

DFDS EXPANDS INTO MEDITERRANEAN

- **DFDS acquires U.N. Ro-Ro, the leading Turkish operator of freight shipping routes in the Mediterranean, connecting Turkey with Italy and France**
- **Geographic expansion of route network to high growth freight market**
- **U.N. Ro-Ro is highly profitable and the leading operator with a market share twice that of the next competitor in Turkey**
- **Enterprise value of EUR 950m (DKK 7.1bn)**
- **Acquisition is earnings accretive from first year**
- **Financing structured to retain flexibility, including an expected equity issue of approximately 5% of the issued share capital**
- **Outlook: Expected 2018 EBITDA of DKK 3.0bn-3.2bn (2.65bn-2.85bn)**
- **Termination of ongoing buy-back and suspension of 2018 dividend**

DFDS has today entered into an agreement to acquire 98.8% of U.N. Ro-Ro, Turkey's largest operator of freight shipping routes connecting Europe and Turkey from Turkish private equity firms Actera Group and Esas Holdings.

"With the acquisition of U.N. Ro-Ro, we are expanding into one of Europe's most attractive freight markets which is operationally similar to northern Europe. This gives us opportunity together with the existing strong management team to leverage our network, fleet, experience and skills to develop the business further while supporting the growth of U.N. Ro-Ro's customers", says Niels Smedegaard, CEO of DFDS.

"We are excited to become part of DFDS' network and the development opportunities this brings to both our customers and employees. I am confident that the industry know-how, combined network capabilities, and the financial strength of our new shareholder will allow U.N. Ro-Ro to enhance the competitiveness of Turkish exporters and international logistics companies," says Selçuk Boztepe, CEO of U.N. Ro-Ro.

Key acquisition terms

DFDS will acquire U.N. Ro-Ro for EUR 950m (DKK 7.1bn) on a debt free basis, which will be mainly funded through committed debt financing.

The acquisition is expected to be earnings accretive already in 2018. U.N. Ro-Ro's ROIC post acquisition exceeds DFDS' cost of capital.

The transaction is subject to approval by the Turkish, Austrian and German competition authorities as well as Italian authorities in relation to the transfer of the Trieste terminal as a strategic asset. Closing of the transaction is expected to take place in June 2018.

DFDS A/S, Sundkrogsgade 11
DK-2100 Copenhagen Ø
CVR 14 19 47 11

www.dfds.com

Company announcement no.
30/2018
12 April 2018

Page 1/ 3

Contact

Niels Smedegaard, CEO
+45 33 42 34 00

Torben Carlsen, CFO
+45 33 42 32 01

Søren Brøndholt Nielsen, IR
+45 33 42 33 59

About DFDS

DFDS provides shipping and transport services in Europe, generating annual revenues of EUR 1.9bn.

Over 8,000 freight customers rely on our ferry & port terminal services and flexible transport & logistics solutions.

We also provide safe overnight and short sea ferry services to seven million passengers, many travelling in their own car.

Our 7,000 employees are located on ships and in offices across 20 countries. DFDS was founded in 1866, headquartered in Copenhagen and listed on Nasdaq Copenhagen.

Disclaimer

The statements about the future in this announcement contain risks and uncertainties and actual developments may therefore diverge significantly from the statements about the future.

Leading ferry operator connecting Turkey and EU

U.N. Ro-Ro operates five freight shipping routes in the Mediterranean between Turkey and EU: four routes connect to Italy and one to France. The routes carried 202,000 freight units in 2017 corresponding to a 34% share of the total market including land transport. By the end of 2017, U.N. Ro-Ro deployed 12 freight ferries with an average age of 11 years. All freight ships are built by the Flensburg shipyard, where also some of DFDS' most modern and efficient Ro-Ro ships are built. In addition, U.N. Ro-Ro operates two port terminals and also provides intermodal solutions. For 2018, revenue of EUR 240m and EBITDA of EUR 97m are expected. The company has 500 employees.

Company announcement no. 30
12. 04. 2018

Page 2/ 3

Strategic rationale

DFDS believes that the acquisition of U.N. Ro-Ro provides significant value to its customers, employees and shareholders.

The acquisition expands DFDS' route network to include the fast growing transport market between Turkey and EU. U.N. Ro-Ro's business model of carrying un-accompanied freight units, mainly trailers, on ro-ro ships between Turkey and EU is identical to DFDS' North Sea business model which will allow us to leverage our strong track record in this market.

Further, the integration of U.N. Ro-Ro into DFDS' business model and systems is expected to offer a number of synergies and development opportunities:

- Expansion of services to existing and potential customers of both companies
- Platform for development of transport solutions in new regions
- Combined sales organisations
- Increased fleet allocation flexibility from larger combined fleet

Financing structure and capital distribution adapted to retain flexibility

The Board of Directors has decided to terminate the current share buyback programme announced in Company Announcement No. 11/2018 and suspend the planned dividend of DKK 7.00 in August to maintain financial flexibility.

Further, in view of the planned fleet renewal, in both DFDS and U.N. Ro-Ro, and potential investment opportunities during the next 12-18 months, the Board of Directors recommends a share issue of approximately 5% of the current share capital or DKK 1.0bn as part of the financing structure that otherwise consists of committed term loan financing.

An extraordinary general meeting will be held prior to closing of the transaction and the Lauritzen Foundation that holds 42% of DFDS' share capital has confirmed their intention to participate pro rata in a share issue.

The Board of Directors expects to review the capital structure and hence capital distribution for 2019 in connection with the release of the Q4 and year-end report in February 2019.

The ratio between DFDS' NIBD and EBITDA is expected to increase to around 2.5 upon completion of the acquisition, including the share issue, in line with DFDS' targeted leverage ratio of between 2.0 and 3.0.

Outlook 2018

The Group's revenue in 2018 is expected to increase around 8% (2%).

The outlook range for EBITDA before special items is DKK 3,000m-3,200m (2,650m-2,850m).

Company announcement no. 30
12. 04. 2018

Investments are expected to amount to around DKK 5bn (1.1bn).

Page 3/ 3

Investor and analyst call

An audio conference for investors and analysts will take place at 10:30 CET, Thursday 12 April. Please find dial-in details below:

Telephone DK +45 70223500
 US +1 646 722 4972
 UK +44 20 75721187

List over
international
numbers: <https://event.sharefile.com/d-s389356e42d6463aa>

Access code to conference: 92629962#

The conference will be broadcast live on www.dfds.com/group and published there for future reference.

Group presentation

Investors and analysts are invited to attend a group presentation with Niels Smedegaard, CEO, and Torben Carlsen, CFO.

Time: 14:00 CET, Thursday 12 April
Location: Hotel D' Angletterre, Copenhagen

Registration through Mrs. Marie Fronda, Vice President, Marketing Coordination
Deutsche Bank
Email: marie.frona@db.com
Mob: +46 70 654 64 37

A group presentation will also be held in London. Time and venue to be announced.

Deutsche Bank acted as financial adviser to DFDS on the transaction.

This announcement and the information set out herein is not for release, publication or distribution, directly or indirectly, in or into the United States, Australia, Canada, Japan, South Africa or any jurisdiction in which such publication or distribution is unlawful. This announcement does not constitute or form a part of any offer to sell or solicitation of an offer to purchase or subscribe for securities in any jurisdiction in which it would be unlawful to do so. Any failure to comply with this may constitute a violation of US, Australian, Canadian, Japanese, South African or the securities laws of other states as the case may be.