PRESS RELEASE

BOURBON
Building together a sea of trust

Paris, March 16, 2011

Annual Results 2010

Despite challenging conditions, the resilience shown by a 2010 EBITDA of 240.9 million euros, validates the pertinence of BOURBON's strategy

Net income, group share of 39.2 million euros

"The 2010 results obtained, despite an unusually sluggish market, illustrate the merits of a strategy aimed at meeting client needs in terms of safety, reliability and lower costs through continuous investments in innovative and high-performance vessels" **says Jacques de Chateauvieux, Chairman of the BOURBON Board of Directors.** *"This year BOURBON showed its ability to resist in a market downturn and will deliver its full potential with the implementation of BOURBON 2015 Leadership Strategy plan."*

"The conditions for the success of the plan are now met," **stresses Christian Lefèvre, Chief Executive Officer of BOURBON.** *"Cash from the 500 million euros disposal plan is already available. The vessels ordered are benefiting from experience acquired in operating the previous series, and the crews can rely on a structure and procedures that meet the needs of clients. The resumption of investments announced by the oil companies and confirmed by the utilization rates of the first two months of the year is creating an environment conducive to a gradual improvement in performance and results."*

In millions of euros	**H2 2010**	H1 2010 Proforma*	***Change***	H2 2009 Proforma*	**2010**	2009 Proforma*	***Change***
Revenues	**443.6**	406.4	***+9.2%***	**404.8**	**849.9**	812.8	***+4.6%***
Gross operating income excluding capital gains	**118.2**	121.9	*-3.0%*	146.4	**240.1**	297.5	*-19.3%*
Capital gains	**0.9**	0.0		0.2	**0.9**	1.2	
Gross operating income (EBITDA)	**119.1**	121.9	*-2.3%*	**146.6**	**240.9**	298.7	***-19.3%***
Operating income (EBIT)	**17.6**	35.9	***-51%***	**80.0**	**53.5**	176.5	***-69.7%***
Net financial income/(loss)	**(38.0)**	5.5		(13.0)	**(32.4)**	(34.3)	
Income tax	**(4.9)**	(10.1)	*-52.0%*	(3.3)	**(15.0)**	(8.7)	*+73.5%*
Net income from discontinued operations	**21.2**	10.4	*+103.5%*	17.4	**31.6**	38.0	
Minority interests	**(2.1)**	0.7		8.0	**(1.4)**	16.2	
Net income/loss, group share	**(1.8)**	41.0	***-104.5%***	**73.1**	**39.2**	155.4	***-74.8%***

**financial items restated in accordance with the new "BOURBON scope" (cf p5)*

Revenues in 2010 came to 849.9 million euros, up 4.6% from the previous year. During the year, both Marine Services and Subsea Services grew, while external charters (now presented under “Other”) practically disappeared.
From one half year to the next in 2010, revenues grew 9.2% thanks to two activities: Marine Services (up 9.5%) and Subsea Services (up 20.4%), while the decline in external charters is responsible for a 28% loss in “other” revenues.
Compared with the second half of 2009, revenues in the second half of 2010 were up 9.6% to 443.6 million euros. This increase in a sluggish market reflects the growth of the fleet and the sharp decrease of charters.

Gross operating income (EBITDA) in 2010 stood at 240.9 million euros, down 19.3% from the previous year, despite an overall increase in revenues driven by Subsea Services, which only partly offsets the effect of market conditions on the performance of Marine Services.
From one half year to the next in 2010, the dip in EBITDA was limited to 2.3%.
In the second half of 2010, owing to a sluggish market, and despite the increase of the number of vessels in the fleet, EBITDA fell by 18.8% from the second half of 2009, to 119.1 million euros.

Operating income fell by 69.7% in 2010 compared with the previous year to 53.5 million euros. Depreciation in 2010 increased by 51 million euros, related mainly to the increase in the number of vessels in the fleet. Provisions increased mainly due to 11 million euros non-recurring provisions in Nigeria and Brazil.
Compared with the second half of 2009, the 78% drop in operating income at 17.6 million euros is also due to depreciation, which increased by 29.2 million in the second half of 2010 and to higher provisions.

The Financial income/loss in 2010 is comparable to the previous year at -32.4 million euros.
It reflects two contrasting changes:

- An increase in the cost of financial debt of 21.8 million euros due to the increase in average debt and the reduction of the portion of capitalized interests related to installments paid on vessels under construction;
- A favorable change of 18.9 million euros in unrealized earnings from financial instruments.

In the second half of 2010, the financial loss amounted to -38 million euros i.e. an additional loss of 25 million euros compared with the second half of 2009 owing to an increase in the cost of debt and the erosion in unrealized foreign exchange gains.

The activities sold in 2010 yielded a profit of 31.6 million euros.

Net income, group share was positive at 39.2 million euros, down 74.8% from the previous year.

▪ MARINE SERVICES

Revenues in 2010 amounted to 660.3 million euros, up 9.2% from 2009. The impact of the strong growth of the fleet (58 new vessels) was attenuated by the downturn in market conditions. The vessel utilization rate remained high at 79.5% compared with 83% in 2009.
In the second half of 2010, revenues rose by 9.5% compared with the first half of 2010, owing mainly to the growth of the fleet (up 8%).
Compared with the second half of 2009, the average utilization rate in the second half of 2010 remained steady at 81% compared with 89%.

Compared with the previous year, **EBITDA** in 2010 fell by 24.4% to 182.9 million euros because of market conditions and the increase in costs due mainly to the repositioning of more vessels at the end of their contract.
Compared with the first half of 2010, EBITDA in the second half of 2010 dipped by 9%.

Results Marine Services

	2010	2009 proforma*	*Change*
Number of vessels (end of period)	**390**	343	***+13.7%***
Utilization rate	**79.5%**	83.0%	***-3.5 pts***

In millions of euros	2010	2009 proforma*	*Change*
Revenues	**660.3**	604.9	***+9.2%***
Gross operating income excluding capital gains	**182.1**	240.4	***-24.3%***
Capital gains	0.9	1.7	
Gross operating income (EBITDA)	**182.9**	242.1	***-24.4%***
% of revenues	**27.7%**	**40.0%**	-

**financial items restated in accordance with the new BOURBON scope (cf p5)*

Results by segment

	2010			
	Deepwater	**Shallow water**	**Crewboats**	**TOTAL**
Number of vessels (end of period)	69	78	243	390
Utilization rate	90.3%	73.2%	78.2%	79.5%

	2010			
In millions of euros	**Deepwater**	**Shallow water**	**Crewboats**	**TOTAL**
Revenues	**308.7**	**151.7**	**199.9**	**660.3**
Direct costs	(166.5)	(107.7)	(132.3)	(406.6)
General and administrative costs	(33.5)	(16.5)	(21.7)	(71.7)
Gross operating income (EBITDA) excluding capital gains	**108.6**	**27.5**	**45.9**	**182.1**
% of revenues	***35.2%***	***18.1%***	***23.0%***	***27.6%***

- ### Deepwater offshore vessels

In the year 2010, revenues from Deepwater Offshore vessels came to 308.7 million euros, accounting for 46.7% of the total earned by Marine Services.
In accordance with the strategy which took into account the risks of overcapacity in this segment, only two new vessels were added to the fleet in 2010.
The utilization rate remained high at 90.3% compared with 93.1% in 2009, thanks to the high rate of long-term contracting.
EBITDA excluding capital gains reached 108.6 million euros, or 59.6% of EBITDA excluding capital gains of Marine Services, in line with the high degree of capital intensity of the Deepwater segment.

- ### Shallow water offshore vessels

In the year 2010, revenues from shallow water offshore vessels amounted to 151.7 million euros and accounted for 23% of total Marine Services revenues. During the year, BOURBON vigorously continued its replacement strategy by bringing into the market 26 new Bourbon Liberty vessels, raising to 58 the number of Bourbon Liberty vessels in the fleet at year-end. The time it took to introduce these new vessels and the administrative problems encountered in Brazil (all of which have been solved since then) had a negative effect on the utilization rate, which, however, still reached 73% compared with 84% in 2009.
EBITDA excluding capital gains came to 27.5 million euros, accounting for 15.1% of EBITDA excluding capital gains of Marine Services activity.

- **Crewboats**

In the year 2010, revenues from Crewboats totaled 199.9 million euros, or 30.3% of revenues from Marine Services activity. During the year, 30 new crewboats were commissioned, and 10 old vessels were either sold or destroyed. The utilization rate came to 78.2% compared with 79.1% in 2009.
EBITDA excluding capital gains was 45.9 million euros, or 25.2% of EBITDA excluding capital gains of Marine Services activity.

▪ SUBSEA SERVICES

	2010	2009 proforma*	*Change*
Number of vessels (end of period)	**17**	14	***+21.4%***
Utilization rate	**88.5%**	88.1%	***+0.4 pts***

In millions of euros	2010	2009 proforma*	*Change*
Revenues	**149.6**	127.3	***+17.5%***
Gross operating income excluding capital gains	**52.8**	48.8	***+8.2%***
Capital gains	-	(0.1)	
Gross operating income (EBITDA)	**52.8**	48.7	***+8.3%***
% of revenues	***35.3%***	***38.2%***	-

**financial items restated in accordance with the new BOURBON scope (cf p5)*

2010 revenues from Subsea Services amounted to 149.6 million euros, up 17.5% compared with the previous year. This reflects the growth of the fleet (arrival of 3 new IMR vessels and 3 ROV). It also reflects the fact that a high utilization rate was maintained (88.5% compared with 88.1% during the previous year) and that performance was improved through the renewal of contracts with higher rates and expanded services.

Compared with the first half of 2010, the average utilization rate of IMR vessels in the second half of 2010 rose by 5.9 points. During the same period, revenues rose by 20.4% because of the growth of the fleet and the renewal of some contracts under favorable conditions.

Compared with the second half of 2009, the average utilization rate of the IMR vessels rose by 1.6 points in the second half of 2010 to 91.3%.

2010 EBITDA rose 8.3% to 52.8 million euros owing to the growth of the fleet and to improved performance. Compared to the first half of 2010, EBITDA rose 12.5% in the second half of 2010.

▪ OTHER

In millions of euros	2010	2009 proforma*	*Change*
Revenues	**40.0**	80.6	***-50.4%***
Gross operating income excluding capital gains	**5.2**	8.3	***-37.1%***
Capital gains	-	(0.4)	
Gross operating income (EBITDA)	**5.2**	7.9	***-33.6%***
% of revenues	**13.1%**	**9.8%**	-

**financial items restated in accordance with the new BOURBON scope (cf p5)*

"Other" mainly includes the activity of the cement carrier Endeavor, offshore vessels chartered externally and items not allocated to the other two activities.

In the year 2010, with the arrival of a number of new vessels in the offshore fleet in a sluggish market, the use of external charters declined considerably. This resulted in a 50.4% decline in "Other" revenues to 40 million euros and in a 33.6% reduction of EBITDA to 5.2 million euros.

▪ OUTLOOK

The market is still expecting oil prices to remain high, creating a favorable environment for investments in the sector. The announcement by the oil companies of an increase in their investments (up 11% in Exploration & Production) has just confirmed this trend in 2011.
For offshore services vessels, BOURBON has seen increasing demand from clients in terms of safety and efficiency of operations, reinforcing their preference for more modern fleets over older vessels, especially in shallow water offshore.
In this context, the demand for vessels is expected to grow, and old vessels will be replaced more rapidly, gradually absorbing the overcapacity.
As a result, the average utilization rate for the BOURBON fleet is expected to continue to improve steadily as already noted in January and February 2011, prior to an increase in dayrates.

▪ DECISIONS BY THE BOARD

As the Board of Directors is confident in the medium and long-term outlook, it will propose to the June 1, 2011 combined Annual and Special Shareholders' meeting the payment of a dividend of 0.90 euro per share.
As in 2009, it will also propose to grant one bonus share for every ten shares held.

▪ ADDITIONAL INFORMATION

The 2010 financial statements were closed by the Board of Directors on March 14, 2011.
The auditing procedures have been completed and the audit report relating to certification is in the process of being issued.

BOURBON SCOPE
Following the disposals made during the year and in accordance with IFRS, the financial items concerning the Bulk Division and the sugar activity in Vietnam have been reclassified as "income from discontinued operations/operations held for sale."
To reflect this refocus on offshore oil and gas marine services, the Group's results is henceforth segmented and analyzed in "Marine Services", "Subsea Services" and "Other", with the latter including offshore vessels chartered externally and the cement carrier Endeavor.
"Marine Services" is now broken down into – "Deepwater offshore vessels," Shallow water offshore vessels" and "Crewboats."
Figures for the first three quarters of 2010 and for 2009 have been restated accordingly.

▪ FINANCIAL CALENDAR

- 1st quarter 2011 financial information	May 11, 2011
- Combined Annual and Special Shareholders' Meeting	June 1, 2011
- 2nd quarter and 1st half 2011 financial information	August 10, 2011
- Presentation of 1st half 2011 results	August 31, 2011

APPENDIX I

Simplified balance sheet

In millions of euros	12.31.2010	12.31.2009		12.31.2010	12.31.2009
			Shareholder's equity	1,468	1,487
Net properties and equipment	3,077	3,096	Financial debt > 1 year	1,504	1,449
Other non-current assets	80	78	Other long-term liabilities	96	64
TOTAL NON-CURRENT ASSETS	3,158	3,174	TOTAL NON-CURRENT LIABILITIES	1,600	1,513
Other current assets	423	435	Financial debt < 1 year	472	453
Cash and cash equivalents	210	153	Other current liabilities	266	309
TOTAL CURRENT ASSETS	633	588	TOTAL CURRENT LIABILITIES	738	762
Current assets held for sale	15	-	Non-current liabilities held for sale	0	-
TOTAL ASSETS	**3,805**	**3,762**	**TOTAL LIABILITIES**	**3,805**	**3,762**

APPENDIX II

Consolidated Cash Flow Statement

In millions of euros	2010		2009	
Consolidated net income	**37.8**		**171.6**	
Cash flow	**236.6**		**311.2**	
Net cash flow from operating activities (*)		**247.6**		**356.7**
Net cash flow consumed by investing activities (*)		**(131.5)**		**(681.1)**
Including acquisition of tangible and intangible assets	(635.9)		(734.0)	
Including disposal of tangible and intangible assets	473.3		42.7	
Net cash flow from financing activities (*)		**(107.8)**		**232.4**
Including increase (decrease) in borrowings	(2.5)		324.5	
Including dividends paid to shareholders of the group	(52.9)		(47.9)	
Including net financial interest paid	(56.5)		(32.7)	
Effect of the change in exchange rates		**(0.5)**		**(1.5)**
Net cash increase (decrease) (*)		**7.8**		**(93.5)**
Net cash at beginning of period	(68.9)		24.7	
Net cash at end of period	(61.1)		(68.9)	
Net cash increase (decrease) (*)		**7.8**		**(93,5)**

(*) *including discontinued operations*

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About BOURBON

With 8,350 professionals and a fleet of 408 owned vessels and 88 units on order, BOURBON is currently present in more than 35 countries.

BOURBON offers a broad range of deepwater and continental offshore oil and gas marine services. Under the new "BOURBON 2015 Leadership Strategy" plan, the company will invest US$ 2 billion to offer its most demanding oil and gas clients a large fleet of 600 innovative and high performance vessels. It will guarantee the highest standard of quality service worldwide, under completely safe conditions.
BOURBON also protects the French coastline for the French Navy.

Classified by ICB (Industry Classification Benchmark) in the "Oil Services" sector, BOURBON is listed for trading on Euronext Paris, Compartment A, and is included in the Deferred Settlement Service SRD and in the SBF 120, CAC Mid 60 and Dow Jones Stoxx 600 indices.

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The financial data related to the annual 2010 results includes this press release as well as the presentation of the press conference available on the group's website.

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