

1 March 2013

Financial results 2012 and fourth quarter





Agenda

1. Highlights
2. Financial results 2012
3. Outlook
4. Q&A



Key highlights 2012

Adjusted for one-off items

Key highlights						
EUR million	Q4 2012	Q4 2011	Change	2012	2011	Change
Operating revenue	105.5	100.1	5.4%	414.3	378.3	9.5%
EBITDA	10.2	8.6	18.7%	40.8	37.5	8.8%
EBIT	4.1	3.4	21.3%	18.3	14.2	28.7%
CAPEX	10.2	5.1	100.0%	50.5	25.6	97.3%
Net cash from operating activities	12.7	13.3	(3.8%)	36.9	27.2	35.4%
Total assets				313.3	283.2	10.6%
Equity ratio				63.7%	62.3%	2.2%

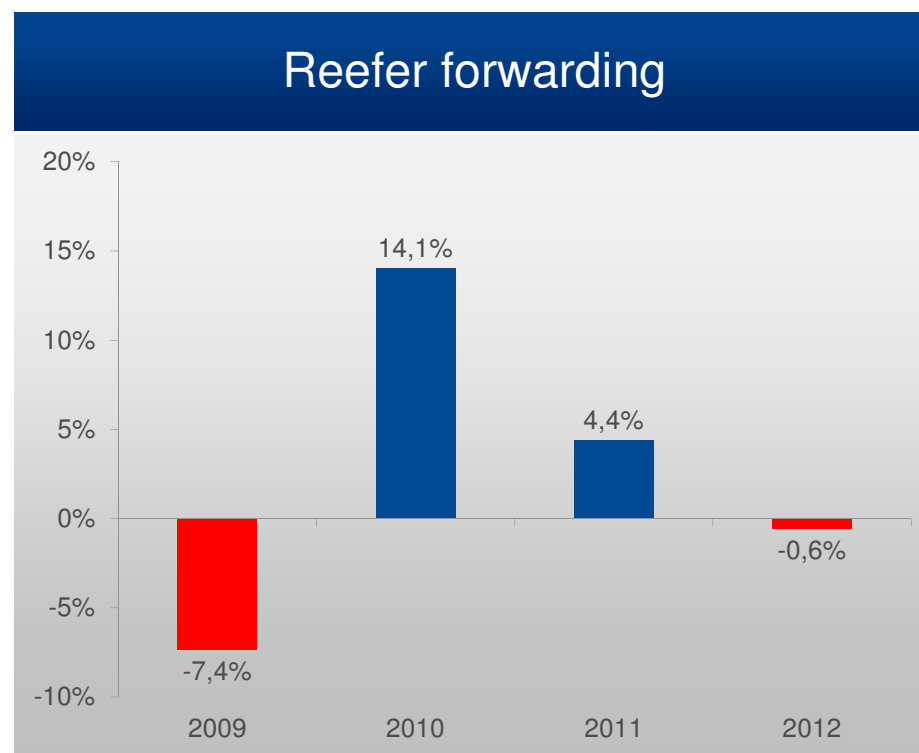
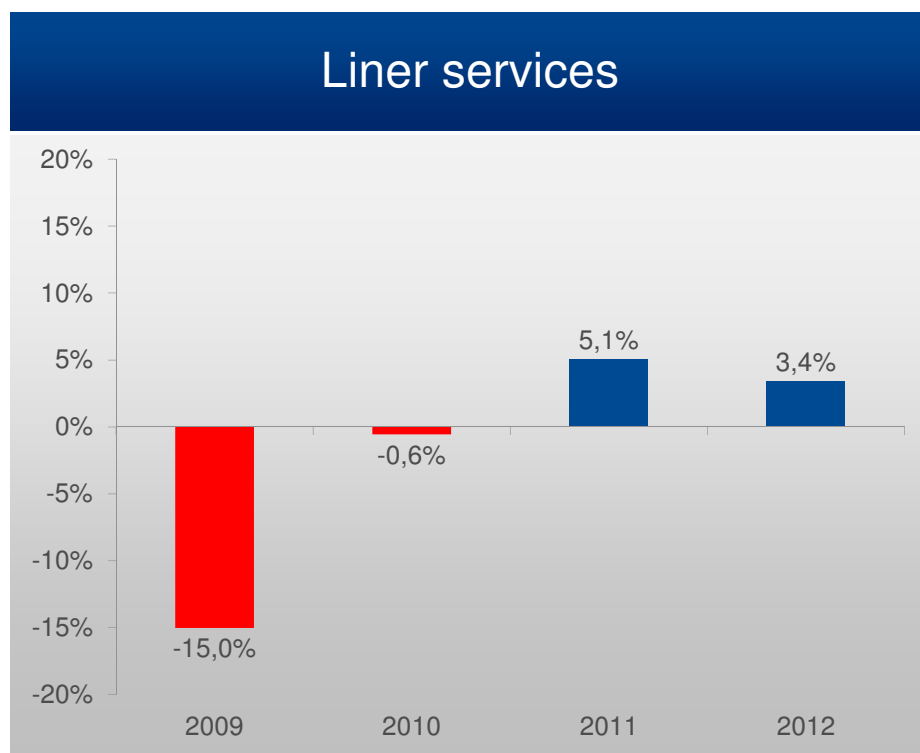
Business segments

Liner services in the North-Atlantic and international forwarding services

Liner services and other operations		Forwarding services
<ul style="list-style-type: none">• The core of the company's operations• The home market includes Iceland, Faroe Islands, Norway and Newfoundland• 16 vessels in operation	<ul style="list-style-type: none">• Port operations• Chilled and cold storages• Warehousing• Trucking and distribution• Airfreight services• Agency services	<ul style="list-style-type: none">• Main focus on reefer forwarding• Efficient system based on a network of own offices• Strong co-operation with the large deep sea lines and associates in 36 countries

Transported volume

Liner services and reefer forwarding



Freight index China - Europe

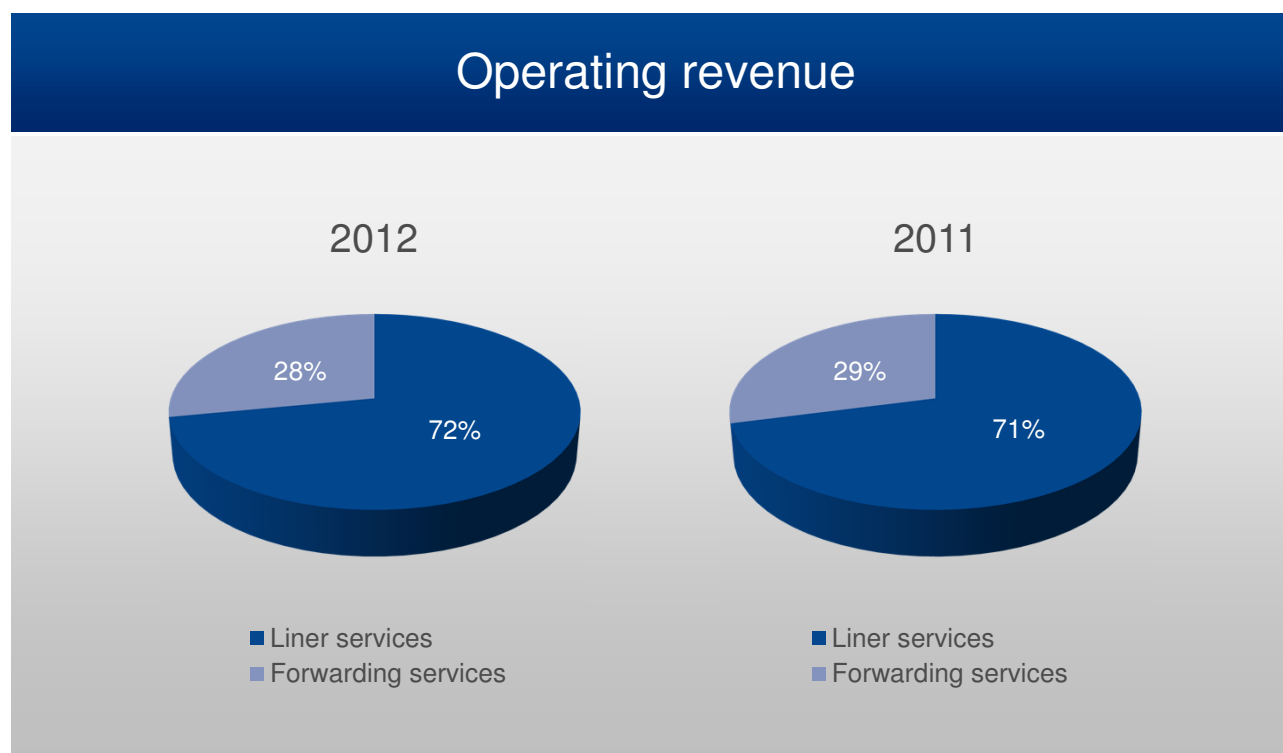
Fluctuations in pricing from the big carriers



Source: www.shippingchina.com

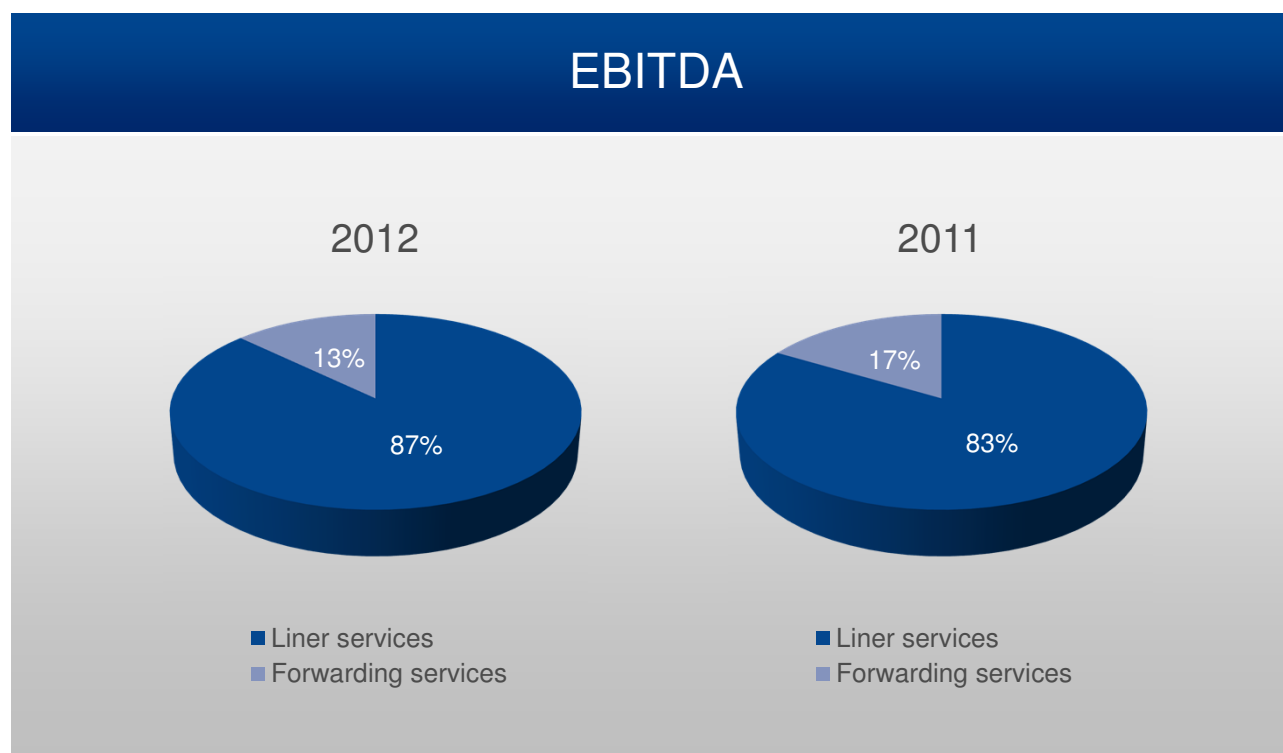
Operating revenue by segments

Liner services and forwarding services



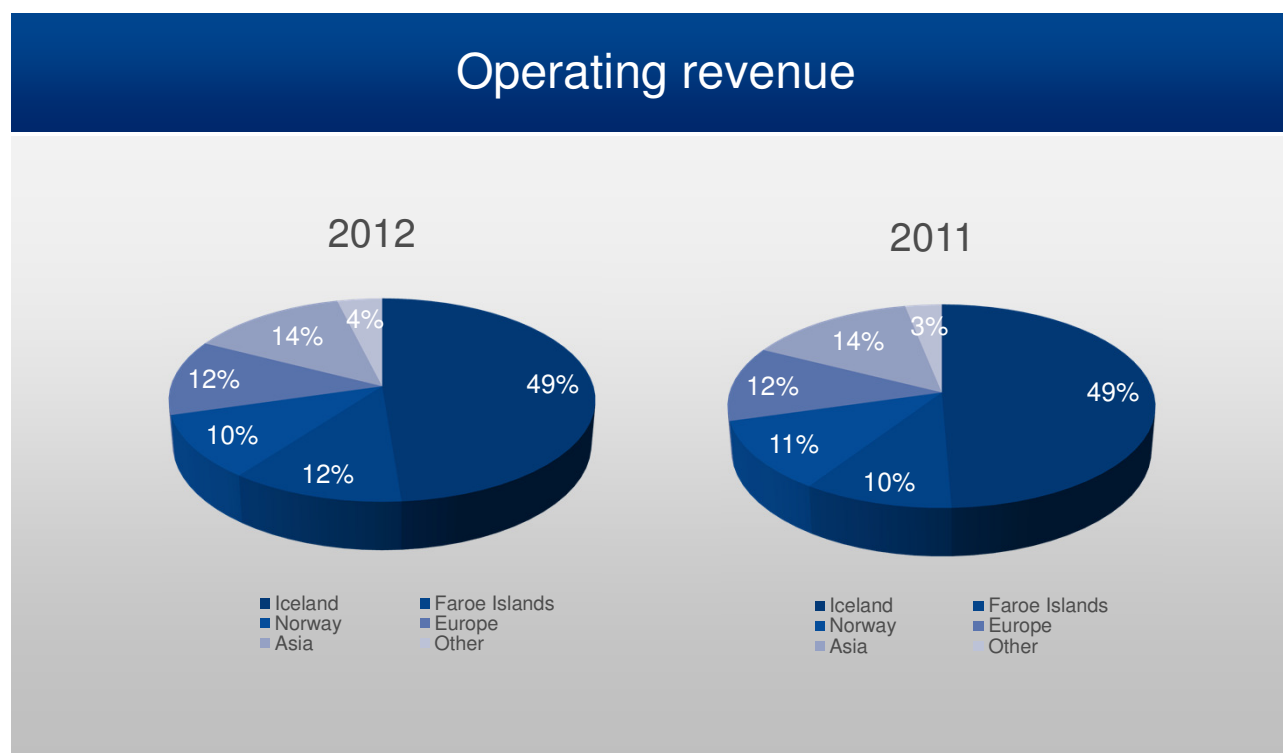
Operating profit, EBITDA, by segments

Liner services and forwarding services



Geographical split of operating revenue

Half of the operating revenue is related to Iceland



Projects in 2012

Investments and extended customer services

- The Northern Norway route to North-America crossing the Arctic Circle
 - Well received by the market
 - Opens up new opportunities

- Investments in vessels of EUR 26.4 million
 - Purchase of three reefer vessels to serve Norway
 - One to serve liner services and two to serve the spot market
 - Building of two container vessels in China
 - Írafoss sold

- Container Investments of EUR 5 million
 - 625 containers purchased



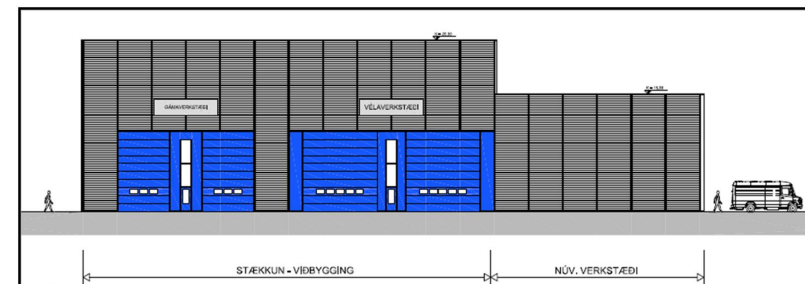
Projects in 2012

Investments and extended customer services

- Investments in buildings in Iceland in 2012 for EUR 4.2 million
 - Klettakælir in Sundahöfn
 - Mjóeyrarhöfn in Reydarfjörður
 - Office and maintenance facility

- Workshop in Sundahöfn for the year 2013 for EUR 1.2 million

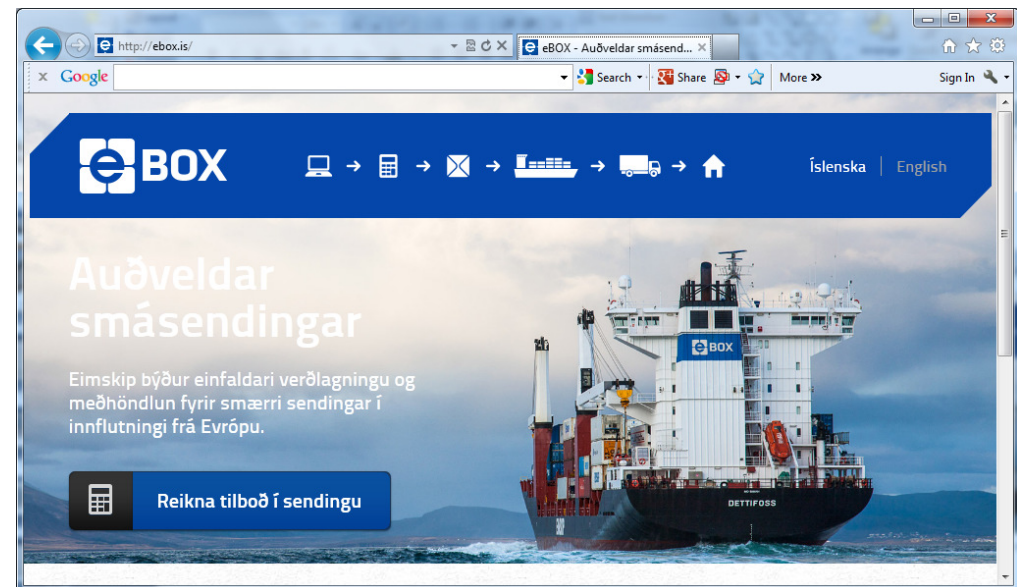
- Distribution Center in Reydarfjörður in Iceland for the year 2013 for EUR 0.7 million



Projects in 2012

Extended customer services

- New Eimskip office in Thailand
 - opened in March 2012
- App, ePort and eBOX
 - online simplified pricing for smaller shipments





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Income statement

Stable operations

- Comparison of revenue and EBITDA is affected by significant one-off items in 2011 and 2012
 - EBITDA bridge on the following slide
- Revenue increased by 9.5% from 2011 to 2012 excluding one-off revenues in 2011
 - Volume increases in the liner system
 - Price increases in the global markets
- EBITDA and EBIT ratios excluding one-off items
 - EBITDA ratio close to 10% and stable between years
 - EBIT ratio increased from 3.8% to 4.4% between years
- Depreciation decreasing due to fully depreciated IT systems
- Financial items affected by currency exchange difference
- EUR 3.6 million of recognition of tax-losses carried forward in a foreign subsidiary caused positive taxes in 2012

Income statement

EUR '000	Q4 2012	Q4 2011	2012	2011
Revenue	105,508	100,137	414,330	384,727
Expenses	(99,221)	(91,544)	(378,162)	(341,572)
EBITDA	6,287	8,593	36,168	43,155
Depreciation	(6,118)	(5,227)	(22,436)	(23,223)
EBIT	169	3,366	13,732	19,932
Financial items	(1,049)	(1,157)	(2,983)	(3,709)
Income tax	(113)	(1,594)	1,982	(3,078)
Net earnings	(993)	615	12,731	13,145
EBITDA ratio*	9.7%	8.6%	9.8%	9.9%
EBIT ratio*	3.9%	3.4%	4.4%	3.8%

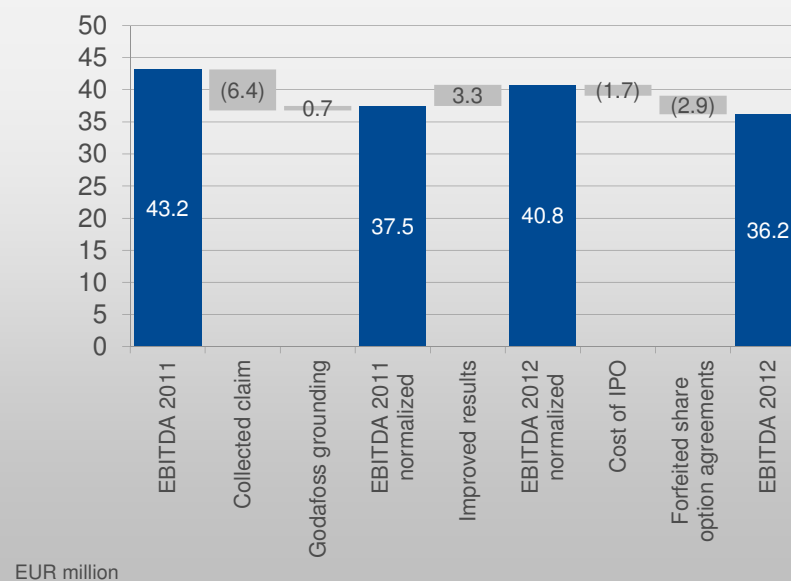
* One-off items excluded

EBITDA bridge

Significant one-off items

- Adjusting for the one-off items, Eimskip's EBITDA in 2012 amounted to EUR 40.8 million compared to EUR 37.5 million for 2011, showing an increase of EUR 3.3 million or 8.8%
- In 2011 EBITDA amounted to EUR 43.2 million, but two one-off items had a material impact on the EBITDA
 - Collection of a claim in the amount of EUR 6.4 million in Q1, which had previously been written off, had a positive impact
 - Total expenses in relation to the Godafoss grounding in Q2 amounted to EUR 0.7 million, which had a negative impact
- In 2012 EBITDA amounted to EUR 36.2 million
 - Expenses related to the IPO had in total EUR 1.7 million negative impact, thereof EUR 0.7 million in Q3 and EUR 1.0 million in Q4
 - Expenses related to share option agreements forfeited by the executive management was EUR 2.9 million, negatively affecting EBITDA in Q4

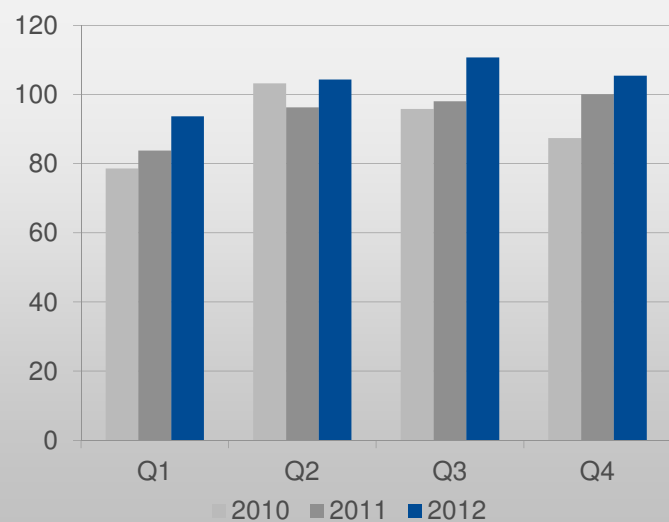
EBITDA bridge 2011-2012



Operating revenue and EBITDA by quarters

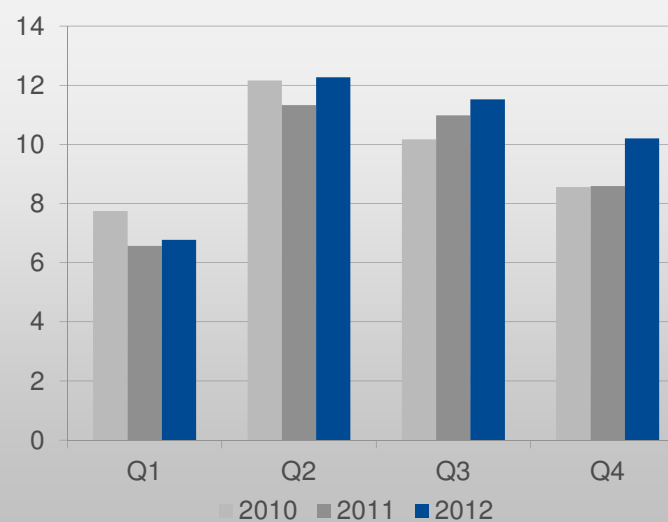
Adjusted for one-off items

Operating revenue by quarters



EUR million

EBITDA by quarters



EUR million

Solid balance sheet and low leverage

63.7% equity ratio

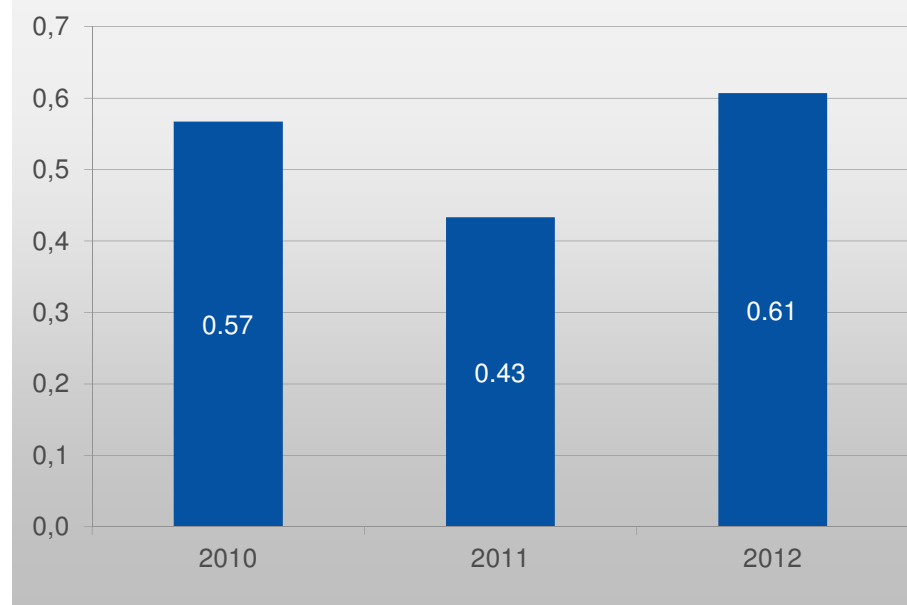
- Increase in non-current assets due to investments in vessels and other operating assets during the year
- Equity ratio was 63.7% at the end of the year
- Eimskip owns 2.96% of treasury shares or 5.9 million out of 200 million issued shares
- Loans and borrowings amounted to EUR 59.3 million at year-end 2012 compared to EUR 62.2 million at the end of 2011
- Proposed dividend in the amount of ISK 408 million for the year 2013, equaling EUR 2.5 million or about 20% of net earnings for the year 2012

Balance sheet

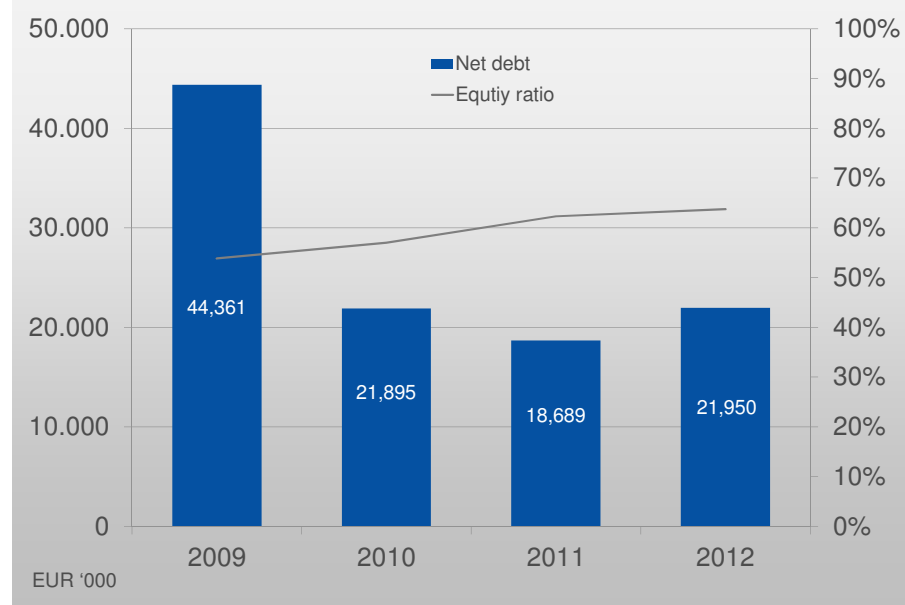
EUR '000	31.12.2012	31.12.2011
Non-current assets	209,723	176,946
Current assets	103,558	106,278
Total assets	313,281	283,224
Total equity	199,599	176,509
Non-current liabilities	51,088	50,791
Current liabilities	62,594	55,924
Total liabilities	113,682	106,715
Total equity and liabilities	313,281	283,224

Financial ratios

Net debt / EBITDA



Net debt and equity ratio



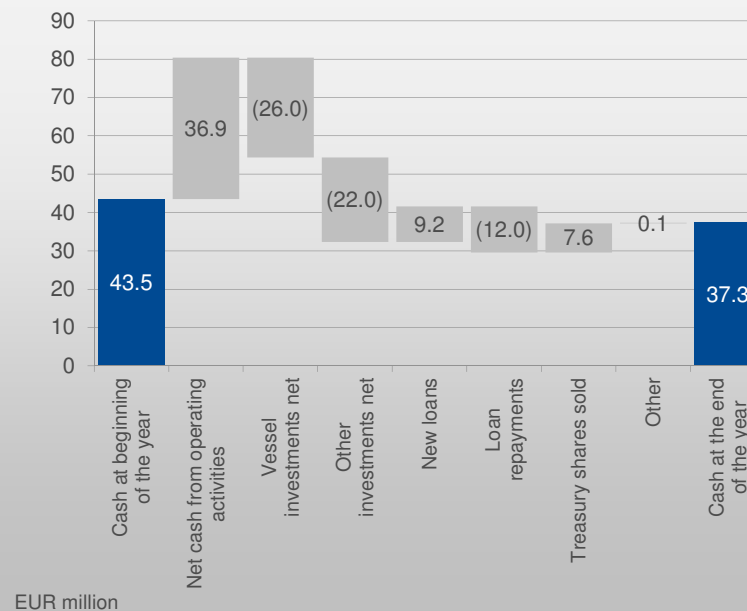
Strong cash flow and cash position

Decreased cash due to investments

Cash flow

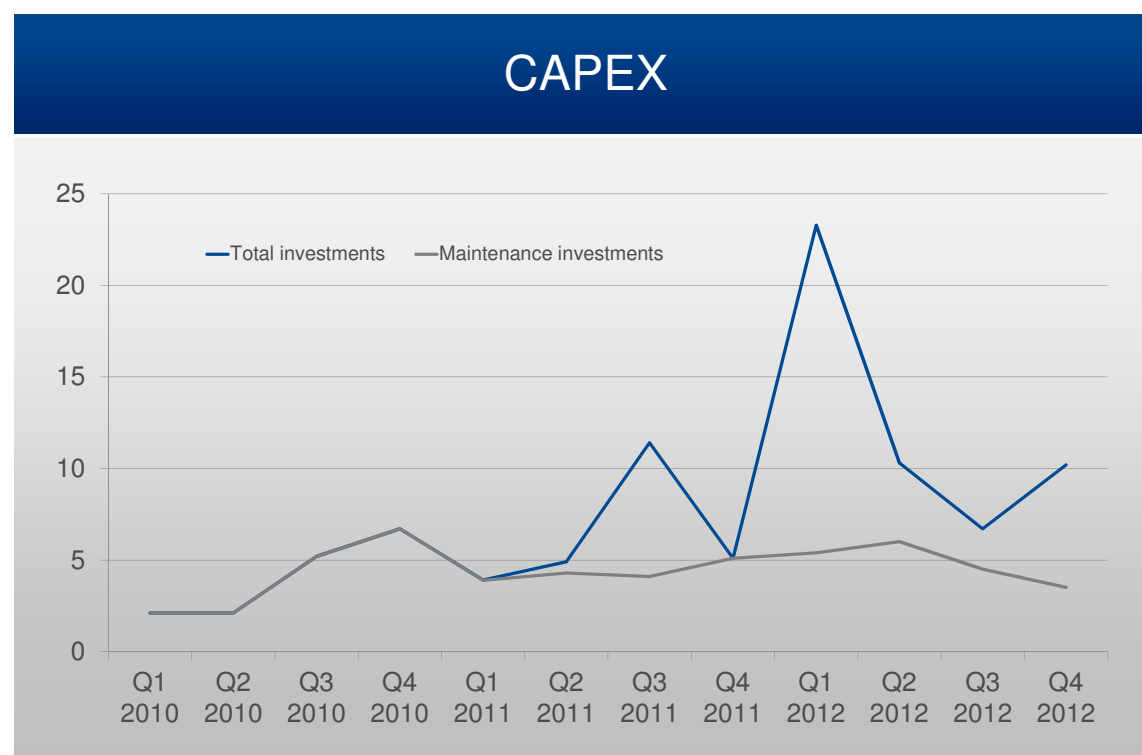
EUR '000	Q4 2012	Q4 2011	2012	2011
Cash flows from operations	12,749	13,257	36,872	27,226
Investing activities	(8,430)	(3,683)	(39,188)	(22,577)
Financing activities	4,107	(3,418)	(4,369)	(11,495)
Changes in cash	8,426	6,156	(6,685)	(6,846)
Cash in beginning of the period	28,816	37,032	43,517	50,333
Exchange rate fluctuations	62	329	472	30
Cash at the end of the period	37,304	43,517	37,304	43,517

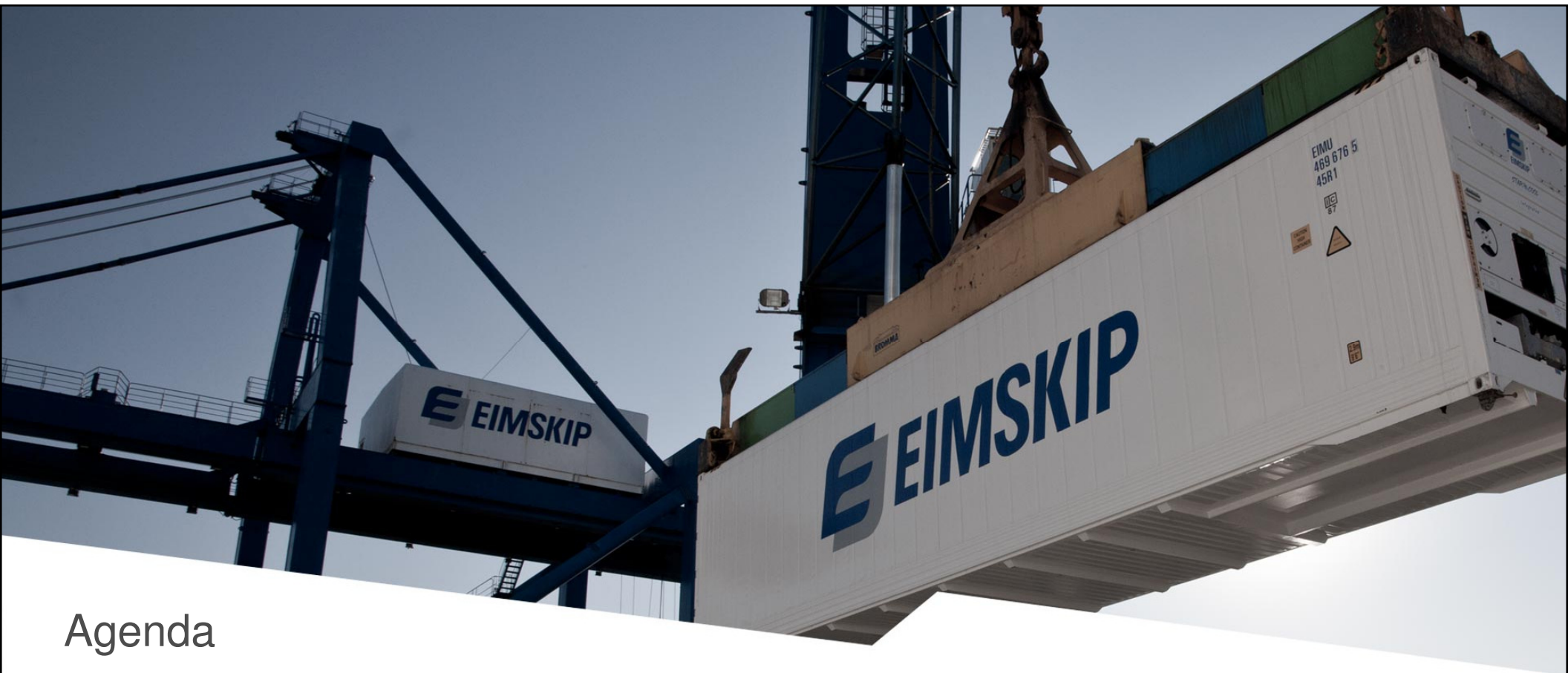
Cash flow bridge 2012



CAPEX 2010-2012

CAPEX affected by vessel investments





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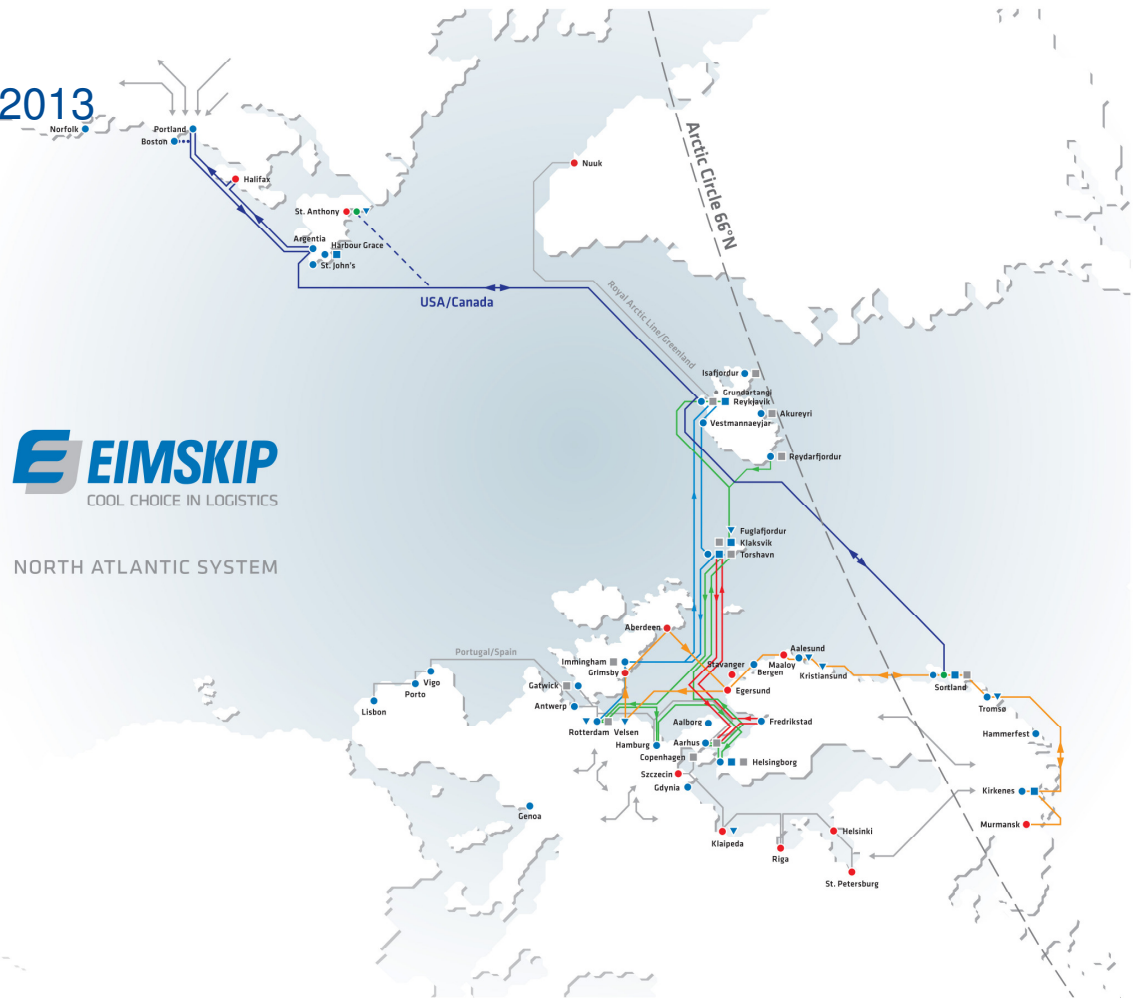
Portland, Maine

New port of call beginning in late March 2013



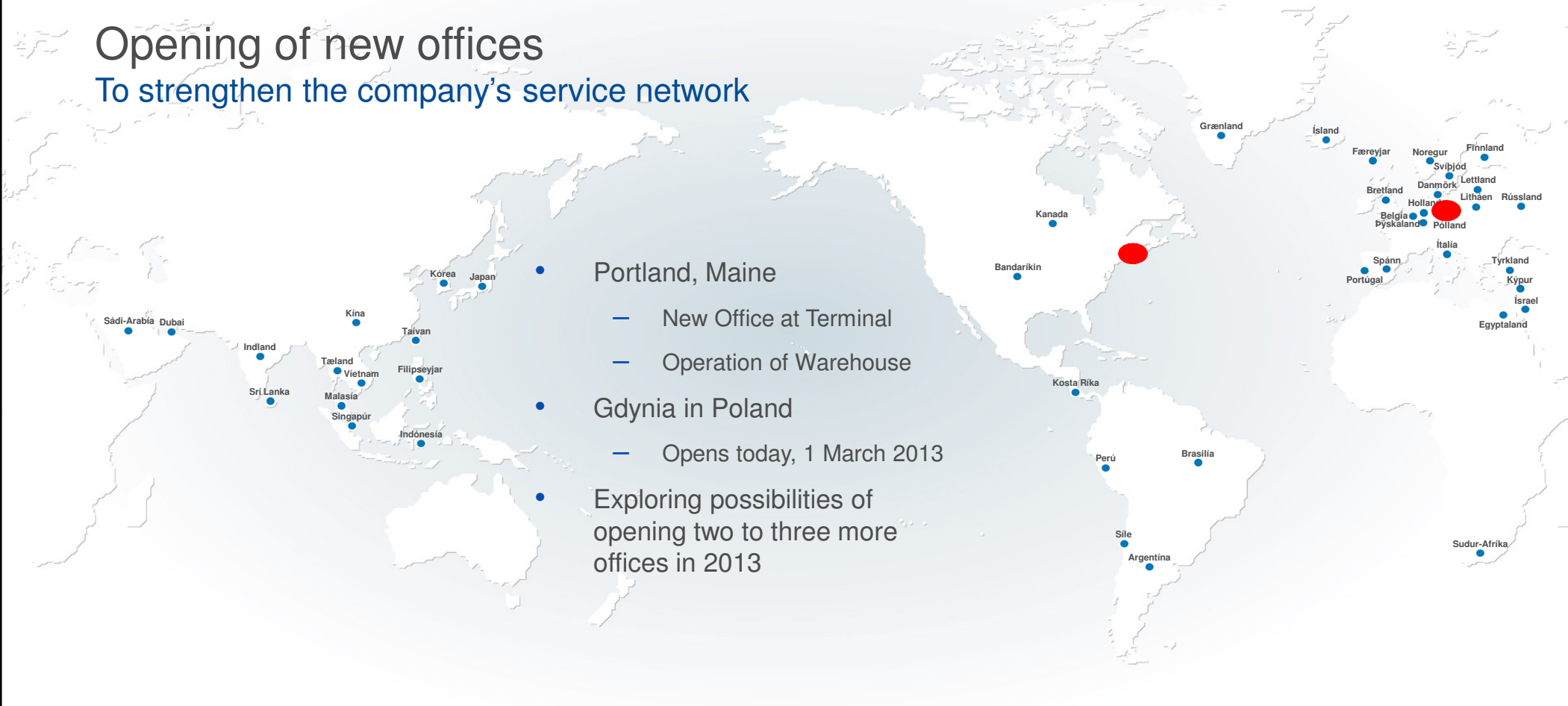
EIMSKIP
COOL CHOICE IN LOGISTICS

NORTH ATLANTIC SYSTEM



Opening of new offices

To strengthen the company's service network



Other future projects

Growth opportunities in the home market

- Continuing optimization of the liner services
- Strengthening the new route between Norway and North-America
- Finalizing investments in vessels
- Projects starting in Newfoundland such as power plants, oil and mining
- Increased focus on projects in connection with Isafjörður, Akureyri, Húsavík and Reyðarfjörður
- Growth opportunities in the home market in the North-Atlantic including projects in relation to oil, aluminum and other industries and the new Arctic sailing route



Q&A

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