

UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered)
Reporting Period:

14-22885-RDD
July 31, 2014

Federal Tax I.D. #

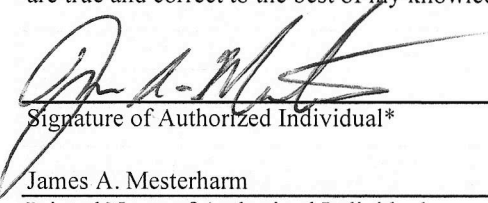
NA

CORPORATE MONTHLY OPERATING REPORT

File with the Court and submit a copy to the United States Trustee within 30 days after the end of the month and submit a copy of the report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts	MOR-1a	x	
Schedule of Disbursements	MOR-1b	x	
Bank Account Information	MOR-1c	x	
Copies of bank statements (See Notes to the MOR)			x
Cash disbursements journals (See Notes to the MOR)			x
Statement of Operations (Income Statement)	MOR-2	x	
Balance Sheet	MOR-3	x	
Status of Post-petition Taxes (See Notes to the MOR)	MOR-4		x
Copies of IRS Form 6123 or payment receipt (See Notes to the MOR)			x
Copies of tax returns filed during reporting period (See Notes to the MOR)			x
Summary of Unpaid Post-petition Debts	MOR-4	x	
Listing of Aged Accounts Payable (See Notes to the MOR)			x
Accounts Receivable Reconciliation and Aging	MOR-5	x	
Payments to Insiders and Professional	MOR-6	x	
Post Petition Status of Secured Notes	MOR-6	x	
Debtor Questionnaire	MOR-7	x	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.


Signature of Authorized Individual*

9/2/14
Date

James A. Mesterharm
Printed Name of Authorized Individual

Chief Restructuring Officer
Title

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

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Notes to the Monthly Operating Report

This monthly operating report is unaudited as the Debtors have not yet completed their audit for 2013. As such, there is a possibility that the Debtors may have adjustments to the financial statements for the year ended December 31, 2013, affecting financial information covered by this monthly operating report, that could differ materially from the information provided herein. Therefore, in order to comply with their obligations to provide monthly operating reports currently during these Chapter 11 Cases, the Debtors have prepared this monthly operating report using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. This monthly operating report is, thus, true and accurate to the best of the Debtors' knowledge, information and belief based on current available data.

GENERAL:

General Methodology: The Debtors prepared this Monthly Operating Report relying primarily upon the information set forth in their books and records. Consequently, certain transactions that are not identified in the normal course of business in the Debtors' books and records may not be included in this Monthly Operating Report. Nevertheless, in preparing this Monthly Operating Report, the Debtors made best efforts to supplement the information set forth in their books and records with additional information concerning transactions that may not have been identified therein.

Reservation of Rights. Given the complexity of the Debtors' business, inadvertent errors, omissions or over inclusion of contracts or leases may have occurred. Accordingly, the Debtors hereby reserve all of their rights to dispute the validity, status, enforceability, or executory nature of any claim amount, representation or other statement in this Monthly Operating Report and reserve the right to amend or supplement this Monthly Operating Report, if necessary, but shall be under no obligation to do so.

Notes to MOR-1a:

Synergy manages the business and affairs of the Debtors pursuant to management agreements with Nautilus Holdings Limited (NHL) and Nautilus Holdings No. 2 Limited (NH2L). Synergy's management fees and other expenses are paid by NHL and NH2L on behalf of their respective subsidiaries, and thus reimbursed by their subsidiaries through intercompany distributions and receipts. These balances represent intercompany disbursements and receipts made in the ordinary course of business. These intercompany receipts have been shown separately in the MOR.

Notes to MOR-1b:

Synergy, acting as the Debtors' agent, oversees the disbursement of vessel operating expenses to either (i) third party technical managers (the "Technical Managers") that provide technical management and crewing for each of the Debtors' vessels pursuant to separate technical management agreements or (ii) directly to certain suppliers for the provision of lubricating oils, insurance and classification society fees and other select vessel operating costs.

The monthly amounts disbursed to the Technical Managers on account of each vessel's respective operating expenses are based on an annually approved budget agreed upon between Synergy on behalf of each vessel owner and each technical management company, which remain subject to ongoing adjustments, depending upon actual costs. These transfers are excluded from the Disbursement Total, however, payments made by Debtors' Technical Managers related to vessel's operating expenses to third party vendors and the Technical Manager fees are reflected in the MOR.

NHL and NH2L make certain disbursements on behalf of their respective subsidiaries, and thus distributions reflect transactions that represent extensions of intercompany credit made in the ordinary course of business. These intercompany credits are also reflected as intercompany receivables and payables among the Debtors and their subsidiaries.

Notes to MOR-1c:

All amounts listed are the book balances as of the end of the month.

The Debtors have not included copies of bank statements or disbursements journals due to the voluminous nature of such documents.

Notes to MOR-2:

The Income Statement reflects revenue and expenses that directly correspond to the listed debtor legal entity.

The revenue and expenses for the debtor entities include intercompany transactions which are eliminated in consolidated reporting. For example, NHL and NH2L revenues reflect amounts that are upstreamed from the vessel owning subsidiaries for payment of monthly management fees. Therefore, these management fees are duplicated as an expense in General & Administrative at both the NHL / NH2L level and their respective vessel owning subsidiaries' level. These fees are paid or accrued on a monthly basis to Synergy through NHL and NH2L.

Bankruptcy professional fees are allocated to the listed debtor entities. The methodology for this allocation is based on 2013 net revenue.

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Notes to the Monthly Operating Report

The Debtors are accruing interest expense on the secured debt. However, no adequate assurance payments have been made and nothing contained herein shall constitute a waiver of the Debtors' rights, or an admission involving the extent of their lenders' security interests in their respective collateral.

Notes to MOR-3:

The Balance Sheet reflects assets, liabilities, and stockholders equity that directly correspond to the debtor legal entity.

As a result of the commencement of these chapter 11 Cases, the payment of pre-petition indebtedness is subject to compromise or other treatment under a chapter 11 plan. The Bankruptcy Court authorized the Debtors to pay certain prepetition claims, including but not limited to, taxes and vendor claims. To the extent such claims have been categorized as "Liabilities Not Subject to compromise," the Debtors reserve their right to dispute their obligation to make such payments. The Debtors have been paying and intend to continue to pay undisputed post-petition claims arising in the ordinary course of business.

The liability information, except as otherwise noted, is listed as of the close of business as of the end of the month. Accordingly, the Debtors reserve all rights to amend, supplement or otherwise modify this Monthly Operating Report as necessary and appropriate, but shall be under no obligation to do so. The Debtors have paid certain prepetition liabilities in accordance with orders approved by the Bankruptcy Court authorizing such payments. The Debtors believe that all undisputed post-petition accounts payable have been and are being paid according to agreed-upon terms specific to each vendor and/or service provider and as authorized by the Bankruptcy Court. These payments are limited to payments made to vendors and service providers who provide services that are necessary to the operation of the Debtors' business. In addition, the liabilities reported in this Monthly Operating Report do not reflect any analysis conducted by the Debtors regarding potential claims under section 503(b)(9) of the Bankruptcy Code. Accordingly, the Debtors reserve any and all of their rights to dispute or challenge the validity of any claims asserted under section 503(b)(9) of the Bankruptcy Code or the characterization of the structure of any transaction, document or instrument related to any creditor's claim.

Notes to MOR-4:

NHL and NH2L and their respective subsidiaries received authority pursuant to a first-day order to pay certain prepetition taxes and vendor claims.

The Debtors are current on all postpetition tax payments.

The post-petition amounts due to the technical managers represent open and outstanding third party vendor invoices and do not include prepetition amounts that the Debtors have paid or expect to pay in accordance with first day orders. This summary does not include accruals for invoices not yet received or approved.

Notes to MOR-5:

None

Notes to MOR-6:

None

Notes to MOR-7:

Technical ship management and crewing services for the Debtors' vessels are provided through two ship management companies unaffiliated with the Debtors. Synergy disburses monthly payments from the Debtors' accounts to the technical managers based upon an annual budget for each vessel. The technical managers, in turn, pay certain of the vessel owners' vendors as agent for the vessel owners.

NHL and related debtors received authority pursuant to certain first-day orders to pay certain prepetition taxes and other prepetition liabilities.

Under the Interim Cash Collateral Motion [docket 27], the Debtors were able to borrow through a DIP facility in the amount of \$400,000 from Synergy Management Services. These funds were used as working capital to operate their business in the ordinary course or to maintain their property. Certain debtors have receivable balances due from Synergy Management Services Limited.

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SCHEDULE OF CASH RECEIPTS

(000's)

LID	Debtor	Case Number	July 1 - 31, 2014 Cash Receipts	Less: Interco Receipts	Adjusted Cash Receipts
1	NAUTILUS HOLDINGS LIMITED	14-22885	\$389	(\$277)	\$111
2	NAUTILUS HOLDINGS NO. 2 LIMITED	14-22884	\$406	(\$291)	\$116
3	NAUTILUS SHIPHOLDINGS NO. 1 LIMITED	14-22902	\$0	\$0	\$0
4	NAUTILUS SHIPHOLDINGS NO. 2 LIMITED	14-22903	\$0	\$0	\$0
5	NAUTILUS SHIPHOLDINGS NO. 3 LIMITED	14-22904	\$0	\$0	\$0
6	FINDHORN OSPREY LIMITED	14-22898	\$161	\$0	\$161
7	FLORAL PENINSULA LIMITED	14-22899	\$212	\$0	\$212
8	EARLSTOWN LIMITED	14-22897	\$77	\$0	\$77
9	RESPLENDENT SPIRIT LIMITED	14-22900	\$438	\$0	\$438
10	MILTONS WAY LIMITED	14-22901	\$260	\$0	\$260
11	ABLE CHALLENGER LIMITED	14-22888	\$745	\$0	\$745
12	MAGIC PENINSULA LIMITED	14-22889	\$747	\$0	\$747
13	METROPOLITAN VITALITY LIMITED	14-22890	\$746	\$0	\$746
14	SUPERIOR INTEGRITY LIMITED	14-22891	\$799	\$0	\$799
15	METROPOLITAN HARBOUR LIMITED	14-22887	\$461	\$0	\$461
16	GOLDEN KNIGHTHEAD LIMITED	14-22886	\$460	\$0	\$460
17	PERPETUAL JOY LIMITED	14-22894	\$329	\$0	\$329
18	VIVID MIND LIMITED	14-22896	\$554	\$0	\$554
19	REGAL STONE LIMITED	14-22895	\$370	\$0	\$370
20	CHARMING ENERGETIC LIMITED	14-22892	\$562	\$0	\$562
21	DYNAMIC CONTINENTAL LIMITED	14-22893	\$746	\$0	\$746

Total Cash Receipts

\$8,465

(\$569)

\$7,897

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SCHEDULE OF DISBURSEMENTS

(000's)

LID	Case #	Case Name	July 1 - 31, 2014 Disbursements	Less: Interco Transfers ⁽¹⁾	Less: Transfers on Accounts of Technical Managers ⁽²⁾	Plus: Disbursements Made by Technical Managers ⁽³⁾	Total Disbursements for Calculating UST Quarterly Fees
1	14-22885	NAUTILUS HOLDINGS LIMITED	\$230	\$0	\$0	\$0	\$230
2	14-22884	NAUTILUS HOLDINGS NO. 2 LIMITED	\$221	\$0	\$0	\$0	\$221
3	14-22902	NAUTILUS SHIPHOLDINGS NO. 1 LIMITED	\$0	\$0	\$0	\$0	\$0
4	14-22903	NAUTILUS SHIPHOLDINGS NO. 2 LIMITED	\$0	\$0	\$0	\$0	\$0
5	14-22904	NAUTILUS SHIPHOLDINGS NO. 3 LIMITED	\$0	\$0	\$0	\$0	\$0
6	14-22898	FINDHORN OSPREY LIMITED	\$167	(\$30)	(\$125)	\$74	\$85
7	14-22899	FLORAL PENINSULA LIMITED	\$204	(\$30)	(\$124)	\$103	\$153
8	14-22897	EARLSTOWN LIMITED	\$192	(\$30)	(\$104)	\$118	\$176
9	14-22900	RESPLENDENT SPIRIT LIMITED	\$192	(\$30)	(\$120)	\$49	\$91
10	14-22901	MILTONS WAY LIMITED	\$268	(\$35)	(\$105)	\$20	\$148
11	14-22888	ABLE CHALLENGER LIMITED	\$190	(\$34)	(\$116)	\$155	\$195
12	14-22889	MAGIC PENINSULA LIMITED	\$276	(\$34)	(\$122)	\$148	\$268
13	14-22890	METROPOLITAN VITALITY LIMITEE	\$182	(\$34)	(\$103)	\$77	\$121
14	14-22891	SUPERIOR INTEGRITY LIMITED	\$310	(\$34)	(\$104)	\$79	\$251
15	14-22887	METROPOLITAN HARBOUR LIMITED	\$419	(\$72)	(\$296)	\$101	\$152
16	14-22886	GOLDEN KNIGHTHEAD LIMITED	\$265	(\$72)	(\$117)	\$113	\$189
17	14-22894	PERPETUAL JOY LIMITED	\$160	(\$17)	(\$109)	\$82	\$117
18	14-22896	VIVID MIND LIMITED	\$140	(\$18)	(\$103)	\$81	\$100
19	14-22895	REGAL STONE LIMITED	\$267	(\$26)	(\$191)	\$129	\$179
20	14-22892	CHARMING ENERGETIC LIMITED	\$194	(\$36)	(\$123)	\$127	\$162
21	14-22893	DYNAMIC CONTINENTAL LIMITED	\$370	(\$36)	(\$168)	\$157	\$323
GRAND TOTALS:			\$4,248	(\$569)	(\$2,129)	\$1,612	\$3,162

Notes:

- (1) Reflects transfers made from subsidiary Debtors to holding company Debtors.
- (2) Reflects transfers made to Technical Managers for monthly allocation of budgeted expenses, excluding monthly management fee.
- (3) Reflects payments made by Debtors' Technical Managers related to vessel's operating expenses.

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BANK ACCOUNT INFORMATION

(000's)

LID	Legal Entity	Bank	Type	Last 4 Digits of Account Number	Book Balance
1	NAUTILUS HOLDINGS LTD	CITI BANK GENEVA	NHL ACCOUNT	2782	\$1,543
1	NAUTILUS HOLDINGS LTD	SOCIETE GENERALE PRIVATE BANKING (SUISSE) SA	NHL ACCOUNT	5540	\$304
2	NAUTILUS HOLDINGS 2 LTD	CITI BANK GENEVA	NH2L ACCOUNT	5178	\$1,532
6	FINDHORN OSPREY LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	2642	\$257
7	FLORAL PENINSULA LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	2661	\$290
8	EARLSTOWN LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	2620	\$196
9	RESPLENDENT SPIRIT LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	2683	\$558
10	MILTONS WAY LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	6022	\$205
11	ABLE CHALLENGER LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	5477	\$4,948
12	MAGIC PENINSULA LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	5515	\$6,337
13	METROPOLITAN VITALITY LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	5420	\$5,843
14	SUPERIOR INTEGRITY LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	5461	\$5,087
15	METROPOLITAN HARBOUR LTD	DEUTSCHE BANK AG	EARNINGS ACCOUNT	8000	\$385
15	METROPOLITAN HARBOUR LTD	DEUTSCHE BANK AG	SECONDARY EARNINGS ACCOUNT	8001	\$507
15	METROPOLITAN HARBOUR LTD	DEUTSCHE BANK AG	RETENTION ACCOUNT	8010	\$13,683
16	GOLDEN KNIGHTHEAD LTD	DEUTSCHE BANK AG	EARNINGS ACCOUNT	3100	\$735
16	GOLDEN KNIGHTHEAD LTD	DEUTSCHE BANK AG	SECONDARY EARNINGS ACCOUNT	3101	\$500
16	GOLDEN KNIGHTHEAD LTD	DEUTSCHE BANK AG	RETENTION ACCOUNT	3110	\$13,384
17	PERPETUAL JOY	CITI BANK N.A. LONDON	EARNINGS ACCOUNT	7007	\$907
18	VIVID MIND LTD	CITI BANK N.A. LONDON	RETENTION ACCOUNT	7015	\$5,989
18	VIVID MIND LTD	CITI BANK N.A. LONDON	EARNINGS ACCOUNT	6957	\$2,369
19	REGAL STONE LTD	CITI BANK N.A. LONDON	EARNINGS ACCOUNT	6965	\$992
20	CHARMING ENERGETIC LTD	CITI BANK N.A. LONDON	EARNINGS ACCOUNT	6973	\$1,586
21	DYNAMIC CONTINENTAL LTD	CITI BANK N.A. LONDON	EARNINGS ACCOUNT	6981	\$1,954

\$70,089

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UNAUDITED
STATEMENT OF OPERATIONS (INCOME STATEMENT)
(000's)

	NAUTILUS HOLDINGS NO.2 LTD 14-22884	NAUTILUS SHIPHOLDING S NO.1 LTD 14-22902	FLORAL PENINSULA LTD 14-22899	FINDHORN OSPREY LTD 14-22898	RERSPLENDEN T SPIRIT LTD 14-22900	EARLSTOWN LTD 14-22897	MILTONS WAY LTD 14-22901	ABLE CHALLENGER LTD 14-22888
Revenue	\$290	\$0	\$208	\$211	\$229	\$202	\$212	\$742
Operating Expenses:								
Vessel Expenses	0	0	147	157	140	211	328	211
Vessel Depreciation and Drydocking	0	0	157	157	162	159	243	204
Amortization								
General and Administrative	326	27	31	31	31	31	38	36
Restructuring Expense	0	0	123	126	111	125	180	219
Total Operating and Administrative Expenses	\$326	\$27	\$458	\$470	\$445	\$526	\$789	\$670
Operating Profit (Loss)	(\$36)	(\$27)	(\$250)	(\$260)	(\$216)	(\$324)	(\$578)	\$73
Financial (Income)/ Expenses:								
Interest expense	0	0	32	32	32	32	44	52
Interest income	0	0	0	0	0	0	0	0
Bank commitment fees, loss on exch. and bank charges	0	0	1	1	1	1	6	1
Amortisation of financing costs	0	0	1	1	1	1	2	2
Total Financial (Income)/ Expenses	\$0	\$0	\$34	\$34	\$34	\$34	\$52	\$54
Net Profit/ (Loss)	(\$36)	(\$27)	(\$284)	(\$294)	(\$250)	(\$359)	(\$630)	\$19

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UNAUDITED
STATEMENT OF OPERATIONS (INCOME STATEMENT)
(000's)

	MAGIC PENINSULA LTD 14-22889	METROPOLITA N VITALITY LTD 14-22890	SUPERIOR INTEGRITY LTD 14-22891	NAUTILUS HOLDINGS LTD 14-22885	NAUTILUS SHIPHOLDING S NO.2 LTD 14-22903	GOLDEN KNIGHTHEAD LTD 14-22886	METROPOLITA N HARBOUR LTD 14-22887	NAUTILUS SHIPHOLDING S NO.3 LTD 14-22904
Revenue	\$744	\$743	\$744	\$277	\$0	\$441	\$436	\$0
Operating Expenses:								
Vessel Expenses	194	156	165	0	0	193	166	0
Vessel Depreciation and Drydocking Amortization	206	205	205	0	0	310	311	0
General and Administrative	37	39	36	322	27	78	77	27
Restructuring Expense	219	219	219	0	0	460	460	0
Total Operating and Administrative Expenses	\$655	\$618	\$624	\$322	\$27	\$1,041	\$1,014	\$27
Operating Profit (Loss)	\$89	\$125	\$120	(\$45)	(\$27)	(\$601)	(\$578)	(\$27)
Financial (Income)/ Expenses:								
Interest expense	52	52	53	0	0	248	242	0
Interest income	0	0	0	0	0	0	0	0
Bank commitment fees, loss on exch. and bank charges	1	1	1	0	0	7	7	0
Amortisation of financing costs	2	2	2	0	0	5	5	0
Total Financial (Income)/ Expenses	\$55	\$55	\$56	\$0	\$0	\$260	\$253	\$0
Net Profit/ (Loss)	\$34	\$70	\$64	(\$45)	(\$27)	(\$861)	(\$832)	(\$27)

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(000's)

	PERPETUAL JOY LTD 14-22894	REGAL STONE LTD 14-22895	VIVID MIND LTD 14-22896	CHARMING ENERGETIC LTD 14-22892	DYNAMIC CONTINENTAL LTD 14-22893
Revenue	\$219	\$343	\$575	\$413	\$447
Operating Expenses:					
Vessel Expenses	175	214	158	197	215
Vessel Depreciation and Drydocking	172	278	154	300	290
Amortization					
General and Administrative	18	28	20	38	40
Restructuring Expense	74	282	201	268	389
Total Operating and Administrative Expenses	\$439	\$802	\$533	\$803	\$934
Operating Profit (Loss)	(\$220)	(\$459)	\$42	(\$389)	(\$486)
Financial (Income)/ Expenses:					
Interest expense	50	69	153	111	114
Interest income	(0)	(0)	(0)	(0)	(0)
Bank commitment fees, loss on exch. and bank charges	0	0	0	0	0
Amortisation of financing costs	3	5	4	7	8
Total Financial (Income)/ Expenses	\$54	\$74	\$157	\$119	\$121
Net Profit/ (Loss)	(\$273)	(\$533)	(\$115)	(\$508)	(\$608)

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**UNAUDITED
BALANCE SHEET**

(000's)

ASSETS
CURRENT ASSETS

Cash and Bank Balances	\$1,532	\$0	\$290	\$257	\$558	\$196	\$205	\$4,948	\$6,337	\$5,843	\$5,087
Inventories	0	0	206	186	177	205	283	138	201	226	176
Trade and Other Receivables	87	0	481	369	150	271	194	501	238	376	399
Other Assets	\$50	\$20	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
TOTAL CURRENT ASSETS	\$1,669	\$20	\$1,002	\$837	\$909	\$697	\$707	\$5,613	\$6,801	\$6,470	\$5,687

Investments in Subsidiaries	0	1	0	0	0	0	0	0	0	0	0
Vessels net	0	0	36,048	34,070	35,879	36,413	53,310	60,353	60,976	61,025	62,189
Deferred Arrangement Fees	0	0	29	29	29	29	29	67	75	73	80
Loans and Amounts Due from Related Parties	115,370	111,767	1,455	0	193	106	8	1,400	714	990	830
TOTAL ASSETS	\$117,040	\$111,788	\$38,535	\$34,936	\$37,010	\$37,245	\$54,053	\$67,434	\$68,565	\$68,559	\$68,785

LIABILITIES & STOCKHOLDERS' DEFICIENCY
LIABILITIES NOT SUBJECT TO COMPROMISE:

Accrued liabilities	243	11	256	259	244	258	374	317	401	346	318
Current Portion of Long Term Debt	0	0	29,544	29,544	29,544	29,544	41,400	47,071	47,739	47,739	48,408
DIP Financing	0	0	50	100	50	50	150	0	0	0	0
Deferred Revenue	0	0	99	88	59	66	36	199	199	200	175
Other Current Liabilities	0	0	26	58	63	67	119	117	94	60	42
Interest Rate Swaps - S/T	0	0	0	0	0	0	0	0	0	182	795
Loans and Amounts Due to Related Parties	(0)	16	0	0	(0)	1	3	(0)	(1)	0	1
TOTAL LIABILITIES NOT SUBJECT TO COMPROMISE	\$242	\$27	\$29,975	\$30,048	\$29,959	\$29,986	\$42,082	\$47,703	\$48,432	\$48,527	\$49,739

LIABILITIES SUBJECT TO COMPROMISE:

Non-Intercompany	\$0	\$0	\$73	\$76	\$57	\$46	\$233	\$255	\$247	\$266	\$289
Intercompany	\$2,672	\$114,565	\$10,637	\$11,028	\$11,119	\$11,346	\$13,148	\$15,387	\$15,248	\$14,836	\$15,235
TOTAL LIABILITIES SUBJECT TO COMPROMISE	\$2,672	\$114,565	\$10,710	\$11,103	\$11,175	\$11,392	\$13,381	\$15,641	\$15,495	\$15,102	\$15,524
TOTAL LIABILITIES	\$2,914	\$114,592	\$40,685	\$41,152	\$41,134	\$41,378	\$55,463	\$63,345	\$63,927	\$63,628	\$65,263

STOCKHOLDERS' DEFICIENCY:

Share Capital	100	12	0	0	0	0	0	0	0	0	0
Additional Paid In Capital	0	0	0	0	0	0	0	0	0	0	0
Retained Earnings/(Accumulated Losses)	0	(2,614)	1,963	(2,103)	34	(202)	5,857	1,110	1,600	1,935	1,171
Profit/(Loss) for the Current Year	791	(202)	(4,114)	(4,112)	(4,158)	(3,931)	(7,268)	2,979	3,124	3,177	3,146
Other Comprehensive Income	0	0	0	0	0	0	(0)	0	(86)	(182)	(795)
Other Reserves	113,234	0	0	0	0	0	0	0	0	0	0
TOTAL SHAREHOLDERS' EQUITY	\$114,126	(\$2,804)	(\$2,150)	(\$6,215)	(\$4,124)	(\$4,133)	(\$1,410)	\$4,089	\$4,638	\$4,930	\$3,522

TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	\$117,040	\$111,788	\$38,535	\$34,936	\$37,010	\$37,245	\$54,053	\$67,434	\$68,565	\$68,559	\$68,785
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In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered)
Reporting Period:

14-22885-RDD
July 31, 2014

Federal Tax I.D. #

NA

**UNAUDITED
BALANCE SHEET**

(000's)

ASSETS

CURRENT ASSETS

Cash and Bank Balances	\$1,847	\$0	\$14,619	\$14,574	\$0	\$907	\$992	\$8,359	\$1,586	\$1,954
Inventories	0	0	285	322	0	183	354	147	660	667
Trade and Other Receivables	486	7	763	172	3	301	111	234	672	1,602
Other Assets	\$318	\$20	\$25	\$25	\$20	\$25	\$25	\$25	\$25	\$25
TOTAL CURRENT ASSETS	\$2,652	\$27	\$15,691	\$15,093	\$23	\$1,416	\$1,482	\$8,765	\$2,943	\$4,247

Investments in Subsidiaries	24	0	0	0	1	0	0	0	0	0
Vessels net	0	0	95,343	95,061	0	38,186	59,770	44,599	89,558	92,988
Deferred Arrangement Fees	0	0	203	194	0	122	228	137	301	343
Loans and Amounts Due from Related Parties	92,754	44,662	323	146	40,765	0	4	4,351	2,837	5,268
TOTAL ASSETS	\$95,430	\$44,689	\$111,560	\$110,495	\$40,788	\$39,724	\$61,483	\$57,851	\$95,640	\$102,847

LIABILITIES & STOCKHOLDERS' DEFICIENCY

LIABILITIES NOT SUBJECT TO COMPROMISE:

Accrued liabilities	232	11	1,044	1,307	11	280	564	624	722	854
Current Portion of Long Term Debt	0	0	73,192	73,192	0	33,383	48,424	37,190	75,455	78,102
DIP Financing	0	0	0	0	0	0	0	0	0	0
Deferred Revenue	0	0	0	0	0	97	0	143	178	683
Other Current Liabilities	10	0	166	0	0	83	92	76	106	120
Interest Rate Swaps - S/T	0	0	3,880	3,810	0	0	(0)	812	0	(0)
Loans and Amounts Due to Related Parties	(3)	28	25	0	18	1	2	(1)	1	3
TOTAL LIABILITIES NOT SUBJECT TO COMPROMISE	\$239	\$39	\$78,306	\$78,310	\$28	\$33,845	\$49,083	\$38,843	\$76,463	\$79,762

LIABILITIES SUBJECT TO COMPROMISE:

Non-Intercompany	\$0	\$0	\$137	\$137	\$0	\$81	\$159	\$42	\$174	\$19
Intercompany	\$233	\$44,801	\$22,835	\$22,608	\$41,219	\$8,452	\$12,771	\$13,817	\$12,350	\$12,374
TOTAL LIABILITIES SUBJECT TO COMPROMISE	\$233	\$44,801	\$22,972	\$22,746	\$41,219	\$8,532	\$12,931	\$13,860	\$12,524	\$12,393
TOTAL LIABILITIES	\$472	\$44,839	\$101,278	\$101,055	\$41,247	\$42,377	\$62,013	\$52,703	\$88,987	\$92,155

STOCKHOLDERS' DEFICIENCY:

Share Capital	238,147	12	0	0	12	0	0	0	0	0
Additional Paid In Capital	0	0	0	0	0	0	0	0	0	0
Retained Earnings/(Accumulated Losses)	(25,547)	(61)	14,059	14,626	(386)	1,238	660	4,714	9,161	8,672
Profit/ (Loss) for the Current Year	(114,356)	(101)	(3,777)	(5,187)	(85)	(3,891)	(1,190)	1,825	(2,508)	2,020
Other Comprehensive Income	0	0	0	0	0	0	0	(1,390)	(0)	0
Other Reserves	(3,286)	0	0	0	0	0	0	0	0	0
TOTAL SHAREHOLDERS' EQUITY	\$94,958	(\$150)	\$10,282	\$9,440	(\$459)	(\$2,653)	(\$530)	\$5,149	\$6,653	\$10,692

TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	\$95,430	\$44,689	\$111,560	\$110,495	\$40,788	\$39,724	\$61,483	\$57,851	\$95,640	\$102,847
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In re: Nautilus Holdings Limited, et al.

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SUMMARY OF UNPAID POST-PETITION DEBTS

	Beginning Liability	Amount Withheld or Accrued	Amount Paid	Ending Liability
Amounts Due to Technical Manager for Third Party Vendor Payable	56,889	2,057,226	(1,611,886)	502,229
Salary Payable	-	135,850	(82,500)	53,350
Lubricant Payable	-	322,660	(229,607)	93,053
Secured Debt/Adequate Protection Payments	-	-	-	-
Professional Fees	-	-	-	-
Total Post-Petition Debts	\$56,889	\$2,515,736	(\$1,923,992)	\$648,632

Combined Debtors Summary of Unpaid Post-petition Technical Manager Payables⁽¹⁾, Salary Payable, and Lubricant Payables

	Days Past Due					Total
	Current	1-30	31-60	61-90	>91	
Combined	648,632 100%	- 0%	- 0%	- 0%	- 0%	\$648,632 100%

Note:

(1) The post-petition amounts due to technical manager represent third party vendor invoices and do not include prepetition amounts that the Debtors have paid or expect to pay pursuant to the first day orders of the Bankruptcy Court. This summary does not include accruals for invoices not yet received or approved for payment.

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ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation		Amount
Total Accounts Receivable (Gross) at the beginning of the reporting period		4,773,191
+ Amounts billed during the period		7,825,790
- Amounts collected during the period		(7,874,266)
Total Accounts Receivable (Gross) at the end of the reporting period		\$4,724,714

Accounts Receivable Aging		Amount
0 - 30 days old		67,359
31 - 60 days old		5,001
61 - 90 days old		247,907
91+ days old		4,404,446
Total Accounts Receivable		\$4,724,714
Provision for Bad Debts		(967,501)
Accounts Receivable (Net)		\$3,757,213

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NA

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown on the Schedule of Disbursements Report (MOR-1b) list the amount paid to insiders (as defined in Section 101(31) (A)-(F) of the U.S. Bankruptcy Code) and to professionals. For payments to insiders, identify the type of compensation paid (e.g. Salary, Bonus, Commissions, Insurance, Housing Allowance, Travel, Car Allowance, Etc.). Attach additional sheets if necessary.

Insiders		
	Name	Amount Paid During Month
1	ANDREAS PAPATHOMAS	SALARY \$82,500
2	SYNERGY MANAGEMENT SERVICES LIMITED	MGMT FEE \$341,147
Total Payments to Insiders		\$423,647

Professionals		
	Name	Amount Paid During Month
		\$0
Total Payments to Professionals		\$0

POST PETITION SECURED NOTES ADEQUATE PROTECTION PAYMENTS

Name of Creditor	Amount Paid During Month
	\$0
Total Payments	\$0

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NA

DEBTOR QUESTIONNAIRE

	Must be completed each month.	Yes	No
1	Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2	Have any funds been disbursed from any account other than a debtor in possession account this reporting period? See Notes to MOR-7.	X	
3	Is the Debtor delinquent in the timely filing of any post petition tax returns?		X
4	Are workers compensation, general liability and other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X
5	Is the Debtor delinquent in paying any insurance premium payment?		X
6	Have any payments been made on pre-petition liabilities this reporting period?	X	
7	Are any post petition receivables (accounts, notes or loans) due from related parties?	X	
8	Are any post petition payroll taxes past due?		X
9	Are any post petition State or Federal income taxes past due?		X
10	Are any post petition real estate taxes past due?		X
11	Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s).		X
12	Are any other post petition taxes past due?		X
13	Are any amounts owed to post petition creditors delinquent?		X
14	Are any wage payments past due?		X
15	Have any post petition loans been received by the Debtor from any party?	X	
16	Is the Debtor Delinquent in paying any U.S. Trustee fees?		X
17	Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X
18	Have the owners or shareholders received any compensation outside of the normal course of business?		X