



# Annual report 2010 and outlook for 2011

Announcement no. 11  
2 March 2011

Today, the Board of Directors approved the annual report for 2010. The full report is attached as PDF file and contains the following highlights:

- EBITDA was USD 39 million for the fourth quarter, which was slightly higher than expected. In Dry Cargo, EBITDA was USD 40 million, and in Tankers, EBITDA was USD 0 million.
- EBITDA for the year was also slightly higher than expected. EBITDA rose 91% to USD 240 million compared with the recent estimates of USD 220-250 million. Dry Cargo and Tankers expanded activities and improved earnings, and in both segments, daily earnings were above market rates. In addition, Dry Cargo had non-recurring income of USD 78 million.
- EBIT rose 42% to USD 223 million in spite of higher depreciation and lower sales proceeds. Net profit was up 13% to USD 245 million, equivalent to earnings per share of DKK 33 (DKK 28). The Board of Directors proposes a dividend of DKK 8 per share (DKK 7).
- Growth in equity and fleet values increased theoretical Net Asset Value from DKK 268 to DKK 308 per share.
- With 85% coverage, Dry Cargo is well prepared for a challenging market in 2011, while Tankers with 36% coverage is more exposed to a market where spot rates are expected to gradually increase.
- Exclusive of the substantial non-recurring income from 2010, EBITDA in Dry Cargo is expected to decline to USD 125-155 million in 2011, whereas EBITDA in Tankers is expected to increase to USD 20-30 million. NORDEN's EBIT is estimated to be USD 55-95 million, without any sales proceeds and with higher depreciation.
- During the strategy period 2011-13, NORDEN aims to grow the cargo programme in Dry Cargo by 15% annually while expanding the core fleet. In Tankers, NORDEN will continue to use the low vessel prices to expand the tanker fleet to 25 owned vessels through acquisitions. In the period, NORDEN aims to provide shareholders a return higher than our peers.

CEO Carsten Mortensen says: "In 2010, we got back on the growth track as planned, with growth in business and earnings and increasing investments. 2011 looks to be a mediocre year in terms of earnings with challenging markets in both Dry Cargo and Tankers, but we are uniquely positioned to pursue opportunities in the market and our earning potential is strong when rates go up again."

*Today at 15.30 hours (CET), NORDEN will hold a telephone conference. By 15.25 hours (CET) at the latest, Danish participants should dial +45 3271 4767 while participants from abroad should dial +44 (0) 208 817 9301 or +1 718 354 1226. The telephone conference can be followed live on [www.ds-norden.com](http://www.ds-norden.com). The presentation will also be available on our website subsequently.*

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