



REVENUE GROWTH 29.7% AND EBITDA EUR 9.3M IN Q1 2017

Q1 2017 - 24 May 2017 | 11.5% organic revenue growth and 18.2% from new acquisitions
Adjusted EBITDA EUR 11.6 million, up 20.5% from previous year





HIGHLIGHTS

KEY HIGHLIGHTS FOR Q1 2017

Q1 2017 compared to Q1 2016

Revenue
EUR 146.9 m
up EUR 33.7 m

EBITDA EUR 9.3 m
down 3.3% due to
fishermen strike and
non-recurring items of
EUR 2.3 m

Adjusted EBITDA
EUR 11.6 m
up 20.5%

Liner services
Volume
up 3.0%
Revenue
up EUR 8.9 m
up 10.7%

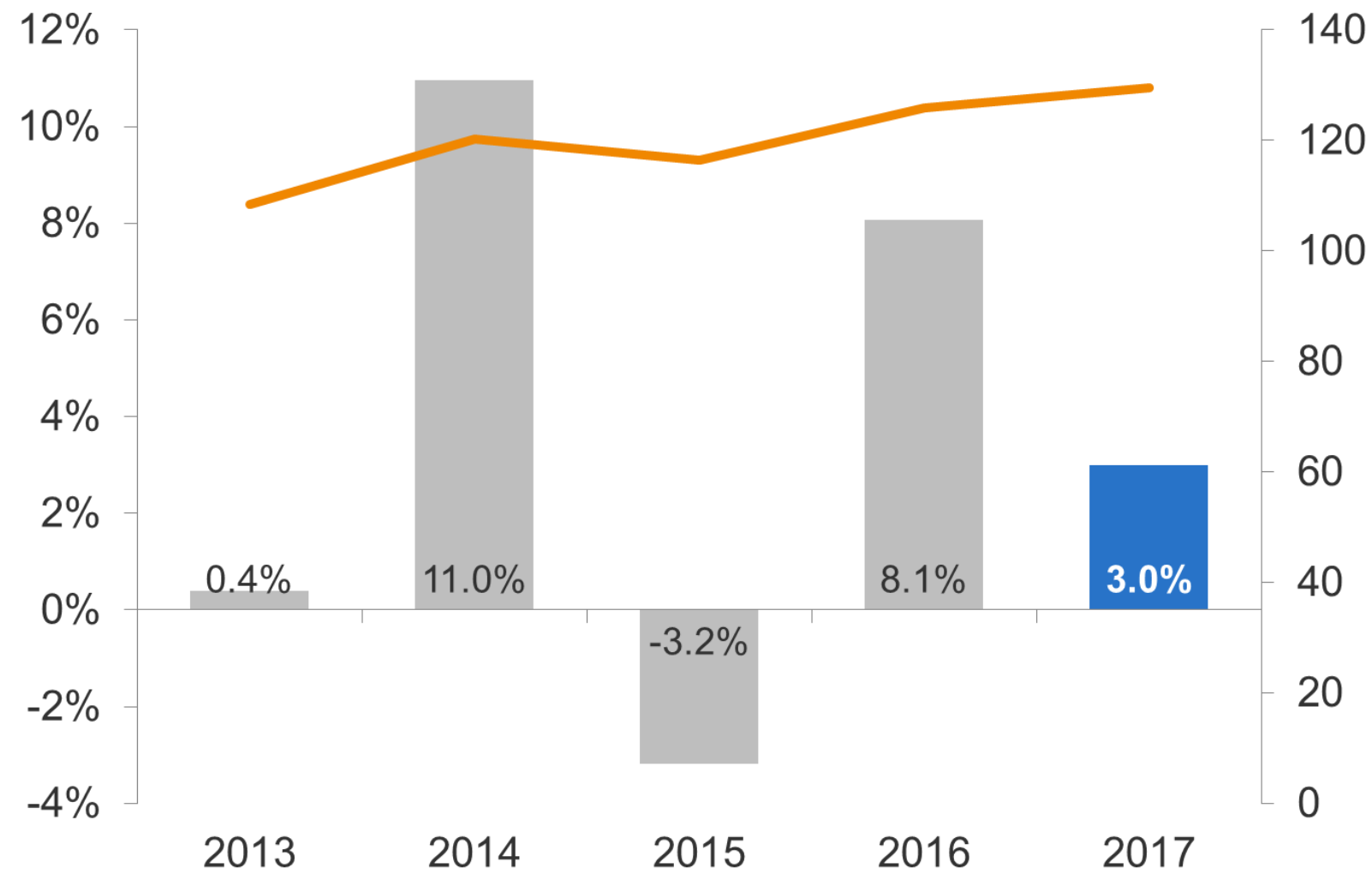
Forwarding services
Volume
up 28.9%
Revenue
up EUR 24.8 m
up 82.6%

Equity ratio 56.6%

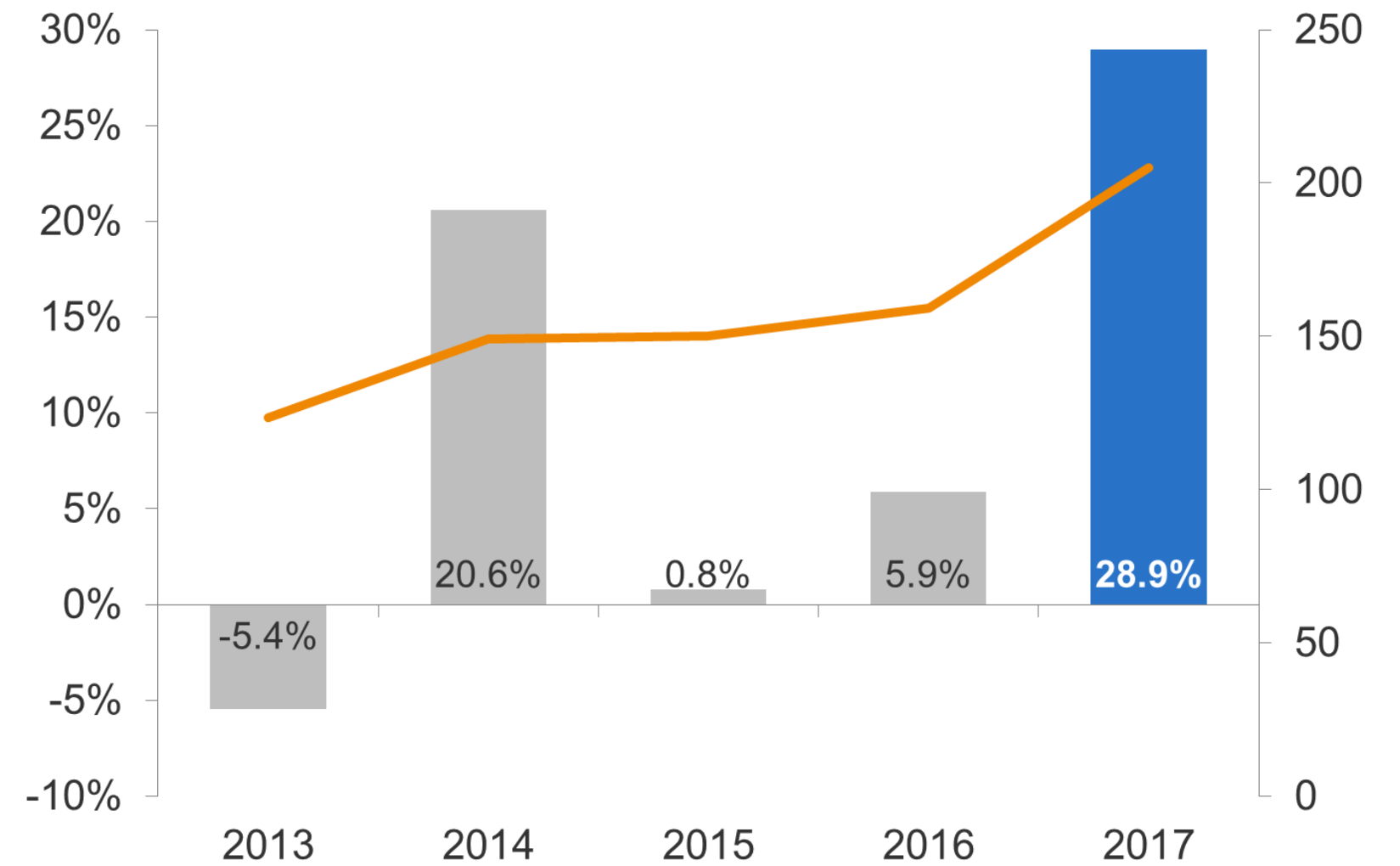
TRANSPORTED VOLUME IN Q1 2013 TO 2017

Compared to Q1 in previous year

LINER SERVICES



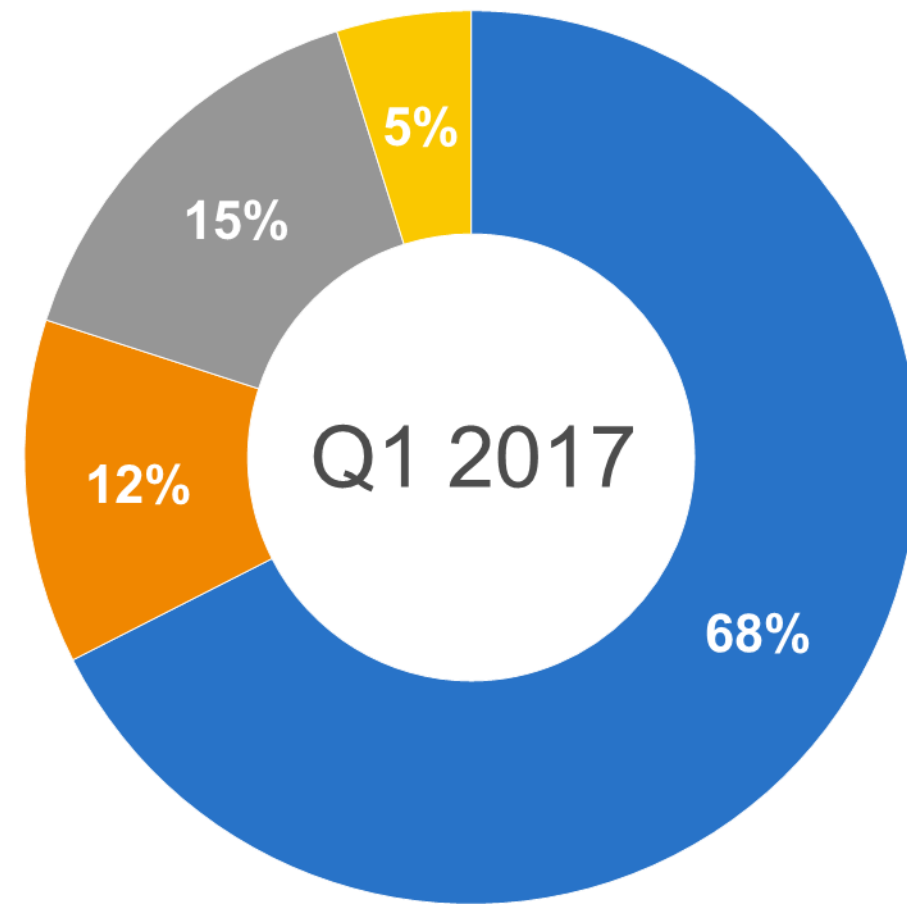
FORWARDING SERVICES



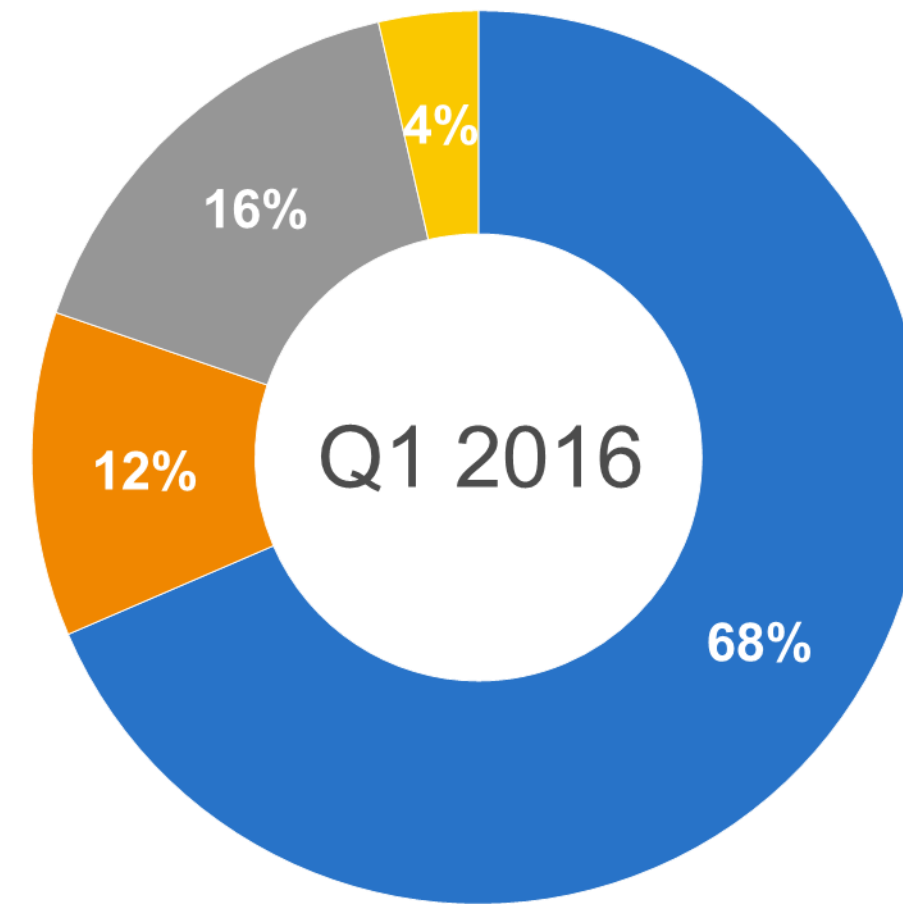
Volume index: 2010 volume at 100

LINER SERVICES VOLUME

Iceland, Faroe Islands, Norway and Trans-Atlantic



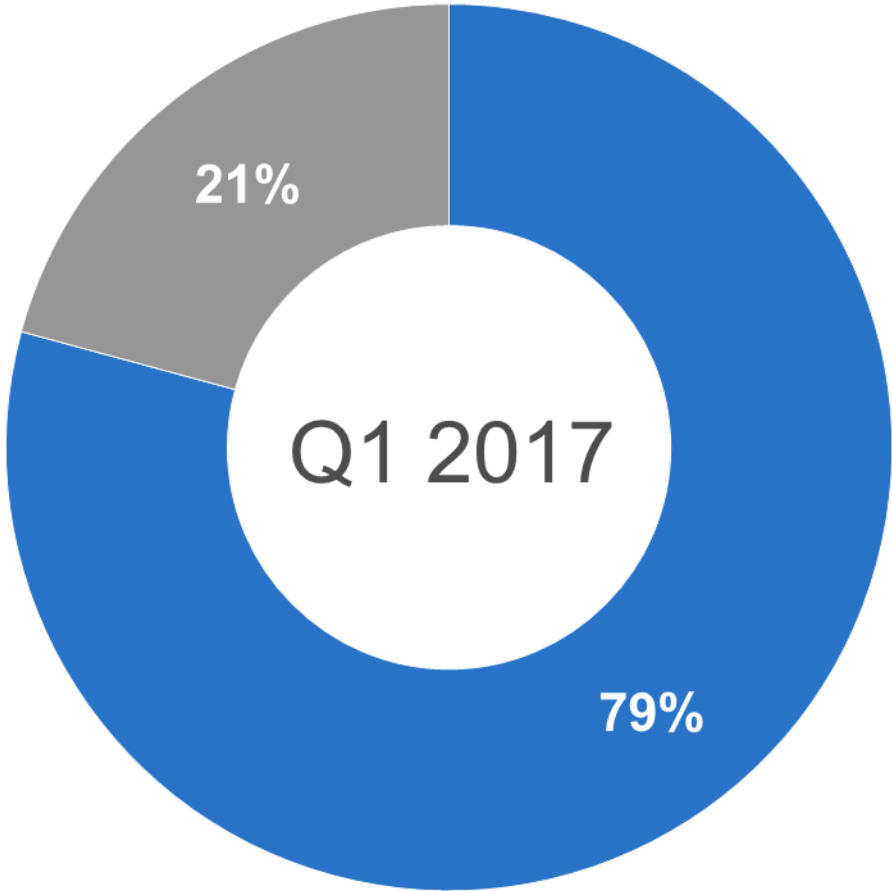
■ Iceland ■ Faroe Islands ■ Norway ■ Trans-Atlantic



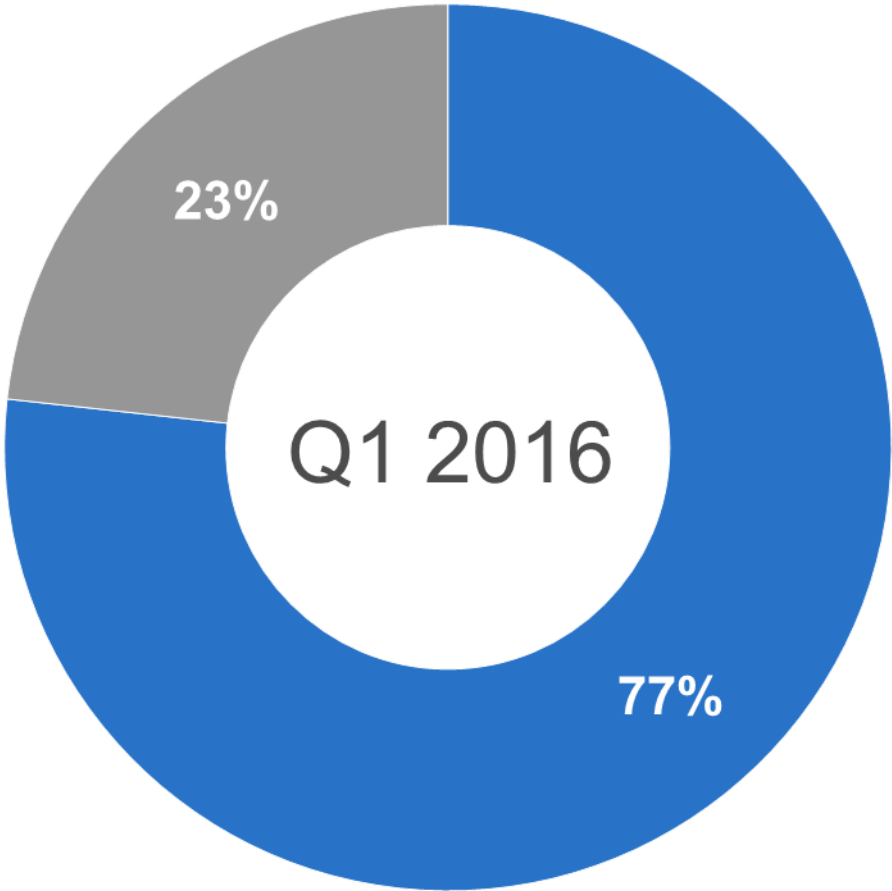
■ Iceland ■ Faroe Islands ■ Norway ■ Trans-Atlantic

FORWARDING SERVICES VOLUME

Reefer and dry cargo forwarding



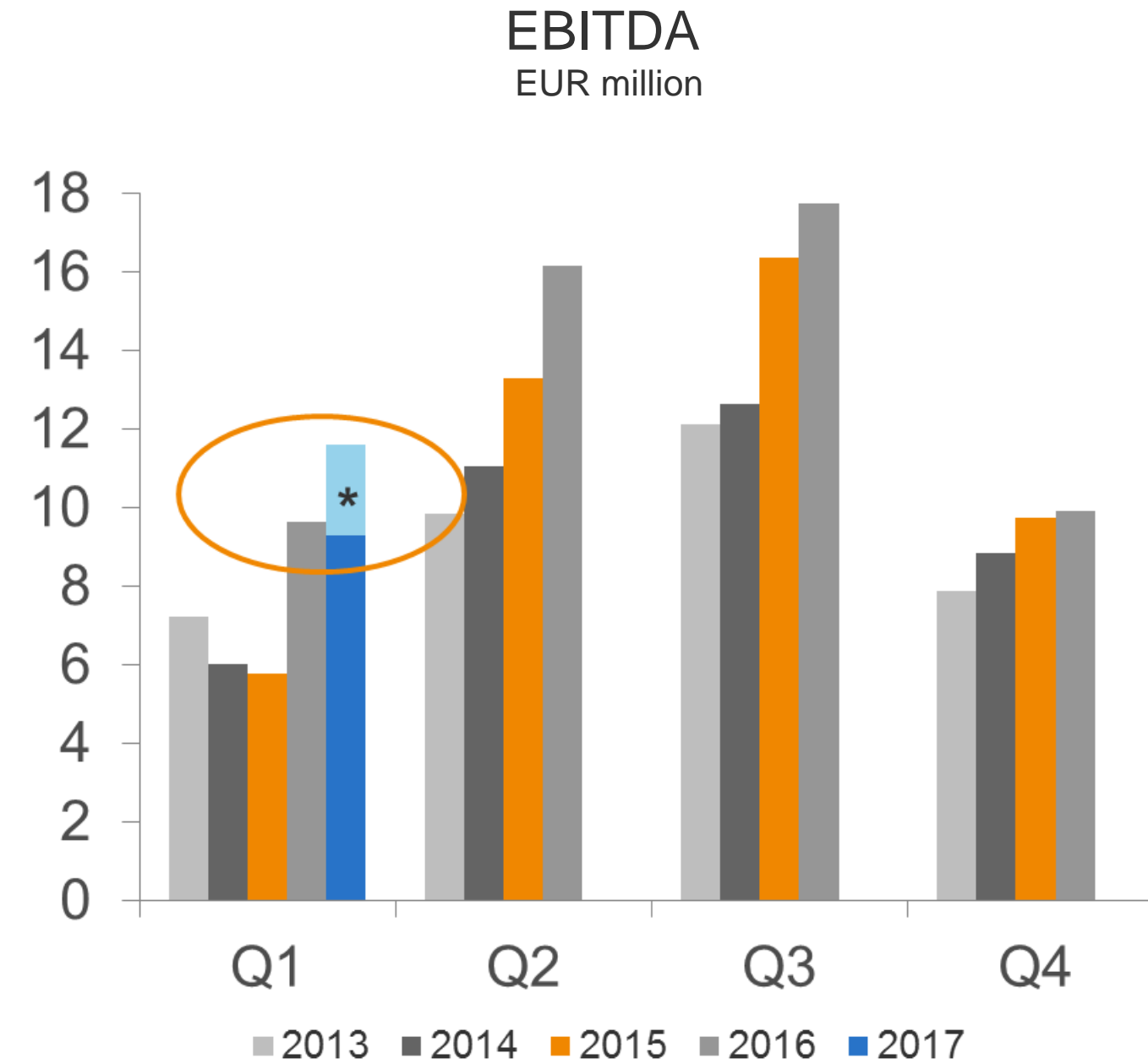
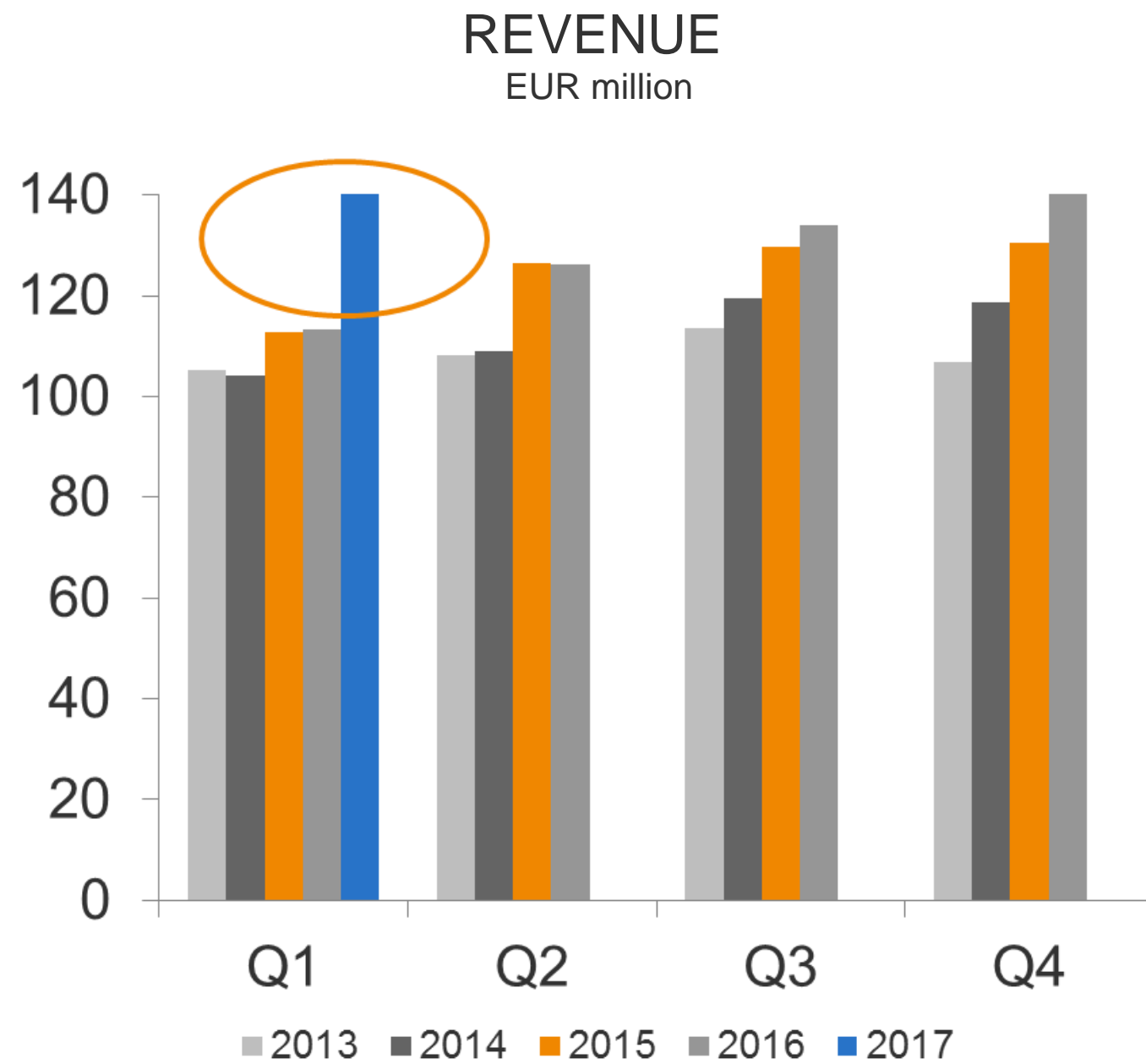
■ Reefer ■ Dry



■ Reefer ■ Dry

REVENUE AND EBITDA 2012 TO 2016 BY QUARTER

Substantial revenue growth in Q1 2017 but EBITDA lower by EUR 2.3 million due to fishermen strike and other non-recurring items



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

FINANCIAL RESULTS

INCOME STATEMENT Q1 2017

Results affected by the fishermen strike

Revenue
EUR 146.9 m
up 29.7%

Expenses
EUR 137.6 m
up 32.8%

EBITDA
EUR 9.3 m
down 3.3%
Adjusted EBITDA
EUR 11.6 m
up 20.5%

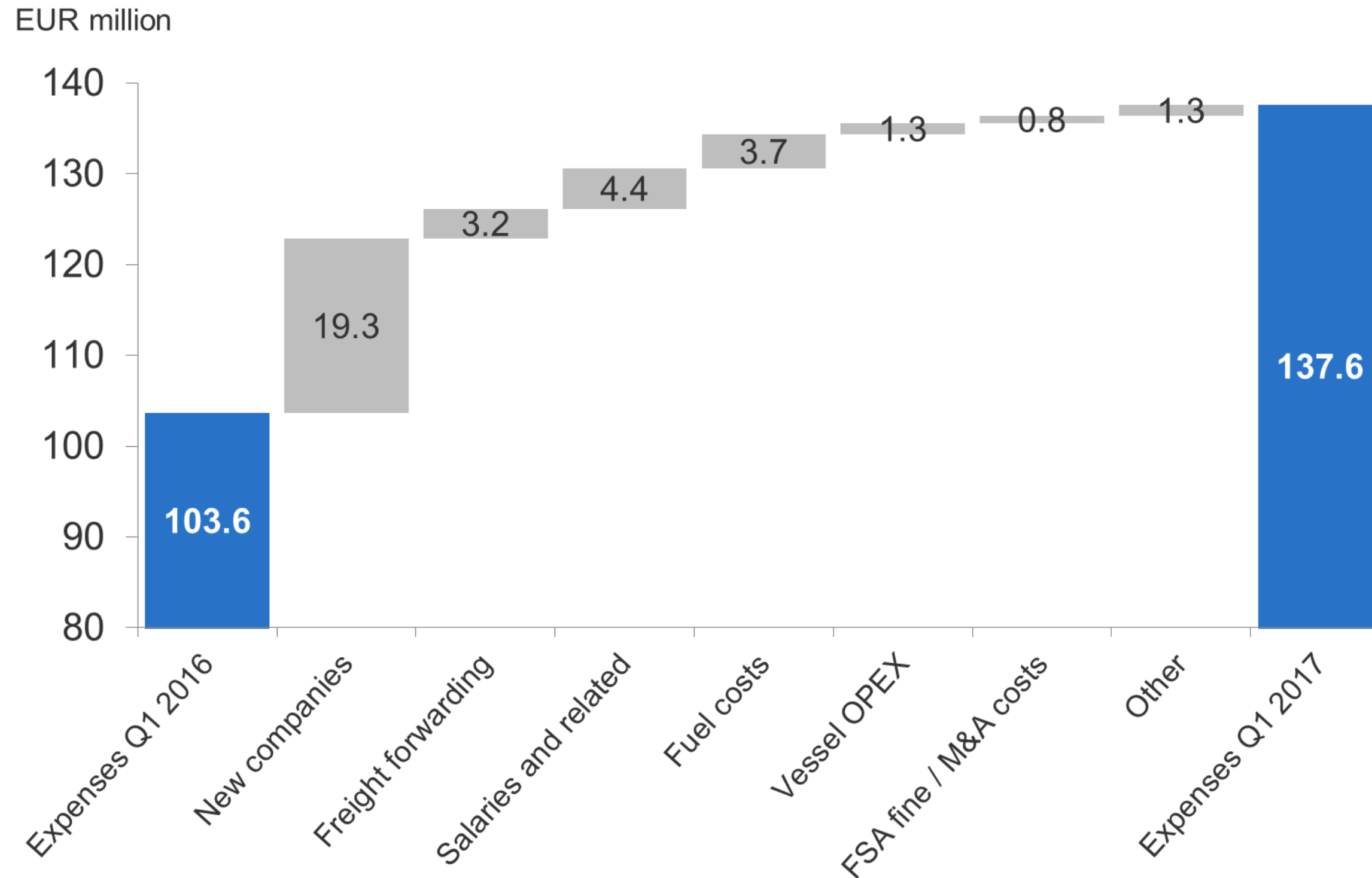
**Depreciation and
amortization**
EUR 7.4 m
compared to
EUR 6.4 m in Q1 2016

Net finance expense
EUR 1.5 m
compared to
EUR 1.4 m in Q1 2016

Net earnings
EUR 0.2 m
compared to
EUR 1.8 m in Q1 2016

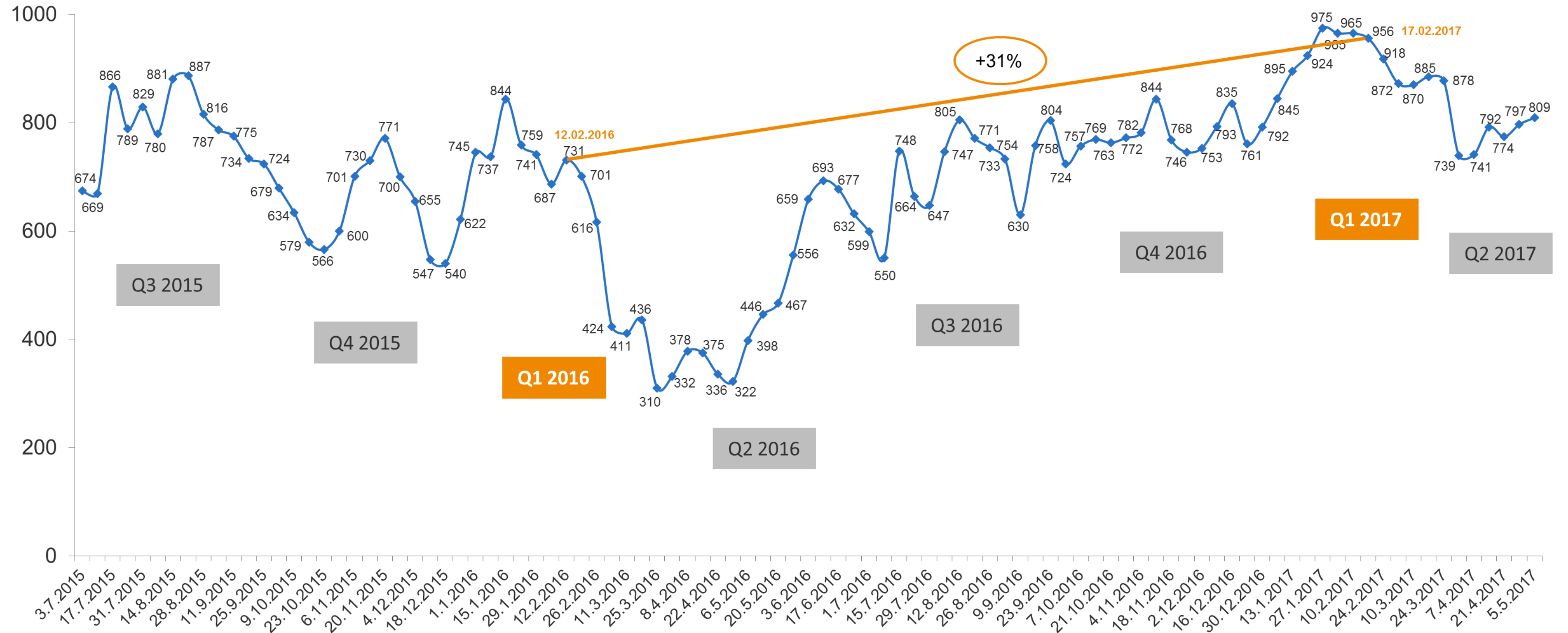
EXPENSES BRIDGE

57% of increased cost affected by new acquisitions



CHINA FORWARDERS FREIGHT INDEX

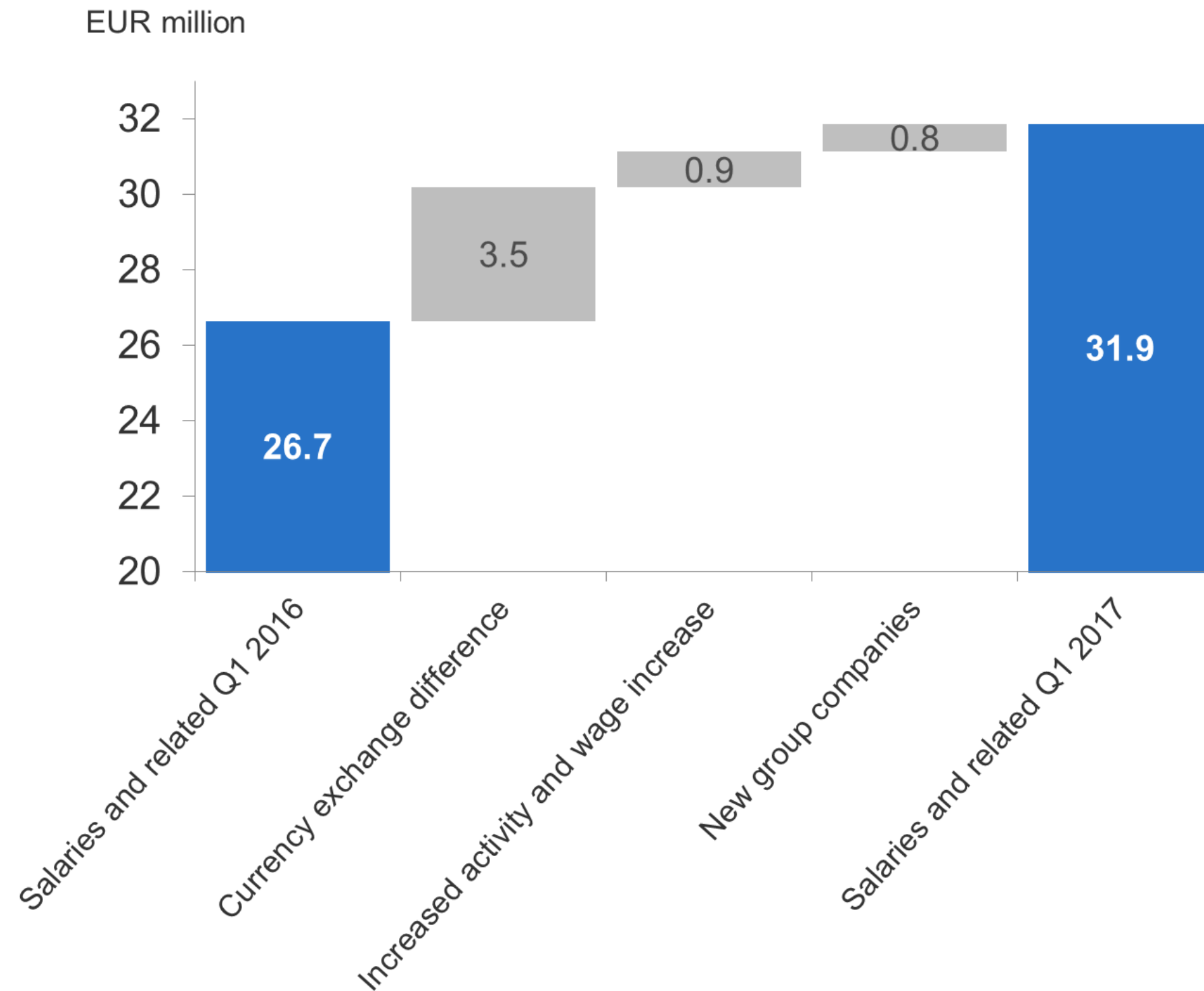
China - Europe



Source: www.shippingchina.com

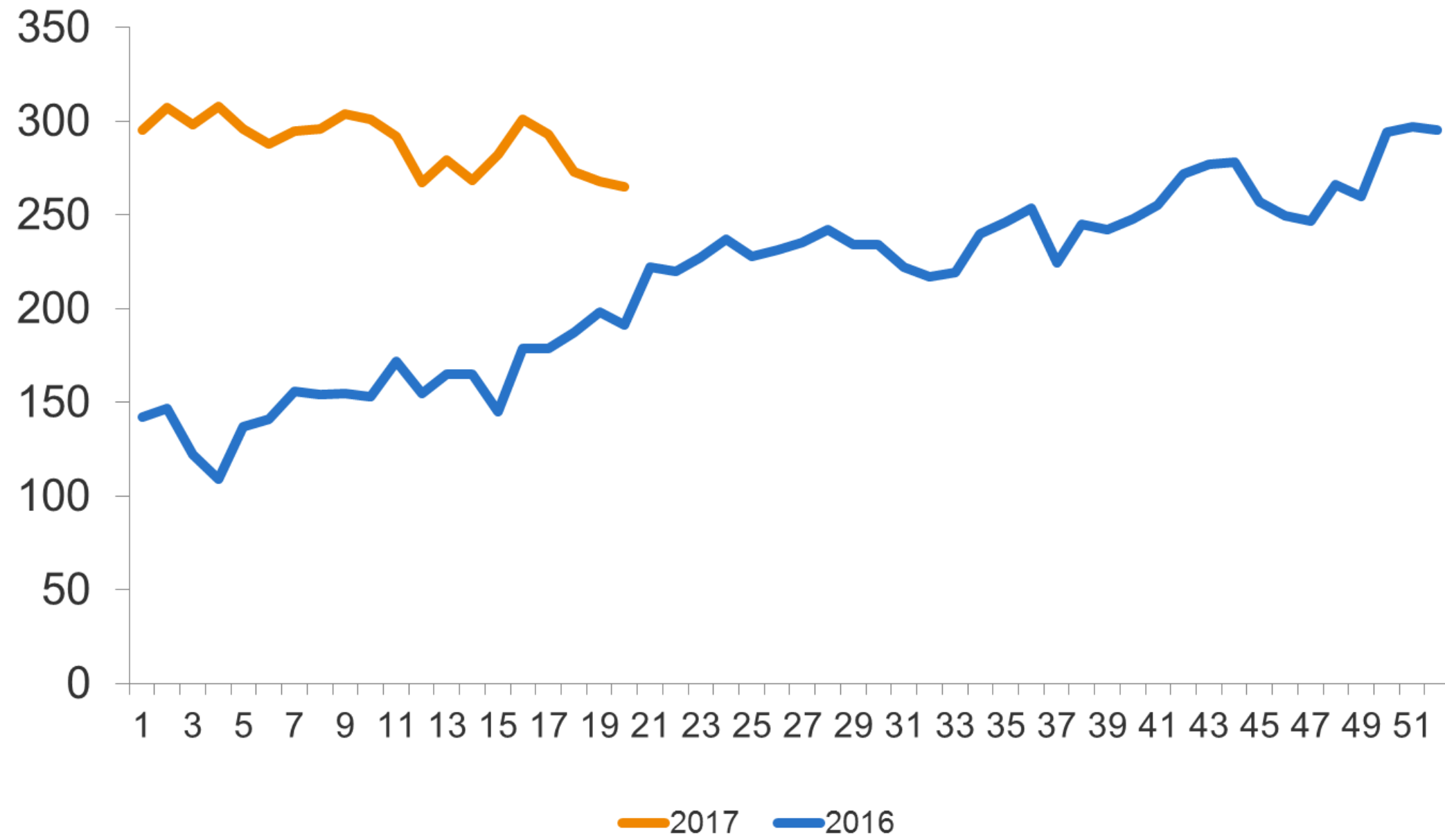
SALARY BRIDGE Q1 2017

Salaries and related expenses increased by 19.5%, mainly due to ISK strengthening



BUNKER PRICE DEVELOPMENT

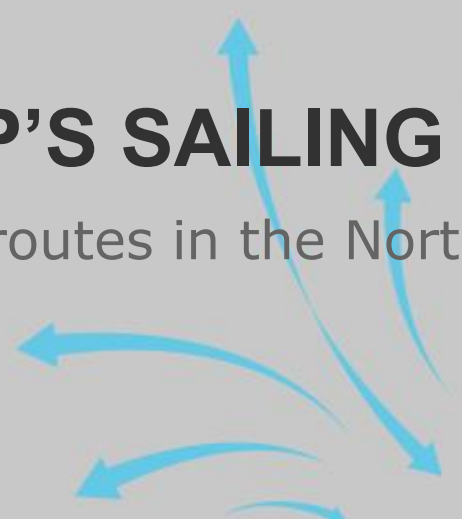
Bunker price started to rise in Q2 2016



Rotterdam heavy fuel price

EIMSKIP'S SAILING SYSTEM

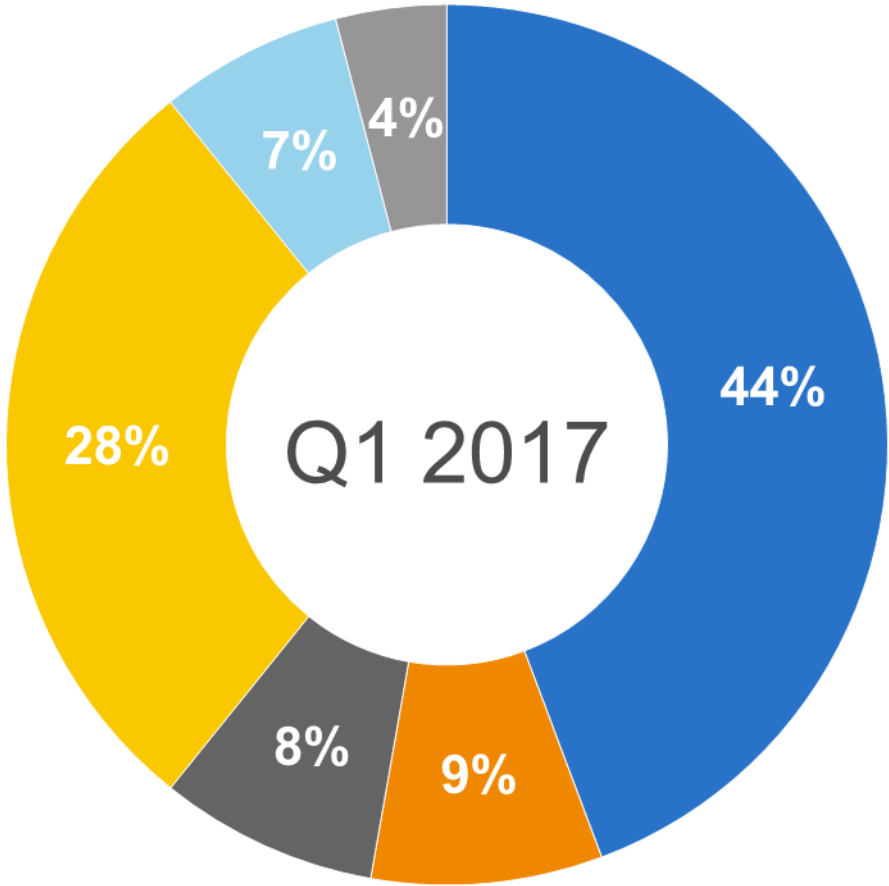
Six sailing routes in the North Atlantic



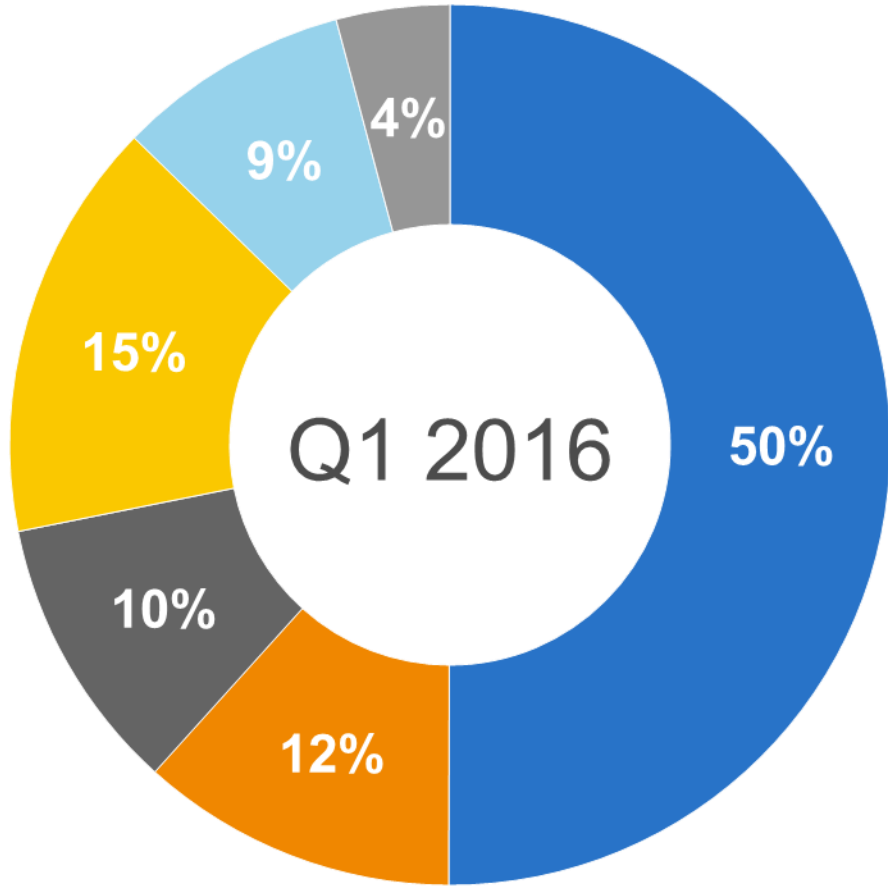
- BLUE LINE
- YELLOW LINE
- RED LINE
- GRAY LINE
- GREEN LINE
- ORANGE LINE
- PARTNER ROUTE
- FREIGHT FORWARDING
- POSSIBLE ARCTIC SAILING ROUTE
- SEASONAL ROUTE
-

GEOGRAPHICAL SPLIT OF REVENUE

Europe has grown due to new forwarding acquisitions



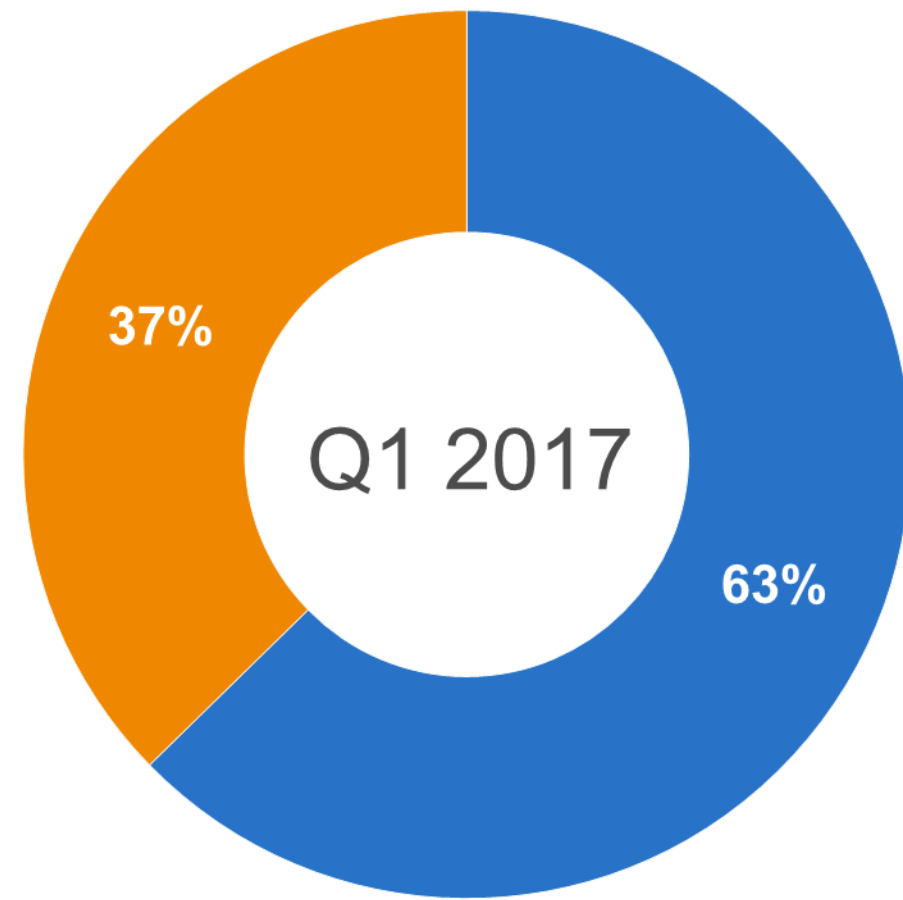
- Iceland
- Norway
- Asia
- Faroe Islands
- Europe
- Other



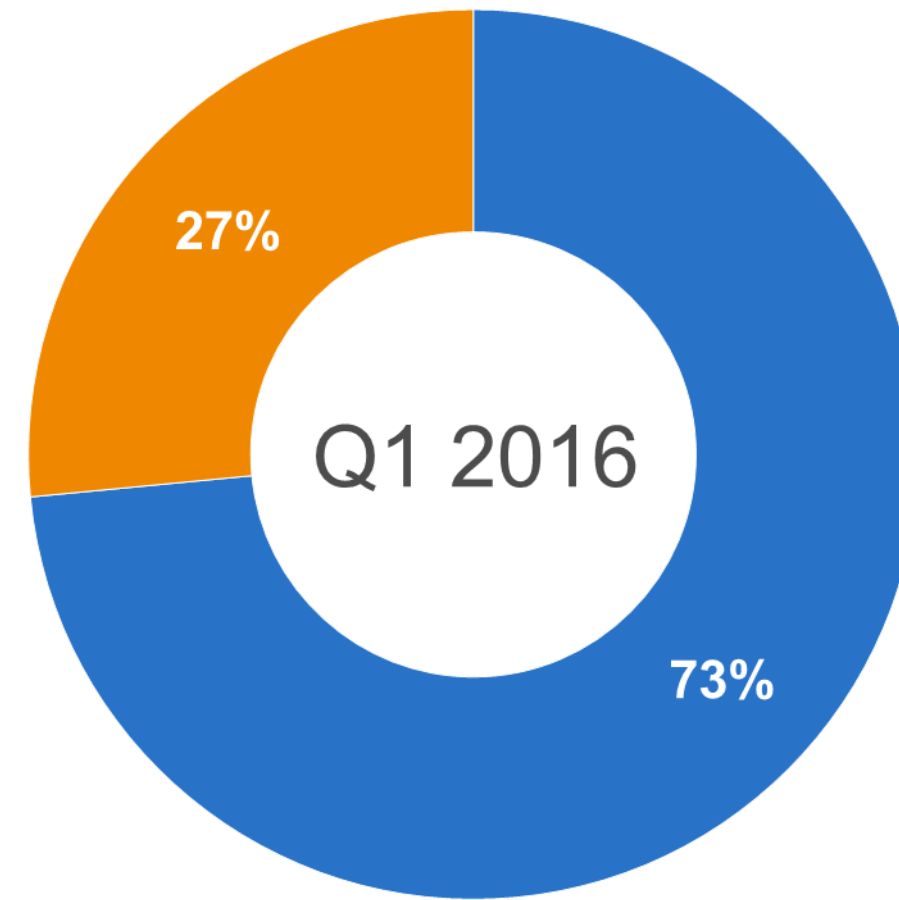
- Iceland
- Norway
- Asia
- Faroe Islands
- Europe
- Other

REVENUE BY BUSINESS SEGMENT

Liner services and forwarding services



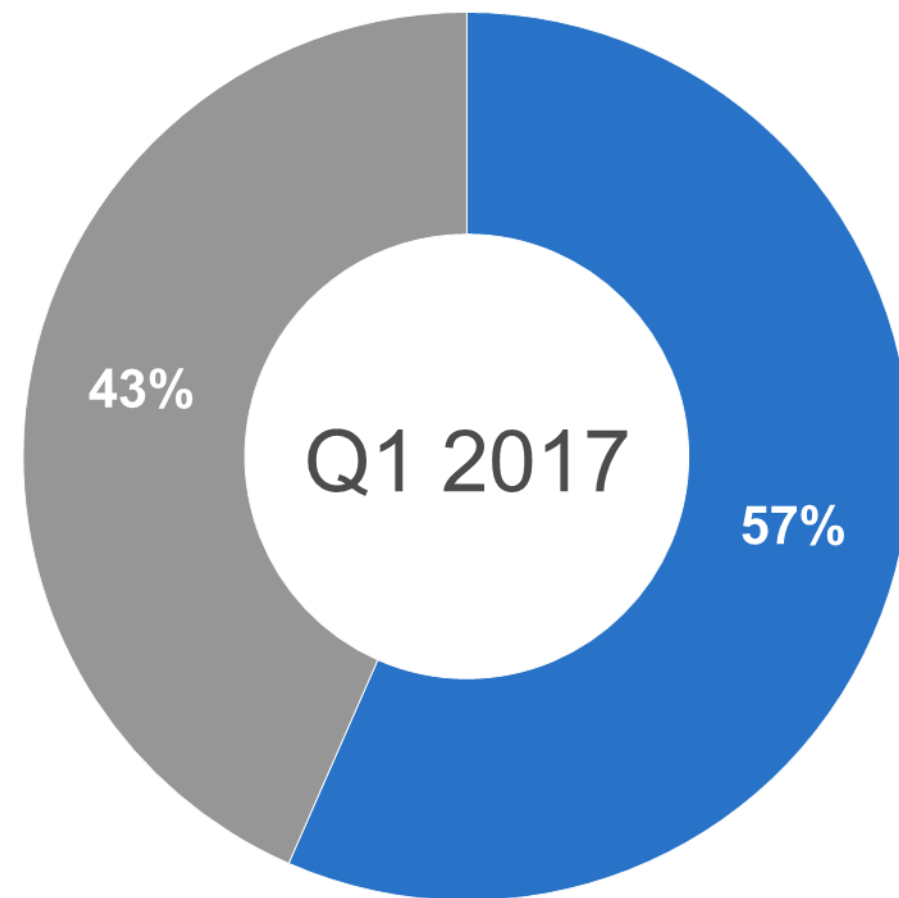
■ Liner services ■ Forwarding services



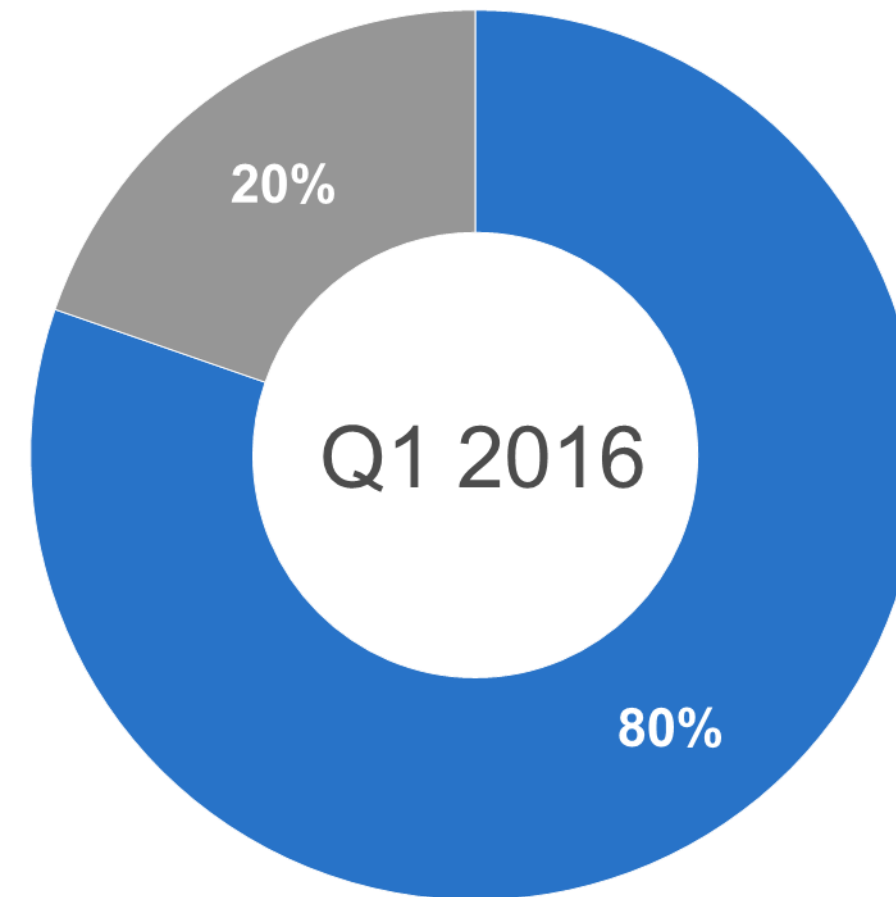
■ Liner services ■ Forwarding services

EBITDA BY BUSINESS SEGMENT

Liner services and forwarding services – Adjusted EBITDA shows 65% liner contribution



■ Liner services ■ Forwarding services



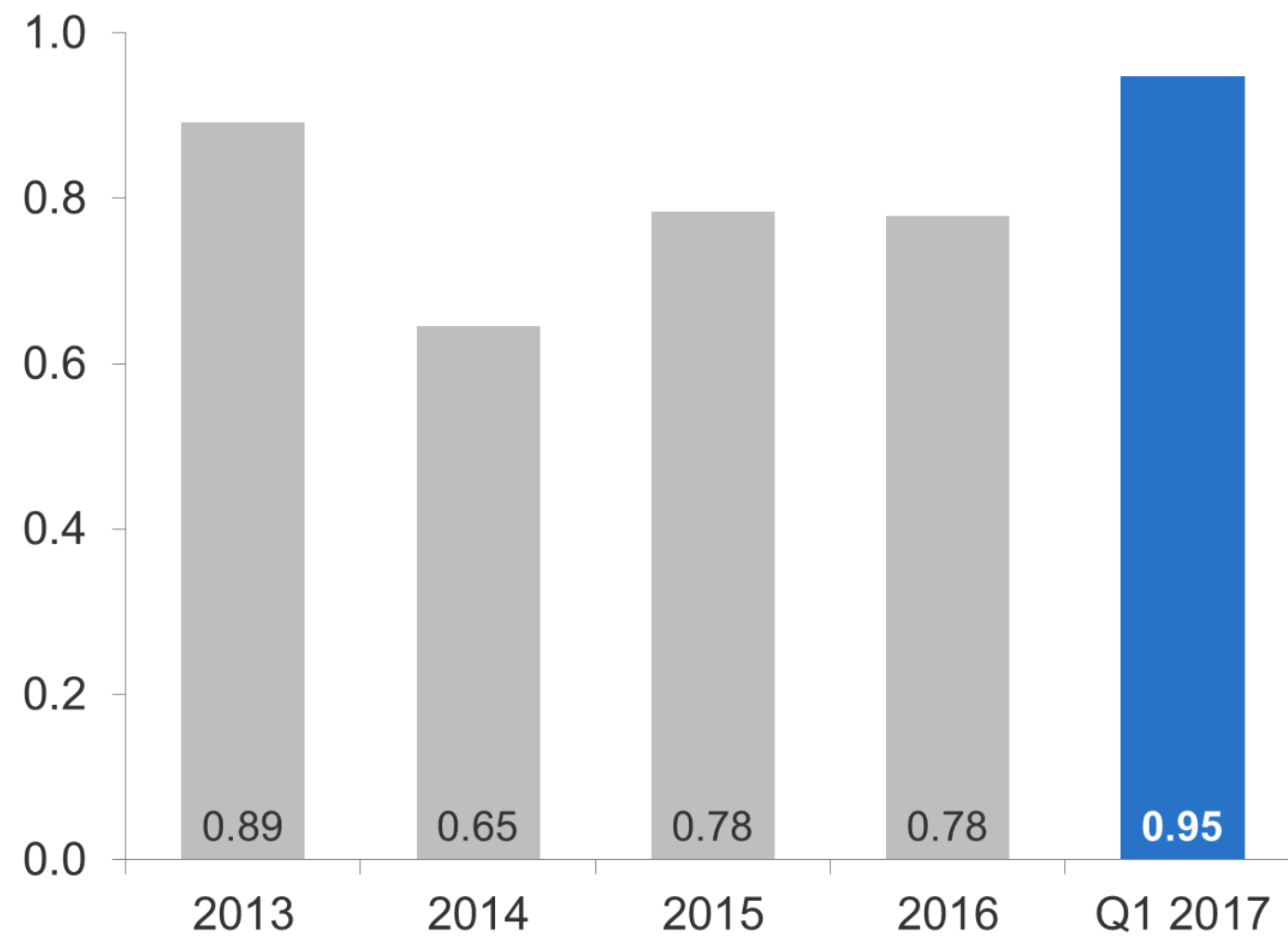
■ Liner services ■ Forwarding services

FINANCIAL RATIOS 2013 TO Q1 2017

Low leverage and strong financial position

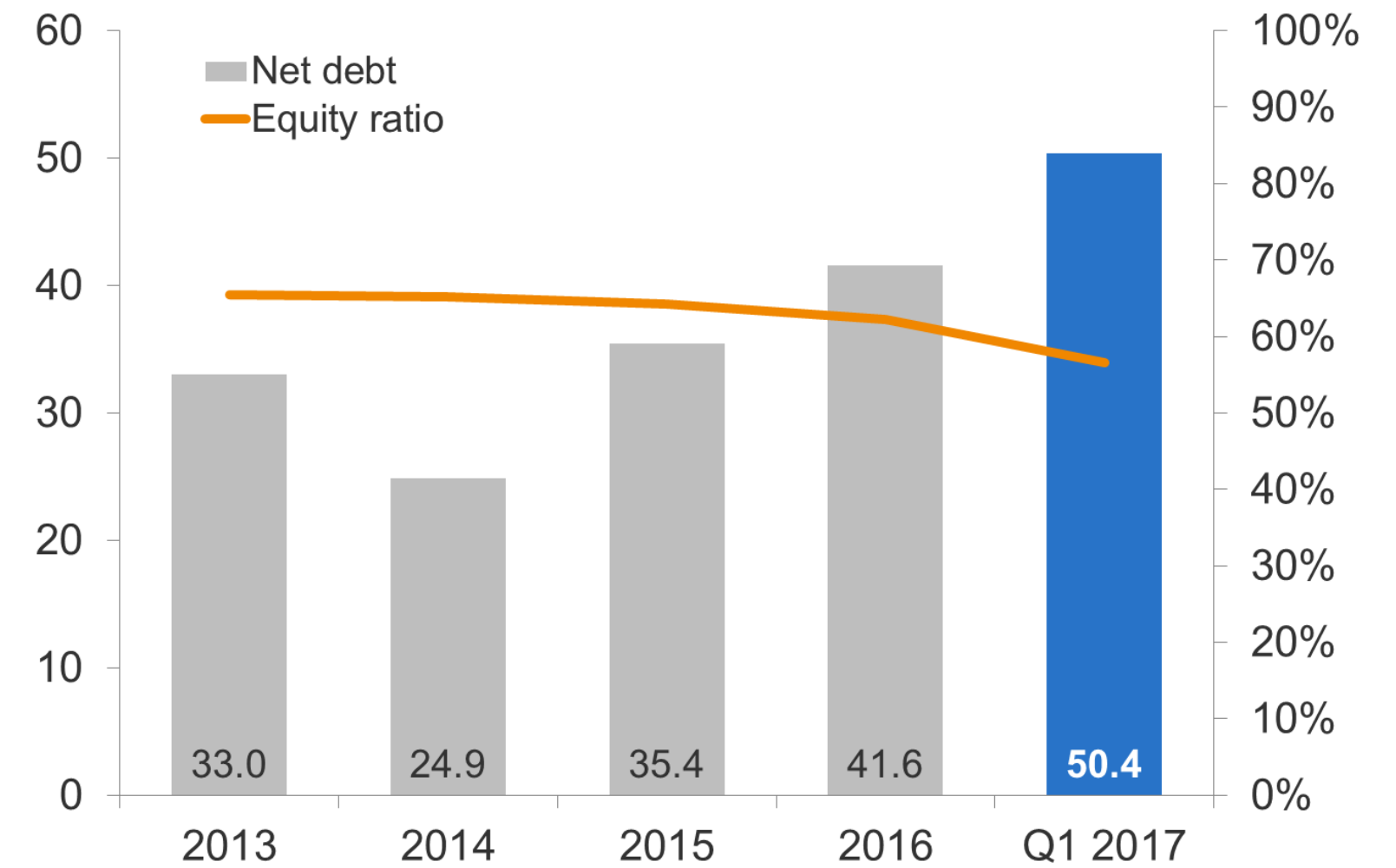
NET DEBT / LTM-EBITDA

EUR million



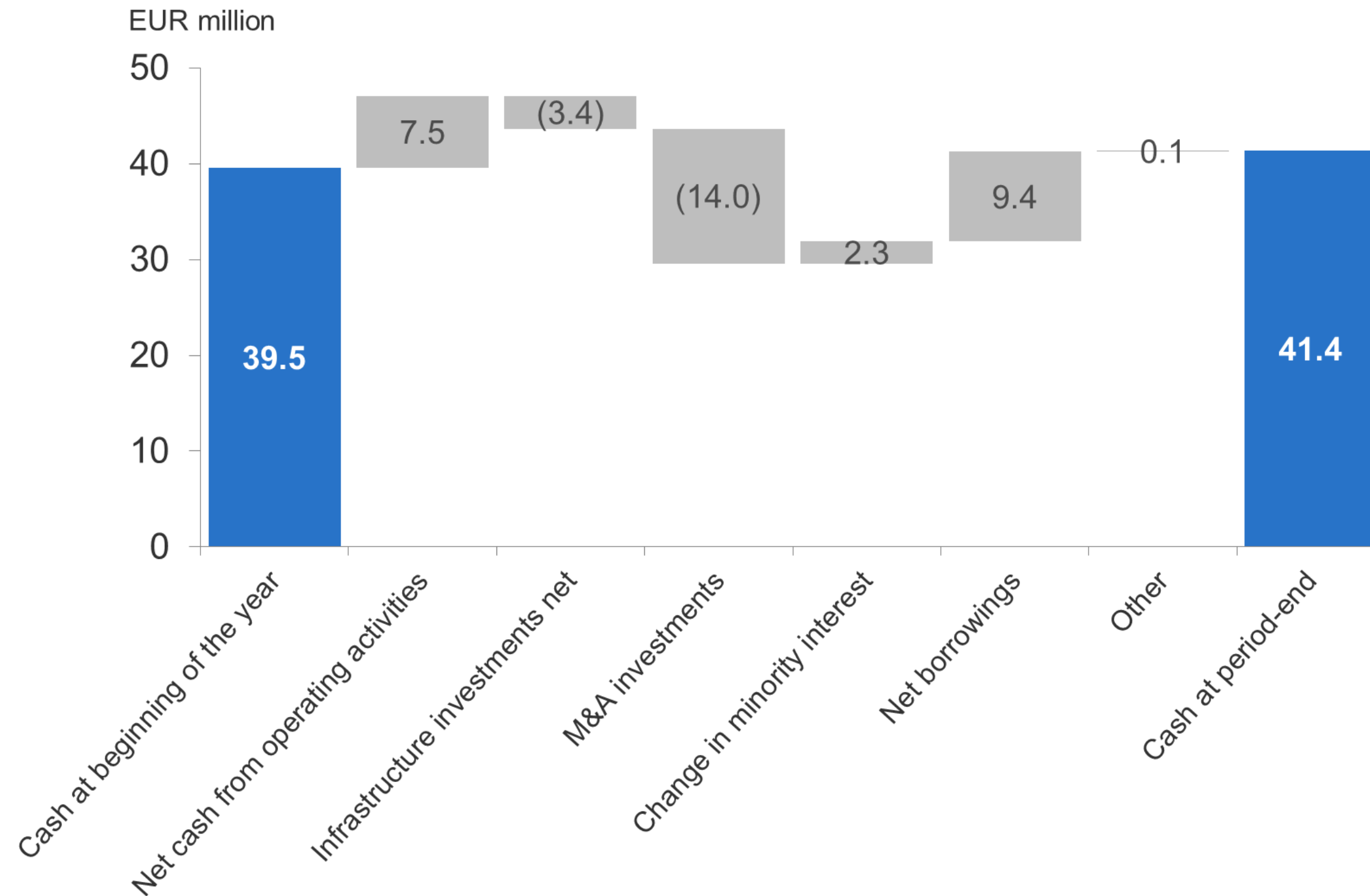
NET DEBT AND EQUITY RATIO

EUR million



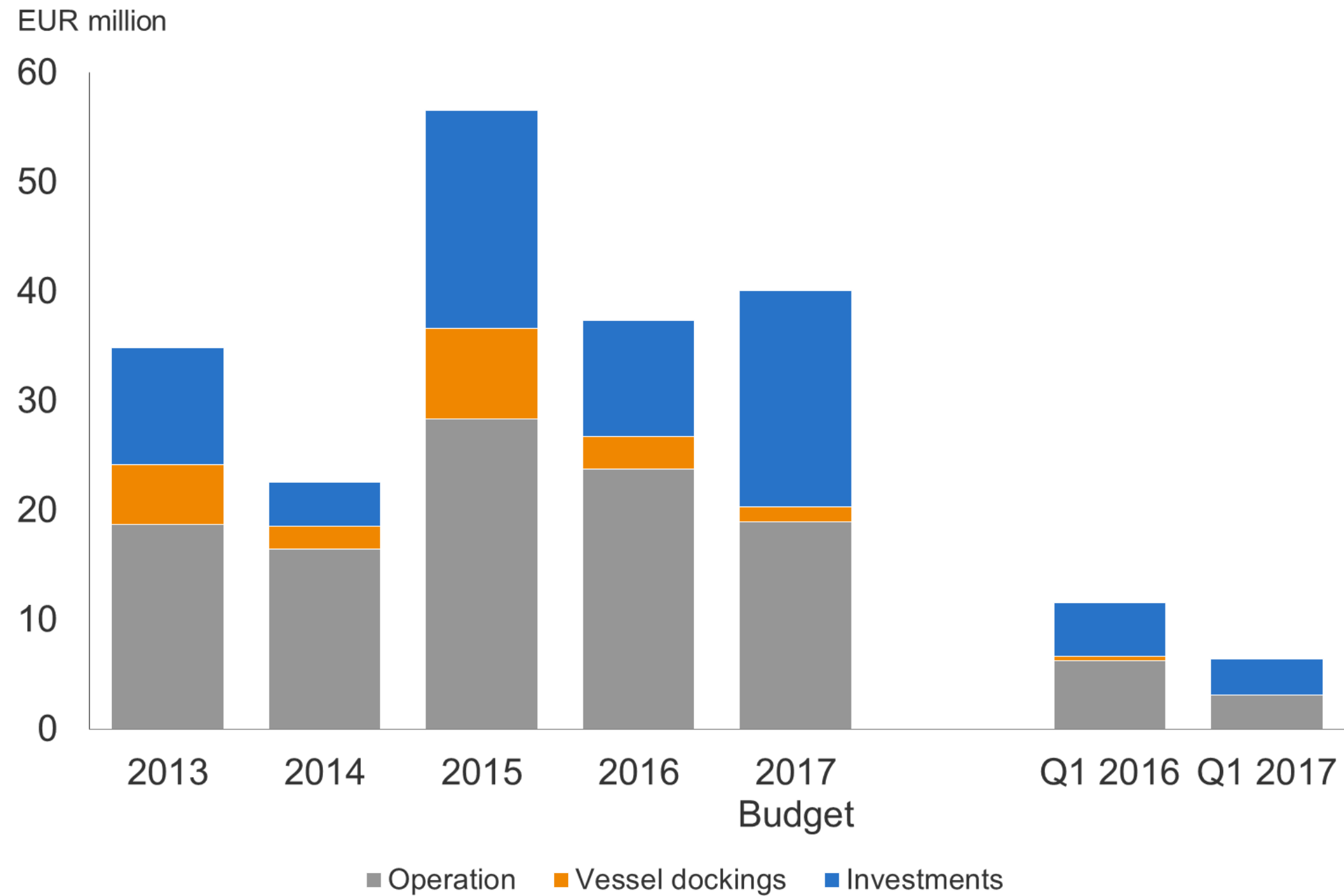
CASH FLOW BRIDGE Q1 2017

Affected by M&A investments



CAPEX 2013 TO 2017

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



An aerial photograph of a large container ship sailing on the open ocean. The ship is viewed from a high angle, showing its deck and the stacks of white shipping containers. The containers are branded with the 'EIMSKIP' logo. The ship is moving towards the right, leaving a white wake behind it. The sky is a clear, deep blue, and the water is a darker blue. The overall tone of the image is professional and industrial.

ONGOING PROJECTS AND FUTURE DEVELOPMENT

THE VESSEL FLEET

Changes in the first quarter

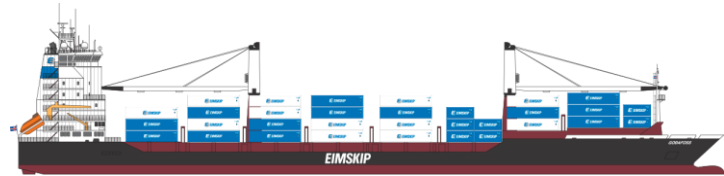
- Eimskip sold the 724 TEU vessel Brúarfoss in February 2017
 - Built in 1992 (25 years old)
- In February the company purchased the 698 TEU Sophia
 - The vessel has been renamed Selfoss
 - Built in 2008 (9 years old)
 - In service as of 21 May
 - Serves on the Red Line, replacing the chartered vessel Ice Star
 - Gearless
 - Cranes will be added later this year
 - Operated under a Faroese flag
- The company currently operates a fleet of 21 vessels
 - 13 own vessels and 8 chartered
 - 14 are in scheduled services, three are in spot services, one is used for bulk cargo and three are in ferry operation



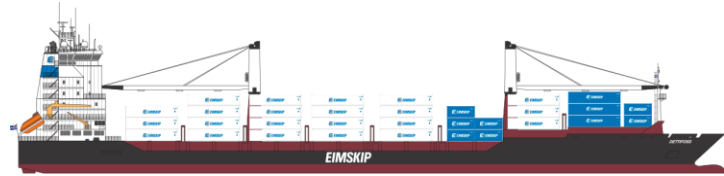
THE VESSEL FLEET

21 vessels in operation, 13 own and 8 chartered

BLUE LINE



GODAFOSS ■
Built 1995
TEU 1,457
GT 14,664



DETTIFOSS ■
Built 1995
TEU 1,457
GT 14,664

YELLOW LINE



LAGARFOSS ■
Built 2014
TEU 875
GT 10,106



BAKKAFOSS ■
Built 2010
TEU 880
GT 9,983

RED LINE

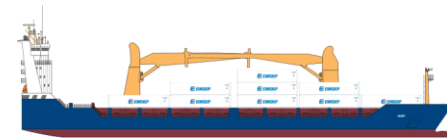


SELFOSS ■
Built 2008
TEU 698
GT 7,464

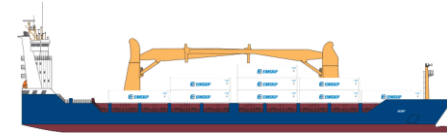


ICE MOON ■
Built 2008
TEU 698
GT 7,545

GRAY LINE

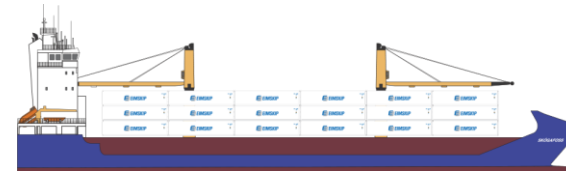


BLIKUR ■
Built 2003
TEU 505
GT 4,454

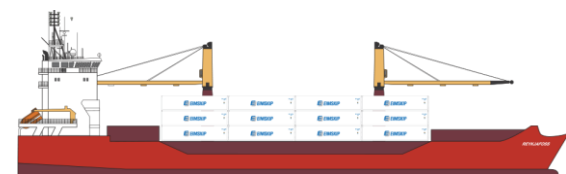


LÓMUR ■
Built 2001
TEU 505
GT 4,454

GREEN LINE

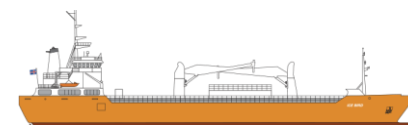


SKÓGAFOSS ■
Built 2007
TEU 698
GT 7,545



REYKJAFOSS ■
Built 1999
TEU 712
GT 7,541

ORANGE LINE

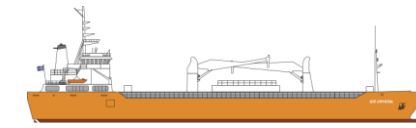


VIDFOSS ■
Built 1990
Reefer (bulk)
GT 3,625

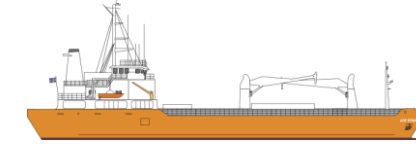


HOLMFOSS ■
Built 2007
Reefer (bulk/TEU24)
GT 3,538

OTHER OPERATIONS IN THE NORTH ATLANTIC



LANGFOSS ■
Built 1991
Reefer (bulk)
GT 3,625



STIGFOSS ■
Built 1990
Reefer (bulk)
GT 3,625



NORDVÅG ■
Built 1979
Reefer (bulk/TEU44)
GT 2,854



LAXFOSS ■
Built 1995
Bulk cargo
GT 1,682



HERJÓLFUR ■
Built 1992
Ferry
GT 3,354



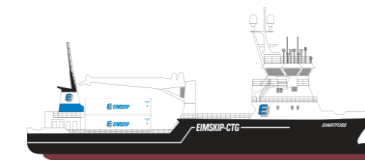
BALDUR ■
Built 1979
Ferry
GT 1,677



SÆRÚN ■
Built 1978
Ferry
GT 194



POLFOSS ■
Built 2008
Reefer (bulk/TEU24)
GT 3,538



SVARTFOSS ■
Built 2005
Reefer (bulk/TEU48)
GT 2,990

■ Own Vessel ■ Chartered Vessel

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
 - Nor Lines was declined by Norwegian Competition Authorities in April 2017 and Eimskip is exploring other opportunities in Norway
- 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



EIMSKIP'S FORWARDING NETWORK

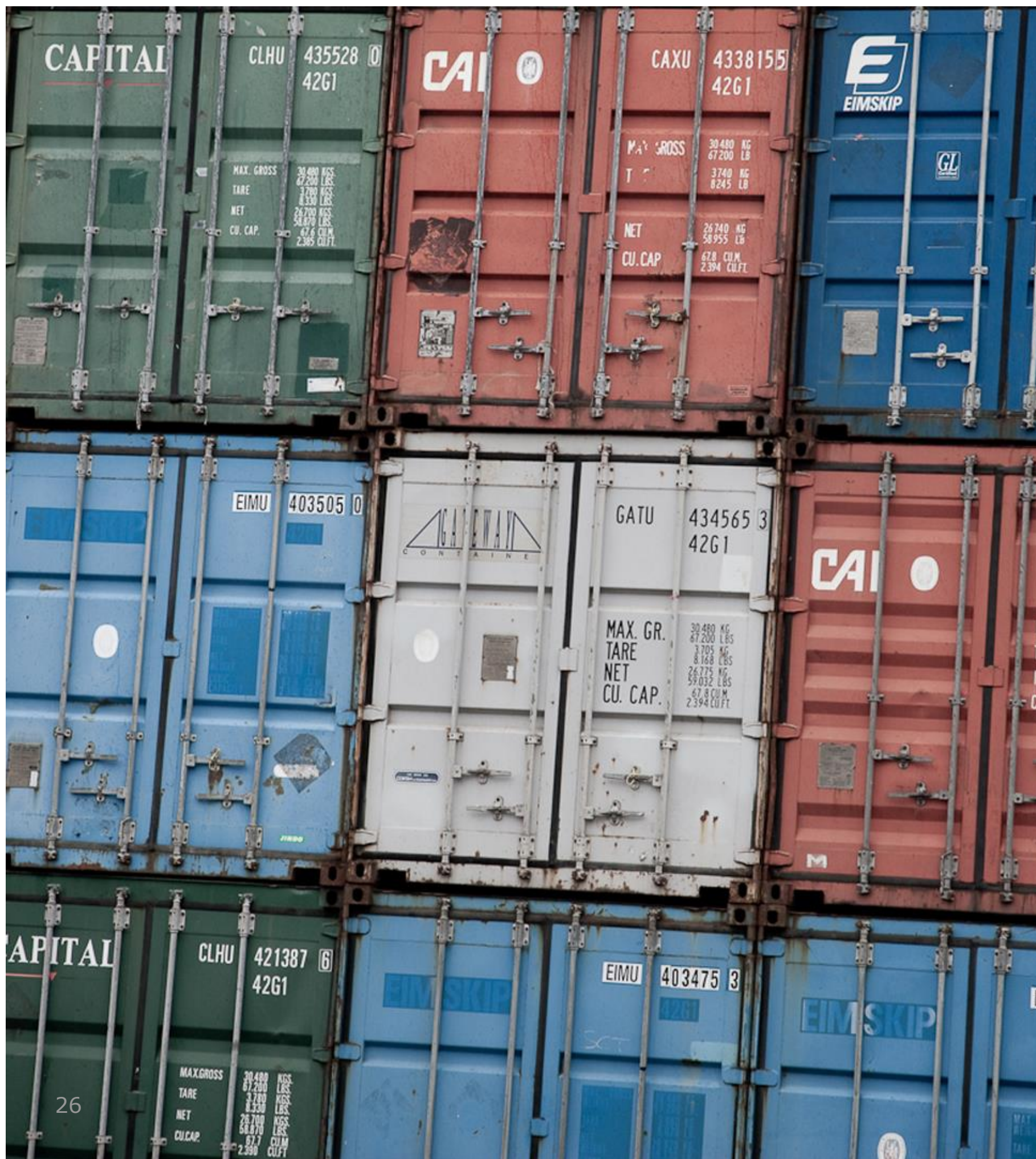
Recent acquisitions strengthen Eimskip's position and expand its logistics network

Belgium / Mareco

- A specialized niche reefer logistics company in Antwerp
- Established in 2002
- Main commodities are seafood, chicken, pork and beef
- Expands Eimskip's network
- Main markets, Africa and South America
- Increases the variety of frozen commodities

The Netherlands / Extraco

- A niche forwarding company in Rotterdam
- Established in 1991
- Strengthens Eimskip's position in worldwide reefer logistics
- Customers are importers of chilled and frozen commodities in the Netherlands



CSI GROUP LLC

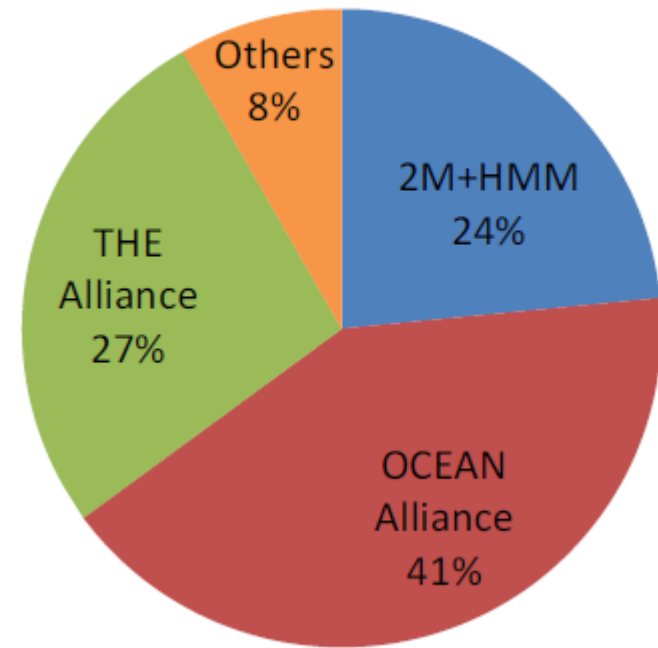
Container Services International

- Early in April, Eimskip strengthened its position in the container management market with an acquisition of a 51% share in CSI Group LLC
 - Founded in 2011
 - Headquartered in Boston, USA
 - Investment of about EUR 1.0 million
 - Annual revenue around EUR 5.0 million with approximately 10% EBITDA margin
- CSI is specialized in container trading
 - Selling and leasing of new and used containers both for storage and shipping
 - Selling of specialized container equipment
 - Consulting services for the container trade
- The benefit for Eimskip
 - Specialized industry knowledge leading to lower costs
 - Strengthens Eimskip's container management on purchasing of new and second hand equipment, leasing, etc.
 - Repositioning containers in connection with the liner system
 - Trading opportunities due to Eimskip's strong balance sheet

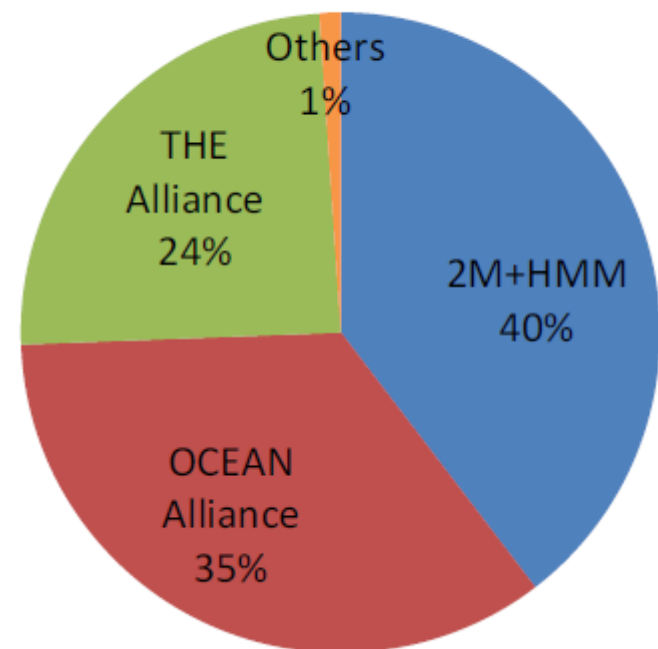
INTERNATIONAL ALLIANCE

Total weekly capacity by alliance/carrier in April 2017

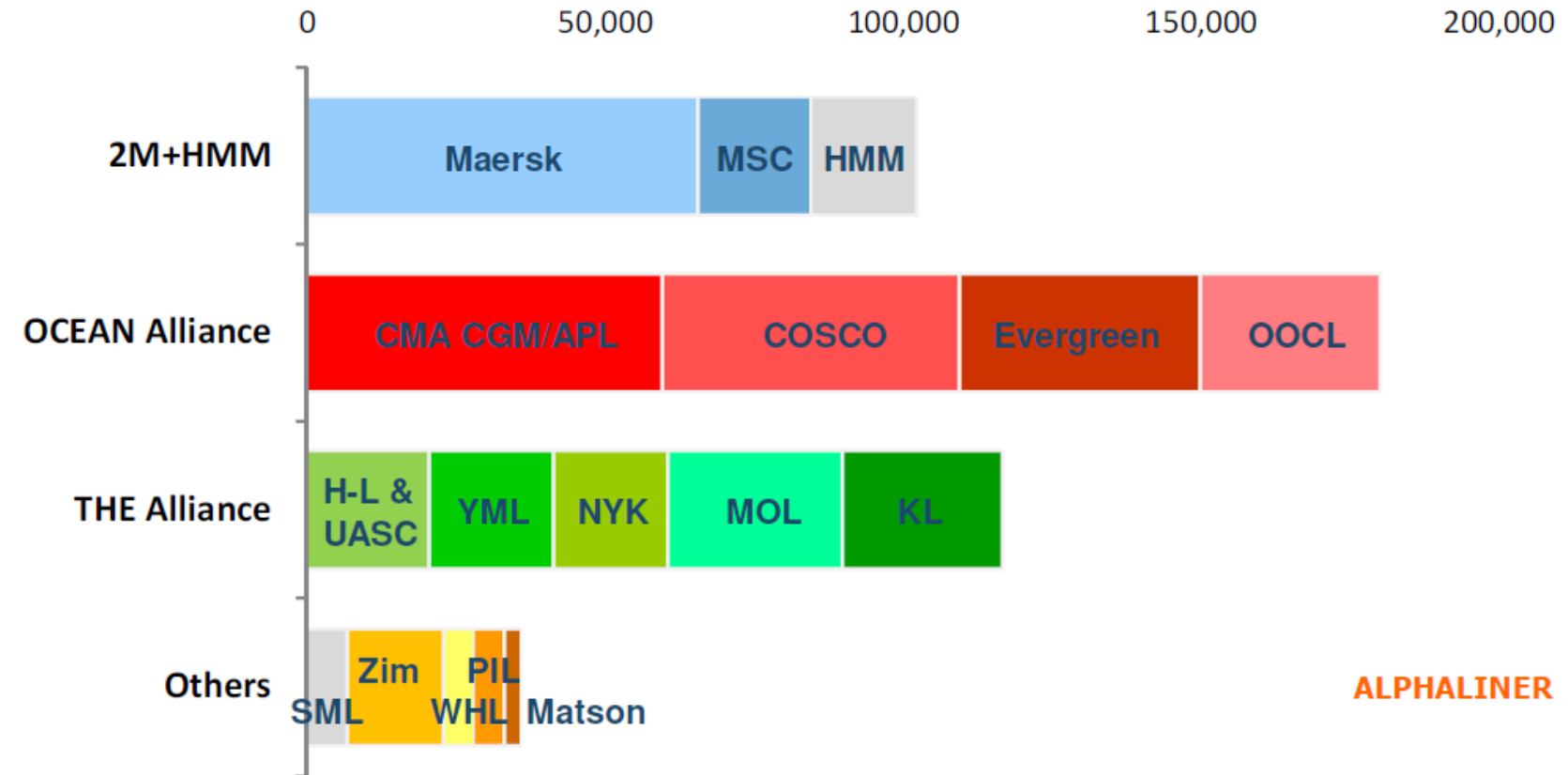
FE-N. America Capacity Share



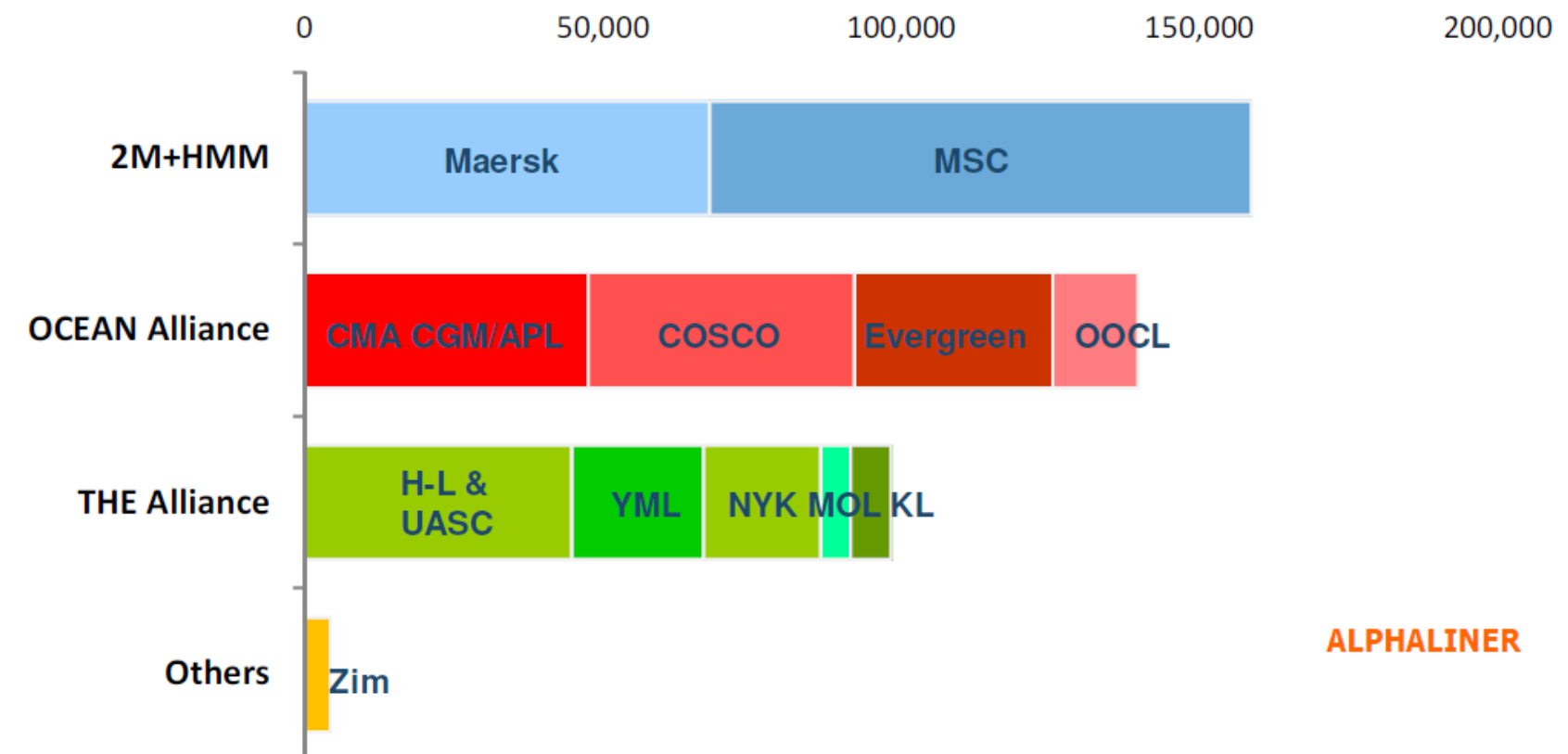
FE-Europe/Med Capacity Share



Far East-N. America weekly capacity by Alliance/Carrier (TEU)



Far East-Europe weekly capacity by Alliance/Carrier (TEU)



EIMSKIP AND ROYAL ARCTIC LINE

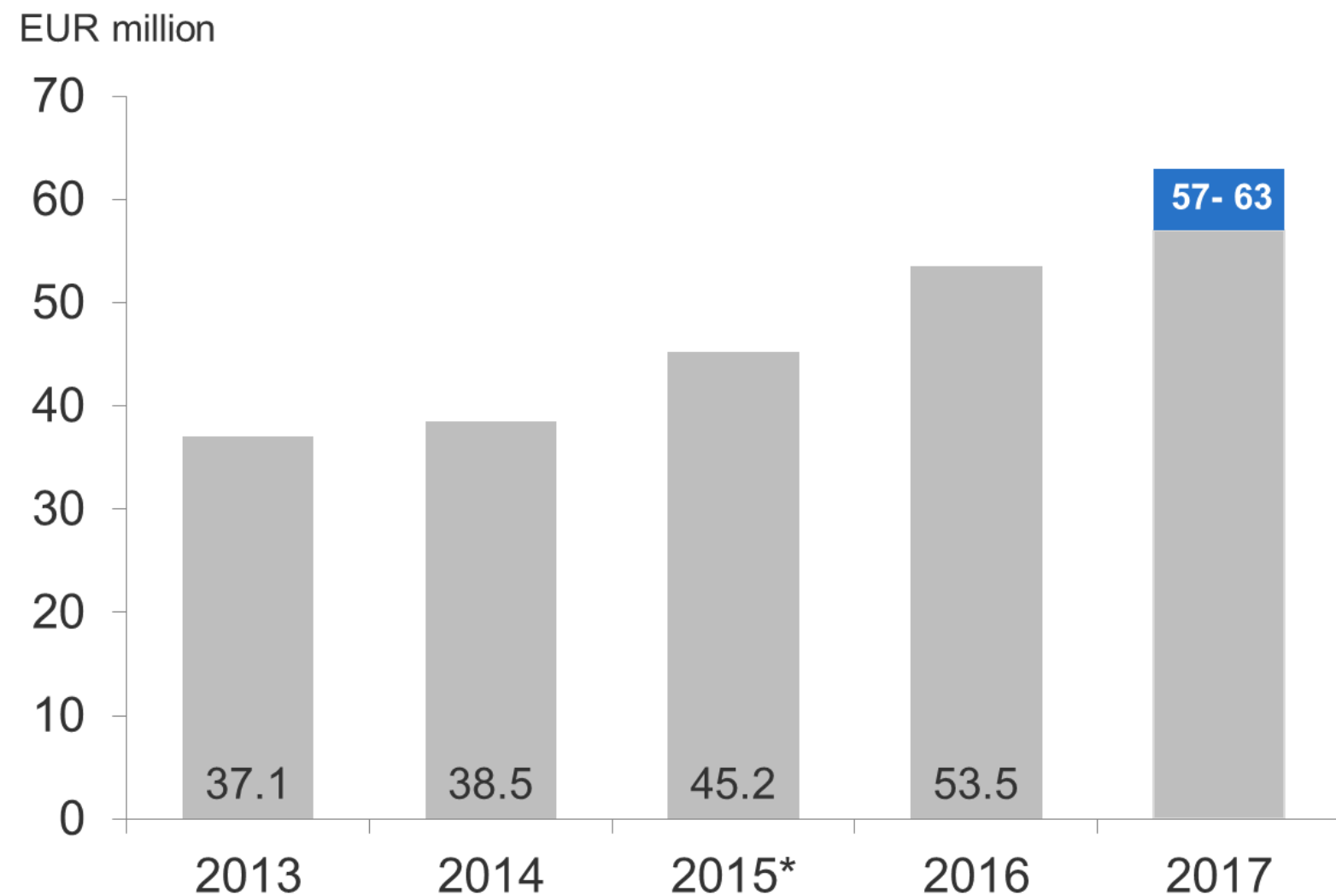
Favorable financing of the two new container vessels secured

- 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



UNCHANGED EBITDA FORECAST FOR 2017

EBITDA in the range of EUR 57 to 63 million



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

- The first quarter was in line with the company's expectations as outlined in February
- The EBITDA outlook for the year remains positive
 - Volumes both in liner and forwarding services are growing in line with expectations
 - Imported volume to Iceland is expected to grow and volume in the Faroe Islands is also expected to grow
 - In light of the Nor Lines cancellation, Eimskip is evaluating its next steps regarding the Norwegian operation
 - It is estimated that organic growth will continue in the forwarding operation and that the new acquisitions will contribute according to initial plans
 - The imbalance between imports and exports in the North Atlantic is a challenge going forward
- External factors
 - Global economic conditions
 - International freight rates and fuel prices
 - Currency exchange rate fluctuations
 - Competition
 - Available resources of employees

A seagull is captured in mid-flight, its wings spread wide, against a deep blue twilight sky. The bird is positioned in the center-left of the frame. In the foreground, a concrete pier structure is visible on the left, and a dark wooden railing runs across the bottom. The word "QUESTIONS" is written in a bold, white, sans-serif font, centered horizontally and partially overlapping the bird's wings.

QUESTIONS

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