BOURBON IN CHALLENGING OIL OFFSHORE MARKETS

THE 8 RESILIENCE FACTORS

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Introduction

Over the last few months, the oil price went down by more than 50% starting what seems to be a new down cycle in the oil market. This has already impacted oil companies' investment strategies, and the consequences on the different oil services industries have already led to vigorous action plans.

This down cycle, as others before it, will lead to delays in existing exploration and development projects as well as cost reductions in fields under production in the offshore sector.

A combination of future increase in oil and gas demand, as the world economy benefits from a transfer of almost 1,500 BUSD yearly from oil producers to the man in the street consumer, and the impact of depletion rate of existing production facilities will ultimately build into a new phase of oil production expansion to balance increase in demand and reduction of supply.

Besides having demonstrated its agility in action, to face the challenge of this down cycle, BOURBON benefits from its operational performance, past investment strategy and from the positive impact of the Asset Smart action plan on its overall level of debt.

BOURBON's resilience in this challenging environment will strengthen its capacity, going forward, to remain the preferred safe supplier for demanding customers and its financial strength will back the dividend policy outlined by the main shareholders during their takeover of the company mid-2014.

The factors of BOURBON's resilience

BOURBON's resilience relies first on <u>operational factors</u>: safety performance, balanced revenues among offshore marine services segments, customer diversification and better utilization rate than its peers due to its unique innovative and young fleet.

It also benefits from <u>financial factors</u>: generation of free cash flows, sharp reduction of net debt, commitment to maintain conservative financial structure in the coming years and positive impact of a stronger US dollar and low interest rate.

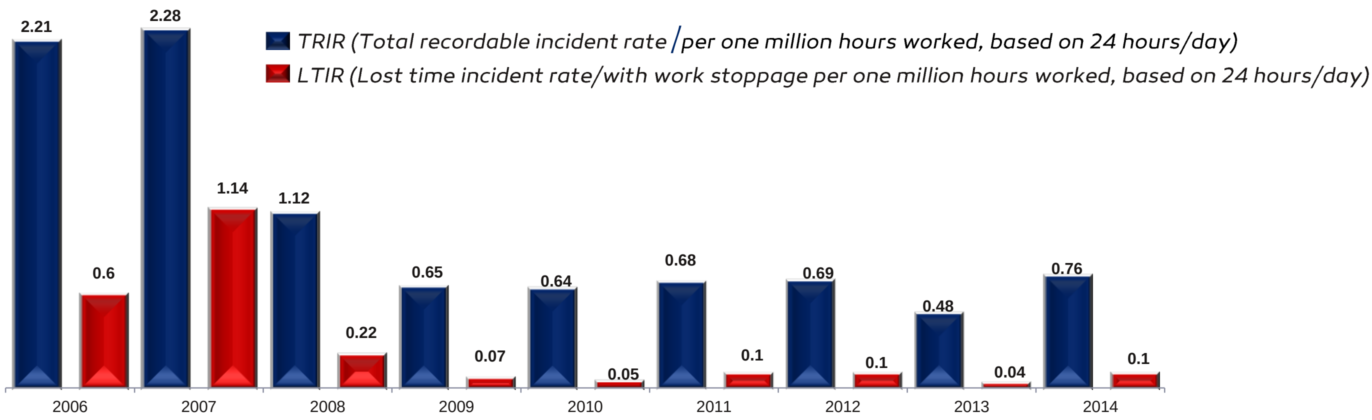
BOURBON'S RESILIENCE: operational factors

The strength of BOURBON today is the consequence of the daily work of its crews and onshore personnel with increased competencies and strong commitment to delivering outstanding safety performance. With better designed, cost effective and reliable vessels, BOURBON has constantly achieved better utilization rates throughout the market cycles. BOURBON revenues resilience is also a consequence of the balanced shares of revenues derived from each market segment following the focus on shallow waters and subsea activities since 2007. Above all, BOURBON has become one of the preferred suppliers of offshore marine services to demanding customers, thus benefiting from the positive impact of customer diversification in a challenging market.

1. Crew competencies and safety performance

Safety, the single most important performance indicator for oil companies and contractors is the result of a combination of factors among which crew competencies and strong commitment are the most important. Between 2006/2007 and now, the improvement of BOURBON's rating for safety is impressive and fully recognized by customers:

BOURBON SAFETY PERFORMANCE

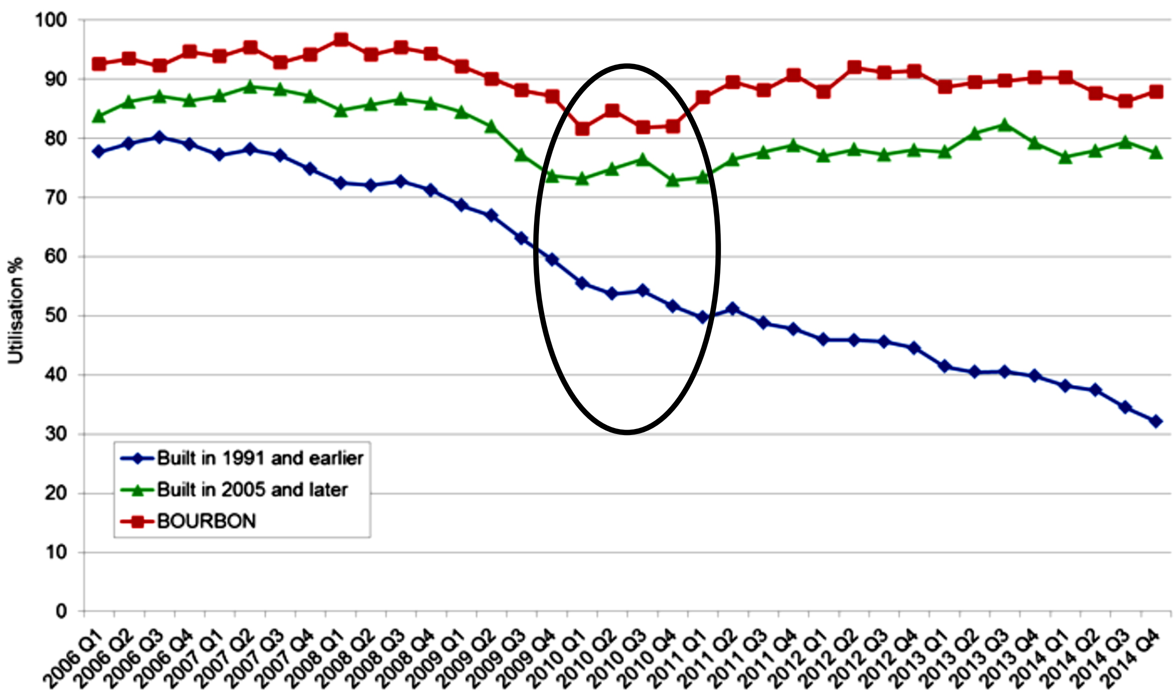


In challenging times, a customer's first choice will be the best performing suppliers, all being equal, and this will translate into above average utilization rates.

2. Fleet structure and utilization rate

Over the last 12 years, BOURBON has invested into innovative new vessels built in series in low cost country shipyards. Diesel electric propulsion and dynamic positioning contribute to customers savings. Industrial maintenance of series built vessels translates into high reliability performances and therefore costs reductions for BOURBON's clients.
The consequence is a consistently higher than peers utilization rate throughout the cycle.

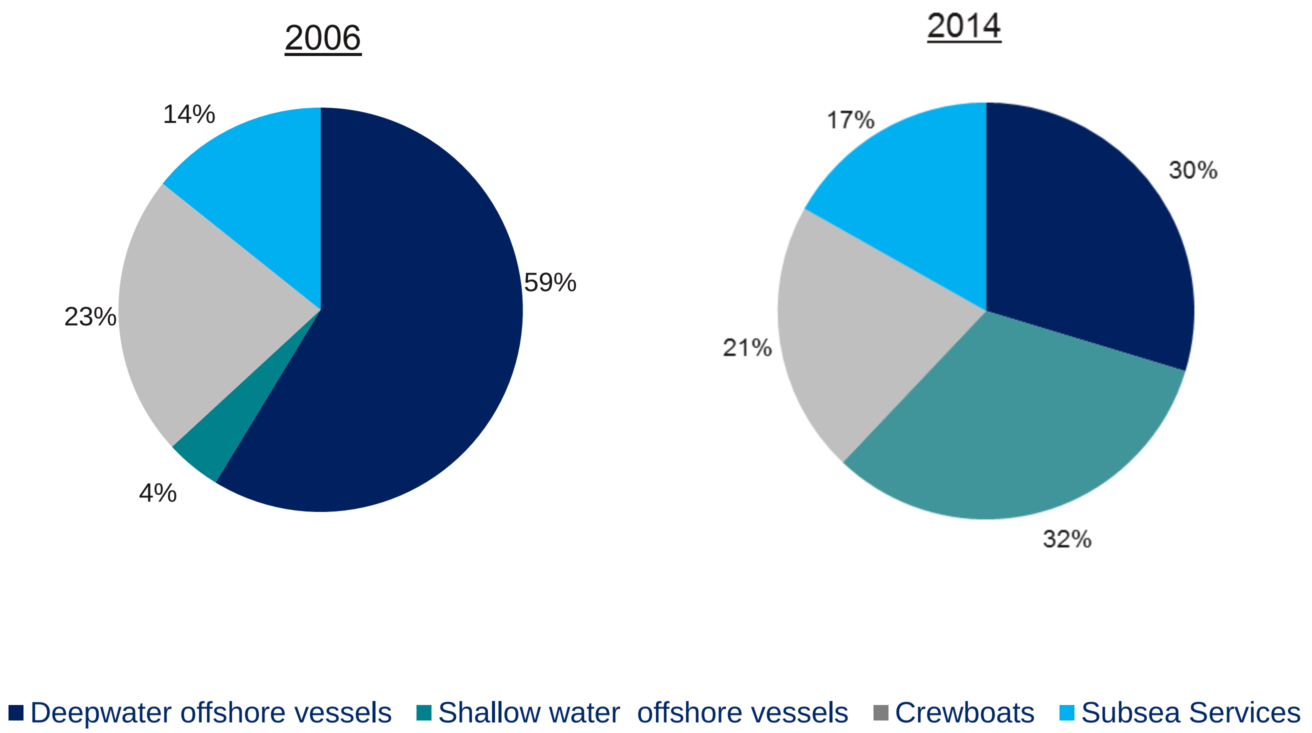
SUPPLY VESSELS UTILIZATION RATES / FOCUS ON BOURBON



3. Balance revenues from market segments

The Offshore marine services market has developed over almost 50 years in shallow waters which still represent over 70% of existing activities. Deep sea offshore started to expand strongly in the mid 90's and this was the main driver of BOURBON's strategy to become a leading player in this business from the start. However, starting in 2007, the large investment program into shallow water (Liberty series) and subsea has rebalanced BOURBON's exposure to the four different segments. This increases the share of less volatile development/production markets compared to the exploration activities.

BOURBON REVENUES BY MARKET SEGMENTS



In a challenging market environment, shallow water, subsea and crew boats businesses are less affected provided one has a large geographical footprint and a diversified customer base.

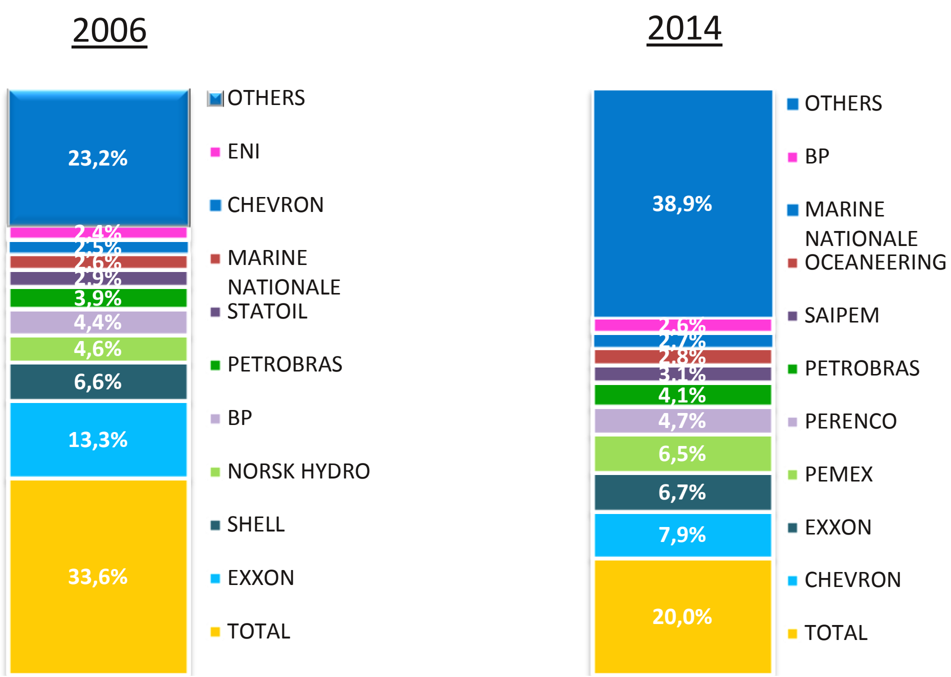
4. Diversified customer base

BOURBON's portfolio of customers has been largely diversified since 2006. This is the result of a combination of the number of countries and areas where BOURBON has established itself, very often through local partnerships, and of the diversification into shallow water and subsea services in all regions.

INTERNATIONAL FOOTPRINT AND REGIONAL PARTNERSHIPS

As a consequence, BOURBON can service the needs of International Oil companies, National Oil companies, contractors and middle size independent oil players. It also has the ability to become a strategic partner with large players worldwide, due to its international footprint.

BOURBON'S PORTFOLIO OF CUSTOMERS



In conclusion, BOURBON's resilience in a challenging market is high as it benefits from four operational factors:

- Crew competences and commitment leading to outstanding safety performance
- Vessels performances providing the best cost effective solutions to customers, therefore securing steady utilization rates
- Large share of its business in development/production activities worldwide, that are less affected by down cycles in the market
- Diversified customer base in an extended regional footprint.

Benefiting from these four operational factors, BOURBON's revenues will be less affected than its competitors that cannot compete with such positive factors.

BOURBON'S RESILIENCE: financial factors

BOURBON's financial situation as of June 2013 was characterized by a total net debt of 2.190 B€, outstanding committed capex to be paid of 910 MUSD, negative free cash flows and a dollar value of 1,31 to the euro.

Since then, BOURBON has made decisions and benefited from market conditions that dramatically changed the situation as of end of 2014:

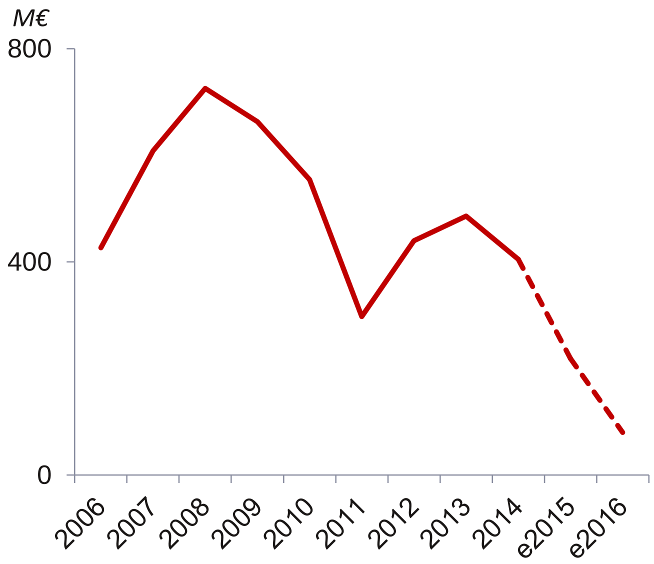
- The end of the investment period reduces the outstanding cash payments to an estimated 135 MUSD at end 2014 and translates into positive free cash flows
- Asset Smart strategy implementation is bringing net debt to 1.350 B€ (JACCAR's estimate)
- Commitment to financial discipline going forward
- Strong dollar and low interest rate.

BOURBON's resilience, due to its financial structure and environment, will support its ability to weather the effects of challenging market conditions.

1- Maturing business model and free cash flow generation

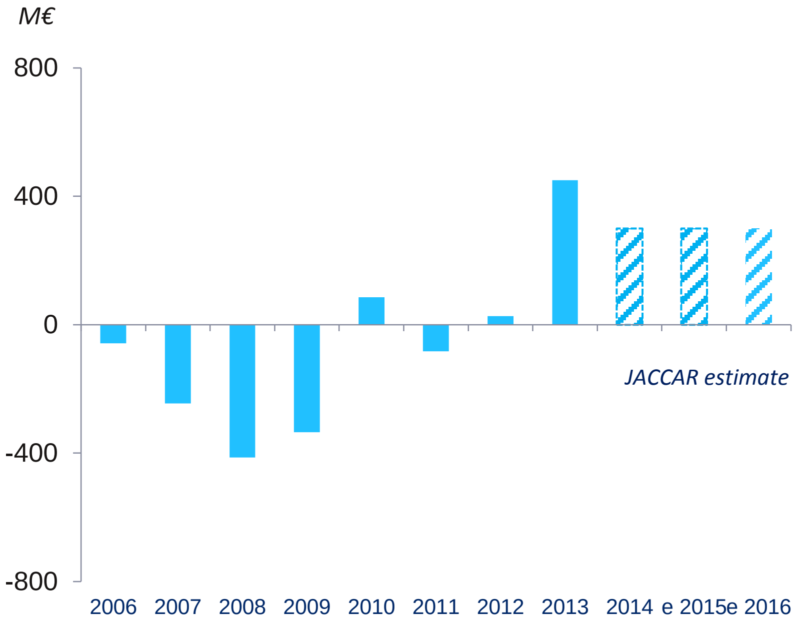
BOURBON is completing its "12 year – 5 billions USD" investment program with the last deliveries in 2015, which illustrates the maturation of its business model of growth through "more vessels for more market shares". Investments in new vessels are dropping to a low level as a consequence.

BOURBON INVESTMENTS IN OFFSHORE VESSELS



As to be expected, with the large BOURBON fleet generating ever bigger EBITDA and the sale of vessels, positive free cash flows started to materialize as from 2013 and will continue going forward.

BOURBON FREE CASH FLOWS*



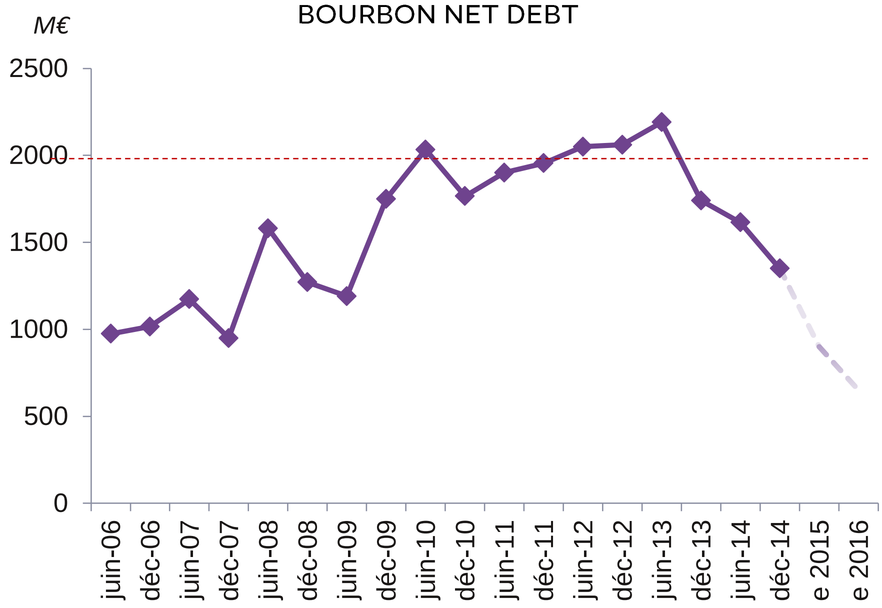
** Free cash flow: Cash flows linked to operating activities – outflows linked to purchases of property, plant and equipment and intangible assets + inflows linked to disposals of property, plant and equipment and intangible assets*

Among the financial factors of resilience, generation of free cash flow is undoubtedly the single most important one. BOURBON also benefits from the end of its investment program when offshore markets become more challenging, as well as from the positive impact of the Asset Smart strategy on its financial structure.

2- Asset Smart and net debt reduction

The Asset Smart action plan is not that smart, it is common sense applied to our specific business situation. It consists in selling assets for cash collection now and, as a counterpart, committing to pay one tenth of its values over ten years to keep using it. From a purely financial point of view, it is not that smart, but to reduce exposure to debt in challenging times, it is quite effective.

BOURBON NET DEBT



The combination of the impact of sales and bareboat back of vessels already committed (a total of 1,8 BUSD out of the 2,5 BUSD planned) and of the generation of free cash flow will further reduce the net debt of BOURBON so as to reach the objectives presented by BOURBON for 2015.

3- Financial discipline going forward

BOURBON still has to give information about its business developments beyond 2015 leadership strategy that covered the 2011-2015 period. JACCAR expects this financial structure to be maintained until 2018. The balance sheet structure will reflect net debt to equity ratio of less than 0,5 and net debt to EBITDAR generated of less than twice. Furthermore, to limit the possible impact of the fixed costs of renting vessels, the total rent should remain at less than 30% of EBITDAR generated.

BOURBON RATIO OBJECTIVES

	2006	June 2013	Estimated 2014	Objective 2015
Debt/Equity	0.89	1.56	0.8	≤ 0.5
Debt/EBITDA	1.83	4.96	2.8	≤ 2
Rent/EBITDAR	-	-	22%	30%

BOURBON's financial structure today and going forward has become a solid factor of resilience in a challenging market. If from the internal factors: free cash flows, reduced debt and strong financial structure, BOURBON is well positioned today, it will also benefit from positive external financial factors.

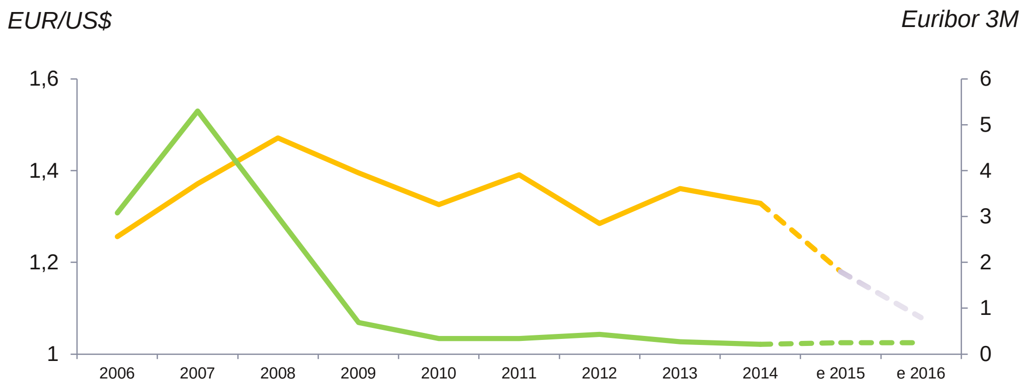
4- Positive external factors

Between 2006 and 2013, the strength of the euro compared to the US dollar has maintained the exchange rate between 1,4 and 1,3. BOURBON generates the larger part of its revenues in US dollars but has costs in euros creating a significant imbalance and a large exposure to foreign exchange fluctuations.

Lately, with the fall of the price of oil that creates challenges for the marine offshore industry, the strength of the US dollar will improve the financial performances of BOURBON in its reporting currency, offsetting part of the impact of reduced utilization and day rates.

Meanwhile low interest rates are creating an appetite from investors in other types of financing products that BOURBON has already been able to capture through its emission of 100 M€ of perpetual equity like deeply subordinated bond end of 2014.

EXCHANGE RATES AND INTEREST RATES



CONCLUSION

BOURBON's strategy focused on offshore marine services, from 2002 until today, has been characterized by:

- Best in class safety performance
- A business model based on "more vessels for more market share"
- An enlarged regional footprint relying on local partnerships
- Diversification from deep water to shallow water and subsea to balance revenues and diversify portfolio of customers
- Financing of new vessels through cash generated from operations, disposals of non-core assets and bank debt.

With the maturation of its business model, and based on strong operational achievements, BOURBON decided to strengthen its financial situation as early as 2013 by the reduction of debt through the Asset Smart action plan, the generation of free cash flows and disciplined capex.

This comes together with JACCAR Holdings takeover of BOURBON which potentially reduces the volatility of BOURBON's share price as well as uncertainties about who controls and who inspires the vision going forward.

JACCAR's intention is for BOURBON to meet the expectations of the company's stakeholders. This means innovating and daring to bring into service newly designed vessels and new solutions for services expected by the clients, in particular integrating inputs of digital revolution.

This also entails remaining the preferred company of employees, offshore and onshore, wanting to succeed together through increased competencies and renewed opportunities, to accomplish great things.

This also requires the capacity to generate free cash flow while reducing costs, capital expenditure, and working capital needs thus ensuring a steady increase of dividend for the shareholders.

Clients' satisfaction, employees' commitment and shareholders' trust are the key factors of the future growth and value creation.

History tells us that in cyclical markets like oil production, the drop in activity is often as sharp as the bounce back from it, most of the actors taking the same decisions at the same time, creating future bottlenecks.

This and BOURBON's operational and financial resilience factors make of the current challenging times more of an opportunity than a threat.