

1 APRIL – 30 JUNE 2014

Company Announcement no. 19/2014

29 August 2014

Volume growth of 7% in the second quarter of 2014. Full-year outlook maintained.

USD million	Q2 2014	Q2 2013	H1 2014	H1 2013	2013
INCOME STATEMENT					
Volumes (million tonnes)	7.2	6.7	14.9	13.5	29.2
Gross profit	49.2	36.1	105.9	94.5	218.8
Gross profit per tonne (USD/tonne)	6.8	5.4	7.1	7.0	7.5
Profit before tax (EBT) before special items	17.8	6.6	42.8	29.9	86.5
EBT before special items conversion ratio	36%	18%	40%	32%	40%
EBT before special items per tonne (USD/tonne)	2.5	1.0	2.9	2.2	3.0
Profit for the period before special items and tax effect hereof	14.1	5.7	33.4	23.4	68.4

CEO Jim Pedersen commented:

“The second quarter results are satisfying. With a volume growth of 7%, we are gaining market share in a difficult market. Our new operations are performing according to plans, and we maintain our full-year guidance.”

Second quarter 2014 highlights

- Marine fuel transaction volume rose 7% to 7.2 million tonnes (Q2 2013: 6.7 million tonnes), mainly due to growth in Asia and Americas. H1 2014 volume was 14.9 million tonnes, up 11% from H1 2013. Volume growth in the second quarter was slightly below expectations.
- Gross profit rose 37% to USD 49.2 million (Q2 2013: USD 36.1 million). Q2 2014 gross profit was not impacted by unrealised gain or losses on fair value adjustments of risk management derivatives linked to inventory and underlying marine fuel transactions. H1 2014 gross profit was USD 105.9 million, up 12% from H1 2013.
- Gross profit per tonne rose to 6.8 USD (Q2 2013: USD 5.4 per tonne). H1 2014 gross profit per tonne was USD 7.1 against 7.0 in H1 2013. Including interest income from trade credit, gross profit per tonne was USD 7.5 in Q2 2014 and 7.7 in H1 2014.
- Profit before tax (EBT) before special items almost tripled to USD 17.8 million (Q2 2013: USD 6.6 million). H1 2014 EBT before special items was USD 42.8 million, up 43% from H1 2013.
- Q2 2014 special items comprise one-off costs of approx. USD 1 million related to the listing of OW Bunker on NASDAQ OMX Copenhagen in March 2014, bringing total IPO-related one-off cost to USD 11.1 in H1 2014. No further IPO-related one-off costs are expected.
- EBT before special items conversion ratio increased to 36% (Q2 2013: 18%). H1 2014 EBT before special items conversion rate rose to 40% from 32% in H1 2013, reflecting lower external costs.
- Profit for the period before special items and tax effect hereof was USD 14.1 million (Q2 2013: USD 5.7 million). H1 2014 profit for the period before special items and tax effect hereof rose 43% to USD 33.4 million.
- Return on equity before special items and tax effect hereof was 23% (Q1 2013: 10%). H1 2014 return on equity before special items and tax effect hereof was 28%, up from 20% in H1 2013.
- 2014 full-year outlook maintained as previously announced in conjunction with the IPO.

Conference call

OW Bunker hosts a conference call at 10.00 am CET. Presentation material will be available on www.owbunker.com approx. one hour before the call. Please use the following numbers +45 3272 8018 (Denmark), +44 (0) 1452 555131 (UK/international) and +1 866 682 8490 (US – free dial-in).

Contact for further information

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About OW Bunker A/S

OW Bunker is a leading global independent marine fuel (bunker) company founded in Denmark in 1980 with operations in 29 countries, including the world's busiest and most important ports. OW Bunker acts as a physical distributor as well as reseller of marine fuel, and operates a global fleet of approx. 30 bunker vessels. OW Bunker also provides advanced risk management solutions aimed at controlling costs, minimising risk and protecting against market fluctuations. Headquartered in Nørresundby, Denmark, OW Bunker is listed on the NASDAQ OMX Copenhagen and has over 600 employees globally.

CONSOLIDATED FINANCIAL HIGHLIGHTS AND KEY RATIOS

USD million	Q2 2014	Q2 2013	H1 2014	H1 2013	2013
INCOME STATEMENT					
Revenue	4,176.8	3,908.9	8,643.4	8,071.8	16,986.8
Gross profit	49.2	36.1	105.9	94.5	218.8
Special items	-1.0	1.8	-11.1	0.1	-3.0
Profit before tax (EBT)	16.9	8.4	31.8	29.9	83.5
Profit before tax (EBT) before special items	17.8	6.6	42.8	29.9	86.5
Profit for the period before special items and tax effect hereof	14.1	5.7	33.4	23.4	68.4
Profit for the period	13.2	7.5	23.3	23.5	63.4
BALANCE SHEET					
Total non-current assets	144.9	146.2	144.9	146.2	147.1
Total current assets	1,676.0	1,482.8	1,676.0	1,482.8	1,617.5
Total assets	1,820.9	1,628.9	1,820.9	1,628.9	1,764.6
Total equity	262.7	243.5	262.7	243.5	222.8
Total non-current liabilities	31.1	55.5	31.1	55.5	37.6
Total current liabilities	1,527.1	1,330.0	1,527.1	1,330.0	1,504.2
Net working capital, including bank credit facility for working capital purposes	141.8	77.9	141.8	77.9	122.1
Net interest bearing debt	571.8	424.1	571.8	424.1	503.7
Fixed assets acquired in the year	2.1	8.7	3.4	28.4	37.1
CASH FLOW					
Cash flow from operating activities	-118.6	-21.1	-81.6	19.0	-14.8
Cash flow from investing activities	-2.1	-8.5	-3.4	-28.2	-35.9
Cash flow from financing activities	0.8	-4.1	-5.6	-15.8	-35.9
Change in cash and cash equivalents	-119.9	-33.8	-90.6	-25.0	-86.7
FINANCIAL RATIOS					
Gross profit per tonne (USD)	6.8	5.4	7.1	7.0	7.5
Staff costs per tonne (USD)	2.7	2.4	2.5	2.5	2.5
Other external costs per tonne (USD)	1.2	1.3	1.3	1.6	1.2
EBT before special items per tonne (USD)	2.5	1.0	2.9	2.2	3.0
EBT before special items conversion ratio	36%	18%	40%	32%	40%
Equity ratio	14%	15%	14%	15%	13%
Return on equity (ROE) (*)	23%	10%	28%	20%	31%
OTHER KEY FIGURES					
Volume (million tonnes)	7.2	6.7	14.9	13.5	29.2
Growth in volume	7%	19%	11%	24%	32%
Number of employees, average	623	582	618	595	594
Number of employees, end of period	625	595	625	595	622
Share price end of period, DKK per share	178.5	n.a.	178.5	n.a.	n.a.

For a definition of financial ratios refer to page 79 of the 2013 Annual Report. (*) Return on equity adjusted for special items and tax-effect hereof.

SELECTED CONSOLIDATED FINANCIAL HIGHLIGHTS AND KEY RATIOS IN DKK

Selected financial highlights are translated into DKK as additional information - the translation is based on the average exchange rate for the income statement and the exchange rate at the balance sheet date for balance sheet items.

DKK million	Q2 2014	Q2 2013	H1 2014	H1 2013	2013
INCOME STATEMENT					
Revenue	22,718.9	22,184.5	47,138.1	45,595.2	95,408.6
Gross profit	267.6	196.4	575.9	514.1	1,228.8
Profit before tax (EBT)	91.9	45.8	172.7	162.8	468.8
Profit before tax (EBT) before special items	97.0	36.0	233.0	162.5	485.7
Profit for the period before special items and tax effect hereof	76.9	31.0	181.7	127.3	384.1
Profit for the period	71.7	40.8	126.6	127.6	355.9
BALANCE SHEET					
Total equity			1,434.0	1,388.3	1,206.0
Net interest bearing debt			3,121.3	2,418.1	2,726.4

OPERATING AND FINANCIAL REVIEW, Q2 2014

Volume

Volumes were 7.2 million tonnes in Q2 2014, an increase of 7% compared to Q2 2013, mainly due to growth in Asia and Americas. H1 2014 volumes rose 11% to 14.9 million tonnes against 13.5 million tonnes in H1 2013. Volume growth in the second quarter was slightly below expectations.

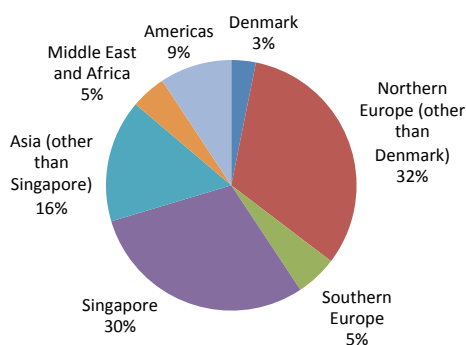
After a strong start of the physical operations in Singapore in the second half of 2013, competition has intensified. In the first half of 2014, volumes in the Singapore market were marginally down from first half 2013 and down 4.4% from the second half of 2013, according to official statistics. A reorganization of OW Bunker's Asian business into three regional centres to optimize focus on the individual markets in the region was announced in May.

In the European bunker hub ARA (Amsterdam, Rotterdam, Antwerp) the market was under pressure in terms of both volume and margins due to lower market activity in general and changed market dynamics.

The focus on expanding OW Bunker's presence in North America contributed to a solid performance in Americas.

The launch of new operations in Australia, Colombia and Los Angeles only contributed marginally in the quarter, in line with expectations.

BREAKDOWN OF REVENUE (H1 2014)



Revenue is classified geographically in respect of the place where goods were delivered.

Income statement

Gross profit

Gross profit was USD 49.2 million in Q2 2014, an increase of 36% from Q2 2013, which was negatively affected by unrealised losses on derivatives used for risk management and losses on the operation in Panama.

Q2 2014 gross profit was unaffected by unrealised gains or losses on fair value adjustments of risk management

derivatives linked to inventory and underlying marine fuel transactions.

H1 2014 gross profit was USD 105.9 million, up 12% from H1 2013.

Gross profit per tonne

The gross profit per tonne was USD 6.8 in Q2 2014, up from USD 5.4 per tonne in Q2 2013. H1 2014 gross profit per tonne was USD 7.1 against 7.0 in H1 2013.

Including interest income from trade credit (see more under net financial costs), gross profit per tonne was USD 7.5 in Q2 2014 and 7.7 in H1 2014.

Other external costs

Other external costs were USD 8.7 million, almost unchanged from Q2 2013. Other external costs per tonne fell to USD 1.2 from USD 1.3 in Q2 2013.

Staff costs

Q2 2014 staff costs increased 19% to USD 19.5 million from Q2 2013. The increase was primarily attributable to a planned increase in the number of employees, bonuses and salary increases in general.

Staff costs per tonne rose to USD 2.7 from USD 2.4 in Q2 2013.

Depreciation, amortisation and impairment

Depreciation, amortisation and impairment costs were USD 2.1 million in Q2 2014, USD 0.2 million (12%) higher than in Q2 2013. The increase was driven by investments during 2013.

Special items

Q2 2014 special items amounted to a loss of USD 1.0 million against an income of USD 1.8 million in Q2 2013. Special items for Q2 2014 were directly linked to the listing of the company on NASDAQ OMX bringing total IPO-related one-off cost to USD 11.1 million in H1 2014. No further IPO-related one-off costs are expected.

Net financials

Q2 2014 net financials ended at USD -1.0 million compared with USD -2.6 million in Q2 2013. The improvement in net financials is mainly due to an increase in interest income from customers using trade credit facilities.

Profit before tax (EBT)

Profit before tax (EBT) more than doubled in Q2 2014 to USD 16.9 million from USD 8.4 million in Q2 2013.

EBT before special items almost tripled to USD 17.8 million from USD 6.6 million in Q2 2013, corresponding to an EBT per tonne of USD 2.5 in Q2 2014 against USD 1.0 in Q2 2013. H1 2014 EBT before special items rose to USD 42.8 million, up 43% against H1 2013.

The conversion ratio (EBT before special items as % of gross profit) was 36% in Q2 2014, up from 18% in Q2 2013. H1 2014 conversion ratio rose to 40% from 32% in H1 2013, reflecting lower external costs and staff costs per tonne.

Income taxes

Q2 2014 income taxes were USD 3.7 million compared to USD 0.9 million in Q2 2013.

The effective tax rate was 22% against 11% in Q2 2013. The effective tax rate for H1 2014 adjusted for non-deductible special items was 22%, unchanged from H1 2013.

Profit for the period

Q2 2014 profit for the period before special items including tax effect hereof was USD 14.1 million, up from USD 5.7 million in Q2 2013.

H1 2014 profit for the period before special items including tax effect hereof was USD 33.4 million, up 43% from H1 2013.

Balance sheet

The total balance sheet at 30 June 2014 was USD 1,820.9 million compared to USD 1,764.6 million at 31 December 2013. The assets consist primarily of relatively liquid current assets, such as trade receivables and commercially hedged inventories, representing 87% of total assets as at 30 June 2014.

Trade receivables amounted to USD 1,337.0 million representing 73% of total assets. As part of OW Bunker's conservative credit risk management, more than 70% of receivables are insured.

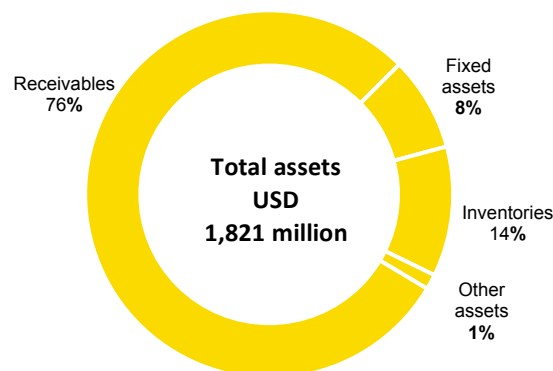
Net working capital including the drawn bank credit facility for working capital purposes was at 30 June 2014 USD 141.8 million compared to USD 122.1 million at 31 December 2013.

Total equity amounted to USD 262.7 million at 30 June 2014, corresponding to an equity ratio of 14%.

Borrowings were USD 598.6 million and consist of drawn bank credit facilities for working capital purposes and vessel loans.

BREAKDOWN OF TOTAL ASSETS

As at 30 June 2014



Fixed assets include intangible assets, property, plant and equipment and deferred tax asset.

Receivables (76% of total assets) include trade receivables, other receivables, current tax and prepayments.

Cash flows

Cash flow from operating activities

Cash flow from operating activities was USD -118.6 million in Q2 2014 compared to USD -21.1 million in Q2 2013. Cash flow from operating activities was primarily negatively affected by increased inventories.

Cash flow from investing activities

Cash flow from investing activities was USD -2.1 million in Q2 2014 compared to USD -8.5 million in Q2 2013. The large investment in Q2 2013 related mainly to the acquisition of vessels.

Cash flow from financing

Cash flow from financing activities was USD 0.8 million in Q2 2014 against USD -4.1 million in Q2 2013.

Liquidity reserves at 30 June 2014 were USD 170.8 million, down from USD 303.2 million at December 2013. The reduction is mainly related to increased liquidity needs due to new operations and increased inventory.

Key events in second quarter 2014

- New physical operations in Australia and Los Angeles announced in first quarter successfully began operations
- A reorganization of the Asian business into three regional centres was announced
- Acquisition of Norwegian marine fuel broker Wilhelmsen Marine Fuels

All news can be found on the OW Bunker website.

Events after the balance sheet date

No events, which could materially affect the Group's financial position, have occurred after the balance sheet date.

Outlook 2014

OW Bunker maintains the outlook for 2014 as communicated in conjunction with the IPO. We expect to continue to develop the business, strengthen our market position and further gain market share, and based on current market conditions and outlook, we believe we can grow volume by approximately 10% compared to 2013. We expect to continue to benefit from scale in our cost base and aim to increase profit for the year (before special items) at least in line with the growth in volume. The business mix assumed for also implies that OW Bunker's net financing days will decrease slightly.

This Interim Financial Report contains forward-looking statements. Any forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance, achievements or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, our actual financial condition, cash flows or results of operations could differ materially from what is described herein as anticipated, believed, estimated or expected.

Financial calendar for the rest of 2014

Date	Event
20 November 2014	Interim Report, Q3 2014

MANAGEMENT STATEMENT

The Board of Directors and the Executive Management have today considered and approved the Interim Financial Report of OW Bunker A/S for the period 1 April – 30 June 2014.

The Interim Financial Report, which has not been audited or reviewed by the Company auditor, has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union and Danish disclosure requirements for interim financial reports of listed companies.

In our opinion, the Interim Financial Report gives a true and fair view of the OW Bunker's assets, equity, liabilities and financial position at 30 June 2014 and of the results of the Group's activities and the cash flow for the three-month period ended 30 June 2014.

We also find that the Management's Review provides a fair statement of developments in the activities and financial situation of the Group, financial results for the period, the general financial position of the Group and a description of the major risks and elements of uncertainty faced by the Group.

Nørresundby, 29 August 2014

BOARD OF DIRECTORS

Niels Henrik Jensen
Chairman

Søren Johansen
Deputy Chairman

Tom Behrens-Sørensen

Jakob Brogaard

Kurt K. Larsen

Petter Samlin

EXECUTIVE MANAGEMENT

Jim Pedersen
Chief Executive Officer

Morten Skou
Chief Financial Officer

APPENDIX 1: CONSOLIDATED INCOME STATEMENT

USD '000	Q2 2014	Q2 2013	H1 2014	H1 2013	2013
Revenue	4,176,766	3,908,854	8,643,395	8,071,827	16,986,802
Cost of goods sold	-4,096,644	-3,847,820	-8,479,833	-7,929,839	-16,667,232
Operating costs	-30,919	-24,930	-57,685	-47,480	-100,786
Gross profit	49,203	36,103	105,877	94,508	218,784
Other external costs	-8,699	-8,621	-19,106	-20,999	-34,570
Staff costs	-19,454	-16,370	-37,740	-33,659	-71,563
Depreciation, amortisation and impairment	-2,130	-1,899	-4,323	-3,648	-7,638
Special items	-953	1,800	-11,083	60	-3,008
Profit before interest and tax (EBIT)	17,967	11,013	33,624	36,262	102,005
Financial income	4,941	2,997	10,514	5,089	13,072
Financial costs	-6,020	-5,585	-12,383	-11,420	-31,609
Profit before tax (EBT)	16,888	8,425	31,756	29,931	83,468
Corporate income taxes	-3,705	-927	-8,478	-6,476	-20,096
Profit for the period	13,183	7,498	23,278	23,455	63,372
Profit attributable to:					
Owners of OW Bunker A/S	13,636	7,411	23,612	23,488	61,984
Non-controlling interests	-453	87	-334	-33	1,388
	13,183	7,498	23,278	23,455	63,372
Earnings per share of DKK 1 (USD):					
Earnings per share for the period	0.3	1.1	0.9	3.4	9.0
Diluted earnings per share for the period	0.3	1.1	0.8	3.3	8.7

Earnings per share and diluted earnings per share decrease due to increased number of shares issued in connection with capital increases during March 2014.

Average numbers of shares were 36,711,811 in Q2 2014 (Q2 2013: 6,892,477). Numbers of shares at 30 June 2014 were 36,711,811.

APPENDIX 2: CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

USD '000	Q2 2014	Q2 2013	H1 2014	H1 2013	2013
Profit for the period	13,183	7,498	23,278	23,455	63,372
Other comprehensive income					
<i>Items that will be reclassified subsequently to income statement:</i>					
Foreign currency translation adjustments, foreign enterprises	705	143	1,217	286	572
Cash flow hedges:					
Fair value adjustment of cash flow hedges	-162	2,176	156	3,044	7,407
Reclassification adjustments for amounts recognised in income statement	43	64	-85	-	510
Income tax relating to items that will be reclassified to income statement	9	-560	-17	-761	-1,980
Other comprehensive income for the period	595	1,823	1,271	2,569	6,509
Total comprehensive income for the period	13,778	9,321	24,549	26,024	69,881
Total comprehensive income attributable to:					
Owners of OW Bunker A/S	14,231	9,234	24,883	26,057	68,493
Non-controlling interests	-453	87	-334	-33	1,388
	13,778	9,321	24,549	26,024	69,881

APPENDIX 3: CONSOLIDATED BALANCE SHEET, ASSETS

USD '000	30 Jun 2014	30 Jun 2013	31 Dec 2013
Intangible assets	69,362	70,943	69,777
Property, plant and equipment	73,411	72,537	74,424
Deferred tax asset	1,649	1,842	2,406
Other receivables	507	834	516
Total non-current assets	144,928	146,156	147,123
Inventories	248,450	171,038	201,776
Trade receivables	1,337,038	1,168,985	1,354,105
Receivables from related parties	-	57,248	-
Current tax	1,784	1,231	2,475
Derivatives	12,979	29,355	9,649
Other receivables	25,330	18,537	27,215
Prepayments	23,566	11,934	8,443
Cash and cash equivalents	26,821	24,441	13,792
Total current assets	1,675,968	1,482,770	1,617,455
Total assets	1,820,896	1,628,926	1,764,578

APPENDIX 3: CONSOLIDATED BALANCE SHEET, EQUITY AND LIABILITIES

USD '000	30 Jun 2014	30 Jun 2013	31 Dec 2013
Share capital	6,832	1,256	1,256
Reserves	-4,927	-7,538	-3,208
Retained earnings	261,585	250,134	225,257
Equity shareholders in OW Bunker A/S	263,490	243,852	223,305
Non-controlling interests	-805	-390	-490
Total equity	262,685	243,462	222,815
Borrowings	26,215	31,329	29,251
Deferred tax liabilities	4,310	2,341	4,785
Provisions	546	668	668
Other payables	-	21,147	2,846
Total non-current liabilities	31,072	55,485	37,550
Borrowings	572,382	417,164	468,704
Payables to related parties	-	11,525	567
Provisions	500	176	206
Derivatives	15,787	3,548	11,890
Trade payables	871,921	822,266	947,542
Current tax	21,063	17,489	18,284
Other payables	45,487	57,812	57,020
Total current liabilities	1,527,140	1,329,979	1,504,213
Total liabilities	1,558,212	1,385,464	1,541,763
Total equity and liabilities	1,820,896	1,628,926	1,764,578

APPENDIX 4: CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

USD '000	Reserves							Total equity
	Share capital	Hedging reserve	Foreign currency translation reserve	Treasury shares	Retained earnings	Equity attributable to owners of OW Bunker A/S	Non-controlling interests	
1 January 2014	1,256	-264	-2,944	-	225,257	223,305	-490	222,815
Profit for the period	-	-	-	-	23,612	23,612	-334	23,278
Other comprehensive income	-	54	1,217	-	-	1,271	-	1,271
Total comprehensive income for the period	-	54	1,217	-	23,612	24,883	-334	24,549
Increase of share capital	5,576	-	-	-	13,955	19,531	-	19,531
Transaction cost of equity transactions	-	-	-	-	-1,414	-1,414	-	-1,414
Income tax relating to transaction cost of equity	-	-	-	-	21	21	-	21
Purchase of treasury shares	-	-	-	-3,686	-	-3,686	-	-3,686
Sale of treasury shares	-	-	-	696	154	850	-	850
Minority adjustments	-	-	-	-	-	-	19	19
Transactions with shareholders	5,576	-	-	-2,990	12,716	15,302	19	15,321
Total at 30 June 2014	6,832	-210	-1,727	-2,990	261,585	263,490	-805	262,685
1 January 2013	1,256	-6,201	-3,516	-	227,064	218,603	-362	218,241
Profit for the year	-	-	-	-	23,488	23,488	-33	23,455
Other comprehensive income	-	2,283	286	-	-	2,569	-	2,569
Total comprehensive income for the period	-	2,283	286	-	23,488	26,057	-33	26,024
Other adjustments	-	-	-	-	-808	-808	-	-808
Minority adjustments	-	-	-	-	-	-	5	5
Transactions with shareholders	-	-	-	-	-808	-808	5	-803
Total at 30 June 2013	1,256	-3,918	-3,230	-	249,744	243,852	-390	243,462

Treasury shares are purchased in connection with an expected employee share offering as described in in the prospectus published in connection with the IPO.

Share capital (DKK) 36,771,811
 Number of shares 36,771,811
 Share classes one class
 ISIN code DK0060548386

APPENDIX 5: CONSOLIDATED CASH FLOW STATEMENT

USD '000	Q2 2014	Q2 2013	H1 2014	H1 2013	2013
Profit before interest and tax (EBIT)	17,966	11,013	33,624	36,262	102,005
Depreciation, amortisation and impairment	2,130	1,900	4,323	3,649	7,638
Other non-cash movements	798	138	1,403	29	2,946
	20,894	13,051	39,350	39,940	112,589
Interest received	5,448	2,997	10,514	5,089	13,072
Interest paid	-6,527	-5,584	-12,383	-11,420	-31,609
Adjustments:					
Changes in working capital	-135,696	-31,871	-114,393	-14,787	-96,646
Income taxes paid	-2,728	273	-4,704	158	-12,238
Cash flow from operating activities	-118,609	-21,134	-81,616	18,980	-14,832
Purchase of intangible assets	-236	-	-241	-18	-37
Purchase of property, plant and equipment	-1,867	-8,719	-3,137	-28,408	-37,050
Sale of property, plant and equipment	-	190	-	190	1,157
Cash flow from investing activities	-2,103	-8,529	-3,378	-28,236	-35,930
Proceeds from borrowings	-	9,285	-	24,093	21,428
Repayment of borrowings	-20,106	-4,694	-21,589	-22,206	-22,226
Proceeds from finance arrangements with related parties	-	3,921	-	11,525	28,645
Repayment to finance arrangements with related parties	-	-12,641	-567	-29,170	-
Purchase of treasury shares	-	-	-3,686	-	-
Disposal of treasury shares	696	-	696	-	-
Paid in share capital	20,327	-	20,814	-	-
Special items expensed in equity	-83	-	-1,260	-	-
Proceeds from carved out entities	-	-	-	-	161,105
Repayment of share premium and buy-back of shares	-	-	-	-	-224,896
Cash flow from financing activities	834	-4,129	-5,592	-15,758	-35,944
Change in cash and cash equivalents	-119,878	-33,792	-90,586	-25,014	-86,706
Cash and cash equivalents as of beginning of period	-419,616	-353,471	-448,857	-362,244	-362,244
Currency exchange gain/loss on cash and cash equivalents	-14	-21	-65	-26	93
Total cash and cash equivalents at end of period	-539,508	-387,284	-539,508	-387,284	-448,857
Cash and cash equivalents					
Cash and cash equivalents			26,821	24,441	13,792
Drawn bank credit facilities			-566,329	-411,725	-462,649
Total			-539,508	-387,284	-448,857

Drawn bank credit facilities are included in borrowings. Borrowings consist of bank credit facilities and vessel loans.

APPENDIX 6: NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 ACCOUNTING POLICIES

The Interim Financial Report has been presented in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union and Danish disclosure requirements for listed companies. Due to the corporate restructuring as described in the Annual Report 2013 note 30, the Group was not formally structured with bunker business as the only activity in the first quarter of 2013. However, in order to give a true and fair picture of the Group, and similar to the Annual Report of 2013, only the bunker business is included in the comparable figures. The accounting policies applied are consistent with those applied in the 2013 consolidated financial statements. The 2013 consolidated financial statements provide a full description of the accounting policies applied.

NOTE 2 ACCOUNTING ESTIMATES AND JUDGEMENTS

For the preparation of the Interim Financial Report, Management makes various accounting estimates and judgements that affect the application of accounting policies and the recognition of assets, liabilities and income and expense items. Actual operating results may deviate from such estimates. Critical accounting estimates and judgements relates primarily to goodwill, property, plant and equipment, trade receivables and special items and are consistent with those applied in the 2013 consolidated financial statements.

NOTE 3 REVENUE

Revenue is classified geographically in respect of the place where goods were delivered

USD '000	Q2 2014	Q2 2013	H1 2014	H1 2013	2013
Denmark	144.418	130.681	273.312	304.993	527.245
Northern Europe (other than Denmark)	1.361.323	1.333.046	2.781.332	2.865.849	5.676.493
Southern Europe	261.819	286.185	463.592	552.048	1.075.628
Singapore	1.138.187	1.035.231	2.563.404	2.006.646	4.832.759
Asia (other than Singapore)	668.591	600.582	1.367.860	1.243.243	2.634.475
Middle East and Africa	195.697	186.804	391.757	400.692	788.436
Americas	406.731	336.324	802.139	698.356	1.451.766
Total	4.176.766	3.908.854	8.643.395	8.071.827	16.986.802

APPENDIX 6: NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 FAIR VALUE HIERARCHY – FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

To increase consistency and comparability in fair value measurements IFRS establishes a fair value hierarchy that categorises into three levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Financial instruments measured at fair value comprise only derivatives and can be specified as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). To a large extent level 2 is based on observable quoted prices, however, in some instances forward prices are not observable. In these situations we use the most liquid forward curves and derive a spread to the specific location. For options theoretical pricing models with implied volatilities from Ice (option smile) are used to calculate market prices.

These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to calculate the fair value of an instrument are observable, the instrument is included in Level 2;

Level 3 – Inputs for the asset or liability that are not based on observable market data.

Our derivatives are classified in the fair value hierarchy as follows:

APPENDIX 6: NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 (CONTINUED)

USD '000	Level 1	Level 2	Level 3	Total
30 June 2014				
Financial assets				
Risk management portfolio and commercial hedging	2,433	12,387	-	14,820
	2,433	12,387	-	14,820
Offsetting				
Margin deposits				-1,841
Total at 30 June				12,979
Financial liabilities				
Risk management portfolio and commercial hedging	-2,278	-15,350	-	-17,628
Derivatives used for hedging	-	0	-	0
Total at 30 June	-2,278	-15,350	-	-17,628
Offsetting				
Margin deposits				1,841
Total at 30 June				-15,787

USD '000	Level 1	Level 2	Level 3	Total
31 December 2013				
Financial assets				
Risk management portfolio and commercial hedging	25,880	9,243	-	35,123
	25,880	9,243	-	35,123
Offsetting				
Margin deposits				-25,474
Total at 31 December 2013				9,649
Financial liabilities				
Risk management portfolio and commercial hedging	-249	-11,289	-	-11,538
Derivatives used for hedging	-	-352	-	-352
Total at 31 December 2013	-249	-11,641	-	-11,890

USD '000	Level 1	Level 2	Level 3	Total
30 June 2013				
Financial assets				
Risk management portfolio and commercial hedging	18,699	10,656	-	29,355
Total at 30 June 2013	18,699	10,656	-	29,355
Financial liabilities				
Risk management portfolio and commercial hedging	-3,815	-3,548	-	-7,363
Derivatives used for hedging	-	-	-	-
	-3,815	-3,548	-	-7,363
Offsetting				
Margin deposits				3,815
Total at 30 June 2013				-3,548

Level 1 consist of commodity swaps (exchange) and commodity futures (exchange).

Level 2 consist of commodity swaps (OTC), fixed price physical, options, currency swaps, forward exchange contracts and interest swaps.

There have been no transfers between level 1 and level 2 in the fair value hierarchy.