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 [x]   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): [ ].

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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.

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

Exhibit 99.1

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.

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

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.

Contact TORM A/S

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Key figures

Million USD		Q1 2011		Q1 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 calcul

**) 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			
	Tanker Division	Bulk Division	Not allocated	Total
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".

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

	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.

Tanker Division	Q1 10	Q2 10	Q3 10	Q4 10	Q1 11	Change Q1 10 - Q1 11	12 month avg.
LR2 (Aframax, 90-110,000 DWT)							