



STRONGEST Q2 PERFORMANCE SINCE 2009

Q2 2016 - 26 August 2016 | EBITDA up by 21.6% from previous year





HIGHLIGHTS

KEY HIGHLIGHTS FOR Q2 2016

Q2 2016 compared to Q2 2015

**EBITDA growth
21.6%**

**EBIT
up by 24.8%**

**Net earnings
up by 58.7%**

**Volume in
liner services
up by 9.1%**

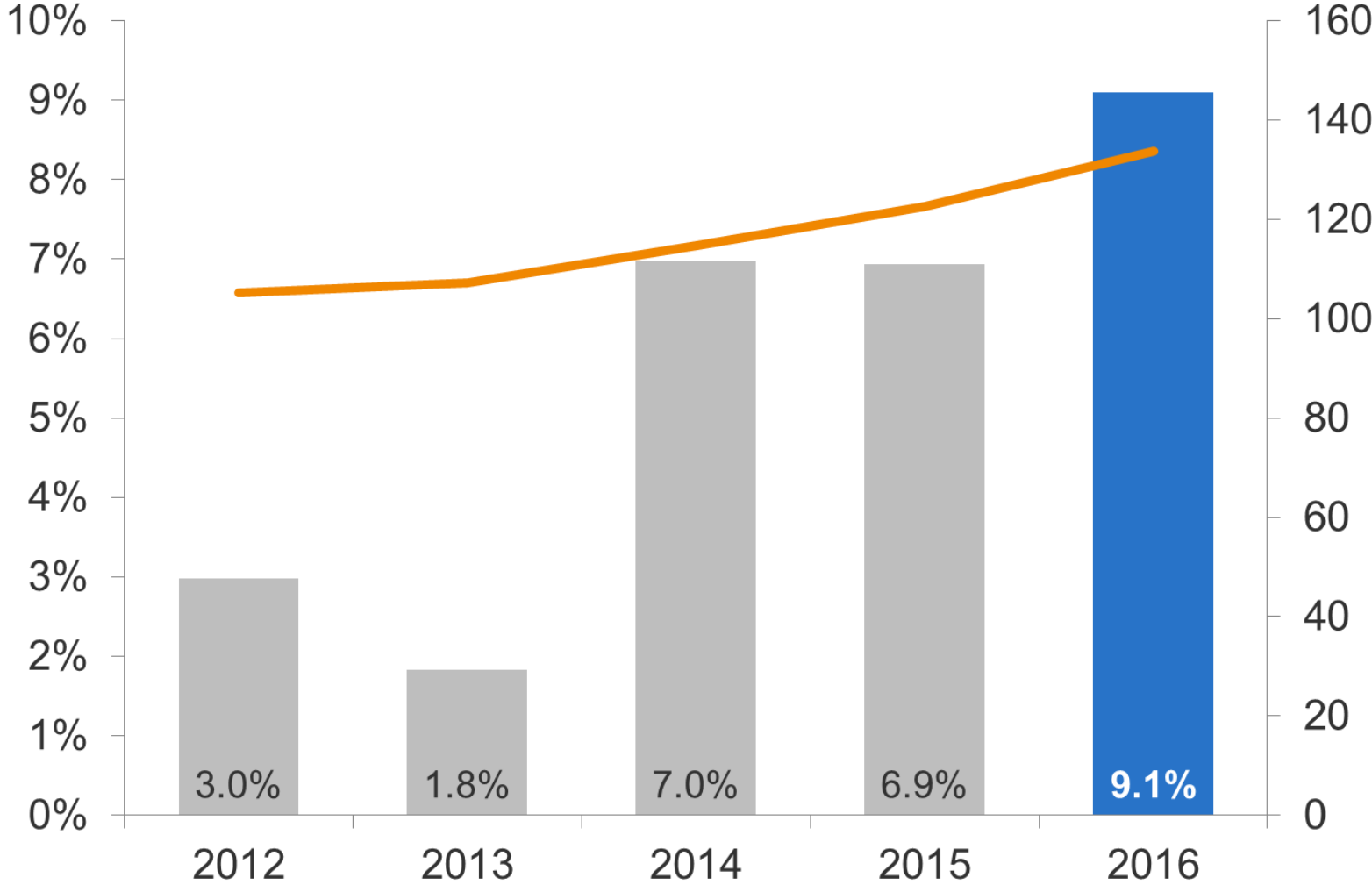
**Volume in
forwarding services
down by 1.2%**

Stronger cash flow

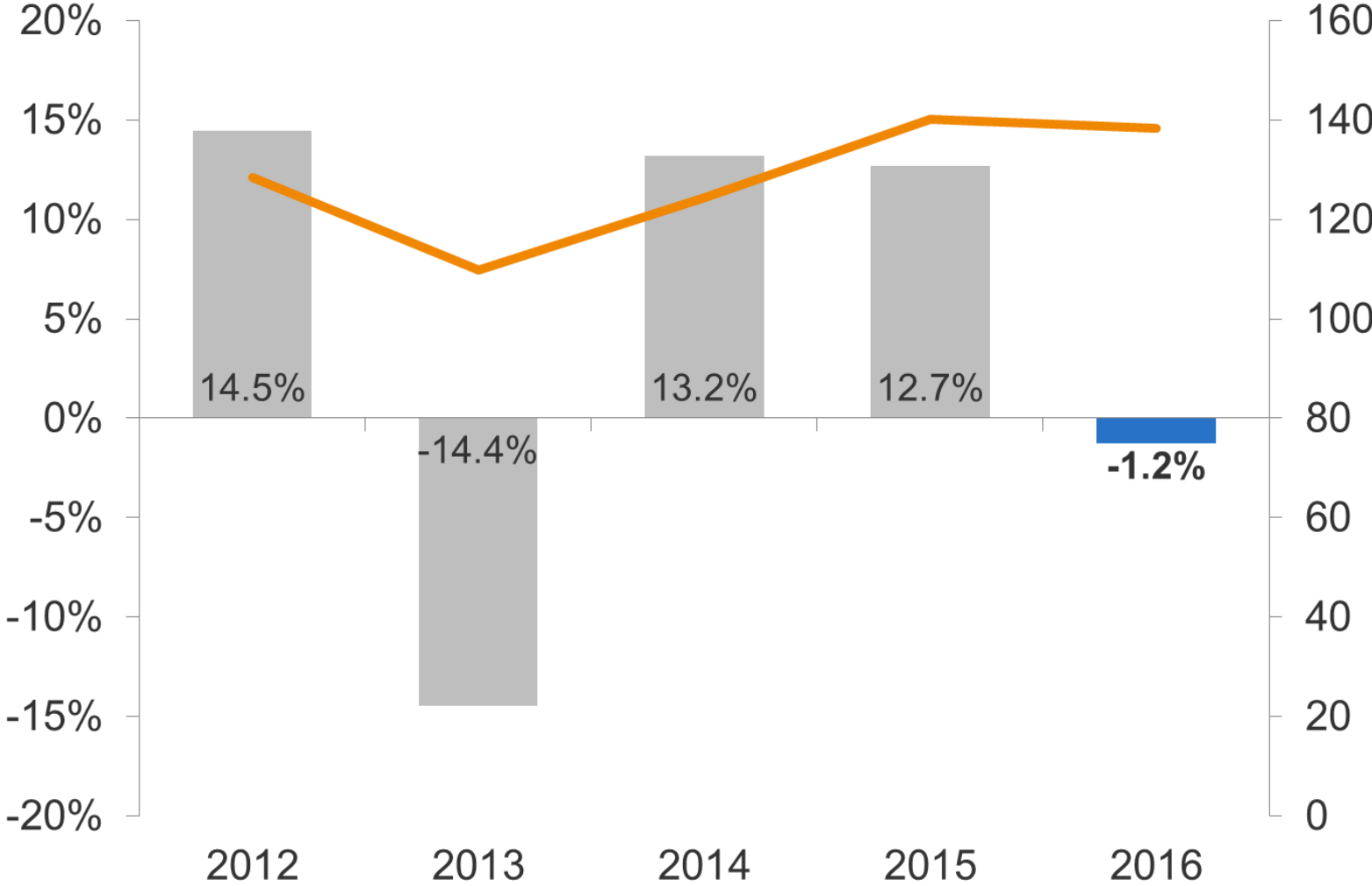
TRANSPORTED VOLUME IN Q2 2012 TO 2016

Changes from Q2 previous year

Liner services



Forwarding services



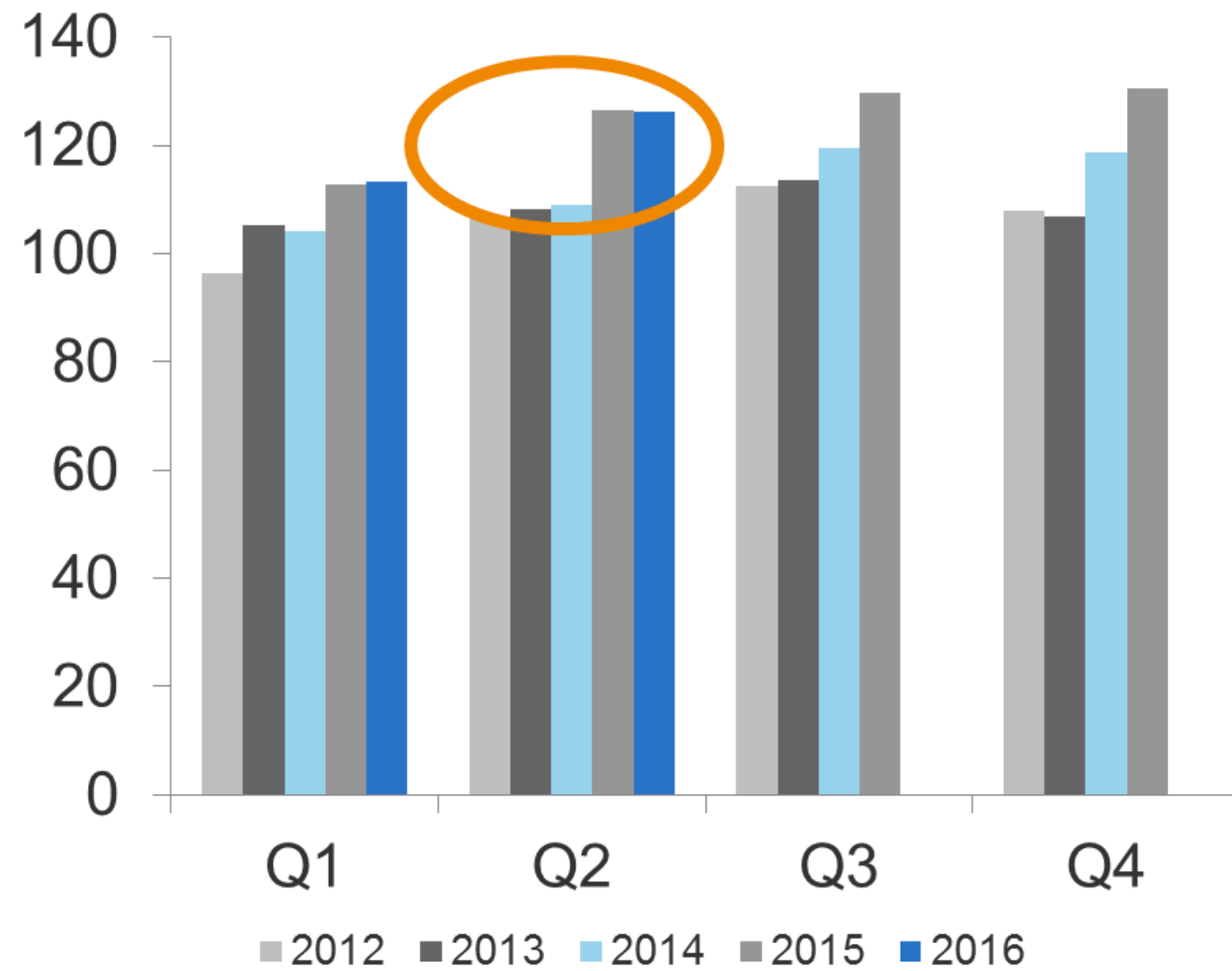
Volume index: 2010 volume at 100

REVENUE AND EBITDA 2012 TO 2016 BY QUARTER

Best Q2 since 2009

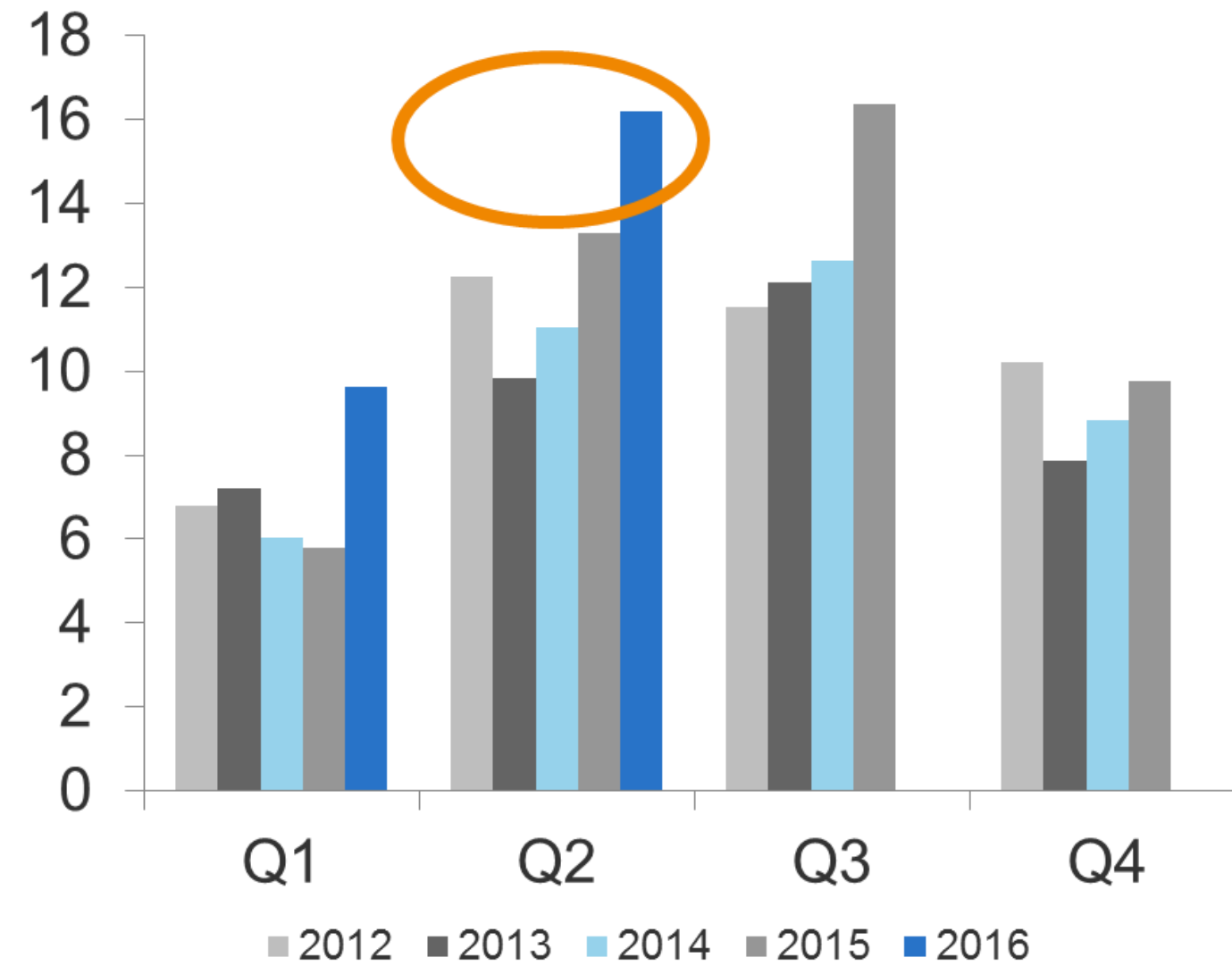
Revenue

EUR million



EBITDA

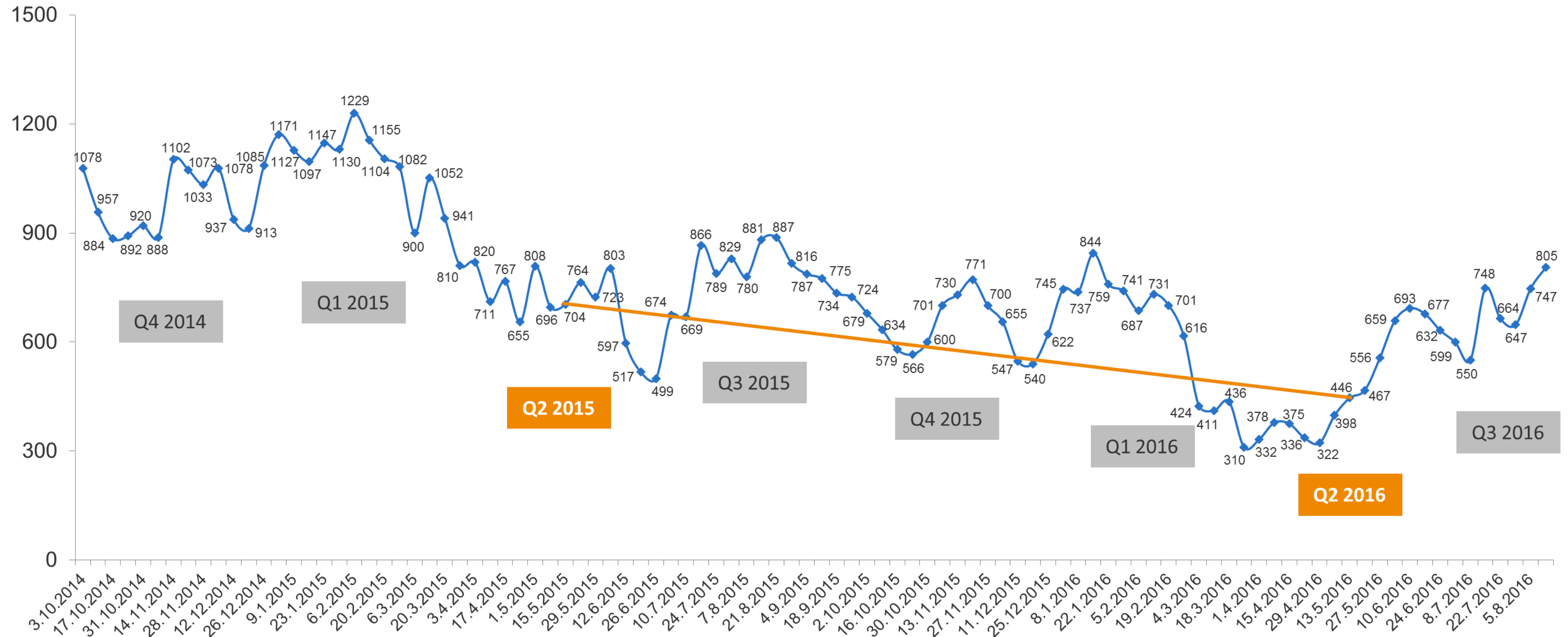
EUR million



Adjusted for one-off items in 2012

CHINA FORWARDERS FREIGHT INDEX

China - Europe



Source: www.shippingchina.com

KEY HIGHLIGHTS FOR 6M 2016

6M 2016 compared to 6M 2015

**EBITDA growth
35.2%**

**EBIT
up by 67.2%**

**Net earnings
up by 50.6%**

**Volume in
liner services
up by 8.6%**

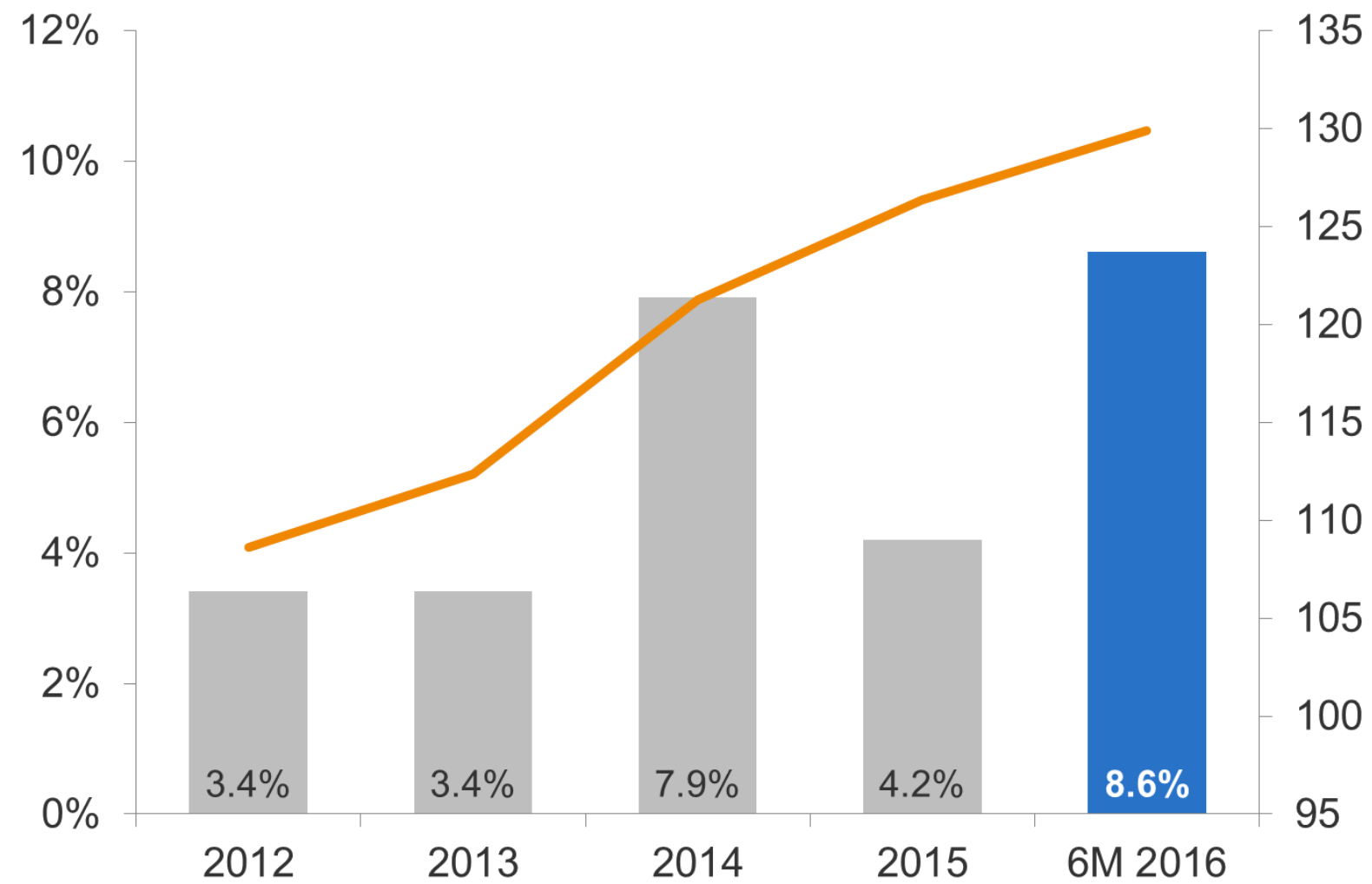
**Volume in
forwarding services
up by 2.2%**

Stronger cash flow

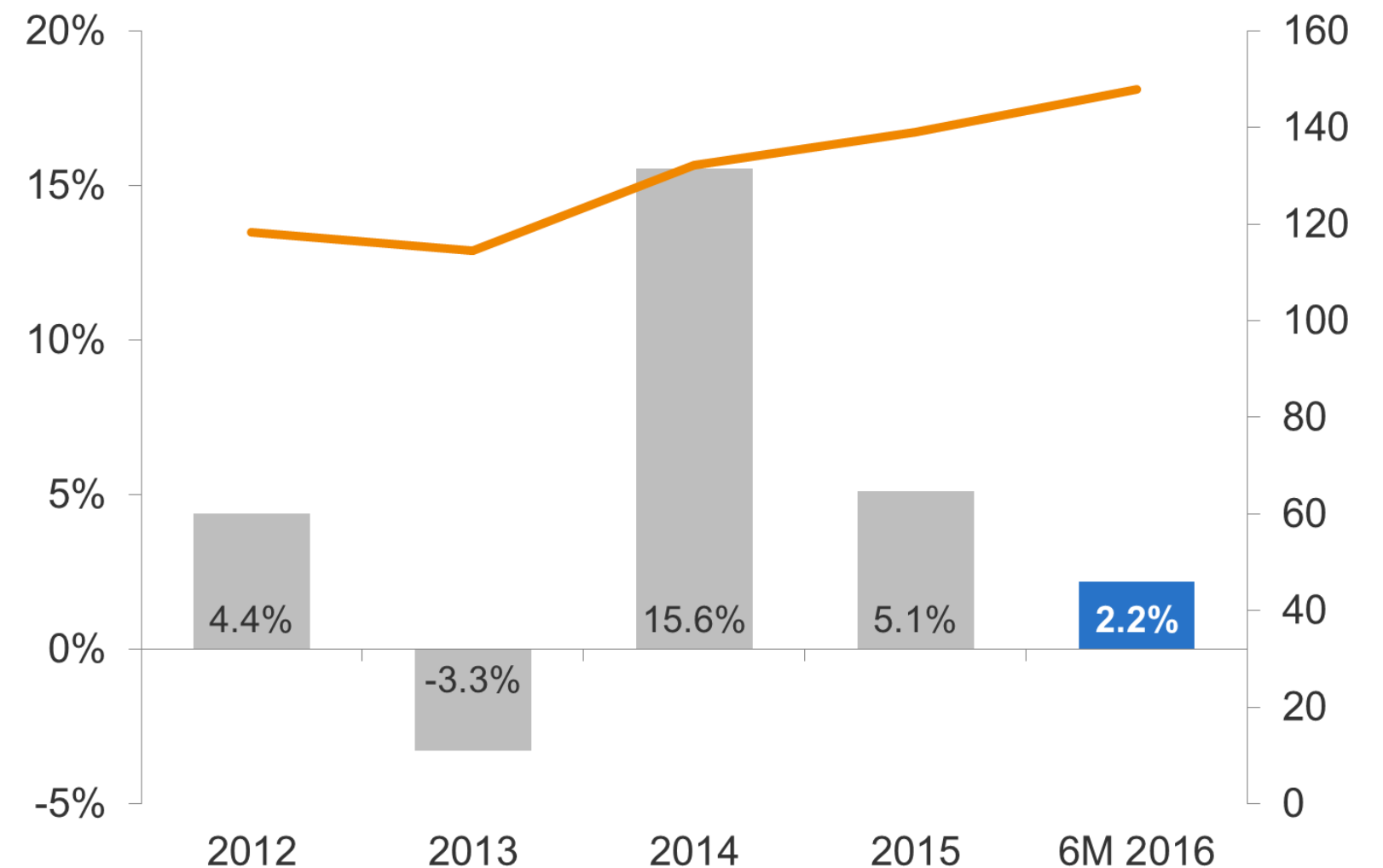
TRANSPORTED VOLUME 2012 TO 6M 2016

Changes from previous year

Liner services



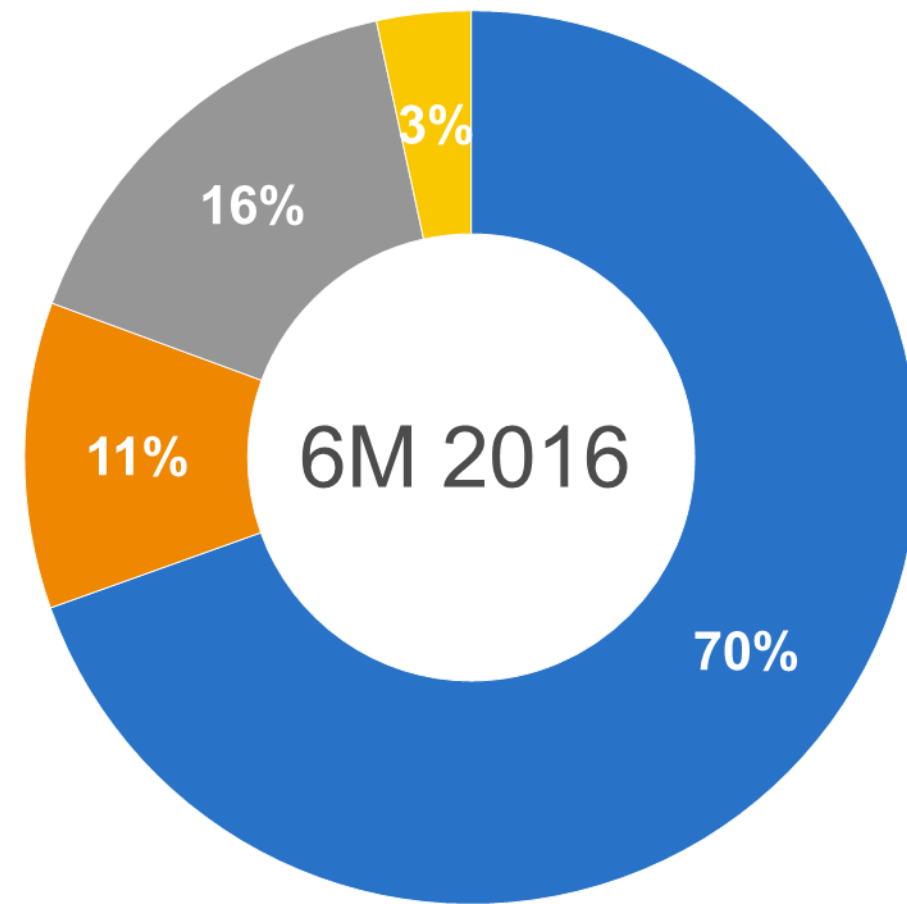
Forwarding services



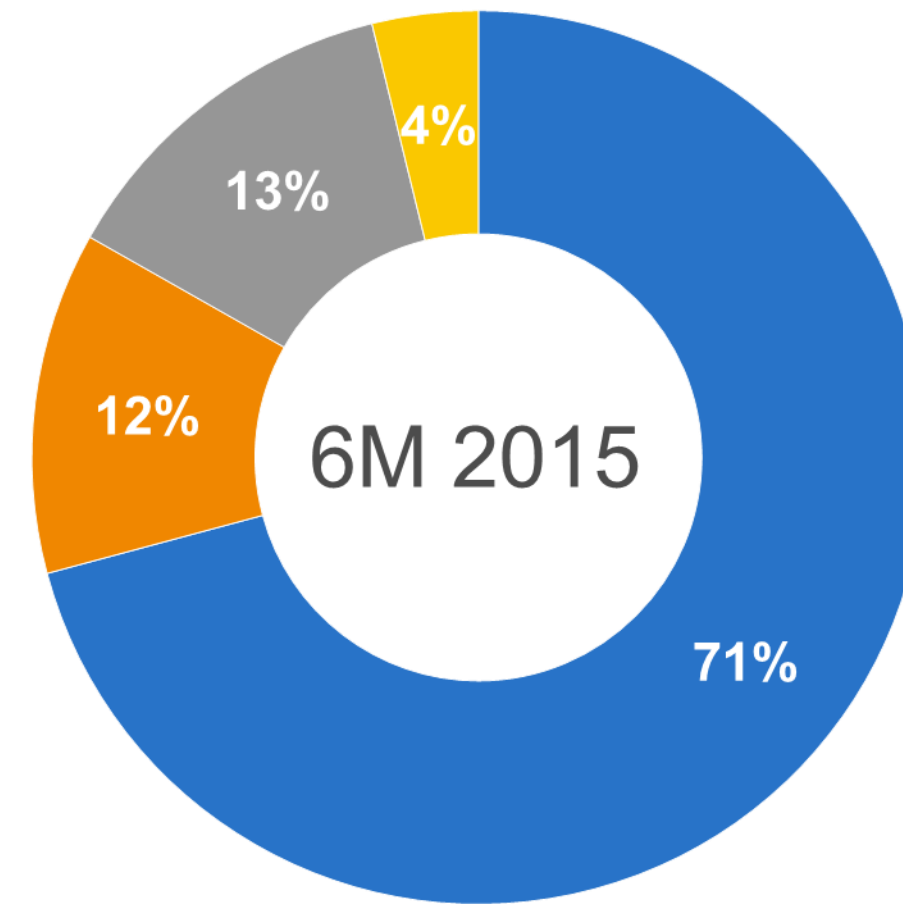
Volume index: 2010 volume at 100

LINER SERVICES VOLUME

Iceland, Faroe Islands, Norway and Trans-Atlantic



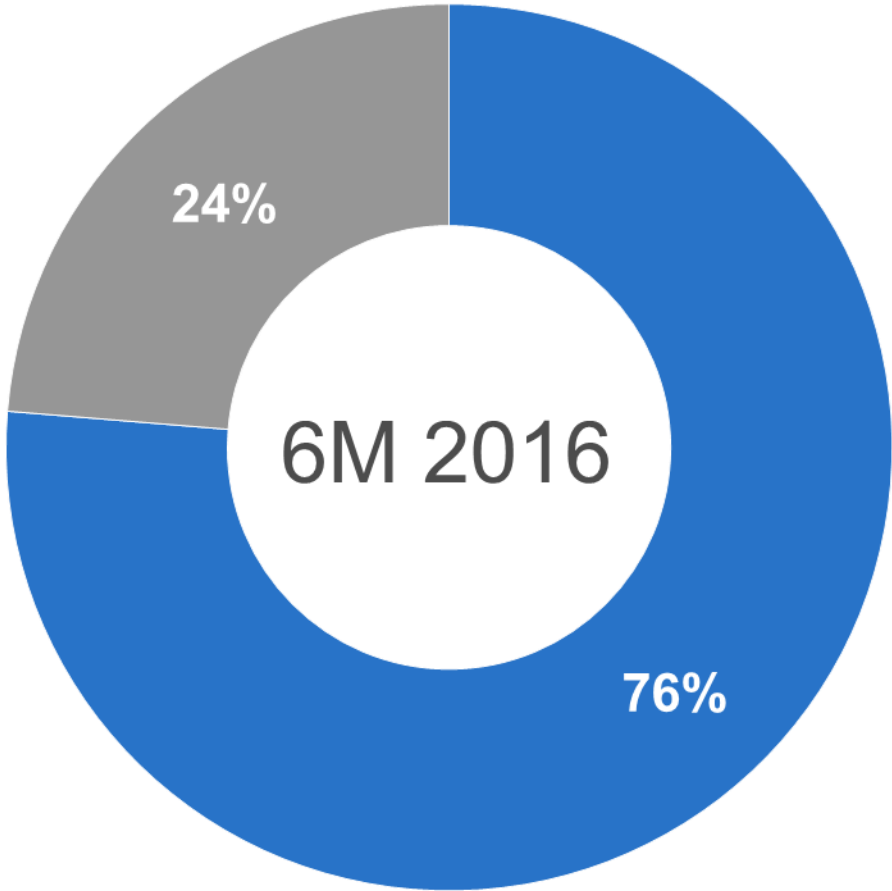
■ Iceland ■ Faroe Islands ■ Norway ■ Trans-Atlantic



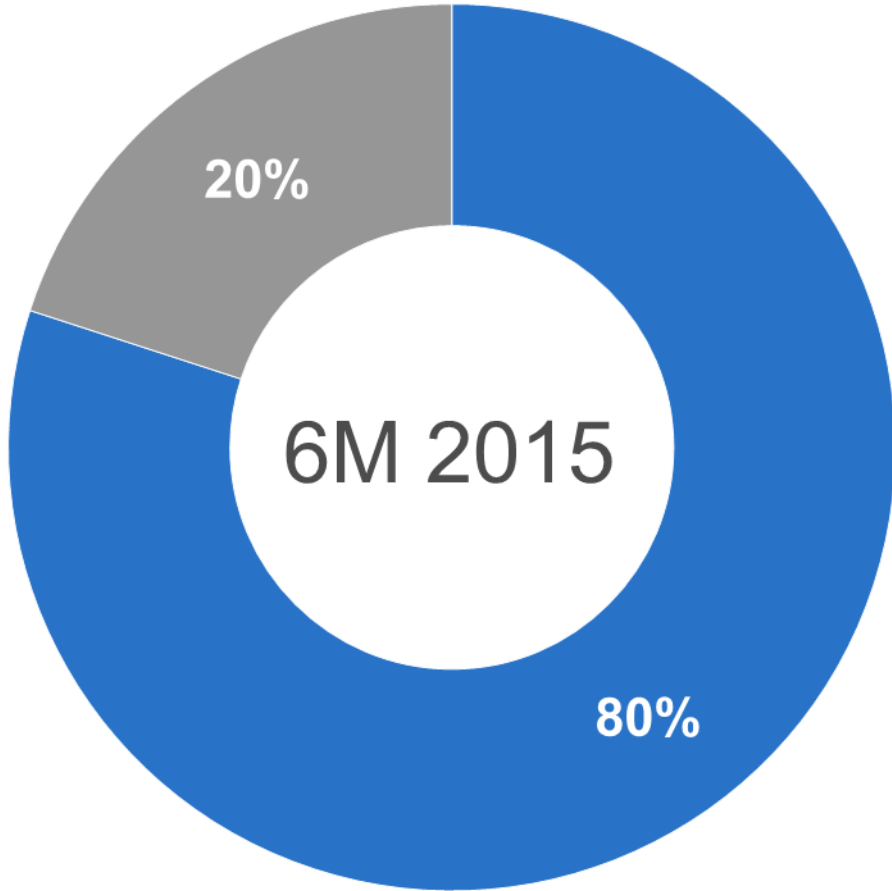
■ Iceland ■ Faroe Islands ■ Norway ■ Trans-Atlantic

FORWARDING SERVICES VOLUME

Reefer and dry cargo forwarding



■ Reefer ■ Dry



■ Reefer ■ Dry

A blue-tinted photograph of a seagull in flight over a pier. The seagull is captured in mid-flight, with its wings spread wide, flying towards the right. The background is a clear, deep blue sky. In the foreground, the dark silhouette of a pier structure is visible on the left and bottom. The text "FINANCIAL RESULTS" is overlaid in the center in a bold, white, sans-serif font.

FINANCIAL RESULTS

INCOME STATEMENT 6M 2016

Key highlights

Revenue
EUR 239.4 m
affected by freight
forwarding rates

Operating expenses
down by 3%
despite salary expenses
up by 20%

EBITDA
EUR 25.8 m
up by 35.2%
EBITDA margin
10.8%
up from 8%

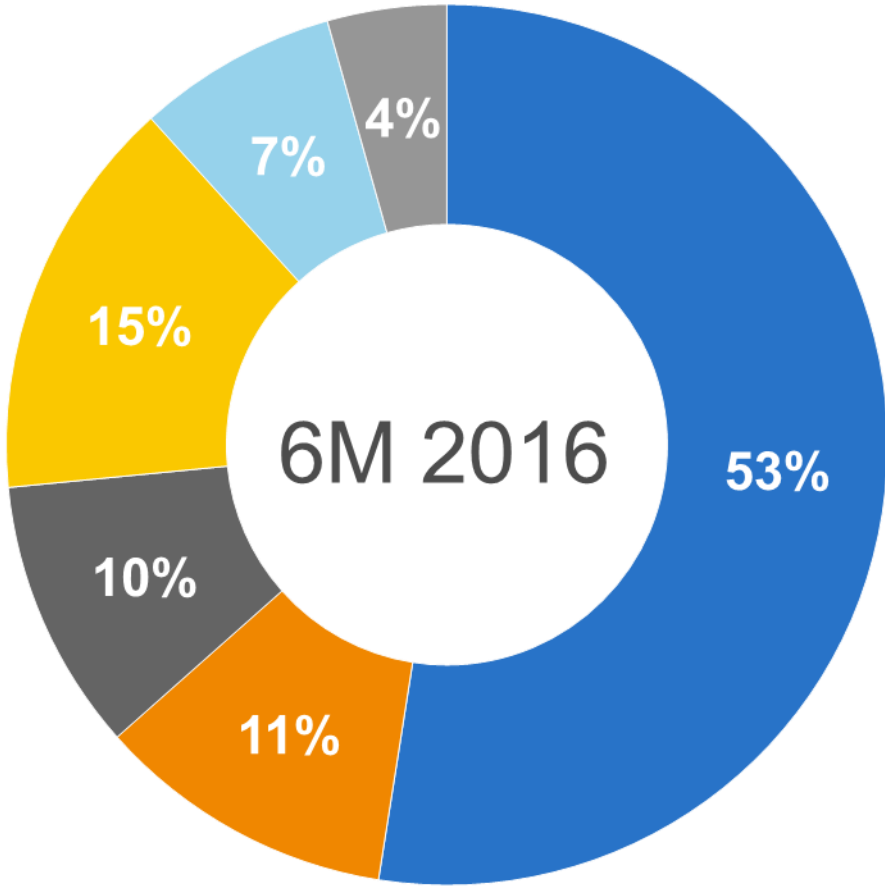
EBIT
EUR 12.6 m
up by 67.2%

Currency exchange
difference
negative of
EUR 1.6 m

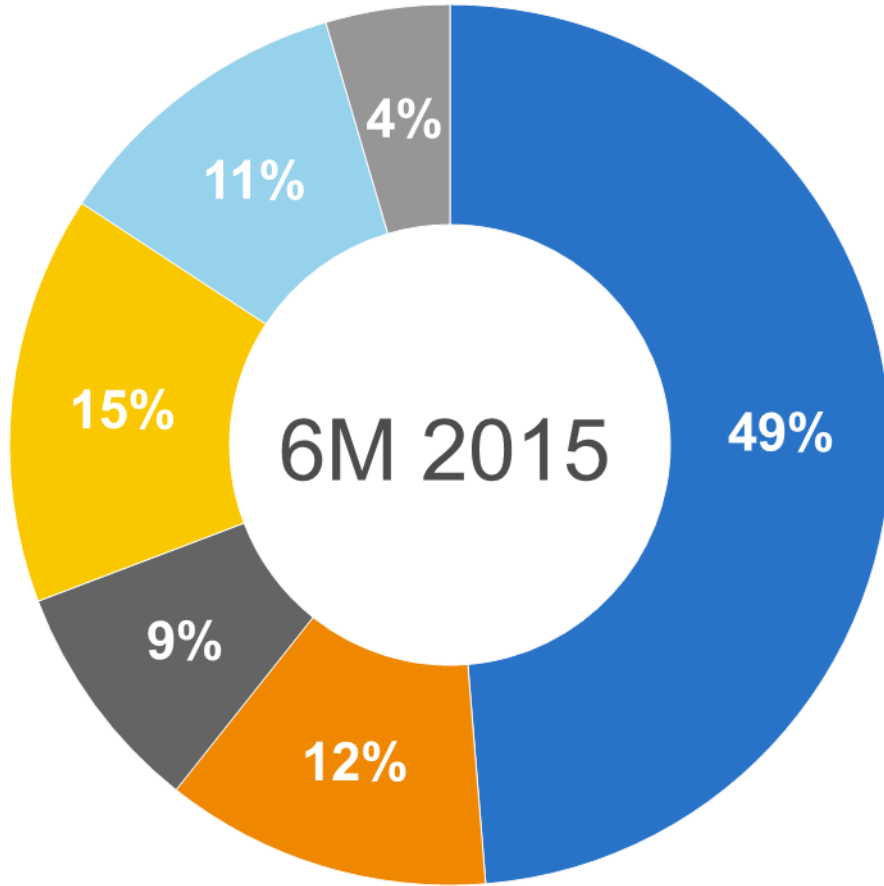
Net earnings
EUR 10.6 m
up by 50.6%

GEOGRAPHICAL SPLIT OF REVENUE

About half of revenue is related to Iceland



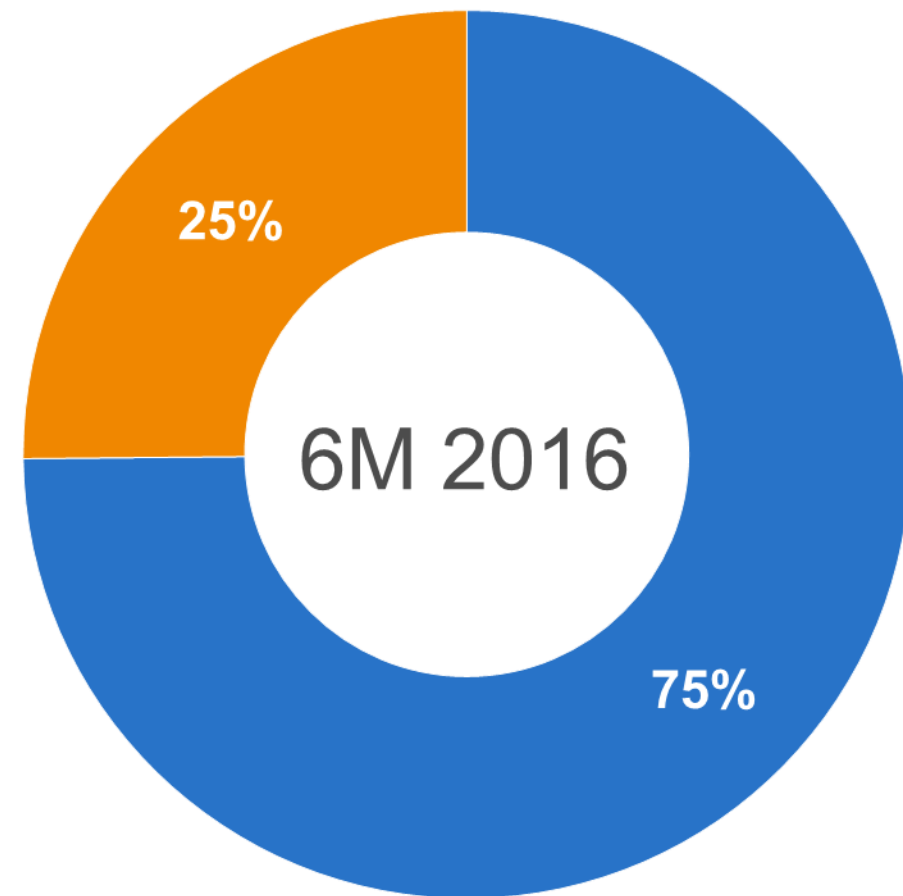
- Iceland
- Norway
- Asia
- Faroe Islands
- Europe
- Other



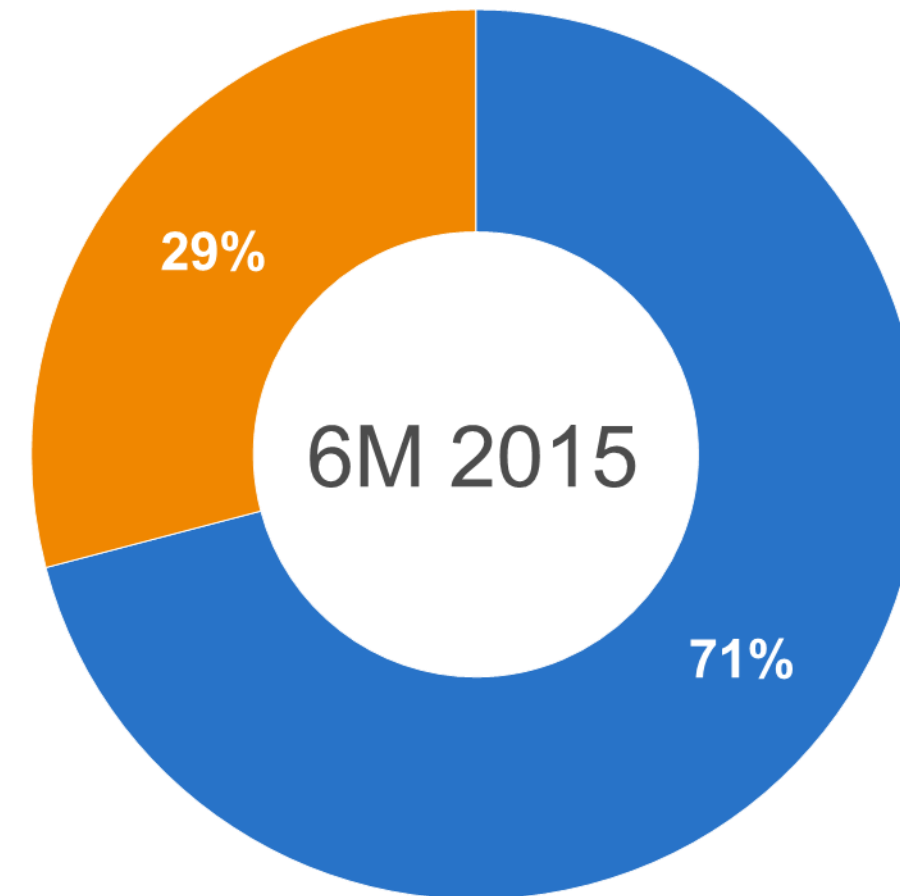
- Iceland
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- Asia
- Faroe Islands
- Europe
- Other

REVENUE BY BUSINESS SEGMENT

Liner services and forwarding services



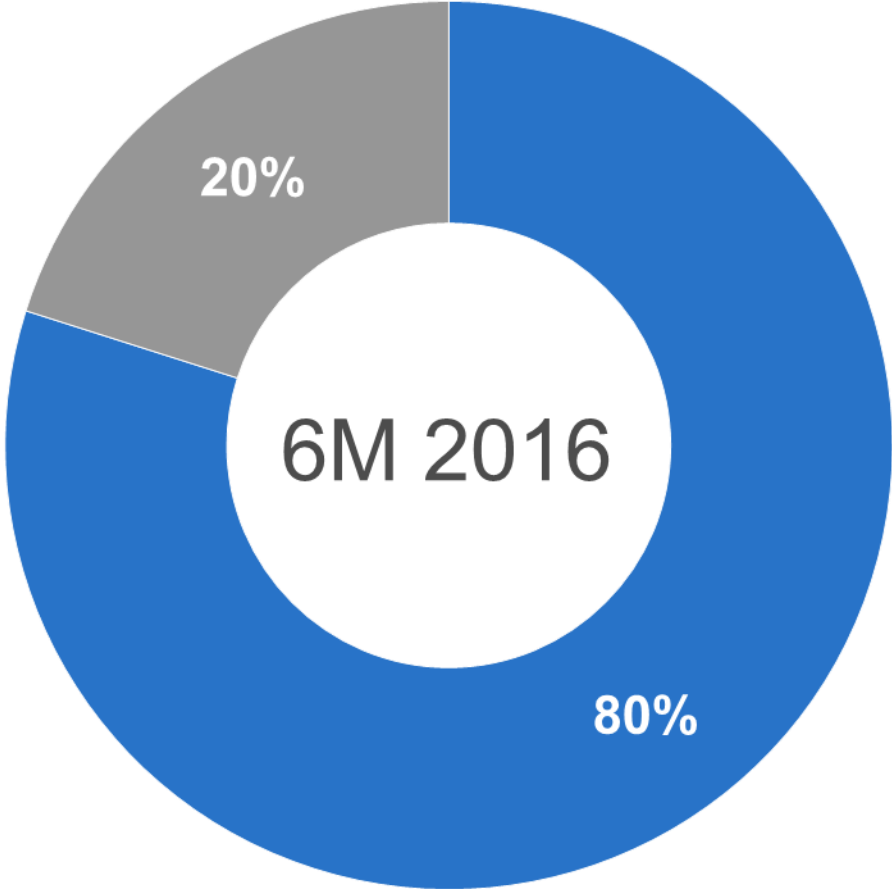
■ Liner services ■ Forwarding services



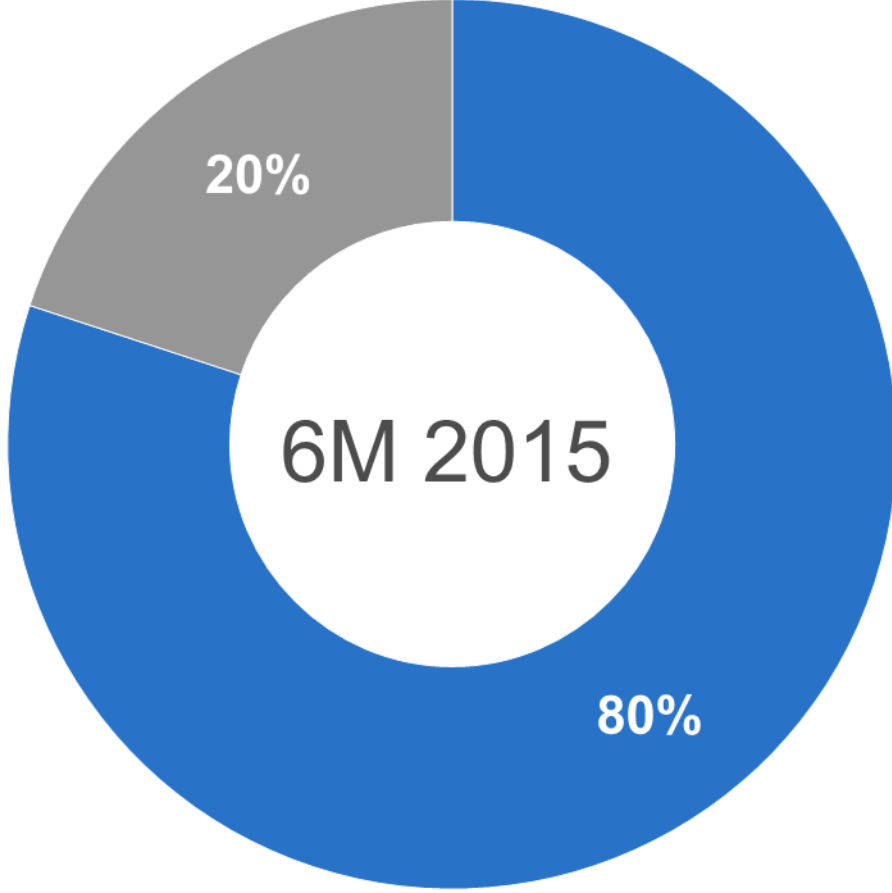
■ Liner services ■ Forwarding services

EBITDA BY BUSINESS SEGMENT

Liner services and forwarding services



■ Liner services ■ Forwarding services



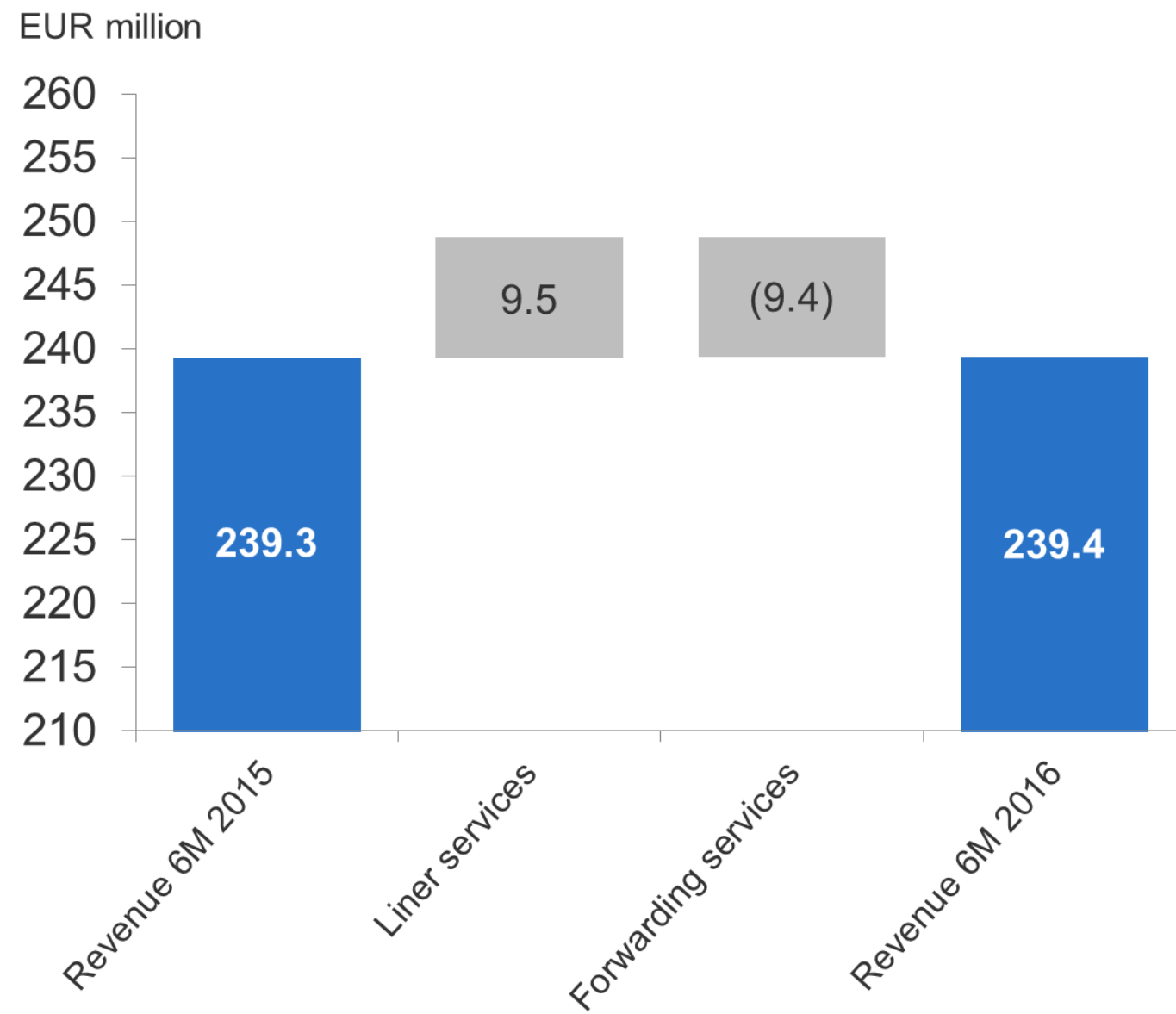
■ Liner services ■ Forwarding services

BUSINESS SEGMENT BRIDGES 6M 2016

Revenue and EBITDA

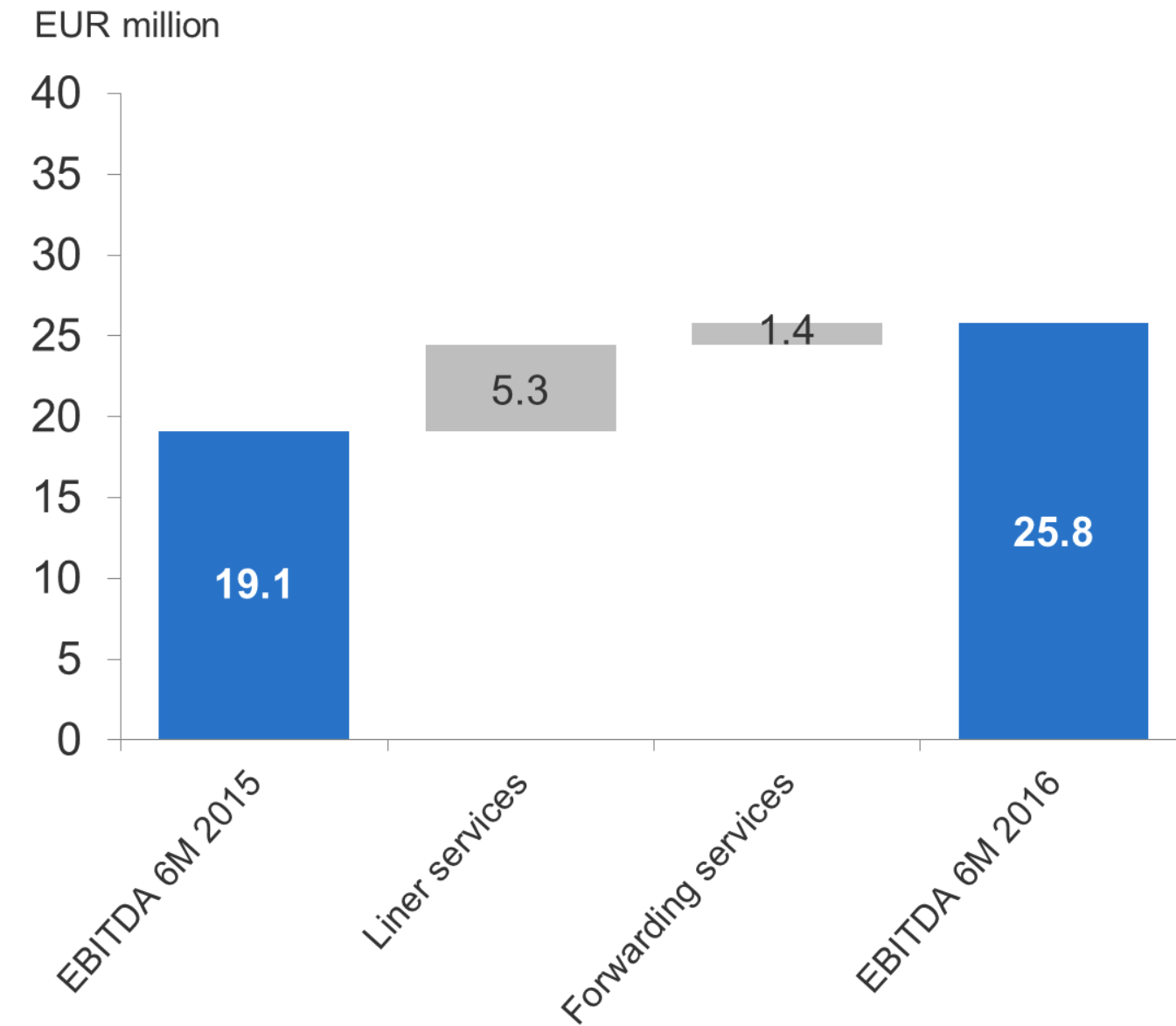
Revenue

EUR million



EBITDA

EUR million

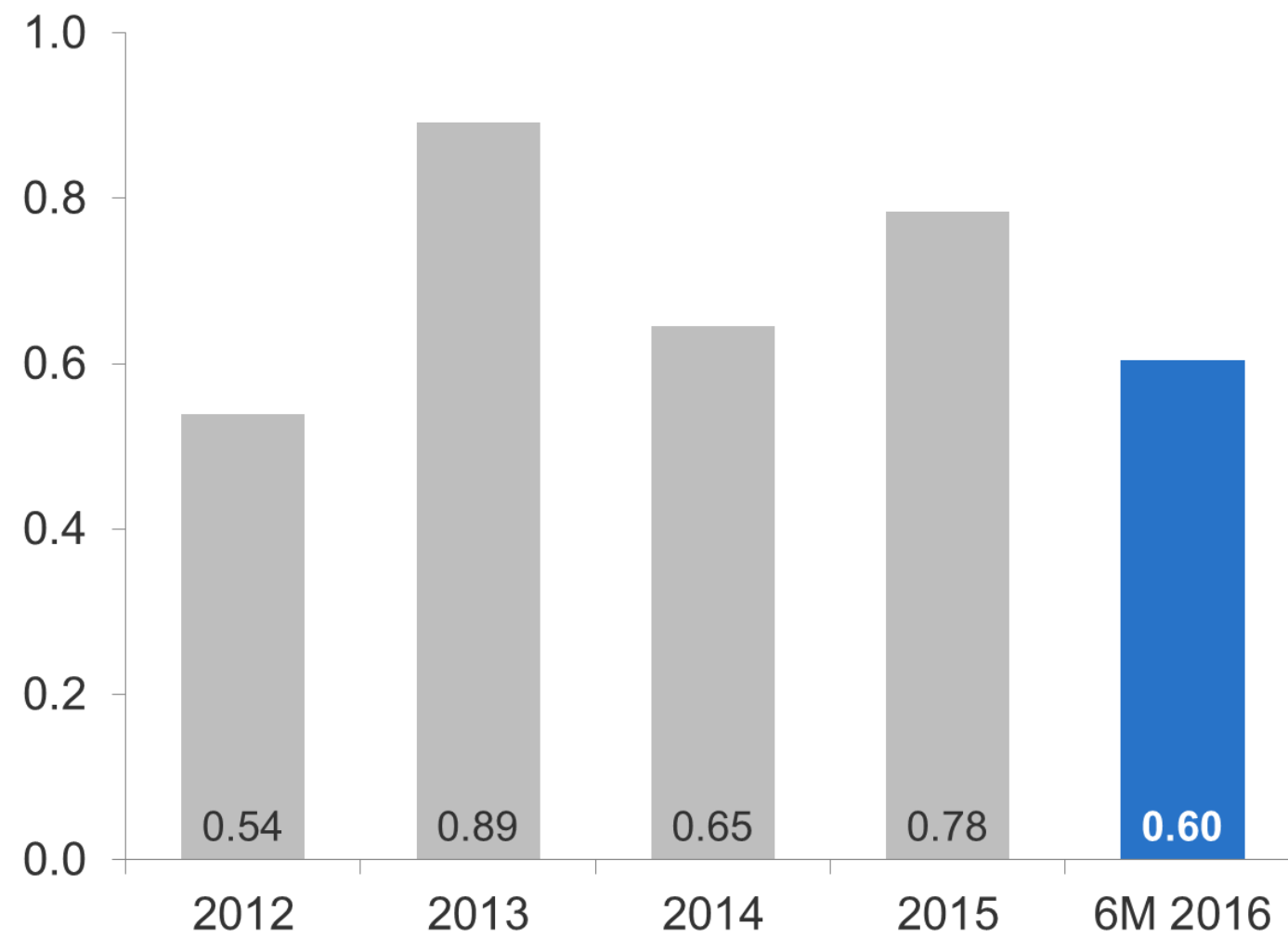


FINANCIAL RATIOS 2012 TO 2016

Low leverage and strong financial position

Net debt / LTM-EBITDA

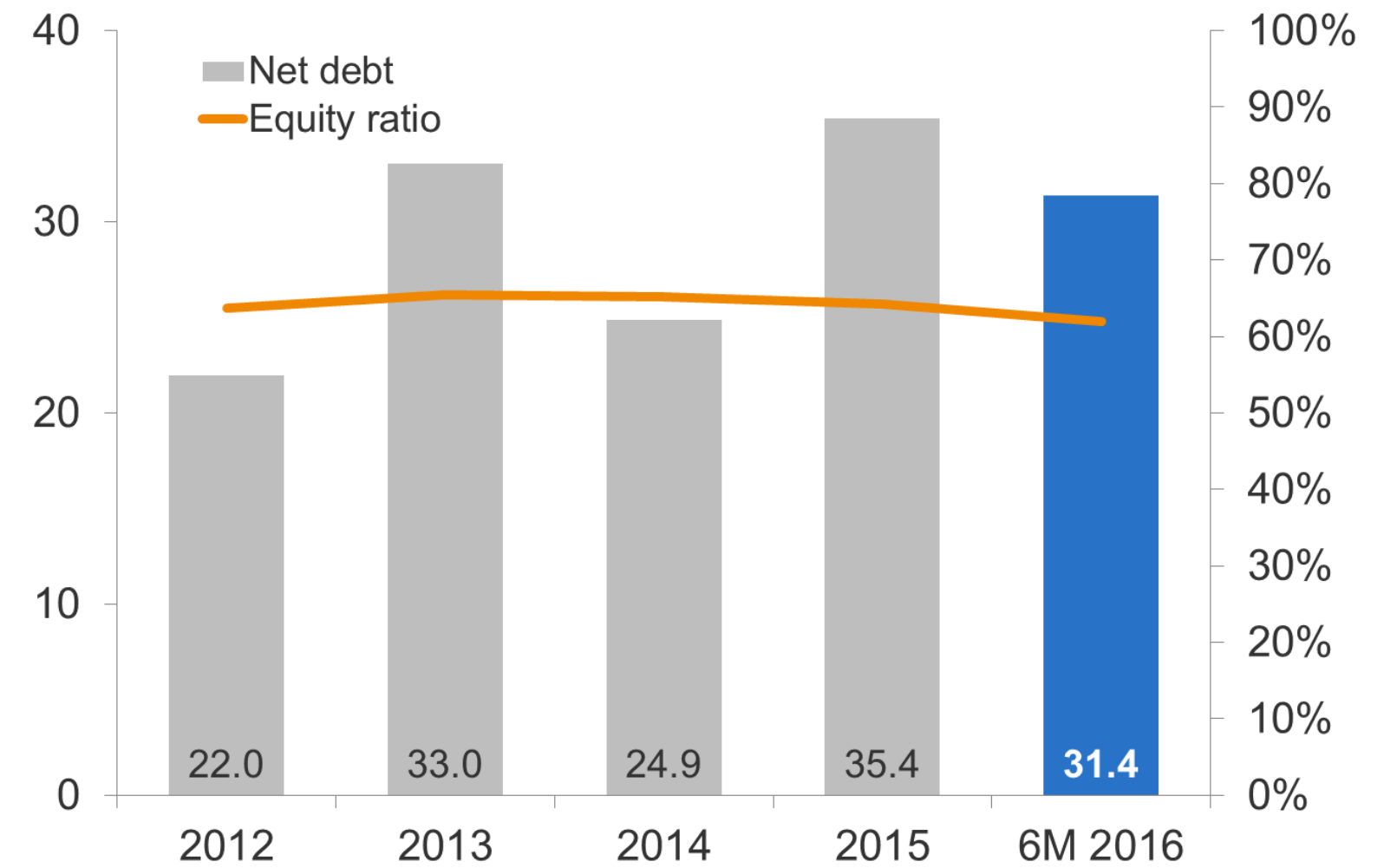
EUR million



Adjusted for one-off items in 2012

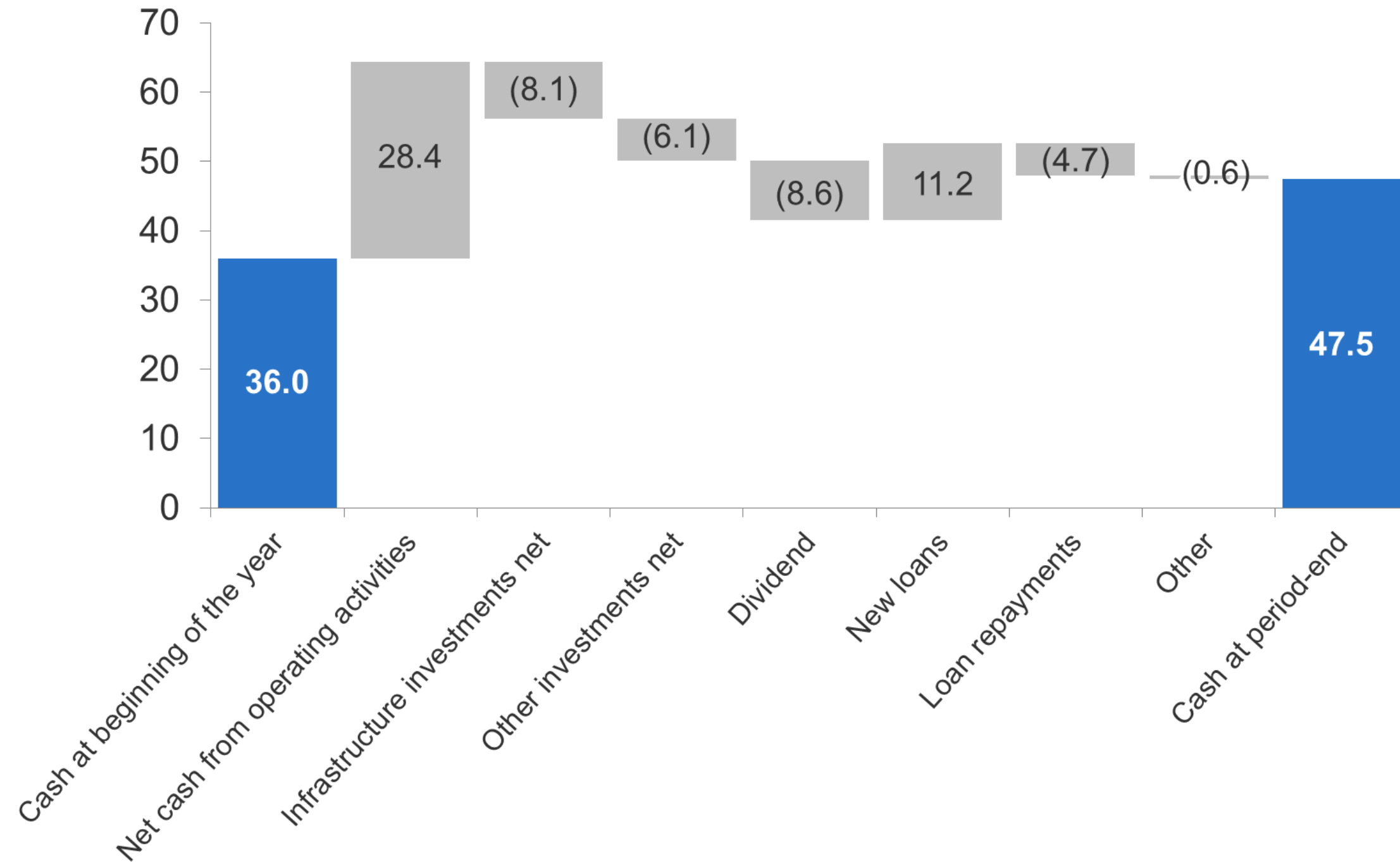
Net debt and equity ratio

EUR million



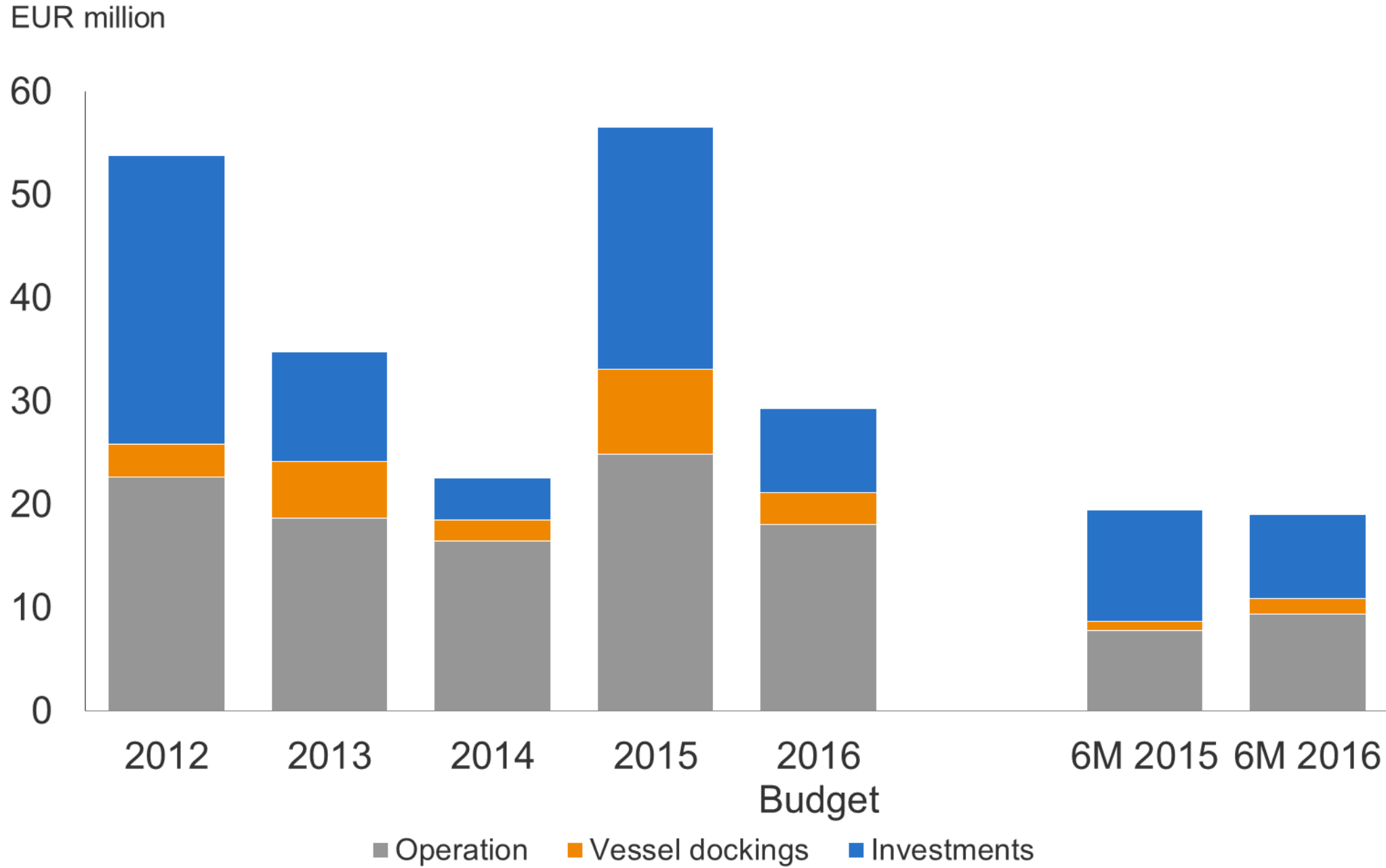
CASH FLOW BRIDGE 6M 2016

Increased cash flow from operating activities



CAPEX 2012 TO 2016

Total CAPEX EUR 17.5 million in 6M 2016



A large container ship is shown from an elevated perspective, sailing on the ocean at night. The ship is illuminated by its own lights, and the water around it is dark. The ship's deck is covered with stacks of white containers, each with the 'EIMSKIP' logo. The ship's name 'EIMSKIP' is visible on the side of the hull. The text 'ONGOING PROJECTS AND FUTURE DEVELOPMENT' is overlaid in white, bold, sans-serif font across the center of the image.

ONGOING PROJECTS AND FUTURE DEVELOPMENT

POTENTIAL INVESTMENTS

Acquisitions

- Eimskip has made significant progress on acquisitions and aims to close several transactions in Europe in its existing core business in the third and the fourth quarter
- The company has engaged international legal and audit firms to conclude due diligence
- The intent is to grow both organically and through strategic accretive acquisitions to increase shareholder value
- Evaluation will continue on additional acquisitions and vessel investments on an ongoing basis
- New equity will not be issued to conclude potential investments
- The plan is to use excess cash and issue additional debt, increasing the leverage of the company to more normal levels, still maintaining strong balance sheet



POTENTIAL INVESTMENTS

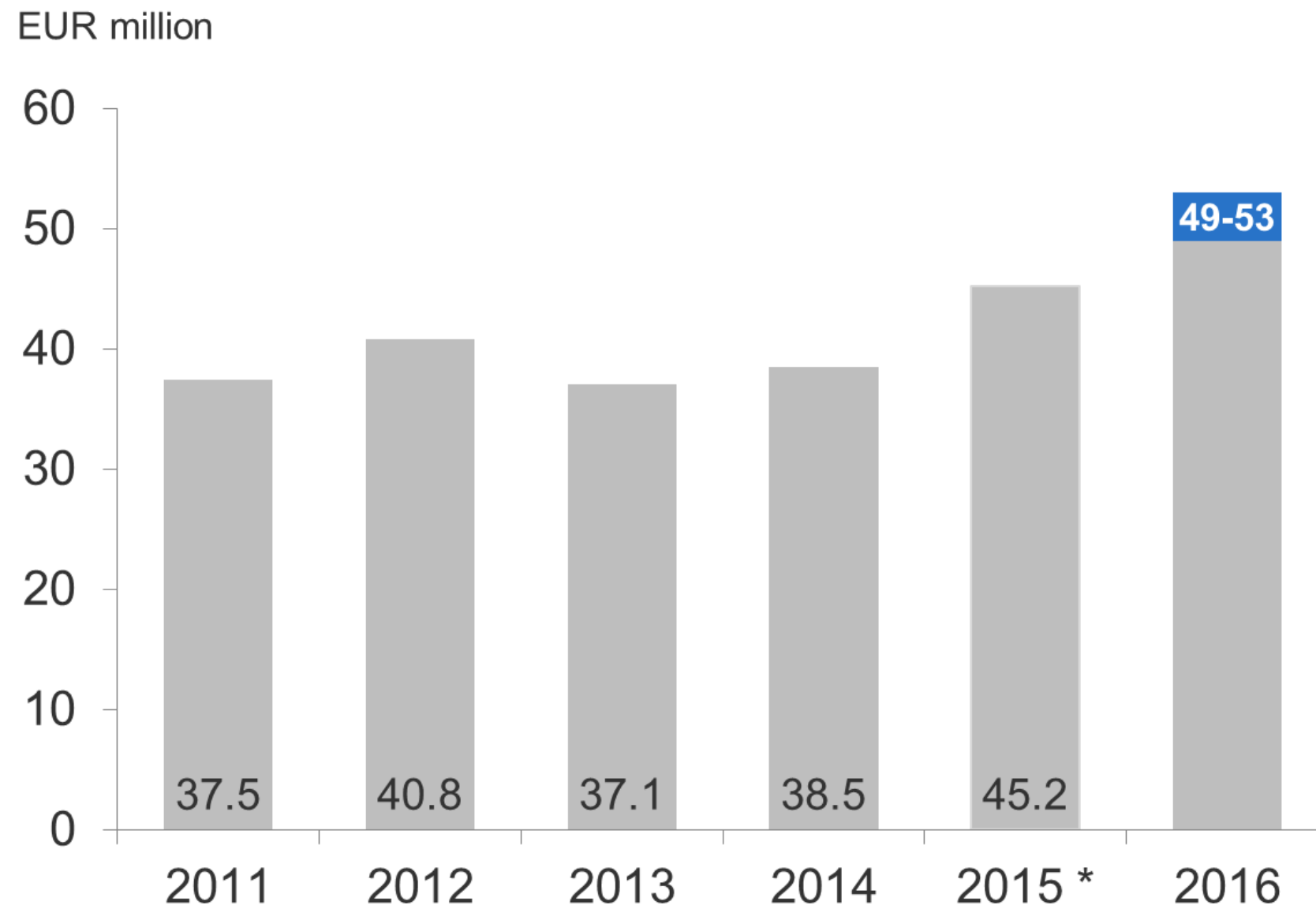
Joint Venture with Royal Arctic Line

- In May, Eimskip and Royal Arctic Line, the national carrier of Greenland, signed a letter of intent to connect Greenland with Eimskip's international sailing system
- The companies have been formalizing and evaluating the potential cooperation regarding container vessel investments and connecting sailing systems
- The project is progressing as planned and a final decision is expected shortly



UNCHANGED EBITDA FORECAST FOR 2016

EBITDA in the range of EUR 49 to 53 million



* In Q3 2015 the company received EUR 2 million one-off income related to cancellation of a vessel under construction

- The outlook for the third quarter is in line with expectations and the rest of the year looks positive
 - Continued volume growth is expected in the Icelandic market
 - Volumes in the Faroe Islands are expected to be similar to last year's volumes
 - Outlook for Norway remains positive
 - Reefer forwarding has had a slow start in 6M due to the economic conditions in China, but rates are improving in Q3
 - Dry cargo forwarding has been on a good track and similar growth is expected throughout the year
- Uncertainty
 - 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

A blue-tinted photograph of a large iceberg floating in the water. The iceberg is the central focus, with its jagged, layered structure clearly visible. The water in the foreground is calm, reflecting the iceberg and the sky. The sky is a deep, dark blue. The word "QUESTIONS" is overlaid in the center of the image in a bold, white, sans-serif font.

QUESTIONS

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