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Blue Water Shipping A/S
Central Business Registration No: 40 51 66 11
Annual report 2006

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This document is an unauthorised translation of the Danish original. In the event of any inconsistencies the Danish version shall apply.

Company details

Company

Blue Water Shipping A/S

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Central Business Registration No 40 51 66 11

Registered in Esbjerg

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Supervisory Board

Kurt Skov, chairman

Niels Kaalund

Morten Petersen

Michael Honoré

Executive Board

Carsten Eskildsen

Company auditors

Deloitte Statsautoriseret Revisionsaktieselskab

The Annual General Meeting adopted the annual report on

Chairman

Management's statement on the annual report

We have today presented the annual report of Blue Water Shipping A/S for 2006

The annual report has been presented in accordance with the Danish Financial Statements Act. We consider the applied accounting policies appropriate for the annual report to provide a true and fair view of the Group's and the Parent company's assets, equity and liabilities, financial position, and results as well as of the consolidated cash flows.

We recommend the annual report for adoption at the Annual General Meeting.

Esbjerg, March 29, 2007

Executive Board

Carsten Eskildsen

Supervisory Board

Kurt Skov
Chairman

Niels Kaalund

Morten Petersen

Michael Honoré

Independent auditor's report

To the shareholders of Blue Water Shipping A/S

We have audited the annual report of Blue Water Shipping A/S for the financial year 1 January to 31 December 2006, which comprises the statement by Management on the annual report, Management's review, accounting policies, income statement, balance sheet, statement of changes in equity and the notes for the Group as well as the Parent and the consolidated cash flow statement. The annual report has been prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the annual report

Management is responsible for the preparation and fair presentation of an annual report in accordance with the Danish Financial Statements Act. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an annual report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility and basis of opinion

Our responsibility is to express an opinion on this annual report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of an annual report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the annual report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the annual report gives a true and fair view of the Group's and the Parent's financial position at 31 December 2006, and of their financial performance and the consolidated cash flows for the financial year 1 January to 31 December 2006 in accordance with the Danish Financial Statements Act.

Esbjerg, March 29, 2007

Deloitte

Statsautoriseret Revisionsaktieselskab

 Hans Jørgen P. Jensen

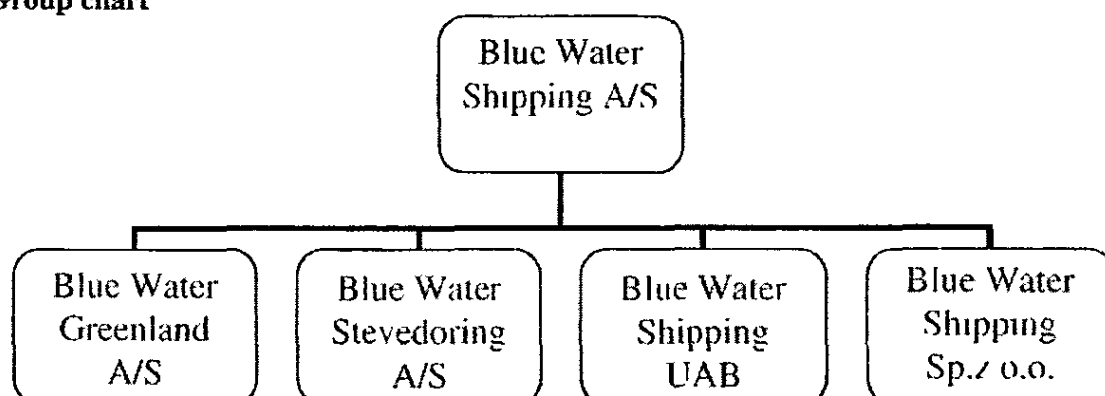
State Authorized
Public Accountant

 Peder R. Pedersen

State Authorized
Public Accountant

Management's review

Group chart



	2006 DKK'000	2005 DKK'000	2004 DKK'000	2003 DKK'000	2002 DKK'000
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Group financial highlights

Key figures

Gross profit	222 217	189 220	167 471	123 828	150 022
Operating profit/loss	10 146	8 907	10 013	13 991	13 096
Net financials	423	301	(79)	(1 830)	(2 132)
Profit/loss before tax	10 263	9 176	10 081	12 299	11 605
Net profit/loss for the year	6.853	5 712	6 597	8 309	8 177
Trade receivables	158 625	132 470	106 632	83 437	75 634
Equity	40 373	33 520	27 808	29 211	30 902
Balance sheet total	238 331	212 990	175 989	153 789	144 716
Investments in property, plant and equipment	5 701	5 986	8 917	2 680	3 862

Ratios

Financial gearing	(0.4)	(0.9)	(0.7)	(0.9)	(0.9)
Return on equity (%)	18.5	18.6	23.1	27.6	26.6

There has been restructuring at 31.12.2002 and 31.12.2003 which has resulted in transferring of activities to/from other companies in the Blue Water Group

Management's review

Primary activity

The company's and Group's activities comprise transport arrangement of industrial cargo by road sea and air including short and long-term warehouse arrangements as well as cargo handling

Development in activities and finances

2006 was a satisfactory year for Blue Water Shipping A/S as the result of the year was a profit of DKK 6 853k - compared to a profit of DKK 5.712k in 2005

At the end of the year the equity amounts to DKK 40 373k

Particular risks

Operating risks

The Group's financial development is influenced by the total amount of cargo assigned for transport within the Danish industry

Financial exposure

The Group is in consequence of its activities exposed to changes in exchange rates

Currency exposure

The greater part of the Group's turnover is in Euro or in Danish kroner

Credit risks

The Group has no essential risks regarding one single client or co-operation partner. The Group pursues a strict credit policy which ensures that potential losses are discovered before they assume a considerable size

Cash flow

Central control of capital procurement and placement of excess liquidity – by the parent company Blue Water Holding A/S in so far as it answers purpose – is part of the Group's policy. Furthermore the Group has liquidity measures in the shape of excess liquidity and credits which at any time must be available for the company/Group

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which influence the evaluation of this annual report

Management's review

Outlook

The Management expects a continued progress for the Group – both in respect of turnover and result for next year. The expectation is partly based on expected growth in the cargo volume and partly on a continuous effectiveness process.

The company expects to have a positive liquidity in 2007 and investments are expected to be at the same level as in 2006.

Foreign branches

2 offices in England

Accounting policies

This annual report has been prepared in accordance with the Danish Financial Statements Act governing reporting class C enterprises (medium-size)

The accounting policies applied for this annual report are consistent with those applied last year

Consolidated financial statements

The consolidated financial statements comprise Blue Water Shipping A/S (Parent) and the group enterprises (subsidiaries) that are controlled by the Parent see group chart on page 4 Control is achieved by the Parent either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence Enterprises in which the Group directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence are regarded as associates

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of Blue Water Shipping A/S and its subsidiaries The consolidated financial statements are prepared by combining uniform items On consolidation intra-group income and expenses intra-group accounts as well as profits and losses on transactions between the consolidated enterprises are eliminated The financial statements used for consolidation have been prepared applying the Group's accounting policies

Subsidiaries' items are recognised in full in the consolidated financial statements

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value

Foreign currency translation

On initial recognition, foreign currency transactions are translated using the exchange rate at the transaction date Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses Fixed assets purchased in foreign currencies are translated using historical rates

Income statement

Net turnover

The net turnover is included exclusive of VAT and discounts in connection with the sale Invoiced sale includes allowance for both services as well as outlays In the opinion of the Management statement of invoiced sale as turnover will not give a true and fair view of the company's business volume We have therefore cho-

Accounting policies

sen in the accounts only to state the forwarding profit which is calculated as invoiced turnover less outlays and direct related expenses

Accounting profit of a forwarding job is booked as income at the time when the transport of the shipment in question starts

Expenses

Expenses comprise expenses to sale, advertising, administration, facilities, bad debts etc.

Staff expenses

Staff expenses comprise wages and salaries as well as social insurance expenses and employers' contributions, pensions etc. to the company's staff

Financial income and expenses

These items comprise interest income and expenses, the interest portion of lease payments as well as, realised and unrealised capital gains and losses on payables and transactions in foreign currencies

Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit/loss for the year, and recognised directly on equity by the portion attributable to entries directly on equity

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities. The tax-based value of the assets is calculated based on the planned use of each asset

Deferred tax assets, including the tax base of tax loss carry-forward, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets

The Company is jointly taxed with the Parent and its Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed Danish companies proportionally to their taxable income (full allocation with a refund concerning tax losses)

Accounting policies

Balance sheet

Goodwill

Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by the Management for each business area. The period of amortisation is usually 5 years, however it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer period of amortisation is considered to give a better reflection of the Group's benefit from the relevant resources.

The carrying amount of goodwill is assessed currently and written down to recoverable amount if the carrying amount exceeds the estimated future net income from the enterprise or activity to which the goodwill is related.

Property, plant and equipment

Buildings, other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For assets held under finance leases cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	25 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price less selling costs and carrying amount at the time of sale. Profits or losses are recognised in the income statement together with depreciation and impairment losses.

Accounting policies

Investments in subsidiaries, associates and other companies.

Investments in subsidiaries, associates and other companies, where the activity matches the primary activities of the parent company are recognised and measured under the equity method. This means that in the balance sheet investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill on consolidation and plus or minus unrealised intra-group profits or losses.

The Parent's share of the enterprises' profits or losses after elimination of unrealised intra-group profits and losses and minus or plus amortisation of positive, or negative goodwill on consolidation is recognised in the income statement.

Net revaluation of investments in subsidiaries and associates is taken to reserve for net revaluation under the equity method if the carrying amount exceeds cost.

Deposits

Deposits are recorded at costs.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less provisions for bad debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at amortised cost which usually corresponds to the nominal value.

Dividend

Dividends are recognised as a liability at the time of adoption at the general meeting. The proposed dividends for the financial year are disclosed as a separate item under equity.

Mortgage debt

At the time of borrowing, mortgage debt is measured at cost, which corresponds to the proceeds received less transaction costs incurred. It is subsequently measured at amortised cost, which corresponds to the capitalised value applying the effective interest method.

Lease commitments

Lease commitments relating to assets held under finance leases are recognised in the balance sheet under liabilities other than provisions and are measured at amortised cost after initial recognition. The interest portion of lease payments is recognised over the term of the contracts as financial costs in the income statement.

Other financial liabilities

Other financial liabilities are recognised at amortised cost which usually corresponds to nominal value.

Accounting policies

Cash flow statement

The cash flow statement of the Group is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as the Group's cash and cash equivalents at the beginning and the end of the financial year. No separate cash flow statement has been prepared for the Parent because it is included in the consolidated cash flow statement.

Cash flows from acquisition and divestment of enterprises are shown separately under cash flows from investing activities. Cash flows to acquired enterprises are recognised in the cash flow statement from the time of their acquisition, and cash flows from divested enterprises are recognised up to the time of sale.

Cash flows from operating activities are calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises and activities as well as purchase and sale of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, instalments on interest-bearing debt and payment of dividends.

Cash and cash equivalents comprise cash less short-term bank debt.

Ratios

The ratios have been compiled in accordance with "Anbefalinger & Nøgletal 2005" issued by the Danish Society of Financial Analysts.

Key figures		Formal of calculation	Key figures express
Financial gearing	=	$\frac{\text{Net interest bearing debt}}{\text{Equity}}$	The enterprise's financial gearing
Return on equity (%)	=	$\frac{\text{Net profit/loss for the year} \times 100}{\text{Average equity}}$	The enterprise's return on capital invested in the enterprise by the owners

Net interest-bearing debt is defined as interest-bearing liabilities, including income tax payable, net of interest-bearing assets, including cash and income tax receivable.

Income statement for 2006

Parent			Group	
2005	2006		2006	2005
<u>DKK'000</u>	<u>DKK'000</u>		<u>DKK'000</u>	<u>DKK'000</u>
175 471	204 462	Net turnover	222 217	189 220
(60 250)	(70 197)	Other external expenses	(76 117)	(66 643)
(102 601)	(124 516)	Staff expenses	(132.365)	(109 362)
<u>(3 650)</u>	<u>(3 248)</u>	Depreciations etc	<u>(3.489)</u>	<u>(4 308)</u>
8.970	6.501	Operating profit	10.246	8 907
(253)	3 364	Profit/loss before tax in group enterprises	0	0
(116)	(46)	Profit/loss before tax in associates	(46)	(116)
84	(360)	Profit/loss before tax in other companies	(360)	84
1.151	1.578	Financial income	1 367	1 081
<u>(660)</u>	<u>(774)</u>	Financial expenses	<u>(944)</u>	<u>(780)</u>
9.176	10.263	Profit before tax	10.263	9.176
<u>(3 464)</u>	<u>(3.410)</u>	Tax on profit for the year	<u>(3 410)</u>	<u>(3 464)</u>
<u>5.712</u>	<u>6.853</u>	Net profit for the year	<u>6.853</u>	<u>5.712</u>

Proposed distribution of profit

10 000	Dividends for the financial year
2.644	Transfer to reserve for net revaluation under the equity method
<u>(5.791)</u>	Retained earnings
<u>6.853</u>	

Balance sheet at 31.12.2006

Parent				Group	
2005	2006			2006	2005
DKK'000	DKK'000		Notes	DKK'000	DKK'000
0	0	Buildings	10	7 437	5 531
8 309	7 004	Other fixtures and fittings, tools and equipment	10	8 828	10 440
<u>1 389</u>	<u>988</u>	Leasehold improvements	10	<u>988</u>	<u>1 389</u>
<u>9.698</u>	<u>7.992</u>	Property, plant and equipment		<u>17.253</u>	<u>17.360</u>
4 622	7.484	Investments in group enterprises	11	0	0
543	35	Investments in other companies	11	35	543
<u>800</u>	<u>823</u>	Deposits	12	<u>823</u>	<u>800</u>
<u>5.965</u>	<u>8.342</u>	Fixed asset investments		<u>858</u>	<u>1.343</u>
<u>15.663</u>	<u>16.334</u>	Fixed assets		<u>18.111</u>	<u>18.703</u>
125 267	147 035	Trade receivables		158 625	132 470
30 191	38 755	Receivables from group enterprises		31 503	23 736
0	489	Work in progress	16	0	0
1 029	2 390	Deferred tax assets	14	1 130	1
1 617	2 825	Other receivables		4 757	2 623
<u>1 610</u>	<u>707</u>	Accrued income and deferred expenses		<u>916</u>	<u>1 668</u>
<u>159.714</u>	<u>192.201</u>	Receivables		<u>196.931</u>	<u>160.498</u>
<u>33.175</u>	<u>20.770</u>	Cash		<u>23.289</u>	<u>33.789</u>
<u>192.889</u>	<u>212.971</u>	Current assets		<u>220.220</u>	<u>194.287</u>
<u>208.552</u>	<u>229.305</u>	Assets		<u>238.331</u>	<u>212.990</u>

Balance sheet at 31.12.2006

Parent				Group	
2005	2006			2006	2005
DKK'000	DKK'000		Notes	DKK'000	DKK'000
20 000	20 000	Share capital	13	20.000	20 000
923	3 567	Reserve for net revaluation according to the equity method		0	0
12 597	6 806	Retained earnings		10 373	13 520
0	10 000	Proposed dividends for the financial year		10 000	0
<u>33.520</u>	<u>40.373</u>	Equity		<u>40.373</u>	<u>33.520</u>
0	0	Mortgage debt	15	0	621
1.099	579	Lease commitments	15	579	1 099
187	1.094	Deposits		1.094	187
<u>1.286</u>	<u>1.673</u>	Long-term liabilities other than provisions		<u>1.673</u>	<u>1.907</u>
496	316	Current portion of long-term debt	15	316	883
2 252	2 772	Investments in group enterprises	11	0	0
163	209	Investments in associates	11	209	163
405	355	Bank debt		1 057	405
144 203	166.449	Trade payables		174 447	149 064
3 855	0	Group enterprises payable		0	2 649
42	150	Income taxes		324	42
3 390	3.556	Tax refund to parent company		4 175	3 754
5 086	0	Work in progress	16	403	4 600
13 854	13 452	Other payables		15 354	16 003
<u>173.746</u>	<u>187.259</u>	Short-term liabilities other than provisions		<u>196.285</u>	<u>177.563</u>
<u>175.032</u>	<u>188.932</u>	Liabilities other than provisions		<u>197.958</u>	<u>179.470</u>
<u>208.552</u>	<u>229.305</u>	Equity and liabilities		<u>238.331</u>	<u>212.990</u>
		Assets charged and contingent liabilities etc	17-18		
		Other notes	21-23		

Statement of changes in equity for 2006

	Group				
	Share capital	Net revalu- ation, equity method	Retained earnings	Proposed dividends for financial year	Total
	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>
Equity at 31.12.2005	20.000	0	13.520	0	33.520
Dividends paid	0	0	0	0	0
Net profit/loss for the year	<u>0</u>	<u>0</u>	<u>(3 147)</u>	<u>10 000</u>	<u>6 853</u>
Equity at 31.12.2006	<u>20.000</u>	<u>0</u>	<u>10.373</u>	<u>10.000</u>	<u>40.373</u>

Statement of changes in equity for 2006

	Parent				
	Share capital	Net revalu- ation, equity method	Retained earnings	Proposed dividends for financial year	Total
	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>
Equity at 31.12.2005	20.000	923	12.597	0	33.520
Dividends paid	0	0	0	0	0
Net profit/loss for the year	<u>0</u>	<u>2 644</u>	<u>(5 791)</u>	<u>10 000</u>	<u>6 853</u>
Equity at 31.12.2006	<u>20.000</u>	<u>3.567</u>	<u>6.806</u>	<u>10.000</u>	<u>40.373</u>

Cash flow statement for 2006

	Notes	Group	
		2006	2005
		DKK'000	DKK'000
Operating profit/loss		10 246	8.907
Depreciation and amortisation etc	3	3 489	4.308
Working capital changes	19	<u>(17.982)</u>	<u>5 757</u>
		(4.247)	18.972
Interest income etc received		1 367	1 081
Interest expenses etc paid		(944)	(780)
Dividend		148	84
Income taxes paid		<u>(3 837)</u>	<u>(6 958)</u>
Cash flows from operating activities		<u>(7 513)</u>	<u>12.399</u>
Acquisition of property, plant and equipment		(5 701)	(5 986)
Sale of property, plant and equipment		2 319	593
Fixed asset investments		(23)	(530)
Fixed asset divestments		<u>0</u>	<u>13</u>
Cash flows from investing activities		<u>(3.405)</u>	<u>(5.910)</u>
Raise of long-term liabilities other than provisions		907	261
Instalments on long-term liabilities other than provisions		<u>(1.141)</u>	<u>(278)</u>
Cash flows from financing activities		<u>(234)</u>	<u>(17)</u>
Increase/decrease in cash and cash equivalents		(11.152)	6.472
Cash and cash equivalents at 01.01.2006		<u>33 384</u>	<u>26 912</u>
Cash and cash equivalents at 31.12.2006	20	<u>22.232</u>	<u>33.384</u>

Notes

Parent			Group	
2005	2006		2006	2005
<u>DKK'000</u>	<u>DKK'000</u>		<u>DKK'000</u>	<u>DKK'000</u>
1. Net turnover				
<u>175.471</u>	<u>204.462</u>	Forwarding profit	<u>222.217</u>	<u>189.220</u>
<u>175.471</u>	<u>204.462</u>		<u>222.217</u>	<u>189.220</u>
2. Staff costs				
96.625	118.000	Wages and salaries	124.901	103.324
4.552	4.748	Pension contributions	5.281	4.552
<u>1.424</u>	<u>1.768</u>	Other social security costs	<u>2.183</u>	<u>1.486</u>
<u>102.601</u>	<u>124.516</u>		<u>132.365</u>	<u>109.362</u>
<u>315</u>	<u>365</u>	Average number of employees	<u>386</u>	<u>335</u>
3. Depreciation etc.				
450	0	Goodwill	0	450
486	401	Leasehold improvements	401	486
0	0	Buildings	204	150
2.867	3.135	Other fixtures and fittings, tools and equipment	3.802	3.405
<u>(153)</u>	<u>(288)</u>	Profit from sale of operating equipment	<u>(918)</u>	<u>(181)</u>
<u>3.650</u>	<u>3.248</u>		<u>3.489</u>	<u>4.308</u>

Notes

Parent			Group	
2005	2006		2006	2005
DKK'000	DKK'000		DKK'000	DKK'000
4. Profit/loss before tax in group enterprises				
<u>(253)</u>	<u>3 364</u>	Share of profit/loss before tax	<u>0</u>	<u>0</u>
<u>(253)</u>	<u>3.364</u>		<u>0</u>	<u>0</u>
5. Profit/loss before tax in associates				
<u>(116)</u>	<u>(46)</u>	Share of profit/loss before tax	<u>(46)</u>	<u>(116)</u>
<u>(116)</u>	<u>(46)</u>		<u>(46)</u>	<u>(116)</u>
6. Profit/loss before tax in other companies				
<u>84</u>	<u>(360)</u>	Share of profit/loss before tax	<u>(360)</u>	<u>84</u>
<u>84</u>	<u>(360)</u>		<u>(360)</u>	<u>84</u>
7. Financial income				
635	1 111	Interest from group enterprises	902	374
185	51	Other interests	69	388
<u>331</u>	<u>416</u>	Exchange adjustments	<u>396</u>	<u>319</u>
<u>1.151</u>	<u>1.578</u>		<u>1.367</u>	<u>1.081</u>
8. Financial expenses				
0	0	Interest and amortisation premium on mortgage debt	17	53
58	22	Interest portion of in lease payment	22	58
258	417	Other interests	548	298
<u>344</u>	<u>335</u>	Bank charges	<u>357</u>	<u>371</u>
<u>660</u>	<u>774</u>		<u>944</u>	<u>780</u>

Notes

Parent			Group	
2005	2006		2006	2005
<u>DKK'000</u>	<u>DKK'000</u>		<u>DKK'000</u>	<u>DKK'000</u>
9. Tax on profit/loss for the year				
3 272	3 745	Current tax	4 539	3 636
(357)	(1 361)	Change of deferred tax	(1 129)	(218)
		Change of deferred tax in consequence of		
46	0	change of the rate of corporation tax from 30% to 28%	0	46
<u>503</u>	<u>1 026</u>	Share of Group enterprises' tax	<u>0</u>	<u>0</u>
<u>3.464</u>	<u>3.410</u>		<u>3.410</u>	<u>3.464</u>

	Group		
	Buildings	Other fixtures etc	Leasehold improvements
	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>
10. Property, plant and equipment			
Cost at 01 01 2006	6 486	19 657	2 845
Additions	3 317	2 384	0
Disposals	<u>(1 467)</u>	<u>(2 847)</u>	<u>(900)</u>
Cost at 31.12.2006	<u>8.336</u>	<u>19.194</u>	<u>1.945</u>
Depreciation at 01 01.2006	(955)	(9 217)	(1 456)
Additions	(204)	(3 802)	(401)
Disposals	<u>260</u>	<u>2 653</u>	<u>900</u>
Depreciation at 31.12.2006	<u>(899)</u>	<u>(10.366)</u>	<u>(957)</u>
Carrying amount at 31.12.2006	<u>7.437</u>	<u>8.828</u>	<u>988</u>
Carrying amount at 31 12 2005	<u>5.531</u>	<u>10 440</u>	<u>1 389</u>
The carrying amount at 31 12.2006 includes			
Recognised leased assets	<u>0</u>	<u>880</u>	<u>0</u>

Notes

	Parent	
	Other fixtures etc DKK'000	Leasehold improve- ments DKK'000
10. Property, plant and equipment		
Cost at 01 01 2006	15 979	2 845
Additions	2 024	0
Disposals	(2 847)	(900)
Cost at 31.12.2006	<u>15.156</u>	<u>1.945</u>
 Depreciation at 01 01 2006	 (7 670)	 (1 456)
Additions	(3 135)	(401)
Disposals	<u>2 653</u>	<u>900</u>
Depreciation at 31.12.2006	<u>(8.152)</u>	<u>(957)</u>
 Carrying amount at 31.12.2006	 <u>7.004</u>	 <u>988</u>
 Carrying amount at 31 12 2005	 <u>8 309</u>	 <u>1 389</u>
 The carrying amount at 31 12 2006 includes:		
Recognised leased assets	<u>880</u>	<u>0</u>

Notes

	Group	
	Invest- ments in associates DKK'000	Invest- ments in other companies DKK'000
11. Fixed asset investments		
Cost at 01 01 2006	127	555
Additions	0	0
Disposals	<u>0</u>	<u>(508)</u>
Cost at 31.12.2006	<u>127</u>	<u>47</u>
Net revaluations 01 01 2006	(290)	(12)
Revaluations	0	0
Net share of profit/loss for the year	(46)	38
Dividends	<u>0</u>	<u>(38)</u>
Net revaluations 31.12.2006	<u>(336)</u>	<u>(12)</u>
Carrying amount at 31.12.2006	<u>(209)</u>	<u>35</u>
Carrying amount at 31 12 2005	<u>(163)</u>	<u>543</u>

	Share of owner- ship in %	Result after tax 2006	Equity 31.12 2006	Net book value 31.12 2006
Investment in associates .				
Fragtterminalen A/S Kolding	33.33	<u>(139)</u>	<u>(629)</u>	<u>(209)</u>

Notes

	Parent		
	Invest- ments in group enterprises DKK'000	Invest- ments in associates DKK'000	Other companies DKK'000
11. Fixed asset investments			
Cost at 01 01 2006	1 145	127	555
Additions	0	0	0
Disposals	0	0	(508)
Cost at 31.12.2006	1.145	127	47
Net revaluations 01 01 2006	1 225	(290)	(12)
Revaluations	4	0	0
Net share of profit/loss for the year	2 338	(46)	38
Dividends	0	0	(38)
Net revaluations 31.12.2006	3.567	(336)	(12)
Carrying amount at 31.12.2006	4.712	(209)	35
Carrying amount at 31 12 2005	2 370	(163)	543

	Share of owner- ship in %	Result after tax 2006	Equity 31.12 2006	Net book value 31.12 2006
Group enterprises:				
Blue Water Stevedoring A/S, Esbjerg	100	1 714	3 165	3 165
Blue Water Greenland A/S, Nuuk, Greenland	100	1 148	4 319	4 319
Blue Water Shipping SP Z O O , Warsaw, Poland	100	65	0	0
Blue Water Shipping UAB Vilnius, Lithuania	100	(589)	(2 772)	(2 772)
		<u>2 338</u>	<u>4 712</u>	<u>4 712</u>
Associates				
Fragtterminalen A/S Kolding	33,33	(139)	(629)	(209)

Notes

Parent

Group

DKK'000DKK'000**12. Deposits**

800	Cost at 01 01 2006	800
23	Additions	23
<u>0</u>	Disposals	<u>0</u>
<u>823</u>	Cost at 31.12.2006	<u>823</u>
 <u>823</u>	Carrying amount at 31.12.2006	 <u>823</u>
 <u>800</u>	Carrying amount at 31 12 2005	 <u>800</u>

13. Share capital

The share capital consists of

1 share at DKK 18 000k

1 share at DKK 1 900k

10 shares at DKK 10k

The shares have not been divided into classes

Notes

Parent			Group	
2005	2006		2006	2005
<u>DKK'000</u>	<u>DKK'000</u>		<u>DKK'000</u>	<u>DKK'000</u>
14. Deferred tax				
(162)	0	Intangible assets	0	(162)
138	0	Property, plant and equipment	1 316	1 166
<u>(1 005)</u>	<u>(2 390)</u>	Receivables etc	<u>(2 446)</u>	<u>(1 005)</u>
<u>(1.029)</u>	<u>(2.390)</u>		<u>1.130</u>	<u>(1)</u>
Net value is recognised as follows in the balance sheet				
1 029	2 390	Deferred tax assets	1 130	1
<u>0</u>	<u>0</u>	Deferred tax liabilities	<u>0</u>	<u>0</u>
<u>1.029</u>	<u>2.390</u>		<u>1 130</u>	<u>1</u>

	Group			
	Due within one year	Due after one year	Total amortised debt	Total nominal debt
	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>
15. Long-term liabilities other than provisions				
Lease commitments	<u>316</u>	<u>579</u>	<u>895</u>	<u>895</u>
Long-term liabilities other than provisions at 31.12.2006	<u>316</u>	<u>579</u>	<u>895</u>	<u>895</u>
Long-term liabilities other than provisions at 31.12.2005	<u>883</u>	<u>1 720</u>	<u>2 603</u>	<u>2 603</u>
Due after more than five years				
Lease commitments		<u>0</u>		
		<u>0</u>		

Notes

	Parent			
	Due within one year DKK'000	Due after one year DKK'000	Total amortised debt DKK'000	Total nominal debt DKK'000
15. Long-term liabilities other than provisions				
Lease commitments	<u>316</u>	<u>579</u>	<u>895</u>	<u>895</u>
Long-term liabilities other than provisions at 31.12.2006	<u>316</u>	<u>579</u>	<u>895</u>	<u>895</u>
Long-term liabilities other than provisions at 31.12.2005	<u>496</u>	<u>1.099</u>	<u>1.595</u>	<u>1.595</u>
Due after more than five years				
Lease commitments		<u>0</u>		

16. Work in progress

The amount comprises vendor's invoices not received and not yet invoiced but performed transactions

Parent		Group	
2005 DKK'000	2006 DKK'000	2006 DKK'000	2005 DKK'000

17. Assets charged

Mortgage debt is secured by way of mortgage on properties

Bank debt is secured by a deposited mortgage deed registered to the mortgagor on properties of DKK 3 000k nominal

<u>0</u>	<u>0</u>	Book value of pledged assets	<u>4.336</u>	<u>4.304</u>
<u>6.247</u>	<u>7.352</u>	Bank guarantee to third party as security for liabilities	<u>7.600</u>	<u>6.495</u>

Notes

**18. Recourse guarantee commitments
and contingent liabilities**

Guarantee for group enterprises' and affiliated
company's bank loans and mortgage debt, which
on the balance date amount to

<u>0</u>	<u>0</u>	Bankloan	<u>0</u>	<u>0</u>
<u>3 158</u>	<u>2 108</u>	Mortgage debt	<u>0</u>	<u>0</u>

The Group is under an obligation to pay rent to
associated company for 12 years. The annual basic rent is
DKK 1 200k.

The parent is jointly liable with other jointly taxed enterprises
for the total income tax arising from the joint taxation
scheme through 2004

19. Working capital changes

	Group	
	2006	2005
	DKK'000	DKK'000
Change in receivables	(35 304)	(28 857)
Change in trade payables etc	<u>17 322</u>	<u>34 614</u>
	<u>(17.982)</u>	<u>5.757</u>

20. Cash and cash equivalents

Cash	23.289	33 789
Short-term bank debt	<u>(1 057)</u>	<u>(405)</u>
	<u>22.232</u>	<u>33.384</u>

Notes

21. Related parties

Related parties with a controlling interest in Blue Water Shipping A/S

Blue Water Holding A/S, Trafikhavnskej 11, 6700 Esbjerg, controlling shareholder

Shipbroker Kurt Skov, Liljevænget 14, 6710 Esbjerg V Blue Water Group controlling shareholder

Other related parties with whom Blue Water Shipping A/S has had transactions in 2006

Blue Water Greenland A/S, Industrivej 43, 3900 Nuuk, subsidiary company

Blue Water Stevedoring A/S, Trafikhavnskej 11, 6700 Esbjerg, subsidiary company

Blue Water Shipping SP Z O O . Warsaw, Poland, subsidiary company

Blue Water Shipping UAB, Vilnius, Lithuania, subsidiary company

Blue Water Transport A/S, Istedvej 7, 6330 Padborg affiliated company

Blue Water International A/S Trafikhavnskej 11, 6700 Esbjerg, affiliated company

Blue Water Property A/S, Trafikhavnskej 11, 6700 Esbjerg affiliated company

Lawyer Niels Kaalund Torvet 21, 6700 Esbjerg, committee member

Transactions between related parties and Blue Water Shipping A/S in 2006

Lawyer Niels Kaalund's firm of lawyers has assisted the Group on a continuing basis

22. Ownership

The following shareholders hold more than 5% of the Company's share capital

Blue Water Holding A/S, Trafikhavnskej 11 6700 Esbjerg

23. Consolidation

Blue Water Shipping A/S and subsidiaries are included in the consolidated financial statements of Blue Water Holding A/S