TORM

Presentation of Q2 2012 results

21 August 2012

Safe Harbor Statement

Matters discussed in this presentation may constitute forward-looking statements.

Such statements reflect TORM's current expectations and are subject to certain risks and uncertainties that could negatively impact TORM's business.

To understand these risks and uncertainties, please read TORM's announcements and filings with The US Securities and Exchange Commission.

The presentation may include statements and illustrations concerning risks, plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, TORM's examination of historical operating trends, data contained in our records and other data available from third parties. As many of these factors are subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, TORM makes no warranties or representations about accuracy, sequence, timeliness or completeness of the content of this presentation.

Highlights for Q2 2012

Results

- Q2 loss before tax of USD 59m before special items of USD -73m
- Special items relate to impairment on FR8 (USD -42m), advisory fees related to the restructuring (USD -18m), non-cash mark-to-market effects (USD -8m) and sale of vessel in JV (USD -5m)
- Both main segments remained challenging in Q2 2012, which was further impacted by TORM's financial position

Tanker

- LR2 and LR1 increased in Q2 2012 due to jet oil arbitrage to Europe giving positive spill over effects
- MR segment in the West was weaker in Q2 2012 due to closed gasoline and diesel arbitrages and lower US East coast product demand
- EBIT of USD -42m in Q2 2012, despite beating commercial spot benchmarks again

Bulk

- Bulk market under pressure in end of Q2 2012 due to tonnage influx, lower Chinese import and the Indonesian commodity export ban
- EBIT of USD -13m in Q2 2012 including mark-to-market effects of USD -10m

S&P

- Vessel prices flat in Q2 2012 for modern tonnage, but declining for older tonnage
- Manageable order book for product tankers (approximately 6%)
- TORM sold shares in the JV owning the LR1, TORM Ugland

Guidance

- Result for 2012 is subject to considerable uncertainty given TORM's situation. Consequently, no earnings guidance until a solution is in place

Framework agreement

- A conditional framework agreement reached with the bank group and major time charter partners
  - New working capital (USD 100m) for two years
  - Amendment of debt maturities until 31.12.2016
  - Significant savings from time charter contracts being realigned to market level or terminated
- In exchange for these concessions the bank group and time charter partner will become majority shareholders

TORM is pursuing a financing solution

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Banks

Maturities for all debt amended to 31 December 2016

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Majority owners of the Company going forward

New capital

USD 100m in working capital over two years

T/C-in partners

T/C-rates adjusted to market level or contracts terminated

***

Co-owners of the Company going forward

Compre-hensive finance solution for TORM

Newbuilding program

Elimination of newbuilding program completed

TORM

Cost and cash initiatives with a cumulative effect of at least USD100m over three years

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Cost program office in place and identified initiatives under implementation

First half of 2012 proved to be challenging

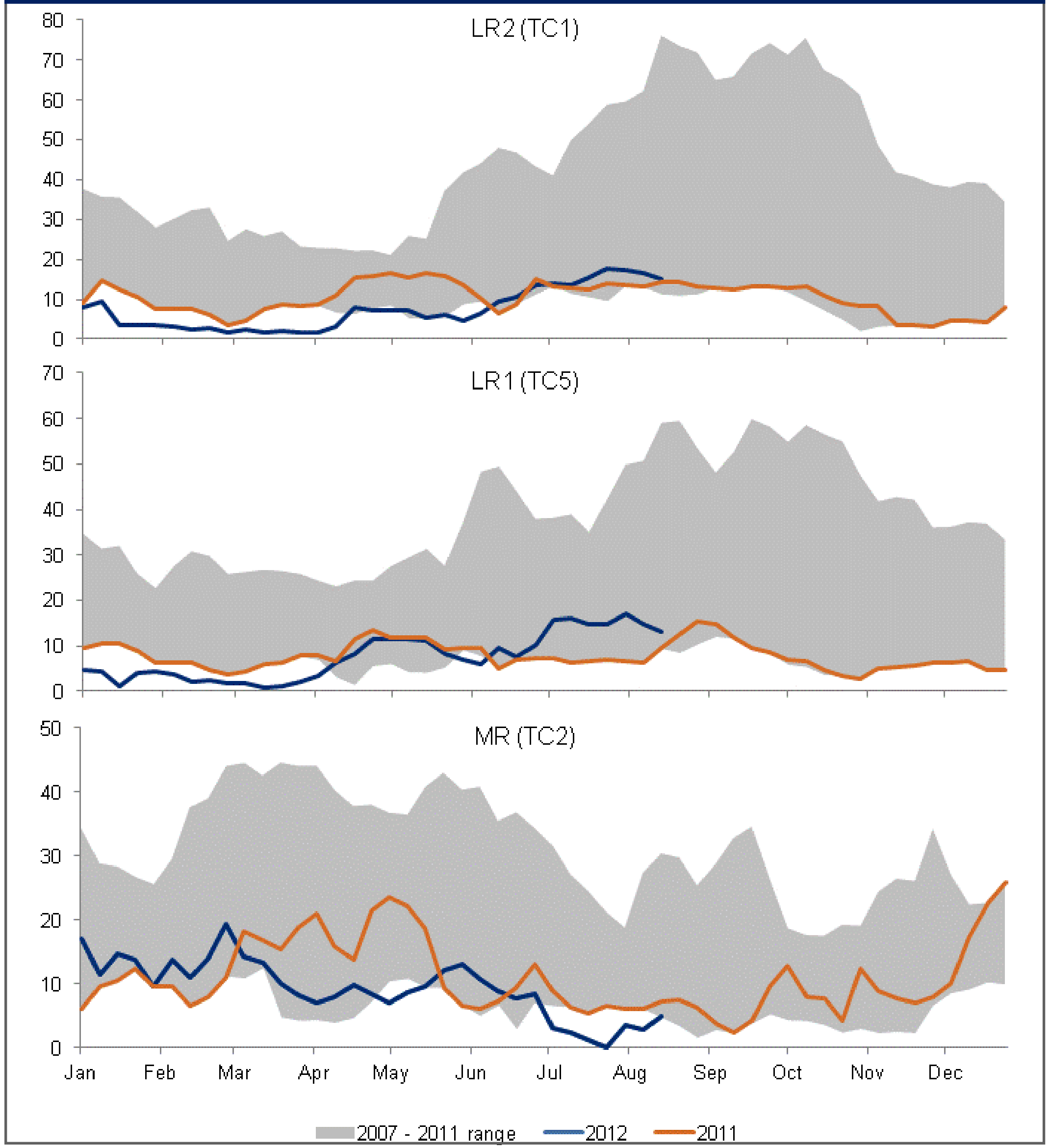
Financial highlights for H1 2012

USD million	H1 2012	2011	2010	2009
Revenue	583	1.305	856	862
EBITDA	(30)	(44)	97	203
Profit/(loss) before tax	(211)	(451)	(136)	(19)
Balance				
Total assets	2.544	2.779	3.286	3.227
Equity	435	644	1.115	1.247
NIBD	1.852	1.787	1.875	1.683
Cash and cash equivalents	17	86	120	122
Cash flow statement				
Operating cash flow	(76)	(75)	(1)	116
Investment cash flow	11	168	(187)	(199)
Financing cash flow	(4)	(128)	186	37

- H1 2012 loss before tax of USD -211m (USD -70m in Q2 2011)
- H1 2012 result driven by
  - Challenging freight rate environment
  - FR8 impairment of USD 42m
  - Extraordinary advisory costs of USD 40m
  - Loss from vessel sales of USD 21m
- Financing cash flow of USD -4m, which is positively affected by de facto standstill with the bank group

Product tanker freight rates are still under pressure and especially the MR segment is weak as the western market is low

Freight rates in USDt/day



LR2 and LR1

- Positive effects:
  - Jet fuel arbitrage from the Arabian Gulf to the West open
  - Naphtha arbitrage from the West to the Far East open
- Negative effects:
  - Reduced naphtha exports from India / Middle East
  - Oversupply of tonnage

MR

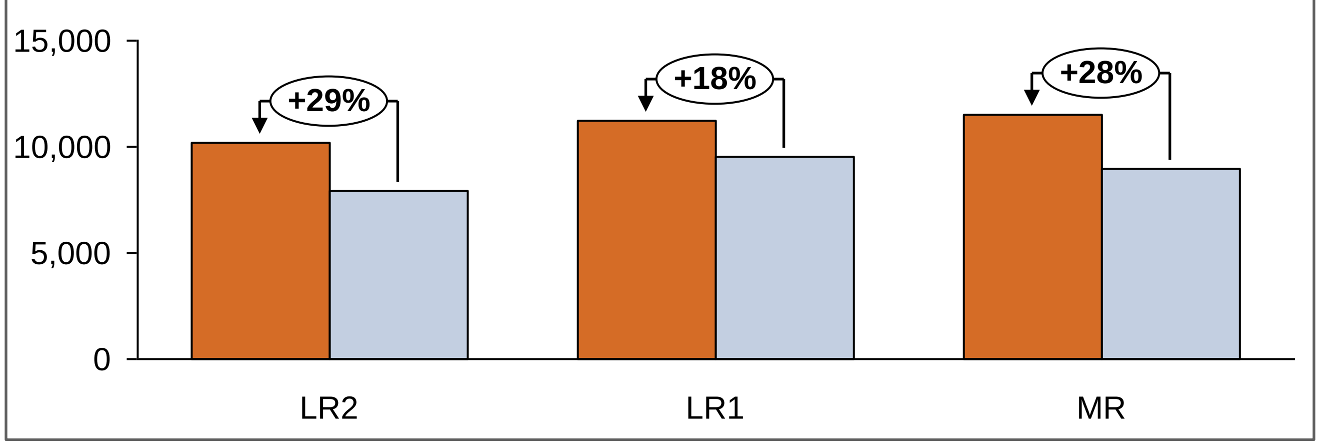
- Positive effects:
  - Increasing gasoil demand for heating in South America
  - West Africa demand still positive due to low refinery utilization
- Negative impacts:
  - Declining gasoline demand in the US
  - Gasoline and diesel arbitrage between the Continent and the US closed

Source: Clarksons, 20 July 2012. Spot earnings: LR2: TC1 (Ras Tanura-> Chiba), LR1: TC5 (Ras Tanura-> Chiba) and MRT: C2 (Rotterdam->NY)

Achieved spot rates are well above benchmarks

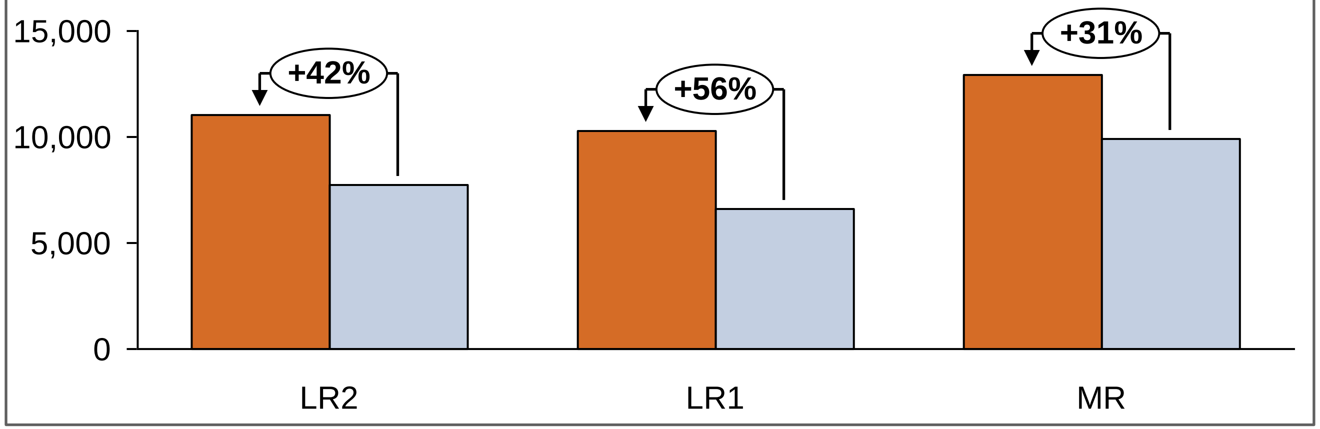
TORM spot rate | Benchmark

TORM spot vs. benchmark Q2 2012 (USD/day)



- TORM's financial position continued to pose a challenge in the second quarter as markets were low and customers had alternatives
- Nevertheless, TORM still outperformed on all segments due to
  - Relative large presence in the Arabian Gulf
  - Increased East Africa activity (LR2)
  - Utilization of triangulation

TORM spot vs. benchmark last 4 quarters (USD/day)

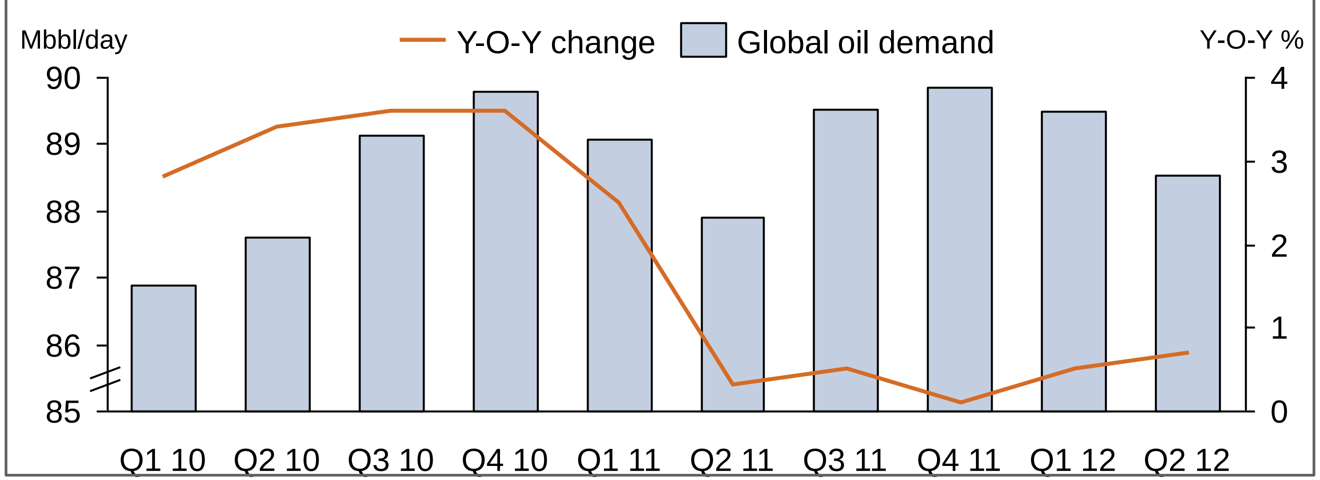


- Consistent spot rates that exceed benchmarks due to
  - Large and high quality fleet
  - Demonstrating organizational strengths (end-to-end processes)

Source: Clarksons, 20 July 2012. Spot earnings: LR2: TC1 (Ras Tanura-> Chiba), LR1: TC5 (Ras Tanura-> Chiba) and MRT: C2 (Rotterdam -> NY)

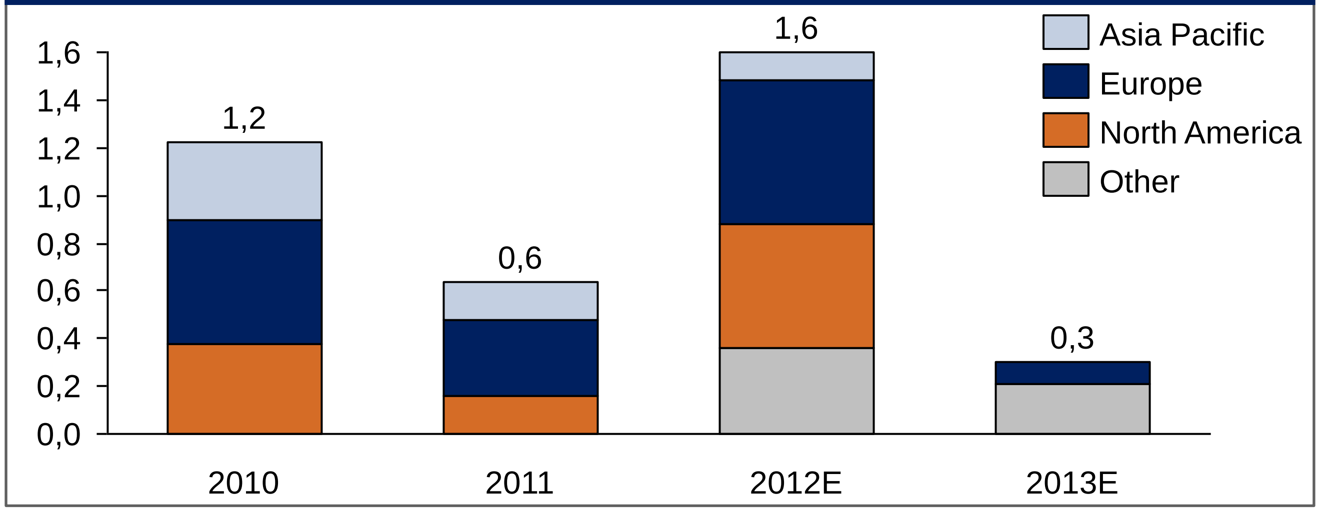
Product market impacted by continued slow growth in global oil demand and changes in refinery capacity additions in Americas

Slow growth in world oil demand



- 2012 will likely show modest expansion in oil product consumption due to a continued subdued global economic growth. The lower than expected Chinese and US GDP growth poses a demand risk

Refinery closures (mbbl/day)

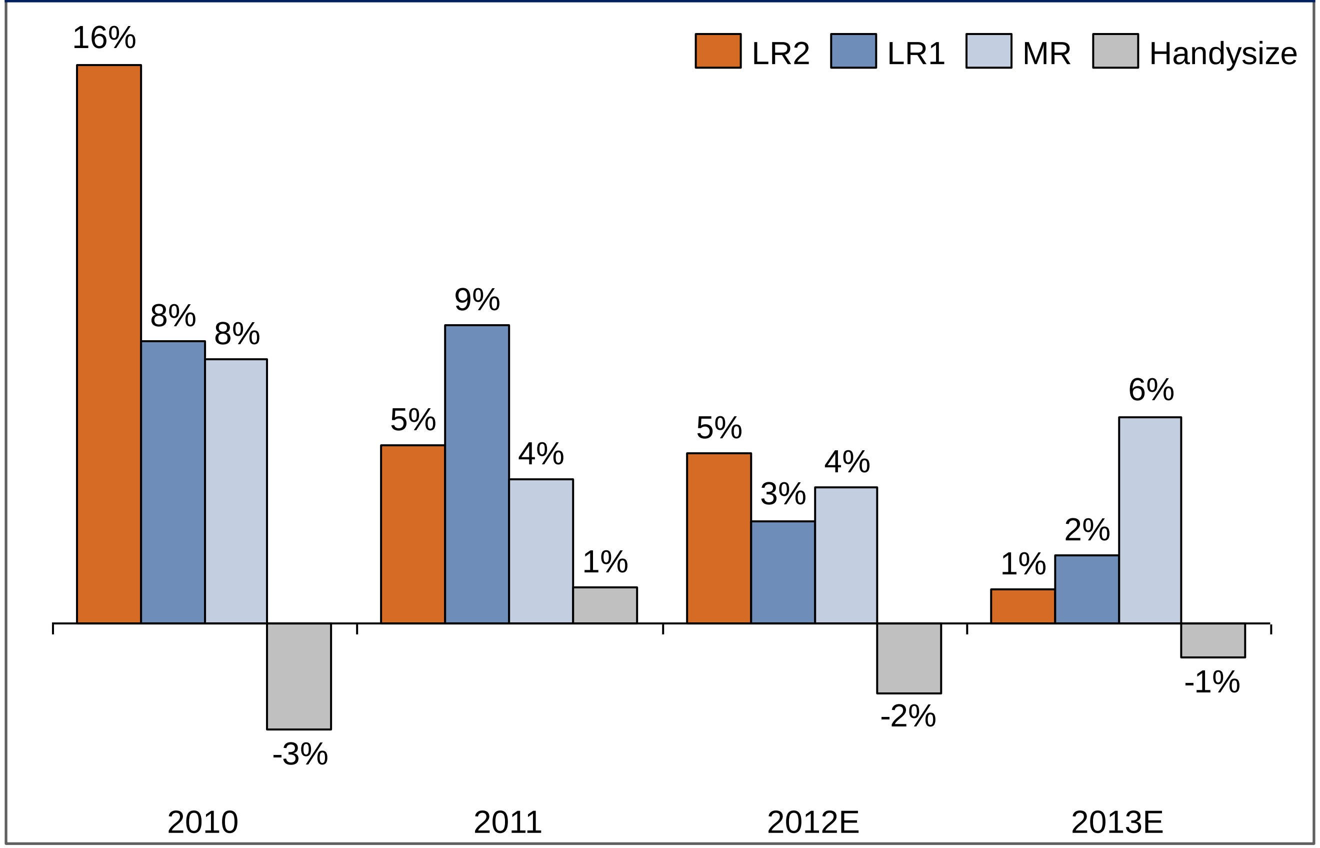


- The Trainer (0.185 mbbl/day) and Marcus Hook (0.175 mbbl/day) refineries on the US East Coast have been acquired and could ultimately limit or at least delay long-term shifts of East to West clean trades
- The expansion of the Motiva refinery in Port Arthur, Texas, which was expected to significantly increase the export of Middle Distillates from the US Golf has been postponed by 5-12 months due to a fire

Source: IEA Oil Market Report 13 June 2012 & JBC Energy

Net fleet growth for product tanker is manageable

Net fleet growth y-o-y in % of total fleet

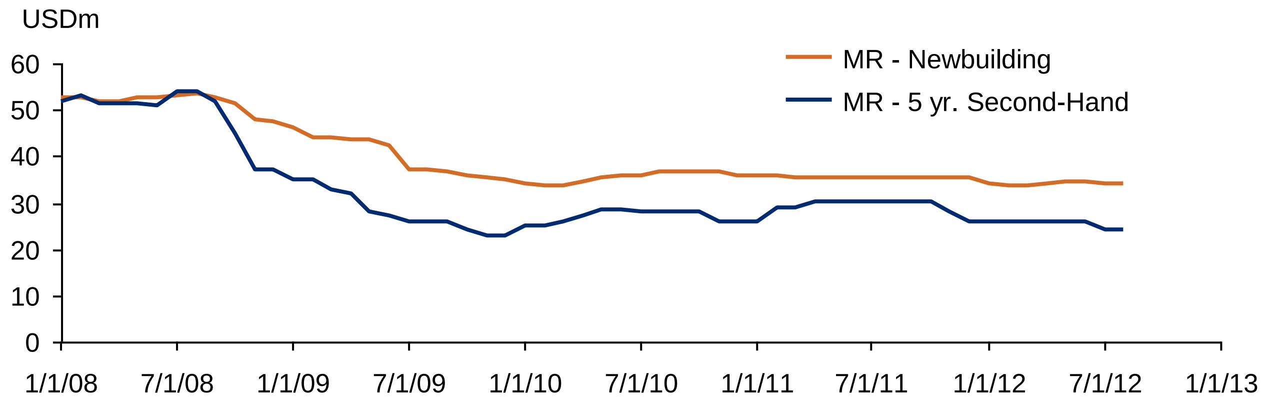


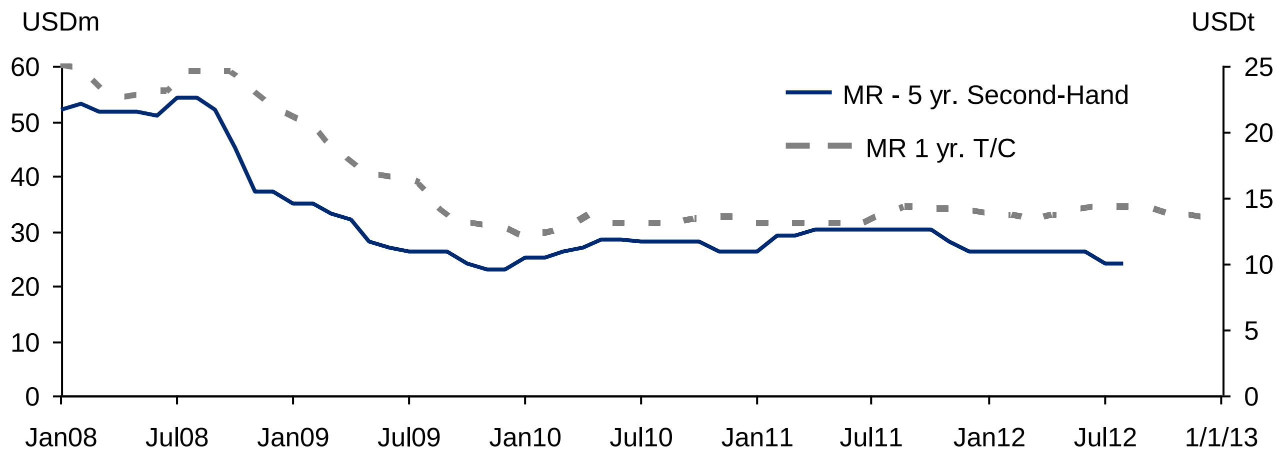
- Net fleet growth is expected to gradually decline to manageable levels in 2012-2014
- Scrapping will mostly impact Handysize leading to a negative fleet growth
- Net fleet growth (2012-13E) stands at ~6% of total fleet (# of vessels)
- Possibility to get newbuilding order delivered in end-2013

Note: Number of vessels beginning 2012: LR2 203, LR1 339, MR 958, Handy 552
Note: Net fleet growth: Gross order book adjusted for expected scrapping
Source: SSY, 26 July 2012

Product tanker vessel prices still at low levels with limited S&P activity

Vessel price development





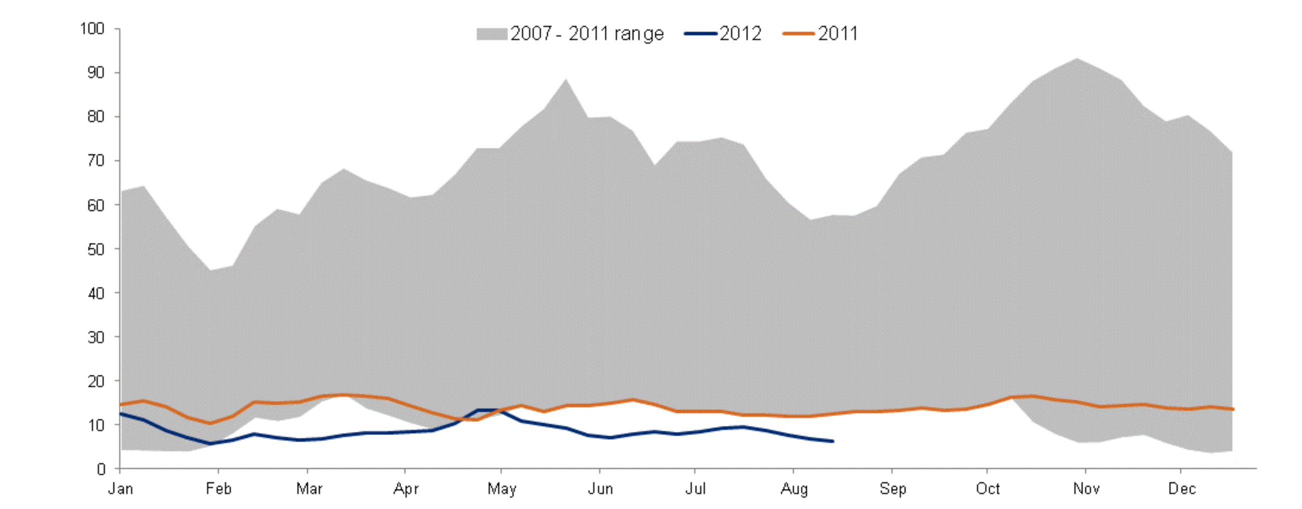
- Newbuilding orders mainly for MRs
- Possibility to get newbuilding order delivered in end-2013
- Ample second hand tonnage marketed, but sales processes are protracted and with price pressure

- T/C rates and second-hand prices are well correlated

Source: Clarksons, 20 July 2012

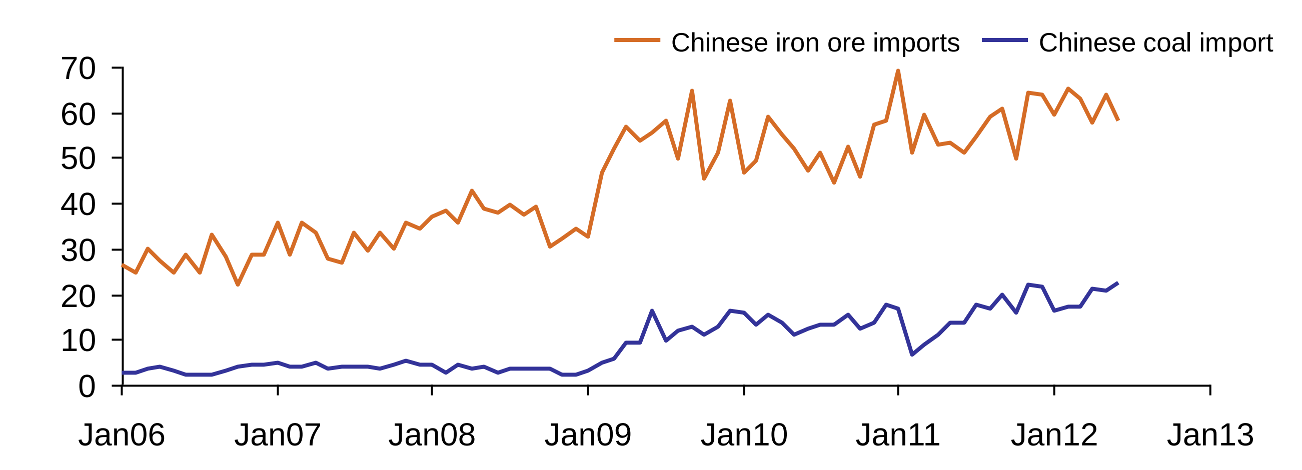
Dry bulk market continues at historical low levels especially for the largest segments

Panamax freight rate development (USDt/day)



- Low market during Q2 2012 as a result of record high deliveries
- Freight rates affected by
  - General financial unrest
  - Lagging growth rates in China
  - Indonesia export ban on raw materials except coal
  - Continued high fleet growth

Chinese iron ore and coal import (mt/day)

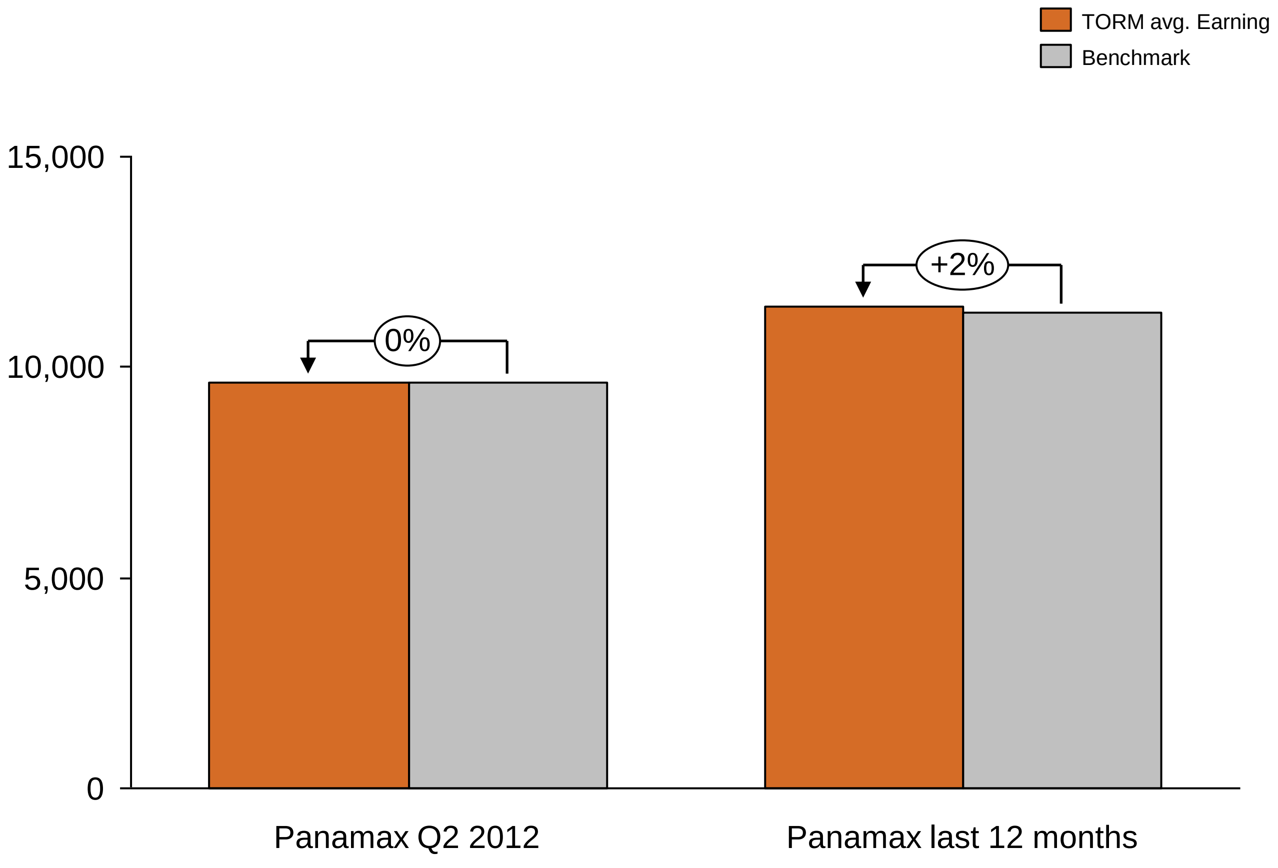


- Chinese import volume remains strong:
  - Coal import up 62% y-o-y in 1st half 2012 (on the back of a relative weak 1st half 2011)
  - Stable iron ore import up 9% y-o-y in 1st half 2012
  - Chinas reliance on coal import becoming evident

Source: RS Platou, Clarksons

Bulk division was at par with benchmarks in Q2 2012

TORM bulk average earnings vs. benchmark (USD/day)

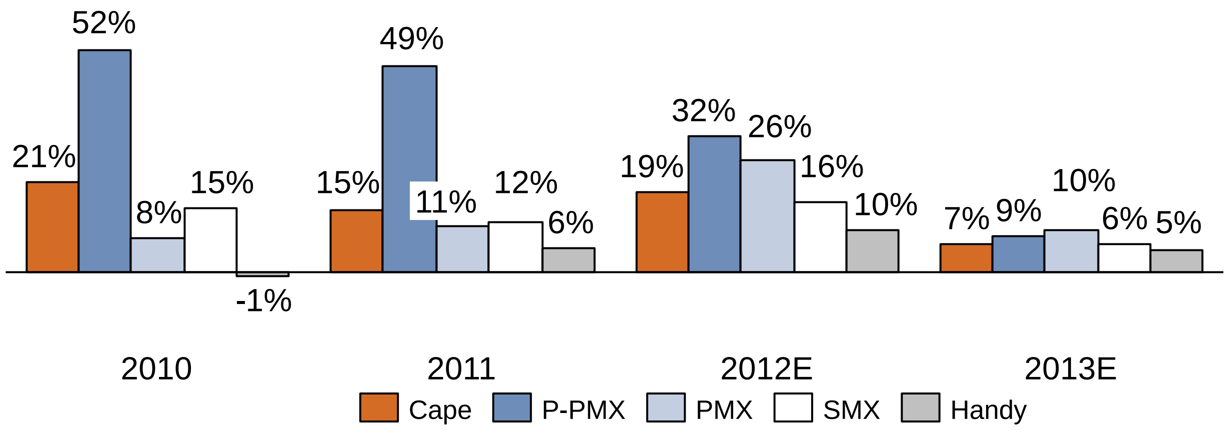


- Q2 2012 was a challenging market with pressure on spot freight rates
- TORM experienced an increasing number of waiting days during Q2
- TORMs Handymax (average of 3 vessels in Q2) have realized an average TC equivalent earning for last 12 months of USD/day 10,507 (BSI USD/day 12,123)
- TORM bulk has a fully covered book for 2012

Note: Benchmark against BPI market indices
Source: Baltic Exchange, TORM

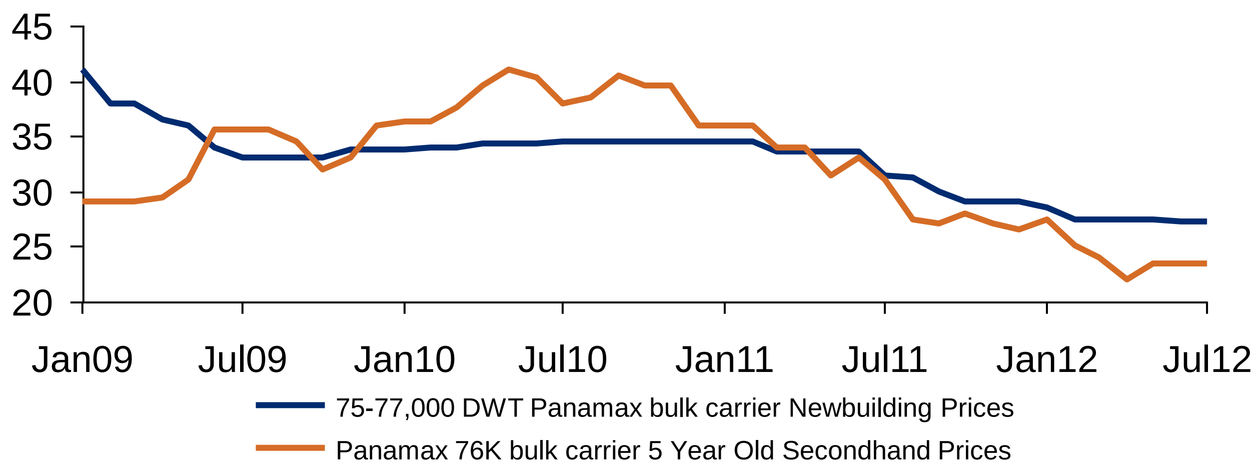
High influx of dry bulk tonnage affecting vessel prices

Fleet growth y-o-y as percent of exiting fleet*



- Scheduled deliveries sizeable during 2012
- Scrapping and cancellation is expected to continue at high levels in 2012
- Net fleet growth during 2012 expected at 9-11%

Panamax newbuilding and second-hand prices (USDm)

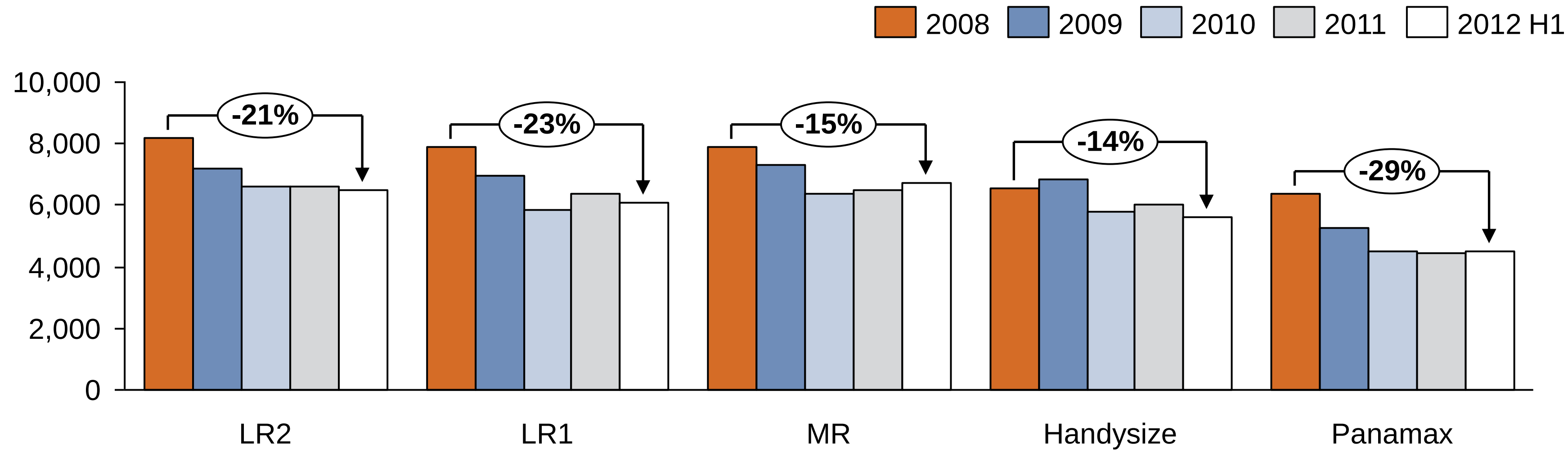


- Increased number of second-hand vessels available for sale
- Further softening of second-hand prices expected due to poor spot freight market and distressed asset sales.

* Number of vessels primo 2012: Cape 1,292; P-PMX 372; PMX 1,545, SMX 2,647; Handy 3,293. 2013E is unadjusted order book in relation to fleet primo 2012
Source: RS Platou, Clarksons (BDI).

Continued efficiency focus on OPEX and admin cost

Development in operating cost (USDt/day)



Administrative expenses (quarterly avg. in USDm)

TORM's financial position by Q2 2012

Cash position (per 30.6.2012)

- Cash totaled USD 17 million at the end of the second quarter of 2012
- Cash totaled USD 33 million as per 20 August 2012)
- No available credit lines

Newbuilding CAPEX

- Order book eliminated as a part of TORM's general plan to preserve liquidity and reduce debt
- Annual maintenance CAPEX normally at USD 10-20 million

Debt situation (per 30.6.2012)

- TORM has bank debt of USD 1.9bn
- TORM was in breach of its financial covenants (equity ratio and cash). Accordingly, loans are classified as current liabilities

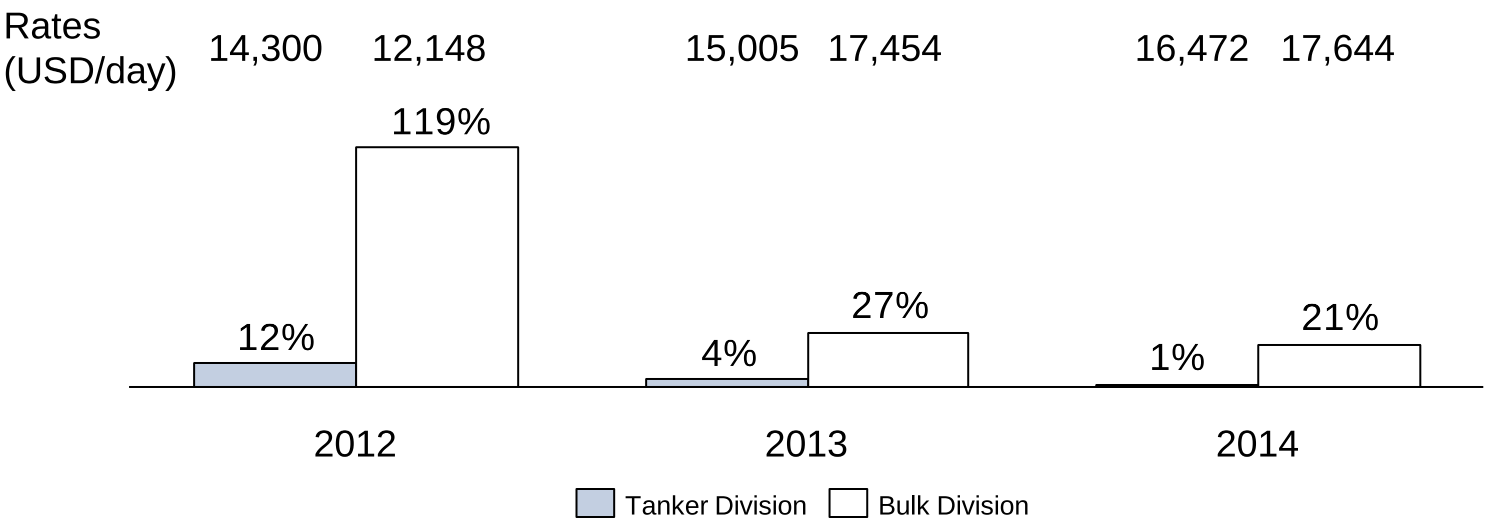
Financial position is pending outcome of final negotiations towards with banks and time charter partners

TORM's forecast for 2012

2012 forecast

- Result for 2012 is subject to considerable uncertainty given TORM's situation
- Consequently, no earnings guidance until a solution is in place.

Coverage per 30.6.2012



Profit sensitivity for 2012

USDm	Change in freight rates (USD/day)			
Segment	-2,000	-1,000	1,000	2,000
Tankers	-28	-14	14	28
Bulk	1	0	-0	-1
Total	**-28**	**-14**	**14**	**28**

Appendix

TORM at a glance

Key facts

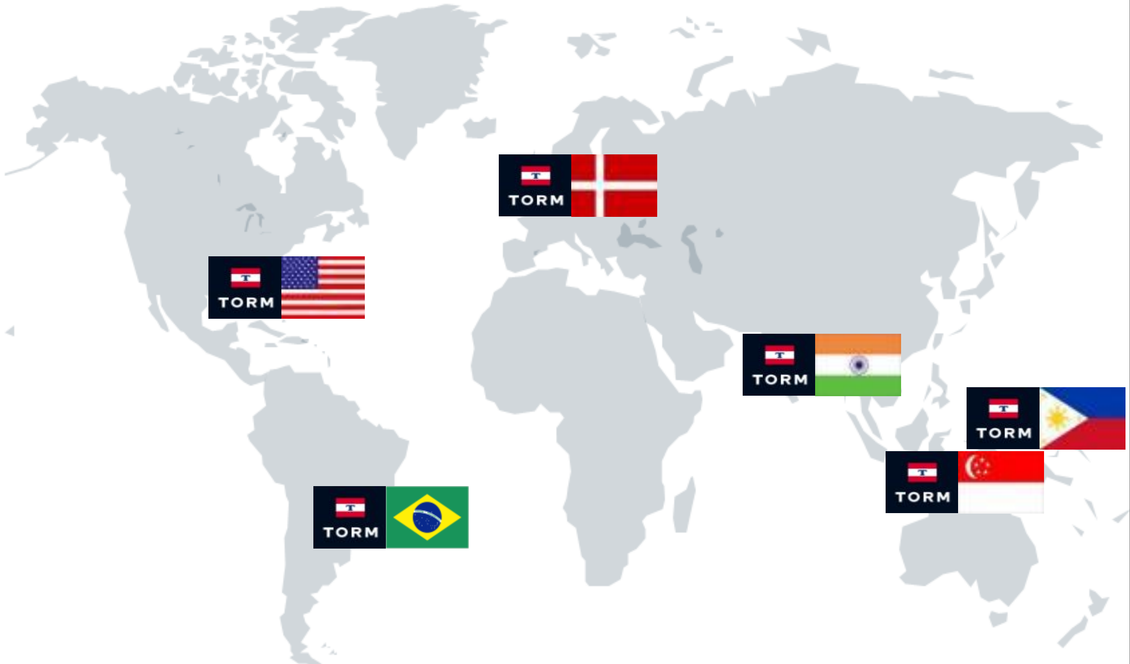
A world leading product tanker company

- A leading product tanker owner
- Presence in dry bulk as operator
- 123 years of history

Listings

- NASDAQ OMX Copenhagen
- NASDAQ in New York

Global footprint based on regional power and presence



TORM employees:

TORM Offices: ~300

Seafarers: ~2,900

- 250 Danish seafarers
- 100 Croatian seafarers
- 1,400 Indian seafarers
- 1,150 Filipinos seafarers

Product tankers have coated tanks and have specially designed cargo systems with flexibility to transport a wide range of different products

Oil product supply chain

Exploration

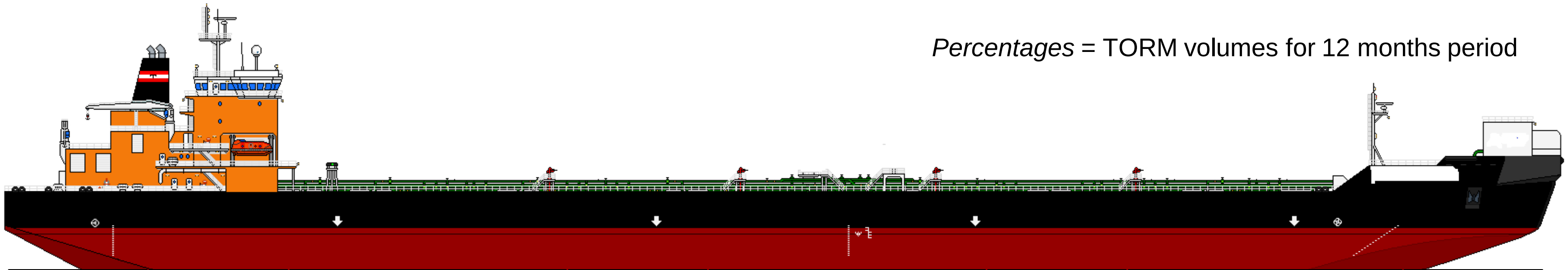
Transportation

Refining

Transportation

Storage/distribution

Percentages = TORM volumes for 12 months period



Crude oils	Fuel oils	Diesels	Gas oils / Gas-olines	Karo-senes / Jet fuel	Clean conden-sates	Naph-thas	MTBEs	Veg. oils	Biofuel	Ethanol
~14%	~12%	~7%	~38%	~9%	~3%	~15%	~0%	~1%	~0%	~0%

”Dirty products”

Less refined
”clean products”

More refined
”clean products”

Management team with an international outlook and many years of shipping experience

Executive Management

Jacob Meldgaard

- CEO of TORM since April 2010
- Previously Executive Vice President of the Danish shipping company NORDEN where he was in charge of the company's dry cargo division
- Prior to that he held various positions with J. Lauritzen and A.P. Møller-Mærsk
- More than 20 years of shipping experience

Roland M. Andersen

- CFO of TORM since May 2008
- Previously CFO of the Danish mobile and broadband operator Sonofon and prior to that CFO of the private-equity-owned Cybercity
- Prior to that he held various positions with A.P. Møller-Mærsk, latest one as CFO of A.P. Møller-Mærsk Singapore
- More than 10 years of shipping experience

Senior Management

Tina Revsbech

- Head of Tanker Division

Alex Christiansen

- Head of Bulk Division

Claus U. Jensen

- Head of Technical Division

Lars Christensen

- Head of Sale & Purchase Division

Jan Nørgaard Lauridsen

- Regional Managing Director Asia-Pacific

Christian Riber

- Head of Human Resources

The TORM share

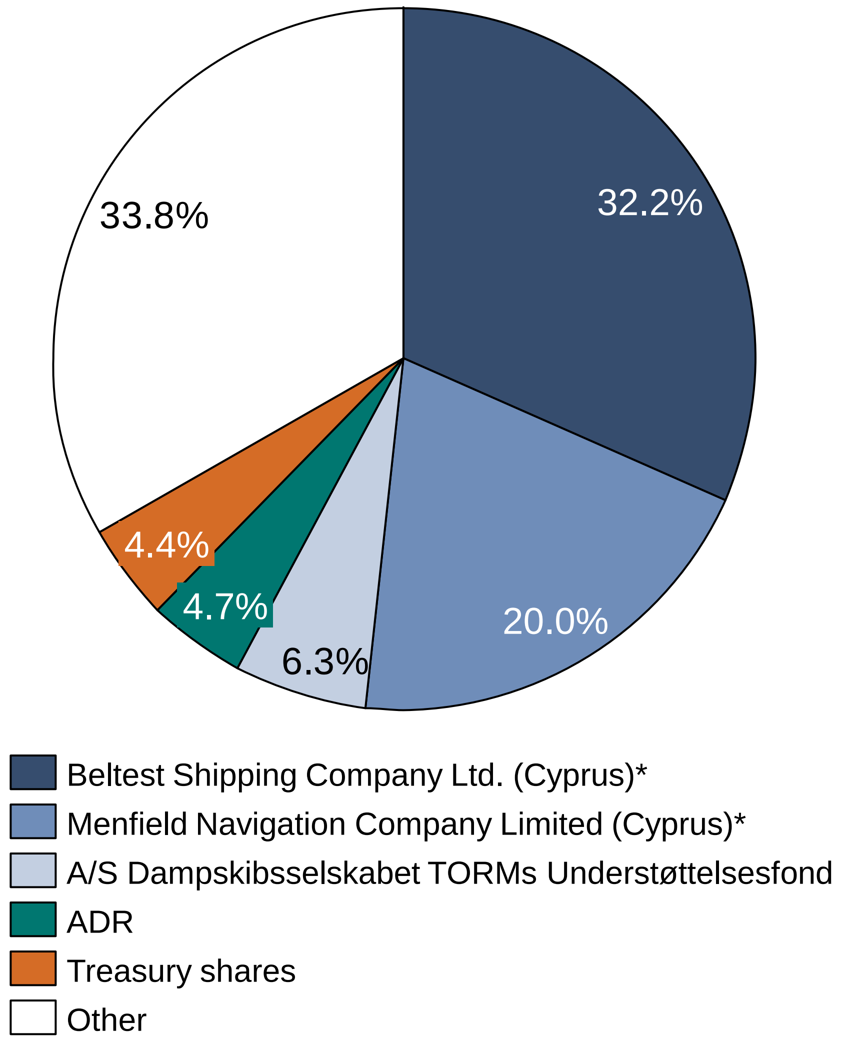
Share information

Listings
- On NASDAQ OMX Copenhagen, ticker TORM
- ADR program on NASDAQ, (USA) ticker "TRMD"

Shares
- One class of shares, each carrying one vote
- Share capital of 72.8m shares of DKK 5 each

For further company information, visit TORM at www.torm.com

Ownership structure (30 June 2012)



* Beltest and Menfield are related to Alpha Trust

Industry cooperation and transparency is central to TORM's Corporate Social Responsibility

TORM

TORM is actively participating in…

- UN Global Compact –
  TORM became signatory to the UNGC in 2009 as the first Danish shipping company

- Maritime Anti Corruption Network –
  TORM is founding member of a global business network working towards a maritime industry free of corruption that enables fair trade

- Danish Shipowners' Association -
  As part of DSA,TORM is pushing for international regulation and standards on e.g. emissions through the International Maritime Organisation

Transparency is central…

- TORM has published Environmental / CSR reports since 2008. As of 2011, our reporting is purely online
  See: http://csr.torm.com/

  Next reporting is March 2013

- For optimal comparability and transparency, TORM reports on emissions as part of the Carbon Disclosure Project

Set climate targets:

- 20% reduction of CO_2 emissions pr. vessel by 2020
  (2008 = index 100)
- 25% reduction of CO_2 emissions from offices per employee by 2020
  (2008 = index 100)

Detailed key figures overview

Key figures overview

USD million	H1 2012	2011	2010	2009	2008	2007
Revenue	583	1,305	856	862	1,184	774
EBITDA	(30)	(44)	97	203	572	288
Net income	(211)	(453)	(135)	(17)	361	792
Balance						
Total assets	2,544	2,779	3,286	3,227	3,317	2,959
Equity	435	644	1,115	1,247	1,279	1,081
NIBD	1,852	1,787	1,875	1,683	1,550	1,548
Cash and cash equivalents	17	86	120	122	168	105
Cash flow statement						
Operating cash flow	(76)	(75)	(1)	116	385	188
Investment cash flow	11	168	(187)	(199)	(262)	(357)
Financing cash flow	(4)	(128)	186	37	(59)	242
Financial related key figures						
EBITDA margin	-5%	-3%	11%	24%	48%	37%
Equity ratio	17%	23%	34%	39%	39%	37%
Return on invested capital (ROIC)	-11%	-14%	-3%	2%	16%	10%

Large and modern fleet

# of vessels	Current fleet			Newbuildings and T/C-in deliveries with a period >= 12 months			
	Q1 2012	Changes	Q2 2012	2012	2013	2014	2015
Owned vessels							
LR2	9.0	-	9.0				
LR1	7.5	-0.5	7.0				
MR	39.0	-	39.0				
Handysize	11.0	-	11.0				
Tanker Division	66.5	-0.5	66.0	-	-	-	-
Panamax	2.0	-	2.0				
Handymax		-	-				
Bulk Division	2.0	-	2.0	-	-	-	-
Total	**68.5**	**-0.5**	**68.0**	**-**	**-**	**-**	**-**
T/C-in vessels with contract period >= 12 months							
LR2	2.0	-	2.0				
LR1	16.0	-3.0	13.0				
MR	12.0	-2.0	10.0				
Handysize		-	-				
Tanker Division	30.0	-5.0	25.0	-	-	-	-
Panamax	11.0	-2.0	9.0	1.0	1.0	2.0	
Handymax	2.0	-	2.0				
Bulk Division	13.0	-2.0	11.0	1.0	1.0	2.0	-
Total	**43.0**	**-7.0**	**36.0**	**1.0**	**1.0**	**2.0**	**-**
T/C-in vessels with contract period < 12 months							
LR2							
LR1							
MR							
Handysize							
Tanker Division	-	-	-				
Panamax	3.0	-	3.0				
Handymax	2.0	-	2.0				
Bulk Division	5.0	-	5.0				
Total	**5.0**	**-**	**5.0**				
Pools/commecial management	20.0	-2.0	18.0				
Total fleet	**136.5**	**-9.5**	**127.0**				

Note: The contract duration is defined based on the conractual period and does not include optional periods. Excludes two dry bulk newbuildings contracts held for sale

Earning days, T/C cost and coverage for 2012, 2013 and 2014

Owned days

	2012	2013	2014	2012	2013	2014
	Owned days					
LR2	1,600	3,187	3,267			
LR1	1,281	2,509	2,509			
MR	7,069	13,997	14,075			
Handy size	2,013	3,975	3,944			
Tanker Division	11,963	23,667	23,795			
Panamax	364	726	694			
Handymax	-	-	-			
Bulk Division	364	726	694			
Total	**12,326**	**24,393**	**24,489**			

T/C days

	2012	2013	2014	2012	2013	2014
	T/C in days			T/C in costs (USD/day)		
LR2	366	726	725	20,733	20,729	20,916
LR1	2,009	2,979	2,210	22,387	23,881	24,000
MR	1,830	3,590	3,267	13,643	13,905	14,135
Handy size	-	-	-	-	-	-
Tanker Division	4,205	7,295	6,202	18,437	18,658	18,443
Panamax	1,465	2,690	3,046	16,050	16,231	16,157
Handymax	307	363	363	15,827	15,995	15,995
Bulk Division	1,772	3,053	3,409	16,011	16,203	16,140
Total	**5,977**	**10,348**	**9,611**	**17,718**	**17,934**	**17,626**

Total physical days

	2012	2013	2014	2012	2013	2014
	Total physical days			Covered days		
LR2	1,966	3,913	3,992	216	278	225
LR1	3,290	5,488	4,719	534	365	175
MR	8,899	17,587	17,342	1,182	743	-
Handy size	2,013	3,975	3,944	54	-	-
Tanker Division	16,168	30,962	29,997	1,985	1,386	400
Panamax	1,829	3,416	3,740	1,843	79	-
Handymax	307	363	363	693	948	869
Bulk Division	2,136	3,779	4,103	2,536	1,027	869
Total	**18,303**	**34,741**	**34,100**	**4,521**	**2,413**	**1,269**

Covered days

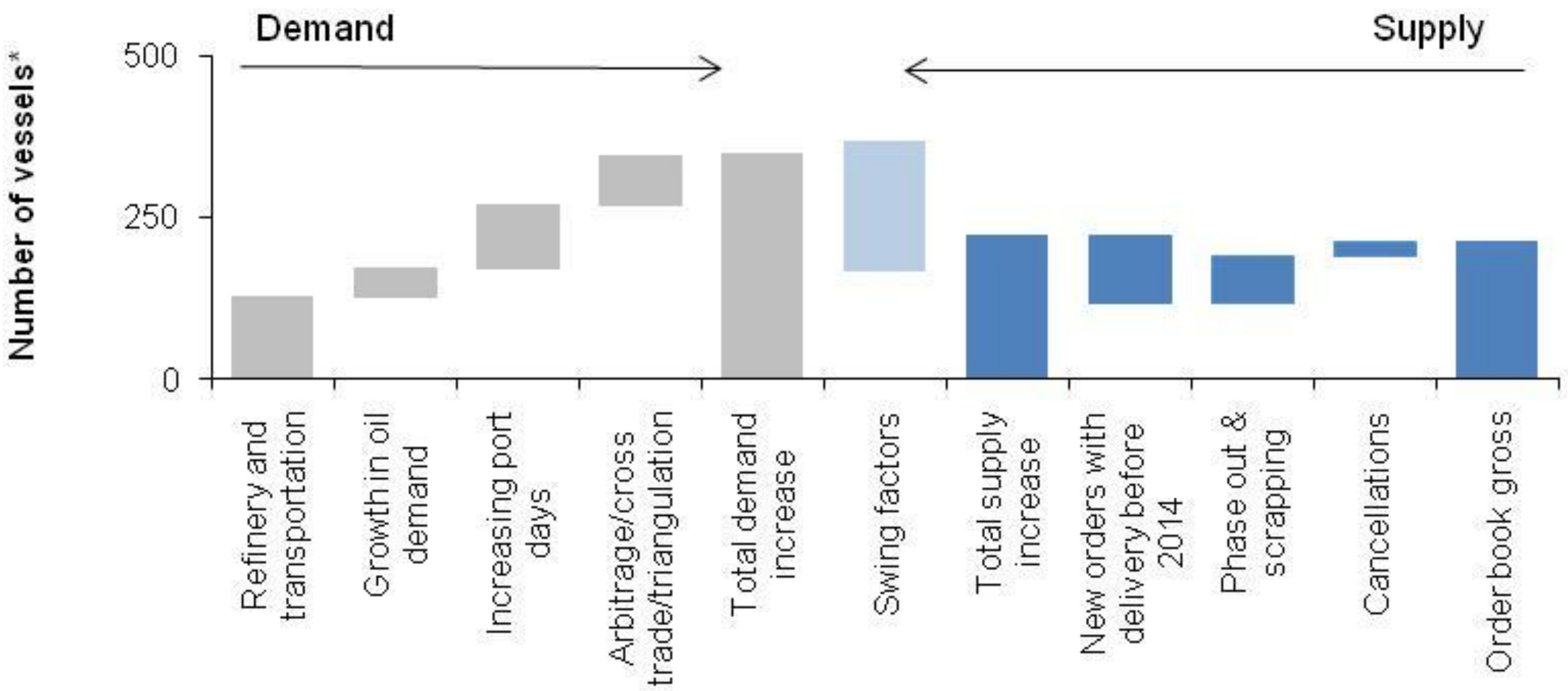
	2012	2013	2014	2012	2013	2014
	Covered %			Coverage rates (USD/day)		
LR2	11%	7%	6%	14,838	17,005	17,099
LR1	16%	7%	4%	15,109	15,666	15,666
MR	13%	4%	0%	13,911	13,932	-
Handy size	3%	0%	0%	12,681	-	-
Tanker Division	12%	4%	1%	14,300	15,005	16,472
Panamax	101%	2%	0%	12,209	18,065	-
Handymax	226%	261%	239%	11,983	17,403	17,644
Bulk Division	119%	27%	21%	12,148	17,454	17,644
Total	**25%**	**7%**	**4%**	**13,093**	**16,047**	**17,275**

Fair value of freight rate contracts that are mark-to-market in the income statement (USD million):

Contracts not included above	0.0
Contracts included above	2.5

Tanker demand will outgrow supply in 2012 – 2014e

Demand and supply development 2012 – 2014e



Swing factors:

- Order book delays
- Delays in refineries
- Floating storage
- Slow steaming
- Changes in transport patterns
- Embargoes & strikes
- Blockages - water ways/ports
- Refinery disruptions
- Hurricanes

(1) All effects are recalculated into MR equivalents – to enable comparison based on their volume relative to MR


TORM