EXMAR
HALF YEAR REPORT
2017

EXMAR

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FINANCIAL SUMMARY

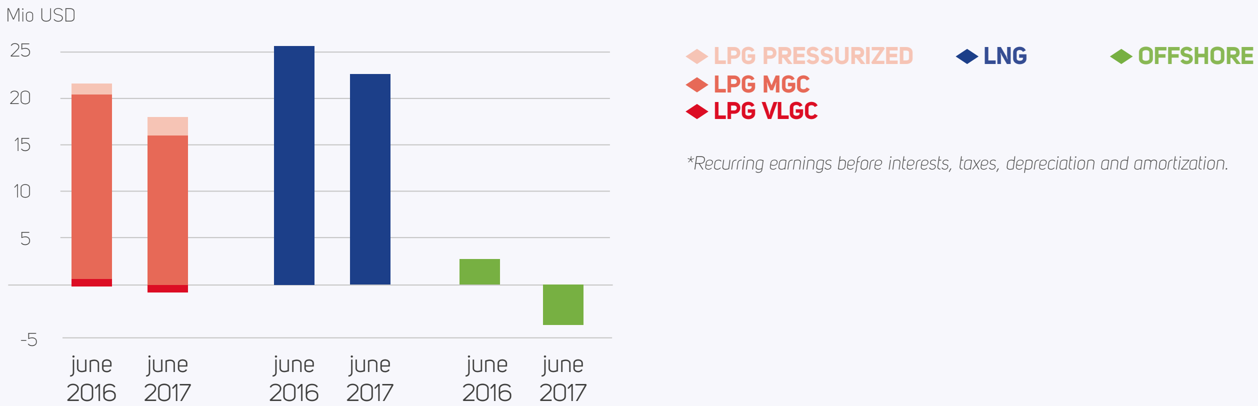
CONSOLIDATED KEY FIGURES

	International Financial Reporting Standards (IFRS) *(Note 1)*		Management reporting based on proportionate consolidation *(Note 2)*	
		Restated (*)		Restated (*)
	30/06/2017	30/06/2016	30/06/2017	30/06/2016
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (IN MILLION USD)				
Turnover	44.6	55.2	117.6	150.7
EBITDA	-17.8	14.6	30.9	72.3
Depreciations and impairment losses	-4.2	-2.3	-46.3	-22.1
Operating result (EBIT)	-22.0	12.3	-16.3	50.2
Net finance result	1.3	1.1	-16.6	-16.7
Share in the result of equity accounted investees (net of income tax)	-12.8	19.8	-0.5	-0.2
Result before tax	-33.5	33.2	-33.4	33.3
Tax	-0.6	0.5	-0.7	0.4
Consolidated result after tax	-34.1	33.7	-34.1	33.7
of which group share	-34.1	33.7	-34.1	33.7
INFORMATION PER SHARE (IN USD PER SHARE)				
Weighted average number of shares of the period	56,832,799	56,741,655	56,832,799	56,741,655
EBITDA	-0.31	0.26	0.53	1.27
EBIT (operating result)	-0.39	0.22	-0.29	0.88
Consolidated result after tax	-0.60	0.59	-0.60	0.59
INFORMATION PER SHARE (IN EUR PER SHARE)				
Exchange rate	1.0789	1.1106	1.0789	1.1106
EBITDA	-0.29	0.23	0.49	1.15
EBIT (operating result)	-0.36	0.20	-0.27	0.80
Consolidated result after tax	-0.56	0.53	-0.56	0.53

Note1: The figures in these colums have been prepared in accordance with IFRS as adopted by the EU.
Note2: The figures in these columns show joint ventures applying the proportionate consolidation method instead of applying the equity method.
The amounts in these columns correspond with the amounts in the 'Total' column of Note 4 Segment Reporting in the Half Year Report as per 30 June 2017.
A reconciliation between the amounts applying the proportionate method and the equity method is shown in Note 5 in the Half Year Report as per 30 June 2017.

(*) IAS 23 requires that borrowing costs which are attributable to the construction of vessels are to be capitalized as part of the asset. As a consequence of the non-application of IAS 23 in prior periods, the opening balances of vessels under construction, the interest cost of the prior period as well as the equity have been restated. We refer to note 6 in the Half Year Report per 30 June 2017.

REBITDA* PER SEGMENT



Recurring earnings before interests, taxes, depreciation and amortization.

ACTIVITY REPORT

- LPG/AMMONIA/PETCHEMS
- LNG
- OFFSHORE
- SUPPORTING SERVICES

02

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. EXMAR trades worldwide for the fertilizer, clean energy fuel and petrochemical industry. As a prominent Midsize LPG owner-operator, EXMAR benefits from long-term contracts with first class customers.

CONSOLIDATED KEY FIGURES (PROPORTIONATE CONSOLIDATION)

CONSOLIDATED KEY FIGURES PROPORTIONATE CONSOLIDATION (in million USD)	30/06/2017	30/06/2016
Condensed consolidated statement of profit or loss		
Turnover	51.3	54.6
EBITDA	19.2	35.9
REBITDA (*)	18.7	21.6
Operating result (EBIT)	7.4	26.2
Consolidated result after tax	0.9	21.9
Condensed consolidated statement of financial position		
Vessels (including vessels under construction)	417.0	399.9
Financial debts	280.4	272.1

(*) REBITDA: recurring earnings before interests, taxes, depreciations and amortizations. Following items are excluded from EBITDA: sale BRUGGE VENTURE (LPG: USD 0,5 million).

The operating result (EBIT) of the LPG fleet in the first half of 2017 was USD 7.4 million (as compared to USD 26.2 million for the same period in 2016 including a badwill of USD 14.3 million recognized on the acquisition of 50% of the pressurized fleet held by Wah Kwong in June 2016).

MARKET OVERVIEW

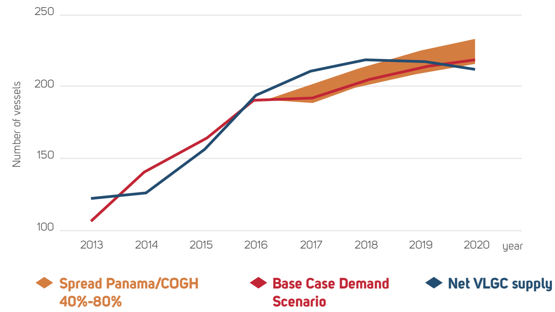
Earnings across most segments have suffered from sustained pressure due to an extensive amount of vessel deliveries, a lack of long-haul arbitrage opportunities and US LPG export volumes which have plateaued.

In spite of reaching historically high volumes, US LPG exports levelled out at around 2.2 million metric tonnes (MT) per month mainly as a result of the tight inventory situation which is close to a five year low.

Poor arbitrage economics from the US to Far East have led to close to 40 cargo cancellations during the first half of the year, resulting in a drop in overall ton mile. Though the number of large vessels trading from the Middle East to the Far East has increased, this has not materially compensated the overall ton mile reduction due to the shorter round voyage time and many vessels staying put in the West.

The LPG market-setting **Very Large Gas Carrier (VLGC)** segment has benefited from healthy demand in Asia and better-than-expected US terminal capacity at the end of 2016 and early 2017 which lead to an upturn in earnings throughout the first quarter of 2017. Strenuous arbitrage conditions combined with another 15 new VLGC deliveries – in addition to the 44 vessels last year – have dampened the upward momentum and the Baltic LPG Index has dropped back to USD 25 per MT average in June, returning USD 364,000 per month on a modern 84,000 m³ VLGC.

VLGC SUPPLY/DEMAND WITH PANAMA CANAL SCENARIOS



Source: Poten

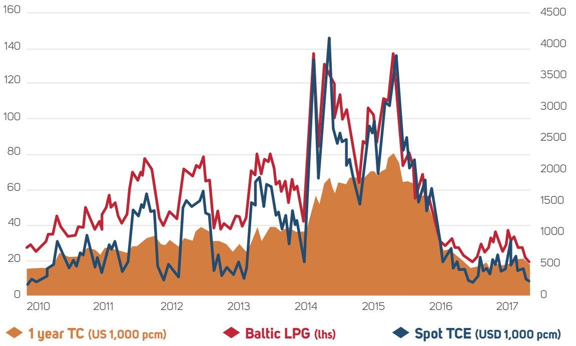
The continued surplus of VLGC's, which is keeping rates under pressure, is expected to impact rates well into 2018 with ten more vessels expected to enter the water in 2017 and another 19 by 2020.

As forecasted in the EXMAR Annual Report for 2016, increased vessel supply has impacted on overall earnings in the **Midsize Gas Carrier (MGC)** segment in the first half of 2017. 14 newbuilds have already been delivered (including EXMAR's 38,000m³ LPG/C KALLO and LPG/C KRUIBEKE) this year, with a further two expected by the end of 2017. The segment has grown by over 40% since 2015 and is expected to increase by another 10% in the next two years.

Whilst owners of Midsize carriers have managed to maintain relatively firmer rates compared to vessels with larger capacity, the trickle-down effects from the weaker VLGC and Large Gas Carrier (LGC) markets have caused further significant corrections in this segment, with short-term and one-year contracts being concluded at half the monthly rates experienced two years ago, i.e. around USD 450,000 per month.

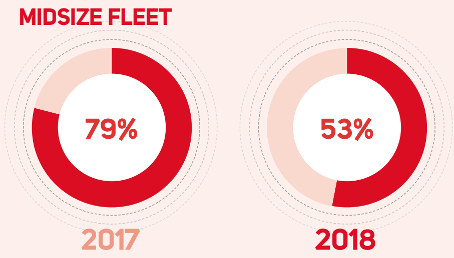
The **Pressurized** vessel segment has solidified its recovery throughout the second quarter of 2017 with fixtures concluded 25% higher than last year, following a prolonged period of vessel oversupply and a fragmented market with multiple ship owners. Additional volumes have been generated in the Far East for this segment as traders and Oil Majors have expanded their LPG downstream platforms, integrating more pressurized vessels into their portfolio. A negligible orderbook (OB) for vessels in this class combined with firm LPG and petrochemical trading paves the way for further improvements.

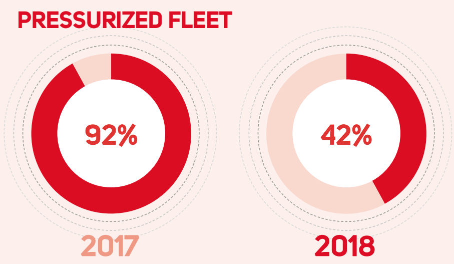
BALTIC RATE (AG-FE, USD/ML) AND VLGC EARNINGS



Source: Grieg Shipbrokers

EMPLOYMENT





EXMAR OWNED LPG FLEET

21 Midsize LPG Carrier

10 Fully Pressurized LPG Carrier

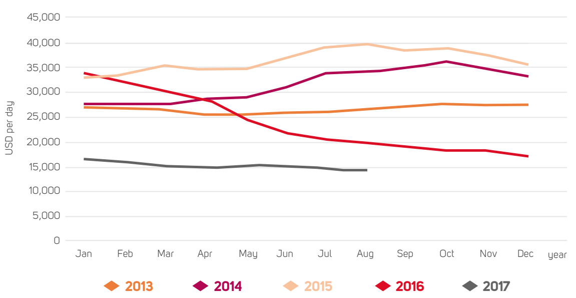
1 VLGC

1 Semi-ref.

VLGC: Very Large Gas Carrier
Semi-ref: Semi-refrigerated LPG carrier

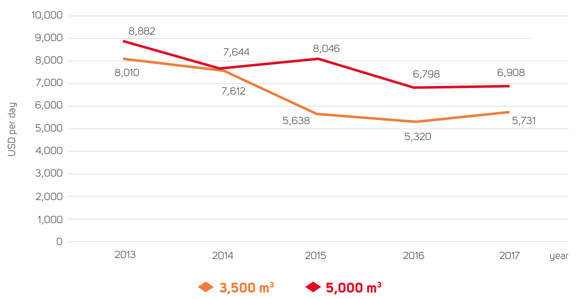
Note: List includes fully-owned vessels, vessels in joint venture (JV) and vessels chartered in as of 30 August 2017

MIDSIZE CHARTER RATES 2013-2017 (YTD)



Source: Clarksons

PRESSURIZED FLEET AVERAGE EARNINGS 2013-2017 (YTD)



Source: EXMAR

HIGHLIGHTS FIRST HALF 2017 AND OUTLOOK SECOND HALF 2017

As the **VLGC** segment continued its downward trend since the spring of last year, BW TOKYO remained employed on short- and mid-term time charter basis with the same charterers.

In the **Midsize** segment, the majority of the fleet remains employed on medium- and long-term basis while some vessels became exposed to the spot market when term contracts came to an end. Idle time has been rather well contained as contracts were either renewed at corrected levels or short-term employment has been found with new or existing industrial clients in ammonia or LPG.

EXMAR has taken delivery of LPG/C KALLO and LPG/C KRUIBEKE – 38,000 m³ from Hanjin Heavy Industries and Construction (HHIC) (Subic Bay) – in April and July respectively. Both vessels have found short-term employment in ammonia and LPG, trading East of Suez. In June, EXMAR ordered an **MGC** newbuilding contract at Hyundai Heavy Industries with expected delivery mid-2018, bringing the orderbook to three Midsize vessels with deliveries between the fourth quarter of 2017 and third quarter of 2018.

For the years 2017 and 2018 employment of respectively 79% and 53% is already in place on EXMAR's **Midsize** fleet.

Since EXMAR acquired Wah Kwong's share of the ten jointly-owned **Pressurized** vessels last year, rates have gradually increased and the outlook for the smaller segment is positive. Earnings on 5,000 m³ vessels have increased by 25% and are looking to remain firm going forward. The negligible orderbook and likelihood of scrapping vintage tonnage will benefit all smaller sizes in the segment. EXMAR managed to obtain cover for 92% of its **Pressurized** fleet in 2017 and 42% for 2018.

LNG

EXMAR LNG is owner and operator of two LNG carriers, one of which is on long–term time charter. It also owns and operates FSRUs (Floating Storage and Regasification Units) deployed at LNG import terminals to regasify LNG into gas for the local energy grid onshore. All of EXMAR's four vessel-based FSRUs are on long-term time charter. A barge-based FSRU will be added to the fleet later this year. FLNGs (Floating Liquefaction Units) transform local reserves of Natural Gas to Liquefied Natural LNG) ready for export and shipping. The barge-based CARIBBEAN FLNG (CFLNG was delivered to EXMAR in July of this year. Both barges are available for commercial employment.

CONSOLIDATED KEY FIGURES (PROPORTIONATE CONSOLIDATION)

	30/06/2017	30/06/2016
CONSOLIDATED KEY FIGURES PROPORTIONATE CONSOLIDATION (in million USD)		
Condensed consolidated statement of profit or loss		
Turnover	36.1	54.8
EBITDA	11.7	33.8
REBITDA (*)	22.7	25.8
Operating result (EBIT)	-20.4	24.7
Consolidated result after tax	-33.2	14.5
Condensed consolidated statement of financial position		
Vessels (including vessels under construction)	739.2	591.0
Financial debts	364.3	382.5

(*) REBITDA: recurring earnings before interests, taxes, depreciations and amortizations. Following items are excluded from EBITDA : fees Wison (LNG: USD -11 million).

The operating result (EBIT) was USD -20.4 million for the first half 2017 (compared to USD 24.7 million for the first half 2016. This figure included a payment of USD 8 million as a termination fee by Pacific Exploration and Production on CFLNG). The operating result has been negatively impacted by a non-cash impairment of USD 22.5 million on the EXCEL as well as costs related to the late delivery of the Caribbean FLNG.

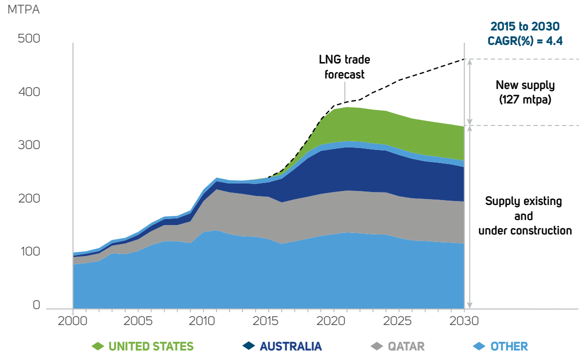
LNG SHIPPING

MARKET OVERVIEW

During the first half of 2017, about 137 million tonnes of LNG was traded, amounting to 275 million tonnes if annualized, which would represent a growth of 5.1% over 2016 levels. Apart from the growth in Australia (+3 million tonnes), it is the US (from 3.5 million tonnes in 2016 to 6.4 million tonnes already for July YTD 2017) that is producing more. Angola and Nigeria will also export additional tonnes given their 2016 production issues.

2017 year-to-date demand has especially been buoyed by Asian markets, namely China, India, Japan and South Korea in particular. Also France and Turkey are ramping up imports and are already closing in on levels reached throughout 2016. There is also the increasing trend that additional growth in LNG volumes are off taken

LNG SUPPLY BY COUNTRY VS. TRADE OUTLOOK

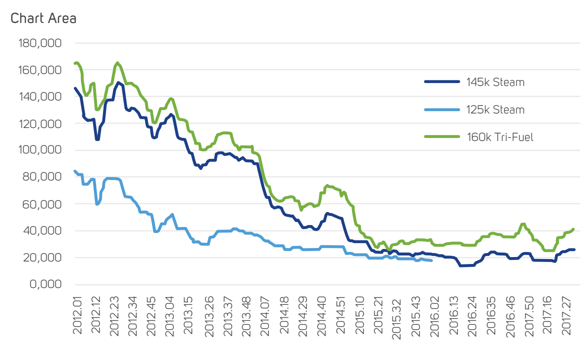


Source: Cheniere Research (Gastech Tokyo presentation 2017) by a still growing number of importers or buyers, adding to the view that LNG is becoming a globalized product as well as a substitute to other hydrocarbons.

The LNG world fleet stood at 454 carriers (including 30 vessels of less than 50,000m^3) at the end of 2016. A total of 64 vessels were scheduled for delivery in 2017. 24 have already been delivered so far. The order book (OB) is at its lowest level since 2010 with only about 17 units being contracted in 2017.

Having bottomed out towards the end of 2016, the average spot charter rate for a 160,000 m^3 LNG carrier stood at USD 33,528 per day. The malaise continued into the first half of 2017 with rates for Steam Turbine ships and modern LNG carriers averaging USD 21,000 per day and USD 34,096 per day, respectively. With more volumes traded and less ships idling towards the end of the first half of 2017, freight rates improved again. This is, among other things, due to the Australian port of Gladstone which has seen increased levels of exports year-on-year of the three liquefaction plants situated on Curtis Island. Combined exports from its Queensland Curtis LNG (QCLNG), Golan LNG (GLNG) and Australia Pacific LNG (APLNG) plants reached almost 1.7 million tonnes during July 2017 with over 60% destined for China. More plants like these in the US (Cove Point) and Australia (Wheatstone) are coming on stream, delivering additional tonnes this year – also more long-haul to Europe occasionally – freight market conditions cannot but improve in the next quarters. This factor, combined with demand sparked by a sudden winter spell and owners seeking to deploy their LNG fleets only in profitable trades, will mean freight market conditions are expected to improve in the second half of the year.

SHORT-TERM RATES (USD/DAY)



Source: Fearnleys, Clarkson

EXMAR OWNED LNG CARRIER FLEET

LIST OF VESSEL COMMITMENTS

Asset	Type	Delivery	Capacity (m^3)	Production capacity (cu ft. gas)	Ownership	2017	2020	2025	2030	2035
LNG VESSELS										
EXCALIBUR	LNG/C	2002	138,000	n.a.	50%					
EXCEL	LNG/C	2003	138,000	n.a.	50%					

UNDER CONSTRUCTION CHARTERED OPTION UNCOMMITTED

HIGHLIGHTS FIRST HALF 2017 AND OUTLOOK SECOND HALF 2017

EXCEL has been employed uninterruptedly from December 2016 to July 2017 for Indonesian account. Several employment alternatives are being explored. EXCALIBUR has performed according to her long-term contract to Excelerate Energy (EE). This employment contract will last until March 2022.

LNG INFRASTRUCTURE

MARKET OVERVIEW

Worldwide liquefaction capacity has reached 340 million tonnes per annum (MTPA) in 2017. By the end of 2017 another 47 MTPA of liquefaction capacity is expected to come online in the United States (US), Russia, Australia and Malaysia. The US and Australia will be the main contributors to this new liquefaction capacity.

Meanwhile worldwide LNG regasification capacity has reached 795 MTPA in 2017, and the FSRU world fleet grew to 24 FSRUs. The majority of new capacity came online in countries that are established LNG players such as China, Japan, France and India. New entrants like Poland, Colombia and Abu Dhabi were additional contributors.

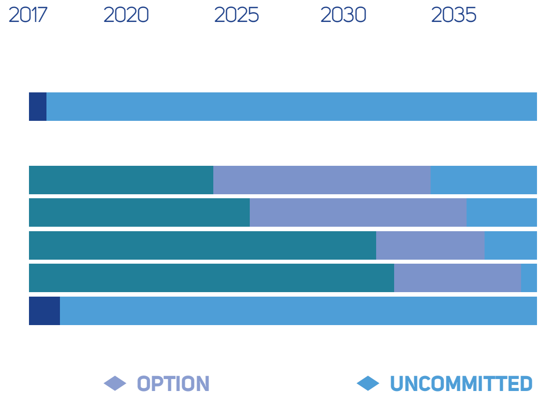
Given the global liquefaction supply boost and current low oil price level, LNG prices remained low in the first six months of 2017. These continued low LNG prices sustain the current buyer's market attracting increasing interest in quick-to-market and low-cost LNG import solutions. The number of LNG import terminals will continue to increase with LNG regasification capacity expected to grow by more than 40% during the next five years. At least 24 projects where FSRUs are the preferred import solutions, are planned or under development.

On the liquefaction side cost-competitive floating LNG export infrastructure (FLNG) is becoming the LNG industry trend, as it is easier to build than traditional onshore terminals. Various floating LNG export projects are being developed: purpose-built, near shore and conversions. There are four confirmed FLNG projects totalling 8.7 MTPA scheduled to come on line, further endorsing the adoption of this innovative technology.

EXMAR OWNED LNG CARRIER FLEET

LIST OF VESSEL COMMITMENTS

Asset	Type	Delivery	Capacity (m³)	Production capacity (cu ft. gas)	Ownership
FLNGs					
CFLNG	FLNG	2017	16,100	0,5 MTPA	100%
FSRUs					
EXCELSIOR	FSRU	2005	138,087	600 mm	50%
EXCELERATE	FSRU	2006	138,074	600 mm	50%
EXPLORER	FSRU	2008	150,981	600 mm	50%
EXPRESS	FSRU	2009	150,116	600 mm	50%
FSRU BARGE	FSRU	Q2 2017	26,230	600 mm	100%



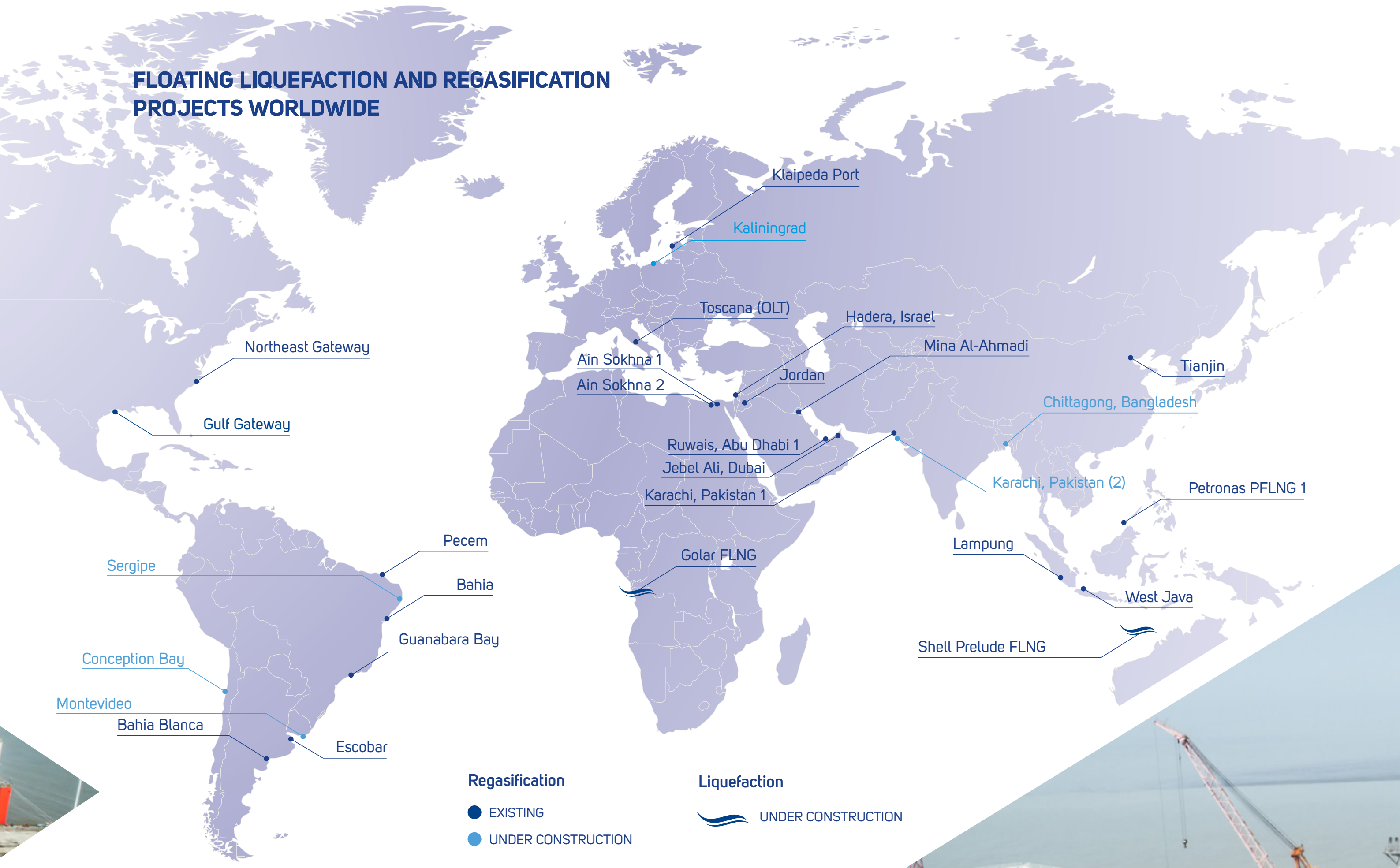
HIGHLIGHTS FIRST HALF 2017 AND OUTLOOK SECOND HALF 2017

FLOATING REGASIFICATION

EXMAR's existing Floating Storage and Regasification Unit (FSRU) fleet currently comprises of four jointly-owned units, under long-term charter to Excelerate Energy. These units are operated and maintained by EXMAR Shipmanagement.

The FSRU fleet has performed well in accordance with the underlying time charter contracts and the same is expected for the remainder of 2017.

FLOATING LIQUEFACTION AND REGASIFICATION PROJECTS WORLDWIDE



EXMAR's barge based FSRU is now effectively nearing completion and targeted to be delivered later this year.

EXMAR's barge-based FSRU will permit its customer to commence importing natural gas in less than six months following contract signature. It is suitable for both lower send outs and standalone operation in shallow water and for higher send outs with a floating storage unit as buffer storage. This flexibility makes the barge-based FSRU suitable to address both small and larger scale projects. A Term Sheet for a long-term financing has been signed with Chinese banks and completion is expected to occur in the coming months. EXMAR is in dialogue with various companies for the commercial engagement of the FSRU barge but no revenues are expected for the unit before the first half of 2018.

For the Swan Energy import terminal parties terminated their discussions in view of the complexity of the set-up of this project.

In addition to the barge-based FSRU under construction, EXMAR has two purpose-built LNG import infrastructure projects under development with technical and permit-related field work being performed and with a target for final investment decisions (FID) within the coming year.

FLOATING LIQUEFACTION

The Floating LNG liquefaction unit CARIBBEAN FLNG (CFLNG) has been delivered to EXMAR on 27 July 2017.

The CFLNG is a flexible design that is compatible with both conventional and tailored specialized mooring infrastructure. This allows for the deployment of the CFLNG in a wide range of operating environments. With the CFLNG delivered, EXMAR is in a unique position to roll it out into the market for quick deployment. With the necessary supporting local infrastructure and related operational permits in place, the CFLNG can be mobilized, installed and started up on site within four to six months from contract signature.

EXMAR is in dialogue with multiple entities for the commercial engagement of the CFLNG.

OFFSHORE

EXMAR Offshore is dedicated to the ownership and leasing of offshore assets and providing floating solutions to the production, drilling, and accommodations market. This includes operating a variety of offshore assets for both the EXMAR Group and external client owners.

Exmar Offshore, USA-based subsidiary EXMAR Offshore Company (EOC) is an engineering company specializing in the design and development of floating production systems as well as engineering services related to marine vessels, ships and offshore units.

CONSOLIDATED KEY FIGURES (PROPORIONATE CONSOLIDATION)

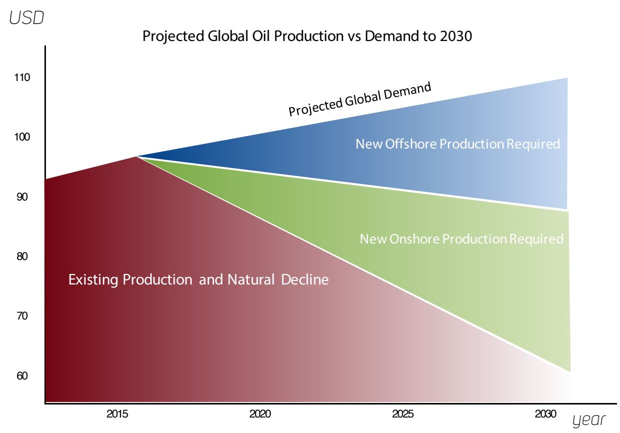
	30/06/2017	30/06/2016
CONSOLIDATED KEY FIGURES PROPORTIONATE CONSOLIDATION (in million USD)		
Condensed consolidated statement of profit or loss		
Turnover	16.3	28.5
EBITDA	-2.8	3.0
REBITDA (*)	-4.2	2.4
Operating result (EBIT)	-3.9	1.2
Consolidated result after tax	-4.7	1.5
Condensed consolidated statement of financial position		
Vessels (including vessels under construction)	11.7	13.2
Financial debts	4.0	6.0

(*) REBITDA: recurring earnings before interests, taxes, depreciations and amortizations. Following items are excluded from EBITDA: sale KISSAMA (offshore USD 1,4 million).

The operating result (EBIT) for the first half of 2017 was USD -3.9 million (compared to USD 1.2 million in the first half of 2016).

MARKET OVERVIEW

Deepwater oil and gas development continues to be a necessary component of the overall energy mix, notwithstanding alternative economic options for reserves development. Low hydrocarbon prices have depressed investment in deepwater below the level required to meet projected future demand. Deepwater development must resume at a higher pace if the industry is to meet future global demand.

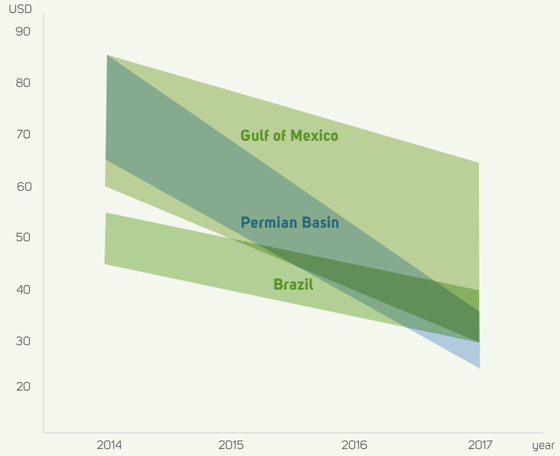


Source: EXMAR Offshore Company based on various sources

Deepwater projects compete for Capital Expenditure (CAPEX) investment against other opportunities, including increasingly attractive onshore shale plays in North America. The Permian Basin presents the lowest end of the breakeven range for shale, but reservoir variability across all shale plays and client- and field-specific financial structures allow the lowest cost deepwater projects to compete within that range. EXMAR Offshore's strategy targets that range with a proven low cost, high value Floating Production System (FPS) solution, maximizing deepwater competitive opportunities.

Globally, deepwater reserves remain important for development and monetization by resource owners. Numerous offshore prospects potentially requiring FPS development may reach Final Investment Decision (FID) in the coming years. Brazil's deepwater portfolio is an excellent example with breakeven costs between USD 40 and USD 50 per barrel. Petrobras' commitment to development is demonstrated with its tenders of three FPSOs to be awarded this year and a further four FPSOs for 2018. EXMAR Offshore competes to win these projects through an OPTI® FPS or FPSO application through experience, technical expertise, and operational skill.

BREAKEVEN OIL PRICE RANGES FOR DEEPWATER GULF OF MEXICO, OFFSHORE BRAZIL, AND THE PERMIAN BASIN



Approximate wellhead breakeven oil price ranges for selected basins -2014 - 2017
Source: EXMAR Offshore based on various sources

By the same token, established offshore projects will remain necessary to sustain the increase demand of oil and gas. EXMAR accommodation units serve the need to bring offshore workers to perform operations and maintenance of these projects. While maintenance campaigns have been postponed in the last two years, oil companies cannot continue on to defer work necessary to maintain production levels. We see a recovery of offshore projects starting in 2018 – 2019 with the need to accommodate more offshore workers.

HIGHLIGHTS FIRST HALF 2017 AND OUTLOOK SECOND HALF 2017

EXMAR Offshore submitted proposals for FPS projects in the first half of 2017, including its first ever proposal for a Petrobras Engineering, Procurement, Construction and Installation (EPCI) project, the FPSO SEPIA. EXMAR is reported to have submitted the second lowest bid. Based on this strong performance, EXMAR has been encouraged and invited to bid for Petrobras' FPSO BUZIOS V in the second half of 2017.

EXMAR Offshore continues to pursue FPS projects in the Gulf of Mexico and elsewhere for the OPTI® semi-submersible FPS. EOC completed pricing exercises for two prospective clients in the first half of the year and expects to receive an OPTI® FEED (Fond End Engineering Design) study Request For Proposal (RFP) in the second half.

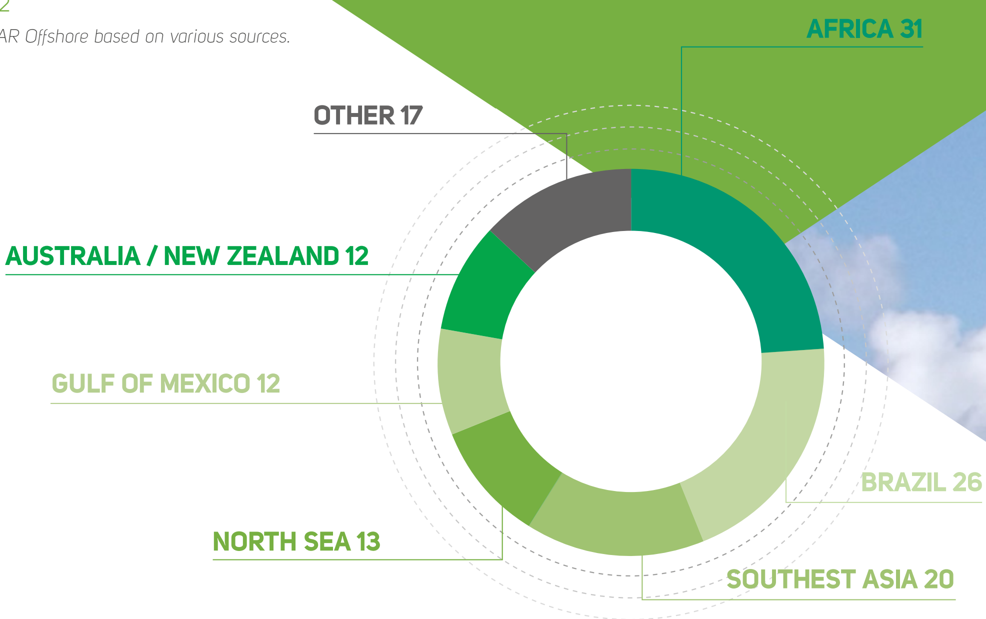
Both WARIBOKO and NUNCE Accommodation Work Barges remain fully utilized under time charters while many of competing units remained unemployed during the same period. WARIBOKO's charter expires at year end 2017 with charterer's option extensions for up to two years. The NUNCE charter ends in 2019, exclusing options. KISSAMA's employment ended in the fourth quarter of 2016 and was sold in April 2017.

Engineering projects at EOC continued to feel the lack of investments in deepwater drilling and exploration. However, recent encouraging signs of increased activity have been felt with troughout the industry.

Looking to the second half of 2017, EXMAR Offshore is well positioned to serve the oil and gas industry as adjustments continue to the new price environment. The proven and successful OPTI® FPS remains a strong contender for deep water applications, and EXMAR Offshore continues to develop its FPSO business, particularly in Brazil and Africa. EXMAR anticipates developing proposals for early design of two FPS projects in the second half of 2017.

FLOATING PRODUCTION POTENTIAL
FID BY 2022

Source: EXMAR Offshore based on various sources.



EXMAR OWNED OFFSHORE FLEET

	Type	Persons on board (POB)	Year Built	Status
NUNCE	Accommodation Work Barge	350 POB	2009	joint venture
WARIBOKO	Accommodation Work Barge	300 POB	2010	joint venture

BEXCO

BEXCO is a Belgian-based manufacturer which designs and produces a wide range of specialized synthetic ropes geared to serve the specific mooring, towing and heavy lifting needs of marine, offshore and energy providers.

While major deepwater mooring project production is anticipated in 2018-2019 rather than in 2017, BEXCO adapted to the challenging market conditions, supplying its first offshore mooring rope for a major wind turbine project in early 2017, winning a tender with its first major offshore towing customer and launching its new FLEXOR heavy lift round sling. In the marine segment, BEXCO continues to supply the world's largest container ships with its high modulus polyethylene (HMPE) mooring rope and has performed well in other marine sectors despite challenging market conditions.

Although BEXCO remained behind budget for the first half of 2017, BEXCO still aims to close the year in line with budget, based on the more positive outlook and the order book for the second half of 2017.

DVO

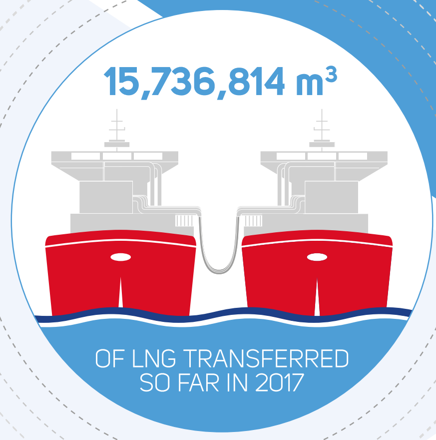
DV Offshore (DVO) is a Paris-based, independent firm of consulting engineers specialized in all the technical aspects of marine engineering and operations. DVO has acted as consulting engineers to oil companies in France and abroad, port authorities, as well as to governmental institutions or companies.

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 2017 have remained challenging, with only a gradual recovery in tenders for new offshore projects. Recent onshore work includes projects involving a Product Terminal for a Congolese refinery and a Product Terminal for a Senegalese Refinery. The renewables segment remains buoyant, and with deepwater projects being awarded in both the first half and second half of 2017, the outlook has improved for offshore projects in the second half of the year and beyond.

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.



	30/06/2017	30/06/2016
CONSOLIDATED KEY FIGURES PROPORTIONATE CONSOLIDATION (in million USD)		
Condensed consolidated statement of profit or loss		
Turnover	22.7	23.8
EBITDA	1.9	-0.4
REBITDA (*)	1.9	-0.4
Operating result (EBIT)	0.6	-1.9
Consolidated result after tax	2.9	-0.9
Condensed consolidated statement of financial position		
Vessels (including vessels under construction)	0.0	0.0
Financial debts	130.5	127.6

EXMAR SHIP MANAGEMENT

In the first half of 2017 EXMAR Ship Management (ESM) progressed further with the Midsize newbuild programme of the EXMAR LPG fleet. It successfully supervised the commissioning and delivery of the 38,000 m³ LPG carriers KALLO and KRUIBEKE to the owner in March and July respectively.

The LNG Business Unit performed 125 ship-to-ship transfers (STS) of just over 15.7 million cubic meters of LNG in the first seven months of 2017, reaching almost one STS transfer operation per day in the second quarter. With the delivery of CFLNG to EXMAR, ESM has now taken the world's first small scale floating liquefaction barge into management.

The Offshore division continues to manage the accommodation work barges NUNCE and WARIBOKO off the coast of Angola and Nigeria respectively.

The newly-established ship management arm SEAVIE, which is based in ESM's offices in Mumbai, has added another two vessels to its portfolio with a total of three bulk and general cargo vessels under its management. The business offers the same quality levels of technical and operational efficiency as ESM's to ship owners not directly involved in shipping liquid gas.

In the second quarter ESM also commenced two start-up operations outside its main maritime oil and gas vessel and infrastructure management activities. In a joint venture with AHLERS, ESM commenced integrating crew management of an externally-owned fleet of ten chemical tankers, 15 inland gas tankers and one LNG bunkering barge. ESM also reached an agreement with the Brazilian fruit juice producer CITROSUCO to manage its fleet of four purpose-built liquid bulk carriers, integrating its Belgian-based technical and crew management staff into its offices in Antwerp.

EXMAR Ship Management expects to add another EXMAR LPG newbuild under construction at Subic Bay in the Philippines to its portfolio by the end of the year and is actively training ESM crew members who are assisting in supervising the construction of EXMAR's barge-based FSRU at the Wison shipyard in Nantong, China.

The company is also actively seeking additional tonnage to manage outside its maritime oil and gas infrastructure remit, further developing the new start-up operations in Antwerp and Mumbai.

TRAVEL PLUS

Travel PLUS is a service-oriented travel agency based in Antwerp, Belgium, 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 company had a positive first half of 2017, experiencing an upturn in flight bookings from its loyal customer base as well as from new clients. Activity is split with approximately 75% in the business travel sector and the remaining 25% in the leisure travel sector. In the business segment, Travel PLUS has a wide portfolio of accounts with companies based in Belgium. In the leisure segment, the company caters for personalized vacation itineraries. Both are expected to perform well in the second half of the year.

BELGIBO

BELGIBO Insurance Group (BELGIBO NV) is an independent specialities insurance broker and risk & claims management service provider with outstanding expertise in Marine, Aviation, Industrial, Transport and Credit & Political Risks. It ranks amongst the top ten insurance brokers in Belgium, serving a diverse national and international client portfolio.

BELGIBO Industry and Cargo (BIC) division grew strongly in earnings thanks to new and additional business in employee benefits and logistics clients.

Despite Marine, Aviation and Special Risks (MAS) division experiencing a marked decline in revenue, its main aviation and inland portfolios performed to expectations.

As announced in the Press Release of 31 August 2017, BELGIBO has been sold to Jardine Lloyd Thompson Group plc (JLT).

Condensed consolidated interim financial statements for the period ended 30 June 2017

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of USD)

	Note	30 June 2017	31 December 2016 Restated (*)	
ASSETS				
NON-CURRENT ASSETS		**961.797**	**785.773**	
Vessels		490.917	287.533	
Vessels	6	112.489	115.471	
Vessels under construction - advance payments	6	378.428	172.062	(*)
Other property, plant and equipment		2.821	3.079	
Intangible assets		3.213	3.651	
Investments in equity accounted investees	7	160.949	147.598	
Borrowings to equity accounted investees	8	303.897	343.912	
CURRENT ASSETS		**175.442**	**223.425**	
Available-for-sale financial assets	11	3.902	3.608	
Trade receivables and other receivables		75.627	62.723	
Current tax assets		589	1.107	
Restricted cash	9	30.198	34.891	
Cash and cash equivalents	9	65.126	121.096	
TOTAL ASSETS		**1.137.239**	**1.009.198**	
EQUITY AND LIABILITIES				
TOTAL EQUITY		**409.884**	**441.918**	
Equity attributable to owners of the Company		409.693	441.703	
Share capital		88.812	88.812	
Share premium		209.902	209.902	
Reserves		145.112	102.611	(*)
Result for the period		-34.133	40.378	(*)
Non-controlling interest		191	215	
NON-CURRENT LIABILITIES		**444.558**	**337.269**	
Borrowings	10	436.688	329.590	
Employee benefits		4.614	4.267	
Provisions		2.440	2.434	
Deferred tax liability		816	978	
CURRENT LIABILITIES		**282.797**	**230.011**	
Borrowings	10	24.754	140.147	
Trade debts and other payables		223.403	51.244	
Current tax liability		1.749	2.438	
Derivative financial instruments	11	32.891	36.182	
TOTAL EQUITY AND LIABILITIES		**1.137.239**	**1.009.198**	

(*) IAS 23 requires that borrowing costs which are attributable to the construction of vessels are to be capitalized as part of the asset. As a consequence of the non-application of IAS 23 in prior periods, the prior period financial statements have been restated. The affected captions in the condensed consolidated statement of financial position have been marked with (*). We refer to note 6 for more information in this respect.

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

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

(In thousands of USD)

	Note	6 months ended **30 June 2017**	6 months ended **30 June 2016 Restated (*)**
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS			
Revenue		44.631	55.240
Capital gain on sale of assets		1.504	601
Other operating income		710	15.146
Operating income		**46.845**	**70.987**
Goods and services (**)		-42.277	-29.172
Personnel expenses		-22.153	-26.025
Depreciations, amortisations & impairment losses		-4.192	-2.248
Provisions		0	131
Other operating expenses		-203	-1.379
Result from operating activities		**-21.980**	**12.294**
Interest income		12.907	11.800
Interest expenses		-7.558	-5.027 (*)
Other finance income		788	373
Other finance expenses		-4.808	-6.046
Net finance result		**1.329**	**1.100**
Result before income tax and share of result of equity accounted investees		**-20.651**	**13.394**
Share of result of equity accounted investees (net of income tax)	7	-12.836	19.843
Result before income tax		**-33.487**	**33.237**
Income tax expense/ income		-619	482
Result for the period		**-34.106**	**33.719**
Attributable to:			
Non-controlling interest		27	18
Owners of the Company		-34.133	33.701
Result for the period		**-34.106**	**33.719**
Basic earnings per share (in USD)		-0,60	0,59
Diluted earnings per share (in USD)		-0,60	0,59
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Result for the period		**-34.106**	**33.719**
Items that are or may be reclassified subsequently to profit or loss:			
Equity accounted investees - share in other comprehensive income		239	-5.019
Foreign currency translation differences		1.235	380
Net change in fair value of cash flow hedges - hedge accounting		-100	672
Available-for-sale financial assets - net change in fair value		0	-144
Available-for-sale financial assets - reclassified to profit or loss		0	3.021
Total other comprehensive income for the period (net of income tax)		**1.374**	**-1.090**
Total comprehensive income for the period		**-32.732**	**32.629**
Total comprehensive income attributable to:			
Non-controlling interest		-24	21
Owners of the Company		-32.708	32.608
Total comprehensive income for the period		**-32.732**	**32.629**

(*) IAS 23 requires that borrowing costs which are attributable to the construction of vessels are to be capitalized as part of the asset. As a consequence of the non-application of IAS 23 in prior periods, the prior period financial statements have been restated. The affected captions in the condensed consolidated statement of profit or loss have been marked with (*). We refer to note 6 for more information in this respect.

(**) Goods and services increase significantly compared to 30 June 2016. This increase can be mainly explained by the fees paid to Wison in respect of the CARIBBEAN FLNG.

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 June 2017**	6 months ended **30 June 2016** Restated (*)	
OPERATING ACTIVITIES				
Result for the period		-34.106	33.719	(*)
Share of result of equity accounted investees (net of income tax)		12.836	-19.843	
Depreciations, amortisations & impairment loss		4.192	2.248	
Profit or loss effect available-for-sale financial assets		-137	3.306	
Badwill pressurized fleet transaction		0	-14.343	
Net interest income/expenses		-5.349	-6.773	(*)
Income tax expense/ income		619	-482	
Net gain on sale of assets		-1.504	-601	
Unrealized exchange differences		1.310	-179	
Dividend income		-42	-42	
Equity settled share-based payment expenses (option plan)		399	782	
Gross cash flow from operating activities		**-21.782**	**-2.208**	
Increase/decrease of trade and other receivables		-12.288	783	
Increase/decrease of trade and other payables (*)		-1.107	-5.758	
Increase/decrease in provisions and employee benefits		0	-131	
Cash generated from operating activities		**-35.177**	**-7.314**	
Interest paid		-9.360	-6.624	
Interest received		11.529	11.467	
Income taxes paid/ received		-1.024	66	
NET CASH FROM OPERATING ACTIVITIES		**-34.032**	**-2.405**	
INVESTING ACTIVITIES				
Acquisition of vessels and vessels under construction (**)	6	-33.586	-4.763	
Acquisition of other property plant and equipment		-175	-156	
Acquisition of intangible assets		-219	-192	
Proceeds from the sale of vessels and other property, plant and equipment		1.528	84	
Change in consolidation scope		0	-1.884	
Dividends from equity accounted investees	7	-2.558	0	
Borrowings to equity accounted investees	8	0	-1.245	
Repayments from equity accounted investees	8	18.730	9.213	
NET CASH FROM INVESTING ACTIVITIES		**-16.280**	**1.057**	
FINANCING ACTIVITIES				
Dividends paid		0	-12.942	
Dividends received		42	42	
Proceeds from treasury shares and share options excercised		125	139	
Proceeds from new borrowings	10	0	100	
Repayment of borrowings	10	-12.286	-7.528	
Increase/ decrease in restricted cash	9	4.693	9.805	
NET CASH FROM FINANCING ACTIVITIES		**-7.426**	**-10.384**	
NET INCREASE/ DECREASE IN CASH AND CASH EQUIVALENTS		**-57.738**	**-11.732**	
RECONCILIATION OF NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS				
Net cash and cash equivalents at 1 January		121.096	129.969	
Net increase/decrease in cash and cash equivalents		-57.738	-11.732	
Exchange rate fluctuations on cash and cash equivalents		1.768	1.013	
NET CASH AND CASH EQUIVALENTS AT 30 JUNE	**9**	**65.126**	**119.250**	

(*) IAS 23 requires that borrowing costs which are attributable to the construction of vessels are to be capitalized as part of the asset. As a consequence of the non-application of IAS 23 in prior periods, the prior period financial statements have been restated. The affected captions in the condensed consolidated statement of cash flows have been marked with (*). We refer to note 6 for more information in this respect.

(**) A payment obligation of USD 170,5 million is included in the trade payables in respect of the CFLNG. This amount has been corrected on the movements of trade and other payables and on the acquisitions of vessels and vessels under construction .

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(In thousands of USD)

	Share capital	Share premium	Retained earnings (*)	Reserve for treasury shares	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											
Opening equity as previously reported per 1 January 2016 (*)	**88.812**	**209.902**	**167.916**	**-54.123**	**-10.301**	**-3.973**	**-3.823**	**10.204**	**404.614**	**190**	**404.804**
Correction of the non application of IAS 23 in prior periods (*)			**4.642**						**4.642**		**4.642**
Opening equity restated per 1 January 2016 (*)	**88.812**	**209.902**	**172.558**	**-54.123**	**-10.301**	**-3.973**	**-3.823**	**10.204**	**409.256**	**190**	**409.446**
Comprehensive result for the period											
Result for the period			33.701		0	0	0		33.701	18	33.719
Total other comprensive result for the period			0		1.579	2.877	-5.549		-1.093	3	-1.090
Total comprehensive result for the period	**0**	**0**	**33.701**	**0**	**1.579**	**2.877**	**-5.549**	**0**	**32.608**	**21**	**32.629**
Transactions with owners of the Company											
Dividends paid			-12.942						-12.942		-12.942
Share-based payments											
- 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**	**193.060**	**-53.659**	**-8.722**	**-1.096**	**-9.372**	**10.961**	**429.886**	**211**	**430.097**
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS PER 30 JUNE 2017											
Opening equity as previously reported per 1 January 2017 (*)	**88.812**	**209.902**	**183.435**	**-52.236**	**-9.777**	**0**	**822**	**11.511**	**432.469**	**215**	**432.684**
Correction of the non application of IAS 23 in prior periods (*)			**9.234**						**9.234**		**9.234**
Opening equity restated per 1 January 2017 (*)	**88.812**	**209.902**	**192.669**	**-52.236**	**-9.777**	**0**	**822**	**11.511**	**441.703**	**215**	**441.918**
Comprehensive result for the period											
Result for the period			-34.133						-34.133	27	-34.106
Foreign currency translation differences					1.286				1.286	-51	1.235
Foreign currency translation differences - share equity accounted investees					558				558		558
Net change in fair value of cash flow hedges - hedge accounting							-100		-100		-100
Net change in fair value of cash flow hedges - hedge accounting - share equity accounted investees							-319		-319		-319
Total other comprensive result for the period	0	0	0	0	1.844	0	-419	0	1.425	-51	1.374
Total comprehensive result for the period	**0**	**0**	**-34.133**	**0**	**1.844**	**0**	**-419**	**0**	**-32.708**	**-24**	**-32.732**
Transactions with owners of the Company											
Dividends paid									0		0
Share-based payments											
- Share options exercised			-85	449				-65	299		299
- Share based payments transactions								399	399		399
Total transactions with owners of the Company	**0**	**0**	**-85**	**449**	**0**	**0**	**0**	**334**	**698**	**0**	**698**
30 June 2017	**88.812**	**209.902**	**158.451**	**-51.787**	**-7.933**	**0**	**403**	**11.845**	**409.693**	**191**	**409.884**

(*) IAS 23 requires that borrowing costs which are attributable to the construction of vessels are to be capitalized as part of the asset. As a consequence of the non-application of IAS 23 in prior periods, the prior period financial statements have been restated. We refer to note 6 for more information in this respect.

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

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 2017 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 2016, available on the website: www.exmar.be.

These condensed consolidated interim financial statements were approved by the board of directors on 8 September 2017. The condensed consolidated interim financial information as of and for the 6-month period ended 30 June 2017 included in this document, have not been subject to an audit or a 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 2016.

IAS 23 requires that borrowing costs which are attributable to the construction of vessels are to be capitalized as part of the asset. As a consequence of the non-application of IAS 23 in prior periods, the opening balances of vessels under construction, the interest cost of the prior period as well as the equity have been restated. We refer to note 6 for more information in this respect.

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 2016.

The first time application of new or revised IFRS standards, which are effective for annual periods beginning on or after 1 January 2017 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 occured compared to the segment reporting of 2016.

SEGMENT REPORTING 30 JUNE 2017	LPG	LNG	OFFSHORE	SUPPORTING SERVICES	ELIMINATIONS	TOTAL
STATEMENT OF PROFIT OR LOSS						
Revenue third party	50.569	36.118	15.833	14.620	0	117.140
Revenue intra-segment	742	0	474	7.552	-8.768	0
Total revenue	51.311	36.118	16.307	22.172	-8.768	117.140
Revenue on property rental third party	0	0	0	477	0	477
Revenue on property rental intra-segment	0	0	0	73	-73	0
Total revenue on property rental	0	0	0	550	-73	477
Capital gain on sale of assets	543	0	1.425	80	0	2.048
Other operating income	207	0	153	340	0	700
Other operating income intra-segment	0	0	0	171	-171	0
Total other operating income	207	0	153	511	-171	700
Operating income	**52.061**	**36.118**	**17.885**	**23.313**	**-9.012**	**120.365**
Operating result before depreciations, amortisations & impairment losses (EBITDA)	**19.195**	**11.710**	**-2.853**	**1.913**	**0**	**29.965**
Depreciations , amortisations and impairment losses (*)	-11.838	-32.150	-1.021	-1.258	0	-46.267
Operating result (EBIT)	**7.357**	**-20.440**	**-3.874**	**655**	**0**	**-16.302**
Interest income/expenses (net)	-5.956	-10.993	-77	5.059	0	-11.967
Other finance income/expenses (net)	-495	-1.717	-268	-2.130	0	-4.610
Share in the result of equity accounted investees	0	0	-524	29	0	-495
Income tax expense	-7	0	0	-725	0	-732
Segment result for the period	**900**	**-33.150**	**-4.743**	**2.888**	**0**	**-34.106**
Result for the period						**-34.106**
Non-controlling interest						26
Attributable to owners of the Company						**-34.132**

(*) In the LNG segment, an impairment loss of USD 22,5 million has been registered on the vessel EXCEL to reflect the market value of the vessel.

SEGMENT REPORTING 30 JUNE 2016 - Restated (*)	LPG	LNG	OFFSHORE	SUPPORTING SERVICES	ELIMINATIONS	TOTAL
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 depreciations, amortisations & impairment losses (EBITDA)	**35.948**	**33.825**	**3.001**	**-385**	**0**	**72.389**
Depreciations , amortisations and impairment losses	-9.714	-9.113	-1.774	-1.539	0	-22.140
Operating result (EBIT)	**26.234**	**24.712**	**1.227**	**-1.924**	**0**	**50.249**
Interest income/expenses (net) (*)	-4.087	-9.899	-503	3.962	0	-10.527
Other finance income/expenses (net)	-230	-319	-54	-2.320	0	-2.923
Share in the result of equity accounted investees	0	0	86	-264	0	-178
Income tax expense	-7	0	756	-346	0	403
Segment result for the period	**21.910**	**14.494**	**1.512**	**-891**	**0**	**37.025**
Unallocated finance result						-3.306
Result for the period						**33.719**
Non-controlling interest						18
Attributable to owners of the Company						**33.701**

(*) IAS 23 requires that borrowing costs which are attributable to the construction of vessels are to be capitalized as part of the asset. As a consequence of the non-application of IAS 23 in prior periods, the prior period financial statements have been restated. The affected captions in the condensed consolidated statement of profit or loss have been marked with (*). We refer to note 6 for more information in this respect.

5. RECONCILIATION PROPORTIONATE CONSOLIDATION WITH EQUITY CONSOLIDATION

(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 proportionate consolidation (segment reporting)

For the six months ended 30 June 2017

	Proportionate consolidation	Difference	Equity consolidation
Revenue	117.617	-72.986	44.631
Capital gain on sale of assets	2.048	-544	1.504
Other operating income	700	10	710
Goods and services	-67.572	25.295	-42.277
Personnel expenses	-22.178	25	-22.153
Depreciations, amortisations & impairment losses	-46.267	42.075	-4.192
Other operating expenses	-650	447	-203
Result from operating activities	-16.302	-5.678	-21.980
Interest income	1.353	11.554	12.907
Interest expenses	-13.320	5.762	-7.558
Other finance income	817	-29	788
Other finance expenses	-5.427	619	-4.808
Result before income tax and share of result of equity accounted investees	-32.879	12.228	-20.651
Share of result of equity accounted investees (net of income tax)	-495	-12.341	-12.836
Income tax expense	-732	113	-619
Result for the period	-34.106	0	-34.106

Reconciliation condensed consolidated statement of profit or loss and proportionate consolidation (segment reporting)

For the six months ended 30 June 2016 - Restated(*)

	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 (*)	-10.920	5.893	-5.027
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	**33.494**	**-20.100**	**13.394**
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	**33.719**	**0**	**33.719**

(*) IAS 23 requires that borrowing costs which are attributable to the construction of vessels are to be capitalized as part of the asset. As a consequence of the non-application of IAS 23 in prior periods, the prior period financial statements have been restated. The affected captions in the condensed consolidated statement of profit or loss have been marked with (*). We refer to note 6 for more information in this respect.

6. VESSELS

(In thousands of USD)

	LPG	LNG	Offshore	Under construction - advance payments (*)	Total
COST 2017					
Balance as per 1 January 2017	**118.500**	**0**	**40.459**	**172.062 (**)**	**331.021**
Changes during the financial year					
Acquisitions			0	204.095	204.095
Borrowing costs				2.271	2.271
Disposals (***)			-40.459	0	-40.459
Conversion differences			0	0	0
Balance as per 30 June 2017	**118.500**	**0**	**0**	**378.428**	**496.928**
DEPRECIATIONS AND IMPAIRMENT LOSSES 2017					
Balance as per 1 January 2017	**3.029**	**0**	**40.459**	**0**	**43.488**
Changes during the financial year					
Depreciations	2.982		0		2.982
Disposals (***)	0		-40.459		-40.459
Conversion differences	0		0		0
Balance as per 30 June 2017	**6.011**	**0**	**0**	**0**	**6.011**
NET BOOK VALUE					
Net book value as per 30 June 2017	**112.489**	**0**	**0**	**378.428**	**490.917**

(*) The advance payments in respect of vessels under construction have been presented under vessels in the statement of financial position. The advance payments made do not give EXMAR ownership rights on the vessels before their final delivery.

(**) IAS 23 requires that borrowing costs which are attributable to the construction of vessels are to be capitalized as part of the asset. As a consequence of the non-application of IAS 23 in prior periods, the opening balances of vessels under construction, the interest cost of the prior period as well as the equity have been restated. The table below summarizes the impact on the Group's condensed consolidated financial statements.

Impact on condensed consolidated statement of financial position

31 December 2016	As previously reported	Adjustments	As restated
Vessels	278.299	9.234	287.533
Other non-current assets	498.240	0	498.240
Total assets	**776.539**	**9.234**	**785.773**
Total liabilities	**-567.280**	**0**	**-567.280**
Retained earnings	-133.755	-9.234	-142.989
Others	-298.929	0	-298.929
Total equity	**-432.684**	**-9.234**	**-441.918**

Impact on the condensed consolidated statement of profit or loss

For the period ended 30 June 2016	As previously reported	Adjustments	As restated
Interest expenses	-7.310	2.283	-5.027
Others	38.746	0	38.746
Result for the period	**31.436**	**2.283**	**33.719**

For the period ended 31 December 2016	As previously reported	Adjustments	As restated
Interest expenses	-15.907	4.592	-11.315
Others	51.725	0	51.725
Result for the period	**35.818**	**4.592**	**40.410**

(***) The vessel KISSAMA has been sold during April 2017. The gain realized on this sale amounts to USD 1,4 million.

The vessels under construction mainly relate to payments made for the construction of the *CARIBBEAN FLNG* and the *FSRU*. The *CARIBBEAN FLNG* has been delivered on 27 July 2017. We refer to note 12 for more information in respect of the *CARIBBEAN FLNG* and the *FSRU*.

The vessels shown in above roll forward schedule under "LPG" are pledged as a security for the related underlying liabilities. We refer to note 10 for more information in respect of these underlying liabilities.

7. INVESTMENTS IN EQUITY ACCOUNTED INVESTEES

(In thousands of USD)

EQUITY ACCOUNTED INVESTEES	
Balance as per 1 January 2017	**147.598**
Changes during the financial year	
Share in the profit/loss(-)	-12.836
Dividends	2.558
Allocation of negative net assets (*)	23.744
Conversion differences	558
Changes in other comprehensive income equity accounted investees	-319
Other	-354
Balance as per 30 June 2017	**160.949**

(*) *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. 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 these 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, 2017, an amount of USD 615,8 million was outstanding under such loan agreements, of which Exmar has guaranteed its share of USD 307,9 million.

8. BORROWINGS TO EQUITY ACCOUNTED INVESTEES

(In thousands of USD)

	LPG	LNG	Offshore	Total
BORROWINGS TO EQUITY ACCOUNTED INVESTEES				
Balance at 1 January 2017	**56.119**	**298.452**	**16.934**	**371.505**
New loans and borrowings	0	0	0	0
Repayments	-6.822	-7.641	-4.267	-18.730
Change in allocated negative net assets (*)	2.753	-26.364	-133	-23.744
Capitalised interests	433	65	0	498
Balance at 30 June 2017	**52.483**	**264.512**	**12.534**	**329.529**
More than 1 year	**52.483**	**240.995**	**10.419**	**303.897**
Less than 1 year	**0**	**23.517**	**2.115**	**25.632**

(*) 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. If the negative net asset exceeds the investor's interest, a corresponding liability is recognized.

The activities and assets of certain of our equity accounted investees are financed by shareholder borrowings made by the company to the respective equity accounted investee. 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., the LNG joint venture with MOL and the LNG joint ventures with Excelerate Energy L.P.

9. RESTRICTED CASH AND CASH AND CASH EQUIVALENTS

(In thousands of USD)

	30 June 2017	31 December 2016
RESTRICTED CASH AND CASH AND CASH EQUIVALENTS		
Restricted Cash	**30.198**	**34.891**
Bank	64.465	105.385
Cash in hand	201	168
Short-term deposits	460	15.543
Cash and cash equivalents	**65.126**	**121.096**

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The restricted cash relates to the Explorer/ Express credit facility (see also note 10) and to financial instrument agreements regarding the NOK bond (see also note 10 and 11).

10. BORROWINGS

(In thousands of USD)

	Bank loans	Other loans	Total
BORROWINGS			
Balance at 1 January 2017	**354.287**	**115.450**	**469.737**
New loans and borrowings	0	0	0
Scheduled repayments	-12.286	0	-12.286
Amortised transaction costs	0	542	542
Conversion differences	58	3.391	3.449
Balance at 30 June 2017	**342.059**	**119.383**	**461.442**
More than 1 year	**317.305**	**119.383**	**436.688**
Less than 1 year	**24.754**	**0**	**24.754**
LPG	63.947	0	63.947
LNG	277.801	0	277.801
Offshore	0	0	0
Services	311	119.383	119.694
Balance at 30 June 2017	**342.059**	**119.383**	**461.442**

The bank loans mainly relate to the Excelerate facility, the Explorer/ Express facility and the LPG pressurized facilities.

The other loans mainly relate to a NOK 700 million senior unsecured bond issue which was issued 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 billion with initial maturity date in July 2017. In June 2017, the term of the loan has been extended until July 2019. As a consequence, the bond has been classified as a long term liability in the condensed statement of financial position.
Each bond holder had the possibility to exchange NOK bonds to USD bonds. The interest percentage applicable on the remaining NOK bonds amounts to three months NIBOR plus a margin of 8%. The exchanged USD bonds bear an interest percentage of three months LIBOR plus a margin of 8,5%. EXMAR has received instructions for exchanges totaling NOK 145 million which represents a USD amount of USD 17.292.366.
EXMAR has a call option on the bond at anytime. The call option price and redemption price at maturity amounts to 105%. However, this price will increase gradually up to 112,5% at maturity should certain financial criteria not materialise.
EXMAR has analysed the new conditions of the bond and has judged that per end of June 2017, the bond can remain in the condensed consolidated interim financial statements at initial value. The different assumptions which have led to this scenario will be monitored by management on a periodical basis.

For the CCIRS-contracts related to the initial bond issue in 2014 and 2015, we refer to note 11.

End of June 2017, EXMAR has signed a financing agreement of USD 200 million with the Bank of China (Boc), Deutsche Bank and Sinosure for the financing of the *CARIBBEAN FLNG*. This loan has been drawn on 27 July 2017 at the time of the delivery of the *CARIBBEAN FLNG.*

11. 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 condensed 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.

30 June 2017	level 1	level 2	level 3	Total
Equity securities - available-for-sale	2.288	1.614		3.902
Total financial assets carried at fair value	**2.288**	**1.614**	**0**	**3.902**
Cross currency interest rate swap used for hedging		32.891		32.891
Total financial liabilities carried at fair value	**0**	**32.891**	**0**	**32.891**

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. The CCIRS-contracts have been presented as short term liabilities in the condensed statement of financial position as the contracts have not been extended as a consequence of the extension of the term of the bond (see also note 10 in this respect).

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

For its financial instruments, the Group has applied the same accounting classification and basis for determining fair values in its condensed consolidated interim financial statements as those applied in the consolidated financial statements as at and for the year ended December 31, 2016. Therefore, we refer to the Annual Report 2016, disclosure note 28 'Financial risks and financial instruments'.

The fair value of financial assets and liabilities not measured at fair value has not been updated per June 30, 2017 as no significant changes occurred that would impact the fair value determination. Therefore, we refer to the Annual Report 2016, disclosure note 28 'Financial risks and financial instruments'.

In respect of liquidity risk, we refer to note 12 Capital commitments.

12. CAPITAL COMMITMENTS

(In thousands of USD)

As per June 30, 2017 the capital commitments are as follows:

	Subsidiaries	Equity accounted investees
LPG segment	0	71.065
LNG segment	254.100	0
	254.100	**71.065**

The amount disclosed for the equity accounted investees represents our share in the capital commitments of these equity accounted investees. The capital commitments relate to the midsize carriers under construction (LPG segment) as well as to the committed investments in the LNG segment. The payments of these commitments will be spread over the coming one and a half year.

For the capital commitments relating to the LPG segment, the necessary financing agreements are in place, except for the last ordered LPG vessel under construction (USD 37,5 million) which is expected to be delivered mid 2018.

The capital commitments for the LNG segment relate to the *CARIBBEAN FLNG (CFLNG)* (USD 170,5 million) and the FSRU (USD 83,6 million). The capital commitment in respect of the *CFLNG* has already been recognised in the statement of financial position per 30 June 2017.

The *CFLNG* has been delivered on the 27th of July 2017 at which the last installment of USD 170,5 million has been paid. For the financing in respect of the *CFLNG*, we refer to note 10. The *CFLNG* is currently in lay up at Wison shipyard (Nantong, People's Republic of China). EXMAR is in dialogue with multiple entities for the commercial engagement of the *CFLNG*. EXMAR does not expect revenue on the unit before the second half of 2018.

EXMAR's barge based FSRU is now effectively nearing completion and targeted to be delivered later this year. With several advanced commercial leads being actively developed, EXMAR foresees mobilization and commissioning on site of the barge-based FSRU soon after its delivery from the yard in 2017. A term sheet in respect of the financing of the FSRU has been signed with the Chinese Development Bank (CDB). The final credit agreement is subject to the approval of the credit insurer Sinosure.

13. GOING CONCERN

The condensed consolidated financial statements have been prepared on a going concern basis. In making this assessment, the Board of Directors has considered the following material uncertainty that may cast doubt on the Group's ability to continue as a going concern:

* Capital commitment for the FSRU of USD 83,6 million, payable to the yard at delivery and a firm commitment from the banks for the financing of the FSRU, as disclosed in Note 12.

The Board of Directors is confident that it will be able to successfully manage this uncertainty and therefore has prepared these consolidated financial statements on a going concern basis.

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 2016.

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. At this point in time, the Board of Directors is not able to calculate the possible outflow as a consequence of this matter.

In general, the borrowings held by EXMAR and its equity accounted investees are secured by a mortgage on the underlying assets owned by the subsidiaries or the equity accounted investees. Furthermore, different pledges and other types of guarantees exist to secure the borrowings. In addition, dividend restrictions may exist.

EXMAR has pledged financial assets as collateral for liabilities. We refer to note 9 where the amount of restricted cash in respect of financing agreements and financial instruments is disclosed. We refer to note 8 where the borrowings to equity accounted investees are disclosed. The Excelerate bonds and the Explorer/ Express shareholders loans have been pledged as a security for the related underlying liabilities.

Also different financial covenants exist that require compliance with certain financial ratio's. These ratio's are calculated based on EXMAR's consolidated figures (proportionate consolidation method). In case of non-compliance with these covenants, early repayment of related borrowings might occur. As of June 30, 2017 EXMAR was compliant with all covenants and does not expect to be in breach with its covenants at year end. EXMAR is continuously monitoring compliance with all applicable covenants.

15. RELATED PARTIES

The Company has a related party relationship with its controlling shareholder and with its controlling shareholder related parties, with its subsidiaries, joint ventures, associates 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 2016. 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 described in the annual consolidated financial statements for the year ended 31 December 2016.

In respect of liquidity risk, we refer to note 12 Capital commitments.

17. SUBSEQUENT EVENTS

EXMAR has reached an agreement on 31 August 2017 to sell insurance broker BELGIBO NV to Jardine Lloyd Thomson Group plc (JLT), one of the world's leading providers of insurance, reinsurance and employee benefits related advice, brokerage and associated services. The sale will result in an estimated gain of approximately USD 30 million.

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 has 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.

EXMAR