



NEW INTERNATIONAL PROGRAMME

NORDEN has just received the first brood of 10 of a new generation of shipping trainees. The class is the first on NORDEN's newly established independent shipping trainee programme.

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NORDEN calendar

28 September 2010

Naming of 54,000 dwt Handymax dry cargo vessel Chengxi, China

30 September 2010

NORDEN participation in Dansk Aktiemesse 2010 Copenhagen

8 October 2010

Naming of 37,300 dwt Handysize dry cargo vessel Imabari, Japan

21 October 2010

Naming of 55,500 dwt Handysize dry cargo vessel Imabari, Japan

26 October 2010

Naming of 37,000 dwt Handysize dry cargo vessel Hyundai Mipo, South Korea

26 – 28 October 2010

Officers' seminar
Internal venue - Comwell Holte

26 October 2010 – 16 November 2010

Silent period until publication of the interim report for Q3 2010

5 November 2010

NORDEN Invitational 2010
Golf tournament and reception dinner
Matsuyama and Imabari, Japan

8 November 2010

Naming of 31,800 dwt Handysize dry cargo vessel JNS, China

13 November 2010

Naming of 28,000 dwt Handysize dry cargo vessel Imabari, Japan

16 November 2010

Interim report – Q3

14 December 2010

Naming of 82,000 dwt Handysize dry cargo vessel Guangzhou, China

6 October 2010

Goldman Sachs Shipping and Freight Symposium 2010, London

6 October 2010

Handelsbanken's 5th Transport Seminar, Copenhagen

2 December 2010

Danske Markets Equities, Small & Mid Cap Seminar, Copenhagen

Cover photo

Shipping trainees Muhammad Khairiel and Bing Zong Aw from Singapore can look forward to a 2 year programme at NORDEN.

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BUSINESS AND CLIMATE EFFORT GO HAND IN HAND

Recently the Danish Shipowners' Association had an audience with Connie Hedegaard, the European Commissioner for Climate Action, in Strasbourg. She made it very clear that if IMO (International Maritime Organisation of the UN) cannot agree on shared, global objectives for the CO₂ emissions of the shipping industry before the end of 2011, then the European Commission will take action to regulate the industry in its member countries.

And I fully agree. At least to the extent that we, as part of an international industry, representing approx. 3% of total global greenhouse gas emissions (and accounting for 90% of all transport of commodity trade), must assume responsibility, and that we need regulation to push the development forward in the right direction. However, I do not agree that national or regional regulation is the solution. If the climate effort is limited to EU countries, the regulation only involves a minor part of the total global sector, and we risk that the fleet is gradually reflagged to countries not governed by the agreement. In conclusion: non-regulated countries will be winners and regulated countries and the environment will be losers.

My point is not that we should not just sit back and do nothing, until a global solution is found.

In NORDEN, we put a lot of effort (read: time and money) into reducing our fuel consumption and CO₂ emission, wherever possible. In addition to our 14-point plan, there are many new initiatives by dedicated NORDEN employees finding new ways to reduce the environmental impact of our ships. The latest initiatives include a new ship propeller and main engine design, potentially reducing fuel consumption by 11% on a specific vessel type, and the use of new turbo charger technology reducing fuel consumption by 3%. Both these examples require investment, which will, however, pay off within 4 years. After this period, savings on fuel and the higher value of the more environmentally friendly vessels are money in the pocket.

Last year our 14-point plan resulted in a reduction of CO₂ emissions from our own vessels of approx. 3.3%. This year, our target is a further 3.5% reduction, which we expect to exceed. The target for the entire industry set by the Danish Shipowners' Association is to reduce the relative CO₂ emission by approx. 20% in 2020 compared to 2007 levels.

Hopefully the economic crisis is coming to an end and the shipping industry will be back on an even keel. We need to invest our profit wisely and focus on long-term profitable solutions where earnings and climate considerations go hand in hand.

Reduction of fuel consumption and CO₂ emission is good business. Let us not forget that and continue to work for a global solution.

CARSTEN MORTENSEN, CEO

ICE VENTURE WITH GLENCORE

NORDEN has entered into a new joint venture with Glencore with a focus on transport of coal from Russia on an ice classed vessel.

The extraordinary hard winter this year meant that several coal exporting companies had a difficult time exporting their cargoes from ports in the Baltic Sea, because conventional vessels were not suitably fitted for sailing in sea ice. NORDEN's partner for many years, Glencore, who is one of the world's largest commodity producers and traders, has now taken the step to secure future transport from Russia to Europe even in the coldest of winter months. As part of this work, NORDEN and Glencore have now entered into a new 5-year joint venture, where the parties share the costs for preparing the Panamax vessel NORD NEPTUNE for sailing in ice and the gains from future chartering of the vessel.

"We built Glencore's reputation on performance and dependability and are delighted to join forces with NORDEN, who fully shares and delivers these values. Together, we have been able to secure year-round reliable coal transportation, with full operational capability throughout the winter. We see this joint venture as the next logical step in the ongoing mutual co-operation between our two companies, and we are proud of our association together," says Angus Paul, Head of Freight, Coal Division, Glencore International AG, Baar, Switzerland.

Delivery in October

NORD NEPTUNE was previously chartered by NORDEN on a long-term basis and in connection with the rebuilding plans, NORDEN declared a purchase option on the vessel in July with handing-over in September. Rebuilding a vessel for ice class takes approximately 6-8 weeks and encompasses, among other things, reinforcement of the hull, increased engine power, and on top of this, the crew needs to be trained in sailing in icy waters.

Besides sharing the costs of rebuilding, the parties will also be sharing gains and risks on chartering of the vessel during the 5 years



The Panamax vessel NORDKAP was the first NORDEN dry cargo vessel to be rebuilt for sailing in ice in 2006.

of the contract. This means that the vessel will not necessarily be transporting Glencore cargo, it might be transporting cargoes from third party companies depending on what is the most profitable business to the joint venture.

Closer cooperation

The joint venture is one of the most recent examples of how NORDEN strengthens relationships with selected customers, where the Company and the customer share vessels and cargoes for a short or longer period of time.

NORDEN will typically be in charge of operating the vessels and cargoes, while commercial decisions are made jointly by consensus within the joint venture. Profit sharing arrangements like these have lately become more relevant as more raw material and mining companies have started to charter or invest in their own tonnage.

NORDEN's dry cargo fleet now has a total of 3 ice classed vessels. Beside NORD NEPTUNE, the 2 Panamax vessel NORDPOL and NORDKAP are also equipped for sailing in ice. An addition of 3 ice classed Handysizes are on order at a South Korean shipyard.

New turbocharger is expected to reduce fuel consumption by approximately 3%

In connection with the rebuilding for ice class, NORD NEPTUNE will benefit from the newest technology within turbochargers as the first of NORDEN's vessels. The turbocharger in a ship engine is usually optimised to a performance of 85%. If less performance is required, for example in connection with slow sailing, less cargo or as in this case ice-free waters, a normal turbocharger will not generate enough pressure and thus result in poor utilisation of energy. The new turbo-

charger is equipped with a variable nozzle ring, which means that the turbocharger's air pressure can be adjusted to the strain of the vessel. With this new turbocharger, the utilisation of energy will remain the same regardless of whether the vessel is performing 85% or 65-70%. Savings in fuel consumption are expected to be approximately 3%. The initiative is part of NORDEN's ongoing efforts to reduce fuel consumption and develop still more environmentally friendly solutions.



TANKER DEPARTMENT IS PREPARING FOR GROWTH

With 14 owned vessels and a total of 34 active vessels, NORDEN has more tanker vessels today than ever before, and the Tanker Department is still ready to go shopping to prepare itself for future demand.

The Tanker Department is the little brother at NORDEN compared to the big brother, Dry Cargo, but now, little brother has really reached the growing age. While the tanker market is low, NORDEN is taking advantage of the low vessel prices to expand the product tanker fleet. Since the turn of the year and until now alone, NORDEN's active tanker fleet has increased from 27 to 34 vessels.

Low costs in a low market

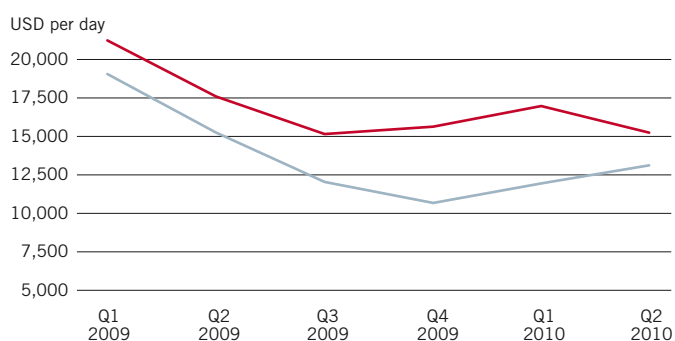
"The tanker market is a cyclical market, and we cannot level out the large fluctuations, but we can make use of them to our advantage. In the short term, our strategy is to keep our costs as low as possible. As part of a more long-term growth strategy, we also concen-

trate on chasing further tonnage at the right prices in expectation that the market will turn and that freight rates and vessel prices will increase," says Senior Vice President Lars Bagge Christensen, Head of NORDEN's Tanker Department.

As one of the most recent examples of the efforts to keep a low cost level, 4 chartered vessels have been renegotiated and extended at around half the previous price (charter hire) At the same time, the Tanker Department has made some good investments. The 5 tanker vessels acquired this year have already increased in value by a total of approximately USD 30-35 million – corresponding to approximately 25%.

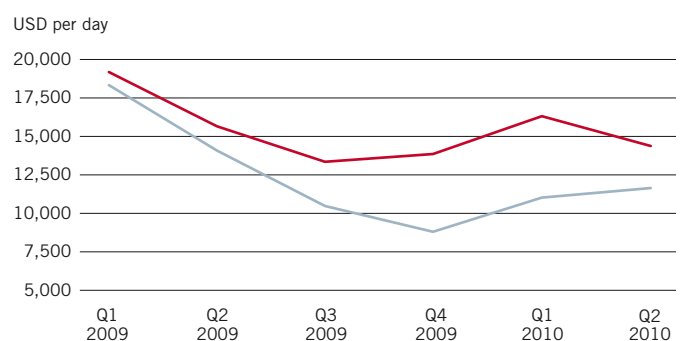
MR T/C-rates

■ NORDEN ■ ACM, 1 year T/C-rate



Handysize T/C-rates

■ NORDEN ■ ACM, 1 year T/C-rate





The MR tanker NORD INTEGRITY is one of the latest additions to NORDEN's tanker fleet – the vessel is long-term chartered with purchase option. In the middle, a shinto priest is calling down the gods to come onboard the vessel and chase away evil spirits. To the right, God-mother Tina M. Christensen cuts the string to the champagne bottle at the naming ceremony at Imabari shipyard in Japan.

"There is a lot of talk about how difficult it is to make money on tanker shipping at the moment, but the charterers at our commercial manager in the 50%-owned Norient Product Pool know their craft. They have proven that it is possible to make money in the current market by focusing on short contracts, and they have generally been successful in employing vessels at rates above the average," says Lars Bagge Christensen. Thanks to the fine craftsmanship and reasonable long-term coverage, NORDEN's MR and Handysize vessels have steadily made earnings above the 1-year rates during the latest 6 months (see graphs). And in the second quarter, the Tanker Department achieved a small operating profit even though the market was still poor.

Expectations for increased demands for transport

"Tankers and Dry Cargo are NORDEN's swings and roundabouts – or a way to spread risk to define it in more formal terms. So far, the tendency has been that when one market is high the other market is low. Right now, the tanker market is low, and NORDEN's growth is driven by Dry Cargo, but over the last 10 years, the Tanker Department has contributed with a total of around USD 0.5 billion to NORDEN's bottom line. Looking ahead, we see several signs of a rising tanker market," says Lars Bagge Christensen, who has recently increased manning in his department with Senior Chartering Manager Andrew McPhail, who will contribute to the Tanker Department's continued expansion of the fleet by chartering tonnage as well as acquisition and sale of LR1, MR and Handysize product tankers.

Lars Bagge Christensen points out that the development in the oil market is expected to create an increased demand for transport of refined oil to the West.

"Growth in oil consumption has shifted 100% to Asia, whereas oil consumption in the West hardly moves. On the other hand, the trend is moving towards stricter requirements for a reduced content of environmentally damaging substances. These requirements are best met by the new and more efficient refineries in the East, and there-

fore, Europe and the USA will increasingly import high-specification oil products from the East, whereas Western refineries will presumably export their products to other regions with lower requirements," says Lars Bagge Christensen.

Stricter requirements from oil companies

A natural result of the stricter environmental requirements is correspondingly stricter requirements from the oil companies to ship owners and operators, and factors like size, technical conditions, quality, safety, maintenance and education will become even more important competitive parameters.

"I think that we will see an elimination race where the winners are shipping companies with a certain critical mass and high standards. The oil companies place increasingly high demands on shipping companies and the vessels which they choose to transport their products, and the oil companies will primarily choose to contract with shipping companies of a certain size because the technical cooperation and the requirement for competent crew are so comprehensive. Besides focusing on building up a fleet of a certain size, NORDEN's Technical Department is continuously working on improving vetting efforts in order to meet the strict requirements from the oil companies," says Lars Bagge Christensen.

In spring, Shell carried out an audit of vessels and procedures at NORDEN and the pool partner Interorient Navigation Company Ltd. and subsequently entered into 2-year contracts on 5 of the vessels in Norient Product Pool. These contracts are, among other things, a result of the improved vetting efforts, and they are the first long-term contracts between the pool and Shell, which have previously only worked together in the spot market. The contract with Shell is an example of how Norient Product Pool continuously strengthens its cooperation with the large oil companies. The pool and the pool partners have all been approved for time charters by the large oil companies.

Norient Product Pool

NORDEN's tanker vessels are commercially managed by Norient Product Pool, which in popular terms works as a sales and marketing department for the two pool partners, NORDEN and the Cypriot shipping company Interorient Navigation Company Ltd. The pool was established in 2005 and is 50/50 owned by the pool partners, who each concentrates on acquisition, sale and contracting of vessels to the pool, while Norient Product Pool focuses on employing the vessels. The pool cooperation means a larger total fleet and a strengthened ability to meet the customers' global needs by securing wide geographical coverage and flexible service.

Grain will have to find new ways. With a harvest expected to be 38% lower than usual in the world's third largest grain exporter, Russia, all Russian inflow of grain to the world markets has been stopped so far. Importers of grain thus have to start looking for other suppliers.

POOR GRAIN HARVEST MAY CHANGE SHIPPING PATTERNS

The worst drought in 130 years has destroyed the harvest for the world's third largest exporter, Russia, whereas the harvest in North America is expected to be good. How the situation will affect the transport of grain is yet to be seen.

If it is not monsoon-like rain destroying the harvest then it is scorching heat and severe drought. Especially summer has not been a pleasure for Russian farmers, who have had to wait for 4 months for just a tiny drop of rain in southern Russia.

Embargos shift the supply balance

Russia is the world's third largest exporter and exported 21.4 million tonnes of grain last year. The fact that the country has now stopped all export of grain until the result of this year's harvest has been determined has resulted in speculations about where to get grain from now. Other countries such as Ukraine, Turkey, India and Pakistan have also stopped all export of grain to be sure to be able to meet national consumption, and on the other hand, grain importing countries are trying to secure sufficient stocks by reducing import duties. The poor harvest and fear of empty stocks have increased demand, and the price of a tonne of wheat has risen from 140 euro to 230 euro during summer. Fluctuations in this market are part of nature's order, but during the food crisis in 2007 and 2008, the price was 300 euro, so the situation is close to extreme. The fear of soil being so dry that the fields cannot be seeded in time has also resulted in massive increases in prices on grain for delivery in 2011. Where a tonne of grain for delivery in 2011 used to be around 150 euro, the price is now around 190 euro.

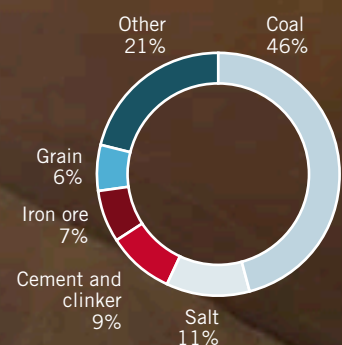
Potential indirect effect on NORDEN

"Still it is too early to say for certain how grain transportation by sea

will be effected by the nervous situation, but we have observed an increased demand for grain products – primarily from China, who traditionally buys grain from US and Brasil. It can be the increase in prices following the export ban from Russia, which causes Chinese buyers to ensure their supply earlier than usual. If we are to see changed trading patterns, it will be an increased transport of grain from EU, US, Brasil and Australia to the Middle East and North Africa, who normally import from Russia. We still haven't seen anything worth mentioning in that direction," says General Manager Mikkel Borresen, NORDEN, Annapolis. Transport of grain comprises approximately 6% of NORDEN's dry cargo activities, and the majority of this is transport of grain from North America to the rest of the world.

Transports – Dry Cargo Department, January-August 2010

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SUBSTANTIAL GAINS FROM NEW COMMUNICATION SYSTEM

New figures show that Norient’s system, MOEPS, has resulted in solid reductions in fuel consumption, CO₂ emissions and time consumption in just 1 year.

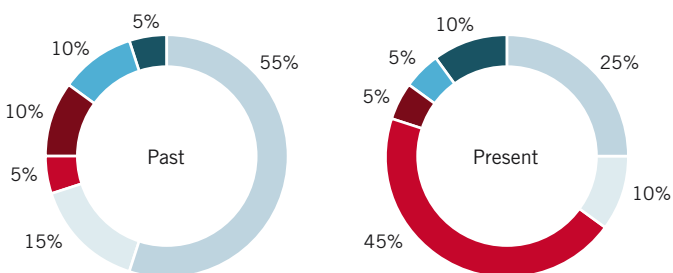


Ulla Nielsen is Performance Manager in Norient Product Pool has been project manager on MOEPS since 2008.

In the second quarter this year, Norient Product Pool (NPP) saved USD 3.6 million, emitted 25,000 tons less CO₂ compared to the second quarter last year and furthermore expects to reduce time consumption on internal follow-ups by 94 work days annually. These are just examples of some of the significant gains that NPP has harvested after implementing the new MOEPS (Master’s Operations Environmental Performance System).

Everything in one place

When the MOEPS project was launched in 2008, the goal was to provide the operators with a joint, automated platform for structuring the many processes in operating the pool’s vessels. Today, MOEPS is a comprehensive communication tool, where close to all information is integrated for the benefit of employees on shore and at sea. Just to mention a few examples, the operator can follow the voyage of the individual vessels and communicate with the captain about the optimum speed in order to balance the optimum consumption of fuel in



regard to the planned time of arrival. The captain receives updated information on weather and current conditions directly on his screen in order for him to plan his route the best way possible. Agents, who take care of the practicalities connected to a port call, are hired and paid via the system, and all SOPs (Standard Operating Procedures) are registered in the system, carefully described, always updated and easily accessible to all users. This information was previously inside the heads of experienced operators.

Good investment

“The USD 615,000 that we have spent on developing the system has paid off several times already. In addition to having streamlined our working procedures, the system also works as a steadily growing database, which can provide us with information across our business. We have improved our awareness of our business and our ability to further identify potential optimisations,” says Performance Manager Ulla Nielsen, NPP, who has been project manager on MOEPS since 2008. She already has more initiatives on her drawing board, including prioritised lists over agents and tugboats, which will make it easier for the operators to find and choose the best solutions at the best prices.

And the users are happy as well. Not too seldom, small messages enter Ulla’s mailbox with wordings like: “MOEPS is extremely time-saving”, “The check list ensures that nothing is forgotten”, “It’s just great to have all information gathered in one place.”

Besides substantial financial and environmental savings, MOEPS has also resulted in a reduction in time consumed by manual procedures and mail correspondences in favour of increased focus on and time to strengthen performance.



New partnership launched

The Handymax vessel NORD GLORY will be delivered from the shipyard Mitsui Engineering on 30 September this year. Hereby the collaboration with the Japanese shipping company Kotobuki Kaiun will be initiated. According to the contract NORDEN will be chartering the Handymax vessel NORD GLORY for the next 7 years. NORDEN is Kotobuki Kaiun’s first partner outside Japan and NORDEN was present at the naming ceremony on 29 July. Ship owner Itadoko-san and his son visited NORDEN’s headquarter in Hellerup to seal the partnership.

Kristofer Bisci, Dry Cargo Operations, Annapolis, Jessica Emilie-Marie Cernik, Dry Cargo Chartering, Annapolis, Muhammad Khairiel Bin Abu Bakar, Dry Cargo Operations, Singapore, Anne-Sophie Tinsfeldt, Dry Cargo Department, Handymax Operations, Hellerup, Xin Yu, Dry Cargo, Handymax Chartering, Shanghai, Tian Yang Chen (Carrie Chen), Dry Cargo, Panamax Chartering, Shanghai, Jesper Rahlf Rasmussen, Norient Product Pool, Chartering, Hellerup, Patrycja Zaporowski, Dry Cargo Department, Handymax Chartering, Hellerup, Bing Zong Aw, Dry Cargo Chartering, Singapore, Mads Louring, Norient Product Pool, Handysize Operations, Hellerup.



FIRST GENERATION ON THE NEW SHIPPING TRAINEE PROGRAMME

In August 2010, 10 new shipping trainees from Hellerup and the overseas offices initiated NORDEN's new shipping trainee programme with a 2 week long joint kick-off in Hellerup. The programme included e.g. lessons in international shipping and ship technique, introduction to NORDEN's values and exercises in close cooperation across cultures.

NORDEN has just received the first brood of a new generation of NORDEN trainees. The class is the first on NORDEN's own shipping trainee programme, which, compared to previous years, focuses more on international cooperation and targeted professional and personal development. Clear educational goals have been defined for the whole course, and each trainee will have a permanent mentor.

"NORDEN's shipping trainee programme has become even more focused on providing the young talents with the right tools for a career within Chartering and Operations," says General Manager Dorte Nielsen from Operations in the Dry Cargo Department, who, together with General Manager Jens Malund Jensen Operations in Norient Product Pool, has been in charge of the introduction course.

Joint courses

At the same time, the programme has become more uniform across the countries. A number of joint courses, which NORDEN will perform itself, will be carried out – a 2 week introduction course, a 10 day course after 1 year and ongoing lessons in maritime law through video conferencing. NORDEN's Danish shipping trainees have previously

participated in an external course for Danish shipping companies in Esbjerg, but this has now been replaced by NORDEN's own courses.

On-the-job training

All trainees will receive on-the-job training within both Chartering and Operations for 12 months in each section and will also receive English lessons (except in Annapolis). Furthermore, all trainees will be onboard a vessel for 7-12 days. Finally, shipping trainees in Denmark will also be studying diploma in business administration first or second part at the Copenhagen Business School, and other shipping trainees will in the future be studying shipping management at the Institute of Chartered Ship Brokers (ICS) in London via distance education.

Better equipped

"The new programme will make NORDEN's shipping trainees even better equipped for the various tasks. It will also prepare them for a possible future stationing due to the great focus on international cooperation, cultural understanding and networking across the offices," says Dorte Nielsen.

14 hectic days with international shipping in theory and in practice and exercises in cultural understanding and cooperation were on the schedule when the 10 new shipping trainees participated in the introductory course in Hellerup. Among other things, they had to sail the ship HAVET from Copenhagen to Elsinore and back themselves and cook and carry out different tasks onboard. And that gave the participants a great start on their future journey.

INTERNATIONAL TRAINEES WILL HAVE THE WIND BEHIND THEM

Values are important

Muhammad Khairiel, 25, shipping trainee in Singapore



"The beginning of the programme has been very exciting. The course has given me an overview and a network, which I can draw on in the future. We have learned about communication and about being responsive. There has been great focus on values, and I think that is very important."

Open feedback

Carrie Chen, 21, shipping trainee in Shanghai



"I have been very pleased about the combination of practical hands-on knowledge about shipping and the focus on your personal values and the interaction between the cultures. It has been educational that we constantly had to give each other open feedback and evaluate ourselves. It took a lot of courage in the beginning, but it has given me a boost and something very important to take home."

Steep learning curve

Jessica E. Cernik, 22, shipping trainee in Annapolis

"It has been a very steep learning curve here in the beginning. We have learned how to work as a team, and there have been some really good exercises in understanding other cultures. For example, we have had to place our own culture in relation to the cultures of the other trainees. That was a bit of an eye opener."



Close ties

Jesper Rahlff Rasmussen, 25, shipping trainee in Hellerup

"There has been great focus on values and working together towards one common goal, that we should not compete internally, but concentrate about winning as a team. We have made close personal ties, which we will benefit a lot from. I am already looking forward to next year when we will all be gathered again for the next module."



NEW IT STRATEGY IS READY TO ROLL

Sort your mail queue from your iPhone and avoid annoying updates while you are working – this and a lot more is on the drawing board in NORDEN's new IT strategy.

An organisation which has multiplied over the past 10 years and an IT Department which has grown from 1 to 10 employees need to get a new perspective on things. Therefore, the IT Department is presently in the process of taking the leap from operating department to strategic function. The overall difference is that the IT Department is not only to ensure that the technical systems work, it is also to ensure that the technical systems work in the optimum way and offer the functionality, which best supports the company's development and objectives.

This is why, since the early spring, the IT Department has spent almost 2 months on interviewing managers and representatives from all of NORDEN's departments and foreign offices in order to determine the company's present and future needs.

The company's needs determined

"Getting closer to our colleagues has been a very educational process and a positive experience. We now have a much better knowledge of the departments' work processes and have formed an overview of areas where manual processes take up too much time or where systems do not communicate well enough with each other. Our efforts have also been encouraged by the CPD (employee survey), which showed a certain demand for faster and easier IT systems," says Sture Freudenreich, who is IT Manager and head of the IT department.

Specific objectives

The interview round creates the foundation for the strategy which is now fresh, ready-baked and approved by the management. The strategy is the result of cooperation between Sture Freudenreich and Stefan Søndergård from the IT Department and Troels Boysen, Analyst from Corporate Secretariat, Michael Steinfeldt, Business Application Manager, and IBM who has been NORDEN's consultant on the assignment.

"We have set some main objectives for our technical systems' properties. Among other things, these objectives deal with the fact that our systems must be scalable, i.e. be able to accommodate that the company grows, they must be flexible and ensure that we can respond quickly to new requirements. We must make sure that we use reliable and dynamic suppliers and that we base our solutions on the best standard systems on the market. Furthermore, we must ensure that all development takes place in close cooperation with the company, and the fundamental principle is of course that our systems are efficient and sturdy," says Sture Freudenreich, who in December last year celebrated his 10-year anniversary at NORDEN and has been a part of creating all of the company's systems from scratch.

iPhone for flying employees

A very concrete result of the strategy efforts is an overview of

a number of projects which, in prioritised order, is to help the company reach its targets with good results. One of the projects, which has already been initiated, has received the name "Mobility". The project is meant for employees who travel a lot and they are therefore able to work considerably more efficiently if they by way of their mobile phones are able to enter their department's shared mail queues – and not only their own mail queues.

"Such a system is not available on the market, so we need to develop the system ourselves in order to make our travelling users much more mobile in their work enabling them to respond to inquiries from customers, cooperative partners and colleagues even when they are out of the office. After having tested the different operating systems, we have chosen an iPhone platform because it is the most user-friendly product and because it is the easiest to develop against," says Sture Freudenreich, who hopes that the project can be finalised in the spring of 2011.

Project with green shades

According to the new strategy, packing the offices with large computers that are noisy, consume current and emit heat is about to come to an end. In outline, the Citrix project aims at establishing a central data centre that contains virtual reflections of all the employees' desktops adjusted to the individual employee's needs.

"In technical language we call it replacing 'fat clients' with 'thin clients'. At your place of work, all you need is your screen and network connection, and then you have everything you need. All updates and installations of new programmes take place at one location centrally, so besides from significant power saving, we thereby make time available for other tasks both at the IT Department and for the individual employee," says Sture Freudenreich and adds that the system will also function on laptops, when you are not at the office. At the moment, the project is in the analysis phase, which is to uncover resource needs and costs related to the implementation of the project.

A glance at the list of other projects in the pipeline proves that the IT Department will have to work hard in the time to come. Improved HR system, integrated solutions for the Technical Department, improved communication with vessels and a plan for further development of Glomaris are just some of the other projects that the IT Department will work at.

"Our biggest challenge is to prioritise correctly in order for us not to run out of resources on the way. We are dealing with heavy projects that demand a thorough analysis before we know the final extent and before the management can make a final decision about launching the projects. For the moment, funds have been allocated for the analysis phase for the largest projects," says Sture Freudenreich.

The IT strategy is the result of cooperation across NORDEN's departments headed by Sture Freudenreich, Head of IT, Troels Boysen, Analyst from Corporate Secretariat, Michael Steinfeldt, Business Application Manager, and Stefan Søndergård from the IT Department.



A professional team

NORDEN's IT Department consists of 10 employees. 8 in Hellerup and 2 in Singapore. Besides from Manager Sture Freudenreich, the department is divided into 3 teams.

1st level support, who answers all calls to helpdesk.

This department employs:

Mohamad El-Muzayen, Head of 1st Level Support
Henrik John, IT Services & Support
Christian Barfoed Christensen, IT Services & Support
Helge Petersen, IT Trainee

And 2nd/3rd level, who handle heavier server installations and system maintenance, employs:

Stefan Juma Søndergård, IT Support
Henrik Hejlesen, IT Support
David Culling, IT Analyst

And finally the Singapore-team, which consists of:

Ling Fei Tan, IT Administrator
Meng Jye Lim, IT Supporter

In connection with the renewed strategic approach to the IT work, development of the employees' qualifications will be brought into focus. This includes qualifying 1st Level Support to take on larger assignments and in addition to this general participation in courses, conferences and seminars in order to keep the finger on the IT pulse.

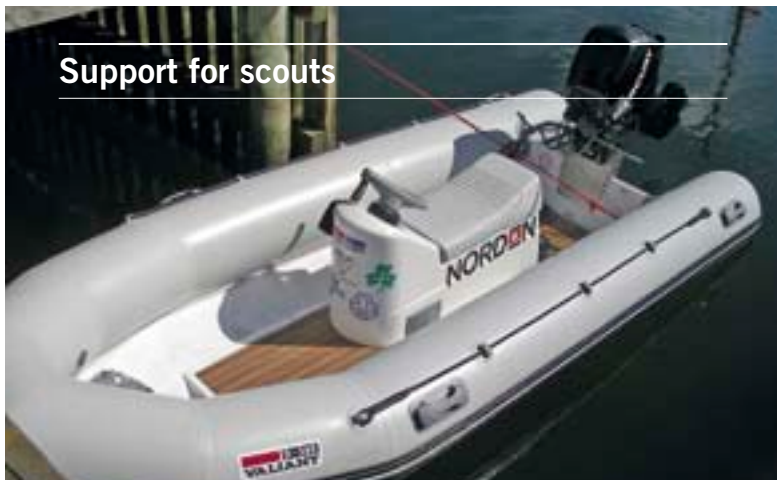
NORDEN NOTES

DKK 1 million donation to digital globe

On 30 August, Experimentarium, Centre for Information about Natural Science and Modern Technology, opened the exhibition "Tangible Earth". "Tangible Earth" is a large digital globe which – through a satellite – provides a snapshot of the globe and makes it possible to see a tsunami, an earthquake or hurricanes. By turning the globe with your hands you can also experience terns and cranes flying south or see man-made threats like e.g. hole in the ozone layer or CO2 in the atmosphere. The digital globe is the first of its kind in Europe, and Orients Fond has in collaboration with NORDEN donated the DKK 1 million. The man behind the invention is Japanese professor Shin'ichi Takemura from Kyoto University of Art and Design. "This digital globe is an obvious donation by Orients Fond and NORDEN (...) Knowledge, research and education are the key to improving our business with the least possible environmental impact," said Carsten Mortensen, CEO of NORDEN in his speech at the opening ceremony. See more about the exhibition on: www.experimentarium.dk (Photo: Helle Rimmer)



Support for scouts



NORDEN supported the YMCA scouts in Denmark with a DKK 240,000 donation for maritime activities.

The money was earmarked for the purchase of second-hand and new sailing equipment, giving even more scouts a great sailing experience at the scout camp.

Shipyard – business partners: 11-9

On 18 August, Jiangmen Shipyard played a friendly football match with the shipping companies, marine paint manufacturers and classification companies represented at the shipyard. The shipyard's own team won the annual match and the day was rounded off with a festive dinner for all the participants in Xinhui.



Business partners dress up in golf clothes

For the 7th year in a row, NORDEN invites representatives from shipping companies, trading houses, ship brokers, yards, customers and financial institutions in Japan to the annual "NORDEN Invitational". The programme includes a golf tournament and dinner for those invited. Close cooperation with permanent business partners is an important element in NORDEN's business model and a strong foundation in Japan is a prerequisite of NORDEN's business. This year's NORDEN Invitational will be held at Sunset Hills Country Club on 5 November.



Customers took part in cruise and golf tournament

125 brokers, traders, shipowners and other business partners were invited to the annual customer event of NORDEN Tankers & Bulkers Inc. in Annapolis USA on 16 and 17 September. The event featured a cruise on Thursday evening and a golf tournament the following day.



Moving to green address in Mumbai

NORDEN's office in Mumbai (India) just moved to larger and more functional premises in newly built Kalpataru Square close to both the domestic and international airports. It has become the first building project in Asia and the 6th worldwide to earn "Platinum Level Certification LEED" (Leadership in Energy and Environmental Design) from US Green Building Council. Kalpataru Square is also on the Indian Ministry of Energy list of the 25 most energy-efficient buildings.

NORDEN scores highly on climate change management

Norges Bank Investment Management (NBIM) has just formulated a set of expectations on how to handle climate change for the companies in which NBIM places its investments. NBIM has implemented "Investor Expectations on Climate Change Management" as part of its risk management and core focus on climate change and the potential impact on the companies' financial results. In the annual evaluation, NORDEN falls into a very small percentage within the transportation industry complying with NBIM's expectations in all categories. NBIM, the investment management unit of Norges Bank, managing assets of approx. USD 500 billion, is among the 20 largest investors of NORDEN.

	Does the company comply?	% of sector that do comply
Integration of climate change impacts to strategic business planning	yes	8%
Action plans for sector specific risks and opportunities	yes	14%
Continuous risk assessment	yes	11%
Participation in sector relevant research	yes	8%
Mitigation of climate change risk in supply chain	no	0%
Disclosure of climate change performance	yes	11%
Disclosure of reduction plans with quantitative targets	yes	16%
Disclosure of policy position in regard to regulation	yes	6%
Transparent and functioning governance structure for climate change policies/programmes	yes	9%



Andreas Rindom

Marianne Sørensen

Flemming Dahl Jensen

Andrew McPhail

Susan Krath Knudsen

Martin K. Meldgaard

EMPLOYEE NEWS

Group functions

1 July 2010: *Lars Nielsen*, Financial Assistant, appointed Team Leader of Bulk Pool, Finance.

16 August 2010: *Peter Egsdahl Poulsen*, 27, employed as Financial Assistant.

1 September 2010: *Christina Fischer*, 27, employed as Financial Assistant.

1 September 2010: *Neel Hjorth*, 34, employed as Senior Financial Controller.

13 September 2010: *Dodo Hugo*, 19, employed as Student Assistant, HR.

Technical Department

1 July 2010: *Flemming Dahl Jensen*, 40, employed as QA Manager.

1 July 2010: *Martin Krogshede Meldgaard*, 40, employed as Superintendent.

1 August 2010: *Thomas Østerby Skjeltmose*, Crew Manager, appointed Senior Crew Manager.

1 August 2010: *Susanne Fauerskov*, Crew Account Manager, appointed Senior Crew Account Manager.

15 September 2010: *Mette Larsen-Holst*, 38, employed as Crew Manager.

Dry Cargo Department

21 June 2010: *Marianne Sørensen*, 48, employed as Projects Coordinator.

1 August 2010: *Andreas Rindom*, 26, employed as Assistant Operations Manager, Handymax.

9 August 2010: *Stig Henning Persson*, 52, employed as Controller.

1 September 2010: *Jakob Laursen*, 33, employed as Senior Operations Manager, Panamax.

9 September 2010: *Chastine Christensen*, 19, employed as Student Assistant, Projects.

Tanker Department

9 August 2010: *Andrew Christian McPhail*, 35, employed as Senior Chartering Manager.

1 September 2010: *Randi Knudsen*, 29, employed as Secretary/PA.

Norient Product Pool

25 August 2010: *Allan Wodstrup*, Senior Chartering Manager, transferred to Singapore as General Manager.

1 September 2010: *Ida Jarner Olsen*, 30, employed as Operations Manager, Handysize.

1 September 2010: *Nikolaj D. Lambertsen*, Operations Manager, transferred to Singapore.

Cyprus

21 June 2010: *Anna Bockareva*, 23, employed as Freight/Demurrage Assistant.

Singapore

1 July 2010: *Andy Koh*, 30, re-employed as Operations Manager.

1 July 2010: *Christian Hornum*, Assistant Chartering Manager, appointed Chartering Manager.

15 August: *Jesper Rosenlund Nielsen*, 26, Assistant Chartering Manager, transferred to Hellerup and appointed Chartering Manager.

Mumbai

5 July 2010: *Kiran Fernandes*, 30, employed as Chartering Manager.

Site Offices

1 August 2010: *Ntoulisos Anastasios*, 51, employed as Electrical Supervisor, Shanghai Shipyard.

NORDEN's vessels

1 March 2010: *Jimmie Juel Clausen*, 38, employed as Second Engineer.

11 May 2010: *Gent Christensen*, 53, employed as Second Engineer.

8 June 2010: *Claus Bacher*, 55, employed as Chief Officer.

26 July 2010: *Anders Fink-Jensen*, 52, employed as Chief Officer.

1 September 2010: *Jan Panduro Kjær*, 43, employed as Third Engineer.

1 November 2010: *Peder Brinch*, 45, employed as Third Engineer.

Graduates from NORDEN's Shipmaster programme

19 September 2010: *Milan Rosendahl Falsing*, 24, employed as 3rd Officer.

Celebrations

Finance Department

12 July 2010: *Susan Krath Knudsen*, Financial Assistant, celebrated her 50th birthday.

31 August 2010: *Karin Fangel*, Financial Assistant, retired.

Norient Product Pool

21 July 2010: *Johnny Holm*, General Manager, Norient Product Pool, Cyprus, celebrated his 40th birthday.

9 August 2010: *Thune Jensen*, Senior Operations Manager, Norient Product Pool, celebrated his 40th birthday.

17 September 2010: *Junko Mikano*, Senior Chartering Manager, Norient Product Pool, Singapore, celebrated her 40th birthday.

NORDEN's vessels

10 August 2010: *Per Vestergaard*, Chief Engineer, NORD NIGHTINGALE, celebrated his 10th anniversary.

VALUES AT WORK

NORDEN's 4 values are Flexibility, Reliability, Empathy and Ambition. Below, NORDEN employees each give their view on what the value "Ambition" means in everyday life in the cooperation between colleagues, partners and customers.

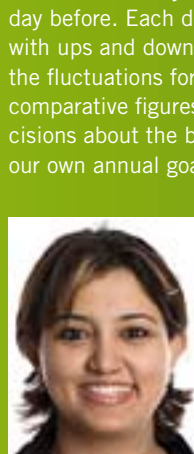
Morten Larsen, Port Captain, Singapore



To me, "Ambition" is a way to live your life. We have to stay curious all the way through life. Learn today what you will need tomorrow. Every day, we have to challenge ourselves and yesterday's way of thinking. In my daily work, I often hear comments like "That is not possible, we always do it this way". My job is then to find a solution which will benefit all the involved parties. That is my version of Ambition". I am sure

that there will be as many interpretations of "Ambition" as there are employees in the organisation, but that is what makes NORDEN unique.

Pooja Jhamb, Chartering Manager, HMX Dry Cargo Chartering, Mumbai



"Ambition" in my everyday life is to make each day better than the day before. Each day in the commercial department is a new day with ups and downs, and our common goal is to take advantage of the fluctuations for the benefit of NORDEN. We use tools such as comparative figures, benchmarking and conference calls to make decisions about the best commercial alternative. We do not just make our own annual goals for offices and vessel types, we also make daily goals for individual deals. Colleagues in other departments such as Operations, Control, Legal, Projects, Bunkers etc. all work with the same enthusiasm in order to reach the goal of NORDEN being "No. 1". Our business model to have a modern fleet is also an expression of our ambitious attitude at NORDEN.

Judy Chen, Assistant Chartering Manager, Shanghai

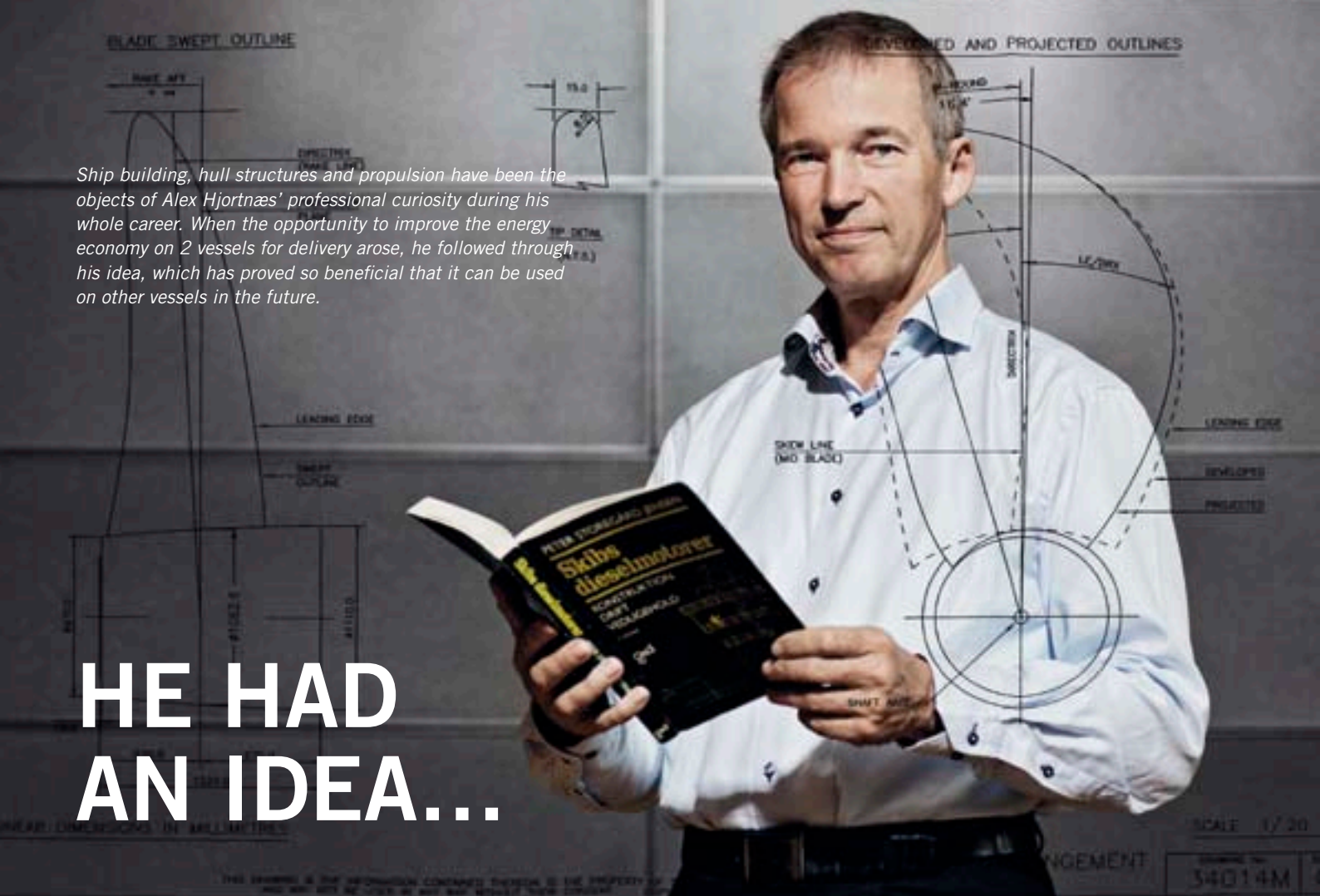


To me, "Ambition" means a strong will to achieve perfection, and this value is always the core of every successful business story. "Ambition" defines precisely what we are prepared to do in order to achieve a unique and first class organisation as well as unique and first class employees. Our vision, in particular "Number one" and "the preferred partner in global tramp shipping", reflects the value "Ambition" in our daily work. In the commercial department, we may say that "Ambition" is the foundation for our work. Not only for our own career at NORDEN, but even more importantly for the organisation as a whole. "Ambition" is our accelerator to "business excellence" and a guideline for all of us both on a professional and personal level.

Stefan Juma Søndergaard, IT Support 2nd and 3rd level, Hellerup



To me, "Ambition" is about raising the bar. Henry Longfellow (American poet) once wrote: "Most people would succeed in small things, if they were not troubled with great ambitions" – but if we were always satisfied with small victories, we would probably still be living in caves. In the IT Department, where I work, "Ambition" has been one of the main values for a long time. Instead of having to come up with emergency solutions when the systems go down, we strive to prevent that these problems arise in the first place. If something goes wrong with the systems, it may prevent people from carrying out their work in an optimal way so this is not the right place to lower ambitions. My impression is that the high level of ambition at NORDEN is reflected to the same extent externally as internally. "Ambition" is to our value chain as what the propeller is to our vessels; the driving force.



Ship building, hull structures and propulsion have been the objects of Alex Hjortnæs' professional curiosity during his whole career. When the opportunity to improve the energy economy on 2 vessels for delivery arose, he followed through his idea, which has proved so beneficial that it can be used on other vessels in the future.

HE HAD AN IDEA...

..., followed it through and achieved both environmental and financial gains.

Alex Hjortnæs is the man behind the alterations in the design of 2 new Handysize vessels – alterations which reduce the vessels' fuel consumption and CO₂ emissions by 11%.

He is son of a fisherman and grandson of a ship builder in Esbjerg, and since childhood, he has had a great interest in ships and the technique behind them. With an education as ship's carpenter and naval architect as foundation, Alex Hjortnæs, Senior Newbuilding Manager, has developed a broad experience during the years within ship building, hull structures, propulsion, design of ships and requirements and regulations from the authorities.

A larger main engine and a larger propeller is the simple formula for how Alex Hjortnæs on behalf of NORDEN and in cooperation with the shipyard Jiangmen Nanyang Shipyard (JNS), Shanghai Bestway Marine Engineering Design and Stone Marine Propulsion has reduced the fuel consumption by 11% on 2 of NORDEN's new Handysize dry cargo vessels.

The time is right for environmental focus

"This is not rocket science, this is basic naval architect knowledge, but until now, the time has not been right for such strong focus on fuel consumption and redesign like we have today. Now, the opportunity was there, and we had to grab it," says Alex Hjortnæs.

When he was hired at NORDEN in 2007, the shipping industry was in full swing, and there was a shortage of yard capacity. The main priority was to get the ships sailing as quick as possible whereas fuel consumption was of less importance at that time. Now, times

have changed, and projects to optimise the value of ships and fuel economy are welcomed by both yards and shipping companies.

"According to our calculations, the investments in redesigning the 2 Handysize vessels will be earned back within 4 years. Furthermore, we expect that the design will increase the market value of the ships. The initiative is a prime example that environmental consideration and financial consideration go hand in hand," says Senior Vice President Lars Lundegaard, Head of the Technical Department at NORDEN.

Other initiatives

The 2 new vessels, which will be delivered around the turn of the year 2011/12, will also be build in consideration of NORDEN's usual environmental measures, which are estimated to reduce fuel consumption and CO₂ emissions on these vessels by approximately 3%. To this should be added NORDEN's latest environmental initiatives, which can potentially reduce fuel consumption and CO₂ emissions by approximately 2% by using a new type of bottom paint because the paint reduces the ships' propulsion resistance in the water. In total, NORDEN's calculations show that the energy economy on the 2 new vessels can be improved by approximately 15.4%.

NORDEN will look into how the altered design can be implemented on future newbuildings.