



Chicago Bridge & Iron Company N.V.

CB&I is one of the world's leading engineering, procurement and construction (EPC) companies, specializing in lump-sum turnkey projects for customers that produce, process, store and distribute the world's natural resources. We capitalize on our global expertise and local knowledge to safely and reliably deliver projects virtually anywhere. 2005 Annual Report

CB&I is a fully-integrated EPC solution provider, offering a complete package of conceptual design, engineering, procurement, fabrication, field construction, mechanical installation and commissioning.

We serve customers in a number of key industries including oil and gas; petrochemical and chemical; power; water and wastewater; and metals and mining. Our projects include hydrocarbon processing plants, LNG terminals and peak shaving plants, bulk liquid terminals, water storage and treatment facilities, and other steel structures and their associated systems. We have approximately 10,000 employees and operate from more than 60 locations worldwide.

Financial Highlights	2
Letter to Shareholders	3
At a Glance	6
Worldwide Projects	8
Supervisory Board	18
Executive and Operating Officers	19
CB&I Facilities	20
Form 10-K	21
Corporate and Investor Information	Inside Back Cover

Vision

To be the leader in providing innovative and value-added technology, engineering and construction solutions to customers worldwide while creating superior shareholder value.

Mission

We will be the preferred worldwide supplier of selected process units, facilities and storage by:

- Providing innovative and safe solutions through technology, engineering, procurement, fabrication and construction
- Recognizing and delivering the facilities and solutions that our customers value
- Delivering results that repeatedly bring customers back to CB&I
- Creating an ethical, safe and enabling environment for our employees to prosper
- Leveraging the reputation and equity of our brand for the purpose of achieving sustainable, profitable growth.

Values

Focus	Innovation	Accountability
Safety	Solutions	Ethics
Shareholders	Leadership	Excellence
Customers	Technology	Profit
Employees		

Goals

- Continue to improve our safe work practices with a goal of zero injuries to our employees and subcontractors.
- Be the preferred specialty EPC provider in our selected global markets.
- Achieve a global portfolio of projects where we can add value and maximize returns to our shareholders in both existing, sustainable markets and in emerging markets.
- Use our integrated project delivery model to provide solutions to our customers that give them a competitive advantage.
- Be the EPC employer of choice and a positive contributor to the communities in which we work.
- Enhance shareholder value through consistent performance, financial strength and profitable growth.

Cover: Sulfur Processing Facility — Lima, Ohio, USA

Refinery sulfur removal and control systems are designed to treat sulfur bearing liquid and gaseous waste streams to meet stringent environmental standards. At Valero Energy Corporation's refinery in Ohio, CB&I engineered and constructed a sulfur removal and recovery complex that includes this tail gas treating unit and thermal incinerator which recover and destroy sulfur bearing compounds.

Centers of Excellence



North America — USA

Beaumont, Texas
Dallas, Texas
Houston, Texas
Plainfield, Illinois
Tyler, Texas
The Woodlands, Texas

North America

Calgary, Alberta

South America

Caracas

Africa

Secunda

Europe

Amsterdam
London
Moscow

Middle East

Dammam
Doha
Dubai

Asia

Bangkok
Manila
Shanghai
Tokyo

Australia

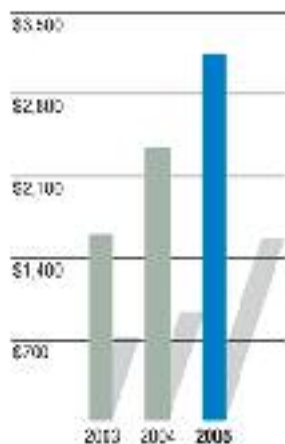
Perth, Western Australia

Financial Highlights

(In millions)

	2005	2004
New business taken	\$ 3,279.4	\$ 2,614.5
Backlog	3,199.4	2,339.1
Revenue	2,257.5	1,897.2
Income from operations	50.2	102.1
Net income	16.0	65.9
Cash flows from operating activities	165.0	132.8
Cash and cash equivalents, end of the year	334.0	236.4
Long-term debt	25.0	50.0
Weighted average shares outstanding (diluted)	99.8	99.0

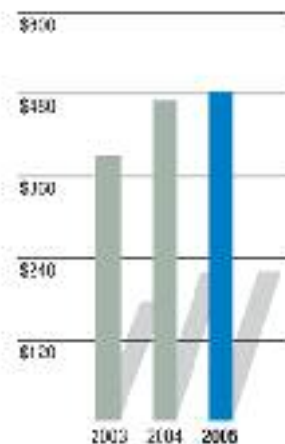
Backlog
in millions



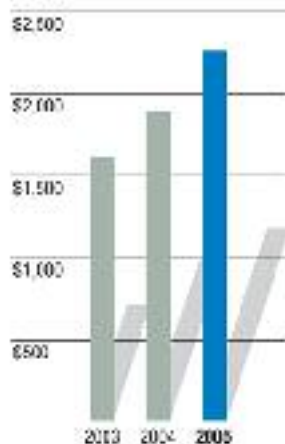
Total Assets
in millions



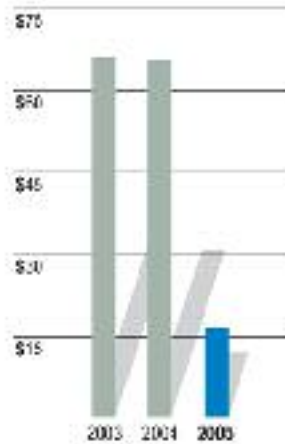
Shareholder's Equity
in millions



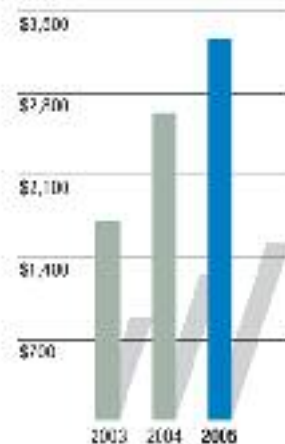
Revenue
in millions



Net Income
in millions



New Business Taken
in millions



To Our Shareholders and Employees



Philip K. Asherman
President and
Chief Executive Officer

Jerry H. Ballengee
Chairman

We are pleased to report to our shareholders that our company is well positioned to achieve a level of growth that is consistent with the opportunities provided by a robust global energy market; a strong and supportive customer base; dedicated and loyal employees; and a financially solid business model.

Today's hydrocarbon industry, which represents approximately 90% of CB&I's current revenue, is experiencing an unprecedented upturn in capital spending, driven by rapidly escalating energy demand around the world. Projects resulting from the need to boost energy supplies to meet this demand are increasing in every sector of the oil and gas industry globally.

In addition, market fundamentals for LNG remain strong as a result of the ongoing push for cleaner energy sources and the decline of natural gas production in many western nations. Refineries around the world continue to upgrade their facilities to meet environmental regulations for air quality. The market for various clean fuels solutions for diesel and, outside the United States, for gasoline remains strong. The emerging market for renewable energy sources for both power generation and transportation fuels is

gaining strength, driven by sustained high oil and gas prices that have resulted from the supply/demand disparity as demand continues to rise.

CB&I is extremely well positioned to benefit from the surge in capital spending in markets for both traditional and alternative fuels. The company's longstanding experience in cryogenic facilities, coupled with our expertise in process control systems design, has helped us win a number of turnkey awards for complete LNG import terminals. On the supply side, we have been responsible for the mechanical erection of some of the world's largest LNG production trains. LNG projects will be a major contributor to CB&I's revenue stream and will provide new business opportunities for the foreseeable future.

The client relationships and track record of accomplishment we have established in clean fuels projects are paving the way for future refinery work. In

addition to clean fuels projects, refineries are expanding their capacity so they can meet higher demand, and they are upgrading their facilities to process heavier grades of crude oil. CB&I, with specialized equipment and proven technical expertise in the design and construction of the heavy wall vessels needed for heavy crude conversion, is uniquely positioned to win many of these projects, such as hydrocrackers and coke drums. CB&I is also a leader in the design and supply of hydrogen production facilities. A reliable supply of hydrogen is important for many heavy crude conversion technologies. In addition, hydrogen can also serve as a potential component of clean energy well into the future.

Our capabilities across the entire hydrocarbon value chain — combined with our global footprint of engineering and construction resources — position us well in other expanding segments of the oil and gas industry worldwide. We see opportunities in offshore production that fit well with the specialized expertise of our London office. Natural gas processing is experiencing strong growth in regions where producers are seeking to develop unconventional reserves. As long as crude prices remain high, we expect continued growth in oil sands development in Canada, a market in which CB&I has been involved since its inception. The added technologies obtained from our recent acquisitions, integrated with our legacy capabilities, enable CB&I to capitalize on the strengths of the combined organization to pursue energy opportunities around the world.

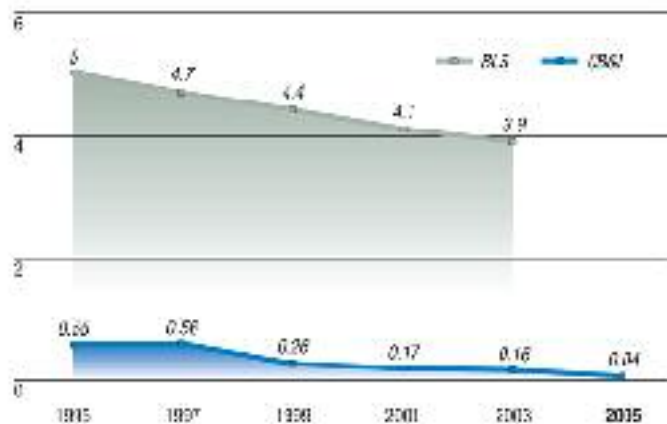
Continuing evidence of this strategy in action can be seen in the company's 2005 awards, including LNG terminals in China and Europe, hydrocrackers and hydrogen plants in the United States, gas processing facilities in Central and South America, and

terminals in the Middle East. We plan to continue to implement this strategy, while also making sure that a long-term plan is in place to achieve sustained profitability regardless of conditions in our end markets.

Safety

At CB&I, protecting the environment and the health of our employees, customers, subcontractors and the public in the areas where we work and live is a key component of our culture. Every employee across the

Lost Workday Cases Worldwide



The Lost Workday Cases Incidence Rate measures the number of cases per 100 employees resulting in days away from work and/or days of restricted work activity. CB&I's record is 80 times better than the construction industry norm.

organization is responsible for using safe work practices in their job every day, and it is their commitment to do so that has helped us achieve a record of exemplary safety performance year after year. As a company, we strive to do the right things for the right reasons, embracing all health, safety and environmental (HSE) regulations and educating our employees through extensive and ongoing training programs.

In 2005, our worldwide construction operations reported a lost workday case incidence rate of 0.04, more than 80 times better than the construction industry

norm of 3.6 reported by the U.S. Bureau of Labor Statistics in 2004. Maintaining a leadership role in safety performance is an ongoing company priority, and working safely is an integral part of our corporate culture.

Financial Results

In October 2005, prior to release of the results for the third quarter of 2005, the Audit Committee of the Supervisory Board of CB&I received a memo from a senior member of its accounting department which raised concerns about certain accounting issues with respect to draft financial results for the quarter. These issues included questions associated with claim recognition on two projects and the assessment of costs to complete two projects. The Audit Committee of the Supervisory Board of CB&I, composed of independent outside directors, promptly initiated an independent inquiry with respect to these matters and engaged legal counsel and accounting advisors to assist in that inquiry.

The Audit Committee has completed its inquiry, which primarily focused on the circumstances surrounding the preparation of draft results for the third

quarter of 2005 and also touched on certain matters related to prior periods. Concurrently, the Company undertook a review of various aspects of its financial reporting. As a result, the Company, working with its outside auditors, has implemented or will implement enhancements to the Company's internal controls over financial reporting which are designed to address two material weaknesses and add additional rigor to internal controls.

Earnings performance in 2005 was disappointing and certainly below our expectations. Nonetheless, CB&I set records in 2005 in several key areas:

- Revenue approached \$2.3 billion;
- New project awards totaled \$3.3 billion, a 25% increase from the previous year; and
- The Company entered 2006 with a backlog of \$3.2 billion, an increase of 37% from the beginning of 2005.

We generated strong cash flow from operations and ended 2005 with more than \$330 million of cash on hand, with long-term debt of \$25 million and a debt to equity ratio of about 0.10.

We want to assure you that the future is promising. Demand in our end markets is robust, we have a great team of employees worldwide, and our lump-sum turnkey business model continues to be our customers' contracting method of choice. The company's goals have not changed: work safely, delight our customers, treat our people fairly, and produce strong financial results.



Jerry H. Ballengee
Chairman



Philip K. Asherman
President and Chief Executive Officer

CB&I at a Glance

Production

Oil & Gas

- Platform Topsides
- Subsea Production Systems
- Offshore Substructures
- Floating Production Storage and Offloading
- Semi-Submersible/ Tension-Leg Platforms
- In-field Flow/Gathering Lines
- Slug Catchers
- Dew Point Control Plants
- LPG Recovery Plants
- Nitrogen Rejection/Helium Recovery Units

Petrochemical & Chemical

- Hydrogen Plants
- Synthesis Gas Generation Plants

Power

- LNG Import Terminals
- Bulk Fuel Import Terminals
- Heat Recovery Steam Generators
- Gas Turbines
- Flue Gas Desulfurization
- Absorber Vessels

- Stacks/Chimney Liners
- Penstocks, Scroll Cases and Bifurcations
- Wind Turbines
- Nuclear Repairs and Modifications

Processing

Oil & Gas

- Process Plant Modularization
- Crude Stabilization
- Atmospheric/Vacuum Distillation
- Hydrotreating and Hydrodesulfurization
- Catalytic Reformers
- Isomerization Units
- Fluid Catalytic Cracking Units
- Continuous Catalyst Regenerators
- Light-ends Recovery Units
- Merox™ Units—Caustic Treaters
- Saturate/Unsaturate Gas Units
- Hydrogen Plants
- Amine Plants
- Steam Methane Reformers

- Synthesis Gas Generation Plants
- Gas-To-Liquids Plants
- Gas Liquefaction for Peak Shavers
- Slug Catchers
- Liquids Stabilization Plants
- Gas Sweetening Units/Acid Gas Removal
- Sour Water Stripping Units
- Resulf™ Tail Gas Treating Units
- Oxygen Enhanced Claus Plants
- Asphalt Plants
- Coke Drums
- Field-Erected Pressure Vessels
- Turnarounds
- Sonozaire® Odor Neutralizers

Petrochemical & Chemical

- Process Plant Modularization
- Hydrogen Plants
- Synthesis Gas Generation Plants

Water & Wastewater

- ClariCone™ Clarifiers/FiltraCone™ Treatment Plants
- ESD™ Egg-Shaped Digesters

Metals & Mining

- Process/Acid Tanks
- Precipitators
- Blast Furnaces
- Basic Oxygen Vessels

Storage

Oil & Gas

- LNG Import Terminals
- Export Terminals for LNG
- LPG Terminals
- Import/Export Terminals for Crude and Refined Products
- Pumping Stations
- LNG Peak Shaving Plants
- Flat-Bottom Tanks for Low Temperature and Cryogenic Storage

- Flat-Bottom Tanks for Ambient Temperature Storage
- Hortonsphere® Pressure Vessels

Petrochemical & Chemical

- Import/Export Terminals
- Pumping Stations
- Flat-Bottom Tanks for Low-Temperature and Cryogenic Storage
- Flat-Bottom Tanks for Ambient-Temperature Storage
- Hortonsphere® Pressure Vessels

Water & Wastewater

- Waterspheroid® Elevated Tanks
- Hydropillar™ Elevated Tanks
- Composite Elevated Tanks
- Standpipes and Reservoirs

Power

- LNG Storage
- Strata-Therm® Thermal Energy Storage

Metals & Mining

- Alumina Storage
- Acid/Caustic Storage

Distribution

Oil & Gas

- LNG Import Terminals
- Export Terminals for LNG/LPG
- LPG Terminals
- Import/Export Terminals for Crude and Refined Products

- Subsea/Cross-Country Pipelines
- Pumping Stations
- Compressor Stations
- Marine Jetties and Offshore Loading Systems
- Pipelines

Petrochemical & Chemical

- Import/Export Terminals
- Pipelines
- Pumping Stations
- Ship/Truck Loading and Unloading





LNG Import Terminal Expansion

CB&I recently completed an expansion project for El Paso Corporation at its import terminal in Georgia, one of the four existing LNG terminals in the mainland U.S. The project nearly doubled the size of the facility, adding 3.3 billion cubic feet equivalent of storage capacity and 540 million cubic feet per day of sendout capacity. The expansion also included new docking facilities that can accommodate two LNG vessels at once, as well as all related civil, mechanical and electrical works. El Paso has announced plans to double the terminal's size once again, with incremental service beginning in 2010.





LNG Import Terminal

In the United Kingdom, demand for natural gas is outpacing domestic supplies, prompting the development of terminals to import LNG. In late 2004 CB&I was awarded a lump-sum turnkey contract by South Hook LNG Terminal Company for what will be the world's largest LNG import terminal in Wales. The company has complete responsibility for the design and construction of the grassroots terminal, including a ship unloading system, five full-containment LNG storage tanks, a regasification and sendout system, and related marine works.



Hydrotreater

To help improve air quality, governmental agencies around the world have legislated new standards for lower sulfur content in gasoline and diesel. Many refiners are producing cleaner fuels by using hydrodesulfurization (or hydrotreating), a process that removes sulfur from feedstock by passing it over a fixed bed of catalyst in the presence of large amounts of hydrogen. Using its expertise in modular design and fabrication, CB&I built this 35,000 barrel per day hydrotreater at Valero Energy Corporation's Ohio refinery. The unit removes contaminants from gasoline grade feedstock to produce low sulfur gasoline.





North Sea Platform

The Buzzard field development, operated by Nexen Petroleum U.K. Limited and its co-venturers, is one of the largest North Sea crude oil projects in more than a decade and is scheduled to begin producing in late 2006. CB&I is responsible for the engineering design of the three platform topsides facilities: the production, utilities and wellhead decks, with a total weight of approximately 25,000 tonnes. Pictured is the production deck, weighing more than 10,000 tonnes, loaded out and ready to set sail from the fabrication yard in Spain where it was built.



Mineral Processing Plant

CB&I has decades of experience in the fabrication, construction and mechanical erection of complex plants for processing minerals such as alumina, copper, nickel and gold. In Australia, CB&I is working on an expansion project for Worsley Alumina at its plant in Collie, south of Perth. The company's scope of work includes the construction of three precipitator tanks (foreground), an elevated desilicator tank, and all related structural, mechanical and piping works for the project. CB&I has been consistently involved with Worsley at this location since 1982.





Hydrogen Plant

Growing demand for hydrogen is being driven by the need for refiners to comply with new environmental regulations for transportation fuels. Processes used to reduce the sulfur content in these fuels require large amounts of hydrogen. CB&I is building a 100 million standard cubic feet per day hydrogen plant for Air Liquide in Texas that will supply hydrogen for clean fuels applications and for petrochemical customers along the U.S. Gulf Coast. The new plant will be the largest of Air Liquide's global hydrogen producing assets.



Ammonia Storage Facility

Because it is rich in nitrogen, anhydrous ammonia is used as a fertilizer throughout the world. CB&I recently completed an ammonia storage facility for Vopak Shanghai Logistics Co., Ltd. at the Shanghai Chemical Industrial Park in China for which CB&I had complete turnkey responsibility. Work scope for the project included a 50,000 cubic meter double wall steel full containment tank, refrigeration and sendout system, related safety systems, loading arm, and a 1,500 meter pipeline from the jetty to the tank farm. CB&I previously built a butane storage facility for Vopak at the same location.





Floating Casino Vessel

The engineering and construction of unique, large-scale steel plate structures has been a CB&I specialty for more than 100 years. Since the mid-1990s, a niche market for the company has been the gaming industry, which has developed floating casino vessels as an alternative to land-based buildings. CB&I recently completed the fabrication and assembly of a casino boat for Boyd Gaming Corporation that is the largest U.S. Coast Guard approved gaming vessel in the United States. The Blue Chip Casino measures 208 feet in width and 364 feet in length, and contains 6,100 tons of steel.



Waste Water Treatment Plant

In response to rapid growth in the metro Atlanta area, the Gwinnett County Department of Public Utilities recently expanded its waste water treatment plant with the addition of three 1-million-gallon anaerobic Egg-Shaped Digesters (ESD™). CB&I was responsible for the turnkey design, supply and commissioning of the vessels, as well as the surrounding structural steel, circulating mixers, pumps and other related equipment. The new vessels incorporate CB&I's patented internal discharge system that reduces maintenance costs, maximizes operating reliability and minimizes odor emissions.





Supervisory Board



Jerry H. Ballengee
Non-Executive Chairman
CB&I
Chairman
Morris Material Handling Company



L. Richard Flury
Former Chief Executive Officer
Gas and Power
BP plc



J. Charles Jennett
President Emeritus
Texas A&M International
University



Vincent L. Kontny
Former Senior Executive Vice
President and Chief Operating Officer
Washington Group International, Inc.



Gary L. Neale
Chairman
NiSource, Inc.



L. Donald Simpson
Former Executive Vice President
Great Lakes Chemical Corporation



Marsha C. Williams
Executive Vice President and
Chief Financial Officer
Equity Office Properties Trust

Jerry H. Ballengee

Chairman
Morris Material Handling Company

Former President and Chief Operating Officer
Union Camp Corporation

*Non-Executive Chairman of the Supervisory Board
Nominating Committee Chairman
Audit Committee Member
Corporate Governance Committee Member*

L. Richard Flury

Former Chief Executive Officer
Gas and Power
BP plc

*Audit Committee Member
Corporate Governance Committee Member
Nominating Committee Member*

J. Charles Jennett

President Emeritus
Texas A&M International University

*Corporate Governance Committee Member
Nominating Committee Member
Organization and Compensation Committee
Member*

Vincent L. Kontny

Former Senior Executive Vice President and Chief
Operating Officer
Washington Group International, Inc.

Owner and CEO
Double Shoe Cattle Company

*Organization and Compensation Committee
Chairman
Audit Committee Member
Corporate Governance Committee Member*

Gary L. Neale

Chairman
NiSource, Inc.

*Corporate Governance Committee Chairman
Organization and Compensation Committee
Member*

L. Donald Simpson

Former Executive Vice President
Great Lakes Chemical Corporation

*Corporate Governance Committee Member
Organization and Compensation Committee
Member*

Marsha C. Williams

Executive Vice President and Chief Financial Officer
Equity Office Properties Trust

*Audit Committee Chairman
Corporate Governance Committee Member*

Executive Officers



Philip K. Asherman
President and Chief Executive
Officer



Ronald E. Blum
Executive Vice President –
Global Business Development



David P. Bordages
Vice President – Human Resources
and Administration



Walter G. Browning
Vice President, General Counsel
and Secretary



Richard E. Goodrich
Vice President and Acting Chief
Financial Officer

Operating Executives

Beth A. Bailey
Senior Vice President – Information Technology

Alan R. Black
Controller – Financial Operations

James E. Bollweg
President
CBI Services, Inc.

Cesar E. Canals
Group Vice President – Sales
Central & South America

David J. Cochrane
Group Vice President – Operations
Asia Pacific & Australia

Peter Han
Group Vice President – Sales
Asia Pacific & Australia

David L. King
Group Vice President – Operations
Europe, Africa & Middle East

Edgar C. Ray
Senior Vice President – Corporate Planning

John W. Redmon
Group Vice President – Risk Management

Tom C. Rhodes
Vice President and Corporate Controller

Ken L. Schmidt
Group Vice President – Operations
Central & South America

Luke V. Scorsone
Group Vice President – Operations
USA

Mark A. Stobart
Group Vice President – Sales
CBI Services, Inc.

W. Scott Wiseman
Group Vice President – Sales
USA

Michael F. Wolf
Group Vice President – Sales
Europe, Africa & Middle East

CB&I Facilities

Corporate Office

Hoofddorp
The Netherlands
Tel: +31 23 5685660

Worldwide Administrative Office

The Woodlands, Texas
USA
Tel: +1 832 513 1000

Principal Sales Offices – North America

United States

Beaumont, Texas
Tel: +1 409 981 6700

Dallas, Texas
Tel: +1 972 773 2100

Houston, Texas
Tel: +1 713 777 7771

Plainfield, Illinois
Tel: +1 815 439 6000

Tyler, Texas
Tel: +1 903 597 0311

The Woodlands, Texas
Tel: +1 832 513 1000

Canada

Calgary, Alberta
Tel: +1 403 264 1333

Principal Sales Offices – Central and South America

Caracas
Venezuela
Tel: +58 212 263 4011

The Woodlands, Texas
USA
Tel: +1 832 513 1400

Principal Sales Offices – Europe, Africa & Middle East

Europe

London
England
Tel: +44 20 7957 3388

Moscow
Russia
Tel: +7 495 775 36 40

Africa

Secunda
Republic of South Africa
Tel: +27 17 639 1303

Middle East

Dammam
Saudi Arabia
Tel: +966 3 833 0990

Doha
Qatar
Tel: +974 483 6715

Dubai
United Arab Emirates
Tel: +971 4 334 2111

Principal Sales Offices – Asia Pacific

Bangkok
Thailand
Tel: +66 2653 0575

Manila
Philippines
Tel: +63 2 886 0211

Perth, Western Australia
Australia
Tel: +61 8 9324 5555

Shanghai
Peoples Republic of China
Tel: +86 21 5396 6118

Tokyo
Japan
Tel: +81 33 224 3981

Corporate and Investor Information

Stock Listing

Chicago Bridge & Iron Company N.V. common stock is listed on the New York Stock Exchange under the ticker symbol "CBI".

New York Stock Transfer Agent

The Bank of New York
Tel: +1 800 524 4458 in USA
Tel: +1 610 382 7833 outside USA
Tel: +1 888 269 5221 Hearing Impaired — TDD Phone
E-mail: shareowners@bankofny.com
Web site: www.stockbny.com

Address Shareholder Inquiries to:
Shareholder Relations Department
P.O. Box 11258
Church Street Station
New York, NY 10286 USA

*Send Certificates for Transfer and
Address Changes to:*
Receive and Deliver Department
P.O. Box 11002
Church Street Station
New York, NY 10286 USA

Form 10-K and Corporate Governance Documents

A copy of Chicago Bridge & Iron Company N.V.'s Report on Form 10-K, filed with the Securities and Exchange Commission, is available by request from the Company. In addition, copies of corporate governance documents — including the Company's Code of Conduct, Corporate Governance Guidelines and Board Committee Charters — also are available by request. Please direct requests to:

Investor Relations Department
CB&I
One CB&I Plaza
2103 Research Forest Drive
The Woodlands, TX 77380 USA

Independent Registered Public Accounting Firm

Ernst & Young LLP
5 Houston Center
1401 McKinney, Suite 1200
Houston, TX 77010 USA

Web Site

Information about CB&I, including an archive of news releases, access to SEC filings and the Dutch Annual Accounts, and documents relating to corporate governance, is available from the Company's Web site at www.CBI.com.

Media Inquiries

Corporate Communications
Tel: +1 832 513 1111
E-mail: media-relations@CBI.com

Investor Inquiries

Investor Relations
Tel: +1 832 513 1245
E-mail: investor-relations@CBI.com



Chicago Bridge & Iron Company N.V.

Polarisavenue 31
2132 JH Hoofddorp
The Netherlands

www.CBI.com