

PRESIDENT'S MESSAGE

Bill Haverland, Manager, Asphalt Sales and Marketing, of ConocoPhillips is Chairman of the Asphalt Institute this year — noteworthy in that this is his *second* time in that position. Bill first served as our Chairman in 1996. He is the only individual that has come back for a second term. That invites some comparisons.

In 1997, the Asphalt Institute had 60 members; today we enjoy 85 as we go to press and I've no doubt we'll actually finish this year higher. In fact, during the last 12 months, we've added 12 percent to our membership rolls. Why? We deliver value to our members for their investment, and perhaps unlike 1997, we are more focused on solving industry problems than ever before.

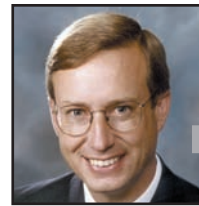
Based on 2004 reported numbers, U.S. markets alone reflected total sales on the order of 36.1 million tons of liquid asphalt. Compare that to 32.9 million tons in 1997. That is a 1.4 percent annual increase, about what we'd expect over this eight year time period — given the turbulent economic conditions.

Looking back to 1997, the FHWA expected to have all states using the then new Superpave specifications. In 2006, California is now the final state to adopt Superpave — in fact, AI staff recently conducted two Asphalt Binder Technology (ABT) courses in California in late September. These courses were requested to help California with their transition to PG asphalt binders beginning next year.

Bill's first round as Chairman was while he served with Shell Oil; then it was bought by Tosco Refining and then by Phillips 66 who merged to become ConocoPhillips. We're glad he is still with the industry. He is the uncontested champion of the "most membership plaques hanging on one wall" contest and while the extreme case, Bill demonstrates that the business isn't static. Mergers and acquisitions are part of the reality of the oil business.

Our industry owes a debt of gratitude to Bill and people like him. They definitely have a day job, but somehow find time to give back to the industry in a significant and appreciated way. Whether it is serving on a committee, taking a leadership role or supporting the collective efforts of the industry

by joining the association—contributing today ensures a bright future for our markets tomorrow.



Peter T. Grass, President

FROM THE CHAIRMAN

Along with changes within our industry, the leadership and staff of the Asphalt Institute has also changed. There is a different feel within the staff and in the way they conduct their work. The dedication and resourcefulness of the staff has allowed us to make the great strides noted above. We are financially stable once again, have a dominant voice in industry activities, and take proactive approaches to challenges as they develop. It has been through their hard work and creativity that the Asphalt Institute is recognized as the refining industry's voice in the business. We, as members, owe them well deserved thanks for bringing us where we are today.



Bill Haverland, Chairman

Asphalt President's Message

AI Members

as of 11/1/2005 (* – Affiliate Member)

* Akzo Nobel Surface Chemistry LLC, Willowbrook, IL
 All States Asphalt, Inc., Sunderland, MA
 Alon USA, Dallas, TX
 * Andrie Inc., Muskegon, MI
 * ARR-MAZ Custom Chemicals, Inc., Winter Haven, FL
 Asphalt Materials, Inc., Indianapolis, IN
 * Asphalt Operating Services, LLC, Bartlett, IL
 Asphalt Processors Incorporated, BARBADOS
 Asphalt Refining & Technology Company, Douglasville, GA
 Associated Asphalt, Inc., Roanoke, VA
 * Astaris LLC, Saint Louis, MO
 Bitumar Inc., Montreal, QC, CANADA
 * Bouchard Coastwise Management Corp., Melville, NY
 BP Bitumen, Whiting, IN
 Calumet Lubricants, Indianapolis, IN
 Canadian Asphalt Industries Inc., Markham, ON, CANADA
 * Canadian National Railway, Montreal, QC, CANADA
 Chevron Corporation, San Ramon, CA
 Chevron – Asia Pacific Africa and Pakistan Region (Caltex), Sydney, AUSTRALIA
 CITGO Asphalt Refining Company, Plymouth Meeting, PA
 Coastal Energy Corp., Willow Springs, MO
 Colas, S.A., Paris, FRANCE
 ConocoPhillips Company, Houston, TX
 * Dexco Polymers LP, A Dow/ExxonMobil Partnership, Houston, TX
 * DuPont, Wilmington, DE

* Dynasol LLC, Houston, TX
 EMCO Building Products Corp., LaSalle, QC, CANADA
 Ergon Asphalt & Emulsions, Inc., Jackson, MS
 ExxonMobil Lubricants & Specialties Company, Fairfax, VA
 ExxonMobil Lubricants & Specialties Company, International, Fairfax, VA
 Flint Hills Resources, LP, St. Paul, MN
 GAF Materials Corporation, Wayne, NJ
 The Hudson Companies, Providence, RI
 Hunt Refining Company, Tuscaloosa, AL
 Husky Oil Marketing Company, Calgary, AB, CANADA
 IKO, Chicago, IL
 Imperial Oil, Toronto, ON, CANADA
 * Innophos, Inc., Cranbury, NJ
 Irving Oil, Saint John, NB, CANADA
 Isfalt A.S., Uskudar, TURKEY
 Jebro Inc., Sioux City, IA
 Kokosing Materials, Inc., Fredericktown, OH
 * Kolbeck Petroleum, Inc., Wichita, KS
 * KRATON Polymers, Houston, TX
 Lafarge Asphalt Engineering, A Division of Lafarge Construction and Materials, Inc., Mississauga, ON, CANADA
 Lunday-Thagard Refining, South Gate, CA
 Marathon Petroleum Company, LLC, Findlay, OH
 E. A. Mariani Asphalt Co., Inc., Tampa, FL
 Mathy Construction Company, Onalaska, WI
 McAsphalt Industries Ltd., Scarborough, ON, CANADA
 McCall Oil and Chemical Corp., Portland, OR
 * MeadWestvaco Corporation Asphalt Innovations, Charleston, SC
 Murphy Oil USA, Inc., Superior, WI
 Nynäs Bitumen, Zaventem, BELGIUM
 Oldcastle Materials Group, Washington, DC

Paramount Petroleum Corporation, Paramount, CA
 * Penn Maritime, Inc., Stamford, CT
 Peoria River Terminal, Inc., Fort Lauderdale, FL
 Petro-Canada Inc., Mississauga, ON, CANADA
 Petroleo Brasileiro, S.A. – Petrobras, Rio de Janeiro, BRAZIL
 * Pioneer Oil LLC, Billings, MT
 * Ponderosa Petroleum Company, Parker, CO
 RECOPE, Cartago, COSTA RICA
 REPSOL YPF, Madrid, SPAIN
 * Safety-Kleen Systems, Inc., Oil Recovery Division, Plano, TX
 San Joaquin Refining Co., Inc., Bakersfield, CA
 Sargeant Marine, Inc., Boca Raton, FL
 SemMaterials, LP., Tulsa, OK
 Seneca Petroleum Co., Inc., Crestwood, IL
 Shell Canada Products, Montreal, QC, CANADA
 Shell International Petroleum Company Limited, London, UNITED KINGDOM
 Shell Oil Products US, Houston, TX
 Shelly & Sands, Inc., Zanesville, OH
 SK Corporation, Seoul, KOREA
 * Sprague Energy Corp., Portsmouth, NH
 Suit-Kote Corporation, Cortland, NY
 * TAMKO Roofing Products, Inc., Joplin, MO
 Terry Industries, Inc., Hamilton, OH
 Total Petrochemicals USA, Inc., Houston, TX
 Trumbull Asphalt, A Division of Owens Corning, Toledo, OH
 * Ultrapave Corporation, Resaca, GA
 United Refining Company, Warren, PA
 U.S. Oil & Refining Company, Tacoma, WA
 Valero Energy Corporation, San Antonio, TX
 Vance Brothers Inc., Kansas City, MO