annual report 2004

EXMAR

On the occasion of the 175th anniversary of Belgium, EXMAR, as a Belgian maritime company, wishes to highlight a famous episode of Belgian maritime history.

***Adrien de Gerlache de Gomery** has given Belgium a place in the history of Antarctica.*
*His Antarctic expedition (1897) was the first to be organised with an exclusively scientific objective. At the same time, the **Belgica**, having an international crew (a.o. Roald Amundsen, Dr. Frederick Cook), became the first ship to overwinter in the Antarctic (by force of circumstances) and thus provided the proof that overwintering was possible in spite of the severe weather conditions.*

Even today, from the scientific viewpoint, this expedition is regarded as one of the most significant polar expeditions which charted partially the actual Antarctic area by discovering and naming the islands of Antwerp, Liège and Brabant, the Gerlache Strait and Danco's Land.

*Our offices are located on De Gerlachekaai in Antwerp, so we feel a close connection with this. It was because of this sense of connection that, at its opening in 1991, our building was given the name **Belgica**.*

Our special thanks go to Baron Gaston de Gerlache de Gomery, son of Baron Adrien de Gerlache de Gomery, Messrs. Alex De Vos and Charles Emmanual Schelfhaut, and the collaborators of the National Maritime Museum.

Contents

Mission statement

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

Exmar strives to create shareholder value over the long term by balancing long and short term agreements to counteract volatility in the freight market, combined with providing services that are tailored to the needs of the customer. Exmar endeavours to support sustainable growth by attaching the greatest importance to the quality of its fleet, the safety of its personnel and equipment and the protection of the environment.

Exmar – areas of activity – key figures

The Exmar group manages a diversified fleet, and is one of the world's most important independent transporters of liquefied gases.
Exmar shares are quoted on Euronext Brussels in the next-prime segment, and are included in the Bel Mid index.

The operational activities are organised in four sectors:

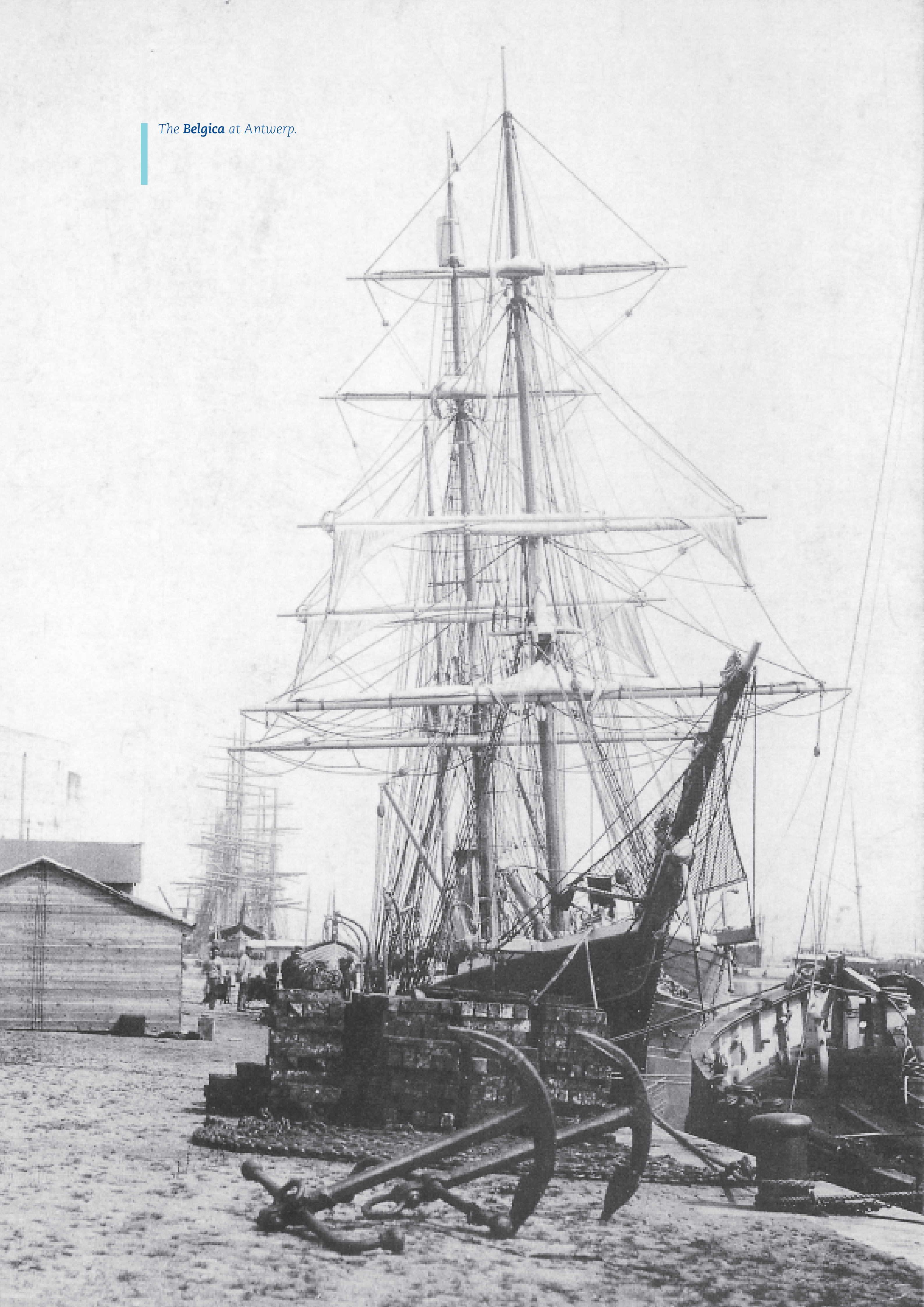
Transport of **LPG** (Liquefied Petroleum Gas), ammonia (NH3), and other chemical gases: within this sector Exmar operates a fleet of about sixty ships, most of which are in the midsize class (20,000 m^3 - 40,000 m^3). This fleet will be expanded with 6 new ships, which will be delivered beginning in 2006. After balance sheet date, an order was placed for 2 VLGCs (very large gas carriers) that will be delivered end 2007/begin 2008.

Transport of **LNG** (Liquefied Natural Gas): Exmar is expanding its presence in this sector further. The fleet currently consists of 6 LNG tankers, of which two are being built. The newest LNG ships are equipped with a regasification installation, which enables unloading of a ship without it having to enter a port or to call at a terminal.

Offshore: Exmar selectively targets services to the offshore oil and gas industry. These projects include offshore processing, storage, and transhipment of oil and gases, as well as development, advice, and new design(s) for floating installations. Exmar possesses one FPSO (Floating Production Storage and Offloading unit) and one accommodation platform. The Exmar group has support branches in Paris and Houston (Dvo and Eoc), which support the group.

Services
Tecto: technical management and manning of ships.
Belgibo: insurance brokerage
Travel Plus: travel agency

	2004	2003
a. Consolidated income statement according IFRS (in million USD)		
Operating income	438,2	380,6
Operating charges	-387,0	-336,4
Operating result (EBIT)	51,2	44,2
Financial income	22,0	25,5
Financial charges	-41,9	-51,9
Result before taxes	31,3	18,0
Income taxes	-1,1	-1,4
Consolidated result after taxation	30,2	16,6
Share of the group in the result	**29,8**	**16,6**
b. Balance sheet (in million USD)		
Shareholders' equity	259,8	227,6
Ships (including ships under construction)	748,0	773,7
Net financial debts	476,6	490,4
Total assets	972,6	959,1
c. Information per share		
EBITDA in USD	12,04	10,84
Operating result (EBIT) in USD	6,97	6,02
Consolidated result after taxation in USD	4,10	2,26
Cash flow in USD	9,12	7,09
Dividend gross/net in EUR	1,00 / 0,75	0,80 / 0,60
Rage of share price in EUR	33,00 / 49,10	29,00 / 37,50
Total number of shares	7.350.000	7.350.000
d. The contribution to the consolidated result of the various operation divisions (in million USD)		
LPG	20,2	12,0
LNG	7,6	4,3
Offshore	-1,5	2,0
Services	3,5	-1,7
Consolidated result (share of the group)	**29,8**	**16,6**



*The **Belgica** at Antwerp.*

Board of directors

Yves Brasseur – Chairman
Philippe Bodson – Vice chairman
Nicolas Saverys – Managing Director
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 Operation Officer/Managing Director TECTO
Peter Verstuyft –Secretary General / Deputy Managing Director 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

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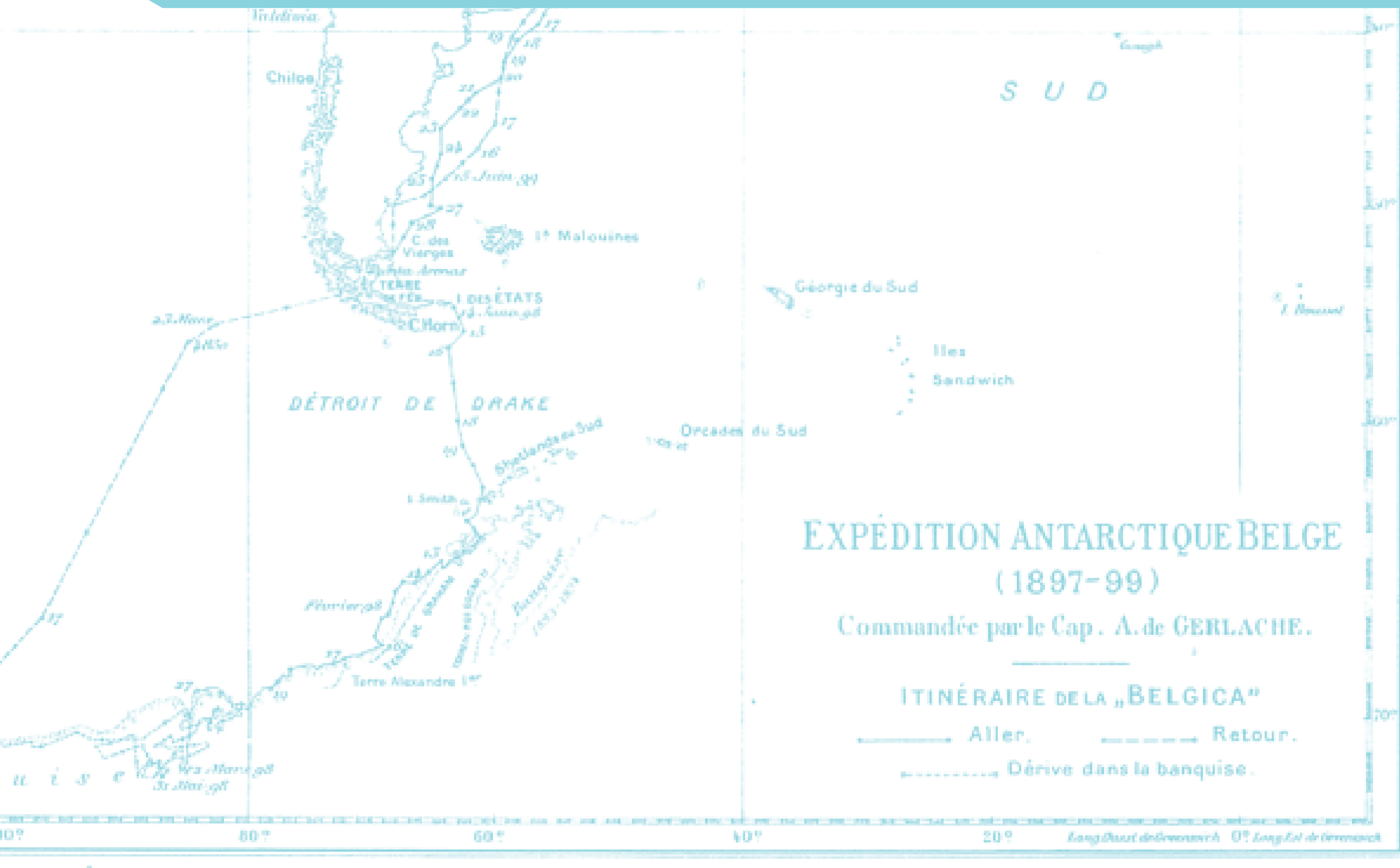
Chairman's statement



Ladies and Gentlemen,

I am pleased to present you the second Annual Report of EXMAR for the first complete financial year that closed on 31 December 2004.

The first financial year ... and already an extra effort is required from you, as it was from those preparing the report, to get used to the fact that in future the financial reports will be prepared in accordance with the International Financial Reporting Standards (IFRS).

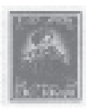
The revival of the LPG-market lies at the basis of the improved group result, in spite of the fact that the transport of gas by sea was less influenced by the "China-factor" than the other shipping sectors. The expansion of the fleet of smaller gas tankers, resulting from the EXMAR-KOSAN collaboration, took place at just the right moment for us to get the full benefit of the increasing freight rates.

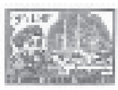
Now that the EXCALIBUR has been virtually without charter since October, EXMAR is faced with excess shipping capacity for the LNG market. We still expect that this imbalance is of only a temporary nature. EXMAR, however is not targeting exclusively the transport of liquid natural gas, since it provides alternative unloading capabilities thanks to a unique regasification installation on board.
In fact, together with Excelerate Energy, a third Energy Bridge™ ship was ordered, which will be brought into service in October 2006.
The first ship of the series, the EXCELSIOR, successfully delivered the first cargo of gas in the middle of March via Excelerate's Gulf Gateway in the Gulf of Mexico.

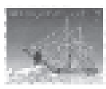
The persistent high level of freight rates in all LPG sectors, the expected contribution from the LNG ships with a regasification installation on board, and the expectation that the technical and commercial efforts of the offshore department will shortly lead to orders, permit us to confirm our confidence in the future.

Finally I want to thank our shareholders and staff for their faith in our company.

Antwerp, 22 March 2005.
Yves Brasseur
Chairman of the board of directors.





To our shareholders,

In accordance with legal requirements, we are pleased to present for your approval the consolidated and statutory Annual Accounts, as at 31 December 2004, accompanied by our comments, and to render account for our tenure of office.

The Annual Reports concerning the consolidated and statutory Annual Accounts were combined in accordance with article 119, last paragraph of the Code of Companies.

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ANNUAL REPORT OF THE BOARD OF DIRECTORS

1. Comments on the consolidated annual accounts

For the first time, the 2004 financial reports on the consolidated figures were prepared in accordance with IFRS.
To take account of the comparative information required by IFRS, the consolidated financial information for 2003 was also converted to IFRS.

Turnover

EXMAR's turnover rose by more than 15% in 2004. This increase is primarily due to the improvement in freight rates for the transport of LPG and the contribution of the fleet of small gas tankers bought in the course of the first half-year.

Result

The operating result increased by approximately 16%, from USD 44.2 million to USD 51.2 million, especially due to the increased contribution of the LPG division and the extra income realised through the sale of ships.

The improvement in the financial result is mainly due to the strengthening of the group's cash position and the favourable development of the value of the derivatives.
The additional payment by Ethias (USD 4.5 million), in the framework of the price increase mechanism in the agreement on the sale of Naviga, also had a favourable effect.

Cash flow

The cash flow amounted to USD 67.1 million compared with USD 52.1 million the year before.

Fixed assets

The tangible fixed assets decreased by USD 25 million (-3.2%), and on 31 December 2004 amounted to USD 755 million. The reason for this decrease lies mainly in the sale of the three ethylene (Polar) ships and the depreciation on the fleet. This was partially compensated by the purchase of the fleet of small gas tankers and the down payments for the ships being built.

Liquid assets

The purchase of quoted shares and the improvement in the cash position of the group led to an increase of USD 31.2 million (20%) in the liquid assets.

Equity capital

At the end of 2004 the equity capital amounted to USD 259.8 million, compared with USD 227.6 million in 2003 (+ 14%). This favourable development is naturally due to the consolidated result over the financial year 2004, but also due to the strong increase (USD 10 million) in the reserves. The cost of purchasing our own shares (USD 5.7 million) was deducted from the equity capital.

Financial liabilities

Thanks to the improvement in the operating results and the sale of ships (partly compensated by purchases), EXMAR managed to further reduce its net financial liabilities from USD 490 million at the end of 2003 to USD 477 million at the end of 2004.

Derivatives

In accordance with IAS 39, all financial instruments were booked in the accounts at "fair value" (marked to market). Each "fair value" adjustment was incorporated in the results.
EXMAR has underwritten various derivative products with a view to providing partial cover against exchange risk, product risk (bunker prices), and especially interest risk. Ship financing usually has a floating rate of interest. The interest risk is managed actively with the help of diverse financial instruments such as IRS and caps & floors.
All ship financing was done in USD. Only a part of the operational costs of the fleet and of the working costs are EUR sensitive. About 80% of these costs were covered for 2004. The cover for 2005 is at present limited to about 50%.
The derivatives with a positive "marked to market" amounted to USD 10.8 million at 31 December 2004 (USD 6.3 million at 31 December 2003).
The derivatives with a negative "marked to market" amounted to USD 32.1 million at 31 December 2004 (USD 40.8 million at 31 December 2003).

Investments

At the end of the financial year, the ships under construction represented an amount of USD 108.9 million. This relates to down payments for the construction of the **Excelsior** (LNGRV 138,000 m^3) that was delivered in January 2005, and for two midsize LPG ships, one of which will be in 50% joint-ownership with Bergesen; both will be delivered in the course of 2006.

Personnel

At the end of 2004, EXMAR had a total of 1,812 employees, including 1,592 seagoing personnel.

Research and development

First consideration was given to the further development and installation of the regasification equipment aboard the Energy Bridge™ ships.

Work was also done on finding solutions for transferring liquid natural gas from one ship to another at sea.

Finally, investments were made in techniques for the transport and storage of natural gas under pressure (CNG).

Important events after closure of the financial year

The following notable events took place after the closure of the financial year 2004:

- delivery of the **Excelsior** (LNGRV 138,000 m^3) in January 2005 and first unloading via Excelerate's Gulf Gateway in the Gulf of Mexico in March 2005.
- sale of two pressurised LPG tankers, **Lady Kira** and **Birgit Kosan**. EXMAR will realise a surplus of approximately USD 4.6 million in its financial year 2005 on this sale;
- an order for the construction of two very large LPG carriers (VLGC 84,000 m^3) at DSME, with delivery at the end of 2007 / beginning of 2008.

The coelophone on board of the **Belgica***.*

2. Comments on the statutory annual accounts

The statutory accounts were prepared in accordance with the Belgian GAAP.

Review of the assets

At the end of 2004, the total assets amounted to USD 444.1 million (USD 314.8 million at the end of 2003), of which USD 305 million financial fixed assets, USD 72 million short-term accounts receivable, USD 17 million in investments, and USD 50 million liquid assets.

Review of the liabilities

The capital of the company amounted to USD 48.5 million at 31 December 2004, and was represented by 7,350,000 shares of no-par value.
The equity capital has decreased from USD 203.4 million at the end of 2003 to USD 200.9 million at the end of 2004, after dividend payments of USD 10 million for the financial year 2004.

Review of the results

The result over the financial year, in the amount of USD 7.5 million (USD 0.9 million in 2003), is mainly due to the improvement of the financial results arising from the improved cash position, and was influenced positively by the surplus (USD 4.5 million) realised through the price increase mechanism in the implementation of the agreement on the sale of Naviga.

Over the financial year 2004, the auditors received EUR 74,550 in audit fees and EUR 4,000 in non-audit fees.

Since the closing of the financial year 2004 there have been no occurrences that could influence the development of the company, nor facts that could affect the results significantly.

3. Share option plan

On 7 December 2004, the Board of Directors decided to offer a number of options for existing shares to some of the employees of the EXMAR group.

Date of offer	Number of options accepted as of 13.02.2005	Period during which the options can be exercised	Option price in EUR
15.12.2004	36.980	Between 01.04.2008 and 15.10.2012	44,30

4. Purchase of own shares

During the past financial year EXMAR bought 104,781 of its own shares in accordance with the mandate granted to it when the company was set up, and with the extension approved by a decision of the Extraordinary General Meeting of shareholders on 11 May 2004. Since the beginning of the year 2005, EXMAR has bought another 306,199 own shares. The average purchase price amounted to EUR 46.35 per share. These shares were bought because of the favourable stock exchange quotation and the surplus of liquid assets on the one hand, and as a hedge for the obligations of the company in relation to the share option plan on the other hand.

5. Conflicts of interest

In the course of the financial year there has been a conflict of interest on one occasion only, namely the approval of the share option plan.
The provisions of article 523 of the code of companies were adhered to.

The minutes of the meeting of the board of directors of 7 December 2004 show:

"Agenda point 5: Share option plan

Before this agenda point was dealt with, Messrs. Nicolas Saverys and Patrick De Brabandere, in accordance with article 523 of the Code of Companies, as possible beneficiaries of the proposed plans, informed the other members of the Board of the existence of a conflict of interest of a proprietary nature…."

6. Corporate Governance

The "Corporate Governance Code" was published on 9 December 2004. The aim was to establish a uniform code of practice for proper application of the rules of sound management in all quoted companies.

EXMAR is working on setting up a "Corporate Governance Charter", and will make it available on its website by 1 January 2006 at the latest.
The "Corporate Governance Chapter", that is to be included in the annual report each year, will also be published in the prospectus this year.

7. Appropriation of the results – dividend

The submitted annual accounts show a profit for the financial year of USD 7,508,345.
Together with the results brought forward, an amount of USD 89,498,436 is available for allocation.

At the Annual General Meeting of 17 May 2005 it will be proposed that this profit be allocated as follows:

dividend:	USD 10,011,435
addition to the unavailable reserves:	USD 5,686,143
addition to the statutory reserve:	USD 159,703
carried forward to the next financial year:	USD 73,641,155

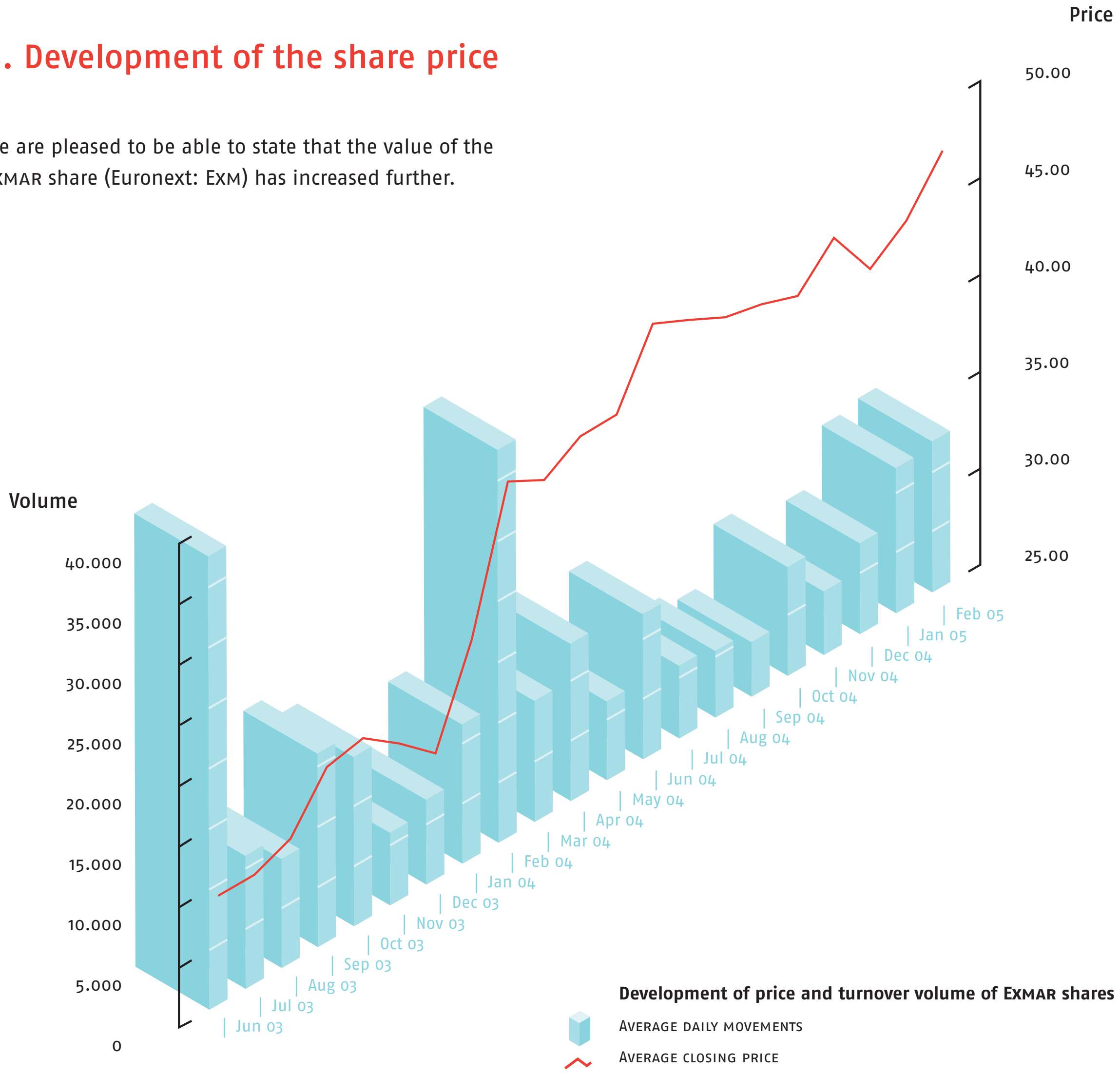
If this proposal receives the approval of the annual general meeting, the gross dividend will be EUR 1.00 per share. After withholding tax, a net amount of EUR 0.75 per share will be made payable as from 23 May 2005.
Payment can be received, for bearer shares, by tendering coupon 2 at the counters of Fortis Bank, KBC Bank, or Petercam and for the holders of registered shares, by transfer to their bank accounts.

After this allocation, the equity capital amounts to USD 200,849,797, made up as follows:

capital:	USD 48,519,000
issue premium:	USD 6,259,759
reserves:	USD 72,429,883
result carried forward:	USD 73,641,155

8. Development of the share price

We are pleased to be able to state that the value of the EXMAR share (Euronext: EXM) has increased further.



Development of price and turnover volume of EXMAR shares

9. Prospects

Thanks to the continuing increase in freight rates in the various LPG markets, and in spite of the uncertain outlook for the possibilities of chartering the **Excalibur**, a comparable company result can be expected for 2005.

On behalf of the board of directors, 22 March 2005.

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2004

The Belgica *anchored at Mount William (Isle of Antwerp)*

1. Highlights

February
In collaboration with JLT Risk Solutions, Belgibo acquires the contract for development and administration of the insurance programme of all European branches of PSA.

Tecto receives ISO 9001:2000 certificate.

March
Purchase by EXMAR-KOSAN of **LPGC Hanjin Yinkou (Lady Fatimé)** (LPG 4,000 m³ / 1996).

April
The **Excel** (LNG 138,134 m³/2003) is delivered to the Sultanate of Oman on time charter for a period of five years.

Together with Excelerate Energy LLC, a third LNGRV is ordered from DSME (construction number 2237). Delivery is expected in the fourth quarter of 2006.

Sale of the **Polar Discovery**, **Polar Endurance** and **Polar Belgica** to Japanese investors. These 3 ships are being taken back by EXMAR on time charter for a period of five years.

EXMAR-KOSAN buys 11 LPG ships (3,200 tot 5,000 m³ - average age 5,5 years): **Lady Anne**, **Charlotte Kosan**, **Lady Shanna**, **Anette Kosan**, **Lady Mathilde**, **Bente Kosan**, **Birgit Kosan**, **Lady Kira**, **Lady Margaux**, **Brit Kosan**, **Karin Kosan**.

August
Launching ceremony of the **Excellence** (LNGRV 138,000 m³ / 2006) at the DSME shipyard in South Korea.

Sale of the **Libin** (LPG 43,800 m³/1982).

September
Sale by EXMAR-KOSAN of the **Bente Kosan** (LPG 3,500 m³/1999).

October
The **Excalibur** (LNG 138,134 m³/ 2002) is returned by Tractebel and is used for a short charter by the Australian North West Shelf Venture.

Creation of a Joint Venture with Golar (GE LNG) to handle the available short-term LNG shipping capacity.

November
EXMAR-KOSAN buys the **Bangos** (LPG 3,500 m³/1999), which is immediately sold.
Excalibur transferred to Belgian flag (LPG 138,134 m³/ 2002).

December
Sale of the **Flanders Tenacity** (LPG 84,000 m³/1996), which is taken back on a bareboat charter for a period of 10 years.

After balance sheet date

January 2005
Sale of the **Lady Kira** (LPG 5,000 m³/1994) and the **Birgit Kosan** (LPG 3,513 m³/1995).

Delivery of the **Excelsior** (LNGRV 138,000 m³ / 2005).

March 2005
First cargo of gas successfully delivered via Excelerate's Gulf Gateway by the **Excelsior** (LNGRV 138,000 m³ / 2005).

Order placed with DSME for 2 VLGC's, each with a capacity of 84,000 m³ to be delivered at the end of 2007 / beginning of 2008.

2. The various sectors and their contributions to the consolidated result

LPG/NH_3/PETCHEM

General

The budgeted freight earnings were achieved and even exceeded. A strong freight market, due to the demand for larger volumes over greater distances, has influenced each of the segments favourably. This also resulted in an increased market value of the ships.

The prospects in all sectors are such that even better results can be expected over 2005.

VLGC (70,000–85,000 m³)

After a weak first half year, the freight level in this segment showed a clear upward trend in the second half year, thanks to increased LPG production in Saudi-Arabia, combined with increasing demand from China for petroleum products such as naphtha.

In December, the Flanders Tenacity (84,270 m³/ 1996) was sold to a consortium of Japanese investors. The ship was taken back on bareboat charter for a period of 10 years.

Earnings rose by 26% in comparison with last year; idle time amounted to 5.7 %. The year 2005 is at present already 35% covered.

Midsize (20,000 – 40,000 m³)

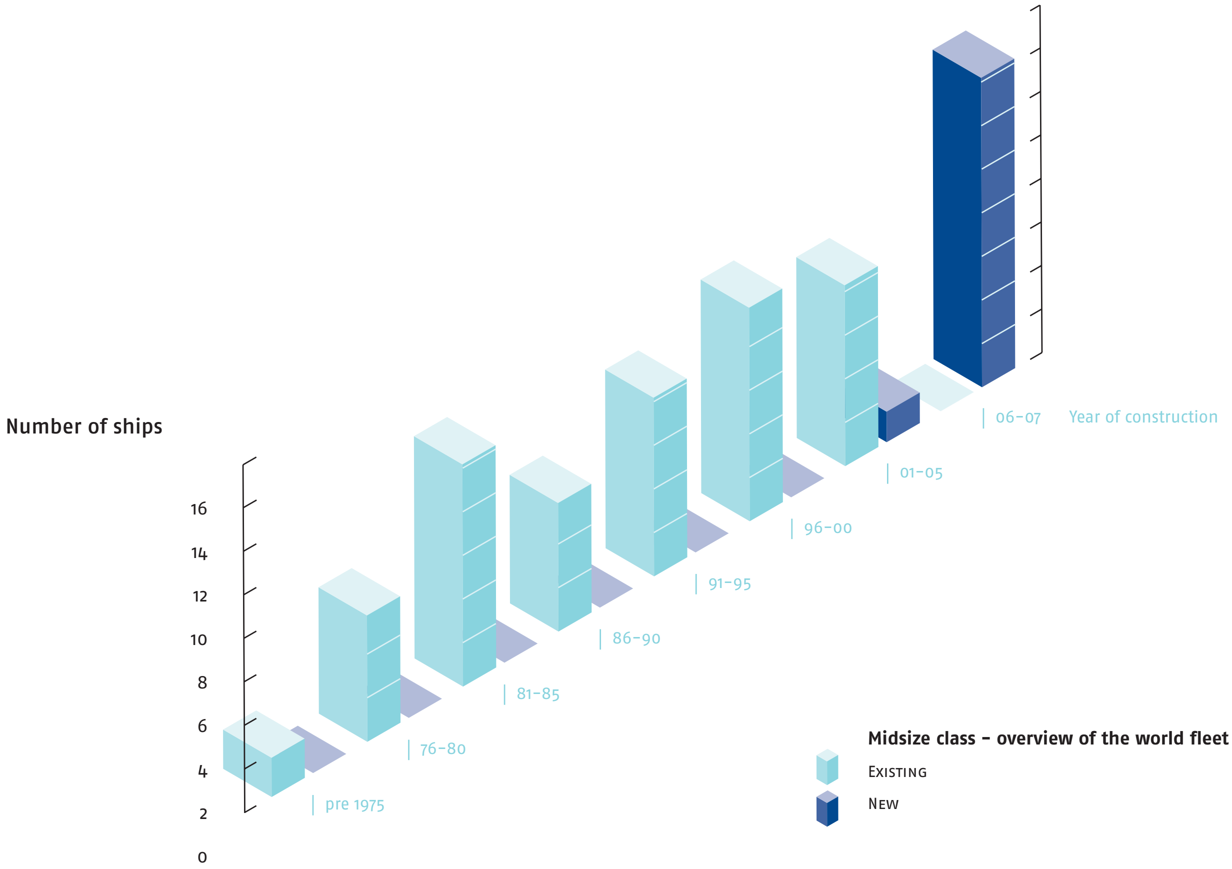
The continuing import of ammonia into the United States and the Far East, together with active LPG traffic to India, has ensured an excellent utilisation of the ships in this sector.

Time charters were signed for 7 ships with a cumulative duration of 22 years. In addition to that, cargo contracts were signed that provide employment for 2 ships for one year.

In spite of the rising costs of new construction, 11 ships (35,000 m³) were ordered in various parts of the world for delivery during the year 2007. At present the total orderbook contains 16 ships, which represent 38 % of the existing capacity in this segment. The first six ships to be delivered will be run commercially by Exmar.

The Libin (43,600 m³ / 1982) was sold to Varun, and left our fleet on 25 August 2004. A surplus of USD 6.3 million was realised on this sale.

The earnings of the Midsize fleet increased by 17 %, while the idle time decreased to 7.8 %. The year 2005 is already 67 % covered.



Ethylene (Polar class) (10,500 m³)

After a disappointing start to the year, active trade in petrochemical gases, including long-distance transport from the Gulf of Mexico to Western Europe and the Far East, has significantly increased the utilisation of the capacity in this segment.

The three LPG / Ethylene polar tankers (10,500 m³ / 1990-1991) were sold to a consortium of Japanese investors and were delivered in June and July. Through time charters, these ships are being commercially managed by EXMAR and continue to form part of the Maersk Norgas Gas Carriers fleet.

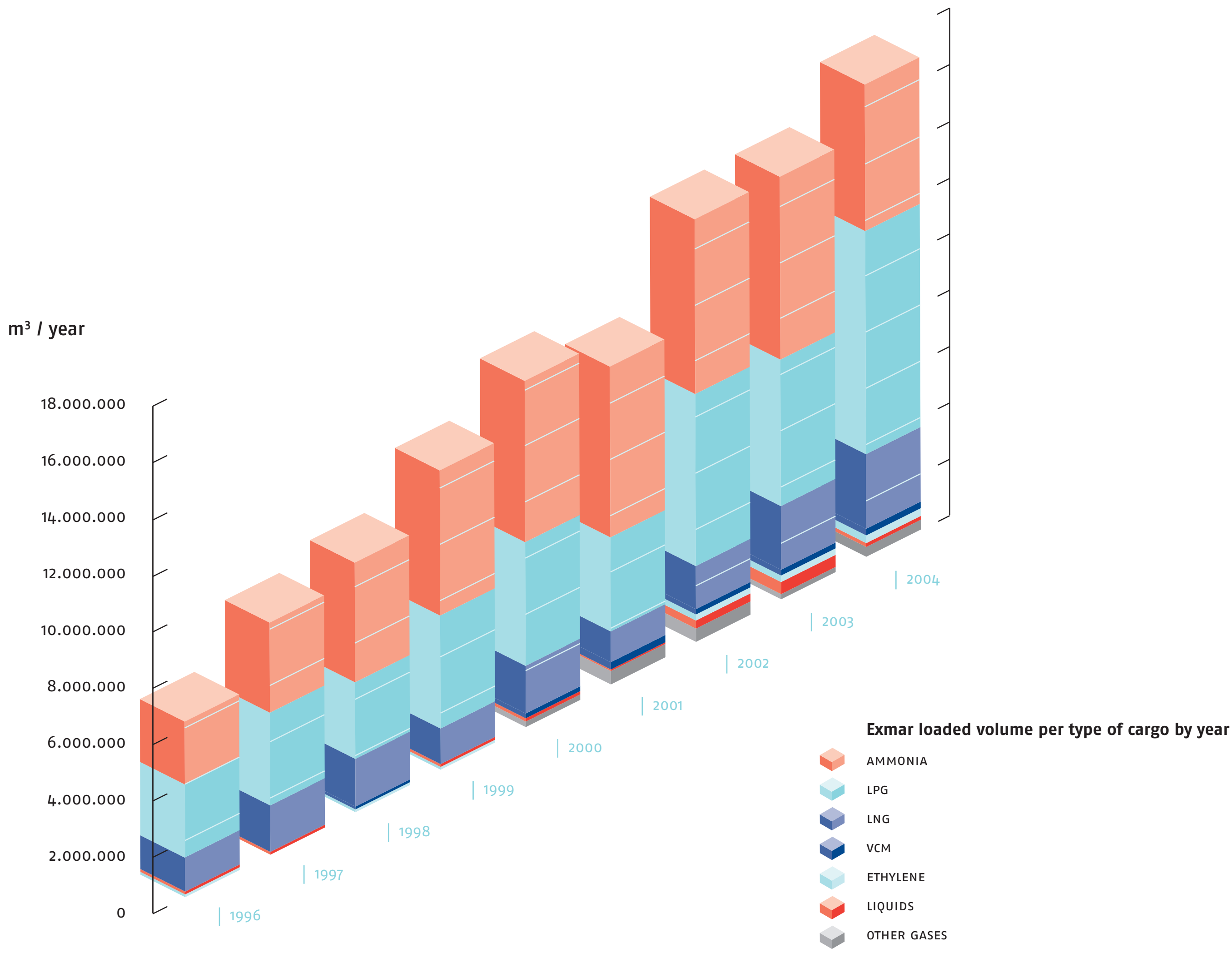
Earnings increased by 33% compared with last year. The idle time amounted to 7.6 %. The year 2005 is 39 % covered.

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

As the year progressed, both the transport of LPG and that of petrochemical gases increased, mainly due to the growing Asian demand.

Together with Lauritzen Kosan, EXMAR bought 12 modern gas tankers with pressure tanks, which were delivered in June. The capacities of these ships range from 3,200 m³ to 5,000 m³. Since the delivery, one of these ships has been sold to Stealth Maritime (with a capital gain of USD 2.2 million) and, after closure of the financial year, a sales agreement for another two of these ships was signed with the same party. A capital gain of USD 4.6 million will be realised in 2005 on the latter sale.

Earnings increased by 20%, while idle time remained limited to 2%. The year 2005 is already 75% covered.



Consolidated key figures

Consolidated key figures according IFRS standards (in million USD)

	2004	2003
Consolidated income statement		
Turnover	305,2	281,1
EBITDA	56,3	42,3
Operating result (EBIT)	36,1	18,4
Financial result	-14,1	-5,9
Result before taxes	22,0	12,5
Taxes	-1,8	-0,5
Consolidated result after taxation		
of which group share	20,2	12,0
Cash Flow	40,4	35,9
Balance sheet		
Fixed assets	360,6	390,7
Financial debts	252,3	261,4
Personnel	597	833
Of which seagoing	579	817

Commander Adrien de Gerlache de Gomery

Lng

In the past year, the LNG market has been subject to considerable change.

At the beginning of the year there was still a reasonable balance on the short-term market between availability and cargo. As the year progressed, however, demand decreased, which resulted in a surplus of shipping capacity. World LNG production was affected by a number of production incidents, which resulted in the loss of a considerable number of cargoes or delays to the starting up of new production facilities. These included the explosion in the Algerian production unit at Skikda and the delayed start up of the Damietta project in Egypt in February 2005, although it had been planned for November 2004. As a result, a large number of ships remained idle, leading to additional pressure on the spot market. It is estimated that seven to ten ships remained without cargo during the year 2004. Freight rates, which were reasonable at the beginning of the year, later declined considerably owing to the surplus ships.

Spectacular results that were booked in other shipping markets, and comparatively low construction prices at the beginning of the year, were the basis for a number of orders for new ships, intended as fleet diversification or as speculations with the prospect of sales opportunities in the future. About one quarter of the orders for new ships were placed by independent shipowners who do not have committed long-term employment.

Twenty new ships were delivered worldwide, and some 70 new orders were placed. The number of orders for this kind of ship has never been higher. The current order book contains more than 100 ships.

A number of new players have made an aggressive entry into the long-term market. Important contracts in Qatar for the Rasgas II and Qatargas II projects went to shipping companies without any experience in the LNG industry. Increased material and labour costs and a weak dollar resulted in an increase in the costs of constructing new ships in the second half of the year.

Various new production facilities will be brought into operation in the second half of 2005 and early 2006.

Projects such as Rasgas III, Yemen LNG, Petronet LNG, ... scheduled to start production only at the end of 2008, beginning of 2009, will result in additional construction orders in 2005.

Until October, the **Excalibur** remained under time charter to Tractebel, admittedly at a lower freight rate during the last 6 months. Since then, the ship has been used only once, on the spot market, for a cargo from Australia to South Korea. This is a clear reflection of the current market situation, as explained earlier.
In October, a joint venture was set up with Golar LNG in which the parties will jointly exploit their ships that are without long term employment, sharing the revenue. Exmar made the **Excalibur** available, and Golar LNG made first the **Golar Frost** (137,000 m^3 Moss type) and then the **Golar Viking** (138,000 m^3 membrane type) available.
In spite of the joint efforts, it remained difficult to obtain employment. In 2004, the **Excalibur** was idle for 46 days, and has had no employment since the beginning of 2005.

The 6-month time charter of the **Excel** to Sonatrach, the Algerian oil and gas producer, ended in March. The charter of the **Excel** to the Government of the Sultanate of Oman commenced at the beginning of April for a period of five years at prevailing market rates.

In April, jointly with a branch of the Kaiser Francis Oil Company, it was decided to place an order for a third LNGRV with DSME in South Korea for delivery in October 2006 (construction number 2237). A 20-year time charter for this ship was signed with Excelerate Energy.

In August, the **Excellence**, the second ship in the series of Energy Bridge™ ships, was launched from the DSME shipyard in South Korea. Technical management and manning of this ship, which is owned by a branch of the Kaiser Francis Oil Company, will be undertaken by Tecto, Exmar's ship management company.
Delivery of this ship is expected in early May.

The first ship in the series, the **Excelsior**, was named and delivered in January 2005. The first delivery of LNG regasified on board was carried out successfully in March 2005 via Excelerate's Gulf Gateway.

Exmar will concentrate its commercial efforts on the use of LNG ships with regasification installations, and on the development of other, alternative, solutions for the unloading and regasification of LNG.

Consolidated key figures

Consolidated key figures according IFRS standards (in million USD)

	2004	2003
Consolidated income statement		
Turnover	46,7	40,1
EBITDA	28,4	27,2
Operating result (EBIT)	20,9	21,3
Financial result	-13,5	-16,8
Result before taxes	7,4	4,5
Taxes	0,2	-0,2
Consolidated result after taxation		
of which group share	7,6	4,3
Cash Flow	15,1	14
Balance sheet		
Fixed assets	312,3	301,7
Financial debts	243,9	230,4
Personnel	164	163
Of which seagoing	151	149

Offshore

Assets

Farwah

- The total production in 2004 rose to 10,887,610 bbls (barrels), with a daily production of 41,000 bbls. In total, 17 unloading operations were carried out successfully in 2004.
- The field where the **Farwah** is operational is larger than originally thought. There are substantial reserves in block 137 off the coast of Libya (next to the **Farwah**).

Kissama

Both the bareboat charter party and the service contract are going according to plan. Modifications were carried out on the platform to increase its capacity.

Marine Management service contracts (Franship Offshore Lux)

All existing contracts (Palanca, Serepca, and Girassol) were extended in 2005.

Projects

The offshore market is moving to deeper waters: 65 % of the oil and gas reserves discovered in recent years are at depths of more than 1,000 metres. Oil and gas production is expected to increase from the present 39 million bbls/day to 55 million bbls/day in 2015.

Offshore gas production is expected to grow by 25% over the coming 10 years. Even greater growth is expected as a result of the increasing exploration in deeper waters. 2005 could therefore prove to be a crucial year for Exmar Offshore. Exmar Offshore will concentrate primarily on deep water production units and on accommodation units, also supplying related services (engineering, studies, crew management, ...)

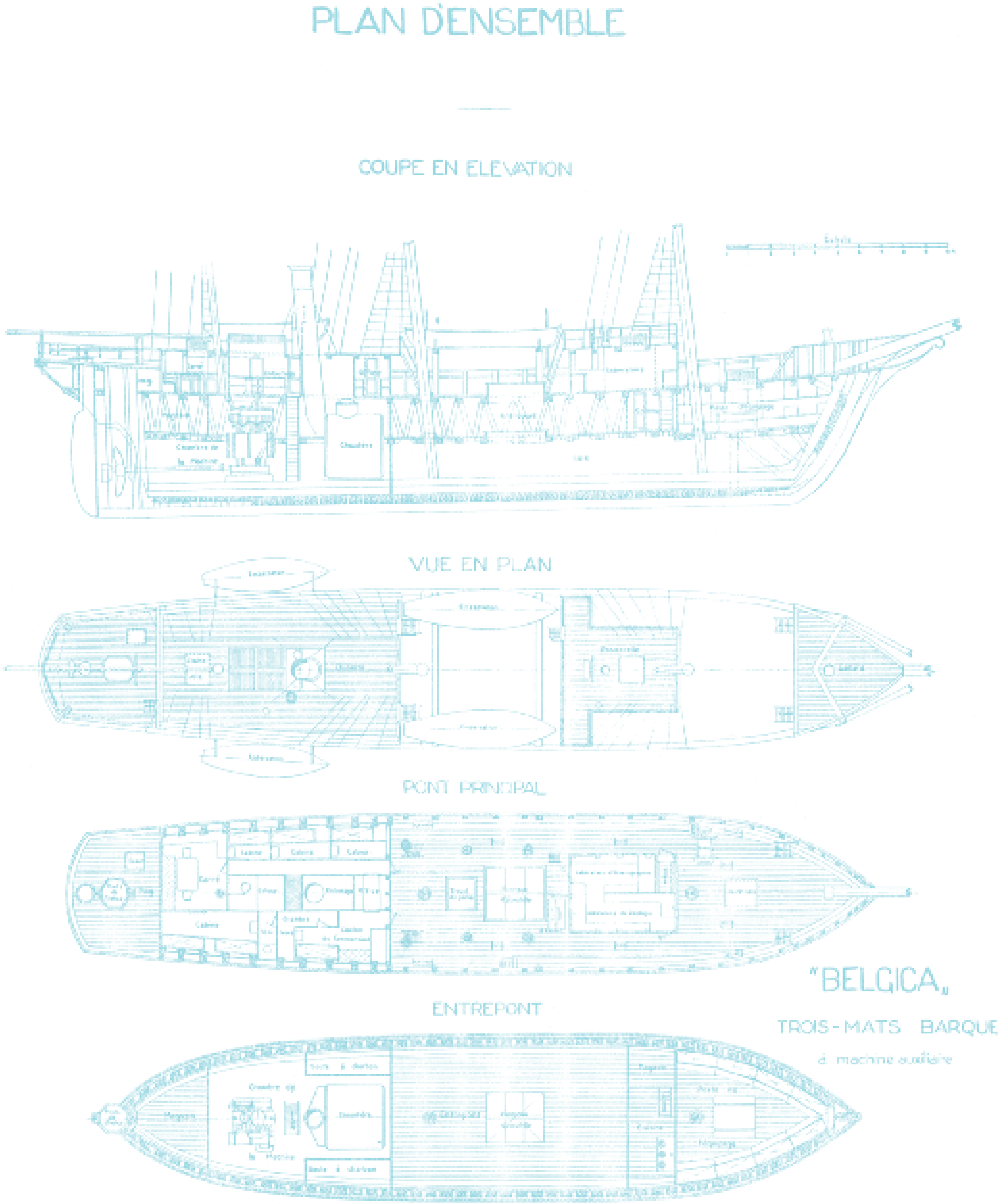
Exmar Offshore (Eoc) is tendering for various contracts for floating production systems in the US Gulf and for accommodation platforms for the North Sea and West Africa.

As a result of the postponement of three large projects, DVO experienced a quiet first half year. There was more activity in the second half of the year, thanks to some repair and study contracts, and a number of technical audits.

Consolidated key figures

Consolidated key figures according IFRS standards (in million USD)

	2004	2003
Consolidated income statement		
Turnover	34,0	33,0
EBITDA	12,2	11,1
Operating result (EBIT)	5,3	7,2
Financial result	-6,1	-4,5
Result before taxes	-0,8	2,7
Taxes	-0,7	-0,7
Consolidated result after taxation		
of which group share	-1,5	2,0
Cash Flow	5,4	5,9
Balance sheet		
Fixed assets	77,6	84,2
Financial debts	52	56
Personnel	71	70
Of which seagoing	66	65



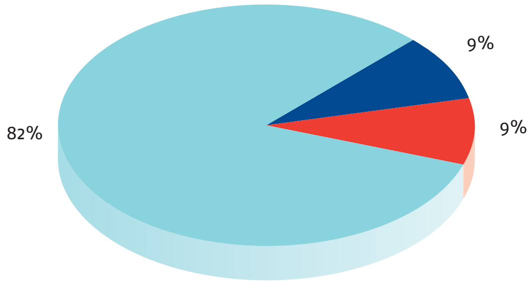
The plans of the ***Belgica****, according the instructions of Commander de Gerlache.*

Services

Tecto

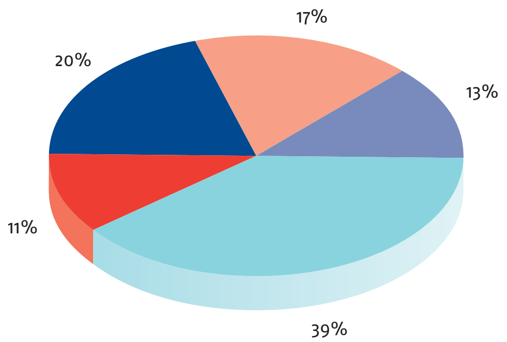
The European Commission has finally approved most of the points that they had subjected to further investigation when approving the Belgian Tonnage Tax legislation in 2003. As a result, Tecto is experiencing increasing interest in its services, since shipowners who want to make use of this fiscal regime, are obliged to have their ships registered in Belgium.

As of 31 December 2004, Tecto is responsible for the technical management and/or the manning of a fleet of 46 ships, made up as follows:



Make-up of the fleet by flag

- Belgium
- Luxemburg
- Others



Make-up of the fleet by type of the ship

- Lpg
- Lng
- Capesize bulk
- Vlcc
- Others

In the meantime, Tecto is making preparations for taking on the management of four containerships for the company Delphis during the second half of 2005.
The "Tecto Quality Management System" that has been certified in accordance with the ISO 9001:2000 standard will be developed further to meet the latest requirements in the sector, as, for example, published in "Tanker Management and Self Assessment - a best-practice guide for ship operators" by the Oil Companies International Marine Forum (Ocimf).

Belgibo

As insurance broker and risk manager, Belgibo and its branch Brm were able to develop further in 2004 in the framework of their established strategies.

The international nature of its activities is consolidated in its network, Wing, represented in more than 50 countries.

The industrial arm has developed further, particularly in the terminals and aviation sectors.
In the maritime arm, the shipping department has performed particularly well, followed by transport insurance that showed a slight increase. In spite of their growth, both of these departments suffered from the weak dollar. The inland shipping department showed a decline, largely due to lower commission charged by the insurance companies during the reorganisation of the market.

The prospects for 2005 can be described as favourable, for both turnover and profit.

Travel Plus

Travel Plus occupies the tenth place nationally for ticket sales, and even the third place in the sale of airline tickets for seamen.

By signing contracts with various airline companies, very attractive rates can be offered to its clients flying business class or first class.

Since the beginning of last year it has been possible to make reservations on-line via www.travelplus.be. Approximately 10% of the tickets sold in Belgium are booked via internet. It is true that these are mostly bookings with low-cost companies, and for cheaper flights.

Thanks to its professional knowledge and experience in the travel sector, TRAVEL PLUS can continue to count on a client base that appreciates the value of personal service.

Finally, we can report that the past financial year shows a turnover increase of 43% compared with the previous financial year.

Consolidated key figures

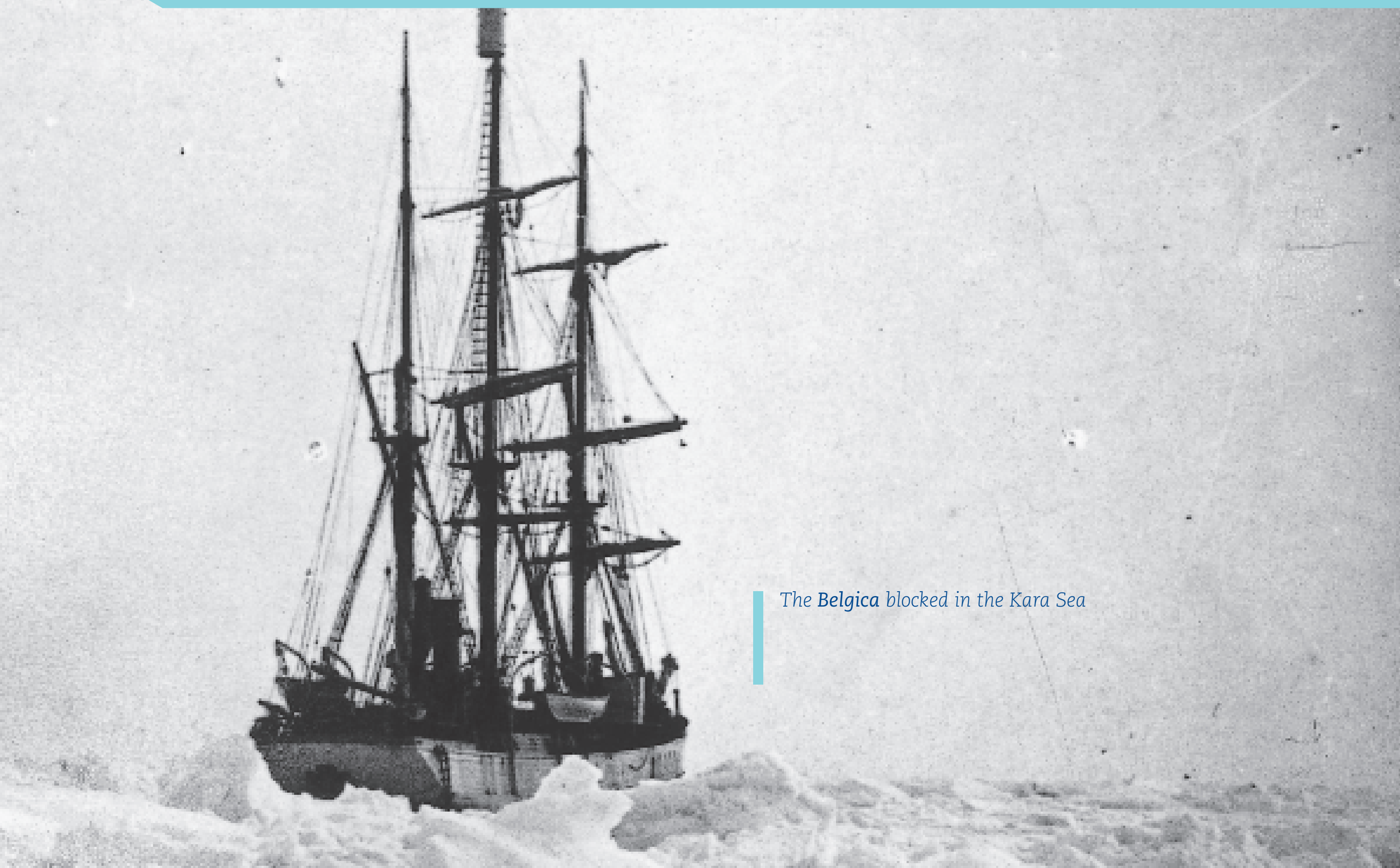
Consolidated key figures according IFRS standards (in million USD)

	2004	2003
Consolidated income statement		
Turnover	52,2	26,4
EBITDA	-8,4	-0,9
Operating result (EBIT)	-11,1	-2,7
Financial result	13,8	1,1
Result before taxes	2,7	-1,6
Taxes	1,2	-0,1
Consolidated result after taxation		
of which group share	3,9	-1,7
Cash Flow	5,7	0,6
Balance sheet		
Fixed assets	20,6	19,4
Financial debts	14,2	14,2
Personnel	981	595
Of which seagoing	796	425

The three-masted whaler **Patria** *re-christened as the* **Belgica,** *after extensive refitting.*

4

Information for shareholders



*The **Belgica** blocked in the Kara Sea*

1. Board of directors, supervision, and day-to-day management

Board of directors (nominated till the general meeting of 2006)	
Chairman	
Yves Brasseur	Independent Director Director of Companies
Vice chairman	
Philippe Bodson	Independent Director Director Prisma Energy International Inc (Houston)
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)
Harry Rutten	Independent Director
Philippe Vlerick	Independent Director President UCO Textiles NV
Thierry Vleurinck	Independent Director

Supervision (auditors nominated till the general meeting of 2006)	
Auditor	
Klynveld Peat Marwick Goerdeler	company auditors with permanent representative Serge Cosyns
Mrs. Helga Platteau	company auditor

Day-to-day Management	
Executive committee	
Nicolas Saverys	Chairman
Patrick De Brabandere	
Peter Raes	
Peter Verstuyft	

2. Corporate governance

Board of directors

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

The items on the agenda of the board of directors are explained in detail in a dossier that is prepared and issued in advance of the board meeting.

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

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

The board of directors has met six times during the book year 2004. All directors were present at the board meetings, with exception of Mr. Criel who was excused to attend twice.

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 audit committee met three times.

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.

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 for this activity.

Members
Philippe Bodson - chairman
Ludwig Criel
Nicolas Saverys

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

In order to comply with the Belgian Corporate Governance Code, specifically the principle that the nominating and remuneration committee will be composed of non-executive directors, Mr. Nicolas Saverys will be replaced by a non-executive director.

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.

Members
Nicolas Saverys – Chief Executive Officer (CEO)
Patrick De Brabandere– Chief Financial Officer (CFO)
Peter Raes – Chief Operating Officer (COO)
Peter Verstuyft – Secretary General

Remuneration

Board of directors

The directors receive a fixed annual payment of EUR 25,000.
The chairman receives an annual payment of EUR 50,000.
The directors who were members of the executive committee in 2004, and were paid as such, have foregone this payment.
The total of the payments in 2004 to all non-executive and independent directors for their work on the board of directors amounted to EUR 200,000.
No share options, loans, or advances were granted to them.

Audit committee

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

Executive committee

The remuneration of the members of the executive committee is determined annually by the board of directors on the basis of the proposal of the nominating and remuneration committee. All members of the executive committee are self-employed. In the event of termination of their appointment, they have no right to any form of severance compensation. The remuneration consists of a fixed component and a variable component. The total cost to the company of the fixed component in 2004 – not counting that for the managing director – amounted to EUR 945,000, including EUR 134,000 for insurance.
The variable component is a function of the results. The total cost to the company for this variable component in 2004 – not counting that for the managing director – amounted to EUR 200,000.

The fixed remuneration in 2004 for the managing director amounted to EUR 600,000, including EUR 48,000 for pension plan and insurance.
The variable remuneration in 2004 for the managing director amounted to EUR 200,000.
No loans or advances were granted to the members of the executive committee in 2004.

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

The number of options allocated to the members of the executive committee are as follows:

Patrick De Brabandere: 1,500
Peter Raes: 1,500
Nicolas Saverys: 1,500
Peter Verstuyft: 1,500

Shareholders agreements

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

Dividend policy

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

Share option plan

During its meeting of 7 December 2004, on the advice of the nominating and remuneration committee, the board of directors decided to offer a number of options for existing shares to some collaborators of the EXMAR group.

Date of offer	Number of options accepted as of 13.02.2005
15.12.2004	36,980

Period during which the options can be exercised	Option price in EUR
Between 01.04.2008 and 15.10.2012	44.30

3. General information about the company

Registered office

De Gerlachekaai 20, 2000 Antwerpen
VAT BE 0860.409.202 RPR Antwerpen

Establishment date and modification of articles of association

The company was established by notarial deed on 20 June 2003, published in the appendix to the Belgian Official Gazette of 30 June 2003, under reference 03072972, and of 4 July 2003, under reference 03076338.

The articles of association were amended by deed of the civil law notary, Benoît De Cleene in Antwerp on May 11, 2004 published in the appendix to the Belgian Official Gazette (Moniteur Belge) under number 04084050 dated June 8, 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.

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.

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.

4. General information about the capital

Issued capital

The issued share capital amounts to USD 48,519,000, and is represented by 7,350,000 shares without nominal value. The capital is paid up in full.
In order to comply with the company laws, the reference value is established at EUR 45,000,000.

Authorized capital

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

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 meeting 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 authorized 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 authorization 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 21 June 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 recognised settlement organisation. 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 company's annual accounts and by the decisions of the general meeting of shareholders.

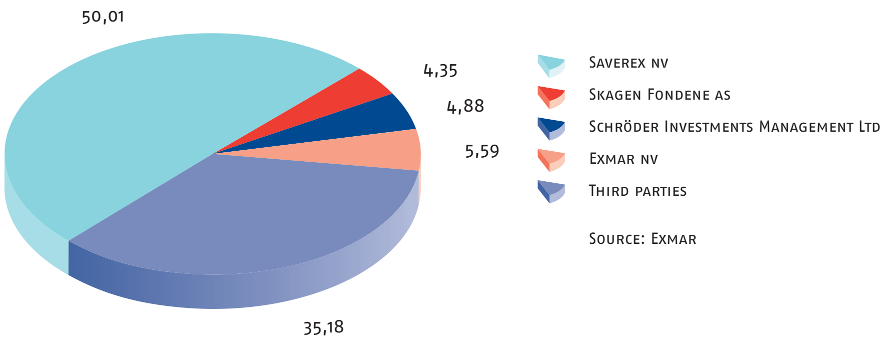
5. Information about the ownership of shares

Law of 2 March 1989 – Shareholder notifications

In its notification to the company, SAVEREX NV stated its holding to be 3,675,008 shares, which represents a 50.01% holding in the capital of EXMAR. Schröder Investment Management Ltd. holds 4.88% and Skagen Fondene AS holds 4.35%.

At 22 March 2005, EXMAR NV held 5.59 % following purchase of its own shares.

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



6. Financial calendar

Annual General Meeting	17 may 2005
Dividend payable	23 may 2005
Announcement of the results for the second semester of 2005	28 july 2005
Publication of the 2005 half-year report	29 sept 2005
Announcement of trading update for the third quarter of 2005	27 oct 2005

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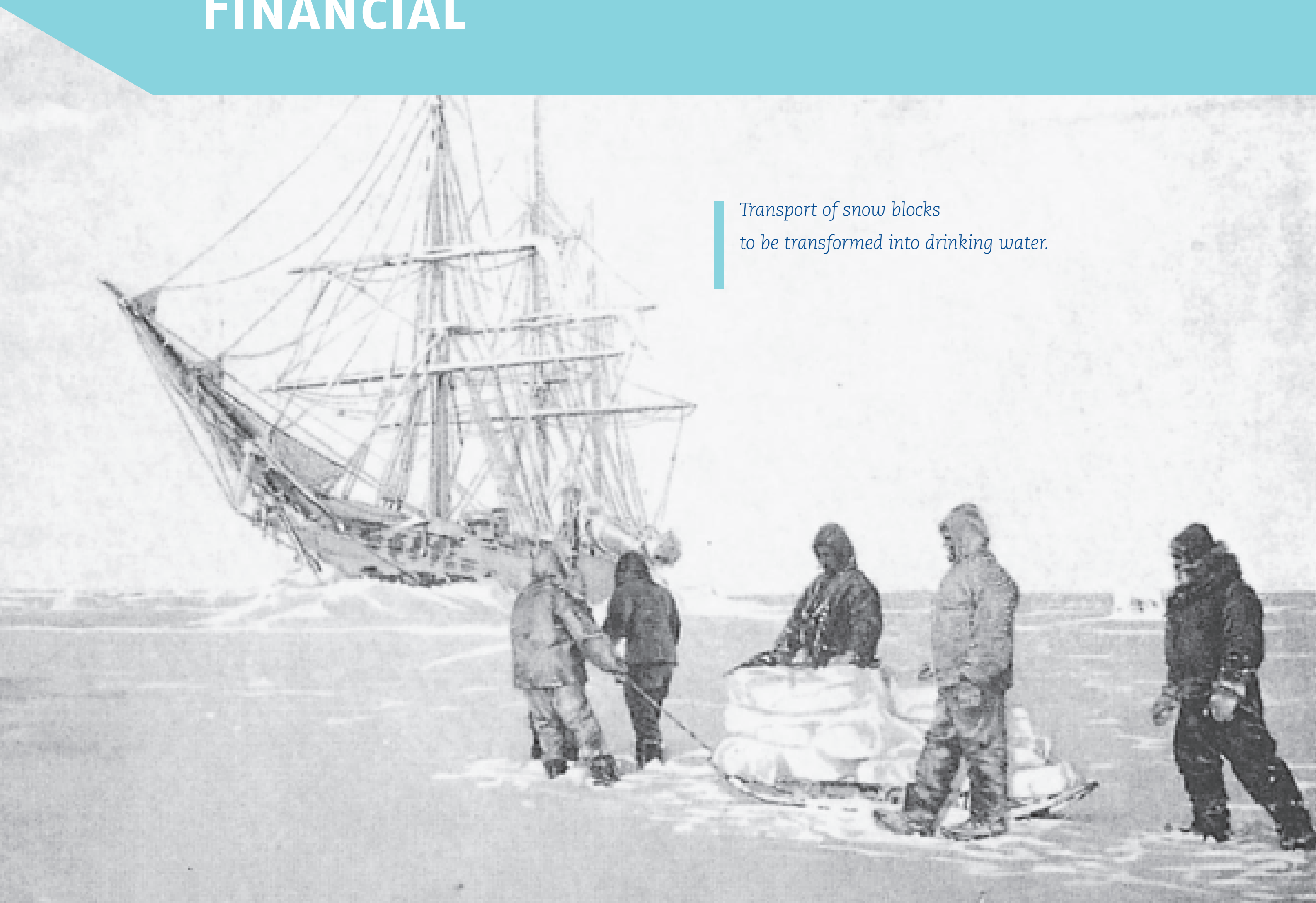
Financial



Transport of snow blocks
to be transformed into drinking water.

1. Consolidated annual accounts

Balance

Consolidated balance sheet

(on 31st December 2004)

(in USD)

	Note	2004	2003
a. Assets			
Fixed assets		**782,304,002**	**799,998,716**
Tangible assets	11	755,048,903	780,232,957
Vessels		639,056,698	682,650,915
Tangible assets under construction		108,943,724	90,971,078
Land and buildings		4,150,752	4,068,139
Plants, machinery and equipment		510,824	571,364
Furniture and movables		2,191,965	1,753,293
Other tangible assets		194,940	218,168
Intangible assets	11	2,544,486	3,225,461
Investment property	12	13,504,269	12,584,835
Financial assets	14	397,825	539,046
Financial derivatives	25	10,808,519	3,416,417
Current assets		**190,269,257**	**159,084,845**
Inventories	15	14,035,563	0
Trade and other receivables	17	79,759,280	59,886,491
Financial derivatives	25	0	2,864,938
Income tax receivable	16	8,698,137	21,788,780
Cash and cash equivalents	18	87,776,277	74,544,636
Total assets		**972,573,259**	**959,083,561**
b. Liabilities			
Equity		**259,798,747**	**227,608,666**
Capital and Reserves	19	259,442,288	226,294,638
Share capital		48,519,000	48,519,000
Share premium account		6,259,759	6,259,759
Reserves		174,910,949	154,934,450
Result of the year		29,752,580	16,581,429
Minority interests		356,459	1,314,028
Non-current liabilities		**578,464,507**	**577,505,263**
Long-term borrowings	21	523,898,837	514,953,061
Employee benefits	22	3,714,812	2,028,661
Provisions	23	18,785,518	19,702,801
Financial derivatives	25	32,065,340	40,820,740
Current liabilities		**134,310,005**	**153,969,632**
Short-term borrowings	21	40,456,258	49,882,288
Trade debts and other payables	24	87,720,878	78,455,162
Provisions	23	0	3,750,000
Income tax payable	16	6,132,869	21,882,182
Total Liabilities		**972,573,259**	**959,083,561**

Income statement

Consolidated income statement

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

(in USD)

	Note	2004	2003
Turnover		423,745,633	364,512,493
Other operating income	4	3,729,272	6,045,442
Capital gain on disposal of assets	4	10,692,285	10,000,957
Operating income		**438,167,190**	**380,558,892**
Goods and services		-327,165,324	-276,985,256
Personnel costs	6	-21,602,151	-16,938,465
Depreciations		-37,285,650	-35,455,425
Amortisations		-286,956	-457,009
Impairment losses (–)/reversals (+)		–	–
Provisions	23	917,383	449,560
Other operating costs	5	-1,518,056	-4,537,197
Capital loss on disposal of assets	5	–	-2,400,144
Operating result		**51,226,436**	**44,234,956**
Interest income	7	4,094,050	7,195,485
Interest expenses	7	-36,553,721	-39,691,247
Other financial income	8	17,893,576	18,265,200
Other financial expenses	8	-5,412,783	-11,963,468
Result before tax		**31,247,558**	**18,040,926**
Income taxes	9	-1,092,525	-1,421,947
Net consolidated result		**30,155,033**	**16,618,979**
Minority interest		402,453	37,550
Share in the companies' results valued in accordance with the equity method		0	0
Group's share in the result		**29,752,580**	**16,581,429**
Basic earnings per share (in USD)	20	4,07	2,26
Proposed gross dividend per share (in eur)		1,00	0,80

Consolidated cash flow statement

(as on 31st December 2004)

(in thousands of USD)

	2004	2003
a. Operating activities		
Net consolidated result	29,753	16,581
Minority interest	402	38
Depreciations	37,286	35,455
Impairment losses	0	0
Companies' results according to equity method	0	0
Changes to the fair value of financial derivatives	-2,579	1,498
Unrealised exchange rate (profits)/losses	-250	-26
Net interest (income)/expenses	32,460	32,496
Net (income)/expenses from investments	0	0
Income taxes	1,093	1,422
Losses/(profits) from disposal of fixed assets	-10,692	-8,742
Gross cash from operating activities	**87,473**	**78,722**
Decrease/(increase) of stocks	0	0
Decrease/(increase) of accounts receivable	-19,873	43,149
Increase/(decrease) of accounts payable	9,266	-26,599
Changes in provisions	-4,667	6,674
Net cash arising from operating activities	**72,199**	**101,946**
Interest paid	-29,969	-32,241
Interest received	4,094	7,195
Dividends received	0	0
Income taxes	-1,093	-1,422
Cash flow operating activities	**45,231**	**75,478**
b. Investing activities		
Investments in intangible assets	-1,425	688
Investments in tangible assets	-67,383	-291,598
Income from the sale of intangible assets	0	0
Income from the sale of tangible assets	106,143	224,379
Net investments in financial assets and other investments	-11,003	0
Cash flows form investing activities	**26,332**	**-66,531**
c. Financing activities		
Dividend paid	-7,181	0
Treasury shares	-5,686	0
Received from loans	0	0
Transaction costs paid	0	0
New loans	213,057	263,097
Repayments on existing loans	-260,637	-162,023
Received interest and dividends	0	0
Translation differences	1,953	-3,382
Cash flows from financing activities	**-58,494**	**97,692**
Net increase/decrease in cash and cash equivalents	**13,069**	**106,639**
Net cash and cash equivalents at the beginning of the financial year	74,457	-32,333
Exchange rate fluctuations for cash and cash equivalents	129	151
Net cash and cash equivalents at the end of the financial year	**87,655**	**74,457**

Consolidated equity statement

CONSOLIDATED EQUITY POSITION

(as on 31st December 2004)

(in thousands of USD)

	Share capital	Share premiums account	Results carried forward	Treasury shares	Translation reserve	Fair value reserve	Hedging reserve	Total	Minority interest	Total equity
a. 1st January 2003	48,519	6,260	186,656	0	19	0	-38,862	202,592	1,466	204,058
Income recognised directly in equity										
Capital changes								0		0
Dividends								0		0
Treasury shares								0		0
Revaluation of financial assets available for sale								0		0
Hedging reserve							10,503	10,503		10,503
Translation differences					-3,382			-3,382		-3,382
Other								0	-190	-190
Income										
Additions to result carried forward								0		0
Result for the year			16,581					16,581	38	16,619
31st December 2003	**48,519**	**6,260**	**203,237**	**0**	**-3,363**	**0**	**-28,359**	**226,294**	**1,314**	**227,608**
b. 1st January 2004	48,519	6,260	203,237	0	-3,363	0	-28,359	226,294	1,314	227,608
Income recognised directly in equity										
Capital changes								0		0
Dividends			-6,609					-6,609		-6,609
Treasury shares				-5,686				-5,686		-5,686
Revaluation of financial assets available for sale						3,033		3,033		3,033
Hedging reserve							10,704	10,704		10,704
Translation differences					1,953			1,953		1,953
Other								0	-1,360	-1,360
Income										
Additions to result carried forward								0		0
Result for the year			29,753					29,753	402	30,155
31st December 2004	**48,519**	**6,260**	**226,381**	**-5,686**	**-1,410**	**3,033**	**-17,655**	**259,442**	**356**	**259,798**

Explanatory notes

1. Accounting policies

(a) Statement of compliance

Exmar nv ("the Group") is a company domiciled in Belgium. The consolidated annual accounts of the Group cover the Group, its subsidiaries, and joint subsidiaries (together to be referred to as "the Group"), and the interest of the Group in companies for which the equity method is applied. The consolidated annual accounts were released for publication by the board of directors on 22 March 2005.

The consolidated annual accounts were prepared in accordance with the "International Financial Reporting Standards (IFRS)" of the "International Accounting Standards Board (IASB)" as adopted by the European Union as of 31 December 2004. These are the Group's first consolidated financial statements prepared in accordance with IFRS.

(b) Principles applied in preparation of the annual accounts

The consolidated accounts were prepared in USD in accordance with the deviation granted by the "Banking, Finance and Insurance Commission" by letter of 2 July 2003, rounded to the nearest multiple of one thousand.
The annual accounts were prepared on the basis of historical costs, with the understanding that the following assets and liabilities were valued at fair value: derivative financial products, financial instruments and financial instruments classified as available for sale.

Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less cost to sell.

The preparation of the annual accounts in accordance with IFRSs requires management to make judgements, estimates and assumptions that affect the application of the principles and the reported value of assets and liabilities, income and expenses. The estimates and related assumptions are based on past experiences and various other factors that are believed to be reasonable in the circumstances, the results of which provide the basis for forming an opinion on those book values of assets and liabilities not easily available from other sources. The actual results can differ from these estimates.
The estimates and the underlying assumptions are continually re-evaluated. Should the revisions of estimates have consequences for the period in which the estimate is revised, the revisions will be booked in the relevant period. However, if the revisions have consequences for both the reported period and future periods, the revisions will be booked in the relevant period and subsequent periods.

The accounting policies set out hereafter have been applied consistently for all periods presented in the consolidated annual accounts, as well as in the preparation of the IFRS opening balance sheet on 1 January 2003 in connection with the change to IFRS.

The accounting policies have been applied consistently to the whole Group.

(c) Consolidation criteria

Full consolidation

Companies controlled by the Group (companies in which the Group has a direct or indirect interest of more than 50% of the voting rights, or, in which the Group is able to exercise control) are consolidated using the method of full consolidation. Potential voting rights, that can be exercised or converted at balance sheet date, are taken into account in the evaluation of control.
The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Equity method

The equity method is applied to associate companies.
An associated company is a company in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated annual accounts include the Group's share in the result determined according to the equity method; from the day that the significant influence begins until the day the significant influence effectively ends.
When the share of the Group in the losses exceeds its participation in an associated company for which the equity method is applied, the book value is reduced to zero, and future losses are discontinued, unless the Group has taken on obligations in relation to the relevant companies.

Proportional consolidation

Proportional consolidation is applied for companies over which the Group has joint control, established by contractual agreement.
All elements of the assets and liabilities of the shared subsidiaries, together with the profit and loss accounts, are integrated into the consolidated accounts in proportion to the Group interests, to substitute for the value of the assets and liabilities of the corresponding participations.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated when preparing the consolidated accounts.
The intra-group transactions in a company for which proportional consolidation is applied, are eliminated in a sum amounting to the interest of the Group in this company.
Profits and losses from transactions with companies for which the equity method is applied are eliminated pro rata the participation in these companies.

Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(d) Foreign currency

Foreign currency transactions

Foreign currency transactions within the individual companies are converted at the established relevant exchange rate applicable within the Group for the month in which the transaction takes place.
Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate applicable at the date of the accounts. The non-monetary assets and liabilities are translated at the exchange rate applicable for the month in which the transaction took place. Exchange rate profits and losses resulting from these foreign currency transactions or from the translation of monetary entries on the balance sheet are booked in the profit and loss account.

Annual accounts presented in a currency other than the consolidation currency

Assets and liabilities, including goodwill and value adjustments arising at consolidation, are translated to USD at the closing rate* on each relevant balance sheet. The resulting exchange rate differences resulting are transferred to the section of the equity denominated "translation differences".
The profit-and-loss accounts of the foreign branches are translated to USD at the average exchange rate recorded during the relevant period.
The difference between the closing rate (assets and liabilities) and the average rate (profit and loss account) is also incorporated in the equity of the Group.

*Closing rate means the rate applicable on the last working day of the financial year.

(e) Derived financial instruments

The Group makes use of derived financial instruments for managing the exchange rate or interest rate risks that result from the operational, financial, and investment activities. Derivative financial instruments that do not meet the requirements for hedge accounting are accounted for in the same way as financial instruments held for trade purposes, i.e., they are incorporated directly in the profit and loss account.

Derivative financial instruments are initially booked at cost. Subsequently they are valued at fair value. Changes in "fair value" of derivative financial instruments that have not formally been assigned as hedging instrument or are not suitable for hedge accounting, are incorporated in the profit and loss account under "Financial costs and/or income".

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

The "fair value" of a foreign exchange contract is the quoted marked-to-market value at balance sheet date, i.e., the present value of applicable forward rates.

(f) Reporting per segment

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

The result for each segment includes all income and costs generated directly by this segment, and part of income and costs available for allocation that can reasonably be allocated to each segment.

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

(G) Intangible fixed assets

Goodwill

Positive consolidation differences (goodwill) arising from the acquisition of new participations relate to that part of the purchase value that exceeds the fair value of the net acquired identifiable subsidiary, associate or joint-venture. Goodwill is not depreciated, but shall be remeasured at cost less any accumulated impairment losses (see valuation rule k) the realisable value of the asset must be estimated at least annually.
Negative consolidation differences are incorporated directly in the profit and loss account. For companies to which the equity method is applied, the amount of the goodwill is included in the book value of the participation in the company.

Other intangible fixed assets
(e.g. development costs, software...)

Other intangible fixed assets acquired by the Group are valued at cost minus accumulated depreciation and impairment losses (see valuation rule k) to the extend that these intangible fixed assets have a limited useful life. The depreciation is incorporated in the profit and loss account, and is spread over the useful life of the relevant intangible fixed assets following the straight line depreciation method. The depreciation starts from the date of the acquisition of the intangible fixes assets with a minimum of 20% per year.
Intangible fixed assets with an unlimited useful life are subject to an annual impairment test.

(H) Tangible fixed assets

Owned assets

A special heading is used for the ships because of their importance in the accounts. The tangible fixed assets are booked at purchase value including the associated costs. The interests during construction relating to important investments are capitalised and depreciated over the useful life of the asset.
The residual value of the vessels is depreciated in straight line over the expected lifetime of the vessel within the Group.

- Gas ships:
  LPG maximum expected life of 30 years.
- Gas ships:
  LNG maximum expected life of 30 years.
- FPSO/FSO:
  maximum expected life of 15 years.
- Accommodation platform:
  maximum expected life of 10 years.

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

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

Buildings	3%
Land	0%
Leased real estate	4%
Plant and equipment	20%
Furniture	10%
Cars	20%
IT equipment	33%

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

Lease assets

Leasing agreements assigning to all essential risks and advantages inherent to ownership, are classified as financial leasing. The assets acquired through financial leasing are incorporated at an amount equal to the lower of the fair value or the current value of the minimum lease payment at the commencement of the leasing agreement, reduced by the accumulated depreciation and possible impairments. The depreciation period matches the useful life or the duration of the leasing contract. If there is uncertainty with respect to the transfer of ownership to the Group at the end of the contract, the depreciation period is the same as the lease period.

(I) Real estate investments

Real estate investments are valued at the historical cost reduced by the accumulated depreciation and possible impairments.
The depreciation is incorporated in the profit and loss account, and is spread evenly over the estimated useful period of the real estate investments. If, in the case of a transfer from tangible fixed assets to real estate investments because of a change in the use of the underlying asset, we determine that the book value is greater than the fair value, this loss is incorporated directly in the profit and loss account. If the fair value exceeds the book value, this profit is incorporated in the equity until the date of sale, following which this profit is entered in the profit and loss account.

(j) Financial assets

Participations entered under the financial assets comprise the participations in companies over which the Group does not have control. In those cases where the Group, either directly or indirectly, possesses more than 20% of the voting rights and/or exercises significant influence on financial and operational policy, the participations are incorporated according to the equity method. If there are indications that the value of participation has fallen, then it will be subject to impairment.

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

(k) Impairment of assets

At balance sheet date, the Group evaluates the book value of the goodwill, the intangible fixed assets with a limited useful life, and the tangible and financial fixed assets, in order to find out whether there are indications that the value of a component of the assets has fallen. If there is any such indication, then the realisable value of the asset is estimated and an impairment is booked.
The net realisable value is whichever is the higher of:

- the market value minus sales costs or
- the practical value of the asset.

In order to determine the practical value, the expected future cash flow is discounted at its present value, making use of a discount rate before tax that reflects both the current market interest rate and the specific risks related to the asset. For an asset not generating significant cash flow, the net realisable value is determined from the cash flow generating unit to which the asset belongs. If the realisable value is lower than the book value, the book value is brought down to the net realisable value by immediately booking the impairment via the profit and loss account.

If a previously booked impairment is no longer required necessary, it is withdrawn completely or partially with the exception of the impairment of goodwill.
The withdrawal of an impairment is booked immediately in the profit and loss account, with the exception of shares classified as financial assets available for sale.

(l) Trade accounts receivable and other accounts receivable

Trade accounts receivable and other accounts receivable are valued at their nominal value reduced by the amounts that are considered to be unrecoverable.
Accounts receivable relating to financial leasing are valued at the commencement of the contract at the current value of the future net lease payments. Over the duration of the leasing contract, the value of the accounts receivable is continually reduced by the amount of the lease payments related to the repayments of the principal.

(m) Cash investments and liquid assets

The liquid assets are valued at nominal value. All profits and losses that result from this revaluation are charged against the profit and loss account.

The cash investments are valued at purchase price including acquisition costs. The cash investments are subject to value reduction if their net realisable value is lower than their book value.

(n) Share capital and equity

Costs related to the issuing of shares

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

Repurchase of share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a change in equity.
Repurchased shares are classified as treasury shares and presented as a deduction from total equity.
When treasury shares are sold, capital gains or losses are incorporated via the equity.

Dividends

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

(o) Bank loans

Loans incurring interest are initially valued at cost, reduced by the costs associated with the transaction. They are subsequently valued at depreciated cost price, and any difference between cost and redemption value is charged to the profit and loss account over the period of the loan based on par value.

(p) Taxes

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

Deferred taxes are calculated on all temporary differences between the book value and the fiscal value of assets and liabilities at the tax rate that applies at balance sheet date. Deferred tax liabilities related to the results of subsidiaries that the Group will not pay in the foreseeable future are not recognised. Deferred tax credits are booked only if it is sufficiently certain that the tax credit and the unused fiscal losses can be set against taxable profits in the future. Deferred tax credits are reduced when it is no longer likely that related tax advantage will be achieved.

(q) Personnel benefits

Pension benefits include the company pension plan, life insurance, and medical insurance. The Group provides pension benefits for most of its employees, either directly, or indirectly through a contribution to an independent fund. The pension benefits for staff personnel are distributed under "defined benefit" plans.

"Defined benefit" plans

The book value of the "defined benefit" plans is calculated from:

- the actuarial value of the pension liability;
- reduced by the fair value of the assets held for the pension plan;
- reduced by the employer's contributions actually paid for the period;
- increased / reduced by the net service costs*

The result of this calculation is incorporated in the profit and loss account, and the application / adjustment of a provision is incorporated as a liability in the balance sheet. The actuarial profits and losses are determined individually for each "defined benefit" plan, and are included in the result immediately.
The actuarial value of the "defined benefit" liability, and the related service costs, are calculated by a qualified actuary using the projected unit credit method.

*The net service costs are calculated from:

- the present service costs
- increased by the financing costs
- reduced by the expected income from such plan
- the actuarial profits / losses

Termination Benefits

Termination Benefits are recognised as a debt and a cost when a company in the Group effectively commits itself either to the termination of the employment of an employee or group of employees before the normal pension date, or to the granting of termination benefits as a result of an offer to encourage voluntary retirement.

(r) Provisions

A provision is made when the Group has an actual liability (legal or accrued) at balance sheet date, resulting from a past event, which is likely to lead to an outflow of resources, and costs can be reliably estimated.
No provisions are made for future operational costs.
Provisions are made for agreements for which the expected income is lower than the costs associated with fulfilling the contractual obligations.
A provision for restructuring is made when the Group has approved a detailed and formalised restructuring plan and this restructuring has been either started or publicly announced.

(s) Trade and other accounts payable

Trade and other accounts payable are valued at nominal value.

(t) Recognition of turnover

Turnover is accrued for in function of achieved performance.

Rental income are evenly spread over the rental period.

Financial income consists of interest received, dividends received, exchange rate gains, and profits on hedging instruments that are included in the profit and loss account. Interests are included in the profit and loss account pro rata temporis, allowing for the effective return rate. Dividends are booked when they are declared

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

(u) Costs

The financial costs consist of interest on loans, exchange rate losses, and losses on hedging instruments that are entered in the profit and loss account. The interest costs of repayments of **financial leasing** are entered in the profit and loss account with the use of the effective interest percentage method.

Costs related to **operational lease agreements** are taken up in the profit and loss account using the linear method over the lease period.

2. Segment reporting

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

(in thousands of USD)

	LPG	LNG	Offshore	Services	Eliminations	Total
Turnover	**305,223**	**46,718**	**34,045**	**52,181**	**0**	**438,167**
EBITDA	56,279	28,401	12,234	-8,401	0	88,513
Operating result (EBIT)	36,105	20,929	5,324	-11,131	0	51,227
Interest income/expenses (net)	-14,139	-22,812	-3,583	8,074	0	-32,460
Other financial income/expenses (net)	23	9,278	-2,544	5,724	0	12,481
Taxes	-1,816	189	-672	1,206	0	-1,093
Net result	**20,173**	**7,584**	**-1,475**	**3,873**	**0**	**30,155**
Assets						
Assets of operating activities	198,846	30,716	10,249	359,534	-397,870	201,475
Non-allocated assets	0	0	0	0	0	0
Tangible and intangible assets:	360,581	312,316	77,561	20,640	0	771,098
▪ vessels	*359,352*	*312,112*	*76,525*	*0*	*0*	*747,989*
▪ other tangible and intangible assets	*1,229*	*204*	*1,036*	*20,640*	*0*	*23,109*
Total assets	**559,427**	**343,032**	**87,810**	**380,174**	**-397,870**	**972,573**
Liabilities						
Liabilities of operating activities	307,124	99,077	35,810	365,962	-397,870	410,103
Non-allocated liabilities	0	0	0	0	0	0
Financial debts:	252,303	243,955	52,000	14,212	0	562,470
▪ Bank and lease debts (more than 1 year)	*227,036*	*237,932*	*46,225*	*13,139*	*0*	*524,332*
▪ Bank and lease debts (less than 1 year)	*25,267*	*6,023*	*5,775*	*1,006*	*0*	*38,071*
▪ Other	*0*			*67*	*0*	*67*
Total liabilities	**559,427**	**343,032**	**87,810**	**380,174**	**-397,870**	**972,573**
Supplementary information						
Depreciatons	20,174	7,472	6,910	1,795	0	36,351
Results that do not lead to any cash expenditure (other than depreciations)	0	0	0	0	0	0
Amortisations	0	0	287	0	0	287
Write-back of amortisations	0			-917		-917
Investments	48,550	18,833		1,425		68,808
Desinvestments	-106,143	0	0	0	0	-106,143

2. Segment reporting

(for the period from 1st January 2003 to 31st December 2003)

(in thousands of USD)

	LPG	LNG	Offshore	Services	Eliminaties	Total
Turnover	**281,090**	**40,085**	**33,019**	**26,365**	**0**	**380,559**
EBITDA	42,331	27,240	11,083	-964	0	79,690
Operating result (EBIT)	18,399	21,339	7,199	-2,702	0	44,235
Interest income/expenses (net)	-16,529	-13,828	-3,554	1,415	0	-32,496
Other financial income/expenses (net)	10,589	-3,000	-985	-302	0	6,302
Taxes	-495	-211	-631	-85	0	-1,422
Net result	**11,964**	**4,300**	**2,029**	**-1,674**	**0**	**16,619**
Assets						
Assets of operating activities	215,371	26,803	13,233	210,133	-302,499	163,041
Non-allocated assets	0	0	0	0	0	0
Tangible and intangible assets:	390,696	301,722	84,208	19,417	0	796,043
▪ vessels	*388,597*	*301,675*	*83,337*	*0*	*0*	*773,609*
▪ other tangible and intangible assets	*2,099*	*47*	*871*	*19,417*	*0*	*22,434*
Total assets	**606,067**	**328,525**	**97,441**	**229,550**	**-302,499**	**959,084**
Liabilities						
Liabilities of operating activities	344,675	98,123	41,416	215,306	-302,499	397,021
Non-allocated liabilities	0	0	0	0	0	0
Financial debts:	261,392	230,402	56,025	14,244	0	562,063
▪ Bank and lease debts (more than 1 year)	*237,543*	*213,955*	*50,125*	*13,250*	*0*	*514,873*
▪ Bank and lease debts (less than 1 year)	*23,849*	*16,447*	*5,900*	*914*	*0*	*47,110*
▪ Other	*0*			*80*	*0*	*80*
Total liabilities	**606,067**	**328,525**	**97,441**	**229,550**	**-302,499**	**959,084**
Supplementary information						
Depreciatons	23,932	5,901	3,884	1,738	0	35,455
Results that do not lead to any cash expenditure (other than depreciations)	0	3,750	0	0	0	3,750
Amortisations	0	0	457	0	0	457
Write-back of amortisations				-450		-450
Investments	35,699	255,899		-688		290,910
Desinvestments	-49,297	-118,015	-57,067	0	0	-224,379

3. Business combinations

(in thousands of USD)

On 30th June 2003 the Group took over all shares in Belgibo nv in accordance with the demerger agreement with CMB for EUR 4,300,000.00 in cash. Belgibo is an insurance broker, specialised in ship insurance policies.

On 23rd December 2003, the Group took over 5,399 Reslea nv shares in accordance with the demerger with CMB for EUR 1,679,689.00 in cash. These represent 50% of the total available shares. Reslea is a real estate company. It owns an office complex, apartments and a number of garages. These are available for lease to companies, private individuals and EXMAR'S head offices.

(in thousands of USD)	Belgibo	Reslea
Tangible assets	875	12,993(**)
Intangible assets	3,500(*)	-
Financial assets	127	-
Trade and other receivables	2,417	2,467
Cash and cash equivalents	6,430	1,600
Interest-bearing loans and other borrowings	-1,063	-14,414
Trade debts and other accounts payables	-6,845	-525
Balance of identifiable assets and liabilities	**5,441**	**2,121**
Paid in cash	5,441	2,121
Acquired cash and cash equivalents	-6,430	-1,600
Outflow of cash funds (net)	**-989**	**521**

(*) The additional price paid when purchasing Belgibo is processed as intangible fixed asset (takeover price of a client portfolio). This intangible fixed asset is depreciated over a three-year period.

(**) The additional price paid when purchasing Reslea nv is processed as investment property (additional price represents the non-expressed capital gain of the buildings). The additional price is depreciated over the remaining life span of the buildings, i.e. 18.75 years.

4. Other operating income

(in thousands of USD)

	2004	2003
Received from operational differences of opinion (claims)		1,050
Remission of our debt relating to Exmar Offshore Ltd		1,465
Sale's price adjustment sale of Hessenatie/Noordnatie		2,283
Streamlining of our LNG activity		6,490
Sale of 50% of our investment in Palliser (FPSO Farwah)		1,957
Capital gain on sale of vessels	10,686	
Recuperation of 50% of the losses suffered on the ship Excel	1,677	
Other	2,059	2,801
	14,422	**16,046**

5. Other operating expenses

	2004	2003
Loss on sale of vessels		-2,352
Provision for canceling a regasification plant at our newly built premises		-3,750
Dispute - CEWAL	-822	
Other	-696	-835
	-1,518	**-6,937**

6. Personnel costs and other social benefits

	2004	2003
Salaries and wages	15,728	13,618
Social security charges	3,625	3,075
Provision for employee benefit plan	2,249	245
	21,602	**16,938**

The average number of personnel (in fulltime equivalents) for 2004 amounts to: 1,812 staff members, of whom 1,592 were seafarers (2003: 1,661 staff members, of whom 1,456 were seafarers).

7. Financial expenses / income

	2004	2003
Interests paid	-36,554	-39,691
Interests received	4,094	7,195
	-32,460	**-32,496**

8. Other financial expenses / income

(in thousands of USD)

	2004	2003
Other financial expenses	**5,412**	**11,963**
Foreign exchange rate differences	3,134	9,100
Payments for financial transactions	1,677	2,158
Other	601	705
Other financial income	**17,893**	**18,265**
Foreign exchange rate differences	6,080	15,829
Sales-price adjustment of Naviga shares	4,553	-
Profit/loss realised from hedging operations	7,220	2,359
Other	40	77
	12,481	**6,302**

9. Income taxes

	2004 %	2004	2003 %	2003
Taxes on the results				
Current period		-1,800		-1,482
Adjustments to prior years		708		60
		-1,092		**-1,422**
Deferred taxes		**0**		**0**
Income tax		**-1,092**		**-1,422**
Reconciliation of effective tax rate				
Result before taxes		**30,844**		**18,003**
Weighted tax rate		**15.11%**		**28.43%**
Income tax on weighted tax rate		4,661		5,118
Adjustments	**15.11%**		**28.43%**	
Tonnage tax system	-20.72%	-6,390	-5.99%	-1,078
Effect of tax rates in foreign jurisdictions (reduced rates)	3.49%	1,077	5.03%	905
Non-deductible expenses	0.77%	236	0.99%	179
Effect of increased tax rate for specific profits	0.00%		0.00%	
Tax exempt revenues	-6.64%	-2,047	-6.05%	-1,090
Effect of special tax rates	0.32%	100	0.04%	7
With-holding taxes	0.00%		0.00%	
Transferable tax losses	15.57%	4,802	8.99%	1,618
Effect of utilised tax losses	-2.07%	-639	-23.20%	-4,177
Short/Excess provisions in previous years	-2.30%	-708	-0.33%	-60
	3.53%	**1,092**	**7.91%**	**1,422**

10. Current tax assets and tax liabilities

The current tax assets represent an amount of recoverable income taxes for the current year and the previous years (2004: USD 8,698,137 and 2003: USD 21,788,780).
The current tax liabilities represent income taxes payable for the current year and the previous years (2004: USD 6,132,869 and 2003: USD 21,882,182).

11. Tangible assets

(in thousands of USD)

	Land and buildings	Machinery and equipment	Furniture and movables	Other	Vessels under construction	Vessels	Total
a. Purchase value							
Balance as per 1st January 2003	4,132	497	3,461	823	230,187	924,836	1,163,936
Changes during the financial year							
■ Translation differences	371	85	278	156		26,806	27,696
■ Changes in the consolidation scope	20	414	800	75			1,309
■ Business Combinations	1,366		1,267		13		2,646
■ Acquisitions		83	557		245,760	35,699	282,099
■ Disposals and cancellations	-653	-4	-169	-242	-160,666	-106,364	-268,098
■ Transfers					-224,323	224,323	0
Balance as per 31st December 2003	**5,236**	**1,075**	**6,194**	**812**	**90,971**	**1,105,300**	**1,209,588**
b. Purchase value							
Balance as per 1st January 2004	5,236	1,075	6,194	812	90,971	1,105,300	1,209,588
Changes during the financial year							
■ Translation differences	280	80	295	59	1		715
■ Changes in the consolidation scope			1				1
■ Business Combinations		97	51				148
■ Acquisitions	739		1,351	1	17,986	95,494	115,571
■ Disposals and cancellations	-1,473		-1,471		-14	-193,643	-196,601
■ Transfers							0
Balance as per 31st December 2004	**4,782**	**1,252**	**6,421**	**872**	**108,944**	**1,007,151**	**1,129,422**
c. Depreciations and impairment losses							
Balance as per 1st January, 2003	507	282	2,377	568		377,174	380,908
Changes during the financial year							
■ Translation differences	58	57	184	121		26,806	27,226
■ Changes in the consolidation scope			552				552
■ Business Combinations	669		869				1,538
■ Depreciations	169	166	612	41		32,730	33,718
■ Impairment losses							0
■ Reversal of impairment losses							0
■ Disposals and cancellations	-235	-1	-153	-136		-14,061	-14,586
■ Transfers							0
Balance as per 31st December 2003	**1,168**	**504**	**4,441**	**594**	**0**	**422,649**	**429,356**
d. Depreciations and impairment losses							
Balance as per 1st January 2004	1,168	504	4,441	594	0	422,649	429,356
Changes during the financial year							
■ Translation differences	94	54	263	50			461
■ Changes in the consolidation scope							0
■ Business Combinations							0
■ Depreciations	29	184	893	33		34,246	35,385
■ Impairment losses							0
■ Reversal of Impairment losses							0
■ Disposals and cancellations	-660		-1,368			-88,801	-90,829
■ Transfers							0
Balance as per 31st December 2004	**631**	**742**	**4,229**	**677**	**0**	**368,094**	**374,373**
Net book value as per 31st December 2003	**4,068**	**571**	**1,753**	**218**	**90,971**	**682,651**	**780,232**
Net book value as per 31st December 2004	**4,151**	**510**	**2,192**	**195**	**108,944**	**639,057**	**755,049**

The vessels can be detailed as follows: (in thousands of USD)

	LPG	LNG	Offshore	Totaal
Balance as per 1st January 2004	**382,591**	**216,722**	**83,337**	**682,650**
Acquisitions	95,495	–	–	95,495
Delivery of vessels under construction	–	–	–	–
Depreciations	-19,997	-7,437	-6,812	-34,246
Sales and cancellations	-104,842	–	–	-104,842
Translation differences	–	–	–	–
Balance as per 31st December 2004	**353,247**	**209,285**	**76,525**	**639,057**
Net book value of the vessels under financial lease contract	**46,945**	**76,731**	**0**	**123,676**
Amount of deposits as guarantee for the debts and liabilities	**383,152**	**186,350**	**55,000**	**624,502**
(these sums represent the original deposits)				

The assets under construction can be summarised as follows:

1 LNG carrier in South Korea (Daewoo SME 2208) (Excelsior)	92,640
1 LNG carrier in South Korea (Daewoo SME 2237) (50/50 Joint Venture Excelerate Energy LPP)	10,298
1 LPG carrier in South Korea (Daewoo SME 2209)	3,992
1 LPG carrier in South Korea (Daewoo SME 2207) (50/50 Joint Venture Bergesen)	2,014
Total	**108,944**

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12. Intangible assets

(in thousands of USD)

	Concessions, patents, licences, etc.	Goodwill	Client portfolio	Total
a. Purchase value				
Balance as per 1st January 2003	110	0	0	110
Changes during the financial year				
■ Translation differences	12			12
■ Changes in the consolidation scope	453			453
■ Business combinations			3,500	3,500
■ Acquisitions				0
■ Sales and cancellations	301			301
■ Transfers				0
Balance as per 31st December 2003	**876**	**0**	**3,500**	**4,376**
b. Purchase value				
Balance as per 1st January 2004	876	0	3,500	4,376
Changes during the financial year				
■ Translation differences	61			61
■ Changes in the consolidation scope				0
■ Business Combinations				
■ Acquisitions	764			764
■ Sales and cancellations				0
■ Transfers				0
Balance as per 31st December 2004	**1,701**	**0**	**3,500**	**5,201**
c. Depreciations and impairment losses				
Balance as per 1st January 2003	66	0	0	66
Changes during the financial year				
■ Translation differences	9			9
■ Changes in the consolidation scope	453			453
■ Business Combinations				0
■ Depreciations	40		583	623
■ Impairment losses				0
■ Reversal of impairment losses				0
■ Sales and cancellations				0
■ Transfers				0
Balance as per 31st December 2003	**568**	**0**	**583**	**1,151**
d. Depreciations and impairment losses				
Balance as per 1st January 2004	568	0	583	1,151
Changes during the financial year				
■ Translation differences	55			55
■ Changes in the consolidation scope				0
■ Business Combinations				0
■ Depreciations	284		1,167	1,451
■ Impairment losses				0
■ Reversal of impairment losses				0
■ Sales and cancellations				0
■ Transfers				0
Balance as per 31st December 2004	**907**	**0**	**1,750**	**2,657**
Net book value as per 31st December 2003	**308**	**0**	**2,917**	**3,225**
Net book value as per 31st December 2004	**794**	**0**	**1,750**	**2,544**

13. Investment property

(in thousands of USD)

	2004	2003
a, Purchase value		
Balance as per 1st January	13,837	0
Changes during the financial year		
Translation differences	858	
Changes in the consolidation scope		13,837
Business Combinations		
Acquisitions	756	
Sales and cancellations	-190	
Transfers	14	
Balance as per 31st December	**15,275**	**13,837**
b. Depreciations and impairment losses		
Balance as per 1st January	1,252	0
Changes during the financial year		
Translation differences	129	138
Changes in the consolidation scope		
Business Combinations		
Depreciations	450	1,114
Impairment losses		
Reversal of impairment losses		
Sales and cancellations	-60	
Transfers		
Balance as per 31st December	**1,771**	**1,252**
Net book value as per 31st December 2003	**12,585**	
Net book value as per 31st December 2004	**13,504**	

The investment property consist of a number of office spaces, garages and apartments that are rented out to third parties and to the head offices.

14. Financial assets

(in thousands of USD)

	Other investments in subsidiaries	Other loans	Total
Balance as per 1st January 2003	**408**	**115**	**523**
Cost	648	115	763
Accumulated impairment losses (–)	–240		–240
Investments	5	369	374
Translation differences	11	6	17
Changes in the consolidation scope	–252		–252
Transfers	–123		–123
Balance as per 31st December 2003	**49**	**490**	**539**
Gross sum	289	490	779
Accumulated impairment losses (–)	–240	0	–240
Balance as per 1st January 2004	**49**	**490**	**539**
Cost	289	490	779
Accumulated impairment losses (–)	–240	0	–240
Investments		–137	–137
Translation differences	–5	3	–2
Changes in the consolidation scope	–2		–2
Transfers			0
Balance as per 31st December 2004	**42**	**356**	**398**
Gross sum	282	356	638
Accumulated impairment losses (–)	–240	0	–240

15. Other investments

(in thousands of USD)

	2004	2003
Shares available for sale	14,036	0
	14,036	**0**

16. Deferred tax assets and liabilities

Deferred tax assets and liabilities included in the balance sheet

The deferred tax assets and liabilities can be allocated as follows:

(in thousands of USD)	31st dec 2004 Assets	31st dec 2004 Liabilities	31st dec 2004 Difference	31st dec 2003 Assets	31st dec 2003 Liabilities	31st dec 2003 Difference
Tangible assets	112	0	112	112	0	112
Intangible assets	27	-35	62	0	-48	48
Financial assets	0	0	0	0	0	0
Provisions	0	-5,239	5,239	0	-5,550	5,550
Employee benefits	0	-1,263	1,263	0	-690	690
Other items	0	-1,306	1,306	0	-1,616	1,616
Exchange differences	34	-1,146	1,180	23	-1,146	1,169
Financial instruments	0	0	0	0	0	0
Investments in subsidiaries, joint-ventures and associates	0	-1,650	1,650	0	-1,149	1,149
Tax value of loss carry-forward recognised	-173	10,639	-10,812	-135	10,199	-10,334
Tax assets (-)/liabilities	-173	10,639	-10,812	-135	10,199	-10,334
Set off of tax		10,812	-10,812		10334	-10334
Net tax assets (-)/liabilities	**10,639**	**-173**		**10,199**	**-135**	

Unrecognised deferred tax assets and liabilities

Deferred tax assets have not been recognised in respect of the following items:

(in thousands of USD)	31st dec 2004 Assets	31st dec 2004 Liabilities	31st dec 2003 Assets	31st dec 2003 Liabilities
Deductible temporary differences	18,786		19,702	
Unused tax losses and tax credits	98,476		85,852	
	117,262	0	105,554	0
Offset				
Total	**117,262**	**0**	**105,554**	**0**

Deferred tax assets have not been recognised because no taxable profits will be expected in the coming five years.

Continuation deferred tax assets abd liabilities

(in thousands of USD)

Movements in temporary differences during the year	Balance at 1 Jan 2003	Recognised in income	Recognised in equity	Balance at 31 Dec 2003
Tangible assets	329	0	0	329
Intangible assets	-140	-40	0	-180
Financial assets	0	0	0	0
Provisions	16,329	-917	0	15,412
Employee benefits	2,029	1,686	0	3,715
Other items	-7,062	1,354	0	-5,708
Exchange differences	3,442	31	0	3,473
Financial instruments	0	0	0	0
Investments in subsidiaries, joint-ventures and associates	-5,023	-2,190	0	-7,213
Unused tax losses and tax credits	-9,904	76	0	-9,828
	0	**0**	**0**	**0**

	Position at 1 Jan 2004	Recognised in income	Recognised in equity	Balance at 31 Dec 2004
Tangible assets	29,543	-29,214	0	329
Intangible assets	-13	-127	0	-140
Financial assets	0	0	0	0
Provisions	16,779	-450	0	16,329
Employee benefits	1,736	293	0	2,029
Other items	-8,259	1,197	0	-7,062
Exchange differences	3,501	-59	0	3,442
Financial instruments	-991	991	0	0
Investments in subsidiaries, joint-ventures and associates	-3,835	-1,188	0	-5,023
Unused tax losses and tax credits	-38,461	28,557	0	-9,904
	0	**0**	**0**	**0**

17. Trade and other receivables

	2004	2003
Trade receivables	61,035	41,868
Cash guarantees	147	141
Other receivables	5,464	3,903
Deferred charges	9,869	9,850
Accrued income	3,244	4,124
	79,759	**59,886**

18. Cash and cash equivalents

	2004	2003
Bank deposits	62,122	60,642
Cash at bank and in hand	65	58
Short-term investments	25,589	13,845
Total	**87,776**	**74,545**
Less:		
Bank overdrafts and credit lines	-121	-88
Net cash and cash equivalents	**87,655**	**74,457**

19. Placed capital and reserves

(in thousands of USD)

	2004	2003
Share capital and premiums (Ordinary shares):		
Issued as per 1st January	7,350,000	7,350,000
Issued as per 31st December – paid in full	**7,350,000**	**7,350,000**

As per 31st December 2004, the registered share capital consisted of 7,350,000 shares, without nominal value. There are no preference shares. The holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at the meetings of shareholders of the Company.

Dividends

After the balance sheet date the Directors made the following dividend proposal.

Gross dividend/share (in eur)	1.00	0.80
Rate used:	(1.2383)	(1.1239)
Proposed dividend payment	10,011	6,609
	10,011	**6,609**

Treasury shares

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

(number of shares)		
Number of treasury shares held as of 31st December 2004	104,781	0
(Average cost price is 44.4315/share)	**104,781**	**0**

Translation differences:

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations that are not integral to the operations of the company.

Fair value reserve

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

Hedging reserve:

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging.

20. Earnings per share

	2004	2003
Profit to be allocated to the ordinary shareholders (in thousands of USD):		
Profit for the year	29,753	16,581
Weighted average number of ordinary shares (in shares):		
Issued ordinary shares	7,350,000	7,350,000
Effect of treasury shares	-41,078	
Weighted average number of ordinary shares as of 31st December	**7,308,922**	**7,350,000**
earnings per share:	**4.07**	**2.26**

The diluted earnings per share equal the ordinary earnings per share.

21. Interest-bearing loans and borrowings

(in thousands of USD)

	Financial leasing debts	Bank loans	Other loans	Total
Long-term loans				
More than 5 years	74,338	227,349	–	301,687
Between 1 and 5 years	7,097	206,089	80	213,266
More than 1 year	81,435	433,438	80	514,953
Less than 1 year	1,507	45,604	2,683	49,794
As of 31st December 2003	**82,942**	**479,042**	**2,763**	**564,747**
New loans	47,300	72,202	–	119,502
Scheduled repayments	-1,507	-138,444	-937	-140,888
Early repayments	-548	-120,119	–	-120,667
Refinancing	–	140,500	–	140,500
Business Combinations	–	–	–	–
Disposals	–	–	–	–
Translation differences	111	924	6	1,041
Other	–	–	–	–
As of 31st December 2004	**128,298**	**434,105**	**1,832**	**564,235**
More than 5 years	96,874	199,638	–	296,512
Between 1 and 5 years	24,591	202,729	1,765	229,085
More than 1 year	121,465	402,367	1,765	525,597
Less than 1 year	6,833	31,738	67	38,638
As of 31st December 2004	**128,298**	**434,105**	**1,832**	**564,235**

	Leasing debts	Credit institutions	Other	Total
Summarised as follows:				
LPG	46,944	205,359	–	252,303
LNG	79,955	164,000	1,765	245,720
Offshore	1,399	52,000	–	53,399
Services	–	12,746	67	12,813
Total	**128,298**	**434,105**	**1,832**	**564,235**

	2004	2003
Short-term loans		
Current portion of the long-term loans	38,571	47,111
Bank overdrafts and credit lines	121	88
Short-term loans to related parties	1,765	2,683
Total	**40,457**	**49,882**

	2004 Minimum lease payments	2004 Interest	2004 Principal sum	2003 Minimum lease payments	2003 Interest	2003 Principal sum
Financial lease obligations						
The financial lease obligations are payable as follows:						
Less than 1 year	151,476	54,602	96,874	127,715	53,377	74,338
Between 1 and 5 years	51,749	27,158	24,591	26,006	18,909	7,097
More than 5 years	14,687	7,854	6,833	6,496	4,989	1,507
Total	**217,912**	**89,614**	**128,298**	**160,217**	**77,275**	**82,942**

Information in connection with guarantees and securities given on above mentioned borrowings (see note 11).

Unused credit facilities

As of 31st December 2004, the Group has unused credit facilities totalling USD 52,360,000.

22. Employee benefits

(in thousands of USD)

a. Employee Benefits

	2004	2003	2002
Present value of unfunded obligations	–	–	–
Present value of funded obligations	-10,503	-7,569	-5,577
Fair value of the plan assets	6,788	5,541	3,841
Present value of net obligations	-3,715	-2,028	-1,736
Unrecognised transitional provisions	–	–	–
Unrecognised post service cost	–	–	–
Unrecognised actuarial gains/losses	–	–	–
Recognised liability for defined benefit plans	-3,715	-2,028	-1,736
Liability for long service leave	–	–	–
Total employee benefits	**-3,715**	**-2,028**	**-1,736**

b. Liability for defined benefit plans

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

c. Moments in the net liability recognised in the balance sheet

	2004	2003	2002
Net liability as per 1st January	-2,028	-1,736	
Received contributions	722	630	
Expenses recognised in the income statement	-2,249	-245	
Transfer	–	-323	
Translation differences	-160	-354	
Net liability	**-3,715**	**-2,028**	

d. Expense recognised in the income statement (see note 6)

	2004	2003	2002
Current service cost less employee contributions	-567	-596	
Interest obligation	-408	-336	
Expected yield return on plan assets	315	232	
Recognition of a part of the outstanding obligation at the first application of the standard.	–	–	
Recognition of actuarial gains and losses on transitional provisions	-1,706	351	
Recognition of post service cost	–	–	
Gains and losses on curtailments or settlements	–	–	
Employee contributions	117	104	
Translation differences	–	–	
Total pension cost recognised in the income statement	**-2,249**	**-245**	
Actual return on plan assets	**236**	**57**	

e. Liability for defined benefit plans

(Most significant actuarial assumptions at balance sheet date, expressed in weighted averages)	2004	2003	2002
Discount rate at 31st December	4.35%	5.75%	
Expected return on assets at 31st December	4.25%	5%	
Future salary increases (including inflation)	(scalary scales)		
Medical cost/trend rate	n/a (*)		
Future pension increases	n/a (*)		
Inflation	2%	2%	

(*) not applicable

23. Provisions

(in thousands of USD)

	Claims	Onerous contracts	Other	Total
Non-current provisions	19,703	–	–	19,703
Current provisions	3,750	–	–	3,750
As per 1st January 2004	**23,453**	**0**	**0**	**23,453**
Provisions made during the year	–	–	–	0
Provisions used during the year	-3,750	–	–	-3,750
Reversal of unused provisions	-917	–	–	-917
Business Combinations	–	–	–	0
Translation differences	–	–	–	0
Other	–	–	–	0
As per 31st December 2004	**18,786**	**0**	**0**	**18,786**
Non-current provisions	18,786	–	–	18,786
Current provisions	–	–	–	0
As per 31st December 2004	**18,786**	**0**	**0**	**18,786**

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

24. Trade and other payables

(in thousands of USD)

	2004	2003
Trade payables	42,011	33,311
Other payables	9,783	11,570
Accrued expenses	13,275	14,260
Deferred income	22,652	19,314
	87,721	**78,455**

25. Financial instruments

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

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

Credit risk

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

Interest risk

In order to monitor the risk of its interest-bearing loans, the group uses a number of interest hedging instruments available on the market (including IRS, caps, floors and collars). These derivatives have a validity period up to 2012 at the latest. As of 31st December 2004, the Group has concluded derivative interest products for a nominal sum of USD 710,337,644.00 (2003: USD 606,314,167.00). The Group classifies all of its derivatives as freestanding Changes to this fair value are recorded on an annual basis in the profit and loss account. The net fair value of all interest hedging instruments as of 31st December 3004 amounts to USD - 21,256,822.00 (2003: USD -34,539,883.00).

Product risk

The Group has partially covered its product risk by means of bunker hedging instruments. These instruments are considered to be freestanding. Changes to this fair value are booked each year in the profit and loss account. The net fair value of all bunker hedging instruments as per 31st December 2004 amounts to USD -259,410.00 (2003: USD 283,500.00).

Currency risk

The Group's currency risk is limited to the EUR/USD ratio for manning its fleet, paying salaries and all other personnel-related expenses. In order to check this risk the Group used a varied range of rate hedging instruments.
As of 31st December 2004 the Group had not taken out a single contract to cover the currency risk for 2005 (2003: USD 27,000,000.00).

Naviga option

In 2002 CMB sold its stake in the insurance company Naviga. Connected to this sale, CMB received an option whereby the original sale price could be increased depending on the development of the Eurostoxx 50.
On 15th November 2004 CMB exercised this option.
As result of the demerger of Exmar in 2003, it was agreed to share this option in accordance with the agreed division ratio of 61% - 39% between CMB and Exmar.
The result relating to this option was recorded for 39% in 2004 (USD 4,552,520.00).

26. Operating leases

Leases as lessee

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

(in thousands of USD)		2003
less than 1 year	45,393	29,140
between 1 and 5 years	114,852	92,431
more than 5 years	0	0
Total	**160,245**	**121,571**

Leases as lessor

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

(in thousands of USD)		
less than 1 year	135,684	135,733
between 1 and 5 years	308,911	323,780
more than 5 years	492,117	405,052
Total	**936,712**	**864,565**

Other operational leases as lessor

(in thousands of USD)		
less than 1 year	13,739	13,739
between 1 and 5 years	37,795	42,474
more than 5 years	30,950	40,008
Total	**82,484**	**96,221**

The other operational lease rights mainly relate to bareboat contracts

27. Capital commitments

As per 31st December 2004 the Group has entered into agreements for purchasing tangible fixed assets for the amount of USD 247,673,400.00, of which payment scheme is as follows:

(in thousands of USD)	Total	2005	2006
Liabilities for newly built LPG	74,861	15,969	58,892
Liabilities for newly built LNG	170,830	109,920	60,910
Liabilities for property	1,982	1,982	
	247,673	**127,871**	**119,802**

28. Contingencies

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

29. Related parties

Transactions with majority shareholders

Saverbel, controlled by Mr. Nicolas Saverys (CEO of Exmar) charged EUR 154,150 to the Group (2003: EUR 57,300) for administration provided during 2004.

Identity of related parties

The group has a related party relationship with its subsidiaries (note 30) and joint venture (note 31) and with its directors and executive officers.

Transactions with key management personnel

Board of Directors:

The directors receive an annual fixed payment of EUR 25,000.00. The chairman receives an annual payment of EUR 50,000.00. The directors who were members of the executive committee in 2004, and who were paid accordingly, have renounced this payment. The total payments made in 2004 to all non-executive and independent directors for these activities in the board of directors amounted to EUR 200,000 (2003: EUR 200,000).

They were not allocated any share options, loans and/or advances.

Audit committee:

The members of the audit committee received a total gross payment of EUR 25,000 (i.e. EUR 6,250 for the members and EUR 12,500 for the chairman).

Executive committee:

Payment to the members of the executive committee is determined annually by the board of directors as proposed by the appointment and remuneration committee. All members of the executive committee qualify as independents. In the event of the termination of their appointment, they shall have no right to any kind of severance compensation. The remuneration consists of a fixed portion of which the total cost for the company for 2004 amounted to EUR 1,545,000, of which EUR 182,000 was for pension plans and insurance (2003: EUR 1,200,000).

In addition, a variable remuneration is provided according to the results. The total cost for the company for this variable portion amounted to EUR 400,000 for 2004 (2003: EUR 315,000).
No loans or advances were granted to the members of the executive committee in 2004.

30. Group entities

a. Consolidated companies:

	Country of incorporation	Consolidation method	Ownership interest 2004	Ownership interest 2003
Joint Ventures:				
Blackbeard Shipping Limited	Hong Kong	Proportional	50.00%	50.00%
CMB Shipping India pvt Ltd	India	Proportional	60.00%	60.00%
Excelerate nv	Belgium	Proportional	50.00%	–
Exmar Kosan Ltd	Hong Kong	Proportional	50.00%	50.00%
Exmar Offshore Company	USA	Proportional	50.00%	50.00%
Exmar Offshore Limited Partnership	USA	Proportional	50.00%	50.00%
Good Investment Ltd	Hong Kong	Proportional	50.00%	–
Marpos nv	Belgium	Proportional	45.00%	45.00%
Maryse Shipping Inc.	Liberia	Proportional	50.00%	–
Montalcino Shipping Inc.	Liberia	Proportional	50.00%	50.00%
Monteriggioni Inc.	Liberia	Proportional	50.00%	50.00%
Palliser Shipping Inc.	Liberia	Proportional	50.00%	50.00%
Reslea nv	Belgium	Proportional	50.00%	50.00%
Splendid Limited	Hong Kong	Proportional	50.00%	50.00%
Tecto India Private Limited	Cyprus	Proportional	60.00%	60.00%
Subsidiaries:				
Africargo nv	Belgium	Full	100.00%	100.00%
Belgibo nv	Belgium	Full	100.00%	100.00%
BRM nv	Belgium	Full	100.00%	100.00%
EXMAR Hong Kong Limited	Hong Kong	Full	100.00%	100.00%
DV Offshore sa	France	Full	100.00%	100.00%
Excelsior nv	Belgium	Full	100.00%	–
Exmar Excalibur Shipping Company Ltd	Great Britain	Full	100.00%	100.00%
Exmar Holdings Limited	Liberia	Full	100.00%	100.00%
Exmar LNG Investments Ltd.	Liberia	Full	100.00%	–
Exmar Lux sa	Luxembourg	Full	100.00%	100.00%
Exmar Marine nv	Belgium	Full	100.00%	100.00%
Exmar (Maya) Shipping Cy. Ltd	Great Britain	Full	100.00%	100.00%
Exmar (Monteriggioni) Shipping Cy. Ltd	Great Britain	Full	100.00%	100.00%
Exmar nv	Belgium	Full	100.00%	100.00%
Exmar Offshore Limited	Liberia	Full	100.00%	100.00%
Exmar Offshore Lux sa	Luxembourg	Full	100.00%	100.00%
Exmar Shipping USA Inc.	Amerika	Full	100.00%	100.00%
Exmar (UK) Shipping Company Limited	Great Britain	Full	100.00%	100.00%
Exmar (Vermintino) Shipping Cy. Ltd	Great Britain	Full	100.00%	100.00%
Exmar Pacific Limited	Hong Kong	Full	100.00%	100.00%
Exmar Shipping nv	Belgium	Full	100.00%	100.00%
Fiano Shipping Ltd	Liberia	Full	100.00%	100.00%
Franship Offshore sa	Luxembourg	Full	100.00%	100.00%
G-TEC Shipmanagement GmbH	Germany	Full	100.00%	100.00%
Internationaal Maritiem Agentschap nv	Belgium	Full	100.00%	100.00%
Kellett Shipping Inc.	Liberia	Full	100.00%	100.00%
Lanoka Shipping Limited	Hong Kong	Full	56.18%	56.18%
Melina Shipping Limited	Liberia	Full	100.00%	100.00%
Reigate Holdings Inc.	Liberia	Full	100.00%	100.00%
Sammarco Shipping Inc.	Liberia	Full	100.00%	100.00%
San Felice Shipping Ltd	Liberia	Full	100.00%	–
Solaia Shipping Inc.	Liberia	Full	100.00%	100.00%
Tecto Belgium nv	Belgium	Full	100.00%	100.00%
Tecto Cyprus Limited	Belgium	Full	100.00%	100.00%
Tecto Luxembourg sa	Luxembourg	Full	100.00%	100.00%
Travel Plus nv	Belgium	Full	100.00%	100.00%

Coninuation Group entities

b. Liquidations during 2004:

	Country of incorporation	Consolidation method	Ownership interest 2004	Ownership interest 2003
Abetone Shipping Ltd	Liberia	Full	–	100.00%
Abruzzi Shipping Ltd	Liberia	Full	–	100.00%
Cedonia Shipping Limited	Hong Kong	Proportional	–	50.00%
San Miniato Shipping Limited	Liberia	Full	–	100.00%
San Polo Shipping Limited	Liberia	Full	–	100.00%
Tordale Finance Limited	Liberia	Full	–	100.00%
United Power Shipping Limited	Liberia	Full	–	100.00%
Valdarno Inc.	Liberia	Full	–	100.00%

31. Interest in joint ventures

(in thousands of USD)

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

Income statement	2004 Subsidiaries & associates	2004 Joint ventures	2004 Eliminations	2004 Total	2003 Subsidiaries & associates	2003 Joint ventures	2003 Eliminations	2003 Total
Turnover	407,085	34,042	-17,381	423,746	357,063	16,793	-9,344	364,512
Other operating income	3,548	181		3,729	5,421	624		6,045
Capital gain on disposal of assets	8,467	2,225		10,692	9,709	292		10,001
Goods and services	335,171	-9,375	17,381	-327,165	-281,861	-4,468	9,344	-276,985
Personnel costs	-21,602			-21,602	-16,938			-16,938
Depreciations	-28,463	-8,823		-37,286	-30,936	-4,519		-35,455
Amortisations	-287			-287	-457			-457
Impairment losses (-) / reversals (+)	0			0	0			0
Provisions	917			917	0			0
Other operating expenses	-1,518			-1,518	-4,537			-4,537
Capital loss on disposal of assets	0			0	-2,400			-2,400
Operating result	**32,976**	**18,250**	**0**	**51,226**	**35,064**	**8,722**	**0**	**43,786**
Interest income	5,745	168	-1,819	4,094	8,287	57	-1,149	7,195
Interest expenses	-28,396	-9,977	1,819	-36,554	-34,754	-6,086	1,149	-39,691
Other financial income	17,686	208		17,894	18,223	42		18,265
Other financial expenses	-3,647	-1,766		-5,413	-11,813	-150		-11,963
Result before tax	**24,364**	**6,883**	**0**	**31,247**	**15,007**	**2,585**	**0**	**17,592**
Income taxes	-1,055	-38		-1,093	-1,453	31		-1,422
Consolidated results	**23,309**	**6,845**	**0**	**30,154**	**13,554**	**2,616**	**0**	**16,170**
Minority interest	402			402	38			38
Group's share in the result	**22,907**	**6,845**	**0**	**29,752**	**13,516**	**2,616**	**0**	**16,132**

Continuation interest in joint ventures

(per 31 december 2004)

(in thousands of USD)

Balance	2004 Subsidiaries & associates	2004 Joint ventures	2004 Eliminations	2004 Total	2003 Subsidiaries & associates	2003 Joint ventures	2003 Eliminations	2003 Total
a. Assets								
Fixed assests	**643,138**	**193,986**	**-54,820**	**782,304**	**667,282**	**166,178**	**-33,462**	**799,998**
Tangible assets	570,831	184,218		755,049	614,055	166,178		780,233
Intangible assets	2,544			2,544	3,225			3,225
Investment property	3,737	9,767		13,504	12,585			12,585
Financial assets	55,217	1	-54,820	398	34,001		-33,462	539
Financial derivatives	10,809			10,809	3,416			3,416
Current assets	**155,541**	**34,728**	**0**	**190,269**	**137,177**	**21,908**	**0**	**159,085**
Total assets	**798,679**	**228,714**	**-54,820**	**972,573**	**804,459**	**188,086**	**-33,462**	**959,083**
b. Liabilities								
Equity	**248,931**	**10,867**	**0**	**259,798**	**225,321**	**2,288**	**0**	**227,609**
Capital and reserves	248,575	10,867		259,442	224,007	2,288		226,295
Minority interest	356			356	1,314	0		1,314
Non-current liabilities	**430,305**	**202,980**	**-54,820**	**578,465**	**438,741**	**172,226**	**-33,462**	**577,505**
Long-term borrowings	375,739	202,980	-54,820	523,899	376,188	172,226	-33,462	514,952
Employee benefits	3,715			3,715	2,029			2,029
Provisions	18,786			18,786	19,703			19,703
Deferred tax liabilities	0			0	0			0
Financial derivatives	32,065			32,065	40,821			40,821
Current liabilities	**119,443**	**14,867**	**0**	**134,310**	**140,398**	**13,572**	**0**	**153,970**
Total liabilities	**798,679**	**228,714**	**-54,820**	**972,573**	**804,460**	**188,086**	**-33,462**	**959,084**

32. Declaration of the transition to IFRS

Transition to IFRS

In 2003 EXMAR decided to apply the International Financial Reporting Standards (IFRS) (formerly International Accounting Standards, known as IAS) as early as 2004. The European Union has imposed these standards from 2005 onwards for the consolidated annual accounts of all companies that are listed on one of the European exchanges.
This annual report was drawn up in accordance with these rules. In order to meet Euronext's requirements for the NextPrime segment to which Exmar belongs, this explanatory note provides a summary of the impact the application of the IFRS standards has on the opening balance sheet, 2003 and 2004.

A. Impairment losses (IAS 36)

The company has to check its assets on each balance sheet date for indications regarding possible impairment losses as defined in IAS 36 (recoverable amount). The recoverable amount is the higher of an asset's net selling price and its value in use (present value of estimated future cash flows).
In the opening balance sheet, EXMAR booked impairment losses on its fleet in the amount of 7 million USD, of which 4.3 million USD was on vessels sold in the first semester of 2004 (Polars).

B. Investments in associates (IAS 28)

IFRS demands full consolidation of all companies controlled by Exmar Group. Under Belgian GAAP some of these companies were not taken into account, in consequence of their minor importance.

C. Financial instruments (IAS 39)

IAS 39 defines the principles that are applicable for the recognition and measurement of financial assets and liabilities. A company is required to recognise all its financial instruments, including all derivative products. Exmar has subscribed to a variety of derivative products in order to provide partial hedging for its exchange rate risk, its product risk (bunker prices) and its interest rate risk. As of January 1st 2003 a "marked to market" is recognised in the equity of -38.9 million USD. Exmar nv shall not apply for hedge accounting. Adjustments in the fair value of this "marked to market" are recognised directly in the profit and loss (2003: +2.4 million USD, 2004: +7.2 million USD).

D. Employee benefits (IAS 19)

In accordance with Belgian accounting standards only the actual payments made by the group to the insurers need to be assumed. In accordance with IFRS 19, all actuarial results that relate to liabilities from defined benefit group insurance scheme will be recorded as a debt.
Recognising this debt influences the equity negatively for the sum of 1.7 million USD (2003: -2 million USD, 2004: -3.7 million USD).

E. Provisions for dry dock costs (IAS 37)

The expenditure for the maintenance and repair works to the vessels for which provisions were made in accordance with Belgian accounting standards, are taken back and are directly included into the results. This results in an increase of the equity on 1st January 2003 of 7.4 million USD.

F. Other provisions (IAS 37)

The recognition criteria for the provisions according to the IFRS are stricter than those under the Belgian accounting standards. Bearing the transition to IFRS standards in mind, a number of existing provisions will need reviewing and they will be reduced in the opening balance sheet with 2.5 million USD net.

G. Dividends (IAS 10)

Dividends proposed by the board of directors will, in accordance to IAS 10 be registered as a liability on approval by the general assemblee.

H. Assets held for sale (IFRS 5)

Assets available for sale are valued on each closing date at their fair value. Changes in these fair values are reconginsed in equity "Fair value reserve" until the date of sale.

I. Treasury shares (IAS 32)

Own shares purchased by the Group are recognised in equity "Treasury shares". (2003: no treasury shares, 2004: 104,781 treasury shares).

The Belgica *in the Barentz Sea*

On July 14, 1894 Adrien de Gerlache gets his certificate of Navel Captain

(As per 31st December 2004)

(in USD)

	Note	1st january 2003 Belgian GAAP	1st january 2003 IFRS corrections	1st january 2003 IFRS	31st december 2003 Belgian GAAP	31st december 2003 IFRS corrections	31st december 2003 IFRS	31 december 2004 Belgian GAAP	31 december 2004 IFRS corrections	31 december 2004 IFRS
a. Assets										
Fixed assets		**841,579,754**	**-54,135,466**	**787,444,288**	**812,611,150**	**-12,612,434**	**799,998,716**	**777,589,799**	**4,714,203**	**782,304,002**
Tangible assets		789,943,000	-6,916,134	783,026,866	786,706,210	-6,473,253	780,232,957	757,542,018	-2,493,115	755,048,903
■ Vessels	A	554,684,338	-7,022,668	547,661,670	689,237,838	-6,586,923	682,650,915	641,549,813	-2,493,115	639,056,698
■ Tangible assets under construction		230,184,551	0	230,184,551	90,971,078		90,971,078	108,943,724		108,943,724
■ Land and buildings		3,625,355		3,625,355	4,068,139		4,068,139	4,150,752		4,150,752
■ Plants, machinery and equipment	B	212,519	106,534	319,053	571,364		571,364	510,824		510,824
■ Furniture and movables	B	981,169		981,169	1,639,623	113,670	1,753,293	2,191,965		2,191,965
■ Other tangible assets		255,068		255,068	218,168		218,168	194,940		194,940
Intangible assets	B	34,206	10,313	44,519	6,096,429	-2,870,968	3,225,461	5,162,147	-2,617,661	2,544,486
Investment property		0		0	9,676,323	2,908,512	12,584,835	10,743,023	2,761,246	13,504,269
Financial assets		51,602,548	-51,079,445	523,103	10,132,188	-9,593,142	539,046	4,142,611	-3,744,786	397,825
■ Other financial fixed assets		51,349,125	-50,826,022	523,103	9,826,208	-9,287,162	539,046	4,142,611	-3,744,786	397,825
■ Shares	B	444,277	-36,323	407,954	47,626	1,579	49,205	41,849		41,849
■ Loans	B	50,904,848	-50,789,699	115,149	9,778,582	-9,288,741	489,841	4,100,762	-3,744,786	355,976
Financial derivatives	C	0	3,849,800	3,849,800	0	3,416,417	3,416,417	0	10,808,519	10,808,519
Current assets		**207,219,180**	**4,107,089**	**211,326,269**	**154,738,266**	**4,346,579**	**159,084,845**	**192,922,525**	**-2,653,268**	**190,269,257**
Inventories	I, J	0		0	0		0	16,688,831	-2,653,268	14,035,563
Trade and other receivables		102,507,046	3,728,211	106,235,257	58,966,502	3,784,927	62,751,429	79,759,280	0	79,759,280
■ Trade receivables	B	35,256,723	480,290	35,737,013	41,322,830	544,889	41,867,719	61,035,357		61,035,357
■ Other receivables	B	44,936,618		44,936,618	3,894,186	150,352	4,044,538	5,610,504		5,610,504
■ Accrued income and deferred charges	B	22,313,705	48,275	22,361,980	13,749,486	224,748	13,974,234	13,113,419		13,113,419
■ Financial derivatives	C	0	3,199,646	3,199,646	0	2,864,938	2,864,938	0		0
Income tax receivable		0		0	21,788,780		21,788,780	8,698,137		8,698,137
Cash and cash equivalents	B	104,712,134	378,878	105,091,012	73,982,984	561,652	74,544,636	87,776,277		87,776,277
Total assets		**1,048,798,934**	**-50,028,377**	**998,770,557**	**967,349,416**	**-8,265,855**	**959,083,561**	**970,512,324**	**2,060,935**	**972,573,259**

(As per 31st december 2004)

(in USD)

	Note	1st january 2003			31st december 2003			31 december 2004		
		Belgian GAAP	IFRS corrections 1 januari 2003	IFRS	Belgian GAAP	IFRS corrections 31 december 2003	IFRS	Belgian GAAP	IFRS corrections 31 december 2004	IFRS
b. Liabilities										
Total equity		**243,540,926**	**-39,482,559**	**204,058,367**	**245,041,242**	**-17,432,576**	**227,608,666**	**264,430,280**	**-4,631,533**	**259,798,747**
Capital and reserves		**242,099,424**	**-39,507,453**	**202,591,971**	**243,820,435**	**-17,525,797**	**226,294,638**	**264,073,821**	**-4,631,533**	**259,442,288**
Share capital		48,519,000		48,519,000	48,519,000		48,519,000	48,519,000		48,519,000
Share premium account		6,259,759		6,259,759	6,259,759		6,259,759	6,259,759		6,259,759
Reserves		206,330,433	-38,862,113	167,468,320	176,436,995	-21,502,545	154,934,450	191,555,595	-16,644,646	174,910,949
■ Treasury shares (–)	*I*	*0*		*0*	*0*		*0*	*0*	*-5,686,143*	*-5,686,143*
■ Reserve		*66,584,037*		*66,584,037*	*66,584,037*		*66,584,037*	*66,584,037*		*66,584,037*
■ Result carried forward	*G*	*139,726,834*		*139,726,834*	*114,108,276*	*5,963,450*	*120,071,726*	*126,712,957*	*3,331,399*	*130,044,356*
■ Fair value reserve	*H*	*0*		*0*	*0*		*0*	*0*	*3,032,875*	*3,032,875*
■ Hedging reserve	*C*	*0*	*-38,861,906*	*-38,861,906*	*0*	*-28,359,003*	*-28,359,003*	*0*	*-17,654,802*	*-17,654,802*
■ Translation differences	*B*	*19,562*	*-207*	*19,355*	*-4,255,318*	*893,008*	*-3,362,310*	*-1,741,399*	*332,025*	*-1,409,374*
Results of the year	C	-19,009,768	-645,340	-19,655,108	12,604,681	3,976,748	16,581,429	17,739,467	12,013,113	29,752,580
Minority interest	B	1,441,502	24,894	1,466,396	1,220,807	93,221	1,314,028	356,459		356,459
Non-current liabilities		**494,445,825**	**-12,313,257**	**482,132,568**	**565,048,586**	**12,456,677**	**577,505,263**	**564,420,577**	**14,043,930**	**578,464,507**
Long-term borrowing		458,236,931	-47,788,878	410,448,053	520,961,980	-6,008,919	514,953,061	523,898,837	0	523,898,837
■ Credit institutions		*345,179,780*		*345,179,780*	*433,337,864*		*433,337,864*	*402,366,730*		*402,366,730*
■ Financial lease agreements		*62,261,986*		*62,261,986*	*81,434,527*		*81,434,527*	*121,465,214*		*121,465,214*
■ Other loans	*B*	*50,795,165*	*-47,788,878*	*3,006,287*	*6,189,589*	*-6,008,919*	*180,670*	*66,893*		*66,893*
Employee benefits	D	0	1,735,869	1,735,869	0	2,028,661	2,028,661	0	3,714,812	3,714,812
Provisions	E, F	36,208,894	-19,429,696	16,779,198	44,086,606	-24,383,805	19,702,801	40,521,740	-21,736,222	18,785,518
Financial derivatives	C	0	53,169,448	53,169,448	0	40,820,740	40,820,740	0	32,065,340	32,065,340
Current liabilities		**310,812,183**	**1,767,439**	**312,579,622**	**157,259,588**	**-3,289,956**	**153,969,632**	**141,661,467**	**-7,351,462**	**134,310,005**
Short-term borrowings		192,901,192	0	192,901,192	49,882,288	0	49,882,288	40,456,258	0	40,456,258
■ Credit institutions		*55,476,887*		*55,476,887*	*45,604,508*		*45,604,508*	*31,738,085*		*31,738,085*
■ Financial lease agreements		*0*		*0*	*1,506,736*		*1,506,736*	*6,832,777*		*6,832,777*
■ Bank advances in current accounts		*137,424,305*		*137,424,305*	*88,028*		*88,028*	*120,759*		*120,759*
■ Other loans		*0*		*0*	*2,683,016*		*2,683,016*	*1,764,637*		*1,764,637*
Trade debts and other payables		100,327,887	1,759,717	102,087,604	82,656,835	-7,168,436	75,488,399	95,072,340	-7,351,462	87,720,878
■ Trade debts	*B*	*54,237,629*	*707,378*	*54,945,007*	*32,355,287*	*950,115*	*33,305,402*	*42,011,589*		*42,011,589*
■ Received advances		*4,432*		*4,432*	*5,595*		*5,595*	*0*		*0*
■ Other payables	*G*	*6,326,409*		*6,326,409*	*15,638,146*	*-7,035,019*	*8,603,127*	*9,782,572*		*9,782,572*
■ Accrued charges and deferred income	*B, F*	*39,759,417*	*632,025*	*40,391,442*	*34,657,807*	*-1,083,532*	*33,574,275*	*43,278,179*	*-7,351,462*	*35,926,717*
■ Financial derivatives	*C*	*0*	*420,314*	*420,314*	*0*		*0*	*0*		*0*
Provisions		0		0	0	3,750,000	3,750,000	0		0
Income tax payable	B	17,583,104	7,722	17,590,826	24,720,465	128,480	24,848,945	6,132,869	0	6,132,869
Total liabilities		**1,048,798,934**	**-50,028,377**	**998,770,557**	**967,349,416**	**-8,265,855**	**959,083,561**	**970,512,324**	**2,060,935**	**972,573,259**

Commander de Gerlache in his cabin.

Consolidated income statement

(in USD)

	Note	Belgian GAAP	IFRS correction	IFRS	Belgian GAAP	IFRS corretions	IFRS
		Results for the period from 1st January 2004 to 31st December 2004			Results for the period from 1st January 2003 to 31st December 2003		
Turnover		423,745,633		423,745,633	364,512,493		364,512,493
Other operating income	B	3,089,964	639,308	3,729,272	5,480,883	564,559	6,045,442
Capital gain om disposal of assets		10,692,285		10,692,285	10,000,957		10,000,957
Operating income		**437,527,882**	**639,308**	**438,167,190**	**379,994,333**	**564,559**	**380,558,892**
Goods and services		-327,165,324		-327,165,324	-276,535,696		-276,535,696
Personnel costs	D	-19,916,000	-1,686,151	-21,602,151	-16,645,673	-292,792	-16,938,465
Depreciations	A	-37,665,456	379,806	-37,285,650	-35,891,169	435,744	-35,455,425
Amortisations	B	0	-286,956	-286,956	0	-457,009	-457,009
Impairment losses (-)/ reversals (+)		0		0	0		0
Provisions	E,F	-1,007,533	1,924,916	917,383	-1,359,623	1,359,623	0
Other operating costs		-1,518,056		-1,518,056	-4,537,197		-4,537,197
Capital loss on disposal of assets	A	-3,857,588	3,857,588	0	-2,400,144		-2,400,144
Operating result		**46,397,925**	**4,828,511**	**51,226,436**	**42,624,831**	**1,610,125**	**44,234,956**
Interest income		4,094,050		4,094,050	7,195,485		7,195,485
Interest expenses		-36,553,721		-36,553,721	-39,691,247		-39,691,247
Other financial income	C	10,673,027	7,220,549	17,893,576	15,896,629	2,368,571	18,265,200
Other financial expenses		-5,412,783		-5,412,783	-11,963,468		-11,963,468
Results before tax		**19,198,498**	**12,049,060**	**31,247,558**	**14,062,230**	**3,978,696**	**18,040,926**
Income taxes		-1,092,525		-1,092,525	-1,421,947		-1,421,947
Net consolidated results		**18,105,973**	**12,049,060**	**30,155,033**	**12,640,283**	**3,978,696**	**16,618,979**
Minority intrest		402,453		402,453	37,550		37,550
Share in the companies' results valued in accordance with the equity method			0			0	
Group's share in the results		**17,703,520**	**12,049,060**	**29,752,580**	**12,602,733**	**3,978,696**	**16,581,429**
Basic earnings per share (USD)				4.28			2.45
Proposed gross dividend per share (in EUR)				1.00			0.80

33. Major exchange rates

	Closing prices 2004	Closing prices 2003	Average prices 2004	Average prices 2003
USD	1.3621	1.2630	1.2383	1.1239
GPB	0.7051	0.7048	0.6795	0.6888
HKD	10.5881	9.8049	9.6438	8.7483
INR	59.3018	56.7390	56.0683	52.3966

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

Independent joint auditor's report on the consolidated financial statements as of December 31, 2004 addressed to the General Assembly of the shareholders of Exmar N.V.

To the Board of Directors and the Shareholders of Exmar N.V.

We have audited the accompanying consolidated balance sheets of Exmar N.V. and its subsidiaries (the 'Group') as of December 31, 2004 and 2003, and the related consolidated income statements, statements of changes in equity and cash flows statements for the years then ended.

These consolidated financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

Unqualified audit opinion on the consolidated financial statements

We conducted our audit in accordance with International Standards on Auditing as issued by the International Federation of Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit the consolidated financial statements give a true and fair view of the financial position of the Group as of December 31, 2004 and 2003, and of the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards (formerly named International Accounting Standards) adopted by the International Accounting Standards Board (IASB).

Additional information

The following additional information is provided in order to complete the audit report but does not alter our audit opinion on the consolidated financial statements:

- the consolidated Board of Directors' report contains the information required by law and is in accordance with the consolidated financial statements;
- as indicated in the statement of compliance, the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as adopted by the European Commission up to 31 December 2004.

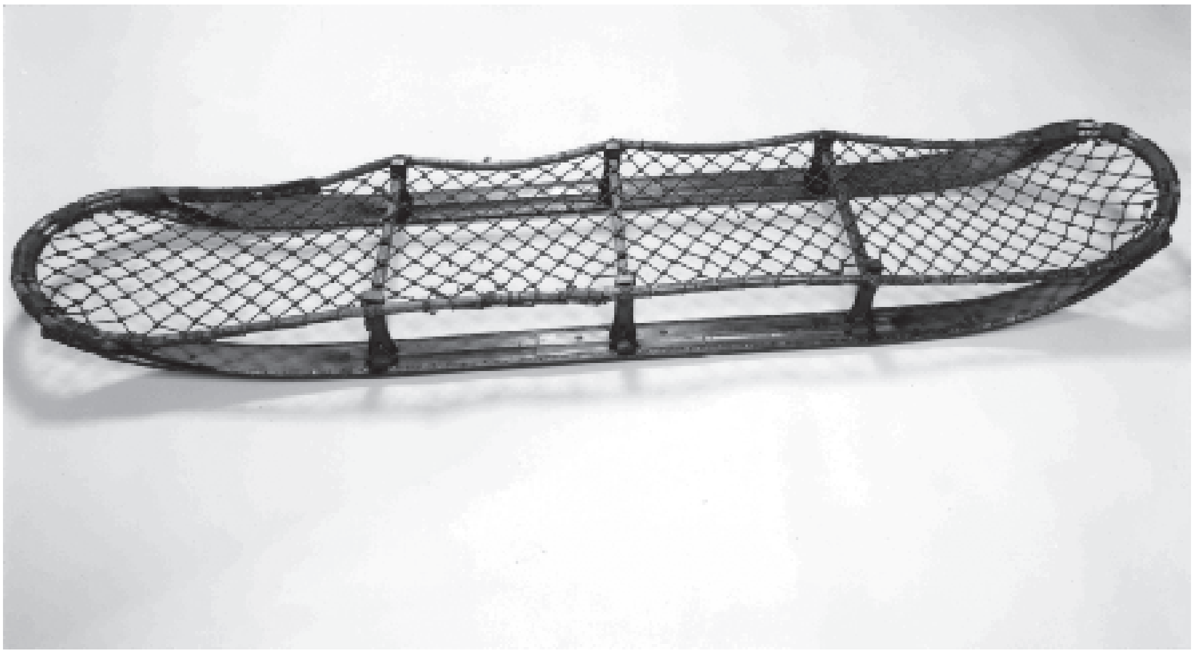
Antwerpen, 22 april 2005

Helga Platteau	Klynveld Peat Marwick Goerdeler
Réviseur d'Entreprises	Réviseur d'Entreprises
Statutory auditor	Statutory auditor
represented by	represented by
Helga Platteau	Serge Cosijns

2. Statutory Accounts

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

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



*Sledge on board of the **Belgica**, used during the expedition.*

(in thousands of USD)

a. Assets

	31st december 2004	31st december 2003
Fixed assets	**304,689**	**248,051**
II. Intangible assets	43	64
III. Tangible assets	169	44
IV. Financial assets	304,476	247,942
Current assets	**139,383**	**66,714**
V. Amounts receivable after one year	0	0
VI. Stocks	0	0
VII. Amounts receivable within one year	71,860	27,474
VIII. Investments	16,689	697
IX. Cash at bank and in hand	50,360	34,572
X. Accured income and deffered charges	474	3,971
Total assets	**444,072**	**314,765**

b. Liabilities

	31st december 2004	31st december 2003
Equity	**200,850**	**203,353**
I. Capital	48,519	48,519
II. Share premium account	6,260	6,260
IV. Reserves	72,430	66,584
V. Accumulated profits	73,641	81,990
Provisions and deferred taxes	**21,179**	**23,030**
V. Provisions and deferred taxes	21,179	23,030
Creditors	**222,043**	**88,382**
I. Amounts payable after one year	143,416	0
II. Amounts payable within one year	75,638	86,324
IV. Accrued charges and deferred income	2,989	2,058
Total liabilities	**444,072**	**314,765**

Exmar NV Income statement

(in thousands of USD)

		01/01/2004 – 31/12/2004	01/01/2003 – 31/12/2003
I.	Operating income	4,120	25,765
II.	Operating expenses	5,704	29,129
III.	Operating result	-1,584	-3,364
IV.	Financial income	20,738	8,671
V.	Financial expenses	9,110	7,115
VI.	Results from ordinary activities before tax	10,044	-1,808
VIII.	Extraordinary income	0	2,732
VIII.	Extraordinary expenses	902	0
IX.	Results for the year before taxes	9,142	924
XI.	Income tax	1,634	1
XII.	Results for the year	7,508	923
A.	Results to be appropriated	89,498	88,997
B.	Transfer from capital and reserves	0	0
C.	Transfer to capital and reserves	-5,846	-398
D.	Result to be carried forward	-73,641	-81,990
E.	Intervention of the partners in the loss	0	0
F.	Distribution of result	-10,011	-6,609

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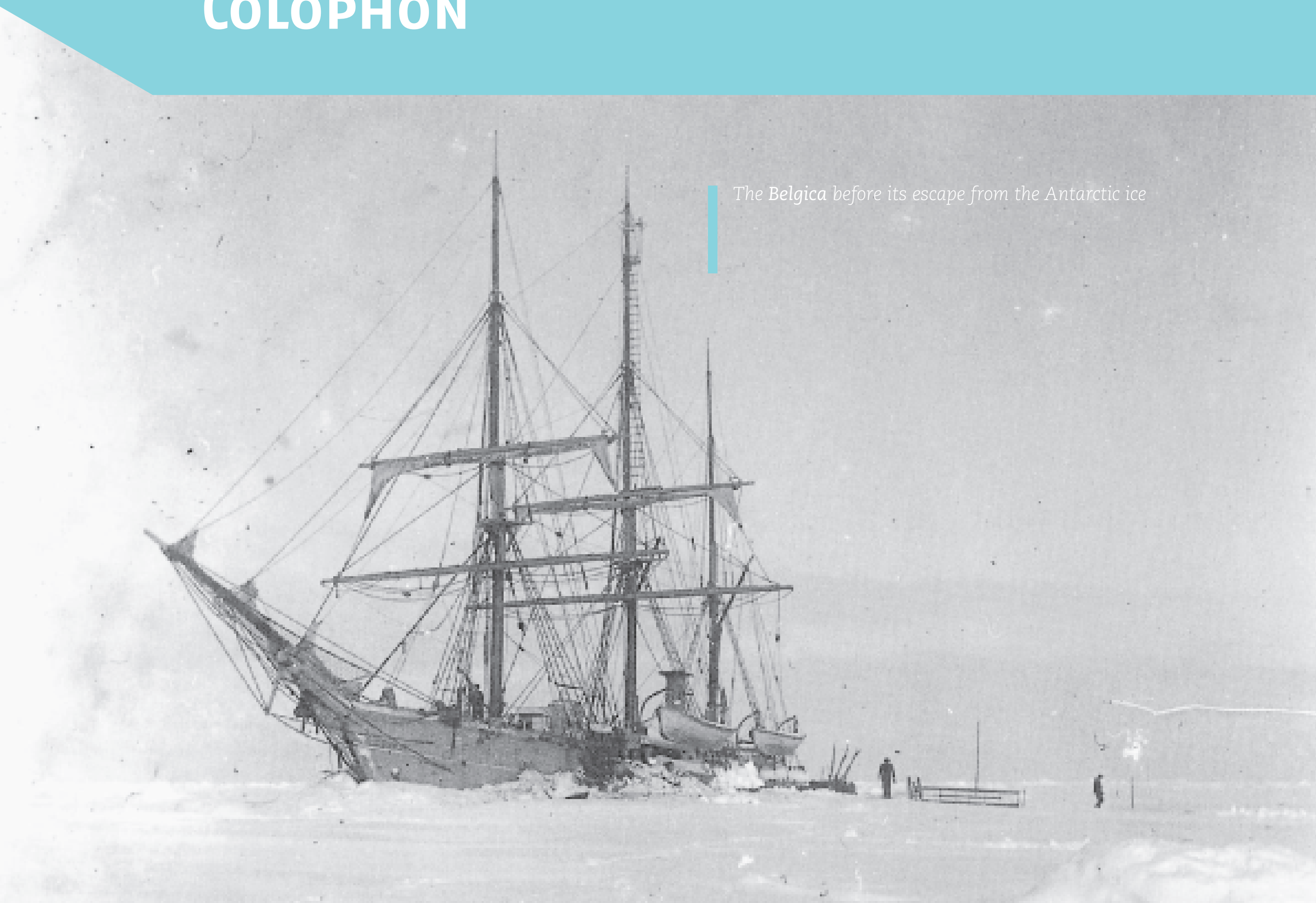
Colophon



The ***Belgica*** *before its escape from the Antarctic ice*

Colophon

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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

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

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

Concept and realisation: www.dms.be

EXMAR