



FSL Trust

2QFY16 Financial Results

5 August 2016

2QFY16 – Key financial highlights

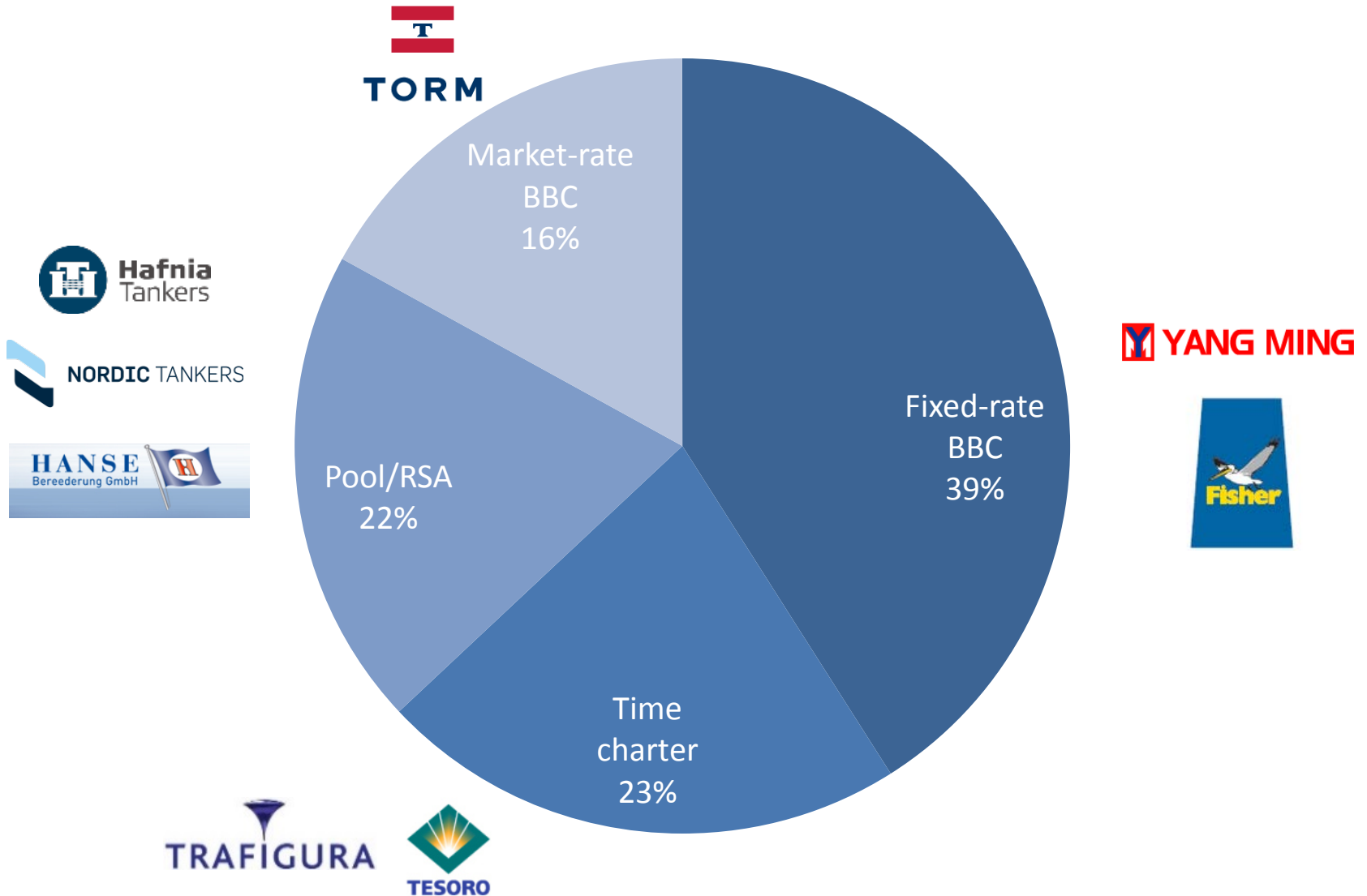
- Another quarter of profitability with US\$ 5.5m net profit
- Slight decline in revenue and cash generation from operations
 - mainly attributable to the reduced fleet size and softening rates in some tanker sectors
 - partially offset by revenue from the FSL Osaka, acquired in November 2015, and the improved time charter agreements entered into during FY2015
- Renewed the long-term bareboat agreements for the vessels Shannon Fisher and Solway Fisher in 2QFY16 for five years, improving the revenue backlog
- Gearing⁽¹⁾ improved from 51.8% as at 2QFY15 to 46.0% as at 2QFY16

Performance review

US\$'000	2QFY16	2QFY15	Inc/(Dec) %
Revenue	25,348	27,514	(7.9)
Operating profit	7,774	8,482	(8.3)
Profit/(Loss) for the quarter	5,487	6,155	(10.9)
Net cash generated from operations	15,088	16,972	(11.1)
Gearing ratio	46.0%	51.8%	(11.2)

- Revenue decrease due to pressure on some spot/floating bareboat rates and the reduced fleet size
- More than US\$ 50m of debt repaid in 12 months

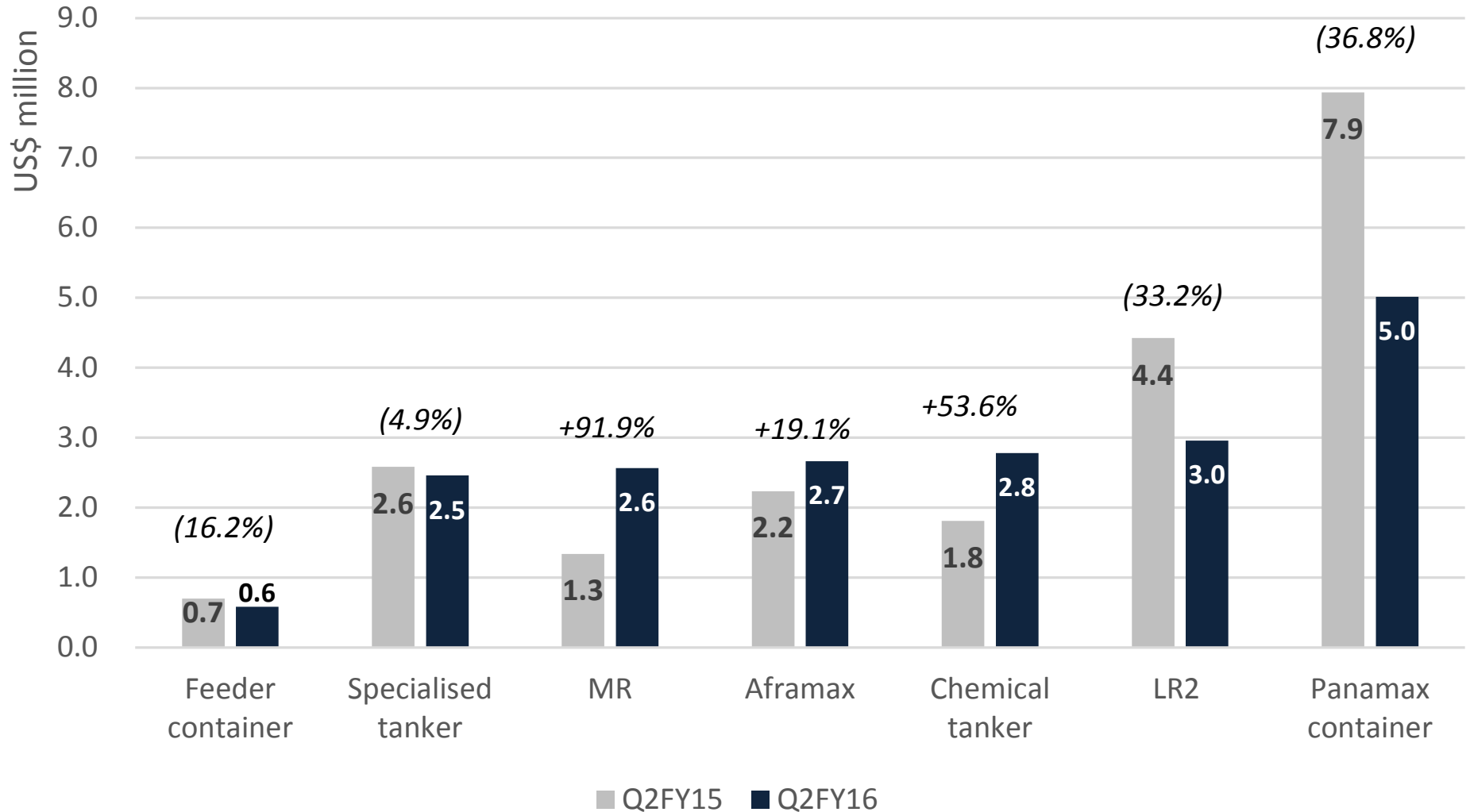
Fleet deployment by revenue⁽¹⁾



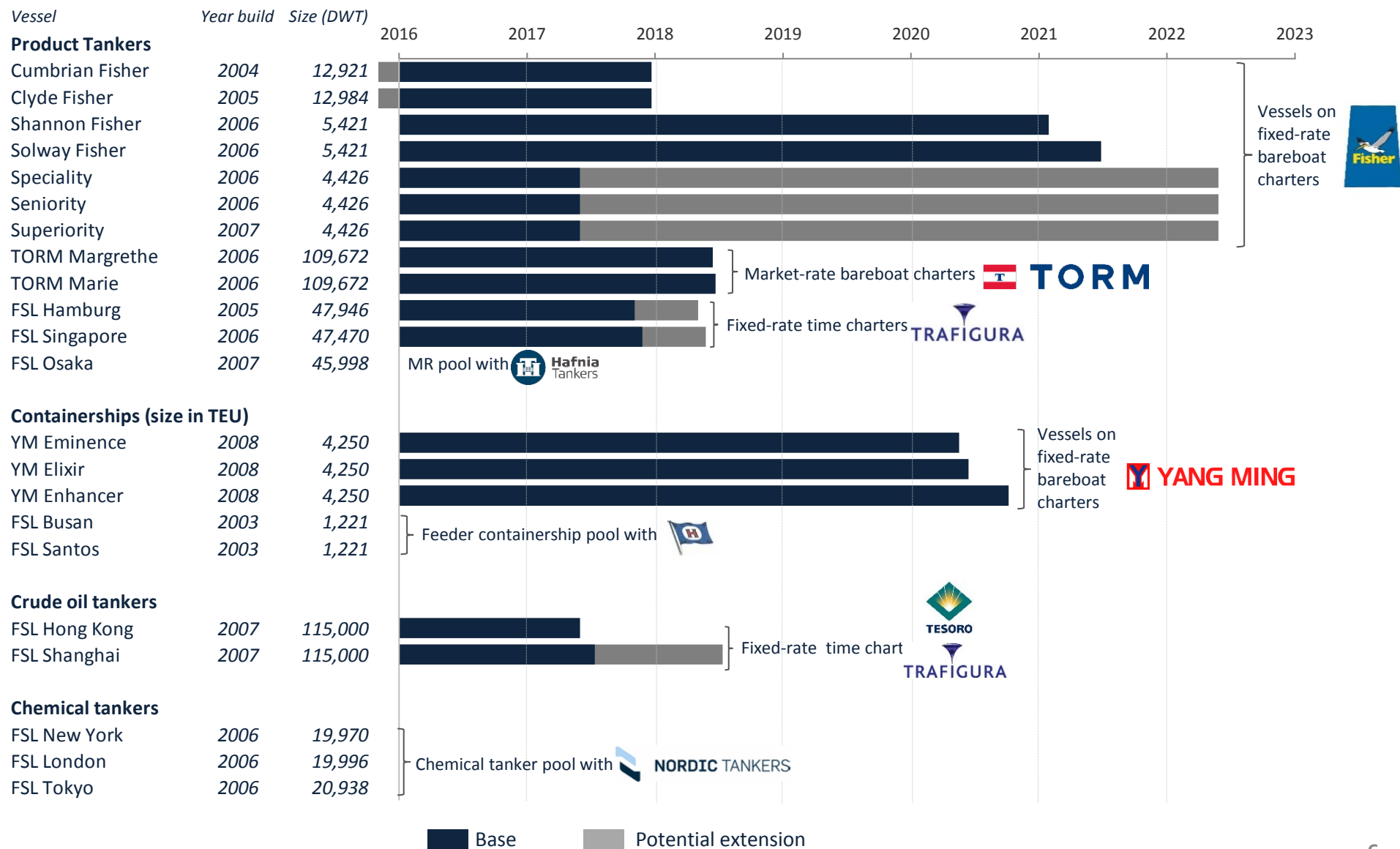
Note 1: BBCE revenue for the 3 months ended 30 June 2016

Operational performance

BBCE revenue by vessel type

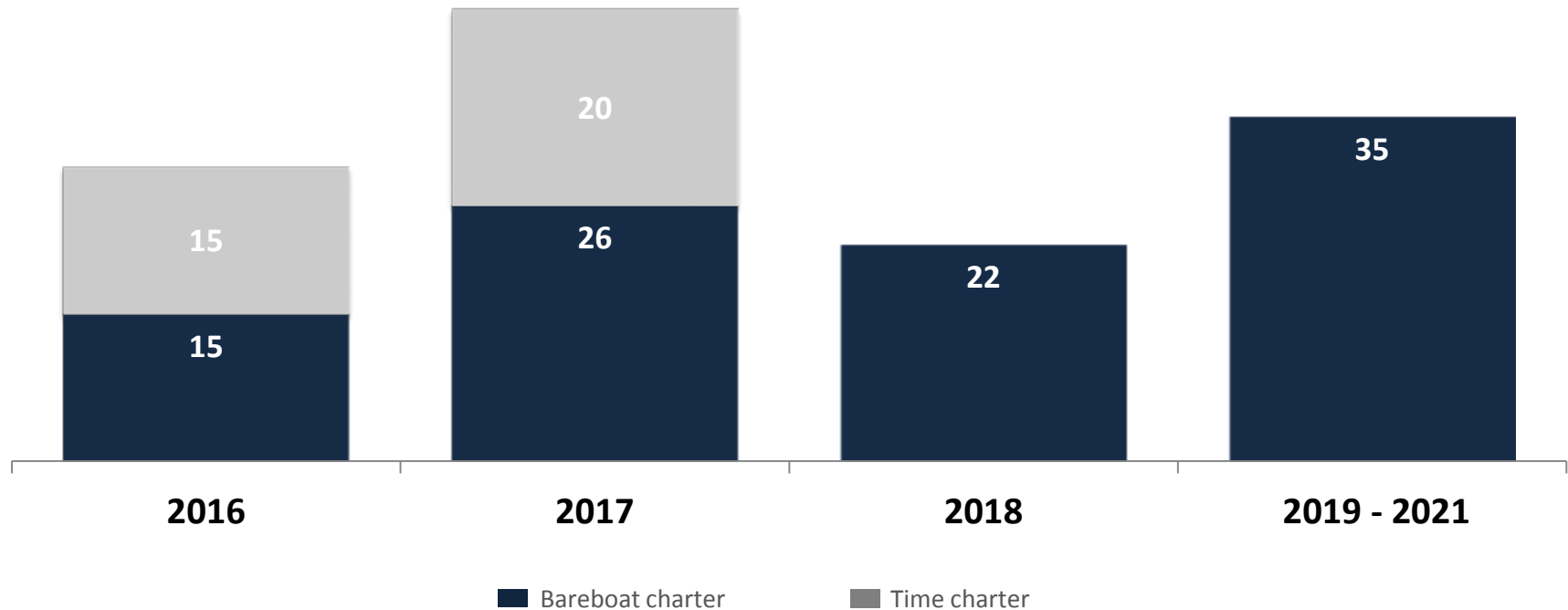


Lease maturity of vessels



Revenue backlog

Remaining contracted revenue stood at US\$ 133m ⁽¹⁾
as at 30 June 2016



Note 1: Based on revenue from 9 bareboat charters (excluding the TORM charters on variable rates) and from time charter contracts with Tesoro (FSL Hong Kong) and Trafigura (FSL Singapore, FSL Hamburg and FSL Shanghai)

Scheduled dry docks for the next 12 months

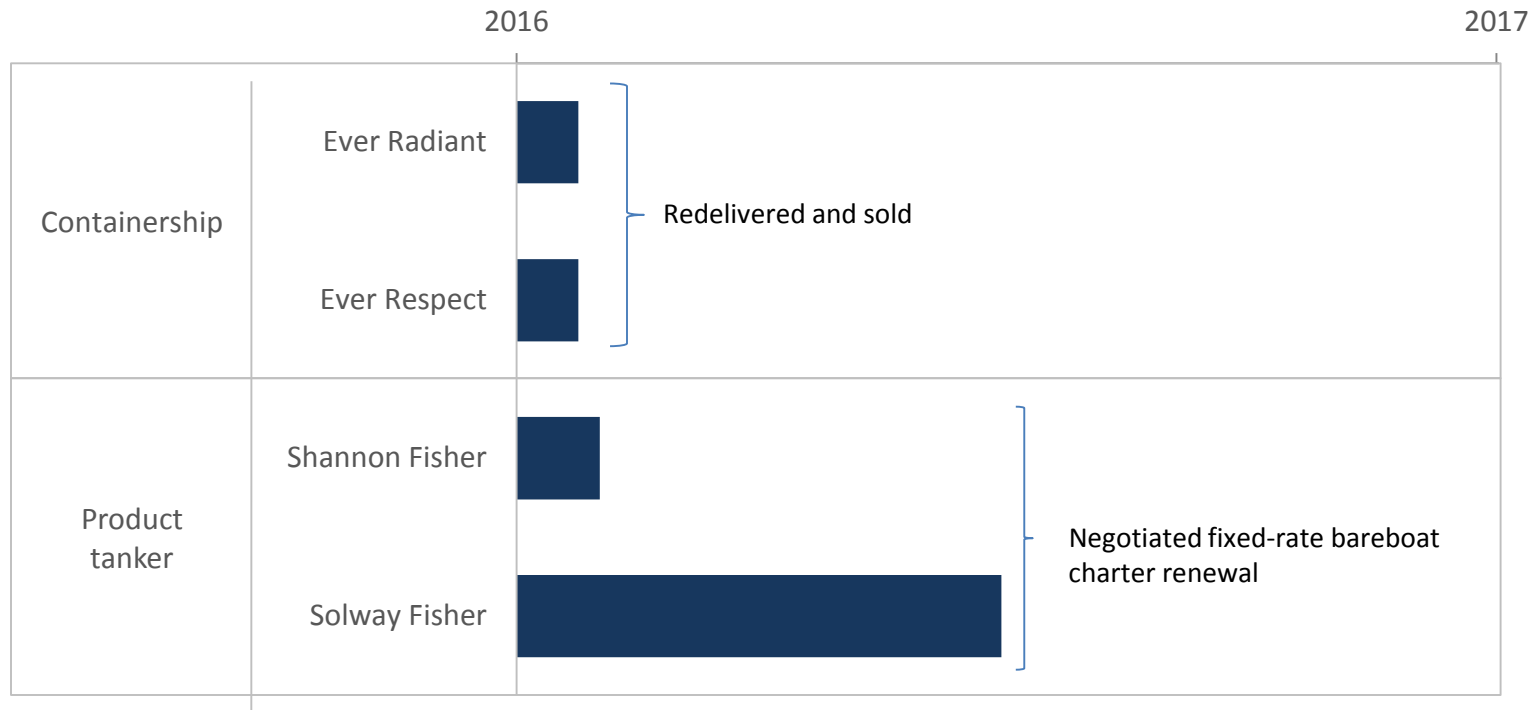
FSL managed fleet - Vessels planned for dry docking

Vessel	Date
FSL New York	3Q FY2016
FSL Tokyo	3Q FY2016
FSL London	3Q FY2016
FSL Hong Kong	Q1 FY 2017

Latest dry dock

Vessel	Date
FSL Hamburg	4Q FY2015
FSL Singapore	4Q FY2015

FY2016 scheduled redeliveries



- Four fixed-rate bareboat charters were expiring in FY2016
 - Ever Radiant and Ever Respect were sold on redelivery
 - The Trust successfully renegotiated a five years fixed-rate bareboat charter renewal for Shannon Fisher and Solway Fisher at market adjusted bareboat rates
- No further redeliveries expected in FY2016

➤ Summary

- Another quarter of profitability despite a smaller fleet and challenging shipping industry environment
- Secured long-term bareboat contracts, further improving the revenue backlog
- Gearing reduced to 46%; over US\$ 50m of debt repaid in last twelve months

➤ Outlook

- Market conditions remain challenging in the near term, but the Trust's exposure to sectors under pressure remains limited
- Focus going forward will remain on refinancing the current loan facility
- Dry docks in 3QFY16 will affect profitability and cash generation

Thank You