RICKMERS MARITIME (the "Trust") and its subsidiaries (the "Group")

Unaudited financial statements and distribution announcement

For the third quarter ended 30 September 2016

Rickmers Maritime (the "Trust") is a business trust constituted by the Trust Deed entered on 30 March 2007 by Rickmers Trust Management Pte. Ltd. as the trustee-manager of Rickmers Maritime.

Rickmers Maritime was listed on the Singapore Exchange Securities Trading Limited ("SGX") on 4 May 2007.

Abbreviations:
QTR : Quarter
YTD : Year to date
NM : Not meaningful
Incr : Increase
Decr : Decrease

1.a (i) Consolidated Statement of Comprehensive Income for the 3rd quarter ended 30 September 2016

		3rd QTR			9 Months to		
		2016	2015	**Incr/ (Decr)**	**30/09/16**	30/09/15	**Incr/ (Decr)**
	Note	**US$'000**	US$'000	**%**	**US$'000**	US$'000	**%**
Revenue	(a)	**15,642**	27,358	(43)	**54,936**	84,463	(35)
Other income	(b)	**273**	946	(71)	**918**	4,371	(79)
Other (losses)/gains - net	(c)	**(206)**	3,240	NM	**(2,153)**	4,363	NM
Depreciation		**(6,654)**	(8,695)	(23)	**(21,098)**	(26,431)	(20)
Impairment of vessels		**(69,095)**	-	NM	**(120,583)**	(16,824)	617
Impairment of goodwill		**-**	-	-	**-**	(2,802)	NM
Vessel operating expenses	(d)	**(10,015)**	(9,624)	4	**(29,951)**	(28,868)	4
Trustee-Manager fee		**(654)**	(745)	(12)	**(2,014)**	(2,231)	(10)
Other trust expenses		**(508)**	(136)	274	**(944)**	(606)	56
Finance expenses	(e)	**(3,458)**	(3,351)	3	**(10,763)**	(15,080)	(29)
(Loss)/profit before income tax		**(74,675)**	8,993	NM	**(131,652)**	355	NM
Income tax expense		**-**	-	-	**-**	-	-
Net (loss)/profit after tax		**(74,675)**	8,993	NM	**(131,652)**	355	NM
Other comprehensive income							
Cash flow hedges^							
- Fair value losses		**-**	-	-	**-**	(17)	NM
- Transfer to finance expenses		**-**	-	-	**-**	4,488	NM
Other comprehensive income for the period, net of tax		**-**	-	-	**-**	4,471	NM
Total comprehensive (loss)/income for the period		**(74,675)**	8,993	NM	**(131,652)**	4,826	NM

^ The fair value losses on cash flow hedges was a non-cash item and was continuously released to profit or loss to offset the interest expense over the period of borrowings.

Notes:

(a) Consists of time charter income, net of commissions.

(b) Other income

	3rd QTR			9 Months to		
	2016	2015	**Incr/ (Decr)**	**30/09/16**	30/09/15	**Incr/ (Decr)**
	US$'000	US$'000	%	**US$'000**	US$'000	**%**
- Amortisation of deferred income from charter contracts	**-**	711	NM	**-**	3,646	NM
- Amortisation of deferred income from a charterer *	**179**	-	NM	**536**	-	NM
- Interest income from financial institutions	**4**	36	(89)	**57**	119	(52)
- Other income	**90**	199	(55)	**325**	606	(46)
	273	946	(71)	**918**	4,371	(79)

* Deferred income relates to contributions from a charterer for vessel improvements and are amortised over the life of the charter contracts with the charterer.

(c) Other (losses)/gains – net

	3rd QTR			9 Months to		
	2016	2015	**Incr/ (Decr)**	**30/09/16**	30/09/15	**Incr/ (Decr)**
	US$'000	US$'000	**%**	**US$'000**	US$'000	**%**
- Exchange (loss)/gain on medium-term notes	**(215)**	3,879	NM	**(2,360)**	5,232	NM
- Exchange gain/(loss) on cash and cash equivalents	**8**	(639)	NM	**172**	(869)	NM
- Others	**1**	-	NM	**35**	-	NM
	(206)	3,240	NM	**(2,153)**	4,363	NM

(d) Consist mainly of vessels' fixed operating expense, bunker consumption, lubricant oil expense, vessel management fee and other vessel-related expenses. Please refer to section 8 for more information.

(e) Finance expenses

	3rd QTR			9 Months to		
	2016	2015	**Incr/ (Decr)**	**30/09/16**	30/09/15	**Incr/ (Decr)**
	US$'000	US$'000	%	**US$'000**	US$'000	%
Interest expense on secured bank loans	**(1,775)**	(1,818)	(2)	**(5,648)**	(5,549)	2
Fair value losses on effective portion of interest rate swaps transferred from other comprehensive income						
- Interest paid	**-**	-	-	**-**	(4,513)	NM
- Changes in derivative financial liability	**-**	-	-	**-**	25	NM
Interest on secured bank loans, net of effect of hedging	**(1,775)**	(1,818)	(2)	**(5,648)**	(10,037)	(44)
Fair value losses on ineffective portion of interest rate swaps						
- Interest paid	**-**	-	-	**-**	(616)	NM
- Changes in derivative financial liability	**-**	-	-	**-**	616	NM
	-	-	-	**-**	-	-
Interest on medium-term notes	**(1,683)**	(1,533)	10	**(5,015)**	(4,913)	2
Debt processing fee	**-**	-	-	**(50)**	(80)	(38)
Other fees	**-**	-	-	**(50)**	(50)	-
	(3,458)	(3,351)	3	**(10,763)**	(15,080)	(29)

1.a (ii) Consolidated Distribution Statement for the 3rd quarter ended 30 September 2016

		3rd QTR			9 Months to		
		2016	2015	**Incr/ (Decr)**	**30/09/16**	30/09/15	**Incr/ (Decr)**
	Note	**US$'000**	US$'000	**%**	**US$'000**	US$'000	**%**
Loss after tax		**(74,675)**	8,993	NM	**(131,652)**	355	NM
Add:							
Non-cash adjustments and others	(a)	**75,951**	4,851	1,466	**143,982**	37,940	279
Interest expense - net		**3,282**	3,165	4	**9,968**	14,934	(33)
EBITDA		**4,558**	17,009	(73)	**22,298**	53,229	(58)
Non-recurring expenses	(b)	**-**	(1)	NM	**-**	87	NM
Adjusted EBITDA		**4,558**	17,008	(73)	**22,298**	53,316	(58)
Add/(less):							
Movement in working capital		**2,054**	1,324	55	**1,649**	818	102
Drydock reserve	(c)	**3,000**	-	NM	**3,000**	(336)	NM
Cash flow available for distribution before payment to debt capital providers		**9,612**	18,332	(48)	**26,947**	53,798	(50)
Less: Payment to debt capital providers							
Repayment of secured bank loans		**(4,462)**	(12,822)	(65)	**(37,141)**	(37,843)	(2)
Interest paid – secured bank loans, medium-term notes and interest rate swaps		**(538)**	(1,767)	(70)	**(7,300)**	(13,693)	(47)
Debt processing fee paid		**-**	-	-	**(50)**	(80)	(38)
Less: Cash reserve for loan principal and interest payments	(d)	**(13,178)**	-	NM	**(13,178)**	-	NM
Cash flow available for distribution to Unitholders		**(8,566)**	3,743	NM	**(30,722)**	2,182	NM
Amount to be distributed to unitholders	(e)	**-**	-	-	**-**	10,265	NM
Number of units – '000		**879,623**	863,500	2	**879,623**	863,500	2
Distribution Per Unit - US Cents		**-**	-	-	**-**	1.2	NM

Notes:

(a) Non-cash adjustments comprise depreciation expense, impairment of vessels, amortisation of deferred income from a charterer and charter contracts (net), unrealised gain on interest rate swaps, amortisation of medium-term notes using the effective interest rate method as defined in IAS 39, amortisation of debt issuance costs and exchange translation differences.

(b) Non-recurring expenses for YTD2015 consist of professional fees incurred on the Distribution Reinvestment Plan established on 9 April 2015.

(c) The reserve represents management's estimate of the amount of cash that needs to be retained progressively for the vessels' dry-docking costs.
In 3Q16, US$3.0 million of the dry-docking reserve was released for working capital purposes as a result of the decommissioning of three vessels in August 2016 and an additional two in September 2016.

(d) Relates to principal and interest payments of US$12.0 million and US$1.2 million respectively, which were due but are currently under the standstill granted by the lender up till 31 October 2016.

(e) For 1Q2016, 2Q2016 and 3Q2016, no distribution was declared.
For 3Q2015, no distribution has been declared.
For 2Q2015, the distribution was 0.6 US Cents per unit. 458,035,696 units were funded by cash available for distribution. For the remaining 405,464,756 units, unitholders elected to receive new units under the Distribution Reinvestment Plan. A total of 16,122,265 new units were issued.
For 1Q2015, the distribution was 0.6 US Cents per unit. 331,240,842 units were funded by cash available for distribution. For the remaining 516,109,158 units, unitholders elected to receive new units under the Distribution Reinvestment Plan. A total of 16,150,452 new units were issued.

1.b (i) Statement of financial position as at 30 September 2016 together with comparative statements as at the end of the immediately preceding year

	30/09/16		31/12/15	
	Group	**Trust**	Group	Trust
	US$'000	**US$'000**	US$'000	US$'000
ASSETS				
Current assets				
Cash and cash equivalents	**21,693**	**8,234**	45,064	22,975
Trade and other receivables	**1,084**	**67**	1,127	66
Inventories	**2,975**	**238**	2,634	238
Prepayments	**86**	**14**	244	13
Total current assets	**25,838**	**8,553**	49,069	23,292
Non-current assets				
Investments in subsidiaries	**-**	**160**	-	160
Loans to subsidiaries	**-**	**789,099**	-	849,041
Vessels	**564,649**	**-**	706,011	-
Total non-current assets	**564,649**	**789,259**	706,011	849,201
Total assets	**590,487**	**797,812**	755,080	872,493
LIABILITIES				
Current liabilities				
Trade and other payables	**3,113**	**1,604**	2,789	240
Amounts due to subsidiaries (non-trade)	**-**	**410,405**	-	414,814
Secured bank loans	**265,095**	**197,692**	44,603	24,000
Medium-term notes	**75,639**	**75,639**	774	774
Advanced charter hire received	**1,858**	**-**	2,037	-
Deferred income from a charterer	**714**	**-**	714	-
Total current liabilities	**346,419**	**685,340**	50,917	439,828
Non-current liabilities				
Deferred income from a charterer	**707**	**-**	1,243	-
Secured bank loans	**11,449**	**-**	268,780	179,637
Medium-term notes	**-**	**-**	70,576	70,576
Total non-current liabilities	**12,156**	**-**	340,599	250,213
Total liabilities	**358,575**	**685,340**	391,516	690,041
NET ASSETS	**231,912**	**112,472**	363,564	182,452
UNITHOLDERS' FUNDS				
Common Units in issue	**517,615**	**517,615**	517,615	517,615
Unit issuance costs	**(12,024)**	**(12,024)**	(12,024)	(12,024)
Accumulated losses	**(273,679)**	**(393,119)**	(142,027)	(323,139)
Total unitholders' funds	**231,912**	**112,472**	363,564	182,452

1.b (ii) Group's borrowings and debt securities

Secured bank loans

	Group	
	30/09/16	31/12/15
	US$'000	US$'000
Amount repayable within one year	**265,095**	44,603
Amount repayable after one year	**11,449**	268,780
	276,544	313,383

As at 31 December 2015, the face value of the Group's total outstanding secured bank loans was US$314.1 million. During the first nine months of 2016, a total repayment of US$37.1 million (2015: US$37.8 million) was made by the Group. As at 30 September 2016, the face value of the Group's total outstanding secured bank loans was US$276.9 million.

	Group	
	30/09/16	31/12/15
	US$'000	US$'000
Face value of secured bank loans	**276,943**	314,084
Unamortised portion of debt issuance costs	**(399)**	(701)
Carrying amount of secured bank loans	**276,544**	313,383

The difference between the face value of secured bank loans and the carrying amount of US$276.5 million (31 December 2015: US$313.4 million) is due to the accounting treatment for borrowings, which is initially recognised at fair value (net of transaction costs) and subsequently stated at amortised cost.

The Group's secured bank loans are obtained from three syndicates of lending banks. The loans bear interest at floating rates and are secured on all existing 16 containerships and their respective assignment of the charter revenues, insurance, earnings, deposit accounts and pledge of respective owner's/borrower's (the Trust's subsidiaries) shares and requisition compensation. Loans of face value US$79.2 million due to two syndicates of lending banks are subject to value-to-loan ("VTL") covenants.

On 25 May 2016, a fixed charge (previously floating charge) over the earnings accounts for proceeds from the charter parties was provided to the lenders of the BNP syndicate (comprising BNP Paribas, ING Bank NV, Singapore Branch, The Bank of Nova Scotia Asia Limited, The Hongkong and Shanghai Banking Corporation Limited and Sumitomo Mitsui Trust Bank Limited, Singapore Branch, the "BNP Lenders"). On 29 June 2016, a prepayment of US$15.0 million was made to the BNP Lenders as partial fulfilment of certain waiver conditions under the existing facility agreement pending finalisation of the comprehensive refinancing plan. As a result of a short-term extension to 15 August 2016 and thereafter 31 August 2016, of certain waiver conditions relating to the loan due to the BNP Lenders, US$49.6 million of the total amount due of US$64.0 million has been reclassified to current liabilities in the statement of financial position as at 30 September 2016. Waivers are in the process of being renewed.

The Group and Trust has bank borrowings of US$179.7 million due for repayment on 31 March 2017 to one of the syndicates consisting of HSH Nordbank AG and DBS Bank Ltd (the "HSH Lenders"). This amount is presented as current liabilities in the statement of financial position as at 30 September 2016. The Trustee-Manager has been in discussion with the HSH Lenders to restructure the borrowings, which include extension of repayment date beyond 31 March 2017. The discussions are active and on-going. HSH Lenders have provided the Group with a temporary standstill on principal repayments and interest payments, waiver of financial covenants and other matters to 31 October 2016.

The Trustee-Manager remains actively engaged with its lenders in managing its maturing debts, covenant compliance and liquidity position as well as a comprehensive refinancing plan in relation to a US$260.2 million new facility as announced on 7 September 2016.

1.b (ii) Group's borrowings and debt securities (continued)

Medium-term notes

	Group	
	30/09/16	31/12/15
	US$'000	US$'000
Amount repayable within one year (*)	**75,639**	774
Amount repayable after one year	**-**	70,576
	75,639	71,350

* *Includes accrued interest on medium-term notes of US$2.4 million, which is due on 15 November.*

On 15 May 2014, the Trust issued S$100 million (US$80 million) of three-year notes ("Series 1 Notes") under its S$300 million multicurrency medium-term note programme established on 19 November 2013. The Series 1 Notes bear a fixed interest rate of 8.45% per annum, which is payable semi-annually in arrears. The maturity date of Series 1 Notes is 15 May 2017. Correspondingly, all the medium-term notes are presented as current liabilities in the statement of financial position as at 30 September 2016.

The fair value of the Series 1 Notes is determined from the quoted price in the market. As at 30 September 2016, the fair value of the Series 1 Notes amounted to US$54.41 million.

The Trust is seeking to consensually restructure the Series 1 Notes pursuant to a Circular and a Consent Solicitation Statement issued on 7 October 2016 and 18 October 2016 respectively.

1.c Consolidated statement of cash flows for the 3rd quarter ended 30 September 2016

	3rd QTR		**9 Months to**	
	2016	2015	**30/09/16**	30/09/15
	US$'000	US$'000	**US$'000**	US$'000
Cash flows from operating activities:				
Cash receipts from customers	**15,794**	27,135	**54,758**	84,533
Cash paid to suppliers and Trustee-Manager	**(11,923)**	(10,238)	**(33,434)**	(31,727)
Net cash provided by operating activities	**3,871**	16,897	**21,324**	52,806
Cash flows from investing activities:				
Vessel improvement	**(245)**	(113)	**(390)**	(620)
Dry-docking cost paid	**-**	-	**-**	(980)
Interest received	**5**	38	**63**	131
Net cash used in investing activities	**(240)**	(75)	**(327)**	(1,469)
Cash flows from financing activities:				
Repayment of secured bank loans	**(4,462)**	(12,822)	**(37,141)**	(37,843)
Other fees paid	**-**	-	**(50)**	(93)
Interest paid on secured bank loans	**(538)**	(1,767)	**(4,214)**	(5,390)
Interest paid on medium-term notes	**-**	-	**(3,086)**	(3,174)
Interest paid on interest rate swaps	**-**	-	**-**	(5,129)
Debt processing fee paid	**-**	-	**(50)**	(80)
Distribution to unitholders	**-**	-	**-**	(7,071)
Net cash used in financing activities	**(5,000)**	(14,589)	**(44,541)**	(58,780)
Net decrease in cash and cash equivalents for the period	**(1,369)**	2,233	**(23,544)**	(7,443)
Cash and cash equivalents at beginning of period	**23,054**	50,102	**45,064**	60,008
Effects of exchange rate changes on cash and cash equivalents	**8**	(645)	**173**	(875)
Cash and cash equivalents at end of period **	**21,693**	51,690	**21,693**	51,690^

Footnote:

^ *Cash and cash equivalents include an amount of US$25.0 million which could be used by the Group for operational purposes but not for distribution to unitholders nor to service interest payments on medium-term notes.*

*** The Group is subjected to a free liquidity covenant which requires the Group to maintain a minimum balance in cash and cash equivalents of US$19.2 million (2015: US$19.2 million).*

1.d (i) Statement of changes in unitholders' funds for the 3rd quarter ended 30 September 2016

Group

	Attributable to unitholders of Trust				
	Common Units in issue	Unit issuance costs	Hedging reserve	(Accumulated losses)/ distributable income	Total
	US$'000	US$'000	US$'000	US$'000	US$'000
2016					
Balance at 1 January 2016	517,615	(12,024)	-	(142,027)	363,564
Total comprehensive loss for the period	-	-	-	(56,977)	(56,977)
Balance at 30 June 2016	517,615	(12,024)	-	(199,004)	306,587
Total comprehensive loss for the period	-	-	-	(74,675)	(74,675)
Balance at 30 September 2016	**517,615**	**(12,024)**	**-**	**(273,679)**	**231,912**
2015					
Balance at 1 January 2015	512,086	(12,024)	(4,472)	2,549	498,139
Common Units issued	3,097	-	-	-	3,097
Total comprehensive loss for the period	-	-	4,472	(8,638)	(4,166)
Distribution to unitholders	-	-	-	(10,168)	(10,168)
Balance at 30 June 2015	515,183	(12,024)	-	(16,257)	486,902
Total comprehensive income for the period	-	-	-	8,993	8,993
Distribution to unitholders	-	-	-	(5,181)	(5,181)
Balance at 30 September 2015	**515,183**	**(12,024)**	**-**	**(12,445)**	**490,714**

1.d (i) Statement of changes in unitholders' funds for the 3rd quarter ended 30 September 2016

Trust

	Common Units in issue	Unit issuance costs	(Accumulated losses)/ distributable income	Total
	US$'000	US$'000	US$'000	US$'000
2016				
Balance at 1 January 2016	517,615	(12,024)	(323,139)	182,452
Total comprehensive loss for the period	-	-	(21,396)	(21,396)
Balance at 30 June 2016	517,615	(12,024)	(344,535)	161,056
Total comprehensive loss for the period	-	-	(48,584)	(48,584)
Balance at 30 September 2016	**517,615**	**(12,024)**	**(393,119)**	**112,472**
2015				
Balance at 1 January 2015	512,086	(12,024)	(251,773)	248,289
Common Units issued	3,097	-	-	3,097
Total comprehensive loss for the period	-	-	(4,143)	(4,143)
Distribution to unitholders	-	-	(10,168)	(10,168)
Balance at 30 June 2015	515,183	(12,024)	(266,084)	237,075
Total comprehensive income for the period	-	-	880	880
Distribution to unitholders	-	-	(5,181)	(5,181)
Balance at 30 September 2015	**515,183**	**(12,024)**	**(270,385)**	**232,774**

1.d (ii) Details of any changes in the company's units arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of units for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of units that may be issued on conversion of all the outstanding convertibles, as well as the number of units held as treasury units, if any, against the total number of issued units excluding treasury units of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	30/09/16	31/12/15
	Units	Units
At the beginning and end of the period	**879,622,717**	879,622,717

Footnote:

(a) *There are no outstanding convertibles as at 30 September 2016 and 31 December 2015.*

(b) *There are no treasury units as at 30 September 2016 and 31 December 2015.*

1.d (iii) To show the total number of issued units excluding treasury units as at the end of the current financial period and as at the end of the immediately preceding year.

	30/09/16	31/12/15
Total issued units	**879,622,717**	879,622,717

1.d (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury units as at the end of the current financial period reported on.

Not applicable.

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited nor reviewed. However, our auditors have performed certain procedures and enquiries. These procedures are substantially less in scope than an audit or a review in accordance with International Standard on Review Engagements (ISRE) 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

3 Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

Except as stated in Note 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the financial year ended 31 December 2015.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

On 1 January 2016, the Group adopted the new and amended International Financial Reporting Standards ("IFRS") that are mandatory for application on that date. None of these IFRS have a significant impact on the Group.

The adoption of these new IFRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

6 Earnings per unit ('EPU') for the current financial period and corresponding period of the immediately preceding financial year

	3rd QTR		**YTD**	
	2016	2015	**2016**	2015
Weighted average number of units as at end of period				
-basic and diluted	**879,622,717**	863,500,452	**879,622,717**	853,465,796
Loss per unit for the period based on the weighted average number of units in issue (US Cents)				
-basic and diluted	**(8.49)**	1.04	**(14.97)**	0.04

7 Net asset value (for the issuer and group) per unit based on the total number of issued units excluding treasury units of the issuer at the end of the period and immediately preceding financial year:-

	30/09/16		31/12/15	
	Group	**Trust**	Group	Trust
Net asset value per unit (US$)	**0.26**	**0.13**	0.41	0.21

Footnote:

(a) *The number of units used in the computation of actual NAV is 879,622,717 units.*
(b) *There are no treasury units.*

8 Review of the Performance of the Group

Group revenue of US$15.6 million for the third quarter of 2016 (3Q16) was 43% below revenue reported in the corresponding quarter of 2015 (3Q15) as a result of reduced charter rates on vessels which had their charters renewed on short-term charters. In addition, due to the continued depressed charter market, the Group decommissioned five of the Trust's vessels in 3Q16. There were a total of 190.3 off-hire and idle days during the quarter. Fleet utilisation (excluding the decommissioned vessels) was 85.3% in 3Q16 and 99.9% in the same period of 2015.

Other income comprising mainly amortisation of deferred income from a charterer (non-cash in nature) and interest income decreased by US$0.7 million. The decrease of 71% was due mainly to the expiry of charter contracts.

Other losses of US$0.2 million was attributable to net exchange losses on SGD-denominated medium-term notes and cash balances due to the depreciation of the US dollar against the Singapore dollar in 3Q16.

A review for vessel impairment was undertaken in 3Q16 for the entire fleet and impairment was recognised when the vessels' carrying value exceeded the recoverable amounts. For the period under review, an impairment of US$69.1 million (3Q15: nil) was applied to fifteen vessels in the fleet.

Vessel operating expenses which include vessel fixed operating expense, lubricant oil expense, vessel management fee, other vessel related expenses and bunker expense, increased by 4% to US$10.0 million in 3Q16 from US$9.6 million in 3Q15. The increase was due mainly to consumption of additional bunker due to off-hire, repositioning of vessels between charters and idle vessels and to a lesser extent contractual increases in fixed operating expenses and vessel management fees which came into effect from 1 January 2016.

In 3Q16, the Trustee-Manager decommissioned five vessels, three vessels in August and two vessels in September 2016. This enables the Trust to significantly reduce vessel operating expenses and management fees. The Trustee-Manager proactively monitors fleet operating costs, and have implemented cost saving initiatives which are expected to reduce vessel operating expenses going forward.

Trustee-Manager fee, which was paid to the Trustee-Manager, decreased in tandem with the revenue of the Group.

Finance expenses increased marginally from US$3.4 million in 3Q15 to US$3.5 million in 3Q16. The medium-term notes of US$75.6 million due for repayment on 15 May 2017, as well as bank borrowings of US$49.6 million as at 30 September 2016, were classified as current liabilities during 3Q16.

Overall, the Group recorded a net loss after tax of US$74.7 million in 3Q16 compared to a net profit of US$9.0 million in 3Q15.

9 Where a forecast, or a prospect statement, has been previously disclosed to unitholders, any variance between it and the actual results.

No forecast statement for the financial year 2016 has been disclosed.

10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In 2015, trade growth reached just 2.2%, while for 2016 trade growth is expected to increase to 3.4%*. Meanwhile, growth in container vessel capacity is expected to be lower at 2.2%* over 2016. The trade growth projection is subject to risks from global economic developments.

The charter market for modern container panamax vessels continued to be at depressed levels during the reporting period. Although almost twice as much container shipping capacity has been scrapped year to date 2016 as during full year 2015, there is still too much capacity available compared to the demand for container transportation. The bankruptcy of Hanjin Shipping added to the available shipping capacity as vessels previously employed by Hanjin entered the charter market. With 101 3,000-5,099 TEU vessels idle**, time charter rates are expected to stay depressed in the coming months. Vessel values may decline in a situation of prolonged excess capacity.

Rickmers Maritime's fleet has, through existing charter agreements, US$97.7 million of secured revenue between 30 September 2016 and the expiry of the last charter party contract in 2019. Excluding the decommissioned vessels, the fleet is 87.2% employed for 2016. As a response to the very depressed markets, Rickmers Maritime decided to decommission five vessels during the quarter, which will minimise the Trust's costs going forward. With six vessels trading in the spot market, the earnings and cash flows of the Group will reflect the future prevailing charter market conditions.

In the absence of HSH's standstill, the Group would have paid US$13.2 million being principal and interest repayment to HSH Syndicate (subject to availability of non-fixed charge funds) which would have reduced the Group's cash and cash equivalents to US$8.5 million as at 30 September 2016.

Further, in the event that Rickmers Maritime is unable to obtain and/or extend or renew waivers or consents from its senior lenders or bond holders (where applicable), the Group may be put in a position of not being able to otherwise satisfy loan covenants which may result in adverse liquidity, or other financial or legal developments, including but not limited to events of default, cross defaults, acceleration of debts and security enforcements.

At the Extraordinary General Meeting held on 31 October 2016, the unitholders approved both resolutions relating to (i) Proposed Issue of 1,319,434,076 New Units pursuant to the Proposed Restructuring of the Notes and (ii) Proposed Winding Up of Rickmers Maritime in the event of an Unsuccessful Restructuring. This provided a strong mandate to proceed with the next steps in the restructuring plan.

* Source: Clarkson Research Services, September 2016
** Source: Alphaliner, September 2016

11 Distribution

a Current financial period

Any distributions recommended for the current financial period	:	No

b Corresponding period of the immediately preceding financial period

Any distributions declared for the previous corresponding financial period	:	No

12 If no distribution has been declared / (recommended), a statement to that effect.

No distribution has been declared.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from unitholders for IPTs.

14 The board of directors of Rickmers Trust Management Pte. Ltd. do hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the financial results for the quarter ended 30 September 2016 to be false or misleading.

15 The Trustee-Manager, Rickmers Trust Management Pte. Ltd., has procured undertakings required under Rule 720(1), from all its directors and executive officers.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, changes in operating expenses, trust expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

BY ORDER OF THE BOARD OF RICKMERS TRUST MANAGEMENT PTE. LTD.
AS TRUSTEE-MANAGER OF RICKMERS MARITIME

Bertram R. C. Rickmers
Chairman
Date: 31 October 2016