



PRESS RELEASE  
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## CLIPPER'S DANISH BUSINESS: INCREASED OPERATING PROFIT WITH NEGATIVE IMPACT FROM UNREALIZED EXCHANGE RATE LOSS

Clipper Group A/S has released its annual report for 2016. Operating profit increased from 6 to 10 million USD due to increased activity levels. However, net result was negatively impacted by unrealized exchange rate loss and ended as a deficit of 13 million USD, succeeding the positive results from 2014 and 2015. Net revenue of 221 million USD was higher than in 2015, and the equity ratio was further strengthened to 45%.

"The underlying business, activity level and operating profit of Clipper Group A/S is strong, and both Seatruck and Danske Færger have performed exceptionally well in 2016 with significantly more freight and passengers transported than in 2015," says Flemming Steen, CFO of Clipper Group. "The net result deficit of 13 million USD is mainly due to unrealized exchange rate loss on EUR loans and loss on the sale of two ferries."

Million USD	2016	2015	2014	2013
Net revenue	221	207	269	303
Operating profit	10	6	1	-12
Net result	-13	13	3	-21
Equity	161	172	171	190
Equity ratio	45%	43%	38%	35%

### Seatruck Ferries continued to break volume records

For the last few years, Seatruck has kept breaking volume records, and 2016 was no exception. The number of transported units increased by no less than 18.7% compared to 2015, and Seatruck took an 18% share of the Irish Sea ro-ro freight traffic.

Seatruck Ferries	2016	2015	Increase
Volumes (units)	343,446	289,343	18.7%
Market share	18%	16%	12.5%

In October 2016, Seatruck added capacity onto the Heysham-Dublin daily service, where the large ro-ro ferry Clipper Point replaced the smaller Clipper Ranger just a few weeks ahead of the opening of the M6 Link Road to Heysham port. The Ranger in turn joined the Liverpool-Dublin route, which saw growth of 28.2% in 2016.

Whereas Brexit has had negative influence on Seatruck in 2016 in terms of unrealized currency loss, it has not influenced volumes.

### Traffic increased on all Danish ferry routes

Compared to 2015, traffic increased on all Danske Færger's seven routes in 2016, in total by 6.3% on cars and 3.6% on passengers. The growth was accelerated by a substantial, government-funded price reduction on a number of ferry routes outside peak seasons, resulting in up to 53% cheaper tickets (implemented in September).

Danske Færger	2016	2015	Increase
Number of passengers (1,000)	4,282	4,135	3.6%
Number of cars (1,000)	1,125	1,058	6.3%

In 2016, Danske Færger won the concession to operate the Langeland (Spodsbjerg-Tårs) route until 2028. This route has been in continuous growth since 2012. In 2016, it was also announced that Mols-Linien won the tender for the Bornholm concession as of September 1, 2018. Following this change, Danske Færger sold two of the four vessels serving Bornholm ('Povl Anker' and 'Leonora Christina'), both vessels being chartered back on bareboat to Danske Færger until end of August 2018.

### **A glance at Clipper's core business: the international dry bulk market**

Clipper Group A/S is a wholly-owned subsidiary of Clipper Group Ltd., whose core business area is dry bulk shipping. Clipper Group Ltd. is incorporated in the Bahamas but with headquarter in Denmark and subject to full Danish taxation. Clipper Group Ltd. does not publish its annual report.

Flemming Steen comments on Clipper's dry bulk activities: "The activity level in our bulk business grew substantially during 2016, both when measured in number of vessel days, number of vessels operated by Clipper and number of vessels in our pools. In terms of rate levels, 2016 was a difficult year for the industry, but the market improved significantly during the last months of the year, and this development continued in 2017."

### **CONTACT**

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### **ABOUT CLIPPER, SEATRUCK AND DANISH FERRIES**

*Clipper is an industry leader in dry-bulk with a modern fleet of around 160 handysize and supramax vessels, transporting a wide range of cargo from dry bulk to break bulk. Our in-house technical management department manages around 30 vessels, and we run a performance management solution, COACH, covering more than 300 vessels globally. In addition to bulk, we have strong complementary businesses in the ro-ro and ferry segments. Clipper is headquartered in Copenhagen, employs a staff of 200 on shore, and has offices in 9 countries (excl. Seatruck). Read more at [clipper-group.com](http://clipper-group.com).*

***Clipper Group A/S** is the Danish subsidiary of Clipper Group Ltd. The primary activities of the Danish subsidiary are ro-ro activities on the Irish Sea (Seatruck Ferries) and ferry services in Denmark (Danske Færger), as well as technical management of vessels (Clipper Fleet Management). The majority of Clipper Group's core business activities within dry bulk is situated in Clipper Group Ltd, and therefore not included in this annual report.*

*Clipper is the sole owner of **Seatruck Ferries**, which specializes in carrying unaccompanied trailer freight across the Irish Sea. Seatruck operates 72 sailings per week over three routes between Warrenpoint-Heysham, Dublin-Heysham and Dublin-Liverpool. In 2016, Seatruck celebrated its 20 years' anniversary.*

***Danske Færger A/S** (Danish Ferries) manages seven national ferry routes in Denmark, connecting the mainland to the islands Bornholm, Samsø, Langeland, Als and Fanø. Clipper has been co-owner of Danske Færger together with the Danish State since 2010.*