

## STRONG PERFORMANCE CONTINUES IN THIRD QUARTER

### Normalized EBITDA growth 23.3%

- **Revenue EUR 134.1 million, up by EUR 4.3 million or 3.4% from Q3 2015**
  - Revenue up by EUR 6.3 million or 4.9% when excluding the EUR 2.0 million gain on disposal of a vessel under construction included in Q3 2015 revenue
- **EBITDA EUR 17.8 million, up by EUR 1.4 million or 8.6% from Q3 2015**
  - Normalized EBITDA up EUR 3.4 million or 23.3%, excluding the EUR 2.0 million gain on disposal
- **Net earnings EUR 9.4 million compared to EUR 8.5 million, up by 10.7% from Q3 2015**
- **Equity ratio 63.3% and net debt EUR 34.8 million at the end of September**
- **EBITDA forecast for the year 2016 has been changed to the range of EUR 52 to 55 million**

Amounts are in thousands of EUR

CONSOLIDATED INCOME STATEMENT	Q3 2016	Q3 2015	Change	%	9M 2016	9M 2015	Change	%
Revenue	134,070	129,721	4,349	3.4%	373,425	368,971	4,454	1.2%
Expenses	116,310	113,361	2,949	2.6%	329,855	333,521	(3,666)	(1.1%)
<b>Operating profit - EBITDA</b>	<b>17,760</b>	<b>16,360</b>	<b>1,400</b>	<b>8.6%</b>	<b>43,570</b>	<b>35,450</b>	<b>8,120</b>	<b>22.9%</b>
Depreciation and amortization	(6,917)	(5,933)	(984)	(16.6%)	(20,079)	(17,458)	(2,621)	(15.0%)
<b>Results from operating activities - EBIT</b>	<b>10,843</b>	<b>10,427</b>	<b>416</b>	<b>4.0%</b>	<b>23,491</b>	<b>17,992</b>	<b>5,499</b>	<b>30.6%</b>
Net finance (expense) income	(369)	(482)	113	23.4%	(1,028)	27	(1,055)	-
Share of earnings of associated companies	196	66	130	197.0%	411	252	159	63.1%
<b>Net earnings before income tax</b>	<b>10,670</b>	<b>10,011</b>	<b>659</b>	<b>6.6%</b>	<b>22,874</b>	<b>18,271</b>	<b>4,603</b>	<b>25.2%</b>
Income tax	(1,289)	(1,537)	248	16.1%	(2,893)	(2,758)	(135)	(4.9%)
<b>Net earnings for the period</b>	<b>9,381</b>	<b>8,474</b>	<b>907</b>	<b>10.7%</b>	<b>19,981</b>	<b>15,513</b>	<b>4,468</b>	<b>28.8%</b>
Revenue change	3.4%	8.5%			1.2%	10.9%		
EBITDA ratio	13.2%	12.6%			11.7%	9.6%		
EBIT ratio	8.1%	8.0%			6.3%	4.9%		
Net debt / LTM-EBITDA	0.65	1.19			0.65	1.19		
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30.09.2016	30.09.2015	Change	%	30.09.2016	31.12.2015	Change	%
<b>Assets</b>	<b>379,111</b>	<b>370,650</b>	<b>8,461</b>	<b>2.3%</b>	<b>379,111</b>	<b>355,157</b>	<b>23,954</b>	<b>6.7%</b>
Non-current assets	237,878	228,554	9,324	4.1%	237,878	233,280	4,598	2.0%
Current assets	141,233	142,096	(863)	(0.6%)	141,233	121,877	19,356	15.9%
<b>Equity</b>	<b>240,061</b>	<b>225,958</b>	<b>14,103</b>	<b>6.2%</b>	<b>240,061</b>	<b>228,124</b>	<b>11,937</b>	<b>5.2%</b>
<b>Liabilities</b>	<b>139,050</b>	<b>144,692</b>	<b>(5,642)</b>	<b>(3.9%)</b>	<b>139,050</b>	<b>127,033</b>	<b>12,017</b>	<b>9.5%</b>
Non-current liabilities	51,272	40,777	10,495	25.7%	51,272	55,550	(4,278)	(7.7%)
Current liabilities	87,778	103,915	(16,137)	(15.5%)	87,778	71,483	16,295	22.8%
Interest-bearing debt	79,958	81,769	(1,811)	(2.2%)	79,958	71,401	8,557	12.0%
Net debt	34,836	52,519	(17,683)	(33.7%)	34,836	35,418	(582)	(1.6%)
Tangible assets / Total assets	92.7%	92.9%			92.7%	92.6%		
Equity ratio	63.3%	61.0%			63.3%	64.2%		
CONSOLIDATED STATEMENT OF CASH FLOWS	Q3 2016	Q3 2015	Change	%	9M 2016	9M 2015	Change	%
Net cash from operating activities	5,831	6,889	(1,058)	(15.4%)	34,182	21,783	12,399	56.9%
Net cash used in investing activities	(7,225)	(15,780)	8,555	54.2%	(21,465)	(39,238)	17,773	45.3%
Net cash (used in) provided by financing activities	(1,213)	1,876	(3,089)	-	(3,455)	6,438	(9,893)	-
<b>Changes in cash and cash equivalents</b>	<b>(2,607)</b>	<b>(7,015)</b>	<b>4,408</b>	<b>(62.8%)</b>	<b>9,262</b>	<b>(11,017)</b>	<b>20,279</b>	<b>-</b>
Effects of exchange rate fluctuations on cash held	266	(746)	1,012	-	(123)	728	(851)	-
<b>Cash and cash equivalents at the end of period</b>	<b>45,122</b>	<b>29,250</b>	<b>15,872</b>	<b>54.3%</b>	<b>45,122</b>	<b>29,250</b>	<b>15,872</b>	<b>54.3%</b>

## **GYLFI SIGFÚSSON, PRESIDENT AND CEO**

“Revenue for the third quarter amounted to EUR 134.1 million, up by 3.4%. EBITDA for the quarter was EUR 17.8 million, up by 23.3% compared to last year’s normalized EBITDA of EUR 14.4 million when taking into account a EUR 2.0 million gain on disposal of a vessel under construction that was included in the third quarter’s 2015 revenue. Transported volume in the North Atlantic liner services grew by 6.8% compared to the third quarter last year and revenue was up by EUR 5.7 million or 6.1%. There was good growth in transported volume related to Iceland, the Faroe Islands and Norway. Volume growth in the company’s forwarding services was 4.7% in the quarter while the forwarding revenue was down by EUR 1.4 million or 3.8%, affected by lower international freight rates and lower volumes from China that are slowly recovering. Net earnings amounted to EUR 9.4 million, up 10.7%. The company continues to deliver good results and this is our best third quarter in terms of revenue, EBITDA, EBIT and net earnings since 2009.

The company’s revenue for the first nine months amounted to EUR 373.4 million and was up by 1.2%. Liner revenue increased by EUR 15.2 million or 5.8% and forwarding revenue was down by EUR 10.8 million or 10.2% for reasons previously stated. EBITDA for the period amounted to EUR 43.6 million, up EUR 8.1 million or 22.9% from last year, and as compared to normalized 2015 EBITDA it grew by 30.1%. Net financial expense amounted to EUR 1.0 million compared to nominal net financial income for the first nine months last year, still resulting in EUR 20.0 million net earnings, up by 28.8%. Transported volume in the North Atlantic liner services grew by 8.0% compared to the first nine months last year and the forwarding volumes grew by 3.0%.

After 90 years of cooperation with the port of Hamburg in Germany, we announced in October that the company’s vessels on the Blue Line will stop calling Hamburg and start calling EUROGATE Container Terminal Bremerhaven as of 6 December. The change creates various opportunities and gives our customers in Iceland, the Faroe Islands and Norway better connections to other markets and the transit time shortens. The container port of Bremerhaven is the fourth largest in Europe and is a major transshipment hub to the rest of the world. Bremerhaven is also the heart of the German fish industry.

In October, Eimskip further strengthened its position in worldwide reefer logistics services by acquiring 90% of the forwarding company Extraco in Rotterdam. The company’s annual turnover amounts to approximately EUR 19 million. Extraco, which was founded in 1991, will be relocated into Eimskip’s office in Rotterdam to achieve synergies and to be a part of Eimskip’s reefer logistics center with other Eimskip’s entities there.

In the beginning of November, Eimskip signed an agreement to acquire the Norwegian shipping and logistics company Nor Lines. The estimated annual turnover of Nor Lines amounts to approximately EUR 110 million and the company employs about 200 people. The company is currently operating an extensive logistics network in Norway, on sea and land. Subject to the approval of the Norwegian Competition Authority, it is anticipated that the transactions will close during the first quarter 2017.

In May, Eimskip and Royal Arctic Line, the national carrier of Greenland, signed a letter of intent to form and evaluate a potential cooperation regarding building of three container vessels and sharing capacity. With the potential cooperation, Greenland will be connected with international sailing systems. The work has been progressing well in recent weeks and months and the goal is to conclude an agreement for a Joint Venture in December.

It remains our intention to grow organically and through strategic accretive acquisitions to increase shareholder value. We continue to evaluate additional acquisitions and vessel investments on an ongoing basis and are

currently working on a few options. We will not be issuing new equity to conclude potential investments, but will be issuing additional debt for the investments and by that changing the leverage of the company to more normal levels, still maintaining a strong balance sheet.

The outlook of the operations in the fourth quarter is good, the month of October is according to our expectations and volume in the company's systems for the first two weeks of November is also in line with our expectations. Uncertainty remains regarding wage agreements with a part of the Icelandic crew members on Eimskip's vessels. Based on the above, our EBITDA forecast will be changed from being in the range of EUR 49 to 53 million to EBITDA in the range of EUR 52 to 55 million."

## THIRD QUARTER OPERATIONS

Eimskip's revenue amounted to EUR 134.1 million in the third quarter 2016 compared to EUR 129.7 million in the same period last year, up by EUR 4.3 million or 3.4%. The normalized revenue growth was 4.9%, taking into account a EUR 2.0 million gain on disposal of a vessel under construction that was included in the third quarter's revenue last year. Revenue from the liner services amounted to EUR 99.4 million compared to EUR 93.7 million in the third quarter last year and grew by 6.1%. Transported volume in the liner services grew by 6.8% compared to the third quarter 2015. There was good growth related to Iceland, the Faroe Islands and Norway. Revenue from the company's forwarding services amounted to EUR 34.7 million compared to EUR 36.0 million in the third quarter 2015, down by 3.8%, mainly due to lower transport rates from the international deep sea lines serving between Asia and Europe. The forwarding volume in the third quarter, both reefer and dry cargo, was up by 4.7% from the same period last year. Reefer forwarding volumes from China are slowly recovering and other markets have been growing.

Total expenses of the company amounted to EUR 116.3 million in the quarter compared to EUR 113.4 million in the third quarter last year, up by 2.6%. Thereof, operating expenses amounted to EUR 86.4 million compared to EUR 89.6 million in the third quarter 2015, a decrease of 3.5%. Various projects of streamlining the operations have commenced and led to lower operating expenses. The cost of the forwarding services has decreased and is affected by lower rates from the deep sea lines for the company's forwarding services. Salaries and related expenses for the period amounted to EUR 29.9 million and increased by 25.8% from the previous year.

EBITDA for the quarter amounted to EUR 17.8 million compared to EUR 16.4 million in the same period last year, an increase of EUR 1.4 million or 8.6%. The normalized EBITDA growth was 23.3%, taking into account the EUR 2.0 million gain on disposal of vessel under construction that was included in the third quarter's revenue last year. The EBITDA ratio was 13.2%, compared to 11.3% normalized ratio in the third quarter 2015. EBITDA from the company's liner services amounted to EUR 14.0 million in the quarter compared to EUR 12.5 million in the same period last year, up by 12.1%. The EBITDA ratio from the liner services was 14.1% compared to 13.4% EBITDA ratio in the third quarter 2015. EBITDA from the company's forwarding services amounted to EUR 3.7 million compared to EBITDA in the amount of EUR 3.8 million in the same period 2015, down by 3.1%. The EBITDA ratio from the forwarding services was 10.7% compared to 10.6% in the third quarter last year.

Depreciation and amortization amounted to EUR 6.9 million in the quarter compared to EUR 5.9 million in the same period last year. The increase is mainly explained by investments in fixed and intangible assets, vessel dry-dockings and new group companies.

EBIT for the quarter amounted to EUR 10.8 million compared to EUR 10.4 million in the third quarter 2015, up by 4.0%.

Net finance expense amounted to EUR 0.4 million in the quarter compared to EUR 0.5 million net finance expense for the same quarter last year. Thereof, there was currency exchange gain in the quarter in both years, EUR 0.5 million this year and EUR 0.2 million last year. Share in earnings of associated companies was EUR 0.2 million compared to EUR 0.1 million in the previous year.

Net earnings before income tax amounted to EUR 10.7 million compared to EUR 10.0 million in the third quarter 2015, up by 6.6%.

The quarter's income tax amounted to EUR 1.3 million compared to EUR 1.5 million in the third quarter last year. Effective income tax rate was 12.1% compared to 15.4% in the same period last year.

Net earnings for the quarter increased by 10.7% and amounted to EUR 9.4 million compared to net earnings of EUR 8.5 million in the third quarter 2015.

## NINE MONTHS OPERATIONS

- **Revenue EUR 373.4 million, up by EUR 4.5 million or 1.2% from 9M 2015**
  - EUR 2.0 million gain on disposal of a vessel under construction included in Q3 2015 revenue
  - Transported volume in liner services up by 8.0% and liner revenue up by EUR 15.2 million
  - Volume in forwarding services up by 3.0% and revenue down by EUR 10.8 million, affected by lower international rates
- **EBITDA EUR 43.6 million, up by EUR 8.1 million or 22.9% from 9M 2015**
  - Normalized EBITDA up EUR 10.1 million or 30.1%, excluding the EUR 2.0 million gain in Q3 2015

Eimskip's revenue for the first nine months amounted to EUR 373.4 million compared to EUR 369.0 million in the same period last year, up by EUR 4.5 million or 1.2%. The normalized revenue growth was 1.8%, taking into account the EUR 2.0 million gain on disposal of a vessel under construction that was included in the third quarter's revenue last year. Revenue from the liner services amounted to EUR 278.6 million compared to EUR 263.3 million last year and grew by 5.8%. Transported volume in the liner services grew by 8.0% from the same period 2015, mainly due to good growth related to Iceland and Norway. Revenue from the company's forwarding services amounted to EUR 94.9 million compared to EUR 105.6 million for the first nine months 2015, down by 10.2%, mainly due to lower transport rates from the international deep sea lines serving between Asia and Europe and lower reefer forwarding volumes from China this year which are now slowly recovering. The forwarding volume grew by 3.0% from the same period last year.

Total expenses of the company amounted to EUR 329.9 million compared to EUR 333.5 million for the first nine months last year, 1.1% decrease. Thereof, operating expenses amounted to EUR 244.3 million compared to EUR 263.5 million in the same period 2015, a decrease of 7.3%. The company changed its sailing system in the autumn of 2015 to increase service reliability and to be able to operate in a more efficient way during the winter season and these changes have resulted in better operations. The vessel maintenance cost and cost of fuel was also lower than in the first nine months last year. Various projects of streamlining the operations have also commenced and led to lower operating expenses. The cost of the forwarding services has decreased and is affected by lower rates from the deep sea lines for the company's forwarding services. Salaries and related expenses for the period amounted to EUR 85.5 million and increased by 22.1% from the same period last year. Thereof 9.7% is explained by general wage increase, 6.0% by increased activity, 4.5% by currency exchange difference and 1.9% by new companies that became part of the Eimskip group in 2015.

EBITDA for the period amounted to EUR 43.6 million compared to EUR 35.5 million in the same period last year, an increase of EUR 8.1 million or 22.9%. Normalized EBITDA growth for the first nine months was 30.1%, taking

into account the EUR 2.0 million gain on disposal of vessel under construction that was included in the third quarter’s revenue last year. The EBITDA ratio was 11.7%, compared to 9.1% normalized ratio for the first nine months 2015. EBITDA from the company’s liner services amounted to EUR 34.7 million compared to EUR 27.8 million in the same period last year, up by 24.7%. The EBITDA ratio from the liner services was 12.4% compared to 10.6% EBITDA ratio last year. EBITDA from the company’s forwarding services amounted to EUR 8.9 million compared to EUR 7.6 million in the same period 2015, an increase of 16.5%. The EBITDA ratio from the forwarding services was 9.4% and grew from 7.2% for the first nine months last year.

Depreciation and amortization amounted to EUR 20.1 million compared to EUR 17.5 million in for the first nine months last year. The increase is mainly explained by investments in fixed and intangible assets, vessel dry-dockings and new group companies.

EBIT for the period amounted to EUR 23.5 million compared to EUR 18.0 million last year, up by 30.6%.

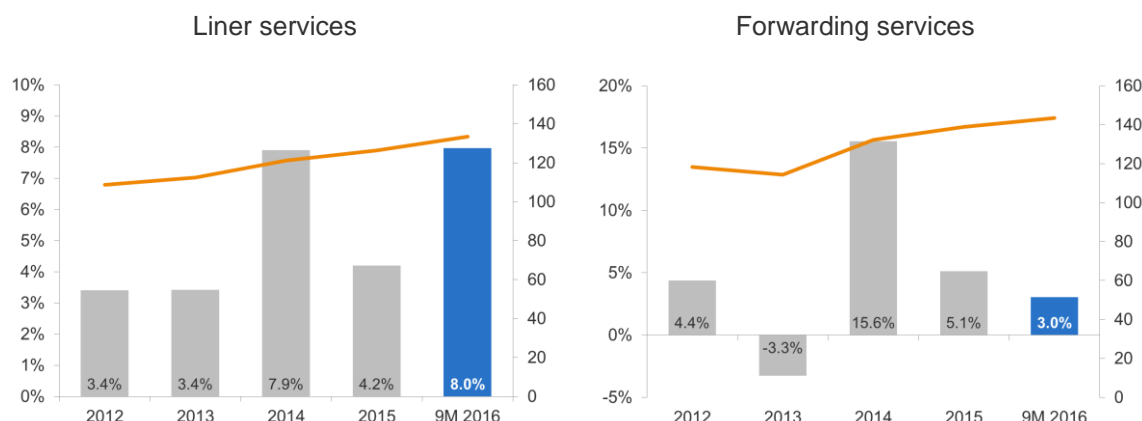
Net finance expense for the period amounted to EUR 1.0 million compared to EUR 27 thousand net finance income for the first nine months last year. Currency exchange fluctuations during the period resulted in a currency exchange gain amounting to EUR 0.8 million compared to a EUR 2.2 million currency exchange gain in the same period last year. This EUR 1.4 million decrease of currency exchange gain largely explains the change in the net financial items from previous year. Share in earnings of associated companies amounted to EUR 0.4 million compared to EUR 0.3 million in the previous year.

Net earnings before income tax amounted to EUR 22.9 million compared to EUR 18.3 million for the first nine months 2015, up by 25.2%.

Income tax for the period amounted to EUR 2.9 million compared to EUR 2.8 million last year. Effective income tax rate was 12.6% this year compared to 15.1% for the same period last year.

Net earnings for the first nine months amounted to EUR 20.0 million compared to net earnings of EUR 15.5 million in the same period 2015, up by EUR 4.5 million or 28.8%.

The following graphs show that transported volume in the company’s liner and forwarding services has been gradually increasing. The volume index on the right axis is based on the 2010 volume as 100.



During the year 2015, some changes were made to the company’s sailing schedule in order to increase system capacity and service reliability. In February 2015, the Green Line (serving between Iceland and North America with a port call in Sortland in Norway) and the Red Line (connecting the coastal services in Iceland with Europe) were combined into a new Green Line with three vessels, a direct sailing route between Europe and North

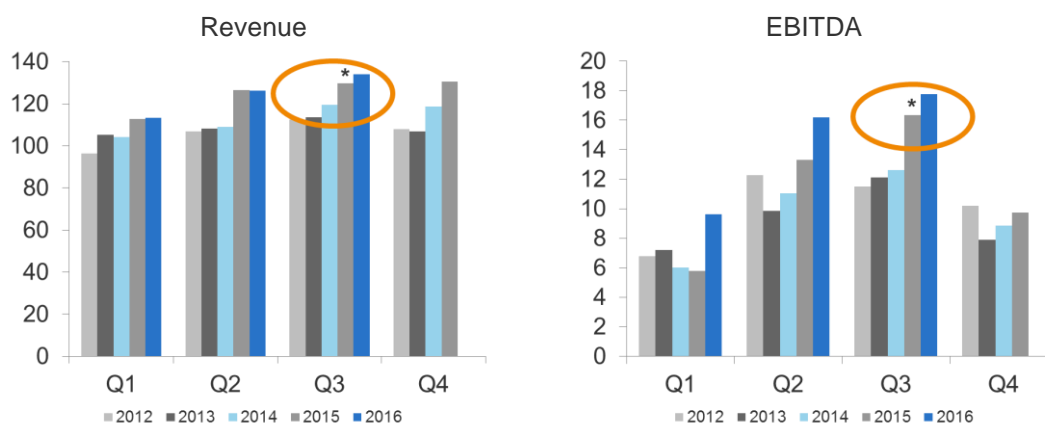
America with port calls in Iceland. In October 2015 the services of the Gray Line were expanded by adding another chartered 500 TEU vessel to the line to increase capacity and with new port calls in Århus in Denmark, Halmstad in Sweden and Swinoujscie in Poland.

Eimskip operates 20 vessels, of which thirteen are owned and seven are chartered. Thirteen of the vessels are in scheduled services, three are in spot services, one is used for bulk cargo and three are in ferry operation.

The company's operations have been stable during the past few years as can be seen in the following graphs, but there was substantial growth in revenue and EBITDA in 2015, as well as in revenue in third quarter this year and in EBITDA in the first three quarters of the year.

The graphs show how revenues and EBITDA are divided to quarters from 2012 to 2016. In the graphs, revenue and EBITDA have been adjusted for one-off items in 2012. EBITDA for the third quarter has been increased by EUR 0.7 million due to costs related to the company's listing. EBITDA for the fourth quarter has also been increased by a total of EUR 3.9 million, including EUR 1.0 million due to the company's listing and EUR 2.9 million due to costs related to the share options forfeited by the executive management.

EUR million



\* EUR 2.0 million gain on disposal of a vessel under construction included in Q3 2015 revenue and EBITDA

## BALANCE SHEET

- **Total assets EUR 379.1 million at the end of September 2016**
- **Equity ratio 63.3%**
- **Interest-bearing debt EUR 80.0 million**
- **Net debt EUR 34.8 million**

Eimskip's total assets amounted to EUR 379.1 million at 30 September 2016. In comparison, total assets amounted to EUR 370.1 million at the end of September 2015 and EUR 355.2 million at year-end 2015.

Total non-current assets amounted to EUR 237.9 million compared to EUR 228.6 million at the end of September last year and EUR 233.3 million at year-end 2015. Net investments in fixed and intangible assets during the year amounted to EUR 23.3 million.

Total current assets amounted to EUR 141.2 million at the end of September compared to EUR 142.1 million at the end of September last year and EUR 121.9 million at the end of 2015. The change from year-end 2015 is mainly explained by change in cash and trade receivable in the period. Cash and cash equivalents amounted to EUR 45.1 million at the end of September compared to EUR 36.0 million at the end of 2015. Trade receivables

increased from EUR 77.9 million at year-end 2015 to EUR 84.6 million at the end of September due to seasonal fluctuations and currency exchange rates.

Equity amounted to EUR 240.1 million at the end of September and the equity ratio was 63.3%. Dividend in the amount of EUR 8.6 million, or ISK 1,213.2 million, was paid to shareholders in April 2016. For comparison, equity amounted to EUR 226.0 million at the end of September 2015 with an equity ratio of 61.0% and EUR 228.1 million with an equity ratio of 64.2% at year-end 2015.

Current liabilities amounted to EUR 87.8 million at the end of September compared to EUR 103.9 million at the end of September 2015 and EUR 71.5 million at year-end 2015. The increase this year is mostly explained by a short-term credit facility falling due within 12 months.

Interest-bearing debt amounted to EUR 80.0 million at the end of September compared to EUR 81.8 million at the end of September last year and EUR 71.4 million at the end of 2015. Net debt at the end of September amounted to EUR 34.8 million compared to EUR 52.5 million at the end of September last year and EUR 35.4 million at year-end 2015.

## CASH FLOWS AND INVESTMENTS

- **Net cash from operating activities EUR 34.2 million in the first nine months of the year**
- **Net cash used in investing activities EUR 21.5 million**
- **Cash and cash equivalents EUR 45.1 million at the end of September**

Net cash from operating activities amounted to EUR 34.2 million in the first nine months 2016 compared to EUR 21.8 million in the same period last year.

Net cash used in investing activities amounted to EUR 21.5 million compared to EUR 39.2 million in the same period last year. Total capital expenditure amounted to EUR 26.1 million and the largest investments were in containers and a harbor crane. For comparison, CAPEX amounted to EUR 36.3 million in the first nine months of 2015.

Net cash used in financing activities amounted to EUR 3.5 million compared to net cash provided by financing activities in the amount of EUR 6.4 million in the first nine months last year.

Cash and cash equivalents increased by EUR 9.3 million compared to a EUR 11.0 million decrease in the same period last year. Cash and cash equivalents at the end of September amounted to EUR 45.1 million compared to EUR 29.3 million at the end of September last year and EUR 36.0 million at year-end 2015.

## EBITDA FORECAST 2016

Eimskip's EBITDA forecast for the year 2016 has been changed from what was presented in May and the forecast is now EBITDA in the range of EUR 52 to 55 million.

The fourth quarter has started off well, October is according to the company's expectations and volume in the company's systems for the first two weeks of November is also in line with expectations. Continued volume growth is expected in the Icelandic market and in the Faroe Islands and the outlook for the reefer market in Norway remains positive. Forwarding services had a good start in the first quarter but there was a slight volume decrease in the second quarter and 4.7% growth in the third quarter, resulting in 3.0% volume growth in the first nine months. The reefer forwarding has been below expectations due to the economic conditions in China,

but the volumes from China are slowly recovering and rates in international forwarding are rising. The dry cargo forwarding has been on a good track and similar growth is expected throughout the year.

The forwarding company Extraco becomes a part of the group in the fourth quarter, which has been taken into account. The EBITDA forecast of the year also includes cost related to investments in new companies.

There still remains uncertainty regarding wage agreements with a part of the Icelandic crew members on the company's vessels, besides general uncertainty regarding global economic conditions, volumes, rates, fuel cost, currency rates and competition.

## KEY FIGURES BY QUARTER

Amounts are in thousands of EUR

OPERATING RESULTS	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Revenue	134,070	126,102	113,253	130,610	129,721
Expenses	116,310	109,924	103,621	120,863	113,361
EBITDA	17,760	16,178	9,632	9,747	16,360
EBIT	10,843	9,381	3,267	2,476	10,427
Net earnings for the period	9,381	8,755	1,845	2,289	8,474
EBITDA ratio	13.2%	12.8%	8.5%	7.5%	12.6%
EBIT ratio	8.1%	7.4%	2.9%	1.9%	8.0%
BALANCE SHEET	30.09.2016	30.06.2016	31.03.2016	31.12.2015	30.09.2015
Assets	379,111	371,003	368,468	355,157	370,650
Equity	240,061	229,928	220,796	228,124	225,958
Liabilities	139,050	141,075	147,672	127,033	144,692
Interest-bearing debt	79,958	78,846	80,764	71,401	81,769
Net debt	34,836	31,383	33,427	35,418	52,519
Equity ratio	63.3%	62.0%	59.9%	64.2%	61.0%
CASH FLOW	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015
Net cash from operating activities	5,831	15,671	12,680	15,574	6,889
Net cash used in investing activities	(7,225)	(4,293)	(9,947)	4,032	(15,780)
Net cash (used in) provided by financing activities	(1,213)	(11,103)	8,861	(11,611)	1,876
Cash and cash equivalents at the end of period	45,122	47,463	47,337	35,983	29,250

## SHAREHOLDERS

- Eimskip's market capitalization was EUR 488.6 million on 16 November 2016

The closing price of Eimskip's shares has increased by 34.6% since the beginning of 2016. The OMXI8 index (OMX Iceland 8) has gone down by 9.6% during the same period. The year-end closing price of 2015 was ISK 235.50 per share and the average year-to-date closing price for this year is ISK 266.32 per share. The closing price on 16 November 2016 was ISK 317.00 per share, which represents Eimskip's market capitalization based on outstanding shares in the amount of ISK 59.2 billion that day, equivalent of EUR 488.6 million.

The total number of shares is 200,000,000, thereof 186,639,230 shares are outstanding and 13,360,770 shares are in treasury. At year-end 2015 there were 955 shareholders and they were 812 on 16 November 2016.



Eimskip's Annual General Meeting, held on 17 March 2016, approved a dividend payment to shareholders of ISK 6.50 per share. The total dividend payment amounted to ISK 1,213.2 million, or EUR 8.6 million. The payment date was 14 April 2016.

## **INVESTIGATION OF THE ICELANDIC COMPETITION AUTHORITY**

The investigation of the Icelandic Competition Authority is still ongoing. The authority requested further information from the company which will be delivered this November. Eimskip will continue doing its best in providing answers in accordance with the company's legal obligation. It is in the interest of the company that the investigation will be completed as soon as possible.

## **ABOUT EIMSKIP**

Eimskip was founded in 1914 and is a publicly traded company with its shares listed at Nasdaq Iceland. The company runs a network of 58 offices in 19 countries, operates 20 vessels and has about 1,640 employees. Approximately half of Eimskip's revenue comes from operations outside Iceland. The company's vision is to provide outstanding transportation services through a dependable transport system in the North Atlantic and an extensive worldwide network of reefer logistics services.

## **INVESTOR MEETING 18 NOVEMBER 2016**

Investors and market participants are invited to a meeting on Friday 18 November 2016 at 8:30 a.m. at Eimskip's headquarters in Korngardar 2 in Reykjavík. Gylfi Sigfússon, President and CEO, and Hilmar Pétur Valgardsson CFO will present the company's financial results for the third quarter and the first nine months 2016. The presentation from the meeting will be available after the meeting on the company's investor relations website, [www.eimskip.is/investors](http://www.eimskip.is/investors), and in the company news release distribution network of Nasdaq Nordic. The investor meeting will be broadcasted on Eimskip's Facebook page, using Facebook Live: <https://www.facebook.com/www.eimskip.is/>. The meeting will be conducted in Icelandic and the broadcast starts at 8:30 a.m.

## **APPROVAL OF THE BOARD OF DIRECTORS**

The Board of Directors of Eimskipafélag Íslands hf. approved the Condensed Consolidated Interim Financial Statements for the period 1 January to 30 September 2016 at its meeting on 17 November 2016.

## **FINANCIAL CALENDAR**

- Q4 2016 results: Published 23 February 2017
- Annual General Meeting 2017: 23 March 2017
- Q1 2017: Published 23 May 2017
- Q2 2017: Published 24 August 2017
- Q3 2017: Published 21 November 2017
- Q4 2017: Published 22 February 2018
- Annual General Meeting 2018: 22 March 2018

## **FURTHER INFORMATION**

- Gylfi Sigfússon, President and CEO, tel.: +354 525 7202
- Hilmar Pétur Valgardsson, CFO, tel.: +354 525 7202
- Erna Eiríksdóttir, Senior Manager of Investor Relations, tel.: +354 825 7220, email: [investors@eimskip.is](mailto:investors@eimskip.is)

## **FORWARD-LOOKING STATEMENTS**

Statements contained in this financial press release that refer to the company's estimated or anticipated future results or future activities are forward-looking statements which reflect the company's current analysis of existing trends, information and plans. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially depending on factors such as the availability of resources, the timing and effect of regulatory actions and other factors. Eimskip undertakes no obligation and does not intend to update these forward-looking statements to reflect events or circumstances occurring after this press release. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement.