

RICKMERS MARITIME

RICKMERS TRUST MANAGEMENT PTE. LTD.

Newsletter

10th Edition,
FEBRUARY 2011



Dear Investor,

Welcome to the first edition of our revamped Rickmers Maritime newsletter.

For many, including myself, the beginning of a year brings with it the setting of goals and new resolutions. It is also usually a time for reflection upon the past year. While 2010 witnessed significant improvement in the container shipping market after its first-ever volume contraction the year before, we are hopeful of a further recovery in 2011 as long as global trade remains strong and demand for tonnage continues to hold up.

As a Trust, the path ahead seems steady and clearer following our recent loans restructuring. Charter rates for the medium- and large- sized containership segments have also recovered. Barring any unforeseen circumstances, we believe our existing long-term charters attached to our vessels will continue to generate steady cash flows for us in the years ahead.

One of our goals for the new year would be to contribute to the industry's efforts to minimise its impact on the environment. As a tonnage provider, we are working closely with our charterers to slow steam almost all of our 16 vessels, a practice that will significantly lower the amount of emissions from our ships and hopefully help to reduce the industry's overall carbon footprint in the long run.

In light of the urgency to protect our environment, we highlight some of the new energy-efficient standards for ships in our first newsletter of the year. Among the more prominent developments within the industry is the introduction of a legislation – the Energy Efficiency Design Index – by the International Maritime Organization which, if approved, could see obligatory energy-efficiency rules for ships come into effect in 2013.

Also in this issue is a feature on the anti-piracy protection and training measures that we undertake to ensure the safety of our vessels and crew, given the rising number of vessel attacks in the Gulf of Aden and other piracy-prone waters in recent years. With the new year also comes a new column, "Know your vessels", where we feature interesting facts and information about our portfolio of containerships.

Last but not least, we are pleased to welcome onboard Mr Gerard Low Shao Khang as the Chief Financial Officer of Rickmers Trust Management. We believe his experience and knowledge will be a valuable resource as we continue to strengthen the Trust's financial position to support its further growth.

As always, we hope you would find this newsletter an interesting read. We would also like to take this opportunity to wish all of you a very happy and successful new year!

Thomas Preben Hansen
Chief Executive Officer
Rickmers Trust Management Pte. Ltd.

NEW ENERGY-EFFICIENT STANDARDS FOR SHIPPING

Shipping can boast to be the most energy-efficient means of transportation – a comforting fact considering that over 90% of the goods consumed globally is transported by sea. On the flipside, the industry is acutely aware that shipping is responsible for approximately 3% to 4% of global carbon emissions. This has to be reduced, and the industry is constantly stepping up on efforts to cut back its growing emissions and become more sustainable.

Among the more prominent developments within the industry is the introduction of a mandate by the International Maritime Organization (IMO) which, if approved, could see obligatory energy-efficiency standards for new ships come into effect in 2013. The energy-efficient rules would be in the form of a mandatory new building standard for new ships, called the Energy Efficiency Design Index (EEDI), which will set progressively tightened targets for ships while leaving designers and builders the freedom to choose the most cost-efficient technologies to use.

In September 2010, Hapag-Lloyd's 8,750 TEU containership, Vienna Express, was awarded the EEDI certification from maritime classification society Germanischer Lloyd, issued in accordance to the standards set out by IMO. Vienna Express was lauded for its low emissions, which was around 25% lower than the worldwide average for its class of vessels. Hapag-Lloyd is the first shipping company with the new certification before EEDI becomes mandatory. Rickmers Maritime is in favour of the EEDI concept and hope it will gain global support.

Closer to home, Singapore too is doing its bit to make shipping a greener industry. Last year, the Maritime Port Authority of Singapore launched the Centre for Maritime Energy Research, a research facility dedicated to developing new technologies to reduce emissions. Norwegian classification society Det Norske Veritas also opened a key research centre in Singapore, Clean Technology Centre, which focuses on green shipping, offshore and port solutions, as well as general clean shipping and carbon solutions for urban areas.

On our part, Rickmers Maritime is working closely with our ship managers, liner companies and suppliers to develop, test and employ new and innovative anti-pollution technologies on our vessels. These include applying state-of-the-art marine paint on vessels that extend the length of time they need to be dry docked, from 5 to 7.5 years, as well as the installation of propeller boss fins to reduce the vessels' fuel consumption. Finally, and by far the most efficient measure introduced, is the slow-steaming of our containerships.

We are a strong advocate of sustainable shipping, and will strive towards keeping our vessels equipped for a future where the focus will firmly be on a greener environment.



THE FASCINATING WORLD OF CONTAINERS

Containers are among the most easily recognisable objects in the world of logistics and transportation. These large, coloured metal boxes that sit atop container ships and dot the landscape of port terminals have come a long way since the early days of shipping, where cargo was simply loaded onto ships in boxes or bags of every size.

In the 1950s, the United States Department of Defence pioneered the use of standard-sized containers for military use, stipulating that containers had to be a fixed size of 2.44m by 2.44m by 3.05m. In 1956, Malcolm McLean, an owner of a trucking company, developed the modern-day metal shipping container and started using it on an intermodal basis, that is, among trucks, ships and railcars. At that time, the industry as a whole had been toying with the idea of integrating the movement of goods across different modes of transport. McLean's innovation quickly became popular as it was the most tangible realisation of that ambition.

The International Organization for Standardization (ISO) built on this development and, between 1968 and 1970, rolled out a series of guidelines for containers to be interchangeable across different modes of transportation. The ISO also established the twenty-foot equivalent unit, or TEU, which led to containers being called intermodal or ISO containers.

Today, containers have evolved to include different configurations that allow for more efficient transportation of different cargoes.

- **The temperature-controlled container**, which is used when cargo has to be kept in an environment with constant temperature. Containers with a refrigeration unit are called refrigerated or reefer containers, while the ones without a cooling unit are called thermal containers.

- **The open top container**, which is used to transport heavy, tall or hard to load cargo such as large machines, and bulk material such as coal or grain. This is simply a box container with no top.

- **The tank type container**, which transports liquid or other bulk materials. This container contains a cylindrical tank mounted within its rectangular steel framework.

- **The platform or bolster container**, which is used to carry very heavy or bulky semi-finished goods, such as processed timber. This container does not have any sides and looks like a platform. When laid side by side on container ships, they can be used to transport non-containerisable cargo.

Interestingly, containers also have non-shipping uses. At the end of their useful lives at sea, containers have been retrofitted to be used as temporary housing, computer data centres, music studios and even extreme loudspeakers!

TEMPERATURE-CONTROLLED CONTAINER



OPEN TOP CONTAINER



TANK TYPE CONTAINER



PLATFORM CONTAINER



Sources:
 1. Wikipedia, "Intermodal container", found online at http://en.wikipedia.org/wiki/Intermodal_container#cite_note-8
 2. CMA CGM Group "CMA CGA Group Container Fleet", found online at <http://www.cma-cgm.com/Images/ContentManagement/AboutUs/PressRoom/Brochures/Documents/Containers.pdf>.
 3. Picture sources from www.hardrockcontainers.com, www.tankcontainers.co.uk, www.moltwn.com.tw and www.spacewise.co.uk



PROTECTION AGAINST PIRATES

Piracy attacks on commercial vessels are occurring on an increasing basis worldwide. The International Chamber of Commerce's International Maritime Bureau reported 406 attacks in 2009, 293 in 2008 and 263 in 2007¹. Such incidents occur most frequently in the waters between the Red Sea and Indian Ocean, off the Coast of Somalia, as well as in the Straits of Malacca and Singapore, which is used by over 50,000 commercial ships every year. The 2010 Piracy and Sea Robbery Conference further revealed that piracy and armed robbery against ships in Asia increased with 25 incidents reported in the region between January and March last year².

Some of Rickmers Maritime's ships regularly sail through these high risk areas. To enhance the safety of its vessels and crew, the Trust cooperates closely with international shipping organisations such as the Baltic and International Maritime Council (BIMCO), International Maritime Bureau, Maritime Security Centre (Horn of Africa) (MSCHOA) and UK Maritime Trade Operations (UKMTO). The Trust also adheres closely to the shipping industry's Best Management Practices (BMP), issued jointly by these organisations, in its bid to deter piracy off the Coast of Somalia and the Arabian Sea.

The key measures of the BMP include:

1. Registering the vessel with UKMTO and MSCHOA prior to transit and keeping them regularly updated about her position, to ensure that naval forces in the area can always track the ship.
2. Always proceeding at maximum safe speed. Rickmers Maritime's containerhips sail at speeds up to 24 knots, which combined with their usual high freeboard³, makes it very difficult for pirates to board.
3. Keeping the engine room manned at all times so that engines are ready for emergency manoeuvres at any time.
4. Limiting very high frequency communications as well as sensitive information transmitted from the ship's Automatic Identification System.

¹ ASI Global Piracy Report, 2010

² Straits Times Online, 29 Apr 2010, "Pirate attacks on Asian ships up"

³ The distance from the waterline to the upper deck level, measured at the lowest point of sheer where water can enter a ship

In May 2010, a global campaign, "End Piracy Now", was jointly launched by shipping companies, non-government organisations, United Nation organisations, as well as seafarers and their family members, calling for governments to do everything possible to protect seafarers and ships at risk of pirate attacks by:

- Dedicating significant resources and concerted efforts to find real solutions to the growing piracy problem;
- Taking immediate steps to secure the release and safe return of kidnapped seafarers to their families;

5. Keeping the deck lit only when absolutely necessary so that the vessel appears less visible during night transit.

Following consultation sessions with private security advisors, the Trust has installed further "hardening" measures to protect its vessels against pirate attacks. The main priority is to prevent pirates from coming onboard, but in the unfortunate case they are able to, it is imperative to ensure that the crew is not taken hostage and that naval forces are alerted and are able to reclaim the ship without endangering the crew.

These measures include:

1. Rigging extra fire hoses to cover the ship's sides with strong and steady water jets.
2. Rigging razor wires and electric fences (up to 9,600 volts) along the ship's railing to make the ship's defence visible and difficult or impossible to board.
3. Closing and locking the entire accommodation area so that in the unlikely case of pirates boarding, access to the accommodation section would be delayed, thus allowing sufficient time for crew to retreat to a safe place.
4. Keeping the Citadel (a secret stronghold onboard) well-stocked with all necessary equipment, including independent means of communication. With the shutting down of the engines, the Citadel serves as a shelter for the crew during hijack until rescue.
5. Arranging with a global tracking company to automatically notify the captain of the vessel once it enters or leaves the high-risk zone.

While it is impossible to guarantee that a vessel will never be attacked or even hijacked, Rickmers Maritime is confident that with the additional hardening and training measures, our vessels and crew are well protected against pirate attacks. We are also pleased to note that none of our vessels, to date, have encountered any mishaps involving pirates.

- Working within the international community to secure a stable peaceful future for Somalia and its people.

Till today, the campaign has collected more than 930,000 acknowledgments. You can also sign the petition online at <http://www.itfseafarers.org/petition.cfm/formbuilder/93/p/1>.

Reference:
<http://en.wikipedia.org/wiki/Piracy>

CORPORATE UPDATES

12 NOVEMBER 2010

Rickmers Maritime announces the financial performance of the Trust for the third quarter and nine months ended 30 September 2010 (3Q2010 and 9M2010 respectively). Charter revenue remained stable at US\$36.7 million in 3Q2010, supported by the long-term, fixed rate charters attached to 15 of the 16 vessels in Rickmers Maritime's portfolio. Income available for distribution dipped marginally year-on-year to US\$18.3 million, while cash flow from operating activities slipped 46% year-on-year due to a cash payment of US\$15.0 million to Polaris Shipmanagement Company Limited as part of the compensation fee for the cancellation of seven vessels. Distribution to unitholders remained at 0.57 US cents per unit for 3Q2010.

27 DECEMBER 2010

Rickmers Maritime announces that Chilean carrier, Compañía Sudamericana de Vapores (CSAV) has declared its option to extend the charter of Kaethe C. Rickmers for an additional 12 months¹. The extension, which will take effect on 25 March 2011, follows an earlier 12-month hire by CSAV of the 5,060 TEU containership. The renewed lease is fixed at a daily net charter rate of US\$23,888, against US\$8,288 daily net rate for the initial charter period of 12 months.

14 FEBRUARY 2011

Rickmers Maritime releases its financial results for the full year ended 31 December 2010 (FY2010). To access Rickmers Maritime's FY2010 results announcement and presentation, please visit <http://www.rickmers-maritime.com/>.

¹Plus/minus 30 days on charterer's option for redelivery

LATEST ADDITION TO THE RICKMERS TRUST MANAGEMENT TEAM

We are pleased to welcome onboard Mr Gerard Low Shao Khang, as the Chief Financial Officer of Rickmers Trust Management (RTM). Mr Low assumed his responsibilities on 15 February 2011, bringing with him more than 18 years of experience in business, investments, operations and financial management across a wide range of industry sectors.



Prior to joining RTM, Mr Low was the owner and managing partner of Berioza Associates, a provider of outsourced CFO and corporate advisory services. He has held senior management roles at F&B group Delifrance Asia and PAMA Group Inc, one of the earliest private equity firms in Asia.

A graduate of Singapore's Nanyang Technological University, Mr Low is a Certified Public Accountant, a Chartered Financial Analyst® and a member of the Singapore Institute of Directors.

We are excited to have Mr Low on our team. We believe his experience and knowledge will be a valuable resource as we continue to strengthen the Trust's financial position to support its further growth.



KNOW YOUR VESSELS

In this brand new column, Rickmers Maritime takes an in-depth look at the different containerhips that make up its 16-strong fleet. All our vessels are in the panamax segment, ranging between 3,450 and 5,060 TEU, and are well able to serve a wide range of trading routes around the world.

In this edition, we place the spotlight on our 3,450 TEU containerhips. The Trust has three 3,450 TEU ships – Ital Fastosa, Ital Festosa and Ital Fiducia. The three vessels are part of the Trust’s initial contracted fleet, when Rickmers Maritime was established and listed on the Singapore Exchange on 4 May 2007. These vessels are leased out on long-term fixed-rate charters to Italia Marittima, a wholly-owned subsidiary of Evergreen, for a period of 96 months each.

Here are some of the commonly-asked questions about our 3,450 TEU vessels.

How many tons of cargo can the ship carry?
The vessel can carry about 36,000 tons of cargo.

How many cabins are there on board each vessel?
There are a total of 28 cabins spread over five main decks.

How many crew members are needed to man each 3,450 TEU vessel?
Each vessel has a crew of 22 members, including the captain.

Where are the crew members mostly from?
They are mostly from the People’s Republic of China.

What are the dimensions of the vessels?
Each vessel is 239m long and 32m wide.

Which routes do the vessels cover?
Ital Fastosa currently shuttles between Laem Chabang port in Thailand and Tanjung Pelepas port in Malaysia while Ital Festosa and Ital Fiducia are currently deployed along the Asia-East Coast South America route.

What is the duration of each round voyage?
For Ital Fastosa, the duration for each round voyage takes about 10 days between Laem Chabang and Tanjung Pelepas. For the Asia-East Coast South America service, the duration for a round voyage is approximately 70 days.

Which ports do the vessels call at?
Due to their more international route, Ital Festosa and Ital Fiducia call at Santos, Montevideo, Buenos Aires, Hong Kong, Shanghai and Singapore.

What kind of cargo do these vessels carry?
The vessels carry mostly consumer foodstuff and goods. They are also certified to carry dangerous goods that are classified under IMO standards.

Read more about Rickmers Maritime’s 3,450 TEU fleet specifications at <http://www.rickmers-maritime.com/fleets.html>

OTHER SPECIFICATIONS

Deadweight on Tropical Draft	Approx. 35,900 mt
Deadweight on Summer Draft	Approx. 43,100 mt
Service Speed	23.50 knots

TANK CAPACITIES

Heavy Fuel Oil	Approx. 4,300m ³
Marine Diesel Oil	Approx. 200m ³
Fresh Water	Approx. 200m ³
Ballast Water	Approx. 12,300m ³

CONTAINER CAPACITIES

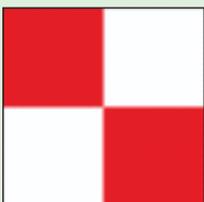
On Deck (7 tiers)	2,120 TEU
In Hold	1,330 TEU
Total	3,450 TEU



GLOSSARY

INTERNATIONAL MARITIME SIGNAL FLAGS (PART 3 OF 3)

The system of international maritime signal flags is a way of representing individual letters of the alphabet in signals to or from ships. Such flags are used to communicate messages, at times when radio silence is required:



U (Uniform) – “You are running into danger”



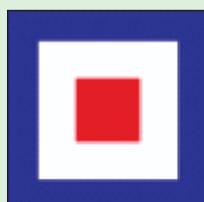
V (Victor) – “I require assistance”



Y (Yankee) – “I am dragging anchor”



X (Xray) – “Stop carrying out your intentions and watch for my signals”



W (Whiskey) – “I require medical assistance”



Z (Zulu) – “I require a tug”