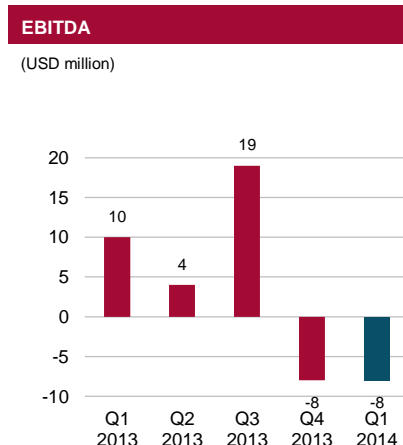


INTERIM REPORT FIRST QUARTER OF 2014

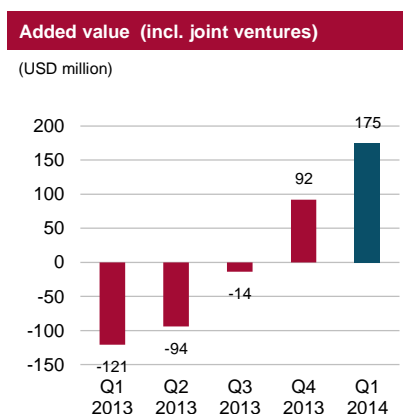
Announcement no. 21 – 13 May 2014

- EBITDA as expected USD -8 million (Q1 2013: USD 10 million)
- Heavy decrease in the dry cargo market has continued into the second quarter with unexpected magnitude, but improvement is expected in the second half-year
- Disappointing MR market but surprisingly strong Handysize market in tankers
- Investments in additional 7.5 eco vessels in the beginning of the quarter bring the order book up to 37 vessels
- Continued increasing ship values especially in Dry Cargo
- Changed estimate of the vessels' useful lives, etc. has a positive effect on EBIT of USD 5 million due to lower depreciation
- A share buy-back of USD 10 million is planned to be carried out during the next 3 months
- Expectations for 2014 EBITDA are adjusted downwards to USD -40 to USD 60 million (USD 20-120 million)



President and CEO Carsten Mortensen in comment:

"As expected, the first quarter saw challenging market conditions, not least in dry cargo where the Atlantic market more or less collapsed. This collapse has also had a significant impact on the second quarter, which we were otherwise expecting to contribute positively to operating earnings. Therefore, we now take the consequence of this and make a downward adjustment of the expectations for the results for the year. However, this does not change the fact that we are still expecting an improvement of the markets in the second half-year and that I am pleased with the continued increase in ship values, which are now USD 175 million above carrying amounts."



A telephone conference will be held today at 3:30 p.m. (CET) where CEO Carsten Mortensen, CFO Michael Tønnes Jørgensen and Executive Vice President Martin Badsted will comment on the report. By 3:25 p.m. (CET) at the latest, Danish participants should dial in on +45 3272 8018 while participants from abroad should dial in on +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.

Further information: CEO Carsten Mortensen, tel. +45 3315 0451.

KEY FIGURES AND RATIOS FOR THE GROUP

USD '000				
	1/1-31/3 2014	1/1-31/3 2013	Change Q1 2013-2014	1/1-31/12 2013
INCOME STATEMENT				
Revenue	557,702	500,343	11%	2,145,899
Costs	-565,393	-490,766	15%	-2,121,619
Profit before depreciation, etc. (EBITDA) ¹⁾	-7,691	9,577	-	24,280
Profits from the sale of vessels, etc.	32	2,168	-99%	2,453
Depreciation	-15,424	-18,616	-17%	-79,045
Profit from operations (EBIT)	-22,575	-6,921	-	-51,278
Fair value adjustment of certain hedging instruments	-168	955	-	10,580
Net financials	-2,345	-3,916	-40%	-2,459
Results before tax	-25,088	-9,882	-	-43,157
Results for the period	-26,549	-11,174	-	-47,748
STATEMENT OF FINANCIAL POSITION				
Non-current assets	1,226,875	1,160,190	6%	1,215,189
Total assets	2,014,537	1,963,198	3%	2,061,242
Equity (including minority interests)	1,576,422	1,677,142	-6%	1,604,817
Liabilities	438,115	286,056	53%	456,425
Invested capital	1,384,055	1,333,398	4%	1,376,971
Net interest-bearing assets	192,367	343,744	-44%	227,846
Cash and securities	447,713	498,429	-10%	486,061
CASH FLOWS				
From operating activities	2,664	-20,235	-	-8,858
From investing activities	-8,589	5,588	-	-102,955
- hereof investments in property, equipment and vessels	-26,620	-35,429	-25%	-139,389
From financing activities	-6,734	-1,004	-	62,480
Change in cash and cash equivalents for the period	-12,659	-15,651	19%	-49,333
FINANCIAL AND ACCOUNTING RATIOS				
Share-related key figures and financial ratios:				
Number of shares of DKK 1 each (excluding treasury shares)	40,708,609	41,279,620	-1%	40,770,988
Number of treasury shares	2,291,391	1,720,380	33%	2,229,012
Earnings per share (EPS) (DKK ²⁾)	-0.7 (-4)	-0.3 (-2)	-	-1.2 (-7)
Diluted earnings per share (diluted EPS) (DKK ²⁾)	-0.7 (-4)	-0.3 (-2)	-	-1.2 (-7)
Book value per share (excluding treasury shares) (DKK ²⁾)	38.7 (210)	40.6 (237)	-5%	39.4 (213)
Share price at end of period, DKK	231.0	187.0	24%	285.0
Price/book value (DKK ²⁾)	1.1	0.8	38%	1.3
Other key figures and financial ratios:				
EBITDA ratio ¹⁾	-1.4%	1.9%	-	1.1%
ROIC (before write-downs)	-6.5%	-2.1%	-	-3.8%
ROE	-6.7%	-2.7%	-	-2.9%
Equity ratio	78.3%	85.4%	-8%	77.9%
Total no. of ship days for the Group	22,353	20,570	9%	90,069
USD/DKK rate at end of period	541.48	583.71	-7%	541.27
Average USD/DKK rate	544.70	564.61	-4%	561.60

¹⁾ The ratios were computed in accordance with "Recommendations and Financial Ratios 2010" published by the Danish Society of Financial Analysts. However, "Profits from the sale of vessels, etc." has not been included in EBITDA.

²⁾ Converted at the USD/DKK rate at end of period.

COMMENTS ON THE DEVELOPMENT OF THE GROUP FOR THE PERIOD

- Dry Cargo EBITDA USD -15 million and Tanker EBITDA USD 10 million
- Cash and securities of USD 448 million
- Changed depreciation periods
- Fleet market value USD 175 million above carrying amounts

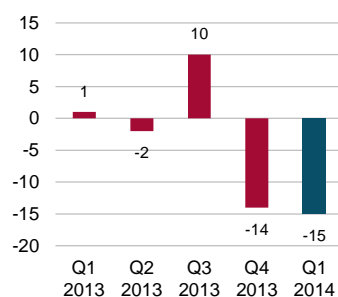
EBITDA USD -8 million

In the first quarter of 2014, NORDEN realised an EBITDA of USD -8 million against USD 10 million in the same period last year. The decrease is due to the Dry Cargo Department's EBITDA dropping from USD 1 million to USD -15 million. This is primarily a result of the significantly challenging Atlantic market in the first quarter and the positive effect of non-recurring income of USD 9 million in the first quarter of 2013. EBITDA in the Tanker Department was USD 10 million.

As a consequence of the lower EBITDA, EBIT amounted to USD -23 million (USD -7 million) in the first quarter. EBIT is positively affected by changed depreciation periods as the Company has increased the estimate of the vessels' useful lives from 20 to 25 years, which is in accordance with market practice (see also note 1 to the financial statements on page 20). Results for the first quarter of 2014 were USD -27 million.

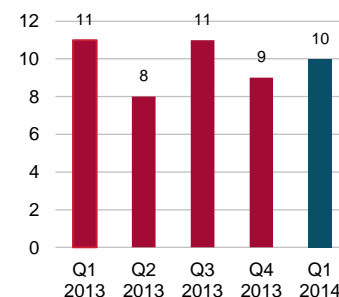
EBITDA Dry Cargo

(USD million)



EBITDA Tankers

(USD million)



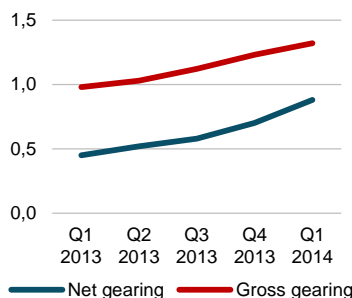
In the first quarter of 2014, NORDEN had a total change in cash and cash equivalents of USD -13 million. Cash flows from operating activities were USD 3 million mainly as a result of a drop in receivables while cash flows from investing activities were USD -9 million relating to prepayments on newbuildings and sale of bonds. Cash flows from financing activities were USD -7 million primarily as a result of repayments of long-term debt and acquisition of treasury shares.

Strong financial position

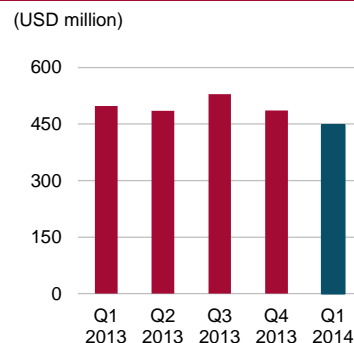
At the end of the quarter, the Company had cash and securities of USD 448 million and undrawn credit facilities of USD 220 million. In comparison, there are outstanding payments on the newbuilding programme of USD 437 million due in the period 2014-2017.

NORDEN's net commitments increased by USD 281 million to a total of USD 1,407 million during the quarter as a result of investments in newbuildings and lower coverage, which also led to slightly increasing gearing. Gearing was 0.88 at the end of the quarter.

Gearing



Cash and securities



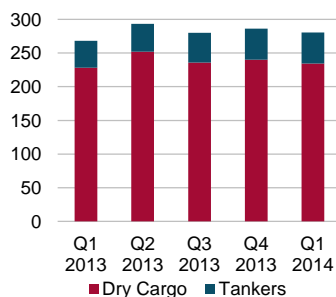
Contracting of eco vessels

At the beginning of the quarter, NORDEN contracted 2 Panamax vessels and 4.5 Supramax vessels. All of these vessels are Japanese built eco vessels and are expected to be delivered in 2017. In addition to these contracts to NORDEN's owned fleet, the Company entered into agreement on long-term chartering of 1 Panamax eco vessel with purchase option. The total 7.5 vessels, which were added to the core fleet during the quarter, were all mentioned in NORDEN's annual report 2013. The active core fleet has not changed since the turn of the year.

At the end of the quarter, the total active fleet counted 280 vessels, which was a little fewer than the 285 vessels comprising the active fleet at the end of 2013. The decrease is due to a lower number of short-term chartered vessels in Dry Cargo.

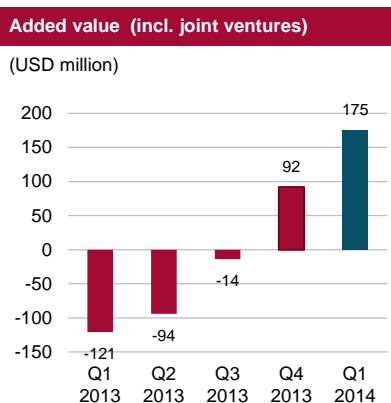
The Tanker core fleet, which was unchanged in the first quarter, was added a new long-term chartered vessel with purchase option after the end of the quarter. This is a 5-year charter agreement for a newly built MR eco vessel, which will be delivered to NORDEN in 2016.

Active fleet



Continued increasing ship values

Based on the average of valuations from 3 independent brokers, the market value of NORDEN's owned vessels and newbuildings (including vessels in joint ventures) was estimated at USD 1,784 million at the end of the quarter. The value of owned vessels which were owned during the entire period has increased by 2% compared to the end of 2013.



The theoretical value of NORDEN's purchase and extension options is estimated at USD 154 million at the end of the first quarter against USD 120 million at the end of 2013. The increase is due to general increases in T/C rates and vessel prices. A sensitivity analysis shows that a drop in T/C rates and vessel prices of 10% would mean a decrease of 22% to USD 120 million whereas an increase of 10% would mean an increase of 26% to USD 195 million.

Calculated without vessels in joint ventures and sold assets, the market value in Dry Cargo and Tankers is USD 131 million (15%) and USD 31 million (5%), respectively, above carrying amounts and costs, which amount to a total of USD 1,542 million. The difference between the highest and the lowest valuations from the 3 brokers calculated per vessel is USD 118 million, and the broker valuations are thus subject to some uncertainty.

Impairment test

The Company has therefore performed a routine impairment test based on value in use. On this background, no further indication of impairment of carrying amounts was found, and there is no need for reversing already made write-downs. See also note 5 to the financial statements (page 24) for additional information.

SEGMENT INFORMATION

USD '000	Q1 2014				Q1 2013			
	Dry Cargo	Tankers	Un-allocated	Total	Dry Cargo	Tankers	Un-allocated	Total
Revenue – services rendered	463,751	93,951	0	557,702	405,065	95,278	0	500,343
Voyage costs	-238,034	-34,654	0	-272,688	-218,334	-39,520	0	-257,854
Contribution margin	225,717	59,297	0	285,014	186,731	55,758	0	242,489
Other operating income, net	2,332	1	0	2,333	1,588	34	0	1,622
Vessel operating costs	-233,530	-47,333	0	-280,863	-178,982	-42,994	0	-221,976
Costs	-9,443	-1,672	-3,060	-14,175	-8,605	-1,474	-2,479	-12,558
Profit before depreciation, etc. (EBITDA)	-14,924	10,293	-3,060	-7,691	732	11,324	-2,479	9,577
Profits from the sale of vessels, etc.	32	0	0	32	-65	2,223	10	2,168
Depreciation	-7,937	-6,922	-565	-15,424	-10,562	-7,174	-880	-18,616
Share of results of joint ventures	298	210	0	508	-203	153	0	-50
Profit before operations (EBIT)	-22,531	3,581	-3,625	-22,575	-10,098	6,526	-3,349	-6,921
Fair value adjustment of certain hedging instruments	-168	0	0	-168	955	0	0	955
Financial income	0	0	1,969	1,969	0	0	3,316	3,316
Financial expenses	0	0	-4,314	-4,314	0	0	-7,232	-7,232
Tax for the period	-1,268	-145	-48	-1,461	-1,067	-162	-63	-1,292
Profit for the period	-23,967	3,436	-6,018	-26,549	-10,210	6,364	-7,328	-11,174

USD '000	Q1 2014				Q1 2013			
	Dry Cargo	Tankers	Un-allocated	Total	Dry Cargo	Tankers	Un-allocated	Total
Vessels	568,830	493,894	0	1,062,724	576,317	410,913	0	987,230
Other tangible assets	67	0	54,305	54,372	643	0	54,626	55,269
Prepayments on vessels and newbuildings	32,693	57,730	0	90,423	5,781	99,037	0	104,818
Investments in joint ventures	15,756	3,600	0	19,356	9,255	3,618	0	12,873
Non-current assets	617,346	555,224	54,305	1,226,875	591,996	513,568	54,626	1,160,190
Current assets	282,681	57,268	447,713	787,662	246,579	58,000	498,429	803,008
Total assets	900,027	612,492	502,018	2,014,537	838,575	571,568	553,055	1,963,198

DRY CARGO

- EBITDA USD -15 million (USD 1 million)
- Large regional differences
- Extraordinary drop in rates at the end of the period and into the second quarter

Difficult quarter

EBITDA in Dry Cargo for the first quarter constituted a loss of USD 15 million, which was as expected. T/C earnings in Dry Cargo were 14% below average 1-year T/C rates. The differential is i.a. due to the fact that the average 1-year T/C rates reflect the expectations for an improvement of the markets throughout the year contrary to the realised spot rates during the quarter. NORDEN's earnings were 7% above the spot rates from Baltic Exchange.

For the first quarter of the year, the average Baltic Dry Index (BDI) was 26% down from the fourth quarter of 2013, but 72% up from the first quarter of 2013 (source: Baltic Exchange). However, average BDI covers great regional differences and significant fluctuation in the rates throughout the quarter.

Decreasing rates during the quarter

The year started with continued strong exports of commodities to China, which supported January's rate levels, which were significantly higher than the year before. Strong Chinese imports of iron ore supported the rates in the Capesize market during the quarter. However in the other vessel types, especially Panamax, rates decreased continually throughout the quarter and ended on a par with the low rates from the same time last year. It was the Atlantic market in particular, which pulled down rates in Handysize, Supramax and Panamax, and at the end of the quarter, the Atlantic market was uncharacteristically low for the season.

Lack of Indonesian exports created imbalance

The Indonesian export ban against unprocessed ore such as nickel and bauxite, which came into effect in January 2014, caused a significant number of Supramax vessels to ballast into the Atlantic from the Pacific. At the same time, expectations for record-high volumes of grain also affected the positioning of tonnage towards the Atlantic.

In addition to the many vessels which had been positioned into the Atlantic, the poor rates also result from a combination of other factors. The coal export from the USA has been smaller than last year due to an unusual cold winter, which meant higher domestic coal consumption, combined with a warm winter in Europe, which is a typical consumer of American coal.

Employment and rates, Dry Cargo, Q1 2014

Vessel type	Capesize	Post-Panamax	Panamax	Supramax	Handysize	Total**
NORDEN ship days	360	714	7,418	7,155	2,641	18,288
NORDEN T/C (USD per day)	22,995	14,808	11,213	12,401	9,396	11,788
1-year T/C (USD per day)*	25,942	16,673	14,817	12,904	9,854	13,643
NORDEN vs. 1-year T/C	-11%	-11%	-24%	-4%	-5%	-14%

* Source: Clarksons ** Weighted average

NORDEN T/C is gross amount to make the figure comparable to the market T/C. The following percentages are used as standard broker commission: Capesize, Post-Panamax and Panamax: 3.75%, Supramax and Handysize: 5%. In case the vessel type is operated in a pool, the pool management fee is added.

To this can be added the fact that the Columbian coal export was affected by the shutdown of their largest port for coal export during the entire first quarter as the Columbian government enforced environmental regulation prohibiting vessel to vessel loading, and new equipment in the ports is therefore required.

The low rates in the Atlantic carry significant impact as a large part of NORDEN's fleet is employed in the Atlantic. In contrast to 2013, NORDEN did not make a greater positioning of chartered tonnage into the Atlantic.

The FFA market has followed the development in the spot rates and has since February decreased by more than USD 2,000 per day on average for NORDEN' open ship days. However, there still remains great difference between the daily spot levels and the FFA rates reflecting the market's continued expectations for improved markets later in the year.

Fleet growth as expected

During the first quarter, which is typically a quarter with many deliveries, the net fleet growth was 1.7%, which supports the expectations for annual net fleet growth of 4-6%. Even though the second quarter is also expected to be challenging, there are still expectations that lower fleet growth combined with continued positive development in demand will result in an improvement of the markets during the second half of 2014.

Great order activity

The great order activity continued into the first quarter during which 209 newbuildings were contracted corresponding to approximately 19.9 million dwt. for delivery in the period 2015-2017 (source: Clarksons). This is almost 2 million dwt. more per month than what was ordered during the first quarter of 2013. It is mainly Supramax and Capesize vessels, which have been contracted during the first three months of the year. The order book constituted 20.3% (14.2%) of the existing fleet at the end of the first quarter.

NORDEN's Dry Cargo fleet and values at 31 March 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	10.0	16.0	11.0	42.0
Total active core fleet	4.0	8.0	13.0	20.0	23.0	68.0
Chartered vessels without purchase option	-	-	66.5	76.0	23.8	166.3
Total active fleet	4.0	8.0	79.5	96.0	46.8	234.3
Vessels to be delivered						
Newbuildings (owned)	-	-	4.0	8.5	-	12.5
Chartered vessels with purchase option	1.0	-	10.5	7.0	-	18.5
Total for delivery to core fleet	1.0	-	14.5	15.5	-	31.0
Chartered vessels over 3 years without purchase option	-	-	-	-	-	-
Total to be delivered	1.0	-	14.5	15.5	-	31.0
Total gross fleet	5.0	8.0	94.0	111.5	46.8	265.3
Dry Cargo fleet values at 31 March 2014 (USD million)						
Market value of owned vessels and newbuildings*	100	129	210	383	257	1,079
Value of purchase and extension options	14	8	57	64	6	149

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

Coverage is kept at a moderate level in expectation of an improved market

At the end of the quarter, coverage for the rest of 2014 in the Dry Cargo Department was 58% corresponding to 14,517 open ship days. Coverage is lowest towards the end of the year, and NORDEN is therefore still well exposed to the spot market in expectation of a gradually improving market.

Coverage and capacity, Dry Cargo, at 31 March 2014										
	2014			2015	2016	2014			2015	2016
	Q2	Q3	Q4			Q2	Q3	Q4		
Owned vessels						Ship days				
Capesize	273	264	276	1,080	1,083					
Post-Panamax	364	368	343	1,440	1,444					
Panamax	223	276	276	1,395	1,760					
Supramax	364	363	368	1,982	2,888					
Handysize	1,088	1,069	1,104	4,320	4,332					
Total	2,312	2,340	2,367	10,217	11,507					
Chartered vessels						Costs for T/C capacity (USD per day)				
Capesize	91	92	92	365	366	18,715	18,715	18,672	18,665	18,665
Post-Panamax	364	368	368	1,460	1,464	18,910	18,912	18,912	18,912	18,886
Panamax	4,612	3,464	3,543	9,954	8,301	12,281	12,819	13,269	13,062	13,386
Supramax	4,940	2,945	2,331	6,383	5,744	12,661	12,082	12,319	12,803	13,190
Handysize	1,546	1,472	1,464	4,767	3,602	12,880	12,644	12,613	12,077	12,377
Total	11,553	8,341	7,798	22,929	19,477	12,783	12,862	13,192	13,247	13,654
Total capacity						Costs for gross capacity (USD per day)*				
Total capacity	13,865	10,681	10,165	33,146	30,984	11,561	11,238	11,374	10,802	10,586
Coverage						Revenue from coverage (USD per day)				
Capesize	174	92	92	59	0	24,747	24,811	24,811	24,719	0
Post-Panamax	234	158	158	95	0	14,067	16,309	16,309	16,958	0
Panamax	3,764	2,211	1,974	3,447	2,196	11,665	11,083	12,697	16,001	17,733
Supramax	4,451	2,093	1,528	2,266	1,250	12,398	12,040	11,056	12,859	14,710
Handysize	1,888	739	638	1,242	1,136	8,462	12,065	11,677	14,132	14,593
Total	10,511	5,293	4,390	7,109	4,582	11,670	11,993	12,361	14,758	16,130
Coverage in %										
Capesize	48%	26%	25%	4%	0%					
Post-Panamax	32%	21%	22%	3%	0%					
Panamax	78%	59%	52%	30%	22%					
Supramax	84%	63%	57%	27%	14%					
Handysize	72%	29%	25%	14%	14%					
Total	76%	50%	43%	21%	15%					

* 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".

TANKERS

- EBITDA USD 10 million (USD 11 million)
- Disappointing MR winter market counterbalanced by strong Handysize fuel oil market
- Weak start to the second quarter

Split market in the first quarter

EBITDA in NORDEN's Tanker Department amounted to USD 10 million in the first quarter. However, the first quarter contained both positive and negative surprises as the market for transport of clean petroleum products (CPP) was disappointing whereas the market for dirty petroleum products (DPP) clearly exceeded expectations. The split market was reflected in earnings as NORDEN's Handysize fleet, which to a greater extent transports DPP, realised earnings of USD 15,907 per day whereas earnings within the larger MR vessels were USD 14,290 per day.

Lower diesel exports due to cold weather in the USA

Activity in the MR market was disappointing, especially when taking into account that the first quarter has traditionally been one of the strongest periods of the year. It was in particular the unusually cold winter in the USA and the equivalent warm winter in Europe, which had a negative impact on demand for transport. The cold weather in the USA meant that a larger share of refined oil was consumed domestically instead of being exported on MR vessels. At the same time, the warm weather in Europe meant that the need for importing diesel was lower than usual in the winter months. Furthermore, there was less ice sailing, which normally strengthens earnings.

Strong Handysize earnings driven by DPP

Rates for transport of crude and fuel oil increased extraordinarily, and NORDEN's Handysize fleet particularly benefited from this. The strong market began in the large vessel types such as VLCC and Suezmax at the end of the fourth quarter and spread to Aframax and Handysize in the beginning of the first quarter. The original upward pressure on rates in VLCC and Suezmax was i.a. driven by increased Chinese imports from especially West Africa, and the positive influence from VLCC and Suezmax on the smaller vessel types was further strengthened by weather challenges especially for the Aframax traffic through the Bosphorus Strait.

Employment and rates, Tankers, Q1 2014

Vessel type	MR	Handysize	Total**
NORDEN ship days	2,445	1,620	4,065
NORDEN T/C (USD per day)	14,290	15,907	14,934
1-year T/C (USD per day)*	15,077	14,462	14,832
NORDEN vs. 1-year T/C	-5%	+10%	+1%

* Source: Clarksons ** Weighted average

NORDEN T/C is gross amount to make the figure comparable to the market T/C. A standard broker commission of 2.5% is used in the Tanker segment. In addition, the pool management fee is added.

Modest fleet growth

Fleet development continued the positive trend from 2013 with modest growth of 0.6% since the turn of the year. This level is lower than expected and indicates fleet growth for 2014 below the expected 4-5%. At the same time, there has been a slowdown in the number of new orders for product tankers where monthly growth is below half of the average level for the whole of 2013. The order book constituted 19.9% (11.1%) of the existing fleet at the end of the first quarter.

NORDEN's Tanker fleet and values at 31 March 2014			
Vessel type	MR	Handysize	Total
Vessels in operation			
Owned vessels	7.0	11.0	18.0
Chartered vessels with purchase option	8.0	-	8.0
Total active core fleet	15.0	11.0	26.0
Chartered vessels without purchase option	13.0	7.0	20.0
Total active fleet	28.0	18.0	46.0
Vessels to be delivered			
Newbuildings (owned)	4.0	2.0	6.0
Chartered vessels with purchase option	-	-	-
Total for delivery to core fleet	4.0	2.0	6.0
Chartered vessels over 3 years without purchase option	-	-	-
Total to be delivered	4.0	2.0	6.0
Total gross fleet	32.0	20.0	52.0
Tanker fleet values at 31 March 2014 (USD million)			
Market value of owned vessels and newbuildings*	392	313	705
Value of purchase and extension options	5	-	5

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

Continued high spot exposure

At the end of the first quarter, NORDEN had covered 22% of the ship days in Tankers for the rest of 2014. Coverage is at the same level as at the beginning of 2014 and is kept at a low level in the expectation of an attractive spot market. The rate level for coverage for the rest of 2014 is USD 13,300 per day compared to average costs of USD 11,000 per day.

Capacity and coverage, Tankers, at 31 March 2014										
	2014			2015	2016	2014			2015	2016
	Q2	Q3	Q4			Q2	Q3	Q4		
Owned vessels	Ship days									
MR	627	644	644	3,776	3,971					
Handysize	1,022	1,196	1,186	4,680	4,693					
Total	1,649	1,840	1,830	8,456	8,664					
Chartered vessels						Costs for T/C capacity (USD per day)				
MR	1,891	1,620	1,317	3,842	2,490	13,850	14,280	14,613	15,428	16,279
Handysize	713	672	552	1,043	0	13,382	13,962	14,340	14,355	0
Total	2,604	2,292	1,869	4,885	2,490	13,722	14,187	14,532	15,199	16,279
Total capacity	4,253	4,132	3,699	13,341	11,154	Costs for gross capacity (USD per day)*				
						11,146	10,959	10,795	9,965	9,015
Coverage						Revenue from coverage (USD per day)				
MR	529	246	215	97	0	12,180	13,239	13,309	13,818	0
Handysize	731	543	346	123	0	13,310	13,875	14,390	13,178	0
Total	1,260	789	561	220	0	12,836	13,676	13,976	13,460	0
Coverage in %										
MR	21%	11%	11%	1%	0%					
Handysize	42%	29%	20%	2%	0%					
Total	30%	19%	15%	2%	0%					

* 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.

OUTLOOK FOR 2014

NORDEN makes a downward adjustment of its full-year estimate

NORDEN makes a downward adjustment of its full-year estimate. The previous expectations for Group EBITDA of USD 20-120 million are adjusted to USD -40 to 60 million.

The downward adjustment is particularly driven by Dry Cargo where rates in the Atlantic developed extraordinarily negatively at the end of the first quarter, and the very low market level has continued into the second quarter. At the same time, forward rates for the second to the fourth quarter have dropped by more than USD 2,000 per day on average for NORDEN's open days since February. Based on this, the Dry Cargo Department expects an EBITDA of USD -50 to 0 million. The middle of this range is based on the forward rates at the beginning of May and includes USD 10 million in operator profit in Dry Cargo. It is still expected that spot rates in the second half-year will be higher than in the first half-year, but not to a sufficient extent that the previously announced expectations can be maintained.

Tanker results for the year are adjusted downwards by USD 10 million based on a disappointing MR market in the first months of the year.

Expectations for CAPEX are changed to USD 100-120 million.

Expectations for the full year

Expectations for 2014			
(USD million)	Dry Cargo	Tankers	Total
EBITDA	-50-0	20-70	-40-60
Profit from the sale of vessels			0
CAPEX			100-120

Sale of vessels

The expectations do not include profit from sale of vessels. The Company regularly assesses the market for purchase and sale of vessels based on pricing, timing, capacity adjustment and optimisation of fleet and order book.

Risks and uncertainties

At the beginning of May, there are around 12,600 open ship days in Dry Cargo, and a change of USD 1,000 per day would mean a change in earnings of approximately USD 12.6 million. Earnings in Dry Cargo are also sensitive to changes in the rate level between vessel types and possible counterparty risks.

Earnings expectations in Tankers primarily depend on the development in the spot market. Based on 8,200 open ship days in Tankers at the beginning of May, a change of USD 1,000 per day relative to budget rates would mean a change in earnings of approximately USD 8.2 million.

Forward-looking statements

This report includes forward-looking statements reflecting management's current perception of future trends and financial performance. The statements for the rest of 2014 and the years to come naturally carry some uncertainty, and NORDEN's actual results may therefore differ from expectations. Factors that may cause the results achieved to differ from the expectations are, among other things, but not exclusively, changes in the macroeconomic and political conditions – especially in the Company's key markets – changes in NORDEN's assumptions of rate development and operating costs, volatility in rates and vessel prices, changes in legislation, possible interruptions in traffic and operations as a result of external events, etc.

MANAGEMENT'S STATEMENT

The Board of Directors and the Executive Management today reviewed and approved the interim report for the first quarter of 2014 of Dampskibsselskabet NORDEN A/S.

The interim report is prepared in accordance with the International Financial Reporting Standard IAS 34 on interim reports and the general Danish financial disclosure requirements for listed companies. In line with previous policies, the interim report is not audited or reviewed by the auditors.

We consider the accounting policies applied to be appropriate and the accounting estimates made to be adequate. Furthermore, we find the overall presentation of the interim report to present a true and fair view.

Besides what has been disclosed in the interim report, no other significant changes in the Company's risks and uncertainties have occurred relative to what was disclosed in the consolidated annual report for 2013.

In our opinion, the interim report gives a true and fair view of the Group's assets, equity and liabilities, the financial position as well as the result of the Group's activities and cash flows for the interim period.

Furthermore, the management commentary gives a fair representation of the Group's activities and financial position as well as a description of the material risks and uncertainties which the Group is facing.

Hellerup, 13 May 2014

Executive Management

Carsten Mortensen
President & CEO

Michael Tønnes Jørgensen
Executive Vice President & CFO

Lars Bagge Christensen
Executive Vice President

Martin Badsted
Executive Vice President

Ejner Bonderup
Executive Vice President

Board of Directors

Mogens Hugo
Chairman

Klaus Nyborg
Vice Chairman

Alison J. F. Riegels

Erling Højsgaard

Karsten Knudsen

Arvid Grundekjøn

Ole Clausen

Anne-Katrine Nedergaard

Lars Enkegaard Biilmann

INCOME STATEMENT

Note	USD '000	2014	2013	2013
		Q1	Q1	Q1-Q4
	Revenue	557,702	500,343	2,145,899
	Costs	-565,393	-490,766	-2,121,619
	Profit before depreciation, etc. (EBITDA)	-7,691	9,577	24,280
	Profits from the sale of vessels, etc.	32	2,168	2,453
	Depreciation	-15,424	-18,616	-79,045
	Share of results of joint ventures	508	-50	1,034
	Profit from operations (EBIT)	-22,575	-6,921	-51,278
2	Fair value adjustment of certain hedging instruments	-168	955	10,580
	Net financials	-2,345	-3,916	-2,459
	Results before tax	-25,088	-9,882	-43,157
	Tax for the period	-1,461	-1,292	-4,591
	Results for the period	-26,549	-11,174	-47,748
	Attributable to:			
	Shareholders of NORDEN	-26,549	-11,174	-47,746
	Minority interests	0	0	-2
	Total	-26,549	-11,174	-47,748
	Earnings per share (EPS), USD	-0.7	-0.3	-1.2
	Diluted earnings per share, USD	-0.7	-0.3	-1.2

STATEMENT OF COMPREHENSIVE INCOME

Note	USD '000	2014	2013	2013
		Q1	Q1	Q1-Q4
	Results for the period, after tax	-26,549	-11,174	-47,748
	Items which will be reclassified to the income statement:			
	Value adjustment of hedging instruments	656	634	4,294
	Fair value adjustment of securities	589	-164	85
	Tax on fair value adjustment of securities	0	0	208
	Other comprehensive income, total	1,245	470	4,587
	Total comprehensive income for the period, after tax	-25,304	-10,704	-43,161
	Attributable to:			
	Shareholders of NORDEN	-25,304	-10,704	-43,159
	Minority interests	0	0	-2
	Total	-25,304	-10,704	-43,161

INCOME STATEMENT BY QUARTER

Note	USD '000	2014	2013	2013	2012	2012
		Q1	Q4	Q3	Q2	Q1
	Revenue	557,702	585,628	536,282	523,646	500,343
	Costs	-565,393	-593,344	-517,761	-519,748	-490,766
	Profit before depreciation, etc. (EBITDA)	-7,691	-7,716	18,521	3,898	9,577
	Profits from the sale of vessels, etc.	32	6	311	-32	2,168
	Depreciation	-15,424	-20,600	-20,528	-19,301	-18,616
	Share of results of joint ventures	508	397	969	-282	-50
	Profit from operations (EBIT)	-22,575	-27,913	-727	-15,717	-6,921
2	Fair value adjustment of certain hedging instruments	-168	16,627	128	-7,130	955
	Net financials	-2,345	-2,716	2,424	1,749	-3,916
	Results before tax	-25,088	-14,002	1,825	-21,098	-9,882
	Tax for the period	-1,461	-756	-1,258	-1,285	-1,292
	Results for the period	-26,549	-14,758	567	-22,383	-11,174
	Attributable to:					
	Shareholders of NORDEN	-26,549	-14,758	567	-22,381	-11,174
	Minority interests	0	0	0	-2	0
	Total	-26,549	-14,758	567	-22,383	-11,174
	Earnings per share (EPS), USD	-0.7	-0.4	0.0	-0.5	-0.3
	Diluted earnings per share, USD	-0.7	-0.4	0.0	-0.5	-0.3

STATEMENT OF COMPREHENSIVE INCOME BY QUARTER

Note	USD '000	2014	2013	2013	2013	2013
		Q1	Q4	Q3	Q2	Q1
	Results for the period, after tax	-26,549	-14,758	567	-22,383	-11,174
	Items which will be reclassified to the income statement:					
	Value adjustment of hedging instruments	656	1,150	-524	3,034	634
	Fair value adjustment of securities	589	633	-22	-362	-164
	Tax on fair value adjustment of securities	0	208	0	0	0
	Other comprehensive income, total	1,245	1,991	-546	2,672	470
	Total comprehensive income for the period, after tax	-25,304	-12,767	21	-19,711	-10,704
	Attributable to:					
	Shareholders of NORDEN	-25,304	-12,767	21	-19,709	-10,704
	Minority interests	0	0	0	-2	0
	Total	-25,304	-12,767	21	-19,711	-10,704

STATEMENT OF FINANCIAL POSITION

Note	USD 1'000	2014	2013	2013
		31/3	31/3	31/12
ASSETS				
3	Vessels	1,062,724	987,230	1,077,953
	Property and equipment	54,372	55,269	53,829
4	Prepayments on vessels and newbuildings	90,423	104,818	64,559
	Investments in joint ventures	19,356	12,873	18,848
	Non-current assets	1,226,875	1,160,190	1,215,189
	Inventories	111,312	102,931	111,349
	Receivables from joint ventures	1,054	11,688	4,119
	Receivables and accruals	227,583	189,960	244,524
	Securities	61,771	80,997	79,826
	Cash and cash equivalents	385,942	417,432	406,235
	Current assets	787,662	803,008	846,053
	Total assets	2,014,537	1,963,198	2,061,242
EQUITY AND LIABILITIES				
	Share capital	6,833	6,833	6,833
	Reserves	9,379	4,017	8,134
	Retained earnings	1,560,210	1,666,228	1,589,850
	Equity (NORDEN's shareholders)	1,576,422	1,677,078	1,604,817
	Minority interests	0	64	0
	Equity	1,576,422	1,677,142	1,604,817
	Provision for docking (bareboat)	746	0	0
	Bank debt	227,699	137,300	230,568
	Non-current liabilities	228,445	137,300	230,568
	Bank debt	27,647	17,385	27,647
	Trade payables	135,396	95,581	121,648
	Liabilities in joint ventures	0	0	186
	Other payables, deferred income and company tax	46,627	35,790	76,376
	Current liabilities	209,670	148,756	225,857
	Liabilities	438,115	286,056	456,425
	Total equity and liabilities	2,014,537	1,963,198	2,061,242

STATEMENT OF CASH FLOWS

Note	USD '000	2014	2013	2013
		Q1	Q1	Q1-Q4
	Results for the period	-26,549	-11,174	-47,748
	Reversal of items without effect on cash flow	14,799	19,710	65,686
	Cash flows before change in working capital	-11,750	8,536	17,938
	Change in working capital	14,414	-28,771	-26,796
	Cash flows from operating activities	2,664	-20,235	-8,858
	Investments in vessels, etc.	-756	-2,955	-17,071
	Additions in prepayments on newbuildings	-25,864	-32,664	-122,508
	Additions in prepayments received on sold vessels	0	-4,847	-4,847
	Investments in associates	0	0	-5,000
	Proceeds from the sale of vessels, etc.	50	54,570	49,362
	Acquisition of securities	0	-8,516	-13,457
	Sale of securities	17,981	0	10,566
	Cash flows from investing activities	-8,589	5,588	-102,955
	Dividend paid to shareholders	0	0	-21,919
	Acquisition of treasury shares	-4,318	0	-26,122
	Sale of treasury shares	720	48	6,757
	Winding up of minority interests	0	0	-62
	Additions of non-current debt	0	0	125,240
	Installments on/payment of non-current debt	-3,136	-1,052	-21,414
	Cash flows from financing activities	-6,734	-1,004	62,480
	Change in cash and cash equivalents for the period	-12,659	-15,651	-49,333
	Cash and cash equivalents at beginning of period, non-restricted	406,235	453,738	453,738
	Exchange rate adjustments	-7,634	-20,655	1,830
	Change in cash and cash equivalents for the period	-12,659	-15,651	-49,333
	Cash and cash equivalents at the end of the period, non-restricted	385,942	417,432	406,235

STATEMENT OF CHANGES IN EQUITY

Note	USD '000					
	Share capital	Reserves	Retained earnings	Equity (NORDEN's shareholders)	Minority interests	Group equity
Equity at 1 January 2014	6,833	8,134	1,589,850	1,604,817	0	1,604,817
Total comprehensive income for the period	0	1,245	-26,549	-25,304	0	-25,304
Acquisition of treasury shares	0	0	-4,318	-4,318	0	-4,318
Sale of treasury shares	0	0	720	720	0	720
Share-based payment	0	0	507	507	0	507
Changes in equity	0	1,245	-29,640	-28,395	0	-28,395
Equity at 31 March 2014	6,833	9,379	1,560,210	1,576,422	0	1,576,422
Equity at 1 January 2013	6,833	3,547	1,676,787	1,687,167	64	1,687,231
Total comprehensive income for the period	0	470	-11,174	-10,704	0	-10,704
Sale of treasury shares	0	0	48	48	0	48
Share-based payment	0	0	567	567	0	567
Changes in equity	0	470	-10,559	-10,089	0	-10,089
Equity at 31 March 2013	6,833	4,017	1,666,228	1,677,078	64	1,677,142
Equity at 1 January 2013	6,833	3,547	1,676,787	1,687,167	64	1,687,231
Total comprehensive income for the period	0	4,587	-47,746	-43,159	-2	-43,161
Acquisition of treasury shares	0	0	-26,122	-26,122	0	-26,122
Sale of treasury shares	0	0	6,757	6,757	0	6,757
Distributed dividends	0	0	-22,883	-22,883	0	-22,883
Dividends, treasury shares	0	0	964	964	0	964
Loss due to liquidation	0	0	0	0	-62	-62
Share-based payment	0	0	2,093	2,093	0	2,093
Changes in equity	0	4,587	-86,937	-82,350	-64	-82,414
Equity at 31 December 2013	6,833	8,134	1,589,850	1,604,817	0	1,604,817

NOTES

1. Significant accounting policies

Basis of accounting

The interim report comprises the summarised consolidated financial statements of Dampskibsselskabet NORDEN A/S.

Accounting policies

The interim report has been prepared in accordance with the international financial reporting standard IAS 34 on interim reports and additional Danish disclosure requirements for the financial statements of listed companies.

The consolidated annual report for 2013 has been prepared in accordance with the International Financial Reporting Standards (IFRS). Accounting policies have not changed in relation to this.

For a complete description of accounting policies, see also pages 57-59 in the consolidated annual report for 2013.

New IAS/IFRSs

NORDEN has implemented the new financial reporting standards or interpretations which were effective from 1 January 2014. The changes are of no importance to NORDEN's results or equity in the interim report and disclosure in the notes.

New financial reporting standards (IFRS) and interpretations (IFRIC)

IASB has issued the following amendments to financial reporting standards, new financial reporting standards and interpretations, which have not been adopted by the EU, which are estimated to be of relevance to NORDEN:

- IFRS 9 – The number of categories of financial assets is reduced to two; amortised cost category or fair value category.
- IASB's annual minor improvements regarding the years 2010-2012 and 2011-2013.

NORDEN expects to implement the amended and new standards and interpretations when they become mandatory.

Amendments to financial reporting standards, new financial reporting standards and interpretations issued by IASB and not approved by the EU, but which are irrelevant or insignificant to NORDEN, include:

- IFRS 14 – New standard on regulatory assets.
- IAS 19 – Employee benefits – amendment regarding defined benefit plans.
- IFRIC 21 – Interpretation regarding recognition of liabilities which are accounted for in accordance with IAS 37.

Significant choices and assessments in the accounting policies and significant accounting estimates

Management's choices and assessments in the accounting policies in respect of vessel leases, recognition of revenue and voyage costs, impairment test and onerous contracts are significant. Management's accounting estimates of receivables, contingent assets and liabilities and useful lives and residual values of tangible assets are also significant. For a description of these, see page 58 of the consolidated annual report for 2013.

Changed estimate of the vessels' useful lives and residual values

With effect from 1 January 2014, management has changed its estimate of the vessels' expected useful lives from 20 years to 25 years as well as the residual value. The reason for the change in useful lives is that experience from a longer period of time shows that NORDEN's vessel types are not scrapped until after 25-30 years. Furthermore, the majority of the companies which NORDEN usually compares itself with also apply useful lives of 25 years. The change in residual values is based on the increasing market price of scrap steel.

The total effect of the changed estimate in the period has a positive effect on EBIT of USD 4.8 million under the item "Depreciation" and the balance sheet item "Vessels" with a corresponding amount. It is only the effect from the beginning of the period, which is recognised. The full-year effect for 2014 and the coming years will be at the level of USD 20-23 million based on the known development in the fleet. Additional purchase and sale of vessels may have a significant impact on the effect.

Risks

For a description of NORDEN's risks, see note 2 "Risk management" in the consolidated annual report for 2013 pages 59-62.

2. Fair value adjustment of certain hedging instruments

USD '000	2014	2013	2013
	Q1	Q1	Q1-Q4
Bunker hedging:			
Fair value adjustment for:			
2013	0	3,922	709
2014	-2,260	119	904
2015	-417	-34	252
2016-2018	-119	-12	-12
	-2,796	3,995	1,853
Realised fair value adjustment reclassified to "Vessel operating costs"	-774	-1,701	-1,048
Total	-3,570	2,294	805
Forward Freight Agreements:			
Fair value adjustment for:			
2013	0	-519	-4,370
2014	-1,338	95	1,938
2015	2,388	0	6,408
2016	2,490	0	4,545
	3,540	-424	8,521
Realised fair value adjustment reclassified to "Revenue"	-138	-915	1,254
Total	3,402	-1,339	9,775
Total	-168	955	10,580

* As the hedging instruments are realised, the accumulated fair value adjustments are reclassified to operations in the same item as the hedged transaction. For further information, see the section "Significant accounting policies" in the consolidated annual report for 2013.

3. Vessels

USD '000	2014	2013	2013
	31/3	31/3	31/12
Cost at 1 January	1,614,716	1,415,146	1,415,146
Additions for the period	-394	2,008	14,904
Disposals for the period	0	0	0
Transferred during the period from prepayments on vessels and newbuildings	0	37,819	184,666
Transferred during the period to tangible assets held for sale	0	0	0
Cost	1,614,322	1,454,973	1,614,716
Depreciation at 1 January	-313,153	-237,217	-237,217
Depreciation for the period	-14,835	-17,660	-75,936
Reversed depreciation of disposed vessels	0	0	0
Transferred depreciation of tangible assets held for sale	0	0	0
Depreciation	-327,988	-254,877	-313,153
Write-downs at 1 January	-223,610	-210,710	-210,710
Write-downs for the period	0	0	0
Transferred during the year	0	-2,156	-12,900
Reversed write-downs of disposed vessels	0	0	0
Write-downs	-223,610	-212,866	-223,610
Carrying amount	1,062,724	987,230	1,077,953

For the development of the fleet and added value, see the management commentary.

4. Prepayments on vessels and newbuildings

USD '000	2014	2013	2013
	31/3	31/3	31/12
Cost at 1 January	64,559	126,717	126,717
Additions for the period	25,864	26,664	122,508
Disposals for the period	0	0	0
Transferred during the period to vessels	0	-37,819	-184,666
Transferred during the period to other items	0	0	0
Transferred during the period to tangible assets held for sale	0	0	0
Cost	90,423	115,562	64,559
Write-downs at 1 January	0	-12,900	-12,900
Write-downs for the period	0	0	0
Transferred during the year	0	2,156	-12,900
Write-downs	0	-10,744	0
Carrying amount	90,423	104,818	64,559

5. Write-down of vessels, etc.

Management's assessment of the need for write-downs of vessels and prepayments on newbuildings is based on the cash-generating units (CGU), which include vessels, etc. NORDEN has divided its fleet into 3 CGUs (Dry Cargo, Tankers and a joint venture). An impairment test must be performed if there is indication that the carrying amount of vessels, etc. exceeds the recoverable amount. The recoverable amount is the higher of the net selling price of the vessels, etc. (the market value of the fleet) and the value in use of future cash flows from the vessels, etc.

Based on the average of estimates from 3 independent brokers, the market value of NORDEN's fleet (net selling price excluding charter parties) including vessels in joint venture is estimated at USD 175 million above the carrying amounts at the end of the quarter. The difference is divided between NORDEN's 3 CGUs, Dry Cargo, Tankers and a joint venture, with USD 131 million, USD 31 million and USD 13 million, respectively. Management estimates that the broker valuations are subject to some degree of uncertainty. The difference between the highest and lowest valuations calculated per vessel is USD 118 million, and uncertainty has thus increased since the end of 2013. Impairment tests for the 2 CGUs Dry Cargo and Tankers based on value in use have therefore been performed.

The impairment test is conducted by comparing the carrying amounts with the value in use of the fleet of the 2 CGUs. Value in use is calculated as the present value of total expected cash flows over the remaining useful lives of the vessels, including time charter fleet, coverage and estimated rates for uncovered capacity.

As part of the basis for estimation of the long-term values, the value in use of the 2 CGUs has been estimated by applying "normalised" 20-year average rates, where the 3 and 4 best and worst years have been excluded.

The assumptions in the impairment test for the period, including the discount factor of 8%, are unchanged in relation to the consolidated annual report for 2013, except from the fact that the estimated useful lives of the vessels have been changed from 20 to 25 years, and the estimated residual value has been changed.

On the basis of the impairment test conducted at the end of the first quarter, management estimates that there is no need for write-downs or reversing already made write-downs.

Due to the large number of open ship days, the value in use calculation is very sensitive to even small fluctuations in freight rates. As an indication of this sensitivity, a fluctuation of USD 1,000 per day in long-term freight rates would change the CGU values by USD 186 million in Dry Cargo and USD 102 million in Tankers.

6. Related party transactions

No significant changes have occurred to closely related parties or types and scale of transactions with these parties other than what is disclosed in the consolidated annual report for 2013.

7. Contingent assets and liabilities

Since the end of 2013, no significant changes have occurred to contingent assets and liabilities other than those referred to in this interim report.

8. Overview of deliveries to the core fleet and fleet values

Expected delivery of the Company's core fleet at 31 March 2014

	2014			2015				2016				2017				Total
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Dry Cargo																
Capesize				0.5		(1.0)		1.0		(1.5)	(1.5)	(1.0)				1.0
Panamax		(3.0)	0.5 (3.5)											2.0		14.5
Supramax		(2.0)		(1.0)		3.0 (1.0)	1.0 (1.0)		(2.0)				1.0	3.5		15.5
Tankers																
MR				3.0	1.0											4.0
Handysize	1.0	1.0														2.0
Total	1.0	6.0	4.0	4.5	1.0	5.0	2.0	1.0	2.0	1.5	1.5	1.0	1.0	5.5	0.0	37.0

Note: Figures in brackets are deliveries of chartered vessels with purchase option, whereas deliveries from the Company's newbuilding programme are stated without brackets. Figures are adjusted for ownership share. Totals have been calculated for the core fleet as a whole.

Fleet values at 31 March 2014

USD million						
Dry Cargo	Number	Average dwt.	Carrying amount/cost	Broker estimated value of owned vessels*	Broker estimated value of charter party	Added value
Capesize	3.0	176,000	71	100		29
Post-Panamax	4.0	115,000	124	129		5
Panamax	7.0	79,000	165	197	13	45
Supramax	12.5	59,000	310	383		73
Handysize	12.0	35,000	265	251	6	-8
Tankers						
MR	11.0	50,000	373	392		19
Handysize	13.0	39,000	301	313		12
Total	62.5		1,609	1,765	19	175

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

9. Significant events after the reporting date

Between the end of the quarter and the publication of this interim report, other than the developments disclosed in the interim review, no significant events have occurred which have not been recognised and adequately disclosed and which materially affect the profit for the period or the statement of financial position.