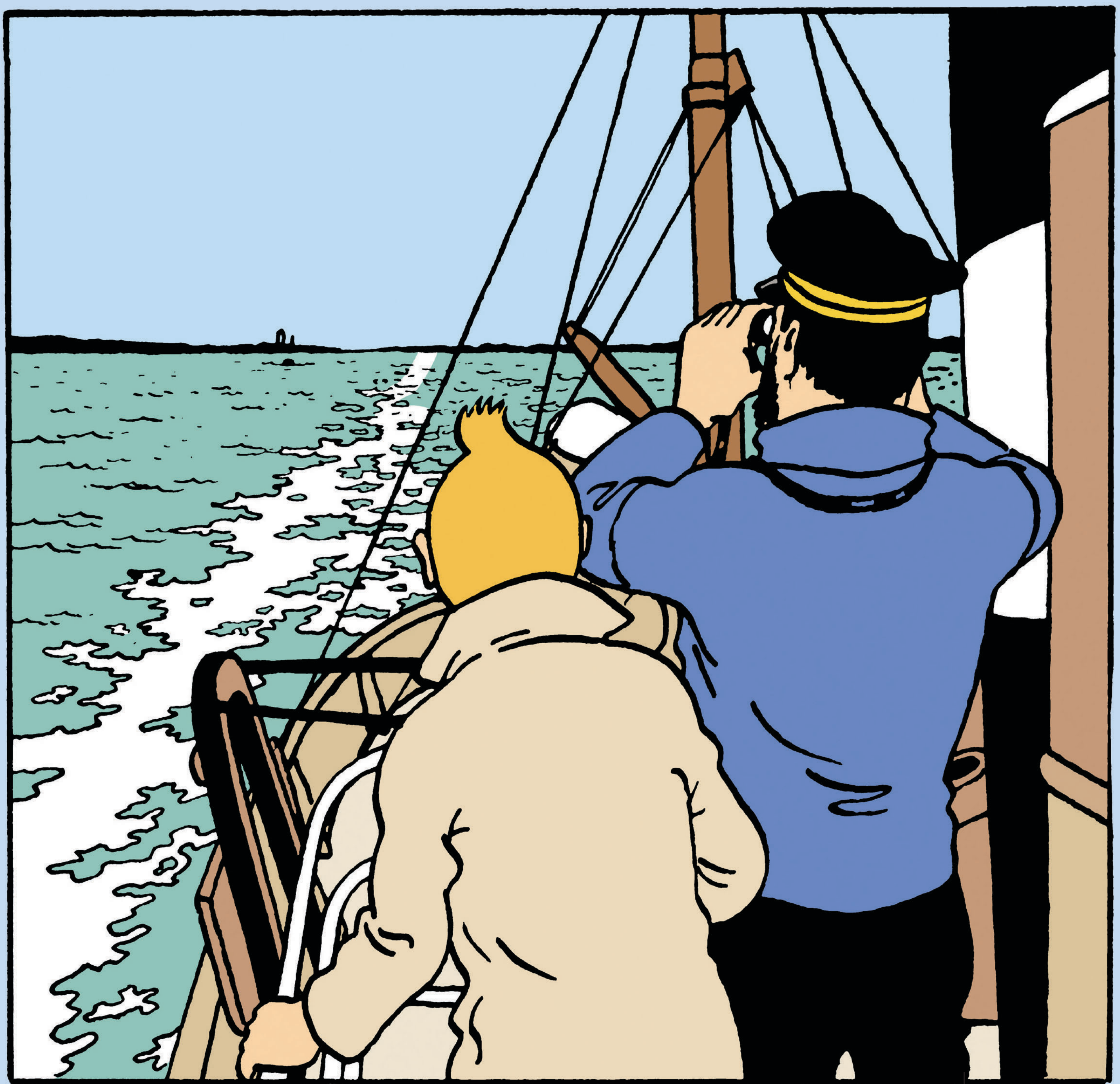
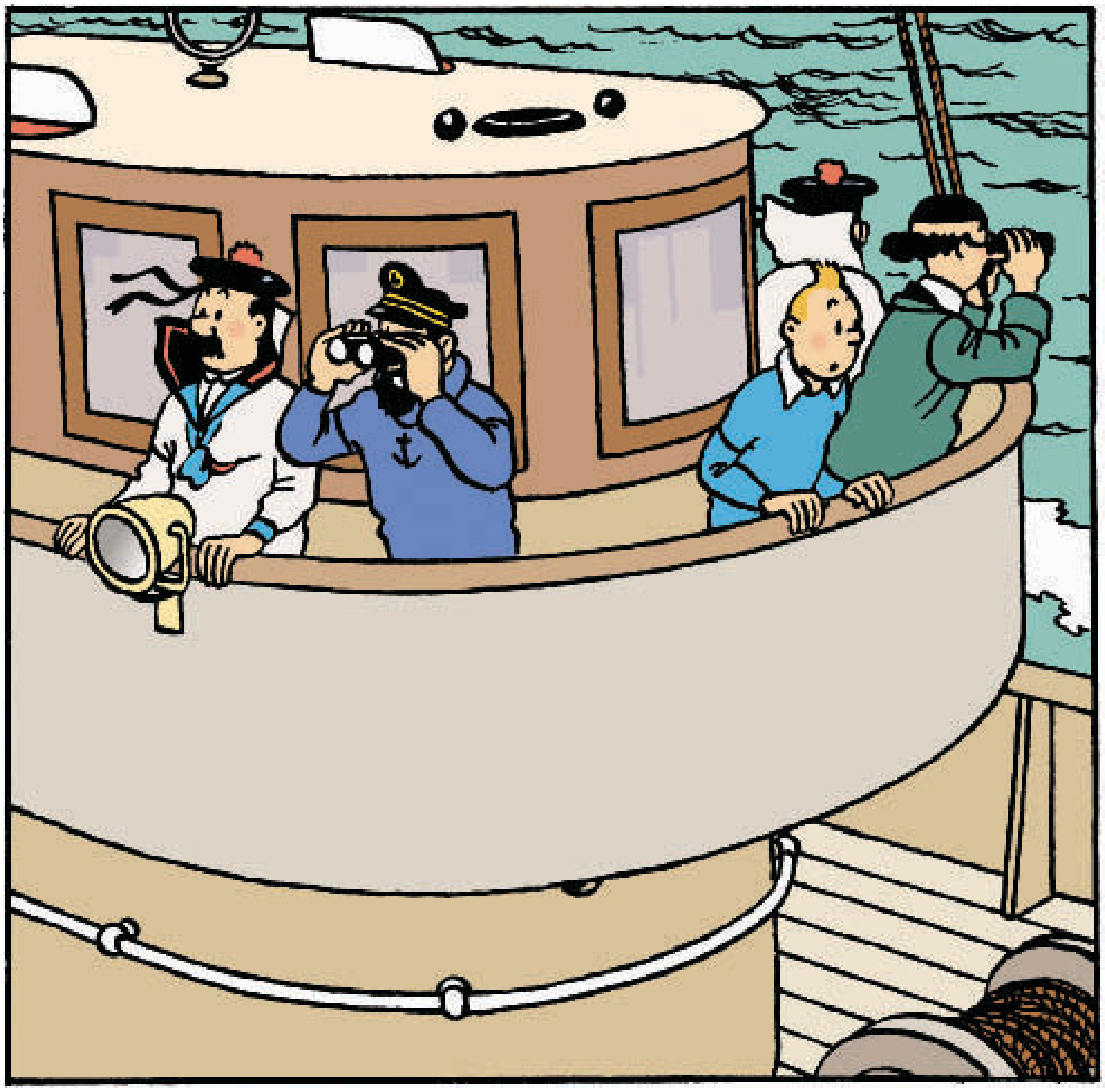
EXMAR



ANNUAL REPORT 2003

Annual Report 2003

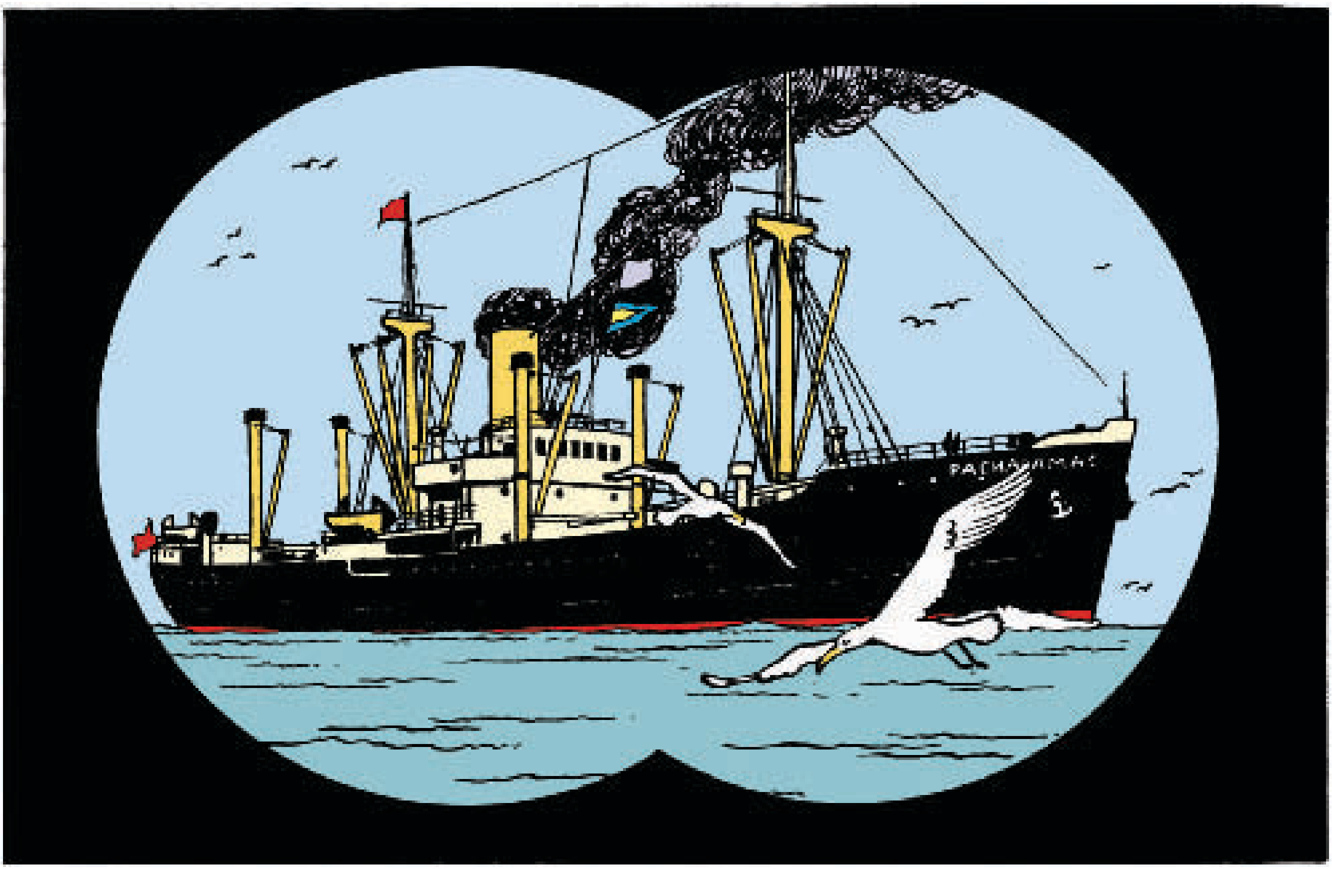


Contents

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 personnel and equipment and the protection of the environment.



Board of Directors

Yves Brasseur - chairman
Nicolas Saverys - managing director
Philippe Bodson
Ludwig Criel
Patrick De Brabandere
Harry Rutten
Marc Saverys
Philippe Vlerick
Thierry Vleurinck

Executive Committee

Nicolas Saverys - chairman
Patrick De Brabandere
Peter Raes
Peter Verstuyft

Audit Committee

Ludwig Criel - chairman
Yves Brasseur
Philippe Vlerick

Nominating and Remuneration Committee

Philippe Bodson - chairman
Ludwig Criel
Nicolas Saverys

Management

Nicolas Saverys - Chief Executive Officer
Patrick De Brabandere - Chief Financial Officer
Peter Raes - Chief Operations Officer/Managing Director TECTO
Peter Verstuyft - Secretary General/dep. Man. Dir. TECTO
Leo Cappoen - Senior Advisor
Patrick Claerhout - Managing Director BELGIBO
Christel Daeseleire - Managing Director TRAVEL PLUS
Pierre Dincq - Managing Director LPG/NH_3
Olivier Gossieaux - Managing Director LNG
Carl Hansen - Managing Director Offshore
Patrick Janssens - Chief Technical Officer
Karel Stes - Chief Legal Officer
Paul Young - Group Marketing Director

1. Company profile

EXMAR began commercial activities with the overseas transportation of liquefied gas in 1981. When the family holding ALMABO NV, acquired CMB, EXMAR became a division in which all gas transportation related activities of this shipping group, were concentrated.

In 2003 it was decided that a partial demerger of CMB was necessary to give EXMAR a better opportunity for growth. Since 6/23/2003 EXMAR is listed on Euronext Brussels.

The activities of the EXMAR group can be divided into four areas:
- **LPG/NH_3:** the transport of Liquefied Petroleum Gas (LPG), Ammonia (NH_3) and other petrochemical gases;

- **LNG:** the transport of Liquefied Natural Gas (LNG);

- **Offshore:** services to the oil and gas industry at sea;

- **Services:** consulting, ship management, insurance brokerage and travel agency.

1. LPG / NH_3

EXMAR currently operates a fleet of 43 LPG tankers, of which the group owns 23 and has co-ownership of 4. The remaining 16 are chartered for short or longer periods.

The most important part of the fleet comprises 29 vessels of the so-called 'Midsize' class (25,000 to 40,000 m^3 capacity). These form the largest and most modern fleet of its type in the world. In addition to owned vessels, ships are engaged from highly reputable shipping companies such as *A.P. Möller*, *Bergesen*, *Bibby* and *Mitsubishi*, allowing a very efficient and flexible service to be offered for the transportation of LPG and Ammonia.

Further, EXMAR owns two very large LPG tankers (84,270 and 85,826 m^3 capacity), which are chartered on a long term basis to *Bergesen*.

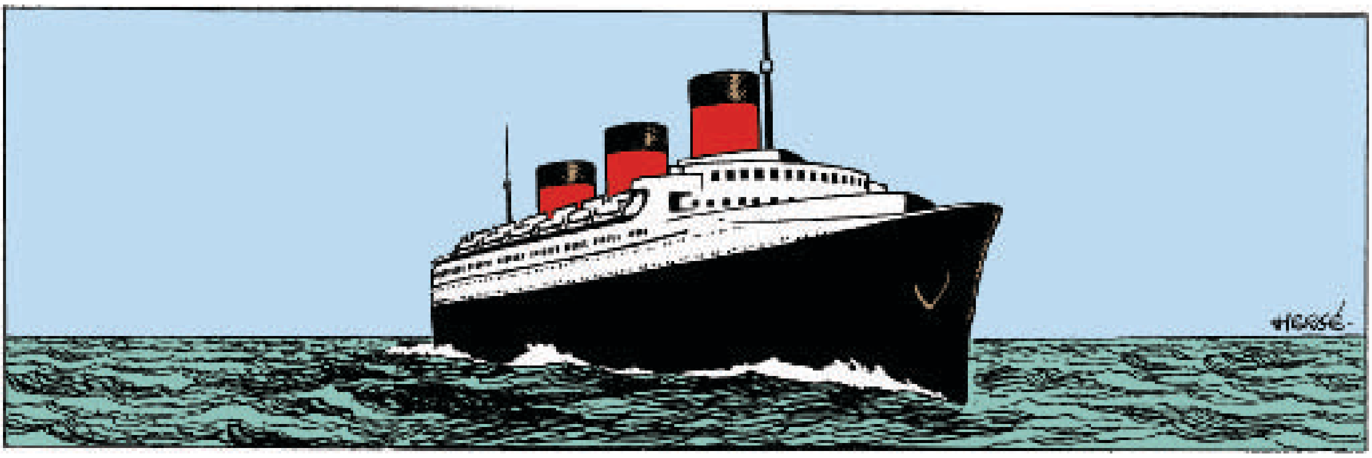
The three ethylene tankers in the 'Polar' class are chartered by the Skandigas pool, which is managed by *A.P. Möller*.

Finally, there are six small gas tankers, fitted with pressure tanks, together with three similar vessels from *J. Lauritzen Kosan*, operated out of Hong Kong in the EXMAR-Kosan pool.

2. LNG

In addition to the METHANIA, EXMAR currently operates another two LNG tankers, each having a cargo capacity of 138,000 m^3. They are the EXCALIBUR (delivered in 2002) and the EXCEL (delivered in 2003). *Mitsui O.S.K. Lines Ltd* has 50% ownership of the latter.

Another two LNG tankers are under construction, to be delivered in 2004 and 2005. These vessels are equipped with the Energy Bridge™ system for the onboard re-gasification of liquefied gas.



3. Offshore

EXMAR has also targeted the growing offshore oil and gas production market, supported by the group's in-house knowledge of shipping, shipbuilding and marine operations.

Presently EXMAR has 50% co-ownership of the FARWAH, an FPSO*, and is owner of the KISSAMA, an accommodation unit. Both of these are on long-term charter to *TOTAL*.

*FPSO = Floating Production Storage and Offloading unit

4. Services

4.1. **Consulting**

EXMAR has two engineering offices, DV Offshore (DVO) in Paris and Exmar Offshore Company (EOC) in Houston, located in the heart of the American offshore industry. Not only they cooperate with the other divisions of the group to develop technical innovations, they also provide their know-how directly to third-party customers.

4.2. **Ship Management**

Besides managing the EXMAR fleet, TECTO, the in-house shipmanaging company makes its services available to other owners of ships and floating installations. Currently TECTO performs technical management and/or crew management on 47 ships.

4.3. **Insurance Brokerage**

BELGIBO has developed into an important participant in the market of insuring maritime, transport and industrial risks.

4.4. **Travel Agency**

TRAVEL PLUS was launched to handle the large volume of EXMAR's own business travel and travel related to the rotation of ships' crews and has developed in no time into an all-round travel agent, currently 15th on the IATA list of offices in Belgium.

2. Key figures and highlights of 2003

CONSOLIDATED KEY FIGURES

in million USD			2003 pro forma (*)	2002 pro forma (**)
Profit and Loss Account				
Turnover			355	308
Operating result			40	21
Financial result			-29	-22
Result on ordinary activities			11	-1
Extraordinary result			3	-17
Result before taxation			14	-18
Taxes			-1	-1
Net result after taxation			**13**	**-19**
of which Group share			13	-19
Result per activity				
LPG			3	3
LNG			10	-6
Offshore			2	0
Services			-2	-16
Cash Flow			55	1
Balance sheet				
Shareholders' equity			244	242
Net financial debts***			497	546
Ships (including ships under construction)			780	785
Total assets			968	1,049
Personnel			1,661	1,597
of which seagoing			1,456	1,448
Data per share				
Result on ordinary activities				
before income taxes		in USD per share	1.53	-0.13
Consolidated result		in USD per share	1.71	-2.46
Cash Flow		in USD per share	7.43	0.10
Dividend	gross	in EUR per share	0.80	-
	net	in EUR per share	0.60	-
Range of share price		in EUR per share	29.00 / 37.50	-
Total number of shares			7,350,000	7,600,000

* This refers to the pro forma consolidated result for the full year 2003. The official result covers a period of two months less, since the partial demerger of CMB took effect, for accounting purposes, on 1 March 2003.

** The pro forma consolidated results on 31 December 2002 are the results of the Gas Division of CMB before the partial demerger, adjusted in relation to the rights and obligations that arose from the demerger.

*** Financial debts decreased with liquid assets and other investments.

The key figures for the period March 1, 2003 to December 31, 2003 are as follows:

	03/01/2003 - 12/31/2003
Turnover	331
Operating result	33
Financial result	-25
Result on ordinary activities	8
Extraordinary result	3
Result before taxation	11
Taxes	-1
Net result after taxation	**10**
of which Group share	10

JANUARY

El Paso Corporation announces the cessation of its LNG activities.

FEBRUARY

Agreement reached with *El Paso Corporation* and *Conoco Phillips Company* regarding the rearrangement of the chartering of four LNG ships, in which *El Paso Corporation* and *Conoco Phillips Company* guaranteed a minimum income.

APRIL

April 25th: EXMAR, *Bergesen* and *AP Möller* signed a contract for the construction of five (of which one for account of EXMAR) LPG ships of 38,000 m^3 capacity by the *DAEWOO* shipyard in South Korea.

MAY

May 7th: The tonnage tax (profits set at a fixed rate on the tonnage) and the reduced registration fees for Belgian ocean-going vessels, enacted in the Programme law of August 2, 2002 come into effect.

May 15th: Delivery of the FPSO FARWAH for long-term charter by *Compagnie des Pétroles Total Libye (TOTAL group)*.

May 19th: The METHANIA is the first ship of the EXMAR fleet that comes again under the Belgian flag.

JUNE

June 20th: The partial demerger of CMB NV by the formation of EXMAR NV with retroactive effect, for accounting purposes, to March 1, 2003.

June 23th: EXMAR is first listed on the NextPrime segment of Euronext Brussels at EUR 24.86 per share (stock code: EXM).

JULY

July 15th: Delivery of accommodation unit, the KISSAMA, immediately deployed under a long-term agreement with *TOTAL*.

Agreement reached with the *Government of the Sultanate of Oman* on a charter of the EXCEL for a period of five years, commencing April 2004.

SEPTEMBER

September 6th: The FARWAH loads its first oil.
September 26th: Delivery by the *DAEWOO* shipyard of the 138,000 m^3 LNG tanker, the EXCEL.

OCTOBER

October 14th: The EXCEL is delivered to *Sonatrach* for a six month charter.
October 20th: The FLANDERS GLORIA (VLGC*) is sold to *Bergesen*.
Purchase of a 50% share in a 38,000 m^3 LPG tanker under construction (Hull n° 2307).

NOVEMBER

November 21st: The agreements between EXMAR and *Mitsui O.S.K. Lines Ltd.* in connection with an LNG Joint Venture are revised and streamlined.
November 23th: First unloading of oil by the FARWAH.
November 28th: Refinancing of the LPG fleet in one global agreement.
18 ships from the LPG fleet are sold to EXMAR SHIPPING NV, tonnage tax company established on October 7, 2003 and are brought under the Belgian flag.

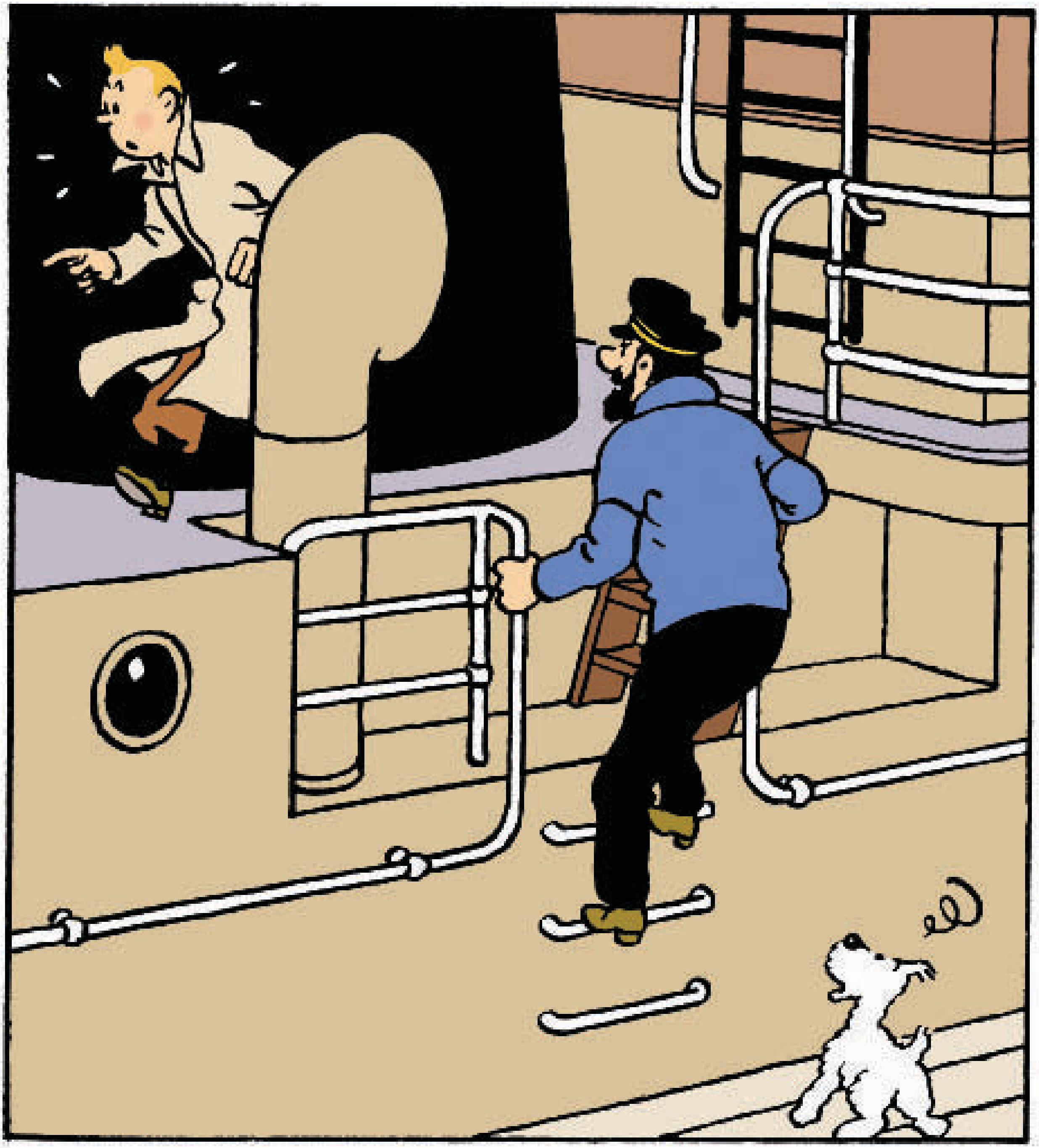
DECEMBER

December 3rd: Take-over of staff and customers of Traveller's Corner BVBA by TRAVEL PLUS.
December: 16th Purchase by *George Kaiser Family Foundation Ltd.* of Hull n° 2218 (EXCELLENCE). Hull n° 2208 (EXCELSIOR) is chartered to *Excelerate Energy LLC* for 20 years.
Thanks to these transactions, EXMAR can finalise the early repayment of its corporate debt of USD 106 million.

December 31st: The first financial year is closed.

* VLGC = very large gas carrier

3. Chairman's statement



Ladies and Gentlemen,

When EXMAR demerged from the CMB group on June 20, 2003, and was listed from the following business day in the NextPrime segment of Euronext Brussels, 2003 became an important year for our group.

In the beginning of 2003 EXMAR was confronted with *El Paso Corporation* stepping out of the LNG market. Together with *Mitsui O.S.K. Lines Ltd.* we had to search for new contracts for our LNG ships under construction.

This quest eventually resulted in the streamlining of the common interests of *Mitsui O.S.K. Lines Ltd.* and EXMAR, and lead to a strategic alliance with *Excelerate Energy LLC*, who took over the Energy Bridge™ system from *El Paso*. The EXCEL remained, nonetheless, 50% owned by EXMAR and 50% by *Mitsui O.S.K. Lines Ltd.*
With the delivery of the FPSO unit FARWAH and the accommodation unit KISSAMA, our offshore activity had truly started and, after several years of preparations and studies, delivered a positive contribution to the company result for the first time.

The measures announced by the government, enacted in the Programme law of August 2, 2002 came into effect on May 7, 2003. The tonnage tax and the reduced registration fees for Belgian ocean-going vessels allowed us to bring our LPG fleet under the Belgian flag. We are convinced that these support measures for the merchant navy will stimulate growth opportunities in the Belgian maritime sector.
At the same time the refinancing of the LPG fleet was finalised. The revenues generated, together with the profit of the new alliance with *Excelerate Energy LLC* enabled the early repayment of EXMAR's corporate debt.

The anticipated increase in LPG freight levels should positively influence the results of the next year. The rationalized LNG fleet will place EXMAR in a position to capitalise on the expected growth in this market. We therefore face the future with confidence.

Yves Brasseur
Chairman

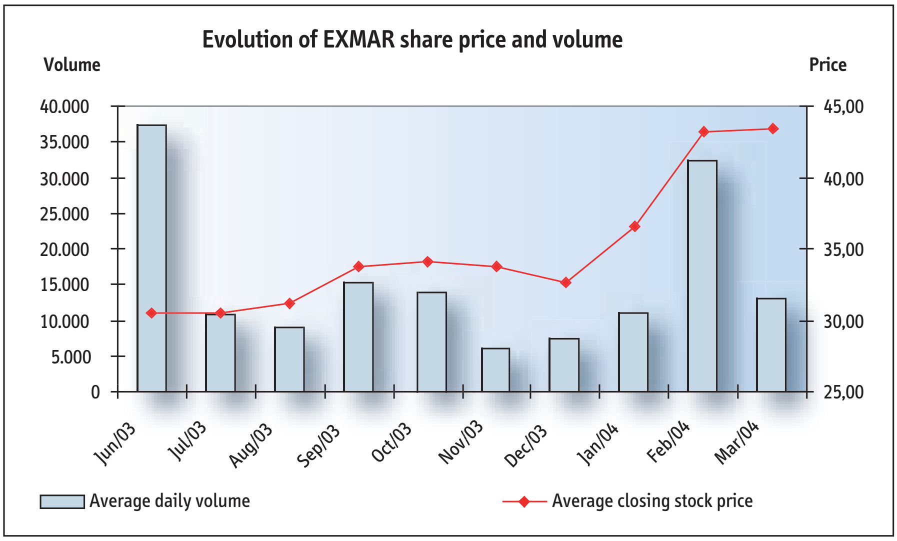
4. Report of the Board of Directors

Dear Shareholders,

On June 20, 2003 our company was established as a result of the demerger of the gas transport and offshore activities from CMB NV. This partial demerger was implemented retroactively from March 1, 2003. All the shareholders of CMB NV were issued new shares in EXMAR in the ratio of one EXMAR share for one CMB share.

The next business day EXMAR was listed on the NextPrime segment of Euronext Brussels for the first time.

It is with pleasure that we can advise that since its establishment the value of the EXMAR share has increased.



Source: EXMAR

In accordance with legal requirements we have the pleasure of presenting the consolidated and statutory annual accounts as at December 31, 2003 accompanied by our comments. These are submitted for approval and, at the same time, to justify our policy to you.

The annual reports concerning the consolidated and statutory annual accounts are combined in accordance with article 119, last paragraph of the Code of Companies.

Comments relating to the consolidated annual accounts

In spite of disappointing figures in the third quarter, EXMAR has succeeded in achieving better results in 2003 than in 2002.

Turnover

EXMAR's turnover increased in 2003 by 15%. The most significant reasons for the growth are the contribution of the EXCALIBUR (LNG 138,000 m^3), the delivery of the EXCEL (LNG 138,000 m^3), the higher freight levels for the transport of LPG, and the delivery of the FARWAH (FPSO) and the KISSAMA (accommodation unit) during the year.

Result

The operating result increased by 90% (from USD 21,7 million to USD 40,4 million), primarily due to the contribution of the EXCALIBUR.

The increase of the financial costs is a result of the interest charges on the additional loans that were entered in the course of the year to finance the ships under construction.

The net result for 2003 was favourably influenced by the capital gains realised when streamlining our cooperation agreements with *Mitsiu O.S.K. Lines Ltd.* (USD 2,3 million) and by the sale of the EXCELLENCE (LNGRV 138,000 m^3) at the end of the financial year (USD 5,3 million).

On the other hand, EXMAR suffered a capital loss (USD 2,4 million) on the sale of the FLANDERS GLORIA and has taken a provision for the cancellation charges of the onboard re-gasification installation of an LNG tanker.

The additional compensation (USD 2,2 million) from *Port of Singapore Authorities (PSA)* with regard to the sale of *Hesse-Noord Natie* also had a favourable impact on the result. This amount was apportioned to us according to the same allocation ratio of 39%/61% that was used for the partial demerger.

Cash flow

The cash flow amounted to USD 55 million in 2003 compared to USD 1 million the year before.

Fixed assets

The fixed assets decreased by 3.60% and, at December 31, 2003 amounted to USD 812 million. This evolution is mainly due to the sale of the FLANDERS GLORIA (LPG 75,353 m^3) and the EXCELLENCE (LNGRV 138,000 m^3). The delivery of the EXCEL and the down payment on the ships under construction partially compensated the decrease.

Current assets

The sale of the above mentioned ships and the refinancing of the LPG fleet led to a strong improvement in the net cash position of the group.

Capital and reserves

At the end of 2003 the capital and reserves came to USD 244 million, compared to USD 242 million in 2002.

Financial debts

Thanks to the improvement of the operating results and the sale of ships, EXMAR managed to reduce its net financial debts by USD 47 million, and the financial year was ended without corporate financing. At the close of the financial year the net financial debts, amounted to USD 497 million.

Investments

At the end of the financial year the ships under construction represented an amount of USD 91 million. This relates to the down payment on the construction of the EXCELSIOR (LNGRV 138,000 m^3), which will be delivered during the last quarter of 2004, and on two LPG vessels, one of which is co-owned (50/50) with *Bergesen*, that will be delivered in 2006.

Human resources

At the end of 2003 EXMAR employed a total of 1,661 employees of which 1,456 were seagoing staff.

Since the close of the 2003 financial year there have been no events that could influence the development of the company, nor facts that could substantially influence the results.

With regard to research and development, EXMAR invested in the technology of onboard re-gasification of liquefied gas, the Energy Bridge™ system, for the newly constructed LNG tankers.

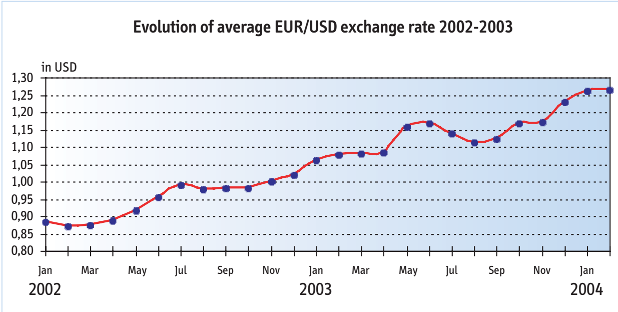
Besides that, EXMAR has invested in a number of innovative technologies including an alternative method of storing pressurised natural gas, the development of a semi-submersible production platform and the development of semi-submersibles *(column stabilised deep draft caisson storage).*

Management of currency and interest rate risks

Currency risk

In 2003 the US dollar experienced a significant decrease in value against the Euro. The EUR/USD exchange rate closed on December 31, 2003 at 1.2630 (1.0487 on December 31, 2002). The average EUR/USD exchange rate in 2003 was 1.1239, compared with 0.9372 in 2002.

All ships are financed in US dollars. Only a portion of the operating costs of the fleet and of the overheads are Euro-related. The risk is actively managed by means of the forward sale of US dollars against Euro. Approximately 82% of the costs in Euro in 2004 are covered.

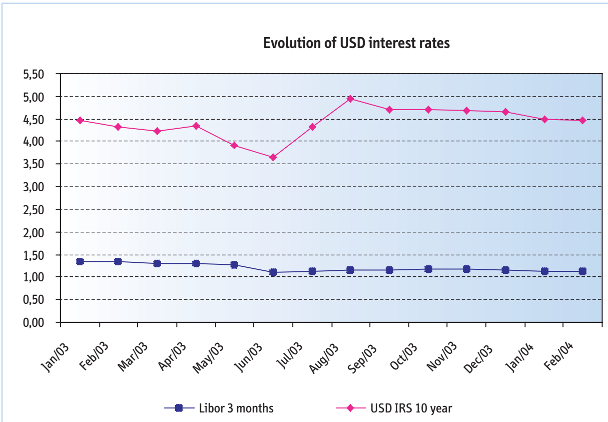


Source: EXMAR

Interest rate risk

The year 2003 was characterised by low interest rates, both for the short term and the long term. The ship financing agreements are subject to floating interest rates. The interest rate risk is actively managed with the assistance of various financial instruments such as IRS and caps & floors.

Approximately 60% of the interest due on the outstanding loans of the LPG fleet is covered for the remaining term. The entire interest due on loans of the LNG fleet is covered in the long term. Considering the evolution of interest rates during the last financial year, the market value of the derivatives portfolio represents a significant capital loss. Since it predominantly concerns a capital loss that relates to the active hedging of the long term loans on the fleet, these are taken into account in the results on the expiry date of the hedging product.



Source: EXMAR

Comments on the statutory annual accounts

Since 2003 is the first financial year of EXMAR NV consequently a comparison with the previous financial year is not available.

REVIEW OF THE ASSETS

At the end of 2003 the total assets amounted to EUR 335 million, of which EUR 230 million financial fixed assets, EUR 73 million long term subordinated loans to subsidiaries, and EUR 28 million cash.

REVIEW OF THE LIABILITIES

At the time of the partial demerger on July 20, 2003 the share capital was determined to be EUR 41,457,534.91. A capital increase was carried out immediately after the demerger by incorporation of an amount of EUR 3,542,465.09 from the 'Issue Premium' account.

On December 31, 2003 the share capital amounted to EUR 45 million and was represented by 7,350,000 shares without par value.

The operating loss of EUR 3 million is primarily due to the costs incurred from the partial demerger.

The result was favourably influenced by the additional compensation from PSA with regard to the sale of *Hesse-Noord Natie*, apportioned to us according to the allocation ratio of 39% / 61% that was used for the partial demerger.

Since the close of the 2003 financial year there have been no events that could influence the development of the company, nor facts that could substantially influence the results.

Due to a favourable stock exchange quotation, EXMAR acquired in the course of March 2004, 3,007 of its own shares for a total amount of 126.144,87.

The purchase of own shares was carried out in accordance with the mandates given to the board of directors, by the extraordinary shareholders' meeting of June 20, 2003.

The external auditor in function received over financial year 2003 EUR 55,634 audit-fees and EUR 11,422 non audit-fees.

The submitted annual accounts show a profit for the financial year of EUR 821,246.37. Together with the results brought forward, apportioned by the partial demerger, EUR 85,853,168.86 is available for appropriation.

At the Annual General Meeting on May 11, 2004 it will be proposed that this profit be allocated as follows:

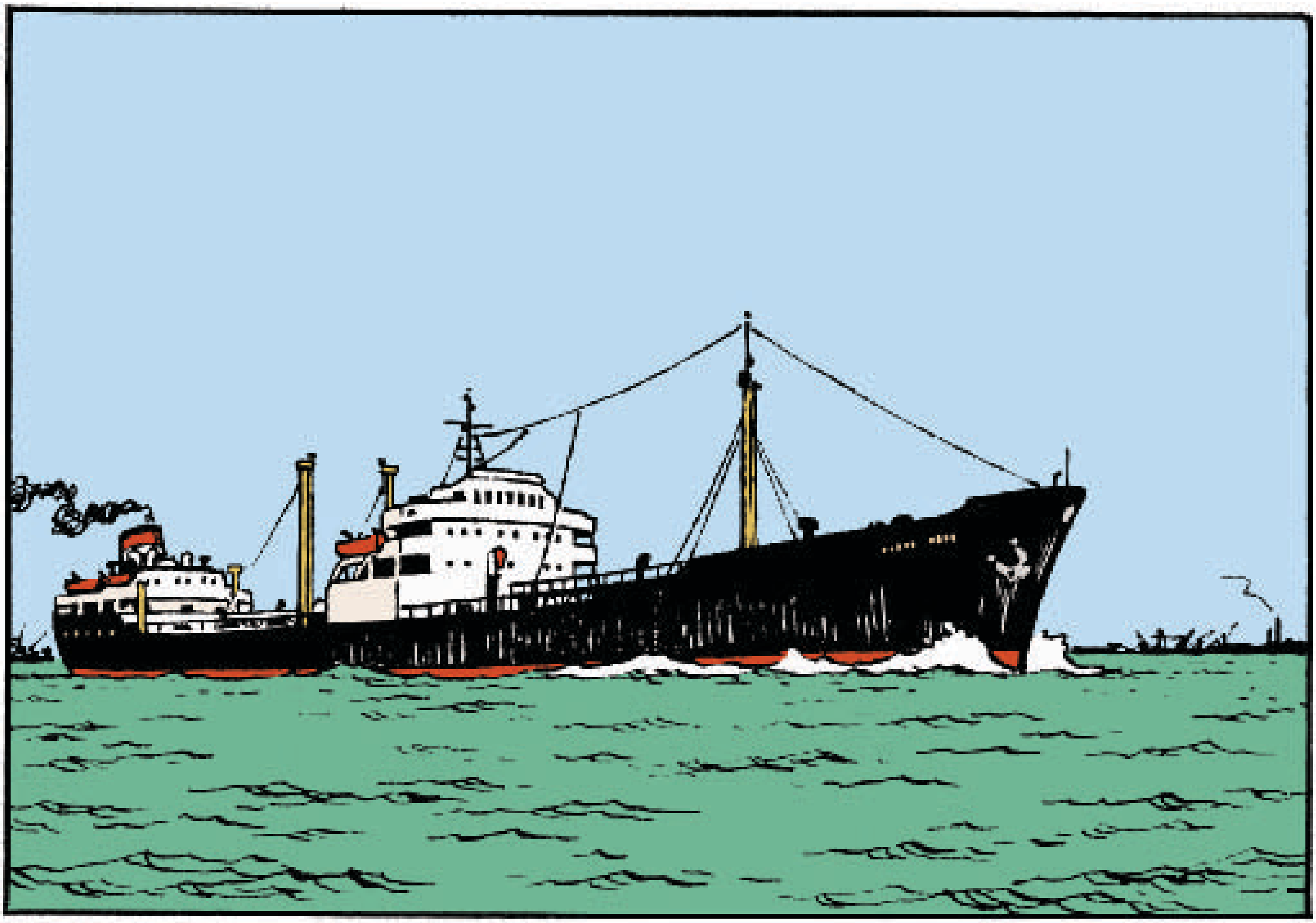
- dividend	EUR 5,880,000.00
- addition to the statutory reserve	EUR 354,246.51
- carried forward to next financial year	EUR 79,618,922.35

Should this proposal receive the approval of the annual general meeting then the gross dividend will be EUR 0.80 per share. After withholding tax, a net amount of EUR 0.60 per share will be made payable as from May 17, 2004. Payment can be received, for bearer shares, by tendering coupon 1 at the counters of Fortis Bank, KBC Bank or Petercam, or by transfer to the bank accounts of the holders of registered shares.

After this allocation the shareholders' equity amounts to EUR 194,678,927.80 comprising:

- share capital	EUR 45,000,000.00
- issue premium	EUR 5,805,749.18
- reserves	EUR 63,900,009.76
- result carried forward	EUR 79,618,922.35

On behalf of the Board of Directors March 30, 2004

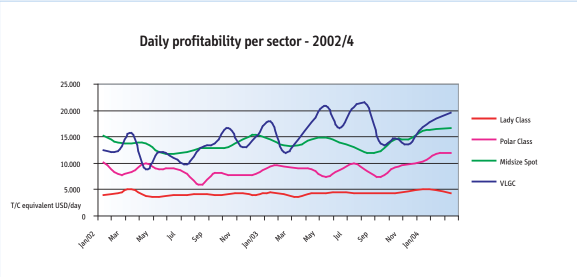


5. Overview of the various operating divisions and their contribution to the consolidated result

LPG

General

Each segment, with the exception of the ethylene ships (Polar), booked results that were in line with or exceeded expectations. 2004 is expected to generate improved earnings as employment prospects remain encouraging.



Source: EXMAR

VLGC (70,000 – 85,000 m^3)

In spite of volatile market conditions, the very large LPG tankers obtained generally higher freightrates. The increasing demand for petroleum products such as naphta improved the capacity utilisation rate of this class of ship considerably and has favourably influenced the results.

The FLANDERS GLORIA (75,300 m^3 / 1991) was sold to *Bergesen* and left the fleet on October 20, 2003.

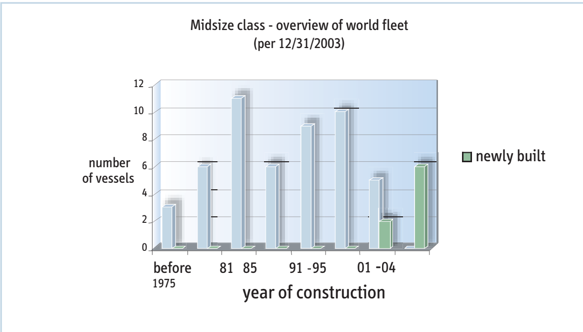
The results increased by 23% in comparison with last year, whilst idle time amounted to 9%. Employement for 2004 is presently 14% covered.

Midsize (20,000 – 40,000 m^3)

In spite of a weak third quarter, in which limited demand for transport pulled the capacity utilisation rate of this segment down, the Midsize fleet managed to increase its market share. Time charters for five ships, with an accumulated duration of 16 years, were signed. On top of that cargo contracts for a total of two years of employment were signed.

On April 25, 2003 EXMAR, *Bergesen* and *AP Moller* signed a collective order for five 38,000 m^3 LPG/Ammonia ships with *DAEWOO* in South Korea. They will be delivered in 2006. One ship will be fully owned by EXMAR, and a second will be owned 50/50 with co-owner *Bergesen*.

The results for the Midsize fleet increased by 5%. The idle time amounted to 11%. The year 2004 is already 60% covered.



Source: EXMAR

Ethylene (Polar) (10,500 m³)
The *Skandigas pool*, together with *Norwegian Gas Carriers* established the MNGC*, an enlarged pool for semi-refrigerated gas carriers.

In 2003, an increase in the number of petrochemical cargoes was noted, mainly due to the increased demand in Asia.

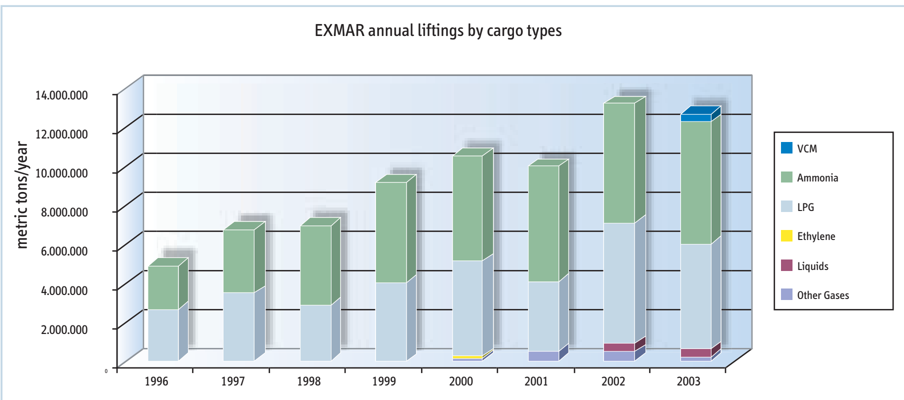
The results improved by 14% in comparison to last year. The idle time amounted to 9%. The year 2004 is 37% covered.

Fully Pressurised – Lady Class (3,200 – 3,500 m³)
The cooperation between *J. Lauritzen Kosan* and EXMAR has completed its first full year. In spite of the fact that LPG markets in the East suffered from seasonal swings, the increased demand for petrochemical products raised the capacity utilisation rate of the ships. That part of the fleet that operated in the western hemisphere was largely covered by time charters.

The results increased by 14% and the year 2004 is already 54% covered.

* MNGC = Maersk Norgas Gas Carriers pool

CONSOLIDATED KEY FIGURES	LPG	
in million USD	**2003** pro forma	**2002** pro forma
Profit and Loss Account		
Turnover	260	268
Operating result	19	16
Financial result	-13	-10
Result on ordinary activities	6	6
Extraordinary result	-2	-2
Taxes	-1	-1
Net result after taxation	3	3
of which Group share	3	3
Cash Flow	31	26
Balance sheet		
Fixed assets	395	413
Financial debts	261	257
Personnel	833	857
of which seagoing	817	843



Source: EXMAR

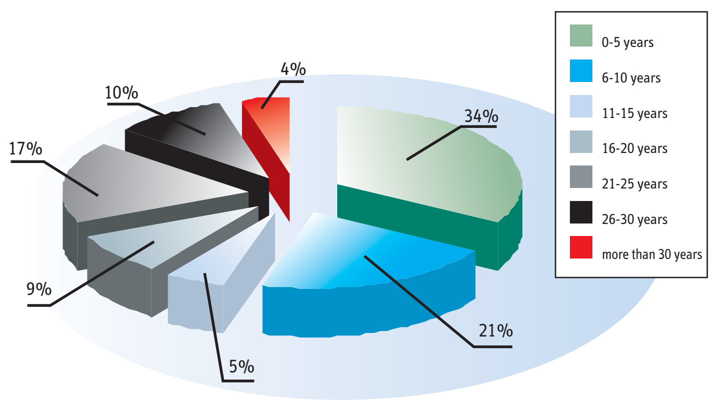
LNG

The year was characterized by numerous changes. Following the decision by *El Paso Corporation* to stop their LNG activities, an agreement was reached in February with *El Paso Corporation* and *ConocoPhillips Company* for the continued operation of the ships. Both *El Paso* and *ConocoPhillips* guaranteed a minimum income on four of the ships chartered by El Paso. The order for the fifth ship and the re-gasification installation on the fourth ship were cancelled. EXMAR was ensured with the commercial operation of the ships.

In July there was an agreement reached with the *Government of the Sultanate of Oman* for the five-year charter of the EXCEL. The ship was chartered to the Algerian oil and gas producer *Sonatrach* from its delivery until April 2004.

During the year it became apparent to EXMAR and *Mitsui O.S.K. Lines Ltd.* that the joint venture involving eight ships did not give either party adequate flexibility. It was decided that the respective interests in these ships be reorganised. As a result EXMAR obtained 100% of the interests in the two ships fitted with a re-gasification installation: *DAEWOO* Hull n° 2208 (EXCELSIOR) and *DAEWOO* Hull n° 2218 (EXCELLENCE). *Mitsui O.S.K. Lines Ltd.* conversely acquired EXMAR's 15% interest in the ships chartered to *Rasgas (Qatar)* and 100% of the interests in DAEWOO Hull n° 2219. The EXCEL remains half owned by the two parties. EXMAR obtained a purchase option for the 50% interest of *Mitsui O.S.K. Lines Ltd.* in the EXCEL.

LNG fleet age profile as at 12/31/2003



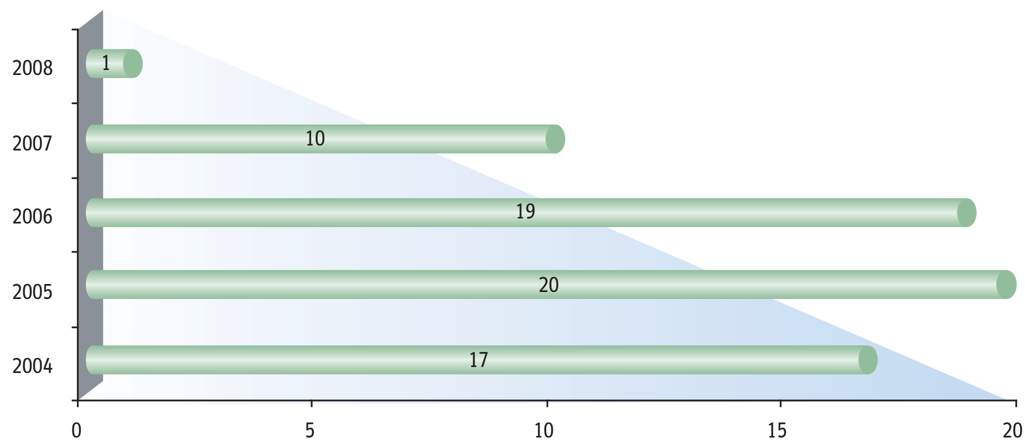
Source: EXMAR

In December a long-term charter agreement was reached with *Excelerate Energy LLC.* for the EXCELSIOR. The agreement commences at the time of delivery of the ship by the shipyard. This charter agreement was coupled with the sale of EXMAR's interests in DAEWOO Hull n° 2218 (EXCELLENCE) to the *George Kaiser Family Foundation*, which is associated with *Excelerate Energy LLC.*

The forecasts for 2004 are favourable due to the operation of the EXCEL for the entire year and the delivery of the EXCELSIOR in October 2004. Various possibilities exist for the charter of the EXCALIBUR when the current agreement with *Tractebel* finishes at the end of October 2004. EXMAR will continue to apply itself, in the course of 2004, to the expansion of its LNG fleet and contract portfolio.

CONSOLIDATED KEY FIGURES	**LNG**	
in million USD	**2003** pro forma	**2002** pro forma
Profit and Loss Account		
Turnover	40	29
Operating result	19	5
Result on ordinary activities	8	-6
Financial result	-11	-11
Extraordinary result	2	0
Taxes	0	0
Net result after taxation	10	-6
of which Group share	10	-6
Cash Flow	19	-24
Balance sheet		
Fixed assets	308	305
Financial debts	239	189
Personnel	163	108
of which seagoing	149	96

LNG Order Book as at March 24, 2004 (67 ships)



Source: EXMAR

OFFSHORE

The activities of EXMAR in the field of servicing the offshore oil production market were, until recently, limited to the management of the floating installations of others. EXMAR took large steps forward in the last year when two of its own units became operational, the FARWAH (50% ownership) and the KISSAMA.

FARWAH

The FARWAH was delivered by *Izar Fene* on April 4. The commissioning activities started upon its arrival in North Africa on April 22, and on May 15 the production and storage unit was accepted, as per the charter agreement, by the charterer *Compagnie des Pétroles Total Libye*. Oil production commenced on September 6. The first unloading operation took place on November 23, fully in accordance with the specifications, and the 'Performance Acceptance Certificate' was issued. A total of three unloading operations were conducted in 2003.

KISSAMA

The reconstruction of the floating accommodation unit KISSAMA was completed in Cadiz on June 21. KISSAMA was then towed to the Cobo site in Angola and delivered to the charterer *TOTAL*.

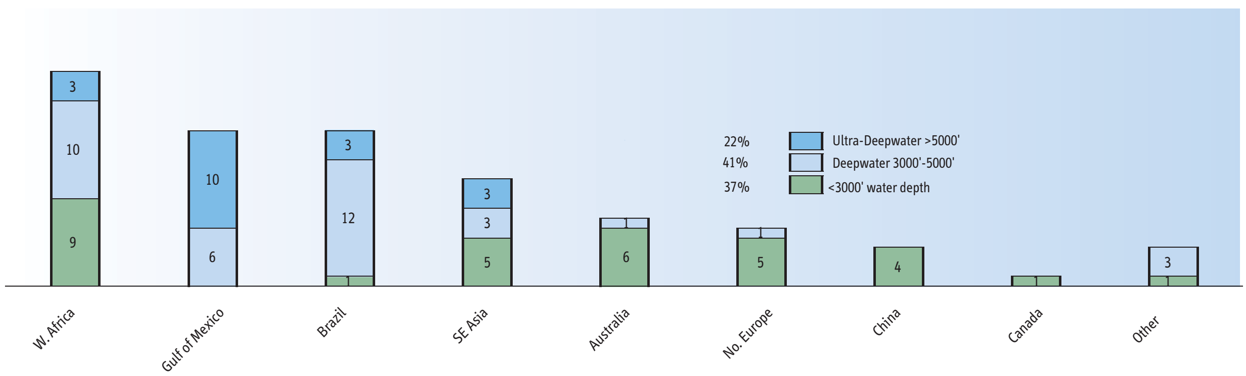
As is apparent from the graph below, the coming years promise substantial growth in offshore oil and gas production projects in which EXMAR sees opportunities to offer her services.

In this context it is important to note that EXMAR has successfully negotiated the renewal of the management agreements that were expiring.

FSO Serepca I

A management agreement, for a period of three years commencing May 2, 2003, was reached with *TOTAL Cameroon*.

87 Floating Production Systems are Planned or Under Study
(as of November 2003)



Source: International Maritime Associates Inc.

FSO Palanca

A management agreement, in cooperation with *Stapem Offshore*, was reached with *TOTAL Angola*. This contract is for a term of five years, starting from January 1, 2003.

FPSO Girassol

The current contract expires in September 2004. There is an option for the extension of the contract for a further two years, which must be exercised in June 2004. Thanks to its outstanding performance, with regard to operating safety, the crew of *Girassol* has been honoured with an official award by *TOTAL*.

CONSOLIDATED KEY FIGURES		Offshore	
in million USD		2003 pro forma	2002 pro forma
Profit and Loss Account			
	Turnover	33	11
	Operating result	3	0
	Financial result	-2	0
	Result on ordinary activities	1	0
	Extraordinary result	2	0
	Taxes	-1	0
	Net result after taxation	2	0
	of which Group share	2	0
Cash Flow		5	0
Balance sheet			
	Fixed assets	87	118
	Financial debts	57	65
Personnel		70	54
	of which seagoing	65	50

SERVICES

DV OFFSHORE (DVO) - Paris

Over a number of years the engineering team of DVO has gained a sound reputation for the execution of study and design assignments for the construction and installation of floating production and storage units commissioned by the large oil companies. Their expertise was also used in the realisation of the FARWAH and KISSAMA projects.

EXMAR acquired the remaining share holding (24.128%) of DVO in December 2003.

EXMAR OFFSHORE COMPANY (EOC) - Houston

Adapping to changing industry trends, EOX diversified its efforts into areas of government, marine transportion, shipyard support and LNG terminals.

TECTO

TECTO is involved in the technical management and/or the crewing of 47 vessels, made up as follows:

- 3 LNG tankers (plus 2 under construction)
- 20 LPG tankers (including 5 VLGCs)
- 3 ethylene tankers
- 9 oil tankers (250,000 to 300,000 ton)
- 6 bulk carriers (150,000 ton)
- 4 FPSO/FSOs (floating storage and offloading units) and 1 accommodation unit
- 2 coastal tankers

The international shipping industry is urging ship managers to ensure the quality of their services by making use of an auditable management system. TECTO, therefore, has had its organisation successfully audited to the ISO 9001 (2000) standard.

Significant efforts were made to develop security plans and to conduct safety risk analysis aboard all ships in order to comply with the requirements of the new guidelines relating to the safety of ships and port-facilities (ISPS Code) that comes into force in mid-2004.

Bringing nearly half the fleet managed by TECTO under the Belgian flag has required considerable effort from the entire organisation. All the ships involved were required to undergo inspection by the Belgian Shipping Authority and all certificates, both for the ships and for the crews, had to be endorsed or renewed by the competent authorities.

BELGIBO

BELGIBO is active in marine insurance, covering all types of seagoing and inland shipping, during construction and in operation, owned or hired. It is also active in industrial insurance.
BELGIBO operates internationally via its network *Wing* and is represented in more than 50 countries.

During 2003 BELGIBO realised a turnover of EUR 4 million. In spite of the negative effect on the transport insurance business due to the low dollar rate, an increased turnover was delivered through premium increases and better performance of the sea and inland shipping departments.

TRAVEL PLUS

Thanks to a steady and continued growth TRAVEL PLUS has, in the past decade, worked its way up to 15th place on the list of Belgian IATA-offices and to the number 2 position for issuing airline tickets to seamen.

In December 2003 the limited company TRAVELLER'S CORNER was taken over and integrated. As a result an increase in turnover of 10 to 15% can be expected in 2004.

In light of the increased number of reservations made via the Internet and the evolution of electronic ticketing, TRAVEL PLUS will have its own website for on-line reservations via 'Amadeus' in the very near future. Flight information will also be available for consultation on the site.

CONSOLIDATED KEY FIGURES		**SERVICES**	
in million USD		**2003** pro forma	**2002** pro forma
Profit and Loss Account			
	Turnover	26	11
	Operating result	-2	0
	Financial result	-3	-1
	Result on ordinary activities	-5	-1
	Extraordinary result	3	-15
	Taxes	0	0
	Net result after taxation	-2	-16
	of which Group share	-2	-16
Cash Flow		0	-1
Balance sheet			
	Fixed assets	22	6
	Financial debts	14	140
Personnel		595	578
	of which seagoing	425	459

6. General information for shareholders

6.1. Board, supervision and day-to-day management

Board of Directors

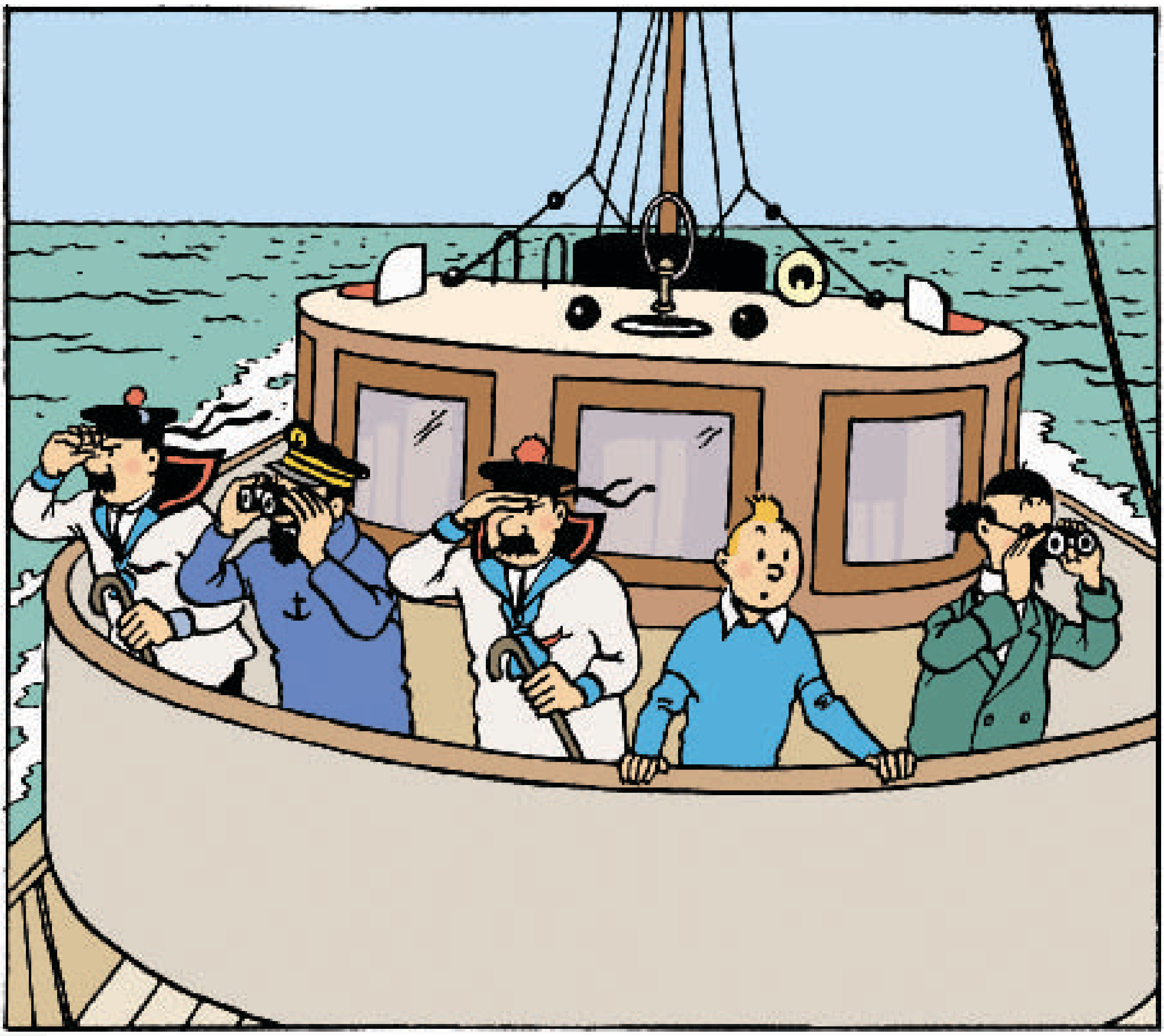
Chairman	Yves Brasseur	independent director director of companies
Managing Director	Nicolas Saverys	representative of the majority shareholder
Directors	Patrick De Brabandere	executive director
	Marc Saverys	non-executive director managing director CMB NV
	Ludwig Criel	non-executive director managing director Wah Kwong Shipping Holdings Ltd. (Hong Kong)
	Philippe Bodson	independent director director Prisma Energy International Inc. (Houston)
	Harry Rutten	independent director managing director Transpetrol Services NV
	Philippe Vlerick	independent director president UCO Textiles NV
	Thierry Vleurinck	independent director director of companies

Supervision

Auditor Klynveld Peat Marwick Goerdeler, company auditors with permanent representatives Theo Erauw and Helga Platteau

Day-to-day Management

Executive Committee	Nicolas Saverys	chairman
	Patrick De Brabandere	
	Peter Raes	
	Peter Verstuyft	



6

general informations

6.2. 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 directors receive a fixed annual allowance of EUR 25,000. The chairman receives an annual allowance of EUR 50,000.

The directors who, in 2003, were also members of the executive committee, and were remunerated as such, have renounced their entitlement to this remuneration.

The total of the remuneration paid in 2003 to all non-executive and independent directors for their performance on the board of directors amounts to EUR 200,000. There were no share options, loans or advances granted to them.

The board of directors has met three times since the establishment in 2003.

Audit committee

The audit committee consists of three members and 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.

Members

Ludwig Criel - chairman
Yves Brasseur
Philippe Vlerick

The members of the audit committee receive a total gross remuneration of EUR 25,000 (EUR 6,250 for members and EUR 12,500 for the chairman).

The audit committee met twice.

Nominating and remuneration committee

The nominating and remuneration committee has three members and 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.

Members
Philippe Bodson - chairman
Ludwig Criel
Nicolas Saverys

The chairman reports to the board of directors and makes the recommendations as discussed.
The members of the nominating and remuneration committee receive no remuneration.
During the past year the nominating and remuneration committee has met once.

Day-to-day management: executive committee
The board of directors delegates the day-to-day management of the company to the executive committee. The executive committee meets weekly. The members of the executive committee are appointed by the board of directors.

The executive committee has the task of exercising the decision making authority that is delegated to it by the board of directors. The mandate of the appointed members is entrusted to them for an indefinite period and is revocable at any time by the board of directors. The salary of the members of the executive committee is established annually by the board of directors, which will, at that time, be advised by the remuneration committee.

The executive committee assigns, from its members, a secretary who will be responsible for the reporting to the board of directors at every meeting of the board of directors. By means of this reporting, even if not written, the board of directors must be able to maintain its supervision of the effectiveness of the executive committee.

The remuneration of the members of the executive committee will be established annually by the board of directors based on the proposal of the nominating and remuneration committee. All members of the executive committee are self-employed. The remuneration comprises of a fixed component for which the total cost to the company (including pension plans, advance tax payment, etc.) for the year 2003 came to EUR 1,200,647.16. In addition there is a variable remuneration foreseen in the form of a yearly bonus plan that includes both financial and non-financial targets. The total cost to the company for the variable component amounted to EUR 314,697.05 in 2003. This brings the total remuneration for the executive committee for the year 2003 to EUR 1,515,344.21.

There were no share options, loans or advances granted to the members of the executive committee in 2003.

Members
Nicolas Saverys - Chief Executive Officer (CEO)
Partick De Brabandere - Chief Financial Officer (CFO)
Peter Raes - Chief Operatings Officer (COO)
Peter Verstuyft - Secretary General

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

Dividend policy
Subject to sufficient results, EXMAR wishes to follow a policy of increasing dividends.

Current status of adoption of the International Financial Reporting Standards (IFRS)
EXMAR is working on the switching from the Belgian Accounting Standards (Belgian GAAP) to IFRS, as a consequence whereof EXMAR will be able to produce for the end of the year 2004 full consolidated accounts meeting the requirements of IFRS.

6.3. General information about the company

Registered office
De Gerlachekaai 20, 2000 Antwerp
Jurisdiction of the Commercial Court of Antwerp, business registration number 860 409 202.

Establishment date and modification of articles of association
The company was established by notarial deed on June 20, 2003 published in the appendix to the Belgian Official Gazette of June 30, 2003, under reference 03072972, and of July 4, 2003 under reference 03076338.
The articles of association are currently unaltered. A modification will be presented to the extraordinary general meeting of shareholders that will be convened immediately after the annual general meeting of 2004.

Incorporation duration
Indefinite.

Legal form
A public limited liability company incorporated under Belgian law which makes or has made recourse to public offerings.

Company object
The object of the company is to operate in all activities related to maritime transport and ship ownership, such as inward and outward chartering, acquisition and sale of ships, opening and operating regular shipping lines. It can build port equipment, cargo sheds and other installations likely to foster the realisation of its object, to simplify and expand the loading and unloading, storage, clearance, forwarding and re-forwarding of goods, purchasing all necessary immovable goods and material.
*
Furthermore, the company may acquire, maintain and manage a patrimony consisting of movable and immovable goods. To that end, the company can buy, sell, rent, let, lease, develop and exchange any goods, both movable and immovable; provide surety for, subdivide, equip, furnish and bring to value in any possible manner all vacant, immovable goods; build, renovate, adapt and repair all buildings and constructions by means of all techniques and in any state of finishing, to hold immovable goods in trust, the specific activity of real estate promotion; all this for own account and in the capacity of main merchant, or as broker, intermediary, agent or commission agent, as main contractor or as subcontractor, both in Belgium and abroad, and within the scope of the relevant legal and administrative regulations.

This enumeration is not restrictive.

Furthermore, the object of the company also comprises the acquisition, management, sale and transfer of equity holdings in any existing or still to be incorporated companies with industrial, financial or commercial activities.

The company is also authorised to associate with any private persons, companies or associations having a similar objective, merge with them and contribute to them or transfer to them, temporarily or definitely, all or part of its assets.

The company performs all financial, commercial and industrial transactions likely to foster the realisation of its object, and specifically all the operations related to transport of whatever kind, be it by air, by sea or waterways or by land.

The general meeting of shareholders can amend the company object under the conditions set out in the code of companies.

* The extraordinary general meeting convened on May 11, 2004 will be asked to expand the company purpose by inserting the following paragraph:

- The company is also entitled to provide its assets as collateral security for financing granted to companies of the group to which it belongs, to the extent that such financing is useful for its activity or the realisation of its corporate purpose.
- Deposit all guaranties for account of all companies of the group.

6.4. General information about the capital

Issued capital
The issued share capital amounts to EUR 45,000,000*, and is represented by 7,350,000 shares without nominal value. The capital is paid up in full.

Authorised capital
The board of directors is, by order of the general meeting of s hareholders held on June 20, 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 EUR 10 million. This authority is granted for a period of five years from the date of publication of the decision.

This amount constitutes the authorized capital, to be distinguished from the previously mentioned issued capital.

Within the above-mentioned limits, the board of directors may decide to increase the share capital of the company, either by way of a contribution in cash or, notwithstanding the legal limitations, by way of a contribution in kind, or by way of an incorporation of reserves of any kind and/or issue premiums into the share capital, all of these with or without the issue of new shares.

The board may enter into agreements with respect to paying up of the capital increase which it has decided upon.

If, on the occasion of a capital increase decided on by the board of directors, an issue premium is paid, this will, as required by law, be booked in a blocked account, called the "Issue Premium" account, which will provide a guarantee to third parties to the same extent as the company's capital, and which, except for the right of the board of directors to incorporate this issue premium into capital, may only be reduced or abolished by a resolution of the general Mmeeting of shareholders passed in the manner specified in the code of companies.

In accordance with the provisions of the code of companies, the board of directors has the authority to limit or abolish the preferential right of the shareholders in the interest of the company. This limitation or abolition can also be done in favour of one or more particular persons other than members of the personnel of the company or one of its subsidiaries.

When abolishing the preferential right of the shareholders, the board of directors may give priority to the existing shareholders when allocating the new shares.

Within the limits of the authorised capital, the board of directors is also entitled to issue convertible bonds or warrants.

When issuing convertible bonds, the limitation or abolition of the preferential right can be decided upon by the board of directors in favour of one or more particular persons other than members of the personnel of the company or one of its subsidiaries.

The board of directors is, furthermore, entitled to make use of the authorisation to increase the company's share capital by virtue of article 5 of the articles of association after the date on which the company has been notified by the Banking, Finance and Insurance Commission that a public purchase offer has been launched on its securities, provided that the decision to increase the capital has been adopted by the board of directors before June 21, 2006 and without prejudice to all relevant legal provisions.

Nature of the shares
The shares are registered, bearer or dematerialised, at the choice of the holder. They remain registered shares until they are fully paid up.

A share register is kept at the registered office of the company.

Certificates stating the inscription are delivered to the shareholders. These certificates are signed by two directors.

The transfer and pledging of registered shares can only be made by entry in the share register.

The bearer share must show the signature of two directors. Stamped signatures can take the place of hand-written signatures.

The transfer of a bearer share is made by simply presenting the share.

The dematerialised share is represented by an entry on the named account of the owner or holder with a recognized settlement organization. The dematerialised share is transferred by transfer from one account to another.

The owners of shares are only liable for the loss of the amount of their subscription.

The possession of a share implies the agreement with the articles of association and with the decisions of the general meeting of shareholders.

The rights and obligations attached to a share remain with the share in no matter whose possession it may be. The company recognises only one owner for each share.

In case several persons own a share, the company is entitled to suspend the exercising of the rights attached thereto until one person has been appointed to act as the owner of the share with respect to the company.

The heirs, assignees or creditors of a shareholder can under no circumstances cause the sealing of the goods and valuables of the company, nor interfere in any way in its management. In order to exercise their rights they must abide by the articles of association and by the decisions of the general meeting of shareholders.

* The extraordinary general meeting convened on May 11, 2004, will be asked to convert issued as well as the authorised capital in US dollar.

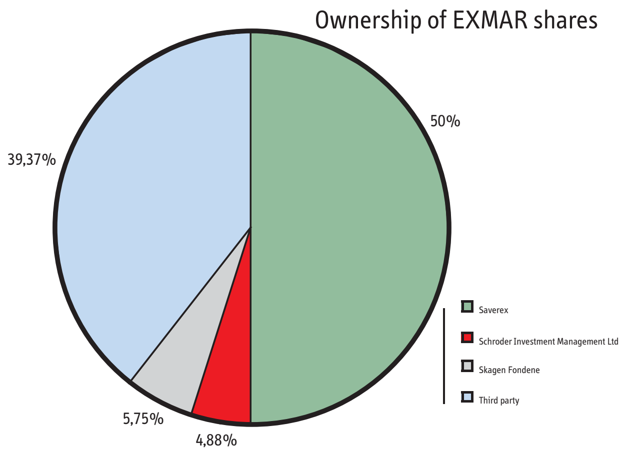
6.5. Information about the ownership of shares

Law of March 2, 1989 Shareholder Notifications

In its last notification, *SAVEREX* (d.d. 01/16/04) stated its holding to be 3,675,008 shares which represent a 50,01 % participation in the capital of EXMAR.

According to the latest notifications, *Schroder Investment Management Ltd*. (d.d. 08/28/03) holds 4.88% and Skagen Fondene (d.d. 02/17/04) 5.75%.

These share holdings were advised to the Company and to the Banking, Finance and Insurance Commission, and were published by Euronext Brussels.



* The treshold notice amounts to 5%, 10%, 15%, ...

6.6. Financial calendar

May 11, 2004	Annual General Meeting of Shareholders
May 17, 2004	Dividends payable
July 29, 2004	Announcement of second quarter 2004 results
September 23, 2004	Announcement of half year results and publication of half year report
October 28, 2004	Announcement of third quarter 2004 results
January 27, 2005	Announcement of fourth quarter 2004 results
May 17, 2005 2.30 p.m.	Annual general meeting of shareholders *

* subject to approval by the extraordinary general meeting of shareholders on May 11, 2004 (third Tuesday in May at 2.30 p.m.).

7. Financial report

7.1. Consolidated accounts

* These are pro forma consolidated results for the full year 2003. The official result covers a period of two months less, since the partial demerger of CMB took effect, for accounting purposes, on 1 March 2003.

** The pro forma consolidated results on 31 December 2002 are the results of the Gas Division of CMB before the partial demerger, adjusted in relation to the rights and obligations that arose from the demerger.

*** The consolidated accounts have been prepared in USD in accordance with a deviation permitted by the letter from Bank, Finance an Insurance Commission dated July 2nd, 2003.

CONSOLIDATED BALANCE SHEET as at December 31, 2003

ASSETS			12/31/2003 (in thousands of USD)	pro forma 12/31/2002 (in thousands of USD)
FIXED ASSESTS			**812,433**	**841,590**
I.	**Formation expenses**		-	-
II.	**Intangible assets** (Note V)		**271**	**34**
III.	**Consolidation differences** (Note X)		**5,825**	**-**
IV.	**Tangible assets** (Note VI)		**796,384**	**789,943**
	Vessels		689,238	554,684
	A.	Land and buildings	11,249	1,595
	B.	Plant, machinery and equipment	571	213
	C.	Furniture and vehicles	1,640	981
	D.	Leasing and other similar rights	2,496	2,030
	E.	Other tangible assets	218	255
	F.	Assets under construction & advance payments	90,971	230,185
V.	**Financial assets** (Note VII)		**9,954**	**51,613**
	A.	Enterprises accounted for using the equity method		
		1. Participating interests	306	253
		2. Amounts receivable	-	-
	B.	Other enterprises		
		1. Shares	58	444
		2. Amounts receivable	9,590	50,915
CURRENT ASSETS			**154,916**	**207,209**
VI.	**Amounts receivable after one year**		**329**	-
	A.	Trade debtors	-	-
	B.	Other amounts receivable	329	-
VII.	**Stocks and contracts in progress**		-	-
VIII.	**Amounts receivable within one year**		**66,865**	**80,193**
	A.	Trade debtors	41,323	35,257
	B.	Other amounts receivable	25,542	44,937
IX.	**Investments** (Note VIII)		**19,541**	**92,968**
	A.	Own shares	-	-
	B.	Other investments and deposits	19,541	92,968
X.	**Cash at bank and in hand**		**54,432**	**11,734**
XI.	**Deferred charges and accrued income**		**13,749**	**22,314**
TOTAL ASSETS			**967,349**	**1,048,799**

LIABILITIES		12/31/2003 (in thousands of USD)	pro forma 12/31/2002 (in thousands of USD)
CAPITAL AND RESERVES		243,820	242,099
I.	**Capital**	**48,519**	**48,519**
II.	**Share premium account**	**6,260**	**6,260**
III.	**Revaluation surpluses**	**-**	**-**
IV.	**Reserves** (Note IX)	**193,297**	**187,301**
V.	**Consolidation differences** (Note X)	**-**	**-**
VI.	**Translation differences**	**-4,256**	**20**
VII.	**Investment grants**	**-**	**-**
MINORITY INTERESTS		**1,221**	**1,442**
VIII.	**Minority interests**	**1,221**	**1,442**
PROVISIONS AND DEFERRED TAXES		**44,161**	**36,209**
IX.	**Provisions and deferred taxes**	**44,161**	**36,209**
	A. Provisions for liabilities and charges		
	1. Pensions and similar obligations	-	-
	2. Taxation	-	-
	3. Major repairs and maintenance	9,300	7,398
	4. Other liabilities and charges	34,786	28,811
	B. Deferred taxes	74	-
CREDITORS		**678,147**	**769,049**
X.	**Amounts payable after one year** (Note XI)	**520,962**	**458,237**
	A. Financial debts		
	1. Subordinated loans	-	-
	2. Unsubordinated loans	-	-
	3. Leasing and other similar obligations	81,435	62,262
	4. Credit institutions	433,338	345,180
	5. Other loans	6,109	50,761
	B. Trade debts	-	-
	C. Advances received on contracts in progress	-	-
	D. Other amounts payable	80	34
XI.	**Amounts payable within one year** (Note XI)	**122,527**	**271,053**
	A. Current portion of amounts payable after one year	47,089	55,477
	B. Financial debts		
	1. Credit institutions	2,504	7,133
	2. Other loans	289	130,292
	C. Trade debts		
	1. Suppliers	32,355	54,238
	2. Bills of exchange payable	-	-
	D. Advances received on contracts in progress	6	4
	E. Taxes, remuneration and social security		
	1. Taxes	22,427	15,759
	2. Remuneration and social security	2,293	1,824
	F. Other amounts payable	15,564	6,326
XII.	**Accrued charges and deferred income**	**34,658**	**39,759**
TOTAL LIABILITIES		**967,349**	**1,048,799**

CONSOLIDATED INCOME STATEMENT

			pro forma (1/1 - 12/31/2003) (in thousands of USD)	pro forma (1/1 - 12/31/2002) (in thousands of USD)	2003 (1/3 - 12/31/2003) (in thousands of USD)
I.	**Operating income**		**367,490**	**318,819**	**330,995**
	A.	Turnover	354,503	30,.675	318,008
	B.	Increase (+); Decrease (-) in finished goods, work and contracts in progress	-	-	-
	C.	Fixed assets - own construction	-	-	-
	D.	Other operating income	12,987	11,144	12,987
II.	**Operating charges**		**327,066**	**297,523**	**297,909**
	A.	Raw materials, consumables and goods for resale	-	-	-
	B.	Services and other goods	269,770	280,690	247,659
	C.	Remuneration, social security costs, pensions	15,025	11,257	12,596
	D.	Depreciation of and other amounts written off formation expenses, intangible and tangible assets	34,762	24,090	30,144
	E.	Increase (+); Decrease (-) in amounts written off stocks, contracts in progress and trade debts	71	27	71
	F.	Increase (+); Decrease (-) in provisions for liabilities and charges	4,372	-21,722	4,372
	G.	Other operating charges	3,067	3,182	3,067
	H.	Capitalized operating charges (-)	-	-	-
	I.	Depreciation of consolidation differences	-	-	-
III.	**Operating result**		**40,423**	**21,295**	**33,086**
IV.	**Financial income**		**19,447**	**16,779**	**18,623**
	A.	Income from financial fixed assets	1,808	2,545	1,808
	B.	Income from current assets	1,773	4,185	1,433
	C.	Other financial income	15,866	10,049	15,382
V.	**Financial charges**		**48,652**	**39,060**	**43,435**
	A.	Interests and other debt charges	35,443	32,685	30,407
	B.	Increase (+); Decrease (-) in amounts written off current assets other than those under item II.E.	-	-	-
	C.	Increase (+); Decrease (-) in provisions for financial liabilities and charges	-	-	-
	D.	Other financial charges	12,625	6,375	12,445
	E.	Depreciation of consolidation differences	583	-	583
VI.	**Result on ordinary activities**		**11,219**	**-986**	**8,273**
VII.	**Extraordinary income**		**2.836**	**535**	**2,836**
	A.	Adjustments to depreciation of and to other amounts written off intangible and tangible assets	-	-	-
	B.	Adjustments to amounts written off financial assets	-	-	-
	C.	Adjustments to provisions for extraordinary liabilities and charges	450	-	450
	D.	Gain on disposal of fixed assets	2,370	535	2,370
	E.	Other extraordinary income	16	-	16
VIII.	**Extraordinary charges**		**48**	**17,184**	**48**
	A.	Extraordinary depreciation of and amounts written off formation expenses, intangible and tangible assets	-	-	-
	B.	Amounts written off financial assets	-	-	-
	C.	Provisions for extraordinary liabilities and charges	-	14,995	-
	D.	Loss on disposal of fixed assets	48	188	48
	E.	Other extraordinary charges	1	2,002	1
	F.	Capitalized extraordinary charges (-)	-	-	-
	G.	Extraordinary depreciation of consolidation differences	-	-	-

		pro forma (1/1 - 12/31/2003) (in thousands of USD)	pro forma (1/1 - 12/31/2002) (in thousands of USD)	2003 (1/3 - 12/31/2003) (in thousands of USD)
IX.	**Result before income taxes**	**14,006**	**-17,635**	**11,061**
X.	**Deferred taxes**	**20**	**-**	**20**
	A. Deferred taxes : allocations	66	-	66
	B. Deferred taxes : write-backs	-46	-	-46
XI.	**Income taxes**	**1,425**	**1,128**	**1,114**
	A. Income taxes	2,344	1,200	2,034
	B. Adjustments of income taxes and write-back of tax provisions	-919	-73	-919
XII.	**Result for the period**	**12,561**	**-18,763**	**9,967**
XIII.	**Result of the enterprises accounted for using the equity method**	**9**	**83**	**9**
	A. Profits	9	83	9
	B. Losses	-	-	-
XIV.	**Consolidated result**	**12,570**	**-18,680**	**9,976**
	A. Share of minority interests in the result	-35	330	-35
	B. Share of the Group in the result	12,605	-19,010	10,010

Accounting policy notes

I. INTRODUCTION

The consolidated accounts have been prepared following Belgian GAAP and are expressed in USD in accordance with a deviation permitted by letter from the Bank, Finances and Insurance Commission dated 2nd July 2003. The company hereby invokes Article 171 Para 2 of the Company Code extended by decree of 30th Jan 2001.

II. CONSOLIDATED SUBSIDIARIES AND ENTERPRISES ACCOUNTED FOR USING THE EQUITY METHOD

Name	Registered offices	Country	Method	%
Belgibo nv	De Gerlachekaai 20, B-2000 Antwerpen 1	BE	F	100
Exmar Lux sa	20 Rue de Hollerich, B.P. 2255, L-1022 Luxembourg	LU	F	100
Exmar Marine nv	De Gerlachekaai 20, B-2000 Antwerpen 1	BE	F	100
Exmar nv	De Gerlachekaai 20, B-2000 Antwerpen 1	BE	F	100
Exmar Shipping nv	De Gerlachekaai 20, B-2000 Antwerpen 1	BE	F	100
Reslea nv	De Gerlachekaai 20, B-2000 Antwerpen 1	BE	P	50
Travel Plus nv	De Gerlachekaai 20, B-2000 Antwerpen 1	BE	E	100

F Full consolidation
P Proportional consolidation
E Equity method
% Controlling interest

This list is limited to the most important entities in the consolidation scope. The full list with 56 companies will be deposited and can be obtained at the registered offices of the consolidating company.

III. SUBSIDIARIES NOT FULLY CONSOLIDATED AND JOINT SUBSIDIARIES NOT PROPORTIONALLY CONSOLIDATED (IN APPLICATION OF ARTICLE 107), AND ENTITIES NOT ACCOUNTED FOR USING THE EQUITY METHOD (IN APPLICATION OF ARTICLE 157)

No important entities have been excluded. The full list with 7 companies will be deposited and can be obtained at the registered offices of the consolidating entities.

IV. ENTITIES OTHER THAN THOSE REFERRED TO IN I AND II, IN WHICH THE ENTITIES INCLUDED IN THE CONSOLIDATION AND THOSE EXCLUDED FROM THE CONSOLIDATION, PURSUANT TO ARTICLES 107 AND 108, HOLD AT LEAST 10% OF THE CAPITAL

Name	Registered offices	%	Annual accounts	Currency	Capital and reserves in millions	Net result in millions
CMB Sh. (India) Pvt Ltd	101 B1C Jolly Bhavan N° 2,7 New Marine Lines Churchgate, Mumbai - 400 020	90	31-mrt-03	INR		
Exmar Kosan Ltd	2109 Dominion Centre, 43 Queen's Road East Wanchai, Hong Kong, SAR	50	31-dec-03	USD		

V. CONSOLIDATION CRITERIA

All affiliated enterprises and enterprises linked by participating interests are consolidated. The result of the subsidiaries are included as from the date of acquisition up to the date of disposal.

Full consolidation

Enterprises in which the Group owns more than 50% of the share capital or exercises a de facto control, are fully consolidated.

The assets and liabilities of these enterprises are incorporated in full in the consolidated balance sheet in substitution of the book value of the corresponding investments. This method reveals consolidation differences and identifies the share of minority interests.

The expenses and revenues of these enterprises are added to those of EXMAR. The consolidated results for the financial year are allocated between Group and minority interests.

Proportional consolidation
Jointly managed companies are proportionally consolidated.

The assets, liabilities, income and charges of these joint subsidiaries are incorporated in the consolidated accounts in proportion to the rights held by the Group, in substitution of the book value of the corresponding investments.

This method reveals consolidation differences.

The equity method
The entities in which the Group holds 20 up to 50% of the share capital are included on an equity basis. Financial institutions whose activities do not directly relate to the Group's activities, are included using the equity method, even when the Group holds more than a 50% participating interest.

In the consolidated balance sheet, the book value of these entities is substituted by the Group's share in their shareholders' equity. Likewise, the income statement records the Group's share in the results of the financial year in substitution of the dividends received during the year.

Exemptions
Subsidiaries are not included in the consolidated accounts if it is not possible to obtain the information necessary for their inclusion without disproportionate expense or undue delay (Art. 107,3° of the Royal Decree of January 30, 2001).

VI. VALUATION RULES
The valuation rules for consolidation are the valuation rules of the consolidating company, completed with some specific rules appropriate for consolidation purposes. In case of important differences, adjustments are always made for fully or proportionally consolidated enterprises. For enterprises accounted for using the equity method, important adjustments are only made in as far as the necessary data are available.

VALUATION RULES FOR THE DIFFERENT HEADINGS OF THE CONSOLIDATED ACCOUNTS

A.I. Formation expenses
Formation expenses are charged to expense during the year in which they are incurred.

A.II. Intangible assets
The intangible assets are recorded at acquisition cost and amortised at a minimum rate of 20% a year.

Goodwill is amortised according to the rules defined by the Board of Directors, case per case, with a maximum period of 20 years.

A.III. Positive consolidation differences
A consolidation difference is revealed by comparing the book value of the investment with the Group's share in the shareholders' equity of the company concerned, taking into account the proportion of the results of the current year until the date of acquisition. All consolidation differences are, as far as possible, booked to the assets and liabilities item concerned. Any important positive balance is booked under the heading 'Consolidation differences' and is amortised according to the rules defined by the Board of Directors, case by case, with a maximum period of 20 years. Any important negative balance is treated as such (cf. L.V. Negative consolidation differences). In the remaining cases the balance is taken into the results.

A.IV. Tangible assets
Because of their importance, a separate heading is used for vessels.

Tangible assets are recorded at acquisition cost, supplementary expenses included. The interim interests relating to major investments are recorded under this heading and are depreciated as from the date of commissioning of the assets concerned.

Vessels are depreciated on a straight line basis, based on a maximum expected economic life in the Group without taking into account any residual value:

Gas vessels	maximum expected economic life of 30 years
FPSO/FSO	maximum expected economic life of 15 years
Accomodation barge	maximum expected economic life of 10 years

The other tangible assets are depreciated on a straight line basis, based on rules fixed in relation to the expected economic life of these assets in the Group, without taking into account any residual value, namely yearly:

Buildings	3%
Leasing	4%
Warehouses	5%
Machinery and equipment	20%
Furniture	10%
Cars and trucks	20%
Tractors	17%
Data processing material	33%

A.V. Financial assets

Shares are valued at their acquisition cost. The additional expenses relating to their acquisition are not recorded as an asset but are recorded under the heading 'Other financial charges' in the financial year during which they occur. Depreciation is applied when the estimated value of the shares is lower than the book value and if the thus determined loss has a permanent character. The estimated value of each share is determined at the end of each financial year by means of a single criterion or several criteria. For investments quoted on the stock exchange, the quotation is taken into account. For investments not quoted on the stock exchange the latest balance sheet is taken into consideration, unless more significant data are available.

A.VI. Amounts receivable after one year

The amounts receivable are stated in the balance sheet at their nominal value. Reductions in value are recorded when receipt on the due date of all or part is uncertain.

A.VII. Stocks and contracts in progress

The raw and auxiliary materials are valued by the method of the weighed average prices.

A.VIII. Amounts receivable within one year

The amounts receivable are stated in the balance sheet at their nominal value. Reductions in value are recorded when receipt on the due date of all or part is uncertain.

A.IX. Investments and
A.X. Cash at bank and in hand

The investments are valued at acquisition cost and the cash at bank and in hand at nominal value. The additional costs, relating to their acquisition are not recorded as an asset but are recorded under the heading 'Other financial charges' in the financial year during which they are incurred. The investments and the cash at bank and in hand are written down if the realisable value is lower than their book value. For investments quoted on the stock exchange, the quotation is taken into account. For investments not quoted on the stock exchange the latest balance sheet is taken into consideration, unless more significant data are available.

P.I. Capital,
P.II. Share premium account and
P.IV. Reserves

They are recorded in the balance sheet at nominal value.

P.V. Negative consolidation differences

A consolidation difference is revealed by comparing the book value of the participating interest with the Group's share in the shareholders' equity of the company concerned, taking into account the proportion of the results of the current year until the date of acquisition. Possible allocations are made to the provisions for liabilities and charges, when significant losses are to be expected in the near future for the company concerned. The remaining balance can be entered under the heading 'Capital and reserves'.

P.VI. Translation differences

Conversion of foreign currency.

P.IX. Provisions for liabilities and charges

Provisions are made systematically for periodical vessel surveys, costs of dry-docking, settlement of claims, pending claims and other operating risks. Legal retirement obligations are booked following local legislation.

P.X. Amounts payable after one year and
P.XI. Amounts payable within one year

These are recorded in the balance sheet at nominal value.

R.I&II Operating result

At the end of the financial year, income and charges relating to non-terminated voyages - for vessels operated directly by the enterprise - are recorded in the income statement on a pro rata basis. If deemed necessary, a provision is made for future losses relating to non-terminated voyages. This provision is calculated per division.

Profit or loss resulting from the sale of vessels and containers is recorded under the heading 'Other operating income or charges'.
The entitlements assigned to the directors or other claimants, booked in the appropriation account, are charged during the year.

CONVERSION OF FOREIGN CURRENCY

Formation expenses, fixed assets and stocks

The assets are booked at their value in Euro at standard rate * except when foreign currencies were bought in cash or on credit, in which case the rate actually paid is applied.

Amounts receivable and stocks

Incoming invoices are booked at the standard rate of the date of receipt. The effected payments are booked at the same rate, except when foreign currencies were bought in cash, in which case the rate actually paid is applied. The outgoing invoices are booked at standard rate of the day of issue. Possible differences in price on receipt of payment are booked in turnover.

Closing of the financial year
Formation expenses, fixed assets (amounts receivable excluded), stocks as well as debts in foreign currencies initiated for the acquisition of vessels in foreign currency, are expressed at the rate of exchange of the day of recording (historic rate). The other amounts receivable and the liabilities in foreign currency are valued at the closing rate**. If the difference in the rate of exchange is a loss, it is transferred to the income statement. If it is a profit, it is entered under the heading "Accrued charges and defined income".

Annual accounts in foreign currency
The annual accounts expressed in foreign currency are converted into Euro, using the closing rate for the balance sheet and the average rate *** for the income statement. Shareholders' equity is expressed at its historical value. The difference brought out in relation to the closing rate is entered under the heading 'Translation differences' in the Group equity. The exchange difference between the closing rate and the average rate on the results is also entered under this heading.

* The standard rate is determined at the beginning of each month and remains valid for the entire month, provided no important fluctuations occur. The rate is based on the rate for the last working day of the preceding month.

** The closing rate is the exchange rate on the last working day of the year.

*** The average rate is the average of the exchange rates on the last working day of each month of the financial year.

Financial instruments (derivatives)
Premiums received or paid are taken up in the income statement under the heading 'Operating results' upon closing of the contracts. At the end of the financial year, all on-going financial operations are individually evaluated, after which, if necessary, provisions for liabilities and charges will be made. Those operations which have not been finalised at year-end are detailed under the heading XVI of the Accounting Policy Notes 'Rights and commitments not reflected in the balance sheet'.

VII. STATEMENT OF INTANGIBLE ASSETS
(Heading II. of assets)

(in thousands of USD)

		Research and development expenses	Concessions, patents, licences etc.	Goodwill	Other intangible assets
a)	**Acquisition cost**				
	At the end of the preceding year	-	92	-	-
	Movements during the year:				
	- Changes in the consolidation scope	-	-	-	-
	- Acquisitions including own construction	-	240	-	-
	- Transfers from one heading to another	-	-	-	-
	- Translation differences	-	179	-	-
	At the end of the financial year	-	**511**	-	-
c)	**Depreciation and amounts written off**				
	At the end of the preceding year	-	58	-	-
	Movements during the year:				
	- Changes in the consolidation scope	-	34	-	-
	- Recorded	-	-	-	-
	- Transfers from one heading to another	-	-	-	-
	- Translation differences	-	147	-	-
	At the end of the financial year	-	**239**	-	-
d)	**Net book value at the end of the financial year (a) - (c)**	-	**271**	-	-

VIII. STATEMENT OF TANGIBLE FIXED ASSETS

(Heading IV. of assets) (in thousands of USD)

		Vessels	Land and buildings	Plant, machinery and equipment	Furniture and equipment	Leasing and other similar rights	Other tangible assets	Assets under construction and advance payments
a)	**Acquisition cost**							
	At the end of the preceding year	930.595	6.043	494	3.323	2.474	827	230.185
	Movements during the year:							
	- Changes in the consolidation scope	-	9.098	478	1.663	1.134	63	-96.423
	- Acquisitions, including own construction	35.699	-	77	563	-	-	124.464
	- Sales	-49.297	-	-4	-188	-657	-215	-
	- Cancellations	-	-	-	-	-	-	-
	- Transfers from one heading to another	167.256	-	-	-	-	-	-167.256
	- Changes in consolidation method	-	-	-	-	-	-	-
	- Translation differences	26.806	2.755	196	615	603	142	2
	At the end of the financial year	**1.111.059**	**17.896**	**1.242**	**5.976**	**3.554**	**816**	**90.971**
c)	**Depreciation and amounts written off**							
	At the end of the preceding year	375.910	4.448	282	2.342	444	572	-
	Movements during the year:							
	- Changes in the consolidation scope	-	1.047	135	1.180	556	11	-
	- Recorded	33.799	43	161	536	127	30	-
	- Sales	-14.695	-	-	-22	-	-	-
	- Cancellations	-	-	-1	-119	-239	-122	-
	- Transfers from one heading to another	-	-	-	-	-	-	-
	- Changes in consolidation method	-	-	-	-	-	-	-
	- Translation differences	26.806	1.110	95	421	171	107	-
	At the end of the financial yea	**421.821**	**6.647**	**670**	**4.336**	**1.059**	**598**	**-**
d)	**Net book value at the end of the financial year (a) - (c)**	**689.238**	**11.249**	**571**	**1.640**	**2.496**	**218**	**90.971**

The most important movements during the financial year are:

	LPG	LNG	Offshore	Total
Net value on December 31, 2002	412.596	142.088	-	554.684
Change in the consolidation scope	-	-	-	-
Acquisitions	35.699	-	-	35.699
Delivery of vessels under construction	-	80.111	87.146	167.256
Depreciation	-24.514	-5.476	-3.809	-33.799
Sales and cancellations	-34.602	-	-	-34.602
Translation differences	-	-	-	-
Net value on December 31, 2003	389.179	216.722	83.337	689.238

The assets under construction can be summarised as follows:

1 LNG carrier in South-Korea (Daewoo SME 2208) (Excelsior)	84.965
1 LPG carrier in South-Korea (Daewoo SME 2309)	3.992
1 LPG carrier in South-Korea (Daewoo SME 2307)(50/50 Joint venture Bergesen)	2.014
Total	90.971

IX. STATEMENT OF FINANCIAL ASSETS

(Heading V. of assets)

(in thousands of USD)

		Enterprises consolidated on equity basis	Other enterprises
1.	**Participating interests**		
a)	**Acquisition cost**		
	At the end of the preceding year	253	1.072
	Movements during the year:		
	Change in the consolidation scope	4	-644
	- Dividends	-	-
	- Result for the year	9	-
	- Increase (+), decrease (-) of capital	-	-
	- Acquisitions	-	-
	- Sales	-	-
	- Transfers from one heading to another	-	-
	- Transfers from the heading IX.B. Other investments and deposits	-	-
	- Change in consolidation method	-	-
	- Translation differences	40	154
	At the end of the financial year	**306**	**581**
c)	**Amounts written off**		
	At the end of the preceding year	-	240
	Movements during the year:		
	- Change in the consolidation scope	-	-
	- Recorded	-	-
	- Written back	-	-
	- Sales	-	-
	- Transfers from one heading to another	-	-
	- Change in consolidation method	-	-
	- Translation differences	-	49
	At the end of the financial year	**-**	**289**
d)	**Uncalled capital**		
	At the end of the preceding year	-	381
	Movements during the year:		
	- Change in the consolidation scope	-	-184
	- Recorded	-	-
	- Written back	-	-
	- Sales	-	-
	- Transfers from one heading to another	-	-
	- Change in consolidation method	-	-
	- Translation differences	-	37
	At the end of the financial year	**-**	**234**
	Net book value at the end of the financial year (a) - (c) -(d)	**306**	**58**

The net book value of the enterprises accounted for using the equity method can be detailed as follows:

	2003	2002
Travel Plus	306	253
Total	306	253

The contribution to the result of the enterprises accounted for using the equity method is as follows :

	2003	2002
Hesse-Noord Natie group	9	-
Total	9	-

2. Amounts receivable

Net book value at the end of the preceding year	-	50.915
Movements during the year:		
- Change in the consolidation scope	-	28
- Additions	-	582
- Reimbursements	-	-41.961
- Amounts written off	-	-
- Write back of amounts written off	-	-
- Transfers from one heading to another	-	-
- Change in consolidation method	-	-
- Translation differences	-	27
Net book value at the end of the financial year	**-**	**9.590**
Accumulated amounts written off on amounts receivable at the end of the financial year	**-**	**-**

X. INVESTMENTS

(Heading IX. of assets))

(in thousands of USD)

Own shares	**2003**	**2002**
EXMAR has no own shares in its possession	-	-
Total	-	-

XI. STATEMENT OF THE RESERVES

(Heading IV. of liabilities)

(in thousands of USD)

At the end of the preceding year	187.301	
Movements during the year:		
- Group share in the result of the financial year	12.604	
- Dividends	-6.609	
At the end of the financial year	**193.297**	

XII. STATEMENT OF CONSOLIDATION DIFFERENCES AND DIFFERENCES RESULTING FROM THE APPLICATION OF THE EQUITY METHOD

(in thousands of USD)

	Positive consolidation difference	Negative consolidation difference
Net book value at the end of the preceding year	-	
Movements during the year:		
- Decrease in the percentage held	6.409	-
- Transfer to the income statement	-	-
- Depreciation recorded	-583	-
Net book value at the end of the financial year	**5.825**	**-**

XIII. PROVISIONS FOR LIABILITIES AND CHARGES

(Heading IV. of liabilities)

(in thousands of USD)

	2003	**2002**
LPG	17.384	17.692
LNG	4.861	-
Offshore	34	38
Services	21.882	18.478
Total	**44.161**	**36.209**

XIV. STATEMENT OF AMOUNTS PAYABLE

(in thousands of USD)

A. Analysis of liabilities, originally payable after one year, according to their residual term

	Not more than 1 year	between 1 and 5 years	over 5 years
Financial liabilities			
2. Unsubordinated debentures	-	-	-
3. Leasing and other similar obligations	1.507	7.097	74.338
4. Credit institutions	45.604	134.189	299.249
5. Other loans	2.772	6.009	-
Trade debts			
1. Suppliers	-	-	-
Total	**49.882**	**147.295**	**373.587**

	Leasing debts	**Credit institutions**	**Other loans**
LPG	-	237.543	-
LNG	79.955	134.000	6.009
Offshore	-	50.125	-
Services	2.959	11.670	100
Intercompany accounts	-1.479	-	-
Total	81.435	433.338	6.109

In October 2004, EXMAR has to make a balloon payment of 70 million USD for the vessel “Excalibur”. This balloon will be re-financed during the year. As a consequence this balloon was accounted for in the categorie X.A.4 “Amounts payable after one year to credit institutions” instead of category IX.B.1. “Amounts payable within one year to credit institutions”.

The changes in comparison to the previous financial year are explained as follows:

	Leasing debts	**Credit institutions**	**Other loans**
On December 31, 2002	62.262	345.180	50.761
Change in the consolidation scope	531	-	-
Transfers to the heading 'Current portion of amounts payable after one year'	-1.507	-45.583	-
Early repayments	-19.526	-118.473	-50.232
New loans	39.674	114.838	5.580
Refinancing		179.500	-
Change of consolidation method	-	-42.125	-
Translation differences	-	-	-
On December 31, 2003	**81.435**	**433.338**	**6.109**

B. Secured liabilities

Real guarantees given on the assets of the enterprise.

Financial liabilities	
4. Credit institutions	479.042
Total	**479.042**

XV. INCOME STATEMENT

(in thousands of USD)

A. Operating results

Net turnover	pro forma 2003	pro forma 2002
LPG	256.537	244.654
LNG	38.945	29.413
Offshore	32.889	22.359
Services	26.131	11.249
Total	**354.503**	**307.675**

Other operating income	2003	2002
LPG	3.320	11.144
LNG	6.650	-
Offshore	2.768	-
Services	249	-
Total	**12.987**	**11.144**

Services and other goods	2003	2002
LPG	199.307	225.616
LNG	15.424	22.834
Offshore	26.397	21.361
Services	28.641	10.879
Total	**269.770**	**280.690**

Other operating charges	2003	2002
LPG	3.067	1.279
LNG	-	1.903
Offshore	-	-
Services	-	-
Total	**3.067**	**3.182**

B. Personnel

1. The average number of persons employed by the fully consolidated enterprises

(of which in Belgium: 128)	**158**
Workers	1
Employees	91
Executives	53
Management staff	13
Personnel charges for the fully consolidated enterprises	**13.782**
Remuneration and social security	13.782
Pension charges	-

2. The average number of persons employed by the proportionally consolidated enterprises

(of which in Belgium: 8)	**28**
Workers	-
Employees	23
Executives	3
Management staff	2
Personnel charges for the proportionally consolidated enterprises	**1.243**
Remuneration and social security	1.243
Pension charges	-

(in thousands of USD)

C. Financial results

Financial income	2003	2002
LPG	-	-
LNG	-	-
Offshore	-	-
Services	19.447	16.779
Total	**19.447**	**16.779**

Debt charges	2003	2003
LPG	13.123	10.896
LNG	11.419	10.683
Offshore	2.123	-
Services	8.777	11.106
Total	**35.443**	**32.685**

D. Extraordinary results

Extraordinary income (Heading VII. of the income statement)	**2.836**
- Withdrawal of provision Hesse-Noord Natie	450
- Extra compensation as a result of the sale of Hesse-Noord Natie	2.283
- Other	104
Extraordinary charges (Heading VIII. of the income statement)	**48**
- Other	48

E. Consolidated results

	Consolidated result	Share of the Group	Minority interests
LPG	2.523	2.565	41
LNG	9.553	9.553	-
Offshore	2.419	2.419	-
Services	-1.925	-1.932	-6
Total	**12.570**	**12.557**	**35**

F. Cashflow

	2003	2002
LPG	30.848	25.220
LNG	18.988	-23.061
Offshore	5.333	-
Services	-341	-1.385
Total	**54.828**	**774**

The definition of cash flow was adopted from the National Bank of Belgium.

XVI. RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

(in thousands of USD)

A. 1. Personal guarantees, given or irrevocably promised by the enterprises included in the consolidation as a security for third parties' debts or commitmentsof wich:

- Maximum amount for which other commitments of third parties are guaranteed by the enterprise	-

2. Real guarantees, given or irrevocably promised by the enterprises included in the consolidation on their own assets, as a security of debts and commitments

1. of enterprises included in the consolidation	
Mortgages:	
- Book value of immovable properties mortgaged	684.818
- Amount of the registration	641.032
These amounts represent the original mortgage registered and should be read in conjunction with the amounts as mentioned in Note XIV.	
Pledges of businesses:	
- Amount of the registration	-
Pledges of other assets:	
- Book value of assets so pledged	1.882

4.a. Important commitments to acquire fixed assets		**165.013**
LPG	74.861	
LNG	90.000	
Offshore	-	
Services	152	
4.b. Important commitments to dispose of fixed assets		**-**
LPG	-	
LNG	-	
Offshore	-	
Services	-	

5.a. Rights relating to transactions	
- on interest rates (IRS - Interest Rate Swaps)	571.173
- on currencies	-
- currencies bought	-
- floors, caps and puts (bought)	666.000
- bunkerswaps	2.075
- forward freight agreements	-
5.b. Commitments relating to transactions	
- on interest rates (IRS - Interest Rate Swaps)	571.173
- on currencies	-
- currencies sold	27.000
- floors, caps and calls (sold)	622.500
- bunkerswaps	-
- forward freight agreements	-

B. Technical guarantees in respect of sales or services already provided

- Bank guarantees	-
- Guarantees given by third parties	-
- Guarantees given to third parties	-

C.	**Significant litigations and other rights and commitments**	
	- Time charter rights (till 2025)	960.786
	- Time charter commitments (till 2008)	121.571
	- Leasing rights (till xxx)	-
	- Leasing commitments (till 2028)	81.402
	- Balance sheet guarantees following the sale of the participating interest in Hesse-Noord Natie	p.m.

D. Retirement and survivors' pensions in favour of personnel or executives, at the expense of the enterprises included in the consolidation

Personnel who meet certain requirements, are entitled to a supplementary retirement and survivors' pension, determined in accordance with the salary and the number of years of service with the enterprise. The mathematical reserves resulting from yearly allocations charged to the income statement are paid over to an insurance company.

XVII. RELATIONSHIPS WITH AFFILIATED ENTERPRISES NOT INCLUDED IN THE CONSOLIDATION AND WITH ENTERPRISES NOT INCLUDED IN THE CONSOLIDATION BUT LINKED BY PARTICIPATING INTERESTS

(in thousands of USD)

Affiliated enterprises not included in the consolidation	
1. Financial fixed assets	
- Participating interests and shares	-
2. Amounts receivable	
- after one year	-
- within one year	-
5. Personal and real guarantees, given or irrevocably promised by enterprises included in the consolidation, as a security of debts or commitments of affiliated enterprises not included in the consolidation	-
Enterprises not included in the consolidation but linked by participating interests	
1. Financial fixed assets	
- Participating interests and shares	-
2. Amounts receivable	
- within one year	-

XVIII. FINANCIAL RELATIONS WITH THE DIRECTORS

(in thousands of USD)

A.	**4. Direct and indirect remuneration and pensions**	
	To the directors	987

XIX. MAJOR EXCHANGE RATES

	2003		2002	
	closing rate	**average rate**	**closing rate**	**average rate**
GBP	0,704800	0,688800	0,650500	0,626300
JPY	135,050000	130,746700	124,390000	117,327500
USD	1,263000	1,123900	1,048700	0,937200

USE AND SOURCE OF FUNDS

for the year ended December 31, 2003

	31/12/2003 in thousands of USD
Share of the Group in the result	12.605
Share of minority interests in the result	-35
Results of the interprises accounted for using the equity method, less dividends	-9
Depreciation	35.345
Amounts written off	71
Provisions	3.923
Capital gains and losses on the sale of fixed assets	-8.742
Movements in the short term assets and liabilities*	-2.897
CASH FLOW FROM OPERATIONAL ACTIVITIES	**40.262**
Acquisition of fixed assets	-301.566
New loans	181.700
Sales of fixed assets	265.009
Reimbursement of loans	-71.864
Translation differences	-5.142
CASH FLOW FROM INVESTMENT ACTIVITIES	**68.137**
Withdrawal of own shares	0
Movements in investment grants	0
Movements in translation differences	-4.275
Movements in minority interests	-221
New long term working capital loans	0
Movements in working capital loans	0
New loans granted to third parties	0
Reimbursement of loans granted to third parties	0
Dividends to be paid	0
CASH FLOW FROM FINANCING ACTIVITIES	**-4.496**
TOTAL CASH FLOW	**103.902**
Movements in investments	-73.427
Movements in cash at bank and in hand	42.698
Movements in financial debts payable within one year	134.631
NET MOVEMENT IN INVESTMENTS AND SIMILAR FUNDS	**103.902**

* Other than investments, cash at bank and in hand and financial debt payable within one year.

Statutory auditor's report on the consolidated accounts for the first accounting year as from March 1, 2003 till December 31, 2003 submitted to the General Shareholders' Meeting of Exmar N.V.

In accordance with legal and statutory requirements, we are reporting to you on the completion of the mandate, which you have entrusted to us.

We have audited the consolidated financial statements for the first accounting year as from March 1, 2003 till December 31, 2003 with a balance sheet total of 967 Mio USD and a profit for the year of 10,0 Mio USD (share of the group in the result). These consolidated financial statements have been prepared under the responsibility of the Board of Directors of the Company. The financial statements of a number of companies included in the consolidated accounts, with a total balance sheet of 235 Mio USD and a positive consolidated result for the year of 13,6 Mio USD, have been audited by other auditors on which we have relied to express our opinion. In addition we have reviewed the directors' report.

Unqualified audit opinion on the consolidated financial statements

Our audit was performed in accordance with the standards of the "Institut des Reviseurs d'Entreprises-Instituut der Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, taking into account the Belgian legal and regulatory requirements applicable to the consolidated financial statements.

In accordance with those standards, we considered the administrative and accounting organisation of the group, as well as the system of internal control. The group's management have provided us with all explanations and information which we required for our audit. We examined, on a test basis, the evidence supporting the amounts included in the consolidated financial statements. We assessed the accounting policies used and the significant accounting estimates made by the Company and the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, taking into account the prevailing legal and regulatory requirements, the consolidated financial statements of Exmar N.V. for the year ended December 31, 2003 present fairly the financial position of the group and the results of its operations and the disclosures made in the notes to the financial statements are adequate.

Additional assertion and information

As required by the generally accepted auditing standards the following additional assertion and information are provided. This assertion and information do not alter our audit opinion on the consolidated financial statements. The consolidated directors' report contains the information required by law and is in accordance with the consolidated financial statements. We refer to the consolidated director's report in which the pro forma financial accounts as per December 31, 2003 and the comparative pro forma financial figures as per December 31, 2002 have been included. We have reviewed these pro forma consolidated financial accounts as per December 31, 2003, as well as the comparative pro forma financial figures as per December 31, 2002. These pro forma consolidated financial accounts have been established by management of the company.

Our review has been performed in accordance with the appropriate recommendations issued by the Institut des Reviseurs d'Entreprises – Instituut der Bedrijfsrevisoren and consists mainly of an analytical review and discussions with management.

The scope of this review is less than the scope of an audit performed in accordance with the generally accepted auditing standards.

Nevertheless, our review did not reveal any facts or elements which might lead to the conclusion that the consolidated pro forma financial accounts as per December 31, 2003 and the comparative pro forma financial figures as per December 31, 2002 have not been established in conformity of the valuation rules of the company.

Klynveld Peat Marwick Goerdeler Reviseurs d'Entreprises
Statutory Auditor
represented by

H. V. Platteau	Th. Erauw
Reviseur d'Entreprises	Reviseur d'Entreprises

Antwerp, April 19, 2004

7.2. 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.
These documents can be obtained on request at the registered office of the company.

In his report the statutory auditor did not express any reservations in respect of the annual accounts of EXMAR.

BALANCE SHEET EXMAR nv as at December 31, 2003

ASSETS		12/31/2003 (in thousands of USD)
FIXED ASSETS		**230.005**
II.	**Intangible assets**	**51**
III.	**Tangible assets**	**35**
IV.	**Financial assets**	**229.919**
CURRENT ASSETS		**53.251**
V.	**Amounts receivable after one year**	**0**
VI.	**Stocks and contracts in progress**	**0**
VII.	**Amounts receivable within one year**	**21.755**
VIII.	**Investments** (note VIII)	**552**
IX.	**Cash at bank and in hand**	**27.373**
X.	**Deferred charges and accrued income**	**3.571**
TOTAL ASSETS		**283.256**

LIABILITIES		12/31/2003 (in thousands of USD)
CAPITAL AND RESERVES		**194.679**
I.	**Share Capital**	**45.000**
II.	**Share premium account**	**5.806**
IV.	**Reserves**	**64.254**
V.	**Profit/Loss carried forward**	**79.619**
PROVISIONS AND DEFERRED TAXES		**18.234**
VII.	**Provisions and deferred taxes**	**18.234**
CREDITORS		**70.343**
VIII.	**Amounts payable after one year**	**0**
IX.	**Amounts payable within one year**	**68.421**
X.	**Accrued charges and deferred income**	**1.922**
TOTAL LIABILITIES		**283.256**

INCOME STATEMENT - EXMAR nv

for the period covering March 1st till December 31st 2003

		03/01/2003 - 12/31/2003 (in thousands of USD)
I.	Operating income	22.925
II.	Operating charges	25.918
III.	Operating result	-2.993
IV.	Financial income	7.715
V.	Financial charges	6.331
VI.	Result on ordinary activities	-1.609
VII.	Extraordinary income	2.431
VIII.	Extraordinary charges	0
IX.	Result before income taxes	822
X.	Income taxes	1
XI.	Result for the period	821

APPROPRIATION ACCOUNT - EXMAR nv

for the period covering March 1st till December 31st 2003

		03/01/2003 - 12/31/2003 (in thousands of USD)
A.	Result to be appropriated	85.853
B.	Transfers from capital and reserves	0
C.	Transfers to capital and reserves	-354
D.	Result to be carried forward	-79.619
E.	Shareholders' contribution in respect of losses	0
F.	Distribution of profit	-5.880

8. Colophon

NV Exmar

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Website: www.exmar.be
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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

EXMAR