



# INTERIM FINANCIAL REPORT

## First quarter 2013

Company Announcement No. 493

30 April 2013

### Selected financial and operating data for the period 1 January – 31 March 2013

(DKKm)	Q1 2013	Q1 2012
Revenue	10,981	10,819
Gross profit	2,404	2,435
EBIT before special items	509	555
<i>EBIT margin (before special items)</i>	4.6%	5.1%
<i>Conversion ratio</i>	21.2%	22.8%
Profit before tax	438	223
Adjusted earnings for the period	352	376
Adjusted free cash flow	232	283
Diluted adjusted earnings per share of DKK 1 for the period	1.96	2.01

Jens Bjørn Andersen, CEO: "The first part of 2013 has been largely as expected; stagnating or declining freight volumes in the main markets of DSV coupled with intense competition. With market conditions like these, it is important that DSV has a consistent influx of new customers and is able to gain market share. The results achieved for the first three months of 2013 match our expectations on most parameters, and we maintain the outlook for the full year previously announced. The recipe will therefore remain the same: organic growth, cost control and hopefully a few good acquisitions which can be efficiently and effectively integrated into the DSV network."

DSV maintains the outlook for all of 2013 previously announced.

A separate company announcement about the launch of a new share buy-back programme of DKK 400 million will be issued today.

#### Inquiries relating to the Interim Financial Report

Questions may be addressed to:

Jens Bjørn Andersen, CEO, tel. +45 43 20 30 40, or Jens H. Lund, CFO, tel. +45 43 20 30 40.

This announcement is available on the Internet at: [www.dsv.com](http://www.dsv.com). The announcement has been prepared in Danish and in English. In the event of discrepancies, the Danish version shall apply.

Yours sincerely,  
**DSV A/S**

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#### Global Transport and Logistics

DSV is a global supplier of transport and logistics solutions.

DSV has offices in more than 70 countries all over the world and an international network of partners and agents, which makes DSV a truly global player offering services worldwide. By our professional and advantageous overall solutions, the approx. 22,000 DSV employees recorded worldwide annual revenue of 6 billion euro for 2012.

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

## Financial highlights\*

	Q1 2013	Q1 2012
<b>Income statement (DKKm)</b>		
Revenue	10,981	10,819
Gross profit	2,404	2,435
Operating profit before depreciation and amortisation (EBITDA) before special items	642	690
Operating profit (EBIT) before special items	509	555
Special items, net	(2)	(251)
Operating profit (EBIT)	507	304
Net financial expenses	69	81
Profit before tax	438	223
Profit for the period	321	162
Adjusted earnings for the period	352	376
<b>Balance sheet (DKKm)</b>		
Non-current assets	13,494	13,754
Current assets	9,742	8,992
DSV A/S shareholders' share of equity	5,495	5,160
Non-controlling interests	36	31
Non-current liabilities	8,005	7,653
Current liabilities	9,700	9,902
Balance sheet total	23,236	22,746
Equity	5,531	5,191
Net working capital	523	(110)
Net interest-bearing debt	6,569	6,584
Invested capital including goodwill and customer relationships	12,123	11,852
Gross investment in property, plant and equipment	47	114
<b>Cash flows (DKKm)</b>		
Operating activities	275	393
Investing activities	(43)	(99)
Free cash flow	232	294
Adjusted free cash flow	232	283
Financing activities (excluding dividends distributed)	(10)	(35)
Dividends distributed	(235)	(190)
Cash flow for the period	(13)	69
Foreign currency translation adjustments	(11)	(10)
Cash and cash equivalents at 31 March 2013	528	426
<b>Financial ratios (%)</b>		
Gross margin	21.9	22.5
EBITDA margin	5.8	6.4
EBIT margin (before special items)	4.6	5.1
Conversion ratio	21.2	22.8
Effective tax rate	26.7	27.4
ROIC before tax including goodwill and customer relationships	20.8	19.6
ROIC before tax excluding goodwill and customer relationships	69.6	65.2
Return on equity (ROE)	29.8	22.6
Solvency ratio	23.6	22.7
Financial gearing ratio	2.2	2.2
<b>Share ratios</b>		
Diluted adjusted earnings per share of DKK 1 for the period	1.96	2.01
Diluted adjusted earnings per share of DKK 1 for the last 12 months	9.66	8.21
Earnings per share of DKK 1 for the period	1.81	0.87
Earnings per share of DKK 1 for the last 12 months	8.96	6.74
Number of shares at 31 March ('000)	178,585	184,836
Diluted average number of shares ('000) for the period	179,216	186,772
Diluted average number of shares ('000) for the last 12 months	177,234	191,478
Share price at 31 March (DKK)	140.50	126.50
<b>Staff</b>		
Number of full-time employees at 31 March	21,650	21,383

\*) For a definition of financial ratios please see p. 75 of the 2012 Annual Report.

# Management's commentary

Overall, DSV gained market share in a challenging market and reported EBIT before special items of DKK 509 million for Q1 2013, a decline of approx. 8%. The period under review was characterised by the development of products and services, cost control, sales initiatives and the integration of acquired companies and activities. Results developed according to Management's expectations in the first quarter of 2013, and the full-year outlook remains unchanged.

Diluted adjusted earnings per share declined by 2.5% compared to the same period last year.

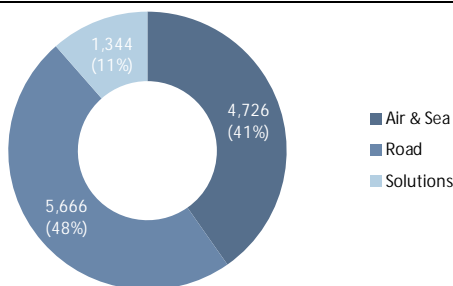
“ Overall, DSV gained market share in a challenging market in the first three months of 2013.



## Revenue

For the first three months of 2013, DSV recorded revenue of DKK 10,981 million against DKK 10,819 million for the corresponding period of 2012. Organic growth was a negative 0.2%.

### REVENUE YTD 2013 (DKKm)



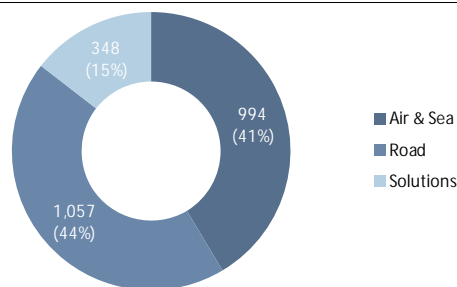
## Gross profit

The consolidated gross profit came to DKK 2,404 million for the three-month period under review against DKK 2,435 million for the same period of 2012. Organic growth was a negative 2.2%.

Both revenue and gross profit were affected by the difficult market conditions with declining freight volumes and fierce

competition. Activities were impacted by fewer working days in Q1 2013 compared to the same period last year.

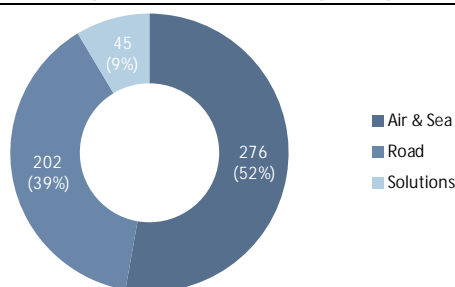
### GROSS PROFIT YTD 2013 (DKKm)



The decline in gross profit was mainly attributable to the Road Division, whereas the gross profits of Air & Sea and Solutions were in line with the same period last year, partly as a result of the acquisition of activities and enterprises.

The consolidated gross margin for the period came to 21.9% against 22.5% for the same period of 2012. The gross margins of the Air & Sea and Solutions Divisions declined on the corresponding period of 2012. The Road Division maintained a gross margin in line with the same period of 2012.

### EBIT before special items YTD 2013 (DKKm)



### Operating profit (EBIT) before special items

For the first three months of 2013, the Group returned an operating profit before special items of DKK 509 million against DKK 555 million for the corresponding period last year. Organic growth was a negative 8.1%.

EBIT margin before special items came to 4.6% for Q1 2013 against 5.1% for the corresponding period of 2012. The conversion ratio was 21.2% against 22.8% for the same period of 2012.

The main reason for the decline in EBIT margin and conversion ratio was a combination of a lower gross profit and integration of acquired activities and enterprises with a low EBIT margin.

When adjusted for amortisation of customer relationships of DKK 27 million and costs related to share-based payments of DKK 10 million, consolidated EBIT before special items came to DKK 546 million. EBIT before special items for Q1 2012 amounted to DKK 591 million.

### Special items, net

Special items netted DKK 2 million for the period (2012: DKK 251 million) and relate to restructuring costs in connection with the acquisition and divestment of activities.

### Net financial expenses

Financial expenses netted DKK 69 million for the period against DKK 81 million for the same period of 2012. Financials developed as expected.

### Profit before tax

Profit before tax came to DKK 438 million for the first quarter of 2013 against DKK 223 million for the same period of 2012. In Q1 2012, profit before tax was affected by special items of DKK 251 million.

### Effective tax rate

The effective tax rate was in line with expectations at 26.7% for Q1 2013 compared to 27.4% for the same period of 2012.

### Diluted adjusted earnings per share

Diluted adjusted earnings per share were DKK 1.96 for the first quarter of 2013, which is 2.5% lower than for the same period last year, when diluted adjusted earnings per share came to DKK 2.01. The decline was attributable to a lower profit for the period which was counterbalanced to a certain extent by a reduced number of shares as a result of the share buy-backs made.

The 12-month figure to the end of March 2013 was DKK 9.66 per share compared to DKK 8.21 for the same period of 2012, corresponding to an increase of 17.7%.

### ORGANIC GROWTH

(DKKm)	Q1 2012	Foreign currency translation adjustments (DKKm)	Acquisitions, net (DKKm)	Organic growth (DKKm)	Organic growth (%)	Q1 2013
Revenue	10,819	43	141	(22)	(0.2%)	10,981
Gross profit	2,435	2	21	(54)	(2.2%)	2,404
EBIT	555	2	(3)	(45)	(8.1%)	509

## Balance sheet

The balance sheet stood at DKK 23,236 million at 31 March 2013 against DKK 22,794 million at 31 December 2012.

## Equity

At 31 March 2013, Group equity came to DKK 5,531 million. At 31 December 2012, Group equity was DKK 5,385 million.

The reasons for this development are the profit for the period, the distribution of dividends and fair value adjustment of hedging instruments. Ordinary dividends of DKK 235 million were paid in the period under review, corresponding to dividends of DKK 1.25 per share.

At 31 March 2013, the Company's portfolio of treasury shares amounted to 9,415,421 shares, corresponding to 5.01% of all 188,000,000 shares issued. As at 30 April 2013, the Company's portfolio of treasury shares amounts to 1,064,043 shares. The decline is due to the cancellation of treasury shares in connection with the reduction of capital.

The solvency ratio excluding non-controlling interests came to 23.6% at 31 March 2013. This was in line with 31 December 2012, when the corresponding ratio was 23.5%.

## DEVELOPMENT IN EQUITY

(DKKm)	Q1 2013	Q1 2012
<b>Equity at 1 January</b>	<b>5,385</b>	<b>5,309</b>
Net profit for the period	321	162
Dividends distributed	(235)	(190)
Purchase of treasury shares	-	(247)
Sale of treasury shares	30	124
Tax on changes in equity	(17)	12
Other adjustments, net	47	21
<b>Equity at 31 March</b>	<b>5,531</b>	<b>5,191</b>

## Net working capital

The Group's funds tied up in net working capital came to DKK 523 million at 31 March 2013 compared to DKK 307 million at 31 December 2012. Relative to the expected full-year revenue, the net working capital was 1.2% at 31 March 2013.

Net working capital was affected by the acquisitions made, and public holidays at the end of the quarter also had an adverse effect on net working capital as several payments were received after the quarterly closing of accounts.

The Group's funds tied up in net working capital came to a negative DKK 110 million at 31 March 2012, corresponding to -0.3% of full-year revenue.

## Net interest-bearing debt

Net interest-bearing debt amounted to DKK 6,569 million at 31 March 2013 against DKK 6,561 million at 31 December 2012.

The Group's long-term loan and credit facilities have a term of 4.06 years and its revolving credit facilities have a term of at least 24 months. Hence, the Group has a solid financial basis to continue its current strategy.

## Cash flows

The consolidated cash flow statement for the three-month period ended 31 March 2013, compared with the figures of the same period of 2012, is provided below.

## CASH FLOW STATEMENT

(DKKm)	Q1 2013	Q1 2012
<b>Operating profit for the period</b>	<b>438</b>	<b>223</b>
Change in net working capital, excluding changes in provisions for corporation tax and current portion of provisions, etc.	(127)	241
Adjustment, non-cash operating items, etc.	(36)	(71)
<b>Cash flow from operating activities</b>	<b>275</b>	<b>393</b>
Purchase and sale of intangibles, property, plant and equipment	(42)	(123)
Acquisition/divestment of subsidiaries and activities	-	11
Other	(1)	13
<b>Cash flow from investing activities</b>	<b>(43)</b>	<b>(99)</b>
<b>Free cash flow</b>	<b>232</b>	<b>294</b>
Proceeds from and repayment of short-term and long-term debt	(2)	55
Allocated to shareholders	(235)	(437)
Exercised under option programme	30	124
Other transactions with shareholders	(38)	33
<b>Cash flow from financing activities</b>	<b>(245)</b>	<b>(225)</b>
<b>Cash flow for the period</b>	<b>(13)</b>	<b>69</b>
<b>Adjusted free cash flow</b>	<b>232</b>	<b>283</b>

## Cash flow from operating activities

Cash flow from operating activities came to DKK 275 million for the first three months of 2013 against DKK 393 million for the same period of 2012. Cash flow from operating activities was negatively impacted by the development in net working capital.

## Cash flow from investing activities

Cash flow from investing activities amounted to a net outflow of DKK 43 million compared to a net outflow of DKK 99 million for the corresponding period of 2012. Investing activities dropped on the same period last year.

## Free cash flow

Free cash flow for the period amounted to DKK 232 million against DKK 294 million for the same period last year. The development in total free cash flow follows expectations.

## Cash flow from financing activities

Cash flow from financing activities netted an outflow of DKK 245 million, mainly relating to the distribution of dividends, compared to DKK 225 million for the same period last year.

## Invested capital including goodwill and customer relationships

The Group's invested capital including goodwill and customer relationships came to DKK 12,123 million at 31 March 2013 against DKK 11,852 million at 31 March 2012. The increase was mainly a result of the development in net working capital and the acquisition of enterprises.

## ROIC including goodwill and customer relationships

Return on invested capital including goodwill and customer relationships was 20.8% for the 12-month period ended 31 March 2013 compared to 21.2% at 31 December 2012. The decline was due to the low EBIT before special items and the increase in invested capital.

## Impact from seasonality

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

## Events after the reporting date of the Interim Financial Report

### Seatiners

The acquisition of Seatiners was closed after the reporting date. The integration is expected to imply restructuring costs of around DKK 25 million. The overall outlook for 2013 remains as previously indicated.

### Capital reduction

DSV reduced its share capital on 18 April 2013 through the cancellation of 8,000,000 treasury shares. The capital reduction was carried out in accordance with the resolution passed at the Company's Annual General Meeting on 21 March 2013. Subsequently, the share capital of DSV has a nominal value of DKK 180,000,000, corresponding to 180,000,000 shares with a face value of DKK 1.

## Key risks and exposures

Reference is made to the 2012 Annual Report for further information on the risks and exposures of the Group.

## Outlook for 2013

DSV maintains the outlook for all of 2013 previously announced. Expectations are as follows:

- Gross profit is expected to be in the range of DKK 10,100 - 10,500 million
- Operating profit before special items is expected to be in the range of DKK 2,550 - 2,750 million
- Net financial expenses are expected to approximate DKK 300 million
- The effective tax rate of DSV is expected to be 26%
- Free cash flow before any acquisition or divestment of enterprises is expected to approximate DKK 1,750 million

The consolidated performance forecast is based on the following expected developments in the markets of the DSV Divisions:

### MARKET GROWTH FORECAST – FREIGHT VOLUMES, 2013

Sea freight - TEUs	2-4% growth
Air freight - Tonnes	0-2% growth
Road	1-2% decline
Solutions	1-2% decline

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

### EXCHANGE RATES

EUR	745
GBP	870
NOK	101
SEK	87
USD	560

By their nature, the expectations stated above are uncertain and involve various risks. Critical factors may influence actual results. Such factors include, but are not limited to, unforeseen changes in economic and political conditions, changes in the demand for DSV services, consolidation in the industry and impact from the acquisition and divestment of enterprises, and other material factors, including interest rate and exchange rate fluctuations. These factors may result in the actual development and results of the Group differing from the expectations set out in this Report.

# Air & Sea Division

## Activities

DSV Air & Sea organises transports of cargo by air and sea. The Division offers conventional freight services through its global network supplemented by a Project Department.



” The Division reported sea freight volume (TEUs) growth of approx. 2% for Q1 2013...

## INCOME STATEMENT

(DKKm)	Q1 2013	Q1 2012
Revenue	4,726	4,414
Direct costs	3,732	3,416
<b>Gross profit</b>	<b>994</b>	<b>998</b>
Other external expenses	232	214
Staff costs	460	453
<b>EBITDA before special items</b>	<b>302</b>	<b>331</b>
Amortisation, depreciation and impairment of intangibles, property, plant and equipment, excluding customer relationships	13	20
Amortisation and impairment of customer relationships	13	13
<b>EBIT</b>	<b>276</b>	<b>298</b>

## KEY OPERATING DATA

	Q1 2013	Q1 2012
Gross margin (%)	21.0	22.6
Conversion ratio (%)	27.8	29.9
EBIT margin (%)	5.8	6.8
Number of full-time employees at 31 March	6,049	6,020
Total invested capital (DKKm)	6,207	5,865
Net working capital (DKKm)	871	499
ROIC (%)	23.0	22.1

## Market development

### Freight volume growth on Q1 2012

	DSV Q1 2013	Market* Q1 2013
Sea freight - TEUs	2%	0%
Air freight - Tonnes	(2%)	(2%)

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

In the first quarter of 2013, the global sea freight market was in line with the same period of 2012. Freight volumes still showed the most positive development trends in the Asian and South American growth markets, whereas European imports were declining.

The Air & Sea Division gained market share, reporting an increase in sea freight volumes (TEUs) of approx. 2% for Q1 2013 compared to the same period of 2012.

In the first three months of 2013, the global air freight market dropped by approx. 2% on the same period last year. The decline is a continuation of the downward trend in the market over the second half of 2012.

The Q1 2013 air freight volumes (tonnes) of the Air & Sea Division declined by 2% compared to the same period last year and were thus in line with the general market development.

## Revenue

Organic revenue growth was 4.6% for Q1 2013, which was attributable to higher freight volumes and higher average freight rates compared to the same period last year.

## Gross profit

The gross profit of the Division decreased by 1.9% for the first three months of 2013 when adjusted for acquisitions and the effect of exchange rate fluctuations. The decline primarily reflects the increased competition, which has impacted on gross profit per shipment.

The gross margin of the Air & Sea Division came to 21.0% for the first three months of 2013 against 22.6% for the corresponding period of 2012.

## Operating profit (EBIT)

Division EBIT before special items declined by 8.0% when adjusted for acquisitions and the effect of exchange rate fluctuations.

Conversion ratio for the period under review was 27.8% against 29.9% for the same period last year. The decline was partly due to the development in gross profit and partly the integration of acquirees in South America, the Middle East and Asia. The integration of acquirees was initiated in the fourth quarter of 2012 and is proceeding as planned. The acquired companies have relatively low conversion ratios and EBIT margins, and the integration process and work to increase the earnings margins to the level of the rest of the Division are expected to be completed in 18-24 months.

The Division's EBIT margin for the period was 5.8% against 6.8% for the corresponding period of 2012.

## Net working capital

The Air & Sea Division's funds tied up in net working capital came to DKK 871 million at 31 March 2013 compared to DKK 943 million at 31 December 2012.

## ORGANIC GROWTH

(DKKm)	Q1 2012	Foreign currency translation adjustments (DKKm)	Acquisitions, net (DKKm)	Organic growth (DKKm)	Organic growth (%)	Q1 2013
Revenue	4,414	(11)	116	207	4.6%	4,726
Gross profit	998	(3)	18	(19)	(1.9%)	994
EBIT	298	-	2	(24)	(8.0%)	276



## AIR & SEA REGIONAL OVERVIEW

(DKKm)	Revenue		Gross profit		EBIT		EBIT margin		Conversion ratio	
	Q1 2013	Q1 2012	Q1 2013	Q1 2012	Q1 2013	Q1 2012	Q1 2013	Q1 2012	Q1 2013	Q1 2012
Europe	3,360	3,147	599	609	132	140	3.9	4.4	22.0	23.0
Asia	1,078	1,011	215	217	77	86	7.1	8.5	35.8	39.6
Americas	834	776	172	170	76	83	9.1	10.7	44.2	48.8
Eliminations, etc.	(546)	(520)	8	2	(9)	(11)	-	-	-	-
<b>Total</b>	<b>4,726</b>	<b>4,414</b>	<b>994</b>	<b>998</b>	<b>276</b>	<b>298</b>	<b>5.8</b>	<b>6.8</b>	<b>27.8</b>	<b>29.9</b>

## RESULTS BY AIR AND SEA FREIGHT

(DKKm)	Sea freight		Air freight		Total	
	Q1 2013	Q1 2012	Q1 2013	Q1 2012	Q1 2013	Q1 2012
Revenue	2,811	2,547	1,915	1,867	4,726	4,414
Direct costs	2,233	1,972	1,499	1,444	3,732	3,416
<b>Gross profit</b>	<b>578</b>	<b>575</b>	<b>416</b>	<b>423</b>	<b>994</b>	<b>998</b>
Gross margin (%)	20.6	22.6	21.7	22.7	21.0	22.6
Volume (TEUs/Tonnes)	178,013	174,707	59,643	60,979		

# Road Division

## Activities

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



” With freight volumes (consignments) for Q1 2013 in line with the same period last year, the Road Division is estimated to continue to gain market share...

## INCOME STATEMENT

(DKKm)	Q1 2013	Q1 2012
Revenue	5,666	5,785
Direct costs	4,609	4,686
<b>Gross profit</b>	<b>1,057</b>	<b>1,099</b>
Other external expenses	244	266
Staff costs	579	576
<b>EBITDA before special items</b>	<b>234</b>	<b>257</b>
Amortisation, depreciation and impairment of intangibles, property, plant and equipment, excluding customer relationships	27	33
Amortisation and impairment of customer relationships	5	4
<b>EBIT</b>	<b>202</b>	<b>220</b>

## KEY OPERATING DATA

	Q1 2013	Q1 2012
Gross margin (%)	18.7	19.0
Conversion ratio (%)	19.1	20.0
EBIT margin (%)	3.6	3.8
Number of full-time employees at 31 March	9,220	9,707
Total invested capital (DKKm)	3,949	3,985
Net working capital (DKKm)	(201)	(342)
ROIC (%)	23.1	21.7

## Market development

### Freight volume growth on Q1 2012

	DSV Q1 2013	Market* Q1 2013
Consignments (Europe)	0%	(3%)

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

Freight volumes in the European market were still affected by the weak economic development in most European countries. The market is estimated to have dropped by approx. 3% in the first three months of 2013 compared to the same period last year, which is a continuation of the trend seen over the last six months of 2012.

With freight volumes (consignments) for Q1 2013 in line with the same period last year, the Road Division is estimated to continue to gain market share in most markets.

The development in activity levels – in the market and at DSV – was influenced by the fact that for most European countries the first quarter of 2013 had 3 working days less than the same period of 2012.

### Revenue

Revenue of the Division for Q1 2013 declined by 3.3% on the same period last year when adjusted for acquisitions and the effect of exchange rate fluctuations.

The number of consignments was in line with Q1 2012, but with a lower average invoiced price per shipment. This was mainly due to a combination of the average size of consignments having become smaller and fierce price competition in several markets.

### Gross profit

Gross profit of the Division for Q1 2013 declined by 4.6% on the same period last year when adjusted for acquisitions and the effect of exchange rate fluctuations.

The gross margin of the Division for the period under review was 18.7% against 19.0% for the same period last year.

Similar to revenue, gross profit was affected by the smaller average size of consignments and fierce price competition.

## Operating profit (EBIT)

Division EBIT before special items for Q1 2013 declined by 6.5% on the same period last year when adjusted for acquisitions and the effect of exchange rate fluctuations.

Conversion ratio for the period under review was 19.1% against 20.0% for the same period last year. Costs declined as a result of the capacity adjustments implemented in 2012, however the reduction did not fully counterbalance the decline in gross profit. The first quarter of 2013 having fewer working days than Q1 2012 had a negative impact on conversion ratio for the period, because monthly overheads do not vary according to the number of working days to the same extent as revenue and gross profit.

The integration of Cechofracht, which has been recognised since October 2012, is proceeding as planned, but it will take a while to increase conversion ratio and EBIT margin to match the level of the Division in general.

The Division's EBIT margin for the period under review was 3.6% against 3.8% for the same period last year and was affected by the same factors as the conversion ratio.

### Net working capital

The Road Division's funds tied up in net working capital came to a negative DKK 201 million at 31 March 2013 compared to a negative DKK 396 million at 31 December 2012.

## ORGANIC GROWTH

(DKKm)	Q1 2012	Foreign currency translation adjustments (DKKm)	Acquisitions, net (DKKm)	Organic growth (DKKm)	Organic growth (%)	Q1 2013
Revenue	5,785	49	25	(193)	(3.3%)	5,666
Gross profit	1,099	7	2	(51)	(4.6%)	1,057
EBIT	220	1	(5)	(14)	(6.5%)	202

# Solutions Division

## Activities

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



” The financial results are not satisfactory and Division Management has launched a number of initiatives to improve earnings.

## INCOME STATEMENT

(DKKm)	Q1 2013	Q1 2012
Revenue	1,344	1,285
Direct costs	996	934
<b>Gross profit</b>	<b>348</b>	<b>351</b>
Other external expenses	119	123
Staff costs	141	138
<b>EBITDA before special items</b>	<b>88</b>	<b>90</b>
Amortisation, depreciation and impairment of intangibles, property, plant and equipment, excluding customer relationships	34	26
Amortisation and impairment of customer relationships	9	9
<b>EBIT</b>	<b>45</b>	<b>55</b>

## KEY OPERATING DATA

	Q1 2013	Q1 2012
Gross margin (%)	25.9	27.3
Conversion ratio (%)	12.9	15.7
EBIT margin (%)	3.3	4.3
Number of full-time employees at 31 March	5,916	5,318
Total invested capital (DKKm)	1,793	1,881
Net working capital (DKKm)	121	31
ROIC (%)	13.1	12.5

## Market development

### Volume growth on Q1 2012

	DSV Q1 2013	Market* Q1 2013
Order lines	0%	(1-2%)

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

Similar to road transport, the European logistics services market was impacted by the weak economic development in several countries. In addition, the logistics services market was still affected by surplus capacity in several areas, leading to price pressure in connection with the renegotiation of contracts.

For Q1 2013, Division volumes measured in order lines were in line with Q1 2012, while the market is estimated to have retracted by 1-2%.

### Revenue

The Solutions Division delivered organic revenue growth of 4.1% for the three-month period under review compared to the same period of 2012. The increase was mainly a result of the influx of new customers and start-up of Solutions activities in a couple of new countries, which more than compensated for the reduced activity levels of several existing customers.

### Gross profit

Gross profit of the Division for Q1 2013 declined by 1.1% on the same period last year when adjusted for acquisitions and the effect of exchange rate fluctuations.

The growth in revenue is not reflected in a corresponding increase in gross profit. This development is a result of several factors, including the influx of new customers with reduced profitability, price pressure in connection with the renegotiation of contracts and declining activity levels of individual customers.

The gross margin for the period under review was 25.9% against 27.3% for the same period last year.

## Operating profit (EBIT)

EBIT before special items was DKK 45 million for the period against DKK 55 million for the same period of 2012, a decline of 18.2%.

Conversion ratio for the period under review was 12.9% against 15.7% for the same period last year. The ratio dropped partly as a result of the declining gross profit and partly of the slight increase in wages and salaries compared to the same period last year; an increase attributable to the start-up of Solutions activities in a few new countries.

EBIT margin for Q1 2013 was 3.3% against 4.3% for the same period last year and was impacted by the same factors as the conversion ratio.

The financial results are not satisfactory and Division Management has launched a number of initiatives to improve earnings. The initiatives include sales activities and a continued focus on productivity and cost control.

### Net working capital

The Solutions Division's funds tied up in net working capital came to DKK 121 million at 31 March 2013 compared to DKK 76 million at 31 December 2012.

## ORGANIC GROWTH

(DKKm)	Q1 2012	Foreign currency translation adjustments (DKKm)	Acquisitions, net (DKKm)	Organic growth (DKKm)	Organic growth (%)	Q1 2013
Revenue	1,285	6	-	53	4.1%	1,344
Gross profit	351	1	-	(4)	(1.1%)	348
EBIT	55	-	-	(10)	(18.2%)	45

# Interim Financial Statements

## INCOME STATEMENT

(DKKm)	Q1 2013	Q1 2012
Revenue	10,981	10,819
Direct costs	8,577	8,384
<b>Gross profit</b>	<b>2,404</b>	<b>2,435</b>
Other external expenses	520	515
Staff costs	1,242	1,230
<b>Operating profit before depreciation and amortisation (EBITDA) before special items</b>	<b>642</b>	<b>690</b>
Amortisation, depreciation and impairment of intangibles, property, plant and equipment	133	135
<b>Operating profit (EBIT) before special items</b>	<b>509</b>	<b>555</b>
Special items, net	(2)	(251)
<b>Operating profit (EBIT)</b>	<b>507</b>	<b>304</b>
Share of associates' profit net of tax	-	4
Financial expenses, net	69	85
<b>Profit before tax</b>	<b>438</b>	<b>223</b>
Tax on profit for the period	117	61
<b>Profit for the period</b>	<b>321</b>	<b>162</b>
<b>Profit for the period is attributable to:</b>		
Shareholders of DSV A/S	322	161
Non-controlling interests	(1)	1
<b>Earning per share:</b>		
Earnings per share of DKK 1 for the period	1.81	0.87
Diluted earnings per share of DKK 1 for the period	1.80	0.86

## STATEMENT OF COMPREHENSIVE INCOME

(DKKm)	Q1 2013	Q1 2012
<b>Profit for the period</b>	<b>321</b>	<b>162</b>
<i>Items that may be reclassified to the income statement</i>		
Foreign currency translation adjustments, foreign enterprises	4	10
Fair value adjustments relating to hedging instruments	6	(16)
Fair value adjustments relating to hedging instruments transferred to financials	15	13
Tax on other comprehensive income	(5)	-
<b>Other comprehensive income, net of tax</b>	<b>20</b>	<b>7</b>
<b>Total comprehensive income</b>	<b>341</b>	<b>169</b>
<b>Statement of comprehensive income is allocated to:</b>		
Shareholders of DSV A/S	342	168
Non-controlling interests	(1)	1
<b>Total</b>	<b>341</b>	<b>169</b>

## CASH FLOW STATEMENT

(DKKm)	Q1 2013	Q1 2012
Operating profit for the period	438	223
<b>Adjustment, non-cash operating items, etc.:</b>		
Amortisation, depreciation and impairment losses	133	134
Share-based payments	10	9
Special items	-	8
Change in provisions	(52)	172
Share of associates' profit net of tax	-	(4)
Financial expenses, net	69	85
<b>Cash flow from operating activities before change in net working capital</b>	<b>598</b>	<b>627</b>
Change in net working capital, excluding changes in provisions for corporation tax and current portion of provisions, etc.	(127)	241
Financial income, received	16	26
Financial expenses, paid	(81)	(126)
Corporation tax, paid	(131)	(375)
<b>Cash flow from operating activities</b>	<b>275</b>	<b>393</b>
Acquisition of intangibles	(41)	(19)
Acquisition of property, plant and equipment	(47)	(114)
Sale of property, plant and equipment	46	10
Divestment of subsidiaries/activities	-	11
Change in other financial assets	(1)	13
<b>Cash flow from investing activities</b>	<b>(43)</b>	<b>(99)</b>
<b>Free cash flow</b>	<b>232</b>	<b>294</b>
Proceeds from non-current liabilities incurred/paid, net	9	73
Other financial liabilities incurred	(11)	(18)
Shareholders:		
Dividends distributed	(235)	(190)
Purchase of treasury shares	(50)	(219)
Sale of treasury shares, exercise of share options	30	124
Other transactions with shareholders	12	5
<b>Cash flow from financing activities</b>	<b>(245)</b>	<b>(225)</b>
<b>Cash flow for the period</b>	<b>(13)</b>	<b>69</b>
Cash and cash equivalents at 1 January	552	367
Cash flow for the period	(13)	69
Foreign currency translation adjustments	(11)	(10)
<b>Cash and cash equivalents at 31 March</b>	<b>528</b>	<b>426</b>
The cash flow statement cannot be directly derived from the balance sheet and income statement.		
Statement of adjusted free cash flow		
Free cash flow	232	294
Net acquisition of subsidiaries and activities	-	(11)
<b>Adjusted free cash flow</b>	<b>232</b>	<b>283</b>

## BALANCE SHEET, ASSETS

(DKKm)	31.03.2013	31.03.2012	31.12.2012
Intangibles	8,707	8,651	8,723
Property, plant and equipment	4,217	4,514	4,261
Investments in associates	16	30	17
Other securities and receivables	142	131	136
Deferred tax asset	412	428	409
<b>Total non-current assets</b>	<b>13,494</b>	<b>13,754</b>	<b>13,546</b>
Trade and other receivables	9,202	8,549	8,658
Cash and cash equivalents	528	426	552
Assets held for sale	12	17	38
<b>Total current assets</b>	<b>9,742</b>	<b>8,992</b>	<b>9,248</b>
<b>Total assets</b>	<b>23,236</b>	<b>22,746</b>	<b>22,794</b>

## BALANCE SHEET, EQUITY AND LIABILITIES

(DKKm)	31.03.2013	31.03.2012	31.12.2012
Share capital	188	190	188
Reserves	5,307	4,970	5,160
<b>DSV A/S shareholders' share of equity</b>	<b>5,495</b>	<b>5,160</b>	<b>5,348</b>
Non-controlling interests	36	31	37
<b>Total equity</b>	<b>5,531</b>	<b>5,191</b>	<b>5,385</b>
Deferred tax	417	462	411
Pensions and similar obligations	1,082	975	1,078
Provisions	418	432	418
Financial liabilities	6,088	5,784	6,190
<b>Total non-current liabilities</b>	<b>8,005</b>	<b>7,653</b>	<b>8,097</b>
Provisions	237	350	275
Financial liabilities	1,009	1,226	923
Trade and other payables	8,256	8,162	7,917
Corporation tax	198	164	197
<b>Total current liabilities</b>	<b>9,700</b>	<b>9,902</b>	<b>9,312</b>
<b>Total liabilities</b>	<b>17,705</b>	<b>17,555</b>	<b>17,409</b>
<b>Total equity and liabilities</b>	<b>23,236</b>	<b>22,746</b>	<b>22,794</b>



**STATEMENT OF CHANGES IN EQUITY – 1 JANUARY - 31 MARCH 2013**

(DKKm)	Share capital	Hedging reserve	Translation reserve	Retained earnings	Proposed dividends	DSV A/S shareholders' share of equity	Non-controlling interests	Total equity
<b>Equity at 1 January 2013</b>	<b>188</b>	<b>(107)</b>	<b>16</b>	<b>5,016</b>	<b>235</b>	<b>5,348</b>	<b>37</b>	<b>5,385</b>
<b>Profit for the period</b>	-	-	-	<b>322</b>	-	<b>322</b>	<b>(1)</b>	<b>321</b>
<b>Total comprehensive income</b>	-	<b>4</b>	<b>16</b>	-	-	<b>20</b>	-	<b>20</b>
<b>Total comprehensive income for the period</b>	-	<b>4</b>	<b>16</b>	<b>322</b>	-	<b>342</b>	<b>(1)</b>	<b>341</b>
Transactions with owners:								
Share-based payments	-	-	-	10	-	10	-	10
Dividends distributed	-	-	-	-	(235)	(235)	-	(235)
Purchase and sale of treasury shares, net	-	-	-	30	-	30	-	30
Dividends on treasury shares	-	-	-	12	-	12	-	12
Tax on transactions with owners	-	-	-	(12)	-	(12)	-	(12)
<b>Total transactions with owners</b>	-	-	-	<b>40</b>	<b>(235)</b>	<b>(195)</b>	-	<b>(195)</b>
<b>Equity at 31 March 2013</b>	<b>188</b>	<b>(103)</b>	<b>32</b>	<b>5,378</b>	-	<b>5,495</b>	<b>36</b>	<b>5,531</b>

**STATEMENT OF CHANGES IN EQUITY – 1 JANUARY - 31 MARCH 2012**

(DKKm)	Share capital	Hedging reserve	Translation reserve	Retained earnings	Proposed dividends	DSV A/S shareholders' share of equity	Non-controlling interests	Total equity
<b>Equity at 1 January 2012</b>	<b>190</b>	<b>(106)</b>	<b>58</b>	<b>4,947</b>	<b>190</b>	<b>5,279</b>	<b>30</b>	<b>5,309</b>
<b>Profit for the period</b>	-	-	-	<b>161</b>	-	<b>161</b>	<b>1</b>	<b>162</b>
<b>Total comprehensive income</b>	-	<b>(3)</b>	<b>10</b>	-	-	<b>7</b>	-	<b>7</b>
<b>Total comprehensive income for the period</b>	-	<b>(3)</b>	<b>10</b>	<b>161</b>	-	<b>168</b>	<b>1</b>	<b>169</b>
Transactions with owners:								
Share-based payments	-	-	-	9	-	9	-	9
Dividends distributed	-	-	-	-	(190)	(190)	-	(190)
Purchase and sale of treasury shares, net	-	-	-	(123)	-	(123)	-	(123)
Dividends on treasury shares	-	-	-	5	-	5	-	5
Tax on transactions with owners	-	-	-	12	-	12	-	12
<b>Total transactions with owners</b>	-	-	-	<b>(97)</b>	<b>(190)</b>	<b>(287)</b>	-	<b>(287)</b>
<b>Equity at 31 March 2012</b>	<b>190</b>	<b>(109)</b>	<b>68</b>	<b>5,011</b>	-	<b>5,160</b>	<b>31</b>	<b>5,191</b>

# Notes

## NOTE 1 – ACCOUNTING POLICIES

The Interim Financial Report has been presented in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union and Danish disclosure requirements for listed companies.

Except as stated below, the accounting policies applied are consistent with those applied in the 2012 consolidated financial statements. The 2012 consolidated financial statements provide a full description of the accounting policies applied.

### Changes in accounting policies

DSV A/S has implemented the standards and interpretations effective as from 1 January 2013. Apart from the amendments of IAS 19, which will have only a marginal impact, none of the said changes will have any impact on DSV's recognition and measurement of financial items.

The amendments of IAS 19 imply that in future the expected return on pension assets will be calculated using the same interest rate as that used for the discount of pension obligations.

## NOTE 2 – ACCOUNTING ESTIMATES AND JUDGEMENTS

For the preparation of the Interim Financial Report, Management makes various accounting estimates and judgements that affect the application of accounting policies and the recognition of assets, liabilities and income and expense items. Actual operating results may deviate from such estimates.

Critical accounting estimates and judgements are consistent with those applied in the 2012 consolidated financial statements.

## NOTE 3 – SEGMENT INFORMATION

Condensed income statement (DKKm)	Air & Sea Division		Road Division		Solutions Division		Parent		Other activities, non-allocated items and eliminations		Total	
	Q1 2013	Q1 2012	Q1 2013	Q1 2012	Q1 2013	Q1 2012	Q1 2013	Q1 2012	Q1 2013	Q1 2012	Q1 2013	Q1 2012
Revenue	4,726	4,414	5,666	5,785	1,344	1,285	139	117	36	13	11,911	11,614
Intercompany revenue	(199)	(179)	(490)	(404)	(74)	(84)	(139)	(117)	(28)	(11)	(930)	(795)
<b>Revenue</b>	<b>4,527</b>	<b>4,235</b>	<b>5,176</b>	<b>5,381</b>	<b>1,270</b>	<b>1,201</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>2</b>	<b>10,981</b>	<b>10,819</b>
<b>Gross profit</b>	<b>994</b>	<b>998</b>	<b>1,057</b>	<b>1,099</b>	<b>348</b>	<b>351</b>	<b>-</b>	<b>-</b>	<b>5</b>	<b>(13)</b>	<b>2,404</b>	<b>2,435</b>
Amortisation and depreciation of intangibles, property, plant and equipment	26	33	32	37	43	35	32	21	-	9	133	135
<b>Operating profit (EBIT) before special items</b>	<b>276</b>	<b>298</b>	<b>202</b>	<b>220</b>	<b>45</b>	<b>55</b>	<b>(19)</b>	<b>(17)</b>	<b>5</b>	<b>-1</b>	<b>509</b>	<b>555</b>
Special items, net									(2)	(251)	(2)	(251)
Share of associates' profit net of tax									-	4	-	4
Financials, net									(69)	(85)	(69)	(85)
<b>Profit before tax (EBT)</b>	<b>276</b>	<b>298</b>	<b>202</b>	<b>220</b>	<b>45</b>	<b>55</b>	<b>(19)</b>	<b>(17)</b>	<b>(66)</b>	<b>(333)</b>	<b>438</b>	<b>223</b>
Total assets	12,948	12,354	11,148	11,773	3,673	3,740	17,414	17,986	(21,947)	(23,107)	23,236	22,746
Total liabilities	10,128	10,029	7,638	10,514	3,514	3,665	11,920	13,885	(15,496)	(20,538)	17,705	17,555

#### NOTE 4 – INCENTIVE SCHEME

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

Options are granted pursuant to the corporate guidelines for incentive pay for Management and staff of DSV A/S.

Continued employment with DSV at the date of exercise is a condition for exercise of the options granted.

The exercise price for options granted under the 2013 scheme is set at the average quoted market price in the period 21 March 2013 to 27 March 2013.

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

Under the 2013 scheme, options have been granted to 1,059 employees.

##### Grant of share options

Scheme	Exercise period	Executive Board	Senior staff	Options granted	Exercise price	Market value at date of grant (DKKm)
2013	02.04.16 - 28.03.18	170,000	1,826,000	1,996,000	142.00	37.0

##### Calculation of market values at date of issue

Scheme	Exercise price	Share price	Volatility	Risk-free interest rate	Expected dividends	Expected remaining life (years)
2013	142	142	20.0%	0.75%	1.50%	3.5

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

#### Incentive schemes at 31 March 2013

The aggregate market value of the Group's incentive schemes was DKK 205 million, of which share options amounting to DKK 16.9 million were held by Executive Board members and share options amounting to DKK 1.9 million were held by members of the Board of Directors.

# Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today considered and adopted the Interim Financial Report of DSV A/S for the three-month period ended 31 March 2013.

The Interim Financial Report, which has not been audited or reviewed by the Company auditor, has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union and Danish disclosure requirements for interim financial reports of listed companies.

In our opinion, the Interim Financial Report gives a true and fair view of the DSV Group's assets, equity, liabilities and financial position at 31 March 2013 and of the results of the Group's activities and the cash flow for the three-month period ended 31 March 2013.

We also find that the Management's commentary provides a fair statement of developments in the activities and financial situation of the Group, financial results for the period, the general financial position of the Group and a description of the major risks and elements of uncertainty faced by the Group.

Brøndby, 30 April 2013

## Executive Board

Jens Bjørn Andersen  
CEO

Jens H. Lund  
CFO

## Board of Directors

Kurt K. Larsen  
Chairman

Erik B. Pedersen  
Deputy Chairman

Kaj Christiansen

Annette Sadolin

Birgit W. Nørgaard

Thomas Plenborg