Q1 2018

fjord1

Quarterly presentation

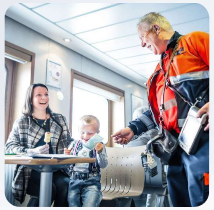
23 May 2018

CEO Dagfinn Neteland
CFO Anne-Mari Sundal Bøe

THE LEADING FERRYCOMPANY IN NORWAY

AGENDA

2018

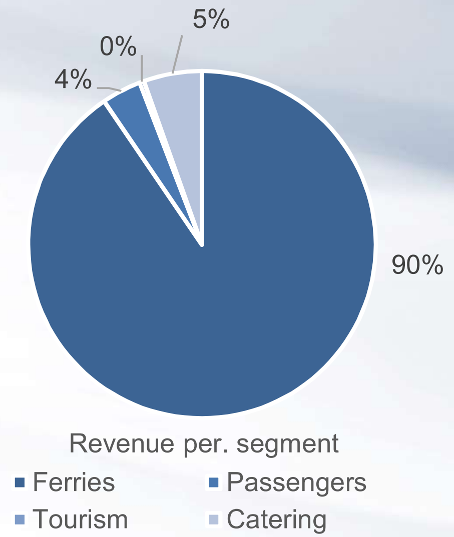


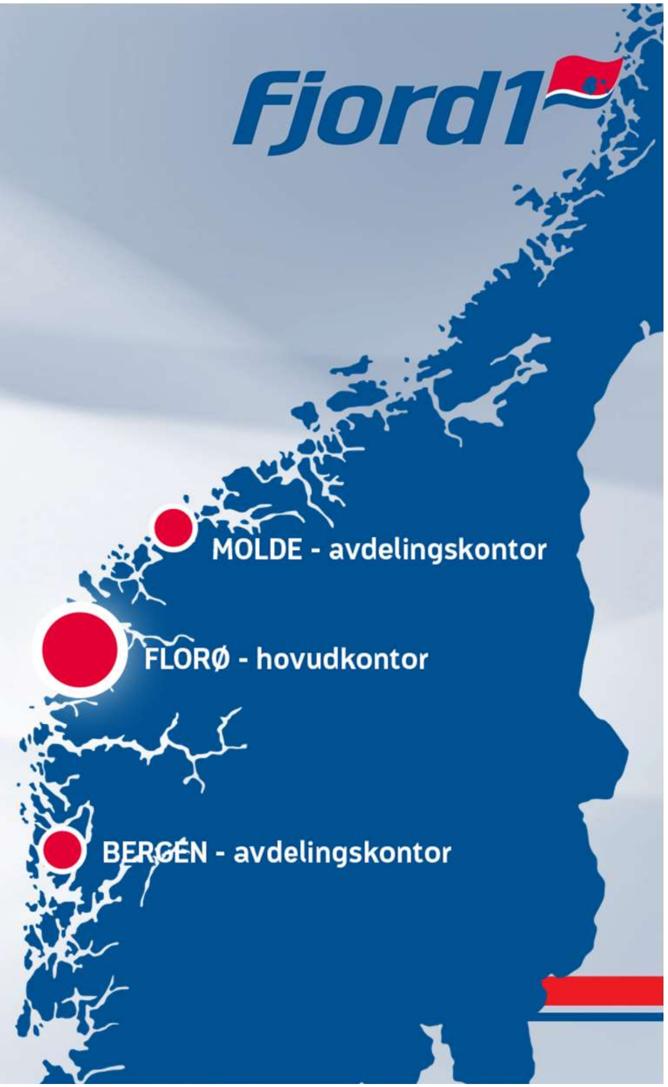
Q1

1. **About Fjord1 ASA**
2. Q1 2018
3. Appendix

OM FJORD1 ASA

- Fjord1 is the leading company in the ferry industry.
- Involved in passenger-boat services, catering and fjord-based tourism.
- The company aims to be the most environmentally friendly and reliable transport operator.
- The "green shift" is set to dominate the ferry business in the near future, and Fjord1 aims to play a leading role in this development.
- 21 million passengers.





KEY FIGURS 2017

Employees: 1 204	Number of vessels: 67	Number of people transported by boat and ferry: 21.1 mill.	Number of vehicles transported by ferry: 10.4 mill.	Revenue: 2.8 bill.
Total Assets: 5.3 bill.	Equity: 2.0 bill.	Profit before tax: 714 mill.	EBITDA: 985 mill.	Investments: 611 mill.

VALUES

- CHEERFUL
- OPEN AND HONEST
- RELIABLE AND KEEPING ALL PROMISES
- PROFITABLE
- WORKING TOGETHER AND TEAM SPIRIT
- PROUD

FOCUS 2018

Fjord1

HIGHLY SKILLED AND MOTIVATED EMPLOYEES	SAFETY AND OPERATING STABILITY
ENVIRONMENT AND ENERGY	POSITIVE CUSTOMER EXPERIENCES

FERRIES

- The company is the leading player within Norwegian ferry operations, with 50 % of the market.
- Operates 7 out of the 10 crossings with the highest volume of traffic in Norway.
- Awarded environmentally friendly contracts with start up of electrical connections from 2018-2020
- Renewing of the ferry fleet.

SEGMENTPROFIT FERRIES 2017

REVENUE	EBITDA	EBIT
2.5 BILLION	923 MILLION	681 MILLION

CONTRACT COVERAGE OF MAY 14, 2018

Tender	Start-up	End	Option	Type of contract	Regulation	Vessels
FERRIES						
Nordmørspakken (new)	01.01.2020	31.12.2030		Gross	Ferry index	6
Sulapakken	01.01.2019/ 2020	31.12.2030		Gross	Ferry index	5
Hordaland Rutepakke 1	01.01.2018/ 2020	31.12.2029		Gross	Ferry index	8
Hordaland Rutepakke 2	01.01.2020	31.12.2028	2029	Gross	Ferry index	6
Brekstad – Valset	01.01.2019	31.12.2028	2029	Gross	Ferry index	2
Boknafjorden	01.01.2019	31.12.2024	2025-2029	Gross	Ferry index	5
Anda – Lote	01.01.2018	31.12.2027	2028	Gross	Ferry index	2
Fylkesvegsamband Sogn & Fjordane	01.01.2016	31.12.2025	2026-2027	Net	Ferry index	5
Svelvik – Verket	01.01.2013	31.12.2020	2021	Sub-supplier net	Ferry index	1
Romsdalspakken	01.01.2010	31.12.2019	2020	Net	CPI	5
Nordøyane	01.01.2014	31.12.2018	2019-2021 - firm	Gross	Ferry index	2
Sølsnes – Åfarnes	01.01.2014	31.12.2018	2019-2021 firm	Gross	Ferry index	1
Indre Sunnmøre	01.01.2012	31.12.2019	2020	Net	Ferry index	3
Nordmørspakken (old)	01.01.2012	31.12.2019	2020	Net	Ferry index	7
Midtre Sunnmøre	01.01.2011	31.12.2018	2019 firm	Net	CPI	4
Indre Sogn	01.01.2006	31.12.2018	2019 firm	Gross	Ferry index	4
Bjørnefjorden/Boknafjorden	01.01.2017	31.12.2018		Gross	Ferry index	6
Flakk – Rørvik	01.01.2011	31.12.2018		Net	CPI	3
Refsnes – Flesnes	01.01.2010	31.12.2018		Sub supplier net	CPI	1
Fylkesveg M&R	01.01.2011	31.12.2019		Net	CPI	2
PASSENGER-BOATS						
Lokalbåtruter Flora, Vågsøy og Bremanger S&F	01.05.2012	30.04.2020	2021-2022	Gross	Salary/fuel and CPI	3
Lokalbåtruter Lærdal, Vik og Høyanger S&F	01.05.2012	30.04.2020	2021-2022	Gross	Salary/fuel and CPI	3
Lokalbåtruter Gulen, Solund og Askvoll S&F	01.05.2012	30.04.2020	2021-2022	Gross	Salary/fuel and CPI	3

FLEET OVERVIEW MAY 23, 2018

Ferries	Build year	PCE
Møkstrafjord	2018	130
Gloppefjord	2017	120
Eidsfjord	2017	120
Hornelen	2016	60
Losna	2016	60
Edøyfjord	2012	50
Boknafjord	2011	242
Hjørundfjord	2011	122
Storfjord	2011	122
Fannefjord	2010	128
Korsfjord	2010	128
Lifjord	2010	110
Norangsfjord	2010	120
Romsdalsfjord	2010	128
Davik	2009	45
Vågsøy	2009	42
Moldefjord	2009	128
Årdal	2008	108
Fanafjord	2007	212
Mastrafjord	2007	212
Raunefjord	2007	212
Stavangerfjord	2007	212
Harøy	2006	35
Lote	2006	120
Bergensfjord	2006	212
Dryna	2005	35
Julsund	2004	99
Eira	2002	100
Volda	2002	100
Nordfjord	2001	54
Glutra	2000	120
Ivar Aasen	1997	76

Ferries	Build year	PCE
Lærdal	1997	77
Svanøy	1992	89
Tresfjord	1991	124
Gulen	1989	83
Rauma	1988	73
Romsdal	1988	87
Selje	1987	58
Dalsfjord	1986	28
Sulafjord	1986	106
Sognefjord	1984	64
Sogn	1982	110
Solskjel	1981	35
Bjørnsund	1979	61
Geiranger	1979	36
Stordal	1979	51
Stryn	1979	81
Aukra	1978	36
Eid	1978	35
Nordmøre	1978	52
Sunnfjord	1978	46
Aurland	1977	35
Solnør	1977	36
Kvernes	1976	35
Sykkylvsfjord	1975	36
Veøy	1974	50
Fanaraaken	1973	29
Tingvoll	1972	35
Bolsøy	1971	38
Goma	1968	29
Nårasund	1968	11
Ørsta	1964	25
Driva	1963	29

Passenger boats	Build year	Passengers
Tansøy	2007	96
Fjordglytt	2000	81
Sylvarnes	2000	70
Skagastøl	1970	384

Newbuildings	Delivery date	PCE
TBN 1	Q2 2018	45
TBN 2	Q4 2018	50
TBN 3	Q4 2018	50
TBN 4	Q2 2018	120
TBN 5	Q4 2018	120
TBN 6	Q4 2018	120
TBN 7	Q4 2018	120
TBN 8	Q1 2019	120
TBN 9	Q3 2019	120
TBN 10	Q3 2019	120
TBN 11	Q3 2019	130
TBN 12	Q3 2019	83
TBN 13	Q3 2019	83
TBN 14	Q4 2019	83
TBN 15	4Q 2019	80
TBN 16	4Q 2019	80
TBN 17	3Q 2019	50
TBN 18	4Q 2019	50
TBN 19	4Q 2019	50
TBN 20	4Q 2019	50
TBN 21	4Q 2019	50
TBN 22	4Q 2019	120

PASSENGER-BOATS

- Fjord1 operates local passenger-boat routes in Sogn and Fjordane.
- The company owns 4 passenger-boats and rent 10 passenger-boats
- Fjord1 is also involved in passenger-boat operations between Kristiansund and Trondheim in collaboration with Fosen Namsos Sjø AS via the company Partsrederiet Kystekspressen ANS, in which the company has a 49 % shareholding.

SEGMENTPROFIT PASSENGER-BOATS 2017

REVENUE	EBITDA	EBIT
95 MILLION	2 MILLION	-3 MILLION

CATERINGSEGMENT

- Catering is an important area for Fjord1.
- The concept “Ferdamat” offers high-quality, freshly made food using good, local produce.
- Full servise kiosks, vending machine and self-serving solutions.
- Continuously developing the catering concept to meet customer demands.

SEGMENTPROFIT CATERING 2017

REVENUE	EBITDA	EBIT
189 MILLION	36 MILLION	33 MILLION

TOURISM

- Fjord1 is involved in tourism through The Fjords, and holds 50% of the shares.
- Connections in Nærøyfjorden, Lysefjorden and Geirangerfjorden.
- Delivering of a fully electrical passanger-boat «Future of the Fjords» in April 2018.

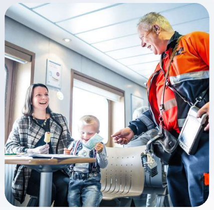
SEGMENTPROFIT TOURIST 2017

REVENUE	EBITDA	EBIT
20 MILLION	18 MILLION	18 MILLION

AGENDA

Fjord1

2018



Q1

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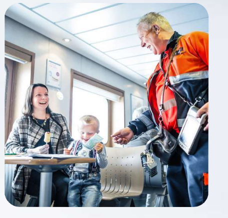
2 **Q1 2018**

3 Apendix

Q1 2018

- Start up of Lote- Anda with fully electrical operation and 2 new connection in Hordalandspakke1.
- Good **operating stability**, and continuing good **HSE** development.
- Awarded contract for “Nordmørspakken” 01.01.2020 - 31.12.2030
- Entered into contract for building 7 new vessels. 5 at Havyard shipyard and 2 at Cemre shipyard.
- Signed term sheet with DNB and Nordea with bank facility MNOK 4 458.

2018



1. kvartal

KEY FIGURES Q1 2018

Fjord1

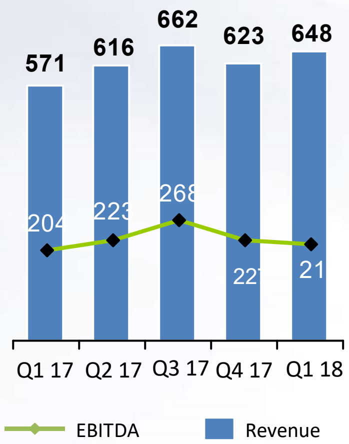
Employees: **1 218**	Number of vessels: **68**	Number of people transported by boat and ferry: **4.3** mill.	Number of vehicles transported by ferry:: **2.3** mill.	Revenue: **720** mill.
Total assets: **5.7** bill.	Equity **2.2** bill.	Profit before tax: **139** mill.	EBITDA: **218** mill.	Investments: **388** mill.

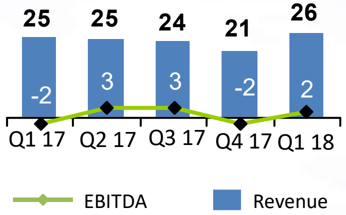
SEGMENT INFORMATION

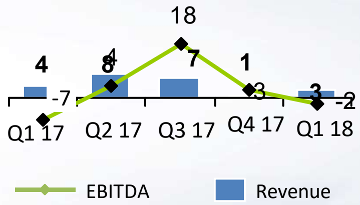
Fjord1

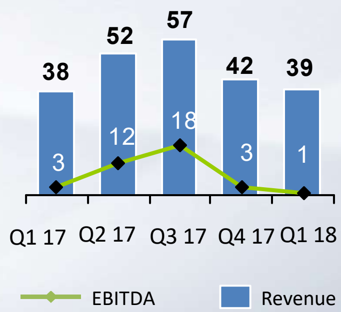
Ferries	Passenger-boats	Tourism	Catering

Ferdamat
MAT&KAFFI PÅ FJORD1
• FOR FERDAFOLK SIDAN 1858 •









Q1 2018

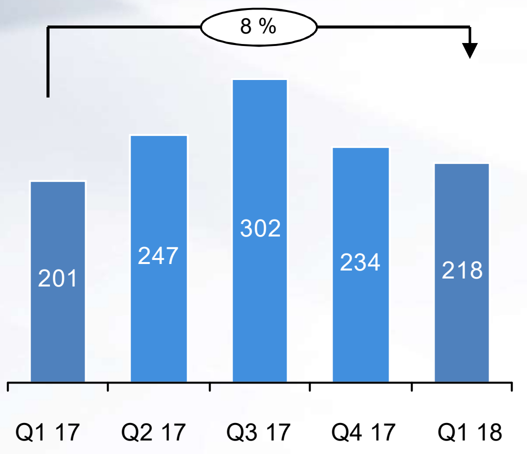
- **12 % revenue growth** with good traffic development within the ferry segment, and start up of new contracts.
- **EBITDA-margin** 30% 1Q 18 (1Q 17: 31%)
- The company have i 1Q expenses for final settlement for daily allowance NOK 7,5 mill
- Reduction in **Finance** is caused by changes in derivate.
- There have been changes in estimates Q1 2017, reducing tax. There is no such effects in Q1 2018.

NOKm	Q1 2018	Q1 2017	Change vs LY	Change i %
Revenue	719,8	641,2	78,6	12 %
EBITDA before SI	**217,8**	**201,3**	**16,5**	**8 %**
margin (%)	30 %	31 %	-1 %	
Depreciation	-70,4	-61,4	-9,1	15 %
Impariment	0,0	0,0	0,0	0 %
EBIT before SI	**147,4**	**139,9**	**7,5**	**5 %**
margin (%)	20 %	22 %	-1 %	
Special items	-	-	-	
EBIT	147,4	139,9	7,5	5 %
P/L other JVs	1,3	9,1	-7,7	-85 %
Finance	-10,2	-15,6	5,4	-35 %
PBT	**138,5**	**133,4**	**5,2**	**4 %**
Tax	-31,9	-1,0	-30,9	
Net profit	**106,7**	**132,4**	**-25,7**	**-19%**
Total Equity	2 174,2	1 605,4	568,8	35 %
ROE annualized %	**33 %**	**40 %**	**-7 %**	**N/A**
NIBD	1 511,2	1 457,7	53,5	4 %
NIBD/EBITDA LTM (x)	**1,4**	**1,5**	**-0,1**	**N/A**

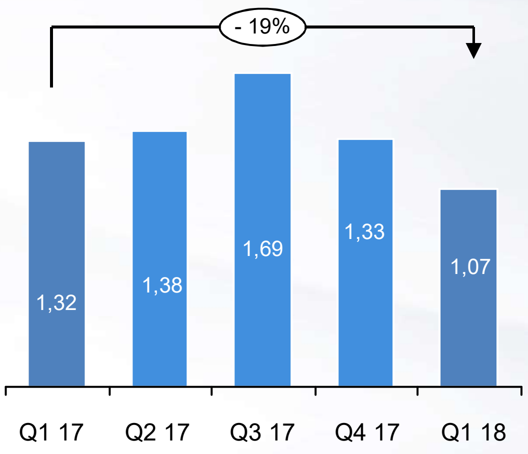
Note:
ROE annualized is based on year to date return on equity

KEY FIGURES 1Q

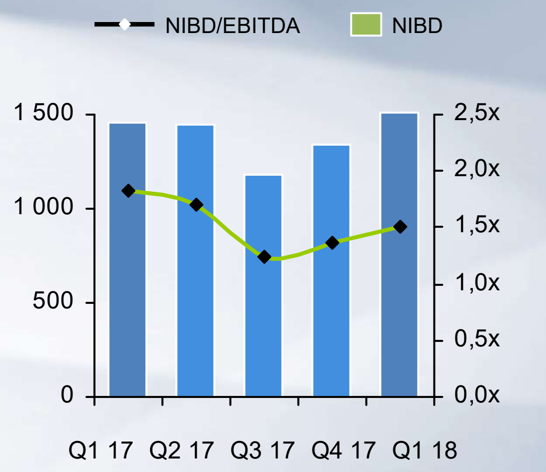
EBITDA per quarter



EPS per quarter

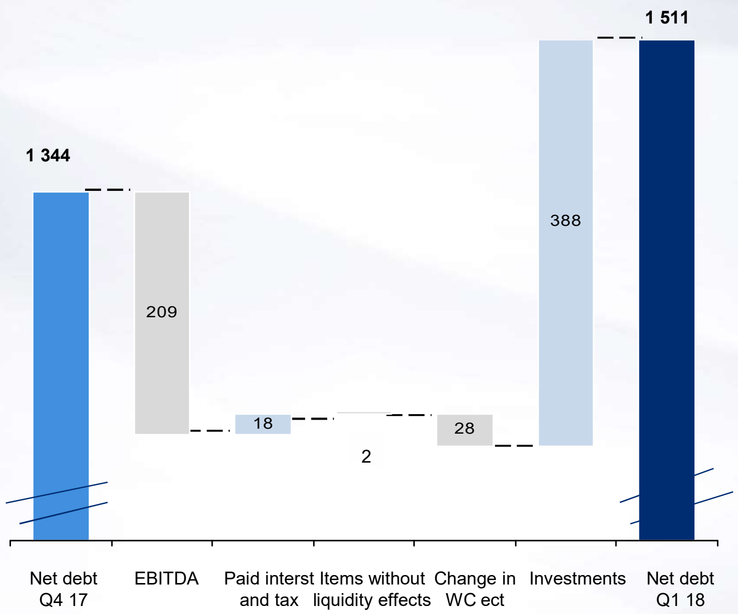


Net debt / EBITDA LTM

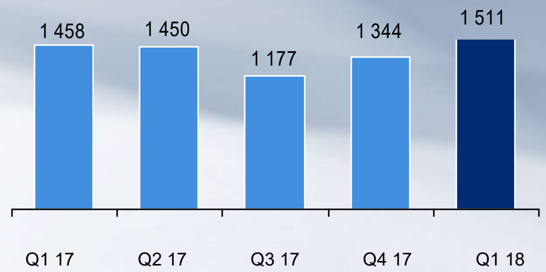


CHANGE IN NET INTEREST BEARING DEBT

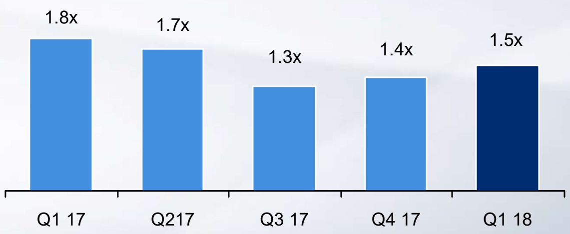
Chang in net debt in the quarter (NOKm)



Net debt per quarter (NOKm)

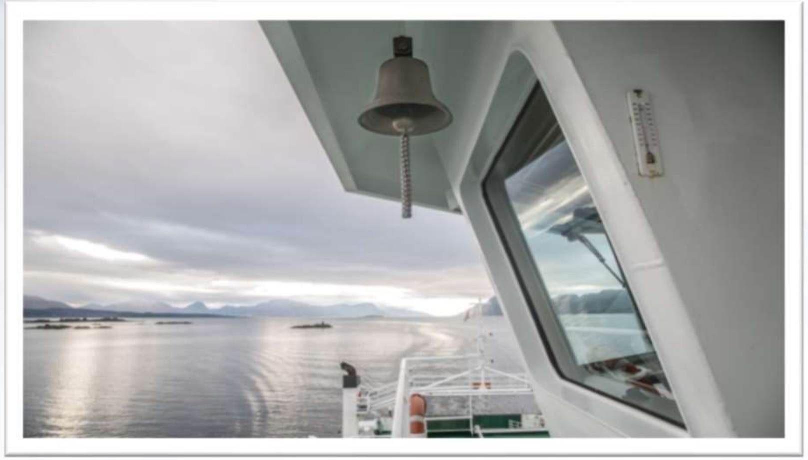


Net debt / EBITDA LTM



DISTRIBUTION OF CAPITAL TO SHAREHOLDERS

- **Divedend proposal**, NOK 270 mill, NOK 2.70 per share.
- **NOK 270 mill** distributed through dividend in Q2 2018.



Capital distribution overview

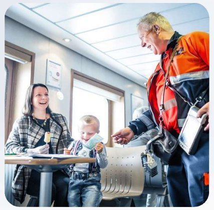
NOKm	2018	2017
Dividend per share (NOK)	**2.70**	**2.50**
Dividend	270	250
Total distribution	**270**	**250**

MAIN AMBITIONS

- SAFETY AND POSITIVE CUSTOMER EXPERIENCES
- CONTINUING TO BE THE LEADING COMPANY IN THE INDUSTRY
- TO BECOME A LEADING PLAYER WITHIN FJORD BASED TOURISM
- TAKE THE POSITION AS THE LEADING COMPANY USING GREEN TECHNOLOGY
- HAVE THE MOST HIGHLY SKILLED AND MOTIVATED EMPLOYEES IN THE INDUSTRY
- DEVELOP MANAGERS AND EMPLOYEES AT ALL LEVELS OF THE ORGANISATION
- BE RECOGNISED FOR MODERNISATION, INNOVATION AND QUALITY

AGENDA

2018



Q1

1. About Fjord1
2. Q1 2018
3. **Apendix**

INCOME STATEMENT

NOKm	Q1 2018	Q1 2017	YTD 2017	FY 2017
Revenues	**719,8**	**641,2**	**719,8**	**2 794,1**
Cost of sales	-127,1	-96,6	-127,1	-433,5
Personal expenses	-246,0	-226,6	-246,0	-946,4
Other operating expenses	-126,4	-113,0	-126,4	-449,6
Total operating expenses	**-499,5**	**-436,2**	**-499,5**	**- 1 829,5**
Share of P/L from JVs	-2,5	-3,8	-2,5	20,6
Operating profit before depreciation (EBITDA)	**217,8**	**201,3**	**217,8**	**985,3**
Depreciation	-70,4	-61,4	-70,4	-252,7
Impariment	0,0	0,0	0,0	0,0
Operating profit (EBIT)	**147,4**	**139,9**	**147,4**	**732,6**
Share of P/L from JVs	1,3	9,1	1,3	43,0
Interest income	0,8	0,8	0,8	4,7
Interest expense	-24,2	-17,8	-24,2	-82,9
Other financials items (net)	13,2	1,4	13,2	18,1
Profit before tax	**138,5**	**133,4**	**138,5**	**715,5**
Tax on profit	-31,9	-1,0	-31,9	-112,9
Profit (loss) for the period	**106,7**	**132,4**	**106,7**	**602,6**
Attributable to:				
Parent company owners	106,7	132,2	106,7	602,1
Non-controlling interest	0,0	0,2	0,0	0,5
Earnings per share				
Basic earnings per share (NOK)	1,07	1,32	1,07	6,02
Dilutes earnings per share (NOK)	1,07	1,32	1,07	6,02

BALANCESHEET

ASSETS

NOKm	31.03.2018	31.03.2017	31.12.2017
Deferred tax assets	18,3	20,4	18,3
	4 499,7	3 765,5	4 181,4
Investments in joint ventures and associates	407,1	367,0	408,6
Other non-current financial assets	6,3	8,2	6,2
Total non current assets	**4 931,5**	**4 161,2**	**4 614,5**
Inventories	21,6	16,2	16,5
Trade receivables	128,2	74,6	86,1
Other current receivables	48,0	30,1	63,0
Cash and cash equivalents	528,4	410,8	474,3
Total current assets	**726,2**	**531,7**	**639,9**
Total assets	**5 657,7**	**4 692,8**	**5 254,4**

EQUITY AND LIABILITIES

NOKm	31.03.2018	31.03.2017	31.12.2017
Share capital	250,0	250,0	250,0
Share premium	360,9	360,9	360,9
Retained earnings	1 559,0	990,4	1 452,6
Total equity attributable to owners of the parent	**2 169,9**	**1 601,4**	**2 063,6**
Non-controlling interest	4,2	4,0	4,2
Total equity	**2 174,2**	**1 605,4**	**2 067,7**
Borrowings	1 882,5	155,0	1 687,7
Derivative financial instruments	4,1	24,9	12,1
Net employee defined benefit liabilities	22,1	20,0	23,7
Other non-current liabilities	0,4	-	-
Deferred tax liabilities	482,6	357,8	450,7
Total non-current liabilities	**2 391,7**	**557,7**	**2 174,2**
Borrowings	157,1	1 713,5	130,3
Derivative financial instruments	13,9	29,8	26,6
Trade and other payables	234,7	115,8	164,9
Current income and tax liabilities	37,5	27,0	40,1
Social security and other taxes	56,9	49,3	93,9
Other current liabilities	591,6	594,3	556,7
Total current liabilities	**1 091,8**	**2 529,7**	**1 012,5**
Total liabilities	**3 483,5**	**3 087,4**	**3 186,7**
Total equity and liabilities	**5 657,7**	**4 692,8**	**5 254,4**

CASH FLOW

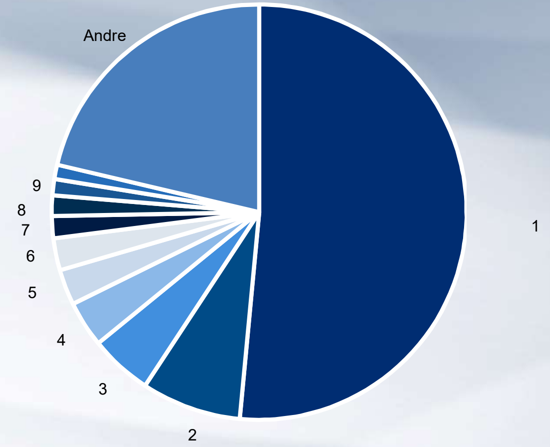
NOKm	Q1 2018	Q2 2017	YTD 2018	FY 2017
Profit before tax	138,5	133,4	138,5	715,5
Depreciation and impairment	70,4	61,4	70,4	252,7
Interest expense, net	23,4	17,0	23,4	62,2
Adjustments for non-cash operating items	- 22,3	-5,1	- 22,3	- 23,9
Gain on disposal of property, plant and equipment	-	-4,7	-	- 4,7
Share of profit from JV	1,2	-5,3	1,2	- 63,6
Change in working capital, etc.	28,0	41,7	28,0	55,3
Total cash flow from operations	**239,2**	**238,3**	**239,2**	**993,6**
Net finance	- 5,8	- 17,0	- 15,8	- 64,2
Payed tax	- 2,6	- 0,3	-2,6	- 2,7
Total cash from operating activites	**220,9**	**221,0**	**220,9**	**926,7**
Investments in ships, rebuildings and ships under construction	- 388,8	- 127,4	- 388,8	- 738,2
Purchase of shares incl. JV	-	-	-	- 16,2
Proceeds form dividends form associates	-	-	-	25,5
Proceeds from sale of property, plant and equipment	-	100,1	-	103,6
Net proceeds/investments from other non-current financial assets	-0,1	-	-0,1	6,6
Net proceeds from other non-current financial liabilities	-	-	-	0,2
Cash flow used in investments activites	**- 388,9**	**- 27,3**	**- 388,9**	**- 618,8**
Proceeds from borrowings	1 054,4	-	1 054,4	985,3
Repayment of borrowings	- 832,7	- 87,0	- 832,7	-1 122,8
Dividends	-	- 250,0	-	- 250,0
Innbetaling fra andre langsiktige forpliktingar	0,4	-	0,4	-
Cash flow used in financing activites	**222,1**	**- 337,0**	**222,1**	**- 387,5**
Net change in cash and cash equialents	**54,1**	**- 143,2**	**54,1**	**- 79,6**
Cash and cash equivalents at start of period	**474,3**	**554,0**	**474,3**	**554,0**
Cash and cash equivalents at end of period	**528,4**	**410,8**	**528,4**	**474,3**

LEGAL STRUCTURE

- **Fjord1 ASA**
  - F1 Adm. AS (100%)
  - **Ferjer**
    - Fanafjord AS (100%)
      - Nye Fanafjord AS (100%)
  - **Turisme**
    - The Fjords DA (50%)
    - The Fjords Fartøy I DA(50%)
    - The Fjords Fartøy II DA (50%)
    - Sognefjorden Farty I AS (50%)
    - Fjord Tours AS (30,6%)
    - Geiranger Fjordservice AS (30,2%)
  - **Passasjerbåtar**
    - Kystekspressen ANS (49%)
  - **Anna**
    - Bolsønes Verft AS (100%)
    - ÅB Eigedom AS (66%)
    - Hareid Trafikkterm. AS (63%)
    - Måløy Reisebyrå AS (100%)
    - WF Holding AS (34%)
      - Widerøe AS (100%)

SHAREHOLDERS AS OF MAY 07, 2018

#	Shareholders	Number of shares	Shares
1	HAVILAFJORD AS	51 500 000	51,50 %
2	PERESTROIKA AS	7 758 620	7,76 %
3	VERDIPAPIRFONDET DNB NORGE (IV)	4 876 233	4,88 %
4	BROWN BROTHERS HARRIMAN (LUX.) SCA	3 571 214	3,57 %
5	STATE STREET BANK AND TRUST COMP	2 784 219	2,78 %
6	VERDIPAPIRFONDET DNB NORGE SELEKTI	2 487 603	2,49 %
7	RBC INVESTOR SERVICES BANK S.A.	1 732 640	1,73 %
8	DZ PRIVATBANK S.A.	1 600 971	1,60 %
9	LANDKREDITT UTBYTTE	1 250 000	1,25 %
10	GH HOLDING AS	1 106 000	1,11 %
	Total, 10 largest shareholders	78 667 500	78,67 %
	Other shareholders	21 332 500	21,33 %
	Total	100 000 000	



IR - Fjord1 ASA

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Next event

Q2 2018
22 August, 2018

For more information, look at
www.fjord1.no/investor-relations