



Feb 10, 2021 07:32 CET

## Annual Report 2020 released

*“Despite the COVID-19 pandemic and unpredictability throughout the year, 2020 was another strong year for DSV Panalpina. Thanks to an extraordinary effort by our staff, we delivered excellent results across all our divisions and markets. We completed the Panalpina integration and achieved an operating profit before special items of DKK 9,520 million, which is a significant increase of 47% compared to 2019. 2021 will be another challenging year, but with our strong and flexible business model and the right people on board, we will make sure to keep our customers’ supply chains flowing,” says Jens Bjørn Andersen, CEO.*

**Selected financial highlights for 2020 (1 January - 31 December 2020)**

(DKKm)	Q4 2020	Q4 2019	Full-year 2020	Full-year 2019
Revenue	31,716	30,122	115,932	94,701
Gross profit	7,212	7,084	28,534	23,754
EBIT before special items	2,616	1,784	9,520	6,654
Special items	685	609	2,164	800
<i>Operating margin</i>	8.2%	5.9%	8.2%	7.0%
<i>Conversion ratio</i>	36.3%	25.2%	33.4%	28.0%
Adjusted earnings			6,146	4,456
Adjusted free cash flow			8,746	3,678
Diluted adjusted earnings per share of DKK 1			26.5	22.1
Proposed dividend per share (DKK)			4.00	2.50
EBIT before special items				
Air & Sea	1,790	1,195	7,026	4,506
Road	420	272	1,390	1,251
Solutions	456	340	1,161	1,013

## Q4 2020 results

For Q4 2020, revenue amounted to DKK 31,716 million (Q4 2019: DKK 30,122 million). The growth of 10.5% (in constant currencies) was mainly driven by increased freight rates. Q4 2020 is the first quarter with full impact of the Panalpina acquisition on comparative figures.

For Q4 2020, gross profit came to DKK 7,212 million (Q4 2019: DKK 7,084 million). The growth in gross profit came to 6.6% (in constant currencies) for the Group and was driven by good performance in all three divisions.

EBIT before special items was up by 54.6% (in constant currencies) to DKK 2,616 million for Q4 2020 (Q4 2019: DKK 1,784 million). All three divisions contributed to the growth, which was supported by strong cost discipline and the impact from Panalpina integration synergies.

## Dividend

The Board of Directors proposes ordinary dividends of DKK 4.00 per share for 2020 (2019: DKK 2.50 per share).

## Outlook for 2021

- EBIT before special items is expected to be in the range of DKK

- 10,500-11,500 million.
- The effective tax rate of the Group is expected to be approximately 23%.

The 2021 outlook assumes a stable development in the markets in which we operate and a continued gradual recovery of the global economy after the COVID-19 crisis.

### Share buyback – increase of current programme

A separate company announcement about an increase of the current share buyback programme of DKK 2,000 million will be issued today. This means that the maximum aggregate purchase price of the shares to be bought back is increased to DKK 8,000 million. The programme will run until 30 April 2021.

### New 2025 financial targets

After the integration of Panalpina, the following 2025 financial targets have been set for the Group and for each division.

Long-term financial targets		
2025 targets (%)	2020	2025 targets
<b>DSV Panalpina Group</b>		
Conversion ratio	33.4	>40.0
ROIC (before tax)	14.3	>20.0
<b>Divisional targets for conversion ratio</b>		
Air & Sea	41.6	>47.5
Road	22.6	>30.0
Solutions	21.6	>30.0

### Investor teleconference

DSV Panalpina will host an investor teleconference on 10 February 2021, at 13.00 CET. Please refer to [investor.dsv.com](http://investor.dsv.com) for details.

## DSV Panalpina A/S

We provide and manage supply chain solutions for thousands of companies every day – from the small family run business to the large global corporation.

Our reach is global, yet our presence is local and close to our customers. 55,000 employees in more than 80 countries work passionately to deliver great customer experiences and high-quality services.

Read more at [www.dsv.com](http://www.dsv.com)

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