



For immediate release

RICKMERS MARITIME REPORTS

THIRD QUARTER AND NINE MONTH RESULTS

- Financial performance continues to be affected by depressed charter market: Lower revenue of US\$15.6 million and lower utilisation rate of 85.3% in 3Q2016
- Further impairment of US\$69.1 million recognised in 3Q2016
- Take practical measure to decommission five idling vessels to reduce operating expenses
- Secured revenue of US\$97.7 million to the expiry of the last charter contract in 2019
- Unitholders approved resolutions to issue 1.3 billion new units to Noteholders and if necessary, to wind-up the Trust in the event of an unsuccessful Notes restructuring

FINANCIAL HIGHLIGHTS						
<i>In US\$ million except otherwise stated</i>	3Q2016	3Q2015	% Change	9M2016	9M2015	% Change
Charter revenue	15.64	27.36	(43)	54.94	84.46	(35)
Cash flow from operating activities	3.87	16.90	(77)	21.32	52.81	(60)
Net (loss)/profit	(74.68)	8.99	NM	(131.65)	0.36	NM
Cash flow available for distribution (before payment to debt capital providers)	9.61	18.33	(48)	26.95	53.80	(50)
Distribution per unit (US cents)^	-	-	-	-	1.2	NM

^ Distributions suspended since 3Q2015 to conserve cash; NM: Not meaningful

Singapore, 31 October 2016 – Rickmers Trust Management Pte. Ltd. ("RTM"), the Trustee-Manager of Mainboard-listed Rickmers Maritime (the "Trust"), reported lower charter revenue of US\$15.6 million for 3Q2016 and US\$54.9 million for 9M2016, due to reduced charter rates and lower vessel utilisation rate amid adverse industry conditions.

Vessel operating expenses rose 4% year-on-year to US\$10.0 million in 3Q2016, due mainly to higher bunker consumption during vessel off-hire and vessel repositioning between charters on the back of increased vessel idle time.

The Trust recognised a non-cash impairment of US\$69.1 million in 3Q2016 as the charter market continues to deteriorate, contributing to a net loss of US\$74.7 million for 3Q2016 and US\$131.7 million for 9M2016.

FLEET OPERATIONS

Rickmers Maritime's fleet registered an overall utilisation rate of 85.3% in 3Q2016, as compared to 99.9% in 3Q2015. In 3Q2016, the fleet recognised 190.3 off-hire days, due mainly to the idling of six vessels. RTM has decommissioned five of these idling vessels in 3Q2016 which would significantly reduce vessel operating expenses and management fees, complementing other cost saving initiatives that the Trustee-Manager has implemented to date. Of the 11 other vessels, five are operating on long-term contracts generating US\$26,850 a day each while six are operating in the spot market, kept ready to capitalise on any uptick in charter rates.

The Trust's fleet is 87.2% employed for 2016 and through existing charter agreements, the Trust has US\$97.7 million of secured future revenue between 30 September 2016 and the expiry of the last existing charter contract in 2019.

REFINANCING AND RESTRUCTURING INITIATIVES

Rickmers Maritime repaid US\$4.5 million of secured bank loans in 3Q2016, and has a cash balance of US\$21.7 million as at 30 September 2016. Given this limited cash balance, the Trust is facing uncertainty in meeting its principal repayment obligations, including a US\$179.7 million repayable to a syndicate comprising HSH Nordbank AG and DBS Bank Ltd on 31 March 2017.

As a result of RTM's longstanding engagement with lenders, the Trust has received a firm offer for a new term loan facility of up to US\$260.2 million (the "New Facility") to refinance US\$197.7 million and US\$64.2 million of Rickmers Maritime's present outstanding debt repayable in 2017 and 2018, respectively. The New Facility would extend the maturities of a large part of the Trust's secured bank loans to the first quarter of 2021 and includes, amongst other terms, a back-ended amortisation schedule. However, the New Facility is conditional on a successful restructuring of Rickmers Maritime's S\$100 million 8.45% notes due 2017 (the "Notes").

At an extraordinary general meeting ("EGM") today, unitholders approved RTM's proposal to issue 1.32 billion new units in Rickmers Maritime to holders of the Notes (the "Noteholders") as partial redemption of S\$60 million of the principal amount of the Notes. RTM will next be convening a Noteholders' meeting on 9 November 2016 to seek their approval for the partial redemption, and an extension of the maturity of the remaining S\$40 million to November 2023, and an amendment to the interest payable on the Notes, among other requests for waivers and amendments.

Mr Tomas Norton de Matos, Chief Financial Officer of RTM, commented, "Resolving the uncertainty around our Notes in a consensual manner would be in the interest of all stakeholders. Noteholders will be able to preserve as much of the principal value of the original investment as possible under these difficult circumstances while providing an equitable potential upside by way of the debt-to-equity conversion. Rickmers Maritime would also be able to obtain the new US\$260.2 million facility, which would underpin the Trust's solvency and provide it with a longer runway to weather the depressed market."

OUTLOOK

Vessels previously employed by now embattled Hanjin Shipping were added to the available shipping capacity on the market during the quarter. This pushed the number of idle 3,000 – 5,099 TEU vessels in the world to 101 in September 2016¹, putting further pressure on already depressed charter rates despite high scrapping activity year-to-date which doubled that of the entire 2015. With six vessels trading in the spot market, Rickmers Maritime's earnings and cash flows will reflect prevailing charter market conditions going forward.

In addition, if Rickmers Maritime is unable to successfully restructure the Notes or refinance its outstanding bank loans, the Trust may no longer be able to operate on a going concern basis. In such a scenario and where RTM is of the opinion that it is impracticable or inadvisable to continue operating Rickmers Maritime, the Trustee-Manager may propose to wind up the Trust, as approved by unitholders at today's EGM. When that happens, the Trustee-Manager would be responsible for winding up Rickmers Maritime in an orderly manner to preserve charters and recoveries to all stakeholders.

Mr Soeren Andersen, the Chief Executive Officer of RTM, concluded, "We are thankful that unitholders have supported our refinancing and restructuring plans, and hope Noteholders will do so too. While the industry is currently going through the most severe downturn ever, it should recover and we want to be able to execute our growth strategies when the time comes. We are exploring various cash-generating and value-enhancing options, such as the conversion of vessels for other purposes and acquisition of low-cost vessels, and plan to pursue these when opportunities arise."

End

¹ According to Alphaliner

This press release should be read in conjunction with Rickmers Maritime's Third Quarter and Nine Months ended 30 September 2016 Financial Statements and Presentation Materials released via SGXNET on 31 October 2016.

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Rickmers Maritime (Bloomberg: RMT SP; Thomson Reuters: RIMT)

Rickmers Maritime is a Singapore business trust formed to own and operate containerships mainly under fixed-rate time charters to leading container liner companies.

The Trust owns a portfolio of 16 modern and high-quality containerships ranging in size from 3,450 TEU to 5,060 TEU, offering a total capacity of 66,410 TEU. The vessels are chartered to leading container liner companies including CMA CGM, Maersk Line, Mitsui O.S.K. Lines Ltd. and Mediterranean Shipping Company. Its objectives are to offer first-class services to its customers, generate stable and growing cash flows and maximise value for its unitholders.

Rickmers Maritime is sponsored by Rickmers Group, which has headquarters in Hamburg, Germany and regional headquarters in Singapore. Rickmers Group was founded and is controlled by Mr Bertram R. C. Rickmers, whose family has more than 180 years of history in the shipping industry.

Rickmers Maritime is listed on the Mainboard of Singapore Exchange Securities Trading Limited and is a constituent of the FTSE ST Maritime Index.