

Euronav



Annual report for the year 2004
presented to the annual general
shareholders' meeting on 26th April 2005



Euronav

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Euronav



Euronav, with registered offices in Antwerp incorporated on the 20th June 2003, is one of the world's leading independent tanker companies engaged in the ocean transportation of crude oil and petroleum products. Its shares are quoted on Euronext Brussels and are also included in the Next 150 index.

Our business

Euronav is one of the world's leading independent crude oil tanker companies. Euronav is an instrumental founder member of Tankers International, the world's largest, modern double hull pool of VLCCs. Euronav is the largest provider of crude oil tanker tonnage under French flag.

Euronav is an integrated owner operator and manager able to provide complete shipping services in addition to its fleet of modern large tankers. The crude oil seaborne transportation market is cyclical and highly volatile requiring flexible, proactive management of assets in terms of fleet composition and employment.

Euronav increases exposure to the market through opportunistically entering the market by chartering vessels from other owners and tonnage providers whilst maintaining a core fleet of high quality owned or controlled tonnage. The Euronav core fleet has an average age of under 4 years.

Fleet management is conducted by two wholly owned subsidiaries France Ship Management SAS (Franship) and Euronav SAS, both French companies with headquarters in Nantes (France) but with a major branch office in Antwerp. The skills of its directly employed

seagoing officers and shore-based Captains and Engineers give it a competitive edge in high quality design, maintenance and operation.

The capacity to provide French flag tonnage enables Euronav to employ part of its fleet on long-term charter with fixed earnings with French oil majors or oil majors with French subsidiaries to secure long-term visible earnings.

Euronav SAS

Euronav SAS is a French company in the Euronav group, the branch office is located in Saint-Herblain, just outside Nantes in the south of Brittany.

Euronav SAS - established in France since 1993 - is the largest French VLCC owner, with 6 VLCC tankers under French flag and 70 French seagoing personnel. This guarantees the highest level of quality, safety and reliability and ensures that the company meets the standard demanded by its customers and business partners.

Euronav SAS operates tankers under French secondary register TAAF (Terres Australes et Antarctiques Françaises – French Antarctic and Austral Territories).

It also has 100 employees from Bulgaria and the Philippines on board.

The office in France is in charge of:

- Registration of vessels under French Flag;
- Employment and manning of the French / Bulgarian seafarers;
- Day-to-day operation.

Giving priority to internal promotion, human resources and training, Euronav is devoted to a culture of teamwork and an environment where people work together for the overall success of the company.

France Shipmanagement SAS (FRANSHIP)

Franship is a wholly owned French subsidiary of Euronav providing shipmanagement services. Franship was certified ahead of schedule for ISM on its introduction and had ISPS implemented on its first vessel on 5th April 2004. Franship specialises in the management of crude oil tankers, currently Very Large Crude Carriers and Ultra Large Crude Carriers, although it has recent experience in managing Suezmax and Aframax tankers as well.

Franship manages Euronav's fleet that trades worldwide in some of the most difficult weather conditions and sea states, to ports and for charterers with the strictest requirements. The vessels and crews are visited and their performance assessed by our superintendents, customers and the usual national and international regulatory bodies. Franship's record shows that it is a leading provider of such services and prides itself on its excellent record and working relationship with the maritime industry.

As the main shipmanager of Euronav, one of the largest VLCC owners in the market, Franship has excellent relations with all oil majors. The organisation as well as the vessels, has successfully passed all oil major vetting audits.

Franship is based in Saint-Herblain/Nantes in the south of Brittany, the technical branch office is located in Antwerp (Belgium). Franship directly employs 20 people and has outsourced support in some non-key areas.

TI Pool

All of Euronav's VLCCs operating in the spot market are trading in the Tankers International ("TI") pool.

By participating in a pool, Euronav benefits from the economies of scale inherent in such an arrangement.

Furthermore the pool has been able to enhance vessel earnings by improved utilisation (more days laden and less

days in ballast) through use of backhauls, contracts of affreightment and other efficiencies facilitated by the size and quality of its modern VLCC fleet. The pool's ability to substitute vessels when delayed, or to reduce waiting time, or to meet a customer requirement is unsurpassed.

By operating together scores of modern vessels, the pool is almost certain to have a modern high quality VLCC available in the right place at the right time. That means customers receive better, more flexible service and assured high quality capacity.

Euronav is a founding member of TI, which commenced operation in January 2000. The pool was established by Euronav and other leading tanker companies to meet the global transportation requirements of international oil companies and other major charterers. TI is operating the largest modern fleet available in the world. The pool consists of 41 modern VLCCs and 4 ULCCs representing approximately 10% of the world's large tanker fleet.



Tankers (UK) Agencies Limited
Moreau House 116 Brompton Road
London SW3 1JJ United Kingdom
Telephone: +44 207 8704 700
Fax: +44 207 8380 013



Ladies and Gentlemen,

2004 was a momentous year for all of the stakeholders in Euronav. Through the demerger completed on 30th November 2004 the shareholders of the CMB group were given a direct participation in a crude oil tanker stock at the end of the best calendar year of returns on investment in that sector for over 30 years. The capital markets for both debt and equity have shown their support and appreciation of this initiative for which we wish to thank them.

The company took some bold initiatives to expand and grow both its fleet and exposure to the spot market culminating in a year of unprecedented rewards in both net income and asset growth. Employees, officers and directors can pride themselves on the company performance in terms of customer service, quality of assets, safety of transportation and shareholder value. The challenge will be to build on these achievements in 2005 and to further reward the trust and confidence shown in us by our shareholders and the capital markets.

The consolidated result for the financial year 2004 amounts to USD 236,502,000 (2003: USD 56,557,000).

The board of directors will propose to the annual general meeting of shareholders of 26th April 2005 to distribute a gross dividend of EUR 3.20 per share (EUR 2.40 net per share), of which already EUR 1.60 gross per share (EUR 1.20 net per share) was paid on 6th December 2004 as interim dividend. Subject to the approval of the annual general shareholders' meeting, the final dividend of EUR 1.60 gross per share (EUR 1.20 net per share) will be paid on 29th April 2005.

We wish all our shareholders, directors but most importantly our employees and in particular those who are seagoing the very best for the coming year.

Yours faithfully,

Marc Saverys
Chairman

Euronav



On 9th December 2004 the Belgian Corporate Governance Committee published the Belgian Code on Corporate Governance. In this year's annual report the Euronav board has tried to fulfil as much as possible all requirements of the Belgian Code on Corporate Governance. In the course of 2005 the Euronav board will prepare a Corporate Governance Charter which will be made available on the Company's website as soon as it is available. It is expected that Euronav will fully comply with all principles of the Belgian Code by the target date of 1st January 2006.

BOARD OF DIRECTORS

Working procedures

Since the listing of the company on Euronext Brussels, the new Euronav board of directors convened once in 2004.

Aside from the subjects dictated by law – closing of the accounts, the annual and the half year report, preparing press releases or preparing the annual general meetings – the board deliberates on the following items: company strategy and structure, budgets, interim results and forecasts, survey of the day-to-day affairs of the major subsidiaries, investments and disinvestments in fixed assets and participating interests, portfolio and treasury, fleet and acquisition and sale of its own shares.

The board members always receive in advance a detailed file covering the agenda of the upcoming board meeting.

In 2004, apart from the above-mentioned customary agenda items, the previous Euronav board of directors deliberated on:

- the decision to submit, to an extraordinary general meeting, the proposal to spin-off the tanker activities of CMB into Euronav;
- in preparation of mentioned extraordinary general meeting:
 - application for a fiscal ruling confirming the fiscal neutrality of the partial demerger,
 - discussion of the valuation report as prepared by Fortis Bank,
 - preparation of the demerger proposal and other reports,
 - modification of Euronav's articles of association,
 - preparation of a report with respect to authorised capital,
 - preparation of the prospectus.

The new board of directors as from 30th November 2004, in its meeting of 30th November 2004, deliberated on:

- composition of the executive committee, of the audit committee and of the nominating and remuneration committee and delegation of powers;
- the payment of an interim dividend as per 6th December 2004.

All decisions of the board are taken in accordance with article 22 of the by-laws which inter alia states that the chairman has a casting vote in case of deadlock. To date, this has not been necessary.

Since the extraordinary general meeting of 30th November 2004, the by-laws provide that the members of the board remain in office for a period not exceeding three years.

The by-laws of the company do not provide an age-limit for the members of the board.

All board members were present at the board meeting of 30th November 2004.

Members

Executive directors:

Marc Saverys, director and chairman since 2003

Born in 1954. His mandate expires at the annual general meeting of 2009.

Patrick Rodgers, director since 2003, CEO since 2004

Born in 1959. His mandate expires at the annual general meeting of 2009.

Virginie Saverys, director since 2003

Born in 1960. Her mandate expires at the annual general meeting of 2009.

Ludwig Criel, director since 2003

Born in 1951. His mandate expires at the annual general meeting of 2009.

Non-Executive Directors:

Daniel Rochfort Bradshaw¹, director since 2004

Born in 1947. His mandate expires at the annual general meeting of 2007. His main function outside Euronav is consultant with Johnson Stokes & Master (Hong Kong).

Patrick Molis¹, director since 2004

Born in 1958. His mandate expires at the annual general meeting of 2007. His main function outside Euronav is Président Directeur General of CNN (Compagnie Nationale de Navigation – France).

Einar Michael Steimler, director since 2004

Born in 1948. His mandate expires at the annual general meeting of 2007. His main function outside Euronav is Managing Director of Tankers (UK) Agencies Ltd.

Stephen Van Dyck¹, director since 2004

Born in 1943. His mandate expires at the annual general meeting of 2007. His main function outside Euronav is chairman of the American tanker operator Maritrans.

AUDIT COMMITTEE

The audit committee consists of three directors of which two independent, and has the following activities:

- to thoroughly examine the semi-annual and annual financial reports of Euronav, before the corresponding board meeting;
- to make recommendations to the board on the appointment and release of the auditor and the level of the audit fee;
- to watch over the independence of the auditor;
- to review the audit scope and approach of their assignment as proposed by the auditor;
- permanent supervision of the final audit files;
- to discuss and evaluate the conclusions of the interim and year-end audit reviews;
- to investigate all identified risk areas;
- to evaluate the organisational set-up and the competencies of the internal audit department;
- to approve the internal audit plan, the activities of the internal audit department and ensure coordination between external and internal auditors. The committee must ensure that the internal audit department has sufficient (material and human) resources 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 grant permission to the auditors to supply other services than those defined by Law;
- to evaluate any other matters at the request of the board of directors;
- to report on the activities of the committee to the board of directors.

Members

Daniel Rochfort Bradshaw - *chairman*

Patrick Molis

Ludwig Criel

¹ Independent director

The audit committee was installed following a decision of the board of directors of 30th November 2004.

In order to comply with the Belgian Code on Corporate Governance, which requires all members of the audit committee to be composed exclusively of non-executive directors, Mr. Criel will resign as member of the audit committee and will be replaced by a non-executive director.

NOMINATING AND REMUNERATION COMMITTEE

The nominating and remuneration committee has three directors of which two independent, 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;
- make recommendations to the board of directors with respect to the appointment of directors.

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

Members

Marc Saverys - *chairman*
Daniel Rochfort Bradshaw
Stephen Van Dyck

The nominating and remuneration committee was installed following a decision of the board of directors of 30th November 2004.

In order to comply with the Belgian Code on Corporate Governance, which requires all members of the nominating and remuneration committee to be composed exclusively of non-executive directors, Mr. Saverys will resign as member of the nominating and remuneration committee and will be replaced by a non-executive director.

JOINT STATUTORY AUDITORS

KLYNVELD PEAT MARWICK GOERDELER

Bedrijfsrevisoren

Permanent representative

Serge Cosijns

HELGA PLATTEAU BEDRIJFSREVISOR BVBA

Permanent representative

Helga Platteau

DAY-TO-DAY MANAGEMENT

Executive committee

The board of directors delegates the day-to-day management of the company to an executive committee set up in accordance with article 524bis of the Code of Companies.

The executive committee convenes twice a month.

The board of directors appoints the members of the executive committee.

Members:

Patrick Rodgers, *Chairman of the Executive Committee - CEO*

Marc Saverys, *Chairman of the Board*

Ludwig Criel, *CFO*

Virginie Saverys, *Secretary General*

REMUNERATION

The directors' remuneration is fixed at EUR 50,000. The chairman receives a fixed remuneration of EUR 100,000. The directors who in 2004 were also members of the executive committee, and were remunerated as such, have renounced their entitlement to the mentioned fixed remuneration.

For their mandate within the audit committee, the members received a remuneration of EUR 12,500/year. The chairman received a remuneration of EUR 25,000.

For their mandate within the nominating and remuneration committee, the members received a remuneration of EUR 3,000/year.

The total amount of the remuneration paid in 2004 to all non-executive directors for their services as members of the board and committees (if applicable) can be summarised as follows:

in EUR	Director	Audit Committee	Nominating and Remuneration Committee	Total
Daniel R Bradshaw	4,166.67	2,083.33	250.00	6,500.00
Patrick Molis	4,166.67	1,041.67		5,208.34
Einar Michael Steimler	4,166.67			4,166.67
Stephen Van Dyck	4,166.67		250.00	4,416.67
Total	16,666.68	3,125.00	500.00	20,291.68

It should be noted that the remuneration for 2004 was paid on a pro rata basis (1/12).

The nominating and remuneration committee decides annually on the remuneration of the members of the executive committee. In 2004 the remuneration (excluding the CEO) only consists of a fixed component with a total cost for the company (including pension plans, advance business tax, etc.) of EUR 177,500. All amounts mentioned refer to the executive committee in its current composition.

In the course of 2004 no stock options, loans or advances were granted to any director.

The basic fixed remuneration of the CEO for 2004 amounted to GBP 174,080.04. The variable remuneration for 2004 amounted to GBP 259,121. The other components of the remuneration, comprising cost of pension and private health insurance coverage, amount to GBP 42,089.71 for 2004.

With the exception of the CEO, the three executive directors are self-employed. In the event of termination of their appointment, they are not entitled to any compensation. In the event of termination of the CEO's employment, the CEO would be entitled to a compensation the equivalent of one year's salary.

APPROPRIATION OF PROFITS

Subject to sufficient results, the board proposes to follow a policy of increasing dividends.





TI EUROPE

Fleet of the Euronav Group as at 31st December 2004

Owned

	%owned	Built	DWT	Draft (m)	Flag
ALGARVE	100%	1999	298,969	22.02	FRENCH
ARTOIS	100%	2001	298,330	21.13	FRENCH
FAMENNE	100%	2001	298,412	21.13	FRENCH
FLANDRE	100%	2004	305,688	22.42	FRENCH
LUXEMBOURG	100%	1999	299,150	22.02	FRENCH
NAMUR	100%	2000	298,552	21.13	BELGIAN
PACIFIC LAGOON	100%	1999	305,839	22.24	BELGIAN
SAVOIE	100%	1993	306,430	22.37	BELGIAN
HHI Hull (Suezmax)	50%	2007	159,000	-	BELGIAN

Owned in Joint Venture

	% owned	Built	DWT	Draft (m)	Flag
TI AFRICA	50%	2002	441,655	24.53	BELGIAN
TI ASIA	50%	2002	441,893	24.53	BELGIAN
TI EUROPE	50%	2002	441,561	24.53	BELGIAN
TI OCEANIA	50%	2003	441,585	24.53	BELGIAN
ARDENNE VENTURE	50%	2004	317,970	22.50	HONG KONG
FRONT TOBAGO	30%	1993	259,992	19.04	LIBERIAN
V.K. EDDIE	50%	2005	305,000	22.42	HONG KONG

Time chartered

	%part	Built	DWT	Draft (m)	Flag
ARDENNE VENTURE	60%	2004	317,970	22.50	HONG KONG
BOURGOGNE	100%	1996	296,230	22.20	LUXEMBOURG
CHARLES EDDIE	40%	2002	305,177	22.42	PANAMA
C DREAM	15%	2000	298,570	21.30	HONG KONG
HAMPSTEAD	50%	1996	298,306	22.02	MARSHALL ISL
HAWTAH	100%	1996	300,361	22.53	BAHAMAS
KENSINGTON	50%	1995	298,306	22.02	MARSHALL ISL
SEA FORTUNE	30%	2003	299,097	20.88	HONG KONG
SHINYO LANDES	100%	1993	306,474	22.37	HONG KONG
V.K. EDDIE	60%	2005	305,000	22.42	PANAMA
WATBAN	100%	1996	300,361	22.53	BAHAMAS

Bareboat chartered

	%part	Built	DWT	Draft (m)	Flag
PROVENCE	100%	1994	285,364	20.82	FRENCH

Fleet of the Euronav Group

vessels added since the year-end or to be added in the first semester

Owned

	%owned	Built	DWT	Draft (m)	Flag
BOURGOGNE	100%	1996	296,230	22.20	BELGIAN
CAP DIAMANT	100%	1998	146,440	15.62	GREEK
CAP GEORGES	100%	1998	147,443	14.60	GREEK
CAP JEAN	100%	1998	146,440	14.60	GREEK
CAP LAURENT	100%	1998	147,443	14.60	GREEK
CAP LEON	100%	2003	159,600	17.05	GREEK
CAP PIERRE	100%	2004	159,600	17.05	GREEK
CAP ROMUALD	100%	1998	148,000	14.85	GREEK
FILIKON	100%	2002	150,709	15.30	GREEK
FINESSE	100%	2003	150,709	15.30	GREEK
TI CREATION	100%	1998	298,304	31.00	BELGIAN
TI GUARDIAN	100%	1993	290,927	31.50	BELGIAN
TI TOPAZ	100%	2002	319,470	30.40	BELGIAN
HHI NB	100%	2005	318,000	30.40	BELGIAN
SAMSUNG NB	100%	2006	159,000	17.00	-
SAMSUNG NB	100%	2006	159,000	17.00	-
SAMSUNG NB	100%	2006	159,000	17.00	-
SAMSUNG NB	100%	2007	159,000	17.00	-
SAMSUNG NB	100%	2007	159,000	17.00	-

Bareboat chartered

	%part	Built	DWT	Draft (m)	Flag
FANTASY	100%	2002	110,000	14.80	GREEK
FIDELITY	100%	2002	110,000	14.80	GREEK

Time chartered

	%part	Built	DWT	Draft (m)	Flag
SHINYO MARINER	100%	1991	271,208	19.25	HONG KONG

Tonnage tax regime

Shortly after its incorporation, Euronav applied for treatment under the Belgian tonnage tax regime. It was declared eligible for this regime by the Federal Finance Department on 23rd October 2003.

As a result, for a ten-year period, Euronav's profits will in principle be determined nominally on the basis of the tonnage of the vessels it operates. This tonnage tax replaces all those factors that are normally taken into account in traditional tax calculations, such as profit or loss, operating costs, depreciation, gains and the offsetting of past losses.

Risks associated to Euronav's activities

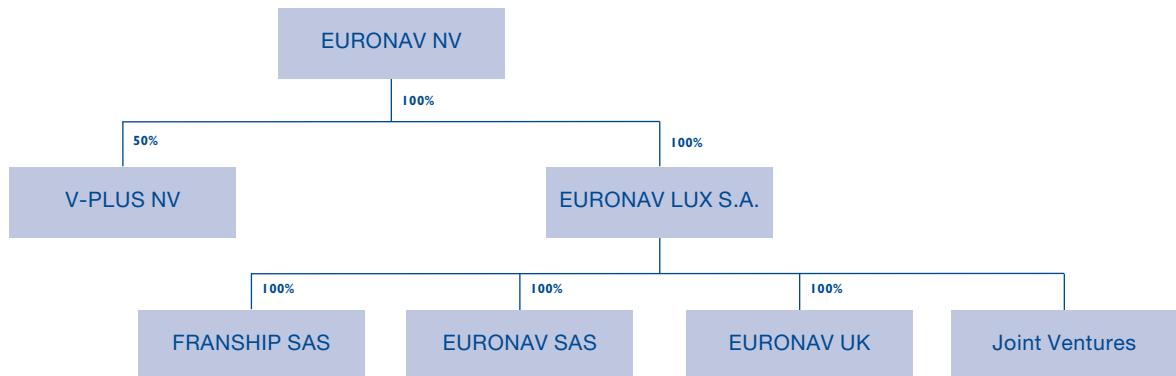
As stated in the prospectus issued with respect to the partial demerger of Euronav of 30th November 2004, the tanker market is a cyclical market experiencing high volatility arising from changes in supply and demand. There are a number of factors that may affect either the supply or the demand. In both cases the results can significantly alter the revenues and expenses of the company. Further information can be found in the aforementioned prospectus.

In addition there are a number of risks inherent to the operation of ocean-going tankers ranging from breakdowns, collisions, loss of cargo, pollution, warlike or terrorist activities, strikes and so forth.

Euronav as a responsible and prudent tanker operator maintains a comprehensive insurance package. Although insurances are taken out to cover these risks, not all risks can be covered and the potential liability could exceed the level of insurance cover available.

Governments and international organisations can change the liability regime and/or increase the costs related to the operation of tankers. Such changes could have a negative effect on Euronav's cost of operation.

The Euronav Group structure



The Euronav share

Euronav's Extraordinary Shareholders' Meeting of 30th November 2004 approved the proposal to divide the number of shares by a factor of 701.6807 so that the share capital, previously represented by 10,000 shares, counted 7,016,807 shares.

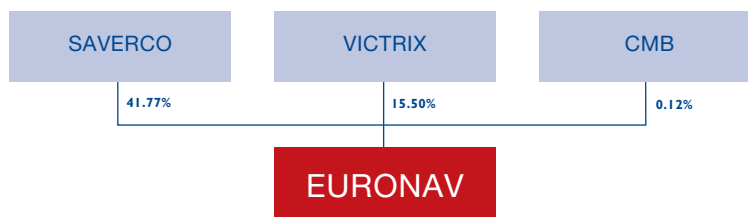
Within the framework of the partial demerger of CMB, 35,000,000 new Euronav shares were issued to the shareholders of CMB, in the proportion of 1 share in Euronav for 1 share in CMB. As a result of this

transaction, 42,016,807 shares now represent the share capital of the company.

In the course of 2004 and early 2005 Euronav did not acquire any own shares on the stock exchange.

Since 17th December 2004 the shareholders' structure is as follows:

	Shares	%
Saverco	17,551,851	41.77%
Victrix	6,512,301	15.50%
CMB	50,028	0.12%
Third parties	17,902,627	42.61%
	42,016,807	100.00%



Directors' report Highlights and activity report for the year 2004

Euronav



2003 ended strongly having been very volatile and experienced some weakness between mid-December and the start of the working year in 2004. The full year 2003 average time charter equivalent rate for a Tankers International (TI) pool point 100 vessel was USD 44,000. The worldscale flat rates increased with about 10% with the main east route increasing from USD 12.15 per tonne to USD 13.11 per tonne from Ras Tanura (Saudi Arabia) to Chiba (Japan).

World oil demand for 2004 had been forecast at 79 million barrels per day by the IEA (International Energy Agency) and with newbuilding deliveries expected to increase the world VLCC fleet by 5.4%, some downward pressure on rates was expected. However the year was to be characterised by unprecedented increased demand growth in China (over 42% year on year) on the back of general economic growth of 9%. The USA saw high demand reflecting the general healthy economic growth worldwide and some domestic supply cutbacks due partly to ageing assets and shut in production due to the effects of hurricane Ivan in the Gulf of Mexico. Overall the year saw demand growth for crude oil of 3.3% the strongest annual growth since 1976.

THE FIRST QUARTER

In December 2003 IEA projections for 2004 were 1.5 million barrels per day of supply from non-OPEC sources and 1 million barrels per day of demand growth that was bearish for oil prices and freight rates. Building US inventories were rumoured and at its 9th February meeting OPEC cut quotas effective 1st April by 1 million barrels per day (from 24.5 million barrels per day to 23.5 million barrels per day). Freight futures fell, spot rates weakened but not significantly and business continued as usual.

IEA subsequently reported that supply and demand was balanced due to an increase in demand in December, January and February of 1.1 million barrels per day. Low US inventories were reported and a very high oil price suggested that either oil demand was understated, supply overstated or both.

Growth in demand for January was 1.9% above January 2003 without a really cold winter.

January saw Chinese demand up 11% but more significantly import levels up 23%. This indicated growth in line with expectations combined with falling Chinese production or increased trade in oils.

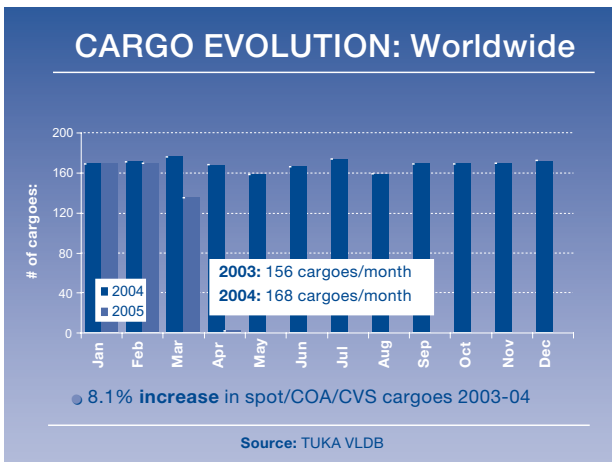


Figure 1

The graph (figure 1) shows first quarter AG (Arabian Gulf) cargoes 2004 compared to 2003. AG liftings of crude oil cargoes in the first quarter of 2004 were over 10% higher than 2003, which had a very cold winter. Venezuelan crude oil shut out and Japanese nuclear plant closures, all of which caused increased call on OPEC, and more particularly AG crude, thereby significantly increasing long haul seaborne transportation of crude oil.

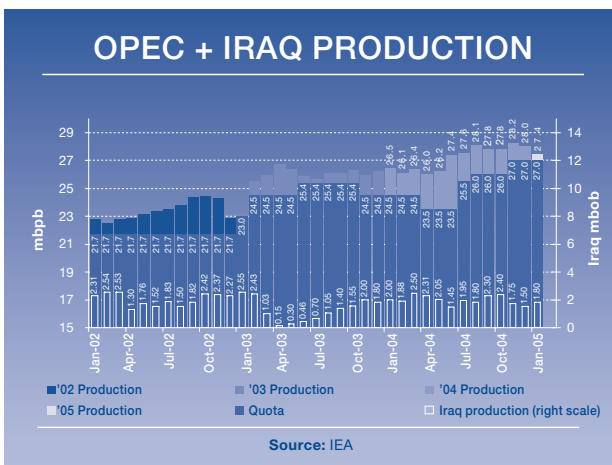


Figure 2

OPEC produced 25.85 million barrels per day in February, 1.3 million barrels per day above the then current quotas set in November 2003 and 2.3 million barrels per day above the April quotas taking into consideration the then proposed quota reductions. The graph (figure 2) demonstrates the increased production from the AG, the main load area for VLCCs.

No matter how bearish the IEA projected demand figures, the freight market bounced off floors rather than hitting ceilings indicating strong fundamental demand.

Euronav enjoyed its best start to a year since incorporation with an average time charter equivalent in excess of USD 75,000 per day, and a first quarter result over USD 50 million, significantly more than the whole of 2003.

January

The world fleet at the start of the year comprised 435 VLCCs and ULCCs. Euronav acquired the *Savoie* (ex *Berge Sigval*) from Bergesen, a Norwegian shipowner, for USD 55 million, and took the *Shinyo Landes* (ex *Berge Stavanger*) on charter from Shinyo International at USD 27,250 for 12 years.

The TI pool put the *Bourgogne* on charter to MISC (Malaysia) and took in on charter the *C Dream* and the *Sea Fortune*, in both of which Euronav took participation together with other pool partners. Petronas (Malaysia) placed the *Bunga Kasturi* in the pool and the *Eleo Maersk* and *Estelle Maersk* left the pool as they were sold to a third party.

Metrostar (Greece) bought *Ocean Guardian*, *World Creation*, *World Crest* and *Poros*, establishing the price for a modern VLCC at above USD 85 million for the first time since 2001.

February

Euronav and OSG took on time charter the *Kensington* and *Hampstead* for 3 years at USD 30,000 per day plus a share of sub charter profit for owners with delivery in April.

Metrostar put the *Crude Star* in the TI pool for a 180 day trial period. Essar (India) put the *Nordbay* renamed *Ashna* in the pool for 2 years.

Worldwide (Singapore) put M/T *Siam* a 1993 double hull on bareboat charter for 7 years at USD 20,700 per day.

Worldwide also put M/T *Ubud* on time charter to NYK (Japan) for 3 years at USD 33,750.



PACIFIC LAGOON



March

Euronav chartered in the *Hawtah* and the *Watban* with delivery in May for 3 years at USD 36,000 per day. M/T *C Dream* and M/T *Seafortune* delivered to the TI pool. The world fleet increased to 437 over the quarter, and Euronav had committed itself to the equivalent of 5 and a half additional ships of exposure.

THE SECOND QUARTER

Expectation was for a significantly weaker second quarter as refineries typically change over from winter production to summer production with consequent loss of demand and reletting of refinery controlled tonnage into the market.

By the start of the second quarter it was becoming universally accepted that the runaway oil price was not a result of a lack of crude oil but unprecedented demand. Saudi Arabia offered to turn on its full production capacity if needed. By offering to activate the last sliver of global spare capacity, the Saudi gesture seemed to fire up the market bulls rather than to cool them off. Consequently, the OPEC quota cuts agreed in the first quarter were not implemented. The additional oil did not dampen demand for, or prices of, oil in what is typically a weak quarter for demand. The time charter equivalent for a 100 TI pool points vessel was a staggering USD 60,000.

OPEC warned through much of 2004 that oversupply was imminent and proposed output cuts would be necessary to prevent inventories building. Despite signs of rampant demand growth, producers were wary of putting more oil on the water, for fear of triggering an uncontrollable price fall if speculators sold down their long derivative positions. The markets were fundamentally in balance, the tightness of crude supplies was creating huge volatility. The national output ceiling for each country of OPEC was rather academic.

April

Euronav contracted the purchase of the four V-Plus vessels *Hellespont Alhambra*, *Hellespont Tara*, *Hellespont Fairfax* and *Hellespont Metropolis* renamed *TI Asia*, *TI Europe*, *TI Oceania* and *TI Africa*, each having a deadweight of 442,100 dwt and a carrying capacity of 3 million barrels of crude oil. The acquisition was in joint venture with OSG, one of the major members of the TI Pool, at a price of USD 112 million per unit.

Sun Oil (USA) fixed in on charter the *Stena Vmax* at USD 41,000 per day for 3 years.

May

M/T *Kensington*, M/T *Hawtah* and M/T *Watban* were all delivered to the TI pool.

Euronav financed the *Savoie* with first mortgage bank debt provided by Nordea Bank AB (Finland).

June

Euronav took delivery of the VLCC M/T *Flandre* from Daewoo Shipbuilding and Marine Engineering of Okjo (South Korea) and she entered service under a five year time charter with Total at a floor rate of USD 27,500 per day plus a 50% share of sub charter profits.

THE THIRD QUARTER

The third quarter provided a time charter equivalent for a 100 TI pool point vessel of USD 63,000. Something that has not been seen in recent years as the third quarter like the second quarter is expected to be significantly weaker than the first quarter.

The original IEA forecast for 2004 was revised upward by two and one half million barrels with China and the USA accounting for one million barrel each.

The reported demand for the first quarter was 81.5 million barrels per day. This weakened slightly in the second quarter but rebounded on the back of USA economic growth and increased Chinese demand to break through the 82 million barrels per day to 82.6 million barrels per day for the then last twelve months, a growth of 2.76 million barrels per day compared with the previous year. China revised estimated imports for the last 12 months to 120,000,000 mt, nearly 3 million barrels per day, making China the second largest consumer of crude oil in the world after the USA and the third largest importer after the USA and Japan.

Russia's production reached 9 million barrels per day but was held back by physical export restrictions, which guaranteed that increase demand would directly result in increased OPEC supply.

OPEC and Saudi in particular promised to produce as much oil as possible over the summer months to prevent WTI (West Texas Intermediate), the key oil price indicator, from breaking through the USD 50 per barrel barrier.

The market was volatile reacting to oil price nervousness. Production of oil seemed potentially capable of being disrupted in all the major producing regions with the threat of strikes in the North Sea (Norway), Venezuela and Nigeria, sabotage in Iraq and political intervention in Russia (the Yukos affair). In the end it proved to be the USA that disrupted supply as hurricane Ivan shut in production in the US Gulf (figure 3).

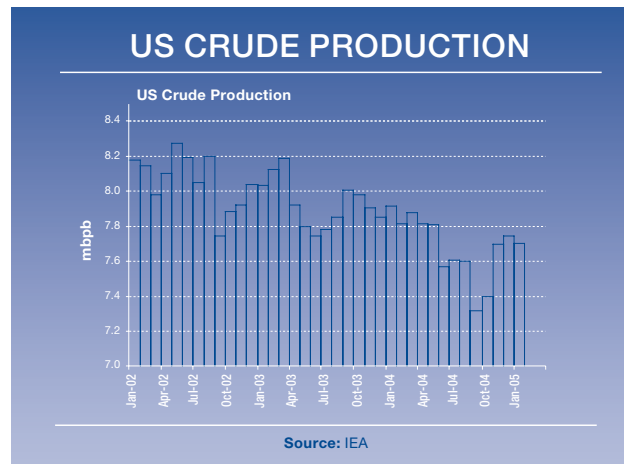


Figure 3

In September market expectation was that rates would spike upwards in the fourth quarter based on increased seasonal demand for heating oil (figure 4).

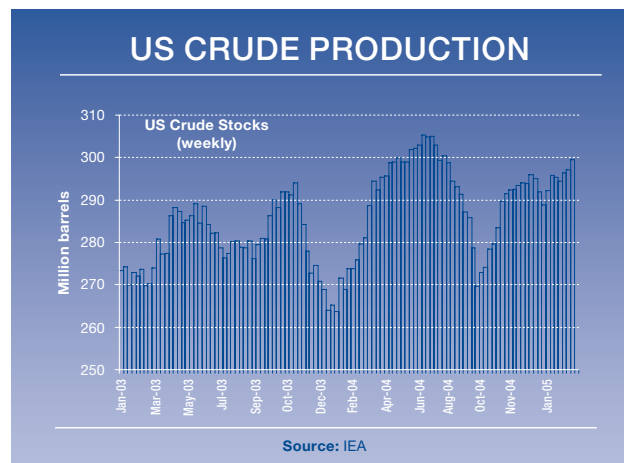


Figure 4

July

Euronav took delivery of the four ULCCs: *TI Europe* (ex *Hellespont Tara*) on 19th July, then both the *TI Africa* (ex *Hellespont Metropolis*) and the *TI Asia* (ex *Hellespont Alhambra*) on 26th July and the *TI Oceania* (ex *Hellespont Fairfax*) on 28th July.

2 modern double hull two million barrel VLCC Newbuildings under construction at Nacks Nantong (China) for delivery in 2006 were sold to Frontline for USD 158.5 million en bloc.

Metrostar time chartered two modern vessels to BP at USD 50,000 per day for 1 year.

August

Crude Guardian was redelivered to Owners from the TI pool on 3rd August.

Emma Maersk and *Eugen Maersk* were sold to leave the TI pool in September.

MT *Dundee* was sold by OSG to Dynacom (Greece) for USD 55 million.

September

MT *Ardenne Venture*, a VLCC jointly owned by Wah Kwong and Euronav, was delivered from Hyundai Heavy Industries (South Korea) on 8th September 2004.

Yukos suspended rail transport to China of 100,000 barrels per day.

Rebels attacked facilities offshore Nigeria.

5 men were imprisoned in Yemen for involvement with the attack on the Euronav VLCC M/T *Limburg* in October 2002.

THE FOURTH QUARTER

The incredible rate spike during October and November was entirely demand driven. The time charter equivalent for a 100 pool point vessel for the fourth quarter was USD 115,000 per day. The world VLCC fleet grew to 442 units. There was no artificial constriction of supply or short-term demand increases. Demand was clearly growing from China and India with production in the North Sea and the USA falling, albeit slowly increasing the call on OPEC crude and consequently demand for VLCCs. Inventories of heating oil in USA and Europe did not build in line with seasonal norms and were at 5 years lows.

The future short-term outlook was not negative despite worldscale fixtures in excess of 345 points generating voyage time charter equivalents of USD 250,000 per day.

October

Euronav approved the sale of M/T *Golden Fountain* to Hosco (China) for USD 61 million with delivery at the end of the year. On this sale a capital gain of USD 9 million was realised.

Oriental Topaz built 2002 was sold to Metrostar for USD 116 million.

Japan, South Korea and Singapore advise IMO that they may wish to apply for the exemption for the phase out for single hull tankers.

November

M/T *Violando* built 2003 was purchased by Metrostar for USD 122.5 million.

Euronav was demerged from the CMB Group.

December

On 1st December Euronav was listed on Euronext Brussels.

Golden Fountain was delivered to Buyers.

Chinese news agency confirms a strategic reserve of 30 days consumption to be built within 3 years and to be increased to 90 days by 2010.

The graphs below show increased cargoes for VLCCs (figure 5), increased worldscale rates (figure 6) and consequently higher daily earnings of VLCCs (figure 7).

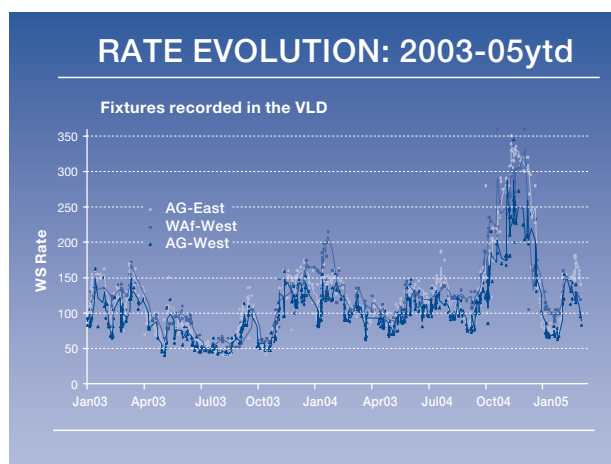


Figure 5

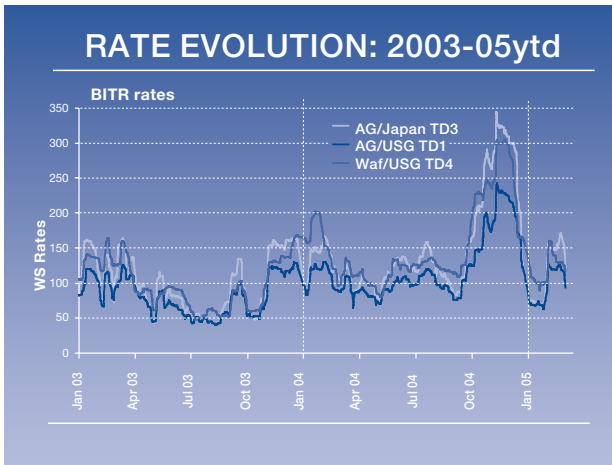


Figure 6

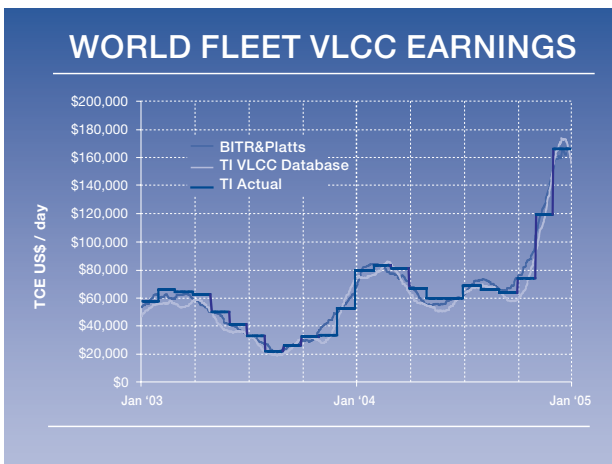


Figure 7

The following events which occurred after closing of the accounts, should be mentioned:

Tanker rates tumbled to one quarter of the early December freights despite strong demand, but rebounded strongly at the end of January to exceed USD 100,000 per day.

Euronav took M/T *Shinyo Mariner* on time charter at USD 32,500 per day plus a share of sub charter profits to the Owner.

On 10 January 2005, OSG served official notice of its decision to terminate the joint venture with Euronav on the four V-Plus vessels. Both companies will own and operate two vessels. The four vessels will continue to be operated commercially by Tankers International. The termination of this joint venture has no financial impact.

Euronav also exercised a purchase option to acquire the *Bourgogne* for USD 59 million. The vessel was delivered on 9th March to Euronav and is now flying the Belgian flag.

In early March Euronav acquired four VLCCs from Metrostar the *Crude Guardian*, *Crude Creation*, *Crude Topaz* and HHI Hull No.S214, for immediate delivery with an en bloc price of USD 477.5 million.

In the second week of March acquisition of a fleet of Suezmax and Aframax tankers was successfully negotiated with Tanklog, the crude oil owning division of Ceres Hellenic (Greece). The transaction valued the 16 ship fleet of 2 Aframax and 9 Suezmax, plus contracts for 5 newbuilding Suezmax together with their contracts of employment at a price in excess of USD 1 billion. The transaction will be paid for partly in shares and partly in cash.

Euronav has also negotiated a single facility syndicated term loan to refinance Euronav's fleet including the Metrostar and Tanklog vessels to be acquired. The facility will be at a lower average cost than the previous facility and with a longer term.

Appropriation Account

The result to be allocated for the financial year amounts to USD 196,363,039.94. Together with the transfer of USD 22,964,192.74 from the previous financial year, this gives a profit balance to be appropriated of:

USD 219,327,232.68

To the general shareholders' meeting of 26th April 2005, it will be proposed to distribute a gross dividend for the financial year 2004, of EUR 3.20 per share. As a result, the distribution of the profit will be as follows:

- capital and reserves	USD 1,002,611.46
- dividends	USD 175,720,354.42
- carried forward	USD 42,604,266.80

After deduction of the withholding tax, the net dividend will be made payable in the amount of:

EUR 2.40 per share
of which a net interim dividend of EUR 1.20 per share was made payable on
6th December 2004 following the decision of the board of directors of
30th November 2004.

The final net dividend will be payable to the holders of registered shares on 29th April 2005. It will also be payable to the holders of bearer shares from the aforementioned date onwards against delivery of coupon no. 2 at the counters of the offices and branches of Fortis Bank, Dexia Bank, KBC Bank and Petercam.

Antwerpen, 16th March 2005
THE BOARD OF DIRECTORS

Shareholders' Diary

Dividends	payable as from 29 th April 2005
Publication of half year results 2005	Tuesday 27 th September 2005
Announcement of third quarter results 2005	Tuesday 25 th October 2005
Announcement of fourth quarter results 2005	Tuesday 31 st January 2006
Annual General Meeting	last Tuesday of April at 11h00 2006: Tuesday 25 th April

**Consolidated financial statements
for the period ended 31 December 2004**

*Consolidated financial statements
for the period ended 31 December 2004*

Income statement			
<i>in thousands of USD</i>	note	2004	2003
Revenue from shipping activities	-	430,615	147,268
Capital gains on disposal of vessels	-	9,006	8,471
Other operating revenue	3	5,209	8,001
Expenses for shipping activities	4	-115,661	-44,807
Capital losses on disposal of vessels	-	-	-
Depreciation and amortisation expenses	-	-45,737	-35,779
Impairment losses (-) / reversals (+)	-	-	-
Staff costs	4	-3,720	-2,303
Other operating expenses	4	-15,844	-13,058
Restructuring costs	-	-	-
Net result on freight and other similar derivatives	22	-6,443	-
Result from operations		257,425	67,793
Net finance costs	5	-12,184	-6,813
Results of investments in associates	-	-	-
Results from other financial investments	6	-	-
Net foreign exchange gains (+) / losses (-)	-	660	813
Result before tax		245,901	61,793
Current tax	7	-330	-731
Deferred tax	7	-9,069	-4,505
Result after tax		236,502	56,557
Minority interest	-	-	-
Net result for the year		236,502	56,557
Basic earnings per share (in USD)	17	5.63	1.35
Diluted earnings per share (in USD)	17	5.63	1.35

Consolidated financial statements
for the period ended 31 December 2004

Balance sheet

in thousands of USD

	note	2004	2003
ASSETS			
NON-CURRENT ASSETS		778,732	490,953
Tangible assets	-	776,862	480,389
Vessels	9	773,220	456,973
Offshore equipment	-	-	-
Investment property	-	-	-
Land and buildings	-	-	-
Assets under construction	9	3,525	23,278
Other tangible assets	9	117	138
Intangible assets	10	67	-
Financial assets	-	611	473
Investments in associates	-	-	-
Investments in securities	11	600	473
Non-current receivables	13	11	-
Deferred tax assets	12	1,192	10,091
CURRENT ASSETS		208,408	120,421
Inventories	-	-	-
Trade and other receivables	14	145,526	64,942
Income tax receivable	8	1,121	-
Short-term investments	-	-	-
Cash and cash equivalents	15	61,761	55,479
TOTAL ASSETS		987,140	611,374

	note	2004	2003
LIABILITIES			
EQUITY		428,987	278,910
Capital and reserves	-	428,987	278,910
Share capital	16	45,000	44,974
Share premium account	16	6,611	6,637
Translation reserves	16	1,198	602
Fair value reserve	16	-	-
Treasury shares	16	-	-
Retained earnings	-	376,178	226,697
Minority interests	-	-	-
NON-CURRENT LIABILITIES	-	454,002	220,263
Long-term borrowings	-	449,899	217,577
Finance leases	18	31,132	37,004
Bank loans	18	382,837	126,230
Other long-term loans	18	35,930	54,343
Deferred tax liabilities	12	1,679	1,279
Employee benefit obligations	19	336	206
Deferred government grants	-	-	-
Provisions	20	2,088	1,201
CURRENT LIABILITIES		104,151	112,201
Trade and other payables	21	59,243	24,675
Income tax payable	8	20	814
Short-term loans	18	44,677	86,712
Provisions	20	211	-
TOTAL LIABILITIES		987,140	611,374

Consolidated financial statements
for the period ended 31 December 2004

Cash flow statement

in thousands of USD

	note	2004	2003
Net cash and cash equivalents at the beginning of the period		55,479	13,364
Cash receipts from shipping activities	-	349,020	157,404
Cash receipts from other activities	-	5,574	2,750
Cash paid to suppliers for shipping activities	-	-134,587	-46,394
Cash paid to other suppliers and employees	-	-11,389	-10,270
FFA and other similar derivatives (net)	-	-3,966	-
VAT (net)	-	-36	-1
Income taxes (net)	-	-164	60
Cash payments and receipts on behalf of third parties (net)	-	5,500	-5,500
Interest paid	-	-14,720	-13,989
Interest received	-	2,142	979
Dividends received	-	-	-
Cash flows from operating activities		197,374	85,039
Purchase of vessels	-	-363,782	-16,017
Proceeds from the sale of vessels	-	29,545	218,414
Purchase of other (in) tangible assets	-	-	-
Proceeds from the sale of other (in) tangible assets	-	-	-
Investment in securities	-	-127	-
Proceeds from the sale of securities	-	-	-
Loans to related parties	-	-	-28,792
Repayment of loans to related parties	-	28,723	-
Net cash on disposal of subsidiaries, joint ventures & associates	-	-	18,103
Net cash on acquisition of subsidiaries, joint ventures & associates	-	-	-4,190
Futures, forwards, options and swap contracts (net)	-	-	-
Cash flows from investing activities		-305,641	187,518
Issue of share capital	-	-	10,000
Purchase / sale of treasury shares	-	-	-
New long-term borrowings	-	305,061	-
Repayment of long-term borrowings	-	-51,854	-282,942
Loans from related parties	-	124	42,500
Repayment of loans from related parties	-	-63,044	-730
Dividends paid	-	-81,685	-
Cash flows from financing activities		108,602	-231,172
Effect of changes in exchange rates		5,947	730
Net cash and cash equivalents at the end of the period	15	61,761	55,479

Consolidated financial statements
for the period ended 31 December 2004

Statement of changes in equity
in thousands of USD

	Capital	Share premium account	Translation reserve	Fair value reserve	Treasury shares	Retained earnings	Capital and reserves	Minority interests	Total equity
Balance at 1 January 2003	34,974	6,637	222	-	-	170,140	211,973	-	211,973
Available-for-sale financial assets.....									
Fair value revaluation	-	-	-	-	-	-	-	-	-
Transferred to profit or loss on sale	-	-	-	-	-	-	-	-	-
Currency translation differences	-	-	380	-	-	-	380	-	380
Net income recognised directly in equity	-	-	380	-	-	-	380	-	380
Result for the period	-	-	-	-	-	56,557	56,557	-	56,557
Total recognised income and expense	-	-	380	-	-	56,557	56,937	-	56,937
Dividends	-	-	-	-	-	-	-	-	-
Issue of share capital	10,000	-	-	-	-	-	10,000	-	10,000
Repayment of share capital	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-	-
Balance at 31 December 2003	44,974	6,637	602	-	-	226,697	278,910	-	278,910

Balance at 1 January 2004	44,974	6,637	602	-	-	226,697	278,910	-	278,910
Available-for-sale financial assets.....									
Fair value revaluation	-	-	-	-	-	-	-	-	-
Transferred to profit or loss on sale	-	-	-	-	-	-	-	-	-
Currency translation differences	-	-	596	-	-	-	596	-	596
Net income recognised directly in equity	-	-	596	-	-	-	596	-	596
Result for the period	-	-	-	-	-	236,502	236,502	-	236,502
Total recognised income and expense	-	-	596	-	-	236,502	237,098	-	237,098
Dividends	-	-	-	-	-	-87,021	-87,021	-	-87,021
Issue of share capital	-	-	-	-	-	-	-	-	-
Repayment of share capital	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-
Other changes	26	-26	-	-	-	-	-	-	-
Balance at 31 December 2004	45,000	6,611	1,198	-	-	376,178	428,987	-	428,987

Significant accounting policies

EURONAV (the "Company") is a company domiciled in Belgium. The consolidated financial statements of the Company for the year ended 31 December 2004 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in associates and jointly controlled entities. The financial statements were authorised for issue by the directors on 16 March 2005.

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the European Union on 31 December 2004.

These are the Group's first consolidated financial statements prepared in accordance with IFRS.

An explanation of how the transition to IFRS has affected the reported financial position, financial performance and cash flows of the Group is provided in note 29.

(b) Basis of preparation

The financial statements are presented in USD, rounded to the nearest thousand. They are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments, financial assets at fair value through profit or loss and available-for-sale financial assets.

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

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

The IFRS accounts for Euronav for the accounting years 2002 and following have been prepared under the assumption that the Company was already demerged from CMB in 2002 and has always existed as a separate company. IFRS offers no specific guidance on how to treat a demerger. Additionally, the demerger of Euronav is to be considered as an operation under common control.

The company is of the opinion that in doing as described the financial statements present fairly the financial position and financial performance of the company and its subsidiaries. Furthermore, it ensures the comparability and readability of the financial statements.

The accounting policies have been applied consistently to all periods presented in these consolidated financial statements and in preparing an opening IFRS balance sheet at 1 January 2003 for the purpose of the transition to IFRS.

(c) Basis of consolidation

(i) Subsidiaries

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

(ii) Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognised gains and losses of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate.

(iii) Jointly controlled entities

Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement. The consolidated financial statements include the Group's proportionate share of the entities' assets, liabilities, revenue and expenses with items of a similar nature on a line-by-line basis, from the date that joint control commences until the date that joint control ceases.

(iv) Transactions eliminated on consolidation

Intragroup balances and transactions, and any unrealised gains arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in the entity. Unrealised gains arising from transactions with associates are eliminated against the investment in the associate. 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

(i) Foreign currency transactions

Transactions in foreign currencies are translated to euro at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to USD at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to USD at foreign exchange rates ruling at the dates the values were determined.

(ii) Financial statements of foreign operations

The Group's foreign operations are not considered an integral part of the Company's operations. Accordingly, the assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to USD at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to USD at rates approximating the foreign exchange rates ruling at the dates of the transactions.

(e) Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to market fluctuations (a.o. by using Forward Freight Agreements), foreign exchange and interest rate risks arising from operational, financing and investment activities.

Derivative financial instruments are recognised initially at cost. Subsequent to initial recognition, all derivatives are remeasured to fair value with any adjustment recognised in net profit or loss for the period.

The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparties. The fair value of forward exchange contracts is their quoted market price at the balance sheet date, being the present value of the quoted forward price.

(f) Intangible assets

(i) Goodwill and negative goodwill

Goodwill (positive and negative) represents amounts arising on an acquisition of subsidiaries, associates and joint ventures.

Goodwill (positive or negative) represents the difference between the cost of the acquisition and the net fair value of identifiable assets, liabilities and contingent liabilities acquired.

Positive goodwill is recognised as an asset and initially at its cost. After initial recognition goodwill shall be remeasured at cost less any accumulated impairment losses (refer accounting policy (k)). In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate.

If the net fair value of the acquired net assets exceeds the cost of the acquisition, the excess shall be recognised immediately in profit or loss after a reassessment of the identifiable assets, liabilities and contingent liabilities.

(ii) Other intangible assets

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses (see accounting policy (k)).

(iii) Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

(iv) Amortisation

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of the intangible asset as from the date they are available for use.

The estimated maximum useful life is as follows:

┆ software 3 – 5 years

(g) Vessels, property, plant and equipment

(i) Owned assets

Vessels and items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation (see below) and impairment losses (refer accounting policy (k)). The cost of self-constructed assets includes the cost of materials, direct labour and an appropriate proportion of production overheads.

Certain items of property, plant and equipment that had been revalued to fair value on or prior to 1 January 2003, the date of transition to IFRS, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Property that is being constructed or developed for future use as investment property is classified as property, plant and equipment and stated at cost until construction or development is complete, at which time it is reclassified as investment property.

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

(ii) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Plant and equipment acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation (see below) and impairment losses (refer accounting policy (k)). Lease payments are accounted for as described in accounting policy (r).

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognised in the income statement as an expense as incurred.

(iv) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset are expensed.

(v) Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of vessels and items of property, plant and equipment. Land is not depreciated. The estimated maximum useful lives are as follows:

J tankers	20 years
J buildings	33 years
J plant and equipment	5 - 20 years
J fixtures and fittings	5 - 10 years
J other tangible assets	3 - 20 years

The useful lives and residual values are reassessed annually.

Furthermore, the Board of Directors can decide to record an additional and irreversible depreciation on 'surplus prices' paid for assets as a consequence of extreme circumstances. In which case, the decision of the Board of Directors shall be disclosed in a separate disclosure note to the consolidated accounts.

(h) Investments

(i) Investments in debt and equity securities

The Group classifies its investments in debt and equity securities in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired.

The Company determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by the Company.

Assets in this category are classified as current assets if they are held for trading or are expected to be realised within 12 months of the balance sheet date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group has the positive intention and ability to hold to maturity.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the Company intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset.

Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of securities classified as available-for-sale are recognised in equity except for impairment losses. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

(ii) Investment property

Investment property is stated at cost or deemed cost less accumulated depreciation and impairment losses. As such, the rules as described in accounting policy note (h) Vessels, property, plant and equipment apply.

Rental income from investment property is accounted for as described in accounting policy (q).

(i) Trade and other receivables

Trade and other receivables are stated at their cost less impairment losses (refer accounting policy (k)).

(j) Cash and cash equivalents

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

(k) Impairment

The carrying amounts of the Group's assets, other than deferred tax assets (refer accounting policy (t)), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

(i) Calculation of recoverable amount

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

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

(ii) Reversals of impairment

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

An impairment loss recognised for goodwill shall not be reversed.

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

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

(l) Share capital

(i) Ordinary and Preference share capital

Ordinary share capital is classified as equity.

Preference share capital is classified as equity if it is non-redeemable.

Preference share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders and dividends thereon are recognised in the income statement as interest expense.

(ii) 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.

(iii) Dividends

Dividends on redeemable preference shares are recognised as a liability on an accrual basis. Other dividends are recognised as a liability in the period in which they are declared.

(m) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at cost, less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

(n) Employee benefits

(i) Defined contribution plans

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

(ii) Defined benefit plans

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

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the income statement on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the income statement.

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

Where the calculation results in a benefit to the Group, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

(iii) Long term service benefits

The Group's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rate is the yield at balance sheet date on AAA credit rated bonds that have maturity dates approximating the terms of the Group's obligations.

(o) Provisions

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

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

Onerous contracts

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

(p) Trade and other payables

Trade and other payables are stated at their cost.

(q) Revenue

(i) Goods sold and services rendered

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

(ii) Rental income

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

(r) Expenses

(i) Operating lease payments

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

(ii) Financial results

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method, dividends on redeemable preference shares, interest receivable on funds invested, dividend income, foreign exchange gains and losses, and gains and losses on hedging instruments that are recognised in the income statement (refer accounting policy (e)).

Interest income is recognised in the income statement as it accrues, taking into account the effective yield on the asset. Dividend income is recognised in the income statement on the date that the dividend is declared.

The interest expense component of finance lease payments is recognised in the income statement using the effective interest rate method.

(s) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(t) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. Currently the Euronav group only has one business segment: the ownership and operation of large tanker vessels.

(u) Discontinuing operations

A discontinuing operation is a clearly distinguishable component of the Group's business that is abandoned or terminated pursuant to a single plan, and which represents a separate major line of business or geographical area of operations.

*Notes to the consolidated financial statements
for the period ended 31 December 2004*

Note 1 - Segment reporting

Note 2 - Discontinued operations

Note 3 - Other operating revenue

Note 4 - Operating expenses

Note 5 - Net finance cost

Note 6 - Results from other financial investments

Note 7 - Income tax

Note 8 - Current tax assets and tax liabilities

Note 9 - Tangible assets

Note 10 - Intangible assets

Note 11 - Investments in securities

Note 12 - Deferred tax assets and liabilities

Note 13 - Non-current receivables

Note 14 - Trade and other receivables

Note 15 - Cash and cash equivalent

Note 16 - Capital and reserves

Note 17 - Earnings per share

Note 18 - Interest-bearing loans and borrowings

Note 19 - Employee benefits

Note 20 - Provisions

Note 21 - Trade and other payables

Note 22 - Financial instruments

Note 23 - Operating leases

Note 24 - Capital commitments

Note 25 - Contingencies

Note 26 - Related parties

Note 27 - Group entities

Note 28 - Interest in joint ventures

Note 29 - Explanation of transition to IFRS

Note 30 - Major exchange rates

Note 31 - Subsequent events

*Notes to the consolidated financial statements
for the period ended 31 December 2004*

Note 1 - Segment reporting

The company distinguishes only one business segment as it has only one activity, i.e. the operation of crude oil tankers on the international markets. The company's internal organisational and management structure does not distinguish any business or geographical segments. Hence no segment information is presented.

Note 2 - Discontinued operations

As per 31 December 2004 the Group has no operations that meet the qualifications of a discontinued operation.

Note 3 - Other operating revenue

<i>in thousands of USD</i>	2004	2003
Reversal of unused provisions	-	379
Recharge of expenses and compensations received	5,209	7,622
Total	5,209	8,001

Note 4 - Operating expenses

<i>in thousands of USD</i>	2004	2003
Operating expenses	-44,363	-35,642
Charter hire	-64,113	-6,946
Bareboat hire	-6,310	-1,510
Commercial expenses	-875	-709
Total	-115,661	-44,807

<i>in thousands of USD</i>	2004	2003
Wages and salaries	-2,795	-1,717
Social security costs	-659	-304
Provision for employee benefits	-103	3
Other staff costs	-163	-285
Total	-3,720	-2,303

<i>in thousands of USD</i>	2004	2003
Administrative expenses	-14,899	-7,459
Claims	-	-
Provisions	-945	-
Capital losses on disposal of other (in) tangible assets	-	-
Capital losses on disposal of subsidiaries & associates	-	-5,599
Total	-15,844	-13,058

Note 5 - Net finance cost

<i>in thousands of USD</i>	2004	2003
Interest expense	-16,394	-14,586
Interest income	2,797	3,239
Fair value adjustment on financial instruments	1,413	4,534
Total	-12,184	-6,813

The fair value adjustment on financial instruments can be detailed as follows (see also note 22):

<i>in thousands of USD</i>	2004	2003
Interest rate swaps	1,789	1,219
Forward exchange contracts	-376	3,315
Total	1,413	4,534

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Note 6 - Results from other financial investments

<i>in thousands of USD</i>	2004	2003
Dividend income	-	-
Gain on disposal of available-for-sale investments	-	-
Loss on disposal of available-for-sale investments	-	-
Impairment losses(-), reversals(+) on financial assets	-	-
Total	-	-

Note 7 - Income tax

<i>in thousands of USD</i>	2004	2003
Current tax		
Current period	-351	-142
Adjustments for prior years	21	-589
Total	-330	-731
Deferred tax		
Origination and reversal of temporary differences	-9,284	-5,197
Benefit of tax losses recognised	215	692
Total	-9,069	-4,505
Total income tax	-9,399	-5,236

Reconciliation of effective tax

Result before tax		245,901		61,793
Tax at domestic rate	33.99%	83,582	33.99%	21,003
Effects (at domestic rate) on tax of:				
Tonnage tax	-5.07%	-12,467	-1.57%	-969
Losses not subject to tax	0.10%	253	0.00%	-
Tax exempt profit / loss	-0.03%	-65	-0.74%	-457
Non-deductible expenses	0.05%	112	0.29%	181
Benefit of tax losses recognised	-0.09%	-229	1.25%	770
Use of unrecognised tax losses	-23.22%	-57,108	-22.27%	-13,761
Adjustment for tax of previous years	-0.01%	-24	0.94%	583
Effects of tax rates in foreign jurisdictions	-1.90%	-4,655	-3.28%	-2,209
Total taxes	3.82%	9,399	8.47%	5,236

Note 8 - Current tax assets and tax liabilities

The current tax asset of USD 1,121,000 (2003: USD 0) represents an amount of recoverable income taxes in respect of current and prior periods.
The current tax liability of USD 20,000 (2003: USD 814,000) represents income taxes payable in respect of current period.

Notes to the consolidated financial statements
for the period ended 31 December 2004

Note 9 - Tangible assets
in thousands of USD

	Tankers	Investment property	Land and buildings	Vessels under construction	Other assets under construction	Aircraft	Other equipment & vehicles	Total
At 1 January 2003								
Cost	855,179	-	-	7,290	-	-	516	862,985
Depreciation & impairment losses	-130,774	-	-	-	-	-	-337	-131,111
Net carrying amount	724,405	-	-	7,290	-	-	179	731,874
Acquisitions	-	-	-	15,988	-	-	-	15,988
Disposals and cancellations	-209,943	-	-	-	-	-	-	-209,943
Depreciation charge	-35,717	-	-	-	-	-	-62	-35,779
Impairment losses	-	-	-	-	-	-	-	-
Reversal of impairment losses	-	-	-	-	-	-	-	-
Acquisitions through business combinations	27,994	-	-	-	-	-	-	27,994
Disposals of subsidiaries	-49,766	-	-	-	-	-	-	-49,766
Transfers	-	-	-	-	-	-	-	-
Translation differences	-	-	-	-	-	-	21	21
Other changes	-	-	-	-	-	-	-	-
Balance at 31 December 2003	456,973	-	-	23,278	-	-	138	480,389
At 1 January 2004								
Cost	563,452	-	-	23,278	-	-	432	587,162
Depreciation & impairment losses	-106,479	-	-	-	-	-	-294	-106,773
Net carrying amount	456,973	-	-	23,278	-	-	138	480,389
Acquisitions	272,826	-	-	89,886	-	-	51	362,763
Disposals and cancellations	-20,539	-	-	-	-	-	-	-20,539
Depreciation charge	-45,679	-	-	-	-	-	-39	-45,718
Impairment losses	-	-	-	-	-	-	-	-
Reversal of impairment losses	-	-	-	-	-	-	-	-
Acquisitions through business combinations	-	-	-	-	-	-	-	-
Disposals of subsidiaries	-	-	-	-	-	-	-	-
Transfers	109,639	-	-	-109,639	-	-	-29	-29
Translation differences	-	-	-	-	-	-	-4	-4
Other changes	-	-	-	-	-	-	-	-
Balance at 31 December 2004	773,220	-	-	3,525	-	-	117	776,862
At 31 December 2004								
Cost	913,762	-	-	3,525	-	-	364	917,651
Depreciation & impairment losses	-140,542	-	-	-	-	-	-247	-140,789
Net carrying amount	773,220	-	-	3,525	-	-	117	776,862

Leased vessel

In 1998 the Group entered into a sale and lease-back transaction on the *Bourgogne*. This transaction has been classified as a finance lease. The Group has an option to acquire the vessel at any time from 31 December 2004 until the end of the charter period at declining rates. The excess of the sales proceeds over the carrying value at the moment of sale, is amortised over the period of the lease term.

At 31 December 2004 the carrying amount of the vessel amounts to USD 31,780,000 (2003: USD 37,112,000). The leased vessel secures a lease obligation (see note 18).

Security

All tankers are subject to a mortgage to secure bank loans (see note 18).

Vessels under construction
in thousands of USD

		2004	2003
Suezmax tanker	- under construction	3,525	-
VLCC	- under construction	-	17,778
	- on order	-	5,500
Total		3,525	23,278

The amount of USD 3,525,000 of vessels under construction represents the down payment on the joint venture entered into with the Wah Kwong Group to acquire the resale of a double-hull 159,000 dwt Suezmax under construction at Hyundai Heavy Industries, Samho, South Korea.

Notes to the consolidated financial statements
for the period ended 31 December 2004

Note 10 - Intangible assets

in thousands of USD

	Goodwill	Software	Development costs	Other	Total
At 1 January 2003					
Cost	-	-	-	-	-
Depreciation & impairment losses	-	-	-	-	-
Net carrying amount	-	-	-	-	-
Acquisitions	-	-	-	-	-
Disposals and cancellations	-	-	-	-	-
Amortisation charge	-	-	-	-	-
Impairment losses	-	-	-	-	-
Reversal of impairment losses	-	-	-	-	-
Acquisitions through business combinations	-	-	-	-	-
Disposals of subsidiaries	-	-	-	-	-
Transfers	-	-	-	-	-
Translation differences	-	-	-	-	-
Other changes	-	-	-	-	-
Balance at 31 December 2003	-	-	-	-	-
At 1 January 2004					
Cost	-	-	-	-	-
Depreciation & impairment losses	-	-	-	-	-
Net carrying amount	-	-	-	-	-
Acquisitions	-	55	-	-	55
Disposals and cancellations	-	-	-	-	-
Amortisation charge	-	-19	-	-	-19
Impairment losses	-	-	-	-	-
Reversal of impairment losses	-	-	-	-	-
Acquisitions through business combinations	-	-	-	-	-
Disposals of subsidiaries	-	-	-	-	-
Transfers	-	29	-	-	29
Translation differences	-	2	-	-	2
Other changes	-	-	-	-	-
Balance at 31 December 2004	-	67	-	-	67
At 31 December 2004					
Cost	-	157	-	-	157
Depreciation & impairment losses	-	-90	-	-	-90
Net carrying amount	-	67	-	-	67

Notes to the consolidated financial statements
for the period ended 31 December 2004

Note 11 - Investments in securities

in thousands of USD

	Available- for-sale	Held-to- maturity	Total
At 1 January 2003			
Cost	473	-	473
Revaluation	-	-	-
Impairment losses	-	-	-
Net carrying amount	473	-	473
Acquisitions & additional investments	-	-	-
Disposals and repayments	-	-	-
Revaluation transferred to profit/loss	-	-	-
Revaluation	-	-	-
Impairment losses	-	-	-
Reversal of impairment losses	-	-	-
Acquisitions through business combinations	-	-	-
Disposals of subsidiaries	-	-	-
Transfers	-	-	-
Translation differences	-	-	-
Other changes	-	-	-
Balance at 31 December 2003	473	-	473
At 1 January 2004			
Cost	473	-	473
Revaluation	-	-	-
Impairment losses	-	-	-
Net carrying amount	473	-	473
Acquisitions & additional investments	127	-	127
Disposals and repayments	-	-	-
Revaluation transferred to profit/loss	-	-	-
Revaluation	-	-	-
Impairment losses	-	-	-
Reversal of impairment losses	-	-	-
Acquisitions through business combinations	-	-	-
Disposals of subsidiaries	-	-	-
Transfers	-	-	-
Translation differences	-	-	-
Other changes	-	-	-
Balance at 31 December 2004	600	-	600
At 31 December 2004			
Cost	600	-	600
Revaluation	-	-	-
Impairment losses	-	-	-
Net carrying amount	600	-	600

Investments in securities (non-current)

in thousands of USD

	2004	2003
<u>Available-for-sale</u>		
- quoted	-	-
- unquoted	600	473
<u>Held-to-maturity</u>		
- quoted	-	-
- unquoted	-	-
Total	600	473

Notes to the consolidated financial statements
for the period ended 31 December 2004

Note 12 - Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:
in thousands of USD

	31 December 2004			31 December 2003		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Tangible assets	1,466	-1,816	-350	1,574	-1,820	-246
Financial instruments	-	-1,237	-1,237	1,044	-1,279	-235
Provisions	281	-115	166	-	-1,117	-1,117
Employee benefits	110	-	110	71	-	71
Exchange differences	-	-	-	-	-	-
Investments in subsidiaries, joint ventures & associates	-	-35	-35	-	-1,093	-1,093
Unused tax losses & tax credits	859	-	859	11,432	-	11,432
	2,716	-3,203	-487	14,121	-5,309	8,812
Offset	-1,524	1,524	-	-4,030	4,030	-
Total	1,192	-1,679		10,091	-1,279	

Unrecognised deferred tax assets and liabilities

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

	31 December 2004		31 December 2003	
	Assets	Liabilities	Assets	Liabilities
Deductible temporary differences	-	-	-	-
Taxable temporary differences	-	-	-	-
Unused tax losses & tax credits	86,817	-	94,910	-
	86,817	-	94,910	-
Offset	-	-	-	-
Total	86,817	-	94,910	-

The unrecognised tax asset in respect of unused tax losses & tax credits is entirely related to tax losses carried forward and investment deduction allowances. These expire as follows:

in thousands of USD

31 December	
2010	8,168
2011	46,226
2014	1,606
	56,000
no expiration date	30,817
	86,817

Deferred tax assets have not been recognised because future taxable profits cannot be measured on a reliable basis.

In Belgium, local tax law at a certain moment provided that gains on disposal of certain assets were tax exempt, provided that the gains were not distributed. At the balance sheet date, the Company has a total amount of untaxed reserves of USD 48,646,000 which would result in a tax liability of USD 16,535,000 should these reserves be distributed.

Movements in temporary differences during the year

in thousands of USD

	Balance at 1 Jan 2003	Recognised in income	Recognised in equity	Other movements	Translation differences	Balance at 31 Dec 2003
Tangible assets	423	-403	-	-	-266	-246
Financial instruments	1,323	-1,417	-	-	-141	-235
Provisions	-2,191	1,074	-	-	-	-1,117
Employee benefits	60	-1	-	-	12	71
Exchange differences	-	-	-	-	-	-
Investments in subsidiaries, joint ventures & associates	-1,093	-	-	-	-	-1,093
Unused tax losses & tax credits	12,999	-3,758	-	-	2,191	11,432
Total	11,521	-4,505	-	-	1,796	8,812

	Balance at 1 Jan 2004	Recognised in income	Recognised in equity	Other movements	Translation differences	Balance at 31 Dec 2004
Tangible assets	-246	-86	-	-	-18	-350
Financial instruments	-235	-915	-	-	-87	-1,237
Provisions	-1,117	1,267	-	-	16	166
Employee benefits	71	31	-	-	8	110
Exchange differences	-	-	-	-	-	-
Investments in subsidiaries, joint ventures & associates	-1,093	1,058	-	-	-	-35
Unused tax losses & tax credits	11,432	-10,424	-	-	-149	859
Total	8,812	-9,069	-	-	-230	-487

*Notes to the consolidated financial statements
for the period ended 31 December 2004*

Note 13 - Non-current receivables

in thousands of USD

	2004	2003
Loans to related parties	-	-
Loans to associates	-	-
Finance lease receivable	-	-
Other non-current receivables	11	-
Total	11	-

Note 14 - Trade and other receivables

in thousands of USD

	2004	2003
Trade receivables	14,456	4,243
Loans to related parties	-	28,792
Derivatives	5,953	3,726
Accrued income	29,248	13,340
Deferred charges	9,824	804
Other receivables	86,045	14,037
Total	145,526	64,942

The amounts mentioned under Derivatives can be detailed as follows (see also note 22):

in thousands of USD

	2004	2003
Forward exchange contracts	3,605	3,726
Forward Freight Agreements	2,348	-
Total	5,953	-

The other receivables relate to non-distributed income received by Tankers International for account of the Group.

Note 15 - Cash and cash equivalent

in thousands of USD

	2004	2003
Bank deposits	40,549	54,290
Cash at bank and in hand	21,212	1,189
Total	61,761	55,479
Less:		
Bank overdrafts and credit lines	-	-
Net cash and cash equivalent in the cash flow statement	61,761	55,479

Notes to the consolidated financial statements
for the period ended 31 December 2004

Note 16 - Capital and reserves

Share capital and share premium

<i>in shares</i>	2004	2003
On issue at 1 January	10,000	10,000
Share split	7,006,807	-
Demerger	35,000,000	-
On issue at 31 December - fully paid	42,016,807	10,000

The movements in the number of shares are all related to the partial demerger of CMB into Euronav and CMB.

At 31 December 2004 the share capital is represented by 42,016,087 shares. The shares have no par value.

There are no preference shares and no share options.

At 31 December 2004, the authorised share capital amounts to USD 10,000,000 (2003: USD 0) or the equivalent of 10,071,000 shares.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meetings of the Company.

Fair value reserve

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

Translation reserve

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.

Treasury shares

At 31 December 2004 the Group holds no treasury shares.

Dividends

In the course of the year the Board of Directors approved the payment of the following interim dividends. Interim dividends are shown as paid and are deducted from equity.

<i>in thousands of EUR</i>	2004	2003
EUR 1.60 per ordinary share (2003: EUR 0.00)	67,227	-
in thousands of USD	87,021	-

After the balance sheet date the following dividends were proposed by the directors. The dividends have not been provided for and there are no income and tax consequences.

<i>in thousands of EUR</i>	2004	2003
EUR 1.60 per ordinary share (2003: EUR 0.00)	67,227	-
in thousands of USD	88,700	-

Note 17 - Earnings per share

Basic earnings per share

The calculation of basic earnings per share at 31 December 2004 was based on the profit of USD 236,502,000 (2003: USD 56,557,000) and a weighted average number of shares outstanding during the year ended 31 December 2004 of 42,016,807 (2003: 42,016,807), calculated as follows:

Profit attributable to shareholders

<i>in thousands of USD</i>	2004	2003
Profit for the period	236,502	56,557

Weighted average number of shares

<i>in shares</i>	shares issued	treasury shares	shares	weighted number of shares
On issue at 31 December 2002	42,016,807	-	outstanding	
purchases of treasury shares	-	-	42,016,807	
sales of treasury shares	-	-	42,016,807	
On issue at 31 December 2003	42,016,807	-	42,016,807	
purchases of treasury shares	-	-	42,016,807	42,016,807
sales of treasury shares	-	-	42,016,807	
On issue at 31 December 2004	42,016,807	-	42,016,807	
			42,016,807	42,016,807

On 30 November 2004 the Euronav share was split using a factor of 700.6807. On the same date 35,000,000 new shares were created following the partial demerger. All numbers in the above table have been adjusted (retroactively) for this share split and increase in the number of shares.

Notes to the consolidated financial statements
for the period ended 31 December 2004

Note 18 - Interest-bearing loans and borrowings
in thousands of USD

Long-term loans

	Finance lease	Bank loans	Convertible loans	Loans from related parties	Other loans	Total
More than 5 years	10,514	47,575	-	27,170	5,999	91,258
Between 1 and 5 years	26,490	78,655	-	11,680	9,494	126,319
More than 1 year	37,004	126,230	-	38,850	15,493	217,577
Less than 1 year	5,451	14,796	-	62,920	3,545	86,712
At 1 January 2004	42,455	141,026	-	101,770	19,038	304,289
New loans	-	304,470	-	-	591	305,061
Scheduled repayments	-5,451	-22,163	-	-62,920	-3,545	-94,079
Early repayments	-	-4,611	-	-	-16,084	-20,695
Refinancing	-	-	-	-	-	-
Business combinations	-	-	-	-	-	-
Disposals of subsidiaries	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Translation differences	-	-	-	-	-	-
Other changes	-	-	-	-	-	-
Balance at 31 December 2004	37,004	418,722	-	38,850	-	494,576
More than 5 years	4,566	202,377	-	24,250	-	231,193
Between 1 and 5 years	26,566	180,460	-	11,680	-	218,706
More than 1 year	31,132	382,837	-	35,930	-	449,899
Less than 1 year	5,872	35,885	-	2,920	-	44,677
Balance at 31 December 2004	37,004	418,722	-	38,850	-	494,576

The bank loans are secured by a first preferred mortgage on the vessels concerned. The amount of the original mortgage registered amounts to USD 536,970,000 (2003: USD 232,500,000).

The loan from related parties relates to the financing of the *Pacific Lagoon*. The bank loan was granted to Euronav Holdings nv a 100% subsidiary of CMB nv. Euronav Holdings nv in its turn has granted a loan with the same characteristics to Euronav nv.

Short-term loans

in thousands of USD

	2004	2003
Current portion of long-term loans	44,677	86,712
Bank overdrafts and credit lines	-	-
Short-term loans from related parties	-	-
Total	44,677	86,712

Finance lease liabilities

Finance lease liabilities are payable as follows:

in thousands of USD

	2004			2003		
	Minimum lease payments	Interest	Principal	Minimum lease payments	Interest	Principal
Less than one year	8,504	2,632	5,872	8,528	3,077	5,451
Between one and five years	32,071	5,505	26,566	34,042	7,552	26,490
More than five years	4,745	179	4,566	11,278	764	10,514
Total	45,320	8,316	37,004	53,848	11,393	42,455

The finance lease liability relates to the vessel *Bourgogne* (see also note 9).

Notes to the consolidated financial statements
for the period ended 31 December 2004

Note 19 - Employee benefits

in thousands of USD

	2004	2003
Present value of unfunded obligations	-156	-123
Present value of funded obligations	-437	-260
Fair value of plan assets	257	177
Present value of net obligations	-336	-206
Unrecognised transitional provisions	-	-
Unrecognised past service cost	-	-
Unrecognised actuarial gains/(losses)	-	-
Recognised liability for defined benefit obligations	-336	-206
Liability for long service leave	-	-
Total employee benefits	-336	-206

Liability for defined benefit obligations

The group makes contributions to one defined benefit plan that provides pension benefits for employees upon retirement. The group also has defined benefit plans that grants end of career allowances for employees.

The plan assets do not include ordinary shares issued by the Company. Plan assets do not include property occupied by the Group.

Movements in the net liability recognised in the balance sheet

in thousands of USD

	2004	2003
Net liability at 1 January	-336	-206
Contributions received.....	24	19
Expense recognised in the income statement	-114	-16
Transfer	-14	-
Currency translation difference	104	-3
Net liability at 31 December.....	-336	-206

Expense recognised in the income statement

in thousands of USD

	2004	2003
Current service costs (less employee contributions)	-18	-17
Interest on obligation.....	-19	-16
Expected return on plan assets	8	7
Amortisations on transitional provisions	-	4
Amortisations of actuarial gains/(losses)	-85	6
Amortisations of past service costs	-	-
Gains/losses on settlement or curtailment	-	-
	-114	-16

The expense is recognised in the following line items in the income statement:

in thousands of USD

	2004	2003
Staff costs.....	-114	-16
	-114	-16
Actual return on plan assets	19	19

Liability for defined benefit obligations

Principal actuarial assumptions at the balance sheet date expressed as weighted averages

	2004	2003
Discount rate at 31 December	5.00%	5.00%
Expected return on plan assets at 31 December	5.00%	5.00%
Future salary increases (including inflation)	2%-3% +salary scale	
Medical cost trend rate.....	not applicable	
Future pension increases.....	not applicable	
Inflation	2.00%	2.00%

Notes to the consolidated financial statements
for the period ended 31 December 2004

Note 20 - Provisions
in thousands of USD

	Claims	Restruc- turing	Onerous contracts	Other	Total
Non-current provisions	-	-	-	1,201	1,201
Current provisions	-	-	-	-	-
At 1 January 2004	-	-	-	1,201	1,201
Provisions made during the period	-	-	883	62	945
Provisions used during the period	-	-	-	-	-
Reversal of unused provisions	-	-	-	-	-
Unwind of discount	-	-	-	-	-
Business combinations	-	-	-	-	-
Disposals of subsidiaries	-	-	-	-	-
Transfers	-	-	-	-	-
Translation differences	-	-	52	101	153
Other changes	-	-	-	-	-
Balance at 31 December 2004	-	-	935	1,364	2,299
Non-current provisions	-	-	724	1,364	2,088
Current provisions	-	-	211	-	211
Balance at 31 December 2004	-	-	935	1,364	2,299

Onerous contract

In 1998 the Group entered into a non-cancellable lease for office facilities which, due to changes in its operational organisation, are no longer fully occupied. In December 2004 the Group reached an agreement to sublet the unused office space, but changes in the market conditions have resulted in a rental income lower than the rental expense. The net obligation under the lease has been provided for.

Note 21 - Trade and other payables
in thousands of USD

	2004	2003
Trade payables	12,524	10,233
Staff costs	804	622
Dividends payable	7,882	-
Derivatives	7,860	4,563
Accrued expenses	22,354	6,230
Deferred income	5,295	-
Other payables	2,524	3,027
Total	59,243	24,675

The amounts mentioned under Derivatives can be detailed as follows (see also note 22):

	2004	2003
Interest Rate Swaps	2,774	4,563
Forward Freight Agreements	5,086	-
Total	7,860	4,563

*Notes to the consolidated financial statements
for the period ended 31 December 2004*

Note 22 - Financial instruments

In the course of its normal business, the Group is exposed to market, credit, interest rate and currency risks. The Group uses various derivative financial instruments to hedge its exposure to fluctuations in market rates, exchange rates and interest rates.

Although the Group has entered into a number of derivative financial instruments with the objective of hedging an exposure, the Group considers all derivatives as freestanding instruments. At each balance sheet date, the Group remeasures the fair value of all its derivatives and recognises any resulting adjustment in profit or loss for the period.

Market risk

The Group has partially hedged its market exposure by means of Forward Freight Agreements (FFAs).

The Group classifies FFAs as freestanding financial instruments and remeasures them to fair value at each balance sheet date. Any adjustment to the fair value is recognised in profit or loss for the period.

The net fair value of all FFAs at 31 December 2004 amounts to USD -2,738,000 (2003: USD 0) comprising assets of USD 2,348,000 (2003: USD 0) and liabilities of USD 5,086,000 (2003: USD 0).

The impact of the FFAs on the income statement can be summarised as follows:

<i>in thousands of USD</i>	2004	2003
income	10,073	-
expenses	-13,778	-
fair value adjustment	-2,738	-
Total	-6,443	-

Credit risk

The Group has no formal credit policy. Credit evaluations - when necessary - are performed on an ongoing basis. At the balance sheet date there were no significant concentrations of credit risk.

Interest rate risk

The Group hedges part of its exposure to changes in interest rates on borrowings. All borrowings contracted for the financing of vessels are on the basis of a floating interest rate, increased by a margin. The Group uses various interest rate related derivatives (IRS, swaptions) to arrive at a mix of fixed and floating rate exposure as defined from time to time by the Group.

The interest related derivatives have maturity dates up to 2009.

At 31 December 2004, the Group had interest related derivatives for a notional contract amount of USD 125,000,000 (2003: USD 125,000,000).

The Group classifies interest related derivatives as freestanding financial instruments. At each balance sheet date, all interest related derivatives are remeasured to fair value with any adjustment recognised in net profit or loss for the period.

The net fair value of all interest related derivatives at 31 December 2004 amounts to USD -2,774,000 (2003: USD -4,563,000) comprising assets of USD 0 (2003: USD 0) and liabilities of USD 2,774,000 (2003: USD 4,563,000).

Currency risk

The Group has partially hedged its exposure to currency fluctuations.

The Group has an outstanding program of forward contracts whereby USD are sold to cover the bareboat charter hire of the *Provence* payable in EUR. The program matures in November 2006 and has a notional value of USD 9,701,000 (or EUR 9,767,000).

The Group classifies this program as a freestanding financial instrument and remeasures it to fair value - with any adjustment recognised in net profit or loss for the period - at each balance sheet date.

At 31 December 2004, the net fair value of the forward exchange contract amounts to USD 3,605,000 (2003: USD 3,726,000) comprising an asset of USD 3,605,000 (2003: USD 3,726,000) and a liability of USD 0 (2003: USD 0).

*Notes to the consolidated financial statements
for the period ended 31 December 2004*

Note 23 - Operating leases

Leases as lessee

The Group leases in some of its vessels under time charter agreements (operating leases). The future minimum lease payments under non-cancellable leases are as follows:

<i>in thousands of USD</i>	2004	2003
Less than 1 year	63,051	8,593
Between 1 and 5 years	107,274	12,131
More than 5 years	62,147	-
Total	232,472	20,724

Non-cancellable operating lease rentals for office space are payable as follows:

<i>in thousands of USD</i>	2004	2003
Less than 1 year	695	573
Between 1 and 5 years	2,779	2,293
More than 5 years	1,398	1,728
Total	4,872	4,594

Leases as lessor

The Group leases out some of its vessels under time charter agreements (operating leases). The future minimum lease receivables under non-cancellable leases are as follows:

<i>in thousands of USD</i>	2004	2003
Less than 1 year	41,154	31,385
Between 1 and 5 years	81,022	72,692
More than 5 years	-	-
Total	122,176	104,077

Non-cancellable operating lease rentals for office space are receivable as follows:

<i>in thousands of USD</i>	2004	2003
Less than 1 year	255	-
Between 1 and 5 years	1,359	-
More than 5 years	680	-
Total	2,294	-

Note 24 - Capital commitments

In the course of the year ended 31 December 2004 the Group has entered into two joint ventures for the purchase of two vessels. The Group's total capital commitment amounts to USD 68,250,000 of which USD 3,525,000 has already been paid. The delivery of the two vessels is scheduled for 2005 and 2007.

In the course of the month of December 2004 the Group exercised its option to acquire the vessel *Bourgogne* under the terms of the finance lease. The capital commitment amounts to USD 59,750,000. The delivery of the vessel is scheduled to take place in the course of the month of March 2005.

Note 25 - Contingencies

The Group is involved in a number of disputes in connection with its day-to-day activities, both as claimant and defendant. Such disputes and the associated expenses of legal representation are covered by insurance. Moreover, they are not of a magnitude that lies outside the ordinary, and their scope is not of such a nature that they could jeopardise the Group's financial position.

*Notes to the consolidated financial statements
for the period ended 31 December 2004*

Note 26 - Related parties

Identity of related parties

The Group has a related party relationship with its subsidiaries (see note 27) and joint ventures (see note 28) and with its directors and executive officers.

Transactions with key management personnel

The total amount of the remuneration paid in 2004 to all non-executive directors for their services as members of the board and committees (if applicable) amounts to EUR 20,000. It should be noted that the remuneration for 2004 refers to the current non-executive directors and for 2003 the remuneration was paid on a pro rate basis, i.e. 1/12.

The nominating and remuneration committee decides annually on the remuneration of the members of the executive committee. The remuneration (excluding the CEO) for 2004 only consists of a fixed component with a total cost for the company (including pension plans, advance business tax, etc.) in 2004 of EUR 177,000. All amounts mentioned refer to the executive committee in its current composition.

The basic remuneration of the CEO for 2004 amounted to GBP 174,000. The variable remuneration for 2004 amounted to GBP 259,000. The other components of the remuneration, comprising cost of pension and private health insurance coverage, amount to GBP 42,000 for 2004.

In the course of 2004 no stock options, loans or advances were granted to any of the directors.

Relationship with CMB

Although there are no direct links between the Group and CMB the latter renders some administrative services on an arm's length basis. Furthermore a subsidiary of CMB has made available to the Group a loan for the financing of the *Pacific Lagoon* (see note 18).

Note 27 - Group entities

Significant subsidiaries

	Country of incorporation	Consolidation method	Ownership interest	
			2004	2003
Euronav (UK) Agencies Limited	UK.....	full	100.00%	100.00%
Euronav Lux S.A.	Luxembourg	full	100.00%	100.00%
Euronav SAS	France	full	100.00%	100.00%
Euronav Services Maritimes SAS	France	full	100.00%	100.00%
Franship SAS	France	full	100.00%	100.00%
Front Tobago Inc	Liberia	proportional	30.00%	30.00%
Great Hope Enterprises Ltd	Hong Kong.....	proportional	50.00%	50.00%
m/t Tanker SAS	France	full	100.00%	100.00%
Ranch Investments Ltd	Liberia	proportional	50.00%	0.00%
V-Plus nv	Belgium	proportional	50.10%	0.00%

*Consolidated accounts
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Note 28 - Interest in joint ventures

The Group has several interests in joint ventures. Included in the consolidated financial statements are the following items that represents the Group's interest in assets and liabilities, revenues and expenses of the joint ventures:

Income statement

in thousands of USD

	2004				2003			
	Subsidiaries & associates	Joint ventures	Eliminations	Total	Subsidiaries & associates	Joint ventures	Eliminations	Total
Revenue from shipping activities.....	372,707	61,154	-3,246	430,615	113,187	34,081	-	147,268
Capital gains on disposal of vessels	-	9,006	,	9,006	8,471	-	-	8,471
Other operating revenue.....	4,958	272	-21	5,209	8,001	-	-	8,001
Expenses for shipping activities	-113,486	-5,421	3,246	-115,661	-41,159	-3,648	-	-44,807
Capital losses on disposal of vessels	-	-	-	-	-	-	-	-
Depreciation and amortisation expense	-36,966	-8,771	-	-45,737	-28,671	-7,108	-	-35,779
Impairment losses (reversals)	-	-	-	-	-	-	-	-
Staff costs	-3,720	-	-	-3,720	-2,303	-	-	-2,303
Other operating expenses	-14,249	-1,616	21	-15,844	-12,115	-943	-	-13,058
Restructuring costs	-	-	-	-	-	-	-	-
Net result on freight and other similar derivatives	-6,443	-	-	-6,443	-	-	-	-
Result from operations	202,801	54,624	-	257,425	45,411	22,382	-	67,793
Net finance cost	-6,850	-5,334	-	-12,148	-1,580	-5,233	-	-6,813
Result of investments in associates	-	-	-	-	-	-	-	-
Results from other financial investments	-	-	-	-	-	-	-	-
Net foreign exchange gain (loss)	553	107	-	660	-57	870	-	813
Result before tax	196,504	49,397	-	245,901	43,774	18,019	-	61,793
Current tax	-330	-	-	-330	-731	-	-	-731
Deferred tax	-9,069	-	-	-9,069	-4,505	-	-	-4,505
Result after tax	187,105	49,397	-	236,502	38,538	18,019	-	56,557
Minority interest	-	-	-	-	-	-	-	-
Net result for the year	187,105	49,397	-	236,502	38,538	18,019	-	56,557

Notes to the consolidated financial statements
for the period ended 31 December 2004

Note 28 - Interest in joint ventures (continued)

Balance sheet

in thousands of USD

	2004				2003			
	Subsidiaries & associates	Joint ventures	Eliminations	Total	Subsidiaries & associates	Joint ventures	Eliminations	Total
ASSETS								
NON-CURRENT ASSETS	612,724	261,596	-95,588	778,732	477,336	34,331	-20,714	490,953
Tangible assets	515,266	261,596	-	776,862	446,058	34,331	-	480,389
Intangible assets	67	-	-	67	-	-	-	-
Financial assets	96,199	-	-95,588	611	21,187	-	-20,714	473
Deferred tax assets	1,192	-	-	1,192	10,091	-	-	10,091
CURRENT ASSETS	164,480	46,066	-2,138	208,408	115,477	4,944	-	120,421
TOTAL ASSETS	777,204	307,662	-97,726	987,140	592,813	39,275	-20,714	611,374
LIABILITIES								
EQUITY	387,754	41,233	-	428,987	282,064	-3,154	-	278,910
Capital and reserves	387,754	41,233	-	428,987	282,064	-3,154	-	278,910
Minority interests	-	-	-	-	-	-	-	-
NON-CURRENT LIABILITIES	295,619	253,971	-95,588	454,002	203,165	37,812	-20,714	220,263
Long-term borrowings	291,516	253,971	-95,588	449,899	200,479	37,812	-20,714	217,577
Deferred tax liabilities	1,679	-	-	1,679	1,279	-	-	1,279
Employee benefit obligations	336	-	-	336	206	-	-	206
Deferred government grants	-	-	-	-	-	-	-	-
Provisions	2,088	-	-	2,088	1,201	-	-	1,201
CURRENT LIABILITIES	93,831	12,458	-2,138	104,151	107,584	4,617	-	112,201
TOTAL LIABILITIES	777,204	307,662	-97,726	987,140	592,813	39,275	-20,714	611,374

Notes to the consolidated financial statements
for the period ended 31 December 2004

Note 29 - Explanation of transition to IFRS

Reconciliation of opening equity

<i>in thousands of USD</i>	<i>note</i>	Capital	Share premium account	Translation reserve	Fair value reserve	Treasury shares	Retained earnings	Capital and reserves	Minority interests	Total equity
Pro forma equity as published under Belgian GAAP on 31 December 2003	<i>a</i>	44,974	6,637	242	-	-	279,089	330,942	-	330,942
Result 2003	<i>b</i>			-20			-56,845	-56,865		-56,865
Incorporation of Euronav nv (2003)	<i>b</i>	-10,000						-10,000		-10,000
Equity distribution in 2004	<i>b</i>						-60,000	-60,000		-60,000
Opening equity after demerger on 1 January 2003		34,974	6,637	222	-	-	162,244	204,077	-	204,077
IFRS Adjustments										
Derecognition of provisions for dry dock	IAS 37 <i>c</i>						6,300	6,300		6,300
Adjustment of other provisions	IAS 37 <i>c</i>						865	865		865
Recognition of unrealised exchange differences	IAS 21 <i>d</i>						1,746	1,746		1,746
Recognition of financial instruments	IAS 39 <i>e</i>						-5,782	-5,782		-5,782
Employee benefits	IAS 19 <i>f</i>						-174	-174		-174
Recognition of finance lease	IAS 17 <i>g</i>						-6,579	-6,579		-6,579
Recognition of deferred taxes	IAS 12 <i>h</i>						11,520	11,520		11,520
Total impact of transition to IFRS		0	0	0	-	-	7,896	7,896	-	7,896
Equity under IFRS on 1 January 2003		34,974	6,637	222	-	-	170,140	211,973	-	211,973

notes

When preparing its opening balance sheet as per 1 January 2003, the company elected to use the following exemptions as offered by IFRS 1:

- Business combinations: IFRS 3 - Business Combinations has not been applied retrospectively to past business combinations.
- The carrying value of all items of property, plant and equipment (PPE) under previous GAAP has been assumed as the carrying value under IFRS. All revaluations made under previous GAAP were broadly comparable to the fair value at the date of revaluation. For PPE, as well as Investment Property, the company has chosen to apply as accounting policy the cost model, i.e. initial recognition at cost less accumulated depreciation and accumulated impairment losses.

- a. It concerns the pro-forma equity as presented in the prospectus prepared for the demerger of Euronav.
- b. Taking into account that IFRS offers no specific guidance on how to treat a demerger, the consolidated accounts for the year 2002 and following have been prepared under the assumption that the company was already demerged from CMB in 2002 and has always existed as a separate company. Management is of the opinion that in doing so the financial statements present fairly the financial position and financial performance of the company and its subsidiaries. Furthermore, it ensures the comparability and readability of the financial statements.
- c. - A provision for periodic dry dock expenses does not meet the criteria for recognising a provision as prescribed by IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.
- The adjustment to other provisions relates to the remeasurement of a provision.
- d. The application of IAS 21 means that all (realised and unrealised) exchange differences have to be recognised.
- e. IAS 39 - Financial Instruments: Recognition and Measurement, prescribes that all financial assets and financial liabilities shall be recognised on the balance sheet. The company and some of its subsidiaries have subscribed to a variety of derivative products to partially hedge its exposure to exchange risks, market risks (Forward Freight Agreements) and interest risks. The recognised amount in the opening balance sheet represents the fair value (mark-to-market) of all derivative financial instruments as per 1 January 2003.
- f. This adjustment results from the application of IAS 19 - Employee Benefits for all defined benefit pension plans. All cumulative actuarial gains and losses arising from the application of IAS 19 have been recognised directly into equity.
- g. In 1998 the Group sold the Bourgogne and took the ship back on timecharter. This sale and leaseback has been classified as a finance lease and treated according the provisions of IAS 17. The excess of the sales proceeds over the carrying value at the moment of sale is amortised over the period of the lease term.
- h. The application of IAS 12 - Income Taxes, resulted in the recognition of certain deferred tax assets and liabilities. They mainly originate from differences between bookvalues in the statutory and consolidated accounts and from the recognition of tax losses carried forward.

Notes to the consolidated financial statements
for the period ended 31 December 2004

Note 29 - Explanation of transition to IFRS (continued)

Reconciliation of result 2003

in thousands of USD

	note		
Pro forma result 2003 as published under Belgian GAAP	a		56,845
Recognition of finance lease	IAS 17	b	-170
Employee benefits	IAS 19	c	3
Recognition of unrealised exchange differences	IAS 21	d	-494
Derecognition of provisions for dry dock	IAS 37	e	344
Financial instruments	IAS 39	f	4,534
Recognition of deferred taxes	IAS 12	g	-4,505
Total impact of transition to IFRS			-288
Result 2003 under IFRS			56,557

notes

- It concerns the pro-forma result as presented in the prospectus prepared for the demerger of Euronav.
- In 1998 the company sold the *Bourgogne* and took the ship back on timecharter. This sale and leaseback has been classified as a finance lease and treated according the provisions of IAS 17.
- This adjustment results from the application of IAS 19 - Employee Benefits for all defined benefit pension plans.
- The application of IAS 21 means that all (realised and unrealised) exchange differences have to be recognised.
- A provision for periodic dry dock expenses does not meet the criteria for recognising a provision as prescribed by IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.
- IAS 39 - Financial Instruments: Recognition and Measurement, prescribes that all financial assets and financial liabilities shall be recognised on the balance sheet. The amount represents the movement in the fair value (mark-to-market) of all derivative financial instruments.
- The application of IAS 12 - Income Taxes, results in the recognition of certain deferred tax assets and liabilities. They mainly originate from differences between bookvalues in the statutory and consolidated accounts and from the recognition of tax losses carried forward.

Note 30 - Major exchange rates

The following major exchange rates have been used in preparing the consolidated financial statements:

1 XXX = x,xxxx USD	closing rates		average rates	
	2004	2003	2004	2003
EUR	1.3621	1.2630	1.2383	1.1239
GBP	1.9319	1.7920	1.8224	1.6314

Note 31 - Subsequent events

The Group took the *Shinyo Mariner* on time charter at USD 32,500 per day plus a share of sub charter profit to the Owner.

On 10 January 2005, OSG served official notice of its decision to terminate the joint venture with Euronav on the four V-Plus vessels. Both companies will own and operate two vessels. The four vessels will continue to be operated commercially by Tankers International. The termination of this joint venture had no financial impact.

The Group also exercised a purchase option to acquire the *Bourgogne* for USD 59 million. The vessel was delivered on 9 March 2005 to the Company and is now flying the Belgian flag.

In early March the Group acquired four VLCCs from Metrostar the *Crude Guardian*, *Crude Creation*, *Crude Topaz* and HHI Hulll No. S214, for immediate delivery with an en bloc price of USD 477.5 million.

In the second week of March 2005, the acquisition of a fleet of Suezmax and Aframax tankers was successfully negotiated with Tanklog, the crude oil owning division of Ceres Hellenic (Greece). The transaction valued the 16 ship fleet of 2 Aframaxes and 9 Suezmaxes, plus contracts for 5 newbuilding Suezmaxes together with their contracts of employment at a price in excess of USD 1 billion. The transaction will be paid for partly in shares and partly in cash.

Euronav has also negotiated a single facility syndicated term loan to refinance Euronav's fleet including the Metrostar and Tanklog vessels to be acquired. The facility will be at a lower average cost than the previous facility and with a longer term.

Independent joint auditors' report on the consolidated financial statements as of 31 December 2004 and 2003 addressed to the General Assembly of the shareholders of Euronav NV

To the Board of Directors and the Shareholders of Euronav NV

We have audited the accompanying consolidated balance sheets of Euronav NV and its subsidiaries (the 'Group') as of 31 December 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 audits.

Unqualified audit opinion on the consolidated financial statements

We conducted our audits 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 and the reports of the other auditors provide 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 31 December 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 issued by the International Accounting Standards Board.

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 Union up to 31 December 2004.

Antwerpen, 1 April 2005

Klynveld Peat Marwick Goerdeler
Réviseurs d'Entreprises
Statutory auditor
represented by

Serge Cosijns

Helga Platteau
Réviseur d'Entreprises
Statutory auditor
represented by

Helga Platteau

Statutory financial statements for the period ended 31 December 2004

The annual accounts of Euronav nv are given hereafter in summarised form. In accordance with the Company Law, the annual accounts of Euronav nv, together with the annual report and the joint statutory auditors' report have been deposited with the National Bank of Belgium. These documents can be obtained upon demand at the registered offices of the company. The joint statutory auditors did not express any reservations in respect of the annual accounts of Euronav nv.

*BALANCE SHEET OF EURONAV nv
for the period ended 31 December 2004*

ASSETS

in USD

	2004	2003
FIXED ASSETS	424,954,838	130,105,489
II. Intangible assets	50,994	-
III. Tangible assets	166,010,080	130,105,474
IV. Financial assets	258,890,764	15
CURRENT ASSETS	35,962,936	9,462,242
V. Amounts receivable after one year	-	-
VII. Amounts receivable within one year	23,168,739	5,362,571
VIII. Investments	3,500,000	3,450,000
IX. Cash at bank and in hand	7,960,022	359,075
X. Deferred charges and accrued income	1,334,175	290,596
TOTAL ASSETS	460,914,774	139,567,731

LIABILITIES

in USD

	2004	2003
CAPITAL AND RESERVES	147,654,648	9,711,594
I. Capital	45,000,000	10,000,000
II. Share premium account	6,610,707	-
IV. Reserves	53,439,674	-
V. Accumulated profits	42,604,267	-288,406
PROVISIONS FOR LIABILITIES AND CHARGES	-	3,049,759
VII. Provisions and deferred taxes	-	3,049,759
CREDITORS	313,260,126	126,806,378
VIII. Amounts payable after one year	152,885,922	122,756,124
IX. Amounts payable within one year	159,760,202	3,901,355
X. Accrued charges and deferred income	614,002	148,899
TOTAL LIABILITIES	460,914,774	139,567,731

*INCOME STATEMENT OF EURONAV nv
for the period ended 31 December 2004*

<i>in USD</i>		2004	2003
I.	Operating income	70,538,121	8,751,212
II.	Operating charges	25,244,099	8,294,315
	Operating result	45,294,022	455,897
IV.	Financial income	104,738,034	11,441
V.	Financial charges	7,507,991	742,170
	Result on ordinary activities before taxes	142,524,065	-274,832
VII.	Extraordinary income	-	-
IX.	Extraordinary charges	-	-
IX.	Result for the year before taxes	142,524,065	-274,832
X.	Income taxes	66,331	13,574
XI.	Result for the year	142,457,734	-288,406
XIII.	Result for the year available for appropriation	142,457,734	-288,406

APPROPRIATION ACCOUNT

<i>in USD</i>		2004	2003
A.	Result to be appropriated	219,327,233	-288,406
C.	Transfer to capital and reserves.....	1,002,611	-
D.	Result to be carried forward.....	42,604,267	-288,406
F.	Distribution of result.....	175,720,354	-

