



Q2 2017 EBITDA IN LINE WITH EXPECTATIONS

Q2 2017 - 25 August 2017 | Unchanged EBITDA forecast for the year, EUR 57-63 million



An aerial view of a large container ship, the EIMSKIP, sailing on the ocean at dusk. The ship is heavily loaded with white containers, each featuring the EIMSKIP logo. The ship is moving from left to right, leaving a white wake behind it. The sky is a deep blue, and the water is dark with some whitecaps. The word "HIGHLIGHTS" is overlaid in large, white, sans-serif capital letters in the center of the image.

HIGHLIGHTS

KEY HIGHLIGHTS FOR Q2 2017

Q2 2017 compared to Q2 2016

Revenue
EUR 173.1 m
up 37.2%

EBITDA
EUR 16.7 m
up 3.2%

Cost related to changed sailing system and imbalance
EUR 2.1 m

LINER SERVICES
Volume
up 3.5%
Revenue
up EUR 21.5 m
up 22.4%

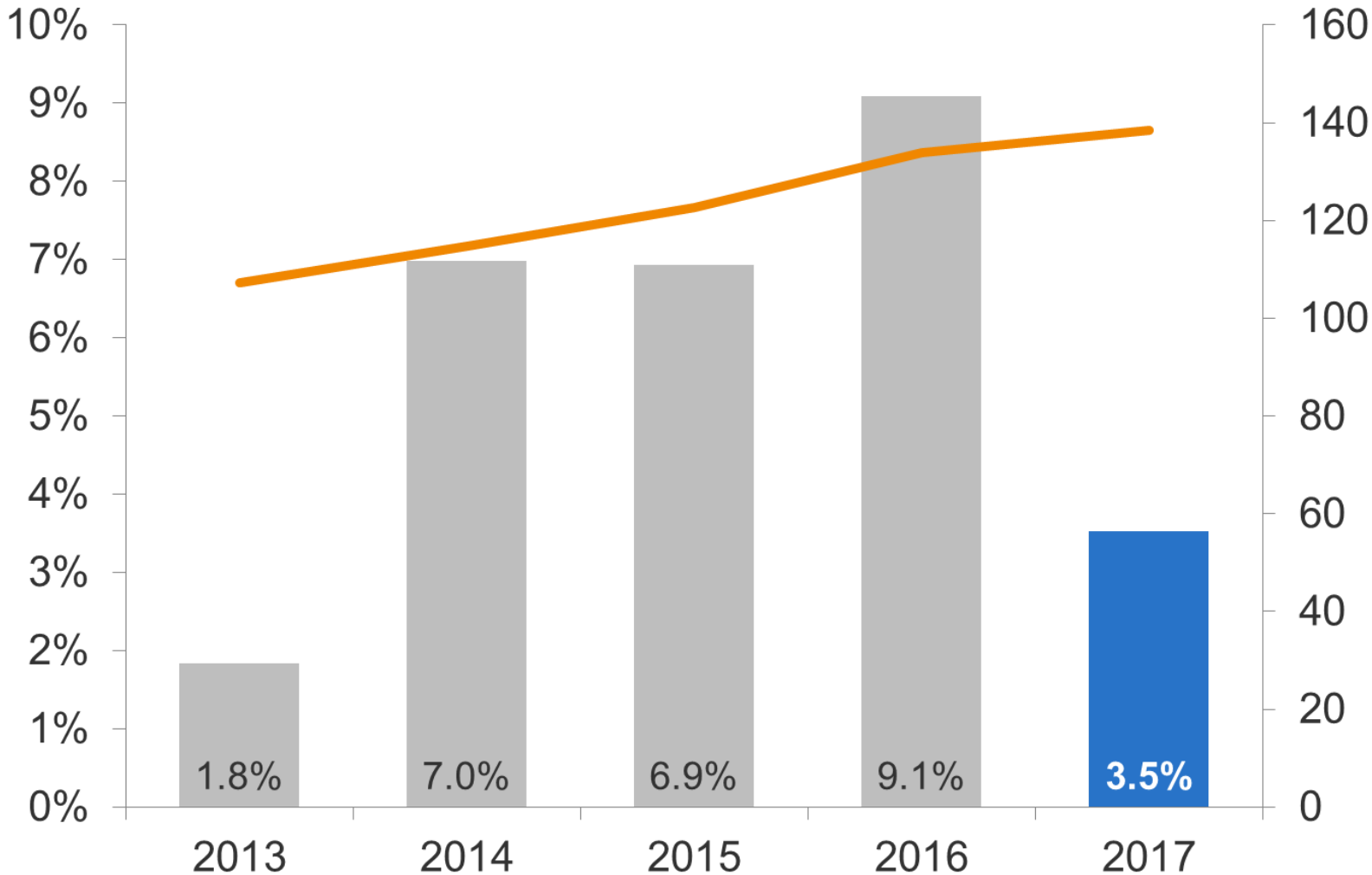
FORWARDING SERVICES
Volume
up 39.6%
Revenue
up EUR 25.4 m
up 84.3%

Currency exchange movements
EUR 2.0 m

TRANSPORTED VOLUME IN Q2 2013 TO 2017

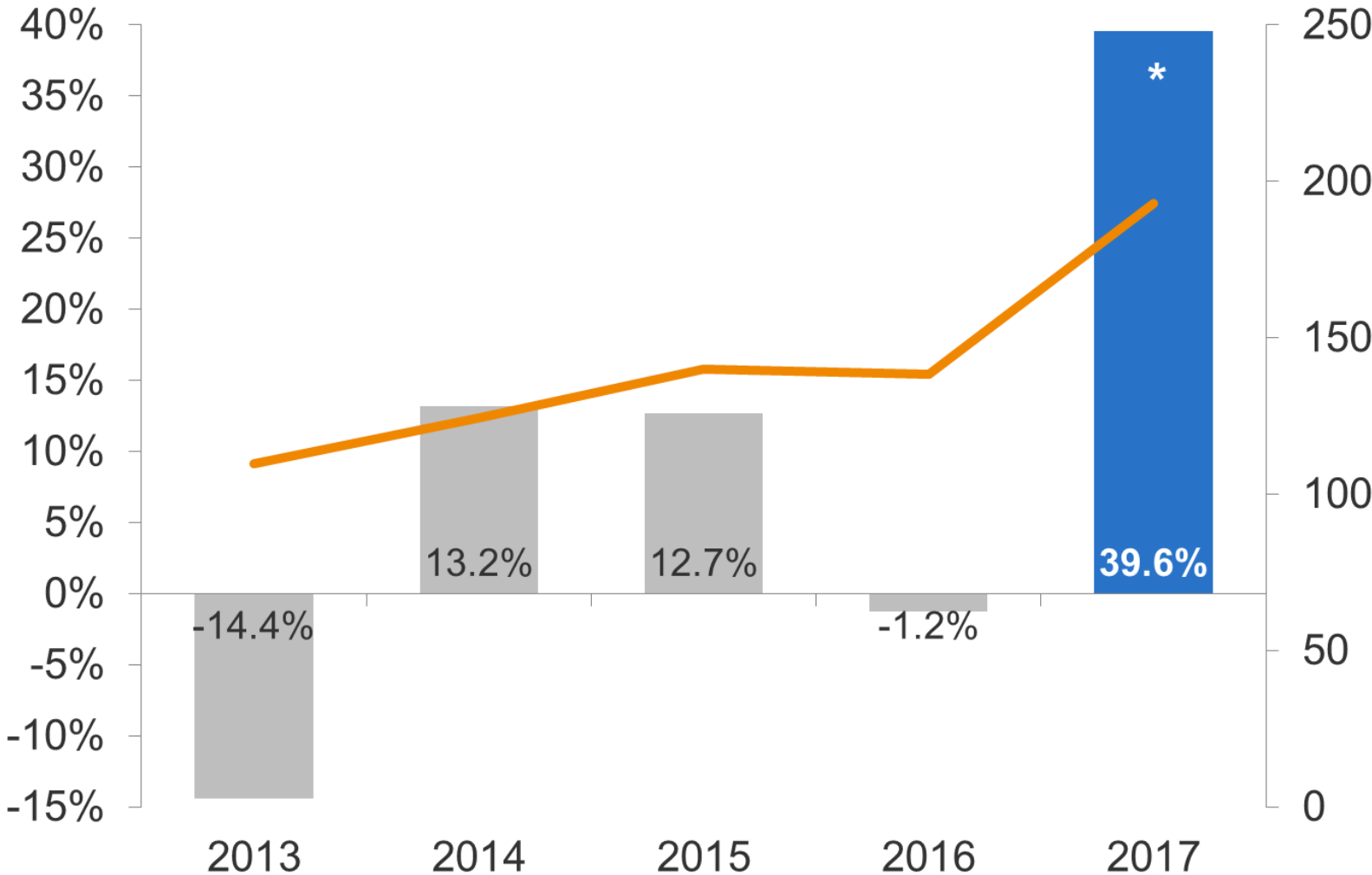
CAGR 5.3% for liner services and 11.9% for forwarding services

LINER SERVICES Q2



Volume index: 2010 volume at 100

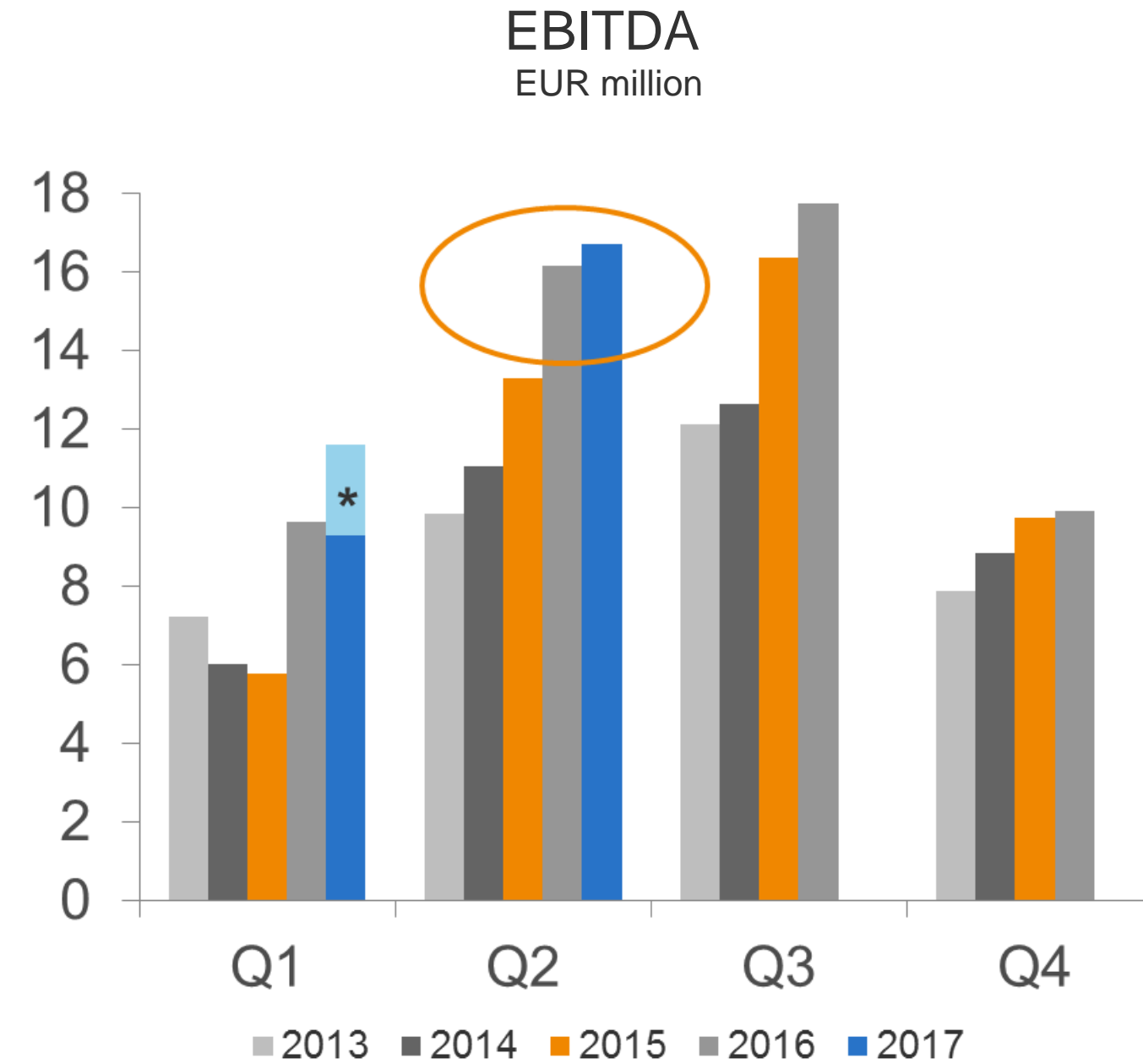
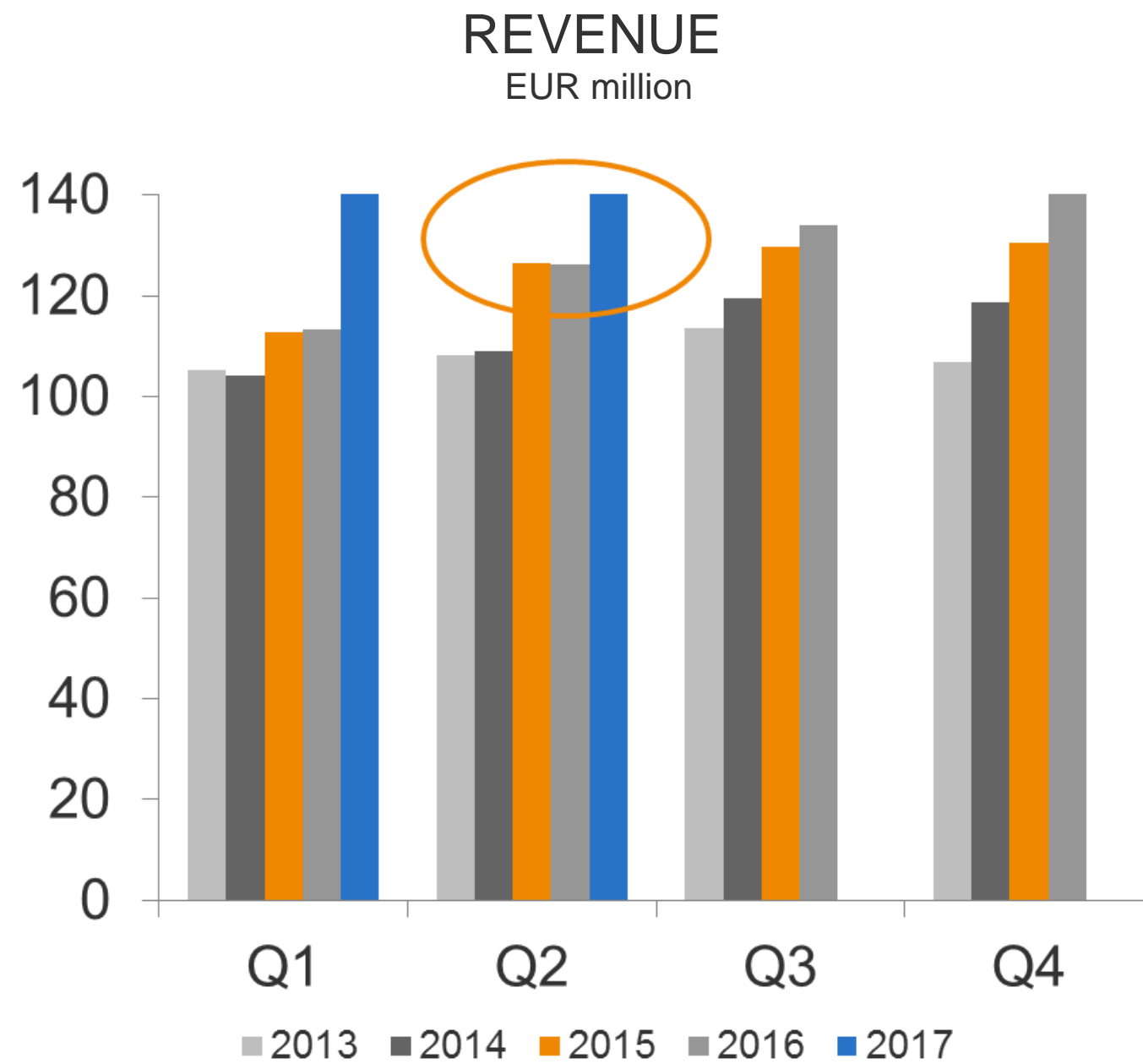
FORWARDING SERVICES Q2



* New acquisitions account for 32.1% and organic growth 7.5%

REVENUE AND EBITDA 2012 TO 2016 BY QUARTER

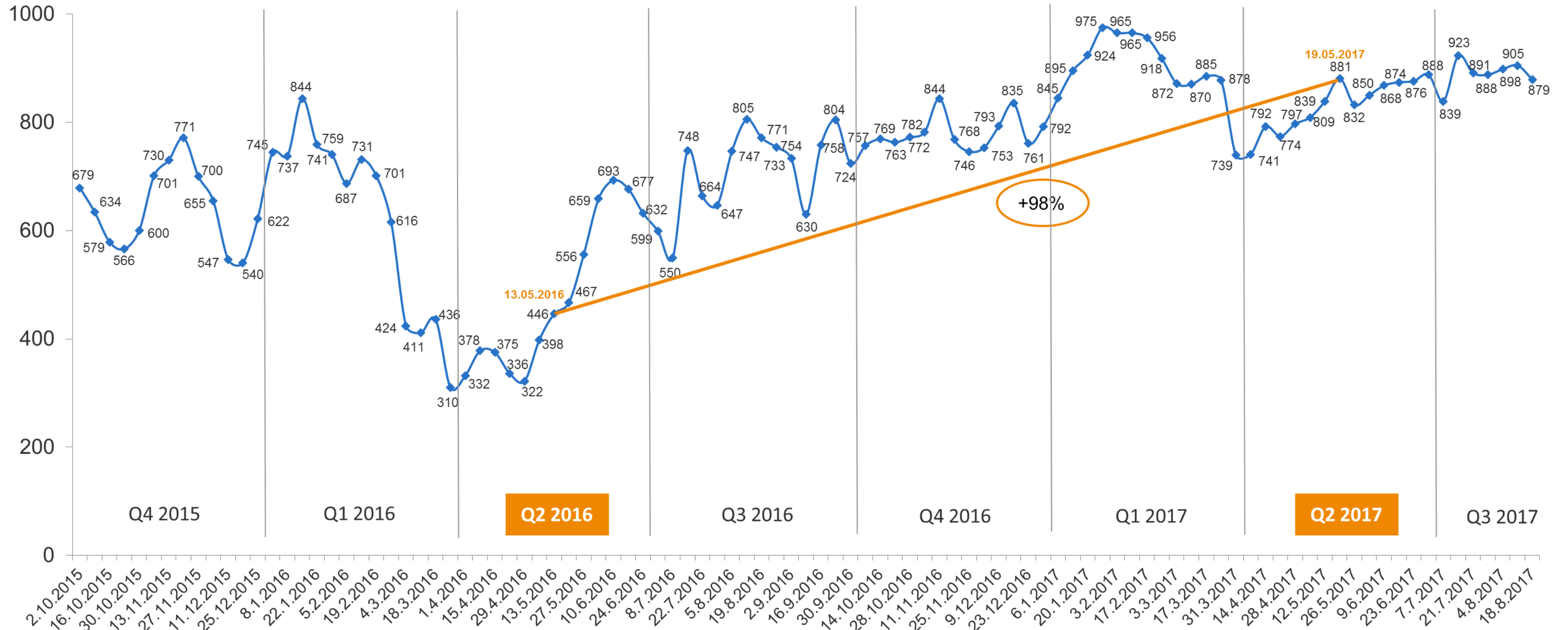
Revenue and EBITDA in Q2 2017 outperform Q2 in previous years



* Add-back of EUR 2.3 million non-recurring items in Q1 2017

CHINA FORWARDERS FREIGHT INDEX

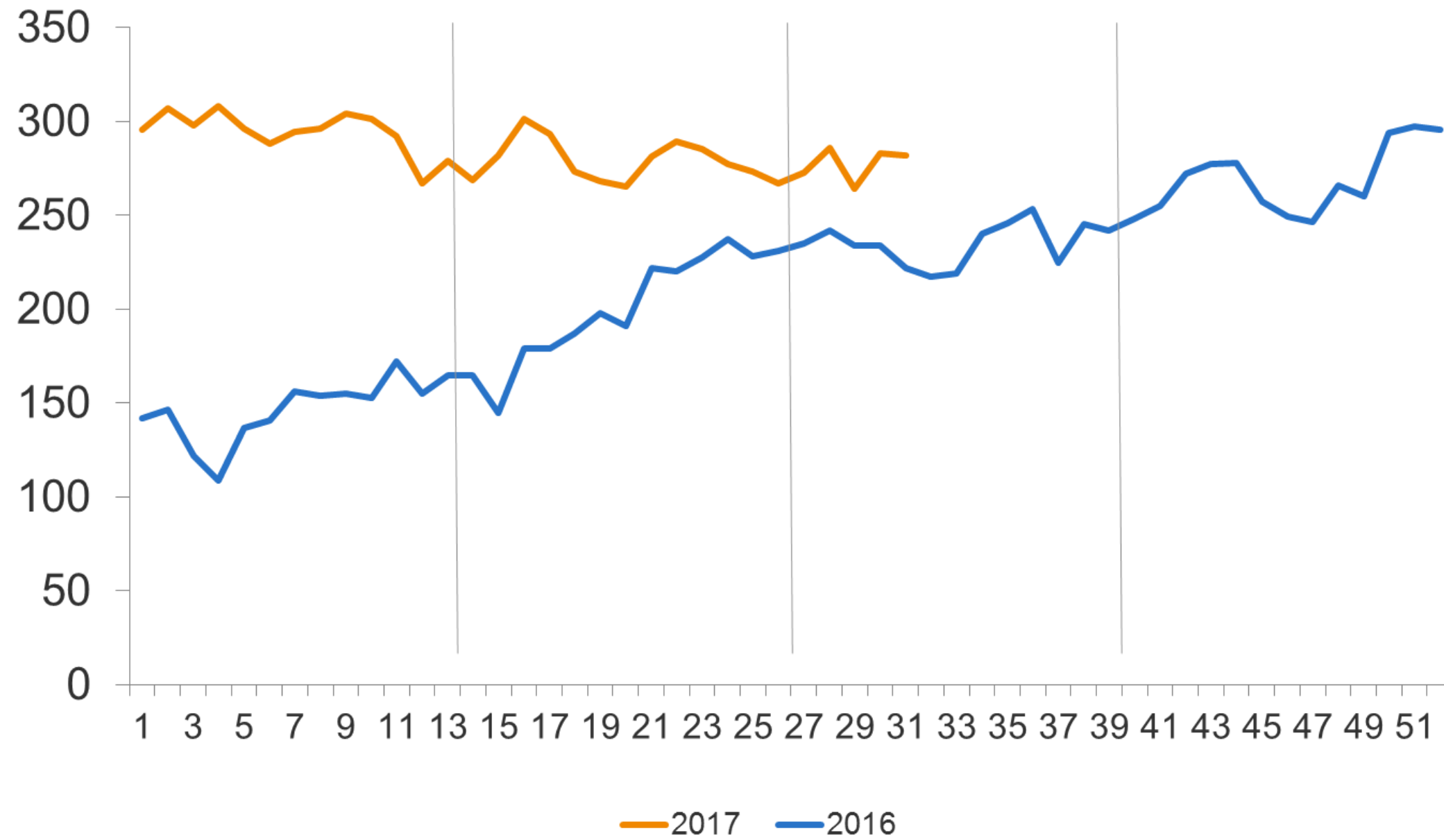
China - Europe



Source: www.shippingchina.com

BUNKER PRICE DEVELOPMENT

Average fuel price for the 6M 2017 approximately 70% up from 6M 2016



Rotterdam heavy fuel price in USD

KEY HIGHLIGHTS FOR 6M 2017

6M 2017 compared to 6M 2016

Revenue
EUR 320.0 m
up 33.7%

EBITDA
EUR 26.0 m
up 0.8%

Adjusted EBITDA
EUR 28.3 m
up 9.7%

LINER SERVICES
Volume
up 3.3%
Revenue
up EUR 30.4 m
up 17.0%

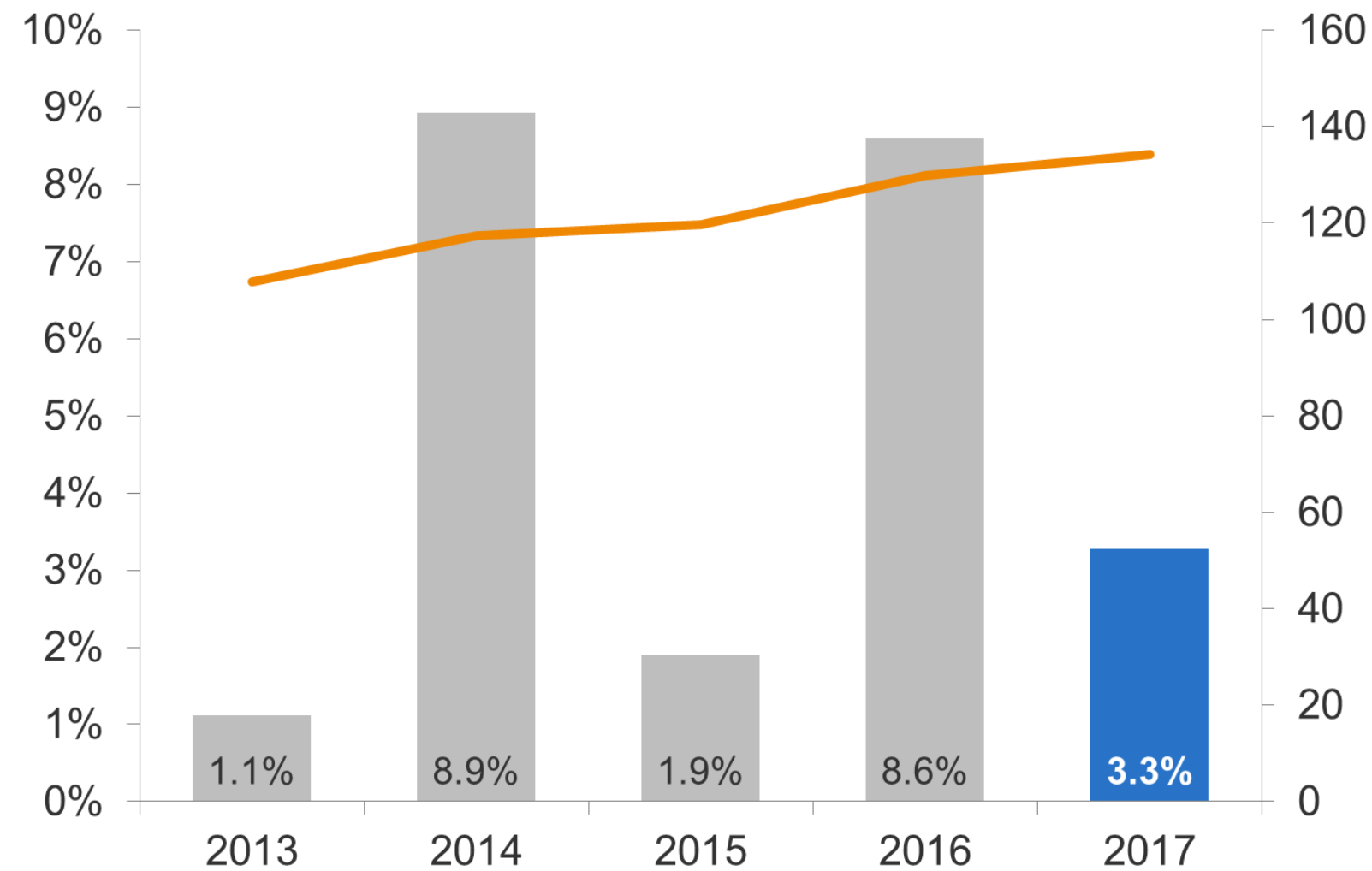
FORWARDING SERVICES
Volume
up 34.3%
Revenue
up EUR 50.2 m
up 83.5%

**Expenses/investment in
changed sailing system**
EUR 2.7 m

TRANSPORTED VOLUME IN 6M 2013 TO 2017

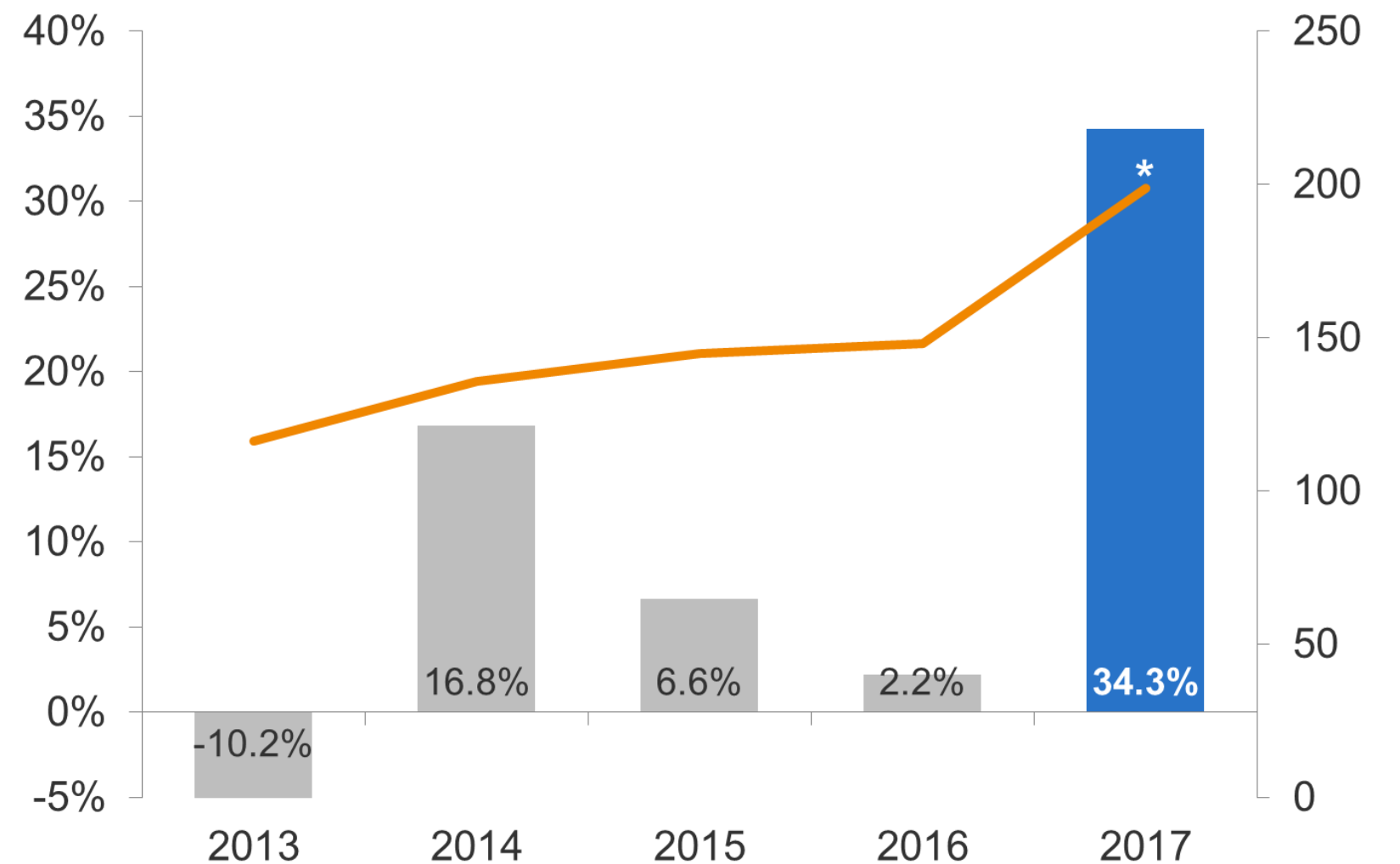
CAGR 4.5% for liner services and 11.3% for forwarding services

LINER SERVICES 6M



Volume index: 2010 volume at 100

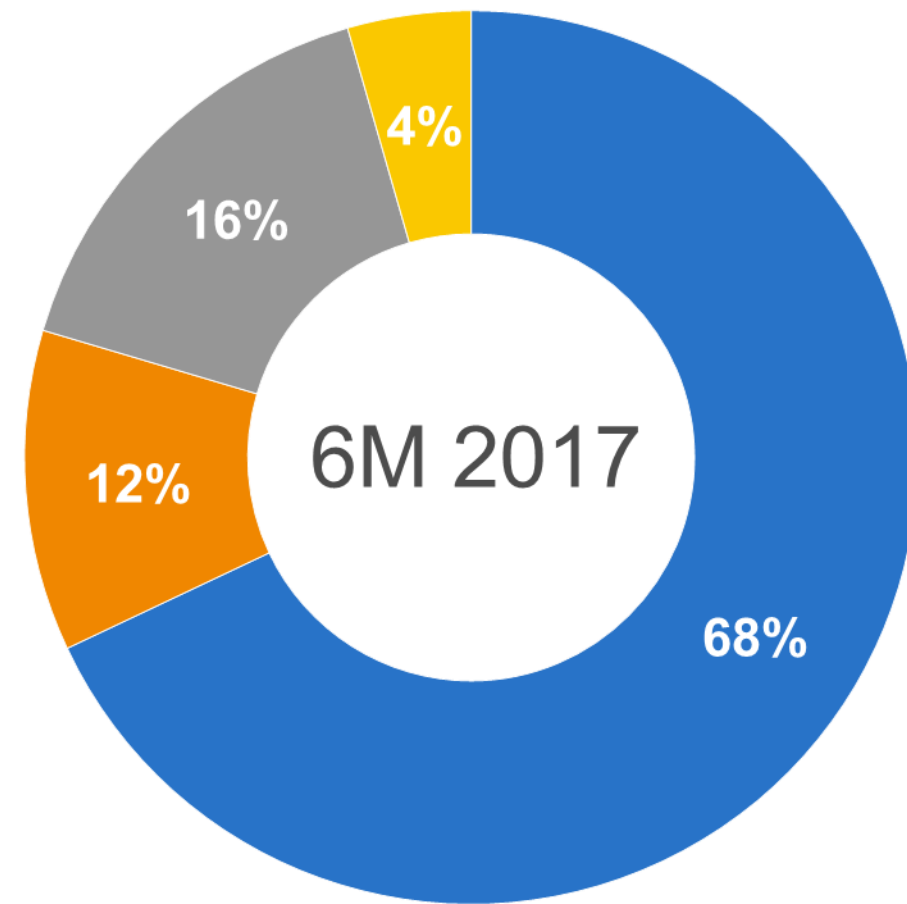
FORWARDING SERVICES 6M



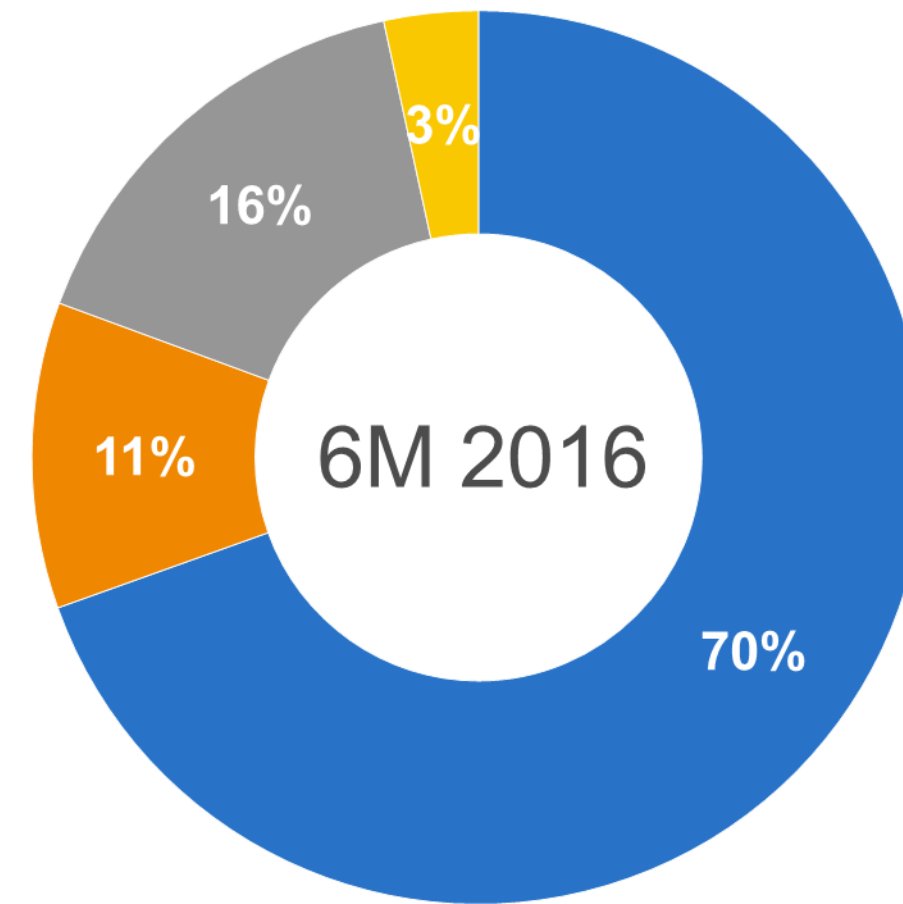
* New acquisitions account for 30.5% and organic growth 3.8%

LINER SERVICES VOLUME

Iceland, Faroe Islands, Norway and Trans-Atlantic



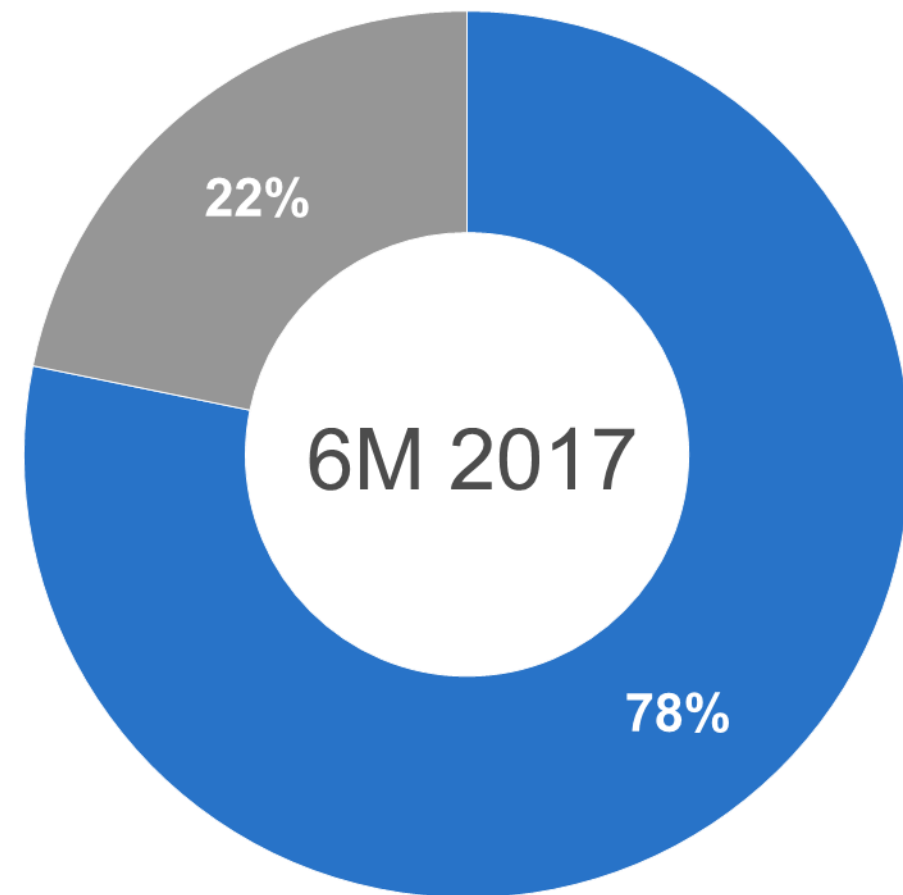
■ Iceland ■ Faroe Islands ■ Norway ■ Trans-Atlantic



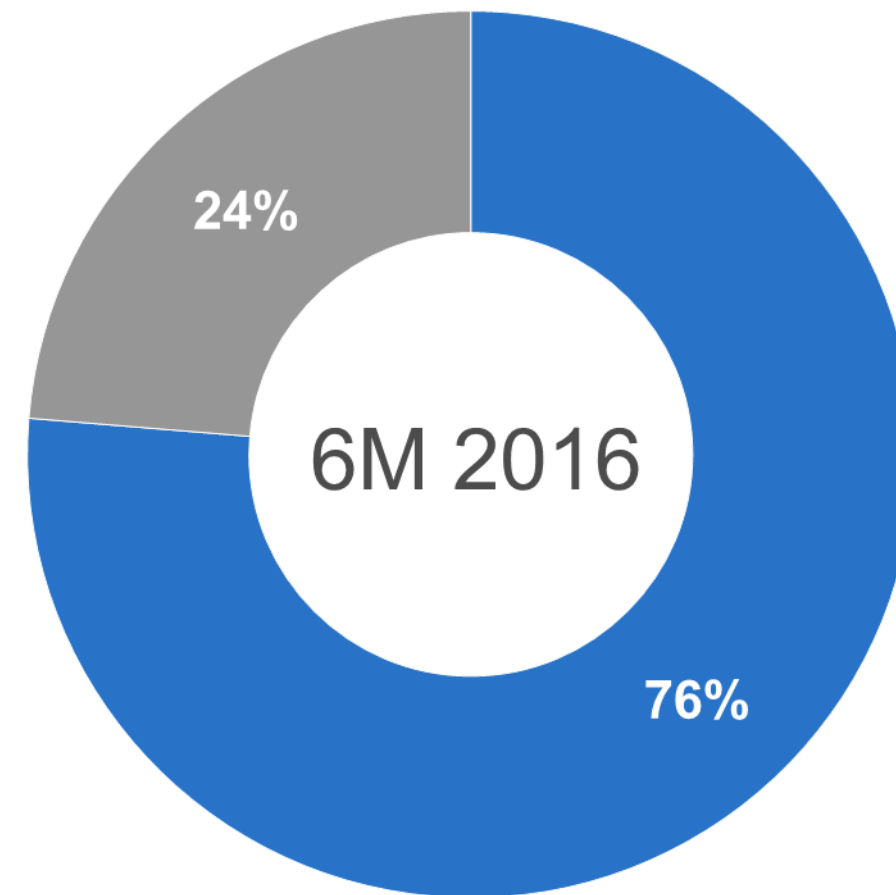
■ Iceland ■ Faroe Islands ■ Norway ■ Trans-Atlantic

FORWARDING SERVICES VOLUME

Reefer and dry cargo forwarding



■ Reefer ■ Dry



■ Reefer ■ Dry



FINANCIAL RESULTS

INCOME STATEMENT 6M 2017

Results affected by the fishermen strike and other non-recurring items

Revenue
EUR 320.0 m
up 33.7%

Expenses
EUR 294.0 m
up 37.7%

EBITDA
EUR 26.0 m
up 0.8%
Adjusted EBITDA
EUR 28.3 m
up 9.7%

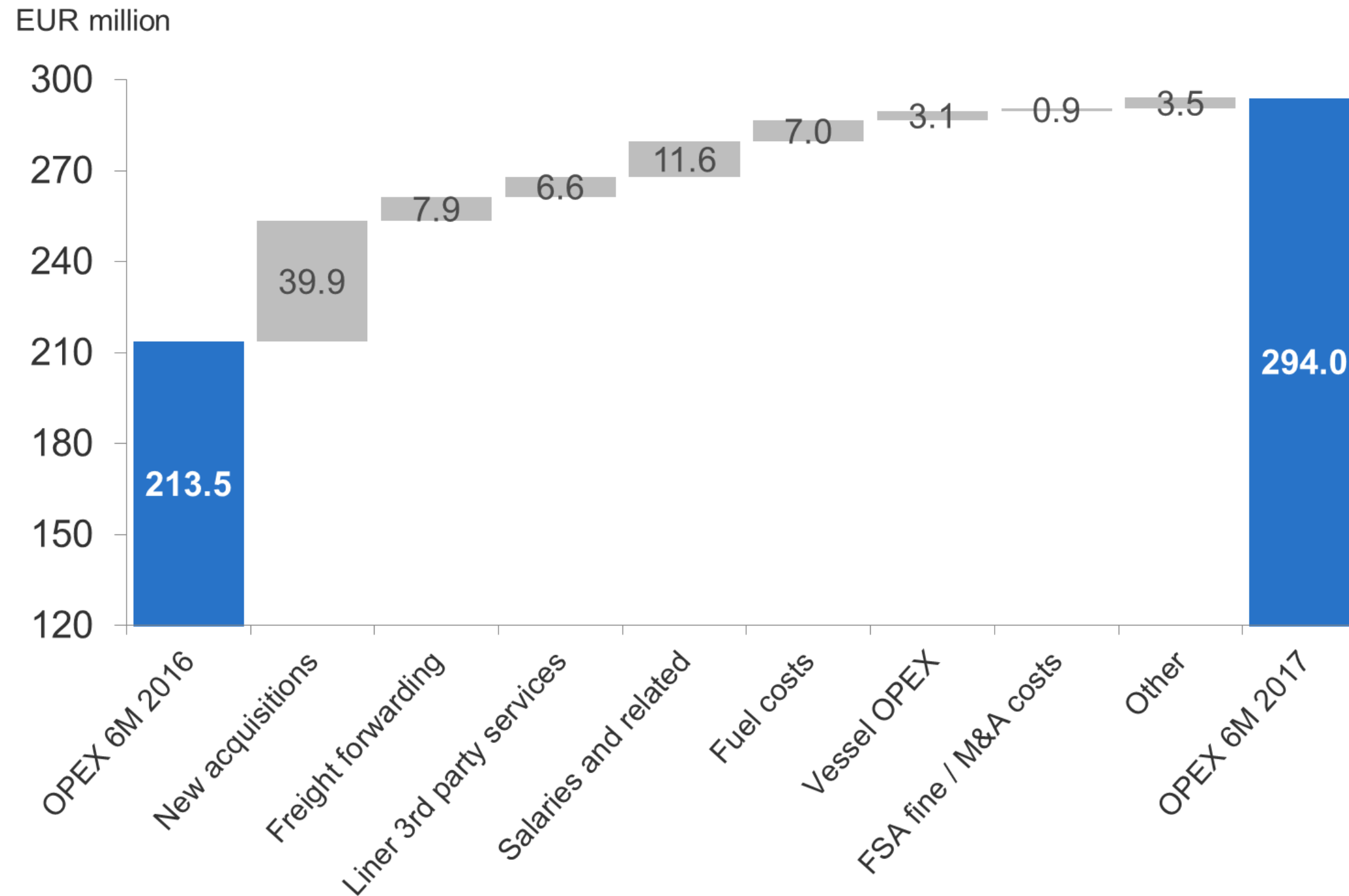
**Depreciation and
amortization**
EUR 14.9 m
compared to
EUR 13.2 m in 6M 2016

Net finance expense
EUR 4.3 m
compared to
EUR 0.7 m in 6M 2016

Net earnings
EUR 5.1 m
compared to
EUR 10.6 m in 6M 2016

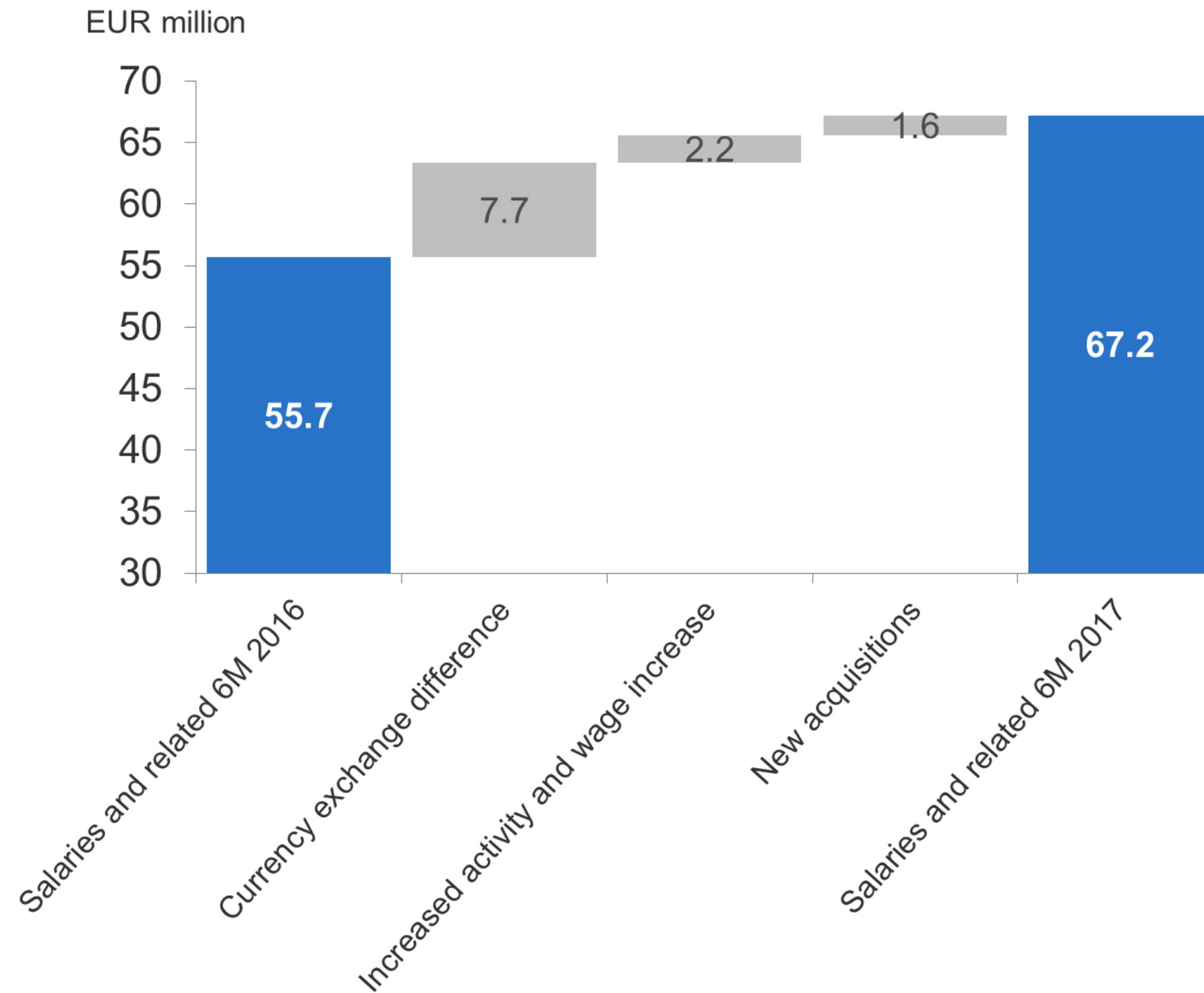
OPERATING EXPENSES BRIDGE

Expenses/investment related to changed sailing system EUR 2.7 million and imbalance cost EUR 1.1 million



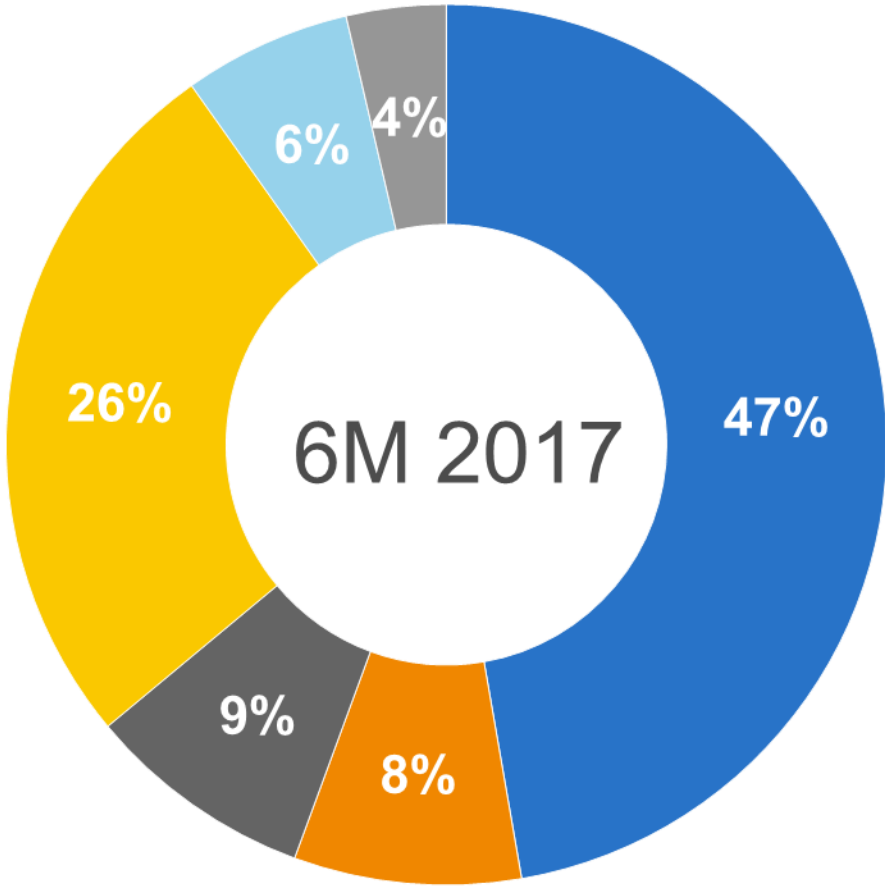
SALARY BRIDGE 6M 2017

Salaries and related expenses increased by 20.8%, mainly due to strengthening of ISK

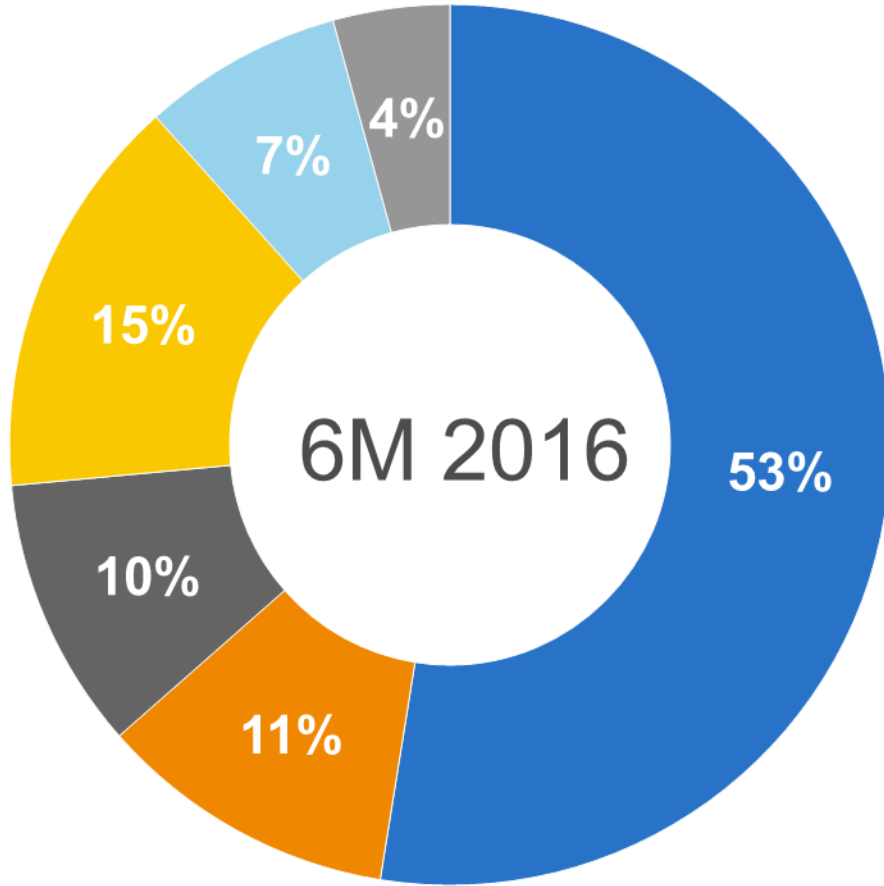


GEOGRAPHICAL SPLIT OF REVENUE

Europe has grown due to new forwarding acquisitions



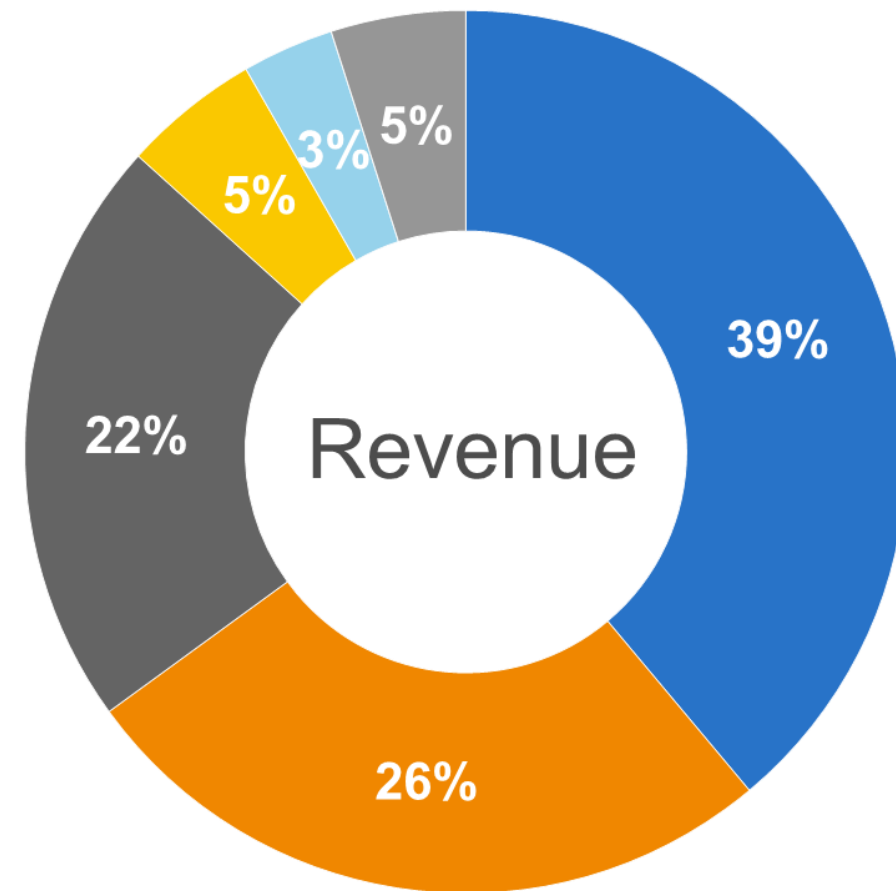
- Iceland
- Norway
- Asia
- Faroe Islands
- Europe
- Other



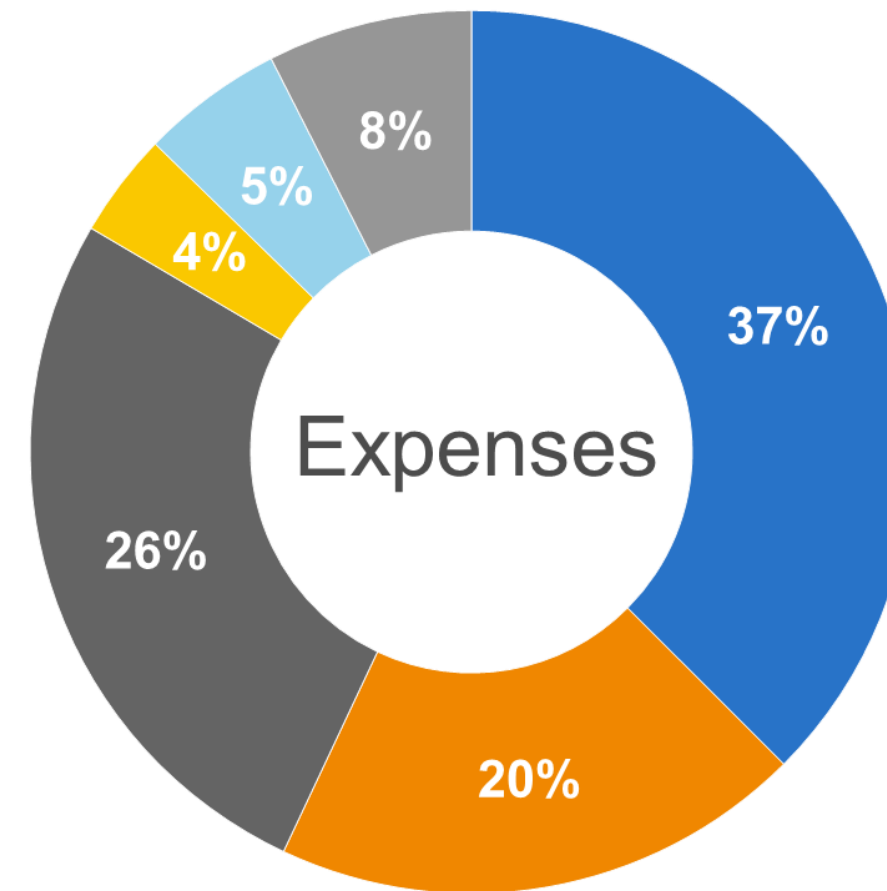
- Iceland
- Norway
- Asia
- Faroe Islands
- Europe
- Other

REVENUE AND EXPENSES BY CURRENCY 6M 2017

Income statement relatively naturally hedged – long in USD and short in ISK



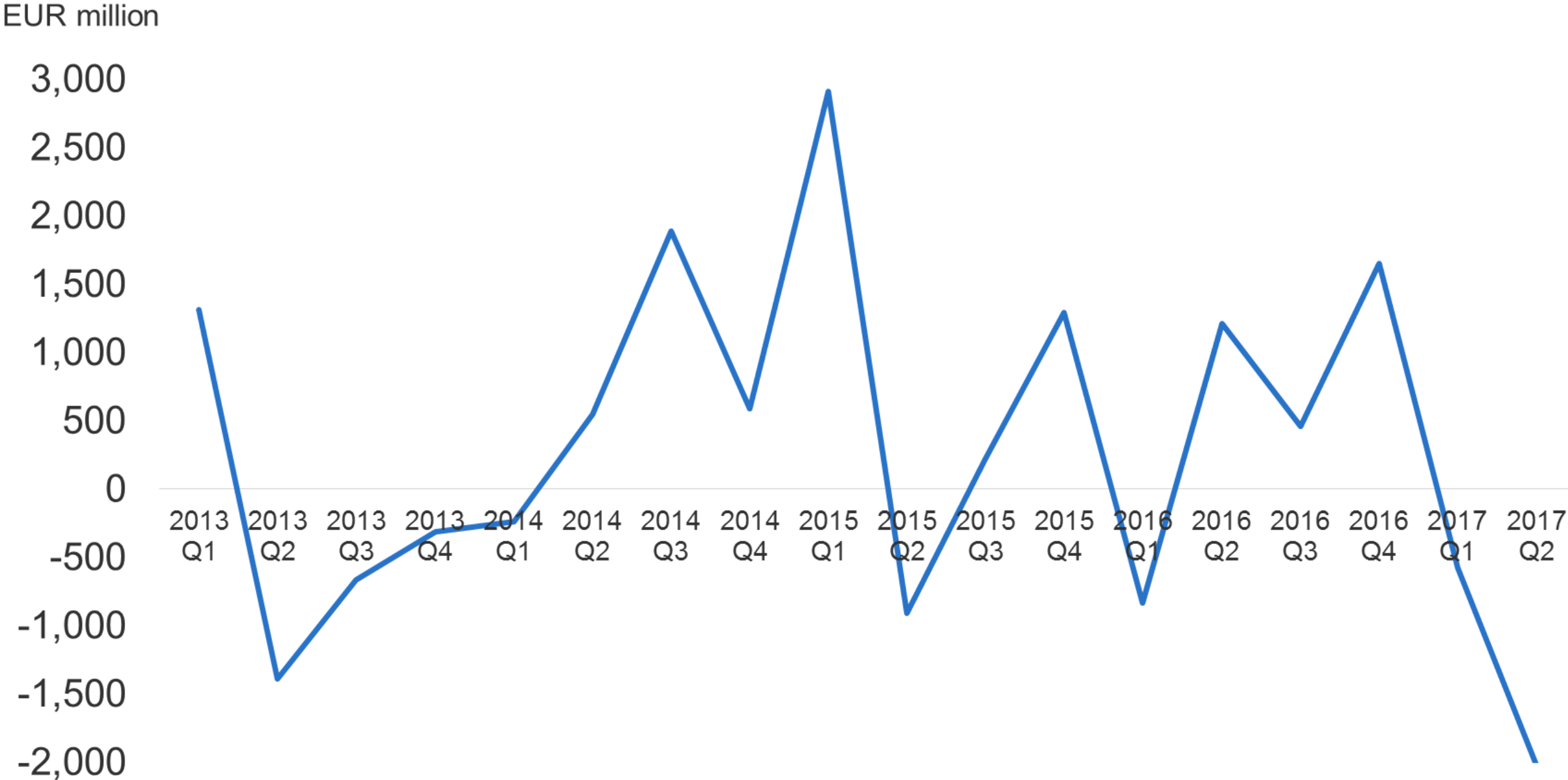
■ EUR & DKK
■ ISK
■ GBP
■ USD
■ NOK
■ Other



■ EUR & DKK
■ ISK
■ GBP
■ USD
■ NOK
■ Other

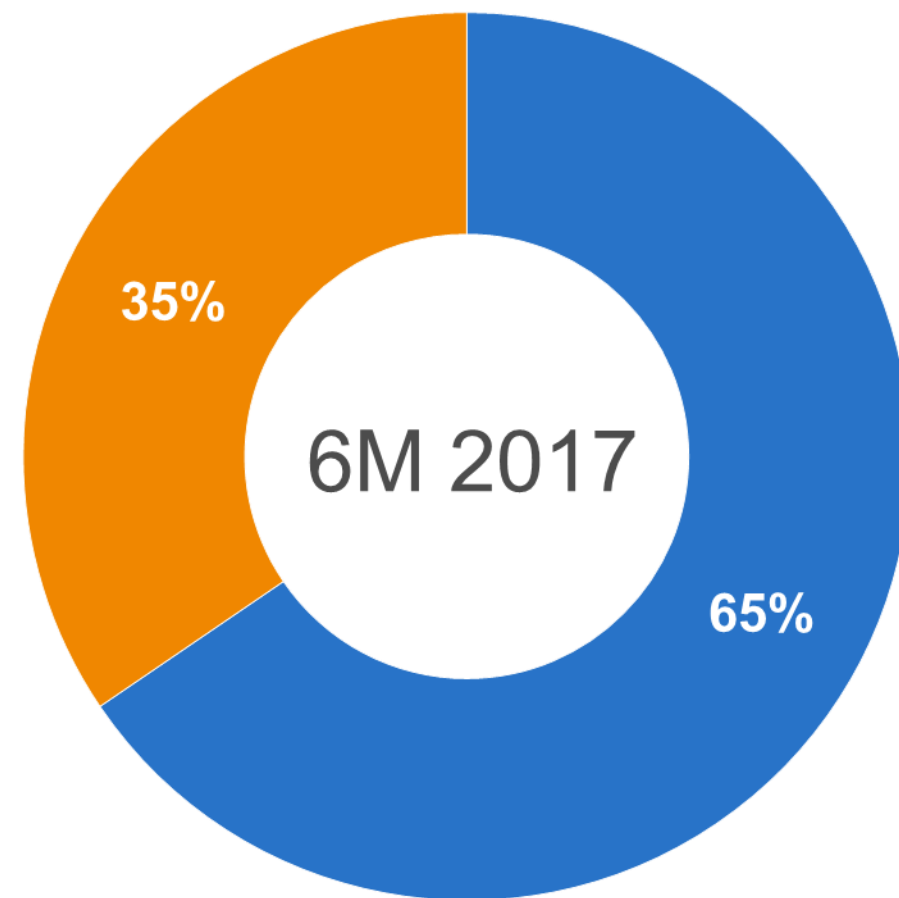
CURRENCY EXCHANGE GAINS AND LOSSES BY QUARTER 2013 TO 2017

Accumulated fluctuations 2013 to 2016 positive of EUR 7.7 million and 6M 2017 negative of EUR 2.6 million

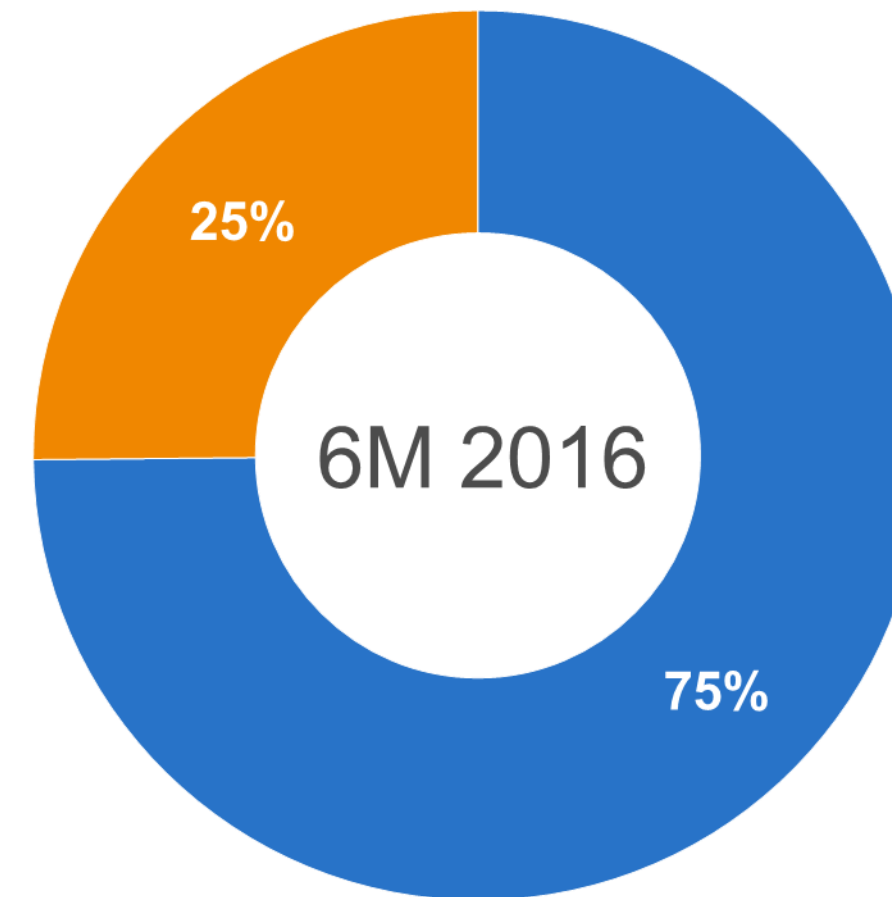


REVENUE BY BUSINESS SEGMENT

Liner services and forwarding services



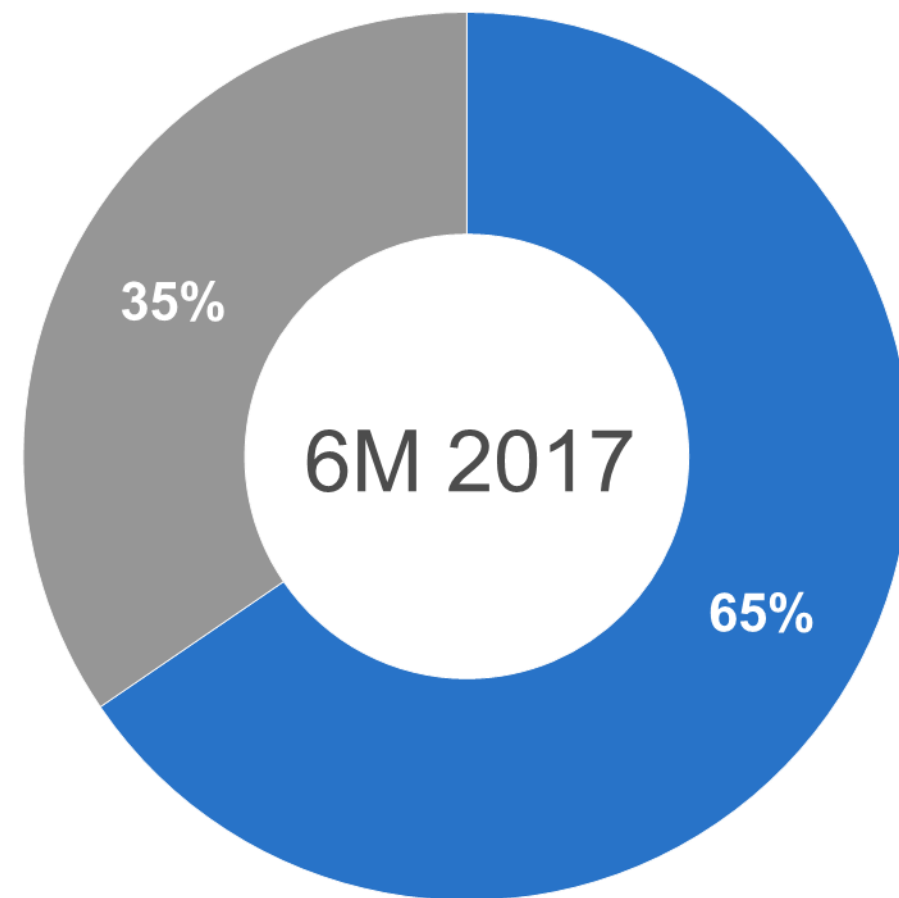
■ Liner services ■ Forwarding services



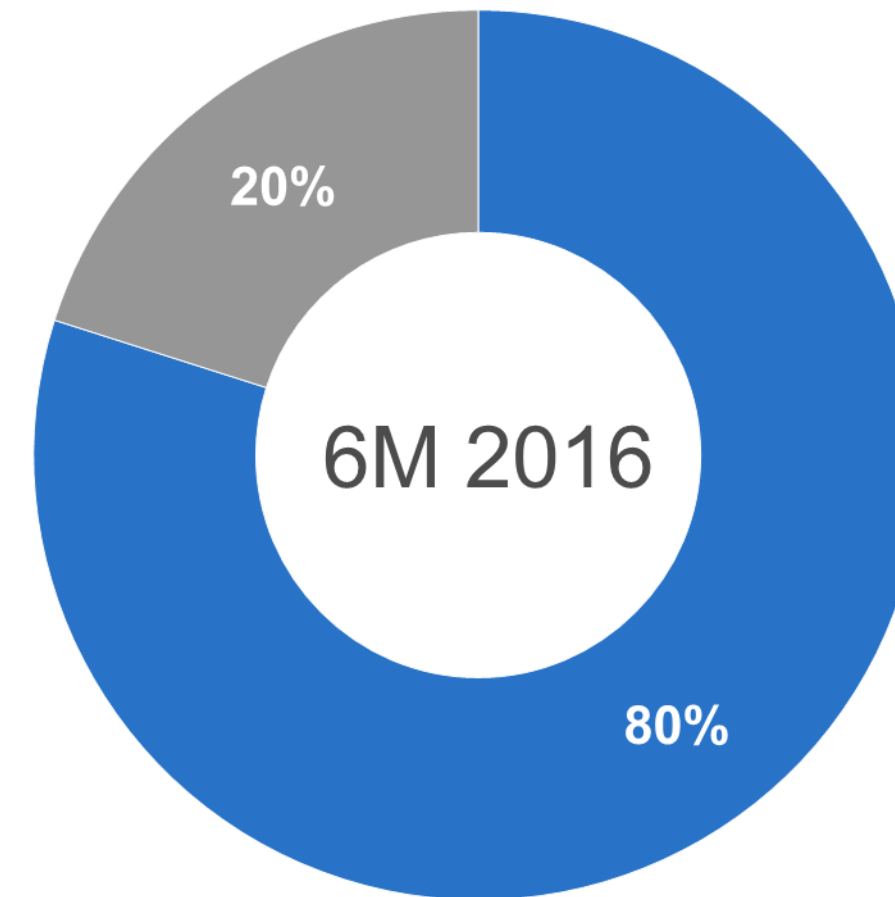
■ Liner services ■ Forwarding services

EBITDA BY BUSINESS SEGMENT

Liner services and forwarding services



■ Liner services ■ Forwarding services



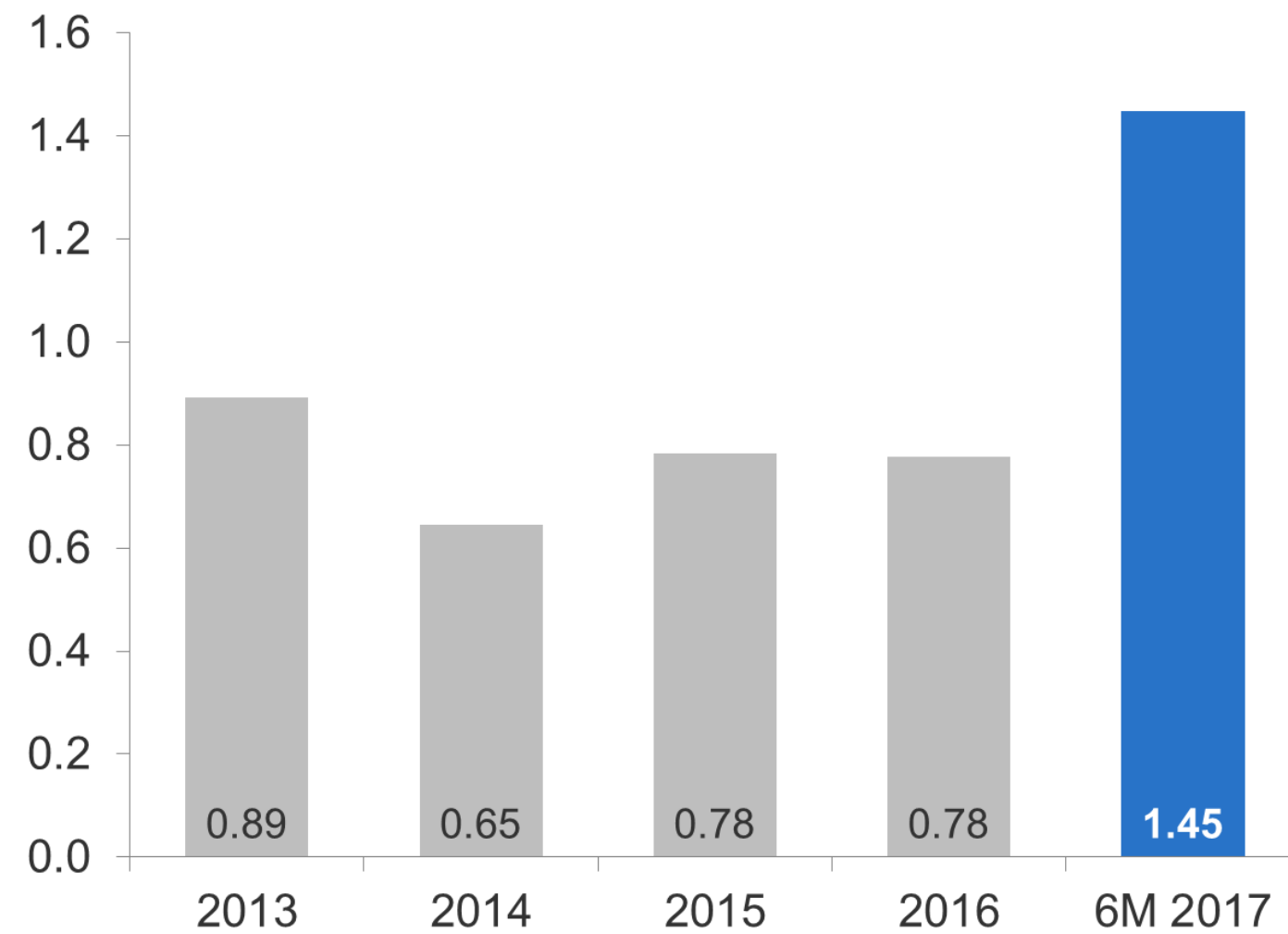
■ Liner services ■ Forwarding services

FINANCIAL RATIOS 2013 TO 6M 2017

Increased leverage due to new acquisitions and other investments

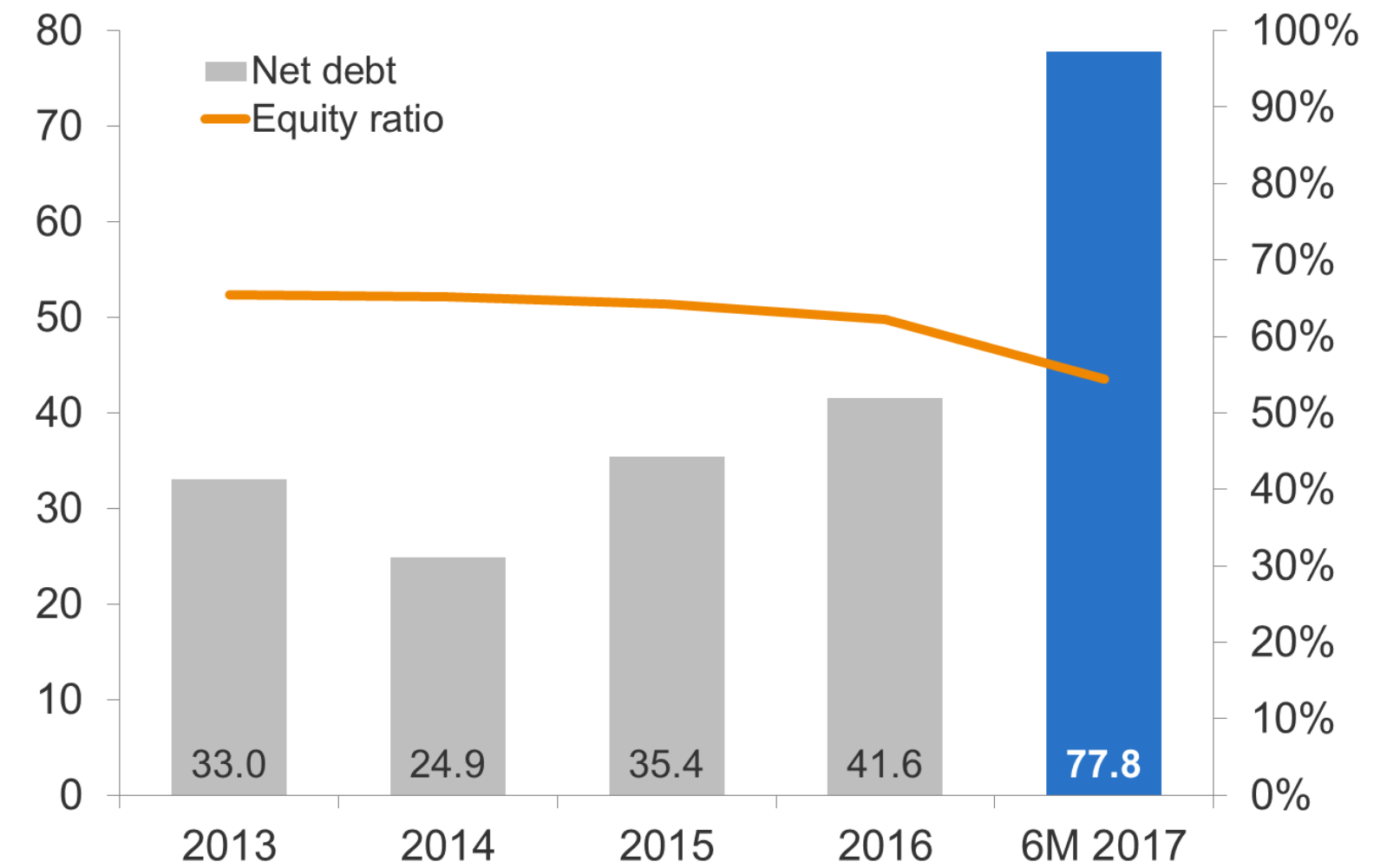
NET DEBT / LTM-EBITDA

EUR million



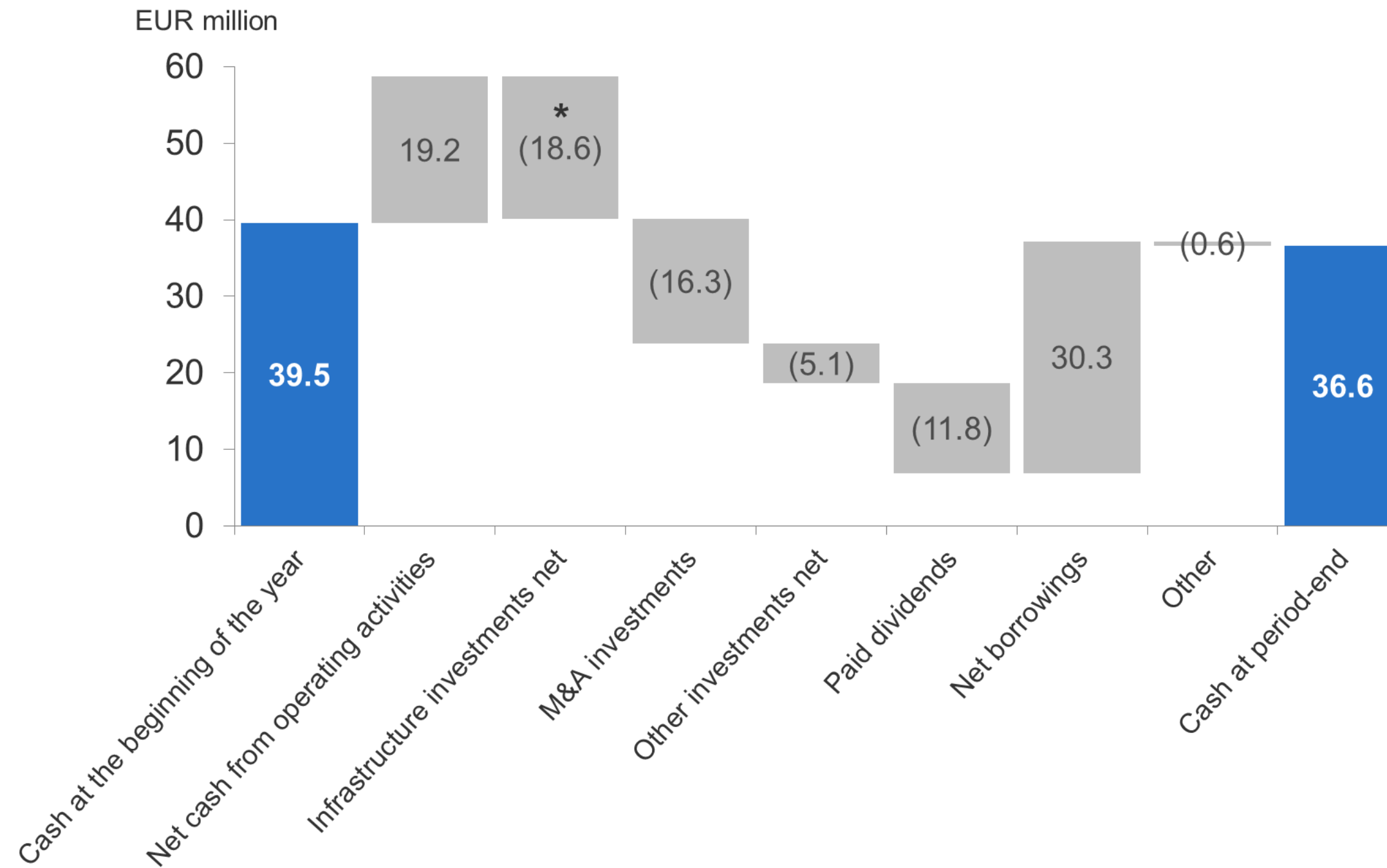
NET DEBT AND EQUITY RATIO

EUR million



CASH FLOW BRIDGE Q1 2017

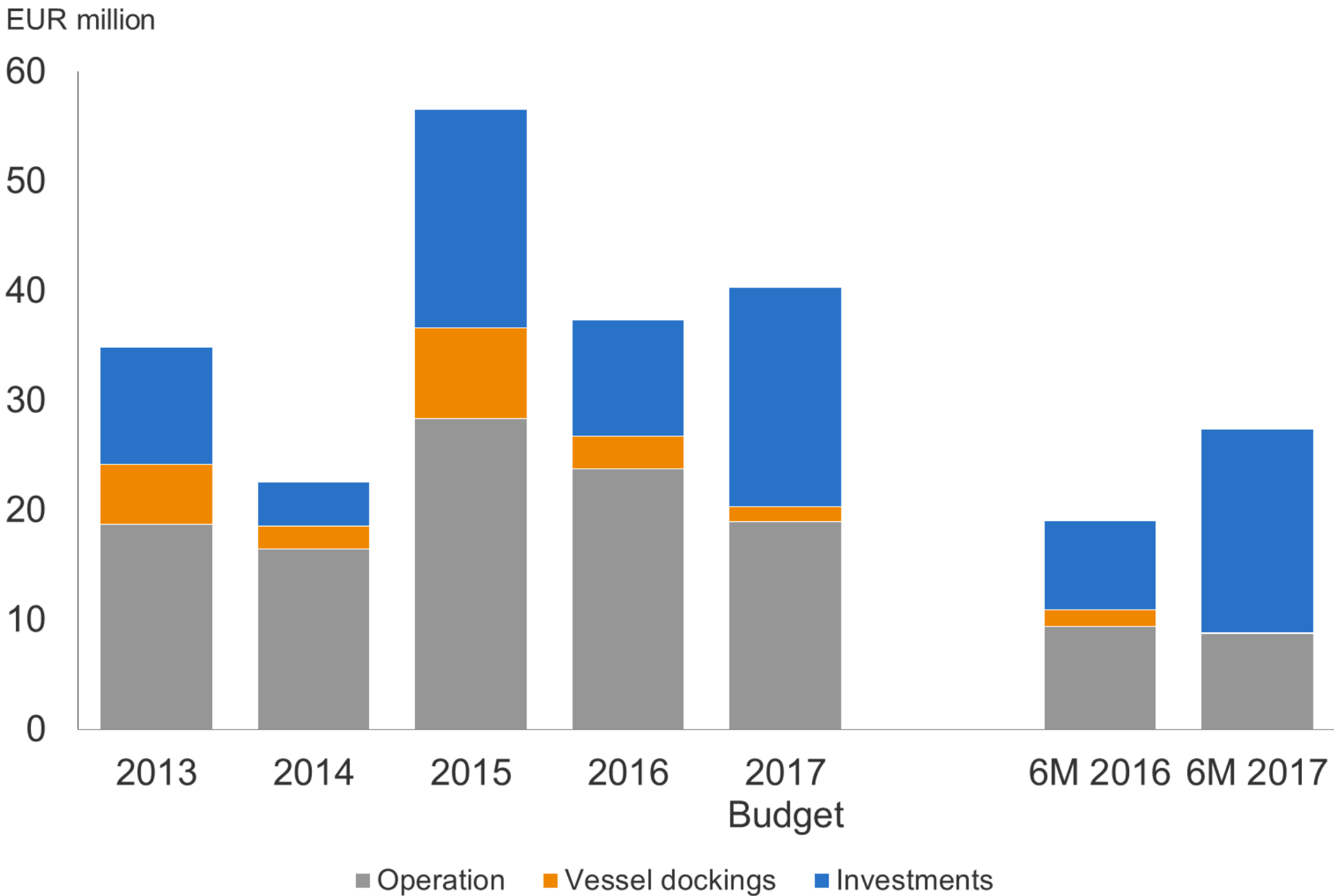
Affected by M&A investments and vessel investments



* Includes EUR 11.7 million contract payment on vessel building in China

CAPEX 2013 TO 2017

Investment budget 2017 includes the first contract payment of the two new container vessels under construction, EUR 11.7 million





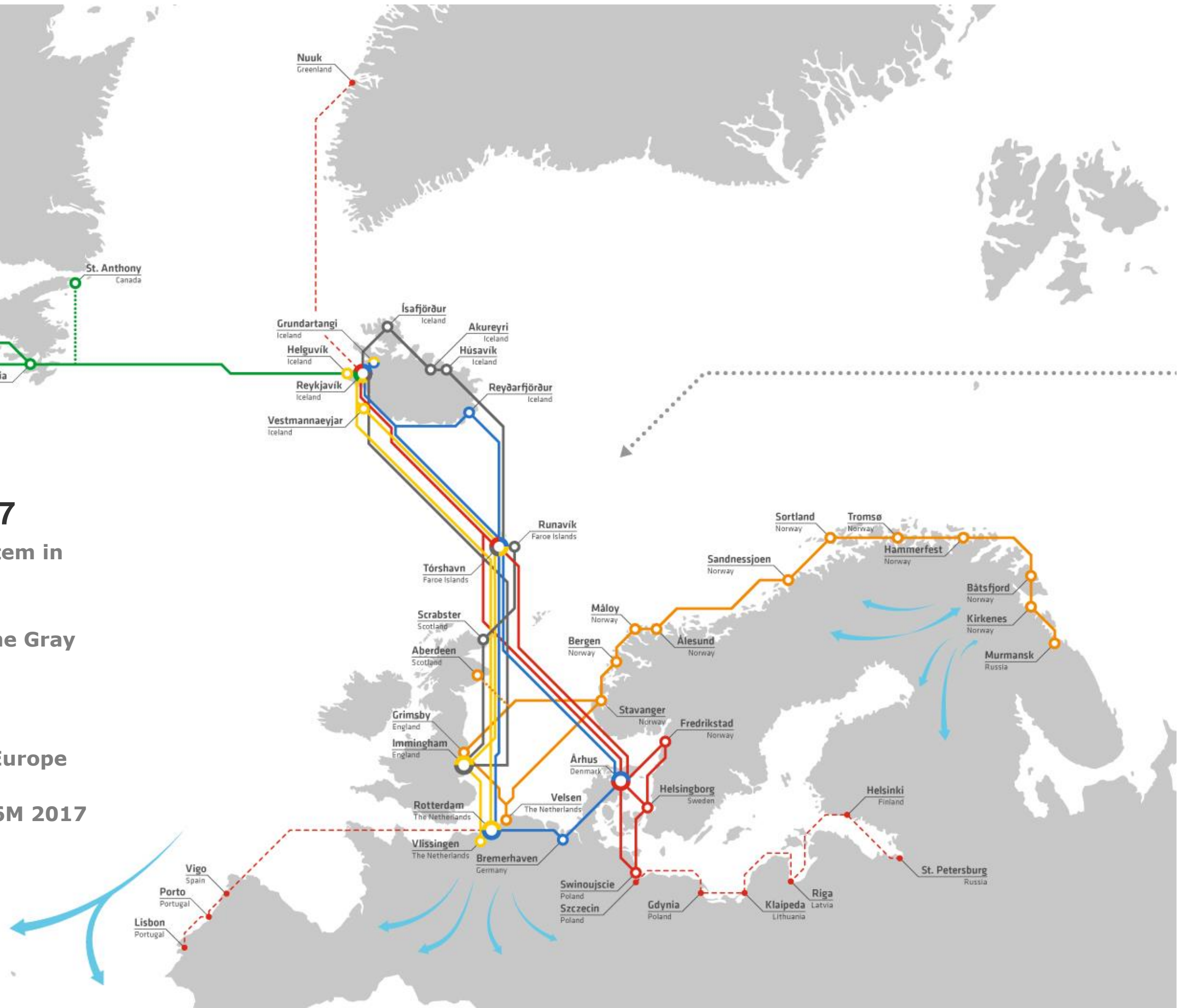
ONGOING PROJECTS AND FUTURE DEVELOPMENT

EIMSKIP'S SAILING SYSTEM

Six sailing routes in the North Atlantic

Increased capacity in 2017

- Changes made to the sailing system in February 2017
- A new Red Line added
- Services of the Green Line and the Gray Line changed
- Weekly coastal services offered
- One vessel added
- Increased capacity to and from Europe and North America by 7-11%
- Growth in liner volume 3.3% in 6M 2017



INVESTMENTS

Acquisitions and Joint Ventures

- Eimskip continues to work on organic growth and strategic accretive acquisitions to increase shareholder value
- Recent progress
 - Acquisition of a 90% share in Extraco in October 2016
 - Acquisition of a 80% share in Mareco in January 2017
 - Cooperation agreement with Royal Arctic Line in January 2017
 - Acquisition of a 51% share in CSI in April 2017
 - Acquisition of a 75% share in SHIP-LOG A/S in June 2017
- The company is currently working on several potential acquisitions in its core business
- Evaluation of vessel investments will continue on an ongoing basis
 - Eimskip seeks to take advantage of the attractive used vessel market



SHIP-LOG A/S

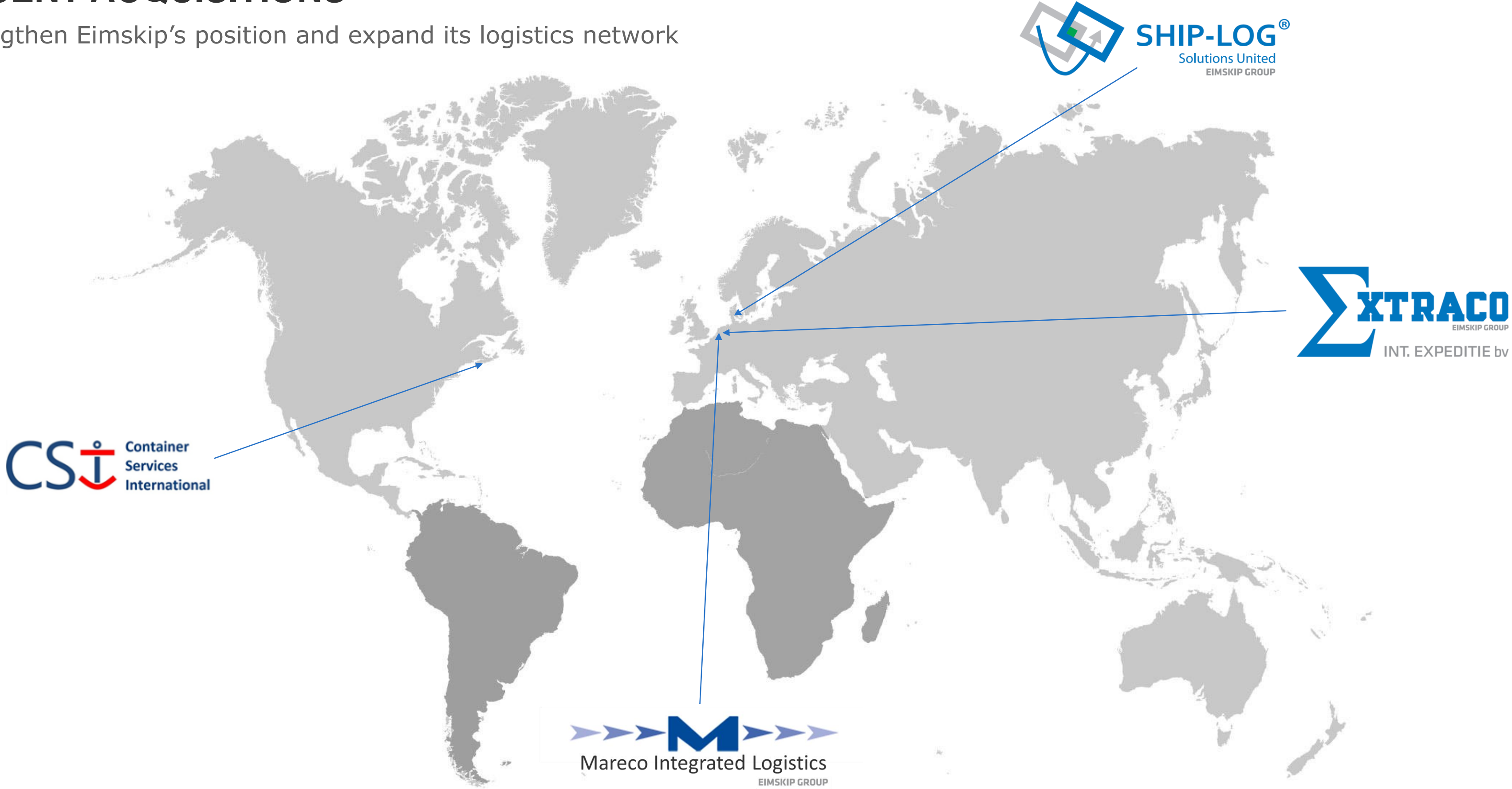
Strengthens Eimskip's position in worldwide logistics services

- A specialized forwarding company
 - Established in 2003
 - Headquartered in Århus, Denmark
 - Employs about 30 people
 - Strengthens Eimskip's position in Denmark
 - Synergy with Eimskip's office and warehouse in Århus
- Acquisition of a 75% share in the company in June
 - The management team will own a 25% share
- Focus on serving import and export customers
 - Strong international agency network in more than 120 countries
 - Strong niche position within the temperature controlled cargo in the food and pharmaceutical sector
 - Increases the commodity portfolio and customer base
- Annual revenue approximately EUR 17 million
 - 6-7% EBITDA ratio



RECENT ACQUISITIONS

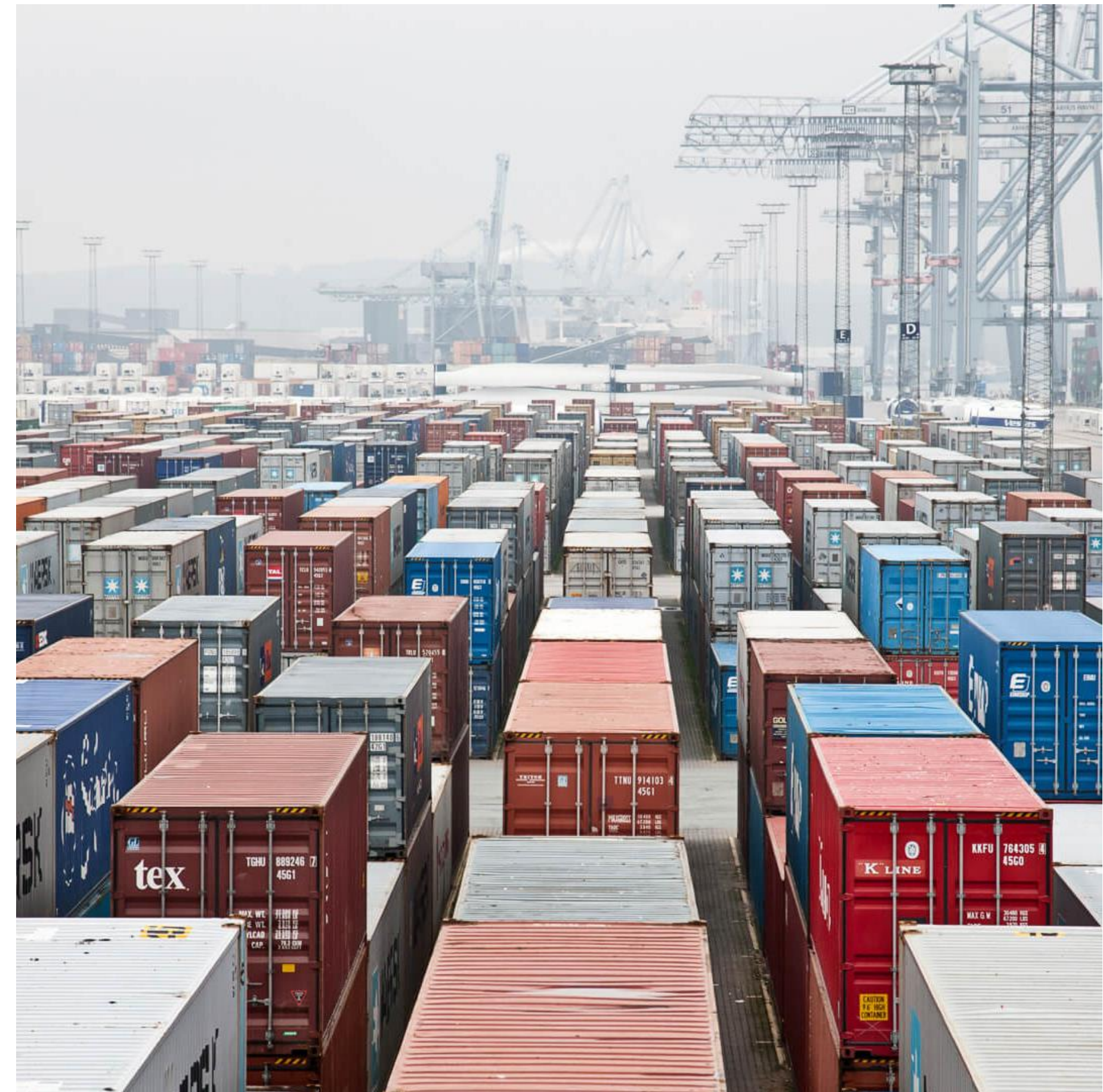
Strengthen Eimskip's position and expand its logistics network



FREIGHT FORWARDING

Successful acquisitions diversifying the business and creating shareholder value

- Eimskip has completed three accretive acquisitions in the last nine months
 - Extraco, Mareco and Ship-Log
- EBITDA for the forwarding segment has increased 136% over the past three years
 - EBITDA 6M 2015 EUR 3.8 million
 - EBITDA 6M 2017 EUR 9.0 million
- Total share of the group revenues from freight forwarding are up from 25% in 2016 to 35% in 2017
- Total share of the group EBITDA is up from 20% in 2016 and to 35% in 2017
- Eimskip is in the process of integrating these companies, creating a more powerful network and opportunities for growth through new commodities, new trade lanes, synergy and cross selling
- Other goals achieved are
 - Increased EBITDA from asset-light companies and increased return on capital
 - Made accretive niche acquisitions that strengthen the overall business and create shareholder value
 - Diversified the geographic revenues and EBITDA
 - Key management being retained by them holding minority interest



EIMSKIP AND ROYAL ARCTIC LINE

Favorable financing of the two new container vessels secured

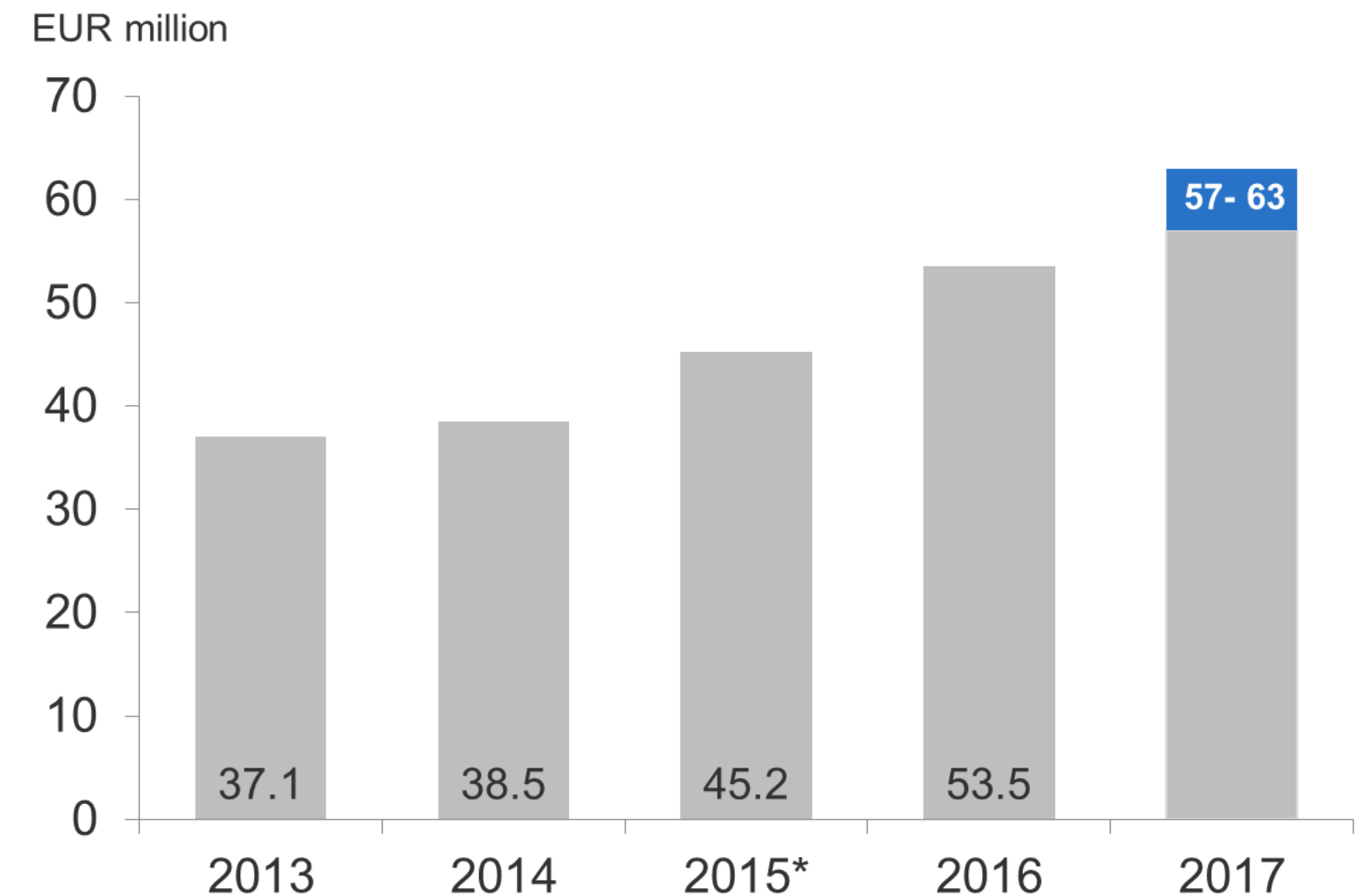
- An agreement for the cooperation between Eimskip and Royal Arctic Line was signed in January 2017
 - Subject to confirmation from the relevant competition authorities
- At the same time, Eimskip finalized a contract with a shipyard in China on building two 2,150 TEU ice class Polar Code container vessels
 - Built to the highest environmental standards
 - Contract price of each vessel about USD 32 million, 40% paid during the building period and 60% upon the estimated delivery in 2019
- Royal Arctic Line also signed a contract to build one similar vessel with the same shipyard
- Eimskip secured in April 80% financing of the contract price upon delivery of the vessels with the German bank KfW IPEX-bank GmbH
 - In EUR with a 15 year term and a very favorable interest margin
- The building project has started and the company paid the first installment of the building price in May 2017 of EUR 11.7 million
- The Icelandic Competition Authority is evaluating the cooperation



UNCHANGED EBITDA FORECAST FOR 2017

EBITDA in the range of EUR 57 to 63 million

- The first six months were in line with the company's expectations, EBITDA for July is strong and volumes for the first three weeks in August are in line with expectations
- The EBITDA outlook for the year remains unchanged
 - Liner services
 - Import to Iceland estimated to continue to increase and exports expected to be stronger in the second half compared to the first half
 - Export from the Faroe Islands expected to increase and import on similar level compared with the first half
 - After a record year in 2016, Norway is expected to balance out
 - Trans-Atlantic transport is expected to grow
 - New surcharge of CPC to offset the cost related to volume imbalance in Iceland
 - Fuel prices expected to stabilize in the second half
 - Competition is strong in the North Atlantic market
 - Forwarding services
 - Estimated that new acquisitions will remain strong
 - Organic growth in line with expectations
 - Rates in international deep sea market expected to be more stable in the second half
- Other External factors
 - Global economic conditions, currency exchange rate fluctuations and available resources of employees



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

A blue-tinted photograph showing the side of a ship on the left, featuring a large, stylized white letter 'E' logo. The ship is moving through the ocean, leaving a white wake behind it. The sky is a clear, light blue. The word 'QUESTIONS' is written in white, bold, uppercase letters in the center of the image.

QUESTIONS

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