



# **FSL Trust**

4QFY16 Financial Results  
24 February 2017

## 4QFY16 – Key financial highlights



- Net loss of US\$ 42.3m in 4Q16 due to US\$44.1m non-cash impairment
- Another quarter of positive cash generation despite the accounting loss
- Revenue declined 10.6% year-on-year, primarily due to:
  - the reduced fleet portfolio
  - softening rates in some tanker sectors and feeder container vessels , which was partially offset by the timely securing of contract cover for some vessels
- Gearing<sup>(1)</sup> improved from 49.4% as at 4QFY15 to 47.3% as at 4QFY16 notwithstanding the impairment of US\$44.1m

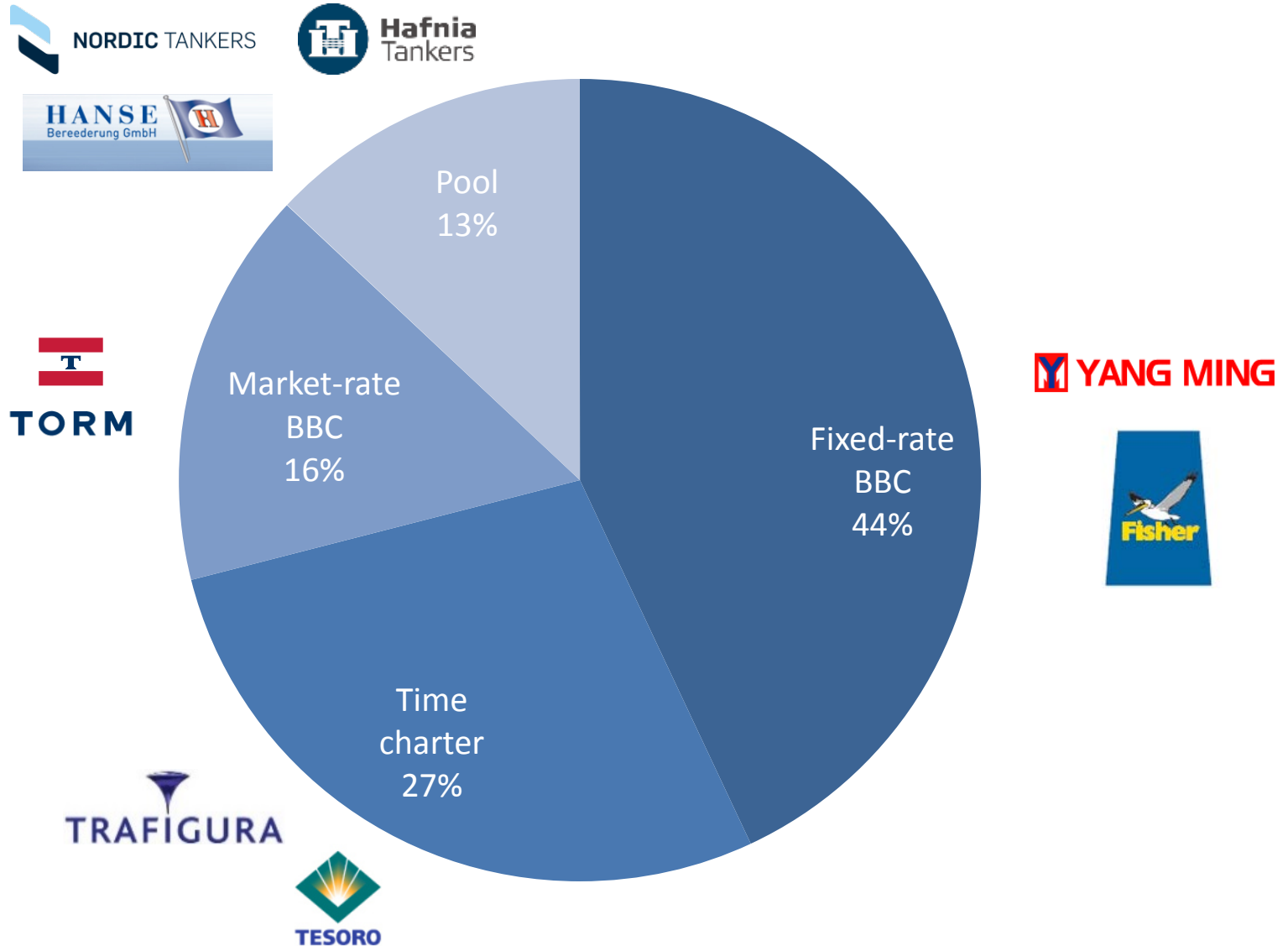
# Performance review

US\$'000	4QFY16	4QFY15	Inc/(Dec) %
Revenue	23,189	25,928	(10.6)
Operating (loss)/profit	(40,301)	2,602	NM
(Loss)/Profit for the quarter	(42,286)	83	NM
Net cash generated from operations	13,195	15,695	(15.9)
Gearing ratio	47.3%	49.4%	(4.3)

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

NM: Not Meaningful

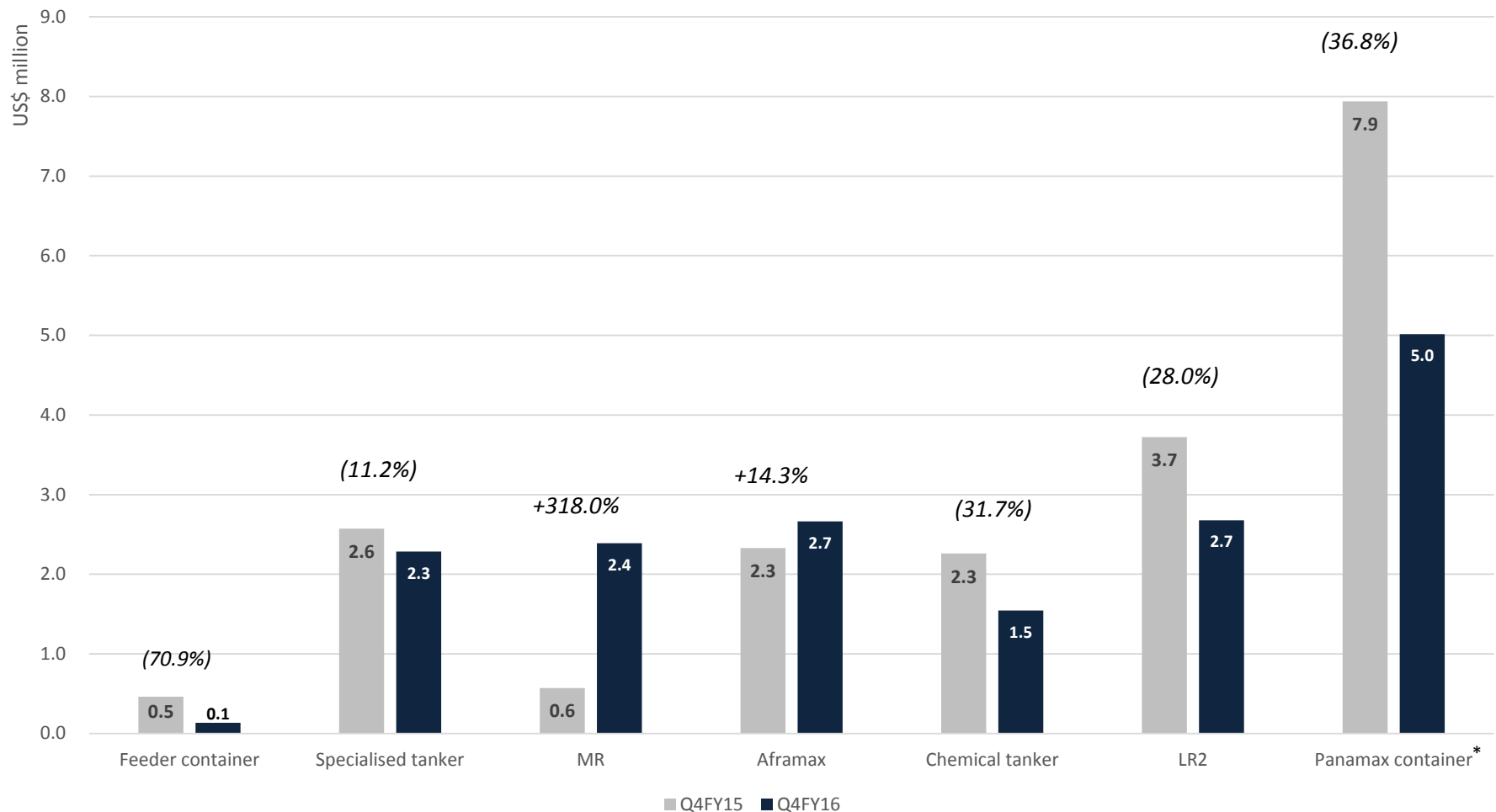
# Fleet deployment by revenue<sup>(1)</sup>



Note 1: BBCE revenue for the 3 months ended 31 December 2016

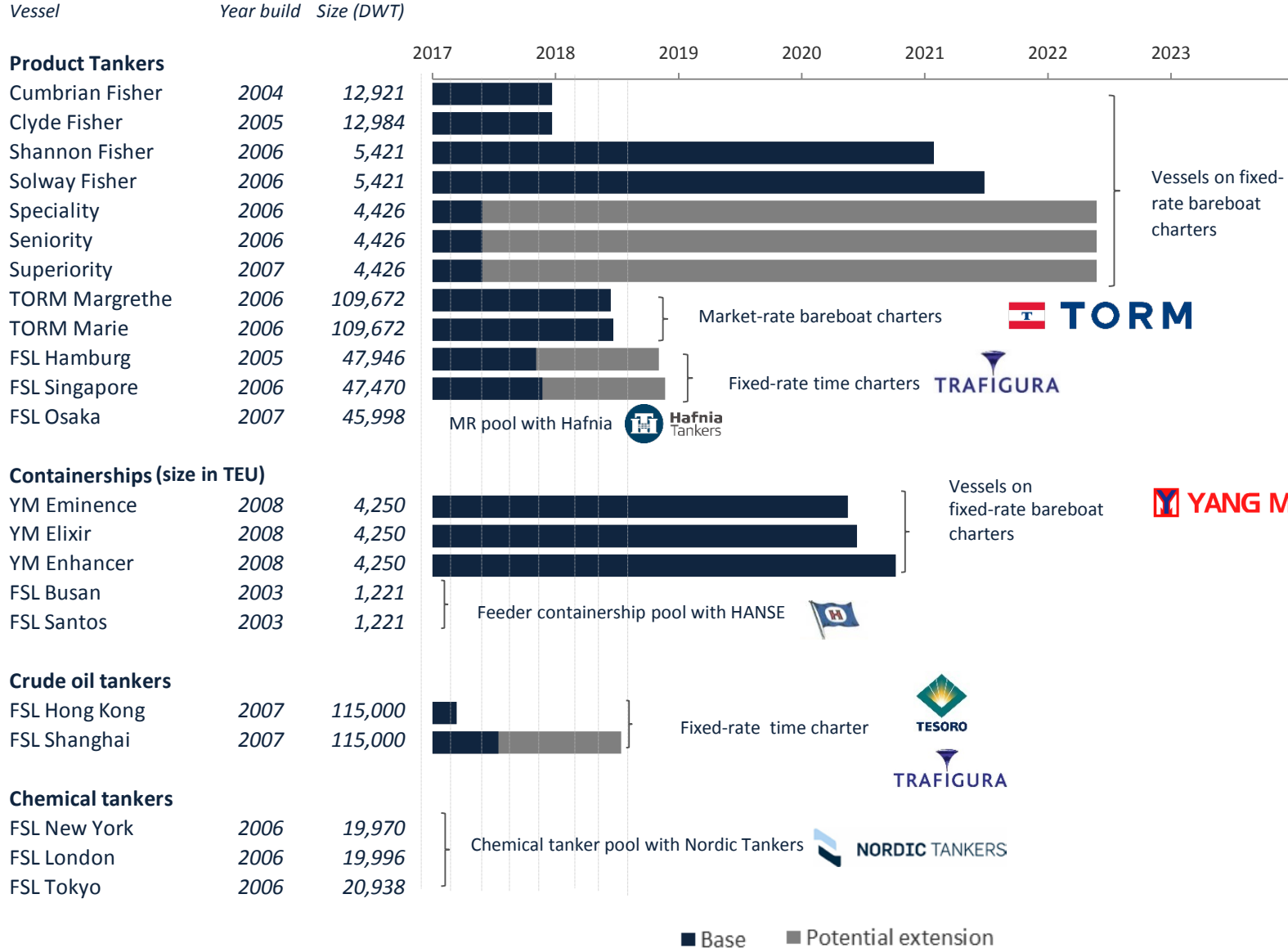
# Operational performance

## BBCE revenue by vessel type



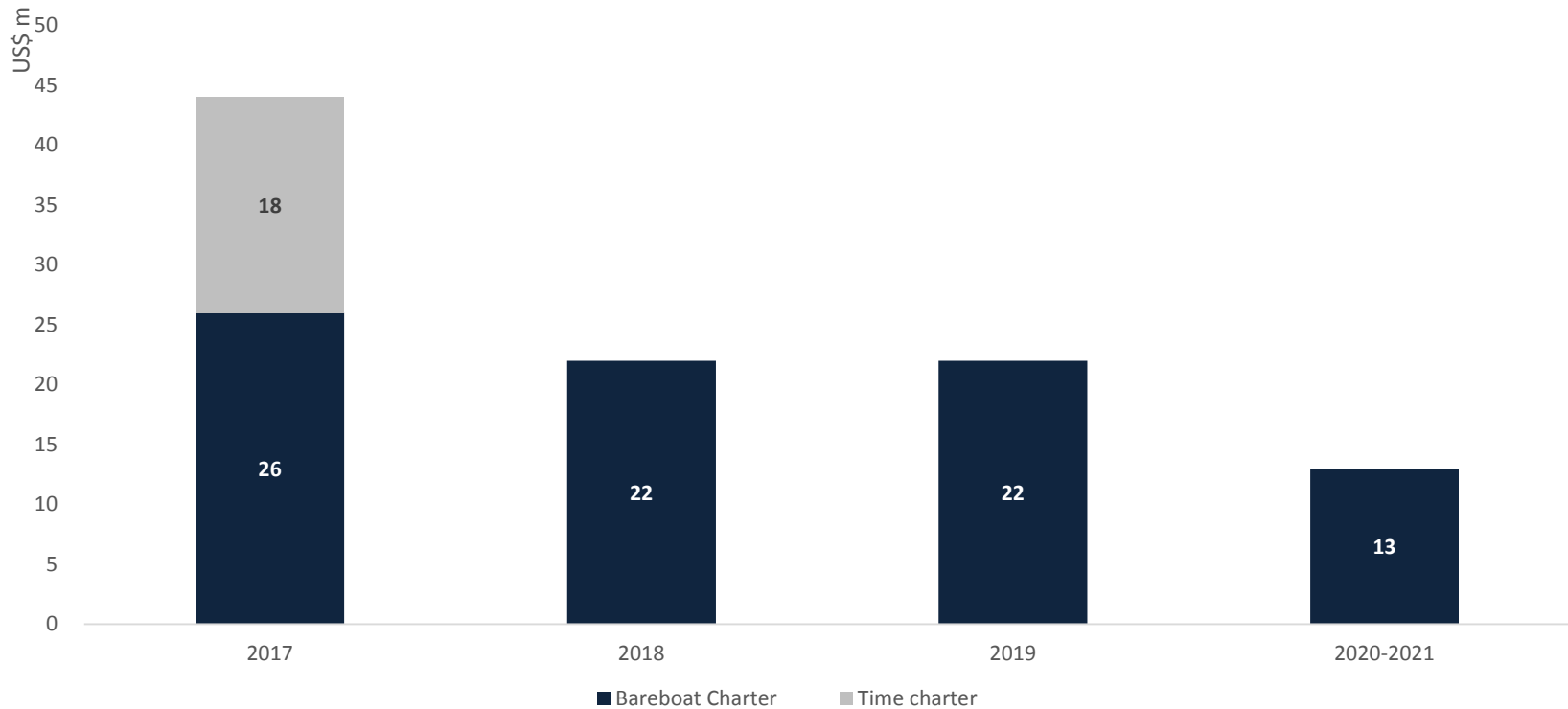
\* Reduced fleet with the disposal of two Evergreen vessels in Feb 2016

# Lease maturity of vessels



■ Base ■ Potential extension

Remaining contracted revenue stood at US\$ 101m <sup>(1)</sup>  
as at 31 December 2016



Note 1: Based on revenue from ten 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

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

## Latest dry dockings

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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	1Q FY2017
FSL Shanghai	3Q FY2017
FSL Hamburg	4Q FY2017
FSL Singapore	4Q FY2017
Cumbrian Fisher	4Q FY2017
Clyde Fisher	4Q FY2017

- The Trust successfully renegotiated a five year fixed-rate bareboat charter renewal for Shannon Fisher and Solway Fisher at market adjusted bareboat rates
- Nine vessels are expected to be redelivered in FY2017

## ➤ Summary

- Another quarter of positive cash generation despite the non-cash impairment, a smaller fleet and the challenging shipping industry environment
- Gearing reduced to 47.3% with over US\$ 50m of debt repaid in last twelve months

## ➤ Outlook

- Shipping markets across all sectors remain under significant pressure in the near term, but the financial effects should be mitigated by FSL Trust's charter book
- 1QFY17 will be affected by the dry docking of one Aframax tanker which will impact the Trust's profitability and cashflow generation in the period

Thank You