



First-half results 2015

**A strong order book comprising 128 units for a total €800 million in revenues out to 2020
Confirmation of 2015 and 2016 targets**

Key figures for first half 2015

- 31 new orders in the first six months
- Revenues of 105 million euros
- Net margin of 51.7%
- Interim dividend payout of €1.30 per share

First half 2015 highlights

- Order placed for first LNG bunker barge for the North American market
- 2 FRSUs on order
- Cooperation agreements on industrialisation of Mark V system
- New subsidiary incorporated in Singapore

Paris – July 21, 2015 – GTT (Gaztransport & Technigaz), world leader in the design of Liquefied Natural Gas (LNG) containment and storage systems today announced its first half 2015 financial results.

Summary income statement for the first half of 2015

(In thousands of euros, except for EPS)	H1 2014	H1 2015
Revenue from operating activities	114,947	104,928
Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA ¹)	72,819	65,974
EBITDA margin (on revenues, %)	63.4%	62.9%
Operating income (EBIT)	71,088	64,564
EBIT margin (on revenues, %)	61.8%	61.5%
Net income	58,895	54,229
Net margin (on revenues, %)	51.2%	51.7%
Net earnings per share ² (EPS, in euros)	1.59	1.46

Philippe Berterottière, Chairman and Chief Executive Officer of GTT, commented: *“With an intake of 31 orders during the first half of 2015, we are pleased with the level of activity achieved in the first part of the year in a contrasted environment. Our order book is currently worth some 800 million euros in revenues out to 2020, giving GTT increased revenue visibility for the years ahead. The two cooperation agreements signed in the first half with two leading shipyards mark an important milestone in the industrialisation of our new Mark V technology and illustrate the momentum and validity of our innovation policy. The fall-off in first-half revenues can be put down to a high comparison base and time lag in shipbuilding milestones, and does not call our targets for the current financial year into question, i.e., a revenue level close to last year’s and a net margin of around 50%.”*

¹ EBITDA corresponds to EBIT (earnings before interest and taxes) plus the depreciation and amortisation on assets under IFRS.

² Earnings per share at the end of June 2014 were calculated on the basis of the weighted average number of shares in circulation, i.e., 37,078,357 shares, and at end-June 2015 net earnings per share were calculated on the basis of a share capital of 37,064,628 shares, not counting the 13,729 treasury shares.

Changes in activity

- High order intake

During the first half of 2015, GTT's sales activity saw a very high success rate:

- 28 orders for LNGCs from three different shipyards. All these ships will be equipped with the latest NO 96 GW and Mark III Flex technologies. Of these orders, five are for ice-breaking LNGCs used to ship LNG in extreme Arctic conditions. Note also the recent order by the Imabari Shipbuilding Co, Ltd. of Japan, which confirms that yard's continuing interest in GTT technology following the two orders placed in 2014.
 - 1 order from the Conrad shipyard in the USA placed with GTT North America for an LNG bunker barge, the first of its kind built for the North American marine market. The barge, whose design was entirely developed by GTT, will be built using Mark III Flex cargo containment technology and will be equipped with an innovative REACH₄ bunker mast design, also developed by GTT, which guarantees easy, safe transfer of LNG fuel to the client vessel.
 - 2 orders for FSRUs, demonstrating the interest of the natural gas industry for this type of regasification vessel which presents flexibility to the countries which wish to import LNG.
- **Agreements on the industrialisation of the new Mark V system technology to keep pace with client demand**

During the first half of 2015, the Company signed two cooperation agreements with a view to industrializing its Mark V system, a new technology that reduces the LNG cargo boil-off rate, leading to significant savings for ship-owners.

- One was signed with Samsung Heavy Industries. The agreement includes the building by the shipyard of a mock-up dedicated to final developments and related tests.
- The other agreement was signed with Hyundai Heavy Industries. This agreement includes the development and qualification of an innovative welding robot that will optimize the welding process and cut construction time.

These two agreements illustrate the high quality of GTT partnerships with shipyards and the great trust they place in GTT-developed technology.

Creation of Singapore subsidiary

In April 2015, GTT set up GAZTRANSPORT & TECHNIGAZ - GTT SEA PTE. LTD, its fourth subsidiary, wholly owned by GTT SA. The Singapore-based entity will facilitate sales prospecting in Asia-Pacific and Japan, and help the Company to derive maximum benefit from the forecast development of LNG as a marine fuel in this part of the world.

Order book

Since January 1, 2015, the GTT order book, which then comprised 114 units, has changed with:

- 15 LNGCs delivered
- 31 new orders taken: 28 LNGCs, 2 FSRUs, and 1 order for an LNG bunker barge
- The cancellation of an order for two LNGCs

At June 30, 2015, the order book stood at 128:

- 113 LNGCs and ethane carriers
- 8 FSRUs
- 3 FLNGs
- 3 onshore storage facilities
- 1 LNG bunker barge

2015 first-half revenues

(In thousands of euros)	H1 2014	H1 2015	Change
Revenue from operating activities	114,947	104,928	-8.7%
From royalties	110,162	96,394	-12.5%
From services	4,785	8,534	+78.4%

Revenue from operating activities came out at 104.9 million euros in the six months to June 30, 2015, as against 114.9 million euros in the six months to June 30, 2014, a drop of 8.7% over the half-year.

The fall-off is due to a 12.5% decline in revenue from royalties which can be explained by a high comparison base and time lag in shipbuilding milestones. Note the substantial increase in revenue from other services, up 78.4%. At June 30, 2015, revenue derived from other services amounted to 8.1% of total company revenues.

Income statement analysis

Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) reached 66.0 million euros in the first half of 2015, down 9.4% on the year-earlier period. The change is mainly due to the decline in revenues, partly offset by a 7.5% decline in net operating costs excluding Depreciation and Amortisation.

The EBITDA margin on revenue fell from 63.4% in the first half of 2014 to 62.9% in the first half of 2015.

First-half 2015 operating income came to 64.6 million euros, compared with 71.1 million euros in the first half of 2014, a drop of 9.2%.

Net income fell from 58.9 million euros in the first half of 2014 to 54.2 million euros in the first half of 2015, while the net margin rose slightly between June 30, 2014 and June 30, 2015, from 51.2% to 51.7%.

Other financial data

(In thousands of euros)	H1 2014	H1 2015
Investment spending (fixed asset acquisitions)	(2,370)	(3,803)
Dividends paid	(75,330)	(43,000)
Cash and cash equivalents	61,798	52,422

At June 30, 2015, the Company had a positive cash and cash equivalent position amounting to 52.4 million euros. To this amount may be added financial assets amounting to 24.5 million euros.

Outlook for 2015 and 2016

GTT has excellent revenue visibility thanks to the size of its order book at June 30, 2015, which corresponds to revenues of around 800 million euros over the 2015-2020 period (210 million euros in 2015, 249 million euros in 2016, 187 million euros in 2017, 123 million euros in 2018, 25 million euros in 2019, and 4 million euros in 2020).

Subject to changes that may affect the markets in which GTT operates, the company can confirm its targets, namely:

- In 2015 :
 - o Revenues roughly equivalent to 2014, of close to 227 million euros, as postponed revenues linked to shipbuilding milestones should be recovered in the second half.
 - o A net margin of circa 50%,
 - o A dividend payout ratio of at least 80% of the net income available for distribution.
- In 2016 :
 - o a revenue growth of at least 10% vs 2015, which represents more than 250 million euros.

Interim dividend payment

On July 21, 2015, the GTT Board of Directors decided the payment of an interim dividend of €1.30 per share for the 2015 financial year. This dividend will be paid in cash according to the following schedule:

- September 28, 2015: ex-dividend date
- September 30, 2015: payment date

Presentation of 2015 first-half results

Philippe Berterottière, Chairman and CEO, along with CFO Cécile Arson, will comment on GTT's results and answer questions from the financial community during a conference call in English on Wednesday, July 22, 2015 at 9 am CEST.

To participate in the conference call, you may call any of the following numbers approximately 5-10 minutes prior to the scheduled start time:

- France: + 331 76 77 22 20
- UK: + 4420 3427 1914
- USA: + 1212 444 0895

Confirmation code: **8660758**

The conference call will also be available via a simultaneous, listen-only webcast on GTT's website (www.gtt.fr). The presentation document will be available on the website.

Financial calendar

- Payment on September 30, 2015 of an interim dividend of €1.30 per share for the 2015 financial year
- Release of 2015 Q3 revenues on October 19, 2015 (after market close)
- Release of 2015 full year results on February 18, 2016 (after market close)

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For further information, please see www.gtt.fr, especially the presentation posted online at the time of the July 22, 2015 conference call.

About GTT

GTT (Gaztransport & Technigaz) is the world leader in cryogenic membrane containment systems used in the shipbuilding industry for the transport of LNG. For over 50 years, GTT has offered to its customers technologies which allow them to optimize storage space and reduce the construction and operating costs of ships or tanks equipped with these systems. GTT operates in a number of sectors: LNGCs (Liquefied Natural Gas Carriers), high capacity ethylene carriers, FLNGs (Floating Liquefied Natural Gas vessels), FSRUs (Floating Storage and Regasification units), onshore storage tanks, and solutions for using LNG as a fuel chain.

GTT is listed in Compartment A of Euronext Paris (ISIN FR0011726835, Ticker GTT) and forms part of the SBF 120 and MSCI Small Cap indices, among others.

Important notice

The figures presented here are those customarily used and communicated to the markets by GTT. This message includes forward-looking information and statements. Such statements include financial projections and estimates, the assumptions on which they are based, as well as statements about projects, objectives and expectations regarding future operations, profits, or services, or future performance. Although GTT management believes that these forward-looking statements are reasonable, investors and GTT shareholders should be aware that such forward-looking information and statements are subject to many risks and uncertainties that are generally difficult to predict and beyond the control of GTT, and may cause results and developments to differ significantly from those expressed, implied or predicted in the forward-looking statements or information. Such risks include those explained or identified in the public documents filed by GTT with the French Financial Markets Authority (AMF), including those listed in the "Risk Factors" section of the GTT base document (in French) registered with the AMF on April 27, 2015 under number R.15-022, and the half-yearly financial report released on July 21, 2015. Investors and GTT shareholders should note that if some or all of these risks are realized they may have a significant unfavourable impact on GTT.

Appendices (financial statements, IFRS)

Appendix 1: Balance sheet

In thousands of euros	December 31, 2014	June 30, 2015
Intangible assets	298	238
Property, plant and equipment	14 598	16 591
Non current financial assets	12 936	28 363
Deferred tax assets	85	-
Non-current assets	27 917	45 192
Trade and other receivables	75 203	81 161
Other current assets	31 270	28 283
Cash and cash equivalents	64 705	52 422
Current assets	171 177	161 866
TOTAL ASSETS	199 095	207 058

In thousands of euros	December 31, 2014	June 30, 2015
Share capital	371	371
Share premium	2 932	2 932
Reserves	(42 965)	29 862
Profit for the period	115 356	54 229
Other comprehensive income	80	1 048
Total equity	75 774	88 442
Non-current provision	5 742	3 388
Other non-current financial liabilities	1 620	1 391
Deferred tax liabilities	-	376
Other non-current liabilities	201	-
Non-current liabilities	7 563	5 155
Current provision	-	-
Trade and other payables	14 744	12 813
Current financial liabilities	609	554
Other current liabilities	100 405	100 094
Current liabilities	115 758	113 461
TOTAL EQUITY AND LIABILITIES	199 095	207 058

Appendix 2: Income statement

In thousands of euros	June 30, 2014	June 30, 2015
Revenue from operating activities	114 947	104 928
Costs of sales	(1 009)	(1 244)
External charges	(15 909)	(20 112)
Personnel expenses	(25 670)	(20 939)
Taxes	(3 517)	(1 790)
Depreciations, amortisations and provisions	(364)	673
Other current operating income and expense	2 610	3 048
Current operating income	71 088	64 564
Other non-current income and expenses	-	-
Operating profit	71 088	64 564
Net financial income	794	492
Profit before tax	71 882	65 056
Income tax	(12 987)	(10 827)
Net profit	58 895	54 229
Basic earnings per share	1.59	1.46
Diluted earnings per share	1.58	1.45

In thousands of euros	June 30, 2014	June 30, 2015
Net profit	58 895	54 229
Items not recycled to profit or loss:		
Actuarial Gains and Losses		
Gross amount	236	490
Deferred tax	(35)	(73)
Total amount, net of tax	200	417
Items to be recycled to profit or loss:		
Fair value changes on equity investments		
Gross amount	235	743
Deferred tax	(35)	(111)
Total amount, net of tax	200	631
Other comprehensive income for the period	400	1 048
Total comprehensive income	59 295	55 277
Basic comprehensive income per share (in euros)	1.60	1.49
Diluted comprehensive income per share (in euros)	1.59	1.48

Appendix 3: Cash flow statement

(In thousands of euros)	June 30, 2014	June 30, 2015
Profit for the period	58 895	54 229
Income and expenses with no cash effect resulting from operating activities:		
Depreciations, amortisations and provisions	364	(759)
- Capital gains on disposals	-	-
Income tax	12 987	10 827
Share-based payment	1 371	847
Other income and expenses	44	(104)
Internally generated funds from operations	73 661	65 040
Income tax paid	(11 328)	(10 550)
Movements in working capital:		
- (Increase)/decrease in trade and other receivables	5 196	(5 959)
- Increase/(decrease) in trade and other payables	(5 488)	(1 931)
- Decrease/increase in other assets and liabilities	(15 425)	(2 193)
Cash flow from operating activities (Total I)	46 616	44 408
Investment activities		
Acquisition of property, plant and equipment	(2 370)	(3 803)
Disposal of property, plant and equipment	69	82
Financial investments	-	(10 007)
Disposal of financial investments	4 000	345
Treasury shares	-	-
Increase in other financial assets	273	-
Cash flow from investing activities (Total II)	1 972	(13 381)
Financing activities		
Dividends paid to owners of the company	(75 330)	(43 000)
Capital increase	1 824	-
Hydrocarbon Support Fund cash advances change	(464)	(311)
Interest paid	-	-
Change in bank loans	-	-
Cash flow from financing activities (Total III)	(73 970)	(43 310)
Net increase/ (decrease) in cash and cash equivalents (I+II+III)	(25 382)	(12 283)
Cash and cash equivalents at the beginning of the year	87 180	64 705
Cash and cash equivalents at the end of the year	61 798	52 422
Impact of exchange rate fluctuations	-	-
Net increase/(decrease) in cash and cash equivalents	(25 382)	(12 283)

Appendix 4: Breakdown of Revenues

(In thousands of euros)	June 30, 2014	June 30, 2015	Change
Revenue from operating activities	114 947	104 928	-8.7%
From royalties	110 162	96 394	-12.5%
LNG carriers /Ethane carriers	92 169	84 500	-8.3%
FSRUs	12 967	6 905	-46.7%
FLNG	3 954	4 430	+12.0%
Onshore storages	1 072	344	-67.9%
Barges		215	
From services	4 785	8 535	+78.4%