



Presentation of Q2 2013 results
Conference call
15 August 2013

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Highlights for Q2 2013

Highlights
Tanker market
Dry bulk market
Finance

Q2 Results

- EBITDA of USD 25m (USD -23m in Q2 2012) and USD 61m for the first half of 2013
- Profit before tax of USD -30m, which is a USD 102m improvement y-o-y
- Positive operating cash flows of USD 28m incl. full interest payments
- Effects materializing from the restructured time charter fleet and TORMs cost program

Tanker

- The West market supported by US exports to South America and West Africa, whereas the East market offered fewer arbitrage opportunities
- TORM well positioned to take advantage of the market improvements and beat benchmarks
- Q2 divisional EBITDA of USD 34m and EBIT of USD -2m (Q2-12: EBITDA USD -9m and EBIT USD -42m)

Bulk

- Bulk market started on a positive trend mainly driven by South American grain season, but later eased in connection with the Golden Week holiday
- Q2 divisional EBITDA of USD -9m and EBIT of USD -10m (Q2-12: EBITDA USD -12m and EBIT USD -13m)

Sale & Purchase

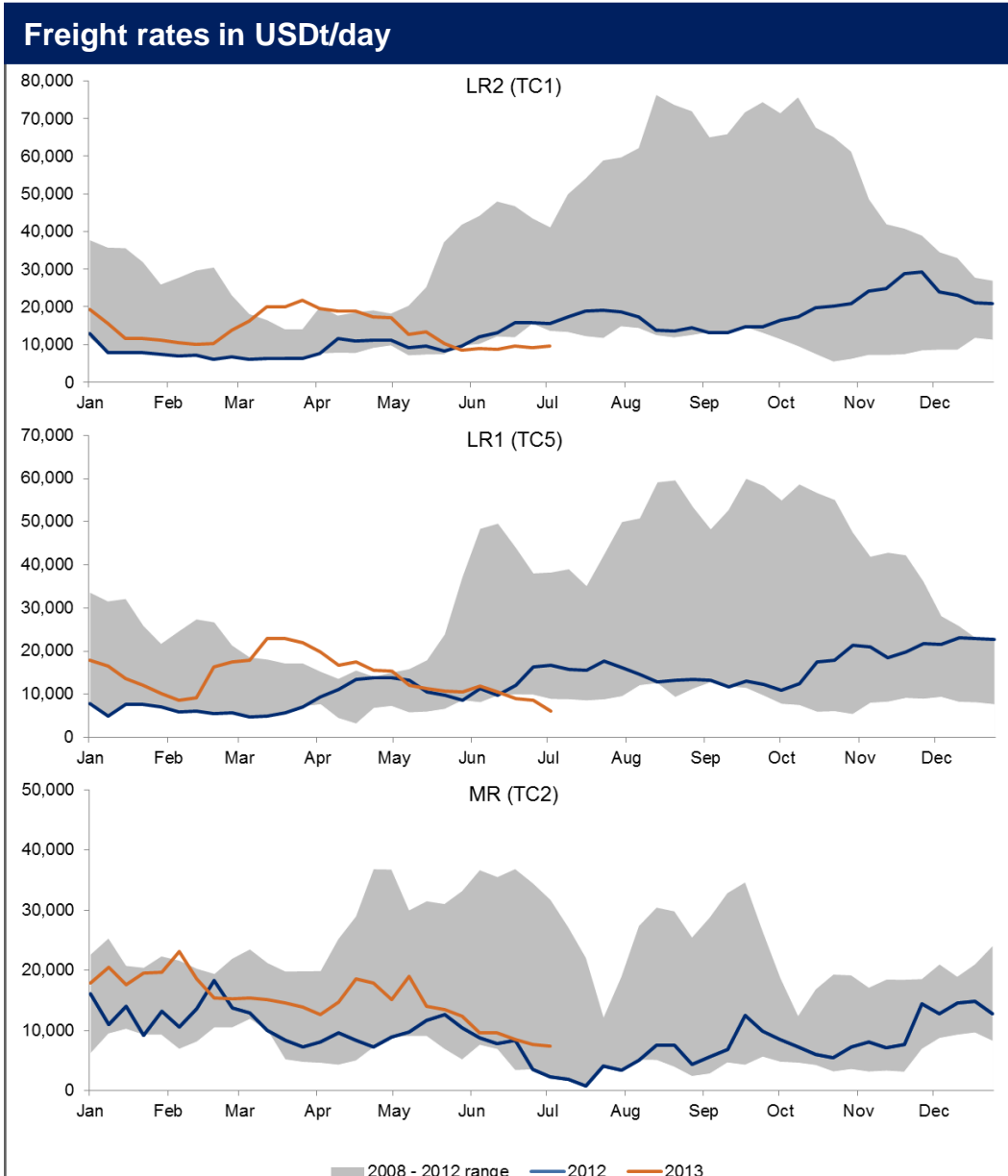
- TORM entered into an agreement with Oaktree on five MR product tankers, who will place the five vessels under TORM's commercial and technical management
- Prices for modern tonnage is trending upwards

Guidance for FY 2013

- Revised EBITDA forecast for 2013 is forecasted at positive USD 90-110 million
- Narrowed forecast on loss before tax to USD 100-120
- TORM expects to remain in compliance with the financial covenants for 2013



Product tanker freight were relatively strong in Q2 2013



LR1 and LR2

- Positive effects in Q2:
 - Middle distillate cargoes from Arabian Gulf to the Far East
 - Gasoil cargoes from the Far East to Europe
- Negative effects in Q2:
 - European naphtha export to Far East Asia ceased
 - Lower Arabian Gulf activity
 - Owners continued to clean up LR2s after trading in dirty products (incl. crude) and thereby increasing tonnage supply (equal approx. 20% of total clean LR2 fleet YTD)

TORM beat available spot benchmarks for LR2 with 15% and 9% for LR1

MR

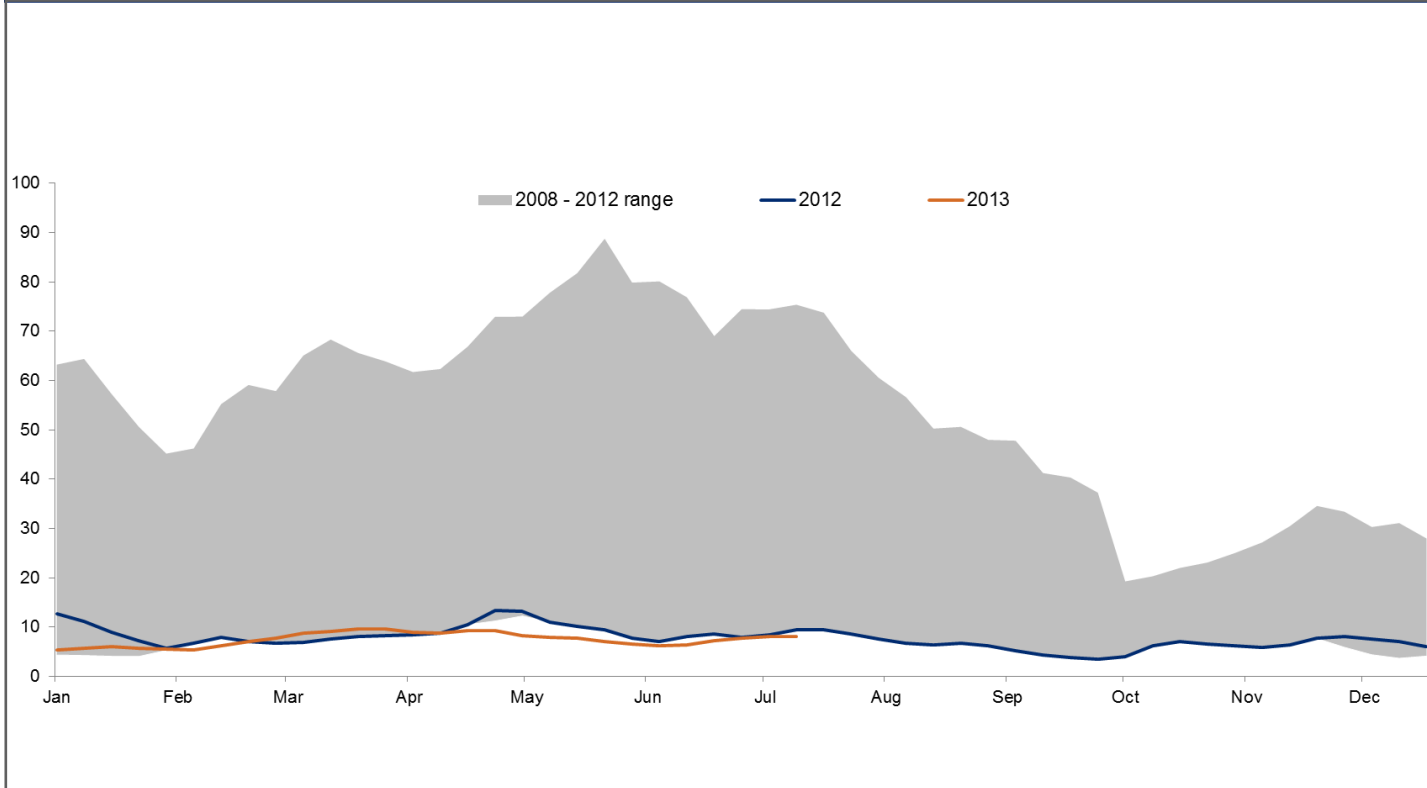
- Positive effects in Q2:
 - US product flows to South America
 - US refineries replacing European refineries on exports to West Africa yielding longer ton-mile
 - Intra-Asian product flows
 - Saudi Arabian import of gasoline
- Negative effects in Q2:
 - Transatlantic diesel arbitrage to Europe remained closed
 - Asian refinery maintenance

TORM beat available spot benchmarks for MR with 28%

Dry bulk market continued at a historical low level during Q2 2013



Panamax freight rate development (USDt/day)



- Average freight rates continue to stay below USD/day 10,000
- Positive effects in Q2:
 - South American grain season
 - High port congestion
- Negative effects in Q2:
 - Golden Week in May
 - Continued influx of new tonnage

TORM's financial position by 30 June 2013



Liquidity

- TORM's liquidity was USD 90 million consisting of
 - USD 25 million in cash
 - USD 65 million in undrawn credit facilities

Newbuilding CAPEX

- TORM has no newbuildings on order

Debt situation

- TORM has net debt of USD 1,852 million incl. drawn part of working capital facility
- A minimum instalment schedule exists from Q3 2014 and onwards (cash sweep mechanisms in place)

USD bn, as of June 2013



Costs

- Positive effects from the restructured time charter fleet and the Company's cost program continues

* Minimum installments incl. repayment of drawn part of working capital facility

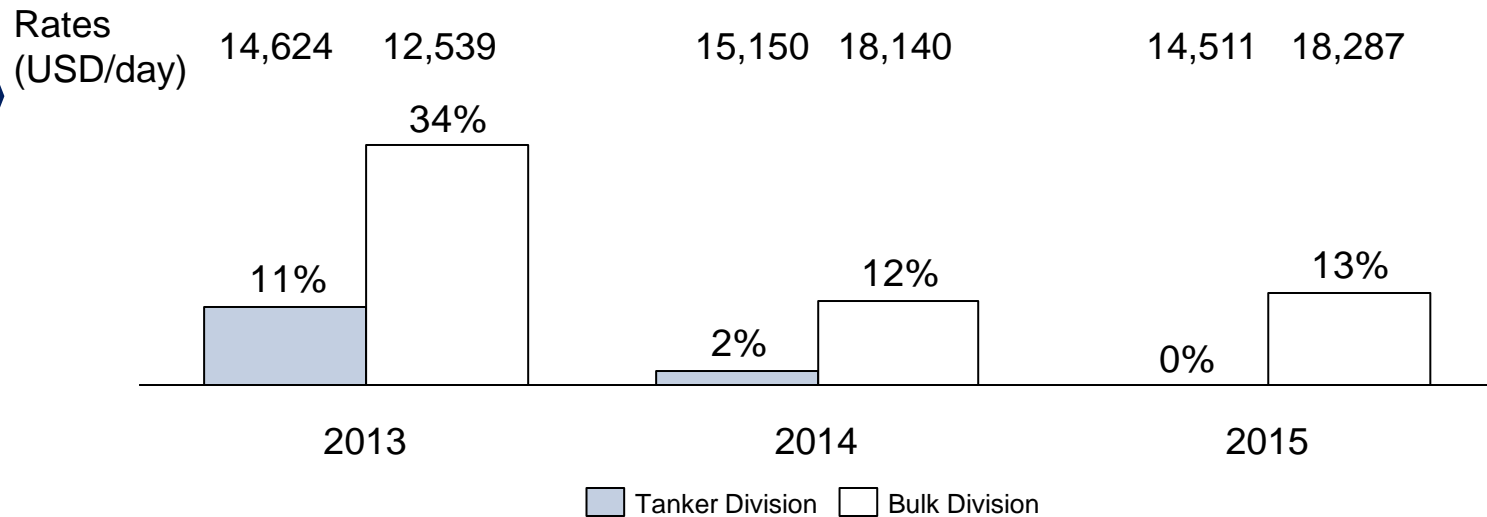
TORM's forecast for 2013



2013 forecast

Forecasts for 2013	Total, USD million
EBITDA	90 to 110
Profit before tax	-100 to -120

Coverage per 30.06.2013



Earnings sensitivity for 2013

USDm Segment	Change in freight rates (USD/day)			
	-2.000	-1.000	1.000	2.000
Tankers	-21	-10	10	21
Bulk	-3	-2	2	3
Total	-24	-12	12	24



TORM