

DSV Air & Sea Holding A/S

Hovedgaden 630, 2640 Hedehusene

CVR No. 26 36 63 56

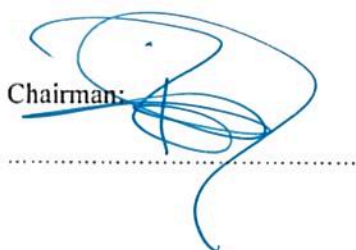
Annual Report

for the year ended 31 December 2016

16th financial year

Approved at the Company's annual general meeting on ^{3/5} 2017.

Chairman:



CONTENTS

Statement by Management on the annual report	3
Independent auditors' report	4
Information about the company	6
Management's review	
Financial highlights	7
Management commentary	8
Financial statements 1 January - 31 December	
Income statement	9
Balance sheet at 31 December 2016	10
Statement of changes in equity	12
Notes	13

Statement by Management on the annual report

Today, the Board of Directors and the Executive Board have discussed and approved the Annual Report of DSV Road Holding A/S for the financial year 1 January - 31 December 2016.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the company at 31 December 2016 and of the results of the company's operations for the financial year 1 January - 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the development in the company's operations and financial matters and the result of the company's operations and financial position.

We recommend that the Annual Report be approved at the Annual General Meeting.

Hedehusene 31 May 2017

Executive Board:

Carsten Trolle



Board of Directors:



Jens Bjorn Andersen
Chairman



Jens H. Lund



Kurt K. Larsen



Rene Falch Olesen

INDEPENDENT AUDITOR'S REPORT

To the shareholder of DSV Air & Sea Holding A/S

Opinion

We have audited the financial statements of DSV Air & Sea Holding A/S for the financial year 1 January – 31 December 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January – 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report (continued)

- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's Review

Management is responsible for the Management's review.


Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 31 May 2017
Ernst & Young
Godkendt Revisionspartnerselskab
CVR nr. 30 70 02 28



Jesper Koefoed
State Authorised Public Accountant



Michael Groth Hansen
State Authorised Public Accountant

INFORMATION ABOUT THE COMPANY

Name DSV Air & Sea Holding A/S
Address Hovedgaden 630
Post Code 2640 Hedehusene
Tel: +45 43 20 30 40
Fax: +45 43 20 30 41

CVR-No. 26 36 63 56

Municipality of domicile Hoje-Taastrup

Board of Directors:

Jens Bjorn Andersen, (Chairman)
Jens H. Lund
Kurt K. Larsen
Rene Falch Olesen

Executive Board:

Carsten Trolle

Auditors:

Ernst & Young
Godkendt Revisionspartnerselskab

MANAGEMENT'S REVIEW

Financial highlights

Key figures (in thousands):	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Operating loss/profit	-28.792	2.133	87.325	33.193	-1.165
Net financials	-162.980	-113.096	-126.299	-139.613	-126.943
Profits for the year	1.192.469	528.651	490.697	858.910	-693.571
Shareholders' equity at year-end	2.615.907	1.830.738	1.671.133	1.180.401	323.242
Total assets	17.206.036	6.095.691	6.147.499	6.259.647	6.293.344
Investments for the year	10.282.951	8.535	25.327	1.152.821	1.697.919
Ratios:					
Return on equity	53,63%	30,19%	34,42%	114,24%	-93,85%
Solvency ratio	15,20%	30,03%	27,18%	18,86%	5,14%

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios, " Recommendations and Financial Ratios 2015".

Return on equity	$\frac{\text{Profit/loss} \times 100}{\text{Average equity}}$
Solvency ratio	$\frac{\text{Equity} \times 100}{\text{Total Assets}}$

MANAGEMENT REVIEW

Business activities and mission

The company is a 100% owned subsidiary of DSV A/S. The company's financial statements are a part of the consolidated financial statements for DSV A/S.

The Company's objects are to carry on the business of freight forwarding and services with a view to moving goods by sea and air, primarily through subsidiaries the object of which is to carry on such activities, and to fund and financially support subsidiaries.

Business review

2016 has been a year of integration for Air & Sea. We have had all hands on deck to merge UTi's global Freight Forwarding division into DSV's global Air & Sea organisation.

Teams and offices have been merged all over the world to form a new organisation of 13,000 employees and 400 offices in 81 countries.

With the addition of UTi, we have gained a truly global network and fortified our presences in APAC, North America and Africa. South Africa has quickly become a major trading partner in the DSV network, and India and Israel stand out as two important markets where DSV has gained a stronger market position.

We have also added Oil & Gas and Marine & Hospitality to our existing industry verticals; and we have worked hard to merge large mutual DSV and UTi customer accounts to ensure that these customers receive a consistent DSV service worldwide.

The net result for the year is t.DKK 1.192.469, which is significantly above the result for 2015. The reason for the higher result are higher return on investments in subsidiaries.

The result is considered satisfactory by the management.

Investments

In 2016 the company had material investments in Group Enterprises due to the UTi acquisition.

Capital resources

The company has a solid capital resource due to the fact that the company is a part of the cashpool in the DSV Group. The capital resource is supported by the Groups strategic goal to secure sufficient financial flexibility.

Outlook

It is anticipated that the net profit for 2017 will be at the same level as the result for 2016.

Unusual risks

There are no unusual matters during the year which influence the measurement in the Annual Report.

Corporate Social Responsibility (CSR) and Human Rights

DSV Air & Sea Holding A/S is part of the DSV Group and thereby covered by the policies and achievements described in the DSV Group CSR report. In accordance with section 99a (6) of the Danish Financial Statements Act, reference is made to the DSV Group CSR report available at : www.documents.dsv.com/dsv/995/.

Diversity at management levels is described at Group level in the DSV Governance Report found at investor.dsv.com/governance.cfm. As diversity in DSV Air & Sea Holding A/S is included DSV Group initiatives, reference is - in accordance with section 139 a (5) of the Danish Companies Act - made to the DSV Governance Report for further information.

Events after the reporting date

No material events have occurred after 31 December 2016.

Financial statements 1 January - 31 December

INCOME STATEMENT

	Note	2016 DKK '000	2015 DKK '000
Other external expenses		<u>-83.939</u>	<u>-35.439</u>
Gross margin		-83.939	-35.439
Staff costs	2	-6.216	-9.899
Other operating income		<u>61.363</u>	<u>47.471</u>
Operating loss/profit		-28.792	2.133
Income from investments in Group enterprises incl. impairment	3	1.359.519	632.678
Financial income	4	191.979	11.356
Financial expenses	5	<u>-354.959</u>	<u>-124.452</u>
Profit before tax		1.167.747	521.715
Tax on profit for the year	6	<u>24.722</u>	<u>6.936</u>
NET PROFIT FOR THE YEAR		<u>1.192.469</u>	<u>528.651</u>

Financial statements 1 January - 31 December

BALANCE SHEET

ASSETS	Note	2016 DKK '000	2015 DKK '000
NON-CURRENT ASSETS			
Financial assets			
Investments in Group enterprises	7	15.009.049	5.943.217
Investments in associated companies	7	0	597
Non-current receivables from Group companies		1.109.545	18.300
Other securities and other receivables		11.453	11.453
Total fixed assets investments		<u>16.130.047</u>	<u>5.973.567</u>
TOTAL NON-CURRENT ASSETS		<u>16.130.047</u>	<u>5.973.567</u>
CURRENT ASSETS			
Trade debtors		7.386	10.254
Receivables from Group companies		891.781	9.267
Tax receivable		39.314	0
Deferred tax asset	8	1.334	2.908
Other receivables		136.174	99.695
Total receivables		<u>1.075.989</u>	<u>122.124</u>
TOTAL CURRENT ASSETS		<u>1.075.989</u>	<u>122.124</u>
TOTAL ASSETS		<u>17.206.036</u>	<u>6.095.691</u>

Financial statements 1 January - 31 December

BALANCE SHEET

EQUITY AND LIABILITIES	Note	2016 DKK '000	2015 DKK '000
EQUITY			
Share capital	9	50.000	50.000
Proposed dividend	15	1.100.000	400.000
Retained earnings		<u>1.465.907</u>	<u>1.380.738</u>
TOTAL EQUITY		<u>2.615.907</u>	<u>1.830.738</u>
PROVISIONS			
Provision for pensions	10	<u>0</u>	<u>10.737</u>
TOTAL PROVISIONS		<u>0</u>	<u>10.737</u>
LIABILITIES			
Non-current liabilities			
Mortgage credit institutions			
Non-current liabilities to Group companies	11	<u>12.661.421</u>	<u>3.841.342</u>
Total non-current liabilities		<u>12.661.421</u>	<u>3.841.342</u>
LIABILITIES			
Current liabilities			
Suppliers of goods and services		4.471	212
Company tax		0	5.433
Payables to Group companies		1.870.546	356.496
Other debt		<u>53.691</u>	<u>50.733</u>
Total current liabilities		<u>1.928.708</u>	<u>412.874</u>
TOTAL LIABILITIES		<u>14.590.129</u>	<u>4.254.216</u>
TOTAL EQUITY AND LIABILITIES		<u><u>17.206.036</u></u>	<u><u>6.095.691</u></u>
Accounting policies	1		
Contingent liabilities	12		
Related parties	13		
Consolidated financial statements	14		
Proposed distribution of profit	15		

Financial statements 1 January - 31 December

STATEMENT OF CHANGES IN EQUITY

	Share capital	Retained earnings	Dividend	Total
Shareholders' Equity at 1/1 2015	50.000	1.253.110	368.023	1.671.133
Other adjustments	-	-1.023	-	-1.023
Dividend distributed	-	-	-368.023	-368.023
Transfer regarding proposed distribution	-	128.651	400.000	528.651
Shareholders' Equity at 31/12 2015	50.000	1.380.738	400.000	1.830.738
Shareholders' Equity at 1/1 2016	50.000	1.380.738	400.000	1.830.738
Other adjustments	-	-7.300	-	-7.300
Dividend distributed	-	-	-400.000	-400.000
Transfer regarding proposed distribution	-	92.469	1.100.000	1.192.469
Shareholders' Equity at 31/12 2016	50.000	1.465.907	1.100.000	2.615.907

Financial statements 1 January - 31 December

Note 1 Accounting policies

The 2016 Annual Report of DSV Air & Sea Holding A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large reporting class C entities. This has been changed in 2016 to class C from class B due to changes in the Danish Financial Statements act. The change of class had no effect on the figures in the Income statement, Balance sheet and Equity, but had only effect of further information disclosed.

The accounting policies are consistent with those of last year.

The amounts in the Annual Report are stated in Danish kroner (DKK) and rounded to the nearest thousands.

Consolidated financial statement

In accordance with section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of DSV Air & Sea Holding A/S and its subsidiaries are included in the consolidated financial statements of DSV A/S.

Cash flow statement

In accordance with section 86.4 of the Danish Financial Statements Act, no cash flow statement have been prepared. The cash flow statements of DSV Air & Sea Holding A/S and its subsidiaries are included in the consolidated financial statements of DSV A/S.

Fees to auditors appointed at the Annual General Meeting

In accordance with section 96.3 of the Danish Financial Statements Act, no information about fees to appointed auditors at the Annual General Meeting are disclosed, due to the information is disclosed on group level in the consolidated financial statements of DSV A/S.

Foreign currency translation

On initial recognition, foreign currency transactions are translated at the exchange rate ruling at the transaction date. Exchange differences between the exchange rates at the transaction date and the date of payment are recognised in the income statement under financial income and expenses.

Receivables, payables and other monetary items denominated in a foreign currency are translated at the exchange rate ruling at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date on which the receivable or payable was recorded or the exchange rate used in the latest annual report is recognised in the income statement as financial income and expenses.

Income statement

Staff costs

Staff costs include wages and salaries, pensions, social security costs and other staff costs.

Other external expenses

Other external expenses comprise expenses incurred during the year related to management and administration of the company, including expenses for administrative personnel, management, office premises and expenses and office supplies.

Other operating income and losses

Other operating income is primarily related to invoicing of service fee to subsidiaries.

Income from investments in Group enterprises and associated companies

Dividends from investments in Group enterprises and associated companies are recognised in the Company's income statement in the financial year in which the dividends are declared. If the dividends distributed exceed accumulated earnings after the date of acquisition, dividends are, however, not recognised as income in the income statement, but as an adjustment of the cost of the investment.

Financial income and expenses

Financial income and expenses include interest income and expense, capital gains and losses in respect of securities, payables and transactions denominated in foreign currencies and amortisation of financial assets and liabilities as well as surcharges and refunds under the tax prepayment scheme etc.

Financial statements 1 January - 31 December

Tax on profit/loss for the year

DSV Air & Sea Holding A/S is subject to the Danish regulations relating to compulsory joint taxation of the Group's subsidiaries. The subsidiaries are included in the joint taxation from the time of entering the consolidation in the consolidation annual accounts and up to the time when they are deconsolidated.

The current Danish corporation tax is allocated by settlement of the jointly taxed companies compared with the taxable income of these companies. In this connection, the companies with tax losses receive joint taxation contribution from the companies which are able to apply these losses to reduce own taxable gains (full allocation).

Tax for the year, which comprises of the current corporation tax for the year, joint taxation contribution and changes in deferred tax are taken to the profit and loss account with the part which is attributable to the profit/loss for the year and directly taken to equity with the part which is attributable to entries directly in equity.

Balance sheet

Investments in Group enterprises and associated companies

Investments in Group enterprises and associated companies are measured at cost. If the cost exceeds the recoverable amount, the investment is written down to this lower value.

The cost is adjusted if dividends distributed exceed accumulated earnings after the date of acquisition.

Other securities and investments

Listed securities and equity investments recognised as fixed asset investments are measured at fair value on the balance sheet date.

Non-listed securities recognised under current assets are measured at current price based on calculated value in use at the balance sheet date.

Impairment of non-current assets

The carrying amounts of other non-current assets are calculated once a year to determine whether there is an indication of impairment. If so, their recoverable amounts are calculated. The recoverable amount is the higher of the fair value of the asset less the expected disposal costs and the value in use. The value in use is calculated as the present value of expected future cash flow from the asset or the cash-generating unit of which the asset forms part.

Impairment losses are recognised if the carrying amount of an asset or a cash-generating unit exceeds the recoverable amount of the asset or cash-generating unit. Impairment losses are recognised in the income statement under amortisation, depreciation and impairment losses. Impairments of investments are included in share of income from investments.

Impairment of other assets is reversed if the assumptions and estimates on which the impairment is based have changed. Impairments are reversed if the new carrying amount of the asset exceeds the book value.

Trade debtors

Debtors are measured at amortised cost. Provision is made for expected losses on an individual basis.

Other receivables

Other receivables are measured at amortised cost, which usually corresponds to the nominal value. The value is reduced by write-downs for bad debts.

Equity

Proposed dividends are recognised as a liability when adopted at the Annual General Meeting (date of declaration). Expected dividends for the year are shown as a separate item under equity.

Financial statements 1 January - 31 December

Incentive programmes

The company's incentive schemes include equity-settled share-based share option and warrants programmes which are settled in DSV A/S shares.

The value of the services, which the staff delivers in return for granting of options and warrants are measured at the fair value of the options and warrants.

The equity-settled share-based payment arrangements are measured at fair value at the time of granting and are recognised in the profit and loss account under staff costs during the period where the final right to the options or warrants is achieved. The counter item is directly recognised in equity.

In connection with the first recognition of share-based arrangements, the number of options and warrants which the staff are expected to gain right to is estimated. Subsequently, changes are adjusted for related to the number of the right of acquisition of options and warrants so that the total recognition is based on the actual number of rights of acquisition of options and warrants.

The fair value of the granted options and warrants is estimated by the use of the Black-Scholes valuation method. By the estimation terms and conditions related to the granted options and warrants are taken into account.

Corporation tax and deferred tax

Current tax liabilities and outstanding current tax are included in the balance sheet as tax calculated on the taxable income for the year adjusted for tax from previous years' taxable income and pre-paid taxes.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amounts and the tax value of assets and liabilities. No recognition is made of deferred tax on temporary differences relating to other items disallowed for tax purposes if, except at the acquisition of enterprises, such temporary differences arose on the date of acquisition without affecting the results or the taxable income. In cases where it is possible to calculate the tax value according to different tax rules, deferred tax is measured on the basis of the planned use of the asset or the settlement of the liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised at the expected value of their utilisation, either by elimination in tax on future earnings or by offsetting deferred tax liabilities within the same legal tax entity or jurisdiction.

Deferred tax assets and tax liabilities are set off if the enterprise has a legally enforceable right to set off current tax liabilities and tax assets or intends either to settle current tax liabilities and tax assets on a net basis or to realise the assets and liabilities simultaneously.

Deferred tax assets are tested for impairment annually and are only recognised if they are likely to be utilised.

Short term liabilities

Other liabilities including amounts owed to suppliers, affiliates and associates and other debts are valued at net realisable value.

Financial statements I January - 31 December

NOTES

	2016 DKK'000	2015 DKK'000
Note 2. Staff costs		
Specification of staff costs:		
Salaries, wages, share options and warrants	5.198	7.214
Pension costs	420	630
Other expenses for social security	8	17
Other staff costs	<u>590</u>	<u>2.038</u>
	<u><u>6.216</u></u>	<u><u>9.899</u></u>
Average number of employees	<u>7</u>	<u>8</u>

Information regarding remuneration to the company's management is excluded with reference to the Danish Financial Statements Act. Section 98 b, subsection 3.

The Board of Directors does not receive remuneration for their roles as members of the board.

DSV A/S has established a share option and warrant programme for the Group's employees. The Executive Board in DSV Air & Sea Holding A/S has been granted share options from the programme. The Board of Directors have received options from the programme for their roles in DSV A/S. DSV Air & Sea Holding A/S's part of costs regarding the share options and warrants program are included as staff costs on a continuing basis.

	2016 DKK'000	2015 DKK'000
Note 3. Income from investments in Group enterprises incl. impairment		
Dividend received from subsidiaries	405.538	708.170
Impairment of investments in subsidiaries	-25.594	-73.430
Reversal of previous write-offs and fair value adjustments	984.400	0
Loss from sale of investments in Group enterprises	-4.890	-2.062
Gain from sale of associated companies	<u>65</u>	<u>0</u>
	<u><u>1.359.519</u></u>	<u><u>632.678</u></u>

Note 4. Financial income

Financial income from Group enterprises	51.809	1.438
Foreign currency translation adjustments	<u>140.170</u>	<u>9.918</u>
	<u><u>191.979</u></u>	<u><u>11.356</u></u>

Note 5. Financial expenses

Financial expenses for Group enterprises	294.554	110.594
Foreign currency translation adjustments	60.405	13.856
Other interest expenses and similar charges	<u>0</u>	<u>2</u>
	<u><u>354.959</u></u>	<u><u>124.452</u></u>

Financial statements 1 January - 31 December

NOTES

	2016 DKK'000	2015 DKK'000
Note 6. Tax for the year		
Current tax for the year	39.307	26.870
Adjustment of the deferred tax charge for the year	-1.580	1.225
Withholding tax	-13.013	-15.441
Prior year adjustments	<u>8</u>	<u>-5.718</u>
	<u><u>24.722</u></u>	<u><u>6.936</u></u>
 Note 7. Financial assets		
Investments in Group enterprises and associated companies:		
	Associated companies	Group enterprises
Cost		
Balance at 1/1 2016	597	8.545.184
Capital increase	-	1.215.262
Additions	-	9.067.689
Disposals	<u>-597</u>	<u>-75.712</u>
Cost at 31/12 2016	<u><u>0</u></u>	<u><u>18.752.423</u></u>
Write-offs and fair value adjustments		
Write-offs and fair value adjustments at 1/1 2016	-	-2.601.967
Write-off and fair value adjustments for the year	-	-25.594
Reduction of dividend received re. earnings prior to acquisition	-	-2.154.965
Reversal of previous write-offs and fair value adjustments	-	984.400
Reversal of previous write-offs and fair value adjustments re. disposals	<u>-</u>	<u>54.752</u>
Write-offs and fair value adjustments at 31/12 2016	<u><u>0</u></u>	<u><u>-3.743.374</u></u>
 Carrying amount at 31/12 2016	<u><u>0</u></u>	<u><u>15.009.049</u></u>

NOTES

Note 7. Financial assets - continued

Company name	Registered office	Ownership	Currency	CUR'000 Share Capital
DSV Air & Sea A/S	Denmark	100%	DKK	31.000
DSV Ocean Transport A/S	Denmark	100%	DKK	500
DSV Air & Sea AS	Norway	100%	NOK	1.096
DSV Air & Sea AB	Sweden	100%	SEK	5.500
DSV Air & Sea Oy	Finland	100%	EUR	103
DSV Air & Sea Limited	UK	100%	GBP	3.000
SBS Worldwide (Holdings) Ltd.	UK	100%	GBP	115
DSV Air & Sea Limited	Ireland	100%	EUR	30
DSV Air & Sea S r.L.	Italy	100%	EUR	40
Saima Avandero SpA	Italy	99%	EUR	60.000
DSV Air & Sea NV	Belgium	100%	EUR	4.000
XB Luxembourg Holdings 1 SA	Luxemburg	100%	EUR	2.480
DSV Air & Sea A.S.	Turkey	100%	TRY	16.500
DSV Air & Sea Sp. z o.o.	Poland	100%	PLZ	1.050
DSV Air & Sea s.r.o.	Czech Republic	100%	CZK	500
DSV Air & Sea Co., Ltd.	China	100%	CNY	27.980
DSV Air & Sea Ltd.	Hong Kong	100%	HKD	550.000
PT. DSV Air & Sea	Indonesia	100%	USD	319
DSV Air & Sea Ltd.	Thailand	100%	THB	10.000
DSV Air & Sea Pte. Ltd.	Singapore	100%	SGD	150
DSV Air & Sea Sdn Bhd	Malaysia	100%	MYR	1.000
DSV Air & Sea Inc.	Philippines	100%	PHP	54.316
DSV Air & Sea Ltd.	Bangladesh	100%	BDT	10.000
DSV Air & Sea Ltd.	Korea	100%	KRW	300.000
DSV Air & Sea Co., Ltd.	Taiwan	100%	TWD	60.082
DSV Air & Sea Co., Ltd.	Vietnam	100%	VND	1.053.468
DSV Air & Sea Pvt. Ltd.	India	100%	INR	6.750
ABX LOGISTICS Singapore PTE LTD	Singapore	100%	SGD	282
DSV Air & Sea Co., Ltd.	Japan	100%	JPY	54.000
DSV AIR & SEA (LLC)	United Arab Em.	100%	AED	300
DSV Air & Sea Pty Ltd.	Australia	100%	AUD	10
DSV Air & Sea Limited	New Zealand	100%	NZD	1.000
DSV Air & Sea Holding Inc	USA	100%	USD	150.000
DSV Air & Sea Inc.	Canada	100%	CAD	6.300
DSV Air & Sea, S.A. de C.V.	Mexico	100%	MXN	23.106
DSV Air & Sea Logistica Ltda.	Brazil	100%	BRL	3.643
DSV Air & Sea S.A.S.	Colombia	100%	COP	930.000
DSV-GL Latin America S.A.	Chile	100%	CLP	1.277.970
DSV Air & Sea OOD	Bulgaria	100%	BGN	20
Swift Freight International Nigeria Limited	Nigeria	100%	NGN	53.247
Swift Freight International Rwanda Limited	Rwanda	100%	RWF	3.000
Swift Freight International Burundi SA	Burundi	100%	BIF	10.000
Swift Global Logistics Limited	Mozambique	100%	MZN	127
Swift Global Logistics Limited	Tanzania	100%	TZS	1.000
Swift Global Logistics	Togo	100%	XOF	5.103
Swift Freight International (Uganda) Limited	Uganda	100%	UGX	2.546.071
Swift Freight Forwarders (Ghana) Limited	Ghana	100%	GHS	46
Swift Freight International (Zambia) Limited	Zambia	100%	ZMK	50
Swift Global Logistics Limited	Kenya	100%	KES	1.000
Swift Freight DRC San NCR KIN	DR Congo	100%	CDF	8.000
DSV Air & Sea S.A.	Costa Rica	100%	USD	200
UTi Worldwide Inc.	British Virgin Islands	100%	USD	1.400.053
UTi (UK) Holdings Ltd.	UK	100%	GBP	3.278
UTi (Netherlands) Holding BV	Netherlands	100%	EUR	1.095
UTi Pakistan (SMC private) Limited	Pakistan	100%	PKR	22.000
UTi Pership (Pvt) Limited	Sri Lanka	51%	LKR	17.500
UTi United States Puerty Rico Inc.	Puerty Rico	100%	USD	-
UTi Uruguay SA	Uruguay	100%	UYU	4.010
UTi Worldwide Vietnam Co. Ltd.	Vietnam	51%	VND	116.823.600
DSV Air & Sea Co., Ltd.	Cambodia	100%	USD	150
Associated companies				
ABX Logistics (Bangladesh) Ltd.	Bangladesh	33%	BDT	15.000

Financial statements 1 January - 31 December

NOTES

Note 8. Deferred tax asset	2016	2015
	DKK'000	DKK'000
Deferred tax asset at 1/1	2.908	1.683
Deferred tax for the year	-1.580	1.225
Deferred tax adjustment relating to previous years	<u>6</u>	<u>0</u>
Deferred tax asset at 31/12	<u><u>1.334</u></u>	<u><u>2.908</u></u>

Deferred tax asset relates to:

Tangible assets	1	1
Other liabilities	<u>1.333</u>	<u>2.907</u>
Deferred tax asset	<u><u>1.334</u></u>	<u><u>2.908</u></u>

Note 9. Share capital

Contributed capital consist of 1 share to nominal value tkr. 50.000 and no changes for the last 5 years.

Note 10. Provisions

Provisions for pensions	<u>0</u>	<u>10.737</u>
Total provisions	<u><u>0</u></u>	<u><u>10.737</u></u>

Note 11. Non current liabilities

The non-current liabilities to Group Companies are all due within 3 years.

Note 12. Contingent Liabilities

The Company is jointly registered as regards VAT with DSV A/S, DSV Road A/S, DSV Air & Sea A/S, DSV Solutions A/S, DSV Road Holding A/S and DSV Solutions Holding A/S. The Company is thus jointly and severally liable for VAT as regards the jointly registration.

The Company is assessed jointly for tax purposes together with the other domestic DSV Group entities. The Company is a wholly-owned subsidiary of DSV A/S and is under an unlimited and joint liability regime for Danish tax payments and withholding taxes on dividends, interest and royalties from the jointly taxed entities. The total amount is disclosed in the annual financial statements of DSV A/S, which is the administration company of the joint taxation arrangement. Any subsequent adjustments of the taxable consolidated profit or withholding taxes may result in an increase in the Company's tax liability.

The Company has issued letter of support for individual Group enterprises to provide financial support to the extent necessary, allowing the Group enterprises to continue their activities and meet their obligations towards third parties

	2016	2015
	DKK'000	DKK'000
Guarantees for rent commitments, indemnification and subordination agreements re.	<u><u>411.160</u></u>	<u><u>342.910</u></u>

Financial statements 1 January - 31 December

NOTES

Note 13. Related parties and ownership

DSV Air & Sea Holding A/S related parties comprise the following:

Parties exercising control

DSV A/S, Hovedgaden 630, DK-2640 Hedehusene

Other

The Company's related parties are the companies in the DSV Group and the companies' daily management.

Transactions with related parties has been conducted on arms lenght principles.

There are not entered agreements or other transactions with companies where the Board of Directors or the Executive Board have had any financial interest except from transactions related to the conditions of employment.

Transactions with related parties:	2016 DKK'000	2015 DKK'000
Sale of servicefee	76.600	38.114
Sale of administration fee	204	261
Purchase of service fee	5.853	6.047
Purchase of administration fee	52.401	25.500
Financial income	51.809	1.438
Financial expenses	294.554	110.594

The company has bought shares from group companies with a value of t.DKK 2.378.533 and made capital increases of t.DKK 1.215.262

The company has following receivables and payables as of 31, December:

Non-current receivables from Group companies	1.109.545	18.300
Current receivables from Group companies	891.781	9.267
Non-current liabilities to Group companies	12.661.421	3.841.342
Current liabilities to Group companies	1.870.546	356.496

Ownership

Shareholders holding 5% or more of the share capital or the voting rights:

DSV A/S, Hovedgaden 630, DK-2640 Hedehusene owns 100% of the shares in DSV Air & Sea Holding A/S.

Note 14. Consolidated financial statements

The financial statements of DSV Air & Sea Holding A/S and its subsidiaries are included in the consolidated financial statements of DSV A/S, Hedehusene, Denmark. The consolidated financial statements of DSV A/S can be requested at the following adress:

DSV A/S
Hovedgaden 630
DK-2640 Hedehusene
Denmark

or: www.investor.dsv.com

Financial statements 1 January - 31 December

NOTES

Note 15. Proposed distribution of profit

	2016 DKK '000	2015 DKK '000
Dividend	1.100.000	400.000
Retained earnings	<u>92.469</u>	<u>128.651</u>
Total distribution	<u><u>1.192.469</u></u>	<u><u>528.651</u></u>