



EIMSKIP RAISES FORECAST FOR 2016

Q1 2016 - 27 May 2016 | EBITDA up by 66.5% from previous year





HIGHLIGHTS

KEY HIGHLIGHTS FOR Q1 2016

Q1 2016 compared to Q1 2015

66.5% EBITDA growth

Net earnings up by 21.1%

Strong cash flow

**Volume in
liner services
up by 8.1%**

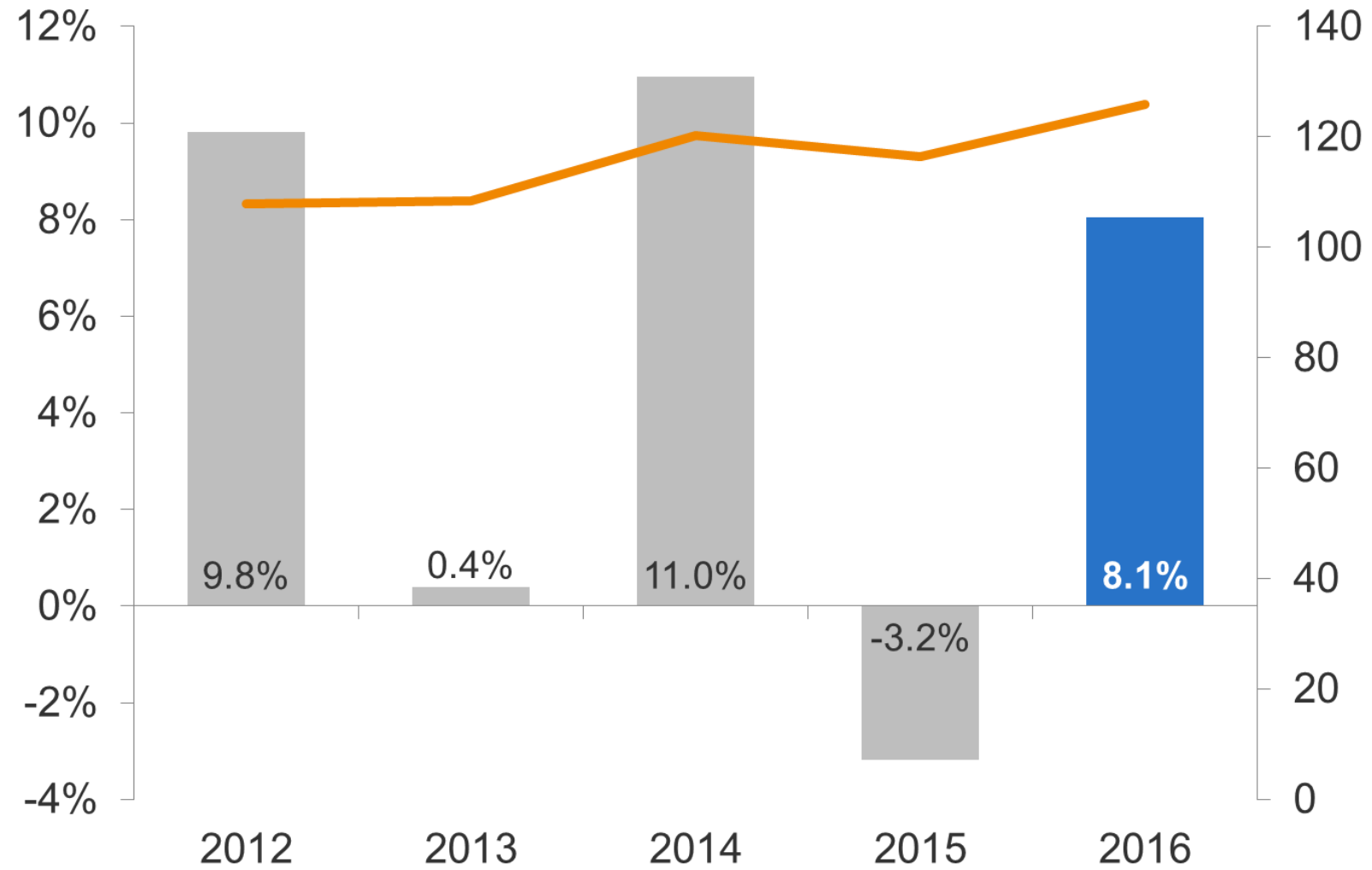
**Volume in
forwarding services
up by 5.9%**

**Updated
EBITDA forecast
in the range of
EUR 49 to 53 million**

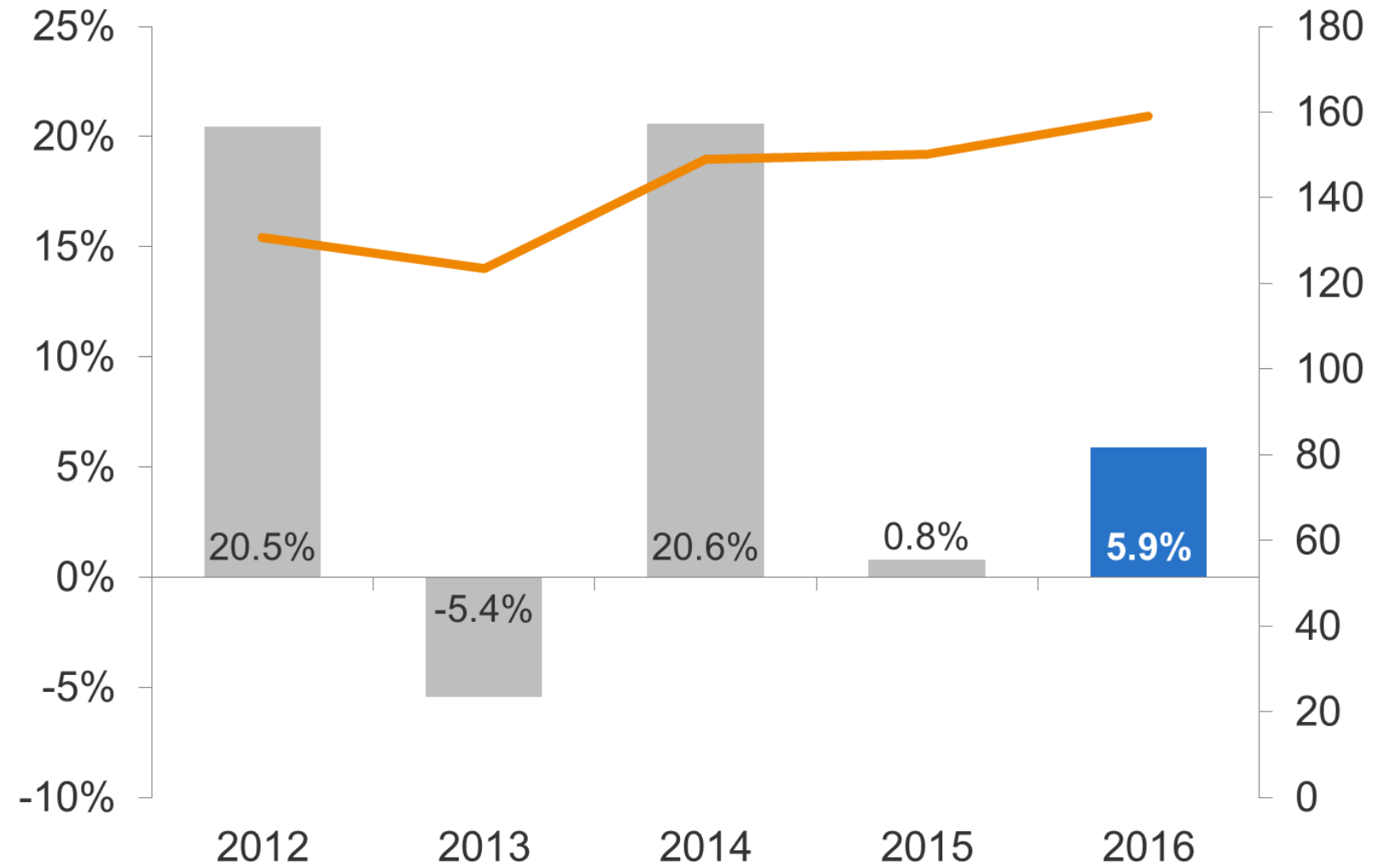
TRANSPORTED VOLUME IN Q1 2012 TO 2015

Changes from previous year

Liner services



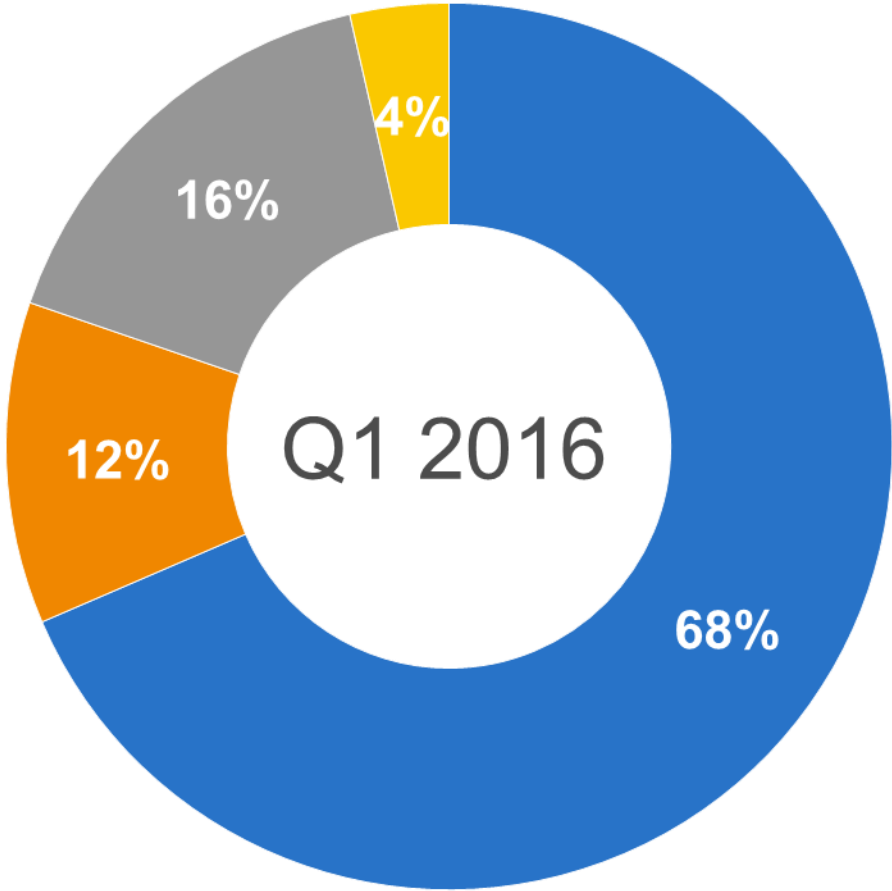
Forwarding services



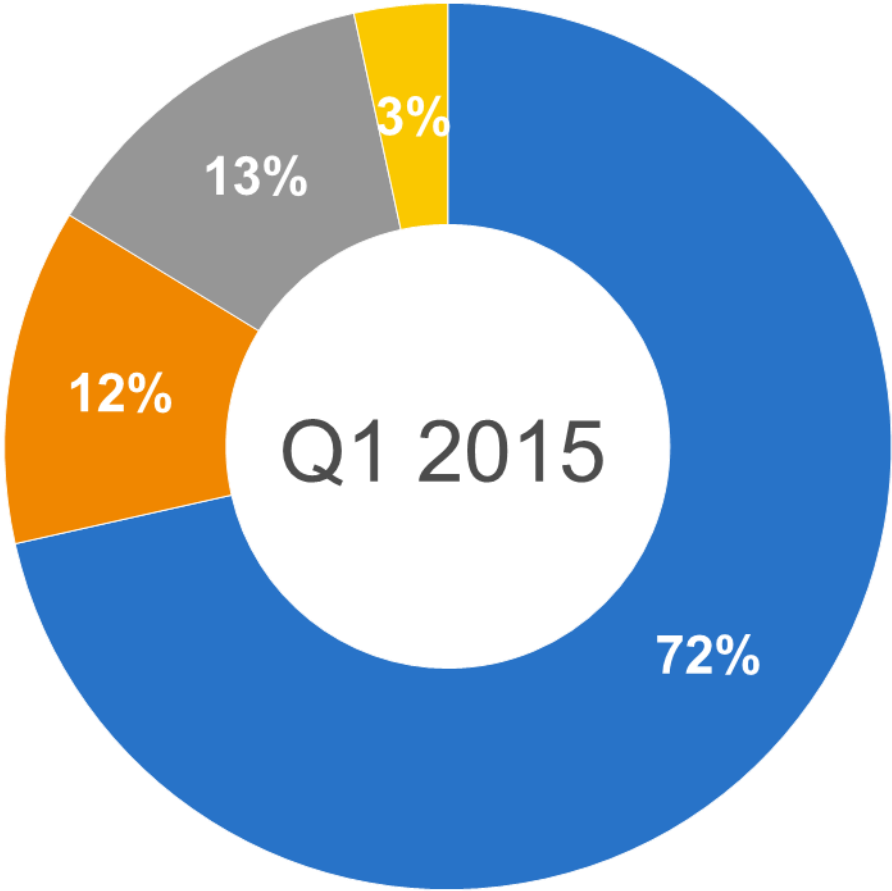
Volume index: 2010 volume at 100

LINER SERVICES VOLUME

Iceland, Faroe Islands, Norway and Transatlantic



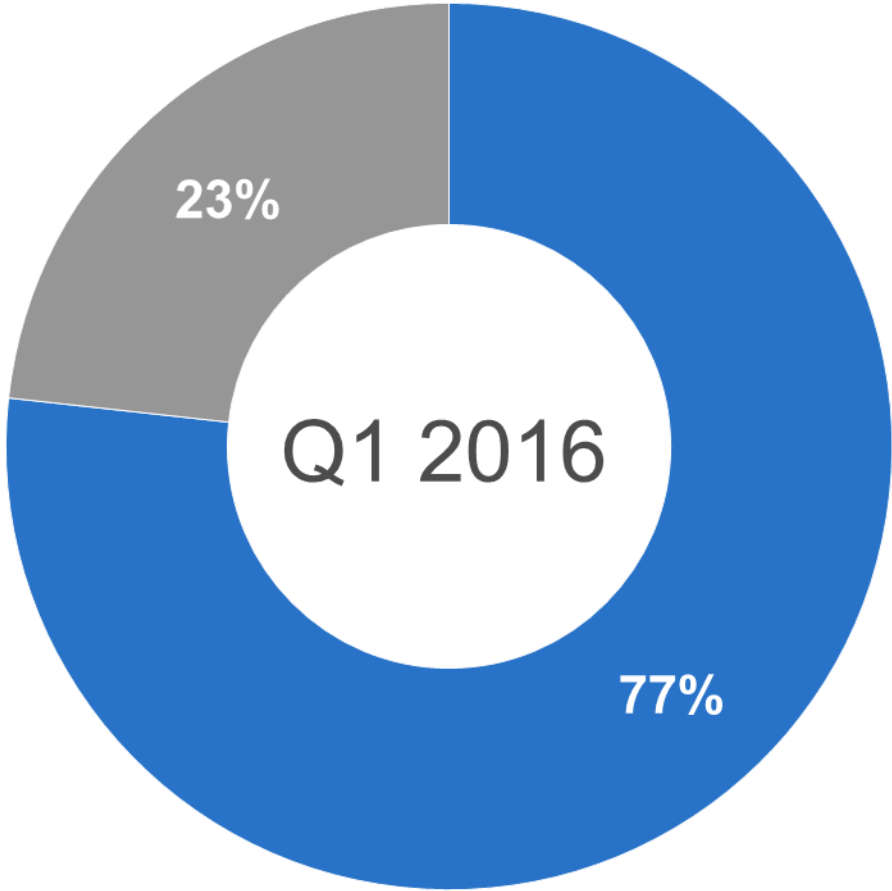
■ Iceland ■ Faroe Islands ■ Norway ■ T/A



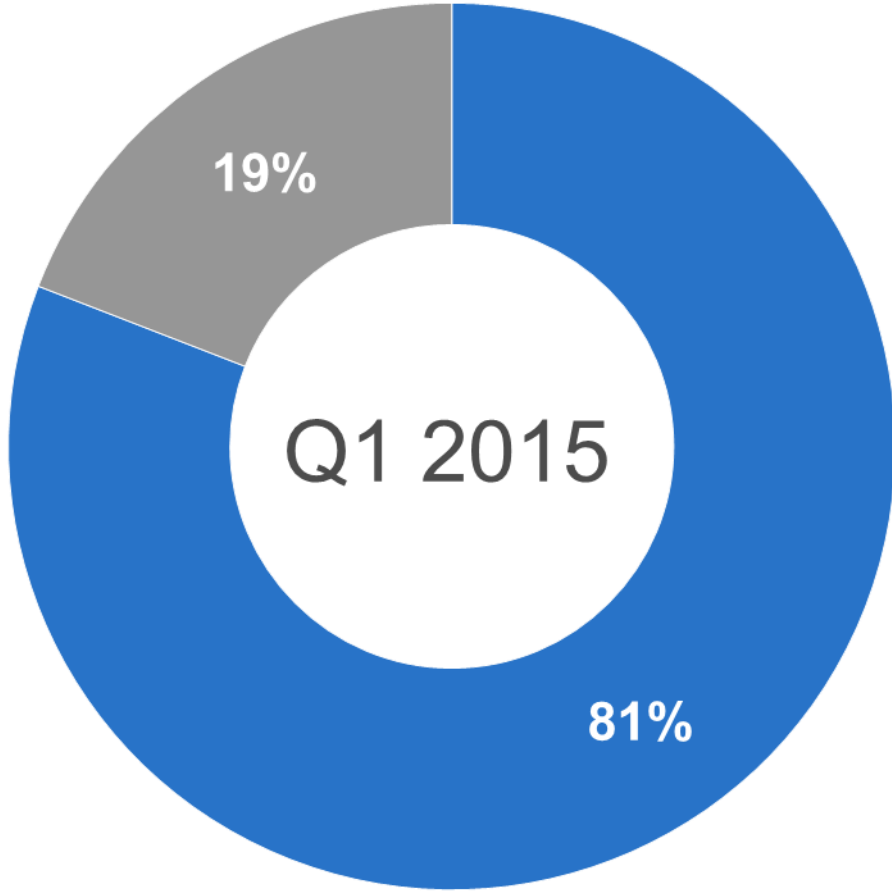
■ Iceland ■ Faroe Islands ■ Norway ■ T/A

FORWARDING SERVICES

Reefer and dry cargo forwarding



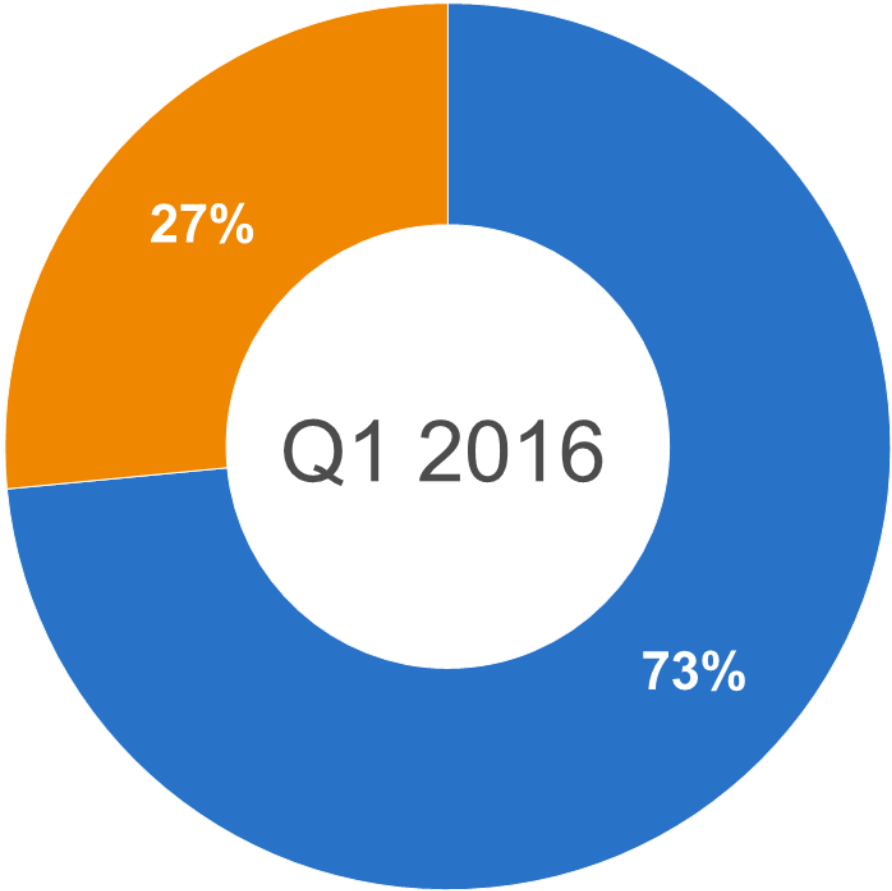
■ Reefer ■ Dry



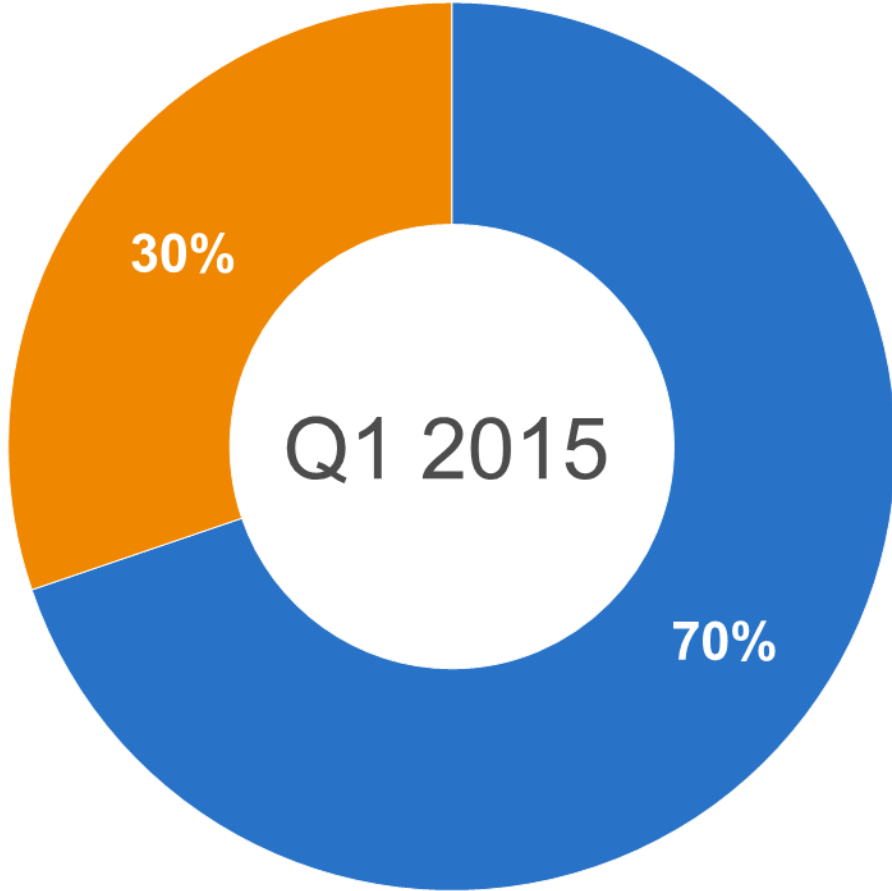
■ Reefer ■ Dry

REVENUE BY SEGMENT

Liner services and forwarding services



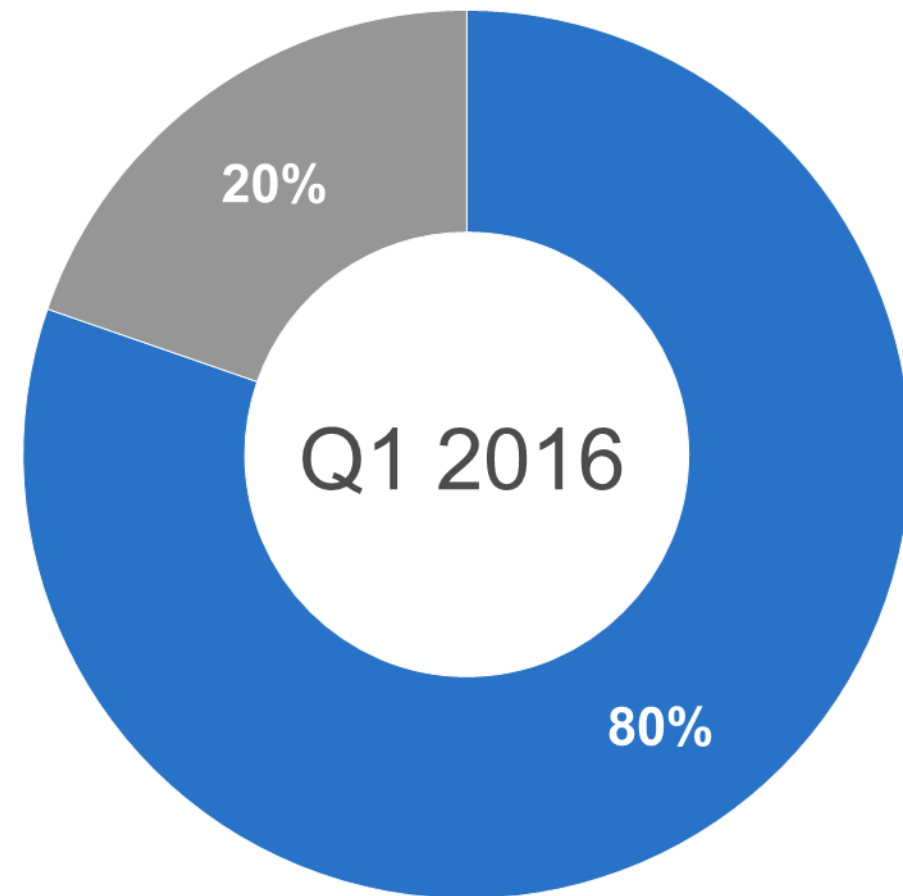
■ Liner services ■ Forwarding services



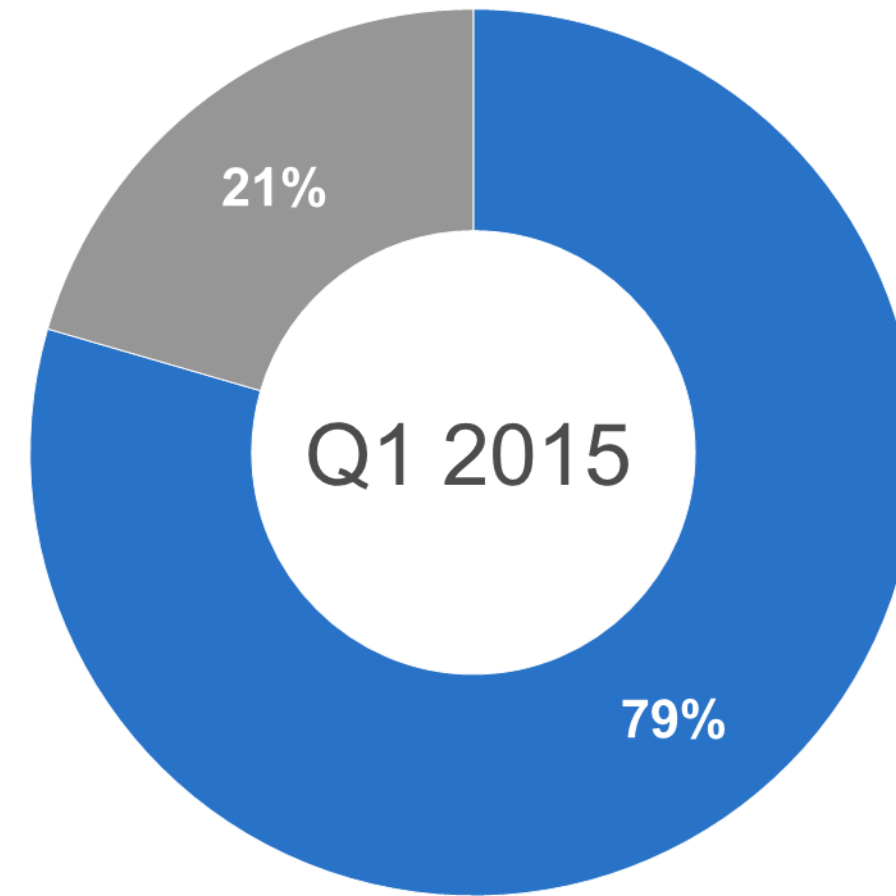
■ Liner services ■ Forwarding services

EBITDA BY SEGMENT

Liner services and forwarding services



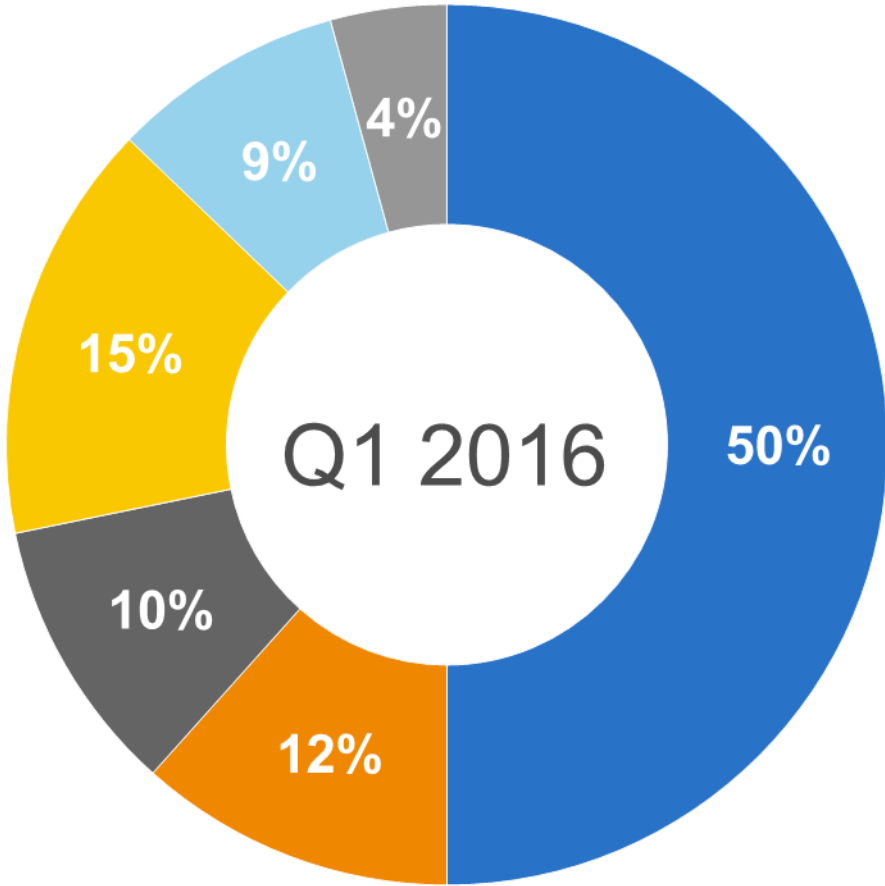
■ Liner services ■ Forwarding services



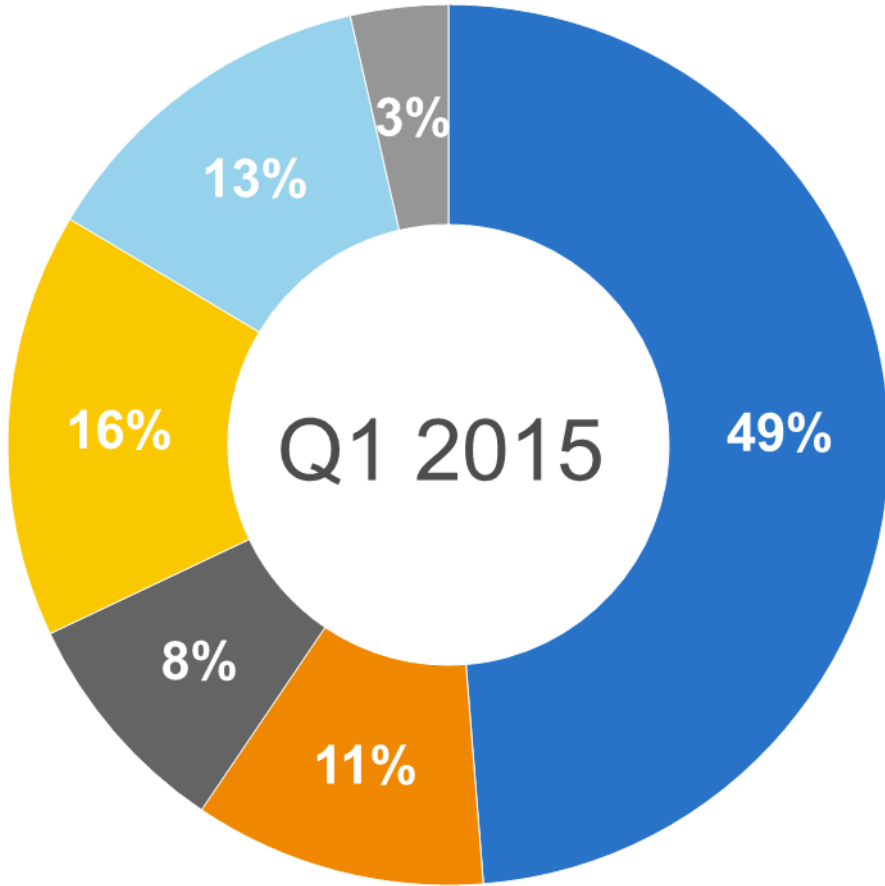
■ Liner services ■ Forwarding services

GEOGRAPHICAL SPLIT OF REVENUE

About half of revenue is related to Iceland



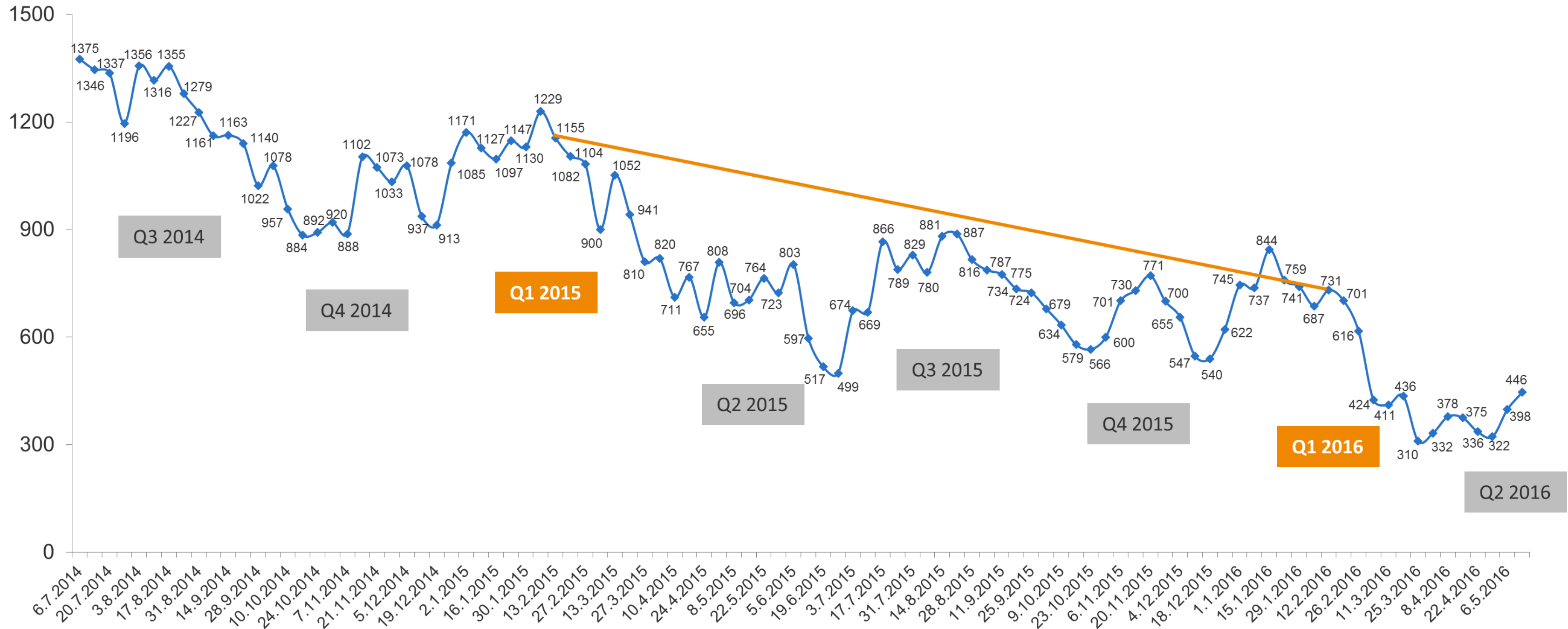
- Iceland
- Norway
- Asia
- Faroe Islands
- Europe
- Other



- Iceland
- Norway
- Asia
- Faroe Islands
- Europe
- Other

CHINA FORWARDERS FREIGHT INDEX

China - Europe



Source: www.shippingchina.com

A blue-tinted photograph showing the side of a ship with a large, stylized 'B' logo. The ship is moving through the ocean, with waves visible in the background. The text 'FINANCIAL RESULTS' is overlaid in white, bold, uppercase letters in the center of the image.

FINANCIAL RESULTS

INCOME STATEMENT

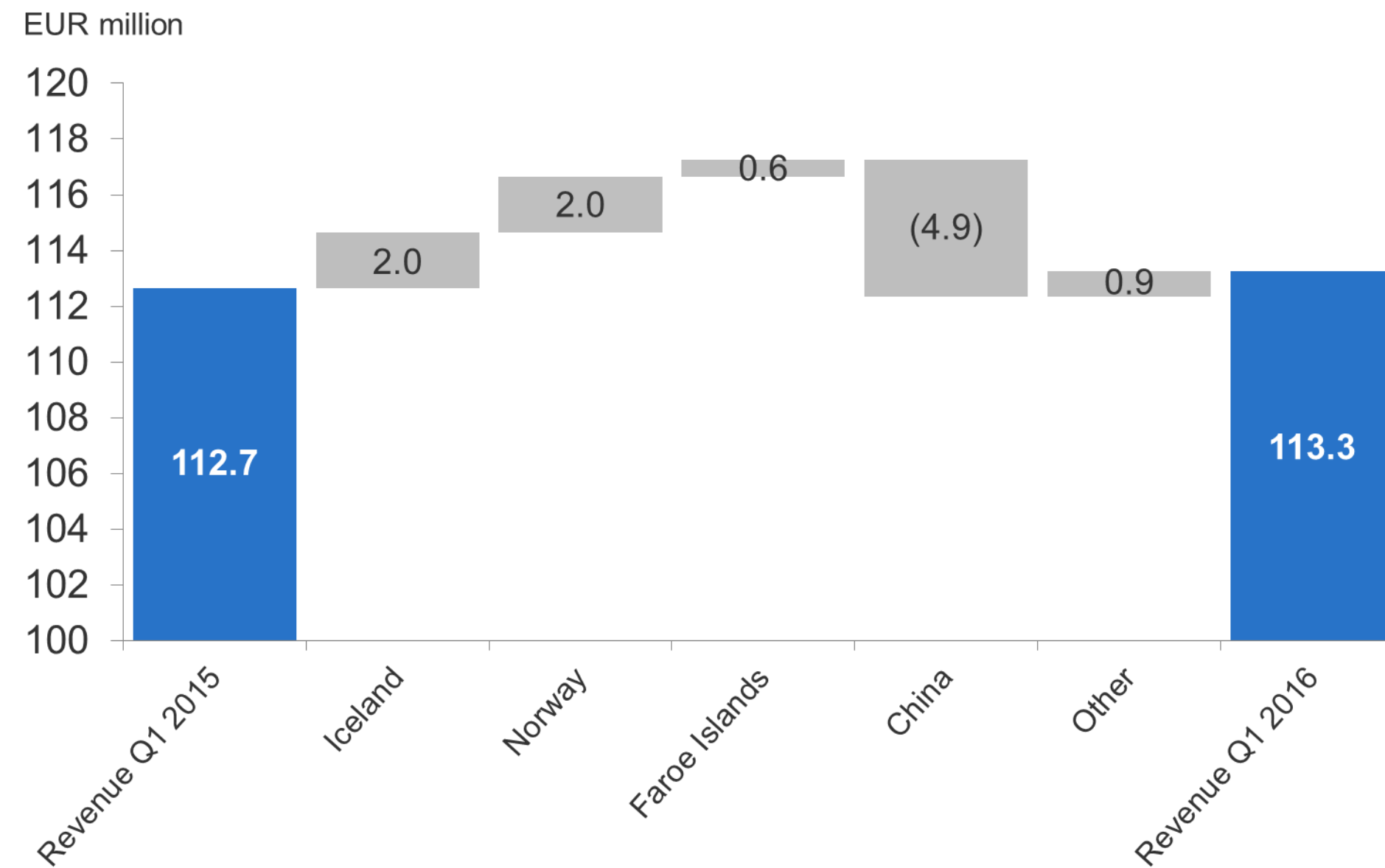
66.5% EBITDA growth from Q1 2015

- Pricing in international forwarding affected the results of the quarter
- Good volume and revenue growth in Norway compared to their difficult Q1 last year
- Good growth in the Icelandic market
- Due to the streamlining of operations and increased cost control measures operating expenses excluding salaries were down for the quarter
- Salaries and related expenses grew by 20.2% from previous year, largely affected by general salary increase
- Total operating expenses including salaries were down by 3.0%
- Substantial fluctuations on the company's main operating currencies resulted in a EUR 0.8 million currency exchange loss compared to a EUR 2.9 million currency exchange gain in Q1 2015

EUR thousand	Q1 2016	Q1 2015	Change	%
Revenue	113.253	112.663	590	0,5%
Expenses	103.621	106.879	(3.258)	(3,0%)
EBITDA	9.632	5.784	3.848	66,5%
Depreciation and amortization	(6.365)	(5.735)	(630)	(11,0%)
EBIT	3.267	49	3.218	-
Net finance (expense) income	(1.365)	2.170	(3.535)	-
Share of earnings of associated companies	100	92	8	8,7%
Net earnings before income tax	2.002	2.311	(309)	(13,4%)
Income tax	(157)	(787)	630	80,1%
Net earnings for the period	1.845	1.524	321	21,1%

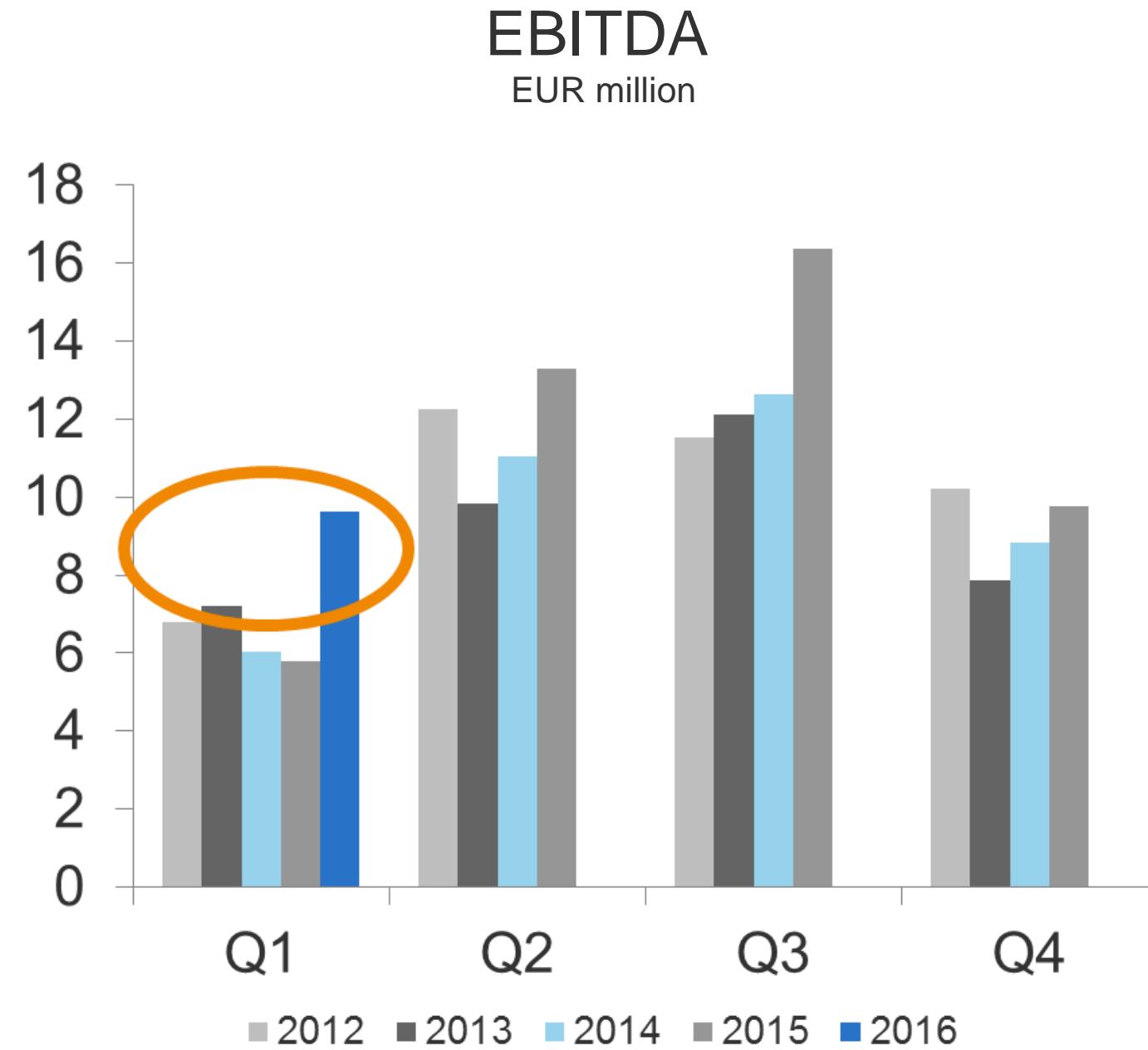
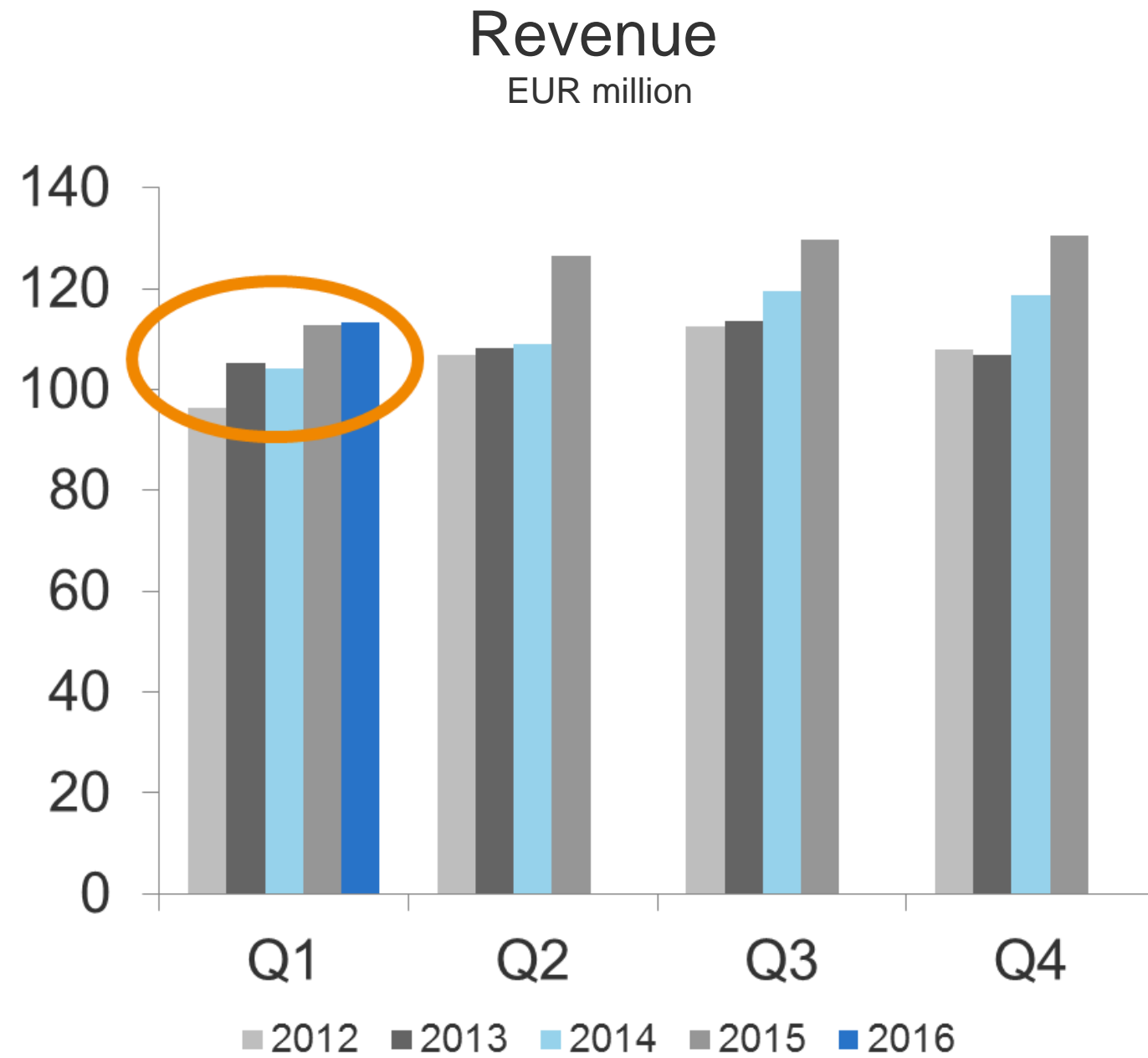
REVENUE BRIDGE Q1 2016

Revenue affected by international freight rates



REVENUE AND EBITDA 2012 TO 2016 BY QUARTER

Best first quarter since 2009



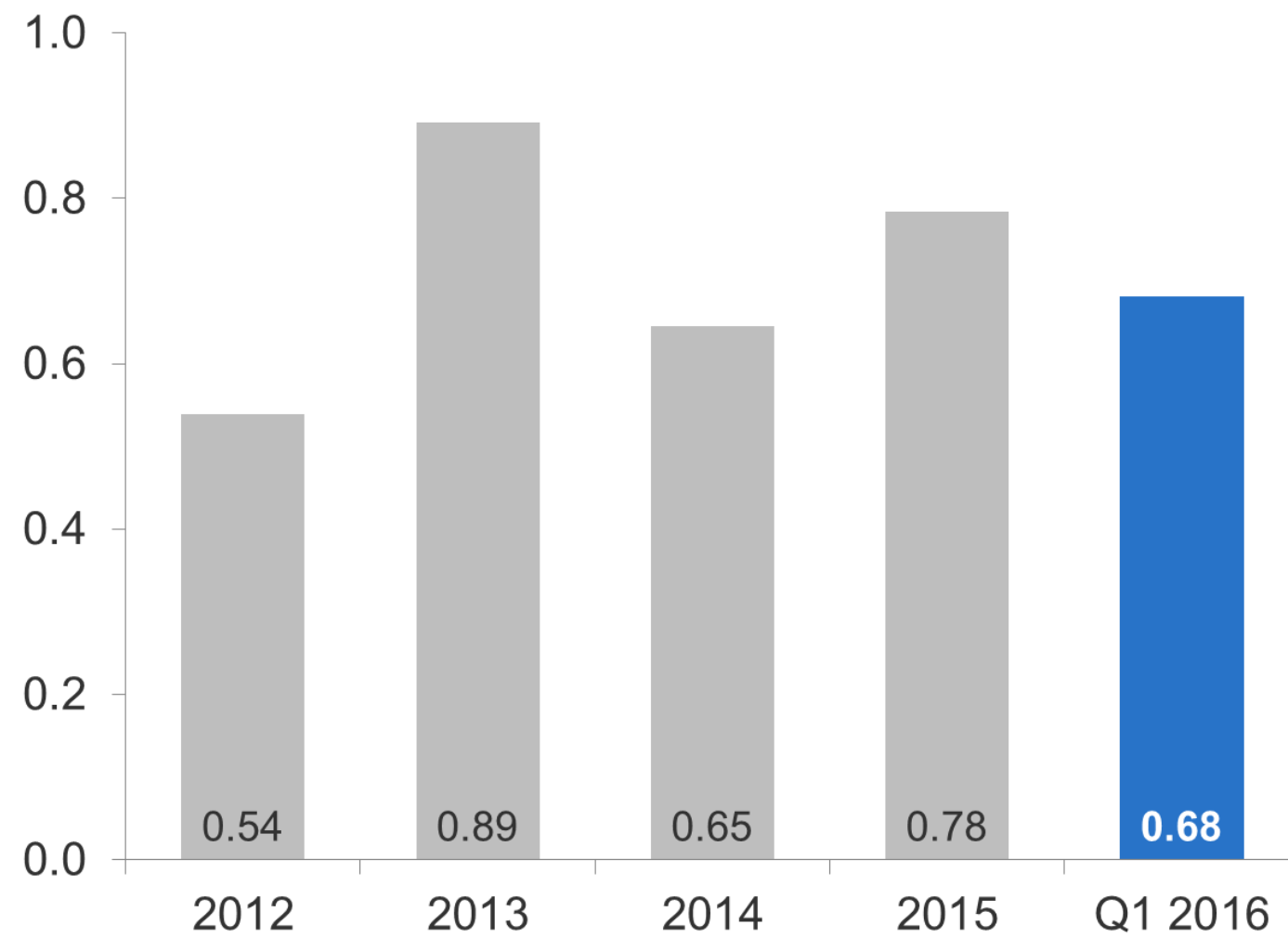
Adjusted for one-off items in 2012

FINANCIAL RATIOS

Low leverage and strong financial position

Net debt / LTM-EBITDA

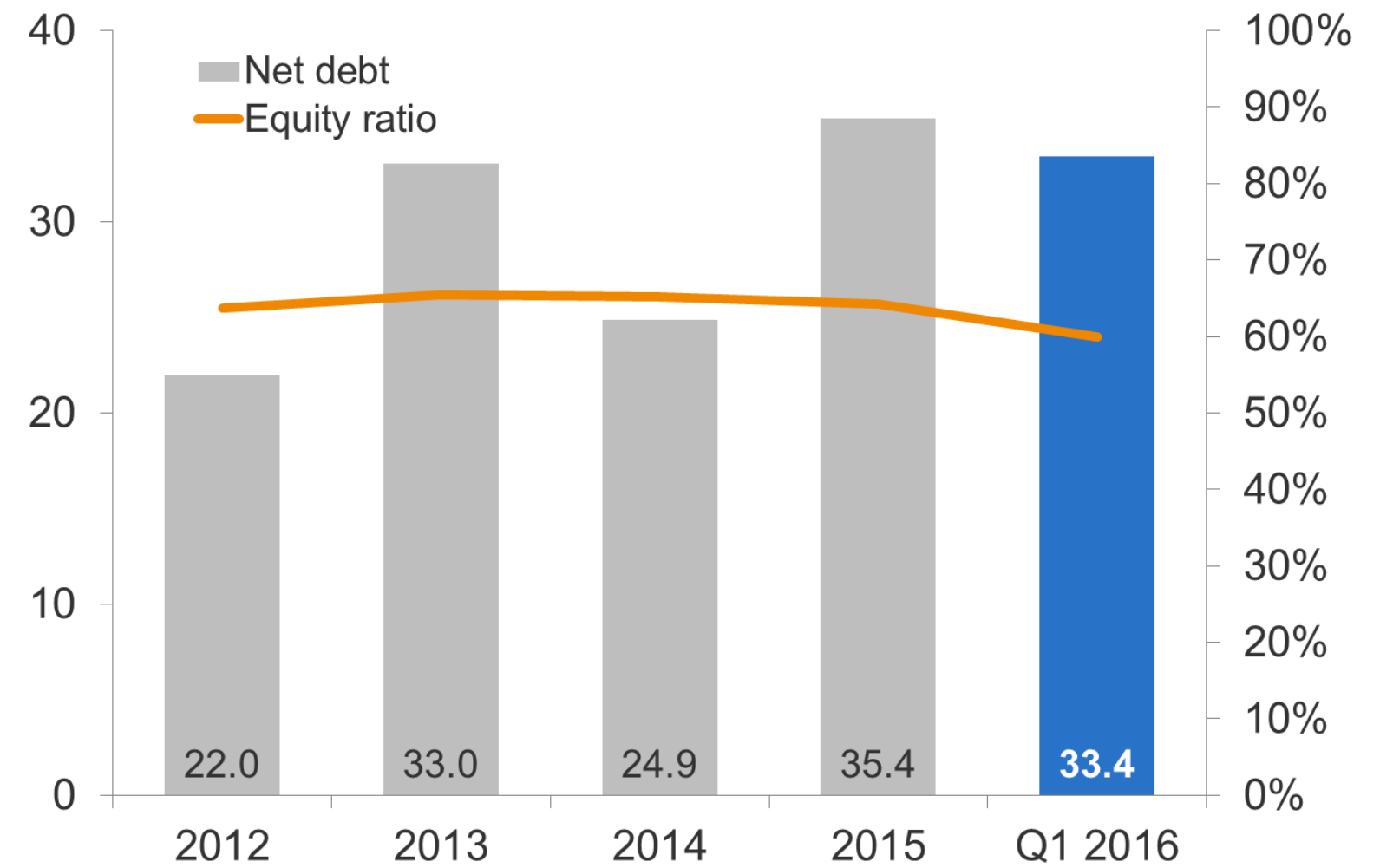
EUR million



Adjusted for one-off items in 2012

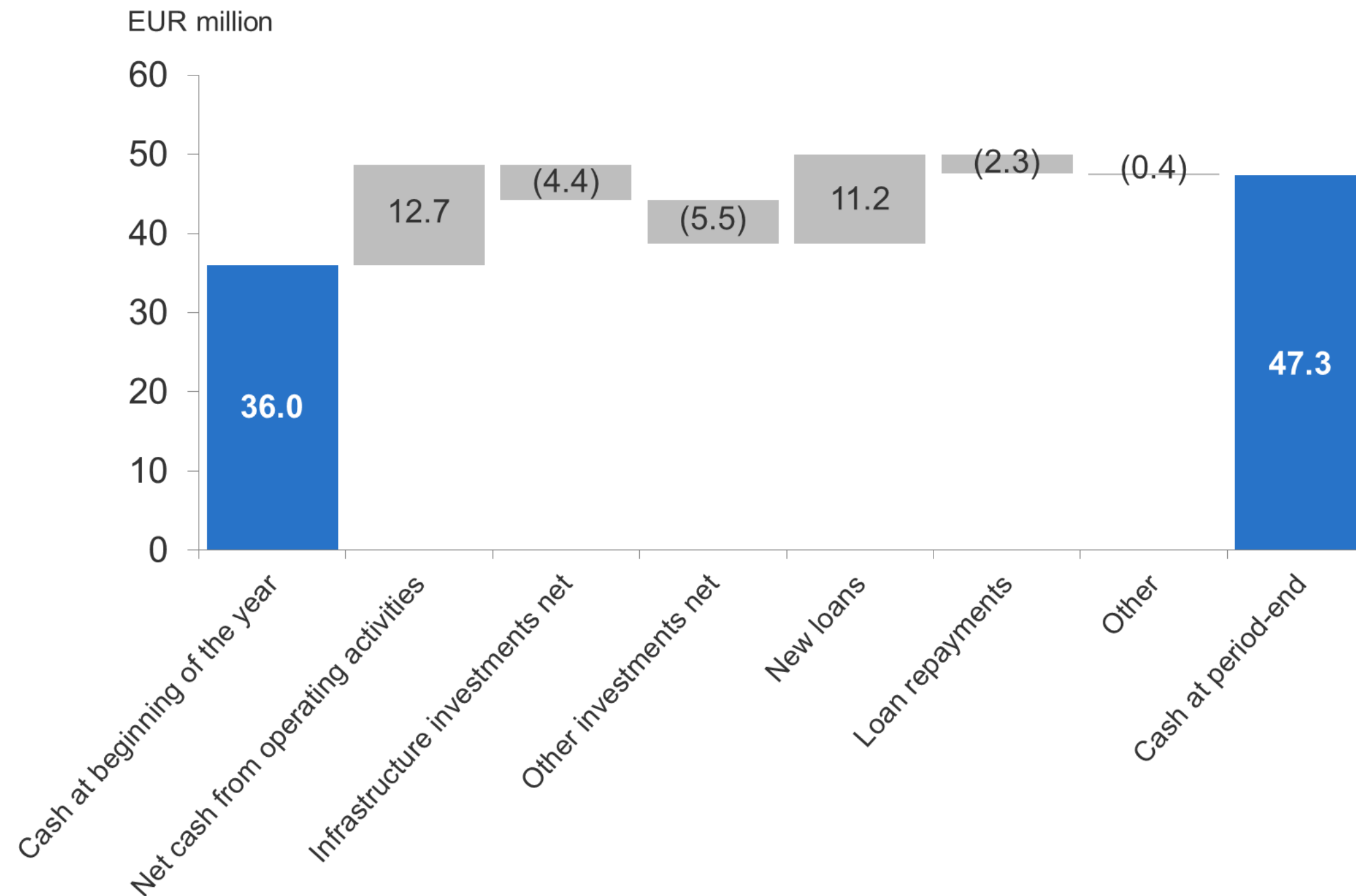
Net debt and equity ratio

EUR million



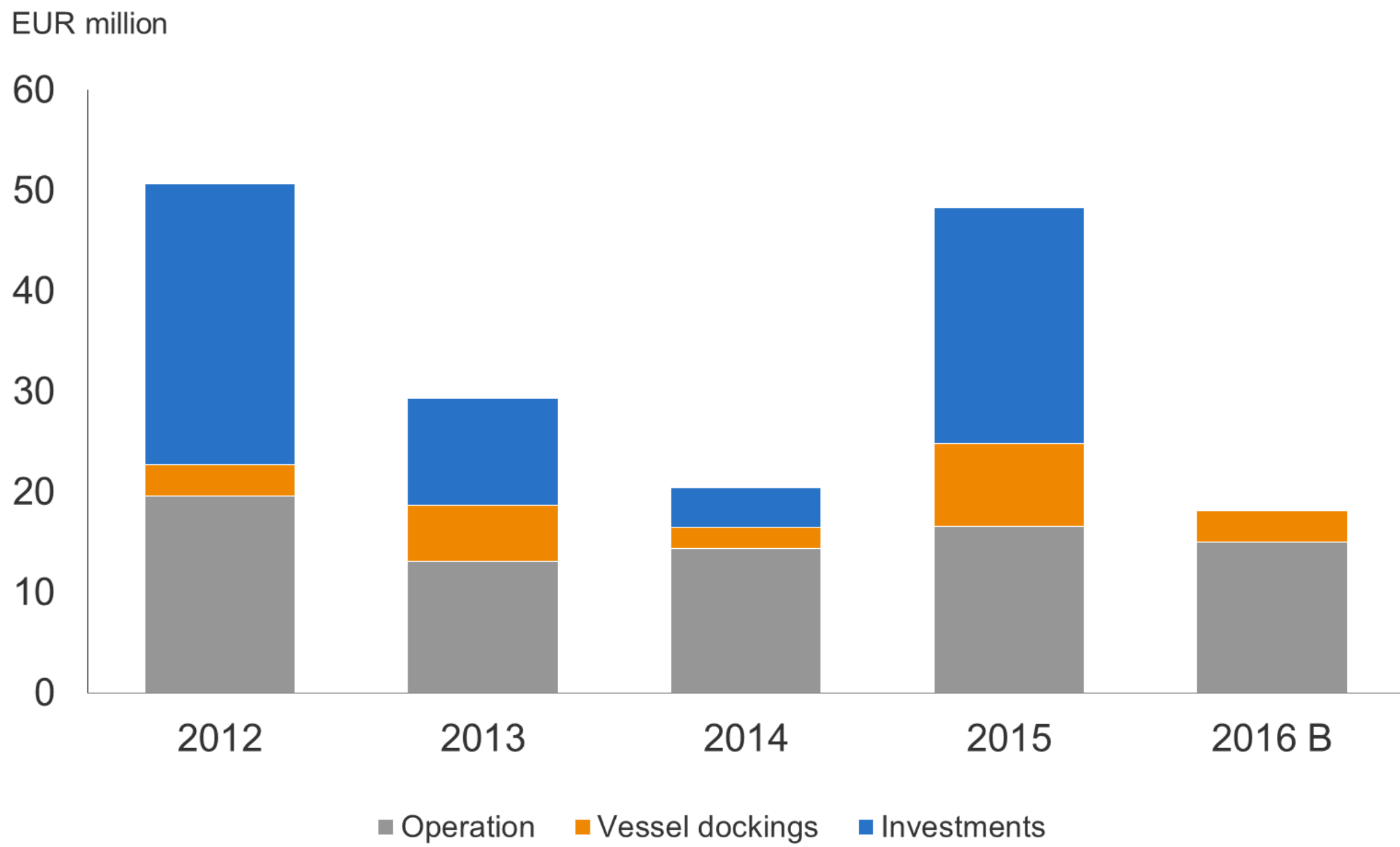
CASH FLOW BRIDGE Q1 2016

Increased cash flow from operating activities



CAPEX 2012 TO 2016

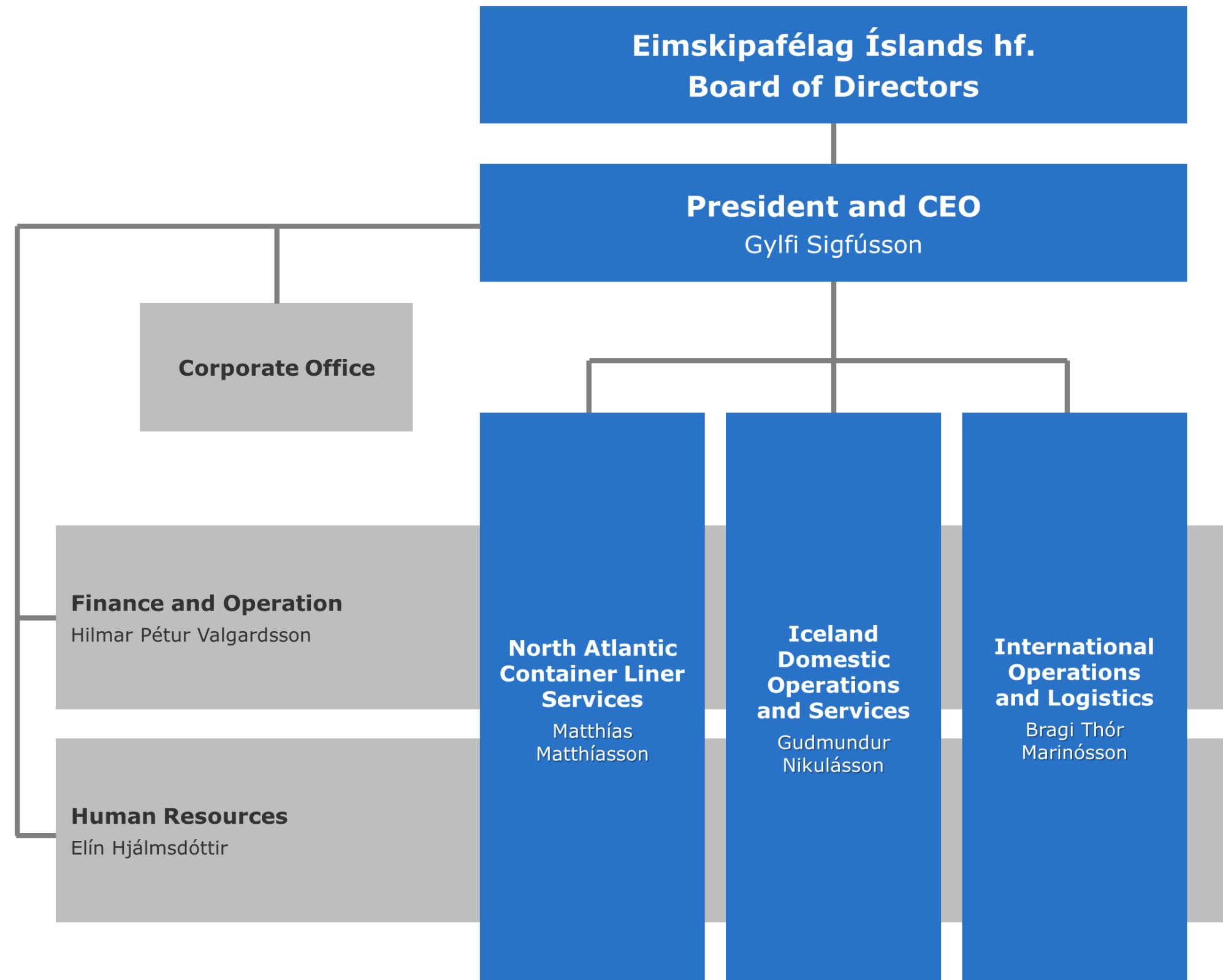
Total CAPEX EUR 11.2 million in Q1 2016





ONGOING PROJECTS AND FUTURE DEVELOPMENT













NEW ORGANIZATIONAL STRUCTURE

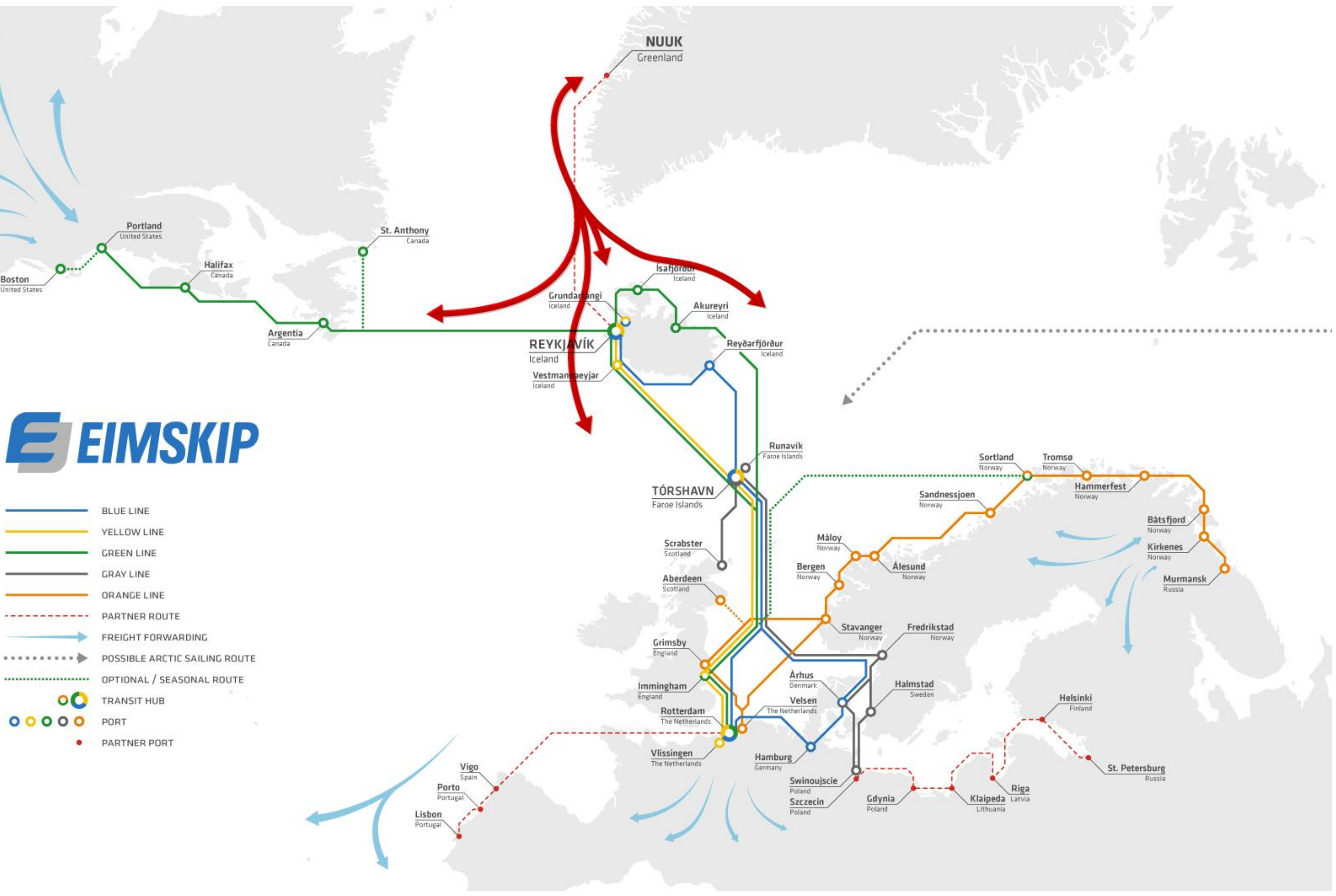




Letter of Intent

EIMSKIP

-  BLUE LINE
-  YELLOW LINE
-  GREEN LINE
-  GRAY LINE
-  ORANGE LINE
-  PARTNER ROUTE
-  FREIGHT FORWARDING
-  POSSIBLE ARCTIC SAILING ROUTE
-  OPTIONAL / SEASONAL ROUTE
-  TRANSIT HUB
-  PORT
-  PARTNER PORT



2000 TEU



700 TEU

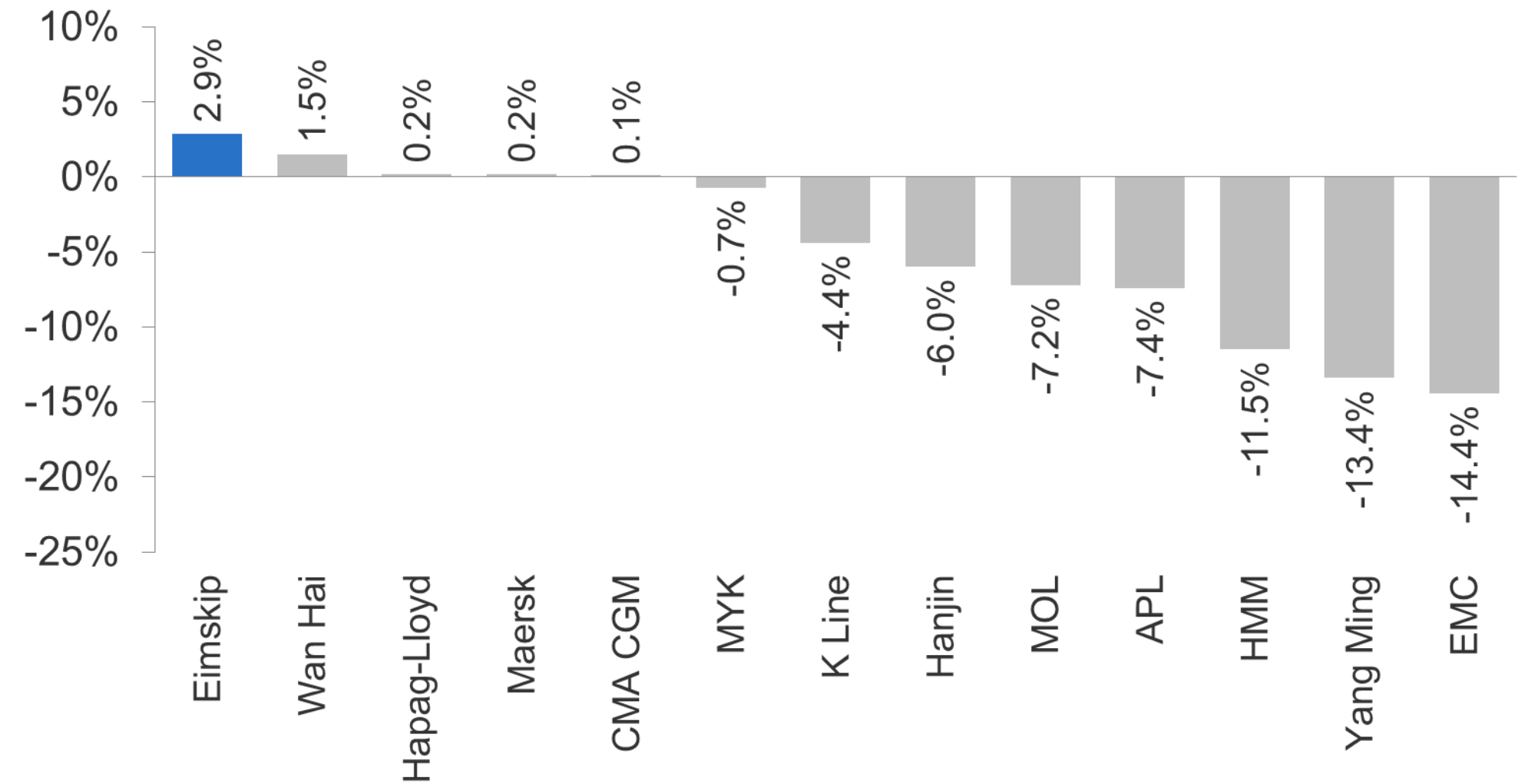


INTERNATIONAL TRANSPORTATION MARKETS

Facing various challenges

- Rates are dropping
- Mergers of Deep Sea Lines (DSL)
- Carrier alliances regarding vessel and slot sharing agreements
- Consolidation in the freight forwarding industry
- Uncertainty regarding world markets
- Fuel price development

Main Carriers' Operating Margins Q1 2016
Container Shipping Only



Source: www.alphaliner.com

POTENTIAL ACQUISITIONS

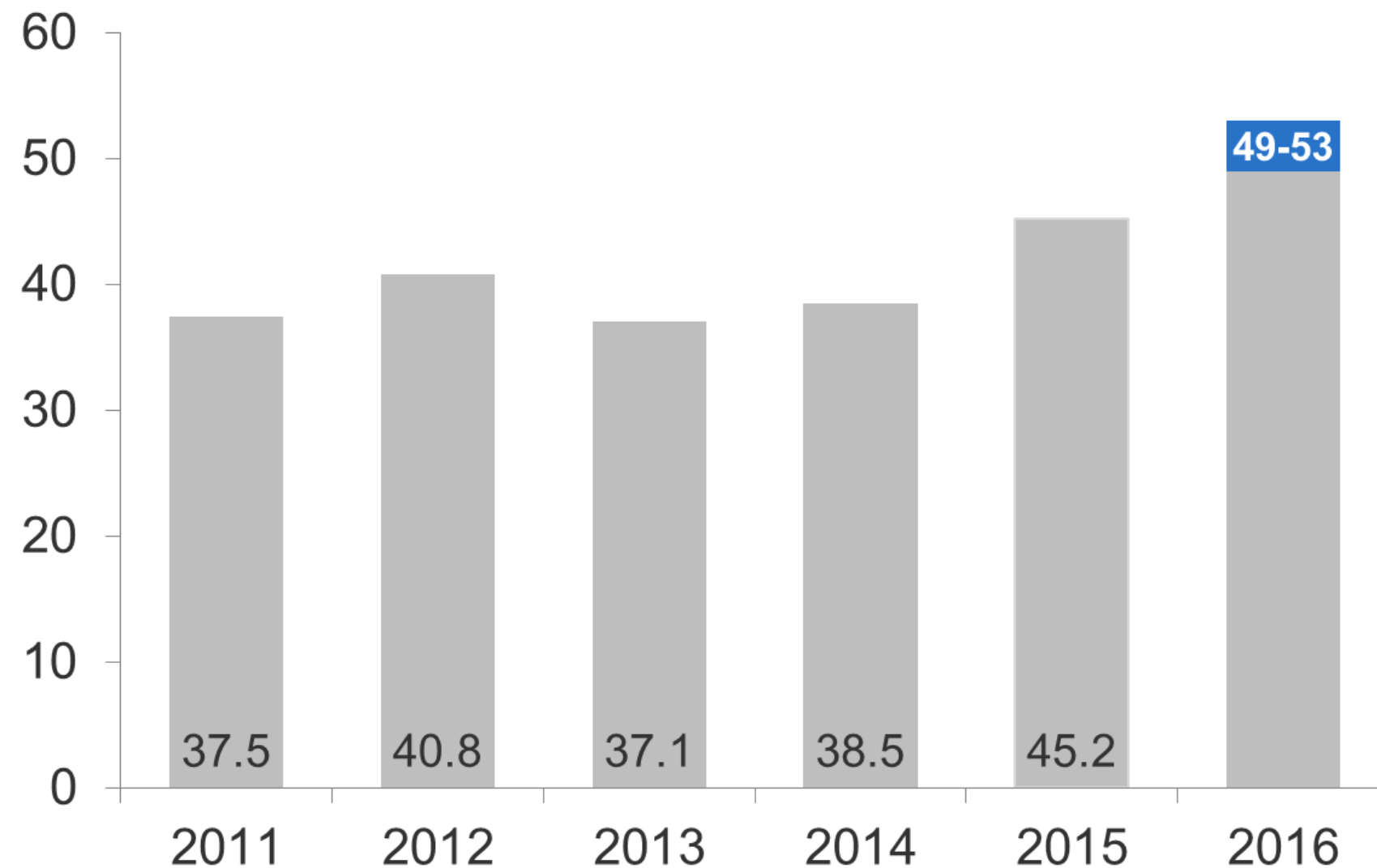
M&A strategy

- Eimskip's plan for external growth is based on accretive acquisitions and joint ventures that have the following criteria
 - In line with the current vision and strategy
 - History of stable operation
 - Strong management team
 - Growth potential
 - Potential synergy opportunities
- The company is in advanced acquisition process
- Transactions are expected to be closed in the third quarter



RAISED EBITDA FORECAST FOR 2016

EBITDA in the range of EUR 49 to 53 million



- The EBITDA forecast for 2016 has been changed to the range of EUR 49 to 53 million
 - Was in the range of EUR 46 to 50 million, as presented last February
- 2016 has started off well and the outlook is positive
 - Continued growth is expected in Iceland
 - Volumes in the Faroe Islands are expected to be similar to last year's volumes
 - Continued growth in Norway
 - Dry cargo forwarding has been on a good track and similar growth is expected throughout the year
- Uncertainty
 - Reefer forwarding has had a slow start due to the economic conditions in China
 - Still uncertainty regarding wage agreements with a part of the Icelandic crew members on the company's vessels
 - General uncertainty regarding global economic conditions, volumes, rates, fuel costs, currency rates and competition
- Estimated EBITDA related to new acquisitions and strategic investments and cost related to the transactions is not included in the current EBITDA forecast

QUESTIONS

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