CMB

Half year report 2004

COMMENTS ON THE ACCOUNTS ON 30 JUNE 2004

CMB Group

Over the first six months of the year, CMB realised its best half year result ever. The consolidated result (after taxation) on 30 June 2004 amounts to EUR 126 million. Compared to the same period in 2003, the consolidated result amounted to EUR 90 million (including an exceptional capital gain of EUR 55 million realised on the sale of the remaining 20% in Hesse-Noord Natie).

The cash flow for the first six months of 2004 amounts to EUR 155 million (EUR 123 million for the first half of 2003).

consolidated key figures as at 30 June 2004 *(000,000 EUR)*

	dry bulk	tankers	holding
turnover	191	122	21
operating result	67	72	0
financial result	-4	-2	-4
extraordinary result	-1	0	0
taxes	0	-1	-1
consolidated result	62	69	-5
of which : Group share	62	69	-5
Third party share	0	0	0
cash flow	76	82	-3
EBITDA	77	86	4
depreciation	10	14	4
of which : goodwill	0	0	0
fixed assets	334	480	251
amounts payable after one year	239	286	115

Bocimar

Bocimar's contribution to the half yearly group result amounts to EUR 62 million, whereas the same period in 2003 closed with a loss of EUR 10 million. The 2004 result takes into account an additional depreciation of EUR 2 million on surplus prices paid for vessels. This depreciation has been detailed extensively in Note VIII of the 2003 consolidated accounts.

Particularly at the beginning of the year, the markets for the transport of dry bulk remained very strong. Following the announcement of measures to cool down the Chinese economy, the markets weakened, but, in general, freight levels remained at historically very high levels.
The evolution of the average freight rates was as follows:

AVERAGE FREIGHT RATES IN USD/day

(modern vessels)	2002	2003	2004 *(17 Sep.)**
trip charter			
- capesize	11,654	37,536	66,553
- panamax	7,283	19,091	32,517
12 month time charter			
- capesize	14,674	31,197	60,082
- panamax	8,881	17,254	33,984

Source : Clarkson Research Studies

* average until

Average capesize earnings (Aug 2002 - Aug 2004)

Bocimar's half year result also includes EUR 34 million of capital gains realised on the sale of vessels. Bocimar has definitely been very active in the sale and purchase market by selling older vessels and acquiring or ordering new vessels with the aim of continuously rejuvenating its fleet. Thus the *Poterne* (1995 – 151,044 dwt), *Mineral Venture* (1996 – 150,393 dwt) and the *Mineral Dragon* (2003 – 149,782 dwt) were sold successfully and delivered to new owners. The two handymax units, ordered in joint venture with Wah Kwong from the Japanese yard Oshima, were also sold. The capital gains Bocimar will realise on these sales will only be accounted for at the time of their delivery, i.e. the third quarter of 2004 and the first quarter of 2005.
Bocimar acquired a 2001 modern handymax unit operated under the name of *CMB Talent* (2001 – 46,719 dwt) and chartered out on a short term basis. Furthermore, Bocimar exercised its purchase options on the *Sea Daisy* (1999 – 73,000 dwt) and *Sea Lotus* (1999 – 72,270 dwt), two panamax vessels chartered in on a long term basis from Imabari (Japan). By year-end both vessels will be delivered by the current owner. The first vessel, to be renamed *CMB Daisy*, will fly the Belgian flag. In the meanwhile the second vessel has already been sold. A capital gain of USD 5 million will be realised on this sale.
Of the four capesize units under construction at the Chinese yard SWS the *Mineral Shanghai* (2004 – 173,880 dwt) and *Mineral Beijing* (2004 – 173,880 dwt) have already been delivered. The delivery of the *Mineral Tianjin* and *Mineral Belgium* is expected for the end of September 2004 and January 2005 respectively. All these vessels (will) fly the Belgian flag.

The *CMB Philippe* (2004 – 74,444 dwt), the first of the four panamax vessels under construction at the Chinese yard Hudong, was delivered at the end of August. The second vessel, *CMB Eline* (2004 – 74,500 dwt), to be delivered in October 2004, has, in the meantime, been sold. On this sale, Bocimar will realise a capital gain of approximately USD 19 million.
A further three newbuilding vessels were ordered: SWS 1039, a capesize vessel to be delivered early 2006; Oshima 10428, a panamax unit with expected delivery early 2005 and Jiangnan 2321, a panamax vessel with expected delivery in September 2006. The order at SWS and the one at Jiangnan were placed in joint venture with Wah Kwong.

In the course of recent months the markets for the transport of dry bulk have seen an unprecedented evolution. There is a reasonable balance between the offer of and demand for vessels. The world fleet shows mild growth. There is a continuously growing demand for coal, iron ore and grains, especially from China. Bocimar, therefore, expects that the dry bulk markets will remain strong until the end of 2005, be it with increased volatility.
Bocimar has taken advantage of the strong markets to charter out part of its fleet on medium term to first class charterers, thus reducing the exposure to the spot market for the remainder of the year and providing a solid basis for 2005.

Euronav

Euronav contributes EUR 69 million to the group result. In 2003 Euronav closed the same period with a result of EUR 43 million.

The markets for the transport of crude oil started the year strongly. After a slight weakening, the markets strengthened following OPEC's production increases.
The evolution of the average freight rates was as follows:

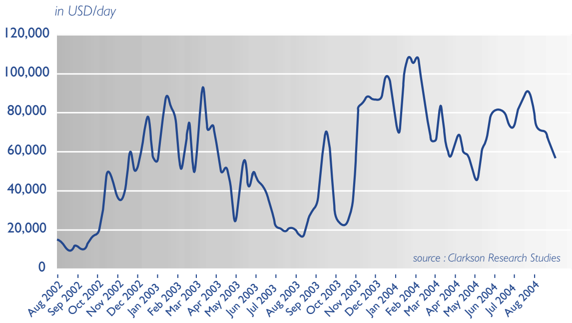
AVERAGE FREIGHT RATES in USD/day

(modern vessels)	2002	2003	2004 *(17 Sep.)**
trip charter			
- VLCC	23,293	52,474	73,908
- suezmax	19,765	41,633	60,409
- aframax	19,377	34,201	38,746
12 month time charter			
- VLCC	25,699	34,260	48,013
- suezmax	18,947	27,308	35,263
- aframax	17,394	20,933	27,079

Source : Clarkson Research Studies

* average up to

Average earnings modern VLCC (Aug 2002 - Aug 2004)



The markets remained strong despite a growth in the world VLCC fleet, which was largely attributable to a near 4% growth in demand for crude oil. The bulk of the growth in demand came almost exclusively from the United States and China and was counterbalanced by an increase in the supply of crude oil from the Arabian Gulf.

In the course of the first half of the year Euronav extensively expanded the fleet it operates. First of all the *Savoie* (1993 – 306,430 dwt) was purchased and delivered. Furthermore the tanker *Shinyo Landes* was chartered in for a period of 12 years and the *Hawtah* and *Watban* were chartered in for a period of 3 years. A further five VLCC vessels were chartered in, together with the partners of the Tankers International pool, in which Euronav's composite share corresponds to 1.6 vessels.
Mid July 2004 the newbuilding tanker *Flandre* (2004 – 305,688 dwt) was delivered. This tanker is on five year time charter to Total (France) and flies the French flag. Euronav has also exercised its option to become the 50% co-owner of the newbuilding tanker Daewoo 5298. The delivery of this tanker, initially ordered by Oak Maritime, is scheduled for mid 2005.

Finally the purchase of the four V-Plus vessels should be mentioned. These vessels are the largest modern double hull vessels in the world. They were built in 2002 and 2003 by DSME (Daewoo – Korea) to the highest specifications. The operating costs of the V-Plus vessels are in line with those of a VLCC but the former can transport a capacity of 3 million barrels, i.e. 50% more than a VLCC.
These vessels were acquired in joint venture with OSG (Overseas Shipholding Group), are traded through Tankers International and fly the Belgian flag. They also strengthen the relationship between Euronav and OSG, the two most important partners of the Tankers International Pool.

Euronav expects to close the second half of the year with an operating result comparable to that of the first half.

Holding

The result of the holding division takes into account, amongst others, a fine of EUR 1 million imposed by the European Commission for alleged infringements of competition rules in the period 1987-1989! The actual fine amounts to EUR 3.4 million and is to be shared between CMB, Exmar and the former South African partner Safren. CMB has lodged an appeal with the European Court of First Instance in this regard.

Fleet

The fully or partially owned fleet of the CMB Group currently comprises 29 vessels (dry bulk : 15 – tankers : 14). A further 14 units are under construction (3 capesize – of which one in joint venture; 4 panamax – of which one in joint venture; 2 VLCCs – both in joint venture; 2 panamax and 3 chemical tankers, all in joint venture). CMB also has a 50% participating interest in the FPSO unit *Farwah*.

Following the implementation of the tonnage tax system the Belgian flag has regained its importance and competitiveness. Since the introduction of the system, 15 vessels of the CMB Group are flying the Belgian flag, namely: 8 bulk vessels and 7 crude oil tankers. CMB, and Bocimar in particular, will continue to bring vessels under the Belgian flag as the current newbuilding programme is completed.

More detailed information on the Group's fleet is available on the CMB website (www.cmb.be).

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Separate listing Euronav

The practical steps necessary to implement the envisaged separate listing of Euronav are being finalised. CMB has already applied for a tax ruling from the Ruling Commission confirming the tax neutrality of the transaction. A prospectus is also being prepared. CMB expects to conclude this operation in the course of the fourth quarter.

IFRS

In 2003 CMB decided to make the transition to the International Financial Reporting Standards (IFRS) as from 2004, meaning that, early in 2005, CMB will publish its 2004 annual accounts in accordance with IFRS. The financial reporting is currently being converted into the IFRS form. This process will most likely be completed in the course of the fourth quarter, after which a more detailed information memo will be made available.

Information on the CMB share

The extraordinary general meeting of 11 May 2004 has approved the proposal to withdraw 350,000 own shares, bought by the company. This withdrawal was completed without decreasing the capital but through the cancellation of EUR 22,829,973.22 of the reserves unavailable for distribution. Since this transaction the share capital is represented by 7,000,000 shares.
Every share entitles its holder to one vote. There are no convertible bonds or warrants outstanding.

Following the latest basic declaration of 11 May 2004 the shareholders' structure is as follows:

Saverco	2,814,412	40.21%
Victrix	1,063,233	15.19%
Third parties	3,122,355	44.60%
	7,000,000	100.00%

Evolution stock quotation CMB share 2004

Fortis Bank, Petercam and Dexia Bank are the appointed financial institutions where the holders of financial instruments can exercise their rights.

Antwerpen, 20 September 2004
THE BOARD OF DIRECTORS

Report of the joint statutory auditors on the semi-annual information as at 30 June 2004 of CMB

In accordance with our statutory audit assignment we have performed a limited review of the interim consolidated financial reporting of CMB for the period ended 30 June 2004. The procedures we performed, which were carried out in accordance with the guidance set out by the Institute of Reviseurs d'Entreprises concerning limited reviews, consisted principally of an analysis comparison of the financial reporting and were substantially less in scope than those applicable to a full scope audit. Based upon our review, we are not aware of any items requiring the adjustment which would materially affect the accounting figures included in the interim financial reporting for the period ended 30 June 2004.

Antwerpen, 20 September 2004

Joint Statutory Auditors
Helga Platteau, Statutory Auditor

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

CONSOLIDATED BALANCE SHEET (000,000 EUR)

	ASSETS	30 Jun 2004	31 Dec 2003	30 Jun 2003
	FIXED ASSETS	**963**	**714**	**692**
II.	Intangible assets	-	-	-
III.	Consolidation differences	-	-	-
IV.	Tangible assets	914	679	627
V.	Financial assets	49	35	65
	CURRENT ASSETS	**246**	**200**	**304**
VI.	Amounts receivable after one year	1	1	55
VII.	Stocks and contracts in progress	-	-	-
VIII.	Amounts receivable within one year	81	72	107
IX.	Investments	66	67	22
X.	Cash at bank and in hand	22	9	72
XI.	Deferred charges and accrued income	76	51	48
	TOTAL ASSETS	**1,209**	**914**	**996**

	LIABILITIES	30 Jun 2004	31 Dec 2003	30 Jun 2003
		391	**273**	**362**
I.	Capital	50	50	50
II.	Share premium account	9	9	9
IV.	Reserves	364	261	325
V.	Consolidation differences	-	-	-
VI.	Translation differences	-32	-47	-22
VII.	Investment grants	-	-	-
		-	**-**	**-**
VIII.	Minority interests	-	-	-
		53	**51**	**43**
IX.	Provisions and deferred taxes	53	51	43
		765	**590**	**591**
X.	Amounts payable after one year	540	346	385
XI.	Amounts payable within one year	180	208	174
XII.	Accrued charges and deferred income	45	36	32
		1,209	**914**	**996**

		30 Jun 2004	31 Dec 2003	30 Jun 2003
I.	Operating income	429	541	247
II.	Operating charges	290	537	210
III.	Operating result	139	4	37
IV.	Financial income	8	28	16
V.	Financial charges	18	27	15
VI.	Result on ordinary activities before income taxes	129	5	38
VII.	Extraordinary income	1	64	58
VIII.	Extraordinary charges	2	6	5
IX.	Result for the period before income taxes	128	63	91
X.	Deferred taxes	-	-	-
XI.	Income taxes	2	2	1
XII.	Result for the period	126	61	90
XIII.	Share in the result of the enterprises accounted for using the equity method	-	1	-
XIV.	Consolidated result	126	62	90
A.	Share of minority interests in the result	-	-	-
B.	Share of the Group in the result	126	62	90

Registered offices

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For the illustration of its (half) year report CMB contacted the department of photography of the Royal Academy of Fine Arts of Antwerp. Most of the photographed objects belong to the collection of the National Maritime Museum of Antwerp.

Responsible editor:
Marc Saverys
De Gerlachekaai 20
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Ce rapport semestriel est également disponible en français.
Dit jaarverslag is ook beschikbaar in het Nederlands.