

Annual report 2012 and outlook for 2013

Key figures and financial ratios (USD million)

	Q4 2012	Q4 2011
EBITDA		
Group	44	62
Dry Cargo	35	60
Tankers	12	4
EBIT	0.5	39
	2012	2011
EBITDA		
Group	148	186
Dry Cargo	131	171
Tankers	28	26
EBIT before write-downs	35	104
EBIT	-265	104
Net profit	-279	88
Coverage	2013	2014
Dry Cargo	76%	37%
Tankers	27%	6%
Outlook 2013		
EBITDA		15-45
CAPEX		70-80

Today, the Board of Directors approved the annual report for 2012. The full report is attached as PDF file and contains the following highlights:

The fourth quarter of 2012 was better than expected and was the second best quarter of the year earnings-wise with operating earnings before depreciation (EBITDA) of USD 44 million (USD 62 million).

Also in the fourth quarter, Dry Cargo was affected by low freight rates and EBITDA amounted to USD 35 million, while Tankers generated an EBITDA of USD 12 million.

EBITDA for the year amounted to USD 148 million, which was in the high end of the expectations (USD 110-150 million).

Dry Cargo generated an EBITDA of USD 131 million, which is higher than the expectations (USD 105-125 million), but 24% down from last year. Tankers generated an EBITDA of USD 28 million. The results are in line with 2011 and above the latest announced expectations for the year (USD 15-25 million).

Cash flows from operating activities were USD 122 million (USD 120 million). As a result of the write-down of the book value of the vessels of USD 300 million, which took place in the first quarter of 2012, additional ordinary depreciation of USD 89 million and loss on vessel sales of USD 24 million, EBIT amounted to a negative USD 265 million.

The Board of Directors proposes a dividend of DKK 3 per share corresponding to a total of USD 22 million. In addition, a share buy-back programme of up to USD 30 million will be carried out.

Continued challenging markets are expected in 2013, however, showing good growth rates in both segments, and this development is expected to support a gradual improvement of freight rates in Tankers and stabilise freight rates at a low level in Dry Cargo. At the beginning of the year, NORDEN's coverage was 76% in Dry Cargo and 27% in Tankers.

In 2013, NORDEN expects an EBITDA of USD 15-45 million. The Dry Cargo Department is expected to break even operationally, and the Tanker Department is expected to generate operating earnings of USD 25-45 million.

CEO Carsten Mortensen in comment: "I am pleased that the operating earnings are in the high end of the expectations and even more pleased that NORDEN manages to generate positive cash flows from operating activities of USD 122 million and furthermore earns USD 22 million on new activity in a declining market. We enter a challenging 2013 in a strengthened position, and we will now focus on investing in fuel efficient dry cargo vessels, of which we have already ordered 7 in recent months. Our appetite for investments will continue in 2013."

A telephone conference will be held today at 15:30 hours (CET) where CEO Carsten Mortensen, CFO Michael Tønnes Jørgensen and Executive Vice President Martin Badsted will comment on the report. By 15:25 hours (CET) at the latest, Danish participants must dial +45 3272 8018 while participants from abroad must dial +44 (0) 145 255 5131 or +1 866 682 8490. The telephone conference can be followed live at www.ds-norden.com where the accompanying presentation is also available.

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