

Presentation of D/S NORDEN

Finansanalytikerforeningen – Virksomhedsdag 2007

Martin Badsted, VP

Copenhagen, May 24, 2007



TODAY'S AGENDA

- Q1 2007 in highlights
- Dry cargo
- Tanker
- Guidance for 2007
- Q&A Session

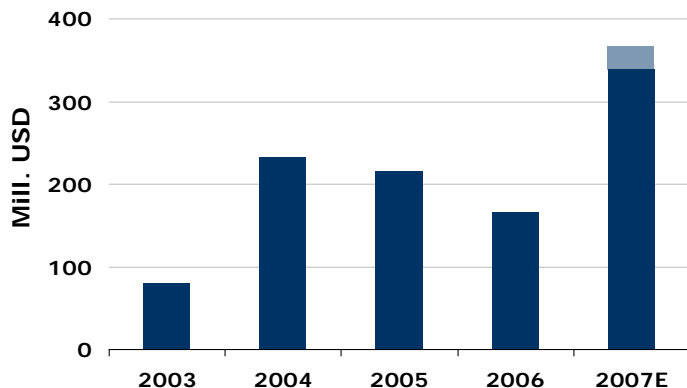


***THE PREFERRED PARTNER IN GLOBAL TRAMP SHIPPING
UNIQUE PEOPLE. OPEN MINDED TEAM SPIRIT. NUMBER ONE.***

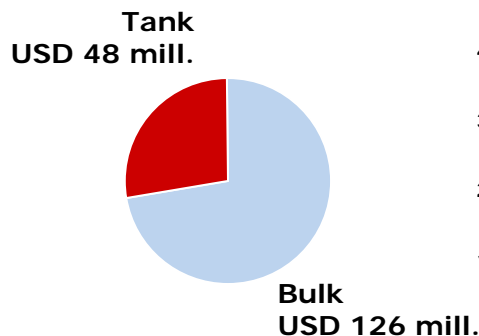
This presentation can be found on www.ds-norden.com

NOPRDEN in brief

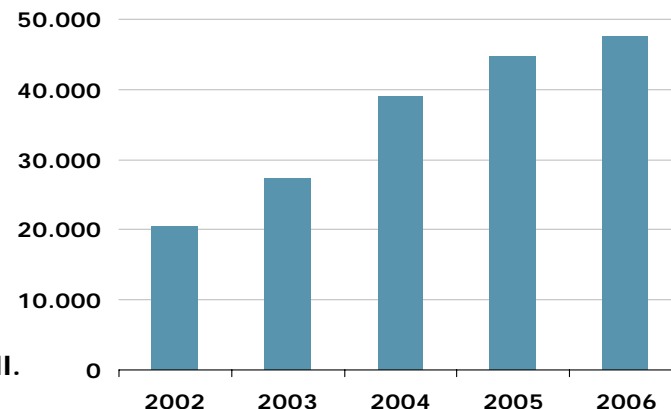
EBITDA development



EBITDA split, 2006



Development in vessel days



- Integrated global operator and owner within dry cargo and tanker
- Gross fleet of 251 units
 - 167 active vessels
 - 84 on order
- Strong growth in both earnings and capacity since 2000

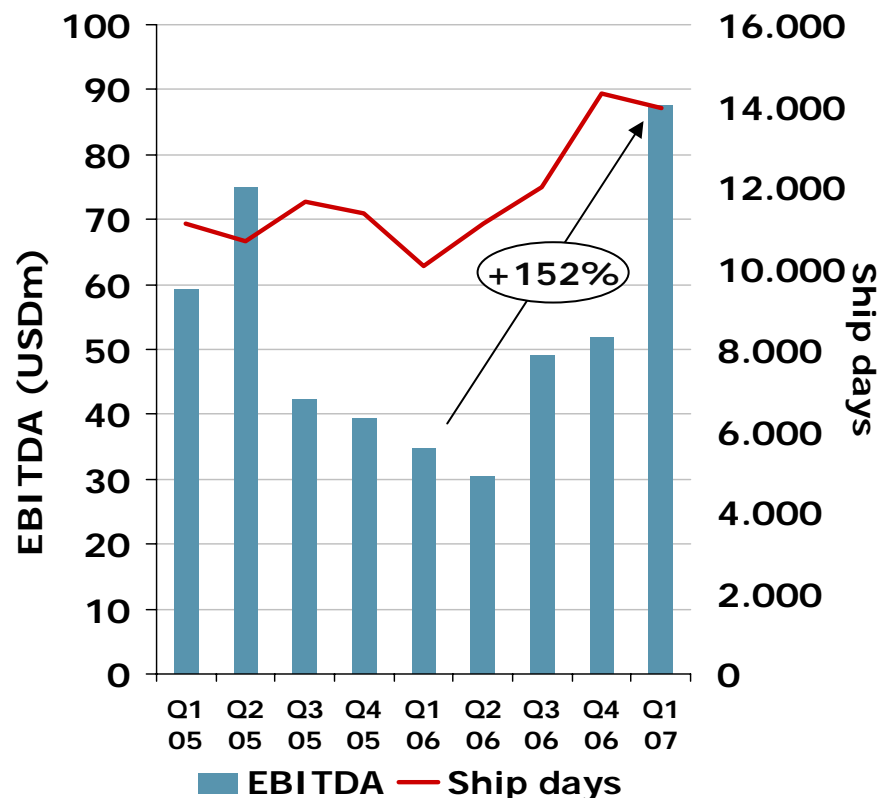
Main factors

- Exposure
 - China and India
 - Iron ore and coal
- Deep and flexible book
- The "Software"

Very strong Q1 as expected

- **Best NORDEN earnings ever**
 - EBITDA of USD 88 mill.
 - Net profit of USD 136 mill.
- **Strong performance in both dry cargo and tanker**
- **Very active quarter in terms of vessel sales and new ordering**
- **Full year guidance increased by USD 30 mill.**
- **Both dry cargo and tanker rates expected to continue at high levels**

NORDEN GROUP

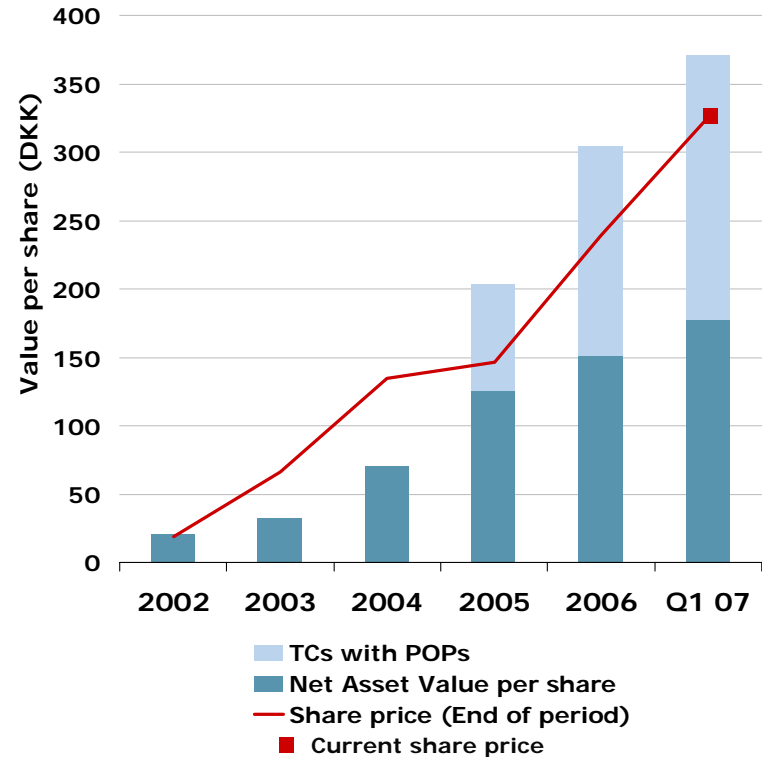


Theoretical NAV at all-time-high

Asset values marked-to-market

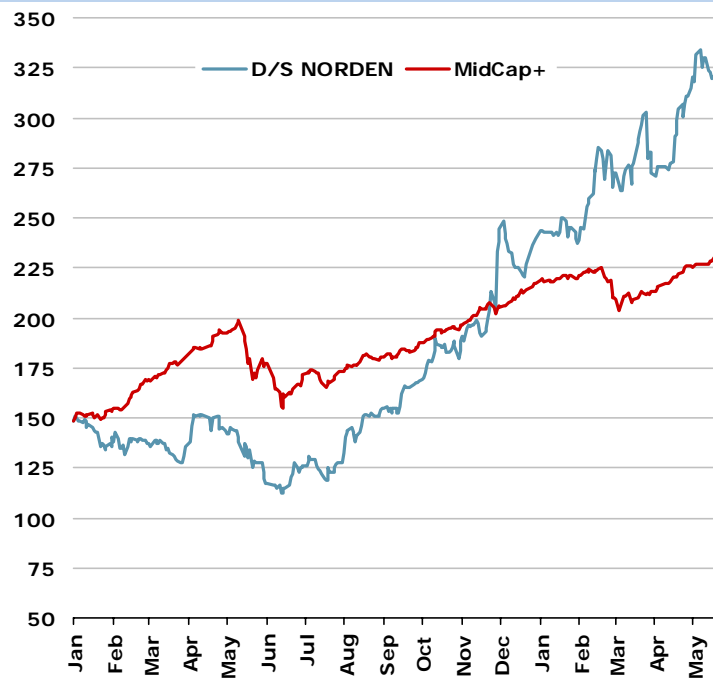
- Asset prices on dry cargo vessels significantly up
- Value of long term time charters with purchase option increased by 27%
- NAV increased by 19% in 2007

Total theoretical NAV DKK 371 per share

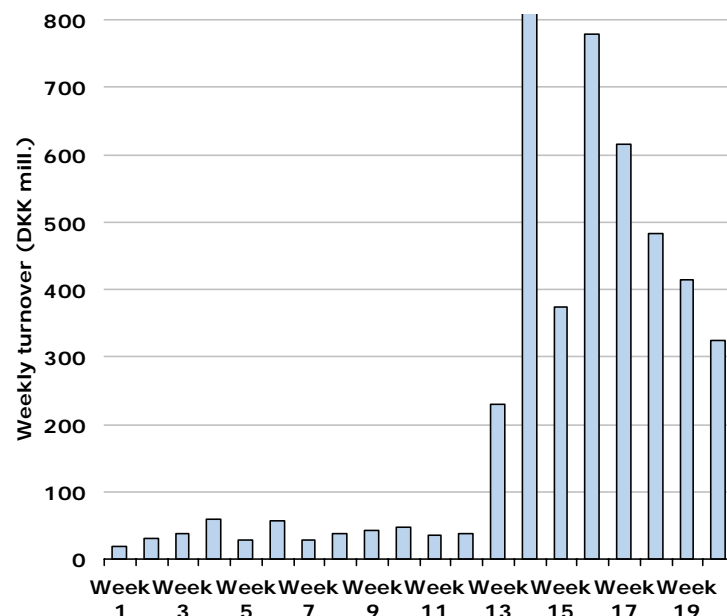


The NORDEN share

Share price



Liquidity

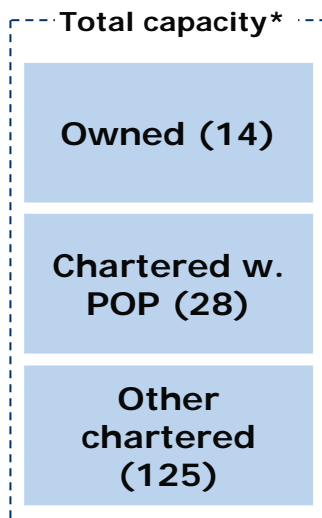


- **Book-building of TORM shareholding**
- **Share split 1:20**

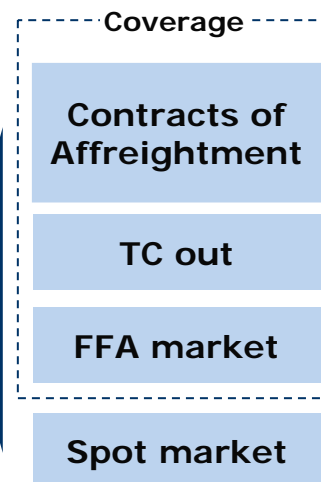
Operating model – retain upside, sell downside

Flexible fleet

- Asset play
- Technical competences in-house
- Option based flexibility
- 5-7 year firm periods
- Flexibility
- Adds scale
- Arbitrage opportunities



Coverage & customer focus



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

People

Brand

Systems

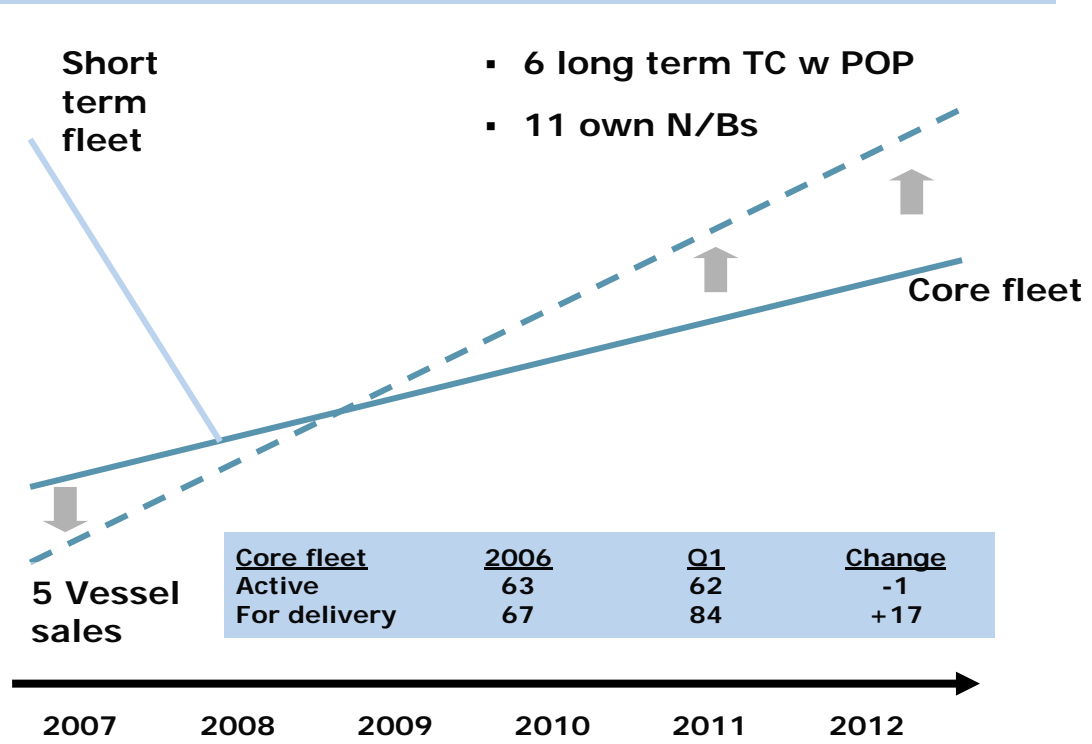
*Note: Figures indicate fleet as of end Q1 2007. POP= Purchase option

Building the future core fleet

New activity in the core fleet

Vesseltype	Delivery
<i>Newbuildings</i>	
Post-Panamax	Q4 2009
Post-Panamax	Q1 2010
Post-Panamax	Q2 2010
Post-Panamax	Q3 2010
Handymax	Q3 2009
Handymax	Q2 2011
Handymax	Q3 2011
Handysize	Q2 2009
Handysize	Q2 2009
Handysize	Q1 2010
Handysize	Q3 2010
<i>Chartered vessels with purchase option</i>	
Post-Panamax	Q4 2010
Post-Panamax	Q1 2011
Handysize	Q4 2008
Handysize	Q4 2010
Handysize	Q2 2011
Handysize	Q2 2011
<i>Chartered vessels for at least three years</i>	
Handymax	Q4 2007
Handymax	Q1 2008
Handysize	Q1 2009
<i>Sale (agreed or included in figures)</i>	
Handymax	Q1 2007
Handymax	Q1 2007
Handymax N/B	Q4 2007
Handymax N/B	Q1 2008
Aframax	Q1 2007
Handysize tanker	Q2 2007

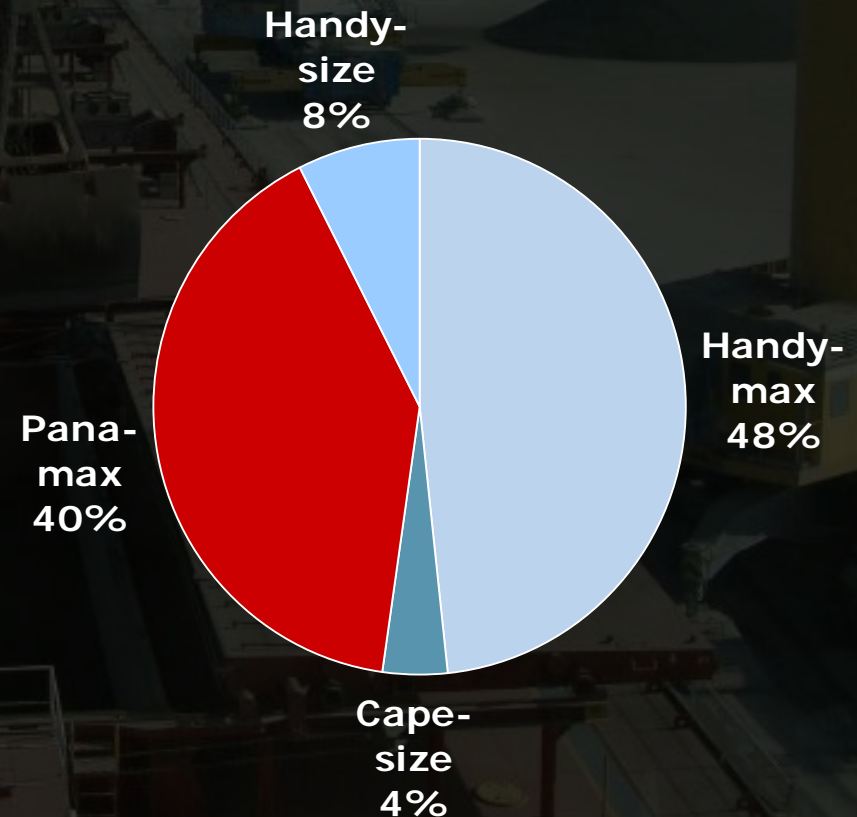
Core fleet development (illustrative)



DRY CARGO DEPARTMENT

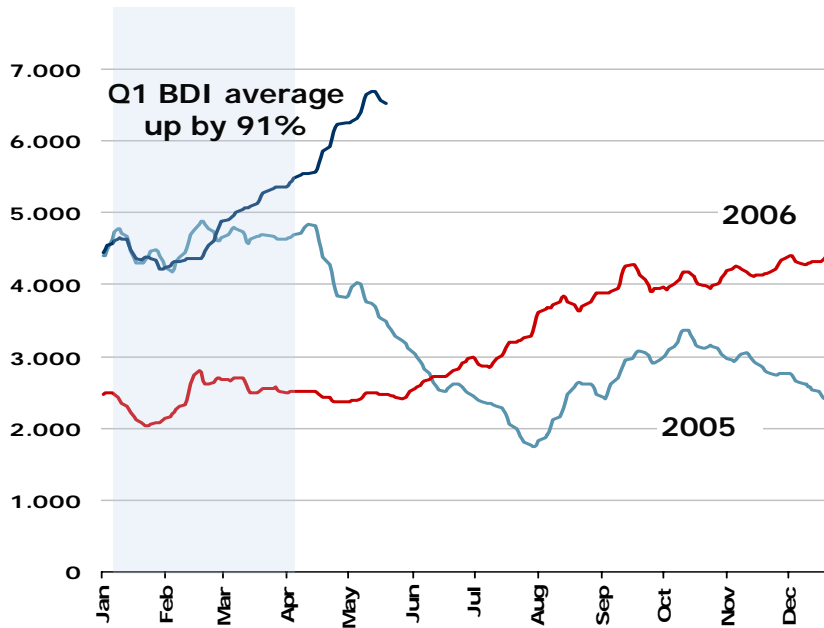


Dry Cargo ship days in Q1 2007
(100% = 12,276)



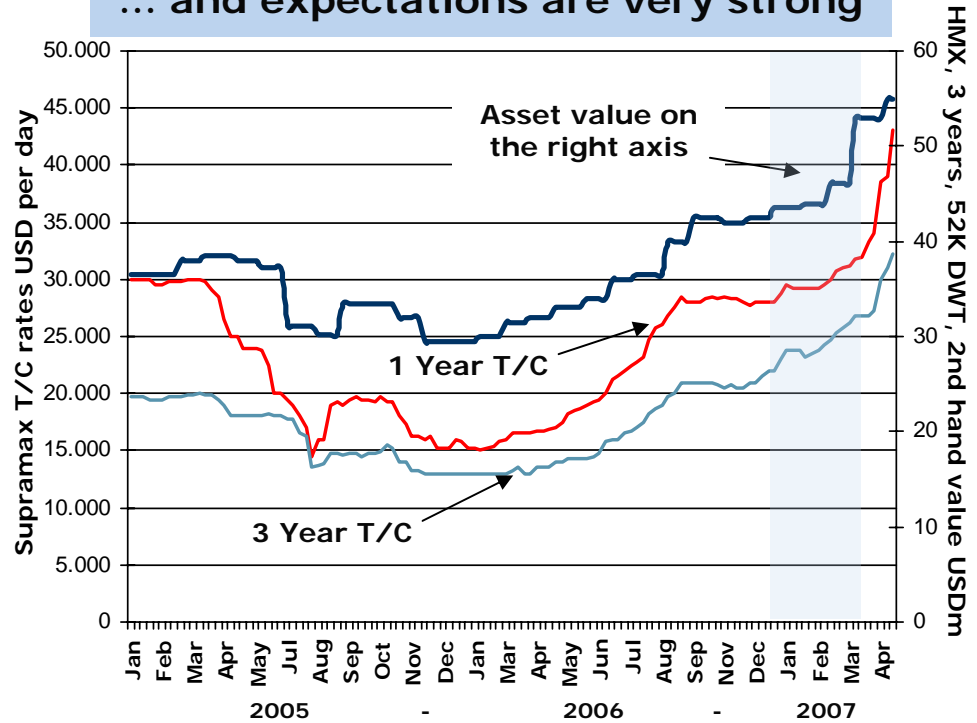
Dry cargo market has continued to rise

BDI in all-time-high ...



Source: Baltic Exchange

... and expectations are very strong

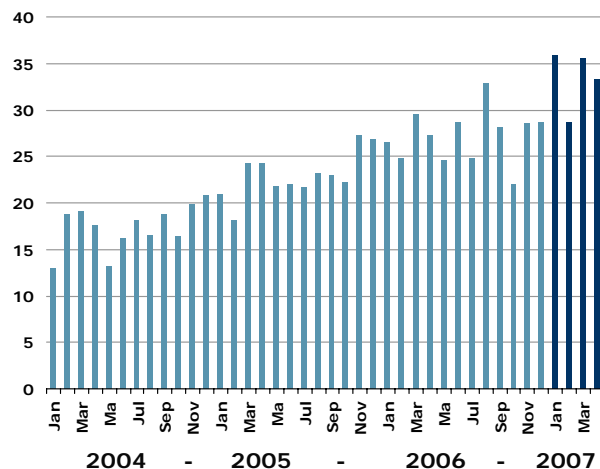


Source: Clarksons

- Time Charter rates up by USD 10.000 per day since year-end

Dry cargo factors - A strong cocktail

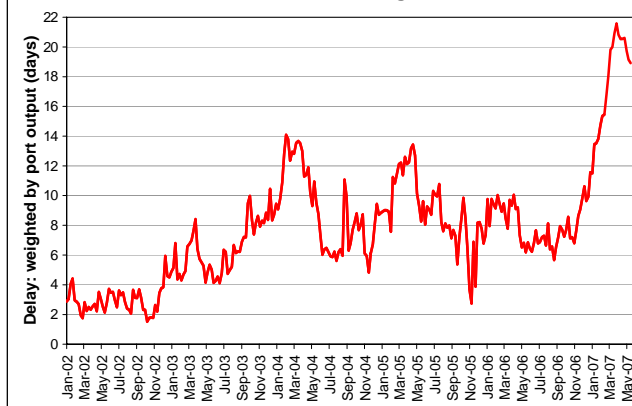
China - Iron Ore Import, mill tonnes per month



Source: Bloomberg

- Iron ore trade continues to matter with 134 mill. tonnes imported Jan-April

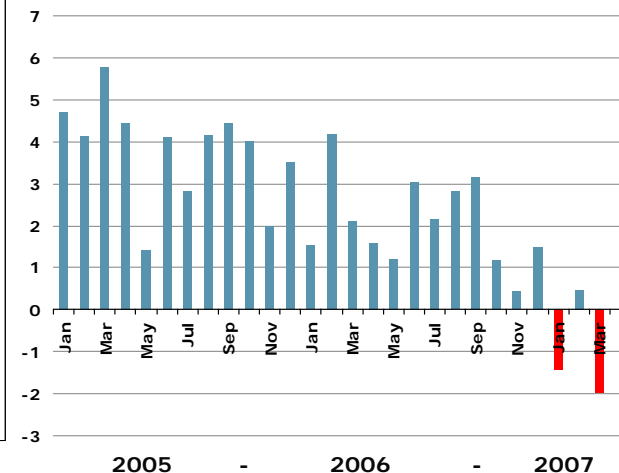
SSY Australian Coal Port Congestion Index



Source: SSY

- Heavy congestion in Eastern Australia affects an estimated 7% of global Capesize and Panamax fleet

China - Net Coal Export, mill tonnes per month



Source: Bloomberg

- Changing coal trades in Asia adds tonnes-mile

Market trends in 2007

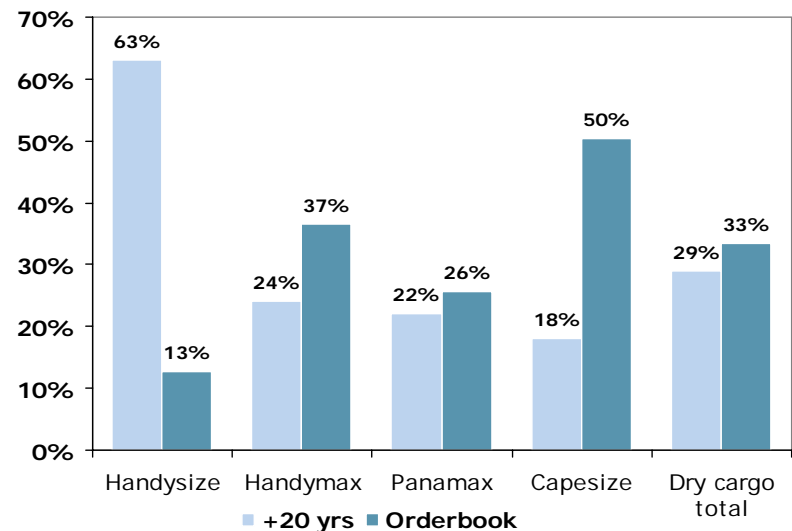
Demand stays strong

- Continued strong demand at 6-7% growth
- Increasing transportation distances
- Port Congestion – swing factor

Outlook for 2007

- Rates remain attractive ... but down from current levels

Supply growth is manageable

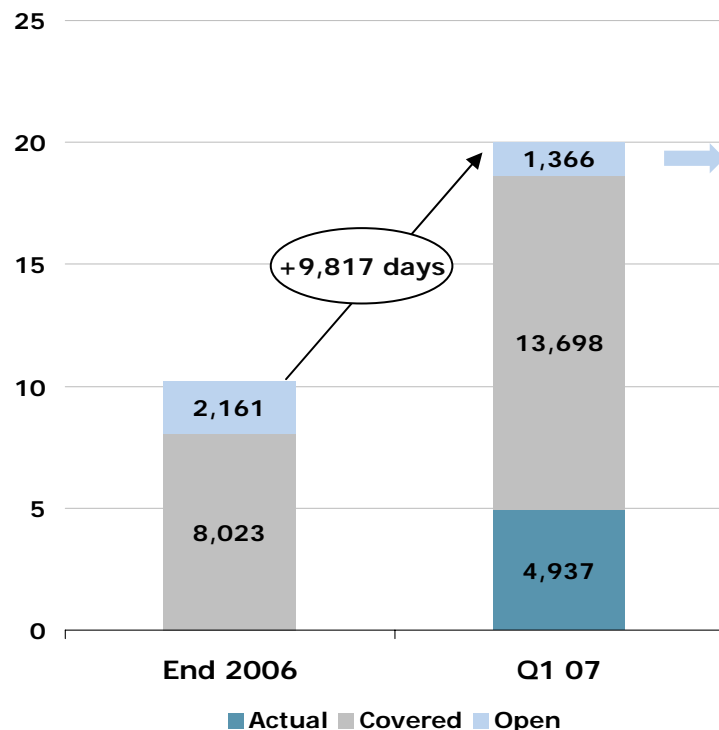


Source: Clarksons

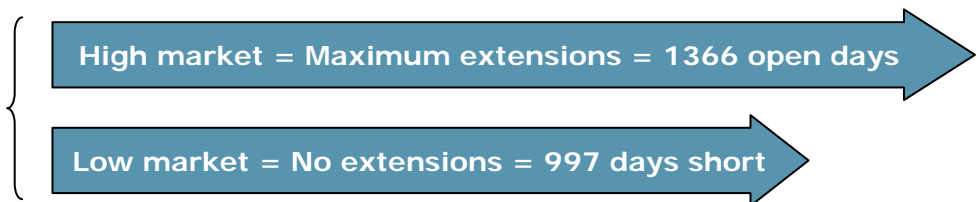
- Orderbook is manageable for next 2-3 years
- Very low demolition in Q1 increases scrapping potential further
- Q1 saw high ordering activity in bulk new-buildings for 2009+ deliveries

Short term fleet expansion

**Example: Panamax
(Known days – rest of 2007)**



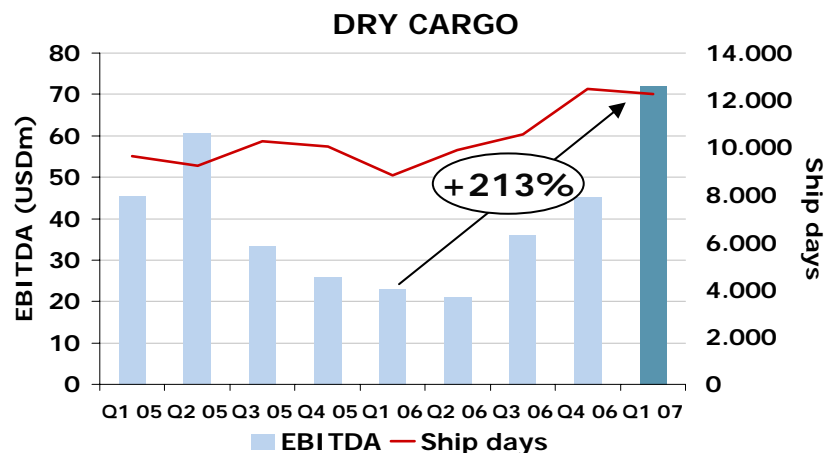
Retain upside – sell downside



- Aggressive move in Panamax segment to benefit from positive rate trend
- Known vessel days up almost 10,000 during Q1
- Both average fleet cost and average coverage rates up by USD 5,000

Coverage (Rest of Year)	Max	Min
PMX: 79%	91%	108%
All segments: 69%	87%	98%

Strong momentum in EBITDA



- EBITDA tripled in Q1
- Ship days up by 80% in Panamax
- EBITDA-margin up to 17%

USDm	2007 Q1	2006 Q1	Change in % 07-06
Ship days	12,276	8,815	39%
Revenue	427	225	90%
Costs	355	202	76%
EBITDA	72	23	213%
Profit from sales of vessels	38	25	52%
Depreciations	3	2	36%
EBIT	107	46	134%
EBITDA margin	17%	10%	7pp
EBIT margin	25%	20%	5pp

TANKER DEPARTMENT

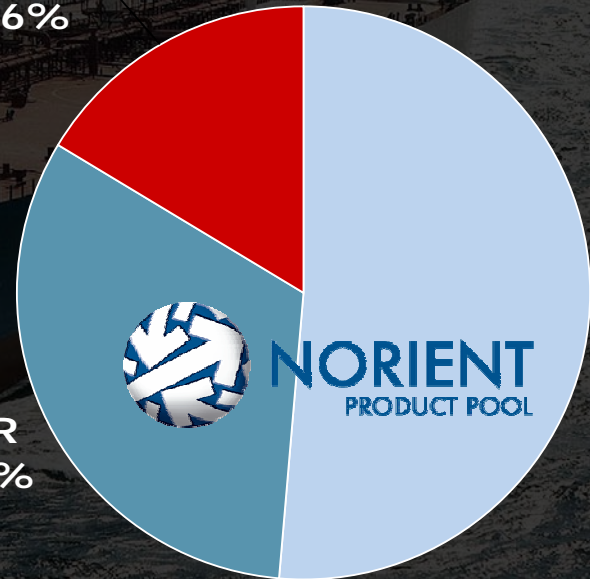


Tanker ship days in Q1 2007
(100% = 1,683 days)

Afra-
max
16%

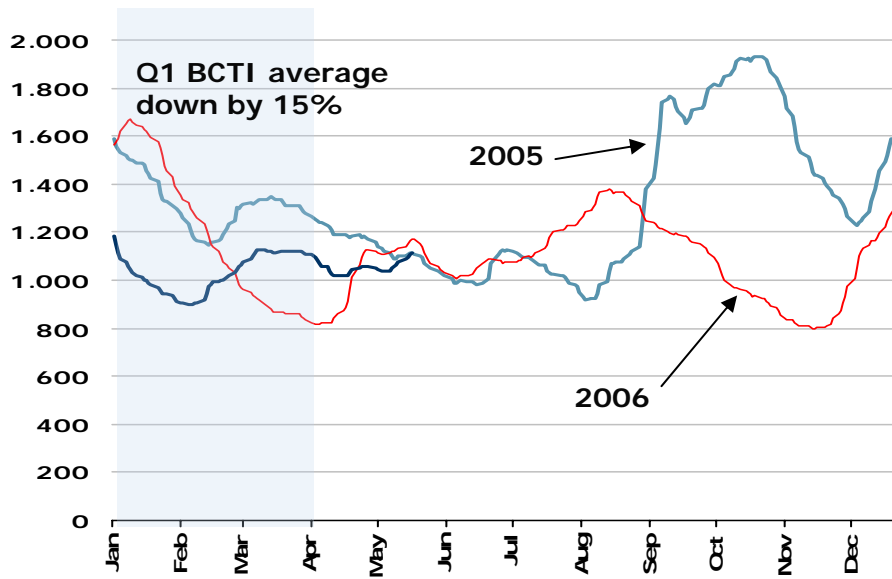
MR
32%

Handy-
size
52%



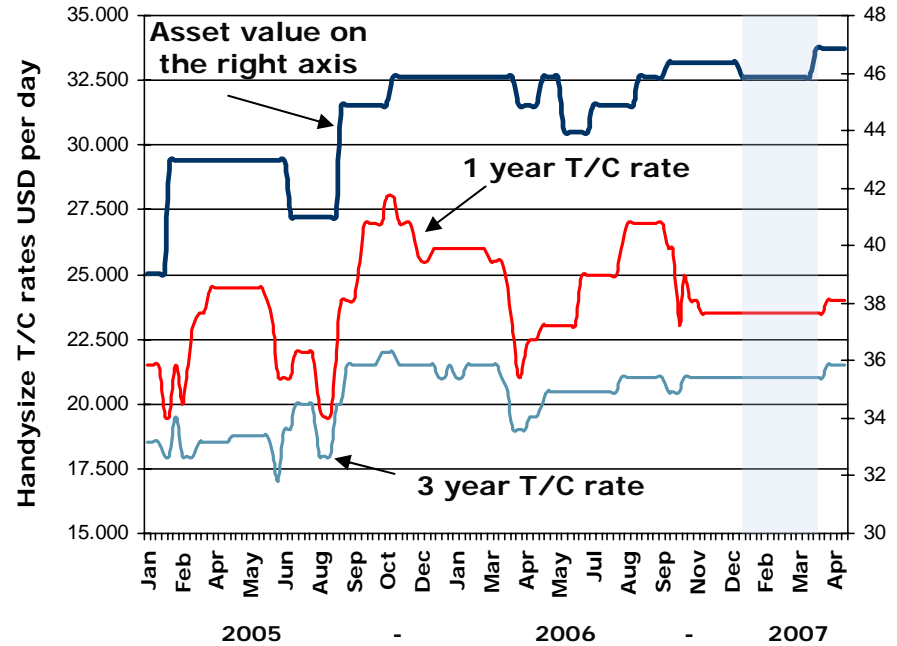
Market continually tightly balanced

BCTI lower during Q1 ...



Source: Baltic Exchange

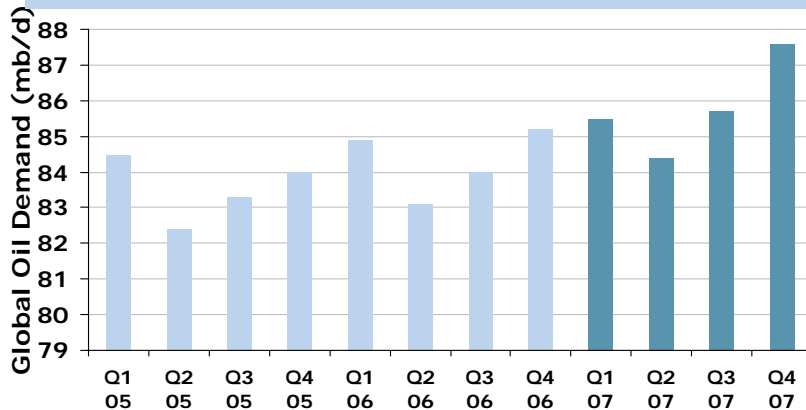
... but firm T/C rates and S/H prices reflect strong expectations



Source: Baltic Exchange

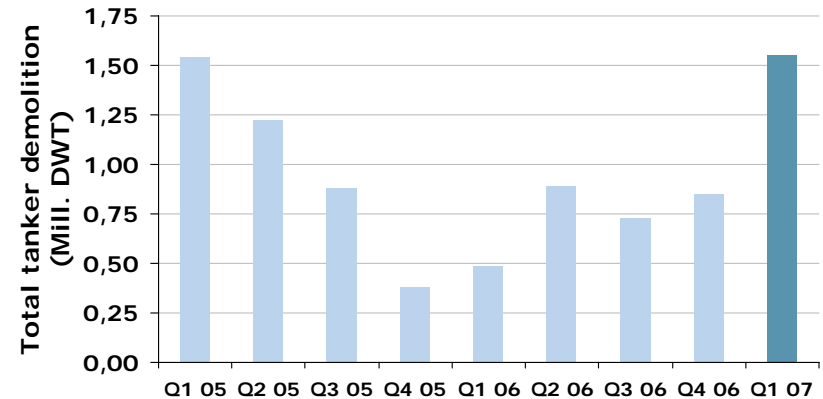
Market trends in 2007

Demand potential still strong ...



Source: Oil Market Report, IEA, April 2007

... and demolition is picking up



Source: Clarksons

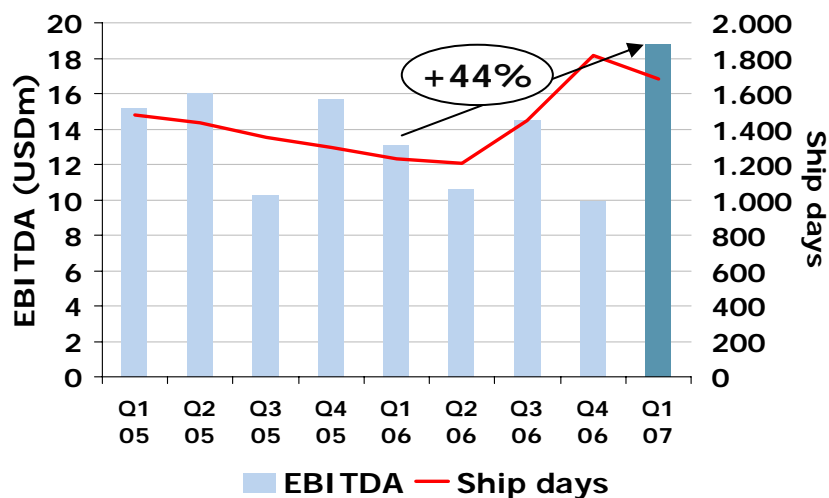
Short term

- 2007: relatively mild winter lowered 2007 demand forecast
- US petroleum stocks lower than 5-year-average entering into "driving season"

Long term

- Demolition is starting to pick-up
- ... but still far below 10-year quarterly average of 2,7 mill. DWT
- Newbuilding ordering hike is slowing down

Strong quarter in Handysize



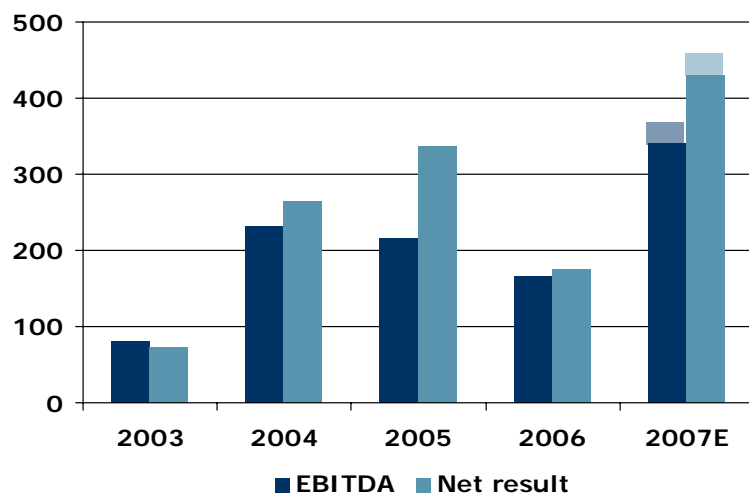
- T/C earnings in all segments well above spot market
- Lower EBITDA margin due to reduction of owned fleet
- Sale of Aframax tanker influences EBIT significantly

USDm	2007 Q1	2006 Q1	Change in % 07-06
Ship days	1,683	1,231	37%
Revenue	49	30	66%
Costs	30	17	83%
EBITDA	19	13	44%
Profit from sales of vessels	30	0	n.a.
Depreciations	1	1	0%
EBIT	48	12	299%
EBITDA margin	38%	44%	-6pp
EBIT margin	97%	40%	57pp

NET PROFIT OF USD 430-460 mill.

USDm	Dry cargo	Tanker	Group	2006A
EBITDA	295-315	50-60	340-370	166
Vessel sales*	42	77	120	55
EBIT	325-345	120-130	430-460	203
IAS 39	2	0	2	-27
Net result			430-460	177

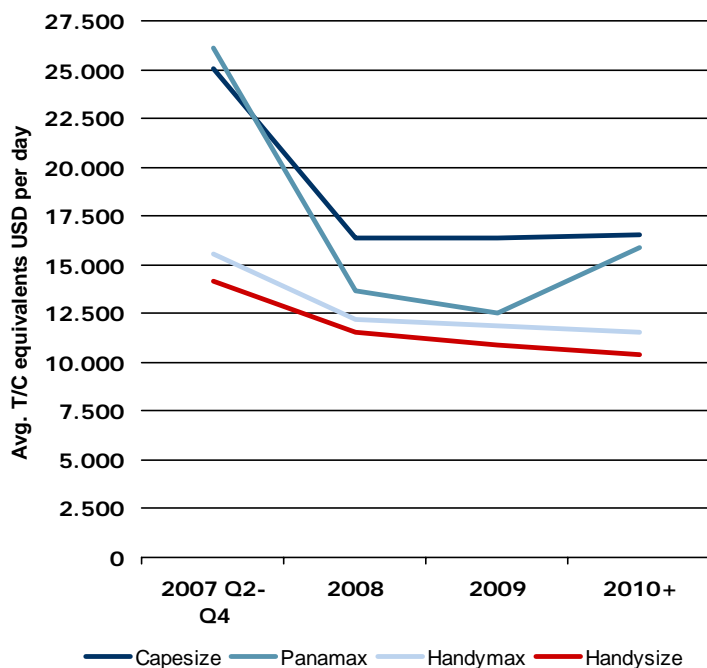
*Any additional vessel sales will change the guidance



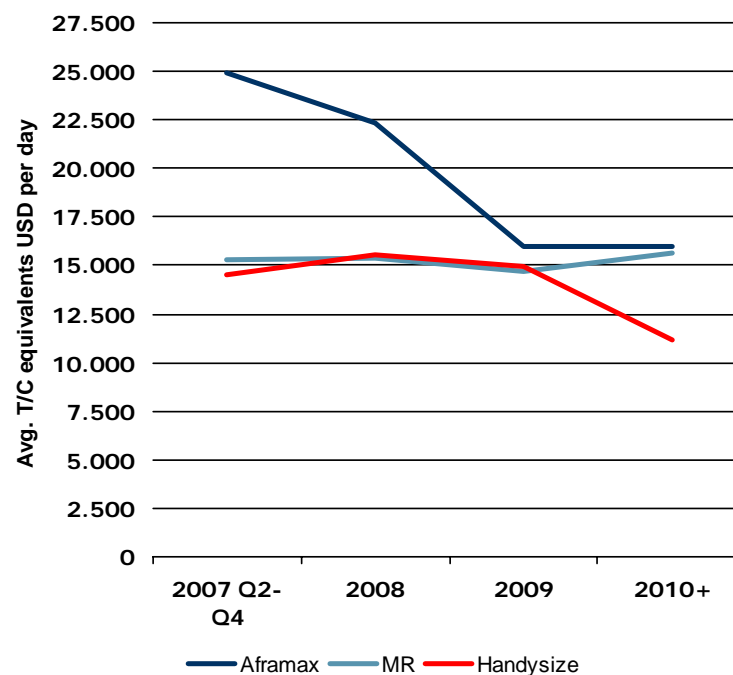
- **Dry cargo**
 - EBIT upward adjusted by USD 45 mill.
 - Coverage for 2007 now at 87%
- **Tanker**
 - EBIT upward adjusted by USD 5 mill.
 - Coverage for 2007 now at 39%
- **Capex**
 - Now expected at USD 360-380 mill.

Very competitive cost base going forward

Dry cargo: Avg. cost per day



Tanker: Avg. cost per day



Vessel days	31,341	23,233	21,211	262,983
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Vessel days	5,391	7,967	6,949	61,171
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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 2007 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.

Questions and answers

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