

TORM A/S  
Form 6-K  
May 31, 2011

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D. C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO  
RULE 13A-16 OR 15D-16 UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of May 2011

Commission File Number: 000-49650

TORM A/S

(Translation of registrant's name into English)

Tuborg Havnevej 18  
DK-2900 Hellerup  
Denmark

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): .

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): .

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Set forth herein as Exhibit 99.1 is a copy of the interim report for the first quarter of 2011 issued by TORM A/S to The Copenhagen Stock Exchange on May 19, 2011.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TORM A/S  
(registrant)

Dated: May 31, 2011

By:

/s/ Jacob Meldgaard  
Name: Jacob Meldgaard  
Title: Chief Executive Officer

Interim report Q1 2011

"We have generally experienced a stronger market during the past couple of months, while product tanker rates were low in the beginning of the first quarter," says CEO Jacob Meldgaard. As expected, TORM recognised a loss before tax of USD 45 million in the first quarter of 2011 and maintains the forecast for 2011.

EBITDA excl. sale of vessels for the first quarter of 2011 was USD 10 million, compared to USD 37 million in the first quarter of 2010. The result before tax for the first quarter of 2011 was a loss of USD 45 million, compared to a profit of USD 3 million for the same period in 2010. The result for the first quarter of 2011 was impacted by a loss of USD 6 million from sale of vessels, compared to a profit of USD 18 million in the first quarter of 2010. The result for the first quarter of 2011 was as expected.

Product tanker freight rates in the first quarter of 2011 were generally weak and lower than in the same period last year. Freight rates in the East were impacted by weak demand and competition from vessels in the crude oil market. The transatlantic market for MR tonnage was positive from mid-February with stronger rates. This was due to the effects of the cold winter in the Northern hemisphere, a number of arbitrage opportunities due to the unrest in North Africa and high levels of demand in South America.

Bulk freight rates were generally under pressure throughout the first quarter, primarily due to the increase in the number of newbuilding deliveries. The number of earning days increased in the first quarter in order to service cargo contracts.

TORM has identified additional cost savings of USD 10 million annually, with expected full effect from 2012 onwards. The savings will come from a range of procurement initiatives and by further optimising crew composition. In addition, the Company is evaluating its flag strategy in order to be aligned with the Danish maritime cluster.

TORM has in the second quarter of 2011 agreed to defer two MR newbuildings both with delivery in 2012. They are now expected to be delivered in the first quarter of 2013 and the second quarter of 2014, respectively.

Net interest-bearing debt was down to USD 1,853 million in the first quarter of 2011, from USD 1,875 million as at 31 December 2010.

TORM had undrawn credit facilities and cash of approx. USD 346 million at the end of the first quarter of 2011. Outstanding CAPEX relating to the order book amounted to USD 195 million.

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Equity amounted to USD 1,075 million as at 31 March 2011, equivalent to USD 15.5 per share (DKK 81.1 per share), excluding treasury shares, giving TORM an equity ratio of 33%.

As at 31 March 2011, TORM had covered 15% of the remaining earning days in 2011 in the Tanker Division at USD/day 16,345 and 60% of the remaining earning days in the Bulk Division at USD/day 16,492.

TORM maintains the forecast of a loss before tax of USD 100-125 million in 2011. As 25,075 earning days for 2011 are unfixed as at 31 March 2011, a change in freight rates of USD/day 1,000 will impact the profit before tax by USD 25 million.

Teleconference

Contact TORM A/S

TORM will be holding a teleconference for financial analysts and investors at 15:00 Danish time today. Please call 10 minutes before the conference is due to start on +45 3271 4607 (from Europe) or +1 887 491 0064 (from the USA). The presentation documents can be downloaded from TORM's website.

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Roland M. Andersen, CFO, tel.: +45 39 17 92 00

## Key figures

| Million USD  | Q1<br>2011 | Q1<br>2010 | 2010    |
|--|------------|------------|---------|
| Income statement                                     |            |            |         |
| Revenue  | 270.4      | 205.5      | 856.1   |
| Time charter equivalent earnings (TCE)               | 147.5      | 147.5      | 560.6   |
| Gross profit   | 27.8       | 55.9       | 179.8   |
| EBITDA   | 4.1        | 55.3       | 96.8    |
| Operating profit (EBIT)                              | -32.5      | 20.3       | -79.6   |
| Profit/(loss) before tax                             | -44.9      | 2.6        | -136.2  |
| Net profit   | -45.3      | 2.3        | -135.3  |
| Balance sheet  |            |            |         |
| Total assets   | 3,259.8    | 3,225.7    | 3,286.1 |
| Equity   | 1,075.0    | 1,247.7    | 1,115.3 |
| Total liabilities                                    | 2,184.8    | 1,978.0    | 2,170.8 |
| Invested capital                                     | 2,925.1    | 2,866.3    | 2,987.0 |
| Net interest bearing debt                            | 1,853.2    | 1,621.6    | 1,874.7 |
| Cash flow  |            |            |         |
| From operating activities                            | -11.1      | 20.9       | -0.6    |
| From investing activities                            | 33.1       | 41.1       | -186.9  |
| Thereof investment in tangible fixed assets          | -68.0      | -23.6      | -253.9  |
| From financing activities                            | 0.4        | 2.5        | 185.6   |
| Total net cash flow                                  | 22.4       | 64.5       | -1.9    |
| Key financial figures                                |            |            |         |
| Gross margins:                                       |            |            |         |
| TCE  | 54.5 %     | 71.8 %     | 65.5 %  |
| Gross profit   | 10.3 %     | 27.2 %     | 21.0 %  |
| EBITDA   | 1.5 %      | 26.9 %     | 11.3 %  |
| Operating profit                                     | -12.0 %    | 9.9 %      | -9.3 %  |
| Return on Equity (RoE) (p.a.)*                       | -15.0 %    | -2.9 %     | -11.4 % |
| Return on Invested Capital (RoIC) (p.a.**)           | -3.8 %     | 0.9 %      | -2.7 %  |
| Equity ratio   | 33.0 %     | 38.7 %     | 33.9 %  |
| Exchange rate DKK/USD, end of period                 | 5.25       | 5.52       | 5.61    |
| Exchange rate DKK/USD, average                       | 5.46       | 5.38       | 5.62    |
| Share related key figures                            |            |            |         |
| Earnings per share, EPS                              |            |            |         |
| USD  | -0.7       | 0.0        | -2.0    |
| Diluted earnings per share, EPS                      |            |            |         |
| USD  | -0.7       | 0.2        | -2.0    |
| Cash flow per share, CFPS                            |            |            |         |
| USD  | -0.2       | 0.3        | 0.0     |
| Share price, end of period (per share of DKK 5 each) | DKK 30.0   | 57.0       | 39.7    |
| Number of shares, end of period                      |            |            |         |
| Mill.  | 72.8       | 72.8       | 72.8    |

Number of shares (excl. treasury shares), average      Mill.   69.3   69.2   69.3

Gains/losses from sale of vessels and the mark-to-market adjustments of 'Other financial assets' are not annualised when calculating the Return on Invested Capital.

Gains/losses from sale of vessels are not annualised when calculating the Return on Invested Capital.

## Results

The result before tax for the first quarter of 2011 was a loss of USD 45 million, compared to a profit of USD 3 million for the same period in 2010. The result before depreciation (EBITDA) for the period was USD 4 million, compared to USD 55 million in the first quarter of 2010.

The Tanker Division reported a primary operating loss of USD 32 million in the first quarter of 2011, as against a result of USD 2 million in the same period last year. The Tanker Division's result for the first quarter of 2011 was impacted by a loss of USD 5 million from sale of vessels.

The Bulk Division's primary operating result in the first quarter of 2011 was USD 2 million, compared to USD 22 million in the first quarter of 2010. The result for the first quarter of 2010 includes profits of USD 18 million from sale of vessels.

Other (not allocated) activities include a loss on investments in joint ventures of USD 2 million, financial costs of USD 12 million and tax of USD 0 million.

TORM has identified additional cost savings of USD 10 million annually, with expected full effect from 2012 onwards. The savings will come from a range of procurement initiatives and by further optimising crew composition. In addition, the Company is evaluating its flag strategy in order to be aligned with the Danish maritime cluster.

| Million USD                                      | Q1 2011         |               |               | Total  |
|--|-----------------|---------------|---------------|--------|
|  | Tanker Division | Bulk Division | Not allocated |        |
| Revenue  | 219.2           | 51.2          | 0.0           | 270.4  |
| Port expenses, bunkers and commissions           | -108.5          | -21.3         | 0.0           | -129.8 |
| Freight and bunkers derivatives                  | -0.3            | 7.2           | 0.0           | 6.9    |
| Time charter equivalent earnings                 | 110.4           | 37.1          | 0.0           | 147.5  |
| Charter hire                                     | -45.7           | -30.9         | 0.0           | -76.6  |
| Operating expenses                               | -42.2           | -0.9          | 0.0           | -43.1  |
| Gross Profit                                     | 22.5            | 5.3           | 0.0           | 27.8   |
| Profit/(loss) from sale of vessels               | -5.4            | -0.3          | 0.0           | -5.7   |
| Administrative expenses                          | -14.6           | -2.5          | 0.0           | -17.1  |
| Other Operating income                           | 0.2             | 0.0           | 0.0           | 0.2    |
| Share of results of jointly controlled entities  | 0.9             | 0.0           | -2.0          | -1.1   |
| EBITDA   | 3.6             | 2.5           | -2.0          | 4.1    |
| Impairment losses on jointly controlled entities | 0.0             | 0.0           | 0.0           | 0.0    |
| Depreciation and impairment losses               | -35.9           | -0.7          | 0.0           | -36.6  |
| Operating profit (EBIT)                          | -32.3           | 1.8           | -2.0          | -32.5  |
| Financial items, net                             | -               | -             | -12.4         | -12.4  |
| Profit/(Loss) before tax                         | -               | -             | -14.4         | -44.9  |
| Tax  | -               | -             | -0.4          | -0.4   |
| Net profit/(loss)                                | -               | -             | -14.8         | -45.3  |



The activity in TORM's 50% ownership of FR8 Holding Pte. Ltd. is included in "Not-allocated".

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 Outlook and coverage

TORM maintains the forecast of a loss before tax of USD 100-125 million in 2011.

As at 31 March 2011, TORM had covered 15% of the remaining earning days in 2011 in the Tanker Division at USD/day 16,345 and 60% of the remaining earning days in the Bulk Division at USD/day 16,492.

The table below shows the figures for 2011 for the period from 1 April to 31 December. The figures for 2012 and 2013 are for the full year.

|                 | 2011       | 2012   | 2013   | 2011 | 2012 | 2013 |
|-----------------|------------|--------|--------|------|------|------|
|                 | Owned days |        |        |      |      |      |
| LR2             | 3,509      | 4,732  | 4,719  |      |      |      |
| LR1             | 1,913      | 2,550  | 2,543  |      |      |      |
| MR              | 10,328     | 14,868 | 15,250 |      |      |      |
| SR              | 2,961      | 4,004  | 3,993  |      |      |      |
| Tanker Division | 18,711     | 26,154 | 26,505 |      |      |      |
| Panamax         | 546        | 769    | 1,423  |      |      |      |
| Handymax        | -          | -      | -      |      |      |      |
| Bulk Division   | 546        | 769    | 1,423  |      |      |      |
| Total           | 19,257     | 26,923 | 27,928 |      |      |      |

|                 | T/C in days |        |        | T/C in costs (USD/day) |        |        |
|-----------------|-------------|--------|--------|------------------------|--------|--------|
| LR2             | -           | -      | -      | -                      | -      | -      |
| LR1             | 4,548       | 4,819  | 2,978  | 21,637                 | 21,909 | 23,882 |
| MR              | 3,206       | 3,820  | 3,575  | 16,053                 | 15,626 | 15,605 |
| SR              | -           | -      | -      | -                      | -      | -      |
| Tanker Division | 7,754       | 8,639  | 6,553  | 19,328                 | 19,131 | 19,366 |
| Panamax         | 4,309       | 4,342  | 4,148  | 16,303                 | 15,894 | 16,200 |
| Handymax        | 1,474       | 697    | 363    | 16,415                 | 16,855 | 15,995 |
| Bulk Division   | 5,783       | 5,039  | 4,511  | 16,331                 | 16,027 | 16,184 |
| Total           | 13,537      | 13,678 | 11,064 | 18,048                 | 17,987 | 18,069 |

|                 | Total physical days |        |        | Covered days |       |     |
|-----------------|---------------------|--------|--------|--------------|-------|-----|
| LR2             | 3,509               | 4,732  | 4,719  | 511          | 130   | -   |
| LR1             | 6,461               | 7,369  | 5,521  | 706          | 532   | 365 |
| MR              | 13,534              | 18,688 | 18,825 | 1,279        | 404   | -   |
| SR              | 2,961               | 4,004  | 3,993  | 1,446        | 167   | -   |
| Tanker Division | 26,465              | 34,793 | 33,058 | 3,942        | 1,234 | 365 |
| Panamax         | 4,855               | 5,111  | 5,571  | 2,598        | 430   | -   |
| Handymax        | 1,474               | 697    | 363    | 1,180        | 606   | 606 |
| Bulk Division   | 6,329               | 5,808  | 5,934  | 3,777        | 1,036 | 606 |
| Total           | 32,794              | 40,601 | 38,992 | 7,719        | 2,270 | 971 |

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|                 | Covered % |   |    |   |     |   | Coverage rates (USD/day) |        |        |
|-----------------|-----------|---|----|---|-----|---|--------------------------|--------|--------|
| LR2             | 15        | % | 3  | % | 0   | % | 22,969                   | 22,962 | -      |
| LR1             | 11        | % | 7  | % | 7   | % | 16,788                   | 17,476 | 15,666 |
| MR              | 9         | % | 2  | % | 0   | % | 17,385                   | 15,403 | -      |
| SR              | 49        | % | 4  | % | 0   | % | 12,866                   | 12,263 | -      |
| Tanker Division | 15        | % | 4  | % | 1   | % | 16,345                   | 16,671 | 15,666 |
| Panamax         | 54        | % | 8  | % | 0   | % | 17,533                   | 21,322 | -      |
| Handymax        | 80        | % | 87 | % | 167 | % | 14,200                   | 17,000 | 17,000 |
| Bulk Division   | 60        | % | 18 | % | 10  | % | 16,492                   | 18,794 | 17,000 |
| Total           | 24        | % | 6  | % | 2   | % | 16,417                   | 17,640 | 16,499 |

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 1.4

Note

Actual number of days can vary from projected number of days primarily due to vessel sales and delays of vessel deliveries. T/C in costs do not include potential extra payments from profit split arrangements.

## Tanker Division

The freight rates were low in the first quarter of 2011, particularly in the Eastern market, where mainly the larger LR vessels operate. The East remained weak as the demand remained low, due to low demand for naphtha, which became even more pronounced after the earthquake in Japan, and limited arbitrage opportunities. Furthermore, the Eastern market was affected by the weak market for transport of crude oil, which implied that a number of newbuildings in this segment made their virgin voyage in the product tanker segment.

In the Western market, rates also remained low in the first part of the quarter, but increased to higher levels from mid-February. This was due to a number of circumstances: the effect of the cold winter, rising demand in South America, an increasing number of arbitrage opportunities due to the unrest in North Africa and the high oil price. Especially the MR segment, which dominates the Western market, was positively impacted.

The positive trend in the Western market, and the MR segment in particular, has persisted in the second quarter and has had some positive effects on the Eastern market.

The global fleet grew by approx. 2% in the first quarter of 2011. The significant slippage in newbuilding deliveries experienced in 2010 continued in the first quarter of 2011 and was around 60%.

The level of floating storage remains at a low level due to a forward curve in backwardation for most refined products.

|                                | Q1 10  | Q2 10  | Q3 10  | Q4 10  | Q1 11  | Change<br>Q1 10<br>- Q1<br>11 |   | 12<br>month<br>avg. |
|--------------------------------|--------|--------|--------|--------|--------|-------------------------------|---|---------------------|
| Tanker Division                |        |        |        |        |        |                               |   |                     |
| LR2 (Aframax, 90-110,000 DWT)  |        |        |        |        |        |                               |   |                     |
| Available earning days         | 1,163  | 1,122  | 1,098  | 1,193  | 1,157  | -1                            | % |                     |
| Spot rates (USD/day)1)         | 19,270 | 17,185 | 19,848 | 17,061 | 10,890 | -43                           | % |                     |
| TCE (USD/day)2)                | 17,375 | 15,583 | 17,278 | 15,123 | 13,524 | -22                           | % | 15,377              |
| Operating days                 | 1,080  | 1,092  | 1,104  | 1,196  | 1,170  | 8                             | % |                     |
| Operating expenses (USD/day)3) | 6,908  | 6,301  | 6,571  | 6,614  | 7,698  | 11                            | % | 6,796               |
| LR1 (Panamax 75-85,000 DWT)    |        |        |        |        |        |                               |   |                     |
| Available earning days         | 1,748  | 1,777  | 2,094  | 2,195  | 2,085  | 19                            | % |                     |
| Spot rates (USD/day)1)         | 16,273 | 14,903 | 14,662 | 10,750 | 14,435 | -11                           | % |                     |
| TCE (USD/day)2)                | 16,686 | 15,509 | 14,628 | 12,172 | 14,654 | -12                           | % | 14,241              |
| Operating days                 | 810    | 749    | 714    | 644    | 630    | -22                           | % |                     |
| Operating expenses (USD/day)3) | 6,454  | 5,420  | 5,729  | 5,650  | 6,577  | 2                             | % | 5,844               |
| MR (45,000 DWT)                |        |        |        |        |        |                               |   |                     |
| Available earning days         | 3,755  | 3,916  | 4,212  | 4,053  | 4,263  | 14                            | % |                     |
| Spot rates (USD/day)1)         | 14,179 | 12,567 | 13,753 | 12,524 | 12,760 | -10                           | % |                     |
| TCE (USD/day)2)                | 14,700 | 12,363 | 14,280 | 11,993 | 12,768 | -13                           | % | 12,851              |
| Operating days                 | 2,790  | 2,951  | 3,128  | 3,281  | 3,412  | 22                            | % |                     |
| Operating expenses (USD/day)3) | 6,883  | 6,053  | 6,388  | 6,261  | 6,628  | -4                            | % | 6,333               |
| SR (35,000 DWT)                |        |        |        |        |        |                               |   |                     |
| Available earning days         | 1,002  | 979    | 951    | 1,007  | 969    | -3                            | % |                     |

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|                                |        |        |        |        |        |     |   |        |
|--------------------------------|--------|--------|--------|--------|--------|-----|---|--------|
| Spot rates (USD/day)1)         | 12,954 | 13,673 | 9,478  | 9,692  | 10,410 | -20 | % |        |
| TCE (USD/day)2)                | 18,034 | 16,099 | 13,851 | 12,090 | 11,319 | -37 | % | 13,340 |
| Operating days                 | 990    | 1,001  | 1,012  | 1,012  | 990    | 0   | % |        |
| Operating expenses (USD/day)3) | 6,041  | 4,821  | 6,274  | 6,075  | 6,517  | 8   | % | 5,922  |

1) Spot rates = Time Charter Equivalent Earnings for all charters with less than 6 months duration = Gross freight income less bunker, broker

commissions and port expenses.

2) TCE = Time Charter Equivalent Earnings = Gross freight income less bunker, commissions and port expenses.

3) Operating expenses are related to owned vessels.

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**Bulk Division**

The bulk freight rates were under pressure throughout the first quarter, primarily due to the increased tonnage available from continuing high influx of newbuildings, reduced waiting times in ports and weaker demand. Demand was negatively affected by the earthquake in Japan and floods in Australia, but positively affected by continuing growth in China's imports of iron ore, which were approx. 10% higher in the first quarter of 2011 than in the fourth quarter of 2010 and up 14% on the first quarter of 2010.

The global bulk fleet grew by approx. 4% in the first quarter of 2011.

The freight rates for the Capesize segment, but also to some extent for the Panamax segment, were weak, while smaller vessels such as Supramax and Handymax were at a stable level. The pressure on Capesize rates is mainly due to the increased influx of tonnage, as the order book is considerably larger in the Capesize segment. Some cargoes in the Panamax segment were taken by Capesize vessels, which to some extent affected the Panamax rates.

As part of TORM's new dry bulk strategy, whereby the Company will become an integrated freight service provider primarily to industrial clients, the number of earning days has increased in the first quarter due to signing of a number of short and medium-term time charter contracts. TORM has sought to cover most of the increased tonnage, so that the net exposure to the dry bulk market only increased to a limited extent.

| Bulk Division                   | Q1 10  | Q2 10  | Q3 10  | Q4 10  | Q1 11  | Change<br>Q1<br>10<br>- Q1<br>11 |   | 12<br>month<br>avg. |
|---------------------------------|--------|--------|--------|--------|--------|----------------------------------|---|---------------------|
| <b>Panamax (60-80,000 DWT)</b>  |        |        |        |        |        |                                  |   |                     |
| Available earning days          | 1,119  | 1,060  | 1,189  | 1,193  | 1,524  | 36                               | % |                     |
| TCE (USD/day)1)                 | 18,298 | 18,611 | 20,418 | 19,294 | 15,851 | -13                              | % | 18,544              |
| Operating days                  | 315    | 182    | 184    | 184    | 180    | -43                              | % |                     |
| Operating expenses (USD/day)2)  | 5,187  | 4,603  | 4,297  | 3,505  | 4,836  | -7                               | % | 4,310               |
| <b>Handymax (40-55,000 DWT)</b> |        |        |        |        |        |                                  |   |                     |
| Available earning days          | -      | -      | -      | 30     | 566    |                                  |   |                     |
| TCE (USD/day)1)                 | -      | -      | -      | 11,919 | 11,544 |                                  |   |                     |
| Operating days                  | -      | -      | -      | -      | -      |                                  |   |                     |
| Operating expenses (USD/day)2)  | -      | -      | -      | -      | -      |                                  |   |                     |

1) TCE = Time Charter Equivalent Earnings = Gross freight income less bunker, commissions and port expenses.

2) Operating expenses are related to owned vessels.

## Fleet development

TORM's current fleet and planned future changes are shown in the table below. In the first quarter of 2011, TORM took delivery of two new product tankers, TORM Agnes and TORM Amalie, and has as previously announced delivered two newbuild Kamsarmax bulk vessels and an older product tanker to new owners. At the end of the first quarter, TORM thus owned 70.5 product tankers and two bulk vessels. In addition, TORM had chartered-in 27 product tankers and 13 dry bulk vessels on longer time charter contracts (minimum one year's duration) and 21 dry bulk vessels on shorter time charter contracts (less than one year's duration). Another 26 product tankers were either in pools or under commercial management with TORM.

TORM did not order any vessels in the first quarter of 2011. Thus the order book was four MR vessels and two Kamsarmaxes at the end of the first quarter. Outstanding capex relating to the order book amounted to USD 195 million.

TORM has in the second quarter of 2011 agreed to defer two MR newbuildings both with delivery in 2012. They are now expected to be delivered in the first quarter of 2013 and the second quarter of 2014, respectively. The table below is as per 31 March 2011 and does not reflect the deferral of the two MR newbuildings.

|   | Current fleet |         |         | Newbuildings and TC-in deliveries with a period >= 12 months |         |         |      |      |      |
|---|---------------|---------|---------|--|---------|---------|------|------|------|
|   | Q4 2010       | Changes | Q1 2011 | Q2 2011  | Q3 2011 | Q4 2011 | 2012 | 2013 | 2014 |
| Owned vessels                                   |               |         |         |  |         |         |      |      |      |
| LR2   | 13.0          | -       | 13.0    |  |         |         |      |      |      |
| LR1   | 7.5           | -       | 7.5     |  |         |         |      |      |      |
| MR  | 38.0          | 1.0     | 39.0    |  |         | 1.0     | 3.0  | -    | -    |
| SR  | 11.0          | -       | 11.0    |  |         |         |      |      |      |
| Tanker Division                                 | 69.5          | 1.0     | 70.5    | -  | -       | 1.0     | 3.0  | -    | -    |
| Panamax   | 2.0           | -       | 2.0     |  |         |         | 1.0  | 1.0  |      |
| Handymax  | -             | -       | -       |  |         |         |      |      |      |
| Bulk Division                                   | 2.0           | -       | 2.0     | -  | -       | -       | 1.0  | 1.0  | -    |
| Total   | 71.5          | 1.0     | 72.5    | -  | -       | 1.0     | 4.0  | 1.0  | -    |
| TC-in vessels with contract period >= 12 months |               |         |         |  |         |         |      |      |      |
| LR2   | -             | -       | -       |  |         |         |      |      |      |
| LR1   | 16.0          | -       | 16.0    | 1.0  |         |         |      |      |      |
| MR  | 9.0           | 2.0     | 11.0    | 1.0  |         |         |      |      |      |
| SR  | -             | -       | -       |  |         |         |      |      |      |
| Tanker Division                                 | 25.0          | 2.0     | 27.0    | 2.0  | -       | -       | -    | -    | -    |
| Panamax   | 12.0          | (1.0 )  | 11.0    | 1.0  | 1.0     |         | 2.0  | 1.0  | 2.0  |
| Handymax  | 1.0           | 1.0     | 2.0     |  |         |         |      |      |      |
| Bulk Division                                   | 13.0          | -       | 13.0    | 1.0  | 1.0     | -       | 2.0  | 1.0  | 2.0  |
| Total   | 38.0          | 2.0     | 40.0    | 3.0  | 1.0     | -       | 2.0  | 1.0  | 2.0  |

|   |       |      |       |
|---|-------|------|-------|
| T/C-in vessels with contract period < 12 months |       |      |       |
| LR2   |       |      |       |
| LR1   |       |      |       |
| MR  |       |      |       |
| SR  |       |      |       |
| Tanker Division                                 | -     | -    | -     |
| Panamax   | 1.0   | 10.0 | 11.0  |
| Handymax  | 2.0   | 8.0  | 10.0  |
| Bulk Division                                   | 3.0   | 18.0 | 21.0  |
| Total   | 3.0   | 18.0 | 21.0  |
| Pools/Commercial managment                      | 25.0  | 1.0  | 26.0  |
| Total fleet                                     | 137.5 |      | 159.5 |

## Note:

The contract duration is defined based on the contractual minimum period and does not include optional periods. There is not contracted any newbuildings or T/C-in vessels with delivery after 2014.



## Notes on the financial reporting

### Accounting policies

The interim report for the first quarter of 2011 is presented in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies. Except for the instances mentioned below, the interim report has been prepared using the accounting policies as for the Annual Report for 2010. The accounting policies are described in more detail in the Annual Report for 2010. As from 1 January 2011, TORM has implemented the following new or amended standards and interpretations: Amendment to IAS 24 "Related Party Disclosures", amendment to IAS 32 "Financial Instruments: Presentation: Classification of Rights Issues", smaller changes from Improvements to IFRS May 2010, amendment to IFRIC 14 "Prepayments of a Minimum Funding Requirement" and IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments". The new or amended standards and interpretations have not affected recognition and measurement in TORM's interim report for the first quarter of 2011. The interim report for the first quarter of 2011 is unaudited, in line with the normal practice.

### Income statement

The gross profit for the first quarter of 2011 was USD 28 million, compared to USD 56 million for the corresponding period in 2010. Administrative costs in the first quarter of 2011 were USD 17 million, compared to USD 18 million in the first quarter of 2010.

The result before depreciation (EBITDA) for the period was USD 4 million, as against USD 55 million for the first quarter of 2010. The EBITDA in the first quarter was impacted by losses of USD 6 million from sale of vessels. The EBITDA for the first quarter of 2010 included profits of USD 18 million from sale of vessels.

Depreciation in the first quarter of 2011 was USD 37 million, up USD 2 million on the first quarter of 2010. This increase was due to acquired tonnage.

The primary operating result for the first quarter of 2011 was a loss of USD 33 million, compared to a profit of USD 20 million in the same quarter of 2010.

The first quarter of 2011 was impacted by mark-to-market non-cash adjustments of USD 8 million in total, USD 6 million in connection with FFA/bunker derivatives and USD 2 million on other financial derivatives.

The result after tax was a loss of USD 45 million in the first quarter of 2011, as against a profit of USD 2 million in the first quarter of 2010.

#### Assets

Total assets were down from USD 3,286 million as at 31 December 2010 to USD 3,260 million as at 31 March 2011. TORM estimates the fleet's total long-term earning potential each quarter based on future discounted cash flows. The estimated value for the fleet as at 31 March 2011 supports the book value.

#### Debt

Net interest-bearing debt was down in the first quarter of 2011 to USD 1,853 million from USD 1,875 million as at 31 December 2010.

#### Equity

Equity declined in the first quarter of 2011 from USD 1,115 million as at 31 December 2010 to USD 1,075 million, due to the loss during the period. Equity as a percentage of total assets was 33% as at 31 March 2011, compared to 34% as at 31 December 2010.

TORM held 3,230,432 treasury shares as at 31 March 2011, equivalent to 4.4% of the Company's share capital. The number of treasury shares held is down 231,148 since 31 December 2010, as shares have been allocated to staff in connection with the incentive scheme for the period 2007-2009.

#### Liquidity

TORM had undrawn credit facilities and cash of approx. USD 346 million at the end of the first quarter of 2011. Outstanding CAPEX relating to the order book amounted to USD 195 million.

#### Post balance sheet events

TORM has in the second quarter of 2011 agreed to defer two MR newbuildings both with delivery in 2012. They are now expected to be delivered in the first quarter of 2013 and the second quarter of 2014, respectively.

#### Financial calendar

TORM's half-year report for 2011 will be published on 18 August 2011. TORM's complete financial calendar can be found at [www.torm.com/IR](http://www.torm.com/IR).

#### About TORM

TORM is one of the world's leading carriers of refined oil products as well as a significant player in the dry bulk market. The Company runs a fleet of approximately 140 modern vessels in cooperation with other respected shipping companies sharing TORM's commitment to safety, environmental responsibility and customer service.

TORM was founded in 1889. The Company conducts business worldwide and is headquartered in Copenhagen, Denmark. TORM's shares are listed on NASDAQ OMX Copenhagen (ticker: TORM) and on NASDAQ in New York (ticker: TRMD). For further information, please visit [www.torm.com](http://www.torm.com).

#### Safe Harbor statements as to the future

Matters discussed in this release may constitute forward-looking statements. Forward-looking statements reflect our current views with respect to future events and financial performance and may include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and statements other than statements of historical facts. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in our records and other data available from third parties. Although TORM believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, TORM cannot guarantee that it will achieve or accomplish these expectations, beliefs or projections.

Important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the strength of the world economy and currencies, changes in charter hire rates and vessel values, changes in demand for "tonne miles" of oil carried by oil tankers, the effect of changes in OPEC's petroleum production levels and worldwide oil consumption and storage, changes in demand that may affect attitudes of time charterers to scheduled and unscheduled dry-docking, changes in TORM's operating expenses, including bunker prices, dry-docking and insurance costs, changes in the regulation of shipping operations, including requirements for double hull tankers or actions taken by regulatory authorities, potential liability from pending or future litigation, domestic and international political conditions, potential disruption of shipping routes due to accidents and political events or acts by terrorists.

Risks and uncertainties are further described in reports filed by TORM with the US Securities and Exchange Commission, including the TORM Annual Report on Form 20-F and its reports on Form 6-K.

Forward-looking statements are based on management's current evaluation, and TORM is only under an obligation to update and change the listed expectations to the extent required by law.

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Statement by the Board of Directors and Executive Management

The Board and Management have today discussed and adopted this interim report for the period 1 January – 31 March 2011.

This interim report is unaudited and was produced in accordance with current accounting requirements for listed Danish companies, including IFRS rules on quantifying and reporting which are assumed to apply to the annual report for 2011.

We believe the accounting practices used are reasonable, and that this interim report gives a true and accurate picture of the Group's assets, debt, financial position, results and cash flows.

Copenhagen, 19 May 2011

Management

Jacob Meldgaard, CEO

Roland M. Andersen, CFO

Board

Niels Erik Nielsen, Chairman

Christian Frigast, Deputy Chairman

Peter Abildgaard

Kari Millum Gardarnar

Rasmus Johannes Hoffmann

Jesper Jarlbæk

Gabriel Panayotides

Angelos Papoulias

Nicos Zouvelos

## Income statement

| Million USD  | Q1<br>2011 | Q1<br>2010 | 2010   |
|--|------------|------------|--------|
| Revenue  | 270.4      | 205.5      | 856.1  |
| Port expenses, bunkers and commissions               | -129.8     | -59.9      | -298.8 |
| Freight and bunkers derivatives                      | 6.9        | 1.9        | 3.3    |
| Time charter equivalent earnings                     | 147.5      | 147.5      | 560.6  |
| Charter hire   | -76.6      | -51.7      | -228.6 |
| Operating expenses                                   | -43.1      | -39.9      | -152.2 |
| Gross profit (Net earnings from shipping activities) | 27.8       | 55.9       | 179.8  |
| Profit from sale of vessels                          | -5.7       | 18.2       | 1.9    |
| Administrative expenses                              | -17.1      | -18.1      | -78.2  |
| Other operating income                               | 0.2        | 1.7        | 4.8    |
| Share of results of jointly controlled entities      | -1.1       | -2.4       | -11.5  |
| EBITDA   | 4.1        | 55.3       | 96.8   |
| Impairment losses on jointly controlled entities     | 0.0        | 0.0        | -35.0  |
| Depreciation and impairment losses                   | -36.6      | -35.0      | -141.4 |
| Operating profit (EBIT)                              | -32.5      | 20.3       | -79.6  |
| Financial items                                      | -12.4      | -17.7      | -56.6  |
| Profit before tax                                    | -44.9      | 2.6        | -136.2 |
| Tax  | -0.4       | -0.3       | 1.0    |
| Net profit/(loss) for the period                     | -45.3      | 2.3        | -135.2 |
| Earnings per share, EPS                              |            |            |        |
| Earnings per share, EPS (USD)                        | -0.7       | 0.0        | -2.0   |
| Earnings per share, EPS (DKK) *)                     | 3.6        | 0.2        | -11.0  |

\*) The key figures have been translated from USD to DKK using the average USD/DKK exchange change rate for the period in question.



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Statement of comprehensive income

| Million USD   | Q1<br>2011 | Q1<br>2010 | 2010   |
|---|------------|------------|--------|
| Net profit/(loss) for the period  | -45.3      | 2.3        | -135.2 |
| Other comprehensive income:   |            |            |        |
| Exchange rate adjustment arising on translation<br>of entities using a measurement currency different<br>from USD | 0.0        | 0.0        | 0.0    |
| Fair value adjustment on hedging instruments  | 3.3        | -4.3       | -4.9   |
| Value adjustment on hedging instruments transferred<br>to income statement  | 0.9        | 1.6        | 6.3    |
| Value adjustment on hedging instruments transferred<br>to assets  | 0.0        | 0.0        | 0.0    |
| Fair value adjustment on available for sale investments   | 0.2        | -0.2       | -0.2   |
| Transfer to income statement on sale of available for sale<br>investments   | 0.0        | 0.0        | 0.0    |
| Other comprehensive income after tax  | 4.4        | -2.9       | 1.2    |
| Total comprehensive income  | -40.9      | -0.6       | -134.0 |

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## Income statement per quarter

| Million USD  | Q1<br>10 | Q2<br>10 | Q3<br>10 | Q4<br>10 | Q1 11  |
|--|----------|----------|----------|----------|--------|
| Revenue  | 205.5    | 201.3    | 225.7    | 223.6    | 270.4  |
| Port expenses, bunkers and commissions               | -59.9    | -70.6    | -77.4    | -90.9    | -129.8 |
| Freight and bunkers derivatives                      | 1.9      | -0.5     | 0.9      | 1.0      | 6.9    |
| Time charter equivalent earnings                     | 147.5    | 130.2    | 149.2    | 133.7    | 147.5  |
| Charter hire   | -51.7    | -54.4    | -61.3    | -61.2    | -76.6  |
| Operating expenses                                   | -39.9    | -34.7    | -38.6    | -39.0    | -43.1  |
| Gross profit (Net earnings from shipping activities) | 55.9     | 41.1     | 49.3     | 33.5     | 27.8   |
| Profit from sale of vessels                          | 18.2     | 0.0      | 0.0      | -16.3    | -5.7   |
| Administrative expenses                              | -18.1    | -17.5    | -24.5    | -18.1    | -17.1  |
| Other operating income                               | 1.7      | 1.3      | 0.9      | 0.9      | 0.2    |
| Share of results of jointly controlled entities      | -2.4     | -1.3     | -3.1     | -4.7     | -1.1   |
| EBITDA   | 55.3     | 23.6     | 22.6     | -4.7     | 4.1    |
| Impairment losses on jointly controlled entities     | 0.0      | 0.0      | 0.0      | -35.0    | 0.0    |
| Depreciation and impairment losses                   | -35.0    | -34.4    | -35.1    | -36.9    | -36.6  |
| Operating profit (EBIT)                              | 20.3     | -10.8    | -12.5    | -76.6    | -32.5  |
| Financial items                                      | -17.7    | -13.6    | -14.2    | -11.1    | -12.4  |
| Profit before tax                                    | 2.6      | -24.4    | -26.7    | -87.7    | -44.9  |
| Tax  | -0.3     | 0.3      | 0.2      | 0.8      | -0.4   |
| Net profit/(loss) for the period                     | 2.3      | -24.1    | -26.5    | -86.9    | -45.3  |
| Earnings per share, EPS                              |          |          |          |          |        |
| Earnings per share, EPS (USD)                        | 0.0      | -0.3     | -0.4     | -1.3     | -0.7   |

## Assets

| Million USD                               | 31 March<br>2011 | 31 March<br>2010 | 31 December<br>2010 |
|---|------------------|------------------|---------------------|
| <b>NON-CURRENT ASSETS</b>                 |                  |                  |                     |
| Intangible assets                         |                  |                  |                     |
| Goodwill                                  | 89.2             | 89.2             | 89.2                |
| Other intangible assets                   | 2.0              | 2.2              | 2.1                 |
| Total intangible assets                   | 91.2             | 91.4             | 91.3                |
| Tangible fixed assets                     |                  |                  |                     |
| Land and buildings                        | 3.6              | 3.7              | 3.6                 |
| Vessels and capitalized dry-docking       | 2,605.1          | 2,358.9          | 2,560.1             |
| Prepayments on vessels                    | 108.0            | 295.0            | 227.1               |
| Other plant and operating equipment       | 8.7              | 9.9              | 9.5                 |
| Total tangible fixed assets               | 2,725.4          | 2,667.5          | 2,800.3             |
| Financial assets                          |                  |                  |                     |
| Investment in jointly controlled entities | 71.2             | 120.6            | 72.9                |
| Loans to jointly controlled entities      | 9.8              | 37.7             | 10.2                |
| Other investments                         | 3.1              | 3.0              | 3.0                 |
| Other financial assets                    | 6.0              | 6.0              | 6.0                 |
| Total financial assets                    | 90.1             | 167.3            | 92.1                |
| <b>TOTAL NON-CURRENT ASSETS</b>           | <b>2,906.7</b>   | <b>2,926.2</b>   | <b>2,983.7</b>      |
| <b>CURRENT ASSETS</b>                     |                  |                  |                     |
| Bunkers                                   | 52.7             | 26.5             | 41.1                |
| Freight receivables, etc.                 | 108.4            | 56.8             | 108.2               |

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|                           |         |         |         |
|---------------------------|---------|---------|---------|
| Other receivables         | 22.6    | 13.0    | 12.7    |
| Other financial assets    | 0.0     | 0.0     | 0.0     |
| Prepayments               | 27.0    | 16.9    | 20.4    |
| Cash and cash equivalents | 142.4   | 186.3   | 120.0   |
| TOTAL CURRENT ASSETS      | 353.1   | 299.5   | 302.4   |
| TOTAL ASSETS              | 3,259.8 | 3,225.7 | 3,286.1 |

## Equity and liabilities

| Million USD  | 31 March<br>2011 | 31 March<br>2010 | 31 December<br>2010 |
|--|------------------|------------------|---------------------|
| <b>EQUITY</b>                                      |                  |                  |                     |
| Common shares                                      | 61.1             | 61.1             | 61.1                |
| Treasury shares                                    | -17.3            | -17.9            | -17.9               |
| Revaluation reserves                               | -2.3             | -2.4             | -2.5                |
| Retained profit                                    | 1,027.0          | 1,208.8          | 1,072.3             |
| Proposed dividends                                 | 0.0              | 0.0              | 0.0                 |
| Hedging reserves                                   | 2.4              | -6.0             | -1.8                |
| Translation reserves                               | 4.1              | 4.1              | 4.1                 |
| <b>TOTAL EQUITY</b>                                | <b>1,075.0</b>   | <b>1,247.7</b>   | <b>1,115.3</b>      |
| <b>LIABILITIES</b>                                 |                  |                  |                     |
| <b>Non-current liabilities</b>                     |                  |                  |                     |
| Deferred tax liability                             | 54.2             | 54.8             | 54.3                |
| Mortgage debt and bank loans                       | 1,750.9          | 1,631.3          | 1,750.4             |
| Finance lease liabilities                          | 30.7             | 31.6             | 31.0                |
| Acquired liabilities related to options on vessels | 0.0              | 1.5              | 0.0                 |
| <b>TOTAL NON-CURRENT LIABILITIES</b>               | <b>1,835.8</b>   | <b>1,719.2</b>   | <b>1,835.7</b>      |
| <b>Current liabilities</b>                         |                  |                  |                     |
| Mortgage debt and bank loans                       | 212.0            | 143.2            | 211.3               |
| Finance lease liabilities                          | 2.0              | 1.8              | 2.0                 |
| Trade payables                                     | 58.0             | 27.3             | 48.0                |
| Current tax liabilities                            | 1.1              | 3.2              | 1.7                 |
| Other liabilities                                  | 74.5             | 80.1             | 70.2                |
| Acquired liabilities related to options on vessels | 1.4              | 1.8              | 1.9                 |
| Acquired time charter contracts                    | 0.0              | 1.4              | 0.0                 |
| Deferred income                                    | 0.0              | 0.0              | 0.0                 |

|                              |         |         |         |
|------------------------------|---------|---------|---------|
| TOTAL CURRENT LIABILITIES    | 349.0   | 258.8   | 335.1   |
| TOTAL LIABILITIES            | 2,184.8 | 1,978.0 | 2,170.8 |
| TOTAL EQUITY AND LIABILITIES | 3,259.8 | 3,225.7 | 3,286.1 |

## Equity as at 1 January - 31 March 2011

| Million USD                             | Common shares | Treasury shares | Retained profit | Proposed dividends | Revaluation reserves | Hedging reserves | Translation reserves | Total   |
|---|---------------|-----------------|-----------------|--------------------|----------------------|------------------|----------------------|---------|
| Equity at 1 January 2011                | 61.1          | -17.9           | 1,072.3         | 0.0                | -2.5                 | -1.8             | 4.1                  | 1,115.3 |
| Changes in equity Q1 2011:              |               |                 |                 |                    |                      |                  |                      |         |
| Purchase treasury shares, cost          | -             | -               | -               | -                  | -                    | -                | -                    | 0.0     |
| Disposal treasury shares, cost          | -             | 0.6             | -               | -                  | -                    | -                | -                    | 0.6     |
| Gain/loss from disposal treasury shares | -             | -               | -0.6            | -                  | -                    | -                | -                    | -0.6    |
| Share-based compensation                | -             | -               | 0.6             | -                  | -                    | -                | -                    | 0.6     |
| Comprehensive income for the period     | -             | -               | -45.3           | -                  | 0.2                  | 4.2              | 0.0                  | -40.9   |
| Total changes in equity Q1 2011         | 0.0           | 0.6             | -45.3           | 0.0                | 0.2                  | 4.2              | 0.0                  | -40.3   |
| Equity at 31 March 2011                 | 61.1          | -17.3           | 1,027.0         | 0.0                | -2.3                 | 2.4              | 4.1                  | 1,075.0 |

## Equity as at 1 January - 31 March 2010

| Million USD                             | Common shares | Treasury shares | Retained profit | Proposed dividends | Revaluation reserves | Hedging reserves | Translation reserves | Total   |
|---|---------------|-----------------|-----------------|--------------------|----------------------|------------------|----------------------|---------|
| Equity at 1 January 2010                | 61.1          | -18.1           | 1,205.1         | 0.0                | -2.2                 | -3.3             | 4.1                  | 1,246.7 |
| Changes in equity Q1 2010:              |               |                 |                 |                    |                      |                  |                      |         |
| Purchase treasury shares, cost          | -             | -               | -               | -                  | -                    | -                | -                    | 0.0     |
| Disposal treasury shares, cost          | -             | 0.2             | -               | -                  | -                    | -                | -                    | 0.2     |
| Gain/loss from disposal treasury shares | -             | -               | -0.2            | -                  | -                    | -                | -                    | -0.2    |
|   | -             | -               | 1.6             | -                  | -                    | -                | -                    | 1.6     |

|   |      |       |         |     |      |      |     |         |
|---|------|-------|---------|-----|------|------|-----|---------|
| Share-based<br>compensation<br>Comprehensive<br>income for the period | -    | -     | 2.3     | -   | -0.2 | -2.7 | -   | -0.6    |
| Total changes in equity<br>Q1 2010                                    | 0.0  | 0.2   | 3.7     | 0.0 | -0.2 | -2.7 | 0.0 | 1.0     |
| Equity at 31 March<br>2010  | 61.1 | -17.9 | 1,208.8 | 0.0 | -2.4 | -6.0 | 4.1 | 1,247.7 |

## Statement of cash flows

| Million USD  | Q1<br>2011 | Q1<br>2010 | 2010   |
|--|------------|------------|--------|
| Cash flow from operating activities                              |            |            |        |
| Operating profit   | -32.5      | 20.3       | -79.6  |
| Adjustments:   |            |            |        |
| Reversal of profit from sale of vessels                          | 5.7        | -18.2      | -1.9   |
| Reversal of depreciation and impairment losses                   | 36.6       | 35.0       | 141.4  |
| Reversal of impairment of jointly controlled entities            | 0.0        | 0.0        | 35.0   |
| Reversal of share of results of jointly controlled entities      | 1.1        | 2.4        | 11.5   |
| Reversal of other non-cash movements                             | -6.7       | -4.0       | -8.0   |
| Dividends received   | 0.0        | 0.0        | 0.0    |
| Dividends received from joint controlled entities                | 0.7        | 0.3        | 1.7    |
| Interest received and exchange rate gains                        | 3.6        | 0.1        | 0.5    |
| Interest paid and exchange rate losses                           | -15.8      | -14.2      | -54.4  |
| Income taxes paid/repaid   | -1.2       | -2.9       | -3.6   |
| Change in bunkers, accounts receivables and payables             | -2.6       | 2.1        | -43.2  |
| Net cash flow from operating activities                          | -11.1      | 20.9       | -0.6   |
| Cash flow from investing activities                              |            |            |        |
| Investment in tangible fixed assets                              | -68.0      | -23.6      | -253.9 |
| Investment in equity interests and securities                    | 0.0        | 0.0        | 0.0    |
| Loans to jointly controlled entities                             | 0.5        | 1.1        | 3.3    |
| Payment of liability related to options on vessels               | 0.0        | 0.0        | 0.0    |
| Received share on options on vessels                             | 0.0        | 0.0        | 0.0    |
| Sale of equity interests and securities                          | 0.0        | 0.0        | 0.0    |
| Sale of non-current assets                                       | 100.6      | 63.6       | 63.7   |
| Net cash flow from investing activities                          | 33.1       | 41.1       | -186.9 |
| Cash flow from financing activities                              |            |            |        |
| Borrowing, mortgage debt   | 26.7       | 25.7       | 344.7  |
| Borrowing, finance lease liabilities                             | 0.0        | 0.0        | 0.0    |
| Repayment/redemption, mortgage debt                              | -25.5      | -22.0      | -153.7 |
| Repayment/redemption, finance lease liabilities                  | -0.8       | -1.2       | -5.3   |
| Dividends paid   | 0.0        | 0.0        | 0.0    |
| Purchase/disposals of treasury shares                            | 0.0        | 0.0        | 0.0    |
| Net cash flow from financing activities                          | 0.4        | 2.5        | 185.7  |
| Net cash flow from operating, investing and financing activities | 22.4       | 64.5       | -1.8   |
| Cash and cash equivalents, beginning balance                     | 120.0      | 121.8      | 121.8  |



|   |       |       |       |
|---|-------|-------|-------|
| Cash and cash equivalents, ending balance | 142.4 | 186.3 | 120.0 |
|---|-------|-------|-------|

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## Quarterly statement of cash flows

| Million USD  | Q1<br>10 | Q2<br>10 | Q3<br>10 | Q4<br>10 | Q1<br>11 |
|--|----------|----------|----------|----------|----------|
| Cash flow from operating activities                              |          |          |          |          |          |
| Operating profit   | 20.3     | -10.8    | -12.5    | -76.6    | -32.5    |
| Adjustments:   |          |          |          |          |          |
| Reversal of profit from sale of vessels                          | -18.2    | 0.0      | 0.0      | 16.3     | 5.7      |
| Reversal of depreciation and impairment losses                   | 35.0     | 34.4     | 35.1     | 36.9     | 36.6     |
| Reversal of impairment of jointly controlled entities            | 0.0      | 0.0      | 0.0      | 35.0     | 0.0      |
| Reversal of share of results of jointly controlled entities      | 2.4      | 1.3      | 3.1      | 4.7      | 1.1      |
| Reversal of other non-cash movements                             | -4.0     | -3.8     | -0.3     | 0.1      | -6.7     |
| Dividends received   | 0.0      | 0.0      | 0.0      | 0.0      | 0.0      |
| Dividends received from joint controlled entities                | 0.3      | 0.9      | 0.2      | 0.3      | 0.7      |
| Interest received and exchange rate gains                        | 0.1      | 0.3      | 2.2      | -2.1     | 3.6      |
| Interest paid and exchange rate losses                           | -14.2    | -12.7    | -14.0    | -13.5    | -15.8    |
| Income taxes paid/repaid   | -2.9     | 0.0      | -0.3     | -0.4     | -1.2     |
| Change in bunkers, accounts receivables and payables             | 2.1      | -9.8     | 7.8      | -43.3    | -2.6     |
| Net cash flow from operating activities                          | 20.9     | -0.2     | 21.3     | -42.6    | -11.1    |
| Cash flow from investing activities                              |          |          |          |          |          |
| Investment in tangible fixed assets                              | -23.6    | -69.6    | -66.8    | -93.9    | -68.0    |
| Investment in equity interests and securities                    | 0.0      | 0.0      | 0.0      | 0.0      | 0.0      |
| Loans to jointly controlled entities                             | 1.1      | 1.2      | 0.4      | 0.6      | 0.5      |
| Payment of liability related to options on vessels               | 0.0      | 0.0      | 0.0      | 0.0      | 0.0      |
| Received share on options on vessels                             | 0.0      | 0.0      | 0.0      | 0.0      | 0.0      |
| Sale of equity interests and securities                          | 0.0      | 0.0      | 0.0      | 0.0      | 0.0      |
| Sale of non-current assets                                       | 63.6     | 0.1      | 0.0      | 0.0      | 100.6    |
| Net cash flow from investing activities                          | 41.1     | -68.3    | -66.4    | -93.3    | 33.1     |
| Cash flow from financing activities                              |          |          |          |          |          |
| Borrowing, mortgage debt   | 25.7     | 54.8     | 92.1     | 172.1    | 26.7     |
| Borrowing, finance lease liabilities                             | 0.0      | 0.0      | 0.0      | 0.0      | 0.0      |
| Repayment/redemption, mortgage debt                              | -22.0    | -50.3    | -23.6    | -57.8    | -25.5    |
| Repayment/redemption, finance lease liabilities                  | -1.2     | -1.2     | -1.3     | -1.6     | -0.8     |
| Dividends paid   | 0.0      | 0.0      | 0.0      | 0.0      | 0.0      |
| Purchase/disposals of treasury shares                            | 0.0      | 0.0      | 0.0      | 0.0      | 0.0      |
| Net cash flow from financing activities                          | 2.5      | 3.3      | 67.2     | 112.7    | 0.4      |
| Net cash flow from operating, investing and financing activities | 64.5     | -65.2    | 22.1     | -23.2    | 22.4     |
| Cash and cash equivalents, beginning balance                     | 121.8    | 186.3    | 121.1    | 143.2    | 120.0    |

|   |       |       |       |       |       |
|---|-------|-------|-------|-------|-------|
| Cash and cash equivalents, ending balance | 186.3 | 121.1 | 143.2 | 120.0 | 142.4 |
|---|-------|-------|-------|-------|-------|

