

NORDEN

# news

SPRING 2008



## NORDEN strengthens Handysize and Post-Panamax

New pools will provide critical mass  
and benefit customers.

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### Blue and green

Intelligent software will reduce  
fuel consumption onboard  
NORDEN's vessels to the benefit  
of the environment and the costs.

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### Cold reception

Extreme weather conditions  
covered Baltic Freedom in half a  
metre of snow and ice on arrival  
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### Countdown

NORDEN will soon receive the  
keys to the new headquarters,  
"Bryghuset" and then a large  
relocation puzzle begins.

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## 10 April

Naming and Delivery ceremony of Hull No. 1265, Panamax 83,000 dwt, Sanoyas Shipyard, Japan

## 14 April

Naming and Launching ceremony of Hull No. H-083, Handymax 58,500 dwt, Tsuneishi-Cebu, Philippines

## 23 April

Annual General Meeting, Radisson SAS Falconer Center, Frederiksberg, Denmark

## 29 April

Expected payment of dividends for 2007

## 20 May

NORDEN's interim report for first quarter of 2008 will be published

## 21-23 May

Roadshow with presentation of NORDEN's results for first quarter of 2008, New York, USA

## 25 May

Naming and Delivery ceremony of Hull No. 1476, Panamax 76,000 dwt, Imabari Shipyard, Japan

## 9 June

First workday at NORDEN's new headquarters, "Bryghuset"

# A good head start for the future

2007 was a year full of milestones for NORDEN. We achieved the best result ever in the Company's 137-year-old history: USD 703 million (approximately DKK 3.8 billion) – four times the profit the year before. For this reason, we expect to distribute the largest dividend ever – DKK 1.5 billion, so that the shareholders also get the feel of this *quantum leap* in earnings. In addition to the largest business volume ever, we also experienced the greatest contracting activity ever, and we now have

33 owned vessels for delivery and a total of 90 vessels for future delivery. Our ownership situation also became more stable due to the sale of Torm's shareholding, so NORDEN may continue as an independent shipping company, and we were also admitted to the OMX C20 index. In addition, we managed

to attract even more employees, who are both competent and committed, and who constitute such an important part of our business success.

In spite of the financial crisis, we expect to reach an even better result in 2008 than we did in 2007 which is in the range of USD 825-905 million, and we also expect

to be able to continue our high recruiting activity and talent development both ashore and at sea. We have a really good feeling, but at the same time we are also very aware of the great challenges which the markets may present us with in the coming years.

2008 has already offered a number of new and exciting activities, which you can read more about in this issue of NORDEN News: we have recently entered into an agreement with our esteemed collaborator Interorient Navigation Company Ltd. also to include the dry cargo segment within which we have established two pools in Handysize and Post-Panamax, respectively. We have also laid down our policy and ambitions in relation to the environment and to corporate social responsibility, and we are well on our way with initiatives to reduce fuel consumption and optimise fuel efficiency to the benefit of both the environment and cost saving.

And then it is "in a matter of no time" that we will be moving into our new headquarters, where we can ensure both our employees and customers of a future-oriented setting. It will be a great challenge to move the entire headquarters in just one weekend, but I know that we will succeed as we are both flexible and ambitious. Thanks to all employees, business partners, customers and shareholders for an excellent 2007. We are well prepared for what lies ahead, whatever that might be.

CARSTEN MORTENSEN



# Record year

The profit for 2007 was the best so far in NORDEN's 137-year-old history. And with substantial coverage of large parts of the capacity in the dry cargo market and further sales of vessels, the profit for 2008 is expected to be even better.

On 10 March 2008, NORDEN's annual report 2007 was published, and with it the Company's annual profit for 2007 and expectations for 2008. The profit after tax for 2007 was USD 703 million, equalling DKK 3,830 million, against USD 177 million (DKK 1,050) in 2006. The result is four times the profit for the previous year. The main explanations for the increased profit are a higher operating profit in the Dry Cargo Department and larger profits from the sale of vessels (USD 163 million against USD 55 million). The annual profit provides an even stronger financial basis for NORDEN. The Company's equity grew to USD 1,311 million by the end of 2007 against USD 714 million in 2006. Here are the highlights of the year:

## Strong dry cargo market

The Dry Cargo Department's profit before depreciation and amortisation (EBITDA) was USD 497 million (USD 126 million), constituting a 296% increase. The increase was primarily explained by a good positioning and a very strong dry cargo market.

## Increased tanker activity

The Tanker Department's profit before depreciation and amortisation (EBITDA) was up by 10% to USD 53 million (USD 48 million), driven by a higher level of activity and higher realised T/C equivalents in an otherwise weaker market.

## Growth in fleet and staff

The expansion of NORDEN's fleet continued. The active fleet of owned and partly owned vessels remained stable at 14 vessels, while the number of owned and partly owned vessels for delivery rose from 14 to 35. The total active fleet – owned as well as

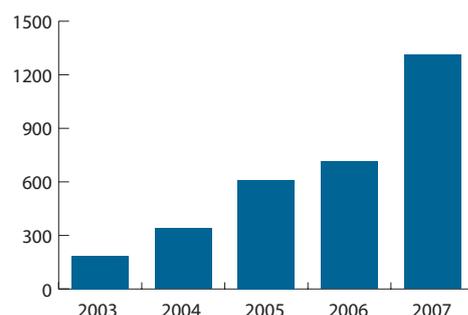
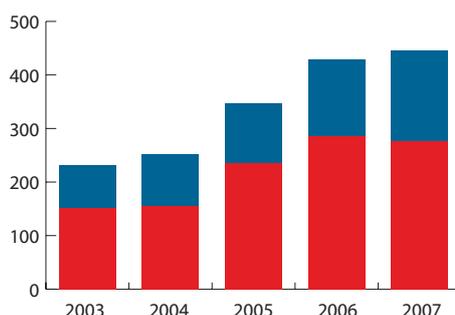
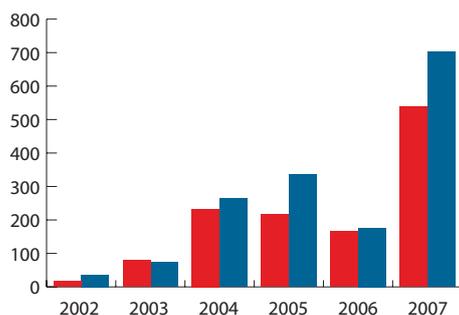
## Expectations for 2008

NORDEN expects a strong, but volatile, freight market in which the Chinese economy maintains a central role. By mid-February, NORDEN had covered 88% of the known capacity in dry cargo at attractive rates, and for 2009 the coverage is also high (42%). In tankers, NORDEN expects that the freight market will remain at a reasonable level, although below the 2007 level in average. As a result of two vessel sales in mid-March, the Company revised its profit guidance for 2008 upwards and now expects a profit after tax for 2008 in the range of USD 825-905 million, including profits from the sale of vessels of USD 212 million.

chartered vessels – amounted to 216 by the end of the year against 153 in 2006.

The workforce grew by 16% in 2007. At year-end, the Company had 522 employees. Ashore, the workforce counted 190 employees at the end of 2007. During the year, the number of employees at the head office grew by 46. Growth took place within all areas, thus gearing the organisation to handle the Company's growth and the increasing business volume. At sea, the workforce counted 332 at the end of 2007. Of these, 29 were apprentice officers as part of the Company's investment in developing future senior officers.

On NORDEN's homepage [www.ds-norden.com](http://www.ds-norden.com), you can find the Company's annual report and read both the management's review and all the figures in the financial review. Here, you can also view a webcast of the presentation of NORDEN's annual report made by CEO Carsten Mortensen and CFO Ivar Hansson Myklebust.



Development in EBITDA and profit (mio. USD)

■ EBITDA ■ Profit

Development in average workforce

■ At sea ■ On land

Development in equity at year-end (mio. USD)

# Pool collaboration to ensure NORDEN a leading position in strategic bulk segments

NORDEN has made an agreement with Interorient Navigation Company Ltd. (INTERORIENT) to establish two new pools to commercially manage the two companies' fleets of Handysize and Post-Panamax bulkcarriers. The two pools, Norient Handy Bulker Pool and Norient Post-Panamax Pool, are expected within a few years to become among the leading suppliers globally in the two strategically important bulk segments.

## Launch in 2009

The new *Norient Handy Bulker Pool* will commence operations in the spring of 2009 with approximately 30 Handysize vessels, all from NORDEN. However, the pool's capacity will grow rapidly, as both NORDEN and INTERORIENT have significant newbuilding and contracting activities within the Handysize segment. In the course of 2011, the new pool will expand to include 60-70 units, all in the modern 28,000-37,000 dwt design.

The new *Norient Post-Panamax Pool* will commence activities in late 2009 and will in the course of 2012 manage at least 16 units, including 12 newbuildings owned by the two partners in the pool. The vessels are in the range of 90,000-130,000 dwt, and the vessel type Post-Panamax is expected to be in particular demand for transports of coal and iron ore, among other things.

## Benefits to the customers

"The collaboration with INTERORIENT offers NORDEN a faster route to critical mass in the Handysize and Post-Panamax segments, which the Company already has within the Handymax and Panamax segments where NORDEN is among the market leaders globally. By pooling with INTERORIENT in the two segments, both partners achieve enhanced market coverage, and we are able to offer the customers better and more flexible serv-

ices and to generate important economies of scale," says Jacob Meldgaard, Executive Vice President of NORDEN.

"Following the successful collaboration of NORDEN and INTERORIENT in the Norient Product Pool, we are delighted to extend our concept to the bulkcarrier sector. We believe that by combining the strengths of the two companies in the Handysize and Post-Panamax segments, we are creating a homogeneous fleet that will be able to meet our customers' increasingly complex demands," says Themis Papadopoulos, CEO of INTERORIENT.

## Good experiences with Handysize

NORDEN entered into the Handysize segment in the third quarter of 2006, while INTERORIENT made its entry in 2007 by contracting a series of 16 newbuildings with the first scheduled deliveries in 2009.

"We have had very positive experiences with Handysize so far. We have seen strong demand for transports in this category from our customers and we expect continuously increasing demand for these vessels which are particularly well-suited for transport of valuable cargoes in small quantities in cases where the recipient does not wish to tie up too much capital in large stocks. At the same time, a large part of the global fleet in this



IN FRONT OF HANDYSIZE VESSEL NORD RIO  
CHRISTIAN INGERSLEV (LEFT) AND MICHAEL BOÉTIUS.

segment is ripe for scrapping and that will further increase demand for Handysize capacity,” says Christian Ingerslev, head of NORDEN’s Handysize section, which in collaboration with NORDEN’s overseas offices will be in charge of marketing the Norient Handy Bulker Pool tonnage.

#### **Post-Panamax fills a “gap” in the market**

“The Post-Panamax vessels have greater loading capacity than traditional Panamax vessels and will be able to pass through the Panama Canal following its planned expansion in 2014. This

way, the new type of vessel will fill the “gap” between Capesize and Panamax vessels and in many cases they will be commercially attractive alternatives for carrying coal and iron ore, e.g. from the east coast of the USA to the Continent as well as from Australia and Indonesia to ports in India and Southeast Asia,” says Michael Boétius, newly appointed head of NORDEN’s Post-Panamax section.

The marketing of the cargo capacity in the Norient Post-Panamax pool will be managed by NORDEN’s offices and selected brokers.

NORDEN’s and INTERORIENT’s decision to join forces in the two dry cargo segments is an obvious next step based on the parties’ existing successful collaboration in the product tanker market. Their 50:50 owned Norient Product Pool A/S (NPP) commercially manages Handysize, MR and LR1 product tankers from 27,000 to 75,000 dwt, and, since its foundation in 2005, the NPP has grown to one of the world’s largest operators of modern product tonnage. The pool is operated from its head office in Copenhagen and representative offices in Singapore and Cyprus. In September this year, a U.S. office in Annapolis will be added to the NPP organisation. The NPP operates 51 active units. However, both partners have considerable newbuilding programmes, which over the coming years will add an additional 31 vessels to the pool.

# NORDEN spotlights the environment and social responsibility

In the autumn of 2007 NORDEN introduced a more systematic approach to environmental and social sustainability in order to take greater responsibility for safety at sea, occupational health, external environment, employee conditions and opportunities and other Corporate Social Responsibility issues.

## Clearly defined policies and goals

“We have come a long way in our work with Corporate Social Responsibility (CSR) by focusing on our core values: reliability, flexibility, empathy and ambition, and we have launched a number of specific initiatives. However, we have felt an increasing urge to set up a common framework for our goals, ambitions and possibilities within issues related to the environment, safety and social responsibility. For this reason, throughout 2007 NORDEN discussed how to address the CSR agenda going forward and particularly how to tackle the fact that our Company’s activities contribute to climate change,” says Ivar Hansson Myklebust, CFO.

“In this process, the Company was inspired by the United Nations Global Compact’s 10 recognised principles on the environment, human rights, labour standards and anti-corruption; the work of the International Labor Organisation (ILO) and others in relation to the Maritime Labour Convention and the long-standing efforts of the International Maritime Organisation (IMO). Against this background, we have defined our policies and selected some concrete focus areas within environment, safety and employee conditions. In 2008, NORDEN will ensure that adequate management systems and reporting systems are established to handle compliance with these policies, allowing the Company to focus on continual improvements. Going forward, these areas will be communicated more clearly through our annual report and on our website,” he explains.

## NORDEN’s views on the environment

NORDEN wishes to help improve maritime safety and limit pollution from vessels. The continuous improvement of NORDEN’s environmental performance is not only best for the environment, but also the best solution for NORDEN’s customers, shareholders, employees and other stakeholders. The Company has established a whistleblower system designed to ensure compliance with the environmental policy by making it easier for employees to report non-compliance.

In particular, NORDEN will work on the Company’s performance in the following areas related to NORDEN’s owned vessels:

### Air emissions

NORDEN is aware that the Company’s activities contribute to climate change. A reduction in the fuel consumption and more efficient use of the fuel will be key issues in NORDEN’s efforts in this area. To ensure this, NORDEN has established an ambitious 14-point plan to minimise propulsion resistance and optimise fuel consumption. Most of these points have already been initiated. It is NORDEN’s ambition to reduce CO<sub>2</sub> emissions from owned vessels by 2% in 2008.

### Biodiversity

NORDEN will continue its efforts to protect maritime biodiversity through responsible disposal of ballast water and other measures.

### Marine life

NORDEN will use environmental-friendly bottom paint and double-hulled tankers.

### Garbage disposal

NORDEN will seek more efficient resource consumption and reduction of the waste resulting from our activities.

### Bunker oil

NORDEN will ensure compliance with the sulphur content controls in force in the SECA zones that our vessels traverse. We will also ensure that the bunker oil used by the Company’s total fleet, including vessels held on charter, have a maximum average sulphur content of 2.7%. IMO’s convention sets the cap on the sulphur content of fuel oil used on board ships at 4.5%.

### **NORDEN's views on human and employee rights**

NORDEN supports and respects the protection of human rights and refrains from any actions that may, directly or indirectly, encourage or contribute to infringement of these rights. NORDEN respects the provisions of the ILO's Maritime Labour Convention 2006 and local legislation. NORDEN regularly carries out occupational health assessments. All occupational health issues are included in the workplace assessment, and the employees are involved in the process. NORDEN has established

a whistleblower system in order to make it easier for employees to report infringement of human and employee rights.

### **NORDEN's views on anti-corruption**

NORDEN neither accepts nor offers bribes in any form and strives to avoid facilitation payments. NORDEN to a limited extent makes contributions to charities, research projects, political parties, etc. subject to various restrictions.

### **Integral part of the business**

Environmental and safety issues have always been integral to NORDEN's way of conducting business. The Company is continuously striving to heighten safety for the staff at sea. Protecting the environment is constantly in focus, as well. Existing procedures, such as computer-based training programmes and electronic document handling, are particularly helpful in NORDEN's efforts to meet and exceed regulatory requirements and remain best in class among our peers in the shipping industry.

Previously, NORDEN addressed individual issues on the CSR agenda based on the Company's values. An example of this is the Company's longstanding work on occupational health and safety at sea, involving regular information, systematic examination of

Near-Misses and an extensive set of Key Performance Indicators for officers in order to eliminate industrial injuries onboard the Company's vessels and help minimise the vessels' impact on the external environment through groundings, collisions, spills or the like. At the same time, for environmental and safety reasons, the Company has operated only modern, double-hulled tanker tonnage since late 2001 and continuously works on reducing fuel consumption and optimising fuel combustion on owned vessels.

### **Previous initiatives within the social field**

In recent years, NORDEN has supported various benevolent initiatives directly and through foundation grants:

- Financing of a PhD stipend with the Copenhagen Business School focusing on environmental challenges facing shipping.
- Financing of equipment for a hospital in the Philippines.
- Contributions to activities in local Philippine communities.
- Sponsorship of an interactive exhibition about the shipping industry to the exploratorium, "Experimentarium", in Copenhagen.
- Scholarships for students and teachers at the Singapore Centre for Maritime Studies and the Shanghai Maritime University as well as paid trips for Chinese students and professors to study in Denmark.



### **Global solutions to global challenges**

Climate management and CO<sub>2</sub> emissions are global problems requiring a global solution. The Kyoto protocol places regulation of the shipping business in the hands of the UN's international shipping organisation, the IMO. The IMO is working on determining a measure of how energy-efficiently a vessel transports its cargo. This work is to form the basis for the regulation of CO<sub>2</sub> emissions by the shipping industry. NORDEN supports the IMO's work and considers it important to find international solutions to this global problem, as such solutions provide the best environmental improvements and ensure equal competition for all shipping companies around the world.

# New technology to bridge blue and green

On 12 March, NORDEN and Decision3 signed an agreement to test the GreenSteam™ trim system onboard one of the company's new product tankers currently under construction at the GSI shipyard in Guangzhou, China, and scheduled for delivery in September 2008. The ambition is to reduce fuel consumption which is an advantage both in relation to the environment and the costs.



CARSTEN MORTENSEN AND DECISION3'S DÁNJAL JÁKUP JACOBSEN AT THE SIGNING OF THE ENVIRONMENTAL AGREEMENT.

GreenSteam™ is a so-called *intelligent system* based on mathematical models of the factors that affect a vessel's speed and consumption of bunkers. Data on wind, draught, wave height, the vessel's GPS speed and logging speed, the angle of the rudder and how much the rudder works, combined with engine settings, consumption of bunkers, combustion efficiency, etc. are collected during sailing.

## "Machine learning"

These data are transmitted to a server on shore and, through "machine learning", the system teaches itself the interrelations between the many variables, fuel consumption and engine performance. The results are streamed to a server on board the vessel that builds an increasingly precise model for optimum operations. Based on the data collected during



operation, the system sends recommendations for optimum engine settings and vessel trimming to the bridge.

### Real life measurement

“The unique feature of this method is that it is based on *empirical* data for the individual vessel under various *real sets of circumstances*, as opposed to traditional model tests made in connection with newbuildings, which are based on models in plane water and assuming a ‘perfect’ design. GreenSteam enables us to see how a particular vessel acts in real life, and this gives us valuable information about energy optimisation,” says NORDEN CEO Carsten Mortensen.

“We have great expectations to this project, which could have a major impact if the results are as good as we hope. Our aim is to reduce energy consumption sub-

stantially and thus reduce emissions into the air and fuel costs, making ‘blue and green’ go hand in hand,” he explains.

### Promising tests

The GreenSteam™ system was developed over the past three years by engineers trained at the Department of Informatics and Mathematical Modeling at the Technical University of Denmark and other institutions. Since early February 2008, GreenSteam™ has been tested on the passenger ferry Smyril, which is owned by Faroese Strandfaraskip Landsins. Experience from these tests is promising, showing a 4% reduction in fuel consumption so far, says Dánjal Jákup Jacobsen of Decision3.

“When GreenSteam is installed on NORDEN’s new product tanker, it will be the first time the system is tested on a

commercial vessel operating in tramp shipping and thus subject to changing conditions at sea. GreenSteam will be installed in the newbuilding as a pilot project and perhaps also on a sister vessel already in operation. The results will then be evaluated, and if they are good, the system will be installed on all NORDEN’s owned vessels and newbuildings in the pipeline,” says Mortensen.

NORDEN is also taking part in other environmental R&D projects, among other things as a sponsor of a PhD scholarship at the Copenhagen Business School (CBS) focusing on the subject “Building Social Performance Capabilities in the Shipping Industry”.

See the article on NORDEN’s work with environmental and social responsibility issues on pages 6-7.

# Cold reception

**In spite of the increasing focus on climate changes and global warming, it can still be very cold at sea. The ice-class 1A product tanker Baltic Freedom, which is operated by Norient Product Pool, experienced the truth of this, as she, by end-January 2008, arrived at St. Lawrence River in Canada on her way to Montreal, carrying diesel and jet fuel from Ventpils in Latvia and Rotterdam in Holland.**

The thermometer read minus 21 degrees Celsius and a strong wind of 40 knots (20 m/s) was blowing making the temperature feel like minus 51 degrees, tells Chartering Manager Jesper Rask from Norient Product Pool. The strong wind and high waves combined with a snowstorm resulted in a lot of sea spray, water vapour and white frost on the deck and everywhere on-board, and in a matter of short time large parts of the ship was covered in snow and ice.

As the strong wind prevented the crew from going on deck to fight the snow and ice masses from building, the masses grew

larger and larger. On arrival at Montreal, the crew worked for a long time in order to free the anchor from the ice masses. After the anchoring, shore-based staff from the port came onboard to help remove nearly half a metre thick coat of snow and ice from the deck. An extra 12 men worked with the crew for 25 hours with wooden mallets, shovels, steam liners and jackhammers before most of the snow and ice was gone. First then was Baltic Freedom ready to unload, and four days later the ship could set the course for her next voyage to the considerably warmer destination of Amuray Bay, Venezuela.



STRONG WIND AND HIGH DEGREES BELOW ZERO PRODUCED A THICK COAT OF ICE ON THE FRONT HALF OF THE SHIP



THE ANCHOR IS FREED.



PORT EMPLOYEES HELPED REMOVE THE ICE AND SNOW.



THE SHIP WAS COMPLETELY COVERED IN ICE AND SNOW.

# NORDEN strengthens organisation

With effect from 1 April 2008, NORDEN strengthened its organisation and management structure in line with the Company's growth. In this connection, three managers were promoted.

*Jacob Meldgaard* was appointed Executive Vice President. He remains responsible for the Company's largest activity, the Dry Cargo Department, and is in addition responsible for all offices abroad, coordination of strategy and business development as well as other interdisciplinary processes. *Jacob Meldgaard* joins the newly established *Executive Management* together with the two members of NORDEN's Board of Management – CEO *Carsten Mortensen* and CFO *Ivar Hansson Myklebust*.

At the same time, *Martin Badsted* was appointed to Senior Vice President and head of a new Corporate Secretariat which collates planning and support functions across the Company. The 15 employees form the secretariat for the Board of Direc-

tors, Board of Management and Executive Management and are among other things responsible for market intelligence, control, risk management, reporting, Investor Relations, strategy processes, M&A and other joint functions. At the same time, the secretariat will support the commercial units in relation to market analysis and business development.

In conclusion, *Vibeke Schneidermann* was appointed to Senior Vice President and HR Director. The appointment reflects NORDEN's strategic focus on recruiting, maintaining and educating highly qualified employees. The HR Department has developed within a short period of time to include four employees in Copenhagen and Singapore.

“NORDEN is growing, and we must organize us accordingly. We need to strengthen the control systems, streamline some things and add even further quality to the processes and workflows. But at the same time it is important that we maintain a flat, fast and decisive organisation with a clear chain of command and understanding of the managers' responsibilities and roles. We believe to have found this balance,” says CEO *Carsten Mortensen*.

NORDEN'S NEW SENIOR MANAGEMENT VISITING NORDEN'S FUTURE HEADQUARTER, “BRYGHUSET”. FROM LEFT: VIBEKE SCHNEIDERMANN, MARTIN BADSTED, LARS BAGGE CHRISTENSEN, LARS LUNDEGAARD, IVAR HANSSON MYKLEBUST, KRISTIAN WÆRNESS, JACOB MELDGAARD AND CARSTEN MORTENSEN (ON THE LADDER).



## DRY CARGO

### Long-term charter

NORDEN has taken delivery of m.v. NORD SPIRIT (built in 2008; 53,482 dwt) and m.v. NORD NAVIGATOR (built in 2008; 82,300 dwt).

## TANKER

### Deliveries to the core fleet

NORDEN has taken delivery of one Ice Class 1A LR1 vessel and three Handysize product tankers – of which one vessel is Ice Class 1A. All four vessels have been delivered ex-yard.

## NORDEN's fleet at 31 March 2008

Vessel type	Dry Cargo Department					Total	Tanker Department					Total
	Capesize	Post-Panamax	Panamax	Handymax	Handysize		Aframax	Product tankers			Total	
								LR1	MR	Handysize		
Size (dwt)	>150,000	85-120,000	65-82,500	40-60,000	25-40,000	80-120,000	60-75,000	42-60,000	27-42,000			
<b>Vessels in operation</b>												
Owned vessels	2	-	3 <sup>A</sup>	7 <sup>B</sup>	-	12	-	-	1 <sup>A</sup>	5	6	18
Chartered vessels (with purchase option)	3	-	11	14	1	29	-	-	3 <sup>A</sup>	-	3	32
Chartered for at least three years	-	-	3	9	4	16	-	1	2	12	15	31
<b>Total active core fleet</b>	<b>5</b>	<b>0</b>	<b>17</b>	<b>30</b>	<b>5</b>	<b>57</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>17</b>	<b>24</b>	<b>81</b>
Other chartered vessels	1	-	78	34	15	128	3	-	-	-	3	131
<b>Total active fleet</b>	<b>6</b>	<b>0</b>	<b>95</b>	<b>64</b>	<b>20</b>	<b>185</b>	<b>3</b>	<b>1</b>	<b>6</b>	<b>17</b>	<b>27</b>	<b>212</b>
<b>Vessels to be delivered to core fleet</b>												
Newbuildings (owned)	-	4	-	11 <sup>C</sup>	12 <sup>E</sup>	27	-	-	3	3	6	33
Chartered vessels (with purchase option)	-	4	6	14 <sup>D</sup>	6	30	-	-	9	-	9	39
Chartered for at least three years	-	-	-	8	8	16	-	-	-	2	2	18
<b>Total for delivery to core fleet</b>	<b>0</b>	<b>8</b>	<b>6</b>	<b>33</b>	<b>26</b>	<b>73</b>	<b>0</b>	<b>0</b>	<b>12</b>	<b>5</b>	<b>17</b>	<b>90</b>
<b>Total gross fleet</b>	<b>6</b>	<b>8</b>	<b>101</b>	<b>97</b>	<b>46</b>	<b>258</b>	<b>3</b>	<b>1</b>	<b>18</b>	<b>22</b>	<b>44</b>	<b>302</b>

<sup>A</sup> Of which 1 unit sold. <sup>B</sup> Of which 2 units sold. <sup>C</sup> Of which 3 units are 50%-owned. 3 units sold, of this 1 unit 50%-owned.

<sup>D</sup> Of which 2 units are in 50%-joint venture. <sup>E</sup> Of which 2 units are 50%-owned.

## Award for excellent investor information

On 17 January 2008, NORDEN received CFA Denmark's information award. The award is an acknowledgement of a special effort within a selected part of all the information provided to the stock market. In motivating the award to NORDEN, the CFA emphasized in addition to the fine reporting in general, NORDEN's "thorough presentation of its fleet and the segments in which the company is engaged" as a splendid example to follow. In this area, NORDEN's reporting was "outstanding". The motivation read that "this area is of course important to a shipping company and for this reason also important to analysts and investors in order for them to recognize a number of factors which are essential for the value assessment of NORDEN's shares."

"We are very pleased that people take note of the efforts we have invested in our financial reporting at NORDEN. That clearly motivates us to continue developing the information we provide," says Ivar Hansson Myklebust, CFO.



MARTIN BADSTEDT, SENIOR VICE PRESIDENT FOR INVESTOR RELATIONS, ACCEPTED THE INFORMATION AWARD WHICH WAS ACCOMPANIED BY A LARGE PHOTOSTAT OF "BRYGHUSET", NORDEN'S NEW HEAD OFFICE, FROM BEFORE THE REFURBISHING.

# Large relocation puzzle

The work on renovating NORDEN's new headquarters, "Bryghuset", in Hellerup has now gone into its final phase before NORDEN is handed the keys to the building on 1 May. This signals the start of a large relocation puzzle.



GLASS FRONT OF THE ADDITION, WHICH ROOMS MEETING FACILITIES AND OFFICES.



PETER SUNDELL DURING SURVEY OF "BRYGHUSET".



During April, the final interior tasks will be completed, i.e. fitting of panels, sun blinds, wardrobes and glass walls at ground floor, and also some final paint jobs and floor treatment once the heavy machinery gradually finishes on each of the 7 floors. At the same time, heating, ventilation and other systems are to be implemented. Once this is done, only minor renovation jobs remain such as furnishing the roof terrace, mounting a flag pole and installing a number of doors on the inside. This will all be done during May once the furniture and office machines have arrived.

### Three time schedules

"The activities following the takeover on 1 May and until the moving on 6-8 June and in the first period hereafter are planned down to the smallest detail. We operate with three different time schedules. One for the time between the takeover and the moving, one hour-for-hour schedule for the actual moving weekend and one for what will happen to our old offices in Amaliegade after moving to "Bryghuset", says Facility Manager Peter Sundell.

Since "Bryghuset" has never been through such a comprehensive renovation process and has never been used for office purposes previously, there is an extra amount of details which must be sorted out and dealt with – in the right order, mind you. It is

all one big puzzle of planning deliveries and resources in the best possible way in order to prevent that everything is delivered and installed at the same time or in the wrong order.

"It would be very unfortunate if the xerox machines and office equipment were delivered before the carpenter has finished with the xerox machine-rooms. Or if all desks were delivered at the same time as the furniture for the meeting rooms, which would create traffic chaos around the elevators. In addition, a number of service agreements must be finalised before we move in. This includes cleaning service, mail delivery, plant service, etc. Everything has to be negotiated and in place when the employees have their first day at work in the new surroundings on Monday 9 June," Peter Sundell explains.

"During the moving, 5-6 moving trucks will drive in regular service between Amaliegade and "Bryghuset" in Hellerup, and it is estimated that somewhere near 1,000 moving boxes will be needed. We only have 48 hours for the actual moving, so it is absolutely crucial that everything goes exactly as planned. But the work doesn't end here. After having moved everything, NORDEN's previous offices in Amaliegade must be completely cleared, and those parts of the offices which were rented must be re-established as they were when we first rented them," he says.



TOP FLOOR IN THE MANSARD ROOF. FROM THE ATRIUM GLASS, LIGHT WILL FLOW DOWN TO ALL FLOORS.

### To do list 1 May-8 June 2008

- Complete access control and alarm system
- Complete video surveillance
- Complete toilets/sanitation
- Signs and pictograms
- Food and tableware for the kitchen
- Set up work places
- Send out moving instructions to the employees
- Produce access cards
- Arrange copy room
- Install doors on the inside
- Hang up art/ship models
- Tour of the offices for the departments
- Xerox machine delivery
- Move in
- Move safe
- Clean after the moving



### Corporate functions

- 1 March 2008: *Brian Pedersen*, 24, was employed as IT Supporter in the IT Department.
- 4 March 2008: *Cecilie Hedemand*, 21, was employed as Piccoline and Receptionist in Internal Services.
- 1 April 2008: *Jan Ulrik Nielsen*, 38, was employed as Training Consultant in the HR Department.
- 1 April 2008: *Jesper Dueholm Hou*, 41, was employed as Facility Management Assistant (temporary position).

### Finance Department

- 1 March 2008: *Morten Vestergaard*, 33, was employed as Financial Assistant.
- 1 March 2008: *Mary Alice Bjerngaard*, 50, was employed as Financial Assistant.
- 1 April 2008: *Heidi Britt Jørgensen*, 36, was employed as Salary Manager.

### Dry Cargo Department

- 20 February 2008: *Echo Zhang* finished as Trainee and was employed as Assistant Chartering Manager in Panamax Chartering until 1 July 2008. Hereafter she will continue at NORDEN's Shanghai office.
- 1 March 2008: *Jette Rohde*, 60, was employed as Controller.
- 1 March 2008: *Christian Egholm Jacobsen*, 49, was employed as Senior Chartering Manager in Handysize.
- 1 March 2008: *Adam Nielsen*, Chartering Manager, has transferred from NORDEN's Shanghai office to Handymax Chartering.
- 1 April 2008: *Teddy Folmer*, 38, was employed as Senior Chartering Manager in Projects.
- 1 April 2008: *Thomas Koppel*, 31, was employed as Chartering Manager in Panamax Chartering.
- 1 April 2008: *Lars Tørnqvist*, 48, was employed as Port Captain, Europe, in Panamax Operations.

### Tanker Department

- 1 April 2008: *Kenneth Peter Kampmann*, 29, was employed as Chartering Manager.

### Annapolis

- 8 January 2008: *Owen Mulford*, 26, was employed as Trainee on a 1-year training programme starting in Dry Cargo Operations.
- 1 March 2008: *Jesper Tarbensen Nielsen*, Assistant Chartering Manager in Handymax, has transferred temporarily to NORDEN's Annapolis office until 1 August 2008.

### Singapore

- 1 March 2008: *Charlotte Nymark*, 23, was employed as Assistant Chartering Manager.

### Norient Product Pool

- 1 February 2008: *Johnny Bilde*, 44, was employed as Senior Chartering Manager.
- 1 March 2008: *Keld Ramshøj Nielsen*, 37, was employed as Senior Operations Manager.
- 1 April 2008: *Harpal Singh* was employed as Operations Manager at Norient's Singapore office.

### NORDEN's vessels

- 7 January 2008: *Jesper Hansen*, 41, was employed as Chief Officer onboard m.v. NORD LUNA.
- 9 January 2008: *Kristian Ussingø*, 24, was employed as Apprentice Officer.
- 14 January 2008: *Palle Torngaard Sand*, Master onboard m.v. NORD WHALE, celebrated his 50th birthday.
- 20 January 2008: *Pall Bjarkhamar*, 52, was employed as Second Engineer onboard m.v. NORD WHALE.
- 22 January 2008: *Michal Larsen*, 21, was employed as Apprentice Officer onboard m.v. NORDPOL.
- 28 January 2008: *Helgi Müller*, 52, was employed as Second Engineer onboard m.t. NORD BELL.
- 12 February 2008: *Sigurd Anthoniussen*, 49, was employed as Master onboard m.v. NORD-FLEX.
- 13 February 2008: *Dioniso Monteroso*, 51, was employed as Master onboard m.v. NORD VIKING.
- 15 February 2008: *Michael Hylleberg*, 26, was employed as Apprentice Officer.
- 31 March 2008: *Viggo Christian E. Hansen*, Master onboard m.v. NORD-KRAFT, celebrated his 60th birthday.
- 1 April 2008: *Alex Cantago*, 53, was employed as Master onboard m.v. NORD EMPATHY.

# Two years "down under"

D/S Orients Fund, which has close and historical ties with NORDEN, supports a number of non-profit humanitarian as well as maritime related projects. In addition, the fund offers scholarships for educational purposes to NORDEN's employees' children. A recent receiver is Joy Zheng, who was granted a scholarship for a 2-year stay at Eltham College in Victoria State District in southern Australia.

## Stepping stone to a career

Joy Zheng is 17 years old and daughter of NORDEN's port captain in northern China, Eko Zheng. Joy arrived in Australia on 1 March 2008 where she will stay until November 2009. She was straight away lodged at the home of her host family, which also has another Chinese student staying with them.

"I already feel at home, both at school and with my host family, and I feel that it was the right decision to come. My ambition with the educational stay can be divided into three: to improve my English, to learn more about Australian culture, economy and living, and finally to attain a diploma which will gain me access to further university studies in Australia. And the conditions are there for all three goals to be attainable.

I hope to study finance or actuary at the University of Melbourne after the college diploma. In time, I would like a position as personal management consultant or finance consultant at home in China," says Joy Zheng.

## Everyday life is very different

"Classes are exciting, and I have two completely new subjects which I didn't have in China. These are economy and law. Everything is naturally done in English, both at school and with the family.

Everyday life is also very different. Both at school and at home I have free access to the Internet, and I use it a lot, also as part of my education. In China, we only had access to the Internet for one hour a week at school. The television channels are also very different. They show programmes about everything under the sun: children's television, competitions about nearly anything, news, series and sports – a lot of sports, some of which I've never heard of such as rugby and cricket. The shopping possibilities, though, are very limited in the small town I'm living in here compared to the vast amount of possibilities in my home town of Dalian in northern China or in Shanghai.

But the thing that has surprised me the most, I guess, is that I have much more spare time than I'm used to. The school here ends already at 3.45 p.m., where it was often 7.30 p.m. at the school at home in Dalian. So far a lot of time has gone by watching television and surfing the Internet next to my homework of course," she laughs.

## Examples of projects sponsored by D/S Orients Fund in recent years

- Study of establishing a Maritime Museum in Helsingør, Denmark.
- An interactive experience exhibit including a ship simulator to the Exploratorium, Experimentarium, in Copenhagen.
- Safety suits to the viking ship project "the Sea Stallion".



JOY ZHENG IN FRONT OF ELTHAM COLLEGE.