S and these companies are referred to as the Group, cf. the Group chart page 102.

Companies that are not subsidiaries, but in which the Group holds between 20% and 50% of the voting rights or in some other way exerts significant influence on the operational and financial management, are treated as associates.

The consolidated financial statements are based on the financial statement of the Parent Company and the subsidiaries and are prepared by combining items of a uniform nature and eliminating intercompany transactions, shareholdings, balances and unrealised intercompany profits and losses. The consolidated financial statements are based on financial statements prepared by applying the Group's accounting policies.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' net asset value at the acquisition date.

The Group's investments in associates are recognised in the consolidated financial statements at the proportionate share of the associates' net asset value. Unrealised intercompany profits and losses from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in the entity.

Minority interests

In the consolidated financial statements, the items of subsidiaries are recognised in full. The minority interests' proportionate shares of the subsidiaries' results and equity are adjusted annually and recognised separately in the proposed profit appropriation and statement of changes in equity.

Business combinations

Enterprises acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of are recognised in the consolidated financial statements until the date of disposal. The comparative figures are not adjusted for acquisitions or disposals.

Acquisitions of enterprises in which the Parent Company will be able to exercise control are accounted for using the purchase method. The cost of an acquisition is measured as the fair value of the assets given and liabilities incurred or assumed at the date of acquisition, plus costs directly attributable to the acquisition. In case components of the consideration are linked up to future events, these components are included in the cost of acquisition to the extent that the events are probable and the determination of the consideration is reliable. Identifiable assets, liabilities and contingent liabilities acquired in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. Negative goodwill (badwill) is recognised as income in the income statement at the time of the acquisition.

Positive and negative balances from the acquirees might be adjusted until 12 months from the date of the acquisition provided that the initial recognition was preliminary or incorrect. All other adjustments are recognised in the profit and loss account.

Goodwill is allocated at the date of acquisition to the lowest cash-generating unit to which the goodwill within reason is attributable. The allocation of goodwill to cash-generating units is mentioned in Note 11 and 37.

For business combinations achieved in stages, goodwill and negative goodwill are measured at each transaction using the above-described method until control is obtained. Share of profit or loss is recognised using the acquired ownership at each stage of transaction. For business combinations achieved in stages after control is obtained, goodwill and negative goodwill are measured as the difference between the cost of the additional acquisition and the carrying amount of the acquired net assets.

Gains or losses on subsidiaries and associates disposed of are stated as the difference between the sales amount or disposal costs and the carrying amount of net assets at the date of disposal, including the carrying amount of goodwill, accumulated exchange gains and losses previously recognised in the equity plus anticipated disposal costs.

Translation of foreign currencies

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates. The consolidated financial statements are presented in Danish kroner (DKK), which is the functional and presentation currency of the Group.

Translation of transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying for cash flow hedges.

Translation differences on non-monetary items are reported as part of the fair value gain or loss.

Fixed assets acquired in foreign currency are translated at the exchange rate prevailing at the date of transaction. Gains and losses on hedges relating to the acquisition of fixed assets are recognised as part of the fixed asset.

Translation of group companies

Financial statements of foreign subsidiaries are translated into Danish kroner at the exchange rates at the balance sheet date for assets and liabilities and at average exchange rates for income statement items.

All exchange rate adjustments are recognised in the income statement with the exception of exchange gains and losses arising from:

- The translation of subsidiaries' net assets at the beginning of the year translated at the exchange rates at the balance sheet date.
- Goodwill arising on the acquisition of foreign subsidiaries is considered as an asset belonging to the foreign subsidiaries and translated into Danish kroner at the exchange rates at the balance sheet date.
- The translation of subsidiaries' income statements using average exchange rates whereas balance sheets are translated using the exchange rates at the balance sheet date.
- The translation of long-term intercompany receivables regarded as an addition to net assets in subsidiaries.
- The translation of investments in associates.

The above exchange gains and losses (exchange rate adjustments) are recognised in a separate reserve in the equity. At full or partial realisation of the net investment the exchange rate adjustments are recognised in the profit and loss account.

Derivative financial instruments

The Group uses forward exchange contracts and currency options to hedge forecasted transactions in foreign currencies. Furthermore, the Group uses interest-rate swaps to hedge the forecasted transactions related to interest transactions and oil contracts for forward delivery to hedge the forecasted oil transactions.

DFDS applies hedge accounting under the specific rules of IAS 39 to forward exchange contracts, currency options and interest-rate swaps. On initiation of the contract, the Group designates each derivative financial contract that qualifies for hedge accounting as a hedge of specific hedged transactions: either i) a recognised asset or liability (fair value hedge) or ii) a forecasted financial transaction or firm commitment (cash flow hedge).

All contracts are initially recognised at cost and subsequently measured at their fair value at the balance sheet date. The value adjustments on forward exchange contracts, currency options and interest-rate swaps designated as hedges of forecasted transactions (hedging transactions) are recognised directly under equity, if the hedge is effective. The cumulative value adjustment of these contracts is removed from equity and recognised in the income statement in the items where the hedged position is recognised.

Forward exchange contracts and currency swaps hedging recognised assets and liabilities in foreign currencies are measured at fair value at the balance sheet date. Value adjustments are recognised in the income statement under financial income or financial expenses, along with any value adjustments of the hedged asset or liability that is attributable to the hedged risk. Value adjustments of derivative financial instruments that do not qualify for hedge accounting, are recognised in the balance sheet at fair value and value adjustments are recognised on a continuing basis in the income statement.

All fair values are calculated on basis of listed prices or market conformal valuation models.

The accumulated net fair value of derivative financial instruments is presented as other receivables if positive or other liabilities if negative.

Government grants

Government grants related to funding for investments are offset against the cost of the non-current fixed asset and reduces the depreciation of the assets for which the grants are awarded.

Rental and lease matters

When contracts for the hire and lease of ships, buildings and operating assets are of an operational nature, rental payments are recognised in the income statement for the period to which they relate. The remaining rental liability and lease obligations under such contracts are disclosed as contingent liabilities.

Assets held under financial leases are recognised in the balance sheet and depreciated in the same way as the Group's other non-current assets.

Incentive plans

The Group has set up equity-settled and cash-settled share-based compensation plans. Part of the Company's holding of treasury shares is used under the Group's share option plan.

The value of services received in exchange for incentive plans is measured at the fair value of the options granted.

Fair value is measured at the grant date for equity-settled plans. Fair value is measured at each balance sheet date and when vested for cash-settled plans. The fair value is recognised as a staff cost over the period in which the options vest with a corresponding increase in equity (equity-settled plans) and other payables (cash settled plans).

The number of share options, expected to be exercised by employees, is estimated in the initial recognition in accordance with the service conditions described in Note 20. Subsequent to initial recognition, the estimate is adjusted on a continuing basis to reflect the actual number of exercised share options.

The fair value of granted share options for equity-settled plans is estimated using the Black-Scholes option-pricing model. Vesting conditions are taken into account when estimating the fair value of the share options.

Key ratios

Key ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of key ratios "Recommendations and Financial Ratios 2005". The key ratios stated in the survey of consolidated financial highlights are defined on the "definitions and glossary" page.

INCOME STATEMENT

Revenue

Revenue from passenger conveyance, sea freight transport and land transport etc. is recognised in the income statement at the time of delivery to the customer, which is the time of transfer of the risk.

Revenue is measured at fair value, excluding value added tax and after the deduction of trade discounts.

Costs

When passenger conveyance, sea freight and land transport etc. are recognised as income, related costs are recognised in the income statement.

Operating costs related to ships

The operating costs of the ships comprise costs related to catering, ship fuel consumption including hedging and costs for ship maintenance that are not capitalised under non-current tangible assets.

Charter hire

Charter hire comprises costs related to bareboat and time charter agreements.

Staff costs

Wages, salaries, social security contributions, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where the Group provides long-term employee benefits, the costs are accrued to match the rendering of the services by the employees concerned.

Other costs of operation, sales and administration

Other costs of operation, sales and administration comprise operating costs concerning land-based activities, including the lease, rental and maintenance of operating equipment. In addition, costs of sales, marketing and administration are included.

Profits on disposal of ships, property and terminals

Profits on disposal of ships, property and terminals are determined as the difference between the selling price or the disposal price and the carrying amount of net assets at the date of disposal including costs in connection with dismissal of staff on the ships and other disposal costs, such as obligations related to harbour dues and lease of terminal area, etc.

Profit from equity investments in associated companies

The Group's profit and loss account includes the pro rata share of the profit and loss account in the associated companies after tax and minority interests after elimination of pro rata share of intercompany profit/purchase.

Financial income and expenses

Financial income and expenses comprises interest income and expense, realised and unrealised gains and losses on payables and transactions denominated in foreign currencies, realised gains and losses on securities, as well as the amortisation of financial assets and liabilities including financial leasing commitments as well as surcharges and allowances under the tax prepayment scheme (DK). Also included are realised and unrealised gains and losses on derivative financial instruments that are not designated as hedges.

Tax

Tax for the year comprises income tax, tonnage tax, and joint taxation contribution for the year of Danish subsidiaries as well as changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

The current payable Danish corporation tax is allocated by the settlement of a joint taxation contribution between the jointly taxed companies in proportion to their taxable income. In connection with the settlement the companies with a negative taxable income receive a joint taxation contribution from companies that have used the tax losses to reduce their own taxable profit.

Tax computed on the taxable income and tonnage tax for the year is recognised in the balance sheet as tax payable or receivable or joint taxation contribution for Danish companies considering the payments on account. According to the Danish act of joint taxation, associated companies' own corporation tax liabilities towards the Danish tax authorities are settled concurrently with the payment of the joint taxation contribution to the company that manages the joint taxation.

Deferred tax is measured on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill that is not tax deductible, where temporary differences arise at the date of acquisition without affecting either profit/loss for the year or taxable income.

Deferred tax relating to assets and liabilities subject to tonnage taxation is recognised to the extent that deferred tax is expected to occur.

Deferred tax assets are recognised at the expected value of their utilisation. Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured on the basis of the expected use and settlement of the individual assets and liabilities and according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

ASSETS

Current assets are defined as:

- Assets expected to be realised in, or are held for sale or consumption in, the normal course of DFDS' operating cycle, or
- Assets held primarily for trading purposes or which are expected to be realised within twelve months of the balance sheet date, or
- Cash or cash equivalent assets that are not restricted in use.

All other assets are defined as non-current assets.

Non-current intangible and tangible assets

Generally the following applies unless otherwise specified:

- Non-current intangible and tangible assets are measured at cost less the accumulated amortisation/depreciation and impairment.
- Cost for non-current intangible and tangible assets include the costs of external suppliers, materials and components (only tangible assets), direct wages and salaries.

- Interest paid from the time of payment until the date when the asset is available for use is included in cost. Cost also comprises gains and losses on transactions designated as hedges of non-current tangible assets.
- The basis for amortisation/depreciation is determined as the cost less the expected residual value.
- Non-current intangible and tangible assets are amortised/depreciated on a straight-line basis to the estimated residual value over the expected useful life at DFDS.
- Expected useful life at DFDS and residual value are reassessed at least once a year. In estimating the expected useful life for ships it is taken into consideration that DFDS is continuously spending substantial funds on ongoing maintenance.
- The effect of changes to the amortisation/depreciation period or residual value is recognised prospectively as a change in the accounting estimate.

Goodwill

At initial recognition goodwill is recognised in the balance sheet at cost as described in the section 'Business combinations'. Subsequently, goodwill is measured at cost less accumulated write-downs. Goodwill is not amortised.

An impairment test is performed annually in connection with the presentation of next year's budget.

The book value of goodwill is allocated to the Group's cash-generating units at the time of acquisition. Allocation of goodwill to cash-generating units is described in Note 11 and 37.

Development projects

Development projects, primarily the development of IT software, are recognised as non-current intangible assets if the following criteria are met:

- the projects are clearly defined and identifiable;
- the Group intends to use the projects;
- there is sufficient assurance that future earnings can cover development costs and administrative expenses; and
- the cost can be reliably measured.

The amortisation of capitalised development projects starts after the completion of the development project and is provided on a straight-line basis over the expected useful live, normally 3-5 years, but in certain cases up to 10 years.

Other non-current intangible assets

Other non-current intangible assets comprise the value of customer relations or similar identified as a part ofacquisitions. Other non-current intangible assets are measured at cost less accumulated amortisations/depreciations and impairment. Depreciation is provided on a straight-line basis over the expected useful live, normally 3-5 years, but in certain cases up to 10 years.

Ships

The rebuilding of ships is capitalised if the rebuilding can be attributed to:

- Safety measures.
- Measures to lengthen the useful life of the ship.
- Measures to improve earnings.
- Docking.

Expenses for improvements and maintenance are recognised in the income statement as incurred, including general maintenance work, to the extent the work can be designated as ongoing general maintenance (day-to-day service). Basically, other costs are capitalised.

Docking costs are capitalised and depreciated on a straight-line basis over the period between two dockings. In most cases, the docking interval is two years for passenger ships and 2½ years for freighters and ro-pax ships.

Gains or losses on the disposal of ships are determined as the difference between the selling price less the selling costs and the carrying amount at the disposal date. Gains or losses on the disposal of ships are recognised as gain/loss on disposal of ships, buildings and terminals.

Passenger and ro-pax ships

Due to differences in the wear of passenger and ro-pax ship components, the cost of these ships is divided into components with minor wear, such as hulls and engines, and components with hard wear, such as parts of the hotel and catering area.

Freighters

Cost related to freighters is not divided as the wear of the components for these ships is evenly broken down over the useful lives of the ships.

Depreciation, expected useful life and residual value

For ships the residual value of components with hard wear is determined as DKK 0.

For passenger and ro-pax ships, components with hard wear are depreciated over 10-15 years. The average depreciation period for component with minor wear is 30 years (varies from 30-31 years) for passenger ships and 25 years for ro-pax ships from the year in which the ships were built. The depreciation period for freighters is 25 years from the year in which the ships were built.

Other non-current tangible assets

Other non-current tangible assets comprise buildings, terminals and machinery, tools and equipment and leasehold improvements.

THE EXPECTED USEFUL LIVES ARE AS FOLLOWS:	
Buildings	25-50 years
Terminals, etc.	10-40 years
Equipment, etc.	4-10 years
Leasehold improvements	are max. amortised over the term of the lease

Gains or losses on the disposal of equipment and leasehold improvements are determined as the difference between the selling price less the disposal costs and the carrying amount at the date of disposal. The gains or losses on cargo equipment as well as on tools and equipment, etc., are recognised in the income statement as operating costs or costs regarding operation, sales and administration.

Gains or losses on the disposal of buildings and terminals are recognised in the income statement as a gain/loss on the disposal of ships, buildings and terminals.

Assets held under financial leases

Assets held under financial leases are recognised in the balance sheet at the lower of fair value and the present value of the minimum lease payments. The capitalised minimum lease payments are recognised in the balance sheet as a liability and the interest element of the lease payments is recognised in 'financial costs' the income statement. Assets held under financial leases are depreciated and written-down as the Company's own non-current assets, however not exceeding the term of the lease.

Profits on sale are deferred and recognised over the lease term for financial lease. For operational leases any profits on sale are recognised in the income statement immediately, if the sales price equals the fair value of the asset. Otherwise, the profits are deferred and amortised over the term of the operational lease.

Investments in associates (the Group)
Investments in associates are measured in the consolidated annual accounts under the equity method, whereby the investments in the balance sheet are measured at the proportionate share of the enterprises' net asset values calculated in accordance with the accounting policies of the Group with addition of the carrying value of goodwill and after deduction or addition of the proportionate share of the unrealised intra-group profits and losses.

Associates with negative net asset values are measured at DKK 0. If the Group has a legal or actual commitment to cover the associate's deficit, the liability is recognised.

Any receivables from the associates are written down to the extent that the receivables are considered to be irrecoverable.

Other assets
Other non-current assets and current assets are on initial recognition measured at cost. Subsequently these assets are measured as one of the following categories:
- Trading portfolio: the asset is measured at fair value and the change of value is recognised through the income statement.
- Available-for-sale: the asset is measured at fair value and change of value is recognised through the equity.
- Loans and receivables: the asset is measured at the amortised cost and the change of value is recognised through the income statement.

Investments in subsidiaries and associates (Parent Company)
Investments in subsidiaries and associates are measured at cost in the balance sheet.

Dividends, from subsidiaries and investments in associates, are recognised in the Parent Company' income statement in the year where the dividends are declared. The cost is written down to the extent that declared dividends exceeds the accumulated earnings after the acquisition or formation date.

Impairment
The carrying amounts of non-current intangible, tangible and financial assets are continuously assessed, at least once a year, to determine whether there is an indication of impairment. When such impairment is present the recoverable amount of the asset is assessed. The recoverable amount is the higher of the net selling price and the net present value of the future net cash flow expected from the asset (value in use). The value in use is calculated as the present value of the future net cash flow the asset is expected to generate either by itself or from the lowest cash-generating unit to which the asset is allocated.

Impairment tests of goodwill (value in use) are performed at least once a year. Impairment tests of the Group's assets are performed once a year, typically in December. DFDS performs tests in between the annual tests in case there is an indication of impairment. Please view Note 37 for description of method.

Securities
Securities included in the trade portfolio are designated as 'available-for-sale' and are measured at fair value, which for listed securities is the market price at the balance sheet date. When it is not possible to give a faithful estimate of a fair value for non-listed securities, they are recognised at cost less impairment losses. Unrealised value adjustments on securities are recognised as a separate reserve (revaluation of securities) in equity except for impairments and exchange rate adjustments, which are recognised in the profit and loss statement under 'Financial items'. When securities are realised, the accumulated value adjustment recognised directly in the equity under 'financial income or expenses' will be transferred to the profit and loss account.

Inventories
Inventories including catering supplies are measured at cost based on the weighted average cost method or the net realisable value if this is lower. Inventories including bunkers are measured at cost based on the FIFO method for bunkers and average prices for the remaining inventories. The net realisable value is recognised if lower than the cost.

Receivables
Receivables are recognised at amortised cost less impairment losses. Write-down is performed on an individual basis. Other receivables comprise calculated receivables on hedges, insurance receivables on loss or damage of ships, outstanding balances for chartered ships, interest receivable, etc.

Prepayments
The item includes cost incurred no later than the balance sheet date but which relates to subsequent years, e.g. prepaid charters, rents, etc.

Assets held for sale
Assets held for sale comprise non-current assets and disposal groups that are classified as held for sale. Disposal groups are groups of fixed assets subject to be sold or otherwise disposed of in a single transaction. Liabilities related to assets held for sale comprise liabilities directly attached to these assets and which will follow the assets when disposed. Assets are designated as 'held for sale' when the carrying amount primarily is recovered by a sale within 12 months in accordance with a plan in stead of through continued usage.

Assets or disposal groups 'held for sale' are measured at the lowest value of the carrying amount at the time of designation as 'held for sale' or the fair value less sales costs. Assets are not amortised/depreciated as from the date, they are designated as 'held for sale'.

Impairment losses from the initial classification of the non-current assets as held for sale as well as gains and losses from following measurement of the lowest value of the carrying amount or the fair value less sales costs are recognised in the profit and loss account. Gains and losses are described in the Notes.

Assets and the belonging liabilities are reported in separate lines in the balance sheet and the principal items are specified in the notes.

EQUITY

Dividends
Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (time of declaration). The expected dividend payment for the year is disclosed as a separate item under equity.

Treasury shares
The cost of acquisition, consideration and dividends received from treasury shares is recognised directly in retained earning in the equity. Accordingly, profits from sale of treasury shares are not recognised in the income statement. Holdings of treasury shares are recognised in the balance sheet at zero value. Nominal value of treasury shares (price 100) is recognised directly in equity as a separate reserved (own shares).

Reserve for exchange rate adjustments
Reserve for exchange rate adjustment comprise currency translation differences from translating annual accounts from a foreign currency to Danish kroner and exchange rate adjustments related to assests and liabilities, which are included in the Group's net investments.

LIABILITIES

Current liabilities are:

- liabilities expected to be settled in the normal course of DFDS' operating cycle, or
- liabilities due to be settled within twelve months of the balance sheet date.

All other liabilities are classified as non-current liabilities.

Pension obligations and other non-current obligations

Contributions to defined contribution plans are recognised in the income statement in the period to which they relate and any contributions outstanding are recognised in the balance sheet as other payables.

Defined benefit plans are subject to an annual actuarial estimate of the present value of future benefits under the defined benefit plan. The present value is determined on the basis of assumptions about the future development in variables such as salary levels, interest rates, inflation and mortality. The present value is determined only for benefits earned by employees from employment in the Group. The actuarial present value less the fair value of any plan assets is recognised in the balance sheet under pensions, cf. below.

Any difference between the expected development in plan assets and the defined benefit obligation and actual amounts results in actuarial gains or losses. If the cumulative actuarial gains or losses exceed the greater of 10% of the defined benefit obligation or 10% of the fair value of the plan assets, the gains or losses are recognised in the income statement over the expected remaining working lives of the employees until pension payments are made. Actuarial gains or losses not exceeding the above limits are not recognised in the income statement.

If changes in benefits relating to services rendered by employees in previous years result in changes in the actuarial present value, the changes are recognised in the income statement for the year as historical costs, provided employees have already earned the changed benefits. If employees have not earned the benefits, the historical costs are recognised in the income statement over the period in which the employees earn the changed benefits.

Pension plans, considered as a net asset, are recognised as assets only if the asset equals the value of future repayments, or it will result in reduced payments.

Other non-current personnel obligations include jubilee benefits, etc.

Other provisions

Other provisions are recognised where a legal or constructive obligation has been incurred as result of past events, and it is probable that it will lead to an outflow of resources that can be reliably estimated. Provisions are recognised for the estimated ultimate liability that is expected to arise, taking into account the foreign currency effects and the time-related monetary value.

Interest bearing liabilities

Amounts owed to mortgage credit institutions and banks, relating to loans which the Group expects to hold to maturity, are recognised at the date of borrowing at the net proceeds received less the transaction costs paid.

In subsequent periods, the interest bearing liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement under 'financial costs' over the term of the loan.

Interest bearing liabilities also include the capitalised residual obligation on financial leases. Other liabilities are recognised at amortised cost.

Other payables

Other payables comprise amounts owed to staff, including wages, salaries and holiday pay. Amounts owed to public authorities include payable withholding tax, VAT, excise duties, real property taxes, etc., and amounts owed in connection with purchase/disposal of ships, buildings and terminals, interest expense, fair value of hedges, amounts due in respect of loss on ships and costs related to shipping operations, etc. Other payables also include amounts owed regarding defined contribution plans.

Deferred income

Includes payments received no later than at the balance sheet date but which relate to income in subsequent years.

Cash flow statement

The cash flow statement has been prepared using the indirect method and shows the consolidated cash flow from operating, investing, and financing activities for the year, and the consolidated cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisition and disposal of enterprises is shown separately in cash flows from investing activities.

Cash flow from the acquisition of enterprises is recognised in the cash flow statement from the date of acquisition. Cash flow from the disposal of enterprises is recognised up to the date of disposal.

Cash flow from operating activities is calculated on the basis of the profit/loss before amortisation and depreciation and financing, net and adjusted for non-cash operating items, changes in working capital, payments relating to financial items and corporation tax paid. Cash flow from investment activities includes payments in connection with the acquisition and disposal of enterprises and activities and of non-current intangible assets, tangible assets and investments. Cash flow from financing activities includes changes in the size or composition of the Group's share capital, payment of dividends to shareholders and the obtaining and repayment of mortgage loans and other long-term and short-term debt. Cash and cash equivalents comprise cash.

Significant estimates and judgements of accounts

The preparation of financial statements in conformity with IFRS requires the management to make estimates and assumptions for future events, which affect the reported amounts of assets and liabilities, contingent assets and liabilities, and also income and costs. The management base their estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances. The results of this form the basis of estimating the reported accounting values of assets and liabilities as well as the reported income and costs, which do not appear directly from other material. The estimates and assumptions might be incomplete and inaccurate, and unexpected events or circumstances might occur. Furthermore, the actual outcome might diverge from these estimates due to certain risks and instabilities.

Estimates and judgements are assessed regularly. Changes in accounting estimates are recognised in the period when the estimates are changed and are moving forward.

Estimates and judgements made by the management that have an essential influence on the annual report and judgement with considerable risk that actual amounts might diverge from the amounts estimated by the management, are stated in Note 38.

NOTE 2 SEGMENT INFORMATION

Information about products and services
The segments and the allocation of operating profit, assets and liabilities, etc., are identical with the internal reporting structure in the Group. The costs in the business segments are allocated directly with the addition of a few systematically attributed indirect costs that primarily are related to central service functions.

The applied accounting policy for the statement of the individual segment, including transactions between the segments, is in accordance with the Group's applied accounting policy. Non-distributed costs are thus a term related to the central service functions, which cannot be distributed to the segments and which primarily consist of costs related to the Executive Board and Board of Directors as well as Corporate functions like Treasury, Investor Relation, Legal, Communication and Financial Control. Elimination of transactions between the segments are also included.

Segment asset includes assets, which are directly related to the segment, including intangible, tangible and other non-current assets, inventories, receivables, prepayments, cash in hand and at bank of group enterprises and deposits at the Parent Company. Segment liabilities include current and non-current liabilities.

The primary activity in Ro-Ro Shipping is operation of ro-ro and ro-pax tonnage. The customers are mainly transportation and shipping as well as manufacturers of heavy industrial goods with a high demand for sea transportation.

Container Shipping's main activity is operation of lo-lo tonnage. The customers are primarily importers/exporters and manufacturers of heavy industrial goods with a high demand for sea transportation.

Passenger Shipping is primarily employed with passenger ships, and the main business areas cover passengers with own cars, Mini Cruises, conferences and tour operators. Furthermore, the operation of the DFDS Canal Tours in Copenhagen habour is part of this segment.

The primary activity of Terminal Service includes own habour terminals in Denmark, England, Holland and Norway. The terminals handle goods like trailers, containers, cars and industrial goods. In addition, some terminals are also offering passenger transportation. The network consists mainly of own routes.

Trailer Service's mail activity comprises of trailer operators in Norway, Sweden, Denmark, Finland, Germany, Belgium, Holland, England and Ireland, who primarily offers full-load transportation solutions via the DFDS shipping network.

The Tramp Shipping activity consists of four multi-purpose ships. This activity is presented in the balance sheet for 2007 as 'assets and liabilities held for sale' and the activity is disposed of in 2008.

DKK '000	RO-RO SHIPPING	CONTAINER SHIPPING	PASSENGER SHIPPING	TERMINAL SERVICES	TRAILER SERVICES	TRAMP SHIPPING	NON-ALLOCATED	TOTAL
2007								
Revenue from external customers	3,430,471	1,601,542	1,917,066	286,305	961,478	105,936	7,451	8,310,249
Inter-segment revenue	249,866	40,147	14,912	416,748	24,276	0	164,552	910,501
Total revenue	*3,680,337*	*1,641,689*	*1,931,978*	*703,053*	*985,754*	*105,936*	*172,003*	*9,220,750*
Operating expenses, external	-2,327,465	-1,381,854	-1,596,105	-677,571	-687,519	-97,077	-227,075	-6,994,666
Inter-segment operating expenses	-456,543	-108,644	-86,710	-10,560	-241,455	-35	-6,554	-910,501
Operating profit before depreciation (EBITDA)	**896,329**	**151,191**	**249,163**	**14,922**	**56,780**	**8,824**	**-61,626**	**1,315,583**
Share of profit/(loss) of associates	85	-4,953	0	1,763	879	0	0	-2,226
Profit on disposal of ships, buildings and terminals	-1,784	290	34,830	2	0	-67	-734	32,537
Depreciation of ships and other non-current assets	-258,312	-81,841	-183,329	-26,664	-33,342	-8,224	-4,083	-595,795
Value adjustment of goodwill/negative goodwill	1,973	0	0	0	0	0	0	1,973
Operating profit (EBIT)	**638,291**	**64,687**	**100,664**	**-9,977**	**24,317**	**533**	**-66,443**	**752,072**
Finance, net	-129,889	-27,923	-57,411	-13,563	-6,331	-3,908	12,747	-226,278
Profit before tax	**508,402**	**36,764**	**43,253**	**-23,540**	**17,986**	**-3,375**	**-53,696**	**525,794**
Tax on profit								-114,097
Profit for the year								**411,697**
Total assets	4,781,384	1,352,688	2,129,394	523,415	435,116	5,923	240,357	9,468,277
Non-liquid operating items	-92	6,173	9,734	-2,683	-303	7,019	6,503	26,351
Capital expenditures of the year	99,803	41,607	78,696	8,050	18,465	6,611	6,676	259,908
Investments in associates	0	313	0	0	0	0	0	313
Assets held for sale, see Note 33	0	0	0	0	0	141,796	0	141,796
Liabilities	2,839,008	649,100	1,433,066	175,185	167,293	17,222	675,853	5,956,727

NOTE 2 CONTINUES ON THE FOLLOWING PAGE >>>

>>> NOTE 2 CONTINUED

DKK '000	RO-RO SHIPPING	CONTAINER SHIPPING	PASSENGER SHIPPING	TERMINAL SERVICES	TRAILER SERVICES	TRAMP SHIPPING	NON-ALLOCATED	TOTAL
2008								
Revenue from external customers	3,540,464	1,620,657	1,766,055	280,085	943,604	37,582	5,139	8,193,586
Inter-segment revenue	258,247	33,367	12,650	367,133	18,917	0	171,305	861,619
Total revenue	*3,798,711*	*1,654,024*	*1,778,705*	*647,218*	*962,521*	*37,582*	*176,444*	*9,055,205*
Operating expenses, external	-2,634,942	-1,457,247	-1,498,005	-661,270	-673,330	-29,522	-222,002	-7,176,318
Inter-segment operating expenses	-397,184	-96,174	-86,953	-15,403	-256,201	-403	-9,301	-861,619
Operating profit before depreciation (EBITDA)	**766,585**	**100,603**	**193,747**	**-29,455**	**32,990**	**7,657**	**-54,859**	**1,017,268**
Share of profit/(loss) of associates	-30	-10,439	0	1,235	2,328	0	0	-6,906
Profit on disposal of ships, buildings and terminals	10,581	0	1,219	-127	0	27,899	0	39,572
Depreciation of ships and other non-current assets	-252,557	-81,080	-179,585	-23,735	-28,657	0	-6,098	-571,712
Impairment of ships and other non-current assets	-4,413	-38,026	0	0	0	0	0	-42,439
Value adjustment of goodwill/negative goodwill	20,094	0	0	-147	0	0	0	19,947
Operating profit (EBIT)	**540,260**	**-28,942**	**15,381**	**-52,229**	**6,661**	**35,556**	**-60,957**	**455,730**
Finance, net	-127,368	-26,115	-51,651	-11,064	-5,936	-1,915	-10,749	-234,798
Profit before tax	**412,892**	**-55,057**	**-36,270**	**-63,293**	**725**	**33,641**	**-71,706**	**220,932**
Tax on profit								32,145
Profit for the year								**253,077**
Total assets	4,497,825	1,074,046	1,806,260	430,632	395,726	3,890	217,072	8,425,451
Non-liquid operating items	-1,038	2,541	-5,589	-1,194	-1,921	1,181	3,788	-2,232
Capital expenditures of the year	326,880	34,975	62,342	20,452	27,940	0	14,486	487,075
Assets held for sale, see Note 33	0	0	184,971	0	0	0	0	184,971
Liabilities	2,404,869	474,856	1,134,906	170,920	149,728	11,018	779,633	5,125,930

Information on geographical segments, etc.

The DFDS Group's risk and management control is attached to the Business Units' activities. The DFDS Group does not have a natural geographic distribution, since the Group is based on a connected route network in Northern Europe, where the routes support each other with sales and customer services located in one country whereas the actual revenue is created in other countries. It is consequently not possible to present a meaningful distribution of revenues and non-current assets by country, and the distribution is therefore presented by water, in which DFDS operates, grouped as 'North Seas and other seas' and 'The Baltic Sea'. The DFDS Group's business model causes that the routes are not directly owning the ships but are only leasing the ships from a vessel pool. The ships are often re-located within the DFDS route network. It is consequently impossible to determine the exact volume of non-current assets by geographic segment, and an adapted model for allocation of non-current assets has been applied.

DKK '000	EKSTERNAL REVENUES	NON-CURRENT ASSETS
2007		
North Sea and other seas	7,935,350	6,912,946
The Baltic Sea	637,706	843,020
Elimination	-262,807	0
Total	**8,310,249**	**7,755,966**
2008		
North Sea and other seas	7,933,782	6,299,210
The Baltic Sea	548,907	800,093
Elimination	-289,103	0
Total	**8,193,586**	**7,099,303**

Information on significant customers

The DFDS Group as well as the Parent company does not have specific or associated customers representing individually or group-wise more than 10% of the total revenues.

PARENT COMPANY DKK '000			CONSOLIDATED DKK '000	
2007	**2008**	**NOTE 3 REVENUE**	**2007**	**2008**
984,082	908,678	Sale of goods on board	1,001,841	930,181
4,024,412	4,104,642	Sale of service	7,024,451	7,013,092
205,628	269,588	Rental income from timecharter and bareboat of ships and operating equipment	283,957	250,313
5,214,122	**5,282,908**	**Total revenue**	**8,310,249**	**8,193,586**

PARENT COMPANY DKK '000			CONSOLIDATED DKK '000	
2007	**2008**	**NOTE 4 COST OF SALES**	**2007**	**2008**
1,287,915	1,450,677	Cost of sales in operation costs related to ships	1,520,981	1,740,642
5,575	-5,097	Write-down of inventories for the year	5,575	-5,097
1,293,490	**1,445,580**	**Total cost of sales**	**1,526,556**	**1,735,545**

Cost of sales consists of bunkers and cost of sales related to sale of goods and services on board.

PARENT COMPANY DKK '000			CONSOLIDATED DKK '000	
2007	**2008**	**NOTE 5 STAFF COSTS**	**2007**	**2008**
542,059	533,514	Wages and salaries	1,186,598	1,167,399
37,401	40,324	Defined contributions plans	64,952	64,302
-824	453	Defined benefit plans, see Note 21	4,811	3,131
31,690	30,532	Social security costs, etc.	136,628	136,774
9,970	2,013	Share based payment, see Note 20	9,970	2,013
54,494	35,528	Other staff costs	126,129	107,774
674,790	**642,364**	**Total staff costs**	**1,529,088**	**1,481,393**
		Of this, remuneration for the Executive Board [1]		
14,975	12,264	Wages and salaries	14,975	12,264
3,048	2,659	Defined contributions plans	3,048	2,659
9,950	2,013	Share based payment	9,950	2,013
730	354	Other staff costs	730	354
28,703	**17,290**		**28,703**	**17,290**
		REMUNERATION FOR THE PARENT COMPANY'S BOARD OF DIRECTORS		
625	625	Chairman	625	625
375	375	Deputy chairman	375	375
1,625	1,750	Other members of the Board of Directors	1,625	1,750
2,625	**2,750**		**2,625**	**2,750**
1,735	1,666	Average number of employees	4,427	4,301

If members of the Executive Board resigns in accordance with a takeover of the Group, a special remuneration will be paid corresponding to 1 years salary. Beyond this no unusual agreements have been entered into with the Executive Board regarding terms of pension and retirement.

1) Staff costs related to the Executive Board includes agreed severance benefit in connection with a director's resignation at year-end 2007 respectively year-end 2008.

PARENT COMPANY DKK '000			CONSOLIDATED DKK '000	
2007	**2008**	**NOTE 6 OTHER COSTS OF OPERATION, SALES AND ADMINISTRATION**	**2007**	**2008**
145,206	142,029	Selling costs, external	193,859	181,863
225,553	200,906	Selling costs, internal	-	-
121,434	130,920	Other costs	243,822	239,113
492,193	**473,855**	**Total other costs of operation, sales and administration**	**437,681**	**420,976**
		Of this, the fee for auditor appointed at the Annual General Meeting, KPMG		
1,195	1,245	Audit	4,510	4,594
1,127	1,085	Non-audit services	2,418	3,029
2,322	**2,330**	**Total fee**	**6,928**	**7,623**

Non-audit services include among other things fees related to tax consultancy, technicalities of accounting assistance etc.

PARENT COMPANY DKK '000			CONSOLIDATED DKK '000	
2007	**2008**	**NOTE 7 PROFIT ON DISPOSAL OF SHIPS, BUILDINGS AND TERMINALS**	**2007**	**2008**
		Gain on disposal of ships, buildings and terminals		
35,045	0	Ships	35,359	47,361
0	0	Terminals	2,238	0
35,045	0	Gain on disposal of ships, buildings and terminals	37,597	47,361
		Loss on disposal of ships, buildings and terminals		
0	0	Ships	-5,060	-7,662
0	0	Terminals	0	-127
0	0	Loss on disposal of ships, buildings and terminals	-5,060	-7,789
35,045	**0**	**Total profit on disposal of ships, buildings and terminals**	**32,537**	**39,572**

PARENT COMPANY DKK '000			CONSOLIDATED DKK '000	
2007	**2008**	**NOTE 8 FINANCE, NET**	**2007**	**2008**
4,801	11,594	Interest income, cash, cash equivalents and securities, etc.	16,958	28,800
63,052	68,777	Interest income from group enterprises	-	-
-179,056	-157,229	Interest expenses, credit institutions, etc.	-240,452	-219,213
-22,803	-30,478	Interest expenses for group enterprises	-	-
-134,006	*-107,336*	*Interest, net*	*-223,494*	*-190,413*
59,371	91,022	Foreign exchange gains	72,059	138,102
-74,041	-212,510	Foreign exchange losses	-64,804	-167,071
-14,670	*-121,488*	*Foreign exchange gains and losses, net*	*7,255*	*-28,969*
4	0	Realised capital gains on securities	4	380
0	-76,786	Impairment loss of investments in group enterprises	-	-
561	0	Gain on sale/liquidation of group enterprises	-	-
0	0	Impairment loss on non-current financial assets	0	-10,736
2,500	4,957	Dividends from group enterprises	-	-
1,194	1,194	Dividends from associates	-	-
2,590	2,257	Other dividends	2,590	2,257
0	0	Defined benefit plans, see Note 21	-8,599	-2,643
-1,015	-1,558	Other financial income and expenses	-4,034	-4,674
5,834	*-69,936*	*Other financial income and expenses, net*	*-10,039*	*-15,416*
-142,842	**-298,760**	**Finance, net**	**-226,278**	**-234,798**
		Finance, net is divided into		
74,702	88,779	Financial income	26,807	31,437
-217,544	-387,539	Financial expenses	-253,085	-266,235
-142,842	**-298,760**	**Finance, net**	**-226,278**	**-234,798**

DFDS A/S makes forward exchange transactions, etc., on behalf of all group enterprises, and therefore foreign exchange gains and losses in DFDS A/S also include the Group's gross transactions. Transactions entered into on behalf of group enterprises are transferred to the group enterprises on back-to-back terms.

PARENT COMPANY
DKK '000

CONSOLIDATED
DKK '000

2007	2008	NOTE 9 TAX	2007	2008
0	0	Current tax	-24,345	-21,627
0	-2,981	Current joint tax contributions	-1,784	-2,888
0	0	Deferred tax	-3,556	36,922
0	-7,500	Adjustment of corporation tax, previous years	-66,423	-5,578
0	0	Adjustment of deferred tax, previous years	-18,294	25,316
0	0	Adjustment of deferred tax, 28% to 25%	329	0
0	**-10,481**	**Total tax for the year**	**-114,073**	**32,145**
		Total tax for the year can be specified as follows:		
0	-10,481	Tax in the income statement (effective tax)	-114,097	32,145
0	0	Tax of equity movements	24	0
0	**-10,481**	**Total tax for the year**	**-114,073**	**32,145**
		Tax in the income statement can be specified as follows:		
299,098	-9,554	Profit before tax	525,794	220,932
311,286	-17,838	Of this, tonnage income	431,151	258,443
-12,188	8,284	Result before tax (company taxation)	94,643	-37,511
3,047	-2,071	25% tax of profit before tax	-23,661	9,378
-	-	Adjustment to computed tax in foreign subsidiaries compared to the 25% tax rate	-1,587	4,888
		Tax effect of:		
-1,550	547	Non-taxable items	-976	52
-22	0	Tax asset, not recognised	-2,676	-2,088
0	0	Utilisation of non-capitalised tax asset	1,104	2,058
0	-7,500	Adjustments of tax related to previous years	-84,388	19,738
1,475	-9,024	Corporation tax of ordinary income	-112,184	34,026
-1,475	-1,457	Tonnage tax	-1,913	-1,881
0	**-10,481**	**Tax in the income statement (effective tax)**	**-114,097**	**32,145**
0.0	-109.7	Effective tax rate	21.7	-14.5
0.0	-31.2	Effective tax rate before adjustment of previous years' tax	5.7	-5.6
		Tax of equity movements can be specified as follows:		
0	0	Adjustments to previous years	24	0
0	**0**	**Total tax of equity movements**	**24**	**0**

The Parent Company has not paid Danish corporation tax in 2008 and the company has no tax liability for that year.

The Parent Company and its Danish subsidiaries are within the Danish Act of compulsory joint taxation with Vesterhavet A/S and Vesterhavet's Danish subsidiaries. DFDS A/S is liable for the tax of its own taxable income. Vesterhavet A/S is the administration company in the joint taxation and settles all payments of corporation tax with the tax authorities. The current receivable joint taxation contribution is recognised in the balance sheet as receivables and is stated in Note 15.

DFDS A/S, AB DFDS Lisco, DFDS Container Line B.V. (on and after 1 November 2007) and DFDS Lys Line Rederi AS have entered into tonnage tax arrangements where the taxable income related from transport of passengers and goods is computed based on the tonnage used during the year. Taxable income related to other activities is taxed according to the normal tax rules.

Adjustment of previous years' tax in 2007 relates primarily to the new tonnage tax regulations in Norways. See Note 25 for further information.

NOTE 10 EARNINGS PER SHARE	CONSOLIDATED DKK '000 2007	2008
Profit for the year	411,697	253,077
Minority interest of the Group's profit for the year	-11,304	-6,518
Equity holders share of profit for the year	**400,393**	**246,559**
Weighted average number of issued ordinary shares	8,000,000	8,000,000
Weighted average number of treasury shares	-358,068	-325,006
Weighted average number of ordinary shares	7,641,932	7,674,994
Weighted average number of share options issued	56,218	10,173
Weighted average number of ordinary shares (diluted)	7,698,150	7,685,167
Basic earnings per share (EPS) of DKK 100	52.39	32.12
Diluted earnings per share (EPS-D) of DKK 100	52.01	32.08

NOTE 11 NON-CURRENT INTANGIBLE ASSETS

CONSOLIDATED DKK '000	GOODWILL	OTHER NON-CURRENT INTANGIBLE ASSETS	SOFTWARE	DEVELOPMENT PROJECTS IN PROGRESS	TOTAL
Balance at 1 January 2007	308,839	196,144	82,925	1,117	589,025
Foreign exchange adjustment	-1,845	-2,670	0	0	-4,515
Addition related to acquisition	22,587	0	0	0	22,587
Addition	7,463	0	6,094	8,458	22,015
Disposal	0	-13,887	0	0	-13,887
Cost at 31 December 2007	**337,044**	**179,587**	**89,019**	**9,575**	**615,225**
Balance at 1 January 2007	10,244	44,340	41,169	0	95,753
Foreign exchange adjustment	-597	-1,334	0	0	-1,931
Depreciation	0	39,020	11,766	0	50,786
Depreciation on disposal	0	-13,887	0	0	-13,887
Impairment and depreciation at 31 December 2007	**9,647**	**68,139**	**52,935**	**0**	**130,721**
Carrying amount at 31 December 2007	**327,397**	**111,448**	**36,084**	**9,575**	**484,504**
Balance at 1 January 2008	337,044	179,587	89,019	9,575	615,225
Foreign exchange adjustment	-19,468	-6,399	0	0	-25,867
Transfer to/from other items	0	0	26,962	-26,962	0
Addition related to acquisition	123	0	0	0	123
Addition	9,363	3,119	7,607	21,362	41,451
Cost at 31 December 2008	**327,062**	**176,307**	**123,588**	**3,975**	**630,932**
Balance at 1 January 2008	9,647	68,139	52,935	0	130,721
Foreign exchange adjustment	-1,587	-4,430	0	0	-6,017
Depreciation	0	35,627	12,794	0	48,421
Impairment	147	42,439	0	0	42,586
Impairment and depreciation at 31 December 2008	**8,207**	**141,775**	**65,729**	**0**	**215,711**
Carrying amount at 31 December 2008	**318,855**	**34,532**	**57,859**	**3,975**	**415,221**

NOTE 11 CONTINUES ON THE FOLLOWING PAGE >>>

>>> NOTE 11 CONTINUED

The Group's carrying amount of goodwill and other non-current intangible assets are allocated to the cost-generating unit to which the assets can be attributed.

The additions of goodwill in 2008 are related to the acquisition of minority interest in Halléns N.V. (DKK 9.4 million) and goodwill related to acquisition of a minor company (DKK 0.1 million).

The carrying amount of recognised goodwill primary concerns DFDS Container Line B.V. with DKK 155.8 million (2007: DKK 156.0 million), Halléns N.V. with DKK 42.6 million (2007: DKK 33.3 million), goodwill from the acquisition of a route/bridge with DKK 47.9 million (2007: DKK 55.6 million), DFDS Lys Line AS with DKK 33.8 million (2007: DKK 41.7 million) and DFDS Canal Tours with DKK 14.1 million (2007: DKK 14.1 million).

Value adjustment goodwill/negative goodwill in the income statement consists of impairment loss relating to goodwill, DKK 0.1 million (2007: DKK 0.0 million) and negative goodwill from acquisition of shares in AB DFDS LISCO amounting DKK 20.1 million (2007: DKK 2.0 million).

The carrying amount of other non-current intangible assets primary consist of value of customer portfolio/relations identified from acquisitions and the right of sailing for a route (5-year non-competition clause) acquired in 2005.

The carrying amount of recognised completed software and development projects in progress is primarily related to software for Passenger Shipping's on-line booking, finance and logistic systems on the ships of Passenger Shipping.

On the basis of the impairment tests performed in 2008 there have been recorded an impairment loss on non-current intangible assets in 2008 of DKK 42.4 million (no impairment loss in 2007). The impairment loss have been recorded in "Depreciation on ships and other non-current assets" in the income statement. See Note 37.

PARENT COMPANY DKK '000	GOODWILL	OTHER NON-CURRENT INTANGIBLE ASSETS	SOFTWARE	DEVELOPMENT PROJECTS IN PROGRESS	TOTAL
Balance at 1 January 2007	275,188	54,693	82,925	1,117	413,923
Foreign exchange adjustment	-2,501	-2,008	0	0	-4,509
Addition	0	0	6,094	8,458	14,552
Cost at 31 December 2007	**272,687**	**52,685**	**89,019**	**9,575**	**423,966**
Balance at 1 January 2007	0	16,506	41,169	0	57,675
Foreign exchange adjustment	0	-806	0	0	-806
Depreciation	0	10,721	11,766	0	22,487
Impairment and depreciation at 31 December 2007	**0**	**26,421**	**52,935**	**0**	**79,356**
Carrying amount at 31 December 2007	**272,687**	**26,264**	**36,084**	**9,575**	**344,610**
Balance at 1 January 2008	272,687	52,685	89,019	9,575	423,966
Foreign exchange adjustment	-7,665	-6,155	0	0	-13,820
Transfer to/from other items	0	0	26,962	-26,962	0
Addition	0	1,778	7,607	21,362	30,747
Cost at 31 December 2008	**265,022**	**48,308**	**123,588**	**3,975**	**440,893**
Balance at 1 January 2008	0	26,421	52,935	0	79,356
Foreign exchange adjustment	0	-4,290	0	0	-4,290
Depreciation	0	10,586	12,794	0	23,380
Impairment	0	4,413	0	0	4,413
Impairment and depreciation at 31 December 2008	**0**	**37,130**	**65,729**	**0**	**102,859**
Carrying amount at 31 December 2008	**265,022**	**11,178**	**57,859**	**3,975**	**338,034**

The carrying amount of the Parent Company's goodwill of DKK 265.0 million (2007: DKK 272.7 million) is related to acquisition of Ro-Ro Shipping routes from the Swedish subsidiary in 2001 and the acquisition of a route in 2005.

The carrying amount of other non-current intangible assets consist of the right of sailing for a route acquired in 2005 (5-year non-competition clause).

The carrying amount of recognised completed software and development projects in progress is primarily related to software for Passenger Shipping's on-line booking, finance and logistic systems on the ships of Passenger Shipping.

On the basis of the impairment tests performed in 2008 there have been recorded an impairment loss on non-current intangible assets in 2008 of DKK 4.4 million (no impairment loss in 2007). The impairment loss have been recorded in "Impaiment losses for ships and other non-current assets" in the income statement. See Note 37.

NOTE 12 NON-CURRENT TANGIBLE ASSETS

CONSOLIDATED DKK '000	BUILDINGS	TERMINALS	SHIPS	EQUIPMENT, ETC.	WORK IN PROGRESS AND PREPAYMENTS	TOTAL
Balance at 1 January 2007	93,810	528,309	9,518,547	664,011	11,705	10,816,382
Foreign exchange adjustment	-2,569	-25,759	-49,302	-15,255	1	-92,884
Transfer to/from other items	7,948	0	33,591	0	-41,539	0
Addition	1,677	8,444	98,912	48,698	57,575	215,306
Disposal	0	-25,352	-317,561	-21,709	-343	-364,965
Assets held for sale	0	0	-173,010	0	0	-173,010
Cost at 31 December 2007	**100,866**	**485,642**	**9,111,177**	**675,745**	**27,399**	**10,400,829**
Balance at 1 January 2007	22,382	148,153	2,550,948	338,900	0	3,060,383
Foreign exchange adjustment	-1,017	-6,822	-8,805	-11,777	0	-28,421
Depreciation	2,981	20,541	456,608	69,634	0	549,764
Depreciation on disposal	0	-24,368	-251,102	-20,450	0	-295,920
Assets held for sale	0	0	-41,037	0	0	-41,037
Impairment and depreciation at 31 December 2007	**24,346**	**137,504**	**2,706,612**	**376,307**	**0**	**3,244,769**
Carrying amount at 31 December 2007	**76,520**	**348,138**	**6,404,565**	**299,438**	**27,399**	**7,156,060**
Of this, financial leased assets			62,341	22,225		84,566
Interest recognised in cost at 1 January 2007			46,413			46,413
Foreign exchange adjustment			-835			-835
Interest recognised in cost at 31 December 2007			**45,578**			**45,578**
Balance at 1 January 2008	100,866	485,642	9,111,177	675,745	27,399	10,400,829
Foreign exchange adjustment	-8,155	-69,040	-360,050	-47,723	-3	-484,971
Transfer to/from other items	3,537	0	86,138	4,747	-94,422	0
Addition related to acquisition	0	0	0	73	0	73
Addition	5,648	1,897	67,097	66,815	306,187	447,644
Disposal	0	-365	-71,235	-26,292	-2,216	-100,108
Assets held for sale	0	0	-576,577	0	0	-576,577
Cost at 31 December 2008	**101,896**	**418,134**	**8,256,550**	**673,365**	**236,945**	**9,686,890**
Balance at 1 January 2008	24,346	137,504	2,706,612	376,307	0	3,244,769
Foreign exchange adjustment	-2,865	-20,697	-98,775	-38,348	0	-160,685
Depreciation	3,627	18,393	441,666	64,317	0	528,003
Depreciation on disposal	0	-22	-64,862	-22,529	0	-87,413
Assets held for sale	0	0	-391,606	0	0	-391,606
Impairment and depreciation at 31 December 2008	**25,108**	**135,178**	**2,593,035**	**379,747**	**0**	**3,133,068**
Carrying amount at 31 December 2008	**76,788**	**282,956**	**5,663,515**	**293,618**	**236,945**	**6,553,822**
Of this, financial leased assets			32,772	7,368		40,140
Interest recognised in cost at 1 January 2008			45,578			45,578
Foreign exchange adjustment			-2,364			-2,364
Recognised interest for the year			0		7,599	7,599
Interest recognised in cost at 31 December 2008			**43,214**		**7,599**	**50,813**
Carrying amount of assets pledged as securities			5,656,809			

The carrying amount of ships includes passenger ships, DKK 1,815 million (2007: DKK 2,253 million) of which components with hard wear amounts to DKK 505 million (2007: DKK 623 million) and components with minor wear amounts to DKK 1,310 million (2007: DKK 1,630 million).

Interest included in costs for the Group are calculated by using an interest rate based on the general borrowing of the Group. The applied interest rate is 2.0 – 5.5%. The interest rate for capitalized interest is 5.5% in 2008 (no capitalized interests in 2007).

NOTE 12 CONTINUES ON THE FOLLOWING PAGE >>>

>>> NOTE 12 CONTINUED

The income statement includes depreciation on ships of DKK -437 million (2007: DKK -452 million). Of this, amortisation of profit/loss on sale and lease back transactions amounts to DKK 4.7 million (2007: DKK 4.8 million).

As of 31 December 2008 a ship was classified as assets held for sale. In 2008 the realised profit from sale of assets, which as of 31 December 2007 were classified as held for sale, was DKK 27.9 million.

On the basis of the impairment tests performed in 2008 there is no basis for recording an impairment loss for ships and other non-current tangible assets in 2008 (2007: no impairment). See Note 37.

PARENT COMPANY DKK '000	BUILDINGS	TERMINALS	SHIPS	EQUIPMENT, ETC.	WORK IN PROGRESS AND PREPAYMENTS	TOTAL
Balance at 1 January 2007	15,330	72,422	5,870,592	144,793	5,208	6,108,345
Transfer to/from other items	0	0	24,860	0	-24,860	0
Addition	906	0	78,397	17,883	44,167	141,353
Disposal	0	-492	-318,392	-1,832	-345	-321,061
Cost at 31 December 2007	**16,236**	**71,930**	**5,655,457**	**160,844**	**24,170**	**5,928,637**
Balance at 1 January 2007	4,692	42,148	1,787,446	75,785	0	1,910,071
Depreciation	1,323	2,105	274,212	16,842	0	294,482
Depreciation on disposal	0	-492	-251,931	-1,575	0	-253,998
Impairment and depreciation at 31 December 2007	**6,015**	**43,761**	**1,809,727**	**91,052**	**0**	**1,950,555**
Carrying amount at 31 December 2007	**10,221**	**28,169**	**3,845,730**	**69,792**	**24,170**	**3,978,082**
Of this, financial leased assets			15,146	4,806		19,952
Interest recognised in cost at 1 January 2007			26,631		0	26,631
Interest recognised in cost at 31 December 2007			26,631		0	26,631
Balance at 1 January 2008	16,236	71,930	5,655,457	160,844	24,170	5,928,637
Transfer to/from other items	3,537	0	47,921	4,747	-56,205	0
Addition	378	0	40,764	32,790	285,654	359,586
Disposal	0	0	-33,755	-926	-21,081	-55,762
Assets held for sale	0	0	-576,577	0	0	-576,577
Cost at 31 December 2008	**20,151**	**71,930**	**5,133,810**	**197,455**	**232,538**	**5,655,884**
Balance at 1 January 2008	6,015	43,761	1,809,727	91,052	0	1,950,555
Depreciation	1,515	1,971	271,411	18,500	0	293,397
Depreciation on disposal	0	0	-28,427	-926	0	-29,353
Assets held for sale	0	0	-391,606	0	0	-391,606
Impairment and depreciation at 31 December 2008	**7,530**	**45,732**	**1,661,105**	**108,626**	**0**	**1,822,993**
Carrying amount at 31 December 2008	**12,621**	**26,198**	**3,472,705**	**88,829**	**232,538**	**3,832,891**
Of this, financial leased assets			7,294	2,443		9,737
Interest recognised in cost at 1 January 2008			26,631		0	26,631
Recognised interest for the year			0		7,599	7,599
Interest recognised in cost at 31 December 2008			26,631		7,599	34,230
Carrying amount of assets pledged as securities			3,413,310			

The carrying amount of ships includes passenger ships, DKK 1,787 million (2007: DKK 2,228 million) of which components with hard wear amounts to DKK 505 million (2007: DKK 623 million) and components with minor wear amounts to DKK 1,282 million (2007: DKK 1,605 million).

Interest rates included in costs for the Parent Company are calculated by using an interest rate based on the general borrowing. The applied interest rate is 2.0 – 5.5%. The interest rate for capitalized interest is 5.5% in 2008 (no capitalized interests in 2007).

Based on the impairment tests no impairment for ships and other non-current tangible assets have been found in 2008. See Note 37.

PARENT COMPANY
DKK '000

NOTE 13 INVESTMENTS IN GROUP ENTERPRISES	2007	2008
Balance at 1 January	1,677,600	1,703,412
Addition	68,003	31,956
Disposal	-42,191	0
Cost at 31 December	**1,703,412**	**1,735,368**
Accumulated impairment loss at 1 January	-63,997	-56,973
Impairment loss	0	-78,722
Disposal	7,024	0
Accumulated impairment loss at 31 December	**-56,973**	**-135,695**
Carrying amount at 31 December	**1,646,439**	**1,599,673**

Overview of group enterprises, see page 102.

Besides the above investments in group enterprises, DFDS A/S considers receivables, net DKK 408.2 million (2007: DKK 473.5 million) as a part of the net investment in group enterprises. The foreign exchange adjustment hereof is DKK -65.3 million (2007: DKK -21.3 million), which is recognised directly in equity in the consolidated financial statements. In the financial statements for the Parent Company the foreign exchange adjustment is recognised in the income statement in financial income and expenses, net. The amount is included in the foreign exchange adjustment relating to foreign companies' beginning equity at the statement of changes in equity on page 61-62.

Impairment tests of the carrying amount of the Parent Company's investments in group enterprises are prepared at least once a year. Based on the impairment tests performed in 2008 impairment on investments in two group enterprises have been found in 2008 (2007: no impairment). See Note 37.

DKK 20.7 million of the addition in 2007 regards cost of group enterprises, which the Parent Company has received at the liquidation of own group enterprises.

PARENT COMPANY DKK '000				CONSOLIDATED DKK '000
2007	**2008**	**NOTE 14 INVESTMENTS IN ASSOCIATES**	**2007**	**2008**
7,333	7,333	Balance at 1 January	10,038	10,393
0	0	Foreign exchange adjustment	42	-311
0	0	Addition	313	0
0	0	Disposal	0	-386
7,333	**7,333**	**Cost at 31 December**	**10,393**	**9,696**
-	-	Value adjustments at 1 January	189	998
-	-	Foreign exchange adjustment	-28	2,502
-	-	Disposal	0	92
-	-	Share of profit for the year	-2,226	-6,906
-	-	Provision for associates with negative value offset in receivables	5,566	8,087
-	-	Dividends from associates	-2,503	-2,302
-	**-**	**Value adjustments at 31 December**	**998**	**2,471**
7,333	**7,333**	**Carrying amount at 31 December**	**11,391**	**12,167**

							THE GROUP'S SHARE DKK '000	
	DOMICILE	OWNERSHIP	REVENUE	PROFIT FOR THE YEAR	TOTAL ASSETS	TOTAL LIABILITIES	EQUITY	PROFIT FOR THE YEAR
2007								
Suardiaz DFDS Autologistics NV	Gent	50.0 %[1]	0	-16	439	9	215	-8
ICT Holding A/S	Vejle	19.9 %[1]	210,000	4,417	29,906	9,526	6,916	879
UAB Krantas Forwarding	Klaipeda	50.0 %	2,123	183	736	164	286	92
Moss Containerterminal AS	Moss	50.0 %	16,807	-285	2,892	2,221	336	-143
Oslo Containerterminal AS	Oslo	33.3 %	67,209	5,718	16,874	8,754	2,705	1,905
Seafront Projects AS	Kristiansand	34.0 %	74,544	1,584	17,759	15,248	854	539
DFDS Suardiaz Line Ltd.	Immingham	50.0 %	229,726	-10,982	58,568	73,229	-7,329	-5,490
SCF Lines Ltd.	Sankt Petersburg	40.0 %	3,624	0	1,137	940	79	0
							4,062	-2,226
Hereof investments in associates with negative value							7,329	
							11,391	
2008								
Suardiaz DFDS Autologistics NV	Gent	50.0 %[1]	0	-16	439	25	207	-8
ICT Holding A/S	Vejle	19.9 %[1]	275,000	11,698	38,561	10,702	8,050	2,328
UAB Krantas Forwarding	Klaipeda	50.0 %	1,689	-43	274	67	104	-22
Moss Containerterminal AS	Moss	50.0 %[2]	0	58	0	0	0	29
Oslo Containerterminal AS	Oslo	33.3 %	39,356	3,617	15,396	8,641	2,249	1,206
Seafront Projects AS	Kristiansand	34.0 %	127,288	2,779	20,444	16,098	1,478	945
DFDS Suardiaz Line Ltd.	Immingham	50.0 %	172,748	-22,769	30,288	61,121	-15,416	-11,384
SCF Lines Ltd.	Sankt Petersburg	50.0 %	3,624	0	1,098	940	79	0
							-3,249	-6,906
Hereof investments in associates with negative value							15,416	
							12,167	

1) Owned by the Parent Company.
2) Moss Containerterminal AS was an associate up to 31 March 2008 where the rest of the company was acquired. In this table the result for the period 1 January 2008 up to 31 March 2008 is stated.

The Parent Company has significant control of ICT Holding A/S through representation in the board of directors, and therefore the company is considered an associate.

PARENT COMPANY DKK '000			CONSOLIDATED DKK '000	
2007	**2008**	**NOTE 15 RECEIVABLES**	**2007**	**2008**
556,513	507,522	Amounts owed by group enterprises	-	-
0	0	Other non-current receivables	3,029	27,644
556,513	**507,522**	**Total non-current receivables**	**3,029**	**27,644**
134,851	128,231	Trade receivables	935,178	741,335
912,632	767,001	Amounts owed by group enterprises	-	-
0	1,082	Amounts owed by associates	9,520	2,251
0	0	Corporation tax and joint taxation contribution, receivable	13,722	6,515
2,843	27,002	Derivative financial instruments, forward transactions and bunker hedges	2,843	27,002
12,462	24,986	Other receivables and current assets	62,435	69,886
1,062,788	**948,302**	**Total current receivables**	**1,023,698**	**846,989**
1,619,301	**1,455,824**	**Total receivables**	**1,026,727**	**874,633**
		Write-downs included in above receivables:		
711	5,542	Write-downs at 1 January	8,024	16,145
-	-	Foreign exchange adjustment, write-downs 1 January	-243	-1,346
6,144	9,055	Write-downs for the year	11,212	10,482
-1,212	-2,826	Realised losses for the year	-1,409	-3,827
-101	-2,206	Reversed write-downs for the year	-1,439	-2,600
5,542	**9,565**	**Write-downs at 31 December**	**16,145**	**18,854**

Write-downs and realised losses are recognised in operational cost in the income statement.

The carrying amount of receivables is in all material respects approximate to the fair value.

The DFDS Group's trade receivables at 31 December 2008 includes receivables totalling DKK 16.7 million (2007: DKK 11.6 million), which has been written down to DKK 0.0 million (2007: DKK 0.0 million) based on individual evaluations. The write-downs are caused by the customers bankrupcy or expected bankrupcy as well as uncertainty about the customers ability and willingness to pay.

		Age distribution of overdue, but not written down, trade receivables:		
		Maturity period:		
56,049	63,589	Up to 30 days	265,974	230,409
1,419	794	31-60 days	35,360	21,869
0	40	61-90 days	12,115	8,994
307	327	91-120 days	4,114	3,059
1,561	1,915	Above 120 days	7,221	4,756
59,336	**66,665**		**324,784**	**269,087**

PARENT COMPANY DKK '000			CONSOLIDATED DKK '000	
2007	**2008**	**NOTE 16 SECURITIES**	**2007**	**2008**
14,266	5,810	Listed shares	14,266	5,810
8,818	8,818	Other shares and equity investments	10,138	10,114
1,404	1,529	Other investments	1,404	1,529
24,488	**16,157**	**Total securities**	**25,808**	**17,453**

Securities in both the Parent Company and the Group are non-current assets classified as 'available for sale'.

Other shares and equity investments as well as other investments consist of some minor unlisted enterprises and holdings. These assets are not adjusted to fair value because the valuation cannot be done based on an objective basis. Instead the securities are recognised at cost reduced by write-downs, if any.

During 2008 two group enterprises have disposed of shares and equity investments, which were recognised at the cost of DKK 20 thousand. The profit from sale constitutes DKK 380 thousand and is included in financial income.

During 2007 the Parent Company has disposed of shares and equity investments, which were recognised at the cost of DKK 85 thousand. The profit from sale constitutes DKK -4 thousand and is included in financial costs.

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	NOTE 17 INVENTORIES	2007	2008
49,305	40,404	Bunkers	60,822	47,644
37,720	29,032	Goods for sale and raw materials for restaurants	42,810	34,369
-7,444	-2,347	Write-down of goods for sale and raw materials for restaurants	-7,444	-2,347
79,581	**67,089**	**Total stocks**	**96,188**	**79,666**

PARENT COMPANY NUMBER OF SHARES

NOTE 18 HOLDING OF TREASURY SHARES	2007	2008
Holding of treasury shares at 1 January	391,120	338,895
Disposals of the year related to share options used	-52,225	-30,000
Acquisition of treasury shares	0	30,856
Holding of treasury shares at 31 December	**338,895**	**339,751**
Market value of treasury shares at 31 December, DKK '000	267,727	135,561

At the Annual General Meeting in April 2008 the Board of Directors was authorised - until the Annual General Meeting 2009 – to acquire treasury shares at a nominal value totalling 10% of the DFDS A/S' share capital.

The Company's holdings of treasury shares at 31 December 2008 are 339,751 shares (2007: 338,895 shares), corresponding to 4.25% (2007: 4.24%) of the Company's share capital. Treasury shares have originally been acquired to cover a share option scheme for employees.

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	NOTE 19 DEFERRED TAX	2007	2008
0	0	Balance at 1 January	127,663	147,254
-	-	Foreign exchange adjustment	-1,930	-4,434
0	0	Change of corporation tax rate	-329	0
0	0	Deferred tax for the year recognised in the income statement	3,580	-36,922
0	0	Adjustment, previous years in the income statement	18,294	-25,316
0	0	Adjustment, previous years in the equity	-24	0
0	**0**	**Deferred tax at 31 December, net**	**147,254**	**80,582**
		Deferred tax is recognised in the balance sheet as:		
0	0	Deferred tax asset	-75,174	-72,996
0	0	Deferred tax liability	222,428	153,578
0	**0**	**Deferred tax, net at 31 December**	**147,254**	**80,582**

By joining the tonnage taxation scheme, DFDS A/S is subject to the requirements of the scheme until 2012. DFDS A/S is not expected to withdraw from the scheme and consequently no deferred tax relating to assets and liabilities subject to tonnage taxation has been provided for. If DFDS A/S withdraws from the tonnage taxation scheme, deferred tax in the amount of not exceeding DKK 429 million (2007: DKK 401 million) may crystallise.

DFDS A/S has tax losses carried forward of DKK 304 million (2007: DKK 275 million) of which the tax base has not been recognised in the deferred tax. All taxable losses have no maturity date.

The tax base of the tax losses carried forward is not recognised because the tax losses carried forward are uncertain because DFDS A/S for the moment do not expect positive taxable income in the near future.

NOTE 19 CONTINUES ON THE FOLLOWING PAGE >>>

>>> NOTE 19 CONTINUED

CONSOLIDATED DKK '000	BALANCE AT 1 JANUARY	FOREIGN EXCHANGE ADJUSTMENT	RECOGNISED IN THE INCOME STATEMENT	RECOGNISED IN THE EQUITY	ADJUSTMENT, PREVIOUS YEARS IN THE INCOME STATEMENT	BALANCE AT 31 DECEMBER
2007						
Ships	173,540	-7,334	3,052	0	19,648	188,906
Buildings, terminals and operating equipment	10,690	759	1,400	0	-2,791	10,058
Provisions	-57,925	4,670	-1,687	0	-1,141	-56,083
Value of hedging instruments	328	0	0	0	0	328
Tax deficit carried forward	-4,699	-4	569	-24	882	-3,276
Other	5,729	-21	246	0	1,367	7,321
	127,663	-1,930	3,580	-24	17,965	147,254
2008						
Ships	188,906	-24,342	-2,280	0	-31,350	130,934
Buildings, terminals and operating equipment	10,058	402	2,754	0	2,989	16,203
Provisions	-56,083	12,752	2,212	0	1,892	-39,227
Value of hedging instruments	328	0	-440	0	0	-112
Tax deficit carried forward	-3,276	3,574	-22,238	0	425	-21,515
Other	7,321	3,180	-16,930	0	728	-5,701
	147,254	-4,434	-36,922	0	-25,316	80,582

PARENT COMPANY

DFDS A/S has no deferred tax.

NOTE 20 SHARE OPTIONS

The decision to grant share options is made by the Board of Directors. In 1999 the Group established a share option scheme for the Executive Board and other executive employees. From 2005 share options have only been granted to the Executive Board. Each share option gives the holder of the option the right to acquire one existing share in the company of nominal DKK 100. The share option scheme equals a right to acquire 1.1% of the share capital (2007: 1.2%) if the remaining share options are exercised.

Share options granted up to and including 2004 have been granted at an exercise price equal to the average share price of the Company's shares of 10 banking days after the publication of the annual report with an addition of 10%. Share options granted in 2005 and 2006 have been granted at an exercise price equal to the average share price of the Company's shares in December the year before the grant. Share options granted in 2007 have been granted at an exercise price equal to the average share price of the Company's shares in December the year before the grant with an addition of 5%. Share options granted in 2008 have been granted at an exercise price equal to the average share price of the Company's shares 5 days before the grant with an addition of 5%. There are no unusual conditions of vesting. Vesting is done on a straight line basis over a period of three years from the date of grant for share options granted in 2005 and 2006. Share options granted in 2007 and 2008 are fully vested from the date of grant. Special conditions apply regarding illness and death and if the capital structure of the Company is changed, etc.

The share options can be exercised when a minimum 3 years and a maximum of 5 years have elapsed since the grant dates. The options can only be exercised within a period of 4 weeks after publication of annual or interim reports.

For share options granted in the years 2001 to 2003 the holder of the share option can choose between settlement in shares or cash settlement. Share options granted in 2004 and later can only be settled with shares. A part of the treasury shares is reserved for settling the outstanding share options.

	EXECUTIVE BOARD NUMBER	EXECUTIVE EMPLOYEES NUMBER	TERMINATED EMPLOYEES NUMBER	TOTAL NUMBER	AVERAGE EXERCISE PRICE PER OPTION DKK	AVERAGE FAIR VALUE PER OPTION DKK	TOTAL FAIR VALUE DKK '000
2007							
Outstanding at the beginning of the year	57,875	48,000	27,500	133,375	287.21	406.58	54,228
Granted during the year	30,000	0	0	30,000	690.00	263.52	7,906
Exercised during the year	-17,875	-38,000[1]	-7,500	-63,375	259.39	498.35	31,583
Expired during the year	0	-2,000	0	-2,000	149.60	600.42	1,201
Transferred between categories	-30,000	0	30,000	0	449.00	410.47	12,314
Outstanding at the end of the year	40,000	8,000	50,000	98,000	431.31	423.11	41,465
Exercisable at the end of the year	0	8,000	0	8,000	232.25	565.31	4,522
2008							
Outstanding at the beginning of the year	40,000	8,000	50,000	98,000	431.31	423.11	41,465
Granted during the year	20,000	0	0	20,000	728.00	158.34	3,167
Exercised during the year	-10,000	0	-20,000	-30,000	277.00	110.29	3,309
Expired during the year	0	-2,500	0	-2,500	162.40	629.61	1,574
Outstanding at the end of the year	50,000	5,500	30,000	85,500	734.53	74.19	6,343
Exercisable at the end of the year	0	5,500	0	5,500	264.00	120.55	663

1) Hereof 10,000 shares settled cash due to special conditions.

Value after deduction of the exercise price of exercised share options for the Executive Board amounts to DKK 2.2 million (2007: 2.8 million) in both the Group and in the Parent Company. The average weighted price per share exercised in 2008 amounts to 713 (2007: 757).

The cost of the year related to share based payment is recognised in the Parent Company's income statement with DKK 2.0 million (2007: DKK 10.0 million) and in the Group's income statement with DKK 2.0 million (2007: DKK 10.0 million). The weighted average fair value per share option (market price minus average exercise prise per option) is assessed at DKK -335.5 (2007: DKK 358.7). The calculated fair values are based on the Black-Scholes formula for measuring share options. The outstanding options at 31 December 2008 have an average weighted time to maturity of 2.5 years (2007: 3.1 years).

Share options granted during 2002 - 2003
Recognised liabilities regarding share options with the option to choose between settlement in shares or cash as of 31 December 2008 amount to DKK 0.0 million (2007: DKK 1.6 million). At 31 December 2008 DKK 0.0 million (2007: DKK 1.6 million) can be exercised by the option holder. Share options granted in 2003 have an exercise price equal to DKK 162.40, and share options granted in 2002 have an exercise prise equal to DKK 149.60.

Share options granted from 2004 and later
The recognised value of share options with settlement in shares amounts to DKK 13.8 million (2007: DKK 13.6 million).
Assumptions concerning the calculation of fair value at time of granting:

YEAR OF GRANT	EXERCISE PRICE	MARKET PRICE AT GRANT DATE	EXPECTED VOLATILITY	RISK-FREE INTEREST RATE	EXPECTED DIVIDEND PER SHARE	EXPECTED TERM	FAIR VALUE PER OPTION AT TIME OF GRANTING
2004	264	264	22.38 %	3.54 %	6	5 år	46.91
2005	277	359	21.49 %	2.77 %	6	5 år	110.29
2006	380	396	21.18 %	3.23 %	7.5	5 år	85.74
2007	690	800	23.53 %	3.90 %	7.5	5 år	263.52
2008	728	703	25.57 %	4.13 %	15	5 år	158.34

The expected volatility is based on the historic volatility for the past 36-60 months. The risk free interest rate is based on 5 year treasury bond.

NOTE 21 PENSION AND JUBILEE LIABILITIES

The Group contributes to defined contribution plans as well as defined benefit plans. The majority of the pension plans are funded through payments of annual premiums to independent insurance companies responsible for the pension obligation towards the employees (defined contribution plans). In these plans the Group has no legal or constructive obligation to pay further contributions irrespective of the funding of these insurance companies. Pension costs from such plans are charged to the income statement when incurred.

In the United Kingdom the Group has pension plans, which are defined benefit plans and are included in the balance sheet as shown below. In addition there are minor defined benefit plans in Norway, Holland, Denmark and Sweden.

Some of the pension plans in Sweden are multi-employer plans. The plans are collective and are covered through premiums paid to Alecta. The Swedish Financial Accounting Standards Council's interpretations committee (Redovisningsrådet) has defined this plan as a multi-employer defined benefit plan. Presently, it is not possible to obtain sufficient information from Alecta to assess the plans as defined benefit plans. Consequently, the pension plans are treated as defined contribution plans. The contributions made amount to DKK 5.1 million in 2008 (2007: DKK 6.3 million). The collective funding ration at Alecta amounts to 112% as per December 2008 (December 2007: 152%). For 2009 the contributions are expected to amont to DKK 6.1 million.

In the below the calculation of the defined benefit plans is specified in accordance with actuarial methods.

PARENT COMPANY DKK '000			CONSOLIDATED DKK '000	
2007	**2008**		**2007**	**2008**
0	0	Present value of funded obligations	542,492	370,220
0	0	Fair value of plan assets	-432,368	-254,044
0	**0**	**Remaining external coverage of funded obligations, net**	**110,124**	**116,176**
6,397	6,214	Present value of unfunded obligations	23,909	20,109
0	0	Unrecognised actuarial gains and losses	83,963	24,671
6,397	**6,214**	**Recognised liabilities for defined benefit obligations at 31 December**	**217,996**	**160,956**
8,272	8,837	Provision for jubilee liabilities	8,727	9,284
14,669	**15,051**	**Total actuarial liabilities at 31 December**	**226,723**	**170,240**
		Movements in the net liability for defined benefit funded and unfunded obligations		
8,098	6,397	Balance at 1 January	715,642	566,401
-	-	Foreign exchange adjustments	-40,796	-117,108
-824	453	Current service costs	4,850	6,123
0	0	Calculated interest rate on obligations	34,029	28,265
0	0	Actuarial gain/loss on obligations, net	-128,502	-74,040
-877	-636	Benefits paid	-16,797	-18,545
0	0	Employee contributions	-486	-767
0	0	Settlements and curtailments	-1,539	0
6,397	**6,214**	**Funded and unfunded obligations at 31 December**	**566,401**	**390,329**
		Movements in the defined benefit plan assets		
0	0	Balance at 1 January	-448,787	-432,368
-	-	Foreign exchange adjustments	31,307	81,143
0	0	Expected return on plan assets	-25,430	-25,622
0	0	Actuarial gain/loss on plan assets, net	2,776	118,203
0	0	Employer and employee contributions	-6,686	-11,386
0	0	Benefits paid	13,716	15,986
-	-	Settlements and curtailments	736	0
0	**0**	**Plan assets at 31 December**	**-432,368**	**-254,044**

NOTE 21 CONTINUES ON THE FOLLOWING PAGE >>>

>>> NOTE 21 CONTINUED

PARENT COMPANY
DKK '000

CONSOLIDATED
DKK '000

Parent 2007	Parent 2008		Consolidated 2007	Consolidated 2008
		Movements in unrecognised actuarial gains/losses		
0	0	Balance at 1 January	-35,827	83,963
-	-	Foreign exchange adjustments	-6,700	-12,137
0	0	Actuarial gain/loss, net on funded and unfunded liabilities	128,502	74,040
0	0	Actuarial gain/loss, net on plan assets	-2,776	-118,203
0	0	Actuarial gain/loss, recognised in income statement	764	-2,992
0	**0**	**Unrecognised actuarial gains/losses at 31 December**	**83,963**	**24,671**
		Expenses recognised as staff costs in the income statement		
-824	453	Current service costs	4,850	6,123
0	0	Net actuarial gain/loss recognised (corridor)	764	-2,992
-824	453		5,614	3,131
0	0	Gain on settlements and curtailments	-803	0
-824	**453**	**Total included in staff costs regarding defined contribution plans**	**4,811**	**3,131**
		Expenses recognised as financial expenses in the income statement		
0	0	Calculated interest rate on obligations	34,029	28,265
0	0	Expected return on plan assets	-25,430	-25,622
0	**0**	**Total included in financial expenses regarding defined contribution plans**	**8,599**	**2,643**
-824	**453**	**Total expenses for defined benefit plans recognised in the income statement**	**13,410**	**5,774**

Actual return on plan assets in the Group's plans amounts to DKK -92.6 million (2007: DKK 22.7 million). There are no plan assets in the Parent Company's plans.

The expected return on plan assets is assessed as a limited spread against the used discount rate for each plan.

The Group expects to contribute DKK 13.3 million (expected for 2008: DKK 12.3 million) to the defined benefit plans in 2009. The Parent Company expects to contribute DKK 0.4 million in 2009 (expected for 2008: DKK 0.4 million).

Parent 2007	Parent 2008		Consolidated 2007	Consolidated 2008
		Plan assets consist of the following		
0	0	Listed shares (DFDS A/S shares not included)	340,131	172,484
0	0	Bonds	82,186	64,770
0	0	Cash and cash equivalents	0	4,191
0	0	Properties	7,086	7,933
0	0	Other assets	2,965	4,666
0	0		432,368	254,044
		Defined benefit plans – assumptions [1]		
2.0 %	1.9 %	Discount rate	5.5 %	5.3 %
-	-	Expected return on plan assets	6.4 %	6.2 %
0.0 %	0.0 %	Social security rate	0.8 %	0.9 %
0.0 %	0.0 %	Future salary increase	0.9 %	1.0 %
0.9 %	0.8 %	Future pension increase	3.4 %	2.6 %
0.9 %	0.8 %	Inflation	3.4 %	2.7 %

1) All factors are weighted at the pro rata share of the individual actuarial obligation and the expected return on plan assets is weighted at the pro rata share of the individual plan asset.

NOTE 21 CONTINUES ON THE FOLLOWING PAGE >>>

>>> NOTE 21 CONTINUED

	2005	2006	2007	2008
The Group's obligations for defined benefit plans for the current year and the past three years consists of the following:				
Present value of the defined benefit obligation	-671,734	-715,642	-566,401	-390,329
Fair value of plan assets	401,149	448,787	432,368	254,044
Deficit in the plan	**-270,585**	**-266,855**	**-134,033**	**-136,285**
Experience adjustments arising on plan liabilities	-6,987	-1,359	107,569	11,893
Experience adjusments arising on plan assets	38,237	21,845	1,757	-114,563
The Parent Company's obligations for defined benefit plans for the current year and the past three years consists of the following:				
Present value of the defined benefit obligation	**-9,099**	**-8,098**	**-6,397**	**-6,214**
Experience adjustments arising on plan liabilities	0	0	0	0

DFDS's future obligations in the defined benefit plans can be influenced significantly by changes in the discount rate, the fair value of the plan assets and the expected return of these, the inflation, the future salary and pension increase, and demographic changes, such as the expected lifetime or other changes.

PARENT COMPANY DKK '000 — CONSOLIDATED DKK '000

2007	2008	NOTE 22 OTHER PROVISIONS	2007	2008
2,610	2,610	Balance at 1 January	11,247	26,293
0	0	Provisions made during the year	15,046	1,167
0	-2,610	Used during the year	0	-6,010
0	0	Reversal of unused provisions	0	-11,730
2,610	**0**	**Other provisions at 31 December**	**26,293**	**9,720**
		Other provisions are expected to be payable in:		
2,610	0	0 - 1 year	25,168	9,720
0	0	1 - 5 year	1,125	0
2,610	**0**	**Other provisions at 31 December**	**26,293**	**9,720**

Of the Group's provision of DKK 9.7 million, DKK 0.0 million (2007: DKK 14.8 million) relate to costs incurred in connection with the sale of a ship, DKK 8.2 million (2007: DKK 7.0 million) relate to costs incurred in connection with a contamination issue, DKK 0.0 million (2007: DKK 2.6 million) relate to a terminated tenancy no longer in use and DKK 1.5 million (2007: DKK 1.9 million) relate to other provisions.

The reversal of unused provisions amounting DKK 11.7 million in 2008 regards the sale of a ship in 2006.

The Parent Company's other provisions consist of DKK 0.0 million (2007: DKK 2.6 million) relating to a terminated tenancy no longer in use.

PARENT COMPANY DKK '000 — CONSOLIDATED DKK '000

2007	2008	NOTE 23 INTEREST-BEARING LIABILITIES	2007	2008
2,526,157	1,929,419	Mortgage on ships	3,207,236	2,432,915
12,561	0	Financial lease liabilities	51,237	20,098
178,958	119,771	Bank loans	258,052	164,475
38,073	19,108	Other non-current liabilities	128,250	107,143
0	-42,500	Transfered to liabilities regarding assets held for sale	0	-42,500
2,755,749	**2,025,798**	**Total interest bearing non-current liabilities**	**3,644,775**	**2,682,131**
342,598	533,327	Mortgage on ships	565,851	722,520
9,656	11,662	Financial lease liabilities	35,294	34,275
527,869	840,493	Owed to group enterprises	-	-
59,653	178,565	Bank loans	69,675	212,435
20,175	18,146	Other non-current liabilities	36,830	27,310
0	-42,500	Transfered to liabilities regarding assets held for sale	0	-42,500
959,951	**1,539,693**	**Total interest bearing current liabilities**	**707,650**	**954,040**
3,715,700	**3,565,491**	**Total interest bearing liabilities**	**4,352,425**	**3,636,171**

NOTE 23 CONTINUES ON THE FOLLOWING PAGE >>>

The fair value of the interest-bearing liabilities in the Group amounts to DKK 3,636 million (2007: DKK 4,352 million). The fair value of the interest-bearing liabilities in the Parent Company amounts to DKK 3,565 million (2007: DKK 3,716 million). The fair value of the financial liabilities is determined as the present value of expected future repayments and interest rates. The Group's actual borrowing rate for equivalent terms are used as the discount rate.

DKK 926 million of the interest-bearing liabilities in the Group fall due after five years (2007: DKK 1,462 million). DKK 685 million of the interest bearing liabilities in the Parent Company fall due after five years (2007: DKK 1,191 million).

No exceptional conditions in connection with borrowing are made. The Group's loan agreements can be settled at fair value plus a small surcharge. See Note 12 for assets pledge as securities and Note 26 for financial risks etc.

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	ALLOCATION OF CURRENCY, PRINCIPAL NOMINAL AMOUNT	2007	2008
1,851,165	1,521,308	DKK	2,171,051	1,801,274
1,269,271	1,540,182	EUR	1,069,014	1,051,789
550,387	431,957	SEK	736,162	529,288
51,652	42,455	NOK	351,843	227,707
0	28,961	GBP	24,355	26,113
558	0	USD	0	0
-7,333	628	LTL 1)	0	0
3,715,700	**3,565,491**	**Total interest bearing liabilities**	**4,352,425**	**3,636,171**

1) The Parent Company has a right of set-off against the individual group enterprises. As a consequence of this, negative liabilities for the individual currency is possible.

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	NOTE 24 OTHER PAYABLES	2007	2008
9,981	9,071	Amounts owed to group enterprises	-	-
0	2,161	Amounts owed to associates	121	2,546
40,585	30,870	Accrued interests	53,070	36,970
7,098	11,271	Public authorities	57,457	41,072
97,126	76,525	Holiday pay obligations, etc,	132,237	116,351
1,574	0	Share based payments, cash-settled	1,574	0
28,531	146,510	Derivative financial instruments, forward transactions and bunker hedges	28,931	147,805
154,999	160,932	Other, primarily payables	293,782	277,475
339,894	**437,340**	**Total other payables**	**567,172**	**622,219**

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	NOTE 25 CORPORATION TAX	2007	2008
0	0	Balance at 1 January	16,585	8,794
-	-	Foreign exchange adjustment	181	-1,689
0	2,981	Tax for the year recognised in the income statement	26,128	24,515
0	7,500	Adjustment, previous years in the income statement	66,423	5,577
0	0	Corporation taxes paid in the year	-19,575	-23,726
0	0	Transferred to liabilities related to assets held for sale	-134	0
-	-	Transferred to other interest-bearing liabilities	-80,814	3,787
0	**10,481**	**Corporation tax at 31 December**	**8,794**	**17,258**
		Corporation tax recognised in the balance sheet		
0	0	Current corporation tax receivables	13,722	6,515
0	10,481	Current corporation tax	22,516	23,773
0	**10,481**	**Total corporation tax**	**8,794**	**17,258**

New tonnage tax regulations in Norway
The Norwegian government has passed an act on a new regulation of tonnage tax for taxation of Nowegian shipping companies. The new act is effective as of 2007.

The transitional provisions for the new regulation imply taxation of untaxed equity (result) generated under the existing system for taxation of shipping companies recognised by the end of 2006. Based on the approved act calculations show a tax cost of DKK 104.6 million for DFDS. The discounted value of this amounts to DKK 80.8 million, which has been provided for in the income statement for 2007. Provisions to use 1/3 of the amount for environmental improvements latest in 2016 are available, of which unutilised amounts must be paid as taxes in 2016.

The Norwegian government submitted a proposal 20 January 2009 that would remove the deadline for using 1/3 of the amount for environmental improvements. If the proposal is passed the basis for this part of the provisions will disappear. Reversal of these provisions would reduce the non-current liabilities NOK 19.9 million. The reversal would be provided for in the income statement as an adjustment to previous years tax.

The tax must be paid evenly over the next 10 years with annually 1/10 of 2/3 of the total amount. The total annual cash flow effect is estimated to be lower, as the Norwegian tax payables are anticipated to be reduced as a consequence of the new Norwegian tonnage tax.

NOTE 26 FINANCIAL RISKS AND DERIVATIVE FINANCIAL INSTRUMENTS APPLIED

The Group's financial risk managment policy

The most important financial risk factors for DFDS are oil, currency, interest rate and liquidity. It is the policy of the Group not to enter into active speculation in financial risks. The intention of the financial risk management of the Group is only to manage the financial risks attached to operational and financing activities.

The Board of Directors annually approves the financial risk management policy and strategy.

Currency risks

Currency risks arise from disparities between revenue and expenses in particular currencies (transaction risks) and from net investments in foreign companies (translation risks). Transaction risk is divided into cash flow risk and currency balance risk.

DFDS actively seeks to reduce currency exposure by matching the currencies, obtaining multi currency loans and by directing all currency positions towards the Parent Company (the transaction risk) if possible. In addition, it is the strategy of DFDS to hedge the remaining part of the Group's currency risk on a one-year running basis at reasonable prices compared to the latest budget when entering into forward currency contracts, currency options and swaps.

Sensitivity analysis are based on unchanged sales and pricing as well as the effect of entered foreign currency hedging transactions.

Cash flow risks

Approximately 79% of DFDS' revenues are invoiced in foreign currencies (2007: 80%) with the most substantial net income currencies being SEK, NOK, EUR and GBP. USD was the most substantial net expense currency.

A fall of 10% in SEK compared with the level at year-end 2008 would have meant a lower income for the Group of DKK 42.2 million in 2008 (2007: DKK 18.9 million), and similarly a lower income for the Parent Company of DKK 42.4 million in 2008 (2007: DKK 19.0 million). A fall of 10% in NOK compared to the level at year-end 2008 would have meant a lower income for the Group and the Parent Company of DKK 7.9 million (2007: DKK 5.4 million).

A fall of 10% in GBP compared to the level year-end 2008 would have meant a lower income for the Group and the Parent Company of DKK 6.5 million in 2008 (2007: DKK 0.5 million). A raise in the currencies SEK, NOK and GBP would have had a similar positive effect on the result of the year.

A raise of 10% in USD compared with the level year-end 2008 would have meant increased expenses for the Group of DKK 62.8 million in 2008 (2007: DKK 14.2 million), and similarly for the Parent Company increase expenses of DKK 36.8 million in 2008 (2007: DKK 1.5 million). A fall in USD exchange rate would have had a similar positive effect on the result of the year.

All sensitivity analysis are made on the basis of sales income and expenses for 2008 excluding hedging.

Foreign currency balance risks

The Group's and the Parent Company's most substantial currency balance position is in SEK. A fall of 10% in SEK compared to the level at year-end 2008 would have meant increased expenses for the Group and the Parent Company of DKK 22.7 million in 2008 (2007: DKK 17.5 million). A raise would have had similar positive effect on the result of the year.

Translation risks

Translation risks relate to translation of the profit and equity of foreign group enterprises into DKK. These risks are to some extent covered by loans in the respective foreign currencies, but are normally not hedged.

The Group's most substantial translation risks are SEK and NOK. A fall in these currencies of 10% compared to the level at year-end 2008 would have meant a value decrease for SEK of DKK 4.9 million in 2008 (2007: DKK -3.0 million) and for NOK a value decrease of DKK 34.8 million in 2008 (2007: DKK -33.7 million).

Interest rate risks

DFDS is primarily exposed to interest rate risks through the loan portfolio (interest-bearing debt less the short-term bank debts and other debts). The intention of the interest rate risk management is to limit the negative effects of interest rate fluctuation on the earnings. It is DFDS' strategy that a minimum of 50% of the loan portfolio must be fixed-rate loans in view of contracted interest rate swaps etc. The total interest-bearing debt of the Group amounts to DKK 3,721 million at year-end 2008 (2007: DKK 4,352 million), of which the floating-rate debt amounts to DKK 1,631 million at year-end 2008 (2007: DKK 1,929 million). Thereby the fixed interest-bearing debt share is 56% at year-end 2007 (2007: 56%) including the effect of interest rate swaps etc.

The total interest-bearing debt of DKK 3,721 million in 2008 (2007: DKK 4,352 million) had an average time to maturity of 4.6 years (2007: 5.2 years), and consists primarily of syndicated floating-rate bank loans with security in the ships. The financing is obtained at market rate with addition of a marginal rate reflecting DFDS' financial strength. As part of the financial strategies in DFDS interest rate swaps with a principal amount totalling DKK 1,844 million (2007: DKK 2,143 million) have been entered in partial change from floating-rate bank loans to fixed-rate bank loans.

An increase in the interest rate of 1%-point compared to the actual interest rate in 2008 would, other things being equal, have resulted in an additional cost of about DKK 18 million for the Group in 2008 (2007: DKK 20 million). The effect on the Parent Company would have been DKK 18 million in 2008 (2007: 19 million). A decrease in the interest rate would have had the equivalent positive effect.

NOTE 26 CONTINUES ON THE FOLLOWING PAGE >>>

>>> NOTE 26 CONTINUED

Credit risks
DFDS's primary financial assets are trade receivables, other receivables, cash at bank and in hand and derivative financial instruments..

The credit risk is primarily attributable to trade receivables and other receivables.

The amounts in the balance sheet are stated net of reservation for bad debts, which has been estimated based on a specific assessment of the present economic situation.

DFDS's risks regarding trade receivables are not considered unusual and no material risk is attached to a single customer or cooperative partner. According to the Group's policy of undertaking credit risks, current credit ratings of all major customers and other cooperative partners are performed. A few customers have provided guarantees for payment. These guarantees constitutes totally DKK 62.5 million in 2008 (2007: DKK 4.4 million). Besides the reservations mentioned in Note 15 no other reservations on receivables have been done and no insurance cover has been taken out on any of the receivables.

The credit risk of cash at bank and in hand and derivative financial instruments is limited, because DFDS and 100% owned group enterprises uses financial partners, which at a minimum have a solid credit rating (P-1 from Moody's).

Oil risks
The cost of bunkers constitutes a specific and significant operational risk partly due to large fluctuations in oil prices and partly due to the total annual bunker costs of approximately DKK 1,298 million or 15.8% of the Group's turnover in 2008 (2007: DKK 1,036 million or 12% of the Group's turnover).

In the freight sector, bunker costs are hedged by price-adjustment clauses in freight contracts. In the passenger sector, fluctuations in the cost of bunkers are reflected in the ticket price to the extent possible. In addition, hedging transactions, primarily oil swaps, are to some extent also used to manage risk.

The bunker consumption in 2008 was approximately 462,000 tons (2007: 477,000 tons). A rise of 10% in the price of bunker compared to the level at year-end 2008 would have meant increased costs for the Group of DKK 6.9 million (2007: DKK 21.9 million), and increased cost for the Parent Company of DKK 6.9 million (2007: DKK 21.9 million).

Liquidity risks
DFDS aims to maintain a minimum cash resource of DKK 300 million, which is regarded as sufficient even in peak requirement periods. The cash resources are managed at Group level, and 12-months rolling cash forecasts are prepared on a monthly basis. The cash resources at 31 December 2008 is DKK 913 million (2007: DKK 1,181 million). The central treasury department manages excess liquidity and cash resources. Cash at bank and in hand are primarily placed in the short money market and in bonds.

Capital management
The Group is continously assessing the need for adjustment of the capital structure to balance the required rate of return on equity against the increased incertainty connected with loan capital. The equity's share of the total liabilities totals 40% at year-end 2008 (2007: 38%). The aim is to have an equity interest of 35-40%.

The Group's financial goal for 2008 was to provide a 9.1-10.5% return on invested capital equivalent to the Group's cost of capital of 7.0% plus 30-50%. In 2008 the return on the invested capital aggreated 6.1% (2007: 8.6%).

The Group's dividend policy is to distribute around 30% of the DFDS shareholders' share of the Group's profits, howver, taking into consideration any significant investments. Proposed dividends for 2008 amount to DKK 0.00 per share equal to 0.0% of the profits (2007: DKK 15.00 per share or 30.0% of the profits).

NOTE 26 CONTINUES ON THE FOLLOWING PAGE >>>

>>> NOTE 26 CONTINUED

Hedging of expected future transactions (DKK '000)

CONSOLIDATED

EXPECTED FUTURE TRANSACTIONS	HEDGE INSTRUMENT	TIME TO MATURITY	NOTIONAL PRINCIPAL AMOUNT	GAINS/LOSSES RECOGNISED IN THE EQUITY				
				0-1 YEAR	1-3 YEARS	3-5 YEARS	MORE THAN 5 YEARS	FAIR VALUE
2007								
Goods purchased and sold	Forward exchange contracts	0-2 years	1,456,509		65			65
Goods purchased and sold	Forward exchange contracts	0-2 years		-12,905				-12,905
Interest	Interest swaps	0-10 years	2,142,845		7,080	4,231	9,615	21,602
Interest	Interest swaps	0-10 years			-691		-32,893	-33,244
				-12,905	6,454	4,231	-23,278	-24,482
2008								
Goods purchased and sold	Forward exchange contracts	0-2 years	401,497	26,093				26,108
Goods purchased and sold	Forward exchange contracts	0-2 years		-25,465				-25,465
Interest	Interest swaps	0-7 years	1,844,358		1,203			1,257
Interest	Interest swaps	0-7 years		-185	-1,527	-11,965	-50,734	-64,571
Interest	Basis swaps	0-1 years	984,173	-3,657				-3,657
Interest	Currency swaps	0-1 years	208,333	-1,267				-1,267
Goods purchased	Oil contracts for forward delivery (tons)	0-6 months	84,000	-35,472				-35,472
				-39,953	-324	-11,965	-50,734	-103,067

For 2008 DKK 0.0 million (2007: DKK 0.2 million) is recognised in the income statement due to inefficiency in hedging of expected future transactions.

PARENT COMPANY

EXPECTED FUTURE TRANSACTIONS	HEDGE INSTRUMENT	TIME TO MATURITY	NOTIONAL PRINCIPAL AMOUNT	GAINS/LOSSES RECOGNISED IN THE EQUITY				
				0-1 YEAR	1-3 YEARS	3-5 YEARS	MORE THAN 5 YEARS	FAIR VALUE
2007								
Goods purchased and sold	Forward exchange contracts	0-2 years	1,456,509	-12,443				-12,443
Interest	Interest swaps	0-10 years	1,861,200		5,503	2,116	9,615	17,505
Interest	Interest swaps	0-10 years					-32,893	-32,953
				-12,443	5,503	2,116	-23,278	-27,891
2008								
Goods purchased and sold	Forward exchange contracts	0-2 years	247,533	26,093				26,108
Interest	Interest swaps	0-7 years	1,614,495		1,203			1,257
Interest	Interest swaps	0-7 years				-10,952	-50,734	-61,698
Interest	Basis swaps	0-1 years	984,173	-3,657				-3,657
Goods purchased	Oil contract for forward delivery (tons)	0-6 months	84,000	-35,472				-35,472
				-13,036	1,203	-10,952	-50,734	-73,462

For 2008 DKK 0.0 million (2007: DKK 0.2 million) is recognised in the income statement due to inefficiency in hedging of expected future transactions.

The stated fair value is comparable with the market value determined by the bank at 31 December, still a few fair values are determined by own calculations. The fair values have been calculated by discounting the expected future interest payments. The discount rate for each interest payment is estimated basis a swap interest curve, which is calculated based on a wide spread of market interest rates.

Hedging of assets and liabilities
In 2008 gains and losses on currency hedged balance sheet items amounted to DKK -4.7 million (2007: -2.7 million), of which gain and loss on the deriviative financial instruments amounted to DKK -16.9 million (2007: 1.3 million). The recognised amounts are identical for both the Group and the Parent Company. The amounts are recognised in financial items.

At 31 December 2008 unrealised net losses on derivative financial instruments on hedging of currency risks associated with balance sheet items amount to DKK 1.4 million (2007: unrealised net gains DKK 0.7 million), which have been recognised in the income statement. The corresponding unrealised foreign exchange adjustments on the hedged balance sheet items amounts to a net gain of DKK 0.5 million (2007: net losses DKK 1.8 million).

NOTE 26 CONTINUES ON THE FOLLOWING PAGE >>>

>>> NOTE 26 CONTINUED

Interest rate risks (DKK ’000)

CONSOLIDATED 2007	PRINCIPAL AMOUNT/OUTSTANDING DEBT AT			
CATEGORY	31/12/07	31/12/08	31/12/10	31/12/12
Mortgages on ships	3,773,088	3,207,236	2,030,941	1,418,134
Bank loans	327,726	258,052	59,653	0
Other interest-bearing loans	165,080	128,250	90,932	43,946
Financial lease liabilities	86,531	51,237	0	0
Interest-bearing liabilities	4,352,425	3,644,775	2,181,526	1,462,080
Financial lease liabilities, fixed interest rate	-86,531	-51,237	0	0
Mortgages on ships, fixed interest rate	-97,135	-82,781	-54,073	-25,365
Other liabilities, fixed interest rate	-97,368	-85,130	-66,484	-58,441
Interest swap, (principal amount), fixed rate, (interest paid)	-2,142,845	-1,856,692	-986,376	-597,759
Loans with floating interest rates	1,928,546	1,568,935	1,074,593	780,515

CONSOLIDATED 2008	PRINCIPAL AMOUNT/OUTSTANDING DEBT AT			
CATEGORY	31/12/08	31/12/09	31/12/11	31/12/13
Mortgages on ships	3,155,435	2,432,915	1,701,786	861,754
Bank loans	252,441	164,475	0	0
Bank overdrafts	124,469	0	0	0
Other interest-bearing loans	134,453	107,143	74,676	63,878
Financial lease liabilities	54,373	20,098	0	0
Interest-bearing liabilities	3,721,171	2,724,631	1,776,462	925,632
Financial lease liabilities, fixed interest rate	-54,373	-20,098	0	0
Mortgages on ships, fixed interest rate	-82,714	-68,372	-39,687	-11,002
Other fixed-interest liabilities	-108,817	-81,501	-47,978	-39,104
Interest swap, (principal amount), fixed rate, (interest paid)	-1,844,358	-1,333,924	-851,998	-398,254
Loans with floating interest rates	1,630,909	1,220,736	836,799	477,272

PARENT COMPANY 2007	PRINCIPAL AMOUNT/OUTSTANDING DEBT AT			
CATEGORY	31/12/07	31/12/08	31/12/10	31/12/12
Mortgages on ships	2,868,755	2,526,157	1,640,963	1,190,767
Bank loans	238,611	178,958	59,653	0
Debt to group enterprises	527,869	0	0	0
Other interest-bearing loans	58,248	38,073	0	0
Financial lease liabilities	22,217	12,561	0	0
Interest-bearing liabilities	3,715,700	2,755,749	1,700,616	1,190,767
Financial lease liabilities, fixed interest rate	-22,217	-12,561	0	0
Other fixed-interest liabilities	-16,554	-11,292	0	0
Interest swap, (principal amount), fixed rate, (interest paid)	-1,861,200	-1,610,092	-907,876	-597,759
Loans with floating interest rates	1,815,729	1,121,804	792,740	593,008

PARENT COMPANY 2008	PRINCIPAL AMOUNT/OUTSTANDING DEBT AT			
CATEGORY	31/12/08	31/12/09	31/12/11	31/12/13
Mortgages on ships	2,462,746	1,929,419	1,380,234	685,028
Bank loans	179,376	119,771	0	0
Bank overdrafts	118,959	0	0	0
Debt to group enterprises	840,494	0	0	0
Other interest-bearing loans	37,254	19,108	0	0
Financial lease liabilities	11,662	0	0	0
Interest-bearing liabilities	3,650,491	2,068,298	1,380,234	685,028
Financial lease liabilities, fixed interest rate	-11,662	0	0	0
Other fixed-interest liabilities	-37,260	-19,108	0	0
Interest swap, (principal amount), fixed rate, (interest paid)	-1,614,495	-1,164,263	-786,298	-398,254
Loans with floating interest rates	1,987,074	884,927	593,936	286,774

PARENT COMPANY DKK '000 / CONSOLIDATED DKK '000

Parent 2007	Parent 2008	NOTE 27 NON-LIQUID OPERATING ITEMS	Consolidated 2007	Consolidated 2008
1,687	764	Change in provisions	10,265	3,519
-326	-497	Gain/loss on sale of operating equipment	-4,270	-5,798
5,575	-5,097	Change in write-down of inventories	5,575	-5,097
-824	453	Defined benefit plans in the income statement	4,811	3,131
9,970	2,013	Fair value of the share options in the income statement	9,970	2,013
16,082	**-2,364**	**Non-liquid operating items**	**26,351**	**-2,232**

PARENT COMPANY DKK '000 / CONSOLIDATED DKK '000

Parent 2007	Parent 2008	NOTE 28 CHANGE IN WORKING CAPITAL	Consolidated 2007	Consolidated 2008
-20,163	17,589	Change in inventories	-23,930	23,180
74,357	83,975	Change in receivables	52,382	-79,510
7,243	-123,834	Change in current liabilities	-76,151	69,195
61,437	**-22,270**	**Change in working capital**	**-47,699**	**12,865**

PARENT COMPANY DKK '000 / CONSOLIDATED DKK '000

Parent 2007	Parent 2008	NOTE 29 INVESTMENTS IN NON-CURRENT FIXED ASSETS, NET	Consolidated 2007	Consolidated 2008
-2,032	-3,745	Investments	-18,197	-11,083
0	0	Sale	3,242	216
-2,032	**-3,745**	**Investments in buildings and terminals, net**	**-14,955**	**-10,867**
-19,069	-35,824	Investments	-49,884	-71,786
583	497	Sale	5,507	9,561
-18,486	**-35,327**	**Investments in operating equipment, etc., net**	**-44,377**	**-62,225**

PARENT COMPANY DKK '000 / CONSOLIDATED DKK '000

Parent 2007	Parent 2008	NOTE 30 CHANGE IN OTHER LOANS	Consolidated 2007	Consolidated 2008
-93,141	-79,060	Repayments of loans	-121,823	-104,379
22,571	562	Raising of loans	42,214	1,322
-70,570	**-78,498**	**Change in other loans, net**	**-79,609**	**-103,057**

NOTE 31 ACQUISITION OF COMPANIES AND ACTIVITIES

2007

The Group and the Parent Company have not made any acquisitions of companies in 2007. The purchase price regarding the acquisition of DFDS Container Line B.V. have been adjusted DKK 22.6 million.

2008

The Group and the Parent Company have not made any material acquisitions of companies in 2008.

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	NOTE 32 ACQUISITION OF MINORITY INTERESTS	2007	2008
-1,626	-13,159	AB DFDS LISCO	-1,626	-13,159
0	-7,611	Halléns N.V.	0	-26,637
0	0	Transport Partners Intermodal Ltd.	-11,017	0
-1,626	**-20,770**	**Cash flow from acquisition of minority interests**	**-12,643**	**-39,796**

2007

AB DFDS Lisco

During 2007 acquisition of shares in AB DFDS LISCO amounts to DKK 1.6 million, equivalent to an ownership of 0.3%, providing an ownership share of 92.6%.

Transport Partners Intermodal Ltd.

On 10 January 2007 the remaining ownership of 49% in Transport Partners Intermodal Ltd, was acquired, and the company is now owned 100% by DFDS Lys Line Ireland.

2008

AB DFDS Lisco

During 2008 acquisition of shares in AB DFDS LISCO amounts to DKK 13.2 million, equivalent to an ownership of 3.2%, providing an ownership share of 95.8%.

Halléns N.V.

The Parent Company have during 2008 acquired 4% of shares in Halléns N.V. amounting to DKK 7.6 million and DFDS Tor Line N.V. have acquired 10% of shares in Halléns N.V. amounting to DKK 19.0 million. The consolidated ownership by the Group is hereafter 80%.

PARENT COMPANY DKK '000 | CONSOLIDATED DKK '000

2007	2008	NOTE 33 ASSETS AND LIABILITIES HELD FOR SALE	2007	2008
0	184,971	Non-current assets (see Note 12)	131,973	184,971
		Current assets		
0	0	Inventories	1,561	0
0	0	Receivables	7,554	0
0	0	Prepayments	708	0
0	**0**	**Total current assets**	**9,823**	**0**
0	**184,971**	**Total assets held for sale**	**141,796**	**184,971**
0	42,500	Non-current liabilities (see Note 23)	0	42,500
		Current liabilities		
0	42,500	Interest-bearing liabilities (see Note 23)	0	42,500
0	0	Corporation tax	134	0
0	0	Other liabilities	7,256	0
0	**85,000**	**Total liabilities related to assets held for sale**	**7,390**	**85,000**

2007

The Tramp activity comprises of the operation of four multi-purpose ships. The activity has no connection to the route network as defined in the strategy announced on 12 September 2007. The four multi-purpose ships were disposed of in 2008 with a profit of DKK 27.9 million. The profit is included in the income statement in the line "Profit on disposal of ships, buildings and terminals".

2008

The passenger ship Queen of Scandinavia is expected to be disposed of during 2009.

NOTE 34 GUARANTIES AND CONTINGENT LIABILITIES

Guarantees and contingent liabilities amounts to DKK 79.4 million (2007: DKK 133.3 million) for the Group.

Guarantees and contingent liabilities amounts to DKK 802.6 million (2007: DKK 1,038.0 million) for the Parent Company.

A contaminated land has been registered in one of the Groups companies. Currently the Group does not have a commitment to cleanse the land. If such a commitment should occur, the Group has the possibility to get the cost adjusted in the original purchase price for the company. The deferred payments regarding the purchase price reflect among other things the opportunity for a set-off.

The Parent Company is part of a tax suit regarding interpretation of the tonnage tax regulations. On grounds of further developments and outcome of the suit no further details can be disclosed.

As at 31 December 2008 the Group and the Parent Company are parties in a number of lawsuits. The outcome of these lawsuits is not expected to affect the Group's financial position apart from amounts recognised in the balance sheet.

PARENT COMPANY DKK '000			CONSOLIDATED DKK '000	
2007	**2008**	**NOTE 35 CONTRACTUAL COMMITMENTS**	**2007**	**2008**
0	1,026,013	Contracting of ships and rebuildings, term 0-1 year	0	1,026,013
0	**1,026,013**	**Total contracting obligations**	**0**	**1,026,013**

Contracting obligations consist of purchase of one ro-pax ship, two ro-ro ships and extension of three ro-ro ships.

2007	2008		2007	2008
		Operating lease contracts		
		Minimum lease payments		
21,046	23,066	0-1 year	30,546	30,776
88,942	88,856	1-5 years	100,454	95,579
15,657	0	After 5 years	41,661	21,585
125,645	**111,922**	**Total buildings**	**172,661**	**147,940**
9,262	9,507	0-1 year	103,948	85,558
39,423	40,451	1-5 years	407,807	333,645
133,913	123,217	After 5 years	1,763,923	1,343,217
182,598	**173,175**	**Total terminals**	**2,275,678**	**1,762,420**
722,602	1,767,057	0-1 year	530,392	489,212
1,203,216	1,093,781	1-5 years	1,144,305	1,011,824
1,058,219	875,220	After 5 years	1,058,219	875,220
2,984,037	**3,736,058**	**Total ships**	**2,732,916**	**2,376,256**
14,310	24,290	0-1 year	30,662	46,461
20,128	37,085	1-5 years	43,177	61,098
34,438	**61,375**	**Total machinery and equipment**	**73,839**	**107,559**
		Total minimum lease payments are expected to fall due as follows:		
767,220	1,823,920	0-1 year	695,548	652,007
1,351,709	1,260,173	1-5 years	1,695,743	1,502,146
1,207,789	998,437	After 5 years	2,863,803	2,240,022
3,326,718	**4,082,530**	**Total minimum lease payments**	**5,255,094**	**4,394,175**

The specified obligations are not discounted.

Operational leasing and rent costs recognised in the income statement amount for the Group to 695.6 million for 2008 (2007: DKK 667.0 million) and for the Parent Company to DKK 854.9 million for 2008 (2007: DKK 701.6 million).

Operating lease contracts on ships are typical made with lease terms between three and ten years. The main part of the lease contracts on ships includes an option to extend the lease term. Lease contracts on other assets are normal lease agreements including a minimum lease term after which the lease term can be terminated by giving 1-12 months notice. Future minimum sublease payments expected to be received under non-cancellable subleases amount for the Group to DKK 203.6 million in 2008 (2007: DKK 97.5 million) and for the Parent Company to DKK 348.5 million in 2008 (2007: DKK 258.5 million).

DFDS has not entered any substantial agreements, which will be effected, changed nor expired, if the control of the company is changed as a consequence of an effected takeover bid.

No purchase options of operational leased assets are present.

NOTE 35 CONTINUES ON THE FOLLOWING PAGE >>>

>>> NOTE 35 CONTINUED

PARENT COMPANY DKK '000			CONSOLIDATED DKK '000	
2007	**2008**		**2007**	**2008**
		Operating lease contracts – own assets leased out		
		Minimum lease payments		
		Ships		
0	0	0-1 year	71,090	71,090
0	0	1-5 years	66,833	50,698
0	**0**	**Total ships**	**137,923**	**121,788**

The specified obligations are not discounted.

Operational leasing and rent income recognised in the income statement amounts for the Group to DKK 250.3 million in 2008 (2007: DKK 284.0 million) and for the Parent Company to DKK 269.6 million in 2008 (2007: DKK 205.6 million).

The contracts are entered on usual conditions.

2007	**2008**		**2007**	**2008**
		Financial lease contracts		
		Minimum lease payments		
25,250	22,699	0-1 year	80,278	72,956
22,688	0	1-5 years	115,907	50,087
47,938	22,699	Total minimum lease payments	196,185	123,043
-20,064	-9,662	Elements of timecharter	-94,801	-62,661
-5,657	-1,375	Elements of finance	-14,853	-6,009
22,217	**11,662**	**Total**	**86,531**	**54,373**
		Recognised in the balance		
9,656	11,662	Current liabilities	35,294	34,275
12,561	0	Non-current liabilities	51,237	20,098
22,217	**11,662**	**Total recognised in the balance**	**86,531**	**54,373**

The financial lease contracts included in the balance sheet relate to lease of four ships (2007: four ships), which are leased on timecharter agreements until 2010. The lease payments are fixed in the lease terms. DFDS has an option to extend the lease terms by an additional three years for those ships leased on timecharter. The lease contracts do not include option to acquire the ships.

NOTE 36 RELATED PARTIES

The Group's related parties exercising control are Vesterhavet A/S, Copenhagen, which holds more than 50% of the shares in DFDS A/S, and JL Fondet, Copenhagen, as the JL Fondet by statute exercises control of Vesterhavet A/S. The members of the Board of Directors and the Executive Board at Vesterhavet A/S and JL Fondet are also related parties.

Furthermore, related parties comprise all companies owned by JL Fondet, DFDS's group enterprises and associates, cf. page 102 and Note 14, and these companies' Executive Board and Board of Directors, executive employees and close members of the family of those.

Apart from intra-group balances and transactions (primary charter hire, trade in ships and commissions etc.), which are eliminated on consolidation, the usual Executive Board remuneration and Board of Directors emoluments (informed in Note 5), share option to the Executive Board (informed in Note 20) and the below transactions, no related-party transactions have been carried out during the year.

Regarding J. Lauritzen A/S, trade in 2007 has primarily related to rendering of services. Trade is conducted on an arm's length basis.

NOTE 36 CONTINUES ON THE FOLLOWING PAGE >>>

CONSOLIDATED

Sale of services to J. Lauritzen A/S in 2008 amounts to DKK 0.0 million (2007: DKK 0.7 million).

PARENT COMPANY
DKK '000

	SALE OF SERVICES	PURCHASE OF SERVICES	SALE OF ASSETS	PURCHASE OF ASSETS	RECEIVABLES	LIABILITIES
2007						
J. Lauritzen A/S	671	0	0	0	0	0
Group enterprises	296,889	968,051	0	0	1,469,145	537,850
2008						
Group enterprises	329,261	918,119	0	11,874	1,274,523	849,564

NOTE 37 IMPAIRMENT TESTS

Introduction
At the end of each year impairment tests of goodwill and other non-current intangible assets, tangible and financial assets are performed. Impairment tests in between the annual tests will be performed in case there are indications of impairment.

Definition of cash generating unit (CGU)
The division into cash generating units is based on the DFDS organisational structure into business areas, which are the three primary business areas Ro-Ro Shipping, Container Shipping and Passenger Shipping and the two strategic business areas Terminal Services and Trailer Services. The three business areas Ro-Ro Shipping, Container Shipping and Trailer Services are all considered to be the lowest cash generating units and are therefore the level at which the impairment tests are performed. Ro-Ro Shipping acts as a unit, where the individual subsidiaries are supporting companies, and the tonnage is switched between the routes to optimise the tonnage compared to the Group's customers. Container Shipping is equally organised in a route network, and the strategic management - among other things the utilization of assets - is carried out across the companies. Trailer Services is strategically operated as one unit and with a common pool of equipment. In the Terminal Services business area, the lowest level for the cash generating unit is represented by the individual terminal.

The individual route in Passenger Shipping is considered to be the lowest cash generating unit. The future expected net cash flows for the individual route are allocated to the individual ship. The distribution is based on the ship's capacity in relation to the route's capacity as well as the expected sailing list during the ship's useful life in the Group. The expected net cash flows for the ship are added to the expected scrap value of the ship at the end of the expected useful life in the Group. The scrap value is calculated as estimated net sales price or net residual value.

Non-current intangible and tangible assets are according to the above definitions allocated to the lowest level of cash generating units, to which the carrying amount can be attributed and which can be calculated with reasonable certainty.

Definition of cash flow and calculation of recoverable amount
The basis for calculating future net cash flows per cash generating unit is the budgeted operating profit (EBIT) after adjustment for significant events such as opening/closing/changing routes, rebuilding of existing ships and new buildings.

The estimated cash flows for the individual cash generating units are based on approved budget for the coming financial year. Calculation of terminal value is based on the budget year adjusted for any larger one-offs.

The estimated value in use for Passenger Shipping is based on the approved budgets for the coming financial year with addition of an evaluation period of four years as well as a projection as from year six of the useful life of the ships runing the route.

The value in use is calculated as the discounted value of future net cash flows for each cash generating unit. The net realisable value is calculated as the fair value of the non-current assets less selling costs. The recoverable amount is the highest of the fair value and the net realisable value. If the recoverable amount is lower than the carrying amount of other non-current intangible and tangible assets the assets are impaired to that lower value.

The net realisable value for the Group's most important assets, ships, is estimated based on the average of 4 independent broker assessments. The brokers' assignment is to assess each ship in a "willing buyer – willing seller" situation. The assessments at 31 December 2008 are subject to higher uncertainty than if they were assessed in a normal and stable marked. The uncertainty is caused by the economical and financial situation for the world economy. Because the assessments have been obtained from 4 different brokers the Group consider an average of these as the best and most valid estimate for the net realisable value for the ships. The Group collects independent broker assessments each year for the Group's ships.

Discount rate
The Group determines a discount rate for each cash generating unit (business area) based on the interest rate (without risk) with addition of a risk premium attached to the individual business area. The interest rate (without risk) is determined to a 10 year Danish interest rate (without risk) at the end of the year. The risk premium is calculated as a general risk premium of the share market of 5% multiplied with the non-leveraged beta value for each cash generating unit.

NOTE 37 CONTINUES ON THE FOLLOWING PAGE >>>

>>> NOTE 37 CONTINUED

The non-leveraged beta values are calculated by gathering non-leveraged beta values for peer-group companies through the data base of Bloomberg for each business area. The validity of the non-leveraged beta value for each peer-group company is evaluated, so the beta values with lowest validity are eliminated. In general only very few peer-group companies exist as the beta values are only calculated for listed companies. As a result of this the non-leveraged beta values for the business areas Ro-Ro Shipping, Container Shipping, Terminal Services and Trailer Services are calculated together as a median of each peer-group company. For these four business areas the non-leveraged beta value is thus calculated of 0.86.

For Passenger Shipping the non-leveraged beta value is calculated to 0.61. The beta value is lower than for the other business areas, as the activity in Passenger Shipping is less sensitive to the general market development than the four other business areas.

Finally the calculated discount rates are evaluated and compared with discount rates determined by a few analysts who follow the share of DFDS A/S.

Sensitivity analyses
In connection with the impairment tests sensitivity analyses of the expected earnings are prepared annually testing relevant risk factors and scenarios which the Group can measure on a reliable basis.

A calculation is also made on each cash generating unit determining the break-even point of the discounting rate, calculating which discount rate that would return a recoverable amount equal to the carrying amount.

Sensitivity analysis are prepared by changing the estimates within probable outcomes. None of these calculations changes the below stated result of impairment tests carried out.

Order of impairment
In case an indication of impairment is identified, goodwill will be the first asset in line to be written down followed by the primary non-current intagible and tangible assets in the individual business areas. The impairments will be based on the book value of the assets unless the write-down results in a value less than the net realisable value of the asset, the value in use of the asset (if available) or zero.

Calculation for 2008
In general the expected real growth rate in the prognosis period is 0% (2007: 0%). Provided that a real growth of 0% upon the budget for 2009 does not result in a value in use that at least match the book value, the calculations are based on scenarios with positive real growth. These real growth rates are compared to IMF's estimate (World Outlook Economic Database, October 2008) of growth in GDP (gross domestic product) (in real terms) for the countries, in which the cash generating unit is operating. None of the applied growth rates are exceeding IMF's estimate for growth in GDP (real terms).

In the projection after the prognosis period a growth of 0% (2007: 0%) is assumed for all routes in Passenger Shipping.

Discount rates (before tax) for each business area for 2008 are:

	2007	**2008**
Ro-Ro Shipping	8.1 %	7.6 %
Container Shipping	7.9 %	7.6 %
Passenger Shipping	8.9 %	6.4 %
Terminal Services	8.2 %	7.6 %
Trailer Services	8.8 %	7.6 %

For three passenger ships the value in use is less than book value. The net realisable value for each ship – calculated as the average of the four broker assessments – exceed the book value. In the light of this there is no basis for impairment of any of these three passenger ships.

The value in use of the customer portfolio in DFDS Container line B.V. is less than book value for which reason an impairment of DKK 38.0 million has been carried out. In addition to this other non-current intangible assets have been impaired for a value of DKK 4.4 million, since the value in use is less than the book value.

Based on the impairment tests carried out in 2008, no basis has been found for impairment of any of the rest of the areas. In 2007 the impairment tests carried out showed no basis for impairments too.

Impairment test of investments in group enterprises and associates (Parent Company)
Impairment tests are made for each investment in group enterprises and associates. Each group enterprise is considered to be the smallest cash generating unit.

The estimated value in use of cash flows is based on management approved budgets for the coming financial year and a projection under the assumption of a growth rate of 0%. Estimate of future cash flows are adjusted for uncertainties based on historical results and take into account expectations of possible fluctuation of future cash flows.

The Parent Company uses a discounting rate, which is determined for the individual group enterprise and associates according to which business area they belong. See above table for discount rates in use for 2007 and 2008.

In 2008 an impairment on the investment in DFDS Container Line B.V. of DKK 75.0 million and impairment on one other group enterprise of DKK 3.7 million have been carried out (2007: no impairment), as the calculated values in use are lower than the book values (2007: no impairment).

NOTE 38 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the accounting period. The estimates made are based on historical experience and other factors, including judgements by consultants and specialists which the management assesses to be applicable and reliable. The actual results can deviate from these estimates. The most significant accounting estimates and judgements used for preparing the annual report are presented below. The Group's accounting policies are described in detail in Note1.

Impairment tests of goodwill and other non-current intangible assets
Impairment tests of goodwill and other non-current intangible assets, which primary relates to customer portfolios/-relations, are made annually as a minimum. For a description of impairment tests of goodwill and other non-current intangible assets view Note 37.

Estimated useful life, residual values and impairment tests of ships
The useful life and the residual values of the ships within the Group are estimated annually as a minimum. Furthermore the carrying amounts of the ships are tested for impairment annually as a minimum. Material changes in estimated useful life as well as residual value and the result of the impairment tests can affect the operating profit.

Accounting Policies and methods regarding critical estimates regarding expected useful life, residual values and value in use of ships are described in Note 1 and Note 37.

Allowances for doubtful trade receivables
Trade receivables are stated at amortised cost less allowances for potential losses on doubtful trade receivables.

Allowances for doubtful trade receivables are estimated taking the inability of the customers to make required payments into account. If the ability of the co-stumers to make required payments were to deteriorate, additional allowances may be required in future periods. Management performs analyses on the basis of customers' expected ability to pay, historical information on payment patterns and doubtful debts, customer concentrations and customers' creditworthiness and collateral received when estimating whether write-downs made are sufficient to cover losses.

It is estimated that the allowances are sufficient for covering losses on doubtful trade receivables. The economical uncertainty attached to allowances to meet losses on doubtful trade receivables is estimated to be limited.

Pensions and similar liabilities
The Groups defined benefit schemes are estimated based on a number of material actuarial assumptions, including discount rates, expected return on the schemes assets and expected rates for salary and pension increase.

The value of the Groups defined benefit schemes are based on calculations from external actuaries.

Provisions and contingent liabilities
The management assess the provisions and contingent liabilities and the probable outcome of pending and possible lawsuits etc. The outcome is dependent on future events which of nature are uncertain. By the assessment of the most probable outcome of material lawsuits, taxable conditions etc. the management involves external legal advisors and outcomes from case law.

NOTE 39 EVENTS AFTER THE BALANCE SHEET DATE

In February 2009 agreements with the Parent Company's lenders about obtaining loans for funding of, among other things, planned investments in ships etc. in 2009 (see Note 35) have been entered.

Beside the above mentioned there have not been any significant events after 31 December 2008.

DFDS GROUP COMPANIES

COMPANY	OWNERSHIP SHARE 2007*	OWNERSHIP SHARE 2008*	COUNTRY	CITY	CURRENCY	SHARE CAPITAL
DFDS Tor Line N.V.			Belgium	Gent	EUR	62,000
Halléns N.V.	66	80	Belgium	Gent	EUR	300,000
Aukse Multipurpose Shipping Ltd.	92.6	95.8	Cyprus	Limassol	CYP	1,000
Lisco Optima Shipping Ltd.	92.6	95.8	Cyprus	Limassol	CYP	1,000
Rasa Multipurpose Shipping Ltd.	92.6	95.8	Cyprus	Limassol	CYP	1,000
DFDS A/S			Denmark	Copenhagen	DKK	800,000,000
DFDS Canal Tours A/S			Denmark	Copenhagen	DKK	1,000,000
DFDS Stevedoring A/S			Denmark	Esbjerg	DKK	502,000
DFDS Lys Line UK Ltd.			England	Boston Dock	GBP	40,000
DFDS Seaways Ltd.			England	Harwich	GBP	8,050,000
DFDS Tor Line Plc.			England	Immingham	GBP	25,500,000
LHT (UK) Limited			England	Immingham	GBP	10,000
SpeedCargo Ltd.			England	Bradford	GBP	150,000
Halléns OY	66	80	Finland	Hamina	EUR	59,000
Halléns France SA	66	80	France	Paris	EUR	7,000
DFDS Container Line B.V.			Holland	Rotterdam	EUR	18,151
DFDS Seaways B.V.			Holland	IJmuiden	EUR	18,000
DFDS Tor Line B.V.			Holland	Rotterdam	EUR	23,000
LHT (Trucking) B.V.			Holland	Rotterdam	EUR	19,000
LHT Transport B.V.			Holland	Rotterdam	EUR	21,000
Transport Partners Intermodal Ltd.			Ireland	Dublin	EUR	200
DFDS Italia SRL			Italy	Genova	EUR	77,000
DFDS Tor Line SIA			Latvia	Riga	LVL	10,000
AB Lisco Baltic Service	92.6	95.8	Lithuania	Klaipeda	LTL	332,547,434
Laivyno Technikos Prieziuros Base	92.6	95.8	Lithuania	Klaipeda	LTL	3,300,000
UAB Aura Shipping	92.6	95.8	Lithuania	Klaipeda	LTL	81,000
UAB Krantas Travel	92.6	95.8	Lithuania	Klaipeda	LTL	400,000
UAB LISCO SL	92.6	95.8	Lithuania	Klaipeda	LTL	100,000
DFDS Lys Line Rederi AS			Norway	Oslo	NOK	24,990,000
DFDS Lys-Line AS			Norway	Lilleaker	NOK	1,000,000
DFDS Seaways AS			Norway	Oslo	NOK	12,000,000
KST Terminal AS			Norway	Kristiansand	NOK	100,000
Moss Container Terminal AS	50	100	Norway	Moss	NOK	1,000,000
NorthSea Terminal AS	66	66	Norway	Oslo	NOK	1,000,000
DFDS Tor Line Spôlka z.o.o.			Poland	Gdansk	PLZ	50,000
OOO DFDS LISCO			Russia	Kaliningrad	RUR	10,000
DFDS Tor Line AB			Sweden	Gothenburg	SEK	25,000,000
SpeedCargo AB			Sweden	Gothenburg	SEK	1,100,000
DFDS (Deutschland) GmbH			Germany	Hamburg	EUR	102,000
DFDS Tor Line GmbH			Germany	Cuxhaven	EUR	25,000
Lisco Baltic Service GmbH	92.6	95.8	Germany	Kiel	EUR	26,000
SpeedCargo GmbH			Germany	Hamburg	EUR	25,000
23 inactive and holding companies						

* Unless otherwise indicated, the companies are 100% owned.

Statement by the Executive Board and Board of Directors

The Executive Board and Board of Directors have today discussed and adopted the annual report for 2008 of DFDS A/S.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. We consider the accounting policies applied to be appropriate. Accordingly, the annual report gives a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2008 and the Group's and the Parent Company's operations and cash flow for the financial year 1 January – 31 December 2008.

Further, in our opinion the management's review gives a true and fair view of the development in the Group's and the Parent Company's operations and financial matters, the result of the Group and the Parent Company for the year and the financial position as a whole, and describes the significant risks and uncertainties pertaining to the Group and the Parent Company.

The annual report is recommended for approval by the Annual General Meeting.

Copenhagen, 9 March 2009

EXECUTIVE BOARD

Niels Smedegaard
Managing Director

Christian Merrild
Director

BOARD OF DIRECTORS

Ivar Samrén
Chairman

Vagn Sørensen
Deputy Chairman

Claus Arnhild*

Michael Helbo*

Jill Lauritzen Melby

Anders Moberg

Thomas Mørk*

Ingar Skaug

Lene Skole

* Employee elected board members

Independent auditors' report

To the shareholders of DFDS A/S

We have audited the annual report of DFDS A/S for the financial year 1 January – 31 December 2008, which comprises the statement by the Executive Board and the Board of Directors on the annual report, management's review, accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement and notes for the Group as well as for the Parent Company. The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

Managements' responsibility for the annual report

Management is responsible for the preparation and fair presentation of the annual report in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies and for the preparation of a management review, which gives a true and fair presentation in accordance with Danish disclosure requirements for annual reports of listed companies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an annual report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility and basis of opinion

Our responsibility is to express an opinion on the annual report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the annual report 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 annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit did not result in any qualification.

Opinion

In our opinion, the annual report gives a true and fair view of the Group's and the Parent Company's financial position at 31 December 2008 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 2008 in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

Copenhagen, 9 March 2009

KPMG STATSAUTORISERET REVISIONSPARTNERSELSKAB

Kurt Gimsing
State Authorized Public Accountant

Torben Bender
State Authorized Public Accountant

FLEET LIST

FRIEGHT SHIPS (RO-RO)

	YEAR BUILT	GT	LANEMETRES
Tor Magnolia	2003	32,289	3,841
Tor Petunia	2004	32,289	3,841
Tor Primula	2004	32,289	3,841
Tor Begonia	2004	32,289	3,841
Tor Freesia	2005	32,289	3,841
Tor Ficaria	2006	32,289	3,841
Tor Selandia	1998	24,196	2,772
Tor Suecia	1999	24,196	2,772
Tor Britannia	2000	24,196	2,772
Tor Futura	1996/00	18,725	2,308
Tor Anglia (Comanav Tanger)	1977/89	17,492	2,450
Tor Corona [1]	2008	25,609	3,343
Tor Hafnia [1]	2008	25,609	3,343
Tor Bellona [1]	1980	22,748	2,723
Tor Dania [1]	1978/95	21,491	2,562
Tor Belgia [1]	1978/94	21,491	2,562
Tor Minerva [1]	1978/99	21,215	2,070
Tor Humbria [1]	1978	20,165	2,128
Tor Baltica [1]	1977/86	14,374	1,866
Tor Neringa [1]	1975	12,494	1,745
Tor Cimbria (Aquae) [1]	1986	12,189	2,026
Ark Forwarder [1]	1998	21,104	2,715

FREIGHT SHIPS (RO-RO) FOR DELIVERY IN 2009/10

	YEAR BUILT	GT	LANEMETRES
Tor Botnia	2000	11,530	1,891
Tor Finlandia	2000	11,530	1,891
Jinling NB 404 – Tor Fionia [1]	2009	25,609	3,343
Jinling NB 405 – Tor Jutlandia [1]	2009	25,609	3,343

RO-PAX SHIPS [2]

	YEAR BUILT	GT	LANEMETRES	PASSENGERS
Dana Sirena	2002/03	22,382	2,494	623
Lisco Optima	1999	25,206	2,300	327
Lisco Gloria	2002	20,140	2,494	302
Lisco Patria	1991	18,332	1,800	204
Kaunas	1989	25,606	1,539	235
Vilnius	1987	22,341	1,539	120
Wawel [1]	1980	25,275	2,250	1,000
Envoy [1]	1979	18,653	2,261	110

RO-PAX SHIPS FOR DELIVERY IN 2009

	YEAR BUILT	GT	LANEMETRES	PASSENGERS
Apuania NB 1241	2009	26,000	2,500	600

PASSENGER SHIPS

	YEAR BUILT	GT	LANEMETRES	PASSENGERS
Pearl of Scandinavia	1989/01/05	40,039	1,000	2,166
Crown of Scandinavia	1994/05	35,498	1,005	2,110
Queen of Scandinavia	1981/00	34,093	1,022	1,756
King of Scandinavia	1987/93/06	31,788	1,460	1,620
Princess of Norway	1986/93/06	31,356	1,460	1,650

SIDEPORT SHIPS

	YEAR BUILT	GT	TEU[3]
Lysvik	1998/04	7,409	160
Lysbris	1999/04	7,409	160
Lysblink	2000/03	7,409	160
Lysfoss[1]	1989/99	4,471	56
Lystind[1]	1990/00	4,471	56
Lys-Skog[1]	1991/98	4,471	56
Lyshav[1]	1985	3,176	38
Tistedal[1]	1996	4,464	139

CONTAINER SHIPS

	YEAR BUILT	GT	TEU[3]
Lysvik	2005	7,642	750
Lysbris	2005	6,901	750
Lysblink	2002	6,370	698
Lysfoss[1]	2003	6,370	698
Lystind[1]	1997	6,362	700
Lys-Skog[1]	1994	3,806	390
Lyshav[1]	1995	2,997	326
Tistedal[1]	1997	6,362	700

TRAMP SHIPS

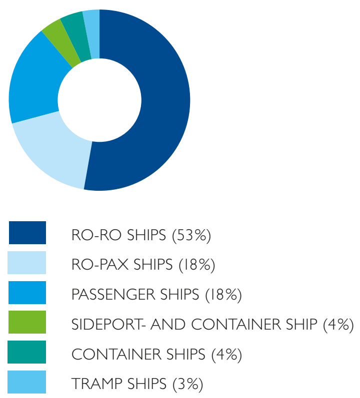
	YEAR BUILT	GT	TEU[3]
Odertal[1]	2007	3,183	231
Anna-Maria Sibum[1]	2005	2,996	297
Transmar[1]	1998	2,820	246
Solymar[1]	1998	2,820	246
Janet[1]	1998	2,748	214
Johanne[1]	1998	2,748	214
Mermerdelen[1]	1991	2,450	180
Lys Clipper[1]	1994	2,446	176
Maria[1]	1986	2,370	176
Isartal[1]	1989	2,369	176

TOURIST BOATS

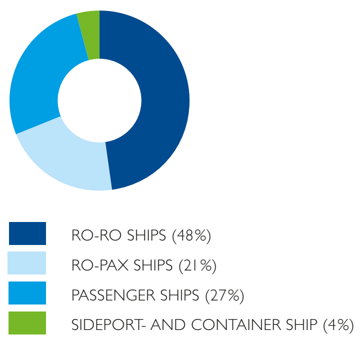
	BOAT TYPE	YEAR BUILT	PASSENGERS
Ole Lukøje	Restaurant boat, covered	2000	132
Klods Hans	Restaurant boat, covered	1998	132
Store Claus	Covered	2008	150
H.C. Andersen	Covered	2004	150
Snedronningen	Covered	1995	144
Nattergalen	Covered	1994	144
Sommerfuglen	Open	2005	168
Prinsessen på Ærten	Open	2003	168
Tinsoldaten	Open	2002	168
Moster	Open	2001	168
Svinedrengen	Open	1998	168
Fyrtøjet	Open	1997	168
Skorstensfejeren	Open	1996	168
Hyrdinden	Open	1996	168
Den Grimme Ælling	Open	1992	168
Tommelise	Open	1991	168

1) Chartered tonnage (time charter)
2) Ro-pax: Combined ro-ro- and passenger ship
3) TEU: 20-foot of equivalent unit

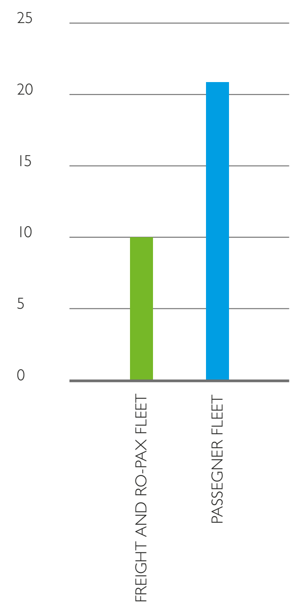
FLEET DISTRIBUTION
(GROSS TONS)



FLEET DISTRIBUTION, NO. OF SHIPS
(GROSS TONS)



OWN TONNAGE, AVERAGE AGE
(YEARS)



COMMERCIAL DUTIES

COMMERCIAL DUTIES OF THE BOARD OF DIRECTORS AS OF 9 MARCH 2009

BOARD OF DIRECTORS

Director Ivar Samrén, Chairman

Date of birth: 29 November 1938
Joined the board: 18 April 2001
Re-elected: annually 2002-2008
Period of office ends: 1 April 2009

Board member: House of Business Partners (C), Egmont Fonden (C), Egmont International Holding A/S (C) and two subsidiaries, Otto Mønsted Aktieselskab A/S

Special competencies:
- International management experience, including as CEO of Magazijn de Bijenkorf BV, CEO of SAS Service Partner A/S and Director of SAS Gruppen
- Experience as board member in international companies and companies quoted on the stock exchange
- Service companies

Director Vagn Sørensen, Vice-chairman

Date of birth: 12 December 1959
Joined the board: 20 April 2006
Re-elected: 2008
Period of office ends: 1 April 2009

Board member: Scendic Hotels AB (C), Select Service Partner Ltd. (C), BTX Group A/S (C), TDC A/S (C), ST Global AG (V-C), Air Canada Inc., Braganza AS, FormueEvolution I+II, SIMI A/S

Special competencies:
- International management experience, including as CEO of Austrian Airlines
- Experience as board member in international companies and companies quoted on the stock exchange
- Airlines, including air freight

Nautical manager Thomas Mørk, Staff representative

Date of birth: 11 November 1972
Joined the board: 1 May 2006
Re-elected: 2007
Period of office ends: 2011

Captain Claus Arnhild, Staff Representative

Date of birth: 26 October 1949
Joined the board: 14 April 1999
Re-elected: 2007
Period of office ends: 2011

Director Anders Moberg, Board member

Date of birth: 21 March 1950
Joined the board: 11 April 2002
Re-elected: annually 2003-2008
Period of office ends: 1 April 2009

Board member: Clas Ohlson AB (C), Husqvarna AB, BYGGmax AB

Special competencies:
- International management experience
- Experience as board member in international companies and companies quoted on the stock exchange
- Retail trade

Accounts Manager Jill Lauritzen Melby, Board member

Date of birth: 6 December 1958
Joined the board: 18 April 2001
Re-elected: annually 2002-2008
Period of office ends: 1 April 2009

Special competencies:
- Financial control

Due to family relations to DFDS' majority shareholder, Vesterhavet A/S, Jill Lauritzen Melby is not considered independent as per the recommendations on Corporate Governance.

Officer Michael Helbo, Staff Representative

Date of birth: 5 November 1962
Joined the board: 28 March 2007
Period of office ends: 2011

Managing Director Ingar Skaug, Board member

Date of birth: 28 September 1946
Joined the board: 16 April 1998
Re-elected: annually 1999-2008
Period of office ends: 1 April 2009

Board member: Lauritzen A/S

Other commercial duties: CEO of Wilh. Wilhelmsen ASA

Special competencies:
- International management experience
- Experience as board member in international companies and companies quoted on the stock exchange
- Shipping and logistics
- Airlines and service companies

Group Director Lene Skole, Board member

Date of birth: 28 April 1959
Joined the board: 20 April 2006
Re-elected: 2008
Period of office ends: 1 April 2009

Other commercial duties: CFO of Coloplast A/S

Special competencies:
- International management experience
- Financial control

EXECUTIVE BOARD

Niels Smedegaard, President and CEO

Date of birth: 22 June 1962

Christian Merrild, CFO

Date of birth: 9 October 1954

The Executive Board are members on the boards of Group subsidiaries.

(C): Chairman
(V-C): Vice-chairman

EXECUTIVE MANAGEMENT

Niels Smedegaard (1962)

President and CEO
MBA
Employed by DFDS since 2007

Christian Merrild (1954)

CFO
State authorized public accountant
Employed by DFDS in 1982-1984 and since 1993

Peder Gellert Pedersen (1958)

Executive Vice President, Ro-Ro Shipping and Terminal Services
Ship broker, HD (O)
Employed by DFDS since 1994

Ole Sehested (1949)

Executive Vice President, Container Shipping and Trailer Services
HD (A)
Employed by DFDS in 1966-2000 and since 2002

Carsten Jensen (1964)

Executive Vice President, Passenger Shipping
MBA
Employed by DFDS since 2005

Henrik Holck (1961)

Executive Vice President, HR
Msc. Psych
Employed by DFDS since 2007

Björn Petrusson (1964)

Sales director, freight
Civil Engineer
Employed by DFDS since 2001
Member of Executive Management since January 2009

1. CHRISTIAN MERRILD
2. PEDER GELLERT PEDERSEN
3. NIELS SMEDEGAARD
4. OLE SEHESTED
5. CARSTEN JENSEN
6. HENRIK HOLCK

Björn Petrusson was not present at photo session

CORPORATE GOVERNANCE IN DFDS

DFDS' corporate governance complies with the OMX The Nordic Exchange Copenhagen's recommendations for good corporate governance, which became part of the disclosure requirements for companies quoted on the stock exchange as of financial year 2006.

A full report on DFDS' corporate governance is available from www.dfds.com. The following is an outline of the most important principles relating to corporate governance in DFDS.

I. The role of the shareholders and interaction with the management

Capital and share structure

DFDS' Articles of Association do not contain any restrictions on voting rights. Each share has a nominal value of DKK 100 and confers the right to one vote. The statutes contain no other restrictions on ownership.

The Board of Directors regularly reassesses the relationship between the capital structure and the Group's cost of capital, as well as the Group's need for financial freedom of action. Such assessments are conducted on the basis of financial reports and separately when major investments are made.

The objective for the capital structure is an equity ratio of 35–40% of total assets. During periods of major investment the equity ratio may be reduced to approximately 30%.

Any increase in share capital must be presented and approved at the Annual General Meeting.

II. The role of stakeholders and their importance to the Group

The Group's policy in relation to its stakeholders

Mission statement, objectives and policies, including policies for relationships to the Group's stakeholders and the rest of the outside world, constitute key management tools in DFDS. These policies also cover environmental and social conditions.

The roles and interests of stakeholders

The Board of Directors regularly discusses whether the prescribed policies correspond to the Group's relationships with stakeholders and the outside world. It also regularly discusses whether the Group needs to revise its concepts, targets and policies due to changes in the organisation and the outside world.

III. Openness and transparency

Investor relations

DFDS' website (www.dfds.com) contains information about Investor Relations, including Corporate Governance.

DFDS has produced an Investor Relations Manual that summarises all the guidelines and policies relating to the publication of information in general, and to the NASDAQ OMX The Nordic Exchange Copenhagen and the financial markets in particular.

DFDS holds quarterly telephone conferences for analysts, investors and other stakeholders, coinciding with the publication of quarterly and annual reports. Presentations from these meetings are made available on the DFDS website immediately after the meeting. In addition, DFDS' management also regularly attends investor meetings in Denmark and abroad.

IV. The Board of Directors's work and responsibilities

Over-arching tasks and responsibilities

The standing orders for the DFDS Board of Directors stipulate that the Board of Directors and the Executive Board have joint responsibility for the management and organisation of the Group.

The day-to-day management of the Group is handled by the Executive Board in accordance with its standing orders. These describe the allocation of work and responsibilities between the Board of Directors and the Executive Board, as well as the standing orders, authorisations and instructions of each body.

The Board of Directors is responsible for drawing up an annual strategy plan and budget, as well as monthly and quarterly reports.

The Executive Board is appointed by the Board of Directors. The Executive Board may only implement dispositions of an exceptional nature or of major importance on the basis of special authorisation granted by the Board of Directors. Regular meetings take place between the Executive Board and the chairmanship of the Board of Directors.

V. The composition of the Board of Directors

The chairmanship initiates the selection and nomination process for new members of the Board of Directors. When recruiting new members, special emphasis is placed on, for example, general management experience from companies quoted on the stock exchange. In addition, members need insight into and experience of industries related to DFDS' business areas, which include shipping and logistics as well as the consumer market. Other significant recruitment criteria include experience of Group acquisitions, international management experience, and financial insight into, for example, capital-intensive Group operations. In addition, consideration is taken of the spread of competencies and the ages of the members.

Information about the individual Board of Directors members' special competencies is included in the annual report under Commercial Duties.

The overall profile of the Board of Directors includes significant international management experience. In 2008, the Board of Directors included three non-Danish members: two Swedes and one Norwegian. Five out of the six members elected at the general meeting hold or have held executive posts in leading overseas companies.

Evaluation of the work of the Board of Directors and Executive Board

The chairmanship instigates with external assistance an annual evaluation of the work of the Board of Directors and Executive Board including co-operation between the Board of Directors and Executive Board. The evaluation is based on the standing orders of the Board of Directors and the Executive Board, and compares results achieved with targets and strategies.

The evaluation includes an assessment of the individual members' work, including whether the individual member has had the opportunity to spend the necessary time on Board of Directors work.

VI. Remuneration of the Board of Directors and Executive Board

Remuneration policy

DFDS' remuneration policy is that payments to both management and staff correspond to work done and results achieved, as well as the conditions in comparable companies.

Members of the Board of Directors receive a fixed annual fee. The amount of the fee is approved by the shareholders and disclosed in the annual report. Members of the Board of Directors receive no incentive pay.

The remuneration paid to members of the Executive Board consists of a fixed and a variable part. The fixed pay consists of a net salary, pension contribution and other benefits. The variable pay consists of a bonus and share option scheme.

The Chairman and Deputy Chairman of the Board perform an annual review of the remuneration paid to members of the Executive Board relative to the managements of other Danish companies.

Openness about remuneration

The remuneration for the chairmanship, the vice-chairmanship and the members of the Board of Directors is published in the annual report.

The total remuneration for the Executive Board consist of a fixed and a variable part, which is disclosed in the annual report. The Board of Directors considers that at this time information about remuneration and redundancy schemes to each member of the Executive Board, as recommended by the rules for corporate governance, are not significant for the evaluation of the Annual Report. The Board of Directors is also of the opinion that this is in line with normal practice.

Principles for the establishment of incentive programmes

As an element of the variable pay, members of the Executive Board may receive an annual bonus, subject to achievement of certain benchmarks. The bonus proportion varies among the members of the Executive Board, but is subject to a maximum of around 80% of the annual net salary. The bonus benchmarks are related to the Group's pre-tax profit, but can also include individual benchmarks.

Another element of the variable pay is made up of options and is intended to ensure that the

Executive Board's incentive correlates with creation of shareholder value. The option plan is revolving and not subject to achievement of defined benchmarks.

Members of the Executive Board are awarded a number of options each year with a value equal to maximum one year's net pay. The value is calculated in accordance with the Black Scholes formula. Options are awarded with a exercise price which is 5% higher than the market price at the award date. No remuneration are paid to the company for receipt of the options. The options have a term of five years and are exercisable after three years. For tax purposes, the terms of the award entail that the gain is taxed as share income while the costs of the award are not tax-deductible for the Company. The number of options awarded to each member of the Executive Board and their value is disclosed in the Annual Report. Options in the Executive Board share option plan are covered by the Company's holding of treasury shares.

VII. Risk management

Identification of risks

The management regularly identifies risks associated with the activities of DFDS. The aim is to reduce financial and operational risks by using hedging instruments and safety policies and routines, as well as complying with all relevant rules for DFDS' activities. Strategic and business risks are regularly assessed in association with the annual strategy work and the regular reporting, and especially in advance of major investment projects.

VIII. Auditing

Accounting policy and accounting estimates

In conjunction with the presentation of the annual results, the Board of Directors and the accountant discuss important areas of accounting practice, including accounting estimates.

DEFINITIONS AND GLOSSARY

DEFINITIONS

OPERATING PROFIT BEFORE DEPRECIATION (EBITDA)	Profit before depreciation and impairment on long-term tangible assets
OPERATING PROFIT (EBIT)	Profit after depreciation and impairment on long-term tangible and intangible assets
OPERATING PROFIT MARGIN	$\frac{\text{Operating profit (EBIT)}}{\text{Revenue}} \times 100$
NET OPERATING PROFIT AFTER TAXES (NOPAT)	Operating profit (EBIT) 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 long-term intangible and tangible assets minus jubilee and pension liabilities and other provisions
RETURN ON INVESTED CAPITAL (ROIC)	$\frac{\text{Net operating profit after taxes (NOPAT)}}{\text{Average invested capital}} \times 100$
WEIGHTED AVERAGE COST OF CAPITAL (WACC)	Average capital cost for liabilities and equity, weighted according to the capital structure
PROFIT FOR ANALYTICAL PURPOSES	Profit for the year excluding regulation of taxes from previous years and remittance of deferred taxes
FREE CASH FLOW	Cash flow from operations, net excluding interest costs, net minus cash flow from investments
RETURN ON EQUITY P.A.	$\frac{\text{Profit for analytical purposes}}{\text{Average equity excluding minority interests}} \times 100$
EQUITY RATIO	$\frac{\text{Equity}}{\text{Total assets}} \times 100$
EARNINGS PER SHARE (EPS)	$\frac{\text{Profit for analytical purposes}}{\text{Weighted average number of shares}}$
P/E RATIO	$\frac{\text{Share price at the end of the year}}{\text{Earnings per share (EPS)}}$
DIVIDEND PER SHARE	$\frac{\text{Dividend for the year}}{\text{Number of shares at year-end}}$
DIVIDEND PAYOUT RATIO	$\frac{\text{Dividend for the year}}{\text{Profit for analytical purposes}}$
DIVIDEND YIELD	$\frac{\text{Dividend per share}}{\text{Share price at the end of the period}}$
BOOK VALUE PER SHARE	$\frac{\text{Equity excluding minority interests at the end of the year}}{\text{Number of shares at the end of the year}}$
MARKET-TO-BOOK VALUE (M/B)	$\frac{\text{Share price at the end of the year}}{\text{Book value per share at year-end}}$

GLOSSARY

Non-allocated items: Central costs not allocated to business areas

Ro-Ro Roll on-roll off: Ship type where cargo is driven on and off

Lo-lo: Lift on-Lift off: Ship type where cargo is lifted on and off

Ro-Pax: A combined ro-ro freight and passenger ship

Side-port ships: Ships that can be loaded/unloaded from the sideport of the vessel

Lanemetre: A linear metre in the width of a lane on a shipdeck

Space charter: Contract for the rental of a certain area of a ship deck

Time charter: Contract for the lease of a ship with crew for certain period of time

Bareboat charter: Contract for the lease of a ship without crew for certain period of time

Short-sea: shipping betweeen destinations in a limited geographical area, as opposed to deep-sea shipping between continents

Northern Europe: Scandinavia, the Benelux countries, Great Britain, Ireland, Germany, Poland, the Baltic countries, Russia and the other CIS countries

DFDS' HISTORY

DFDS was founded in 1866, when C. F. Tietgen merged the three biggest Danish steamship companies of the day, and thus celebrated its 140th anniversary in 2006.

From its inception, DFDS was involved in domestic as well as international trade, transporting both freight and passengers. DFDS' international activities started in the North Sea and the Baltic Sea, followed later by the Mediterranean. Towards the end of the 19th century, routes were also established to the USA and South America.

Land-based transport and logistics also became a part of DFDS' business activities as freight transport by land began to grow, and in the 1960s a door-to-door concept for freight was developed.

A passenger route between New York and Miami, based on a cruise-ferry concept, was opened in 1982 but did not live up to expectations and closed in 1983. Subsequently, the DFDS Group was restructured and the activities in the Mediterranean and the routes to the USA and South America were sold.

Since then, DFDS' geographic focus for shipping has been Northern Europe.

Land-based haulage and logistics activities were developed on the basis of organic growth and company acquisitions. By the late 1990s, DFDS Dan Transport had become one of the largest land-based transport companies in Northern Europe.

DFDS Dan Transport was sold in 2000 to concentrate the Group's resources on shipping, and a focused new shipping strategy was introduced in January 2001.

Since then, freight and passenger shipping has also been developed on the basis of organic growth and a series of acquisitions. The most important investments have been in the Swedish passenger and freight shipping company Tor Line in the early 80s, the Norwegian freight shipping company North Sea Line in the late 90s, the Lithuanian freight and passengers shipping company LISCO in 2001 and the Norwegian freight shipping company Lys-Line in 2003.

In recent years, organic growth has been generated among other things by investments in tonnage, including the contract for six ro-ro newbuildings from Flensburg Shipyard, which has been critical to the development of DFDS' freight activities in recent years.

DFDS is today one of the leading passenger and freight shipping companies in Northern Europe.

EDITING DFDS A/S
DESIGN KONTRAPUNKT AS
LAYOUT KP2 AS
PHOTO SØREN NIELSEN
PRINTING SCANPRINT

DFDS A/S
Sundkrogsgade 11
2100 Copenhagen Ø
Tlf. +45 33 42 33 42
Fax. +45 33 42 33 11
www.dfds.com
CVR 14 19 47 11

Addresses of DFDS' subsidiaries, locations and offices are available from DFDS websites.

This annual report has been translated into English from the Danish version. In case of discrepancies, the Danish version shall previal.