

PRESENTATION OF NORDEN

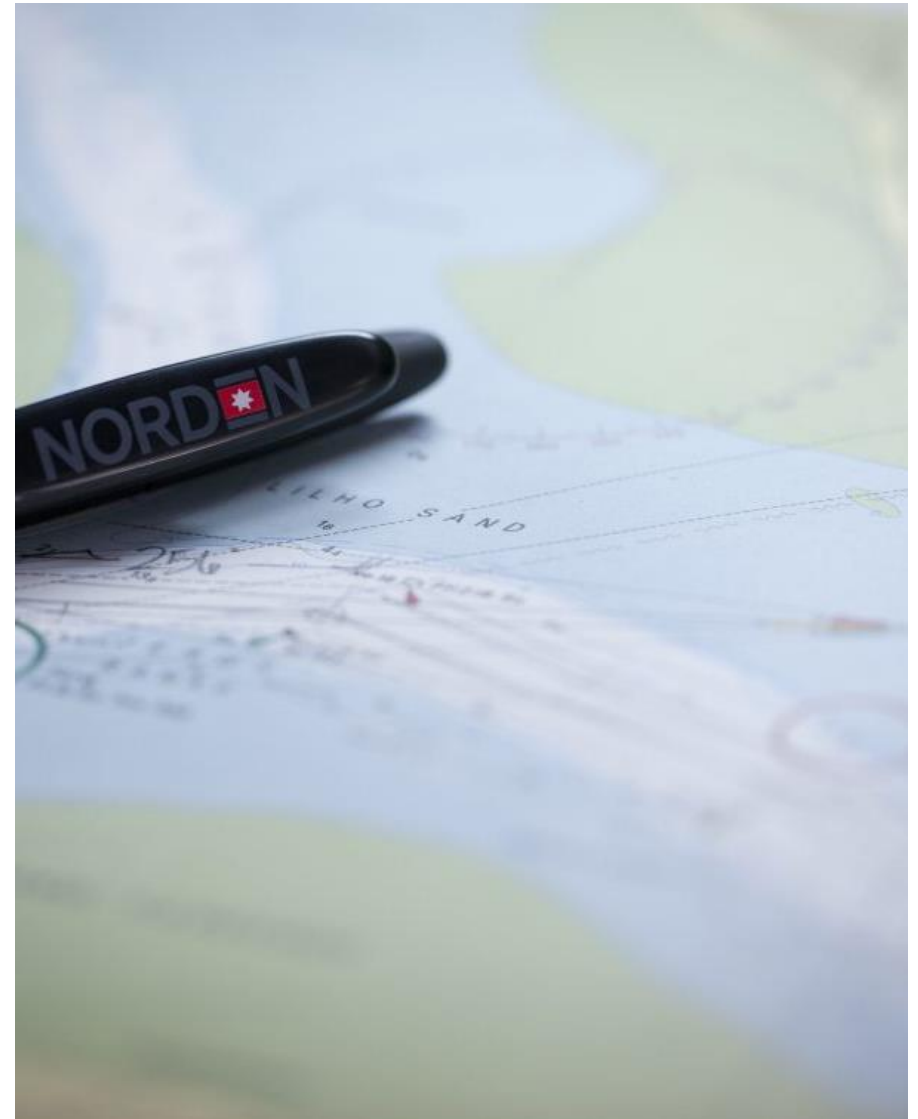
Jyske Bank
Company Day
27 November 2014

CFO Michael Tønnes Jørgensen

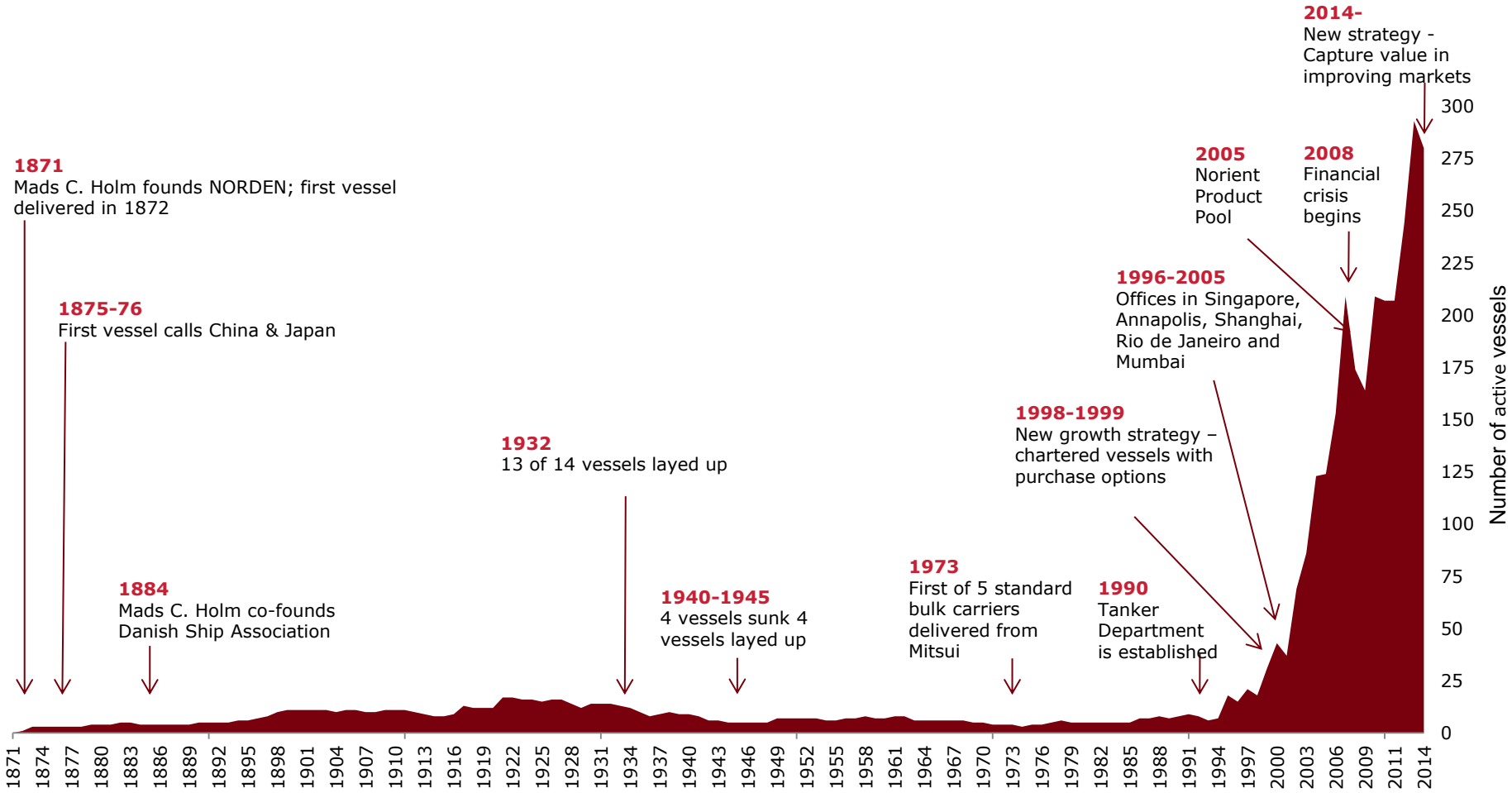


24*7 seas

- ▶ NORDEN at a glance
- ▶ Group highlights
 - ▶ Financials
- ▶ Dry Cargo
- ▶ Tankers
- ▶ 2014 expectations
- ▶ Q & A



DEVELOPMENT HIGHLIGHTS



A LEADING GLOBAL TRAMP OPERATOR

Dry Cargo



Capesize



Post-Panamax



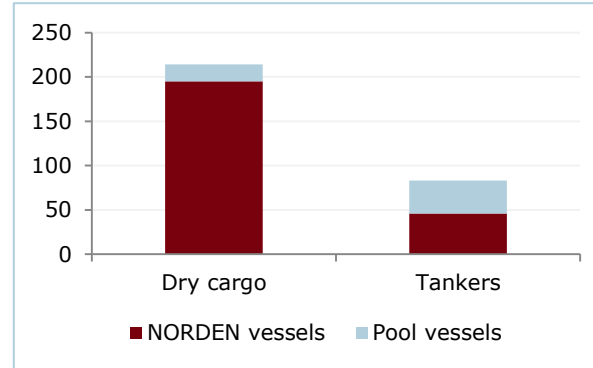
Panamax



Supramax



Handysize



Tankers



MR



Handysize



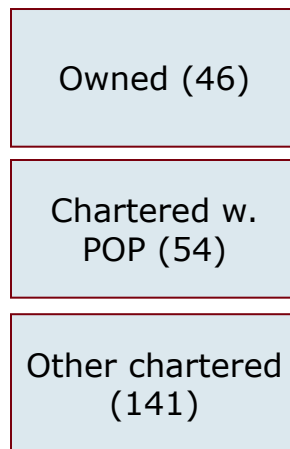
- ▶ Modern fleet
- ▶ Global network of offices and port captains
- ▶ Pools in Dry cargo (Handysize & Post-Panamax) and Tankers (MR & Handysize)

- ▶ Active fleet can quickly be adjusted to demand and market conditions
- ▶ Fleet employment based on portfolio view
- ▶ Significant asset upside through purchase options

Flexible fleet

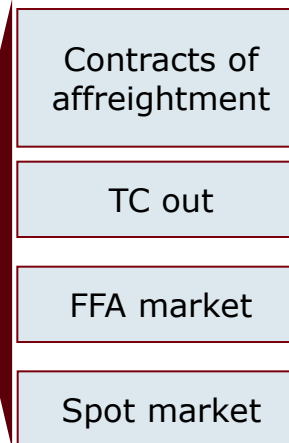
- ▶ Sale and purchase
- ▶ Technical competencies in-house
- ▶ Option-based flexibility
- ▶ 5-7 year firm periods
- ▶ Flexibility and scale
- ▶ Arbitrage
- ▶ Single-trip charters

Capacity



Coverage and customer focus

Employment



- ▶ Customer relations
- ▶ Logistical efficiencies
- ▶ 2-10 year firm periods
- ▶ Quick and easy cover
- ▶ Leverage of scale
- ▶ Operator profit

People



Brand



Systems



* Active fleet per 30 September 2014

...ENABLING VALUE CREATION BASED ON THE CYCLE AND THROUGHOUT THE CYCLE

Exploiting the cycle

Taking a view on the fundamental market and adjusting our exposure

Levers:

Owned vessels

Long-term T/C in

Long-term coverage

Financial gearing

Creating value throughout the cycle

Creating value above industry level irrespective of market conditions

Levers:

Commercial operations:

- Optimisation around cargo contracts (Dry Cargo)
- Short-term T/C in/out
- Optimisation of trade composition and positioning
- Exploitation of seasonality and volatility
- Vessel selection

Voyage execution incl. fuel optimisation

Cost efficiency

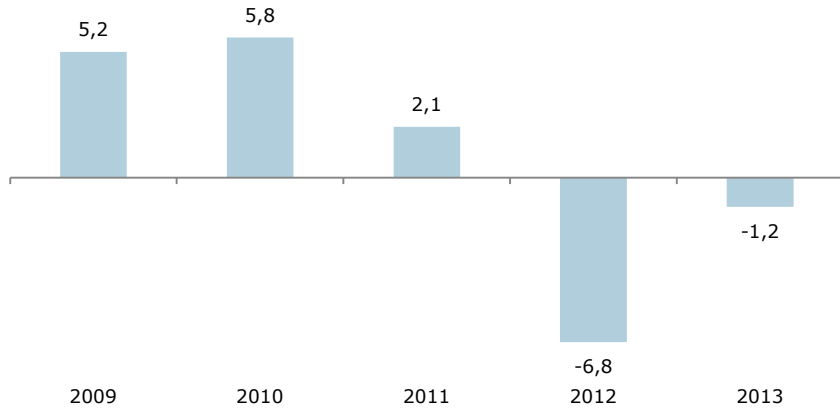
- ▶ Fast and consistent decision making
- ▶ Relationships with tonnage providers
- ▶ Long-term player
- ▶ Financial strength
- ▶ Execution skills

- ▶ Skilled and experienced staff
- ▶ Close customer relationships
- ▶ Economies of scale
- ▶ Optimised systems and processes
- ▶ Strong brand

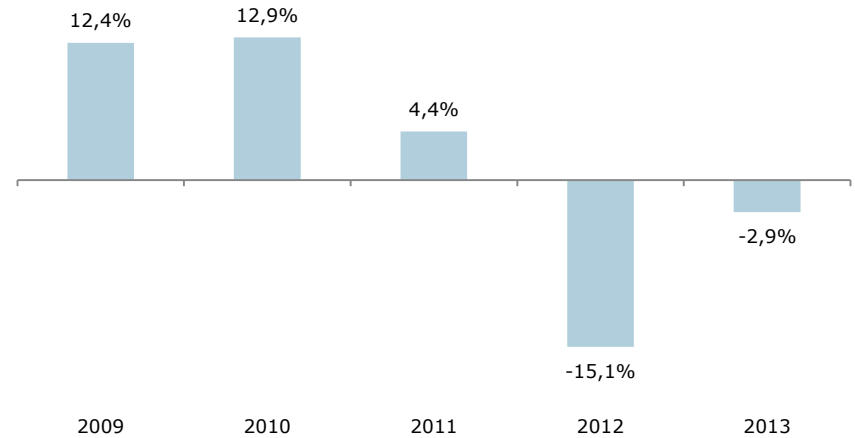
**Why we
succeed**

LAST 5 YEARS PERFORMANCE

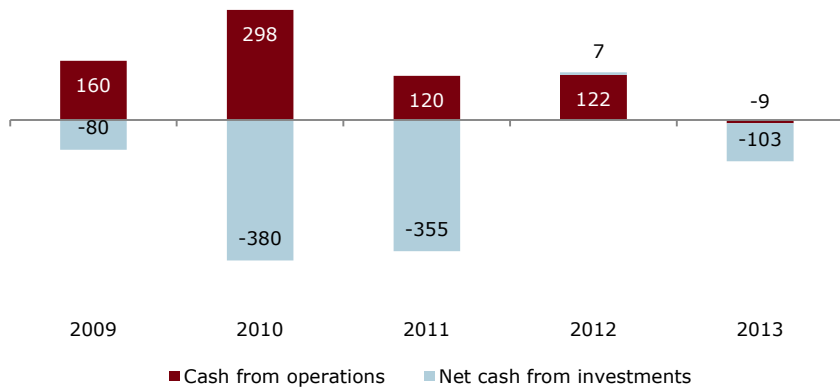
Earnings per share (USD)



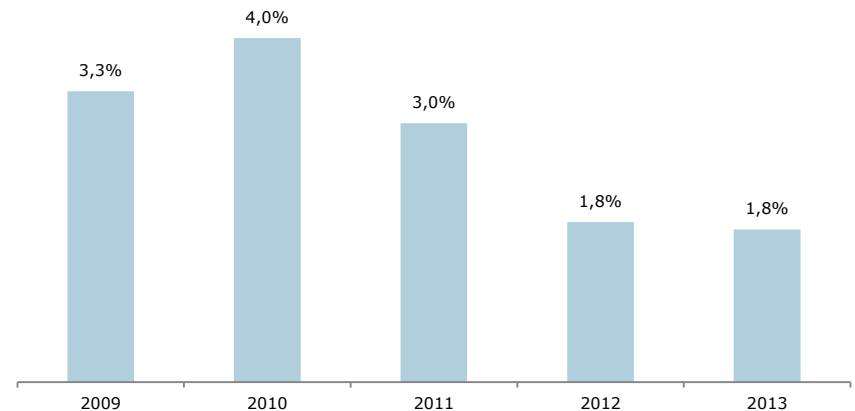
Return on equity



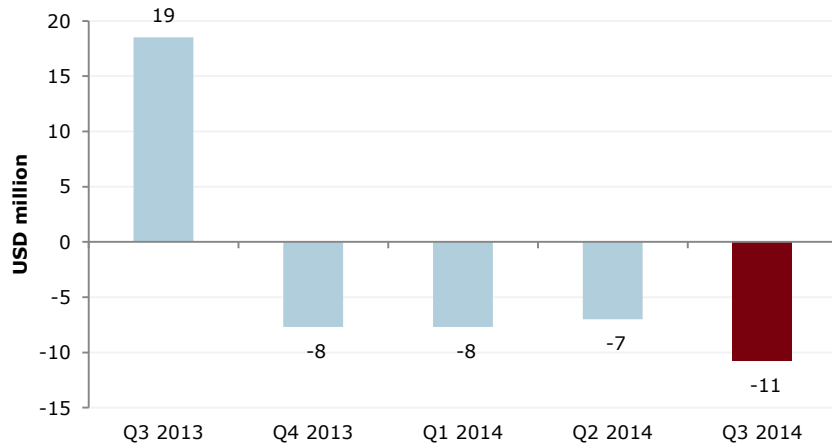
Cash flows, operations and investments (USDm)



Dividend yield



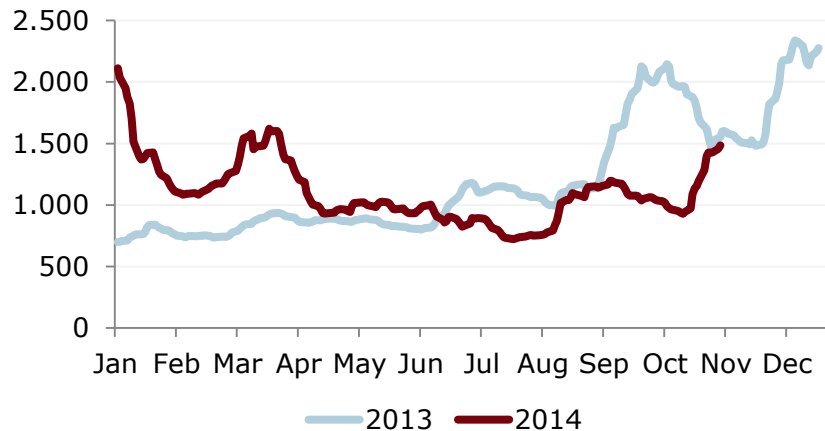
EBITDA



Key messages

- ▶ EBITDA USD -11 million in continued weak markets
- ▶ Results are not satisfactory, but in line with the most recently announced expectations
- ▶ Continued weakness in dry cargo market, but T/C earnings above market performance
- ▶ Improvement in earnings in Tankers and above market performance
- ▶ Market value of fleet USD 24 million above book value, however, weakness in charter markets impacting asset values negatively

Baltic Dry Index



POOR MARKET BUT STRONG PERFORMANCE IN BOTH DRY CARGO AND PRODUCT TANKERS

- ▶ Group EBITDA of USD -11 million
 - ▶ Dry Cargo EBITDA of USD -16 million
 - ▶ Tanker EBITDA of USD 8 million

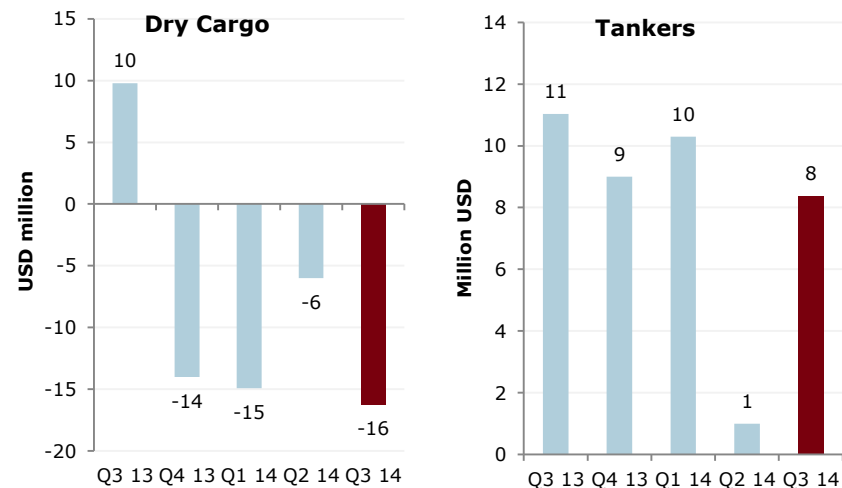
▶ Dry Cargo

- ▶ 7% higher than the 1-year T/C
- ▶ 55% higher than spot rates from Baltic Exchange

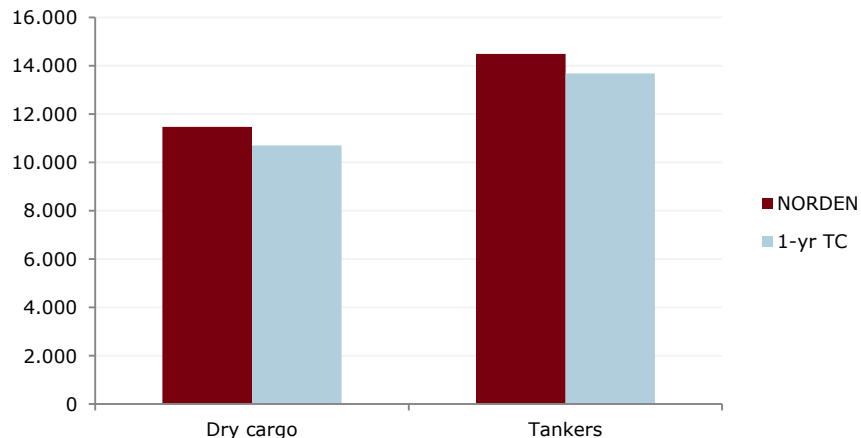
▶ Tankers

- ▶ 6% higher than the 1-year T/C

EBITDA

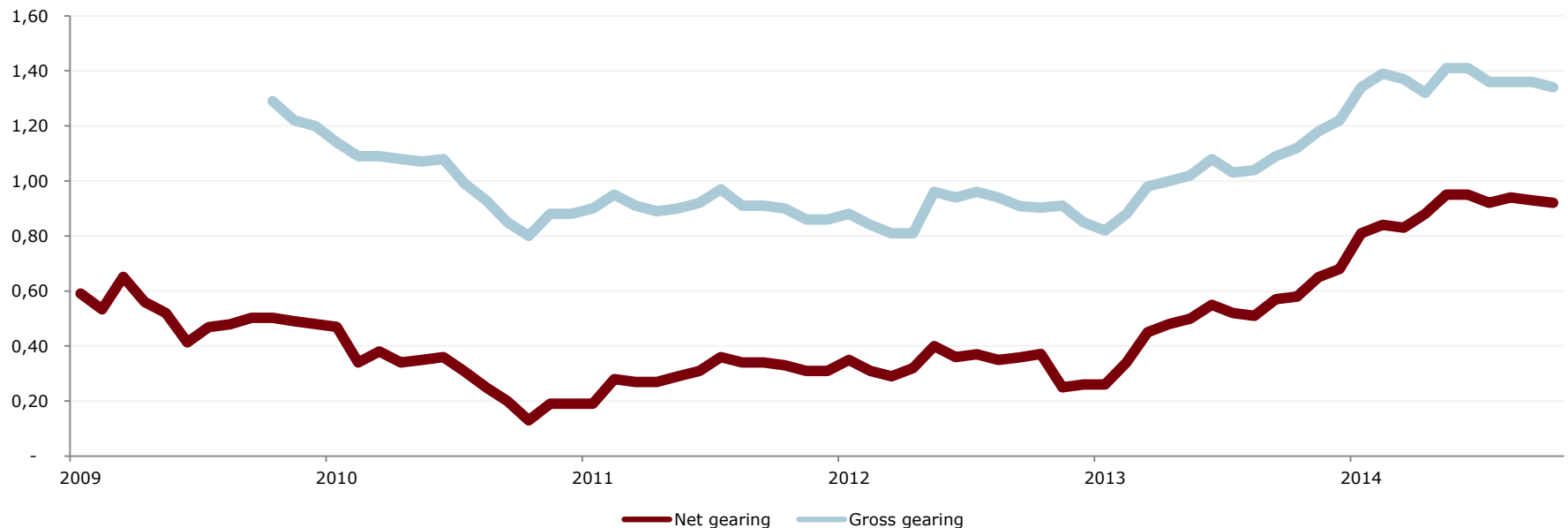


NORDEN's performance vs. 1-year T/C



- ▶ Cash flow from operations
 - ▶ USD 9 million – partly driven by improving working capital
- ▶ Undrawn credit facilities
 - ▶ End of quarter: USD 295 million
 - ▶ After end of quarter: new 5-year credit facility of USD 100 million

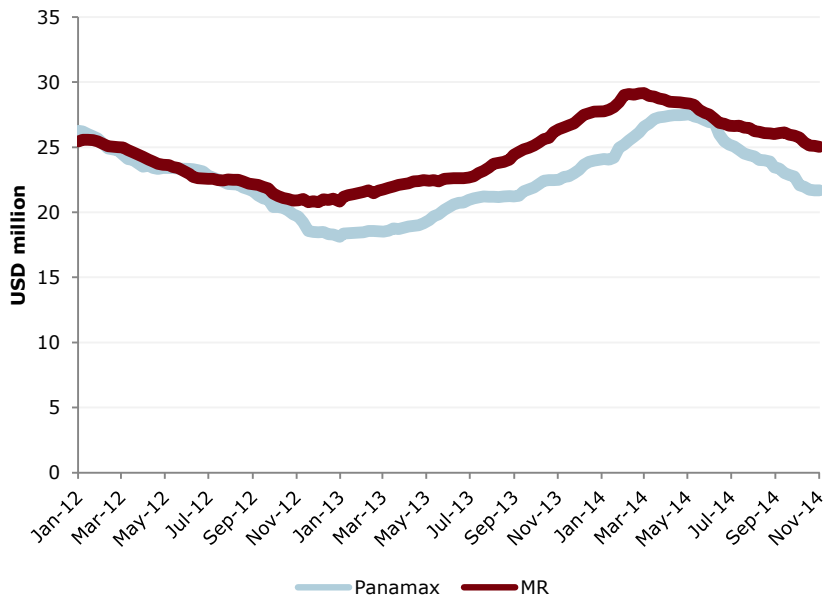
Gearing



MARKET VALUE OF FLEET STILL ABOVE BOOK VALUES

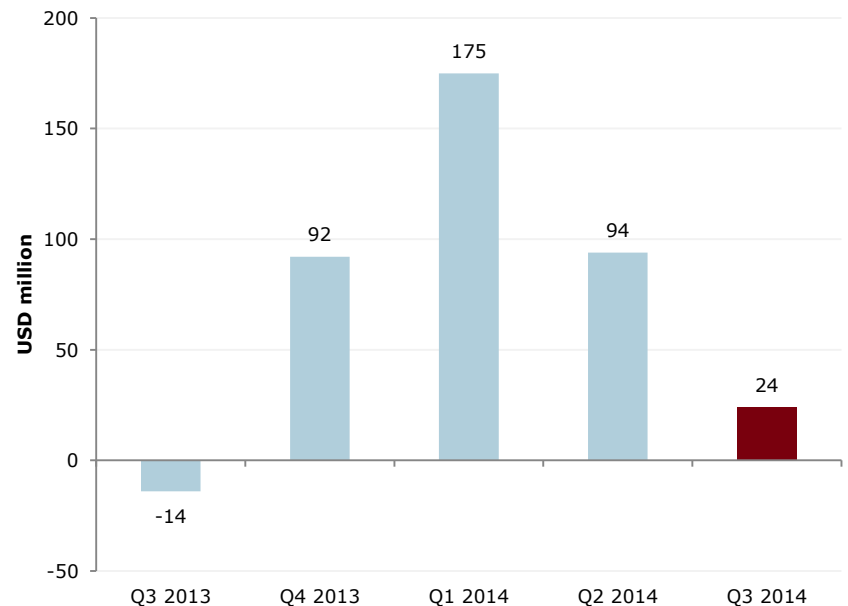
- ▶ Market value of NORDEN’s fleet continues to be above book values
- ▶ Asset values have decreased through Q3
- ▶ Currently limited activity in asset market and values are sliding due to disappointing charter rates

5-year secondhand prices



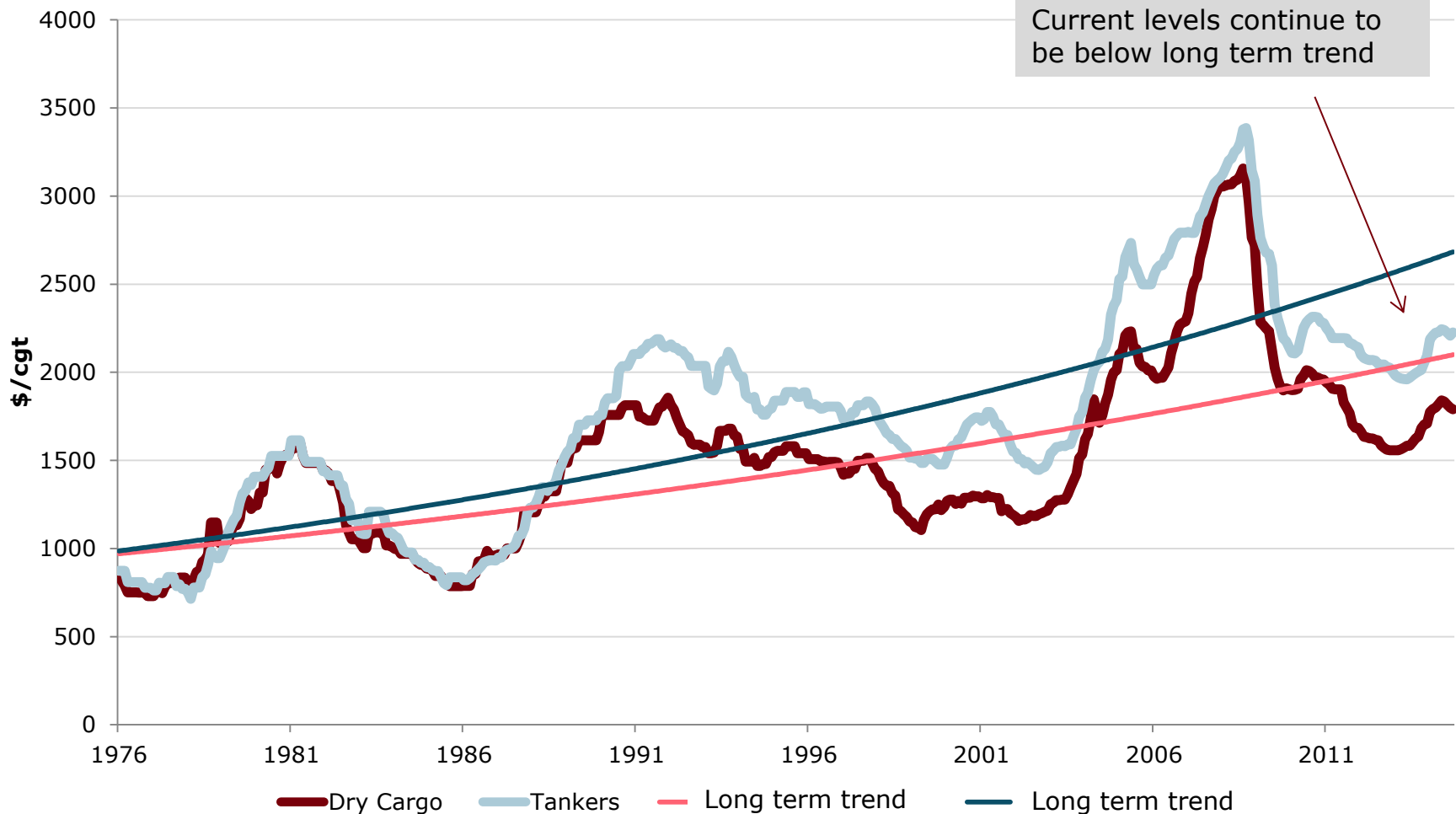
Source: Baltic Exchange

Added value in fleet (incl. joint ventures)



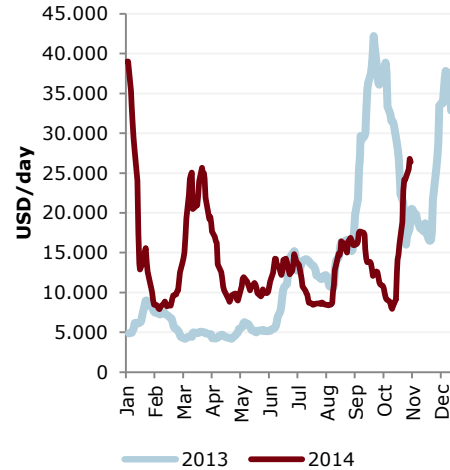
THE MARKETS ARE STILL IN THE LOWER PART OF THE CYCLE

Newbuilding prices (\$/cgt) for Panamax and MR

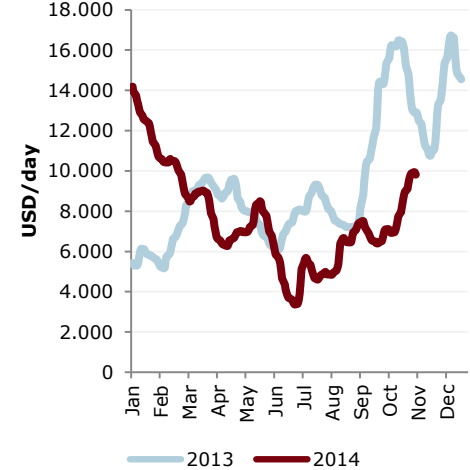


- ▶ Due to the poor market conditions in Q2 and Q3, average BDI is on par with same period in 2013
- ▶ Growth in Chinese iron ore imports has been stronger than expected, but not enough to fully compensate for:
 - ▶ Australia gaining market share in IO export to China leading to fewer tonne-miles
 - ▶ The loss of Indonesian nickel/bauxite trade
 - ▶ Lower coal trade to both China and Europe
 - ▶ Slow start to North American grain season

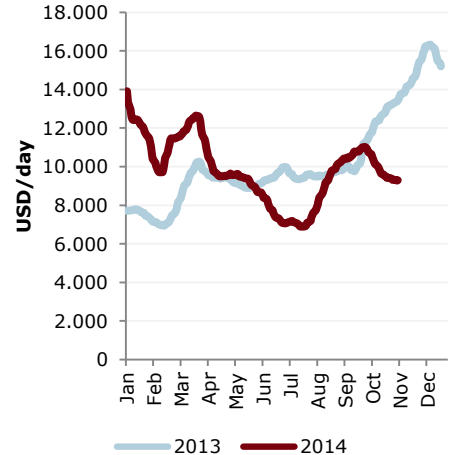
Capesize



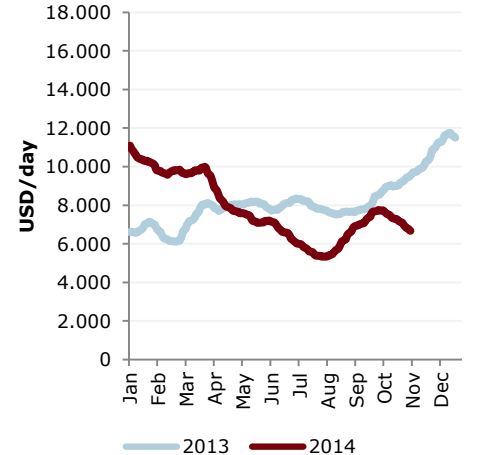
Panamax



Supramax



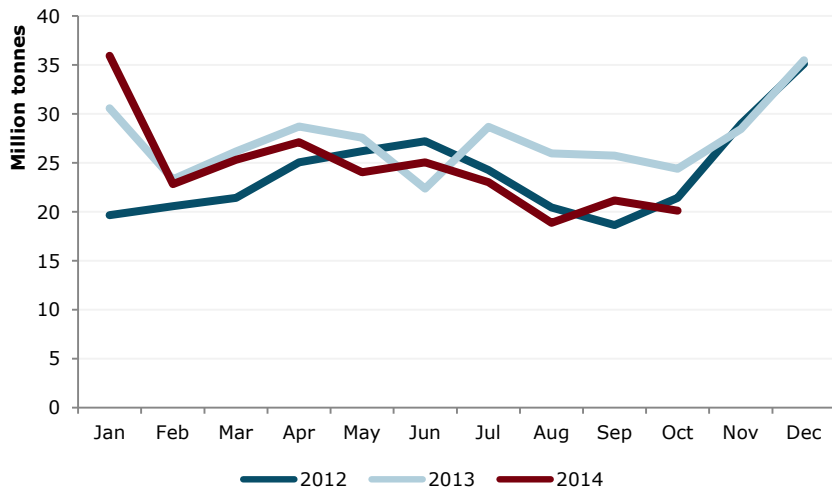
Handysize



MARKET IMPROVEMENT IN Q4 HIGHLY DEPENDENT ON INCREASE IN TRANSPORT OF COAL

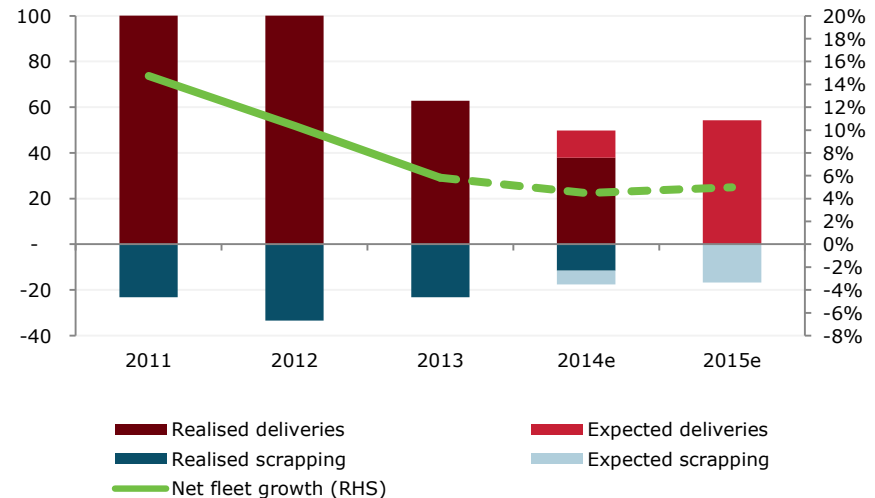
- ▶ In spite of recent uptick, market improvement in Q4 is constrained by weak coal volumes to China caused by a political effort to protect own coal mining industry
 - ▶ For the rest of 2014, China has intentions to lower imports by 40% compared to last year
 - ▶ Recently introduced an import tax of 3-6% for coking and steam coal
- ▶ On the positive note, expected fleet growth is low, ordering activity in Q3 continued to be slow

China coal import (incl. lignite)



Source: GTT

Dry Cargo supply

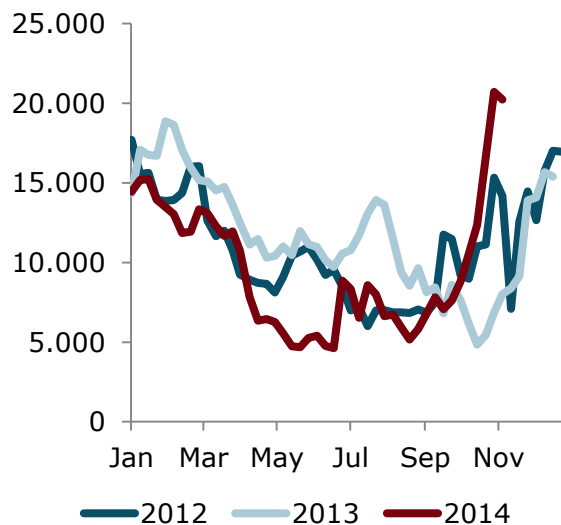


Source: Clarksons and NORDEN

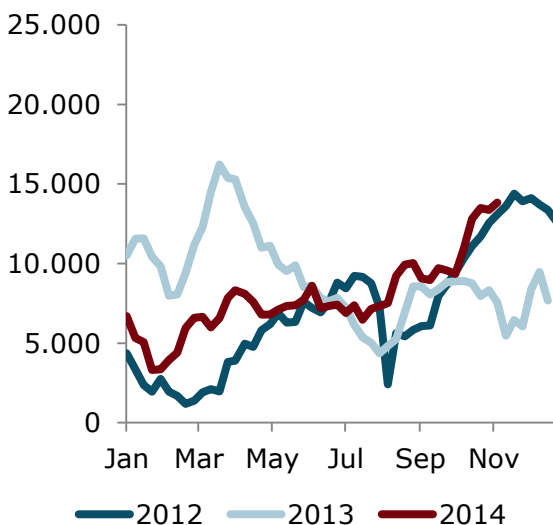
IMPROVED MARKET IN Q3 AND CURRENT STRONG SPIKE

- ▶ Rates for MRs improved as US refineries returned from maintenance
- ▶ Increased exports of refined products out of Middle East
- ▶ Significant spike in current rates across all product tanker segments

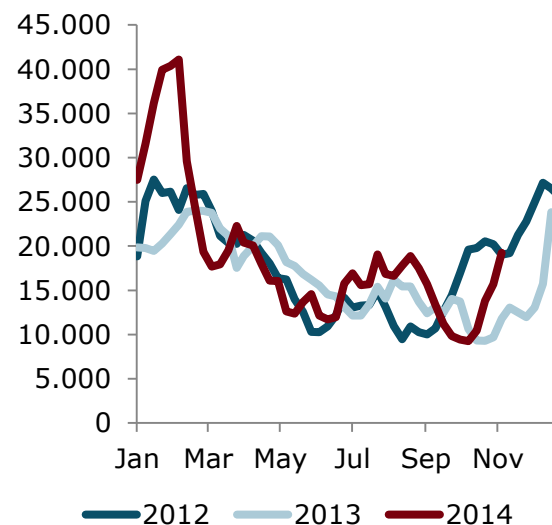
West CPP



East CPP



DPP

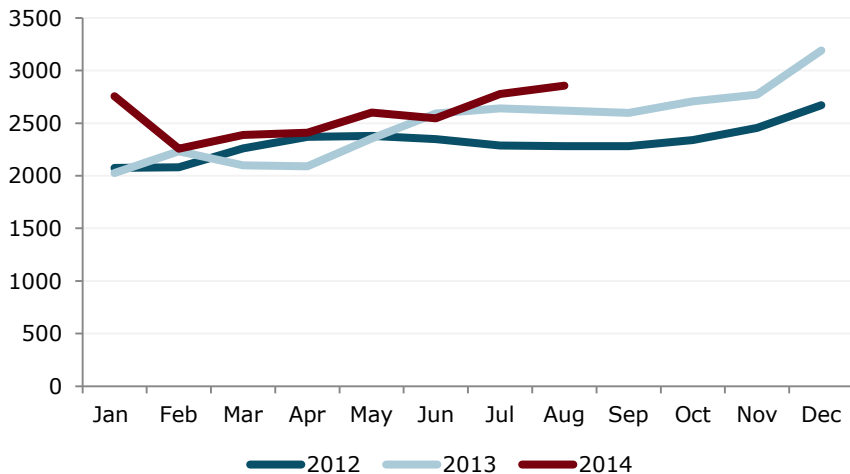


Source: ACM

PRODUCT TANKERS INCREASING EXPORTS FOR MIDDLE EAST WILL CONTINUE TO SUPPORT MARKET

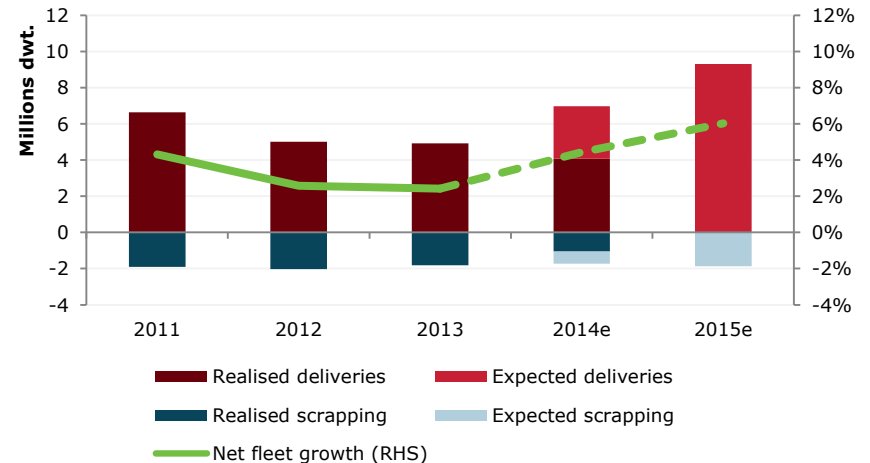
- ▶ Positive near-term outlook as we enter winter season
- ▶ New export refineries in Middle East continue to ramp up
- ▶ Improved crude markets could provide upside for product tankers
- ▶ Supply growth will increase in 2015

US export of refined products (1,000 bpd)



Source: EIA

Tanker supply



Source: Clarksons and NORDEN

Outlook

USDm	Dry Cargo	Tankers	Total
EBITDA	-60 to -30	15 to 45	-60 to 0
Profit from vessel sales			0
CAPEX			100-120



Comments

- ▶ Guidance based on current capacity and coverage
- ▶ Only known and confirmed vessel sales are included in guidance
- ▶ Guidance on CAPEX is lowered to USD 100-120 million (USD 130-150 million), primarily due to sale of a product tanker

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 2014 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.



FORWARD LOOKING STATEMENTS

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Thank you for your attention

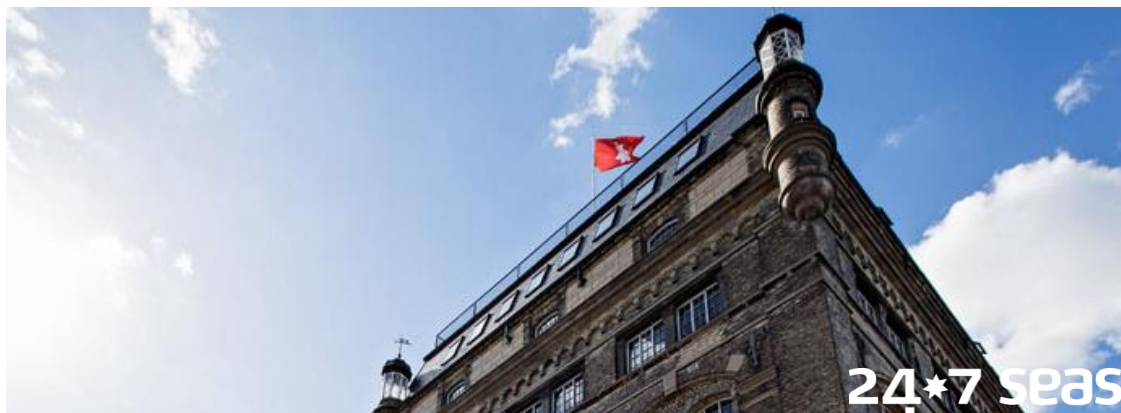
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BACK UP

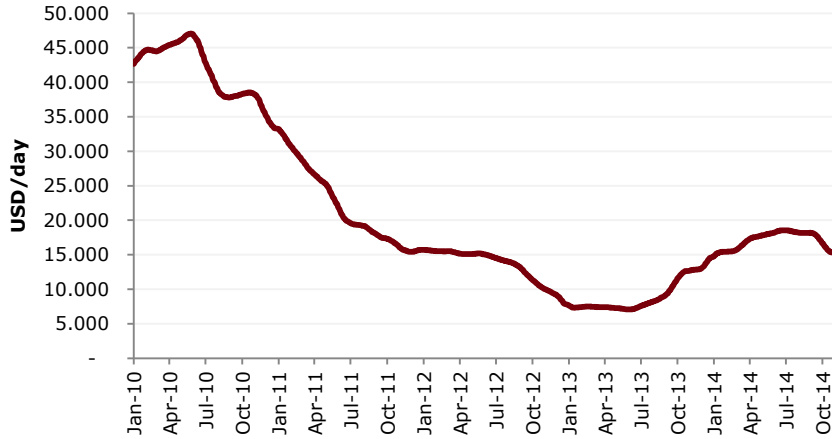
24*7 seas

OVERALL RESULTS

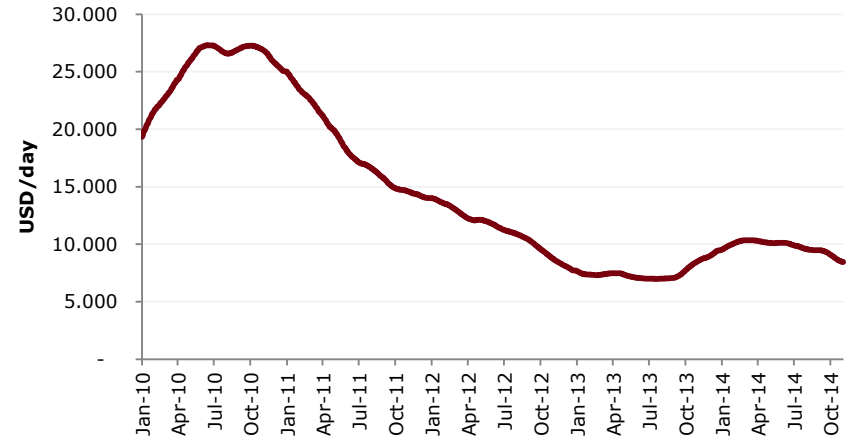
USDm	Q3 2013	Q2 2014	Q3 2014
EBITDA - Dry Cargo	10	-6	-16
EBITDA - Tankers	11	1	8
Unallocated	-2	-3	-3
EBITDA - Group	19	-7	-11
Depreciation	-21	-16	-19
EBIT Group	-1	-27	-28
Net profit	1	-42	-46
Cash from operations	4	-29	9
Net Cash flow	29	-110	-31
Cash and securities	529	323	279

DRY CARGO 12 MONTH ROLLING AVERAGE

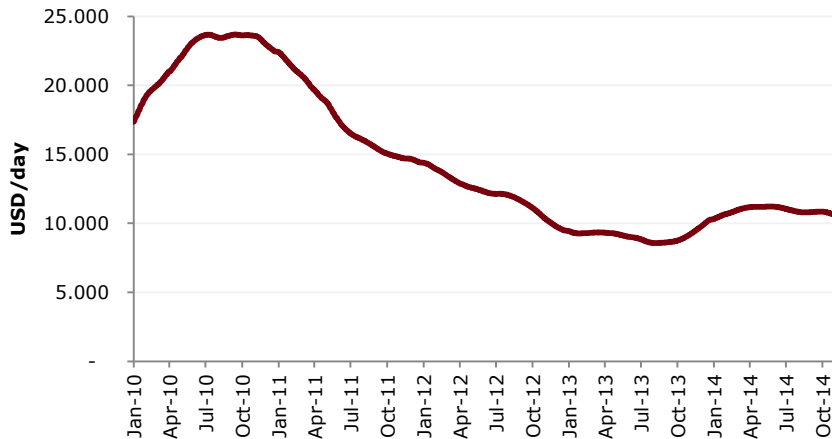
Capesize



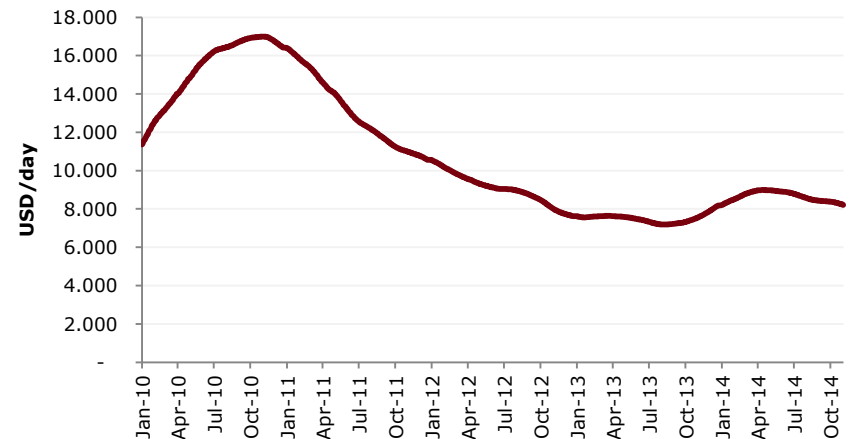
Panamax



Supramax

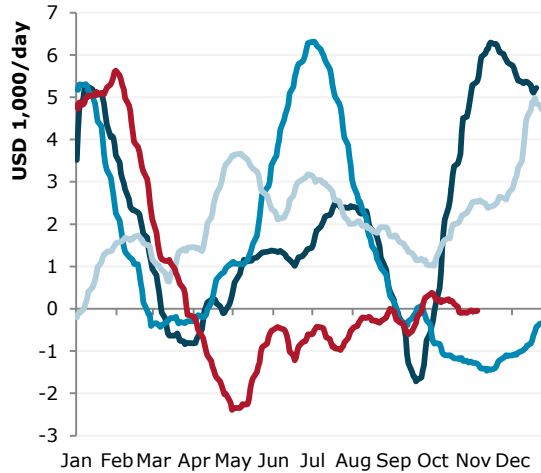


Handysize

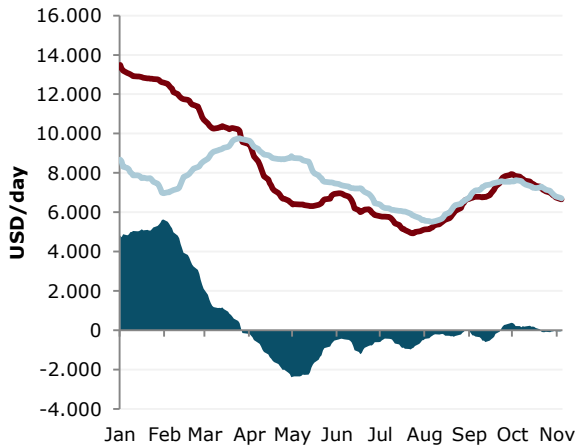


DRY CARGO REGIONAL RATES

Handysize

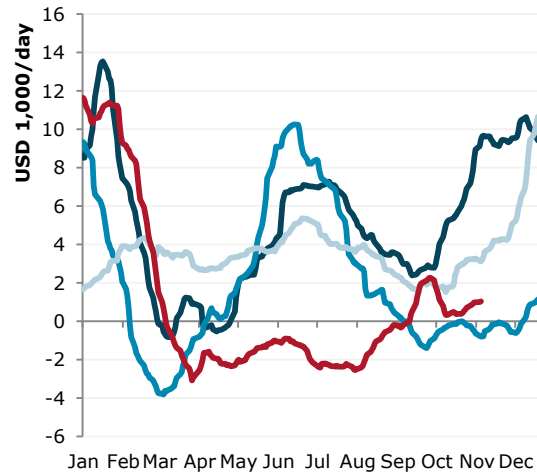


— 2011 — 2012 — 2013 — 2014

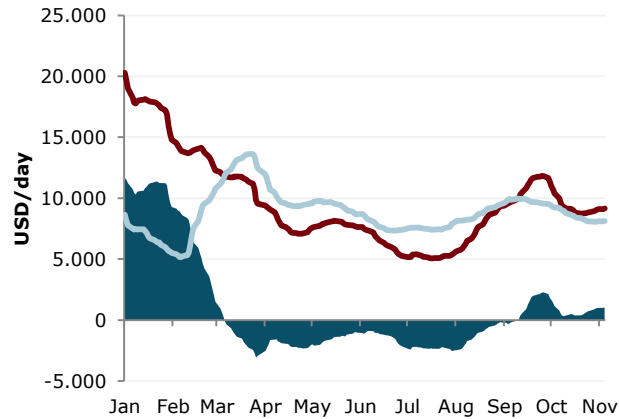


■ Spread — Atlantic Actual — Pacific actual

Supramax

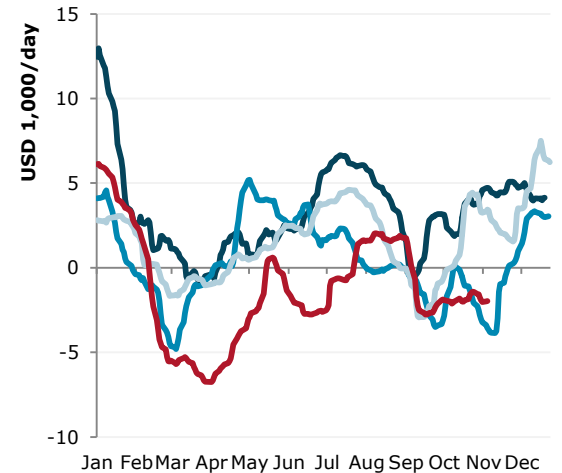


— 2011 — 2012 — 2013 — 2014

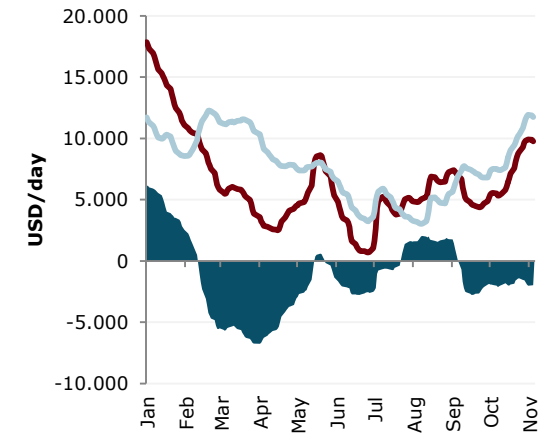


■ Spread — Atlantic Actual — Pacific actual

Panamax



— 2011 — 2012 — 2013 — 2014



■ Spread — Atlantic Actual — Pacific Actual

Strong capital structure

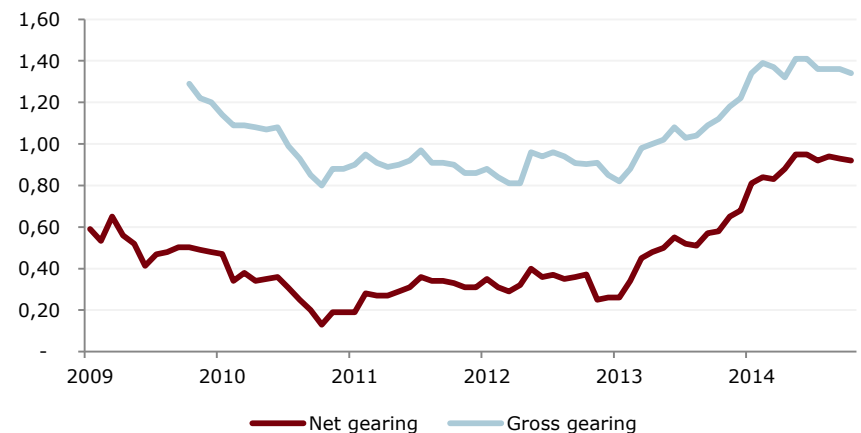
- ▶ Strong focus on cash flow generation
- ▶ Cash in low-risk deposit accounts and securities
- ▶ Equity ratio at 79.7%
- ▶ Net gearing of 0.92 at 30 September 2014
- ▶ Outstanding yard payments incl. joint ventures
 - ▶ 2014: USD 30 million
 - ▶ 2015: USD 163 million
 - ▶ 2016: USD 59 million
 - ▶ 2017: USD 124 million
 - ▶ 2018: USD 51 million
 - ▶ **Total: USD 427 million**

Net committed cash

USDm	Q3 2014	Q2 2014
Adjusted net interest bearing assets*	3	48
T/C obligations**	-1,579	-1,670
Newbuilding instalments less proceeds from vessel sales**	-397	-424
Revenue from coverage**	605	669
Net commitments	-1,369	-1,377

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

Gearing



Fleet values at 30 September 2014

USD million

	Number	Average dwt.	Carrying amount/cost	Broker estimated value of owned vessels*	Broker estimated value of charter party	Added value
Dry Cargo						
Capesize	3.0	176,000	70	95		25
Post-Panamax	4.0	114,000	122	112		-10
Panamax	7.0	79,000	170	176	20	26
Supramax	12.5	59,000	314	352		38
Handysize	12.0	35,000	261	223	12	-26
Tankers						
MR	11.0	50,000	372	363		-9
Handysize	13.0	39,000	294	274		-20
Total	62.5		1,603	1,595	32	24

* Including joint ventures and assets held for sale but excluding charter party, if any.

DRY CARGO FLEET OVERVIEW

NORDEN's Dry Cargo fleet and values at 30 September 2014

Vessel type	Capesize	Post-Panamax	Panamax	Supramax	Handysize	Total
Vessels in operation						
Owned vessels	3.0	4.0	3.0	4.0	12.0	26.0
Chartered vessels with purchase option	1.0	4.0	12.0	18.0	11.0	46.0
Total active core fleet	4.0	8.0	15.0	22.0	23.0	72.0
Chartered vessels without purchase option	0.0	0.0	43.5	61.0	18.1	122.6
Total active fleet	4.0	8.0	58.5	83.0	41.1	194.6
Vessels to be delivered						
Newbuildings (owned)	0.0	0.0	4.0	8.5	0.0	12.5
Chartered vessels with purchase option	1.0	0.0	8.5	5.0	0.0	14.5
Total for delivery to core fleet	1.0	0.0	12.5	13.5	0.0	27.0
Chartered vessels over 3 years without purchase option	0.0	0.0	0.0	0.0	0.0	0.0
Total to be delivered	1.0	0.0	12.5	13.5	0.0	27.0
Total gross fleet	5.0	8.0	71.0	96.5	41.1	221.6
Dry Cargo fleet values at 30 September 2014 (USD million)						
Market value of owned vessels and newbuildings*	95	112	196	352	235	990
Theoretical value of purchase and extension options	19	13	38	44	5	119

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

NORDEN's Tanker fleet and values at 30 September 2014

Vessel type	MR	Handysize	Total
Vessels in operation			
Owned vessels	7.0	13.0	20.0
Chartered vessels with purchase option	8.0	-	8.0
Total active core fleet	15.0	13.0	28.0
Chartered vessels without purchase option	11.0	7.0	18.0
Total active fleet	26.0	20.0	46.0
Vessels to be delivered			
Newbuildings (owned)	4.0	-	4.0
Chartered vessels with purchase option	1.0	-	1.0
Total for delivery to core fleet	5.0	-	5.0
Chartered vessels over 3 years without purchase option	-	-	-
Total to be delivered	5.0	-	5.0
Total gross fleet	31.0	20.0	51.0
Tanker fleet values at 30 September 2014 (USD million)			
Market value of owned vessels and newbuildings*	363	274	637
Value of purchase and extension options	6	0	6

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

Coverage and capacity, Dry Cargo, at 30 September 2014						
	2014	2015	2016	2014	2015	2016
	Q4			Q4		
Owned vessels						
Capesize	276	1,031	1,083			
Post-Panamax	368	1,400	1,444			
Panamax	276	1,371	1,730			
Supramax	368	1,692	2,883			
Handysize	1,104	4,290	4,327			
Total	2,392	9,784	11,467			
Chartered vessels						
				Costs for T/C capacity (USD per day)		
Capesize	92	365	366	18,690	18,690	18,690
Post-Panamax	368	1,460	1,464	18,914	18,914	18,887
Panamax	4,416	10,235	8,252	12,000	13,048	13,373
Supramax	3,621	6,573	5,683	11,960	12,672	13,190
Handysize	1,464	4,767	3,630	12,691	12,183	12,507
Total	9,961	23,400	19,395	12,404	13,220	13,674
				Costs for gross capacity (USD per day)*		
Total capacity	12,353	33,184	30,862	11,032	11,025	10,658
Coverage						
				Revenue from coverage (USD per day)		
Capesize	238	59	0	22,661	23,960	0
Post-Panamax	287	95	0	9,886	16,432	0
Panamax	3,250	3,895	2,543	9,947	14,881	17,062
Supramax	3,350	3,110	1,419	12,050	11,792	13,467
Handysize	1,907	1,552	1,285	8,458	12,928	13,317
Total	9,032	8,711	5,247	10,746	13,509	15,173
Coverage in %						
Capesize	65%	4%	0%			
Post-Panamax	39%	3%	0%			
Panamax	69%	34%	25%			
Supramax	84%	38%	17%			
Handysize	74%	17%	16%			
Total	73%	26%	17%			

* Including cash running costs of owned vessels.

Costs are excluding administrative expenses. For vessel types which are operated in a pool, the T/C equivalent is after management fee. With regard to the Dry Cargo pools, NORDEN receives the management fee as "Other operating income".

Capacity and coverage, Tankers, at 30 September 2014						
	2014	2015	2016	2014	2015	2016
	Q4			Q4		
Owned vessels			Ship days			
MR	746	3,729	3,954			
Handysize	1,155	4,301	4,315			
Total	1,901	8,030	8,269			
Chartered vessels			Costs for T/C capacity (USD per day)			
MR	1,849	5,664	3,174	14,152	14,933	15,943
Handysize	644	1,328	0	14,010	13,952	0
Total	2,493	6,992	3,174	14,115	14,747	15,943
			Costs for gross capacity (USD per day)*			
Total capacity	4,394	15,022	11,443	11,011	10,711	9,638
Coverage			Revenue from coverage (USD per day)			
MR	611	629	197	12,780	15,596	16,925
Handysize	705	458	0	14,666	13,605	0
Total	1,316	1,087	197	13,791	14,757	16,925
Coverage in %						
MR	24%	7%	3%			
Handysize	39%	8%	0%			
Total	30%	7%	2%			

* Including cash running costs of owned vessels.

Costs are excluding administrative expenses. For vessel types which are operated in a pool, the T/C equivalent is after management fee.

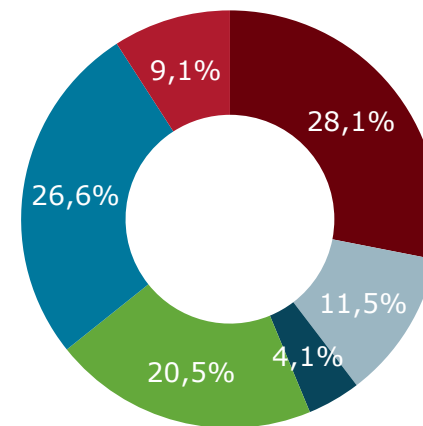
THE SHARE (DNORD)

Master data

Shareholder capital	DKK 42,200,000
Number of shares and denomination	42,200,000 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

- ▶ 16,172 registered shareholders owning 90.9%
- ▶ Approx. 40% international ownership



- A/S Motortramp, Stensved
- RASMUSSENGRUPPEN AS, Kristiansand
- NORDEN (treasury shares)
- Other top 20 shareholders
- Other registered
- Non-registered