



Presentation of Q2 2015 results
12 August 2015

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.

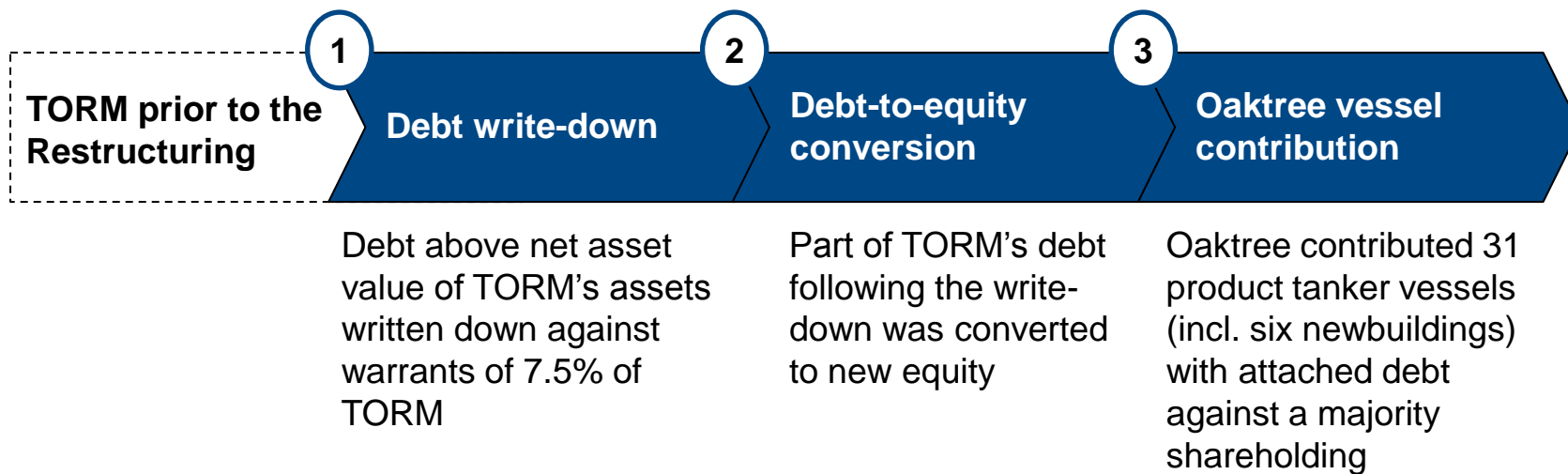
To understand these risks and uncertainties, please read TORM's announcements to NASDAQ OMX Copenhagen.

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.



- **TORM post restructuring**
- TORM stand-alone H1 2015
- Appendix

The Restructuring was implemented in three steps

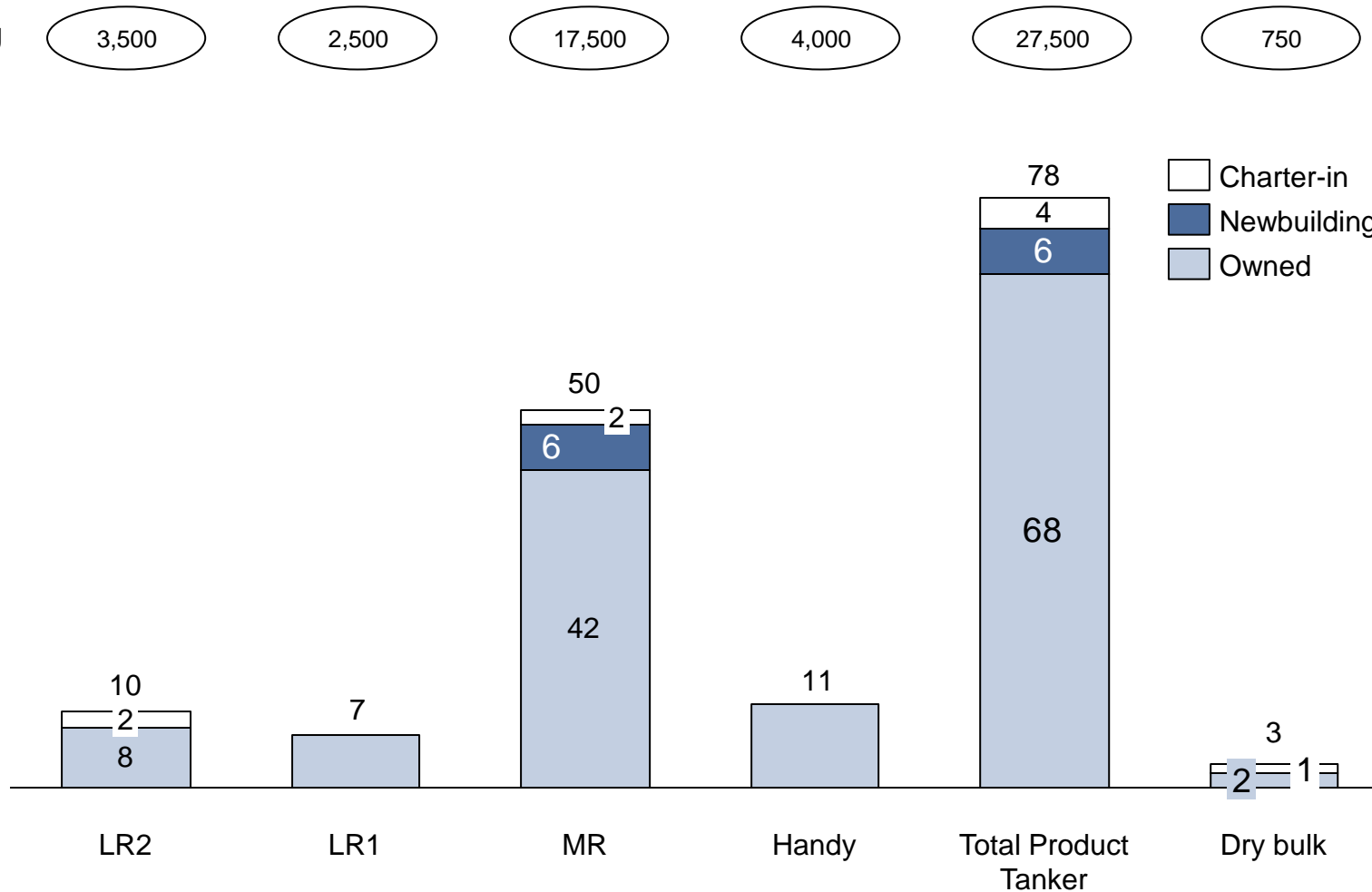


No. of owned vessels:	45	45	45	76
NAV (USDbn):	-0.5	~0	~0.3	~0.9

The Restructuring has created a leading product tanker company with 27,500 earning days on an annual basis

TORM fleet size

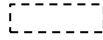
Annual earning days (app.)

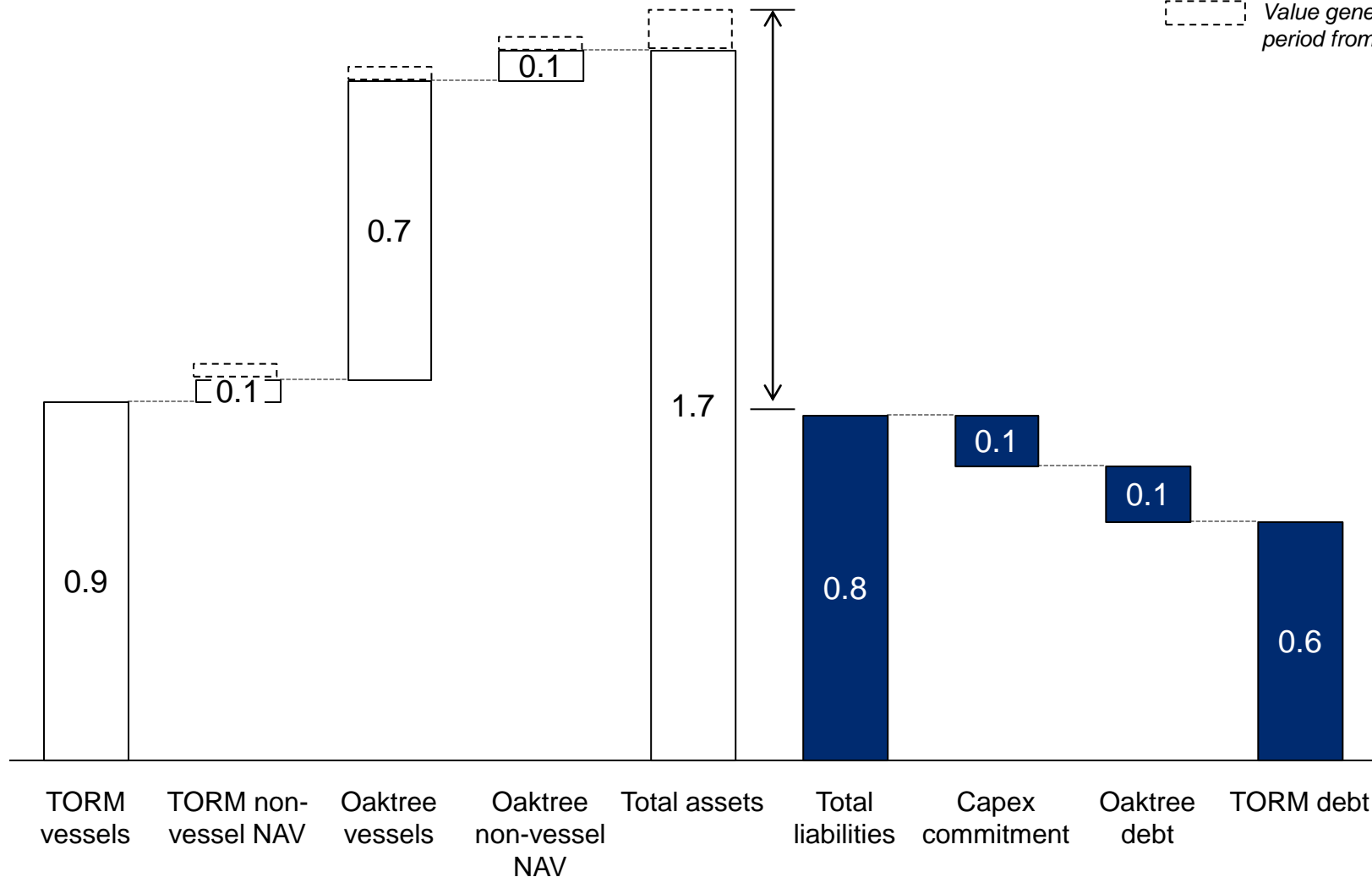


TORM has a strong capital structure after the Restructuring

In USDbn

INDICATIVE FIGURES
- COMPILED FROM VARIOUS PUBLIC SOURCES

 Value generation in the period from March 2015



Notes:

- Value of Oaktree contributed vessels is from 27 March 2015 and the value of TORM contributed vessel is from 30 June 2015
- TORM and Oaktree non-vessel NAV are assessed as per 28 February 2015
- TORM contributed debt, Oaktree contributed debt and capex commitment are assessed as of 13 July 2015

Forecasted EBITDA for the combined company in the range of USD 190m – USD 230m for FY2015



	1 January – 13 July (Oaktree)	14 July – 31 December (TORM and Oaktree)	Full-year (Combined)
EBITDA (USDm)	50 - 55	140 - 180	190 - 230
Profit before tax (USDm)	30 - 35	85 - 125	115 - 155
EPS (USD)		0.0008 – 0.0013	} <i>Calculated based on earnings in the period from 13 July 2015 – 31 December 2015.</i>
EPS per 1,500 shares (USD)		1.3 – 1.9	

Earnings sensitivity (full-year from 13 July 2015)	Segment	Change in freight rates (USD/day)			
		-2,000	-1,000	1,000	2,000
	Tankers (USDm)	-22	-11	11	22
	Bulk (USDm)	-1	-1	1	1
	Total (USDm)	-23	-12	12	23
	<i>EPS per 1,500 shares (USD)</i>	<i>-0.4</i>	<i>-0.2</i>	<i>0.2</i>	<i>0.4</i>

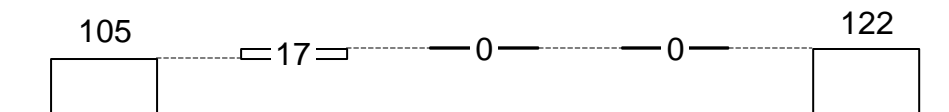
Note:

- The financial results for 2015 will reflect Oaktree activities in the period from January 2015 until completion of TORM's Restructuring (13 July 2015) and the combined entity from completion of TORM's Restructuring until 31 December 2015
- In order to annualize earnings for the EPS a multiplier of 2.129 should be applied

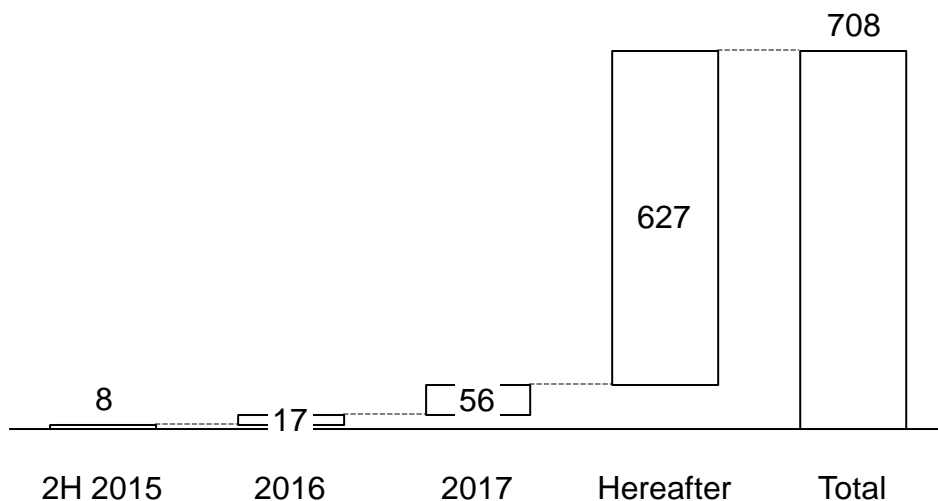
TORM has limited CAPEX commitments and an attractive repayment profile



Newbuilding CAPEX profile (USDm)



Scheduled debt repayments (USDm)



TORM is well positioned to service future CAPEX and debt commitments

- Available liquidity of USD 200m as per 13 July 2015 (including USD 75m of undrawn working capital facility)
- H2 2015 EBITDA in the range of USD 140m – USD 180m

TORM's debt has an attractive covenant package

Oaktree is the new majority shareholder in TORM

Share information

TORM's shares are listed on NASDAQ OMX Copenhagen under the ticker TORM A

Shares

- Share capital of 958m divided into 95.8bn A shares, one B share and one C share (all with a nominal value of DKK 0.01)
- The B and C shares have certain voting rights

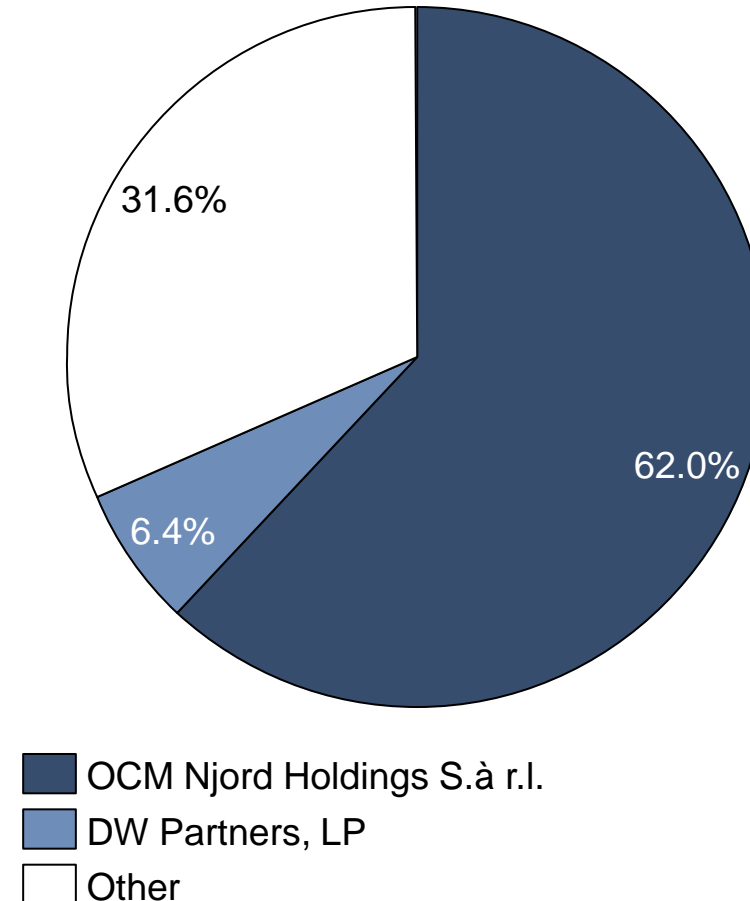
Share consolidation

- TORM will in H2 2015 conduct a reverse stock split for the A shares with a 1,500:1 consolidation ratio decreasing the number of outstanding shares and increasing the nominal value for the A shares to DKK 15

TORM has a market capitalization of USD >1.0bn

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

Ownership structure (31 July 2015*)



The combined group has a spot oriented profile in a strong market



PER 13.7.2015

Owned days

	2015	2016	2017
	Owned days		
LR2	1,397	2,901	2,903
LR1	1,166	2,546	2,548
MR	7,379	17,278	17,051
Handysize	1,847	3,960	4,004
Tanker Division	11,789	26,684	26,506
Panamax	340	728	728
Bulk activities	340	728	728
Total	12,129	27,412	27,234

T/C-in days at fixed rate

	T/C-in days at fixed rate		
LR2	-	-	-
LR1	-	-	-
MR	300	104	-
Handysize	-	-	-
Tanker Division	300	104	-
Panamax	98	-	-
Bulk activities	98	-	-
Total	398	104	-

T/C-in costs, USD/day

	2015	2016	2017
LR2	-	-	-
LR1	-	-	-
MR	16,000	16,000	-
Handysize	-	-	-
Tanker Division	16,000	16,000	-
Panamax	14,501	-	-
Bulk activities	14,501	-	-
Total	15,631	16,000	-

T/C-in days at floating rate

	T/C-in days at floating rate		
LR2	340	684	730
LR1	-	-	-
MR	-	-	-
Handysize	-	-	-
Tanker Division	340	684	730
Panamax	-	-	-
Bulk activities	-	-	-
Total	340	684	730

Total physical days

	Total physical days		
LR2	1,738	3,585	3,633
LR1	1,166	2,546	2,548
MR	7,679	17,382	17,051
Handysize	1,847	3,960	4,004
Tanker Division	12,430	27,472	27,236
Panamax	438	728	728
Bulk activities	438	728	728
Total	12,868	28,200	27,964

Covered days

	2015	2016	2017
LR2	488	350	-
LR1	144	-	-
MR	414	-	-
Handysize	166	15	-
Tanker Division	1,212	365	-
Panamax	50	-	-
Bulk activities	50	-	-
Total	1,261	365	-

Coverage

	Covered, %		
LR2	28%	10%	0%
LR1	12%	0%	0%
MR	5%	0%	0%
Handysize	9%	0%	0%
Tanker Division	10%	1%	0%
Panamax	11%	0%	0%
Bulk activities	11%	0%	0%
Total	10%	1%	0%

Coverage rates, USD/day

	2015	2016	2017
LR2	27,633	24,688	-
LR1	21,341	-	-
MR	29,180	-	-
Handysize	21,157	17,246	-
Tanker Division	26,526	24,375	-
Panamax	6,949	-	-
Bulk activities	6,949	-	-
Total	25,753	24,375	-

Agenda

- TORM post restructuring

- **TORM stand-alone H1 2015**

- Appendix



Highlights for Q2 2015

Highlights
Tanker market
Dry bulk market
Finance



Q2 2015 Results

- EBITDA for the second quarter of 2015 was USD 47m (Q2 2014: USD 14m)
- The result before tax for the second quarter of 2015 was USD 0m (USD -24m) after non-recurring advisor costs of USD 10m
- Cash flow from operating activities was positive with USD 54m in the second quarter of 2015 (USD 15m)

Tanker

- The product tanker market continued to benefit from high refinery margins that supported the demand for transportation of refined products
- TORM's largest segment, MRs, achieved spot rates of USD/day 22,746 in Q2, which is up by 73% year-on-year
- The Tanker segment reported a gross profit of USD 56m in Q2 (USD 26m)

Bulk

- Freight rates remained under pressure in Q2 2015
- Q2 2015 gross profit of USD -1m (USD 1m)

Restructuring process

- The new Restructuring Agreement was implemented on 13 July 2013 giving TORM strategic and financial flexibility

Guidance

- For the full year 2015, the combined group upward adjusts the expectations to;
 - EBITDA in the range of USD 190-230m
 - Profit before tax in the range of USD 115-155m

H1 2015 had a positive EBITDA of USD 100m

Highlights
Tanker market
Dry bulk market

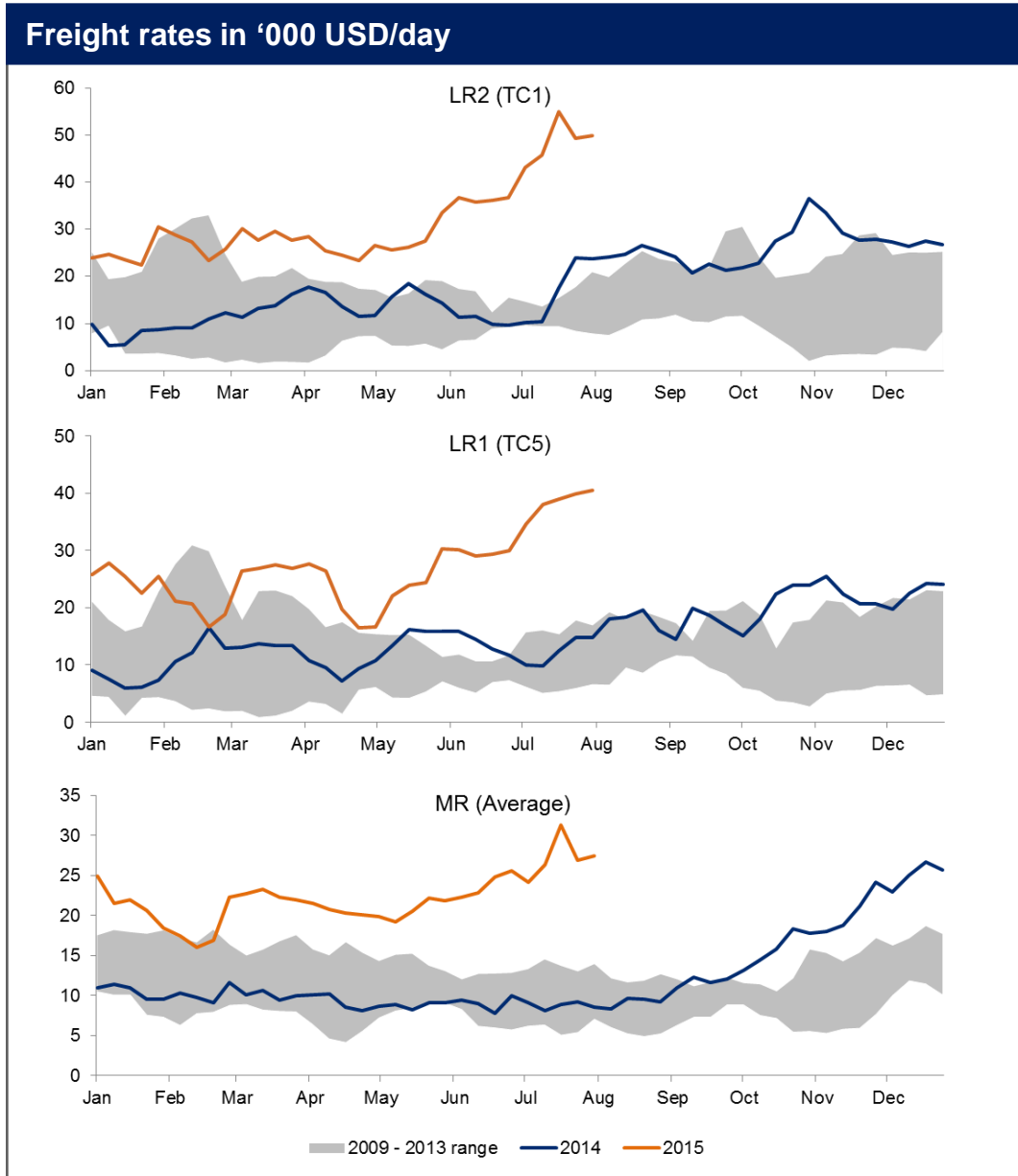


USDm	H1 2015	H1 2014	2014	2013	2012	2011
P&L						
Gross profit	115	60	123	150	(93)	81
Sale of vessels	0	0	0	0	(26)	(53)
EBITDA	100	34	77	96	(195)	(44)
Profit before tax	9	(245)	(283)	(166)	(579)	(451)
Balance						
Equity	(152)	(125)	(164)	118	267	644
NIBD	1,337	1,367	1,394	1,718	1,868	1,787
Cash and cash equivalents	94	43	45	29	28	86
Cash flow statement						
Operating cash flow	100	24	27	68	(100)	(75)
Investment cash flow	(20)	332	313	93	0	168
Financing cash flow	(30)	(343)	(324)	(161)	42	(128)

- H1 EBITDA of USD 100m (USD 34m) and Q2 EBITDA of USD 47m (USD 14m)
- H1 results before tax of USD 9m (USD -245m including impairments of USD 195m) and Q2 results of USD 0m (USD -24m)
- H1 operating cash flow of USD 100m (USD 24m) and Q2 operating cash flow of USD 54m (USD 15m)

Product tanker freight rates continued at strong levels

Highlights
Tanker market
Dry bulk market



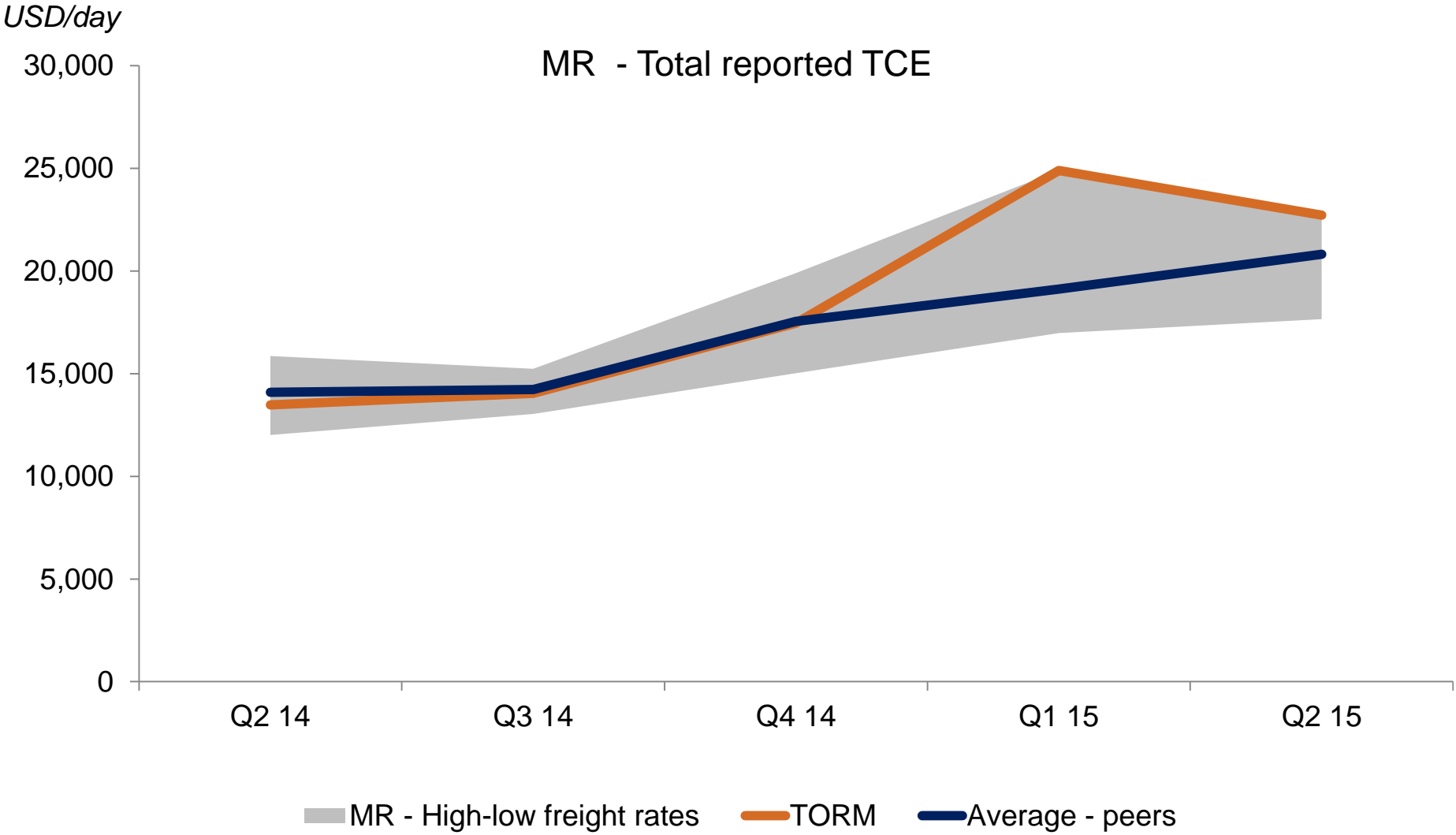
East (Q2 2015)

- The LR market benefitted from the ramp-up of refinery capacity in Saudi and UAE
- The Far East exported large volumes of gasoil to West Africa and north-western Europe
- Strong freight rates for trading of dirty oil led LR2s to switch into the dirty market.

West (Q2 2015)

- Freight rates driven by high European refinery margins yielding export volumes to West Africa
- Considerable European export of gasoline to the US East Coast due to US demand and capacity restrictions
- The refineries in the Mexican Gulf area had high export to South and Latin America.

Peer comparison shows that TORM has continued to perform commercially despite financial difficulties and an older fleet



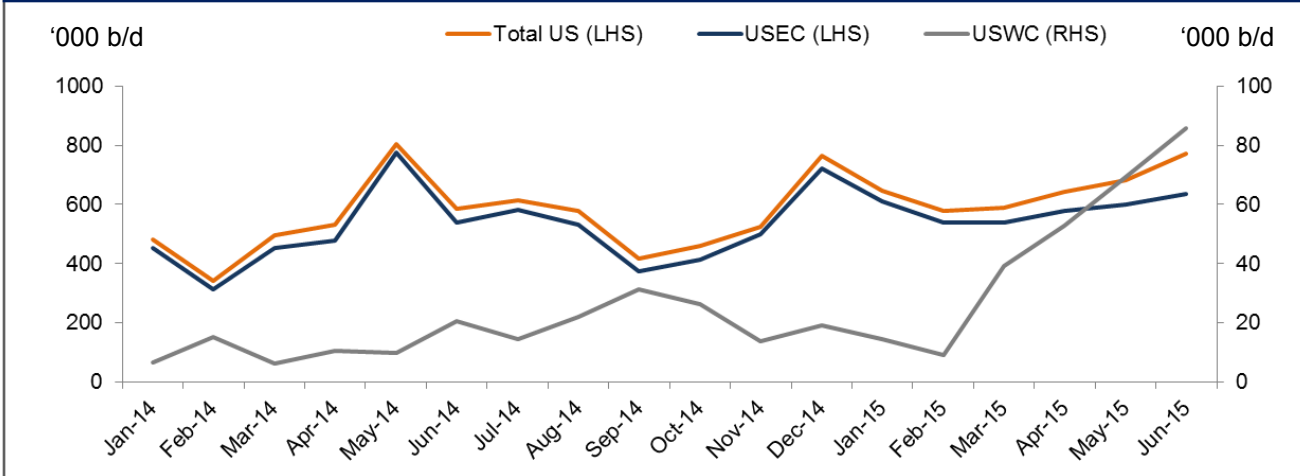
Notes:

- Peer group is based on Ardmare (split by ECO and ECO-modified); d'Amico, Frontline 2012, Norden and Scorpio
- TORM TCE rates does not include freight rates for Oaktree vessels under commercial management by TORM

Postive demand outlook for the product tanker market

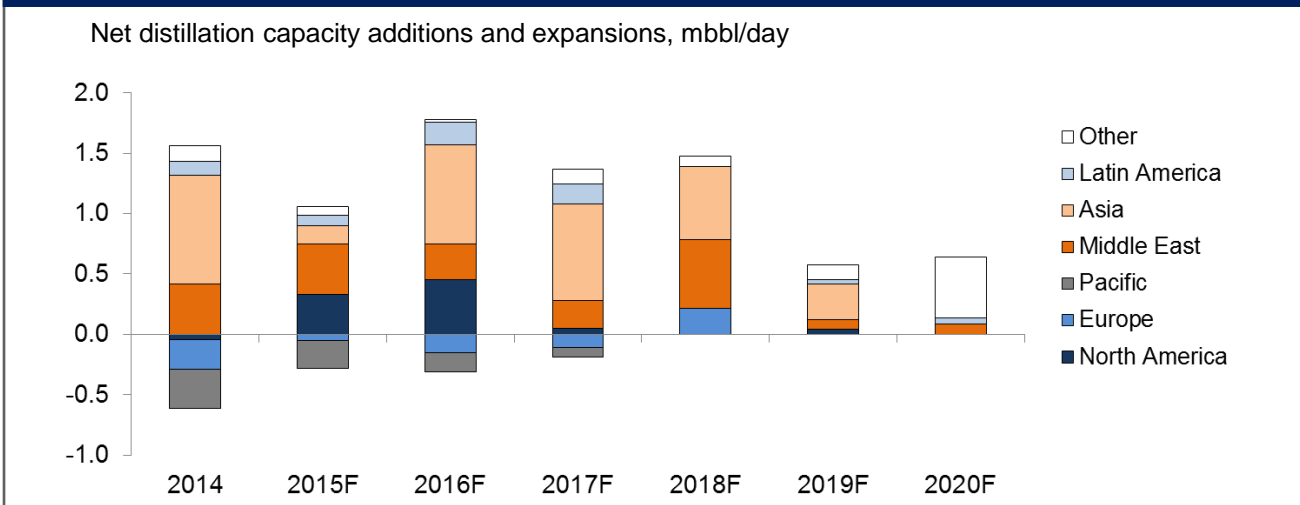


US imports of total gasoline*



- Strong global gasoline demand in Q2 encouraged high refinery runs especially in Europe and the US while non-OECD refining system experienced several outages and start-up delays
- US gasoline demand reached the highest level in 8 years in June, and together with refinery outages in USWC, this led to 32% y-o-y growth in imports in June

Refinery net expansions 2014-2020



- Gasoline tightness in the Americas left room for more flows from Europe to Latin America and Africa
- Strong summer demand in the Atlantic basin and healthy demand growth in Asia are expected to continue through Q3

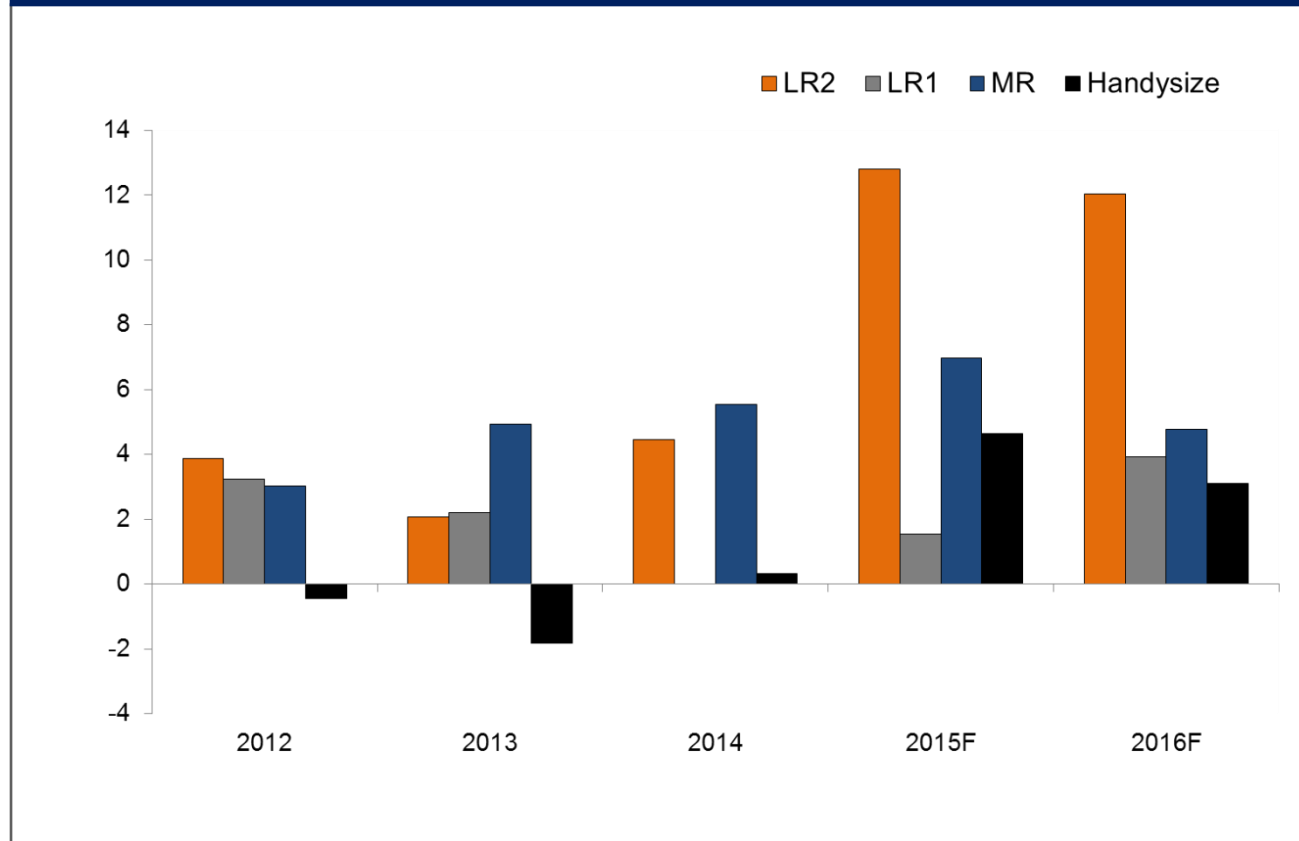
Sources: EIA, IEA, TORM Research.

* Based on EIA weekly import figures; includes finished motor gasoline and motor gasoline blending components

Supply outlook for the product tanker fleet varies by segment



Net fleet growth y-o-y in % of total fleet (no. of vessels)



- Product tanker deliveries totaled 5.8m dwt in H1 2015, just 15% lower than in FY 2014, while scrapping stayed limited
- This corresponds to a net fleet growth of 3.3% in H1 while for FY 2015, the fleet is forecasted to expand by 6.3% (in terms of no. of vessels), with the LR2 and MR segments leading the growth
- Minimal ordering during 2012-2013 in the LR1 segment results in barely 1% fleet growth in 2015
- After years of negative fleet growth, the Handysize fleet (incl. chemical tankers) will increase

Note: Increase calculated basis number of vessels. The number of vessels by the beginning of 2015 was: LR2 259, LR1 328, MR 1,397, Handy 651.

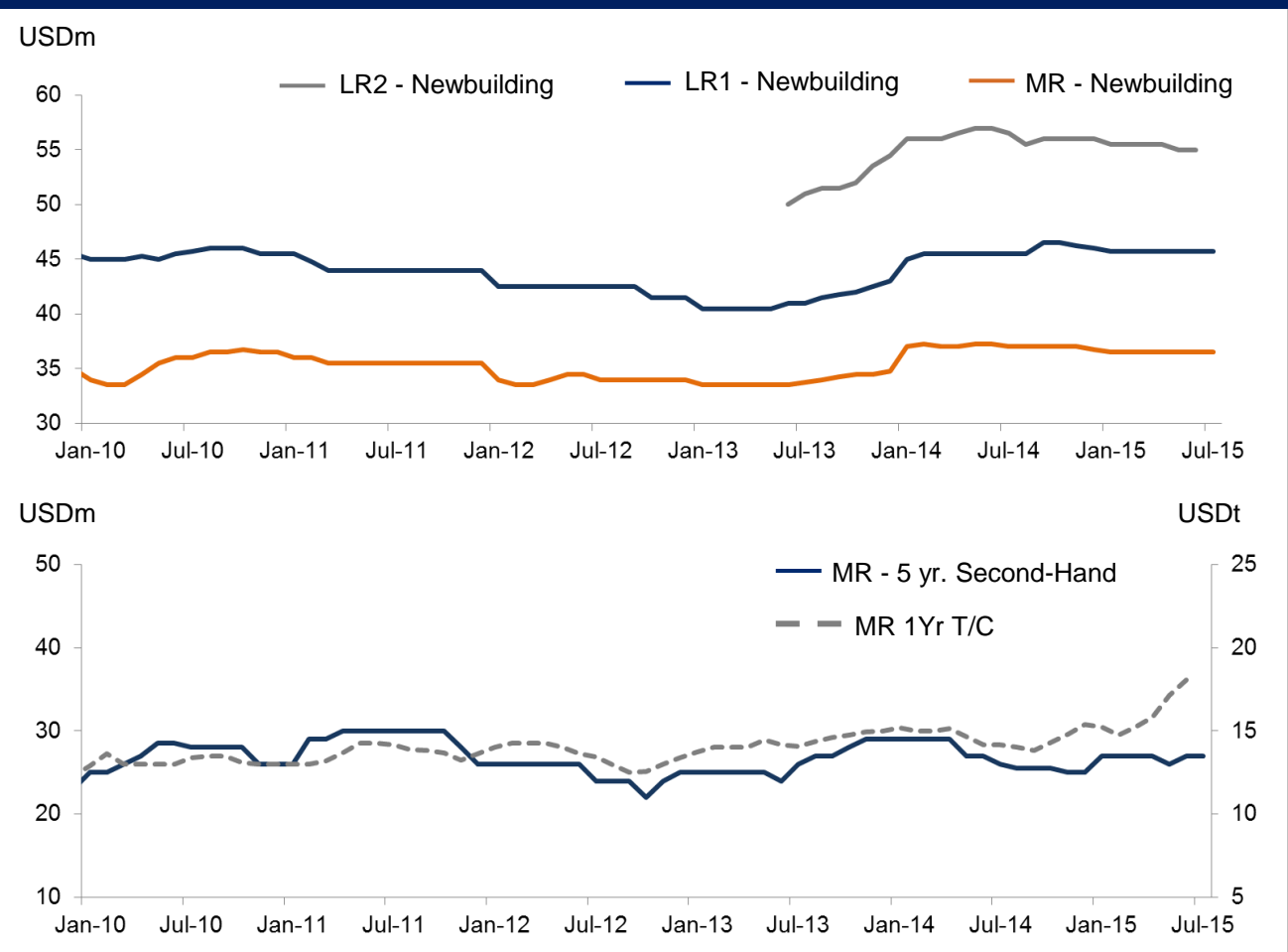
Note: Net fleet growth: Gross order book adjusted for expected scrapping and delivery slippage.

Source: TORM Research.

Product tanker vessel prices



Vessel price development

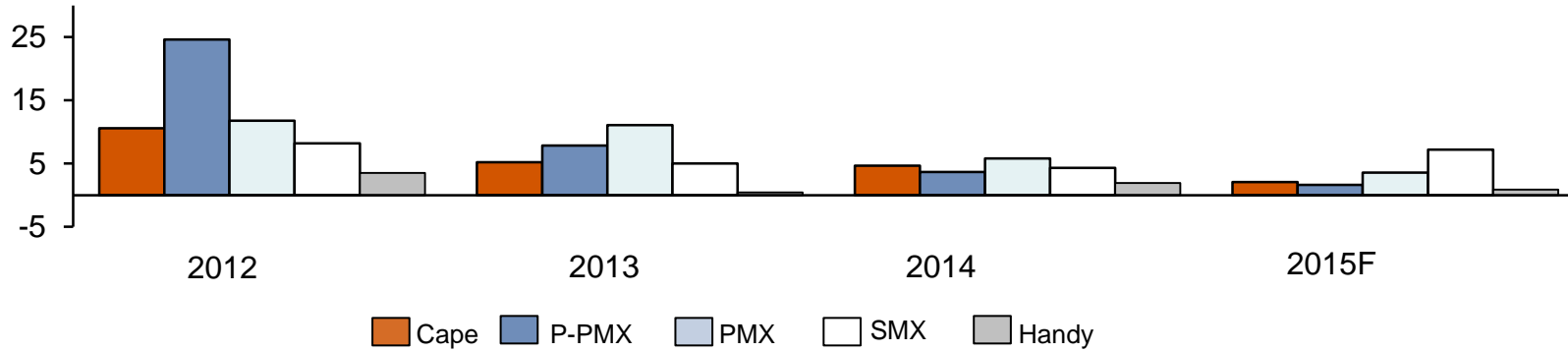


- Product tanker ordering in 1H 2015 totaled 4m dwt, down 25% compared to H1 2014 but up from H2 2014
- Low dry bulk ordering continues to encourage shipyards to look for other alternatives, e.g. tankers
- Ordering was focused towards the LR1 and LR2 segments while interest for the MR and Handysize segments has waned
- Activity in the second-hand market remains limited

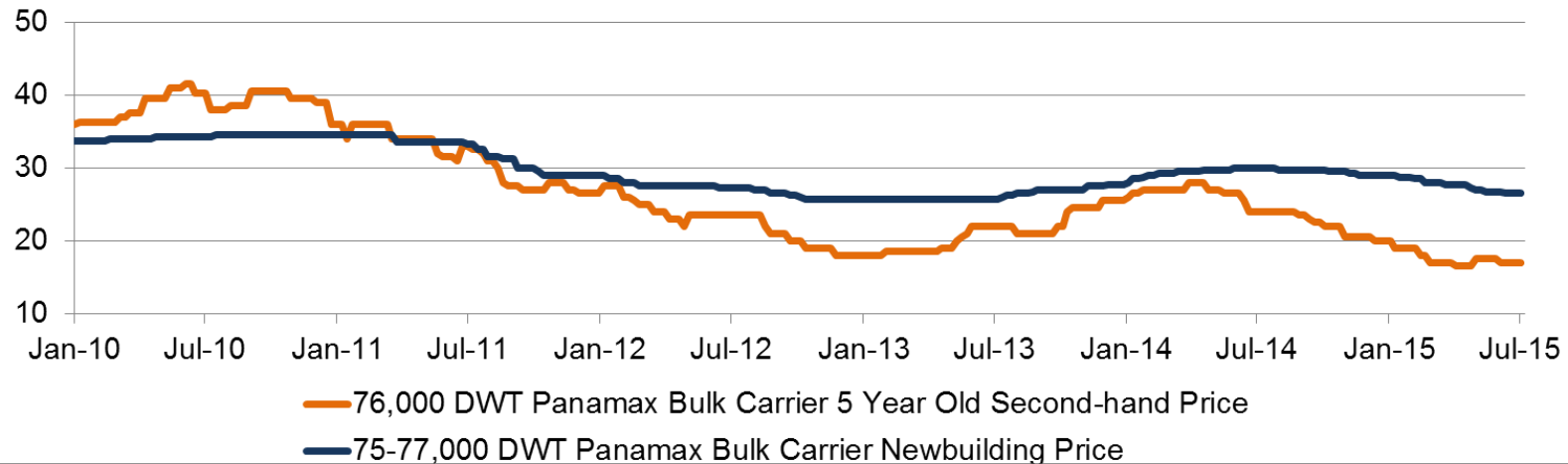
Dry bulk order book and vessel prices



Net fleet growth y-o-y in % of existing fleet primo 2015*



Panamax newbuilding and second-hand prices (USDm)



* Calculated basis dwt. Number of vessels primo 2015: Cape 1,507; P-PMX 530; PMX 2,005, SMX 3,162; Handy 3,065.
Source: TORM Research, Clarksons.

Agenda

- TORM post restructuring
- TORM stand-alone H1 2015
- **Appendix**



TORM at a glance

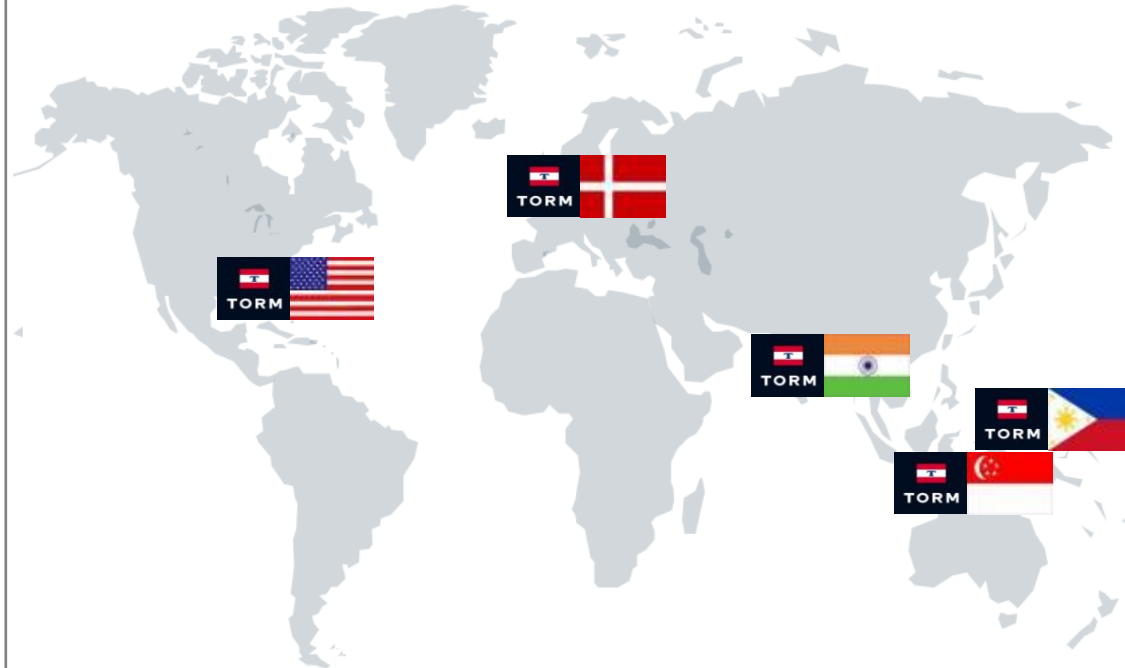
Key facts

A world leading product tanker company

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

Listed on NASDAQ OMX
Copenhagen

Global footprint based on regional power and presence



TORM employees:

TORM offices: ~280

Seafarers: ~2,800

- 1,300 Filipino seafarers
- 1,100 Indian seafarers
- 170 Danish seafarers
- 200 Croatian seafarers
- 30 Polish 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

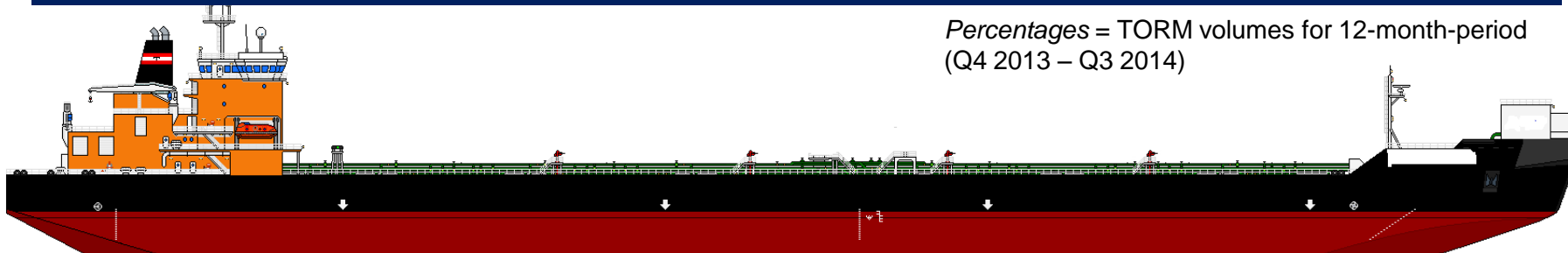


Storage/distribution



Typical refined oil product carried on TORM's vessels

Percentages = TORM volumes for 12-month-period
(Q4 2013 – Q3 2014)



Crude oils	Fuel oils	Diesels	Gas oils / Gasolines	Kerosenes / Jet fuel	Clean condensates	Naphthas	MTBEs	Veg. oils	Biofuel	Ethanol
~12%	~12%	~6%	~38%	~8%	~3%	~19%	~0%	~1%	~0%	~0%

"Dirty products"

←
Less refined
"clean products"

→
More refined
"clean products"

TORMs new Board of Directors following the EGM on 25 August 2015

**Mr. Christopher
Boehringer**

- Chairman of TORM's Board of Directors
- Oaktree representative

**Mr. David
Weinstein**

- Deputy Chairman of TORM's Board of Directors
- Representing minority shareholders

**Mr. Pär Göran
Trapp**

- Member of TORM's Board of Directors
- Selected by Oaktree

**Mr. Torben
Janholt**

- Member of TORM's Board of Directors
- Selected by Oaktree

**Mr. Kári
Gardarnar**

- Member of TORM's Board of Directors
- Employee representative

**Mr. Rasmus
Hoffmann**

- Member of TORM's Board of Directors
- Employee representative

**Mr. Jeffrey
S. Stein**

- First alternate for the Deputy Chairman of TORM's Board of Directors and will serve as Board Observer
- Representing minority shareholders



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

Senior Management



Mads Peter Zacho

- Chief Financial Officer



Lars Christensen

- Head of Sale & Purchase Division incl. Bulk activities



Christian Søgaard-Christensen

- Head of Investor Relations and Corporate Support



Jesper S. Jensen

- Head of Technical Division



Christian Riber

- Head of Human Resources

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



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



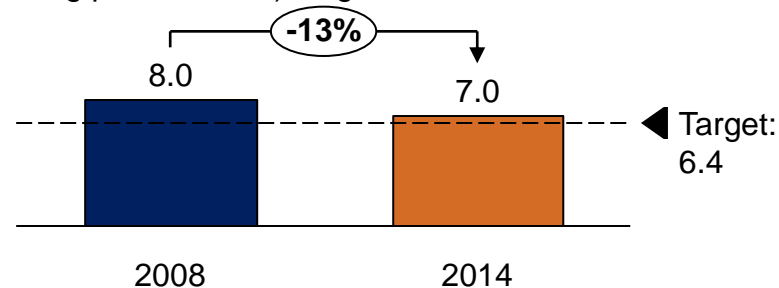
• Danish Shipowners' Association

As part of DSA, TORM is pushing for international regulation and standards on e.g. emissions through the International Maritime Organization

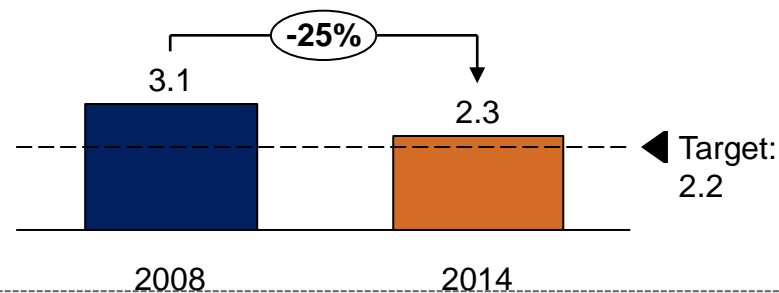
TORM has set and communicated on climate targets

Set climate targets:

- 20% reduction of CO₂ emissions pr. vessel by 2020 (starting point in 2008), in g/ton-km



- 25% reduction of CO₂ emissions from offices per employee by 2020 (starting point in 2008), ton-employee



Detailed key figures overview

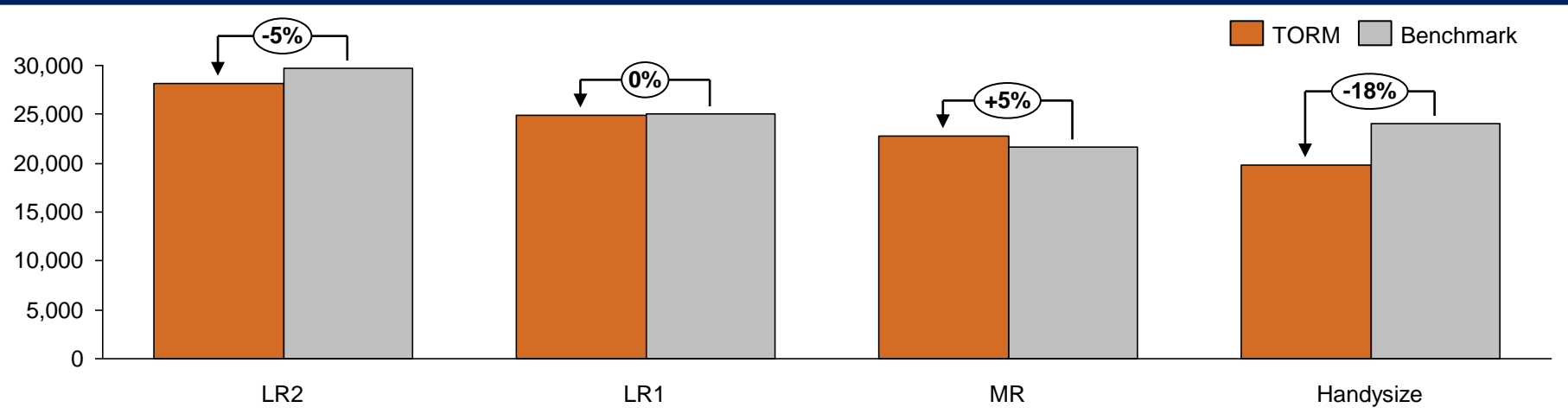
USDm	H1 2015	H1 2014	2014	2013	2012	2011
Revenue	294	332	624	992	1,121	1,305
EBITDA	100	34	77	96	(195)	(44)
Profit/(loss) before tax	9	(246)	(283)	(166)	(579)	(451)
Balance						
Total assets	1,398	1,419	1,384	2,008	2,355	2,779
Equity	(152)	(125)	(164)	118	267	644
NIBD	1,337	1,367	1,394	1,718	1,868	1,787
Cash and cash equivalents	94	43	45	29	28	86
Cash flow statement						
Operating cash flow	100	24	27	68	(100)	(75)
Investment cash flow	(20)	332	313	93	0	168
Financing cash flow	(30)	(343)	(324)	(161)	42	(128)
Financial related key figures						
EBITDA margin	34%	10%	12%	10%	(17%)	(3%)
Equity ratio	-	-	-	6%	11%	23%
Return on invested capital (ROIC)	9%	(28%)	(14%)	(5%)	(20%)	(14%)



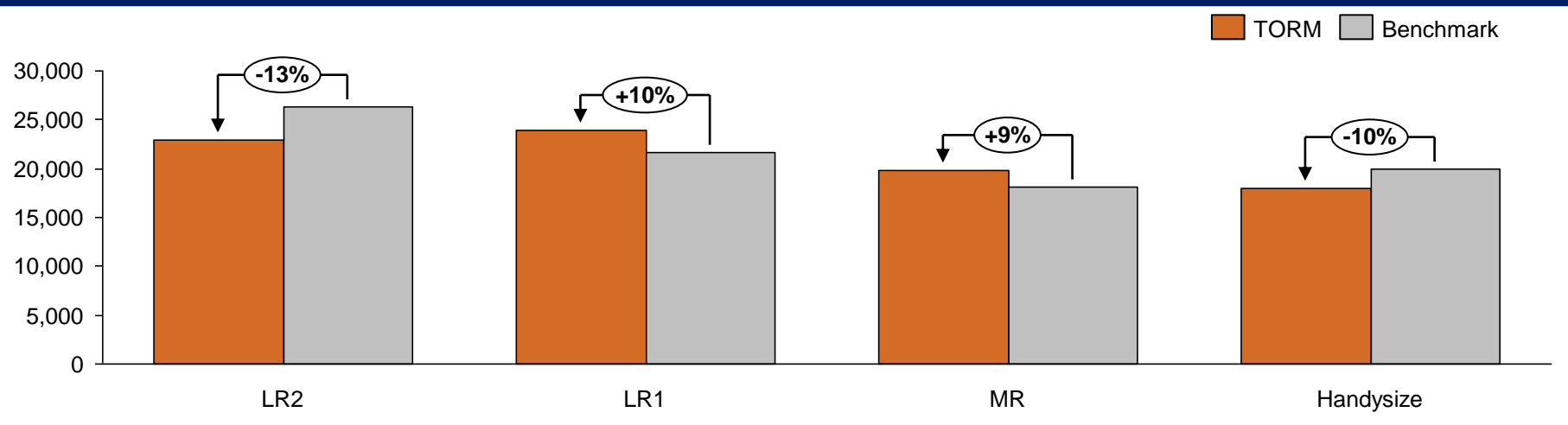
Tanker Division spot rates versus benchmark



TORM spot vs. benchmark Q2 2015 (USD/day)



TORM spot vs. benchmark last 12 months (USD/day)



Note: Benchmarks are not one-to-one comparisons as they do not take broker commission, armed guards and low sulphur fuel costs into account.

Source: Clarksons, Spot earnings: LR2: TC1 (Ras Tanura-> Chiba), LR1: TC5 (Ras Tanura-> Chiba), MR: average basket of Rotterdam->NY, Bombay->Chiba, Mina Al Ahmadi->Rotterdam, Amsterdam->Lome, Houston->Rio de Janeiro, Singapore->Sidney, Handysize: average basket of Augusta->Lavera, Tuapse->Agioi Theodoroi.

TORM has a fully integrated business model and admin expenses are trending significantly down

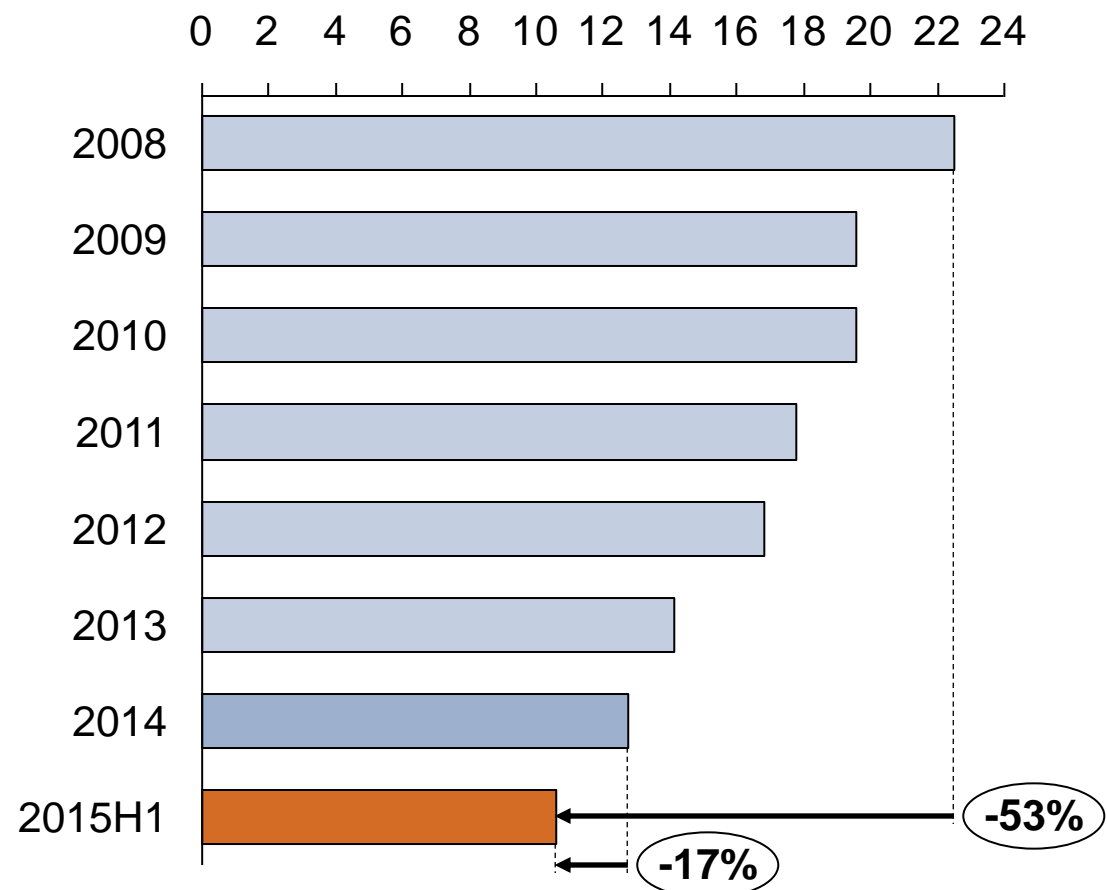


TORM has maintained a fully integrated business model...

- TORM has a fully integrated business model to obtain the highest possible
 - trading flexibility
 - earning power
- TORM manages
 - ~80 vessels commercially
 - 65+ vessels technically
- Global reach ensures proximity to customers
- Outsourced technical and commercial management would affect other line items of the P&L

... but TORM's cost program has trimmed admin expenses significantly

Admin. expenses (quarterly avg. in USDm)



Large product tanker fleet

# of vessels	Fleet end Q2 2015				
	Q1 2015	Changes	Q2 2015	Changes	13 July 2015
Product Tanker Fleet					
Owned vessels					
LR2	5	-	5	+3	8
LR1	7	-	7	-	7
MR	20	-	20	+22	42
Handysize	11	-	11	-	11
Sub-total	43	-	43	+25	68
Commercial Management					
LR2	3	-	3	-3	-
MR	22	-	22	-22	-
T/C-in vessels					
LR2	2	-	2	-	2
MR	2	-	2	-	2
Sub-total	29	-	29	-25	4
Product fleet, delivered	72	-	72	-	72
Newbuildings (MR)	-	-	-	+6	6
Product fleet, delivered and on order	72	-	72	+6	78
Bulk fleet (Panamax)					
Owned vessels					
T/C-in vessels	4	-2	2	-1	1
Bulk fleet, delivered	6	-2	4	-1	3





TORM