

SECOND QUARTER 2015 FINANCIAL RESULTS

28 August 2015



HIGHLIGHTS



KEY HIGHLIGHTS FOR Q2 2015

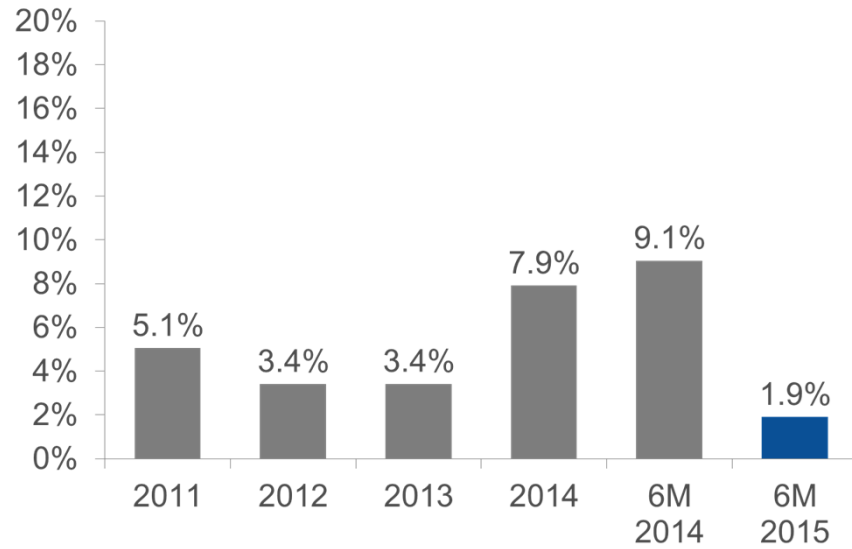
Q2 2015 compared to Q2 2014

- ✓ Total revenue EUR 126.6 million, up by EUR 17.6 million or 16.2%
- ✓ EBITDA EUR 13.3 million, up by EUR 2.3 million or 20.4%
- ✓ EBIT EUR 7.5 million, up by EUR 2.4 million or 46.1%
- ✓ Net earnings EUR 5.5 million, up by EUR 0.9 million or 20.1%
- ✓ Volume in liner services up by 6.9%
- ✓ Volume in reefer forwarding services up by 20.5%
- ✓ Results affected by currency exchange fluctuations

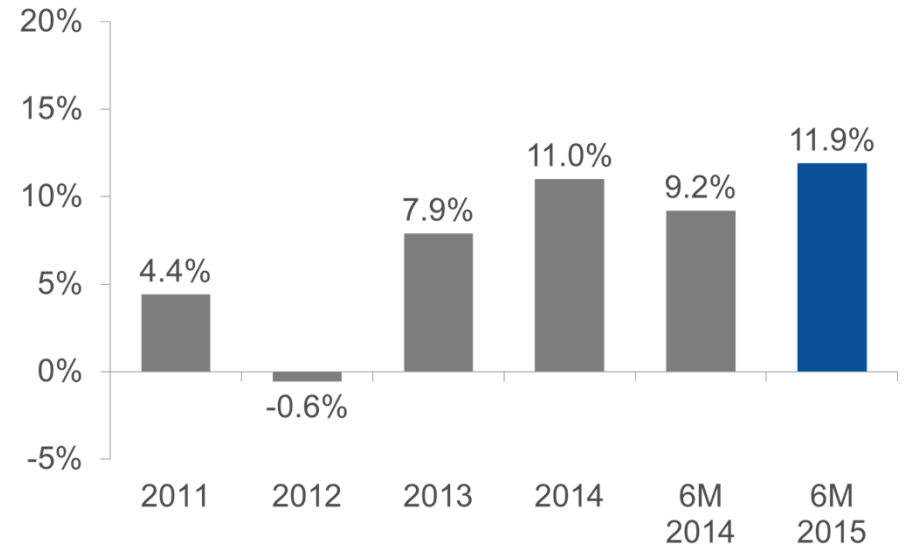
TRANSPORTED VOLUME 2011 TO 2015

Changes from previous year

Liner services



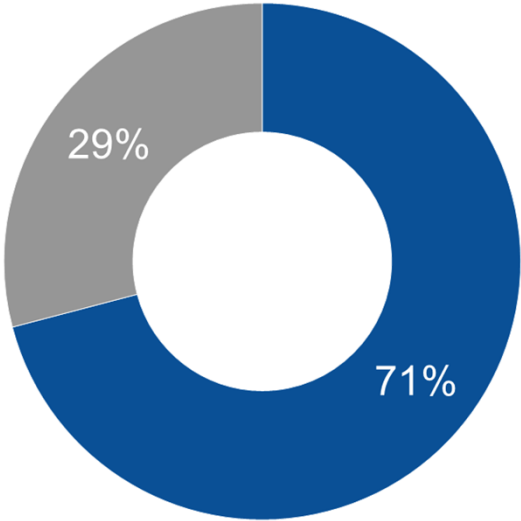
Reefer forwarding



OPERATING REVENUE BY SEGMENT

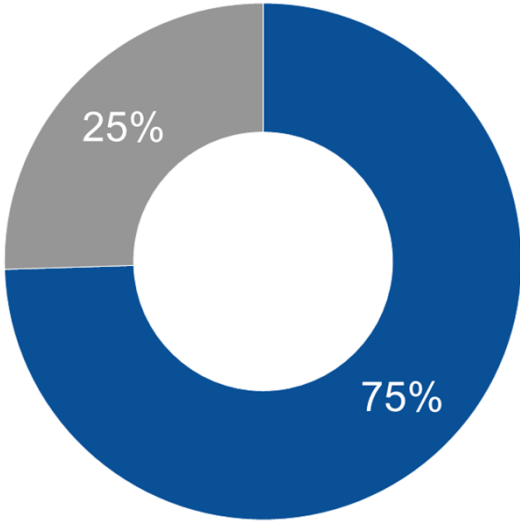
Liner services and forwarding services

6M 2015



■ Liner services ■ Forwarding services

6M 2014

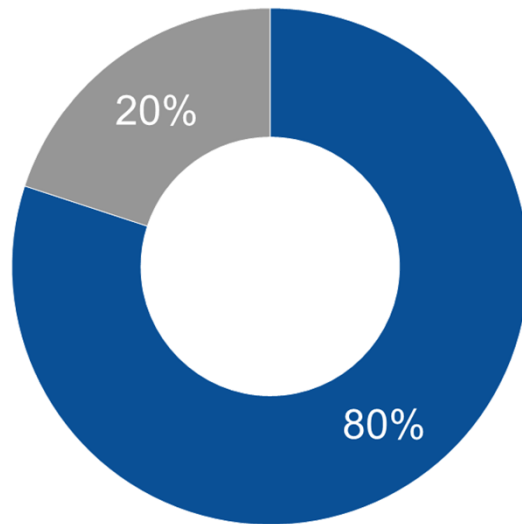


■ Liner services ■ Forwarding services

EBITDA BY SEGMENT

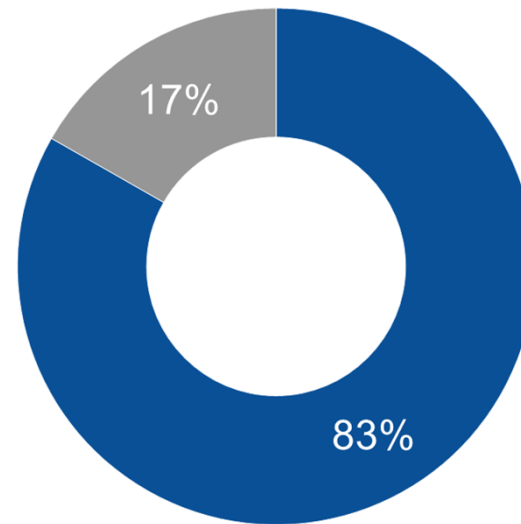
Liner services and forwarding services

6M 2015



■ Liner services ■ Forwarding services

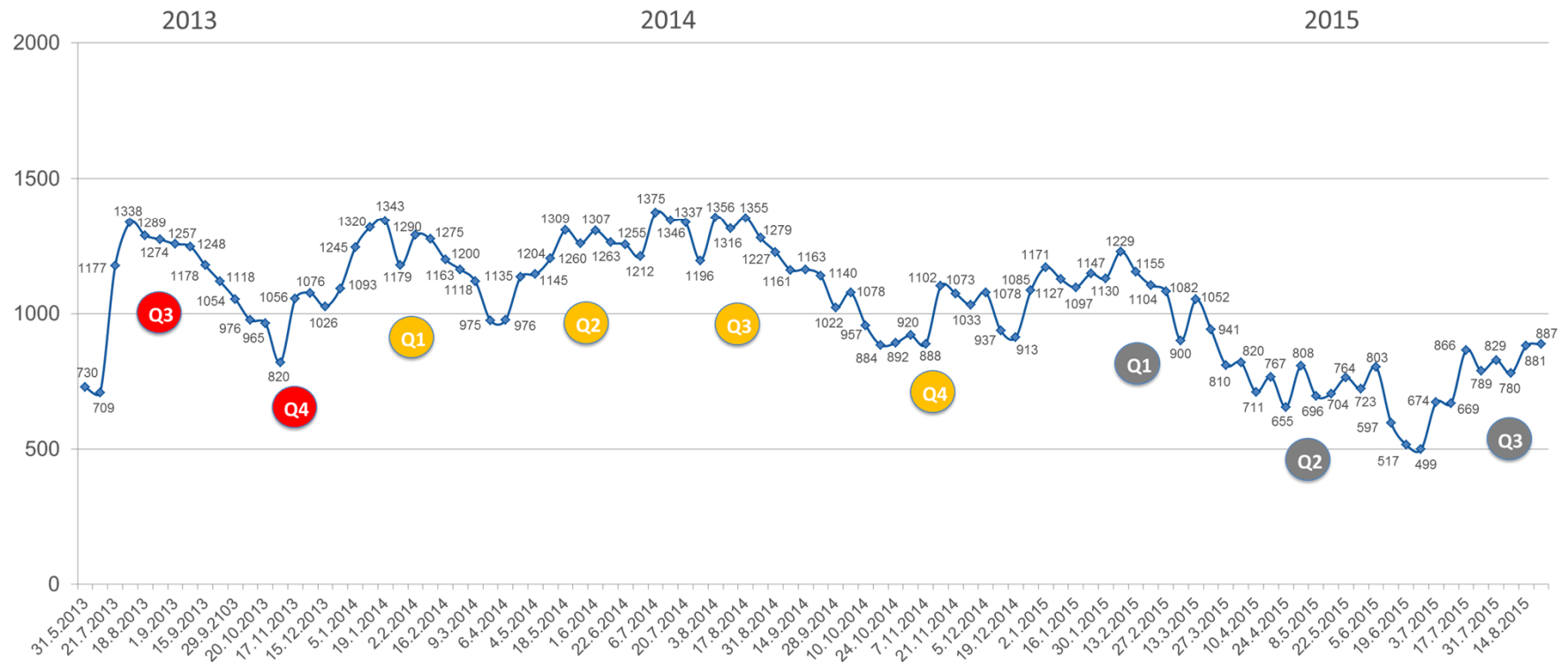
6M 2014



■ Liner services ■ Forwarding services

FREIGHT INDEX CHINA - EUROPE

Fluctuations in pricing from the deep sea carriers 2013 to 2015



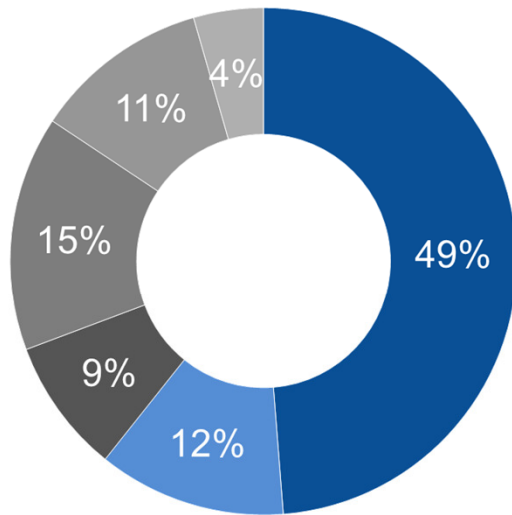
Source: www.shippingchina.com



GEOGRAPHICAL SPLIT OF OPERATING REVENUE

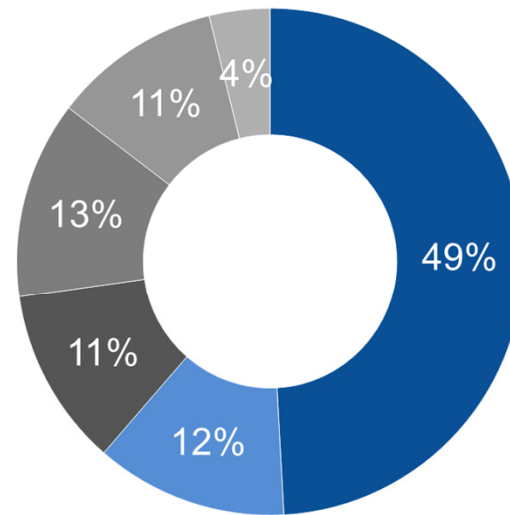
Less than half of operating revenue is related to Iceland

6M 2015



■ Iceland
■ Norway
■ Asia
■ Faroe Islands
■ Europe
■ Other

6M 2014



■ Iceland
■ Norway
■ Asia
■ Faroe Islands
■ Europe
■ Other

Q2 AND 6M 2015 FINANCIAL RESULTS



INCOME STATEMENT

Second quarter results affected by currency exchange fluctuations

- Operating revenue affected by rates, volume, cargo combination and currency exchange fluctuations
 - Currency exchange rates against EUR during 6M 2015
 - USD +18.5%
 - GBP +10.8%
 - ISK +4.3%
- The Norwegian operation improved in Q2 after a very slow start at the beginning of the year
- Net finance expense in Q2 affected by a EUR 0.9 million currency exchange loss this year compared to a EUR 0.5 million currency exchange gain in Q2 2014

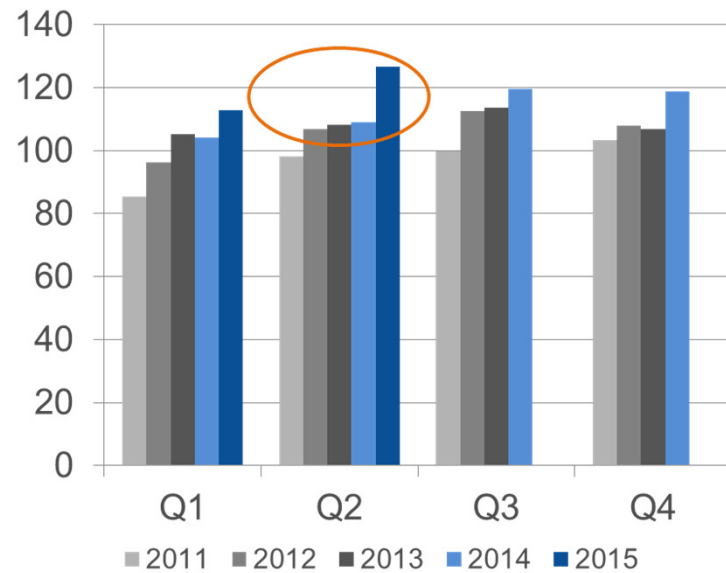
EUR thousands	Q2 2015	Q2 2014	Change	%	6M 2015	6M 2014	Change	%
Operating revenue	126,587	108,978	17,609	16.2%	239,250	213,178	26,072	12.2%
Operating expenses	113,281	97,929	15,352	15.7%	220,160	196,111	24,049	12.3%
EBITDA	13,306	11,049	2,257	20.4%	19,090	17,067	2,023	11.9%
Depreciation and amortization	(5,790)	(5,903)	113	1.9%	(11,525)	(11,559)	34	0.3%
EBIT	7,516	5,146	2,370	46.1%	7,565	5,508	2,057	37.3%
Net finance (expense) income	(1,661)	86	(1,747)	-	509	(770)	1,279	-
Share of earnings of associated companies	94	115	(21)	(0)	186	88	98	111.4%
Net earnings before income tax	5,949	5,347	602	11.3%	8,260	4,826	3,434	71.2%
Income tax	(434)	(754)	320	42.4%	(1,221)	(1,026)	(195)	(19.0%)
Net earnings for the period	5,515	4,593	922	20.1%	7,039	3,800	3,239	85.2%

OPERATING REVENUE AND EBITDA 2011 TO 2015 BY QUARTER

Adjusted for one-off items in 2011 and 2012

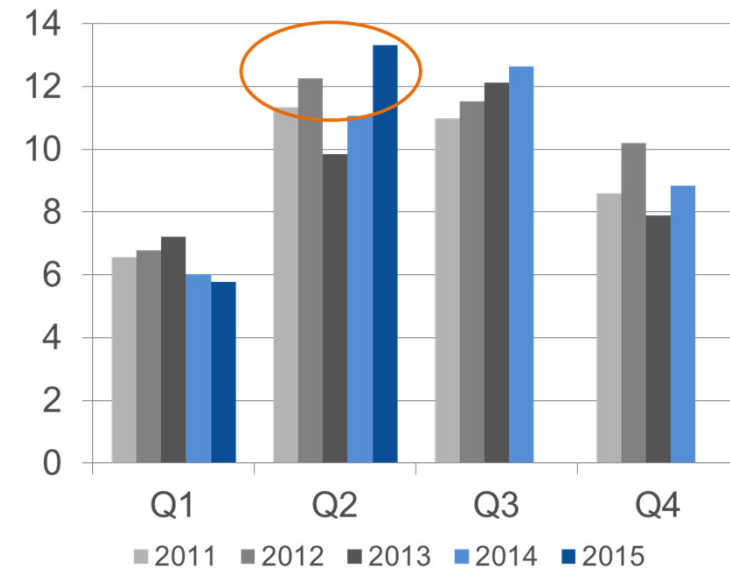
Operating revenue

EUR million



EBITDA

EUR million



BALANCE SHEET

Increased short-term borrowings in relation to investment projects

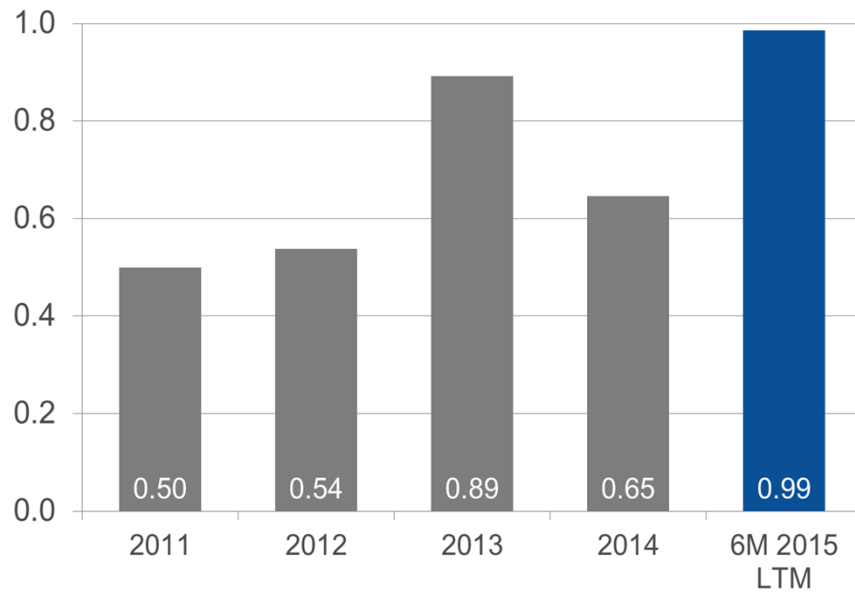
- Dividend in the amount of EUR 6.3 million (ISK 933.2 million) was paid to shareholders in April
- Equity ratio was 61.3% at the end of June 2015 compared to 65.2% at the end of 2014
- Current liabilities amounted to EUR 97.2 million, an increase of 31.6 million from year-end 2014
 - Increased short-term borrowings related to various investment projects during the year but long-term loans have been secured for the cold storage in Hafnarfjörður and the harbor cranes
- Total interest-bearing debt amounted to EUR 77.0 million at the end of June compared to EUR 64.4 million at year-end 2014
- Net debt amounted to EUR 40.0 million at the end of June compared to EUR 24.9 million at year-end 2014
 - Cash and cash equivalents decreased by EUR 2.5 million

EUR thousands	30.6.2015	31.12.2014	Change	%
Non-current assets	226,743	214,278	12,465	5.8%
Current assets	130,924	117,762	13,162	11.2%
Total assets	357,667	332,040	25,627	7.7%
Total equity	219,400	216,472	2,928	1.4%
Non-current liabilities	41,029	49,904	(8,875)	(17.8%)
Current liabilities	97,238	65,664	31,574	48.1%
Total liabilities	138,267	115,568	22,699	19.6%
Total equity and liabilities	357,667	332,040	25,627	7.7%

FINANCIAL RATIOS 2011 TO 2015

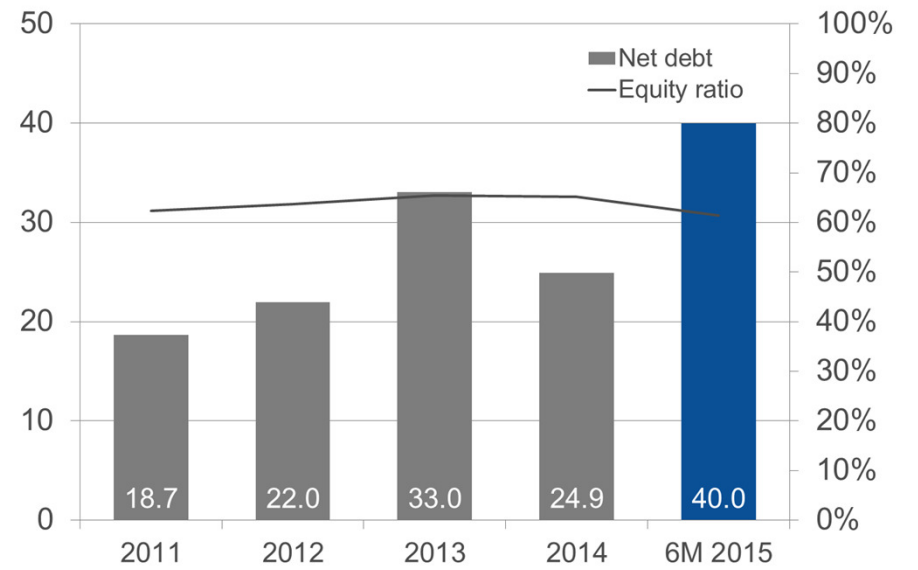
Net debt / EBITDA (adjusted)

EUR million



Net debt and equity ratio

EUR million



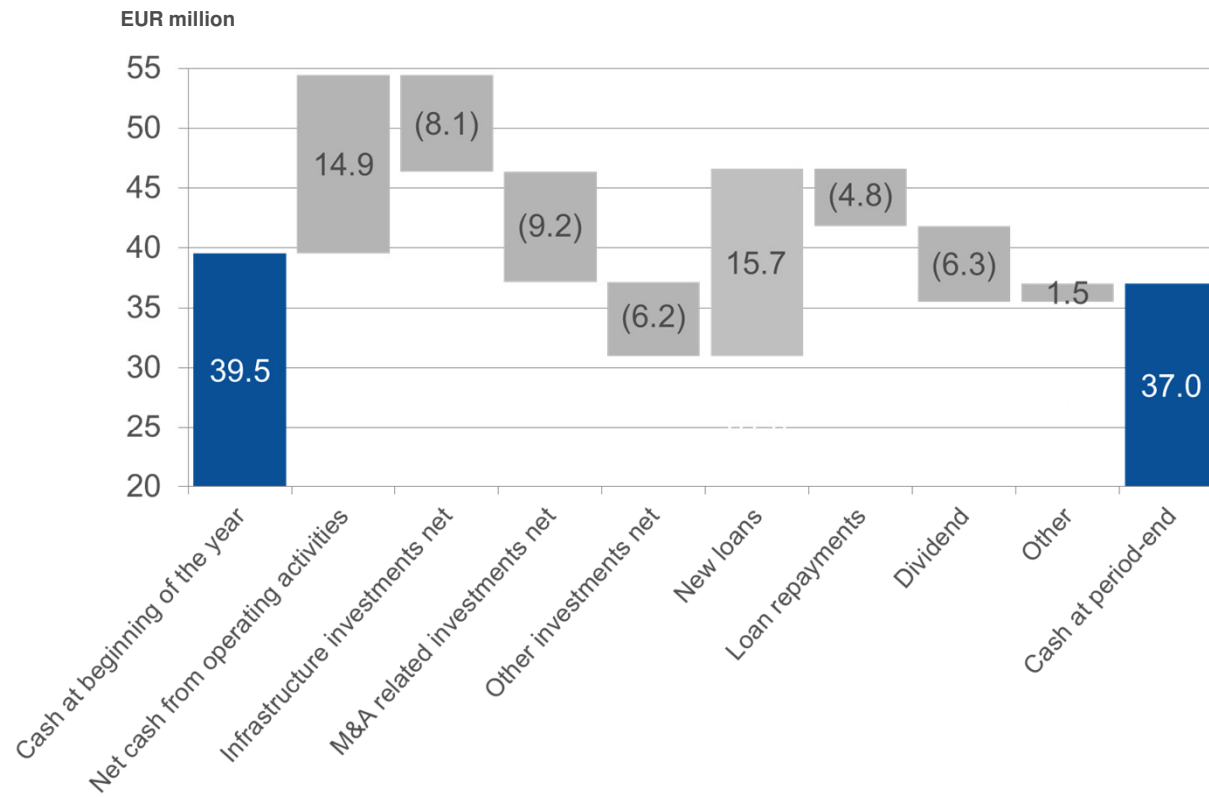
STRONG CASH FLOW AND CASH POSITION

Increased investments in infrastructure and M&A projects

EUR thousands	Q2 2015	Q2 2014	Change	%	6M 2015	6M 2014	Change	%
Cash flows from operations	11,811	8,225	3,586	43.6%	14,894	13,922	972	7.0%
Investing activities	(14,963)	(5,952)	(9,011)	(151.4%)	(23,458)	(8,776)	(14,682)	(167.3%)
Financing activities	5,929	(5,103)	11,032	-	4,562	(6,947)	11,509	-
Changes in cash and cash equivalents	2,777	(2,830)	5,607	-	(4,002)	(1,801)	(2,201)	(122.2%)
Cash at the beginning of the period	34,426	27,487	6,939	25.2%	39,539	26,370	13,169	49.9%
Exchange rate fluctuations	(192)	161	(353)	-	1,474	249	1,225	492.0%
Cash at the end of period	37,011	24,818	12,193	49.1%	37,011	24,818	12,193	49.1%

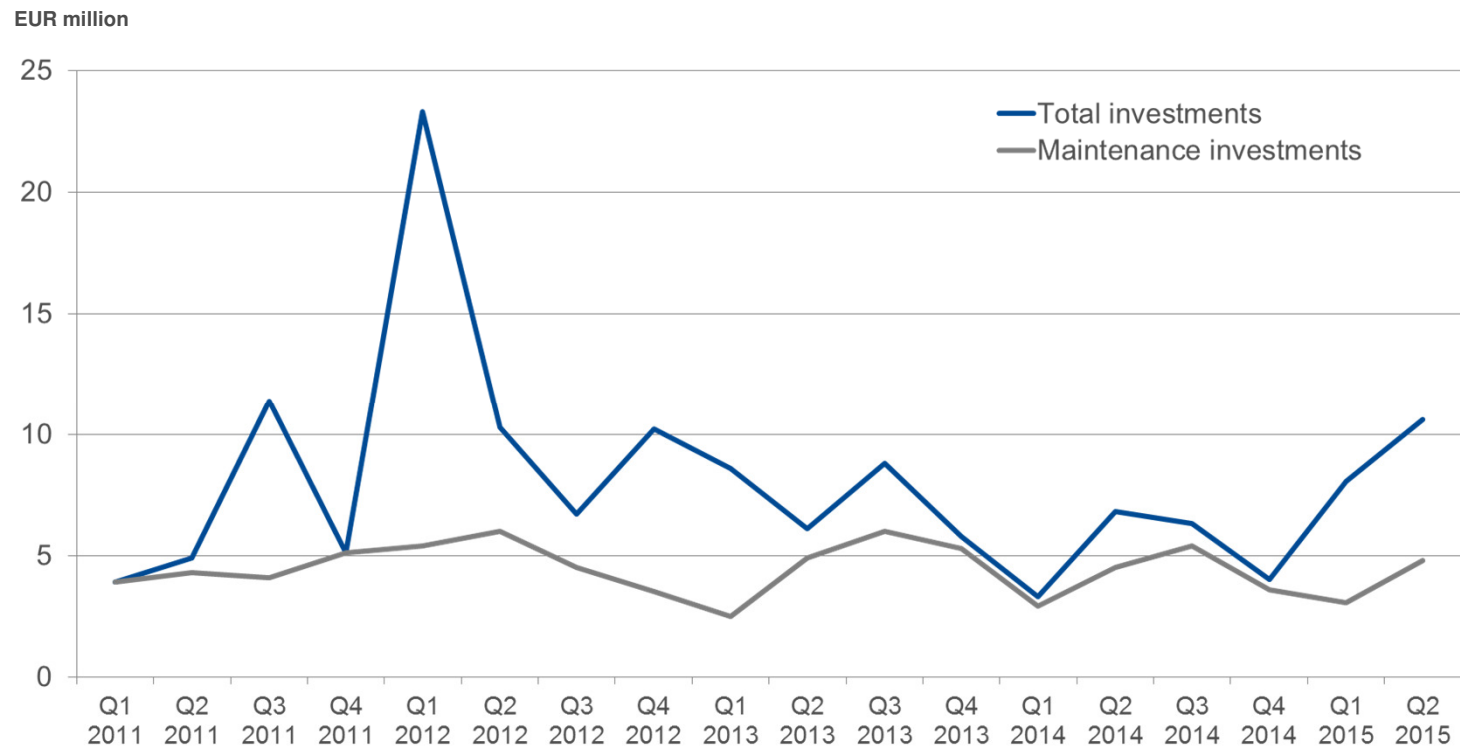
CASH FLOW BRIDGE 6M 2015

Cash decreased by EUR 2.5 million from year-end 2014



CAPEX 2011 TO 2015

Total CAPEX EUR 18.6 million in 6M 2015, thereof maintenance CAPEX EUR 7.8 million



INVESTMENTS AND ACQUISITIONS



COLD STORAGE IN HAFNARFJÖRDUR

First phase expected to be in operation in October

- Eimskip announced in November 2014 the building of a new 10,000 ton cold storage facility in Hafnarfjörður
- Considerable recent and future increases in the fishing and processing of pelagic fish require increased cold storage space and services and demand for warehouse services for frozen consumer goods is also growing
- Fjardarfrost, Eimskip's current cold storage facility in Hafnarfjörður, has a capacity of 3,000 tons
- The project has been developing fast this summer - as can be seen on the pictures on the right - and the first phase is expected to be in operation this October
- There is an option to enlarge the facilities in stages to a total of 27,000 tons, according to customer needs



19. júní



27. júlí



25. ágúst

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SEATOURS - SÆFERDIR EHF.

Ferry operation in Stykkishólmur, Iceland

- In May, Eimskip acquired all shares in Seatours (Sæferdir ehf.)
- The Icelandic Competition Authority has approved the merger
- Eimskip took over the operation as of 1 August 2015
- Seatours offers sea-related tourist services and operates the boats Baldur and Særún in Breidafjörður
- By the acquisition, Eimskip is taking steps in further strengthening its sea-related tourist services, but the company has in recent years operated the ferry Herjólfur on a time charter for the Icelandic Road and Coastal Administration (IRCA), serving sea transportation and tourism between the Westman Islands and the mainland

NEW HARBOR CRANES

TREX Gottwald GHMK 6507

- Eimskip announced in February an investment in two new harbor cranes to further strengthen its infrastructure in Iceland
- The cranes were recently taken into operation
- Each crane's lifting power is 125 tons, which is 15 tons more than the lifting power of the older cranes
- With the crane investment the company will be able to run the Blue Line vessels without vessel cranes
- One of the new cranes is located in Reydarfjörður on Iceland's east coast
- The other crane is located in Grundartangi on the west coast where it will serve Nordurál, the Century Aluminum Plant, and other potential industries
- Eimskip seeks to develop further in Grundartangi and did earlier this year invest in 22,410 m² land there to further secure its reliability and productivity



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THE SECOND VESSEL FROM CHINA

Evaluation of Eimskip's position

- Eimskip is considering available options due to extended delay of delivery
- EUR 11.8 million have already been invested in the new building project
- The payments made to the shipyard are guaranteed by a state owned Chinese bank if Eimskip decides to seek a refund of the total payment already made
- Discussions with the shipyard are ongoing and a final decision on the issue will be made in the next few days

GROWTH IN LINE WITH STRATEGY

Through acquisitions and joint ventures

- Eimskip's plans for external growth are, in line with current vision and strategy, to make accretive acquisitions that create synergies, strengthen the company's performance and increase shareholder value
- Reasonably sized acquisitions and joint venture projects
 - Container liner operations
 - Reefer and dry vessel operations
 - Terminal operations
 - Port located cold storages with strong connection to the seafood industry
 - Trucking to serve Eimskip's needs and third-party
 - Custom clearance / freight forwarding companies
 - Continued focus on opening new offices supporting the existing network

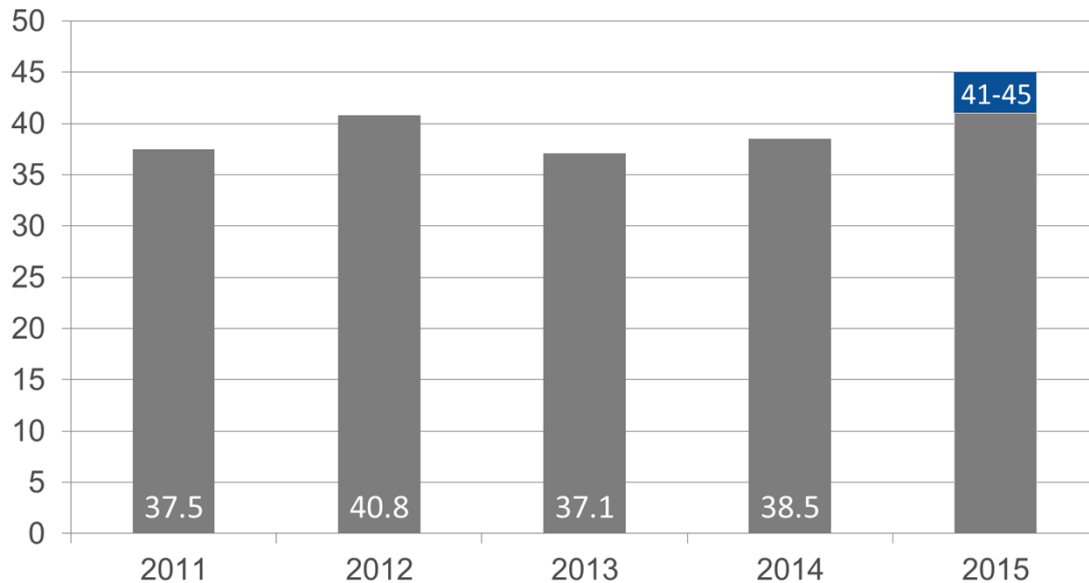


OUTLOOK



CHANGED EBITDA FORECAST FOR 2015

In the range of EUR 41 to 45 million



- The EBITDA forecast for 2015 has been changed to the range of EUR 41 to 45 million
 - Was before in the range of EUR 39 to 44 million as presented in February 2015
- Assumptions
 - Continued growth in volumes to and from Iceland
 - After slow fish catch in the beginning of the year, Norway is back on track
 - Growing transport between North America and Europe
 - Growth in international reefer forwarding in Newfoundland and the Netherlands
- Uncertainty
 - Lower import into the Faroe Islands and less export of salmon being carried to the US and Asia
 - Effects of the Russian embargo on imports to Russia from Iceland as from August 2015
 - Global economic uncertainty, lower volume in world trade
 - General uncertainty regarding volumes, rates, fuel costs and competition

Q & A

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