



Full Year 2015 Results

2015 revenues and net margin in line with announced targets
2016 revenue target confirmed at more than €250 million
2016 net margin target at more than 50%

2015 key figures

- 35 orders received during the year
- Revenues of €226.5 million
- Net margin of 51.8%
- Proposed dividend of €2.66 per share¹

Highlights

- First LNG bunker barge ordered for the North American market
- Cooperation agreements for the industrialisation of two new technologies: Mark V and NO96 Max
- First licensing agreement with an Indian shipyard

Paris, February 18, 2016 - GTT (Gaztransport & Technigaz), world leader in the design of membrane containment systems for the maritime transportation and storage of LNG (Liquefied Natural Gas), announces its results for the full-year 2015.

2015 summary income statement

(in thousands of euros, except for EPS)	2014	2015	Change
Revenues from operating activities	226,760	226,458	-0.13%
Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA ²)	142,282	142,160	-0.09%
EBITDA margin (on revenues, %)	62.7%	62.8%	+0.1 pt
Operating income (EBIT)	138,883	139,275	+0.28%
EBIT margin (on revenues, %)	61.2%	61.5%	+0.3 pt
Net income	115,395	117,257	+1.61%
Net margin (on revenues, %)	50.9%	51.8%	+0.9 pt
Net earnings per share ³ (EPS, in euros)	3.11	3.16	+1.61%

Philippe Berterrotière, Chairman and Chief Executive Officer of GTT, commented: *“In a volatile environment, our order book was again well-filled, with 35 new orders in 2015. This allows us to once more confirm our revenue target for 2016, at more than 250 million euros, and to anticipate for the same financial year a net margin of more than 50%. We also aim to distribute, for 2016 and 2017, an amount of dividend at least equivalent to that proposed for 2015.*

¹ Subject to approval by the Annual General Meeting of Shareholders on May 18, 2016.

² EBITDA corresponds to EBIT plus depreciation on fixed assets under IFRS.

³ As at December 31, 2015, net earnings per share were calculated using the weighted average number of shares outstanding, or 37,064,407 shares.

Since our stock exchange listing, we have demonstrated that we are able to meet our targets. Our commercial success resides above all in our ability to develop our technologies and to offer shipyards and shipowners the safest, most efficient solutions at the optimum price. The best illustrations of this are the agreements signed with the leading South Korean shipyards for marketing our new Mark V and NO96 Max technologies, and the launch of new services for shipowners. From a financial point of view, we have a strong balance sheet and systematically seek the best trade-off between efficiency and flexibility through strict management of our resources.”

Sustained activity

- Historically high level of orders

In 2015, GTT booked 35 new orders, which break down as follows:

- 31 orders for LNG carriers. On top of the 29 orders already announced in the first nine months of the year, two more LNG carriers were ordered by Daewoo Shipbuilding & Marine Engineering in the fourth quarter. Among those orders, the one from the Japanese shipyard Imabari Shipbuilding Co, Ltd confirms Imabari’s continued interest in GTT following the two orders placed in 2014.
- 3 orders for FSRUs⁴. This segment continues to benefit from the entry of new importing countries into the LNG market. GTT currently has 7 FSRUs on order, or 100% of the ongoing construction contracts.
- One order for a barge. This order for a LNG bunker barge, placed by US shipbuilder Conrad Shipyard in early 2015, the first of its type on the North American market, highlights GTT’s ability to adapt its technologies to conquer new markets or respond to new applications.

- Signing of a partnership framework agreement with CERN

In early October, a framework partnership agreement was signed with CERN for the engineering and construction of several onshore tanks known as cryostats, to contain liquid argon for experimental purposes. It follows the delivery in 2015 of a first cryostat built using GTT technology.

- A sustained R&D Effort

The Company is highly active in R&D and at end-2015 owned a portfolio of more than 900 patents that are either active or being filed. The technologies recently developed by GTT already represent more than 80% of the order book at December 31, 2015.

- Marketing new upgrades to GTT systems

Following two cooperation agreements signed in the first half with Samsung Heavy Industries and Hyundai Heavy Industries to industrialise the new Mark V technology, GTT received its first two general approvals for the new containment system from the DNV-GL and Lloyd’s Register classification societies.

In a more recent development, GTT announced on February 10, 2016 that it had finalised a cooperation agreement with South Korean shipbuilder Daewoo Shipbuilding & Marine Engineering (DSME) to industrialise its new NO96 Max technology and to market it in 2016. This technology has already received approval in principle from the main classification societies.

⁴ FSRU: Floating Storage and Regasification Unit

Note: GTT’s full-year IFRS financial statements have been audited, and the auditor’s report will be issued before the company’s registration document is filed with the AMF (scheduled for end-March 2016).

- **Launch of new services and opening of fifth subsidiary**

Launched in late 2015, LNG Advisor is a new service offer dedicated to monitoring boil-off LNG gas during transportation. LNG Advisor will enable real-time transmission both on-ship and onshore of reliable data on vessels' energy performance, with gas, marine diesel, and heavy fuel oil consumption plus the LNG boil-off rate being measured in real time by automated processes.

The new service will be marketed by GTT's wholly-owned subsidiary Cryometrics. Based in France, Cryometrics will develop other high-value added services focusing on the operational performance of LNG carriers and vessels carrying other types of liquefied gas, as well as LNG-fuelled vessels.

The creation of Cryometrics followed the launch, in April 2015, of GTT SEA PTE, a subsidiary set up in Singapore to facilitate sales prospecting in the Asia-Pacific region, especially for LNG as a marine fuel.

- **Two new license agreements with shipyards**

In December 2015, GTT announced it had signed a license agreement (LA) with Cochin Shipyard Ltd to build in India LNG carriers designed using GTT technologies. Cochin Shipyard is the first Indian shipbuilder licensed by GTT.

In early 2015, a technical assistance and license agreement (TALA) was signed between GTT North America and Conrad Shipyard, a leading US shipbuilder, to design and build LNG bunker barges and tanks for LNG fuelled vessels using GTT membrane containment technology. The contract led to the first order for a barge.

These new licensing contracts illustrate the Company's commitment to developing new markets and new forms of partnership.

A robust order book

Since January 1, 2015, GTT's order book, which then stood at 114 units, has changed with:

- 35 new orders taken: 31 LNGCs, 3 FSRUs and an LNG bunker barge⁵
- 29 deliveries: 26 LNGCs, 2 FSRUs and 1 onshore storage tank
- The cancellation of an order for two LNGCs in the first quarter of 2015.

As a result, at December 31, 2015, the order book comprised 118 units, including:

- 105 LNGCs and ethane carriers
- 7 FSRUs
- 3 FLNGs
- 2 onshore storage tanks
- 1 LNG bunker barge

Revenues in line with targets

(in thousands of euros)	2014	2015	Change
Revenues	226,760	226,458	-0.1%
From royalties	216,363	209,323	-3.3%
From services	10,397	17,135	+64.8%

⁵ Order placed with GTT North America

Revenues at December 31, 2015 came in virtually unchanged (-0.1%) on the earlier period, at €226.5 million, compared with €226.8 million at December 31, 2014.

Revenues from royalties totalled €209.3 million (down 3.2%), which can be explained by a time-lag in certain vessel construction milestones. The decline was almost completely offset by the very sharp, 64.8% rise in revenues from services, which accounted for 7.6% of the Company's revenues in 2015, compared with 4.6% in 2014. This sharp increase was mainly due to feasibility and pre-projects studies – a sign of strong market interest in our technologies – and by maintenance contracts for vessels in service.

Increase in net income and net margin

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) for 2015 amounted to €142.2 million, virtually unchanged compared with 2014 (€142.3 million). This was due to the following factors:

- A 13.1% increase in external expenses (mainly external studies and subcontracting),
- A 9.9% fall in payroll expenses.

Operating income (EBIT) saw an increase of 0.3% to €139.3 million in 2015, compared with €138.9 million in 2014, taking the operating margin from 61.2% to 61.5%.

The financial income came to €0.7 million, compared with €1.4 million in the previous year, largely due to lower financial returns on cash investments.

Net income rose from €115.4 million in 2014 to €117.3 million in 2015, for a net margin in 2015 of 51.8%, slightly higher than the announced targets.

A strong balance sheet and positive cash position

(in thousands of euros)	2014	2015	Var.
Capital expenditure (acquisition of fixed assets)	(7,245)	(9,901)	+36.7%
Dividend paid	(130,948)	(91,165)	-30.4%
Cash and cash equivalents	64,705	73,444	+13.5%

As at December 31, 2015, the Company had €73.4 million of cash and cash equivalents. To this amount may be added investments of €24.8 million classified as financial assets.

The €8.7 million net change in cash can mostly be explained by the payment of a smaller dividend in 2015 than in 2014, in connection with the long-term policy launched at the time of the stock market listing.

Dividend for 2015

Meeting on February 18, 2016, the Board of Directors, after closing the 2015 financial statements, agreed to propose an all-cash dividend of €2.66 per share for 2015 at the Annual General Meeting of shareholders to be held on May 18, 2016. An interim dividend amounting €1.30 per share having already been paid on September 30, 2015 pursuant to the decision of the Board of Directors on July 21, 2015, the balance dividend, amounting to €1.36 per share, will be paid in cash on May 31, 2016 (with an ex-dividend of May 27, 2016). This proposed dividend corresponds to a payout ratio of 83% of the net income available for distribution (French GAAP).

Furthermore, in accordance with guidance provided by the Company at the time of its listing, an interim dividend for 2016 should be paid in September 2016.

Outlook

GTT operates on markets whose long-term fundamentals remain favourable.

- Worldwide demand for natural gas is growing at an average 5.5%⁶ a year. The share of gas consumption in the global energy mix is forecast to rise to nearly 25%⁷ by 2040.
- The LNG market is fuelled by still-strong demand from Asia and by rising demand in Europe. Also, because gas is the most abundant and cleanest of the fossil fuels, new countries are becoming LNG importers each year.
- The emergence of new sources of supply is driving LNG transport on more and longer shipping routes, which is also sustaining demand for LNG carriers and other LNG vessels.

The Company enjoys good revenue visibility thanks to its order book as at December 31, 2015. This corresponds to revenues of €619 million between 2016 and 2020 (€242 million in 2016, €209 million in 2017, €137 million in 2018, €27 million in 2019, and €4 million in 2020).

Moreover, since listing, GTT has provided estimates of orders for its principal market segments for the coming ten years. As regards the order intake over the period 2016-2025, GTT is forecasting 270-280 orders for LNG carriers, 25-35 orders for FSRUs, 7-13 orders for FLNGs and 10-15 orders for onshore storage tanks.

The Company would, however, point out that the number of new orders may see large-scale variations from one quarter to another and even one year to another without the fundamentals on which its business model is based being called into question.

On the basis of these factors and subject to any significant delays or cancellations in orders, the Company:

- confirms its revenue target for 2016, namely a growth of more than 10% vs 2015, which represents more than €250 million of revenues,
- anticipates, for 2016, a net margin above 50%⁸,
- aims to distribute, for 2016 and 2017, an amount of dividend at least equivalent to that proposed for 2015.

Information on the Korea Fair Trade Commission enquiry

On January 29, 2016, GTT was notified by the Korean Fair Trade Commission (KFTC) that an enquiry had been opened. Although GTT does not have any precise information to-date, it is believed that the enquiry may concern possible abuse of dominant position in connection with the Korean shipyards' LNG carrier construction business.

GTT stresses that the opening of such an enquiry should not lead to any prejudgements as to its outcome. At this stage in the proceedings, it is not possible to estimate either the length of the enquiry or its outcome.

GTT believes that its business practices are compliant with the relevant Korean competition laws and intends to fully cooperate with the KFTC.

The Company will keep the markets updated as to the future developments in this respect.

⁶ 2016-2025 average/ Source: Wood Mackenzie / Forecasts, Q4 2015

⁷ Source: IEA

⁸ Excluding potential acquisition effect

Financial agenda

- Release of Q1 2016 revenues: April 12, 2016 (after market close)
- Annual General Meeting of Shareholders: May 18, 2016
- Payment of balance dividend (€1.36 per share) for 2015: May 31, 2016
- Release of H1 2016 results: July 21, 2016 (after market close)

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For more information, visit the GTT website at www.gtt.fr.

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 French language version of this press release shall prevail. 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 realised they may have a significant unfavourable impact on GTT.

Appendices (IFRS financial statements)

Appendix 1: Balance sheet

In thousands of euros	December 31, 2014	December 31, 2015
Intangible assets	298	763
Property, plant and equipment	14,598	17,789
Non-current financial assets	12,936	15,445
Deferred tax assets	85	282
Non-current assets	27,917	34,279
Customers	75,203	83,254
Other current assets	26,270	31,024
Financial current assets	5,000	12,688
Cash and cash equivalents	64,705	73,444
Current assets	171,178	200,410
TOTAL ASSETS	199,095	234,690

In thousands of euros	December 31, 2014	December 31, 2015
Share capital	371	371
Share premium	2,932	2,932
Reserves	(42,642)	(21,520)
Net income	115,395	117,257
Other items of comprehensive income	80	1,675
Total Equity	76,136	100,714
Non-current provision	5,742	3,198
Financial liabilities - non-current part	1,620	1,091
Other non-current financial liabilities	201	91
Non-current liabilities	7,563	4,381
Suppliers	14,744	11,187
Current liabilities	609	561
Other current liabilities	100,043	117,847
Current liabilities	115,396	129,594
TOTAL EQUITY AND LIABILITIES	199,095	234,690

Appendix 2: Income statement

In thousands of euros	December 31, 2014	December 31, 2015
Revenues from operating activities	226,760	226,458
Costs of sales	(2,108)	(2,263)
External charges	(37,800)	(42,764)
Personnel expenses	(47,226)	(42,539)
Taxes	(5,631)	(4,150)
Depreciations, amortisations and provisions	(132)	(913)
Other operating income and expenses	5,020	5,445
Current operating income	138,883	139,275
Operating profit	138,883	139,275
Financial income	1,448	654
Profit before tax	140,331	139,929
Income tax	(24,936)	(22,672)
Net income	115,395	117,257
Basic earnings per share (in euros)	3.11	3.16
Diluted earnings per share (in euros)	3.09	3.14

In thousands of euros	December 31, 2014	December 31, 2015
Net income	115,395	117,257
Items that will not be reclassified to profit or loss:		
Actuarial Gains and Losses		
Gross amount	(326)	384
Deferred tax	49	(58)
Total amount, net of tax	(277)	326
Items that may be reclassified subsequently to profit or loss:		
Fair value changes on equity investments		
Gross amount	420	1,381
Deferred tax	(63)	(32)
Total amount, net of tax	357	1,349
Other comprehensive income for the year, net of tax	80	1,675
Total comprehensive income	115,475	118,932
Basic comprehensive income per share (in euros)	3.11	3.21
Diluted comprehensive income per share (in euros)	3.09	3.19

Note: GTT's full-year IFRS financial statements have been audited, and the auditor's report will be issued before the company's registration document is filed with the AMF (scheduled for end-March 2016).

Appendix 3: Cash flow statement

In thousands of euros	December 31, 2014	December 31, 2015
Company profit for the year	115,395	117,257
Cancellation of income and expenses with no effect on cash-flow:		
Allocation (Reversal) of amortisation, depreciation, provisions and impairment	(253)	(240)
- Proceeds on disposal of assets	-	-
Tax expense (income) for the financial year	24,936	22,672
Free shares	3,042	2,267
Other income and expenses	43	48
Cash-flow	143,163	142,004
Tax paid out in the financial year	(22,911)	(22,928)
Change in working capital requirement:		
- Trade and other receivables	2,755	(8,051)
- Trade and other payables	(1,012)	(3,557)
- Other operational assets and liabilities	(8,631)	13,049
Net cash-flow generated by the business (Total I)	113,364	120,516
Investment operations		
Acquisition of non-current assets	(7,245)	(9,901)
Disposal of non-current assets	292	4,008
Financial investments	(3,854)	(10,045)
Disposal of financial assets	4,932	1,491
Treasury shares	(337)	(5,281)
Change in other fixed financial assets	-	(264)
Net cash-flow from investment operations (Total II)	(6,211)	(19,991)
Financing operations		
Dividends paid to shareholders	(130,948)	(91,165)
Capital increase	1,824	-
Change in FSH advances	(464)	(621)
Interest paid	-	-
Change in bank lending	-	-
Net cash-flow from finance operations (Total III)	(129,588)	(91,786)
Change in cash (I+II+III)	22,475	8,739
Opening cash	87,180	64,705
Closing cash	64,705	73,444
Effect of changes in currency prices	-	-
Cash change	22,475	8,739

Note: GTT's full-year IFRS financial statements have been audited, and the auditor's report will be issued before the company's registration document is filed with the AMF (scheduled for end-March 2016).

Appendix 4: Revenues breakdown

In thousands of euros	December 31, 2014	December 31, 2015
Revenues from operating activities	226,760	226,458
Royalties	216,363	209,323
LNG carriers/VLEC	183,008	180,327
FSRU	24,627	19,226
FLNG	7,871	8,244
Onshore storage	857	1,084
Barges	-	442
Services	10,397	17,135

Note: GTT's full-year IFRS financial statements have been audited, and the auditor's report will be issued before the company's registration document is filed with the AMF (scheduled for end-March 2016).