

TORM enters into an agreement with Oaktree on five MR product tankers

TORM has entered into an agreement to sell five MR product tankers to a company controlled by Oaktree Capital Management (Oaktree). The sale is a consequence of the specific option rights, which one bank group exercised in connection with the Restructuring Agreement (cf. announcement no. 31 dated 2 October 2012). Oaktree will place the five vessels under TORM's commercial management in a revenue sharing scheme, and utilize TORM's integrated operating platform for technical management. TORM retains an upside potential through a profit split mechanism if Oaktree generates a return above a specified threshold.

"I am very pleased to have concluded this agreement with a strong strategic investor in the product tanker space. We have through our strong operational platform succeeded in maintaining the vessels' association with TORM as intended," says CEO Jacob Meldgaard.

The five vessels will be delivered to Oaktree during 2013. The transaction leads to a P&L loss of approximately USD 5 million which will be recognized in the financial statements in the second quarter of 2013.

Following the sale, TORM's owned fleet consists of 60 product tankers and two dry bulk vessels.

TORM maintains its forecast for 2013 of a loss before tax of USD 100-150 million before potential additional vessel sales and impairment charges.

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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 100 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 conclusion of definitive waiver documents with our lenders, 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 lis law.