

RICKMERS MARITIME

Annual General Meeting 2014

15 April 2014

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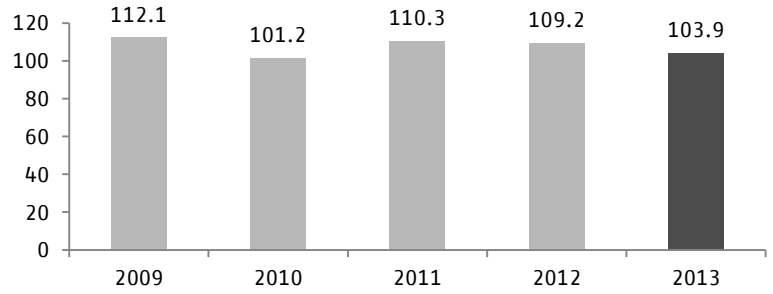
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2013 Key Highlights

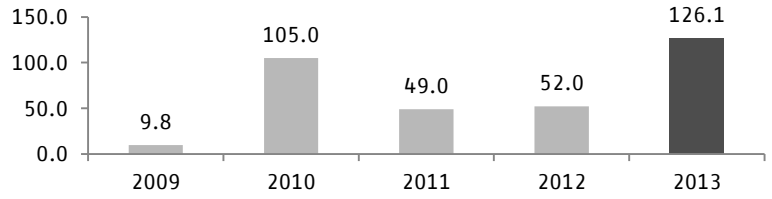
Rickmers Maritime showed a credible set of results for FY2013:

Operating Cash Flow (US$ million)



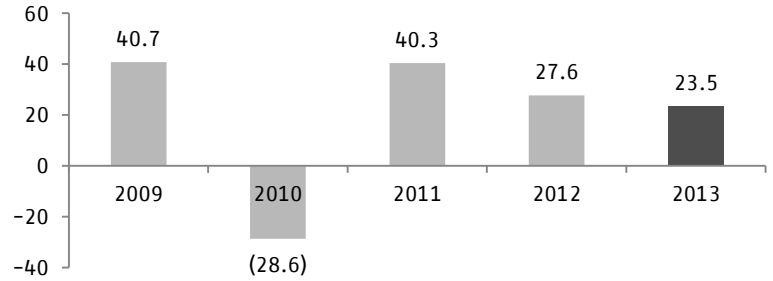
Stable cash flows from operating activities of US$103.9 million

Loan Repayment (US$ million)



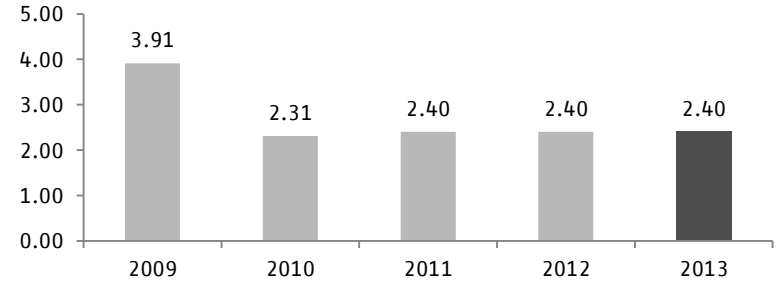
Repaid US$126.1 million of secured bank loans in 2013, with US$78.5 million of the repayment from the successful Rights Issue in May 2013

Net Profit / (Loss) (US$ million)



Net profit of US$23.5 million, affected by a US$20.8 million non-cash impairment charge

Distribution per Unit (US cents)



Distribution remained steady at US$0.006 per unit for every quarter

2013 Corporate Initiatives

Rickmers Maritime's corporate initiatives in 2013:

- Rights Issue in May 2013 was 1.5 times oversubscribed, demonstrating the support that the Trust enjoys from its stakeholders
  - Net proceeds of US$78.5 million from the Rights Issue was fully utilised for bank loan repayments with an extension of the VTL waiver until 29 December 2014
- Established a S$300,000,000 Multicurrency Medium Term Note Programme for an alternative source of funding for corporate uses and growth opportunities

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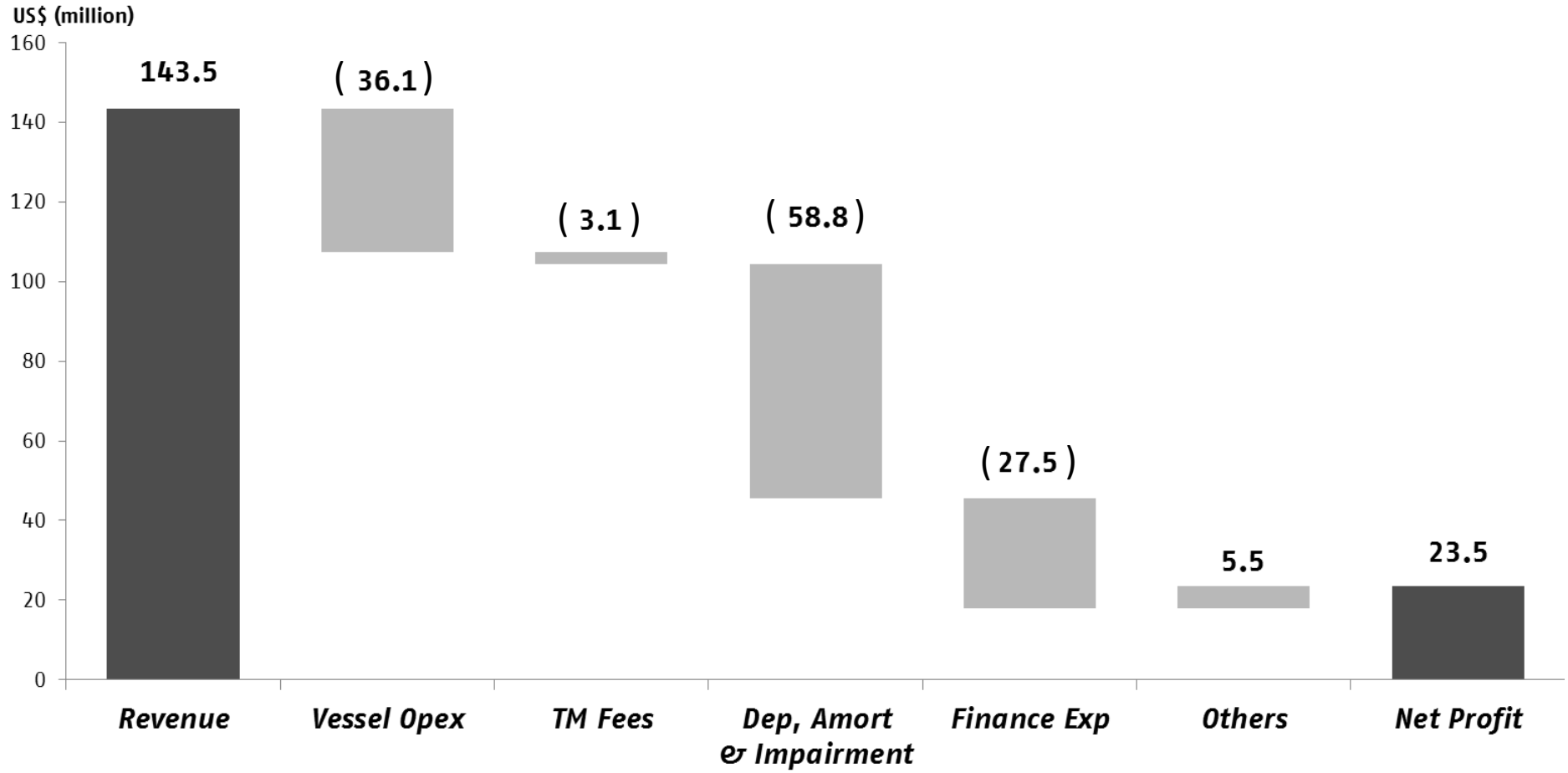
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2013 Profit and Loss Movement



Income Statement

In US$'000	FY2009	FY2010	FY2011	FY2012	FY2013
Revenue	**146,280**	**147,014**	**149,466**	**144,294**	**143,490**
Other income	15,948	8,954	6,406	6,807	6,393
Other gains/(losses) – net	18	85	73	(62)	259
Depreciation and impairment	(44,337)	(29,901)	(39,115)	(44,252)	(58,301)
Amortisation of favourable charter contracts	(512)	(512)	(511)	(512)	(520)
Vessel operating expenses	(29,510)	(31,724)	(33,048)	(35,412)	(36,083)
Trustee-Manager fee	(2,917)	(2,955)	(3,035)	(3,070)	(3,145)
Other trust expenses	(2,641)	322	(655)	(619)	(620)
Transaction fees	–	(1,408)	–	–	(503)
Compensation expense	–	(64,000)	–	–	–
Finance expenses	(41,588)	(54,428)	(39,251)	(39,555)	(27,490)
Profit/(loss) before income tax	**40,741**	**(28,553)**	**40,330**	**27,619**	**23,480**
Income tax (expense) / credit	–	–	(4)	4	–
Net profit/(loss) after tax	**40,741**	**(28,553)**	**40,326**	**27,623**	**23,480**
Net profit/(loss) margin	**28%**	**(19%)**	**27%**	**19%**	**16%**

Balance Sheet Highlights

In US$'000	As at 31 December				
	2009	2010	2011	2012	2013
Assets					
Cash and cash equivalents	110,724	49,101	55,321	57,168	61,565
Net book value of vessels	1,097,503	1,068,336	1,035,763	997,178	960,392
Other current and non-current assets	56,368	53,172	49,071	45,651	26,725
Total assets	**1,264,595**	**1,170,609**	**1,140,155**	**1,099,997**	**1,048,682**
Liabilities					
Secured bank loans	773,753	669,351	620,133	568,402	442,590
Derivative financial instruments	53,308	64,598	55,157	34,896	16,904
Convertible loan	-	48,808	49,198	49,595	50,522
Other current and non-current liabilities	42,957	35,828	28,137	23,752	16,093
Total liabilities	**870,018**	**818,585**	**752,625**	**676,645**	**526,109**
Total unitholders' funds	**394,577**	**352,024**	**387,530**	**423,352**	**522,573**
Net asset value / Unit (US$)*	**0.93**	**0.83**	**0.91**	**1.00**	**0.62**

* Based on total issued units of 847,350,000 as at 31 December 2013 and 423,675,000 as at 31 December 2009-2012

Outstanding Bank Loans

As at 31 December 2013

Loan Facility	Margin above 3-month US$ LIBOR	Year of Maturity	Face Value *US$' million*	Carrying Amount *US$'million*	VTL Requirement in Loan Facility	Security
IPO Facility	1.75%	2017	270.4	270.1	110%	Secured against the initial 10 vessels in the IPO Fleet. VTL covenant for the IPO Facility is 125% if more than half of the vessels secured against the IPO Facility have charters of less than one year.
First Facility	1.75%	2019	146.1	145.3	110%	Secured against the five Mitsui vessels.
Second Facility	1.75%	2021	27.3	27.2	110%	Secured against the vessel Hanjin Newport.
		TOTAL	**443.8** ^	**442.6**		

^ Before the deduction of amortised debt transaction costs of US$1.2 million

The Group has successfully obtained an extension of the waiver on the value-to-loan covenants for all loan facilities to 29 December 2014

Bank Loans Repayment Profile

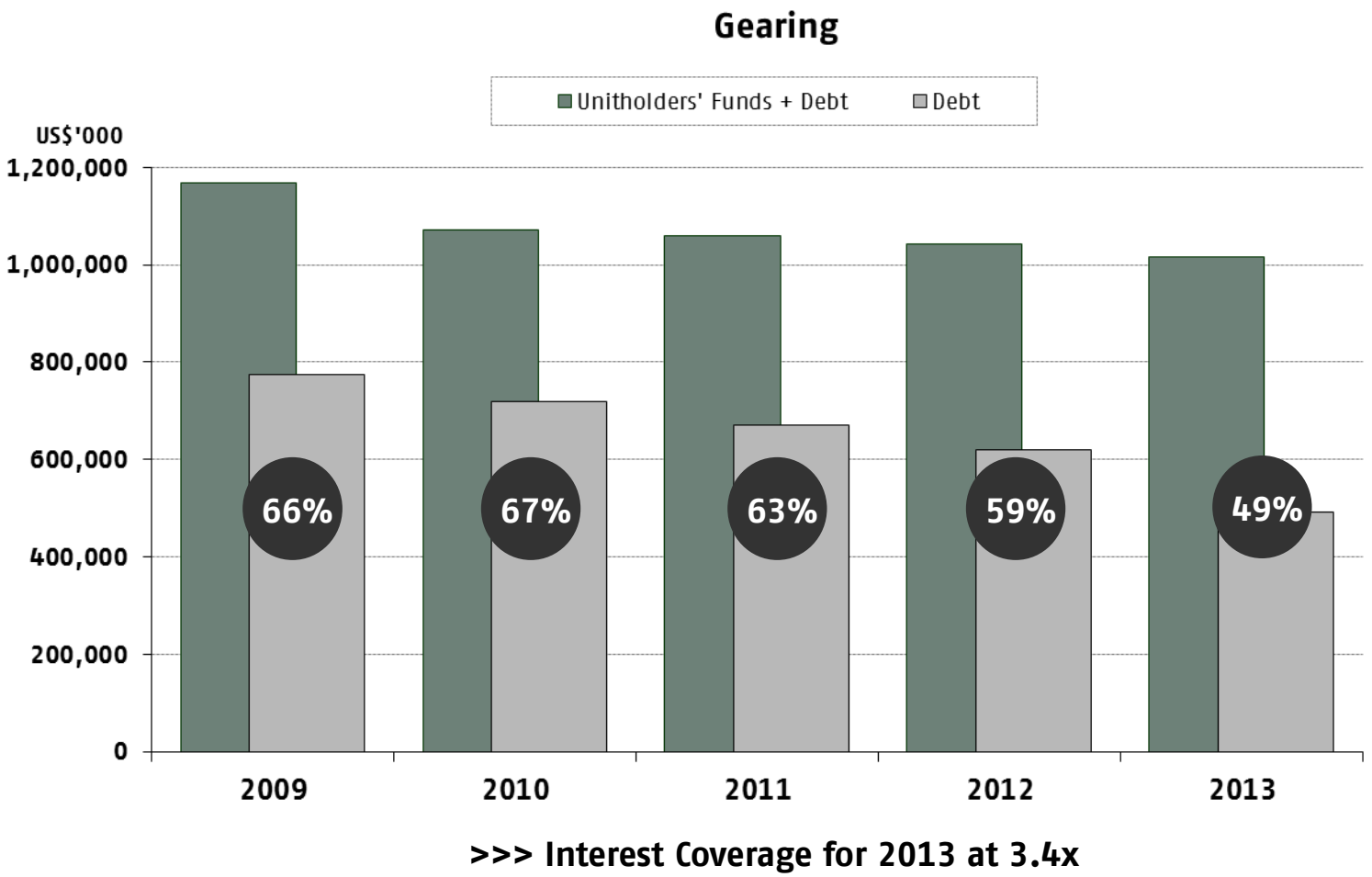
	Actual	Estimated			
Repayment (in US$ million)	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017 – 2021**
Bank loan repayments	117.5	48.3	46.7	46.7	302.1
Excess cash repayments	8.6	**Depends on Excess Cash Generated**	-	-	-
Total	**126.1**	**48.3**	**46.7**	**46.7**	**302.1**

Excludes repayment of Convertible Loan

US$443.8 million

- **Total bank debt repaid in FY2013: US$126.1 million, of which US$78.5 million was from the Rights Issue proceeds**
- **Total bank debt remaining: US$443.8 million (as at 31 December 2013)**

Gearing



>>> Interest Coverage for 2013 at 3.4x

$$Gearing\ Ratio = \frac{(External\ Bank\ Loans + Convertible\ Loan)}{(Total\ Unitholders'Funds + External\ Bank\ Loans + Convertible\ Loan)}$$

Successful Rights Issue

Gross proceeds	US$80.65 million

As at 31 December 2013:

Less: Year-to-date expenses relating to Rights Issue	US$(2.18 million)
Net proceeds	**US$78.47 million**
Use of net proceeds – repayment of bank loans	**US$78.47 million**

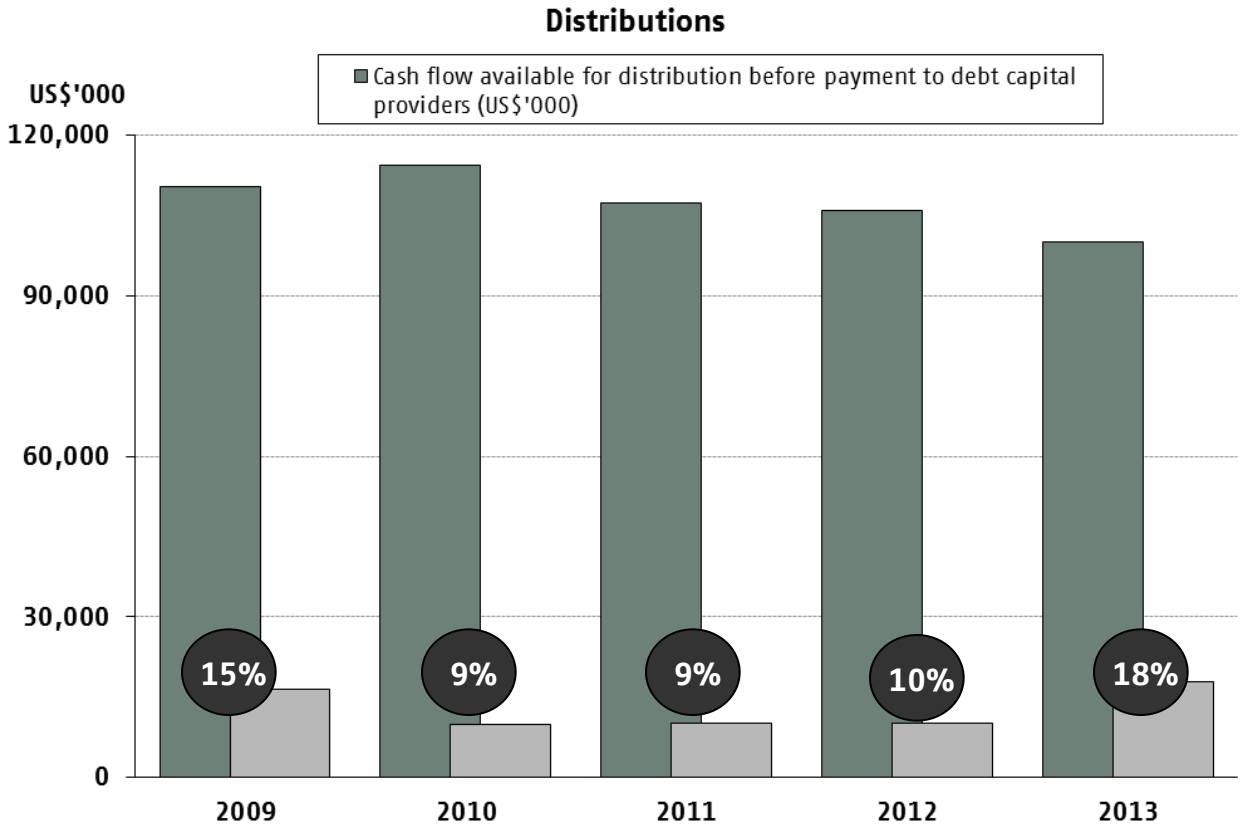
- The above utilisation is in line with the intended use of the net proceeds stated in the Offer Information Statement.
- Net proceeds have been fully utilised for bank repayment.

Cash Flow available for Distribution

In US$'000	FY2009	FY2010	FY2011	FY2012	FY2013
Profit/(Loss) after tax	**40,741**	**(28,553)**	**40,326**	**27,623**	**23,480**
Add/(less):					
Non-cash adjustments and others	36,379	78,566	30,544	38,058	49,399
Interest expense - net	34,267	42,169	42,636	40,525	29,274
EBITDA	**111,387**	**92,182**	**113,506**	**106,206**	**102,153**
Non-recurring expenses	441	21,765	0	0	2,303
Adjusted EBITDA	**111,828**	**113,947**	**113,506**	**106,206**	**104,456**
Add/(less):					
Movement in working capital	738	2,384	(2,500)	2,873	(1,378)
Dry-dock reserve	(2,205)	(2,033)	(3,755)	(3,058)	(2,958)
Cash flow available for distribution before payment to debt capital providers	**110,361**	**114,298**	**107,251**	**106,021**	**100,120**
Net proceeds from rights issue	**0**	**0**	**0**	**0**	**78,466**
Payment to debt capital providers	**(43,050)**	**(164,368)**	**(92,268)**	**(93,785)**	**(158,804)**
Repayment of bank loans	(9,804)	(104,999)	(49,037)	(52,003)	(126,084)
Interest paid - bank loans, int. rate swaps and conv. loan	(33,246)	(41,691)	(42,338)	(40,889)	(30,028)
Debt processing fee	0	0	0	0	(1,800)
Loan restructuring fees	0	(2,678)	(893)	(893)	(892)
Debt arrangement fees	0	0	0	0	0
Cash compensation fee	0	(15,000)	0	0	0
Cash flow available for distribution to unitholders	**67,311**	**(50,070)**	**14,983**	**12,236**	**19,782**
Amount to be distributed to unitholders	**16,566**	**9,787** ^	**10,168**	**10,168**	**17,794**

^ Distribution was partly funded from cash retained in prior periods

Distribution to Unitholders



Cash flow available for distribution before payment to debt capital providers (US$'000)	110,361	114,298	107,251	106,021	100,120
Distribution declared (US$'000)	16,566	9,787	10,168	10,168	17,794 *
DPU (US cents)	3.91	2.31	2.40	2.40	2.40
No. of units at end of year ('000)	423,675	423,675	423,675	423,675	847,350

* Consists of distribution of 0.6 US cents for total units of 423,675,000 for 1Q2013 and 0.6 US cents for total units of 847,350,000 for 2Q2013, 3Q2013 and 4Q2013

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Business Review

Fleet Utilisation

	FY2009	FY2010	FY2011	FY2012	FY2013
Number of Vessels	16	16	16	16	**16**
Vessel Ownership Days	5,662	5,840	5,840	5,856	**5,840**
Off-Hire Days*	7.9	6.9	5.6	67.0	**16.1**
Fleet Utilisation	99.9%	99.9%	99.9%	98.9%	**99.7%**

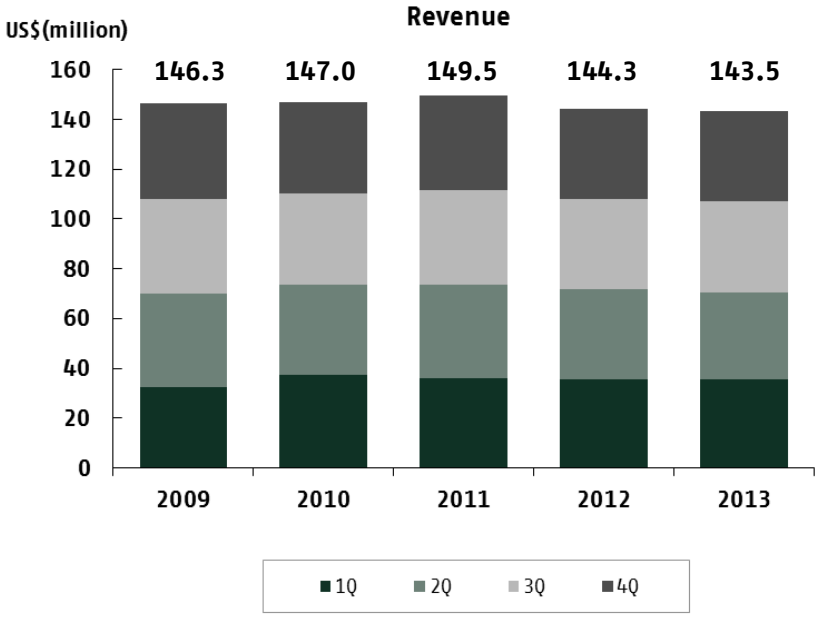
* Excluding positioning and scheduled dry-docking



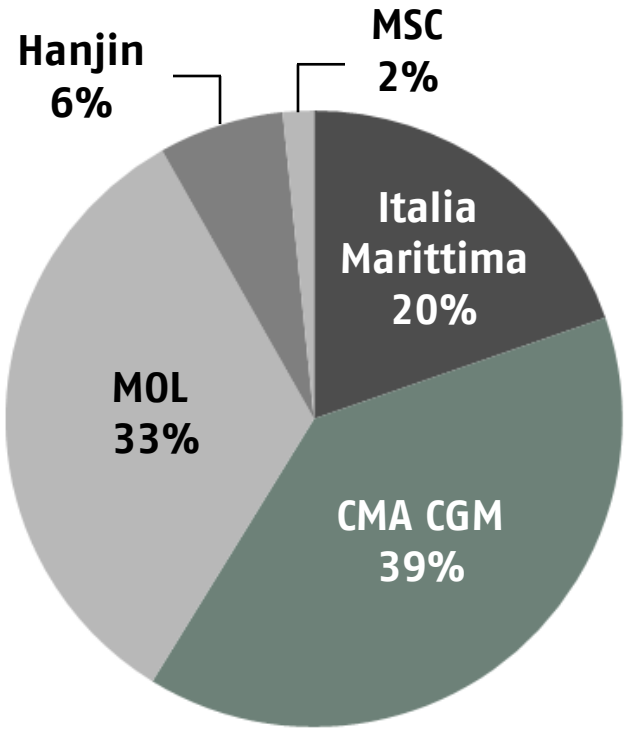



Steady Revenue and Diversified Portfolio of Charterers

Revenue performance over the last 5 years

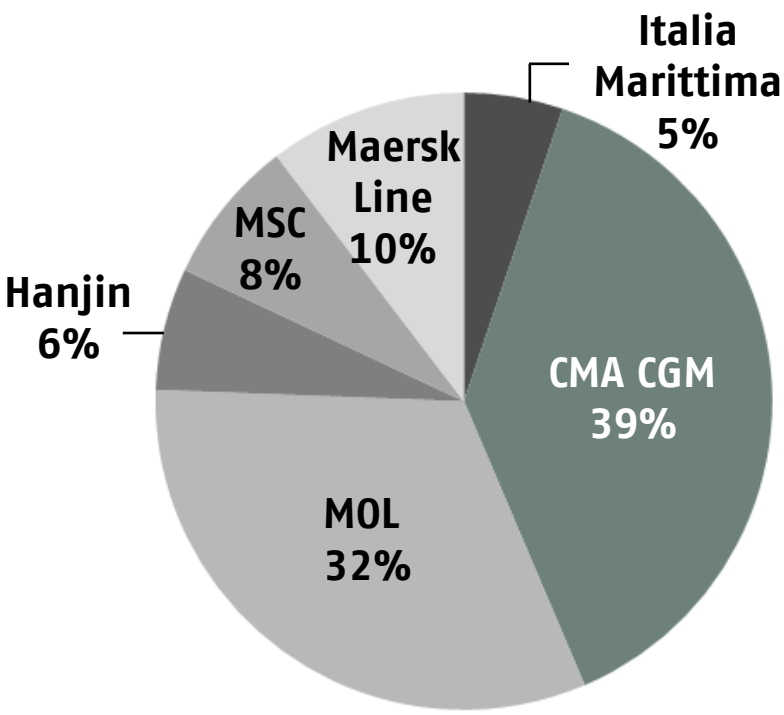


Contribution by Charterers in FY2013- US$143.49 million

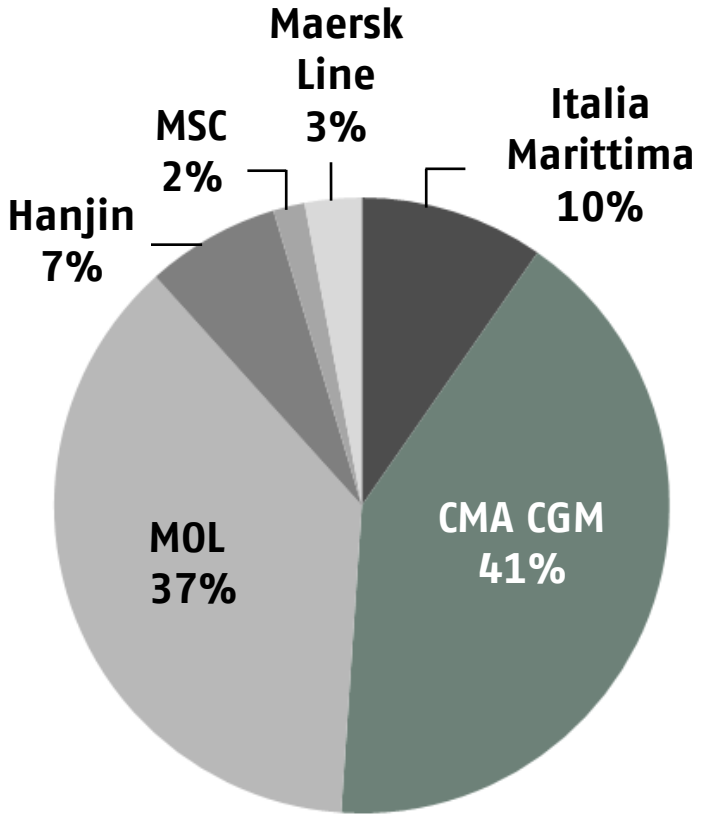


Steady Revenue and Diversified Portfolio of Charterers

Current Charterers by TEU



Secured Revenue in 2014 by Charterer



Remaining Time Charter Periods

Name	TEU	Charterparty	Charter Rate	Net Daily Charter Hire
				2014 2015 2016 2017 2018 2019
ANL Warringa	4,250	CMA CGM	US$25,000	
ANL Windarra	4,250	CMA CGM	US$25,000	
Kaethe C. Rickmers	5,060	MSC	US$6,175	
Ital Fiducia	3,450	Italia Marittima	US$25,870	
Henry Rickmers *	3,450	Maersk Line	US$6,968	
Richard Rickmers *	3,450	Maersk Line	US$6,948	
CMA CGM Azure	4,250	CMA CGM	US$25,000	
ANL Warrain	4,250	CMA CGM	US$25,000	
CMA CGM Jade	4,250	CMA CGM	US$27,000	
CMA CGM Onyx	4,250	CMA CGM	US$27,000	
Hanjin Newport	4,250	Hanjin	US$25,950	
MOL Dominance	4,250	MOL	US$26,850	
MOL Dedication	4,250	MOL	US$26,850	
MOL Delight	4,250	MOL	US$26,850	
MOL Destiny	4,250	MOL	US$26,850	
MOL Devotion	4,250	MOL	US$26,850	

Minimum Time Charter Period Expiration Period

*Index-linked charter rate adjusted every 6 months

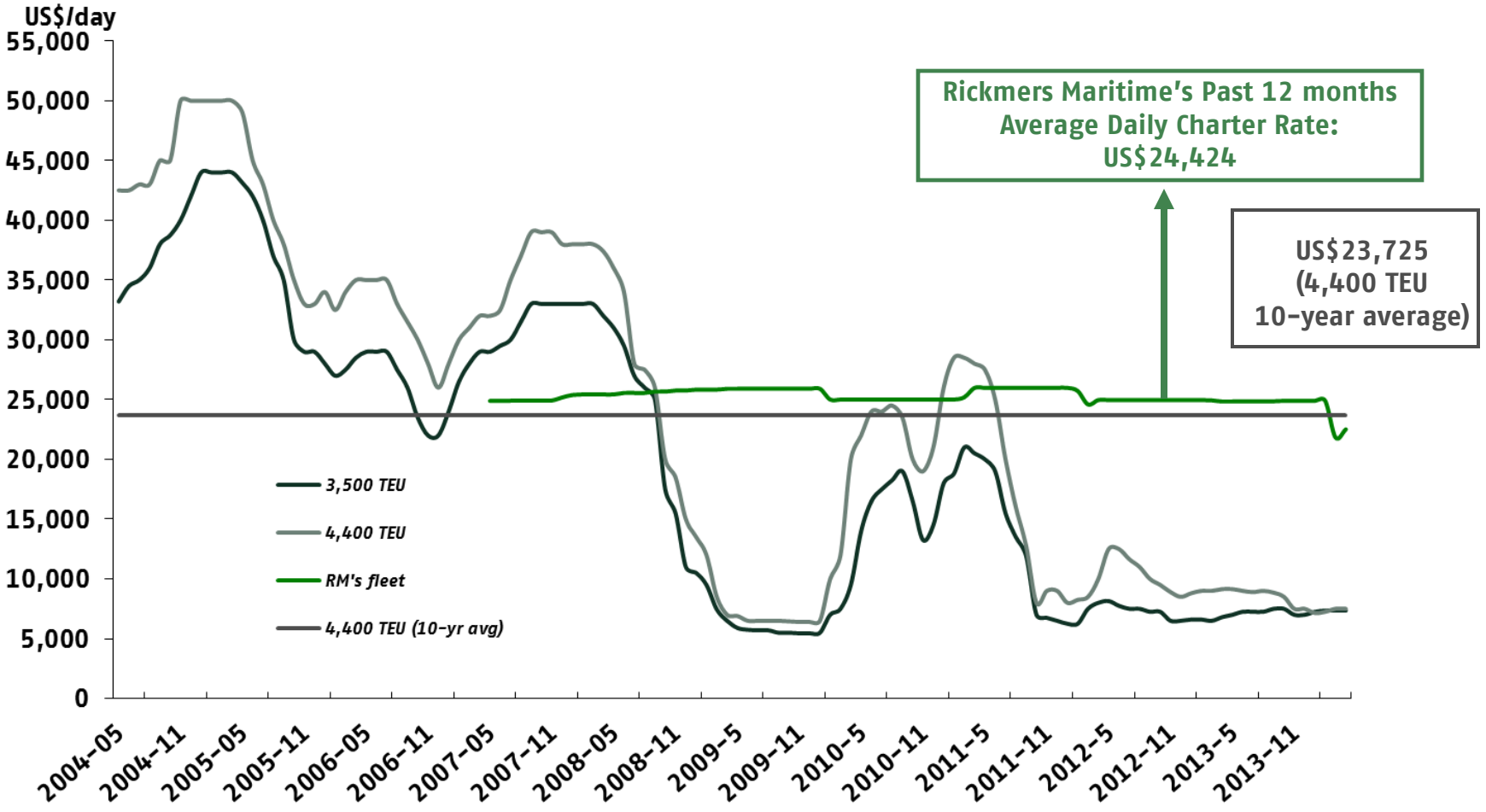
At 31 March 2014:

Average age of vessels: 6.5 years

Average remaining charter period: 2.2 years

Remaining committed revenue: US$311.3 million

Container Time Charter Market



Source: Clarkson Research Services

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Outlook – Industry

- In 2014, trade growth is expected to reach 6.0%* before accelerating slightly to 6.8%* in 2015. Growth in vessel capacity is expected to increase by 3.9%* over the year.
- However, trade growth is subject to risks from global economic developments. These downside risks remain due to uncertainty in the global economy.
- Significant number of large containerships in excess of 10,000 TEU are scheduled for delivery in 2014–15.
- Despite an increase in scrapping of existing ships and continued slow-steaming, demand is unlikely to absorb the prevailing over-supply in the short term.

* Source: Clarkson Research Services, March 2014

Outlook – Rickmers Maritime

- Henry Rickmers and Richard Rickmers have been chartered out to Maersk Line, the world's largest container shipping company.
- Kaethe C. Rickmers has been extended by MSC for an additional 9 months until March 2015 +/- 30 days at the current rate.
- Our fleet is 98% employed in 2014, with two ships coming open in Q42014
- Two ships scheduled for dry-docking in 2014.
- Revenue in 2014 will be lower than in 2013 as a result of the chartering of Henry Rickmers and Richard Rickmers at prevailing spot rates.
- As at 31 March 2014, we have US$311.3 million of secured revenue.
- Barring any unforeseen circumstances, we believe our existing leases will continue to generate ongoing positive cash flow for the Trust.

Outlook – Future-proofing of RM's fleet

- Together with a team of the world's leading naval architects, using cutting-edge technology, Rickmers Maritime has achieved great progress in identifying various means to improve the energy efficiency and thereby the competitiveness of our vessels

- Retrofitting of five vessels chartered to MOL to improve fuel efficiency by:
  - Replacing bulbous bow
  - Turbo charger disabling device
  - Applying high-performance paint
  - Introducing variable frequency pumps and fans

- These initiatives significantly increase efficiency and reduce the environmental impact of our vessels

- Implementing a new state-of-the-art main engine cylinder lubricator system for the entire fleet to reduce consumption of lubricant oil

Summary

- Steady 2013 results
- Continued deleveraging
- Successful Rights Issue enabled us to strengthen the balance sheet
- Distributed US$17.8 million to unitholders
- Fleet performance remained excellent with utilisation rate of 99.7%
- Strong relationships with the most reputable counterparties in shipping

Summary

- Secured revenue of US$311.3 million as at 31 March 2014

- The Trust continues to upgrade and improve the vessels to increase fuel efficiency, ensuring our ships remain relevant and competitive in the market
- Establishment of MTN Programme positions the Trust to take advantage of growth opportunities



RICKMERS MARITIME

Thank you

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