



## Revenues totalling €184 million for the first 9 months of 2018

- **Order book of 92 units at 30 September 2018**
- **7.1% increase in consolidated revenues**
- **2018 objectives confirmed**

**Paris, 26 October 2018** - GTT (Gaztransport & Technigaz) – an engineering company specialised in the design of membrane containment systems for the transport and storage of liquefied natural gas – announces its revenues for the first 9 months of 2018.

### Consolidated key figures

(in thousands of euros)	Proforma 9M 2017	9M 2018	Change
<b>Revenue</b>	<b>171,476</b>	<b>183,653</b>	<b>+7.1%</b>
<b>New builds</b>	<b>161,512</b>	<b>173,031</b>	<b>+7.1%</b>
<i>LNG/Ethane carriers</i>	<i>143,525</i>	<i>149,931</i>	<i>+4.5%</i>
<i>FSRU<sup>1</sup></i>	<i>13,671</i>	<i>19,621</i>	<i>+43.5%</i>
<i>FLNG<sup>2</sup></i>	<i>2,890</i>	<i>1,970</i>	<i>-31.8%</i>
<i>Onshore storage</i>	<i>1,327</i>	<i>678</i>	<i>-48.9%</i>
<i>Barges</i>	<i>99</i>	<i>300</i>	<i>+205.0%</i>
<i>LNG fuel</i>	<i>0</i>	<i>530</i>	<i>ns</i>
<b>From services</b>	<b>9,964</b>	<b>10,622</b>	<b>+6.6%</b>

Philippe Berterottière, Chairman and Chief Executive Officer of GTT, commented: *"In Q3, business was marked by ongoing ship orders. With 34 orders of LNG carriers and FSRUs recorded to the end of September, 2018 is set to be a record year for our main business line. We were also successful in the promising field of LNG fuel. The order received in July to equip the LNG tanks of the Ponant Icebreaker is symbolic of shipping companies' growing interest in our LNG propulsion solutions. We are continuing our efforts to enter into industrial and commercial partnerships to step up our development in this field. We are continuing to prepare the future by constantly improving our technologies. We thus obtained a classification society's approval-in-principle for the development of NO96 Flex, a new, higher-performance version of our NO96 technology. On the strength of the particularly high number of orders received since the beginning of 2018 and the growth in our services business, we can confirm our objectives for our FY 2018 revenues, net margin and dividend".*

<sup>1</sup> Floating Storage and Regasification Unit: Floating LNG storage and regasification unit

<sup>2</sup> Floating Liquefied Natural Gas vessel: LNG liquefaction unit

## Review of business activity for the first nine months

During the first nine months of 2018, GTT's sales activity was marked by a number of successes, in particular in the field of LNG carriers:

### - Main "vessel" activity

- The 18 orders recorded in the 1<sup>st</sup> half for the design of tanks for LNG carriers were supplemented with 14 new orders in Q3, bringing the total to 32 orders for the first 9 months of 2018. All of these vessels will be equipped with recent GTT technologies (NO 96 GW, Mark III Flex and Mark III Flex+).
- 2 orders for the design of FSRU tanks were recorded over the first six months. The pace of these orders is consistent with the Group's medium-term forecasts.

### - Onshore storage activity

- In September 2018, GTT received an order from the European Organization for Nuclear Research (CERN) for the design of a containment system for a 12,500 m<sup>3</sup> onshore storage tank that will contain liquid argon for experimental purposes.

### - LNG fuel activity

- 1 order for a bunker ship with a capacity of 18,600 m<sup>3</sup> was recorded at the beginning of the year. Operated by Mitsui OSK Lines Ltd. and chartered by Total Marine Fuels Global Solutions (TMFGS), this ship will be dedicated to the supply of LNG to the future CMA CGM container carriers.
- In July 2018, GTT also recorded an order from the Vard shipyard to build LNG tanks for the PONANT Icebreaker, the first LNG-powered icebreaker cruise ship.

### - Services activity

- During the first half of 2018, GTT was commissioned to conduct preliminary engineering studies for new GBS (Gravity Based System) terminal projects.

## New Technical Assistance and License Agreements (TALAs)

- In April 2018, with Sembcorp Marine (a company based in Singapore), to design and build FSRUs, medium-capacity LNG carriers and Sembcorp Marine's Gravifloat platforms using GTT's membrane containment systems.
- In September 2018, with Keppel Offshore & Marine for the equipment of LNG carriers, bunker vessels, LNG-powered ships and Floating Storage and Regasification Units (FSRUs), with special focus on ships with a capacity of 30,000 to 80,000 m<sup>3</sup>.

- In September 2018, with South Korea's Hyundai Mipo Dockyard for the equipment of gas tankers, in particular small and medium capacity vessels (up to around 50,000 m<sup>3</sup>), as well as LNG tanks for ship propulsion.

## Technology

- In Q3, GTT obtained Bureau Veritas' approval-in-principal for the development of a new NO96-type cargo containment system. Called NO96 Flex, this new system has the advantages of the proven NO96 technology, as well as those provided by the use of foam panels, thereby reducing the boil-off rate to 0.07%V per day, i.e. a level equivalent to that of GTT's most efficient technologies.

## CSR performance

- GTT was commended by GAIA for its CSR performance. GAIA is an agency specialised in the extra-financial rating (based on environmental, social and governance criteria) of listed SMEs and mid-caps. GTT ranked 21<sup>st</sup> out of the 230 companies rated, and 3<sup>rd</sup> out of 78 in its revenue category. GAIA also created an ESG index of the 70 best-rated companies, which includes GTT.
- Moreover, following an audit conducted by Ethic Intelligence, GTT obtained the certification of its anti-corruption management system based on ISO 37001 requirements.

## Change in consolidated revenues

Revenues for the first 9 months of 2018 totalled €184 million, up 7.1% compared to the first 9 months of 2017.

- Revenues from new-builds amounted to €173.0 million, up 7.1%. Royalties from LNG carriers and ethane carriers increased 4.5% to €149.9 million, while FSRU royalties grew 43.5% to €19.6 million, thanks to the numerous orders recorded in 2017. Other royalties were as follows: €2.0 million for FLNGs, €0.7 million for Onshore storage, €0.5 million for LNG-powered ships, and €0.3 million for the barge.
- Service-related revenues amounted to €10.6 million, up 6.6% compared to the first 9 months of 2017, due to an increase in engineering studies and the impact of Ascenz operations.

## Changes in the order book

GTT's order book, which contained 89 units at January 1, 2018, has added the following orders since that date:

- 35 orders received: 32 LNG carriers, 2 FSRUs, 1 Onshore storage tank;
- 32 deliveries: 28 LNG carriers, 3 FSRUs, 1 barge.

At 30 September 2018, the order book comprised 92 units, of which:

- 76 LNG carriers<sup>3</sup>;
- 11 FSRUs<sup>3</sup>;
- 2 FLNGs;
- 3 onshore storage tanks.

Moreover, in the first 9 months of 2018, in the field of LNG Fuel, GTT received an order to equip a bunker ship and an order to equip the Ponant Icebreaker cruise ship, bringing to 11 the number of units recorded in its LNG order book to 30 September 2018.

## Outlook for 2018

The Company confirms its objectives for FY 2018, namely:

- 2018 consolidated revenues of 235 to 250 million euros<sup>4</sup>;
- 2018 consolidated EBITDA<sup>5</sup> within a range of 145 to 155 million euros;
- a 2018 dividend<sup>6</sup> amount at least equivalent to the ones paid in 2015, 2016 and 2017 and, for 2019, a dividend payout ratio of at least 80% of distributable net income.

## Financial agenda

- Publication of 2018 full-year results: 26 February 2019 (after the close of trading)
- Annual General Meeting of Shareholders: 23 May 2019

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## About GTT

GTT (Gaztransport & Technigaz) is an engineering company expert in containment systems with cryogenic membranes used to transport and store liquefied gas, in particular LNG (Liquefied Natural Gas). For over 50 years, GTT has been maintaining reliable relationships with all stakeholders of the gas industry (shipyards, ship-owners, gas companies, terminal operators, classification societies). The Company designs and provides technologies which combine operational efficiency and safety, to equip LNG carriers, floating terminals, and multi-gas carriers. GTT also develops solutions dedicated to land storage and to the use of LNG as fuel for vessel propulsion, as well as a full range of services.

GTT is listed on Euronext Paris, Compartment A (ISIN FR0011726835, Euronext Paris: GTT) and is notably included in the SBF 120 and MSCI Small Cap indexes.

For further information, please consult [www.gtt.fr/en](http://www.gtt.fr/en)

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<sup>3</sup> Including the conversion of a LNGC order in FSRU

<sup>4</sup> In the absence of any significant order delays or cancellations

<sup>5</sup> EBITDA: earnings before interest, taxes, depreciation and amortization, in accordance with IFRS.

<sup>6</sup> Subject to approval by the General Meeting

**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 – *Autorité des Marchés Financiers*), including those listed in the “Risk Factors” section of the GTT Registration Document (in French) registered with the AMF on April 25, 2018 and the half-yearly financial report released on July 26, 2018. 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.