

PROTECTING OUR WORLD



ANNUAL REVIEW
2000



MISSION

The mission of ABS is to serve the public interest as well as the needs of our clients by promoting the security of life, property and the natural environment primarily through the development and verification of standards for the design, construction and operational maintenance of marine-related facilities.

QUALITY & ENVIRONMENTAL POLICY

It is the policy of ABS to be responsive to the individual and collective needs of our clients as well as those of the public at large, to provide quality services in support of our mission, and to provide our services consistent with international standards developed to avoid, reduce or control pollution to the environment.

All of our client commitments, supporting actions, and services delivered must be recognized as expressions of Quality. We pledge to monitor our performance as an on-going activity and to strive for continuous improvement.

We commit to operate consistent with applicable environmental legislation and regulations and to provide a framework for establishing and reviewing environmental objectives and targets.





FRANK J. IAROSSO
ABS Chairman and CEO

Protecting Our World is a bold statement to make. But that is exactly what the more than 2,700 employees of ABS and ABS Group strive for every day.

The focus of all our activities throughout the entire, world-wide ABS organization is on reducing risk, increasing safety, improving quality and protecting the environment. These four principles are the cornerstones of our mission as we endeavor to assist our clients at sea and onshore to improve their business performance.

They are also the cornerstones that underpin the internal administration of ABS and its affiliated companies. By implementing our own quality and environmental management systems we ensure our competitiveness while adhering to the highest standards of corporate responsibility.

The year 2000 provided the clearest evidence yet of the success of the ABS diversification strategy first adopted in 1990. The reach of ABS has increased every year as we enter new markets and develop new skills. We have steadily broadened our geographic scope and expanded the range of risk management services that we offer.

In pursuing that strategy we have never deviated from the core principles of integrity and service that have defined ABS throughout its 138-year history. The acquisitions that have been made have strengthened our competencies within the risk and environmental management fields, none more so than the addition of EQE International to the ABS Group of Companies.

Completed in January 2000, the acquisition of EQE, together with the 1998 acquisition of JBF Associates, vaulted ABS Group to the forefront in the provision of the most advanced risk assessment and risk management services to industry, governments and business worldwide.

Through the growth of the ABS Group of Companies we have significantly strengthened our ability to provide comprehensive classification services to our traditional clients within the marine and offshore communities. As

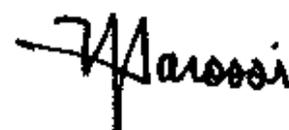
a larger, more diversified organization, ABS is better able to withstand the inevitable cyclical downturns that affect both those industries. As importantly, many of the skills that now exist within this expanded ABS organization will reinforce our position as the leader in introducing new technologies that increase maritime safety.

Already the risk capabilities of EQE and JBFA have been applied to the development of new, risk-based inspection standards for marine and offshore vessels. For the first time we are able to introduce rational criteria that will assist our surveyors to better identify critical areas within a vessel's hull. And when they board a vessel to survey machinery, they will do so with scientific failure criteria as their guide rather than just the passage of time.

As you scan the pages of this Annual Review, you will be introduced to the broad scope of services offered by ABS. These range from providing assistance to the US space program, to helping one of the leading tanker operators to design, construct and operate its vessels to the highest safety, quality and environmental standards. In each instance, ABS is committed to helping our clients identify, manage and mitigate the risks inherent in their operations.

No matter which of these services our employees are rendering, they are following a common, unique calling. Their actions, their decisions, their skills are all directed towards saving other peoples' lives, whether from the devastating consequences of an earthquake or the awesome power of the sea.

I urge you to take a few moments and enter the expanding world of ABS. Take a look at the diverse client stories we have to tell and you will understand the pride we have in our growing organization. We take pride in our successes and stand ready to serve you.





ROBERT D. SOMERVILLE

ABS President and Chief Operating Officer

Yet there is more that can, and will be done. ABS continues to lead by example. There is no clearer demonstration of that commitment than the US Coast Guard's Port State Control statistics, released in 2000. For the second consecutive year ABS had the best detention record of all class societies. More importantly, for the first time not a single ABS classed ship was detained in a US port for a class related deficiency. This is a tribute to the outstanding professionalism of our worldwide team of more than 600 surveyors.

Internally, ABS spent 2000 with greater efficiency, better productivity and improved service as its goals. 2000 was the seventh consecutive year in which ABS operated under a fee structure introduced on 1 January 1994. Without the cumulative impact of annual fee increases, ABS has pursued steady operational improvements and greater successes in the market as the means to maintain outstanding service to our clients, and fund our extensive research programs.

Both these goals were pursued aggressively in 2000. Clients continued to select the superior service of ABS and the technological superiority of ABS SafeHull when ordering new vessels in a vibrant newbuilding market. At the close of the year, the ABS fleet aggregated 105 million gt, an increase of 4.7 million gt over the previous year. The ABS newbuilding orderbook stood at 15.56 million gt, up from 12.43 million tons at the end of 1999. Remarkably, 34 percent of all tankers on order worldwide were contracted to ABS class.

These successes provide the foundation for the future of ABS. But that future must be built with the most advanced tools. During the year, ABS spent considerable effort in modernizing the manner in which we store, handle and integrate administrative data. We pursued a comprehensive retailoring of the manner in which our field surveyors will approach their tasks, using the latest technology to better identify critical areas within a structure, and sophisticated communication links to process survey data and reports.

And ABS SafeShip, released in June 2000, will provide the crucial link between the manner in which ABS does business and the way our clients will maintain their vessels in the future. Bringing together the power of ABS SafeHull and ABS SafeNet, SafeShip provides a complete, through-life integrity management platform for all new SafeHull ships entering ABS class.

Every year brings new challenges. ABS successfully rose to the opportunities presented in 2000. A solid financial performance was satisfying. But the real accomplishments were in the challenges faced and overcome.

During the past twelve months ABS' core business of marine and offshore classification confronted two significant challenges, one external, the other internal.

Externally, ABS has been at the forefront in the campaign to protect and enhance the reputation of the classification profession. It has been a year in which European governments, both nationally and through the European Union, have reacted sternly to a small number of marine casualties, calling into question the effectiveness of the marine industry's traditional self regulatory mechanism of class.

New legislative initiatives could impose a further burden on responsible shipowners and hold the potential to circumscribe the activities of classification societies.

It has been imperative that responsible classification societies take a proactive response to these initiatives. During the year, the International Association of Classification Societies (IACS) has reviewed its own membership standards and the requirements of its members, particularly as they relate to aging bulk carriers and tankers. ABS has taken a prominent role in these efforts that have resulted in the expulsion of one member of IACS and the introduction of more stringent survey standards for older vessels.

While these initiatives have been necessary, and will further improve maritime safety, ABS has also been vocal in reminding the industry, the wider public and their representatives that the international maritime industry is currently conducted more safely than at any time in its history.

CHRISTOPHER J. WIERNICKI

ABS Group Inc. President and Chief Operating Officer

This was the year that the ABS diversification strategy reaped significant dividends as ABS Group Inc.'s performance bolstered the financial health of the parent company, ABS. Our strategy was two-pronged. We maintained our focus on our core markets and clients while identifying, and winning, larger dollar value contracts that allowed us to leverage the synergy of all the ABS Group product lines.

As a result, ABS Group Inc. returned the best financial performance in its 10 year history in 2000. Every business unit posted a profit and contributed to income. Operating revenues rose to \$58 million, with \$7 million in operating income and \$13 million in net cash generation.

Our activities spanned the globe. Key areas of activity included Mexico, where we now have five ABS Group offices, Brasil, and Europe, in addition to traditional markets in the US.

During the year ABS Group strengthened its relationship with Mexico's state-owned oil company, PEMEX with a \$10 million extension contract for the Cantarell Field project, offshore in the Gulf of Mexico. This extension allows us to continue as the independent certification agent on the extensive modernization of the field's infrastructure.

In Brasil, ABS Group pursued a contract from the national government to establish a safety regime to govern all offshore exploration and production in Brazilian waters. We also worked closely with PETROBRAS to develop a new, risk-based approach to the inspection and maintenance of an FPSO. This is the first time such a comprehensive approach to structures, machinery, process plants and mooring systems has ever taken place using such advanced risk methods.

In Europe, we continued expanding our verification and certification services to support the infrastructure of large projects. The far reaching effects of our business growth stretched as far as Sakhalin Island, offshore Russia, and in the Caspian Sea where companies pursuing major petroleum related developments have called upon ABS Group to provide services.

Our Asia-Pacific operations had a banner year as the region saw its verification and certification revenues grow against the backdrop of the Asian economic recovery.

Closer to home, the United States saw ABS Group gain significant name recognition as we built a solid client base with the US government and within the education and health services sectors. The application of our expertise in the development and ISO certification of safety, quality and



environmental management systems helped our clients achieve exceptional business performance.

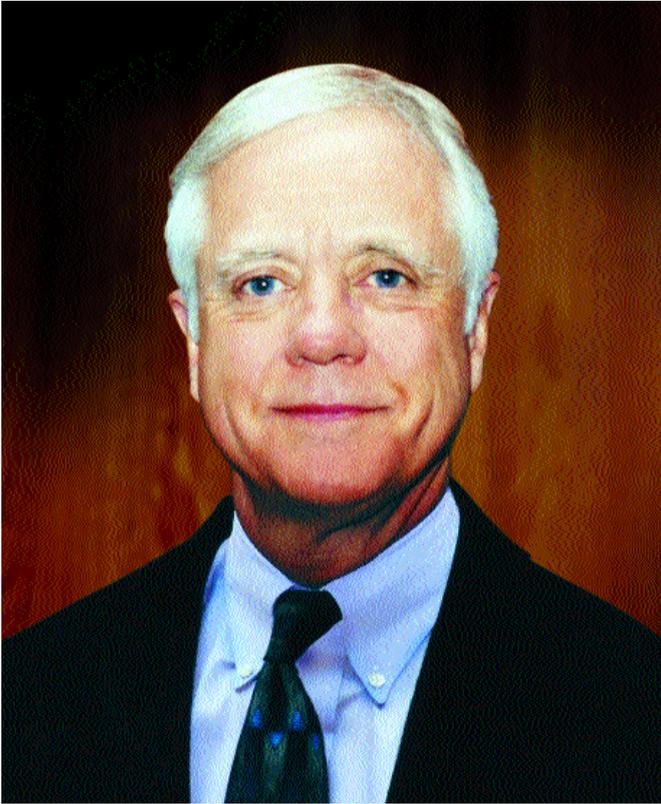
From school districts, to a large nationwide fabricator with more than 200 work locations, to a major teaching hospital, ABS Group helped each of them map their own path toward achieving greater efficiency, productivity and quality.

The momentum within our business lines energized the entire company this past year. It was characterized by a greater sense of purpose as the ABS Group increasingly centered its activities on the management of risk. The completed acquisition this year of the world's leading risk management firm, EQE International Inc., has rounded out a unique portfolio of risk consulting and engineering services.

As we move forward, that focus will expand to include the development of broad-based consulting services that build upon all our compliance products.

The culture we are creating for ABS Group employees is one that supports, rewards and believes in empowerment. From offshore risk experts to experienced engineers, to safety management system consultants, to respected training course leaders, ABS Group people are responding to the needs of our clients in a manner that harnesses the power of the entire organization.

Our efforts have positioned ABS Group as the leading integrated engineering, safety and risk management firm in the world. Congratulations to the nearly 600 employees who make this happen every day.



JAMES J. JOHNSON
EQE International, Inc. Chief Operating Officer

For example, professionals from both EQE and ABS Group worked together to win a comprehensive fire risk study for the Port of Los Angeles. This project was one of the first applications of a risk-based methodology in assessing the adequacy of existing fire protection systems and services for a major worldwide port. Findings and recommendations from this study will assist the Port and the City of Los Angeles with their planning and capital budgeting for the next several years.

EQE has also made great strides in coordinating our expertise with the marine classification activities of ABS to provide a broader scope of services to our clients. We jointly won a contract with a major cruise line company to provide a risk assessment and independent review of their operating procedures, control systems, and vessel hardware.

EQE's Risk Consulting, Structural Engineering and EQECAT divisions, each had their share of major successes in the year 2000. Risk Consulting has continued to expand its services for clients with highly protected risks particularly those in the offshore, nuclear, defense, transportation, government, and petrochemical sectors. These included a prestigious 3-year contract with the Nuclear Regulatory Commission to perform quantitative risk assessments for critical nuclear events that occur throughout the United States.

Among other projects, Structural Engineering completed the "plan-check" of a new 1 million square foot regional hospital in Los Angeles, CA with state-of-the-art earthquake resisting features. And this division also won a number of other major structural design and risk mitigation projects through its other offices throughout the US.

EQECAT was selected as the "Professional Provider of the Year" by an influential reinsurance magazine for providing detailed and accurate risk assessments and measurements, which facilitated a number of important insurance policy placements and risk securitizations.

Our European operation was very successful in building its risk engineering and risk management consulting practice for clients that have included BNFL, Rolls Royce Marine, Railtrack, HSE, and BOC among others.

As we move forward, we are poised to maximize the extensive synergies that exist or have been created with ABS Group. Together we are on target to provide unsurpassed state-of-the-art technical and value-added services to our mutual customers worldwide.

The Year 2000 was one of significant change for EQE International as we transitioned from an independent company to one where we began integrating our services with those of the other subsidiaries of the ABS Group of Companies Inc. An important aspect of that integration involved consolidation of the system reliability and safety engineering firm, JBF Associates, Inc., with that of the Risk Consulting Division of EQE. All this was done with the aim of expanding our position as a world leader in the field of risk management and engineering consulting.

Through the acquisition of EQE in January 2000, ABS Group now encompasses risk management and risk engineering capability based on decades of world-wide accumulated expertise. EQE also brings substantial broader engineering capability to ABS, in particular in the structural engineering field.

For the year, EQE posted a solid performance with revenues of \$69.8 million, and operating income of \$5.9 million.

Considerable effort was placed into developing a focused vision for the expanded ABS Group of Companies, together with comprehensive divisional business strategies to move both the parent and EQE forward in an integrated manner. A key element of the planning process was the joint-marketing plan that has clearly-defined specific joint initiatives for the future.

Successes achieved in 2000 were many, reflecting the broad range of risk management and engineering consulting services we offer customers on a global basis. Our successes also highlight the importance and value of integrating our skill-set with the rest of the ABS organization.

GARY A. LATIN

ABS InfoLink, Inc. President

ABS InfoLink holds an exciting and challenging position within the ABS organization. It is the center of the organization's IT knowledge. It was created to leverage that knowledge, experience and human resources into products and systems that enhance the efficiency of ABS, its affiliates and their clients.

Since its inception in 1996, ABS InfoLink has steadily expanded its technical capabilities and the range of products and services it offers. The year 2000 marked a period in which that growth was maintained, but also in which InfoLink positioned itself to more effectively manage the application of IT to improve the manner in which the ABS organization operates.

InfoLink's strength is its ability to marry state-of-the-art technology with cost effective solutions that deliver practical, fully integrated applications with a clear commercial focus.

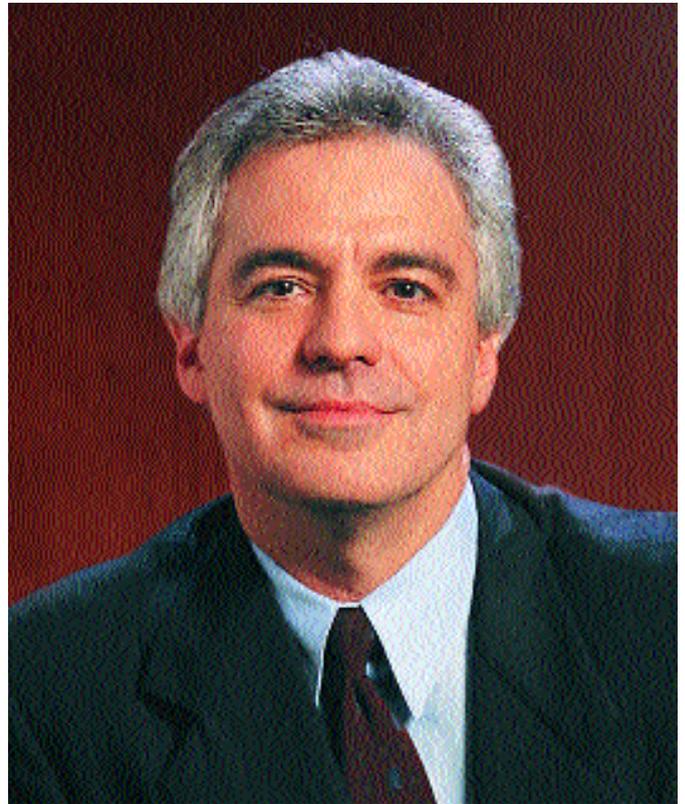
This was strongly evidenced in the performance of ABS Nautical Systems over the past year. ABS NS is the InfoLink subsidiary that provides the advanced ABS SafeNet business and fleet management software to the marine and offshore industries.

In 2000 Nautical Systems increased its client base by one third and increased sales revenues by 25 percent as the industry's growing acceptance of information technology (IT) opened up new opportunities.

Joining the growing list of SafeNet users worldwide in 2000 were leading ship operators such as Fronape of Brasil, Athenian Sea Carriers of Greece, Matson Navigation, Polar Tankers and Alaska Tanker Co. of the US and B&H Management and Jet Drilling of Singapore among many others.

To maintain Nautical Systems position as the provider of the most advanced integrated fleet management systems, a comprehensive product development strategy was pursued throughout 2000. This brought together the wider resources of ABS InfoLink to ensure the most cost effective programming and data preparation.

A key element in this strategy has been InfoLink's now well established program development capability based in India. This arrangement allows us to maintain tight control of costs, to the benefit of our clients. By creating a stable core of developers in the one location, who work on the wide range of ABS IT programs, integration between programs is enhanced and development costs minimized.



Through the continuing development of our Indian base for product and program development, we have been able to develop products such as ABS SafeShip, ABS Chemstow and the soon to be released Java based version of ABS SafeNet. These products offer clear operational and commercial advantages for our clients while minimizing or in some cases eliminating the initial software cost to those clients.

A major focus for these developers during 2000 was preparing for the launch of ABS SafeShip, a through-life vessel integrity management program. SafeShip is offered by ABS on all ships designed to ABS SafeHull requirements.

By applying the most advanced technology available to the design, construction and operational maintenance of a vessel throughout its service life, ABS SafeShip offers owners a stronger, safer ship, greater operating efficiencies and reduced exposure to risk.

ABS SafeShip program owners can be confident that they have exercised a high level of due diligence.

Towards the end of the year ABS InfoLink also secured its first contract from the ABS Group company, EQE International. The contract is to assist with program development work on EQE's unique suite of EQECAT catastrophe risk management software. This is widely used by insurers, reinsurers and financial institutions seeking to control the exposure of their property portfolios to natural hazards.



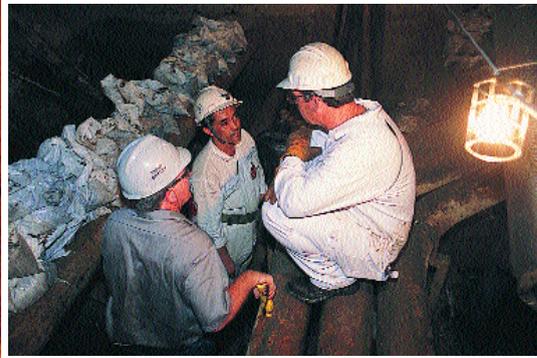


THE CHALLENGE:

To convert a semisubmersible for deep water drilling at a shipyard without a drydock large enough to accommodate the structure.

THE SOLUTION:

When KeppelFels Shipyard in Singapore contracted to modify Diamond Offshore's Ocean Baroness to drill in water depths of 6,500 feet, it knew that its huge drydock could not take the mammoth craft. But, working with ABS, the yard devised a plan to cut the pontoons and part of the main columns to reduce the rig's dimensions. It squeezed into the dock with just 18 inches to spare. When undocked, the rig will be tripped in a delicate operation to bring the cut portion above the water, allowing for the sections to be reassembled.



THE RESULT:

With careful planning, and ABS review and approval, an 18 month, multi-million dollar project remains on time and on budget.





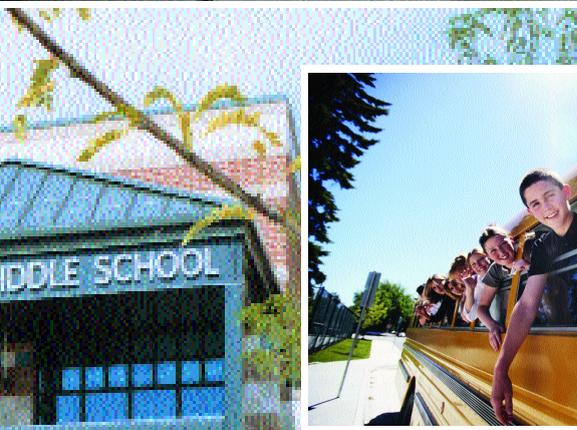


THE CHALLENGE:

To apply leading edge business principles for quality improvement to public education.

THE SOLUTION:

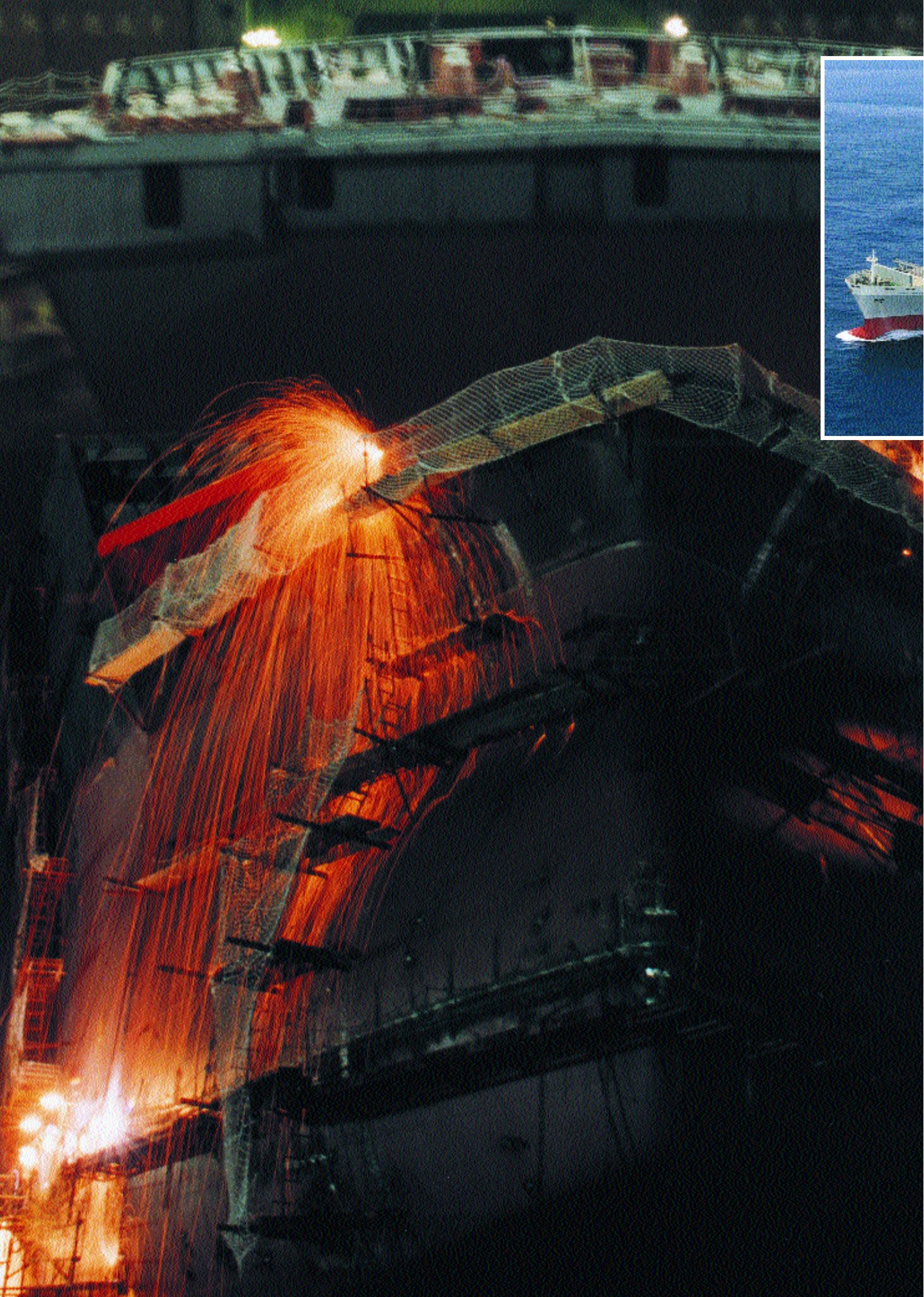
That is what Jefferson County Public Schools in Central Colorado did. ABS Quality Evaluations, an ABS Group company, helped the School District demonstrate to their community and to the nation that they were operating to recognized international standards for quality. ABS Group helped design and implement an organization-wide quality management system. With the certification from ABS Quality Evaluations, one of the world's leading registrars, Jefferson County is believed to be just the second, and by far the largest school district within the US, to achieve these standards.



THE RESULT:

This innovative approach to improving the quality of education for its young people also saw the School District realize greater efficiencies in its administration and significant cost savings for local tax payers.







THE CHALLENGE:

To provide China Shipbuilding Corporation (CSBC) with an advanced method of evaluating new designs.

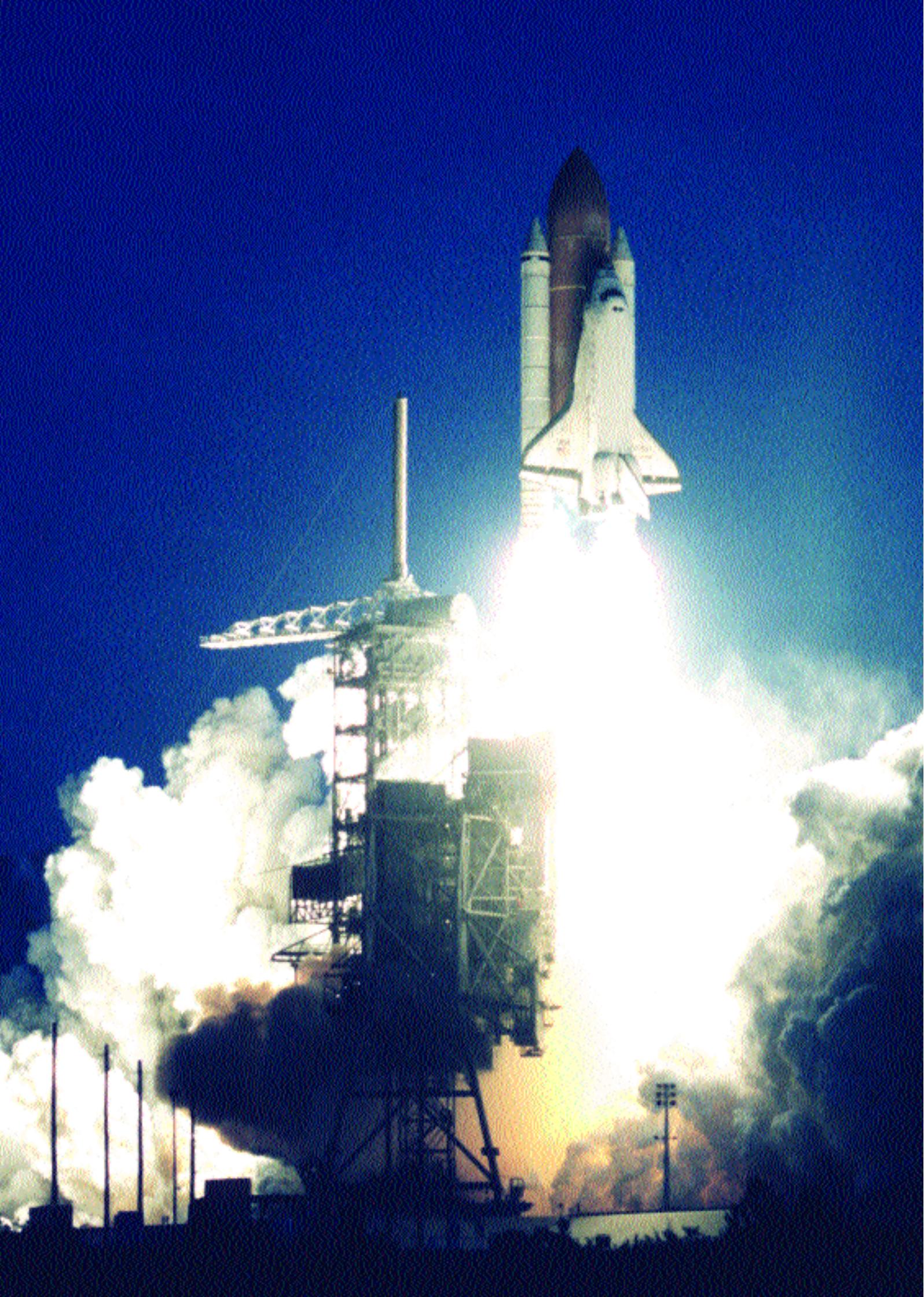
THE SOLUTION:

By introducing ABS SafeHull to the design team at CSBC's Kaoshiung Shipyard, ABS provided them with the most advanced system for evaluating the dynamic loads that will be placed on the next generation of tankers, bulk carriers and container-ships. The latest version of SafeHull, released in 2000, has streamlined the time and processes needed to assess the strength of a new design. Based on engineering first principles, SafeHull gives these designers the ability to simply and accurately determine final scantlings for the largest and most sophisticated ships entering service.

THE RESULT:

CSBC is able to design and build stronger, safer ships more quickly and efficiently, improving its competitive position.







THE CHALLENGE:

To determine the potential impact of a hurricane on the centers controlling NASA's Space Shuttle and the International Space Station operations.

THE SOLUTION:

The world's leading independent risk assessment and management firm, EQE International, Inc., an ABS Group company, undertook comprehensive hurricane risk assessments of the Kennedy and Johnson Space Centers. The studies determined the probabilistic occurrence of extreme winds and estimated the potential damage to the facilities. At the heart of the studies was the EQECAT software USWIND, a state-of-the-art catastrophic wind management program, used to determine the probabilistic wind occurrence at the sites. Extensive site visits,



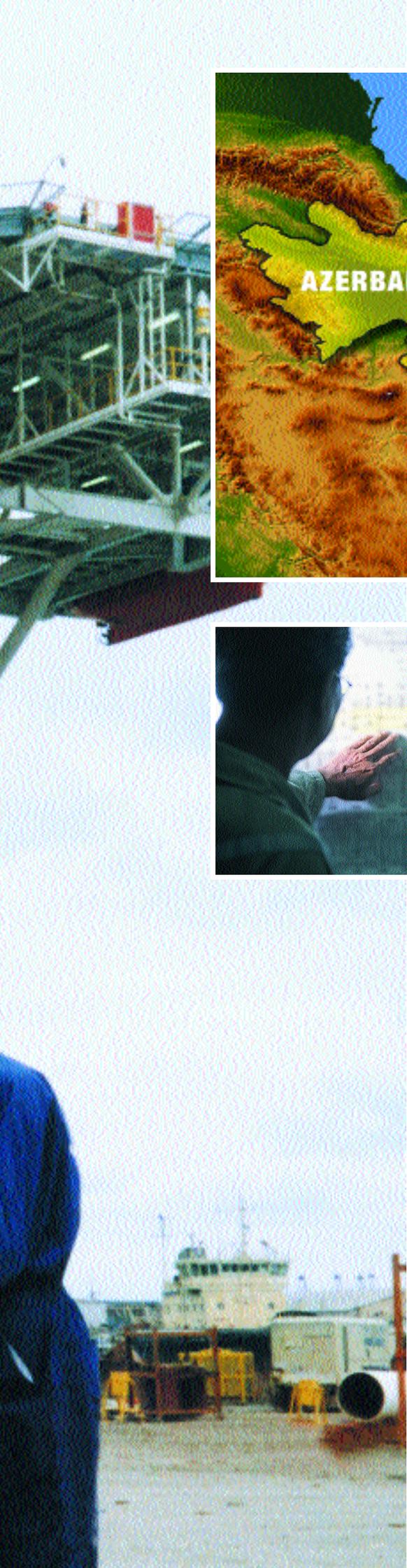
drawing reviews, calculation reviews, advanced structural analyses, and wind flow/load analyses were used to perform the facility vulnerability evaluations.

THE RESULT:

NASA received detailed recommendations on how to strengthen the facilities to mitigate hurricane damage and improve hurricane emergency preparedness procedures.







THE CHALLENGE:

To assist with the construction of an offshore rig in an uncompleted fabrication yard in a landlocked country.

THE SOLUTION:

It may sound like a typical fast track project success story, but there was nothing typical about the Trident 20. This state-of-the-art self-elevating drilling unit was under construction concurrently with the construction of the actual shipyard in land-locked Azerbaijan. The rig was delivered almost three months prior to the contract delivery date without any cost overruns. ABS acted as a project partner, helping our client, Transocean Sedco Forex, overcome issues affecting the unit's compliance with the *ABS Rules* and other statutory certification requirements.

THE RESULT:

The project team worked through so many logistical, management and environmental challenges that Azeri officials now refer to this project as "National Pride."







THE CHALLENGE:

To help clients around the world understand and meet the multiple regulatory codes and standards for pressure vessels.

THE SOLUTION:

ABS Group Inc. has established a global team of expert surveyors, backed by a staff of professional engineers, available to work closely with clients and manufacturers to ensure that pressure vessels, whatever their size and whichever the final country of installation, meet relevant standards. From plan review to the analysis of radiographic film of a vessel's weld seams, ABS Group surveyors provide a comprehensive range of inspection and verification services during the fabrication of a pressure vessel.



THE RESULT:

Our clients can be secure in the knowledge that their new equipment has been built to required tolerances and will meet the standards of applicable regulatory authorities.





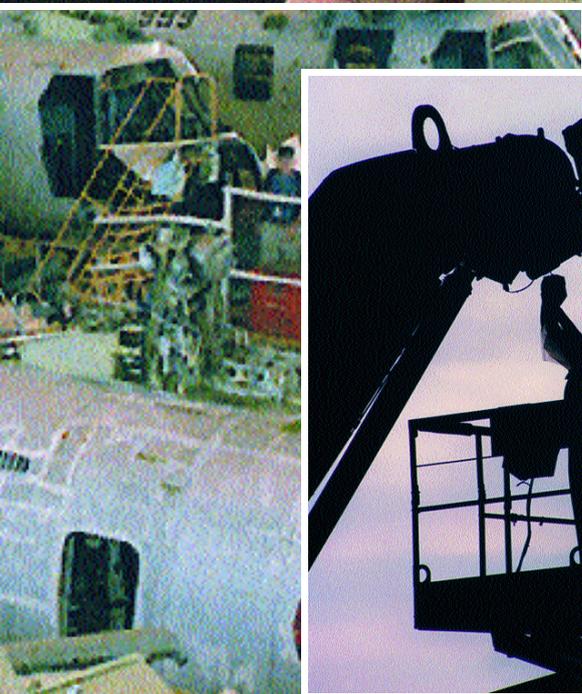


THE CHALLENGE:

To improve productivity and efficiency at a US Department of Defense facility.

THE SOLUTION:

The Naval Aviation Depot (NADEP) in Cherry Point, NC, became the first Department of Defense industrial facility to achieve ISO 9002 registration with the help of ABS Quality Evaluations, an ABS Group company. The improvements were so profound the reserve unit stationed at Cherry Point was inspired to seek similar accreditation. Now both the depot and its reservists are working in an environment that rivals the quality standards of any international Fortune 500 company. As a result, NADEP is gearing up for a new mission — to help bring the “Center of Excellence” concept of ISO 9002 quality management to other US government agencies.

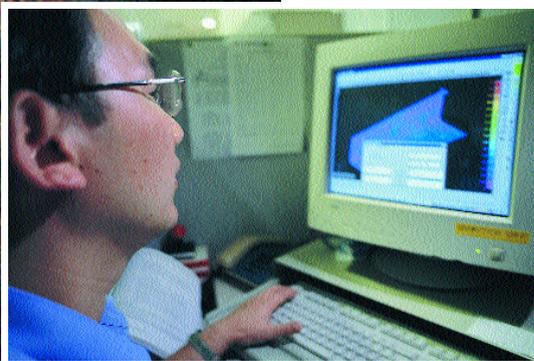
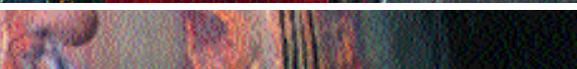


THE RESULT:

The work load at the Depot has quadrupled since the ISO 9000 program was implemented while aviation product prices and personnel have decreased by 25 percent.







THE CHALLENGE:

To reduce the likelihood of marine oil pollution devastating the world's oceans.

THE SOLUTION:

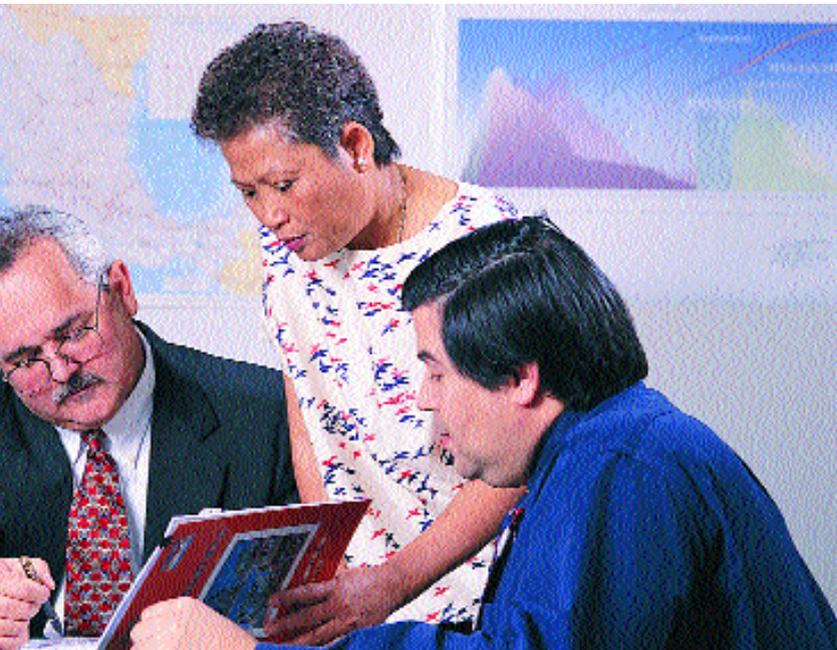
Infrequent but high profile tanker casualties have raised the demands of the public, and their legislative representatives, for ship structural and operational excellence. The resulting concern over the condition of the world's aging tanker fleet has once again placed ABS in a leadership role as it has called for, and implemented, tougher survey standards. ABS Group has also offered tanker owners the most advanced Condition Assessment Program. Tankers older than 15 years are subjected to an ABS SafeHull analysis, in addition to a visual inspection, to more accurately determine their continuing fitness for purpose.

THE RESULT:

The industry now has higher standards, and better tools, to assess data critical for maintaining the structural integrity and minimizing the risk of structural failure of a tanker throughout its service life.







THE CHALLENGE:

To provide assurance to Mexico's state-owned oil company, PEMEX, that the modernization of the offshore Cantarell Field met the highest industry standards.

THE SOLUTION:

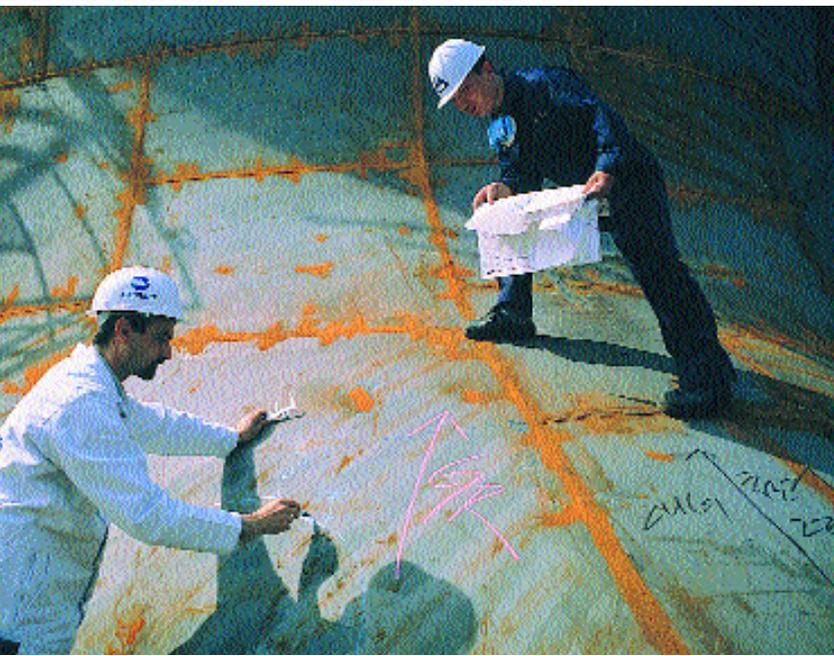
ABS Group was retained to verify that all contracted work was performed properly, that all the ordered equipment met established industry standards, and that all procedures were followed according to applicable project specification. The project demanded that the partner selected to oversee these standards have a global network, able to coordinate inspections in many different locations in addition to the final on-site installation and start up commissioning.

THE RESULT:

Through an active program of certification, PEMEX and its primary contractors have been able to minimize reshipping, refitting and contractual problems. Things get done right the first time.







THE CHALLENGE:

To operate a fleet of tankers to the highest standards of safety, quality and environmental protection

THE SOLUTION:

Ceres Hellenic, one of the largest tanker operators in the world, turned to ABS. Environmental awareness starts in the shipyard. A new series of double hull Suezmax vessels, built at Samsung H.I., were designed to ABS SafeHull standards.

They will join a fleet that is being operated to the unique SQE standards, developed by ABS, that incorporate the basic principles of ISO 9000 Quality, ISO 14000 Environmental and ISM Safety standards. Each of these standards has been carefully expanded and specifically tailored to meet the requirements of the international shipping industry.

THE RESULT:

Ceres Hellenic has differentiated itself in the market, increasing its worldwide appeal to charterers seeking transportation partners committed to environmental protection.







THE CHALLENGE:

To help the government of Taiwan better protect its citizens from future devastating earthquakes.

THE SOLUTION:

With more than 10,000 buildings destroyed, industrial production disrupted and critical infrastructure damaged, by a severe earthquake, the impact on the island's people and economy was severe. EQE International, Inc., an ABS Group company, was called upon to recommend new building construction standards that take into account the known seismic risk of the region. It is critical to have adequate design, construction quality and independent review and inspection if comparable loss of life and property damage is to be avoided in the future.

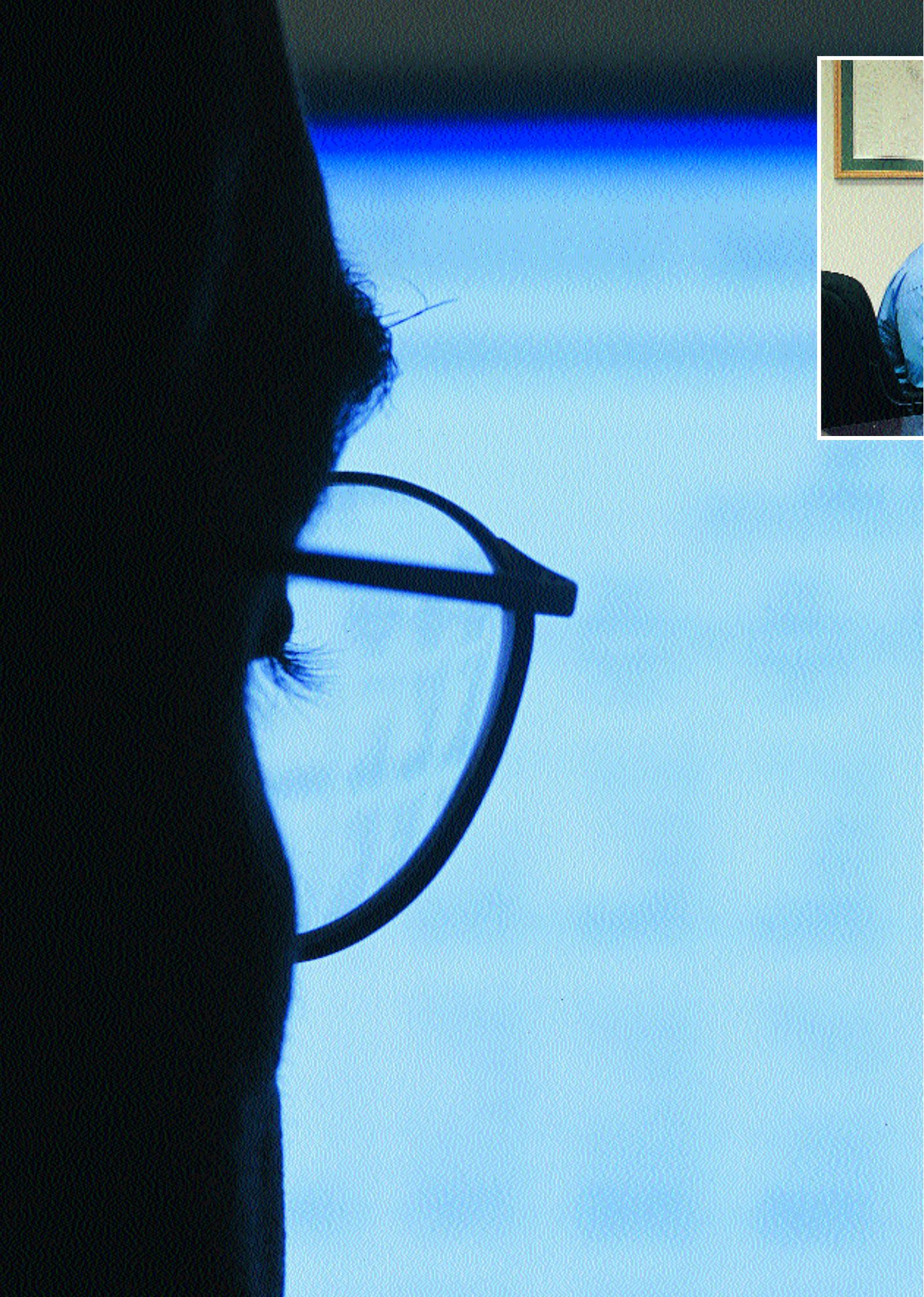


THE RESULT:

Using the latest analytical tools EQE has provided a wide ranging number of recommendations designed to minimize

losses and limit business interruption should such a quake strike again.







THE CHALLENGE:

To provide Eastern Mediterranean Maritime with an integrated system to better control procedures and information, and streamline its business processes.

THE SOLUTION:

After a three year market search for the right software provider, the company found its match with ABS Nautical Systems. The attraction was something Eastern Mediterranean felt it could get from no other provider — computer savvy combined with a maritime background and understanding. “We sensed in them a more marine, shipping philosophy in their approach to business and product development,” said Nicholas Kripotos, Superintendent Engineer for the shipping company. ABS Nautical Systems provided a suite of totally integrated modules to manage a fleet of more than 30 ships.



THE RESULT:

Technology is bringing change and cost savings to the organization’s shore and shipboard operations.







THE CHALLENGE:

To develop an integrated risk-based inspection (RBI) program for an offshore floating structure.

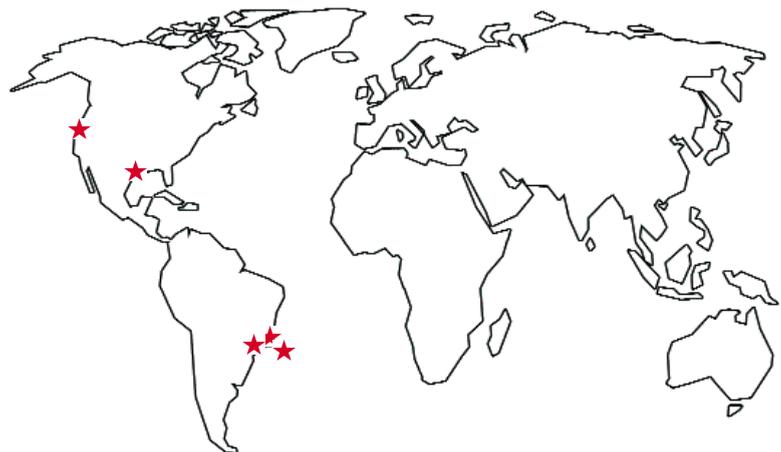
THE SOLUTION:

ABS Group was selected by Brasil's state-owned oil company Petrobras to develop a completely new approach. It consists of a comprehensive, totally integrated risk-based inspection program for the P-35 floating production/offloading and storage facility (FPSO). Operating in the Campos Basin Marlin Field in almost 3,000 feet of water, the rig cannot afford unscheduled downtime from equipment or structural failure. The integrated RBI of the P-35 includes the marine/process systems, structural components, ship hull and turret in a single program.

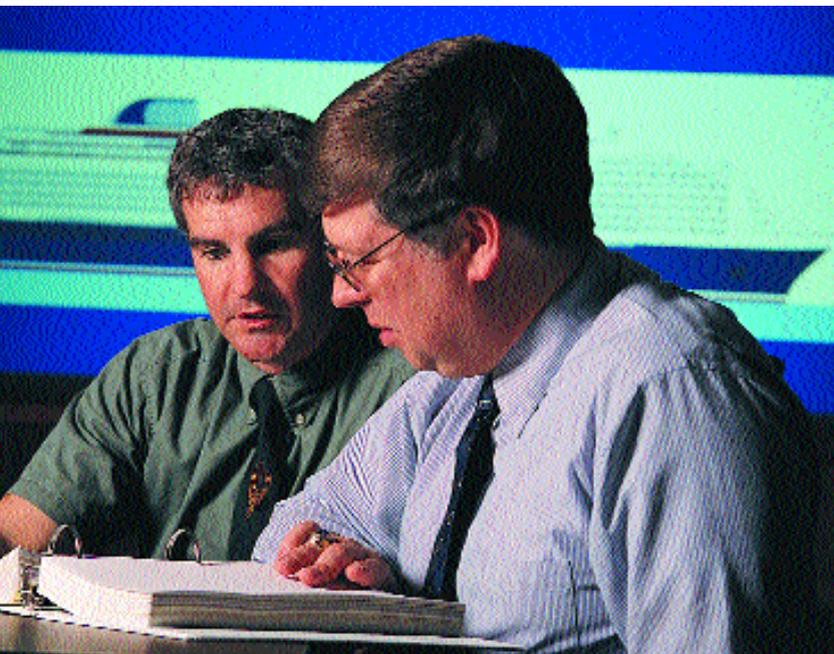


THE RESULT:

The development of a risk-based inspection plan that includes qualitative and quantitative analysis of all systems, reducing the need for intrusive surveys and maximizing production capability.







THE CHALLENGE:

To build the first large cruise ship in a United States shipyard in more than 40 years.

THE SOLUTION:

When American Classic Voyages Company (AMCV) contracted with Ingalls Shipyard to build a series of 1,900 passenger cruise ships with a potential value of \$1.4 billion, it also contracted with ABS to help guide it through the complex regulatory and safety require-

ments. In turn, ABS appointed an on-site project manager to provide immediate solutions to the myriad statutory, US Coast Guard, and classification Rule criteria as well as respond to Ingalls' and owner's concerns. The assistance of ABS class surveyors was also sought in the procurement of materials and supplies as well as recommendations for fabrication procedures, consistent with *ABS Rules*.

THE RESULT:

The benefits of bringing ABS into the 'Project America Team' has paid off with smoother processes, higher quality, improved production and satisfied customers.





MARINE CLASSIFICATION

Once again ABS faced tough challenges in 2000 as classification societies operated in an environment that often critically questioned the role of class as the self-regulating mechanism for the international maritime community.

We began the year by quickly and forcefully proposing more stringent survey standards for aging vessels. This was an immediate response to information on the probable cause of the loss of the RINA-classed tanker *ERIKA* off the coast of France. ABS outlined a sweeping series of measures designed to tighten classification scrutiny of aging vessels, particularly tankers.

ABS continued to lead by example in its call for tougher standards and higher quality shipping. In May, for the second straight year, ABS was ranked by the United States Coast Guard Port State Control statistics as the best major classification society.

Figures showed that not a single ABS classed ship was detained in a US port in 1999 for a class-related deficiency. This outstanding accomplishment was due to the dedication, professionalism and sound judgment employed daily by ABS surveyors and support staff world wide.

Alongside this accomplishment stood our commitment to quality as evidenced by ABS being the first international classification society to implement an approved ISO 14000 environmental system. This followed ABS' earlier lead when, in 1993, it became the first classification society to gain ISO 9000 Quality Management System certification.

By meeting the rigorous, internationally recognized ISO quality and environmental standards, we clearly demon-

strated our commitment to these principles in 2000.

FLEET GROWTH

ABS was successful in maintaining its share of the newbuilding market during the year. At year's end this stood at 21 percent. A robust pace of deliveries helped build the fleet to an aggregate 105 million gt, an increase of 4.7m gt over the previous year, and the highest level recorded since 1983.

The ABS newbuilding orderbook stood at 15.56m gt, up from 12.43 million tons at the end of 1999.

ABS maintained a very strong presence in several key markets during the year. A record number of Greek shipowners selected ABS class for their newbuildings in a year that saw shipyards deluged with orders.

In Korea, ABS maintained the number two position with a 24 percent share of all orders placed. And in Japan ABS also ranked number two, trailing only the national class society, with a 23 percent share.

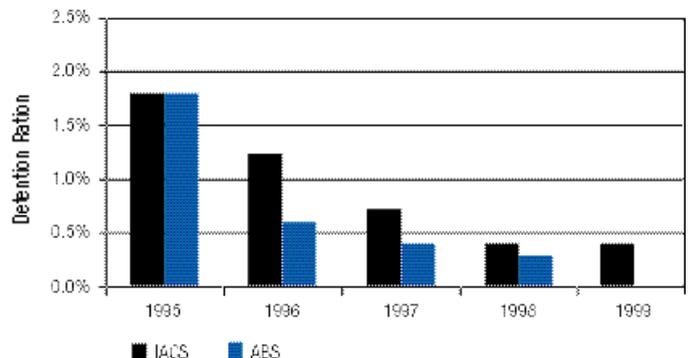
ABS retained its position as the leading class society for tankers, providing services to owners from all points of the globe. And owners of the largest containerships to be built or on order continued to turn to ABS, and the security provided by the ABS SafeHull analysis, as their preferred provider of classification services.

Other highlights included the selection of ABS to join the team constructing the first large cruise ship to be built in the United States in more than 40 years.

ABS Year End Statistics
Comparison of Class Activities

(in millions gt)	Year		
	1998	1999	2000
Deliveries	5.30	6.50	6.80
Incoming Existing	1.80	2.10	1.80
Reinstated	0.40	0.40	1.90
Total Incoming	7.50	9.00	10.50
New Contracts	8.50	7.80	9.40
Total Outgoing	4.00	7.60	6.30
Net Gain mgt	3.50	1.40	4.20
Official Orderbook	11.60	12.40	15.56

USCG Class Related Detentions



ABS expanded the assistance offered to the US Navy towards adopting commercial standards to selected vessels where appropriate. This included formalizing

the processes and procedures used in the survey and classification of the more than 100 Military Sealift Command vessels through the signing of a comprehensive Memorandum of Understanding (MOU).

ABS / USCG Port State Performance

	Vessel Arrivals	Class-Related Detentions	Ranking
1996	970	6	2*
1997	933	4	2**
1998	968	3	1**
1999	937	0	1**

* Reflects 2-Year Average
 ** Reflects 3-Year Average

MARINE TECHNOLOGY

The superiority of ABS SafeHull, a dynamic-based ship design evaluation system founded on engineering first principles, continues to be the differentiating factor for owners when ordering new vessels. Improvements made as a result of user feedback,

particularly from shipyards, were included in the SafeHull Version 7.0, released to industry in December.

A major project was initiated in 2000 to develop new standards for Reliability Centered Maintenance.

These standards will apply techniques such as condition monitoring, FMEA, qualitative risk evaluation and decision algorithm to supplement traditional planned maintenance.

Research continued into critical areas such as ship motion, hydrodynamic load and stress analysis for the development of very large containerships, working closely with leading shipbuilders in the development of new designs of up to 9,000 teu.

Research staff also investigated hydrodynamic loads for FPSOs, buckling and ultimate strength of plate and stiffened panels, vortex induced vibration, tank sloshing, wave impact and springing among many other topics.

Also, as a part of ABS rule calibration, reliability assessment of tanker and bulk carrier rules are being performed.

RULE DEVELOPMENT

Rule development is an on-going focus at ABS as we strive to improve the technical standards that underpin our requirements. New *Rules and Guides* released in 2000 included *ABS Materials and Welding/Supplementary Requirements for Naval Ships* and *ABS Bridge Design & Navigational Equipment/Systems* among others.

ABS has a long history of classing passenger vessels. In 2000, we announced new standards for passenger comfort in the next generation of cruise ships and ferries, the *ABS Guide for Passenger Comfort*. A companion publication, the *ABS Guide for Crew Habitability*, will contain similar comprehensive criteria for the accommodations, design and ambient environment of ship spaces for the crews aboard all vessels.

For the offshore industry a series of new *Rules and Guides* brought technical clarity to the efficient development of deepwater exploration and production.

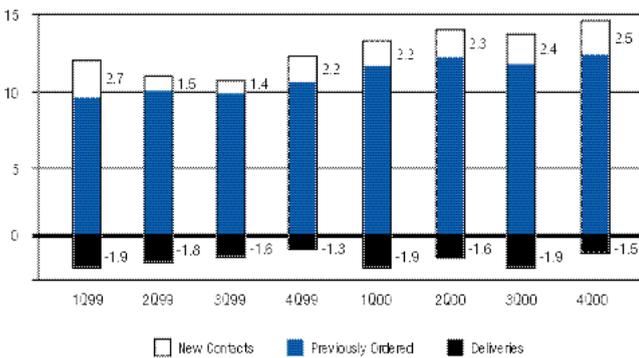
These included the *ABS Guide for Building and Classing Floating Production Installations* and the *ABS Guide for Building and Classing Facilities on Offshore Installations*.

The offshore research and technology team also produced *Guidance Notes on Risk Assessment Applications for Marine and Offshore Oil & Gas Industries* to further assist industry in addressing risk-management issues associated with deepwater development.

OFFSHORE

ABS maintained its number one ranking for offshore floating facilities during the year and strengthened its position in serving the offshore sector in the Gulf of Mexico, Brasil, West Africa, the Caspian Sea and South East Asia. With nearly 70

ABS New Construction Activity
 Millions GT



percent of the overall market share in offshore classification, ABS' expertise is well-established.

However, clients today are demanding an even wider scope of services to manage the risks associated with offshore facilities. In response, ABS announced a new Offshore Project Development Team to coordinate worldwide services for managing risk and verifying the integrity and safety of offshore facilities.

The new organizational structure coordinates a variety of services available from ABS, primarily classification, and from its affiliated ABS Group companies including: verification and certification, asset integrity management, HSE, human factors and safety management via ISM and ISO, plus a variety of risk management products and services.

And as the oil and gas industry ventures into ultra deep waters, floating production systems are becoming an increasingly important field development option. Careful review of safety considerations and cost-effective design, fabrication and operation of FPSO installations are critically linked to the success of deepwater opportunities.

A new application of ABS SafeHull for FPSOs will allow more rigorous, site specific, targeted analysis of the structural requirements of these vessels to meet the demands of their intended service.

Of particular importance was the nomination of ABS by Kellogg, Brown and Root as the classification/certification body for the Barracuda and Caratinga FPSO conversion contracts. These projects are scheduled to run through 2003 and represent the most significant offshore project kick-off for the industry in 2000.

In Asia, the FSO4 for PetroVietnam's White Tiger field represents the first purpose-built FSO to have been built

for this client. ABS is the selected classification society. And in the Caspian region, ABS classed the jackup TRIDENT 20 for Transocean Sedco Forex.

The Gulf of Mexico, ABS' traditional offshore stronghold, remained a focus of activity. This included the two semisubmersibles of the Deepwater Nautilus class for R&B Falcon and the project to construct the world's first two truss spars for Kerr-McGee.

Other contracts were Chevron's mini-TLP for the Typhoon project, MODEC's first TLP for El Paso, the Sedco Express project for Transocean Sedco Forex, and the BP truss spar project. These all provided challenges for the Houston offshore engineering team.

ABS continued at the forefront of new technology for the offshore industry by providing a method for predicting structural responses to wave impact in deep waters worldwide.

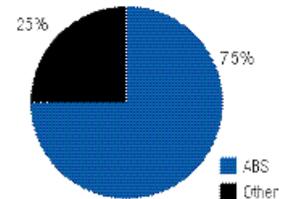
ABS' presentation on the Implementation of Hindcast Global Wave Data for Design and Analysis of Marine Structures provides accurate and reliable wave data, critical to the effective and safe design, fabrication and operation of marine structures.

Another landmark was recorded by ABS in 2000 when it completed the first survey to the certificate of inspection requirements under the US Coast Guard's (USCG) Alternate Compliance Program (ACP) for an offshore MODU, the new semisubmersible ENSCO 7500 for Ensco International.

TYPE APPROVAL

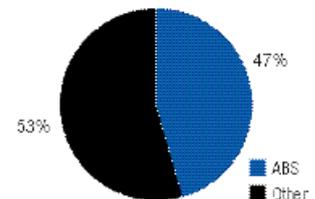
The demand for quality and consistency has spurred a growing number of companies to seek product quality assurance certification from ABS. As a result, the ABS Type Approval Program achieved a significant milestone this year when the 1,000th client was added to the program.

ABS Market Share
Offshore Exploration Units



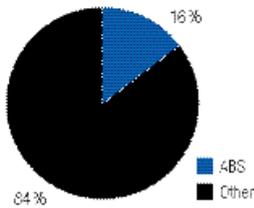
Exploration Jackups	85%
Drillships & Drill Barges	88%
Semisubmersibles & Submersibles	55%
Arctic / Tender	82%
Total Offshore Exploration Fleet	75%

ABS Market Share
Offshore Production Units



TLP & SFARs	81%
FFSOs & FSOs	43%
Production Semisubmersibles	46%
Production Jackups	47%
Total Offshore Production Fleet	47%

ABS Share of Existing Worldwide Fleet
Percentages Based on GT



Tankers	22%
VLCCs	26%
Suezmax	29%
Aframax	23%
Chemical	9%
Product	18%
Containerships	20%
Post Panamax	35%
Panamax	18%
Medium	16%
Feeder	15%
Bulk Carriers	13%
Capesize	13%
Panamax	18%
Handysize	10%
Handy	12%

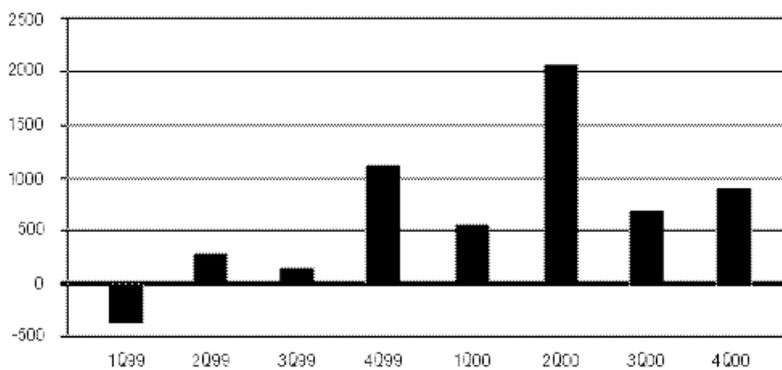
These clients represent more than 2,200 different products. Participating in the ABS Type Approval program means products are capable of being consistently manufactured to the same design and specification using standardized documented manufacturing processes.

SERVING THE PUBLIC

This year ABS clearly had a new stakeholder to consider — the public. Public perception of class, and their intolerance of substandard shipping and substandard classification societies, was never more pronounced than during the *ERIKA* incident. Repercussions from the casualty fundamentally changed the manner in which the marine industry and class operates.

In 2000 ABS faced rapidly evolving challenges, both within our organization and outside in the maritime community. A turbulent regulatory environment and the most active newbuilding market of recent years provided ample opportunities for ABS to demonstrate its moral standing, industry leadership and technical capabilities.

ABS Fleet Activity
2 Year Net Quarterly Gain or Loss - Thousands GT



ABS continued to champion safety worldwide in both the marine and offshore industries.

Never overlooked during this bustling period, however, was our continued commitment to providing the most responsive, commercially pragmatic,

client oriented service available to industry from the providers of classification services.

RISK CONSULTING

ABS Group of Companies made significant progress in 2000

towards realigning and streamlining its activities into a global, market-driven, customer-focused company—and the markets responded. The positive financial results tell the story.

It began with the completion of the acquisition of EQE International in January. The addition of this leading independent provider of risk assessment and risk management services rounded out the broad spectrum of integrated products offered by the ABS Group subsidiaries.

These have all been crafted to support our vision of global leadership in the application of engineering, science and technology to assist our clients to manage risk, improve safety, enhance quality and minimize the environmental impact of their activities.

The addition of EQE augmented ABS Group's offerings in a number of ways. As well as expanding the organization's market breadth, it significantly expanded the risk management component to our safety, quality and environmental management system programs. As a result we were able to provide customers with a more holistic approach to protecting the integrity of their assets.

In the United States, EQE added diversity to Group's revenue sources with important and high-visibility projects such as the provision of hurricane risk analysis to NASA's Johnson Space Center, in Houston, and the Kennedy Space Center, in Florida.

MARINE & OFFSHORE

The modernization of the offshore Cantarell field project in the Gulf of Mexico provided an example of the appeal of the wider range of services offered by ABS Group.

PEMEX contracted ABS Group Inc. to certify that the modernization of its facilities and practices would be performed to the highest industry standards. From that foundation, additional opportunities to provide safety, quality and environmental training and other consulting services expanded the nature and depth of the relationship.

In Brasil, ABS Group's maritime expertise, combined with EQE's risk management experience allowed us to develop the first integrated risk-based inspection plan for a Petrobras FPSO. And the Brazilian government turned to ABS Group for assistance in establishing appropriate safety practices for offshore exploration and production.

Building on its traditional strength within the shipping industry, ABS Group expanded its widely respected tanker Condition Assessment Program, calling on the resources of ABS SafeHull to provide a clearly superior service to shipowners.

Elsewhere within the marine sector, EQE International performed safety and risk analysis for Rolls Royce Marine, and also worked with ABS on a contract with a major cruise line to provide a risk assessment and independent review of their operating procedures, control systems, and vessel hardware.

CERTIFICATION & VERIFICATION

Within Europe, the ABS Group companies continued growing their risk, safety and certification and verification businesses.

In the Middle East, ABS QE certified Qatar Gas LNG to ISO 9002 and ISO 14000, making it the first liquified

natural gas company to achieve both certifications. And EQE International's London office provided safety and risk analysis services to British Energy.

Continuing global demand for safety, quality and environmental verification has driven the certification business worldwide. As more companies seek global markets for their products, certification requirements increase.

ABS Group's Asia/Pacific operations enjoyed the bounty of a rebounding Asian economy with a steady demand for its safety and quality certification services.

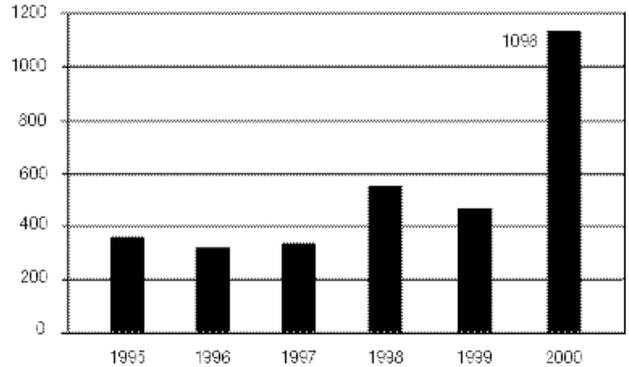
STRUCTURAL ENGINEERING

For the Church of Jesus Christ of Latter Day Saints, EQE produced an earthquake reduction program. The structural engineering analysis and design, and seismic retrofit design project addressed a variety of structures nationwide, but focused primarily on the most earthquake-prone areas. The project is on-going in 2001.

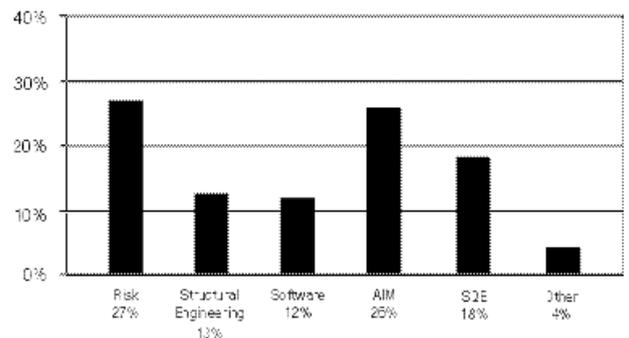
EQE's strong California base brought many projects to the table. Two Los Angeles structural engineering projects, a plan-check for a new hospital and an earthquake retrofit design for Aerospace Corporation, selected EQE for their expertise. ABS and EQE combined forces in a fire risk study for the Port of Los Angeles.

Elsewhere, Eli Lilly & Company turned to EQE's Knoxville operations for their risk and reliability experience on a process safety project. And the Group subsidiary contracted with the US Government to provide nationwide

ABS Group of Companies
Employee Growth

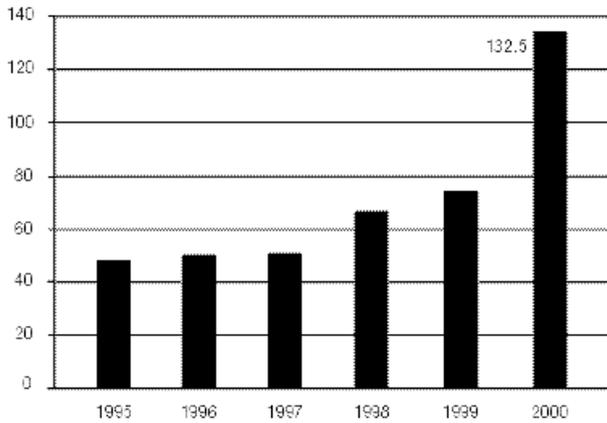


ABS Group of Companies
Revenue by Product Line
in \$M (USD)



structural seismic engineering services for the Federal Government Services Administration.

ABS Group of Companies
Operating Revenue
in \$M (USD)



Working with the military, EQE completed an integrated risk management project for the US Coast Guard.

QUALITY MANAGEMENT

US Administration directives to 'green the government,' and mandates for excellence in management practices, presented significant opportunities for ABS Group Inc. at both the federal and local

government levels in 2000. One notable project for ABS Quality Evaluations was a contract to certify the Naval Aviation Depot in Cherry Point, NC, to ISO 9002. This was the first full US Department of Defense facility to achieve ISO quality certification.

TRAINING

Spearheaded by e-commerce transactions to increase book and training sales the Government Institutes team within ABS Group explored these new, cost-effective channels to successfully expand its activities.

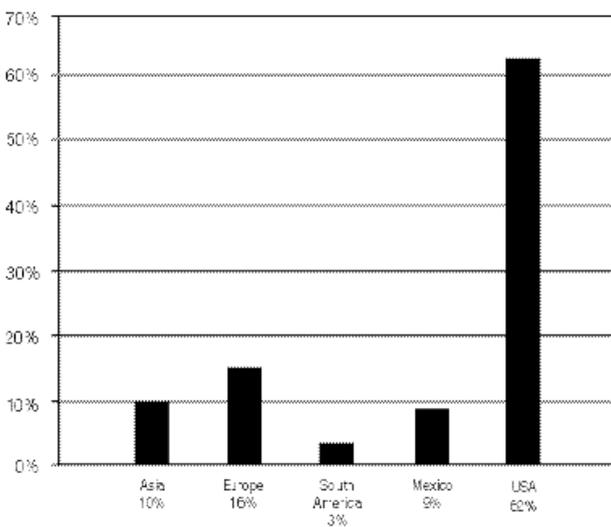
Year 2000 saw a substantial increase in on-line sales. And extensive course testing began to pay off with considerable support for ISO 9000 training.

Other training programs offered within the process safety sector returned strong revenues for the year with particular demand for courses on Incident Investigation and Root Cause Analysis. These courses were offered globally with strong support in the Middle East.

In 2000 diversification expanded the opportunities for the application of the knowledge and expertise resident within the ABS Group of Companies to deliver dividends. Focusing on our purpose has rendered them a reality.

The excellence-in-government message spread to other sectors, notably education. ABS Group worked closely

ABS Group of Companies
2000 Revenue by Region



with one of the largest school districts in the US to implement a district-wide quality management system, with the administration able to demonstrate almost immediate financial savings. SQE Consulting, building on this success, has been actively introducing the benefits of quality, safety and environmental management systems throughout the education sector.

ABS experienced an unabated, vigorous level of classification activity throughout 2000

culminating in very strong year-end results. This continued a positive trend begun in the mid-90s following successful, deliberate efforts by ABS management and staff worldwide to enhance its ship safety technology, operations and client orientation.

In all measurements of classification activity — new vessels (i.e., ships and offshore structures) classed, the fleet of vessels in class, contracts received to class new vessels, and orderbook of vessels building and contracted to be built to class — decisive gains were tallied over 1999 measured in terms of gross tonnage. Particularly noteworthy increases were registered in the latter two categories, further solidifying the healthy position of ABS for ongoing classification activity entering into 2001.

The strength of ABS services was clearly evident among the three major ocean vessel categories of tanker, bulk carrier and containership. New contracts were received at a brisk rate throughout the year amounting to a combined total of 166 such vessels aggregating 8.66m gt, bettering the combined 1999 totals on the order of half again in both numbers and gross tonnage. This burgeoning of new contracts helped drive the year-end orderbook for new tankers, bulk carriers and containerships to impressive cumulative totals of 252 in number and 13.25m gt, again surpassing the respective combined totals for 1999 by a very wide margin.

Such strong and well-balanced classification activity results irrefutably demonstrate that a growing number of ship-owners, recognizing the leadership of ABS in ship safety technology as provided through SafeHull and related services, are turning to ABS as their classification society of choice. It also clearly shows that the marine and offshore industries tacitly acknowledge the engineering

expertise of ABS in all phases of classification as well as the responsiveness and commitment of the ABS organization behind the delivery of these services.

During 2000 ABS also continued its leading position in the offshore industry. Classed and contracted were a variety of mobile offshore drilling units, superdrill ships, fixed and floating installations, TLPs and single point moorings as well as supply and tug/supply vessels, underwater vehicles and other support craft. The technical versatility that this work represents is indicative of ABS' capability and leadership in offshore safety and risk-based technology.

VESSELS CLASSED

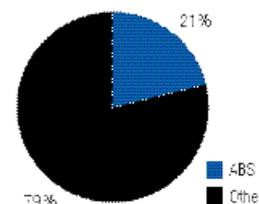
Throughout 2000 ABS classed a combined 585 new and existing ships and offshore structures totaling 10.29m gt. Of the total vessels classed, 389 of 6.8m gt were newbuildings — registering a jump of 5 percent over the prior year in gross tons; 79 of 1.77m gt were existing vessels previously classed with other societies or unclassed; and 117 of 1.72m gt were vessels that had previously been classed with ABS and were reinstated subsequent to appropriate surveys.

A significant component of the new vessels classed were tankers, bulk carriers and containerships — a combined 112 in number of 5.96m gt — marking a 7 percent increase in gross tonnage over the prior year but a decrease in number of about the same percentage margin.

VESSELS REMOVED

Removed from the ABS classed fleet of vessels during 2000 were 2,362 propelled and nonpropelled vessels. Of these 1,963 were withdrawn at the owners' request, a majority of which were LASH barges, 72 were scrapped and 327 were dropped from class for noncompliance with the *ABS Rules*. Those dropped for noncompliance include 35 ocean-going commercial vessels. The figures for

ABS Share of Worldwide Orderbook
Percentages Based on GT
December 2000



ABS Share of Newbuilding Contracts by Country of Build

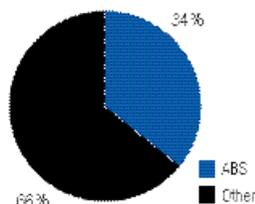
Japan	22%
Korea	25%
China	10%
USA	85%
Singapore	87%
Taiwan	37%

each category, excluding the withdrawal of the LASH barges, mirror those of 1999.

CLASSED FLEET

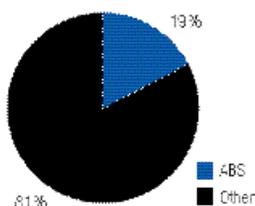
At the close of the year the fleet of ABS-classed ships and offshore structures stood at 9,499 vessels totaling 105.02m gt representing the flags of 98 different registries. This marks a decrease from the year-end 1999 fleet of some 15 percent in numbers, mainly as a result of the removal of a large number of nonpropelled vessels as reported above. However it represented an increase of about 5 percent in gross tons to a fleet size that is the largest recorded since 1983. This is attributed primarily to the classification of new large tankers, bulk carriers and containerships throughout the year. Combined, these three categories of ships numbered 2,026 of the vessels in the ABS-classed fleet, aggregating 79.86m gt.

ABS Share of Tanker Newbuilding
Percentages Based on GT



Tankers	34%
VLOCs	32%
Suezmax	69%
Aframax	26%
Chemical	18%
Product	10%

ABS Share of Bulk Carrier Newbuilding
Percentages Based on GT



Bulk Carriers	19%
Capesize	25%
Panamax	17%
Handysize	15%
Handy	22%

NEW CONTRACTS RECEIVED

Contracts received by ABS for new and larger vessels flourished throughout 2000; by year-end the results showed that ABS had received requests for the classification of 434 new vessels totaling 9.55m gt (269 of which were over 1,000 gross tons). While this number is similar to that for 1999 it represents a marked increase of over 23 percent in gross tonnage.

Moreover, these contracts showed a remarkable surge in the orders of tankers, bulk carriers and containerships. Combined they comprised 166 of these new vessel contracts aggregating 8.66m gt for a cumulative gain over 1999 of 57 percent in number and 45 percent in gross tons.

ORDERBOOK

At the close of the year the orderbook of ships and offshore structures building and contracted to be built to ABS classification jumped to 713 vessels of 15.56m gt in the shipyards of 37 countries around the world. This represents

a hefty increase when compared to the 1999 year-end order-book figures of 654 vessels of 12.43m gt. The main contributors to this increase were the ABS mainstay of tankers, bulk carriers and containerships which numbered 91 (7.04m gt), 98 (3.67m gt) and 63 (2.54m gt) of these orders respectively.

TANKERS

During 2000, ABS classed 56 new tankers of 3.6m gt including 12 vlccs, 5 suezmaxes and 8 aframax. While this number falls a few short of 1999 it surpasses the gross tonnage of tankers classed that year by 11 percent. In the same period, ABS received contracts to class 49 new tankers of 3.96m gt including 11 vlccs, 10 suezmaxes and 12 aframax, for a sizeable jump from 1999 of 16 percent in gross tonnage and 9 percent in number.

By the close of the year the ABS fleet of tankers numbered 903 of 45.06m gt with another 91 of some 7.04m gt on the orderbook building or contracted to be built to ABS class. This orderbook for tankers surpasses the total of a year earlier by 8 percent in number and 25 percent in gross tons.

BULK CARRIERS

New orders for bulk carriers were received at an unprecedented rate throughout 2000. By the year's close, contracts had been received to class 70 new bulk carriers of 2.69m gt, including 12 capesize and 36 panamax, for robust increases of 75 percent in number and 70 percent in gross tonnage over 1999.

New bulk carriers classed remained about on a par with the previous year. ABS classed 33 bulk carriers of 1.25m gt. At year-end the fleet of ABS classed bulk carriers numbered 739 of 22.26m gt with an additional 98 bulk carriers of 3.67m gt on the ABS orderbook. These figures represented hefty increases of well above 50 percent in both numbers and gross tonnage over the 1999 year-end orderbook.

CONTAINERSHIPS

Contracts were received for new containerships at a highly accelerated rate by ABS during 2000. By the year-end new orders for 47 containerships of over 2.01m gt had been received, far surpassing the contracts received in 1999 by 123 percent in number and 88 percent in gross tons. Of these new orders 21 contracts were for vessels of over 50,000 gt illustrating the preeminence of ABS in providing class to the largest containerships.

New containerships classed during the year registered similar figures as the year earlier with 23 classed of just over 1m gt (including 10 over 60,000 gt). By the close of 2000, the ABS fleet of containerships numbered 384 of 12.54m gt and at that time there were an additional 63 containerships of 2.54m gt on the ABS orderbook — a respectable rise of approximately 17 percent both in number and gross tons over the orderbook figures for year-end 1999.

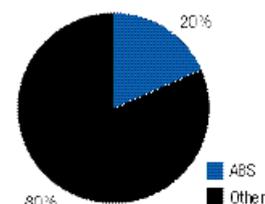
OFFSHORE

Indicative of the breadth of ABS classification activity in the offshore industry 11 major units were classed during the year including 2 ultra deepwater drillships, 3 mobile offshore drilling units, 4 floating offshore installations, a TLP and a deep draft caisson unit. Also during the year ABS was heavily involved with the reconditioning and rebuilding of a number of different types of offshore structures.

In addition, contracts were received to class 9 new units including 3 self-elevating MODUs, a deepwater drillship, 4 fixed platforms and a floating storage unit.

By the year end there were 528 MODUs, 21 drillships, 106 fixed platforms, 31 single point moorings and 53 underwater vehicles as well as 950 supply and tug/supply vessels in the ABS fleet of classed vessels. In addition, at that time there were an additional 23 MODUs, 2 drillships, 6 fixed platforms, 4 single point moorings, 9 underwater vehicles and 13 tug/supply vessels building or contracted to be built to ABS class.

ABS Share of Existing Containership Fleet
Percentages Based on GT



Containerships	20%
Post Panamax	35%
Panamax	18%
Medium	15%
Feeder	15%

TYPE	As of 31 December 2000 Vessels in Class		As of 31 December 2000 Vessels on Order		During 2000 New Vessels Classed	
	NO.	GROSS TONS	NO.	GROSS TONS	NO.	GROSS TONS
Barge	2678	6,207,290	97	238,837	100	258,664
Bulk Carrier	739	22,232,333	100	3,752,194	33	1,294,951
Combination (Dry/Liq)	18	629,529	—	—	—	—
Containership	384	12,537,154	63	2,540,989	23	1,055,746
Dredge	46	117,896	5	7,790	1	1,051
Drill Ship	21	475,328	2	113,081	2	112,800
Dry Cargo	532	5,099,775	1	1,200	6	44,318
Ferry/Passenger	112	559,623	15	349,847	2	194
Fishing Vessel	34	40,196	19	12,893	—	—
Launch/Crewboat	230	32,398	17	3,716	15	2,799
Liquefied Gas Carrier	62	2,530,985	7	424,900	2	184,600
Mobile Offshore Unit	528	3,627,508	23	228,373	3	26,970
Other	343	511,865	52	95,875	23	10,322
Passenger (Cruise) Vessel	78	597,560	30	279,668	—	—
Platform (Fixed)	106	7,572	0	—	3	39,333
Research/Survey Vessel	124	195,919	3	8,127	2	4,462
Single Point Mooring	31	—	1	—	1	5
Supply & Tug/Supply	950	721,448	13	19,246	27	45,148
Tanker (Liquid Cargo)	904	45,082,941	93	7,040,783	56	3,597,735
Tug	1086	338,120	48	25,016	53	15,872
Underwater Vehicle	53	443	9	176	1	23
Vehicle/Barge Carrier	106	3,388,356	12	388,218	3	96,634
Yacht	332	77,678	98	27,293	33	6,897
TOTAL	9,497	105,011,917	708	15,558,222	389	6,798,524

ABS OFFICERS, BOARD OF DIRECTORS & COUNCIL

CORPORATE OFFICERS

Frank J. Iarossi
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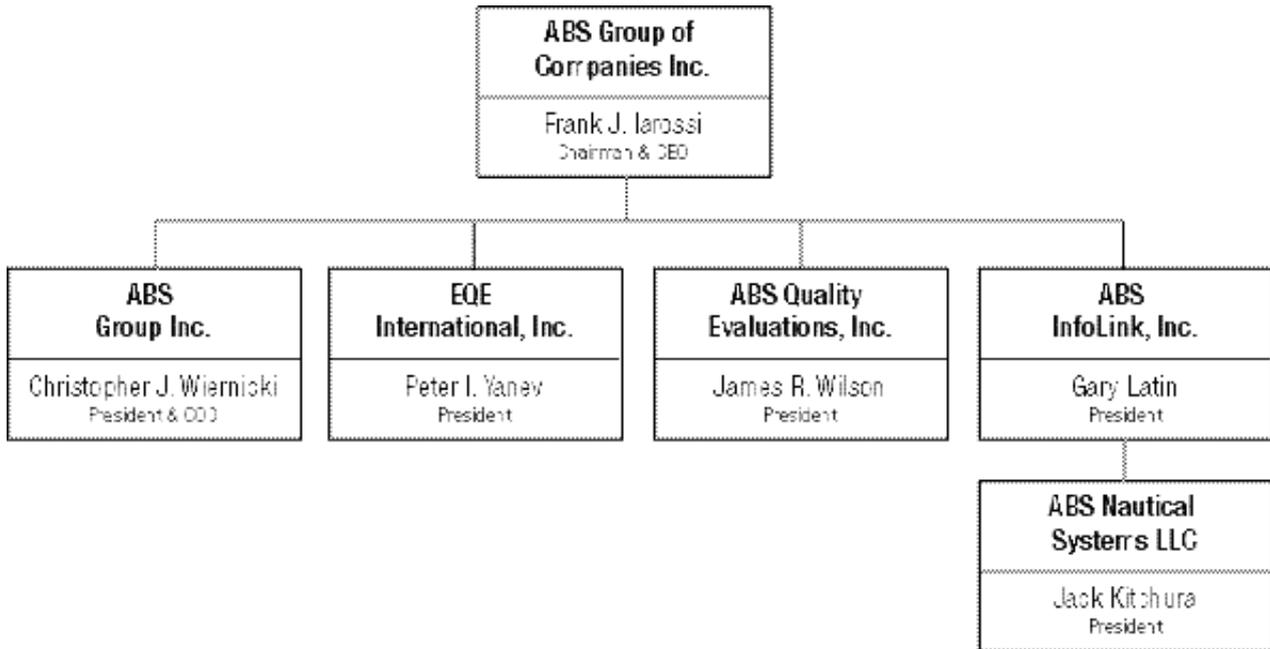
Christopher J. Wiernicki
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ABS Group of Companies Inc.

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Website:

www.abs-group.com
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MISSION

To be the leading independent company worldwide applying engineering, science and technology to assist our clients to manage risk, improve the safety, enhance the quality and minimize the environmental impact of their facilities and activities.

QUALITY POLICY

It is the policy of ABS Group to provide quality services in support of our mission and to be responsive to the individual and collective needs of our clients, as well as those of the public at large. All of our client commitments, supporting actions and services delivered must be recognized as expressions of quality.

We pledge to monitor our performance as an ongoing activity and to strive for continuous improvement.



