

## PRESENTATION OF NORDEN

New York

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Executive Vice President & CFO

September 2010



**THE PREFERRED PARTNER IN GLOBAL TRAMP  
SHIPPING. UNIQUE PEOPLE. OPEN MINDED TEAM  
SPIRIT. NUMBER ONE.**

# TODAY'S AGENDA

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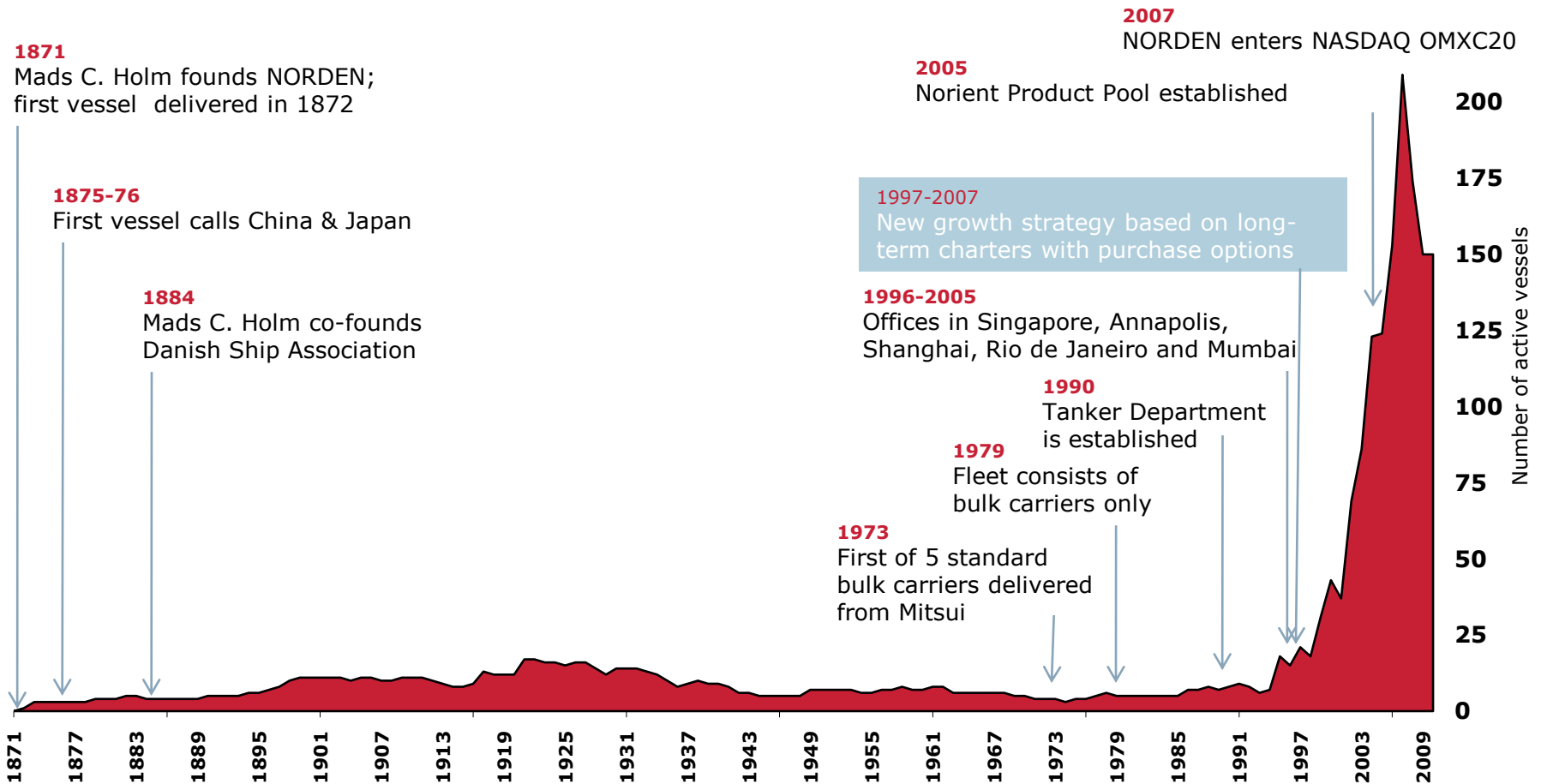
- Introduction to NORDEN
- Performance and business model
- Financial position
- H1 2010 highlights





# SNAPSHOT OF 139 YEARS' OF HISTORY

- One of the oldest listed shipping companies worldwide
- Up until 1970s primarily tonnage provider
- Entered dry cargo in the 1970s and tanker in 1980s



# A LEADING GLOBAL TRAMP OPERATOR



## Dry Cargo



Capesize



Post-Panamax



Panamax



Handymax



Handysize

## Product tanker



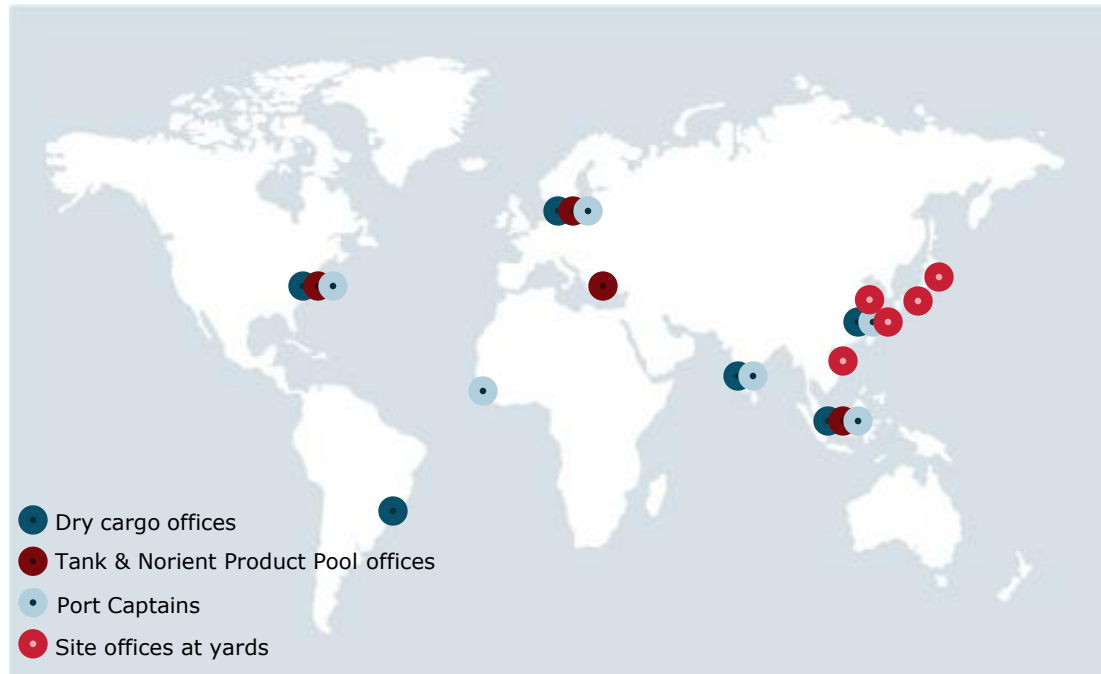
LR1



MR



Handysize



- One of the most modern fleets in our industry
- Global network of offices and port captains
- Very strong balance sheet

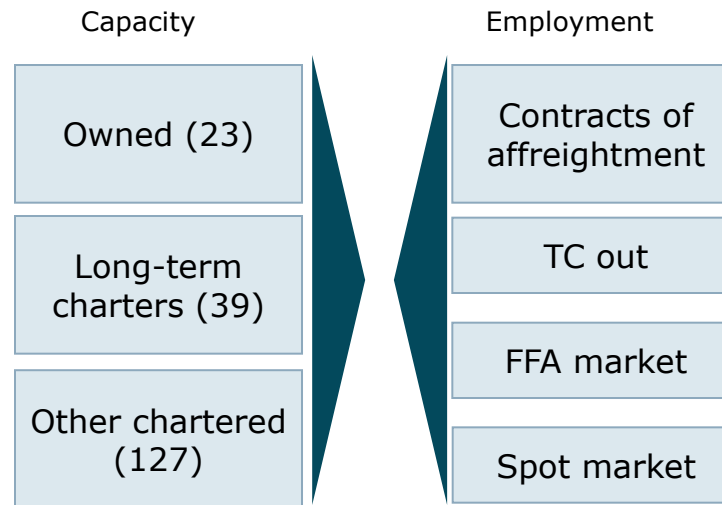


# ASSET LIGHT BUSINESS MODEL

- Active fleet can quickly be adjusted to demand and market conditions
- Fleet employment based on a portfolio and risk assessment

## Flexible fleet

- Sale and purchase
- Technical competencies in-house
- Off balance sheet financing
- Option-based flexibility
- 5-7 year firm periods
- Flexibility and scale advantages
- Arbitrage possibilities
- Single-trip vessels



## Coverage and customer focus

- Customer relations
- Logistical efficiencies
- 2-5 year firm periods
- Quick and easy cover

People

Brand

Systems

\* Active fleet per 30 June 2010

# CUSTOMER RELATIONS – STRONGER THAN EVER



## Focus on long-term customer relations

- 6 out of NORDEN's 10 largest COAs entered in 2009
- Continued strong focus on COA activity in 2010
- Customers are looking for stable, reliable and long-term transportation solutions
- Still diversified customer base



## 10 largest COAs end-2009

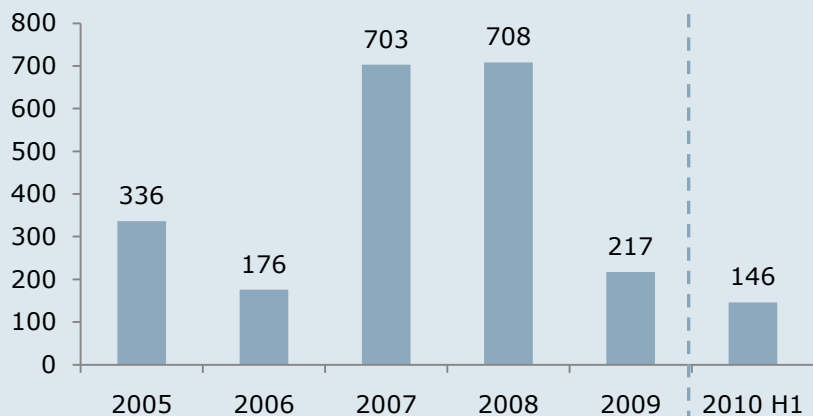
<b>Customer</b>	<b>Contract year</b>	<b>Commodity</b>	<b>Mill. Tonnes</b>	<b>Duration (Years)</b>
Asian energy company	2008	Coal	14.7	15.0
European energy company	2009	Wood pellets	<12	12.0
Asian mining company	2009	Coal	8.2	6.0
Asian energy company	2009	Coal	6.2	10.8
American construction company	2009	Aggregates	<6.3	9.5
South American shipping company	2009	Salt	<4.3	5.0
Asian energy company	2007	Coal	2.7	3.5
European utility company	2008	Coal	2.2	3.0
South American shipping company	2008	Salt	1.6	3.0
Russian coal producer	2009	Coal	2.0	3.0

# LAST 5½ YEARS PERFORMANCE



## Net profit

USDm

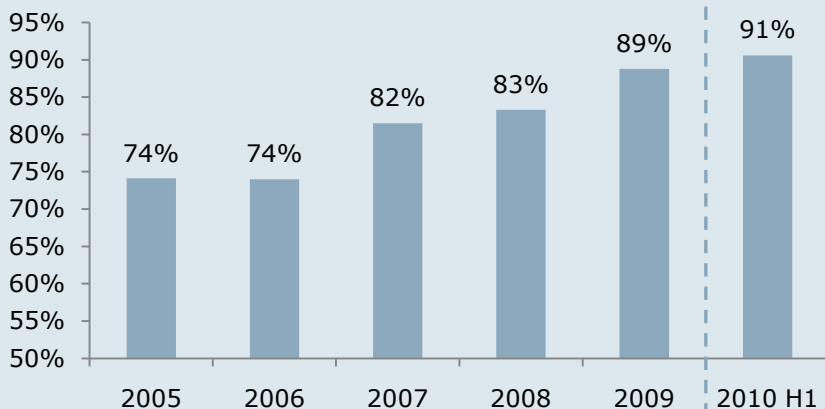


## Return on equity (%)



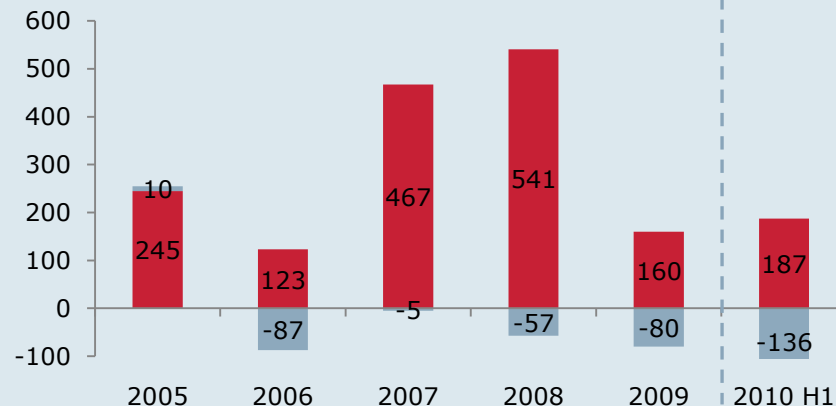
ROE for 2010 H1 has been annualised

## Equity ratio



## Cash flows, operations and investments

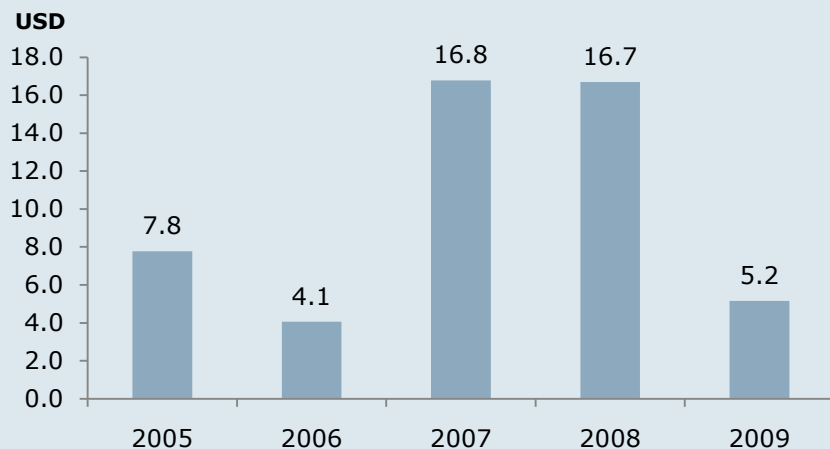
USDm



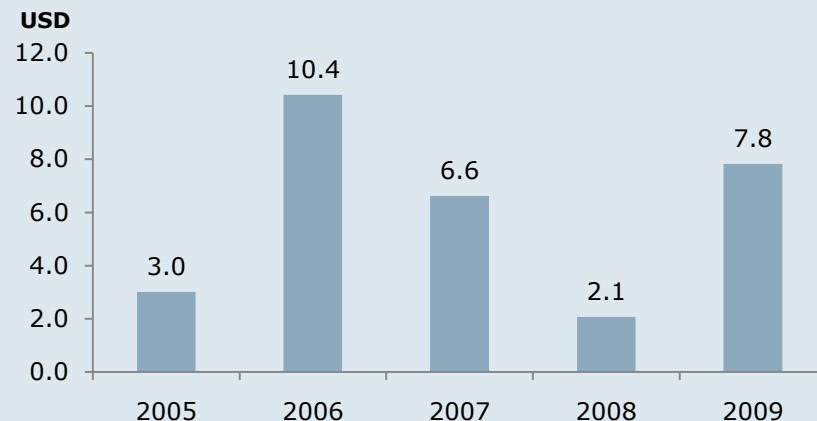
# LAST 5 YEARS PERFORMANCE



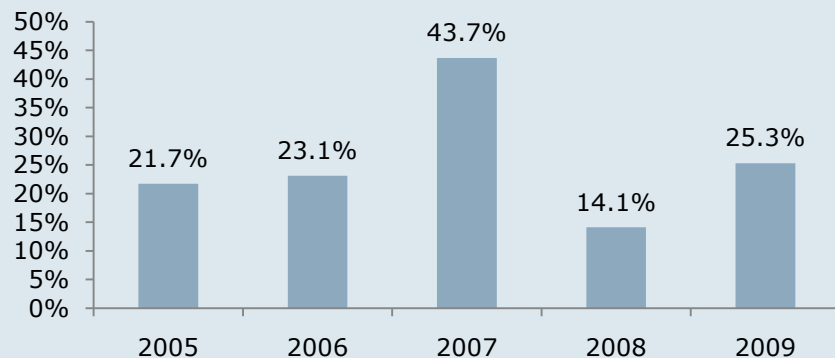
## Earnings per share



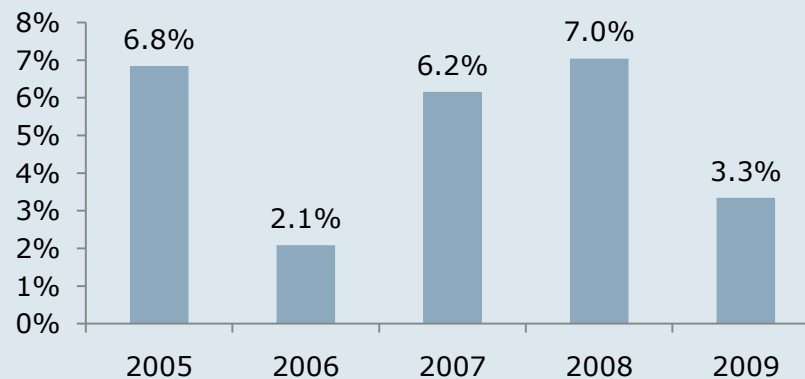
## Price/Earning Ratio



## Payout ratio



## Dividend yield



Calculated as year-end share price divided by dividend for the year



# STRONG FINANCIAL POSITION

## Strong capital structure

- Strong focus on cash flow generation
- Cash in low-risk deposit accounts and securities
- New-building orderbook fully covered by available cash
- USD 61m bank debt; all but 4 ships paid cash
- Q2 2010 solvency ratio at 91%
- Low gearing of book equity - gearing 0.25
- Financial strength is the foundation for future profitable growth opportunities

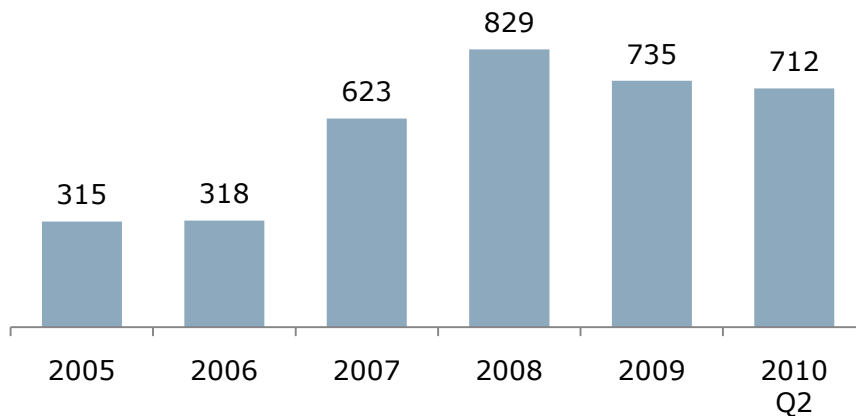
## Net committed cash

USDm	Q2 2010	Q2 2009
Adjusted Net Interest Bearing Assets*	620	676
T/C obligations**	-2,015	-2,570
New building installments less proceeds from vessel sales**	-260	-603
Revenue from coverage**	1,187	1,318
<b>Net commitments</b>	<b>-468</b>	<b>-1,179</b>

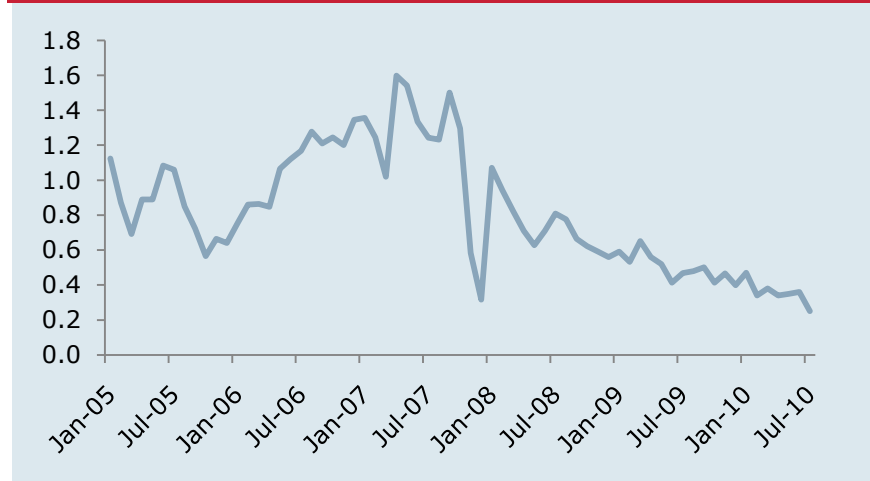
\* Adjusted for prepayments on vessel sales and currency swaps. \*\* Present values

## Cash and cash equivalents

USDm



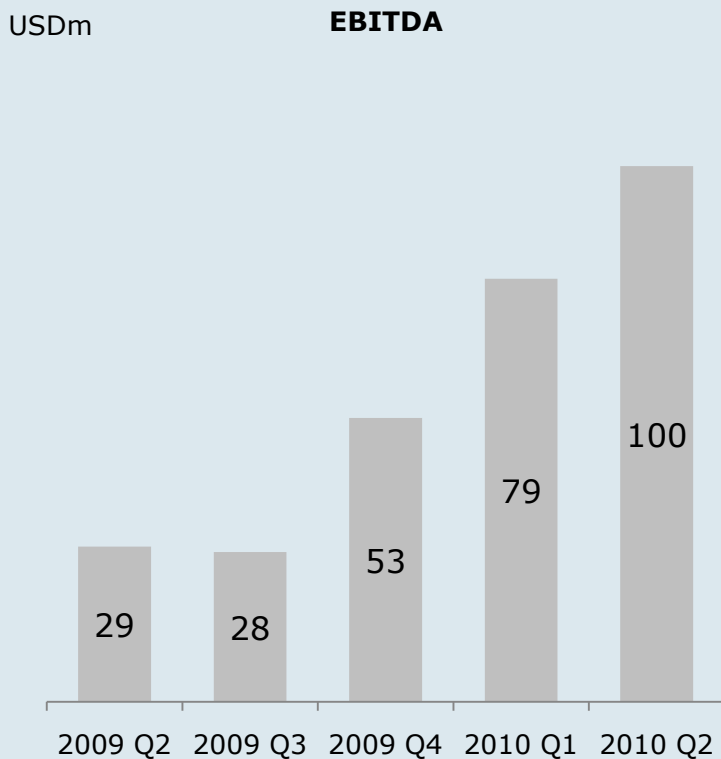
## Gearing



# H1 2010 HIGHLIGHTS



## Group financials



## Key messages

- Group EBITDA increased by more than 25% compared to last quarter
- NORDEN was well protected against spot rate decline during Q2 in Dry Cargo
- Product tanker spot rates remained steady, but on a low level
- Theoretical NAV improved to DKK 346 per share, of which DKK 67 relates to purchase and extension options
- Continue to be on the lookout for additional tanker assets

- Full year EBITDA guidance increased from USD 200-250m to USD 240-270m
- Full year EBIT guidance increased from USD 185-235m to USD 225-255m

# H1 2010 MAJOR TRANSACTIONS



## Dry Cargo

- Concluded several COAs with industrial clients ~ 2,500 vessel days in total + 3,000 after the quarter
- Cancellation of T/C on 1 Capesize vessel
- Sold 4 Handysize vessels
- Restructuring of Handysize newbuilding orders: 8 vessels have been converted to 9 and reduction of total purchase price by 8 million USD
- Net delivery of 4 vessels to active core fleet
- Declared POP on 2 vessels after the end of the quarter

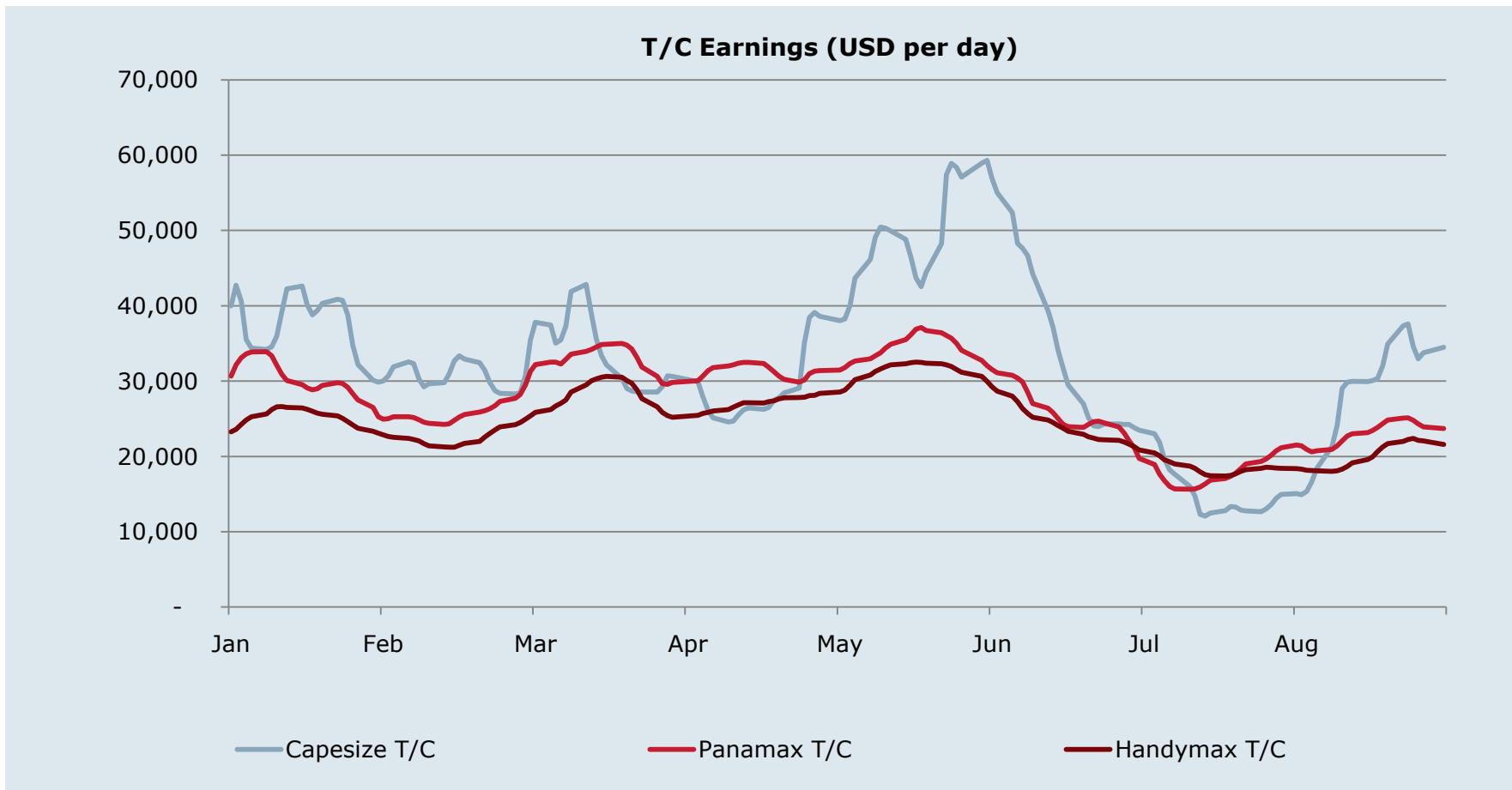
## Tanker

- 2 Handysize tanker vessels bought in April delivered to NORDEN during July
- 5 x 2-year T/C to Shell
- Took delivery of 3 vessels to active core fleet

# DRY CARGO – SPOT MARKET DEVELOPMENT



- Strong coal and grain season lead to solid rates in Panamax and Handymax
- Downturn hit Capesizes hard however rates have rebounded in August
- The smaller segments continue to perform well

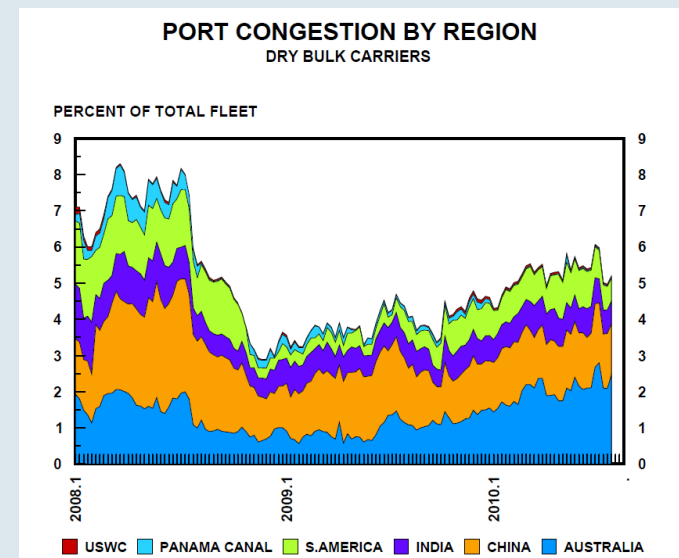
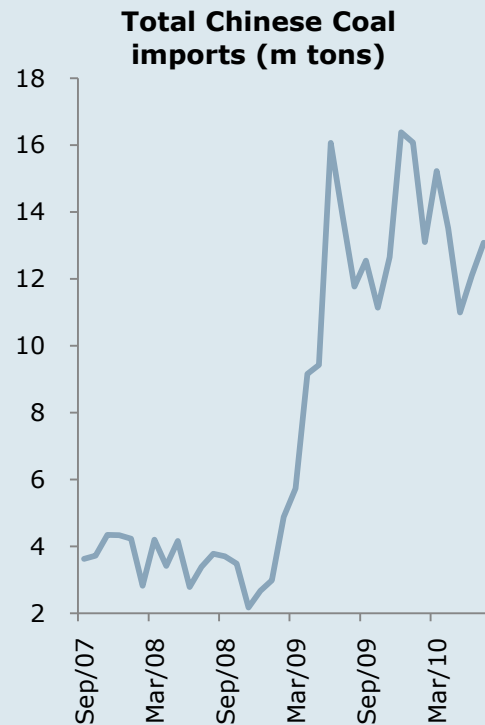
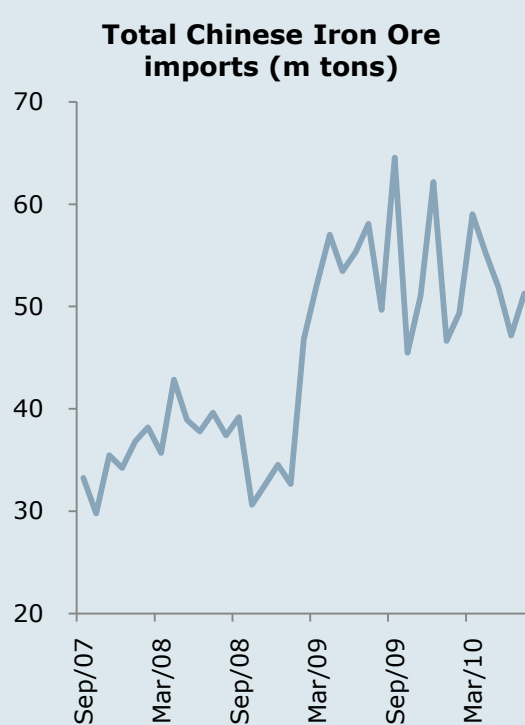


Sources: RS Platou, Baltic Exchange

# DRY CARGO MARKET



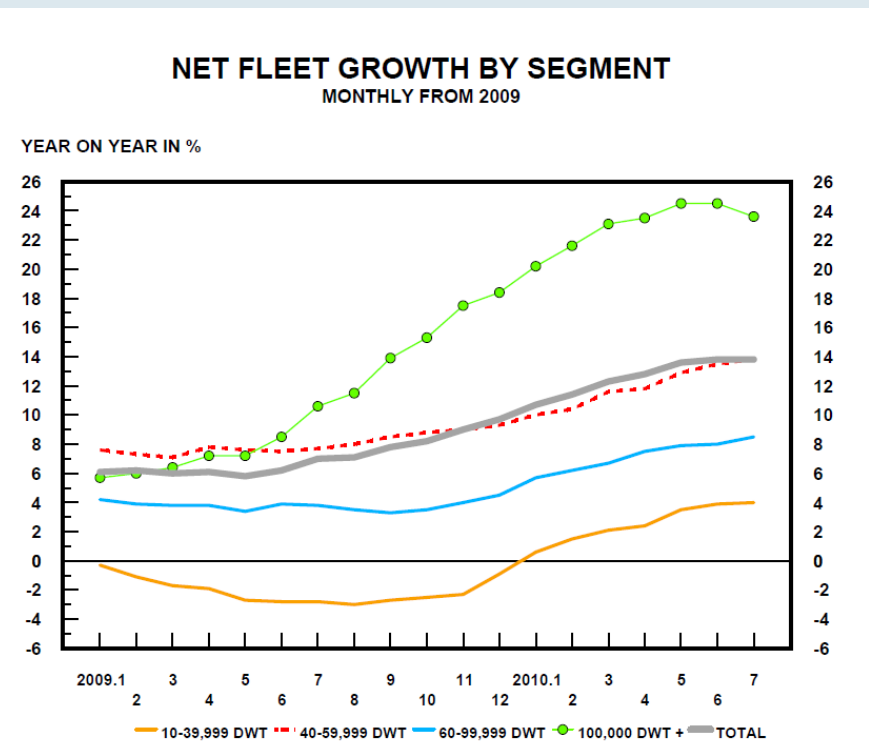
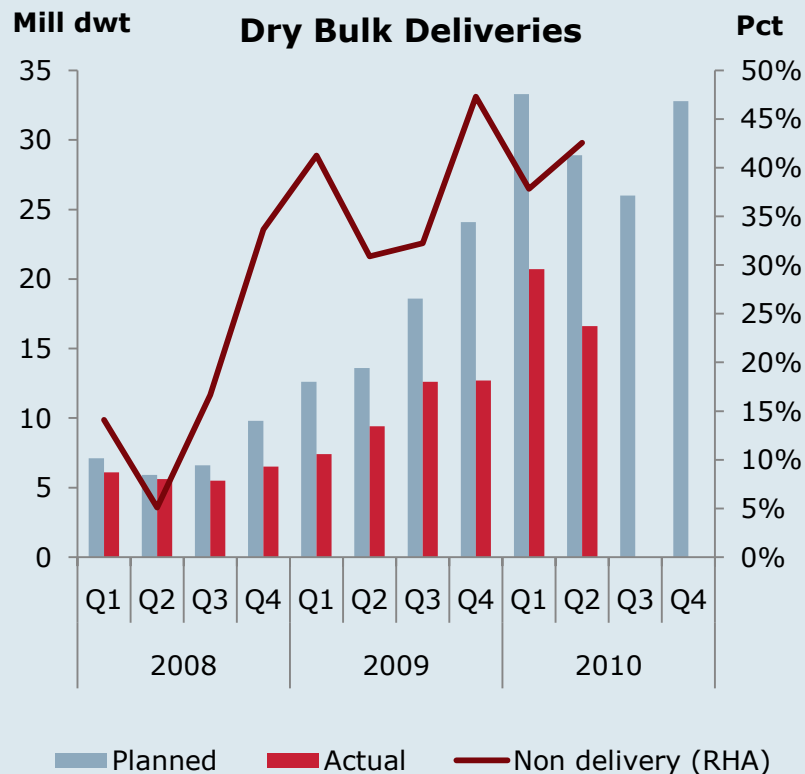
- Chinese commodity import momentum seems to be slowing
- Q2 iron ore import down 7% Y/Y - coal imports down 18% from previous quarter
- Increasing congestion especially in Australian coal ports





# DRY CARGO MARKET

- Despite significant shortfalls, actual deliveries continue at high pace
- 36 mill. dwt delivered in H1 – same expected in H2
- Net fleet growth in small segments much smaller, supporting rates



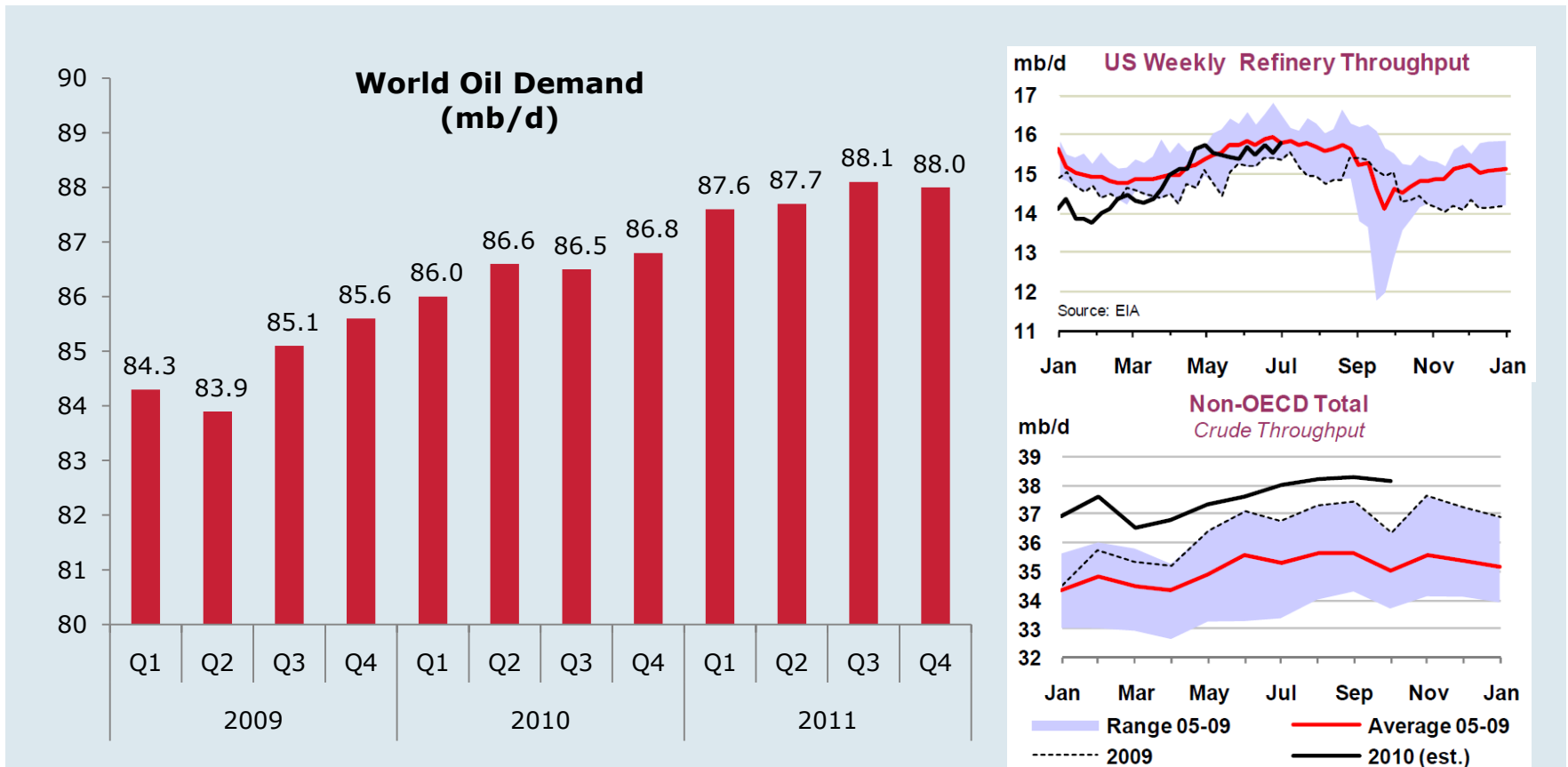
Source: RS Platou August 2010

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# TANKER MARKET



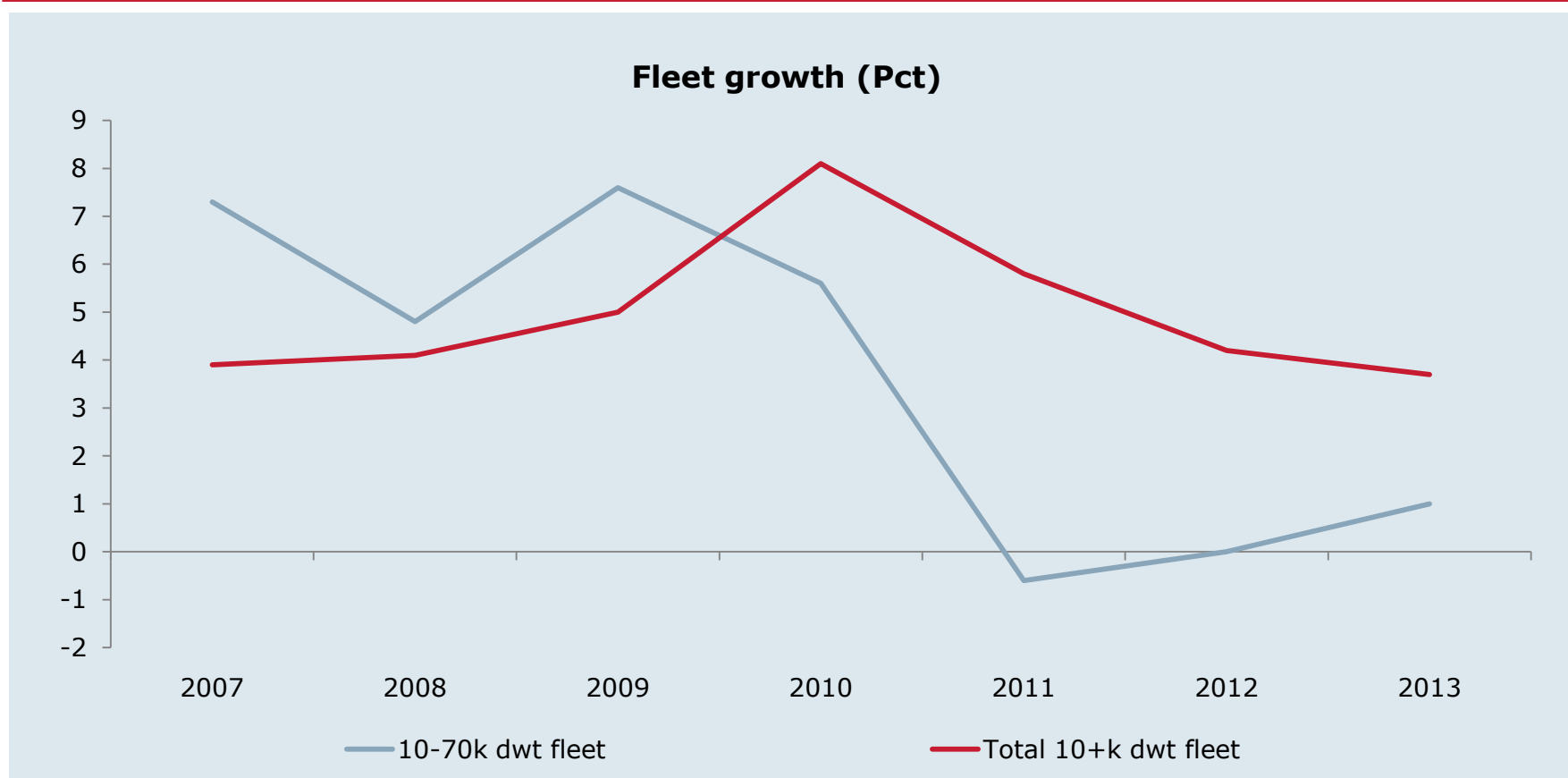
- Oil demand forecast are driven by Non OECD, mainly China
- Refinery economics is getting better and output is boosted



# TANKER MARKET



- The peak of fleet growth is behind us in NORDEN's main segments
- Approximately 10% of the Handysize and MR fleets are single hull
- Continued short-fall of approx. 30% in deliveries compared to planned in H1 2010



Source: MSI Q3 2010, Clarksons

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# REVISED 2010 FULL YEAR GUIDANCE



Revised guidance				Key assumptions
USDm	Dry Cargo	Tanker	Total	
EBITDA	255-275	-5-5	240-270	<ul style="list-style-type: none"><li>• Third consecutive upgrade in 2010</li></ul>
Profit from vessel sales			29 + 5 in JV	<ul style="list-style-type: none"><li>• Guidance based on current capacity and coverage</li></ul>
EBIT			225-255	<ul style="list-style-type: none"><li>• No significant new counterparty issues</li></ul>
CAPEX			270-300	<ul style="list-style-type: none"><li>• Only known vessel sales and purchases are included in guidance</li></ul>

# FORWARD LOOKING STATEMENTS



This presentation contains certain forward-looking statements reflecting the management's present judgment of future events and financial results.

Statements relating to the remainder of 2010 and subsequent years are subject to uncertainty, and NORDEN's actual results may therefore differ from the projections. Factors that may cause such variance include, but are not limited to, changes in macro-economic and political conditions, particularly in the Company's principal markets; changes to the Company's rate assumptions and operating costs; volatility in rates and tonnage prices; regulatory changes; any disruptions to traffic and operations as a result of external events, etc.

The presentation should not be interpreted as a recommendation to trade shares in Dampskibsselskabet NORDEN A/S.

# THANK YOU FOR YOUR ATTENTION





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**BACK UP**

# FLEET OVERVIEW AND VALUE – DRY CARGO



## NORDEN's Dry Cargo fleet and values at 30 June 2010

Vessel type	Capesize	Post-Panamax	Panamax	Handymax	Handysize	Total
<b>Vessels in operation</b>						
Owned vessels	3 A	3	2	1	2 C	<b>11</b>
Long-term chartered vessels	2	0	11	15	4	<b>32</b>
<b>Total active core fleet</b>	<b>5</b>	<b>3</b>	<b>13</b>	<b>16</b>	<b>6</b>	<b>43</b>
Short-term chartered vessels	0	0	52	47	15	<b>114</b>
<b>Total active fleet</b>	<b>5</b>	<b>3</b>	<b>65</b>	<b>63</b>	<b>21</b>	<b>157</b>
<b>Vessels to be delivered</b>						
Newbuildings (owned)	0	1	2	6 B	14 D	<b>23</b>
Long-term chartered vessels	0	4	1	7	5	<b>17</b>
<b>Total for delivery to core fleet</b>	<b>0</b>	<b>5</b>	<b>3</b>	<b>13</b>	<b>19</b>	<b>40</b>
Chartered vessels over 3 years without purchase option	0	0	0	3	6	<b>9</b>
<b>Total to be delivered</b>	<b>0</b>	<b>5</b>	<b>3</b>	<b>16</b>	<b>25</b>	<b>49</b>
<b>Total gross fleet</b>	<b>5</b>	<b>8</b>	<b>68</b>	<b>79</b>	<b>46</b>	<b>206</b>

A) Of which 1 unit sold, B) Of which 3 units sold; 3 units in 50%-owned joint venture, of this 1 unit sold

C) Of which 2 units sold, D) Of which 1 unit sold

## Dry Cargo fleet values at 30 June 2010 (USD million)

Market value owned vessels and newbuildings*	186	187	151	225	441	<b>1,190</b>
Added value owned vessels and newbuildings	101	-28	0	43	-64	<b>52</b>

\* Active vessels and newbuildings including joint ventures, assets held for sale and charterparties, if any

# FLEET OVERVIEW AND VALUE – TANKER



## NORDEN's Tanker fleet and values at 30 June 2010

Vessel type	LR1	MR	Handysize	Total
<b>Vessels in operation</b>				
Owned vessels	0	4	8	12
Long-term chartered vessels	0	7	0	7
<b>Total active core fleet</b>	<b>0</b>	<b>11</b>	<b>8</b>	<b>19</b>
Short-term chartered vessels	1	1	11	13
<b>Total active fleet</b>	<b>1</b>	<b>12</b>	<b>19</b>	<b>32</b>
<b>Vessels to be delivered</b>				
Newbuildings (owned)	0	2	2	4
Long-term chartered vessels	0	4	0	4
<b>Total for delivery to core fleet</b>	<b>0</b>	<b>6</b>	<b>2</b>	<b>8</b>
Chartered vessels over 3 years without purchase option	0	1	0	1
<b>Total to be delivered</b>	<b>0</b>	<b>7</b>	<b>2</b>	<b>9</b>
<b>Total gross fleet</b>	<b>1</b>	<b>19</b>	<b>21</b>	<b>41</b>
<b>Tanker fleet values at 30 June 2010 (USD million)</b>				
Market value owned vessels and newbuildings*		211	231 <sup>A</sup>	442
Added value own vessels and newbuildings		-10	-7	-17

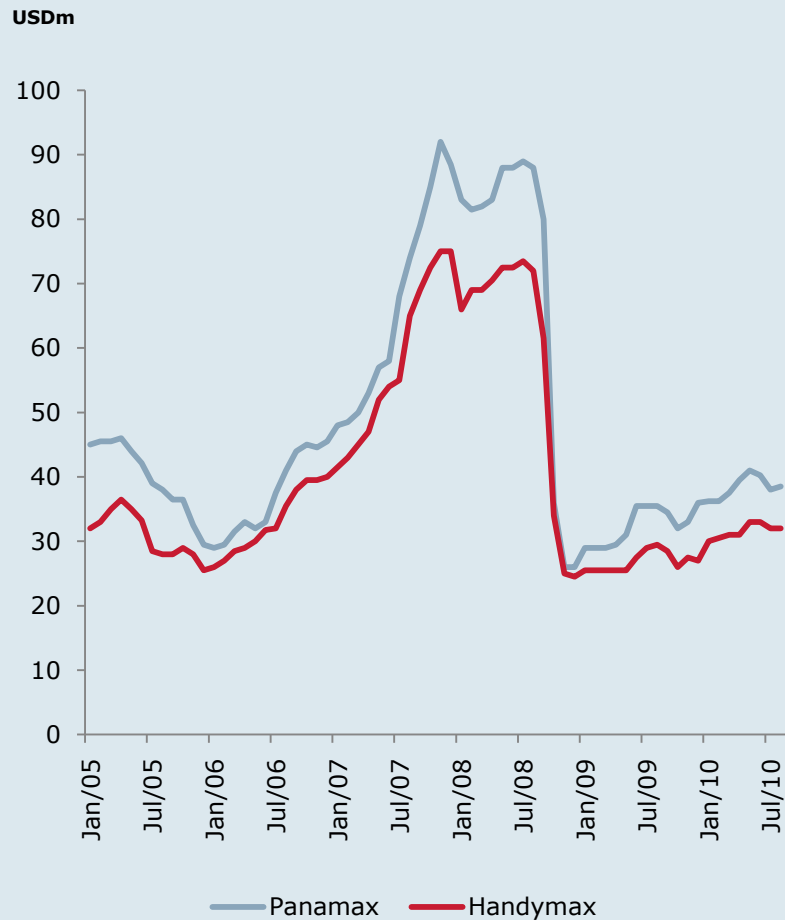
\* Active vessels and newbuildings including joint ventures, assets held for sale and charterparties, if any

A) Excluding the value of NORD FARER and NORD FAST, on which NORDEN has purchase agreement, but which are not delivered until the third quarter of 2010

# 5 YEAR OLD SECONDHAND TONNAGE VALUES

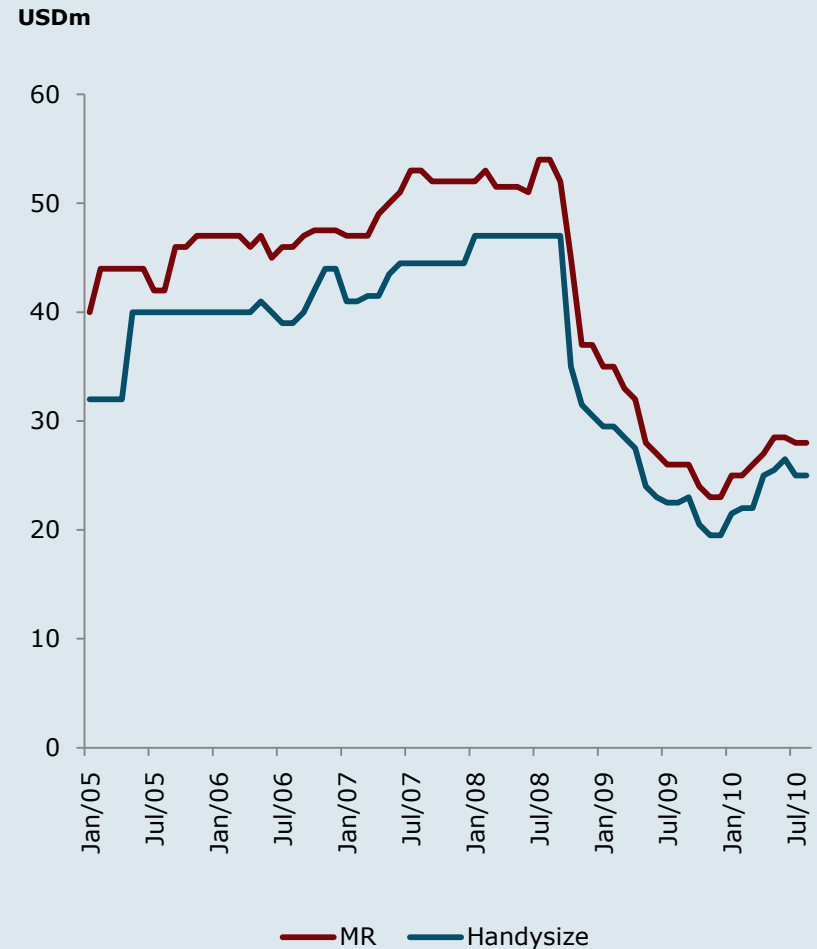


## Dry Cargo



Source: Clarksons

## Tanker



# COVERAGE AND CAPACITY – DRY CARGO



## Capacity and coverage, Dry Cargo, at 30 June 2010

	2010	2011	2012	2013+	2010	2011	2012	2013+
<b>Gross capacity</b>	Ship days				Costs for gross capacity (USD per day)			
Capesize	811	1,460	1,371	9,108	11,865	12,263	12,016	9,302
Post-Panamax	663	2,192	2,914	37,792	6,231	10,378	12,410	10,316
Panamax	6,737	7,290	5,410	27,378	20,154	14,034	11,588	8,007
Handymax	7,723	12,077	11,844	54,007	17,655	14,516	12,890	8,912
Handysize	2,416	6,117	9,142	105,681	13,720	11,063	9,951	6,342
<b>Total</b>	<b>18,350</b>	<b>29,136</b>	<b>30,681</b>	<b>233,966</b>	<b>17,386</b>	<b>13,246</b>	<b>11,700</b>	<b>7,887</b>

	Ship days				Revenue from coverage (USD per day)			
Capesize	464	1,095	366	272	50,543	41,266	67,922	67,922
Post-Panamax	477	1,090	0	0	23,648	21,617	0	0
Panamax	6,648	5,505	2,378	10,600	24,152	23,311	21,477	19,669
Handymax	5,678	6,210	4,293	4,489	20,843	20,277	22,787	16,245
Handysize	1,534	1,263	918	3,203	13,762	12,619	12,162	11,878
<b>Total</b>	<b>14,801</b>	<b>15,163</b>	<b>7,955</b>	<b>18,564</b>	<b>22,617</b>	<b>22,353</b>	<b>23,246</b>	<b>18,204</b>

<b>Coverage in %</b>				
Capesize	57%	75%	27%	3%
Post-Panamax	72%	50%	0%	0%
Panamax	99%	76%	44%	39%
Handymax	74%	51%	36%	8%
Handysize	63%	21%	10%	3%
<b>Total</b>	<b>81%</b>	<b>52%</b>	<b>26%</b>	<b>8%</b>

As of 1 January 2010, NORDEN operates its Post-Panamax and Handysize vessels in new pools. NORDEN's revenue and coverage in these vessel types are affected hereof because the figures show NORDEN's share of the pools' total revenue and coverage.

# COVERAGE AND CAPACITY – TANKER



## Capacity and coverage, Tanker, at 30 June 2010

	2010	2011	2012	2013+	2010	2011	2012	2013+
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<b>Gross capacity</b>	Ship days				Costs for gross capacity (USD per day)			
LR1	180	365	12	0	27,950	16,967	15,500	0
MR	2,512	6,299	5,709	48,760	13,706	13,480	12,665	10,264
Handysize	3,266	5,137	3,785	53,056	11,525	9,346	8,073	7,954
<b>Total</b>	<b>5,958</b>	<b>11,801</b>	<b>9,506</b>	<b>101,816</b>	<b>12,941</b>	<b>11,788</b>	<b>10,840</b>	<b>9,060</b>

<b>Coverage</b>	Ship days				Revenue from coverage (USD per day)			
LR1	11	0	0	0	11,754	0	0	0
MR	1,385	2,044	656	283	15,087	15,421	13,437	13,208
Handysize	1,833	1,551	346	0	14,230	13,270	12,404	0
<b>Total</b>	<b>3,229</b>	<b>3,595</b>	<b>1,002</b>	<b>283</b>	<b>14,589</b>	<b>14,493</b>	<b>13,080</b>	<b>13,208</b>

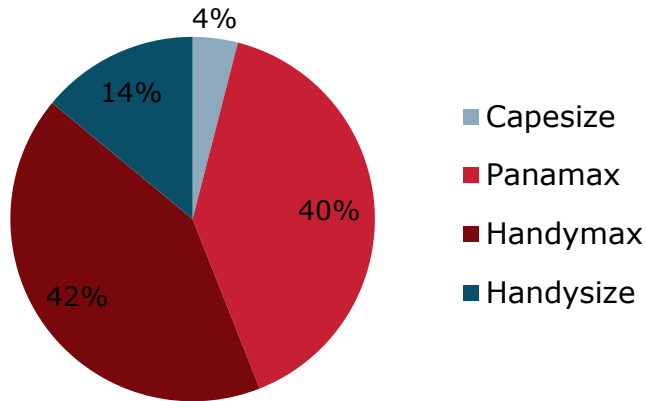
<b>Coverage in %</b>				
LR1	6%	0%	0%	0%
MR	55%	32%	11%	1%
Handysize	56%	30%	9%	0%
<b>Total</b>	<b>54%</b>	<b>30%</b>	<b>11%</b>	<b>0%</b>

# 2009 CAPACITIES

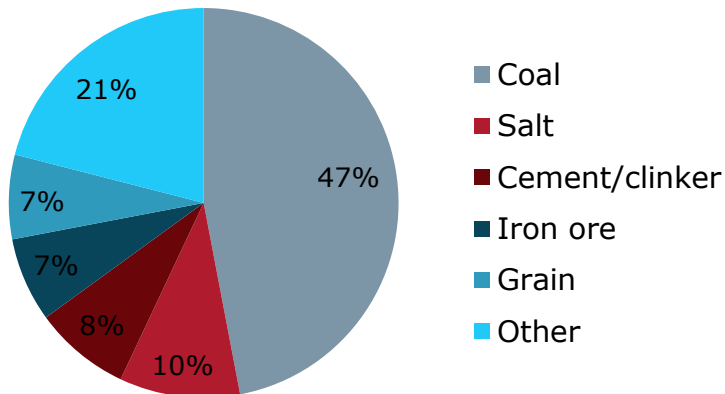


## Dry cargo

Ship Days  
100% = 45,945

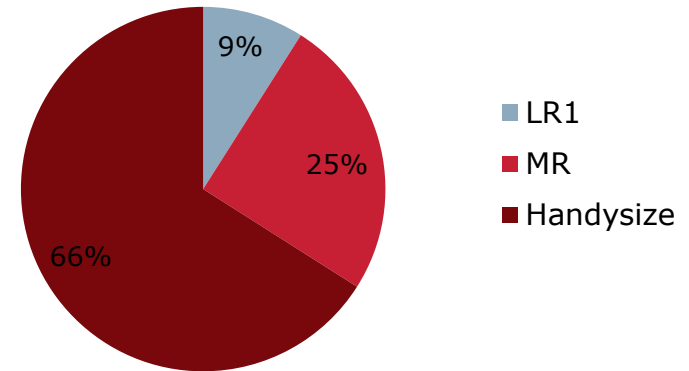


Cargo volumes  
100% = 42.1 million tons

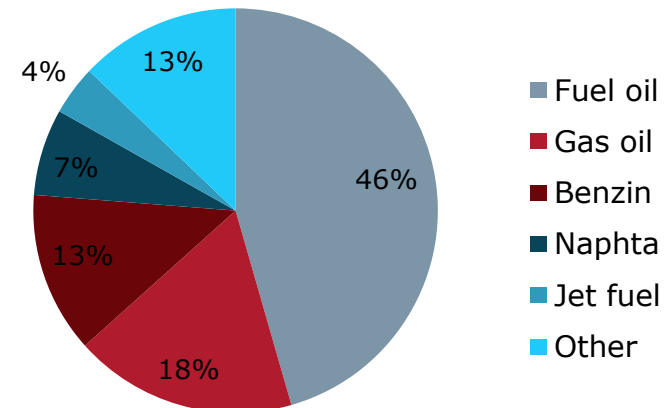


## Tanker

Ship Days  
100% = 10,006








Cargo volumes  
100% = 19 million tons



# DRY CARGO FLEET

- NORDEN is active within 5 dry cargo segments, offering the highest possible flexibility to cargo clients
- Future fleet expansion mainly in Handysize and Handymax






Vessel type	Size (DWT)	Typical length	Main cargoes	
Capesize	>150,000	289 metres	Iron ore	
Post-Panamax	90-120,000	245 metres	Iron ore and coal	
Panamax	65-90,000	225 metres	Iron ore, coal grain and bauxite	
Handymax	40-65,000	190 metres	Iron ore, coal, bauxite, cement clinker, grain, steel and fertilizer	
Handysize	25-40,000	170 metres	Cement clinker, grain, steel, petcoke, fertilizer, salt, alumina, scrap, concentrates	

# TANKER FLEET

- Active within 3 tanker vessel types - Exited crude oil in 2007, now purely focused on products
- In a joint venture with INTERORIENT, NORDEN operates approx. 60 vessels



Vessel type	Size (DWT)	Typical length	Main cargoes	
LR1	60-80,000	230 metres	Fuel oil, heating oil, gasoline, diesel, naphtha, jetfuel	
MR	42-60,000	180 metres	Fuel oil, heating oil, gasoline, diesel, naphtha, jetfuel, vegoil	
Handysize	27-42,000	170 metres	Fuel oil, heating oil, gasoline, diesel, naphtha, jetfuel, vegoil	



# THE SHARE (DNORD)

## Master data

Shareholder capital	DKK 44,600,000
Number of shares and denomination	44,600,000 shares of DKK 1
Classes of shares	1
Voting and ownership restrictions	None
Stock exchange	NASDAQ OMX Copenhagen
Ticker symbol	DNORD
ISIN code	DK0060083210
Bloomberg code	DNORD.DC
Reuters code	DNORD.CO

## Composition of shareholders

- 17,655 registered shareholders
- Approx. 45% international ownership
- Approx. 57% effective free float

Per August 2010

