



**1Q 2016**  
Presentation of financial results  
27 May 2016

# Forward looking statements

This presentation contains forward-looking statements which reflects management's current expectations, estimates and projections about its operations. All statements, other than statements of historical facts, that address activities and events that will, should, could or may occur in the future are forward-looking statements. Words such as "may," "could," "should," "would," "expect," "plan," "anticipate," "intend," "forecast," "believe," "estimate," "predict," "propose," "potential," "continue" or the negative of these terms and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control and are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Unless legally required, Höegh LNG undertakes no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise.

Among the important factors that could cause actual results to differ materially from those in the forward-looking statements are: changes in LNG transportation and regasification market trends; changes in the supply and demand for LNG; changes in trading patterns; changes in applicable maintenance and regulatory standards; political events affecting production and consumption of LNG and Höegh LNG's ability to operate and control its vessels; change in the financial stability of clients of the Company; Höegh LNG's ability to win upcoming tenders and securing employment for the FSRUs on order; changes in Höegh LNG's ability to convert LNG carriers to FSRUs including the cost and time of completing such conversions; changes in Höegh LNG's ability to complete and deliver projects awarded; increases in the Company's cost base; changes in the availability of vessels to purchase; failure by yards to comply with delivery schedules; changes to vessels' useful lives; changes in the ability of Höegh LNG to obtain additional financing, in particular, currently, in connection with the turmoil in financial markets; the success in achieving commercial success for the projects being developed by the Company; changes in applicable regulations and laws; and unpredictable or unknown factors herein also could have material adverse effects on forward-looking statements.

# Höegh LNG Holdings - Agenda for presentation of 1Q 2016 results



Sveinung J.S. Støhle  
President & CEO  
Highlights / Markets / Summary



Steffen Føreid  
CFO  
Financials



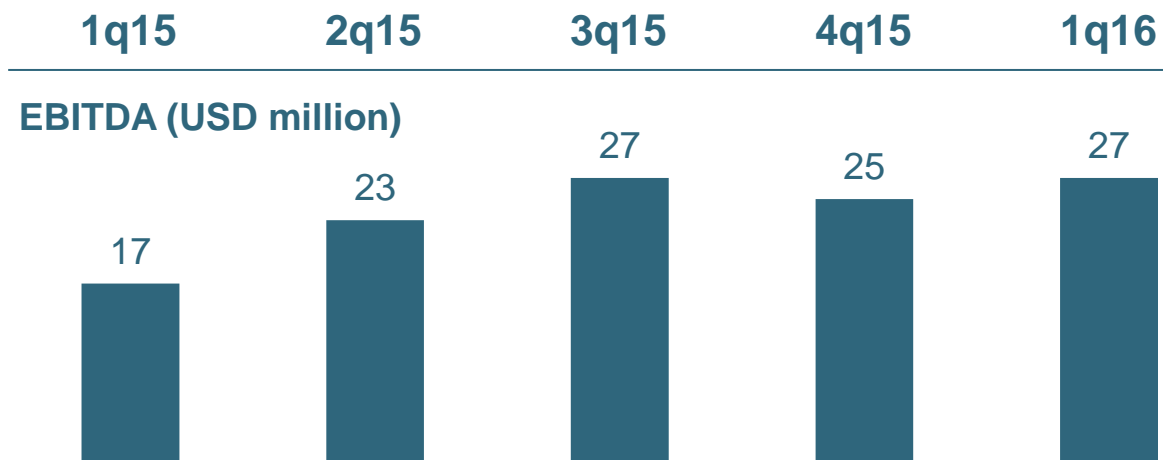
Appendix

# 1Q 2016 highlights

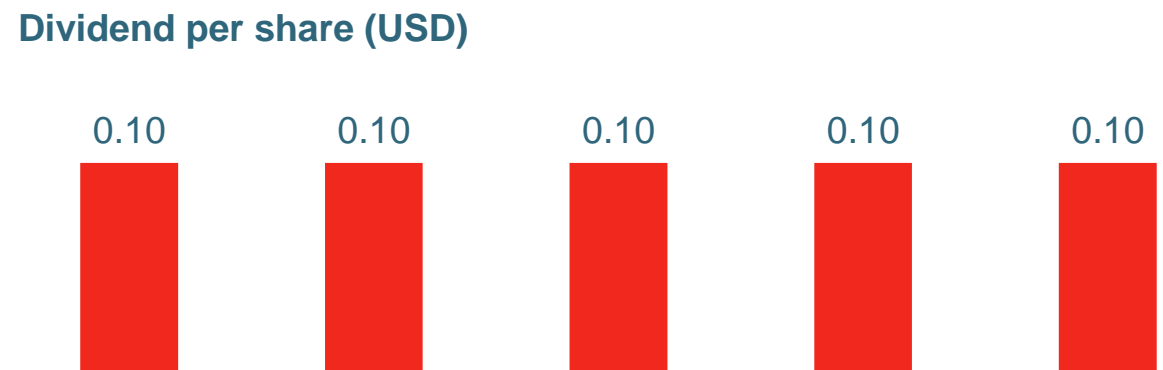
- EBITDA USD 26.6 million and profit after tax USD 6.3 million
- Paid dividend of USD 0.10 per share
- Höegh Grace delivered and intermediate employment secured
- LNG Libra delivered to new owner
- Declared dividend of USD 0.10 per share



# EBITDA backlog ensures stable cash flows..



- Steady growth in cash flows..



- .. leading to stable cash dividends

.. supported by Höegh LNG's operational expertise

100 %<sup>1</sup> technical availability in Q1

Large FSRU fleet

Operations world-wide

- Steady and predictable cash flows
- Reputation / competitive advantage

- Significantly more complex than LNGC operations

- Organisation set-up to handle local operating model

**Solid platform - a competitive advantage for securing new FSRU contracts**



# Höegh Grace demonstrates the flexibility of Höegh LNG's FSRUs

- Höegh Grace employed as LNGC from delivery to start of Colombia FSRU contract
- Despite weak LNGC market, contract covers operating costs and fuel expenses over the period
- Flexibility is a key feature of Höegh LNG's services



# Offering FSRU#7 on three projects with near term start-up date

- Pursuing three projects with start-up matching delivery of FSRU#7 in March 2017
- Assuming firm contract for FSRU#7: evaluating options for Höegh LNG to bid on additional projects with early start-up
- Earliest delivery date for newbuilt FSRU is late 2018
- Conversion of a newbuilt LNGC is one of the alternatives being considered for 2017 delivery
- For projects with start-up post 2018: Höegh LNG's purpose built FSRU offers the best project economics for the customer





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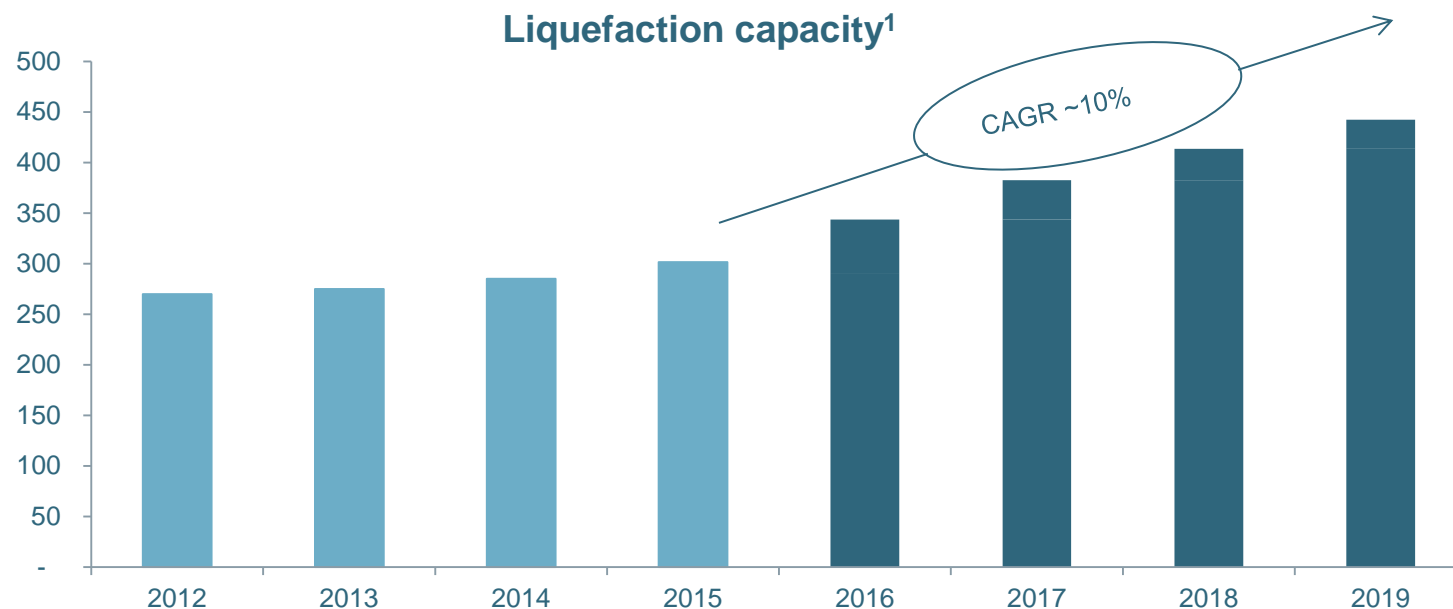


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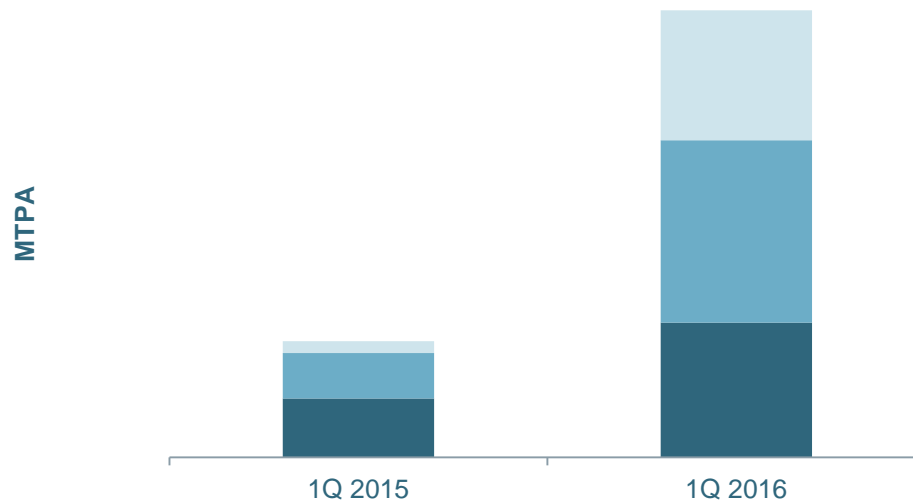
# The LNG market will be long supplies in the coming years..



- 30- 40% increase in liquefaction capacity leads to continued pressure on LNG prices
- Additional volumes combined with low prices create a solid foundation for further growth and development of the FSRU market

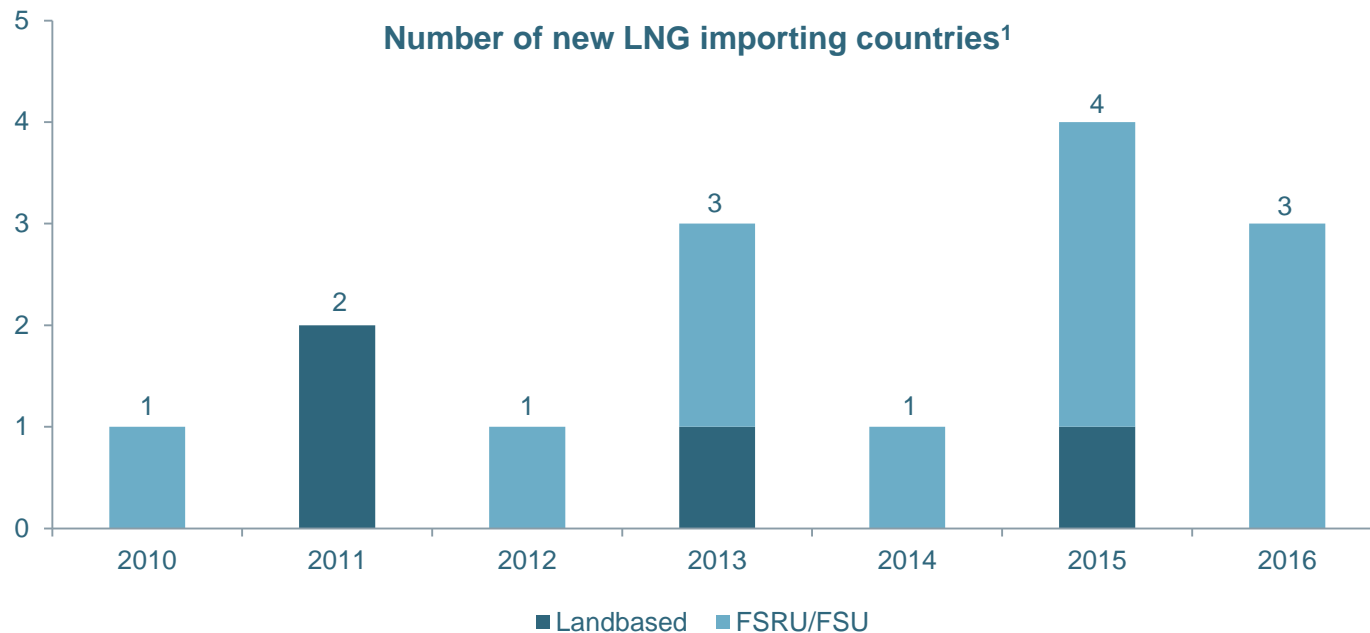
.. supporting continued growth in demand for LNG from new importers..

Regasification rate on the FSRUs in Höegh LNG's fleet



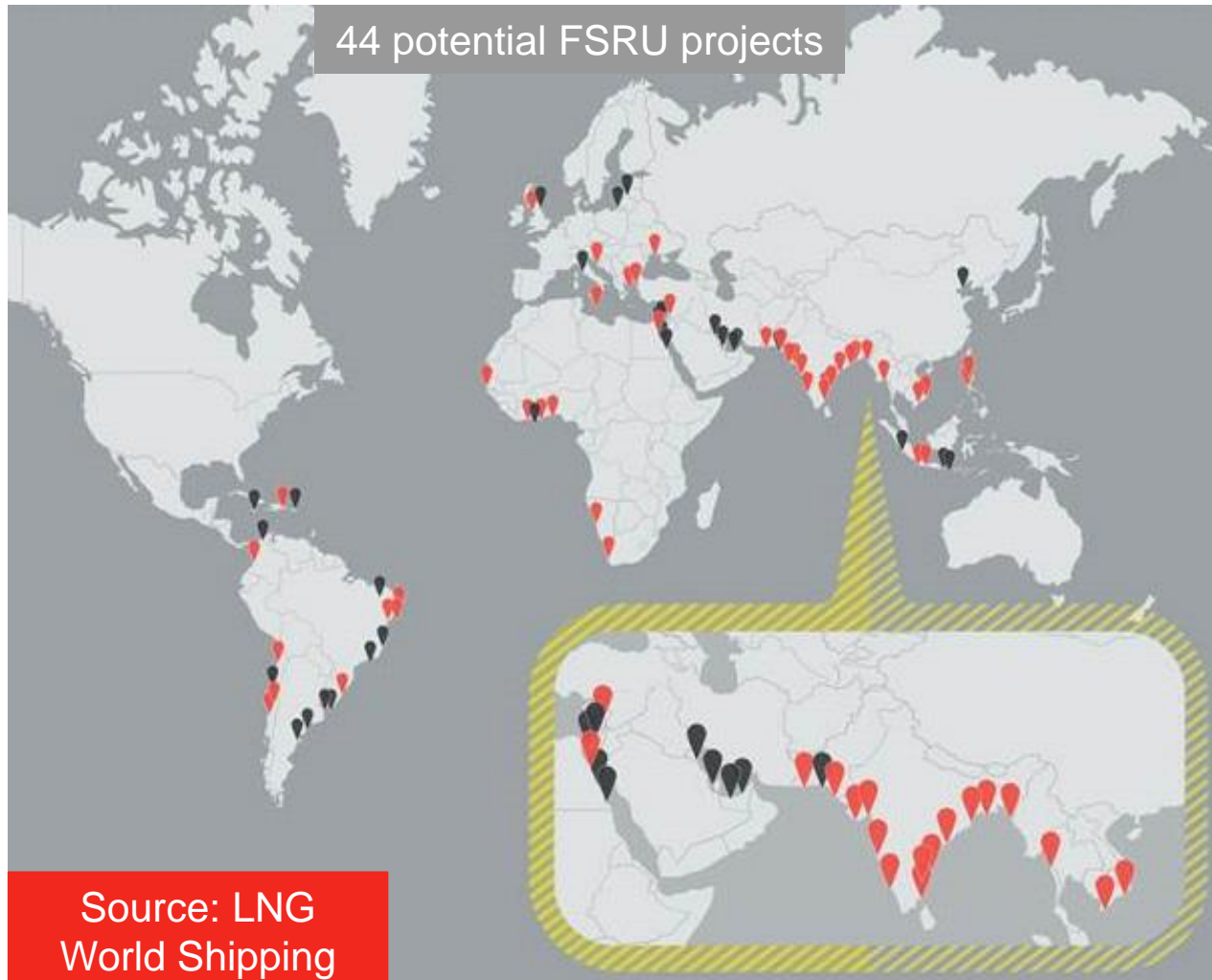
- Countries / customers with FSRUs in operations are incentivised to increase LNG imports since LNG is available at a lower cost than alternatives
- The regasification rate on Höegh LNG's fleet has almost tripled y/y
- Reinforces the strategic and economic incentives for FSRUs

.. and new LNG importers prefer the low-cost and fast-track alternative...



- New importing countries favour floating over land-based terminals two out of three times
- LNG import capacity has increased by 35% in the last six years

... resulting in a continued increase in the number of potential FSRU projects



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EBITDA of USD 26.6 million – **steady operating performance**

Ample LNG supply has **tripled utilisation** on Höegh LNG's FSRU fleet

The number of **FSRU opportunities** continue to increase

Considering alternatives to ensure **ability to provide options for additional FSRU contracts**

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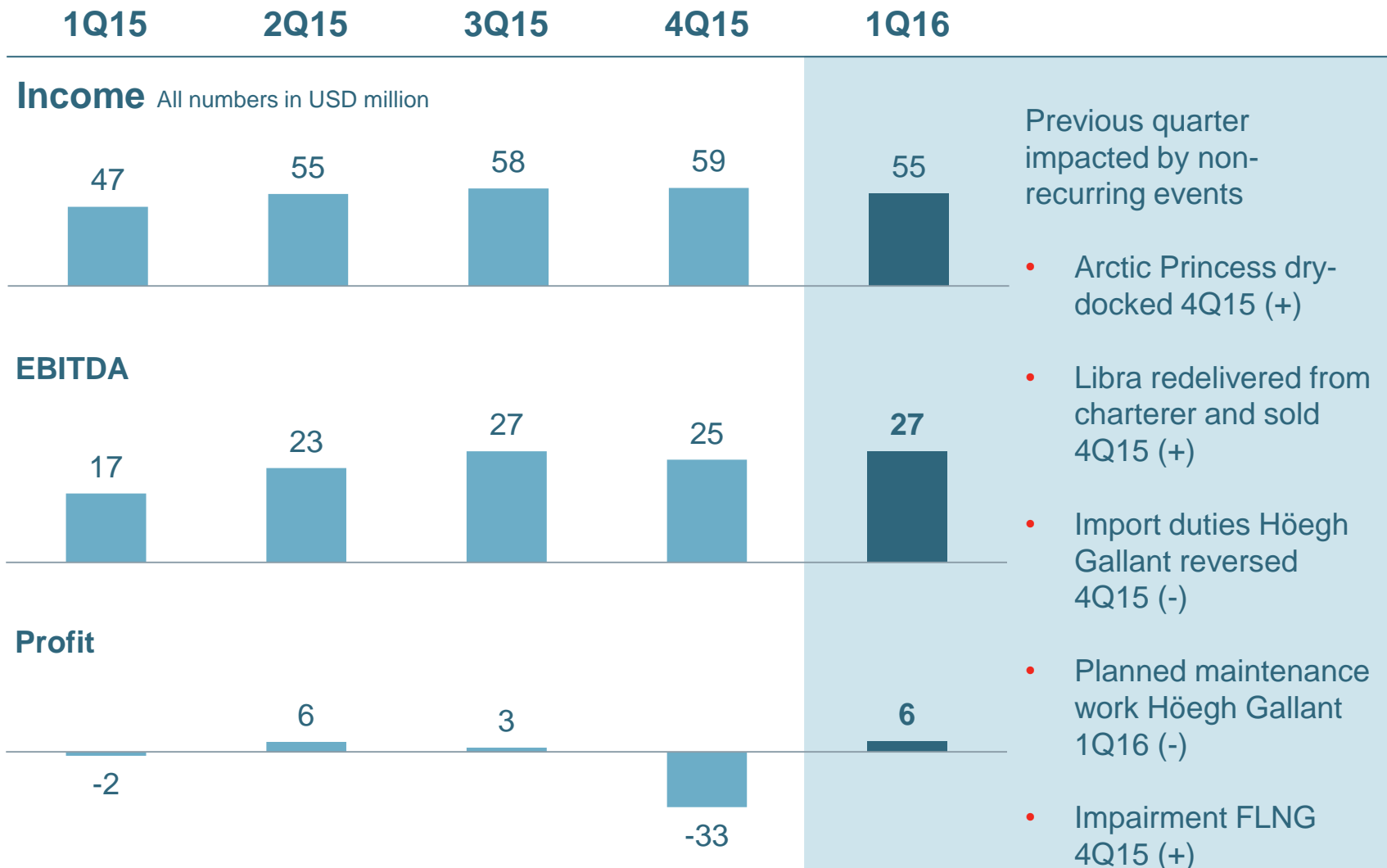
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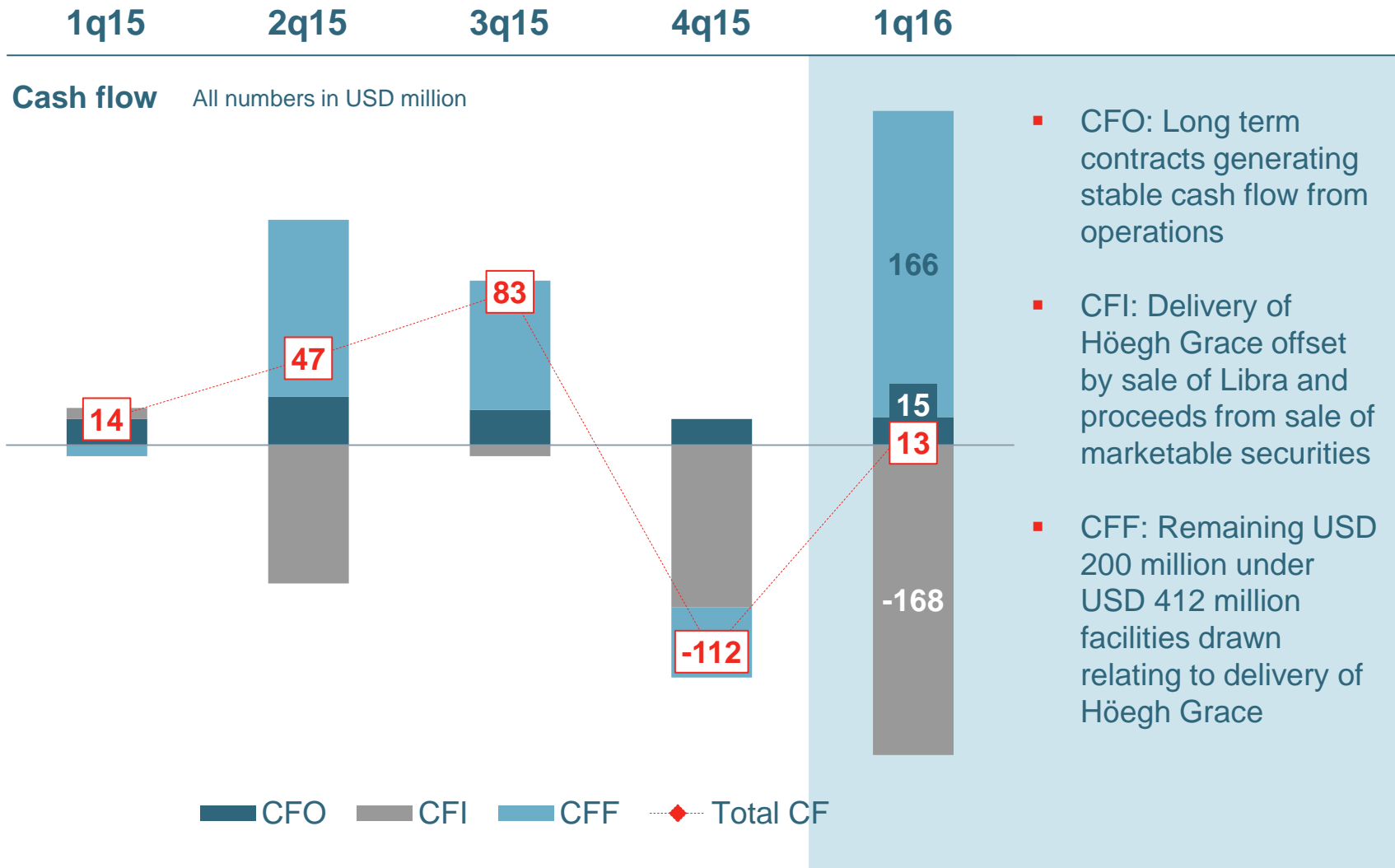
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# Improved 1Q2016 results

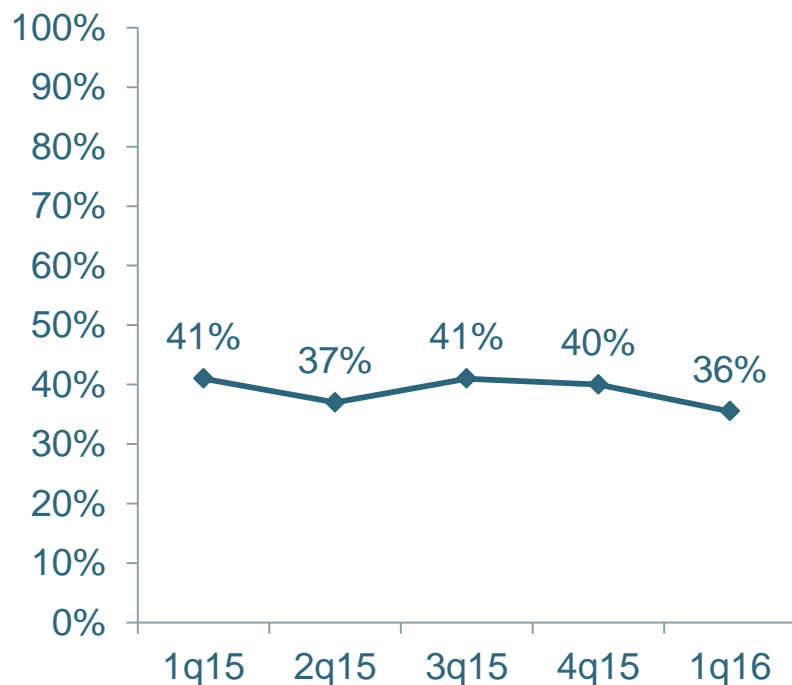


# 1Q2016 cash flow includes delivery of Höegh Grace



# Well capitalized to meet current capital commitments

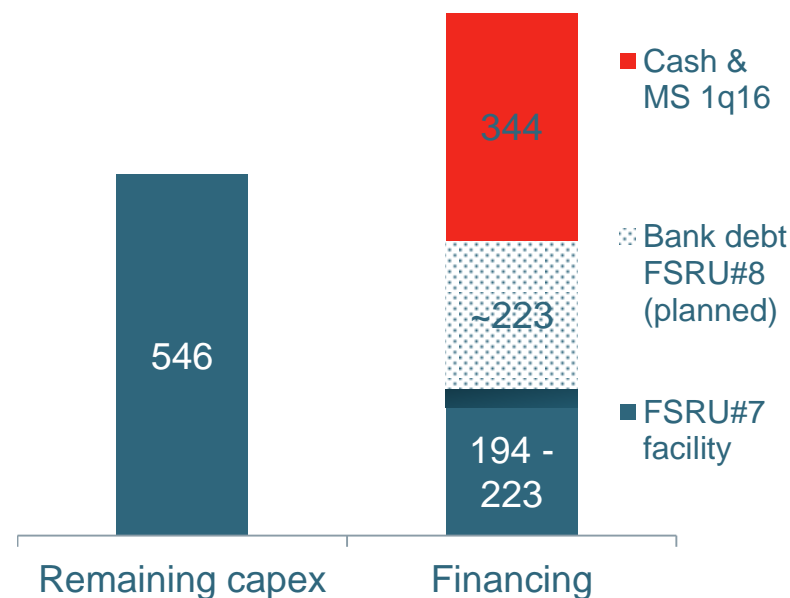
## Equity ratio (adj. for mark-to-market)



1Q2016	
	USD million
■ Total assets	1,667
■ Adjusted equity	592
■ NIBD	616

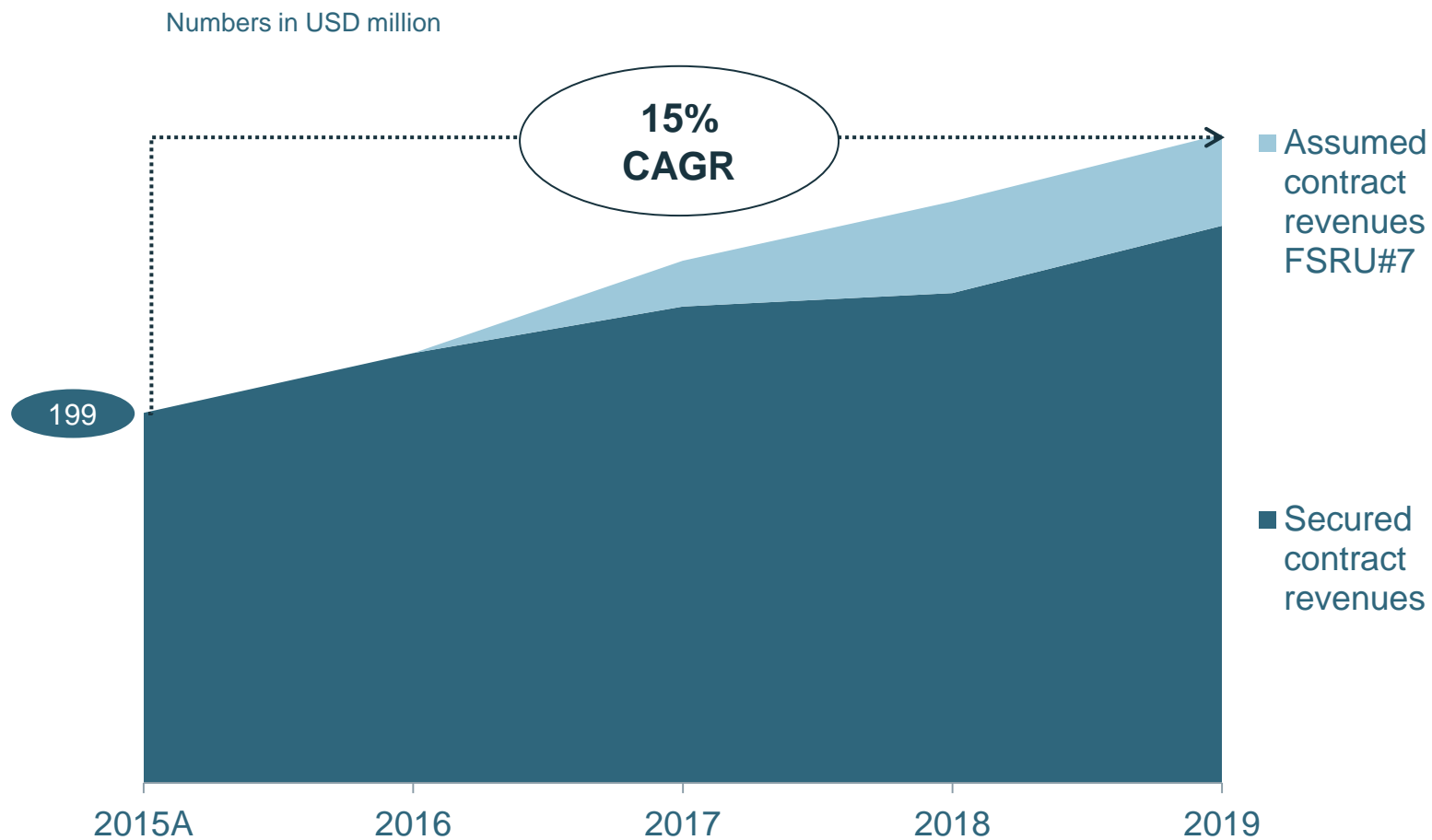
## Remaining capex financing 1Q16

Numbers in USD million



# 50% growth in revenues secured with current contract portfolio

## Secured T/C revenues



# Höegh LNG remains committed to its equity funding strategy

Equity portion for one additional FSRU at hand

Potential sources of equity funding for further growth

## Priority 1 – MLP market

- If the market is available and the price is attractive
- Should recent recovery in the MLP market continue, Höegh Grace could be dropped down by the end of the year

## Priority 2 – Other markets

- OSE equity
- Unsecured bonds
- Preferred equity HMLP
- Sale-leaseback

Höegh LNG will consider various capital sources for future growth prospects and select the alternative it considers most accretive to its shareholders

Improved 1Q2016 results

50% growth in revenues secured with current contract portfolio

Equity portion for one additional FSRU at hand and strong access to additional funding sources

# Income Statement – Joint Ventures according to equity method

USD million	1Q2016	4Q2015	3Q2015	2Q2015	1Q2015
Freight revenues	51,1	51,3	54,1	50,5	42,8
Management and other income	1,0	3,9	1,4	2,0	2,0
Share of results from investments in joint ventures	3,3	3,5	2,8	2,5	2,6
<b>TOTAL INCOME</b>	<b>55,4</b>	<b>58,7</b>	<b>58,3</b>	<b>55,0</b>	<b>47,4</b>
Charterhire expenses	(8,8)	(8,9)	(8,9)	(8,8)	(8,7)
Voyage expenses	(0,0)	(1,8)	(0,1)	(0,3)	(0,5)
Operating expenses	(9,3)	(10,0)	(11,5)	(10,9)	(9,4)
Project administrative expenses	(3,0)	(3,2)	(2,3)	(3,9)	(3,4)
Group administrative expenses	(4,8)	(4,1)	(4,8)	(5,2)	(4,9)
Business development expenses	(2,9)	(6,0)	(4,2)	(3,2)	(3,9)
<b>EBITDA</b>	<b>26,6</b>	<b>24,6</b>	<b>26,6</b>	<b>22,6</b>	<b>16,5</b>
Depreciation	(7,3)	(6,9)	(6,9)	(8,6)	(8,4)
Reversal of impairment (impairment)	-	(37,0)	-	3,1	-
<b>EBIT</b>	<b>19,3</b>	<b>(19,3)</b>	<b>19,7</b>	<b>17,2</b>	<b>8,1</b>
Interest income	0,5	0,4	0,4	0,4	0,4
Interest expenses	(12,9)	(12,6)	(12,6)	(9,5)	(9,3)
Other financial items	0,2	(0,4)	(5,4)	(2,1)	(1,0)
<b>PROFIT (LOSS) BEFORE TAX</b>	<b>7,1</b>	<b>(32,0)</b>	<b>2,1</b>	<b>6,0</b>	<b>(1,8)</b>
Taxes	(0,8)	(1,0)	0,4	0,0	(0,5)
<b>NET PROFIT (LOSS)</b>	<b>6,3</b>	<b>(33,0)</b>	<b>2,5</b>	<b>6,0</b>	<b>(2,3)</b>

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# Cash flow statement- Joint Ventures according to equity method

USD million	31.03.2016	31.12.2015	30.09.2015	30.06.2015	31.03.2015
Licences, design and other intangibles	0	0	37	37	37
Newbuildings under construction and vessels	1 225	1 033	1 036	1 037	1 035
Shareholder loans to joint ventures	5	14	15	16	18
Mark-to-market on hedging instruments	0	3	0	11	1
Other assets	74	71	55	57	43
Restricted cash (non-current)	20	20	17	15	15
Current cash and marketable securities	343	344	371	282	199
Asset held for sale	0	18	18	18	0
<b>TOTAL ASSETS</b>	<b>1 667</b>	<b>1 503</b>	<b>1 549</b>	<b>1 473</b>	<b>1 348</b>
Total equity	456	492	510	445	426
Investments in joint ventures	83	74	90	83	99
Interest bearing debt	979	787	801	811	691
Mark-to-market on hedging instruments	76	68	74	62	66
Other liabilities	73	83	74	73	67
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 667</b>	<b>1 503</b>	<b>1 549</b>	<b>1 473</b>	<b>1 348</b>
Total equity adjusted for hedging reserves	592	598	642	550	554
Equity ratio adjusted for hedging reserves	36 %	40 %	41 %	37 %	41 %
Net interest bearing debt	616	423	413	513	477