

**NAVIGATOR HOLDINGS LTD.**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE PERIODS TO SEPTEMBER 30, 2012 and 2013**

*(Unaudited)*

**Navigator Holdings Ltd.**  
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**(Unaudited)**

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**Navigator Holdings Ltd. reports Third Quarter 2013 financial and operating results.****Third Quarter 2013 Results:**

Operating revenue for the three months ended September 30, 2013 amounted to \$64.2 million, an increase of \$24.6 million, or 62.1% when compared to the \$39.6 million of operating revenue for the three months ended September 30, 2012. This significant increase is primarily a result of the additional vessels acquired during 2013, but is also derived from improving charter rates, offset in part by a reduction in vessel utilization. Pursuant to the sales and purchase agreements dated in November 2012 between the Company and affiliates of A.P. Moller Maersk, a further three semi-refrigerated vessels were delivered to us during this third quarter.

The average time charter equivalent rate for our semi-refrigerated vessels was approximately \$895,100 per calendar month (\$29,427 per day) during this quarter, compared to \$788,200 per calendar month (\$25,915 per day) for the comparable period of 2012.

The average time charter equivalent rate for the fully-refrigerated vessels was \$793,200 per calendar month (\$26,000 per day) for the third quarter, giving an average rate of \$772,000 per calendar month for the year to date. The Company did not have any fully-refrigerated vessels during 2012.

Fleet utilization across the 23 vessels decreased to 90.5% for the third quarter, as idle time increased as well as five of our vessels undertaking ballast voyages to reposition for time charters. Fleet utilization was 99.2% for the third quarter of 2012.

Net operating revenue, which is operating revenue less voyage expenses, amounted to \$50.6 million for the three months ended September 30, 2013, up \$18.2 million from the same period in 2012. \$17.6 million of this increase is a result of the additional vessels in the fleet; \$5.5 million is derived from an increase in charter rates; and a reduction of \$4.9 million as a result of the decrease in vessel utilization.

Vessel operating expenses increased by \$5.8 million from \$9.2 million for the three months ended September 30, 2012, to \$15.0 million for the same period in 2013. This increase principally reflects the increased number of vessels in the fleet in 2013, as ownership days climbed to 1,965 for the three month ended September 30, 2013, against 1,261 days for the equivalent period of 2012.

Other corporate expenses rose from \$0.2 million for the three months to September 30, 2012, to \$1.9 million for the equivalent period in 2013, as the Company incurred project feasibility costs associated with the evaluation of a terminal development opportunity, complementary to our core activities.

Net income rose to \$11.0 million for the three month period to September 30, 2013, or \$0.24 per share, based on an increased number of shares issued, up from \$8.4 million or \$0.22 per share for the same three months of 2012. Both share amounts have been retroactively restated to reflect the Company's 3-for-1 stock split that became effective on October 29, 2013.

EBITDA for the third quarter of 2013 was \$29.1 million compared with \$17.2 million for the quarter ended September 30, 2012.

**First Nine Months 2013 Results:**

Operating revenue for the nine months ended September 30, 2013 amounted to \$167.0 million, an increase of \$60.5 million compared to operating revenue of \$106.5 million for the nine months ended September 30, 2012. Net operating revenue, which is operating revenue less voyage expenses, amounted to \$131.1 million for the nine months to September 30, 2013, an increase of \$46.0 million from the nine month period ended September 30, 2012.

The Company commenced the year operating 13 vessels and has taken delivery of ten of the eleven vessels from affiliates of A.P. Moller Maersk since February 1, 2013, giving us a total fleet of 23 vessels at September 30, 2013. On October 22, 2013, the Company took delivery of the final vessel from A.P. Moller Maersk.

Ten of the 18 semi-refrigerated and ethylene vessels operated by the Company at September 30, 2013 were on time charters at an average rate of approximately \$903,000 per calendar month. The remaining semi-refrigerated vessels trading on the spot market, and those vessels operating under voyage charters during the first nine months of 2013 achieved an average time charter equivalent ("TCE") rate of \$960,200 per calendar month.

With respect to the fully-refrigerated vessels, four of the five owned vessels were on time charter at September 30, 2013, at an average rate of \$795,000. The fifth vessel, Navigator Glory, was delivered from A.P. Moller Maersk on October 22 and commenced a time charter soon thereafter, for a period of twelve months. The average rate for all voyage charters undertaken with the fully-refrigerated fleet during 2013 was \$772,200 per calendar month.

Fleet utilization was 93.7% for the first nine months of 2013 compared to 99.6% for the full year of 2012.

Vessel operating expenses were \$37.9 million for the nine months ended September 30, 2013, a rise of \$13.6 million from the same period in 2012, primarily reflecting the increased number of vessels in the fleet in 2013, with ownership days of 4,981 for the nine months ended September 30, 2013 up from 3,375 days for the equivalent period of 2012.

Net income rose to \$30.1 million for the nine month period to September 30, 2013 or \$0.67 per share, based on a weighted average number of 44.8 million shares in issue, following the 3-for-1 stock split that became effective on October 29, 2013, compared to \$21.7 million or \$0.59 per share for the same nine month period of 2012, based on a weighted average number of 36.8 million shares in issue.

EBITDA for the nine months to September 30, 2013 was \$76.7 million compared with \$45.8 million for the same period in 2012.

**Navigator Holdings Ltd.**  
**Consolidated Balance Sheets**  
**(Unaudited)**

	December 31, <u>2012</u>	September 30, <u>2013</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 140,870,317	\$ 46,012,991
Short-term investments	10,000,000	10,000,000
Accounts receivable, net	3,873,849	10,004,873
Accrued income	6,729,551	6,547,995
Prepaid expenses and other current assets	5,079,652	5,354,325
Inventories	4,821,346	9,613,818
	171,374,715	87,534,002
Vessels in operation, net	586,660,699	992,474,830
Deposit on vessel acquisitions	47,000,000	4,300,000
Vessels under construction	20,110,888	44,873,140
Property, plant and equipment, net	497,362	459,470
Deferred finance costs, net	6,610,820	13,494,296
	832,254,484	1,143,135,738
	832,254,484	1,143,135,738
<b>Liabilities and stockholders' equity</b>		
<b>Current liabilities</b>		
Current portion of long-term debt	\$ 26,842,508	\$ 58,682,224
Accounts payable	7,943,797	9,457,005
Accrued expenses and other liabilities	3,476,329	6,360,162
Accrued interest	1,891,763	6,752,922
Deferred income	2,883,352	3,297,323
	43,037,749	84,549,636
	43,037,749	84,549,636
<b>Non-current liabilities</b>		
Secured term loan facilities, net of current portion	216,393,245	380,110,402
Senior unsecured bond	125,000,000	125,000,000
	341,393,245	505,110,402
	341,393,245	505,110,402
<b>Commitments and contingencies</b>		
<b>Stockholders' equity</b>		
Common stock – \$.01 par value; 300,000,000 shares authorized; 46,296,765 shares issued and outstanding, (2012: 38,694,648)	386,946	462,966
Additional paid-in capital	352,379,033	427,861,592
Accumulated other comprehensive loss	(114,507)	(123,403)
Retained earnings	95,172,018	125,274,545
	447,823,490	553,475,700
	447,823,490	553,475,700
Total liabilities and stockholders' equity	\$ 832,254,484	\$ 1,143,135,738
	832,254,484	1,143,135,738

(1) All share amounts (except par value per share amounts) have been retroactively restated to reflect the Company's 3-for-1 stock split that was effected as of October 29, 2013.

See accompanying notes to condensed consolidated financial statements.

**Navigator Holdings Ltd.**  
**Consolidated Statements of Income**  
**(Unaudited)**

	Three months ended September 30		Nine months ended September 30	
	2012	2013	2012	2013
<b>Revenues</b>				
Operating revenue	\$ 39,571,570	\$ 64,214,825	\$ 106,488,310	\$ 167,031,162
<b>Expenses</b>				
Address and brokerage commissions	1,137,636	1,350,877	3,161,059	3,925,711
Voyage expenses	7,152,534	13,644,729	21,314,117	35,904,888
Charter-in cost	3,495,331	1,800,000	7,095,331	4,974,718
Vessel operating expenses	9,165,211	14,971,717	24,269,684	37,904,871
Depreciation and amortization	6,338,986	10,125,125	17,845,075	25,807,664
General and administrative costs	1,180,946	1,427,504	3,716,912	4,622,147
Other corporate expenses	234,470	1,928,515	1,084,448	2,927,698
<b>Total operating expenses</b>	<b>28,705,114</b>	<b>45,248,467</b>	<b>78,486,626</b>	<b>116,067,697</b>
<b>Operating income</b>	<b>10,866,456</b>	<b>18,966,358</b>	<b>28,001,684</b>	<b>50,963,465</b>
<b>Other income / (expense)</b>				
Interest expense	(2,384,960)	(7,814,207)	(5,946,133)	(20,553,641)
Interest income	26,444	12,146	35,636	58,325
<b>Income before income taxes</b>	<b>8,507,940</b>	<b>11,164,297</b>	<b>22,091,187</b>	<b>30,468,149</b>
Income taxes	(131,094)	(141,704)	(376,705)	(365,622)
<b>Net income</b>	<b>\$ 8,376,846</b>	<b>\$ 11,022,593</b>	<b>\$ 21,714,482</b>	<b>\$ 30,102,527</b>
Earnings per share:				
Basic and diluted	\$ 0.22	\$ 0.24	\$ 0.59	\$ 0.67
Weighted average number of shares outstanding:				
Basic and diluted	38,694,648	46,296,765	36,824,994	44,751,186

(1) All share amounts (except par value per share amounts) have been retroactively restated to reflect the Company's 3-for-1 stock split that was effected as of October 29, 2013.

See accompanying notes to condensed consolidated financial statements.

## Navigator Holdings Ltd.

Consolidated Statements of Comprehensive Income  
(Unaudited)

	Three months ended September 30		Nine months ended September 30	
	2012	2013	2012	2013
Net income	\$ 8,376,846	\$ 11,022,593	\$ 21,714,482	\$ 30,102,527
<b>Other Comprehensive Income / (Loss):</b>				
Foreign currency translation (loss) / gain	23,276	87,427	46,571	(8,896)
<b>Total Comprehensive Income</b>	<b>\$ 8,400,122</b>	<b>\$ 11,110,020</b>	<b>\$ 21,761,053</b>	<b>\$ 30,093,631</b>

Consolidated Statements of Stockholders' Equity  
(Unaudited)

	<u>Common Stock at 0.01 par value <sup>(1)</sup></u>	<u>Additional Paid-in Capital <sup>(1)</sup></u>	<u>Accumulated Other Comprehensive Income (Loss)</u>	<u>Retained Earnings</u>	<u>Total</u>
<b>January 1, 2012</b>	\$ 329,895	\$ 304,789,577	\$ (146,673)	\$ 67,055,392	\$ 372,028,191
Issuance of common stock	56,250	46,793,497	-	-	46,849,747
Restricted shares issued					
February 22, 2012	501	-	-	-	501
Restricted shares issued					
April 24, 2012	300	-	-	-	300
Net income	-	-	-	30,535,845	30,535,845
Dividends paid	-	-	-	(2,419,219)	(2,419,219)
Foreign currency translation	-	-	32,166	-	32,166
Share-based compensation	-	795,959	-	-	795,959
<b>December 31, 2012</b>	<b>386,946</b>	<b>352,379,033</b>	<b>(114,507)</b>	<b>95,172,018</b>	<b>447,823,490</b>
Issuance of common stock	75,000	74,905,022	-	-	74,980,022
Restricted shares issued					
March 31, 2013	600	-	-	-	600
Restricted shares issued					
April 7, 2013	270	-	-	-	270
Restricted shares issued					
April 11, 2013	150	-	-	-	150
Net income	-	-	-	30,102,527	30,102,527
Foreign currency translation	-	-	(8,896)	-	(8,896)
Share-based compensation	-	577,537	-	-	577,537
<b>September 30, 2013</b>	<b>\$ 462,966</b>	<b>\$ 427,861,592</b>	<b>\$ (123,403)</b>	<b>\$ 125,274,545</b>	<b>\$ 553,475,700</b>

(1) All share amounts (except par value per share amounts) have been retroactively restated to reflect the Company's 3-for-1 stock split that was effected as of October 29, 2013.

See accompanying notes to condensed consolidated financial statements.

**Navigator Holdings Ltd.**  
**Consolidated Statements of Cash Flows**  
**(Unaudited)**

	Nine months ended September 30, <u>2012</u>	Nine months ended September 30, <u>2013</u>
<b>Cash flows from operating activities</b>		
Net income	\$ 21,714,482	\$ 30,102,527
<b>Adjustments to reconcile net income to net cash provided by operating activities</b>		
Depreciation and amortization	17,845,075	25,807,664
Share-based compensation	514,269	578,557
Amortization of deferred financing costs	776,428	1,432,742
Unrealized foreign exchange	41,819	(4,124)
<b>Changes in operating assets and liabilities</b>		
Accounts receivable	(3,910,542)	(6,131,023)
Inventories	346,386	(4,792,472)
Accrued income and prepaid expenses and other current assets	(3,283,483)	(93,116)
Accounts payable, accrued interest and other liabilities	4,556,835	9,672,170
<b>Net cash provided by operating activities</b>	<u>38,601,269</u>	<u>56,572,925</u>
<b>Cash flows from investing activities</b>		
Payment to acquire vessels	(100,538,753)	(386,854,041)
Payment for vessels under construction	(44,832,038)	(24,762,252)
Payment of drydocking costs	-	(1,954,597)
Purchase of other property, plant and equipment	(114,466)	(80,038)
Release of short-term investments	-	10,000,000
Placement of short-term investments	-	(10,000,000)
<b>Net cash used in investing activities</b>	<u>(145,485,257)</u>	<u>(413,650,928)</u>
<b>Cash flows from financing activities</b>		
Proceeds from secured term loan facilities	176,528,261	218,700,000
Direct financing costs of secured term loan facilities	(2,700,000)	(6,785,568)
Repayment of secured term loan facilities	(100,939,289)	(23,143,127)
Issuance costs of 9% senior unsecured bond	-	(113,645)
Proceeds from issuance of stock	46,875,000	75,000,000
Issuance costs of stock	(22,627)	(19,978)
Issuance costs of planned stock issue	-	(1,417,005)
Dividends paid	(2,419,219)	-
<b>Net cash provided by financing activities</b>	<u>117,322,126</u>	<u>262,220,677</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>10,438,138</u>	<u>(94,857,326)</u>
<b>Cash and cash equivalents at beginning of period</b>	26,734,435	140,870,317
<b>Cash and cash equivalents at end of period</b>	<u>\$ 37,172,573</u>	<u>\$ 46,012,991</u>
<b>Supplemental Information</b>		
Total interest paid during the period, net of amounts capitalized	<u>\$ 3,997,792</u>	<u>\$ 14,259,742</u>
Total tax paid during the period	<u>\$ 100,598</u>	<u>\$ 97,470</u>

See accompanying notes to condensed consolidated financial statements.

**Navigator Holdings Ltd.****Notes to the Condensed Consolidated Financial Statements  
(Unaudited)****1. Basis of Presentation**

In the opinion of the management of Navigator Holdings Ltd. (the "Company"), the accompanying unaudited condensed consolidated financial statements reflect all normal recurring adjustments, necessary for a fair presentation of the financial position of the Company and its subsidiaries as of September 30, 2013; the results of operations for the three and nine months ended September 30, 2013 and 2012; statement of stockholders equity for the nine months ended September 30, 2013 and 2012; and cash flows for the nine months ended September 30, 2013 and 2012.

These unaudited condensed consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with generally accepted accounting principles in the United States of America for interim reporting. Also, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. The results for the period ended September 30, 2013 are not necessarily indicative of results for the full 2013 fiscal year or any other future periods. It is recommended that these financial statements be read in conjunction with our consolidated financial statements and notes thereto for the year ended December 31, 2012.

**2. Revenue Recognition**

The Company employs its vessels on time charters or voyage charters. With time charters, the Company receives a fixed charter hire per on-hire day, and revenue is recognized on an accrual basis and is recorded over the term of the charter as service is provided. In the case of voyage charters, the vessel is contracted for a voyage between two or more ports and the Company is paid for the cargo transported.

On April 1, 2013, the Company changed its method of accounting for revenue recognition on voyage charters. Previously, the Company determined that a voyage commenced with loading and completed at the point of discharge. The Company now recognizes revenue on a discharge-to-discharge basis in determining percentage of completion for all voyage charters, but does not begin recognizing revenue until a charter has been agreed to by the customer and the Company, even if the vessel has discharged its cargo and is sailing to the anticipated load port for its next voyage. The Company has adopted this new policy as it considers the decision to undertake a specific voyage is highly dependent on the location of the vessel's prior discharge port and the part of the voyage to the load port is a necessary part of the overall profitability of that voyage. Management believes that given the significant increase in the number of vessels in operation and consequently the number of voyage charters undertaken, the results of the Company could be materially distorted by excluding the proportion of the revenue in sailing to the next load port. The effect of this new accounting policy, since its adoption on April 1, 2013, has not been considered material. Its adoption has not resulted in a retrospective adjustment as of or for the years ended December 31, 2011 or 2012, or for the nine months ended September 30, 2012 or 2013, or for the three months ended September 30, 2012, as the impact is not considered material.

## Navigator Holdings Ltd.

Notes to the Condensed Consolidated Financial Statements (Continued)  
(Unaudited)

## 3. Vessels in Operation

	<u>Vessel</u>	<u>Drydocking</u>	<u>Total</u>
Cost			
December 31, 2012	\$ 677,418,054	\$ 10,364,236	\$ 687,782,290
Additions	427,054,041	4,454,596	431,508,637
Disposals	-	(1,834,974)	(1,834,974)
September 30, 2013	<u>\$1,104,472,095</u>	<u>\$ 12,983,858</u>	<u>\$1,117,455,953</u>
Accumulated Depreciation			
December 31, 2012	\$ 95,425,485	\$ 5,696,106	\$ 101,121,591
Charge for the period	23,372,139	2,322,367	25,694,506
Disposals	-	(1,834,974)	(1,834,974)
September 30, 2013	<u>\$ 118,797,624</u>	<u>\$ 6,183,499</u>	<u>\$ 124,981,123</u>
Net Book Value			
September 30, 2013	<u>\$ 985,674,471</u>	<u>\$ 6,800,359</u>	<u>\$ 992,474,830</u>
December 31, 2012	<u>\$ 581,992,569</u>	<u>\$ 4,668,130</u>	<u>\$ 586,660,699</u>

The net book value of vessels that serve as collateral for the Company's bank loans was \$896,256,109 at September 30, 2013.

## 4. Vessels Under Construction

	<u>December 31</u> <u>2012</u>	<u>September 30</u> <u>2013</u>
Vessels under construction at January 1	\$ 30,183,159	\$ 20,110,888
Payments to shipyard	43,850,300	23,756,000
Other payments including initial stores, capitalized interest and site costs	1,080,801	1,006,252
Transfer to vessels in operation	(55,003,372)	-
Vessels under construction period end	<u>\$ 20,110,888</u>	<u>\$ 44,873,140</u>

## 5. Common Stock

An investment agreement with affiliates of WL Ross & Co. LLC ("WLR Group"), Mr. David Butters and a third party was entered into on February 15, 2013, to subscribe for shares of common stock with a value of \$75,000,000. These shares were issued, and funds received by the Company, on February 25, 2013.

**Navigator Holdings Ltd.**

**Notes to the Condensed Consolidated Financial Statements (Continued)**  
**(Unaudited)**

**6. Share-Based Compensation**

During 2008, the Company's Board adopted the 2008 Restricted Stock Plan (the "Plan"), which entitles officers, employees, consultants and directors of the Company to receive grants of restricted stock of the Company's common stock.

In 2012, the Company granted 39,198 shares to the Chief Executive of the Company and 11,100 shares to the officers and management of the Company, all of which were issued on February 22, 2012, with a weighted average estimated value of \$7.59 per share. All of these shares vest on the third anniversary of the grant date. A further 15,000 shares each were granted to two Board members of the Company with a weighted average estimated value of \$7.20 per share on April 24, 2012. These shares vest on the first anniversary of the grant date.

In 2013, the Company granted 60,000 shares, with a weighted average estimated value of \$10.00 per share, to the Chief Executive of the Company all of which were issued on March 31, 2013. On April 7, 2013 a further 27,117 shares were granted to the officers and management of the Company with a weighted average value of \$10.00 per share and on April 11, 2013 a further 15,000 shares were granted to officers and management of the Company with a weighted average estimated value of \$10.00. All these shares vest on the third anniversary of the grant date.

Using the straight-line method of expensing the restricted stock grants, the estimated fair value of the shares calculated at the date of grant is recognized as compensation costs in the Statement of Income over the vesting period. During the nine months ended September 30, 2013, the Company recognized \$578,557 in share-based compensation costs (nine months ended September 30, 2012: \$514,269). At September 30, 2013, there was a total of \$1,096,513 unrecognized compensation costs relating to the expected future vesting of share-based awards (December 31, 2012: \$653,908) which are expected to be recognized over a weighted average period of 1.78 years (December 31, 2012: 0.93 years).

The total fair value of shares vested during the nine months ended September 30, 2012 and September 30, 2013 was \$1,249,500 and \$3,548,000 respectively.

Restricted share grant activity for the year ended December 31, 2012 and nine months ended September 30, 2013 was as follows:

	Number of non-vested restricted shares	Weighted average grant date fair value	Weighted average remaining contractual term	Aggregate intrinsic value
Balance as of January 1, 2012	439,350	\$5.37		
Granted	80,298	7.44		
Vested	(150,000)	5.50		
Balance as of December 31, 2012	369,648	\$5.76	0.93 years	\$3,696,480
Granted	102,117	10.00		
Vested	(258,000)	5.26		
Balance as of September 30, 2013	213,765	\$8.40	1.78 years	\$3,516,434

**Navigator Holdings Ltd.****Notes to the Condensed Consolidated Financial Statements (Continued)  
(Unaudited)****7. Commitments and Contingencies**

The Company occupies office space in London with a lease commencing in March 2012, for a period of ten years, with a mutual break clause after five years, and is paying approximately \$515,000 (£321,850) per calendar year.

The Company also occupies property in New York paying approximately \$231,990 per year. The lease is for a period of five years ending June 30, 2017.

The Company has chartered-in a vessel for a period ending in December 2014 at a fixed monthly rate commensurate with the market rate at the time of fixing the charter.

The Company entered into agreements during April 2012 to purchase up to four 21,000 cbm, semi-refrigerated ethylene-capable liquefied gas carriers which will be built at Jiangnan Shipyard (Group) Co. Ltd in China for an aggregate price of approximately \$200,000,000. The first vessel is scheduled to be delivered in April 2014 followed by a vessel delivery each two months thereafter.

The Company signed an agreement to purchase a fleet of eleven semi-refrigerated and fully-refrigerated handysize vessels from affiliates of A.P. Moller Maersk on November 14, 2012, for a total purchase price of \$470,000,000, at which time the Company paid a 10% deposit. Three vessels were delivered in September 2013 giving a total of ten vessels acquired under the agreement as of September 30, 2013. The remaining vessel was delivered on October 22, 2013.

A loan facility agreement for \$270,000,000 was entered into on February 12, 2013, between Navigator Gas L.L.C. and Nordea Bank Finland Plc London Branch, Skandinaviska Enskilda Banken AB, DVB Bank SE Nordic Branch, ABN Amro Bank N.V. and HSH Nordbank AG, to assist with the financing of the acquisition of the A.P. Moller Maersk vessels. The Company drew down \$147,150,000 from this facility during the second quarter of 2013. The Company drew down \$71,550,000 from this facility during the third quarter of 2013 giving a cumulative amount on the facility of \$218,700,000 for the nine months ended September 30, 2013. The term loan facility is a delayed draw facility with an availability period ending December 31, 2013 and a term of five years. Advances under the term loan facility are contingent upon the delivery of the A.P Moller vessels, provided that no advance may occur after the end of the availability period. The aggregate fair market value of the collateral vessels must be no less than 135% of the aggregate outstanding borrowings under the facility. Interest on amounts drawn is payable at a rate of U.S. LIBOR plus 350 basis points per annum. The principal will be repaid in instalments based on a schedule determined by lenders on each date that amounts are drawn under the facility.

A loan facility agreement for \$120,000,000 was entered into on April 11, 2013, between Navigator Gas L.L.C. and Credit Agricole Corporate and Investment Bank, The Export-Import Bank of China, HSH Nordbank AG and NIBC Bank N.V. to assist with the financing of the four newbuild vessels being built in China and to be delivered in 2014. The term loan facility is a delayed draw facility with the last availability period ending June 8 2015 and a term of six years. The aggregate market value of the collateral vessels must be no less than 135% of the aggregate outstanding borrowings under the facility. Interest on amounts drawn under the facility is payable at a rate of U.S LIBOR plus 350 basis points per annum. The principal will be repaid in instalments based on a schedule determined by lenders on each date that amounts are drawn under the facility.

On July 18, 2013, the Company entered into agreements to construct one 21,000 cubic meter semi-refrigerated ethylene capable gas carrier and two 22,000 cubic meter semi-refrigerated liquefied gas carriers for a combined price of approximately \$138,000,000. In addition, on October 22, 2013, the Company exercised one of its existing two options to construct a 22,000 cubic meter semi-refrigerated liquefied gas carriers at a cost of \$44,000,000 each, with the second option being extended to December 2013. All four vessels will be constructed by Jiangnan Shipyard (Group) Co Ltd. in China, and are scheduled for delivery during 2015.

**Navigator Holdings Ltd.****Notes to the Condensed Consolidated Financial Statements (Continued)  
(Unaudited)****8. Subsequent events**

On October 17, 2013, the Company filed a registration statement on Form F-1 with the U.S. Securities and Exchange Commission. ("SEC") and announced that it is pursuing an initial public offering of its common stock. As of November 1, 2013, the registration statement on Form F-1 has not yet been declared effective by the SEC. The Company's largest shareholder, the WLR Group, owned 60.6% of the Company's outstanding shares of common stock as of November 1, 2013 and is expected to continue to own a significant amount of the Company's common stock following an offering. Based on the WLR Group's significant ownership interest in the Company, it may be able to exert considerable influence on the outcome of matters on which the Company's shareholders are entitled to vote, including the election of directors to its board of directors and other significant corporate actions.

On October 22, 2013, the Company announced that the Board of Directors of the Company has declared a 3-for-1 forward stock split of the Company's issued and outstanding Common Stock, payable in the form of a stock dividend. Therefore, for each share held, a shareholder will receive a dividend of an additional two shares. The stock dividend will be payable on November 5, 2013 to shareholders of record at the close of business on October 29, 2013. Following this stock dividend, there will be 46,296,765 shares outstanding. All share amounts (except par value per share amounts) have been retroactively restated to reflect the Company's 3-for-1 stock split that was effected as of October 29, 2013.