

EXMAR



Persmededeling
Communiqué de presse
Press release

17 December 2003

Strategic alliance for two LNG vessels

Exmar nv is pleased to announce the conclusion of agreements relating to the future of its two LNG regasification vessels (LNGRV's).

The first 138,000m³ LNGRV under construction at the yard of Daewoo Shipbuilding & Marine Engineering (DSME) designated Hull N°2208, to be named EXCELSIOR, and due for delivery in November 2004 has been time chartered for a period of 20 years to newly established Texas-based liquefied natural gas shipper and marketer, Excelerate Energy LP, which is backed by George B. Kaiser of Oklahoma.

The second vessel, also being constructed at DSME with Hull N°2218 and due for delivery in April 2005, will be purchased by GKFF Limited, a Gibraltar registered company, for the benefit of the George Kaiser Family Foundation, a charitable foundation endowed by George B. Kaiser .

It is intended that both ships will be used to deliver regasified LNG offshore in the Gulf of Mexico through the Energy Bridge™ process, recently acquired from El Paso by Excelerate, as originally intended.

As a result of these arrangements, the commitments between El Paso and Exmar relating to the LNGRV's entered into in early 2003 have been terminated.

Both vessels will sail under Belgian Flag, and be crewed and technically operated by Tecto, the ship management affiliate of Exmar.

These deals will add further strength to the balance sheet of the Exmar Group after the demerger from CMB during 2003. The proceeds from these transactions, together with those from certain disinvestments during the 2nd half of 2003 and the refinancing of the LPG fleet will be used to reimburse to CMB the short-term corporate debt facility (US\$46 million due by 31st December 2003 at the latest) and enable Exmar to prepay the long-term corporate debt facility (US\$60 million due by 30th June 2006 at the latest) incurred in connection with that demerger and strengthen further the cash position of the Exmar Group.

Exmar is looking forward to working with its new partner to develop the LNGRV projects in the Gulf of Mexico and other locations in which it has committed considerable resources and sees this as a step towards achieving its goal of becoming a strong independent operator in the LNG sector.

The company presently operates three large LNG carriers, METHANIA (131.000m³, built 1978) on long-term business with the Belgian importer, Distrigas, EXCALIBUR (138.000m³ built 2002) presently on time charter to Tractebel LNG and EXCEL (138.000m³, built 2003) which is on time charter to the Algerian state oil company, Sonatrach .

In addition Exmar operates a fleet of 34 LPG/Ammonia ships plus a further 6 under construction for delivery within 3 years. Of these, 20 are group-owned and mostly registered now in Belgium following the recent introduction of the Tonnage Tax system. Three ships are owned in joint venture with other shipping partners and the remaining 17 are time chartered from various first class operators thus providing a fully flexible service in terms of spot and period business specifically in the fully refrigerated LPG and Anhydrous Ammonia markets.

contact : Patrick DE BRABANDERE
☎ +32 3 247 56 67

www.exmar.be