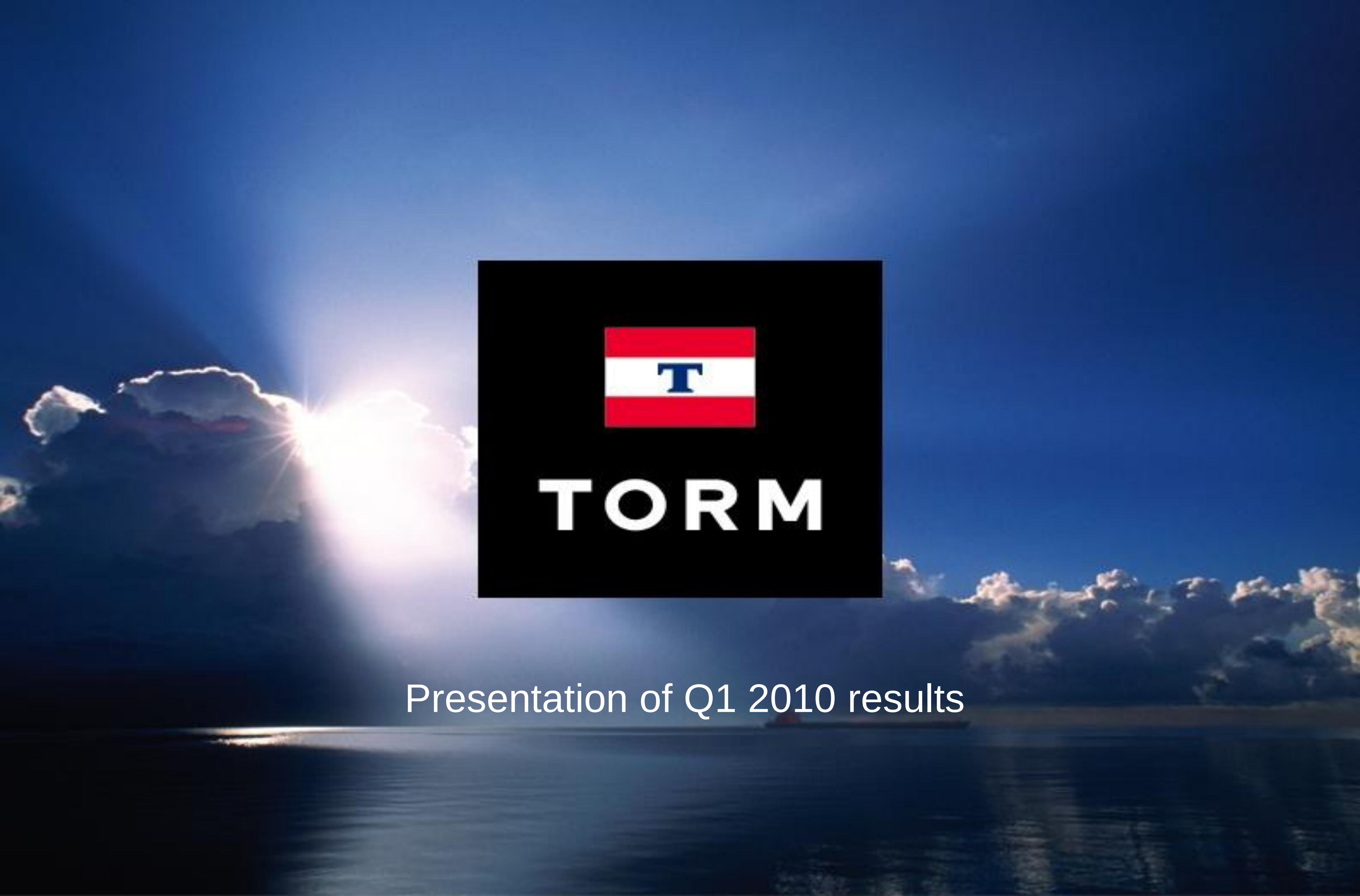



# Presentation of Q1 2010 results

# Safe Harbour 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.*

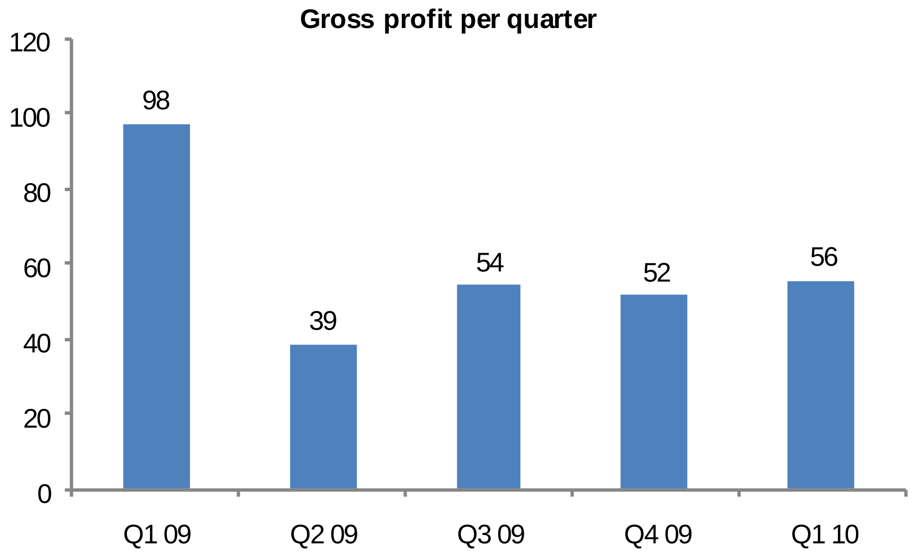
*To understand these risks and uncertainties, please read TORM's announcements and filings with The US Securities and Exchange Commission.*

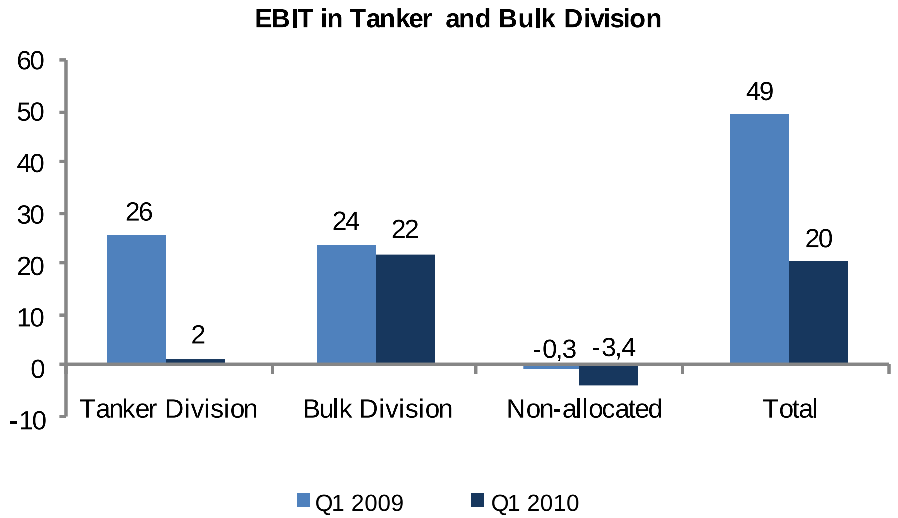
*The presentation may include statements and illustrations concerning risks, plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The forward-looking statements in this presentation are 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.*

TORM

# Financial Highlights for Q1 2010

## Financials (USDm)




Gross profit of USD 56m in Q1 2010

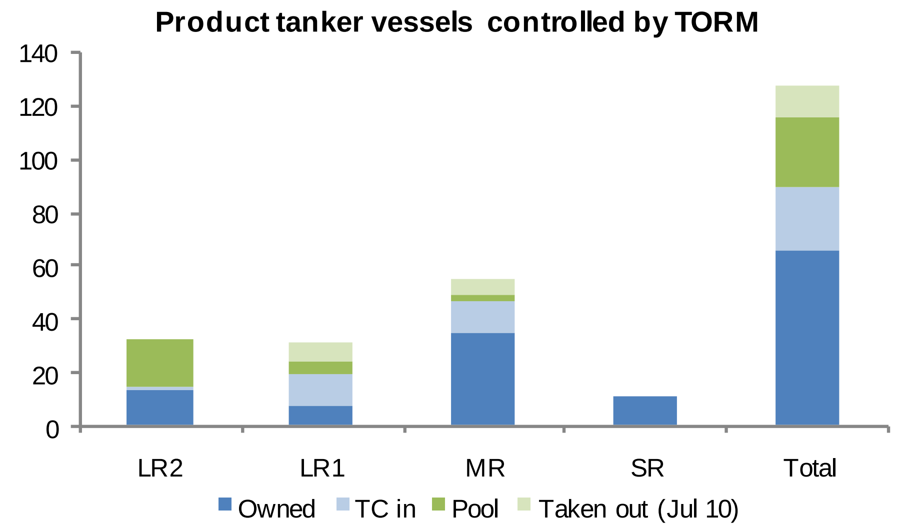
- Positive development in gross profit since Q2 2009 driven by increased number of earning days and lower operating expenditures
- Absolute level remains low due to the continued pressure on freight rates

Operating income (EBIT) of USD 20m in Q1 2010 compared to USD 49m in Q1 2009

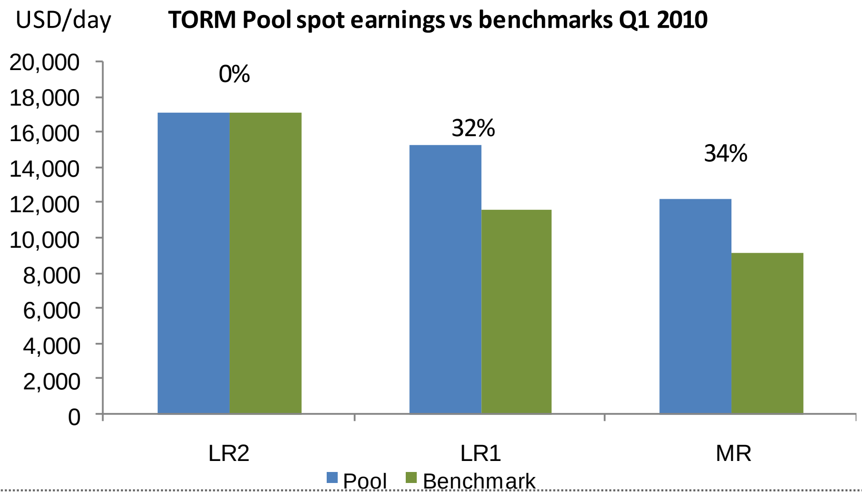
- The Tanker Division is impacted by lower rates compared to Q1 2009 where coverage had been taken at higher rates
- EBIT for the Bulk Division in Q1 2010 is positively impacted by USD 18m from the sale of two vessels. Q1 2009 was positively impacted by a one-off payment relating to the redelivery of 4 vessels (USD 26m)

# TORM has scale advantages with proven results

## TORM is one of the worlds largest product tanker companies




## With proven results

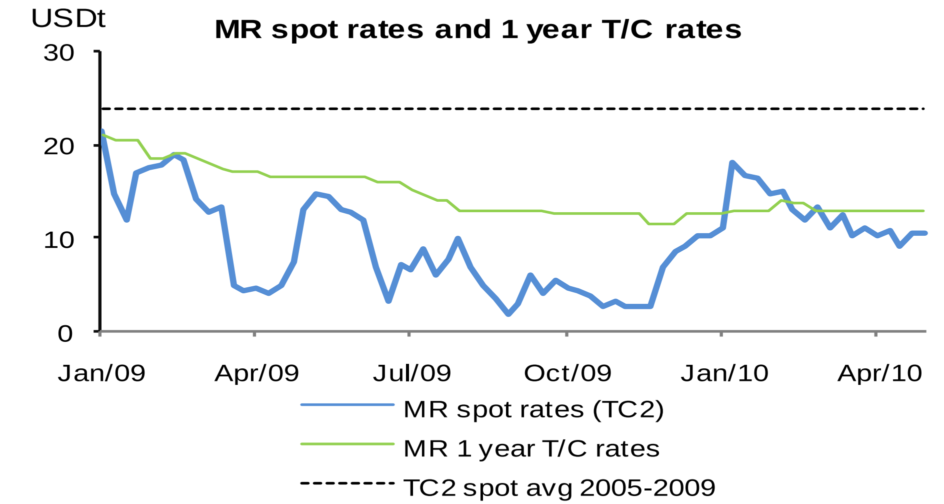


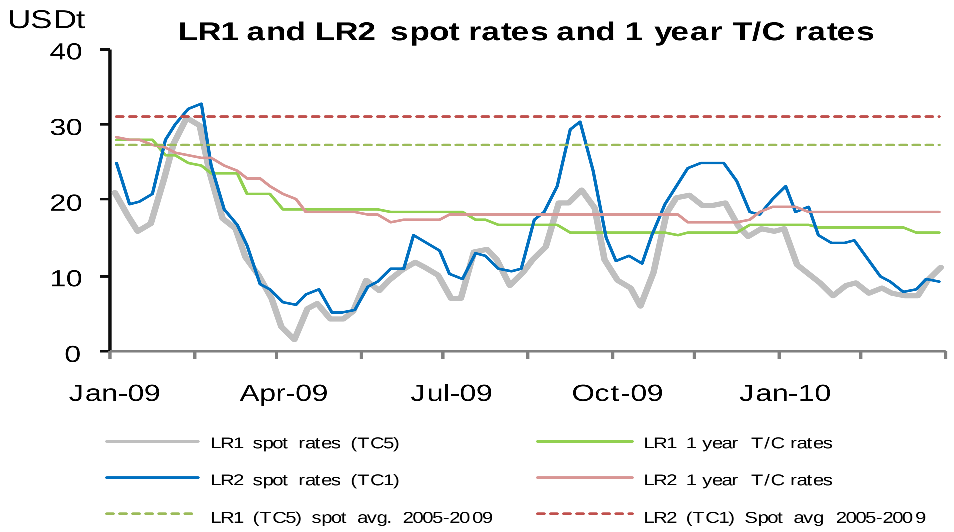

*Benchmarks are based on:
•LR1: TC5 (Ras Tanura-> Chiba) spot earnings from Clarksons
•LR2: TC1 (Ras Tanura-> Chiba) spot earnings from Clarksons
•MR: Avg. of spot earnings on TC2 (Rotterdam->NY), TC4 (Singapore-> Chiba) and Curacao->NY from Clarksons

- Large and high quality fleet:
  - >~30 vessels in each pool
  - Global presence
  - Young fleet (< 6 years in average)
  - Strict requirements to quality and safety
- Strong worldwide customer base:
  - Longterm relations to all the oil majors and trading houses
  - Commercial offices in the USA, Europe and Asia
- Cooperation on key functions:
  - Market intelligence
  - Bunker purchase
  - Vetting coordination
- Clear benefits
  - Spot rates exceeding benchmarks
  - Better optimisation and planning of fleet capacity leading to reduced idle and ballast days
  - Ability to give customers valuable options regarding timing and destination of vessels
  - Increased market insight
  - Cost advantages

# Continued difficult conditions on the product tanker market

## Freight rates (MR and LRs)




*Source: Clarksons

Rates have remained low despite economic recovery

Positive
- Increased petrochemical production in the Far East led to higher naphtha demand
- Cold winter increased the demand for heating fuel (US demand up in Jan by 65% y-o-y)
- Demand for TORM's ice-class vessels pushed the rates above the general market levels
- Swap of LR2s into dirty supported the tonnage balance in this segment

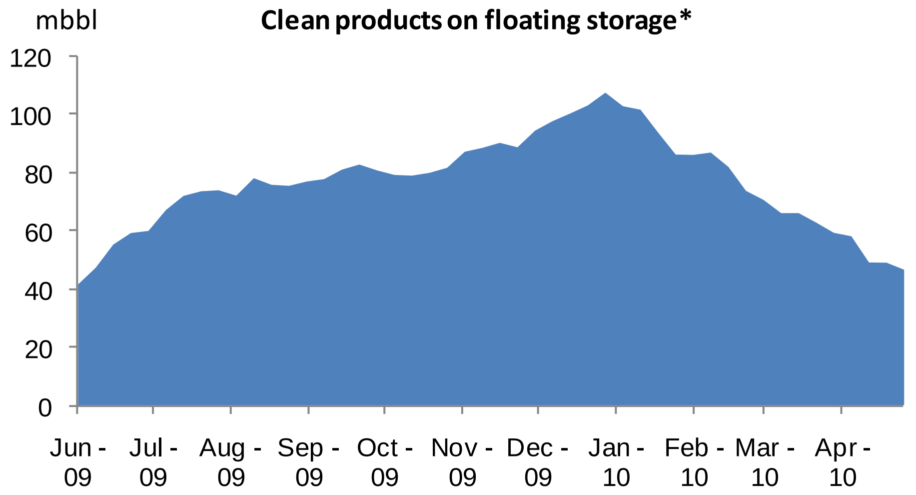
Negative
- High influx of new tonnage, though with significant delay
- Low US demand for gasoline
- Reduced floating storage which has freed tonnage

Into Q2, the rates have remained low:
- Refinery and petrochemical industry maintenance in Asia
- High gasoline inventories in the USA
- Continued influx of newbuildings taking cargo out of Asia

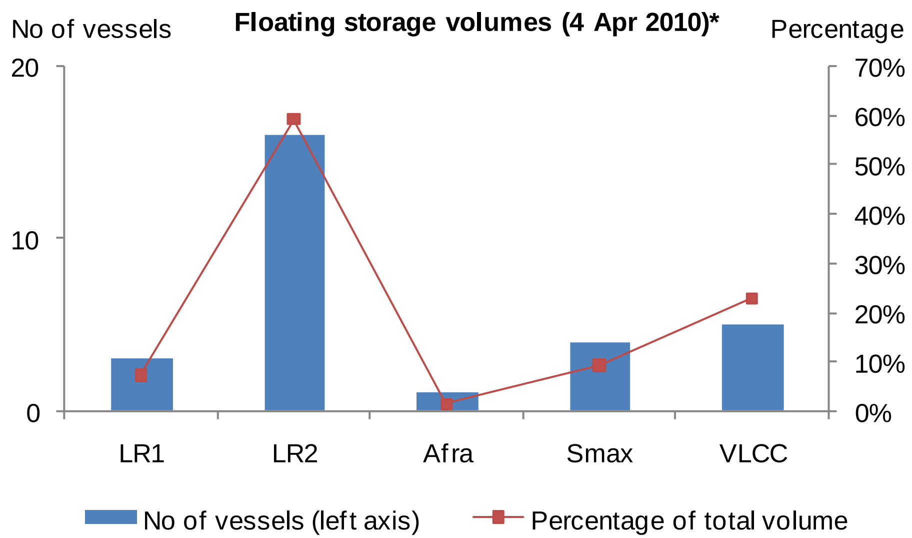
LR2 vessel size (Long Range): Aframax tanker 85-120,000 dwt
LR1 vessel size (Long Range): Panamax tanker 60-85,000 dwt
MR vessel size (Medium Range):Handymax tanker 40-60,000 dwt
SR vessel size (Short Range): Handysize tanker – 30-40,000 dwt

# Floating storage – significant decline during Q1 2010

## Floating storage has been significant…




## ..and occupies vessels in clean and dirty market




*Source: Inge Steensland and TORM research

Floating storage was significant during 2009 driven by a steep contango curve on middle distillates and lower freight rates

However the cold winter, higher demand for middle distillates and flattening contango led to discharge of floating storage during Q1 2010 and into Q2

The current number of vessels on floating storage is approaching a level that is more in line with historical levels

App. 35% of the clean products on floating storage are stored on vessels in the dirty segment

# Economic recovery in the USA & Europe lagging Asia but catching up

**Significant shock to the manufacturing cycle in the OECD**

One of the deepest cycles in record

Sharp activity recovery from Q2 2009

**Asia was relatively less impacted**

Developing Asia had shallow recession

Opening of gap between global growth and Advanced Countries growth

**The Advanced Countries are catching up**

Manufacturing PMIs in China and India were quicker to recover - appear to be topping out

The advanced countries have lagged Asia but are catching up

Policy tightening has begun in major Asian developing countries and is likely to continue in 2010

### OECD leading indicator for the OECD area

% over 6 months

20

### Annual GDP growth

% y/y

% y/y

### Composite manufactoring PMI

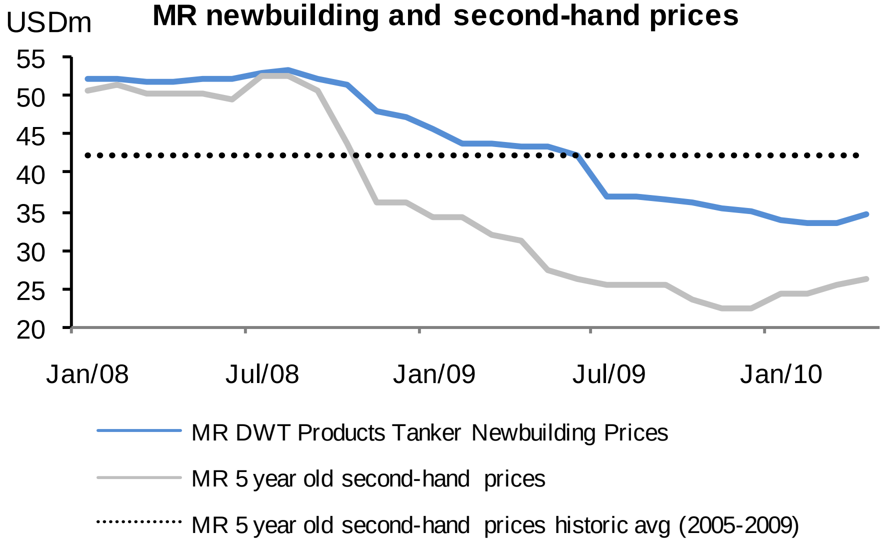
65

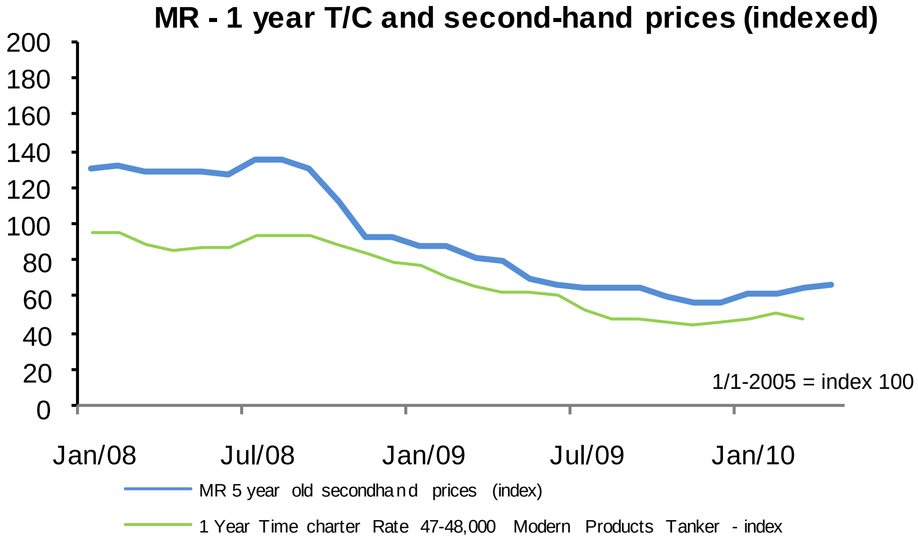
Sources: EcoWin

# Product tanker vessel prices have stabilised and increased - continued limited S&P activity



## Vessel price development*




*Source: Clarksons and TORM research

Newbuilding and second-hand prices have increased during Q1 2010, indicating that prices have bottomed out

There has been a relatively limited activity in Q1 2010 for second-hand tankers in general, although we have seen a number of sales in the MR segment (13 during Q1).

During April, additional 14 MR vessels have been sold

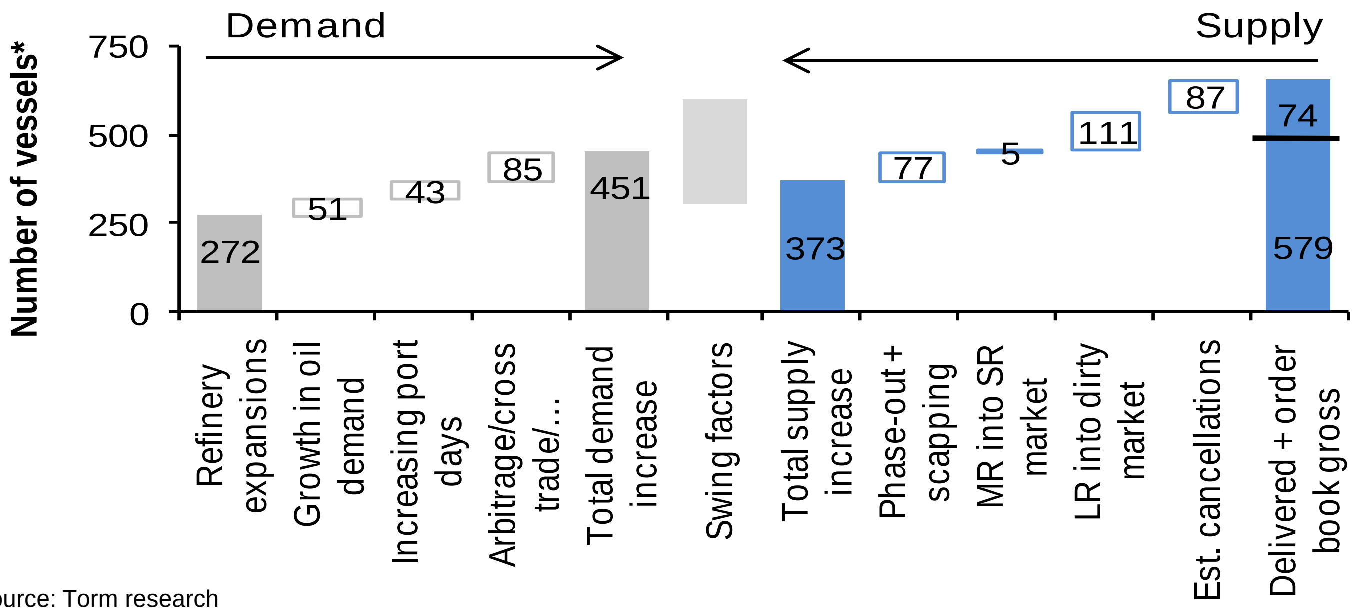
T/C rates and second-hand prices are relatively well correlated

The T/C rate has continued to increase into Q2 supporting continued increasing vessel values

Vessel prices are furthermore driven by expected improvement in earnings

# Product Tanker market - demand will outgrow supply from 2010 to 2012

## Demand and supply development (2010 - 2012)




Source: Torm research

Swing factors:
- Order book delays
- Delays in refineries
- Floating storage
- Slow steaming
- Changes in transport patterns

*All effects are recalculated into MR units – to enable comparision based on their volume relative to MR

## Demand primarily driven by

- New refineries in the Middle East and India
- Increased oil demand
- Increasing port days due to increased activity/bottlenecks
- Arbitrage

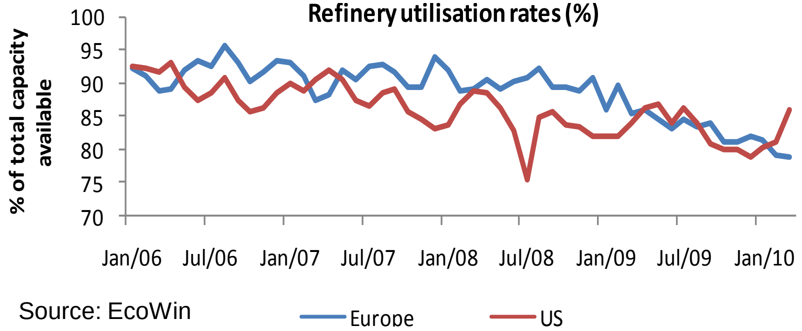
## Supply primarily driven by

- Delivery of 74 MR equivalents in Q1
- Expected 15% cancellations of order book
- LR into dirty
  - Some LR1 vessels are replacing Panamax phase outs in crude
  - 30% of LR2 vessels are trading in the crude
- Decreasing SR fleet creating further demand for MR vessels (25% of the reduced SR capacity is assumed replaced with MRs)
- Phase-out of single hulls and scrapping of old tonnage

# Refinery dis-location improve long-term prospects

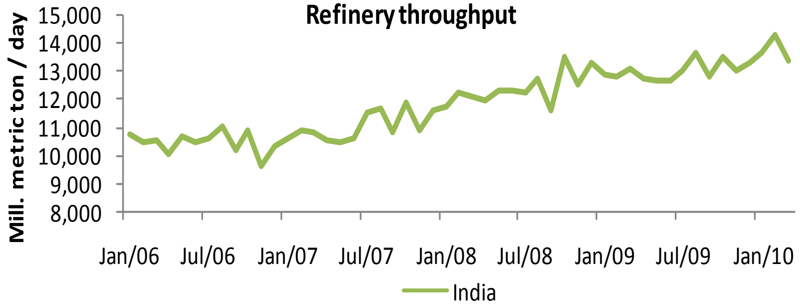


## Low utilisation rates due to pressure on refinery margins…

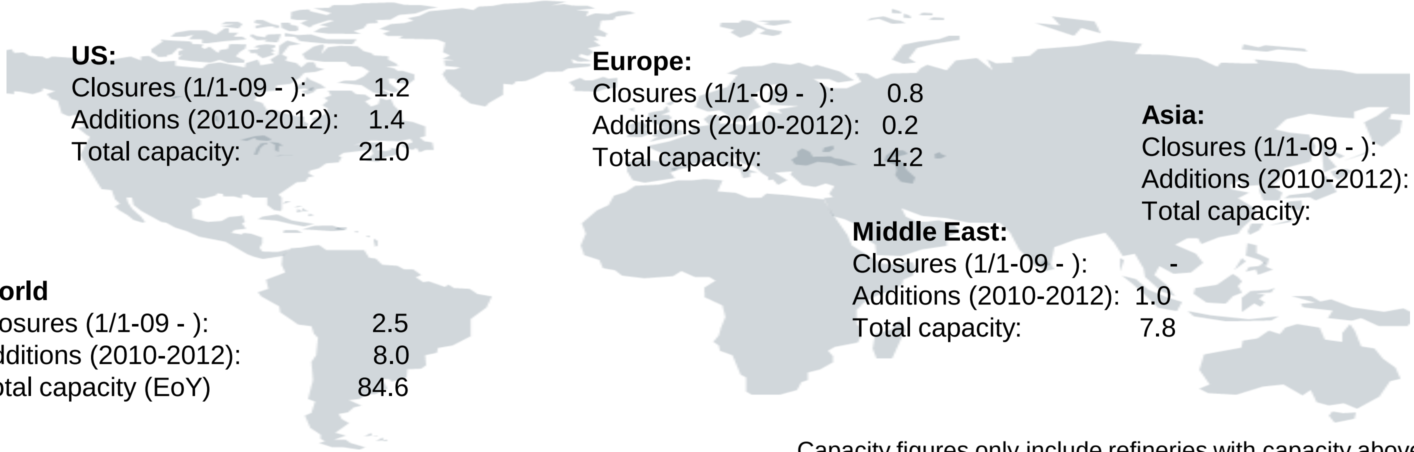



Source: EcoWin

## Increasing output in new locations…




## ..led to additions in Asia and the Middle East (all figures in m bpd)



**US:**
Closures (1/1-09 - ): 1.2
Additions (2010-2012): 1.4
Total capacity: 21.0

**Europe:**
Closures (1/1-09 - ): 0.8
Additions (2010-2012): 0.2
Total capacity: 14.2

**Asia:**
Closures (1/1-09 - ): 0.5 (Japan)
Additions (2010-2012): 3.6
Total capacity: 24.6

**Middle East:**
Closures (1/1-09 - ): -
Additions (2010-2012): 1.0
Total capacity: 7.8

**World**
Closures (1/1-09 - ): 2.5
Additions (2010-2012): 8.0
Total capacity (EoY) 84.6

Capacity figures only include refineries with capacity above 0.075 m bpd

Source: Torm research

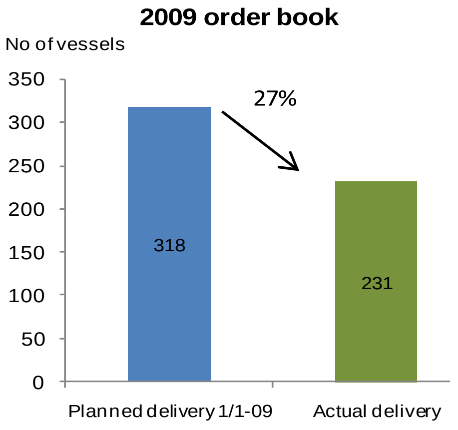
**Positive tonnes-miles**

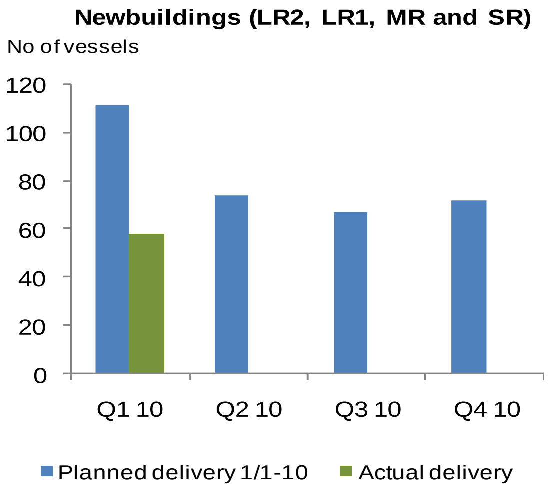
- Reduced refinery sector profitability in the European and the US refinery sector
- New refineries in the Middle East and India are producing at high utilisation rates driven by their cost advantages

# Supply affected by slippage and potential cancellations



## Slippage was significant in 2009…




Source: Inge Steensland and TORM

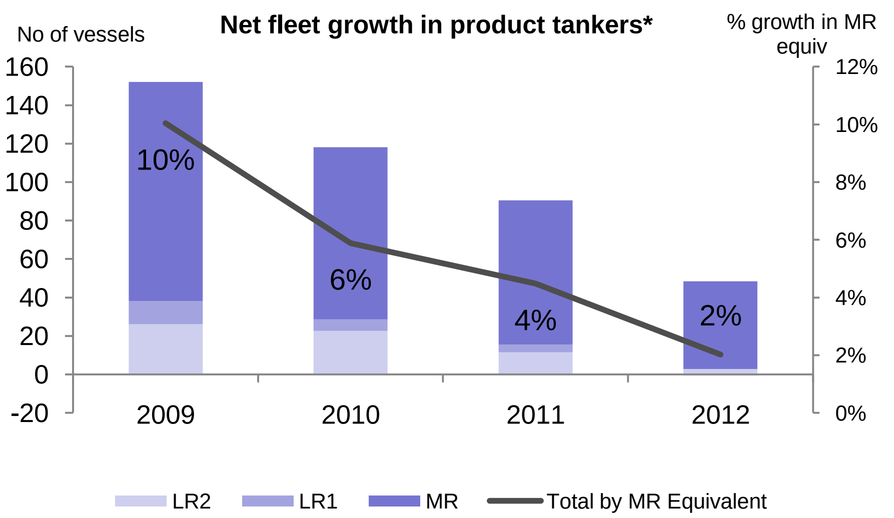
Significant slippage continues in 2010

- 2009, slippage of 27%
- Q1 2010, delivery of 58 vessels, 48% less than planned

Declining order book from 2010

- Very few newbuilding orders since late 2008

## …and net fleet growth is declining




*Note: Net fleet growth: Gross order book adjusted for scrapping, slippage, phase out of single hulls, expected cancellations and vessels going into dirty
Source: Inge Steensland and TORM

Slippage expected to continue

- 30% expected in 2010 and 2011
- No slippage from 2012 as there is free yard capacity compared to orders this year

TORM estimates 15% cancellations from 2010

- Very limited cancellations seen so far

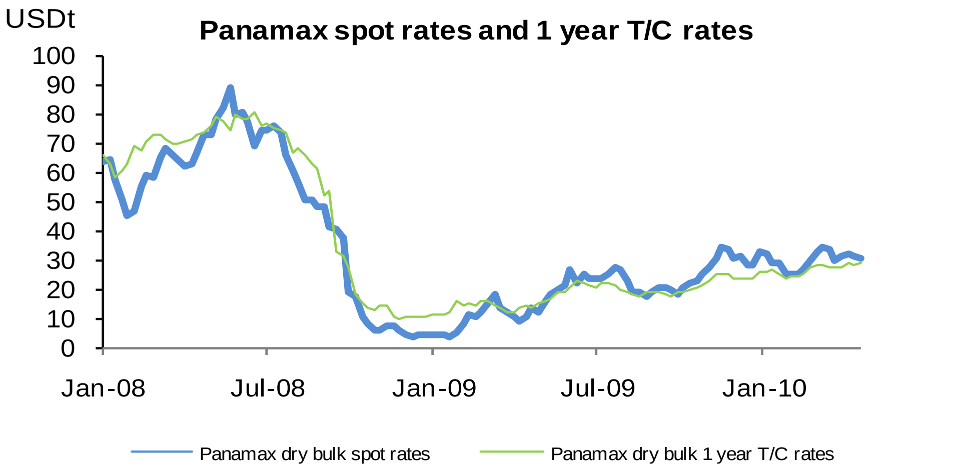
Phase-out expected to accelerated

- Older tonnage - due to the low freight rates
- Single-hulls - legislative phase-out requirements from 2010

Total net growth in the fleet declines from 10% in 2009 to app. 2% in 2012, assuming no new-building orders

# Dry bulk market has remained at a relatively strong level in Q1

## Freight rates development




Panamax rates have remained strong in Q1 2010

Rates supported by

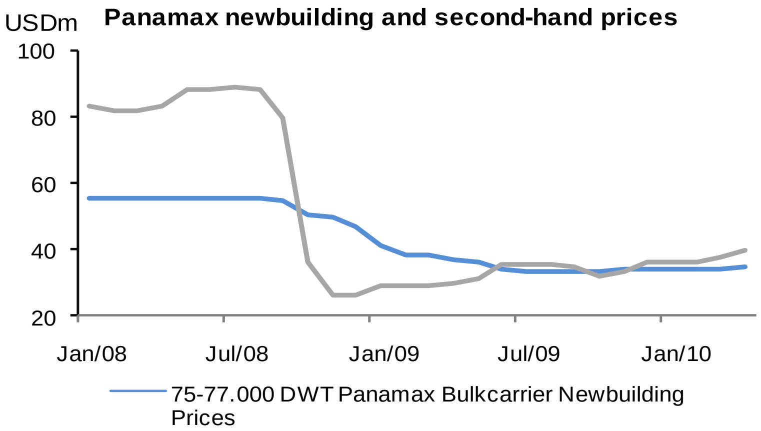
- Chinese coal and iron ore imports and
- High congestion

TORM relatively unaffected by rate volatility

- Due to high coverage of earning days

At the end of March 2010, TORM has covered 81% of the remaining earning days in 2010

## Vessel price development




Substantial amount of second-hand sales activity resulting in increasing prices

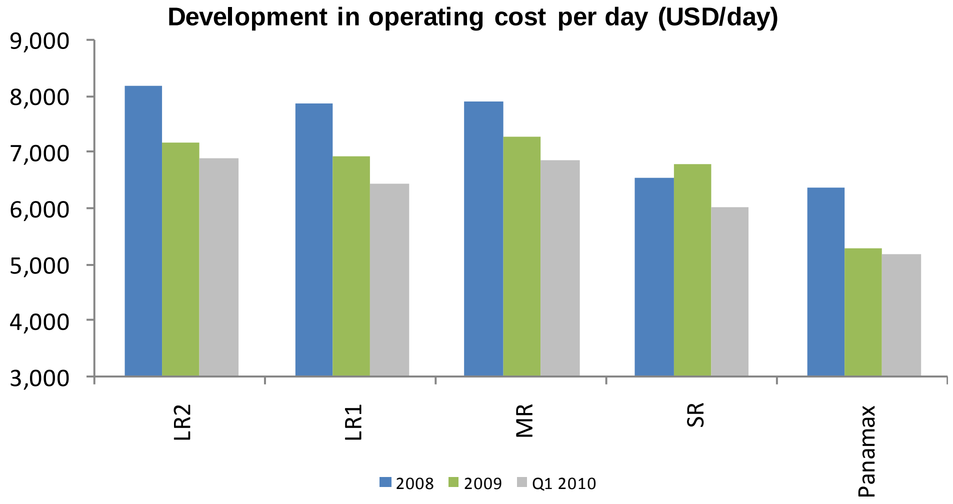
Large number of orders for newbuildings, especially Kamsarmaxes,

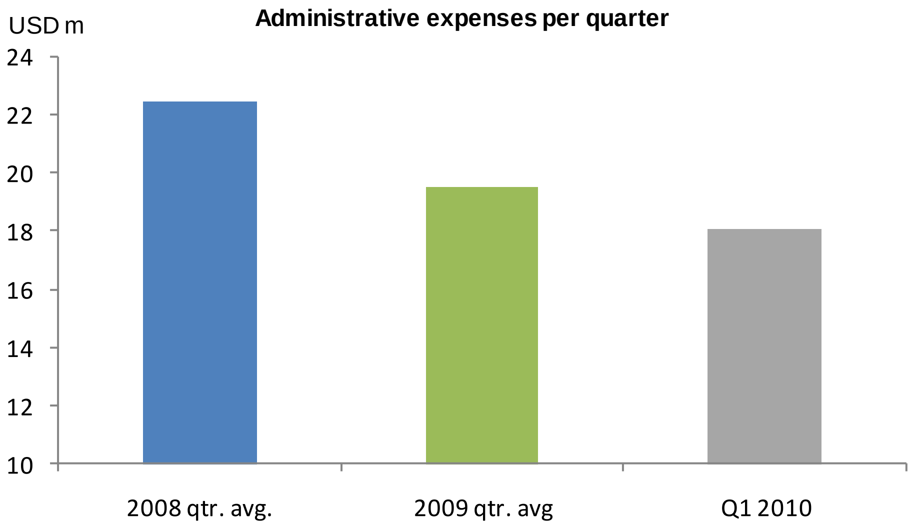
- Only slight change in newbuilding prices

*Source: Clarksons

# "Greater Efficiency Power" has lead to significant savings

## Status on Greater Efficiency Power




Efficiency programme "Greater Efficiency Power" launched by the end of 2008

***Key initiatives:***

- *Restructuring of the fleet management set-up*
- *Standardising repair and maintenance processes*
- *Centralising back-office including IT and standardising the IT platform*
- *Strengthening and centralising the global procurement function*
- *Reorganising the global land-based organisation*

On track to deliver savings of USD 50m in 2010

- 15% reduction of vessel operating costs/vessel day relative to 2008
- 20% reduction in administrative expenses relative to 2008

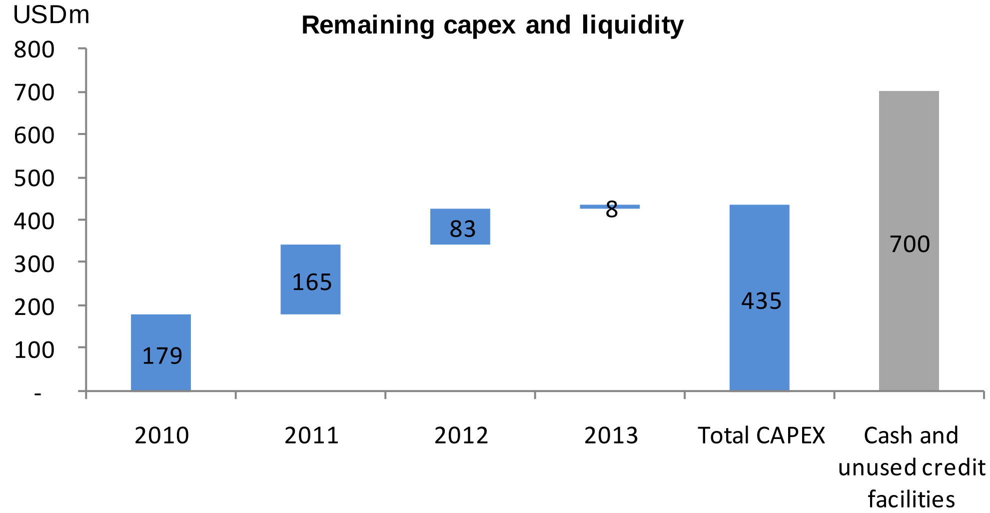
Realised by Q1 2010 compared to 2008 average

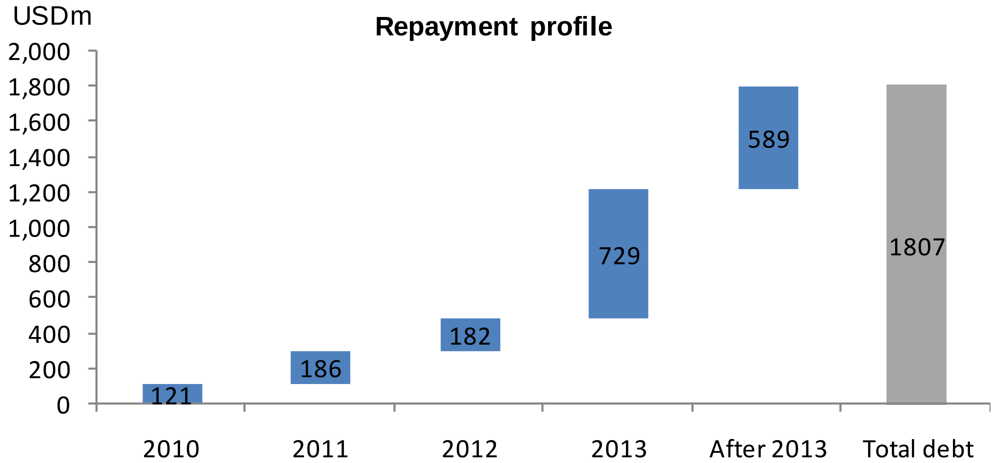
- 14% reduction in vessel operating cost per vessel day
- Administration expenses reduced by 19%

# Financing – no loan to value covenants and solid cash and credit facilities

## TORM has a sound financial position

- TORM's total cash and unused credit facilities totalled USD 700m as per 31 March 2010
- Remaining capex of USD 435m relating to the newbuilding programme as per 31 March 2010
- Net debt USD 1,621m by the end of Q1 2010 compared to USD 1,683m by year-end 2009.
- TORM has no loan to value covenants
- TORM's main debt covenants:
    - Minimum book equity ratio of 25%
    - Minimum book value of equity of DKK 1.25bn (app. USD 250m)
    - No less than USD 60m in liquidity



# TORM maintains its forecast for 2010

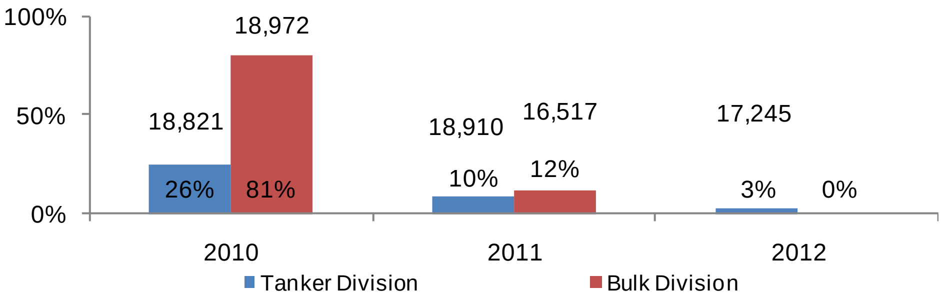
**2010 Guidance**

- TORM expects a loss before tax of USD 15m to 60m for 2010, however towards the lower end of the range

**Sensitivity – change in profit with change in freight rates**

| USDm | Change in freight rates (USD/day) | | | |
|---|---|---|---|---|
| **Segment** | -2,000 | -1,000 | 1,000 | 2,000 |
| Tanker Division | -36.2 | -18.1 | 18.1 | 36.2 |
| Bulk Division | -1.3 | -0.6 | 0.6 | 1.3 |
| Total | -37.5 | -18.7 | 18.7 | 37.5 |

**Coverage (% and USD/day)**



# Corporate Social Responsibility

## Focus on environment has never been bigger and shipping has a key role

- Increasing political focus on environmental regulation globally and regionally
- TORM as part of the Shipowners Association is pushing for regulation in the International Maritime Organisation, which works to set standards for the sector

- Shipping accounts for 80 - 90% of all transportation of goods
  Global shipping accounts for around 3% of global $CO_2$ emissions
- Shipping is the most energy-efficient form of transportation compared to plane, train or truck

- TORM founding member of the World Ocean Council, an organisation that works for sustainable use of the ocean across sectors

- TORM regards high environmental standards as a business opportunity and an integral part of risk management (e.g. controlling number of incidents and being ahead of legislation)

- Customers are increasingly demanding responsibility, environmental protection and safety

## ..therefore TORM has decided on an ambitious CSR strategy with green focus

- TORM signed the UN Global Compact in 2009 as the first Danish ship owner

- **TORM's climate strategy:**
  - **Reduction of $CO_2$ air emissions per vessel by 20% in 2020 compared to 2008**
  - **Reduction of $CO_2$ air emissions at the office locations by 25% per employee in 2020 compared to 2008**

- TORM participates in project Virtual Arrival (OCIMF and Intertanko)

- TORM will publish its first CSR report in 2010

- TORM participates in the Carbon Disclosure Project (CDP), and was top 20 in the Nordic Leadership Index

- In 2009, TORM received BP's Shipping Award for outstanding environmental achievement

- CSR commitment will therefore be one of the drivers for future cost-reduction efforts and earnings potential

Appendix

# Introduction to TORM

## Strategy and key facts

**A world leading product tanker company**

•Among leading owners in size

•120 years of history

**Strategy**

•Superior advantage through modern product tanker fleet, sizeable market share through pool cooperation, excellent quality delivery model and global reach

**Existing fleet of approx 140 vessels (31/3-2010)**

- ~130 product tankers and 11 bulk carriers
- Owned: 64 product tankers and 2 bulk carriers
- Chartered-in: 25 product tankers and 9 bulk carriers
- Pools/com mngt. 40 product tankers

**15 newbuildings**

- 11 product tankers (MR tankers)
- 4 bulk carriers (Kamsarmax)

**Listings**

•NASDAQ OMX Copenhagen

•NASDAQ in New York

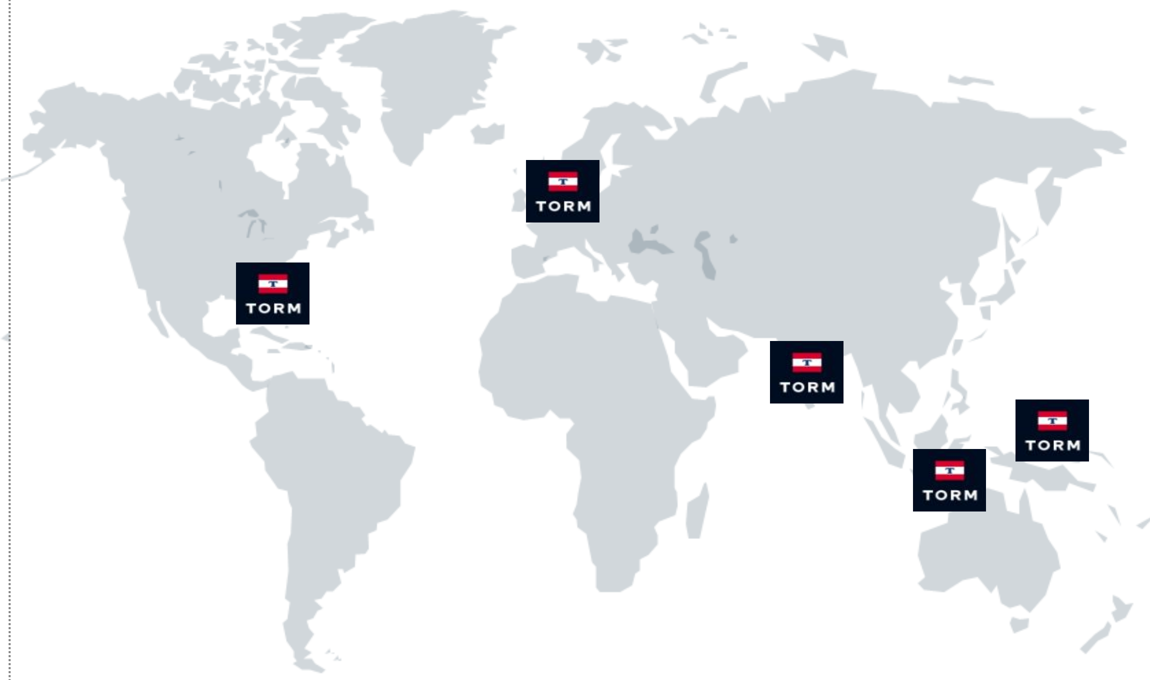
**Market cap**

•Approximately USD 650m

**Key financials**

| USD m | Q1 2010 | 2009 | 2008 | 2007 |
|---|---|---|---|---|
| Revenue | 205 | 862 | 1,184 | 774 |
| EBITDA | 55 | 203 | 572 | 288 |
| Net income | 2 | -17 | 360 | 792 |
| NIBD | 1,622 | 1,683 | 1,550 | 1,548 |
| Equity | 1,248 | 1,247 | 1,279 | 1,081 |

## Global footprint based on regional power and presence




Offices – app. 300:

- 170 in Copenhagen
- 20 in Singapore
- 20 in Manila
- 80 in Mumbai
- 10 in USA (Stamford)

Seafarers – app. 2,900:

- 350 Danish seafarers
- 100 Croatian/Italian seafarers
- 1,400 Indian seafarers
- 1,050 Philippine seafarers

# Earning days, TC cost and coverage for 2010

## Earning days, TC cost and coverage

| | 2010 | 2011 | 2012 | 2010 | 2011 | 2012 |
|---|---|---|---|---|---|---|
| | | Owned days | | | | |
| LR2 | 3.268 | 4.389 | 4.392 | | | |
| LR1 | 1.873 | 2.533 | 2.539 | | | |
| MR | 9.974 | 14.637 | 15.561 | | | |
| SR | 2.943 | 3.982 | 3.993 | | | |
| **Tanker division** | **18.058** | **25.541** | **26.486** | | | |
| **Bulk division** | **548** | **1.426** | **1.483** | | | |
| | | T/C in days | | | T/C in costs (USD/day) | |
| LR2 | 273 | - | - | 24.500 | - | - |
| LR1 | 3.563 | 4.815 | 4.131 | 22.001 | 22.797 | 23.091 |
| MR | 2.455 | 3.740 | 3.297 | 16.997 | 16.805 | 16.127 |
| SR | - | - | - | - | - | - |
| **Tanker division** | **6.291** | **8.554** | **7.428** | **20.157** | **20.177** | **20.000** |
| **Bulk division** | **2.847** | **3.579** | **4.227** | **15.813** | **15.475** | **15.949** |
| | | Total physical days | | | Covered days | |
| LR2 | 3.541 | 4.389 | 4.392 | 931 | 457 | 42 |
| LR1 | 5.436 | 7.347 | 6.671 | 1.045 | 730 | 532 |
| MR | 12.429 | 18.377 | 18.858 | 3.175 | 1.338 | 368 |
| SR | 2.943 | 4.015 | 4.026 | 1.099 | 730 | 40 |
| **Tanker division** | **24.349** | **34.128** | **33.947** | **6.250** | **3.255** | **982** |
| **Bulk division** | **3.084** | **4.920** | **5.710** | **2.751** | **581** | **-** |
| | | Coverage % | | | Coverage rates (USD/day) | |
| LR2 | 26 | 10 | 1 | 23.903 | 28.882 | 32.658 |
| LR1 | 19 | 10 | 8 | 19.088 | 18.582 | 17.495 |
| MR | 26 | 7 | 2 | 17.992 | 17.749 | 15.364 |
| SR | 37 | 18 | 1 | 16.657 | 15.128 | 15.128 |
| **Tanker division** | **26** | **10** | **3** | **18.821** | **18.910** | **17.245** |
| **Bulk division** | **81** | **12** | **0** | **18.972** | **16.517** | **-** |

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

| | |
|---|---|
| Contracts not included above | -3,1 |
| Contracts included above | 0,0 |

Notes

Actual no of days can vary from projected no of days primarily due to vessel sales and delays of vessel deliveries.

T/C in costs do no include potential extra payments from profit split arrangements.

TORM has for the remaining of 2010 24,349 earning days in the Tanker Division and 3,395 earning days in the Bulk Division

Coverage is 26% to USD/day 18,821 in the Tanker Division and 81% to USD/day 18,972 in the Bulk Division

# TORM fleet overview



## TORM fleet overview

| | 12/31/2006 | 12/31/2007 | 12/31/2008 | 12/31/2009 | 12/31/2010 | 12/31/2011 | 12/31/2012 | 12/31/2013 |
|---|---|---|---|---|---|---|---|---|
| **Owned vessels** | | | | | | | | |
| **Tanker** | | | | | | | | |
| LR2 | 7.0 | 9.5 | 12.5 | 12.5 | 12.5 | 12.5 | 12.5 | 12.5 |
| LR1 | 6.0 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 |
| MR | 18.0 | 29.0 | 29.0 | 33.0 | 38.0 | 42.0 | 44.0 | 44.0 |
| SR | - | 10.0 | 10.0 | 11.0 | 11.0 | 11.0 | 11.0 | 11.0 |
| **Total Tanker** | 31.0 | 56.0 | 59.0 | 64.0 | 69.0 | 73.0 | 75.0 | 75.0 |
| **Total Bulk** | 5.0 | 6.0 | 6.0 | 4.0 | 2.0 | 4.0 | 3.0 | 6.0 |
| **Total Fleet - Owned** | **36.0** | **62.0** | **65.0** | **68.0** | **71.0** | **77.0** | **78.0** | **81.0** |
| **Timechartered fleet** | | | | | | | | |
| **Total Tanker** | 9.5 | 17.0 | 22.5 | 25.5 | 27.5 | 23.5 | 18.5 | 15.0 |
| **Total Bulk** | 9.0 | 8.0 | 11.0 | 9.0 | 11.0 | 11.0 | 12.0 | 11.0 |
| **Total Fleet - Timechartered** | **18.5** | **25.0** | **33.5** | **34.5** | **38.5** | **34.5** | **30.5** | **26.0** |
| **Total fleet under management** | | | | | | | | |
| LR2 | 25.1 | 25.1 | 29.1 | 30.1 | | | | |
| LR1 | 36.0 | 45.5 | 37.5 | 36.5 | | | | |
| MR | 24.0 | 35.5 | 42.0 | 49.0 | | | | |
| SR | - | 12.0 | 12.0 | 12.0 | | | | |
| **Total Tanker** | 85.1 | 118.1 | 120.6 | **127.6** | | | | |
| **Bulk** | 14.0 | 14.0 | 17.0 | 13.0 | | | | |
| **Total fleet operated by TORM** | **99.1** | **132.1** | **137.6** | 140.6 | | | | |

# Detailed key figures overview

## Key figures overview

| USD million | Q1 2009 | 2009 | 2008 | 2007 | 2006 |
|---|---|---|---|---|---|
| **P&L** | | | | | |
| Revenue | 205 | 862 | 1,184 | 774 | 604 |
| EBITDA | 55 | 203 | 572 | 288 | 301 |
| Net income | 2 | -17 | 361 | 792 | 235 |
| **Balance** | | | | | |
| Total assets | 3,226 | 3,227 | 3,317 | 2,959 | 2,089 |
| Long term assets | 2,926 | 2,944 | 2,913 | 2,703 | 1,970 |
| Equity | 1,248 | 1,247 | 1,279 | 1,081 | 1,281 |
| NIBD | 1,622 | 1,683 | 1,550 | 1,548 | 663 |
| Cash and cash equivalents | 186 | 122 | 168 | 105 | 32 |
| **Cash flow statement** | | | | | |
| Operating cash flow | 21 | 116 | 385 | 188 | 232 |
| Investment cash flow | 41 | -199 | -262 | -357 | -118 |
| Financing cash flow | 3 | 37 | -59 | 242 | -239 |
| **Financial related key figures** | | | | | |
| EBITDA margin | 27% | 24% | 48% | 37% | 50% |
| Equity ratio | 39% | 39% | 39% | 37% | 61% |
| Return on invested capital (ROIC) | 1% | 2% | 16% | 10% | 20% |
| **Stock related key figures** | | | | | |
| Earnings per share (EPS) | - | -0.30 | 5.21 | 11.44 | 3.38 |
| Cash flow per share, CFPS (USD) | 0.30 | 1.70 | 5.56 | 2.71 | 3.33 |
| Proposed dividend per share (DKK) | - | - | 4.00 | 4.50 | 5.75 |


TORM