



Presentation of Q2 2015 results
Teleconference
12 August 2015

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

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

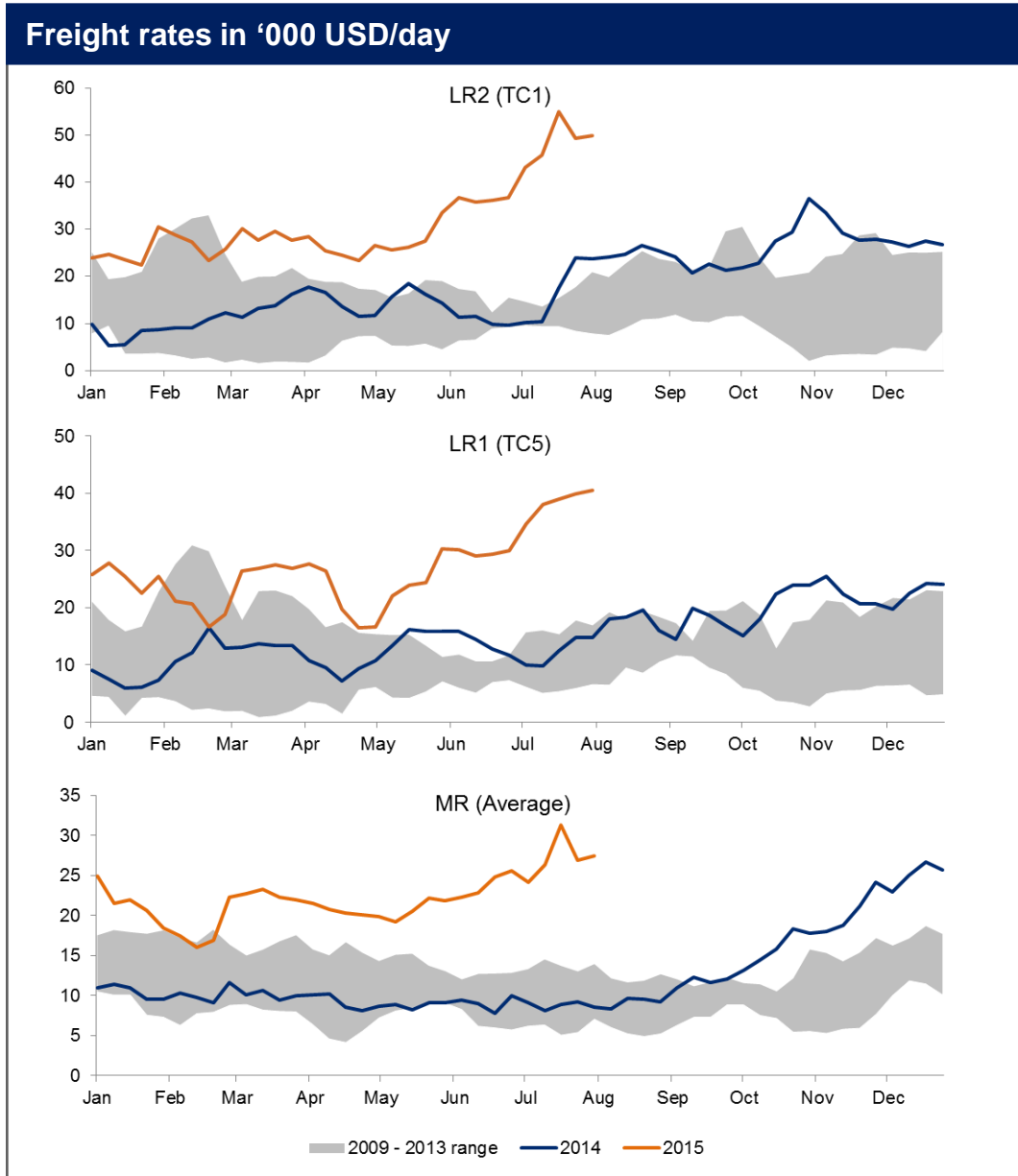
- The new Restructuring Agreement was implemented on 13 July 2013 giving TORM strategic and financial flexibility

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

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.

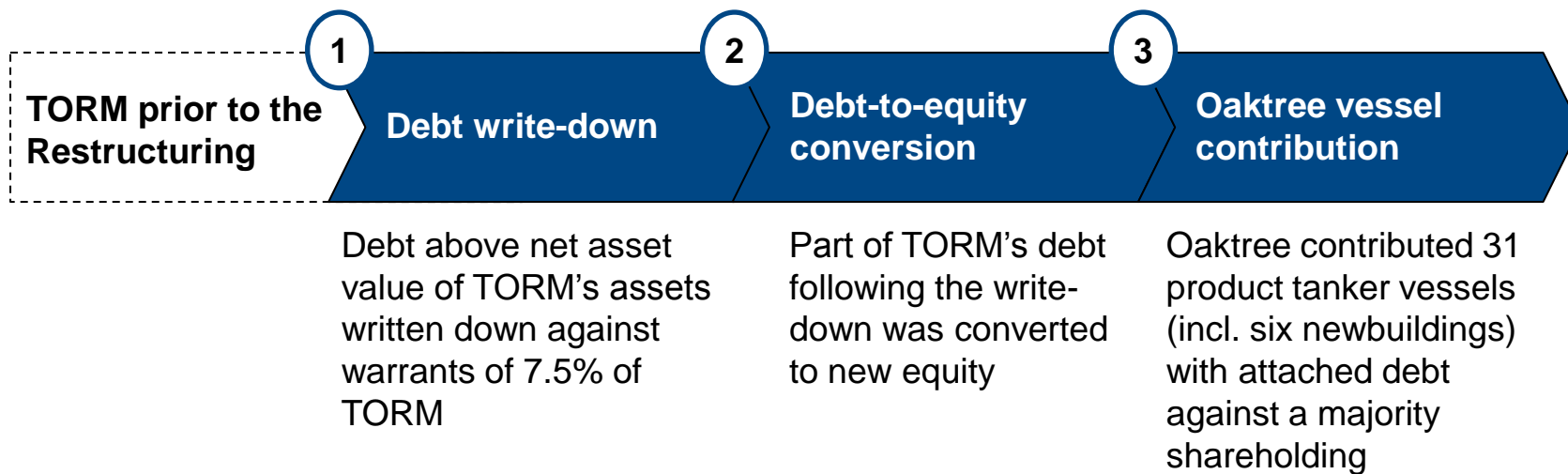
Agenda

- TORM stand-alone H1 2015

- **TORM post restructuring**



The Restructuring was implemented in three steps

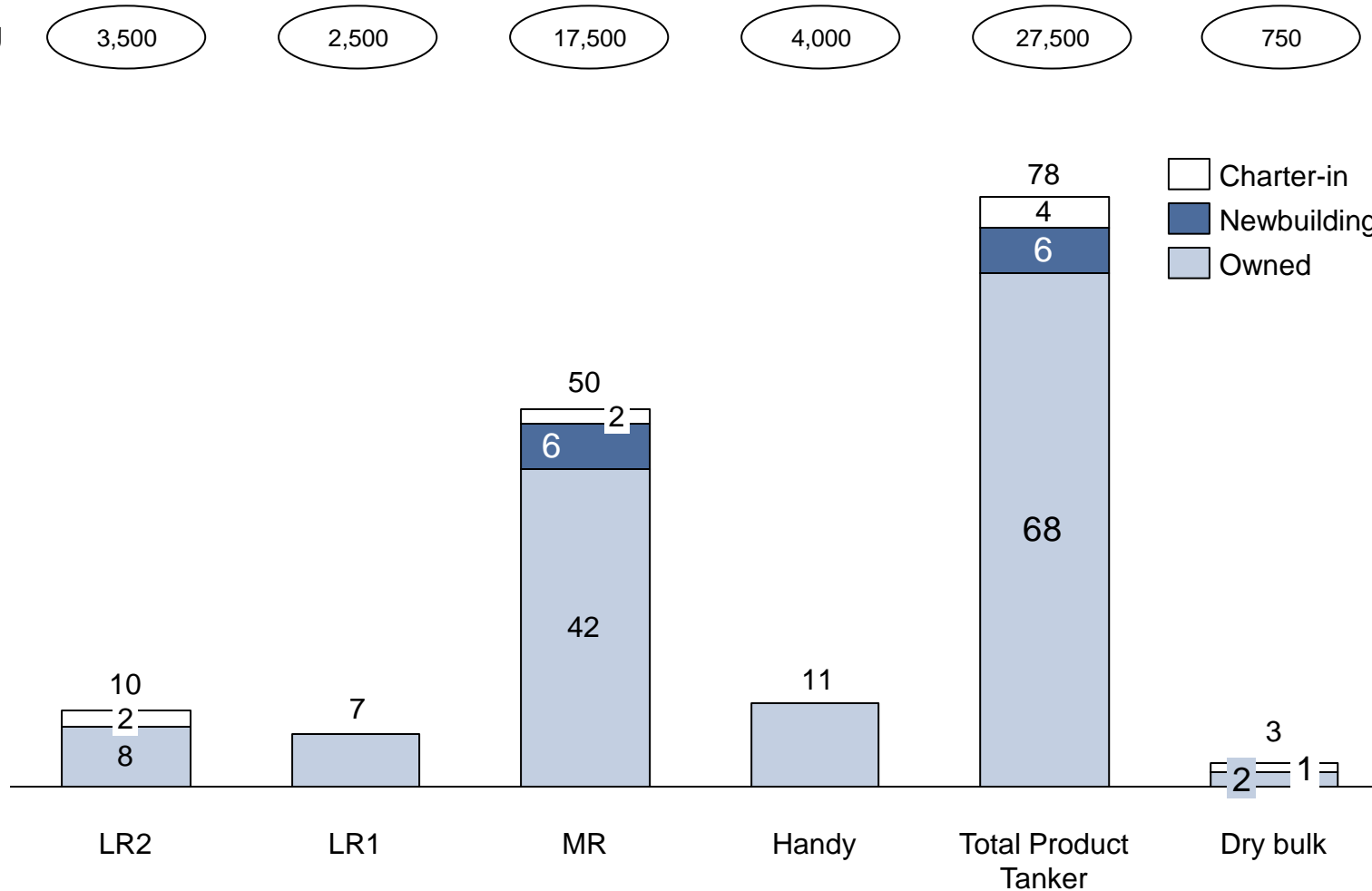


No. of owned vessels:	45	45	45	76
NAV (USDbn):	-0.5	~0	~0.3	~0.9

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

TORM fleet size

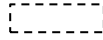
Annual earning days (app.)

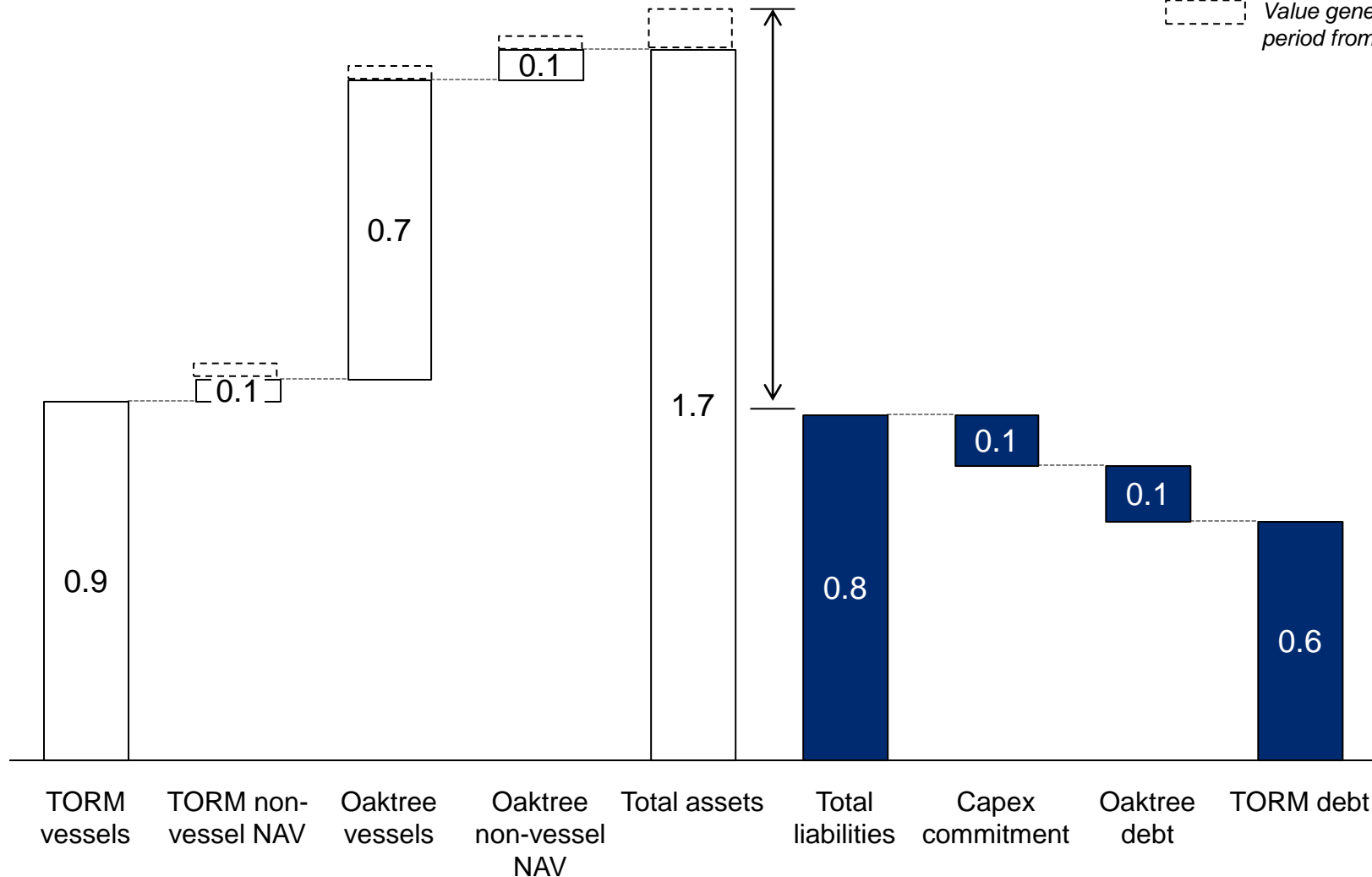


TORM has a strong capital structure after the Restructuring

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>

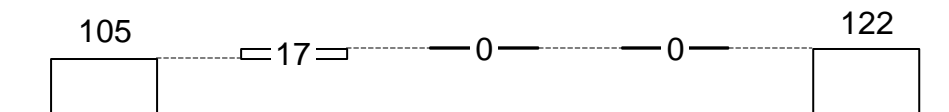
Note:

- 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

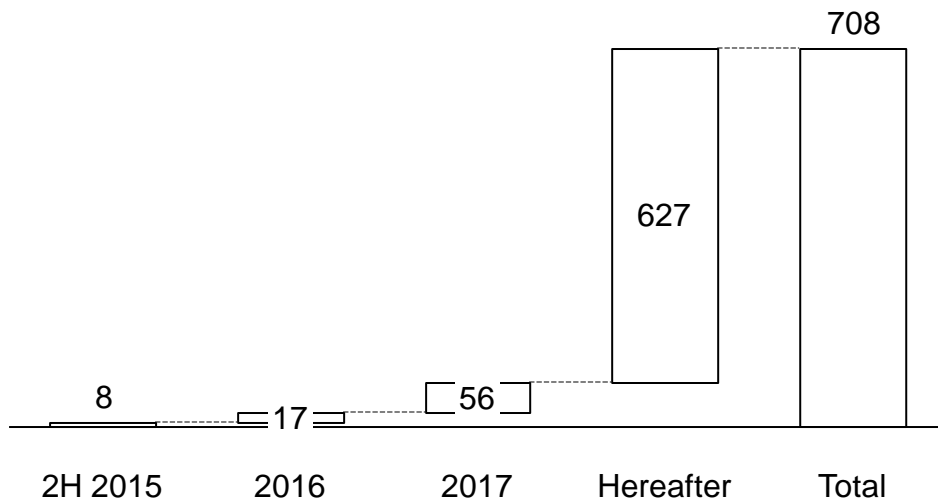
TORM has limited CAPEX commitments and an attractive repayment profile



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



TORM