

Dampskibsselskabet NORDEN A/S sells Capesize vessel and buys Supramax vessel

In line with the strategy Focus & Simplicity which entails that NORDEN within dry cargo focuses its ownership on the vessel types Panamax and Supramax, NORDEN has entered into an agreement to sell the Capesize vessel NORD-ENERGY (180,310 dwt. built in 2004) and at the same time entered into an agreement to buy a Supramax vessel (58,000 dwt. built in 2010). Both deliveries will take place in the course of the first quarter of 2016.

Following the sale, NORDEN does no longer own Capesize vessels and currently only operates one chartered vessel of this type.

The sale of NORD-ENERGY will entail an accounting loss of USD 14.8 million, which will be included in the annual results for 2015. The loss is especially driven by the development in fleet values seen in the fourth quarter of 2015.

The market values of vessels dropped significantly during the quarter, and the Company has consequently started on a routine impairment test for the purpose of assessing the need for a write-down of the carrying amount of the fleet.

NORDEN's expectations for the EBIT result before profits from vessel sales for 2015 are maintained. As a result of the sale of NORD-ENERGY, expectations to the 2015 EBIT results including profits from vessel sales are adjusted to USD 43-63 million compared to the previous USD 58-78 million.

Kind regards,
Dampskibsselskabet NORDEN A/S

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