



BOURBON

Presentation to shareholders September 25, 2015



DISCLAIMER

This document may contain information other than historical information, which constitutes estimated, provisional data concerning the financial position, results and strategy of BOURBON. These projections are based on assumptions that may prove to be incorrect and depend on risk factors including, but not limited to: foreign exchange fluctuations, fluctuations in oil and natural gas prices, changes in oil companies investment policies in the exploration and production sector, the growth in competing fleets, which saturates the market, the impossibility of predicting specific client demands, political instability in certain activity zones, ecological considerations and general economic conditions.

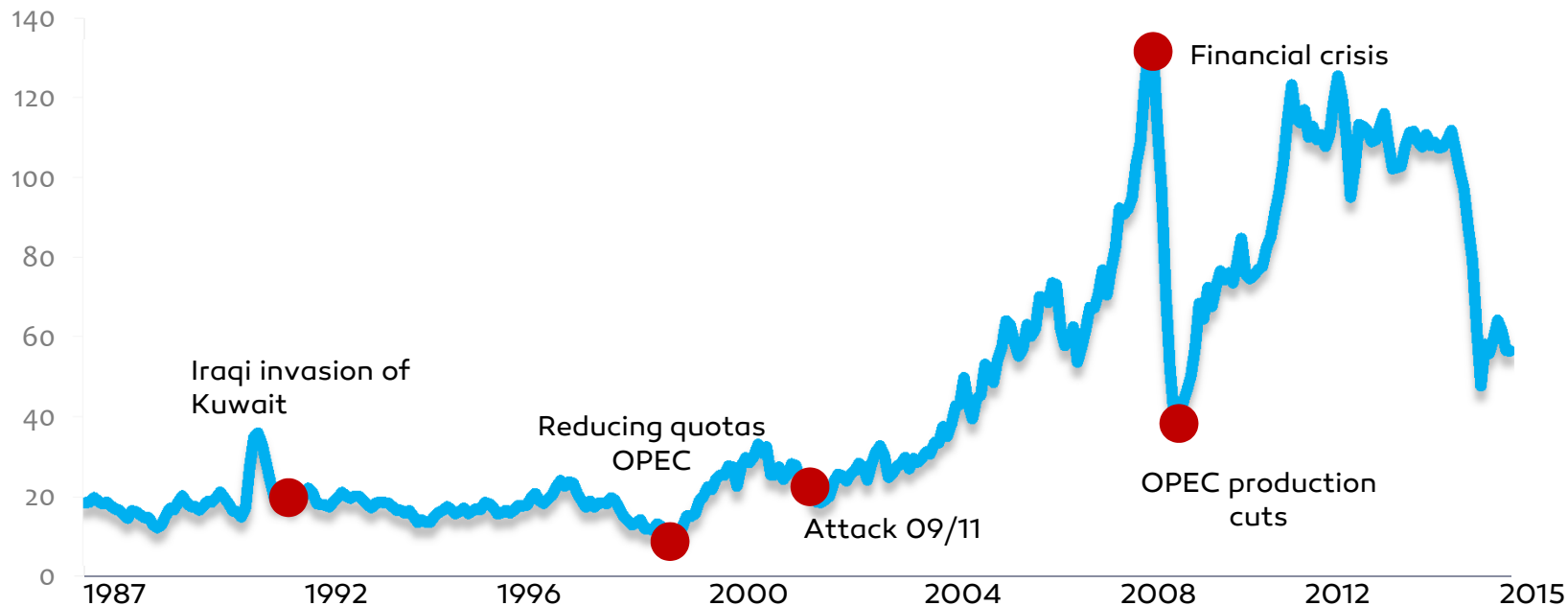
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BOURBON IS INFLUENCED BY OIL PRICES

- **Oil price is above all a policy price**
- **Oil revenues are key for balancing budgets of the largest producers**
- **The decline in output from existing fields will make a recovery in investment unavoidable**
- **Shale oil production is here to stay but has little influence on the rise in prices**
- **The forecasts are unreliable given the very strong differences observed**

BOURBON IS INFLUENCED BY OIL PRICES

Oil price is above all a policy price

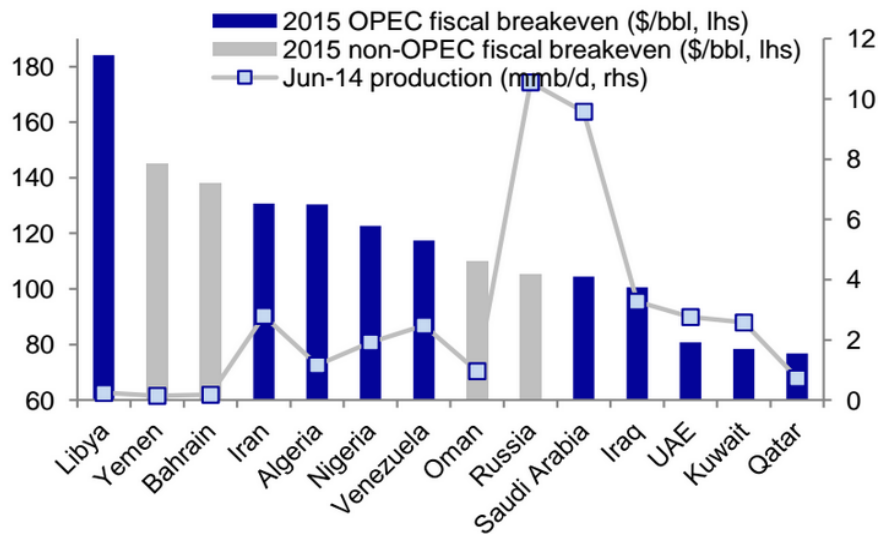


Source : IEA

BOURBON IS INFLUENCED BY OIL PRICES

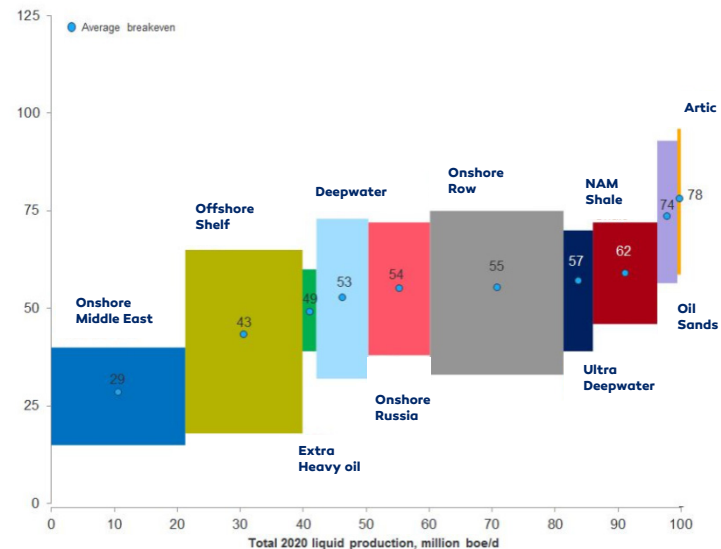
Oil revenues are key for balancing budgets of the largest producers

Breakeven point for producing countries (\$/bbl)



Source : IMF, Deutsche Bank

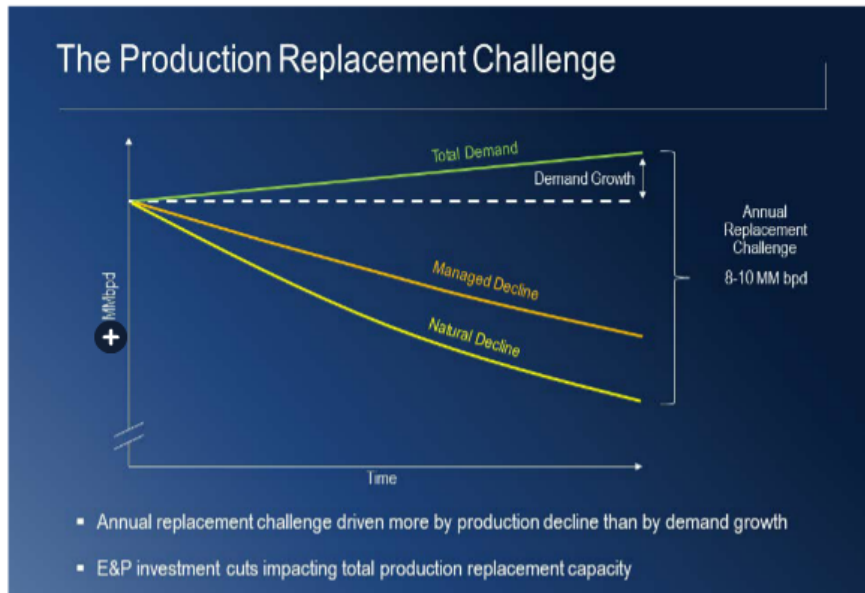
Breakeven point for production (\$/bbl)



Source : Rydstad Energy

BOURBON IS INFLUENCED BY OIL PRICES

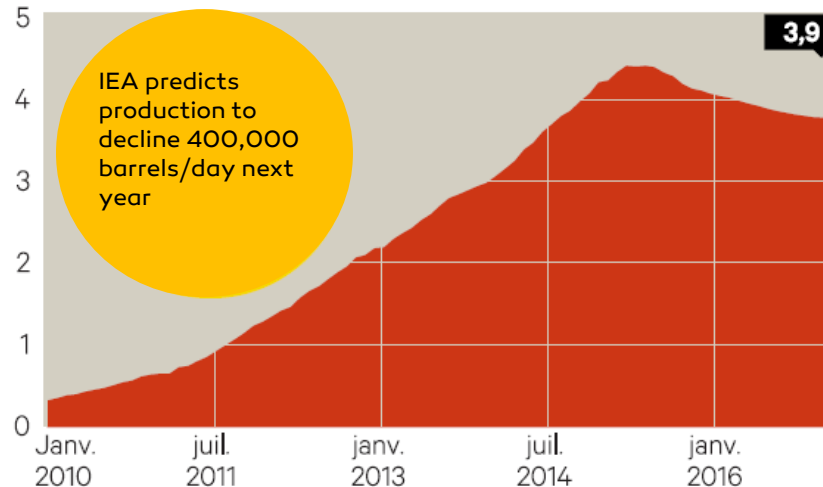
- The decline in output from existing fields will make a recovery in investment unavoidable : Shale oil production is here to stay but has little influence on the rise in prices



Source: *Présentation Schlumberger*

US shale oil production

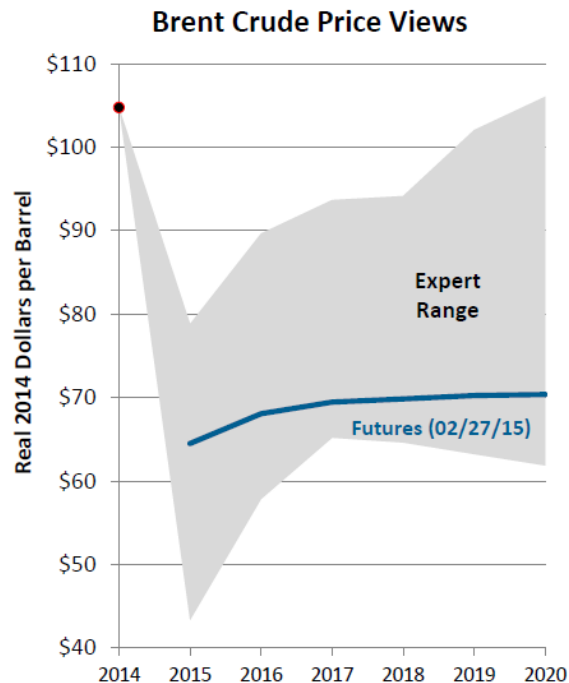
In millions of barrels/day



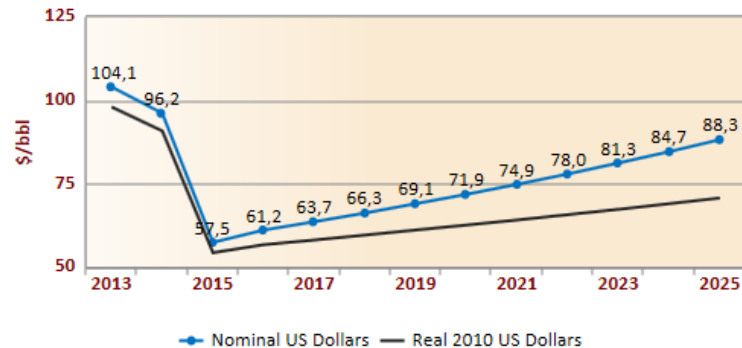
Source: *Les Echos, AIE*

BOURBON IS INFLUENCED BY OIL PRICES

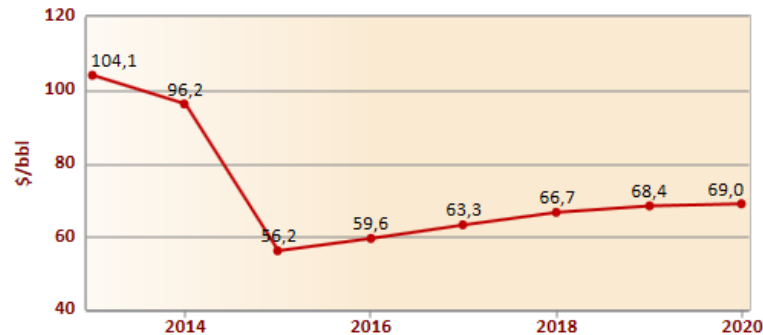
— The forecasts are unreliable given the very strong differences observed



Source: Douglas Westwood



Source: World Bank Commodity Forecast Price data, July 2015



Source: IMF Commodity Price Forecasts, July 2015

BOURBON IN A BOTTOM OF CYCLE

- **BOURBON has the greatest resistance capacity to adverse market conditions in relation to its competitors**
- **BOURBON continue to focus on what he can control: operational excellence and costs reduction**
- **The relative change of BOURBON's share price remains favorable, despite a drop of 50% in one year**
- **BOURBON maintains its objectives:**
 - › a stable and growing dividend
 - › debt ratios maintained at satisfactory levels

BOURBON RESILIENCE FACTORS

Local partners
and
Diversified client base

Operational
excellence

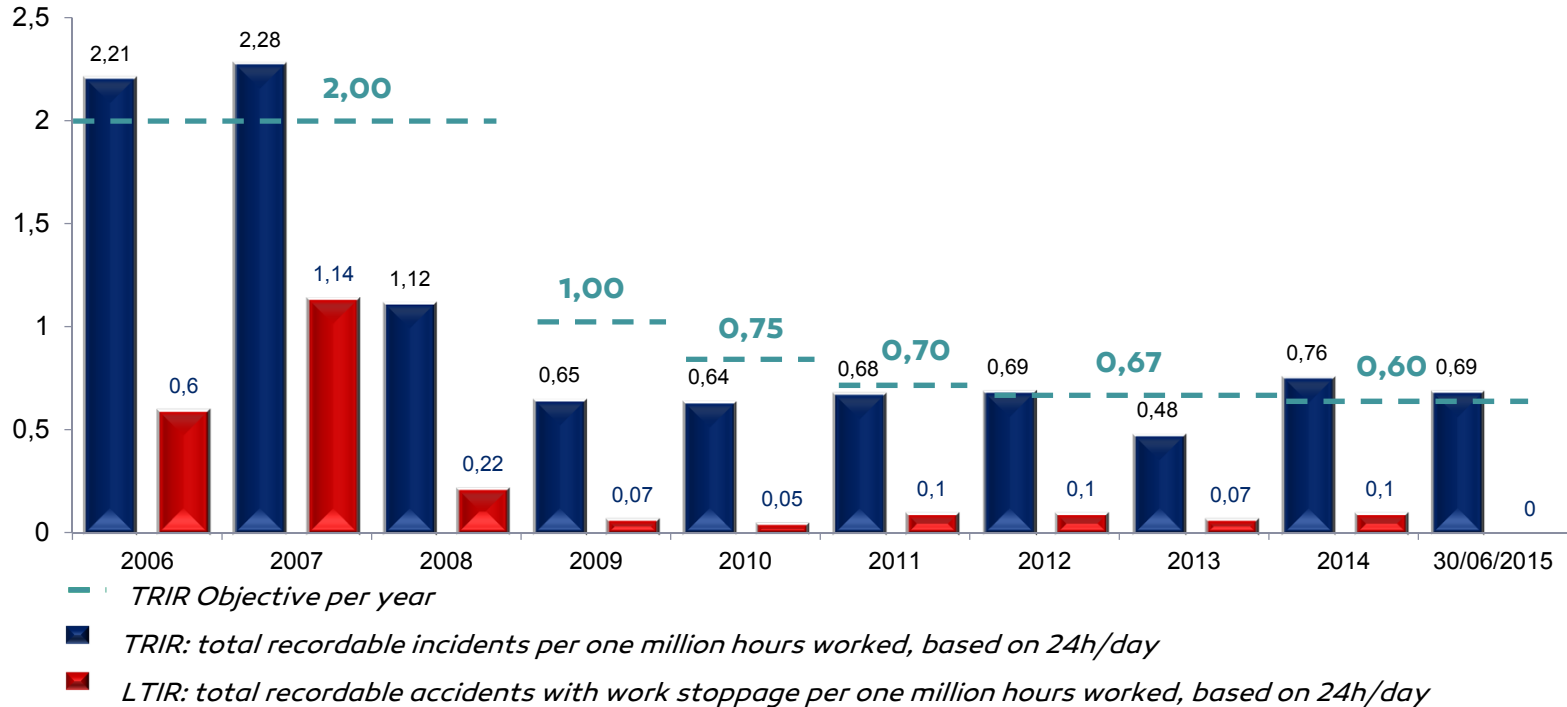
Operational resilience
factors

Diversification
by business
segment

Relative
utilization rate

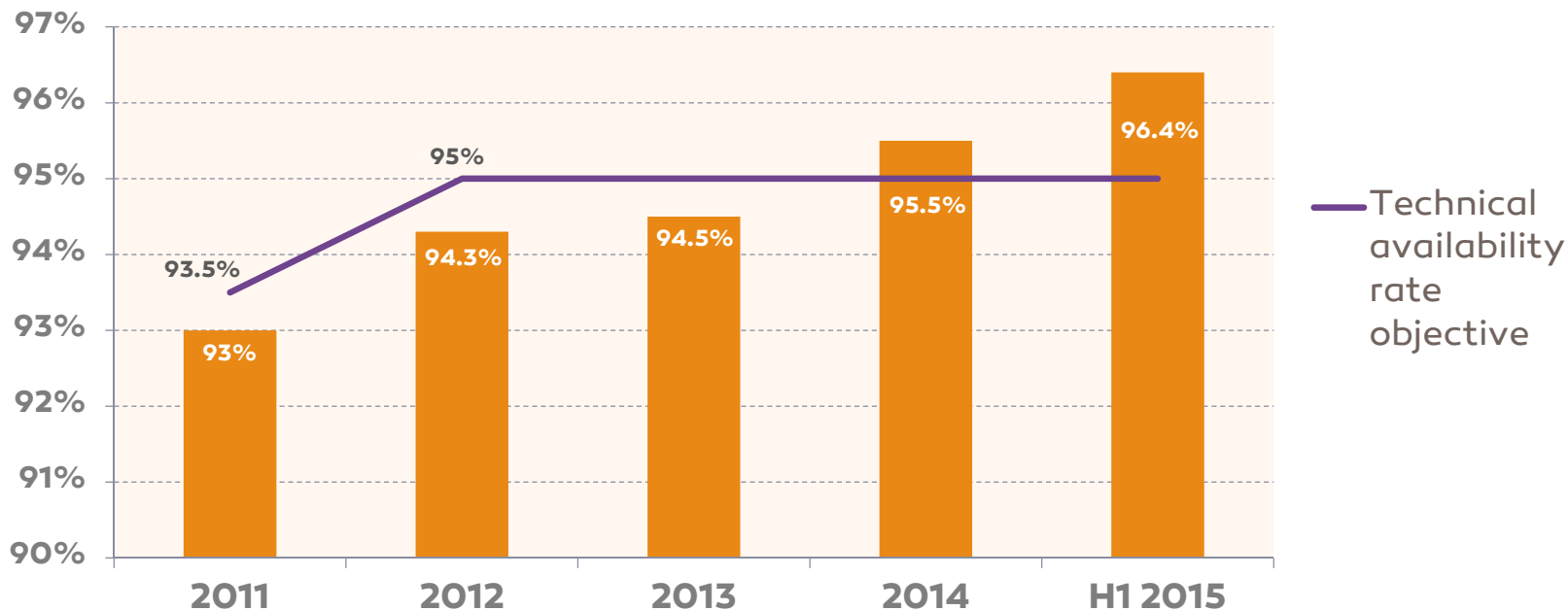
OPERATIONAL RESILIENCE FACTORS

— Safety performance



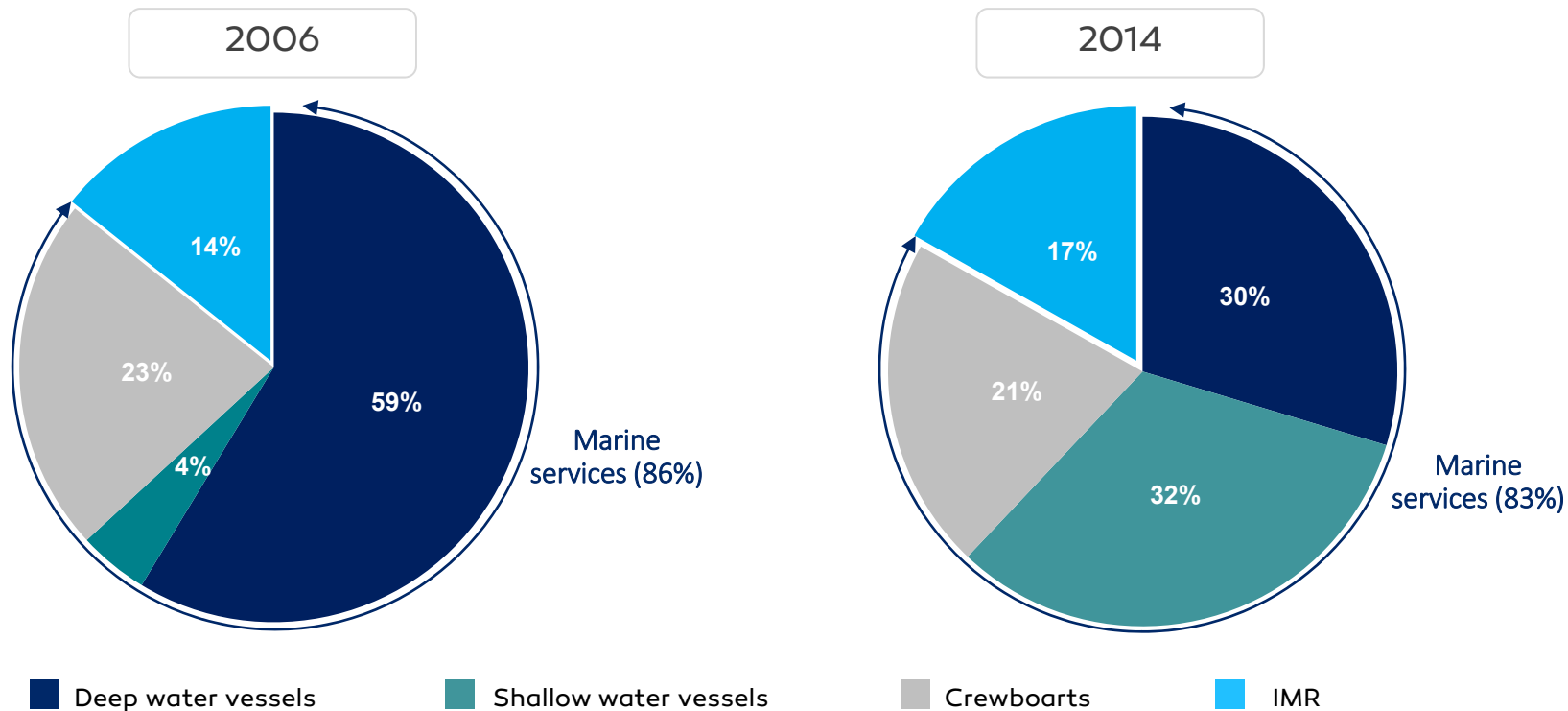
OPERATIONAL RESILIENCE FACTORS

Technical availability rate for BOURBON fleet



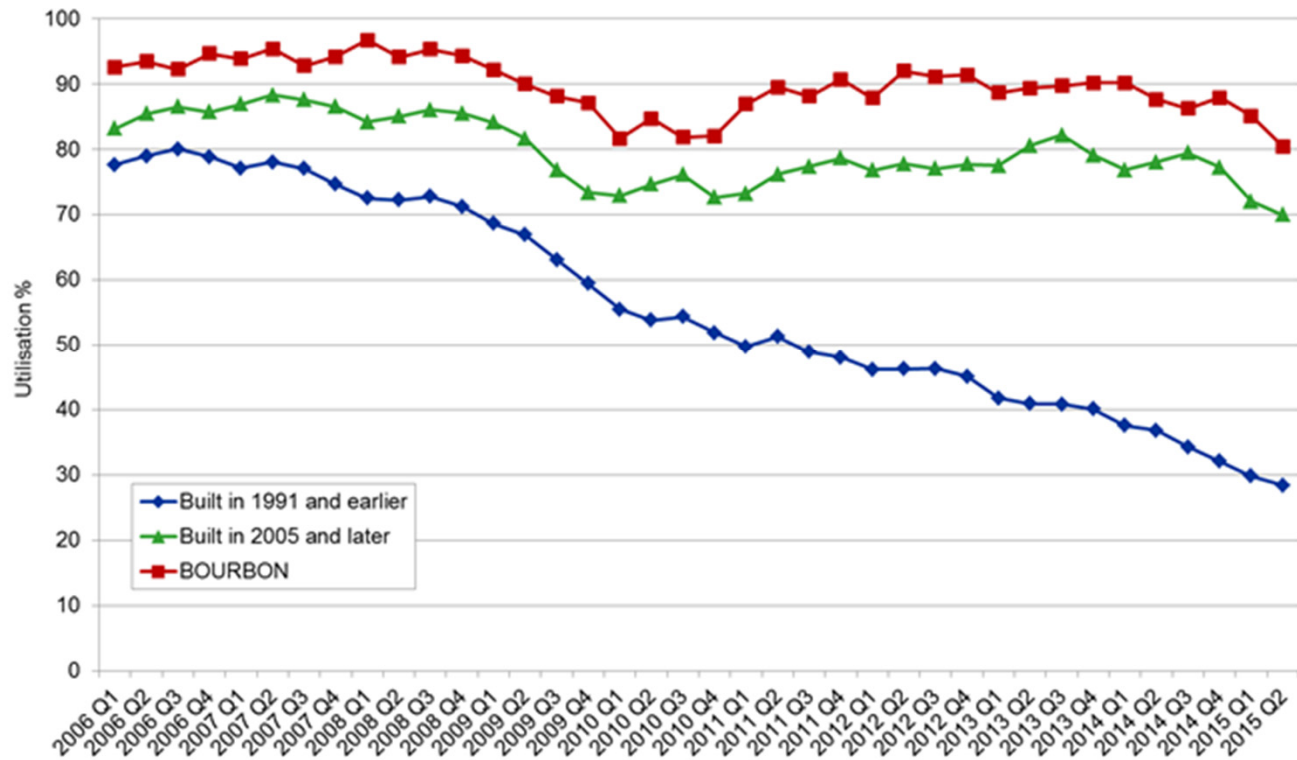
OPERATIONAL RESILIENCE FACTORS

_ Diversification of types of business



OPERATIONAL RESILIENCE FACTORS

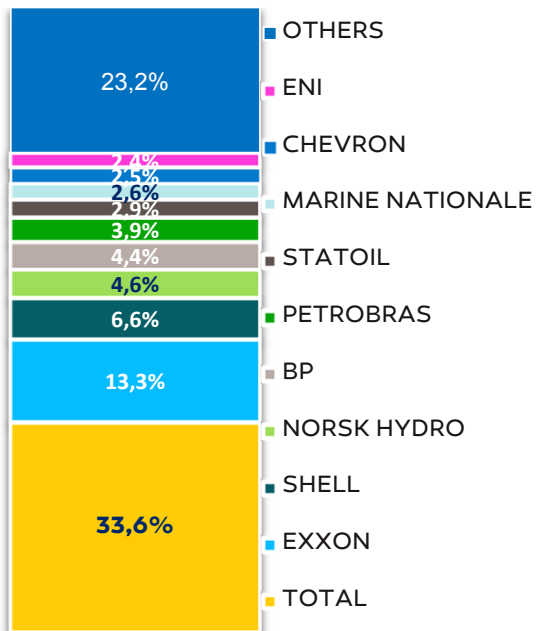
Relative supply vessel utilization rates/ focus on BOURBON



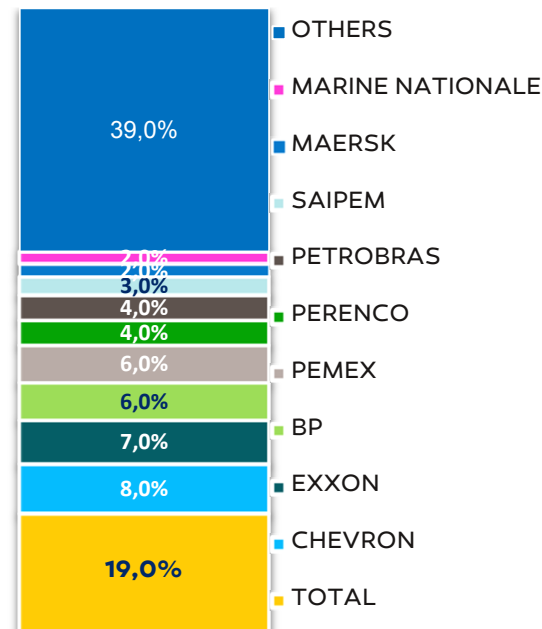
OPERATIONAL RESILIENCE FACTORS

BOURBON client portfolio diversification

2006

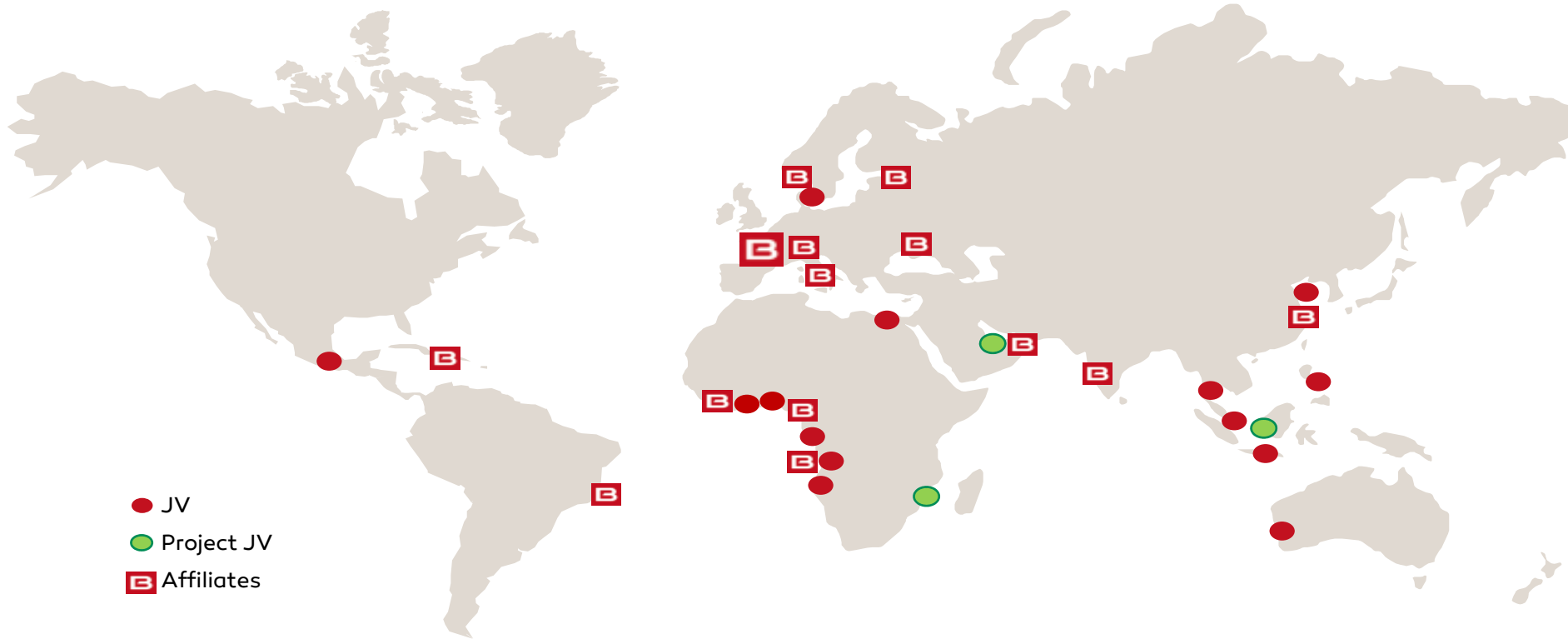


2014



OPERATIONAL RESILIENCE FACTORS

_ A unique partner network



BOURBON RESILIENCE FACTORS

Value of \$ and
low interest rate

Maturity of
business model and
free cash flow

Financial resilience
factors

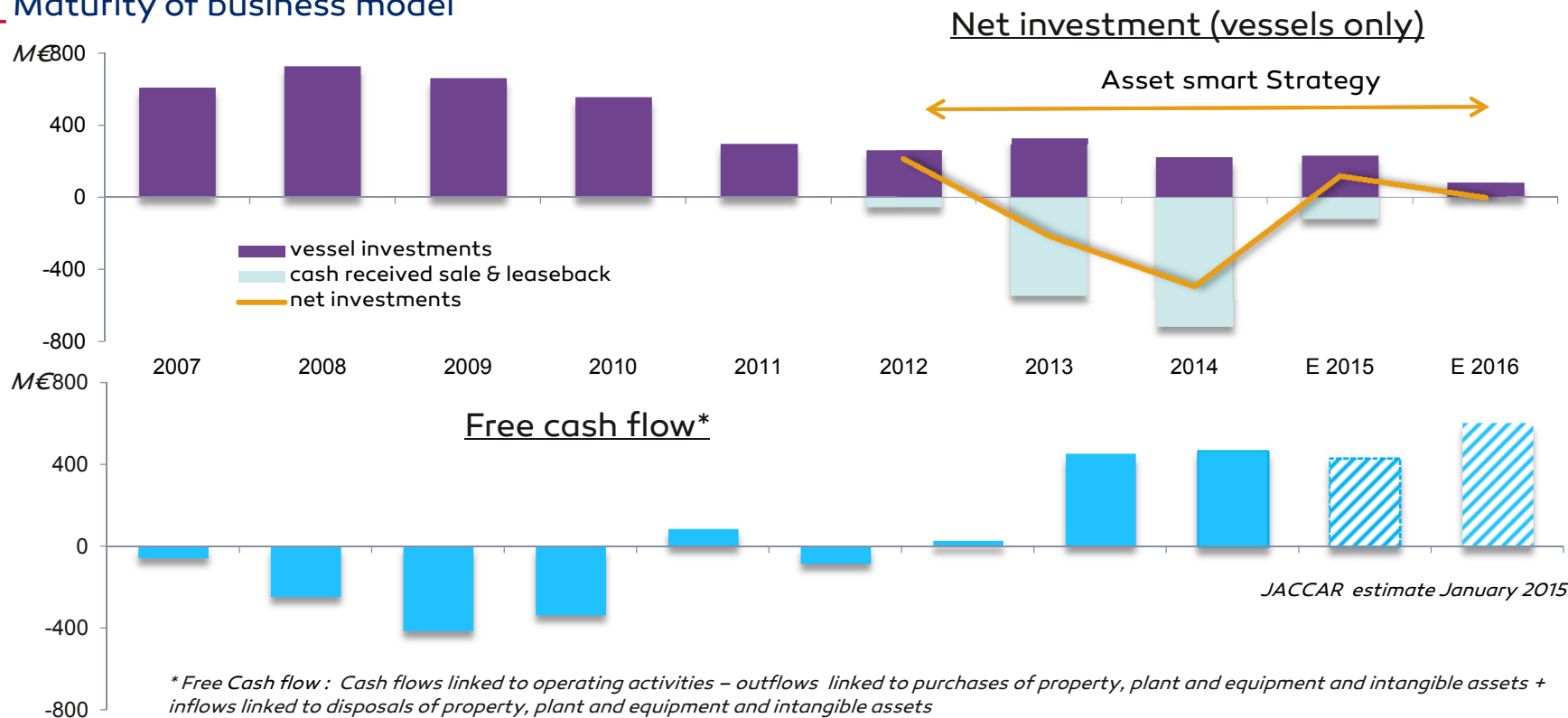
« a stable family
shareholder base»

Financial
discipline

Amount of
net debt

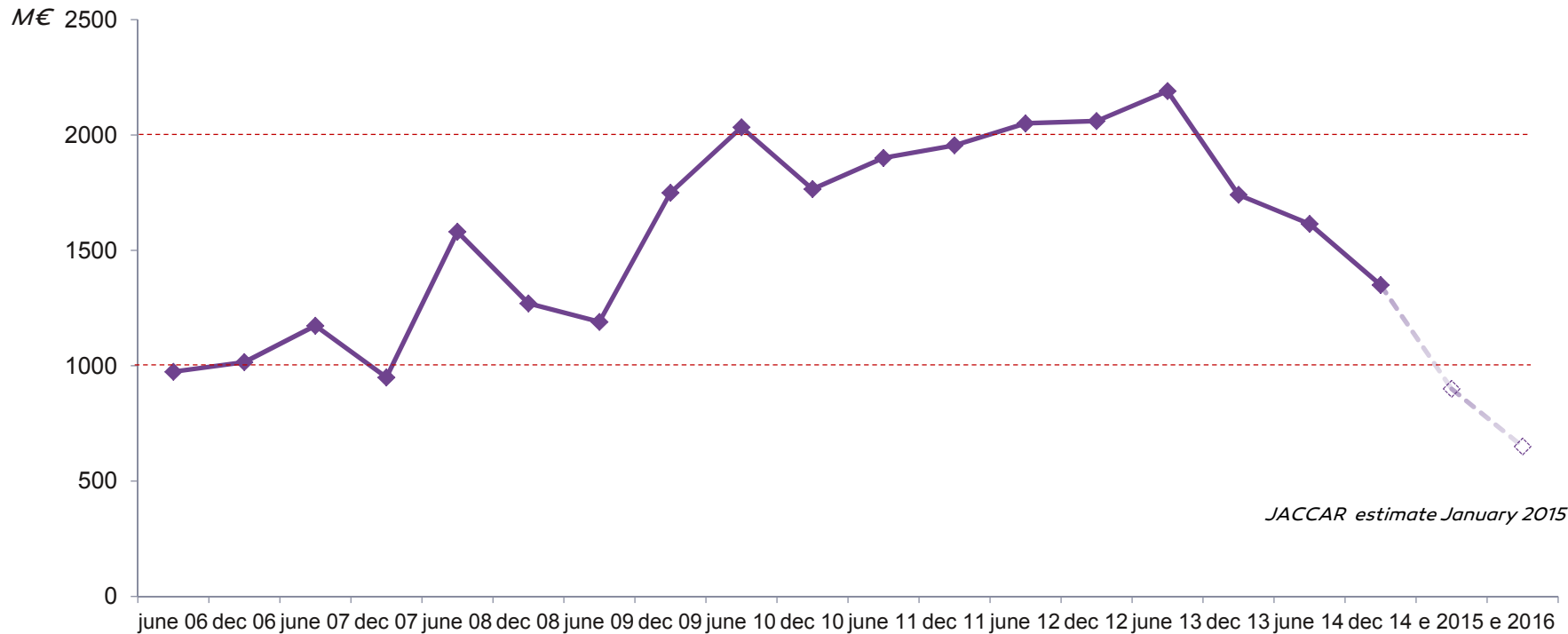
FINANCIAL RESILIENCE FACTORS

Maturity of business model



FINANCIAL RESILIENCE FACTORS

Net Debt



FINANCIAL RESILIENCE FACTORS

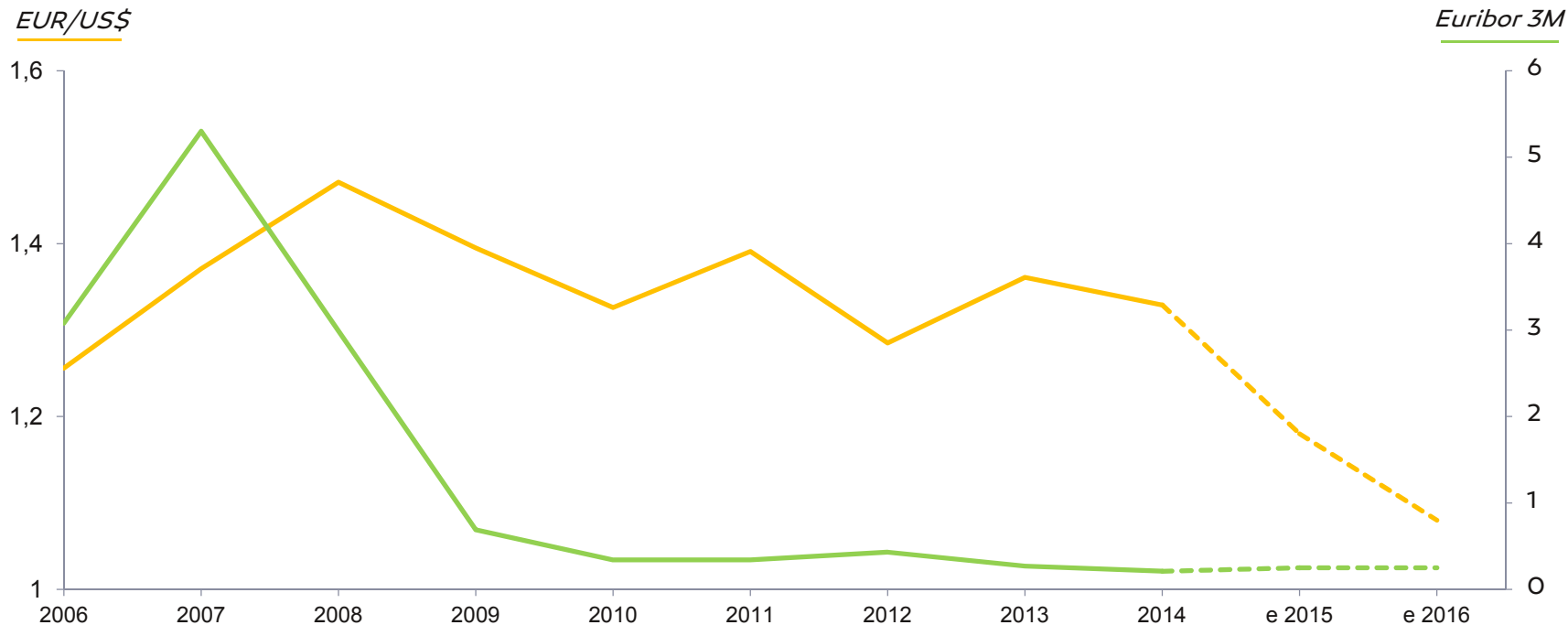
Financial discipline

BOURBON ratios

	2006	June 2013	2014	Objective
Net Debt / Equity	0.89	1.56	0.8	< 0.5
Net Debt / adjusted EBITDA	1.83	4.96	3.0	< 2
Rent / adjusted EBITDAR	-	-	22 %	30 %

FINANCIAL RESILIENCE FACTORS

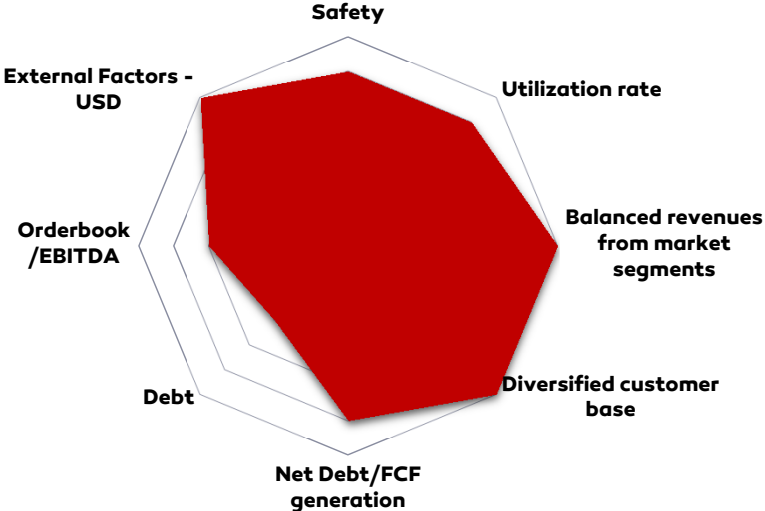
External factors : exchange rates & interest rates



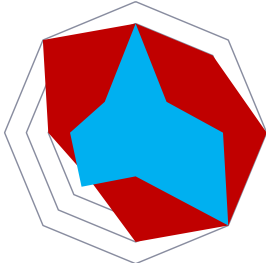
JACCAR estimate, January 2015

BOURBON RESILIENCE FACTORS

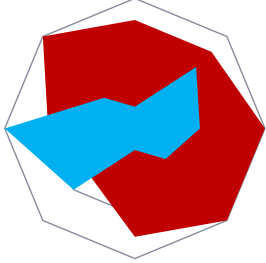
BOURBON



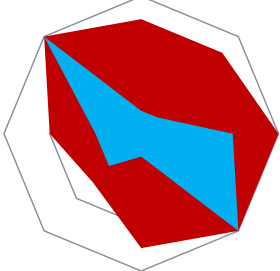
BOURBON vs competitors



Tidewater



Gulfmark



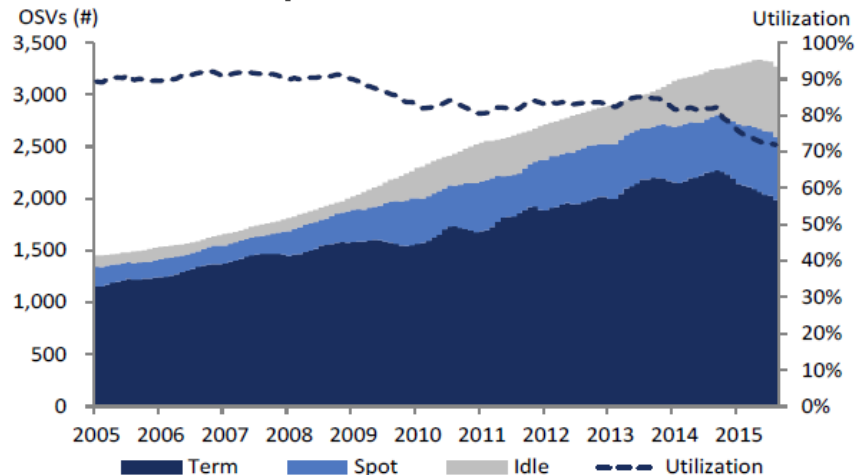
Farstad

Source: public data, BOURBON estimates



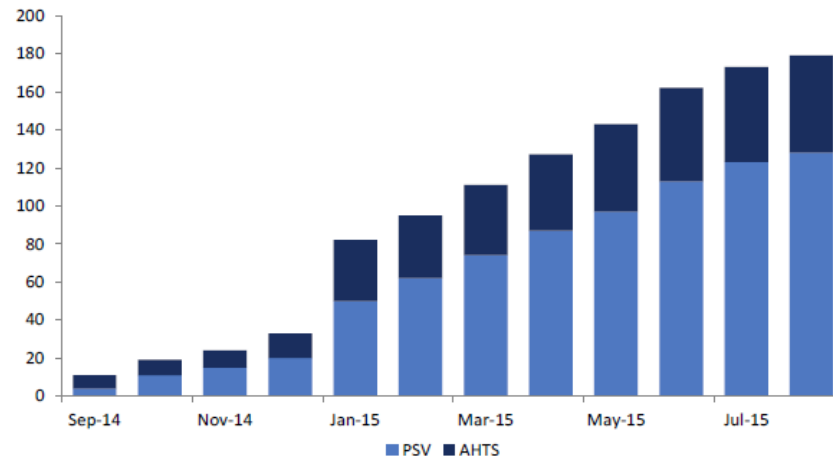
BOURBON VS THE MARKET ENVIRONMENT

Drop in OSV utilization rate



Source : Pareto, IHSPetrodata, Farstad

Number of stacked vessels increasing



Utilization rate
Supply vessels
(average June 2015)

BOURBON	Tidewater	GulfMark	Hornbeck
81.9%	68.8%	65-70%	60.5%

AHTS+PSV
(July 2015)

stacked
vessels

% of fleet

BOURBON

Tidewater

GulfMark

Hornbeck

Farstad

23

54

16

18

6

10%

21%

22%

36%

11%

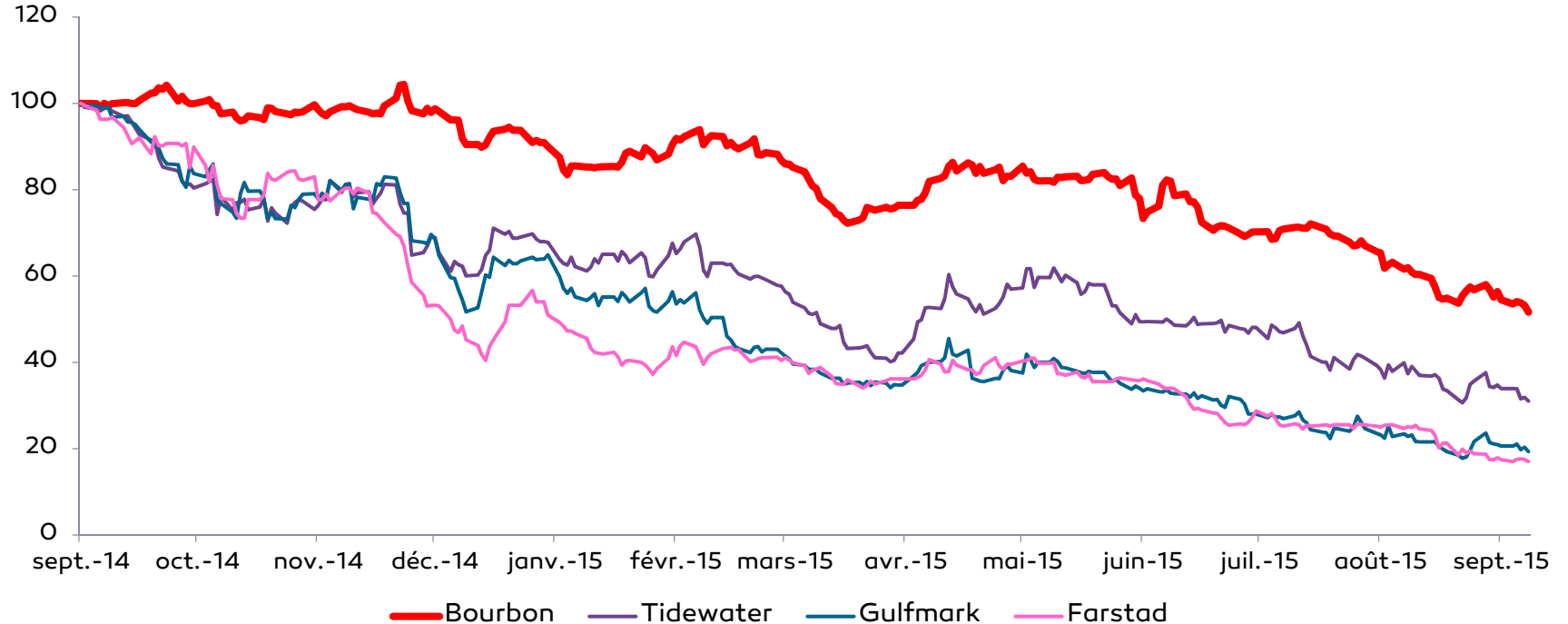
Source : IHSPetrodata, Bourbon, Sec filings



BOURBON'S RESILIENCE RECOGNIZED BY THE MARKET

One year Stock performance - BOURBON vs competitors

Base 100

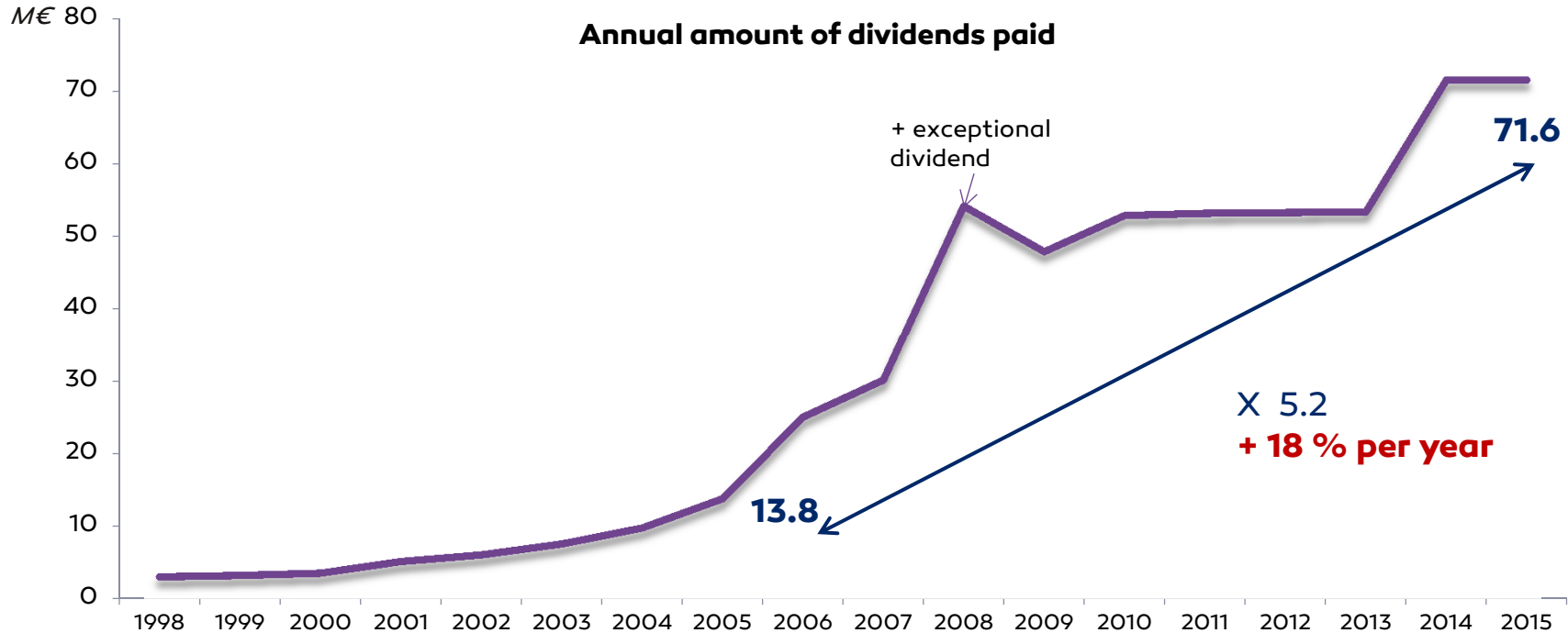


BOURBON: OUTLOOK ?

— The ability of a company to pay a dividend based on:

- Corporate accounts. Those of BOURBON have a distributable balance of €615 million at the beginning of 2015, nearly nine years of dividends
 - The projected cash flow, excluding sales of vessels in future years. The generation of free cash flow shows that BOURBON has the necessary cash after taking into account its commitments (investments, loan repayments, financial expenses, taxes, ...)
 - A good level of activity: the breakeven of BOURBON is well below the values required for the cash breakeven even at low part of cycle
- **The objective of a stable or slightly increasing dividend is very much within reach of BOURBON**

BOURBON: THE DIVIDEND POLICY HAS ALWAYS BEEN RESPECTED



BOURBON: OUTLOOK ?

BOURBON confirms its debt reduction policy and free cash flow generation due to :

- From a high level of EBITDA after rent payments, which reflects customer confidence (utilization rate) and cost control (proactive stacking of vessels, reduction of G&A)
- A strong reduction in vessel investment, an average of **450 million** for the last 8 years, to:
 - **85 million** in 2016
 - **50 million** in 2017
- Opportunity for vessel sales, with or without long term bareboat charter, to achieve the debt objectives as soon as possible:
 - 0.5 debt ratio (Net debt/Equity)
 - 2 x EBITDA

BOURBON : GROWTH & YIELD GO TOGETHER?

BOURBON shareholders want a regular dividend growth, and when they have to sell, a price that reflects the economic value of the company: **can the stock market play this role?**



CONCLUSION

- **BOURBON is well equipped to get through this low cycle of offshore markets and will continue to strengthen its resilience capacity**
- **In the short term, BOURBON**
 - confirms its dividend policy
 - confirms its debt reduction objectives and financial structure for the future
- **Beyond this, BOURBON will have to choose between various possible solutions to:**
 - Strengthen the capacity of constant and significant growth of its dividend
 - Seek a valuation of the company inline, as much as possible, with its long-term economic value, and a form of liquidity at that price