



HALF YEAR REPORT 2016



HALF YEAR REPORT 2016

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FINANCIAL CALENDAR

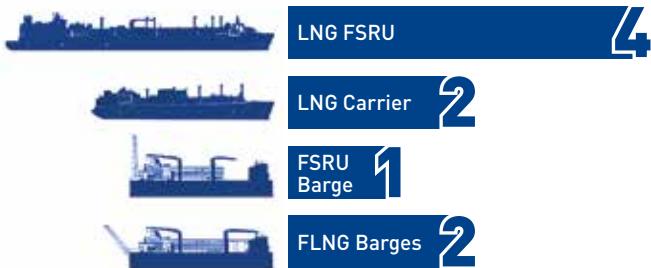
Results 3 rd quarter 2016	27 October 2016
Results 2016	30 March 2017
Shareholders' Meeting	16 May 2017



KEY FIGURES

FLEET LIST AS PER 2 SEPTEMBER 2016

LNG



LPG



OFFSHORE



Key

LNG FSRU: LNG Floating Storage and Regasification Unit

FSRU Barge: Barge-based Floating Storage and Regasification Unit

FLNG Barge: Barge-based Floating Liquefaction Unit

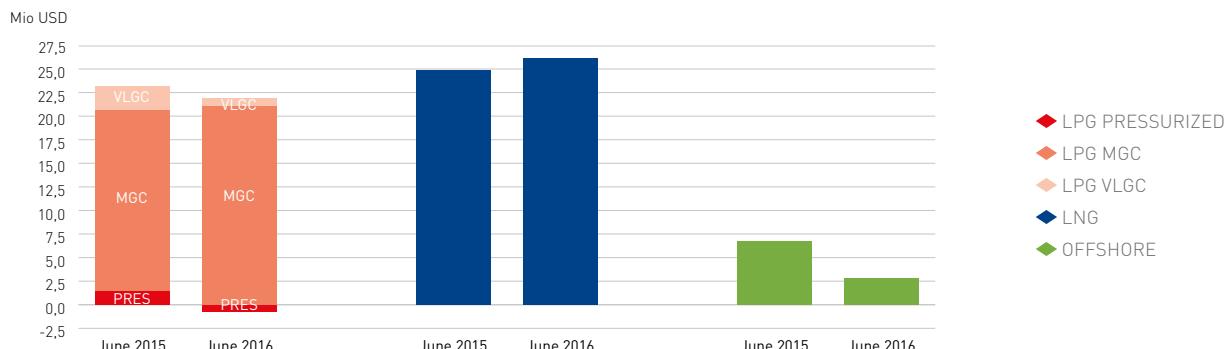
VLGC: Very Large Gas Carrier

Semi-ref.: Semi-refrigerated LPG carrier

Acc. Barge: Accommodation barge

Note: List includes fully owned vessels, assets in joint-venture and vessels chartered in

REBITDA* PER SEGMENT



* REBITDA: recurring earnings before interests, taxes, depreciations and amortisations.

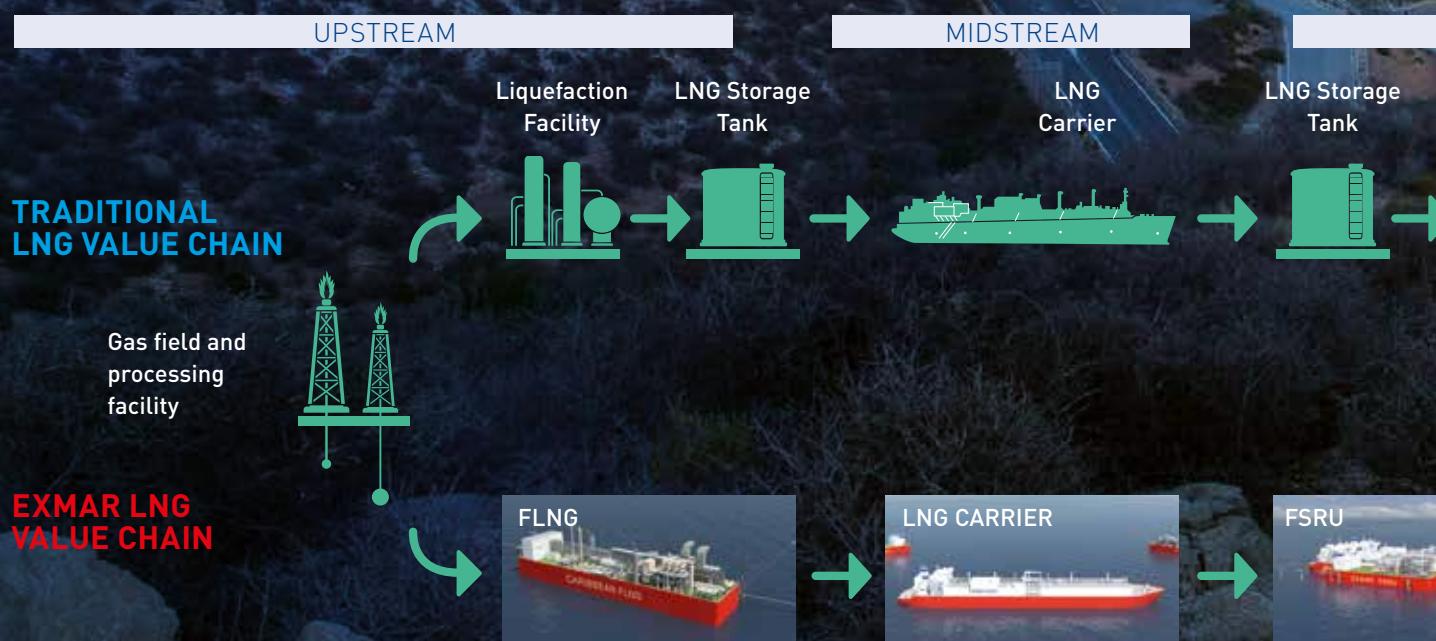
CONSOLIDATED KEY FIGURES

	International Financial Reporting Standards (IFRS 11)		Management reporting based on proportional consolidation	
	30/06/2016	30/06/2015	30/06/2016	30/06/2015
CONSOLIDATED STATEMENT OF PROFIT OR LOSS (IN MILLION USD)				
Turnover	55.2	58.9	150.7	158.0
EBITDA	14.6	-3.5	72.3	54.8
Depreciations and impairment losses	-2.3	-2.5	-22.1	-22.0
Operating result (EBIT)	12.3	-6.0	50.2	32.8
Net financial result	-1.2	6.9	-19.0	-9.6
Share in the result of equity accounted investees	19.8	22.5	-0.2	0.3
Result before tax	30.9	23.4	31.0	23.5
Tax	0.5	-1.6	0.4	-1.7
Consolidated result after tax	31.4	21.8	31.4	21.8
of which group share	31.4	21.8	31.4	21.8
INFORMATION PER SHARE (IN USD)				
Weighted average number of shares of the period	56,741,655	56,775,877	56,741,655	56,775,877
EBITDA	0.257	-0.062	1.274	0.965
EBIT (operating result)	0.217	-0.106	0.885	0.578
Consolidated result after tax	0.553	0.384	0.553	0.384
INFORMATION PER SHARE (IN EUR)				
Exchange rate	1.1106	1.1272	1.1106	1.1272
EBITDA	0.232	-0.055	1.147	0.856
EBIT (operating result)	0.195	-0.094	0.797	0.513
Consolidated result after tax	0.498	0.341	0.498	0.341

LNG

EXMAR's LNG activities can be classified as follows: **LNG Infrastructure** and **LNG Shipping**. Over the past few years EXMAR's LNG activities have been more and more focused on developing niche and cost-efficient LNG infrastructure solutions that can be rapidly brought to the markets, serving the growing needs of our clients worldwide in their search for competitive sources of energy and corresponding flexible infrastructure solutions.

With over 35 years of LNG shipping experience, EXMAR has a proven track record of innovations across the LNG value chain. It was the first Company to develop, build and operate Floating Storage and Regasification Units (FSRUs), to develop and set the industry standard for ship-to-ship transfer of LNG and it was the first to develop a barge-based Floating Liquefaction unit (FLNG) to produce LNG. EXMAR's latest innovation is the development of a barge-based Floating Storage & Regasification Unit (barge-based FSRU), which provides significant advantages compared to the conventional ship-based FSRUs.



MANAGEMENT REPORTING BASED ON PROPORTIONATE CONSOLIDATION

30/06/2016 30/06/2015

CONSOLIDATED KEY FIGURES IN MILLION USD

Turnover	54.80	42.4
Operating result before depreciations and impairment loss (EBITDA)	33.80	24.9
Operating result (EBIT)	24.70	15.8
Consolidated result after tax	14.50	11.4
Operational assets (including under construction)	581.8	585.5
Financial debt	382.5	400.2

The LNG fleet recorded an operational result (EBIT) of USD 24.7 million during the first six months of the year. This figure includes a payment of part of the termination fee payable by Pacific Exploration and Production.

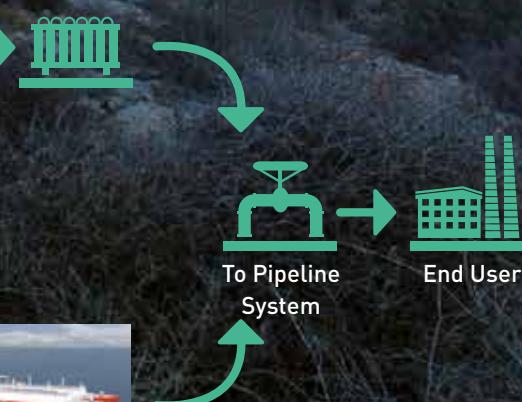
LNG MARKET OVERVIEW

During the first six months of 2016, low oil & gas prices have persisted. Some recovery was seen but by mid June, the prices had tumbled again reaching 40 US dollar per barrel beginning of August. Due to this climate of low prices, many upstream oil & gas projects have been put on hold or cancelled, including liquefaction projects. The projects that were already sanctioned are starting to come on stream in the US and Australia, increasing supply. However much of the new LNG supply is expensive.

These changing market dynamics towards a buyer's market over recent years have meant that low-cost solutions have become paramount. With its commercially-available **Caribbean FLNG**, EXMAR is well placed to provide customers with the necessary infrastructure solution to monetize stranded gas reserves. This allows them to produce cost-competitive LNG, placing them in a better position than competing producers.

DOWNSTREAM

Vaporizers



Global LNG demand is still rising as is the number of LNG importers. The availability of LNG at competitive prices has also resulted in creating demand in new import markets with close to 25 FSRU projects active with several other projects under construction. FSRU technology is clearly the preferred LNG import solution considering cost & timing advantages. Here again, EXMAR is well placed to take advantage of this upswing in demand with its market-leading experience in operating these sophisticated units and immediate availability of its barge-based FSRU in 2017.

In the pure LNG shipping segment, many new-build LNG carriers have come online following speculative ordering, resulting in excess capacity. Depressed LNG shipping rates have now led to part of the world's LNG fleet remaining in "warm" layup, effectively meaning the ships are not employed but can be made operational at short notice. As EXMAR has been focusing on the development of dedicated LNG infrastructure solutions with its jointly-owned fleet of FSRUs and one LNG carrier

under long-term charter contracts with Excelerate Energy, EXMAR's exposure to the shipping market rate is limited to one vessel.

FIRST HALF HIGHLIGHTS

LNG Infrastructure

Following its first mover advantage, on both LNG regasification and ship-to-ship transfer, EXMAR will now set the marker for floating liquefaction for the LNG industry.

The commissioning process of EXMAR's 0.5 MTPA **Caribbean FLNG** has started on 14 June and is proceeding as planned. The next phase will consist of performance testing before delivery during the course of the third quarter. The barge remains available on the market with EXMAR pursuing a number of promising employment prospects. Significant progress has been made with a shortlist of prospects for eventual deployment at various

Overview of FSRU terminals and FLNG as per 2 September 2016

ASSET	TYPE	DELIVERY	CAPACITY (M ³)	PRODUCTION CAPACITY	OWNER-SHIP	2016	2020	2025	2030	2035
FLNGs										
Caribbean FLNG	FLNG	2016	16,100	0.5 MTPA	100%					
FLNG barge #1	FLNG	2018 (Option)	20,000	0.6 MTPA	100%					
FSRUs										
Excelsior	FSRU	2005	138,000	600 mm cu ft. gas	50%					
Excelerate	FSRU	2006	138,000	600 mm cu ft. gas	50%					
Explorer	FSRU	2008	150,900	600 mm cu ft. gas	50%					
Express	FSRU	2009	150,900	600 mm cu ft. gas	50%					
FSRU barge #1	FSRU	2017	26,230	600 mm cu ft. gas	100%					
LNGCs										
Excalibur	LNG/C	2002	138,000	n.a.	50%					
Excel	LNG/C	2003	138,000	n.a.	50%					

◆ Under construction ◆ Chartered ◆ Option ◆ Uncommitted ◆ Min revenue undertaking with first class counterpart

locations. In addition, a number of new parties have approached EXMAR demonstrating an interest in the possible acquisition of the barge.

EXMAR's 26,320 m³ barge-based FSRU is also currently under construction at the Wilson yard in Nantong, China and has attracted significant interest from the market as a fast-track solution to their energy needs, as it allows customers to start importing natural gas in less than one year from now whereas a traditional onshore terminal would take four to five years to develop. With over a decade's operational experience since pioneering the world's first regasification at sea in 2005, EXMAR has seen that most FSRU projects require long-term deployment at a fixed location, making a barge-based solution economically more attractive than a traditional ship-based FSRU solution.

Furthermore there is a particular interest for the scalability it offers. This versatile unit can be deployed either as a standalone for small to medium regasification operations or can be deployed together with a vessel-based storage unit for larger scale import operations. By leveraging the excess LNG shipping capacity the barge-based FSRU in combination with vessel-based storage can be much more competitive compared to a traditional FSRU solution. The FSRU barge will be delivered during the course of 2017 and will mean EXMAR delivers another industry innovation anticipating market requirements for a scalable floating LNG import solution.

As a follow up to the signing of a binding Term Sheet with Swan Energy Limited [Swan] for the joint development and operation of the Jafrabad LNG Port project in the State of Gujarat, India, the Swan LNG consortium agreed to terminate the Term Sheet.



Caribbean FLNG in Nantong, China

The four jointly-owned floating storage and regasification vessels remain on long-term charter to Excelerate Energy for a combined term of well over sixty years. This significantly reduces EXMAR's exposure to the markets. EXMAR Ship Management remains under contract to operate and crew these vessels and has just completed a major upgrade program on the FSRUs that are jointly owned and/or managed. At the DUSUP facility in Dubai, UAE, the regasification vessel **Explorer** achieved the world's highest ever send out rate, reaching above 1,000 million standard cubic feet of gas per day (mmscfd) and loading at 10,000 m³ per hour through the use of ship-to-ship hoses.

LNG Shipping

Overall EXMAR has limited exposure to the LNG shipping sector. It has a joint-venture share in two carriers of 138,000 m³ capacity.

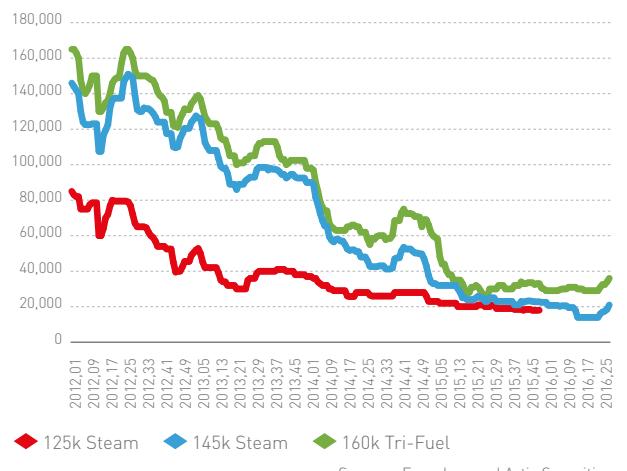
Excel successfully completed her charter at the end of April and is now on the market and available for deployment either as a standalone carrier or in combination with floating regasification/liquefaction solutions as a high-spec FSU (Floating Storage Unit). The LNG carrier **Excalibur** remains under long-term charter to Excelerate Energy until March 2022.

MARKET OUTLOOK

Whilst in the short term LNG prices have been bottoming out, the long-term forecast in demand for LNG remains high as a cleaner, alternative source of fuel. Energy outlook forecasts¹ show that whilst gas will retain its 30 percent share as an energy source over time, LNG's share of world demand for energy will rise from the 10 percent level it attained in 2014 to 15 percent of the total share of global gas consumption needs by 2035. That effectively means that by 2035 it will overtake pipeline imports as the main source of supply.

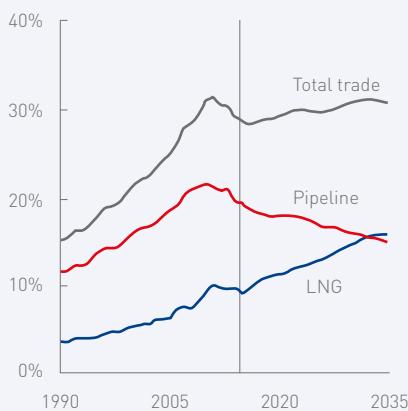
LNG freight rate development

Short-term rates (USD /day)

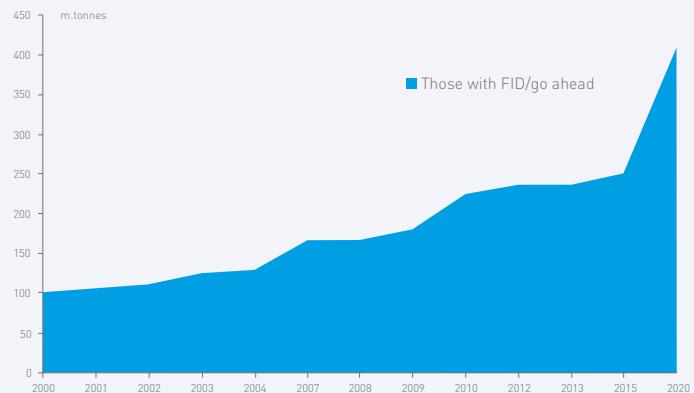


With this outlook, it is clear that new downstream LNG markets will have to be unlocked. EXMAR's barge-based LNG infrastructure solutions are a very good match for these requirements and provide significant advantages over the conventional FSU solutions.

Trade as share of global consumption



Global LNG-liquefaction projects





OFFSHORE

EXMAR Offshore, based in Houston (Texas, USA) with regional offices in Antwerp (Belgium) and Shanghai (China), is a solution-oriented service provider which plays a key role in its customers' energy value chains. The company constantly innovates and applies specialized knowledge in support of offshore oil and gas production. EXMAR Offshore Company (EOC) has highly experienced engineers and naval architects with broad technical and operational capabilities. These capabilities are best embodied in its industry-renowned OPTI® production semisubmersible projects. OPTI® hull series concepts developed in-house have become a reality with the successful installation of the second of these proprietary designs in deepwater Gulf of Mexico.



MANAGEMENT REPORTING BASED ON PROPORTIONATE CONSOLIDATION

30/06/2016 30/06/2015

CONSOLIDATED KEY FIGURES IN MILLION USD

Turnover	29.30	41.0
Operating result before depreciations and impairment loss (EBITDA)	3.00	6.7
Operating result (EBIT)	1.20	4.6
Consolidated result after tax	1.50	5.0
Operational assets (including under construction)	13.2	35.4
Financial debt	6.0	8.0

The offshore fleet recorded an operational result (EBIT) of USD 1.2 million during the first six months of the year. 60% of the WARIBOKO has been sold to our Nigerian partner under a purchase option mechanism at the end of May 2016. The engineering services of EXMAR OFFSHORE have been negatively affected by the lack of activity in the market.

MARKET OVERVIEW

With persistently low oil prices, market conditions remain challenging in the offshore sector, particularly in Upstream activities. Exploration drilling activity has continued to decline over the first half of this year from an already slow 2015, resulting in limited opportunities to tender for new projects. Given continuing weakness in oil prices, operators are focused on proven, cost-effective production options with minimal execution risks.

DO NOT HANG HEAVY OBJECTS ON HAT RACKS



Offshore producers continue to show interest in low-cost production solutions, which places EXMAR's **OPTI®** series of proven, cost-efficient hulls in a strong position to meet this demand. Several projects which had been well advanced into the Front End Engineering Design (FEED) stage have been delayed or pulled back to concept selection, in some cases opening an opportunity for EOC involvement. Planned floating production projects number over 200 in the coming ten years. However, capital budgets for 2016 are severely constrained, with few if any deepwater projects expected to be sanctioned in the next 12 months.

around one dozen deepwater exploration and production companies engaged in technical discussions with EOC around the concept. EOC has developed a new addition to the **OPTI®** series, the **OPTI-Micro™**, which is a low development cost option for fields of less than 100 million barrels of oil equivalent (mmboe). **OPTI-Micro™** joins the previously developed **OPTI-DRI™** dry tree concept to round off the series. In parallel with these efforts, the **OPTI®-EX** design is being updated to incorporate lessons learned and changes to regulatory requirements since installation in 2011 on the WHO DAT Field. The **OPTI®** series of production semisubmersibles range from 30,000 – 120,000 barrels of oil per day (bopd).

FIRST HALF HIGHLIGHTS

OPTI® Series

EXMAR will continue to enjoy the tariff fee on the production of the **OPTI®-EX** which is expected to remain until January 2017. WHO DAT Floating Production System (FPS) in the Gulf of Mexico (GOM) continues to perform entirely to the satisfaction of LLOG.

Interest in the **OPTI®** production design remains high for its proven low cost and short delivery time, with

EOC continuing to employ its innovative EXMAR FAST™ (Fully Aligned Stress-Joint by Trimming) riser pull-in methodology which was successfully implemented on the **Delta House** FPS. This unique approach to riser installation reduces execution risk and saves time and money, reducing conventional installation times for multi-riser campaigns by several weeks. This methodology was successfully used again for the OTIS project tie-back to the **Delta House** FPS in March, with preparations underway for the ODD JOB riser installation also at **Delta House**.



Floating accommodation barges

Further to negotiations in the first half of this year with charterers, all three of EXMAR's accommodation barges remain employed on contracts offshore West Africa (WAF). **Kissama** (300 persons on board, known as pob) was recently extended for six months until the end of October 2016 with additional options to DSME on the Mafumeira Sul Field. The barges **Wariboko** and **Nunce** are operating in West Africa under their respective contracts and will be fully employed for the balance of 2016. EXMAR reached an agreement for the sale of 60 percent of its interest in the **Wariboko** to its Nigerian partners under a purchase option at the end of May 2016. The transaction has been fully implemented in August 2016. EXMAR enjoys the unique position of having its entire fleet under contract, whereas the current West African accommodations barge market has between 30 and 35 percent of the fleet idle with more barges expected to be redelivered in the coming months.



Accommodation barge **Kissama** being relocated off the West African coast

Engineering

With respect to its third-party engineering services, EOC continues to have a strong market presence related to offshore drilling and production, module transportation and other marine activities. Over 60 engineers continue to provide engineering and consulting services to oil companies, drilling contractors, vessel owners, and other industry players. EOC has recently added capabilities to conduct early design work on production topsides in-house to better respond to customer needs and to support business development efforts. Despite a reduced activity level during the first quarter the engineering services of EOC have received renewed interest from Exploration and Production Companies (E&P) and this activity is expected to gradually pick up in the coming months.

OPTI[®]-EX on location in the Gulf of Mexico





MARKET OUTLOOK

Deepwater exploration and development projects are complex, technically challenging, capital intensive, and take years to complete. These aspects of deepwater development continue to make progress challenging in the current low price environment. Deepwater basins such as the Gulf of Mexico, Brazil, Mexico, North Sea, and West Africa remain constrained.

Whilst this outlook makes for difficulties in the short term, the gradual rise in oil prices over the last six months augurs well for a potential recovery in new exploration projects as of 2017. Despite the current offshore rig utilization numbers, the long-term outlook is positive as operators look to replace declining production from existing fields by infill and development drilling and add to reserves through further exploration. EOC is well positioned with deepwater operators to take advantage should market conditions improve with new capital budgets in 2017.



DVO

DV Offshore (DVO) is a Paris-based, independent firm of consulting engineers specialized in all the technical aspects of marine engineering and operations. DVO has acted as consulting engineers to oil companies in France and abroad, port authorities, as well as to governmental institutions or companies. More than 1,000 specialist assignments have been satisfactorily undertaken in 40 different countries.

DVO has developed its activities in the marine domains such as mooring solutions for open sea terminals, port terminals, offshore floating storage and production, renewable energy generation as well as underwater engineering and operations.

The first six months of 2016 have been challenging, mainly due to the current oil and gas prices either postponing or cancelling new projects. However DVO is negotiating with potential new customers on long-term projects and is optimistic about a positive outcome in 2017.

BEXCO

BEXCO is a Belgian-based manufacturer of carefully engineered, made-to-measure fibre rope solutions serving the needs of shipping industry and offshore oil and gas producers worldwide.

BEXCO produces DeepRope®, Single Point Mooring rope (SPM) and a range of synthetic ropes that serve the mooring and towing needs of container ships, tankers, cruise ships, tugs and offshore supply vessels.

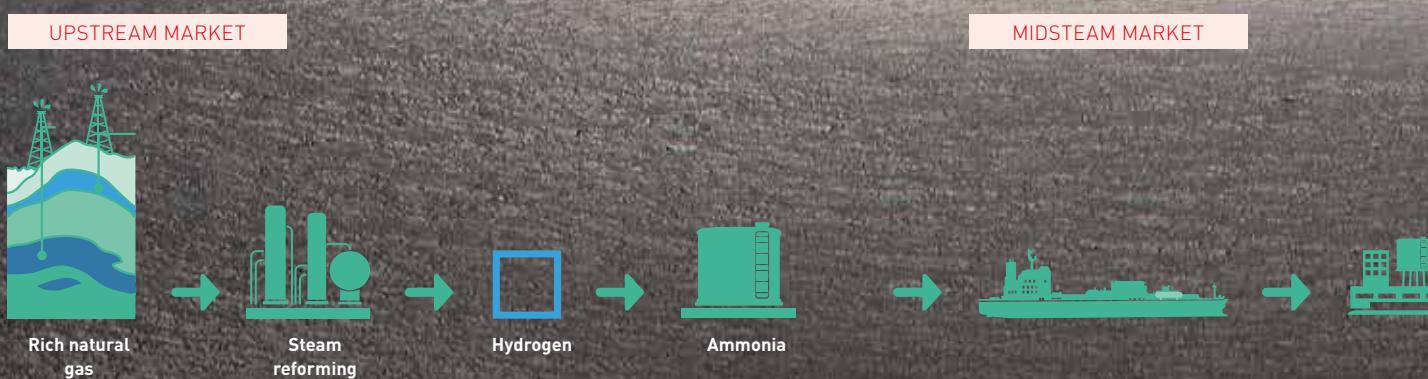
In the first six months, BEXCO consolidated its market position in the marine mooring segment with important contracts signed for ultra large container vessel (ULCV) owners. In the offshore segment, BEXCO has increased its market share in synthetic rope applications for offshore heavy lift, single point mooring, decommissioning and renewables. This has in part offset the reduction in offshore deepwater mooring tenders with exploration projects being placed on hold due to low oil prices. In the second half of the year, BEXCO will further focus on specialized offshore projects as well as vessel mooring and towing solutions.

LPG/AMMONIA/ PETCHEMS

EXMAR LPG is a leading shipowner and operator in the transportation of liquefied gas products such as Liquid Petroleum Gas (butane, propane, and a mixture of both), anhydrous ammonia and petrochemical gases. With its fleet of over 30 specialized LPG tankers, EXMAR trades worldwide for the fertilizer, clean energy fuel and petrochemical industries. As a prominent Midsize LPG owner-operator, EXMAR benefits from long-term contracts and enduring partnerships with first class customers.



AMMONIA VALUE CHAIN



MANAGEMENT REPORTING BASED ON PROPORTIONATE CONSOLIDATION

30/06/2016 30/06/2015

CONSOLIDATED KEY FIGURES IN MILLION USD

Turnover	54.60	61.2
Operating result before depreciations and impairment loss (EBITDA)	35.90	23.2
Operating result (EBIT)	26.20	13.9
Consolidated result after tax	19.60	12.7
Operational assets (including under construction)	399.90	307.7
Financial debt	235.60	196.1

The LPG fleet recorded an operational result (EBIT) of USD 35.9 million during the first six months of the year. EBIT for the first semester was affected by 147 offhire days (compared to 93 days in the first half of 2015). Midsize results were positive compared with first half year of 2015, whereas the pressurized and VLGC fleet operate in a challenging market. At the end of June 2016, EXMAR reached an agreement for the acquisition of 50% of the pressurized fleet held by Wah Kwong. As a result of this transaction EXMAR's share in the pressurized fleet increased from 50% to 100%. A goodwill of USD 14.3 million has been recognised in the profit or loss statement in this respect.

MARKET OVERVIEW

Seaborne LPG volumes for the first half of 2016 remain at historically high levels. At the current rate, US export volumes of LPG are expected to reach approximately 25 million tons in 2016. This is a 23 percent rise compared to last year.

EXMAR's LPG fleet has performed well during the first half of 2016, with over 80 percent of its **Midsize** and **Pressurized** fleets covered for the remainder of the year.

Nonetheless, questions arise as to whether the same momentum in export activity can be maintained to match the new capacity entering the market. The persistence of low oil prices could lead to expansion forecasts in US LPG production being revised downwards as compared to an overly large order book, which is expected to result in fleet overcapacity.

DOWNSTREAM MARKET



Industrial processes

- ↗ Fertilizers
- Explosives
- ↘ Synthetic fibres
Synthetic resins

FIRST HALF HIGHLIGHTS

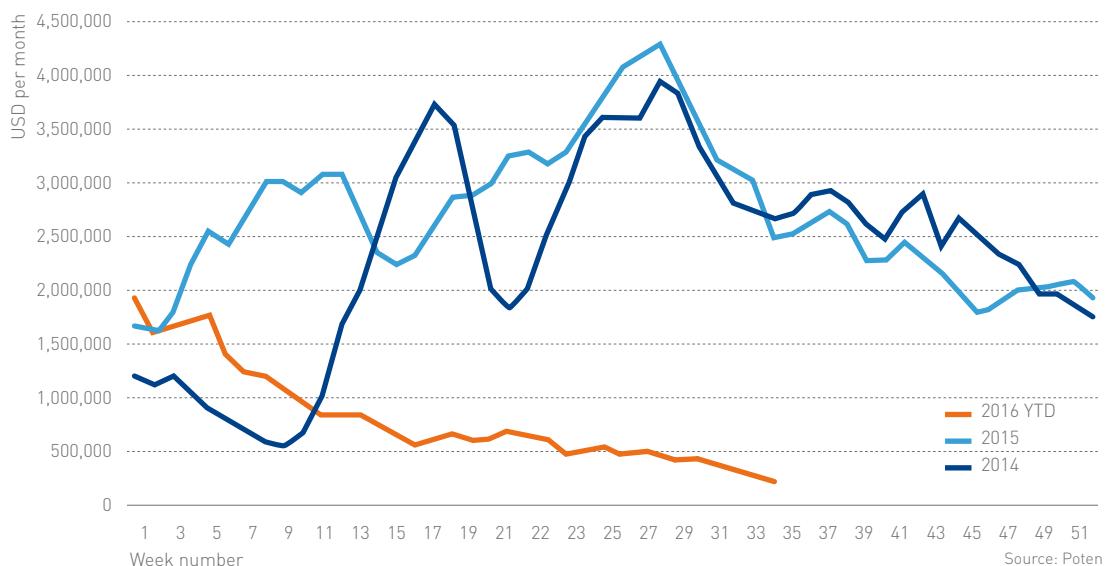
VLGC (70,000 - 85,000 m³)

The **VLGC** market is under pressure, with the Baltic freight Index dropping by 45 percent since the start of the year. With 63 vessels on order representing

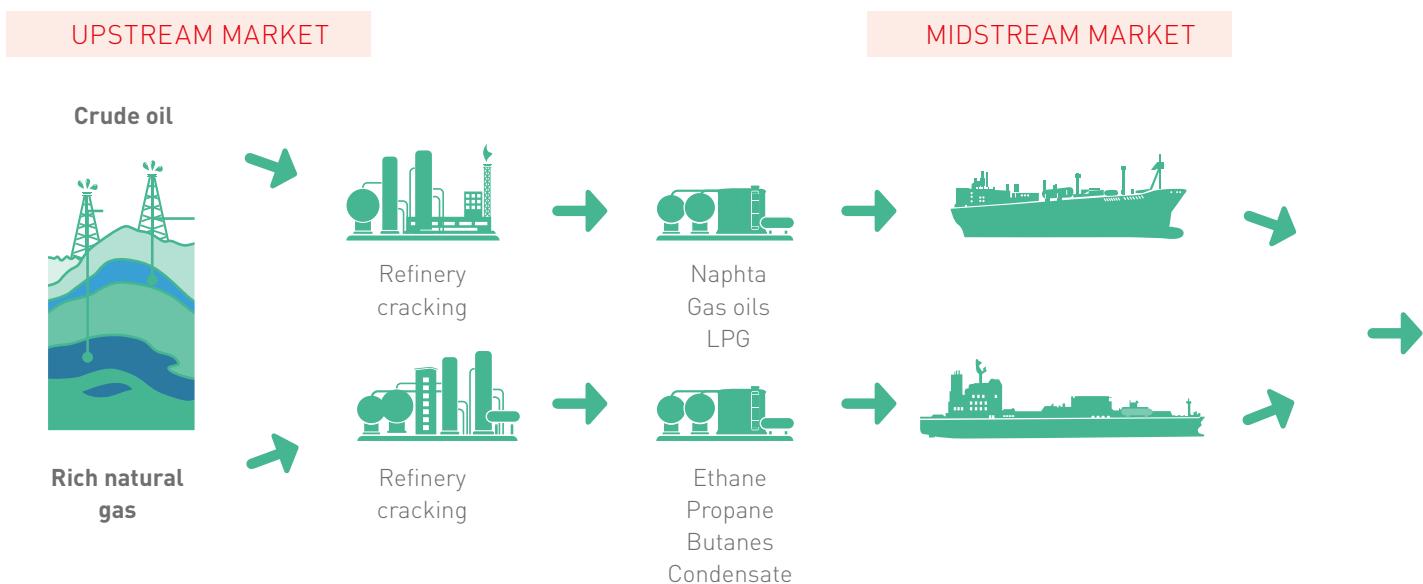
28 percent of the existing total **VLGC** fleet as of July 2016, room for freight level improvements are limited.

EXMAR's exposure to the **VLGC** market is limited since the time chartered 83,000 m³, 2009-built **BW Tokyo** is still engaged in developed discussions for extending her current term commitment.

VLGC - Timecharter Equivalent (TCE)



LPG VALUE CHAIN



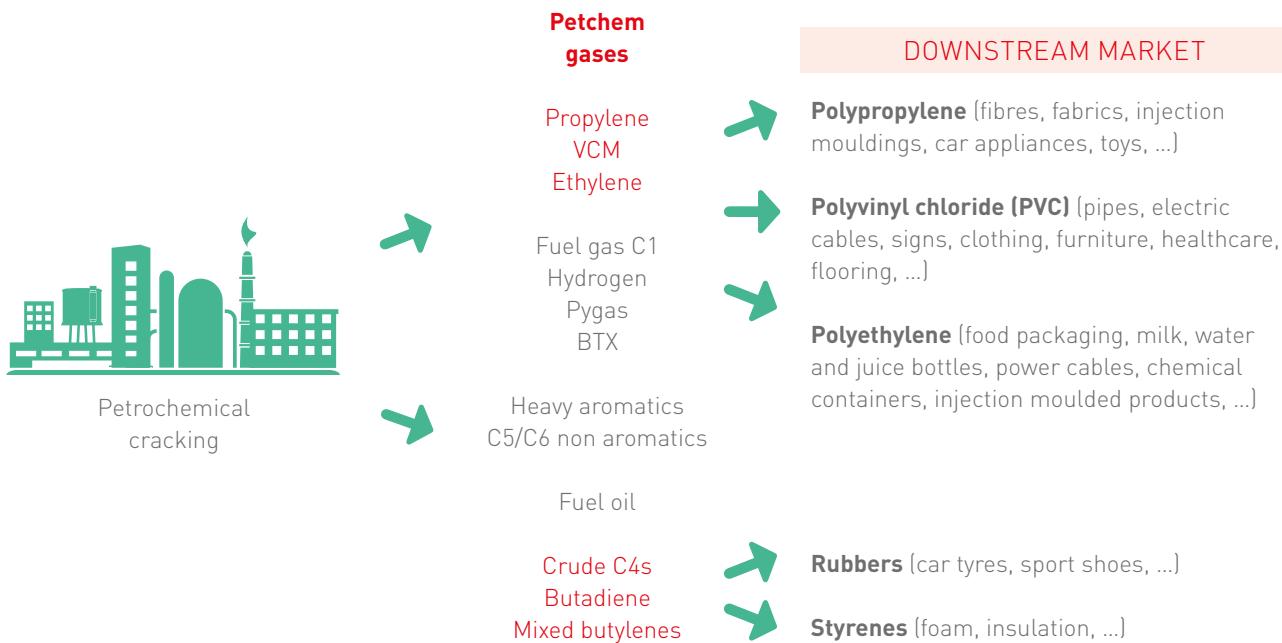


Midsize LPG Carrier **Knokke** with its new exhaust gas scrubber system at the HHIC shipyard in Subic Bay, Philippines

Midsize (20,000 – 40,000 m³)

The significantly lower rates being quoted by **VLGC**, **LGC** and **Handysize** operators are impacting market sentiment on the **Midsize** segment, with highly competitive freight levels for **VLGC** resulting in a cascading of **LGC** tonnage into **Midsize** markets such as the Indian coastal trade. This is combined with a reduction in the number of spot market opportunities both East and West of Suez.

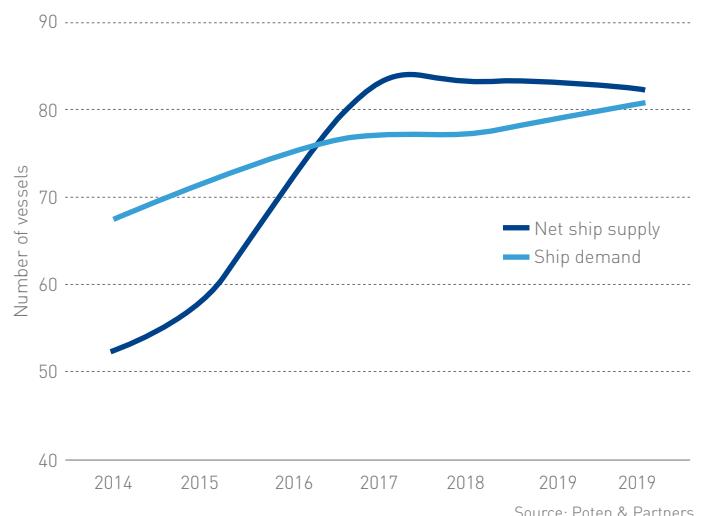
At present EXMAR has secured 82 percent cover for its current fleet of 17 **Midsize** vessels excluding future newbuilds for the balance of 2016. Over the last two years, EXMAR has secured charters for six of its 12 **Midsize** 38,000 m³ newbuilds, with these vessels now committed to blue-chip customers for a total of 28 years. This includes the 38,000 m³ LPG newbuild vessel **Kortrijk** due for delivery in the fourth quarter of 2016.





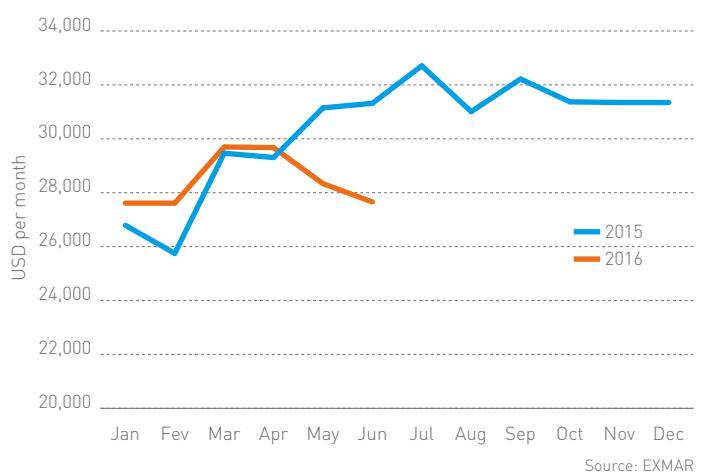
In the first half of 2016, the 38,000 m³ LPG Carriers **Knokke** and **Kontich** were delivered to EXMAR on 17 February and 30 June respectively. Both have been assigned to long-term employment with first class customers. **Kontich** is equipped with a highly innovative Exhaust Gas Scrubber (EGS) for Heavy Fuel Oil (HFO), reducing more than 95 percent of SOx emissions and reducing over 60 percent of air particulates emissions.

MGC supply and demand outlook



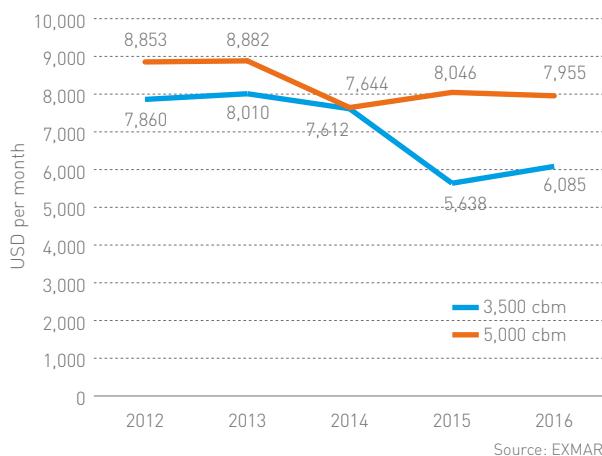
In addition to the pressure from other segments, the **Midsize** market is expecting an influx of new tonnage although it should however be noted that the majority of scheduled **Midsize** newbuild deliveries will only start taking place in 2017.

Midsize charter rates 2015-2016 (YTD)



Pressurized (3,500 – 5,000 m³)

Pressurized Fleet average daily rates 2012-2016 (YTD)



The market for **Pressurized** vessels has remained stagnant with no material improvement in time

charter levels. Whilst trading east of Suez shows no real signs of recovery, the market west of Suez is experiencing tighter vessel positions for short intervals but not in a sufficiently consistent manner to allow for a real upturn.

An agreement has been reached to acquire Wah Kwong's 50 percent share in the 10-vessel Pressurized fleet. EXMAR will take over Wah Kwong's outstanding loan portion dd. 30 June 2016 (USD 38,5 million for 50 percent) complemented with a USD 2 million cash payment.

EXMAR's current **Pressurized** fleet of seven 3,500 m³ ships is currently covered for 80 percent for the rest of 2016 with four vessels under negotiations for renewal between now and the end of the third quarter. The three 5,000 m³ are covered 100 percent for rest of year whilst the 12,030 m³ semi refrigerated vessel **Temse** (formerly **Kemira Gas**) also remains committed for the remainder of 2016.

MARKET OUTLOOK

The prospects for the second half of the year are for increased competition in the market for a limited number of opportunities across all segments.

The solid contract portfolio in EXMAR's **Midsized** LPG fleet will add support to the Company's cash flow in what is expected to be a more challenging market in the coming years.

More than 25 percent of overall increases in new-build capacity still remains to be delivered in both the semi-refrigerated and fully-refrigerated seg-

ments. In the meantime, the impact of pressure on **VLGC/LGC** freight rates and hire corrections are already making an impact on **Midsized** and **Handysize** segments as charterers weigh up the economic alternatives of using one category of tonnage over another.

What also should be noted is that a substantial newbuild fleet of Ethane carriers is in the offing, whereas the trade itself still needs to get into gear and generate sufficient demand.

2016 FLEET EXPANSION	TOTAL FLEET AS PER 27 JUL 2016	ALREADY DELIVERED WITHIN 2016	% OF CURRENT VLGC FLEET	STILL TO BE DELIVERED WITHIN 2016	% OF CURRENT VLGC FLEET	TO BE DELIVERED WITHIN 2017	% OF CURRENT VLGC FLEET
VLGC (>70,000 m ³)	231	33	14.30%	14	6.10%	25	10.80%
Midsized (>28,000 m ³)	75	6	8%	5	6.70%	19	25.30%

Source: based on Clarksons

A photograph showing the back of a worker wearing an orange jumpsuit with 'EXMAR' printed on the back and a green hard hat with 'uvex' branding. The worker is looking out over a body of water from the deck of a ship. A white ladder and some ship equipment are visible in the background.

SUPPORTING SERVICES

In addition to its core business activities, EXMAR Holdings has business interests in a variety of companies in the fields of insurance, specialized travel, offshore consultancy and supplies to the marine and offshore industry.

MANAGEMENT REPORTING BASED ON PROPORTIONATE CONSOLIDATION

30/06/2016 30/06/2015

CONSOLIDATED KEY FIGURES IN MILLION USD

Turnover	24.80	23.5
Operating result before depreciations and impairment loss (EBITDA)	-0.4	0.1
Operating result (EBIT)	-1.9	-1.5
Consolidated result after tax	-0.9	-6.9
Operational assets (including under construction)	0.0	0.2
Financial debt	127.6	133.8

The contribution of the Services activities (EXMAR SHIPMANAGEMENT, BELGIBO, TRAVEL PLUS) to the operating result (EBIT) for the first half of 2016 was USD 1.5 million.

The holding activities have contributed USD -3,4 million to the EBIT of the first half year.

EXMAR Ship Management is an industry-leading provider of technical, crewing, Health, Safety, Environment and Quality (HSEQ) and financial management of maritime infrastructure dedicated to serving the oil and gas industry.

Travel PLUS is the largest independent luxury and B2B travel agency in Belgium, with over 1,000 clients.

BELGIBO is one of Belgium's fastest growing insurance companies, active in marine, aviation, industrial, transport, credit and political risk segments.



EXMAR SHIP MANAGEMENT

FIRST HALF YEAR HIGHLIGHTS AND OUTLOOK

EXMAR Ship Management continues to expand through organic growth in its fleet, which it is managing on behalf of its clients EXMAR, Excelerate Energy, Teekay, ENI, OLT, Total and Avance Gas.

With the first-half delivery of the 38,000 m³ LPG Carriers **Knokke** in February and **Kontich** in June to the owner from the HHIC shipyard in Subic Bay, Philippines, EXMAR Ship Management continues to manage commissioning and delivery of the second phase of **Midsize** newbuilds to be delivered to the EXMAR LPG fleet between now and early 2018. A third 38,000 m³ LPG Carrier is expected for delivery in October later this year with the four remaining vessels being delivered in 2017-2018.

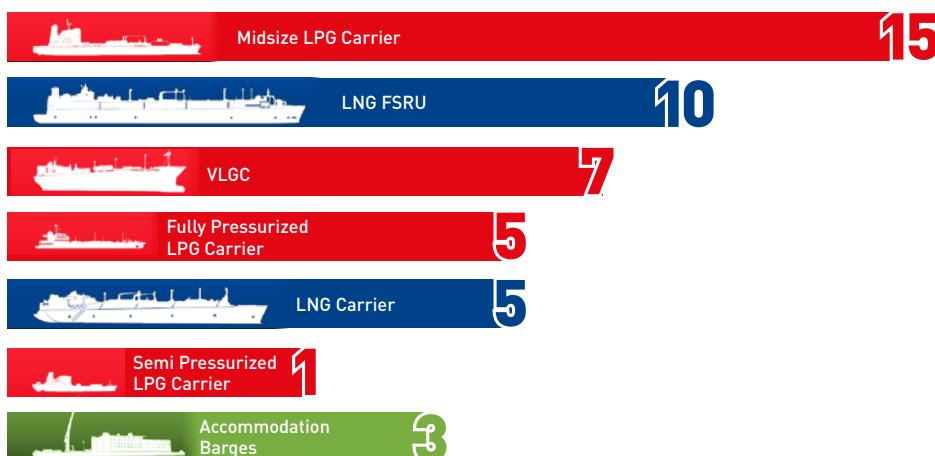
Commissioning activities of **Caribbean FLNG** continue at the Wilson Shipyard in Nantong China, with the unit receiving its first gas in June of this year. All activities are being managed by ESM's Oil and Gas Infrastructure Services (OGIS) team, which are expected to be finalized prior to delivery during the third quarter of 2016.

By the end of August 2016, the milestone of 1,000 LNG ship-to-ship transfers were successfully accomplished on ESM-managed LNG vessels. This amounted to around 107 million cubic meters of LNG transferred since EXMAR pioneered the first transfer in 2005.

EXMAR Ship Management's OGIS team also manages three accommodation barges off the coast of West Africa, including **Nunce** and **Kissama** which are located offshore Angola and Cameroon, respectively. The third, **Wariboko**, was maneuvered into position at two new locations off the coast of Nigeria during the first six months of this year.

It was in these first six months that EXMAR Ship Management launched its education arm EXMAR Academy. This ISO- and government-approved initiative has been established to meet the STCW training needs of its seafarers as well as offering internal and external trainees MCRM training, training facilities, and specialized training for Liquefied Gas Tankers.

Number of vessels under management continues to grow (as per 2 September 2016)



Travel PLUS



Travel PLUS is a service-oriented travel agency based in Antwerp, and is the country's largest independent travel agency.

The company specializes in both business and leisure travel differentiating itself from its competitors by fully exploring the travel requirements and options with each individual client in order to produce a customized and appropriate travel plan.

The beginning of 2016 saw the company increase its year-on-year revenue by up to 3 percent up until the tragic events of 22 March in Brussels, which have inevitably impacted business and tourist air travel. The luxury leisure segment, which accounts for approximately a third of the company's activity, was impacted the most.

Towards the end of the first half of 2016 Travel PLUS experienced a slight improvement in demand. However it is likely to be a while before the market will return to the same levels as those seen in the first three months of the year.

BELGIBO



BELGIBO Insurance Group (BELGIBO NV) is an independent specialized insurance broker and risk and claims management service provider with expertise in Marine, Aviation, Industrial, Transport and Credit & Political Risks.

BELGIBO has performed strongly in the first half of the year, with the company growing its turnover by 20 percent. This positive trend has been due to a combination of strong organic revenue growth and efficient cost control.

BELGIBO has realized this growth thanks to major developments in three of its main activities:

Industry: this division has acquired a significant number of new clients combined with more interactive collaboration with international partner Jardine Lloyd Thompson.

Marine: (including Inland and Special Risks): new clients have been added to the portfolio with further growth from the existing client base

Aviation: Finserve has now been fully integrated into the Group since the first quarter of 2015 and is now focusing on new opportunities such as drones and particularly service providers to the aviation industry.

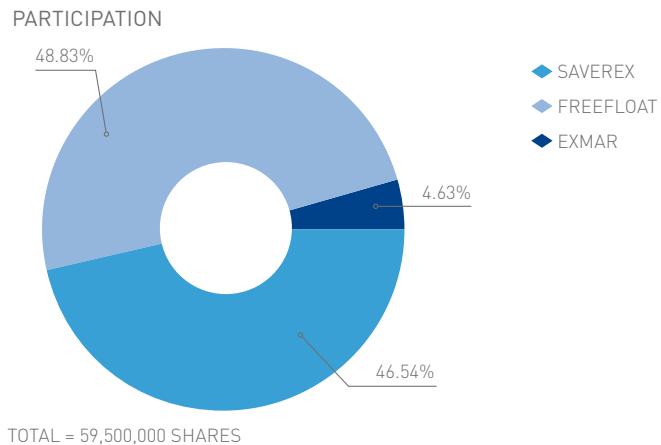
BELGIBO expects its revenues and result to maintain an upward momentum.



INFORMATION RELATED TO THE SHARES

The EXMAR share is listed on the NYSE Euronext Brussels and is part of the Bel Mid index (Euronext: EXM) since 23 June 2003. EXMAR's capital stands at USD 88,811,667 and is represented by 59,500,000 shares without nominal value.

Share information as per 2 september 2016



Evolution of the stock price (01/01/2016 – 01/09/2016)



Bonds

EXMAR has successfully raised a NOK 700 million unsecured bond in July 2014. On 4 May 2015, EXMAR Netherlands BV, a wholly owned subsidiary of EXMAR NV, successfully completed a tap issue (second tranche) of NOK 300 million in the Norwegian bond market [EXMAR Netherlands BV 14/17 FRN – ISIN: N00010714512]. The total nominal amount outstanding in the bond issue will be NOK 1,000 million with maturity in July 2017.



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30/06/2016

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of USD)

	Note	30/06/2016	31/12/2015
ASSETS			
NON-CURRENT ASSETS		790,626	684,687
Vessels		275,060	168,991
Vessels	7	118,500	17,194
Vessels under construction	7	156,560	151,797
Other property, plant and equipment		3,628	4,104
Intangible assets		1,668	2,368
Investments in equity accounted investees	8	167,029	132,816
Borrowings to equity accounted investees	9	343,241	376,408
CURRENT ASSETS		221,551	241,425
Available-for-sale financial assets	12	3,049	3,487
Trade receivables and other receivables		65,755	64,669
Current tax assets		970	968
Restricted cash	10	32,527	42,332
Cash and cash equivalents	10	119,250	129,969
TOTAL ASSETS		1,012,177	926,112
EQUITY AND LIABILITIES			
TOTAL EQUITY		423,172	404,804
Equity attributable to owners of the Company		422,961	404,614
Share capital		88,812	88,812
Share premium		209,902	209,902
Reserves		92,829	94,689
Result for the period		31,418	11,211
Non-controlling interest		211	190
NON-CURRENT LIABILITIES		501,667	445,621
Borrowings	11	460,380	397,425
Employee benefits		4,320	4,445
Provisions		2,405	2,522
Derivative financial instruments	12	34,562	41,229
CURRENT LIABILITIES		87,338	75,687
Borrowings	11	26,376	15,161
Trade debts and other payables		58,222	55,815
Current tax liability		2,740	4,711
TOTAL EQUITY AND LIABILITIES		1,012,177	926,112

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(in thousands of USD)

	Note	6 months ended - 30/06/2016	6 months ended - 30/06/2015
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS			
Revenue		55,240	58,932
Capital gain on sale of assets		601	55
Other operating income		15,146	1,425
Operating income	6	70,987	60,412
Goods and services		-29,172	-33,887
Personnel expenses		-26,025	-26,281
Depreciations, amortisations & impairment losses		-2,248	-2,537
Provisions		131	33
Other operating expenses		-1,379	-3,117
Capital loss on disposal of assets		0	-582
Result from operating activities		12,294	-5,959
Interest income		11,800	11,906
Interest expenses		-7,310	-6,361
Other finance income		373	4,680
Other finance expenses	12	-6,046	-3,304
Net finance result		-1,183	6,921
Result before income tax and share of result of equity accounted investees		11,111	962
Share of result of equity accounted investees (net of income tax)	8	19,843	22,448
Result before income tax		30,954	23,410
Income tax expense/income		482	-1,620
Result for the period		31,436	21,790
Attributable to:			
Non-controlling interest		18	24
Owners of the Company		31,418	21,766
RESULT FOR THE PERIOD		31,436	21,790
Basic earnings per share (in USD)		0.55	0.38
Diluted earnings per share (in USD)		0.55	0.38
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Result for the period		31,436	21,790
Items that are or may be reclassified subsequently to profit or loss:			
Equity accounted investees - share in other comprehensive income		-5,019	-409
Foreign currency translation differences		380	-1,840
Net change in fair value of cash flow hedges - effective portion (hedge accounting)		672	-2,338
Net change in fair value of available-for-sale financial assets		-144	-1,803
Available-for-sale financial assets-reclassified to profit or loss	12	3,021	0
Total other comprehensive income for the period (net of income tax)		-1,090	-6,390
Total comprehensive income for the period		30,346	15,400
Attributable to:			
Non-controlling interest		21	10
Owners of the Company		30,225	15,390
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		30,346	15,400

The notes are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of USD)

	Note	6 months ended - 30/06/2016	6 months ended - 30/06/2015
OPERATING ACTIVITIES			
Result for the period		31,436	21,790
Share of profit (loss) of equity accounted investees (net of income tax)		-19,843	-22,448
Depreciations, amortisations & impairment loss		2,248	2,537
Impairment loss available-for-sale financial assets		3,306	0
Badwill pressurized fleet transaction	6	-14,343	0
Net interest income/expenses		-4,490	-5,545
Income tax expense		-482	1,620
Net gain on sale of assets		-601	527
Unrealized exchange differences		-179	-2,101
Dividend income		-42	-209
Equity settled share-based payment expenses (option plan)		782	590
Gross cash flow from operating activities		-2,208	-3,239
Increase/decrease of trade and other receivables		783	-2,586
Increase/decrease of trade and other payables		-5,758	3,939
Increase/decrease in provisions and employee benefits		-131	-82
Cash generated from operating activities		-7,314	-1,968
Interest paid		-6,624	-5,931
Interest received		11,467	11,957
Income taxes received		66	-157
NET CASH FROM OPERATING ACTIVITIES		-2,405	3,901
INVESTING ACTIVITIES			
Acquisition of intangible assets		-192	-51
Acquisition of operational assets and operational assets under construction	7	-4,763	-56,776
Acquisition of other property plant and equipment		-156	-409
Proceeds from the sale of operational assets and other property, plant and equipment		84	180
Change in consolidation scope	9	-1,884	0
Dividends from equity accounted investees		0	45,000
New borrowings to equity accounted investees	9	-1,245	-363
Repayments from equity accounted investees	9	9,213	23,260
NET CASH FROM INVESTING ACTIVITIES		1,057	10,841
FINANCING ACTIVITIES			
Dividends paid		-12,942	-19,083
Dividends received		42	209
Acquisition from treasury shares		0	-2,659
Proceeds from treasury shares and share options exercised		139	140
Proceeds from new borrowings	11	100	39,820
Repayment of borrowings	11	-7,528	-7,406
Increase/decrease in restricted cash	10	9,805	-5,163
NET CASH FROM FINANCING ACTIVITIES		-10,384	5,858
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS		-11,732	20,600
RECONCILIATION OF NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS			
Net cash and cash equivalents at 1 January		129,969	88,554
Net increase/decrease in cash and cash equivalents		-11,732	20,600
Exchange rate fluctuations on cash and cash equivalents		1,013	-1,327
NET CASH AND CASH EQUIVALENTS AT 30 JUNE	10	119,250	107,827

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in thousands of USD)

	Share capital	Share premium
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS PER 30/06/2016		
01/01/2016	88,812	209,902
Comprehensive result for the period		
Result for the period		
Total other comprehensive result		
TOTAL COMPREHENSIVE RESULT FOR THE PERIOD	0	0
Transactions with owners of the Company		
Dividends paid		
Share-based payments		
Share options exercised		
Share based payments transactions		
TOTAL TRANSACTIONS WITH OWNERS OF THE COMPANY	0	0
30/06/2016	88,812	209,902

	Share capital	Share premium
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS PER 30/06/2015		
01/01/2015	88,812	209,902
Comprehensive result for the period		
Result for the period		
Total other comprehensive result		
TOTAL COMPREHENSIVE RESULT FOR THE PERIOD	0	0
Transactions with owners of the Company		
Dividends paid		
Share-based payments		
Share options exercised		
Treasury shares purchased		
Share-based payments transactions		
TOTAL TRANSACTIONS WITH OWNERS OF THE COMPANY	0	0
30/06/2015	88,812	209,902

The notes are an integral part of these condensed consolidated interim financial statements.

Retained earnings	Reserve for treasury shares	Translation reserve	Fair value reserve	Hedging reserve	Share-based payments reserve	Total	Non-controlling interest	Total equity
167,916	-54,123	-10,301	-3,973	-3,823	10,204	404,614	190	404,804
31,418		0	0	0		31,418	18	31,436
0		1,579	2,877	-5,549		-1,093	3	-1,090
31,418	0	1,579	2,877	-5,549	0	30,325	21	30,346
-12,942						-12,942		-12,942
						0		0
-257	464				-25	182		182
0	0				782	782		782
-13,199	464	0	0	0	757	-11,978	0	-11,978
186,135	-53,659	-8,722	-1,096	-9,372	10,961	422,961	211	423,172

Retained earnings	Reserve for treasury shares	Translation reserve	Fair value reserve	Hedging reserve	Share-based payments reserve	Total	Non-controlling interest	Total equity
184,110	-53,769	-8,845	881	-1,329	9,825	422,961	175	429,762
21,766		0	0	0		21,766	24	21,790
0		-2,374	-1,803	-2,199		-6,376	-14	-6,390
21,766	0	-2,374	-1,803	-2,199	0	15,390	10	15,400
-19,083						-19,083		-19,083
						0		0
-261	460				-58	141		141
35	-2,660				0	-2,625		-2,625
0	0				590	590		590
-19,309	-2,200	0	0	0	532	-20,977	0	-20,977
186,567	-55,969	-11,219	-922	-3,528	10,357	424,000	185	424,185



Notes to the condensed consolidated interim financial statements

1. REPORTING ENTITY

EXMAR NV is a company domiciled in Belgium, whose shares are publicly traded (Euronext -EXM). The condensed consolidated interim financial statements of EXMAR NV for the six months ended 30 June 2016 comprise EXMAR NV and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and joint arrangements. The Group is active in the industrial shipping business.

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 "Interim Financial Reporting" as adopted by the EU. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at 31 December 2015, available on the website: www.exmar.be.

These condensed consolidated interim financial statements were approved by the board of directors on 2 September 2016. The condensed consolidated interim financial information as of and for the 6-month period ended 30 June 2016, included in this document, have not been subject to an audit or review by our statutory auditor.

The preparation of these condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies were the same as those applied to the consolidated financial statements as per 31 December 2015.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2015.

The first time application of new or revised IFRS standards, which are effective for annual periods beginning on or after 1 January 2016 have no impact on the condensed consolidated financial statements.

4. SEGMENT REPORTING

(In thousands of USD)

The company continues to manage its operations based on internal management reports applying the principles of the proportionate consolidation method. The reconciliation of the segment reporting to the condensed consolidated statement of profit or loss is presented in note 5. All differences relate to the application of IFRS 11 Joint Arrangements, no other differences exist.

No segment reporting has been presented related to assets and liabilities as no significant changes occurred compared to segment reporting 2015, except for a change in consolidation scope. EXMAR has sold part of its ownership (60%) in the Wariboko barge to its logistical partner Springview. As a consequence, the related companies are no longer consolidated by the full consolidation method but by the equity consolidation method. The only segment involved in this transaction is the Offshore segment. The main balance sheet captions affected are operational assets, investments in equity accounted investees and borrowings to equity accounted investees. These balance sheet captions are separately disclosed in notes 6, 7 and 8.

EXMAR reached an agreement for the acquisition of 50% of the pressurized fleet held by Wah Kwong. As a result of this transaction our share in the pressurized fleet increased from 50% to 100% and the companies involved in this transaction are fully consolidated in the balance sheet per June 30, 2016 instead of presented as an equity accounted investee. The segment involved in this transaction is the LPG segment. The main balance sheet captions affected are operational assets, borrowings to equity accounted investees and borrowings. These balance sheet captions are separately disclosed in notes 7, 9 and 11.

	LPG	LNG	Offshore	Services	Eliminations	Total
SEGMENT REPORTING 30/06/2016						
STATEMENT OF PROFIT OR LOSS						
Revenue third party	52,912	54,282	27,708	15,277	0	150,179
Revenue intra-segment	1,634	473	833	7,951	-10,891	0
Total revenue	54,546	54,755	28,541	23,228	-10,891	150,179
Revenue on property rental third party	0	0	0	473	0	473
Revenue on property rental intra-segment	0	0	0	73	-73	0
Total revenue on property rental	0	0	0	546	-73	473
Capital gain on sale of assets	0	0	565	36	0	601
Other operating income	14,463	0	228	747	0	15,438
Other operating income intra-segment	0	0	0	192	-192	0
Total other operating income	14,463	0	228	939	-192	15,438
Operating income	69,009	54,755	29,334	24,749	-11,156	166,691
Operating result before depreciation, impairment and amortisation charges (EBITDA)	35,948	33,825	3,001	-385	0	72,389
Depreciations, amortisations and impairment loss	-9,714	-9,113	-1,774	-1,539		-22,140
Operating result (EBIT)	26,234	24,712	1,227	-1,924	0	50,249

Interest income/expenses (net)	-6,370	-9,899	-503	3,962	-12,810
Other finance income/expenses (net)	-230	-319	-54	-2,320	-2,923
Share in the result of equity accounted investees	0	0	86	-264	-178
Income tax expense	-7	0	756	-346	403
SEGMENT RESULT FOR THE PERIOD	19,627	14,494	1,512	-891	0
Unallocated finance result					-3,306
RESULT FOR THE PERIOD					31,436
Non-controlling interest					18
ATTRIBUTABLE TO OWNERS OF THE COMPANY					31,418

	LPG	LNG	Offshore	Services	Eliminations	Total
SEGMENT REPORTING 30/06/2015						
STATEMENT OF PROFIT OR LOSS						
Revenue third party	59,354	42,420	40,476	15,281		157,531
Revenue intra-segment	1,828	0	510	7,679	-10,017	0
Total revenue	61,182	42,420	40,986	22,960	-10,017	157,531
Revenue on property rental third party	0	0	0	450	0	450
Revenue on property rental intra-segment	0	0	0	73	-73	0
Total revenue on property rental	0	0	0	523	-73	450
Capital gain on sale of assets	0	0	0	55		55
Other operating income	550	0	615	262	28	1,455
Operating income	61,732	42,420	41,601	23,800	-10,062	159,491
Operating result before depreciation, impairment and amortisation charges (EBITDA)	23,167	24,861	6,674	65	0	54,767
Depreciations, amortisations and impairment loss	-9,306	-9,081	-2,069	-1,526		-21,982
Operating result (EBIT)	13,861	15,780	4,605	-1,461	0	32,785
Interest income/expenses (net)	-2,642	-3,003	-157	-4,453		-10,255
Other finance income/expenses (net)	1,440	-844	490	-128		958
Share in the result of equity accounted investees	0	0	622	-299		323
Income tax expense	13	-562	-594	-599		-1,742
SEGMENT RESULT FOR THE PERIOD	12,672	11,371	4,966	-6,940	0	22,070
Unallocated overhead expenses and finance result						-280
RESULT FOR THE PERIOD						21,790
Non-controlling interest						24
ATTRIBUTABLE TO OWNERS OF THE COMPANY						21,766

5. RECONCILIATION SEGMENT REPORTING (in thousands of USD)

The financial information of each operating segment is reviewed by management using the proportionate consolidation method. The below tables reconcile the 30 June financial information as reported in the condensed consolidated statement of profit or loss (using the equity consolidation method as required under IFRS 11) and as disclosed in note 4 "Segment reporting" (using the proportionate consolidation method).

Reconciliation condensed consolidated statement of profit or loss and segment reporting

FOR THE SIX MONTHS ENDED 30/06/2016

	Proportionate consolidation	Difference	Equity consolidation
Revenue	150,652	-95,412	55,240
Capital gain on sale of assets	601	0	601
Other operating income	15,438	-292	15,146
Goods and services	-66,575	37,403	-29,172
Personnel expenses	-26,006	-19	-26,025
Depreciations, amortisations & impairment losses	-22,140	19,892	-2,248
Provisions	131	0	131
Capital loss on disposal of assets	0	0	0
Other operating expenses	-1,852	473	-1,379
RESULT FROM OPERATING ACTIVITIES	50,249	-37,955	12,294
Interest income	393	11,407	11,800
Interest expenses	-13,203	5,893	-7,310
Other finance income	507	-134	373
Other finance expenses	-6,735	689	-6,046
RESULT BEFORE INCOME TAX AND SHARE OF RESULT OF EQUITY ACCOUNTED INVESTEES	31,211	-20,100	11,111
Share of result of equity accounted investees (net of income tax)	-178	20,021	19,843
Income tax expense	403	79	482
RESULT FOR THE PERIOD	31,436	0	31,436

Reconciliation condensed consolidated statement of profit or loss and segment reporting

FOR THE SIX MONTHS ENDED 30/06/2015

	Proportionate consolidation	Difference	Equity consolidation
Revenue	157,980	-99,048	58,932
Capital gain on sale of assets	55	0	55
Other operating income	1,455	-30	1,425
Goods and services	-74,286	40,399	-33,887
Personnel expenses	-26,354	73	-26,281
Depreciations, amortisations & impairment losses	-21,982	19,445	-2,537
Provisions	40	-7	33
Capital loss on disposal of assets	-582	0	-582
Other operating expenses	-3,541	424	-3,117
RESULT FROM OPERATING ACTIVITIES	32,785	-38,744	-5,959
Interest income	578	11,328	11,906
Interest expenses	-10,833	4,472	-6,361
Other finance income	4,791	-111	4,680
Other finance expenses	-4,112	808	-3,304
RESULT BEFORE INCOME TAX AND SHARE OF RESULT OF EQUITY ACCOUNTED INVESTEES	23,209	-22,247	962
Share of result of equity accounted investees (net of income tax)	323	22,125	22,448
Income tax expense	-1,742	122	-1,620
RESULT FOR THE PERIOD	21,790	0	21,790

6. ACQUISITION OF A SUBSIDIARY (in thousands of USD)

End of June 2016, EXMAR reached an agreement for the acquisition of 50% of the pressurized fleet (LPG segment) held by Wah Kwong. As a result of this transaction our share in the pressurized fleet increased from 50% to 100% and the companies involved in this transaction are fully consolidated in the balance sheet per 30 June 2016 instead of presented as an equity accounted investee. Given the acquisition was only completed end of June 2016, the result for the first six months of the year is shown as a result from equity accounted investees in the statement of profit or loss.

By taking control of the pressurized fleet, EXMAR will be able to strengthen her position in this segment of the market.

For the six months ended 30 June 2016, the pressurized fleet contributed revenue of USD 5.4 million to our LPG segment (proportionate consolidation method) and a loss of USD 0.8 million to the LPG segment result. If the acquisition had occurred on 1 January 2016, we estimate that total revenue of our LPG segment (proportionate consolidation method) would have been USD 59.9 million and the LPG segment result for the period would have been USD 18.8 million (including registered goodwill on this transaction of USD 14.3 million).

A. Consideration transferred

The following table summarises the acquisition date fair value of each major class of consideration transferred. Actual payment of the purchase price to Wah Kwong is expected to be paid in September 2016.

CONSIDERATION TRANSFERRED

Borrowings to equity accounted investees including negative net assets held by EXMAR pre-acquisition	30,582
Purchase price 50% share Wah Kwong	3,464
BALANCE AS PER 30/06/2016	34,046

B. Identifiable assets acquired and liabilities assumed

The following table summarizes the recognised amounts of assets acquired and liabilities assumed at the date of acquisition based on the preliminary purchase price allocation. The remeasurement to fair value of the vessels is based on the average fair market value as determined by two independent ship brokers. Management has analyzed the existing contractual agreements with charters and is of the opinion that no material fair value should be recognised. Outstanding loans and borrowings have been analyzed and the applicable conditions are considered market based.

IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED

Vessel	118,500
Trade and Other receivables	2,848
Cash and cash equivalents	5,556
Loan and borrowings	-73,040
Trade and Other payables	-5,475
TOTAL IDENTIFIABLE NET ASSETS ACQUIRED	48,389

C. Goodwill

Goodwill arising from the transaction has been recognised as follows.

BADWILL

Consideration transferred	34,046
Fair Value of identifiable net assets	-48,389
BADWILL	-14,343

7. OPERATIONAL ASSETS (in thousands of USD)

	Operational	Under construction	Total
COST 2016			
Balance as per 01/01/ 2016	59,159	151,797	210,956
Changes during the financial year			
Acquisitions	0	4,763	4,763
Disposals			0
Conversion differences			0
Change in consolidation scope (*)	99,800	0	99,800
BALANCE AS PER 30/06/2016	158,959	156,560	315,519
DEPRECIATIONS AND IMPAIRMENT LOSSES 2016			
Balance as per 01/01/2016	41,965	0	41,965
Changes during the financial year			
Depreciations	736	0	736
Disposals			0
Conversion differences			0
Change in consolidation scope (*)	-2,242	0	-2,242
BALANCE AS PER 30/06/ 2016	40,459	0	40,459
NET BOOK VALUE			
NET BOOK VALUE AS PER 30/06/2016	118,500	156,560	275,060

(*) The change in consolidation scope is explained in note 9 Borrowings to equity accounted investees. -18,700 KUSD relates to the Wariboko transaction and 118,500 KUSD relates to the pressurized fleet transaction.

The operational assets under construction mainly relate to payments made for the construction of the Caribbean FLNG and the FSRU.

8. EQUITY ACCOUNTED INVESTEES (in thousands of USD)

EQUITY ACCOUNTED INVESTEES	
Balance as per 01/01/ 2016	132,816
Changes during the financial year	
Share in the profit/loss(-)	19,843
Dividends paid	0
Change in consolidation scope (*)	11,916
Allocation of negative net assets (**)	7,977
Conversion differences	1,199
Changes in other comprehensive income equity accounted investees	-6,218
Other	-504
BALANCE AS PER 30/06/2016	167,029

(*) The change in consolidation scope is explained in note 9 Borrowings to equity accounted investees. Above change only relates to the Wariboko transaction.

(**) The equity accounted investees for whom the share in the net assets is negative, are allocated to other components of the investor's interest in the equity accounted investee and if the negative net asset exceeds the investor's interest, a corresponding liability is recognized.

EXMAR has analysed the existing joint arrangements and has concluded that the existing joint arrangements are all joint-ventures in accordance with IFRS 11 "joint arrangements".

EXMAR has provided guarantees to financial institutions that have provided credit facilities to her equity accounted investees. As of June 30, 2016, an amount of USD 584 million was outstanding under such loan agreements, of which EXMAR has guaranteed USD 292 million.

9. BORROWINGS TO EQUITY ACCOUNTED INVESTEES (in thousands of USD)

	LPG	LNG	Offshore	Total
BORROWINGS TO EQUITY ACCOUNTED INVESTEES				
Balance as per 01/01/2016	83,633	316,912	0	400,545
New loans and borrowings	1,245	0	0	1,245
Repayments	0	-9,213	0	-9,213
Change in allocated negative net assets (*)	-6,046	247	-2,179	-7,978
Capitalised interests	305	77	0	382
Change in consolidation scope (**)	-30,582	0	13,483	-17,099
BALANCE AT 30/06/2016	48,555	308,023	11,304	367,882
More than 1 year	48,555	283,382	11,304	343,241
Less than 1 year	0	24,641	0	24,641

(*) The equity accounted investees for whom the share in the net assets is negative, are allocated to other components of the investor's interest in the equity accounted investee and if the negative net asset exceeds the investor's interest, a corresponding liability is recognized.

(**) EXMAR reached an agreement for the acquisition of 50% of the pressurized fleet (LPG segment) held by Wah Kwong. As a result of this transaction our share in the pressurized fleet increased from 50% to 100% and the companies involved in this transaction are fully consolidated in the balance sheet per June 30, 2016 instead of presented as an equity accounted investee. In the condensed consolidated cash flow statement, an amount of USD +5.6 million is included, this amount represents the cash and cash equivalents as of June 30, 2016 for the pressurized fleet companies. Actual payment of the purchase price to Wah Kwong is expected to be paid in September 2016. We refer to note 6 for further explanation in this respect.

At the end of May 2016 EXMAR has sold part of its ownership (60%) in the Wariboko barge (Offshore segment) to its Nigerian partner Springview. As from that date the offshore activities of the accommodation barge Wariboko are consolidated using the equity consolidation method instead of the full consolidation method. Our Nigerian partner was given a seller's credit for the purchase price to be paid. The cash proceeds to be received under this transaction are deferred, resulting in a net impact of USD -7.4 million in the condensed consolidated cash flow statement as per 30 June 2016 as all assets and liabilities (including cash balances) relating to the offshore activities of the accommodation barge Wariboko are no longer presented as separate line items on the consolidated statement of financial position.

The activities and assets of certain of our joint-ventures are financed by shareholder borrowings made by the Company to the representative joint-ventures. The current portion of such borrowings and the working capital facilities are presented as other receivables. The main borrowings to equity accounted investees relate to the borrowings granted to the LPG joint-venture with Teekay LNG Partners L.P. and the activities of the LNG joint-ventures with Excelerate Energy L.P.

10. RESTRICTED CASH AND CASH AND CASH EQUIVALENTS

(in thousands of USD)

	30/06/ 2016	31/12/ 2015
RESTRICTED CASH AND CASH AND CASH EQUIVALENTS		
RESTRICTED CASH	32,527	42,332
Bank	118,291	128,210
Cash in hand	267	158
Short-term deposits	692	1,601
NET CASH AND CASH EQUIVALENTS	119,250	129,969

The restricted cash relates to credit facilities and financial instrument agreements.

11. BORROWINGS

(in thousands of USD)

	Bank loans	Other loans	Total
BORROWINGS			
Balance at 01/01/2016	300,871	111,715	412,586
New loans and borrowings	100	0	100
Scheduled repayments	-7,528	0	-7,528
Amortised transaction costs	0	545	545
Conversion differences	17	5,995	6,012
Change in consolidation scope (*)	73,041	2,000	75,041
BALANCE AT 30/06/2016	366,501	120,255	486,756
More than 1 year	342,125	118,255	460,380
Less than 1 year	24,376	2,000	26,376
LPG	73,041	0	73,041
LNG	292,714	0	292,714
Offshore	0	0	0
Services	746	120,255	121,001
BALANCE AT 30/06/2016	366,501	120,255	486,756

(*) The change in consolidation scope is explained in note 9 Borrowings to equity accounted investees. 73,041 KUSD relates to the LPG pressurized fleet transaction and 2,000 KUSD relates to the Wariboko transaction.

The bank loans mainly relate to the Excelerate facility and the Explorer/ Express facility.

The other loans mainly relate to a NOK 700 million senior unsecured bond issue (initially equivalent to USD 114 million) which was closed in 2014. During 2015, an additional amount of NOK 300 million has been issued (second tranche on the original NOK 700 million bond). The total nominal amount outstanding amounts to NOK 1.000 million with maturity date in July 2017.

On June 23 2015, EXMAR signed a financing agreement with the Industrial and Commercial Bank of China Ltd (ICBC). ICBC will provide financing to EXMAR for the FLNG project for a total amount of USD 198,4 million, subject to conditions as disclosed in note 13 capital commitments. As per June 30, 2016 no financing has been withdrawn yet under the new facility. Deferred financing costs in relation to this facility amount to USD 6,5 million which will be amortised over the term of the loan.

12. FINANCIAL INSTRUMENTS

(in thousands of USD)

Financial instruments include a broad range of financial assets and liabilities. They include both primary financial instruments such as cash, receivables, debt and shares in another entity and derivative financial instruments. They are measured either at fair value or at amortized cost.

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an at arm's length transaction. All derivative financial instruments are recognized at fair value in the statement of financial position.

The fair values of financial assets and liabilities measured at fair value are presented by class in the table below. The Group aggregates its financial instruments into classes based on their nature and characteristics.

	Level 1	Level 2	Level 3	Total
30/06/2016				
Equity securities - available for sale	1,676	1,373		3,049
TOTAL FINANCIAL ASSETS CARRIED AT FAIR VALUE	1,676	1,373	0	3,049
Cross currency interest rate swap used for hedging		34,562		34,562
TOTAL FINANCIAL LIABILITIES CARRIED AT FAIR VALUE	0	34,562	0	34,562

As a result of a significant and prolonged decline in the fair value of the Teekay shares (which are presented as available-for-sale financial assets in the accounts and detailed in above overview under level 1), the change in fair value of KUSD 285 has been registered in the profit or loss statement. The fair value reserve in respect of these shares from prior periods of KUSD 3,021 has also been registered in the profit or loss statement.

In 2014, a cross currency interest rate swap ("CCIRS") was entered into in order to hedge the currency and floating interest exposure on the issued NOK 700 million senior unsecured bonds. In July 2015, a new CCIRS was closed on the additional amount of NOK 300 million that has been issued in 2015 (see also note 11 in this respect).

Financial instruments other than those listed above are all measured at amortized cost.

For its financial instruments, the Group has applied in its condensed consolidated interim financial statements the same accounting classification and basis for determining fair values as those applied in the consolidated financial statements as at and for the year ended December 31, 2015. Therefore, we refer to the Annual Report 2015, disclosure note 26 'Financial risks and financial instruments'.

The long-term vision that is typical of EXMAR's activities is accompanied by long-term financing and therefore also exposure to underlying rates of interest. EXMAR actively manages this exposure by means of various instruments to cover rising interest rates for a significant part of its debt portfolio.

The fair value of financial assets and liabilities not measured at fair value has not been updated per June 30, 2016 as no significant changes occurred that would impact the fair value determination. Therefore, we refer to the Annual Report 2015, disclosure note 26 'Financial risks and financial instruments'.

In respect of liquidity risk, we refer to note 13 Capital Commitments.

13. CAPITAL COMMITMENTS

(in thousands of USD)

As per June 30, 2016 the capital commitments are as follows:

	Subsidiaries	Joint-ventures
LPG segment	0	93,770
LNG segment	317,545	0
	317,545	93,770

The amount disclosed for the joint-ventures represents our share in the capital commitments of these joint-ventures and relates to the remaining 5 midsize carriers under construction. Delivery of these midsize carriers is expected in 2016 (1), 2017 (3) and 2018 (1). Financing has been obtained for the first three midsize carriers under construction, documentation is in progress for financing agreed in principle for the last two vessels to be delivered.

The capital commitments of our subsidiaries relate to the Caribbean FLNG and the FSRU under construction. Following the termination of the tolling agreement with Pacific Exploration and Production, EXMAR has renegotiated the financing agreement of USD 198,4 Mio with Industrial and Commercial Bank of China ("ICBC") and obtained a waiver of the employment condition, subject to formal approval by the credit insurer and final documentation. EXMAR is confident that this will be in place before Final Acceptance.

EXMAR is actively pursuing several alternative employment opportunities. The commissioning is being held since 14th June. Considering all information available from the commissioning process, EXMAR is confident that Wison will reach successful performance testing and that Final Acceptance can therefore take place before 30/9/2016, at which time payment of the final instalment is due to the yard. In case performance testing does not lead to Final Acceptance latest by 30/9/2016 EXMAR will together with WISON evaluate all possible options. Availability of financing is secured for Final Acceptance until 30/9/2016, subject to formal approval by the credit insurer and final documentation. EXMAR is in discussion with ICBC for further extension of the availability period in case of further delays. EXMAR cannot guarantee that such negotiations will be successfully closed.

Delivery of the FSRU under construction and the related payment of the final instalment is expected by the end of the first half 2017. Employment and financing possibilities are being explored by EXMAR.

14. CONTINGENCIES AND GUARANTEES

There were no significant changes in contingencies as disclosed in the consolidated financial statements of the Group for the year ended 31 December 2015.

A vessel held by one of our joint-ventures was party to a lease arrangement whereby the lessor could claim tax depreciation on the capital expenditures it incurred to acquire these vessels. As is typical in these leasing arrangements, tax and change of law risks are assumed by the lessee. Our joint-venture terminated this lease arrangement in 2013. However, in case of a successful challenge by the UK tax authority ("HMRC") of the tax treatment of the lease by the UK lessor, we can be required to compensate the lessor for any tax amounts to be paid.

In general, the borrowings held by EXMAR and its equity accounted investees are secured by a mortgage on the underlying assets owned by the equity accounted investees. Furthermore, different pledges and other types of guarantees exist to secure the borrowings. In addition, dividend restrictions may exist. Also different debt covenants exist that require compliance with certain financial ratio's. As of June 30, 2016 EXMAR was compliant with all covenants.

15. RELATED PARTIES

The Company has a related party relationship with its subsidiaries and joint-ventures and with its directors and executive officers. These relationships were disclosed in the consolidated financial statements of the Group for the year ended 31 December 2015. There were no significant changes in these related party transactions.

16. RISKS AND UNCERTAINTIES

There were no significant changes in risks and uncertainties compared to the risks and uncertainties as described in the annual consolidated financial statements for the year ended 31 December 2015.

In respect of liquidity risk, we refer to note 13 Capital Commitments.

17. SUBSEQUENT EVENTS

A termination fee was agreed with Pacific Exploration and Production ("PEP") for the cancellation of the Caribbean FLNG tolling agreement. However, under the CCAA procedure the court has ordered a 'stay of proceedings' and payments to creditors not part of the restructuring plan have recently been suspended. It cannot be guaranteed that subsequent payments of the termination fee will be received.

As announced on 2nd September 2016 discussions are currently taking place between EXMAR and VOPAK to explore the possibility of an acquisition of EXMAR's current floating regasification business by Vopak. As the outcome of the discussions between EXMAR and VOPAK is currently unknown, no further details are disclosed. Material updates will be communicated via press releases.

Statement on the true and fair view of the condensed consolidated interim financial statements and the fair overview of the interim management report

The board of directors, represented by Nicolas Saverys and Patrick De Brabandere, and the executive committee, represented by Nicolas Saverys and Miguel de Potter, hereby certifies, on behalf and for the account of the company, that, to their knowledge,

- the condensed consolidated interim financial information which have been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union, give a true and fair view of the equity, financial position and financial performance of the company, and the entities included in the consolidation as a whole,

- the interim management report includes a fair overview of the information required under Article 13, §§ 5 and 6 of the Royal Decree of November 14, 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.

GLOSSARY

BOPD	Barrels of Oil Per Day	LPG/C	Liquefied Petroleum Gas Carrier
BTX	Mixture of benzene, toluene and xylenes	MCRM	Maritime Crew Resource Management
C4	Crude betadine	MGC	Midsize Gas Carrier
CCIRS	Cross Currency Interest Rate Swap	Midsize	20,000 m ³ to 40,000 m ³
CEO	Chief Executive Officer	mmboe	Million barrels of oil equivalent
CoA	Contract of Affreightment	mmbtu	Million British Thermal Unit
DSME	Daewoo Shipbuilding & Marine Engineering	mmscfd	Million standard cubic feet per day
DVO	DV Offshore	MTPA	Million tonnes per annum
E&P	Engineering and Production Company	NH ₃	Ammonia
EBIT	Earnings before interest and taxes	NOK	Norwegian Krone
EBITDA	Earnings before interest, taxes, depreciation, and amortization	NYSE	New York Stock Exchange
EGS	Exhaust Gas Scrubber	OGIS	Offshore Oil and Gas Infrastructure Services
EOC	Exmar Offshore Company	OHSAS 18001	An international occupational health and safety management system specification
FEED	Front End Engineering and Design	OLT	Offshore LNG Toscana
FID	Final Investment Decision	Petchems	Petrochemicals
FLNG	Floating Liquefaction of Natural Gas	PMT	per metric tonne
FPS	Floating Production System	PVC	Polyvinyl Chloride
FPSO	Floating Production Storage and Offloading-unit	Semi	Semi-submersible
FSMA	Financial Services and Markets Authority	SPAR	Deepwater production platform
FSO	Floating Storage and offloading Unit	SPM	Single Point Mooring
FSRU	Floating Storage and Regasification Unit	STCW	Standards of Training, Certification and Watchkeeping
FSU	Floating Storage Unit	STS	Ship-to-ship
GAAP	Generally Accepted Accounting Principles	tbn	To be named
HHIC	Hanjin Heavy Industries and Construction	TC	Time chartered
HFO	Heavy Fuel Oil	TLP	Tension-leg platforms
HSEQ	Health, Safety, Environment and Quality	U/C	Under Construction
HMRC	UK tax authority	UK	United Kingdom
IAS	International Accounting Standards	ULCV	Ultra Large Container Vessel
IASB	International Accounting Standards Board	UM	Under ship management
ICBC	Industrial and Commercial Bank of China	US	United States
IFRS	International Financial Reporting Standards	USA	United States of America
ISO	International Organization for Standardization	USD	United States Dollar
JV	Joint-venture	VCM	Vinyl Chloride Monomer
k	1000	VLEC	Very Large Ethane Carrier
KRO	Key Risk Officers	VLGC	Very Large Gas Carrier
LGC	Large Gas Carrier	VPM	Vessel Performance Monitoring
LNG	Liquefied Natural Gas	WAF	West Africa
LNG/C	Liquefied Natural Gas Carrier		
LNG/RV	Liquefied Natural Gas Regasification Vessel		
LPG	Liquefied Petroleum Gas		





COLOPHON

BOARD OF DIRECTORS

Baron Philippe Bodson – Chairman
Nicolas Saverys – Managing Director/
Chief Executive Officer
Ludwig Criel
Patrick De Brabandere
Howard Gutman
Jens Ismar
Michel Delbaere
Baron Philippe Vlerick
Pauline Saverys
Ariane Saverys
Barbara Saverys

EXECUTIVE COMMITTEE

Nicolas Saverys – Chief Executive Officer,
Chairman of the Executive Committee
Patrick De Brabandere – Chief Operating Officer
Miguel de Potter – Chief Financial Officer
Pierre Dincq – Managing Director Shipping
David Lim – Managing Director Offshore
Marc Nuytemans – CEO EXMAR Ship Management
Bart Lavent – Managing Director LNG
Infrastructure

AUDITOR

KPMG
Represented by
Mr. Serge Cosijns

COLOPHON

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CONTACT

- All EXMAR press releases can be consulted on the website: www.exmar.be
- Questions can be asked by telephone at +32(0)3 247 56 11 or by e-mail to corporate@exmar.be, for the attention of Patrick De Brabandere (COO), Miguel de Potter (CFO) or Mathieu Verly (Secretary)
- In case you wish to receive our annual or half year report please e-mail: annualreport@exmar.be

The Dutch version of this half year report must be considered to be the official version.

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