

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  
October 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\*

12/1/2014

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.

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered) 14-22885-RDD  
Reporting Period: October 31, 2014  
Federal Tax I.D. # NA

**Notes to the Monthly Operating Report**

This monthly operating report is unaudited. 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.

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered) 14-22885-RDD  
Reporting Period: October 31, 2014  
Federal Tax I.D. # NA

**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.

The DIP obligations of the Debtors shall be joint and several. In accordance with the terms of the DIP agreement, if one Debtor's liability under the DIP facility is ultimately for the benefit of another Debtor, the Debtor undertaking such liability shall have an intercompany claim against such benefitting Debtor.

**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 other 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 includes specific 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 Second Interim DIP Order (Docket no. 57), the Debtors were able to borrow through a DIP facility in the amount of \$650,000 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.

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered)

Reporting Period:

14-22885-RDD

October 31, 2014

Federal Tax I.D. #

NA

**SCHEDULE OF CASH RECEIPTS**

(000's)

LID	Debtor	Case Number	October 1 - 31, 2014 Cash Receipts	Less: Interco Receipts	Adjusted Cash Receipts
1	NAUTILUS HOLDINGS LIMITED	14-22885	\$277	(\$277)	\$0
2	NAUTILUS HOLDINGS NO. 2 LIMITED	14-22884	\$291	(\$291)	\$1
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	\$214	\$0	\$214
7	FLORAL PENINSULA LIMITED	14-22899	\$218	\$0	\$218
8	EARLSTOWN LIMITED	14-22897	\$237	\$0	\$237
9	RESPLENDENT SPIRIT LIMITED	14-22900	\$214	\$0	\$214
10	MILTONS WAY LIMITED	14-22901	\$215	\$0	\$215
11	ABLE CHALLENGER LIMITED	14-22888	\$752	\$0	\$752
12	MAGIC PENINSULA LIMITED	14-22889	\$748	\$0	\$748
13	METROPOLITAN VITALITY LIMITED	14-22890	\$748	\$0	\$748
14	SUPERIOR INTEGRITY LIMITED	14-22891	\$748	\$0	\$748
15	METROPOLITAN HARBOUR LIMITED	14-22887	\$460	\$0	\$460
16	GOLDEN KNIGHTHEAD LIMITED	14-22886	\$459	\$0	\$459
17	PERPETUAL JOY LIMITED	14-22894	\$220	\$0	\$220
18	VIVID MIND LIMITED	14-22896	\$642	\$0	\$642
19	REGAL STONE LIMITED	14-22895	\$0	\$0	\$0
20	CHARMING ENERGETIC LIMITED	14-22892	\$132	\$0	\$132
21	DYNAMIC CONTINENTAL LIMITED	14-22893	\$692	\$0	\$692
<b>Total Cash Receipts</b>			<b>\$7,267</b>	<b>(\$569)</b>	<b>\$6,700</b>

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered) 14-22885-RDD  
Reporting Period: October 31, 2014

Federal Tax I.D. # NA

**SCHEDULE OF DISBURSEMENTS**

(000's)

LID	Case #	Case Name	October 1 - 30, 2014 Disbursements	Less: Interco Transfers <sup>(1)</sup>	Less: Transfers on Accounts of Technical Managers <sup>(2)</sup>	Plus: Disbursements Made by Technical Managers <sup>(3)</sup>	Total Disbursements for Calculating UST Quarterly Fees
1	14-22885	NAUTILUS HOLDINGS LIMITED	\$307	\$0	\$0	\$0	\$307
2	14-22884	NAUTILUS HOLDINGS NO. 2 LIMITED	\$284	\$0	\$0	\$0	\$284
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	\$327	(\$30)	(\$222)	\$69	\$144
7	14-22899	FLORAL PENINSULA LIMITED	\$325	(\$30)	(\$215)	\$54	\$134
8	14-22897	EARLSTOWN LIMITED	\$319	(\$30)	(\$218)	\$62	\$133
9	14-22900	RESPLENDENT SPIRIT LIMITED	\$363	(\$30)	(\$222)	\$87	\$197
10	14-22901	MILTONS WAY LIMITED	\$367	(\$35)	(\$217)	\$105	\$220
11	14-22888	ABLE CHALLENGER LIMITED	\$537	(\$34)	(\$266)	\$112	\$350
12	14-22889	MAGIC PENINSULA LIMITED	\$732	(\$34)	(\$242)	\$138	\$595
13	14-22890	METROPOLITAN VITALITY LIMITEC	\$604	(\$34)	(\$217)	\$68	\$421
14	14-22891	SUPERIOR INTEGRITY LIMITED	\$497	(\$34)	(\$218)	\$129	\$374
15	14-22887	METROPOLITAN HARBOUR LIMITED	\$1,885	(\$72)	(\$250)	\$157	\$1,718
16	14-22886	GOLDEN KNIGHTHEAD LIMITED	\$1,186	(\$72)	(\$245)	\$100	\$969
17	14-22894	PERPETUAL JOY LIMITED	\$314	(\$17)	(\$226)	\$87	\$159
18	14-22896	VIVID MIND LIMITED	\$2,643	(\$18)	(\$212)	\$112	\$2,526
19	14-22895	REGAL STONE LIMITED	\$456	(\$26)	(\$307)	\$120	\$244
20	14-22892	CHARMING ENERGETIC LIMITED	\$377	(\$36)	(\$267)	\$121	\$195
21	14-22893	DYNAMIC CONTINENTAL LIMITED	\$460	(\$36)	(\$267)	\$108	\$265
		<b>GRAND TOTALS:</b>	<b>\$11,985</b>	<b>(\$569)</b>	<b>(\$3,811)</b>	<b>\$1,629</b>	<b>\$9,234</b>

**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.

Case No. (Jointly Administered) 14-22885-RDD  
Reporting Period: October 31, 2014  
Federal Tax I.D. # NA

**BANK ACCOUNT INFORMATION**  
(000's)

Legal Entity	Bank	Type	Last 4 Digits of Account Number	Book Balance
NAUTILUS HOLDINGS LTD	CITI BANK GENEVA	NHL ACCOUNT	2782	\$1,395
NAUTILUS HOLDINGS LTD	SOCIETE GENERALE PRIVATE BANKING (SUISSE) SA	NHL ACCOUNT	5540	\$304
NAUTILUS HOLDINGS 2 LTD	CITI BANK GENEVA	NH2L ACCOUNT	5178	\$1,509
FINDHORN OSPREY LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	2642	\$325
FLORAL PENINSULA LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	2661	\$360
EARLSTOWN LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	2620	\$284
RESPLENDENT SPIRIT LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	2683	\$529
MILTONS WAY LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	6022	\$159
ABLE CHALLENGER LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	5477	\$6,267
MAGIC PENINSULA LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	5515	\$7,385
METROPOLITAN VITALITY LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	5420	\$6,996
SUPERIOR INTEGRITY LTD	HSH NORDBANK AG HAMBURG	EARNINGS ACCOUNT	5461	\$6,480
METROPOLITAN HARBOUR LTD	DEUTSCHE BANK AG	EARNINGS ACCOUNT	8000	\$824
METROPOLITAN HARBOUR LTD	DEUTSCHE BANK AG	SECONDARY EARNINGS ACCOUNT	8001	\$417
METROPOLITAN HARBOUR LTD	DEUTSCHE BANK AG	RETENTION ACCOUNT	8010	\$12,234
GOLDEN KNIGHTHEAD LTD	DEUTSCHE BANK AG	EARNINGS ACCOUNT	3100	\$1,053
GOLDEN KNIGHTHEAD LTD	DEUTSCHE BANK AG	SECONDARY EARNINGS ACCOUNT	3101	\$379
GOLDEN KNIGHTHEAD LTD	DEUTSCHE BANK AG	RETENTION ACCOUNT	3110	\$12,655
PERPETUAL JOY	CITI BANK N.A. LONDON	EARNINGS ACCOUNT	7007	\$887
VIVID MIND LTD	CITI BANK N.A. LONDON	RETENTION ACCOUNT	7015	\$3,895
VIVID MIND LTD	CITI BANK N.A. LONDON	EARNINGS ACCOUNT	6957	\$3,151
REGAL STONE LTD	CITI BANK N.A. LONDON	EARNINGS ACCOUNT	6965	\$384
CHARMING ENERGETIC LTD	CITI BANK N.A. LONDON	EARNINGS ACCOUNT	6973	\$1,620
DYNAMIC CONTINENTAL LTD	CITI BANK N.A. LONDON	EARNINGS ACCOUNT	6981	\$2,437

**\$71,931**

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered)  
Reporting Period:

14-22885-RDD  
October 31, 2014

Federal Tax I.D. #

NA

**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	RERSPLENDE N T SPIRIT LTD 14-22900	EARLSTOWN LTD 14-22897	MILTONS WAY LTD 14-22901	ABLE CHALLENGER LTD 14-22888
<b>Revenue</b>	\$577	\$0	\$190	\$222	\$222	\$232	\$206	\$763
<b>Operating Expenses:</b>								
Vessel Expenses	0	0	133	158	143	153	161	200
Vessel Depreciation and Drydocking Amortization	0	0	157	157	162	159	243	204
General and Administrative	621	24	38	38	38	39	42	41
Restructuring Expense	5	0	40	42	37	42	60	216
<b>Total Operating and Administrative Expenses</b>	<b>\$626</b>	<b>\$24</b>	<b>\$367</b>	<b>\$394</b>	<b>\$380</b>	<b>\$392</b>	<b>\$506</b>	<b>\$661</b>
<b>Operating Profit (Loss)</b>	<b>(\$49)</b>	<b>(\$24)</b>	<b>(\$177)</b>	<b>(\$173)</b>	<b>(\$159)</b>	<b>(\$161)</b>	<b>(\$300)</b>	<b>\$102</b>
<b>Financial (Income)/ Expenses:</b>								
Interest expense	0	0	32	32	31	32	45	51
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	1	1
Amortisation of financing costs	0	0	1	1	1	1	2	2
<b>Total Financial (Income)/ Expenses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$34</b>	<b>\$34</b>	<b>\$33</b>	<b>\$33</b>	<b>\$47</b>	<b>\$53</b>
<b>Net Profit/ (Loss)</b>	<b>(\$49)</b>	<b>(\$24)</b>	<b>(\$211)</b>	<b>(\$206)</b>	<b>(\$192)</b>	<b>(\$194)</b>	<b>(\$347)</b>	<b>\$49</b>

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered)  
Reporting Period:

14-22885-RDD  
October 31, 2014

Federal Tax I.D. #

NA

**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
<b>Revenue</b>	\$763	\$763	\$763	(\$9)	\$0	\$448	\$449	\$0
<b>Operating Expenses:</b>								
Vessel Expenses	187	139	142	0	0	189	210	0
Vessel Depreciation and Drydocking Amortization	206	205	205	0	0	310	311	0
General and Administrative	41	41	41	150	24	80	80	24
Restructuring Expense	216	216	216	5	0	309	310	1
<b>Total Operating and Administrative Expenses</b>	<b>\$649</b>	<b>\$601</b>	<b>\$604</b>	<b>\$154</b>	<b>\$24</b>	<b>\$888</b>	<b>\$910</b>	<b>\$25</b>
<b>Operating Profit (Loss)</b>	<b>\$114</b>	<b>\$162</b>	<b>\$159</b>	<b>(\$164)</b>	<b>(\$24)</b>	<b>(\$440)</b>	<b>(\$462)</b>	<b>(\$25)</b>
<b>Financial (Income)/ Expenses:</b>								
Interest expense	51	52	52	0	0	249	244	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	2	2	0
Amortisation of financing costs	2	2	2	0	0	5	5	0
<b>Total Financial (Income)/ Expenses</b>	<b>\$54</b>	<b>\$54</b>	<b>\$55</b>	<b>\$0</b>	<b>\$0</b>	<b>\$255</b>	<b>\$251</b>	<b>\$0</b>
<b>Net Profit/ (Loss)</b>	<b>\$60</b>	<b>\$108</b>	<b>\$104</b>	<b>(\$164)</b>	<b>(\$24)</b>	<b>(\$695)</b>	<b>(\$712)</b>	<b>(\$25)</b>



In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered)  
Reporting Period:

14-22885-RDD  
October 31, 2014

Federal Tax I.D. #

NA

**UNAUDITED**  
**STATEMENT OF OPERATIONS (INCOME STATEMENT)**  
(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
<b>Revenue</b>	<b>\$228</b>	<b>\$171</b>	<b>\$623</b>	<b>\$411</b>	<b>\$430</b>
<b>Operating Expenses:</b>					
Vessel Expenses	172	249	156	213	197
Vessel Depreciation and Drydocking Amortization	172	278	154	300	304
General and Administrative	24	34	29	44	44
Restructuring Expense	70	234	169	230	310
<b>Total Operating and Administrative Expenses</b>	<b>\$438</b>	<b>\$795</b>	<b>\$508</b>	<b>\$787</b>	<b>\$855</b>
<b>Operating Profit (Loss)</b>	<b>(\$210)</b>	<b>(\$624)</b>	<b>\$115</b>	<b>(\$376)</b>	<b>(\$426)</b>
<b>Financial (Income)/ Expenses:</b>					
Interest expense	50	68	150	110	113
Interest income	(0)	(0)	(0)	(0)	(0)
Bank commitment fees, loss on exch. and bank charges	4	4	4	4	4
Amortisation of financing costs	3	5	4	7	7
<b>Total Financial (Income)/ Expenses</b>	<b>\$57</b>	<b>\$77</b>	<b>\$158</b>	<b>\$121</b>	<b>\$124</b>
<b>Net Profit/ (Loss)</b>	<b>(\$267)</b>	<b>(\$701)</b>	<b>(\$43)</b>	<b>(\$497)</b>	<b>(\$550)</b>

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered)  
Reporting Period:

14-22885-RDD  
October 31, 2014

Federal Tax I.D. #

NA

**UNAUDITED  
BALANCE SHEET**

(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	RERSPLENDE NT SPIRIT LTD 14-22900	EARLSTOWN LTD 14-22897	MILTONS WAY LTD 14-22901	ABLE CHALLENGER LTD 14-22888	MAGIC PENINSULA LTD 14-22889	METROPOLIT AN VITALITY LTD 14-22890	SUPERIOR INTEGRITY LTD 14-22891
<b>ASSETS</b>											
<b>CURRENT ASSETS</b>											
Cash and Bank Balances	\$1,509	\$0	\$360	\$325	\$529	\$284	\$159	\$6,267	\$7,385	\$6,996	\$6,480
Inventories	0	0	163	147	132	167	217	44	291	180	110
Trade and Other Receivables	0	0	217	44	(38)	38	262	273	36	492	193
Other Assets	50	20	195	173	132	170	25	163	74	93	133
<b>TOTAL CURRENT ASSETS</b>	<b>\$1,559</b>	<b>\$20</b>	<b>\$934</b>	<b>\$688</b>	<b>\$755</b>	<b>\$659</b>	<b>\$663</b>	<b>\$6,747</b>	<b>\$7,786</b>	<b>\$7,761</b>	<b>\$6,915</b>
Investments in Subsidiaries	0	1	0	0	0	0	0	0	0	0	0
Vessels net	0	0	35,578	33,599	35,392	35,936	52,581	59,740	60,357	60,414	61,586
Deferred Arrangement Fees	0	0	26	26	26	26	24	62	70	68	75
Loans and Amounts Due from Related Parties	115,681	111,659	1,446	0	214	97	9	1,341	774	945	796
<b>TOTAL ASSETS</b>	<b>\$117,240</b>	<b>\$111,680</b>	<b>\$37,985</b>	<b>\$34,314</b>	<b>\$36,388</b>	<b>\$36,718</b>	<b>\$53,277</b>	<b>\$67,891</b>	<b>\$68,987</b>	<b>\$69,187</b>	<b>\$69,372</b>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>											
<b>LIABILITIES NOT SUBJECT TO COMPROMISE:</b>											
Accrued liabilities	(11)	11	554	566	524	564	808	938	1,019	966	937
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	150	100	50	100	250	0	0	0	0
Deferred Revenue	0	0	0	(7)	(7)	0	22	149	149	150	125
Other Current Liabilities	595	0	0	0	0	0	62	0	0	0	0
Interest Rate Swaps	0	0	0	0	0	0	0	0	0	182	795
Loans and Amounts Due to Related Parties	0	0	17	28	(5)	16	34	(0)	(10)	22	37
<b>TOTAL LIABILITIES NOT SUBJECT TO COMPROMISE</b>	<b>\$585</b>	<b>\$11</b>	<b>\$30,265</b>	<b>\$30,230</b>	<b>\$30,106</b>	<b>\$30,224</b>	<b>\$42,575</b>	<b>\$48,158</b>	<b>\$48,897</b>	<b>\$49,060</b>	<b>\$50,302</b>
<b>LIABILITIES SUBJECT TO COMPROMISE:</b>											
Non-Intercompany	10	0	10	15	18	7	182	246	222	237	226
Intercompany	2,672	114,565	10,637	11,028	11,119	11,346	13,148	15,387	15,248	14,836	15,235
<b>TOTAL LIABILITIES SUBJECT TO COMPROMISE</b>	<b>\$2,681</b>	<b>\$114,565</b>	<b>\$10,646</b>	<b>\$11,043</b>	<b>\$11,137</b>	<b>\$11,353</b>	<b>\$13,331</b>	<b>\$15,633</b>	<b>\$15,470</b>	<b>\$15,073</b>	<b>\$15,461</b>
<b>TOTAL LIABILITIES</b>	<b>\$3,266</b>	<b>\$114,575</b>	<b>\$40,911</b>	<b>\$41,273</b>	<b>\$41,243</b>	<b>\$41,577</b>	<b>\$55,906</b>	<b>\$63,790</b>	<b>\$64,367</b>	<b>\$64,133</b>	<b>\$65,763</b>
<b>STOCKHOLDERS' EQUITY:</b>											
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 and 2013 Year	640	(294)	(4,890)	(4,857)	(4,889)	(4,658)	(8,487)	2,990	3,106	3,301	3,232
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
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>\$113,975</b>	<b>(\$2,895)</b>	<b>(\$2,927)</b>	<b>(\$6,960)</b>	<b>(\$4,855)</b>	<b>(\$4,859)</b>	<b>(\$2,629)</b>	<b>\$4,100</b>	<b>\$4,620</b>	<b>\$5,054</b>	<b>\$3,608</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>\$117,240</b>	<b>\$111,680</b>	<b>\$37,985</b>	<b>\$34,314</b>	<b>\$36,388</b>	<b>\$36,718</b>	<b>\$53,277</b>	<b>\$67,891</b>	<b>\$68,987</b>	<b>\$69,187</b>	<b>\$69,372</b>

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered)  
Reporting Period:

14-22885-RDD  
October 31, 2014

Federal Tax I.D. #

NA

**UNAUDITED  
BALANCE SHEET**

(000's)

	NAUTILUS HOLDINGS LTD 14-22885	NAUTILUS SHIPHOLDING S NO.2 LTD 14-22903	GOLDEN KNIGHTHEAD LTD 14-22886	METROPOLIT AN HARBOUR LTD 14-22887	NAUTILUS SHIPHOLDING S NO.3 LTD 14-22904	PERPETUAL JOY LTD 14-22894	REGAL STONE LTD 14-22895	VIVID MIND LTD 14-22896	CHARMING ENERGETIC LTD 14-22892	DYNAMIC CONTINENTA L LTD 14-22893
<b>ASSETS</b>										
<b>CURRENT ASSETS</b>										
Cash and Bank Balances	\$1,699	\$0	\$14,087	\$13,476	\$0	\$888	\$384	\$7,046	\$1,620	\$2,437
Inventories	0	0	321	294	0	223	243	262	608	572
Trade and Other Receivables	483	7	745	73	3	201	697	48	629	900
Other Assets	318	20	25	92	20	145	82	381	166	129
<b>TOTAL CURRENT ASSETS</b>	<b>\$2,501</b>	<b>\$27</b>	<b>\$15,178</b>	<b>\$13,934</b>	<b>\$23</b>	<b>\$1,457</b>	<b>\$1,406</b>	<b>\$7,737</b>	<b>\$3,023</b>	<b>\$4,038</b>
Investments in Subsidiaries	24	0	0	0	1	0	0	0	0	0
Vessels net	0	0	94,438	94,148	0	37,671	58,935	44,137	88,658	92,041
Deferred Arrangement Fees	0	0	189	181	0	112	212	126	280	320
Loans and Amounts Due from Related Parties	93,232	44,662	347	83	41,090	0	4	5,882	2,334	4,763
<b>TOTAL ASSETS</b>	<b>\$95,756</b>	<b>\$44,689</b>	<b>\$110,152</b>	<b>\$108,346</b>	<b>\$41,113</b>	<b>\$39,239</b>	<b>\$60,556</b>	<b>\$57,882</b>	<b>\$94,296</b>	<b>\$101,163</b>
<b>LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>										
<b>LIABILITIES NOT SUBJECT TO COMPROMISE:</b>										
Accrued liabilities	(10)	11	2,212	1,745	11	408	1,206	939	1,268	1,716
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	187	0	103	0	0
Other Current Liabilities	554	0	50	0	0	0	0	0	0	0
Interest Rate Swaps	0	0	3,880	3,810	0	0	0	812	0	(0)
Loans and Amounts Due to Related Parties	0	150	71	0	465	243	355	0	36	48
<b>TOTAL LIABILITIES NOT SUBJECT TO COMPROMISE</b>	<b>\$545</b>	<b>\$160</b>	<b>\$79,404</b>	<b>\$78,746</b>	<b>\$476</b>	<b>\$34,220</b>	<b>\$49,986</b>	<b>\$39,044</b>	<b>\$76,759</b>	<b>\$79,866</b>
<b>LIABILITIES SUBJECT TO COMPROMISE:</b>										
Non-Intercompany	111	0	5	4	0	58	29	14	4	5
Intercompany	233	44,801	22,835	22,608	41,219	8,452	12,771	13,817	12,350	12,374
<b>TOTAL LIABILITIES SUBJECT TO COMPROMISE</b>	<b>\$344</b>	<b>\$44,801</b>	<b>\$22,840</b>	<b>\$22,612</b>	<b>\$41,219</b>	<b>\$8,509</b>	<b>\$12,801</b>	<b>\$13,831</b>	<b>\$12,354</b>	<b>\$12,379</b>
<b>TOTAL LIABILITIES</b>	<b>\$889</b>	<b>\$44,961</b>	<b>\$102,244</b>	<b>\$101,358</b>	<b>\$41,695</b>	<b>\$42,729</b>	<b>\$62,786</b>	<b>\$52,875</b>	<b>\$89,113</b>	<b>\$92,245</b>
<b>STOCKHOLDERS' EQUITY:</b>										
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 and 2013 Year	(114,446)	(222)	(6,150)	(7,639)	(208)	(4,728)	(2,890)	1,682	(3,979)	246
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
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>\$94,868</b>	<b>(\$272)</b>	<b>\$7,909</b>	<b>\$6,988</b>	<b>(\$581)</b>	<b>(\$3,490)</b>	<b>(\$2,230)</b>	<b>\$5,006</b>	<b>\$5,183</b>	<b>\$8,918</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>\$95,756</b>	<b>\$44,689</b>	<b>\$110,152</b>	<b>\$108,346</b>	<b>\$41,113</b>	<b>\$39,239</b>	<b>\$60,556</b>	<b>\$57,882</b>	<b>\$94,296</b>	<b>\$101,163</b>

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered) 14-22885-RDD  
Reporting Period: October 31, 2014  
Federal Tax I.D. # NA

**SUMMARY OF UNPAID POST-PETITION DEBTS**

	Beginning Liability	Amount Withheld or Accrued	Amount Paid	Ending Liability
Amounts Due from Technical Manager for Third Party Vendor Payable	591,504	1,709,108	(1,628,704)	671,908
Salary Payable	68,800	192,500	(232,500)	28,800
Lubricant Payable	320,510	68,562	(303,030)	86,043
<b>Total Post-Petition Debts</b>	<b>\$980,814</b>	<b>\$1,970,171</b>	<b>(\$2,164,234)</b>	<b>\$786,751</b>

**Combined Debtors Summary of Unpaid Post-petition Technical Manager Payables<sup>(1)</sup>, Salary Payable, and Lubricant Payables**

	Aged Payables					Total
	0-30	31-60	61-90	91-120	>120	
Combined	578,104 73%	73,206 9%	60,989 8%	74,451 9%	- 0%	\$786,751 100%

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 includes specific accruals for invoices not yet received or approved for payment.

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered)

14-22885-RDD

Reporting Period:

October 31, 2014

Federal Tax I.D. #

NA

**ACCOUNTS RECEIVABLE RECONCILIATION AND AGING**

<b>Accounts Receivable Reconciliation</b>		<b>Amount</b>
Total Accounts Receivable (Gross) at the beginning of the reporting period		4,445,903
+ Amounts billed during the period		6,838,581
- Amounts collected during the period		(6,633,133)
Total Accounts Receivable (Gross) at the end of the reporting period		\$4,651,351

<b>Accounts Receivable Aging</b>		<b>Amount</b>
0 - 30 days old		124,281
31 - 60 days old		529,063
61 - 90 days old		49,123
91+ days old		3,948,885
Total Accounts Receivable		\$4,651,351
Provision for Bad Debts		(967,501)
Accounts Receivable (Net)		\$3,683,850

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered)  
Reporting Period:

14-22885-RDD  
October 31, 2014

Federal Tax I.D. #

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.

<b>Insiders</b>				
Name	Type of Payment	Amount Paid During Month	Total Paid to Date	
ALAN CARR (DRIVENTRAIN ADVISORS)	DIRECTOR FEES	\$45,000	\$96,532	(1)
ALASTAIR FARLEY	DIRECTOR FEES	\$32,500	\$65,045	(2)
ANDREAS PAPATHOMAS	SALARY	\$75,000	\$307,000	
ROBIN DAS (AULD PARTNERS)	SALARY	\$80,000	\$183,698	(1)
SYNERGY MANAGEMENT SERVICES LIMITED	MGMT FEE	\$345,161	\$1,368,602	
<b>Total Payments to Insiders</b>		<b>\$577,661</b>	<b>\$2,020,877</b>	

<b>Professionals</b>			
Name		Amount Paid During Month	Total Paid to Date
ASHURST LLP		\$27,966	\$27,966
CITI (AGENCY & TRUSTEE FEES)		\$45,348	\$45,348
WHITE & CASE LLP		\$0	\$78,057
<b>Total Payments to Professionals</b>		<b>\$73,313</b>	<b>\$151,370</b>

**POST PETITION SECURED NOTES ADEQUATE PROTECTION PAYMENTS**

Name of Creditor	Amount Paid During Month	Total Paid to Date
CITIBANK	\$2,094,625	\$2,094,625
DVB BANK SE	\$2,177,106	\$2,177,106
HSH NORDBANK AG	\$879,175	\$879,175
<b>Total Payments</b>	<b>\$5,150,905</b>	<b>\$5,150,905</b>

Note:

- (1) Insider amounts paid in current month include compensation and expenses incurred for prior month.
- (2) Certain insider payments include prepaid quarterly fees which have been paid in advance.

In re: Nautilus Holdings Limited, et al.

Case No. (Jointly Administered) 14-22885-RDD  
Reporting Period: October 31, 2014  
Federal Tax I.D. # NA

**DEBTOR QUESTIONNAIRE**

<b>Must be completed each month.</b>		<b>Yes</b>	<b>No</b>
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 of 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