



NORDEN Focusing on Small Vessels

After a comprehensive extension of the fleet in the mid-sized dry cargo segments – Handymax and Panamax – in recent years, NORDEN is now also venturing strongly into the smallest segment, Handysize, which designates dry cargo vessels of between 10,000 and 40,000 dwt. The main focus will be on Handysize vessels in the 28,000-35,000 dwt range.

“There are three good reasons for the move”, says Christian Ingerslev, who has been general manager of NORDEN’s Handysize segment since September 2006. “There is a large general demand for shipments in this category; over the last couple of years no net tonnage has been added to the segment; and with a fleet of Handysize vessels in NORDEN’s portfolio, we will be able to render a better service to our existing customers and build a good platform for reaching new customers”, he says.

Good Potential

“Our analyses indicated a good potential, if we entered the segment now. The large segments have “stolen” some of the cargo volume for a number of years now, but we believe that this trend has now come to an end, and that what is left will remain within the segment thanks to port restrictions, among other things. At the same time, there is a growing demand for value cargoes in smaller shipments, as recipients prefer not to tie too much money in large stocks but would rather receive smaller shipments “just-in-time”. As a result, a number of customers believe that “small is beautiful”.

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The "Forgotten Segment"

"Today, the Handysize fleet is aging, and 61% of it is more than 20 years old. No new tonnage has been added during recent years, and there is a limited newbuilding programme for the next few years. In many ways Handysize is "the forgotten segment", and right now there is a good "window" for entering the segment. This is supported by the fact that many of our customers demand shipment in this segment", says Christian Ingerslev.

The Organization in Place

Today, NORDEN operates a fleet of about 10 Handysize vessels in the spot market and in time-charter. We are now looking for opportunities to add longer-term capacity, especially in the larger Handysize vessels (28,000-35,000 dwt). Also, NORDEN's organization is now geared for this new venture: Simultaneously NORDEN's organization has been geared for this new venture: In addition to Christian Ingerslev, three appointments have been made to NORDEN's Handysize segment. The department will work in close co-operation with NORDEN's overseas offices, as success hinges on NORDEN being able to capitalize on opportunities to "bundle" shipments within the various segments and being able to provide shipping solutions in all segments.

Satisfactory Half-Year Report

The profit for first half 2006 was USD 88 million including profits from the sale of vessels of USD 39 million. During the same period of 2005, the profit was USD 167 million including profits from sale of vessels of USD 19 million.

The profit was achieved in weaker freight markets in both the dry cargo and the tanker segment, which were 39% and 7% below last year's levels, respectively. Against this background, the profit performance is considered satisfactory.

The Dry cargo profit was USD 74 million including profits from sale of vessels of USD 39 million, and the Tanker department's

profit was USD 21 million. No vessels were sold in the Tanker department during the period.

Positive Market Performance

At the end of the half-year and into third quarter, both the dry cargo and the tanker markets were strengthened by more than had been expected, as global economic growth remains at a relatively high level. For the dry cargo market, this means that demand for steel, iron and cement in China is still high, while for the tanker market it means growth in oil consumption.

Facts about Handysize

- Designation for dry cargo vessels of 10,000-40,000 dwt.
- By number of vessels the largest of the four dry cargo segments with a total of 2,700 vessels.
- Able to call on ports with shallow water and small quays and therefore very flexible.
- Typically shipments within the same continent (coastal transports) rather than between the continents (cross-oceanic).
- More diverse trade patterns than for larger vessels: Many different types of cargoes and destinations.
- More spot, less time charter, less volatility in freight rates.
- Parameters other than size are important, e.g. time, flexibility, and the value of the cargo. Many just-in-time cargoes with more frequent deliveries, smaller cargoes, and more expensive raw materials.

New Vessels Launched



After a quiet start to the year, the markets have adjusted, and NORDEN is headed for yet another good financial performance. Once more, this is the result of long-term hedging of tonnage, good customer relations, efficient operations, and a profound contribution from all NORDEN employees on land and at sea, combined with a number of new initiatives.

Throughout NORDEN's history, our model for success has been a combination of the sound *core business*, keeping a vigil eye out for *new opportunities* in the market, and a readiness for *change*. And we intend to retain this model. As those of you who participated in the NORDEN Weekend 2006, which this year had dancing as the main theme, will testify, that at NORDEN, we are always ready to learn new steps and skills (see the article on page 16). But we also know when to stick to the core, to our basic values, without losing what we have already mastered and achieved.

Therefore the NORDEN Weekend 2006 also marked the beginning of the process of discussing our core values and the goals for NORDEN's future development. Strong values and clear-cut goals must be the foundation that allows us to remain innovative and to pursue exciting opportunities.

This issue of NORDEN News presents some of the "new vessels", that NORDEN has recently launched, including our investment in the Handysize segment, the rebuilding of m.v. NORDKAP to NORDEN's first ice class dry cargo vessel and the new path we will pursue in recruitment and in co-operating with educational institutions to ensure a continued intake of new talent to assist us in developing the next steps. Enjoy reading this issue.

CARSTEN MORTENSEN

NORDEN Expands and Upgrades Forecast

During the second quarter NORDEN expanded operations in the dry cargo market to now also include the Handysize segment (see article on page 1-3). The extension of the fleet continues, and in 2006 to date the active fleet has been extended from 124 to 133 vessels. For 2006 as a whole, NORDEN expects a profit in the USD 170-190 million range including profits from the sale of vessels of USD 56 million. This is a USD 50 million upgrade relative to the guidance provided after the first quarter.

Fire on the Quay

Efficient security procedures and good seamanship averted a major disaster on 18 July when lightning suddenly struck the tank installations at the Motiva Terminal in Providence, Rhode Island in the US, while the m.t. NORDEUROPA was moored at the quay with 5,000 tons of petrol. The following is master Leif Nielsen's account of the dramatic event

THE M.T. NORDEUROPA WAS HEAVILY COVERED WITH SOOT ALL ALONG THE STARBOARD SIDE.

Lightning Without Warning

"The m.t. NORDEUROPA moored at the Motiva Terminal on 18 July at 06.45 am on her voyage from Boston to New Haven in Connecticut. We discharged 8,000 tons petrol from 4 to 10 pm, and the subsequent tank inspection and sampling of the petrol prior to our next port call in New Haven had begun, when lightning flashes suddenly began to appear on the horizon at around 10 pm. Our discharge would end at 10.50 pm and this information was passed on to the staff on the quay. Through the window of the cargo control room, our chief officer saw that the weather was quickly changing and that it was rapidly clouding over, so he went to the bridge to observe the weather.

At 10.25 pm, the wind suddenly increased dramatically, and our anemometer indicated a wind force of between 80 and 90 knots. A so-called "microburst" (a sudden storm) with a wind force of up to 100 knots (180 kilometres per hour) broke out, and without warning the terminal was struck by lightning", says Leif Nielsen, master of m.t. NORDEUROPA.





THE FIRE RAGED FOR SEVERAL HOURS AT THE MOTIVA TERMINAL IN PROVIDENCE, RHODE ISLAND.



THE GANGWAY WAS TORN APART WHEN THE M.T. NORDEUROPA PULLED AWAY FROM THE QUAY. THE FIRE FIGHTING FOAM ON THE DECK IS EVIDENCE OF THE FIRE.

Fire Alarm

“Now everything happens very fast. The chief officer leaves the bridge to go to the cargo control room. The third officer in the cargo control room receives a radio message from one of the seamen on watch to immediately stop the discharge cargo pump. The chief officer, who has now reached the cargo control room, immediately (at 10.28 pm) activates the emergency stop of the cargo pump and the vessel’s fire alarm. I hear the alarm and rush to the bridge. When I get there, I see the flames licking up the sides of the NORDEUROPA and immediately sound the alarm to the US Coast Guard. The chief officer meets the engineers in the corridor and asks them to start the main engine, and at 10.33 pm, control of the engine is passed on to us on the bridge. By then, the fire-fighting pump of NORDEUROPA has already been in action for some time, and the chief officer gives the order to start fire-fighting pump no. 2 and foam guns”, he says.

Rapidly Move away from the Quay

“By 10.39 pm, I can see that the fire-fighting equipment onboard the NORDEUROPA is not powerful enough to extinguish the fire, so I decide to immediately move the vessel away from the terminal despite the tight mooring ropes, the gangway and the discharging hose.

At 10.40 pm, we make the first attempt to leave the quay at *dead slow astern*, but without success. There is too much resistance from the mooring ropes. We therefore move the vessel forward to achieve an acceleration distance.

At the second attempt made at *half astern* at 10.42 pm, the NORDEUROPA manages to move away from the quay. The mooring ropes break and the discharging hose snap. At this time the seamen are still fighting a fire from the broken discharging hose and a small fire in a mooring rope at the front of the vessel.

At 10.45 pm, we stop the engine, and the vessel now drifts at a safe distance from the terminal which is still on fire.

At 11.02 pm, we have put out the fire in the mooring rope at the front of the vessel, and five minutes later we also manage to extinguish the fire in the discharging hose at the vessel’s manifold.

We now hold the NORDEUROPA in her position to await the boarding by the US Coast Guard inspectors. They board the vessel at 00.30 am on 19 July, and the pilot arrives at 01.00 am. Having received permission to leave for Jamestown, the vessel leaves at 01.48 am”, Leif Nielsen explains.

Super Performance

“Excellent seamanship and resolute action limited the damages from the fire. The crew put in a super performance. Onboard the NORDEUROPA were 17 crew members: 13 Philippine crewmen and four Danish officers, headed by the master, Leif Nielsen. They have all received a personal appreciation from NORDEN”, says senior vice president Lars Lundegaard, who as manager of the Technical department has the overall responsibility for the technical operation of the vessels and the emergency response system of NORDEN.

“The m.t. NORDEUROPA got off with only minor damage: sooting of the vessel and replacement of 12 hawsers, gangway, a lifebuoy, and a smoke signal. We have also had to replenish 5 tons new foam liquid, and all systems were tested before the vessel was given permission to proceed, and of course it cost a couple of voyage days. We owe a huge Thank You to the crew, because they managed to contain the damage. They acted according to all procedures and did exactly what they were supposed to under such extreme conditions and the immense time pressure. Subsequently we have worked closely with the US Coast Guard and the local authorities to fully clarify the sequence of events”, he says.

The fire raged at the port of Providence, Rhode Island, New England, for several hours, and the fire fighting continued for almost 48 hours before the fire had been completely put out.

Getting Ready for Winter

To date, NORDEN's dry cargo vessels have run only in icefree waters but now new opportunities are opening up. The m.v. NORDKAP is currently being rebuilt for winter operation in the St. Lawrence/Saguenay Rivers in Canada

For a number of years, NORDEN has had a contract with the large Canadian aluminium manufacturer Alcan for transporting bauxite from West Africa to Canada, where the bauxite is being refined to alumina for use in aluminium production. The refining process is highly energy consuming and therefore takes place in Canada where there are large quantities of natural resources, such as hydro power.

Long-Term Agreement

So far, NORDEN's ordinary dry cargo Handymax vessels have made shipments only during the summer period. During a recent meeting with Alcan, we discussed winter shipments and Alcan's need to re-

new their winter fleet and to contract for winter shipments by ice class vessels.

NORDEN raised the question of whether Alcan would find it attractive if a dry cargo vessel, the m.v. NORDKAP, were rebuilt to an ice class vessel as an alternative to new-built tonnage, as the lead time for such vessels is currently several years.

NORDEN's Technical department made a financial calculation of the rebuilding and Alcan found the result interesting.

The next step was to specify the requirements for ice class operation that the vessel would have to meet, including reinforcement of the hull, increased engine power and heat capacity in the accommodation quarters. This procedure took place in co-operation with Bureau Veritas and a proposal was drafted for a tailor-made solution so the NORDKAP would be able to navigate the specific area in Canada. The rebuilding has now been contracted – together with a long-term agreement for winter operation for Alcan.



Reshuffle Helps to Boost Qualifications

NORDEN's Dry cargo department has completed a major reshuffle at NORDEN's overseas offices. NORDEN's previous manager at the Shanghai office, Andreas Hjort Simonsen, has taken up a new assignment as senior chartering manager in the Handymax department at the Company's head office in Copenhagen. New manager of the Shanghai office will be the previous manager of the Mumbai office, Michael Bonderup. New manager of the office in India will be Jesper W.L. Pedersen who comes from a position as an assistant chartering manager at the Annapolis office. The reshuffle is part of NORDEN's strategy for ongoing development of the organization.

Development of "Best Practice"

"The reshuffle offers each of the employees involved a number of new exciting professional and personal opportunities and simul-

taneously helps to improve NORDEN as an organization", says Jacob Meldgaard, Vice President, the Dry cargo department. "Every time an employee is expatriated, transfers, changes job area, or is repatriated back to the head office, it provides new experience and new points of view. It stirs up the ways we do things. That way we achieve an ongoing development of our 'best practice', and make sure that we don't do things in a certain way just because that's what we've always done. Instead, we do it because it's the best way. Therefore both private companies and public institutions have for a number of years had a compulsory rota system to ensure knowledge sharing and building of skills and competences in the organization. This way of developing the organization will also form an integral part of the competence development in NORDEN going forward", he says.



THE NORDKAP IS PRESENTLY DOCKED IN QINGDAO BEIHEI SHIPYARD, CHINA, WHERE THE VESSEL'S HULL IS BEING REINFORCED AND THE ENGINE POWER AND HEAT CAPACITY IN THE ACCOMMODATION IS BEING INCREASED.

An Unusual Project

“It has been a huge challenge”, says Jens Christensen of NORDEN’s Technical department, who is in charge of the rebuilding project.

“Such a rebuilding has – as far as we know – never been tried before, so in addition to solving the actual assignment, we have also gained valuable experience in how to adapt NORDEN tonnage to specific customer requirements. The NORDKAP was due for her ordinary five-year overhaul in March 2007. As the NORDKAP sails under the Danish flag, a number of specific Danish requirements in respect of noise, accommodation etc. apply, which we would have upgraded to on that same occasion. This upgrade was moved forward and combined with the rebuilding to winter operation”, Jens Christensen explains.

“As reinforcement to ice class includes extensive steel work – 400 tonnes of steel altogether – we invited tenders from a number of Chinese shipyards, as these are

extremely competitive in respect of such projects. In mid-July, we named the winning shipyard. In mid-August, the NORDKAP docked, and delivery is expected in the Atlantic Ocean on 22 November at the latest”, he says.

Might Open New Doors

“This project is interesting to NORDEN for several reasons”, says Thomas Jarde, the manager of NORDEN’s Annapolis office. “We supplement the summer shipments we already provide to one of the world’s largest manufacturers of aluminium with a long-term time-charter for winter operation. It will give us experience in adapting our dry cargo tonnage. We will gain valuable experience with ice class transports in the dry cargo segment which may potentially open new doors for us, such as operations in the Baltic Sea, the Black Sea, or around Greenland”, he says.



**Jesper
W.L. Pedersen**

Background: Trainee with NORDEN 2001-2003 and assistant chartering manager at NORDEN’s Annapolis office from 2003 to summer 2006 with responsibility for US based contract and spot customers.

New assignment: Manager of NORDEN’s Mumbai office.

What can you add to the position: Consolidation of the business, contacts and partnerships. Experience with fieldwork. Lots of entrepreneurship. This is a bare necessity when you work in a country where sudden power blackouts may last for hours or even days, traffic and infrastructure is in a totally different class than what we’re used to in the US or Western Europe, temperatures vary from 25-45 degrees centigrade, and heavy monsoons can cause flooding in the streets.



**Michael
Bonderup**

Background: Has been with NORDEN since 2002, including two years as manager of NORDEN’s Mumbai office which he was in charge of establishing in 2004.

New assignment: Manager of NORDEN’s Shanghai office.

What can you add to the position: Entrepreneurship. I took part in setting up NORDEN’s Mumbai office from scratch. This pioneering spirit will be useful for me in taking NORDEN’s activities in China to the next phase, now that the office is well established and the business has been consolidated.



**Andreas
Hjort Simonsen**

Background: Trainee with NORDEN 2001-2003, assistant chartering manager in Handymax chartering 2003-2004, assistant chartering manager at NORDEN’s Shanghai office 2004, daily manager of NORDEN’s Shanghai office 2005-2006.

New assignment: Senior chartering manager responsible for Handymax Atlantic/USA
What can you add to the position: I can help develop the business and extend customer relations. In China, partnerships are formed on the basis of fieldwork, close interaction with the customers and long processes. Through my assignment there, I have also become more open to other points of view and cultures. This will be useful in my work to develop the business, customer relations and in fieldwork.

Controlling the Voyage



“Officially I don’t get involved until the voyage is completed and the cargo has been delivered, but actually I participate right from the beginning, giving advice about the wording of the charter party from my experience with the legal clauses of the contracts”

HENRIK WAHLSTRØM

Henrik Wahlstrøm has worked in shipping since 1966. He has sailed the seven seas for a period, worked in operations and chartering, and with purchase of bunkers (oil), and lately with analysis and planning. He has worked in NORDEN’s Dry cargo department since 2001. In professional terms, his job is to “control freight assignments on single or contract voyages”.

All Details are Important

“When signing a contract (the charter party) for a cargo, we also agree on the loading and discharge ports, number of loading or discharge days, and which periods in the ports are to be considered “lay-time”, as well as which *time windows* the Company has, i.e. within which dates loading and discharge should take place. The total price is calculated on the basis of the facts available. All details are important since they have an impact on the final price”, Henrik Wahlstrøm explains.

Balance Freight

As a principal rule, the charterer pays NORDEN 90-95% of the freight rate agreed before the vessel arrives at the discharge port. After the discharge, NORDEN makes a calculation of the balance freight, i.e. the remaining financial balance between NORDEN and the charterer. Factors in the equation are whether the vessel has had to wait longer than agreed in the schedule to load/discharge. If that is the case, the charterer must pay a demurrage (additional cost) to NORDEN. If the charterer is able to load or discharge quicker than agreed in the contract, NORDEN in turn pays a dispatch (bonus) to the charterer.

Port Lay-Time

“Crucial for the balance freight is also the vessel’s “lay-time” in the load and discharge ports. How much time was actually spent on loading and discharging compared to what was agreed, and how much of this time counts in the final balance? The contract defines which time periods are included in the lay-time at the ports, typically based on the normal manning of each port. Sometimes this means that the time from Friday at xx hours until

Monday yy hours does not count in the vessel’s lay-time even though actual loading and discharge can take place if the manpower is available. It is therefore important that we optimize either the lay-times in the contracts based on our knowledge about the ports – or that we adjust the vessels’ arrivals so we can avoid costly port days that we are not paid for”, says Henrik Wahlstrøm.

Major Calculation

The controlling task and the calculation of the balance freight is therefore a major calculation with many variables. The basis for the calculations is the vessel’s “statement of facts”, the vessel’s log book for the port calls. This log book contains information about the vessel’s time of arrival, when loading/discharge commenced and when it was completed, which events have caused possible delays and it also includes all other conditions that have had an impact on loading and discharge. The document (statement of facts) is signed by the captain and the agent before the vessel leaves the port, and is therefore broadly acknowledged in the subsequent communication between the shipowner and the charterer. “An exact port log book is therefore absolutely essential for me to do a good job”, says Henrik Wahlstrøm.

Quality Assurance

“Our experience from the lay-time calculation of the individual voyages is collected and used actively in new charter parties in the chartering departments and in operations”, Henrik explains. “Are there any conditions pertaining to the calculation of lay-time to be incorporated in the contracts for certain ports? Are there certain ports where the documents from the ports and the vessel’s statement of facts should reach NORDEN more expeditiously in order to ensure smooth handling in relation to customers? And should the document with statements of facts from the individual vessels describe certain events in greater detail in order to more clearly solve the issue of payment? This feed-back contributes to an ongoing quality improvement in our controlling services”, says Henrik Wahlstrøm.



NORDEN MAKES SURE TO STAY IN TOUCH WITH THE 50 STUDENTS WHO ATTENDED THE WORKSHOP. FOR EXAMPLE, THEY WERE INVITED TO JOIN THE NAMING CEREMONY OF THE M.V. NORD MARINER IN JIANGYIN, CHINA.



ECHO ZHANG AT NORDEN'S SHANGHAI OFFICE.

Extended Co-Operation with Chinese Talent

Last year, NORDEN established a programme in co-operation with Shanghai Maritime University (SMU), one of China's leading institutions within maritime education. The programme was opened with the foundation of two new scholarships under which NORDEN will make grants available each year to five students and two professors, who have made an outstanding contribution at the SMU.

"The first scholarships were presented by Her Highness Princess Alexandra in Beijing on 30 November 2005 with a lot of pomp and circumstance. Since then the co-operation between NORDEN and SMU has developed considerably – much more, in fact, than NORDEN had initially imagined", says Peter Borup, the manager of NORDEN's Singapore office.

Workshop With Students

In March 2006, NORDEN's management held a workshop in Shanghai with 50 students from the SMU who had been chosen because they had produced the best essays about the future of Chinese shipping and about their own wishes for their future careers. The essays were discussed in workshops and held up against NORDEN's business model and operation. One of the conclusions was that the students no longer focus on the salary alone, but now

make a large – and increasing – point of becoming involved in the decision making, in gaining independent responsibility, and in personal and professional development; for example, through travels and assignments abroad.

"We appreciate this input because it confirms that NORDEN, with the organisation we have chosen at our overseas offices, including the office in China, will have good opportunities for attracting the Chinese talents in the future", says Peter Borup.

Trainee Programme

As a result of the programme, NORDEN has set up a trainee programme, where students from the SMU come to work at NORDEN's head office in Copenhagen for periods of 12 months. The first student – Echo Zhang – leaves for Copenhagen at the end of this year. Since March, she has worked as a trainee at NORDEN's office in Shanghai, where she assists in preparing shipping contracts. From the end of this year, NORDEN will employ another two students from the SMU at the Shanghai office.

From Another Viewpoint

It has also been agreed that two professors from the SMU will soon attend a

three-month development programme at NORDEN's head office in Copenhagen. They will be introduced to the operation of NORDEN's Dry cargo and Tanker departments and to market conditions and NORDEN's strategy.

"We really have a lot of expectations for this visit, because subsequently we will enter into a close dialogue with them about their impressions. What do they see as NORDEN's specific strengths, and where do we have development issues? We will also gain valuable input about the differences between Western and Chinese shipping, which we will be able to use in our strategy work and in the daily work at the Shanghai office", says Peter Borup, who has been assigned as an adjunct professor at the SMU. Two to four times per year he will give workshops about shipping strategy to the students.

"This will give us valuable input about Chinese shipping of today and tomorrow and simultaneously lead to a close dialogue with the students who will exert a great influence on Chinese shipping in the long term. That way we will get in touch with potential talents, and those are two of the main goals of the programme", Peter adds.

Initially, the SMU programme runs over five years.



Novel Ways in

By means of small cell phone shots, insistent pamphlets, an extensive campaign website, and a mobile exhibition, Danish shipowners and the maritime industry will soon join forces in launching a major campaign directed at young students at all Danish vocational training centres explaining about The Blue Denmark and the many exciting career opportunities on land and at sea. NORDEN is active in several ways.

National Caravan

The aim of the campaign is to ensure more employees in the future. Due to the diminishing generations of young people, the fight for the bright minds will be fierce. The campaign therefore makes use of a number of novel means. Under the motto “World Careers in The Blue Denmark”, the Danish Shipowners’ Association together with a number of shipowners, the shipyard industry, maritime authorities and educational institutions, offshore companies, and shipping-related industries will have a joint stand at the annual Educational Caravan. From mid September to end February 2007 the Educational Caravan will visit some 150 high schools, business colleges, and technical schools around Denmark.

At the Caravan, a prominent exhibition, insistent pamphlets, and five small cell phone shots about young people who are employed in various parts of The Blue Denmark will strike a blow for careers in Vessel, Shipping, Maritime Service, Maritime Industry, and Offshore.

At each stop, the stand will be manned by two young employees or students from the various parts of The Blue Denmark on land or at sea. The students can ask these two representatives questions and learn about their experiences. Representing



NORDEN will be Simon Olesen and Lars Søstrup from the Ship’s Officer programme, and Christian Hornum and Christian Fossing Hansen, who are both shipping trainees. Each representative will participate for one week during the autumn.

Attracting a Lot of Attention

“The stand of The Blue Denmark is very flashy and interactive”, says Simon Olesen, who will become a junior officer next summer and who will take his turn at the Educational Caravan in the beginning of October, when the Caravan visits central Zealand.

“The pamphlets describing the various career opportunities are full of valuable information. The five small shots about young people, who are already employed in the maritime trade, and the portraits of them and their busy and exciting work are a real hit. They give a good understanding of what to expect. I look forward

With NORDEN to Shanghai

Five small cell phone shots portray the daily working lives of young people who are employed in various parts of The Blue Denmark. Meet: Martin, who trained as an engineer and works as a superintendent engineer; Gorm, who is a shipbroker and who will soon be off to open the company's office in Beijing; and Martin, who is a ship's officer on the world's largest container vessel and an engineer in the offshore industry.

The fifth shot portrays Gry Rostrup from NORDEN, who recently commenced her new assignment as an assistant chartering manager in Shanghai after completing a two-year trainee programme. The shot portrays her final week before leaving Copenhagen and her first week in Shanghai, and is a collage of her own video shots from her cell phone: The work in Amaliegade, preparing the move, inoculations, farewell-party, take off from Copenhagen, arrival in Shanghai, and her first impressions from her new life in China.

The shots can be viewed at the extensive campaign website of The Blue Denmark, www.worldcareers.dk, and people can download the shots to their cell phones.



Recruitment



to talking about my own experiences, even though we will of course be focusing on the general opportunities rather than seeking to recruit staff directly to our own companies. I may not be able to fully avoid talking about NORDEN”, he smiles.

The effect of the campaign may be measurable already next summer, based on the number of young people seeking a career opportunity in one of The Blue Denmark's sectors.

Facts About Danish Shipping

As one of the world's leading shipping nations, Denmark is a market leader in container operation, product tankers, refrigerator ships and offshore, as well as all other segments of international shipping. Danish shipowners form the core of The Blue Denmark, which altogether employ nearly 100,000 employees in Denmark and abroad.

- Danish vessels sail all over the world and make about 50,000 port calls per year.
- Denmark ships about 10% of the world trade, corresponding to almost 1 billion tons of cargo per year.
- Shipping is Denmark's most globalised trade.
- Danish shipowners earn DKK 140 billion per year, corresponding to almost 10% of the country's gross domestic product.
- The Danish merchant fleet is the youngest in the world (about seven years).
- Danish shipowners have placed orders for new vessels at a value of DKK 75 billion.



PETER BORUP, LAURENTIU PARASCHIV, NIELS JØRGEN IVERSEN, MORTAN GAASEDAL, CARSTEN MORTENSEN AND JOE ZHAO AT THE NAMING CEREMONY OF THE M.V. NORD MARINER AT THE CHENGXI SHIPYARD IN CHINA ON 28 AUGUST 2006.

Fleet Status

At the beginning of September 2006 NORDEN's fleet consisted of the following vessels:

	Dry Cargo	Tanker	Total
Active fleet			
- Own fleet	8	5	13
- Charter parties with purchase option	24	3	27
- Other charter parties	82	11	93
Total number of vessels	114	19	133
For delivery			
- To own fleet	3	4	7
- Charter parties with purchase options	28	10	38
Other charter parties	4	1	5
Total number for delivery	35	15	50

Status:

Changes in NORDEN's Fleet

DRY CARGO

On July 18 2006 NORDEN declared a purchase option for the m.v. NORD WHALE (built 2004; 50,354 dwt of 11.9 m; 189.8 m LOA; 32.26 m beam). Delivery expected in October 2006.

On 28 August 2006 NORDEN took over m.v. NORD MARINER, which was named at Chengxi Shipyard in Jiangyin, China. The NORD MARINER (53,500 dwt of 12.54 m; 190.0 m LOA; 32.26 m beam) is equipped with cranes and grabs and is NORDEN's first double-hull bulk vessel.

On 30 August 2006, NORDEN declared a purchase option for the m.v. NORD OCEAN (built 2003; 52,441 dwt of 12 m; 189.9 m LOA; 32.26 m beam). Delivery expected in December 2006.

The m.v. NORD GLIMT (built 2000; 50,236 dwt of 11.9 m; 189.8 m LOA; 32.26 m beam) has been sold. Delivery to the new owners expected in November 2006.

TANKER

On 25 September 2006 NORDEN took over the m.t. NORD THUMBELINA, which was named at the GSI Shipyard International in Guangzhou, China. The NORD THUMBELINA (38,500 dwt of 11.617 m; 182.86 m LOA; 27.43 m beam), is a sister vessel to the m.t. NORD PRINCESS.

Employee News

ON LAND

New Employees

May

1 May 2006: *Pooja Dhawal Jhamb*, employed as an assistant manager at NORDEN's Mumbai office.

15 May 2006: *Lewis Lew*, employed as an operations manager at NORDEN's Singapore office.

15 May 2006: *Nancy Worthington*, employed as an administrative assistant at NORDEN's Annapolis office.

June

15 June 2006: *Muk Mukhlisin*, employed as a chartering manager at the Panamax desk in the Dry cargo department at NORDEN's Singapore office.

July

1 July 2006: *Casper Sylvester Andersen*, 30, employed as an assistant superintendent in Technical department.

1 July 2006: *Jullian Yao*, employed as a secretary at NORDEN's Shanghai office.

1 July 2006: *Anne-Grethe Ringhus Hansen*, 58, employed as a temp for *Susanne Fauerskov* in Crew Accounting who is on maternity leave.

15 July 2006: *Malene Ørgaard Ege*, 30, employed as an HR assistant in Human Resources.

August

1 August 2006: *Peter Sand*, 32, employed as an executive assistant to Management.

1 August 2006: *Joachim Holt Reimers*, 19, employed as a piccolo in Internal Service.

1 August 2006: *Søren Rysgaard*, 39, employed as a senior chartering manager in the Dry cargo department at NORDEN's Singapore office.

1 August 2006: *Christian Munk Jensen*, 22, employed as a trainee. Christian will spend his first year in Operations in the Tankers department/Norient Product Pool A/S.

1 August 2006: *Jesper Rosenlund Nielsen*, 22, employed as a trainee. Jesper will spend his first year in the Dry cargo department, dividing his time between Projects and Chartering.

1 August 2006: *Oliver Ritz Plambech*, 23, employed as a trainee. Oliver will spend his first

year in Chartering Handymax in the Dry cargo department.

1 August 2006: *Søren Tolbøll Nielsen*, 22, employed as a trainee. Søren will spend the first year in Operations Panamax in the Dry cargo department.

1 August 2006: *Christopher Hollyoak Frederiksen*, 20, employed as a trainee. Christopher will spend his first year in Controlling in the Dry cargo department.

1 August: *Peter Koch Hansen*, 23, employed as a trainee. Peter will spend his first year in Operations Handymax in the Dry cargo department.

7 August 2006: *Helge Petersen*, 22, employed as an IT Trainee in the IT department.

September

1 September 2006: *Christian Ingerslev*, 37, employed as general manager at NORDEN's new Handysize desk in the Dry cargo department. Christian previously served as general manager of Italian shipping company d'Amico's Singapore office.

1 September 2006: *Henrik Gordon Nielsen*, 31, employed as an operations manager in Operations Handymax in the Dry cargo department.

1 September 2006: *Charlotte Elkjær*, 36, employed as a chartering assistant in Handymax Chartering in the Dry cargo department.

1 September 2006: *Lis Nielsen*, 55, employed as a financial assistant in Finance.

1 September 2006: *Thomas Hedegaard Andersen*, 32, employed as a superintendent in Technical department.

Job Changes and Appointments

June

1 June 2006: *Lise K. Larsen*, assistant operations manager, appointed operations manager in Handymax in the Dry cargo department.

1 June 2006: *Erik Brink Terkildsen*, assistant operations manager, appointed operations manager in Handymax in the Dry cargo department.

July

31 July 2006: *Gry Rostrup*, transferred from trainee to a position as an assistant chartering manager in the Dry cargo department at

NORDEN's Shanghai office, effective 1 September 2006.

31 July 2006: *Jacob Koch Nielsen*, transferred from trainee to a position as an assistant operations manager in the Dry cargo department.

31 July 2006: *Jakob Borgård Jørgensen*, transferred from trainee to a position as assistant chartering manager in the Dry cargo department at NORDEN's Annapolis office.

August

1 August 2006: *Kent G. Pischitta*, general manager, Panamax, in the Dry cargo department, to a position as general manager of Projects in the Dry cargo department.

1 August 2006: *Alex Christiansen*, transferred from a position as chartering manager at NORDEN's Singapore office to a new position as general manager of Panamax chartering in the Dry cargo department.

1 August 2006: *Dorte Nielsen*, transferred from a position as senior operations manager in Operations Panamax to a similar position at NORDEN's Singapore office.

1 August 2006: *Andreas Hjort Simonsen*, transferred from the position as manager of NORDEN's Shanghai office to a new position as senior chartering manager, Handymax, in the Dry cargo department.

September

1 September 2006: *Jesper W.L. Pedersen*, transferred from a position as an assistant chartering manager at NORDEN's Annapolis office to a new position as general manager at NORDEN's Mumbai office.

October

1 October 2006: *Michael Bonderup*, transferred from the position as general manager at NORDEN's Mumbai office to a new position as general manager at NORDEN's Shanghai office.

1 October 2006: *Mikkel Fruergaard*, chartering manager, appointed senior chartering manager, Panamax in the Dry cargo department

1 October 2006: *Adam Nielsen*, assistant chartering manager, appointed chartering manager at NORDEN's Shanghai office.



19 October 2006:

Naming ceremony of Hull No. 1240, (Panamax 75,500 dwt), Sanoyas Shipyard, Japan

20 October 2006

Naming ceremony of Hull No. S-810 (Handysize 32,000 dwt), Hakodate Shipyard, Japan

14 November 2006

Naming ceremony (Panamax 75,300 dwt), Universal Shipyard, Japan

29 November 2006:

NORDEN's Interim report for the third quarter of 2006

16 December 2006

Naming ceremony of Hull No. SC-097 (Handymax 58,000 dwt), Tsuneichi Cebu, Indonesia

Anniversaries

July

3 July 2006: *Hanne Lausten*, financial assistant in Finance, turned 50 years.

6 July 2006: *Erling Engmark*, fleet manager in Technical department, turned 50 years.

August

1 August 2006: *Finn Sørensen*, senior operations manager in the Dry cargo department, celebrated his 25th anniversary with NORDEN.

16 August 2006: *Henning Frølich Jørgensen*, senior operations manager in the Dry cargo department, was celebrated at a reception and retired after 8½ years' service with NORDEN.

September

11 September 2006: *Ole Clausen*, senior claims manager in the Dry cargo department, turned 50 years.

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New Employees

June

15 June 2006: *Henning Bendtsen*, 58, employed as master onboard m.v. NORD ASIA.

19 June 2006: *Søren Kromann*, 47, employed as chief officer onboard m.t. NORD MERMAID.

30 June 2006: *Preben Mack*, 59, employed as second engineer onboard m.t. NORD MERMAID.

July

4 July 2006: *John Greve Olsen*, 59, employed as second engineer onboard m.t. NORD PRINCESS.

5 July 2006: *Runi Johannesen*, 47, employed as master onboard m.v. NORD POL.

5 July 2006: *Palle Sand*, 48, employed as chief officer onboard m.t. NORD ASIA.

24 July 2006: *Tomislav Rodin*, 51, employed as chief officer onboard m.t. NORD ATLANTIC.

August

1 August 2006: *Terje Dam*, 37, employed as chief officer onboard m.t. NORD PRINCESS.

1 August 2006: *Henrik Bruun*, 47, employed as

chief officer onboard m.t. NORD STEALTH.

6 August 2006: *Frank Møller*, 34, employed as second engineer onboard m.t. NORD PRINCESS.

6 August 2006: *Søren Madsen*, 55, employed as second engineer onboard m.t. NORD ATLANTIC.

6 August 2006: *Eivin Gledishegg*, 44, employed as second engineer onboard m.t. NORD EUROPA.

23 August 2006: *Lars Michael Hansen*, 36, employed as chief officer onboard m.t. NORD MERMAID.

Job Changes and Appointments

July

11 July 2006: *Lars Biilmann*, transferred from a position as chief officer to a new position as master onboard m.t. NORD MERMAID.

September

1 September 2006: *Kaj Vistisen*, transferred from a position as chief officer to a new position as master onboard m.v. NORD KRAFT.

October

1 October 2006: *Nikolaj Damgaard Lambertsen*, transferred from a position as an assistant operations manager in Norient Product Pool to a new position as an operations manager in Norient Product Pool, Singapore. Nikolaj will be assigned the task of establishing an operations desk in Singapore, which in the autumn of 2007 will be taken over by a fully-trained trainee from Copenhagen.

Anniversaries

August

6 August 2006: *Jørgen Rytter Sørensen*, chief engineer onboard NORD STEALTH, turned 60 years. Jørgen joined NORDEN on 28 February 2000.

September

18 September 2006: *John Greve Olsen*, second engineer onboard NORD PRINCESS, turned 60 years. John first started working with NORDEN on 13 December 1989.

NORIENT Product Pool Challenged Their Customers



Rather unusual challenges were the order of the day when NORIENT Product Pool had invited customers and business partners to the second annual “Pool Party” on 20 September. A total of 125 people took part in the event which – again this year – offered *adventure competitions*. After a joint lunch all participants were offered to ride a mechanical rodeo bull, play a classical roulette game or take part in a computerized shooting competition. For those interested, the event also offered the opportunity to walk barefooted on broken glass or chop wood with their bare hands.

A magic show was performed before dinner, followed by face-to-face magic for the individual guests as they enjoyed a pre-dinner cocktail. The evening at Pakhus 11 on the Copenhagen waterfront closed with an entertainment show from the Danish comedy band “Papkasseshowet” (“*The cardboard box show*”). Afterwards, those who were still up to it continued into the Copenhagen nightlife.

For the golfers, NORIENT Product Pool also offered an 18-hole golf match at Hørsholm Golf Club on the following day. Twenty guests participated in this event.



Mastering the New Steps

In more than one sense, NORDEN had invited the employees out dancing at the annual NORDEN Weekend held at Ystad's Salt-sjöbad on the southern coast of Sweden. The program included European standard dance, American square dance, Irish river dance, the Brazilian martial art Capoeira, city hip-hop, Chinese Tai Chi, and Latin American salsa. Instruction, guidance, and evaluation was carried out by professionals.

Before letting the people take to the dance floor, president & CEO Carsten Mortensen opened the event making a status on the year and inviting the employees for a comprehensive *pas-de-deux* about NORDEN's future Vision, Mission, and Values.

"The substantial growth in NORDEN, the many new services we offer to our customers and the increasing competition in our markets necessitate a strong corporate culture, strong values, clear goals and a strong vision as the focal points for continued growth in the future. We all need to know the direction of our next steps – and be able to live them – just as in dancing", Carsten Mortensen explained.

Therefore NORDEN now initiates an in-depth process in the organisation focusing on our new VMVs: Vision, Mission, Values. Thirty NORDEN managers from all parts of the organisation have worked out a new foundation which will soon be rolled out in all departments, at every NORDEN office and possibly on each vessel. The process may include changes in the daily work, in the decision-making process, in the communication, and in our future strategy work. The goal is to encourage a corporate culture where mutual demands come natural", he emphasized.

New this year was the participation in the NORDEN Weekend of staff from both NORDEN's vessels and offices abroad. More than 20 persons from overseas locations attended the event. The entire programme was held in English, and therefore the winning contribution from last year, "CNN Live" with Jens Fehrn-Christensen chairing as the talk show host Larry King's brother, "Jens King" could be watched – or re-watched – this year with English subtitles. The dancing, however, was performed in body language.

OUR EMPLOYEES' PARTNERS WERE THE JUDGES IN THE DANCING CONTEST. IN ORDER TO BE ABLE TO JUDGE FAIRLY, THEY HAD TO LEARN THE DIFFICULT STEP FIRST THEMSELVES.



NORDEN 

Dampskibsselskabet "NORDEN" A/S
49, Amaliegade
DK 1256 Copenhagen K
Denmark

Telephone: +45 33 15 04 51
Fax: +45 33 15 61 99
www.ds-norden.com

Management
Telephone: +45 3315 0451
Fax: +45 3315 0956
direktion@ds-norden.com

admin@ds-norden.com
it@ds-norden.com
account@ds-norden.com

Dry Cargo Department
Telephone: +45 3315 0451
Fax: +45 3342 0530
drycargo@ds-norden.com

Tanker Department
Telephone: +45 3315 0451
Fax: +45 3393 1599
tankers@ds-norden.com

Technical Department
Telephone: +45 3315 0451
Fax: +45 3393 3733
technical@ds-norden.com

Norient Product Pool A/S
Telephone: +45 3271 2300
Fax: +45 3271 2349
all@norientpool.com