NORZ PATRIMONIA

DSV PANALPINA
12-jun-20
BUY

Description

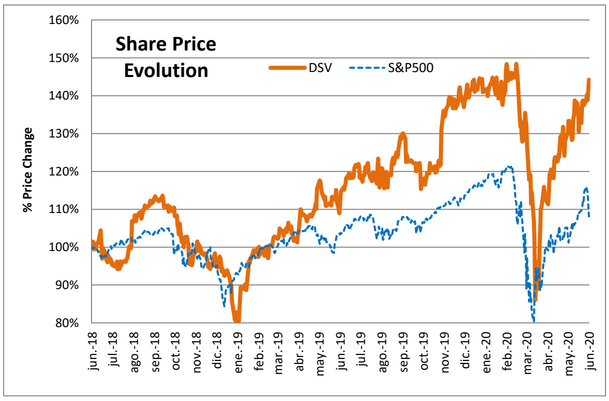
DSV Panalpina A/S provides transport and logistics services in Europe, the Middle East, Africa, North America, South America, Asia, Australia, and the Pacific. It operates through three segments: Air & Sea, Road, and Solutions.
a) Air freight, air freight compliance and carrier, and sea-air freight services; standard sea freight, and sea freight compliance and carrier services, as well as freight containers.
b) Road freight services, such as part and full loads, groupage, specialized transport, packaging and labeling, and document handling services, as well as online services comprising track and trace services.
c) **Logistics solutions for automotive, consumer products, healthcare, high-tech, and industrial sectors; and inventory management solutions**. Further, it provides project transport services, such as industrial projects, renewable energy, government logistics, ship charter, and air charter services; and wa rehousing services.
Since its founding in 1976, the company has grown rapidly, mainly via acquisitions. The company has been active in the M&A sp ace, most recently acquiring peer Panalpina in 2019. This acquisition further diversifies its revenue base away from European road freight and adds scale in key regions such as A sia. It also moves DSV into fourth spot among the largest 3PL firms globally.

DSV Panalpina A/S was **founded in 1976** and is headquartered in Hedehusene, Denmark.

NEXT QUARTERLY EARNINGS RELEASED	30/07/2020
YEAR END CLOSING DATE	31/12/2019

Link to Investor Relations
https://investor.dsv.com/

DSV Global Transport and Logistics



COMPANY	DSV PANALPINA		
ISIN Code	DK0060079531		DKK
FISCAL YEAR END	31/12/2019		
SECTOR GICS	Industrials /Integrated Freight&Logistics		
MARKET CAPITALIZATION	175,947.6	Millions DKK	
CURRENT PRICE	**768.8**	Price Upside Analysis	
TARGET PRICE	**1,032.2**	**34%**	**BUY**
PE	Current Year	Next Year	In 2 Years
	47.6	61.2	59.3
RATIOS	ROE	% DVY	EV/EBITDA
	8%	0.2%	16.8
	BETA	WACC	DEBT/EQY
	0.8	8.0%	20.4%
PRICE CHANGE	Last Month	3 Month	12 Month
DSV PANALPINA	6.3%	40.8%	21.1%
S&P500	-1.4%	21.5%	-0.1%
QUANT Q-SCORE	Historic	Forecast	Global
Q-SCORE	5 /10	4 /10	**5 /10**
QUALITY COMPANY	FINE	POOR	**FINE**

SECTION 1. FINANCIAL STATEMENTS

Financial Statements: Profit and Loss Account

• Closed years and Forecast for the next 3 years.

PROFIT AND LOSS ACCOUNT (P/L)	Historic						Forecast		
Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
REVENUES (1)	**48,582.0**	**50,492.0**	**67,402.0**	**74,460.0**	**78,630.0**	**94,187.0**	**100,780.1**	**107,834.7**	**115,383.1**
% Increase in Revenues		*3.9%*	*33.5%*	*10.5%*	*5.6%*	*19.8%*	*7.0%*	*7.0%*	*7.0%*
COGS & General Expenses	45,380.0	46,845.0	63,323.0	68,969.0	72,555.0	86,891.0	93,725.5	100,286.3	107,306.3
EBITDA (2)	**3,202.0**	**3,647.0**	**4,079.0**	**5,491.0**	**6,075.0**	**7,296.0**	**7,054.6**	**7,548.4**	**8,076.8**
Margin Ebitda/Revenues % (2)/(1)	*6.6%*	*7.2%*	*6.1%*	*7.4%*	*7.7%*	*7.7%*	*7.0%*	*7.0%*	*7.0%*
Depreciation & Amortization	578.0	597.0	604.0	613.0	625.0	642.0	705.5	754.8	807.7
EBIT (3)	**2,624.0**	**3,050.0**	**3,475.0**	**4,878.0**	**5,450.0**	**6,654.0**	**6,349.1**	**6,793.6**	**7,269.1**
Margin EBIT/Revenues % (3)/(1)	*5.4%*	*6.0%*	*5.2%*	*6.6%*	*6.9%*	*7.1%*	*6.3%*	*6.3%*	*6.3%*
Financial Expenses (+)	345.0	324.0	406.0	390.0	379.0	801.0	1,156.5	1,330.0	1,529.5
Financial Income (-) and Other	265.0	37.0	780.0	691.0	-130.0	857.0	1,161.4	1,150.2	1,124.3
PROFIT BEFORE TAX (PBT) (4)	**2,014.0**	**2,689.0**	**2,289.0**	**3,797.0**	**5,201.0**	**4,996.0**	**4,031.2**	**4,313.4**	**4,615.3**
Margin PBT/Revenues % (4)/(1)	*4.1%*	*5.3%*	*3.4%*	*5.1%*	*6.6%*	*5.3%*	*4.0%*	*4.0%*	*4.0%*
Corporate Tax (5)	524.0	633.0	621.0	816.0	1,201.0	1,296.0	1,048.1	1,121.5	1,200.0
% Effective Corporate Tax (5)/(4)	*26.0%*	*23.5%*	*27.1%*	*21.5%*	*23.1%*	*25.9%*	*26.0%*	*26.0%*	*26.0%*
NET PROFIT (6)	**1,490.0**	**2,056.0**	**1,668.0**	**2,981.0**	**4,000.0**	**3,700.0**	**2,983.1**	**3,191.9**	**3,415.3**
Margin Net Profit / Revenues % (6)/(1)	*3.1%*	*4.1%*	*2.5%*	*4.0%*	*5.1%*	*3.9%*	*3.0%*	*3.0%*	*3.0%*
% net earnings growth		*38.0%*	*-18.9%*	*78.7%*	*34.2%*	*-7.5%*	*-19.4%*	*7.0%*	*7.0%*

Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Dividends Paid (out of Net Profit) (7)	**270.0**	**283.0**	**327.0**	**342.0**	**380.0**	**423.0**	**376.4**	**402.8**	**431.0**
% Pay out (7)/(6)	*18.1%*	*13.8%*	*19.6%*	*11.5%*	*9.5%*	*11.4%*	*12.6%*	*12.6%*	*12.6%*
Dividend Yield	*0.8%*	*0.6%*	*0.5%*	*0.4%*	*0.4%*	*0.2%*			
Number of Shares (Millions)	169.8	183.9	185.5	184.1	178.0	228.9	237.4	246.2	255.3
Earnings per Share (EPS)	8.78	11.18	8.99	16.19	22.47	16.17	12.57	12.97	13.38

Financial Statements: Balance Sheet

• Closed years and Forecast for the next 3 years.

BALANCE SHEET (B/S)	Historic						Forecast		
Amounts in Millions	2014	2015	2016	2017	2018	2019	2020	2021	2022
Cash and Banks	432.0	4,908.0	1,714.0	1,348.0	275.0	395.0	422.7	452.2	483.9
Accounts Receivable	7,854.0	7,799.0	12,338.0	12,557.0	13,252.0	18,252.0	16,990.4	18,179.7	19,452.3
Inventories	744.0	588.0	1,443.0	1,762.0	718.0	987.0	1,356.5	1,451.5	1,553.1
Other Current Assets	1,010.0	1,232.0	2,943.0	2,495.0	4,193.0	11,840.0	2,719.0	2,719.0	2,719.0
CURRENT ASSETS (1)	**10,040.0**	**14,527.0**	**18,438.0**	**18,162.0**	**18,438.0**	**31,474.0**	**21,488.5**	**22,802.4**	**24,208.3**
Material Fixed Assets	6,013.0	5,752.0	5,686.0	4,602.0	4,747.0	17,205.0	21,420.1	26,667.9	33,201.4
Non-Material Fixed Assets	8,928.0	8,996.0	17,247.0	16,573.0	16,742.0	51,988.0	73,837.0	104,868.4	148,941.4
Other Fixed Assets	785.0	634.0	1,348.0	1,222.0	1,142.0	2,658.0	2,684.6	2,711.4	2,738.5
Depreciation and Amortization	2,086.0	2,184.0	2,352.0	2,171.0	2,257.0	2,512.0	3,217.5	3,972.3	4,780.0
FIXED ASSETS (2)	**13,640.0**	**13,198.0**	**21,929.0**	**20,226.0**	**20,374.0**	**69,339.0**	**101,159.1**	**138,220.0**	**189,661.3**
TOTAL ASSETS (1)+(2)	**23,680.0**	**27,725.0**	**40,367.0**	**38,388.0**	**38,812.0**	**100,813.0**	**122,647.7**	**161,022.4**	**213,869.5**
Accounts Payable	7,452.0	7,634.0	11,498.0	11,759.0	12,187.0	17,924.0	17,965.3	19,222.9	20,568.5
Short Term Debt	589.0	313.0	1,358.0	495.0	545.0	4,905.0	3,736.9	4,297.4	4,942.0
Other Current Liabilities	1,851.0	1,721.0	2,897.0	2,922.0	3,225.0	6,487.0	6,616.7	6,749.1	6,884.1
CURRENT LIABILITIES (3)	**9,892.0**	**9,668.0**	**15,753.0**	**15,176.0**	**15,957.0**	**29,316.0**	**28,318.9**	**30,269.4**	**32,394.6**
Long Term Debt	5,702.0	4,309.0	8,725.0	6,491.0	6,593.0	15,691.0	18,044.7	20,751.3	23,864.0
Other Long Term Liabilities	1,851.0	1,721.0	2,897.0	2,922.0	3,225.0	6,487.0	24,358.4	55,286.9	99,911.7
SHAREHOLDERS' EQUITY	6,081.0	11,841.0	13,378.0	14,809.0	14,532.0	49,319.0	51,925.7	54,714.8	57,699.2
SH. EQUITY + LONG-TERM LIABILITIES (4)	**13,634.0**	**17,871.0**	**25,000.0**	**24,222.0**	**24,350.0**	**71,497.0**	**94,328.7**	**130,753.1**	**181,475.0**
TOTAL SH. EQUITY + LIABILITIES (3)+(4)	**23,526.0**	**27,539.0**	**40,753.0**	**39,398.0**	**40,307.0**	**100,813.0**	**122,647.7**	**161,022.4**	**213,869.5**
Number of Shares (in Millions)	**169.8**	**183.9**	**185.5**	**184.1**	**178.0**	**228.9**	**237.4**	**246.2**	**255.3**
Share prices as of the end of Year	**207.8**	**267.1**	**334.4**	**493.0**	**519.4**	**768.8**			
Buy-Back amount in millions		**-2,928.7**	**-426.6**	**470.8**	**2,991.5**	**-26,408.9**			

Financial Statements: Free Cash Flow

• Closed years and Forecast for the next 3 years.

NET CHANGE IN CASH	Historic						Forecast		
Amounts in Millions	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net Profit	2,014.0	2,689.0	2,289.0	3,797.0	5,201.0	4,996.0	4,031.2	4,313.4	4,615.3
Net Change from Operations (Estimated)	1,919.0	3,160.0	1,564.0	4,664.0	4,301.0	6,879.0	8,254.8	9,905.8	11,886.9
Net Change From Investments (Estimated)	-461.0	-431.0	-5,244.0	-325.0	-444.0	1,371.0	120.4	72.2	43.3
Net Change From Financial Operations (Est.)	-1,569.0	1,855.0	396.0	-4,715.0	-4,000.0	-7,484.0	-8,606.6	-9,897.6	-11,382.2
NET CHANGE IN CASH (ESTIMATED)	**432.0**	**4,908.0**	**1,714.0**	**1,348.0**	**1,158.0**	**2,043.0**	**1,811.6**	**1,892.0**	**2,440.0**

FREE CASH FLOW	Historic						Forecast		
Amounts in Millions	2014	2015	2016	2017	2018	2019	2020	2021	2022
FREE CASH FLOW FROM OPERATIONS	1,919.0	3,160.0	1,564.0	4,664.0	4,301.0	6,879.0	8,254.8	9,905.8	11,886.9
CAPITAL EXPENDITURES	204.0	-21.0	256.0	-16.0	-150.0	1,000.0	1,300.0	1,690.0	2,197.0
FREE CASH FLOW	**1,715.0**	**3,181.0**	**1,308.0**	**4,680.0**	**4,451.0**	**5,879.0**	**6,954.8**	**8,215.8**	**9,689.9**

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SECTION 2. RATIO ANALYSIS

- Closed years and Forecast for the next 3 years.

TOTAL RATIO SCORING			
TOTAL RATIO HISTORIC SCORING:	5 /10	FORECAST SCORING:	4 /10

LIQUIDITY RATIOS	Historic				Historic Scoring:	2 /10	Forecast	Scoring:	1 /10
Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Current Assets (1)	10,040.0	14,527.0	18,438.0	18,162.0	18,438.0	31,474.0	21,488.5	22,802.4	24,208.3
Current Liabilities (2)	9,892.0	9,668.0	15,753.0	15,176.0	15,957.0	29,316.0	28,318.9	30,269.4	32,394.6
CURRENT or SOLVENCY RATIO (1)/(2)	**1.0**	**1.5**	**1.2**	**1.2**	**1.2**	**1.1**	**0.8**	**0.8**	**0.7**
DIAGNOSTIC: Is it bigger than 1,5?	*NO*	*YES*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*
Cash and Banks (1)	432.0	4,908.0	1,714.0	1,348.0	275.0	395.0	422.7	452.2	483.9
Accounts Receivable (2)	7,854.0	7,799.0	12,338.0	12,557.0	13,252.0	18,252.0	16,990.4	18,179.7	19,452.3
Current Liabilities (3)	9,892.0	9,668.0	15,753.0	15,176.0	15,957.0	29,316.0	28,318.9	30,269.4	32,394.6
TREASURY RATIO (1)+(2)/(3)	**0.8**	**1.3**	**0.9**	**0.9**	**0.8**	**0.6**	**0.6**	**0.6**	**0.6**
DIAGNOSTIC: Is it bigger than 1?	*NO*	*YES*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*
Shareholders' Equity	6,081.0	11,841.0	13,378.0	14,809.0	14,532.0	49,319.0	51,925.7	54,714.8	57,699.2
Total Shareholders' Equity+Liabilities	23,526.0	27,539.0	40,753.0	39,398.0	40,307.0	100,813.0	122,647.7	161,022.4	213,869.5
SHAREHOLDERS EQUITY/TOTAL LIABILITIES	**26%**	**43%**	**33%**	**38%**	**36%**	**49%**	**42%**	**34%**	**27%**
DIAGNOSTIC: Is it bigger than 40%?	*NO*	*YES*	*NO*	*NO*	*NO*	*YES*	*YES*	*NO*	*NO*

MARGIN RATIOS	Historic				Historic Scoring:	0 /10	Forecast	Scoring:	0 /10
Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
EBITDA (1)	3,202.0	3,647.0	4,079.0	5,491.0	6,075.0	7,296.0	7,054.6	7,548.4	8,076.8
Revenues (2)	48,582.0	50,492.0	67,402.0	74,460.0	78,630.0	94,187.0	100,780.1	107,834.7	115,383.1
EBITDA MARGIN (1)/(2)	**6.6%**	**7.2%**	**6.1%**	**7.4%**	**7.7%**	**7.7%**	**7.0%**	**7.0%**	**7.0%**
DIAGNOSTIC: Is it bigger than 25%?	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*
EBIT (1)	2,624.0	3,050.0	3,475.0	4,878.0	5,450.0	6,654.0	6,349.1	6,793.6	7,269.1
Revenues (2)	48,582.0	50,492.0	67,402.0	74,460.0	78,630.0	94,187.0	100,780.1	107,834.7	115,383.1
EBIT MARGIN (1)/(2)	**5.4%**	**6.0%**	**5.2%**	**6.6%**	**6.9%**	**7.1%**	**6.3%**	**6.3%**	**6.3%**
DIAGNOSTIC: Is it bigger than 15%?	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*
Net Profit (1)	1,490.0	2,056.0	1,668.0	2,981.0	4,000.0	3,700.0	2,983.1	3,191.9	3,415.3
Revenues (2)	48,582.0	50,492.0	67,402.0	74,460.0	78,630.0	94,187.0	100,780.1	107,834.7	115,383.1
NET PROFIT / REVENUES (1)/(2)	**3.1%**	**4.1%**	**2.5%**	**4.0%**	**5.1%**	**3.9%**	**3.0%**	**3.0%**	**3.0%**
DIAGNOSTIC: Is it bigger than 10%?	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*

LONG TERM SOLVENCY RATIOS	Historic				Historic Scoring:	2 /10	Forecast	Scoring:	5 /10
Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Total Liabilities (1)	17,445.0	15,698.0	27,375.0	24,589.0	25,775.0	51,494.0	70,722.0	106,307.6	156,170.4
Liabilities + Sh. Equity (2)	23,526.0	27,539.0	40,753.0	39,398.0	40,307.0	100,813.0	122,647.7	161,022.4	213,869.5
LEVERAGE RATIO (1)/(2)	**74%**	**57%**	**67%**	**62%**	**64%**	**51%**	**58%**	**66%**	**73%**
DIAGNOSTIC: Is it less than 50%?	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*
Current Liabilities (1)	9,892.0	9,668.0	15,753.0	15,176.0	15,957.0	29,316.0	28,318.9	30,269.4	32,394.6
Total Liabilities (2)	17,445.0	15,698.0	27,375.0	24,589.0	25,775.0	51,494.0	70,722.0	106,307.6	156,170.4
TREASURY RATIO (1)+(2)/(3)	**0.6**	**0.6**	**0.6**	**0.6**	**0.6**	**0.6**	**0.4**	**0.3**	**0.2**
DIAGNOSTIC: Is it less than 50%?	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*YES*	*YES*	*YES*
EBITDA (1)	3,202.0	3,647.0	4,079.0	5,491.0	6,075.0	7,296.0	7,054.6	7,548.4	8,076.8
Total Liabilities (2)	17,445.0	15,698.0	27,375.0	24,589.0	25,775.0	51,494.0	70,722.0	106,307.6	156,170.4
PAYBACK ABILITY RATIO (1)/(2)	**18%**	**23%**	**15%**	**22%**	**24%**	**14%**	**10%**	**7%**	**5%**
DIAGNOSTIC: Is it bigger than 30%?	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*
Financial Debt Short + Long Term (1)	6,291.0	4,622.0	10,083.0	6,986.0	7,138.0	20,596.0	21,781.5	25,048.7	28,806.0
Shareholders Equity (2)	6,081.0	11,841.0	13,378.0	14,809.0	14,532.0	49,319.0	51,925.7	54,714.8	57,699.2
FINANCIAL DEBT/SHAREHOLDERS EQUITY	**103%**	**39%**	**75%**	**47%**	**49%**	**42%**	**42%**	**46%**	**50%**
DIAGNOSTIC: Is it less than 50%?	*NO*	*YES*	*NO*	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*

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TURNOVER RATIOS	Historic				Historic Scoring:	8 /10	Forecast	Scoring:	10 /10
Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Accounts Receivable (1)	7,854.0	7,799.0	12,338.0	12,557.0	13,252.0	18,252.0	16,990.4	18,179.7	19,452.3
Revenues (2)	48,582.0	50,492.0	67,402.0	74,460.0	78,630.0	94,187.0	100,780.1	107,834.7	115,383.1
DAYS SALES OUTSTANDING (1)/(2)*365	**59.0**	**56.4**	**66.8**	**61.6**	**61.5**	**70.7**	**61.5**	**61.5**	**61.5**
Inventory (1)	744.0	588.0	1,443.0	1,762.0	718.0	987.0	1,356.5	1,451.5	1,553.1
Cost of Goods Sold (2)	45,380.0	46,845.0	63,323.0	68,969.0	72,555.0	86,891.0	93,725.5	100,286.3	107,306.3
DAYS INVENTORY OUTSTANDING (1)/(2)*365	**6.0**	**4.6**	**8.3**	**9.3**	**3.6**	**4.1**	**5.3**	**5.3**	**5.3**
Accounts Payable +Other Current Liabilities (1)	8,377.5	8,494.5	12,946.5	13,220.0	13,799.5	21,167.5	21,273.7	22,597.4	24,010.5
COGS & General Expenses (2)	45,380.0	46,845.0	63,323.0	68,969.0	72,555.0	86,891.0	93,725.5	100,286.3	107,306.3
DAYS PAYMENT OUTSTANDING (1)/(2)*365	**67.4**	**66.2**	**74.6**	**70.0**	**69.4**	**88.9**	**82.8**	**82.2**	**81.7**
DIAGNOSTIC: PAYMENT DAYS>SALES DAYS?	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*
Days Sales Outstanding (1)	59.0	56.4	66.8	61.6	61.5	70.7	61.5	61.5	61.5
Days Inventory Outstanding (2)	6.0	4.6	8.3	9.3	3.6	4.1	5.3	5.3	5.3
Days Payment Outstanding (3)	67.4	66.2	74.6	70.0	69.4	88.9	82.8	82.2	81.7
CASH CONVERSION CYCLE (1)+(2)-(3)	**-2.4**	**-5.2**	**0.5**	**0.9**	**-4.3**	**-14.0**	**-16.0**	**-15.4**	**-14.9**
DIAGNOSTIC: The more negative, the better	*YES*	*YES*	*NO*	*NO*	*YES*	*YES*	*YES*	*YES*	*YES*
Revenue (1)	48,582.0	50,492.0	67,402.0	74,460.0	78,630.0	94,187.0	100,780.1	107,834.7	115,383.1
Assets (2)	23,680.0	27,725.0	40,367.0	38,388.0	38,812.0	100,813.0	122,647.7	161,022.4	213,869.5
ASSET TURNOVER (1)/(2)	**2.1**	**1.8**	**1.7**	**1.9**	**2.0**	**0.9**	**0.8**	**0.7**	**0.5**

SELF FINANCING RATIOS	Historic				Historic Scoring:	3 /10	Forecast	Scoring:	0 /10
Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Free Cash Flow (1)	1,715.00	3,181.00	1,308.00	4,680.00	4,451.00	5,879.00	6,954.80	8,215.76	9,689.91
Dividends (2)	270.00	283.00	327.00	342.00	380.00	423.00	376.43	402.77	430.97
Revenues (3)	48,582.00	50,492.00	67,402.00	74,460.00	78,630.00	94,187.00	100,780.09	107,834.70	115,383.13
SELF FINANCING OVER REVENUES (1)-(2)/(3)	**3%**	**6%**	**1%**	**6%**	**5%**	**6%**	**7%**	**7%**	**8%**
Is it bigger than 10%	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*
Free Cash Flow (1)	1,715.00	3,181.00	1,308.00	4,680.00	4,451.00	5,879.00	6,954.80	8,215.76	9,689.91
Dividends (2)	270.00	283.00	327.00	342.00	380.00	423.00	376.43	402.77	430.97
Assets (3)	23,680.00	27,725.00	40,367.00	38,388.00	38,812.00	100,813.00	122,647.67	161,022.44	213,869.52
SELF FINANCING OVER ASSETS (1)-(2)/(3)	**6%**	**10%**	**2%**	**11%**	**10%**	**5%**	**5%**	**5%**	**4%**
Is it bigger than 6%	*YES*	*YES*	*NO*	*YES*	*YES*	*NO*	*NO*	*NO*	*NO*

RETURN ON ASSETS	Historic				Historic Scoring:	5 /10	Forecast	Scoring:	1 /10
Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
EBIT (1)	2,624.0	3,050.0	3,475.0	4,878.0	5,450.0	6,654.0	6,349.1	6,793.6	7,269.1
Total Assets (2)	23,680.0	27,725.0	40,367.0	38,388.0	38,812.0	100,813.0	122,647.7	161,022.4	213,869.5
ROA (1)/(2)	**11%**	**11%**	**9%**	**13%**	**14%**	**7%**	**5%**	**4%**	**3%**
Is ot bigger than 10%?	*YES*	*YES*	*NO*	*YES*	*YES*	*NO*	*NO*	*NO*	*NO*
EBIT (1)	2,624.0	3,050.0	3,475.0	4,878.0	5,450.0	6,654.0	6,349.1	6,793.6	7,269.1
Assets (2)	23,680.0	27,725.0	40,367.0	38,388.0	38,812.0	100,813.0	122,647.7	161,022.4	213,869.5
Current Liabilities (3)	9,892.0	9,668.0	15,753.0	15,176.0	15,957.0	29,316.0	28,318.9	30,269.4	32,394.6
ROCE on EBIT (1)/(2-3)	**19%**	**17%**	**14%**	**21%**	**24%**	**9%**	**7%**	**5%**	**4%**
DIAGNOSTIC: Is it bigger than 15%?	*YES*	*YES*	*NO*	*YES*	*YES*	*NO*	*NO*	*NO*	*NO*
Free Cash Flow (1)	1,715.0	3,181.0	1,308.0	4,680.0	4,451.0	5,879.0	6,954.8	8,215.8	9,689.9
Assets (2)	23,680.0	27,725.0	40,367.0	38,388.0	38,812.0	100,813.0	122,647.7	161,022.4	213,869.5
Current Liabilities (3)	9,892.0	9,668.0	15,753.0	15,176.0	15,957.0	29,316.0	28,318.9	30,269.4	32,394.6
ROCE on FCF (1)/(2-3)	**12%**	**18%**	**5%**	**20%**	**19%**	**8%**	**7%**	**6%**	**5%**
DIAGNOSTIC: Is it bigger than 10%?	*YES*	*YES*	*NO*	*YES*	*YES*	*NO*	*NO*	*NO*	*NO*
Cash Flow from Operations (1)	1,919.0	3,160.0	1,564.0	4,664.0	4,301.0	6,879.0	8,254.8	9,905.8	11,886.9
Assets (2)	23,680.0	27,725.0	40,367.0	38,388.0	38,812.0	100,813.0	122,647.7	161,022.4	213,869.5
CASH FLOW OPERATIONS TO ASSETS (1)/(2)	**8.1%**	**11.4%**	**3.9%**	**12.1%**	**11.1%**	**6.8%**	**6.7%**	**6.2%**	**5.6%**
DIAGNOSTIC: Is it bigger than 10%?	*NO*	*YES*	*NO*	*YES*	*YES*	*NO*	*NO*	*NO*	*NO*
Free Cash Flow (1)	1,715.0	3,181.0	1,308.0	4,680.0	4,451.0	5,879.0	6,954.8	8,215.8	9,689.9
Revenues (2)	48,582.0	50,492.0	67,402.0	74,460.0	78,630.0	94,187.0	100,780.1	107,834.7	115,383.1
FCF OVER REVENUES (1)/(2)	**3.5%**	**6.3%**	**1.9%**	**6.3%**	**5.7%**	**6.2%**	**6.9%**	**7.6%**	**8.4%**
DIAGNOSTIC: Is it bigger than 8%?	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*YES*

NORZ PATRIMONIA

DSV PANALPINA
12-jun-20
BUY

RETURN ON EQUITY	Historic				Historic Scoring:	7 /10	Forecast	Scoring:	0 /10
Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Net Profit (1)	1,490.0	2,056.0	1,668.0	2,981.0	4,000.0	3,700.0	2,983.1	3,191.9	3,415.3
Revenues (2)	48,582.0	50,492.0	67,402.0	74,460.0	78,630.0	94,187.0	100,780.1	107,834.7	115,383.1
Total Assets (3)	23,680.0	27,725.0	40,367.0	38,388.0	38,812.0	100,813.0	122,647.7	161,022.4	213,869.5
Shareholders' Equity (4)	6,081.0	11,841.0	13,378.0	14,809.0	14,532.0	49,319.0	51,925.7	54,714.8	57,699.2
Margin (5)= (1)/(2)	3%	4%	2%	4%	5%	4%	**3%**	**3%**	**3%**
Turnover (6) = (2)/(3)	2.05	1.82	1.67	1.94	2.03	0.93	**0.82**	**0.67**	**0.54**
Operating Leverage (7) = (3)/(4)	3.89	2.34	3.02	2.59	2.67	2.04	**2.36**	**2.94**	**3.71**
ROE Dupont (5)*(6)*(7)	**25%**	**17%**	**12%**	**20%**	**28%**	**8%**	**6%**	**6%**	**6%**
Is it bigger than 15%?	*YES*	*YES*	*NO*	*YES*	*YES*	*NO*	*NO*	*NO*	*NO*

FINANCIAL LEVERAGE	Historic				Historic Scoring:	10 /10	Forecast	Scoring:	10 /10
Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
EBIT (1)	2,624.0	3,050.0	3,475.0	4,878.0	5,450.0	6,654.0	6,349.1	6,793.6	7,269.1
Profit Before Tax (2)	2,014.0	2,689.0	2,289.0	3,797.0	5,201.0	4,996.0	4,031.2	4,313.4	4,615.3
Total Assets (3)	23,680.0	27,725.0	40,367.0	38,388.0	38,812.0	100,813.0	122,647.7	161,022.4	213,869.5
Shareholders' Equity (4)	6,081.0	11,841.0	13,378.0	14,809.0	14,532.0	49,319.0	51,925.7	54,714.8	57,699.2
PBT/EBIT (5)=(2)/(1)	0.77	0.88	0.66	0.78	0.95	0.75	0.6	0.6	0.6
Assets / Shareh. Equity (6)=(3)/(4)	3.89	2.34	3.02	2.59	2.67	2.04	2.4	2.9	3.7
FINANCIAL LEVERAGE (5)*(6)	**3.0**	**2.1**	**2.0**	**2.0**	**2.5**	**1.5**	**1.5**	**1.9**	**2.4**
Is it bigger than 1%?	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*

DEBT QUALITY RATIOS	Historic				Historic Scoring:	5 /10	Forecast	Scoring:	3 /10
Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
ST Financial Debt (1)	589.0	313.0	1,358.0	495.0	545.0	4,905.0	3,736.9	4,297.4	4,942.0
LT Financial Debt (2)	5,702.0	4,309.0	8,725.0	6,491.0	6,593.0	15,691.0	18,044.7	20,751.3	23,864.0
Total Shareholders Equi+Liabilities (3)	23,526.0	27,539.0	40,753.0	39,398.0	40,307.0	100,813.0	122,647.7	161,022.4	213,869.5
DEBT RATIO = (1)+(2)/(3)	**27%**	**17%**	**25%**	**18%**	**18%**	**20%**	**18%**	**16%**	**13%**
Is it 40%-60%?	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*
If less than 40%, conservative	*CONSERV.*	*CONSERV.*	*CONSERV.*	*CONSERV.*	*CONSERV.*	*CONSERV.*	*CONSERV.*	*CONSERV.*	*CONSERV.*
Net Profit (1)	1,490.0	2,056.0	1,668.0	2,981.0	4,000.0	3,700.0	2,983.1	3,191.9	3,415.3
ST + LT Financial Debt	6,291.0	4,622.0	10,083.0	6,986.0	7,138.0	20,596.0	21,781.5	25,048.7	28,806.0
CAPACITY TO SERVICE DEBT	**24%**	**44%**	**17%**	**43%**	**56%**	**18%**	**14%**	**13%**	**12%**
Is it bigger than 40%?	*NO*	*YES*	*NO*	*YES*	*YES*	*NO*	*NO*	*NO*	*NO*
Financial Expenses	345.0	324.0	406.0	390.0	379.0	801.0	1,156.5	1,330.0	1,529.5
EBITDA	3,202.0	3,647.0	4,079.0	5,491.0	6,075.0	7,296.0	7,054.6	7,548.4	8,076.8
EFFECTIVE DEBT COST	**10.8%**	**8.9%**	**10.0%**	**7.1%**	**6.2%**	**11.0%**	**16.4%**	**17.6%**	**18.9%**
Is it smaller than 5%?	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*	*NO*

ALTMAN Z-SCORE	Historic				Historic Scoring:	10 /10	Forecast	Scoring:	10 /10
Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Current Assets - Current Liabilities (1)	148.0	4,859.0	2,685.0	2,986.0	2,481.0	2,158.0	-6,830.4	-7,466.9	-8,186.3
Shareholders' Equity (2)	6,081.0	11,841.0	13,378.0	14,809.0	14,532.0	49,319.0	51,925.7	54,714.8	57,699.2
EBITDA (3)	3,202.0	3,647.0	4,079.0	5,491.0	6,075.0	7,296.0	7,054.6	7,548.4	8,076.8
Short & Long Term Financial Debt (4)	6,291.0	4,622.0	10,083.0	6,986.0	7,138.0	20,596.0	21,781.5	25,048.7	28,806.0
Market Capitalization (5)	35,284.4	49,118.1	62,028.2	90,752.9	92,461.0	175,947.6	207,080.8	243,723.0	286,848.9
Asset Turnover (6)	2.05	1.82	1.67	1.94	2.03	0.93	0.82	0.67	0.54
Assets (7)	23,680.0	27,725.0	40,367.0	38,388.0	38,812.0	100,813.0	122,647.7	161,022.4	213,869.5
ALTMAN Z-SCORE	**6.2**	**9.4**	**6.2**	**10.8**	**10.9**	**7.0**	**7.2**	**7.1**	**7.0**
DIAGNOSTIC: Is it bigger than 3?	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*	*YES*

If Altman z-score bigger than 3, company will not default

PIOTROSKI F-SCORE	Historic				Historic Scoring:	5 /10	Forecast	Scoring:	4 /10
Amounts in Millions	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
EBITDA	3,202.0	3,647.0	4,079.0	5,491.0	6,075.0	7,296.0	7,054.6	7,548.4	8,076.8
ROA	13.5%	13.2%	10.1%	14.3%	15.7%	7.2%	5.8%	4.7%	3.8%
Cash Flow From Operations	1,919.0	3,160.0	1,564.0	4,664.0	4,301.0	6,879.0	8,254.8	9,905.8	11,886.9
Free Cash Flow	1,715.0	3,181.0	1,308.0	4,680.0	4,451.0	5,879.0	6,954.8	8,215.8	9,689.9
Net profit	1,490.0	2,056.0	1,668.0	2,981.0	4,000.0	3,700.0	2,983.1	3,191.9	3,415.3
Total Assets (1)	23,680.0	27,725.0	40,367.0	38,388.0	38,812.0	100,813.0	122,647.7	161,022.4	213,869.5
Long Term Debt	5,702.0	4,309.0	8,725.0	6,491.0	6,593.0	15,691.0	18,044.7	20,751.3	23,864.0
EBITDA/Revenues%	*6.6%*	*7.2%*	*6.1%*	*7.4%*	*7.7%*	*7.7%*	*7.0%*	*7.0%*	*7.0%*
Solvency (Current) Ratio	1.0	1.5	1.2	1.2	1.2	1.1	0.8	0.8	0.7
Revenues (2)	48,582.0	50,492.0	67,402.0	74,460.0	78,630.0	94,187.0	100,780.1	107,834.7	115,383.1
Asset Turnover (2)/(1)	2.05	1.82	1.67	1.94	2.03	0.93	0.82	0.67	0.54
Number of Shares (in Millions)	169.8	183.9	185.5	184.1	178.0	228.9	237.4	246.2	255.3
ROA > 0		1	1	1	1	1	1	1	1
ROA t_0 > ROA_{t-1}		0	0	1	1	0	0	0	0
FCF >0		1	1	1	1	1	1	1	1
CFO > Net Profit		1	0	1	1	1	1	1	1
(LT Debt/ Total Assets)$_t$<(LT Debt/ Total Assets)$_{t-1}$		1	0	1	0	1	1	1	1
$EBITDA_0$>$EBITDA_{t-1}$		1	0	1	1	1	0	0	0
Assset $Turnovert_0$>Asset $Turnover_{t-1}$		0	0	1	1	0	0	0	0
Increase in Shares		0	0	1	1	0	0	0	0
Increase Current Ratio		1	0	1	0	0	0	0	0
PIOTROSKI F-SCORE		**6**	**2**	**9**	**7**	**5**	**4**	**4**	**4**

Scoring: 7-9 Optimal; 4-6 Fine; 1-3 Poor

DSV PANALPINA
12-jun-20
BUY

SECTION 3. VALUATION MODELS

VALUATION SUMMARY	DSV PANALPINA				12-jun-20
Amounts in Millions	Historical Multiple	Current Multiple	Company Intrinsic Value	# Shares Millions	Intrinsec Share Price
PBV MULTIPLE VALUATION (1)	5.2	3.6	205,844	228.9	899.4
PSALES MULTIPLE VALUATION (2)	1.1	1.9	215,543	228.9	941.8
PE MULTIPLE VALUATION (3)	27.2	47.6	127,598	228.9	557.5
PCF MULTIPLE VALUATION (4)	20.7	29.9	245,163	228.9	1071.2
EV/EBITDA MULTIPLE VALUATION (5)	16.8	26.9	245,163	228.9	1071.2
DCF VALUATION (6)			227,283	228.9	993.1
PE VALUATION TO PEERS (7)			*73,771*	*228.9*	*322.3*
EV/EBITDA VALUATION TO PEERS (8)			*59,203*	*228.9*	*258.7*
MEDIAN INTRINSIC VALUE FROM MODELS (3), (4), (5), (6)			**221,413**		**1,032.2**
STOCK MARKET VALUE			**175,948**	**228.9**	**768.8**

TARGET PRICE ESTIMATED OFFERS % DIFFERENCE TO CURRENT MARKET PRICE		
	34%	**BUY**

If price upside to target price is >25% BUY; If between 10% to 25%, HOLD; If less than 10%, SELL

VALUATION WITH PSALES	Historic						Forecast		
Amounts in Millions	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues (1)	48,582.0	50,492.0	67,402.0	74,460.0	78,630.0	94,187.0	100,780.1	107,834.7	115,383.1
Number of Shares (2)	169.8	183.9	185.5	184.1	178.0	228.9	21,488.5	22,802.4	24,208.3
Share Price (3)	207.8	267.1	334.4	493.0	519.4	768.8			
Market Capitalization (4)=(2)*(3)	35,284.4	49,118.1	62,028.2	90,752.9	92,461.0	175,947.6			
PRICE TO SALES (5)=(4)/(1)	0.7	1.0	0.9	1.2	1.2	**1.9**			

PSALES VALUATION BY MULTIPLES				
Years	2019	2020	2021	2022
Historical PBV	1.1			
PBV (6)	1.9			
	(7)	(8)	(9)	(10)
Revenues	94,187.0	100,780.1	107,834.7	115,383.1
	(6)*(7)	(6)*(8)	(6)*(9)	(6)*(10)
Price to Sales Valuation	**175,948**	**188,264**	**201,442**	**215,543**
PSales Valuation AVG	**101,189**	**108,273**	**115,852**	**123,961**

Price per Share using PSales Valuation	Value	% Upside
PE Valuation Year (11)	215,543	
PE Valuation Avg (12)	123,961	
Number of Shares (Millions) (13)	228.9	
PE Valuation per Share Year (13)/(11)	**941.8**	**22.5%**
PE Valuation per Share Avg (13)/(12)	**541.6**	**-29.5%**
Market Price Current	768.8	

VALUATION WITH PBV	Historic						Forecast		
Amounts in Millions	2014	2015	2016	2017	2018	2019	2020	2021	2022
Shareholders' Equity (1)	6,081.0	11,841.0	13,378.0	14,809.0	14,532.0	49,319.0	51,925.7	54,714.8	57,699.2
Number of Shares (2)	169.8	183.9	185.5	184.1	178.0	228.9	237.4	246.2	255.3
Share Price (3)	207.8	267.1	334.4	493.0	519.4	768.8	768.8		
Market Capitalization (4)=(2)*(3)	35,284.4	49,118.1	62,028.2	90,752.9	92,461.0	175,947.6	182,480.7		
PRICE TO BOOK VALUE (5)=(4)/(1)	5.8	4.1	4.6	6.1	6.4	3.6	3.5		

PBV VALUATION BY MULTIPLES				
Years	2019	2020	2021	2022
Historical PBV	5.2			
PBV (6)	3.6			
	(7)	(8)	(9)	(10)
Shareholders' Equity	49,319.0	51,925.7	54,714.8	57,699.2
	(6)*(7)	(6)*(8)	(6)*(9)	(6)*(10)
Book Value Valuation	**175,948**	**185,247**	**195,197**	**205,844**
PBV Valuation AVG	**257,420**	**271,026**	**285,584**	**301,161**

Price per Share using PBV Valuation	Value	% Upside
PBV Valuation Year (11)	205,844	
PBV Valuation Avg (12)	301,161	
Number of Shares (Millions) (13)	228.9	
PE Valuation per Share Year (13)/(11)	**899.4**	**17.0%**
PE Valuation per Share Avg (13)/(12)	**1315.9**	**71.2%**
Market Price Current	768.8	

VALUATION WITH PE	Historic						Forecast		
Amounts in Millions	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net Profit (1)	1,490.0	2,056.0	1,668.0	2,981.0	4,000.0	3,700.0	2,983.1	3,191.9	3,415.3
Number of Shares (2)	169.8	183.9	185.5	184.1	178.0	228.9	237.4	246.2	255.3
Share Price (3)	207.8	267.1	334.4	493.0	519.4	768.8			
Market Capitalization (4)=(2)*(3)	35,284.4	49,118.1	62,028.2	90,752.9	92,461.0	175,947.6			
PRICE EARNINGS (5)=(4)/(1)	23.7	23.9	37.2	30.4	23.1	47.6	61.2	59.3	57.5

PE VALUATION BY MULTIPLES				
Years	2019	2020	2021	2022
Historical PE	27.2			
PE (6)	47.6			
	(7)	(8)	(9)	(10)
Net Profit	3,700.0	2,983.1	3,191.9	3,415.3
	(6)*(7)	(6)*(8)	(6)*(9)	(6)*(10)
Price Earnings Valuation (11)	**175,948**	**141,856**	**151,786**	**162,411**
PE Valuation AVG (12)	**100,518**	**81,041**	**86,714**	**92,784**

Price per Share using PE Valuation	Value	% Upside
PE Valuation Year (11)	162,411	
PE Valuation Avg (12)	92,784	
Number of Shares (Millions) (13)	228.9	
PE Valuation per Share Year (13)/(11)	**709.7**	**-7.7%**
PE Valuation per Share Avg (13)/(12)	**405.4**	**-47.3%**
Market Price Current	768.8	

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DSV PANALPINA
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BUY

EARNINGS YIELD GAP

Amounts in Millions	Historic 2014	2015	2016	2017	2018	2019	Forecast 2020	2021	2022
PE (1)	23.7	23.9	37.2	30.4	23.1	47.6	61.2	59.3	57.5
1/PE (2)	4.2%	4.2%	2.7%	3.3%	4.3%	2.1%	1.6%	1.7%	1.7%
Risk Free Interest Rate (10-yr Gov't Bond) (3)	2.2%	2.3%	2.4%	2.4%	2.7%	1.9%	0.6%		
EARNINGS YIELD GAP (2)-(3)	2.1%	1.9%	0.2%	0.9%	1.6%	0.2%	1.0%		

VALUATION WITH PCF

Amounts in Millions	Historic 2014	2015	2016	2017	2018	2019	Forecast 2020	2021	2022
Free Cash Flow (1)	1,715.0	3,181.0	1,308.0	4,680.0	4,451.0	5,879.0	6,954.8	8,215.8	9,689.9
Number of Shares (2)	169.8	183.9	185.5	184.1	178.0	228.9	237.4	246.2	255.3
Share Price (3)	207.8	267.1	334.4	493.0	519.4	768.8			
Market Capitalization (4)=(2)*(3)	35,284.4	49,118.1	62,028.2	90,752.9	92,461.0	175,947.6			
PRICE TO CASH FLOW (5)=(4)/(1)	20.6	15.4	47.4	19.4	20.8	29.9	26.2	23.0	20.3

Price per Share using PCF Valuation	Value	% Upside
PE Valuation Year (11)	290,001	
PE Valuation Avg (12)	200,325	
Number of Shares (Millions) (13)	228.9	
PE Valuation per Share Year (13)/(11)	**1267.2**	**64.8%**
PE Valuation per Share Avg (13)/(12)	**875.3**	**13.9%**
Market Price Current	768.8	

PCF VALUATION BY MULTIPLES

Years	2019	2020	2021	2022
Historical PCF	20.7			
PCF (6)	29.9			
	(7)	(8)	(9)	(10)
Net Profit	5,879.0	6,954.8	8,215.8	9,689.9
	(6)*(7)	(6)*(8)	(6)*(9)	(6)*(10)
Price to Cash Flow Valuation	**175,948**	**208,144**	**245,882**	**290,001**
PCF Valuation AVG	**121,540**	**143,780**	**169,849**	**200,325**

VALUATION WITH EV/EBITDA

Amounts in Millions	Historic 2014	2015	2016	2017	2018	2019	Forecast 2020	2021	2022
EBITDA (1)	3,202.0	3,647.0	4,079.0	5,491.0	6,075.0	7,296.0	7,054.6	7,548.4	8,076.8
Long Term Debt + Short Term Debt (2)	6,291.0	4,622.0	10,083.0	6,986.0	7,138.0	20,596.0	21,781.5	25,048.7	28,806.0
Cash at Banks (3)	432.0	4,908.0	1,714.0	1,348.0	275.0	395.0	422.7	452.2	483.9
Number of Shares (4)	169.8	183.9	185.5	184.1	178.0	228.9	237.4	246.2	255.3
Share Price (5)	207.8	267.1	334.4	493.0	519.4	768.8			
Market Capitalization (6)=(4)*(5)	35,284.4	49,118.1	62,028.2	90,752.9	92,461.0	175,947.6	182,480.7	189,256.5	196,283.8
Enterprise Value (7)=(6)+(2)-(3)	**41,143.4**	**48,832.1**	**70,397.2**	**96,390.9**	**99,324.0**	**196,148.6**	**203,839.6**	**213,853.0**	**224,605.9**
EV/EBITDA (8)=(7)/(1)	12.8	13.4	17.3	17.6	16.3	26.9	28.9	28.3	27.8

Price per Share using EV/EBITDA Valuation	Value	% Upside
EV/EBITDA Valuation Year (14)	217,140	
EV/EBITDA Valuation Avg (15)	135,723	
Number of Shares (Millions) (13)	228.9	
EV/EBITDA Valuation p Share Year (14)/(11)	**948.8**	**23.4%**
EV/EBITDA Valuation p Share Avg (15)/(12)	**593.0**	**-22.9%**
Market Price Current	768.8	

EV/EBITDA VALUATION BY MULTIPLES

Years	2019	2020	2021	2022
Historical EV/EBITDA	16.8			
EV/EBITDA (8)	26.9			
	(9)	(10)	(11)	(12)
EBITDA	7,296.0	7,054.6	7,548.4	8,076.8
	(8)*(9)	(8)*(10)	(8)*(11)	(8)*(12)
EV Value Estimated	**196,149**	**189,659**	**202,935**	**217,140**
EV Value Estimated AVG	**122,602**	**118,546**	**126,844**	**135,723**
Market Cap Estimated	**175,948**	**168,300**	**178,338**	**188,818**
EV/EBITDA Valuation per Share	**768.8**	**709.1**	**724.4**	**739.6**

DCF

Amounts in Millions	Historic 2016	2017	2018	2019	Forecast 2020	2021	2022	2023	2024
FREE CASH FLOW (BBG)	1,308.0	4,680.0	4,451.0	5,879.0	6,954.8	8,215.8	9,689.9	11,408.2	13,404.2
WACC				8.0%					
Average Price to Cash Flow (5)				20.67					
Terminal Value (6)=(4)*(5)									277,112.9
Present Value FCF (7)					6,437.2	7,038.5	7,683.6	8,373.0	9,105.8
Present Value of Terminal Value (8)									188,249.5
Cash at banks				395.0					
INTRINSIC VALUE (9)=(7)+(8)				**227,282.6**					
Number of Shares (10)	185.5	184.1	178.0	228.9					
Intricsic Value per Share (Po) (11)=(9)/(10)				993.1					

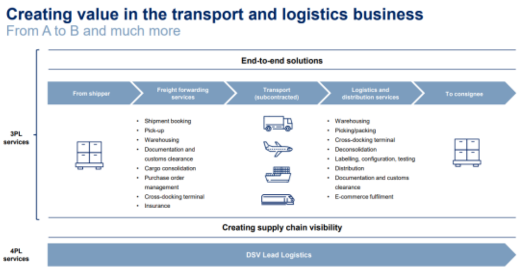
PEERS COMPARISON

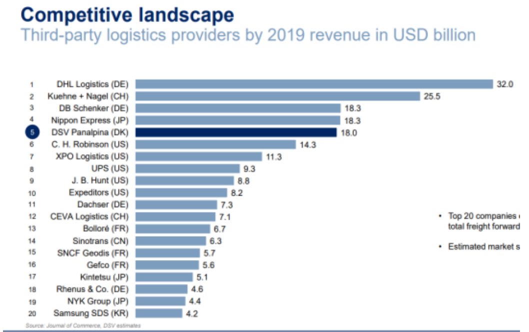
Company	Currency	Market Cap	PE	PBV	ROE	EV/EBITDA	Moat	Investent Style
DSV PANALPINA	**DKK**	**175,948**	**47.6**	**3.6**	**7.5%**	**16.8**	**Wide**	**Large Growth**
KUEHNE+NAGEL INT'L	EUR	16,873	22.3	7.3	31.5%	10.0	Narrow	Large Core
DEUTSCHE POST	EUR	42,193	17.4	2.6	15.3%	7.0	Wide	Large Core
HAPAG LLOYD	EUR	11,723	40.2	1.7	4.4%	8.7	None	Large Core
A.P. MOLLER MAERSK	DKK	23,022	30.6	0.9	2.6%	4.7	None	Large Core
ROYAL MAIL	GBP	9,780	5.4	0.4	7.0%	3.5	Nome	Small Value
UPS	USD	87,493	20.5	26.5	126.9%	12.8	Wide	Large Value
BOLLORE	EUR	9,342	35.1	0.9	2.6%	4.8	None	Small Value
FRAPORT	EUR	4,408	10.8	0.9	8.4%	7.3	None	Small Core
C.H. ROBINSON	USD	10,463	21.6	6.7	30.5%	15.4	Wide	Mid Core

PEER VALUATION	PE	EV/EBITDA
AVERAGE SECTOR	22.6	8.2
MEDIAN SECTOR (1)	21.6	7.3
Company Net Profit (2)	3,415.3	8,076.8
Equity Value (3)=(2)*(1)	**73,771**	**59,203**
Number of Shares	228.9	228.9
Intrinsic Share Price compared to Peers' Multiples	**322.3**	**258.7**
Current Share Price	768.8	768.8
Upside Target in %	-58%	-66%

INVESTMENT HIGHLIGHTS

Q1 2020 and Covid-19 Update
The 2020 outlook was withdrawn and share buyback programme suspended on 16 March 2020 as a result of the global outbreak of COVID-19.
Solid performance considering the special circumstances in the quarter. The growth in Q1-20 was driven by the Panalpina acquisition. It is no longer possible to separate organic growth and M&A impact. The integration continues as planned. EBIT before special items was negatively impacted by approximately DKK 250 million following the COVID19 outbreak. Volumes will be significantly impacted in Q2-20 and management is taking necessary steps to adjust capacity and cost base.
COVID-19 initiatives to adapt to lower market activity and global restrictions
• Reducing cost base by approx. DKK 1,400 million on annual basis: Rightsizing the organisation to match activity level, expected to be phased in during second half of 2020 and postponement of non-critical projects
• The COVID-19 initiatives will come on top of the Panalpina integration synergies.
• The savings will trigger additional restructuring costs of approx. DKK 1,000 million in 2020.
• DSV Panalpina has a solid financial position and is ready to meet challenges that may arise from the COVID-19 situation.





PETER SEILERN - CHARACTERISTICS FOR THE BEST COMPANIES

Seilern Characteristics	Score (0-10)	Comments
1. A Scaleable Business Model	8	
2. Superior Industry Growth	8	
3. Consistent Industry Growth	8	
4. A Sustainable Competitive Advantage	6	
5. Strong Organic Growth	8	
6. Wide Geographic or Customer Diversification	8	
7. Low Capital Intensity and High Return on Capital	6	
8. A Solid Financial Position	8	
9. Transparent Accounts	7	
10. Exceptional Management and Corporate Governance	8	
Total Score	8	

Note: Being 0 the worst score and 10 the best score

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