

**Q4
2018**

Fjord1 



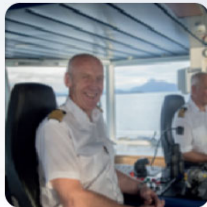
Quarterly presentation
21 February 2019

CEO Dagfinn Neteland
CFO Anne-Mari Sundal Bøe

**THE LEADING
FERRYCOMPANY
IN NORWAY**

AGENDA

2018



Q4



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Q4 2018

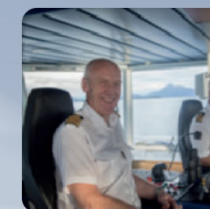


- Good operating stability in Q4
- Lower contributions from **the tourist segment** and associates
- Delivery of four new ferries: MF «Austrått», MF «Vestrått», MF «Hadarøy» and MF «Kommandøren»
- Signed contracts for «Romsdalspakken» and «Indre Sunnmøre»
- Postponement of dockings to Q4 2018 to fit vessels into new contracts and new technology in 2020

SUBSEQUENT EVENTS

- Start-up of new contracts Hareid-Sulesund (part of «Sulapakken»), Brekstad-Valset and Arsvågen-Mortavika 01.01.2019.
- Delivery of MF «Suløy»

2018



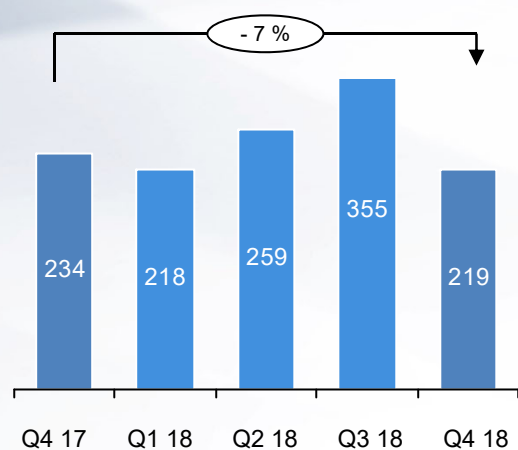
Q4



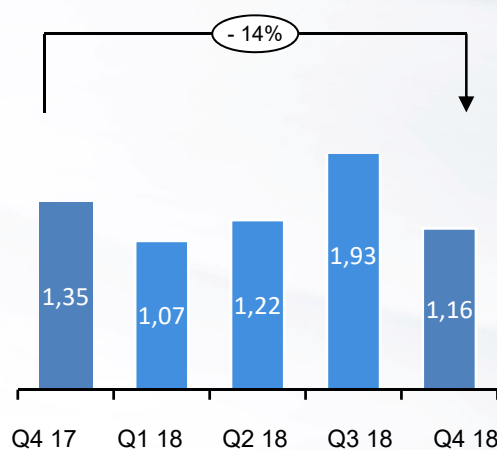
KEY FIGURES 4Q



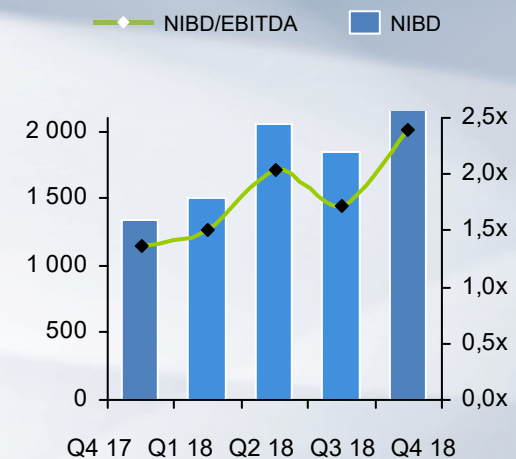
EBITDA per quarter



EPS per quarter

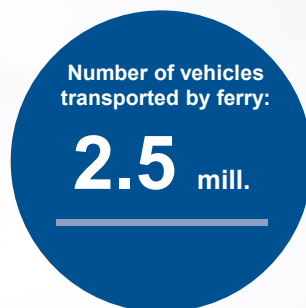
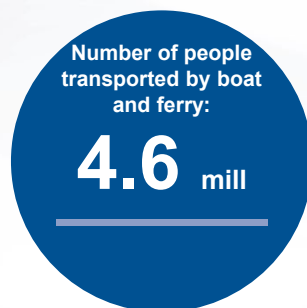
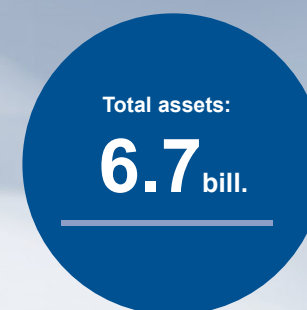


Net debt / EBITDA LTM*



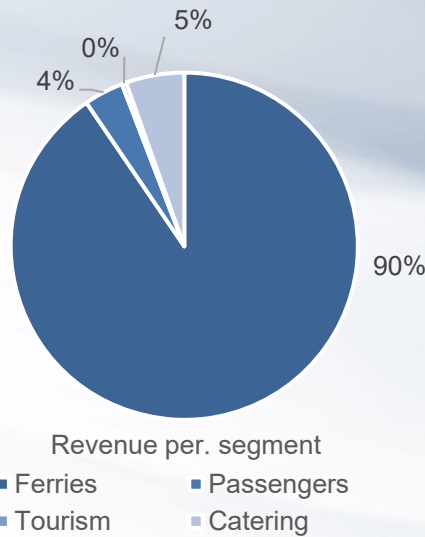
*The company has covenants adjusting NIBD in line with start-up of associated contracts. See note 8 in the finance statement

KEY FIGURES Q4 2018



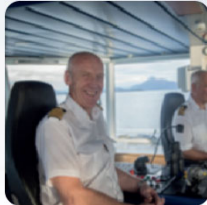
ABOUT FJORD1 ASA

- 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

2018



Q4



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Q4 2018

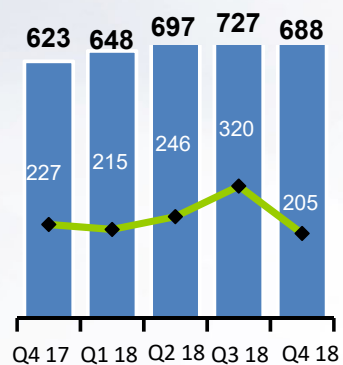
- **11 % revenue growth** due to start up of new contracts in the ferry segment
- **EBITDA-margin 28%** Q4 18 (Q4 17: 34%)
- Completed several additional dockings in Q4 18 compared to Q4 17.
- Lower contributions from **the tourist segment** and associates
- 24 MNOK change in financial **derivates**

NOKm	Q4 2018	Q4 2017	Change vs. LY	Change in %
Revenue	772,1	692,9	79,2	11 %
EBITDA before SI	219,1	234,3	-15,3	-7 %
margin (%)	28 %	34 %	-5 %	
Depreciation	-86,2	-61,0	-25,2	41 %
Impairment	0,6	-	0,6	
EBIT before SI	133,5	173,4	-39,9	-23 %
margin (%)	17 %	25 %	-8 %	-31 %
Special items	-	-	-	-
EBIT	133,5	173,4	-39,9	-23 %
P/L other JVs	-12,6	21,5	-34,1	-159 %
Finance	0,6	-17,1	17,8	-104 %
PBT	121,5	177,7	-56,2	-32 %
Tax	-3,9	-42,7	38,8	
Net profit	117,5	135,0	-17,5	-13 %
Total Equity	2 331,4	2 067,7	263,7	13 %
ROE annualized %	24,7 %	31,4 %	-7%	N/A
NIBD	2 518,5	1 343,7	1 174,8	87 %
NIBD/EBITDA LTM (x)	2,4	1,4	1,0	N/A

SEGMENT INFORMATION

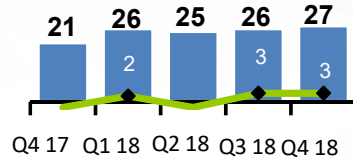


Ferries



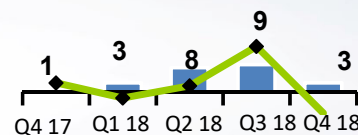
EBITDA Revenue

Passenger-boats



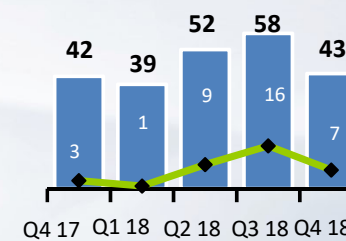
EBITDA Revenue

Tourism



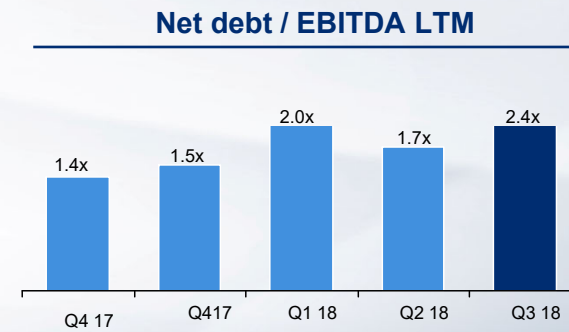
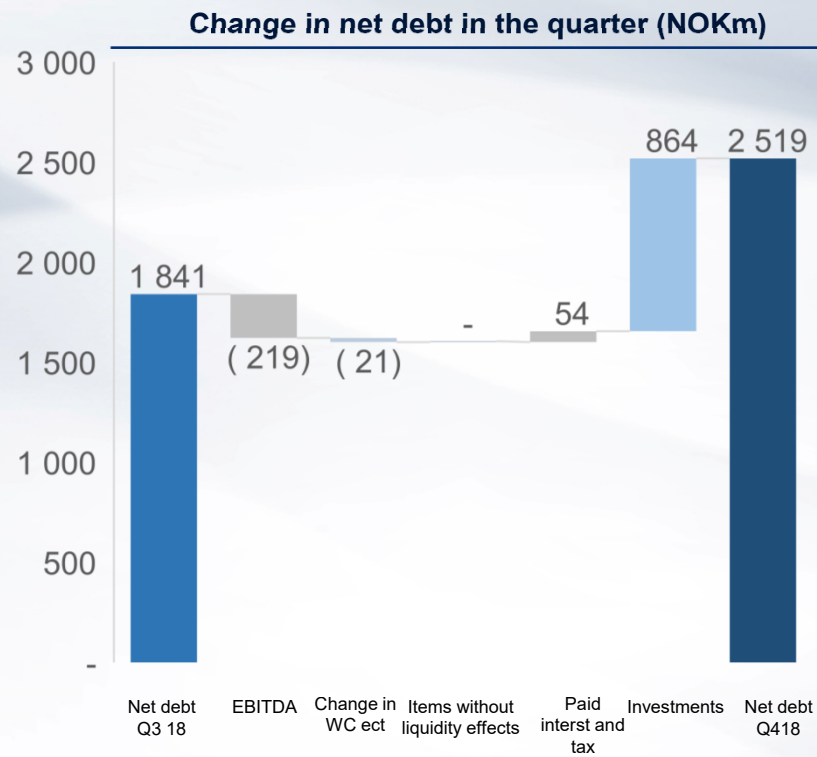
EBITDA Revenue

Catering



EBITDA Revenue

CHANGE IN NET INTEREST BEARING DEBT



FULL YEAR 2018

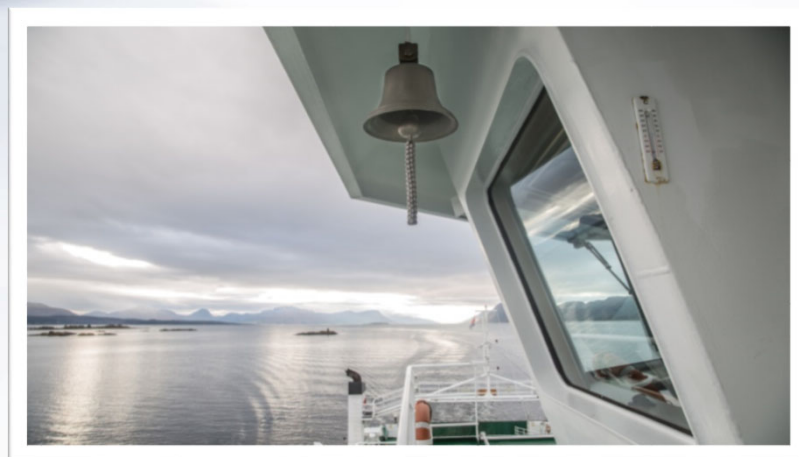
- **11 % revenue growth** due to start up of three new contracts in the ferry segment 01.01.2018
- **EBITDA-margin 34 %** in 2018 (35 % in 2017)
- **Good operating stability** in 2018
- 51 MNOK lower contributions from joint ventures and associates in 2018
- Investments in new vessels and remodeling of existing vessels, resulted in an increase in interest costs and depreciation of 77 MNOK in total in 2018

NOKm	2018	2017	Ending	Ending %
Revenue	3102,0	2 794,1	307,9	11 %
Share of profit/loss from associates	11,8	20,6	-8,8	-42%
EBITDA before SI	1 051,2	985,3	66,0	7 %
margin (%)	34 %	35 %	-1 %	
Depreciation	306,6	-252,7	-53,9	-21 %
Impairment	0,6	-	0,6	
EBIT before SI	745,2	732,6	12,6	2 %
margin (%)	24 %	26 %	-2 %	-8 %
Special items	-	-	-	-
EBIT	745,2	732,6	12,6	2 %
P/L other JVs	1,0	43,0	-42,0	-98 %
Finance	71,4	-60,0	-11,4	-19 %
PBT	674,8	715,5	-40,8	-6 %
Tax	134,5	-112,9	-21,6	
Net profit	540,3	602,6	-62,3	-10 %

DISTRIBUTION OF CAPITAL TO SHAREHOLDERS



- ***Proposed dividend 2019**, MNOK 270 (NOK 2,70 per share)
- **MNOK 270** distributed through dividend in Q2 2018.



Capital distribution overview

NOKm	2019*	2018	2017
Dividend per share (NOK)	2.70	2.70	2.50
Dividend	270	270	250
Total distribution	270	270	250

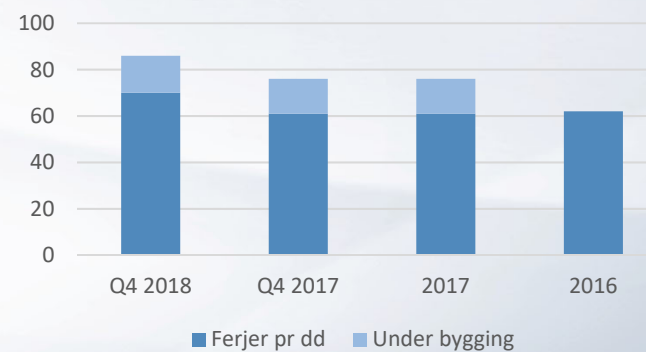
FERRIES



- Stable production in 4Q, continuing focus on improving operating stability through efficiency
- Awarded environmentally friendly contracts with start-up of electrical connections from 2018-2020.
- 7 new electric vessels have been received as per 4Q 2018. 16 new vessels are to be delivered in 2019, in addition to remodeling of five existing vessels from fuel to electric vessels in 2019.
- Renewal of the ferry fleet with new vessels and electrification of existing ferries in new contracts

	Q4 2018	Q4 2017	2018	2017
Revenue	688	626	2 760	2 475
EBITDA	205	229	985	923
Segment profit	122	170	691	681

Ferry fleet



CONTRACT COVERAGE OF FEBRUARY 12, 2019

Tender	Start-up	End	Option	Type of contract	Regulation	Vessels	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
FERRIES																						
Indre Sunnmøre	01.01.2020	31.12.2033		Gross	Ferry index	12																
Romsdalspakken	01.01.2020	31.12.2033		Gross	Ferry index	5																
Nordmørspakken	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 firm	Gross	Salary/fuel and CPI	3																
Lokalbåtruter Lærdal, Vik og Høyanger S&F	01.05.2012	30.04.2020	2021-2022 firm	Gross	Salary/fuel and CPI	3																
Lokalbåtruter Gulen, Solund og Askvoll S&F	01.05.2012	30.04.2020	2021-2022 firm	Gross	Salary/fuel and CPI	3																



PASSENGER-BOATS



- Fjord1 operates local passenger-boat routes in Sogn og Fjordane.
- Option year is declared for local passenger-boat routes. Operation throughout year 2022.
- The company owns 4 passenger-boats and rents 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 Kystekspresen ANS, in which the company has a 49 % shareholding.



	Q4 2018	Q4 2017	2018	2017
Revenue	27	21	105	95
EBITDA	3	-2	7	2
Segment profit	1	-3	1	-3

CATERING



- 2018 is characterized by further commitment and development of the concept «Ferdamat».
- «Ferdamat kafe» was established in September at Hareid. The café will produce food for ferry supplies.
- 11 self-serviced kiosks have been established on board in 2018.
- 2018 is a good year and there has been high activity related to the development of the concept



	Q4 2018	Q4 2017	2018	2017
Revenue	43	42	192	189
EBITDA	7	3	34	36
Segment profit	7	3	31	33

TOURISM



- Delivery of a fully electrical passenger-boat “Future of the Fjords” in April 2018. The vessel was awarded Ship of The Year 2018.
- Increased activity related to start-up of new routes and prolonged tourist season resulting in lower contribution from the Fjords DA in 2018.
- One HSE incident in Lysefjorden during the summer due to a engine casualty on MF «Eid».
- Postponed delivery of the third electrical passenger-boat until april 2020.
- Intention agreement with NSB on start-up of a joint national travel company for distribution and package tours through a national booking portal.



	Q4 2018	Q4 2017	2018	2017
Revenue*	3	1	23	20
EBITDA	-7	3	8	18
Segment profit	-7	3	7	18

* Fjord 1 ASA’s revenue regarding lease of tourist vessels to The Fjords DA.

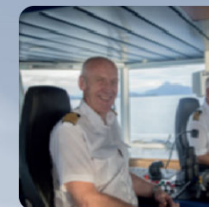


FUTURE PROSPECTS



- The company has a contract coverage related to the ferry segment of 22 BNOK by the start of the year 2019 throughout 2033 (excluding option years not firm).
- 01.01.2020 is the start-up of four large contracts consisting of nine new routes, in addition to existing routes/contracts.
- 2019 is a transition year with preparation towards start-up of new contracts in year 2020 and implementation of new vessels which are to be delivered in addition to remodelling of existing vessels.

2018



Q4



FOCUS 2018



HIGHLY SKILLED
AND MOTIVATED
EMPLOYEES



SAFETY AND
OPERATING STABILITY



ENVIRONMENT AND
ENERGY



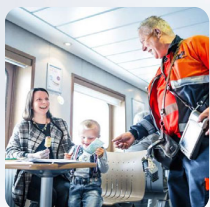
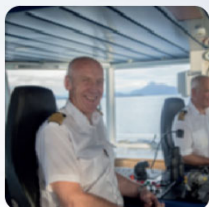
POSITIVE
CUSTOMER
EXPERIENCES



AGENDA



2018



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INCOME STATEMENT

NOKm	Q4 2018	Q4 2017	FY 2018	FY 2017
Revenues	772,1	692,9	3 102,0	2 794,1
Cost of sales	-151,3	-111,6	-574,0	-433,5
Personal expenses	-260,9	-238,0	-1 005,0	-946,4
Other operating expenses	-134,0	-113,1	-483,7	-449,6
Total operating expenses	-546,2	-462,7	-2 062,6	-1 829,5
Share of P/L from JVs	-6,9	4,2	11,8	20,6
Operating profit before depreciation (EBITDA)	219,0	234,3	1 051,2	985,3
Depreciation	-85,2	-61,0	-306,0	-252,7
Impairment	0,6	-	0,6	-
Operating profit (EBIT)	133,5	173,4	745,2	732,6
Share of P/L from JVs	-12,6	21,5	-1,2	43,0
Interest income	3,3	1,3	3,5	4,7
Interest expense	-27,7	-29,1	-105,5	-82,9
Other financials items (net)	25,0	10,7	30,7	18,1
Profit before tax	121,5	177,7	674,8	715,5
Tax on profit	-3,9	-42,7	-133,1	-112,9
Profit (loss) for the period	117,5	135,0	540,3	602,6
Attributable to:				
Parent company owners	116,3	135,0	538,7	602,1
Non-controlling interest	1,3	0,0	1,6	0,5
Earnings per share				
Basic earnings per share (NOK)	1,16	1,35	5,39	6,02
Dilutes earnings per share (NOK)	1,16	1,35	5,39	6,02

BALANCESHEET

ASSETS

NOKm	31.12.2018	31.12.2017
Deferred tax assets	19,1	18,3
Property, plant and equipment	5 771,7	4 181,4
Investments in joint ventures and associates	391,4	408,6
Other non-current financial assets	8,7	6,2
Total non current assets	6 191,0	4 614,5
Inventories	24,1	16,5
Trade receivables	96,5	86,1
Other current receivables	139,6	63,0
Cash and cash equivalents	272,5	474,3
Total current assets	540,1	639,9
Total assets	6 731,1	5 254,4

EQUITY AND LIABILITIES

NOKm	31.12.2018	31.12.2017
Share capital	250,0	250,0
Own shares	-2,1	-
Share premium	360,9	360,9
Retained earnings	1 719,0	1 452,6
Total equity attributable to owners of the parent	2 325,6	2 063,6
Non-controlling interest	5,8	4,2
Total equity	2 333,3	2 067,7
Borrowings	2 633,8	1 687,7
Derivative financial instruments	1,8	12,1
Net employee defined benefit liabilities	23,3	23,7
Other non-current liabilities	-	-
Deferred tax liabilities	488,4	450,7
Total non-current liabilities	3 147,3	2 174,2
Borrowings	157,1	130,3
Derivative financial instruments	-	26,6
Trade and other payables	285,7	164,9
Current income and tax liabilities	95,4	40,1
Social security and other taxes	102,8	93,9
Other current liabilities	602,0	556,7
Total current liabilities	1 243,1	1 012,5
Total liabilities	4 399,7	3 186,7
Total equity and liabilities	6 731,1	5 254,4

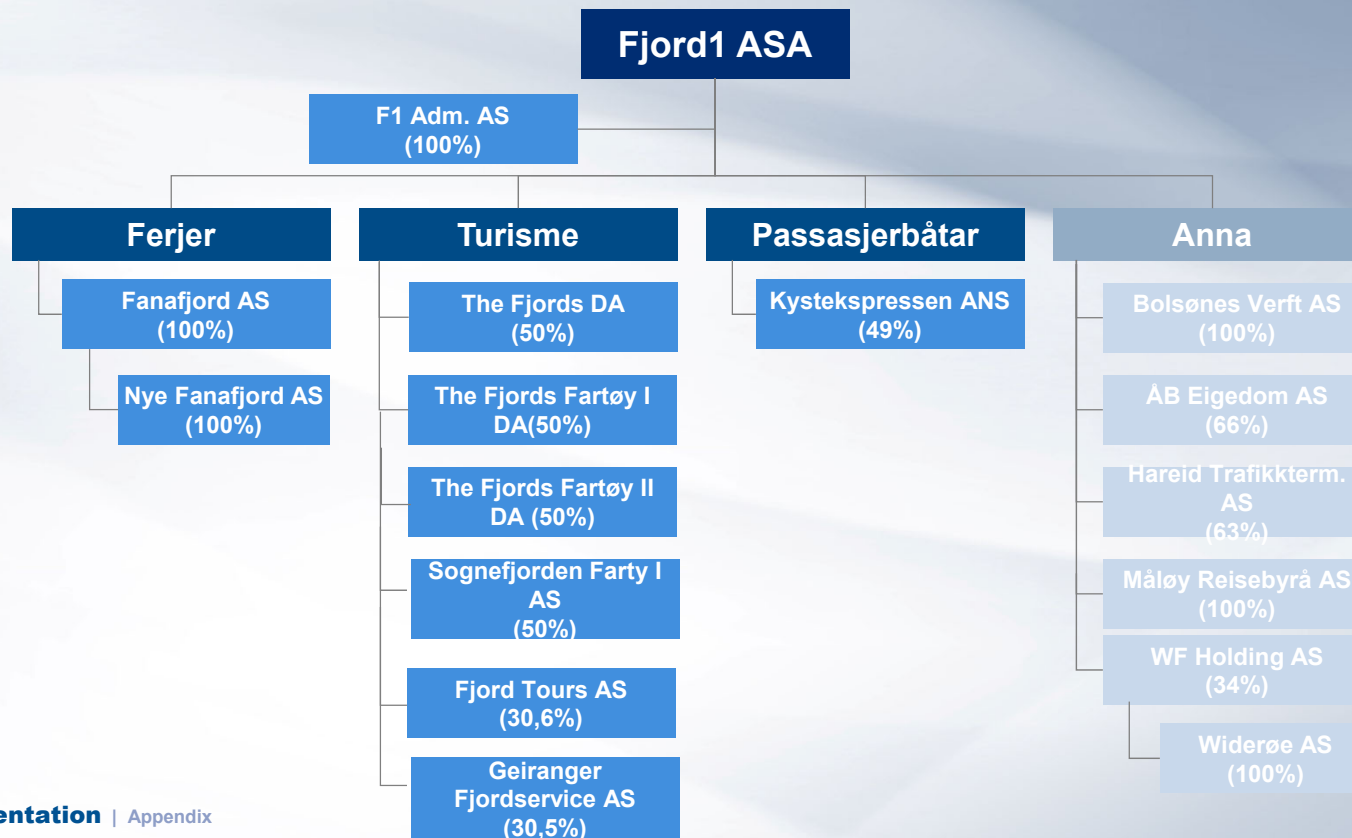
CASH FLOW

NOKm	Q4 2018	Q4 2017	FY 2018	FY 2017
Profit before tax				
	121,5	175,9	674,8	715,5
Depreciation and impairment	85,6	61,0	306,0	252,7
Interest expense, net	24,5	16,5	98,7	62,2
Adjustments for non-cash operating items	-28,3	-1,1	-60,0	-23,9
Gain on disposal of property, plant and equipment	-6,9	-	-6,9	-4,7
Share of profit from JV	19,5	-23,8	12,8	-63,6
Change in working capital, etc.	21,6	-67,3	93,3	55,3
Total cash flow from operations	237,4	161,1	1 093,2	993,6
Net finance	-14,7	-18,5	-57,2	-64,2
Payed tax	-35,6	-2,4	-38,2	-2,7
Total cash from operating activities	187,1	140,2	987,8	926,7
Investments in ships, rebuildings and ships under construction	877,0	299,7	-1 901,2	-738,2
Purchase of shares incl. JV	-	-11,8	-10,4	-16,2
Proceeds from dividends from associates	6,8	-	38,2	25,5
Proceeds from sale of property, plant and equipment	10,8	3,0	11,8	103,6
Net proceeds/investments from other non-current financial assets	-2,3	2,2	-2,5	6,6
Net proceeds from other non-current financial liabilities	-	0,3	-	-
Cash flow used in investments activities	-861,7	-306,6	-1 864,3	-618,8
Proceeds from borrowings	559,7	985,3	1 884,3	985,3
Repayment of borrowings	-	-930,8	-911,3	-1 122,8
	-2,0	-	-2,0	-
Dividends	-	-	-270,0	-250,0
Procceds from short-term borrowings	-0,4	-	200,0	-
Repayment from other long term commitments	-	-	-200,0	-
Cash flow used in financing activities	557,2	54,4	664,7	-387,5
Net change in cash and cash equalents	-117,5	-111,9	-873,2	-79,7
Cash and cash equalents at start of period	389,9	586,2	474,3	554,0
Cash and cash equalents at end of period	272,5	474,3	272,5	474,3

FLEET OVERVIEW JANUARY 31, 2018

Ferries	Build year	PCE	Ferries	Build year	PCE	Ferries	Build year	PCE	Passenger boats	Build year	Passengers
Kommandøren	2018	120	Bergensfjord	2006	212	Nordmøre	1978	52	Tansøy	2007	96
Hadarøy	2018	120	Stavangerfjord	2006	212	Sunnfjord	1978	46	Fjordglytt	2000	81
Austrått	2018	50	Dryna	2005	35	Aurland	1977	35	Sylvarnes	2000	70
Vesrått	2018	50	Harøy	2005	35	Solnør	1977	36	Skagastøl	1970	384
Husavik	2018	45	Julsund	2004	99	Kvernes	1976	35			
Horgefjord	2018	120	Eira	2002	100	Sykkylvsfjord	1975	36	<u>Under construction</u>	<u>Delivery</u>	<u>PCE</u>
Møkstrafjord	2018	130	Volda	2002	100	Veøy	1974	50	TBN 1	1Q 2019	120
Gloppefjord	2017	120	Nordfjord	2001	54	Fanaraaken	1973	29	TBN 2	3Q 2019	120
Eidsfjord	2017	120	Glutra	2000	120	Tingvoll	1972	35	TBN 3	3Q 2019	120
Hornelen	2016	60	Ivar Aasen	1997	76	Bolsøy	1971	38	TBN 4	3Q 2019	130
Losna	2016	60	Lærdal	1997	77	Goma	1968	29	TBN 5	3Q 2019	83
Edøyfjord	2012	50	Svanøy	1992	89	Nårasund	1968	11	TBN 6	3Q 2019	83
Boknafjord	2011	242	Tresfjord	1991	124	Ørsta	1964	25	TBN 7	4Q 2019	83
Hjørundfjord	2011	122	Gulen	1989	83	Driva	1963	29	TBN 8	4Q 2019	80
Storfjord	2011	122	Rauma	1988	73				TBN 9	4Q 2019	80
Fannefjord	2010	128	Romsdal	1988	87				TBN 10	3Q 2019	50
Korsfjord	2010	128	Dalsfjord	1986	28				TBN 11	4Q 2019	50
Lifjord	2010	110	Sulafjord	1986	106				TBN 12	4Q 2019	50
Norangsfjord	2010	120	Selje	1986	58				TBN 13	4Q 2019	50
Romsdalsfjord	2010	128	Sognefjord	1984	64				TBN 14	4Q 2019	50
Davik	2009	45	Sogn	1982	110				TBN 15	4Q 2019	120
Moldefjord	2009	128	Solskjel	1981	35						
Årdal	2008	108	Bjørnsund	1979	61						
Vågsøy	2008	42	Geiranger	1979	36						
Fanafjord	2007	212	Stordal	1979	51						
Mastrafjord	2007	212	Stryn	1979	81						
Raunefjord	2007	212	Aukra	1978	36						
Lote	2006	120	Eid	1978	35						

LEGAL STRUCTURE

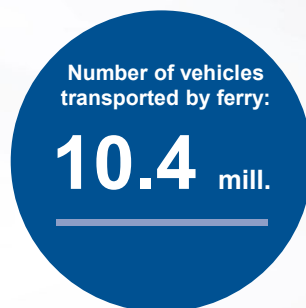
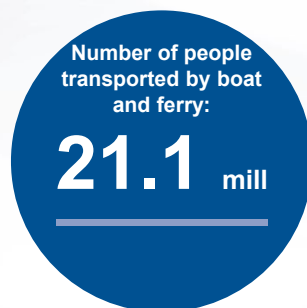
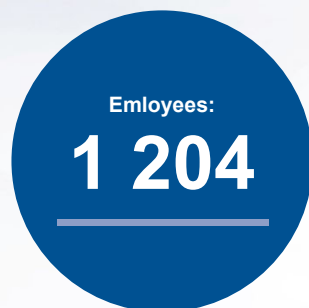
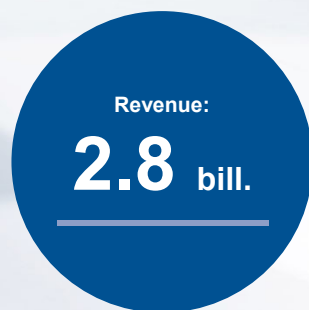


OVERVIEW OF SHAREHOLDERS AND SHAREHOLDERS 28.01.2018.

#	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)	4 868 139	4,87%
4	BROWN BROTHERS HARRIMAN (LUX.) SCA	3 576 315	3,58%
5	STATE STREET BANK AND TRUST COMP	2 771 810	2,77%
6	VERDIPAPIRFONDET DNB NORGE SELEKTI	2 468 227	2,47%
7	DZ PRIVATBANK S.A.	2 014 488	2,01%
8	ARTIC FUNDS PLC	1 394 051	1,39%
9	LANDKREDITT UTBYTTE	1 300 000	1,30%
10	JPMORGAN CHASE BANK, N.A., LONDON	1 282 000	1,28%
Total, 10 largest shareholders		78 933 650	78,93%
Other shareholders		21 066 350	21,07%
Total		100 000 000	100%



KEY FIGURES 2017



Fjord1



Next event

Q1 2019
15 May 2019

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

IR - Fjord1 ASA



Anne-Mari Sundal Bøe
CFO

t: +47 90 27 89 06

e: anne-mari.sundal.boe@fjord1.no