



ANNUAL REPORT 2005
MARQUARD & BAHL AG



2005

WHAT IS TIME?

GROUP FIGURES

MARQUARD & BAHL

	2005		2004	
	million €	million US\$	million €	million US\$
- Consolidated revenues (petroleum tax deducted)	8,473	10,542	5,699	7,085
- Cash flow	69	86	86	107
- Income before income taxes	80.2	99.8	40.4	50.2
- Net income	53.2	66.2	18.2	22.6
- Fixed and financial assets (book value)	996	1,179	854	1,165
- Equity	445	527	374	510
- Employees *	3,707		1,910	

MABANAFT

- External sales (in million t)	17	15
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OILTANKING

- Tank capacity (in million cbm)	11.1	10.9
- Throughput (in million t)	108.5	102.7

*) The increase in the number of employees is strongly influenced by the first-time consolidation of Indian Oiltanking and Peruvian Consorcio Terminales, as well as by including all employees in Moldova.

05:59

IN HAMBURG, MARQUARD & BAHL'S EMPLOYEES ARE ON THEIR WAY TO HEADQUARTERS, WHILE THE MABANAFT TRADERS IN CHISINAU, MOLDOVA, LOCAL TIME 06:59, MAKE THEIR FIRST TELEPHONE CALLS. IN SINGAPORE, 12:59, OILTANKING STAFF ENJOY THEIR LUNCH. AND AT MIAMI INTERNATIONAL AIRPORT, 23:59, SKYTANKING REFUELS AN AIRPLANE.

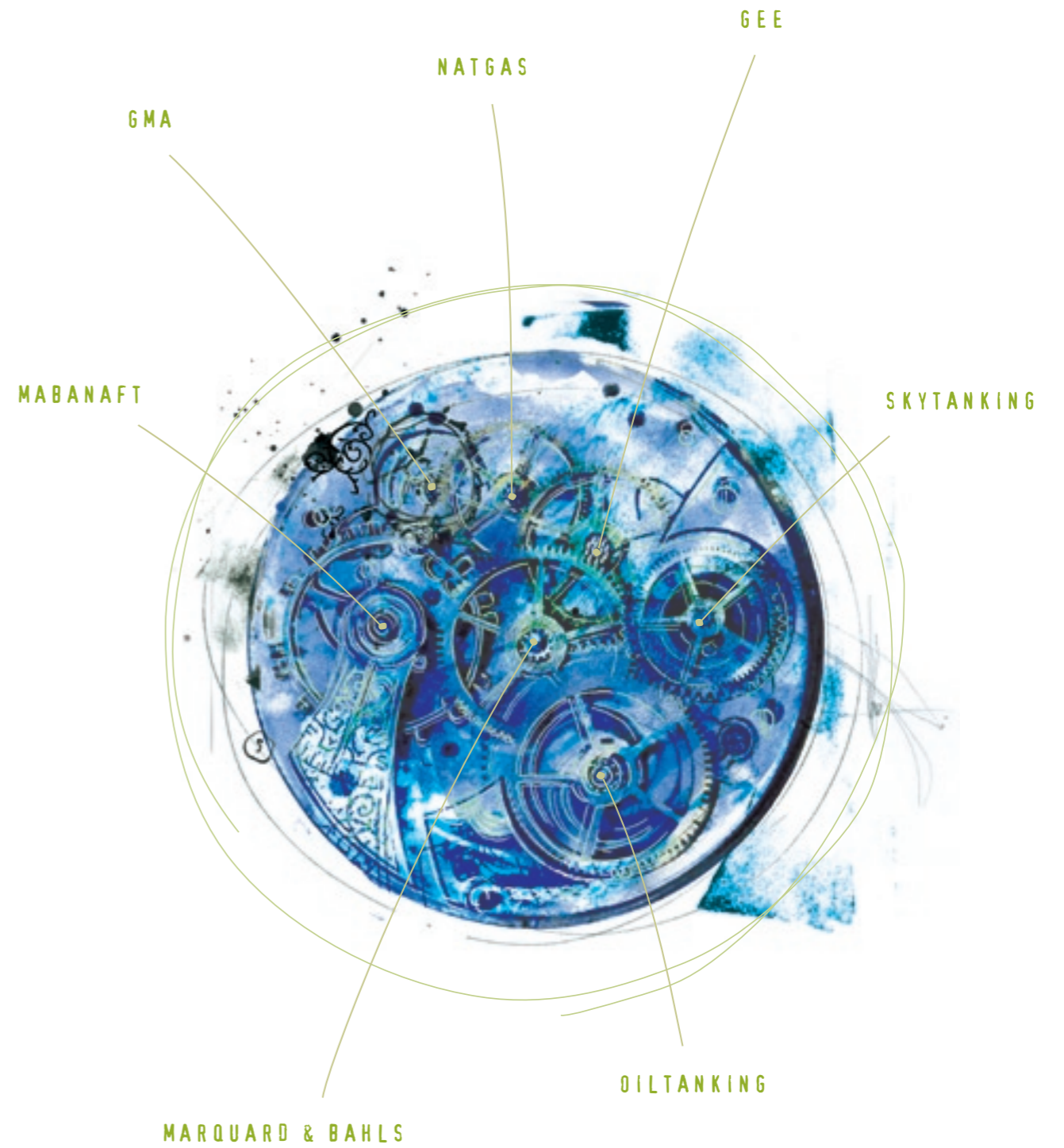


24 HOURS WITH MARQUARD & BAHL'S, WORLDWIDE. Follow us on a journey around the

world. We will take you to 27 countries in which day in, day out we are working for you. In our trading offices, at the tank terminals, at airports, retail outlets, and with customers, business partners and suppliers.

IN HAMBURG, MARQUARD & BAHL'S EMPLOYEES
 ARE ON THEIR WAY TO HEADQUARTERS, WHILE THE MABANAFT TRADERS
 IN CHISINAU, MOLDOVA, LOCAL TIME 08:59, MAKE THEIR FIRST TELE-
 PHONE CALLS. IN SINGAPORE, 15:29, OILTANKING STAFF ENJOY THEIR
 LUNCH. AND AT MIAMI INTERNATIONAL AIRPORT, 23:29, SKYTANKING
 REFUELS AN AIRPLANE.

EVERYTHING INTERCONNECTS. WORLDWIDE. DAY AND NIGHT.



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06:00 > CONTENTS
| COMPANY STATEMENT



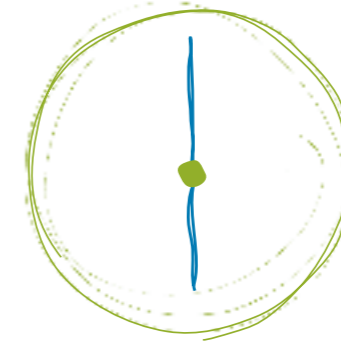
07:00 > FOREWORD
| MARQUARD & BAHL S AG



10:00 > LETTER OF THE BOARD OF DIRECTORS
| MARQUARD & BAHL S AG



13:00 > MABANAFT
| OIL TRADING



18:00 > OILTANKING
| TANK TERMINALS



00:00 > SKYTANKING
| AVIATION FUELING



01:00 > GEE
| RENEWABLE ENERGY



02:00 > GMA
| QUALITY MANAGEMENT



03:00 > NATGAS
| NATURAL GAS



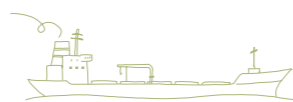
04:00 > HSSE
| HEALTH, SAFETY, SECURITY & ENVIRONMENT



05:00 > REPORT OF THE SUPERVISORY BOARD
| 2005



06:00 > FINANCIAL STATEMENTS
| 2005



SINGAPORE 01:18 p.m.

MV „Ce-Shilla“ arrives at Oiltanking Singapore to discharge 18,000 tons of gasoline. Operator Troy Chew assists the mooring of the vessel.

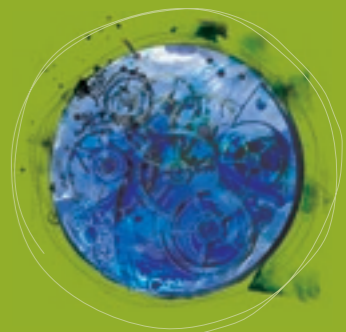


> INDEPENDENT. SOUND. INDIVIDUAL

With this annual report, we would like to invite you to accompany us for 24 hours around the world. What happens at Oiltanking China while the traders at Mabanaft in Hamburg are calculating the morning's prices? What are our colleagues at Skytanking Orlando doing at this very moment? And what is going on in Denmark and Argentina?

Join us for one day and experience our complete range of services: oil trading, terminal services, service stations, heating oil consumer sales, lubricants, energy contracting, aviation fueling, bunker supplies, renewable energy and quality assurance.

Get to know our business and our staff, who give their all every day for our customers and partners in 27 countries throughout Europe, Asia, North and South America.





06:00 > CONTENTS
| COMPANY STATEMENT



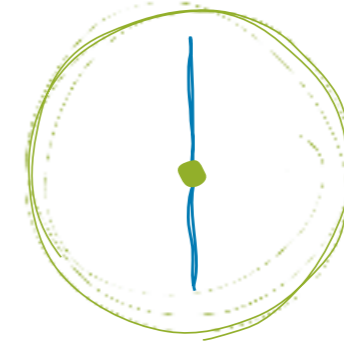
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05:00 > REPORT OF THE SUPERVISORY BOARD
| 2005



06:00 > FINANCIAL STATEMENTS
| 2005

As a company that trades and handles petroleum products, hazardous chemicals and gases, we are well aware of our responsibility towards the environment, our neighbors, the community and – last but not least – our own staff. A conscientious health, safety, security and environmental policy is, therefore, the centerpiece of our daily operations.

As a private company, we enjoy our shareholders' trust and commitment to stable, long-term growth. This, together with our sound financial base and our dedicated work force, allows us to respond effectively to market challenges, to limit the impact of adverse developments, and to profit from opportunities. We will continue this strategy in the future – in our independent, sound, individual way.



EMMERICH, GERMANY 06:44 a.m.
The barge "St. Rita" sails on the River Rhine on her way to Oiltanking Duisburg. 15 hours ago, she loaded 3,500 tons of heating oil in Amsterdam for Mabanaft Germany.

HAMBURG, GERMANY 06:58 a.m.
Bruno Schulwitz, Managing Director GMA, leaves his car for cleaning at the OIL! service station at Rödingsmarkt and walks to the office.



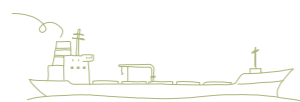
07:00 > FOREWORD

In 2005, the prices of the global oil markets remained high and extremely volatile. Political unrest in the Middle East, Venezuela and Nigeria as well as rising gas and electricity prices increased the awareness for the importance of cost effective energy supply.

The growing global demand for energy is one of the central challenges of our society. A successful energy strategy requires a long-term focus and must strike the right balance between

- > security of supply,
- > efficient energy mix,
- > and environmental sustainability.

Supply security can be achieved only in open, competitive markets. Energy markets that are dominated by a few large, vertically integrated players and with little regional overlap are unlikely to offer the necessary market liquidity and self-regulating forces that are vital for a reliable energy supply. Free access to independent infrastructure is the key to enabling new market entries to compete with established players.



SINGAPORE 02:09 p.m.

For the next hour, independent surveyors will inspect MV "Ce-Shilla's" cargo tanks while Troy Chew goes through the ship-shore safety checklist with the vessel's officer on duty.

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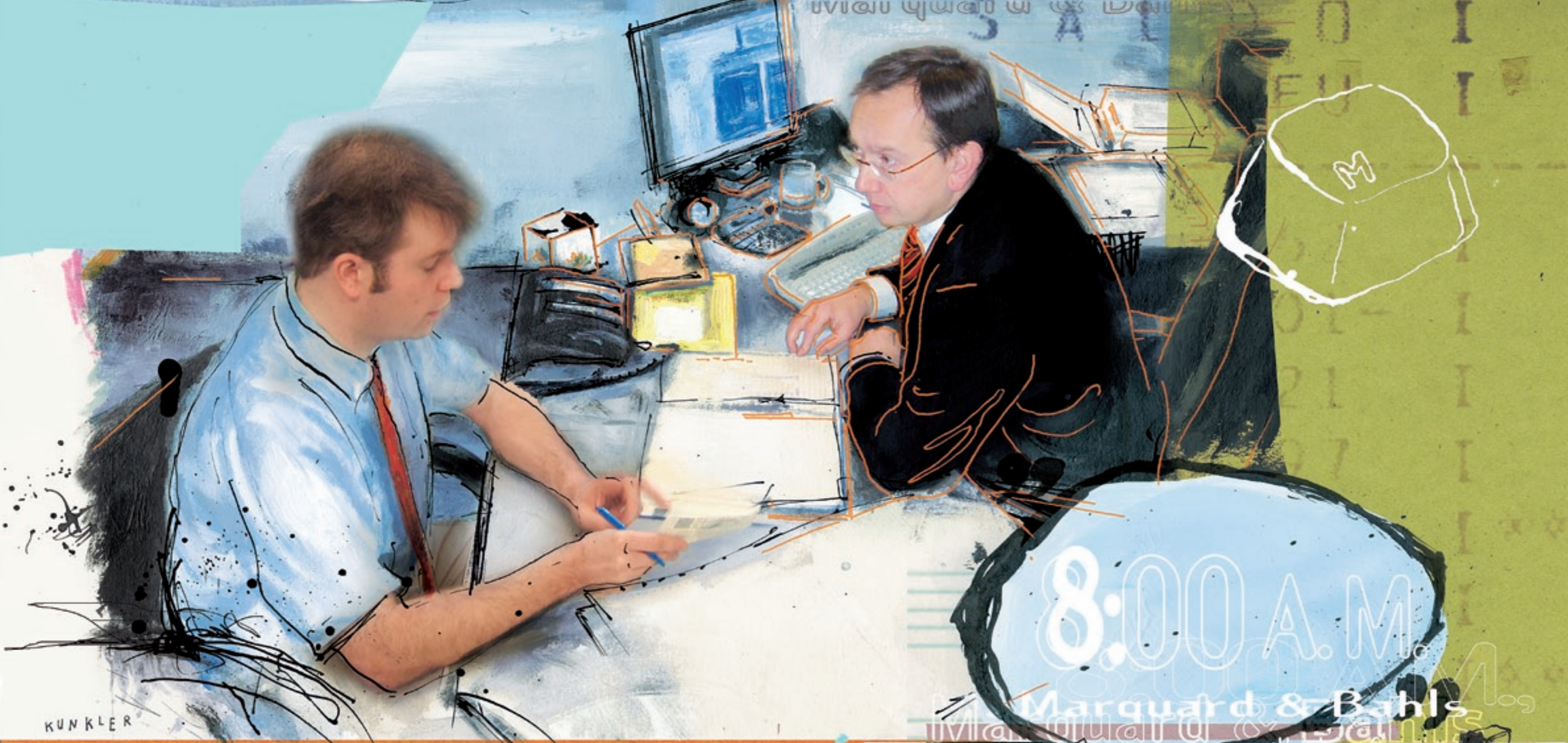
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07:59 A.M. MARQUARD & BAHL'S, HAMBURG
After checking his e-mails, Klaus-Dieter Fröse gets himself a cup of coffee.





KUNKLER

8:00 A.M.
 Marquard & Bahls
 Hamburg, Germany

Klaus-Dieter Fröse, right,
 and Klaus Hartges, left,
 check the bank position
 of M&B subsidiaries.



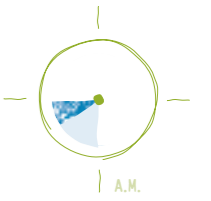
4:00 A.M.,
 Oiltanking Ebytem, Argentina.
 A vessel discharges crude oil
 at the
 "Punta Cigüeña" monobuoy.

2:00 A.M.,
 Skytanking, Philadelphia, U.S.A.
 Fueling an airplane at
 Philadelphia International
 Airport.

7:00 A.M.,
 B.W.O.C., Great Britain.
 B.W.O.C. vehicles load
 gasoline
 at a storage terminal
 in Plymouth.

8:00 A.M.,
 OIL! Tankstellen, Hamburg, Germany.
 Stocking an OIL! service station with
 food, drinks and tobaccos.





Most important, a functioning and independent system for strategic emergency stocks is a central tool to ensure stability at times of crisis or temporary supply disruptions. The government-agency models for oil reserves used in Germany and the Netherlands are hailed by the International Energy Agency as examples of effective national emergency stock-keeping.

Because of Europe's growing dependence on gas and its limited alternatives in import logistics, public decision makers are well advised to include gas in the emergency stock system. The recent power struggle between Russia and the Ukraine over gas deliveries and the resulting pressure drops and delivery shortages in Central and Western Europe should be a decisive argument to finally go ahead with emergency stocks of gas.

For many decades to come, oil will continue to play a central role in the worldwide energy mix. This view is supported by virtually all current research publications. Public statements like "down with oil" by political leaders are neither economically practical nor technically feasible – not even in a mid-term perspective. However, we are challenged to manage our energy resources in a responsible fashion. New technologies, such as the condensed-boiler technique, are a suitable way to reduce energy consumption and cut CO₂ emissions at comparatively low cost. We believe that a greater public awareness of this and similar technologies can contribute in a major and cost-effective way to a responsible energy mix – and right away, not just in the distant future.

Spurred by high oil and gas prices, renewable energy and particularly biofuels quickly found inroads into the energy mix of most industrial nations. Marquard & Bahls companies have embraced this development from the beginning:

- > Mabanafit was among the first to blend biofuels with petroleum products in Europe and has set up a special biofuels trading team.
- > Our service station network, OIL!, has introduced ethanol to the market as a motor fuel component by launching E85 (85 percent bioethanol mixed with 15 percent motor gasoline) in Germany in early 2006.

- > Mabanafit's subsidiary, Petronord, as a participant in the pool station network for commercial fleets, distributes pure biodiesel and vegetable oil to trucks.
- > Oiltanking will continue its substantial investments in blending and storage infrastructure for biofuels.
- > Our renewable-energy subsidiary, GEE, is establishing itself as a producer and distributor of wood pellets and biomass in the Scandinavian and Central European markets.
- > When its first biomass-heating power plant went on stream in 2005, GEE achieved a milestone by feeding electricity into the public grid.

Despite the above-mentioned favorable developments in the biofuels market, we have always pointed out the need to focus on the economic and environmental justification of any alternative energy source. Many of these, including biodiesel and bioethanol, can compete with fossil fuels only with the aid of direct or indirect subsidies, i.e. tax advantages. These fuels still await the technology leaps, as well as the necessary economies of scale, that will make their mass production economical. For this reason, Marquard & Bahls companies still remain cautious about investing in production facilities for this sector of the energy business.

HAMBURG, MAY 2006

Wim Lokhorst
> Chief Executive Officer

Dr. Claus-Georg Nette
> Chief Financial Officer



SINGAPORE 03:17 p.m.
As Troy opens the valves at the jetty, MV „Ce-Shilla“ begins discharging her cargo.



HAMBURG, GERMANY 08:36 a.m.
Herbert Busse of Klindworth-Kronol stops his tank truck at the Oiltanking Hamburg terminal, to load heating oil.





CHICAGO, U.S.A. 02:27 a.m.
Operator Lorenzo Shelton from Skytanking inspects the pipelines of the fuel facility at Chicago Midway Airport.

HOUSTON, U.S.A. 02:27 a.m.
Oiltanking prepares to feed a batch of 10,000 tons gasoline into the colonial pipeline system, that connects Houston with New York.

PHILADELPHIA, U.S.A. 03:27 a.m.
At Philadelphia International Airport Skytanking refuels a Boeing 737.

LIMA, PERU 03:27 a.m.
Andres Bereihl leaves home to catch his flight to Buenos Aires, where he will attend a regional management meeting.



HAMBURG, GERMANY 09:11 a.m.
Herbert Busse has finished loading 28,000 liters of heating oil and begins his delivery route to eight customers in the region.

ANTWERP, BELGIUM 09:27 a.m.
Dirk Uytendhouwen fills a batch of 360 drums with acrylates for an international customer.

HAMBURG, GERMANY 09:27 a.m.
In Downtown Hamburg, Sabine Ibendorff, secretary to the CEO of Marquard & Bahls, begins proofreading a draft of the annual report.

MOSCOW, RUSSIA 11:27 a.m.
Sergey Advenko and Andrian Bors discuss today's meeting schedule with Russian oil suppliers.

NIZHNEKAMSK, RUSSIA 11:27 a.m.
17 rail tank cars loaded with Alfa-Olefins leave the chemical factory of Nizhnekamsk Neftechim headed for Oiltanking Sonmarin, Finland.

DAYA BAY, CHINA 04:27 p.m.
Project engineer Tan Kin Chuan inspects the progress of the paint works at the new tanks.

SINGAPORE 04:27 p.m.
Oiltanking Odfjell Terminal feeds benzene into the production unit of a neighboring chemical plant.

MESAIEED, QATAR 11:27 a.m.
Mabanaft loads a 50,000 tons cargo of kerosene, to be shipped to Amsterdam.

MUMBAI, INDIA 01:57 p.m.
Himanshu Mohapatra and his colleagues of Indian Oiltanking return from lunch and continue their work on an investment model for a large EPC project.

CAPE TOWN, SOUTH AFRICA 10:27 a.m.
After having dropped off his children at school, Phillipe Pringiers starts up his computer and checks the market with his colleagues of Mabanaft Rotterdam.

MERAK, INDONESIA 03:27 p.m.
Theo Pangraz finalizes a meeting with the local authorities about Oiltanking's plans to construct a new import terminal on Java.



SINGAPORE 04:39 p.m.
MV "Ce-Shilla" is by now pumping at maximum capacity. Troy arranges for automatic product samples to be taken.

MARQUARD & BAHL WORLDWIDE

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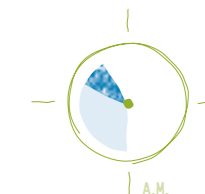
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10:00 > LETTER OF THE BOARD OF DIRECTORS

2005 was a successful year for Marquard & Bahls. Across the board, the trading organization and tank storage delivered satisfactory results, and Marquard & Bahls continued to expand its international presence.

Our 2005 pretax profit of € 80.2 million is a significant increase over the previous year. In fact, it was among the best in the history of Marquard & Bahls. Our long-planned switch to the IFRS accounting method enables us to give a fairer view of the trading results of the Mabanafit group. Particularly with regard to the evaluation of derivatives, stocks, and their related unrealized profits and losses, the previously applied German GAAP forced us to report results that did not truly reflect commercial results.

In 2005, our results were influenced by:

- > A very strong performance by Oiltanking. Its asset base, its high percentage of long-term customer commitments, and its well-balanced customer portfolio make the tank terminal business a steady performer.
- > Last year's reorganization of our trading group delivered the expected results. The companies coordinated their market activities better, and the younger companies improved their performance remarkably.
- > In international cargo and barge trading, Mabanafit achieved its desired regional diversification and increased its traded volumes substantially.

- > In our contracting business, Proenergy's restructuring efforts produced a significantly improved performance. The burden on group results from previous years was further reduced, disregarding extraordinary items, and profits are expected from the end of 2006.

The strategically important entrance of Mabanafit into the U.S. market and its establishment of a trans-Atlantic trading presence advanced according to plan and delivered profitable and growing cargo business. Overall, Mabanafit's total trading volumes increased by 2.0 million metric tons, or 12 percent.

Tripled oil prices and growing trading volumes led to a special focus on the availability of credit lines in our trading division. We have initiated measures to significantly expand Mabanafit's equity base in 2006, thus safeguarding our ability to continue further growth at high price levels.

The supply-and-demand imbalances in the world, combined with continued fragmentation of fuel specifications, requires significant volumes of product to be moved. This market environment offers good opportunities for oil trading and leads to a healthy demand for tank storage, particularly in the international trading hubs of Houston, Singapore, and the Amsterdam-Rotterdam-Antwerp (ARA) area. Oiltanking has secured long-term customer commitments for both existing capacity and capacity expansions in all three regions. In the Middle East, Oiltanking secured its newly established presence in Dubai and Oman and engaged in further business development in the region.

The aviation-fueling business accelerated its international growth. With Brussels, Zurich and minority interests in Athens and Luxembourg it added four European locations, and with Atlanta, Chicago and Orlando three U.S. locations.

In Europe, 2005 was dominated by the growing public focus on biofuels and renewable energy. Marquard & Bahls companies responded to this development at an early stage, adapting their business strategies and benefiting from new opportunities in biofuels trading, blending and logistics.

HAMBURG, GERMANY 10:18 a.m.

Ellen Redeligx, human resources manager, interviews a candidate for a trainee program.

LONDON, GREAT BRITAIN 09:37 a.m.

Micky Davis, Mabanafit Ltd., sends an e-mail to Thomas Roller of Mabanafit Trading Services.

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The dominant risks to the Marquard & Bahls companies come from the trading activities of Mabanaft, as well as operational and technical risks associated with the storage infrastructure of Oiltanking and Skytanking. We carefully analyze the different risks to which our group is exposed.

Mabanaft trades in most of the major geographic regions of the world, and has a strong risk-management philosophy. Where appropriate, the counterparty risk is reduced by guarantees and insurances. Currency exposure in trading is also fully hedged.

We monitor the financial liquidity of each Marquard & Bahls division very closely. During 2005, we put additional credit facilities in place to cover credit exposure resulting from a possible supply crisis.

Loans for fixed assets have a long-term tenure and are secured by interest rate swaps. To limit currency risks, we finance long-term investments in foreign subsidiaries (outside the Euro zone) in the currency of their main revenues. We do not hedge equity positions denominated in foreign currency. Instead, and in accordance with industry practice, we take a long-term view over the whole lifetime of the project.

Operational risk derives from transporting and storing hazardous liquids that can harm the environment. Therefore, we maintain liability insurance, as well as coverage for both assets and business interruption. Regular HSSE audits ensure that all installations and transport modes comply with these standards.

The Marquard & Bahls companies follow a controlled-growth policy by selectively expanding geographically through acquisitions or new operations. Existing business grows and diversifies within the core competencies of each division. Within these bounds, we ensure that we do not overstretch our financial means or jeopardize our unique corporate culture.

HOUSTON, U.S.A. 04:18 a.m.

In the middle of the night, Ken Brown, operations manager of Matrix Marine Fuels receives a phone call from a customer to verify product specifications.

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11:59 A.M. PETRONORD, STADE, GERMANY
Truck driver Manfred Grabowski refuels his truck at the pool service station in Stade.



Noon, Petronord, Germany



5:00 A.M., Matrix Marine Fuels, U.S.A.
The barge "Buffalo Star" delivers bunker fuel to a vessel.



Noon, Proenergy, Bochum, Germany.
An engineer inspects the heating systems by checking the eBox.

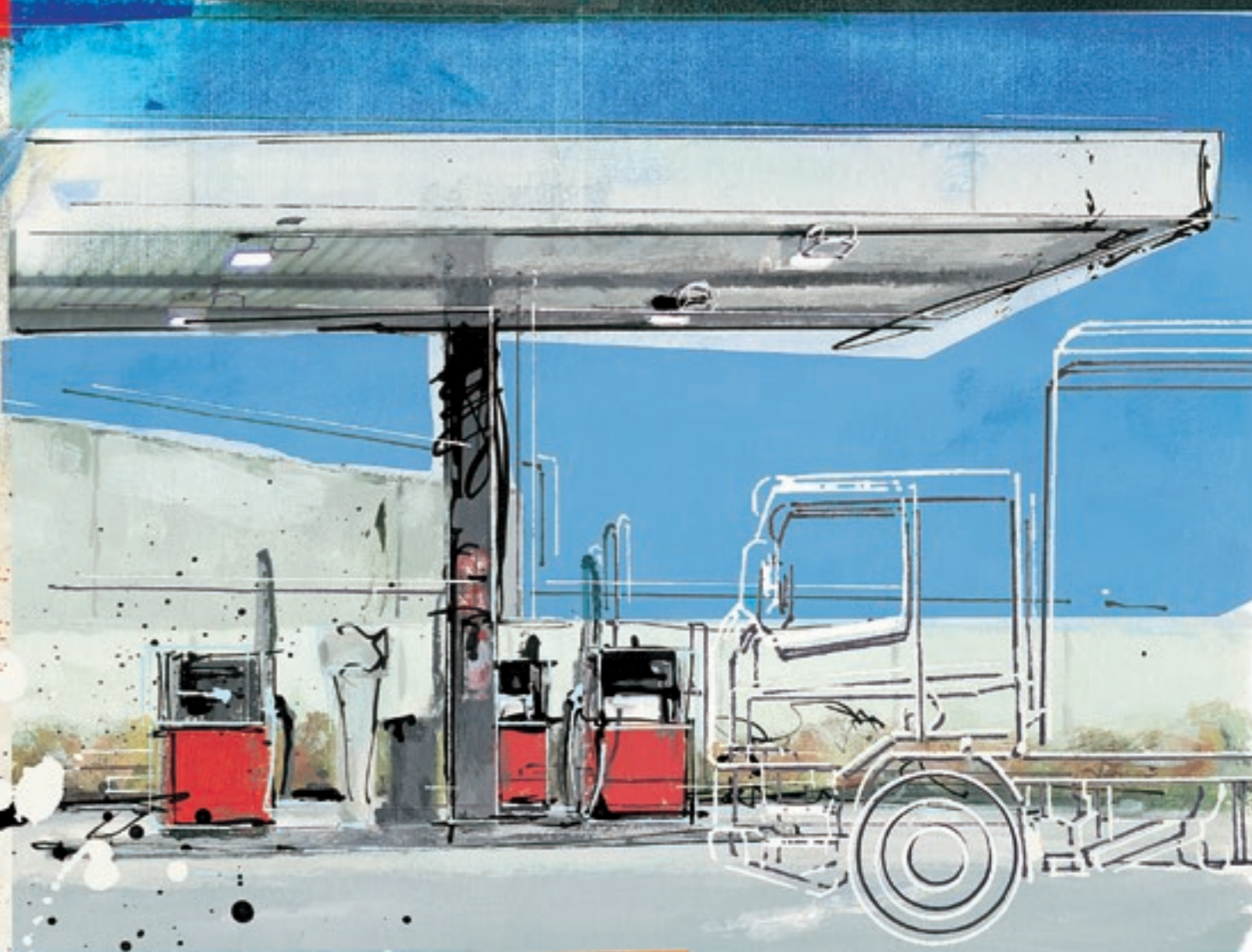


Noon, GMA, Frankfurt, Germany
Jürgen Zimmermann checks a sample with the sulfur and nitrogen analyzer.



7:00 P.M., Oiltanking Singapore
John Chui, right, performs a safety inspection of the supertanker "Lady Fatima", berthed at Oiltanking Singapore's Jetty 2.

VEHICLES ARE FUELED AT A POOL SERVICE-STATION SERVED BY PETRONORD. AT THE SAME TIME, HOLGER KRAUS DELIVERS HEATING OIL TO A CUSTOMER, AND JENS KERNBACH HAS A TELEPHONE CALL WITH ONE OF THE CUSTOMERS.



HUMAN RESOURCES

Human-resource development is a vital aspect of our growth strategy. It has been a priority in the past, as it will be in the future. As a result, we have seen a rapid diversification in the nationalities employed by our subsidiaries during the past decade. Our low personnel turnover is proof of the commitment and loyalty of our employees. The age structure in our middle and top management is appropriate, and our international presence offers ample opportunities to develop a broad base of young talent who can be exposed to responsibility early in their careers.

PROSPECTS

Although market fundamentals, such as a sufficient supply of crude oil and stable stocks of products, should eventually force the market back to more-rational behavior, high oil prices and volatility may prevail for some time. In any event, our subsidiaries are well positioned to continue their international growth.

- > In 2006, Mabanafit will strive to further develop the international presence of its cargo trading. To leverage internal resources in the best way for this growth, Mabanafit has introduced in early 2006 a centrally managed international trading portfolio.
- > At the end of 2005, Mabanafit established a joint venture in Istanbul, Turkey. Mabanafit Energy will focus on the wholesale of middle distillates and will develop further opportunities in Turkey and the Mediterranean.
- > After yet another record year, we are considering applying the concept of Mabanafit's bunker business, Matrix Marine Fuels, to Singapore and other locations.



HAMBURG, GERMANY 12:02 p.m.
Herbert Busse delivers two cubic meters of heating oil to the home of Hannah and Rainer Scholz.

12:00

12:05

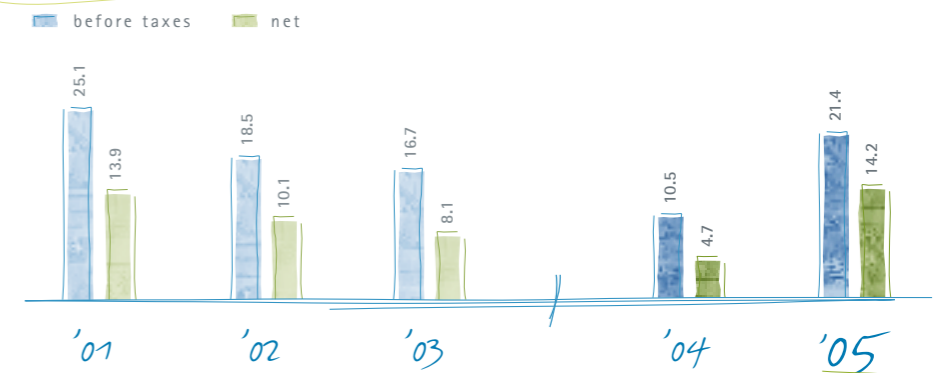
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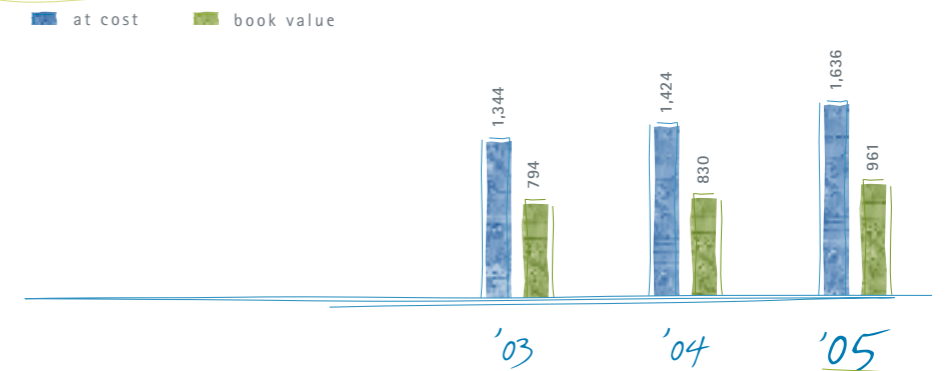
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RETURN ON EQUITY* (in percent) 2001-2005



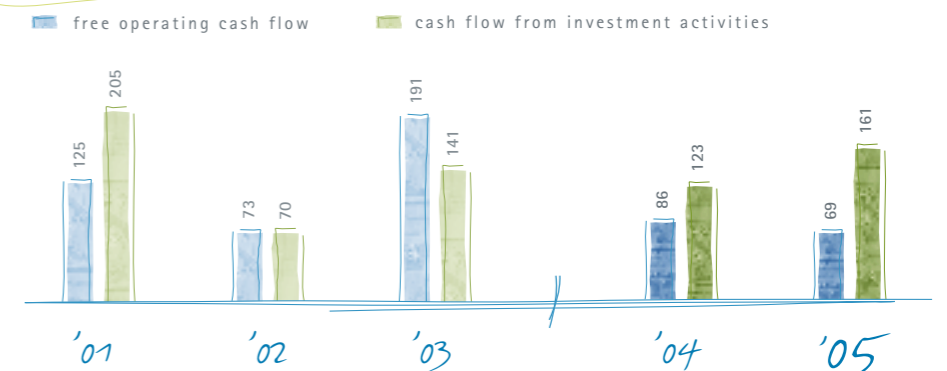
*) Until and including 2003: according to German GAAP; 2004 and 2005: according to IFRS

FIXED AND FINANCIAL ASSETS* (in million €) 2003-2005

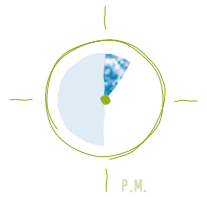


*) according to IFRS

CASHFLOW* (in million €) 2001-2005

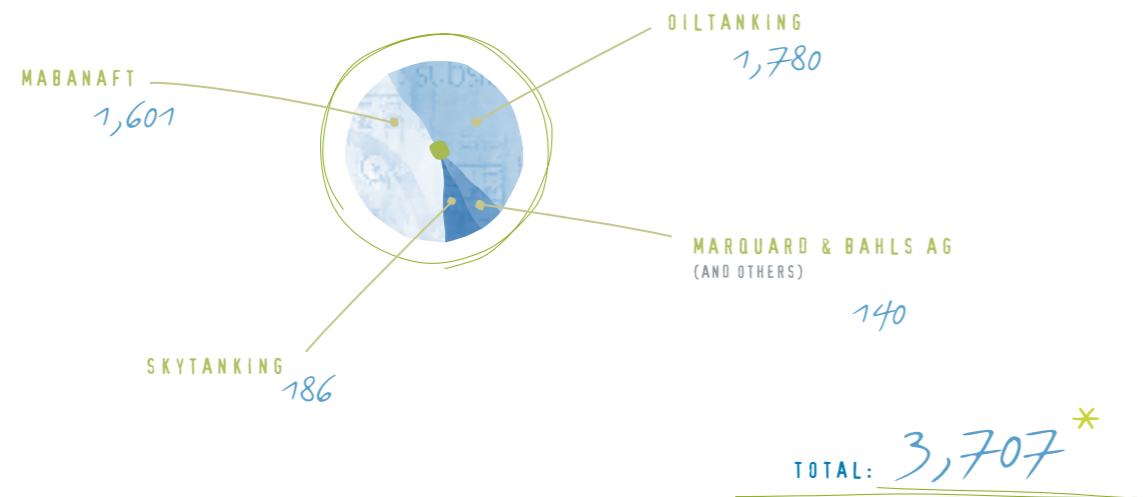


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EMPLOYEES (divided by companies)

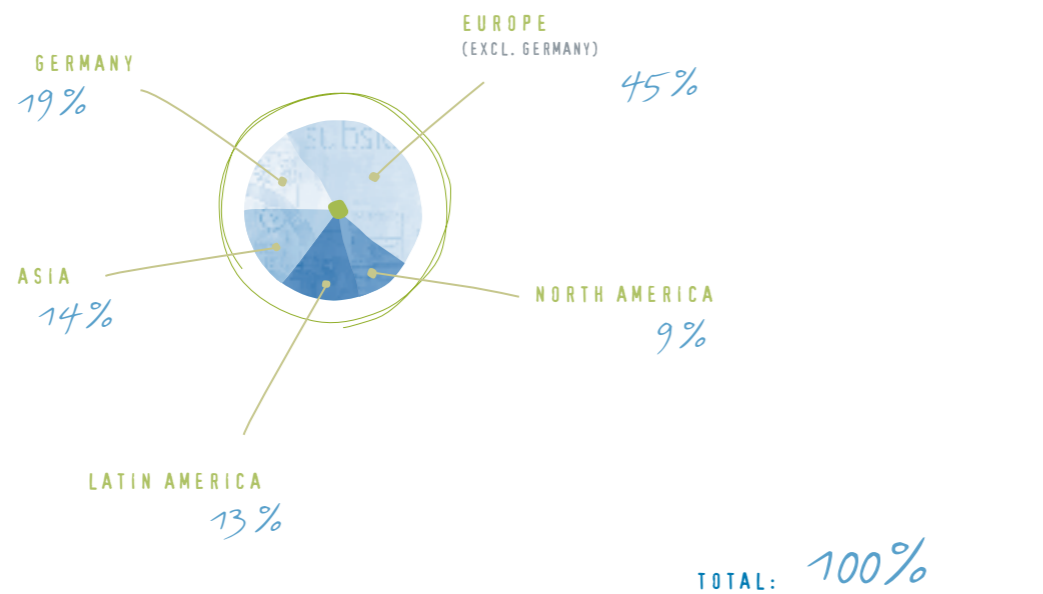
2005



*) The increase in the number of employees is strongly influenced by the first-time consolidation of Indian Oiltanking and Peruvian Consorcio Terminales (combined 529), as well as by including all employees in Moldova (1,084).

EMPLOYEES (divided by regions)

2005



- > We are convinced that, for the coming years, the global demand for storage capacity will remain strong. Oiltanking will continue its successful strategy of controlled growth. The company will complete construction of its first grass-roots facility in China and will commission additional capacity in Singapore, ARA and on the U.S. Gulf Coast. In the Middle East and Indonesia, Oiltanking is in a strong position to further develop its worldwide presence as a leading storage company.
- > To strengthen its chemical-storage position in the ARA market, Oiltanking agreed in early 2006 to transform its Antwerp chemical and gas terminal into a strategic joint venture with the chemical parcel tanker operator, Stolt Nielsen. This transaction is still subject to regulatory approval.
- > We foresee continued strong international growth from our aviation-fueling subsidiary, Skytanking. In India, a consortium led by Skytanking was awarded the construction and operation of the fuel facilities for the new Bangalore Airport. This is an important milestone as we enter the growing Asian market.
- > We expect our service station network, OIL!, to increase its market presence and consumer awareness. In early 2006, it has started to introduce E85 gasoline, consisting of 85 percent bioethanol. Further expansion is planned for this year.
- > Our IT systems will deliver the benefits of the development work completed during recent years, and we will continue implementing new software solutions in both our trading and tank terminal divisions. Eventually, this will allow us to better meet the needs of our customers and will improve the quality and availability of information.

With these efforts, combined with our financial stability and our loyal and dedicated work force, we are well positioned to meet future challenges.

MIAMI, U.S.A. 06:43 a.m.

Jose De La Cruz refuels Northwest Airlines Flight 575 at Miami Airport.

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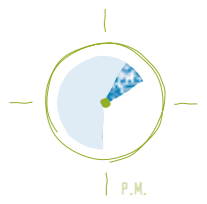
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13:00 > MABANAFT

Marquard & Bahls' trading subsidiary, Mabanaft, markets petroleum products in Europe and North America. The trading division comprises 35 companies situated in nine countries.

In 2005, the international oil market showed extreme price volatility which greatly increases the risk of any commodity trader. On one side were the continuing crises in the Middle East, Nigeria and Venezuela and the relative shortage of refinery capacity in the United States, especially for heavy, sour crudes. On the other side, worldwide oil demand still grew, especially in Asia. In particular diesel demand grew extraordinarily.

Nevertheless, product shortages were avoided albeit high price levels. Hurricane Katrina caused the shut-down of 10 refineries. During the first two days after this disaster, U.S. gasoline prices shot up by 30 percent, and crude-oil prices were quoted at more than \$ 70 (U.S.) per barrel. On September 1, gasoline barges FOB ARA were traded at a record price of \$ 855 (U.S.) per ton; by year-end, the prices fell back to \$ 500 per ton.

Against this somewhat erratic and highly unpredictable market behavior, Mabanaft continued its proven policy of prudent risk management. The reorganization we undertook in 2004 and 2005 proved successful, enabling all parts of our organization to benefit from emerging opportunities.

The clear split between wholesale and retail operations; the synergies from combining the German with the Central European businesses in Switzerland, Austria and Hungary in regional clusters; and the merger of the international cargo trading company with Rotterdam barge trading has created the basis upon which Mabanaft can operate flexibly – and profitably.

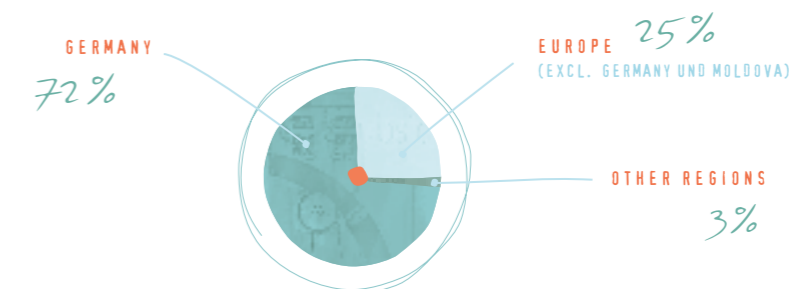
Mabanaft also upgraded its IT trading platform and system by implementing new trading software in the United Kingdom. Mabanaft plans a further roll-out to other trading companies in 2006 and 2007.

CARGO AND BARGE TRADING

During 2005, Mabanaft restructured its international cargo trading and combined it under one management with the barge-trading activities of Mabanaft B.V. in Rotterdam. This step proved almost immediately successful, with traded volumes steadily rising. Profitability increased proportionally, exceeding even the good profits of 2004. The new organization allowed Mabanaft to take advantage of import streams from Japan, Korea, Singapore, India, the Middle East and Venezuela on a regular basis. This geographic expansion of Mabanaft's cargo-trading activities reduced our traditional high dependence on exports from the FSU markets. In cooperation with Mabanaft Inc. in the U.S.A., the trading team capitalized on good arbitrage opportunities between the United States and Europe.

EMPLOYEES (divided by regions)

2005



DUISBURG, GERMANY 01:02 p.m.

Barge "St. Rita" arrives at Oiltanking Duisburg. Operator Ulrich Naves connects the loading arm and checks product quality and quantity.

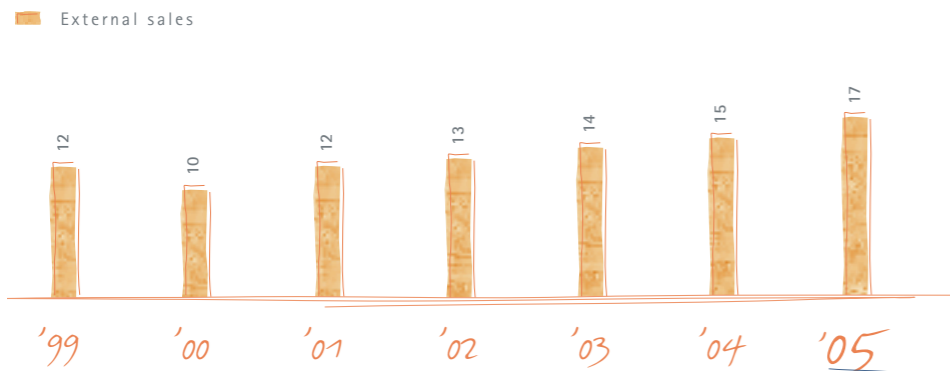
SINGAPORE 08:52 p.m.

Ong Eng Tong of Mabanaft has dinner with business partners.



EXTERNAL SALES (in million tons)

1999-2005



WHOLESALE:

CONTINENTAL EUROPE

In its core markets of Germany and Central Europe, Mabanaft's wholesale business faced a difficult environment in 2005. Due to high product prices, relatively mild winters and extreme price volatility, the demand for domestic heating oil remained low. High refining margins, mainly supported by the thirst of the U.S. markets for gasoline, also continued to position Germany as a surplus market for gasoline.

Nevertheless, in the German home markets, where Mabanaft is the leading independent importer and wholesaler of mineral oil, we achieved good results, particularly during the last quarter of the year. The dynamic fuel-oil-trading team again contributed to this success, despite operating in a rapidly shrinking market.

In 2005, politicians focused on biofuels in both the oil and agricultural industries. Whereas the blending of biodiesel into diesel has become common practice, Mabanaft also began in 2005 to trade gasoline containing biogenic components – at first in the form of ETBE and later expanding to pure bioethanol.



DUISBURG, GERMANY 02:16 p.m.

The barge "St. Rita" begins discharging 2,000 tons of heating oil. This will take about four hours.

14:00

14:05

14:10

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02:32 P.M. OILTANKING MALTA

Coming back from a meeting Andrew Sacco enjoys an espresso.



UNITED KINGDOM

With a sales volume of close to 2 million tons in 2005, Mabanaft Ltd. The group concentrated on implementing its new integrated trading software and began using this new platform in the second half of the

the third-party Buncefield Terminal in the last quarter of the year. He emphasized the importance of a diversified supply structure, decentralized and emergency stocks. Mabanaft Ltd. made good progress in its efforts to trade biofuels at strategically important locations across the United Kingdom; this success was followed by a significant increase in early 2006.

GREAT BRITAIN 01:39 p.m.

Andrew Sacco places a 36,000 liter order for a service station.

14:45

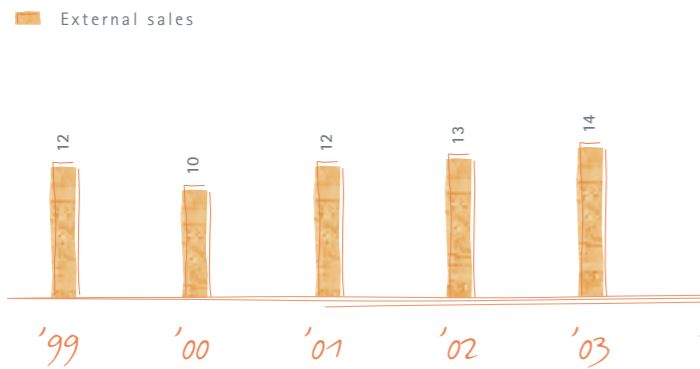
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EXTERNAL SALES (in million tons)



WHOLESALE:
CONTINENTAL EUROPE

In its core markets of Germany and Central Europe, Mabanaft's wholesale business faced a difficult environment in 2005. Due to high product prices, relative extreme price volatility, the demand for domestic heating oil remained low, and margins, mainly supported by the thirst of the U.S. markets for gasoline, were under pressure to position Germany as a surplus market for gasoline.

Nevertheless, in the German home markets, where Mabanaft is the importer and wholesaler of mineral oil, we achieved good results, particularly in the last quarter of the year. The dynamic fuel-oil-trading team again achieved success, despite operating in a rapidly shrinking market.

In 2005, politicians focused on biofuels in both the oil and agricultural sectors. The blending of biodiesel into diesel has become common practice, and Mabanaft is in 2005 to trade gasoline containing biogenic components – at first in Germany and later expanding to pure bioethanol.

07:32 A.M. MATRIX MARINE FUELS, U.S.A
Vicki Buchanan enjoys a cup of coffee between two telephone calls.



DUISBURG, GERMANY 02:16 p.m.

The barge "St. Rita" begins discharging 2,000 tons of heating oil. This will take about four hours.



In Austria, Switzerland and Hungary, Mabanaft expanded its customer base in 2005 by offering reliable supplies. Notoriously low water levels on the River Rhine adversely affected the ability to import product to Basle, Switzerland. Nevertheless, the team at Mabanaft's Swiss subsidiary achieved its ambitious sales and profit targets.

The Hungarian market continued to be dominated by a few players and by political pressure to maintain artificially low consumer prices that at times were below world-market levels. Despite this problem, Mabanaft fully honored its delivery commitments to its customers, sometimes with significant losses. Toward the end of the year and as a result of these uncertainties, Mabanaft adjusted the terms and conditions for its main customers, accepting a loss in sales volume but generating improved margins.

Mabanaft's engagement in Moldova reported outstanding results in 2005, exceeding the good performance of 2004 and finishing its most successful year since it began operations in the late '90s. During the year, Mabanaft companies purchased additional shares of the previously state-owned oil company, Tirex Petrol, which operates 76 service stations. Mabanaft increased its indirect share of Tirex Petrol to approximately 58 percent. Mabanaft also completed the investment obligations to Tirex Petrol that were established in the privatization agreement of 2000, which was confirmed officially by the Ministry of Privatization.

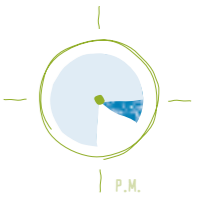
WHOLESALE:
UNITED KINGDOM

Despite a record sales volume of close to 2 million tons in 2005, Mabanaft Ltd. operated with a loss. The group concentrated on implementing its new integrated trading and accounting software and began using this new platform in the second half of the year.

The severe fire at the third-party Buncefield Terminal in the last quarter of the year once again illustrated the importance of a diversified supply structure, decentralized strategic reserves and emergency stocks. Mabanaft Ltd. made good progress in its efforts to begin blending biofuels at strategically important locations across the United Kingdom; operations will commence in early 2006.

WESTON-SUPER-MARE, GREAT BRITAIN 01:39 p.m.

Jason Rogers of B.W.O.C. processes a 36,000 liter order for a service station.



WHOLESALE:

U.S.A.

In 2005, the Connecticut office continued to expand its customer base and to establish itself as a sizeable and reliable market participant, both for domestic heating oil and motor fuels. Notably in the diesel business, Mabanaft gained acceptance with the large truck stops and construction-supply distributors who demand reliable supply and consistently high quality. Trading results were especially enhanced by the addition of a throughput arrangement in New York Harbor and the strategic use of tank storage rented in New Haven.

The close cooperation with Mabanaft B.V. for cargo trading led to several profitable sales of diesel cargoes to Europe. An unsuccessful trading strategy at the beginning of the year negatively affected what otherwise would have been a good year.



3:23 PM, Petronord, Germany. Nils Westerfeld from NewCo, a Petronord subsidiary, oversees the filling of lubricant.

RETAIL BUSINESS: HEATING OIL CONSUMER BUSINESS

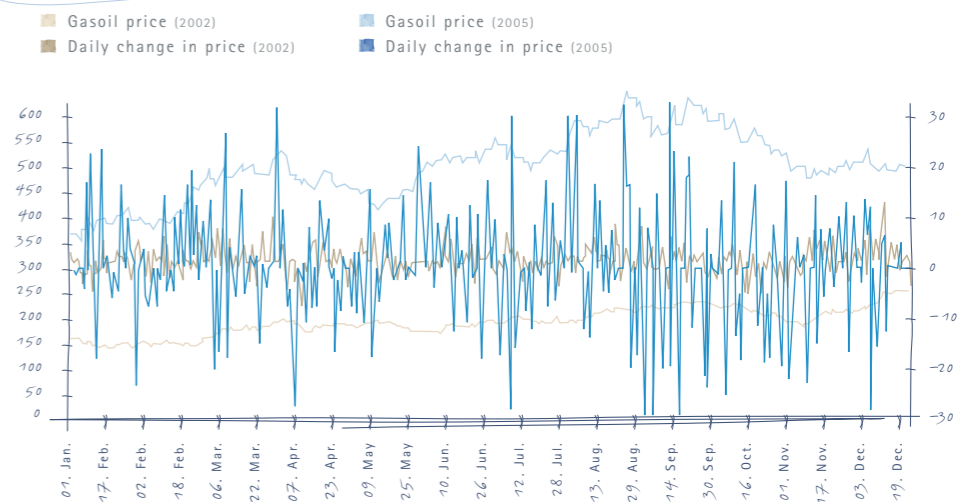
GERMANY AND CONTINENTAL EUROPE

Under the umbrella of the Petronord group, Mabanaft operates 14 retail companies in Germany, Austria and Switzerland. They are engaged in heating oil retailing, lubricants distribution, and the operation of service stations for commercial trucking fleets, called "pool stations".

Although heating oil retailing remained challenging, the business units nevertheless achieved a result well above last year's figures. This positive development was due mainly to the sound performance of the pool stations. Sales, especially of pure biodiesel, skyrocketed – fueled by the widening price differential between biogenic and fossil diesel. This growing demand led, temporarily, to a tense supply situation across Europe. Petronord companies and the Mabanaft wholesale organization benefited greatly from each other and mastered the shortages in the domestic market.

PRICE VOLATILITY (PLATT's prices, in US\$/ton)

2002_2005



HAMBURG, GERMANY 03:06 p.m.

Stefan Traulsen sets up a projector for a presentation by the Financial Department.

BUDAPEST, HUNGARY 03:49 p.m.

Imre Sirkó talks on the telephone with a new customer who is interested in buying gasoline and heating oil.



The lubricants business, another steady performer in the portfolio of the Petronord group, achieved satisfactory results. In Germany, the business further expanded its customer base; in Austria, Petronord began new activities, taking over some of ExxonMobil's lubricants business.

RETAIL BUSINESS: HEATING OIL CONSUMER BUSINESS

UNITED KINGDOM

In the United Kingdom, Mabanaft's retail company, B.W.O.C., again presented an impressive performance, both in volume growth and increased profitability. The basis of this success is its focus on customer relationships and margin development – and a consequent and relentless effort to further develop its three market segments: fuel-card sales, distributor development and retail.

RETAIL BUSINESS: SERVICE STATIONS

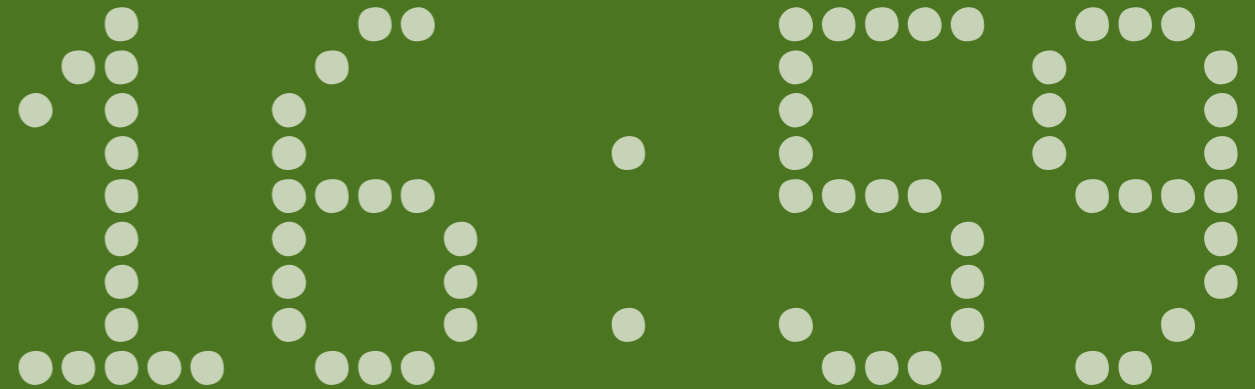
After years of strong growth and the successful branding campaign of the name OIL!, 2005 was a year of consolidation for Mabanaft's service station business. The focus was on greater efficiency in supply and logistics, as well as in administration. New IT systems will continue this trend toward greater efficiency.

In Germany, service station margins were acceptable for most of the year, but deteriorated during the last two months – a trend that we expect to continue in early 2006.

The introduction of the "EnergyCard" customer-loyalty program, jointly operated by OIL! and the heating oil retailing companies of the Petronord group, brought an overwhelmingly positive response.



ISTANBUL, TURKEY 06:09 p.m.
Mustafa Muhtaroglu, Mabanaft Energy, talks to Gurcan Sambol about the bunker market in the Bosphorus.



04:59 P.M. MABANAFT B.V., ROTTERDAM
Erik van Belle puts aside the papers he has been working with and starts to analyze current market prices.



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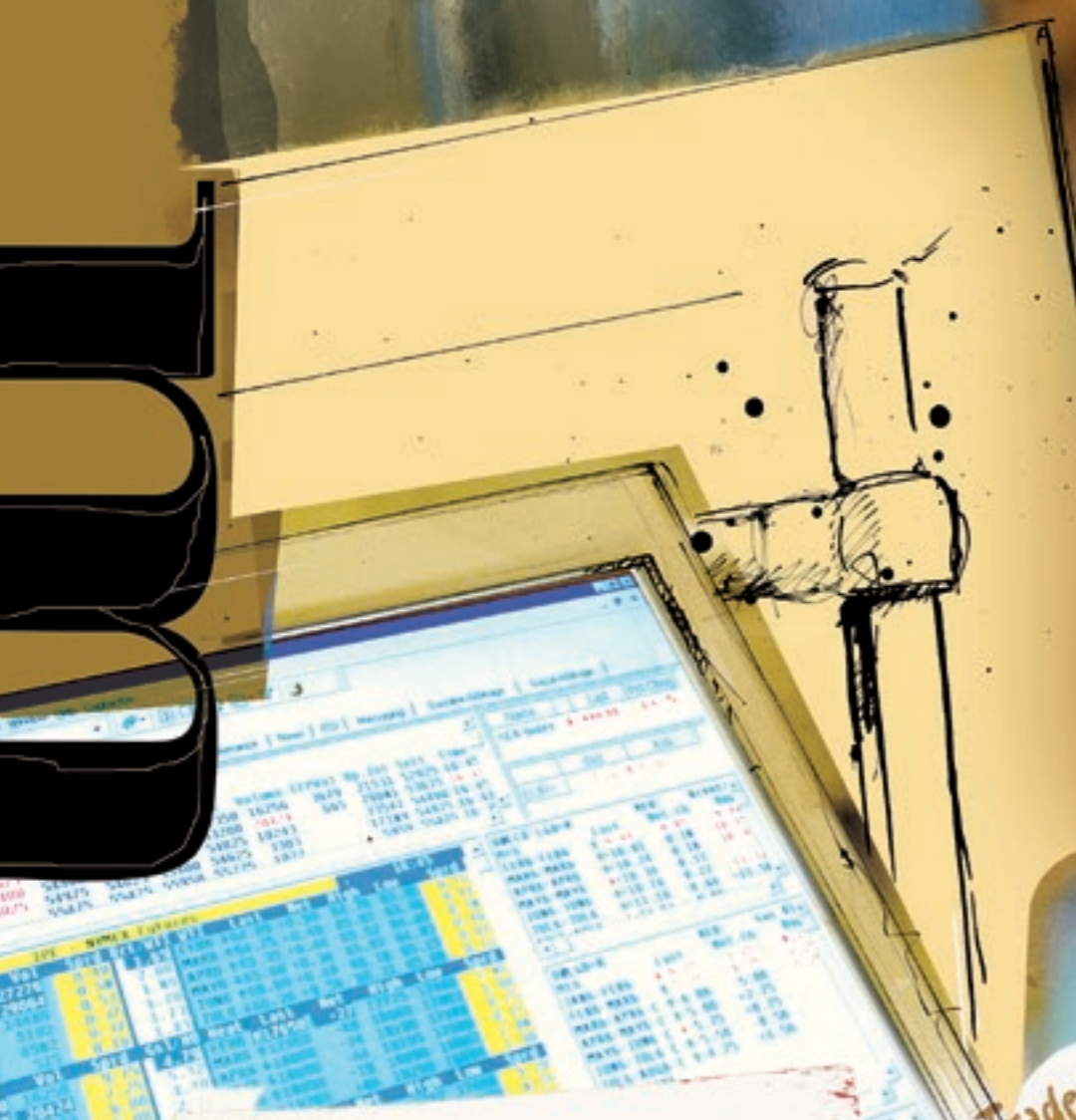


5:00 P.M.

Mabanaft B.V.,
Rotterdam,

Netherlands

Gurcan
Sambol



Traders from Mabanaft B.V.
trade the platts
"market on close" window,

the period during
which European oil
prices are settled.

Jan-Willem van der Velden



Erik van Belle



10:00 A.M., Oiltanking Houston, U.S.A.
A shift leader opens a valve at tank 300-24
to prepare for a transfer of condensate
to a neighboring refinery.



5:00 P.M., BFSC Brussels, Belgium.
Engineers from BFSC present
the lay-out of Brussels-International
Airport to a customer.



6:00 P.M., Torex Petrol, Moldova.
Drivers fueling their vehicles at a
Torex Petrol service station in
Central Chisinau.

KUN KLER



Smaller operations in Switzerland and Austria were further integrated into the OIL! network, both operationally and administratively. In Austria, five new stations were added to the network, but due to bad summer weather, the main holiday season did not generate expected demand, and margins remained depressed for most of the year. The Swiss operation met its budgeted sales volumes and reported positive year-end results. In Hungary, six franchisees quickly signed on to carry the OIL! flag to a new country. We expect to continue this process with selected partners in 2006.

BUNKERING

Mabanaft's bunker operation on the U.S. Gulf Coast, Matrix Marine Fuels, experienced a successful year, but with turbulence: In February, one main competitor began a price war that produced strongly negative margins in the U.S. Gulf Coast bunker market. Confronted with an unusually strong public reaction to this practice, the competitor abandoned its strategy. Bunker margins recovered and remained healthy the rest of the year.

Thanks to a successful hedging strategy, Matrix Marine Fuels managed well during the price turmoil caused by the hurricanes. During 2006, Mabanaft will intensify its efforts to expand its bunker activities to Singapore and additional international locations.

CONTRACTING

Mabanaft's contracting business, Proenergy, increased its operating profit for the second year running, despite legislative uncertainties facing the contracting market in Germany due to two pending high-court rulings. Proenergy focuses on three segments: energy contracting, technical-asset management, and services. Part of this strategy is a diversification of primary energy sources to include wood pellets — as has been common in Austria for several years.

The Austrian subsidiary has, in recent years, become a respected market player that has maintained its niche in a highly competitive market.

For 2006, Proenergy will have a stronger focus on industrial and commercial contracting.

Cothec Kft., Proenergy's Hungarian joint-venture company, further positioned itself as one of the country's leading contractors. In 2005, Cothec was awarded several important projects that will stimulate further growth in the Hungarian market.



SØRO, DENMARK 05:07 p.m.

Pia Vedelsparre analyzes the current sales figures for wood pellets.

NAVGHAR, INDIA 10:12 p.m.

Operator Devendra Kupekar and his colleague Vishal Koli prepare for loading five rail tank cars with kerosene.

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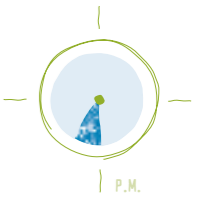
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18:00 > OILTANKING

Oiltanking is currently operating 71 terminals in 21 countries. A strong customer focus, high service quality, and strategic project development is the base for Oiltanking being one of the preferred partners for their customers.

Our storage division, Oiltanking, again experienced a year of strong demand for storage and very good growth opportunities, particularly in the world's major oil and petrochemical hubs. Extreme price volatility and high-volume physical movement of oil between regions of the world made it paramount for both traders and oil companies to maintain reliable access to high-quality infrastructure. This leads to agreements for longer-term storage contracts.

At the same time, Oiltanking recorded its highest global throughput ever, well in excess of 108.5 million tons.

As a result of the strong demand for storage capacity, Oiltanking expanded its capacity by totaling 233,000 cubic meters in 2005, most of it at existing locations in the international hubs of Singapore, ARA and the U.S. Gulf Coast. New grass-roots projects were commissioned in Terneuzen, the Netherlands, and are under way in Peru and China.

Oiltanking will continue its controlled growth, both geographically – especially in Brazil, the Middle East and the Pacific Rim – and also through capacity expansion at existing sites where and when the market allows. Altogether, an expansion of 830,000 cubic meters is scheduled for the coming years. Oiltanking will continue to devote both financial and human resources to Oiltanking's business-development efforts.

Our joy over the successful year was, however, overshadowed by the tragic death of one of our Belgian colleagues as the result of a work accident at the Antwerp Terminal. In light of this tragic accident, we thoroughly reviewed our safety policy. We examined the circumstances that led to the accident, and all Oiltanking terminals were informed of the causes and were urged to observe existing safety measures.

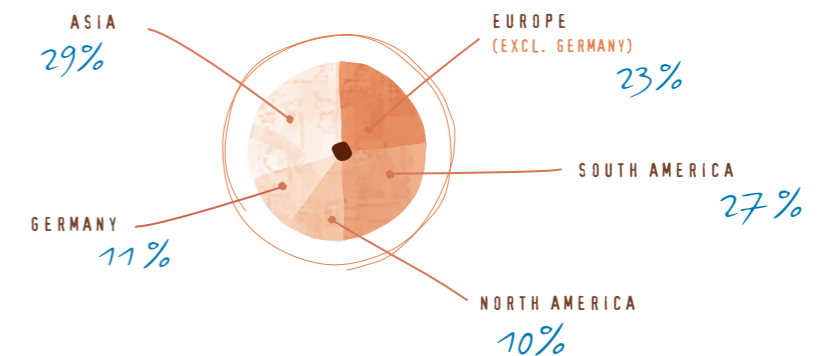
EUROPE

> GERMANY

The overall performance of the 13 German terminals was, despite long periods of lack-luster heating oil demand by private households, in line with Oiltanking's expectations. The company successfully completed the integration of the neighboring terminal in Hamm, which it acquired last year. Several terminals modified their infrastructure to handle biodiesel and bioethanol. The emptying of a strategic reserve cavern of the EBV via the Oiltanking terminal in Hamburg generated substantial additional throughput volume.

EMPLOYEES (divided by regions)

2005



DUISBURG, GERMANY 06:16 p.m.

Jens Zelles disconnects the loading arm from the barge "St. Rita" and measures the discharged quantity.

AMSTERDAM, NETHERLANDS 06:37 p.m.

Boris Oudenbroek and Pieter Schueler have finished work and meet some friends to play soccer.

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EUROPE

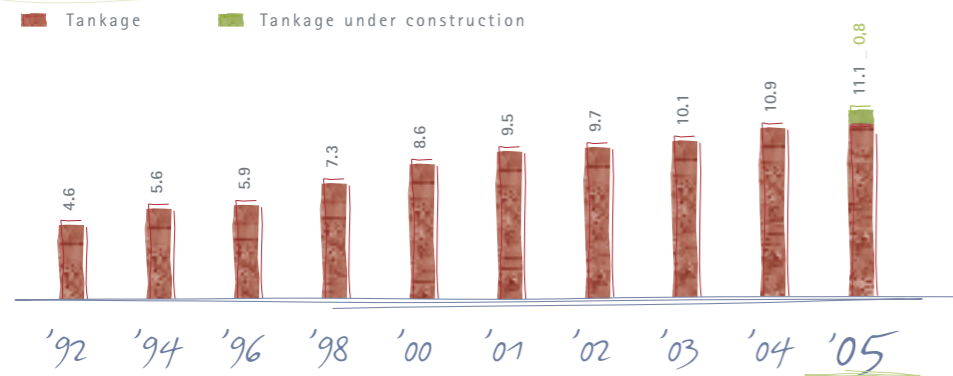
> AMSTERDAM - ROTTERDAM - ANTWERP

All Oiltanking terminals in the so-called ARA region greatly benefited from the rising demand for tank storage and high throughput.

Supported by long-term agreements with customers, the Amsterdam Terminal expanded to a total of 1.1 million cubic meters, mainly targeting the gasoline blending and export market. To meet the demand for rising throughput, and thus the need for logistical infrastructures, Oiltanking began constructing three additional barge docks and is considering building a fifth deep-sea jetty. To position itself to respond quickly to future demand, Oiltanking Amsterdam is applying for additional expansion permits.

In Terneuzen, Oiltanking commissioned initial capacity at its new, state-of-the-art chemical facility in May – several weeks ahead of schedule and contractual commitments. All tanks, including capacity targeting the spot market, were rented out by year-end.

DEVELOPMENT TOTAL TANK CAPACITY (in million cbm) 1992-2005



DUISBURG, GERMANY 07:23 p.m.
The barge "St. Rita" leaves the port of Duisburg and continues her voyage to Oiltanking Bendorf.

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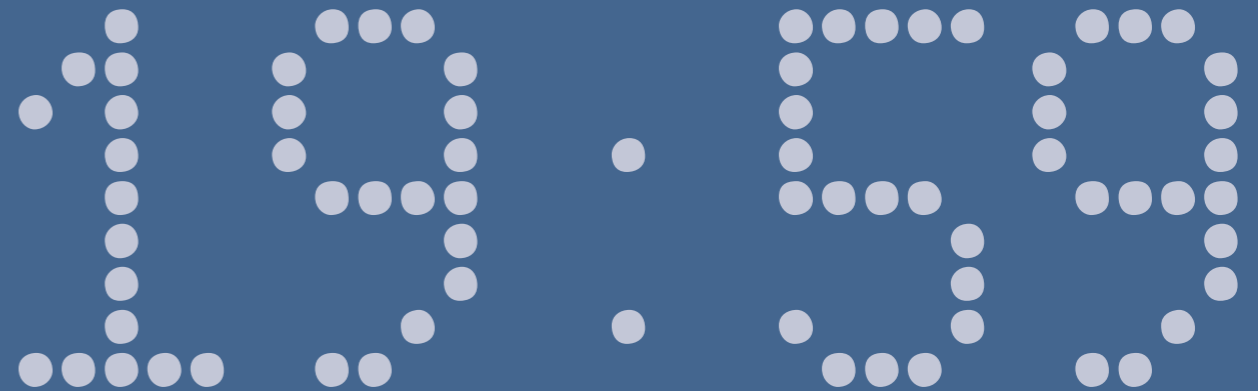
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07:59 P.M. OILTANKING AMSTERDAM
Patrick Krabshuis finishes a telephone conversation with the logistics department and puts on his safety helmet.



8:00 P.M.

2:00 P.M., Mabanft Inc., U.S.A. Neil Mendelow, John Bergman and Tobias Suckow have lunch with a new client, left.

7:00 P.M., B.W.O.C., Great Britain. Mark Wayne, left, from B.W.O.C., and Craig Lamont, from Western Fuels, have just signed a new contract for supplies.

8:00 P.M., Biomass Center Ingolstadt, Germany. Hans-Jürgen Jähne checks the operating parameters of the control unit.



**oiltanking
amsterdam, Netherlands**

Roderick de Rooy, left, and Patrick Krabshuis, right, sign in on the deck of the vessel "Maersk Nordenham".

KUN KLER



Antwerp recorded healthy occupancy levels throughout the year in petroleum, as well as in chemicals and gases. This led to the decision to construct additional 67,500 cubic meters in specialty chemical capacity to be commissioned by the end of 2006. In addition, a new finger pier with four berths for vessels as large as 125,000 dwt will handle the expected rise in throughput, accommodating increased cargo sizes in the petroleum trade and further boosting the efficient handling of chemical parcel tankers.

In early 2006, Oiltanking decided to sell a 50 percent interest in this terminal to Norwegian parcel-tanker operator, Stolt Nielsen. The company will be renamed Oiltanking Stolthaven Terminal Antwerp N.V. The strategic partnership is expected to generate additional business for the facility and will strengthen its role as a major destination for parcel tankers. This transaction is still subject to regulatory approval.



Oiltanking Ghent once again delivered a steady and healthy performance from a terminal that was fully booked throughout the year. Stable throughput volume at improved handling rates generated an above-budget result. A capacity expansion in the NATO pipeline system, CEPS, allowed Oiltanking Ghent to further expand its pool of jet fuel customers.

EUROPE
 > HUNGARY

The distribution terminal in Budapest saw rising throughput as a new international customer joined the facility.

EUROPE
 > MEDITERRANEAN AND BLACK SEA

In the Mediterranean Sea, Oiltanking Malta continued to develop itself as the major hub for fuel oil trading. In keeping with this development, the company converted 50,000 cubic meters into fuel oil capacity by mid-2005. The strategy was further confirmed by the conclusion of new, long-term contracts for the construction of 90,000 cubic meters of fuel oil capacity to be operational by the end of 2006. To increase efficiency for its customers, the terminal added a fourth jetty in September for vessels up to 50,000 dwt.

Oiltanking's Bulgarian chemical terminal in Varna again delivered a sound and stable performance in 2005.

EUROPE
 > BALTIC SEA

In Copenhagen, after a slow start of the year, occupancy improved remarkably in the second quarter, and the terminal was fully booked by midyear. Heavy demand for jet fuel and fuel oil storage produced outstanding results for the year.

BEAUMONT, U.S.A. 01:04 p.m.

Jörg Walter, head of HSSE at Marquard & Bahls, joins a safety audit at the terminal.

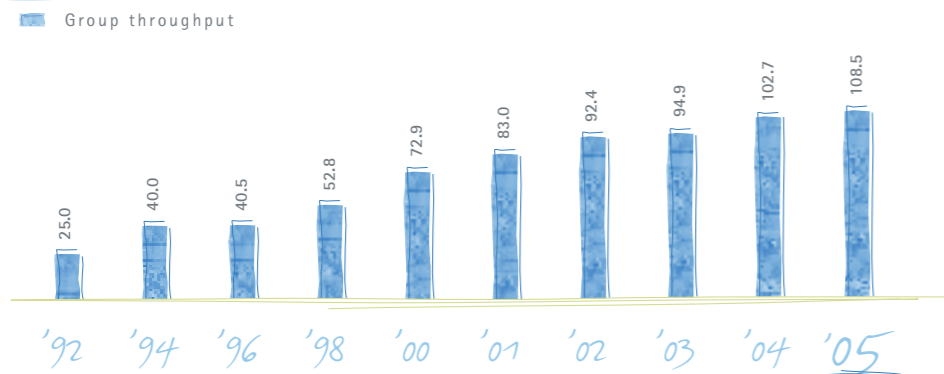
PUERTO ROSALES, ARGENTINA 04:43 p.m.

Cecilia Blando, secretary of Oiltanking Ebytem, prepares the agenda for an upcoming meeting.

During 2005, Oiltanking made a substantial investment in the conversion to chemical storage of the Estonian terminal in Tallinn. Due to the chemical conversion, a large part of the terminal's infrastructure was out of service for most of the year. The terminal handled its first chemical volumes in October. Oiltanking's decision to target the higher-revenue chemical segment came as Russian oil product exports through the Baltic ports decreased, even as storage capacity was under construction. Oiltanking Tallinn expects to return to healthy performance levels in 2006. In combination with the Finnish Kotka Terminal of Oiltanking Sonmarin, Oiltanking now can offer its customers a complete range of chemical logistics.

Due to a force majeure situation at the production plant of a principal customer, the Kotka Terminal was not able to repeat its good results of the previous year. For 2006, however, Oiltanking expects a rebound of throughput and a better result. Oiltanking will continue its strategy to integrate the terminal further into the domestic market.

DEVELOPMENT GROUP THROUGHPUT (in million tons) 1992-2005



SINGAPORE 04:14 a.m.

As MV "Ce-Shilla" continuously discharging gasoline, Oiltanking carefully prepares shore tanks for switching.

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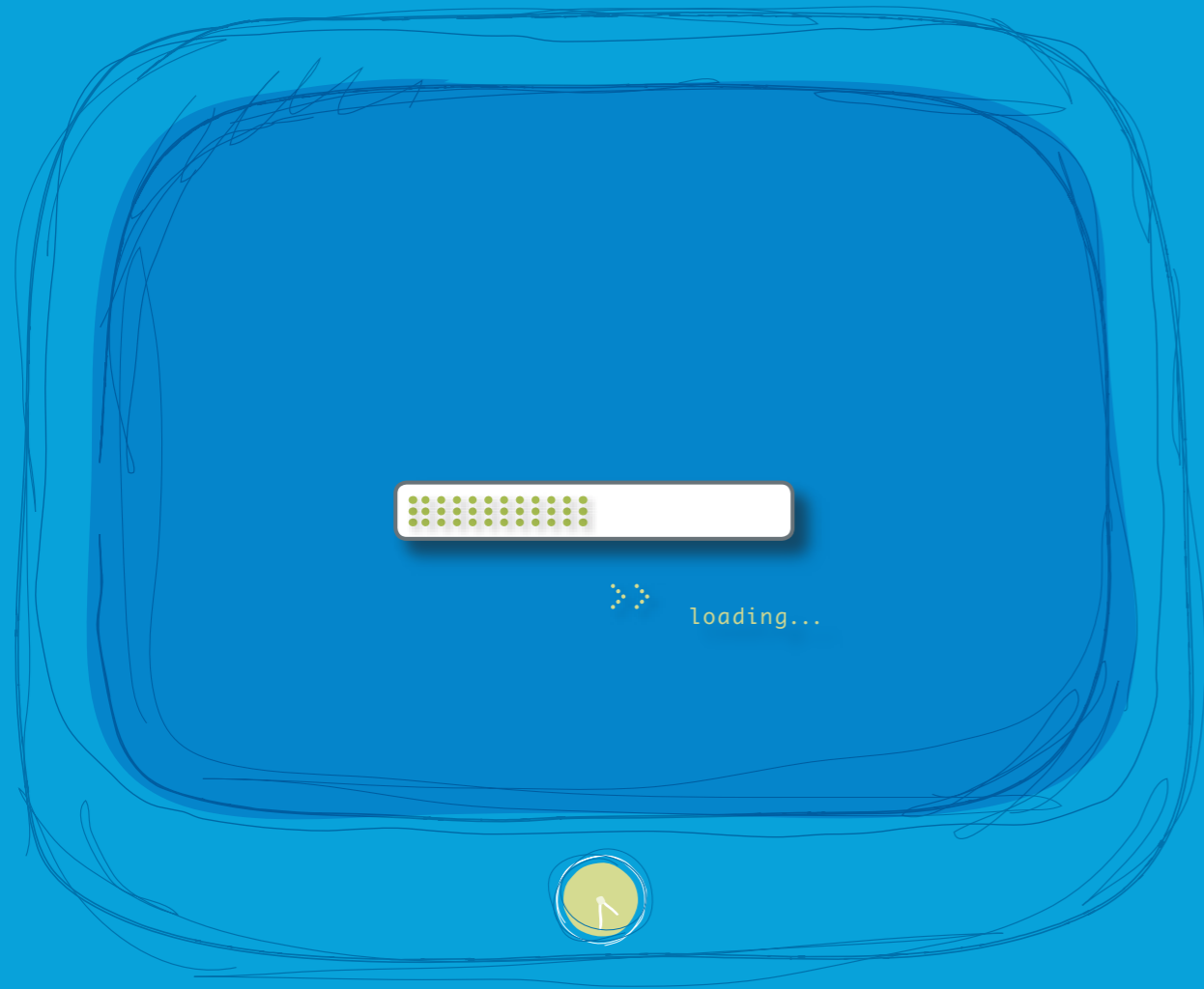
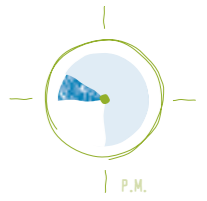
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09:30 P.M. MABANAFT, HAMBURG

Petra Möller switches off her computer. A long day is finished.



04:30 A.M. OILTANKING SINGAPORE
John Chui turns on his computer. A new day begins.

NORTH AMERICA

For a long time, the year 2005 will be associated with the horrendous hurricanes that caused so much devastation to the southern United States. Hurricane Rita primarily affected Texas and Louisiana. Fortunately, none of our employees or their families was harmed in this disaster. With the exception of Oiltanking Beaumont, which saw some minor damage, all three Oiltanking terminals in the region were largely unaffected by the hurricane. Thanks to the outstanding efforts of our people, all hurricane precaution measures were carried out in a timely and very accurate manner. The Beaumont Terminal was up and running again shortly after the hurricane passed by.

Oiltanking Houston and Beaumont again handled record throughput in 2005. Demand for storage remained robust, and LPG volumes remained high. As a result, revenues were higher than expected. Responding to the strong demand for storage space, Oiltanking Houston decided on a 73,000 cubic meter expansion. Oiltanking also signed an agreement with a major chemical producer to build a feedstock pipeline from Oiltanking Houston to the customer's production facility.

Oiltanking Beaumont achieved a satisfactory profit. To meet growing demand in the region, the company launched an expansion program adding 64,000 cubic meters of VGO tankage, as well as a new barge jetty with two berths that can accommodate four barges simultaneously.

In its first full year under Oiltanking management, the Texas City Terminal more than lived up to expectations. The commercial potential of the site was confirmed as several spot contracts were extended to term agreements. In addition, two long-term agreements were signed, linking the terminal with neighboring chemical producers by pipeline. Responding to the strong demand for commodity chemical storage, the terminal began constructing approximately 25,000 cubic meters of multipurpose chemical tankage. Simultaneously with these commercial developments, Oiltanking continued its long-term plan to upgrade the terminal infrastructure.



SINGAPORE 04:36 a.m.

The vessel crew is instructed to closely monitor the pump pressure on board of the MV "Ce-Shilla".

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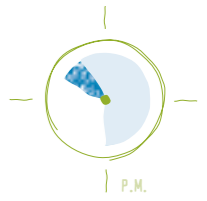
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SOUTH AMERICA

All South American Oiltanking operations performed well in their markets. Thanks to an increase in handling fees, Oiltanking Ebytem in Argentina posted higher revenues at stable throughput compared to 2004. Furthermore, the Puerto Rosales Terminal concluded a contract for the storage of liquid fertilizers. The year's results were, however, negatively affected by the intermediate outcome of a double-taxation dispute. Oiltanking Ebytem is contesting this ruling and has begun legal procedures.

Throughout the year, Bolivia experienced social and political unrest, leading to early elections at year-end 2005. Oiltanking is closely monitoring the effect of the election results on the Bolivian energy and petroleum sector. The company and its partners are committed to continuing their services in Bolivia. Through effective cost control and the settlement of a long-lasting dispute, the year ended with above-budget results.

Oiltanking's Peruvian joint venture again performed well and delivered good returns. With the first full year of operations at the Camisea Offshore Loading Platform, and volumes similar to previous years, its revenues amply exceeded 2004 levels, leading to above-plan results. The joint venture has reached an agreement with local partners for the construction of a small chemical terminal in Matarani, in southern Peru.

In Venezuela, Oiltanking Tecnoconsult Venezuela S.A. exhibited stable operational performance with improved profitability.

ASIA AND MIDDLE EAST

DUBAI

In the first full year after Oiltanking acquired its share in the Star Energy Oiltanking Terminal, Dubai, the terminal performed better than expected. A healthy demand for storage, particularly gasoline, as well as diligent marketing, led to fully booked capacity at firmer rates.

ASIA AND MIDDLE EAST

OMAN

During 2005, Oiltanking made good progress toward a successful future operation in the Port of Sohar, Sultanate of Oman. The company officially established the joint venture, including local partners, and recruited the first managerial staff. Negotiations regarding both jetty operations and terminaling services progressed quickly. Start-up is scheduled for mid-2006.

ASIA AND MIDDLE EAST

INDIA

The Indian terminals continued their good performance and delivered the expected results. At the same time, Indian Oiltanking Ltd. was able to further expand its growing engineering, procurement and construction business. The company was awarded a contract to lay a 47-mile cross-country pipeline. This project will qualify it to participate in even larger cross-country pipeline projects in the future. The order book was full all year, and the company was preparing a growing number of bids.

22:00

22:05

22:10

BICHLBACH, AUSTRIA 10:12 p.m.

Bernhard Wulff fuels his car at the OIL! service station and buys a bar of chocolate.

22:15

22:20

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COCHABAMBA, BOLIVIA 05:41 p.m.

The CLHB terminal at Cochabamba starts pumping a batch of 1,400 tons of diesel into the nationwide pipeline system to La Paz.

22:45

22:50

22:55

22:59



ASIA AND MIDDLE EAST

> SINGAPORE

Demand in the Singapore market remained robust throughout 2005. Oiltanking Singapore Ltd., along with its local joint venture, Oiltanking Seraya Pte. Ltd., achieved sound results. In September, the terminal significantly enhanced its logistical possibilities when it commissioned a new jetty with VLCC capabilities.

Driven by strong market demand and the fact that the joint venture with a local power company, Oiltanking Seraya, will be terminated by year-end 2006 after many years of cooperation, the company decided to add 427,000 cubic meters in capacity. This is approximately 60 percent of the current storage capacity for petroleum products. The new tanks, along with a new jetty offering two berths for vessels as large as 110,000 dwt, will begin operation during the second half of 2006.

The chemical-terminal joint venture, Oiltanking Odfjell Terminal Singapore Pte. Ltd., enjoyed favorable market conditions throughout 2005. Full occupancy at firm rates and cost-conscious operations led to above-budget results. The company is pursuing several promising projects that would further integrate the terminal with new chemical-production plants in the area.

ASIA AND MIDDLE EAST

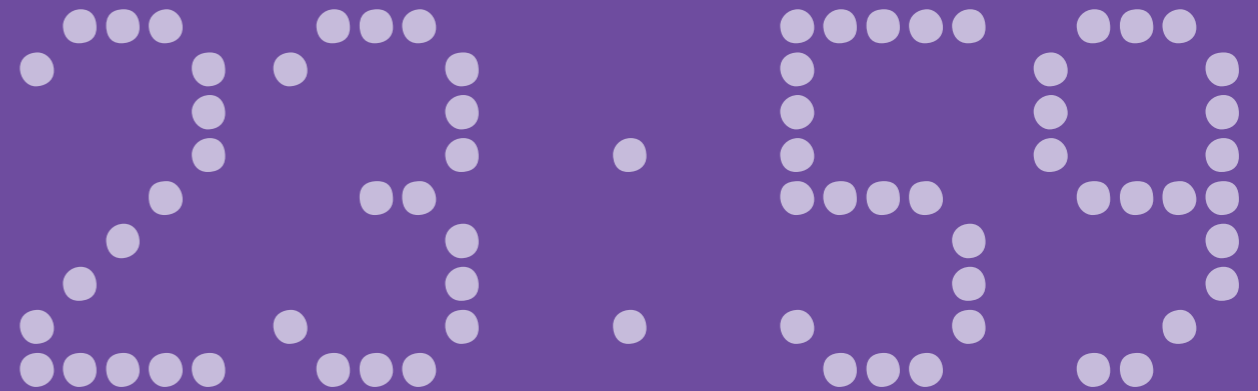
> CHINA

In Daya Bay, 2005 marked the beginning of phase one of the construction of Oiltanking's first Chinese terminal, as well as the common pipe-rack system at the port. The company will commission an initial 15,500 cubic meters of chemical tank capacity in the second quarter of 2006, while continuing its negotiations regarding additional off-site storage agreements with several potential producers. Oiltanking will continue to pursue business development at other Chinese locations during 2006.

TEXAS CITY, U.S.A. 04:12 p.m.
 Danny Davalos informs his colleagues about ongoing product transfers and the schedule for the next few hours.

23:00 23:05 23:10 23:15 23:20 23:25

23:35 23:40 23:45 23:50 23:55 23:59



11:59 P.M. OIL! SERVICE STATION, BERLIN
 After fueling his taxi at the OIL! service station in Berlin, Spaethstrasse, taxi driver Horst Beckmann eats a sandwich before he continues his shift.



MIDNIGHT OIL! TANKSTELLEN

BERLIN, GERMANY

While customers fuel their vehicles,
OIL! service stations
close their cash accounts for the day.

5:00 P.M. Houston / 7:00 A.M., Singapore
Shawn Revere from Oiltanking Houston and
Francis Khoo from Oiltanking Singapore speak
on the phone about an upcoming meeting.



7:00 A.M., Singapore
Lohorst arrives at
Changi Airport, Singapore,
to meet with international
managers from Oiltanking and
other companies.



1:00 A.M., Oiltanking Sommarin,
Finland.
After travelling more than
2700 km at -15 °C on Russian rails,
the rail tank car is steam-heated
to liquefy the frozen
alpha-olefin.



Midnight, Marlin Fuel, Ostend, Belgium.
A colleague from Marlin Fuel refuels
a cargo airliner at the Ostend-Bruges
International Airport.



OIL! TANKSTELLEN



00:00 > SKYTANKING

Skytanking offers services connected with aviation fueling. Besides into-plane fueling, this comprises financing, construction and operation of fuel storage and hydrant systems. Skytanking is represented at eleven airports in Europe and in the United States.

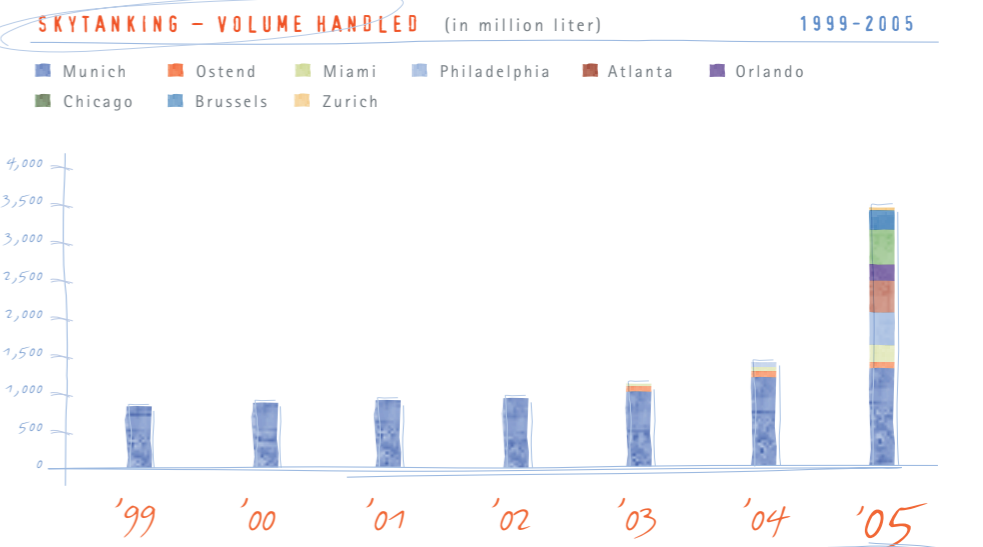
In 2005, Skytanking added seven new locations to its network. In the United States, Skytanking began aviation-fueling services in Atlanta and Orlando – and won the contract to manage and operate the fuel-storage and hydrant system at Chicago Midway Airport. At Skytanking's existing locations in Miami and Philadelphia, it strengthened its business with the addition of new airline contracts.

In Europe, Skytanking bought Belgian Fueling & Services Company (BFSC), which handles half of the fueling at Brussels International Airport. Skytanking also maintains an extensive portfolio of contracts to provide engineering, operational and management services at several European airports. Through BFSC, Skytanking now has minority ownership in both Olympic Fuel Company, which is the storage and hydrant company for Athens International Airport, and Luxfuel, which is the storage and aviation-fueling company for Luxembourg's Findel Airport.

At the end of 2005, Skytanking began aviation fueling at Zurich International Airport, capping a year of fruitful expansion.

The performance of the remaining locations was tied to the fortunes of the associated airports. Ostend did not repeat the very high fueling volumes that characterized record years in 2003 and 2004. To the benefit of Skytanking ASIG's aviation fueling and tank farm management operations, Munich Airport continues to grow as the second hub airport for Germany.

The company made important progress in 2005 in its other leg of business: funding, building and operating airport storage and hydrant systems. The most obvious success of these efforts was achieved in early 2006 when Skytanking, along with Indian Oiltanking and Indian Oil Corporation, was awarded the construction and operating responsibilities for the tank farm and hydrant system at India's new to be built Bangalore Airport.



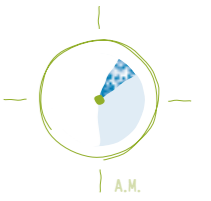
ATLANTA, U.S.A. 06:24 p.m.
Chauncy McWhorter waits at the stationary fueling cart as AirTran Flight 360 taxis to its parking position at Gate 18 C.



ATLANTA, U.S.A. 06:33 p.m.
Chauncy connects the hydrant coupler to the aircraft, tests the aircraft's gauges and takes the pre-service readings.



ATLANTA, U.S.A. 06:58 p.m.
Chauncy has completed the fueling and the plane is ready for take off.



01:00 > GEE

Our subsidiary GEE, which operates in the field of renewable energies, is progressing in establishing itself as a producer and distributor of wood pellets and biomass in the Scandinavian, German and Austrian markets.

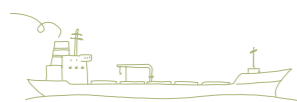
As rising prices for fossil fuels posed an increasing burden on consumers, the market for renewable energy skyrocketed in 2005. With this growing interest, Marquard & Bahls' strategy to invest in the renewable energy market through our subsidiary, GEE, has begun to bear fruit.

In Germany, GEE sells its biomass products, i.e. wood pellets, briquettes and wood chips, under the GEE-owned brand, Celsico. With its trading activities established in northern Germany, GEE expanded nationwide and into Austria in 2005.

In Ingolstadt, Bavaria, GEE participates in the construction and operation of a biomass center with three parts: a wood-fired heating and power plant, wood-pellet production, and a wood-logistics center. The construction process proceeded according to plans, and the heating and power-generating units are now in operation, feeding electricity into Germany's public grid since December 2005.

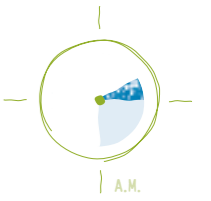
Internationally, GEE's subsidiary in Denmark serves the Scandinavian market, which is the world's largest biomass market. In 2005, GEE Bioenergy A/S strengthened its position as a reliable player. It will further increase its service and product portfolio in the years ahead.

Because reliable and high-quality supply is sometimes difficult to obtain, GEE will, in the future, supply a percentage of its sales volume through its own production plants.



SINGAPORE 08:04 a.m.
Oiltanking's morning shift orders the pilot services for the expected departure of MV "Ce-Shilla" at 12:00 a.m.

ORLANDO, U.S.A. 07:39 p.m.
Haile Payne fuels a Frontier Airlines A-319 aircraft.



02:00 > GMA

High quality in our services and products is essential for us. Therefore, we have been intensively involved in quality management and analysis for more than ten years through our subsidiary, GMA.

In 2005, GMA (Gesellschaft für Mineralöl-Analytik und Qualitätsmanagement) expanded its independent services to include quality control of automotive fuels and heating oils, the organization of training courses, and consultation on fuel additives and their application.

In cooperation with manufacturers, GMA develops custom additives and provides them to both the Marquard & Bahls group companies and external clients.

GMA also advises national and European authorities with regard to new product and blending standards, as well as EU government regulations concerning biofuels and emissions.

For various companies, GMA regularly produces and distributes material safety data sheets aimed at safe operations and the correct handling of products.

Thanks to its widely acknowledged expertise and reputation for excellent service in the blending and handling of biofuels, GMA further expanded its client portfolio in 2005 among companies that are not owned by Marquard & Bahls.

GMA's EN ISO/EC 17025 certified laboratory in Frankfurt played a key role in further optimizing the blending of biodiesel. GMA also conducted pioneering work in quality and technical issues when OIL! service stations increased the ethanol component of their gasolines from 5 percent to 85 percent (E5 to E85).

CHISINAU, MOLDOVA 03:12 a.m.
Sergey Rasuwajew leaves the Tirez service station after refueling his car and buying a newspaper.

DAYA BAY, CHINA 09:41 a.m.
Construction workers mount new fire fighting monitors at the soon to be commissioned Oiltanking terminal.

3:17 A.M., natGAS, POTSDAM, GERMANY
AN EMPLOYEE CHECKS THE
CUSTOMER CONSUMPTION PROFILE REGISTERED
IN THE DISPATCHING CENTER
OF natGAS.

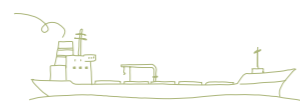


03:00 > NATGAS

As a shareholder in Potsdam-based natGAS AG, Marquard & Bahls is engaged in the German gas market. Although operating in a difficult competitive environment, natGAS succeeded in establishing itself as one of the leading new market entries.

Marquard & Bahls AG holds a substantial minority share in natGAS AG, which is active in the natural gas trade. The company expanded its business substantially, further strengthening its position as a leading player in the independent sector of the German gas market. This development is impressive in light of the slow liberalization of this market.

As a new market entry, natGAS operates in a difficult competitive environment. Yet the company succeeded in establishing itself as an alternative to the major gas companies for customers and suppliers alike. The result is that, for the first time, natGAS reports profits for the gas year 2005/2006. The company expects continued positive results in the future.



SINGAPORE 10:11 a.m.

MV "Ce-Shilla" finishes discharging 18,000 tons of gasoline. Gurmit Singh empties the loading arms and disconnects them from the vessel.

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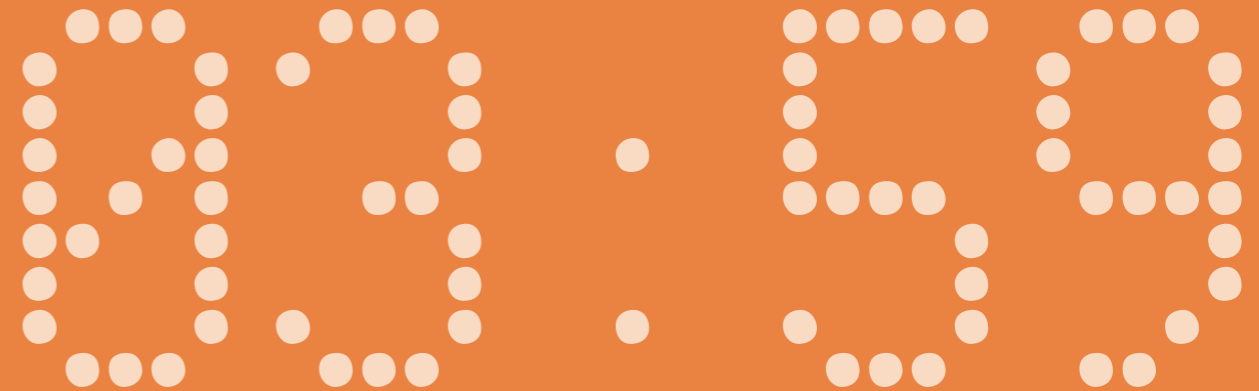
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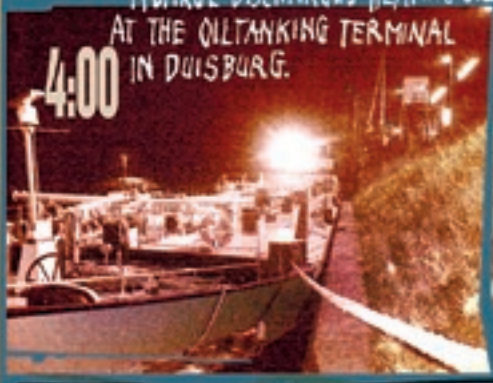
03:59



03:59 A.M. SKYTANKING ASIG, MUNICH
Stephan Skoqua checks his timetable for the next inspections on his walkie-talkie.



4:00 A.M.,
OILTANKING DUISBURG, GERMANY
A BARGE DISCHARGES HEATING OIL
AT THE OILTANKING TERMINAL
IN DUISBURG.



4:00 A.M.

RAINER HÄRTER AND STEPHAN SKOQUA
INSPECT THE HYDRANT-SYSTEMS AT
MUNICH INTERNATIONAL AIRPORT.



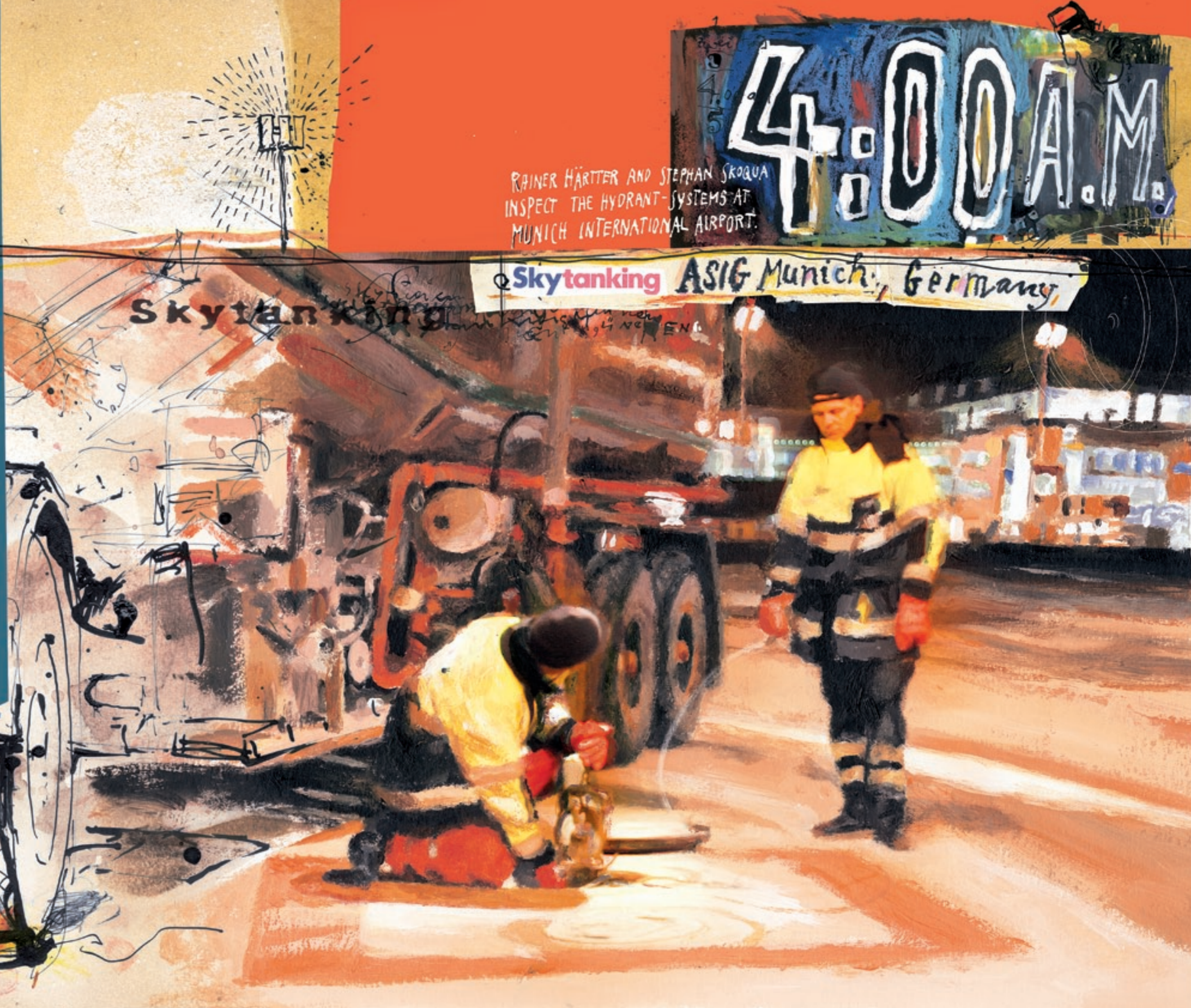
9:00 P.M.,
SKYTANKING CHICAGO, U.S.A.
OPERATOR JOHAN T'JAECKX INSPECTS
THE FILTER VESSEL FOR LEAKS.



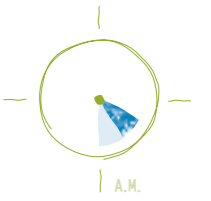
11:00 A.M.,
OILTANKING DAYA BAY, CHINA.
ENGINEER KIM CHUAN SUPERVISES
THE CONSTRUCTION OF TWO NEW
STORAGE TANKS ON THE
PREMISES OF THE FUTURE TERMINAL.

Skytanking

Skytanking ASIG Munich, Germany



KUNKLER



04:00 > HSSE

Marquard & Bahls trades and handles petroleum products, hazardous chemicals and gases. A conscientious health, safety, security and environment policy is, therefore, the centerpiece of our daily operations.

Many of the Marquard & Bahls companies are involved in the storage and transportation of petroleum products, chemicals and gases. We acknowledge our responsibility for both people and nature. Therefore, our efforts are focused on preventing accidents, injuries and occupational illness, as well as protecting the environment and responding quickly to all emergencies.

The group's Health, Safety, Security & Environment (HSSE) Department in Hamburg develops guidelines and minimum requirements for all subsidiaries. Targets are set and the performance is benchmarked to achieve continuous improvement. Each individual company has developed HSSE standards in accordance with the risks related to its specific activities.

Every company nominated an HSSE coordinator functioning as both internal and external contact. This structure allows for an extensive, global incident reporting, which is used as a learning platform for the entire organization.

As a responsible company, Marquard & Bahls is a shareholder of Oil Spill Response Limited (OSRL) – the world's largest organization for oil spill response.

Oiltanking could again improve its safety performance with a reduction of recordable accidents. However, a fatal accident occurred in one of our terminals. As one of the consequences of this tragic accident we have intensified our programs for behavioural safety.

Detailed HSSE audits have been performed on several Oiltanking facilities, with a special focus on work safety, fire protection and oil-spill preparedness. For faster and more efficient processing of environmental data, the HSSE Department developed a central Geographic Information System (GIS) in 2005.

Mabanaft introduced a new "Ship Charter Policy" with more stringent acceptance criteria for ships chartered by Mabanaft's worldwide trading units.

Marquard & Bahls has launched a health-care program for all employees in the German head office, offering complimentary health check-ups. All group companies are encouraged to implement similar programs.

NEW YORK, U.S.A. 10:19 p.m.

The specialty product tanker "Bow Hunter" loads 3,000 tons of Biodiesel to be shipped to Rotterdam for Mabanaft.



SINGAPORE 11:57 a.m.

After independent surveyors determine the provisional quantity, Oiltanking's control-room staff issues all the required reports.

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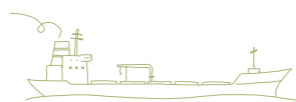
REPORT OF THE SUPERVISORY BOARD

During the 2005 fiscal year, the Supervisory Board was informed regularly by the Executive Board in writing and orally about the state and development of the company, the group companies and their shareholding. The Supervisory Board discussed all substantial issues with the Executive Board.

The auditing firm Susat & Partner OHG Wirtschaftsprüfungsgesellschaft audited the financial statements as well as the common report on the state of the corporation and of the group, and issued an unqualified opinion. The financial statements, the consolidated financial statements, the common report on the state of the corporation and of the group and the auditor's report thereon, were submitted and explained to the Supervisory Board. After having conducted its own review, the Supervisory Board has no objections and approves the results of the audit. The Supervisory Board also approved the financial statements, the consolidated financial statements and the common report on the state of the corporation and of the group at its meeting on June 14, 2006. It concurs the Executive Board's recommendation for the distribution of the retained earnings.

The Supervisory Board
HAMBURG, JUNE 14, 2006

Hellmuth Weisser
 > Chairman



SINGAPORE 12:12 p.m.

After MV "Ce-Shilla" has received the necessary documents from Oiltanking, the gangway is pulled in and the vessel leaves Singapore for her next voyage.

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05:59 A.M. MARQUARD & BAHLS AG, HAMBURG
 In the canteen Jan Teckenburg, Rosa Kollmann and Vera Deimund begin with the preparations for today's lunch.



A NEW DAY STARTS AT MARQUARD & BAHL'S



HAMBURG, GERMANY 06:02 a.m.

Herbert Busse again parks his tank truck at Oiltanking's loading rack and starts loading 28,000 liters of heating oil for today's tour in the Hamburg area.

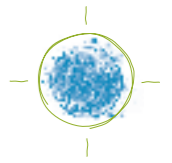
06:00

MARQUARD & BAHL'S

MARQUARD & BAHL'S AG FINANCES
(ABBREVIATED VERSION)

- :02 _ Consolidated balance sheet
- :04 _ Consolidated statement of income
- _ Consolidated statement of cash flows
- :06 _ Fixed assets movement
- :08 _ Changes in stockholders' equity
- :10 _ Auditor's opinion

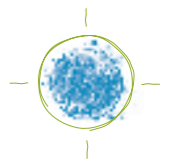
- :12 _ Organigram
- :14 _ Addresses



MARQUARD & BAHL AG
CONSOLIDATED BALANCE SHEET > AS OF DECEMBER 31, 2005

ASSETS (K€)	DEC. 31, 2005	DEC. 31, 2004
A. NON-CURRENT ASSETS		
I. _ Intangible assets	25,471	22,065
II. _ Tangible assets	904,520	778,610
III. _ Investments accounted for using the equity method	18,700	20,193
IV. _ Other investments	11,985	9,368
V. _ Deferred taxes	17,410	14,859
VI. _ Other non-current assets and receivables	12,108	6,161
VII. _ Other non-current accruals and deferred charges	5,384	3,201
TOTAL NON-CURRENT ASSETS	995,578	854,457
B. CURRENT ASSETS		
I. _ Inventories		
1. _ Inventories, raw material and supplies	4,405	3,237
2. _ Inventories, goods and finished products	431,233	208,952
3. _ Construction contracts	5,678	4,304
4. _ Advance payments	4,004	4,995
	<u>445,320</u>	<u>221,488</u>
II. _ Current receivables and other assets		
1. _ Trade receivables	624,530	426,846
2. _ Receivables – affiliated companies	1,236	1,524
3. _ Receivables – associated companies	3,023	1,786
4. _ Current tax assets	22,165	29,613
5. _ Other receivables and current assets	20,864	24,001
	<u>671,818</u>	<u>483,770</u>
III. _ Derivative financial instruments	22,447	20,685
IV. _ Marketable securities	2,554	2,554
V. _ Cash and cash equivalents	86,181	124,990
VI. _ Prepaid expenses	8,135	6,889
TOTAL CURRENT ASSETS	1,236,455	860,376
> TOTAL	2,232,033	1,714,833

LIABILITIES AND STOCKHOLDER'S EQUITY (K€)	DEC. 31, 2005	DEC. 31, 2004
A. EQUITY		
I. _ Common Stock	75,000	75,000
II. _ Additional paid in capital	8,280	8,280
III. _ Revenue reserve	125,670	114,885
IV. _ Reserve for changes in value	-4,106	-3,545
V. _ Reserve for revaluation	336	336
VI. _ Retained Earnings	187,037	163,310
VII. _ Currency translation adjustments	15,559	-11,421
	<u>407,776</u>	<u>346,845</u>
IX. _ Minority interests in consolidated subsidiaries	37,110	27,497
TOTAL EQUITY	444,886	374,342
B. NON-CURRENT LIABILITIES		
I. _ Non-current liabilities		
1. _ Non-current liabilities due to banks	236,722	164,000
2. _ Other non-current liabilities	163,092	138,498
	<u>399,814</u>	<u>302,498</u>
II. _ Non-current provisions	74,872	70,412
III. _ Deferred taxes	93,260	76,463
TOTAL NON-CURRENT LIABILITIES	567,946	449,373
C. CURRENT LIABILITIES		
I. _ Current liabilities		
1. _ Current liabilities due to banks	363,439	178,443
2. _ Trade accounts payable	538,870	397,272
3. _ Current tax liabilities	140,345	167,831
4. _ Liabilities from derivative financial instruments	58,958	57,699
5. _ Other current liabilities	27,000	27,533
	<u>1,128,612</u>	<u>828,778</u>
II. _ Current accruals		
1. _ Tax accruals	21,205	17,482
2. _ Other current provisions and accrued liabilities	69,384	44,858
	<u>90,589</u>	<u>62,340</u>
TOTAL CURRENT LIABILITIES	1,219,201	891,118
> TOTAL	2,232,033	1,714,833

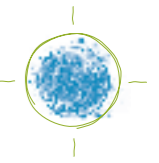


MARQUARD & BAHL'S AG
CONSOLIDATED STATEMENT OF INCOME > FOR THE PERIOD JAN. 1 - DEC. 31, 2005

(K€)	2005	2004
1. Sales	9,613,447	
less Petroleum-tax-settlement	-1,140,679	8,472,768
2. Own work capitalized		2,600
3. Other operating income		37,037
4. Cost of sales		
A) Cost of raw materials and supplies and purchased goods	-7,963,281	
B) Cost of purchased services	-86,864	-8,050,145
5. Personnel expenses		
A) Wages and salaries	-109,653	
B) Social security	-15,610	
C) Social benefits (defined contribution plans)	-3,734	
D) Social benefits (defined benefit plans)	-2,598	-131,595
6. Amortization and depreciation on intangible and tangible fixed assets		-67,996
7. Other operating expenses		-151,026
RESULT FROM OPERATIONS	111,643	76,854
8. Income from investments in subsidiaries	147	232
9. Income from securities and financial assets	278	134
10. Interest income and similar income	4,804	5,921
11. Depreciation on financial assets and marketable securities	-54	-172
12. Interest expenses and similar expenses	-39,143	-32,786
13. Result from equity valuation	3,088	1,211
14. Gain/loss on revaluation of hedged foreign currency loans	838	-9,677
15. Result from changes in value of financial instruments	-1,390	-1,316
FINANCIAL RESULT	-31,432	-36,453
NET INCOME OF OPERATIONS BEFORE INCOME TAX	80,211	40,401
16. Income tax	-26,986	-22,173
> CONSOLIDATED NET INCOME	53,225	18,228
thereof:		
profit attributable to equity holders of the parent	45,400	12,078
profit attributable to minority interest	7,825	6,150

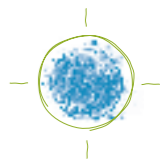
MARQUARD & BAHL'S AG
CONSOLIDATED STATEMENTS OF CASH FLOWS > AS OF DECEMBER 31, 2005

(K€)	2005	2004
> LIQUID ASSETS AS PER BALANCE SHEETS JAN. 1	127,544	83,522
NET INCOME	53,225	18,228
+ INCOME TAXES	26,986	22,173
NET INCOME BEFORE INCOME TAX	80,211	40,401
+ Depreciation and amortization	68,309	66,273
+ (Gains) losses on retirements of non-current assets	2,633	1,718
+/- Changes in non-current provisions	3,510	4,273
+/- Interest paid	34,339	26,864
+/- Changes in other non-cash items	19,187	-15,689
+/- Changes in inventories and receivables	-416,805	-158,548
+/- Changes in debt capital (without financial dept)	341,260	148,327
- Income taxes paid	-31,097	-11,476
- Interest paid	-36,989	-15,714
+ Interest received	4,530	18
FREE OPERATING CASH FLOW	69,088	86,447
- Cash outflows for additions to property, plant, equipment and intangible assets	-163,130	-129,981
+ Cash inflows from sales of property, plant, equipment and other assets	7,568	6,932
- Cash outflows for additions of consolidated subsidiaries	-5,283	0
CASH FLOW FROM INVESTMENT ACTIVITIES	-160,845	-123,049
- Payments from dividend distribution	-13,601	-15,340
+/- Changes in share capital	3,300	-495
+ Cash inflows from borrowing	92,715	38,349
- Retirements of non-current debt	-42,996	-52,590
+ Cash inflows from other financial liabilities	3,645	111,905
CASH FLOW FROM FINANCING ACTIVITIES	43,063	81,829
- Change in cash and cash equivalents due to exchange rate movements	7,230	-2,038
- Change in cash and cash equivalents due to changes in scope of consolidation	2,654	833
CHANGES IN CASH POSITION	-38,810	44,022
> LIQUID ASSETS AS PER BALANCE SHEETS DEC. 31	88,734	127,544
- Less marketable securities	-2,554	-2,554
- Cash and cash equivalents	86,180	124,990



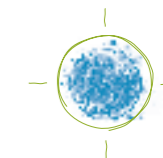
MARQUARD & BAHL AG
FIXED ASSETS MOVEMENT > FOR THE YEAR ENDED 2005

(K€)	GROSS AMOUNTS						Closing balance DEC. 31, 2005	ACCUMULATED DEPRECIATION							NET CARRYING AMOUNTS		
	Opening balance JAN. 1, 2005	Changes in scope of consolidation	Exchange differences	Additions	Disposals	Transfers		Opening balance JAN. 1, 2005	Changes in scope of consolidation	Exchange differences	Additions	Disposals	Transfers	Write-backs	Closing balance DEC. 31, 2005	Closing balance DEC. 31, 2004	Closing balance DEC. 31, 2005
I. INTANGIBLE ASSETS																	
1. — Franchises, patents, licenses and similar rights	38,591	5	1,210	3,151	(1,244)	169	41,882	(16,596)	(1)	(777)	(3,937)	763	0	0	(20,549)	21,995	21,333
2. — Goodwill	0	2,777	0	1,349	0	0	4,125	0	0	0	(15)	0	0	0	(15)	0	4,111
3. — Advances paid on intangible assets	70	0	0	8	0	(49)	29	0	0	0	0	0	0	0	0	70	29
TOTAL INTANGIBLE ASSETS	38,661	2,782	1,210	4,508	(1,244)	119	46,036	(16,596)	(1)	(777)	(3,952)	763	0	0	(20,564)	22,065	25,472
II. TANGIBLE ASSETS																	
1. — Land, land rights and buildings including leasehold buildings	147,693	0	4,263	6,038	(368)	(2,634)	154,992	(58,176)	0	(656)	(5,935)	300	6,224	0	(58,243)	89,516	96,749
2. — Productions facilities and machinery	1,068,205	3,156	62,139	58,208	(9,353)	76,167	1,258,521	(467,923)	(2,682)	(21,632)	(51,411)	5,751	(6,241)	656	(543,483)	600,282	715,038
3. — Working and office equipment	66,768	529	3,010	8,117	(6,761)	1,463	73,126	(42,039)	(276)	(1,591)	(6,642)	4,446	16	0	(46,086)	24,729	27,040
4. — Construction in progress/advanced payments	64,468	331	2,153	74,420	(99)	(75,155)	66,118	(385)	0	(40)	(55)	55	0	0	(424)	64,084	65,694
TOTAL TANGIBLE ASSETS	1,347,134	4,016	71,564	146,782	(16,581)	(160)	1,552,756	(568,524)	(2,958)	(23,918)	(64,044)	10,552	0	656	(648,236)	778,610	904,520
III. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD																	
1. — Investments accounted for using the equity method	24,248	390	388	4,228	(2,558)	(3,355)	23,342	(4,056)	0	(4)	(649)	0	67	0	(4,642)	20,193	18,700
TOTAL INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	24,248	390	388	4,228	(2,558)	(3,355)	23,342	(4,056)	0	(4)	(649)	0	67	0	(4,642)	20,193	18,700
IV. OTHER FINANCIAL ASSETS																	
1. — Shares in subsidiary companies	8,422	(3,286)	247	1,084	(2,530)	3,349	7,285	(3,697)	0	0	0	2,392	(67)	0	(1,372)	4,724	5,912
2. — Other investments	126	0	0	58	(51)	6	139	(28)	0	0	0	28	0	0	0	98	139
3. — Loans due from other group companies	1,702	0	0	1,859	0	(1,678)	1,882	0	0	0	0	0	0	0	0	1,702	1,882
4. — Security investments	134	335	16	0	(3)	0	482	(108)	0	(16)	0	0	0	0	(124)	26	358
5. — Other loans	3,781	0	127	709	(1,656)	1,719	4,680	(963)	0	0	(54)	29	0	0	(987)	2,818	3,693
TOTAL OTHER FINANCIAL ASSETS	14,165	(2,951)	390	3,710	(4,240)	3,396	14,469	(4,796)	0	(16)	(54)	2,449	(67)	0	(2,483)	9,368	11,985
> TOTAL FIXED ASSETS	1,424,208	4,237	73,553	159,228	(24,623)	0	1,636,603	(593,972)	(2,959)	(24,715)	(68,700)	13,765	0	656	(675,925)	830,236	960,678



MARQUARD & BAHL GROUP
CHANGES IN STOCKHOLDERS' EQUITY > 2005

(K€)	OTHER COMPREHENSIVE INCOME									
	Share capital	Additional paid in capital	Revenue reserve	Reserve for changes in value	Reserve for revaluation	Currency translation adjustments	Sub-total other comprehensive income	Accumulated income	Equity attributable to minority interest	Total
EQUITY JAN. 1, 2004	75,000	8,280	114,444	-3,807	0	0	-3,807	161,785	28,806	384,507
+/- Exchange differences on translation of operations outside the Euro zone	0	0	0	2	0	-11,421	-11,419	0	-782	-12,201
+/- Fair-value remeasurement of available-for-sale financial instruments	0	0	0	-3	0	0	-3	0	0	-3
+/- Fair value remeasurement of cash flow hedges	0	0	0	263	0	0	263	0	-139	124
+/- Change in scope of consolidation	0	0	0	0	0	0	0	-1	0	-1
SUB-TOTAL CHANGES IN EQUITY	0	0	0	262	0	-11,421	-11,159	-1	-921	-12,080
+ Net profit (loss)	0	0	0	0	0	0	0	12,078	5,457	17,535
- Dividend payments	0	0	0	0	0	0	0	-10,225	-5,115	-15,340
+ Increase in stockholders' equity	0	0	117	0	336	0	336	0	99	552
- Decrease in stockholders' equity	0	0	0	0	0	0	0	-2	-829	-831
+/- Allocation to/from retained earnings	0	0	325	0	0	0	0	-325	0	0
> EQUITY DEC. 31, 2004	75,000	8,280	114,886	-3,545	336	-11,421	-14,630	163,310	27,497	374,342
EQUITY JAN. 1, 2005	75,000	8,280	114,886	-3,545	336	-11,421	-14,630	163,310	27,497	374,342
+/- Exchange differences on translation of operations outside the Euro zone	0	0	0	-2,727	0	26,963	24,236	0	2,960	27,196
+/- Fair-value remeasurement of available-for-sale financial instruments	0	0	0	0	0	0	0	0	0	0
+/- Fair value remeasurement of cash flow hedges	0	0	0	2,166	0	0	2,166	0	1,482	3,648
+/- Change in scope of consolidation	0	0	0	0	0	17	17	-404	811	423
SUB-TOTAL CHANGES IN EQUITY	0	0	0	-561	0	26,980	26,419	-404	5,253	31,268
+ Net profit (loss)	0	0	0	0	0	0	0	45,400	7,825	53,225
- Dividend payments	0	0	0	0	0	0	0	-10,336	-3,265	-13,601
+ Increase in stockholders' equity	0	0	59	0	0	0	0	0	44	104
- Decrease in stockholders' equity	0	0	0	0	0	0	0	-208	-244	-451
+/- Allocation to/from retained earnings	0	0	10,725	0	0	0	0	-10,725	0	0
> EQUITY DEC. 31, 2005	75,000	8,280	125,670	-4,106	336	15,559	11,789	187,037	37,110	444,886



2005 > AUDITOR'S OPINION

Above we published the uncompleted Marquard & Bahls AG's consolidated financial statements as of December 31, 2005. The consolidated financial statements as of December 31, 2005 comprehends the consolidated balance sheet, consolidated statement of income, fixed assets movement, changes in stockholders' equity and the notes.

We have audited the consolidated financial statements prepared by Marquard & Bahls AG, comprising the balance sheet, the income statement, statement of changes in equity, cash flow statement and the notes to the consolidated financial statements, together with the group management report for the business year from January 1st, 2005 to December 31st, 2005. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a Abs. (paragraph) 1 HGB are the responsibility of the parent company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit.

The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

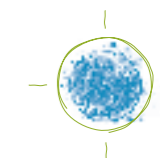
Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs as adopted by the EU, the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB and give a true and fair view of the net assets, financial position and results of operations on the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Susat & Partner OHG Wirtschaftsprüfungsgesellschaft – Audit Company
HAMBURG, MAY 5, 2006

Dr. Wawrzinek
> Auditor

Driesch
> Auditor



MARQUARD & BAHL'S AG
 > HAMBURG, GERMANY

MABANAFT GMBH & CO. KG
 > HAMBURG, GERMANY

OILTANKING GMBH
 > HAMBURG, GERMANY

SKYTANKING HOLDING GMBH
 > HAMBURG, GERMANY

CARGO AND BARGE TRADING
 OIL TRADING

- > Mabanaft B.V.
Rotterdam, Netherlands
- > Mabanaft International GmbH & Co. KG
Hamburg, Germany

WHOLESALE
 OIL TRADING

- > Mabanaft Austria GmbH & Co. KG
Vienna, Austria
- > Mabanaft Deutschland GmbH & Co. KG
Hamburg, Germany
- > Mabanaft Enerji Ticaret Ve Sanayi A.S.
Istanbul, Turkey
- > Mabanaft Hungary Kft.
Budapest, Hungary
- > Mabanaft Inc.
Darien, Connecticut, U.S.A.
- > Mabanaft Limited
London, Great Britain
- > East Anglian Fuel Oils Limited
London, Great Britain
- > Mabanaft Moldova SRL
Chisinau, Moldova
- > Mabanaft Schweiz AG
Basle, Switzerland
- > Mineralölvertrieb Hameln GmbH & Co. KG
Hameln, Germany
- > Tirex-Petrol S.A.
Chisinau, Moldova

HEATING-OIL RETAILING
 OIL TRADING

- > Behrmann Mineralölhandel GmbH
Langwedel, Germany
- > Benol Energieservice GmbH & Co. KG
Frankfurt/Main, Germany
- > Benol Reinle AG
Rüti, Switzerland
- > Böttcher Energie GmbH & Co. KG
Regensburg, Germany
- > B.W.O.C. Limited
Weston-super-Mare, Great Britain
- > Deglmann Energie GmbH & Co. KG
Weiden/Oberpfalz, Germany
- > Kaiser Söhne Mineralöle GmbH & Co. KG
Arnsberg, Germany
- > Klindworth-Kronol Energie GmbH & Co. KG
Hamburg, Germany
- > Klümpen Mineralöle GmbH
Aschaffenburg-Leider, Germany
- > Lipps Mineralöle GmbH
Hagen, Germany
- > LSA Lubes Services GmbH & Co. KG
Vienna, Austria
- > Manfred Mayer MMM
Mineralöl Vertriebsgesellschaft m.b.H.
Neudörfel, Austria
- > Matrix Marine Fuels L.P.
Houston, Texas, U.S.A.
- > Mühlenbruch Stinnes GmbH & Co. KG
Bremen, Germany
- > NEWCo Neue Energie- und WärmeConzepte GmbH
Hiddenhausen, Germany
- > Staak Pooltankstellen GmbH & Co. KG
Hamburg, Germany

SERVICE STATIONS
 OIL TRADING

- > OIL! Tankstellen AG
Rüti, Switzerland
- > OIL! Tankstellen GmbH & Co. KG
Hamburg, Germany
- > OIL Tankstellen GmbH
Vienna, Austria

CONTRACTING
 ENERGY SERVICES

- > Cothec Energetikai Üzemeltető Kft.
Győr, Hungary
- > Proenergy Contracting GmbH & Co. KG
Bochum, Germany
- > Proenergy Contracting GmbH
Vienna, Austria
- > WGB Wärme GmbH & Co. KG Berlin
Berlin, Germany

OTHER
 TRADING

- > Mabanaft Trading
Services GmbH & Co. KG
Hamburg, Germany

EUROPE
 TANK TERMINALS

- > Oiltanking Antwerp N.V.
Antwerp, Belgium
- > Oiltanking Amsterdam B.V.
Amsterdam, Netherlands
- > Oiltanking Bulgaria AD
Varna, Bulgaria
- > Oiltanking Copenhagen A/S
Copenhagen, Denmark
- > Oiltanking Deutschland GmbH & Co. KG
Hamburg, Germany
- > Oiltanking Ghent N.V.
Gent, Belgium
- > Oiltanking Hungary Kft.
Budapest, Hungary
- > Oiltanking Malta Ltd.
Birzebbugia, Malta
- > Oiltanking Sonmarin Oy
Helsinki, Finland
- > Oiltanking Tallin AS
Tallin, Estonia
- > Oiltanking Terneuzen B.V.
Terneuzen, Netherlands

AMERICA
 TANK TERMINALS

- > Compañía Logística de Hidrocarburos Boliviana S.A.
La Paz, Bolivia
- > Consorcio Terminales
Lima, Peru
- > Oiltanking Beaumont Partners L.P.
Beaumont, Texas, U.S.A.
- > Oiltanking Ebytem S.A.
Buenos Aires, Argentina
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Houston, Texas, U.S.A.
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Mexico City, Mexico
- > Oiltanking Terminais Ltda.
Rio de Janeiro, Brazil
- > Oiltanking Tecnoconsult S.A.
Caracas, Venezuela
- > Oiltanking Texas City L.P.
Texas City, Texas, U.S.A.

ASIA
 TANK TERMINALS

- > Indian Oiltanking Ltd.
Mumbai, India
- > Stewarts & Lloyds of India Ltd.
Calcutta, India
- > Zuari Indian Oiltanking Ltd.
Goa, India
- > Oiltanking Daya Bay Co., Ltd.
Huizhou, China
- > Daya Bay Public Pipe Rack Corridor Co., Ltd.
Huizhou, China
- > Oiltanking Odfjell Terminal Singapore Pte. Ltd.
Singapore
- > Oiltanking Singapore Ltd.
Singapore
- > Oiltanking Seraya Pte. Ltd.
Singapore

MIDDLE EAST
 TANK TERMINALS

- > Oiltanking Odfjell Terminals Oman & Co. LLC
Hamriya, Oman
- > Star Energy Oiltanking Ltd.
Dubai, U.A.E.

INTERNATIONAL
 AVIATION SERVICES

- > Luxfuel S.A.
Luxembourg
- > Merlin Fuel N.V.
Ostend, Belgium
- > Skytanking N.V.
Diegem, Belgium
- > Skytanking ASIG GmbH & Co. KG
Hamburg, Germany
- > Skytanking GmbH
Zurich, Switzerland
- > Skytanking USA Inc.
Wilmington/Delaware, U.S.A.

OTHER

INTERNATIONAL
 OTHER

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Sorø, Denmark
- > GEE Gesellschaft für Erneuerbare
Energien mbH & Co. KG
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- > IN Energie GmbH & Co. Betreiber KG
Ingolstadt, Germany
- > GMA GmbH & Co. KG
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