



**NASDAQ: TORM  
SOUTHWESTERN SHOWCASE 2007**



## Forward-Looking Statement

*Certain portions of this presentation contain forward-looking statements about the business, financial condition and prospects of the Company. The actual results of the Company could differ materially from those indicated by the forward-looking statements because of various risks and uncertainties including, without limitation, changes in demand for the Company's products, changes in competition, economic conditions, fluctuations in market price for TiO<sub>2</sub> pigments, changes in foreign currency exchange rates, increases in the price of energy and raw materials, such as ilmenite, interest rate fluctuations, changes in the capital markets, changes in tax and other laws and governmental rules and regulations applicable to the Company's business, and other risks indicated in the Company's filings with the Securities and Exchange Commission. These risks and uncertainties are beyond the ability of the Company to control, and, in many cases, the Company cannot predict all of the risks and uncertainties that could cause its actual results to differ materially from those indicated by the forward-looking statements. The Company assumes no obligation to provide revisions to any forward-looking statements should circumstances change, except as otherwise required by securities and other applicable laws. When used in this presentation, the words "believes," "estimates," "plans," "expects," "anticipates" and similar expressions as they relate to the Company or its management are intended to identify forward-looking statements.*



# Background

- **35** year operating history
- Focus on **high performance** industrial minerals primarily used as functional fillers in, catalysts, paints, plastics, and paper applications.
- Headquartered in **Corpus Christi, Texas**
- **Global presence** with manufacturing operations on three Continents (**Corpus Christi, Texas; Hattem, Netherlands; and Ipoh, Malaysia**)
- TTM Q307 Revenue: \$27.3 million
- TTM Q307 EPS : (\$0.00) per share
- Tangible Book Value/Share \$3.08
- Diluted Shares Outstanding: 7.8 million



# Investment Considerations

- TORM serves specialty **high performance** minerals markets that collectively present an opportunity to grow from approximately **\$30 million** to **\$70 million+** in annual sales in next 3 to 5 years.
- Major product lines produce gross margins of **25% to 40%** at capacity (Current Capacity approximately 40%/ TTM Gross Margin 19.3% for 9 mos ended Sep 2007)
- Growth focuses on business that brings greater than **30% margin**
- These specialty mineral markets fly under the radar screen of its larger competitors
- Earnings growth should outpace revenue due to shift toward specialty products and operating leverage

# Management Team

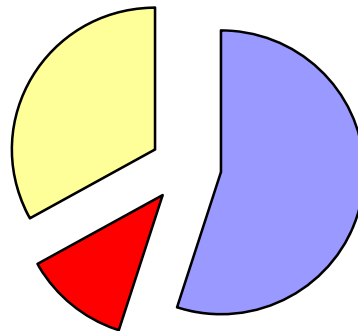
- **Dr. Olaf Karasch, CEO** - Ph.D. in Mineralogy; More than 25 years' experience in the industrial mineral business with process and application development expertise
- **Steve Parker, CFO** – Over 25 years' experience in international financial management. Prior to joining TOR in Jan 2007, held senior financial management positions at large multinational chemical and manufacturing businesses. CPA, MBA
- **Mark Schomp, EVP Sales and Marketing** – More than 20 years of experience in Sales Management experience in pigments, plastics and paint and coatings applications. Chemical engineer.
- **Hee Chew Lee, VP of Asian Operations** – Over 25 years' experience in operations management. Chemical Engineer. Joined TORM in 1995.
- **Vijayan Ramasamy, Director U.S. Operations** – Over 10 years' manufacturing experience. Served in current role since 2005 and held various management roles in Malaysian operation for the prior 6 years. Mechanical Engineer.
- Director/Owners own over 37% of the outstanding shares.



# What We Do Today

Produce specialty minerals for use as pigment additives and fillers in Paints, Industrial Coatings  
Plastics and Catalysts

Specialty Aluminas  
33%



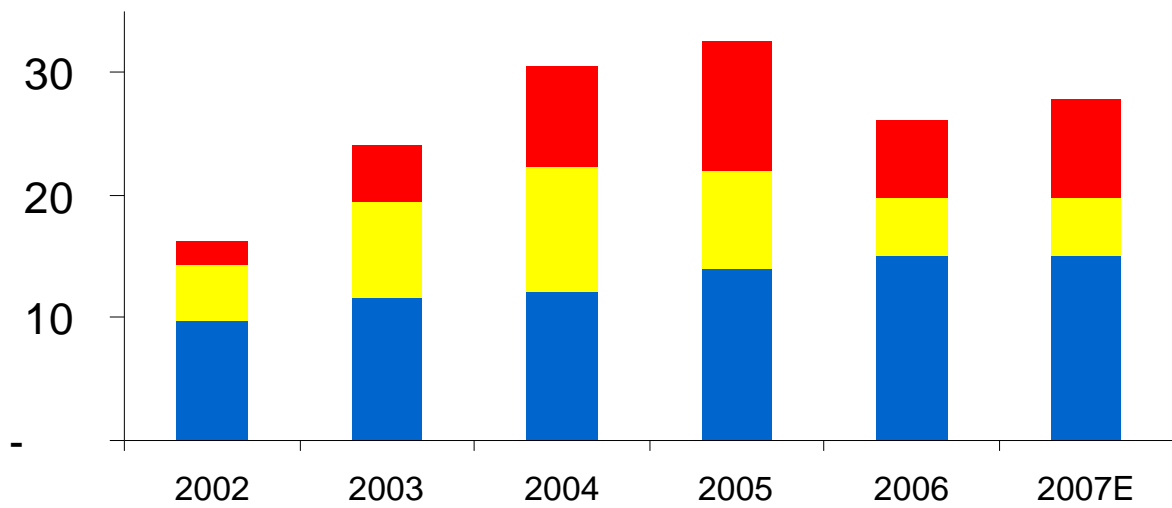
HITOX<sup>®</sup>/ Pigments  
55%

Specialty Minerals  
12%



# Historical Revenue Trends

■ HITOX ■ Other ■ Specialty Aluminas



**5-year CAGR\***  
**Specialty Alumina– 34%**  
**Hitox – 9%**  
**Total Revenue– 14%**

CAGR\* - Compound Annual Growth Rate is a non-GAAP measure. For purposes of this chart the metric was calculated for years 2002 to 2007



# HITOX<sup>®</sup> TiO<sub>2</sub>

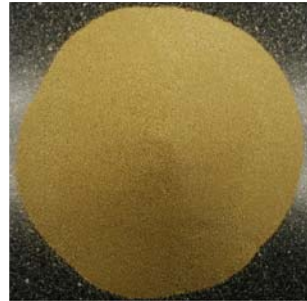


55% of Revenue

Ilmenite: FeTiO<sub>3</sub>



Synthetic Rutile:  
95% TiO<sub>2</sub>

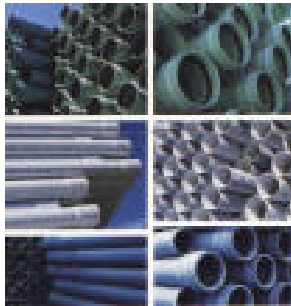


HITOX<sup>®</sup>  
95% TiO<sub>2</sub>



End Products

PVC Pipe



Paint



Plastics



Color Concentrates





# HITOX<sup>®</sup> TiO<sub>2</sub>

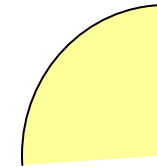


55% of  
Revenue

- HITOX<sup>®</sup> – A tan colored titanium dioxide that gives opacity (hiding power) to end-products such as paints, coatings, plastics, paper, etc.
- Used in colored products, indoor and primer applications, comparable performance characteristics to white TiO<sub>2</sub>
- Tan color allows reduction of expensive tinting pigments
- Priced 20-25% below commodity price of white TiO<sub>2</sub>
- Gross margins 25-40%



# Specialty Aluminas



1/3 of Revenue

Bauxite Ore



Alumina



Aluminum



Aluprem



Industry Catalysts



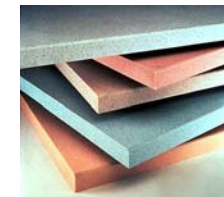
Electrical Insulators



Coatings Market

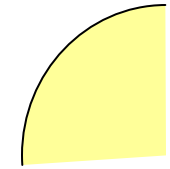


Cast Polymers





# Specialty Aluminas



1/3 of  
Revenue

- Tailor-made products for specific applications
- Strong customer relationships
- Focus on what the customer needs, technical solution including product developments + customer service
- Niche products have strong value proposition for customers
- Improve performance of end products
- Gross margins 25-40%

# Key Strategic Initiatives

- **Drive top line growth**
  - Introduce colored pigments, specialty aluminas and other high performance minerals
  - R&D of synthetically functional fillers and pigments
- **Expand marketing & sales worldwide**
  - Partner directly with large multinational companies
- **Improve the efficiency of operations / technical leadership**
  - Utilize full capacity all 3 business units worldwide
  - Build strong synergy in between the business units
- **Promoting the human capital of the company**
  - Steady training and upgrading of the human workforces



# Drive Top Line Growth

## Introduce New Products

- **TioPrem color pigments**
  - Brand new developed high value-added products to expand TOR's addressable market
    - **Heat Stability**
    - **UV Stability**
    - **Improved Gloss and opacity**
    - **Excellent color strength**
  - Expands addressable market size from approximately 10,000 tons to 30,000 tons annually
  - \$45 million annual sales opportunity versus approximately \$15 million currently
  - New applications include, plastics, top coat paints, and papers.



# **Drive Top Line Growth**

## **Introduce New Products**

- **Expand markets for value-added specialty alumina products**
  - Cast polymers
  - Plastic molding compounds
  - Chemical catalysts
  - Automotive primers
  - Pigments
- Products serve multiple end markets presenting a \$25 million annual sales opportunity for TOR



# Efficiencies and Operating Leverage

- New manufacturing processes
- Think global / act local
  - Manage global logistics
  - Apply technologies across product lines/ geographies
  - Exploit cost advantages in each geography
- Drive Utilization
  - Alumina at approximately 40% of capacity
  - Colored pigments at approximately 40% of capacity
  - SR plant - \$1,200,000 in unabsorbed fixed costs



# Targeted Operating Results

	9 Mos Ended Sep 30, 2006	9 Mos Ended Sep 30, 2007	Opportunities
Pigment Revenue	\$12.1 million	\$11.6 million	\$45.0 million annually
Alumina Revenue	\$5.0 million	\$6.8 million	\$25.0 million annually
Total Revenue	\$20.7 million	\$22.0 million	Target - 18% annual growth
Gross Margin*	20.9%	19.3%	Target - 25%-30%
Operating Expenses*	16.5%	15.7%	Target - 12%-15%
Operating Margin*	4.4%	3.6%	Target - 12%-15%

\* As a percentage of total revenue



# Balance Sheet

	FY 2006	3Q07	Details
Cash	895	739	
Accounts Receivable	3,593	4,793	
Days Sales Outstanding	62 days	56 days	Target - 55 to 60 days
Inventory	10,949	11,168	
Turns	2.4x	2.6x	Target - 3.0 to 3.5 turns per year
Revolving Line of Credit	3,525	3,875	\$5 million revolving line of Credit
Long-Term Debt	4,945	5,475	
Long-Term Debt to Equity	19.9%	20.9%	Target - 20% to 25%
Book Value Per Share	\$3.17	\$3.35	



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