

EURONAV NV ANNOUNCES FINAL YEAR RESULTS 2012

Highlights 2012

TANKER

Euronav took delivery of the Suezmax *Maria* (2012 – 157,523 dwt) and of the Suezmax *Capt. Michael* (2012 – 157,648 dwt) on 9 and 31 January 2012 respectively. Both vessels are owned in joint venture (50%-50%) with JM Maritime and are traded on the spot market by Euronav directly.

On 6 February 2012 Euronav received an option fee in cash in respect of a purchase option for both the *Antarctica* (2009 – 316,188 dwt) and the *Olympia* (2008 – 315,981 dwt) for delivery at the latest in the first half of 2015. The option fee is non-refundable but deductible from the purchase price. If the option is exercised, the purchase price will be slightly under or above the current book value of those ships depending on when the option is exercised.

On 28 February 2012, Euronav took delivery of the VLCC *Alsace* (2012 – 320,350 dwt) which immediately commenced trading in the TI pool.

On 2 March 2012, the VLCC *Luxembourg* (1999 – 299,150 dwt) was fixed on time charter contract for a period of 11 months with an option to extend up to an additional 8 months.

On 19 March 2012, Euronav drew down part of the revolving credit facility and the full term loan of the USD 750 million forward start senior secured credit facility concluded in June 2011. The credit facility is comprised of (i) a USD 250 million non-amortising revolving credit facility and (ii) a USD 500 million term loan facility. On the same day the USD 1,600 million facility signed in April 2005 was fully repaid. The USD 750 million senior secured credit facility is secured by 21 of the wholly-owned vessels of the Company's fleet, comprising of 1 ULCC, 6 VLCCs and 14 Suezmaxes.

In the course of the first quarter 2012, the Company bought back 68 notes of its USD 150 million fixed rate senior unsecured convertible notes, due 2015. The face value of each bond is USD 100,000 and the Company paid an average of USD 78,441 per bond.

The time charter party of the Suezmax *Cap Charles* (2006 – 158,881 dwt) was extended for 24 months as from 28 April 2012 in direct continuation of the existing contract.

The time charter party of the Suezmax *Cap Theodora* (2008 – 158,800 dwt) was extended for 36 months as from 16 June 2012 in direct continuation of the existing contract.

The Suezmax *Cap Guillaume* (2006 – 158,889 dwt) was chartered out for a period of 30 months with a forward start from the fourth quarter of 2012.

The Company fixed its Suezmax vessel *Fraternity* (2009 – 157,714 dwt) on time charter contract for a period of 12 to 36 months as of 22 August 2012.

The *Cap Guillaume* (2006 – 158,889 dwt) has started its time charter contract for a duration of 30 months as of 21 October 2012.

On 24 October 2012, the Company sold the VLCC *Algarve* (1999 – 298,969 dwt) for a price of USD 35,875,000. The vessel was delivered to its new owner on the same day. The capital gain of USD 7.3 million has been recorded whilst the net cash proceeds available to the Company after the mandatory repayment of its debt obligation was USD 17.3 million.

The time charter contract of the VLCC *TI Guardian* (1993 – 290,927 dwt) which was running until October 2013 and would have cost the Company in charter hire an estimated USD 13 million was terminated in November 2012. She was the oldest vessel of the fleet and was booked as a finance lease. As a result, the company booked a capital gain of USD 2.8 million in the fourth quarter.

The Suezmax *Cap Georges* (1998 – 146,652 dwt) which is an ice-class vessel was chartered out for the winter starting 1 December 2012.

OFFSHORE

The *FSO Asia* and the *FSO Africa* have been operating on the Al Shaheen field over three years and two years and four months respectively. The performance of both vessels was outstanding as they were 'on hire' during the entire period.

TI Africa Ltd, the owner of *FSO Africa*, has signed a new contract agreement with Maersk Oil Qatar (MOQ) for the provision of FSO services on the Al Shaheen field offshore Qatar. The contract has a fixed duration of five years beginning 1 October 2012 with an option granted to MOQ to extend the contract period for either one or two years. The new agreement extends to MOQ use of the full capacity and functionality against an increase of the daily hire earned in each contract year equal to the daily hire rate schedule of the existing service contract for *FSO Asia*, its sister vessel.

Events occurred after the end of the financial year ending 31 December 2012

On 1 February 2013, the Company has launched an exchange offer on all outstanding bonds with maturity 31 January 2015 in exchange for newly issued convertible bonds maturing 31 January 2018. Bonds for a total of USD 125 million were tendered in the exchange, which means that only USD 25 million of the bonds maturing in 2015 remain outstanding.

On 15 March 2013, Euronav sold the Suezmax *Cap Isabella* (2013 – 157,648 dwt) a newbuilding from Samsung Heavy Industries and chartered the ship back on bareboat for a fixed period of 2 years with 3 options in favour of the charterer to extend for a further year. In case of a sale by the owner during the currency of the bareboat charter the Company will also share in any surplus if the vessel value exceeds a certain threshold. As this transaction was signed before the announcement of the 2012 final figures and is the result of negotiations with various parties which started in the financial year 2012, the Company will record the capital loss of USD -32 million still in 2012. More importantly, however, this transaction enables Euronav to eliminate its only remaining capital expenditure whilst using very limited cash to take delivery of the vessel.

Prospects for 2013

On the supply side, given the current state of the tanker market and the difficulty most owners face securing financing it is most probably safe to assume very few newbuilding contracts will be placed in 2013. The market also expects fleets to consolidate due to market pressure. Finally and most importantly, the poor market returns for the last 2-3 years, should push owner of relatively old tonnage to scrap their vessels. These three trends should help rebalance the tanker market over time. For the most part of 2013 but barring any major shift in global economic growth or oil demand, tanker owners are going to continue feeling the pressure from the robust ordering activity of previous years and the loss of once projected demand growth as a result of the financial crisis and subsequent multi year recession.

The outlook for crude tankers is indeed bleak and rates are expected to remain low. However, temporary hikes such as from seasonality of demand are expected to have a positive effect on crude tanker demand, but with less intense and shorter-lived spikes than previously. Owners could nevertheless improve the situation by beginning to scrap even younger vessels at a faster pace than they are doing today. That would undoubtedly help the market move towards a speedier recovery. Although fleet growth was limited, the large excess supply from previous years combined with high voyage expenses and low freight keeps net rates in the doldrums.

The year 2012 saw a shift in the trading pattern of the crude oil and this trend will continue in the coming years provided the growth of China's economy remains constant. For the tanker market this will mean a further increase in crude oil import by China, and therefore increased tonne-miles which is positive for the market. A weakening of the oil price would reduce voyage costs and stimulate demand for oil as well as the requirement for both storage and transportation.

On the offshore side, the previous two decades have witnessed a steady rise in the use of production floaters across the globe driven by the increased activity into deeper and more remote waters. Whilst the future of the floating platform market looks strong, significant challenges remain. Although deepwater and ecologically challenging environments are calling for ever-more advanced technologies, with FSO and FPSO demand predominantly driven by countries in Latin America and West Africa, where significant local content requirements exist, construction companies are being increasingly challenged to create employment opportunities for the local workforce. Indeed, over the short-to-medium term this may affect the capital cost and timescales for FSO and FPSO developments.

Despite these factors, the floating platform market remains one of the strongest offshore sectors going forward to the end of the decade. With an increasing amount of floating production investment being made in regions away from the traditional areas of Latin America and West Africa, the next five years look set to witness an interesting change in dynamics within this sector.

Consolidated financial results 2012 summary:

The most important key figures are:

	total as per 30	fourth quarter	Full Year	Full Year
<i>in thousands of USD</i>	Sep 2012	2012	2012	2011
turnover	325,638	85,063	410,701	394,457
EBITDA	123,059	-6,500	116,559	128,368
depreciation	-134,295	-43,218	-177,513	-168,523
EBIT (operating result)	-11,236	-49,717	-60,953	-40,155
financial result	-43,694	-15,010	-58,704	-55,713
result before taxation	-54,930	-64,727	-119,658	-95,868
Tax Expense	52	674	726	-118
result after taxation	-54,878	-64,054	-118,932	-95,986
Attributable to:				
owners of the company	-54,878	-64,054	-118,932	-95,986
non-controlling interests	0	0	0	0

The contribution to the result is as follows

	total as per 30	fourth quarter	Full Year	Full Year
<i>in thousands of USD</i>	Sep 2012	2012	2012	2011
Tankers	-64,421	-70,981	-135,402	-103,304
FSO	9,544	6,927	16,471	7,318
result after taxation	-54,877	-64,054	-118,931	-95,986

Information per share:

	total as per 30	fourth quarter	Full Year	Full Year
<i>in USD per share</i>	Sep 2012	2012	2012	2011
number of shares	50,000,000	50,000,000	50,000,000	50,000,000
EBITDA	2.46	-0.13	2.33	2.57
EBIT (operating result)	-0.22	-0.99	-1.22	-0.80
result after taxation	-1.10	-1.28	-2.38	-1.92

All figures have been prepared under IFRS (International Financial Reporting Standards).

The statutory auditor has confirmed that his audit work, which has substantially been completed, did not reveal any significant changes to be made to the financial information included in the press release.

Dividend policy

It will be proposed to the annual general meeting of 8 May 2013 to not distribute a dividend over the financial year 2012.

Financial calendar 2013

Friday 22 March 2013

Full consolidated financial results 2012 available on website

Thursday 28 March 2013

Annual report 2012 available on website

Tuesday 16 April 2013

Announcement of first quarter results 2013

Wednesday 8 May 2013

Annual Shareholders' meeting 2013

Tuesday 16 July 2013

Announcement of second quarter results 2013

Wednesday 28 August 2013

Announcement of final half year results 2013

Friday 30 August 2013

Half year report 2013 available on website

Tuesday 15 October 2013

Announcement of third quarter results 2013

Given the current circumstances in the tanker market, the board of Euronav NV has carefully reviewed all potential impairment indicators such as the current low freight rates environment as well as the current market value of the fleet compared to its carrying amount. The board tested the assets for impairment and at this point does not believe that an impairment loss needs to be recorded on its tankers. The board has continuously monitored developments in the tanker market throughout 2012 and will continue to do so throughout 2013.

The board of directors, represented by Marc Saverys, its Chairman, and the executive committee, represented by Paddy Rodgers, Chief Executive Officer and Hugo De Stoop, Chief Financial Officer, hereby confirm, in the name and for account of Euronav that, to the best of their knowledge the financial statements as of 31 December 2012 presented herein were established in accordance with applicable accounting standards (IFRS or Belgian GAAP) and give a true and fair view, as defined by these standards, of the assets, liabilities, financial position and results of Euronav NV.

On behalf of the board of directors:

Paddy Rodgers
Chief Executive Officer

Marc Saverys
Chairman of the Board of Directors

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Contact:

Mr. Hugo De Stoop
CFO

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Full consolidated financial results 2012 available on website: Friday, 22 March 2013
Annual report 2012 available on website: Thursday, 28 March 2013
Announcement first quarter results 2013: Tuesday, 16 April 2013

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Consolidated financial statements for the year ended 31 December 2012

Statement of financial position

in thousands of USD

	note	2012	2011
ASSETS			
NON-CURRENT ASSETS		2,065,448	2,159,442
Property, plant and equipment	6	2,062,063	2,158,816
Vessels	-	2,061,397	2,020,999
Assets under construction	-		136,911
Other tangible assets	-	666	906
Intangible assets	-	78	241
Financial assets	-	2,344	180
Investments in equity accounted investees	-	-	-
Investments	-	2	1
Non-current receivables	-	2,342	179
Deferred tax assets	7	963	205
CURRENT ASSETS		297,431	291,874
Trade and other receivables	8	98,644	105,878
Current tax assets	-	27	582
Cash and cash equivalents	9	145,840	185,414
Non-current assets held for sale	2	52,920	-
TOTAL ASSETS		2,362,879	2,451,316

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	note	2012	2011
EQUITY and LIABILITIES			
EQUITY		867,020	980,988
Equity attributable to owners of the Company	10	867,020	980,988
Share capital	-	56,248	56,248
Share premium account	-	353,063	353,063
Translation reserves	-	730	652
Fair value reserve	-	-	-
Hedging reserve	4-10	-15,221	-20,107
Treasury shares	10	-46,062	-46,062
Retained earnings	-	518,262	637,194
Non-controlling interest	-	-	-
NON-CURRENT LIABILITIES		1,186,089	1,221,349
Loans and borrowings	12	1,119,741	1,189,176
Finance leases	-	-	8,616
Bank loans	-	987,047	1,046,104
Convertible notes	-	132,694	134,456
Other loans	-	-	-
Non-current other payables	13	64,233	30,341
Deferred tax liabilities	7	-	-
Employee benefits	14	2,115	1,832
Provisions	-	-	-
CURRENT LIABILITIES		309,770	248,979
Trade and other payables	15	141,434	78,817
Current tax liabilities	-	-	-
Loans and borrowings	12	168,336	170,162
Provisions	-	-	-
TOTAL EQUITY and LIABILITIES		2,362,879	2,451,316

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Consolidated financial statements for the year ended 31 December 2012

Income statement

in thousands of USD

	note	2012	2011
Turnover	-	410,701	394,457
Gains on disposal of vessels	6	10,067	22,153
Other operating income	-	10,501	6,090
Expenses for shipping activities	3	-247,173	-232,189
Losses on disposal of vessels	6	-32,080	-25,501
Depreciation and amortisation expenses	6	-177,513	-168,523
Impairment losses (-) / reversals (+)	-	-	-
Staff costs	3	-16,070	-15,581
Other operating expenses	3	-19,386	-21,062
Result from operating activities		-60,953	-40,156
Finance income	-	5,395	5,695
Finance expenses	-	-64,099	-61,408
Net finance expense	4	-58,704	-55,713
Share of result of equity accounted investees	-	-	-
Result before income tax		-119,657	-95,869
Income tax expense	5	726	-118
Result for the period		-118,931	-95,987
Attributable to:			
Owners of the Company	-	-118,931	-95,987
Non-controlling interest	-	-	-
Basic earnings per share (in USD)	11	-2.38	-1.92
Diluted earnings per share (in USD)	11	-2.38	-1.92

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Consolidated financial statements for the year ended 31 December 2012

Statement of comprehensive income

in thousands of USD

	note	2012	2011
Result for the period		-118,931	-95,987
Other comprehensive income			
Foreign currency translation differences	4	76	-170
Net change in fair value of available-for-sale financial assets	-	-	-
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	4	4,886	-1,364
Net change in fair value of cash flow hedges transferred to profit or loss	-	-	-
Income tax on other comprehensive income	-	-	-
Other comprehensive income for the period, net of income tax		4,962	-1,534
Total comprehensive income for the period		-113,969	-97,521
Attributable to:			
Owners of the Company	-	-113,969	-97,521
Non-controlling interest	-	-	-

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Consolidated financial statements for the year ended 31 December 2012

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
Balance at 1 January 2011	56,248	353,063	822	-	-18,743	-46,062	733,180	1,078,508	-	1,078,508
Total comprehensive income for the period										
Result for the period	-	-	-	-	-	-	-95,986	-95,986	-	-95,986
Other comprehensive income										
Foreign currency translation differences	-	-	-170	-	-	-	-	-170	-	-170
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 ..	-	-	-	-	-1,364	-	-	-1,364	-	-1,364
Net change in fair value of cash flow hedges transferred to profit or loss, net of tax	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	-170	-	-1,364	-	-	-1,534	-	-1,534
Total comprehensive income for the period	-	-	-170	-	-1,364	-	-95,986	-97,520	-	-97,520
Transactions with owners of the company										
Issue of convertible notes	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	-	-
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2011	56,248	353,063	652	-	-20,107	-46,062	637,194	980,988	-	980,988
Balance at 1 January 2012	56,248	353,063	652	-	-20,107	-46,062	637,194	980,988	-	980,988
Total comprehensive income for the period										
Result for the period	-	-	-	-	-	-	-118,931	-118,931	-	-118,931
Other comprehensive income										
Foreign currency translation differences	-	-	76	-	-	-	-	76	-	76
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 ..	-	-	-	-	4,886	-	-	4,886	-	4,886
Net change in fair value of cash flow hedges transferred to profit or loss, net of tax	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income	-	-	76	-	4,886	-	-	4,962	-	4,962
Total comprehensive income for the period	-	-	76	-	4,886	-	-118,931	-113,969	-	-113,969
Transactions with owners of the company										
Issue of convertible notes	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	-	-
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2012	56,248	353,063	728	-	-15,221	-46,062	518,263	867,019	-	867,019

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Consolidated financial statements for the year ended 31 December 2012

Statement of cash flows

in thousands of USD

	note	2012	2011
Net cash and cash equivalents at the beginning of the period		185,414	166,893
Result before income tax	-	-119,657	-95,868
Adjustments for non-cash transactions	-	191,137	141,539
Adjustments for items disclosed under investing or financing activities	-	54,329	75,078
Changes in working capital requirements	-	19,435	3,338
Income taxes paid during the period	-	543	334
Interest paid	-	-68,159	-68,284
Interest received	-	224	313
Dividends received	-	-	-
Cash flows from operating activities		77,852	56,450
Purchase of vessels	6	-148,700	-16,253
Proceeds from the sale of vessels	6	47,593	52,020
Purchase of other (in)tangible assets	-	-145	-354
Proceeds from the sale of other (in)tangible assets	-	39	1
Investment in securities	-	-	-
Proceeds from the sale of securities	-	-	-
Loans to related parties	-	171	171
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	-	-	-
Cash flows from investing activities		-101,042	35,585
Proceeds from issue of share capital	-	-	-
Purchase / sale of treasury shares	-	-	-
Proceeds from New long-term borrowings	12	759,524	95,500
Repayment of long-term borrowings	12	-776,064	-167,817
Proceeds from loans from related parties	-	-	-
Repayment of loans from related parties	-	-	-
Dividends paid	-	-47	-63
Cash flows from financing activities		-16,587	-72,380
Effect of changes in exchange rates		203	-1,134
Net cash and cash equivalents at the end of the period	9	145,840	185,414