

During its meeting of 30 March 2017, the Board of Directors of EXMAR reviewed the results for the year ending 31 December 2016.

Key figures

Consolidated statement of profit or loss (in million USD)	International Financial Reporting Standards (IFRS) (note 1)		Management reporting based on proportional consolidation (note 2)	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
Turnover	96.0	112.2	278.5	315.3
EBITDA	7.8	-23.8	116.5	99.5
Depreciations and impairment losses	-6.8	-5.2	-46.1	-59.3
Operating result (EBIT)	1.0	-29.0	70.4	40.2
Net financial result	-0.3	8.9	-35.8	-24.6
Share in the result of equity accounted investees	34.6	35.2	0.7	-0.3
Result before tax	35.3	15.1	35.3	15.3
Tax	0.5	-3.9	0.5	-4.1
Consolidated result after tax	35.8	11.2	35.8	11.2
of which group share	35.8	11.2	35.8	11.2
Informations per share in USD per share				
Weighted average number of shares of the period	56,751,292	56,770,261	56,751,292	56,770,261
EBITDA	0.14	-0.42	2.05	1.75
EBIT (operating result)	0.02	-0.51	1.24	0.71
Consolidated result after tax	0.63	0.20	0.63	0.20
Informations per share in EUR per share				
Exchange rate	1.1061	1.1150	1.1061	1.1150
EBITDA	0.12	-0.38	1.86	1.57
EBIT (operating result)	0.02	-0.46	1.12	0.64
Consolidated result after tax	0.57	0.18	0.57	0.18

Note 1: The figures in these columns have been prepared in accordance with IFRS as adopted by the EU

Note 2: 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 2 Segment Reporting in the Financial Report as per 31 December 2016. A reconciliation between the amounts applying the proportionate method and the equity method is shown in Note 3 Reconciliation Segment Reporting in the Financial Report as per 31 December 2016.

Cash Flow from operations (EBITDA as per proportionate consolidation method) for the year 2016 was **USD 116.5 million** and the Operating result (EBIT) was **USD 70.4 million**. The Consolidated Result after Tax amounts to **USD 35.8 million**. This result has been positively influenced by USD 14.3 million in badwill (non-cash) recognized on the acquisition of 50% of the pressurized fleet held by Wah Kwong and USD 9.0 million termination fee paid by Pacific Exploration and Production (PEP) on the CFLNG.



The audit of the accounting information in the annual announcement has not yet been completed by the statutory auditor.

Highlights 2016 and Outlook 2017

LPG

- The operating result (EBIT) of the LPG fleet in 2016 was **USD 34.2 million** (as compared to USD 17.8 million in 2015). EBIT for fourth quarter was **USD 5.6 million**. Despite deteriorating market conditions the EXMAR LPG fleet succeeded in positively contributing to the Group result thanks to a solid contract portfolio and first class operations. The result has been positively influenced by USD 14.3 million in badwill (non-cash) realized on the acquisition of the remaining 50% in 10 pressurized vessels.

Time-Charter Equivalent (in USD per day)	YTD February 2017	December 2016	YTD December 2015
Midsize (38,115 m ³)	22,393	25,823	30,319
VLGC (83,300 m ³)	12,978	26,771	55,255
Pressurized (3,500 m ³)	5,476	5,201	5,473
Pressurized (5,000 m ³)	6,766	6,611	7,790

VLGC:

- VLGC earnings in 2016 have recorded a significant drop compared to the previous year, owing to a lack of arbitrage opportunities, a slowing down of US LPG export volume growth and the delivery of 45 vessels. Outlook for 2017 remains difficult due to a pessimistic product market outlook and the expected delivery of 23 more VLGC's in 2017.
- EXMAR LPG (our Joint venture with Teekay LNG) operates only one VLGC (**BW TOKYO**). The vessel has been employed under Time-Charter until mid-2016 and has been employed since redelivery on basis of short-term extensions with Itochu Corporation of Japan in accordance with the LPG Baltic Index.

Midsize (MGC):

- The Midsize segment has seen major corrections throughout 2016. Difficult product pricing and increased vessel supply (grown by 18% in 2016) have led to sharp reductions in earnings starting in the first half of 2016. Another 14 MGC's will enter the market in 2017.
- EXMAR took delivery in 2016 of LPG/C **KNOKKE**, **KONTICH** and **KORTRIJK** (38,000 m³ - built at Hanjin Heavy Industries - Philippines) and LPG/C **KALLO** on 30 March 2017. With three additional MGC (38,000m³) newbuilds foreseen between July 2017 and January 2018, EXMAR expects to secure employment opportunities for these vessels as they are beneficiaries of the improved capacity, greater efficiency and lower fuel consumption.
- Forward employment cover for the Midsize fleet as a whole amounts to as much as 70% for 2017 and 45% for 2018. Weaker spot market conditions will however negatively influence the contribution of the MGC fleet in 2017.

Pressurized:

- After a challenging year 2016 with ample ships incurring idle time both East and West, the fourth quarter 2016 and start of 2017 saw rates creeping up as a result of promising outlook figures and shipping tightness in the East.



- EXMAR's focus remains on developing term business with first class customers both in South East Asia and Europe.
- The Pressurized fleet is covered up to 90% for 2017 and 15% for 2018.

LNG & LNG Infrastructure:

- The operating result (EBIT) of the LNG division in 2016 was **USD 41.0 million** (as compared to USD 20.9 million in 2015). EBIT for fourth quarter was **USD 9.7 million**. This result has been positively influenced by a USD 9.0 million termination fee received from PACIFIC EXPLORATION & PRODUCTION (PEP) following the termination of the employment contract of **CFLNG**.
- The existing *LNG and LNG Regasification fleet* has performed in accordance with the underlying time-charter contracts and the same is expected for 2017, with the exception of **EXCEL** which is operated under a short-term contract stretching up to one year at today's low market rates for steam-turbine vessels.
- **CARIBBEAN FLNG (CFLNG)**: with the financial restructuring of our customer PEP, no other option was available early 2016 than to cancel our employment contract at the best possible terms. PEP's cancellation of the project caused a revisiting of the arrangements with the shipyard and of the financing to be available at delivery. With commissioning successfully accomplished, final acceptance has been reached on 31 January 2017 and complementary support from Wison Shipyard has now been agreed during the lay-up period at the yard until the unit will be towed to its place of employment. The delivery will take place before the end of April 2017 at which time the last instalment (USD 200.5 million) is due to the yard. In the meantime the documentation for the USD 200 million financing of the CFLNG from Bank of China and a leading European financial institution with a tenor of 12 years has been finalized and signing, subject prior Sinosure approval, is foreseen for mid-April. Discussions on future employment with different parties are progressing; however no revenues are expected before early 2018.
The order for a second FLNG at WISON shipyard has been cancelled.
- **FSRU Barge**: the construction of the barge based FSRU at Wison shipyard has resumed in full force after some backlog suffered in 2015. The unit was launched in January 2017 and delivery is planned by mid-2017 at which time the final instalment (USD 83.6 million) will be due. Three commercial leads are being actively developed which foresee mobilization and commissioning on site after delivery from the yard. Financing will be developed in parallel with employment negotiations. Interest from several financiers has been received.
- In addition to the FSRU under construction, EXMAR has two newbuild LNG import infrastructure projects under development with technical and permitting field work being performed and with a target for investment decision in 2017.
- For the **Swan Energy** import terminal parties have reduced the cooperation to development of floating regasification services only.
- In September 2016 EXMAR and VOPAK started exploratory discussions on the possible acquisition of EXMAR's share in its floating LNG storage and regasification business (FRSU's) by VOPAK. These discussions resulted in EXMAR and VOPAK signing an agreement on 21 December 2016 for the acquisition of the FSRU business of EXMAR by VOPAK and the cooperation between EXMAR and VOPAK in future projects. This agreement is subject to certain conditions being fulfilled and approvals being obtained from multiple stakeholders. EXMAR and VOPAK are working on the implementation of this transaction. The timing of its closing is unclear.



OFFSHORE:

- The operating result (EBIT) of the OFFSHORE division in 2016 was **USD -3.6 million** (as compared to USD 4.4 million in 2015). EBIT for fourth quarter was **USD -2.5 million**.
- Since the peak in the crude price in the summer of 2014 the price of oil dropped to its lowest in February 2016. The result of the dramatic drop of the price of oil brought deepwater development to a near stand-still in 2016. It was only in the second half of 2016 that oil companies started to engage contractors and suppliers to commence early work on new developments.
- EXMAR'S reputation for efficient design and project execution was firmly established in 2015 with the **DELTA HOUSE** production facility for account of LLOG.
- While the market continues to be challenged with achieving the estimated savings which form the basis of new projects, EXMAR'S OPTI® Floating Production System is a proven low-cost and early production facility to create early cash-flow for our customers.
- During the summer of 2016 EXMAR sold 60% of its ownership in the **WARIBOKO** accommodation barge to its Nigerian partners, *Springview*. The Time-Charter contract to TOTAL Nigeria has been extended until the end of the year 2017. The accommodation barge **NUNCE** (50%) remains under contract with SONANGOL until at least the end of 2019. The **KISSAMA** was redelivered at the end of 2016 following a long-term contract in Angola and is being sold.

SUPPORTING SERVICES

- The contribution of the Services activities (EXMAR SHIPMANAGEMENT, BELGIBO, TRAVEL PLUS) to the operating result (EBIT) for 2016 was **USD 1.8 million** (compared to USD 1.2 million in 2015). EBIT for fourth quarter was **USD -0.3 million**.
The contribution of the Holding activities to the operating result (EBIT) 2016 was **USD -3.0 million** (compared to USD -4.2 million in 2015). EBIT for fourth quarter was **USD 3.3 million**.
- In 2016 **EXMAR SHIPMANAGEMENT** further increased the number of ships and floating marine infrastructure it has under management to 46. The results continue to show a positive trend and outlook for 2017 remains strong. EXMAR SHIPMANAGEMENT has entered into negotiations with the Christian Leysen led AHLERS for participation into the latter's shipmanagement and training activities. Transaction is expected to be completed by April 2017.
- The year 2016 started very well for **TRAVEL PLUS** but the tragic events of 22 March 2016 strongly affected air traffic. A strong recovery noticed over the last four months allows TRAVEL PLUS to record higher turnover and net result in 2016 and higher expectation for 2017.
- **BELGIBO** realized in 2016 strong revenue growth in Industry, Terminal Liability and Employee benefits activities. Contribution of Aviation and Marine were however disappointing. The outlook 2017 remains positive.

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In July 2014, a NOK 700 million **Senior Unsecured Bond** was issued (swapped to USD 114.0 million). During 2015, an additional amount of NOK 300 million was issued and added to the original NOK 700.0 million bond (swapped to USD 38.0 million). The total nominal amount of NOK 1.000.0 million (USD 152.0 million) matures in July 2017. EXMAR is actively pursuing several alternatives for the refinancing of this bond.



Dividend

EUR 0.10 per share was paid in September 2016 as an interim dividend. The Board does not propose paying a final dividend.

Statement on the true and fair view of the consolidated financial statements and the fair overview of the 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 certify on behalf and for the account of the Company, that to their knowledge,

- the consolidated financial statements which have been prepared in accordance with International Financial Reporting Standards 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 financial report on the consolidated financial statements includes a fair overview of the development and performance of the business and the position of the Company, and the entities included in the consolidation, together with a description of the principal risks and uncertainties which they are exposed to.

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Annex

- Consolidated statement of financial position;
- Consolidated statement of profit or loss and consolidated statement of other comprehensive income;
- Consolidated statement of cash flows;
- Consolidated statement of changes in equity.

The Board of Directors
Antwerp, 30 March 2017.





ANNEX TO PRESS RELEASE OF 30 MARCH 2017

EXMAR

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of USD)

	31/12/2016	31/12/2015
ASSETS		
NON-CURRENT ASSETS	776.539	684.687
Vessels	278.299	168.991
Vessels	115.471	17.194
Vessels under construction	162.828	151.797
Other property, plant and equipment	3.079	4.104
Intangible assets	3.651	2.368
Investments in equity accounted investees	147.598	132.816
Borrowings to equity accounted investees	343.912	376.408
CURRENT ASSETS	223.425	241.425
Available-for-sale financial assets	3.608	3.487
Trade and other receivables	62.723	64.669
Current tax assets	1.107	968
Restricted cash	34.891	42.332
Cash and cash equivalents	121.096	129.969
TOTAL ASSETS	999.964	926.112
EQUITY AND LIABILITIES		
TOTAL EQUITY	432.684	404.804
Equity attributable to owners of the Company	432.469	404.614
Share capital	88.812	88.812
Share premium	209.902	209.902
Reserves	97.969	94.689
Result for the period	35.786	11.211
Non-controlling interest	215	190
NON-CURRENT LIABILITIES	337.269	445.621
Borrowings	329.590	397.425
Employee benefits	4.267	4.445
Provisions	2.434	2.522
Derivative financial instruments	0	41.229
Deferred tax liability	978	0
CURRENT LIABILITIES	230.011	75.687
Borrowings	140.147	15.161
Trade debts and other payables	51.244	55.815
Current tax liability	2.438	4.711
Derivative financial instruments	36.182	0
TOTAL EQUITY AND LIABILITIES	999.964	926.112

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

(in thousands of USD)

01/01/2016 -
31/12/2016

01/01/2015 -
31/12/2015

STATEMENT OF PROFIT OR LOSS	01/01/2016 - 31/12/2016	01/01/2015 - 31/12/2015
Revenue	96.026	112.220
Capital gain on sale of assets	1.026	110
Other operating income	26.106	3.261
Operating income	123.158	115.591
Goods and services	-66.490	-80.986
Personnel expenses	-47.004	-51.468
Depreciations, amortisations & impairment losses	-6.784	-5.174
Provisions	88	-134
Capital loss on sale of assets	0	-47
Other operating expenses	-1.979	-6.753
Result from operating activities	989	-28.971
Interest income	24.861	23.037
Interest expenses	-15.907	-12.952
Other finance income	1.478	7.346
Other finance expenses	-10.741	-8.523
Net finance costs	-309	8.908
Result before income tax and share of result of equity accounted investees	680	-20.063
Share of result of equity accounted investees (net of income tax)	34.572	35.180
Result before income tax	35.252	15.117
Income tax expense/ income	566	-3.872
Result for the period	35.818	11.245
Attributable to:		
Non-controlling interest	32	34
Owners of the Company	35.786	11.211
RESULT FOR THE PERIOD	35.818	11.245
Basic earnings per share (in USD)	0,63	0,20
Diluted earnings per share (in USD)	0,63	0,20
STATEMENT OF COMPREHENSIVE INCOME		
Result for the period	35.818	11.245
Items that are or may be reclassified to profit or loss		
Equity accounted investees - share in other comprehensive income	3.304	-1.627
Foreign currency translation differences	-550	-2.607
Foreign currency translation differences reclassified to profit or loss	0	1.863
Net change in fair value of cash flow hedges - hedge accounting	2.408	-1.598
Available-for sale financial assets - net change in fair value	0	-4.854
Available-for sale financial assets - reclassified to profit or loss	3.973	0
	9.135	-8.823
Items that will never be reclassified to profit or loss		
Employee benefits - remeasurements of defined benefit liability/asset	-15	1.087
Other comprehensive income for the period (net of income tax)	9.120	-7.736
Total comprehensive income for the period	44.938	3.509
Attributable to:		
Non-controlling interest	25	15
Owners of the Company	44.913	3.494
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	44.938	3.509

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of USD)

	01/01/2016 - 31/12/2016	01/01/2015 - 31/12/2015
OPERATING ACTIVITIES		
Result for the period	35.818	11.245
Share of result of equity accounted investees (net of income tax)	-34.572	-35.180
Depreciations, amortisations and impairment loss	6.784	5.174
Impairment loss available-for-sale financial assets	3.844	0
Badwill pressurized fleet transaction	-14.343	0
Remeasurement non controlling interest CMC Belgibo	-800	0
Recycling deferred financing costs ICBC to profit or loss	4.465	0
Net interest income/ expenses	-8.954	-10.085
Income tax expense/ income	-566	3.872
Net gain on sale of assets	-1.026	-63
Dividend income	-127	-417
Unrealised exchange difference	-296	-2.107
Equity settled share-based payment expenses (option plan)	1.557	951
Gross cash flow from operating activities	-8.216	-26.610
Increase/decrease of trade and other receivables	1.552	5.513
Increase/decrease of trade and other payables	-7.567	9.094
Increase/decrease in provisions and employee benefits	-144	69
Cash generated from operating activities	-14.375	-11.934
Interest paid	-14.038	-12.824
Interest received	22.898	22.514
Income taxes paid	-361	-2.351
NET CASH FROM OPERATING ACTIVITIES	-5.876	-4.595
INVESTING ACTIVITIES		
Acquisition of vessels and vessels under construction	-11.031	-62.708
Acquisition of other property, plant and equipment	-284	-989
Acquisition of intangible assets	-213	-571
Proceeds from the sale of vessels and other property, plant and equipment (incl held for sale)	156	384
Acquisition of subsidiaries, associates and other investments	-5.185	0
Change in consolidation scope	-677	0
Dividends from equity accounted investees	34.067	88.642
Borrowings to equity accounted investees	-5.239	-1.512
Repayments from equity accounted investees	18.774	45.315
NET CASH FROM INVESTING ACTIVITIES	30.368	68.561
FINANCING ACTIVITIES		
Dividends paid	-19.259	-25.453
Dividends received	127	417
Acquisitions from treasury shares	0	-5.292
Proceeds from treasury shares and share options exercised	585	1.370
Proceeds from new borrowings	100	40.020
Repayment of borrowings	-21.716	-14.774
Increase/ decrease in restricted cash	7.441	-18.054
NET CASH FROM FINANCING ACTIVITIES	-32.722	-21.766
NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS	-8.230	42.200
RECONCILIATION OF NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS		
Net cash and cash equivalents at 1 January	129.969	88.554
Net increase/decrease in cash and cash equivalents	-8.230	42.200
Exchange rate fluctuations on cash and cash equivalents	-643	-785
NET CASH AND CASH EQUIVALENTS AT 31 DECEMBER	121.096	129.969

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
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS PER 31 DECEMBER 2015											
1 January 2015	88.812	209.902	184.110	-53.769	-8.845	881	-1.329	9.825	429.587	175	429.762
Comprehensive result for the period											
Result for the period			11.211						11.211	34	11.245
Foreign currency translation differences					-1.456				-1.456	-19	-1.475
Net change in fair value of cash flow hedges - hedge accounting							-2.494		-2.494		-2.494
Net change in fair value of available-for-sale financial assets						-4.854			-4.854		-4.854
Employee benefits - remeasurements of defined benefit liability/asset			1.087						1.087		1.087
Total other comprehensive result	0	0	1.087	0	-1.456	-4.854	-2.494	0	-7.717	-19	-7.736
Total comprehensive result for the period	0	0	12.298	0	-1.456	-4.854	-2.494	0	3.494	15	3.509
Transactions with owners of the Company											
Dividends paid			-25.453						-25.453		-25.453
Share-based payments											
Share options exercised			-3.039	4.938				-572	1.327		1.327
Treasury shares purchased				-5.292					-5.292		-5.292
Share based payments transactions								951	951		951
Total transactions with owners of the Company	0	0	-28.492	-354	0	0	0	379	-28.467	0	-28.467
31 December 2015	88.812	209.902	167.916	-54.123	-10.301	-3.973	-3.823	10.204	404.614	190	404.804

	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
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS PER 31 DECEMBER 2016											
1 January 2016	88.812	209.902	167.916	-54.123	-10.301	-3.973	-3.823	10.204	404.614	190	404.804
Comprehensive result for the period											
Result for the period			35.786						35.786	32	35.818
Foreign currency translation differences					-543				-543	-7	-550
Foreign currency translation differences - share equity accounted investees					1.067				1.067		1.067
Net change in fair value of cash flow hedges - hedge accounting							2.408		2.408		2.408
Net change in fair value of cash flow hedges - hedge accounting - share equity accounted investees							2.237		2.237		2.237
Net change in fair value of available-for-sale financial assets								0	0		0
Net change in fair value of available-for-sale financial assets transferred to profit or loss						3.973			3.973		3.973
Employee benefits - remeasurements of defined benefit liability/asset			-15						-15		-15
Total other comprehensive result	0	0	-15	0	524	3.973	4.645	0	9.127	-7	9.120
Total comprehensive result for the period	0	0	35.771	0	524	3.973	4.645	0	44.913	25	44.938
Transactions with owners of the Company											
Dividends paid			-19.259						-19.259		-19.259
Share-based payments											
Share options exercised			-993	1.887				-250	644		644
Treasury shares sold									0		0
Share based payments transactions								1.557	1.557		1.557
Total transactions with owners of the Company	0	0	-20.252	1.887	0	0	0	1.307	-17.058	0	-17.058
31 December 2016	88.812	209.902	183.435	-52.236	-9.777	0	822	11.511	432.469	215	432.684