

Eimskip: Third quarter 2025 results

Highlights of Q3 2025 results

Overall, the Company's operations were below expectations in the third quarter.

- Volumes in Liner were decent during the quarter, increasing by 1.5%, but average freight rates declined compared to the same period last year.
- A significant drop in global freight rates impacted international Forwarding during the quarter, still delivering acceptable results.
- Logistics and agency services performed well, as lower revenues were offset by even lower operating costs, with strong emphasis placed on this part of the business throughout the year.

Revenue amounted to EUR 204.7 million, down EUR 14.3 million or 6.5% compared to Q3 2024. Operating expenses totaled EUR 184.3 million, a decrease of EUR 1.8 million or 1.0% year-on-year.

- Salary expenses increased by EUR 3.0 million, an 8.1% increase, mainly due to collective wage increases in Iceland and currency fluctuations.

EBITDA for the quarter was EUR 20.4 million versus EUR 32.9 million in the same period of 2024, a decline of 38.0%. EBITDA margin was 10.0% compared to 15.0% in Q3 last year. EBITDA comparison YoY is impacted by two non-recurring items, a positive EUR 2.2m in Q3 2024 and a negative EUR 2.9m in Q3 2025 related to the sale of Lagarfoss, a EUR 5.1m difference.

Net profit after tax was EUR 5.6 million for the quarter, compared to EUR 14.3 million in the same period last year.

Liquidity position remained strong at the end of the period, despite lower operating cash flow than in recent quarters.

Vilhjelm Már Thorseinsson, CEO

"The third quarter of 2025 was challenging for Eimskip, with operations falling short of expectations. EBITDA for the quarter amounted to EUR 20.4 million, a decrease of EUR 12.5 million compared to the same period last year. This decline can partly be explained by two one-off items. In the third quarter of 2024, there was a positive one-off item of EUR 2.2 million, while loss from the sale of Lagarfoss amounted to EUR 2.9 million in the third quarter of this year. This accounts for a EUR 5.1 million year-on-year difference.

Revenue decreased by 6.5% during the quarter, driven by negative developments in unit prices in Liner, a significant drop in global freight rates, lower trucking volumes in Iceland and the Faroe Islands, as well as lost revenue in port operations due to the closure of PCC Bakki. At the same time, costs decreased by 1.0% despite an 8.1% increase in salary expenses.

Unit prices in Liner have declined to levels that exceed the system's operational sustainability, leading to negative results for the period despite increased volumes. In July, Eimskip reduced its own vessel fleet by selling Lagarfoss and temporarily discontinued its dedicated coastal shipping service. The decision to reduce the vessel fleet was based on decreased volumes due to the closure of PCC Bakki, increased pressure on average Liner freight rates, rising salaries, higher port authority charges in Iceland, and increased costs for calls at foreign ports.

From 2019 to 2024, port charges for the dedicated coastal vessel increased by more than 60%, at the same time inflation grew by 38%. Double taxation in the form of environmental tax was added to the cost of coastal shipping, as the ETS charge, introduced in 2024, came on top of an existing carbon tax. These carbon-related taxes have increased by 197% since the beginning of 2023.

It was encouraging to see strong performance in the Logistics segment, particularly as a result of targeted cost-reduction initiatives and improved utilization of fixed assets in warehousing, cold storage, and trucking operations. The progress made this year will continue, and we see further opportunities to drive efficiencies within this segment.

The international Forwarding segment delivered satisfactory results with increased activity, despite a significant drop in global freight rates and fewer large projects compared to the same period last year.

Salary expenses have continued to rise, increasing by EUR 3.0 million, or 8.1% year-on-year. This increase is largely due to collective wage agreements in Iceland, with about 60% of the Company's salary expenses attributable to operations in Iceland. The Icelandic operations accounted for 83% of the total increase in salaries. Wage increases in Iceland in recent years are not sustainable in the long term and place significant pressure on the operations and reduce competitiveness.

Recent news of production reduction at Nordurál and the temporary closure of PCC will have a significant impact on volumes and the Company's results. The greatest impact will be on Liner and the Company's port operations with estimated reduction in volume equivalent to approximately 8.0% of the Liner system's total volume in the third quarter.

In recent months, a range of countermeasures have been implemented to address operational challenges. The previously mentioned reduction of the vessel fleet is the single largest initiative. Increased costs related to trucking cargo previously carried by the dedicated coastal vessel will offset some of the savings. In addition, numerous other projects have been launched, which are estimated to deliver annual savings of EUR 12–14 million. Some of these measures have already been executed and will have a positive impact on operations in the coming quarters. During the third and fourth quarters, the Company's FTEs were reduced by 46, both in Iceland and across international operations. This reduction is a combination of redundancies and reduction due to natural employee turnover.

Furthermore, additional efficiency measures have been identified, though their impact has yet to be quantified. Various revenue management initiatives are also being prepared to support future operations. We will continue to focus on strengthening the company's core operations and maintaining cost discipline, while also establishing a clear pricing policy in our liner system that reflects the cost of providing reliable services to our customers."

[Investor meeting 12 November 2025](#)

Investors and market participants are invited to a meeting on Wednesday, 12 November 2025, at 8:30 a.m. at the Company's headquarters, Sundabakki 2, second floor. Vilhelm Már Thorsteinsson, CEO and Rósa Guðmundsdóttir, CFO, will present the Company's financial results for Q3 2025. The meeting will also be webcasted live in Icelandic at www.eimskip.com/investors. An investor presentation and a recording of the meeting will be available on the Company's investor relations website.

[Further information](#)

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Forward looking statements

Statements contained in this financial press release that refer to the Company's estimated or anticipated future results or future activities are forward-looking statements which reflect the company's current analysis of existing trends, information and plans. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially depending on factors such as the availability of resources, the timing and effect of regulatory actions and other factors. Eimskip undertakes no obligation and does not intend to update these forward-looking statements to reflect events or circumstances occurring after this press release. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement.