

# EURONAV

**Condensed consolidated interim financial statements  
for the six months period ended 30 June 2009**

# EURONAV

## Condensed consolidated interim financial statements for the six months period ended 30 June 2009

### Statement of financial position

*in thousands of USD*

|   | 30.06.2009       | 31.12.2008       |
|---|------------------|------------------|
| <b>ASSETS</b>                                   |                  |                  |
| <b>NON-CURRENT ASSETS</b> .....                 | <b>2.404.534</b> | <b>2.279.701</b> |
| <b>Property, plant and equipment</b> .....      | <b>2.403.468</b> | <b>2.278.551</b> |
| Vessels .....                                   | 2.171.403        | 2.042.096        |
| Assets under construction .....                 | 230.896          | 235.572          |
| Other tangible assets .....                     | 1.169            | 883              |
| <b>Intangible assets</b> .....                  | <b>241</b>       | <b>165</b>       |
| <b>Financial assets</b> .....                   | <b>529</b>       | <b>529</b>       |
| Investments in equity accounted investees ..... | -                | -                |
| Investments in securities .....                 | 2                | 1                |
| Non-current receivables .....                   | 527              | 528              |
| <b>Deferred tax assets</b> .....                | <b>296</b>       | <b>456</b>       |
| <b>CURRENT ASSETS</b> .....                     | <b>239.922</b>   | <b>341.542</b>   |
| Trade and other receivables .....               | 146.071          | 120.439          |
| Current tax assets .....                        | 1.525            | 695              |
| Short-term investments .....                    | -                | 14.145           |
| Cash and cash equivalents .....                 | 92.326           | 206.263          |
| Non-current assets held for sale .....          | -                | -                |
| <b>TOTAL ASSETS</b> .....                       | <b>2.644.456</b> | <b>2.621.243</b> |

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In application of an IFRIC agenda decision on IAS 12 *Income taxes*, tonnage tax is no

|   | 30.06.2009       | 31.12.2008       |
|---|------------------|------------------|
| <b>EQUITY and LIABILITIES</b>                                 |                  |                  |
| <b>EQUITY</b> .....   | <b>1.104.394</b> | <b>1.178.326</b> |
| <b>Equity attributable to equity holders of the Company</b> . | <b>1.104.394</b> | <b>1.178.326</b> |
| Share capital .....   | 56.248           | 56.248           |
| Share premium account .....                                   | 353.063          | 353.063          |
| Translation reserves .....                                    | 1.047            | 1.003            |
| Fair value reserve .....                                      | -                | -                |
| Hedging reserve .....   | -9.071           | -17.531          |
| Treasury shares .....   | -46.062          | -44.905          |
| Retained earnings .....                                       | 749.169          | 830.448          |
| <b>Non-controlling interest</b> .....                         | <b>-</b>         | <b>-</b>         |
| <b>NON-CURRENT LIABILITIES</b> .....                          | <b>1.271.763</b> | <b>1.181.793</b> |
| <b>Loans and borrowings</b> .....                             | <b>1.218.172</b> | <b>1.115.424</b> |
| Finance leases .....  | 31.717           | 35.680           |
| Bank loans .....  | 1.186.455        | 1.079.744        |
| Other loans .....   | -                | -                |
| <b>Non-current other payables</b> .....                       | <b>50.802</b>    | <b>63.458</b>    |
| <b>Deferred tax liabilities</b> .....                         | <b>879</b>       | <b>922</b>       |
| <b>Employee benefits</b> .....                                | <b>1.910</b>     | <b>1.989</b>     |
| <b>Provisions</b> .....                                       | <b>-</b>         | <b>-</b>         |
| <b>CURRENT LIABILITIES</b> .....                              | <b>268.299</b>   | <b>261.124</b>   |
| Trade and other payables .....                                | 134.852          | 143.428          |
| Current tax liabilities .....                                 | 6                | 265              |
| Loans and borrowings .....                                    | 133.441          | 117.431          |
| Provisions .....  | -                | -                |
| <b>TOTAL EQUITY and LIABILITIES</b> .....                     | <b>2.644.456</b> | <b>2.621.243</b> |

# EURONAV

## Condensed consolidated interim financial statements for the six months period ended 30 June 2009

| <b>Income statement</b><br><i>in thousands of USD</i>   | <b>30.06.2009</b> | <b>30.06.2008</b> |
|---|-------------------|-------------------|
| Turnover .....  | 242.532           | 456.318           |
| Capital gains on disposal of vessels .....              | -                 | -                 |
| Other operating income .....                            | 945               | 105               |
| Expenses for shipping activities .....                  | -93.144           | -125.397          |
| Capital losses on disposal of vessels .....             | -                 | -                 |
| Depreciation and amortisation expenses .....            | -79.121           | -71.746           |
| Impairment losses (-) / reversals (+) .....             | -                 | -                 |
| Staff costs .....                                       | -7.171            | -9.429            |
| Other operating expenses .....                          | -16.881           | -11.371           |
| Restructuring costs .....                               | -                 | -                 |
| Net result on freight and other similar derivatives ... | -1.021            | -1.340            |
| <b>Result from operating activities .....</b>           | <b>46.139</b>     | <b>237.140</b>    |
| Finance income .....                                    | 2.035             | 955               |
| Finance expenses .....                                  | -17.786           | -27.757           |
| Net finance expense .....                               | -15.751           | -26.802           |
| Share of result of equity accounted investees .....     | -                 | -                 |
| Net result from other financial assets .....            | -2.049            | 205               |
| Net foreign exchange gains (+) / losses (-) .....       | -1.257            | -4.340            |
| <b>Result before income tax .....</b>                   | <b>27.082</b>     | <b>206.203</b>    |
| Income tax expense .....                                | -62               | -950              |
| <b>Result for the period .....</b>                      | <b>27.020</b>     | <b>205.253</b>    |
| Attributable to:  |                   |                   |
| Owners of the Company .....                             | 27.020            | 205.253           |
| Non-controlling interest .....                          | -                 | -                 |
| Weighted number of shares .....                         | 50.000.000        | 51.750.000        |
| Basic earnings per share (in USD) .....                 | 0,54              | 3,97              |
| Diluted earnings per share (in USD) .....               | 0,54              | 3,97              |

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## Condensed consolidated interim financial statements for the six months period ended 30 June 2009

### Statement of comprehensive income

*in thousands of USD*

|   | 30.06.2009    | 30.06.2008     |
|---|---------------|----------------|
| <b>Result for the period</b> .....  | 27.020        | 205.253        |
| <b>Other comprehensive income</b>   |               |                |
| Foreign currency translation differences .....  | 44            | 264            |
| Net change in fair value of available-for-sale financial assets .....                         | -             | 5.014          |
| Net change in fair value of available-for-sale financial assets transferred to profit or loss | -             | -              |
| Net change in fair value of cash flow hedges .....  | 8.460         | -              |
| Net change in fair value of cash flow hedges transferred to profit or loss                    | -             | -              |
| Income tax on other comprehensive income .....  | -             | -              |
| <b>Other comprehensive income for the period, net of income tax</b>                           | <b>8.504</b>  | <b>5.278</b>   |
| <b>Total comprehensive income for the period</b> .....  | <b>35.524</b> | <b>210.531</b> |
| Attributable to:  |               |                |
| Owners of the Company .....   | 35.524        | 210.531        |
| Non-controlling interest .....  | -             | -              |

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## Condensed consolidated interim financial statements for the six months period ended 30 June 2009

### Statement of changes in equity in thousands of USD

|   | Capital       | Share premium account | Translation reserve | Fair value reserve | Hedging reserve | Treasury shares | Retained earnings | Capital and reserves | Non-controlling interest | Total equity     |
|---|---------------|-----------------------|---------------------|--------------------|-----------------|-----------------|-------------------|----------------------|--------------------------|------------------|
| <b>Balance at 1 January 2008</b> .....  | <b>56.248</b> | <b>353.063</b>        | <b>1.292</b>        | -                  | -               | <b>-21.603</b>  | <b>595.492</b>    | <b>984.492</b>       | -                        | <b>984.492</b>   |
| <b>Total comprehensive income for the period</b>  |               |                       |                     |                    |                 |                 |                   |                      |                          |                  |
| Result for the period .....   | -             | -                     | -                   | -                  | -               | -               | 205.253           | 205.253              | -                        | 205.253          |
| Other comprehensive income  |               |                       |                     |                    |                 |                 |                   |                      |                          |                  |
| Foreign currency translation differences .....  | -             | -                     | 264                 | -                  | -               | -               | -                 | 264                  | -                        | 264              |
| Net change in fair value of available-for-sale financial assets, net of tax                               |               |                       |                     |                    |                 |                 |                   |                      |                          |                  |
| Net change in fair value of available-for-sale financial assets transferred to profit or loss, net of tax | -             | -                     | -                   | 5.014              | -               | -               | -                 | 5.014                | -                        | 5.014            |
| Net change in fair value of cash flow hedges, net of tax ..   | -             | -                     | -                   | -                  | -               | -               | -                 | -                    | -                        | -                |
| Net change in fair value of cash flow hedges transferred to profit or loss, net of tax                    | -             | -                     | -                   | -                  | -               | -               | -                 | -                    | -                        | -                |
| Total other comprehensive income .....  | -             | -                     | 264                 | 5.014              | -               | -               | -                 | 5.278                | -                        | 5.278            |
| <b>Total comprehensive income for the period</b> .....  | <b>-</b>      | <b>-</b>              | <b>264</b>          | <b>5.014</b>       | <b>-</b>        | <b>-</b>        | <b>205.253</b>    | <b>210.531</b>       | <b>-</b>                 | <b>210.531</b>   |
| <b>Transactions by and distributions to owners</b>  |               |                       |                     |                    |                 |                 |                   |                      |                          |                  |
| Dividends to equity holders .....   | -             | -                     | -                   | -                  | -               | -               | -64.489           | -64.489              | -                        | -64.489          |
| Treasury shares .....   | -             | -                     | -                   | -                  | -               | 558             | -25.455           | -24.897              | -                        | -24.897          |
| Total contributions by and distributions to owners .....  | -             | -                     | -                   | -                  | -               | 558             | -89.944           | -89.386              | -                        | -89.386          |
| Total changes in ownership interests in subsidiaries .....  | -             | -                     | -                   | -                  | -               | -               | -                 | -                    | -                        | -                |
| <b>Total transactions with owners</b> .....   | <b>-</b>      | <b>-</b>              | <b>-</b>            | <b>-</b>           | <b>-</b>        | <b>558</b>      | <b>-89.944</b>    | <b>-89.386</b>       | <b>-</b>                 | <b>-89.386</b>   |
| <b>Balance at 30 June 2008</b> .....  | <b>56.248</b> | <b>353.063</b>        | <b>1.556</b>        | <b>5.014</b>       | <b>-</b>        | <b>-21.045</b>  | <b>710.801</b>    | <b>1.105.637</b>     | <b>-</b>                 | <b>1.105.637</b> |
| <b>Balance at 1 January 2009</b> .....  | <b>56.248</b> | <b>353.063</b>        | <b>1.003</b>        | <b>-</b>           | <b>-17.531</b>  | <b>-44.905</b>  | <b>830.448</b>    | <b>1.178.326</b>     | <b>-</b>                 | <b>1.178.326</b> |
| <b>Total comprehensive income for the period</b>  |               |                       |                     |                    |                 |                 |                   |                      |                          |                  |
| Result for the period .....   | -             | -                     | -                   | -                  | -               | -               | 27.020            | 27.020               | -                        | 27.020           |
| Other comprehensive income  |               |                       |                     |                    |                 |                 |                   |                      |                          |                  |
| Foreign currency translation differences .....  | -             | -                     | 44                  | -                  | -               | -               | -                 | 44                   | -                        | 44               |
| Net change in fair value of available-for-sale financial assets, net of tax                               |               |                       |                     |                    |                 |                 |                   |                      |                          |                  |
| Net change in fair value of available-for-sale financial assets transferred to profit or loss, net of tax | -             | -                     | -                   | -                  | -               | -               | -                 | -                    | -                        | -                |
| Net change in fair value of cash flow hedges, net of tax ..   | -             | -                     | -                   | -                  | 8.460           | -               | -                 | 8.460                | -                        | 8.460            |
| Net change in fair value of cash flow hedges transferred to profit or loss, net of tax                    | -             | -                     | -                   | -                  | -               | -               | -                 | -                    | -                        | -                |
| Total other comprehensive income .....  | -             | -                     | 44                  | -                  | 8.460           | -               | -                 | 8.504                | -                        | 8.504            |
| <b>Total comprehensive income for the period</b> .....  | <b>-</b>      | <b>-</b>              | <b>44</b>           | <b>-</b>           | <b>8.460</b>    | <b>-</b>        | <b>27.020</b>     | <b>35.524</b>        | <b>-</b>                 | <b>35.524</b>    |
| <b>Transactions by and distributions to owners</b>  |               |                       |                     |                    |                 |                 |                   |                      |                          |                  |
| Dividends to equity holders .....   | -             | -                     | -                   | -                  | -               | -               | -112.260          | -112.260             | -                        | -112.260         |
| Treasury shares .....   | -             | -                     | -                   | -                  | -               | -1.157          | 3.961             | 2.804                | -                        | 2.804            |
| Total contributions by and distributions to owners .....  | -             | -                     | -                   | -                  | -               | -1.157          | -108.299          | -109.456             | -                        | -109.456         |
| Total changes in ownership interests in subsidiaries .....  | -             | -                     | -                   | -                  | -               | -               | -                 | -                    | -                        | -                |
| <b>Total transactions with owners</b> .....   | <b>-</b>      | <b>-</b>              | <b>-</b>            | <b>-</b>           | <b>-</b>        | <b>-1.157</b>   | <b>-108.299</b>   | <b>-109.456</b>      | <b>-</b>                 | <b>-109.456</b>  |
| <b>Balance at 30 June 2009</b> .....  | <b>56.248</b> | <b>353.063</b>        | <b>1.047</b>        | <b>-</b>           | <b>-9.071</b>   | <b>-46.062</b>  | <b>749.169</b>    | <b>1.104.394</b>     | <b>-</b>                 | <b>1.104.394</b> |

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## Condensed consolidated interim financial statements for the six months period ended 30 June 2009

### Statement of cash flows

*in thousands of USD*

|   | 30.06.2009      | 30.06.2008      |
|---|-----------------|-----------------|
| <b>Net cash and cash equivalents at the beginning of the period .....</b>                           | <b>206.263</b>  | <b>-48.379</b>  |
| Result before income tax .....  | 27.082          | 206.203         |
| Adjustments for non-cash transactions .....   | 65.528          | 61.178          |
| Adjustments for items disclosed under investing or financing activities .....                       | 24.930          | 29.259          |
| Changes in working capital requirements .....   | -31.515         | -35.848         |
| Income taxes paid during the period .....   | -1.048          | 172             |
| Interest paid .....   | -20.511         | -25.181         |
| Interest received .....   | 657             | 1.027           |
| Dividends received .....  | 71              | 205             |
| <b>Cash flows from operating activities .....</b>   | <b>65.194</b>   | <b>237.015</b>  |
| Purchase of vessels .....   | -203.444        | -92.305         |
| Proceeds from the sale of vessels .....   | -               | -               |
| Purchase of other (in)tangible assets .....   | -666            | -229            |
| Proceeds from the sale of other (in)tangible assets .....   | 12              | -               |
| Investment in securities .....  | -               | -56.773         |
| Proceeds from the sale of securities .....  | 12.025          | -               |
| Loans to related parties .....  | -               | -683            |
| Repayment of loans to related parties .....   | -               | -               |
| Proceeds of disposals of subsidiaries & joint ventures net of cash disposed and of associates ..... | -               | -               |
| Purchase of subsidiaries, joint ventures & associates net of cash acquired .....                    | -               | -               |
| <b>Cash flows from investing activities .....</b>   | <b>-192.073</b> | <b>-149.990</b> |
| Proceeds from issue of share capital .....  | -               | -               |
| Purchase / sale of treasury shares .....  | -1.157          | -24.897         |
| Proceeds from New long-term borrowings .....  | 357.620         | 123.500         |
| Repayment of long-term borrowings .....   | -233.776        | -58.906         |
| Proceeds from loans from related parties .....  | -               | -               |
| Repayment of loans from related parties .....   | -               | -               |
| Dividends paid .....  | -105.317        | -63.220         |
| <b>Cash flows from financing activities .....</b>   | <b>17.370</b>   | <b>-23.523</b>  |
| <b>Effect of changes in exchange rates .....</b>  | <b>-4.428</b>   | <b>-3.843</b>   |
| <b>Net cash and cash equivalents at the end of the period .....</b>                                 | <b>92.326</b>   | <b>11.280</b>   |

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## Notes to the condensed consolidated interim financial statements for the six months period ended 30 June 2009

Note 1 - Basis of preparation

Note 2 - Changes in accounting policies and presentation rules

Note 3 - Changes in consolidation scope

Note 4 - Significant events

Note 5 - Segment reporting

Note 6 - Dividend

Note 7 - Loans and borrowings

Note 8 - Contingencies, accounting estimates and adjusting events

Note 9 - Treasury shares

Note 10 - Subsequent events

Note 11 - Net result on freight and other similar derivatives

Note 12 - Statement on the true and fair view of the condensed consolidated interim financial statements and the fair overview of the interim management report

Note 13 - Report of the Joint Statutory Auditors

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Euronav (the "Company") is a company domiciled in Belgium. The condensed consolidated interim financial statements of the Company for the six months ended 30 June 2009 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in associates and jointly controlled entities.

The consolidated financial statements of the Group for the period ended 31 December 2008 are available upon request from the Company's registered office at De Gerlachekaai 20, BE 2000 Antwerp or at [www.euronav.com](http://www.euronav.com).

### **Note 1 - Basis of preparation**

These condensed consolidated interim financial statements for the six months ended 30 June 2008 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union. They do not include all the information required for full annual financial statements and should therefore be read in conjunction with the consolidated financial statements for the year 2008 as published in the 2008 annual report.

These condensed consolidated interim financial statements were authorised for issue by the Board of Directors on 27 August 2009.

### **Note 2 - Changes in accounting policies and presentation rules**

The accounting policies and calculation methods adopted in the preparation of the condensed consolidated interim financial statements are consistent with those applied in the preparation of the consolidated financial statements for the year ended 31 December 2008; except for:

#### **Presentation of financial statements**

The Group applies revised IAS 1 *Presentation of Financial Statements* (2007), which became effective as of 1 January 2009. As a result, the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. This presentation has been applied in these condensed interim financial statements as of and for the six months period ended on 30 June 2009. Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on earnings per share.

#### **Accounting for borrowing costs**

In respect of borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 January 2009, the Group capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Previously the Group immediately recognised all borrowing costs as an expense. This change in accounting policy was due to the prospective adoption of IAS 23 *Borrowing Costs* (2007) in accordance with the transitional provisions of such standard; comparative figures have not been restated. The change in accounting policy had no impact on assets, profit or earnings per share in the interim period ended 30 June 2009.



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## **Notes to the condensed consolidated interim financial statements for the six months period ended 30 June 2009**

### **IFRIC agenda decision**

In application of an IFRIC agenda decision on IAS 12 *Income taxes*, tonnage tax is no longer accounted for as income taxes in accordance with IAS 12 and are not presented as part of income tax expense in the income statement. The comparative information has been re-presented so that this also conforms to the IFRIC decision. There is no impact on earnings per share since this change in accounting policy only impacts on presentation.

Other new standards or interpretations applicable as from 1 January 2009 do not have any impact on the consolidated interim financial statements and have not given rise to any restatement of previous periods.

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the period ended 31 December 2008.

### **Note 3 - Changes in consolidation scope**

In comparison to the consolidation scope for the period ended at 31 December 2008 no changes were made.

### **Note 4 - Significant events**

In the course of the first six months of 2009, Euronav took delivery of two newbuildings: one VLCC, the *Antarctica*, which was delivered on time charter to Total for a period over 6 years and one Suezmax, the *Felicity*, which was also delivered on time charter to Total for a period of minimum 18 months and maximum 30 months.

Euronav also signed a new USD 300 million senior secured credit facility with a consortium of 10 banks to finance 2 VLCCs: the *Olympia* and the *Antarctica* and 4 Suezmaxes: the *Cap Felix*, the *Cap Theodora*, the *Felicity* and hull 1744, to be named *Fraternity* (159,000 dwt) scheduled for delivery in November 2009. The company also renewed the time charter contract on the Suezmax *Finesse* with Petrobras for an additional period of 36 months.

### **Note 5 - Segment reporting**

At present, the company distinguishes only one business segment as it has only one activity, i.e. ownership and 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 6 - Dividend**

The distribution of a gross dividend of EUR 1.60 (net EUR 1.20) per share was approved by the general shareholders' meeting of 28 April 2009.

### **Note 7 - Loans and borrowings**

In April 2005, Euronav concluded a USD 1.6 billion senior secured credit facility. The facility consists of a term loan of USD 865 million, a non-amortising revolving loan facility of USD 500 million - that was increased with USD 150 million in the course of 2006 - and an additional term loan of USD 235 million for the purpose of financing newbuilding vessels scheduled to be delivered before April 2007. The facilities have a maturity of 8 years at a rate equal to Libor increased with a margin of 0.80%. On the undrawn portion of the facilities, Euronav pays a commitment fee of 0.25%. Following the sale of the *TI Guardian* in 2006, the non-amortising revolving loan facility was reduced by USD 20 million to USD 630 million and the additional term loan by USD 5 million to USD 230 million. Following the sale of the *Savoie* in 2007, the non-amortising revolving loan facility was reduced by USD 19 million to USD 611 million. Following the sale of the *Bourgogne* and the *TI Asia* in 2008, the non-amortising revolving loan facility was reduced by USD 55 million to USD 556 million. As per 30 June 2009, USD 862.061.000 was drawn under the facilities.

In October 2008, a joint venture formed between Euronav and its partner concluded a USD 500 million senior secured credit facility. The facility consists of a term loan of USD 180 million which will be used to finance the acquisition of the *TI Asia* and the *TI Africa* respectively from Euronav and OSG and a project finance loan of USD 320 million which will be used to finance the conversion of the above mentioned vessels into FSO. The facility matures in 2017 and have a rate of Libor + a margin of 1.15%.

As per 30 June 2009, USD 260.291.000 was drawn under this facility (Euronav's share amounts to USD 130.145.000).

In the course of 2008, several joint venture companies formed between Euronav and a partner to build a total of 4 Suezmax Vessels have concluded pre and post-delivery senior secured credit facilities. As per 30 June 2009, USD 75.000.000 was drawn under these facilities of which USD 37.500.000 represented the Euronav share.

In April 2009, Euronav concluded a USD 300 million senior secured credit facility. As per 30 June 2009, USD 257.000.000 was drawn under this facility.

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## Notes to the condensed consolidated interim financial statements for the six months period ended 30 June 2009

### Note 8 - Contingencies, accounting estimates and adjusting events

There were no changes in contingencies, accounting estimates and no adjusting or non-adjusting events arose between 31 December 2008 and the date at which the interim financial statements have been authorised for issue.

On 30 November 2006, Euronav cancelled the Charter Party dated 7 January 2005 with respect to the *Shinyo Mariner*. Euronav expects the owners to claim damages for repudiatory breach of the Charter Party. An arbitrator has been nominated. Currently the Group is unable to predict the outcome of the arbitration procedure.

### Note 9 - Treasury shares

As of 30 June 2009 Euronav owned 1,750,000 of its own shares. In the course of the first semester, the company acquired 80,137 shares for an amount of USD 1,157,000.

### Note 10 - Subsequent events

After the closing date the Board decided the payment of an interim dividend of EUR 0,10 gross per share. Euronav and Samsung Heavy Industries agreed in principle to convert the VLCC Hull numbered 1895, ordered in July 2008 for a price of USD 158,7 million and due for delivery in the first quarter of 2012, to an en-bloc contract for two ice strengthened Suezmax tankers to be delivered in the third quarter of 2012 and 2013 respectively. The en-bloc price amounts to USD 170 million.

### Note 11 - Net result on freight and other similar derivatives

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

*in thousands of USD*

|                             | 30.06.2009    | 30.06.2008    |
|-----------------------------|---------------|---------------|
| income .....                | -             | 22,405        |
| expenses .....              | -1,555        | -28,848       |
| fair value adjustment ..... | 534           | 5,103         |
| <b>Total .....</b>          | <b>-1,021</b> | <b>-1,340</b> |

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, caps and floors) to achieve an appropriate mix of fixed and floating rate exposure as defined by the Group. The interest related derivatives have maturity dates up to 2012.

At 30 June 2009, the Group has hedged USD 900,000,000 (2008: USD 925,000,000) of its outstanding debt by means of interest related derivatives. The Group classifies these interest related derivatives as freestanding financial instruments. At each balance sheet date, these 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 these interest related derivatives at 30 June 2009 amounts to USD -41,731,000 USD (2008: -46,058,000) comprising assets of USD 0 (2008: USD 0) and liabilities of USD -41,731,000 (2008: USD -46,058,000).

The Group has also entered into a series of Interest Rate Swap instruments for a combined notional value of USD 294,433,000 to cover the floating interest rate risk on its USD 300 million facility signed in April 2009. These IRSs are used to hedge the risk related to any fluctuation of the Libor rate and qualify for hedging instruments in a cash flow hedge relationship under IAS 39. These instruments are measured at their fair value; effective changes in fair value are recognised in equity and the ineffective changes in fair value are recognised in profit or loss.

These IRSs have a duration of 4,9 years and a portion of them have forward starting dates in July 2009 and November 2009. As such the cash flows from these IRSs are expected to occur and affect profit or loss as from 2009 throughout 2014.

The Group, through several of its JV companies in connection to the FSO conversion project of the *TI Asia* and *TI Africa* has also entered in four Interest Rate Swap instruments for a combined notional value of USD 480 million (Euronav's share amounts to 50%). These IRSs are used to hedge the risk related to any fluctuation of the Libor rate and qualify for hedging instruments in a cash flow hedge relationship under IAS 39. These instruments are measured at their fair value; effective changes in fair value are recognised in equity and the ineffective changes in fair value are recognised in profit or loss.

The four IRSs have a duration of 8 years and have forward starting dates in July 2009 and September 2009. As such the cash flows from these IRSs are expected to occur and affect profit or loss as from 2009 throughout 2017.

# EURONAV

## Notes to the condensed consolidated interim financial statements for the six months period ended 30 June 2009

### Note 12 - Statement on the true and fair view of the condensed consolidated interim financial statements and the fair overview of the interim management report

The board of directors, represented by Marc Saverys, its Chairman, and the executive committee, represented by Patrick Rodgers, the CEO and Hugo De Stoop, the CFO hereby confirm that, to the best of their knowledge, the condensed consolidated interim financial statements for the six months period ended 30 June 2009, which has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation as a whole, and that the interim management report includes a fair overview of the important events that have occurred during the first six months of the financial year and of the major transactions with the related parties, and their impact on the condensed consolidated interim financial statements, together with a description of the principal risks and uncertainties for the remaining six months of the financial year.

### Note 13 - Report of the Joint Statutory Auditors

#### Report of the Joint Statutory Auditors on the review of the condensed consolidated interim financial information as of 30 June 2009 of Euronav NV

##### **Introduction**

We have reviewed the accompanying condensed consolidated statement of financial position of Euronav NV ("the Company") as at 30 June 2009, and the related condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the six month period then ended, and explanatory notes ("the interim financial information"). Management is responsible for the preparation and presentation of this consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this interim financial information based on our review.

##### **Scope of Review**

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

##### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2009 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

*Kontich, 27 August 2009*

*Helga Platteau Réviseur d'Entreprises  
Statutory auditor  
represented by  
Helga Platteau*

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