







EXMAR



## EXMAR GROUP – Leadership through Innovation

EXMAR GROUP – General Assembly May 15th 2012

EXMAR Group			
LNG	LPG / NH <sub>3</sub>	Offshore	Services
			
Shipping	Shipping	Accommodation / Work Barge	Shipmanagement
Floating Storage, Liquefaction & Regas	Floating Storage	Floating Production & Storage	Design & Engineering
Design & Engineering	Design & Engineering	Design & Engineering	Belgibo Insurance
Shipmanagement	Shipmanagement	Operations & Maintenance	Travel Plus

## Market

- LNG Market has been the best performing shipping segment in 2011 overall
- Spot rates for modern tonnage double over the course of 2011 from \$70,000 per day to \$160,000 per day on the back of strong growth in LNG production and increased demand from Asian countries
- Approximately 70 LNG carriers have been ordered in 2011 and the early part of 2012 (of which approximately 30 are still uncommitted today)

## Shipping

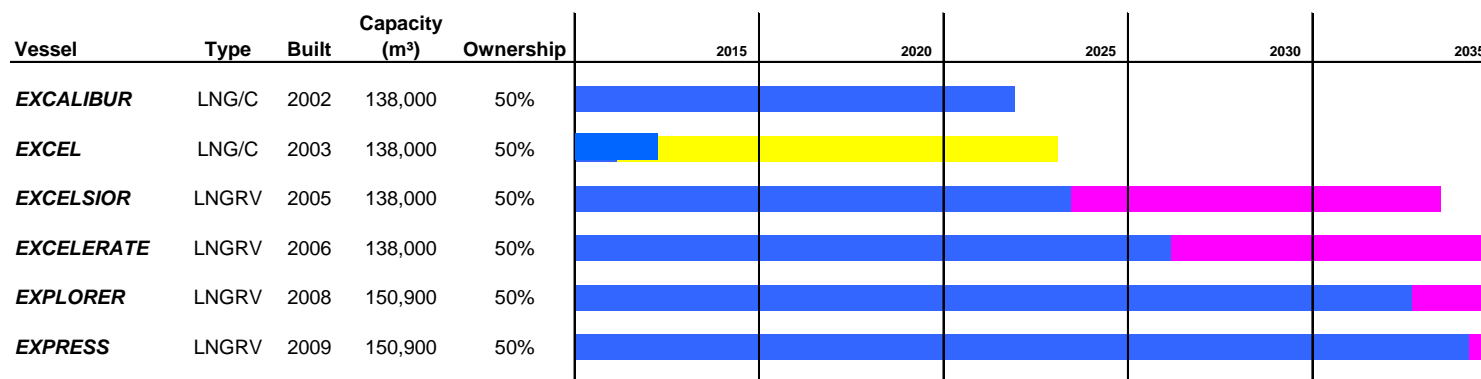
- LNG/C EXCEL delivered the first cargo to the LNGRV EXEMPLAR following the first STS operation at sea off Buenos Aires to a third party vessel
- LNGRV EXPRESS was positioned for the next four years at the Bahia Blanca Gasport
- LNG/C Excel will be released from his current employment in July 2012, current employment opportunities are being discussed with several potential charterers

## LNG Value Chain

- EXMAR has been awarded a 15 years contract with PACIFIC RUBIALES for the Liquefaction, Regasification, Storage and Offloading of Gas / LNG in Colombia
- EXMAR will build, own and operate his own EXPORT design for the production of LNG / Gas
- EXMAR has been shortlisted for the provision of a Floating Regasification Unit to be located on the coast of Jamaica.

## Own fleet

## Long-term time-charter contracts



■ Chartered
 ■ Minimum Revenue Undertaking from third party
 ■ Extension Options

## Shipmanagement services

Vessel	Type	Built	Capacity (m <sup>3</sup> )
METHANIA	LNG/C	1978	78,000
EXCELLENCE	LNGRV	2006	138,000
EXQUISITE	LNGRV	2009	150,900
EXPEDIENT	LNGRV	2010	150,900
EXEMPLAR	LNGRV	2010	150,900

## Why EXMAR will build and operate the world's first offshore liquefaction plant:

- Onshore Gas from Colombia will be transported via pipelines to a jetty offshore the Colombian coast
- EXPORT™ (liquefaction barge) will liquefy up to 0.5mmtpa using the Black and Veatch PRICO® technology
- In a second phase, EXMAR will also transport the LNG and where needed, regasify the LNG to bring Natural Gas to the end customers of Pacific Rubiales



## Market

- An overall increase in LPG volumes out of the Middle East strongly pushed shipping rates over the course of 2011
- Midsize (MGC) rates have firmed up during the course of 2011 and continue to do so in the first part of 2012 despite the lack of spot cargoes out of Iran
- Very Large Gas Carriers (VLGC) have benefitted from strong rates at the end of 2011 (around \$30,000 per day) thanks to the additional liquidity in this segment; since the relapse in the first months of 2012, VLGC are again trading above \$30,000 today
- Pressurized vessels have performed as expected in a healthy environment

## Shipping

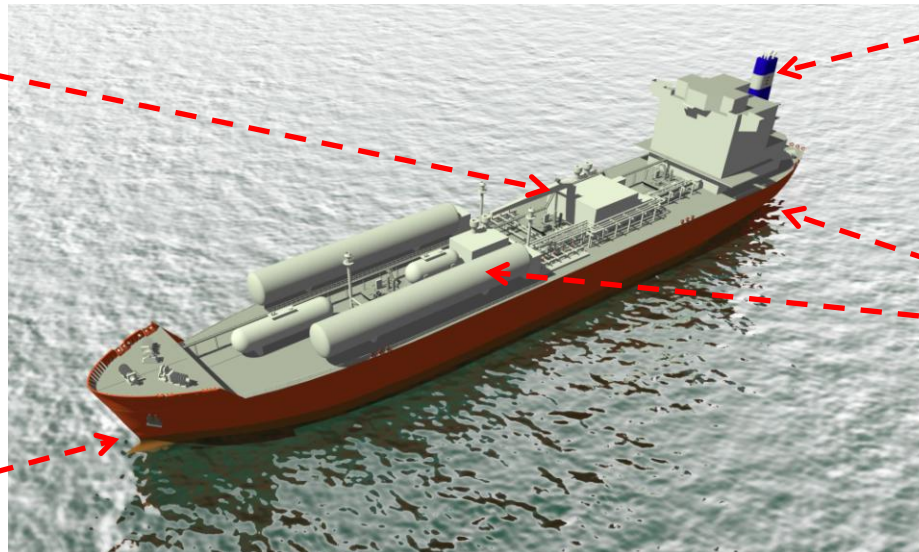
- In October Last year, EXMAR and BW GAS agreed on the Swap of 2 VLGC from EXMAR with 4 MGC from BW GAS plus an additional cash settlement
- EXMAR has strengthened its position as a leader in the Midsize segment and enhanced his coverage of the North Sea trade
- LPG/C Gent (build 1985) was sold to a Turkish owner (book profit of \$4.0mm; net cash of \$3.6mm)
- LPG/C Chaconia (build 1990) was sold in April 2012 to a Turkish owner (book profit of \$7.1mm; net cash of \$7.7mm)
- LPG/C Elversele (build 1996) sold to Ultragas (Chile) and will be delivered at the end of Q2 2012 (book loss of \$1.4mm; net cash of \$13.0mm)

# MGC Newbuilding Program

- Up to 8 LPG/C (38.000m<sup>3</sup>) ordered at Hyundai Mipo
- Vessels will be delivered as from February 2014 onwards
- These vessels will be dedicated to strengthen EXMAR's already substantial commercial portfolio in the Midsize segment and designed to stay ahead of the upcoming amendments in environmental legislation.
- Estimated CAPEX: \$50.0mm delivered cost / vessel
  - Older vessels being progressively replaced

**Ballast Water  
Treatment  
System to  
minimize  
transfer of  
harmful  
organisms**

**Hull line  
optimization to  
reduce resistance**



**New funnel design with  
Scrubber to reduces  
Sulphur emissions**

**Engine Room and  
Deck design ready  
for LNG / LPG as  
fuel**

Full range of multi-purpose gas carriers from Pressurized (3,500 m<sup>3</sup>) up to VLGC (85,000 m<sup>3</sup>)

Market leader in Midsize segment (20,000 - 40,000 m<sup>3</sup>)

- Transports 30% of the world's seaborne Ammonia

EXMAR operates a fleet of 28 LPG carriers (Owned and Time-Chartered):

- **VLGC – 2.6 vessels**  
*Coverage: 51% at fixed rates the remaining on the spot*
- **LPG/NH<sub>3</sub> Midsize - 15 vessels\***  
*Coverage: 72 % for 2012 and 39% for 2013*
- **Pressurized - 10 vessels**  
*All vessels are employed on spot voyage or medium term TC*

\* Including Exmar's semi-refrigerated vessel "Kemira Gas"



## **OPTI - Design**

- OPTI-EX was delivered to LLOG in July 2011, initial production on the “Who Dat” field started in December 2011; EXMAR received a first payment of \$114.5mm
- In January 2012, EXMAR and LLOG reached an agreement whereby LLOG will pre-pay the payments due over a 60 months period; EXMAR received a \$250mm payment
- EXMAR OFFSHORE COMPANY has been appointed lead engineer for the design, construction and supervision of a second OPTI

## **FSO**

- EXMAR was awarded by SONANGOL a contract for the replacement of the FSO Palanca while the Palanca will be undergoing extensive refurbishment; EXMAR took the Luxembourg in Time-Charter in order to fulfill this contract
- The contract has a mix of a firm period and extensions and will start during Q2 2012

## **ACCOMMODATION BARGES**

- The KISSAMA was successfully chartered to TOTAL Gabon at the end of Q1 2012 for a 6 months firm period plus extensions
- EXMAR was awarded a medium term contract in Nigeria with the chartered in OTTO 5 barge; operations are expected to start in the beginning of Q3 2012

## Provides Engineering and Design Services, Asset Leasing, and Operating and Management Services

### Own Assets and Project Management:

- KISSAMA - Accommodation Barge: 350 POB
- NUNCE - Accommodation Barge: 350/450 POB
- OPTI-EX® - Production Semisubmersible: 60,000 bpd, 50 MMscfd (Sold July 2011)
- OTTO 5 – Accommodation Barge: 300 POB
- Luxembourg - Interim Replacement FSO Palanca during Refurbishment

### Management and Operations:

- FARWAH - FPSO
- KISSAMA - Accommodation
- NUNCE - Accommodation
- OTTO 5 - Accommodation

### Engineering and Design Services:

- EOC, Houston
- DVO, Paris
- Exmar Technical, Antwerp



## EXMAR offers State-of-the-Art Services in the Shipping and Offshore Industries

- EXMAR Shipmanagement

- Specialized in quality ship management & related services to asset owners
  - Crewing (recruitment and selection, training)
  - Technical and Marine Management
  - Health, safety, security, environmental and quality
  - 30 Units in Management incl. FPSO, LNGRV and LPG

- BELGIBO

- Insurance Broker based in Antwerp, specialized in marine insurance

- TRAVEL PLUS

- Professional Travel Agency
  - Business
  - Leisure



# Strategic Considerations

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## **LPG / NH3**

- VLGC
  - Sale and/or swap of assets
- Midsize Gas Carriers
  - Consolidation with other Players
  - New building expansion program
- Smaller Pressurized Fleet
  - Considering consolidation

## **LNG Value Chain**

- EXMAR will become a one stop shop for floating liquefaction, transportation and floating regasification
- Further developing floating liquefaction technology in order to monetize smaller and remote gas fields offering the potential to unlock offshore gas reserves with limited capital expenditures
- EXMAR is actively pursuing various up- and downstream opportunities around the world

## **OFFSHORE**

- Floating Production
  - Continue development of OPTI-EX based projects
- Floating Storage
  - Develop FSO projects based on VLCC conversion
- West Africa
  - Consolidation of accommodations market
  - Operation & Maintenance new development

## HIGHLIGHTS

- Results include profit on sale of the OPTI-EX (\$41.2mm) and the GENT (\$4.0mm) and loss on the Swap with BW GAS (\$-26.7mm)
- Results influenced by poor spot LPG rates in the beginning of 2011
- Significant Reduction of Net Financial Debt
- Net Profit includes change in fair value of derivatives hedging instruments (\$-34.1mm in 2011 and - \$15.9mm in 2010)

Key consolidated figures (USD million)	Actual 2011	Actual 2010
EBITDA	140.3	176.9
EBIT	37.6	87.4
Net Profit	(34.0)	14.4
Vessels book value	1,042.4	1,166.5
Net Financial debt	866.4	1,028.4
Equity	342.8	402.6
EBIT contribution (USD million)	Actual 2010	Actual 2010
LPG	(19.7)	5.5
LNG	30.7	93.0
OFFSHORE	25.5	(10.3)
SERVICES & HOLDING	<u>1.1</u>	<u>(0.8)</u>
	37.6	87.4

# Key-Figures Q1 2011

- LPG

- MGC: Improving market conditions are firming up; the LPG sector has benefitted from Indian demand in the First Quarter
- VLGC: the first two months were impacted by the uncertainty around Iranian export and the lack of cargoes from Saudi Arabia; As from end of March much improved freight rates thanks to tight vessel availability and improved cargo production

- LNG

- All ships contributed as per their respective Time-Charterers

- Offshore

- EBIT was positively impacted by the sale of the OPTI-EX (\$24.0mm)

Key consolidated figures (USD million)	Actual Q1/2012	Actual Q1/2011
EBITDA	52.5	28.3
EBIT	33.2	8.7
Profit	27.9	(13.1)
EBIT Contribution (USD million)	Actual Q1/2012	Actual Q1/2011
LPG	4.2	(2.0)
LNG	8.0	7.9
Offshore	22.0	1.1
Services and Holding	(1.0)	1.7

- **LNG**

- The LNG and LNGRV fleet is expected to perform as per the underlying TC contracts, in line with their contribution during Q1 2012

- **LPG**

- The MGC fleet will keep enjoying the support of a solid contract portfolio, with creditworthy counterparties and of the positive contribution of the North Sea business
- The recent and significant hike of the VLGC spot earnings should have a positive impact on the result as from Q2 2012.
- Results will also benefit from the capital gain of \$6.3mm on the sale of Chaconia and Elversele to be booked in Q2 2012

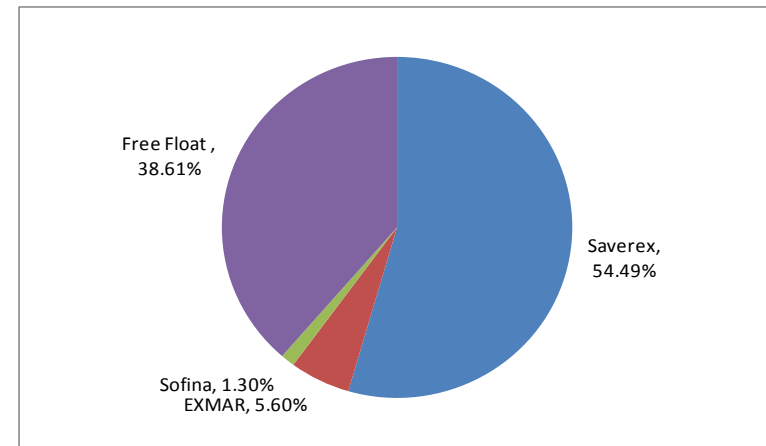
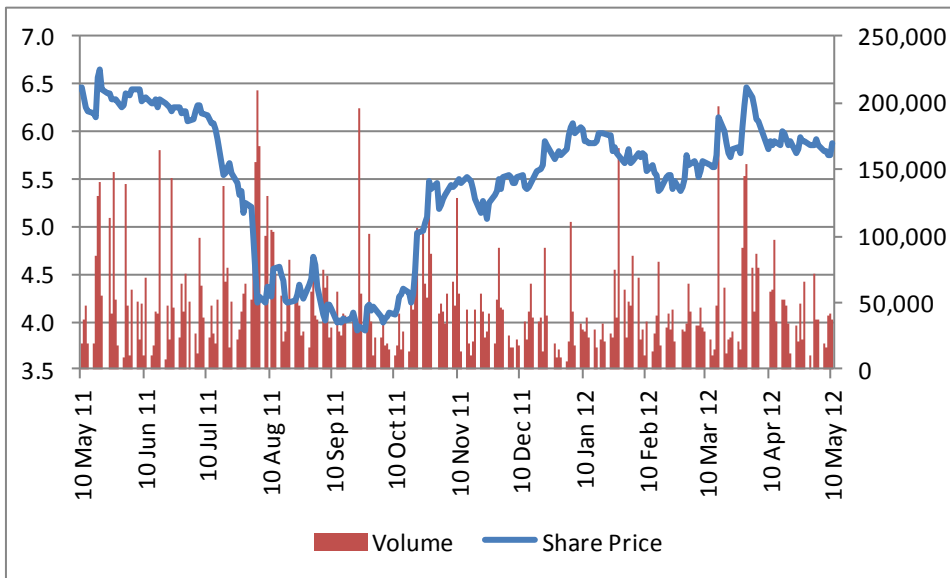
- **OFFSHORE**

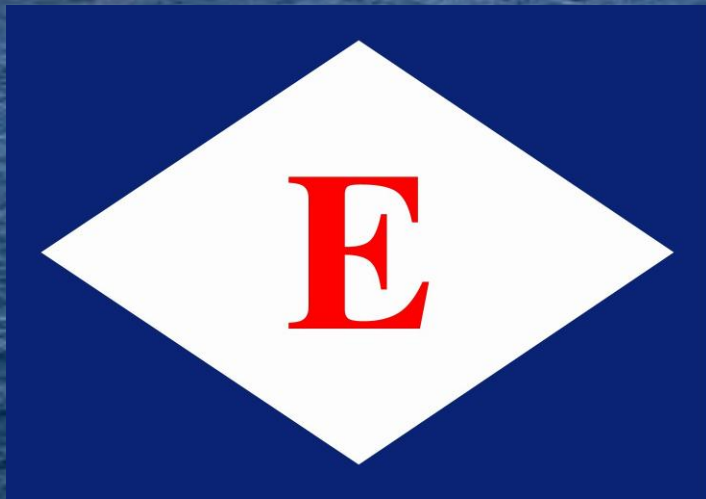
- The Offshore division will continue to further strengthen its position with the delivery of the FSO Luxembourg, the accommodation barge OTTO 5 and the KISSAMA under their respective contracts
- The contribution of the Offshore division should also benefit from engineering and service contracts presently under discussions



# Shareholding and Share Price

- 59.5 million shares outstanding
- Average Volume over one year: 50,000 shares / day





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