



EXMAR GENERAL ASSEMBLY 15th May 2018

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EXECUTIVE SUMMARY

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ROUGH SEAS MAKE GOOD SAILORS

LPG

- LPG fleet performing despite challenging market conditions thanks to solid contract portfolio with 1st class customers and smooth operations.
- Long-term charter agreement secured for two LPG fuelled 80,200 m³ newbuild gas carriers with Statoil to be delivered in August and September 2020.

LNG & LNG INFRASTRUCTURE

- Sale LNG/C **EXCEL** in October 2017. LNG/C **EXCALIBUR** (138,000 m³ - 2002 built) remains under charter until early 2022 at rewarding rates.
- **CFLNG** has left Wison shipyard to a temporary location at Cosco shipyard in China for lay-up awaiting final deployment with several candidate projects under consideration.
- **FSRU barge** has been contracted to GUNVOR in Bangladesh. The unit, delivered in 12/2017 is undergoing site specific modifications in Singapore before the start of its operations in the second half of 2018.
- Sale of 50% in FSRU's **EXCELERATE, EXPLORER, EXPRESS** in November 2017 and **EXCELSIOR** in January 2018 to its original charterer Excelerate Energy

OFFSHORE

- The accommodation barge **NUNCE** (350 persons – 2010 built) remains on a long-term charter until 2022. The Time-Charter on the **WARIBOKO** (300 persons – 2009 built) has been extended until September 2018.

SUPPORTING SERVICES

- Extension of the unsecured NOK 1,000 million bond for two years (7/2019)
- Sale of insurance broker **BELGIBO** to Jardine Lloyd Thompson

Exmar at a glance



Key metrics (proportional consolidation)

- Market capitalization: EUR ~340m
- Revenue (2017): USD 228m
- EBITDA (2017): USD 141.4m (*)
- Total assets (2017): USD 1,244.8m
- Equity ratio (2017): 38.4%
- Net Debt / EBITDA (2017): 3.9x
- Employees (2017): 1,981 (of which 1,691 seafarers)

(*) including USD 98.3 mm capital gains on the sale of Belgibo, Explorer, Express, Excelerate and Kissama

Worldwide Offices



Fleet list (owned vessels) at May 2018

LNG



LPG



OFFSHORE



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

** 2 VLGCs under construction



EXMAR LPG: Innovation and Partnership

Exmar LPG shipping



Business approach

- Niche position in LPG, ammonia and chemical gases transportation
- Focus on midsize carriers (MGC), VLGCs and Pressurized
- Investment in VLGC segment with 2 state-of-the art newbuildings on charter to Statoil
- Long-term relationships with blue-chip customers
- Strong JV partners in Teekay LNG Partners



Key Financials¹⁾

LPG (USDm)	2015	2016	2017
Turnover	124.5	109.4	97.0
EBITDA	51.3	56	31.8
*REBITDA	51.4	41.7	31.7
EBIT	17.8	34.2	4.6
Vessels (incl. Vessels under construction)	309.0	403.4	427.6
Financial debts	210.4	275.4	291.6

Comments:

- Midsize fleet continues to benefit from a solid contract portfolio despite more challenging market conditions
- The Baltic Freight Index went further down in 2018 affecting the contribution of BW Tokyo, the sole VLGC in the fleet
- Pressurized: Rates are surging

Clients



1) Proportionate Consolidation (in USDm)
*) Recurring EBITDA

Highlights and Outlook

Midsized fleet

- Increased vessel supply since 2016 has caused significant downward corrections in the MGC segment with short term Time-Charter and voyage-charter rates sliding further down averaging USD 450,000 per calendar month.
- Delivery of two additional newbuild ships of which one to be delivered from Hanjin Heavy Industries in May 2018 and one from Hyundai Mipo Shipyard in July 2018.
- The fleet cover is 71% for 2018.



VLGC fleet

- Excess vessels capacity continued to put downward pressure on the Baltic LPG index and generates more idle time. With 34 additional vessels on order VLGC market fundamentals still indicate future pressure on rates.
- **BW TOKYO** is currently employed until June 2018 in accordance with the LPG Baltic index.
- Long-term charter agreement secured for two LPG fueled 80,200 m³ newbuild gas carriers with Statoil. The vessels will be built at Hanjin Heavy Industries Corporation in Subic Bay, the Philippines, and delivered in August and September 2020.



Pressurized fleet

- Rates in the pressurized segment continued their upwards trend.
- EXMAR is well positioned with its ten pressurized vessels to benefit further of these solid rates. 86% of EXMAR's pressurized fleet is covered for 2018.





Creating value through the LNG value Chain

Exmar LNG Shipping & LNG Infrastructure



Business approach

- Customized service with significant added value
- Investments with a long-term time-charter contract on the FSRU barge and **EXCALIBUR** until early 2022
- In-house management and crewing services
- Conventional and niche markets – barge provides flexibility to also cover small scale infrastructure projects



Key Financials¹⁾

LNG (USDm)	2015	2016	2017
Turnover	88.7	91.5	68.0
EBITDA	39.4	59.4	87.6
*REBITDA	53.1	50.4	17.6
EBIT	20.9	41	47.6
Vessels (incl. vessels under construction)	585.4	578.9	494.6
Financial debts	391.4	373.4	267.9

Comments:

- Despite sale of FSRUs to EELP in 2017 / 2018 still the biggest operator of FSRUs in the world
- The long-term contract with Gunvor in Bangladesh will start generating positive cash flows in H2 2018



Clients



1) Proportionate Consolidation (in USDm)

*) Recurring EBITDA ; EBIT includes an impairment on the EXCEL of USD 22.5mm, as well as 70mm capital gain on the sale of Explorer, Express and Excelerate

Highlights and Outlook 2018



Monetisation of LNG portfolio

- Sale 50% of **EXCEL** in October 2017
- FRSU's **EXCELERATE** (138,000 m³- 2006 built), **EXPLORER** (150,900 m³- 2008 built), **EXPRESS** (150,900 m³ - 2009 built) and **EXCELSIOR** (138,000 m³- 2005 built) operated under long-term charter were acquired by Excelerate Energy end of 2017/early 2018.
- EXMAR Shipmanagement maintains the operation and maintenance of the four FSRUs as well as the conversion supervision for **EXCEL**
- LNG/C **EXCALIBUR** (138,000 m³ - 2002 built) remains under charter until early 2022 at rewarding rates.



Regasification

- **FSRU barge**, delivered in December 2017, has been contracted on long-term employment to GUNVOR in Bangladesh.
- The unit is undergoing site specific modifications in Singapore before the start of its operations in the second half of 2018.



CFLNG

- The floating liquefaction barge **CFLNG** has left Wison shipyard to a temporary location at Cosco shipyard in China for lay-up awaiting final deployment with several candidate projects under consideration.

Oil Price and FLNG Correlations



Historical price of dated Brent in USD/bbl over last 10 years



EXMAR Offshore: Unlocking Untapped Values

Business approach

- Provides engineering and design services, asset leasing and operating and management services
- Cost effective approach with standardized design & engineering
- Owned assets: 2 accommodation barges on medium-term contract
- Development of FPSO's, FSO's and semi-submersible platforms (OPTI series)



1) Proportionate Consolidation (in USDm)
*) Recurring EBITDA

Key Financials¹⁾

Offshore (USDm)	2015	2016	2017
Turnover	74.5	52.4	33.2
EBITDA	8.6	-0.8	(5.6)
REBITDA*	10.3	-1.7	(7.2)
EBIT	4.4	-3.6	(7.7)
Vessels (incl. Vessels under construction)	31.3	12.5	10.9
Financial debts	7.0	5.0	3.0

Comments:

- The 2 accommodation barges are employed on medium and long term contracts
- Engineering services continue to feel the pressure from the lack of investments in the oil and gas sector, however, recent encouraging signs of recovery have been felt throughout the industry

Clients



Highlights and Outlook

Accommodation Barges

- The accommodation barge **NUNCE** (350 persons – 2009 built) remains on charter until 2022.
- The Time-Charter on the **WARIBOKO** (300 persons – 2010 built) has been extended until September 2018.
- Outlook for 2019 is positive with new fields entering production



Engineering Services

- **EXMAR OFFSHORE COMPANY** (Houston) is bidding for a FPSO (Floating Storage Production and Offloading) project in Brazil and continues to make progress on several OPTI®-designed semisubmersible prospects.





Supporting Services: the Power of Innovation

Exmar's Supporting Services



Key Financials¹⁾

Supporting Services	2015	2016	2017
Turnover	49.2	46.3	46.2
EBITDA	0.1	1.9	27.7
REBITDA*	0.1	1.1	1.0
EBIT	-3	-1.2	25.5
Vessels (incl. Vessels under construction)	0	0	0
Financial debts	119.6	126.3	136.7



EXMAR Shipmanagement

- Specialized in quality ship management & related services to asset owners
- Managing a diversified fleet of VLGC's, midsize, and pressurized LPG carriers, LNG carriers, LNG regasification vessels, FPSO's and FSRU's and offshore accommodation barges
- Solid financial performance

Travel Plus

- Service-oriented travel agency based in Antwerp specialized in both in business and leisure travel and incentives
- The positive trend in growth and profitability continues

BELGIBO

- Sold to Jardine Lloyd Thompson in August 2017 and generated USD 26.7 million of capital gain in Q3 2017



1) Proportionate Consolidation (in USDm)
*) Recurring EBITDA

Highlights and Outlook

Supporting Services

- **EXMAR Shipmanagement** has currently 84 vessels under management (compared to 46 in 2016) focusing on niche markets
- Sale of **BELGIBO** to long-term business partner Jardine Lloyd Thomson Group plc (JLT), generating a capital gain of USD 26.7 million and cash proceeds of USD 24.0 million.
- **TRAVEL PLUS**: An upturn in bookings from both existing and new clients made for an encouraging 2017 result which saw a year-on-year turnover growth of just over 8.5 percent, with a 70/30 split between business and leisure segments.



Holding

- EXMAR announced in June 2017 that the NOK 1,000 million senior unsecured bond was successfully extended till July 2019.





Financial Overview

Financial Highlights & Outlook 2018

<i>(In USD millions unless otherwise stated)</i>	2016	2017	Q1/2018
Operating Income	305.9	328,6	46.6
EBITDA	116.5	141.4	41.5
Net income	40.4	28.0	21.4
EPS (USD/share)	0.71	0.49	0.38
Cash	221.0	145,9	
Gross interest bearing debt	780.1	700.0	
Net debt	559.1	554,1	
Total assets	1,335.2	1,244.8	
Equity	441,9	477.4	
Weighted average number of shares during the period	56,751,292	56,832,558	56,808,152

Source: Company (proportionate consolidation)

Comments

- **LPG:**
 - EXMAR continues to secure employment on its MGC fleet but at lower rates than 2017. The fleet cover is 71% for 2018.
 - VLGC market fundamentals still indicate future pressure on rates.
 - EXMAR is well positioned with its ten pressurized vessels to benefit further from increasing rates. 86% of the fleet is covered for 2018.
- **LNG:**
 - Sale of FSRU vessel **EXCELSIOR** in 1/2018, has generated a capital gain of approximately USD 31mm and cash of USD 39mm
 - Income from **FSRU barge** is expected in the second half of 2018
 - Revenues on **CFLNG** in the second Semester 2018 will depend on the outcome of present negotiations on long-term employment
- **OFFSHORE:**
 - The 2 accommodation barges remain operated as per their respective Time-Charter.
 - Some positive signals that oil companies start to engage contractors and suppliers to commence early work on new developments
- **SUPPORT SERVICES**
 - Capital gain of USD 26.7 million on the sale of **BELGIBO** recorded in 2017
 - The Board of Directors proposes not to pay a dividend for the accounting year 2017.



Thank you for your attention