

The Executive Committee of EXMAR NV today reports its third quarter results 2017:

Highlights of recent developments are:

- Sale of **BELGIBO** (insurance brokerage) to Jardine Lloyd Thompson end of August for approximately USD 25.0 million in cash and a capital gain of approximately USD 31.0 million;
- Sale of LNG carrier **Excel** (138,107 m³ - 2003 built) for net cash proceeds of approximately USD 23.0 million in October;
- Delivery of the **Kruibeke** (Midsize Gas Carrier - 38,000 m³) to the EXMAR LPG Joint venture end of July.

Key figures

Consolidated income statement according IFRS (in million USD)	IFRS "International Financial Reporting Standards"		Management Reporting based on "Proportional Consolidation"	
	YTD September 2017	YTD September 2016	YTD September 2017	YTD September 2016
Turnover	70.2	78.5	157.0	181.4
EBITDA	6.2	4.9	73.7	89.0
Depreciations	-6.2	-5.3	-57.7	-34.4
Operating result (EBIT)	0.0	-0.4	16.0	54.6
Financial Result:	-6.7	0.9	-34.3	-25.7
- Of which Change in Fair Value of Financial Derivatives	0.0	0.0	0.0	0.0
Share in the result of equity accounted investees	-12.4	28.3	-0.7	0.0
Result before taxes	-19.1	28.8	-19.0	28.9
Income taxes	-0.8	0.4	-0.9	0.3
Consolidated result after taxation	-19.9	29.2	-19.9	29.2
- Share of the group in the result	-19.9	29.2	-19.9	29.2
Information per share (in USD per share)	YTD September 2017	YTD September 2016	YTD September 2017	YTD September 2016
Weighted average number of shares during the period	56,822,567	56,744,347	56,822,567	56,744,347
EBITDA	0.11	0.09	1.30	1.57
EBIT	0.00	-0.01	0.28	0.96
Consolidated result after taxation	-0.35	0.51	-0.35	0.51
Contribution to the consolidated operating result (EBIT) of the various operating divisions (in million USD)			YTD September 2017	YTD September 2016
LNG			20.1	31.3
Offshore			-5.4	-1.1
LPG			27.1	28.6
Supporting Services and Holding			31.9	-4.2
Consolidated operating result			73.7	54.6

All figures mentioned in this Press Release have been prepared under IFRS (International Financial Reporting Standards) and have not been reviewed by the statutory auditor. Using the proportionate consolidated method, the Group had an operating result (EBIT) for the first 9 months of 2017 of USD 16.0 million compared to USD 54.6 million for the same period last year (including a positive non-cash profit of USD 14.3 million on the acquisition of Wah Kwong's share in the pressurized vessels). The operating results for the first 9 months of 2017 have been negatively impacted by a USD 22.1 million impairment on the LNG/C **Excel** in the second quarter and positively impacted by a USD 31.0 million capital gain on the sale of BELGIBO in August. The financial results have been negatively impacted by the unrealized exchange loss and other costs related to the extended NOK bond.



Outlook 2017

LPG

The operating result (EBIT) was USD 1.1 million for the third quarter 2017 (compared to USD 2.4 million for the same period in 2016).

Time-Charter Equivalent (in USD per day)	YTD September 2017	YTD September 2016
Midsized (38,115 m ³)	20,797	27,176
VLGC (83,300 m ³)	12,044	32,395
Pressurized (3,500 m ³)	5,650	5,169
Pressurized (5,000 m ³)	6,776	6,603

The VLGC market has remained dull throughout the year, with a dip in average third quarter returns but a promising uptick at the end of the quarter. Lately, LPG prices increased and a record amount of almost three million metric tons of propane was available for export. EXMAR's controlled **BW Tokyo** remained employed with the same charterers Itochu, however, on challenging floating rates based on the VLGC Index.

Largely influenced by the depressed VLGC market and the ever increasing competition amongst owners due to the amount of new vessel deliveries, the MGC freight markets have stagnated at close to historically low time charter levels. A well-mixed portfolio of long term charter contracts continues to limit EXMAR's exposure to volatile and detrimental spot earnings. EXMAR's latest newbuilding LPG/C **Kruibeke** has been contracted immediately after delivery end of July while another 3 vessels are scheduled for delivery between the first and third quarter 2018. For the years 2017 and 2018 employment of respectively 93% and 51% is already in place.

The Pressurized market is the only market moving counter cyclically and witnessing increased freight rate levels. EXMAR has secured new employment at 27% higher rates compared to last year on 5,000 m³ and 16% higher rates on 3,500 m³ vessels. A coverage of 100% in 2017 and 80% in 2018 has been secured.

LNG

The operating result (EBIT) was USD 4.1 million for the third quarter 2017 (compared to USD 6.6 million for the same period in 2016).

Several negotiations on the employment of the **Caribbean FLNG** are progressing in parallel. Awaiting successful outcome of these, the unit remains at the yard and all measures for preservation of the on-board equipment has been taken. No income is expected from the **Caribbean FLNG** before the end of 2018.

The construction of the barge based FSRU is substantially completed. Delivery will be taken as soon as the yard is ready and financing is in the documentation phase. The unit has been shortlisted for two LNG import terminals. If confirmed the start of operations is expected in mid-2018.

OFFSHORE

The operating result (EBIT) was USD -3.2 million for the third quarter 2017 (compared to USD -2.3 million for the same period in 2016).

The **Nunce** barge was extended with Sonangol beyond the original firm period from mid-2019 until mid-2022, however, at lower rates. The **Wariboko** is on charter until the end of 2017 and discussions on the extension of the current contract are ongoing.



New exploration and production activities continue to see low activity in the Gulf of Mexico, however, in Brazil recent developments and an award of an FPSO contract for a long term charter is an encouraging sign for EXMAR's efforts in Brazil.

SUPPORTING SERVICES

EXMAR SHIPMANAGEMENT, BELGIBO and TRAVEL PLUS contributed USD 29.9 million to the operating results in the third quarter of 2017 (compared to USD -0.8 million in 2016). The main contributor to the operating result is a USD 31.0 million capital gain on the sale of BELGIBO.

