



FINAL RESULTS FIRST SEMESTER 2016

2/09/2016 – 7.00 PM
Regulated information

The Board of Directors of EXMAR has approved the accounts for the period ending 30th June 2016. This press release also refers to the one distributed on 28th July 2016 (provisional results).

Highlights of recent developments are:

- EXMAR LNG: EXMAR and VOPAK are currently discussing the possibility of an acquisition by Vopak of EXMAR's current Floating LNG Regasification business
- OFFSHORE: Interest in OPTI based production solutions remain high
- LPG : Acquisition of the Pressurized Joint Ventures from Wah Kwong
- INTERIM DIVIDEND : distribution of a gross interim dividend of EUR 0.10 per share

Key figures

CONSOLIDATED KEY FIGURES		International Financial Reporting Standards (IFRS 11)		Management reporting based on proportional consolidation	
Consolidated statement of profit or loss (in million USD)		30/06/2016	30/06/2015	30/06/2016	30/06/2015
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 of which group share	31.4	21.8	31.4	21.8	
Informations per share in USD per share					
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	
Informations per share in EUR per share					
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	

Cash Flow from operations (EBITDA) as per proportionate consolidation method for the first semester 2016 was **USD 72.3 million** (USD 54.8 million for first semester 2015) and the Operating result (EBIT) was **USD 50.2 million**, (2015 USD 32.8 million) including a USD 14.3 million non cash profit on the acquisition of 50% shares of Wah Kwong in the pressurized fleet

The net result amounts to **USD 31.4 million** (USD 21.8 million for first semester 2015).

The half year report including a full version of the condensed consolidated interim financial statements for the six months ended 30 June 2016, prepared in accordance with IAS 34 is available on www.exmar.be as from today.



Press Release | Final results first semester 2016
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LNG

The operating result (EBIT) was **USD 24.7 million** for the first half 2016 (compared to USD 15.8 million for the first half 2015). This figure includes a payment of part of the termination fee payable by PACIFIC EXPLORATION and PRODUCTION (PEP) as well as costs related to the commissioning of **Caribbean FLNG**.

LNG Shipping

All Floating Storage and Regasification Units (FSRU) and LNG carriers (with the exception of the **EXCEL**) remain committed to long-term charter, and are therefore not directly impacted by the freightrate fluctuations on the worldwide market. **EXCEL** is currently employed on the spot market and continues to benefit from the minimum revenue undertaking. It is expected however that this minimum revenue undertaking will be fully utilized by the end of the year.

Floating Liquefaction

The commissioning of the **Caribbean FLNG** commenced on 14th June 2016 and is progressing well. Delivery is expected once the unit has been successfully performance-tested at the shipyard. Several employment opportunities for the unit are currently under active discussions.

A termination Fee was agreed with PEP for the cancellation of the **Caribbean FLNG** tolling agreement, however, under the restructuring procedure of PEP the court has ordered a suspension of the outstanding USD 11.0 million.

Floating Regasification

The FSRU under construction at Wison is progressing as planned and the unit is expected to be delivered by mid-2017.

Several Joint Development Agreements and Exclusivity Agreements have been signed for the development of the FSRU barge and FSRU Newbuildings around the world.

Final Investment Decision has not yet been declared for the SWAN LNG project in India. Discussions are still ongoing for the leasing of a FSRU.

As announced earlier today, EXMAR and VOPAK are currently discussing the possibility of an acquisition by Vopak of EXMAR's current Floating LNG Regasification business.

OFFSHORE

The operating result (EBIT) for the first half of 2016 was **USD 1.2 million** (compared to USD 4.6 million in the first half of 2015).

Exploration activity in deepwater remains low with most drilling activity supporting development of existing fields resulting in few opportunities for new floating production facilities in the near term, however, drilling permits for new exploration wells in the Gulf of Mexico granted since 1 July exceed the total new permits granted for the previous six months. While we expect increased activity in exploration any new projects will be driven by proven low cost solutions and EXMAR's **OPTI®** production semisubmersible remains high on the list of development options worldwide where EXMAR has been actively engaged by oil companies in the Gulf of Mexico and the Far East.

The accommodation barges **WARIBOKO** and **NUNCE** are operating in West Africa under their respective contracts and will be fully employed for the balance of 2016. The contract of the **KISSAMA** has been extended until end of October with 3 options for an additional 1 month each of employment. **KISSAMA** has been offered for employment contracts commencing late 2016 early 2017. **WARIBOKO** has been sold for 60% to our Nigerian partner under a purchase option mechanism at the end of May 2016. This accommodation barge remains employed until the middle of 2017 and is currently being marketed beyond that period in the region.



The engineering services of EXMAR OFFSHORE (Houston) has been negatively impacted by the lack of activity in the market but has been active in the development of the next series of **OPTI®** production facilities. Most recently, EXMAR OFFSHORE has completed the early design of the OPTI-micro™ which is an even lower cost Floating Production Solution specifically targeted at fields less than 100 million barrels of oil equivalent. Pricing indications for this facility are in-line with expectations to enable the commercial development of these sized fields.

LPG

The operating result (EBIT) of the LPG fleet in the first half of 2016 was **USD 26.2 million** (as compared to USD 13.9 million for the same period in 2015).

Time-Charter Equivalent (in USD per day)	First Semester 2016	First Semester 2015
Midsize (38,115 m ³)	28,739	28,966
VLGC (83,300 m ³)	37,106	53,486
Pressurized (3,500 m ³)	5,209	5,633
Pressurized (5,000 m ³)	6,771	7,886

VLGC (Very Large Gas Carrier)

The average Baltic VLGC Freight Index further decreased during the summer months resulting in earnings close to OPEX levels. Still, freight rates have seemingly bottomed out and rumours about potential market consolidation are surfacing.

EXMAR-controlled **BW Tokyo** (83,000m³) has been redelivered from her Time-Charter but currently remains operating on behalf of the same Charterer on spot basis. Long term opportunities are still being pursued.

MGC (Midsize Gas Carriers)

Facing more competition from both the smaller and larger segments (*Handysize/LGC /VLGC*) earnings for spot and short-term commitments for MGC have come under further pressure.

EXMAR's contract portfolio remains healthy for the balance of the year with 81 % employment already secured.

EXMAR's second scrubber-equipped vessel, **KONTICH** has been delivered to Statoil on 21st August for trading in Northwest Europe to support Statoil's LPG platform on long-term basis.

Pressurized vessels

Overall trading activity in Europe lacked vitality which led to shipping length in the region with small and larger Pressurized units competing for the same cargoes. No fundamental changes were observed in the East with mainly traders influencing the market.

A marked upturn for the 2,500 – 5,000 m³ segment somehow remains remote without either market consolidation taking place and / or elderly tonnage being scrapped. At present EXMAR's fleet is entirely covered on Time-Charter whereas cover for the balance of 2016 stands at 90 %.

EXMAR has reached an agreement with Wah Kwong to acquire their 50% shares in the 10 pressurized vessels jointly owned. This transaction has generated USD 14.3 million of non-cash profit



SUPPORTING SERVICES

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** (compared to USD 1.7 million in 2015 for the same period).

The contribution of the Holding activities to the operating result (EBIT) for the first half 2016 was **USD -3.4 million** (compared to USD -3.2 million in 2015).

Interim Dividend

The Board of Directors approved the distribution of a gross interim dividend of EUR 0.10 per share (EUR 0.070 net per share). The net interim dividend will be payable to the holders of registered shares and to the holders of dematerialized shares (through their financial institution) on 9th September 2016. (ex-date 7th September 2016 – record-date 8th September 2016).

Statutory auditor

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 a review by our statutory auditor.

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.

ANNEX

- Consolidated statement of financial position
- Consolidated statement of profit or loss
- Consolidated statement of comprehensive income
- Consolidated statement of cash flows
- Consolidated statement of changes in equity





ANNEX TO PRESS RELEASE OF 2 SEPTEMBER 2016

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of USD)

	30 June 2016	31 December 2015
ASSETS		
NON-CURRENT ASSETS	790.626	684.687
Vessels	275.060	168.991
Vessels	118.500	17.194
Vessels under construction	156.560	151.797
Other property, plant and equipment	3.628	4.104
Intangible assets	1.668	2.368
Investments in equity accounted investees	167.029	132.816
Borrowings to equity accounted investees	343.241	376.408
CURRENT ASSETS	221.551	241.425
Available-for-sale financial assets	3.049	3.487
Trade receivables and other receivables	65.755	64.669
Current tax assets	970	968
Restricted cash	32.527	42.332
Cash and cash equivalents	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	460.380	397.425
Employee benefits	4.320	4.445
Provisions	2.405	2.522
Derivative financial instruments	34.562	41.229
CURRENT LIABILITIES	87.338	75.687
Borrowings	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)

	6 months ended 30 June 2016	6 months ended 30 June 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	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	-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)	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	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
Total comprehensive income attributable to:		
Non-controlling interest	21	10
Owners of the Company	30,325	15,390
Total comprehensive income for the period	30,346	15,400

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(In thousands of USD)

	6 months ended 30 June 2016	6 months ended 30 June 2015
OPERATING ACTIVITIES		
Result for the period	31.436	21.790
Share of result 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	-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	-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 eq	84	180
Change in consolidation scope	-1.884	0
Dividends from equity accounted investees	0	45.000
New borrowings to equity accounted investees	-1.245	-363
Repayments from equity accounted investees	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	100	39.820
Repayment of borrowings	-7.528	-7.406
Increase/ decrease in restricted cash	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	119.250	107.827

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(In thousands of USD)

	Share capital	Share premium	Retained earnings	treasury shares	Reserve for translation reserve	Fair value reserve	Hedging reserve	Share-based payments reserve	Total	Non-controlling interest	Total equity
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS PER 30 JUNE 2016											
1 January 2016	88.812	209.902	167.916	-54.123	-10.301	-3.973	-3.823	10.204	404.614	190	404.804
Comprehensive result for the period											
Result for the period			31.418		0	0	0	31.418		18	31.436
Total other comprehensive result for the period			0		1.579	2.877	-5.549	-1.093		3	-1.090
Total comprehensive result for the period	0	0	31.418	0	1.579	2.877	-5.549	0	30.325	21	30.346
Transactions with owners of the Company											
Dividends paid				-12.942				-12.942			-12.942
Share-based payments								0			0
- Share options exercised			-257	464			-25	182			182
- Share based payments transactions			0	0			782	782			782
Total transactions with owners of the Company	0	0	-13.199	464	0	0	0	757	-11.978	0	-11.978
30 June 2016	88.812	209.902	186.135	-53.659	-8.722	-1.096	-9.372	10.961	422.961	211	423.172
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS PER 30 JUNE 2015											
1 January 2015	88.812	209.902	184.110	-53.769	-8.845	881	-1.329	9.825	429.587	175	429.762
Comprehensive result for the period											
Result for the period			21.766		0	0	0	21.766		24	21.790
Total other comprehensive result for the period			0		-2.374	-1.803	-2.199	-6.376		-14	-6.390
Total comprehensive result for the period	0	0	21.766	0	-2.374	-1.803	-2.199	0	15.390	10	15.400
Transactions with owners of the Company											
Dividends paid				-19.083				-19.083			-19.083
Share-based payments								0			0
- Share options exercised			-261	460			-58	141			141
- Treasury shares purchased (*)			35	-2.660			0	-2.625			-2.625
- Share based payments transactions			0	0			590	590			590
Total transactions with owners of the Company	0	0	-19.309	-2.200	0	0	0	532	-20.977	0	-20.977
30 June 2015	88.812	209.902	186.567	-55.969	-11.219	-922	-3.528	10.357	424.000	185	424.185