

# Euronav Q4 - 2015 Results (unaudited)

28<sup>th</sup> January 2016



# Forward looking statements

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# Agenda

- Q4 - 2016 Highlights
- Financial Review
- Market update
- Outlook
  - Company
  - Market
- Q&A



# Highlights

# 4Q - 2015 Highlights

<i>In USD per day</i>	<b>Fourth quarter 2015</b>	<b>Fourth quarter 2014</b>	<b>Full year 2015</b>	<b>Full year 2014</b>
<b>VLCC</b>				
Average spot rate (in TI pool)*	<b>61,482</b>	31,650	<b>55,055</b>	27,625
Average time charter rate**	<b>41,776</b>	29,731	<b>41,981</b>	31,086
<b>SUEZMAX</b>				
Average spot rate*	<b>41,596</b>	24,248	<b>41,686</b>	23,382
Average time-charter rate**	<b>36,042</b>	30,513	<b>35,790</b>	25,930

\* Including profit share where applicable

\*\* Excluding technical offhire

- **EBITDA: USD 160.6m – strongest Quarter since 2008**
- **Volatile but strong market throughout Q4**
- **Sale of Cap Laurent**
- **Outlook**
  - Q4 VLCC so far:
    - **Over 46% fixed above USD 75,000 per day**
  - Q4 Suezmax so far:
    - **nearly 47% fixed above USD 41,000 per day**





# Financial Overview

# Financial Highlights – Income Statement

The most important key figures (unaudited) are:

<i>in thousands of USD</i>	<b>Fourth Quarter 2015</b>	<b>Fourth Quarter 2014</b>	<b>Full Year 2015</b>	<b>Full Year 2014</b>
Revenue	225,644	144,866	846,507	473,985
Other operating Income	1,154	4,853	7,426	11,411
Voyage expenses and commissions	(15,956)	(27,176)	(71,237)	(118,303)
Vessel operating expenses	(38,812)	(37,000)	(153,718)	(124,089)
Charter hire expenses	(6,438)	(10,014)	(25,849)	(35,664)
General and administrative expenses	(16,122)	(12,286)	(46,251)	(40,565)
Net Gain (loss) on disposal of tangible assets	11,165	4,345	5,300	5,706
<b>EBITDA</b>	<b>160,635</b>	<b>67,588</b>	<b>562,178</b>	<b>172,481</b>
Depreciation	(54,896)	(47,894)	(210,206)	(160,954)
<b>EBIT (result from operating activities)</b>	<b>105,739</b>	<b>19,694</b>	<b>351,972</b>	<b>11,527</b>
Net finance expenses	(9,809)	(37,458)	(47,640)	(93,353)
Share of profit (loss) of equity accounted investees	13,335	7,992	51,407	30,286
<b>Result before taxation</b>	<b>109,266</b>	<b>(9,772)</b>	<b>355,739</b>	<b>(51,540)</b>
Tax Benefit (Expense)	(4,602)	5,837	(5,633)	5,743
<b>Profit (loss) for the period</b>	<b>104,664</b>	<b>(3,935)</b>	<b>350,106</b>	<b>(45,797)</b>
Attributable to: Owners of the company	104,664	(3,935)	350,106	(45,797)
Non-controlling interests	-	-	-	-

## Highlights

- EBITDA highest since October 2008
- Exceptional gain from sale of Cap Laurent \$11.3m

## Dividend

- Euronav remain committed to distributing 80% of net income

All figures have been prepared under IFRS and have not been reviewed by the auditor.

Total number of shares at December 31 2015 = 159, 208, 949

# Financial Highlights – Balance Sheet

## Condensed consolidated statement of financial position

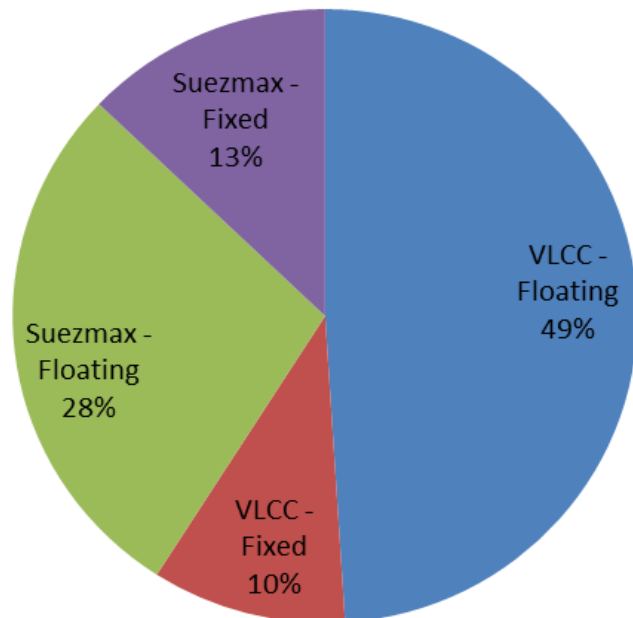
(in thousands of USD except per share amounts)

	December 31, 2015	December 31, 2014	January 1, 2014 <i>Restated *</i>
<b>ASSETS</b>			
<b>Current assets</b>			
Trade and other receivables	219,080	194,733	95,913
Current tax assets	114	36	36
Cash and cash equivalents	131,663	254,086	74,309
Non-current assets held for sale	24,195	89,000	21,510
<b>Total current assets</b>	<b>375,052</b>	<b>537,855</b>	<b>191,768</b>
<b>Non-current assets</b>			
Vessels	2,288,036	2,258,334	1,434,800
Assets under construction	93,890	-	-
Other long term assets	283,583	-	-
<b>Total non-current assets</b>	<b>2,665,509</b>	<b>2,558,505</b>	<b>1,728,993</b>
<b>TOTAL ASSETS</b>	<b>3,040,561</b>	<b>3,096,360</b>	<b>1,920,761</b>
<b>EQUITY and LIABILITIES</b>			
<b>Total current liabilities</b>	<b>181,904</b>	<b>295,395</b>	<b>244,792</b>
<b>Total non-current liabilities</b>	<b>953,103</b>	<b>1,328,257</b>	<b>874,979</b>
<b>Equity attributable to owners of the Company</b>	<b>1,905,554</b>	<b>1,472,708</b>	<b>800,990</b>
<b>TOTAL EQUITY and LIABILITIES</b>	<b>3,040,561</b>	<b>3,096,360</b>	<b>1,920,761</b>

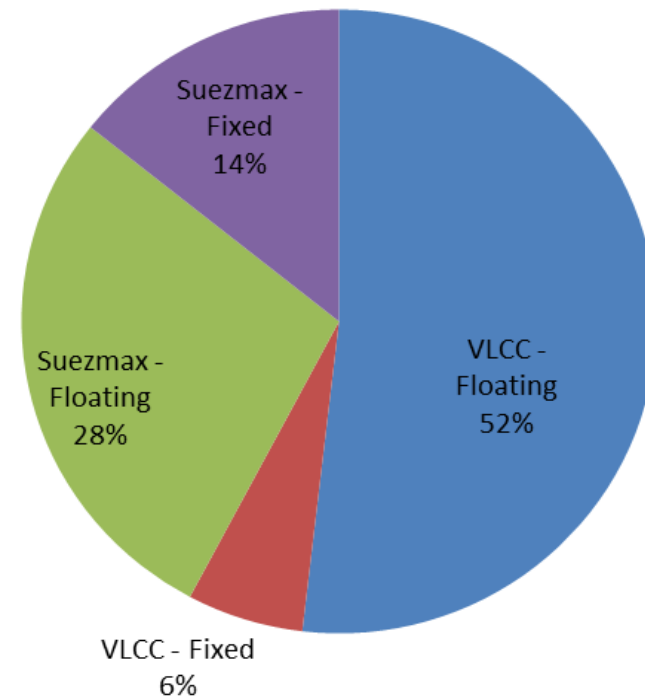


# Euronav Fleet Operating Days

## Q4



## Full Year 2015



## Dry Docks

- Q4: 6 Vessels – 3 VLCC, 3 Suezmax (of which 1 JV)
- 2016: 8 Suezmax (2 JV) expected with 4 VLCC

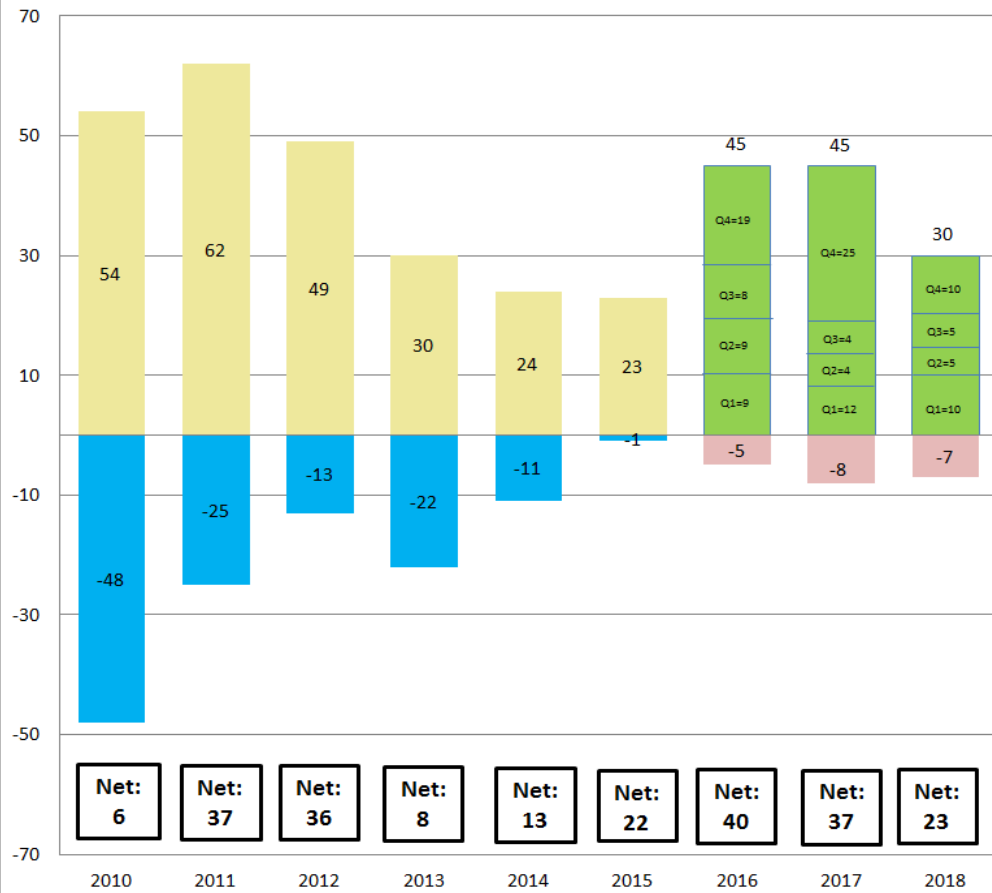


# Tanker Market Update

# Tanker Fleet Developments

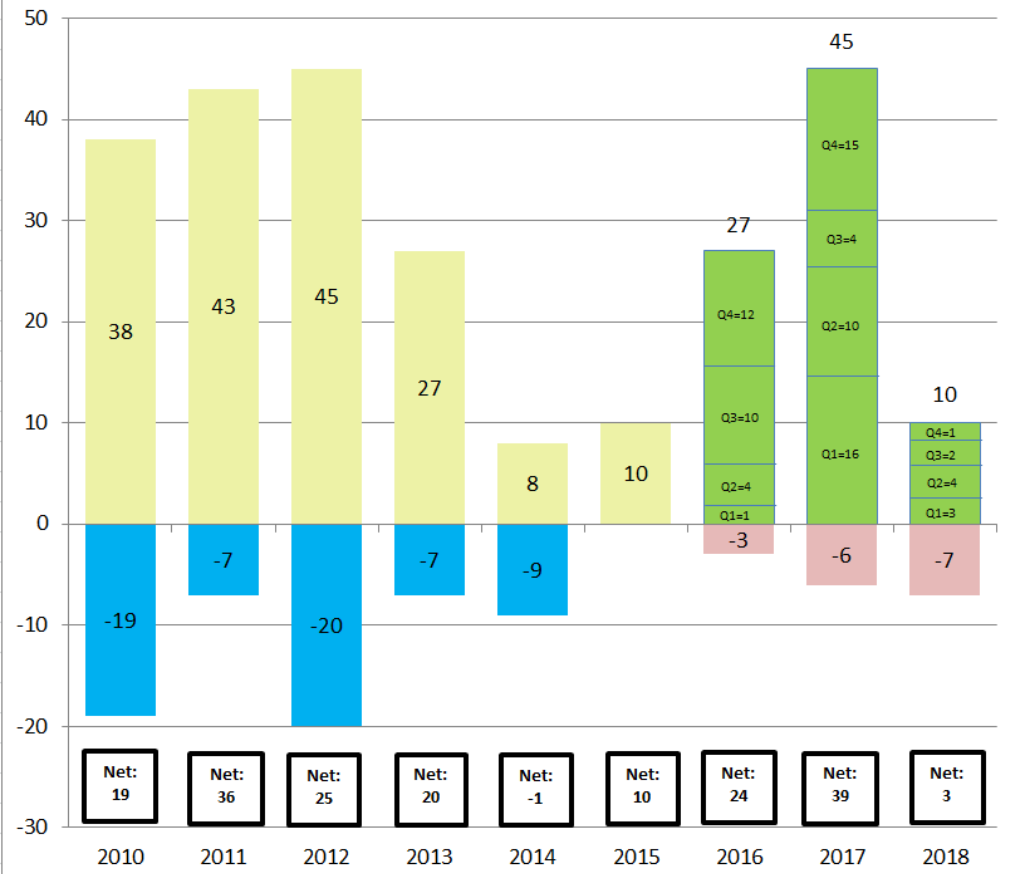
## VLCC

■ Additions ■ Forecast Additions ■ Scrapped ■ Removals Scenario



## Suezmax

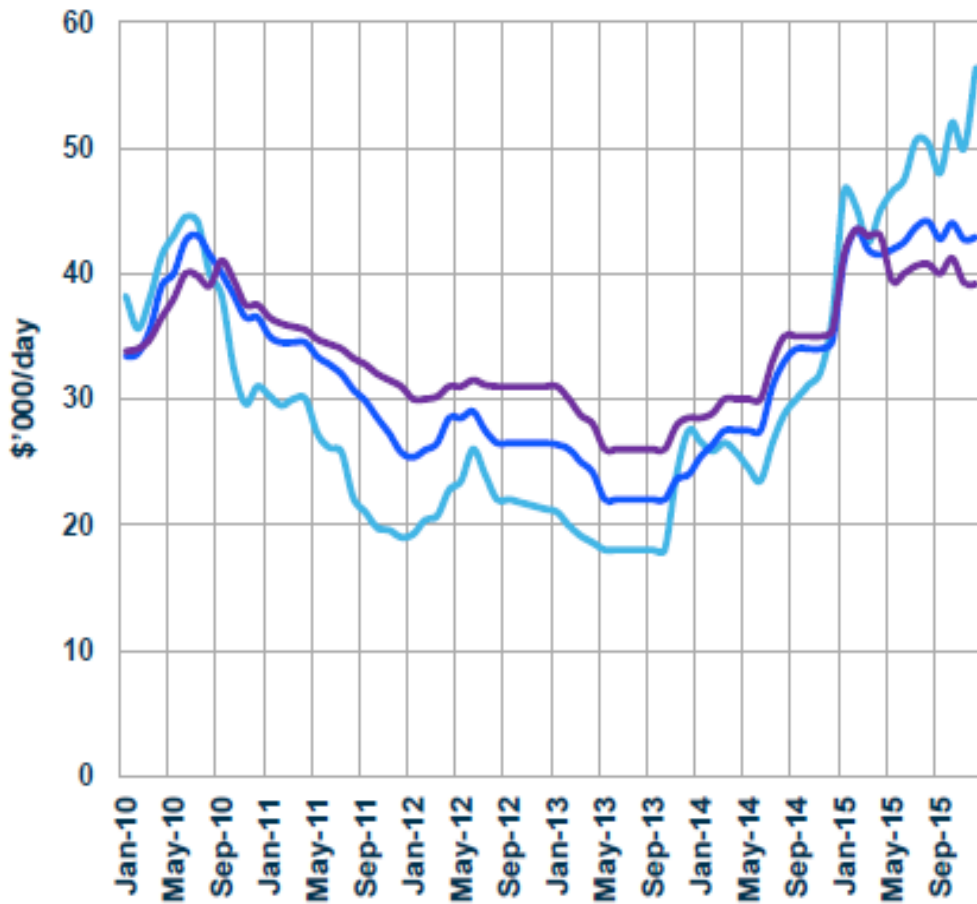
■ Additions ■ Forecast Additions ■ Scrapped ■ Removals Scenario



# Time charter rates

## VLCC

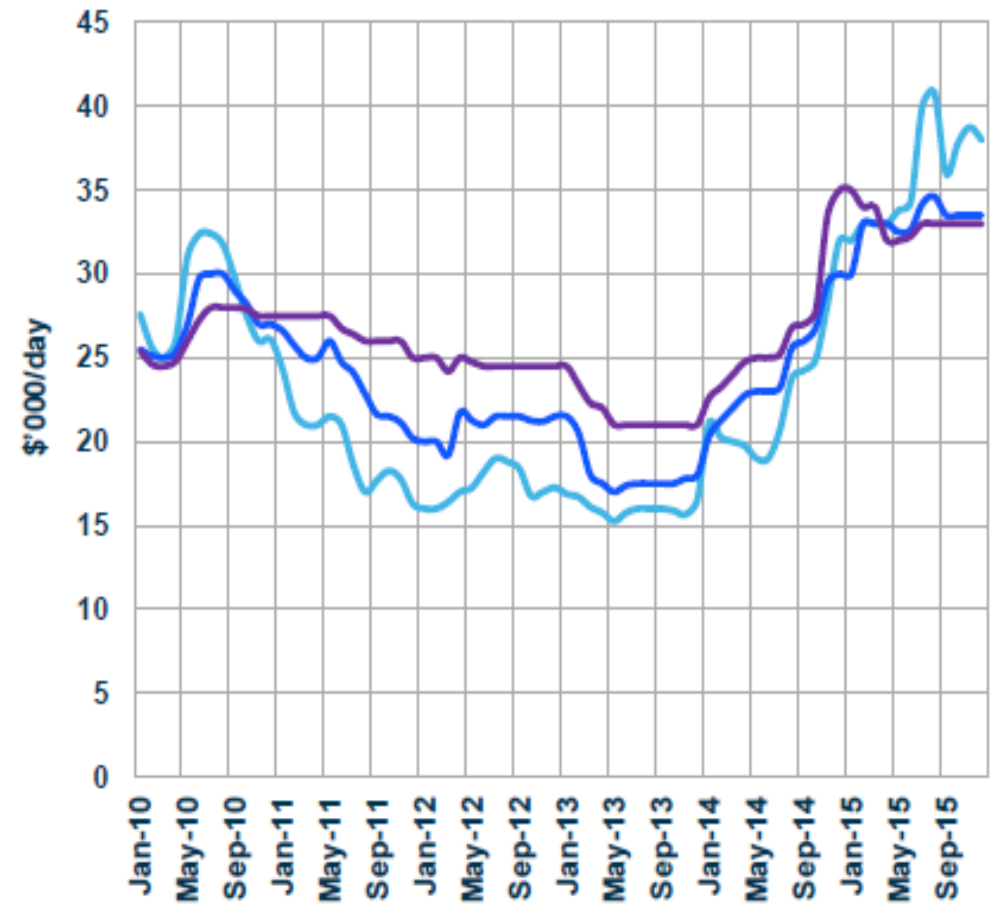
— 1yr TC



## Suezmax

— 3yr TC

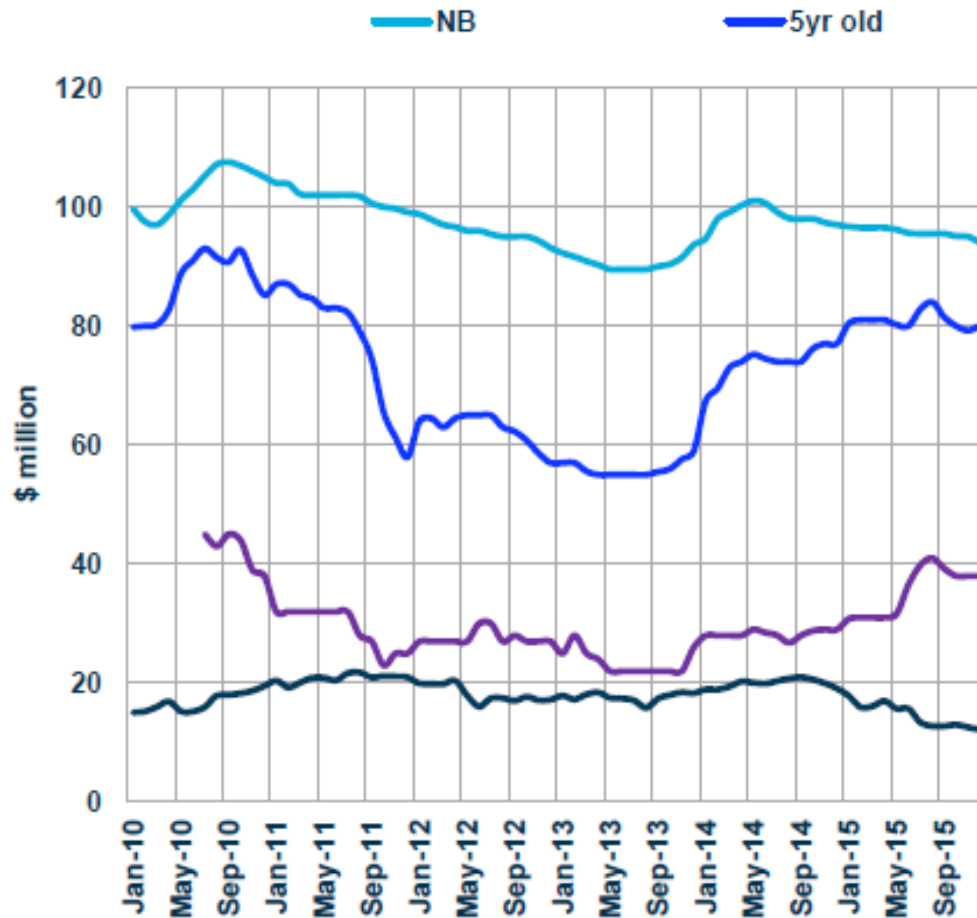
— 5yr TC



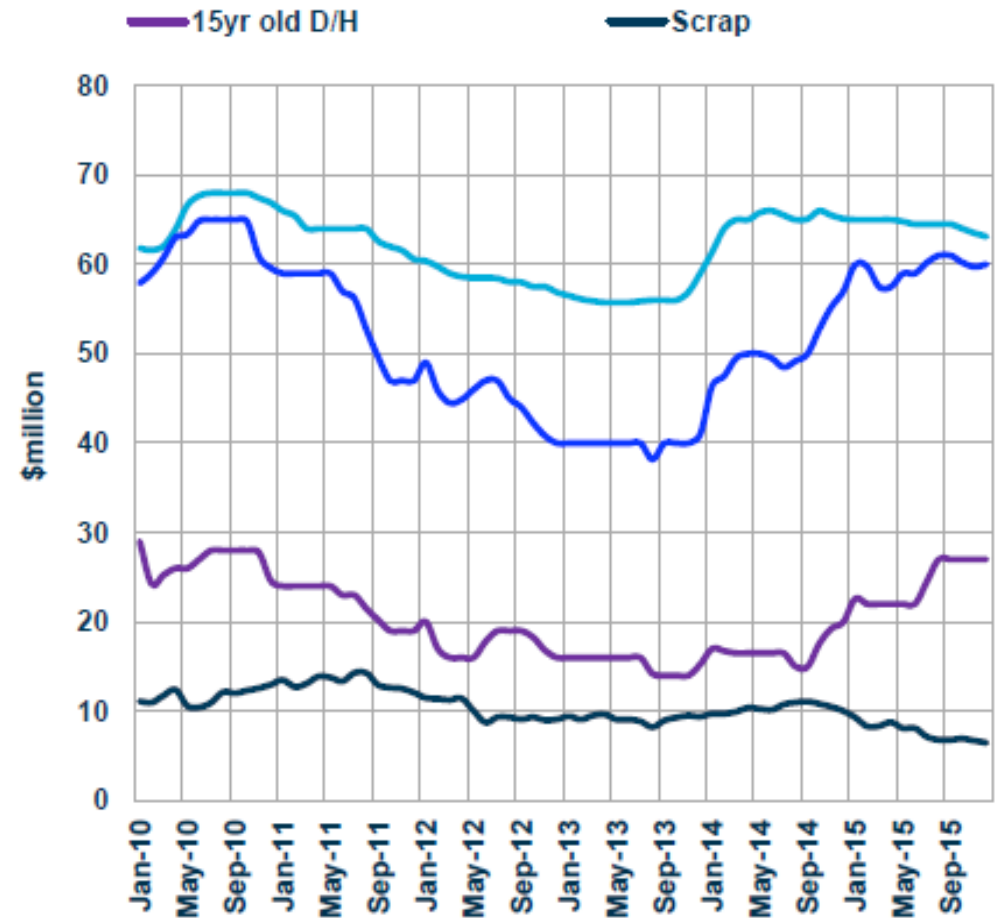
Data Source: Clarksons

# Vessel Values

## VLCC



## Suezmax



Data Source: Clarksons



## MARKET

- China
- Return of Iran
- Lower oil price – impact on tankers
- Volatility in tanker freight pricing



**Outlook**

# Euronav Outlook

- **Euronav – vast majority of fleet on water today**
  - Largest exposure per dollar invested in tanker sector
- **Active portfolio management of our tanker fleet**
  - Delivery 1x VLCC in early Q1 with two to come before May; sale of 1x VLCC and 1x Suezmax; fleet rejuvenation reducing average fleet age
- **Crude tanker market remains constructive**
  - Consistently strong Q4 delivering best quarter since Q3 2008
  - Robust beginning for 2016 – rate weakness short lived
- **Disciplined approach to capital stewardship**
  - Euronav committed to distribute 80% of net income as dividend
  - Credentials as good stewards of capital supported with share buyback

# Market outlook

- **Low Oil Price to stimulate tanker market in 2016**
  - Demand for tankers consistent through Q4 and into 2016
  - Increased activity in time charter space reflects charterers concerns to capture capacity
- **VLCC & Suezmax order book - remains moderate**
  - Euronav not complacent but believe current structure is manageable
  - Rate of order book growth been slowing since Q2
- **New order of financing driving asset price pressure**
  - Falling commodity prices, restricted availability of finance & yard capacity – key drivers driving asset prices lower