

NORDEN RESULTS

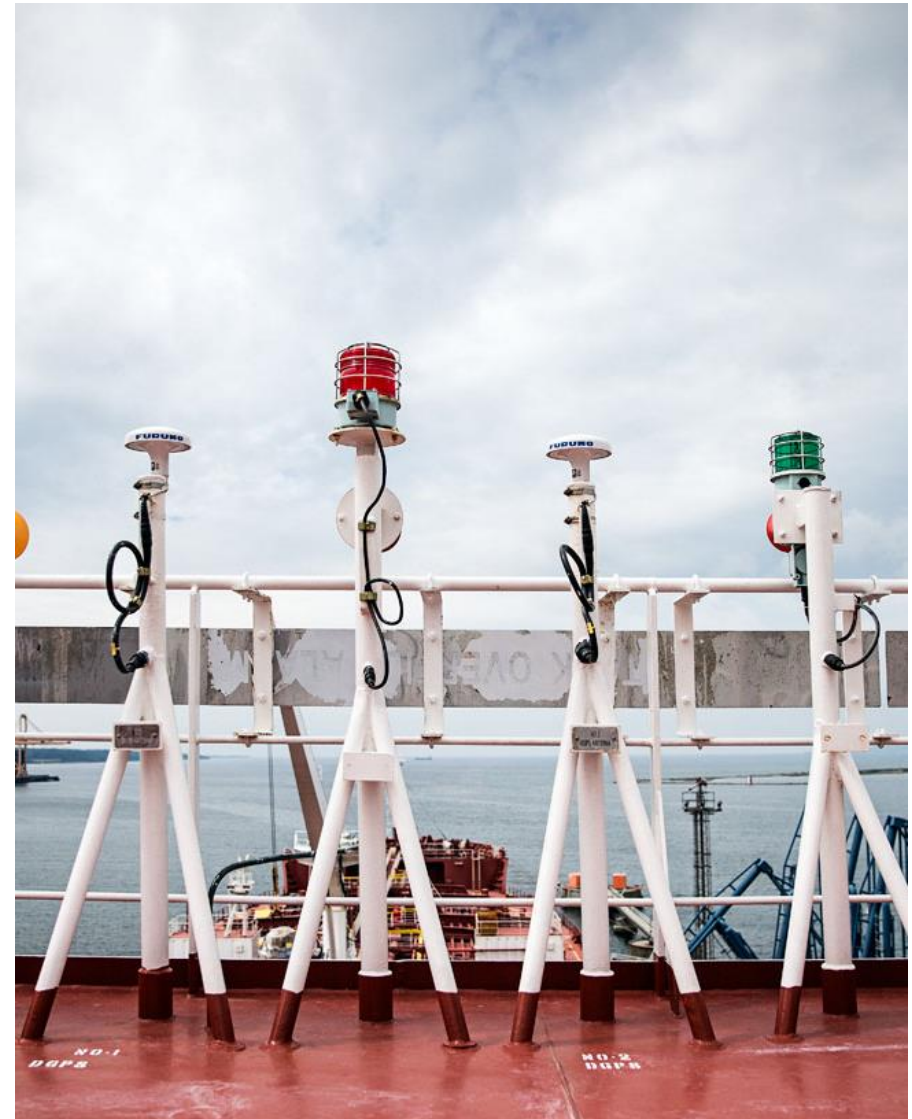
Third quarter of 2015



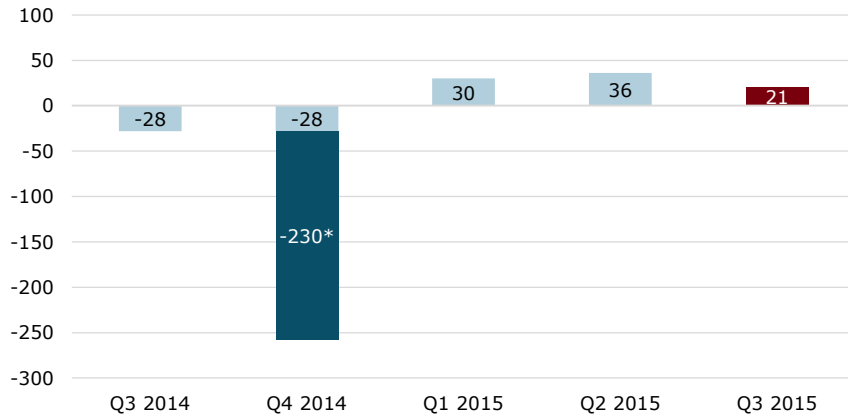
Hellerup, Denmark
11 November 2015



- ▶ Group highlights
- ▶ Financials
- ▶ Dry Cargo
- ▶ Tankers
- ▶ 2015 expectations
- ▶ Q & A



EBIT

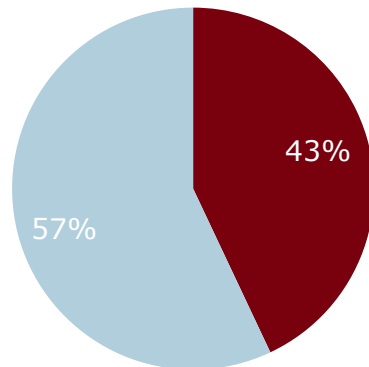


* Provision for onerous TC-in contracts of USD 230 million

Key messages

- ▶ Group EBIT for the third quarter of 2015 of USD 21 mill (USD -28 mill.)
- ▶ Best Tanker result in NORDENs history
- ▶ Continued weak markets in Dry Cargo
- ▶ Cost drive progressing as planned
- ▶ Full year guidance maintained
- ▶ New strategy: "Focus and Simplicity"

Open days (Q4 2015)



■ Dry (≈1,900 days) ■ Tank (≈2,500 days)

- ▶ Reconfirmed commitment to both Dry Cargo and Product Tankers

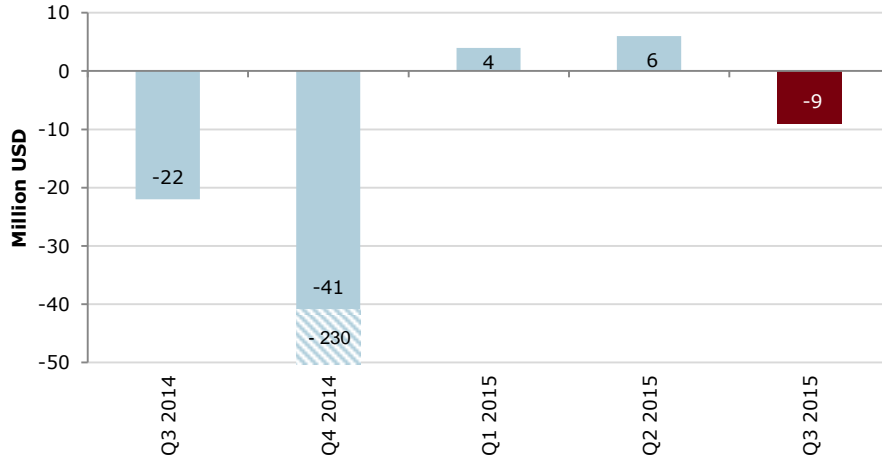
- ▶ Focus efforts and investments where we can create most value beyond market conditions through our strong operator model
 - ▶ Close customer relationships based strong reputation
 - ▶ Extensive global network of offices
 - ▶ Detailed market insight

- ▶ In Dry Cargo the goal is to make NORDEN the industry leader in
 - ▶ Supramax
 - ▶ Panamax

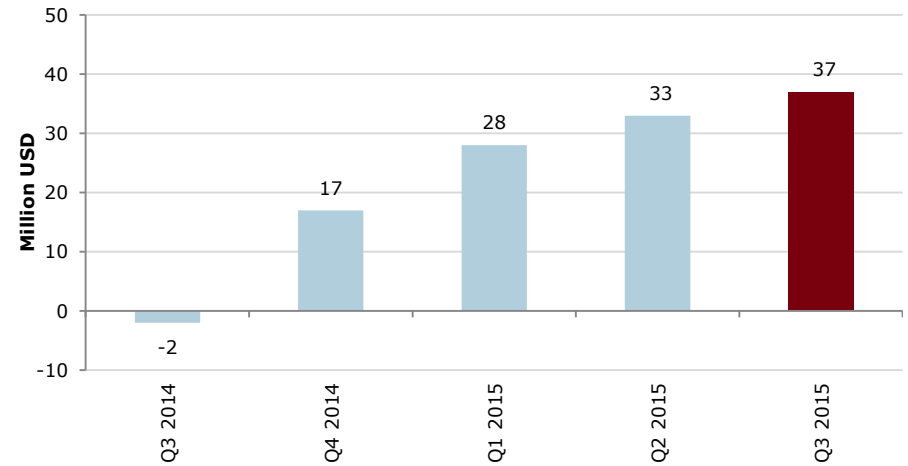
- ▶ In Tankers we want to be the customers first choice in
 - ▶ Handy
 - ▶ MR

TANKER RESULT CONTINUES TO CLIMB

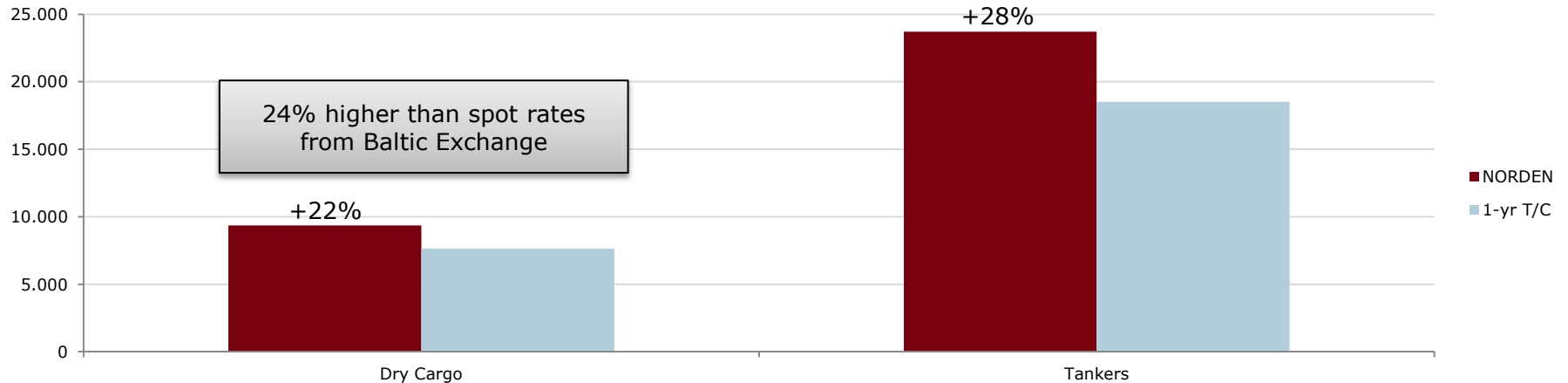
EBIT – Dry Cargo



EBIT - Tankers



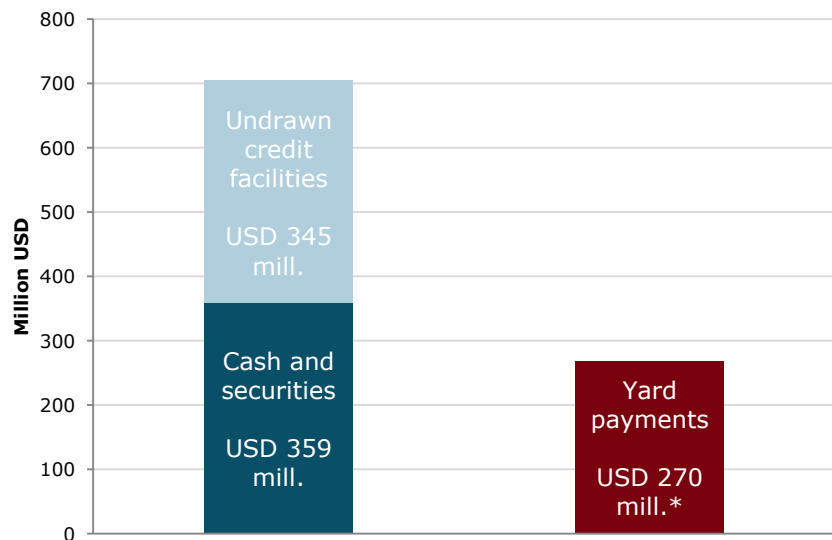
NORDEN's performance vs. 1-year T/C



BALANCED CAPITAL STRUCTURE

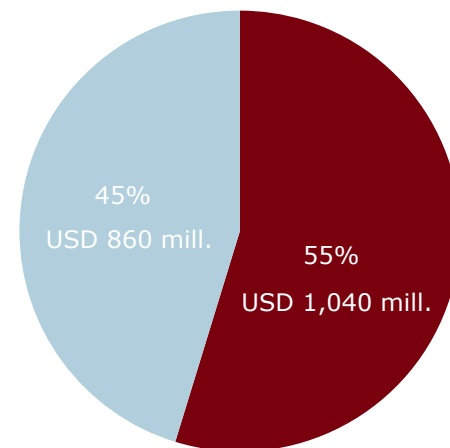
- ▶ Cash flow from operations before working capital: USD 16 million
- ▶ Net commitment down USD 330 million last 12 months
- ▶ Combined undrawn credit facilities, cash and securities at USD 704 million

Cover for yard payments per 30/9



* Net of sales proceeds (Nominal, incl. JV)

Capital structure incl. off balance sheet items



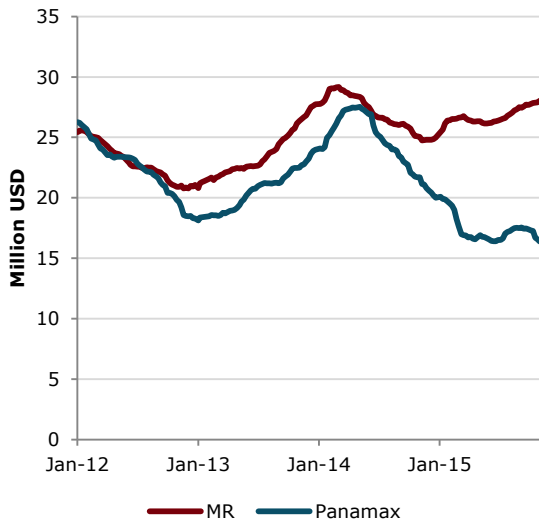
■ Net commitments ■ Market Cap.

*See details in appendix page 24

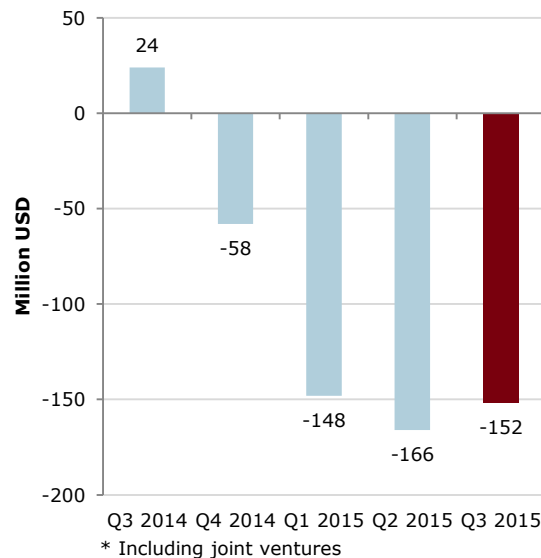
TANKER VALUES GRADUALLY INCREASING

- ▶ Asset values for Dry Cargo testing new lows
- ▶ Tanker values have seen only a small increase despite strong spot market
- ▶ Adjustment of N/B orderbook to reduce near term exposure and lower cost
- ▶ Market value of NORDENs fleet below book values by USD 152 million

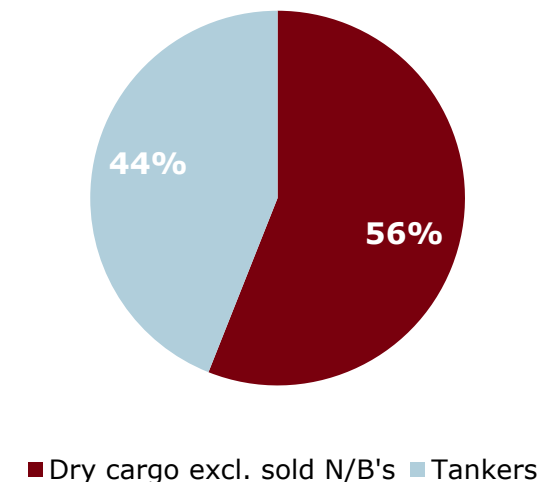
5-year second hand prices



Added value in fleet*



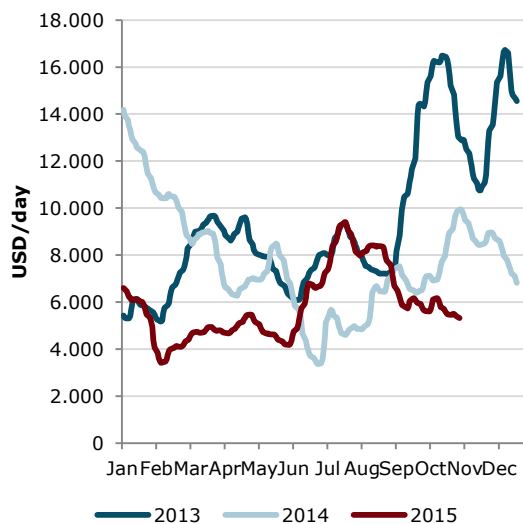
Asset values Q3 2015



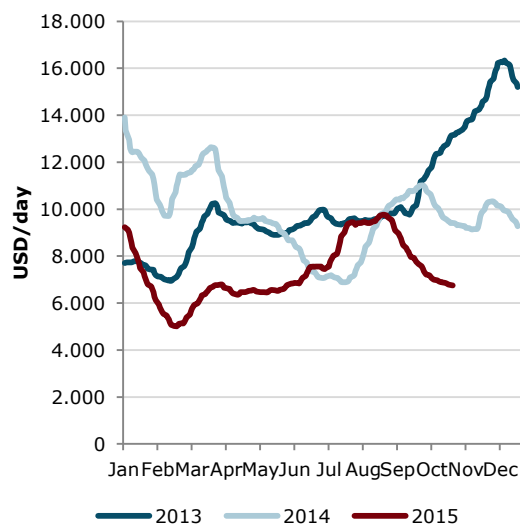
DRY CARGO RATES TESTING LOWS AGAIN

- ▶ Continued poor markets despite of higher average rates in Q3 compared to 1H 2015

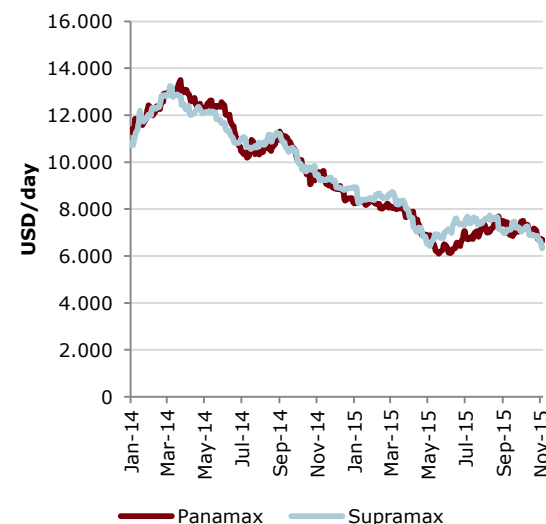
Panamax – spot rate



Supramax – spot rate

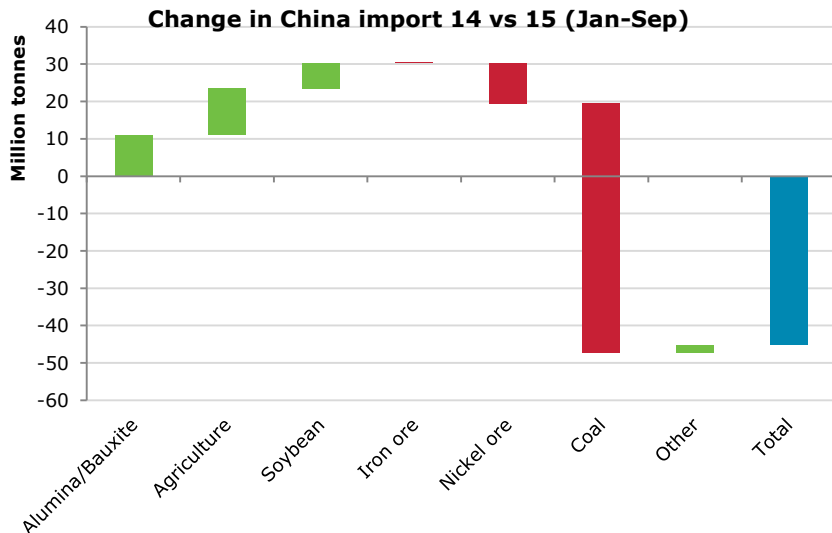


FFA 2016

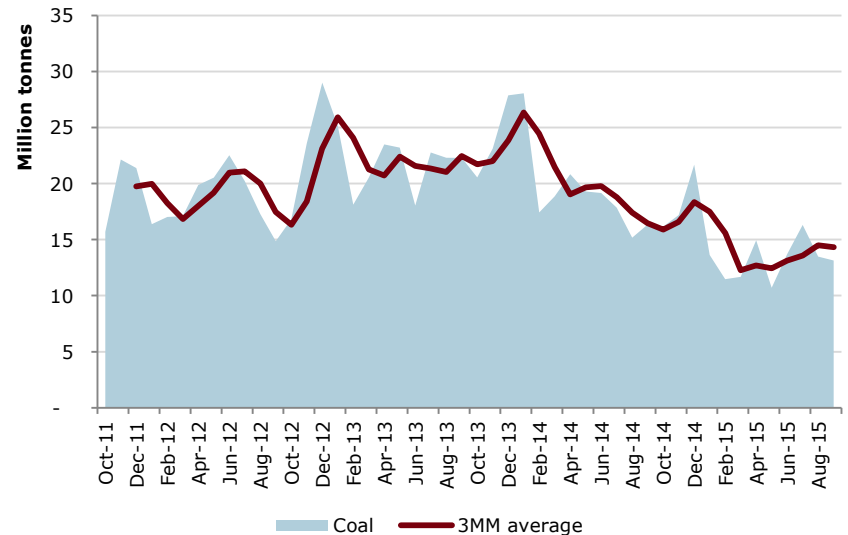


- ▶ Q3 spot rate improvements driven by growth in the Chinese imports
 - ▶ Halted destocking of iron ore inventories increased imports
 - ▶ Strong bauxite import growth as Malaysia has been able to replace Indonesia
 - ▶ All time high soybean imports in September after record Brazilian crop
- ▶ Indian seaborne coal import growth rate slightly slower due to record stockpiles

China YTD coal imports down.....



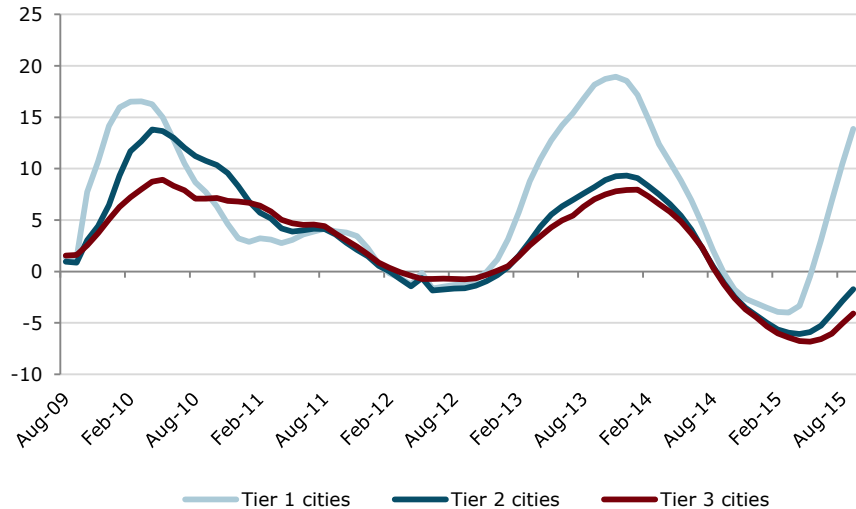
... but the drop has flattened



SUPPLY GROWTH REMAINS KEY CHALLENGE

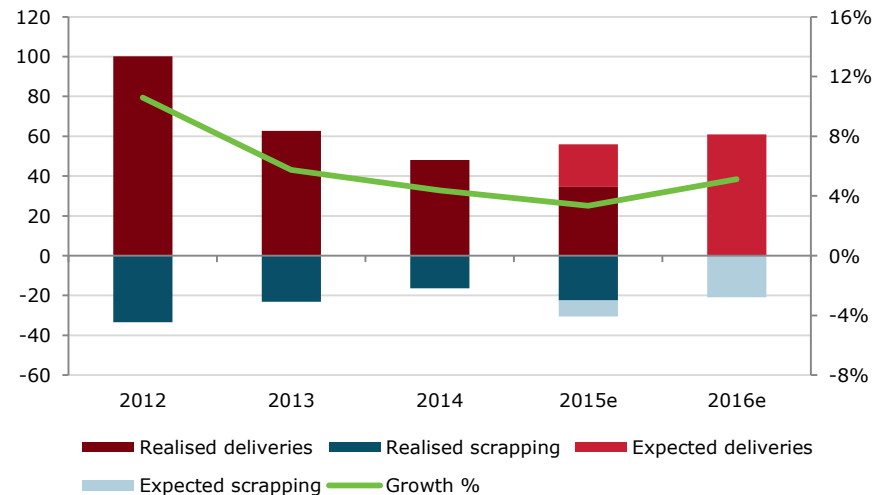
- ▶ The overall fleet growth continues to be low in Q3 helped by 4% scrapping
- ▶ Looking past Q4 – 2016 looking equally challenging
 - ▶ Early signs of turnaround in Chinese property market could support commodity demand
 - ▶ Demand headwinds in general abating
 - ▶ But supply growth still too high

China property prices Y/Y growth (%)



Source: Bloomberg

Dry Cargo supply (DWT)

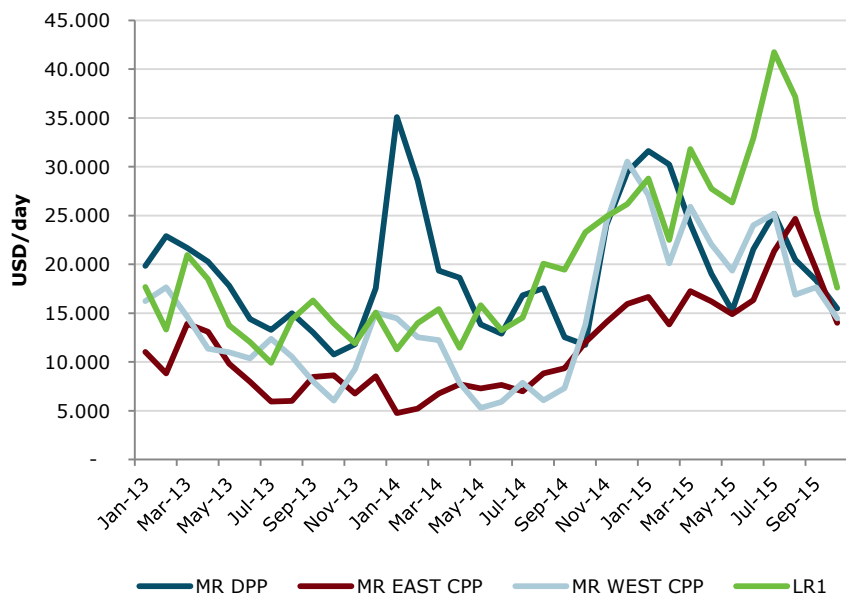


Source: Clarksons and NORDEN

STRONG Q3, BUT WEAK START TO Q4

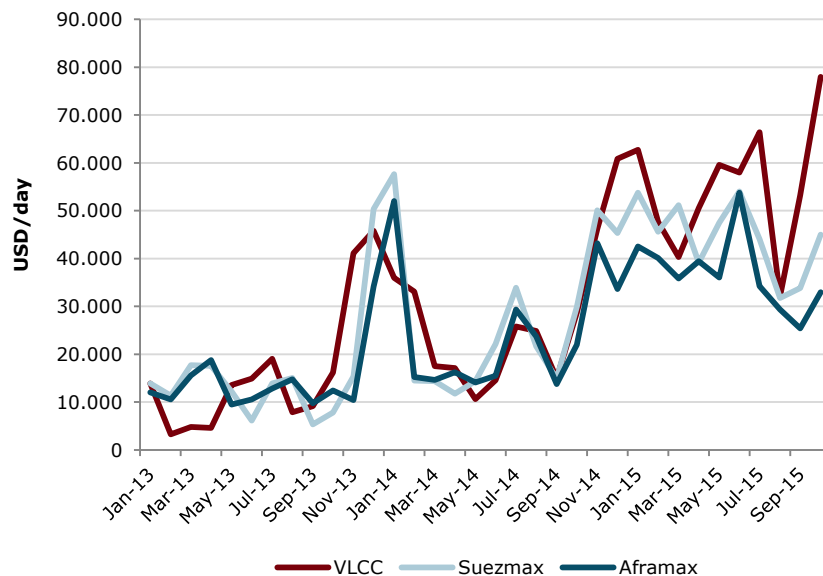
- ▶ Strong gasoline demand supported product tanker rates in Q3 – to a large extent driven by additional US and Chinese consumption
- ▶ High refinery activity in order to meet gasoline demand spawned demand for feedstock – crude freight rates therefore also surged to levels not seen in years

Spot rates MR & LR1



Source: ACM

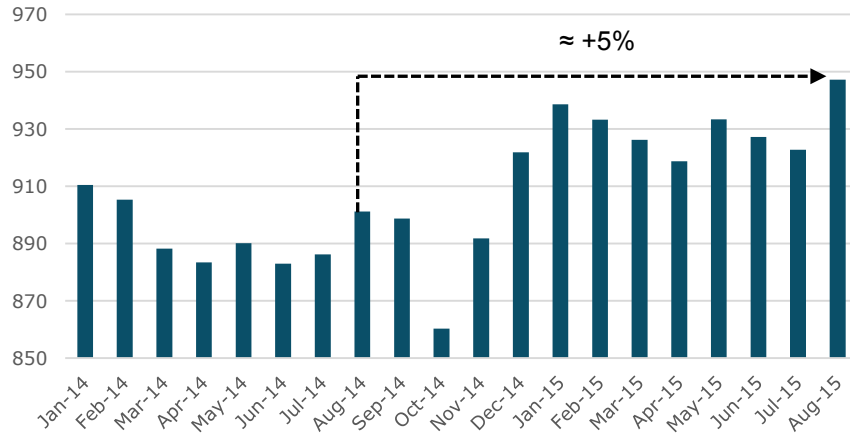
Spot rates VLCC, Suezmax & Aframax



Source: Clarksons

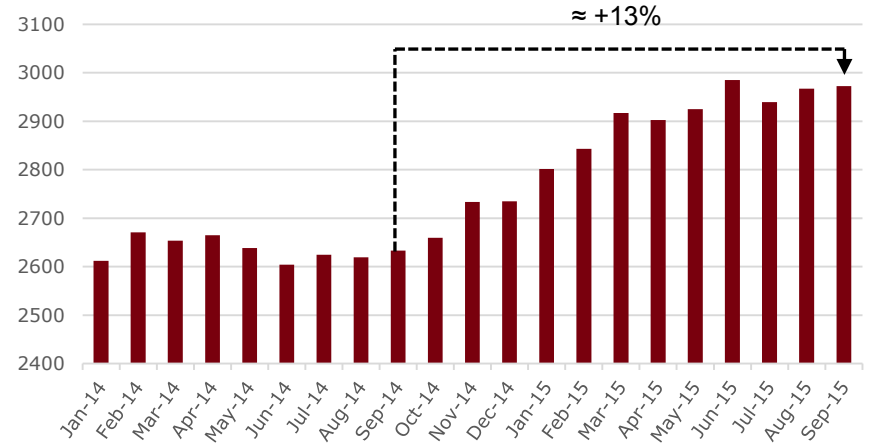
TRANSPORTATION DEMAND REMAINS WELL SUPPORTED – BUT ELEVATED STOCK LEVELS ARE A RISK

US & Europe – Gasoline & Diesel stocks, mb



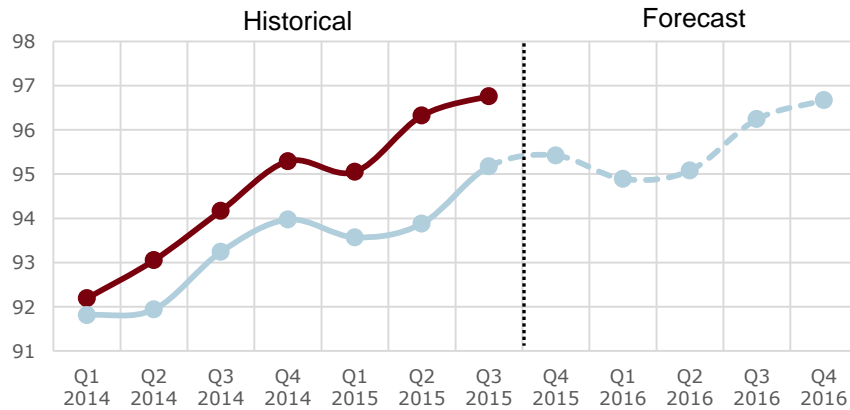
Source: JODI, EIA

OECD Commercial Crude Oil & Liquid fuels stocks, mb



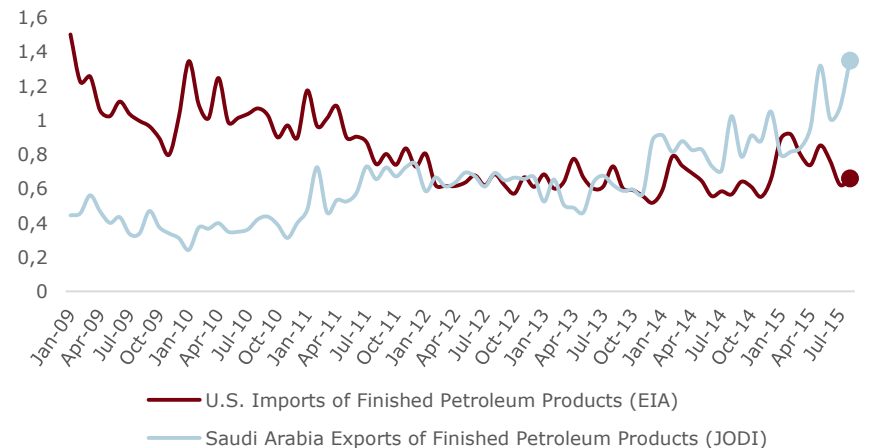
Source: US Department of Energy

Global Oil Supply/Demand, mb/d



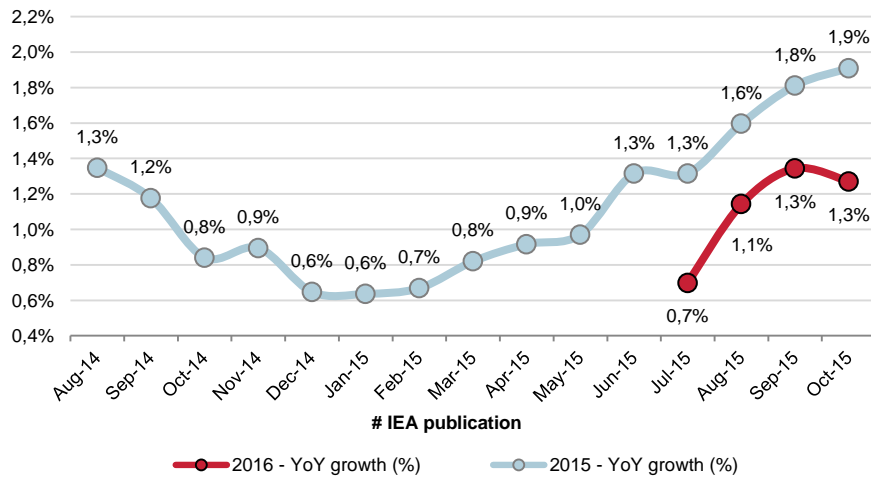
Source: IEA

Saudi Arabia Product Exports & US Product Imports, mb/d



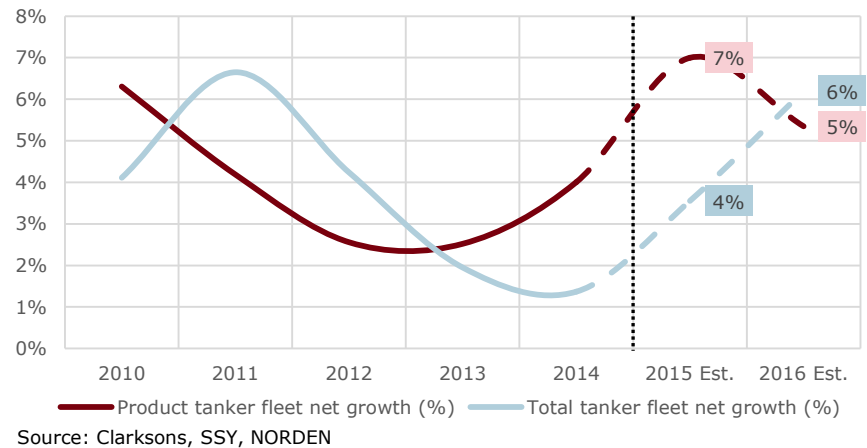
- ▶ 2015 oil demand growth once again revised upwards in light of strong quarterly demand and continued low oil price
- ▶ 2016 revised slightly down due to a downgraded economic outlook and no expectations of same price triggered demand increase as seen in 2015
- ▶ Product tanker supply growth set to decline, but total tanker supply growth expected to accelerate

IEA oil demand growth estimates for 2015 & 2016



Source: IEA

YoY Net fleet growth (% , dwt)

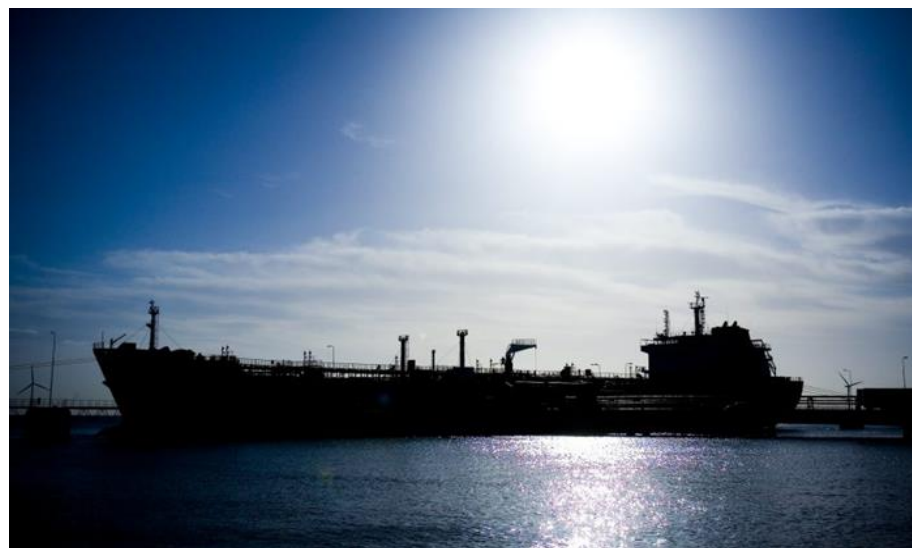


Outlook

USDm	Dry Cargo	Tankers	Total
EBIT	-25 to -10	100 to 120	70 to 90
Profit from vessel sales	-11	7	-4
CAPEX			20-30

Comments

- ▶ Full year EBIT guidance narrowed to USD 70 to 90 million. (Previously USD 70 to 100 million)
- ▶ Expectations for Tankers narrowed to USD 100 to 120 million. (Previously USD 90 to 120 million)
- ▶ Expectations for Dry Cargo narrowed to USD -25 to -10 million. (Previously USD -25 to 0 million)
- ▶ Rest of year net capex of USD 20-30 million



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 2015 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

24*7 seas

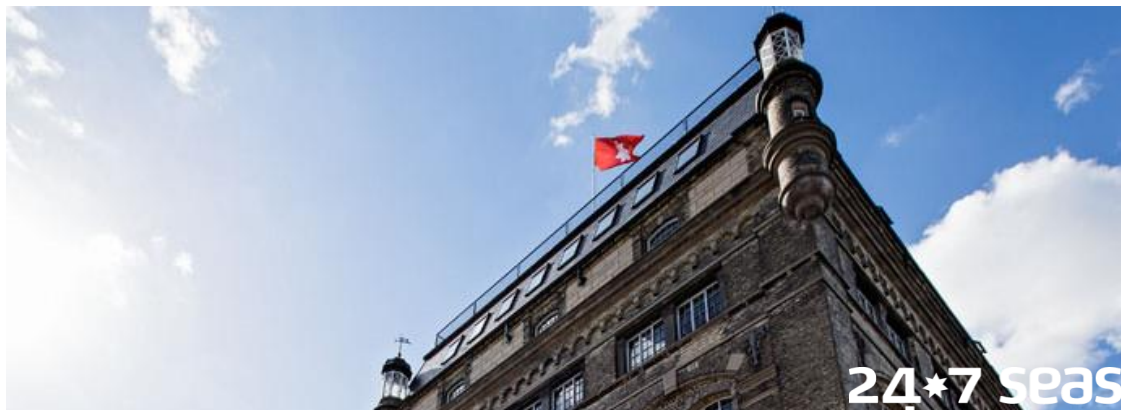
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Dampskibsselskabet NORDEN A/S

52, Strandvejen
DK-2900 Hellerup
Denmark
Phone: +45 3315 0451

www.ds-norden.com



BACK UP



24*7 seas

A LEADING GLOBAL TRAMP OPERATOR

DRY CARGO



Capesize



Post-Panamax



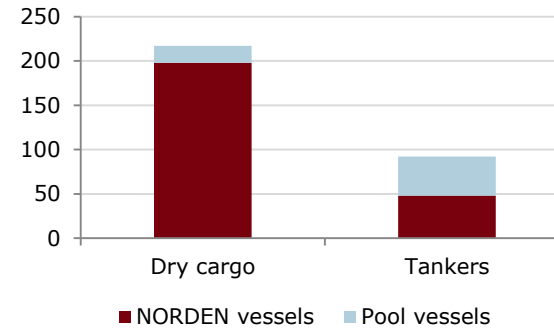
Panamax



Supramax



Handysize



TANKERS



MR



Handysize



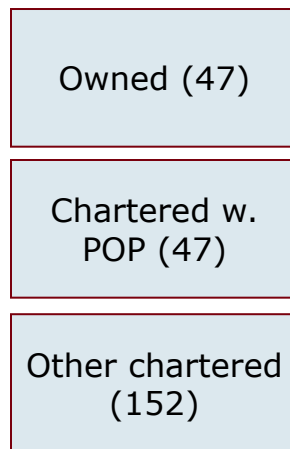
- ▶ Modern fleet
- ▶ Global network of offices and port captains
- ▶ Pools in Dry cargo (Handysize & Post-Panamax) and Tankers (MR & Handysize)

- ▶ 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

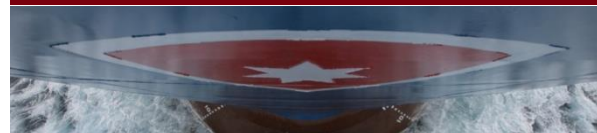


- ▶ Customer relations
- ▶ Logistical efficiencies
- ▶ 2-10 year firm periods
- ▶ Quick and easy cover
- ▶ Leverage of scale
- ▶ Operator profit

People



Brand



Systems



* Active fleet per 30 September 2015

...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

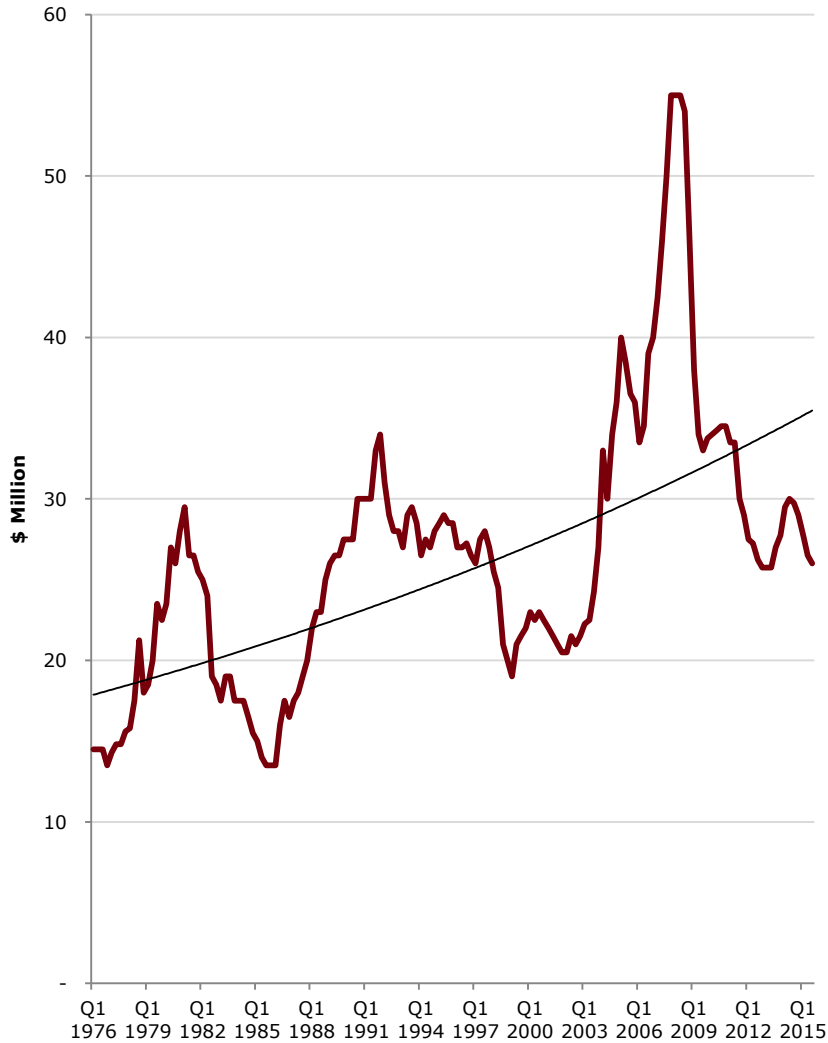
**Why we
succeed**

OVERALL RESULTS

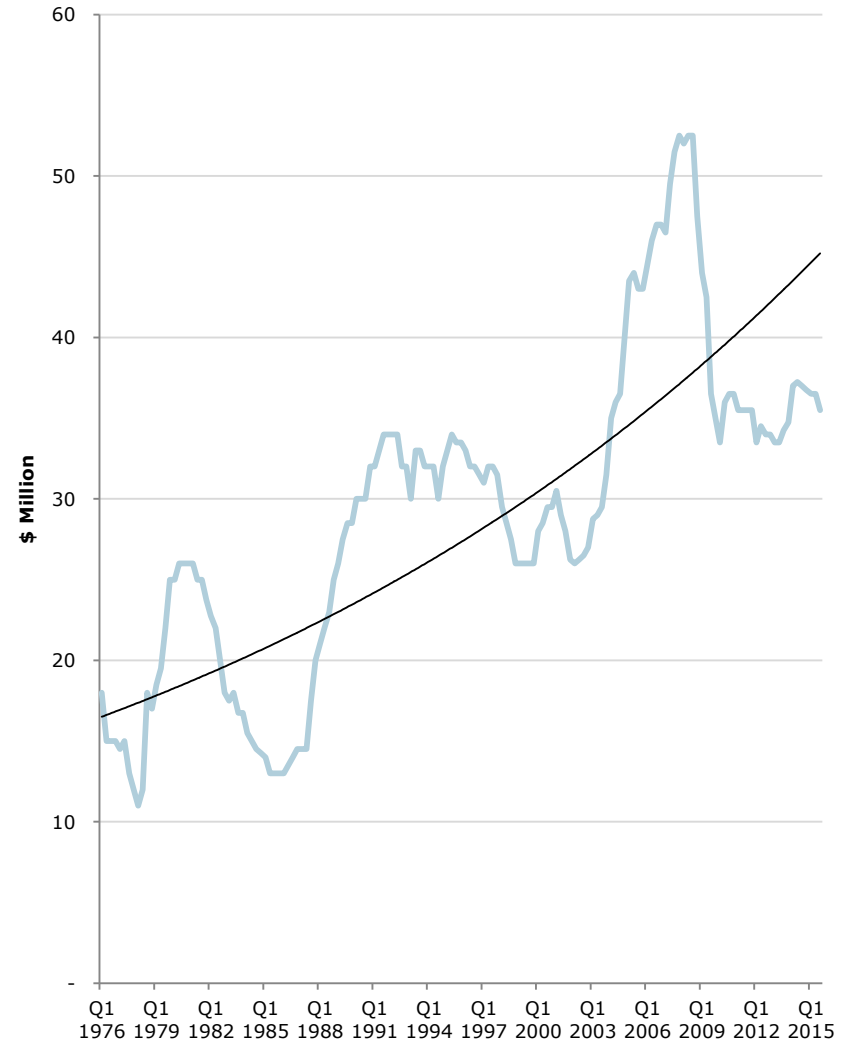
USDm	Q3 2014	Q2 2015	Q3 2015
EBITDA - Dry Cargo	-16	19	4
EBITDA - Tankers	8	35	45
Unallocated	-3	-2	-7
EBITDA - Group	-11	52	42
Depreciation	-19	-17	-17
EBIT Group	-28	36	21
Net profit	-46	43	10
Cash from operations	9	65	-3
Net Cash flow	-44	15	0
Cash and securities	279	340	359

NEW BUILDING PRICES

Panamax (Dry)



MR (Tank)

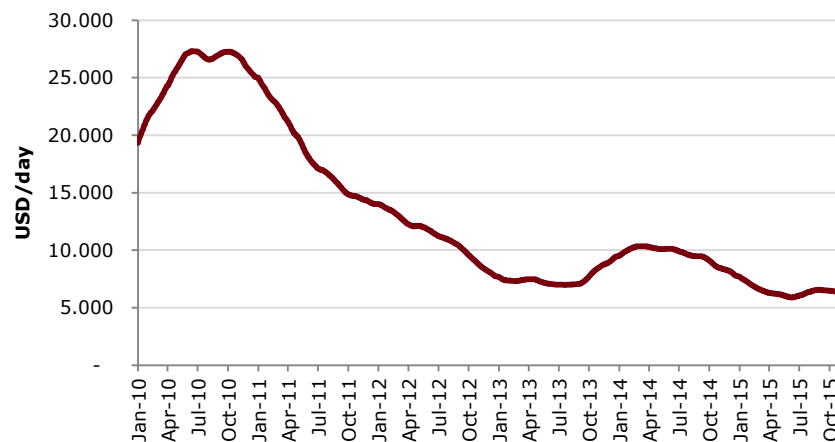


DRY CARGO 12 MONTH ROLLING AVERAGE

Capesize



Panamax



Supramax



Handysize



Strong capital structure

- ▶ Strong focus on cash flow generation
- ▶ Cash in low-risk deposit accounts and securities
- ▶ Equity ratio at 68%
- ▶ Net gearing of 0.85 at end September 2015
- ▶ Outstanding yard payments (incl. joint ventures (50%))
 - ▶ 2015: USD 52 million
 - ▶ 2016: USD 55 million
 - ▶ 2017: USD 121 million
 - ▶ 2018: USD 74 million
 - ▶ 2019: USD 23 million
 - ▶ **Total: USD 325 million***

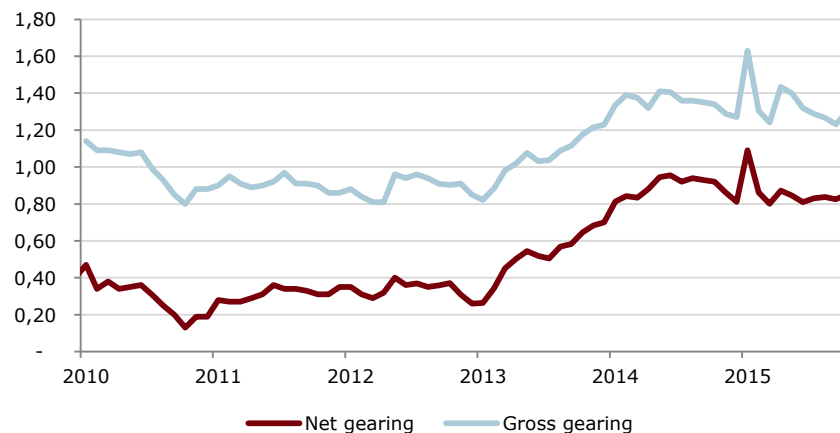
* (Net yard payments are USD 270 mill. as NORDEN will receive additional USD 55 mill. from buyer of 3 Supramax newbuildings upon delivery)

Net committed cash

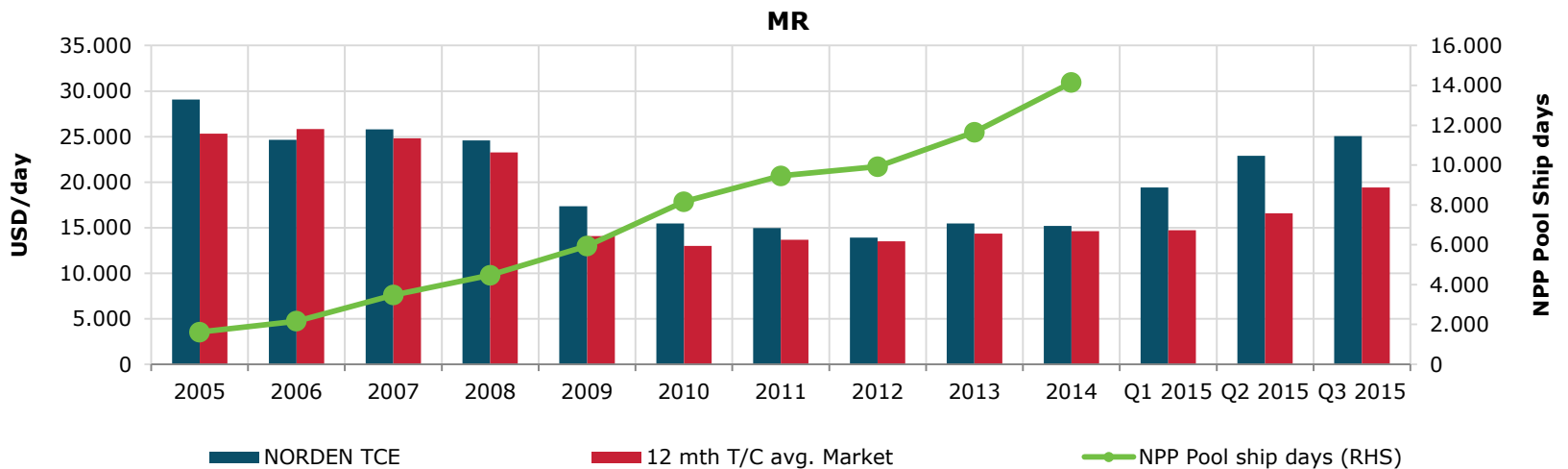
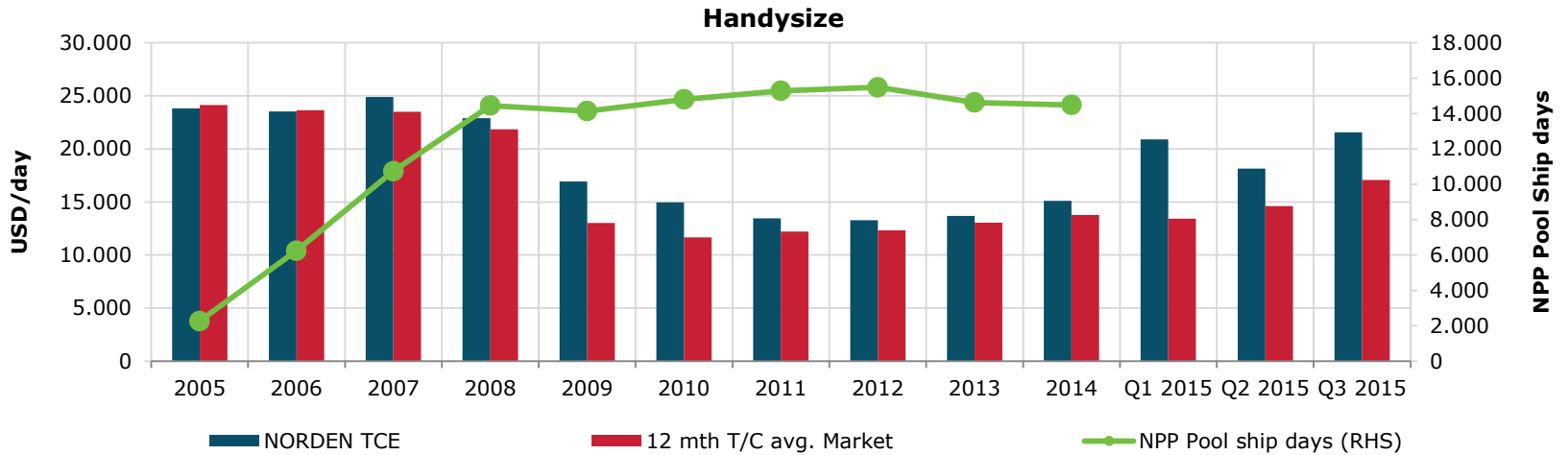
USDm	Q3 2015	Q2 2015	Q3 2014
Adjusted net interest bearing assets*	32	41	3
T/C obligations**	-1,366	-1,337	-1,579
Newbuilding instalments less proceeds from vessel sales**	-258	-295	-397
Revenue from coverage**	552	584	605
Net commitments	-1,040	-1,007	-1,369

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

Gearing



NPP HISTORICAL PERFORMANCE



NORDEN vs. 12 mth T/C	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Average 2005-2014	Q1 2015	Q2 2015	Q3 2015
Handysize	-1%	-1%	6%	5%	30%	28%	10%	8%	5%	10%	10%	56%	24%	26%
MR	15%	-5%	4%	6%	23%	19%	9%	3%	8%	4%	9%	32%	38%	29%

Fleet values at 30 September 2015

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	2.0	178,000	52	36		-16
Post-Panamax	4.0	114,000	119	72		-47
Panamax	7.0	79,000	164	141	30	7
Supramax	12.5	61,000	300	277		-23
Handysize	12.0	35,000	250	168	18	-64
Tankers						
MR	9.0	50,000	294	298		4
Handysize	12.0	42,000	260	247		-13
Total	58.5		1,439	1,239	48	-152

* 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 2015

Vessel type	Capesize	Post-Panamax	Panamax	Supramax	Handysize	Total
Vessels in operation						
Owned vessels	2.0	4.0	4.0	4.0	12.0	26.0
Chartered vessels with purchase option	1.0	4.0	10.5	14.0	10.0	39.5
Total active core fleet	3.0	8.0	14.5	18.0	22.0	65.5
Chartered vessels without purchase option	0.0	0.6	58.5	55.3	17.9	132.3
Total active fleet	3.0	8.6	73.0	73.3	39.9	197.8
Vessels to be delivered						
Owned vessels	0.0	0.0	3.0	5.5	0.0	8.5
Chartered vessels with purchase option	1.0	0.0	4.0	4.0	0.0	9.0
Total for delivery to core fleet	1.0	0.0	7.0	9.5	0.0	17.5
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	7.0	9.5	0.0	17.5
Total gross fleet	4.0	8.6	80.0	82.8	39.9	215.3
Dry Cargo fleet values at 30 September 2015 (USD million)						
Market value of owned vessels and newbuildings*	36	72	171	277	186	742
Theoretical value of purchase and extension options	15	3	24	18	2	62

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

PRODUCT TANKER FLEET OVERVIEW

NORDEN's Tanker fleet and values at 30 September 2015				
Vessel type	LR1	MR	Handysize	Total
Vessels in operation				
Owned vessels	0.0	9.0	12.0	21.0
Chartered vessels with purchase option	0.0	7.0	0.0	7.0
Total active core fleet	0.0	16.0	12.0	28.0
Chartered vessels without purchase option	0.0	16.1	4.0	20.1
Total active fleet	0.0	32.1	16.0	48.1
Vessels to be delivered				
Owned vessels	0.0	0.0	1.0	1.0
Chartered vessels with purchase option	1.0	3.0	0.0	4.0
Total for delivery to core fleet	1.0	3.0	1.0	5.0
Chartered vessels over 3 years without purchase option	1.0	0.0	0.0	0.0
Total to be delivered	1.0	3.0	1.0	5.0
Total gross fleet	1.0	35.1	17.0	53.1
Tanker fleet values at 30 September 2015 (USD million)				
Market value of owned vessels and newbuildings*	0	298	247	545
Theoretical value of purchase and extension options	1	2	0	3

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

Coverage and capacity, Dry Cargo, at 30 September 2015						
	2015 Q4	2016	2017	2015 Q4	2016	2017
Owned vessels						
Capesize	184	726	697			
Post-Panamax	368	1,452	1,382			
Panamax	368	1,698	2,046			
Supramax	380	1,535	1,604			
Handysize	1,104	4,281	4,304			
Total	2,404	9,692	10,033			
Chartered vessels						
				Costs for T/C capacity (USD per day)		
Capesize	92	366	212	11,887	12,220	11,373
Post-Panamax	368	1,464	1,460	9,520	9,757	9,985
Panamax	5,161	10,432	6,325	9,243	10,321	11,909
Supramax	3,368	6,370	4,943	9,356	10,263	11,029
Handysize	1,059	3,553	2,429	7,707	8,504	8,250
Total	10,048	22,185	15,369	9,154	10,008	10,858
Costs for gross capacity (USD per day)*						
Total capacity	12,452	31,877	25,402	8,405	8,571	8,656
Coverage						
				Revenue from coverage (USD per day)		
Capesize	179	0	0	10,750	0	0
Post-Panamax	623	345	0	9,540	8,077	0
Panamax	4,309	5,363	2,670	9,874	12,869	15,427
Supramax	3,778	3,787	907	10,138	11,145	13,855
Handysize	1,670	1,747	1,191	11,025	12,997	14,456
Total	10,559	11,242	4,768	10,146	12,161	14,885
Coverage in %						
Capesize	65%	0%	0%			
Post-Panamax	85%	12%	0%			
Panamax	78%	44%	32%			
Supramax	101%	48%	14%			
Handysize	77%	22%	18%			
Total	85%	35%	19%			

* Costs include the impact of provision for onerous contracts made in 2014 as well as cash running costs of owned vessels. On NORDEN's website, a statement excluding provisions can be found.

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 2015

	2015 Q4	2016	2017	2015 Q4	2016	2017
Owned vessels	Ship days					
LR1	0	0	0			
MR	828	3,231	3,237			
Handysize	1,187	4,663	4,674			
Total	2,015	7,894	7,911			
Chartered vessels				Costs for T/C capacity (USD per day)		
LR1	0	0	489	0	0	18,600
MR	1,610	4,745	1,816	14,761	15,640	16,538
Handysize	291	42	0	14,546	14,189	0
Total	1,901	4,787	2,305	14,728	15,627	16,976
				Costs for gross capacity (USD per day)*		
Total capacity	3,916	12,681	10,216	10,710	10,210	9,188
Coverage				Revenue from coverage (USD per day)		
LR1	0	0	0	0	0	0
MR	756	647	386	16,068	16,348	16,421
Handysize	561	470	353	16,336	17,016	15,360
Total	1,317	1,117	739	16,182	16,629	15,914
Coverage in %						
LR1			0%			
MR	31%	8%	8%			
Handysize	38%	10%	8%			
Total	34%	9%	7%			

* 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

- ▶ 15,903 registered shareholders owning 89.2%
- ▶ Approx. 38% international ownership

