



Trading Update, Q1 2024

A sustainable way forward
with room for all of us

Management's review

Profit before tax was DKK 101 million in Q1 2024

- Growth in the number of journeys by 4 percent
- Passenger revenue increased by 7 percent
- High customer punctuality in the first quarter
- DSB has advanced 18 places on the list of sustainable brands
- The 90th anniversary of S-trains was celebrated on 6 April

Q1 financial result

For the first quarter of 2024, DSB posted a profit before tax of DKK 101 million, against DKK 188 million in 2023. Financial performance in 2023 was positively impacted by a compensation of approx. DKK 200 million from a former supplier. In 2024, financial performance was positively impacted by lower energy costs compared to 2023.

Strong growth in Q1

2024 kicked off with customer growth for S-trains as well as for Long-distance & Regional Trains. During the first three months of the year, 1.7 million more journeys were made than during the same period of last year. This 4 percent growth was realised across all markets.

The growth of Long-distance & Regional Trains was mainly linked to increased sales of Orange Tickets. On account of the boost in Orange

Ticket sales, the average fare for national train traffic did not rise in spite of the general increase in fares.

High punctuality and robustness in timetable

Both S-trains and Long-distance & Regional Trains delivered good punctuality in the first quarter. Customer punctuality for S-trains remained very high at 96.5 percent. This is an improvement from the already high level seen in the same period of last year. Train operations of Long-distance & Regional Trains also settled at a stable level in the first quarter with a customer punctuality of 78.5 percent, exceeding the target of 75.0 percent. Read more about this on page 6.

To enhance punctuality and strengthen the train traffic operated by Long-distance & Regional Trains, a new structure was introduced in train traffic on Zealand - including 'Kystbanen'. This was implemented in connection with the timetable change in December 2023 and has had a positive impact on punctuality for both 'Kystbanen' and other train operations - especially for traffic in and out of Copenhagen. This is dealt with in more detail on page 6 below.

Rolling out new Check In feature

In the first quarter of 2024, 10,000 DSB customers tested DSB's new digital Check In

solution. The test was successful, and more than 90 percent of test customers respond they are 'satisfied' with the Check In solution and will recommend it to others.

On 29 April, the Check In solution became fully available to all DSB Plus customers on the DSB app.

DSB moving higher on sustainable brands list

Covering eight countries and 80,000 respondents, Sustainable Brand Index is among the largest studies on sustainable branding in northern Europe. Every year, it releases a report

in which consumer perception of corporate brands is measured regarding sustainability and social responsibility. The latest brand study was published on 8 March 2024. Here it turns out that DSB has advanced 18 places and is therefore ranked 24th out of 253 Danish corporations on the list of the most sustainable brands in Denmark. In the 'passenger transport' category, DSB is in second place. The Metro is in first place, while Movia ranks third. It is gratifying to see that the sustainability efforts have been noted. These efforts are going to continue in the years ahead when DSB, in collaboration with Banedanmark, will take ongoing steps to ensure the electrification of rail

Key financial highlights

Amounts in DKK million	Q1 2024	Q1 2023	Full year 2023
Passenger revenue	1,380	1,295	5,404
Contract revenue	913	901	3,565
Total income	2,830	2,833	11,417
Total expenses	2,474	2,391	9,906
Profit or loss before tax	101	188	425
Number of journeys (million)	40.8	39.1	162.4
Customer punctuality for Long-distance & Regional Trains (percent)	78.5	80.2	71.7
Customer punctuality for S-trains (percent)	96.5	96.0	95.9

lines with a view to phasing out the last diesel trains by the end of 2030.

90th anniversary of S-trains

To mark the 90th anniversary of S-trains on 3 April 2024, all passengers were offered a day of free travel on the S-train network on Saturday 6 April. This presented an opportunity to give new as well as existing customers a chance to experience all the good S-trains have to offer. More than 400,000 customers accepted the offer of a free S-train ride. It was about 200,000 more than on a normal Saturday.

The celebration of S-trains also included an offer to visit the workshop in Taastrup, where an upgraded S-train was presented.

Prequalification for S-trains of the Future

DSB is now starting the procurement procedure for Supporting Systems, which will support the fully automated operation of S-trains of the future.

Supporting Systems comprise a wide range of technical systems to support the fully automated operation of S-trains. Systems include CCTV surveillance and emergency stop buttons on platforms, as well as the development and delivery of a system for detecting people and objects on the track.

Siemens Mobility and Ground Transportation Systems Denmark have been prequalified for the contract as potential suppliers to the project. These are two strong players in the market who have previously provided technology for fully automated railway systems. The contract for Supporting Systems is expected to be awarded at the end of 2025.

Credit rating review

In the context of DSB's credit rating, Moody's Investors Service has conducted a regular review of DSB's rating and maintained the long-term rating of Aa1.

“Through targeted efforts in collaboration with Banedanmark, we delivered customer growth along with high punctuality in the first quarter of the year. This provides a solid platform for the remainder of 2024.”

Flemming Jensen, CEO

Taastrup, 8 May 2024

Peter Schütze
Chair

Flemming Jensen
CEO

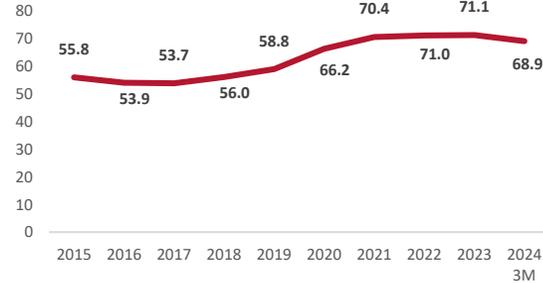
Overview

Number of journeys (million)



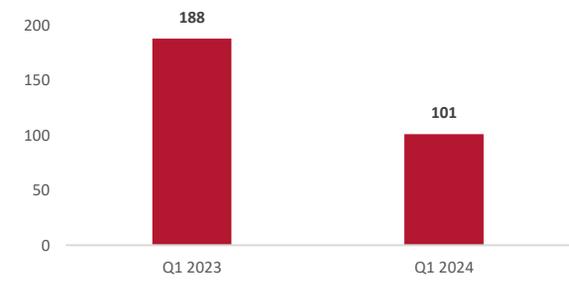
- The number of journeys was up by 4 percent from Q1 2023

Reputation



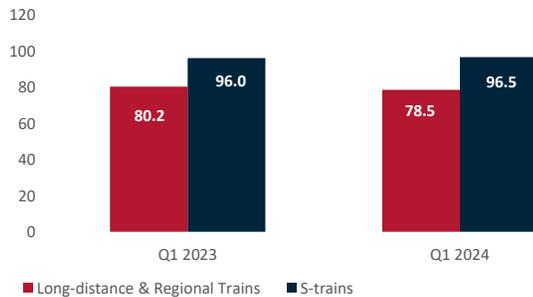
- DSB's reputation declined, yet remains at a high level

Profit before tax (DKK million)



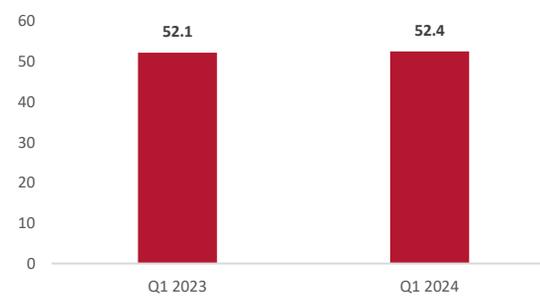
- The trend in profit was primarily driven by non-operating items

Customer punctuality (percent)



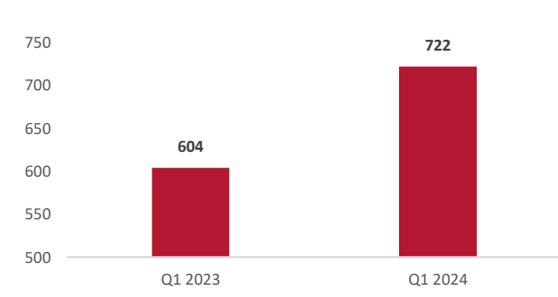
- Customer punctuality for both S-trains and Long-distance & Regional Trains was above the targets of 92.4 and 75.0 percent, respectively

Electric train operations (percent)



- The share of operations with electric-powered rolling stock is slightly rising

Investments (DKK million)



- Investments primarily included purchases of new rolling stock and the construction of new green workshops

Key Financials and Operating Data

Group	Q1 2024	2023	Growth Abs.	%	Full year 2023
Income statement (DKK million)					
Net revenue	2,638	2,569	69	3	10,550
Profit or loss before depreciation, amortisation and impairment losses	356	442	-86	-19	1,511
Depreciation, amortisation and impairment losses of intangible and tangible fixed assets	233	246	-13	-5	1,034
Operating profit/loss	123	196	-73	-37	477
Net financials	-22	-8	-14	-175	-52
Profit/loss before tax	101	188	-87	-46	425
Profit/loss for the period	79	146	-67	-46	320
Balance sheet (DKK million)					
Total assets	14,356	14,103	253	2	14,094
Investments in tangible fixed assets?	722	604	118	20	3,157
Total equity	5,795	5,770	25	0	5,868
Net interest-bearing debt	5,223	3,282	1,941	59	4,130
Key financial ratios*					
EBITDA margin	13.5	17.2	-3.7	-22	14.3
EBIT margin	4.7	7.6	-2.9	-38	4.5
Return on invested capital after tax (ROIC after tax)	3.7	7.0	-3.3	-47	3.9
Leverage	3.7	1.9	1.8	95	2.7
Solvency ratio	40.4	40.9	-0.5	-1	41.6
Average number of full-time employees	6,155	6,055	100	2	6,113

Key Financials and Operating Data (continued)

Group	Q1 2024	2023	Growth Abs.	%	Full year 2023
Customers					
Number of journeys (million)	40.8	39.1	1.7	4	162.4
Reputation					
DSB	68.9	72.5	-3.6	-5	71.1
Customer punctuality (percent)					
Long-distance & Regional Trains	78.5	80.2	-1.7	-2	71.7
S-trains	96.5	96.0	0.5	1	95.9
Productivity (DKK 0.01/km)					
Passenger revenue per seat kilometre	32.9	32.0	0.9	3	33.0
Costs per seat kilometre	59.5	59.9	-0.4	-1	61.1

*) Calculated according to the definitions provided under Key financial ratio definitions.

“We invest in rolling stock of the future, new green workshops and refurbishment of older rolling stock. To finance this, we are preparing to issue bonds.”

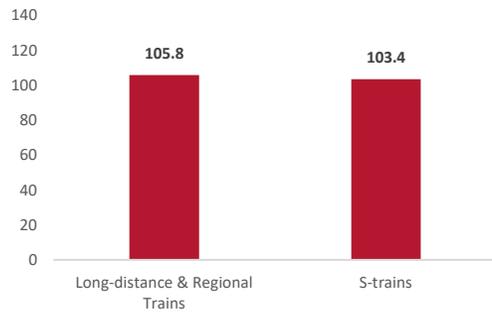
Pernille Damm Nielsen, CFO

Customers

2024 kicked off with growth in all markets.

Figure 1: Customers in Q1 2024

Index compared to 2023



Strong start for regional train traffic on Zealand

The number of journeys in regional train traffic on Zealand increased by 7 percent compared with the prior-year period. The increase mainly related to the lines Roskilde-Copenhagen and Køge-Copenhagen, showing that customers have welcomed the introduction of the new regional train line direct from Køge to Copenhagen. The growth was also driven by the supply and marketing of Orange Tickets, which - in addition to increased income - improves capacity utilisation.

Continued growth for S-trains

In the course of the first quarter, S-trains recorded 3 percent growth, corresponding to 0.9 million journeys, relative to the same period last year. The growth was mainly due to the high customer punctuality at 96.5 percent, the 10-minute frequency of service during daytime hours and upgrading of the train sets. In collaboration with Movia and Metroselskabet, DOT launched a campaign of 12-hour tickets for DKK 50 on weekends in the period from December to February. The campaign was well received by customers.

More Orange Tickets for national train traffic

National train traffic recorded 4 percent growth compared with the first quarter of 2023. The month of March saw the highest number of journeys across the Great Belt since the introduction of the counts in 2000. The growth related mainly to the increased sales of Orange Tickets, whereby the average fare did not rise in spite of the general increase in fares.

More people opt to go on holiday by train

The growing interest in travelling abroad by train continued in the first quarter. The number of journeys was up by 39 percent on the prior-year period. Over Easter, customers welcomed the increased frequency of service to and from Germany, resulting in a 31 percent rise in the number of journeys.

Continued growth in business travel market

Revenue from business journeys saw an upward trend and increased by 12 percent. The increase was recorded both for journeys to and from work (Business Travel Card) and journeys during working hours. Expectations are that the introduction of new service products will generate additional growth in the business travel market.

Train operations

Strong start for punctuality in 2024

Table 1: Customer punctuality

	Long-distance & Regional Trains		S-trains	
	2024	2023	2024	2023
January	69.0	82.3	95.9	96.6
February	81.3	79.4	96.8	97.0
March	84.9	78.9	96.8	94.4

Both S-trains and Long-distance & Regional Trains delivered high punctuality in the first quarter. In January, Denmark was hit by severe winter weather, which had a negative impact on customer punctuality. Customer punctuality was higher in February and March, causing an improvement in overall punctuality. Efforts are being made to maintain the level in the coming

months while the major track works scheduled for this year are being executed.

During periods of extensive track works, customer punctuality will typically decline, and the track works in 2024 are also expected to impact customer punctuality over the summer. Fewer major track works have been scheduled for 2024 than what has been the case in recent years. Moreover, DSB and Banedanmark have enhanced the cooperation - especially so in relation to the joint planning process.

Improved punctuality and robustness of 'Kystbanen'

The general condition of the rail network, track works and ageing rolling stock pose a challenge to punctuality several places. This is one of the reasons why it was needed to incorporate extra robustness into the timetables and render it easier to organise traffic, for example in case of emergency changes in operations.

In connection with the timetable change in December 2023, DSB introduced a new structure on 'Kystbanen' with fewer trains and a more consistent timetable. One of the purposes of the change was to increase the punctuality of 'Kystbanen', but also to strengthen the other train operations in Long-distance & Regional Trains - particularly in and out of Copenhagen.

With these measures, we achieved improved customer punctuality on 'Kystbanen' in the first quarter of 2024 compared with the same period in 2023. However, as for other train operations, punctuality on 'Kystbanen' was also affected by the severe winter weather in January 2024, but improved in the subsequent months.

The timetable change increased the punctuality of both 'Kystbanen' and the other train operations in and around Copenhagen. In addition, the timetable change has made it easier to organise operations in case of emergency changes.

DSB wins prize for the new S-train driver training programme

At this year's European Railway Award, DSB was nominated in the category Rail Trailblazer Award. The prize is awarded to a corporation that, by way of innovation, bright ideas, and initiatives, enhance, grow, and strengthen the rail mode today and for the future. DSB won the prize for its new training programme and job profile: S-train driver.



The new signalling system for the S-train network, which was fully implemented in September 2022, is semi-automatic. In many ways, it has transformed the role of the train driver from driving the train to monitoring the system that drives the train. This has given DSB an opportunity to rethink the training programme, which is now much shorter, while at the same time creating a broader and much more diverse basis of recruitment with fewer admission requirements.

High operational stability

The Mean Distance Between Failures was above target for largely all classes of rolling stock in the first quarter of 2024. Especially the IC3 train sets delivered a good performance in the first months of the year, whereas the EB electric locomotives were challenged in connection with software updates.

Upgrading of S-trains and IR4

The roughly 350,000 customers travelling by S-trains on a daily basis can look forward to trains being upgraded over the next few years when the interior of the trains will be redesigned with calm and long-lasting colours. Panels along the doors and in the ceiling will be painted grey, the interior side of the door panels will be red, and the seats will be fitted with new foam seat cushions and upholstery fabric in shades of grey and contrasting lines that invite sharing. DSB expects to refurbish 32 train sets this year and the remaining train sets in the period until 2028.



The electric IR4 train sets will also be upgraded with colours like the trains of the future, thus making the IR4 train sets a presentable solution until the IC5 train sets can take their place. The exterior of the train sets will be finished in red with a black-coloured band around the windows. The doors will be light grey, so that they stand out and are easy to locate. All floors and carpets will be replaced, the walls will be refurbished, and the seats will be fitted with new cushioning and new upholstery. The plan is that all IR4 electric train sets will be upgraded by the end of 2026.



Financial activities

For the first quarter of 2024, DSB posted a profit before tax of DKK 101 million, against DKK 188 million in Q1 2023.

Income

Total income was DKK 2,830 million (DKK 2,833 million), while revenue came to DKK 2,638 million (DKK 2,569 million).

Figure 2: Passenger revenue and number of journeys

Passenger revenue in DKK million and Number of journeys in million



Passenger revenue was DKK 1,380 million (DKK 1,295 million), which can be attributed to an increase in the number of journeys, coupled with a higher average fare per journey. For Long-distance & Regional Trains, the increase

was DKK 57 million, while S-trains experienced an increase of DKK 28 million.

Contract revenue from the Danish State was in line with the year-earlier period.

Other operating income, at DKK 55 million, was down by DKK 164 million compared with Q1 2023. The decline was linked to the fact that DSB received a compensation from a former supplier of approx. DKK 200 million in Q1 2023, whereas financial performance for Q1 2024 was positively impacted by the compensation received for a broken-down train set.

Expenses

Total expenses amounted to DKK 2,474 million (DKK 2,391 million).

The rise was largely due to increased expenses for spare parts and repair and maintenance of rolling stock, combined with increased expenses for repair and maintenance of DSB's properties.

Besides, DSB has realised higher staff expenses, which can primarily be ascribed to general pay rises and, to a lesser extent, to an increase in the number of employees.

On the other hand, DSB's costs to energy for train operation in the first quarter of 2024 were down from the same period of 2023, mainly due to lower energy prices.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses were DKK 233 million, against DKK 246 million in the year-earlier period.

Developments in assets and liabilities

Total assets were DKK 14,356 million at 31 March 2024, against DKK 14,094 million at 31 December 2023.

In the first quarter of 2024, DSB invested DKK 722 million (DKK 604 million) in tangible fixed assets. Investments mainly included activities relating to purchases of rolling stock of the future and the construction of new workshops.

At 31 March 2024, net interest-bearing debt stood at DKK 5,223 million, up by DKK 1,093 million from 31 December 2023. This was primarily due to the need for financing DSB's investment activities.

Solid cash resources

Cash resources in the first quarter of 2024 were in the order of DKK 8 billion. At end-March, cash resources were DKK 7,877 million.

No loans for financing purposes were taken out during the period. The cash position will be adjusted on an ongoing basis through bond issues and bank financing as the need arises.

Outlook for 2024

DSB maintains the full-year guidance, expecting the financial result before tax for 2024 to come close to breakeven. The expected performance is strongly influenced by increased train maintenance efforts.

Events after the balance sheet date

No events have occurred after 31 March 2024 which, in management's opinion, would materially affect the assessment of the Trading Update, Q1 2024.

Other matters

At the Ordinary Annual Meeting of DSB on 14 March 2024, Carsten Gerner, Thomas Bryan-Lund and Preben Steenholdt Pedersen resigned from the Board of Directors, while Carsten Hedegaard and Mikkel Channo Jessen joined the Board of Directors.

There are no other matters which, in management's opinion, would materially affect the assessment of the Trading Update, Q1 2024.

Management's statement

The Board of Directors and the Executive Board have today considered and approved the Trading Update of DSB for the period 1 January to 31 March 2024.

The Trading Update, which has not been audited or reviewed by the corporation's auditors, is presented in accordance with the provisions of the Danish Financial Statements Act and the Danish DSB Act. In our opinion, the accounting policies are appropriate, and the Trading Update therefore gives a true and fair view of the Group's assets, liabilities and financial position at 31 March 2024 and of the results of the Group's operations and cash flows for the period 1 January to 31 March 2024.

Furthermore, in our opinion, the Trading Update includes a fair review of the development and performance of the Group's business, the results for the period and the Group's overall financial position.

Taastrup, 8 May 2024

Executive Board

Flemming Jensen
CEO

Pernille Damm Nielsen
CFO

Jürgen Müller
Executive Vice President, Strategy & Rolling Stock

Per Schrøder
Executive Vice President, Operations

Jens Visholm Uglebjerg
Executive Vice President, Commercial

Board of Directors

Peter Schütze
Chair

Anne Hedensted Steffensen
Vice Chair

Henrik Amsinck

Lene Feltmann Espersen

Christina Grumstrup Sørensen

Carsten Hedegaard

Mikkel Channo Jessen

Lone Riis Stensgaard

Other corporation information

Financial calendar 2024

Expected publication of Half Year Report 2024 and Trading Update, Q3 2024:

H1 2024 22 August 2024
Q3 2024 14 November 2024

Publications

Trading Update, Q1 2024 is available at www.dsb.dk

Corporation details

Address

DSB
Telegade 2
DK-2630 Taastrup
Denmark
Tel. +45 70 13 14 15

www.dsb.dk

Company reg. (CVR) no. 25050053

Municipality of registered office

Høje-Taastrup

Ownership

DSB is an independent public corporation owned by the Danish Ministry of Transport

Auditors

EY
Authorised Limited Company of Accountants
Company reg. (CVR) no. 30700228

National Audit Office of Denmark
(Rigsrevisionen)

Banker

Nordea Danmark, a subsidiary of Nordea Bank Abp, Finland



Key financial ratio definitions

Key financial ratios and indicators have been calculated as follows:

EBITDA margin = Profit/loss before depreciation, amortisation and impairment losses x 100 / Revenue

EBIT margin = Operating profit/loss x 100 / Revenue

Return on invested capital after tax (ROIC after tax) = Operating profit/loss after tax (NOPLAT) x 100 / (average equity + average net interest-bearing debt)

Leverage = Net interest-bearing debt / Profit/loss before depreciation, amortisation and impairment losses

Solvency ratio = Equity x 100 / Total assets

