


## TORM sells two bulk newbuilding contracts

TORM has entered into an agreement to sell two Kamsarmax bulk newbuilding contracts. The two vessels contracted in 2007 were scheduled for delivery in the fourth quarter of 2012 and the first quarter of 2013 respectively. The agreement has a positive cash impact of USD 21 million in January 2012 and it will reduce the remaining CAPEX requirements by USD 42 million. The transaction leads to a P&L loss of approximately USD 41 million which will be recognised in the financial statements in the fourth quarter of 2011.

*"The sale reflects our cautious view on the dry bulk market going forward, and it fits well into the Company's overall plan to preserve cash and reduce debt,"* says CFO Roland M. Andersen.

As a consequence, TORM revises its forecast for the full year 2011 from an expected loss before tax of USD 190-210 million to an expected loss before tax of approximately USD 230-250 million.

Following the transaction, TORM has three product tankers remaining in the order book and instalments related hereto of USD 83 million.

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**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 165 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.

**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 list law.