

BW LPG

TCE Earnings Comment

10 October 2014



BW LPG



Important information and disclaimer

This presentation has been produced by BW LPG Limited (“BW LPG”) exclusively for information purposes. This presentation may not be reproduced or redistributed, in whole or in part, to any other person.

Matters discussed in this presentation and any materials distributed in connection with this presentation may constitute or include forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as “anticipates”, “believes”, “continues”, “estimates”, “expects”, “intends”, “may”, “should”, “will” and similar expressions. These forward-looking statements reflect BW LPG’s reasonable beliefs, intentions and current expectations concerning, among other things, BW LPG’s results of operations, financial condition, liquidity, prospects, growth and strategies. Forward-looking statements include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; developments of BW LPG’s markets; the impact of regulatory initiatives; and the strength of BW LPG’s competitors. Forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in BW LPG’s records and other data available from third parties. Although BW LPG believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Forward-looking statements are not guarantees of future performance and such risks, uncertainties, contingencies and other important factors could cause the actual results of operations, financial condition and liquidity of BW LPG or the industry to differ materially from those results expressed or implied in this presentation by such forward-looking statements. No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecast result will be achieved and you are cautioned not to place any undue influence on any forward-looking statement.

No representation, warranty or undertaking, express or implied, is made by BW LPG, its affiliates or representatives as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein, for any purpose whatsoever. Neither BW LPG nor any of its affiliates or representatives shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss whatsoever and howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. All information in this presentation is subject to updating, revision, verification, correction, completion, amendment and may change materially and without notice. In giving this presentation, none of BW LPG, its affiliates or representatives undertakes any obligation to provide the recipient with access to any additional information or to update this presentation or any information or to correct any inaccuracies in any such information. The information contained in this presentation should be considered in the context of the circumstances prevailing at the time and has not been, and will not be, updated to reflect material developments which may occur after the date of the presentation.

The contents of this presentation are not to be construed as legal, business, investment or tax advice. Each recipient should consult its own legal, business, investment or tax adviser as to legal, business, investment or tax advice. By attending this presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of BW LPG and that you will conduct your own analysis and be solely responsible for forming your own view on the potential future performance of the business of BW LPG. This presentation must be read in conjunction with the recent financial information and the disclosures therein.

This presentation and the information contained herein are not an offer of securities for sale in the United States and are not for publication or distribution to persons in the United States (within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended (the “Securities Act”). The securities referred to herein have not been and will not be registered under the Securities Act and may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act. Any failure to comply with this restriction may constitute a violation of United States securities laws. BW LPG has not registered and does not intend to register its securities in the United States or to conduct a public offering of shares in the United States. Copies of this presentation are not being made and may not be distributed or sent, directly or indirectly, in or into the United States, Canada, Australia or Japan, or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures.

In any EEA Member State other than Norway that has implemented Directive 2003/71/EC (as amended, together with any applicable implementing measures in any Member State, the “Prospectus Directive”), this presentation is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

For the UK based investors - This presentation is only being distributed to and is only directed at persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) or (ii) high net worth entities, and other persons to whom this presentation may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). This presentation must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this presentation relates is available only to relevant persons and will be engaged in only with relevant persons.

BW LPG: TCE earnings comment

- BW LPG is providing supplementary information with regard to its TCE earnings composition
- The Company is also providing some estimates of time charter earnings and the potential fixed rate portion of COAs
- This analysis is unaudited and contains certain assumptions, for example with regards to ports of call; duration and routings of voyages; and waiting time at ports of call. Therefore outcomes are likely to vary from estimates, potentially significantly
- Fixed income is a projection based on existing firm commitments, however, this is subject to changes driven by the structure of underlying agreements; e.g. time charters are subject to cancellations under certain conditions and fixed rate COA's routing may differ from assumptions



VLGC and LGC TCE per Revenue Day

Review of achieved TCE H1 2014 and fixed income outlook

VLGC	H1 2014	H2 2014	2015	2016	2017
Voyage Charter	43,312				
COA - Spot	35,610				
COA - Fixed	39,579	33,038	35,986	37,437	32,873
Time Charter - Out	30,760	33,501	35,555	33,870	32,443

LGC	H1 2014	H2 2014	2015	2016	2017
Voyage Charter	22,352				
COA - Spot	-				
COA - Fixed	43,519				
Time Charter - Out	19,718	34,043	38,058		

VLGC

- Fixed income from Time Charter – Out in H1 2014 accounted for USD 35.3 million or 16% of total TCE income and COA – Fixed accounted for USD 50.5 million or 23%
- H2 2014 income for Time Charter – Out is expected to be USD 35.5 million and COA-Fixed is expected to be USD 27.9 million, based on certain assumptions* relating to voyages direction and duration during the period

LGC

- H1 2014 income for Time Charter – Out accounted for USD 5.8 million or 25% of total TCE income and COA – Fixed accounted for USD 2.7 million or 12%, in the LGC segment

Note:

* COA-Fixed is based on certain assumptions for example with regards to routes and days of employment

Time Charter - Out and COAs are based only on contracted duration. It is likely that the Company renews some or all of its Time Charter - Out and COAs in the years ahead

VLGC and LGC Days

VLGC	H1 2014	H2 2014	2015	2016	2017
Available Days	-	3,529	8,074	10,169	11,202
Voyage Charter Days	1,572	-	-	-	-
COA - Spot Days	1,436	-	-	-	-
COA - Fixed Days	1,275	844	1,462	1,167	357
Time Charter - Out Days	1,149	1,060	1,996	1,381	1,086
Technical downtime	161	118	175	235	186
Ship days	5,593	5,551	11,707	12,951	12,831
Time Charter - Out % of Total	21%	19%	17%	11%	8%

LGC	H1 2014	H2 2014	2015	2016	2017
Available Days	-	365	1,074	1,797	1,810
Voyage Charter Days	485	-	-	-	-
COA - Spot Days	-	-	-	-	-
COA - Fixed Days	63	-	-	-	-
Time Charter - Out Days	295	545	681	-	-
Technical downtime	62	8	70	33	15
Ship days	905	917	1,825	1,830	1,825
Time Charter - Out % of Total	33%	59%	37%		

VLGC

- Time charters accounted for 21% of the available days in H1 2014
- In H2 2014, time charter income is expected to account for 19% of available days

LGC

- Fixed time charters accounted for 33% of the available days in H1 2014
- In H2 2014, fixed time charters are likely to occupy the Company's LGC fleet for 59% of the available days
- In the period 2016-2017, there is not yet significant contracted fixed rate coverage in the Company's LGC segment

Notes:

- Available days is calculated as total ship days (365 days per available vessel) less planned maintenance (including dry docking days) and less expected Time Charter - Out days and COA-Fixed days
- COA-Fixed (COA days at fixed day rates) is determined applying certain assumptions, for example with regards to routes and days of employment
- Time Charter - Out and COAs are calculated based on contracted duration. It is likely that the Company renews some or all of its Time Charter - Out and COAs in the future, at rates reflecting the fixed income market outlook at time of renewal

Glossary of terms

<u>Terms</u>	<u>Explanation</u>
Time Charter - Out	: charter hires with a fixed hire rate for a fixed duration (term of charter)
Voyage Charter	: charter hires negotiated on spot/market rates
COA - Spot	: contracts of affreightment with variable element(s) in the hire rates for a specified range of duration (term of charter) and frequency (number of cargoes lifted). These contracts are typically determined with reference to the Baltic rate for VLGCs
COA - Fixed	: contracts of affreightment with fixed day rates applicable for a specified duration (term of charter) and frequency (number of cargoes lifted)



BW LPG