

PREMUDA PRESS RELEASE:

THE BOARD APPROVES THE DRAFT BALANCE SHEET AT 31.12.2005

CONSOLIDATED GROUP RESULTS NET OF MINORITIES

Net Profit €mil 25,4 (€mil 24,8 in 2004)
Cash flow €mil 54,7 (€mil 59,9 in 2004)
Net Equity €mil 167,3 (€mil 150,8 in 2004)

CONSOLIDATED GROUP RESULTS GROSS OF MINORITIES

Net Profit €mil 27,5 (€mil 29,5 in 2004)
Cash flow €mil 56,8 (€mil 64,6 in 2004)
Net Equity €mil 176,5 (€mil 164,0 in 2004)

PREMUDA SPA RESULTS

Net Profit €mil 6,4 (€mil 13,2 in 2004)
Cash flow €mil 17,3 (against €mil 25,7 in 2004)
Net Equity €mil 126,1 (against €mil 127,8 in 2004)

DIVIDEND PROPOSED

Euro 0,06 for ordinary shares (12% of the par value)
Euro 0,07 for savings shares (14% of the par value)

The Board of "Premuda S.p.A." in meeting today has approved the draft balance sheet for the Financial Year 2005.

The Consolidated Balance Sheet for 2005 was drawn up according to IFRS international accounting principles of the International Accounting Standard Board and consequently the 2004 Balance Sheet has been suitably reclassified to allow for homogeneous comparisons.

The Balance Sheet of Premuda Spa was, on the contrary, prepared applying the national accounting principles, as utilized for the 2004 Balance Sheet.

At the end of 2005 the Fleet amounted to €mil 246,2 plus €mil 19,8 already advanced to Shipyards for new buildings in progress; at the end of the previous financial year these amounts were respectively equal to €mil 276,6 and €mil 27,2.

At the end of the year the commitments for new investments amounted to approximately €mil 87,1, spread over 12 months; as of today, the relative long term loans has already been organized.

The Group's financial position, at the end of 2005, evidences a total exposure of €mil 106,3 (€mil 157,5 at end 2004), net of liquid assets amounting to €mil 28,5. Compared with the previous Year, the net exposure is reduced by €mil 51,2 equal to 32,5%.

The 2005 result (net of minorities) is the best ever registered by the Group and is a continuation of the previous five years, all particularly remarkable. This has allowed for substantial improvement of the financial structure as well as for a solid reinforcement of the net equity: after the payment of €mil 25,6 as dividends, the net equity increased in the period by 86% (€mil 77,5 of which €mil 11,2 paid by Shareholders for Capital increases).

We point out that both Deloitte & Touche Spa and the Board of Auditors are in the process of completing their audit works.

The tables of Balance sheet, Profit and Loss and Financial Statement of Premuda S.p.A. (Italian) and the Consolidated ones (English) are attached.

The draft balance sheet will be made available in the next few days on the web site (www.premuda.net).

Proposed profit distribution:

The Board proposes distribution of a dividend of Euro 0,06 for the ordinary shares (equal to 12% of the par value) and of Euro 0,07 for the savings shares (equal to 14% of the par value), with payment date next May 5th.

The dividends proposed, nominally unchanged with respect to the previous Year, are applied to a larger number of shares, because of the bonus shares issued in 2005. The proposed dividend corresponds to 33% of the Group's consolidated net profit.

Shareholders' meeting

The Shareholders' meeting was convened for April 11, 2006 (second call April 12, 2006) with the following agenda:

1. Deliberations ex art. 2364 n. 1 c.c. (Balance Sheet approval);
2. Authorization to the Board ex art. 2357 c.c. (Sale and purchase of own shares);
3. Adjustment of compensation for the auditing company;
4. Ratification and approval of stock option plans.

The notice of convocation of Shareholders' meeting has been published:

- in the "Gazzetta Ufficiale" n. 56 dated March 8, 2006;
- in the "Il Sole 24 Ore" dated March 10, 2006.

Other News

In February, an agreement for the construction of two "Diamond 34" bulk-carrier units of 34.000 dwt in the Vietnamese shipyard *Pha Rung Shipyard* tpl was finalized, for planned delivery 2009. The ships are characterized by high technical specifications, 34 ton cranes and full double hull. The total investment is estimated at approximately US\$ 55 million.

Management developments – Financial Year 2006

With regard to the management of the owned fleet, both tankers and bulk carriers, no significant facts or situations occurred after the end of the 2005 financial year.

The freight rates, both for tanker and dry markets, appear oriented on levels considerably lower than those of 2005. However, the commercial coverage of the Fleet appears quite precautionary, considering that 2006 vessel employable operating time is already covered through satisfactory contracts as follows: 70% for the owned tankers, 40% for the owned bulk carriers and 90% for the chartered vessels.

As all revenues are denominated in Usd, their conversion in the data of the Balance Sheet (Euro) could be negatively influenced by the currency weakness, only partially compensated by the costs sustained in dollars (part of the crew costs, insurances, spares and stores, bunker, maintenance, luboils etc.) and by the interest on Usd denominated loans.

In summary, it is reasonable to envisage that - save unpredictable serious negative events – also the 2006 result should be very satisfactory.

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**PREMUDA GROUP
CONSOLIDATED BALANCE SHEET**

(Euro/000

ASSETS	31.12.2005	31.12.2004
FIXED ASSETS:		
Tangible fixed assets	267,491	305,387
<i>Vessels</i>	246,223	276,648
<i>Vessels under construction</i>	19,794	27,189
<i>Land and buildings</i>	954	1,008
<i>Other fixed assets</i>	520	542
Participations	5,815	3,215
<i>Associated companies</i>	5,811	2,207
<i>Other companies</i>	4	1,008
Other financial assets	12,435	4,239
<i>Loans</i>	12.378	4,146
<i>Other investments</i>	57	93
Anticipated taxation	230	2,035
TOTAL FIXED ASSETS	285,971	314,876
CURRENT ASSETS:		
Inventories	2,762	3,438
<i>Consumables</i>	2,188	1,756
<i>Voyages in progress</i>	574	1,682
Receivables	20,175	19,500
<i>Clients</i>	10,411	9,291
<i>Prepayments</i>	4,617	4,190
<i>Other receivables</i>	5,147	6,019
Financial current assets	-	8,516
Cash and cash equivalent	28,495	25,804
TOTAL CURRENT ASSETS	51,432	57,258
TOTAL ASSETS	337,403	372,134

**PREMUDA GROUP
CONSOLIDATED BALANCE SHEET**

(Euro/000)

LIABILITIES AND SHAREHOLDERS' EQUITY	31.12.2005	31.12.2004
SHAREHOLDERS' EQUITY		
Share capital	70,418	67,065
Reserve for premium on issued shares	-	281
Legal reserve	14,084	3,334
Other reserves	16,445	21,982
Retained profit	40,969	33,255
Profit for the year	25,376	24,847
GROUP SHAREHOLDERS' EQUITY	167,292	150,764
MINORITY INTEREST:		
Capital and reserves	7,062	8,581
Profit for the year	2,132	4,686
TOTAL SHAREHOLDERS' EQUITY	176,486	164,031
LONG-TERM LIABILITIES		
Bank loans	108,712	154,579
Provisions	681	2,079
Provision for staff leaves	1,555	1,623
Deferred taxation	-	440
TOTAL LONG-TERM LIABILITIES	110,948	158,721
CURRENT LIABILITIES		
Bank loans	25,289	26,892
Derivatives	841	1,833
Suppliers	10,353	7,432
Corporate tax	630	486
Accruals	7,267	6,210
Other debts	5,589	6,529
TOTAL CURRENT LIABILITIES	49,969	49,382
TOTAL LIABILITIES	160,917	208,103
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	337,403	372,134

**PREMUDA GROUP
CONSOLIDATED INCOME STATEMENT**

(Euro/000)

	<i>year 2005</i>	<i>year 2004</i>
Net revenue	150.958	161.915
Voyage costs	(6.160)	(13.085)
Time Charter revenues	144.798	148.830
Charter hire	(33.646)	(34.286)
Running costs	(39.431)	(42.910)
Fleet margin	71.721	71.634
Profit on vessel sales	8.564	9.114
Administrative expenses	(16.109)	(11.937)
Other income/(costs)	689	2.157
Depreciation	(29.299)	(35.075)
Operating profit	35.566	35.893
Financial items	(8.517)	(8.125)
Profit/(loss) from associated	2.666	1.950
Profit before tax	29.715	29.718
Tax on profit	(2.207)	(185)
Net profit	27.508	29.533
Minority interest	2.132	4.686
Group's net profit	25.376	24.847

**PREMUDA GROUP
CASH FLOW STATEMENT**

(Euro/000)

31.12.2005 31.12.2004

A NET CASH POSITION AT YEAR BEGINNING	(1,088)	(18,617)
B CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	27,508	29,533
Depreciation	29,299	35,075
Net change in other provisions	(1,398)	(4,644)
(Profit) /loss on assets disposal	(8,564)	(9,114)
(Profit) /impairment of associated companies	(2,666)	(1,950)
Net change in Staff's leave provision	(68)	67
Subtotal: Cash flow from operating activities before working capital changes	44,111	48,967
Change in receivables	7,841	3,092
Change in inventories	676	4,174
Change in suppliers and other current liabilities	2,190	(14,927)
Net change in deferred taxation	1,365	(196)
Total cash flow from operating activities	56,183	41,110
C CASH FLOW FROM INVESTING ACTIVITIES		
Investments in assets:		
- tangible	(33,512)	(37,764)
- financial	(1,250)	
Sale of tangible fixed assets	50,673	112,644
Sale of financial fixed assets	1,316	3,548
Total cash flow from investing activities	17,227	78,428
D CASH FLOW FROM FINANCING ACTIVITIES		
New loans		30,000
Repayment of bank loan	(45,867)	(100,328)
Repayment of bond		(29,553)
Net change in financial fixed assets	(8,196)	4,437
Dividends	(8,048)	(4,969)
Share capital increase		11,253
Change in minority interest	(6,205)	(9,597)
Other changes	(800)	(3,252)
Total cash flow from financing activities	(69,116)	(102,009)
E CASH FLOW OF THE PERIOD (B + C + D)	4,294	17,529
F NET CASH POSITION AT THE END OF THE PERIOD (A + E)	3,206	(1,088)

Premuda spa - Stato patrimoniale al 31 dicembre 2005 (Euro)

<i>attivo</i>	<u>al 31.12.2005</u>	<u>al 31.12.2004</u>
A) CREDITI VERSO SOCI PER VERSAMENTI ANCORA DOVUTI	<u>-</u>	<u>-</u>
B) IMMOBILIZZAZIONI		
I <i>Immobilizzazioni immateriali:</i>		
1) costi di impianto ed ampliamento	150.192	267.828
7) altre immobilizzazioni immateriali	<u>745.953</u>	<u>990.483</u>
Totale	896.145	1.258.311
II <i>Immobilizzazioni materiali:</i>		
1) fabbricati	953.970	1.007.930
3) flotta	153.456.749	163.550.593
4) altri beni	<u>445.927</u>	<u>454.685</u>
Totale	154.856.646	165.013.208
III <i>Immobilizzazioni finanziarie:</i>		
1) partecipazioni in:		
a) imprese controllate	55.754.170	55.754.170
b) imprese collegate	1.250.000	-
d) altre imprese	<u>3.796</u>	<u>1.007.729</u>
Totale	57.007.966	56.761.899
2) crediti verso:		
a) imprese controllate		
- esigibili entro esercizio successivo	10.000.000	31.530.000
b) imprese collegate		
- esigibili entro esercizio successivo	9.000.000	-
c) imprese controllanti		
- esigibili entro esercizio successivo	-	1.943.169
d) altri	<u>2.110</u>	<u>49.681</u>
Totale	19.002.110	33.522.850
3) altri titoli	<u>9.273.832</u>	<u>8.779.594</u>
Totale	85.283.908	99.064.343
TOTALE IMMOBILIZZAZIONI	<u>241.036.699</u>	<u>265.335.862</u>
C) ATTIVO CIRCOLANTE		
I <i>Rimanenze</i>		
1) materie prime, sussidiarie e di consumo	1.496.768	1.386.470
3) servizi in corso di esecuzione	<u>573.634</u>	<u>1.682.122</u>
Totale	2.070.402	3.068.592
II <i>Crediti</i>		
1) verso clienti	3.766.335	4.894.985
2) verso imprese controllate	62.907	256
4-Bis) crediti tributari	1.472.276	1.636.727
4-Ter) imposte anticipate	230.426	2.034.837
5) verso altri	<u>1.971.378</u>	<u>2.858.759</u>
Totale	7.503.322	11.425.564
III <i>Attività finanziarie che non costituiscono immobilizzazioni</i>	-	-
IV <i>Disponibilità liquide</i>		
1) depositi bancari	12.606.069	14.049.293
3) denaro e valori in cassa o in viaggio	<u>224.439</u>	<u>197.738</u>
Totale	12.830.508	14.247.031
TOTALE ATTIVO CIRCOLANTE	<u>22.404.232</u>	<u>28.741.187</u>
D) RATEI E RISCONTI		
- ratei attivi	3.873	7.150
- risconti attivi	<u>3.428.107</u>	<u>2.887.029</u>
Totale	3.431.980	2.894.179
TOTALE ATTIVO	<u>266.872.911</u>	<u>296.971.228</u>

passivo	<i>al 31.12.2005</i>	<i>al 31.12.2004</i>
A) PATRIMONIO NETTO		
I Capitale Sociale	70.418.225	67.064.976
II Riserve da sovrapprezzo delle azioni	-	281.284
III Riserve di rivalutazione	-	-
IV Riserva legale	14.083.650	3.334.297
V Riserva per azioni proprie in portafoglio	-	-
VI Riserve statutarie	-	-
VII Altre riserve	16.445.023	16.445.023
VIII Utili portati a nuovo	18.772.445	27.434.020
IX Utile dell'esercizio	<u>6.420.842</u>	<u>13.208.218</u>
Totale	<u><u>126.140.185</u></u>	<u><u>127.767.818</u></u>
B) FONDI PER RISCHI E ONERI		
2) per imposte	-	122.570
3) altri	<u>3.750.000</u>	<u>6.158.728</u>
Totale	<u><u>3.750.000</u></u>	<u><u>6.281.298</u></u>
C) TRATTAMENTO DI FINE RAPPORTO DI LAVORO SUBORDINATO		
	<u><u>1.278.788</u></u>	<u><u>1.419.611</u></u>
D) DEBITI		
4) debiti verso banche:		
- scadenti entro esercizio successivo	13.203.999	13.299.430
- scadenti oltre esercizio successivo	107.201.465	136.603.898
7) debiti verso fornitori	7.006.506	4.312.524
9) debiti verso imprese controllate	22.821	-
12) debiti tributari	283.858	223.835
13) debiti verso istituti di previdenza e di sicurezza sociale	231.096	189.975
14) altri debiti	<u>1.189.650</u>	<u>1.815.674</u>
Totale	<u><u>129.139.395</u></u>	<u><u>156.445.336</u></u>
E) RATEI E RISCONTI		
- ratei passivi	1.651.163	1.615.025
- risconti passivi	<u>4.913.380</u>	<u>3.442.140</u>
Totale	<u><u>6.564.543</u></u>	<u><u>5.057.165</u></u>
TOTALE PASSIVO	<u><u>266.872.911</u></u>	<u><u>296.971.228</u></u>
CONTI D'ORDINE		
Nostre fideiussioni rilasciate a favore di terzi nell'interesse di imprese controllate	<u>35.746.311</u>	<u>45.761.392</u>
	<u><u>35.746.311</u></u>	<u><u>45.761.392</u></u>

Premuda Spa - Conto Economico al 31 Dicembre 2005 (Euro)

	<u>esercizio 2005</u>		<u>esercizio 2004</u>	
A) VALORE DELLA PRODUZIONE				
1) ricavi delle vendite e delle prestazioni		91.859.433		103.569.036
3) variaz. dei servizi in corso di esecuzione		(1.108.488)		(2.025.814)
5) altri ricavi e proventi:				
- contributi in conto esercizio	31.648		74.718	
- altri	5.709.743	5.741.391	4.034.166	4.108.884
Totale valore della produzione		<u>96.492.336</u>		<u>105.652.106</u>
B) COSTI DELLA PRODUZIONE				
6) per materie prime, sussidiarie, di consumo		11.452.517		13.146.309
7) per servizi		38.340.792		40.797.497
8) per godimento di beni di terzi		2.967.313		3.598.988
9) per il personale:				
a) salari e stipendi	13.598.428		11.702.074	
b) oneri sociali	981.862		461.641	
c) trattamento di fine rapporto	358.810		375.584	
e) altri costi	682.895	15.621.995	306.197	12.845.496
10) ammortamenti e svalutazioni :				
a) ammort. immobilizzazioni immateriali	549.044		670.897	
b) ammort. immobilizzazioni materiali	10.317.035	10.866.079	11.855.480	12.526.377
11) variaz. riman. materie prime, sussid., di consumo		(110.298)		772.001
13) altri accantonamenti		3.300.000		2.000.000
14) oneri diversi di gestione		1.494.561		1.899.381
Totale costi della produzione		<u>(83.932.959)</u>		<u>(87.586.049)</u>
DIFFERENZA TRA VALORE E COSTI DELLA PRODUZIONE		<u>12.559.377</u>		<u>18.066.057</u>
C) PROVENTI E ONERI FINANZIARI				
15) proventi da partecipazioni:				
c) altri proventi da partecipazioni	203	203	-	-
16) altri proventi finanziari:				
a) da crediti iscritti nelle immobilizzazioni:				
- imprese controllate	704.875		1.149.691	
- imprese collegate	119.791		-	
- imprese controllanti	6.025		131.493	
b) da titoli iscritti nel circolante non partecip.	494.237		513.257	
c) proventi finanziari diversi	448.559	1.773.487	109.530	1.903.971
17) interessi ed altri oneri finanziari		5.903.381		7.600.949
17Bis) Utili / (perdite) su cambi		47.938		(414.804)
Totale proventi ed oneri finanziari		<u>(4.081.753)</u>		<u>(6.111.782)</u>
D) RETTIFICHE DI VALORE DI ATTIVITA' FINANZIARIE		-		-
E) PROVENTI E ONERI STRAORDINARI				
20) Proventi		104.137		1.492.794
21) Oneri		79.078		43.248
Totale proventi e oneri straordinari		<u>25.059</u>		<u>1.449.546</u>
RISULTATO PRIMA DELLE IMPOSTE		<u>8.502.683</u>		<u>13.403.821</u>
22) imposte sul reddito dell'esercizio				
a) imposte correnti	400.000		500.000	
b) imposte differite	(122.570)		(461.958)	
c) imposte anticipate	1.804.411	2.081.841	157.561	195.603
26) UTILE DELL'ESERCIZIO		<u>6.420.842</u>		<u>13.208.218</u>

Premuda Spa – rendiconto finanziario

	<u>2005</u> (€/000)	<u>2004</u> (€/000)
fonti di finanziamento		
utile di esercizio	6.421	13.208
ammortamenti	10.866	12.527
accantonamenti per trattamento fine rapporto	359	376
altri accantonamenti	<u>3.300</u>	<u>2.458</u>
capitale circolante netto generato dalla gestione reddituale	20.946	28.569
valore netto cespiti alienati	1	-
cessione partecipazioni	1.004	-
effetti fusione Premuda Tankers	-	95.122
aumento di capitale	-	11.254
assunzione nuovi finanziamenti	-	<u>30.000</u>
	<u>21.951</u>	<u>164.945</u>
impiego fondi		
incremento delle immobilizzazioni finanziarie	(12.776)	95
incremento delle immobilizzazioni materiali	162	166
incremento delle immobilizzazioni immateriali	187	830
utilizzo del fondo trattamento fine rapporto	500	321
utilizzo del fondo imposte differite	123	-
utilizzo altri fondi	5.709	773
trasferimento da debiti a lungo termine a debiti a breve	9.204	2.279
rimborso finanziamenti	20.198	30.000
effetti fusione Premuda Tankers	-	131.001
attribuzioni di utili agli Azionisti	<u>8.048</u>	<u>4.968</u>
	<u>31.355</u>	<u>170.433</u>
aumento (diminuzione) del capitale circolante netto	<u>(9.404)</u>	<u>(5.488)</u>

determinato da:

	<u>2005</u>	<u>2004</u>
	(€/000)	(€/000)
attività a breve		
rimanenze	(998)	1.420
crediti verso clienti	(1.129)	(87)
crediti verso imprese controllate e collegate	62	(10.405)
crediti verso imprese controllanti	-	(325)
crediti verso altri	(2.856)	2.803
attività finanziarie e disponibilità liquide	(1.416)	5.326
ratei e risconti attivi	<u>538</u>	<u>365</u>
	<u>(5.799)</u>	<u>(903)</u>
passività a breve		
debiti verso banche	4.000	(10.085)
parte corrente dei finanziamenti		
a medio/lungo termine	(4.095)	11.019
debiti verso fornitori	2.694	(172)
debiti verso imprese controllate e collegate	23	(2)
debiti tributari	60	84
debiti verso istituti di previdenza		
e di sicurezza sociale	41	135
altri debiti	(626)	569
ratei e risconti passivi	<u>1.508</u>	<u>3.037</u>
	<u>3.605</u>	<u>4.585</u>
aumento (diminuzione)		
del capitale circolante netto	<u>(9.404)</u>	<u>(5.488)</u>