

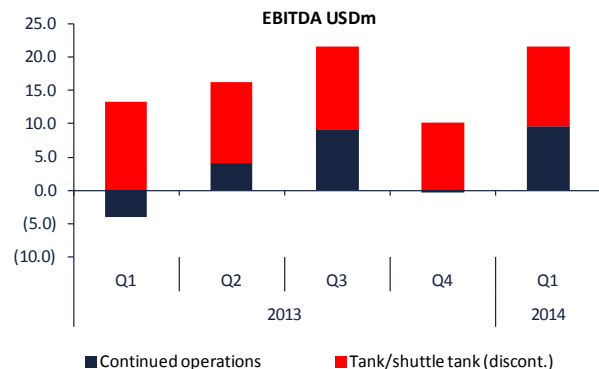
Interim financial report - first quarter 2014

EBITDA better than expected

"First quarter EBITDA totaling USD 21.6 was better than expected and up by USD 12.4m compared to last year. Although there is still some way to go, I am confident that we have now started to move in the right direction", says Jan Kastrup-Nielsen, President and CEO.

EBITDA from continuing operations amounted to USD 9.6m and was up by USD 13.7m compared to same period last year. The improvement mainly related to the bulk carrier activities.

JL's result for Q1 amounted to USD 1.9m, up by USD 27.7m on Q1 2013. The result includes profit from discontinuing operations of USD 10.6m.



In many ways, Q1 2014 turned out as expected with challenging market conditions and the scheduled completion of the sale of our product tanker fleet. The better than expected result was mainly due to conservative earnings estimate related to the remaining product tanker operations as the exact delivery dates of the vessels to the new owner were uncertain but also due to improved earnings from our handysize bulk carrier operations.

Main events during Q1 2014:

- Delivery of the remaining seven wholly-owned product tankers and four long-term time-chartered product tankers to the new owner Hafnia Tankers.
- Sale of three shuttle tankers to Knutsen NYK Offshore Tankers, Norway with expected delivery during Q2 2014.
- Four ECO design supramax and two ECO design handysize bulk carrier newbuildings with delivery in 2016-17 were contracted.
- Formation of joint venture with Sincere Industrial Corporation, Taiwan together with joint ordering of two ECO design handysize bulk carrier newbuildings with delivery in 2017.
- Four handysize and two supramax bulk carrier newbuildings were taken on long-term time-charter for delivery in 2015-16 all with extension options and three with purchase options.

At period end, cash and unused credit facilities amounted to USD 248m. NIBD was USD 493m and amounted to 52% of vessel values. Solvency ratio was 45% compared to 39% at the end of 2013.

Full year EBITDA for continuing operations is upward adjusted from USD 55-75m to USD 80-100m whereas the net result is estimated in the range of USD 15-40m, up by USD 40-45m on earlier estimate.

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EBITDA and operating income by business segment

EBITDA			
USDm	2014	2013	2013
	1st quarter	1st quarter	Full year
Lauritzen Bulkers	5.1	(10.5)	(10.5)
Lauritzen Kosan	6.3	8.7	28.1
Other/Unallocated	(1.8)	(2.3)	(8.7)
EBITDA from continuing operations	9.6	(4.1)	8.9
Lauritzen Tankers (discontinued operations)	5.2	6.5	21.1
Lauritzen Offshore (discontinued operations)	6.8	6.8	27.0
EBITDA, total	21.6	9.2	56.9

Operating income			
USDm	2014	2013	2013
	1st quarter	1st quarter	Full year
Lauritzen Bulkers	2.8	(20.5)	(191.0)
Lauritzen Kosan	(0.0)	2.0	2.8
Unallocated	(1.8)	(2.4)	(6.9)
Operating income from continuing operations	1.0	(20.9)	(195.1)
Lauritzen Tankers (discontinued operations)	5.2	4.2	(6.8)
Lauritzen Offshore (discontinued operations)	6.8	3.8	(11.8)
Operating income, total	13.0	(12.9)	(213.7)

Lauritzen Bulkers

Average number of vessels reached 112 compared to 116 in the first three months of 2013.

EBITDA for Q1 2014 was USD 5.1m, up USD 15.6m from USD (10.5)m in Q1 2013 mainly due to improved market conditions. Operating income in Q1 2014 amounted to USD 2.8m compared to USD (20.5)m in 2013 as sale of assets as well as write-downs in 2013 have reduced depreciations.

Lauritzen Kosan

Average number of vessels reached 42 compared to 45 in the first three months of 2013.

EBITDA amounted to USD 6.3m, down from USD 8.7m in Q1 2013, mainly due to the generally challenging market conditions. Operating income amounted to USD 0.0m compared to USD 2.0m in 2013.

Discontinuing operations

EBITDA for discontinuing operations amounted to a total of USD 12.0m (USD 13.3m in the same period in 2013). Operating income was USD 12.0m compared to USD 8.0m in 2013 as no depreciations apply for assets held for sale.

Joint ventures

JL's share of profit in joint ventures amounted to USD 0.8m, up from USD (2.4)m in Q1 2013. The improvement relates primarily to Lauritzen Bulkers.

Net financial and cash position

Net financial items amounted to USD (10.6)m compared to USD (6.7)m in Q1 2013 which included significant currency exchange rate gains.

Cash and undrawn credit facilities amounted to USD 248m, up by USD 94m on year-end 2013.

Net interest bearing debt amounted to USD 493m, down USD 138m on year-end 2013 due to sale of assets.

Assets

Total assets amounted to USD 1,655m down USD 222m from year-end 2013. The change relates to assets held for sale offset by increased cash.

Outstanding deliveries of own and part-owned vessels amounts to ten for delivery in 2015-17.

Outstanding deliveries of long-term time-chartered vessels amounts to 17, hereof 14 with purchase option. Vessels will be delivered in 2014-17.

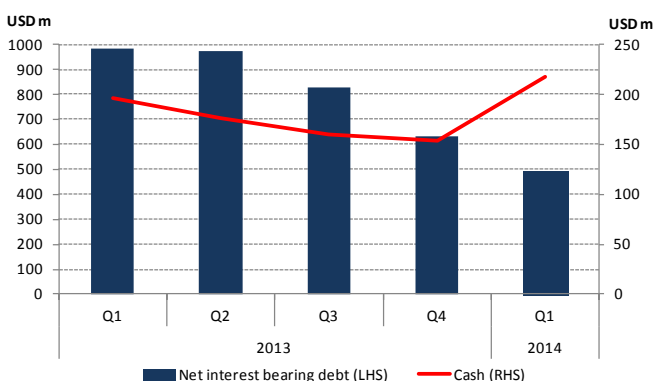
Events after the balance date

After balance date, JL's counterparty claim related to the default by STX Pan Ocean involving untimely redelivery of two long-term time-chartered capesize bulk carriers in early 2013 was sold. The transaction will have a net effect on results and cash position of approximately USD 30m, cf. announcement no. 4/2014 dated 30 April 2014 to Oslo Børs.

Two 58,000 dwt supramax bulk carriers were sold with scheduled delivery end of June/early July 2014. A 4,000 m³ semi-refrigerated gas carrier built in 1991 was sold.

Outlook for 2014

EBITDA for continuing operations for the full year is expected to be in the range of USD 80-100m, up on earlier reported USD 55-75m mainly due to proceeds from sale of counterparty claim partly offset by the EBITDA effect related to sale of additional assets, cf. above.



Net result for continuing operations in 2014 is expected at USD 0-20m, significantly up on earlier estimate of USD (20)-(40)m, due to sale of claim as well as sale of assets. Result from discontinuing operations is expected to be in the range of USD 15-20m (USD 15m in our last estimate).

Total net result for 2014 is estimated at USD 15-40m, up by USD 40-45m on earlier estimate.

Currency and interest rate fluctuations as well as effects from sale of assets may impact the result.

Key figures	2014	2013	2013
	1st quarter	1st quarter	Full year
Solvency ratio	45%	36%	39%
Return on equity *)	0.3%	(3.1)%	(35.8)%
Return on invested capital *)	0.9%	(0.8)%	(12.5)%

*) Incl. discontinued operations

Forward-looking statements

The interim financial report contains forward-looking statements. Such statements are subject to risks and uncertainties as various factors, many of which are beyond the control of JL, may cause actual developments and actual results to differ materially from expectations contained in the interim financial report.

Management statement

The Board of Directors and Executive Management have today discussed and approved the interim report of J. Lauritzen A/S (the Group) for the period 1 January to 31 March 2014.

The interim report has been prepared in accordance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim reports for listed companies. The interim report has not been audited or reviewed by the company's independent auditors.

In our opinion the interim report gives a true and fair view of the Group's assets, liabilities and financial position at 31 March 2014 and of the results of the Group's operations and cash flows for the period 1 January 2014 to 31 March 2014.

Further, in our opinion, the Management's review (page 1-4) gives a fair review of the development in the Group's operations and financial position as a whole and describes the significant risks and uncertainties affecting the Group.

Copenhagen, 15 May 2014.

Executive Management:

Jan Kastrup-Nielsen
President & CEO

Birgit Aagaard-Svendsen
Exec. Vice President & CFO

Board of Directors:

Bent Østergaard
Chairman

Ingar Skaug
Vice Chairman

Peter Poul Lauritzen Bay

Niels Heering

Jesper T. Lok

Marianne Wiinholt

Søren Berg*

Ulrik Danstrøm*

Jan Lystlund Sørensen*

*) Elected by the employees

Financial statements – JL Group

INCOME STATEMENT - CONDENSED		2014	2013	2013
USD '000	Note	1st quarter	1st quarter	Full year
Revenue		126,260	125,532	502,484
Voyage related costs		(32,929)	(42,069)	(149,228)
T/C equivalent income		93,330	83,463	353,256
Other operating income		2,119	3,375	10,961
Hire of chartered vessels		(51,026)	(54,711)	(213,589)
Operating costs of vessels		(23,802)	(24,599)	(96,439)
Administrative costs		(10,990)	(11,591)	(45,293)
Profit before depreciation (EBITDA)		9,632	(4,063)	8,896
Profit/(loss) on sale of vessels and other assets		5,557	(52)	(7,622)
Depreciations		(14,155)	(16,809)	(63,438)
Write-downs		-	-	(132,965)
Operating income		1,033	(20,924)	(195,129)
Share of profit in joint ventures		756	(2,434)	(10,740)
Net financial items		(10,581)	(6,727)	(30,749)
Profit/(loss) from continuing operations before tax		(8,793)	(30,085)	(236,618)
Income tax		59	(55)	137
Profit/(loss) from continuing operations		(8,734)	(30,140)	(236,481)
Profit/(loss) from discontinued operations	3	10,643	4,614	(47,835)
Profit/(loss) for the period		1,909	(25,527)	(284,317)
Attributable to:				
The J. Lauritzen Group (JL result)		1,895	(25,778)	(284,613)
Non-controlling interests		14	251	297
		1,909	(25,527)	(284,317)

STATEMENT OF COMPREHENSIVE INCOME		2014	2013	2013
USD '000		1st quarter	1st quarter	Full year
Profit/(loss) for the period		1,909	(25,527)	(284,317)
<i>Items that can be reclassified subsequently to profit or loss:</i>				
<i>Other comprehensive income:</i>				
Exchange differences on translating foreign operations		2	148	1,892
Fair value adjustment of hedging instruments		(747)	(4,108)	1,248
Deferred gains/(loss) on hedging instr. transfer to Net financial items		2,152	2,622	12,397
Fair value adjustment of shares available for sale		564	(500)	1,444
Other comprehensive income net of tax		1,970	(1,837)	16,981
Total comprehensive income for the period		3,879	(27,364)	(267,336)
Attributable to:				
The J. Lauritzen Group		3,865	(27,615)	(267,632)
Non-controlling interests		14	251	297
		3,879	(27,364)	(267,336)

FINANCIAL POSITION - CONDENSED		2014	2013	2013
USD '000	Note	31-mar	31-mar	31-dec
ASSETS				
Vessels, property and equipment	4	1,031,621	1,757,230	1,030,333
Investment in joint ventures		101,942	128,455	101,086
Deferred tax assets		297	655	297
Shares available for sale	5	43,991	25,510	43,427
Receivable from joint ventures		9,989	21,098	9,821
Non-current assets		1,187,840	1,932,948	1,184,964
Bunkers		10,805	12,350	12,264
Trade receivables		13,696	17,871	24,925
Other receivables and prepayments		31,857	102,622	36,106
Current tax receivables		-	976	-
Derivative financial instruments		4,169	4,121	3,015
Securities		10,063	-	10,000
Cash at hand and in bank		217,244	195,790	154,145
		287,833	333,730	240,455
Assets held for sale	3	179,220	-	451,368
Current assets		467,053	333,730	691,823
Total assets		1,654,893	2,266,678	1,876,787
EQUITY AND LIABILITIES				
Share capital		62,355	60,633	62,355
Retained earnings		676,807	780,892	675,881
Reserves		3,716	(17,071)	1,746
JL's share of equity		742,879	824,454	739,983
Non-controlling interests		1,652	623	668
Equity		744,530	825,076	740,651
Non-current derivative financial instruments		17,646	22,606	23,126
Long-term borrowings		660,107	1,238,778	731,291
Non-current liabilities		677,754	1,261,384	754,418
Current portion of long-term borrowings		59,761	96,107	63,447
Trade payables		10,162	19,356	15,994
Other current liabilities		24,297	36,346	18,509
Derivative financial instruments		15,252	28,391	15,097
Provisions		-	18	-
Current tax payables		1,937	-	1,952
		111,409	180,218	114,998
Liabilities associated with assets held for sale	3	121,200	-	266,719
Current liabilities		232,609	180,218	381,718
Total liabilities		910,363	1,441,602	1,136,135
Total equity and liabilities		1,654,893	2,266,678	1,876,787

EQUITY STATEMENT

USD '000	Share capital	Hedging instruments	Shares		Reserves	Retained earnings	Non-controlling		Total
			available for sale	Translation gain/loss			interests	Total	
Equity 1/1 2014	62,355	(18,023)	23,507	(3,738)	1,746	675,881	739,983	668	740,651
Adjustment to opening *)	-	-	-	-	-	(969)	(969)	969	-
Profit/(loss) for the period	-	-	-	-	-	1,895	1,895	14	1,909
Other compr. Income	-	1,404	564	2	1,970	-	1,970	-	1,970
Total compr. income	-	1,404	564	2	1,970	1,895	3,865	14	3,879
<i>Transaction with owners:</i>									
Paid dividend	-	-	-	-	-	-	-	-	-
Equity 31/03 2014	62,355	(16,619)	24,071	(3,736)	3,716	676,807	742,879	1,652	744,530
Equity 1/1 2013	60,633	(31,668)	22,063	(5,630)	(15,235)	806,670	852,068	371	852,440
Profit/(loss) for the period	-	-	-	-	-	(25,778)	(25,778)	251	(25,527)
Other compr. Income	-	(1,486)	(500)	148	(1,837)	-	(1,837)	-	(1,837)
Total compr. income	-	(1,486)	(500)	148	(1,837)	(25,778)	(27,615)	251	(27,364)
<i>Transaction with owners:</i>									
Paid dividend	-	-	-	-	-	-	-	-	-
Equity 31/03 2013	60,633	(33,153)	21,563	(5,481)	(17,071)	780,892	824,454	623	825,076

*) Reallocation between non-controlling interests and retained earnings related to prior years.

CASH FLOW STATEMENT - CONDENSED

USD '000	2014	2013
	1st quarter	1st quarter
Cash flow from:		
Operations before financial items	37,127	(2,132)
Ordinary operations before tax	26,630	(15,326)
Operating activities	26,613	(15,241)
Investment activities	262,479	(32,730)
Financing activities	(225,988)	(18,579)
Changes for the period in cash and cash equivalents	63,103	(66,550)
Cash and cash equivalents at beginning of the period	154,145	267,000
Currency adjustments on cash and cash equivalents	4	(4,661)
Cash and cash equivalents at the end of the period	217,252	195,790
Undrawn committed credit facilities at end of period *)	30,400	2,018
Financial resources at the end of the period	247,652	197,808
Committed facilities available upon delivery of vessels	-	63,000
Financial resources incl. committed facilities available upon delivery of vessels	247,652	260,808

*) In addition JL has an unsecured overdraft facility of DKK 100m for multi-currency short-term financing needs.

1. Accounting policies

Basis for consolidation

The interim report comprises the condensed consolidated financial statements of J. Lauritzen A/S.

Accounting policies

The present unaudited interim financial report has been prepared in accordance with IAS 34 'Interim Financial Reporting', and additional Danish disclosure requirements for interim reports of listed companies.

The presentation of derivative financial instruments in the statement of financial position has been amended. Fair value of derivative financial instruments has been split in a non-current part and a current part reflecting the maturity of the financial instruments. Previously the full amount was presented as current. Comparison figures have been amended.

Apart from this amendment to presentation and the below mentioned adoption of new, amended or revised accounting standards, accounting policies are unchanged from those applied in the Annual Report 2013 of J. Lauritzen A/S.

Effective 1 January 2014 J. Lauritzen A/S has adopted IFRS 10-12 and the amendments to IAS 27, 28, 32 and 39 as well as IFRIC 21. These IFRSs have not affected recognition and measurement.

2. Operating segments

USDm	Lauritzen Bulkers	Lauritzen Kosan	Lauritzen Offshore (discontinued operation)	Lauritzen Tankers (discontinued operation)	Total reportable segments	Other/ Unallocated	Total Group	Total Group Continuing Operations
1st quarter 2014								
Revenue	83.9	42.3	9.0	10.1	145.3	0.0	145.3	126.3
EBITDA	5.1	6.3	6.8	5.2	23.4	(1.8)	21.6	9.6
Operating income	2.8	(0.0)	6.8	5.2	14.8	(1.8)	13.0	1.0
Profit/(loss)	(1.8)	0.7	5.8	4.8	9.5	(7.6)	1.9	(8.7)
1st quarter 2013								
Revenue	74.7	50.5	8.9	19.2	153.4	0.3	153.7	125.5
EBITDA	(10.5)	8.7	6.8	6.5	11.5	(2.3)	9.2	(4.1)
Operating income	(20.5)	2.0	3.8	4.2	(10.5)	(2.4)	(12.9)	(20.9)
Profit/(loss)	(31.1)	2.0	2.3	2.3	(24.5)	(1.1)	(25.5)	(30.1)

The revenue reported represents revenue from external customers. There is no inter-segment revenue.

3. Assets held for sale and discontinued operations

USD '000	2014	2013	2013
Assets held for sale	31-mar	31-mar	31-dec
<i>Assets held for sale that do not qualify for discontinued operation:</i>			
Two bulk carriers	-	-	53,148
<i>Assets held for sale that qualify for discontinued operation:</i>			
Lauritzen Tankers	-	-	219,000
Lauritzen Offshore Shuttle tankers	179,220	-	179,220
Total assets held for sale	179,220	-	451,368

Liabilities associated with assets held for sale, qualifying for discontinued operations	2014	2013	2013
	31-mar	31-mar	31-dec
Lauritzen Tankers	-	-	142,259
Lauritzen Offshore Shuttle tankers	121,200	-	121,200
Total liabilities associated with assets held for sale	121,200	-	263,459

Profit/(loss) from discontinued operations	2014	2013	2013
	1st quarter	1st quarter	Full year
Lauritzen Tankers	4,812	2,295	(22,776)
Lauritzen Offshore Shuttle tankers	5,831	2,319	(25,059)
Total profit/(loss) from discontinued operations	10,643	4,614	(47,835)

Assets held for sale that do not qualify for discontinued operations

At year-end 2013 the consolidated statement of financial position included assets held for sale of USD 53m that did not qualify for discontinued operation. The two vessels were delivered to new owners in 1st quarter 2014 and a gain of USD 6m is recognised as profit from the sale.

Assets held for sale that qualify for discontinued operations

At end of 1st quarter 2014 the consolidated statement of financial position includes assets held for sale of USD 179m that qualify for discontinued operation. The assets held for sale relate to Lauritzen Offshore Shuttle tankers. Liabilities associated with the assets held for sale amounts to USD 121m.

l) Lauritzen Tankers

As previously announced, a strategic decision was taken to trim the balance sheet by exit of the product tanker segment. During 1st quarter of 2014 the final seven vessels were delivered to new

owners. The delivery of the vessels did not affect the consolidated income statement as the agreed sales price corresponded to the carrying amount.

The results of Lauritzen Tankers are presented as discontinued operations in the Consolidated Income Statement for all periods presented. The Income statement for the discontinued operations can be presented as follows:

Discontinued operations, Lauritzen Tankers	2014	2013	2013
USD '000	1st quarter	1st quarter	Full year
Revenue	10,095	19,184	81,046
Other operating income	39	177	274
Costs	(4,970)	(12,850)	(60,242)
EBITDA	5,164	6,511	21,078
Depreciations	-	(2,280)	(7,168)
Impairments	-	-	(22,147)
Finance net	(352)	(1,937)	(16,278)
Profit/(loss) on the remeasurement to fair value less costs to sell	-	-	1,438
Pretax profit/(loss) from discontinued operations	4,812	2,295	(23,077)
Income taxes	-	-	301
Profit/(loss) on discontinued operations, net of taxes	4,812	2,295	(22,776)
Attributable to:			
The J. Lauritzen Group	4,798	2,044	(23,073)
Non-controlling interests	14	251	297
	4,812	2,295	(22,776)

II) Lauritzen Offshore Shuttle tankers

Towards the end of 2013, JL received and an offer to sell its fleet of three shuttle tankers, and the three vessels were classified as held for sale at 31 Dec 2013. Subject to the agreement to sell was lifted on January 15 2014 and immediately reported to Oslo Bors cf. announcement no 1/2014. The vessels are delivered to new owners during 2nd quarter 2014. The delivery of the vessels is expected to affect profit from sale of assets by USD 10m in 2nd quarter 2014.

The results of Lauritzen Offshore Shuttle tankers are presented as discontinued operations in the Consolidated Income Statement for all periods presented. The Income statement for the discontinued operations can be presented as follows:

Discontinued operations, Lauritzen Offshore Shuttle tankers	2014	2013	2013
USD '000	1st quarter	1st quarter	Full year
Revenue	8,994	8,935	36,188
Other operating income	126	196	606
Costs	(2,300)	(2,340)	(9,834)
EBITDA	6,820	6,791	26,960
Depreciations	-	(2,978)	(10,614)
Impairments	-	-	(28,153)
Finance, net	(988)	(1,493)	(12,727)
Profit/(loss) on the measurement to fair value less costs to sell	-	-	-
Pretax profit/(loss) from discontinued operations	5,833	2,320	(24,533)
Income taxes	(2)	(1)	(525)
Profit/(loss) on discontinued operations, net of taxes	5,831	2,319	(25,059)
Attributable to:			
The J. Lauritzen Group	5,831	2,319	(25,059)
Non-controlling interests	-	-	-
	5,831	2,319	(25,059)

The assets and liabilities of Lauritzen Offshore Shuttle tankers are presented as held for sale in the Consolidated Statements of Financial Position and are measured at the lower of their previous carrying amount and fair value less costs to sell. The carrying amounts of the major classes of assets and liabilities of Lauritzen Offshore Shuttle tankers were as follows:

Development in assets and associated liabilities classified as held for sale, Lauritzen Offshore Shuttle tankers	2014
USD '000	
Vessels classified as assets held for sale at 31 Dec 2013	179,220
Assets held for sale as at 31 Mar 2014	179,220
Mortgage debt associated with assets held for sale as at 31 Dec 2013	124,460
Ordinary installments during 1st quarter 2014	(3,260)
Liabilities associated with assets held for sale as at 31 Mar 2014	121,200

The expected sales transaction does not include working capital items which are to be settled by JL and therefore not classified as held for sale.

The Cash flow from Lauritzen Tankers and Lauritzen Offshore Shuttle tankers is included in the Cash Flow Statement for all periods presented.

Cash flow	2014	2013
USD '000	1st quarter	1st quarter
Cash flow from operating activities	26,613	(15,241)
<i>Hereof cash flow from operating activities - discontinued operations:</i>		
Lauritzen Tankers	20,006	80
Lauritzen Offshore Shuttle tankers	6,110	3,514
Cash flow from operating activities, continuing operations	497	(18,835)
Cash flow from investment activities	262,479	(32,730)
<i>Hereof cash flow from investment activities - discontinued operations:</i>		
Lauritzen Tankers	219,000	(22,525)
Lauritzen Offshore Shuttle tankers	-	-
Cash flow from investing activities, continuing operations	43,479	(10,205)
Cash flow from financing activities	(225,988)	(18,579)
<i>Hereof cash flow from financing activities - discontinued operations:</i>		
Lauritzen Tankers	(142,259)	(2,923)
Lauritzen Offshore Shuttle tankers	(3,260)	(3,260)
Cash flow from financing activities, continuing operations	(80,469)	(12,396)

4. Vessels, property and equipment

USDm	Vessels	Vessels under construction	Land and Buildings	Machinery, tools and equipment	Total
2014					
Cost as at 1 January	1,513,895	-	3,074	18,398	1,535,366
Exchange rate adjustments	3	-	-	(1)	2
Additions	5,495	11,651	-	-	17,147
Disposals	(1,232)	-	-	(7,807)	(9,039)
Cost as at 31 March	1,518,161	11,651	3,074	10,590	1,543,476
Depr. and write-down, 1 January	(492,769)	-	(570)	(11,695)	(505,034)
Exchange rate adjustments	(2)	-	-	0	(2)
Depreciation	(13,801)	-	(22)	(332)	(14,156)
Disposals	1,232	-	-	6,104	7,336
Depr. and write-down as at 31 March	(505,341)	-	(592)	(5,922)	(511,855)
Balance as at 31 March	1,012,821	11,651	2,481	4,668	1,031,621
2013					
Cost as at 1 January	2,180,658	73,894	3,053	19,480	2,277,085
Exchange rate adjustments	111	-	(45)	(31)	35
Additions	1,270	25,602	-	2	26,874
Transfer from vessels under constr.	-	-	-	-	-
Disposals	(1,636)	-	-	(145)	(1,781)
Cost as at 31 March	2,180,403	99,495	3,008	19,306	2,302,212
Depr. and write-down, 1 January	(478,745)	(34,829)	(491)	(10,570)	(524,636)
Exchange rate adjustments	(97)	-	8	29	(60)
Transfer from vessels under constr.	-	-	-	-	-
Depreciation	(21,452)	-	(22)	(594)	(22,068)
Write down	-	-	-	-	-
Disposals	1,636	-	-	145	1,781
Depr. and write-down as at 31 March	(498,658)	(34,829)	(506)	(10,991)	(544,983)
Balance as at 31 March	1,681,745	64,667	2,503	8,316	1,757,230

5. Fair value measurement of financial instruments

The techniques used for calculation of fair values in this interim report are consistent with the Annual Report of 2013 to which reference is made.

Carrying amount of financial instruments recognized in the statement of financial position at amortized cost does not differ materially from their fair value with the exception of issued corporate bonds. At March 31 2014 fair value of issued bonds amounted to USD 165.1m, whereas the carrying amount totalled USD 155.4m.

Fair value hierarchy

With the exception of shares available for sale of USD 44.0m (Level 3), all financial instruments at fair value are stated on the basis of observable market prices (Level 2), directly as prices or indirectly derived from prices.

Financial instruments categorized at Level 3 have developed as follows:

USD '000	2014	2013	2013
	31-mar	31-mar	31-dec
Book value at 1 January	43,427	26,010	26,010
Purchase during the year	-	-	15,973
Fair value adjustment of shares available for sale recognised on other comprehensive income	564	(500)	1,444
Book value end of period	43,991	25,510	43,427