






## EXMAR GROUP – Leadership through Innovation

EXMAR GROUP – General Assembly May 21st 2013

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



**EXMAR**

# What have we accomplished over the last 4 years?

## Oct. 2009

Sales agreement signed for the sale to EE of our 50% in LNGRV's Exquisite, Expedient and Exemplar

## Aug. 2011

Delivery of Opti-Ex to LLOG (profit of USD 41,2m)

## March 2012

Signing of a 15 years Agreement with PRE to build, own and operate the World's 1st FLSU to be operational offshore Colombia as from mid-2015

## August 2010

Contract signed for the sale of the Opti-Ex to LLOG

## Jan. 2012

Prepayment made by LLOG on the outstanding balance of the Opti-Ex, resulting in an additional profit of USD 24m and a total reduction of debt of USD 250m

## March 2013

Successful refinancing of the JV LPG fleet

## Dec. 2009

Capital increase of €100m at € 4,20 / share (+ rights)

## Nov. 2011

Exchange with BW Gas of 2 VLGC for 4 MGC (plus USD 35m cash payment), generating an accounting loss of USD 26,5m

## Feb. 2013

JV with TK on the VLGC and MGC fleet generating a USD 54.2m profit and order of 4 + 4 additional MGC at Hanjin

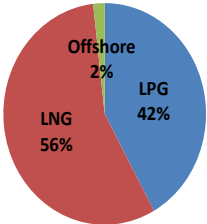
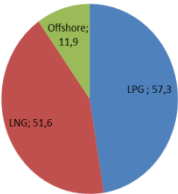
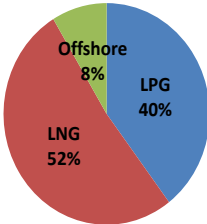
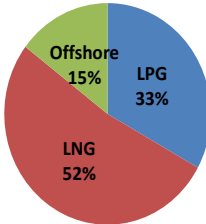
## Nov. 2010

Sale 50% LNG/C Excalibur and LNGRV Excelsior to TK LNG (profit of USD 47m)

## End 2011 - 2012

Sale of 4 older MGC (profit of USD 17,3m) and order of 4 MGC at Hyundai MIPO (March 2012)

# Evolution of Key Figures

(in million USD)	JUNE 2009 (actual)	2012 (actual)	2013 (budget)	2015 (Projected)
EBITDA Breakdown				
Total Assets	2,093	1,370	1,278	1,542
Net Debt	1,487	594	447	694
Equity	264	367	414	414
Net Debt / Equity Ratio	5.63	1.62	1.08	1.68



# A Strategic Move

Transition from pure shipping to a provider of a full value chain of infrastructure and integrated logistics to address the industry's need for environmentally friendly and competitively priced energy solutions.

- **LNG:**

- building on the LNGRV concept to now focus on providing fully fledged floating LNG value chain services through build, own and operate FLSU and FSRU to bring LNG as a competitive and green alternative to coal and oil to the market.
- Pursuing opportunities in “small scale” LNG vessels for coastal and domestic trade
- Structuring and listing an MLP comprised of high-quality LNG and LNGRV assets to achieve a yield valuation and to facilitate significant future growth in the LNG Infrastructure segment

- **OFFSHORE:**

- building on the success of the Opti hull design, Exmar continues to develop projects along the E&P value chain with a specific focus on offshore floating operations

- **LPG:**

- partnership with TK to strengthen EXMAR's already substantial commercial portfolio in the Midsize segment and to stay ahead of the upcoming amendments in environmental legislation. EXMAR wishes to adhere to its tradition of providing operational and technical excellence at the service of its customers with a competitive quality fleet based on innovative designs.
- In order to provide a full package service to its customers EXMAR will continue to pursue projects in the VLGC segment
- EXMAR is at the forefront of discussions with potential partners to consolidate further the fragmented gas shipping sector.

## Market

- One of the best performing shipping segment in 2012 overall despite lower growth than the previous year.
- Development in demand for transported volumes proved rather disappointing with a marginal increase of 1% mainly due to the delay in the opening of new plant in ANGOLA as well as some technical issues at liquefaction plants around the world.
- Ton-mile demand has grown 3% in 2012 mainly due to increase in consumption from Asia.
- Approximately 90 LNG carriers will be delivered between end of 2013 and early 2015 out of which nearly half are non contracted.

## LNG Infrastructure

- EXMAR signed a contract with PACIFIC RUBIALES in March 2012 for the construction, maintenance, management and lease of a Floating Liquefaction and Storage Unit for 15 years off the coast of Colombia.
- Construction in process at WISON OFFSHORE and MARINE and expected to be operational mid-2015.
- Agreement signed in Feb. 2013 with EDF trading to build and lease a similar unit. Final investment decision to be expected in the course of this year.

## Shipping

- EXCEL benefitted from high rates for some spot voyages in the course of 2012 but benefit were offset by some idle time at the end of 2012. She is currently on charter with Morgan Stanley until mid-summer.
- EXCALIBUR completed her second special survey in Oct 2012 and continues her employment with EXCELERATE ENERGY



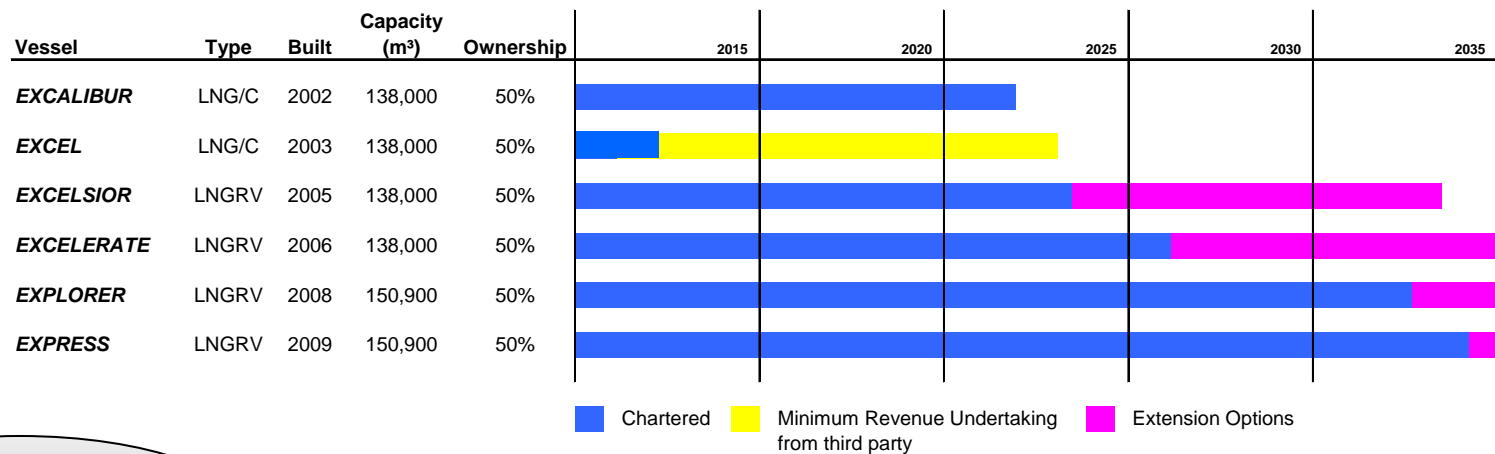
## EXMAR will build and operate the world's first offshore liquefaction plant:

- 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



## Own fleet

## Long-term time-charter contracts



## Shipmanagement services

Vessel	Type	Built	Capacity (m3)	Owner
<b>METHANIA</b>	LNG/C	1978	131.000	ENI
<b>LNG PORTOVENERE</b>	LNG/C	1997	65.000	ENI
<b>LNG LERICI</b>	LNG/C	1998	65.000	ENI
<b>EXCELLENCE</b>	LNGRV	2006	138.000	Excelerate Energy
<b>EXQUISITE</b>	LNGRV	2009	150.900	Excelerate Energy
<b>EXPEDIENT</b>	LNGRV	2010	150.900	Excelerate Energy
<b>EXEMPLAR</b>	LNGRV	2010	150.900	Excelerate Energy

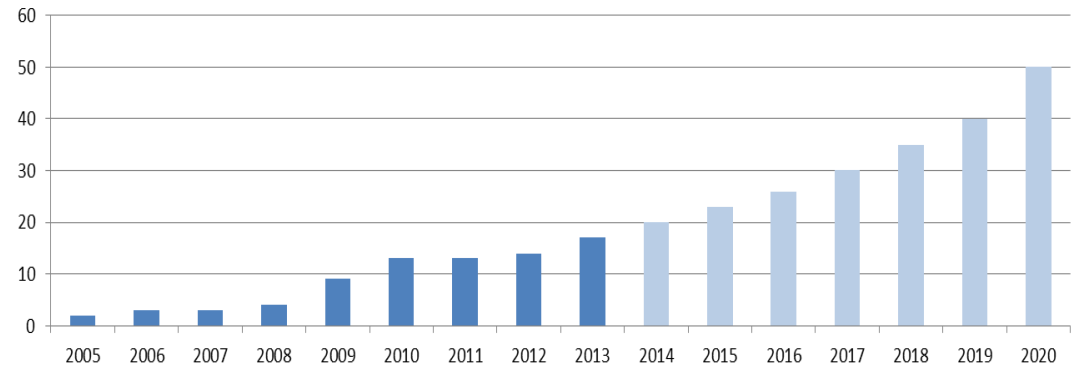


# FSRU & FLNG market prospects

## FSRU Market

- 10-30 FSRU projects are currently being developed
  - Various stages of preliminary development
  - LNG is cleanest fossil fuel + LNG is price competitive
- Number of FSRUs has increased rapidly over time
  - Significant number of newbuild options not yet included
  - New entrants to FSRU market

FSRU Fleet Development

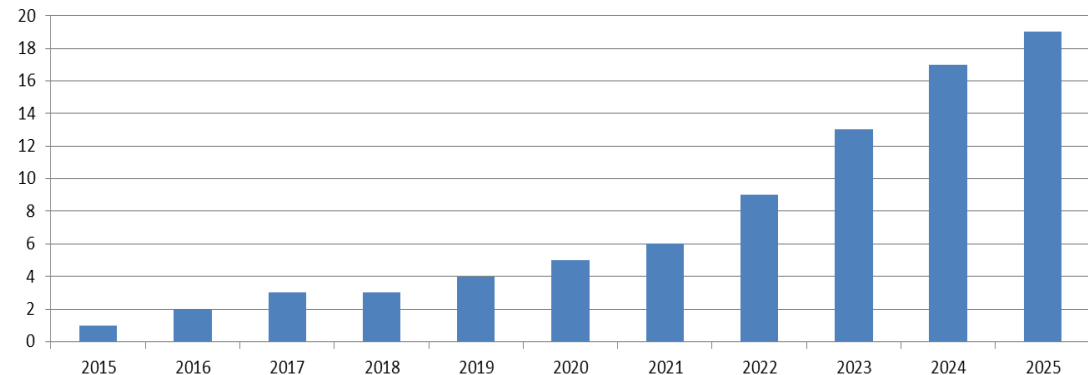


Source: Exmar

## FLNG Market

- 3 Floating Liquefaction projects post-FID
  - EXMAR - online Q2/2015
  - Petronas – online 2015/2016
  - Shell – online 2017/2018
- Many more FLNG projects in development phase
- Large degree of interest in FLNG projects from all regions in the world
  - Australia; US Shale Gas revolution; Mozambique; South America ...
  - Many advantages of floating compared to onshore terminals

FLNG fleet development



Source: Exmar  
www.exmar.be

## **OPTI – DESIGN**

- In January 2012, LLOG prepaid all remaining payments due on the purchase of the OPTI-EX. EXMAR retains an interest in the platform in the form of a production fee above 35,000 barrels of oil equivalent per day. The threshold of 35,000 boe per day has been reached for the first time in April 2013 and is expected to rise.
- LLOG has contracted EXMAR for the design and supervision of a second OPTI based design, currently under construction at Hyundai Heavy Industries

## **FSO**

- EXMAR entered into a contract for the provision of a floating Storage Unit to Sonangol to cover an interim period for the refurbishment of the existing FSO. The VLCC Luxembourg was contracted from EURONAV and is under contract until the summer of 2013.

## **ACCOMMODATION BARGES**

- KISSAMA was delivered to ABC Maritime for use by TOTAL Gabon as from March 2012. Contract is until July 2013. Further employment in progress
- NUNCE is performing as per contract to SONANGOL until 2019
- OTTO 5 was delivered in September 2012 in Nigeria for operations on TOTAL's field until 2015 / 2016.

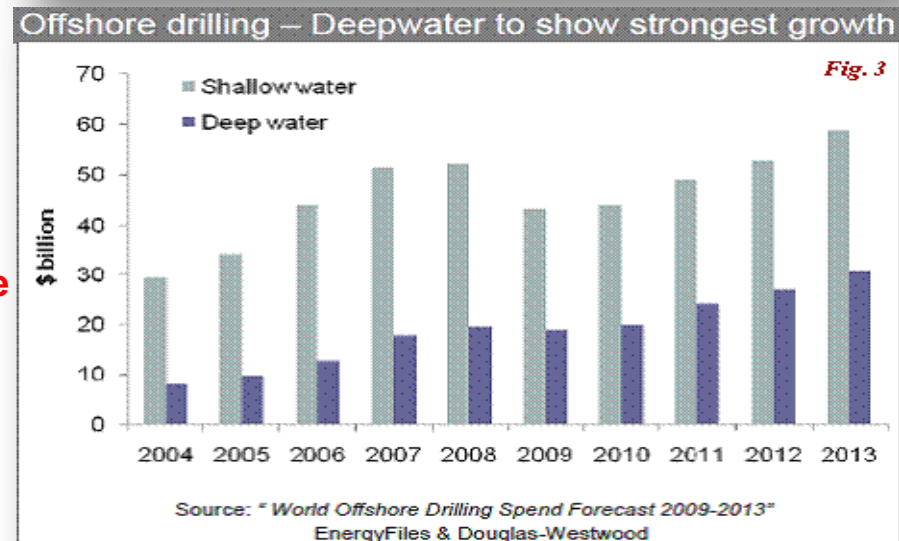
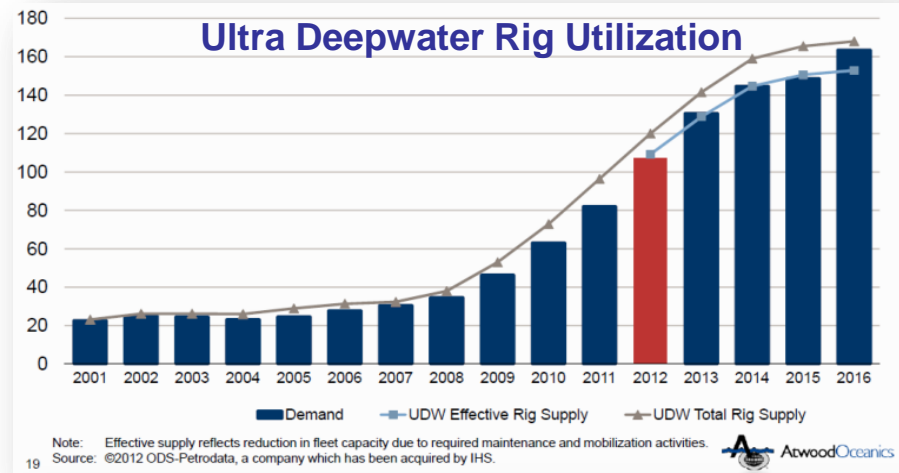
## **ENGINEERING and CONSULTING**

- EXMAR OFFSHORE is providing engineering services for third party clients with revenues of US\$15mm

## Key Market Indicators:

- All Indicators Remain Positive:
  - 2012 89.8 million bbl
  - 2017 95.7 million bbl
- Energy Demand Continues to Increase
- Supply Lagging:
  - OPEC Production 2012 < 2011
- Oil Prices Remain Strong:
  - WTI Spot \$93 bbl
  - Brent Spot \$108 bbl
  - 6-Year Futures \$87-88 bbl
- Drilling Activity Increasing:
  - Market Rates Rising
  - Newbuilds Remain Healthy

**➔ As Production Lags Several Years After Drilling Exploration, the Market for Production Facilities Remains Strong...**

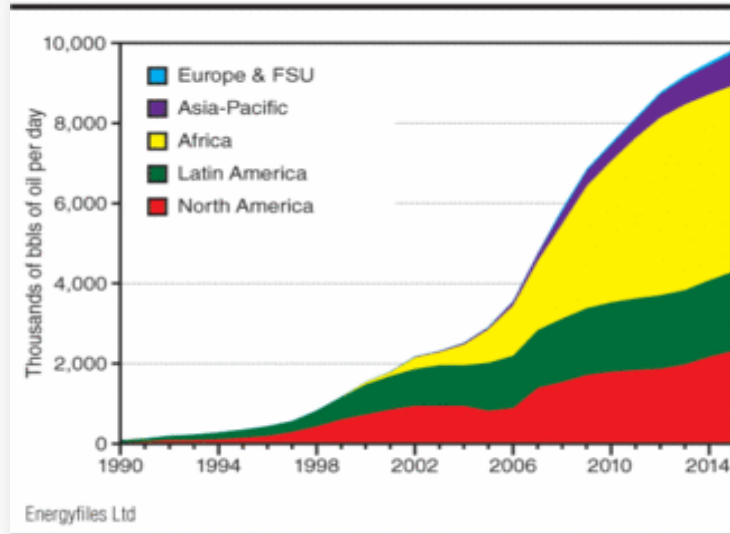




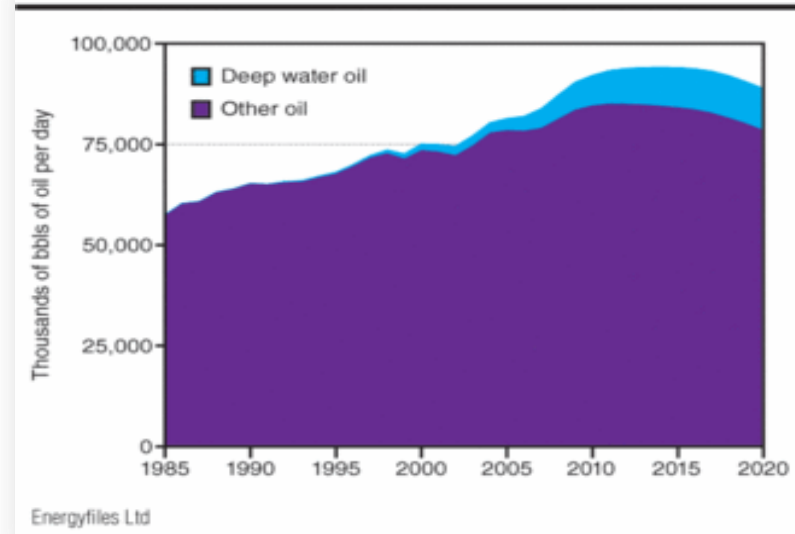
EXMAR

# Offshore Market – Deepwater Production

Offshore production: Deep water oil from 1990



Deep waters: Oil forecast



## Floating Production:

- Production Floaters by 2018: 129 to 192
- Deepwater's Role Increasing
- New Deepwater Markets:
  - Australia
  - SE Asia
  - India
  - China

## Offshore-Related Services:

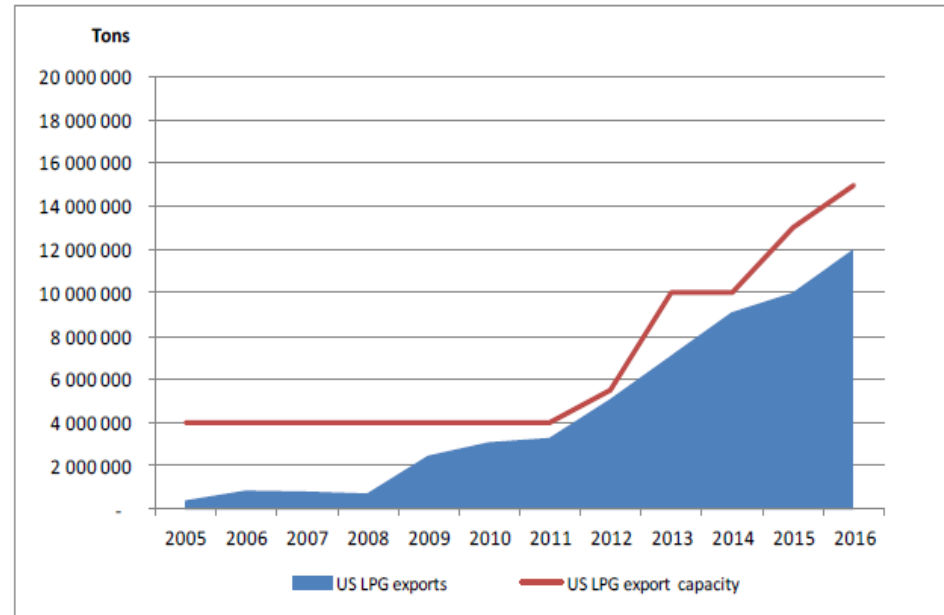
- Engineering:
  - Remains Strong
- Field Development Services and Support :
  - Increasing with Project Development



## Market Review 2012

- Seaborne trade of LPG grew by 2.7% to 61.3 million tons in 2012. Exports from the Middle East gulf declined by 0.2 million tons to 34.4 million mainly due to lower exports from Saudi Arabia and Iran.
- Because of shale gas, the US provided the most expansion for exports as the country increased exports to 5.1 million tons in 2012, up from 3.3 million tons in 2011 and 8 million tons expected in 2013
- Seaborne ammonia trade contracted by about 0.5 million tons to 17 million tons, mainly due to lower exports from Trinidad, Iran and Saudi Arabia. The level of activity however was supported by stronger international prices and a pick-up in long-haul trades compensating for the volume reduction.

## US Gulf LPG export

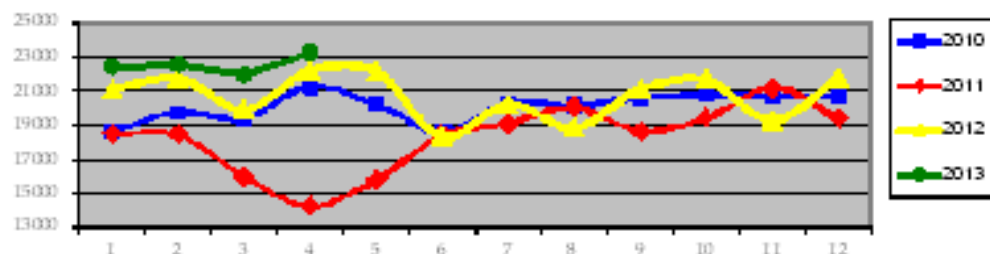


Source: L&S

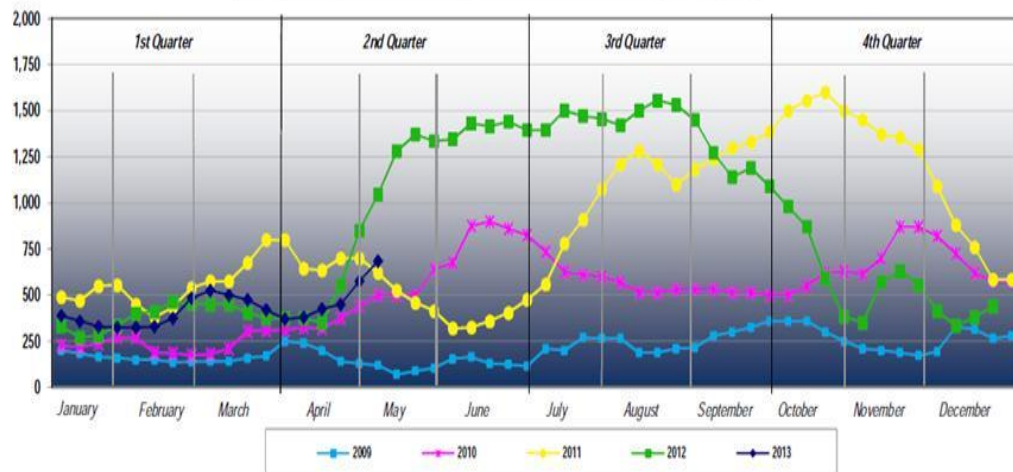
## Exmar Review 2012-Q1/2013

- EXMAR sold the CHACONIA, ELVERSELE and TIELRODE in the course of 2012 (profit of \$ 13,2m)
- In April 2012 EXMAR placed an order at Hyundai MIPO for 4 Midsize Gas Carriers to be delivered as from february 2014 onwards.
- In February this year EXMAR and Teekay LNG entered into a Strategic Joint-Venture in the Midsize and Very Large Gas Carriers segment combined with a new order of 4 Midsize Carriers at Hanjin Heavy Industries in Subic Bay with 4 additional options.
- The EXMAR LPG Joint Venture owns 19 Midsize Gas Carriers, out of which 8 are under construction and 2 Very Large Gas Carriers. EXMAR LPG also charters in 3 MGCs and 2 VLGCs as well as bareboat in one VLGC and one MGC.
- The DONAU was sold for recycling in April 2013.
- The Pressurized fleet is fixed on short to medium term charters

TCE on 100-Point Vessel (US\$ per day)  
Midsize



Weekly VLGC Spot Time Charter Equivalent based on a BW "C" type (USD pcm)



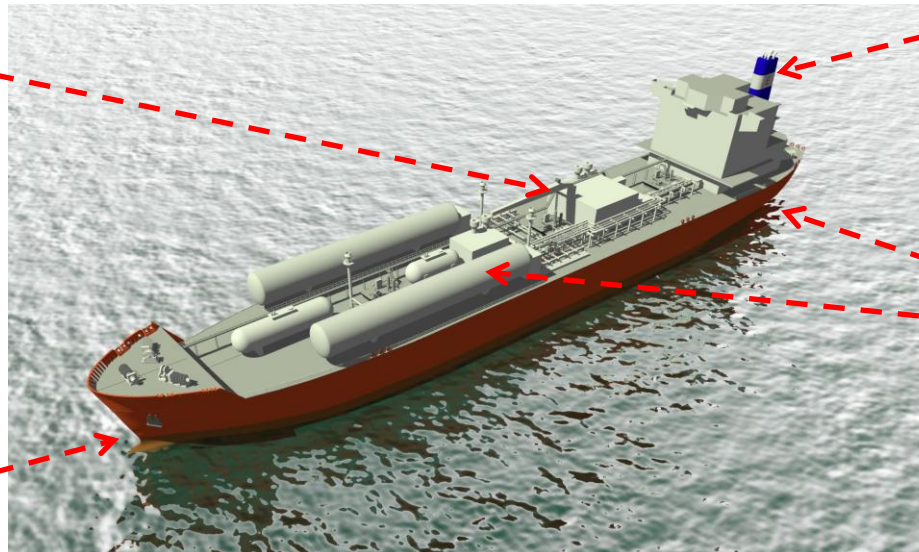


# MGC Newbuilding Program

- Up to 12 LPG/C (38.000m<sup>3</sup>) ordered at Hyundai Mipo and Hanjin Heavy Industries.
- Vessels will be delivered as from February 2014 onwards until mid of 2016.
- These vessels will be dedicated to strengthen EXMAR LPG's already substantial commercial portfolio in the Midsize segment and designed to stay ahead of the upcoming amendments in environmental legislation (reduction of consumption, emissions,...).
- Estimated CAPEX: between US\$45 – 50mm delivered cost / vessel.

**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>)
  - Operates the most efficient and flexible fleet in the world for first class customers
  - The fleet will be further strengthened by the addition of up to 12 new generation midsize vessels
- VLGC and MGC have been integrated in a JV with Teekay LNG partners in February 2013
- EXMAR operates a fleet of 40 LPG carriers (Owned and Time-Chartered):
  - **VLGC – 2.6 vessels**  
*Coverage: 100% at fixed rates and the remaining at floating rate*
  - **LPG/NH<sub>3</sub> Midsize - 15 vessels + up to 12 under construction**  
*Coverage: 70% for 2013 and 45% for 2014*
  - **Pressurized - 10 vessels**  
*All vessels are employed on spot voyage or medium term TC*





# LPG and Ammonia Market looking forward

## LPG

- additional growth in trade expected on the back of refinery capacity expansions and LNG project developments
- Export growth also expected from Africa and the US (due to Shale Gas production growth) to markets East of Suez which should help underpin continued arbitrage movements West/East

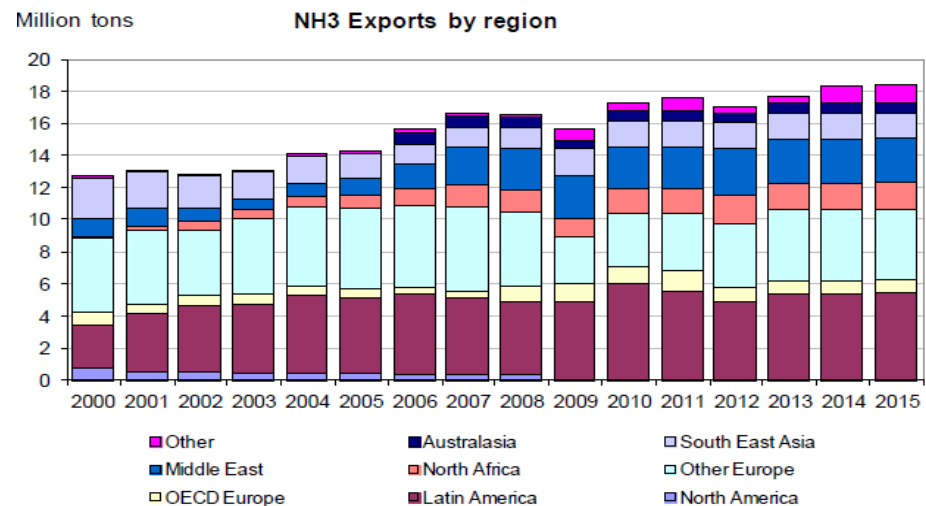
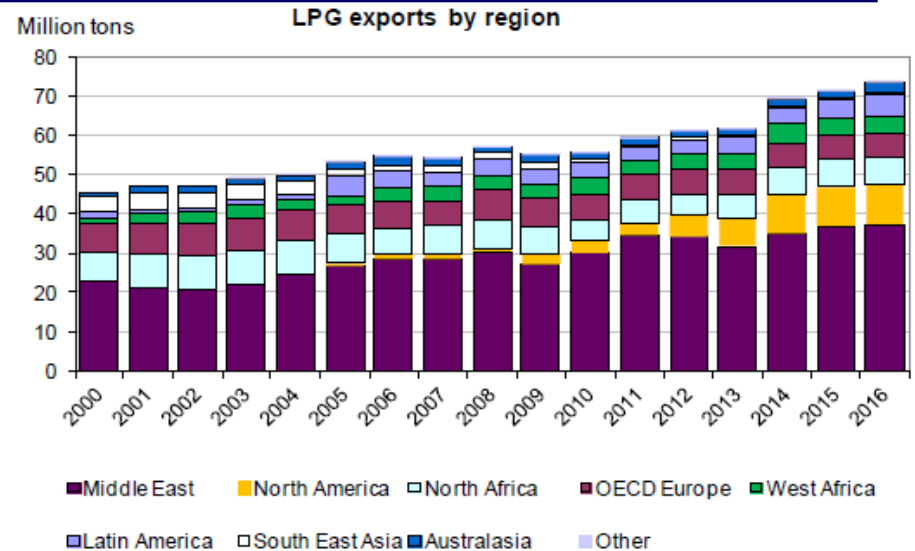
## AMMONIA

- Positive y-o-y trade growth expected through 2013-2015
- Growth to come primarily from the FSU and also North Africa over the next few years, whilst Middle Eastern export volumes are expected to shrink
- On the import side, most of the growth originating from Asian consumers with US import demand growth being eroded by shale gas production which is boosting the competitiveness of domestic producers

→ The demand/supply balance is tightening as volumes grow (largely LPG) and Midsize freights are also being pulled upwards by rising ton-mile demand

→ Signs of a rewarding market in the near to medium term

May 2013



## 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.
- 32 units in Management, including FPSO, LNGRV and LPG
- Third party customers: Excelerate Energy, ENI, TK, ...
- 2<sup>nd</sup> largest third party shipmanager for LNG in the world (after Shell) and largest FSRU / LNGRV operator with 9 FSRU/LNGRV under management
- Market leader in regas operations
- >90% of the world's STS operations

### • BELGIBO

- Insurance Broker based in Antwerp, specialized in marine insurance

### • TRAVEL PLUS

- Professional Travel Agency
  - Business
  - Leisure



# Key-Figures 2012

## HIGHLIGHTS

- Results include profit on sale of the OPTI-EX (\$24.0mm) and the CHACONIA, ELVERSELE and TIELRODE (\$13.2mm)
- Significant Reduction of Net Financial Debt
- Net Profit includes change in fair value of derivatives hedging instruments (\$2,8mm in 2012 and \$-35.1mm in 2011)

Key consolidated figures (USD million)	Actual 2012	Actual 2011
EBITDA	160.4	140.3
EBIT	87.1	37.6
Net Profit	54.6	(34.0)
Vessels book value	1,013.5	1,042.4
Net Financial debt	594.0	866.4
Equity	367.0	342.8
EBIT contribution (USD million)	Actual 2012	Actual 2011
LPG	27.5	(19.7)
LNG	30.3	30.7
OFFSHORE	29.7	25.5
SERVICES & HOLDING	(0.4)	1.1
	87.1	37.6



# Key-Figures Q1 2013

## • LNG

- All ships contributed as per their respective Time-Charters

## • Offshore

- All units have contributed as per their charter party and should continue to do so in the second quarter

## • LPG

- EBIT includes a \$54.2mm book profit on the sale of the 50% of the MGC and VLGC fleet to Teekay LNG
- Fleet contributed 100% to the EBIT up to February 12th 2012
- Sale of the DONAU will be recorded in the second quarter and will generate a capital gain of \$0.9mm for EXMAR

### Key consolidated figures (USD million)

Actual  
Q1/2013

Actual  
Q1/2012

EBITDA	79.8	52.5
EBIT	64.6	33.2
Profit	65.8	27.9

### EBIT Contribution (USD million)

Actual  
Q1/2013

Actual  
Q1/2012

LPG	56.2	4.2
LNG	8.1	8.0
Offshore	0.7	22.0
Services and Holding	(0.4)	(1.0)

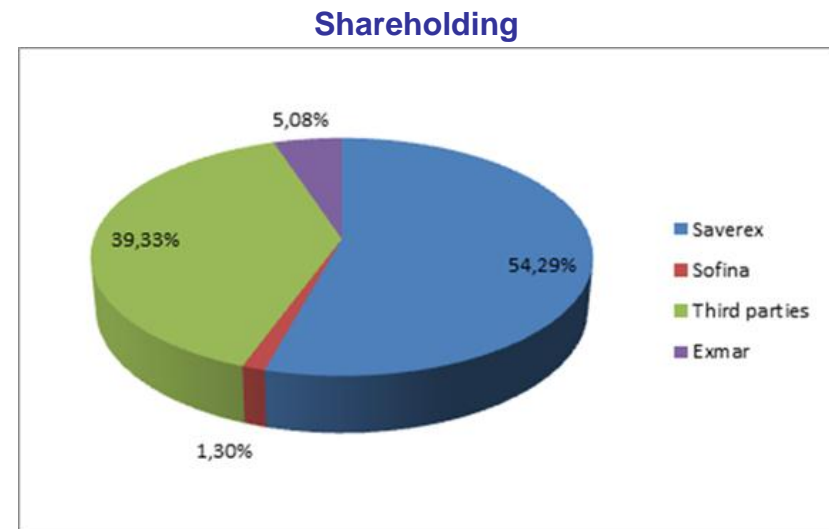
- **LNG**
  - The LNG and LNGRV fleet is expected to perform as per the underlying TC contracts, in line with their contribution during Q1 2013
  - EXMAR is actively exploring and studying several LNG Infrastructure projects that should materialise in the near to medium term future
  
- **LPG**
  - The 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 spectacular turnaround of TC rate for VLGC should increase the contribution of that segment
  - Results will also benefit from the capital gain of \$0.9mm on the sale of DONAU to be booked in Q2 2012
  
- **OFFSHORE**
  - All accommodation barges and the FSO Luxembourg should continue to contribute as per their respective contracts
  - The contribution of the Offshore division should also benefit from engineering and service contracts presently under discussions.
  - The Division is also participating in several offshore production tender that could materialize in the course of this year.

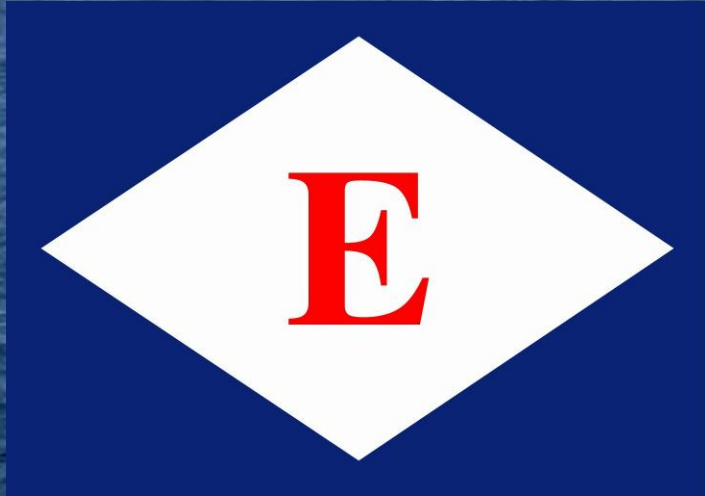




# The EXMAR share

- 59.5 million shares outstanding
- Average Volume over one year: ~59,500 shares/day (83,000 during the last 3 months)
- Performance over the last 12 months: > +38%
- Total Return over the last 12 months (including dividend): > + 50%
- Total Return since Capital increase (Dec. 2009) (including dividend): ~10%





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