



For immediate release

RICKMERS MARITIME ANNOUNCES SECOND QUARTER AND FIRST HALF RESULTS

- Financial performance impacted by worsened charter market: Lower charter revenue of US\$18.0 million and lower utilisation rate of 91.4% in 2Q2016
- Net loss of US\$55.6 million in 2Q2016 largely due to US\$51.5 million non-cash impairment
- Secured revenue of US\$111.5 million to the expiry of the last charter contract in 2019
- Ongoing negotiations with lenders to refinance bank debt to ensure long-term solvency

FINANCIAL HIGHLIGHTS						
In US\$ million except otherwise stated	2Q2016	2Q2015	Change	1H2016	1H2015	Change
Charter revenue	17.97	28.47	(37%)	39.29	57.11	(31%)
Cash flow from operating activities	6.94	17.95	(61%)	17.45	35.91	(51%)
Net loss	(55.58)	(15.67)	255%	(56.98)	(8.64)	560%
Cash flow available for distribution (before payment to debt capital providers)	5.28	16.02	(67%)	17.34	35.47	(51%)
Distribution per unit (US cents)^	–	0.60	NM	–	1.20	NM

[^] Distributions suspended from 3Q2015 to conserve cash; NM: Not meaningful

Singapore, 5 August 2016 – Rickmers Trust Management Pte. Ltd. ("RTM"), the Trustee-Manager of Rickmers Maritime (the "Trust"), reported lower charter revenue of US\$18.0 million for 2Q2016 and US\$39.3 million for 1H2016 for the Trust, due to reduced charter rates and lower vessel utilisation rate amid a worsened charter market.

Vessel operating expenses increased by 5% year-on-year (y-o-y) to US\$10.2 million due mainly to higher bunker consumption from vessel repositioning between charters, off-hire, and increased vessel idle time. The Trustee-Manager proactively monitors fleet operating costs, and has in 2Q2016 implemented cost saving initiatives which are expected to reduce vessel operating expenses going

forward. Finance expenses decreased by 40% y-o-y to US\$3.6 million due to the reduction of outstanding loan balances and the expiry of interest rate swaps.

The Trust recognised a non-cash impairment of US\$51.5 million in 2Q2016 as charter condition deteriorates, contributing to a net loss of US\$55.6 million for 2Q2016 and US\$57.0 million for 1H2016.

REFINANCING INITIATIVES

The Trust repaid US\$32.7 million of secured bank loans in 1H2016, which include a US\$15.0 million prepayment to the BNP syndicate lenders on 29 June 2016 to fulfil certain waiver conditions.

RTM continues to be in discussions with its lenders to refinance bank debt to ensure long-term solvency. For the outstanding bank borrowings of US\$179.7 million maturing on 31 March 2017, RTM has obtained a standstill from the lenders to defer principal repayments to 31 August 2016 while negotiations are ongoing.

Mr Tomas Norton de Matos, Chief Financial Officer of RTM, commented on the progress of the negotiations, "The restructuring process is fairly complex and made more difficult by current market conditions. Nevertheless, we remain focused on securing a unified single credit facility that is sustainable and that gives the Trust greater flexibility and a longer runway to manage its liabilities and growth. This will enable us to address the S\$100 million three-year notes maturing on 15 May 2017."

The Trust has a cash balance of US\$23.1 million as at 30 June 2016.

FLEET OPERATIONS

Rickmers Maritime's fleet of 16 containerships recorded an overall utilisation rate of 91.4% in 2Q2016, as compared to 99.8% in 2Q2015. In 2Q2016, the fleet recognised 124.6 off-hire days, due mainly to the idling of three vessels between employments. RTM has since secured new employments for these vessels, and the Trust's fleet is fully employed as at 30 June 2016.

Mr Soeren Andersen, Chief Executive Officer of RTM, commented, "So far, we have been fairly successful in keeping the Trust's vessels employed despite the depressed market. However, over the next 12 months, we are likely to face even stronger headwinds as we are seeing acceleration in redeliveries of panamax vessels, driven by the upsizing of the Panama Canal. We have 11 vessels trading in the spot market, and we need to take practical measures and actively consider decommissioning some of these vessels by laying them up when they are redelivered. This will

reduce operating costs significantly while the market is depressed. The shipping market is volatile, and we have to strike a balance between minimising costs through this extremely adverse time by decommissioning vessels, and at the same time keeping some vessels active in the spot market for the flexibility to capitalise on any uptick in the market."

Rickmers Maritime's fleet is 72.0% employed for 2016, and through existing charter agreements, the Trust has US\$111.5 million of secured revenue between 30 June 2016 and the expiry of the last charter contract in 2019.

OUTLOOK

The charter market remains depressed, and the large idle fleet continues to put pressure on charter rates. According to Alphaliner, 85 of the world's fleet of 3,000 – 5,099 TEU vessels remain idle in July 2016. While demolition levels in 1H2016 have far exceeded that of full year 2015, there is still excess capacity in the market, outweighing demand.

According to Clarkson Research Services, global container trade growth is expected to be 3.8% while container vessel capacity growth is expected to drop to 3.0% in 2016. Stronger trade growth and more scrapping of tonnage is required to improve freight earnings. The next 12 months is expected to remain challenging as pressure on charter rates and decreased utilisation continues to weigh on the Trust's financial performance.

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This press release should be read in conjunction with Rickmers Maritime's 2Q2016 and 1H2016 Financial Statements and Presentation Materials released via SGXNET on 5 August 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 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.