



Interim report – third quarter 2008

First three quarters – highlights

- The profit for the first three quarters of 2008 was USD 718 million corresponding to DKK 3.5 billion. The profit is 49% up on the same period last year and is the best result for the first three quarters in the Company's history.
- Seen on its own, the profit for the third quarter was USD 120 million. With an EBITDA of USD 197 million (+43%) and an EBIT of USD 273 million (+78%), the operating profit was very strong, but this is to some extent offset by negative fair value adjustments of certain hedging instruments as a result of the oil price development and FFA hedging.
- The dry cargo rates were dropping heavily during the quarter, but due to its long-term coverage of tonnage at reasonable rates, the Dry Cargo Department achieved an EBITDA of USD 171 million. In the third quarter, the Tanker Department reached its highest operating profit ever with an EBITDA of USD 25 million. The tanker department continues to benefit from its strengthened position in the attractive spot markets for product tankers.
- In the third quarter, the Company's operations generated a positive cash flow of USD 87 million. In the first three quarters, the Company's operations have generated a total cash flow of USD 410 million.
- NORDEN has taken advantage of the flexibility of its business model to promptly adjust capacity and activities to the significantly changed conditions in the dry cargo market. At the same time, NORDEN is positioning itself for the long-term possibilities. The number of short-term chartered vessels has been substantially reduced since 1 October, and in total, the Company can return more than 100 short-term chartered vessels before the end of 2008.
- The coverage has increased, and thus, the rest of the year's known capacity in the Dry Cargo Department de facto was fully covered at the beginning of November, and 66% of the known capacity in the Tanker Department had also been covered at this time. For 2009, the coverage was increased to 80% in the Dry Cargo Department and 34% in the Tanker Department.
- Based on the broker estimates which the Company has been able to collect at 1 November as well as received offers on some of NORDEN's owned vessels, the theoretical Net Asset Value (NAV) is estimated to have been DKK 280-320 per share at this time. At present, there is significant uncertainty regarding the estimation of the Company's NAV and theoretical NAV.
- NORDEN adjusts the total expectations for the annual profit for 2008 to be in the range of USD 740-800 million, against earlier announced USD 800-880 million. The adjustment is essentially due to the dropping oil prices, which trigger large negative fair value adjustments of certain hedging instruments (IAS 39). For the whole year, the IAS 39 adjustments are estimated to amount to USD -65 million, whereas the expected adjustments amounted to USD -10 million in the announcement of 1 October. The expectations for the Tanker Department remain an operating profit (EBITDA) of USD 60-70 million, whereas the EBITDA expectations in the Dry Cargo Department are narrowed to USD 500-530 million due to the drop in rates, loss on one counterparty and postponement of a number of profitable cargoes. This is, however, somewhat counterbalanced by earnings on new business and savings.

Mogens Hugo
Chairman of the Board

Carsten Mortensen
President & CEO

Today at 11.00 hours (CET), NORDEN will hold an information meeting at 52, Strandvejen, DK-2900 Hellerup, where CEO Carsten Mortensen and Senior Vice President Martin Badsted will comment on the third quarter and the expectations for the whole year.

Furthermore, a telephone conference will be held at 16.00 hours (CET). By 15.55 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 also be followed live at www.ds-norden.com where the accompanying presentation also is available.

*Further information:
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Key figures and ratios for the Group

Key figures are in USD '000	2008 1/1-30/9	2007 1/1-30/9	Change 1 st - 3 rd quarter 2007-2008	2007 1/1-31/12
INCOME STATEMENT				
Freight income (revenue)	3,490,182	1,883,077	85%	2,933,140
Costs	-2,990,723	-1,552,596	93%	-2,395,648
Profit before depreciation, etc. (EBITDA)	499,459	330,481	51%	537,492
Profit from sale of vessels, etc.	259,300	136,183	90%	163,132
Depreciation	-19,750	-14,545	36%	-19,567
Share of results of joint ventures	2,940	-53	5647%	1,611
Profit from operations (EBIT)	741,949	452,066	64%	682,668
Fair value adjustment of certain hedging instruments	-40,789	31,455	-230%	19,884
Net financials	27,372	14,861	84%	22,745
Profit before tax	728,532	498,382	46%	725,297
Profit for the period	717,871	480,820	49%	703,340
Profit for the period for the NORDEN shareholders	717,873	480,727	49%	703,228
BALANCE SHEET				
Non-current assets	905,446	589,182	54%	589,894
Total assets	1,970,323	1,312,859	50%	1,609,443
Equity (including minority interests)	1,696,859	1,088,238	56%	1,311,200
Non-current liabilities	91,710	120,572	-24%	85,396
Current liabilities	181,754	104,049	75%	212,847
Invested capital	1,134,495	656,145	73%	786,290
Net interest-bearing debt	-562,364	-432,093	-30%	-524,910
CASH FLOWS				
From operating activities	409,967	343,392	19%	466,696
From investing activities, including vessels	-73,043	16,284	-549%	-4,605
From financing activities	-344,153	-148,257	132%	-176,214
Change in cash and cash equivalents for the period	-7,229	211,419	-103%	285,877
FINANCIAL AND ACCOUNTING RATIOS				
Number of shares of DKK 1 each (excluding treasury shares)	42,386,546	41,896,900	1%	41,897,860
Earnings per share (EPS) (DKK)	16.9 (83)	11.3 (63)	50%	16.6 (91)
Diluted earnings per share (diluted EPS) (DKK)	17.1 (84)	11.2 (62)	53%	16.4 (89)
Intrinsic value per share (excluding treasury shares) (DKK ¹)	40 (209)	26 (136)	54%	31 (159)
Equity ratio	86.1%	82.7%	4%	81.5%
Share price at period-end, DKK	249	558	-55%	564
Price/intrinsic value	1.19	4.10	-71%	3.55
Net Asset Value per share excl. purchase options for vessels (DKK ¹)	62.3 (325)	45.0 (237)	38%	57.3 (291)
Theoretical Net Asset Value per share ² (DKK ¹)	99 (516)	112.2 (590)	-12%	121 (614)
USD rate at period-end	521.65	525.74	-	507.53
Average USD rate	490.88	554.39	-11%	544.56

¹) Translated at the USD/DKK rate at period-end.

²) Please note that the calculation is subject to significant uncertainty. See the section "Fleet development" for further information with regard to calculation model and assumptions.

The ratios were computed in accordance with the 2005 guidelines issued by the Danish Association of Financial Analysts, entitled "Anbefalinger og nøgletal 2005" except from Theoretical Net Asset Value, which is not defined in the guidelines.

NORDEN's handling of the freight crisis in dry cargo

Since mid-September, the dry cargo market has experienced an unprecedented rate decline, and the market is currently exceptionally challenged. NORDEN has chosen a balanced approach to the freight crisis. In the short term, a number of measures where NORDEN takes advantage of the flexibility of its business model to promptly adjust capacity and activities to the changed conditions will be carried out. At the same time, NORDEN is positioning itself for the possibilities which, in the long term, will arise in a market which is expected to undergo significant changes.

Adjustment of the short-term chartered dry cargo fleet

NORDEN is immediately adjusting the capacity in the Dry Cargo Department to the changed market conditions. From the beginning of the quarter to mid-November, NORDEN has returned 77 short-term chartered vessels – primarily Panamax and Handymax units – with an average cost of around USD 50,000 per day. Before the end of the year, NORDEN is able to further return a considerable number of short-term chartered vessels.

In today's markets, the vessels can be replaced with units at rates around USD 5,000-15,000 per day, and this fleet adjustment will strengthen NORDEN's competitiveness.

For 2009, NORDEN has a known capacity of approximately 30,000 ship days corresponding to an average annual level of around 80 vessels.

Increase of long-term coverage

The focus on securing long-term employment of the dry cargo fleet has intensified, and NORDEN has entered into a number of contracts at levels which are significantly higher than the current spot rates. Coverage of the Dry Cargo Department's capacity in 2009 is continuously increasing – from 53% in August to 65% on 1 October – and at the beginning of November, 80% of the known ship days in 2009 was covered. A number of contract cargoes has been postponed from the fourth quarter of 2008 to 2009. This has had a negative effect on the operating profit for the fourth quarter but has, on the other hand, contributed to increased coverage in 2009. In the two most volatile segments, Capesize and Panamax, the coverage for 2009 is 95% and 107%, respectively, at the beginning of November.

In the long term, when the coverage is lower, NORDEN is well prepared by virtue of a competitive level of costs for the whole dry cargo fleet of USD 14,662 per ship day in 2010 and USD 13,121 for the known gross capacity available from 2011 and ahead. This should be compared to the fact that the covered ship days in 2010 and ahead are expected to

generate earnings of USD 36,182 and USD 33,204, respectively, per ship day.

Coverage in dry cargo (at 1 November 2008)	2008	2009	2010	2011+
Known ship days	9,078	29,569	30,638	370,652
Coverage in %	95%	80%	29%	4%
Earnings per ship day (USD) on average	38,435	38,087	36,182	33,204

A detailed table of coverage in the different segments is found on page 16.

Besides the long-term coverage, the Dry Cargo Department has also strengthened the low-risk activities as operators in the fourth quarter with good results. The department also benefits from its close customer relations, and a large part of business is made by the overseas offices.

Due to its strong financial position and the reputation of being reliable, NORDEN currently experiences a great deal of interest in entering both short-term and long-term COAs (quantity contracts). These COAs help consolidate long-term customer relations and also give logistic advantages as the employment of the fleet can be optimised.

Systematic risk management

The market conditions present a considerably increased risk of loss on counterparties. Therefore, NORDEN has increased both market surveillance, credit rating of possible partners and systems to handle counterparty risks.

During the last few years of booming dry cargo markets, NORDEN has maintained a selective approach to customers and partners, and the Company has often rejected making quick profit to avoid unnecessary risk. As a result, NORDEN today has a diversified portfolio of trading partners. NORDEN's coverage in dry cargo in 2009 involves 79 partners of which no one accounts for more than 10% of the covered income.

The information on coverage in future periods in the table on page 16 contains the total value of entered contracts even though there is a risk that some will not be realised due to possible problems for the Company's counterparties.

Besides coverage of capacity, NORDEN has a counterparty risk on agreed but not yet settled sales of vessels. In 2008, NORDEN still has to carry out 3 vessel sales with proceeds of USD 93 million and USD 25 million affecting the profit. For the period 2009-2010, sales of vessels have been agreed with proceeds of USD 212 million and with USD 49 million affecting results. At this time, NORDEN has no reason to believe that any of the counterparties involved in these sales will not be able to meet their obligations.



The Company has not suffered any loss on debtors during the third quarter. However, in October, a business partner was not able to meet its obligations in connection with 2 chartered NORDEN vessels, so instead, NORDEN had to operate the vessels in the spot market. As a consequence, NORDEN lost operating profit amounting to USD 9 million in 2008, which has been adjusted for in the Company's expectations for the whole year. To this date, there have not been any other incidents, but the risk of future loss exists.

In addition, in August, the Company suspended its speculative activities in the Forward Freight Agreement (FFA) market as a part of its risk management. The FFAs are now only used for operational hedging of the physical book, and NORDEN only trades these agreements via "clearing houses".

Strong capital resources

The focus on cash flows has been intensified, and the expected cash flows from operating activities in the fourth quarter are anticipated to result in available funds of USD 700-800 million at the end of the year. The available funds are primarily placed as short fixed-term deposits at large well-reputed banks. Deposits in these banks are covered by a guarantee issued by the Danish state until September 2010.

The gearing for the whole company (net commitments – defined as the present value of future payments in respect of, among other things, timecharters, lenders and shipyards, less expected known freight payments received and cash and cash equivalents – relative to the Company's booked equity) has during the last year been reduced from 1.3 to 0.6 at the end of September. 16 of the 20 vessels, which the Company expects to own at the end of the year, are paid in cash, and the remaining debt in the remaining 4 tankers is USD 68 million. At the end of the quarter, NORDEN had an equity ratio of 86%.

In 2008, the Company has made gross investments of approximately USD 500 million in new vessels, new headquarters and prepayments on newbuildings. In 2009, the known gross investments amount to USD 312 million, which particularly concerns payments on existing newbuilding contracts. On the other hand, the Company is expected to receive proceeds from agreed sales of vessels of USD 92 million in 2009.

Strict cost control

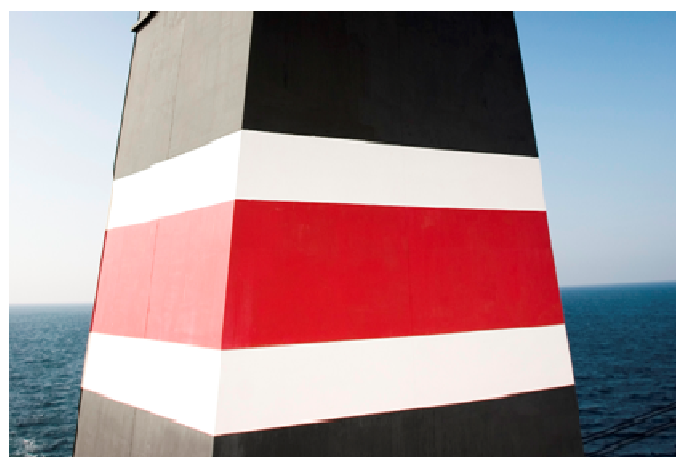
Due to the changed market situation, a number of activities and projects have either been cancelled or postponed. Administrative expenses are very strictly controlled, and savings have been realised in 2008 in relation to the original budget.

Long-term possibilities

The freight crisis in dry cargo has resulted in heavy pressure on everyone and in particular on owners and operators with weak balance sheets and high debt financing, who, in the light of the current rate levels, have difficulties in repaying their debts and meeting their obligations. Furthermore, the freight crisis has reinforced the tendency in recent months to postpone or even cancel newbuilding orders. Finally, the low rate levels are expected to lead to increased scrapping of old tonnage. The first examples of this have already been reported, and the scrapping potential is great since 29% of the world dry cargo fleet – a total of 1,950 vessels (source: Clarksons) – is more than 20 years old.

In the short term, this development can result in tonnage with a significant discount appearing on the market. In the long term, the development can lead to a better balance between supply and demand in the dry cargo market.

NORDEN is positioning itself to benefit from this development by virtue of its flexible and customer focused business model and its strong financial position.



Comments on the development of the period for the Group

Activity and earnings

In the third quarter, the Company's freight income (revenue) was USD 1,262 million, a 62% increase compared to the same period last year. The increase is primarily due to higher realised T/C equivalents and secondarily to an increased number of ship days in both the tanker and the dry cargo segments. The number of ship days has increased by 14% to 20,885. In the first three quarters, the number of ship days amounted to 59,675 (same period last year: 48,191).

The profit before depreciation and profit from vessel sales (EBITDA) was USD 197 million in the third quarter (USD 137 million). In the first three quarters, the EBITDA was USD 499 million (USD 330 million), which is an increase of 51% compared to last year. The EBITDA margin for the first three quarters amounted to 14% (18%).

In the first three quarters, the profit from operations (EBIT) was USD 742 million (USD 452 million), including profits from the sale of vessels amounting to USD 259 million (USD 136 million).

Net financials amounted to USD 27 million (USD 15 million) in the first three quarters. This includes realised foreign exchange gains of USD 13 million (USD 5 million) and interest expenses of USD 5 million (USD 5 million).

In the first three quarters, fair value adjustment of certain hedging instruments amounted to net USD -41 million (USD 31 million). Following a positive value adjustment in the first half-year of USD 103 million, declining oil prices and FFA rates led to a value adjustment in the third quarter of net USD -144 million (USD 39 million). All contracts concern hedging of scheduled physical vessels and cargoes.

In the first three quarters, the adjustment amounted to net USD -41 million (USD 31 million). Please see note 2 "Fair value adjustment of certain hedging instruments" for further

specification of the development in the third quarter as well as the first three quarters as a whole.

The profit for the third quarter was USD 120 million (USD 196 million). For the first three quarters, the profit was USD 718 million (USD 481 million). The result yields a rate of return on equity of 64% (p.a.).

Cash flows

During the third quarter, the Company's available funds increased by USD 111 million (USD 140 million). The Company's operations generated a positive cash flow of USD 87 million (USD 169 million), whereas the cash flows from the investing and financing activities were USD 30 million (USD -8 million) and USD -6 million (USD -21 million), respectively.

In the first three quarters, the Company's available funds decreased by USD -8 million (USD 211 million). The Company's operations generated a positive cash flow of USD 410 million (USD 343 million) whereas the cash flows from the investing and financing activities were USD -73 million (USD 16 million) and USD -344 million (USD -148 million), respectively.

The investing activity mainly relates to investments in vessels and newbuildings of USD -508 million and proceeds from the sale of vessels of USD 469 million. The financing activity primarily relates to payment of dividends of USD -311 million and acquisition/sale of treasury shares of net USD -24 million.

Equity

The Company's equity amounted to USD 1,697 million at the end of the third quarter and has thus been increased by USD 386 million during the period.

The change in equity since the beginning of the year is primarily due to the profit for the period of USD 718 million, net acquisition of treasury shares of USD -24 million, payment of dividends of USD -311 million, share-based payment and fair value adjustment of hedging instruments of USD 2 million recognised in equity.

Equity development 1 January - 30 September

USD '000	2008	2007
Equity at 1 January	1,311,200	713,538
Profit for the period	717,871	480,820
Acquisition/sale of treasury shares	-23,660	-69,335
Value adjustment, hedging instruments	-2,992	757
Paid dividend	-310,531	-38,880
Share-based payment	4,971	1,338
Equity at period-end	1,696,859	1,088,238





Net commitments

The Company's total net commitments were USD 1,131 million (USD 1,430 million) at the end of the third quarter. The decrease in commitments is a result of a combination of more covered ship days and coverage of future capacity at higher rates (income). Net commitments are defined as the present value of future payments in respect of, among other things, timecharters (excluding daily operating costs), lenders and shipyards, less expected known freight payments received (excluding daily operating costs) and cash and cash equivalents.

Net present values

At period-end in USD million	Q3 2008	Q3 2007
Future payments	-3,931	-3,577
Expected known payments received including cash and cash equivalents	2,800	2,147
Net commitments	-1,131	-1,430

Fleet development

The gross fleet, consisting of the active fleet as well as vessels for delivery, counted 326 vessels at the end of the third quarter against 317 vessels at the end of the first half of 2008.

The core fleet of owned vessels and vessels on charter for more than three years counted 181 vessels of which 87 are part of the active fleet and 94 are owned newbuildings and chartered vessels for future delivery.

During the quarter, the Company's active bulkcarrier fleet increased by 12 units and counted 205 units at the end of the quarter. After the third quarter, NORDEN has, as mentioned before, significantly reduced the capacity due to the changed market conditions. In the beginning of November, the active bulkcarrier fleet consisted of a total of 145 units, 60 units less than at the end of the third quarter. NORDEN expects to further reduce the number of short-term chartered vessels before the end of the year.

The Company did not further increase the order book during the third quarter. At the end of the quarter, the number of vessels for delivery to the bulkcarrier fleet was 79 units which is three less than at the end of the first half of 2008. Adjusted for ownership shares and sales of vessels, the net number for delivery is 72 units.

The Company's active tanker fleet counted 27 vessels at the end of the third quarter. The number of vessels has not

NORDEN's fleet

At 30 September 2008

Vessel type	Dry Cargo Department					Total	Tanker Department				Total
	Capesize	Post-Panamax	Panamax	Handymax	Handysize		Product tankers				
Size (dwt)	>150,000	85-120,000	65-82,500	40-60,000	25-40,000		Aframax	LR1	MR	Handysize	
Vessels in operation											
Owned vessels	2	-	2	6	-	10	-	-	1 ^A	5	6
Chartered vessels with purchase option	3	-	14	14	2	33	-	-	3	-	3
Chartered vessels, for at least three years	-	-	3	9	7	19	-	1	3 ^E	12 ^F	16
Total active core fleet	5	0	19	29	9	62	0	1	7	17	25
Other chartered vessels	1	-	89	47	6	143	2	-	-	-	2
Total active fleet	6	0	108	76	15	205	2	1	7	17	27
Vessels to be delivered to core fleet											
Newbuildings (owned)	-	4	2	11 ^B	18 ^D	35	-	-	3	3	6
Chartered vessels with purchase option	-	4	3	13 ^C	7	27	-	-	8 ^C	-	8
Chartered vessels, for at least three years	-	4	-	7	6	17	-	-	1	-	1
Total for delivery to core fleet	0	12	5	31	31	79	0	0	12	3	15
Total gross fleet	6	12	113	107	46	284	2	1	19	20	42

A Of which 1 unit sold.

B Of which 4 units are 50%-owned. 5 units sold, of which 2 units are 50%-owned.

C Of which 2 units are in 50% joint venture.

D Of which 2 units are 50%-owned.

E Of which 1 unit is in 50% joint venture.

F Of which 3 units are in 50% joint venture.

Fleet values (before tax)

At 30 September 2008

USD million	Owned (active and newbuildings)				Calculated value of charter parties with purchase and extension option				Theoretical NAV
	Number	Carrying amount/cost	Market value*	Added value	Number	Charter party	Purchase and extension option	Value of charter party and option	
Dry cargo									
Capesize	2	65	224	159	3	116	81	197	356
Post-Panamax	4	219	264	45	4	51	31	82	127
Panamax	4	156	253	97	17	335	147	482	579
Handymax	17	450	824	374	27	502	182	684	1,058
Handysize	18	572	662	90	9	6	3	9	99
Product tanker									
MR	4	174	201	27	11	64	32	95	122
Handysize	8	255	408	153	0	-	-	-	153
Total	57	1,891	2,836	945	71	1,074	476	1,549	2,494
DKK per share				116				191	307
Equity excl. minority interests per share									209
Total theoretical Net Asset Value per share									516

* Including charter party, if any.

The determination of the theoretical value of the charter parties including purchase option is subject to considerable uncertainty, the value being dependent on the future development in freight rates and tonnage values as well as deviations in other assumptions.

changed since the end of the first half of 2008.

At the end of the third quarter, the 50%-owned Norient Product Pool operated a total of 59 active units, 36 of which are ice-class vessels. At the same time, the total order book of the two pool partners comprised 25 units, of which 2 have been delivered and 2 are expected to be delivered this year.

Activity with regard to the core fleet			
Third quarter 2008			
Contracted during	Vessel type	Delivery	NORDEN's share
<i>Newbuildings</i>			
-	-	-	-
<i>Long-term charters with purchase option</i>			
Q3	Handysize bulkcarrier	Q3 2012	100%
<i>Long-term charters without purchase option</i>			
Q3	Handymax	Q1 2009	100%
Q3	MR tanker	Q1 2009	100%
<i>Sale (agreed upon or recognised during the third quarter)</i>			
Q4 2007	MR tanker	Q3 2008	100%
Q2	Handymax	Q3 2008	100%
Q3	Handymax	Q3 2008	100%

Fleet values and theoretical value of purchase options

At the moment, there is significant uncertainty regarding the estimation of the value of the Company's fleet and the long-term timecharters with purchase option. Hardly any secondhand vessels have been traded within the last couple of months, and thus, some brokers have chosen not to publish updated price estimates, and the estimates which are published should only be seen as informed estimates due to the lack of actual transactions. The same is true for estimates on 3- and 5-years T/C rates (freight rates), which are used in the calculation of the theoretical value of the Company's long-term timecharters with purchase option.

Based on collected broker estimates as at 30 September, the Company's Net Asset Value (NAV) per share (excluding long-term timecharters with purchase option) was calculated to be DKK 325. Furthermore, at the same time, the Company's long-term chartered vessels with purchase or extension option were estimated to have a theoretical value of USD 1,549 million or DKK 191 per share. The total theoretical NAV was thus DKK 516 per share. The value dropped by 21% compared to the end of the first half-year and 16% since the end of 2007 as a result of the significantly declining dry cargo market.

However, these value estimates are estimated to have changed substantially since then in line with the continuously declining dry cargo market.

Based on the broker estimates which the Company has been able to collect at 1 November as well as received offers on some of NORDEN's owned vessels, it is estimated that the value of modern secondhand vessels has decreased by approximately 40-60% in the dry cargo segment and approximately 5-15% in the product tanker segment during October and in the beginning of November. The change in the value of newbuildings has been smaller and is estimated to be 20-40% for bulkers and 5-20% for product tankers. Based on these changes in value, the added values can thus be estimated to be in the range of USD 0-300 million corresponding to a NAV of DKK 210-250 per share in the beginning of November.

The updated broker estimates of long-term T/C rates as at 1 November were approximately USD 14-15,000 per day for 1-, 3- and 5-years timecharters in the Panamax and Handymax segments. Based on the updated T/C rate curve, the theoretical value of the timecharters with purchase or extension option was estimated to be DKK 70 per share at this time. The total theoretical NAV in the beginning of November is thus estimated to be in the range of DKK 280-320 per share. It should be emphasised that these estimates are subject to considerable uncertainty and can increase as well as decrease. Furthermore, the estimate does not include the value of hedging of T/C vessels.

The theoretical value of the long-term timecharters with purchase or extension option depends on the level of the model's market rate input during the first 5 years. If this level is assumed to be 10% higher or 10% lower, the theoretical value could be estimated to be 37% higher and 37% lower, respectively.

NORDEN's valuation of purchase and extension options follows standard pricing of American options, which simulates future scenarios for T/C rates and vessel prices under assumptions of price volatility and correlation between the change in T/C rates and the change in vessel prices.

In each segment, the volatility and the correlation are assumed to be constant over time and are estimated based on historical T/C rates and vessel prices. An important input to the model is the T/C rate curve for each segment. The curve consists of three elements: Market rates for the first five years, a linear interpolated rate curve between year 5 and year 10 and a long-term constant rate level from year 10 onwards based on the median of the historical T/C rates since 1989. In addition, market prices are used for interest rates, exchange rates and operating costs. On the basis of the future scenarios for T/C rates and vessel prices, the optimum value of the purchase and extension option for each vessel is determined.



Purchase options under which the price of the vessel is stated in JPY are translated at the forward USD/JPY rate before the pricing.

The share

The price of the NORDEN share fell by 51% from the end of the second quarter to the end of the third quarter, when the price was DKK 248.50 per share. Mid-November, NORDEN is among the 9 most traded shares on NASDAQ OMX Copenhagen A/S.

Further major events

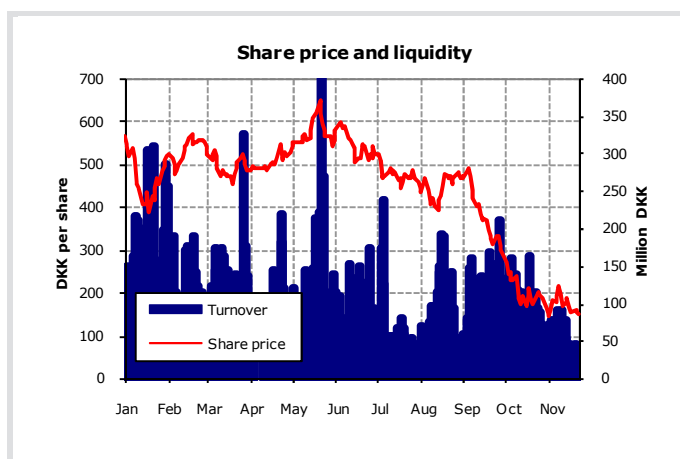
With effect from 16 September 2008, Peter Norborg was appointed Senior Vice President and Head of the Dry Cargo Department, see company announcement no. 35/2008. He replaced Jacob Meldgaard, who resigned from his position as Head of the Dry Cargo Department on 12 September. Furthermore, Peter Borup was appointed Senior Vice President and Head of the Company's overseas offices on 16 September.

On 1 January 2009, Michael Tønnes Jørgensen takes up his position as new CFO and Executive Vice President, see company announcement no. 37/2008. Michael Tønnes Jørgensen will form NORDEN's Board of Management together with CEO Carsten Mortensen. With these changes, the Company's Senior Management is in place.

Furthermore, in the beginning of November, NORDEN sold 3 vessels with a total profit of USD 15.5 million. The vessels are 2 Panamax bulkcarriers (build in 2004 and 2005) and 1 Handymax bulkcarrier (build in 2005).

Risk and uncertainty factors

Besides what has been disclosed in the interim report, no other significant changes in the Company's risk and uncertainty factors have occurred relative to what was disclosed in the annual report for 2007.





Segment information

USD '000	Third quarter 2008				Third quarter 2007			
	Dry cargo	Tankers	Not		Dry cargo	Tankers	Not	
			allocated	Total			allocated	Total
Freight income	1,190,367	71,695	0	1,262,062	734,900	44,416	0	779,316
Costs	-1,019,406	-46,766	757	-1,065,415	-603,195	-35,290	-3,373	-641,858
Result before depreciation, etc. (EBITDA)	170,961	24,929	757	196,647	131,705	9,126	-3,373	137,458
Profit some sale of vessels, etc.	56,764	25,424	2	82,190	20,913	-104	25	20,834
Depreciation	-4,304	-2,132	-525	-6,961	-2,740	-1,452	-309	-4,501
Share of results of joint ventures	-24	1,486	0	1,462	-55	-577	0	-632
Profit from operations (EBIT)	223,397	49,707	234	273,338	149,823	6,993	-3,657	153,159
Fair value adjustment of certain hedging instruments	-143,947	0	0	-143,947	39,280	0	0	39,280
Net financials	0	0	-5,612	-5,612	0	0	6,357	6,357
Profit before tax	79,450	49,707	-5,378	123,779	189,103	6,993	2,700	198,796
Profit for the period	79,450	49,707	-9,094	120,063	189,103	6,993	-446	195,650

USD '000	First – third quarter 2008				First - third quarter 2007			
	Dry cargo	Tankers	Not		Dry cargo	Tankers	Not	
			allocated	Total			allocated	Total
Freight income	3,304,026	186,156	0	3,490,182	1,740,481	142,596	0	1,883,077
Costs	-2,844,618	-133,797	-12,308	-2,990,723	-1,446,434	-96,153	-10,009	-1,552,596
Result before depreciation, etc. (EBITDA)	459,408	52,359	-12,308	499,459	294,047	46,443	-10,009	330,481
Profit some sale of vessels, etc.	234,139	25,424	-263	259,300	59,089	77,078	16	136,183
Depreciation	-12,715	-5,654	-1,381	-19,750	-9,136	-4,429	-980	-14,545
Share of results of joint ventures	47	2,893	0	2,940	-154	101	0	-53
Profit from operations (EBIT)	680,879	75,022	-13,952	741,949	343,846	119,193	-10,973	452,066
Fair value adjustment of certain hedging instruments	-40,789	0	0	-40,789	31,455	0	0	31,455
Net financials	0	0	27,372	27,372	0	0	14,861	14,861
Profit before tax	640,090	75,022	13,420	728,532	375,301	119,193	3,888	498,382
Profit for the period	640,090	75,022	2,759	717,871	375,301	119,193	-13,674	480,820

Dry cargo

Market trends

In the third quarter, the dry cargo market was almost constantly declining. Baltic Dry Index (BDI) began the quarter at 9,500, but during the quarter, the index fell to 3,200, a decrease of 66%. Compared to the same quarter in 2007, the Baltic Dry Index was 4% lower on average.

Subsequently, the market has continued to decline substantially. In the beginning of November, BDI was 839, a decrease of 91% since the end of the first half of 2008. The 1-year T/C rate has decreased by 81% in the same period.

The increasingly extensive global financial and economic crisis seems to have brought the more than five-year long "super cycle" in the market to an end. Global growth is expected to decline in the coming years which might cause a lower demand for transports.

Reports on decline in the steel production and reduction of iron ore stocks in anticipation of future lower growth are among other things reducing the demand for transportation of iron ore. The Chinese import of iron ore increased during the third quarter (source: Bloomberg), but growth is expected to decline in the fourth quarter.

In addition to this, transportation of several other raw materials has been negatively influenced by decreasing demand and by difficulties in opening letters of credit due to the global credit crisis.

The demand for coal is expected only to be affected by the crisis to a smaller extent as coal is primarily used for the production of heat and electricity. R.S. Platou estimates that the global coal export increased by 5.7% compared to the third quarter in 2007.

The tonnage supply in the first three quarters rose by 6.7% compared to the same period last year, whereas the tonnage demand rose by 7.8%. The increased demand consisted of

6.7% organic growth, while remaining growth is attributed to longer transport distances (source: R.S. Platou).

At the end of the third quarter, the newbuilding order book for the dry cargo market was approximately 71% of the active global fleet. As previously mentioned, the many newbuildings on order for delivery in 2009-2011 are subject to increasing uncertainty. Furthermore, the current financial crisis is expected to result in significantly more cancellations than previously assumed. All things considered, fewer deliveries will be more favourable for the future rate level.

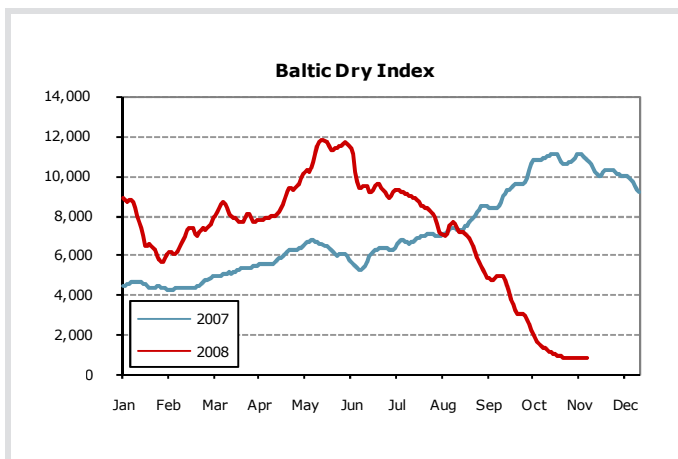
The current rate level has led to that scrapping of tonnage is taking place again after a few years without any scrapping worth mentioning.

In July, IMF revised its prognosis for growth in the global GDP downwards to 3.7% and furthermore expects a growth rate of 2.2% in 2009. These growth estimates constitute a significant decrease compared to the last few years when the growth in the global GDP has been around 5%. However, IMF still anticipates a reasonable growth rate of 5-6% in emerging markets which are the countries that have the largest impact on the dry cargo market. However, all current forecasts are subject to considerable uncertainty.

Financial highlights

For the third quarter, the Dry Cargo Department's EBITDA was USD 171 million (USD 132 million). The 30% increase over the same period last year was due to both significantly higher realised T/C equivalents and more ship days. The EBITDA margin dropped from 18% to 14% as a result of increasing short-term charter costs combined with more ship days employed in a declining spot market.

In the third quarter, NORDEN recognised considerable profits from the sale of 2 vessels, and profit for the third quarter comprises realised profits totalling USD 57 million (USD 21 million). Accordingly, the total operating profit (EBIT) was USD 223 million (USD 150 million).



Employment and rates, dry cargo

	Number of ship days, NORDEN		T/C equivalent (USD per day)		NORDEN T/C vs. spot
	Incl. single voyages	Excl. single voyages	NORDEN	Spot market*	
Third quarter 2008					
Capesize	551	551	67,328	118,165	-43%
Panamax	9,306	8,456	63,225	54,289	16%
Handymax	7,045	6,586	58,134	45,601	27%
Handysize	1,583	1,391	35,692	32,624	9%
Total	18,485	16,984			
Third quarter 2007					
Capesize	483	483	40,740	116,697	-65%
Panamax	8,559	8,352	41,962	61,871	-32%
Handymax	6,277	5,745	36,636	50,625	-28%
Handysize	1,187	1,159	30,446	34,905	-13%
Total	16,506	15,739			
Third quarter 2008 vs. third quarter 2007					
Capesize	14%	14%	65%	1%	
Panamax	9%	1%	51%	-12%	
Handymax	12%	15%	59%	-10%	
Handysize	33%	20%	17%	-7%	
Total	12%	8%			

* Source: Baltic Exchange.



Fleet capacity measured by the number of ship days rose by 12% over the year-earlier period. There has been growth in all segments, but most significant was the build up of capacity in the Handysize segment relative to the third quarter of 2007.

The realised T/C equivalents in the Company's two largest segments, Panamax and Handymax, were 51% and 59% above the level for the third quarter of 2007, respectively. At the same time, the Company's business model with high and long-term coverage of capacity meant that the Panamax and Handymax segments, which began the quarter with the highest coverage, did 16% and 27% better in the third quarter, respectively.

In the first three quarters of 2008, the Dry Cargo Department reached an EBITDA of USD 459 million (USD 294 million). Including the profit from the sale of 6 vessels totalling USD 234 million (USD 59 million), the operating profit (EBIT) was USD 681 million (USD 344 million).

Business development

In the beginning of September, the Company entered its largest long-term contract of affreightment, covering transportation of more than 15 million tons of coal over a period of 15 years to Taiwan. The shipments, which will commence in 2011, will entail coverage of 400 ship days per year at an estimated T/C equivalent of USD 23,500-25,000 per day dependent on the exact vessel type. This is to be related to the Company's average cost level on the known Panamax fleet from 2010 of approximately USD 14,000 per ship day.

During the quarter, NORDEN entered into a long-term charter agreement of a Handysize bulkcarrier with purchase option in 2012 as well as a Handymax bulkcarrier without purchase option in 2008.

At the beginning of November, the known capacity for 2008 de facto was fully covered, while coverage for 2009 was 80%.

Employment and rates, dry cargo	Number of ship days, NORDEN		T/C equivalent (USD per day)		
	Incl. single voyages	Excl. single voyages	NORDEN	Spot T/C avg. market*	NORDEN T/C vs. spot
First - third quarter 2008					
Capesize	1,539	1,539	58,319	136,665	-57%
Panamax	27,413	24,946	60,961	62,265	-2%
Handymax	18,913	17,487	47,060	51,981	-9%
Handysize	4,990	4,518	35,684	36,459	-2%
Total	52,855	48,490			
First - third quarter 2007					
Capesize	1,505	1,505	42,665	96,717	-56%
Panamax	20,816	20,390	37,260	48,259	-23%
Handymax	18,015	16,599	31,510	41,274	-24%
Handysize	2,890	2,840	26,265	28,605	-8%
Total	43,226	41,334			
First - third quarter 2008 vs. first - third quarter 2007					
Capesize	2%	2%	37%	41%	
Panamax	32%	22%	64%	29%	
Handymax	5%	5%	49%	26%	
Handysize	73%	59%	36%	27%	
Total	22%	17%			

* Source: Baltic Exchange.





Tankers

Market trends

In the third quarter, the product tanker market was characterised by high rate levels and moderate volatility. The market declined slightly at the end of the quarter, and the Baltic Clean Tanker Index thus decreased by 21% during the quarter. But compared to the same period last year, the BCTI was 61% higher on average in the third quarter, which is usually not a strong quarter, but the product tanker markets are increasingly deviating from the normal seasonal variation.

The consequences of this year's "hurricane season" had a positive effect on the Transatlantic trade in oil products. Especially the hurricane "Ike" contributed to a very low rate of utilisation in the North American refineries which led to increased import of fuel for transport and increased drain on the petrol stocks. The American petrol stocks reached the lowest levels in more than 40 years.

Furthermore, there were several transports over longer distances at the end of the quarter, primarily transports from Asia to Europe and North America of e.g. airplane fuel.

The tonnage supply in NORDEN's three product tanker segments grew by 3% during the quarter (source: SSY). Despite the increased supply, the strong demand contributed to maintaining very good rate levels in the product tanker market during the third quarter of 2008.

Financial highlights

In the third quarter, the Tanker Department's EBITDA was USD 25 million (USD 9 million), equalling an EBITDA margin of 35% against 21% in the same period last year. The high margin and earnings are results of a larger business volume with more ship days employed at higher rates. The result for the period is the best result ever in the Tanker Department.

In the third quarter, NORDEN delivered a sold MR product tanker with a booked profit of USD 25 million. The total operating profit (EBIT) was thus USD 50 million (USD 7 million).

Fleet capacity measured by the number of ship days rose by 33% over the year-earlier period. The improvement was seen in the Handysize product tanker segment, whereas the business volume in the MR segment decreased slightly.

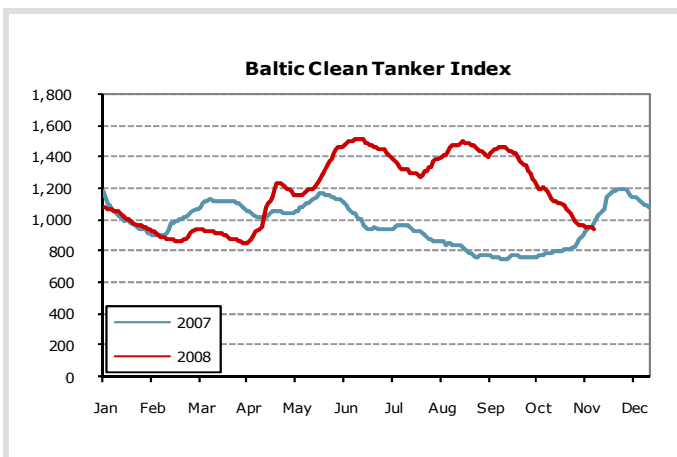
The realised T/C equivalents in the Handysize and MR product tanker segments were 23% and 32%, respectively, above the level in the third quarter of 2007, and NORDEN's earnings in the two segments were 18% and 24%, respectively, higher than the average 12-month T/C rates in the market.

In the first three quarters, the Tanker Department reached an EBITDA of USD 52 million (USD 46 million). Including the profit from the sale of a vessel of USD 25 million (USD 77 million), the operating profit (EBIT) was USD 75 million (USD 119 million). After a very weak first quarter, the product tanker market improved over the summer, which resulted in a surprisingly strong second and third quarter with high earnings. Focus on long-term chartering of product tanker tonnage provides the Tanker Department with a stable core fleet which has a competitive cost base, and the joint fleet in the Norient Product Pool provides critical mass and is a wide and flexible option for the customers.

Business development

In the third quarter, NORDEN entered into an agreement on long-term chartering of a MR product tanker without purchase option for delivery in 2009.

The Company has decided to temporarily discontinue the operator activity within the Aframax crude oil tanker segment in



	Number of ship days, NORDEN		T/C equivalent (USD per day)		NORDEN T/C vs. 12-month market*
	Total number of ship days	Of which, employed in the spot market	NORDEN	12-month T/C avg.	
Third quarter 2008					
Aframax	111	111	54,756	39,885	37%
Product tanker - LR1	92	92	49,642	33,346	49%
Product tanker - MR	594	368	29,908	24,077	24%
Product tanker - Handysize	1,603	991	26,817	22,712	18%
Total	2,400	1,562			
Third quarter 2007					
Aframax	273	273	23,320	31,885	-27%
Product tanker - LR1	-	-	-	-	-
Product tanker - MR	619	353	22,717	24,952	-9%
Product tanker - Handysize	918	523	21,841	23,317	-6%
Total	1,810	1,149			
Third quarter 2008 vs. third quarter 2007					
Aframax	-59%	-59%	135%	25%	
Product tanker - LR1	-	-	-	-	
Product tanker - MR	-4%	4%	32%	-4%	
Product tanker - Handysize	75%	89%	23%	-3%	
Total	33%	36%			

* Source: ACM Shipbroker Ltd.

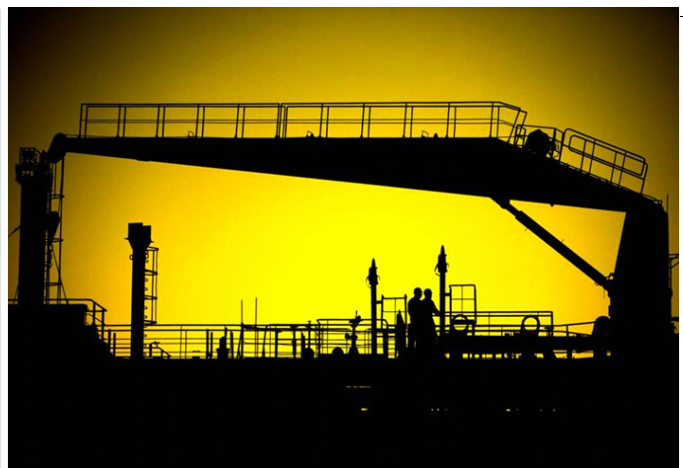


order to focus completely on the activities in the product tanker segments.

At the beginning of November, the coverage for 2008 was 66%, while coverage for 2009 was 34%.

	Number of ship days, NORDEN		T/C equivalent (USD per day)		NORDEN T/C vs. 12-month T/C
	Total number of ship days	Of which, employed in the spot market	NORDEN	12-month T/C avg. market*	
First - third quarter 2008					
Aframax	409	409	41,448	34,615	20%
Product tanker - LR1	231	231	36,400	29,090	25%
Product tanker - MR	1,752	1,121	26,087	23,417	11%
Product tanker - Handysize	4,428	2,834	24,844	21,299	17%
Total	6,820	4,595			
First - third quarter 2007					
Aframax	766	728	31,341	31,885	-2%
Product tanker - LR1	-	-	-	-	-
Product tanker - MR	1,642	1,002	26,809	24,952	7%
Product tanker - Handysize	2,557	1,560	25,537	23,317	10%
Total	4,965	3,290			
First - third quarter 2008 vs. first - third quarter 2007					
Aframax	-47%	-44%	32%	9%	
Product tanker - LR1	-	-	-	-	
Product tanker - MR	7%	12%	-3%	-6%	
Product tanker - Handysize	73%	82%	-3%	-9%	
Total	37%	40%			

* Source: ACM Shipbroker Ltd.



Expectations

Expectations for 2008

The Group

NORDEN adjusts the total expectations for the annual profit for 2008 to be in the range of USD 740-800 million, against earlier announced USD 800-880 million. The adjustment is essentially due to the dropping oil prices, which trigger large negative fair value adjustments of certain hedging instruments (IAS 39).

Since the expectations for 2008 were adjusted on 1 October, the operating profit in tankers has developed as expected, whereas it has developed somewhat weaker than expected in dry cargo, resulting in an expected EBITDA in dry cargo in the bottom half of the announced range. The top half of the expected EBITDA level is therefore reduced. The operating profit in dry cargo is affected by the continued drop in rates throughout October, loss on one counterparty and postponement of a number of profitable cargoes to 2009. This is, however, somewhat counterbalanced by the facts that the Company continues to make money on new activity and that administrative savings have been made.

However, the continued drop in the oil price has affected the expected IAS 39 adjustment for the whole year by USD -55 million so that NORDEN now expects IAS 39 value adjustments of USD -65 million for the whole year, against USD -10 million announced on 1 October and USD 30 million announced on 20 August.

NORDEN has decided to base the estimate for the whole year on the bunker prices of 14 November. A change in bunker prices from this of USD 10 per ton will lead to a change in the IAS 39 adjustment of USD 3.5 million.

Realised profits from the sale of vessels of a total of USD 283 million are included in the expected annual profit.

Expectations for 2008

USD million	Dry cargo	Tankers	Total
EBITDA	500-530	60-70	540-620
Realised profits from the sale of vessels	247	36	283
EBIT	720-750	90-100	790-830
Fair value adjustment of certain hedging instruments	-65	0	-65
Profit after tax			740-800

The adjustment of the expected annual profit is also due to a financial adjustment of USD -20 million in the reserves of DKK, which NORDEN maintains to bear administrative expenses. The exchange loss is unrealised. In the estimate for the whole year, NORDEN assumes that the USD/DKK rate at year-end will be 6.0. For every change in the USD/DKK rate of DKK 0.25, the annual profit will be affected by USD 5 million.

The cash flow effect from gross investments in 2008, defined as known prepayments on newbuildings and payments in connection with the declaration of purchase options, is expected to be USD 610 million.

Dry cargo

As a result of two vessel sales, see company announcement no. 38/2008 of 12 November, the Dry Cargo Department now expects an EBIT in the range of USD 720-750 million, including profits from the sale of vessels of USD 247 million.

Tankers

The Tanker Department still expects an EBIT in the range of USD 90-100 million, including profits from the sale of vessels of USD 36 million.

Forward-looking statement

The report includes forward-looking statements reflecting the management's current perception of future trends and financial performance. The statements for 2008 and the years to come naturally carry some uncertainty, and NORDEN's actual results may therefore differ from the expectations. Factors that may cause the results achieved to differ from the expectations are, among other things, but not exclusively so, changes in the macro-economic 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. The interim report is not intended to be a solicitation to purchase or trade in shares in Dampskibsselskabet NORDEN A/S.

The report is published in the Danish and the English languages. In the event of any discrepancies, the Danish version shall be governing.

Capacity and coverage, at 1 November 2008

Dry cargo

	Ship days				NORDEN's avg. T/C equivalents (USD per day)			
	2008	2009	2010	2011+	2008	2009	2010	2011+
Gross capacity					Costs for gross capacity*			
Capesize	366	1,931	1,825	10,784	31,263	21,245	16,340	16,519
Post-Panamax	0	31	1,033	47,146	0	18,250	19,845	19,976
Panamax	4,112	9,924	5,804	40,362	37,828	30,432	14,236	13,890
Handymax	3,492	11,419	13,551	124,507	22,790	16,202	13,843	11,860
Handysize	1,108	6,265	8,425	147,853	18,297	16,575	15,272	11,539
Total	9,078	29,569	30,638	370,652	29,395	21,388	14,662	13,121
Coverage					Revenue from coverage			
Capesize	-366	-1,831	-1,340	-2,260	61,657	54,754	50,927	59,707
Post-Panamax	0	0	0	0	0	0	0	0
Panamax	-4,061	-10,654	-3,695	-10,004	46,280	45,832	33,177	26,451
Handymax	-3,410	-10,437	-3,791	-2,212	30,683	27,747	33,986	36,661
Handysize	-752	-664	-30	0	19,937	30,394	25,013	0
Total	-8,589	-23,586	-8,856	-14,477	38,435	38,087	36,182	33,204

Net capacity

Capesize	0	99	485	8,524
Post-Panamax	0	31	1,033	47,146
Panamax	51	-730	2,109	30,358
Handymax	82	982	9,760	122,295
Handysize	356	5,601	8,395	147,853
Total	489	5,983	21,782	356,175

Coverage in %

Capesize	100%	95%	73%	21%
Post-Panamax	0%	0%	0%	0%
Panamax	99%	107%	64%	25%
Handymax	98%	91%	28%	2%
Handysize	68%	11%	0%	0%
Total	95%	80%	29%	4%

*Costs for owned vessels are stated as calculated T/C equivalent.

Tankers

	Ship days				NORDEN's avg. T/C equivalents (USD per day)			
	2008	2009	2010	2011+	2008	2009	2010	2011+
Gross capacity					Costs for gross capacity*			
Aframax	0	0	0	0	0	0	0	0
LR1	122	972	365	44	30,225	30,791	27,950	27,950
MR	305	2,220	3,548	39,633	16,648	16,504	16,087	16,479
Handysize	1,068	6,265	5,872	50,084	15,855	15,683	15,110	11,774
Total	1,494	9,457	9,785	89,761	17,190	17,428	15,943	13,859
Coverage					Revenue from coverage			
Aframax	0	0	0	0	0	0	0	0
LR1	-27	0	0	0	29,275	0	0	0
MR	-243	-732	-356	-169	25,943	21,888	21,213	21,200
Handysize	-722	-2,443	-1,038	-291	20,835	20,144	20,500	21,584
Total	-992	-3,174	-1,394	-459	22,317	20,546	20,682	21,443

Net capacity

Aframax	0	0	0	0
LR1	95	972	365	44
MR	61	1,488	3,192	39,464
Handysize	345	3,822	4,833	49,793
Total	502	6,282	8,391	89,301

Coverage in %

Aframax	0%	0%	0%	0%
LR1	22%	0%	0%	0%
MR	80%	33%	10%	0%
Handysize	68%	39%	18%	1%
Total	66%	34%	14%	1%

*Costs for owned vessels are stated as calculated T/C equivalent.



INTERIM REPORT THE THIRD QUARTER 2008 - THE GROUP

Statement

The Board of Directors and the Board of Management today reviewed and approved the interim report for the third quarter of 2008 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 requirements. In line with previous policies, the interim report is not audited or auditor-reviewed.

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 risk and uncertainty factors have occurred relative to what was disclosed in the annual report.

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

Copenhagen, 19 November 2008

Board of Management

Carsten Mortensen
President & CEO

Board of Directors

Mogens Hugo
Chairman

Alison J. F. Riegels
Vice Chairman

Einar K. Fredvik

Erling Højsgaard

Karsten Knudsen

Dag Rasmussen

Lars Enkegaard Biilmann

Benn Pyrmont Johansen

Bent Torry Sørensen



Income statement

USD '000	2008	2007	2008	2007
	1/1-30/9	1/1-30/9	1/7-30/9	1/7-30/9
Freight income (revenue)	3,490,182	1,883,077	1,262,062	779,316
Costs	-2,990,723	-1,552,596	-1,065,415	-641,858
Profit before depreciation, etc. (EBITDA)	499,459	330,481	196,647	137,458
Profit from sale of vessels, etc.	259,300	136,183	82,190	20,834
Depreciation	-19,750	-14,545	-6,961	-4,501
Share of results of joint ventures	2,940	-53	1,462	-632
Profit from operations (EBIT)	741,949	452,066	273,338	153,159
Fair value adjustment of certain hedging instruments ^{note 2)}	-40,789	31,455	-143,947	39,280
Net financials	27,372	14,861	-5,612	6,357
Profit before tax	728,532	498,382	123,779	198,796
Tax on the profit for the period	-10,661	-17,562	-3,716	-3,146
Profit for the period	717,871	480,820	120,063	195,650
Attributable to:				
Shareholders of NORDEN	717,873	480,727	120,064	195,618
Minority interests	-2	93	-1	32
Total	717,871	480,820	120,063	195,650
Earnings per share (EPS), USD	16.94	11.34	2.80	4.62
Diluted earnings per share, USD	17.11	11.19	2.83	4.55



Income statement per quarter

USD '000	2008	2008	2008	2007	2007
	Third quarter	Second quarter	First quarter	Fourth quarter	Third quarter
Freight income (revenue)	1,262,062	1,168,800	1,059,320	1,050,063	779,316
Costs	-1,065,415	-987,051	-938,257	-843,052	-641,858
Profit before depreciation, etc. (EBITDA)	196,647	181,749	121,063	207,011	137,458
Profit from sale of vessels, etc.	82,190	121,984	55,126	26,949	20,834
Depreciation	-6,961	-6,332	-6,457	-5,022	-4,501
Share of results of joint ventures	1,462	1,236	242	1,664	-632
Profit from operations (EBIT)	273,338	298,637	169,974	230,602	153,159
Fair value adjustment of certain hedging instruments ^{note 2)}	-143,947	102,234	924	-11,571	39,280
Net financials	-5,612	307	32,677	7,884	6,357
Profit before tax	123,779	401,178	203,575	226,915	198,796
Tax on the profit for the period	-3,716	-3,541	-3,404	-4,395	-3,146
Profit for the period	120,063	397,637	200,171	222,520	195,650
Attributable to:					
Shareholders of NORDEN	120,064	397,638	200,171	222,501	195,618
Minority interests	-1	-1	0	19	32
Total	120,063	397,637	200,171	222,520	195,650
Earnings per share (EPS), USD	2.80	9.38	4.72	5.25	4.62
Diluted earnings per share, USD	2.83	9.32	4.69	5.18	4.55



Balance sheet

USD '000	2008	2007	2007
	30/9	30/9	31/12
ASSETS			
Land and buildings ^{note 3)}	46,825	4,580	5,571
Vessels ^{note 4)}	438,113	262,580	277,814
Financially leased vessels	0	26,808	0
Fixtures, fittings and equipment	7,816	3,445	4,436
Prepayments on vessels and newbuildings ^{note 5)}	386,038	268,697	281,318
Investments in joint ventures	26,654	19,091	20,755
Other receivables	0	3,981	0
Non-current assets	905,446	589,182	589,894
Inventories	41,016	22,391	44,988
Receivables	341,308	145,570	267,010
Receivables from joint ventures	0	8,885	9,008
Securities ^{note 6)}	25,005	2,742	3,172
Cash and cash equivalents	626,875	527,204	619,388
	1,034,204	706,792	943,566
Tangible assets held for sale ^{note 7)}	30,673	16,885	75,983
Current assets	1,064,877	723,677	1,019,549
Total assets	1,970,323	1,312,859	1,609,443
EQUITY AND LIABILITIES			
Share capital	7,087	7,087	7,087
Reserves	667	2,258	3,659
Retained earnings	1,689,033	1,076,409	1,300,380
Equity (NORDEN's shareholders)	1,696,787	1,085,754	1,311,126
Minority interests	72	2,484	74
Equity	1,696,859	1,088,238	1,311,200
Bank debt	63,610	68,796	68,796
Leasing liabilities	0	23,095	0
Prepayments received on vessels for resale	28,100	28,681	16,600
Non-current liabilities	91,710	120,572	85,396
Current portion of non-current debt	5,187	5,962	5,187
Trade payables	83,350	41,114	84,510
Liabilities with joint ventures	33,884	0	0
Other payables and deferred income	34,362	56,973	76,191
	156,783	104,049	165,888
Liabilities relating to tangible assets held for sale	24,971	0	46,959
Current liabilities	181,754	104,049	212,847
Liabilities	273,464	224,621	298,243
Total equity and liabilities	1,970,323	1,312,859	1,609,443



Cash flow statement

USD '000	2008	2007	2008	2007
	1/7-30/9	1/7-30/9	1/1-30/9	1/1-30/9
Profit for the period	120,063	195,650	717,871	480,820
Reversal of items with no effect on available funds	75,336	-54,725	-190,249	-143,878
Cash flows before change in working capital	195,399	140,925	527,622	336,942
Change in working capital	-108,835	27,659	-117,655	6,450
Cash flows from operating activities	86,564	168,584	409,967	343,392
Investments in vessels, etc.	-105,570	-4,624	-267,563	-70,544
Investments in joint ventures	0	0	-2,962	-1,612
Additions in prepayments on newbuildings	-38,345	-55,681	-236,678	-184,707
Additions in prepayments received on sold vessels	-2,741	0	-10,488	0
Hereof held in restricted accounts	0	0	-11,500	0
Acquisition of securities	0	-4	-23,564	-4
Sale of securities	0	0	222	0
Proceeds from the sale of vessels, etc.	176,377	52,738	479,490	273,151
Cash flows from investing activities	29,721	-7,571	-73,043	16,284
Dividend paid to shareholders	0	0	-310,531	-38,880
Distribution to minority shareholders	0	0	0	0
Acquisition of treasury shares	0	0	-37,997	-69,335
Sale of treasury shares	0	0	14,337	0
Instalments on bank loans and vessel loans	-5,731	-21,380	-9,962	-40,042
Cash flows from financing activities	-5,731	-21,380	-344,153	-148,257
Change in cash and cash equivalents for the period	110,554	139,633	-7,229	211,419
Cash and cash equivalents at period-begin	490,899	387,845	602,788	314,943
Exchange rate adjustments	-2,678	-274	3,216	842
Change in cash and cash equivalents for the period	110,554	139,633	-7,229	211,419
Cash and cash equivalents at period-end	598,775	527,204	598,775	527,204

**Statement of changes in equity**

USD '000	Share capital	Reserves	Retained earnings	Equity (NORDEN's shareholders)	Minority interests	The Group's equity
Equity at 1 January 2007	7,321	1,501	702,325	711,147	2,391	713,538
Value adjustment of hedging instruments	0	757	0	757	0	757
Net gains recognised directly in Equity	0	757	0	757	0	757
Profit for the period	0	0	480,727	480,727	93	480,820
Total recognised income for the period	0	757	480,727	481,484	93	481,577
Acquisition of treasury shares	0	0	-69,335	-69,335	0	-69,335
Capital reduction	-234	0	234	0	0	0
Distributed dividends	0	0	-42,218	-42,218	0	-42,218
Dividends, treasury shares	0	0	3,338	3,338	0	3,338
Share-based payments	0	0	1,338	1,338	0	1,338
Changes in equity	-234	757	374,084	374,607	93	374,700
Equity at 30 September 2007	7,087	2,258	1,076,409	1,085,754	2,484	1,088,238
Equity at 1 January 2008	7,087	3,659	1,300,380	1,311,126	74	1,311,200
Value adjustment of hedging instruments	0	-1,277	0	-1,277	0	-1,277
Fair value adjustment of securities	0	-1,715	0	-1,715	0	-1,715
Net gains recognised directly in equity	0	-2,992	0	-2,992	0	-2,992
Profit for the period	0	0	717,873	717,873	-2	717,871
Total recognised income for the period	0	-2,992	717,873	714,881	-2	714,879
Acquisition of treasury shares	0	0	-37,997	-37,997	0	-37,997
Sale of treasury shares	0	0	14,337	14,337	0	14,337
Distributed dividends	0	0	-325,647	-325,647	0	-325,647
Dividends, treasury shares	0	0	15,116	15,116	0	15,116
Share-based payments	0	0	4,971	4,971	0	4,971
Changes in equity	0	-2,992	388,653	385,661	-2	385,659
Equity at 30 September 2008	7,087	667	1,689,033	1,696,787	72	1,696,859

**Statement of changes in equity (continued)**

USD '000	Share capital	Reserves	Retained earnings	Equity (NORDEN's shareholders)	Minority interests	The Group's equity
Equity at 1 January 2007	7,321	1,501	702,325	711,147	2,391	713,538
Value adjustment of hedging instruments	0	1,729	0	1,729	0	1,729
Fair value adjustment of securities	0	429	0	429	0	429
Net gains recognised directly in equity	0	2,158	0	2,158	0	2,158
Profit for the period	0	0	703,228	703,228	112	703,340
Total recognised income for the period	0	2,158	703,228	705,386	112	705,498
Acquisition of treasury shares	0	0	-69,335	-69,335	0	-69,335
Capital reduction	-234	0	234	0	0	0
Distributed dividends	0	0	-42,218	-42,218	0	-42,218
Dividends, treasury shares	0	0	3,338	3,338	0	3,338
Distribution to minority shareholders	0	0	0	0	-2,429	-2,429
Share-based payment	0	0	2,808	2,808	0	2,808
Changes in equity	-234	2,158	598,055	599,979	-2,317	597,662
Equity at 31 December 2007	7,087	3,659	1,300,380	1,311,126	74	1,311,200



Notes to the financial statements

1. 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 accounting policies are consistent with those applied to the annual report for 2007, prepared in accordance with the International Financial Reporting Standards (IFRS). For a full description of accounting policies, see pages 58-64 of the annual report for 2007.

New IAS/IFRSs

Effective on 1 January 2008, NORDEN has adopted IFRIC 11 "Group and treasury share transactions". The change has no effect on the profit for the period or on equity.

New financial reporting standards

The IASB has approved the following new financial reporting standards and interpretations, taking effect for financial years beginning on or after 1 January 2008 and which are deemed to be relevant to NORDEN:

IFRS 8 on segment information and related changes to IAS 34 (taking effect on 1 January 2009) under which segment information should be based on internal management reporting. Furthermore, the IASB has adopted amendments to IAS 1 on the presentation of statements of changes in equity, etc. in the annual report and changes to IAS 23 to the effect that borrowing costs are to be included in the cost of certain tangible assets. The changes to IAS 1 and IAS 23 are yet to be adopted by the EU. IFRS 8 will be examined in detail to determine which disclosures are required.

Crucial choices and judgment in the accounting policies and critical accounting estimates

Management's choices and judgment in the accounting policies in respect of vessel leases and the recognition of pool income are critical. Management's accounting estimates of useful lives and residual values of tangible assets are also critical. For a description of these, see pages 58-59 of the annual report for 2007.



2. Fair value adjustment of certain hedging instruments

USD '000	2008	2007	2008	2007
	1/1-30/9	1/1-30/9	1/7-30/9	1/7-30/9
Bunker hedging:				
Fair value adjustment for:				
2007	0	12,599	0	3,352
2008	23,700	3,716	-15,817	2,381
2009	4,017	684	-25,732	479
2010	5,756	26	-7,541	26
2011	926	-7	-2,035	-7
2012	135	0	-927	0
	34,534	17,018	-52,052	6,231
Realised fair value adjustment reclassified to "Vessel operating costs"*	-36,216	-7,646	-24,720	-4,541
Total	-1,682	9,372	-76,772	1,690
Forward Freight Agreements:				
Fair value adjustment for:				
2007	0	-2,547	0	18,484
2008	-39,817	6,428	-46,147	6,428
2009	373	0	-733	0
	-39,444	3,881	-46,880	24,912
Realised fair value adjustment reclassified to "Revenue"*	337	18,202	-20,295	12,678
Total	-39,107	22,083	-67,175	37,590
Total	-40,789	31,455	-143,947	39,280

*As the hedging instruments are realised, the accumulated fair value adjustments are reclassified to profit from operations in the same item as the hedged transaction. For further information, see the section "Accounting policies" in the annual report for 2007.

3. Land and buildings

The increase in land and buildings is due to the purchase of the Company's new domicile on 52, Strandvejen, also see note 8.



4. Vessels

USD '000	2008	2007	2007
	30/9	30/9	31/12
Cost at 1 January	305,991	369,771	369,771
Transferred during the period from prepayments on vessels and newbuildings	130,110	31,046	33,010
Transferred during the period to tangible assets held for sale	-30,059	-96,489	-96,489
Additions for the period	77,485	33,992	51,992
Disposals for the period	-38	-53,293	-52,293
Cost	483,489	285,027	305,991
Depreciation at 1 January	-28,177	-40,605	-40,605
Depreciation for the period	-18,170	-13,402	-18,030
Reversed depreciation on vessels disposed of	0	9,627	8,525
Reversed depreciation on tangible assets held for sale	971	21,933	21,933
Depreciation	-45,376	-22,447	-28,177
Carrying amount	438,113	262,580	277,814

For the development of the fleet and added value, see the interim review.

5. Prepayments on vessels and newbuildings

USD '000	2008	2007	2007
	30/9	30/9	31/12
Cost at 1 January	281,318	97,117	97,117
Additions for the period	236,678	215,753	233,723
Disposals for the period	0	0	-3,385
Transferred during the period to vessels	-130,110	-31,046	-33,010
Transferred during the period to tangible assets held for sale	-1,848	-13,127	-13,127
Carrying amount	386,038	268,697	281,318

6. Securities

In the second quarter, the Company has invested in low risk bonds (Moody's: AA) as a part of the placement of surplus cash.

No further investments in securities have been carried out in the third quarter.

7. Tangible assets held for sale

USD '000	2008	2007	2007
	30/9	30/9	31/12
Carrying amount at 1 January	75,983	18,014	18,014
Additions for the period from prepayments on vessels and newbuildings	1,848	13,127	13,127
Additions for the period to tangible assets held for sale	139,758	3,780	62,403
Additions for the period from vessels*	29,088	74,556	101,364
Additions for the period from land and buildings	3,866	0	0
Disposals for the period	-219,870	-92,592	-118,925
Carrying amount	30,673	16,885	75,983

*At the end of 2007, the item "Additions for the period from vessels" includes USD 26,808 regarding vessels held on financial leases.



8. Related party transactions

As at 1 October, the Company sold its former headquarters at 49, Amaliegade in Copenhagen. After collecting bids from several interested parties, the property was sold to D/S Orients Fond, which was the highest bidder. As dual roles are filled by the same persons in the Board of Directors of D/S Orients Fond and in NORDEN's management, these persons have not been involved in the sales process, assessment of incoming bids or decisions concerning the sale. The profit from the sale amounts to USD 7 million before tax, which will be included in the financial statement for the whole of 2008.

A cost of USD 1.8 million has been included in the income statement for the second quarter of 2008. It concerns the full pay and severance pay in connection with the resignation of the CFO in the period.

In addition, no significant changes have occurred in closely related parties or types and scale of transactions with these parties other than disclosed in the annual report of 2007.

9. Contingent liabilities

No significant changes have occurred to contingent assets and liabilities since the end of 2007.

10. Significant events after the balance sheet 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 balance sheet.