



DSV and Panalpina join forces

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DSV completes acquisition of Panalpina

Today, DSV expects to settle the previously announced public exchange offer for all publicly held shares of Panalpina. Settlement will be carried out during the course of today in accordance with Swiss market practices.

With the settlement, the previously announced board changes in Panalpina will come into effect: Kurt Kokhaug Larsen will be Chairman, and Jens Bjørn Andersen, Jens H. Lund and Thomas Stig Plenborg will be members of the Panalpina board, giving DSV full control over Panalpina.

CEO Jens Bjørn Andersen comments:

"We are very excited to welcome Panalpina's customers, employees and shareholders to DSV. Our two companies will achieve more together, creating even more value for all our stakeholders. The settlement of the deal marks the beginning of the integration process, during which we will strive to provide the high level of service our customers know and rely on".

DSV Panalpina emerges

Panalpina is among the globally leading providers of supply chain solutions with approximately 14,500 employees in 70 countries. The combination with DSV creates one of the world's largest transport and logistics companies with a pro forma revenue of approximately DKK 118 billion and a workforce of 60,000 employees in 90 countries.

Pending the approval at an extraordinary general meeting, DSV A/S will change its registered name to "DSV Panalpina A/S". As the integration progresses, all subsidiaries and operational activities, however, will be united under the DSV name and brand.

Integration kick-off

Today marks the kick-off for the integration process, starting with the intended appointment of CEO Jens Bjørn Andersen and CFO Jens H. Lund to Panalpina's new Executive Board. Appointment of a new Executive Management Team is likely to occur within the next week. The integration will then move in to the regions and countries as well as global and HQ functions.

The entire integration period is expected to take 2-3 years, with most of the operational integration being completed within two years.

Maintaining a high level of service towards customers

DSV and Panalpina alike strive to provide a seamless customer experience across all geographies and in key industry verticals. This will not change going forward, and already strong customer relationships will benefit from increased vertical expertise, improved services and operational excellence.

As we move forward with the integration, it is our firm intention that our customers continue to experience an uninterrupted, high level of service.

Transaction specifics

Excluding the impact from IFRS 16, the Enterprise Value of the transaction is approximately CHF 5.1 billion corresponding to DKK 35.1 billion. Including IFRS 16 impact, the enterprise value is approximately CHF 5.4 billion corresponding to DKK 37.0 billion.

DSV expects to achieve annual cost synergies of around DKK 2,200 million. The cost synergies are expected to have full-year effect by 2022 and will primarily be derived from the consolidation of operations, logistics facilities, administration and IT infrastructure.

The transaction is expected to be EPS accretive (diluted and adjusted) by 2021. For full-year 2022, DSV expects that the operating margin of the combined entity will be lifted towards the DSV Group's current level. Long-term financial targets will be communicated during 2020.

An update, including expected timing of synergies, integration costs and outlook for 2019, will be communicated in connection with the release of DSV's Q3-2019 interim financial report – on 1 November 2019.

Read more at investor.dsv.com

About Panalpina

The Panalpina Group is one of the world's leading providers of supply chain solutions. The company combines its core products – Air Freight, Ocean Freight, and Logistics and Manufacturing – to deliver globally integrated, tailor-made end-to-end solutions for 12 core industries. Drawing on in-depth industry know-how and customized IT systems, Panalpina manages the needs of its customers' supply chains, no matter how demanding they might be. Project Solutions is a specialized service for the energy and capital projects sector. The Panalpina Group operates a global network with some 500 offices in around 70 countries, and it works with partner companies in another 100

countries. Panalpina employs approximately 14,500 people worldwide who deliver a comprehensive service to the highest quality standards – wherever and whenever. panalpina.com

DSV – Global Transport and Logistics

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. 60,000 employees in more than 90 countries work passionately to deliver great✕customer experiences and high-quality services.

Read more at www.dsv.com

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