

The Executive Committee of EXMAR NV today reports its third quarter results 2018.

Key figures

CONSOLIDATED KEY FIGURES	IFRS "International Financial Reporting Standards"		Management Reporting based on "Proportional Consolidation"	
	YTD September 2018	YTD September 2017	YTD September 2018	YTD September 2017
Consolidated income statement according IFRS (in million USD)				
Turnover	75.5	70.2	140.5	157.0
EBITDA	21.2	6.2	51.8	73.7
Depreciations and impairment losses	-17.7	-6.2	-36.4	-57.7
Operating result (EBIT)	3.5	0.0	15.4	16.0
Net Finance result	-19.7	-6.7	-31.2	-34.3
Share in the result of equity accounted investees	0.8	-12.4	0.6	-0.7
Result before taxes	-15.4	-19.1	-15.2	-19.0
Income taxes	-1.0	-0.8	-1.2	-0.9
Consolidated result after taxation	-16.4	-19.9	-16.4	-19.9
- Share of the group in the result	-16.4	-19.9	-16.4	-19.9
Information per share (in USD per share)				
Weighted average number of shares during the period	57,024,230	56,822,567	57,024,230	56,822,567
EBITDA	0.37	0.11	0.91	1.30
EBIT	0.06	0.00	0.27	0.28
Consolidated result after taxation	-0.29	-0.35	-0.29	-0.35
Contribution to the consolidated operating result (EBIT) of the various operating divisions (in million USD)			YTD September 2018	YTD September 2017
LPG			2.9	8.9
LNG			14.4	-16.4
Offshore			-1.8	-6.9
Supporting Services and Holding			-0.1	30.4
Consolidated operating result			15.4	16.0

IFRS Figures: The figures in these columns have been prepared in accordance with International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU and have not been reviewed by the statutory auditor.

Proportional Consolidated Figures: The figures in these columns show joint ventures applying the proportionate consolidation method instead of applying the equity method and have not been reviewed by the statutory auditor.

Cash Flow from operations (EBITDA) **as per proportionate consolidation method** for the third quarter is USD 8.5 million (USD 12.8 million for third quarter 2017).

EBIT for the third quarter 2018 is USD 1.6 million (USD 1.4 million for third quarter 2017).



Time – Charter Equivalent for the LPG fleet

Time-Charter Equivalent (in USD per day)	YTD September 2018	YTD September 2017
Midsize (38,115 m ³)	18,319	20,797
VLGC (83,300 m ³)	11,192	12,044
Pressurized (3,500 m ³)	6,893	5,650
Pressurized (5,000 m ³)	8,761	6,776

Highlights third quarter 2018 and outlook

LPG:

The EBIT for the LPG Division in the third quarter of 2018 was USD 1.0 million compared to USD 1.1 million in the third quarter of 2017.

The solid upturn in Very Large Gas Carriers (“**VLGC**”) earnings since early June has risen by 30% with spot levels currently reflecting about USD 30,000 per day on a modern 84,000m³. Such time charter equivalent levels have not been achieved since early 2016. Although further US export volume growth might be required, the **VLGC** segment seems to have entered into a period of relative stability. EXMAR’s single **VLGC** position is benefitting in full from the recent market improvements with **BW TOKYO** on charter until mid-2019 on a floating hire basis in accordance with the Baltic Index.

With reduced pressure from larger vessels and an overall healthy employment level the Midsize (“**MGC**”) market shows signs of an increasing recovery. While having a solid backbone of respectively 88% cover for 2018 and 48% for 2019, EXMAR’s 20-strong Midsize fleet remains well-placed to take advantage of the improving market environment.

Continued tight spot market conditions and a limited order book maintain a solid outlook for the **Pressurized** vessel segment. Whereas EXMAR’s fleet is entirely booked for 2018, the cover ratios for 2019 are respectively 34% for its seven 3,500m³ and 26% for its three 5,000m³. Rewarding new prospects as well as opportunities to extend current charters are therefore expected to positively impact future earnings. In the meanwhile, a successful refinancing operation on EXMAR’s Pressurized fleet will be completed before the end of October with seven vessels refinanced in 2018 and tree vessels in the first quarter of 2019 generating approximately USD 60,0 million of free cash to EXMAR.

LNG & LNG Infrastructure:

The EBIT for the LNG Division in the third quarter of 2018 was USD -9.4 million compared to USD 4.1 million in the third quarter of 2017.

LNG Shipping: LNG shipping cash flow is generated by the one LNG carrier **EXCALIBUR** under her long-term time charter contract until early 2022, fully performing in line with her contract.

Floating Regasification: The Floating Storage Regasification Unit (“**FSRU**”) barge, contracted to Gunvor last year and delivered from the yard in December 2017, is currently still at Keppel Shipyard. EXMAR expects instructions and timeline for mobilization to the project site in Bangladesh or elsewhere as the Charterer might elect.

In the meantime the FSRU is on hire as from October 2018 and EXMAR is working on several alternative financings. Gunvor has certain termination rights, in line with market practice and such rights exists if no agreement is reached between Gunvor and the authorities in Bangladesh.



Floating Liquefaction: The Floating Natural Gas Liquefaction Unit (“**CFLNG**”), ready at the yard, is being prospected for several LNG export opportunities amongst others in Argentina for YPF. EXMAR management remains comfortable that the unit will be able to start its gas liquefaction operations in 2019.

OFFSHORE

The EBIT for the Offshore Division in the third quarter of 2018 was USD 0.3 million compared to USD -3.2 million in the third quarter of 2017.

EXMAR Offshore Houston was recently awarded a contract for engineering and construction supervision services for a Floating Production System (“**FPS**”) using the OPTI®-11000 design for use in the US Gulf of Mexico. The engineering and constructions services will be performed directly for Hyundai Heavy Industries where the facility will be built. This FPS will be the third facility utilizing EXMAR’s proprietary OPTI® hull and deck design for which a design license fee has been paid in October.

The **NUNCE** accommodation work barge will remain under firm employment with Sonangol P&P, offshore Angola, until the end of the second quarter 2022. The **WARIBOKO** accommodation work barge continues to be employed by Total E&P, offshore Nigeria, and will be employed until the end of 2018. EXMAR is currently working on employment opportunities beyond that period.

SUPPORTING SERVICES

The contribution of the Supporting activities to the operating result (EBIT) for the third quarter 2018 was USD 2.0 million (USD 29.9 million for the third quarter 2017 including USD 31.0 million capital gain on the sale of BELGIBO).

LIQUIDITY POSITION

In consideration of the refinancing of the pressurized fleet and subject to (1) the employment of the **CFLNG** in the coming months (that would also free up a large portion of the restricted cash) and (2) the finalization of a financing for the FSRU, the management is confident that EXMAR will be in a position to repay the outstanding Bond at maturity or refinance part of it with a new Bond.

About EXMAR:

EXMAR is a provider of floating solutions for the operation, transportation and transformation of gas. EXMAR’s mission is to serve customers with innovations in the field of offshore extraction, transformation, production, storage and transportation by sea of liquefied natural gases, petrochemical gases and liquid hydrocarbons.

EXMAR creates economically viable and sustainable energy value chains in long-term alliances with first class business partners. EXMAR designs, builds, certifies, owns, leases and operates specialized, floating maritime infrastructure for this purpose as well as aiming for the highest standards in performing commercial, technical, quality assurance and administrative management for the entire maritime energy industry.

EXMAR is listed on Euronext Brussels (EXM) and is part of the BEL Small Index.

