

## **BOURBON 2015 Leadership Strategy**

### **A 2 billion US\$ vessels new building program to renew the old and obsolete continental offshore fleet and meet demand in deepwater**

*“With this plan covering 2011 to 2015, BOURBON wants to achieve leadership under the flag of excellence” says Jacques de Chateaueux, CEO of BOURBON, “It relies on innovative and cost efficient vessels and above all, on the women and men who deliver BOURBON services every day, striving to achieve the highest safety and operations standards, personally committed and united to attain excellence”.*

#### ■ **Focus on Offshore**

« BOURBON 2015 Leadership Strategy” consists in further investing in innovative and cost effective vessels to satisfy customers’ increasing focus on safe and efficient vessels to support their offshore activities, and to enable them to reduce their overall operation costs. By adding 80 supply vessels and 64 crewboats through a 2 billion US\$ investment plan in new buildings, BOURBON will be operating a fleet of 600 vessels for deepwater and shallow water logistics services by 2015.

	Fleet as of 12.31.2009	Horizon 2012 Strategic Plan  Under construction	<b>BOURBON 2015 Leadership Strategy</b>  <b>Newbuildings</b>	<b>2015</b>  <b>Total number of vessels</b>
Deep water	82	22	30	134
Shallow water	52	44	50	146
<b>Total supply vessels</b>	<b>134</b>	<b>66</b>	<b>80</b>	<b>280</b>
Crewboats	223	33	64	320
<b>Total fleet</b>	<b>357</b>	<b>99</b>	<b>144</b>	<b>600</b>

“BOURBON 2015 Leadership Strategy” will be built on the success of its Bourbon Liberty series of vessels, to speed up the renewal of the old and obsolete existing shallow water fleet and on the proven expertise of its deepwater operations for exploration and production, including subsea activities.

“BOURBON 2015 Leadership Strategy” will also mean increasing efficiency and reducing BOURBON’s operating costs. The target for vessel availability rate should reach 95% and running costs index should be reduced by 4% at constant rate by 2015.

## ■ Key financial objectives

Based on the existing fleet and the delivery of new vessels including those built under the new investment plan, BOURBON's key financial and operational objectives can be summarized as follows:

	<b>2011-2015</b> <i>5 years</i>
New buildings investment in offshore vessels	2 billion US\$
Average yearly growth of offshore revenues	17%
Vessel availability rate	> 95%

## By 2015

EBITDA / Revenues for the Offshore activity	45%
EBITDA / Capital employed	20%
Offshore running costs index at constant rate	-4%

Following the 28% average annual growth of the BOURBON Offshore Division revenues between 2002 and 2009, the new plan provides for a 17% average annual growth from 2011 to 2015 (based on 1.30 US\$ for 1€). The combined effect of improved utilization rates, increased vessel availability rate, and reduced costs of operation will contribute to the significant increase of the gross return on revenues and capital employed ratios.

## ■ Strong financing for “BOURBON 2015 Leadership Strategy”

This new investment financing will benefit from:

- 500 million € of assets disposal in 2010, mainly consisting of sales of BOURBON fleet of 16 supramaxes and of the remaining non-core assets;
- reduced installments paid on vessels under construction, 75% of the vessel price being paid on delivery;
- a 400 million US\$ 12-year loan provided by China Exim Bank.

The combined effect of cash flow generated by operations, of the disposal of assets in 2010 and the new payment terms policy will result in an expected gearing of less than 0.5 and a net debt to EBITDA ratio of less than 2 by 2015. This means BOURBON will be generating positive cash flows as from 2013.

BOURBON dividend policy will be to pay out about 40% of its consolidated profit.

## ■ Delivering “BOURBON 2015 Leadership Strategy”

BOURBON benefits from proven track records and commitment to continuous improvements. BOURBON team is fully engaged to:

- deliver growth;
- operate a full range of innovative and cost efficient vessels for demanding customers through a global network;
- generate strong cash flow and secure long term financing.

To deliver “BOURBON 2015 Leadership Strategy”, 5,000 new recruits will be added to the 7,000 existing women and men already working to the highest standards of safety and operations and personally committed to perform under the flag of excellence.

By delivering BOURBON 2015 leadership strategy, the company expects continuous value creation for BOURBON shareholders.

## BOURBON FINANCIAL CALENDAR

- Group strategy presentation in Shanghai	June 25, 2010
- 2 <sup>nd</sup> quarter and 1 <sup>st</sup> half 2010 revenues	August, 9 2010
- 1 <sup>st</sup> half 2010 financial results	August 31, 2010
- Presentation of 1 <sup>st</sup> half 2010 results	September 1 <sup>st</sup> , 2010

## **About BOURBON**

*BOURBON offers a full range of deep and shallow offshore oil and gas marine services. Under its “BOURBON 2015 Leadership Strategy”, BOURBON will invest 2 billion US\$ to offer the most demanding clients, 600 innovative, high performance, new-generation and efficient vessels and the highest standards of quality worldwide.*

*BOURBON also specializes in bulk transport and 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 and Dow Jones Stoxx 600 indices..*



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