Welcome to the presentation of NORDEN's interim report for the third quarter of 2012. My name is Carsten Mortensen and I am the CEO. I will be presenting together with our CFO Michael Tønnes Jørgensen and Executive Vice President Martin Badsted, who is responsible for our Investor Relations.

I trust you have all found time to download the accompanying PowerPoint slides from our website. We will refer to the specific slides as we go along. Please note, that this presentation and the following Q&A session will be recorded and made available on our website.

Turn to slide 2, please

The agenda for today will be as follows:

- I will start by outlining the highlights of the third quarter.
- Subsequently, Michael will go over the key financial figures.
- Then Martin will present the market conditions in Dry Cargo and Tankers and I will finish with our current expectations for 2012
- After the presentation we open our Q&A session

Slide 3, please

Spot markets in both segments were historically weak in the third quarter. Group EBITDA for the quarter was 23 million dollars - 28% lower than in the second quarter

Cash flow from operations was 29 million dollars in the third quarter despite very challenging market conditions.

We continue to have a strong cash position with cash and securities of 393 million dollars – and have undrawn credit facilities of 185 million dollars. This puts us in a good position to take advantage of investment opportunities in the market.

We are constantly seeking to optimise our core fleet through sales and contracting of new fuel efficient tonnage. Since the beginning of the third quarter, the Company has sold 7 dry cargo vessels, contracted 2 Handysize tanker vessels and 1 ice-class Panamax dry cargo vessel.
We maintain our financial guidance for 2012, where we expect an EBITDA of 110-150 million dollars.

Now over to Michael who will take us through the financial highlights.

Slide 4, please

Thank you Carsten.

Out of the Group EBITDA of 23 million dollars, the Dry Cargo department generated 26 million dollars while the tanker department had a negative EBITDA of 1 million dollars.

The Dry Cargo performance was in line with expectations, with the department managing to produce TC earnings 35% above the average 1-year TC rates. Earnings were supported by high coverage in an otherwise very weak spot market. The Tanker performance was below expectations due to continued low spot market.

Strict focus on overhead and administration costs continued to show effect during the quarter. Compared to the third quarter last year O/A was down 10%.

Results for the third quarter were a net profit of 16 million dollars, positively affected by fair value adjustments of hedging instruments of 18 million dollars. The adjustments are primarily due to increasing bunker prices during the quarter, and reflect a reversal of negative adjustments in previous periods.

Slide 5 please

The total theoretical NAV at the end of the quarter was 1.4 billion dollars or 198 DKK per share – down 30 DKK from 228 per share at the end of the first quarter.

The decrease is a result of continued drop in fleet values and charter parties with purchase and extension option. As ususal, the fleet was assessed by 3 independent shipbrokers, and on a comparable basis the value of our Dry Cargo fleet decreased by 6% during the quarter, while our tanker fleet decreased in value by 5%.

The estimate of theoretical NAV does not include the value of our coverage besides a few contracts on owned vessels. Based on the forward curve at the end of the quarter, this coverage is estimated to have a value of 215 million dollars or 30 DKK per share.

The total market value of vessels in operation and newbuildings is approximately 1.3 billion dollars and remaining capex incl. JV's is 173 million dollars, which will fall due in the period 2012 to 2014. The vessel values were 149 million dollars lower than book values at the end of the quarter. Consequently, an impairment test was carried out, and based on this, there was no indication of impairment and thus no need for write-downs.

Slide 6 please, and over to Martin

Thank you Michael

The dry cargo market conditions continued to be challenging in the third quarter. The Baltic Dry Index posted its lowest quarterly average in 12 years, which clearly reflects the significant oversupply in the market and seasonal soft patch in demand.

Compared to the second quarter China's dry cargo imports were down 4% driven by a 17% reduction in coal imports. China's minor bulk trade, which grew strongly in the first-half of the year, was negatively affected during the quarter by the export ban on unprocessed raw materials from Indonesia.

Demand drivers seem to be improving in China with industrial production growing 9.6% year-on-year in October and electricity generation increasing by 6.4%. Despite of considerable global economic challenges, China, as well as other emerging economies, are expected to show relatively sound growth in the coming years.

Slide 7 please

There are some positive signs indicating that vessel supply growth might already have peaked. In the third quarter, 20 million deadweight tonnes were delivered to the dry cargo fleet which is the lowest amount of deliveries since the second quarter in 2010. Scrapping remained high in the quarter with 8 million deadweight tonnes scrapped. There is still considerable potential for further scrapping since around 19% of the fleet is older than 20 years and as long as freight rates are under pressure and bunker prices are high, many older vessels will be unable to compete with modern tonnage. And with high steel prices the attractiveness of selling vessels for scrap is quite good.

Given the current order book and the low degree of new contracting this year, fleet supply is expected to slow in the coming quarters, and with a continued positive development in demand, supported by an expected moderate pick-up in the global economy and infrastructure investments in China, this may result in an improvement in the balance between supply and demand towards the end of 2013.

Slide 8 please,

During the past few weeks product tanker rates have been increasing. This has primarily been caused by hurricane Sandy closing pipelines, refineries and terminals on the US East Coast. The impact on the market has been especially significant since Sandy hit at a time when gasoline supply in the area was already low and stocks had been driven seasonally lower by switching of grades of motor gasoline and regular scheduled refinery maintenance. Consequently, the US Department of Homeland Security issued a blanket waiver of the Jonas Act, creating an option for tanker owners and operators to move tonnage from USG to USEC. In addition with lack of pipeline capacity terminals in the USG needed to export products by sea, thus tightening vessel supply there. Also peak maintenance season in Europe and China opened up new and longer arbitrage routes.

In the MR pacific market, rates have been gradually improving, in large part driven by strong Indonesian and Australian imports.

Overall, the latest developments have shown that the product tanker market is finely balanced. And with cyclical support from an improving global economy and net fleet growth of around 3%

annually in the coming years, the product tanker market may see on a gradual improvement next year.

Next slide please

Carsten Mortensen:
Thank you Martin.

We maintain our expectations for full year EBITDA of 110-150 million dollars.
Earnings in Dry Cargo are expected to be 105-125 million dollars and thus in the high end of the previous interval of 85-125 million dollars. Expectations for Tankers are reduced to 15-25 million dollars from 25-45 million dollars.

The sale of 7 dry cargo vessels in and after the quarter is expected to result in total loss of 25 million dollars – 8 mill from the 5 Handysizes and 17 from the two Panamaxes. The positive cash flow effect from the sales will cover a considerable part of newbuilding installments in 2012, and CAPEX is now expected to be 10-20 million dollars.

Next slide please

And please remember that there are uncertainties related to any forward looking statements…

Q&A session:

Nicolay Dyvik, DnB NOR: I see that you have sold quite modern dry bulk tonnage and contracted Handysize tankers. Can you please elaborate on what savings you see from modern designs and if it has changed recently or if you learn more about the savings of modern design?

Carsten Mortensen: We have sold Handysize bulk carriers and we have contracted Handysize product tankers so I do not think there is a real comparison on the two. We have over some years now actually been focusing on growing our tanker fleet because we felt that was longer through the cycle. I think it has come to a point now where we will perhaps going forward focus a little bit more on the dry cargo opportunities. The latest contracting we did on the fuel efficient Kamsarmax dry cargo ships is going to prove at least to be 25% more efficient than existing Kamsarmax designs. And we are very, very strong believers in the new ECO designs. We have been doing a lot of research and technical work on new designs. So either we are swapping our fleet into ECO designs or we will be modifying our own tonnage.

Nikolay Dyvik: And a similar number for the product segment?

Carsten Mortensen: Compared to the last designs we did at the similar yard where we contracted the ships in 2007 and 2008, it is at least 25% – closer to 30% – savings on that, and we are very confident. I know there is an ongoing debate whether these savings are for real or not. We are at least very, very convinced, and we are starting the STX series of fuel effiecient ships that we ordered 2 years ago in Tankers. They are actually coming into the water at the beginning of next year so we will see live what the savings will actually be.

Nikolay Dyvik: So 25-30% is then comparing apples to apples and current sailing speed?

Carsten Mortensen: It is 2 designs coming out of the same ship yards, and there, we are quite convinced that we will have at least a 25% saving, yes.

Nikolay Dyvik: Ok, thank you.

Carsten Mortensen: My pleasure.

Telephone conference ended