

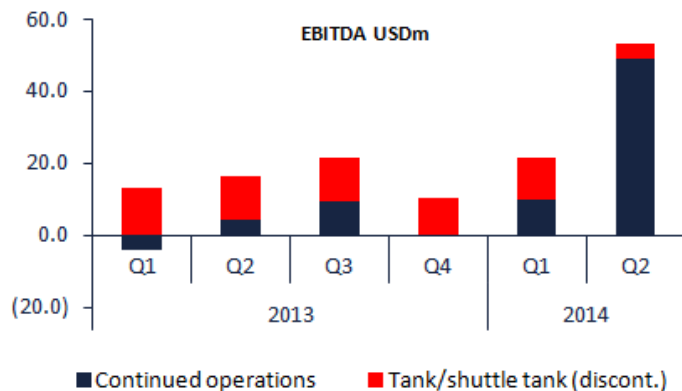
Interim financial report - first half year 2014

EBITDA in line with expectations

“Total EBITDA for first half of 2014 was USD 74.8m. The improvement of USD 49.3m on the first half of 2013 is mainly a result of slightly better dry cargo trading conditions and an earlier reported sale of a claim. The dry bulk sector is still going through a difficult period. We expect a move towards a more balanced market as the second half of the year progresses but are cautious in our optimism”, says Jan Kastrup-Nielsen, President and CEO.

Including discontinuing operations (tank/shuttle tank), EBITDA for the first six months amounted to USD 74.8m, up by USD 49.3m on H1 2013.

Q2 EBITDA from continuing operations amounted to USD 49.0m and was up by USD 44.8m compared to same period last year. The improvement primarily related to the bulk carrier activities and included profit from the sale of a counterparty claim.



Net result for the first half of 2014 was USD 29.0m compared to USD (262.0)m in the first half of 2013 which was impacted by loss from sale of assets and impairments.

Overall market conditions were challenging during the first six months of the year and in Q2 dry bulk markets in particular turned out considerably weaker than expected.

Main events during Q2 2014:

- Shuttle tanker *Dan Eagle* was delivered to the new owner Knutsen NYK Offshore Tankers and the two remaining shuttle tankers are expected to be delivered during August 2014.
- Sale of a counterparty claim related to the default by STX Pan Ocean in 2013 with a net effect of USD 30m.
- Two 58,000 dwt supramax bulk carriers were sold with delivery in July 2014.
- A 4,000 m³ semi-refrigerated gas carrier built in 1991 was sold.
- JL was founding member of the Trident Alliance, a coalition sharing common interest in robust and transparent enforcement of marine fuel sulphur regulations.

At period end, cash and unused credit facilities amounted to USD 222m. NIBD was USD 499m and amounted to 57% of vessel values. Solvency ratio was 47% compared to 39% at the end of 2013. Return on equity was 7.7% compared to (65.3)% in the same period of 2013.

Full year EBITDA for continuing operations is expected at USD 65-80m, down from earlier reported USD 80-100m whereas the net result is estimated in the range of USD 5-20m (USD 15-40m in our last estimate).

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EBITDA by business segment

USDm	EBITDA				
	2014 2nd quarter	2013 2nd quarter	2014 1st half	2013 1st half	2013 Full year
Lauritzen Bulkers	43.2	(2.5)	48.3	(13.0)	(10.5)
Lauritzen Kosan	7.8	8.4	14.1	17.2	28.1
Other/Unallocated	(2.0)	(1.8)	(3.8)	(4.0)	(8.7)
EBITDA from continuing operations	49.0	4.2	58.7	0.1	8.9
Lauritzen Tankers (discontinued operations)	(1.9)	5.4	3.3	11.9	21.1
Lauritzen Offshore (discontinued operations)	6.1	6.8	12.9	13.6	27.0
EBITDA, total	53.2	16.3	74.8	25.5	56.9

Lauritzen Bulkers

Average number of vessels reached 108 compared to 109 in the first six months of 2013.

EBITDA for Q2 was USD 43.2m, up USD 45.7m from USD (2.5)m in Q2 2013 primarily due to revenue from sale of claims and improved earnings due in part to redelivery of expensive T/C tonnage. EBITDA for H1 was USD 48.3m compared to USD (13.0)m in the same period in 2013.

Lauritzen Kosan

Average number of vessels reached 41 compared to 44 in the first six months of 2013.

EBITDA for Q2 amounted to USD 7.8m compared to USD 8.4m in 2013. EBITDA for the half year of 2014 was USD 14.1m compared to USD 17.2m in H1 2013 due to more challenging market conditions for smaller semi-refrigerated gas carriers and decline of the operational fleet.

Discontinuing operations (Lauritzen Tankers and Lauritzen Offshore)

EBITDA for discontinuing operations amounted to a total of USD 16.2m in the first half year against USD 25.5m in H1 2013. The transfer of products tankers to the new owner was completed in Q1.

Operating income

In Q2 operating income from continuing operations was USD 34.6m compared to USD (154.9)m in the same period in 2013 which included loss from sale of assets and impairments totaling USD 142.4m.

Including discontinuing operations, operating income for the first half of 2014 amounted to USD 51.9m compared to USD (230.3)m in the first six months of 2013.

USDm	Operating income				
	2014 2nd quarter	2013 2nd quarter	2014 1st half	2013 1st half	2013 Full year
Lauritzen Bulkers	35.5	(156.1)	38.3	(176.6)	(191.0)
Lauritzen Kosan	1.2	3.0	1.1	5.0	2.8
Unallocated	(2.0)	(1.8)	(3.8)	(4.2)	(6.9)
Operating income from continuing operations	34.6	(154.9)	35.7	(175.8)	(195.1)
Lauritzen Tankers (discontinued operations)	(1.9)	(38.2)	3.3	(33.9)	(6.8)
Lauritzen Offshore (discontinued operations)	6.1	(24.4)	12.9	(20.5)	(11.8)
Operating income, total	38.9	(217.4)	51.9	(230.3)	(213.7)

Joint ventures

JL's share of profit in joint ventures amounted to USD 0.1m, up from USD (7.0)m in H1 2013. The improvement relates primarily to Lauritzen Bulkers.

Net financial and cash position

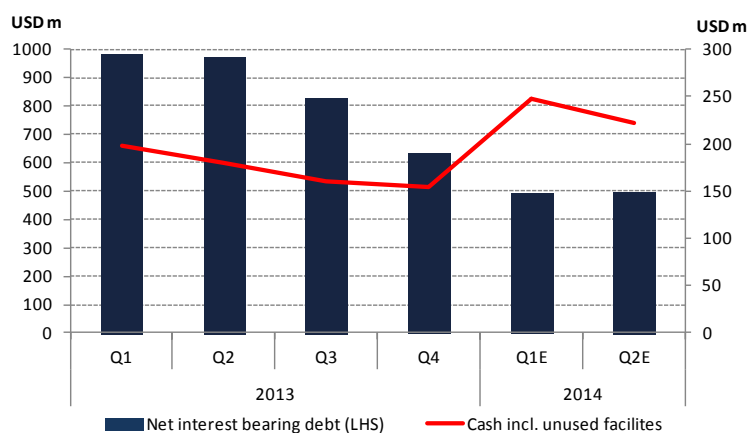
Net financial items for the first half year amounted to USD (20.7)m compared to USD (14.5)m in H1 2013 which included significant currency exchange rate gains related to JPY debt.

Cash and undrawn credit facilities amounted to USD 222m, up by USD 68m on year-end 2013.

Net interest bearing debt amounted to USD 499m, down USD 132m on year-end 2013 due to sale of assets. NIBD equals 57% of June broker valuations of fleet related to continuing operations.

Assets

Total assets amounted to USD 1,631m down USD 246m from year-end 2013. The change primarily relates to assets held for sale.



Vessel values as assessed by independent brokers at period end were stable compared to year-end 2013 save for age related value adjustments in certain segments.

At period end equity amounted to USD 771.1m against USD 756.1m at the end of June 2013.

Outstanding deliveries of wholly-owned and part-owned vessels amount to ten for delivery in 2015-17. Outstanding deliveries of long-term time-chartered vessels amount to 15, of which 12 with purchase options. Vessels will be delivered in 2014-17. Total commitments related to long-term time-chartered vessels appear in note 5.

Events after the balance date

After the balance date, refinancing of the majority of loans maturing in 2015 and 2016 were accomplished with new facilities maturing in 2019 and 2021 respectively. Total outstanding financing related to 2015 and 2016 (refinancing and financing of deliveries of newbuildings) amounts to approximately USD 80m.

After the balance date, the sale of the two remaining shuttle tankers to Knutsen NYK Offshore Tankers was finalised with expected delivery during August 2014.

Outlook for 2014

After a somewhat disappointing first half of 2014 in terms of global economic growth and world trade an improvement is expected in the second half of the year.

The unexpected decline in the dry bulk market during Q2 which has continued into Q3 cannot be explained solely by the above factors. Here issues of geopolitical and international trade political nature have played and could continue to play a significant role. However, a recovery in dry cargo balances is still expected during the remainder of 2014, to some extent driven by the northern hemisphere grain season and a likely lifting of Indonesian export ban on minerals.

The market for gas carriers has developed as expected.

Demand for bulk and gas carriers are expected to benefit from the expected stronger economic growth in the second half, but the projected rise in bulk earnings in Q4 cannot compensate for the downfall encountered in Q2 and Q3. As a consequence, EBITDA will be lower than earlier expected.

EBITDA (continuing operations) for the full year is expected to be in the range of USD 65-80m, down on earlier reported USD 80-100m mainly due to lower market expectations in dry bulk.

Net result for continuing operations in 2014 is expected at USD (15)-0m, down on earlier estimate of USD 0-20m, due to weaker than expected bulk markets. Result from discontinuing operations is expected to be approximately USD 20m (USD 15-20m in our last estimate).

Total net result for 2014 is estimated at USD 5-20m, down on earlier reported USD 15-40m.

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

Key figures	2014	2013	2013
	1st half	1st half	Full year
Solvency ratio	47%	38%	39%
Return on equity *)	7.7%	(65.3)%	(35.8)%
Return on invested capital *)	6.9%	(26.1)%	(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.

Conference call

A conference call for investors and analysts will be held on **Monday, 18 August 2014 at 10:00am (CPH time)** where Birgit Aagaard-Svendsen, Executive Vice President & CFO of J. Lauritzen A/S, will present JL's Interim Financial Report for the first six months of 2014 and take questions subsequently.

The presentation will be made available at www.j-l.com from Monday, August 18, 2014 at 09:00am (CPH time). Navigate to *About Us > Investor Relations > Presentations* in order to locate the presentation.

Those who wish to participate in the conference call should use the following dial-in details: 70 25 23 00 (Denmark) or 70 25 67 00 (Denmark) or +44 208 817 9311 (international) and use the audience passcode: 6345 1839#.

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 30 June 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 30 June 2014 and of the results of the Group's operations and cash flows for the period 1 January 2014 to 30 June 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 August 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	2014	2013	2013
USD '000	Note	2nd quarter	2nd quarter	1st half	1st half	Full year
Revenue	2	162,853	130,183	289,113	255,715	502,484
Voyage related costs		(34,110)	(41,203)	(67,039)	(83,272)	(149,228)
T/C equivalent income		128,744	88,980	222,074	172,443	353,256
Other operating income		2,418	2,659	4,538	6,034	10,961
Hire of chartered vessels		(45,800)	(52,734)	(96,827)	(107,444)	(213,589)
Operating costs of vessels		(24,734)	(23,406)	(48,536)	(48,005)	(96,439)
Administrative costs		(11,606)	(11,346)	(22,596)	(22,937)	(45,293)
Profit before depreciation (EBITDA)		49,021	4,154	58,653	91	8,896
Profit/(loss) on sale of vessels and other assets		24	(9,411)	5,581	(9,462)	(7,622)
Depreciations		(14,403)	(16,678)	(28,559)	(33,487)	(63,438)
Write-downs		-	(132,965)	-	(132,965)	(132,965)
Operating income		34,642	(154,900)	35,675	(175,824)	(195,129)
Share of profit in joint ventures		(619)	(4,585)	137	(7,019)	(10,740)
Net financial items		(10,092)	(7,723)	(20,674)	(14,450)	(30,749)
Profit/(loss) from continuing operations before tax		23,930	(167,208)	15,138	(197,293)	(236,618)
Income tax		-	(84)	59	(139)	137
Profit/(loss) from continuing operations		23,930	(167,292)	15,197	(197,432)	(236,481)
Profit/(loss) from discontinued operations	3	3,144	(69,220)	13,787	(64,607)	(47,835)
Profit/(loss) for the period		27,074	(236,512)	28,983	(262,039)	(284,317)
Attributable to:						
The J. Lauritzen Group (JL result)		27,074	(236,552)	28,983	(262,330)	(284,613)
Non-controlling interests		0	40	0	292	297
		27,074	(236,512)	28,983	(262,039)	(284,317)

STATEMENT OF COMPREHENSIVE INCOME		2014	2013	2014	2013	2013
USD '000		2nd quarter	2nd quarter	1st half	1st half	Full year
Profit/(loss) for the period		27,074	(236,512)	28,983	(262,039)	(284,317)
<i>Items that can be reclassified subsequently to profit or loss:</i>						
Other comprehensive income:						
Exchange differences on translating foreign operations		433	1,538	435	1,686	1,892
Fair value adjustment of hedging instruments		(1,465)	7,140	(2,212)	3,032	1,248
Deferred gains/(loss) on hedging instr. transfer to Net financial items		2,377	2,746	4,529	5,368	12,397
Fair value adjustment of shares available for sale		(221)	585	343	86	1,444
Other comprehensive income net of tax		1,124	12,010	3,095	10,173	16,981
Total comprehensive income for the period		28,199	(224,502)	32,078	(251,866)	(267,336)
Attributable to:						
The J. Lauritzen Group		28,199	(224,543)	32,078	(252,158)	(267,632)
Non-controlling interests		0	40	0	292	297
		28,199	(224,502)	32,078	(251,866)	(267,336)

FINANCIAL POSITION - CONDENSED		2014	2013	2013
USD '000	Note	30-jun	30-jun	31-dec
ASSETS				
Vessels, property and equipment	4	990,133	1,558,314	1,030,333
Investment in joint ventures		104,668	125,038	101,086
Deferred tax assets		297	655	297
Shares available for sale	5	43,770	26,096	43,427
Receivable from joint ventures		10,163	10,144	9,821
Non-current assets		1,149,031	1,720,248	1,184,964
Bunkers		8,881	10,007	12,264
Trade receivables		16,590	21,482	24,925
Other receivables and prepayments		49,248	68,513	36,106
Current tax receivables		-	1,162	-
Derivative financial instruments		6,170	5,646	3,015
Securities		10,260	-	10,000
Cash at hand and in bank		191,679	176,133	154,145
		282,827	282,942	240,455
Assets held for sale	3	199,065	-	451,368
Current assets		481,892	282,942	691,823
Total assets		1,630,923	2,003,190	1,876,787
EQUITY AND LIABILITIES				
Share capital		62,355	62,355	62,355
Retained earnings		703,936	698,164	675,881
Reserves		4,841	(5,062)	1,746
JL's share of equity		771,132	755,458	739,983
Non-controlling interests		0	663	668
Equity		771,132	756,121	740,651
Non-current derivative financial instruments		17,233	21,414	23,126
Long-term borrowings		541,951	1,060,178	731,291
Non-current liabilities		559,184	1,081,591	754,418
Current portion of long-term borrowings		158,567	90,816	63,447
Trade payables		6,409	18,488	15,994
Other current liabilities		19,005	23,186	18,509
Derivative financial instruments		20,543	29,894	15,097
Provisions		-	3,093	-
Current tax payables		1,662	-	1,952
		206,187	165,478	114,998
Liabilities associated with assets held for sale	3	94,420	-	266,719
Current liabilities		300,607	165,478	381,718
Total liabilities		859,791	1,247,069	1,136,135
Total equity and liabilities		1,630,923	2,003,190	1,876,787

EQUITY STATEMENT

USD '000	Share capital	Hedging instruments	Shares available for sale	Translation gain/loss	Reserves	Retained earnings	Total	Non-controlling 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 *)	-	-	-	-	-	(929)	(929)	929	-
Profit/(loss) for the period	-	-	-	-	-	28,983	28,983	0	28,983
Other compr. Income	-	2,317	343	435	3,095	-	3,095	-	3,095
Total compr. income	-	2,317	343	435	3,095	28,983	32,078	0	32,078
<i>Transaction with owners:</i>									
Paid dividend	-	-	-	-	-	-	-	(1,597)	(1,597)
Equity 30/06 2014	62,355	(15,706)	23,850	(3,303)	4,841	703,936	771,132	0	771,132
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	-	-	-	-	-	(262,330)	(262,330)	292	(262,039)
Other compr. Income	-	8,400	86	1,686	10,173	-	10,173	-	10,173
Total compr. income	-	8,400	86	1,686	10,173	(262,330)	(252,158)	292	(251,866)
<i>Transaction with owners:</i>									
Capital increase	1,722	-	-	-	-	153,825	155,547	-	155,547
Equity 30/06 2013	62,355	(23,267)	22,149	(3,944)	(5,062)	698,164	755,458	663	756,121

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

CASH FLOW STATEMENT - CONDENSED

USD '000	2014 1st half	2013 1st half
Cash flow from:		
Operations before financial items	82,766	19,422
Ordinary operations before tax	55,407	(10,042)
Operating activities	55,113	(10,252)
Investment activities	251,574	(49,854)
Financing activities	(268,314)	(28,183)
Changes for the period in cash and cash equivalents	38,373	(88,289)
Cash and cash equivalents at beginning of the period	154,145	267,000
Currency adjustments on cash and cash equivalents	(839)	(2,578)
Cash and cash equivalents at the end of the period	191,679	176,133
Undrawn committed credit facilities at end of period *)	30,400	3,027
Financial resources at the end of the period	222,079	179,160
Committed facilities available upon delivery of vessels	-	45,500
Financial resources incl. committed facilities available upon delivery of vessels	222,079	224,660

*) 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.

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 half 2014								
Revenue	196.1	93.0	16.0	11.4	316.5	0.0	316.5	289.1
EBITDA	48.3	14.1	12.9	3.3	78.6	(3.8)	74.8	58.7
Operating income	38.3	1.1	12.9	3.3	55.7	(3.8)	51.9	35.7
Profit/(loss)	28.5	2.6	10.4	3.3	44.8	(15.8)	29.0	15.2
1st half 2013								
Revenue	153.0	102.1	18.0	39.1	312.2	0.6	312.8	255.7
EBITDA	(13.0)	17.2	13.6	11.9	29.6	(4.0)	25.5	0.1
Operating income	(176.6)	5.0	(20.5)	(33.9)	(226.1)	(4.2)	(230.3)	(175.8)
Profit/(loss)	(198.2)	5.1	(23.6)	(41.0)	(257.7)	(4.4)	(262.0)	(197.4)

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	30-jun	30-jun	31-dec
<i>Assets held for sale that do not qualify for discontinued operation:</i>			
Two bulk carriers	48,970	-	53,148
<i>Assets held for sale that qualify for discontinued operation:</i>			
Lauritzen Tankers	-	-	219,000
Lauritzen Offshore Shuttle tankers	150,094	-	179,220
Total assets held for sale	199,065	-	451,368

Liabilities associated with assets held for sale, qualifying for discontinued operations	2014	2013	2013
	30-jun	30-jun	31-dec
Lauritzen Tankers	-	-	142,259
Lauritzen Offshore Shuttle tankers	94,420	-	124,460
Total liabilities associated with assets held for sale	94,420	-	266,719

Profit/(loss) from discontinued operations	2014	2013	2014	2013	2013
	2nd quarter	2nd quarter	1st half	1st half	Full year
Lauritzen Tankers	(1,471)	(43,260)	3,341	(40,965)	(22,776)
Lauritzen Offshore Shuttle tankers	4,615	(25,960)	10,446	(23,642)	(25,059)
Profit/(loss) from discontinued operations	3,144	(69,220)	13,787	(64,607)	(47,835)

Assets held for sale that do not qualify for discontinued operations

At the end of second quarter two bulk carriers have been classified as held for sale. The two vessels are sold with delivery in third quarter 2014 and measured end of June at the lower of their previously carrying amount (USD 49m) and net sales price (USD 56m). Delivery of the vessels will therefore affect profit/(loss) in third quarter by USD 7m. 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 the first quarter of 2014 and a gain of USD 6m was recognised as profit from the sale.

Assets held for sale that qualify for discontinued operations

At end of second quarter 2014 the consolidated statement of financial position includes assets held for sale of USD 150m 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 94m.

I) Lauritzen Tankers

As previously announced, a strategic decision was taken to trim the balance sheet by exit of the product tanker segment. During the first 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 USD '000	2014	2013	2014	2013	2013
	2nd quarter	2nd quarter	1st half	1st half	Full year
Revenue	1,296	19,959	11,391	39,144	81,046
Other operating income	79	135	118	312	274
Costs	(3,250)	(14,734)	(8,220)	(27,584)	(60,242)
EBITDA	(1,874)	5,360	3,290	11,872	21,078
Depreciations	-	(2,388)	(0)	(4,668)	(7,168)
Impairments	-	(41,128)	-	(41,128)	(22,147)
Share of result in joint ventures	-	(3,366)	-	(3,366)	-
Finance net	403	(1,738)	51	(3,675)	(16,278)
Profit/(loss) on the remeasurement to fair value less	-	-	-	-	1,438
Pretax profit/(loss) from discontinued operations	(1,471)	(43,260)	3,341	(40,965)	(23,077)
Income taxes	-	-	-	-	301
Profit/(loss) on discontinued operations, net of taxes	(1,471)	(43,260)	3,341	(40,965)	(22,776)
Attributable to:					
The J. Lauritzen Group	(1,457)	(43,300)	3,341	(41,257)	(23,073)
Non-controlling interests	(14)	40	-	292	297
	(1,471)	(43,260)	3,341	(40,965)	(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 year-end 2013. Subject to the agreement to sell was lifted on 15 January 2014 and immediately reported to Oslo Børs, cf. announcement no. 1/2014. One of the three shuttle tankers were delivered to new owners in 2nd quarter whereas delivery of the remaining two shuttle tankers now is expected to occur in 3rd quarter. The delivery of the vessels is expected to affect profit from sale of assets by USD 8m in 3rd 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	2014	2013	2013
USD '000	2nd quarter	2nd quarter	1st half	1st half	Full year
Revenue	7,013	9,020	16,007	17,954	36,188
Other operating income	205	164	331	360	606
Costs	(1,118)	(2,405)	(3,418)	(4,744)	(9,834)
EBITDA	6,100	6,779	12,920	13,570	26,960
Depreciations	-	(2,978)	-	(5,956)	(10,614)
Impairments	-	(28,153)	-	(28,153)	(28,153)
Finance, net	(1,485)	(1,584)	(2,473)	(3,076)	(12,727)
Pretax profit/(loss) from discontinued operations	4,615	(25,936)	10,448	(23,616)	(24,533)
Income taxes	-	(24)	(2)	(26)	(525)
Profit/(loss) on discontinued operations, net of taxes	4,615	(25,960)	10,446	(23,642)	(25,059)
Attributable to:					
The J. Lauritzen Group	4,615	(25,960)	10,446	(23,642)	(25,059)
Non-controlling interests	-	-	-	-	-
	4,615	(25,960)	10,446	(23,642)	(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
One vessel delivered to new owners during 1st half 2014	(29,126)
Assets held for sale as at 30 Jun 2014	150,094
Mortgage debt associated with assets held for sale as at 31 Dec 2013	124,460
Repayment and installements during 1st half 2014	(30,040)
Liabilities associated with assets held for sale as at 30 Jun 2014	94,420

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 half	1st half
Cash flow from operating activities	55,113	(10,252)
<i>Hereof cash flow from operating activities - discontinued operations:</i>		
Lauritzen Tankers	18,908	8,002
Lauritzen Offshore Shuttle tankers	8,468	9,248
Cash flow from operating activities, continuing operations	27,737	(27,502)
Cash flow from investment activities	251,574	(49,854)
<i>Hereof cash flow from investment activities - discontinued operations:</i>		
Lauritzen Tankers	217,362	(55,823)
Lauritzen Offshore Shuttle tankers	16,000	-
Cash flow from investing activities, continuing operations	18,212	5,969
Cash flow from financing activities	(268,314)	(28,183)
<i>Hereof cash flow from financing activities - discontinued operations:</i>		
Lauritzen Tankers	(142,259)	15,699
Lauritzen Offshore Shuttle tankers	(30,040)	(6,520)
Cash flow from financing activities, continuing operations	(96,015)	(37,362)

4. Vessels, property and equipment

USD '000	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	(76)	-	-	(4)	(80)
Additions	11,678	28,953	-	-	40,632
Disposals	(19,448)	-	-	(7,807)	(27,255)
Transferred to assets held for sale	(72,123)	-	-	-	(72,123)
Cost as at 30 June	1,433,925	28,953	3,074	10,587	1,476,539
Depr. and write-down, 1 January	(492,769)	-	(570)	(11,695)	(505,034)
Exchange rate adjustments	7	-	-	3	10
Depreciation	(27,957)	-	(44)	(566)	(28,567)
Disposals	17,927	-	-	6,104	24,031
Transferred to assets held for sale	23,153	-	-	-	23,153
Depr. and write-down as at 30 June	(479,639)	-	(614)	(6,153)	(486,407)
Balance as at 30 June	954,286	28,953	2,459	4,434	990,133
2013					
Cost as at 1 January	2,180,658	73,894	3,053	19,480	2,277,085
Exchange rate adjustments	108	-	(11)	(36)	61
Additions	3,740	64,052	-	(241)	67,551
Transfer from vessels under constr.	38,471	(38,471)	-	-	-
Disposals	(10,343)	-	-	-	(10,343)
Transferred to assets held for sale	-	(10,222)	-	-	(10,222)
Cost as at 30 June	2,212,634	89,253	3,042	19,203	2,324,132
Depr. and write-down, 1 January	(478,745)	(34,829)	(491)	(10,570)	(524,636)
Exchange rate adjustments	13	-	2	19	33
Transfer from vessels under constr.	(4,189)	4,189	-	-	-
Depreciation	(42,933)	-	(44)	(1,149)	(44,126)
Write down	(188,541)	(13,578)	-	-	(202,119)
Disposals	4,919	-	-	111	5,030
Depr. and write-down as at 30 June	(709,476)	(44,218)	(533)	(11,590)	(765,817)
Balance as at 30 June	1,503,157	45,035	2,509	7,613	1,558,314

5. Lease obligations

At the balance sheet date, JL has the following operational lease obligations from time-charter and bareboat contracts:

	Bulkers		Kosan		Total continuing business	
	USDm committed obligation	No. of vessels, full year equivalents	USDm committed obligation	No. of vessels, full year equivalents	USDm committed obligation	No. of vessels, full year equivalents
2014						
2nd half 2014	87.2	38.6	7.5	8.1	94.7	46.6
1 - 2 Year	142.2	31.5	12.0	6.0	154.2	37.5
2 - 3 Year	129.2	28.8	7.9	4.4	137.1	33.2
3 - 4 Year	108.4	25.2	4.0	2.3	112.4	27.5
4 - 5 Year	95.2	22.5	-	-	95.2	22.5
> 5 Year	263.6	67.3	-	-	263.6	67.3
Total	825.8	-	31.5	-	857.2	-
2013						
2nd half 2013	88.6	33.3	5.8	5.7	94.3	39.0
1 - 2 Year	115.0	22.1	7.1	3.5	122.0	25.5
2 - 3 Year	67.8	13.8	2.7	1.0	70.5	14.8
3 - 4 Year	44.6	9.7	0.2	0.1	44.8	9.8
4 - 5 Year	26.9	7.1	-	-	26.9	7.1
> 5 Year	117.8	40.5	-	-	117.8	40.5
Total	460.7	-	15.7	-	476.4	-

At end of June 2014 JL had purchase option on 22 bulk carriers (End of June 2013: 9 bulk carriers).

6. 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 30 June 2014 fair value of issued bonds amounted to USD 162.3m, whereas the carrying amount totalled USD 151.3m.

Fair value hierarchy

With the exception of shares available for sale of USD 43.8m (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:

	2014	2013	2013
USD '000	30-jun	30-jun	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	343	86	1,444
Book value end of period	43,770	26,096	43,427

7. Events after the balance sheet date

After the balance date, refinancing of the majority of loans maturing in 2015 and 2016 were accomplished with new facilities maturing in 2019 and 2021 respectively. Total outstanding financing related to 2015 and 2016 (refinancing and financing of deliveries of newbuildings) amounts to approximately USD 80m.

After the balance date, the sale of the two remaining shuttle tankers to Knutsen NYK Offshore Tankers was finalised with expected delivery during August 2014.