



FSL
T R U S T

FSL Trust

3QFY16 Financial Results

3 November 2016

3QFY16 – Key financial highlights

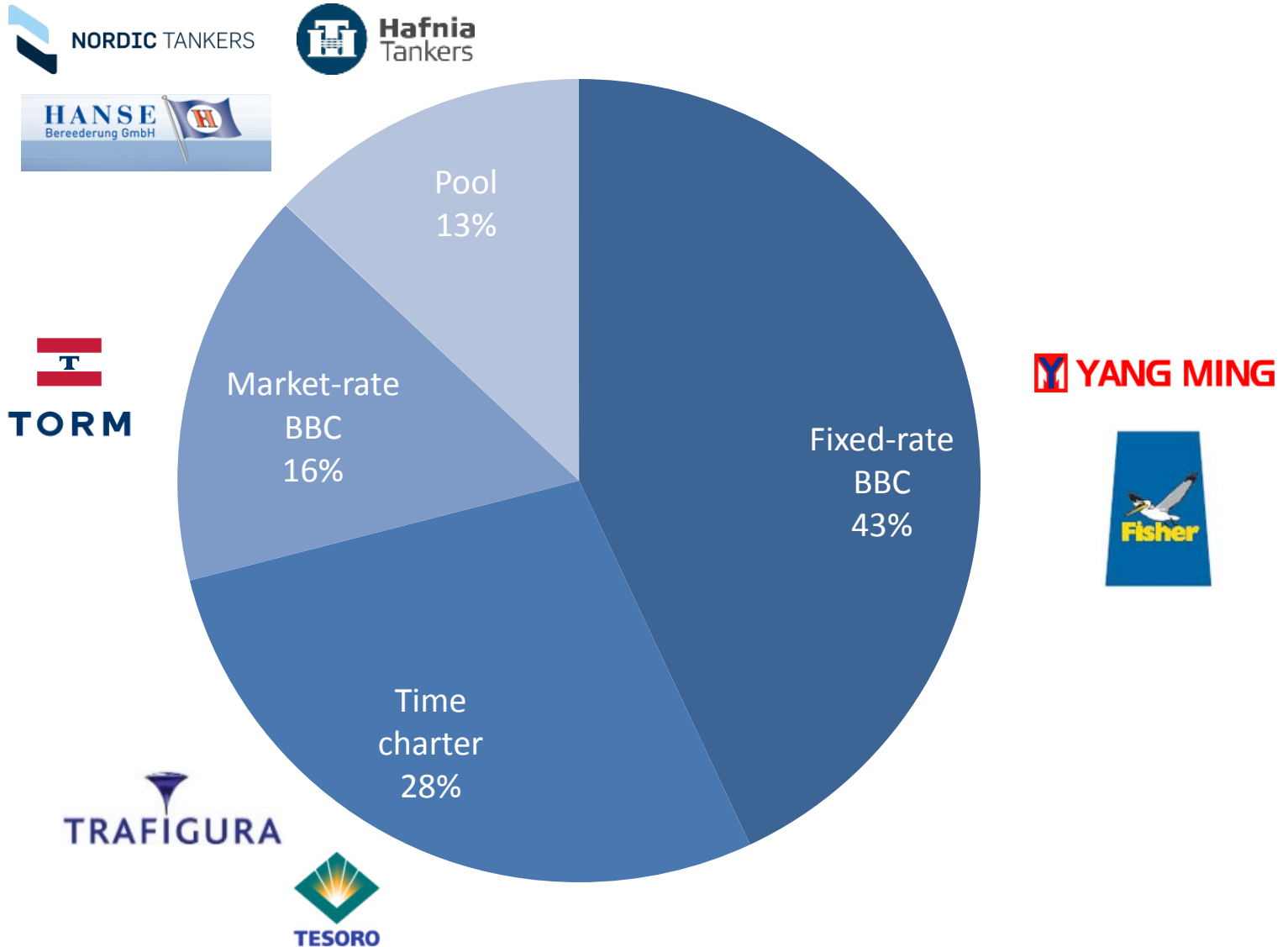
- Net profit 24% higher at US\$ 3.5m against the US\$ 2.8m for 3QFY15
- Another quarter of profitability and positive cash generation
- Revenue declined 19.1% year-on-year, primarily due to:
 - the reduced fleet portfolio
 - softening rates in some tanker sectors
 - dry docking of the three chemical tankers
- Gearing⁽¹⁾ improved from 50.6% as at 3QFY15 to 44.5% as at 2QFY16

Performance review

US\$'000	3QFY16	3QFY15	Inc/(Dec) %
Revenue	22,941	28,358	(19.1)
Operating profit	5,778	5,557	4.0
Profit/(Loss) for the quarter	3,534	2,849	24.0
Net cash generated from operations	13,184	15,971	(17.5)
Gearing ratio	44.5%	50.6%	(12.1)

- 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

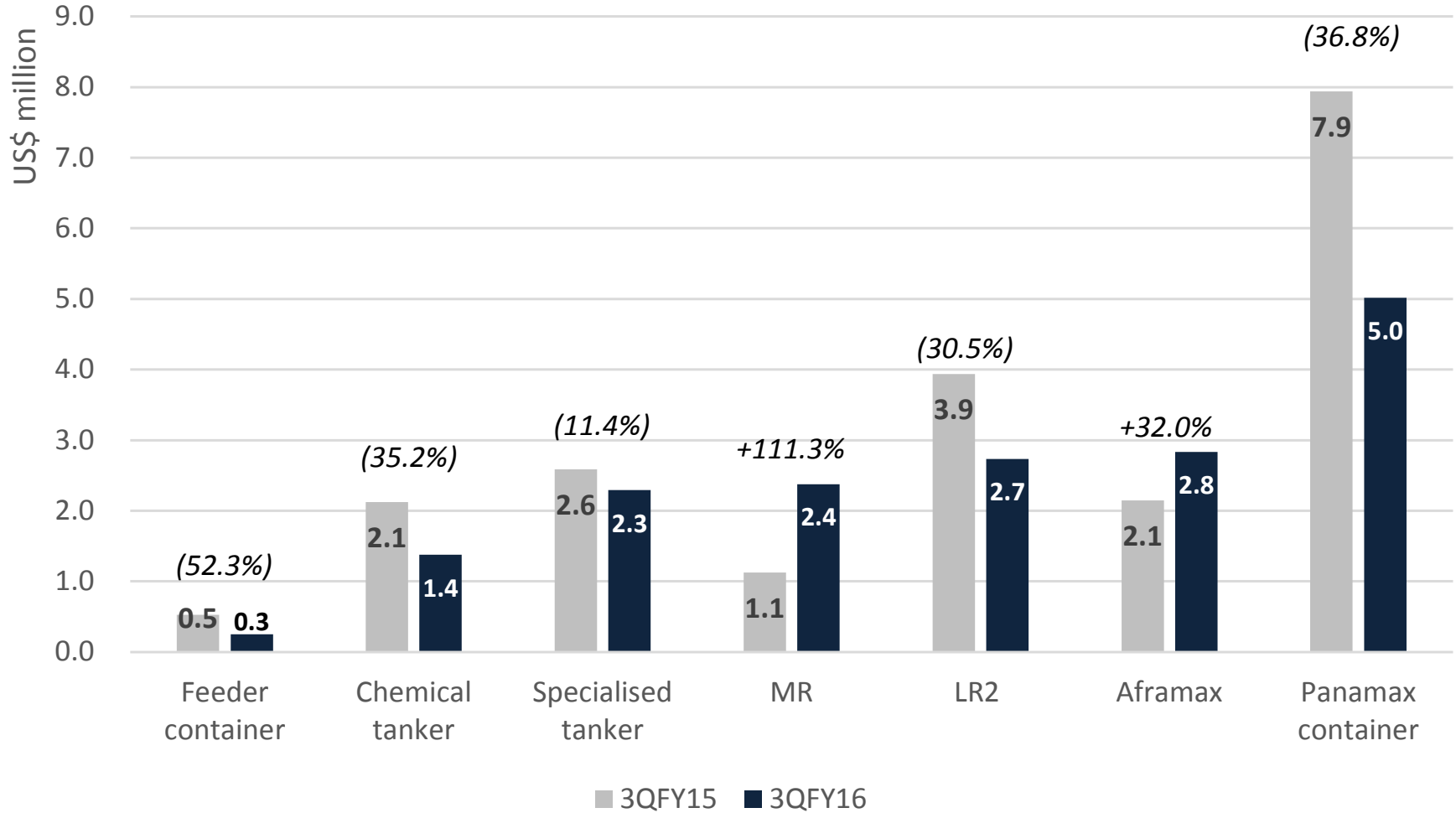
Fleet deployment by revenue⁽¹⁾



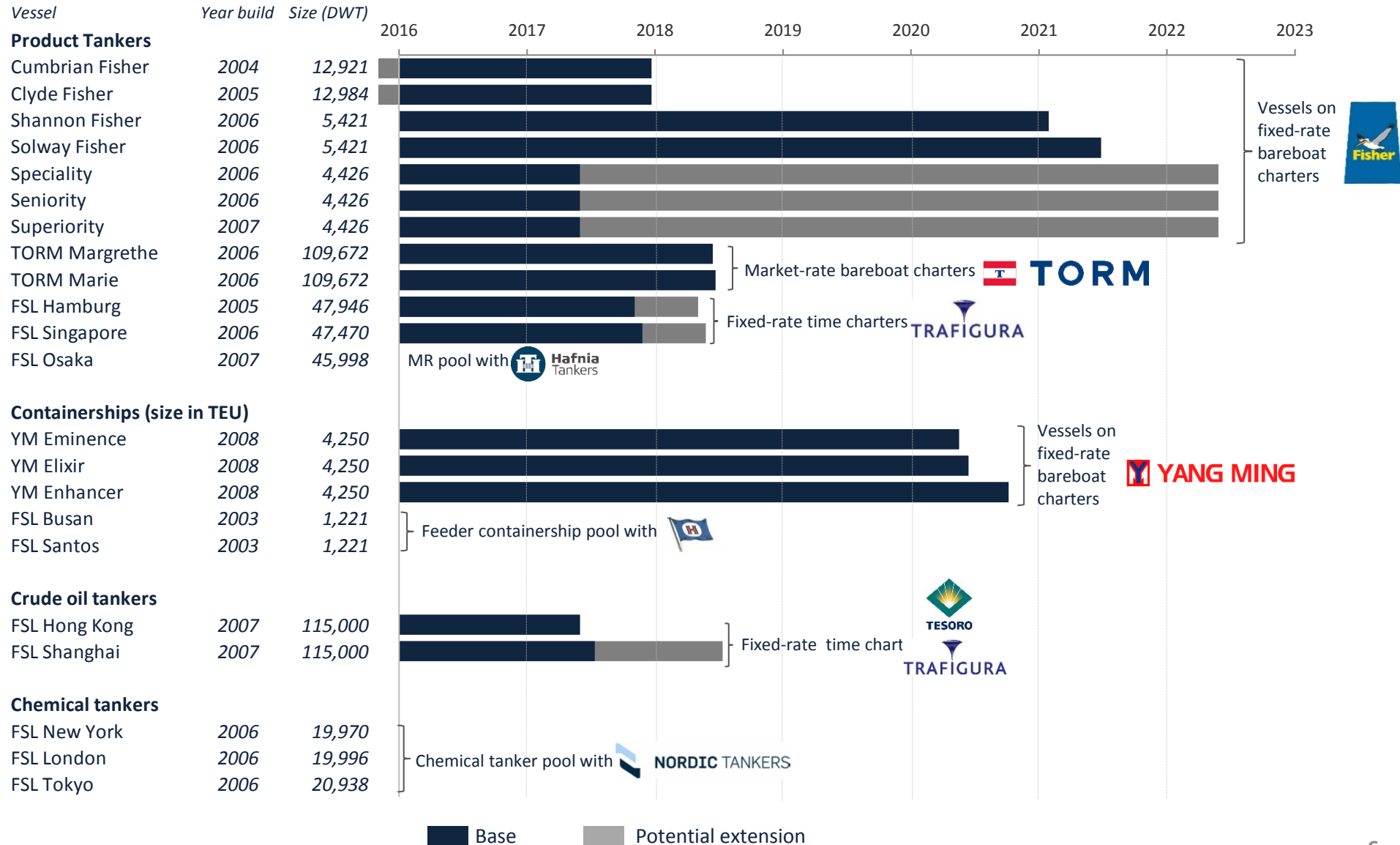
Note 1: BBCE revenue for the 3 months ended 30 September 2016

Operational performance

BBCE revenue by vessel type

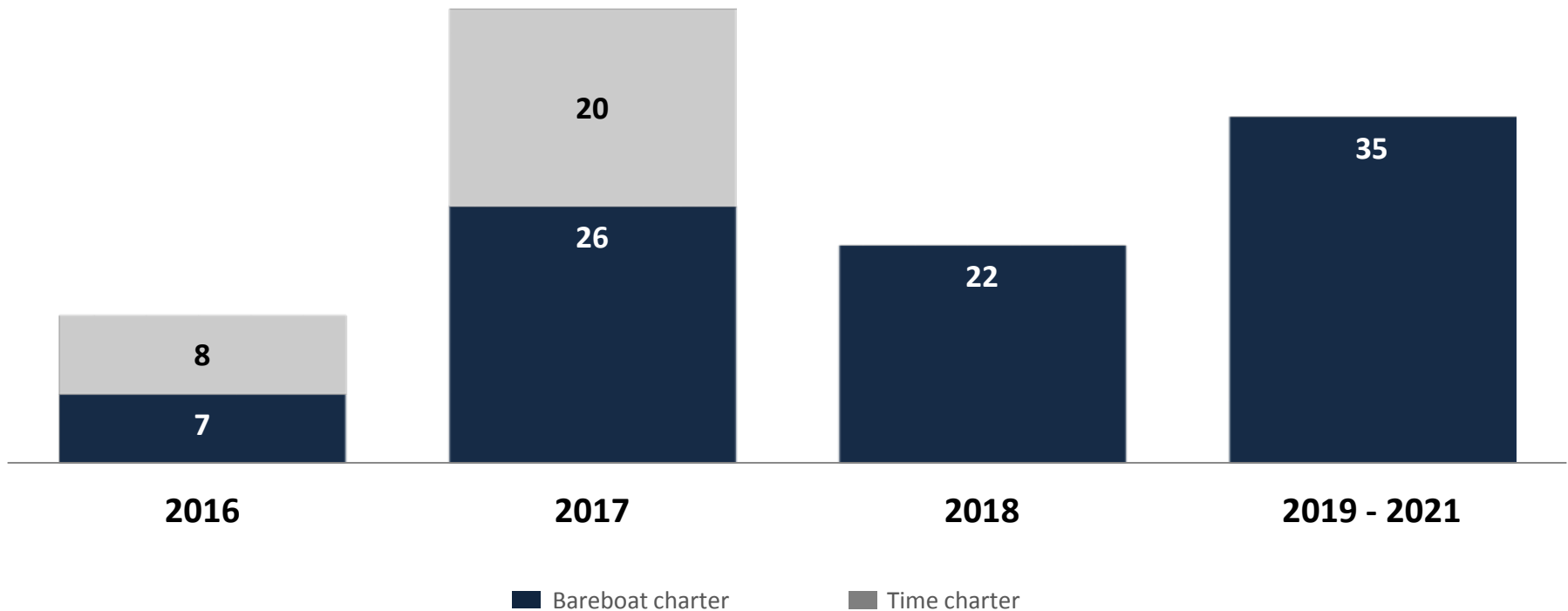


Lease maturity of vessels



Revenue backlog

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



Note 1: Based on revenue from nine 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 dockings for the next 12 months

FSL managed fleet - Vessels planned for dry docking

Vessel	Date
FSL Hong Kong	1Q FY2017
FSL Osaka	3Q FY2017

Latest dry dockings

Vessel	Date
FSL New York	3Q FY2016
FSL Tokyo	3Q FY2016
FSL London	3Q FY2016

FY2017 scheduled redeliveries

Vessel	Date
Speciality	2Q FY2017
Superiority	2Q FY2017
Seniority	2Q FY2017
FSL Hong Kong	2Q FY2017
FSL Shanghai	3Q FY2017
FSL Hamburg	4Q FY2017
FSL Singapore	4Q FY2017

- Four fixed-rate bareboat charters expired in FY2016
 - Ever Radiant and Ever Respect were sold on redelivery
 - The Trust successfully renegotiated a five year fixed-rate bareboat charter renewal for Shannon Fisher and Solway Fisher at market adjusted bareboat rates
- Seven vessels are expected to be redelivered in FY2017

➤ Summary

- Another quarter of profitability despite a smaller fleet and the challenging shipping industry environment
- Gearing reduced to 46%; over US\$ 50m of debt repaid in last twelve months

➤ Outlook

- Shipping markets across various sectors remain under significant pressure in the near term, but the financial effects should be mitigated by FSL Trust's charter book
- 4QFY16 will be affected by some dry docking related costs following the special surveys of the chemical tankers in 3QFY16

Thank You