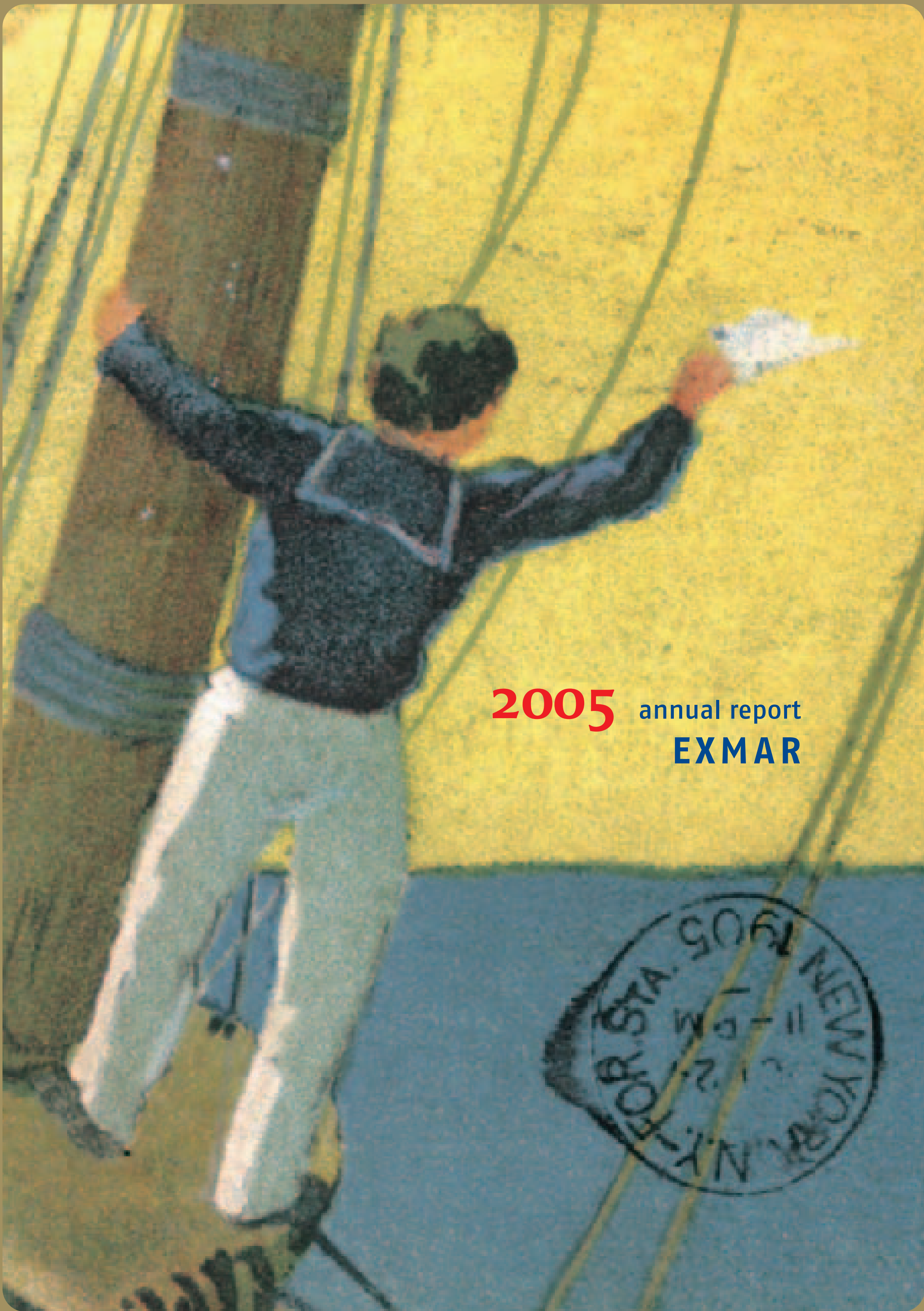


2005 annual report
EXMAR

EXMAR

ANNUAL REPORT 2005

EXMAR is a diversified and independent shipping group that serves the international oil and gas industry. This is achieved by providing both ships for the overseas transport of its products, and by performing studies or undertaking the management of commercial, technical or administrative activities.

EXMAR strives to create shareholder value over the long term by balancing long and short term agreements to counteract volatility in the freight market, combined with providing services that are tailored to the needs of the customer.

EXMAR endeavours to support sustainable growth by attaching the greatest importance to the quality of its fleet, the safety of its personnel and equipment and the protection of the environment.

The operational activities are divided among four sectors:

LPG/NH3/PETCHEM
The transport of liquid petroleum gas, ammonia and chemical gases, primarily on ships of the midsize-type (20,000 to 40,000 m^3) and VLGC (70,000 to 85,000 m^3) vessels.

LNG
Transport of liquid natural gas, with delivery in either liquid or gas form enabled by an on-board regasification installation (LNGRV).

OFFSHORE
Services provided to the offshore oil and gas industry, encompassing offshore processing, storage and transhipment of oil and gases, as well as development, consulting and new designs for floating installations.

DIENSTEN
- HOLDING ACTIVITIES
- TECTO: technical management and crewing of ships
- BELGIBO: insurance brokerage
- TRAVEL PLUS: travel agency

KEY FIGURES PER DIVISION

CONSOLIDATED KEY FIGURES ACCORDING IFRS STANDARDS (in million usd)

LPG	2005	2004
Consolidated income statement		
Turnover	314.3	293.4
EBITDA	94.9	56.3
Operating result (EBIT)	76.9	36.1
Financial result	-19.6	-14.1
Result before taxes	57.3	22.0
Company's result valued in accordance with the equity method	-	-
Taxes	-0.1	-1.8
Consolidated result after taxation	57.2	20.2
Of which group share	*57.2*	*19.8*
Cash flow	94.9	40.4
Balance sheet		
Fixed assets	340.9	360.6
Financial debts	193.6	252.3
Personnel	492	597
Of which seagoing	479	579

LNG	2005	2004
Consolidated income statement		
Turnover	55.3	44.7
EBITDA	43.2	28.2
Operating result (EBIT)	30.6	20.9
Financial result	-20.3	-13.5
Result before taxes	10.3	7.4
Company's result valued in accordance with the equity method	-	-
Taxes	-	0.2
Consolidated result after taxation	10.3	7.6
Of which group share	*10.3*	*7.6*
Cash flow	43.2	15.1
Balance sheet		
Fixed assets	416.6	312.3
Financial debts	406.3	243.9
Personnel	279	164
Of which seagoing	264	151

OFFSHORE	2005	2004
Consolidated income statement		
Turnover	37.7	33.8
EBITDA	9.2	12.2
Operating result (EBIT)	2.4	5.3
Financial result	-3.2	-6.1
Result before taxes	-0.8	-0.8
Company's result valued in accordance with the equity method	-	-
Taxes	-	-0.7
Consolidated result after taxation	-0.8	-1.5
Of which group share	*-0.8*	*-1.5*
Cash flow	9.2	5.4
Balance sheet		
Fixed assets	69.8	77.6
Financial debts	46.2	52
Personnel	87	71
Of which seagoing	80	66

SERVICES	2005	2004
Consolidated income statement		
Turnover	44.4	51.8
EBITDA	-1.3	-8.4
Operating result (EBIT)	-4.4	-11.1
Financial result	13.5	13.5
Result before taxes	9.1	2.7
Company's result valued in accordance with the equity method	0.1	-
Taxes	-0.6	1.2
Consolidated result after taxation	8.6	3.9
Of which group share	*8.6*	*3.9*
Cash flow	-1.3	5.7
Balance sheet		
Fixed assets	44.7	20.6
Financial debts	12.4	14.2
Personnel	773	981
Of which seagoing	581	796

CONSOLIDATED KEY FIGURES

A. Consolidated income statement according IFRS (in million USD)	2005	2004
Operating income	451.7	423.7
EBITDA	146.0	88.5
Depreciations	-40.5	-37.3
Operating result (EBIT)	105.5	51.2
Financial results	-29.6	-20.0
Result after financial results	75.9	31.3
Company's result valued in accordance with the equity method	0.1	0.0
Income taxes	-0.7	-1.0
Consolidated result after taxation	75.3	30.2
Share of the group in the result	**75.3**	**29.8**

B. Balance sheet (in million USD)	2005	2004
Shareholders' equity	261.2	259.8
Ships (including ships under construction)	839.6	748.0
Net financial debts	535.3	476.6
Total assets	**1,076.1**	**972.6**

C. Contribution to the consolidated operating result (EBIT) by the various operating divisions (in million USD)	2005	2004
LPG	76.9	36.1
LNG	30.6	20.9
Offshore	2.4	5.3
Services	-4.4	-11.1
Consolidated operation result (EBIT)	**105.5**	**51.2**

D. Informations per share (in USD)	2005	2004
Weight average number of shares during the period	6,760,559	7,308,922
EBITDA	21.60	12.11
EBIT (operation results)	15.61	7.01
Consolidated result after taxation	**11.13**	**4.07**

E. Informations per share (in EUR)	2005	2004
Gross dividend	3.5	1.00
Net dividend	2.625	0.75
Highest closing rate of the shares	82.50	48.75
Lowest closing rate of the shares	42.50	34.00

Board of directors

Baron Philippe Bodson – President
Nicolas Saverys – Managing Director
Patrick De Brabandere
Marc Saverys
Ludwig Criel
Harry Rutten (resigning)
Philippe Vlerick
Thierry Vleurinck

Executive committee

Nicolas Saverys
Patrick De Brabandere
Peter Raes
Peter Verstuyft

Management

Nicolas Saverys – Chief Executive Officer
Patrick De Brabandere – Chief Financial Officer
Peter Raes – Chief Operations Officer
Peter Verstuyft – Secretary General/Managing Director TECTO
Patrick Claerhout – Managing Director BELGIBO
Christel Daeseleire – Managing Director TRAVEL PLUS
Pierre Dincq – Managing Director LPG/NH3
Olivier Gossieaux – Managing Director LNG
Carl Hansen – Managing Director Offshore
Patrick Janssens – Chief Technical Officer
Karel Stes – Chief Legal Officer
Paul Young – Chief Marketing Officer

Cover passenger list

In memoriam

The year 2005 brought with it a great loss for EXMAR. With the passing on 11 August 2005 of our Chairman of the board of directors, Mr. Yves Brasseur, EXMAR lost one of its pioneers. In 1982, when I started up a gas transport division within EXMAR, he was my mentor.

His advice, knowledge, dedication, support and contribution to developing EXMAR into what it is today in the world of gas transport, as well as his acute analysis and pertinent comments as he performed his duties as board member and chairman will be sorely missed. I remain indebted to him for his valuable input and in him I have lost a dear friend.

Nicolas Saverys
CEO

Contents

★ *Postcard*

Emigration may have had its heyday several decades ago, but the American shipping company RED STAR LINE which sailed under the Belgian flag has never been forgotten.

Antwerp painter Eugeen Van Mieghem, who lived nearby the RED STAR LINE depots created evocative images of the emigrants and refugees he saw there.

On the occasion of the exhibition **ANTWERP = NEW YORK,** Eugeen Van Mieghem and the emigrants of the Red Star Line, to be held in New York, EXMAR – as a Belgian Maritime company – chose to adopt this theme for the illustration of this annual report.

We would like to thank Erwin Joos, curator of the Eugeen Van Mieghem museum in Antwerp, for making the illustrations available to us.

www.vanmieghemmuseum.com

Cover Red Star Line brochure

Chairman's statement

1

Ladies and Gentlemen,

As the successor to our late chairman Yves Brasseur, I have the pleasure of presenting to you the EXMAR annual report for the financial year ending on 31 December 2005.

The announced solid result is largely the product of the strong results from our LPG fleet, combined with a significant capital gain realised on the sale of the fleet of smaller gas tankers that had been built up over the course of the previous year.

In the past year, we have further refined the regasification installation on-board the LNG ships, in time for a number of gas deliveries to the Gulf Gateway of Excelerate Energy, located off the coast of Louisiana (USA).

In order to strengthen our position in the turbulent energy market, several important investment decisions have been taken, including a construction order for 2 VLGCs of 84,000 m^3 and, jointly with Excelerate, an order for the building of 2 LNGs of 150,900 m^3 with regasification installation (RV).

Moreover, post balance sheet date, an additional two sister ships were ordered, with an option on a possible third, which confirms our confidence in the LNGRV market.

I would like to take this opportunity to highlight the important contribution made by our engineering and consultancy offices in Antwerp, Houston and Paris in the development of innovative technical solutions on behalf of the oil and gas industry at sea.

With pleasure it is noted that our investors seem to share our confident outlook on the future, as indicated by the strong performance of our shares on the stock market.

Naturally, I would very much like to thank all those involved in EXMAR, first and foremost our staff, for their contribution to this success and I am pleased to offer our shareholders a proposed gross dividend of EUR 3.50 per share (base payment of EUR 2.00 exceptionally increased by EUR 1.50).

Baron Philippe Bodson
Chairman of the board of directors

ANVERS. IMP. E. STOCKMANS & C^ie & J. GOFFIN FILS. BRUXELLES

2

Annual report of the board of directors

Ladies and Gentlemen,

We are honoured to present to you the combined annual report of the group's consolidated and statutory accounts for the year 2005, as prescribed in article 119, 4° of the Code of Company Law.

At the same time, in this report we shall make a proposal for profit distribution as well as requesting you to grant us discharge from our mandates. We would like to call your attention to the fact that all mandates expire immediately after the upcoming general assembly. With the exception of Mr. Rutten, who has asked that his mandate be cancelled, all current members of the board of directors are seeking reelection. We propose replacing Mr. Rutten with Mr. Philippe van Marcke de Lummen as an independent member of the board. Mr. van Marcke fulfils the criteria for independence stipulated in the Company Laws and the Corporate Governance Code. Moreover Mr. van Marcke declared, and the boards of directors evaluated that he is not having a significant relationship with a company in any way this could compromise his independence.

Detail postcard SS Finland (1905)

Detail postcard SS Finland (1905)

1. Comments on the Consolidated Annual Accounts

The consolidated accounts were prepared in accordance with IFRS.

Turnover

EXMAR turnover rose by nearly 7 % in 2005. This increase is primarily due to improved freight rates in the LPG sector, however this was offset by the difficulty in obtaining employment for **Excalibur**.

Result

The operating result more than doubled, from USD 51.2 million to USD 107.1 million, especially due to the increased contribution from the LPG division and the extra income of USD 59.0 million from the sale of 11 vessels in the pressurised fleet and USD 13 million from the sale of **Methania**. The loss incurred by **Excalibur** in 2005 amounted to USD -10.3 million.

The financial result amounted USD -29.6 million (2004: USD -20.0 million). The increase in interest expenses was caused by a higher net debt position of the group together with a firming of USD interest rates during the year. The other financial income and expenses, USD 8.7 million (2004: USD 12.5 million) incorporated a capital gain of USD 6.9 million realised on the sale of shares and the change in the fair value of the derivatives by USD –1.5 million compared with the a positive change in fair value of USD 7.2 million for 2004.

The net consolidated result amounted to USD 75.3 million, compared with USD 30.2 million in 2004.

Cash flow

The cash flow amounted to USD 115.8 million compared with USD 67.1 million the year before.

Fixed assets

The tangible fixed assets increased by more than 13 %, from USD 755 million to USD 856.9 million. The LPG division has seen a decrease of 2 % due to the sale of part of the pressurised fleet, however this was slightly compensated by the down payments made for the VLGC and Midsize newbuildings, the LNG division showed an increase of 16 %, mainly due to the delivery of **Excelsior** in January 2005 and the down payments made for **Excelerate** and **Explorer**.

Current Assets

Current assets increased by USD 7.2 million, from USD 190.3 million to USD 197.5 million. The cash position of the group improved by close to USD 30 million.

Equity

The equity remained stable at USD 261.2 million (2004: USD 259.8 million). The increase of equity due to the consolidated result of the year (USD 75.3 million) was off-set by the payment of the dividend in May 2005 (USD 9.2 million), by the purchase of own shares during the year (USD 42.0 million) and by a correction recorded in equity (USD –19.2 million) for exchange rate differences (as a result of conversion to USD of the debt denominated in GBP in respect of the UK Tax Lease for the LNG vessel **Excel**) when implementing IFRS.

Financial Liabilities

The net financial debt (financial debt less cash) increased by USD 65.2 million, from USD 476.6 million to USD 541.8 million. This increase lies primarily in the draw down of new debt related to the newbuildings and vessels acquisition (USD 184.4 million), and the investment in own shares (USD 42.0 million). It was partially compensated by the sale of the pressurised vessels (USD 130.0 million) and **Methania** (USD 13 million).

2. Comments on the Statutory Annual Accounts

The statutory accounts were prepared in accordance with Belgian GAAP.

Review of assets and liabilities

At the end of 2005, the total assets amounted to USD 338.2 million (2004: USD 444.1 million), of which USD 200.8 million financial fixed assets (2004: USD 304.5 million) and USD 137.2 million current assets (2004: USD 139.4 million).

The debt of the company amounted to USD 144.7 million at the end of the year 2005 (2004: USD 222.0 million), of which USD 39.8 million long-term debt (2004: USD 143.4 million) and USD 103.1 million short-term debt (2004: USD 75.6 million).

The reduction in financial fixed assets and long-term liabilities lies in the refinancing of the LPG fleet under EXMAR Shipping NV and EXMAR Marine NV, both subsidiaries of EXMAR NV.

The capital of the company amounted to USD 48.5 million at 31 December 2005. Following the extraordinary meeting of shareholders held on 28 November 2005, 650,000 own shares bought by the company have been withdrawn. The number of issued shares has been reduced from 7,350,000 shares to 6,700,000 shares, of no par value. The book value of the shares withdrawn (USD 40.8 million) has been recorded in reduction of the retained earnings. The equity also takes into account a dividend distribution of USD 27.7 million for the financial year 2005 (2004: USD 10 million).

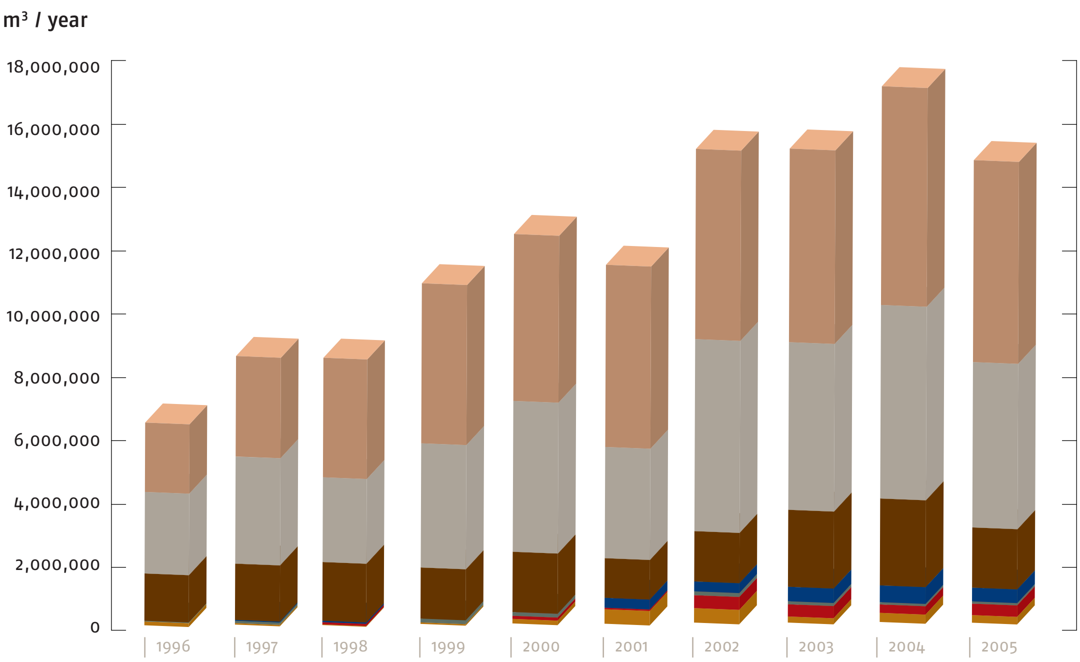
Review of the results

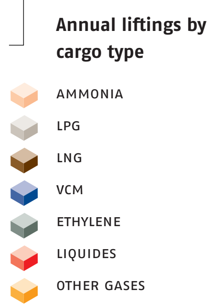
The result over the financial year, in the amount of USD 40.8 million (USD 7.5 million in 2004) was positively influenced by the capital gain realised on the sale of **Methania** (USD 13.0 million) and on the sale of shares (USD 6.9 million). The result also incorporated dividend distribution from affiliated companies (USD 20.6 million).

Over the financial year 2005, the auditors in function received EUR 151,339 as additional fees for services and EUR 35,845 for tax advices.

Since the closing of the financial year 2005 there have been no occurrences that could influence the development of the company, nor facts that could affect the result significantly.

3. Annual lifting by cargo type





The transported cargo volumes in 2005 amount to 14.9 million m^3. The downturn compared to 2004 is to be explained by the sale of several vessels previously controlled by EXMAR, either through ownership or commercial partnership. The sale of the LNG carrier **Methania** alone accounted already for a reduction of almost 1 million m^3.

4. Contribution to the result of the various sectors

LPG/NH3/Petchem

Highlights

January

Exmar and Bergesen concluded the purchase of the Bibby Line fleet en bloc. **Brussels** (ex-Oxfordshire / 35,000 m³ / '96-built) joined the Exmar fleet on 1st April.

Lady Kira (5,000 m³ / '94-built) and Birgit Kosan (5,000 m³ / '95-built), in which Exmar and **Lauritzen Kosan** of Denmark both held 50 %, were sold en bloc to Stealth Maritime of Greece. The vessels were delivered in February and April 2005 respectively.

March

A newbuilding order was placed with DSME in South Korea for 2 VLGC's, each with a capacity of 84,000 m³. Deliveries are scheduled for 4Q 2007 and 1Q 2008.

April

An agreement was reached with Eitzen of Denmark to relet the three Polar vessels (10,500 m³ / '90-built). **Polar Belgica**, **Polar Discovery** and **Polar Endurance** were delivered in the course of May and Exmar has subsequently been released from its obligations towards the Skandigas / MNGC pool.

August

A consortium consisting of Sloman Neptune, Schulte and Othello Shipping concluded the purchase of Exmar's 9 fully-owned pressurised vessels, i.e.: **Lady Barbara**, **Lady Mathilde**, **Lady Margaux**, **Lady Kathleen**, **Lady Martine**, **Lady Elena**, **Lady Shana**, **Lady Hilde** and **Lady Stephanie**. The vessels were delivered to their new owners in the course of November.

During 2005 the entire gas market has been supported by the combination of robust product demand and limited fleet expansion. The latter formed a solid basis for an overall growth in seaborne trade. The improved capacity utilisation has been driven by rising crude oil and natural gas prices and allowed each segment to record rewarding freight gains.

Time Charter Equivalent (TCE)

For 100 pool points ships (in USD per day)	Total 2005	Total 2004	Difference 2004 / 2005
VLGC (76,000 m³)	21,532	18,757	14.8 %
Midsize (25,000 m³)	18,474	16,059	15.0 %
Polar, (10,500 m³)	16,261	14,290	13.8 %
Pressurised (3,500 m³)	6,563	5,093	28.9 %

VLGC (70,000 – 85,000 m³)

The VLGC market proved volatile during the year due to uncertainty over LPG product prices combined with reduced spot availability out of the Arabian Gulf in particular. Whereas the first 6 months have been affected by declining freights, the market made a remarkable recovery during the fall and softened again towards the end of 2005.

Although newbuilding prices continued to rise, another 24 vessels were ordered on the back of anticipated export volumes from the Middle East and West Africa as well as an ageing fleet.

The orderbook totals 43 vessels or 43 % of the present fleet capacity. About two-thirds of these vessels will not be delivered prior 2008, whereas 23 elder vessels are expected to be taken out of active trading within 2010.

Revenues went up by 15 % compared to 2004, whilst idle time averaged 6.1 %. The year 2006 is presently covered for about 40 %.

Midsize (20,000 m³ – 40,000 m³)

Substantial LPG imports into India as well as increased long-haul Ammonia exports ex Black Sea supported the Midsize fleet. Continuously high US natural gas prices encouraged further closing down of domestic Ammonia production and hurricane damage increased LPG import demand due to local refineries being out of service.

The latter led to improving spot market freights as well as rewarding term opportunities. It allowed Exmar to add several medium- to long-term commitments to its forward cover portfolio. The fact that Time-Charters for 10 vessels with an accumulated duration of 31 years were signed, reflects the structural strength of the Midsize segment.

Although the sizeable orderbook consists of 17 vessels equalling 31 % of the present fleet, it has almost been entirely committed to dedicated Ammonia and LPG players against prospects of continued strength in both Ammonia and LPG trades.

When Bibby Line decided to withdraw from the Midsize segment, Exmar and Bergesen jointly purchased its entire fleet. **Brussels** (ex-Oxfordshire / 35,000 m³ / '97-built) was delivered to Exmar in April.

The results for the Midsize fleet improved with 15 %, whereas idle time reduced to 7.3 %. Cover for 2006 amounts to 69 %.

Ethylene – Polar class (10,500 m³)

At the beginning of the year, active North Sea LPG trading combined with longer-haul petrochemical gas liftings (in particular Ethylene and Propylene) brought about a firm market upswing for this segment.

In April an agreement was reached with Eitzen of Denmark to relet the three polar vessels (10,500 m³ / '90-built), which had been sold a year earlier to a Japanese consortium based on a Time-Charter back to Exmar including options. By doing so, the vessels have been released from their obligations towards the Skandigas / MNGC pool and are secured at a profitable margin.

Revenues went up by 14 % in comparison to 2005.
The vessels are entirely covered on medium-term basis.

Fully Pressurised – Lady Class (3,200 m³ - 3,500 m³)

The pressurise market remained firm, although some weakening occurred in the second half of the year. Active VCM, Butadiene and Propylene movements supported profitable freights and Time-Charter levels improved substantially compared to the previous year.

A consortium consisting of Sloman Neptune, Schulte and Othello Shipping concluded the purchase of Exmar 's 9 fully-owned pressurised vessels. The vessels were delivered prior year's end. Their new owners are participants in the Unigas Kosan pool, in which Exmar remains an associated partner through 4 vessels in joint venture with Lauritzen Kosan.

The results improved with 29 % compared to the previous year.

★ *Detail menu*

LNG

Highlights

January
The first of the LNGRVs, **Excelsior**, delivered from DSME and, simultaneously on a 20-year time charter to Excelerate Energy LP.

March
Excelsior successfully completed the first discharge at the Gulf Gateway.

May
The 2nd LNGRV, **Excellence** ordered by The George Kaiser Family Foundation delivered from DSME and, simultaneously on a 20-year time charter to Excelerate Energy LP under EXMAR-group company, Tecto, management.

June
The 4th LNGRV ordered jointly with Excelerate Energy LP at DSME (Hull N° 2254, tbn **Explorer**) for delivery 1st Quarter 2008.

October
Excalibur delivered on time charter to Excelerate Energy LP.

November
The 5th LNGRV ordered jointly with Excelerate Energy at DSME (Hull N° 2263, tbn **Express**) for delivery 2nd Quarter 2009.

EXMAR signed a Memorandum of Understanding with Gail Ltd (India), India's largest gas marketing and distribution company for pursuing jointly LNG and CNG import projects on the Indian coast.

December
Excalibur extended on charter to Excelerate Energy LP through 2006 following which the purpose of the joint venture with Golar LNG had been served and was terminated.

As expected, the results of the year in the LNG sector were seriously affected by the employment of **Excalibur**. Under the joint venture with Golar LNG the ship remained idle until the end of June.

During this period a severe shortage of available product combined with an excess of tonnage to drive the shipping market to well below operating costs. At any one time there were 5/10 ships waiting off Gibraltar. Delays in start-up of new projects, especially in Egypt together with some operating problems at several production facilities, resulting in a number of cargoes being lost, did not help the position.

The ship Excalibur was employed continuously during the 2nd half of the year in the joint venture and the overhang of tonnage was reduced with increasing product prices to the extent that, by the end of the year **Excalibur** the ship was extended through 2006 with Excelerate Energy at a rate that, at least broke even a profitable margin. It was decided at that time that the purpose of the joint venture had been served and, therefore, notice was given to terminate.

Around 20 newbuilding vessels were delivered and, with a number of large tenders being awarded, the current order book stands at in excess of 130 vessels for delivery within the next four years.

The first of the series of LNGRVs, **Excelsior**, was named and delivered in January.

The first delivery of regasified LNG through Excelerate's Gulf Gateway took place from **Excelsior** in March. The system was tested successfully under extreme conditions in October when **Excellence**, the second LNGRV, maintained continuous discharge during Hurricane Katrina, the eye of which passed about 150 miles from the location of the buoy.

Further confidence was shown in the system when, during the year, two further LNGRVs (tbn **Explorer** and **Express**) were developed and ordered at DSME but with an increased capacity of 150,900m^3 and additional environmental features for delivery in 2008 and 2009. Both ships will be time chartered to Excelerate Energy for 25 years.

In conjunction with the development of the concept of on-board regasification EXMAR was also instrumental in developing the idea of ship-to-ship transfer of LNG at sea and has already carried out trials with the intention that the system will be operational during the 1st Semester of 2006.

EXMAR will continue its efforts to promote the worldwide usage of LNG regasification vessels and alternative discharge and regasification solutions.

Offshore

During 2005, the effort continued to design and promote the 'OPTI' semi-submersible hull, to be used as a basis for re-deployable production facilities with the intention to develop deepwater marginal oil and gas fields. The basic design for the hull has been finalised during the first quarter of 2006.

Several employment opportunities for the OPTI production unit were pursued, on a joint basis with Caldive International, over the course of the year. Although the joint commercial effort was terminated, owing to the change in Caldive's strategy, Exmar remains dedicated to own, install, operate and deploy mobile production units. No employment for the unit has been finalised as of today, however commercial discussions with potential producers remain ongoing and are in an advanced stage.

The FPSO **Farwah**, under contract to Total, has performed as expected. All 22 offloadings were completed successfully. Charterers are considering implementing new measures to reduce flaring and increase production.

In June 2005, the contract with Total on **Kissama** was assigned to Sonangol P&P, as a result of the gradually increasing shift of responsibilities to the local producing partners in Angola. This has not had any effect on the operations for Exmar.

All marine service contracts were performed without major incidents. With the aim of expanding the marine services offered in Angola, Exmar established a representative office in Luanda during 2005. This has immediately resulted in two long term service contracts for Dalia and Girassol, two units operated by Total on Block 17.

The engineering and consultancy subsidiaries, DVO and EOC, experienced a sharp increase in their activities directly resulting from a high level of activity in the offshore sector. This resulted in an increase in personnel.

Postcard Antwerp – New York

Services

Tecto

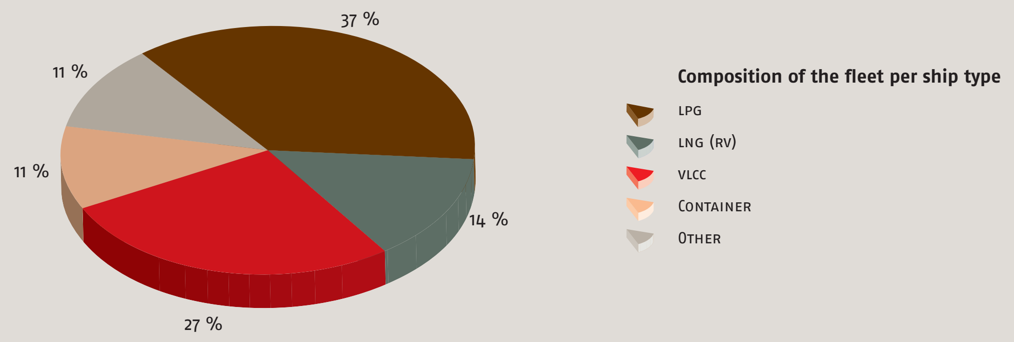
The past year was marked by major developments in the fleet.

On one hand, the TECTO fleet was enlarged with 2 LNGRV ships, one from EXMAR (**Excelsior**) and one from Excelerate Energy (**Excellence**), as well as with 4 container ships from Delphis.

On the other hand TECTO lost the management of 8 bulk carriers, when, for strategic reasons, Bocimar decided to no longer contract out the management to a manager with ties to another ship owner.

TECTO was one of the first ship managers who made public the results of the assessment of its quality control system in accordance with the 'Tanker Management Self Assessment' manual, on the OCIMF-website, as requested by the large oil companies.

A quality audit, carried out by several representatives of the oil companies on behalf of Qatargas, confirmed TECTO's qualification as potential manager for LNG tankers when their fleet is expanded in the near future.



Belgibo

In 2005 BELGIBO and its subsidiary BRM saw continued favourable evolution. The maritime division is the big stand-out, with growth of over 60 % despite a further declining dollar rate. This increase is the result of the expansion of the clientele and the development of new products. The transport division showed slight growth, while the inland navigation displayed a more positive trend towards the year's end. The industrial insurance activities held steady. The expectations for 2006 will be in line with the results for this year.

Travel Plus

Once again TRAVEL PLUS succeeded in increasing its result in 2005, this time by approximately 25 % In spite of the general trend towards booking low-cost airline tickets over the Internet and the fact that major travel agencies are closing their offices in large cities and replacing them with call centers, with decreasing customer loyalty as a result, this increase in turnover demonstrates that there are still plenty of customers who are looking for the kind of high-quality, personal service provided by the TRAVEL PLUS team.

5. Operations in the area of research and development

Our engineers have developed a basic design for a semi-submersible platform which by virtue of its flexibility lends itself to diverse oil and gas collection projects at sea, and is at the same time adaptable to the specific requirements or working conditions. This should enable us to take advantage of the trend towards the development of marginal fields.

In addition, much research was invested in ensuring that, during the regasification operations, our LNGRV ships continue to meet the strictest environmental standards in the area of the emission of nitrates (NO_x) and sulphur (SO_x).

6. Share option plan

At its meeting of 2 December 2005, the board of directors decided for the second time to offer options on existing shares to a number of employees of the Exmar group. An overview is shown in the table below:

Share option plan

Date of offer	Number of options accepted	Period in which option can be exercised between	Exercise price in euros
15.12.2004	36,980	01.04.2008 and 15.10.2012	44.30
09.12.2005	59,840	01.04.2009 and 15.10.2013	77.63

7. Conflict of interest

In the process of approving the share option plan, a conflict of interest arose. The stipulations of the Code of Company Law (art. 523) were observed at this time.

The minutes regarding this point on the agenda read as follows:

"5. Share option plan

Prior to considering this point on the agenda, in accordance with the stipulations of article 523 of the Code of Company Law, Messrs. Nicolas Saverys and Patrick De Brabandere informed the other members of the board of directors of the existence of a conflicting interest involving property rights, affecting them as potential beneficiaries of the proposed plans.

Mr. Peter Verstuyft, secretary of the meeting and also a beneficiary of the share option plans, was reminded by the Chairman that, regarding this point on the agenda, he should restrict himself to merely taking the minutes.

Based on the recommendations of the remuneration committee, after explanation and discussion, the share option plan was unanimously approved as included in the preparatory package.

Messrs. Nicolas Saverys and Patrick De Brabandere did not take part in the deliberations nor in the voting concerning these transactions or decisions. Both gentlemen will inform the statutory auditors, again in accordance with article 523 of the Company Code, of this matter in writing."

8. Purchase and withdrawal of own shares

On 31 December 2005 Exmar possessed 100,349 own shares (after the withdrawal of the 650,000 own shares in accordance with the decision of the extraordinary general assembly of shareholders held on 28 November 2005). This is 1.4977 % of the total number of shares.

In the course of the first quarter of 2006 Exmar bought back an additional 169,000 shares. The total number of own shares as of 28 March 2006 is 269,349, which represents 4.02 %.

The shares are purchased on the market in accordance with the authorisation granted to the board of directors by virtue of the decision of the extraordinary general assembly of shareholders held on 17 May 2005.

9. Distribution of the result

The statutory annual accounts closed with a profit for the financial year of USD 40,821,439. Together with the results carried forward, the amount of USD 114,462,594 is available for distribution.

At the annual assembly to be held on 16 May 2006, distribution of this amount will be proposed as follows:

– payment into capital:	USD 27,663,965
– withdrawal from equity:	USD 40,757,892
– addition to the non-available reserves:	USD 1,258,674
– carry-forward to next financial year:	USD 44,782,063

If this proposal is approved by the general assembly, the gross dividend of EUR 3.50 per share (basic payment of EUR 2.00, exceptionally increased by EUR 1.50), which, after withholding of tax comes to EUR 2.6250 net, will be made payable per 22 May 2006, upon presentation of coupon 3 at the counters of Fortis Bank, KBC Bank or Petercam, for the bearer shares, and through bank transfer to the accounts of the bearers of registered shares.

After this allocation, the equity amounts to USD 173,249,379 and breaks down as follows:

– capital:	USD 48,519,000
– issuance premium:	USD 6,259,759
– reserves:	USD 73,688,557
– result carried forward:	USD 44,782,063

10. Data on the existence of branch offices

In the course of the financial year 2005, 2 branch offices were opened, in Shanghai (China) and in Luanda (Angola).

11. Social report

Guided by a long-term vision, Exmar makes ongoing investments in building the quality and competencies of its personnel, and in this way strives to generate staff loyalty.

At the end of 2005, Exmar employed a workforce of 1,631, including 1,405 at sea.

12. Environment

In reflection of our commitment to safety and protection of the maritime environment, the management has been expanded to include a HSEQ-manager whose job will be to direct and co-ordinate our efforts in this area.

13. Events after the balance sheet date

No events have occurred after the balance sheet date that would significantly affect the result as per 31 December 2005.

14. Financial instruments

During its ordinary execution of policy, the Group is exposed to credit, interest, market and especially currency risks. In order to hedge this exposure, the Group uses various financial instruments such as bunker hedges, exchange rate and interest rate hedges. Ship financing usually has a floating rate of interest. The interest rate risk is managed actively with the help of various financial instruments like IRS and cap & floors.

All ship finance was done in USD. Only a part of the operational cost of the fleet and part of the working costs are EUR sensitive. All these costs were covered for 2005 with the help of forward USD / EUR sale contracts. The payment of the dividend and the purchase of treasury shares were also executed in EUR. It should be noted that about 65 % of the costs denominated in EUR are covered for the year 2006.

In accordance with IAS 39, all financial instruments were booked in the accounts at 'fair value' ('marked to market').

The derivatives with a positive 'Marked to Market' amounted to zero at 31 December 2005 (USD 10.8 million at 31 December 2004). The derivatives with a negative 'Marked to Market' amounted to USD 21.2 million at 31 December 2005 (USD 32.1 million at 31 December 2004).

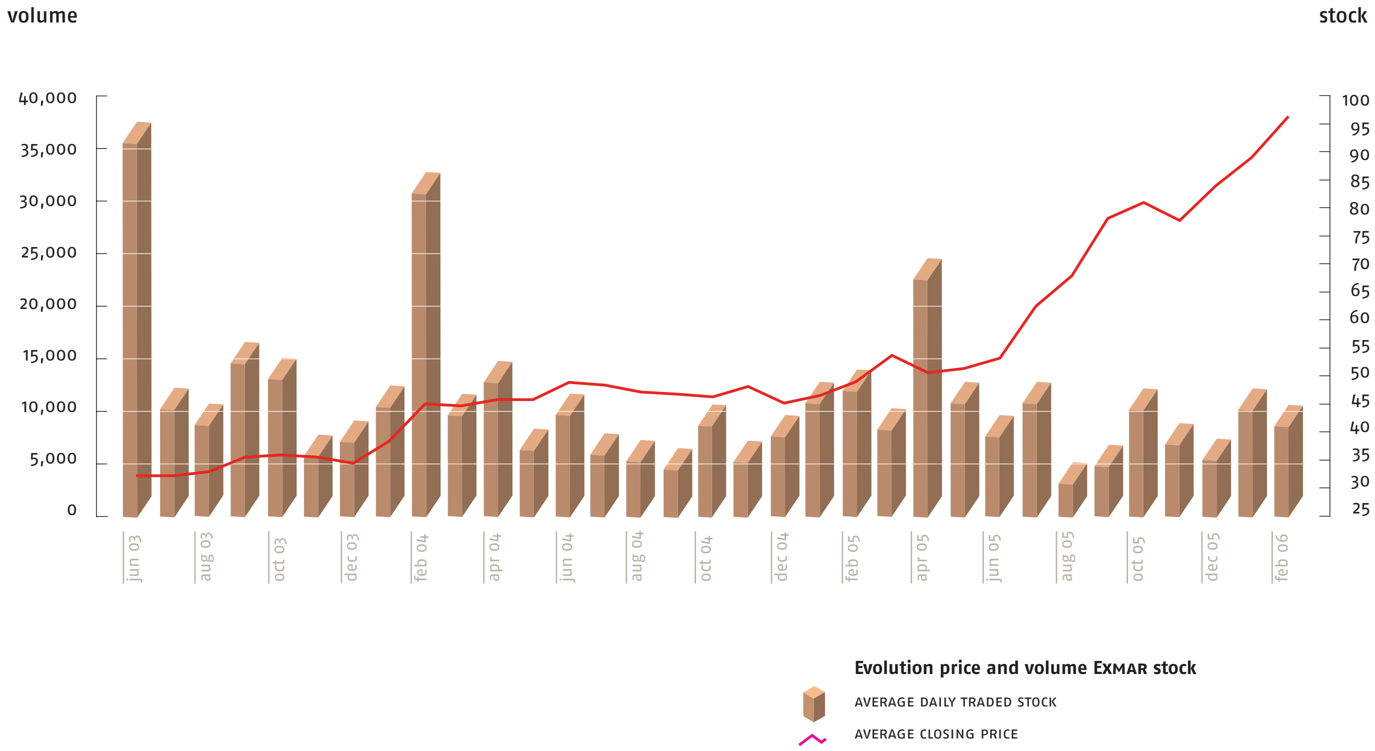
Despite the fact that these financial instruments were taken as hedges, it was nevertheless decided to view all of these as freestanding and not apply the 'hedge accounting' principles. Therefore, the changes in the 'Marked to Market' value of these financial instruments are recorded in profit and loss accounts of the year concerned. The effect in the 2005 accounts amounted to USD -1.5 million (USD 72 million in 2004).

15. Risks and uncertainties

Except for the risks and uncertainties as explained in the annual report, the board of directors judges that no other risks and uncertainties occur which fall beyond the normal activities, nor could have a significant impact on the financial position, the evolution and the development of the company and her related companies.

16. The Exmar share

We are pleased to report that the value of shares in Exmar (Euronext: EXM) has continued to rise.



17. Outlook 2006

For the LPG segment, the market outlook for 2006 is expected to maintain its current momentum with encouraging results for 2006.

As LNG concerns, all vessels are fully covered in 2006 and therefore results in this sector will show considerable improvement over 2005.

Offshore foresees a stable contribution for 2006.

Generally, the board of directors can state that the outlook for Exmar is positive.

The board of directors
28 March 2006


RED STAR LINE.
TRIPLE-SCREW "PENNLAND"
(EX-PITTSBURGH)
16.332 TONS.
PENNLAND

3

CORPORATE GOVERNANCE

As it was announced in the annual report 2004, the board of directors has taken notice of the Corporate Governance Code. Since EXMAR was founded, Corporate Governance and more special the transparency of the company generated special attention. In the annual reports of the company the Corporate Governance Chapter was published.

Since 1 January 2006 the Corporate Governance Charter is available on the website.

The SS Vaderland at the Rijnkaai (1905)

Postcard SS Pennland

1. Management

Board of directors

Baron Philippe Bodson (2006)	Chairman	Independent Director Director Prisma Energy International Inc (Houston)
Nicolas Saverys (2006)	Managing Director	Representative of the Majority Shareholder
Patrick De Brabandere (2006)	Executive Director	
Marc Saverys (2006)	Non-executive Director	Managing Director CMB NV
Ludwig Criel (2006)	Non-executive Director	Managing Director Wah Kwon Shipping Holdings Ltd. (Hong Kong)
Harry Rutten (2006)	Independent Director	Resigning Director
Philippe Vlerick (2006)	Independent Director	President UCO NV
Thierry Vleurinck (2006)	Independent Director	

Joint statutory auditors

Klynveld Peat Marwick Goerdeler, company auditors with permanent representative Serge Cosyns and BVBA Helga Platteau, company auditor with permanent representative, Mrs. Helga Platteau.

The present mandate of KPMG ends after the annual meeting of 16 May 2006, the mandate of BVBA Helga Platteau, auditor, ends on 15 May 2007. The joint statutory auditors and the company decided to renew, at the occasion of the statutory annual meeting to be held on 16 May 2006, both mandates for a period of three years.

Executive committee

Nicolas Saverys	Chairman
Patrick De Brabandere	
Peter Raes	
Peter Verstuyft	

2. Corporate Governance

Board of directors

The **board of directors** convened on a regular basis during the year. By exception, the board of directors shall, in addition to areas of responsibility stated by law such as preparation of the accounts, the annual report and the half-year report, press releases and general meetings, deal with the following areas: corporate strategy and company structure, budgets, interim results and forecasts, overseeing of the affairs of the main subsidiaries, investments in, and disposals of tangible fixed assets and participating interests, portfolio and treasury management, the fleet and the purchase and sale of its own shares. The items on the agenda of the board of directors are explained in detail in a dossier that is prepared and issued in advance of the board meeting.

The decisions of the board of directors are taken in accordance with article 22 of the articles of association, which among other points stipulates that, in the event of a tied vote, the chairman will hold the casting vote. To date this has not been necessary.

In accordance with the articles of association, the mandate of the directors may not exceed three years. The articles do not impose an age limit on the members of the board.

The board of directors has met five times during the book year 2005. All directors were present at the board meetings, with exception of Mr. Criel who was excused to attend once.

Picture Willemsdok (ca. 1900)

Audit committee

The audit committee consists of three members:
Ludwig Criel – President
Baron Philippe Bodson
Philippe Vlerick

The audit committee has the following activities:
- to thoroughly examine the half-year and annual financial reports of Exmar, before the corresponding board meeting;
- to make recommendations to the board on the appointment and release of the external auditors and on the level of the audit fee;
- to monitor the independence of the external auditors;
- to review the audit scope proposed by the external auditors and their approach to their assignment;
- to discuss and evaluate the conclusions arising from the interim and year-end external audits;
- to investigate all identified areas of risk;
- to evaluate the organisational structure of the internal audit department;
- to approve the internal audit plan, the activities of the internal audit department and to ensure the good coordination between internal and external auditors. The committee must ensure that the internal audit department has sufficient resources (material and human) at its disposal and that it has sufficient esteem within the organisation to be able to carry out its goals in an effective manner;
- to evaluate the major findings emanating from every internal review including the local management's responses to these;
- to assess the adequacy of the internal control system;
- to evaluate any other matters at the request of the board of directors;
- to report the activities of the committee to the board of directors.

The audit committee has met four times during the year 2005.

Nominating and remuneration committee

The nominating and remuneration committee has three members:
Baron Philippe Bodson - Chairman
Ludwig Criel
Marc Saverys

The nominating and remuneration committee has the following tasks:
- to make recommendations to the board of directors with respect to the remuneration of executive directors, members of the management and of the senior staff. The extent and nature of the remuneration should be in accordance with the function and the benefit to the company;
- to ensure that the principles of corporate governance are abided by;
- to evaluate the independence of external directors;
- to ensure that the most valuable candidates are submitted for appointment;
- to make recommendations to the board of directors with respect to the appointment of directors.

The chairman reports to the board of directors and makes the recommendations as discussed.

During the past year the nominating and remuneration committee has met twice.

In order to comply with the Belgian Corporate Governance Code the nominating and remuneration committee has to be composed of non-executive directors, with a majority of independent directors.
Mr. Marc Saverys and Mr. Ludwig Criel do not comply with the principle of independency. Due to their outstanding knowledge of the maritime sector in Belgium as well as abroad, both were asked to be member of the nomination and remuneration committee.

Postcard Red Star Line

Day-to-day management:

Chief Executive Officer and executive committee

The executive committee is composed of the following members:
Nicolas Saverys – Chief Executive Officer (CEO)
Patrick De Brabandere – Chief Financial Officer (CFO)
Peter Raes – Chief Operations Officer (COO)
Peter Verstuyft – Secretary General

The role of EXMAR's day-to-day management consists of leading EXMAR according to the values, strategies, policies, timetables and budgets set by the board of directors. Within the framework of the exercise of their role, the day-to-day management is responsible for the fulfilment of all relevant legislation and regulations.
EXMAR's day-to-day management consists of the management committee chaired by the Chief Executive Officer (CEO). In accordance with the articles of association the board of directors has laid down in the Corporate Governance Charter the responsibilities, powers and obligations of the CEO, as well as the responsibilities, powers and obligations of the management committee.

The executive committee gathers on a regularly basis.

Remuneration

Board of directors

The directors receive a fixed annual payment of EUR 37,500. The chairman receives an annual payment of EUR 75,000. The directors who were members of the executive committee in 2005, and were paid as such, have foregone this payment. The total of the payments in 2005 to all non-executive and independent directors for their work on the board of directors amounted to EUR 281,250.
No share options, loans, or advances were granted to them, except for the executive directors (in their capacity of members of the executive committee) who were beneficiaries of the share option plan.

Audit committee

The members of the audit committee received a total gross remuneration of EUR 40,000 (EUR 10,000 for the members and EUR 20,000 for the chairman).

Nominating and remuneration committee

The members of the nominating and remuneration committee received an annual remuneration of EUR 10,000.

Executive committee

The remuneration of the members of the executive committee is determined annually by the board of directors on the basis of the proposal of the nominating and remuneration committee. All members of the executive committee are self-employed. In the event of termination of their function, they have no right to any form of severance compensation. The remuneration consists of a fixed component and a variable component. The total cost to the company of the fixed component in 2005 – not counting that for the managing director – amounted to EUR 1,081,905, including EUR 146,143 for insurance.
The variable component is a function of the results. The total cost to the company for this variable component in 2005 – not counting that for the managing director – amounted to EUR 325,000.

The fixed remuneration in 2005 for the managing director amounted to EUR 654,271, including EUR 53,850 for pension plan and insurance.
The variable remuneration in 2005 for the managing director amounted to EUR 250,000.

No loans or advances were granted to the members of the executive committee in 2005.

The members of the executive committee are among the beneficiaries of the share option plan approved by the board of directors on 2 December 2005.

The number of options allocated to the members of the executive committee are as follows:
Nicolas Saverys: 4,000
Patrick De Brabandere: 3,000
Peter Raes: 3,000
Peter Verstuyft: 2,500

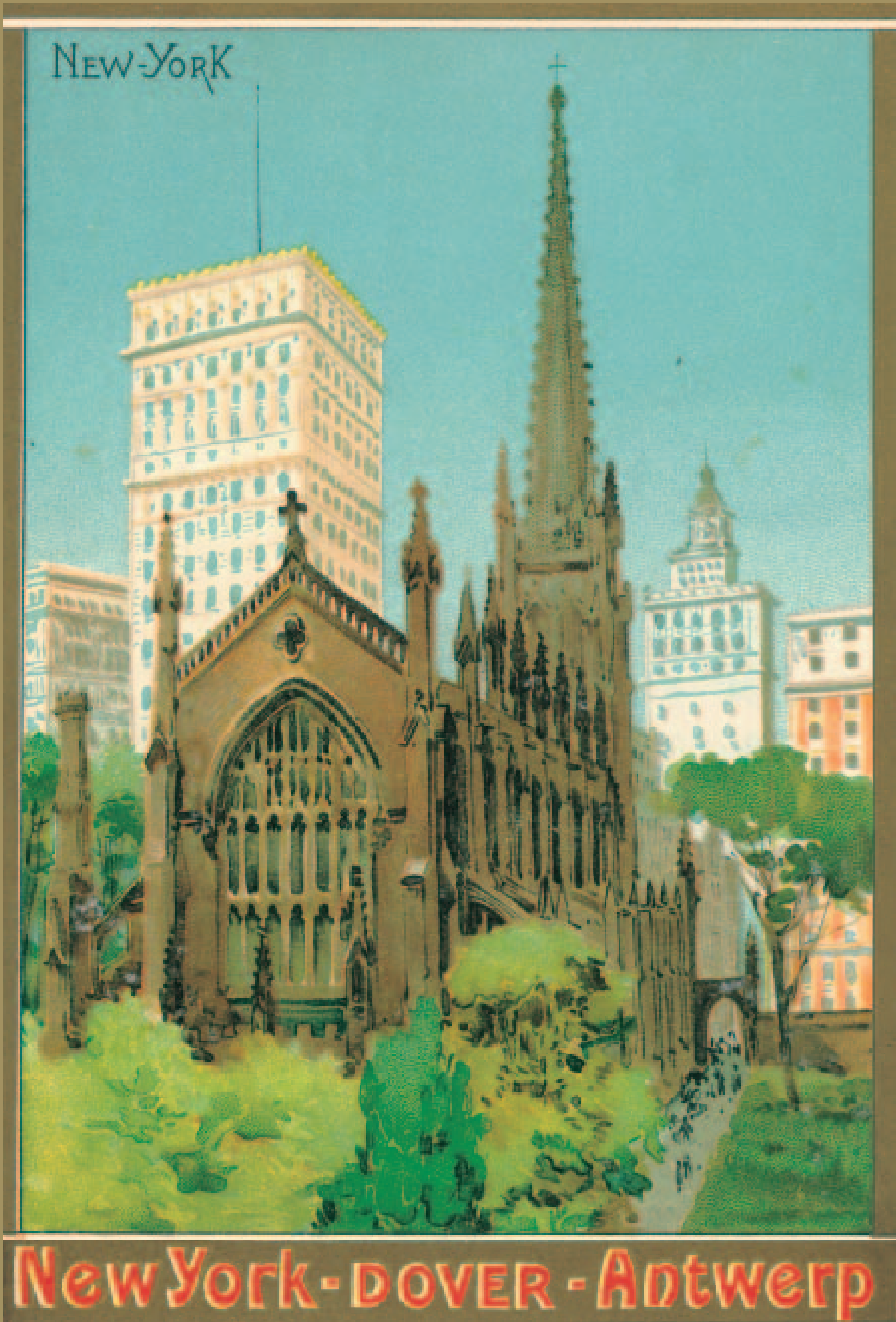
Shareholders agreements

The company has no knowledge of any agreements made between shareholders.

Dividend policy

Subject to the development of the results of the group, aims for dividend growth in the future.

Cover passenger list



Cover passenger list

Financial report

4

Share Red Star Line

1. Consolidated accounts

Balance

CONSOLIDATED BALANCE SHEET *(on 31 December 2005)*

A. ASSETS (in thousands of USD)	NOTES	31/12/2005	31/12/2004
Fixed assets		**870,647**	**782,304**
Tangible assets	10	856,861	755,049
Vessels		*741,230*	*639,056*
LPG		316,823	353,246
LNG		354,695	209,285
Offshore		69,712	76,525
Tangible assets under construction		*98,320*	*108,944*
Land and buildings		*3,637*	*4,151*
Plants, machinery and equipment		*191*	*511*
Furniture and movables		*1,714*	*2,192*
Other tangible assets		11,769	195
Intangible assets	11	1,139	2,545
Investment property	12	12,130	13,504
Financial assets	13	517	398
Associated companies		399	0
Other financial assets		118	398
Financial derivatives	25	0	10,808
Current assets		**197,483**	**190,269**
Investments	15	8,882	14,036
Trade and other receivables	17	67,105	79,759
Financial derivatives	25	594	0
Income tax receivable	16	4,155	8,698
Cash and cash equivalents	18	116,747	87,776
Total assets		**1,068,130**	**972,573**

CONSOLIDATED BALANCE SHEET

(on 31 December 2005)

B. LIABILITIES (in thousands of USD)	NOTES	31/12/2005	31/12/2004
Total equity		**261,191**	**259,798**
Equity	19	261,076	259,442
Capital		48,519	48,519
Share premium		6,260	6,260
Reserves		130,964	174,910
Result of the year		75,333	29,753
Minority interests		115	356
Non-current liabilities		**668,615**	**578,465**
Long-term borrowings		625,517	523,899
Banks	21	419,906	402,367
Finance leases	21	173,244	121,465
Other loans	21	32,367	67
Employee benefits	22B	4,003	3,715
Provisions	23	17,916	18,786
Financial derivatives	25	21,179	32,065
Current liabilities		**138,324**	**134,310**
Short-term borrowings		32,989	40,456
Banks	21	25,167	31,737
Finance leases	21	6,778	6,833
Bank overdrafts	18	1,044	121
Other loans	21	0	1,765
Trade debts and other payables	24	98,724	87,721
Financial derivatives	25	957	0
Provisions	23	0	0
Income tax payable	16	5,654	6,133
Total liabilities		**1,068,130**	**972,573**

Income statement

CONSOLIDATED INCOME STATEMENT *(for the period from 1 January 2005 to 31 December 2005)*

(in thousands of USD)

	NOTES	01/01/2005 31/12/2005	01/01/2004 31/12/2005
Turnover		451,688	423,746
Capital gain on disposal of fixed assets	3A	59,935	10,692
Other operating income	3B	5,224	3,729
Operating income		**516,847**	**438,167**
Goods and services		-344,181	-327,165
Personnel expenses	5	-24,372	-21,602
Depreciations		-40,513	-37,286
Amortisations		0	-287
Impairment losses (–)/reversals (+)		–	–
Provisions	23	869	917
Other operating expenses	4B	-3,049	-1,518
Capital loss on disposal of fixed assets	4A	-76	–
Operating result		**105,525**	**51,226**
Interest income	6	1,584	4,094
Interest expenses	6	-39,876	-36,554
Other financial income	7	17,055	17,894
Other financial expenses	7	-8,386	-5,413
Result after financial expenses		**75,902**	**31,247**
Companies' results valued in accordance with the equity method	14	80	0
Result before tax		**75,982**	**31,247**
Income taxes	8	-650	-1,092
Net consolidated result		**75,332**	**30,155**
Of which:			
Minority interest		-1	402
Group's share		75,333	29,753
Net consolidated result		**75,332**	**30,155**
Earnings per weighted average number of shares (in USD)	**20**	**11.14**	**4.07**
Diluted earnings per share (in USD)	**20**	**11.13**	**4.07**
Proposed gross dividend per share (in EUR)	**20**	**3.50**	**1.00**

Cash flow statement

CONSOLIDATED CASH FLOW STATEMENT *(on 31 December 2005)*

(in thousands of USD)

A. Operating activities	Notes	2005	2004
Net consolidated result		75,252	29,753
Minority result		1	402
Companies results according to equity-method		80	0
Depreciations	10/11/12	40,513	37,286
Changes to the fair value of financial derivatives		-8,407	-2,579
Translation differences		0	-250
Net interest (income) expenses	6	38,292	32,460
Net (income)/expenses from investments		-6,453	0
Income taxes	8	650	1,093
Capital gains(losses) from disposal of fixed assets	3A	-59,858	-10,692
Stock option plan	5	193	0
Transaction expenses		100	0
Cashflow from operating activities		**80,363**	**87,473**
Decrease/(increase) of Inventories		0	0
Decrease/(increase) of trade and other receivables	17	9,209	-19,873
Increase/(decrease) of trade and other payables	24	18,511	9,266
Increase/(decrease) in provisions	22/23	-582	-4,667
Net cashflow from operating activities		**107,501**	**72,199**
Interest paid	6	-39,876	-29,969
Interest received	6	1,584	4,094
Dividends received		0	0
Taxes paid/received	8	-650	-1,093
Cash flow from operating activities		**68,559**	**45,231**
B. Investing activities			
Investments in intangible fixed assets	11	-56	-1,425
Investments in tangible fixed assets	10	-167,281	-67,383
Income from the sale of intangible fixed assets		0	0
Income from the sale of tangible fixed assets	10	130,936	106,143
Income from the sale of assets kept for sale		17,914	0
Net investments in financial assets and other investments		-9,122	-11,003
Cash flow from investing activities		**-27,609**	**26,332**
C. Financing activities			
Dividends paid		-9,165	-7,181
Treasury shares		-42,017	-5,686
Transaction expenses paid		-680	0
New loans	21	358,063	213,057
Repayments on existing loans	21	-317,577	-260,637
Translation differences		0	1,953
Cash flow from financing activities		**-11,376**	**-58,494**
Net increase/decrease in cash and cash equivalents		**29,574**	**13,069**
Net cash and cash equivalents at the beginning of the financial year	18	87,655	74,457
Exchange rate fluctuations on cash and cash equivalents		-1,526	129
Net cash and cash equivalents at the end of the financial year	**18**	**115,703**	**87,655**

Consolidated equity position

CONSOLIDATED EQUITY POSITION *(on 31 December 2005)*

(in thousands of USD)

	Capital	Share premium	Retained earnings	Treasury shares	Translation reserve	Fair value reserve	Hedging reserve	Stock option plan	Total	Minority interest	Total equity
31 December 2004	**48,519**	**6,260**	**226,381**	**-5,686**	**-1,409**	**3,033**	**-17,656**	**0**	**259,442**	**356**	**259,798**
Income recognised directly in equity											
Changes in capital									0		0
Dividends paid			-9,165						-9,165		-9,165
Treasury shares				-42,017					-42,017		-42,017
Revaluation of financial assets available for sale						-2,777			-2,777		-2,777
Hedging reserve							5,108		5,108		5,108
Translation differences (1)			-15,796		-6,089		-3,168		-25,053	-240	-25,293
Stock option plan								193	193		193
Shares withdrawn (2)			-40,758	40,758					0		0
Other			12						12		12
Changes in equity with result impact											
Additions to results carried forward									0		0
Result for the year			75,333						75,333	-1	75,332
31 December 2005	**48,519**	**6,260**	**236,007**	**-6,945**	**-7,498**	**256**	**-15,716**	**193**	**261,076**	**115**	**261,191**

(1) In the transition to IFRS, the exchange difference coming from the conversion to USD of the debt denominated in GBP in respect of the UK tax lease for the LNG vessel 'Excel', has not been taken into account. The impact amounts to USD -18.96 million as at 1 January 2005.

(2) The extraordinary general shareholders' meeting of 28th November 2005 has decided to withdraw 650,000 treasury shares. The bookvalue of the withdrawn shares (USD 40.8 million) has reduced the retained earnings.

1 Accounting policies

Exmar nv ('the Company') is a company domiciled in Belgium. The consolidated financial statements of the Group comprise the Company, its subsidiaries, and the Group's interest in associates and jointly controlled entities (referred to as 'The Group'). The consolidated financial statements, prepared in accordance with IFRS, were released for publication by the board of directors on March 28, 2006.

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the European Union on 31 December 2005.

(b) Basis of preparation

The consolidated accounts were prepared in USD in accordance with the deviation granted by the 'Banking, Finance and Insurance Commission' by letter of 2 July 2003, rounded to the nearest thousand. They are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments, financial assets at fair value through profit and loss and available-for-sale financial assets.

Assets held for sale are stated at the lower of carrying amount and fair value less cost to sell.

The preparation of the annual accounts in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of the policies and the reported amounts of assets and liabilities, income and expenses. The estimates and related assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of which provide the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Preparing the annual accounts the Group has made estimates and assumptions for the definition of the fair value for the stock options, the employee benefit plans and the classification of new lease commitments. On a yearly basis the residual value and the economic life of the vessels is tested.

The accounting policies have been applied consistently to all periods presented in these consolidated financial statements.

(c) Basis of consolidation

Subsidiaries

Subsidiaries are those entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognised gains and losses of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases.
When the share of the Group in the losses exceeds its participation in an associated company for which the equity method is applied, the book value is reduced to zero, and future losses are discontinued, unless the Group has taken on obligations in relation to the relevant companies.

Jointly controlled entities

Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement. All elements of the assets and liabilities of the shared subsidiaries, together with the profit and loss accounts, are included into the consolidated financial statements in proportion to the Group's interest, from the date that joint control commences until the date that joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions are eliminated when preparing the consolidated financial statements. Transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in this company. Profits and losses from transactions with companies for which the equity method is applied are eliminated pro rata the participation in these companies.

(d) Foreign currency

Foreign currency transactions

Foreign currency transactions are converted to USD at the exchange rate applicable at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to USD at the exchange rate applicable at that date. The non-monetary assets and liabilities are measured in terms of historical cost. Foreign exchange differences arising on translation are recognised in the income statement.

Financial statements of foreign operations

Assets and liabilities, including goodwill and fair value adjustments arising on consolidation, are translated to USD using the closing rate at each relevant balance sheet date. The profit-and-loss accounts of the foreign subsidiaries are converted to USD at the average exchange rate recorded during the relevant period.
The difference between the closing rate (assets and liabilities) and the average rate (profit and loss account) is recognised in the Group's equity.

(e) Derivative financial instruments

The Group uses derivative financial instruments to manage their exchange rate or interest rate risks arising from operational, financial and investment activities.
Derivative financial instruments are initially booked at cost. Subsequently they are recorded at fair value. Changes in 'fair value' are recognised in the profit and loss account for the period.

The fair value of financial instruments entered into to cover interest rate exposures is calculated on the basis of the discounted expected future cash flows, taking into account the current market interest rates and the profitability curve for the remaining duration of the instrument.

The fair value of forward exchange contracts is their quoted marked-to-market value at the balance sheet date, being the present value of the quoted forward price.

(f) Segment reporting

A single reporting structure is used for all segments. The primary reporting structure is subdivided into four activities (business segments), 'LPG','LNG', 'Offshore', and 'Services', reflecting the management structure of the Group. The secondary reporting structure, i.e. geographic markets, is not used since our fleet is employed worldwide.

The result for each segment includes all income and expenses generated directly by this segment, as well as part of the income and expenses that can reasonably be allocated to this segment.

The assets and liabilities of a segment include the assets and liabilities that belong directly to the segment, and the assets and liabilities that can reasonably be allocated to this segment.

(g) Intangible fixed assets

Goodwill

Positive consolidation differences (goodwill) arising from the acquisition of new participations relate to that part of the purchase value that exceeds the fair value of the net acquired identifiable subsidiary, associate or joint venture. Positive goodwill is recognised as an asset and initially at its cost. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment of the associate.

Negative goodwill is recognised directly in the profit and loss account.

Other intangible assets

Other intangible assets (e.g. software,...) acquired by the Group are valued at cost less accumulated depreciations and impairment losses (see valuation rule k) to the extend that these intangible assets have a limited useful life.
The depreciation is recognised in the profit and loss account, and is spread over the useful life of the relevant intangible assets following the straight-line depreciation method. The depreciation starts from the date of the acquisition of the intangible assets for a period of 5 years.
Intangible fixed assets with an unlimited useful life are subject to an annual impairment test.

(h) Tangible assets

Owned assets

A special heading is used for the vessels because of their importance in the accounts. The tangible assets are stated at cost or deemed cost less accumulated depreciation and impairment losses. The interest charges on funds employed during the construction of important investments are capitalised and depreciated over the useful life of the asset.
The vessels are depreciated on a straight-line basis to their residual value over their expected economic life in the Group.

Gas ships LPG:	30 years
Gas ships LNG:	30 years
FPSO/FSO:	15 years
Accommodation platform:	10 years

Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

Future expenses associated with tangible assets are capitalised only if a future economic advantage will result from this expenditure. If a part of an asset is replaced, the replacement cost is capitalised and the obsolete part is written off.

Other tangible assets are depreciated over their estimated useful life using the straight-line depreciation method.
Land is not depreciated.
The estimated depreciation percentages of the various types of assets are as follows:

Buildings	3 %
Leased real estate	4 %
Plant and equipment	20 %
Furniture	10 %
Cars	20 %
IT equipment	33 %

The method of depreciation, the residual value, and the useful life of assets are reviewed at each balance sheet date.

Leased assets

Lease agreements assigning all essential risks and advantages inherent to ownership to the Group, are classified as finance leases. The assets acquired through finance leases are recognised at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, reduced by the accumulated depreciation and possible impairment losses. The depreciation period matches the useful life or the duration of the lease contract. If there is uncertainty with respect to the transfer of ownership to the Group at the end of the contract, the depreciation period is the same as the lease period.

(i) Investment property

Real estate investments are valued at the historical cost reduced by the accumulated depreciation and possible impairments.
The depreciation is recognised in the profit and loss account on a straight-line basis over the estimated useful lives of the investment properties.
Rental income from investment property is accounted for as described in accounting policy (t).

(j) Financial assets

Participations entered under the financial assets comprise the participations in companies over which the Group does not have control.

Other investments in shares are classified as available for sale, and are booked at fair value, with the exception of shares that are not quoted on an active market and the fair value of which cannot be determined reliably. The latter are booked at historical cost price. Profits and losses that result from changes in the fair value of shares available for sale are recognised directly through equity. If the participation is sold, paid back, or taken out of use, or if the book value of the participation is written off as the result of a reduction in value, the accumulated profit (loss) that was previously included in equity is immediately transferred to the profit and loss account. The fair value of shares available for sale is the bid price quoted on balance sheet date.

(k) Impairment of assets

The book value of the Group's assets, other than deferred tax assets, are reviewed at each balance sheet date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For goodwill, assets with an unlimited useful life and intangible assets under construction their recoverable amount is estimated on each balance sheet date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

The recoverable amount of the Group's held-to-maturity and receivables is calculated as the present value of expected future cash flows, discounted at the original effective interest rate inherent in the asset.
Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value in using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss in respect of a held-to-maturity security or receivable is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss recognised for goodwill shall not be reversed.

In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) Trade and other receivables

Trade and other receivables are valued at their nominal value possibly reduced by the amounts that are considered to be unrecoverable.
Receivables relating to financial leasing contracts are, at the commencement of the contract, valued at the current value of the future net lease payments. During the lease contract the value of the receivables are continually reduced by the lease payments covering the principal.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of the cash flows.

(n) Capital and equity

Costs related to the issuing of shares

The costs related to the issuing of shares are deducted from the share capital.

Repurchase of share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a change in equity until the shares are destroyed. When treasury shares are sold, capital gains or losses are recognised through equity.

Dividends

Dividends are booked in the period in which they are formally declared.

(o) Interest-bearing borrowings

Interest-bearing borrowings are initially valued at cost reduced by the costs associated with the transaction. Subsequently they are valued at depreciated cost price, any difference between cost and redemption value is charged to the profit and loss account over the period of the borrowings on an effective interest basis.

(p) Taxes

The taxes on the result of the financial year consist of current and deferred taxes. These are recognised in the profit and loss account, except when they relate to items that are booked directly in equity, in which case the tax is also recognised in equity.
Current taxes are those taxes due on the taxable profit of the financial year (calculated according to the tax rates that apply on the date of closure of the financial year), and tax adjustments relating to earlier financial years.

Deferred taxes are calculated on all temporary differences between the book value and the fiscal value of assets and liabilities at the tax rate applicable at balance sheet date. Deferred tax liabilities related to the results of subsidiaries that the Group will not distribute in the foreseeable future are not recognised. Deferred tax assets are recognised only if it is sufficiently certain that the tax credits and the unused fiscal losses can be offset against future taxable profit.

Deferred tax assets are reduced in value when it is no longer likely that the related tax benefits will accrue in the future.

(q) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

Defined benefit plans

The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value, and the fair value of any plan assets is deducted. This discount rate is the yield at balance sheet date on AAA credit rate bonds that have maturity dates approximating the terms of the Group's obligations.
The calculation is performed by a qualified actuary using the projected unit credit method.

All actuarial gains and losses as at 1 January 2003, the date of transition to IFRS, were recognised. In respect of actuarial gains and losses that arise subsequent to 1 January 2003 there are recognised in the income statement.

(r) Provisions

A provision is recognised in the balance sheet when the Group has a legal or constructive obligation as result of a past event, and it is probable that an outflow of benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Provisions for restructuring are recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Future operating costs are not provided for.

Onerous contracts

A provision from onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

(s) Trade and other accounts payable

Trade and other accounts payable are valued at nominal value.

(t) Revenues

Goods sold and services rendered

Revenue from the sale of goods is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from services rendered is recognised in the income statement in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Rental income from investment property is recognised in the income statement on a straight-line basis over the term of the rental period.

Financial income consists of interest received, dividend, exchange rate gains, and profits on hedging instruments. Interest income is recognised in the income statement as it accrues, taking into account the effective yield on the asset. Dividend income is recognised in the income statement on the date that the dividend is declared.

Subsidies to compensate for costs that have already been made are entered consistently in the profit and loss account for the period in which the costs were made.

(u) Expenses

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

The financial costs

Consist of interest on loans, exchange rate losses, and losses on hedging instruments that are entered in the profit and loss account.
The interest expense component of finance lease payments is recognised in the income statement using the effective interest rate method.

Ships in the port of Antwerp


Dep. 1280.

2 Segment reporting

SEGMENT REPORTING *(for the period from 1 January 2004 to 31 December 2004)*

(in thousands of USD)

2004	LPG	LNG	OFFSHORE	SERVICES	ELIMINATIONS	TOTAL
Turnover	293,440	44,743	33,813	51,750		423,746
Capital gain on disposal of fixed assets	10,686			6		10,692
Other operating income	1,097	1,975	232	425		3,729
Turnover	**305,223**	**46,718**	**34,045**	**52,181**	**0**	**438,167**
EBITDA	**56,278**	**28,401**	**12,234**	**-8,401**	**0**	**88,512**
Depreciations, impairment losses/reversals (*)	-20,174	-7,472	-6,910	-2,730		-37,286
Operating result (EBIT)	**36,104**	**20,929**	**5,324**	**-11,131**	**0**	**51,226**
Interest income/expenses (net)	-14,139	-22,812	-3,583	8,074	0	-32,460
Other financial income/expenses (net)	23	9,278	-2,544	5,724	0	12,481
Companies' result valued in accordance with the equity method	0	0	0	0	0	0
Taxes	-1,815	189	-672	1,206	0	-1,092
Net consolidated result	**20,173**	**7,584**	**-1,475**	**3,873**	**0**	**30,155**
Minority interest	-403	0	0	1	0	-402
Group's share in the result	**19,770**	**7,584**	**-1,475**	**3,874**	**0**	**29,753**

(*) Prior recognised impairment losses for the Polar-type vessels (USD 3.9 million) were withdrawn as the vessels were sold during this accounting period.

ASSETS	LPG	LNG	OFFSHORE	SERVICES	ELIMINATIONS	TOTAL
Fixed assets	**497,674**	**316,160**	**76,734**	**136,085**	**-244,348**	**782,305**
Tangible assets	361,147	312,314	76,731	4,857		755,049
vessels	*359,252*	*312,223*	*76,525*	*0*		*748,000*
other	*1,895*	*91*	*206*	*4,857*		*7,049*
Intangible assets			2	2,543		2,545
Investment property				13,504		13,504
Financial assets	129,564		1	115,181	-244,348	398
Financial derivatives	6,963	3,846				10,809
Current assets	**61,753**	**26,872**	**11,076**	**244,089**	**-153,520**	**190,270**
Total assets	**559,427**	**343,032**	**87,810**	**380,174**	**-397,868**	**972,575**

LIABILITIES	LPG	LNG	OFFSHORE	SERVICES	ELIMINATIONS	TOTAL
Total equity	**109,554**	**-35,542**	**-13,614**	**199,400**	**0**	**259,798**
Capital and reserves	109,497	-35,542	-13,614	199,101		259,442
Minority interest	57			299		356
Non-current liabilities	**233,825**	**261,127**	**48,306**	**35,640**	**0**	**578,898**
Long-term borrowings	227,036	237,932	46,225	13,139		524,332
Employee benefits				3,715		3,715
Provisions				18,786		18,786
Financial derivatives	6,789	23,195	2,081			32,065
Current liabilities	**216,048**	**117,447**	**53,118**	**145,134**	**-397,868**	**133,879**
Total liabilities	**559,427**	**343,032**	**87,810**	**380,174**	**-397,868**	**972,575**
Cash flow statement						
Cash flow from operating activities	-4,831	6,052	1,224	42,786		45,231
Cash flow from investing activities	57,593	-18,833	0	-12,428		26,332
Cash flow from financing activities	-55,626	13,553	-4,025	-12,396		-58,494
Supplementary information						
Investments	48,550	18,833	0	1,425	0	68,808
Desinvestments/disposals	-106,143	0	0	0	0	-106,143

SEGMENT REPORTING

(for the period from 1 January 2004 to 31 December 2005)

(in thousands of USD)

2005	LPG	LNG	OFFSHORE	SERVICES	ELIMINATIONS	TOTAL
Turnover	314,322	55,334	37,655	44,377		451,688
Capital gain on disposal of fixed assets	46,929	13,006				59,935
Other operating income	2,783	973	90	1,378		5,224
Turnover	**364,034**	**69,313**	**37,745**	**45,755**	**0**	**516,847**
EBITDA	**94,901**	**43,181**	**9,244**	**-1,288**	**0**	**146,038**
Depreciations, impairment losses/reversals (*)	-18,035	-12,548	-6,828	-3,102		-40,513
Operating result (EBIT)	**76,866**	**30,633**	**2,416**	**-4,390**	**0**	**105,525**
Interest income/expenses (net)	-12,816	-20,292	-4,256	-929	0	-38,293
Other financial income/expenses (net)	-6,799	36	1,010	14,423	0	8,670
Companies' result valued in accordance with the equity method	0	0	0	80	0	80
Taxes	-97	-24	20	-549	0	-650
Net consolidated result	**57,154**	**10,353**	**-810**	**8,635**	**0**	**75,332**
Minority interest	5	0	0	-4	0	1
Group's share in the result	**57,159**	**10,353**	**-810**	**8,631**	**0**	**75,333**

(*) Prior recognised impairment losses for the Kemira Gas (USD 2.4 million) were fully withdrawn as the market value corrected with possible re lated expenses is higher than its carrying amount.

Assets	LPG	LNG	OFFSHORE	SERVICES	ELIMINATIONS	TOTAL
Fixed assets	**444,829**	**417,205**	**69,793**	**119,160**	**-180,340**	**870,647**
Tangible assets	359,173	417,205	69,784	10,699		856,861
vessels	*350,815*	*417,140*	*69,712*	*0*		*837,667*
other	*8,358*	*65*	*72*	*10,699*		*19,194*
Intangible assets			8	1,131		1,139
Investment property				12,130		12,130
Financial assets	85,656		1	95,200	-180,340	517
Financial derivatives						0
Current assets	**86,475**	**18,254**	**15,445**	**214,768**	**-137,459**	**197,483**
Total assets	**531,304**	**435,459**	**85,238**	**333,928**	**-317,799**	**1,068,130**

Liabilities	LPG	LNG	OFFSHORE	SERVICES	ELIMINATIONS	TOTAL
Total equity	**162,394**	**-53,993**	**-14,569**	**167,359**	**0**	**261,191**
Capital and reserves	162,393	-53,993	-14,569	167,245		261,076
Minority interest	1			114		115
Non-current liabilities	**188,877**	**406,289**	**41,028**	**32,421**	**0**	**668,615**
Long-term borrowings	185,660	389,280	40,075	10,502		625,517
Employee benefits				4,003		4,003
Provisions				17,916		17,916
Financial derivatives	3,217	17,009	953			21,179
Current liabilities	**180,033**	**83,163**	**58,979**	**134,148**	**-317,799**	**138,324**
Total liabilities	**531,304**	**435,459**	**85,238**	**333,928**	**-317,799**	**1,068,130**
Cash flow statement						
Cash flow from operating activities	28,977	-26,425	10,967	55,040		68,559
Cash flow from investing activities	76,526	-104,434	-54	353		-27,609
Cash flow from financing activities	-102,538	149,155	-5,775	-52,218		-11,376
Supplementary information						
Investments	86,621	117,440	54	9,222	0	213,337
Desinvestments/disposals	-117,147	-13,006	0	-783	0	-130,936

3 Other operating income

A. Capital gain on disposal of fixed assets (in thousands of USD)	2005	2004
Profit on the sale of LPG-vessels	46,486	10,686
Profit on the sale of LNG-vessels	13,000	
Other	449	6
	59,935	**10,692**

B, Other (in thousands of USD)	2005	2004
Contribution of third parties in the profit and/or loss realised on the vessel "Excel"	716	1,677
Share of the surplus value from the sale of Eupen/Elversele	1,464	1,354
Profit from investments	1,120	
Other	1,924	698
	5,224	**3,729**

4 Other operating expenses

A. Capital loss on disposal of fixed assets (in thousands of USD)	2005	2004
Other	-76	0
	-76	**0**

B. Other (in thousands of USD)	2005	2004
Dispute - CEWAL	0	-822
Other (*)	-3,049	-696
	-3,049	**-1,518**

(*) Containing not income based taxes.

5 Personnel expenses and other social benefits

(in thousands of USD)	2005	2004
Salaries and wages	18,971	15,728
Social security charges	3,928	3,625
Provision for defined benefit plan	1,473	2,249
Stock option plan	193	
	24,372	**21,602**

The average number of personnel (in fulltime equivalents) for 2005 amounts to : 1,631 staff members, of whom 1,405 were seafarers, for which the personnel expenses are dealt with in 'services and other goods'. (2004: 1,812 staff members, of whom 1,592 were seafarers).

6 Financial expenses/income

(in thousands of USD)	2005	2004
Interests paid	-39,876	-36,554
Interests received	1,584	4,094
	-38,292	**-32,460**

7 Other financial expenses/income

(in thousands of USD)	2005	2004
Other financial expenses	**8,386**	**5,412**
Exchange differences	2,801	3,134
Payments for financial transactions	0	1,677
Withdrawal from the hedging reserve	5,108	0
Impairment loss on investments	458	0
Other	19	601
Other financial income	**17,055**	**17,893**
Dividends	125	0
Exchange differences	5,757	6,080
Sales-price adjustment of Naviga option	0	4,553
Changes in fair value (marked to market) of derivatives	3,635	7,220
Profit realised on investments	6,915	0
Other	623	40
	8,669	**12,481**

8 Income taxes

(in thousands of USD)	2005	2004
Taxes on the result		
Taxes current period	-611	-1,800
Prior year adjustments	-39	708
	-650	**-1,092**
Deferred income taxes	**0**	**0**
Total income tax	**-650**	**-1,092**

Reconciliation with the effective tax rate	2005 %	2005	2004 %	2004
Result before taxes		**75,903**		**30,844**
Weighted tax rate		**24.06 %**		**15.11 %**
Income tax at weighted tax rate		18,262		4,661
Adjustments	24.06 %		15.11 %	
Tonnage tax system	-14.87 %	-11,289	-20.72 %	-6,390
Effect of tax rates in foreign jurisdictions (reduced taxes)	0.00 %	0	3.49 %	1,077
Non-deductible expenses	0.57 %	434	0.77 %	236
Tax exempt revenues	-10.51 %	-7,979	-6.64 %	-2,047
Effect of special tax rates	0.15 %	113	0.32 %	100
Transferable tax losses	10.95 %	8,313	15.57 %	4,802
Effect of utilised tax losses	-9.54 %	-7,243	-2.07 %	-639
	0.81 %	**611**	5,83 %	**1,800**

9 Current tax assets and tax liabilities

The current tax assets represent an amount of recoverable income taxes for the current year and the previous years (2005: USD 4,154,555 and 2004: USD 8,698,137).
The current tax liabilities represent income taxes payable for the current year and the previous years (2005: USD 5,653,598 and 2004: USD 6,132,869).

10 Tangible assets

TANGIBLE ASSETS

(in thousands of USD)

	Land and buildings	Machinery and equipment	Furniture and movables	Other	Assets under construction	Vessels	Total
A. Purchase value							
Balance as per 1 January 2004	5,236	1,075	6,194	812	90,970	1,105,300	1,209,587
Changes during the financial year							
Translation differences	280	80	295	59	1		715
Changes in the consolidation scope			1				1
Business Combinations		97	51				148
Other acquisitions	739		1,351	1	17,986	95,494	115,571
Disposals / discontinuations	-1,473		-1,471		-13	-193,643	-196,600
Transfers							0
Balance as per 31st December 2004	**4,782**	**1,252**	**6,421**	**872**	**108,944**	**1,007,151**	**1,129,422**
Purchase value							
Balance as per 1 January 2005	4,782	1,252	6,421	872	108,944	1,007,151	1,129,422
Changes during the financial year							
Translation differences	-415	-107	-580	-459			-1,561
Changes in the consolidation scope	-22	-460	112	51			-319
Business Combinations							0
Other acquisitions		147	981	12,933	147,299	51,425	212,785
Disposals / discontinuations			-1,140			-239,714	-240,854
Transfers					-157,923	157,923	0
Balance as per 31st December 2005	**4,345**	**832**	**5,794**	**13,397**	**98,320**	**976,785**	**1,099,473**
B. Depreciations and impairment losses							
Balance as per 1 January 2004	1,168	503	4,440	595	0	422,650	429,356
Changes during the financial year							
Translation differences	94	54	263	50			461
Changes in the consolidation scope							0
Business Combinations							0
Depreciations	29	184	893	33		34,246	35,385
Impairment losses							0
Reversal of impairment losses							0
Disposals / discontinuations	-660		-1,368			-88,801	-90,829
Transfers							0
Balance as per 31st December 2004	**631**	**741**	**4,228**	**678**	**0**	**368,095**	**374,373**
Depreciations and impairment losses							
Balance as per 1 January 2005	631	741	4,228	678	0	368,095	374,373
Changes during the financial year							
Translation differences	-71	-81	-379	-119			-650
Changes in the consolidation scope	-6	-125	101				-30
Business Combinations							0
Depreciations	154	106	788	1,069		38,951	41,068
Impairment losses							0
Reversal of impairment losses (*)						-2,373	-2,373
Disposals / discontinuations			-658			-169,118	-169,776
Transfers							0
Balance as per 31 December 2005	**708**	**641**	**4,080**	**1,628**	**0**	**235,555**	**242,612**
Net book value as per 31 December 2004	**4,151**	**511**	**2,193**	**194**	**108,944**	**639,056**	**755,049**
Net book value as per 31 December 2005	**3,637**	**191**	**1,714**	**11,769**	**98,320**	**741,230**	**856,861**

(*) Prior recognised impairment losses for the vessel "Kemira Gas" were reversed as the market value reduced with related expenses is higher than the carrying amount.

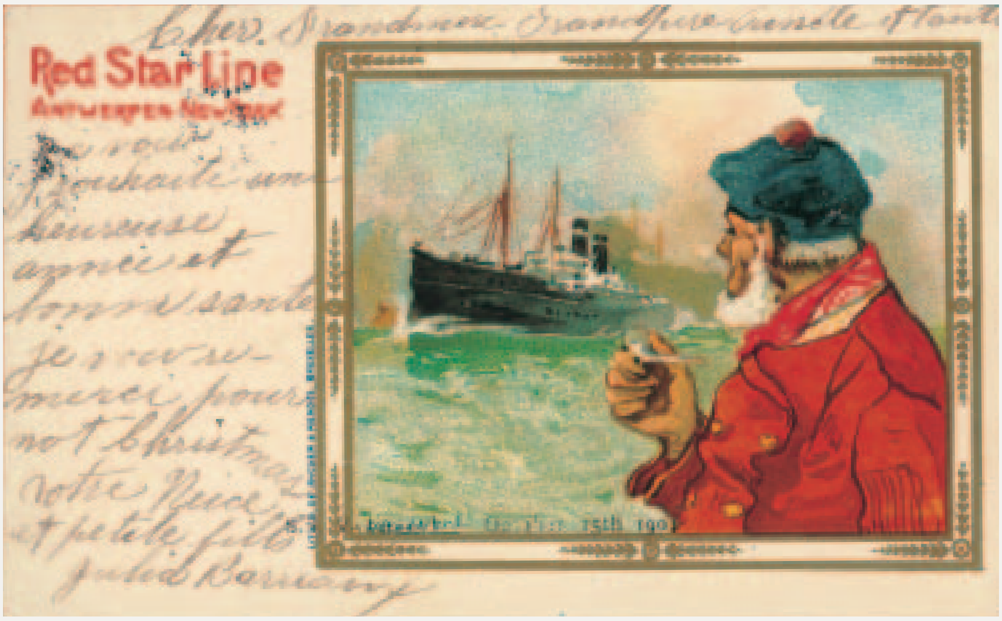
THE VESSELS CAN BE DETAILED AS FOLLOWS

(balance as per 1 January 2005)

(in thousands of USD)

	LPG	LNG	OFFSHORE	TOTAL
Balance as per 1 January 2005	**353,246**	**209,285**	**76,525**	**639,056**
Acquisitions	51,425			51,425
Delivery of vessels under construction		157,924		157,924
Depreciations	-17,252	-12,514	-6,812	-36,578
Disposals / discontinuations	-70,597			-70,597
Translation differences				0
Balance as per 31 December 2005	**316,822**	**354,695**	**69,713**	**741,230**
Net book value of the vessels under financial lease contract:	**91,762**	**74,060**	**0**	**165,822**
Amount of deposits as guarantee for the debts and liabilities: (these sums represent the original deposits)	**306,381**	**427,062**	**55,000**	**788,443**

THE ASSETS UNDER CONSTRUCTION CAN BE SUMMARISED AS FOLLOWS:				
1 LNG-carrier in South-Korea (Daewoo SME 2237 - Excelerate) (50/50 Joint Venture Excelerate Energy LPP)		36,544		
1 LNG-carrier in South-Korea (Daewoo SME 2254 - Explorer) (50/50 Joint Venture Excelerate Energy LPP)		25,901		
1 LPG-carrier in South-Korea (Daewoo SME 2209 - Berge Sombeke) (50/50 Joint Venture Bergesen)		4,010		
1 LPG-carrier in South-Korea (Daewoo SME 2207 - Libramont)		11,977		
1 LPG-carrier in South-Korea (Daewoo SME 2315)		9,003		
1 LPG-carrier in South-Korea (Daewoo SME 2316)		9,003		
Building Delphis, Schalienstraat,5 B-2000 Antwerp		1,882		
Total		**98,320**		



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11 Intangible assets

INTANGIBLE ASSETS

(in thousands of USD)

	Concessions, patents, licences etc.	Client portfolio	Total
A. Purchase value			
Balance as per 1 January 2004	876	3,500	4,376
Changes during the financial year			
Translation differences	61		61
Changes in the consolidation scope			0
Business combinations			0
Other acquisitions	764		764
Disposals / discontinuations			0
Transfers			0
Balance as per 31 December 2004	**1,701**	**3,500**	**5,201**
Purchase value			
Balance as per 1 January 2005	1,701	3,500	5,201
Changes during the financial year			
Translation differences	-198		-198
Changes in the consolidation scope	43		43
Business combinations			0
Other acquisitions	56		56
Disposals / discontinuations			0
Transfers			0
Balance as per 31 December 2005	**1,602**	**3,500**	**5,102**
B. Depreciations and impairment losses			
Balance as per 1 January 2004	567	583	1,150
Changes during the financial year			
Translation differences	55		55
Changes in the consolidation scope			0
Business combinations			0
depreciations	284	1,167	1,451
Impairment losses(-) / reversals (+)			0
Disposals / discontinuations			0
Transfers			0
Balance as per 31 December 2004	**906**	**1,750**	**2,656**
Depreciations and impairment losses			
Balance as per 1 January 2005	906	1,750	2,656
Changes during the financial year			
Translation differences	-105		-105
Changes in the consolidation scope	42		42
Business combinations			0
depreciations	203	1,167	1,370
Impairment losses(-) / reversals (+)			0
Disposals / discontinuations			0
Transfers			0
Balance as per 31 December 2005	**1,046**	**2,917**	**3,963**
Net book value as per 31 December 2004	**795**	**1,750**	**2,545**
Net book value as per 31 December 2005	**556**	**583**	**1,139**

12 Investment property

INVESTMENT PROPERTY

(in thousands of USD)

A. Purchase value (in thousands of USD)	2005	2004
Balance as per 1 January	15,275	13,837
Changes during the financial year		
Translation differences	-1,656	858
Changes in the consolidation scope		
Business Combinations		
Other acquisitions	495	756
Disposals / Discontinuations		-190
Transfers		14
Balance as per 31 December	**14,114**	**15,275**
B. Depreciations and impairment losses		
Balance as per 1 January	1,771	1,252
Changes during the financial year		
Translation differences	-235	129
Changes in the consolidation scope		
Business Combinations		
Depreciations	448	450
Impairment losses		
Disposals / Discontinuations		-60
Transfers		
Balance as per 31 December	**1,984**	**1,771**
Net book value as per 31 December	**12,130**	**13,504**
Fair value as per 31 December	**40,027**	**41,406**

13 Financial assets

FINANCIAL ASSETS

(in thousands of USD)

	Associated companies	Other investments in subsidiaries	Other loans	Total
Balance as per 1 January 2004	**0**	**49**	**490**	**539**
Gross amount		289	490	779
Accumulated impairment losses (-)		-240	0	-240
Investments			-137	-137
Translation differences		-5	3	-2
Changes in the consolidation scope		-2		-2
Transfers				0
Balance as per 31 December 2004	**0**	**42**	**356**	**398**
Gross amount	0	282	356	638
Accumulated impairment losses (-)	0	-240	0	-240
Balance as per 1 January 2005	**0**	**42**	**356**	**398**
Gross amount	0	282	356	638
Accumulated impairment losses (-)	0	-240	0	-240
Investments				0
Translation differences				0
Changes in the consolidation scope	399		-280	119
Transfers		74	-74	0
Balance as per 31 December 2005	**399**	**116**	**2**	**517**
Gross amount	399	356	2	757
Accumulated impairment losses (-)	0	-240	0	-240

14 Investments in associates

THE GROUP HAS FOLLOWING INVESTMENTS IN ASSOCIATES:

OWNERSHIP	COUNTRY	2005	2004
Marpos	Belgium	45 %	45 %

Group's share in the result of prior mentioned associated companies for the year 2005 amounts to USD 80,069 (EUR 63,892).

FINANCIAL INFORMATION IN CONNECTION WITH ASSOCIATED COMPANIES (in thousands of USD)

	Assets	Liabilities	Equity	Income	Profit / Loss (-)
2005					
Marpos	1,438	551	888	1,851	178
	1,438	**551**	**888**	**1,851**	**178**

15 Investments

INVESTMENTS

(in thousands of USD)

		2005	2004
Shares available for sale:	quoted	1,400	14,036
	unquoted	7,482	-
		8,882	**14,036**

16 Deferred tax assets and liabilities

CAPITALISED TAX ASSETS AND LIABILITIES

The deferred tax assets and liabilities can be allocated as follows: (in thousands of USD)

	31 December 2005			31 December 2004		
	Receivables	Liabilities	Difference	Receivables	Liabilities	Difference
Tangible assets	0	86	-86	0	112	-112
Intangible assets	-22	23	-45	-35	27	-62
Financial assets	0	0	0	0	0	0
Provisions	-4,943	0	-4,943	-5,239	0	-5,239
Employee benefits	-1,361	0	-1,361	-1,263	0	-1,263
Other	-971	0	-971	-1,306	0	-1,306
Translation differences	-1,146	14	-1,160	-1,146	34	-1,180
Financial derivatives	0	0	0	0	0	0
Investments in subsidiaries and joint-ventures	-1,694	0	-1,694	-1,650	0	-1,650
Tax assets (-)/liabilities	-10,137	123	-10,260	-10,639	173	-10,812
Unrecognised deferred tax assets (*)	-123	-123	0	-173	-173	0
Set off of tax assets/liabilities	-10,260	0	-10,260	-10,812	0	-10,812
Net tax assets (-) / liabilities	**0**	**0**	**0**	**0**	**0**	**0**

(*) The unrecognition of tax assets is due to the fact that no taxable results can be expected in the coming years.

UNRECOGNISED DEFERRED TAX ASSETS AND LIABILITIES

The unrecognised deferred tax assets and liabilities refer to the following items: (in thousands of USD)

	31 December 2005		31 December 2004	
	Assets	Liabilities	Assets	Liabilities
Deductible temporary differences (33.99 %)	10,260		10,812	
Unused tax losses and investment tax credits	37,677		41,094	
	47,937	0	51,906	0
Set off of tax assets/liabilities				
Total	**47,937**	**0**	**51,906**	**0**

These deferred tax assets have not been recognised because no taxable profits are to be expected in the coming five years.

MOVEMENTS IN TEMPORARY DIFFERENCES DURING THE YEAR

(in thousands of USD)

	Balance at 1 January 2004	Recognised in result	Recognised in equity	Balance at 31 December 2004
Tangible assets	329	0	0	329
Intangible assets	-140	-40	0	-180
Financial assets	0	0	0	0
Provisions	16,329	-917	0	15,412
Employee benefits	2,029	1,686	0	3,715
Other items	-7,062	1,354	0	-5,708
Translation differences	3,442	31	0	3,473
Financial derivatives	0	0	0	0
Investments in subsidiaries and joint ventures	-5,023	-2,190	0	-7,213
Unrecognised deferred tax assets	-9,904	76	0	-9,828
	0	**0**	**0**	**0**

(in thousands of USD)

	Balance at 1 January 2005	Recognised in result	Recognised in equity	Balance at 31 December 2005
Tangible assets	329	-75	0	254
Intangible assets	-180	47	0	-133
Financial assets	0	0	0	0
Provisions	15,412	-869	0	14,543
Employee benefits	3,715	288	0	4,003
Other items	-5,708	1,465	0	-4,243
Translation differences	3,473	-59	0	3,414
Financial derivatives	0	0	0	0
Investments in subsidiaries and joint ventures	-7,213	-191	0	-7,404
Unrecognised deferred tax assets	-9,828	-606	0	-10,434
	0	**0**	**0**	**0**

17 Trade and other receivables

TRADE AND OTHER RECEIVABLES

(in thousands of USD)

	2005	2004
Trade receivables	49,899	61,035
Cash guarantees	148	147
Other receivables	5,904	5,464
Deferred charges (*)	8,301	9,869
Accrued income (*)	2,853	3,244
	67,105	79,759

(*) 'Deferred charges' comprise expenses already invoiced but referring to the next accounting year, e.g. hire, insurances, commissions, bunkers etc.
'Accrued income' comprises all revenues not invoiced yet but form part of the result of this accounting year, e.g. interests etc.

18 Cash and cash equivalents

CASH AND CASH EQUIVALENTS

(in thousands of USD)

	2005	2004
Bank	44,772	62,122
Cash in hand	134	65
Investments	71,841	25,589
Total	**116,747**	**87,776**
Less:		
Bank overdrafts	-1,044	-121
Net cash and cash equivalents	**115,703**	**87,655**

19 Capital and reserves

CAPITAL AND RESERVES

Capital and share premiums	2005	2004
Issued shares as per 1 January	7,350,000	7,350,000
Shares withdrawn by decision of the extraordinary general shareholder's meeting	-650,000	-
Issued shares as per 31 December - paid in full	**6,700,000**	**7,350,000**

The extraordinary general shareholder's meeting of 28 November 2005 has decided to withdraw 650,000 treasury shares.
The number of issued shares were reduced from 7,350,000 to 6,700,000.
The issued shares do not mention a nominal value. The bookvalue of the withdrawn shares have reduced the retained earnings.
The holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share during the general shareholder's meetings of the Company.

Dividends

After the balance sheet date the directors made the following dividend proposal. The proposal for dividend has not yet been approved by the general shareholder's meeting and has not been processed in the balance sheet.

	2005	2004
Gross dividend/share (in EUR)	3.50	1.00
Rate used:	(1.1797)	(1.3621)
	27,664	10,011
Proposed dividend payment (in thousands of USD)	**27,664**	**10,011**

Treasury shares

This reserve includes the cost of the shares of the company that are held in the Group.

	2005	2004
Number of treasury shares held as of 31 December	100,349	104,781
Bookvalue of the treasury shares held (in thousands of USD)	6,945	5,686
Average cost price per share (in EUR)	54.9323	44.4315

Translation differences

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

Fair value reserve

The fair value reserve includes the cumulative net change in the fair value of investments available for sale until the investment is derecognised.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging with respect to hedged transactions that have yet materialised.

20 Earnings per share

EARNINGS PER SHARE

Profit to be allocated to the ordinary shareholders (in thousands of USD)		2005	2004
Profit for the year		75,333	29,753

Weighted average number of ordinary shares		2005	2004
Issued ordinary shares		6,700,000	7,350,000
Effect of treasury shares		60,559	-41,078
Weighted average number of ordinary shares as of 31 December		**6,760,559**	**7,308,922**

Earnings per share		2005	2004
Earnings per share (in USD)		**11.14**	**4.07**
Diluted earnings per share (in USD)		**11.13**	**4.07**
Calculation of the earnings per share and the diluted earnings per share			
Net profit of the year 2005		75,333,320	
Average closing rate for one ordinary share during the year 2005 (in EUR)	(a)	61,27	
Exercise price for shares under option during the year 2005 (in EUR)	(b)	44,30	
Weighted average number of ordinary shares during the year 2005		6,760,559	
Earnings per share (in USD)		**11.14**	
Number of shares under option	(c)	36,980	
Number of shares that would have been issued at average market price: (c*b) / a		-26,738	
Weighted average number of ordinary shares during the year 2005 including options		6,770,801	
Diluted earnings per share (in USD)		**11.13**	

21 Interest-bearing loans and other financial obligations

LONG-TERM LOANS

(in thousands of USD)

	Financial leasing debts	Bank loans	Other loans	Total
More than 5 years	96,874	199,638	–	296,512
Between 1 and 5 years	24,591	202,729	67	227,387
More than 1 year	121,465	402,367	67	523,899
Less than 1 year	6,833	31,737	1,765	40,335
As of 31 December 2004	128,298	434,104	1,832	564,234
New loans	48,655	39,840	30,568	119,063
Scheduled repayments	-5,354	-36,275	-28	-41,657
Early repayments	–	-275,920	–	-275,920
Refinancing	–	285,000	–	285,000
Translation differences	8,424	-1,569	-5	6,850
Other	–	-108	–	-108
As of 31 December 2005	180,023	445,072	32,367	657,462
More than 5 years	143,033	246,095	32,367	421,495
Between 1 and 5 years	30,211	173,811	–	204,022
More than 1 year	173,244	419,906	32,367	625,517
Less than 1 year	6,778	25,167	–	31,945
As of 31 December 2005	180,022	445,073	32,367	657,462

SUMMARISED AS FOLLOWS

(in thousands of USD)

	Leasing debts	Credit institutions	Other	Total
LPG	91,834	98,688	3,093	193,615
LNG	87,033	290,015	29,218	406,266
Offshore	–	46,225	–	46,225
Services	1,155	10,145	56	11,356
Total	180,022	445,073	32,367	657,462

SHORT-TERM LOANS

(in thousands of USD)

	2005	2004
Current portion of the long-term loans	31.945	38.570
Bank overdrafts and credit lines used	1.044	121
Short-term loans to related parties	–	1.765
Total	32.989	40.456

FINANCIAL LEASE OBLIGATIONS

The financial lease obligations are payable as follows:

(in thousands of USD)

	2005			2004		
	Minimum Lease payments	Interest payments	Principal	Minimum Lease payments	Interest payments	Principal amcount
More than 5 years	200,345	57,312	143,033	151,476	54,602	96,874
Between 1 and 5 years	64,715	34,504	30,211	51,749	27,158	24,591
Less than 1 year	16,686	9,908	6,778	14,687	7,854	6,833
Total	281,746	101,724	180,022	217,912	89,614	128,298

UNUSED CREDIT FACILITIES

As of 31 December 2005, the Group has unused credit facilities totalling USD 58,485,670.

As of 31 December 2005, the Group has unused revolving credit facilities totalling USD 110,000,000.

22 Employee benefits

A. SHARE OPTION PLAN

At 13 February 2005, the Group established a share option programme that entitles the participants to register for a number of share options.

The fair value of services received in return for share options granted are measured by reference to the exercise price of the granted share options. The estimated fair value of the services received is measured based on a binomial lattice model. The contractual life of the option (8 years) is used as an input into this model. Expectations of early exercise are also incorporated into the binomial lattice model.

Fair value of share options and assumptions (in EUR)	2005	2004
Fair value at grant date	12.50	–
Share price	46.21	–
Exercise price	44.30	–
Expected volatility	24.21 %	–
Option life	8 year	–
Expected dividends	0.93 eur/year	–
Risk-free interest rate	3.27 %	–

The expected volatility is based on the historical volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected charges to future volatility due to publicly available information.

Share options	2005	2004
Share options granted in 2005	36,980	–
Registered under personel expenses (in thousands of USD)	193	0

B. LIABILITY FOR DEFINED BENEFIT PLANS AND SIMILAR LIABILITIES

(in thousands of USD)

Employee benefits	2005	2004
Present value of unfunded obligations	–	–
Present value of funded obligations	-10,724	-10,503
Fair value of the defined plan assets	6,721	6,788
Present value of net obligations	-4,003	-3,715
Unrecognised transitional provisions	–	–
Unrecognised post service expenses	–	–
Unrecognised actuarial gains/losses	–	–
Provision for defined benefit plans	-4,003	-3,715
Liability for long service leave	–	–
Total employee benefits	**-4,003**	**-3,715**

Liability for defined benefit plans

The group provides pension benefits for most of its employees, either directly or through a contribution to an independent fund. The pension benefits for management staff are provided under Defined Benefit plans. The actuarial profits and losses from these pension obligations are immediately recognised in the profit and loss.

Changes in the liability during the period (in thousands of USD)	2005	2004
Provision as per 1 January	-3,715	-2,027
Received contributions	687	722
Expenses recognised in the income statement	-1,473	-2,249
Transfer	–	–
Translation differences	498	-161
Liability as at 31 December	**-4,003**	**-3,715**

Expense recognised in the income statement (in thousands of USD)	2005	2004
Current service expenses less employee contributions	-544	-567
Interest obligation	-396	-408
Expected return on definded benefit plan	262	315
Recognition transitional provisions		-
Recognition of actuarial gains and losses	-906	-1,706
Recognition of post service cost		-
Gains and losses on curtailments or settlements		-
Employee contributions	111	117
Translation differences		-
Total pension cost recognised in the income statement (note 5)	**-1,473**	**-2,249**
Actual return on defined benefit plan	**320**	**236**

Liability for defined benefit plans

(Most significant actuarial assumptions at balance sheet date, expressed in weighted averages)	2005	2004
Discount rate at 31 December	4.15 %	4.35 %
Expected return on assets at 31 December	4.25 %	4.25 %
Future salary increases (including inflation)	salary scales	salary scales
Forecast of medical expense	n/a (*)	n/a (*)
Future pension increases	n/a (*)	n/a (*)
Inflation	2 %	2 %

(*) not applicable

23 Provisions

PROVISIONS

(in thousands of USD)

	CLAIMS	TOTAL
Long term provisions	18,786	18,786
Short term provisions	-	0
As per 1 January 2005	**18,786**	**18,786**
New provisions	-	0
Used provisions	-869	-869
Reversal of unused provisions	-	0
Business Combinations	-	0
Translation differences	-	0
Other	-	0
As per 31 December 2005	**17,917**	**17,917**
Long term provisions	17,916	17,916
Short term provisions	-	0
As per 31 December 2005	**17,916**	**17,916**

Resulting from the stipulations of the approved proposal for a partial demerger, Exmar must become involved for 39 % in PSA's claim against CMB. Consequently, a provision was set aside (by Exmar) of USD 19.7 million as of 31 December 2003. As of 31 December 2005, a sum of USD 0.9 million was reversed as the result of reduction of the risk (2004: USD 0.9 million).

24 Trade and other payables

TRADE AND OTHER PAYABLES

(in thousands of USD)

	2005	2004
Trade payables	44,185	42,012
Other payables	8,981	9,783
Accrued expenses (*)	12,899	13,275
Deferred income (*)	32,659	22,651
	98,724	87,721

(*) 'Accrued charges' comprise expenses not invoiced yet, but have to be allocated to the elapsed accounting year, e.g. commissions, portexpenses, interests etc. 'Deferred income' comprises already invoiced revenue, but referring to the next accounting year, e.g. freight, hire etc.

25 Financial instruments

During its ordinary execution of policy, the Group is exposed to credit, interest, market and currency risks. In order to hedge this exposure, the Group uses various financial instruments such as bunkerhedges, exchange rate and interest rate hedges.

Despite the fact that the Group has taken out these financial instruments as hedges, it was nonetheless decided to view all of these as freestanding. The actual 'Marked to market' value of the total portfolio is evaluated on each closing date. Changes to this fair value are recorded in the profit and loss account of the year concerned.

Credit risk

Creditworthiness controls are carried out if deemed necessary. At year-end no significant creditworthiness problems were determined.

Interest risk

In order to monitor the risk of its interest-bearing loans, the group uses a number of interest hedging instruments available on the market (i.a. IRS, CAPS, floors and collars). These derivatives have a validity period up to 2015 at the lastest.
As of 31 December 2005, the Group has concluded derivative interest products for a nominal sum of USD 644,006,817 (2004: USD 710,337,644). The Group classifies all of its derivatives as freestanding. Changes to this fair value are recorded on an annual basis in the profit and loss account. The net fair value of all interest hedging instruments as of 31 December 2005 amounts to USD -21,179,088 (2004: USD -21,256,822).

Product risk

The Group has partially covered its product risk by means of bunker hedging instruments. These instruments are considered to be freestanding. Changes to this fair value are booked each year in the profit and loss account. The net fair value of all bunker hedging instruments as per 31st December 2005 amounts to USD 593,864 (2004: USD -259,410).

Currency risk

The Group's currency risk is limited to the EUR/USD ratio for manning its fleet, paying salaries and all other personnel-related expenses. In order to check this risk the Group used a varied range of rate hedging instruments. As as 31 December 2005, the Group has taken out a some contracts to cover the currency risk for 2006 USD -956,742 (2004: USD 0).

26 Operating leases

LEASE OBLIGATIONS

(in thousands of USD)

The Group leases a number of its vessels using a lease agreement (operational lease agreements). The future minimum lease payments are as follows:

	2005	2004
Less than 1 year	58,259	45,393
Between 1 and 5 years	108,318	114,852
More than 5 years	54,625	0
Total	**221,202**	**160,245**

The Group has for a limited number of vessels purchase options, some contracts foresee a possible extension at the end of the lease agreement.

LEASE RIGHTS

(in thousands of USD)

The Group lets a number of its vessels using lease agreements (operational lease agreements). The future minimum rental receipts are as follows:

	2005	2004
Less than 1 year	230,308	135,684
Between 1 and 5 years	582,374	308,911
More than 5 years	1,462,755	492,117
Total	**2,275,437**	**936,712**

Some contracts foresee a possible extension at the end of the lease agreement.

OTHER OPERATIONAL LEASE RIGHTS

(in thousands of USD)

	2005	2004
Less than 1 year	13,804	13,739
Between 1 and 5 years	43,541	37,795
More than 5 years	40,009	30,950
Total	**97,354**	**82,484**

The other operational lease rights mainly relate to bareboat contracts.

The Group has for a limited number of vessels purchase options, some contracts foresee a possible extension at the end of the lease agreement.

27 Capital commitments

As per 31 December 2005 the Group has entered into agreements for purchasing tangible fixed assets for the amount of USD 500,651,000, of which payment scheme is as follows:

CAPITAL COMMITMENTS

(in thousands of USD)

		PAYMENT SCHEME			
	TOTAAL	2006	2007	2008	2009
Liabilities for newly built LPG	210,685	82,725	73,120	54,840	0
Liabilities for newly built LNG	289,966	111,776	76,140	76,458	25,592
	500,651	**194,501**	**149,260**	**131,298**	**25,592**

28 Contingencies

Several of the Group's companies are involved in a number of minor legal disputes arising from their daily management. The directors do not expect the outcome of these procedures to have any material effect on the Group's financial position.

29 Related parties

Identity of related parties

The group has a related party relationship with its subsidiaries (note 30) and joint ventures (note 30) and with its directors and executive officers.

Transactions with majority shareholders

Saverbel, controlled by Mr. Nicolas Saverys (CEO of EXMAR) charged EUR 238,990 to the Group (2004: EUR 154,150) for administration provided during 2005.

Transactions with key management personnel

Board of directors

The directors receive an annual fixed payment of EUR 37,500. The chairman receives an annual payment of EUR 75,000. The directors who were members of the executive committee in 2005, and were paid accordingly, have renounced this payment.
The total payments made in 2005 to all non-executive and independent directors for these activities in the board of directors amounted to EUR 281,250 (2004: EUR 200,000). No share options, loans or advances were granted to them.

Audit committee

The members of the audit committee received a total gross payment of EUR 40,000 (i.e. EUR 10,000 for the members and EUR 20,000 for the chairman).

Nominating and remuneration committee

The members of the nominating and remuneration committee received an annual remuneration of EUR 10,000.

Executive committee

The remuneration of the members of the executive committee is determined annually by the board of directors on the basis of a proposal of the nominating and remuneration committee. All members of the executive committee are self-employed. In the event of termination of their appointment, they have no right to any form of severance compensation.
The remuneration consists of a fixed component and a variable component. The total cost to the company of the fixed component in 2005 – not counting that for the managing director – amounted to EUR 1,081,905 including EUR 146,143 for insurance (2004: EUR 945,000).
The variable component is in function of the results. The total cost to the company for this variable component in 2005 – not counting that for the managing director – amounted to EUR 325,000 (2004: EUR 200,000). The fixed remuneration in 2004 for the managing director amounted to EUR 654,271, including EUR 53,850 for pension plan and insurance (2004: EUR 600,000, of which EUR 48,000 for insurance and employee benefit plans). The variable remuneration in 2005 for the managing director amounted to EUR 250,000 (2004: EUR 200,000). No loans or advances were granted to the members of the executive committee in 2005.
The members of the executive committe are among the beneficiaries of the share option plan approved by the board of directors on 7 December 2004 (option plan 2005) and 2 December 2005 (option plan 2006). The number of options allocated to the members of the executive committee are as follows:

	2004	2005
Nicolas Saverys	1.500	4.000
Patrick De Brabandere	1.500	3.000
Peter Raes	1.500	3.000
Peter Verstuyft	1.500	2.500
Total number of options allocated	**6.500**	**12.500**

30 Group entities

	Country of incorporation	Consolidation method	Ownership 2005	2004
Consolidated companies				
Joint ventures				
Blackbeard Shipping Limited	Liberia	Proportional	50.00 %	50.00 %
Excelerate nv	Belgium	Proportional	50.00 %	50.00 %
Explorer nv	Belgium	Proportional	50.00 %	–
Good Investment Ltd	Hong Kong	Proportional	50.00 %	50.00 %
Maryse Shipping Inc.	Liberia	Proportional	50.00 %	50.00 %
Montalcino Shipping Inc.	Liberia	Proportional	50.00 %	50.00 %
Monteriggioni Inc.	Liberia	Proportional	50.00 %	50.00 %
Palliser Shipping Inc.	Liberia	Proportional	50.00 %	50.00 %
Splendid Limited	Hong Kong	Proportional	50.00 %	50.00 %
Reslea nv	Belgium	Proportional	50.00 %	50.00 %
Tecto India Private Limited	India	Proportional	60.00 %	60.00 %
Associated companies				
Marpos nv	Belgium	Equity method	45.00 %	45.00 %
Subsidiaries				
Africargo nv	Belgium	Full	100.00 %	100.00 %
Belgibo nv	Belgium	Full	100.00 %	100.00 %
B.R.M. nv	Belgium	Full	100.00 %	100.00 %
EXMAR Hong Kong Limited	Hong Kong	Full	100.00 %	100.00 %
DV Offshore sa	France	Full	100.00 %	100.00 %
Excelsior nv	Belgium	Full	100.00 %	100.00 %
EXMAR Excalibur Shipping Company Ltd	Great Britain	Full	100.00 %	100.00 %
EXMAR Holdings Limited	Liberia	Full	100.00 %	100.00 %
EXMAR LNG Investments Ltd.	Liberia	Full	100.00 %	100.00 %
EXMAR Lux sa	Luxembourg	Full	100.00 %	100.00 %
EXMAR Marine nv	Belgium	Full	100.00 %	100.00 %
EXMAR (Monteriggioni) Shipping Cy. Ltd	Great Britain	Full	100.00 %	100.00 %
EXMAR nv	Belgium	Full	100.00 %	100.00 %
EXMAR Offshore Company	USA	Full	100.00 %	50.00 %
EXMAR Offshore Limited	Bermuda	Full	100.00 %	100.00 %
EXMAR Offshore Lux sa	Luxembourg	Full	100.00 %	100.00 %
EXMAR Oil & Gas Ltd	Great Britain	Full	100.00 %	–
EXMAR Shipping USA Inc.	USA	Full	100.00 %	100.00 %
EXMAR (UK) Shipping Company Limited	Great Britain	Full	100.00 %	100.00 %
EXMAR Pacific Limited	Hong Kong	Full	100.00 %	100.00 %
EXMAR Shipping nv	Belgium	Full	100.00 %	100.00 %
EXMAR Qeshm Private Limited	Iran	Full	100.00 %	–
Fiano Shipping Ltd	Liberia	Full	100.00 %	100.00 %
Franship Offshore sa	Luxembourg	Full	100.00 %	100.00 %
G-TEC Shipmanagement GmbH	Duitsland	Full	100.00 %	100.00 %
Internationaal Maritiem Agentschap nv	Belgium	Full	100.00 %	100.00 %
Kellett Shipping Inc.	Liberia	Full	100.00 %	100.00 %
Melina Shipping Limited	Liberia	Full	100.00 %	100.00 %
Reigate Holdings Inc.	Bahama's	Full	100.00 %	100.00 %
San Felice Shipping Ltd	Liberia	Full	100.00 %	100.00 %
Solaia Shipping Inc.	Liberia	Full	100.00 %	100.00 %
Tecto Belgium nv	Belgium	Full	100.00 %	100.00 %
Tecto Cyprus Limited	Cyprus	Full	100.00 %	100.00 %
Tecto Luxembourg sa	Luxembourg	Full	100.00 %	100.00 %
Travel Plus nv	Belgium	Full	100.00 %	100.00 %
Liquidations / Deconsolidations during 2005				
EXMAR Kosan Ltd	Hong Kong	Proportional	–	50.00 %
EXMAR Offshore Limited Partnership	USA	Proportional	–	50.00 %
EXMAR (Maya) Shipping Cy. Ltd	Great Britain	Full	–	100.00 %
EXMAR (Vermintino) Shipping Cy. Ltd	Great Britain	Full	–	100.00 %
Lanoka Shipping Limited	Hong Kong	Full	–	56.18 %
Sammarco Shipping Inc.	Liberia	Full	–	100.00 %

31 Interest in joint ventures

The Group has various interests in joint ventures. The following items are included in the consolidated annual accounts, which are in accordance with the Group's interest in the assets and liabilities, income/expenses arising from joint ventures. All transactions with joint ventures occur at arm's length.

INCOME STATEMENT 2005

(in thousands of USD)

	SUBSIDIARIES AND ASSOCIATES	JOINT VENTURES	ELIMINATIONS	TOTAL
Turnover	435,625	35,035	-18,972	451,688
Capital gain on desinvestment of assets	55,245	4,690		59,935
Other operating income	4,501	723		5,224
Goods and services	-355,895	-7,258	18,972	-344,181
Personnel expenses	-24,124	-248		-24,372
Depreciations	-31,556	-8,957		-40,513
Amortisations	0	0		0
Provisions	869	0		869
Other operating expenses	-2,935	-114		-3,049
Capital loss on desinvestment of assets	-76	0		-76
Operating result	**81,654**	**23,871**	**0**	**105,525**
Interest income	4,007	1,234	-3,657	1,584
Interest expense	-30,423	-13,110	3,657	-39,876
Other financial income	15,924	1,131		17,055
Other financial expenses	-7,893	-493		-8,386
Result after financial expenses	**63,269**	**12,633**	**0**	**75,902**
Companies' results valued in accordance with the equity method	80	0		80
Result before tax	**63,349**	**12,633**	**0**	**75,982**
Income tax	-421	-229		-650
Net consolidated result after tax	**62,928**	**12,404**	**0**	**75,332**
Minority interest	-1	0	0	-1
Consolidated result	**62,929**	**12,404**	**0**	**75,333**

BALANCE 2005

(in thousands of USD)

	SUBSIDIARIES AND ASSOCIATES	JOINT VENTURES	ELIMINATIONS	TOTAL
ASSETS				
Fixed assets	**694,869**	**242,612**	**-66,834**	**870,647**
Tangible fixed assets	630,735	226,126		856,861
Intangible fixed assets	1,139	0		1,139
Investment property	0	12,130		12,130
Financial fixed assets	62,995	4,356	-66,834	517
Financial derivatives	0	0		0
Current assets	**174,533**	**38,474**	**-7,536**	**205,471**
Total assets	**869,402**	**281,086**	**-74,370**	**1,076,118**
LIABILITIES				
Equity	**255,014**	**6,279**	**-102**	**261,191**
Capital and reserves	254,899	6,279	-102	261,076
Minority interest	115	0		115
Long term liabilities	**479,750**	**258,862**	**-69,997**	**668,615**
Long-term borrowings	443,380	252,134	-69,997	625,517
Employee benefits	4,003	0		4,003
Provisions long term	17,916	0		17,916
Financial derivatives	14,451	6,728		21,179
Current liabilities	**134,638**	**15,945**	**-4,271**	**146,312**
Total liabilities	**869,402**	**281,086**	**-74,370**	**1,076,118**

INCOME STATEMENT 2004

(in thousands of USD)

	SUBSIDIARIES AND ASSOCIATES	JOINT VENTURES	ELIMINATIONS	TOTAL
Turnover	407,085	34,042	-17,381	423,746
Capital gain on desinvestment of assets	8,467	2,225		10,692
Other operating income	3,548	181		3,729
Goods and services	-335,171	-9,375	17,381	-327,165
Personnel expenses	-21,602			-21,602
Depreciations	-28,463	-8,823		-37,286
Amortisations	-287			-287
Provisions	917			917
Other operating expense	-1,518			-1,518
Capital loss on desinvestment of assets	0			0
Operating result	**32,976**	**18,250**	**0**	**51,226**
Interest income	5,745	168	-1,819	4,094
Interest expense	-28,396	-9,977	1,819	-36,554
Other financial income	17,686	208		17,894
Other financial expenses	-3,647	-1,766		-5,413
Result after financial expenses	**24,364**	**6,883**	**0**	**31,247**
Companies' results valued in accordance with the equity method	0	0	0	0
Result before tax	**24,364**	**6,883**	**0**	**31,247**
Income tax	-1,054	-38		-1,092
Net consolidated result after tax	**23,310**	**6,845**	**0**	**30,155**
Minority interest	402			402
Consolidated result	**22,908**	**6,845**	**0**	**29,753**

BALANCE 2004

(in thousands of USD)

ASSETS				
Fixed assets	**643,138**	**193,986**	**-54,820**	**782,304**
Tangible fixed assets	570,831	184,218		755,049
Intangible fixed assets	2,544			2,544
Investment property	3,737	9,767		13,504
Financial fixed assets	55,217	1	-54,820	398
Financial derivatives	10,809			10,809
Current assets	**155,541**	**34,728**	**0**	**190,269**
Total assets	**798,679**	**228,714**	**-54,820**	**972,573**

LIABILITIES				
Equity	**248,931**	**10,867**	**0**	**259,798**
Capital and reserves	248,575	10,867		259,442
Minority interest	356			356
Long term liabilities	**430,306**	**202,979**	**-54,820**	**578,465**
Long-term borrowings	375,740	202,979	-54,820	523,899
Employee benefits	3,715			3,715
Provisions long term	18,786			18,786
Financial derivatives	32,065			32,065
Current liabilities	**119,443**	**14,867**	**0**	**134,310**
Total liabilities	**798,680**	**228,713**	**-54,820**	**972,573**

32 Major exchange rates used

	Closing rates		Average rates	
	2005	2004	2005	2004
USD	1.1797	1.3621	1.2532	1.2383
GPB	0.6853	0.7051	0.6847	0.6795
HKD	9.1474	10.5881	9.7473	9.6438
INR	53.9800	59.3018	55.1770	56.0683

All exchange rates used are expressed with reference to the EURO (1 euro = x.xxxx XXX)

Independent joint auditors' report

Independent joint auditors' report to the general meeting of the shareholders of Exmar NV on the consolidated financial statements for the year ended 31 December 2005

In accordance with the legal and statutory requirements, we report to you on the performance of the audit mandate which has been entrusted to us.
We have audited the consolidated financial statements of Exmar NV and its subsidiaries (the 'Group') for the year 2005 ended 31 December 2005, the statement of changes in equity and the cash flow statement for the year then ended.
We have also carried out the specific additional audit procedures required by law.
The preparation of the consolidated financial statements and the assessment of the information to be included in the consolidated directors' report, are the responsibility of the board of directors.
Our responsibility as independent joint auditors is to express an opinion on these consolidated financial statements based on our audit.

Unqualified audit opinion on the consolidated financial statements
Our audit was carried out in accordance with International Standards on Auditing as issued by the International Federation of Accountants. These auditing standards require that we plan and perform our audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.
In accordance with those standards, we considered the Group's administrative and accounting organisation, as well as its internal control procedures. The Group's management has provided us with all explanations and information which we required for our audit. We have examined, on a test basis, the evidence supporting the amounts included in the consolidated financial statements. We have assessed the accounting policies, the consolidation principles, the significant accounting estimates made by the Group and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
In our opinion, based on our audit the consolidated financial statements for the year ended 31 December 2005 give a true and fair view of the financial position, the results of operations and the cash flow of the Group in accordance with International Financial Reporting Standards adopted by the International Accounting Standards Board.

Additional certifications and information
We supplement our report with the following certifications and information which do not modify our audit opinion on the consolidated financial statements:

- The consolidated directors' report includes the information required by law and is consistent with the consolidated financial statements. We are, however, unable to comment on the description of the principal risks and uncertainties which the companies included in the Group are facing,
  of their state of affairs, their foreseeable evolution or the significant influence of certain facts on their future development. We can nevertheless confirm that the matters disclosed do not present any obvious contradictions with the information of which we became aware during our audit;
- As indicated in the statement of compliance, the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as adopted by the European Union up to 31 December 2005.

Antwerp, 30 March 2006

Helga Platteau	Klynveld Peat Marwick Goerdeler
Bedrijfsrevisor	Bedrijfsrevisoren
Statutory auditor	Statutory auditor
represented by	represented by
Helga Platteau	Serge Cosijns

2. Statutory accounts

The annual accounts of Exmar are provided hereafter in summarised form. In accordance with the code of companies, the annual accounts of Exmar, together with the annual report and the statutory auditor's report have been lodged with the National Bank of Belgium.

In their report, the statutory auditors did not express any reservations in respect of the annual accounts of Exmar.

BALANS EXMAR NV (*on 31 December 2005*)

A. Assets (in thousands of USD)	31/12/2005	31/12/2004
Fixed assets	**201.038**	**304.689**
I Formation expenses	0	0
II Intangible assets	22	43
III Tangible assets	200	169
IV Financial assets	200.816	304.476
Current assets	**137.202**	**139.383**
V Amounts receivable after one year	0	0
VI Stocks	0	0
VII Amounts receivable within one year	64.552	71.860
A Trade debtors	1.035	22.775
B Other amounts receivable	63.517	52.919
VIII Investments	46.295	16.689
IX Cash and cash equivalents	25.900	50.360
X Accrued income and deferred charges	456	474
Total assets	**338.240**	**444.072**

B. Liabilities (in thousands of USD)	31/12/2005	31/12/2004
Equity	**173.249**	**200.850**
I Capital	48.519	48.519
II Share premium account	6.260	6.260
III Revaluation surpluses	0	0
IV Reserves	73.689	72.430
V Accumulated profits	44.782	73.641
Provisions and deferred taxes	**20.309**	**21.179**
VII Provisions and deferred taxes	20.309	21.179
Creditors	**144.682**	**222.044**
VIII Amounts payable after one year.	39.840	143.416
IX Amounts payable within one year.	103.106	75.639
X Accrued charges and deferred income	1.735	2.989
Total liabilities	**338.240**	**444.072**

PROFIT AND LOSS ACCOUNTS EXMAR NV

(for the period from 1 January 2005 till 31 December 2005)

(in thousands of USD)

		01/01/2005 – 31/12/2005	01/01/2004– 31/12/2004
I	Operating income	3.116	4.120
II	Operating expenses	7.329	5.704
III	Operating result	-4.212	-1.584
IV	Financial income	37.164	20.738
V	Financial expenses	5.109	9.110
VI	Results from ordinary activities before tax	27.842	10.044
VII	Extraordinary income	13.008	0
VIII	Extraordinary expenses	30	902
IX	Result for the year befor taxes	40.820	9.142
X	Income taxes	-1	1.634
XI	Result for the period	40.821	7.508

		01/01/2005 – 31/12/2005	01/01/2004– 31/12/2004
A	Result to be appropriated	114.462	89.498
B	Transfer from capital and reserves	-40.757	0
C	Transfer to capital and reserves	-1.259	-5.846
D	Result to be carried forward	-44.782	-73.641
E	Intervention of partners in the loss	0	0
F	Distribution of relax	-27.664	-10.011

Postcard Red Star Line

INFORMATION ABOUT THE COMPANY AND FINANCIAL CALENDAR

Passenger list SS Kroonland

1. Information about the company

Registered office

De Gerlachekaai 20, 2000 Antwerp
BTW BE 0860 409 202 RPR Antwerp

Establishment date and modification of articles of association

The company was established by notarial deed on 20 June 2003, published in the appendix to the Belgian Official Gazette of 30 June 2003, under reference 03072972, and of 4 July 2003, under reference 03076338.
The articles of association were amended by deed of the civil law notary, Benoît De Cleene in Antwerp on 11 May, 2004 published in the appendix to the Belgian Official Gazette (Moniteur Belge) under number 04084050 dated 8 June, 2004.
The articles of association were amended by deed of the civil law notary, Benoît De Cleene in Antwerp on 28 November, 2005, published in the appendix to the Belgian Official Gazette (Moniteur Belge) under number 05185061 dated 22 December 2005.

Issued capital

The issued share capital amounts to USD 48,519,000, and is represented by 6,700,000 shares without nominal value.(*)
The capital is paid up in full.
In order to comply with the company laws, the reference value is established at EUR 45,000,000.

Authorised capital

The board of directors is, by order of the general meeting of shareholders held on 20 June 2003 (inaugural meeting), granted the authority to increase the capital, in one or more steps, in the manner and on terms determined by the board, by a maximum total amount of USD 10,782,000.
In order to comply with the company laws, the reference value is established at EUR 10,000,000.

This authority is granted for a period of five years from the date of publication of the decision.

(*) Subject to the approval of point 4 and 6 of the agenda of the extraordinary shareholder's meeting of 16 May 2006, the share capital of the company will be represented by 32.500.000 shares without nominal value.

2. Information about the ownership of shares

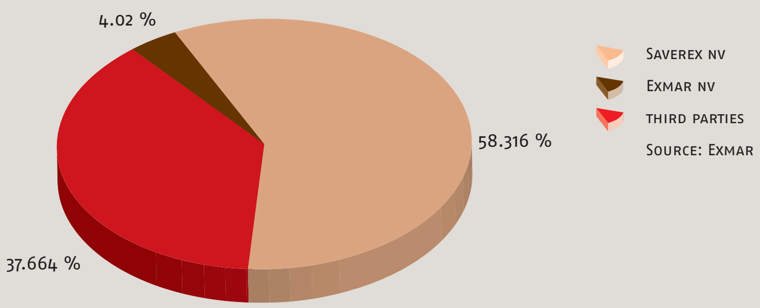
Exmar shares are quoted on Euronext Brussels in the next-prime segment, and are included in the Bel Mid index (Euronext: exm).

Law of 2 March 1989
Shareholder notifications

In its notification to the company, saverex nv stated its holding to be 3,907,179 shares, which represents a 58.316 % holding in the capital of Exmar.

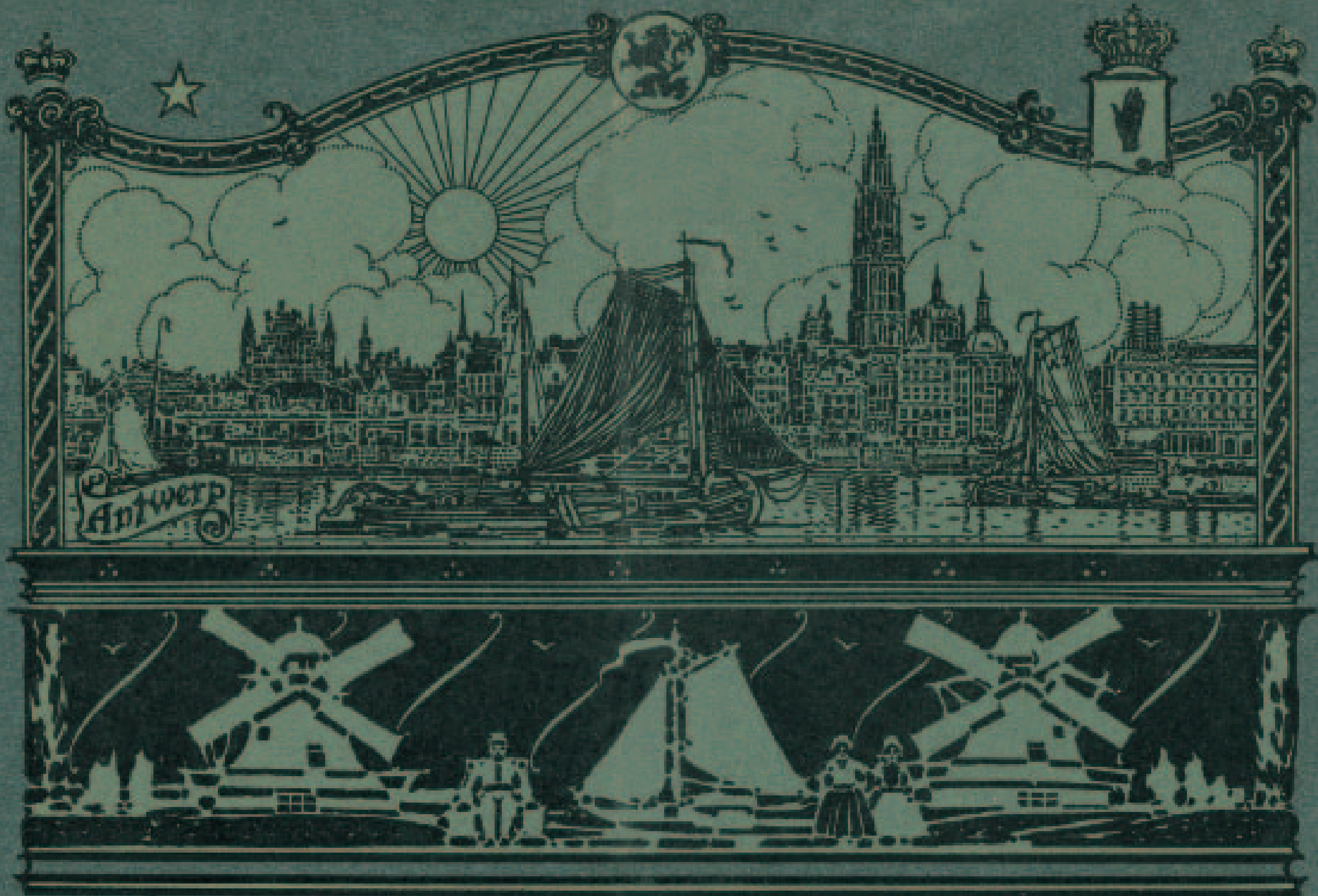
At 28 March 2006, Exmar nv held 4.02 % following purchase of its own shares.

These shareholdings were notified to the company and to the Banking, Finance, and Insurance Commission, and were published by Euronext Brussels.



3. Financial calendar

Annual General Meeting	Tuesday 16 May 2006
Publication annual report	Tuesday 16 May 2006
Dividend payable	Monday 22 May 2006
Announcement of the results for the second semester of 2006	Thursday 27 July 2006
Publication of the 2006 half-year Report	Thursday 28 September 2006
Announcement of trading update for the third quarter of 2006	Monday 30 October 2006


Antwerp

COLOPHON

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Fax: +32(0)3 247 56 01

Business registration number: 0860 409 202 RPR Antwerp

Website: www.exmar.be
E-mail: corporate@exmar.be

Contact

- All press releases by EXMAR can be consulted on the website: www.exmar.be
- Questions can be asked by telephone on number +32(0)3 247 56 11 or by e-mail to corporate@exmar.be, to the attention of Patrick De Brabandere or Peter Verstuyft.

Financial service

Fortis Bank, KBC Bank and Petercam

Dit jaarverslag is ook beschikbaar in het Nederlands.
Ce rapport annuel est aussi disponible en français.

The Dutch version of this annual report must be considered to be the official version.

Concept and realisation: www.dms.be

Brochure 'Beautiful Belgium'

EXMAR