Q2
2018

fjord1

THE LEADING
FERRYCOMPANY
IN NORWAY

Quarterly presentation

22 August 2018

CEO Dagfinn Neteland
CFO Anne-Mari Sundal Bøe

AGENDA

2018

Q2

1. **Highlights**
2. About Fjord1 ASA
3. Q2 2018
4. Appendix

Quarterly presentation

Q2 2018

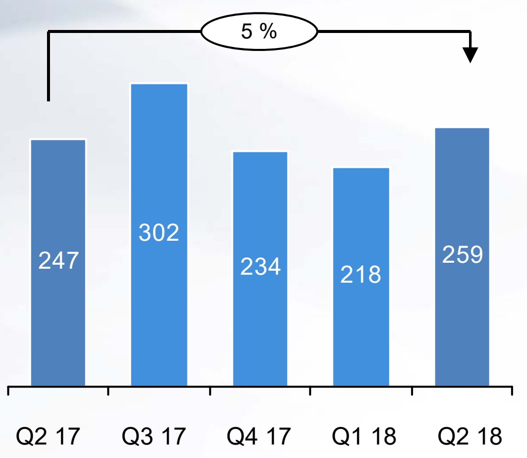
- Good operating stability
- Delivery of three new ferries, MF Møkstrafjord, MF Horgefjord and MF Husavik
- Signed contract with Tersan of a newbuilding of 120 PCE
- Dividend of 270 MNOK was distributed
- Bond listed at Oslo Stock Exchange
- The Fjords DA signed agreement for a new vessel for tourism

2018

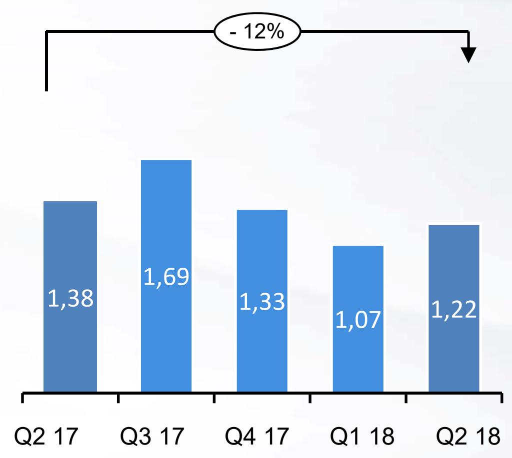
Q2

KEY FIGURES 2Q

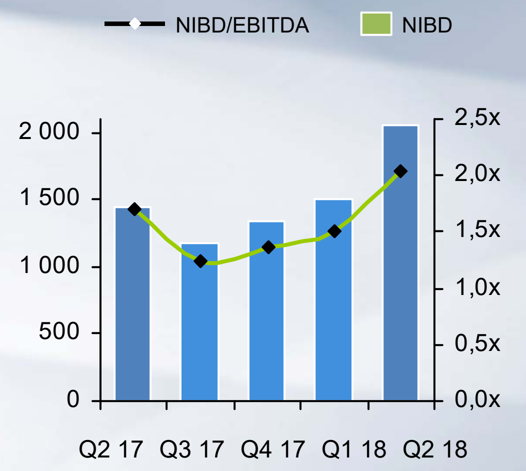
EBITDA per quarter



EPS per quarter



Net debt / EBITDA LTM



KEY FIGURES Q2 2018

Revenue:
786 mill.

EBITDA:
259 mill.

Profit before tax:
165 mill.

Equity:
2.0 bill.

Total assets:
6.1 bill.

Employees:
1 219

Number of people transported by boat and ferry:
5.8 mill

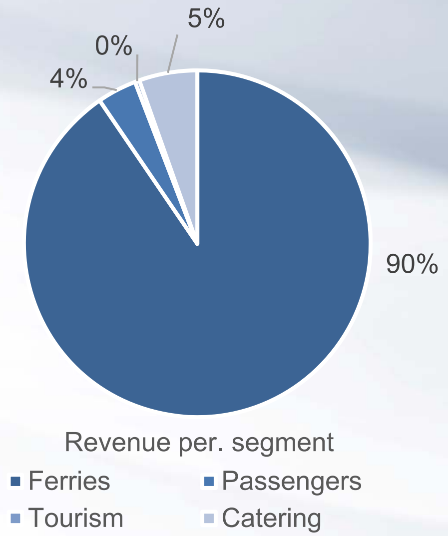
Number of vehicles transported by ferry:
2.9 mill.

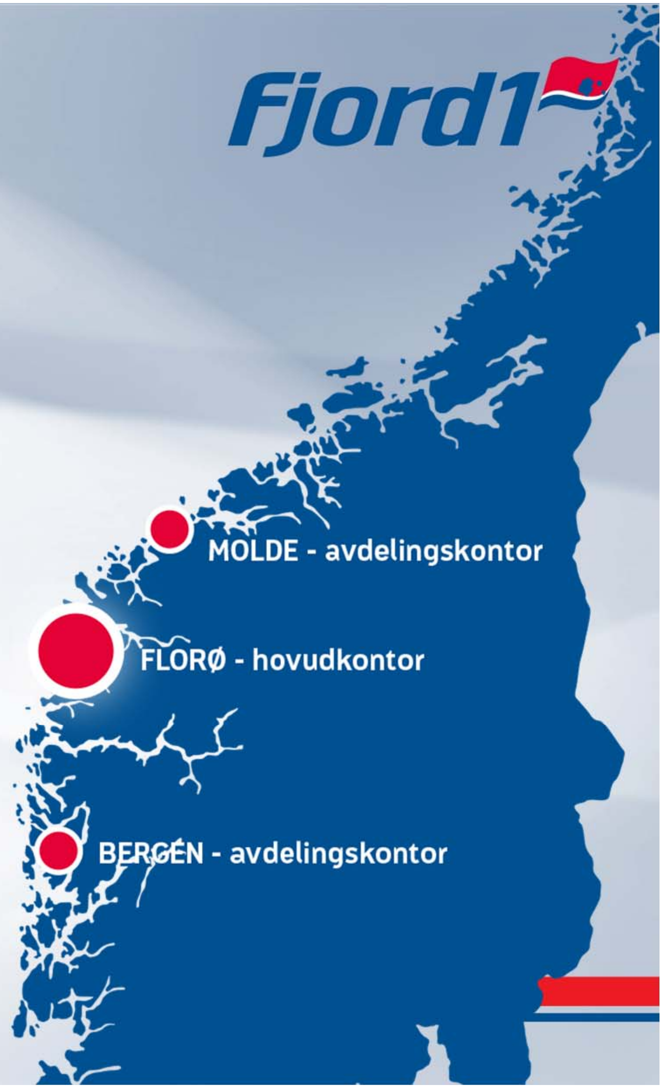
Number of vessels:
69

Investments:
478 mill.

ABOUT FJORD1 ASA

- Fjord1`s main activity is in the ferry segment
- 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 annually





AGENDA

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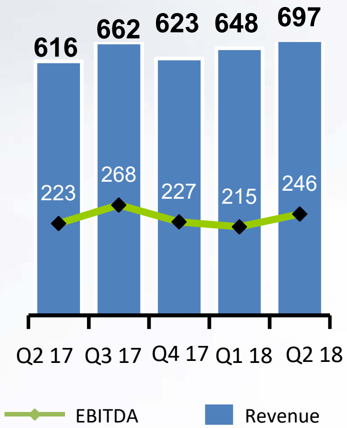
Q2 2018

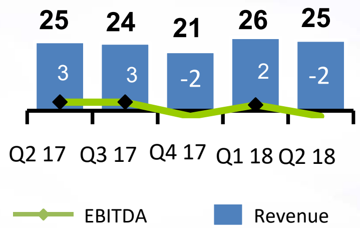
- **8 % revenue growth** due to start up of new contracts in the ferry segment
- **EBITDA-margin 33%** 2Q 18 (2Q 17: 34%)
- **Increased finance** costs due to new financing structure and change in derivatives.

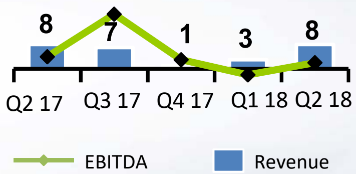
NOKm	Q2 2018	Q2 2017	Change vs. LY	Change in %
Revenue	785,6	727,2	58,4	8%
EBITDA before SI	**259,1**	**247,4**	**11,7**	**5%**
margin (%)	33%	34%	-1 %	
Depreciation	-73,1	-63,7	-9,5	15 %
Impariment	0,0	0,0	0,0	0 %
EBIT before SI	**185,9**	**183,7**	**2,2**	**1%**
margin (%)	24%	25%	-2%	
Special items	-	-	-	
EBIT	185,9	183,7	2,2	1%
P/L other JVs	12,1	8,5	3,6	42%
Finance	-32,9	-10,5	-22,4	213%
PBT	**165,1**	**181,7**	**-16,6**	**-9%**
Tax	-42,4	-43,6	1,2	
Net profit	**122,7**	**138,1**	**-15,4**	**-11%**
Total Equity	2 026,7	1 743,4	283,3	16%
ROE annualized %	**27,5%**	**32,2%**	**-5%**	**N/A**
NIBD	2 060,7	1 447,7	613,0	42%
NIBD/EBITDA LTM (x)	**2,0**	**1,7**	**0,3**	**N/A**

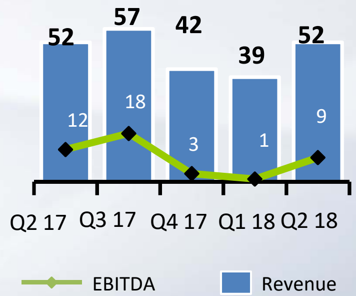
SEGMENT INFORMATION

Ferries	Passenger-boats	Tourism	Catering

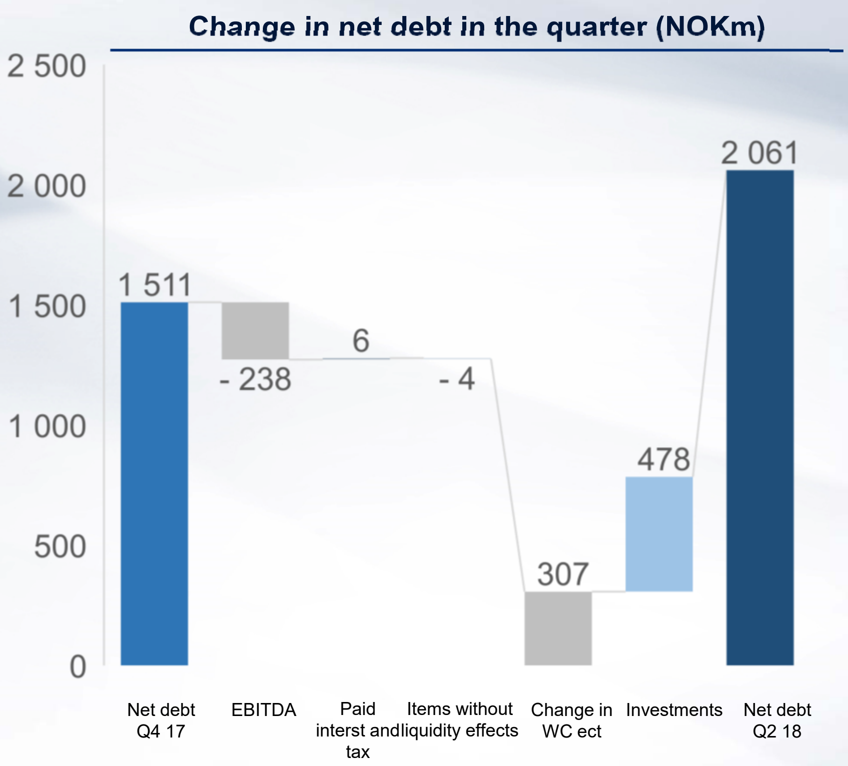


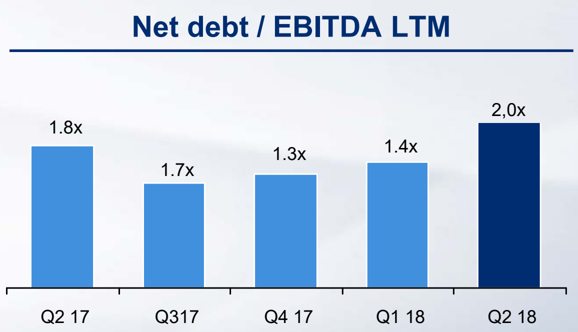






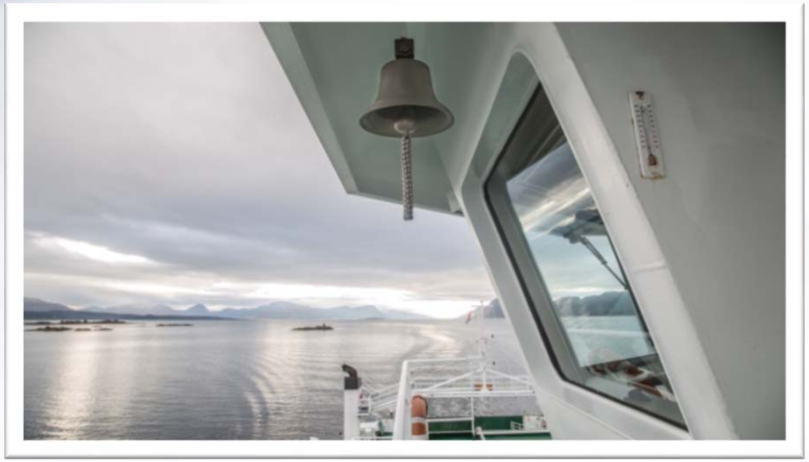
CHANGE IN NET INTEREST BEARING DEBT





DISTRIBUTION OF CAPITAL TO SHAREHOLDERS

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



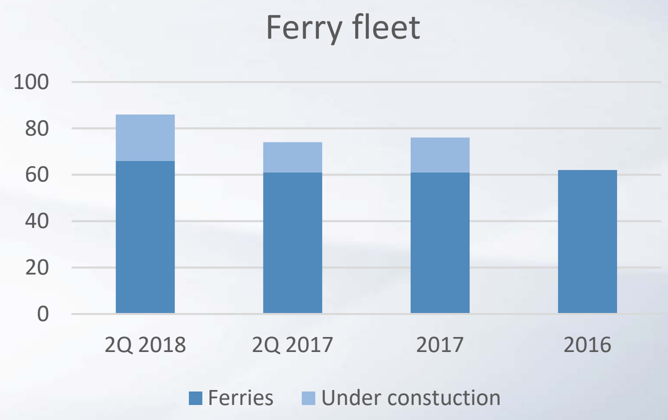
Capital distribution overview

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

FERRIES

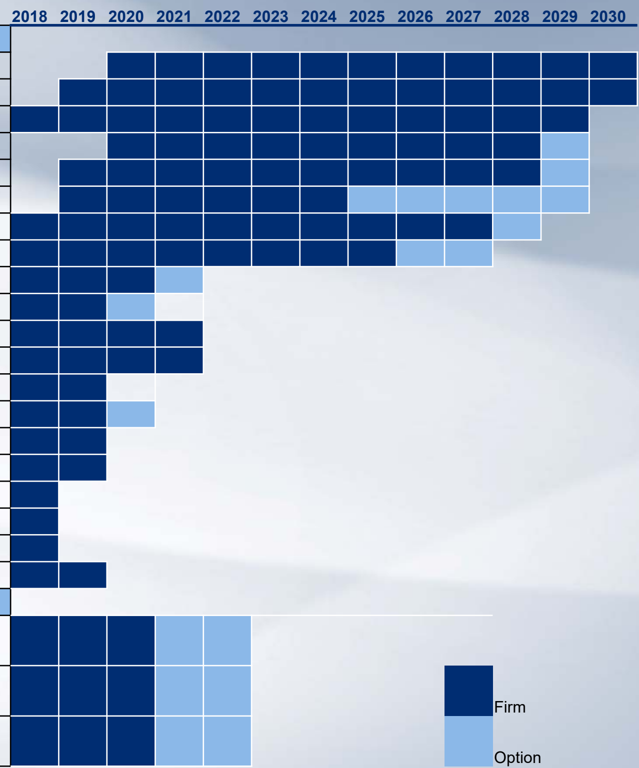
- Operates 7 out of the 10 crossings with the highest volume of traffic in Norway.
- Stable production in 2Q, continuing focus on improving operating stability through efficiency
- Awarded environmentally friendly contracts with start up of electrical connections from 2018-2020
- Renewal of the ferry fleet with newbuildings and electrification of existing ferries in new contracts

	Q2 2018	Q2 2017	2017	2016
Revenue	697	616	2 475	2 062
EBITDA	246	223	923	618
Segment profit	176	163	681	389



CONTRACT COVERAGE OF AUGUST 15, 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		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



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.

	Q2 2018	Q2 2017	2017	2016
Revenue	25	25	95	101
EBITDA	0	3	2	9
Segment profit	-2	2	-3	4

CATERING

- Catering is an important focus area for Fjord1
- The concept "Ferdamat" offers high-quality, freshly made food using good, local produce
- Full-serviced kiosks, vending machines and self-serving solutions
- Continuously developing the catering concept to meet customer demand

	Q2 2018	Q2 2017	2017	2016
Revenue	52	52	189	188
EBITDA	10	12	36	39
Segment profit	9	11	33	35

TOURISM

- Fjord1 is involved in tourism through The Fjords, and holds 50% of the shares
- Connections in Nærøyfjorden, Lysefjorden and Geirangerfjorden
- Delivery of a fully electrical passengerboat “Future of the Fjords” in April 2018
- Signed contract for a new passengerboat. Expected delivery in second quarter 2019

	Q2 2018	Q2 2017	2017	2016
Revenue	8	8	20	21
EBITDA	2	4	18	11
Segment profit	2	4	18	11

FOCUS 2018

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

AGENDA

2018

Q2

INCOME STATEMENT

NOKm	Q2 2018	Q2 2017	YTD 2018	FY 2017
Revenues	**785,6**	**727,2**	**1 505,5**	**2 794,1**
Cost of sales	-144,9	-137,2	-272,0	-433,5
Personal expenses	-250,7	-231,6	-496,6	-946,4
Other operating expenses	-138,1	-118,0	-264,5	-449,6
Total operating expenses	533,7	**-486,8**	**-1 033,2**	**- 1 829,5**
Share of P/L from JVs	7,1	7,0	4,6	20,6
Operating profit before depreciation (EBITDA)	**259,1**	**247,4**	**476,9**	**985,3**
Depreciation	73,1	-63,7	143,6	-252,7
Impariment	-	-	-	-
Operating profit (EBIT)	**185,9**	**183,7**	**333,3**	**732,6**
Share of P/L from JVs	12,1	8,5	13,4	43,0
Interest income	-0,6	1,4	0,2	4,7
Interest expense	-24,1	-22,4	-48,2	-82,9
Other financials items (net)	-8,3	10,5	4,9	18,1
Profit before tax	**165,1**	**181,7**	**303,6**	**715,5**
Tax on profit	-42,4	-43,6	-74,2	-112,9
Profit (loss) for the period	**122,7**	**138,1**	**229,4**	**602,6**
Attributable to:				
Parent company owners	122,5	137,9	229,1	602,1
Non-controlling interest	0,2	0,1	0,2	0,5
Earnings per share				
Basic earnings per share (NOK)	1,22	1,38	2,29	6,02
Dilutes earnings per share (NOK)	1,22	1,38	2,29	6,02

BALANCESHEET

ASSETS

NOKm	30.06.2018	30.06.2017	31.12.2017
Deferred tax assets	18,3	20,4	18,3
	4 919,9	3 866,6	4 181,4
Investments in joint ventures and associates	411,2	365,5	408,6
Other non-current financial assets	6,5	8,5	6,2
Total non current assets	**5 355,9**	**4261,0**	**4 614,5**
Inventories	23,4	16,4	16,5
Trade receviables	126,7	89,7	86,1
Other current receivables	141,9	69,4	63,0
Cash and cash equivalents	446,1	368,3	474,3
Total current assets	**738,1**	**544,0**	**639,9**
Total assets	**6 094,0**	**4 804,9**	**5 254,4**

EQUITY AND LIABILITIES

NOKm	30.06.2018	30.06.2017	31.12.2017
Share capital	250,0	250,0	250,0
Share premium	360,9	360,9	360,9
Retained earnings	1 411,3	1 128,3	1 452,6
Total equity attributable to owners of the parent	**2 022,2**	**1 739,2**	**2 063,6**
Non-controlling interest	4,5	4,2	4,2
Total equity	**2 026,7**	**1 743,4**	**2 067,7**
Borrowings	2 149,6	1 610,9	1 687,7
Derivative financial instruments	5,7	19,3	12,1
Net employee defined benefit liabilities	20,5	16,8	23,7
Other non-current liabilities	0,4	-	-
Deferred tax liabilities	524,9	401,4	450,7
Total non-current liabilities	**2 701,3**	**2 048,4**	**2 174,2**
Borrowings	357,1	205,1	130,3
Derivative financial instruments	15,4	25,7	26,6
Trade and other payables	237,8	109,8	164,9
Current income and tax liabilities	37,5	27,0	40,1
Social security and other taxes	77,3	72,9	93,9
Other current liabilities	640,9	572,6	556,7
Total current liabilities	**1 366,1**	**1 031,2**	**1 012,5**
Total liabilities	**4067,4**	**3061,6**	**3 186,7**
Total equity and liabilities	**6 094,0**	**4 804,9**	**5 254,4**

CASH FLOW

NOKm	Q2 2018	Q2 2017	YTD 2018	FY 2017
Profit before tax	165,1	181,7	303,6	715,5
Depreciation and impairment	73,1	63,7	143,6	252,7
Interest expense, net	27,8	16,7	51,2	62,2
Adjustments for non-cash operating items	1,3	-12,9	-21,0	- 23,9
Gain on disposal of property, plant and equipment	-	-	-	- 4,7
Share of profit from JV	-19,2	-15,5	-18,0	- 63,6
Change in working capital, etc.	-36,6	-58,8	-8,6	55,3
Total cash flow from operations	**211,5**	**174,9**	**450,7**	**993,6**
Net finance	-9,4	-16,7	-25,2	- 64,2
Payed tax	-	-	-2,6	- 2,7
Total cash from operating activites	**202,1**	**158,2**	**423,0**	**926,7**
Investments in ships, rebuildings and ships under construction	-494,3	-164,9	-883,1	- 738,2
Purchase of shares incl. JV	-1,9	-	-1,9	- 16,2
Proceeds form dividends form associates	17,0	17,0	17,0	25,5
Proceeds from sale of property, plant and equipment	1,0	-	1,0	103,6
Net proceeds/investments from other non-current financial assets	-0,2	-	-0,3	6,6
Net proceeds from other non-current financial liabilities	-	-0,2	-	- 0,2
Cash flow used in investments activites	**-478,4**	**-148,1**	**-867,3**	**- 618,8**
Proceeds from borrowings	264,0	-	1 318,4	985,3
Repayment of borrowings	-	-52,5	- 832,7	-1 122,8
Dividends	-270,0	-	270,0	- 250,0
Proceds from short-term borrowings	200,0	-	200,0	-
Repayment from other long term commitments	-	-	0,4	-
Cash flow used in financing activites	**194,0**	**-52,5**	**416,1**	**- 387,5**
Net change in cash and cash equialents	**-82,3**	**-42,4**	**-28,2**	**- 79,6**
Cash and cash equivalents at start of period	**528,4**	**410,8**	**474,3**	**554,0**
Cash and cash equivalents at end of period	**446,1**	**368,3**	**446,1**	**474,3**

FLEET OVERVIEW JUNE 30, 2018

Ferries	Build year	PCE
Husavik	2018	45
Horgefjord	2018	120
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
Moldefjord	2009	128
Årdal	2008	108
Vågsøy	2008	42
Fanafjord	2007	212
Mastrafjord	2007	212
Raunefjord	2007	212
Lote	2006	120
Bergensfjord	2006	212
Stavangerfjord	2006	212
Dryna	2005	35

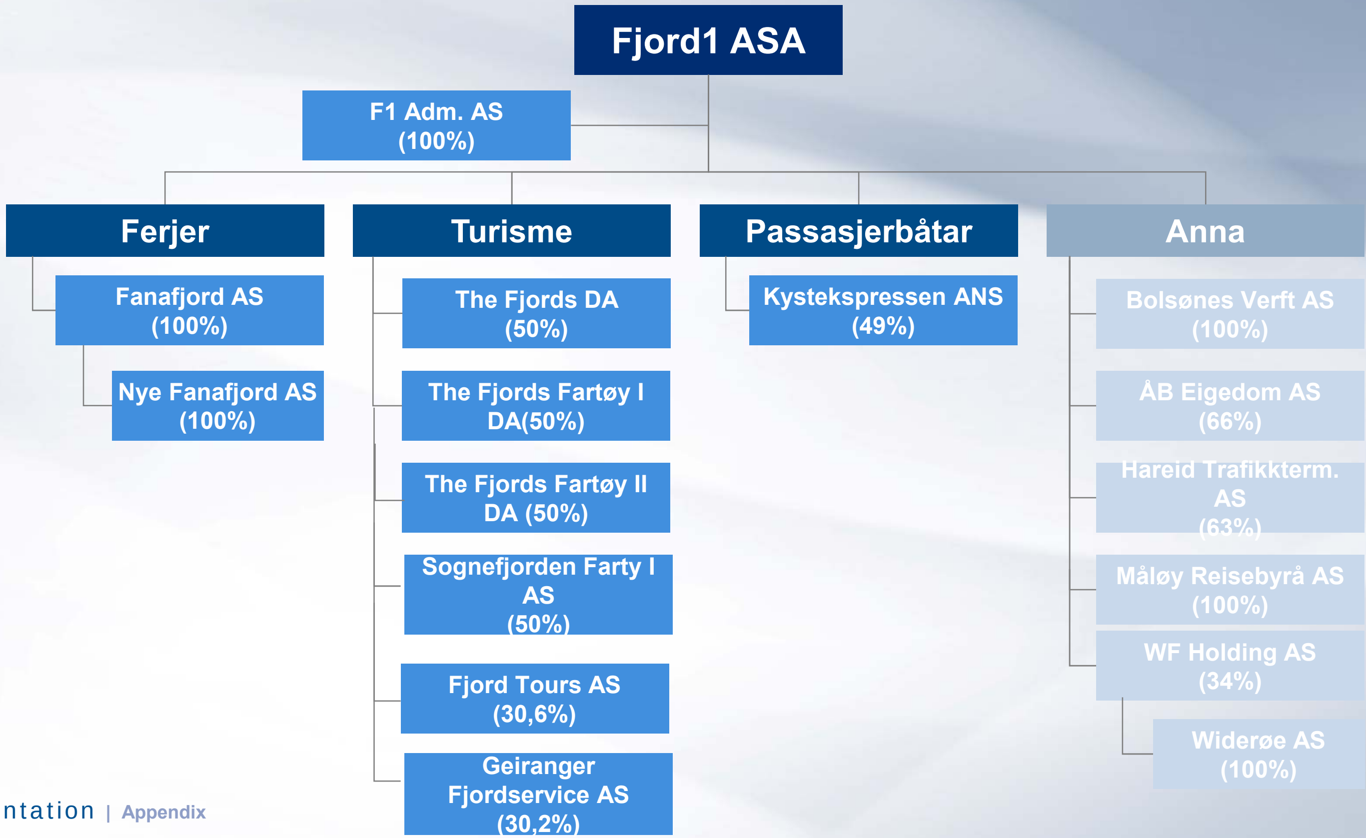
Ferries	Build year	PCE
Harøy	2005	35
Julsund	2004	99
Eira	2002	100
Volda	2002	100
Nordfjord	2001	54
Glutra	2000	120
Ivar Aasen	1997	76
Lærdal	1997	77
Svanøy	1992	89
Tresfjord	1991	124
Gulen	1989	83
Rauma	1988	73
Romsdal	1988	87
Dalsfjord	1986	28
Sulafjord	1986	106
Selje	1986	58
Sognefjord	1984	64
Sogn	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

Ferries	Build year	PCE
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

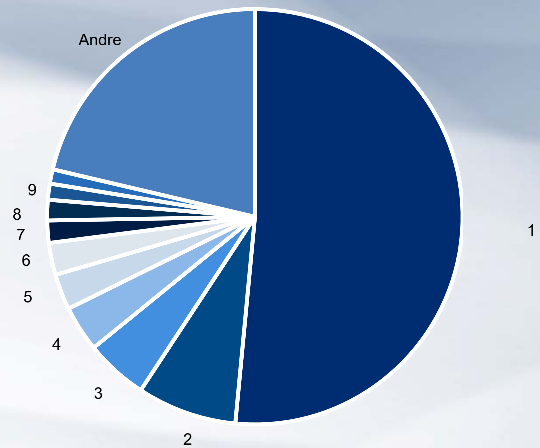
Under construction	Delivery	PCE
TBN 1	4Q 2018	50
TBN 2	4Q 2018	50
TBN 3	4Q 2018	120
TBN 4	4Q 2018	120
TBN 5	4Q 2018	120
TBN 6	1Q 2019	120
TBN 7	3Q 2019	120
TBN 8	3Q 2019	120
TBN 9	3Q 2019	130
TBN 10	3Q 2019	83
TBN 11	3Q 2019	83
TBN 12	4Q 2019	83
TBN 13	4Q 2019	80
TBN 14	4Q 2019	80
TBN 15	3Q 2019	50
TBN 16	4Q 2019	50
TBN 17	4Q 2019	50
TBN 18	4Q 2019	50
TBN 19	4Q 2019	50
TBN 20	4Q 2019	120

LEGAL STRUCTURE



SHAREHOLDERS AS OF AUGUST 06, 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)	4 831 596	4,83 %
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	2 462 747	2,46 %
7	DZ PRIVATBANK S.A.	1 839 728	1,84 %
8	RBC INVESTOR SERVICES BANK S.A.	1 287 096	1,29 %
9	LANDKREDITT UTBYTTE	1 250 000	1,25 %
10	ARCTIC FUNDS PLC	1 073 811	1,07 %
	Total, 10 largest shareholders	78 359 031	78,36 %
	Other shareholders	21 640 969	21,64 %
	Total	100 000 000	



KEY FIGURES 2017

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

IR - Fjord1 ASA

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Next event

Q3 2018
20 November, 2018

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