

The Board of Directors of EXMAR has approved the accounts for the period ending 30 June 2017.

Highlights of recent developments are :

- Weak **LPG** markets were offset by a strong contract portfolio
- CFLNG**: Was delivered end of July and employment discussions are ongoing
- BELGIBO**: Has been sold to Jardine Lloyds Thomson on 31 August 2017 and a capital gain of approximately USD 30.0 million will be recorded in the third quarter
- The NOK 1,000 million senior unsecured bond maturing in July 2017 has been extended for a period of two years

Consolidated Key figures

Condensed consolidated statement of profit or loss (in million USD)	International Financial Reporting Standards (IFRS) (Note1)		Management reporting based on proportionate consolidation (Note 2)	
	30/06/2017	Restated (*) 30/06/2016	30/06/2017	Restated (*) 30/06/2016
Turnover	44.6	55.2	117.6	150.7
EBITDA	-17.8	14.6	30.0	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 columns 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.

All figures mentioned in this press release have been prepared under IFRS (International Financial Reporting Standards).

The Group (using the proportionate consolidation method) had an operating result (EBIT) of USD -16.3 million, including a non-cash impairment of USD 22.5 million on the EXCEL (LNG vessel 2003 built, 138,107 cubic meters). The half year report including a full version of the condensed consolidated interim financial statements for the six months ended 30 June 2017, prepared in accordance with IAS 34 is available on www.exmar.be as from today.



OUTLOOK SECOND SEMESTER

LPG

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).

Time-Charter Equivalent (in USD per day)	1st semester 2017	1st semester 2016
Midsized (38,115 m ³)	21,652	28,739
VLGC (83,300 m ³)	16,871	41,080
Pressurized (3,500 m ³)	5,604	5,209
Pressurized (5,000 m ³)	6,712	6,771

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 **Midsized** 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 (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 a MGC newbuilding contract at Hyundai Heavy Industries with expected delivery mid-2018, bringing the orderbook to three Midsized 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 **Midsized** 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

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 8.0 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: **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. This employment contract will last until March 2022.

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

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

EXMAR's barge based FSRU is now nearing completion and targeted to be delivered later this year. A Term Sheet for a long-term financing has been signed with Chinese banks and completion is expected to occur in the coming months. Discussions are still ongoing 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.



Floating Liquefaction: The Floating LNG liquefaction unit **Caribbean FLNG** (CFLNG) has been delivered to EXMAR on 27 July 2017.

The financing of the unit has been done with Bank of China, Deutsche Bank and Sinosure for a USD 200.0 million facility. The **CFLNG** is currently in lay-up at the Wison shipyard (Nantong, People's Republic of China). EXMAR is still in dialogue with multiple entities for the commercial engagement of CFLNG but no revenues are expected for the unit before the second half of 2018.

OFFSHORE : 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).

Both **Wariboko** and **Nunce** Accommodation Work Barges remain fully utilized under time charters. **Wariboko's** charter expires at year end 2017 with charterers' extension options for up to two years. The **Nunce** time charter expires in 2019. **Kissama** reached the end of her last time charter in the fourth quarter of 2016 and was sold on 29 April 2017 to a southwest Asian buyer.

EOC's Houston-based engineering services continued to feel the pressure of the lack of investments in the oil and gas sector; however recent encouraging signs of increased activity have been felt throughout the industry.

SUPPORTING SERVICES

The contribution of the Services activities (EXMAR SHIPMANAGEMENT, BELGIBO, TRAVEL PLUS) to the operating result (EBIT) for the first half of 2017 was USD 1.8 million (compared to USD 1.5 million in 2016 for the same period).

As announced in the Press Release of 31 August 2017, BELGIBO has been sold to Jardine Lloyd Thompson and a capital gain of approximately USD 30.0 million on the sale of BELGIBO will be recorded in the third quarter.

The contribution of the Holding activities to the operating result (EBIT) for the first half 2017 was USD -1.2 million (compared to USD -3.4 million in the first semester 2016).

CORPORATE

EXMAR bond on the Oslo Stock Exchange has been extended until July 2019 for a period of two years. EXMAR has the option to redeem the bond prior to maturity.

STATUTORY AUDITOR

The condensed consolidated interim financial information as of and for the six months period ended 30 June 2017 included in this document, have not been subject to an audit or a review by our statutory auditor.

STATEMENT ON THE TRUE AND FAIR VIEW OF THE CONDENSED INTERIM FINANCIAL STATEMENTS AND THE FAIR OVERVIEW OF THE INTERIM MANAGEMENT REPORT

The Board of Directors, represented by Nicolas Saverys and Patrick De Brabandere, and the Executive Committee, represented by Nicolas Saverys and Miguel de Potter, hereby certifies, on behalf and for the account of the company, that, to their knowledge,

- the condensed consolidated interim financial information which have been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union, give a true and fair view of the equity, financial position and financial performance of the company, and the entities included in the consolidation as a whole,
- the interim management report includes a fair overview of the information required under Article 13, §§ 5 and 6 of the Royal Decree of November 14, 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.

ANNEX

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





ANNEX TO PRESS RELEASE OF 8 SEPTEMBER 2017

EXMAR

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In thousands of USD)

	30 June 2017	31 December 2016 Restated (*)
ASSETS		
NON-CURRENT ASSETS	961.797	785.773
Vessels	490.917	287.533
Vessels	112.489	115.471
Vessels under construction - advance payments	378.428	172.062 (*)
Other property, plant and equipment	2.821	3.079
Intangible assets	3.213	3.651
Investments in equity accounted investees	160.949	147.598
Borrowings to equity accounted investees	303.897	343.912
CURRENT ASSETS	175.442	223.425
Available-for-sale financial assets	3.902	3.608
Trade receivables and other receivables	75.627	62.723
Current tax assets	589	1.107
Restricted cash	30.198	34.891
Cash and cash equivalents	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	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	24.754	140.147
Trade debts and other payables	223.403	51.244
Current tax liability	1.749	2.438
Derivative financial instruments	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 of the Half Year Report per 30 June 2017 for more information in this respect.

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

(In thousands of USD)

	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)	-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 of the Half Year Report per 30 June 2017 for more information in this respect.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(In thousands of USD)

	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	-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	-2.558	0
Borrowings to equity accounted investees	0	-1.245
Repayments from equity accounted investees	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 exercised	125	139
Proceeds from new borrowings	0	100
Repayment of borrowings	-12.286	-7.528
Increase/ decrease in restricted cash	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	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 of the Half Year Report per 30 June 2017 for more information in this respect.

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 comprehensive result for the period			0		1.579	2.877	-5.549		-1.093	3	-1.090
Total comprehensive result for the period	0	0	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 comprehensive 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 of the Half Year Report per 30 June 2017 for more information in this respect.