Third quarter report 2015

"TORM's strong operational platform has delivered the highest product tanker freight rates since 2008 and a positive EBITDA of USD 96m in the third quarter of 2015. TORM has demonstrated its financial and strategic flexibility with the exit from bulk to become a pure-play product tanker company, the acquisition of three MR vessels and two new financing agreements in the third quarter of 2015," says CEO Jacob Meldgaard and adds: "With our proven track record and a large fleet on the water, TORM is well-positioned to take advantage of the promising supply and demand fundamentals in the market."

- On 13 July 2015, TORM successfully completed the restructuring ("Restructuring") including the contribution of 31 vessels by OCM (Gibraltar) Njord Midco Ltd. ("Njord"). In connection with the Restructuring TORM has published a listing prospectus, elected a new Board of Directors and mandated a reverse stock split that was completed at a consolidation ratio of 1,500:1 on 24 September 2015 (cf. company announcements no. 19, 23, 29 and 31). Due to reverse acquisition accounting the consolidated financial results reflect the activities for Njord only for 2014 and the period from 1 January 2015 until 13 July 2015, whereas the remaining period of 2015 will reflect the combined activity of TORM and Njord. This quarterly report also contains pro forma figures for Q1-Q3 of 2014 and 2015 (see page 12 for further details).

- The reported EBITDA for the third quarter of 2015 was USD 96m and the pro forma EBITDA was USD 105m (2014, same period, pro forma: USD 26m). The reported profit before tax for the third quarter of 2015 was USD 65m and the pro forma profit before tax was USD 81m (2014, same period, pro forma: USD -4m). Reported cash flow from operating activities was positive with USD 78m in the third quarter of 2015. Reported earnings per share (EPS) for the third quarter of 2015 was USD 1.1 and pro forma EPS was USD 1.3 (USD -0.1). Pro forma EPS for the first nine months equaled USD 2.6 (USD -0.2).

- During the third quarter of 2015, the product tanker market reached its highest level since 2008 primarily due to continued high refinery utilization supporting demand for transportation of refined products. TORM's largest segment, MRs, achieved spot rates of USD/day 24,599 in the third quarter of 2015, which is up by 77% year-on-year. The Tanker segment reported a gross profit of USD 104m in the third quarter of 2015.

- During the third quarter of 2015, TORM purchased three modern second-hand MR vessels (TORM Loke (2007), TORM Atlantic (2010) and TORM Astrid (2012)) with expected delivery in October and November 2015 for a total consideration of USD 80m.

- As the final step in the planned wind-down of TORM's bulk activities, the two Panamax vessels TORM Anholt and TORM Bornholm were sold during the third quarter of 2015. There is no P&L effect from the sale. The vessels have been delivered to the new owners and TORM no longer operates any owned or T/C-in vessels in the bulk segment. In the third quarter of 2015, TORM's bulk segment reported a gross result of USD -1m.

- The book value of the fleet was USD 1,422m as of 30 September 2015 excl. outstanding installments on the newbuildings of USD 109m. Based on broker valuations, TORM's product tanker fleet including newbuildings had a market value of USD 1,659m as of 30 September 2015. Compared to the broker values of the combined TORM and Njord product tanker fleet as of 30 June 2015, the value has increased by USD 77m (~5%).

- Net interest-bearing debt amounted to USD 534m as at 30 September 2015. During the third quarter of 2015, TORM has secured undrawn financing of USD 67m from Danish Ship Finance for the first three newbuildings and undrawn financing of USD 26m from Danske Bank for the purchase of two out of the three second-hand MR vessels mentioned above.

- TORM had undrawn credit facilities and cash of approx. USD 338m at the end of the third quarter of 2015. Outstanding CAPEX relating to the order book and vessel purchases amounted to USD 189m.

- Equity amounted to USD 947m as at 30 September 2015, equivalent to USD 14.8 per share (DKK 99 per share), excluding treasury shares and outstanding warrants, giving TORM an equity ratio of 54%.

- For the full year 2015, TORM has narrowed the EBITDA interval to a positive EBITDA in the range of USD 200 - 220m and a profit before tax in the range of USD 115 – 135m. On a pro forma basis TORMs full year guidance equals an EBITDA in the range of USD 310 - 330m and a profit before tax in the range of USD 185 – 205m. As 5,632 earning days in 2015 are unfixed as at 30 September 2015, a change in freight rates of USD/day 1,000 will impact the profit before tax by USD 6m.

Conference call

TORM will be hosting a conference call for financial analysts and investors at 3 pm CEST today. Please dial in 10 minutes before the conference is due to start on +45 3271 4607 (from Europe) or +1 877 491 0064 (from the USA). The presentation can be downloaded from www.torm.com.

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Key reported figures

		Q3 2015	Q3 2014	**Q1-Q3 2015**	Q1-Q3 2014	2014
Income statement (USDm)						
Revenue		215.5	57.9	354.2	115.3	179.9
Time charter equivalent earnings (TCE)		149.8	31.2	241.6	59.5	98.7
Gross profit		103.7	12.8	163.0	25.3	48.4
EBITDA		95.7	12.2	148.2	21.7	40.9
Operating profit (EBIT)		71.4	4.0	108.2	5.2	16.1
Profit before tax		65.0	2.7	99.5	3.2	12.6
Net profit		64.8	2.7	99.3	3.2	12.6
Balance sheet (USDm)						
Total assets		1,767.1	593.1	1,767.1	593.1	625.9
Equity		947.0	443.9	947.0	443.9	469.5
Total liabilities		820.1	149.2	820.1	149.2	156.4
Invested capital		1,480.7	572.7	1,480.7	572.7	572.9
Net interest bearing debt		533.7	128.8	533.7	128.8	103.4
Cash flow (USDm)						
From operating activities		80.3	1.8	137.3	-6.6	17.4
From investing activities		46.0	-20.5	-4.1	-363.5	-378.0
Thereof investment in tangible fixed assets		-31.5	-20.5	-81.6	-363.5	-378.0
From financing activities		-7.5	8.5	-1.6	385.3	397.1
Total net cash flow		118.8	-10.2	131.6	15.2	36.5
Key financial figures						
Gross margins:						
TCE		69.5%	53.9%	68.2%	51.6%	54.9%
Gross profit		48.1%	22.1%	46.0%	21.9%	26.9%
EBITDA		44.4%	21.1%	41.9%	18.8%	22.7%
Operating profit		33.2%	6.9%	30.6%	4.5%	8.9%
Return on Equity (RoE) (p.a.)		36.6%	4.9%	18.7%	1.9%	5.4%
Return on Invested Capital (RoIC) (p.a.)		27.8%	5.6%	14.1%	1.8%	5.6%
Equity ratio		53.6%	74.8%	53.6%	74.8%	75.0%
Exchange rate USD/DKK, end of period		6.66	5.92	6.66	5.92	6.12
Exchange rate USD/DKK, average		6.71	5.63	6.70	5.50	5.62
Share-related key figures						
Earnings per share, EPS	USD	1.1	0.1	2.1	0.1	0.4
Diluted earnings per share, EPS	USD	1.1	0.1	2.1	0.1	0.4
Cash flow per share, CFPS	USD	1.3	0.0	2.9	-0.2	0.5
Share price, end of period (per share of DKK 15 each)	DKK	96.0	-	96.0	-	-
Number of shares, end of period	Millions	63.8	39.6	63.8	39.6	39.6
Number of shares (excl. treasury shares), average	Millions	60.6	39.6	46.6	32.5	34.2

See page 11, "TORM's Restructuring (acquisition of TORM A/S)" for further details on the Restructuring and the accounting treatment in connection with the Restructuring.

Key pro forma figures

Below pro forma financial information illustrates the impact had the Restructuring and the contribution of vessels described on page 11 "TORM's Restructuring (acquisition of TORM A/S)" been undertaken at 1 January 2014. The adjustments and assumptions are set out on page 12, "Basis for preparation of pro forma financial information".

		Q3 2015 Pro forma	Q3 2014 Pro forma	**Q1-Q3 2015 Pro forma**	Q1-Q3 2014 Pro forma
Income statement (USDm)					
Revenue		236.7	194.1	668.7	581.4
Time charter equivalent earnings (TCE)		164.7	101.4	453.5	293.3
Gross profit		113.9	41.2	287.4	113.4
EBITDA		104.9	26.1	256.4	69.3
Operating profit (EBIT)		88.0	1.9	190.1	3.5
Profit/(loss) before tax		81.3	-3.6	168.7	-12.4
Net profit/(loss)		81.2	-3.9	168.5	-12.2
Balance sheet (USDm)					
Total assets		1,767.1	1,596.3	1,767.1	1,596.3
Equity		947.0	764.4	947.0	764.4
Total liabilities		820.1	831.9	820.1	831.9
Invested capital		1,480.7	1,407.9	1,480.7	1,407.9
Net interest bearing debt		533.7	643.5	533.7	643.5
Key financial figures					
Gross margins:					
TCE		69.6%	52.2%	67.8%	50.5%
Gross profit		48.1%	21.2%	43.0%	19.5%
EBITDA		44.3%	13.4%	38.3%	11.9%
Operating profit		37.2%	1.0%	28.4%	0.6%
Return on Equity (RoE) (p.a.)		37.8%	-2.1%	26.2%	-2.2%
Return on Invested Capital (RoIC) (p.a.)		24.4%	0.5%	17.6%	0.3%
Equity ratio		53.6%	47.9%	53.6%	47.9%
Share-related key figures					
Earnings per share, EPS	USD	1.3	-0.1	2.6	-0.2
Number of shares, end of period	Millions	63.8	63.8	63.8	63.8

See page 11, "TORM's Restructuring (acquisition of TORM A/S)" for further details on the Restructuring, the accounting treatment in connection with the Restructuring and page 12, "Basis for preparation of pro forma financial information" for the basis for preparation of the pro forma income statement and balance sheet.

Results

The reported EBITDA result for the third quarter of 2015 was USD 96m (USD 26m). The result before tax for the third quarter of 2015 was USD 65m (USD -4m).

The Tanker segment reported a gross result of USD 104m in the third quarter of 2015.

The Bulk segment reported a gross result of USD -1m in the third quarter of 2015.

EBITDA for the first nine months of 2015 was USD 148m and the pro forma EBITDA was USD 257m (USD 69m).

Results per segment

	Q3 2015				Q1-Q3 2015				Q1-Q3 2015
USDm	Tanker Segment	Bulk Segment	Not allocated	Total	Tanker Segment	Bulk Segment	Not allocated	Total	Proforma
Revenue	214.3	1.2	0.0	215.5	353.0	1.2	0.0	354.2	668.7
Port expenses, bunkers and commissions	-65.1	-0.6	0.0	-65.7	-112.0	-0.6	0.0	-112.6	-215.2
Time charter equivalent earnings	149.2	0.6	0.0	**149.8**	241.0	0.6	0.0	**241.6**	453.5
Charter hire	-5.4	-0.7	0.0	-6.1	-5.4	-0.7	0.0	-6.1	-27.0
Operating expenses	-39.4	-0.6	0.0	-40.0	-71.9	-0.6	0.0	-72.5	-139.1
Gross profit (Net earnings from shipping activities)	104.4	-0.7	0.0	**103.7**	163.7	-0.7	0.0	**163.0**	287.4
Administrative expenses			-8.2	-8.2			-8.5	-8.5	-30.8
Other operating expenses			0.2	0.2			-6.3	-6.3	0.0
EBITDA			-8.0	**95.7**			-14.8	**148.2**	256.6
Amortizations and depreciation			-24.3	-24.3			-40.0	-40.0	-66.3
Operating profit (EBIT)			-32.3	**71.4**			-54.8	**108.2**	190.3
Financial income			0.1	0.1			0.4	0.4	3.5
Financial expenses			-6.5	-6.5			-9.1	-9.1	-25.0
Profit before tax			-38.7	**65.0**			-63.5	99.5	168.8
Tax			-0.2	-0.2			-0.2	-0.2	-0.3
Net profit for the period			-38.9	**64.8**			-63.7	**99.3**	168.5

See page 11, “TORM’s Restructuring (acquisition of TORM A/S)” for further details on the Restructuring, the accounting treatment in connection with the Restructuring and page 12, “Basis for preparation of pro forma financial information” for the basis for preparation of the pro forma income statement and balance sheet.

Outlook

The Restructuring is accounted for as a reverse acquisition in accordance with IFRS 3, "Business combinations". Consequently, the outlook for the full year 2015 reflects the activities of Njord only during the period from 1 January 2015 and until completion of the Restructuring (being 13 July 2015), whereas the period from completion of the Restructuring and until 31 December 2015 reflects the combined activity of TORM and Njord.

For the full year 2015, TORM has narrowed the EBITDA interval to a positive EBITDA in the range of USD 200-220m (from USD 190-230m) and a profit before tax in the range USD 115 – 135m (from USD 115-155m). On a pro forma basis, also including TORM's fleet prior to the Restructuring Completion Date on July 13, TORM expects a full year 2015 EBITDA interval in the range of USD 310-330m and a profit before tax in the range of USD 185 – 205m. As 5,632 earning days in 2015 are unfixed as at 30 September 2015, a change in freight rates of USD/day 1,000 will impact the profit before tax by USD 6m.

As at 30 September 2015, TORM had covered 16% of the remaining tanker earning days in 2015 at USD/day 21,976.

The table on the next page shows the figures for the period from 1 October to 31 December 2015. 2016 and 2017 are full-year figures.

Covered and chartered-in days in TORM

Data as of 30-09-2015

	2015	2016	2017	2015	2016	2017
	Owned days					
LR2	733	2,893	2,920			
LR1	614	2,545	2,555			
MR	4,026	18,458	18,615			
Handysize	1,007	3,971	4,015			
Tanker Division	6,380	27,867	28,105			
Bulk activities	40	-	-			
Total	**6,419**	**27,867**	**28,105**			
	Charter-in days at fixed rate			T/C-in costs, USD/day		
LR2	-	-	-	-	-	-
LR1	-	-	-	-	-	-
MR	175	703	108	16,000	16,000	-
Handysize	-	-	-	-	-	-
Tanker Division	175	703	108	16,000	16,000	-
Bulk activities	14	-	-	14,500	-	-
Total	**189**	**703**	**108**	**15,890**	**16,000**	**-**
	Charter-in days at floating rate					
LR2	183	722	730			
LR1	-	-	-			
MR	-	-	-			
Handysize	-	-	-			
Tanker Division	183	722	730			
Bulk activities	-	-	-			
Total	**183**	**722**	**730**			
	Total physical days			Covered days		
LR2	916	3,615	3,650	338	355	-
LR1	614	2,545	2,555	78	-	-
MR	4,201	19,161	18,723	509	-	-
Handysize	1,007	3,971	4,015	182	15	-
Tanker Division	6,738	29,292	28,943	1,107	370	-
Bulk activities	54	-	-	54	-	-
Total	**6,792**	**29,292**	**28,943**	**1,160**	**370**	**-**
	Covered, %			Coverage rates, USD/day		
LR2	37%	10%	0%	24,755	30,799	-
LR1	13%	0%	0%	16,627	-	-
MR	12%	0%	0%	21,791	-	-
Handysize	18%	0%	0%	19,618	17,246	-
Tanker Division	16%	1%	0%	21,976	30,238	-
Bulk activities	100%	0%	0%	3,830	-	-
Total	**17%**	**1%**	**0%**	**21,139**	**30,238**	**-**

Fair value of freight rate contracts that are mark-to-market in the income statement (USD m):

Contracts not included above	-0.9
Contracts included above	0.0

Note: Actual no. of days can vary from projected no. of days primarily due to vessel sales and delays of vessel deliveries. T/C-in days at fixed rate do not include effects from profit split arrangements. T/C-in days at floating rate determine rates at the entry of each quarter, and then TORM will receive approx. 10% profit/loss compared to this rate.

Tanker segment

During the third quarter of 2015, the product tanker market reached its highest level since 2008 primarily due to continued high refinery utilization supporting demand for transportation of refined products.

In the West, the MR and Handy market peaked in the beginning of the third quarter at the highest levels since 2008 primarily driven by high refinery margins and utilization yielding strong export volumes from both European and US refineries. The LR market was positively affected by strong naphtha trades from Europe to North East Asia in the first half of the quarter. In the second half of the quarter, the market in the West decreased due to reduced US gasoline demand and seasonal refinery maintenance.

In the East, the LR2 and LR1 market peaked in the first half of the quarter. The market continued to benefit from the recent ramp-up in refinery capacity in Saudi Arabia and the United Arab Emirates, generating strong demand for LR2 and LR1 tonnage going both east and west. Further, long-haul trades from Asia to West Africa supported the market and impacted the ton-mile positively. The LR markets decreased significantly during the second half of the quarter primarily impacted by Middle East refinery maintenance. The MR market has remained strong throughout the quarter positively impacted by regional distribution during refinery maintenance.

The global product tanker fleet (above 25,000 dwt) grew by 1.5% in the third quarter of 2015 (source: TORM).

The Tanker segment (Njord and TORM combined) achieved LR2 spot rates of USD/day 33,623 in the third quarter of 2015, which was 90% higher than in the same period last year. The LR1 spot rates were at USD/day 29,141, up by 52% year-on-year, and the spot rates in TORM's largest segment, MR, were at USD/day 24,599, which is an increase of 77% year-on-year. The Handysize spot rates were at USD/day 24,180, which was up by 65% year-on-year.

The Tanker segment's reported gross profit for the third quarter of 2015 was USD 104m.

Tanker *(includes Njord and TORM vessels up until Q2 2015)*	Q3 14	Q4 14	Q1 15	Q2 15	**Q3 15**	Change Q3 14 - Q3 15	12 month avg.
LR2 (Aframax, 90-110,000 dwt)							
Available earning days	895	917	886	846	781	-13%	
Spot rates 1)	17,708	22,221	25,224	28,089	33,623	90%	27,251
TCE per earning day 2)	17,378	19,834	25,486	26,707	34,467	98%	26,321
Operating days	920	920	900	910	829	-10%	
Operating expenses per operating day 3)	8,638	9,297	8,150	8,209	7,099	-18%	8,217
LR1 (Panamax 75-85,000 dwt)							
Available earning days	597	635	612	636	534	-11%	
Spot rates 1)	19,126	22,274	28,937	24,881	29,141	52%	26,382
TCE per earning day 2)	17,963	21,110	28,276	25,369	28,708	60%	25,723
Operating days	644	644	630	637	553	-14%	
Operating expenses per operating day 3)	8,235	7,393	7,415	6,926	7,154	-13%	7,224
MR (45,000 dwt)							
Available earning days	3,988	4,003	3,903	3,848	3,632	-9%	
Spot rates 1)	13,862	17,954	22,971	22,219	24,599	77%	21,998
TCE per earning day 2)	13,717	17,317	22,032	21,912	24,645	80%	21,392
Operating days	3,864	3,864	3,780	3,822	3,604	-7%	
Operating expenses per operating day 3)	7,363	7,544	7,267	7,329	6,643	-10%	7,205
Handy (35,000 dwt)							
Available earning days	881	960	818	888	800	-9%	
Spot rates 1)	14,682	17,739	20,057	19,752	24,180	65%	20,384
TCE per earning day 2)	14,740	16,917	20,035	18,762	21,849	48%	19,264
Operating days	1,012	1,012	990	1,001	869	-14%	
Operating expenses per operating day 3)	7,468	7,758	6,876	6,531	6,480	-13%	6,929

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

See page 11, "TORM's Restructuring (acquisition of TORM A/S)" for further details on the Restructuring.

Bulk segment

The bulk market remained under pressure during the third quarter of 2015.

During the third quarter of 2015, TORM sold its two bulk vessels and both have now been delivered to the new owners. In addition, TORM has redelivered the remaining chartered-in bulk vessel in October and has thereby fully exited all bulk activities.

In the third quarter of 2015, TORM's bulk TCE earnings were USD/day 2,493, which has been negatively affected by waiting time in connection with the vessel sales and prior period adjustments.

Bulk *(includes Njord and TORM vessels up until Q2 2015)*	Q3 14	Q4 14	Q1 15	Q2 15	**Q3 15**	Change Q3 14 - Q3 15	12 month avg.
Panamax / Handymax (40-80,000 dwt)							
Available earning days	730	706	580	386	236	-68%	
TCE per earning day 1)	9,880	7,502	6,063	6,840	2,493	-75%	6,312
Operating days	184	184	180	182	158	-14%	
Operating expenses per operating day 2)	5,034	5,012	5,597	4,887	3,775	-25%	4,852

1) Spot rates = Time Charter Equivalent Earnings for all charters with less than six months' duration = Gross freight income less bunker, commissions and port expenses.

2) Operating expenses are related to owned vessels.

See page 11, "TORM's Restructuring (acquisition of TORM A/S)" for further details on the Restructuring.

Fleet development

TORM's operated fleet as at 30 September 2015 is shown in the table below. In addition to the 68 owned product tankers and two bulk vessels, TORM had chartered-in four product tankers and one bulk vessel.

TORM has taken delivery of three product tankers during October and expects to take delivery of a total of eight product tankers in the fourth quarter of 2015 and one product tanker during the first quarter of 2016. The fleet growth comes from the delivery of six MR newbuildings and three MR second-hand tankers. Before any potential additional vessel sales or purchases, TORM expects to have a total owned product tanker fleet of 77 vessels by the end of the first quarter of 2016.

During the third quarter of 2015, TORM sold its two bulk vessels and both have now been delivered to the new owners. In addition, TORM has redelivered the remaining chartered-in bulk vessel in October and has thereby fully exited all bulk activities.

# vessels *(includes Njord and TORM vessels pre Restructuring Completion Date, 13 July 2015)*	Q2 2015	Changes	Q3 2015	Changes	Q4 2015	Changes	2016
Owned vessels							
LR2	8		8				
LR1	7		7				
MR	42		42	8	50	1	51
Handysize	11		11				
Tanker Division	68	-	68	8	76	1	77
Bulk activities	2		2	-2	-		-
Total	**70**	**-**	**70**	**6**	**76**	**1**	**77**
Charter-in vessels							
LR2	2		2		2		2
LR1	-		-		-		-
MR	2		2		2		2
Handysize	-		-		-		-
Tanker Division	4	-	4	-	4		4
Bulk activities	1		1	-1	-		-
Total	**5**	**-**	**5**	**-1**	**4**		**4**
Total fleet	**75**	**-**	**75**	**5**	**80**	**1**	**81**

See page 11, "TORM's Restructuring (acquisition of TORM A/S)" for further details on the Restructuring.

TORM

Notes on the financial reporting

Introduction

The interim report for the period 1 January – 30 September 2015 reflect the consolidated financial results of TORM and Njord, and hence updates the operating performance of both entities. The consolidated financial results reflect the activities for Njord only for 2014 and the period from 1 January – 13 July 2015, whereas the remaining period of 2015 reflect the combined activity of TORM and Njord.

Accounting policies

The interim report for the period 1 January – 30 September 2015 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. The interim report has been prepared using the accounting policies as for the Annual Report for 2014 for TORM including IFRS standards endorsed by the EU effective for accounting periods beginning after 1 January 2015. Njord's accounting policies have been similar to TORM's accounting policies, and therefore, a reference to the Annual Report for TORM is deemed appropriate. New standards have not had any material effect on the interim report. The accounting policies are described in more detail in the Annual Report for 2014 for TORM. The interim report for the first nine months of 2015 is unaudited, in line with the normal practice.

Income statement

The reported gross profit for the third quarter of 2015 was USD 104m, and the pro forma gross profit was USD 114m (USD 41m).

The reported administrative costs in the third quarter of 2015 were USD 8m, and the pro forma administrative costs were USD 9m (USD 14m).

The reported result before depreciation (EBITDA) for the third quarter of 2015 was USD 96m, and the pro forma EBITDA was USD 105m (USD 26m).

The reported depreciation in the third quarter of 2015 was USD 24m, and the pro forma depreciation was USD 17m (USD 24m).

The reported primary operating result (EBIT) for the third quarter of 2015 was USD 71m, and the pro forma EBIT was USD 88m (USD 2m).

The reported financial expenses in the third quarter of 2015 were USD 7m, and the pro forma financial expenses were USD 7m (USD 7m).

The reported result after tax for the third quarter of 2015 was USD 65m, and the pro forma result after tax was USD 81m (USD -4m).

Assets

Total assets were USD 1,767m as at 30 September 2015.

The book value of the fleet was USD 1,422m as of 30 September 2015. Based on broker valuations, TORM's fleet including newbuildings adjusted for outstanding installments of USD 109m and excl. assets held-for-sale had a market value of USD 1,550m as of 30 September 2015.

Debt

Net interest-bearing debt amounted to USD 534m as at 30 September 2015. As at 30 September 2015, TORM was in compliance with financial covenants.

Equity

TORM's equity was USD 947m as of 30 September 2015. TORM held treasury shares as at 30 September 2015 equivalent to ~0.0% of the Company's share capital.

Liquidity

As of 30 September 2015, TORM's available liquidity was USD 338m and was comprised of cash and cash equivalents of USD 170m and undrawn loan facilities of USD 168m. TORM has CAPEX commitments of USD 189m of which USD 109m is related to the MR newbuildings and USD 80m to the purchase of the three second-hand MR vessels.

Post balance sheet events

During the third quarter of 2015, TORM sold its two bulk vessels. Both have been delivered to the new owners during fourth quarter and in addition, TORM has redelivered the remaining chartered-in bulk vessel thereby fully exited all bulk activities.

TORM's Restructuring (acquisition of TORM A/S)

TORM's Restructuring was completed on 13 July 2015 and included inter alia a contribution by OCM Njord Holdings S.à r.l. ("Njord Luxco") of Njord to TORM in exchange for a controlling interest in TORM.

The Restructuring comprised the following distinct steps:

1. Write-down of debt to current vessel values against issuance of warrants
2. Optional exchange of Scheme claims for equity and reinstatement of remaining debt as the New Term Facility
3. Contribution of Njord by Njord Luxco in exchange for controlling interest in TORM
4. Provision of the New Working Capital Facility
5. Implementation of new corporate governance provisions
6. Admission to trading and official listing of the Listing Shares

Step1: A portion of each participating Lender's exposure under each of the pre-Restructuring debt facilities was written down so as to reduce our aggregate debt to USD 873.2 million, corresponding to a write-down of USD 535.6m. In consideration for the write-down, the participating lenders received a total of 4.8m warrants (following the warrant consolidation effective 24 September 2015) issued on a pro rata basis in proportion to the write-down of each participating lender's remaining exposure.

Step 2: Each participating lender elected whether to cancel between 5% and 100% of their remaining exposure in exchange for A shares. The maximum aggregate amount of the participating lender's remaining exposure that could be exchanged was 50% following the write-down under Step 1. A total of 23.8m A shares each of nominally DKK 15 (following the share consolidation effective 24 September 2015) were issued to certain participating lenders that elected to participate in the optional exchange against conversion of USD 305.9m outstanding under the pre-Restructuring debt facilities (equivalent to an optional exchange amount of USD 311.8m before certain agreed adjustments).

Step 3: Following the implementation of the Restructuring, Njord Luxco, holding 61.99% of the voting rights in TORM (excluding the voting rights attached to the C Share), and its subsidiaries, including Njord and Njord's subsidiaries (the "Combined Group"), has the ability to use its control (majority of voting rights). Thereby Njord Luxco controls the Combined Group in accordance with IFRS 10 "Consolidated financial statements". Accordingly, the contribution of Njord by Njord Luxco in exchange for a controlling interest in TORM has been accounted for as a reverse acquisition in accordance with IFRS 3, "Business Combinations", which means that for financial reporting purposes, Njord is considered the accounting acquirer and the continuing reporting entity.

Consequently, the consolidated financial statements of TORM following the Restructuring is a continuation of the financial statements of Njord as the continuing entity, despite TORM being the legal acquirer and the continuing publicly listed company.

For the period 1 January 2015 to the Restructuring Completion Date, the financial information presented by TORM reflects the activity of Njord only, whereas the period from the Restructuring Completion Date to 30 September 2015 reflects the combined activities of TORM and Njord. Furthermore, comparative information for the prior period presented in the third quarter report 2015 includes financial information for Njord only.

The consolidated financial statements of the Combined Group for 30 September 2015 is a continuation of the consolidated financial statements of Njord and do not reflect the write-down of TORM's debt in exchange for warrants and do not reflect the conversion of TORM's debt into Listing Shares, as these steps of the Restructuring were implemented immediately prior to Njord Luxco obtaining a controlling interest in TORM.

Njord's purchase price for a controlling interest in TORM is calculated as the fair value of the interest in Njord that TORM's existing shareholders and warrant holders would have received, had the business combination of TORM and Njord not been a reverse acquisition. The value is based on the value agreed between TORM, Njord Luxco and certain of TORM's pre-Restructuring shareholders and lenders for the purposes of determining the ownership interest in TORM obtained by Njord Luxco in exchange for the contribution of Njord.

Njord's purchase price to acquire TORM calculated as described above has preliminarily been allocated to the acquired assets, liabilities and commitments of TORM based upon their estimated fair values. The initial allocated fair value of acquired assets and assumed liabilities and commitments is presented in note 1 below.

Step 4: On the Restructuring Completion Date, certain of the participating lenders provided a USD 75m Working Capital Facility.

Step 5: New Articles of Association were adopted for TORM A/S at the extraordinary general meeting of TORM A/S held on 7 July 2015 to implement new corporate governance provisions.

Step 6: On 13 July 2015, all TORM A/S' A shares, each of nominally DKK 0.01, were issued at the subscription price and subsequently listed on Nasdaq Copenhagen. Issuance of the A shares resulted in a new shareholder structure where the pre-Restructuring shares corresponded to less than 1% of the A shares after the Restructuring.

Basis for preparation of pro forma financial information

TORM has prepared pro forma financial information by combining like items of income and expenses using uniform accounting policies as regards the recognition and measurement and thus by performing consolidation and elimination of all significant transactions between TORM and Njord for the period 1 January to September 2015.

Pro forma adjustments give effect to the completion of the Restructuring, which also reflects the write-down of part of TORM's debt to current asset values against issuance of Consideration Warrants, the exchange of part of TORM's debt for equity and, subject to certain adjustments, reinstatement of TORM's remaining debt under the New Term Facility Agreement.

The pro forma income statement for the nine month period and the three month period ended 30 September 2014 and 2015 has been prepared as though the Restructuring occurred as at 1 January 2014. The pro forma adjustments are based on available information and assumptions that TORM believes are reasonable. Such adjustments are based on estimates and may be subject to change.

For the purpose of the pro forma financial information, the initial purchase price allocation is based upon the estimated fair value of assets and liabilities of TORM as of 13 July 2015, and the pro forma adjustments consist of the differences between those fair values and the carrying amount of the same assets and liabilities as at 1 January 2014.

For the purpose of the pro forma financial information, the write-down of part of TORM's debt to current asset values against issuance of warrants and the exchange of part of TORM's debt for equity are the actual numbers despite the carrying amount at 1 January 2014 of the debt being different than as of the Restructuring Completion Date.

The impact of the write-down of debt and the cost incurred to effect the business combination have not been incorporated in the pro forma income statement as the pro forma financial information has been prepared as though the Restructuring took place as at 1 January 2014.

The following pro forma adjustments have been made to the unadjusted financial information of TORM and Njord:

1) In 2011, TORM sold two LR2 tankers at prices above market and leased them back on seven year bare boat contracts. The excess profit arising from the sales was recognized as deferred income and amortized over the term of the leases. In connection with the preliminary purchase price allocation, no new value has been allocated to these contracts as it has been determined that the charter rate according to the agreements approximates the current market rate. Accordingly, the amortized income recognized in 2015 has been reversed to reflect the situation as if the purchase price allocation occurred on 1 January 2014.
2) Amortization during 2015 of the value allocated to time charter contracts as part of the purchase price allocation at 1 January 2014.
3) Depreciations during 2014 and 2015on vessels are reduced to reflect that the depreciable amount would have been reduced, had the vessels been adjusted to the preliminary purchase price allocation values on 1 January 2014. No adjustments have been made to depreciations on other tangible assets.
4) In 2014 and 2015, TORM recognized financial expenses related to amortized borrowing costs and an amortization of the cash flow hedging reserve generated by interest rate swaps that were cancelled in connection with the Restructuring that occurred in 2012, respectively. For pro forma presentation purposes, amortized borrowing costs and amortized hedging reserve costs are reversed to reflect that had the Restructuring occurred as at 1 January 2014, any unamortized borrowing costs and hedge reserves would have been eliminated as part of the purchase price allocation.
5) As part of the Restructuring, TORM's debt was significantly reduced. For pro forma presentation purposes, interest expenses are consequently reduced to reflect that had the Restructuring occurred as at 1 January 2014, the interest-bearing debt had been lower.

Financial calendar

TORM expects to publish its annual report in the first quarter of 2016. TORM's financial calendar for 2016 will be made available at http://www.torm.com/investors/financial-calendar .

About TORM

TORM is one of the world's leading carriers of refined oil products. The Company operates a fleet of approximately 80 modern vessels with a strong 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 Copenhagen (ticker: TORM A). 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 Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "anticipate," "intend," "estimate," "forecast," "project," "plan," "potential," "may," "should," "expect," "pending" and similar expressions identify forward-looking statements.

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 the Company 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, the Company 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 "ton 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, political events or acts by terrorists.

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

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 – 30 September 2015.

The interim report for the period 1 January – 30 September 2015 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. The interim report has been prepared using the accounting policies as for the Annual Report for 2014 for TORM including IFRS standards endorsed by the EU effective for accounting periods beginning after 1 January 2015. Njord's accounting policies have been similar to TORM's accounting policies, and therefore, a reference to the Annual Report for TORM is deemed appropriate. New standards have not had any material effect on the interim report. The accounting policies are described in more detail in the Annual Report for 2014 for TORM. The interim report for the first nine months of 2015 is unaudited, in line with the normal practice.

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 flow.

Copenhagen, 11 November 2015

Management

Jacob Meldgaard, CEO

Board of Directors

Christopher Boehringer, Chairman

David Weinstein, Deputy Chairman

Kari Millum Gardarnar

Rasmus Johannes Hoffmann

Torben Janholt

Pär Göran Trapp

Consolidated income statement

USDm	Note	Q3 2015	Q3 2014	2015 Q1-Q3	2014 Q1-Q3	2014
Revenue		215.5	57.9	354.2	115.3	179.9
Port expenses, bunkers and commissions		-65.7	-26.7	-112.6	-55.8	-81.2
Time charter equivalent earnings		149.8	31.2	241.6	59.5	98.7
Charter hire		-6.1	0.0	-6.1	0.0	0.0
Operating expenses		-40.0	-18.4	-72.5	-34.2	-50.3
Gross profit (Net earnings from shipping activities)	5	103.7	12.8	163.0	25.3	48.4
Administrative expenses		-8.2	-0.2	-8.5	-0.9	-1.0
Other operating expenses		0.2	-0.4	-6.3	-2.7	-6.5
EBITDA		95.7	12.2	148.2	21.7	40.9
Amortizations and depreciation		-24.3	-8.2	-40.0	-16.5	-24.8
Operating profit (EBIT)		71.4	4.0	108.2	5.2	16.1
Financial income		0.1	0.0	0.4	0.0	0.0
Financial expenses		-6.5	-1.3	-9.1	-2.0	-3.5
Profit before tax		65.0	2.7	99.5	3.2	12.6
Tax		-0.2	0.0	-0.2	0.0	0.0
Net profit for the period		64.8	2.7	99.3	3.2	12.6
Earnings/(loss) per share, EPS						
Earnings/(loss) per share, EPS	USD	1.1	0.1	2.1	0.1	0.4
Earnings/(loss) per share, EPS	DKK*	7.2	0.4	14.3	0.4	2.1
Diluted earnings/(loss) per share	USD	1.1	0.1	2.1	0.1	0.4
Diluted earnings/(loss) per share	DKK*	7.2	0.4	14.3	0.4	2.1

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

Consolidated income statement per quarter

USDm		Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Revenue		215.5	71.5	67.2	64.6	57.9
Port expenses, bunkers and commissions		-65.7	-23.8	-23.1	-25.4	-26.7
Time charter equivalent earnings		149.8	47.7	44.1	39.2	31.2
Charter hire		-6.1	0.0	0.0	0.0	0.0
Operating expenses		-40.0	-16.1	-16.4	-16.1	-18.4
Gross profit (Net earnings from shipping activities)		103.7	31.6	27.7	23.1	12.8
Administrative expenses		-8.2	-0.2	-0.1	-0.1	-0.2
Other operating expenses		0.2	-3.3	-3.2	-3.8	-0.4
EBITDA		95.7	28.1	24.4	19.2	12.2
Amortizations and depreciation		-24.3	-7.6	-8.1	-8.3	-8.2
Operating profit (EBIT)		71.4	20.5	16.3	10.9	4.0
Financial income		0.1	0.2	0.1	0.0	0.0
Financial expenses		-6.5	-1.3	-1.3	-1.5	-1.3
Profit before tax		65.0	19.4	15.1	9.4	2.7
Tax		-0.2	0.0	0.0	0.0	0.0
Net profit for the period		64.8	19.4	15.1	9.4	2.7
Earnings/(loss) per share, EPS						
Earnings/(loss) per share, EPS	USD	1.1	0.5	0.4	0.2	0.1
Diluted earnings/(loss) per share	USD	1.1	0.5	0.4	0.2	0.1

Consolidated statement of comprehensive income

USDm	Q3 2015	Q3 2014	Q1-Q3 2015	Q1-Q3 2014	2014
Net profit for the period	64.8	2.7	99.3	3.2	12.6
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss:					
Fair value adjustment on hedging instruments	-1.1	0.0	-1.1	0.0	0.0
Value adjustment on hedging instruments transferred to income statement	0.3	0.0	0.3	0.0	0.0
Other comprehensive income after tax*	-0.8	0.0	-0.8	0.0	0.0
Total comprehensive income	**64.0**	2.7	**98.5**	3.2	**12.6**

*) No income tax fall on other comprehensive income items.

Consolidated balance sheet – Assets

USDm	Note	**30 September 2015**	30 September 2014	31 December 2014
NON-CURRENT ASSETS				
Intangible assets				
Goodwill		11.4	0.0	0.0
Total intangible assets		11.4	0.0	0.0
Tangible fixed assets				
Vessels and capitalized dry-docking	2	1,324.2	510.1	502.2
Prepayments on vessels	3	97.9	20.5	34.7
Other plant and operating equipment		2.4	0.0	0.0
Total tangible fixed assets		1,424.5	530.6	536.9
Financial assets				
Investment in joint ventures		0.3	0.0	0.0
Total financial assets		0.3	0.0	0.0
TOTAL NON-CURRENT ASSETS		**1,436.2**	530.6	536.9
CURRENT ASSETS				
Bunkers		31.8	14.8	13.3
Freight receivables		92.1	27.5	35.2
Other receivables		13.2	1.2	0.7
Prepayments		6.5	2.2	1.7
Cash and cash equivalents		169.7	16.8	38.1
Total current assets excluding assets held-for-sale		**313.3**	62.5	89.0
Assets held-for-sale	6	17.6	0.0	0.0
TOTAL CURRENT ASSETS		**330.9**	62.5	89.0
TOTAL ASSETS		**1,767.1**	593.1	625.9

Consolidated balance sheet – Equity and liabilities

USDm	Note	**30 September 2015**	30 September 2014	31 December 2014
EQUITY				
Common shares		142.0	88.0	88.0
Special reserve		61.0	0.0	0.0
Treasury shares		-0.2	0.0	0.0
Hedging reserves		-0.8	0.0	0.0
Translation reserves		0.0	0.0	0.0
Retained profit		745.0	355.9	381.5
TOTAL EQUITY		947.0	443.9	469.5
LIABILITIES				
NON-CURRENT LIABILITIES				
Deferred tax liability		45.1	0.0	0.0
Mortgage debt and bank loans	4	673.4	129.4	125.3
Finance lease liabilities		13.8	0.0	0.0
TOTAL NON-CURRENT LIABILITIES		732.3	129.4	125.3
CURRENT LIABILITIES				
Mortgage debt and bank loans	4	16.2	16.2	16.2
Trade payables		26.9	1.4	11.9
Current tax liabilities		1.8	0.0	0.0
Other liabilities		42.5	0.3	1.4
Deferred income		0.4	1.9	1.6
TOTAL CURRENT LIABILITIES		87.8	19.8	31.1
TOTAL LIABILITIES		**820.1**	149.2	156.4
TOTAL EQUITY AND LIABILITIES		**1,767.1**	593.1	625.9

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Consolidated statement of changes in equity for the period 1 January – 30 September 2015

USDm	Common shares*	Special reserve**	Treasury shares	Hedging reserves	Translation reserves	Retained profit	Total
Equity at 1 January 2015	88.0	0.0	0.0	0.0	0.0	381.5	**469.5**
Comprehensive income for the period:							
Net profit for the period	-	-	-	-	-	99.3	99.3
Other comprehensive income for the period	-	-	-	-0.8	0.0	-	-0.8
Total comprehensive income for the period	**-**	**-**	**-**	**-0.8**	**0.0**	**99.3**	**98.5**
Shareholders contribution	-	-	-	-	-	14.0	14.0
Reverse acquisition of TORM A/S	54.0	61.0	-	-	-	252.8	367.8
Transaction costs related to share issue	-	-	-	-	-	-2.6	-2.6
Acquisition treasury shares, cost	-	-	-0.2	-	-	-	-0.2
Dividend paid	-	-	-	-	-	-	0.0
Total changes in equity Q1-Q3 2015	54.0	61.0	-0.2	-0.8	0.0	363.5	477.5
Equity at 30 September 2015	142.0	61.0	-0.2	-0.8	0.0	745.0	947.0

* Common shares has been adjusted to reflect the nominal capital of TORM A/S

** The special reserve was established in conjunction with a capital increase in TORM in 2012. In accordance with the Danish Companies Act, the special reserve can be used by the Board of Directors to distribute dividends or for other purposes that the Board of Directors may deem appropriate

Consolidated statement of changes in equity for the period 1 January – 30 September 2014

USDm	Common shares*	Special reserve**	Treasury shares	Other reserves	Hedging reserves	Translation reserves	Retained profit	Total
Balance at 1 January 2014, as shown in the financial statements of Njord	0.0	0.0	0.0	199.6	0.0	0.0	1.7	**201.3**
Effect of the business combination 1 January 2014	88.0	0.0	0.0	-199.6	0.0	0.0	111.6	**0.0**
Equity at 1 January 2014	**88.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**113.3**	**201.3**
Comprehensive income for the period:								
Net profit for the period	-	-	-	-	-	-	3.2	3.2
Other comprehensive income for the period	-	-	-	-	-	-	-	0.0
Total comprehensive income for the period	-	**-**	**-**	**-**	**0.0**	**0.0**	**3.2**	**3.2**
Shareholders contribution	-	-	-	-	-	-	240.5	240.5
Reverse acquisition of TORM A/S	-	-	-	-	-	-	-	0.0
Transaction costs related to share issue	-	-	-	-	-	-	-	0.0
Acquisition treasury shares, cost	-	-	-	-	-	-	-	0.0
Dividend paid	-	-	-	-	-	-	-1.1	-1.1
Total changes in equity Q1-Q3 2014	0.0	0.0	0.0	0.0	0.0	0.0	242.6	242.6
Equity at 30 September 2014	88.0	0.0	0.0	0.0	0.0	0.0	355.9	**443.9**

Consolidated statement of cash flow

USDm	Q3 2015	Q3 2014	Q1-Q3 2015	Q1-Q3 2014	2014
Cash flow from operating activities					
Operating profit	71.4	4.0	108.2	5.2	16.1
Adjustments:					
Reversal of amortizations and depreciation	24.3	8.2	40.0	16.5	24.8
Reversal of other non-cash movements	-0.2	0.0	-0.2	0.0	0.0
Interest received and exchange rate gains	0.3	0.0	0.3	0.0	0.0
Interest paid and exchange rate losses	-2.9	-1.9	-5.5	-2.0	-3.3
Income taxes paid/repaid	0.2	0.0	0.2	0.0	0.0
Change in bunkers, accounts receivables and payables	-12.8	-8.5	-5.7	-26.3	-20.2
Net cash flow from operating activities	**80.3**	1.8	137.3	-6.6	17.4
Cash flow from investing activities					
Investment in tangible fixed assets	-31.5	-20.5	-81.6	-363.5	-378.0
Cash from business combination	77.5	0.0	77.5	0.0	0.0
Net cash flow from investing activities	**46.0**	-20.5	**-4.1**	-363.5	-378.0
Cash flow from financing activities					
Borrowing, mortgage debt	0.0	0.0	0.0	150.0	150.0
Repayment/redemption, mortgage debt	-4.7	-4.4	-12.8	-4.1	-8.5
Dividend paid	0.0	-1.1	0.0	-1.1	-1.1
Shareholders contribution	0.0	14.0	14.0	240.5	256.7
Transaction costs related to share issue	-2.6	0.0	-2.6	0.0	0.0
Purchase/disposals of treasury shares	-0.2	0.0	-0.2	0.0	0.0
Net cash flow from financing activities	**-7.5**	8.5	**-1.6**	385.3	397.1
Net cash flow from operating, investing and financing activities	118.8	-10.2	131.6	15.2	36.5
Cash and cash equivalents, beginning balance	50.9	26.7	38.1	1.6	1.6
Cash and cash equivalents, ending balance	**169.7**	16.5	**169.7**	16.8	38.1

Consolidated quarterly statement of cash flow

USDm	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Cash flow from operating activities					
Operating profit	71.4	20.5	16.3	10.9	4.0
Adjustments:					
Reversal of amortizations and depreciation	24.3	7.7	8.0	8.3	8.2
Reversal of other non-cash movements	-0.2	0.0	0.0	0.0	0.0
Interest received and exchange rate gains	0.3	0.0	0.0	0.0	0.0
Interest paid and exchange rate losses	-2.9	-1.3	-1.3	-1.5	-1.9
Income taxes paid/repaid	0.2	0.0	0.0	0.0	0.0
Change in bunkers, accounts receivables and payables	-12.8	0.4	6.7	6.2	-8.5
Net cash flow from operating activities	80.3	27.3	29.7	23.9	1.8
Cash flow from investing activities					
Investment in tangible fixed assets	-31.5	-9.2	-40.9	-14.4	-20.5
Cash from business combination	77.5	0.0	0.0	0.0	0.0
Net cash flow from investing activities	**46.0**	-9.2	-40.9	-14.4	-20.5
Cash flow from financing activities					
Borrowing, mortgage debt	0.0	0.0	0.0	0.0	0.0
Repayment/redemption, mortgage debt	-4.7	-4.0	-4.1	-4.1	-4.4
Dividend paid	0.0	0.0	0.0	0.0	-1.1
Shareholders contribution	0.0	0.0	14.0	16.2	14.0
Transaction costs related to share issue	-2.6	0.0	0.0	0.0	0.0
Purchase/disposals of treasury shares	-0.2	0.0	0.0	0.0	0.0
Net cash flow from financing activities	**-7.5**	-4.0	9.9	12.1	8.5
Net cash flow from operating, investing and financing activities	118.8	14.1	-1.3	21.6	-10.2
Cash and cash equivalents, beginning balance	50.9	36.8	38.1	16.5	26.7
Cash and cash equivalents, ending balance	**169.7**	50.9	36.8	38.1	16.5

Notes

Note 1 – Business combinations during the year

TORM's Restructuring was completed on 13 July 2015 and included inter alia a contribution by OCM Njord Holdings S.à r.l. ("Njord Luxco") of Njord to TORM in exchange for a controlling interest in TORM.

Following the implementation of the Restructuring, Njord Luxco, holding 61.99% of the voting rights in TORM (excluding the voting rights attached to the C Share), and its subsidiaries, including Njord and Njord's subsidiaries (the "Combined Group"), has the ability to use its control (majority of voting rights). Thereby Njord Luxco controls the Combined Group in accordance with IFRS 10 "Consolidated financial statements". Accordingly, the contribution of Njord by Njord Luxco in exchange for a controlling interest in TORM has been accounted for as a reverse acquisition in accordance with IFRS 3, "Business Combinations", which means that for financial reporting purposes, Njord is considered the accounting acquirer and the continuing reporting entity. Consequently, the consolidated financial statements of TORM following the Restructuring is a continuation of the financial statements of Njord as the continuing entity, despite TORM being the legal acquirer and the continuing publicly listed company.

Njord's purchase price for a controlling interest in TORM is calculated as the fair value of the interest in Njord that TORM's existing shareholders and warrant holders would have received, had the business combination of TORM and Njord not been a reverse acquisition. The value is based on the value agreed between TORM, Njord Luxco and certain of TORM's pre-Restructuring shareholders and lenders for the purposes of determining the ownership interest in TORM obtained by Njord Luxco in exchange for the contribution of Njord.

The following table summarizes the allocation of the purchase price to TORM's assets and liabilities as of the acquisition date:

USDm	**Preliminary purchase price allocation at the date of acquisition at fair value**
Tangible fixed assets	859.9
Investment in joint ventures	0.3
Bunkers	27.8
Freight receivables	53.4
Other receivables	6.6
Prepayments	10.6
Cash and cash equivalents	77.5
Deferred tax liability	-45.1
Mortgage debt and bank loans	-560.7
Finance lease liabilities	-13.5
Trade payables	-27.3
Current tax liabilities	-1.4
Other liabilities	-29.7
Time charter contracts	-1.6
Deferred income	-0.4
Net assets acquired	356.4
Goodwill	11.4
Consideration (purchase price)	367.8

Note: The preliminary purchase price allocation is expected to be finalized in connection with the preparation of the annual report for 2015. If the sum of the acquired net assets is increased, goodwill will be reduced correspondingly.

Goodwill that arose in the combination relates to the benefit of expected synergies from combining operations of the acquiree and the acquirer. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

The freight and other receivables acquired with a total fair value of USD 60.0m had a gross contractual amount of USD 61.9m. The best estimate at acquisition date of the contractual cash flows not to be collected is USD 1.9m.

No acquisition-related cost has been incurred.

Since the acquisition date revenue of USD 204.6m and profit for the period of USD 61.5m are included in the consolidated income statement.

Had the business combination been effected at 1 January 2015, the revenue of the Group would have been USD 668.7m and the profit for the period would have been USD 168.5m. It is management's assessment that these pro forma figures reflects the level of earnings for the group after the acquisition and that the figures constitute a basis for comparison in subsequent financial years.

The preparation the pro forma figures for revenue and profit for the year is based on actual earnings for the period and the fair values used in the pre-acquisition balance sheet and the effect hereof on earnings, including depreciations on tangible fixed assets.

Note 2 - Vessels and capitalized dry-docking

USDm	**30 September 2015**	30 September 2014	31 December 2014
Cost:			
Balance at 1 January	530.0	186.7	186.8
Additions	21.9	343.0	343.3
Disposals	-15.0	0.0	0.0
Additions through business combinations	857.5	0.0	0.0
Transferred to assets held-for-sale	-18.0	0.0	0.0
Balance	1,376.4	529.7	530.1
Depreciation and impairments:			
Balance at 1 January	27.8	3.1	3.1
Disposals	-15.0	0.0	0.0
Depreciation for the year	39.7	16.5	24.8
Transferred to assets held-for-sale	-0.3	0.0	0.0
Balance	52.2	19.6	27.9
Carrying amount	1,324.2	510.1	502.2

No impairment indicators have been identified as of 30 September 2015 and 30 September 2014.

Note 3 – Prepayments on vessels

USDm	**30 September 2015**	30 September 2014	31 December 2014
Cost:			
Balance at 1 January	34.7	0.0	0.0
Additions	63.2	20.5	34.7
Transferred to/from other items	0.0	0.0	0.0
Balance	97.9	20.5	34.7
Carrying amount	97.9	20.5	34.7

Note 4 - Mortgage debt and bank loans

USDm	**30 September 2015**	30 September 2014	31 December 2014
Mortgage debt and bank loans			
To be repaid as follows:			
Falling due within one year	16.2	16.2	16.2
Falling due between one and two years	16.2	16.2	16.2
Falling due between two and three years	69.6	16.2	16.2
Falling due between three and four years	135.2	15.8	15.4
Falling due between four and five years	53.7	81.5	77.9
Falling due after five years	399.5	0.0	0.0
Total	690.4	145.9	141.9

Acquired mortgage debt and bank loans of USD 560.7m arising from TORM's Restructuring are included above.

The presented amounts to be repaid do not include directly related costs arising from the issuing of the loans of USD 0.8m (30 September 2014: 0.3m), which are amortized over the term of the loans.

As at 30 September 2015, TORM was in compliance with the financial covenants. TORM expects to remain in compliance with the financial covenants in 2015.

The Table below summarized the financing agreements

Facility	**Maturity**	**Outstanding debt**	**Interest**
New Term facility	13 July 2021	560.7	Floating
Danish Ship Finance facility	15 June 2019	129.7	Floating
Working capital facility (USD 75m)	13 July 2021	0.0	Floating

The facilities bear interest at LIBOR plus margin

Note 5 – Segment information

USDm	Q1-Q3 2015 Tanker Segment	Q1-Q3 2015 Bulk Segment	Q1-Q3 2015 Not allocated	Q1-Q3 2015 Total	Q1-Q3 2014 Tanker Segment	Q1-Q3 2014 Bulk Segment	Q1-Q3 2014 Not allocated	Q1-Q3 2014 **Total**
Revenue	353.0	1.2	0.0	354.2	115.3	0.0	0.0	115.3
Port expenses, bunkers and commissions	-112.0	-0.6	0.0	-112.6	-55.8	0.0	0.0	-55.8
Time charter equivalent earnings	241.0	0.6	0.0	**241.6**	59.5	0.0	0.0	**59.5**
Charter hire	-5.4	-0.7	0.0	-6.1	0.0	0.0	0.0	0.0
Operating expenses	-71.9	-0.6	0.0	-72.5	-34.2	0.0	0.0	-34.2
Gross profit (Net earnings from shipping activities)	163.7	-0.7	0.0	**163.0**	25.3	0.0	0.0	**25.3**
Administrative expenses			-8.5	-8.5			-0.9	-0.9
Other operating expenses			-6.3	-6.3			-2.7	-2.7
EBITDA			-14.8	**148.2**			-7.3	**21.7**
Amortizations and depreciation			-40.0	-40.0			-16.5	-16.5
Operating profit (EBIT)			-54.8	**108.2**			-23.8	**5.2**
Financial income			0.4	0.4			0.0	0.0
Financial expenses			-9.1	-9.1			-2.0	-2.0
Profit before tax			-63.5	**99.5**			-25.8	**3.2**
Tax			-0.2	-0.2			0.0	0.0
Net profit for the period			**-63.7**	**99.3**			**-25.8**	**3.2**

USDm	Q3 2015 Tanker Segment	Q3 2015 Bulk Segment	Q3 2015 Not allocated	Q3 2015 Total	Q3 2014 Tanker Segment	Q3 2014 Bulk Segment	Q3 2014 Not allocated	Q3 2014 **Total**
Revenue	214.3	1.2	0.0	215.5	57.9	0.0	0.0	57.9
Port expenses, bunkers and commissions	-65.1	-0.6	0.0	-65.7	-26.7	0.0	0.0	-26.7
Time charter equivalent earnings	149.2	0.6	0.0	**149.8**	31.2	0.0	0.0	**31.2**
Charter hire	-5.4	-0.7	0.0	-6.1	0.0	0.0	0.0	0.0
Operating expenses	-39.4	-0.6	0.0	-40.0	-18.4	0.0	0.0	-18.4
Gross profit (Net earnings from shipping activities)	104.4	-0.7	0.0	**103.7**	12.8	0.0	0.0	**12.8**
Administrative expenses			-8.2	-8.2			-0.2	-0.2
Other operating expenses			0.2	0.2			-0.4	-0.4
EBITDA			-8.0	**95.7**			-0.6	**12.2**
Amortizations and depreciation			-24.3	-24.3			-8.2	-8.2
Operating profit (EBIT)			-32.3	**71.4**			-8.8	**4.0**
Financial income			0.1	0.1			0.0	0.0
Financial expenses			-6.5	-6.5			-1.3	-1.3
Profit before tax			-38.7	**65.0**			-10.1	**2.7**
Tax			-0.2	-0.2			0.0	0.0
Net profit for the period			**-38.9**	**64.8**			**-10.1**	**2.7**

During the year, there have been no transactions between the Tanker Division and the Bulk Division, and therefore all revenue derives from external customers.

Note 6 – Post-balance sheet date events

During the third quarter of 2015, TORM sold its two bulk vessels. Bothe have been delivered to the new owners during fourth quarter and in addition, TORM has redelivered the remaining chartered-in bulk vessel thereby fully exited all bulk activities.

Note 7 - Accounting policies

The interim report for the period 1 January – 30 September 2015 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. The interim report has been prepared using the accounting policies as for the Annual Report for 2014 for TORM including IFRS standards endorsed by the EU effective for accounting periods beginning after 1 January 2015. Njord's accounting policies have been similar to TORM's accounting policies, and therefore, a reference to the Annual Report for TORM is deemed appropriate. New standards have not had any material effect on the interim report. The accounting policies are described in more detail in the Annual Report for 2014 for TORM. The interim report for the first nine months of 2015 is unaudited, in line with the normal practice.