2012 REGISTRATION DOCUMENT

Annual financial report

BOURBON

Building together a sea of trust

2012 REGISTRATION DOCUMENT

Annual financial report

This Registration Document contains
all the information included in the annual financial report.

This document is an unofficial translation of the French *Document de référence*, which was filed with the French *Autorité des marchés financiers* (AMF) on April 17, 2013, in accordance with article 212-13 of the AMF General Regulations.

This unofficial translation has been prepared by BOURBON for the information and convenience of English-speaking readers and has not been reviewed or registered with the AMF.

The French *Document de référence* may be used for purposes of a financial transaction if supplemented with an offering memorandum approved by the AMF.

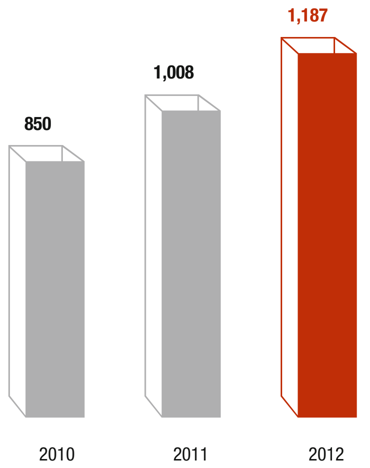
In the event of any ambiguity or discrepancy between this unofficial translation and the French *Document de référence*, the French version shall prevail.

The full Registration Document can be consulted and downloaded at **www.bourbon-online.com/en/finance**

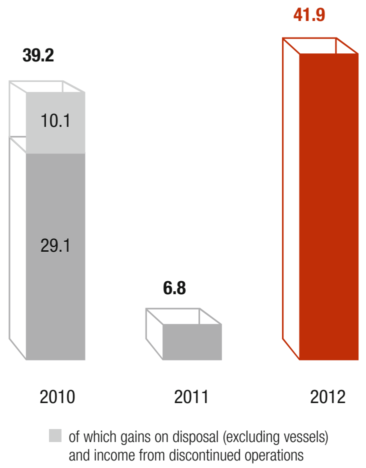
1 BOURBON IN 2012

1. KEY FIGURES

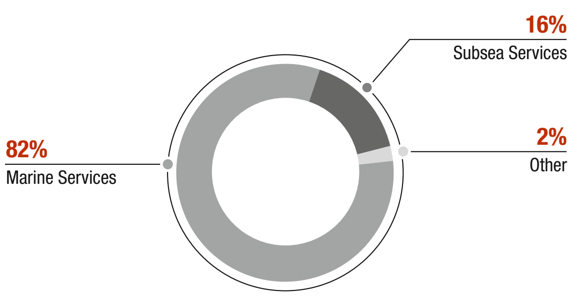
REVENUES *(IN € MILLIONS)*



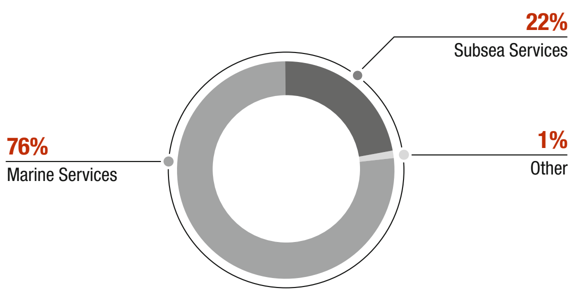
NET INCOME GROUP SHARE *(IN € MILLIONS)*



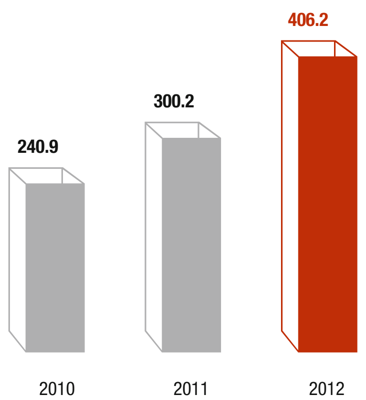
BREAKDOWN OF REVENUES 2012 BY ACTIVITY



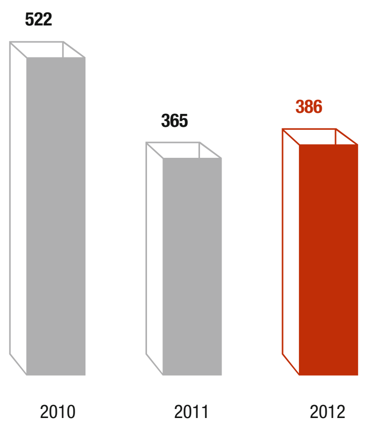
CAPITAL EMPLOYED BY ACTIVITY AS OF DECEMBER 31, 2012



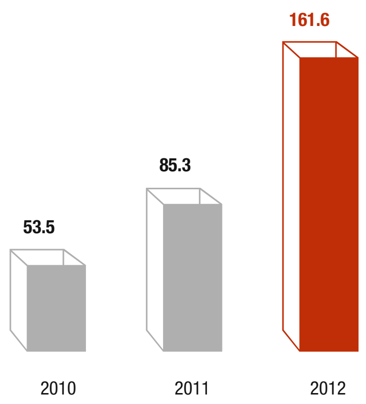
EBITDA *(IN € MILLIONS)*



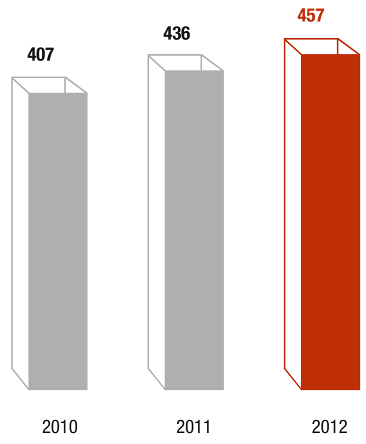
GROSS CAPITAL EXPENDITURES OFFSHORE ACTIVITIES *(IN € MILLIONS)*



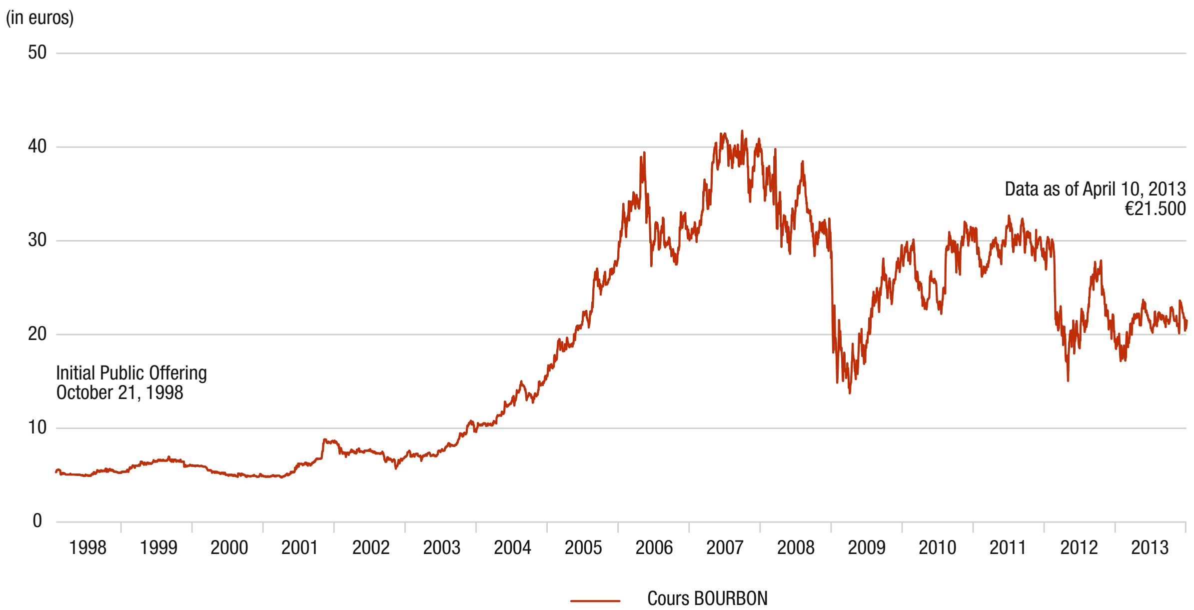
▸ EBIT *(IN € MILLIONS)*



▸ BOURBON OFFSHORE FLEET AS OF DECEMBER 31, 2012



2. STOCK MARKET DATA



2.1 HISTORIC DATA

	2012	2011	2010
Number of shares as of December 31	**67,781,535**	**67,781,535**	**61,532,545**
Closing share price *(in €)*			
- high	28.10	35.95	35.24
- low	16.95	15.06	24.44
- as of December 31	20.81	21.30	34.71
Stock market capitalization as of December 31 *(in € millions)*	**1,411**	**1,444**	**2,136**
Net earnings per share *(in €)*	**0.64**	**0.11**	**0.67**
Dividend per share *(in €)*	**0.82**	**0.82**	**0.90**
Total dividend *(in € millions)*	**55.6**	**53.3**	**53.2**

2.2 ADJUSTED DATA *

	2012	2011	2010
Closing share price *(in €)*			
- high	28.10	32.68	32.04
- low	16.95	15.06	22.21
- as of December 31	20.81	21.30	31.55
Net earnings per share *(in €)*	**0.64**	**0.11**	**0.61**
Dividend per share *(in €)*	**0.82**	**0.82**	**0.82**

* *For comparison purposes, the figures have been adjusted following the bonus share award of one new share for ten existing shares on June 1, 2011.*

Shareholders' calendar

May 2, 2013

Publication of first quarter revenues for 2013

May 28, 2013

Annual General Meeting of Shareholders

August 28, 2013

Publication of the results for the first half of 2013

Presentation of the results for the first half of 2013

November 6, 2013

Publication of third quarter revenues for 2013

Investor relations-analysts-shareholders

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3. MANAGEMENT BODIES

3.1 EXECUTIVE COMMITTEE AS OF DECEMBER 31, 2012

Christian Lefèvre

Chief Executive Officer

Gaël Bodénès

Executive Vice President

Laurent Renard

Executive Vice President

3.2 BOARD OF DIRECTORS AS OF DECEMBER 31, 2012

Jacques d'Armand de Chateauvieux

Chairman of the Board of Directors

Henri d'Armand de Chateauvieux

Guy Dupont *

Baudouin Monnoyeur

Christian Munier

Agnès Pannier-Runacher *

Philippe Sautter *

Mahmud Tukur *

Vo Thi Huyen Lan

The Board of Directors is also assisted by Ms. Dominique Senequier as a non-voting member of the Board.

3.3 COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors is assisted in preparing its work by two special committees. These committees have a research and preparation role for various Board deliberations and they submit their opinion, proposals or recommendations to the Board of Directors.

3.4 NOMINATING, COMPENSATION AND GOVERNANCE COMMITTEE

The purpose of this committee is to study and submit to the Board proposals concerning the selection of Directors, the succession plan for members of the management team and the compensation of the Chairman and other corporate officers, including, where applicable, allocations of stock options for new or existing shares.

The Nominating, Compensation and Governance Committee is currently composed of three members:

- Mr. Guy Dupont, independent Director, Chairman of the committee;
- Mr. Henri d'Armand de Chateauvieux;
- Mr. Philippe Sautter, independent Director.

3.5 AUDIT COMMITTEE

The mission of the Audit Committee is to assist the Board of Directors so that it can monitor the accuracy and consistency of BOURBON's consolidated and separate accounts, the quality of internal control and the information available to shareholders and the markets.

The committee is currently composed of three members:

- Ms. Agnès Pannier-Runacher, independent Director, Chairman of the committee;
- Mr. Christian Munier;
- Mr. Mahmud Tukur, independent Director.

* *Independent Directors*

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OVERVIEW OF THE GROUP

BOURBON offers a broad range of offshore oil and gas marine services. The company has a large fleet of innovative and highly productive offshore vessels to guarantee the safest and highest quality services to the most demanding oil and gas customers worldwide. 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, participates in the Deferred Settlement Service (“SRD”) and is included in the SBF 120 and CAC Mid 60 indices.

1. BOURBON TIMELINE

Established in 1948, BOURBON (then known as Sucreries de Bourbon) was a sugar company based in Reunion Island when Jacques d’Armand de Chateauvieux was appointed Chairman in 1979.

▸ 1980 to 1989:

Industrial restructuring of the sugar activity. Diversification of activities into food-processing, then distribution and marine services.

▸ 1992:

Acquisition of the Compagnie Chambon and its subsidiary Surf, dedicated to offshore oil and gas marine services.

▸ 1998:

Initial Public Offering on the Paris secondary market.

▸ 2001:

The Group steadily disengaged from its historic activities in Foods, Distribution and Sugar and began to concentrate on marine services.

▸ 2003:

Implementation of the 2003-2007 strategic plan, which stepped up the Group’s shift toward the sole business of marine services.

▸ 2004:

BOURBON was classified by Euronext in the “Oil Services” sector.

▸ 2005:

“BOURBON Group” became “BOURBON” and the registered office was transferred from La Réunion to Paris.

▸ 2006:

BOURBON added to the SBF 120 index.

BOURBON completed the 2003-2007 plan a year ahead of schedule and launched a new strategic plan: Horizon 2010.

▸ 2008:

BOURBON extended its strategic plan and outlook within the new strategic plan: Horizon 2012.

BOURBON established its position on the IMR (Inspection, Maintenance and Repair) market for offshore oil and gas fields and enhanced its services offer by launching a new Subsea Services Activity.

▸ 2010:

BOURBON announced a new strategic plan “BOURBON 2015 Leadership Strategy”, building on the previous plan: a further investment program of USD 2 billion to support expansion in deepwater offshore and continue to renew the shallow water offshore fleet.

▸ 2011:

Change in BOURBON’s governance: the duties of Chairman of the Board of Directors and Chief Executive Officer have been segregated.

▸ 2012:

Bourbon Offshore Surf is celebrating 40 years of professionalism in client service.

2. SIMPLIFIED OVERVIEW OF BOURBON'S ACTIVITIES

Marine Services	Subsea Services
- Offshore installation supply	- Offshore operations engineering, supervision and management
- Offshore installation anchor handling, towage and position	- Offshore field and wind farm development support
- Offshore oil and gas production and storage terminal support	- Subsea Inspection, Maintenance and Repair (IMR)
- Personnel transport	
- Assistance, salvage and pollution remediation	

3. ACTIVITIES

BOURBON offers its oil and gas clients a comprehensive and modular range of marine services for offshore oil and gas. In the Marine Services Activity, BOURBON's vessels are employed in exploration, development and production of fields in continental and deepwater offshore. In the Subsea Services activity, the vessels are involved in inspection, maintenance and repair operations for the facilities. For over thirty years, the Group has also managed the protection of the French coastline for the French navy.

3.1 GEOGRAPHIC PRESENCE

BOURBON operates in the principal marine oil regions, apart from the American portion of the Gulf of Mexico. BOURBON is therefore present in:

- Africa, in particular the Gulf of Guinea;
- the North Sea;
- the Mediterranean Sea;
- Mexico, Brazil and Trinidad;
- India and the Middle-East;
- Australia;
- the Far East: Singapore, Vietnam, the Philippines, China, Indonesia, Malaysia, etc.

3.2 MARINE SERVICES

The Marine Services Activity covers all offshore oil and coastal protection support services. Exploiting a dynamic policy of medium- and long-term contracts, the Marine Services Activity provides a latest-generation fleet ideally suited to the specific requirements of the most rigorous and exacting oil clients.

Through its strong investment capacity, its technical and technological expertise and the qualification of its employees, BOURBON is perfectly positioned to respond to the increasingly demanding offshore oil & gas requirements. Its increasingly innovative vessels are ideal for responding to market needs in traditional offshore (depth of less than 200 m) and the growing requirements of deepwater offshore (depth up to 3,000 m).

3.2.1 The fleet - Offshore support

Anchor Handling Tug Supply vessels (AHTS)

AHTS vessels are used for positioning and maintaining oil and gas platforms. They have powerful engines and winches, can tow drilling rigs, lay and lift anchors, and deploy various equipment connected with oil production.

Platform Supply Vessels (PSV)

These vessels supply offshore facilities with equipment and special products. In addition to their huge deck area that enables all types of equipment to be transported, including extra-large packages, they have sizable storage capacity.

Terminal Tugs

The BOURBON fleet Tugs are dedicated to support and intervention operations on offshore oil and gas terminals, and are specialized in storage vessel assistance (FPSO).

Crewboats

The FSIV (Fast Support Intervention Vessels) provide urgent supplies and transport of response teams.

The Surfers are fast crewboats that can transport personnel rapidly to offshore oil sites and serve the platforms within a field.

3.2.2 The fleet - Coastal protection

Assistance & salvage tugs

These are dedicated to the protection of the French coast (preventing wrecks, assistance and salvage of vessels in distress and fighting pollution risks).

3.3 SUBSEA SERVICES

BOURBON offers a global or modular range of Subsea Services to provide maximum flexibility and expertise to its oil operator clients: a range of vessels dedicated to IMR (Inspection, Maintenance, Repair), IMR engineering services and supervision of offshore operations, together with a fleet of subsea robots (ROV) capable of operating at great depths.

3.3.1 The Subsea fleet

IMR vessels

These are multi-purpose vessels mainly devoted to Inspection, Maintenance and Repair (IMR) operations at great depths that can also support wind farms. BOURBON offers a wide range of vessels with cranes from 10 to 250 tons at depths of up to 3,000 m. They have dynamic positioning technology and cranes with built-in swell compensation systems. BOURBON's IMR vessels have a large cargo capacity and sizeable deck space and they can accommodate over 100 people.

This range of vessels has been specially developed to meet the needs of oil operators during:

- The exploration phase for testing wells;
- The phase of field development by constructors;
- The surface or subsea maintenance phase of offshore oil and gas fields.

Remote Operated Vehicles (ROV)

The ROVs in the Bourbon Subsea Services fleet are multi-purpose and highly flexible robots falling into three main categories:

- ROVs for light observation;
- Compact ROVs used for instrumental surveys and light construction work at depths of between 600 and 2,000 meters;
- ROVs of the UHD (Ultra Heavy Duty) and HD (Heavy Duty) "Work Class" type, which enable crews to work and handle packages on all types of sites at depths of up to 4,000 meters with great stability and precision.

3.3.2 Engineering and management services

BOURBON also offers recognized IMR project engineering expertise for oil fields in operation (replacement of undersea connections, well heads, cables, etc.). This activity is complementary to the provision of vessels and robots, enabling BOURBON to establish itself as a single provider for preparing and performing operations required on offshore fields. This service includes the more or less complex project management and planning of procedures, as well as the provision of specialized personnel to manage the operations in question on board the BOURBON vessels.

4. INNOVATION

Innovation is at the heart of BOURBON's model and strategy. This approach is reflected in technological concepts, new techniques and operational innovations.

BOURBON keeps a constant watch on technological developments, supports research and development at its main subcontractors', and supports innovative developments such as French marine clusters.

BOURBON enables its clients to benefit from the reliable performance of its Bourbon Liberty 100, 200 and 300 series.

These vessels share many innovative characteristics: reduced fuel consumption, a 30% greater cargo capacity than vessels of comparable size, shorter time taken for operations and excellent maneuverability. Finally, a high level of availability can be guaranteed because the maintenance of these modern vessels is facilitated by standardization. All these assets generate significant productivity gains on operations conducted for clients, efficiently and over the long term.

BOURBON's support vessels are set apart by the installation of high-tech equipment, such as dynamic positioning, which is essential to the safety of anchoring and supply operations. BOURBON has also chosen to equip the majority of its support vessels with the more environmentally-friendly option of diesel-electric propulsion.

As part of the "BOURBON 2015 Leadership Strategy" plan, the construction of new series of vessels is continuing:

- The AHTS Bourbon Liberty 300 which is an extension of the Bourbon Liberty 200 with its "Clean Ship" version (no polluting product is in direct contact with the hull, thus minimizing the risk of pollution in case of loss of integrity of the floater);
- The PSV Bourbon Liberty 150, an extension of the Bourbon Liberty 100 with even greater cargo capacity;
- The 3,600 ton-deadweight PSV Bourbon Explorer 500, also meeting the "Clean Design" standards.

5. COMPETITIVE ENVIRONMENT

5.1 MARINE SERVICES

There are two types of operator:

- Global operators present in the major world markets, which represent around 30% of the total fleet (including BOURBON). The leading companies are: Tidewater (USA), Seacor (USA), Farstad (Norway), Solstad (Norway), Maersk Supply (Denmark), Gulfmark (USA), Edison Chouest (USA), Swire Pacific (Hong Kong);
- Around 400 local operators, each with a limited fleet of vessels.

5.2 SUBSEA SERVICES

Bourbon Subsea Services has a special position on this market in the sense that it proposes a modular and completely flexible offer, from vessels to subsea robots, including engineering and management, if required. Being a global player, Bourbon Subsea Services enjoys the advantages of the local establishment of all BOURBON subsidiaries, and as a result, competition is based more on the type of services requested locally by the end client in line with internationally recognized standards.

Internationally, the competition primarily includes shipowners such as Maersk Supply (Denmark), Tidewater (USA), Solstad (Norway) or Sealion (UK) for straight chartering, and integrated service operators such as DOF Subsea (Norway), DeepOcean (Norway), Hallin – Superior Energy Services (Singapore), Canyon – Helix ESG (USA).

6. MAIN MARKET TRENDS

Current projections of energy demand indicate an increase of 36% over the period 2011 to 2030 (source: BP's Energy Outlook 2030). Furthermore, crude has maintained prices above USD 100 per barrel (with the average price for 2012 being maintained at USD 111.5 / barrel). In this environment, exploration and production expenditure by oil companies is forecast to increase (source: IFP) across all operating zones. In West Africa, BOURBON's leading region in terms of revenues, these investments will be concentrated chiefly in deepwater and ultra-deepwater offshore (new discoveries are mainly in this segment).

Deepwater Offshore

With sustained demand for offshore marine services in most regions in which BOURBON has a presence, the Group invests primarily in high-growth markets (Asia, India, Africa and South America). This sustained activity is confirmed by a large number of semi-submersible drilling rigs commissioned in 2012 due to a utilization rate of more than 90% (source: *IHS Petrodata*). Moreover, of the 430 vessels ordered worldwide, 5% belong to BOURBON (source: *IHS Petrodata*). The average age of BOURBON's deepwater offshore fleet is 8.2 years in a global fleet estimated at in excess of 1,200 units, 9% of which are over 25 years old (source: *IHS Petrodata*/ BOURBON).

Shallow water offshore

Activity in this market has remained stable but is expected to increase. In fact, many drilling rigs were delivered in 2012 and orders are substantial with 88 new units to be delivered by 2015. In 2012, the average utilization rate of these rigs were more than 80%. To meet oil operators' "risk management" requirements, the phenomenon of replacing older vessels, now considered to be obsolete, by more modern vessels is set to accelerate, since there is a need to supply more powerful vessels equipped with dynamic positioning technology for use at the new drilling rigs. That is why, of the 102 shallow water offshore vessels ordered worldwide, 28% belong to BOURBON, which has chosen to drive its development along this growing segment. The average age of BOURBON's shallow water offshore fleet is 4.5 years in a global fleet estimated at in excess of 1,700 units, 38% of which are over 25 years old (source: *IHS Petrodata* / BOURBON).

3

MANAGEMENT **REPORT**

3

1. ACTIVITIES AND HIGHLIGHTS

1.1 HIGHLIGHTS

- In 2012, revenues went up by 17.7%, in line with the average annual growth objective of 17% of the BOURBON 2015 Leadership Strategy plan between 2011 and 2015 (based on an exchange rate of USD 1.30 for 1 euro).
- The operating income (EBIT) for 2012 amounted to €161.6 million, which indicated a sharp increase of 89.4% on the previous year.
- In 2012, BOURBON continued to grow organically, taking delivery of 33 vessels, including nine Bourbon Liberty supply vessels, of which the first six vessels were from the Bourbon Liberty 300 series. With 457 vessels dedicated to offshore oil and gas services, BOURBON has the youngest fleet among the major players in the sector.
- During the year, BOURBON obtained new bank loans amounting to €727 million, including €463 million from foreign banks.
- Following negotiations with China Exim-Bank for a loan of USD 400 million in June 2010, the first installment of USD 256 million was arranged in 2012. This first installment secured funds for 26 vessels under construction at the Chinese site Sinopacific and became available as and when the financed vessels were delivered. As of December 31, 2012, USD 21 million were drawn on this installment of USD 256 million.
- In 2012, 15 vessels under construction at the Sinopacific sites of Zhejiang were affected by the typhoon Haikui that struck China. The delivery and transfer of ownership of these vessels to BOURBON should now take place with an estimated delay of five to six months.
- At the beginning of the year, BOURBON launched a worldwide participative campaign on safety called “Safety Takes me Home”, in order to continue improving its operating performance.
- Taking advantage of its strategy of constructing vessels in series, BOURBON centralized the management of class dockings through a new Dubai-based entity, Bourbon Docking.
- In 2012, the French subsidiary Bourbon Offshore Surf celebrated 40 years of professionalism in service to offshore oil and gas clients.

1.2 SIGNIFICANT EVENTS OCCURRING SINCE THE YEAR END

BOURBON deployed a transformation plan for its future growth. Within the context of this project “Transforming for beyond”, BOURBON has decided to sell vessels worth USD 2.5 billion from its fleet and retain the vessels on bareboat charter for a period of 10 years.

BOURBON has taken the decision to invest €500 million, the balance of investments planned within the framework of the BOURBON 2015 Leadership Strategy plan, in 41 new vessels belonging to the various existing series.

2. RESULTS

2.1 CONSOLIDATED RESULTS

(in € millions)	2012	2011	Change 2012/2011
Revenues	**1,186.9**	**1,008.0**	**+17.7%**
Gross operating income (EBITDA) excluding capital gains	**382.4**	**299.4**	**+27.7%**
Gross operating income (EBITDA)	**406.2**	**300.2**	**+35.3%**
% of revenues	*34.2%*	*29.8%*	
Operating income (EBIT)	**161.6**	**85.3**	**+89.4%**
Net financial income / (loss)	(87.0)	(71.7)	
Income tax	(22.2)	(10.7)	
Income from discontinued operations	0.8	0.5	
Non-controlling interests	(11.3)	3.3	
Net income, Group share	**41.9**	**6.8**	**x6**

The increase in the fleet, improvement in daily rates and the €/USD parity resulted in a 17.7% increase in revenues in 2012 on the previous year. All vessel segments contributed towards this growth, particularly the shallow water offshore vessels (+39.4%).

(in € millions)	2012	2011	Change 2012/2011
Revenues	**1,186.9**	**1,008.0**	**+17.7%**
Africa	729.2	611.1	+19.3%
Europe & Mediterranean / Middle East	201.1	188.5	+6.7%
American Continent	146.3	125.6	+16.5%
Asia	110.3	82.9	+33.1%

2012 was marked by sustained growth, particularly in Asia (+33.1%, mainly in Australia) and Africa (+19.3%).

The gross operating income (EBITDA) for 2012 came to €406.2 million, *i.e.* a 35.3% increase over the previous year and significantly higher than the increase in revenues. This increase is justified by the improvement in daily rates, the strengthening of the dollar, a slight increase in the size of the fleet, sustained utilization rates and capital gains on the sale of three vessels. As a result, the operating income (EBIT) showed a remarkable growth of close to 90%.

The financial results for 2012 represent a net expense of €87.0 million due to a slight increase in debt and unrealized foreign exchange losses amounting to €27.6 million.

Net income, Group share for 2012 increased sharply to €41.9 million versus €6.8 million in 2011.

2.2 RESULTS BY ACTIVITY

2.2.1 Marine Services

	2012	2011	Change 2012/2011
Number of owned vessels * (end of period)	**439**	418	+21 vessels
Average utilization rate	**83.9%**	83.8%	+0.1 pt

* *vessels owned or on bareboat charter.*

(in € millions)	2012	2011	Change 2012/2011
Revenues	**972.2**	**792.9**	**+22.6%**
Direct costs	(569.6)	(488.8)	+16.5%
Operating margin	**402.6**	**304.1**	**+32.4%**
General & Administrative costs	(99.1)	(83.2)	+19.2%
Gross operating income (EBITDA) excluding capital gains	**303.5**	**221.0**	**+37.3%**
% of revenues	*31.2%*	*27.9%*	
Gross operating income (EBITDA)	**327.4**	**221.4**	**+47.8%**
% of revenues	*33.7%*	*27.9%*	

Revenues from Marine Services for 2012 amounted to €972.2 million, up 22.6% compared to 2011, mainly due to the increase in the fleet (+21 vessels) and maintenance of high utilization rates accompanied by a rise in the daily rates in all segments, and particularly in the shallow water offshore segment.

There was a sharp increase of 47.8% in the 2012 EBITDA to €327.4 million over the previous year. EBITDA growth was at 37.3%, excluding capital gains. This growth reflected general growth in all three segments and the benefit of a stronger dollar during the period.

In 2012, the Marine Services Activity expanded its range of vessels, particularly the entry into the fleet of the first six vessels in the new AHTS Bourbon Liberty 300 series, the first vessel in the latest-generation FSIV series with straight bow and DP2 dynamic positioning, and two “large PSV” PX105 with inverted bow equipped with the PG MACS unique cargo system. The commencement of a contract for three Bourbon Liberty vessels in Australia illustrates the oil companies’ preference for this series.

2.2.1.1 Deepwater offshore vessels

	2012	2011	Change 2012/2011
Number of owned vessels * (end of period)	**72**	70	+2 vessels
Average utilization rate	**91.6%**	89.8%	+1.8 pt

* *vessels owned or on bareboat charter.*

(in € millions)	2012	2011	Change 2012/2011
Revenues	**360.8**	**318.4**	**+13.3%**
Direct costs	(193.2)	(174.4)	+10.7%
Operating margin	**167.6**	**144.0**	**+16.4%**
General & Administrative costs	(36.8)	(33.4)	+10.1%
Gross operating income (EBITDA) excluding capital gains	**130.8**	**110.6**	**+18.3%**
% of revenues	*36.3%*	*34.7%*	
Gross operating income (EBITDA)	**154.6**	**110.6**	**+39.8%**
% of revenues	*42.9%*	*34.7%*	

In 2012, revenues from the deepwater offshore vessels segment amounted to €360.8 million and accounted for 37.1% of the total Marine Services Activity. In this segment, BOURBON added two vessels to its fleet and utilization rates continued their improvement to 91.6%, up 1.8 points relative to 2011. The renewal of several expiring contracts made it possible to take advantage of higher rates in the segment and raise the average daily rate.

EBITDA amounted to €130.8 million (excluding capital gains), constituting 43.1% of the total Marine Services Activity versus 50.0% in 2011. This decline was due to the increasing share of the shallow water offshore segment in the Marine Services Activity. Capital gains, which improved the EBITDA of this segment by €23.8 million, were mainly from the sale of three UT 755 type vessels.

2.2.1.2 Shallow water offshore vessels

	2012	2011	Change 2012/2011
Number of owned vessels (end of the period)	**102**	91	+11 vessels
Average utilization rate	**89.9%**	87.5%	+2.4 pts

(in € millions)	2012	2011	Change 2012/2011
Revenues	**336.7**	**241.5**	**+39.4%**
Direct costs	(210.8)	(156.2)	+35.0%
Operating margin	**125.9**	**85.3**	**+47.6%**
General & Administrative costs	(34.3)	(25.3)	+35.5%
Gross operating income (EBITDA)	**91.7**	**60.3**	**+51.9%**
% of revenues	*27.2%*	*25.0%*	

In 2012, 11 additional vessels, a 2.4 point increase in the utilization rate (89.9%) and a strong increase in the average daily rate contributed towards the sharp year-on-year rise (+39.4%) in revenues from shallow water offshore vessels, which amounted to €336.7 million.

EBITDA was €91.7 million, up 51.9% over 2011. BOURBON's growth strategy in the shallow water offshore segment is endorsed by its clients who regularly praise the advent of modern vessels equipped with dynamic positioning technology, strong maneuverability and diesel-electric propulsion, enabling them to reduce their fuel consumption costs.

2.2.1.3 Crewboats

	2012	2011	Change 2012/2011
Number of owned vessels (end of the period)	**265**	257	+8 * vessels
Average utilization rate	**79.6%**	80.9%	-1.3 pts

* *BOURBON took delivery of 20 Crewboats during the year and withdrew the 12 oldest vessels from service which were all over 15 years old.*

(in € millions)	2012	2011	Change 2012/2011
Revenues	**274.8**	**233.0**	**+17.9%**
Direct costs	(165.6)	(158.2)	+4.7%
Operating margin	**109.1**	**74.8**	**+45.8%**
General & Administrative costs	(28.0)	(24.4)	+14.6%
Gross operating income (EBITDA)	**81.1**	**50.5**	**+60.6%**
% of revenues	*29.5%*	*21.7%*	

In 2012, eight additional vessels in the fleet and a steady increase in the daily rate, particularly for large sized vessels, contributed to the 17.9% rise in revenues from the Crewboats segment at €274.8 million. EBITDA was €81.1 million, up sharply by 60.6% due to the increase in daily rates and improvement in technical cost control in West Africa.

2.2.2 Subsea Services

	2012	2011	Change 2012/2011
Number of owned vessels (end of the period)	**18***	18	-
Average utilization rate	**88.1%**	93.2%	-5.1 pts

* *The structure of the Subsea Services fleet evolved during the year, with the entry into the fleet of one new vessel and the transfer of one vessel from the Marine Services Activity in exchange for 2 Subsea vessels, taking the number of Subsea vessels to 18 at December 31, 2012.*

(in € millions)	2012	2011	Change 2012/2011
Revenues	**190.0**	**172.8**	**+10.0%**
Direct costs	(97.7)	(87.5)	+11.6%
Operating margin	**92.3**	**85.3**	**+8.3%**
General & Administrative costs	(19.4)	(18.1)	+6.9%
Gross operating income (EBITDA)	**72.9**	**67.5**	**+8.0%**
% of revenues	*38.4%*	*39.1%*	

In 2012, there was a 10.0% increase in revenues from the Subsea Services Activity over the previous year to €190 million due to the full operation of the first vessel in the Bourbon Evolution 800 series, the second one entering the fleet and the improvement in day rates, despite eight planned classification dry-docks over the year which affected over 40% of the fleet and had a negative impact of 4.3 points on the average utilization rate.

Altough up 8.0% to €72.9 million, EBITDA in 2012 for this activity was particularly impacted by periods of planned classification dry-docks not generating any revenues to offset the fixed costs.

2.3 "OTHERS"

(in € millions)	2012	2011	Change 2012/2011
Revenues	**24.7**	**42.3**	**-41.7%**
Direct costs	(17.5)	(29.6)	-41.1%
Operating margin	**7.2**	**12.7**	**-43.1%**
General & Administrative costs	(1.3)	(1.3)	-1.7%
Gross operating income (EBITDA)	**5.9**	**11.3**	**-48.0%**
% of revenues	*23.9%*	*26.8%*	

"Others" mainly includes operations of the cement carrier, Endeavor, those of externally chartered offshore vessels that were not operated by BOURBON as well as items not included in the two other Activities. The decline in revenues and EBITDA reflects the reduced use of external charters in the Offshore activities.

2.4 STRATEGIC PLAN

2012 was the second year of the "BOURBON 2015 Leadership Strategy" plan, with the Group focusing on offshore oil and gas marine services.

Growth in revenues in 2012

In 2012, BOURBON's revenues were up 17.7% at prevailing exchange rates (+13.7% at constant exchange rates) and 20.3% for Marine Services and Subsea Services Activities. During the first two years of the plan, the Group's revenues thus increased at an annual average rate of 18.2% at prevailing exchange rates (17.3% at constant exchange rates). The BOURBON 2015 Leadership Strategy plan has a targeted annual average growth of 17% in Offshore revenues over the period 2011-2015.

Progress of the investment programs

In line with the Horizon 2012 investment plan, BOURBON had taken delivery of 255 vessels and ROVs by the end of 2012. BOURBON is still to take delivery of 11 vessels based on this plan.

In line with the BOURBON 2015 Leadership Strategy investment plan, as of December 31, 2012, BOURBON had ordered 110 vessels for a total of €1,053 million, thus having implemented 68.5% of the plan. On that date, BOURBON had already taken delivery of 40 vessels.

Financing of the investment programs

Under the BOURBON 2015 Leadership Strategy plan, it was assumed that cash flow generated from operations would amount to €2,700 million between 2011 and 2015; this would enable net debt to be reduced by €360 million by the end of the plan.

As of December 31, 2012, the amount of long-term loans available for drawdown amounted to €182 million.

The commercial value of unmortgaged vessels in operation amounted to €685 million.

Financial ratios in 2015

The BOURBON 2015 Leadership Strategy plan aims to achieve an "EBITDA to average capital employed excluding installments for vessels under construction" ratio of 20% for 2015 (assuming an exchange rate of EUR 1 to USD 1.30). For 2012, this ratio was 14.7% (average exchange rate for 2012: EUR 1 = USD 1.28).

The plan also targets an "EBITDA to revenues" ratio for 2015 of 45% for the offshore activity. This ratio came to 34.2% in 2012, in improving market conditions.

The fleet's availability rate(1) was 94.3% in 2012, with a target of 95% in 2015.

The operating costs index (base 100 = 2010) reached 106.5 in 2012, the year in which operational excellence programs were deployed, with a target of 96 in 2015.

The objectives summarized above are not data forecasts but simple objectives arising from the Group's strategic guidelines and plans of action. They are based on data and hypotheses considered to be reasonable by BOURBON. These data and hypotheses are likely to change or to be amended due to uncertainties relating, in particular, to investment opportunities and the economic, financial, competitive or even regulatory environment. Moreover, the occurrence of certain risks described in paragraph 4 "Risk factors" of the management report, may have an impact on BOURBON's activities and its capacity to achieve such objectives. In addition, the achievement of these objectives assumes the strategy described in this document to be successful.

BOURBON cannot, therefore, make any commitments nor give any guarantees as to the achievement of the objectives appearing in this chapter and does not agree to publish or give notice of any corrections or updates in this regard.

(1) Vessel's availability rate: over a given period, number of days the vessel is not in complete technical stoppage (for example: periodic drydock, breakdown preventing provision of service), divided by the number of calendar days.

2.5 BOURBON SA RESULTS (PARENT COMPANY)

Since the Company failed to post any revenues in 2012, the operating loss of €3.6 million was up slightly by €0.4 million on 2011.

Financial income was positive at €64.4 million, down €32.2 million from the previous year. This decline was mainly on account of a €44.8 million decrease in dividends cashed. The decline was also on account of the decrease in net financial allowances in 2012 on the previous year.

At - €2.4 million, exceptional income was up by €1 million on the previous year. This change was related particularly to the exceptional provisions made in 2012.

As a result, the net income of €70.5 million posted for the year was down €27.8 million compared to 2011.

No expense referred to in Articles 39.4 and 223 quater of the French General Tax Code was identified.

Information on BOURBON SA payment deadlines

In accordance with the provisions of Article L. 441-6-1 of the French Commercial Code, and pursuant to the law on modernization of the economy (LME), we inform you that as of December 31, 2012, the balance of debts to suppliers amounted to €61,388.65 and was constituted of:

- 91% of invoices payable at 45 days from the date of issue of the invoice;
- 9% of invoices payable at 30 days from the date of issue of the invoice.

At that date, the balance did not include any significant overdue debt.

2.6 CHANGE IN ACCOUNTING METHODS

There is no change in accounting methods to report.

2.7 OUTLOOK: PRINCIPAL TRENDS

In a growing oil and gas and oil services market, BOURBON will maintain its competitive advantage by taking delivery of 45 new vessels in 2013 across all segments by concentrating on the existing series.

All the indicators of increase in demand for vessels for drilling, construction, commissioning of fields or installing undersea well heads are excellent.

As far as the supply of vessels is concerned, fewer vessels should come out of shipyards, with the exception of the deepwater offshore PSV market, on which BOURBON had a long-term contract rate of 81% and an average residual duration of fixed charter contracts of 13 months at the end of 2012. At the same time, the substitution of old shallow water offshore vessels should speed up.

BOURBON has taken the decision to invest €500 million, the balance of investments planned within the framework of the BOURBON 2015 Leadership Strategy plan, in 41 new vessels belonging to the various existing series.

In this context, with a strategic fleet focus on medium sized deepwater offshore vessels and state-of-the-art shallow water offshore vessels, BOURBON will further consolidate its positions and benefit from growth in this sector.

***

The Board of Directors will propose a dividend of €0.82 / share in the Combined General Meeting to be held on May 28, 2013.

In addition, as was the case in 2011, the allocation of one new share for ten existing shares held will be proposed.

3. CORPORATE GOVERNANCE

At its meeting on December 8, 2008, BOURBON's Board of Directors took account of the AFEP-MEDEF recommendations of October 6, 2008 on the remuneration of Executive Directors of listed companies.

It considered that these recommendations should be an integral part of the Company's corporate governance. Consequently, pursuant to the law of July 3, 2008, transposing European Council Directive 2006/46/EC of June 14, 2006, the amended AFEP-MEDEF Code is the Company's reference for drafting the report required by Article L. 225-37 of the French Commercial Code.

3.1 CHAIRMAN AND CHIEF EXECUTIVE

Further to the decision taken at its meeting of December 6, 2010, the Board of Directors decided to separate, with effect from January 1, 2011, the functions of Chairman of the Board of Directors and Chief Executive Officer; the function of Chairman of the Board of Directors was then devolved to Mr. Jacques d'Armand de Chateauvieux and that of Chief Executive Officer to Mr. Christian Lefèvre.

Mr. Christian Lefèvre is assisted in his functions by two Executive Vice Presidents, Mr. Gaël Bodénès and Mr. Laurent Renard, appointed on that same date, for a period of three years, all three having the same general management powers.

3.2 TERMS OF OFFICE AND FUNCTIONS OF CORPORATE OFFICERS

3.2.1 Directors in office as of December 31, 2012

It is specified in the introduction that paragraph 1.1 of the report from the Chairman of the Board of Directors on the Board's *modus operandi* and internal control and risk management procedures, should indicate which of the AFEP-MEDEF Code criteria were used by the Board of Directors in order to assess Directors' independence.

Mr. Jacques d'Armand de Chateauvieux
Date of birth: February 13, 1951

Chairman of the Board of Directors

Business address:
JACCAR
33 rue du Louvre
75002 PARIS

First term of office: October 14, 1977

Term expires on: General Meeting called to approve the financial statements for the year ended December 31, 2012

A graduate of the Institut Supérieur de Gestion de Paris and holder of an MBA from the University of Columbia, New York. Chairman of BOURBON since 1979, Jacques d'Armand de Chateauvieux has been the leading force in the transformation of the Company from a conglomerate involved in a variety of activities to an international group devoted to marine services, particularly for offshore oil and gas. He was BOURBON's Chairman and Chief Executive Officer until December 31, 2010.

Positions held outside the Group

- Chairman of Cana Tera SAS
- Chairman and Director with delegated powers of JACCAR Holdings SA (Luxembourg)
- Chairman of SAGES
- Chairman of Sapmer SA
- Director, Sinopacific Shipbuilding Group (China)
- Member of the Supervisory Board of Piriou SAS
- Director, Greenships Holdings (Singapore)
- Advisor to CBo Territoria SA

Positions that expired in the past five years

- Chairman of the Supervisory Board, AXA
- Chairman of the Board of Directors, CBo Territoria SA
- Director, Innodis Ltd (Mauritius)
- Director, AXA
- Director, Sinopacific Offshore and Engineering (China)
- Director, Evergas (Denmark)

Mr. Henri d'Armand de Chateauvieux
Date of birth: August 17, 1947

Director

Brother of the Chairman of the Board of Directors

First term of office: May 25, 1987

Term expires on: General Meeting called to approve the financial statements for the year ended December 31, 2013

Member of the Nominating, Compensation and Governance Committee

Airline pilot at Air France for over 30 years. As of December 31, 2012, through the companies Mach-Invest and Mach-Invest International, Henri d'Armand de Chateauvieux held 7.73% of the capital of BOURBON.

Positions held outside the Group
- Chairman of Mach-Invest SAS
- Director, Sapmer SA
- Managing Director of Mach-Invest International

Positions that expired in the past five years
- Director, Vindémia SAS

Mr. Guy Dupont
Date of birth: August 25, 1944

Independent Director

First term of office: June 18, 1999

Term expires on: General Meeting called to approve the financial statements for the year ended December 31, 2013

Chairman of the Nominating, Compensation and Governance Committee

A doctor of law, Guy Dupont began his career as CEO of local authorities. He became Chief Executive Officer of BOURBON then Chairman of the food companies following BOURBON's focus on marine activities. He is currently the honorary Chairman of FEDOM, the federation of overseas companies and Chairman of GIP GERRI and the IRC [innovation relay center].

Positions held outside the Group
- Chairman of GVS SAS
- Chairman of ASR
- Chairman of Ink–Oi
- Director, French Development Agency
- Director, CBo Territoria SA
- Director, A.R.T
- Director, Sapmer SA
- Manager, SCI Orion

Positions that expired in the past five years
- Director, Boluda Réunion
- Director, Brasseries de Bourbon

Mr. Baudouin Monnoyeur
Date of birth: April 24, 1949

Director

Business address:
MONNOYEUR SAS
117 rue Charles-Michels – 93200 SAINT-DENIS

First term of office: May 30, 2008

Term expires on: General Meeting called to approve the financial statements for the year ended December 31, 2013

A graduate of the Paris Institut d'Études Politiques and holder of an MBA from INSEAD. Baudouin Monnoyeur is Chairman of the Monnoyeur Group, a French family company created in 1906, specializing in building and engineering distribution and services, which is now established in several countries as distributor of brands such as Caterpillar, Mercedes Benz and John Deere. As of December 31, 2012 Baudouin Monnoyeur held 5.35% of the capital of BOURBON through Monnoyeur SAS.

Positions held outside the Group
- Chairman of the Monnoyeur Group
- France Council Member of INSEAD

Positions that expired in the past five years

None

Mr. Christian Munier
Date of birth: December 10, 1950

Director

First term of office: June 18, 1999

Term expires on: General Meeting called to approve the financial statements for the year ended December 31, 2013

Member of the Audit Committee

After studying finance at Aix-en-Provence (DECS-DESS), Christian Munier began his career as an auditor at the Groupe Maritime des Chargeurs Réunis. Administrative and Finance Director of the Compagnie CHAMBON since 1986, then Member of the Management Board, then Managing Director of the marine division on the merger of CHAMBON and BOURBON, before being appointed Executive Vice President of BOURBON. Christian Munier has been actively involved in refocusing the Company on its marine business and restructuring BOURBON's portfolio of activities.

Positions held outside the Group

- Chairman of CDM2 SAS
- Chairman of SAS Régusse
- Chairman of the Supervisory Board, Piriou SAS
- Director, SAS Marbour
- Director, SAS Siacom
- Director, Finadvance

Positions that expired in the past five years

- Executive Vice President of the BOURBON Group
- Director, Bonnasse Lyonnaise de Banque SA

Ms. Agnès Pannier-Runacher
Date of birth: June 19, 1974

Independent Director

Business address:
Compagnie des Alpes
89 rue Escudier
92100 BOULOGNE

First term of office: August 24, 2009

Term expires on: General Meeting called to approve the financial statements for the year ended December 31, 2014

Chairman of the Audit Committee

Agnès Pannier-Runacher is a graduate of the HEC and ENA and holder of a CEMS (Community of European Management Schools) Masters. Inspector of Finance at the Ministry of the Economy, Finance and Industry, then Cabinet Director and Member of the Management Committee at Assistance Publique-Hôpitaux de Paris; in 2006, she joined the Caisse des Dépôts as Deputy Director for Finance and Strategy, Manager of the Equity Investments and Development Department.
In 2009, she became a member of the Executive Committee and Director for Finance and Strategy for the FSI portfolio. In 2011, she joined Faurecia as Director of the Clients division at Faurecia Systèmes d'Intérieur.
Agnès Pannier-Runacher became the Executive Vice-President of Compagnie des Alpes on January 28, 2013.

Positions held outside the Group

None

Positions that expired in the past five years

- Director and Member of the Liaison Committee for Soprol SAS
- Director, FSI-PME Entreprises Portefeuille SAS
- Director and Chairperson of the Audit Committee of Transdev SA
- CDC Permanent Representative of Financière Transdev
- Director and Chairperson of the Audit Committee of SNI SA
- Director, Icade
- Non-voting Member of the Board of Egis SA
- Director, Member of the Investment Committee and Member of the Audit Committee of Santoline SAS
- Director, CDC Capital Investissements
- Director, CDC Entreprises Capital Investissement
- Director, CDC Entreprises portefeuille SAS
- Non-voting Member of the Board of CDC International
- Director, CDC Infrastructures
- Member of the Investment Committee of Exterimmo
- IT Management Controller CDC (GIE)
- Director, Société Forestière de la CDC
- Director, European Carbon Fund
- Director, La Fondation des Hôpitaux de Paris Hôpitaux de France
- Director, Samu Social de Paris (GIP)

Mr. Philippe Sautter
Date of birth: June 30, 1949

Independent Director

First term of office: June 03, 2009

Term expires on: General Meeting called to approve the financial statements for the year ended December 31, 2014

Member of the Nominating, Compensation and Governance Committee

Having entered the French Naval School in 1968, Philippe Sautter served on numerous French Navy vessels, including the patrol boat La Paimpolaise, the nuclear submarine missile launcher Le Foudroyant, the frigate Aconit, and the aircraft carrier Foch, of which he was captain.
He became Marine Advisor to the Military Cabinet at the Ministry of Defense at the end of the 1990s, serving Charles Millon then Alain Richard.
In 1999, he rejoined the French Navy and took on a number of responsibilities. Initially he was involved in the creation of the Fleet Support Department, in charge of vessel maintenance, before becoming the first local Director in Toulon. In 2002, he was appointed Personnel Director before taking command of Navy Surface vessels in 2005.
Admiral Philippe Sautter left the Navy in September 2008.

Positions held outside the Group
None
Positions that expired in the past five years
None

Mr. Mahmud Tukur
Date of birth: February 19, 1973

Independent Director

First term of office: June 1, 2012

Term expires on: General Meeting called to approve the financial statements for the year ended December 31, 2014

Member of the Audit Committee

A Nigerian national, Mahmud Tukur is a joint honors graduate of Accounting & Management from the Business School of the University of Wales College, Cardiff.
Vice Chairman of Ecomarine Group, a shipping line and Terminal Operator in West Africa, he is also an Executive Director of Independent Energy Limited (IEL), an indigenous Oil Exploration and Production Company. IEL is the operator of the Ofa marginal field.
Mahmud Tukur has also served for a number of years as the MD / CEO of Daddo Maritime Services Limited.
On June 1, 2010, he was appointed as the MD / CEO of Eterna Plc.

Positions held outside the Group
- CEO and Director, Eterna Plc (Nigeria)
- Director, Daddo Maritime Services Ltd (Nigeria)
- Director, ECM Terminals Ltd (Nigeria)
- Director, Independent Energy Ltd (Nigeria)
- Director, Lenux Group (Nigeria)
- Director, Dragnet Solutions Ltd (Nigeria)
- Director, Micro Access Ltd (Nigeria)

Positions that expired in the past five years
None

Ms. Vo Thi Huyen Lan
Date of birth: October 16, 1971

Director

Business address:
JACCAR
16th floor Fideco Tower – 81-85 Jan Nghi St –
HO CHI MINH CITY – VIETNAM

First term of office: December 10, 2007

Term expires on: General Meeting called to approve the financial statements for the year ended December 31, 2012

Vo Thi Huyen Lan is Vietnamese and she holds a DEA diploma in Finance and is a graduate of the HEC business school. Having been Chief Financial Officer then Assistant Deputy CEO of BOURBON's Retail business in Vietnam, she joined JACCAR in 2006 as CEO.

Positions held outside the Group

- Director, JACCAR Holdings SA
- Director, Long Hau (Vietnam)
- Director, Viet Au (Vietnam)
- Director, Hiep Phuoc (Vietnam)
- Director, Bourbon An Hoa (Vietnam)
- Director, Hoang Anh Gial Lai (Vietnam)
- Director, Agrex Saigon (Vietnam)
- Director, Seas (Vietnam)
- Director, Dien Quang (Vietnam)
- Director, Mylan (Vietnam)
- Director, Sinopacific Shipbuilding Group (China)

Positions that expired in the past five years

- Director, Indira Gandhi (Vietnam)
- Director, Bourbon An Lac (Vietnam)
- Director, Tuong An Vegetable Oil JSC (Vietnam)
- Director, Dai Viet Securities Companies (Vietnam)
- Director, Ever Fortune (Vietnam)
- Director, Viet Fortune (Vietnam)

Since August 24, 2009, the Board of Directors has benefited from the advice of a non-voting member, as permitted in the bylaws:

Ms. Dominique Senequier
Date of birth: August 21, 1953

Non-voting Member of the Board since August 24, 2009

First term of office as Director: September 8, 2003

Business address:
AXA Private Equity
20 place Vendôme – 75001 PARIS

A graduate of the École Polytechnique and holder of a DEA diploma in Banking and Monetary Economics from the University of the Sorbonne in Paris, Dominique Senequier occupied several management posts at the GAN Group, then joined AXA IM and became CEO of the subsidiary AXA PRIVATE EQUITY. She is also a member of the Institute of French Actuaries.

Positions held outside the Group

- Chairperson of the Management Board of AXA IM Private Equity SA
- Chairperson of the Management Board of AXA IM Private Equity Europe SA
- Chairperson of the Supervisory Committee of AXA Private Equity US LLC
- Chairperson of the Supervisory Board of AXA Private Equity Germany GmbH
- Member of the Board of Directors of AXA Private Equity Asia PTE Ltd
- Chairperson of the Board of Directors of AXA Private Equity Italy S.r.l.
- Chairperson of the Board of Directors, Member of the ASF V Committee and AESF V Committee of AXA Private Equity UK Ltd
- Chairperson of the Board of Directors of AXA Private Equity Switzerland AG
- Chairperson of the Board of Directors of AXA Private Equity Switzerland Holding AG
- Chairperson of the Supervisory Board of AXA Private Equity Eastern Europe GmbH
- Chairperson, Member of the Board of Directors and the Co-ordination Committee of AXA Infrastructure Investissement SAS
- Director, Théâtre des Champs Elysées SA
- Member of the Supervisory Board of Schneider Electric SA
- Member of the Board of Directors of Compagnie Industriali Riunite S.p.A.
- Manager, SCI 30 rue JACOB
- Director, SENEQ SA
- Chairperson of Escouf Properties Corp.
- Member of the United Nations Investments Committee of UN Pension Fund (international inter-governmental organization)
- Member of the Board of Directors of the Valentin Haüy Foundation (association under Law 1901)

Positions that expired in the past five years

- Director, BOURBON SA Group
- Chairperson of AXA Chile Private Equity I SAS
- Director, AXA Private Equity Funds of Funds Manager II Ltd
- Director, AXA Private Equity Primary Ltd
- Director, AXA Private Equity Secondaries Ltd
- Director of AXA IM Secondaries Associates Management LtdDirector of AXA Private Equity SL Management Ltd
- Director, AXA PE Asia Manager Ltd
- Director, AXA IM LBO Management Ltd
- Director, AXA IM LBO Management III Ltd
- Director, AXA IM LBO Management IV Ltd
- Member of the Board of AXA Alternative Participations SICAV I
- Member of the Board of AXA Alternative Participations SICAV II
- Non-voting member of the Board of Directors of Nakama SA
- Non-voting member of the Board of Schneider Electric SA
- Chairperson of Pikanter 9 SAS
- Chairperson of Pikanter 10 SASU
- Member of the Board of Directors and the Audit Committee of Hewlett-Packard Company Delaware Corp.
- Chairperson, Member of the Board of Directors and the Investment Committee of Matignon Développement 1 SAS
- Chairperson, Member of the Board of Directors and the Investment Committee of Matignon Développement 2 SAS
- Chairperson, Member of the Board of Directors and the Investment Committee of Matignon Développement 3 SAS
- Chairperson, Member of the Board of Directors and the Investment Committee of Matignon Développement 4 SAS
- Manager, Vendôme GSG SARL

3.2.2 Directors whose term ended in 2012

Mr. Christian d'Armand de Chateauvieux
Date of birth: November 9, 1947

Director

Resigned as Director on November 7, 2012

First term of office: June 29, 1990

A graduate of the IUT in Angers, France, Christian d'Armand de Chateauvieux worked initially in the banking sector. He then moved into the wines business and since 1992 has been head of a French wine distribution group established internationally, with a particularly strong base in Asia.

Positions held outside the Group
- Chairman-CEO of Ch. de Chateauvieux & Associés SAS
- Chairman of the Board of Directors of Legrand Filles & Fils SA
- Chairman-CEO of Vins Rares SAS
- Manager, Les Armands SC
- Manager, Everget Capital

Positions that expired in the past five years
- Manager, Le Petit Vasouyard SARL

Mr. Marc Francken
Date of birth: January 8, 1946

Independent Director

Director, whose term ended
and who did not seek re-election

First term of office: May 25, 2000

An electromechanical engineer and holder of a postgraduate diploma in business management from the University of Ghent (Belgium) and an MBA from Indiana University (USA), Marc Francken has also been a reserve Corvette Captain for the Belgian Navy. After an international career at Citibank and the World Bank (IFC), he followed a career in port and marine administration (Compagnie Maritime Belge). In 1989 he joined the portfolio management Company Gevaert NV as Managing Director and became its Executive Chairman between 2002 and 2006.

Positions held outside the Group
- Honorary Chairman of Gevaert NV (Belgium)
- Honorary Chairman of Union Remorquage et Sauvetage (Belgium)
- Honorary Chairman of Technum – Tractebel Engineering (Belgium)
- Director, Nederlands Loodswezen bv (Netherlands)
- Director, Vlaams Economisch Verbond (Belgium)
- Member of Koninklijke Vlaamse – Ingenieurs Vereniging – Fuggersocieteit – De Warande – Orde Van den Prince

Positions that expired in the past five years
- Director, University Hospital of Antwerp (Belgium)

3.2.3 Management in post as of December 31, 2012

Mr. Christian Lefèvre
Date of birth: August 27, 1957

Chief Executive Officer

Since January 1, 2011

Business address:
BOURBON
33 rue du Louvre – 75002 PARIS

Term expires on: December 31, 2013

Christian Lefèvre gained a postgraduate degree from the National Merchant Navy School in 1984. He began his career at BOURBON as an officer then Chief Engineer and Captain of offshore vessels before becoming Head of Agencies in Gabon then Cameroon. He was then successively appointed Chief Operating Officer at Bourbon Offshore Surf (a subsidiary of BOURBON) from 1990 to 1995, then CEO of Bourbon Offshore Surf from 1996 to 2001. In 2001, he was appointed CEO of the Offshore Division and in December 2005, Executive Vice President and Chief Operating Officer of BOURBON. Since January 1, 2011, he has been Chief Executive Officer of BOURBON.

Positions held outside the Group
- Chairman of SAS Marine
- Director, Sapmer SA
- Director, ENSM

Positions that expired in the past five years
None

Mr. Gaël Bodénès
Date of birth: April 3, 1968

Executive Vice President – Operations

Since January 1, 2011

Business address:
BOURBON
33 rue du Louvre – 75002 PARIS

Term expires on: December 31, 2013

Gaël Bodénès is a naval engineer who graduated from ENSIETA (Naval Engineering School) in 1991. He also has an MBA awarded by HEC (Business School) Paris in 2007.
He began his career with the French Navy (DGA) as a naval engineer in the Newbuilding Design Department, then joined the Sales Department of the DCN in Brest (France). In 1998, he joined Barry Rogliano Salles as an offshore shipbroker.
In September 2002, Gaël Bodénès joined BOURBON as Marketing and Business Development Manager for the Offshore Division.
In line with the growth of the business, he contributes to the structuring of the Offshore Division and to the development of the Marketing Department of Bourbon Offshore.
In September 2005, he was appointed Deputy CEO of Bourbon Offshore, before becoming in 2010 Deputy CEO of the Offshore Division, in charge of Business Management.
Since January 1, 2011, he has been Executive Vice President and Chief Operating Officer of BOURBON.

Positions held outside the Group
None

Positions that expired in the past five years
None

Mr. Laurent Renard
Date of birth: July 25, 1953

Executive Vice President – Finance & Administration
since December 5, 2005

Business address:
BOURBON
33 rue du Louvre – 75002 PARIS

Term expires on: Tuesday, December 31, 2013

Laurent Renard gained a postgraduate degree from the École Supérieure de Commerce in Paris in 1975. He began his career with Royal Dutch Shell where he held various positions during a 24-year career with the Royal Dutch Shell Group. Having assumed a variety of responsibilities in Niger, France, Oman, the UK and the Netherlands, Laurent Renard was appointed Chief Financial Officer of Exploration-Production of Shell International at The Hague from 1997 to 1999. He then joined Technip in 2000 before joining BOURBON in mid-2003 in the post of Administrative Director of the marine branch. Since December 2005, he has been BOURBON Executive Vice President, Chief Financial Officer.

Positions held outside the Group
- Director, Noreva Pharma

Positions that expired in the past five years
None

3.2.4 Additional information on the corporate officers

To the Company's knowledge, in the past five years, no corporate officer

- has been found guilty of fraud;
- has been involved in a bankruptcy, receivership or liquidation;
- has been found guilty of any offense or been subject to any official public sanction issued by any statutory or regulatory authority;
- has ever been prevented by a court of law from acting as a member of any administrative, management or supervisory body of any issuer, or from participating in the management or conduct of the business of any issuer.

3.2.5 Shares held by corporate officers

Pursuant to the provisions of Article 13 of the Bylaws in force at the date of this Registration Document, each Director is required to own at least 300 shares of the Company. These must be held in registered form.

As of December 31, 2012, as far as the Company is aware, the members of the Board of Directors and the corporate officers held the following number of shares in registered form:

	Number of shares held in registered form
Directors	
Jacques d'Armand de Chateauvieux	12,114
Henri d'Armand de Chateauvieux	183,327
Guy Dupont	117,191
Baudouin Monnoyeur	363
Christian Munier	53,990
Agnès Pannier-Runacher	330
Mahmud Tukur	300
Vo Thi Huyen Lan	363
Philippe Sautter	663
Directors, whose term ended during the year	
Christian d'Armand de Chateauvieux	4,892
Marc Francken	925
Corporate officers	
Christian Lefèvre, Chief Executive Officer	216,503
Gaël Bodénès, Executive Vice President	5,157
Laurent Renard, Executive Vice President	74,536
TOTAL	**670,654**

3.3 COMPENSATION OF THE CORPORATE OFFICERS

3.3.1 Compensation of the Chairman of the Board of Directors, the Chief Executive Officer and the Executive Vice Presidents

The compensation of corporate officers is approved by the Board of Directors on the recommendation of the Nominating, Compensation and Governance Committee.

Mr. Jacques d'Armand de Chateauvieux, Chairman of the Board of Directors as of December 31, 2012, does not receive any direct compensation from BOURBON aside from Directors' fees. Mr. Jacques d'Armand de Chateauvieux is an employee of JACCAR Holdings, the managing holding company with a substantial stake in BOURBON and which, as such, receives management services. Compensation of the Chief Executive Officer and of the Executive Vice Presidents for 2012 was set on the recommendation of the Nominating, Compensation and Governance Committee at its June 1, 2012 meeting and includes a fixed portion and a variable portion. The variable portion is payable the following year, at the end of the General Meeting approving the financial statements for the reference year. It is based on the set compensation and is capped at 70% of the annual base compensation. 20% of it is pegged to safety performance criteria, 60% to financial and performance criteria (criteria drawn up during the Board Meeting held on March 5, 2012 for the reference year) and 20% to personal qualitative objectives. The compensation paid for terms of office served in the Group (excluding BOURBON SA) is deducted from the variable portion.

At its March 4, 2013 meeting, the Board evaluated the performance of the Chief Executive Officer and the two Executive Vice Presidents, and after having heard the proposal of the Nominating, Compensation and Governance Committee, decided on the variable compensation to be granted for 2012.

3.3.1.1 Table summarizing the compensation, stock options and shares awarded to each Executive Director (in €)

Jacques d'Armand de Chateauvieux, Chairman of the Board of Directors	Year 2012	Year 2011
Compensation due for the year *(detailed in table 3.3.1.2)*	216,000	210,000
Value of stock options awarded during the year *(detailed in 3.3.3.2)*	-	-
Value of performance shares awarded during the year *(detailed in 3.3.4.1)*	-	-
TOTAL	**216,000**	**210,000**

Christian Lefèvre, Chief Executive Officer	Year 2012	Year 2011
Compensation due for the year *(detailed in table 3.3.1.2)*	433,061	317,720
Value of stock options awarded during the year *(detailed in 3.3.3.2)*	-	371,800 (1)
Value of performance shares awarded during the year *(detailed in 3.3.4.1)*	-	-
TOTAL	**433,061**	**689,520**

Gaël Bodénès, Executive Vice President	Year 2012	Year 2011
Compensation due for the year *(detailed in table 3.3.1.2)*	386,793	288,568
Value of stock options awarded during the year *(detailed in 3.3.3.2)*	-	200,200 (1)
Value of performance shares awarded during the year *(detailed in 3.3.4.1)*	-	-
TOTAL	**386,793**	**488,768**

Laurent Renard, Executive Vice President	Year 2012	Year 2011
Compensation due for the year *(detailed in table 3.3.1.2)*	482,162	418,854
Value of stock options awarded during the year *(detailed in 3.3.3.2)*	-	286,000 (1)
Value of performance shares awarded during the year *(detailed in 3.3.4.1)*	-	-
TOTAL	**482,162**	**704,854**

(1) The value of the options awarded was calculated on the day of the award using the Black & Scholes method based on the assumptions used for drawing up the consolidated financial statements before deferment of expenses. At the time of the award on December 5, 2011, the subscription price was fixed at €20. On that date, the fair value of one option was €5.72.

3.3.1.2 Table summarizing the compensation of each Executive Director (in €)

Jacques d'Armand de Chateauvieux, Chairman of the Board of Directors	Year 2011 due for the year	Year 2011 paid during the year	Year 2012 due for the year	Year 2012 paid during the year
- fixed compensation (1)	195,000	195,000	197,000	197,000
- variable compensation	-	-	-	-
- exceptional compensation	-	-	-	-
- Directors' fees	15,000	13,000	19,000	15,000
- benefits in-kind	-	-		
TOTAL	**210,000**	**208,000**	**216,000**	**212,000**

(1) The fixed compensation amounts indicated in the table are the amounts paid by JACCAR Holdings, BOURBON's managing holding company, to Mr. Jacques d'Armand de Chateauvieux in his capacity as an employee of this company.

Mr. Jacques d'Armand de Chateauvieux does not receive any direct compensation from BOURBON aside of Directors' fees. JACCAR Holdings, of which Mr. Jacques d'Armand de Chateauvieux is Chairman, bills BOURBON annually for management services. Since January 1, 2011, these services have been composed exclusively of a fixed portion of €360,000.

Christian Lefèvre, Chief Executive Officer	Year 2011 due for the year	Year 2011 paid during the year	Year 2012 due for the year	Year 2012 paid during the year
- fixed compensation	200,005	200,005	240,000	240,000
- variable compensation (1)	45,306 (2)	43,985 (2)	176,208 (2)	45,306 (2)
- exceptional compensation	-	-	-	-
- Directors' fees for terms of office served in the Group	68,694	68,694	12,792	12,792
- benefits in kind (3)	3,715	3,715	4,061	4,061
TOTAL	**317,720**	**316,399**	**433,061**	**302,159**

Mr. Christian Lefèvre is also Chairman of the Marine SAS company. This company invoices BOURBON for management services totaling €150,000 per year.

(1) Variable compensation is payable the following year, after approval of the financial statements by the General Meeting.

(2) The amount of Directors' fees is deducted from the total amount of variable compensation granted. The amount indicated is the residual amount paid or to be paid.

(3) Company car.

Gaël Bodénès, Executive Vice President	Year 2011 due for the year	Year 2011 paid during the year	Year 2012 due for the year	Year 2012 paid during the year
- fixed compensation	220,025	220,025	265,000	265,000
- variable compensation (1)	66,000	-	114,939 (2)	66,000 (2)
- exceptional compensation	-	-	-	-
- Directors' fees for terms of office served in the Group	-	-	4,311	4,311
- benefits in kind (3)	2,543	2,543	2,543	2,543
TOTAL	**288,568**	**222,568**	**386,793**	**337,854**

(1) Variable compensation is payable the following year, after approval of the financial statements by the General Meeting.

(2) The amount of Directors' fees is deducted from the total amount of variable compensation granted. The amount indicated is the residual amount paid or to be paid.

(3) Company car.

Laurent Renard, Executive Vice President	Year 2011 due for the year	Year 2011 paid during the year	Year 2012 due for the year	Year 2012 paid during the year
- fixed compensation	319,995	319,995	330,000	330,000
- variable compensation (1)	27,396 (2)	26,685 (2)	135,708 (2)	27,396 (2)
- exceptional compensation	-	-	-	-
- Directors' fees for terms of office served in the Group	68,604	68,604	12,792	12,792
- benefits in kind (3)	2,859	2,859	3,662	3,662
TOTAL	**418,854**	**418,143**	**482,162**	**373,850**

(1) Variable compensation is payable the following year, after approval of the financial statements by the General Meeting.
(2) The amount of Directors' fees is deducted from the total amount of variable compensation granted. The amount indicated is the residual amount paid or to be paid.
(3) Company car.

No supplementary pension scheme, nor any benefit in kind other than those mentioned in the tables above have been granted by BOURBON for the Chief Executive Officer nor for either of the two Executive Vice Presidents.

3.3.2 Directors' fees

As sole compensation, the members of the Board of Directors are paid Directors' fees totaling €240,000 in accordance with the decision by the Combined General Meeting of June 1, 2012 for the year 2011 and subsequent years, to be distributed according to the following terms:

- fixed compensation of €5,000;
- variable compensation reflecting the attendance rate, in the amount of €2,000 for each meeting attended; this applies to meetings of the Board as well as meetings of the specialized committees.

Under these terms, the amount paid to the members of the Board of Directors in 2012 totaled €168,000.

(in €)	Directors' fees paid in 2012	Directors' fees paid in 2011
Current members of the Board		
Jacques d'Armand de Chateauvieux	15,000	13,000
Henri d'Armand de Chateauvieux	19,000	17,000
Guy Dupont	19,000	17,000
Baudouin Monnoyeur	13,000	11,000
Christian Munier	21,000	19,000
Agnès Pannier-Runacher	19,000	19,000
Philippe Sautter	19,000	17,000
Vo Thi Huyen Lan	7,000	7,000
Mahmud Tukur	-	-
Directors, whose term ended during the year		
Christian d'Armand de Chateauvieux	13,000	11,000
Marc Francken	23,000	23,000
TOTAL	**168,000**	**154,000**

The Members of the Board of Directors were not granted any other compensation or benefit during the year. The Directors did not receive any stock option or bonus share awards.

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3.3.3 Stock options awarded and/or exercised during 2012

3.3.3.1 Policy of allocation of stock options

The stock option plans for new or existing shares relate exclusively to shares of BOURBON SA.

The stock options granted for new and/or existing shares reflect a policy of proportional distribution which is not concentrated on one category of beneficiaries and, more particularly, on the Executive Directors, in accordance with the recommendations of the AFEP-MEDEF Code.

Each plan is decided by the Board of Directors, as delegated by the AGM, on the recommendation of the Nominating, Compensation and Governance Committee, which is specifically responsible for recommending the number of options to be awarded to members of the management as well as defining any performance criteria.

Stock options can only be exercised after the expiration of a period of four years. Their exercise price corresponds to the average price of the share for the 20 stock market trading sessions prior to the date of award of the options, with no discount applied.

3.3.3.2 Stock options awarded during the year to each Executive Director

Options awarded to each Executive Director by the issuer or any Group Company	No. and date of plan	Nature of options (purchase or subscription)	Value of options based on method used for the consolidated financial statements	Number of options awarded during the year	Exercise price	Exercise period
Jacques d'Armand de Chateauvieux	-	-	-	-	-	-
Christian Lefèvre	-	-	-	-	-	-
Gaël Bodénès	-	-	-	-	-	-
Laurent Renard	-	-	-	-	-	-

Pursuant to the AFEP-MEDEF Code, the corporate officers are required to respect a duty of prudence and vigilance, and an obligation of particular precaution on any personal transaction concerning the securities of the company. In particular, they must not carry out any speculative and short-term transactions or trades on company shares, in the following cases:

- when they are in possession of information that could, when published, affect the price of these shares;
- during periods explicitly indicated to them by the company, especially during the month preceding the preliminary announcement of the annual and half-yearly results of the company, and two weeks prior to the publication of the company's quarterly revenues;
- during this period, only the simple exercise of options is permitted.

The corporate officers must not use any hedging instrument (especially call options) on the BOURBON share.

3.3.3.3 Requirement to keep shares

In March 2008, the Board of Directors instituted an obligation on corporate officers to keep 20% of the shares resulting from the exercise of stock options for the duration of their term of office.

3.3.3.4 Stock options exercised during the year by each Executive Director

Options exercised by Executive Directors	No. and date of plan	Number of options exercised during the year	Exercise price
Jacques d'Armand de Chateauvieux	-	-	-
Christian Lefèvre	-	-	-
Gaël Bodénès	-	-	-
Laurent Renard	-	-	-

3.3.4 Performance shares awarded and/or that became available in 2012

3.3.4.1 Performance shares awarded to each Executive Director

Performance shares awarded by the General Meeting during the year to each Executive Director by the issuer or by any Group Company	No. and date of plan	Number of shares awarded during the year	Value of options based on method used for the consolidated financial statements	Acquisition date	Date available	Performance conditions
Jacques d'Armand de Chateauvieux	-	-	-	-	-	-
Christian Lefèvre	-	-	-	-	-	-
Gaël Bodénès	-	-	-	-	-	-
Laurent Renard	-	-	-	-	-	-

3.3.4.2 Performance shares that became available for each Executive Director

Performance shares that became available for each Executive Director	No. and date of plan	Number of shares that have become available during the year	Acquisition conditions
Jacques d'Armand de Chateauvieux	-	-	-
Christian Lefèvre	-	-	-
Gaël Bodénès	-	-	-
Laurent Renard	-	-	-

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3.3.5 History of stock options or stock purchase options awarded

The table below shows all the information related to stock option plans for new and/or existing shares granted by the Company, in force as of December 31, 2012.

Meeting date	June 7, 2005		May 30, 2008		June 1, 2011		Total
	Plan No. 5 (1)	Plan No. 6 (1)	Plan No. 7 (1)	Plan No. 8 (1)	Plan No. 9	Plan No. 10	
Date of the Board Meeting	December 4, 2006	December 10, 2007	December 8, 2008	August 24, 2009	December 5, 2011	November 30, 2012	
Start date for exercising options	December 4, 2010	December 10, 2011	December 8, 2012	September 24, 2013	December 5, 2015	November 30, 2016	
Expiration date	December 3, 2012	December 9, 2013	December 7, 2014	September 23, 2015	December 4, 2017	November 29, 2018	
Original number of beneficiaries	60	681	50	895	1,153	2	
Total number of stock subscription or purchase options:	57,499	1,561,626	43,076	2,126,850	2,535,500	27,000	
a) Corporate officers in this capacity at the time granted		96,800 (2)		99,000 (3) (2)	150,000 (3) (2)		
Incl. Jacques de Chateauvieux							
Incl. Christian Lefèvre		48,400		49,500	65,000		
Incl. Gaël Bodénès					35,000		
Incl. Laurent Renard		48,400		49,500	50,000		
b) Top ten employee beneficiaries	26,354	211,750	21,296	235,400	201,000	27,000	
Subscription or purchase price	€30.09	€36.35	€17.36	€28.73	€20.00	€21.80	
Discounts granted	5%	No	No	No	No	No	
Options exercised as of December 31, 2012	532 (4)	-	-	-	-	-	
Options canceled or voided as of December 31, 2012	56,967	340,131	18,150	190,960	85,100	-	
Options remaining to be exercised as of December 31, 2012	0	1,221,495	24,926	1,935,890	2,450,400	27,000	5,659,711

(1) Numbers of options and exercise prices are adjusted values, as required under applicable regulations, following operations on the BOURBON share.
(2) Exercise terms for corporate officers from the December 2007 allocations, by decision of the March 10, 2008 Board of Directors' meeting: mandatory retention of 20% of the options exercised for the duration of their term of office.
(3) Options related to performance conditions (see section 3.3.3.2).
(4) In accordance with the terms of the plan.

3.3.6 Stock options granted to the first ten employees who are not corporate officers and options exercised by them in 2012

	Total number of options awarded / stock subscribed to or purchased	Exercise *(in €)*	Plans
Options granted during the year by the issuer to the ten employees of the issuer or any Group company who were granted the highest number of options	27,000	21.80	Plan No. 10 dated November 30, 2012
Options exercised during the year by the ten employees of the issuer or any Group company who were granted the highest number of options	-	-	-

3.3.7 Commitments of any kind made by the Company to its corporate officers

Executive Directors coming under the AFEP-MEDEF recommendation	Employment contract		Supplementary pension scheme		Indemnity or benefits payable or potentially payable due to termination or change of function.		Indemnities relating to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Jacques d'Armand de Chateauvieux, Chairman of the Board of Directors Start date of term of office: 06.09.2010 End date of term of office: General Meeting called to approve the financial statements for the year ended 12.31.2012		x (1)		x		x		x
Christian Lefèvre, Chief Executive Officer Start date of term of office: 01.01.2011 End date of term of office: 12.31.2013	x (2)			x		x		x
Gaël Bodénès, Executive Vice President Start date of term of office: 01.01.2011 End date of term of office: 12.31.2013	Not applicable			x		x		x
Laurent Renard, Executive Vice President Start date of term of office: 01.01.2011 End date of term of office: 12.31.2013	Not applicable			x		x (3)		x

The AFEP-MEDEF Code of Corporate Governance, which BOURBON uses as a reference, recommends that companies should put an end to the practice of corporate officers also holding employment contracts, but does not make this a requirement:

(1) The Chairman of BOURBON's Board of Directors has an employment contract with JACCAR Holdings, the managing holding company of the Group. This company bills BOURBON for its management services as managing holding company.
On the basis of the information available to it, BOURBON's Board of Directors cannot prejudge any provisions of the employment contract between Jacques d'Armand de Chateauvieux and JACCAR Holdings and, as a result, terminate that contract. BOURBON made no commitment to Mr. Jacques d'Armand de Chateauvieux with respect to the non-renewal of his term of office as Chief Executive Officer.

(2) The Board of Directors believed that, given the employment seniority within the Group of Christian Lefèvre, Chief Executive Officer since January 1, 2011, terminating his employment contract was not justified. In fact, his term of office is a continuation of the salaried positions he has held since he joined the Group in 1982 and, as such, the Board of Directors believes that terminating Mr. Christian Lefèvre's employment contract (within the subsidiary "Bourbon Management") would have the effect of depriving him of the rights associated with his seniority in the Group. It should be specified that the Chief Executive Officer does not benefit from any particular indemnification clause should he leave the Company. The same commitments made previously to Mr. Christian Lefèvre continue to apply to his new term of office.

(3) Mr. Laurent Renard is not entitled to any termination benefit under his term of office as corporate officer; however, his employment contract, dated before his appointment as Executive Vice President, contains a clause providing for benefits in the event of dismissal following a change of control of BOURBON.

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3.4 APPLICATION OF THE AFEP-MEDEF CODE OF CORPORATE GOVERNANCE: SUMMARY TABLE

BOURBON applies the AFEP-MEDEF Code with the exception of the following recommendations:

AFEP-MEDEF recommendations	BOURBON's position	Reference
Criteria for the independence of the Directors Point 8 of the code	The 12 years seniority criterion was not included	Chairman's report 1.1 Composition of the Board of Directors
Employment contract of the Executive Director Point 19 of the code	Maintenance of the employment contract with respect to seniority	Management report 3.3.7 – Commitments of any kind made by the Company to its corporate officers
Employment contract of the Chairman of the Board of Directors Point 19 of the code	This employment contract is not found within the company but in the Holding that own a part of the company's capital	Management report 3.3.7 – Commitments of any kind made by the Company to its corporate officers

3.5 FEES PAID TO THE STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORKS

	EurAAudit CRC				Deloitte			
	Amount		Percentage		Amount		Percentage	
(in € thousands)	2012	2011	2012	2011	2012	2011	2012	2011
Audit								
Statutory Auditors, certification, examination of consolidated and separate financial statements								
Issuer (parent company)	65	69	39%	38%	99	95	12%	13%
Fully consolidated subsidiaries	101	112	61%	62%	576	583	72%	79%
Other necessary procedures and services directly linked to the Statutory Auditors' mission								
Issuer (parent company)	-	-	-	-	75	-	9%	-
Fully consolidated subsidiaries	-	-	-	-	49	63	6%	9%
Sub-total	**166**	**181**	**100%**	**100%**	**800**	**741**	**100%**	**100%**
Other services rendered by members of the Statutory Auditors' networks to fully consolidated subsidiaries								
Legal, tax, corporate	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Sub-total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**166**	**181**	**100%**	**100%**	**800**	**741**	**100%**	**100%**

4. RISK FACTORS

To the best of the Company's knowledge, there are no exceptional events or disputes in existence that are likely to have a significant impact on the business, results, financial situation or capital assets of BOURBON or its subsidiaries.

BOURBON's objective is to ensure that the entire internal control system can, as far as possible, prevent any risks to which it is exposed. With this in mind, a "risk-mapping" process was developed in 2005.

A dedicated project team was formed within the Group. An inventory of risks was prepared as thoroughly as possible, along with associated controls, then categorized by type. On a case-by-case basis, probabilities of occurrence and of potential impact were evaluated. The inventoried risks were ranked based on their possible frequency (from frequent to improbable) and their impact (negligible to catastrophic), which would require an action plan to be implemented immediately by a crisis unit.

The risk-map is regularly updated.

The type and ranking of these risks are considered strategic and confidential. Nevertheless, the principal risk factors are outlined below.

Investors are invited to take into consideration all the information contained in this Registration Document, including the risk factors described in this section, before deciding to invest. On the date of this Registration Document, these risks include such risks, the occurrence of which according to BOURBON could have a significantly prejudicial impact on the Group, its business, its financial position, its results or its growth. Investors' attention is drawn to the fact that there may exist other risks, which have not been identified yet on the date of this Registration Document or whose occurrence was not considered on that same date as being likely to have a significantly prejudicial effect on the Group, its business, its financial position, its results or its growth.

4.1 RISKS RELATED TO THE MARKET OF OFFSHORE OIL AND GAS MARINE SERVICES

The offshore marine services activity cycle depends on the demand from oil operators and the supply of vessels on the market.

The demand of oil and gas companies is related to their exploration / development cycle. This activity is related, among other things, to the ten year average price per barrel assumptions. The investments dedicated to exploration expenses can also be impacted by the short term price per barrel. On the other hand, production activity on existing fields is far less sensitive to these price fluctuations.

In 2012, the average price of Brent at USD 111.5 rewarded the investments of oil and gas clients and the demand for offshore service vessels. 2011 had already been marked by a high average Brent price of USD 111. In this favorable environment, various organizations expected a growth in demand and an increase in investments across all operating zones, for Asia in particular, and including the North Sea. East Africa would also grow with major investments in exploration / development from Kenya to Mozambique. With regard to West Africa, BOURBON's main source of revenues, these investments would be mainly restricted to deepwater offshore and ultra deepwater offshore activities.

With regard to supply, changes to the fleet of offshore supply vessels depend on the rate at which old vessels are scrapped and investment is made in new vessels. These two factors are influenced by several things, including:

- forecasts made by marine services suppliers with regard to changes in customer demand;
- the obsolescence of old vessels, this being dependent upon changes in oil companies' expectations;
- access to financial resources enabling operators to invest.

Unforeseen changes in oil companies' demand cycle and changes in numbers of vessels available on the market, events which by their very nature are beyond BOURBON's control and affect one or more of the markets on which BOURBON has a presence, may have a significantly prejudicial effect on BOURBON's business, financial position, results or outlook.

4.1.1 Risks related to changes in demand

A reduction in investments in the oil sector could result in a decline in demand for offshore oil and gas services and therefore limit BOURBON's capacity to increase or maintain its profits.

The demand for offshore oil and gas services is dependent on the oil companies' capacity to invest. The price of oil on world markets has a significant influence over decisions to engage in new investments in this sector. In fact, new investment projects are based on future projections, internal to each company, of the price per barrel that will be needed to cover the cost of extraction. The price of oil in the short term has a lesser influence once oil projects have been launched and in the production phase. The potential impact remains limited to exploration phases which may be delayed or even canceled. Generally, oil investment cycles are long, between 10 and 20 years on average between the construction phase and the exploitation / production phase.

The price per barrel depends on demand, which is related to global growth and the production capacity of the producing countries. The risk of a long-term downward price trend is very low. With forecasts for an increase in demand for oil and the accelerating decline in production at existing fields, the oil services activity is expected to grow in the medium and long term. The risk on the growth outlook of the activity is thus low. Nevertheless, any significant modification in these forecasts would affect BOURBON's business, financial position and results or outlook.

BOURBON's strategy is to develop close ties with the national and international oil majors that have sustained investment plans and to place particular importance on a policy of long-term contractualization of BOURBON vessels. As of December 31, 2012, 72% of offshore supply vessels were under long-term contracts, with the average residual duration of contracts for these vessels, excluding crewboats, of 11.8 months. Active monitoring of the market in the field of production and exploration / development has been set-up for quick response to changes in the market.

The loss of one or more of its main clients could, however, have a significantly prejudicial effect on BOURBON's business, financial position, results or outlook.

Risks related to changes in technical requirements for marine oil exploitation and related services.

The already high demands of oil and gas companies, in terms of risk management, have gone up further in view of the incidents that took place aboard the oil rigs in the Gulf of Mexico and the North Sea. On this account, oil companies generally prefer cutting-edge, high performance vessels like those belonging to the BOURBON fleet. This made more than 25 years old vessels obsolete and increased the need to substitute these old vessels. In 2012, the worldwide fleet utilization rate for vessels that were more than 25 years old dropped below 45%[(1)], showing the predominance of safety at sea.

BOURBON has established long-term relationships with major oil companies, thereby enabling it to better understand their expectations. This has led BOURBON to develop a four-pillar model of operational efficiency, viz. safety of people and materials, respecting the environment on land and at sea; monitoring skills to guarantee service quality; technical availability of vessels to ensure continuity of service; optimization of cost and fuel consumption through the use of low fuel consumption diesel-electric propulsion vessels, which result in economizing on diesel.

It is important to note the increased attention of oil and gas companies and the industry in general towards reducing energy consumption not only to reduce air emissions but also to reduce the energy bills of the projects. In this context, BOURBON's diesel-electric propulsion vessels are particularly appreciated for their low diesel consumption.

BOURBON cannot, however, guarantee that it will always be able to perfectly predict its clients expectations, nor can it discount the fact that, in one or more of the geographical areas where it has a presence, some of its competitors may, due to their size or expertise, have at their disposal financial, commercial, technical or human resources that are equivalent, or superior, to those offered by BOURBON and that are also likely to meet the requirements of the major oil companies, which could, under certain circumstances, lead to market losses for BOURBON.

4.1.2 Risks related to changes in supply

On the deepwater offshore vessels market, in the event of new ships being delivered faster than the growth in demand, BOURBON may experience temporary over-capacity as well as a drop in daily and utilization rates for its deepwater offshore vessels in certain geographical regions.

Growth in the deepwater offshore market is steady at 7%[(1)], gradually reducing the over-capacity recorded previously. Exposure to this risk is limited since BOURBON'S program of investment in these types of vessels is limited (only three PSVs and one AHTS will be delivered in 2013).

In terms of geographic positioning, BOURBON is well placed to resist over-capacity as it has low exposure to the most competitive market of the North Sea, no presence in the US territorial waters of the Gulf of Mexico, and a dominant position in West Africa.

In addition, BOURBON's commercial strategy focuses on long-term contracts, which minimizes the risks of exposure to short-term market fluctuations.

Despite these different measures, BOURBON cannot discount the fact that temporary over-capacity could cause a fall in daily rates as well a drop in the utilization rates of its vessels, which are likely to have a prejudicial effect on its business, its financial position, its results or its outlook.

Concerning strategic choices, it is possible that certain BOURBON competitors in the offshore oil and gas marine services activity may decide to develop their market share in specific geographical regions or with targeted clients through an aggressive commercial policy. The immediate consequences for BOURBON would be the loss of new contracts or renewals in a particular region or for a particular client.

This type of commercial approach would need substantial investment, both by the competitor providing availability of a dedicated fleet of vessels corresponding to the needs of clients or of the targeted geographical region, by establishing a pricing policy that is considerably below the market price. Generally, a targeted attack from a competitor is a localized event and difficult to sustain over time as it is limited by operating costs and investments in vessels.

(1) Source: BOURBON / IHS Petrodata.

In this current context of market recovery, sustained by the dynamism of West Africa, Asia and the North Sea, and the opening up of new markets like East Africa, the risk related to price attacks is limited, since competitors are encouraged to consolidate their positions in their usual geographical areas.

In light of this risk, the first measure taken by BOURBON is to closely monitor the positioning of the fleets of its principal competitors and their pricing policy. The second measure is to geographically diversify the positioning of its fleet and the third is to screen the client portfolios, and thereby ensure diversification of clientele.

BOURBON's size and policy of investing in vessels constructed in series in shipyards at optimum costs enables it to counter such attacks, while maintaining some leeway to maneuver prices.

Finally, the reinforcement of local teams in areas where the vessels operate means more active monitoring of production or exploration vessels. The sales network monitors market trends on a permanent basis and is enhanced by a network of Contracts Managers who are in daily contact with the clients to respond to their requirements in real time. The task of these teams is to keep an eye on the vitality of the market and on client satisfaction in order to provide them with service that is always adapted to their requirements.

Increased competition and, in particular, the implementation of aggressive sales and/or pricing policies by some of our competitors, targeting geographical regions where BOURBON has a presence or targeting some of our existing or potential clients, is likely to result in BOURBON losing new contracts or failing to renew contracts for certain geographical regions which may result in a loss of one or more clients and a reduction in its market share.

BOURBON selects a limited number of shipyards for its new vessels; hence there is a certain dependence on them. The failure of any of the selected shipyards could reduce BOURBON's capacity to respond to clients' requirements.

One of BOURBON's keys to success resides in providing clients with innovative vessels at competitive prices. BOURBON is developing new-generation vessel designs (diesel-electric propulsion, class 2 and 3 dynamic positioning, etc.). In order to benefit from economies of scale, the vessels are built in series at competitive shipyards – mostly in China but also in India, Vietnam, Nigeria, United Arab Emirates and France.

A large majority of the commitments have been made with a Chinese shipyard that has demonstrated its capacity to deliver innovative, high-quality vessels (over 100 vessels delivered to BOURBON between 2003 and 2012) and whose financial soundness has not been called into question to date.

BOURBON regularly conducts competitive bidding in the various shipyards located in Europe, Middle East and Asia in order to obtain the best price offers while considering the capacity of the shipyards to deliver quality vessels within the scheduled timeframes. The number of offers have increased with the number of shipyards capable of delivering specialized vessels for the offshore market.

The failure of any one of the selected shipyards, or a drop in the quality of the services or products supplied by them, could reduce BOURBON's capacity to respond to clients' requirements or could result in an increase in related costs, in particular, if failed shipyards have to be replaced by more expensive service providers. These types of situations could also have a detrimental effect on the BOURBON's reputation and image and could have a negative impact on its business, financial position, results and its future outlook.

BOURBON's rapid growth and the structural shortage of merchant navy officers could lead to it not being able to recruit sufficiently qualified officers for offshore oil and gas marine services.

The shortage tends to be less severe in an environment where the growth in BOURBON's fleet is not as rapid as the growth in the number of officers. BOURBON was able to hire the human resources necessary to arm the 33 new vessels added to its fleet in 2012, and enjoyed certain advantages to continue successfully.

The recruitment of officers was based on the combination of a local and international network of shipmanagers and manning agencies. The increasing density of this network enabled BOURBON to recruit qualified personnel in a large number of training pools. At the same time, this number was growing on account of the positive impact of the further internationalization of operations and thereby of the continuous increase in local recruitments.

BOURBON is also continuing with its long-term policy of support to local schools for training merchant navy officers, particularly in West Africa, where growth continues to be strong.

Finally, on account of the size of its fleet and the opportunities that it offers, BOURBON is a genuine attraction for qualified personnel.

Nonetheless, due to the pressure of recruiting officers, BOURBON may have to bear increasing labor costs or delay the commissioning of new vessels and thereby negatively impact its financial performance, if it does not want to compromise over its qualification and operating safety standards.

The anticipated expansion of the workforce for the execution of the BOURBON 2015 Leadership Strategy plan could result in a lower standard of company personnel (less control over BOURBON's standards and equipment).

The demanding operating standards that BOURBON has set for itself in order to deliver operational excellence, have driven it to develop precise and thorough internal qualification standards that are far above the regulatory or even client standards.

The skills and recruitment management policy is deployed at local and international levels through the entire network of shipmanagers and manning agencies. The staff review system makes it possible to monitor the adequacy of the standards, the skills required for implementing them and their level of internal control.

That is why BOURBON has, for a long time now, developed its own internal training program for seafarers and onshore personnel. From acquiring technical and business skills to developing managerial skills of team leaders and managing multicultural relations and cross-functional skills of safety, quality and client culture within an international Group, BOURBON's internal training supports the effective implementation of the operating standards.

BOURBON supports human resource development through a Group integration process and promotion.

The joint implementation of the skill management and human resource monitoring systems makes it possible to draw up medium-term business continuity and succession plans, which also results in making prospects of a career at BOURBON more perceptible.

Finally, the importance laid upon understanding BOURBON's employees enables the Group to meet their expectations in a better way and work towards consistently improving the value proposition made to them. In turn, this mark of recognition actively contributes in making BOURBON attractive, in a context where BOURBON's presence in the job market is already significant.

Nonetheless, the growth in the workforce, on the one hand, and the implementation of BOURBON's specific standards, on the other hand, could make it difficult to sustain the pace of training and developing human resources, which could lead to the relative dilution of the company's average qualifications or could be sustained at an additional cost, which could lead to a decline in the financial performance.

4.2 RISKS ASSOCIATED WITH BOURBON'S ACTIVITY

Non-compliance by BOURBON with regulations applicable to its businesses or the deterioration in the quality of its services in terms of safety and reliability could potentially affect the Group in the conduct of its activities with certain clients or in certain geographical regions.

BOURBON's activities mainly involve the marine and shipping sectors, which are highly regulated. The Group is also subject to a considerable number of environmental laws and regulations.

The regulatory framework applicable to marine activities are set by the laws and decrees of the vessel's operating flag country and of the neighboring coast country.

The national rules are generally related to a set of conventions, drafted under the auspices of the International Maritime Organization (IMO), which has been given a mandate by the UN to deal with subjects specific to maritime activity.

The main international standards are listed below:

- the International Convention for the Safety of Life at Sea (SOLAS) mainly contains the technical provisions to be observed for the design, construction and fitting-out of vessels;
- the Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW) lists the requirements for qualifying crews;
- the International Convention for the Prevention of Pollution from Ships (MARPOL – Marine Pollution) lists all the factors concerning the prevention of pollution, both from the vessel and its cargo;
- the Convention on the International Regulations for Preventing Collisions at Sea (COLREG – Collision Regulations) defines the rules of navigation.

These conventions refer to codes and directives drawn up by the IMO, supplemented by resolutions issued by specialized committees.

- The ISM (International Safety Management) Code is central and it defines the fundamentals for safety management for marine shipowners and operators, on board the vessels and at offices on shore;
- The ISPS (International Ship and Port Facility Security) Code prescribes responsibilities to shipping companies and the coast States regarding security on board and on shore;
- Rules for the transport of dangerous goods are primarily covered in the IMDG (International Maritime Dangerous Goods) Code which contains information on precautions to be taken for packing, onboard stowing, handling, loading and unloading.

The domain of marine employment is also covered by conventions drawn up by the International Labor Organization.

The great majority of nations adhere to these conventions but they sometimes incorporate their own specific regulations, particularly for small vessels. Individual States are responsible for applying conventions and stopping infractions.

Controlling the implementation of the regulations and adherence to them by shipping companies is generally delegated by governments to independent organizations and classification societies. Their sphere of influence covers the audit of organizations, monitoring construction and periodic visits to vessels in operation. The main classification societies are members of the IACS (International Association of Classification Societies), which monitors the harmonization of their rules and actions. Delegations of power to classification societies are covered by formal agreements with individual States.

BOURBON makes every effort to scrupulously adhere to the prevailing regulations and it tries wherever possible to take initiatives to improve its organization and methods in order to anticipate the rigorous standards laid down by the authorities. BOURBON constantly monitors the situation and keeps up-to-date regulatory information at the head office and on board the vessels.

It is clear that the requirements will become increasingly strict and that this trend will continue. However, these changes are generally predictable, as the authorities have allowed for an adaptation phase that is compatible with the realities of the marine industry.

The changes may consist of:

- new technical rules applicable to new vessels, especially in the area of air emissions;
- restrictions on navigation in certain regions, principally Europe and North America;
- a hardening of controls and sanctions, especially in the above regions;
- the establishment of an environmental tax system, as already applied in Norway.

BOURBON has a recent fleet with an average age of six years, which is an advantage in meeting these changes.

Although BOURBON considers that these changes can largely be predicted and wherever possible tries to anticipate new regulatory requirements, tightening of regulations or their implementation would be likely to lead to new operating conditions for BOURBON's activities and could lead to increased operating expenses, limitations on the scope of its business with certain clients or in certain geographical areas or, more generally speaking, may slow down its growth.

BOURBON cannot guarantee that significant and/or rapid changes to current regulations would not, in the future, have a significantly prejudicial effect on its business, financial position, results or outlook.

BOURBON's activities may cause damage to people, property or the environment. This could also lead to it having to bear significant costs where such events are not covered either by the contract or by insurance.

The risks of an environmental or human disaster largely relate to the presence of the vessel in an operational situation and the potential consequences of accidents associated with the cargo or the voyage. Although the accident rate has been cut by around half in the last 20 years, marine shipping is not risk-free. BOURBON applies the regulations detailed above and has adopted a set of procedures, charters and codes of conduct which frame practices on-board the vessels.

As BOURBON is a service company, it is not directly responsible for any manufacturing processes except for the operation of its marine resources. BOURBON does, however, follow good marine practice and complies with its clients' demands whenever its vessels draw near to offshore installations, port facilities or any other sensitive or protected areas. In particular, BOURBON rigorously adheres to the ISM Code as well as to industry standards including, in particular, those defined by the IMCA (International Marine Contractors Association), an association of which BOURBON is a member and which is an umbrella body for companies active in offshore and marine and subsea engineering.

Oil and gas clients have prepared an increasingly sophisticated regulatory framework via the OCIMF (Oil Companies International Marine Forum), which includes more than 80 oil and gas companies worldwide, by implementing third-party ship inspections, like the existing "vetting" on board tankers or supertankers.

In 2012, BOURBON continued developing its vessel operational management system so as to meet the requirements of the OCIMF (Oil Companies International Marine Forum) in more effective ways. BOURBON thus places the concerns of its clients at the heart of its strategy.

BOURBON firmly believes that accidents can be avoided by prevention and that it is possible to avoid pollution. Training and exercises are designed to give personnel the best possible preparation for emergencies.

Due respect by all BOURBON employees to best work practices and procedures derived from the above principles is regularly verified *via* internal audits.

BOURBON's performance regarding the safety of individuals is constantly monitored. According to a survey by the International Support Vessel Owner's Association (ISOA), which incorporates the leading players in offshore oil and gas marine services, BOURBON's safety performances are among the best in the market. In 2012, BOURBON's recordable incidents rate (TRIR) was 0.69 per million hours worked.

BOURBON's strategy in this area is described in section 5.1.3 of the management report.

Although it is not possible to completely nullify the impact of transport activities on the environment, BOURBON makes every effort to improve its record through technical solutions and by acting to improve the attitudes of all those involved. The decision to opt for the diesel-electric propulsion system on its most recent vessels is thus aimed at significantly reducing the consumption of fossil fuels, and consequently, the level of polluting air emissions. BOURBON's strategy concerning the environment is described in section 5.3 of the management report.

The activities of offshore services are governed by contracts placing a general obligation of due care on BOURBON and shared responsibility with the client.

This so-called "knock for knock" system is based on an agreement between a supplier of resources such as BOURBON and its client, under the terms of which each agrees to bear the cost of damages that may be caused to its property and/or personnel during the performance of the supply contract.

It is accompanied by a waiver of reciprocal recourse between the parties, extended to their respective insurance companies.

This mechanism is essential in the offshore activity, in particular by enabling each of the operators to keep its risks in proportion to the value of the assets it uses and/or owns as well as to its own financial scope and consequently to limit the costs of the corresponding insurance.

Despite the measures and mechanisms put in place, we cannot discount the possibility that, in the future, claims made against BOURBON could result in a significant level of liability for BOURBON and BOURBON cannot guarantee that all the claims made against it or all the losses that may be incurred will be effectively or sufficiently covered by its insurance policies, this being to the detriment of BOURBON's reputation and image and having a significantly prejudicial effect on its business, financial position, results and outlook.

Marine risk

Maritime piracy has been a major concern for all marine operators for several years now and BOURBON has very rapidly put in place a number of measures and collaborative arrangements in order to assess this risk in its vessels' operating and transit regions, all under the control of the Group's Safety Manager.

For vessels in operation, BOURBON applies a set of safety procedures adapted to each oilfield, coordinating with the oil companies and relevant authorities. In the Niger delta area, particularly Nigeria and Cameroon, a dedicated reinforced strengthened safety mechanism has been set up in order to ensure the best safety conditions for employees and vessels.

For vessel transits in high-risk regions, BOURBON fully adheres to the recommendations of the International Maritime Organization and systematically adopts dedicated security measures such as "Piracy – Best Management Practices" and adapts its methods according to the particular transit region.

Thus, in the rare cases of its vessels transiting the Gulf of Aden region, the area where it is currently most exposed to risk, BOURBON has the support of the appropriate protection forces.

Other high potential zones like East Africa (Mozambique, Tanzania, etc.) are drawing BOURBON's attention, where adapted means of protection are being studied.

BOURBON cannot, however, guarantee that the preventive measures taken and its recourse to these protection forces will be sufficient, in the future, to guarantee the safety of its activities and its employees, which could have a negative impact on its business and its image.

BOURBON's development is partly conducted in emerging countries where the risks associated with the operation of activities may include political, economic, social or financial instability. BOURBON may encounter difficulties in the exercise of its activities in such countries, which could have an impact on its results.

Some of BOURBON's international growth is taking place in emerging countries (the coasts of Africa, Asia, South America, etc.) where the risks associated with operating activities may include political, economic, social or financial instability.

It operates primarily *via* joint ventures with local partners, with a view to sharing expertise and assets, while having a general concern to maximize the use of local resources. In particular, it is via actions in the sphere of human resources that BOURBON is in a position to recruit, train and promote personal career development programs for all its employees and associates recruited locally.

Through an approach that is specific for each country, and with help from local partners, BOURBON is thus able to claim to be a local entity, minimizing the risks associated with the operation of its activities and enabling a better appreciation of the local context and risks.

BOURBON cannot, however, guarantee that it will be able to develop and apply procedures, policies and practices enabling it to anticipate and control all these risks or to ensure that they are managed effectively. If not, its business, financial position, results or outlook may be affected.

4.3 LEGAL RISKS

Apart from disputes for which provisions have already been made in the accounts and/or those whose disclosure would be contrary to its legitimate interests, there is no other governmental, judicial or arbitration procedure (including any procedure to the company's knowledge that is pending or with which it is threatened) likely to have or to have had in the last 12 months any material effect on the Group's financial situation or profitability.

For each significant dispute, a provision has been established to meet the estimated risk if the probability of occurrence of that risk is considered to be high. Otherwise, no provision has been established.

4.4 RISKS ASSOCIATED WITH ETHICS AND NON-COMPLIANCE

Unethical conduct or non-compliance with applicable laws and regulations, including non-compliance with anti-fraud or anti-corruption policies or any other applicable legal provisions, are likely to expose BOURBON or its employees to criminal or civil penalties, which can adversely affect the Group's reputation and its shareholder value.

In October 2012, BOURBON's tax director was stopped at Marseille-Provence airport with a substantial sum of money in his possession. An internal audit run by Bourbon found that the money came neither from the Group nor from one of its subsidiaries. Bourbon has never paid in cash or given cash to its employees.

However, the Group, because of the ongoing investigations by the prosecutor's office, cannot comment on the outcome of this procedure.

4.5 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICY

The main risks to which the Group is exposed are credit / counterparty risks, liquidity risks and market risks. The Board of Directors has reviewed and approved the management policies of each of these risks. The policies are summarized below.

4.5.1 Credit / counterparty risk

The Group's policy is to verify the financial health of all customers seeking credit payment terms. Furthermore, the Group continually monitors client balances. The financial soundness of its clients enables BOURBON to avoid the use of COFACE-type credit insurance. Supermajor, major, national and independent oil companies account for nearly 80% of revenues. The Group has not therefore taken out this type of credit insurance agreement.

The volume of business conducted with the top five clients represented €516 million (43.4% of revenues) while the top ten clients accounted for nearly 58.3% (€692 million).

A statement of anteriority of credits and other debtors is presented in note 3.19.5. of the Notes to the Consolidated Financial Statements.

In 2012, BOURBON did not conduct any contracts with national oil companies in countries with a high political risk such as Venezuela, Iran, Iraq or Burma.

Concerning the credit risk on the Group's other financial assets, i.e. cash and cash equivalents, available-for-sale financial assets and certain derivative instruments, the Group works only with top-ranking banks, particularly with the major French banks, and pays particular attention to the choice of banking institutions.

4.5.2 Liquidity risks

Financing comes under a Group policy implemented by the Finance and Administration Department. This policy consists of financing the Group's needs through a combination of cash flows from operations and disposals of non-strategic assets, bank borrowings and market transactions. Recurring cash flows are generated by the regular growth in the vessel fleet and by the long-term contract strategy with oil company clients whose investment programs have grown sharply.

As of December 31, 2012, BOURBON's gross financial debt amounted to €2,256 million, including €1,745 million at more than one year. The repayment schedule for the medium and long-term debt is presented in note 3.14 of the notes to the Consolidated Financial Statements. The average residual life of this debt is five years and four months.

The following table shows the composition of long and medium-term debt as of December 31, 2012:

(in € millions)	Portion of medium / long-term debt under one year	Medium / long-term debt	Total
CLUB DEAL - €320 m	32	112	144
CLUB DEAL - €450 m	45	281	326
CLUB DEAL - €318 m	64	175	239
CLUB DEAL - €240 m	40	200	240
EIG / SNC OUTSOURCED	15	154	169
Financing – Norway fleet	49	359	407
55 other bilateral loans	100	464	564
TOTAL	**344**	**1,745**	**2,089**

As of December 31, 2012, short-term lines, in the form of overdrafts, "spot credit" or credit facilities (revolving), were used in the amount of €158 million. Accrued interest amounted to €9 million.

The Group had cash assets of €195 million as of December 31, 2012.

Medium- and long-term borrowings

Medium- and long-term borrowings comprise mainly "club deal [1]" financings and bilateral loans.

All these borrowings are backed by assets (vessels) taken as guarantees (first ranking mortgage or negative pledge). The vessels are clearly identified when the loan contract is signed. Detailed information is given in note 5.1 "Contractual obligations and other off-balance sheet commitments" of the notes to the consolidated financial statements. During the performance of the loan contract, for technical reasons, BOURBON may have to adjust the list of vessels initially assigned to the loan. Two options then arise – either partial redemption of the loan or substitution with another vessel. Whichever is the case, an amendment to the loan contract is signed to reflect the new guarantees.

There are no long- and medium-term loans in existence that are not assigned to financing assets.

In 2005, BOURBON took out a "club deal" loan of €320 million for which the redemption phase began in April 2007 and will end in 2017. As of December 31, 2012, the outstanding loan was €144 million.

In the summer of 2007, a €450 million loan (a "club deal") was subscribed. The redemption phase began in January 2010 and will end in 2020. As of December 31, 2012, the outstanding loan was €326 million.

In July 2009, a €318 million "club deal" loan was taken out. The redemption phase began in 2011 and will end in 2016. As of December 31, 2012, the outstanding loan was €239 million.

Finally, in 2012, a new €240 million "club deal" loan was taken out. The redemption phase will begin in 2013 and end in 2015. As of December 31, 2012, the outstanding loan was €240 million.

In parallel, bilateral borrowings (in dollars, euros and Norwegian kroner) are regularly signed. Thus, in 2012, new loans were contracted in an amount equivalent to €293 million, including €269 million from foreign banks; €11 million were also drawn in 2012 on loans signed in previous years.

Following negotiations with China Exim-Bank for a loan of USD 400 million in June 2010, the first installment of USD 256 million was arranged in 2012. This first installment secured funds for 26 vessels under construction at the Chinese site Sinopacific and became available as and when the financed vessels were delivered. As of December 31, 2012, USD 21 million were drawn on this installment of USD 256 million.

As of December 31, 2012, the total amount remaining to be drawn from existing loans totaled €181.8 million.

In many cases, the contractual documentation includes the requirement to comply with a net debt to equity ratio of below 1.90.

For some of the bilateral financings, mainly tax-based leasing financing, of which the total amount outstanding at the end of 2012 was €101.7 million, the provisions of the tax-based leasing contracts specify a net debt to equity ratio of below 1.90 and a "Net Operating Debt to EBITDA" ratio that must be below 5.0 for fiscal years 2011 and 2012, below 4.5 for fiscal years 2013 and 2014, and 4.0 thereafter.

There was no acceleration of maturity on any of our financial commitments as of December 31, 2012. Likewise there were no cross defaults between Group entities.

In addition, no loan contracts were terminated early, for example, owing to a "termination event" related to a change of control at the debtor as of December 31, 2012.

As of December 31, 2012, BOURBON was in compliance with its financial covenants, *i.e.* its financial commitments relating to the financing contracts.

Short-term lines of credit

In addition, the Group has unused short-term credit lines totaling around €65 million as of December 31, 2012. The Group had cash assets of €195 million as of December 31, 2012.

Cash management is coordinated at the Group's operating headquarters. Financière Bourbon, a partnership organized as a cash clearing house, offers its services to most of the Group's operating subsidiaries. These entities, under a cash agreement with Financière Bourbon, receive active support in the management of their cash flow, their foreign currency and interest rate risks, their operating risks and their short and medium-term debt, in accordance with the various laws in force locally.

BOURBON does not have a financial rating from a specialist agency.

4.5.3 Market risks

Market risks include the Group's exposure to interest rate risks, foreign exchange risks, risks on equities and risks on supplies.

Interest rate risk

The Group's exposure to the risk of interest rate fluctuations is related to the Group's medium and long-term variable rate financial debt. BOURBON regularly monitors its exposure to interest rate risk. This is coordinated and controlled centrally. It comes under the responsibility of the Vice President-Finance who reports to the Executive Vice President - Chief Financial Officer.

(1) In bank financing transactions, "club deals" involve small groups of banks historically close to the company which share the senior debt among themselves. When its loans are set up, BOURBON brings together all the prospective banks to arrange the loan so that none of the banks has a dominant position. For reasons of convenience, one bank becomes the "bookrunner", but the other institutions are appointed as arrangers.

The Group's policy consists of managing its interest rate expense by using a combination of fixed-rate and variable-rate borrowing. In order to optimize the overall financing cost, the Group sets up interest rate swaps under which it exchanges, at pre-determined intervals, the difference between the amount of fixed-rate interest and the amount of variable-rate interest calculated on a pre-defined nominal amount of borrowing.

These swaps are assigned to hedge the borrowings. As of December 31, 2012, after taking account of interest rate swaps, approximately 68% of the Group's medium or long-term debt was contracted at a fixed interest rate.

The following table shows the Group's net exposure to variable rates before and after risk management, based on the hedges in place and the sensitivity of the Group's income before taxes (related to changes in the fair value of monetary assets and liabilities) to a reasonable variation in interest rates, with all other variables remaining constant:

	As of Monday, December 31, 2012													
	Less than one year		One to two years		Two to three years		Three to four years		Four to five years		More than five years		Total	
(in € millions)	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate
Cash	-	195.2	-	-	-	-	-	-	-	-	-	-	-	195.2
Term deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and securities	1.5	-	1.2	-	2.7	-	0.8	-	11.9	-	4.4	-	22.5	-
Financial assets	**1.5**	**195.2**	**1.2**	**-**	**2.7**	**-**	**0.8**	**-**	**11.9**	**-**	**4.4**	**-**	**22.5**	**195.2**
Bank overdrafts and short-term lines	-	(157.6)	-	-	-	-	-	-	-	-	-	-	-	(157.6)
Deposits and securities received	-	-	(0.3)	(0.0)	-	-	-	-	-	-	-	-	(0.3)	(0.0)
Finance lease liabilities	-	(3.5)	-	(3.7)	-	(3.9)	-	(4.1)	-	(3.9)	-	(2.5)	-	(21.4)
Bank borrowings	(21.6)	(319.2)	(21.8)	(410.6)	(22.5)	(353.3)	(23.3)	(203.0)	(23.7)	(263.0)	(110.3)	(295.4)	(223.2)	(1,844.4)
Financial liabilities	**(21.6)**	**(480.3)**	**(22.0)**	**(414.3)**	**(22.5)**	**(357.2)**	**(23.3)**	**(207.0)**	**(23.7)**	**(266.8)**	**(110.3)**	**(297.9)**	**(223.4)**	**(2,023.5)**
Net position before hedging	**(20.1)**	**(285.1)**	**(20.9)**	**(414.3)**	**(19.8)**	**(357.2)**	**(22.5)**	**(207.0)**	**(11.7)**	**(266.8)**	**(105.9)**	**(297.9)**	**(200.9)**	**(1,828.3)**
Hedging													(1,196.5)	1,196.5
Net position after hedging													**(1,397.5)**	**(631.8)**

Assuming the position reached on December 31, 2012 to be constant, a change in interest rates of 100 basis points (1%) would therefore result in increasing or decreasing the cost of the Group's financial debt by €6.3 million over one year.

Foreign exchange risk

Objectives

The Group's policy is to reduce as far as possible the economic risk related to foreign currency fluctuations over the medium term. The Group also tries to minimize the impact of the US dollar's volatility on annual operating income.

Cash flows from operating activities

The main foreign exchange risks on operations are related to invoicing clients. BOURBON invoices a large portion (approx. 69%) of its services in US dollars. The Group has a natural foreign exchange hedge thanks to the payment of expenses in dollars (representing about 19% of revenues). The policy is to maximize this natural hedge.

The residual risk is partially hedged in the short term by using forward US dollar sales and/or currency puts. On the unhedged portion, and over time, offshore oil and gas marine services are directly exposed to foreign currency risks, particularly on the US dollar.

Long-term cash flows

- Policy

For vessel acquisitions in foreign currencies, the policy is to partly hedge the foreign exchange risk during the construction period by setting up currency futures call options.

The policy is to finance these acquisitions in the currency in which the corresponding charters will be paid by the customers. However, in order to avoid accounting exchange differences in countries outside the euro zone and the US dollar zone (particularly in Norway), the entities finance their investments in their functional currency.

- Current practice

As an exception, at the beginning of 2004 it was decided to temporarily abandon this practice and convert the majority of borrowings that were in dollars at the time to euros. This was done to recognize the unrealized foreign exchange gains booked during previous fiscal years.

Since then, most of the new borrowings (outside Norway) have been contracted in euros or US dollars.

The tables below show the Group's net exposure to changes in foreign exchange rates

- On income: transaction risk;
- On equity: conversion risk.

The table below shows, as of December 31, 2012, the position of the Group's monetary assets and liabilities (denominated in a different currency from the entity's functional currency) before and after management:

(in € millions)	USD	NOK	EUR	Other
Monetary assets	952.5	39.9	26.3	23.2
Monetary liabilities	(707.1)	(55.2)	(40.7)	(34.6)
Net position before management	**245.4**	**(15.3)**	**(14.4)**	**(11.4)**
Hedges	(87.9)	(35.2)	-	-
Net position after management	**157.5**	**(50.6)**	**(14.4)**	**(11.4)**

As of December 31, 2012, a 1% change in the euro exchange rate against all the currencies would represent a total impact at Group level of €2.0 million, after hedges are taken into account.

It should be noted that currency futures hedges related to future transactions are not shown in this table since the hedged item does not yet appear on the balance sheet.

The table below shows a breakdown by currency of consolidated shareholders' equity for the years 2012 and 2011:

(in € millions)	12.31.2012	12.31.2011
Euro (EUR)	1,386.7	1,387.1
Brazilian Real (BRL)	(88.9)	(55.1)
Mexican Peso (MXN)	17.9	9.7
Norwegian Kroner (NOK)	76.7	67.6
US Dollar (USD)	54.5	46.0
Vietnamese Dong (VND)	(1.7)	(2.1)
Swiss Franc (CHF)	2.6	2.4
Nigerian Naira (NGN)	(33.7)	(36.8)
Other	(2.5)	(1.9)
TOTAL	**1,411.8**	**1,417.1**

As of December 31, 2012, a 1% change in the exchange rates would represent an impact on consolidated shareholders' equity of €3.1 million (€3.0 million as of December 31, 2011).

Equity risks

As of December 31, 2012, the Group had no cash investments.

As indicated in note 3.13 of the notes to the consolidated financial statements, BOURBON held 2,713,839 treasury shares as of December 31, 2012. Treasury shares are presented as a deduction from consolidated shareholders' equity.

A 10% change either up or down in the BOURBON share price would result in a change in the market value of the treasury shares of €5.7 million.

Supply price risk

The Group's exposure to price risk is minimal.

The change in the price of raw materials does not constitute a risk of significant increase in operating costs. Clients generally take direct charge of the cost of fuel.

4.6 INSURANCE - HEDGING RISKS

Nature and extent of cover

For its marine activities, BOURBON has a comprehensive insurance program for ordinary risks and war risks covering damage that could be incurred by its fleet ("hull, machinery and equipment" insurance) as well as its liabilities as a ship management company ("Protection & Indemnity" or "P&I" insurance).

BOURBON supplements this insurance program with civil liability insurance covering risks not directly related to its marine activity, through a "top-up" policy that comes into play for surpluses and condition differences.

BOURBON has also taken out civil liability insurance for its management.

BOURBON has a "pecuniary loss" insurance policy that comes into play for condition differences and limits on its ordinary risks and war risks, civil liability and P&I policies.

The levels of cover of these insurance policies have all been taken at levels of guarantees and franchises appropriate to the risks of the organization. BOURBON does not wish to disclose them for reasons of confidentiality.

No captive insurance company has been established within the Group.

Insurance management

Subject to constraints in local legislation or due to the Group's organizational structure, insurance management is centralized, which helps optimize coverage, both in terms of quality and value, and provides greater clarity of insurance costs.

BOURBON uses leading international insurance companies to insure its "hull, machinery and equipment" risk. BOURBON is also a member of shipowners' mutual insurers such as Shipowners' Club, the Gard and the Standard, which are all members of the International Group of P&I Clubs, covering its civil liability as a shipowner.

The civil liability policy covering the non-marine activity is with Axa Corporate Solutions, Helvetia Assurances SA and Swiss Re.

Civil liability insurance for the Directors of BOURBON is with AIG.

It should be noted that some BOURBON policies contain an escape clause allowing it to terminate the policy if Standard & Poor's cuts the insurer's financial rating below a certain level.

5. SOCIAL AND ENVIRONMENTAL INFORMATION

The organization dedicated to issues related to Corporate Social Responsibility (CSR), set up in 2011 within BOURBON, ensures regulatory monitoring and defines the actions to be carried out for sustainable development. Thus, in 2012, new actions were launched, particularly through an initial questionnaire dedicated to CSR and distributed to all the employees of BOURBON. The results of this survey enabled BOURBON to identify more than 80 persons that currently constitute the network of CSR correspondents in charge of developing sustainable actions locally.

5.1 SOCIAL INFORMATION

5.1.1 Employment

5.1.1.1 Composition and distribution of the workforce

The BOURBON Group's workforce continues to grow in line with the BOURBON 2015 Leadership Strategy plan growth objectives.

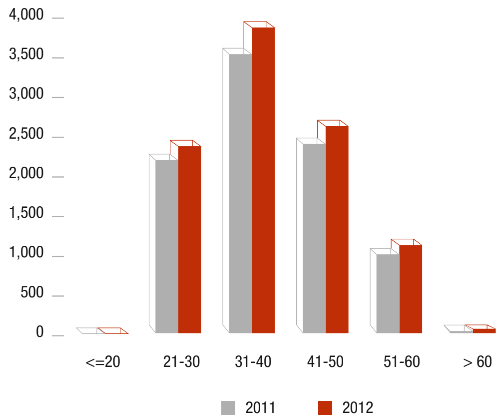
As of December 31, 2012, the service was delivered by 10,300 [1] persons, including 1,700 shore-based staff and 8,600 seagoing personnel. Year on year, the Group's combined workforce has grown by 9%.

The staff is divided into the following three principal groups:

- seafarers, made up of the seagoing personnel (44% officers and 56% execution staff);
- onboard personnel (crane operators, subsea engineers and other posts that do not involve the operation of the vessel);
- onshore personnel staff (approx. 24% of the managerial positions and 76% of the employees).

End of 2012, the average age of BOURBON's staff on board was 37 years, and that of shore-based staff was 38 years.

DISTRIBUTION OF WORKFORCE BY AGE



Women represent 5% of the Group's total workforce and 1% of the officers, which matches industry figures.

Split women / men	Women	Men
Executive Committee	0%	100%
Managers	12%	88%
Officers	1%	99%
TOTAL	**5%**	**95%**
Seagoing personnel	1%	99%
Shore-based personnel	27%	73%
TOTAL	**5%**	**95%**

5.1.1.2 Anti-discrimination policy

The sole criterion considered in the Group's promotion policy is merit. BOURBON's policy charters on equal treatment and on discrimination and harassment at work, circulated at all levels, strengthen it beyond compliance with regulations that may already exist in certain places where the service is delivered.

In 2012, BOURBON signed the Diversity Charter in accordance with its commitment towards non-discrimination, diversity and equal employment opportunities.

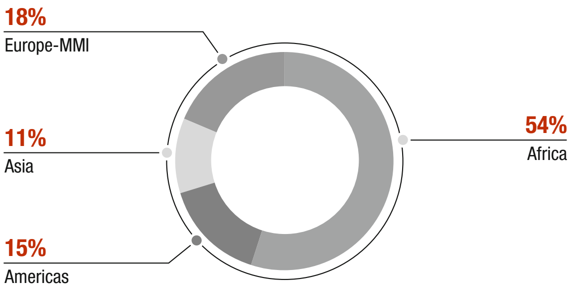
(1) The headcount now includes not only employees under contract at end-2012 but also non-contracted seamen on shifts and due to reembark, so as to better represent the total operational workforce requirements.

5.1.1.3 International recruitment policy

BOURBON employs a total of 85 different nationalities and recruits its staff from across a network of local operating subsidiaries and internal or external manning agencies.

The operating subsidiaries assume all or part of the three elements of client satisfaction: vessel management, shore logistics and operational monitoring of the contracts. They recruit 71% of BOURBON's workforce, whereas the manning agencies recruit the remaining 29% in the additional recruitment pools where BOURBON does not provide offshore services.

5.1.1.4 Distribution of workforce by geographical zone



As of December 31, 2012, French subsidiaries employed 1,603 people, 65 of whom had fixed-term contracts. During the year, 105 recruits were employed under indefinite term contracts.

5.1.1.5 Hiring and firing

In 2012, the balance between recruitments and departures was positive for BOURBON in France.

BOURBON's French subsidiaries hired 56 persons for onshore posts (23 under fixed-term contracts and 33 under indefinite term contracts), while 29 persons left the company, of which six were dismissals or contractual terminations. These subsidiaries also hired 140 seamen, while 108 left the company, of which 13 were dismissals.

Furthermore, the renewable international embarkation contract system makes it complex to produce a hiring and firing indicator. BOURBON aims to provide and monitor the operating staff and officer turnover rate and officer retention rate on an annual basis.

5.1.1.6 Compensation

In 2012, BOURBON continued its local compensation policy, wherein each subsidiary fixes and changes its compensation based on its requirements, resources and prospects. The changes in personnel expenses for all the employees of the Group are presented in note 12.3 of the notes to the consolidated financial statements.

In 2012, salaries of the Group's French subsidiaries went up by an average 3%. Group subsidiaries with more than 50 employees generating a taxable profit pay their employees a profit-share in accordance with agreements negotiated and signed in each company. In 2012, sums allocated to the special profit-sharing reserve for the Group's French subsidiaries amounted to €1.37 million.

French subsidiaries' incentive agreements generated incentives totaling €3.22 million for 2012.

Several of the French subsidiaries have set up collective company and inter-company pension savings plans.

A company mutual investment fund "Bourbon Expansion FCPE" (an individualized fund for the Group, invested in the company's shares) receives investments from various salary savings schemes to which the employees of certain of the Group's French subsidiaries have access.

5.1.2 Policy of operational excellence

5.1.2.1 Organization of the Human Resources policy

The Human Resources policy, decided by the Executive Committee, is managed by the Group's Human Resources Department. It defines the guidelines of recruitment, compensation, training and career management for the entire staff.

The systems are then deployed, among BOURBON's three main staff categories, across the operating subsidiaries that employ them. The integrated information system (Onsoft Computer Systems AS), which makes it possible to manage all the Group's personnel and its crewing activity (planning, travel, training, pay), is being deployed across the Group. The tool made it possible to manage 72% of the staff as of December 31, 2012 in an integrated manner.

5.1.2.2 Development of collective competence

BOURBON continues to believe that excellence in service is possible through the development of collectively competent and committed teams. The systems for the evaluation of individual skills are designed to be applied worldwide across all staff categories. The quality management system regulates the process and ensures its application in BOURBON's multiple environments.

In 2012, training totaled more than 100,000 hours, based on two main areas: managerial training and business training.

The seagoing personnel thus benefited from more than 80% training effort, in particular to be trained to BOURBON's standards of operational excellence implemented at BOURBON's Training Centers (BTC). The 22,720 hours of training steered by the BTC not only cover training on simulators, stability and dynamic positioning but also include seminars related to team management, leadership and management of complex human situations. The level 1 management training was given to a total of 52% officers and 20% officers passed the intermediate level of this program. In addition to the hours of training in BOURBON's standards, the subsidiaries organized other training activities related to regulatory and client-specific requirements for their staff on board.

As far as shore-based staff is concerned, all the central function and executive managers of the subsidiaries (Managing Directors and their deputies) attended a leadership development program, which now extends to all the shore-based managerial positions.

Finally, in 2012, business-specific training for onshore staff brought together players of the Client Satisfaction Chain to collectively improve BOURBON's quality of service to clients.

The progress of the programs is thus in line with the target of training the entire seagoing personnel in BOURBON standards by 2015 and contributes to the implementation of a management standard for onshore positions.

5.1.2.3 Organization of work

Seagoing and technical personnel present on bases work within the framework of a shift system specific to that profession and in line with how oil company clients organize their activities.

On board the ships, it is the captains who make sure that regulation of working time on board and hours of rest comply with the international STCW agreement, the International Labor Organization and the Maritime Labor Code.

The working hours of non-technical shore-based personnel are set by national legislations.

5.1.2.4 Professional relations and collective agreements

BOURBON maintains very close relations with its entire seagoing personnel across its subsidiaries and internal and external manning agencies. Many meetings, onshore seminars and visits on board ships are organized to enable exchanges between the company and its seagoing personnel.

The Group's French subsidiaries adopted, where necessary, action plans to prevent undue difficult working conditions (pénibilité au travail) and action plans designed to ensure equal opportunities at work.

5.1.2.5 Adherence to the basic conventions of the International Labour Organization (ILO) and human rights

At the end of 2012, a survey was carried out in all the companies of the Group to ensure that the basic conventions of the ILO were being correctly adhered to in terms of freedom of association, elimination of discrimination, forced or compulsory labor or even the effective abolition of child labor.

A second study was carried out with permanent employees of the Group in order to sensitize them to issues of sustainable enterprise development, and helped to clarify the main areas of focus as well as problems related to human rights.

5.1.3 Focus on safety

Safety is the first pillar of operation of the BOURBON 2015 Leadership Strategy plan.

The aim of the Group is to guarantee operations that are safe, efficient and reliable for clients, who themselves have increasingly strict requirements to adhere to. Safety at BOURBON includes safety of employees, that of the clients and of all those who work at or for the Group, as well as the protection of assets and the environment.

Permanently reinforcing a safe culture is an absolute priority for BOURBON. Its efforts in this area are based on a determined commitment from management, continuous enhancement of procedures, individual responsibility, an ambitious development program, raising awareness and crew training.

With the aim of providing a better response to clients' increasingly rigorous requirements, in 2012, BOURBON commissioned its Operational Safety Management System (OSM) deployed in 2011 in all its subsidiaries and monitored its proper application. It is focused on the new industry offshore program, OVID (Offshore Vessel Inspection Database), and the OVMSA (Offshore Vessel Management and Self-Assessment) excellence standards in particular. This modern system integrates the complete management chain.

In line with its "zero incident" objective, BOURBON launched an internal, long-term, worldwide campaign in 2012: "Safety Takes Me Home". Its main objective is to develop knowledge and awareness on safety and health issues, and to sensitize every employee such that he or she adopts a responsible and proactive attitude towards continuing to improve the culture of safety within BOURBON.

According to a survey by the International Support Vessel Owner's Association (ISOA), which incorporates the leading players in offshore oil and gas marine services, BOURBON's safety performances are among the best in the market, as shown by LTIR and TRIR indicators:

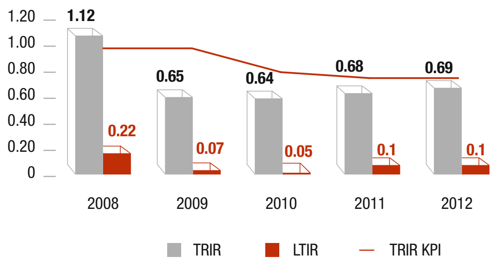
- Lost Time Injury Rate (LTIR): Frequency of accidents entailing work stoppage expressed per million hours worked(1);
- Total Recordable Incidents Rate (TRIR): Frequency of declared accidents which includes accidents involving stoppage of work, injuries requiring rest or a physical adjustment (employee assigned to another function, reduced hours etc.) and injuries requiring appropriate medical care and follow-up but not involving rest or stoppage of work. This frequency is also expressed per million hours worked(1).

The average LTIR of the 29 leading players in offshore oil and gas marine services was 1.02(2) versus 0.10 for BOURBON, and the average TRIR was 2.78 versus 0.69 for BOURBON.

(1) Until 2010, risk exposure was measured on the basis of a 12-man-hour day. From 2011, it will be measured on the basis of a 24-man-hour day, in accordance with OCIMF standards.

(2) Source: International Support Vessel Owner's Association (ISOA).

BOURBON's performances in terms of safety are illustrated below:



In order to further motivate all the subsidiaries around the issue of safety at sea and onshore, BOURBON has continued its program of "Safety Awards" which rewards best HSE performance at sea and onshore as well as initiatives aimed at improving the safety of personnel and the protection of assets and the environment in conjunction with client satisfaction. In 2013, the focus will particularly be on recognizing the contributions of the Group's small subsidiaries.

5.2 CORPORATE SOCIAL INFORMATION

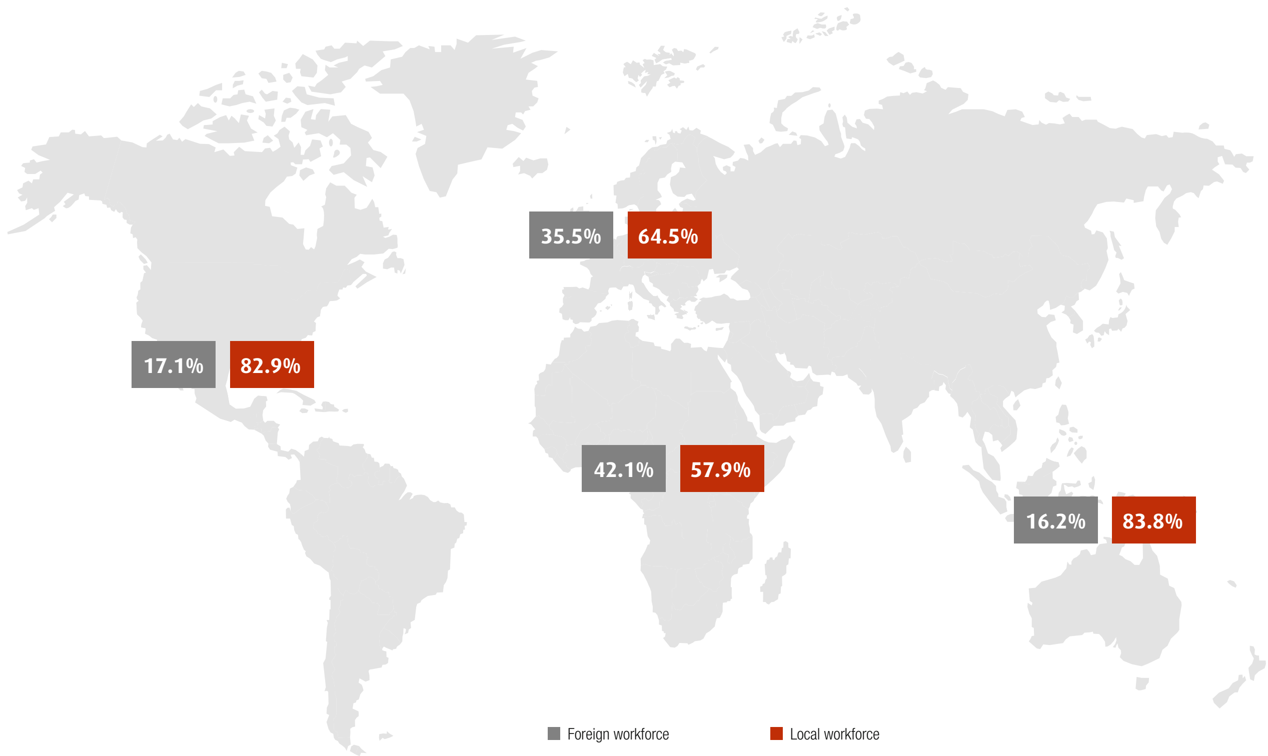
5.2.1 Involvement in the socio-economic development of the territories and relationship with the stakeholders

5.2.1.1 Local Anchoring

This is a basic value of BOURBON that contributes towards benefiting territories where it provides services towards a positive, and responsible, economic and social impact. 66% of employees work in a region which they are native to, of which 82% are shore-based employees.

Above all, BOURBON works towards making a meaningful and responsible impact on the people's economic and social conditions themselves in two ways: developing a system attuned to social protection, including families, for the entire staff, and developing their employability through the acquisition of recognized, modern and useful skills.

► PERCENTAGES OF LOCAL PERSONNEL FOR EACH OPERATING ZONE



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5.2.1.2 Partnerships in France and overseas

Under a three-year partnership with the IECD[1], an international solidarity association established since 1992 in Cameroon, BOURBON has implemented a pilot project towards emphasizing the social aspect of its undertakings in West Africa in order to play a role in the socioeconomic development of this region where the Group has been in operation for several years. This undertaking helps the Group contribute towards reinforcing the network of Ecoles Familiales Agricoles (EFA[2]) in Cameroon, structures arising from local initiatives aimed at training rural entrepreneurs. This partnership has allowed 30 young apprentices to undergo professional training in agricultural techniques that respect the environment and essential rules of viability for the rural enterprises that the young trainees hope to set up in future. With 80% of women selected among the students of the EFA in Mbot, BOURBON and its partner have fully integrated the traditional social role of the woman in the communities into the implementation of the program.

As a French shipping company established in Marseille, BOURBON decided to support the operation of Marseille-Provence 2013, European Capital of Culture, through its role as "Project Partner" for the grand shipping fair "*Méditerranées*", which presented the significant moments in the history of the Mediterranean civilizations through the major port cities of the Mediterranean. Through this partnership, BOURBON intended to actively accompany local and regional actors in their efforts to develop and utilize Marseilles as the European Capital of Culture. As a shipping company benefiting from a strong culture anchored in seafarers, BOURBON decided to support a cultural event related to its activities. This partnership is also an opportunity for employees located or temporarily deployed in Marseille to participate in a cultural event.

5.2.1.3 Relations with stakeholders and fair practice

BOURBON has identified its stakeholders as all people and organizations able to influence or be influenced by the Group's decisions and activities. The employees, clients, shareholders, suppliers and local authorities are the major stakeholders, with whom an ongoing and prioritized dialog has been taking place for several years now. This close collaboration permitted BOURBON to improve its global performance, particularly in committing itself to continuous improvement through CSR with this method.

BOURBON ensures that its suppliers and sub-vendors take into account their social and environmental responsibility by means of the supplier's code of conduct, which is systematically integrated into new contracts that are signed and which has been made public on BOURBON's website.

On the other hand, BOURBON carried out a survey among all its employees at the end of 2012, like it did in 2010. The results will allow a plan of action for improvement, just as the previous campaign did.

As far as corruption is concerned, BOURBON has disclosed its efforts in section 4.4. of the management report.

5.3 ENVIRONMENTAL INFORMATION

5.3.1 General environmental policy

BOURBON has established an ISO 14001 certification program for environmental management, which is intended to certify the Group's shipmanagers.

In order to continue efforts towards the reduction of fuel consumption in its vessels, BOURBON was empowered with a team in charge of these specific issues at the end of 2012. From 2013 onwards, the focus will be on raising the awareness of not only the Group's crew, but also of clients directly concerned with this issue.

On the offshore petroleum shipping services market, clients supervise the operational activities of chartered vessels; BOURBON is therefore authorized to carry out operations only when the vessel is not chartered. Hence, as part of the BOURBON 2015 Leadership Strategy plan, BOURBON decided to improve its software solution deployed since 2011 for drawing up an exhaustive inventory of the fleet's fuel and oil consumption and carbon dioxide (CO_2), nitrogen oxide (NO_X) and sulfur oxide (SO_X) emissions.

In this way, the inventory of consumption will now enable differentiation between consumption of vessels in periods of charter and outside periods of charter, and will also allow the reporting of figures with regard to waste and consumption of fresh water. The recommendations made by international bodies in this regard, particularly the International Maritime Organization (IMO), have been respected.

The consumption of fuel (marine gasoil) and lubricant oil in 2012 was 477,550 m^3, and 2,800 m^3 respectively. In 2012, consumption when not chartered represented 3.7% of the total consumption of the Group, up 12% on 2011.

(1) *IECD: Institut Européen de Coopération et de Développement (European institute for cooperation and development).*
(2) *EFA: the network of 52 EFAs in Cameroon currently trains 1,200 rural young people.*

The gross emissions for 2012 are presented in the table below:

(in equivalent tons)	2012	2011
Emissions – CO_2	1,307,900	1,170,200
Emissions – SO_x	2,640	2,520
Emissions – NO_x	26,250	23,285

To date, BOURBON's accounts contain no significant provision that represents an environmental risk. BOURBON's position in this area is described in section 4.3 of the management report.

5.3.2 Management of resources

Under the BOURBON 2015 Leadership Strategy plan, the Group is pursuing investment in a fleet of modern vessels, for the most part equipped with electric diesel technology that enables a considerable reduction in consumption and discharges into the air. Thus, right from the time they leave the shipyard, the vessels are equipped with an instant fuel measurement system that enables detailed data management as well as provides teams and clients with decision-making tools for more economical results.

The consumption of fresh water on board the vessels includes water for sanitary use as well as water intended for rinsing vessel equipment. This amounts to 357,000 m^3. The consumption of bottled drinking water has not been reported, and neither has the indirect consumption of (electrical) energy by all the offices of the operational subsidiaries. The consumption of electricity by offices located in France is 860 MWh.

Taking into account its shipping activities, BOURBON considers provisions on the consumption of raw material and land cover to be inapplicable, and has not yet taken noise pollution into consideration at this stage.

5.3.3 Pollution and waste management

As far as the prevention of environmental risks is concerned, BOURBON applies national and international rules as outlined in section 4.2 of the management report.

BOURBON's vessels are equipped with waste treatment systems that are compliant with the international regulations in force, in particular those of the IMO. The total volume of waste treated in 2012 amounted to 20,400 m^3. The volume of used oil treated amounted to 6,700 m^3.

Special attention needs to be paid to polluting waste that is accidentally discharged into the sea. In 2012, BOURBON did not log a single major incident of the kind that would cause environmental harm.

Under the BOURBON 2015 Leadership Strategy plan, the new series of vessels delivered, particularly the Bourbon Liberty 300, meet the requirements of the Cleanship standard These vessels have been designed and constructed to address the stringent requirements of protecting fuel reserves, treating waste water and general waste, limiting discharges into water and the risk of water pollution as well as the impact on biodiversity.

5.4 METHODOLOGICAL NOTE ON SOCIAL AND ENVIRONMENTAL REPORTING

5.4.1 Scope

BOURBON's social and environmental reporting is carried out over the fiscal year (January to December). Social data relates to all the subsidiaries of the Group and environmental data relates to all the 457 vessels from the Marine Services and Subsea Services Activities.

If the Group exercises joint control of the vessels, data is consolidated proportionally.

5.4.2 External standards

The Group relies on the recommendations of the GRI (Global Reporting Initiative) version 3.0 for implementing and monitoring its indicators.

5.4.3 Tools used

The integrated information system Onsoft Computer Systems AS was used to collect and process the social data for 2012 sent by the local entities. This information system was combined with the decision-making information system Business Intelligence, the Quarterly Reporting Meeting and the annual survey Human Resources – Crewing.

Environmental data is based on the Environmental Monthly Report (EMR) introduced for all of BOURBON's vessels.

5.4.4 Social indicators

In 2012, BOURBON's reported headcount of active personnel included staff under contract at end-of-year, as well as seagoing personnel hired on a non-contractual basis working rotating shifts and due back on board. In 2011, the workforce was reported in terms of staff under contract, that is, only staff under contract at end-of-year.

5.4.5 Environmental indicators

The Group's environmental performance has been followed on the basis of relevant indicators with regard to its activities. It has been built based on the recommendations and principles of the GRI (Global Reporting Initiative, version 3.0), while having been adapted to the Group's specific activities when necessary.

The indicators have been calculated on the following principles:

- CO_2: fuel consumption, with an applied mass coefficient of 3.206, in compliance with circular MEPC/47111 of the International Maritime Organization (OMI);
- SO_x: fuel consumption and average rate of sulfur;
- NO_x: power, one hour of machine operation, load factor and emission factor of each engine;
- Consumptions: estimated calculation based on, in order of priority, number of operating hours of machine, average consumption of same vessel during the reporting period, average consumption of identical vessels in the same geographical zone or in a larger area;
- Fuel density: as indicated in the Environmental Monthly Report (EMR) or 0.86 ton / m^3 by default;
- Sulfur rate: as indicated in the Environmental Monthly Report (EMR) or 0.1% per unit mass by default in Europe, the North Sea, and 0.5% per unit mass in the rest of the world.

5.4.6 Further details

All matters required by Article R. 225-105-1 of the Grenelle II law have not been reported by BOURBON. The Group is currently working on implementing the monitoring of the following matters: importance of sub-treatment, severity rate, professional illnesses, health conditions, record of agreements signed on health, absenteeism, disabilities, adaptation to climate change and corruption.

On the grounds of its specific activity, BOURBON considers the matter of consumer health and safety to be inapplicable.

5.5 TABLE ON THE CONSISTENCY OF THE SOCIAL AND ENVIRONMENTAL INFORMATION

Reference Grenelle 2 law – Art R. 225-102.1 (Decree No. 2012-557)	Corresponding Global Reporting Initiative indicators	Reference
Social Information		
Employment		
Total workforce and breakdown by gender, age and geographical zone	LA 1	5.1.1.1
Hiring and firing	LA 2	5.1.1.5
Compensation and change therein	EC 1	5.1.1.6
Organization of work		
Organization of work time		5.1.2.3
Absenteeism	LA 7	5.4.6
Social relations		
Organization of social dialog (procedures for informing, consulting and negotiating with the staff)	LA 4	5.1.2.4
Record of collective agreements		5.1.2.4
Health and safety		
The conditions of health and safety at work		5.1.3
The record of agreements on health and safety at work signed with labor organizations or staff representatives	LA 7 to LA 9	5.4.6
Accidents at work (frequency and seriousness) as well as occupational diseases		5.1.3 and 5.4.6
Training		
Training policies implemented	LA 11	5.1.2.2
Total number of hours of training	LA 10	
Equal treatment		
Measures taken to promote equality among women and men	LA 13 LA 14	5.1.1.1
Measures taken to promote the employment and integration of disabled people		5.4.6
Anti-discrimination policy	LA 13 – HR 4	5.1.1.2

Reference Grenelle 2 law – Art R. 225-102.1 (Decree No. 2012-557)	Corresponding Global Reporting Initiative indicators	Reference
Promotion of and compliance with the stipulations of the fundamental agreements of the International Labor Organization on respect for freedom of association and the right to collective bargaining		
On respect for freedom of association and the right to collective bargaining	HR 4 to HR 7	5.1.2.5
Elimination of discrimination in employment and occupation		5.1.2.5
Elimination of forced or compulsory labor		5.1.2.5
Effective abolition of child labor		5.1.2.5
Environmental information		
General environmental policy		
The organization of the company to take into account environmental issues, and, if required, measures taken for environmental assessment or certification	EN 26	5.3.1
Activities carried out for training and informing employees regarding environmental protection	EN 7	
Means dedicated for the prevention of environmental risks and pollution	EN 30	
The amount set aside as provisions and guarantees for environmental risks, provided this information does not cause serious damage to the company in an ongoing litigation		
Pollution and waste management		
Measures for the prevention, reduction and repair of discharges into the air, water and soil, which seriously affect the environment	EN 19 to EN 25	5.3.3
Measures for the prevention, recycling and elimination of waste		
Taking into account noise pollution and all other forms of pollution specific to an activity		5.3.2
Sustainable use of resources		
Consumption and supply of water as per local constraints	EN 8	5.3.2
Consumption of raw materials and measures taken to improve their efficient use	EN 1 – EN 2	5.3.1 and 5.3.2
The consumption of energy, measures taken to improve energy efficiency and use renewable energies	EN 3 to EN 4	
Use of land	E 11 to E 12	
Climate change		
Green house gas emissions	EN 16 to EN 20	5.3.1
Adaptation to the consequences of climate change		
Protection of biodiversity		
Measures taken to preserve or develop biodiversity	EN 11 – EN 12	5.3.3
Information on societal commitments in favor of sustainable development		
Territorial, economic and social impact of the company's activity		
In terms of employment and regional development	SO 1 EC 1 EC 6 – EC 7	5.2.1.1
On local populations		
Relations maintained with individuals or organizations interested in the company's activity, especially integration associations, educational institutions, environment protection associations, consumer associations and local populations		
The conditions for dialog with these individuals or organizations	EC 1	5.2.1.3
Partnership or sponsorship activities		5.2.1.2

Reference Grenelle 2 law – Art R. 225-102.1 (Decree No. 2012-557)	Corresponding Global Reporting Initiative indicators	Reference
Sub-contracting and suppliers		
Consideration of social and environmental issues in the purchasing policy	HR 2	5.2.1.3
Importance of sub-contracting and consideration of social and environmental responsibility in relations with suppliers and sub-contractors		5.4.6
Fair practices		
Measures taken to prevent corruption	SO 2 to SO 4	5.2.1.3
Measures taken in favor of consumer health and safety	N/A	
Other measures taken in favor of human rights	HR 3 – HR 6 – HR 7	5.1.2.5

6. BOURBON SA AND ITS SHAREHOLDERS

6.1 CAPITAL STOCK AND SHAREHOLDER BASE

As of January 1, 2012, the first day of the financial year, BOURBON's capital stock amounted to €43,055,075 divided into 67,781,535 fully paid-up shares.

The capital stock as of December 31, 2012 amounted to €43,055,075 divided into 67,781,535 shares of the same class and also representing 67,781,535 theoretical voting rights (65,067,696 rights to vote at the General Meeting).

The table below shows the breakdown of the BOURBON shareholder base as of December 31, 2012:

Shareholders	Number of shares	% of capital and theoretical voting rights	% of the voting rights that may be exercised in the General Meeting
Jaccar *	17,761,707	26.20%	27.30%
Mach-Invest **	5,238,083	7.73%	8.05%
Monnoyeur SAS	3,623,789	5.35%	5.57%
Treasury shares	2,713,839	4.00%	-
Employees	561,776	0.83%	0.86%
Public	37,882,341	55.89%	58.22%
TOTAL	**67,781,535**	**100%**	**100%**

* *Jaccar: JACCAR Holdings SA and Cana Tera SAS, companies associated with Mr. Jacques d'Armand de Chateauvieux.*
** *Mach-Invest: Mach-Invest SAS and Mach-Invest International, companies associated with Mr. Henri d'Armand de Chateauvieux.*

JACCAR Holdings strengthened its position on January 19, 2012 with the acquisition of a block of 945,000 additional shares, and reported that it had exceeded the threshold of 25% of the capital stock and theoretical voting rights.

6.2 DIVIDENDS PAID FOR THE LAST THREE YEARS

We remind you that the dividends distributed for the last three years were as follows:

	Number of shares at year end	Net dividend per share * *(in €)*	Total amount distributed ** *(in € thousands)*
2009	61,187,226	0.90	52,866
2010	61,532,545	0.90	53,170
2011	67,781,535	0.82	53,343

* *Dividend granting entitlement to the 40% tax deduction applicable to individual (non-corporate) shareholders who are French tax residents, as provided for in article 158-3 2° of the French Tax Code.*
** *Treasury shares are not entitled to dividends.*

6.3 COMPANY TRANSACTIONS ON ITS OWN STOCK

6.3.1 Stock buyback program

Portion of the capital held by the company and breakdown by objective for holding the company's treasury shares

As of December 31, 2012, the Company held 2,713,839 treasury shares, representing 4.0% of the capital.

Objective for holding treasury shares	Number of shares held at the year-end	Value at purchase price *(in € thousands)*	Par value *(in € thousands)*
Stimulation of the market by an investment service provider	20,434	432	13
Hedging stock options or other employee shareholding systems	2,693,405	75,772	1,711
External expansion operations	None	-	-
Hedging securities giving access to the capital	None	-	-
Cancelation	None	-	-
TOTAL	**2,713,839**	**76,204**	**1,724**

Transactions made by the Company on treasury shares during the year, by acquisition, disposal or transfer

All the acquisitions and disposals in 2012 were made via CM-CIC Securities, an investment service provider responsible for market stimulation under the AMAFI charter, in the context of its management of the liquidity contract.

During the year, 1,789,865 shares were thus acquired at an average purchase price of €22.47 while 1,786,972 shares were sold at an average sale price of €22.41. These transactions did not incur any dealing costs. It is also noted that no derivative products were used to conduct these transactions and that no put or call position was open as of December 31, 2012.

Please note that no treasury shares were reallocated or used in 2012.

Description of the share buyback program proposed to the Combined General Meeting on May 28, 2013

At the Combined General Meeting on May 28, 2013, BOURBON will propose the renewal of the share buyback program with a view to:

- stimulating the markets or the liquidity of BOURBON shares through an investment service provider, operating wholly independently within the scope of a liquidity contract under the rules of professional conduct of the AMAFI approved by the French Financial Services Authority (AMF);
- holding them for later use as payment or exchange within the scope of external expansion operations initiated by the Company;
- allotting shares to employees and authorized agents of the Company or its Group to cover bonus share or stock option allotment plans or as part of their beneficial participation in the expansion of the Company or within the scope of a shareholding plan or an employee savings plan;
- handing over stock upon exercise of rights attached to securities which, by way of conversion, exercise, repayment or exchange, entitle the exerciser to allotment of Company shares within the bounds of stock market regulations;
- canceling shares as part of a capital reduction as prescribed by law.

Subject to the approval of the Ordinary General Meeting on May 28, 2013, this program will be authorized for a period ending at the next General Meeting called to approve the financial statements for the year ending December 31, 2013, but not exceeding a period of 18 months, *i.e.* November 30, 2014.

The shares likely to be repurchased under this program are ordinary shares.

The maximum purchase price per share cannot exceed €40, excluding charges.

The maximum percentage of BOURBON's capital that may be acquired is 5% (*i.e.* 3,389,076 shares based on the capital stock as of December 31, 2012 comprising 67,781,535 shares); given that this limit is assessed on the repurchase date so as to allow for possible capital increases or reductions during the course of the program. The number of shares taken into consideration in order to calculate this limit corresponds to the number or shares purchased, less the number of shares resold for liquidity purposes during the course of the program.

The Company is bound to retain a float of at least 10% of its capital and, in accordance with the law, not hold more than 10% of its capital, directly or indirectly.

It should be noted that, by law, the maximum buyback percentage of shares acquired by the Company in order to hold them for subsequent delivery in payment or exchange for a merger, split-off or contribution is limited to 5%.

If all the shares were acquired at the maximum price authorized by the meeting, *i.e.* €40, the maximum amount of the buyback BOURBON could make would total €135,563,040.

Purchases may be made during public offer periods, within the limits of stock market regulations, and with the sole aim of adhering to a securities delivery commitment, or paying for an asset acquisition by means of an exchange and remittance of securities as part of an acquisition or during the launch of a public offer.

As of December 31, 2012, the Company had free reserves of €685,458,000.

By law, the amount of the program cannot be higher than this figure until the closure of the parent company financial statements for the current year.

At January 31, 2013, the breakdown by objective of the treasury shares held was as follows:

Objective for holding treasury shares	Number of shares held
Stimulation of the market by an investment service provider	11,783
Hedging stock options or other employee shareholding systems	2,693,405
External expansion operations	None
Hedging securities giving access to the capital	None
Cancelation	None
TOTAL	**2,705,188**

6.3.2 Summary statement of transactions in accordance with Article L. 621-18-2 of the French Monetary and Financial Code

Transactions conducted on Company shares during 2012 by the individuals cited in Article L. 621-18-2 of the French Monetary and Financial Code of which the Company is aware are detailed below:

	Type of transaction			
Name of corporate officer	Acquisition of shares *(quantity)*	Exercise of stock-options *(quantity)*	Sale of shares *(quantity)*	Other types of transactions *(quantity)*
Jacques d'Armand de Chateauvieux or related individual or legal entity	945,000			
Christian d'Armand de Chateauvieux or related individual or legal entity				283,919
Gaël Bodénès or related individual or legal entity	4,130			

6.3.3 Stock options granted to employees

Taking up the option offered by the General Meeting on June 1, 2011, the Board of Directors decided, on November 30, 2012, to authorize the implementation of a new plan.

The total number of options granted climbed to 27,000, benefiting two employees of BOURBON's subsidiaries. The option exercise price was set at €21.80, *i.e.* 100% of the average price listed in the twenty Stock Market trading sessions prior to the award. These options can only be exercised four years after being awarded, in accordance with regulations.

Stock options granted to the ten employees awarded the highest number of options who are not corporate officers, and options exercised by them	Total number of options awarded / stock subscribed to or purchased	Weighted average price
Options granted during the year by the issuer or any Group company authorized to award options, to the ten employees of the issuer or any Group company who were granted the highest number of options (overall information)	27,000	€21.80
Options held on the issuer and the companies described above exercised during the year by the ten employees of the issuer or any Group company who were granted the highest number of options (overall information)	-	-

6.3.4 Employee shareholding

As of December 31, 2012, through the employees' mutual fund "Bourbon Expansion FCPE", 1,043 employee shareholders held a total of 561,776 shares, representing 0.83% of the capital stock.

6.4 FACTORS THAT COULD HAVE AN IMPACT IN THE EVENT OF A TAKEOVER

Capital structure of the Company

The capital structure of the Company is described in section 6.1 of the management report.

Statutory restrictions on the exercise of voting rights and stock transfers or contractual clauses of which the Company is aware pursuant to Article L. 233-11 of the French Commercial Code

The Company's bylaws do not stipulate any restriction on the exercise of voting rights and stock transfers. The Company is not aware of any contractual clause pursuant to Article L. 233-11 of the French Commercial Code in the year ended December 31, 2012.

Direct or indirect interests in its capital that the Company is aware of pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code

This information is detailed in paragraph 6.1 of the management report.

List of holders of any security conferring special control rights and a description thereof

The Company has not issued any security conferring special control rights during the year. No security conferring special control rights is in circulation.

Control mechanisms laid down under an employee shareholding system, when the control rights are not held by the employees

BOURBON has an employee shareholding system *via* a mutual investment fund "Bourbon Expansion FCPE" which exercises the control rights.

Agreements between shareholders of which the Company is aware that could lead to restrictions on the transfer of stock and the exercise of voting rights

The Company has no knowledge of any agreement of this type between shareholders other than that mentioned in section 2.8 of the chapter "Other legal and financial information" of this Registration Document.

Rules applicable to the appointment and replacement of members of the Board of Directors and amendments to the bylaws

The rules applicable to the appointment and replacement of members of the Board of Directors comply with prevailing regulations and the consolidated AFEP-MEDEF Code. Article 13 of the bylaws mentioned in the section entitled "Information about the Company" in the Registration Document sets out the rules for the appointment of Directors.

The rules applicable to amendments to the bylaws comply with prevailing regulations. Amendments to the bylaws, except in cases expressly stipulated by law, come under the exclusive competence of the Extraordinary General Meeting. The Company has not identified any significant impact concerning these rules in the event of a takeover.

Powers of the Board of Directors, in particular the issue or repurchase of stock

A table summarizing the delegations of authority and the powers granted by the General Meeting to the Board of Directors for capital increases is annexed to this management report.

Agreements made by the Company that will be amended or terminated in the event of a change of control of the Company, the disclosure of which (apart from mandatory disclosure cases) does not seriously affect its interests

The majority of the bank loans concluded by BOURBON contain clauses allowing the bank to demand early repayment of the loan in the event of a change of control of BOURBON.

Most of the shareholders' pacts signed by BOURBON with external partners on the establishment of joint-ventures include exit clauses in the event of change of control of either of the parties, enabling each of them, either to sell its stake to the other or, in the event of failure to agree between them on the buyout of their respective stake, to liquidate the Company.

The construction contracts do not contain any clause that could come into play in the event of a change of control of BOURBON. There is no provision in these contracts that could call the financial conditions into question, such as, for example, the departure of Jacques d'Armand de Chateauvieux.

Agreements providing for indemnities to members of the Board of Directors or employees if they resign or are dismissed for no real or serious cause or if their employment is terminated due to a takeover

The original employment contract for Laurent Renard includes a clause providing benefits in the event of dismissal due to a change in control of BOURBON. This clause is not related to the corporate office subsequently conferred on Laurent Renard.

7. PROPOSALS OF THE BOARD OF DIRECTORS

7.1 APPROPRIATION OF EARNINGS - DIRECTOR'S FEES

The following proposals will be made to the meeting:

- to appropriate the earnings for the year as follows:

Profit for the year	70,516,160.36
Retained earnings	136,468,190.51
Total distributable	206,984,350.87
Distribution of a dividend of €0.82 for each of the 67,781,535 shares comprising the share capital	55,580,858.70
Balance to carry forward under Retained Earnings	151,403,492.17

The dividend thus set will be distributed as of June 6, 2013.

In case of a change in the number of shares qualifying for dividend compared to the 67,781,535 shares constituting the share capital as of April 9, 2013, the total dividend amount would be consequently adjusted.

As regards the Company's purchase of its own stock, it may be noted that acquired shares do not yield dividend. The sum corresponding to this unpaid dividend will thus be carried forward as "retained earnings".

This dividend will qualify the holder to an allowance of 40% applicable to individuals who are tax residents of France; legal entities do not qualify for any allowance.

In accordance with the provisions of Article 117 quater new of the French General Tax Code, there will be a mandatory 21% deduction at source.

It may be noted that social security deductions (CSG, CRDS, social security contributions and additional contribution) representing 15.50% of the dividend amount, will be deducted at source on payment of the dividend.

No income is distributed under this meeting apart from the above-mentioned dividend, eligible or otherwise for the 40% rebate mentioned in Article 158, section 3, paragraph 2, of the French Tax Code.

- to set from January 1, 2013 the total maximum amount of the Directors' fees allocated to the Board of Directors at two hundred and forty thousand euros (€240,000) for 2012 and subsequent years.

7.2 DIRECTORS' TERMS OF OFFICE

Since the term of office of Mr. Jacques d'Armand de Chateauvieux as Director is due to expire, a proposal has been made to the General Meeting to renew his term for another three-year period, *i.e.* until the Ordinary General Meeting called in 2016 to approve the financial statements for the year ended December 31, 2015.

Since the term of office of Ms. Vo Thi Huyen Lan as Director is due to expire, a proposal has been made to the General Meeting to renew her term for another three-year period, *i.e.* until the Ordinary General Meeting called in 2016 to approve the financial statements for the year ended December 31, 2015.

The Board of Directors, upon the recommendation of the Nominating, Compensation and Governance Committee, is proposing to the General Meeting that Mr. Christian Lefèvre should be appointed as Director for a three-year term, *i.e.* until the Ordinary General Meeting called in 2016 to approve the financial statements for the year ended December 31, 2015.

7.3 TREASURY SHARE BUYBACK PROGRAM

The General Meeting will be asked to:

- terminate the current share buyback program approved by the Combined General Meeting of June 1, 2012;
- authorize a new treasury share buyback program for the Company.

The objectives remain the same as those of the previous buyback program, however with a ceiling for buying back shares of a lower amount.

7.4 AUTHORIZATION TO THE BOARD OF DIRECTORS TO REDUCE THE CAPITAL STOCK BY CANCELING TREASURY SHARES

The General Meeting is asked to authorize the Board of Directors, with the option to delegate to any legally authorized person, to cancel, at its sole discretion, in one or more tranches and for a maximum of 10% of the capital per twenty-four (24) month period, some or all of the treasury stock that the Company holds or may come to hold following the use of the various authorizations given by the General Meeting to the Board of Directors (particularly under the buyback program), and to carry out a corresponding reduction of the share capital.

This authorization may be granted for a period of eighteen (18) months from the date of the General Meeting.

7.5 DECISION CONCERNING CAPITAL INCREASE THROUGH THE CAPITALIZATION OF A PORTION OF THE "ISSUE PREMIUMS" ITEM: BONUS SHARES GRANTED TO SHAREHOLDERS

The General Meeting has been asked to increase the capital stock by incorporating a part of the "share premium" the tune of four million three hundred and five thousand and five hundred and seven euros (€4,305,507).

This capital increase would be completed by the issuance of bonus shares allotted to shareholders in the ratio of one new share for ten existing shares.

The rights to fractional shares will neither be transferable nor negotiable. The corresponding shares will be sold.

7.6 DELEGATIONS OF AUTHORITY TO BE GIVEN TO THE BOARD OF DIRECTORS TO ISSUE ORDINARY SHARES AND/OR TRANSFERABLE SECURITIES GIVING ACCESS TO COMPANY EQUITY AND/OR GIVING ENTITLEMENT TO THE AWARD OF DEBT SECURITIES WITH ELIMINATION OF PRE-EMPTIVE SUBSCRIPTION RIGHTS THROUGH PUBLIC OFFERING

The General Meeting will be asked to grant the Board a delegation of authority for a period of twenty-six (26) months to increase the capital in accordance with the provisions of articles L. 255-129-2, L. 225-135, L. 225-136 and L. 228-92 of the French Commercial Code, through the issue of ordinary shares in the Company, with or without share subscription warrants or any other marketable securities giving entitlement in fine to the award of shares through subscription, conversion, exchange or in any other manner with elimination of the shareholders' pre-emptive subscription right and public offering.

This delegation is being proposed to you to let your company benefit from all the opportunities offered by the financial markets, and to rapidly achieve an increase in capital if necessary.

Therefore, you are recommended to eliminate the shareholders' pre-emptive subscription rights on the shares and on transferable securities that may be issued under the current delegation, with it being specified that the Board of Directors may at any time, institute a system of priority subscription on all or part of the shares in favor of the shareholders.

The following proposals will be made to the meeting:

- set the maximum nominal capital amount likely to be increased within the framework of this delegation to eight million euros (€8,000,000), since this ceiling may be increased in case of capital increase through the incorporation of reserves in the same proportions, and authorize your Board of Directors, in the event of excess demand, to increase the maximum ceiling of the capital increase(s) within a limit of 15% of the initial issue as provided for under Articles L. 225-135-1 and R. 225-118 of the French Commercial Code;
- to set to three hundred fifty million euros (€350,000,000) the maximum amount of marketable securities giving access to the company's equity securities, which may, if necessary, be issued by virtue of this delegation and may consist of debt securities or which may be associated with the issue of such securities.

7.7 DECIDING HOW TO SET THE SUBSCRIPTION PRICE IN THE EVENT OF ELIMINATION OF PRE-EMPTIVE SUBSCRIPTION RIGHTS UP TO AN ANNUAL LIMIT OF 10% OF CAPITAL

We propose, in accordance with Article L. 225-136-1 paragraph 2 of the French Commercial Code, that if the Board of Directors decides to issue ordinary shares or transferable securities giving access to equity with elimination of pre-emptive subscription rights, by public offer, you should authorize it to waive, up to the legal limit of 10% of capital stock per year, the aforementioned price-setting requirements and to set the issue price for equity securities and similar instruments to be issued as follows:

The issue price of equivalent equity securities to be issued immediately or at a later date may not, according to the preference of the Board of Directors, fall below:

- either the average weighted price of the Company share on the day prior to the setting of the issue price, possibly less a maximum discount of 15%;
- or than the average of five consecutive share price listings selected from the last 30 stock market sessions prior to the issue price being set, possibly less a maximum discount of 10%.

7.8 AMENDMENT TO ARTICLE 11 OF THE BYLAWS - BENEFICIAL OWNER ACCORDING TO THE PROVISION OF ARTICLE 787 B OF THE FRENCH TAX CODE

The General Meeting is requested to modify the bylaws for shareholders who wish to benefit from being partially released from gift tax by applying Article 787 B of the General Tax Code.

In return, this provision devises a restriction on the right to vote of those shareholders who transfer their shares free of charge while reserving usufruct.

In fact, for the latter, the beneficial owner has the right to vote only for the annual decision on the allocation of profit.

7.9 DELEGATION OF POWER TO BE CONFERRED UPON THE BOARD OF DIRECTORS FOR ISSUING EQUITY WARRANTS (BSA), WARRANTS FOR SUBSCRIBING TO AND/OR ACQUIRING NEW AND/OR EXISTING SHARES (BSAANE) AND/OR WARRANTS FOR SUBSCRIBING TO AND/OR ACQUIRING NEW AND/OR EXISTING REDEEMABLE SHARES (BSAAR) WITH ELIMINATION OF THE PRE-EMPTIVE SUBSCRIPTION RIGHTS IN FAVOR OF A CATEGORY OF PERSONS.

The General Meeting is requested to grant an 18-month delegation to the Board of Directors for issuing equity warrants (BSA), warrants for subscribing to and/or acquiring new and/or existing shares (BSAANE) and/or warrants for subscribing to and/or acquiring new and/or existing redeemable shares (BSAAR) with elimination of the pre-emptive subscription rights in favor of a category of persons, on one or more occasions, in the proportions and at the times it deems appropriate, but with a ceiling of thirty million euros (€30,000,000), in France and abroad.

This delegation is offered to you so as to enable your company to be equipped with attractive legal instruments vis-à-vis the Managers.

Thus, you are recommended to decide on the elimination of shareholders’ pre-emptive subscription rights in favor of persons belonging to the following category: BOURBON’s corporate officers, French and foreign employees, and the companies in which BOURBON is a significant shareholder, knowing that your Board of Directors would have the authority to determine the precise list of beneficiaries within this category of persons.

The Board of Directors.

FINANCIAL RESULTS OF THE PARENT COMPANY OVER THE LAST FIVE YEARS

Description	2012	2011	2010	2009	2008
Capital stock at year-end					
Capital stock *(in € thousands)*	43,055	43,055	39,086	38,866	35,229
Number of ordinary shares outstanding	67,781,535	67,781,535	61,532,545	61,187,226	55,461,302
Number of preferred dividend shares (non-voting) outstanding	-	-	-	-	-
Maximum number of future shares to be issued					
- by conversion of bonds	-	-	-	-	-
- by exercise of subscription rights and award of bonus shares	5,659,711	5,903,025	3,677,780	920,899	1,015,370
Operation and profit / loss for the year *(in € thousands)*					
Revenues excluding taxes	-	-	310	337	706
Earnings before income tax, employee profit-sharing and depreciation, amortization and provisions	60,366	108,047	83,477	37,455	267,701
Income tax	(12,117)	(6,278)	(13,499)	(13,348)	(11,883)
Employee profit-sharing for the year	-	-	-	-	-
Earnings after income tax, employee profit-sharing and depreciation, amortization and provisions	70,516	98,315	127,278	72,462	256,470
Distributed net income	55,581 (1)	53,343 (2)	53,170 (3)	52,866 (4)	47,904 (5)
Earnings per share *(in €)*					
Earnings after income tax, employee profit-sharing but before depreciation, amortization and provisions	1.07	1.69	1.58	0.83	5.04
Earnings after income tax, employee profit-sharing and depreciation, amortization and provisions	1.04	1.45	2.07	1.18	4.62
Dividend per share	0.82 (1)	0.82 (2)	0.90 (3)	0.90 (4)	0.90 (5)
Personnel					
Average number of employees during the year	-	-	-	-	-
Amount paid in the year for welfare contributions (Social security, employee organizations, etc.)	-	-	-	-	-

(1) €0.82 per share as recommended by the Board of Directors on March 4, 2013.
(2) €0.82 per share as recommended by the Board of Directors on March 5, 2012, after deducting dividends attached to treasury shares.
(3) €0.90 per share as recommended by the Board of Directors on March 14, 2011, after deducting dividends attached to treasury shares.
(4) €0.90 per share as recommended by the Board of Directors on March 15, 2010, after deducting dividends attached to treasury shares.
(5) €0.90 per share as recommended by the Board of Directors on March 23, 2009, after deducting dividends attached to treasury shares.

TABLE SUMMARIZING THE DELEGATIONS OF AUTHORITY AND THE POWERS GRANTED BY THE GENERAL MEETING TO THE BOARD OF DIRECTORS FOR CAPITAL INCREASES *

Date of the General Meeting	Nature of the delegation	Duration of the delegation	Use during 2012
Combined General Meeting of June 1, 2011 **17th resolution**	Authority given to the Board of Directors to grant, on one or more occasions, stock options for new or existing shares of the Company derived from purchases made by it. Maximum amount: 5% of the capital stock.	Thirty-eight months, *i.e.* until July 31, 2014	On November 30, 2012, the Board of Directors decided to grant 27,000 stock options of the Company. These options may be exercised as of November 30, 2016, the start of the fifth year after the award and until November 29, 2018, the end of the sixth year after the award.
Combined General Meeting of June 1, 2011 **18th resolution**	Authorization for the Board of Directors to allot bonus shares to members of the salaried staff (and/or to certain authorized corporate officers). Maximum amount: 5% of the capital stock.	Thirty-eight months, *i.e.* until July 31, 2014	None
Combined General Meeting of June 1, 2011 **20th resolution**	Authorization given to the Board of Directors to increase the capital stock by issuing any transferable securities giving immediate or future access to equity, with elimination of the existing shareholders' pre-emptive subscription rights through public offering. Maximum amount Shares: €8 million. Marketable securities: €350 million.	Twenty-six months, *i.e.* until July 31, 2013	None
Combined General Meeting of June 1, 2011 **21st resolution**	Authorization given to the Board of Directors to increase the capital stock through the capitalization of reserves, profits and/or premiums. Maximum amount: par value of the share.	Twenty-six months, *i.e.* until July 31, 2013	None
Combined General Meeting of June 1, 2012 **12th resolution**	Authorization granted to the Board of Directors to carry out, on one or more occasions, capital increases in cash maintaining shareholders' pre-emptive subscription right. Maximum amount Shares: €8 million. Marketable securities: €350 million.	Twenty-six months, *i.e.* until July 31, 2014	None
Combined General Meeting of June 1, 2012 **13th resolution**	Authorization given to the Board of Directors to increase the capital stock by issuing any transferable securities giving immediate or future access to equity, with elimination of the existing shareholders' pre-emptive subscription rights through private placement. Maximum amount Shares: €4 million. Marketable securities: €200 million.	Twenty-six months, *i.e.* until July 31, 2014	None
Combined General Meeting of June 1, 2012 **14th resolution**	Authorization given to the Board of Directors to waive, up to the legal limit of 10% of capital stock per year, as per the price-setting requirements for issuing marketable securities issued as part of the capital increase provided for in the 20th resolution of the General Meeting dated June 12011, and in the 13th resolution of the General Meeting dated June 1, 2012.	Twenty-six months, *i.e.* until July 31, 2013 and July 31, 2014, depending on the resolution concerned	None
Combined General Meeting of June 1, 2012 **15th resolution**	Authorization given to the Board of Directors for increasing the capital stock through the issue of marketable securities in order to pay for the benefits-in-kind. Maximum amount: 10% of the capital stock.	Twenty-six months, *i.e.* until July 31, 2014	None

* *The above table shows the delegations that are currently valid as of December 31, 2012 and their use in 2012.*

ATTESTATION OF COMPLETENESS OF ONE OF THE STATUTORY AUDITORS ON SOCIAL, ENVIRONMENTAL AND CORPORATE RESPONSIBILITY INFORMATION APPEARING ON MANAGEMENT REPORT (YEAR ENDED DECEMBER 31, 2012)

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the attention of Bourbon Executive Management,

Pursuant to your request and in our capacity as Statutory Auditors of BOURBON, we hereby present you with our attestation of completeness on the consolidated social, environmental and corporate responsibility information present in the management report prepared for the year ended December 31, 2012 pursuant to Article L. 225-102-1 of the French Commercial Code (*Code du commerce*).

RESPONSIBILITY OF THE COMPANY

The Board of Directors is responsible for preparing a management report including the consolidated social, environmental and corporate responsibility information provided for in Article R. 225-105-1 of the French Commercial Code (hereinafter the "Information"), prepared in accordance with the reporting criteria used by BOURBON and available on request at the registered office of the company.

INDEPENDANCE AND QUALITY CONTROL

Our independence is defined by regulatory texts, the profession's Code of Ethics as well as by the provisions set forth in Article L. 822-11 of the French Commercial Code. Furthermore, we have set up a quality control system that includes the documented policies and procedures that aim to ensure compliance with rules of ethics, professional standards and the applicable legal texts and regulations.

RESPONSIBILITY OF THE STATUTORY AUDITOR

Based on our work, our responsibility is to attest that the required Information is presented in the management report or, in the event of omission, is explained pursuant to the third paragraph of Article R. 225-105 of the French Commercial Code and Decree No. 2012-557 of April 24, 2012. On the other hand, our responsibility is not to verify the accuracy of such information.

To assist us in conducting our work, we referred to the corporate responsibility experts of our Firm.

NATURE AND SCOPE OF PROCEDURES

We conducted the following procedures in accordance with professional standards applicable in France:

- We have compared the Information presented in the management report with the list set forth in Article R. 225-105-1 of the French Commercial Code;
- We have verified that the Information covered the consolidated scope, *i.e.*, the Company and its subsidiaries within the meaning of Article L. 233-1 of the French Commercial Code and the companies that it controls within the meaning of Article L. 233-3 of the French Commercial Code, subject to the limits set forth page 57 of the management report.
- In the event of omission of certain consolidated information, we have verified that explanations were provided in accordance with Decree No. 2012-557 of April 24, 2012.

CONCLUSION

Based on our work, we attest to the completeness of the required Information in the management report.

Marseille, April 10, 2013
One of the Statutory Auditors,

Deloitte & Associés
Hugues DESGRANGES
Partner

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CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL POSITION STATEMENT

(in € millions)	Notes	December 31, 2012	December 31, 2011
Goodwill	3.1	33.5	34.0
Intangible assets	3.2	10.1	9.8
Property, plant and equipment	3.3 - 3.4	3,326.6	3,244.1
Investments in associates	3.5	0.1	0.6
Non-current financial assets	3.6	30.8	22.4
Deferred taxes	3.16	31.3	33.6
Total non-current assets		**3,432.4**	**3,344.5**
Inventories and work in progress	3.7	44.3	33.3
Trade and other receivables	3.8	384.9	388.1
Current financial assets	3.8	20.4	29.7
Other current assets	3.8	31.6	33.4
Cash and cash equivalents	3.9	195.2	229.6
Total current assets		**676.3**	**714.1**
Non-current assets held for sale		**-**	**-**
TOTAL ASSETS		**4,108.8**	**4,058.6**
Capital		43.1	43.1
Share premiums		52.6	52.6
Consolidated reserves, Group share (including profit for the year)		1,253.9	1,268.1
Total shareholders' equity, Group share		**1,349.5**	**1,363.7**
Non-controlling interests		**62.2**	**53.3**
Total shareholders' equity		**1,411.8**	**1,417.1**
Borrowings and financial liabilities	3.14	1,745.0	1,565.0
Employee benefit obligations	3.13	10.1	7.7
Other provisions	3.13	21.7	23.9
Deferred taxes	3.16	20.5	24.9
Other non-current liabilities		88.9	77.7
Total non-current liabilities		**1,886.2**	**1,699.2**
Borrowings and financial liabilities (< one year)	3.14	353.1	346.3
Bank overdrafts and short-term lines	3.14	157.7	273.6
Provisions (< one year)	3.13	1.5	1.3
Trade and other payables		285.4	305.9
Tax liabilities		7.7	3.4
Other current liabilities		5.6	11.8
Total current liabilities		**810.8**	**942.3**
Liabilities directly associated with non-current assets classified as held for sale		**-**	**-**
Total liabilities		2,697.0	2,641.5
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**4,108.8**	**4,058.6**

STATEMENT OF COMPREHENSIVE INCOME

(in € millions)	Notes	2012	2011
Revenue	4	1,186.9	1,008.0
Direct costs	4.1	(661.0)	(605.1)
General and administrative costs	4.1	(121.7)	(104.0)
Increases and reversals of amortization, depreciation and provisions	4.1	(244.6)	(214.9)
Other operating income (1)		2.0	1.4
EBIT		**161.6**	**85.3**
Cost of net debt	3.15	(71.9)	(64.4)
Other financial expenses and income	3.15	(15.1)	(7.3)
Income from current operations before income tax		**74.6**	**13.6**
Income tax	3.17	(22.2)	(10.7)
Share in income (loss) of associates	3.5	0.0	0.2
Net income before discontinued operations net income		**52.4**	**3.1**
Net income from discontinued operations/operations held for sale		0.8	0.5
NET INCOME		**53.2**	**3.6**
Group share		41.9	6.8
Non-controlling interests		11.3	(3.3)
Net earnings per share	5.2.1	0.64	0.11
Diluted net earnings per share	5.2.2	0.64	0.10
Net earnings per share – excluding income from discontinued operations/operations held for sale	5.2.1	0.63	0.10
Diluted net earnings per share – excluding income from discontinued operations/operations held for sale	5.2.2	0.63	0.10
Net earnings per share – income from discontinued operations/operations held for sale	5.2.1	0.01	0.01
Diluted net earnings per share – income from discontinued operations/operations held for sale	5.2.2	0.01	0.01
Net dividend per share adjusted		0.82 (2)	0.82

(1) Capital gains on equity interests sold.
(2) Further to the proposal made by the Board of Directors' meeting of March 4, 2013.

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(in € millions)	Notes	2012	2011
Income for the year		**53.2**	**3.6**
Other comprehensive income		**(11.5)**	**(2.6)**
Change in the fixed assets revaluation reserve		-	-
Tax effect		-	-
Actuarial differences	3.13	(1.8)	-
Tax effect		0.2	-
Profits and losses from the currency translation of the statements of foreign subsidiaries		11.1	2.5
Profits and losses related to the revaluation of available-for-sale financial assets		-	-
Tax effect		-	-
Effective portion of gains and losses on cash flow hedge instruments	3.19.2	(24.4)	(13.2)
Tax effect		3.4	8.1
Share of other comprehensive income of associates		**-**	**-**
TOTAL PROFITS/LOSSES		**41.7**	**1.0**

STATEMENT OF CONSOLIDATED CASH FLOWS

(in € millions)	2012	2011
Consolidated net income	**53.2**	**3.6**
Share in income/loss of associates	(0.0)	(0.2)
Tax (expense)/income	22.2	10.7
Net amortization, depreciation and provisions	244.5	214.9
Gains and losses from changes in fair value	24.5	7.4
Calculated income and expenses related to stock options and similar benefits	6.1	5.8
Gains and losses on disposals	(24.4)	(2.2)
Income tax paid	(14.8)	(6.7)
Other	(7.6)	(7.7)
Cash flows	**303.6**	**225.7**
Effect of changes in working capital	(28.8)	(58.1)
Dividends received	(0.1)	(0.5)
Cost of net debt	71.9	64.4
Cash flows from operating activities (A) **	**346.7**	**231.6**
Acquisition of consolidated companies, net of cash acquired	(1.3)	(0.3)
Sale of consolidated companies, including cash transferred	0.5	1.1
Effect of other changes in the consolidation scope	-	-
Payments for property, plant and equipment and intangible assets	(375.7)	(358.1)
Proceeds from disposals of property, plant and equipment and intangible assets	55.8	43.5
Payments for acquisitions of long-term financial assets	-	-
Proceeds from disposal of long-term financial assets	0.1	17.9
Dividends received	0.1	0.5
Change in loans and advances granted	(4.1)	(5.2)
Cash flows from investing activities (B) **	**(324.6)**	**(300.6)**
Capital increase	7.0	9.3
Capital repayment	-	-
Net sales (acquisition) of treasury shares	(0.2)	(0.5)
Proceeds from borrowings	590.5	396.3
Repayments of borrowings	(408.1)	(193.2)
Dividends paid to parent company shareholders	(53.3)	(53.2)
Dividends paid to Non-controlling interests	(4.8)	(9.6)
Net financial interest paid	(71.9)	(64.4)
Cash flows from financing activities (C) **	**59.1**	**84.8**
Effect of change in exchange rates **	0.3	1.2
Effect of changes in accounting principles **	-	-
Change in net cash (A) + (B) + (C)	**81.6**	**17.0**
Cash at beginning of period	(44.0)	(61.1)
Cash at end of period *	37.5	(44.0)
CHANGE IN CASH	**81.6**	**17.0**
* of which:		
- Marketable and other securities	0.0	0.0
- Cash and cash equivalents	195.2	229.6
- Bank overdrafts	(157.7)	(273.6)
** of which discontinued operations:		
Cash flows from operating activities	-	-
Cash flows from investing activities	-	14.3
Cash flows from financing activities	-	-
Effect of change in exchange rates	-	-
Effect of changes in accounting principles	-	-

CHANGES IN EQUITY STATEMENT

For 2012:

(in € millions)	Notes	Capital and related reserves: Capital	Share premium and reserves related to share capital	Reclassification of treasury shares
Shareholders' equity as of January 1, 2012		**43.1**	**50.3**	**(78.4)**
Net income for the period		**-**	**-**	**-**
Other components of comprehensive income (net of taxes):		**-**	**-**	**-**
Cash flow hedge (IAS 39)	3.19.2	-	-	-
Employee benefit obligations	3.13	-	-	-
Profits and losses from the currency translation of the statements of foreign subsidiaries		-	-	-
Comprehensive income for the period		**-**	**-**	**-**
Capital increase	3.10	-	-	-
Dividends paid by the parent company in 2012		-	-	-
Capital repayment		-	-	-
Recognition of share-based payments	3.11	-	-	-
Reclassification of treasury shares	3.12	-	-	(0.2)
Other changes		-	-	-
Total transactions with shareholders		**-**	**-**	**(0.2)**
SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2012		**43.1**	**50.3**	**(78.5)**

The other changes mainly related to the impact of purchases of non-controlling interests.

For 2011:

(in € millions)	Notes	Capital and related reserves: Capital	Share premium and reserves related to share capital	Reclassification of treasury shares
Shareholders' equity as of January 1, 2011		**39.1**	**53.2**	**(77.9)**
Net income for the period		**-**	**-**	**-**
Other components of comprehensive income (net of taxes):		**-**	**-**	**-**
Cash flow hedge (IAS 39)	3.19.2	-	-	-
Profits and losses from the currency translation of the statements of foreign subsidiaries		-	-	-
Comprehensive income for the period		**-**	**-**	**-**
Capital increase	3.10	4.0	(2.9)	-
Dividends paid by the parent company in 2011		-	-	-
Capital repayment		-	-	-
Recognition of share-based payments	3.11	-	-	-
Reclassification of treasury shares	3.12	-	-	(0.5)
Other changes		-	-	-
Total transactions with shareholders		**4.0**	**(2.9)**	**(0.5)**
SHAREHOLDERS' EQUITY AS OF DECEMBER 31, 2011		**43.1**	**50.3**	**(78.4)**

	Unrealized or deferred gains/losses				Other reserves and income	Total shareholders' equity, Group share	Shareholders' equity, non-controlling interest share	Total consolidated shareholders' equity
	Currency translation adjustments	Actuarial differences	Change in fair value of available-for-sale assets	Change in fair value of hedge derivatives				
	(43.7)	**-**	**-**	**(11.1)**	**1,403.5**	**1,363.7**	**53.3**	**1,417.0**
	-	**-**	**-**	**-**	**41.9**	**41.9**	**11.3**	**53.2**
	12.0	**(1.6)**	**-**	**(21.0)**	**-**	**(10.7)**	**(0.8)**	**(11.5)**
	-	*-*	*-*	*(21.0)*	*-*	*(21.0)*	*0.0*	*(21.0)*
	-	*(1.6)*	*-*	*-*	*-*	*(1.6)*	*-*	*(1.6)*
	12.0	*-*	*-*	*-*	*-*	*12.0*	*(0.8)*	*11.1*
	12.0	**(1.6)**	**-**	**(21.0)**	**41.9**	**31.3**	**10.4**	**41.7**
	-	-	-	-	-	-	-	-
	-	-	-	-	(53.3)	(53.3)	(4.8)	(58.1)
	-	-	-	-	-	-	-	-
	-	-	-	-	6.1	6.1	-	6.1
	-	-	-	-	-	(0.2)	-	(0.2)
	-	-	-	-	2.0	2.0	3.3	5.2
	-	**-**	**-**	**-**	**(45.3)**	**(45.5)**	**(1.5)**	**(47.0)**
	(31.7)	**(1.6)**	**-**	**(32.1)**	**1,400.2**	**1,349.5**	**62.2**	**1,411.8**

	Unrealized or deferred gains/losses			Other reserves and income	Total shareholders' equity, Group share	Shareholders' equity, non-controlling interest share	Total consolidated shareholders' equity
	Currency translation adjustments	Change in fair value of available-for-sale assets	Change in fair value of hedge derivatives				
	(45.1)	**-**	**(6.6)**	**1,439.8**	**1,402.6**	**65.3**	**1,467.8**
	-	**-**	**-**	**6.8**	**6.8**	**(3.3)**	**3.6**
	1.4	**-**	**(4.5)**	**-**	**(3.1)**	**0.5**	**(2.6)**
	-	*-*	*(4.5)*		*(4.5)*	*(0.6)*	*(5.1)*
	1.4	*-*	*-*	*-*	*1.4*	*1.1*	*2.5*
	1.4	**-**	**(4.5)**	**6.8**	**3.7**	**(2.8)**	**1.0**
	-	-	-	-	1.1	-	1.1
	-	-	-	(53.2)	(53.2)	(9.6)	(62.8)
	-	-	-	-	-	-	-
	-	-	-	5.8	5.8	-	5.8
	-	-	-	-	(0.5)	-	(0.5)
	-	-	-	4.2	4.2	0.4	4.6
	-	**-**	**-**	**(43.2)**	**(42.6)**	**(9.2)**	**(51.7)**
	(43.7)	**-**	**(11.1)**	**1,403.5**	**1,363.7**	**53.3**	**1,417.1**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1/ Accounting policies and methods

1.1 GENERAL INFORMATION

The 2012 consolidated financial statements were approved by the BOURBON Board of Directors on March 4, 2013. BOURBON is an incorporated company registered in France, the shares of which are listed for trading on Compartment A of Euronext Paris.

1.2 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include the financial statements of BOURBON SA, its subsidiaries and companies controlled by the Group as of December 31 of each year. The financial statements of the subsidiaries and companies controlled by the Group are prepared over the same reference period as those of the parent company, on the basis of homogeneous accounting policies.

Statement of compliance

BOURBON's consolidated financial statements for the year ended December 31, 2012 have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted in the European Union.

The IFRS include the IFRS, the International Accounting Standards (IAS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC).

The standards and interpretations used to prepare the consolidated financial statements as of Monday, December 31, 2012 are those published in the Official Journal of the European Union, the application of which was mandatory as of December 31, 2012.

Pursuant to Article 28 of European Regulation No. 809/2004 of April 29, 2004, the following information is included by reference:

- The consolidated financial statements for the year ended December 31, 2011 and the Statutory Auditors' report on those statements, provided in the Registration Document filed on April 27, 2012, with the *Autorité des marchés financiers* (on pages 61-122 and 123 respectively);
- The consolidated financial statements for the year ended December 31, 2010 and the Statutory Auditors' report on those statements, provided in the Registration Document filed on April 27, 2011, with the *Autorité des marchés financiers* (on pages 55-120 and 121 respectively).

Consolidated financial statements - Bases of preparation

The Group's consolidated financial statements have been prepared on the historical cost basis, with the exception of derivative instruments and available-for-sale financial assets, which are measured at fair value. The consolidated financial statements are presented in millions of euros.

The subsidiaries are consolidated from the effective date of acquisition, which is the date on which the Group obtains control, until the date on which this control ceases to be exercised.

Non-controlling interests represent the share of profit or loss and net assets which are not held by the Group. They are presented in the income statement and in shareholders' equity on the consolidated balance sheet separately from the Group's share of income/loss and shareholders' equity.

All intercompany balances and transactions as well as the income, expenses and gains or losses included in the book value of assets which come from internal transactions, are fully eliminated.

As required by IAS 1, the assets are presented as current assets on the consolidated balance sheet when they meet one of the following criteria:

- The expected liquidation date is less than twelve months or less than the Group's normal business cycle;
- They are essentially held for transaction purposes.

All other assets are classified as non-current assets.

Liabilities are presented as current liabilities on the consolidated balance sheet when they meet one of the following criteria:

- The expected settlement date is less than 12 months or less than the Group's normal business cycle;
- They are essentially held for transaction purposes;
- The Group does not hold an unconditional right to defer payment at least for a period of 12 months after closing.

All other liabilities are classified as non-current liabilities.

1.3 ADOPTION OF THE NEW AND REVISED STANDARDS

The accounting policies applied as of Monday, December 31, 2012 are consistent with those of the previous year.

The standards and interpretations that are mandatory on or after January 1, 2012 did not result in any significant change in the valuation methods or the presentation of the statements. However, they did result in additional notes to the financial statements.

It should be noted that the Group was not an early adopter of these standards or interpretations, their application not being mandatory on December 31, 2012:

- amendments to IFRS 7 "Disclosures - offsetting financial assets and financial liabilities";
- IFRS 10 "Consolidated financial statements";
- IFRS 11 "Joint Arrangements";
- IFRS 12 "Disclosure of interests in other entities";
- IFRS 13 "Fair value measurement";
- amendments to IAS 1 "Presentation of items of other comprehensive income";
- amendments to IAS 19 "Employee benefits";
- IAS 27 revised "Separate financial statements";
- IAS 28 revised "Investments in associates and joint ventures";
- amendments to IAS 32 "Offsetting financial assets and financial liabilities";
- IFRIC 20 "Stripping costs in the production phase of a surface mine".

1.4 USE OF ESTIMATES AND ASSUMPTIONS

Preparation of the financial statements in accordance with the conceptual framework of the IFRS involves the use of estimates, assumptions and assessments that affect the amounts presented in those financial statements. These estimates are based on past experience and on other factors considered to be reasonable given the circumstances. As the assumptions and assessments used and the circumstances existing on the date the statements are established may prove to be different in reality, the future results achieved may differ from the estimates used.

The principal assumptions concerning future events, and other sources of uncertainty related to the use of estimates on the closing date, changes in which during a year could generate a risk of a change in the net book value of assets and liabilities, are presented below.

Retirement benefit obligations

The cost of defined benefit plans and other post-employment medical coverage benefits is determined on the basis of actuarial valuations. Those valuations are based on assumptions about discount rates, salary increase rates, mortality rates, and the probability of employment in the Group at the time of retirement. The method for calculating discount rates has remained unchanged from previous years. The rates are calculated based on global indices such as Reuters.

Because of the long-term nature of such plans, the uncertainty of those estimates is significant. The net liabilities (long-term share) funded for these benefits granted to employees as of December 31, 2012 was €10.1 million (€7.7 million in 2011). Further details are given in note 3.13.

Financial instruments measured at fair value

For most of the instruments traded over the counter, the valuation is made using models that use observable market data. For example, the fair value of interest rate swaps is generally determined using rate curves based on the market interest rates observed on the closing date. The fair value of buying forward exchange contracts is calculated by reference to the current forward exchange rates for contracts with similar maturities. The discounting future cash flows method is used to value other financial instruments.

Impairment test on goodwill

At least once a year, the Group assesses whether it is necessary to depreciate goodwill by using impairment tests (see note 1.5.2). Those tests require an estimate of the recoverable value of the Cash Generating Units to which the goodwill is allocated. Recoverable value is defined as the higher of the useful value and the fair value (net of disposal costs). In order to determine the useful value, the Group has to estimate the future cash flows expected from each Cash Generating Unit and an appropriate discount rate in order to calculate the present value of these cash flows.

The expected future cash flows used to calculate the useful value of each CGU are calculated based on the Group's five-year business plans.

The flows are discounted at a rate measured on the basis of the average weighted cost of the capital determined for the Group. Analyses are then done to determine the sensitivity of the values obtained to a variation in one or more of the assumptions in the business plan.

Since by its nature the "discounted cash flow" method used to measure the useful value of the CGUs to which the goodwill is allocated is uncertain, the actual future cash flows can vary from the future cash flow projections used to determine the useful value.

The tests done in 2012 (estimate of the recoverable value of the CGU - in this case their fair value) did not show any impairment requiring a depreciation of goodwill.

Impairment tests on assets

Intangible assets with definite useful life and property, plant and equipment are tested for possible impairment as soon as there is any indication that the assets may be impaired (see notes 1.5.5 and 1.5.6), *i.e.* when events or specific circumstances indicate a risk of impairment loss. In order to conduct these tests, non-current assets are grouped into Cash Generating Units and their net book value is compared to the recoverable value of said units. Recoverable value is defined as the higher of the useful value and the fair value (net of disposal costs). In order to determine the useful value, the Group must estimate the future cash flows expected from each Cash Generating Unit and an appropriate discount rate to calculate the present value of such cash flows.

1.5 SUMMARY OF THE MAIN ACCOUNTING METHODS

1.5.1 Foreign currency translation

The consolidated financial statements are disclosed in euros, which is the functional and presentation currency of the parent company.

The functional currency of the foreign subsidiaries is generally the local currency. If the majority of the transactions and costs are executed in a different currency, that currency is used as the functional currency.

The accounts of subsidiaries with a functional currency different from euro are translated by applying the closing rate method:

- balance sheet items, with the exception of shareholders' equity, which is maintained at the historical rate, are converted at the year-end exchange rate;
- items on the income statement are translated at the average rate for the period;
- the currency translation adjustment is included in consolidated shareholders' equity and does not affect income/loss.

Foreign currency transactions made by the companies of the Group are initially booked in the functional currency at the exchange rate prevailing on the date of the transaction. On the closing date, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing on the closing date. All exchange differences are recognized in the income statement, with the exception of those related to borrowings in foreign currencies which constitute a hedge of the net investment in a foreign entity. These differences are charged directly to shareholders' equity until the disposal of the investment; on that date, they are recognized as income/loss.

Pursuant to IAS 21, goodwill is expressed in the functional currency of the companies acquired and then translated at the closing rate (IAS 21.47).

1.5.2 Business combinations and goodwill

Business combinations (revised IFRS 3) are recognized using the purchase method. This method implies the recognition at fair value of the identifiable assets (including intangible assets not previously recognized) and identifiable liabilities (including contingent liabilities, with the exception of future restructurings) of the companies acquired.

The goodwill arising on a business combination is initially recognized at cost, which represents the excess of the acquisition cost over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. After the initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment tests, the goodwill acquired in a business combination is, as of the acquisition date, allocated to each of the Group's Cash Generating Units likely to benefit from the synergies of the business combination.

Impairment tests are performed once there are indices of a loss of value and at least once a year.

When subsidiaries are sold, the difference between the sale price and the net asset sold plus accumulated currency translation adjustments and the net value of the goodwill is recognized in the income statement.

1.5.3 "Negative goodwill"

"Negative goodwill" represents the surplus between the Group's interest in the fair value of the assets, liabilities and contingent liabilities acquired over the acquisition cost, on the acquisition date.

It is booked directly as income/loss during the acquisition period.

1.5.4 Interests in joint ventures

The Group holds equity interests in joint ventures. A joint venture results from a contractual agreement under which two or more parties agree to conduct an economic activity under joint control. An entity under joint control is a joint venture, involving the creation of a separate entity in which each co-entrepreneur holds an equity interest. The Group recognizes its interest in a jointly controlled entity using the proportionate consolidation method. The Group consolidates line by line its share in all assets, liabilities, income and expenses of the jointly controlled entity. The financial statements of the jointly controlled entity are established for the same reference period as those of the parent company, using homogeneous accounting methods. Adjustments are made to harmonize any differences in accounting policies.

When the Group contributes or transfers an asset to a jointly controlled entity, the share of the gain or loss resulting from this transaction is recognized according to the substance of the transaction. When the Group acquires assets of the jointly controlled entity, the Group recognizes its share of the profit realized on the transaction by the jointly controlled entity only on the date on which said assets are sold to an independent third party.

The joint venture is consolidated proportionately until the date on which the Group ceases to have joint control of the entity.

1.5.5 Intangible assets

Intangible assets acquired separately are initially reported at cost. The cost of an intangible asset acquired within a business combination is its fair value on the acquisition date. After the initial accounting, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The Group assesses whether the useful life of an intangible asset is finite or indefinite.

Intangible assets with a finite useful life are amortized over their economic useful life and are subject to an impairment test when there is an indication that the intangible asset is impaired. The amortization period and method for amortizing an intangible asset with a finite useful life are reviewed at least at the closing of each year. Any change in the expected useful life or the expected rate of consumption of the future economic benefits representing the asset is accounted for by modifying the amortization period or method, as applicable, and such changes are treated as changes in estimates. The amortization expense for intangible assets with a finite useful life is booked on the income statement in the appropriate expense category depending on the function of the intangible asset.

The amortization periods of the main intangible assets are:

- Software: 3 years;
- Leasehold rights, over the period of the concessions: 38 to 50 years.

1.5.6 Property, plant and equipment

Property, plant and equipment are booked at cost after deducting accumulated depreciation and any accumulated impairment losses.

The residual values, useful lives and depreciation methods are reviewed at each year-end and changed if necessary.

Vessels

A) Gross value

Property, plant and equipment consist primarily of vessels valued on the date they are included in the Group's assets at cost, *i.e.* the cost incurred to commission the asset for the projected use.

The cost of a tangible asset consists of the purchase price paid to a third party (including customs duties and non recoverable taxes, but net of discounts and commercial rebates obtained from the supplier), plus the following acquisition costs:

- directly attributable costs incurred to bring the asset into working order for the planned use;
- installation costs;
- Mobilization costs to operating locations;
- sea trial costs;
- legal documentation costs;
- professional fees (architects, engineers);
- commissions;
- costs for interim loans directly intended to finance the acquisition of the asset.

A tangible asset may include several components with separate life cycles or rates of depreciation. In this case, the main elements of the asset are identified and recognized separately using the component-based approach.

At BOURBON, each vessel consists of two components:

- a vessel component;
- an "overhaul" component, representing the cost of an overhaul.

An overhaul consists of maintenance operations performed at regular intervals, based on a long-term plan designed to meet classification requirements, international conventions or regulations.

At the acquisition date, the value of the "vessel" component is the total cost price of the asset minus the "overhaul" component; this component is equal to the cost of the first overhaul of the vessel.

B) Depreciation

Depreciation is calculated on the basis of the gross value of the component less its residual value.

Residual value is the expected selling price (less selling costs) which the Group would obtain today from the sale of this asset at the end of its use by the Group.

The depreciable amount of the "vessel" component is equal to its gross value in the consolidated accounts less its residual value. As the "overhaul" component has a zero residual value, its depreciable amount corresponds only to its gross value in the consolidated accounts.

Each component is then depreciated using the straight-line method over its useful life.

Useful life is defined according to the expected utility of the asset for BOURBON based on the use planned by the Group.

The main useful lives of the "vessel" component used at BOURBON are between 8 and 30 years.

The useful life of the "overhaul" component of a vessel depends on the multi-year maintenance schedule for the vessel.

Moreover, if there are indications of impairment, an impairment test is then performed on the group of assets (Cash Generating Unit) by comparing its net book value with its recoverable value. The recoverable value is generally determined with reference to a market valuation. Such valuations are obtained from independent experts and reviewed by the Group's management. When the recoverable value turns out to be less than the net book value of the asset group, an impairment is recognized.

Other property, plant and equipment (excluding vessels)

Property, plant and equipment, other than the vessels and investment property, are carried at cost as defined by IAS 16 § 16. These assets consist of a single component.

The depreciable amount of other tangible assets is equal to their purchase price, their residual value being zero, with the exception of certain buildings for which there is a residual value.

Other assets are depreciated using the straight-line method over their useful life.

The main useful lives for property, plant and equipment, excluding vessels, are as follows:

- Construction and buildings: between 8 and 40 years;
- Technical facilities: between 10 and 15 years;
- Other property, plant and equipment: between 2 and 10 years.

Investment properties

The investment properties held by the Group are recognized in the consolidated accounts at historical cost and depreciated using the straight-line method over 40 years.

1.5.7 Investments in associates

The Group's equity interests in its associates are recognized using the equity method. An associate company is an entity over which the Group has significant influence. Investments in associates are recognized as assets on the balance sheet for the part of shareholders' equity they represent. The goodwill on an associated company is included in the book value of the equity interest.

1.5.8 Investments and other financial assets

Financial assets included in the scope of application of IAS 39 are classified as "financial assets at fair value through profit or loss", as "loans and receivables", as "held-to-maturity investments", or as "available-for-sale financial assets". When initially recognized, financial assets are measured at fair value, plus transaction costs in the case of investments which are not recognized at fair value through profit or loss. Initially, the Group analyzes the possible existence of embedded derivatives in the contracts. Embedded derivatives are separated from the host contract if the contract is not recognized in its entirety at fair value through the income statement, and if analysis shows that the economic features and the risks of the embedded derivatives are not closely related to those of the host contract.

The Group determines the classification of its financial assets at the time of initial recognition and reviews this classification at each yearly closing when this is authorized and appropriate.

All "normalized" purchases and sales of financial assets are recognized on the transaction date, *i.e.* the date on which the Group agrees to purchase the asset. "Normalized" purchases or sales are purchases or sales of financial assets under a contract, the terms of which require the delivery of the asset within the period generally defined by the regulations or by a convention on the market in question.

Financial assets at fair value through profit or loss

The category of "financial assets at fair value through profit or loss" includes financial assets held for trading purposes and financial assets designated at the initial accounting as financial assets at fair value through profit or loss. Further details are given in note 3.19.

Loans and receivables

Loans and receivables are non-derivative financial assets, with fixed or determinable payments, which are not listed on an active market. After initial recognition, loans and receivables are measured at amortized cost using the effective interest rate method, less, if applicable, an impairment loss. The amortized cost is calculated by taking into account any initial additional cost or discount, and includes commissions which are an integral part of the effective interest rate, as well as transaction costs.

Gains and losses are recognized as income/loss when the loans and receivables are derecognized or depreciated and through the mechanism of amortized cost.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets, with fixed and determinable payments and a fixed maturity, which the Group has the positive intent and the ability to hold to maturity. After initial recognition, held-to-maturity investments are measured at amortized cost.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are designated as being available for sale and which are not classified in any of the following three categories: "financial assets at fair value through profit or loss", "held-to-maturity investments", or "loans and receivables".

After initial recognition, available-for-sale financial assets are measured at fair value, and the gains and losses on such assets are booked directly as shareholders' equity in a separate line ("Unrealized net gains") until the investment is derecognized or until the investment is identified as being subject to impairment, in which case the cumulative gain or loss previously booked as shareholders' equity is then included in profit or loss.

Determining the fair value of financial instruments

The fair value of the financial instruments that are actively traded on organized financial markets is determined by reference to the market prices published on the closing date. For investments for which there is no active market, fair value is determined using valuation techniques. Such valuation techniques include: using recent arm's length market transactions between knowledgeable and willing parties, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. If applicable, fair value is assessed on the basis of the proportion of shareholders' equity held. The assessment may also take into consideration the following parameters, to the extent that they can be reliably measured:

- potential unrealized gains, particularly property gains;
- prospects for profitability.

Impairment of financial assets

On each closing date, the Group assesses whether a financial asset or a group of financial assets is impaired.

Assets carried at amortized costs

If there is objective evidence that an impairment loss on loans and receivables carried at amortized cost has been incurred, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the financial asset's original effective interest rate (*i.e.* the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced through the use of an allowance account. The amount of loss shall be recognized in profit or loss.

The Group first assesses whether objective evidence of impairment exists on an individual basis for individually significant financial assets, and then, on an individual or collective base, for financial assets which are not individually significant. If it determines that there is no objective evidence of depreciation for a financial asset considered individually, in a significant or non-significant amount, this asset is included in a group of financial assets presenting similar credit risk characteristics, and this group of financial assets is subject to a collective impairment test. Assets subject to an individual impairment test, for which impairment is recognized or continues to be recognized, are not included in a collective impairment test.

If the amount of the impairment decreases during a subsequent year, and if this decrease can be objectively tied to an event that occurred after recognition of the impairment, the impairment previously recognized is reversed. A reversal of impairment is booked as income/loss provided the book value of the asset does not become greater than the amortized cost on the date the impairment is reversed.

For trade receivables, impairment is recognized when there is an objective indication (such as a probability of bankruptcy or significant financial difficulties for the debtor) that the Group will be unable to recover the amounts owed under the contractual terms of the invoice. The book value of the trade receivable is reduced using a valuation allowance account. Impaired outstanding amounts are recognized as a loss when they are deemed unrecoverable.

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount calculated as the difference between its acquisition cost (net of any repayment of principal and any depreciation) and its current fair value, less any impairment previously booked as income/loss, is transferred from shareholders' equity to income. Impairment on equity instruments may not result in a reversal booked as income. Impairment on debt instruments is reversed as income if the increase in the fair value of the instrument may be objectively related to an event that occurred after recognizing the impairment in the income statement.

1.5.9 Inventories and work in progress

Inventories are measured at the weighted-average cost method for raw materials and at the production cost for work in progress and finished goods.

When the production cost of finished goods is greater than the selling price at the inventory date, impairment is recognized in order to reduce the value of the inventories to their net realizable value.

1.5.10 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and in banks, short-term deposits and marketable securities. Cash and cash equivalents are recorded at fair value.

1.5.11 Non-current assets held for sale and discontinued operations

Non-current assets held for sale

Pursuant to IFRS 5, non-current assets (or disposal groups) and the related liabilities are classified as "held for sale" if their carrying amount will be recovered primarily through a sale transaction rather than continuing use. This classification implies that the assets (or disposal groups) intended for sale are available for immediate sale, in their present condition, and that the sale is highly probable.

The high probability of the sale is assessed on the basis of the following criteria: management has initiated an asset (or disposal group) disposal plan and a program to find a buyer and finalize the plan has been launched. In addition, the assets must be actively marketed for sale at a reasonable price in relation to their fair value. The sale of the assets (or disposal group) is assumed to take place within one year from the date of being classified as assets held for sale.

Non-current assets (or disposal groups) intended to be sold and classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. They are no longer depreciated as of the date they are classified as assets held for sale.

Discontinued operations

A discontinued operation is an activity or a significant geographic region for the Group which is either being sold or classified as an asset held for sale. The items of the income statement and the cash flow statement for these discontinued operations or operations being sold are presented on specific lines of the financial statements for all periods presented. As a result, certain elements of the income statement and the cash flow statement for the previous year are restated in order to present comparative information for these discontinued operations.

1.5.12 Treasury shares

When the Group purchases its own equity instruments (treasury shares), they are deducted from shareholders' equity. No profit or loss is booked in the income statement at the time of the purchase, sale, issue or cancellation of the Group's equity instruments.

1.5.13 Provisions

Provisions are recognized when the Group has a present obligation resulting from a past event, when it is probable that an outflow of resources embodying economic benefits will be necessary to settle the obligation, and when the amount of the obligation can be reliably estimated.

If the effect of the time value of the money is significant, the provisions are discounted on the basis of a pre-tax rate which reflects the risks specific to the liability, if any. When the provision is discounted, the increase in the provision related to the passage of time is recognized as a finance expense.

1.5.14 Employee benefits

Employee benefits include retirement indemnities, seniority awards, incentives and profit-sharing.

Retirement benefit obligations

Group employees receive retirement indemnity in addition to the legal retirement benefits in effect in the countries in which they are employed.

Pursuant to IAS 19 "Employee benefits", retirement benefit obligations are measured using the projected unit credit method. Under this method, the valuation of the commitment takes into consideration the pension rights that the employee will have acquired on the date of his retirement. However, the commitment is allocated proportionately between the employee's seniority on the calculation date, taking into account the ratio between the employee's current seniority and his seniority projected at retirement date.

These calculations include the following assumptions:

- Retirement age: legal age prevailing in each country;
- Average life expectancy: based on the mortality table applicable to each country;
- Discount rate;
- Inflation rate;
- Turn-over: established for each company, using the average turn-over observed over the last five years;
- Assumptions on salary increases;
- Calculation of the rights based on collective agreements or specific agreements in force in each entity/country.

In accordance with the option offered by IAS 19, the Group has elected to account for its actuarial differences directly in shareholders' equity.

Incentives

Incentives are based on the Company's performance, measured primarily by the increase in revenues and operating margins.

There are two application methods: the first consists of applying the coefficient of increase for each individual to the salary he received during the last six months, with the bonus paid every six months.

The second method, calculated annually, incorporates a progressive bonus by salary category. The amount of the bonus is, therefore, calculated by applying the corresponding percentage to the annual payroll. One part is then distributed uniformly among the employees and the other one is distributed in proportion to the gross salaries for the reference year.

Where the bonus is deposited to the Company Savings Plan (Plan d'Epargne Entreprise - PEE), an employer's contribution of 20% is granted.

Profit sharing

The amounts owed under profit sharing are either paid directly to the employee if he so requests, or locked in for five years with a rights custodian (barring early release).

Stock option plans

The cost of equity-settled share-based payment transactions with employees, granted after November 7, 2002, is measured at the fair value of the equity instruments granted at the grant date using the "Black & Scholes" method.

This cost is recognized as personnel expenses as a contra entry to an equivalent increase in shareholders' equity, using the straight-line method over the vesting period. This period ends on the date on which the employees obtain an unconditional right to the instruments ("the rights acquisition date").

The cumulative expense recorded for these transactions at the end of each year until the rights acquisition date takes into account the Group's best estimate, on that date, of the number of equity instruments that will be acquired.

When stock subscription options are exercised by their beneficiaries, the shares issued on that occasion will be remitted to them. The exercise price of the shares will be recognized as cash by the counterparty of the shareholders' equity. In the case of stock purchase options, income from the sale at the time the options are exercised will be recognized as shareholders' equity.

Bonus shares

The cost of equity-settled share-based payment transactions with employees, granted after November 7, 2002, is measured at the fair value of the equity instruments granted at the grant date.

This cost is recognized as personnel expenses as a contra entry to an equivalent increase in shareholders' equity, using the straight-line method over the vesting period. This period ends on the date on which the employees obtain an unconditional right to the instruments ("the rights acquisition date").

1.5.15 Financial liabilities

Financial liabilities include borrowings and financial debts, trade payables, derivative instruments and other current and non-current liabilities.

All borrowings are initially recorded at fair value less directly chargeable transaction costs.

After initial recognition, interest-bearing loans are measured at amortized cost, using the effective interest rate method.

Profits and losses are recorded on the income statement when the debts are derecognized, and through the amortized cost mechanism.

Derivative instruments are carried at their fair value at the closing date. The accounting methods for derivative instruments are described in note 1.5.19.

1.5.16 Finance leases

Assets held under finance leases are recognized as assets of the Group, *i.e.* when in substance, the contract grants to the Group most of the risks and benefits related to the asset. These assets are measured at the fair value or, if lower, at the present value of the minimum lease payments. The asset is depreciated using the Group's depreciation methods as defined in note 1.5.6.

1.5.17 Revenues

Revenue is recognized when it is probable that the future economic benefits will flow to the Group and when the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, other taxes on sales and customs duties.

Income from ordinary activities includes, in particular, chartering revenues and related services as well as assistance services.

1.5.18 Current income tax and deferred tax

The income tax expense for the year includes:

- The current income tax expense less tax credits and tax losses actually used;
- Deferred tax, booked in the consolidated financial statements based on the tax situation of each company.

  Deferred taxes result from:

  - temporary differences between taxable profit and accounting profit,
  - consolidation restatements and eliminations,
  - and tax deficits that can be carried forward, which are likely to be recovered in the future.

These taxes are calculated and adjusted using the balance sheet liability method in its broadest sense. Deferred tax assets and liabilities are not discounted.

Deferred tax and current income tax relating to items booked directly as shareholders' equity are recognized as shareholders' equity and not in the income statement.

1.5.19 Derivative instruments and hedge accounting

The Group uses derivative instruments such as forward exchange contracts, interest rate swaps, cross currency swaps and exchange options to manage its exposure to movements in interest rates and foreign exchange rates. These derivative instruments are initially recognized at fair value on the date on which the contracts take effect and are subsequently measured at fair value. Derivative instruments are booked as assets when the fair value is positive and as liabilities when the fair value is negative.

All gains and losses from changes in the fair value of the derivative instruments which are not classified as hedging instruments are recognized directly in the income statement for the year.

The fair value of buying forward exchange contracts is calculated by reference to the current forward exchange rates for contracts with similar maturities. The fair value of interest rate swaps is generally determined using rate curves based on the market interest rates observed on the closing date.

For the purposes of hedge accounting, hedges are classified as:

- fair value hedges when they hedge the exposure to changes in the fair value of a recognized asset or liability, or a firm commitment (except for the exchange risk);
- cash flow hedges when they hedge the exposure to variability in cash flows that is attributable either to a specific risk associated with a recognized asset or liability, or to a highly probable forecasted transaction or to the exchange risk on a firm commitment;
- hedges of a net investment in a foreign operation.

The hedge on the foreign currency risk of a firm commitment is recognized as a cash flow hedge.

At inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wants to apply the hedge accounting and the objective desired for risk management hedge strategy. The documentation includes the identification of the hedging instrument, the item or transaction hedged, the nature of the risk being hedged and how the Group will assess the effectiveness of the hedging instrument in offsetting the exposure to the changes in fair value of the item hedged or cash flows attributable to the hedged risk. The Group expects that the hedge will be highly effective in offsetting changes in fair value or in cash flows. The hedge is assessed on an ongoing basis in order to demonstrate that it has actually been highly effective during all the years covered by the financial statements for which it has been designated.

The hedging instruments that meet the strict criteria for hedge accounting are recognized as follows:

Fair value hedges

Fair value hedges are hedges on the Group's exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment, or an identified portion of such financial assets or liabilities, which is attributable to a specific risk and which can affect the result for fair value hedges. The gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the item hedged, the hedging instrument is remeasured at fair value, and the resulting gains and losses are recognized for the two items on the income statement.

When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is accounted for as an asset or a liability, and the corresponding profit or loss is recognized on the income statement. The changes in the fair value of the hedging instrument are also accounted for as income/loss. The Group ceases to use hedge accounting if the hedge instrument reaches maturity or is sold, terminated or exercised, if the hedge no longer meets the criteria for hedge accounting, or when the Group cancels the designation.

Cash flow hedge

A cash flow hedge is a hedge on the exposure to changes in cash flow attributable to a specific risk associated with a recognized asset or liability or with a highly probably planned transaction, which can affect the results. The profit or loss corresponding to the effective part of the hedging instrument is recognized directly as shareholders' equity whereas the ineffective part is recognized as income/loss.

The amounts recognized directly in shareholders' equity shall be recognized in profit or loss in the same period or periods during which the hedged item affects profit or loss (for example, for assets that are hedged, at the rate of the amortization made).

If the hedging instrument reaching maturity is sold, terminated or exercised without being replaced or renewed, or if its designation as a hedging instrument is revoked, the amounts previously recognized as shareholders' equity are maintained as such until the execution of the planned transaction. If the transaction is no longer planned, this amount is recognized as income/loss.

1.6 TRANSLATION OF THE FINANCIAL STATEMENTS OF THE FOREIGN SUBSIDIARIES

The exchange rates used are as follows:

Currencies		Average rate for the year 2012	Closing rate as of Dec. 31, 2012	Closing rate as of Dec. 31, 2011
AUD	Australian Dollar	1.2407	1.2712	1.2723
BRL	Brazilian Real	2.5084	2.7036	2.4159
CHF	Swiss Franc	1.2053	1.2072	1.2156
CNY	Yuan	8.1052	8.2207	8.1588
INR	Indian Rupee	68.5973	72.5600	68.7130
MXP	Mexican Peso	16.9029	17.1845	18.0512
NGN	Nigerian Naira	205.7521	206.9940	212.4490
NOK	Norwegian Kroner	7.4751	7.3483	7.7540
QAR	Qatari Riyal	4.6967	4.8133	4.7063
RUB	Ruble	39.9223	40.3295	41.7650
SGD	Singapore Dollar	1.6055	1.6111	1.6819
TRY	Turkish Lira	2.3135	2.3551	2.4432
UAH	Ukrainian Hryvnia	10.5221	10.6405	10.5085
USD	American Dollar	1.2848	1.3194	1.2939
VND	Vietnamese Dong	27,053.6600	27,526.5000	27,268.8000

2/ Significant information for the year ended December 31, 2012

2.1 CHANGES IN CONSOLIDATION SCOPE

2.1.1 Newly consolidated companies

The companies that were newly consolidated in 2012 are:

Oceanteam Bourbon Spares & Equipments AS	Set-up - proportionately consolidated
Bourbon AD3	Set-up - fully consolidated
Bourbon AD4	Set-up - fully consolidated
Bourbon East Asia Private Limited	Set-up - fully consolidated
Bourbon Marine Services Greenmar	Set-up - fully consolidated
VSSA Limited	Set-up - fully consolidated
SNC Bourbon Evolution 802	Set-up - fully consolidated
SNC Bourbon Evolution 803	Set-up - fully consolidated
SNC Bourbon Liberty 252	Set-up - fully consolidated
SNC Bourbon Liberty 253	Set-up - fully consolidated
SNC Bourbon Liberty 303	Set-up - fully consolidated
SNC Bourbon Liberty 305	Set-up - fully consolidated
SNC Bourbon Liberty 306	Set-up - fully consolidated
SNC Bourbon Liberty 307	Set-up - fully consolidated
SNC Bourbon Sirocco	Set-up - fully consolidated
SNC Liberty CE303	Set-up - fully consolidated
SNC Liberty CE304	Set-up - fully consolidated
SNC Surfer 3603	Set-up - fully consolidated
SNC TBN7	Set-up - fully consolidated
SNC TBN8	Set-up - fully consolidated
SNC TBN9	Set-up - fully consolidated
SNC TBN10	Set-up - fully consolidated
SNC TBN11	Set-up - fully consolidated

The list of the consolidated companies is provided in note 5.7.

2.1.2 Deconsolidated companies

No companies were deconsolidated during the year.

Net income from discontinued operations/operations held for sale in 2012 includes the net reversal of an earlier provision for discontinued operations.

(in € millions)	Total
Revenue	-
Operating costs excluding capital gains on disposal of vessels	-
Capital gains on disposal of vessels	-
Increases and reversals of amortization, depreciation and provisions	0.8
Cost of net debt	-
Other financial expenses and income	-
Net income from discontinued operations/operations held for sale before tax	**0.8**
Income tax	-
Net income from discontinued operations/operations held for sale after tax	**0.8**
Impairment	-
Capital gains on equity interests sold	-
NET INCOME FROM DISCONTINUED OPERATIONS/OPERATIONS HELD FOR SALE	**0.8**
Group share	0.8
Non-controlling interests	-

2.1.3 Purchases of non-controlling interests

BOURBON purchased some non-controlling interests during 2012. Pursuant to revised IFRS 3 and amended IAS 27, the effect of purchasing non-controlling interests was recognized under consolidated reserves, as these purchases have no effect on the control exerted by Bourbon over those companies, and hence they did not entail any changes in the consolidation method of those companies.

The impact on total shareholders' equity, Group share, as of December 31, 2012, was €2.3 million and is detailed below:

(in € millions)	
Acquisition price of the shares	1.3
Restated portion acquired	3.6
Impact on total shareholders' equity, Group share	2.3

2.2 INTERESTS IN JOINT VENTURES

2.2.1 Information on proportionately consolidated companies

The list of the proportionately consolidated entities is provided in note 5.7.2.

The main aggregates for these companies are presented in the table below:

(in € millions)	12.31.2012	12.31.2011
Non-current assets	109.2	97.3
Current assets	56.2	45.1
TOTAL	**165.4**	**142.3**
Shareholders' Equity	22.6	12.2
Non-current liabilities	106.7	71.5
Current liabilities	36.1	58.6
TOTAL	**165.4**	**142.3**
Revenue	76.1	62.7
Net income	20.9	14.1

3/ Notes to the consolidated financial statements

3.1 GOODWILL

As of December 31, 2012 the net balance of goodwill totaled €33.5 million broken down as follows:

(in € millions)	Gross	Impairment	Net
12.31.2010	**33.5**	**-**	**33.5**
Acquisitions	0.5	-	0.5
Disposals	-	-	-
Impairment	-	-	-
Currency translation adjustment	-	-	-
Change in consolidation scope	-	-	-
Reclassification and other changes	-	-	-
12.31.2011	**34.0**	**-**	**34.0**
Acquisitions	-	-	-
Disposals	-	-	-
Impairment	-	-	-
Currency translation adjustment	-	-	-
Change in consolidation scope	-	-	-
Reclassification and other changes	(0.5)	-	(0.5)
12.31.2012	**33.5**	**-**	**33.5**

Pursuant to IFRS 3, goodwill recognized in 2011, upon the occasion of the acquisition of two companies in Asia, was allocated, in full, to Property, plant and equipment in the first half of 2012.

As of December 31, 2012, the allocation of goodwill was, therefore, as follows:

(in € million)	
Marine Services - DEEP	8.2
Marine Services - SHALLOW	6.1
Marine Services - CREW	-
Subsea Services	19.2
Other	-
TOTAL	**33.5**

In the absence of any indication of loss of value as of December 31, 2012, no impairment test was conducted (see note 1.4). The accounting method is detailed in note 1.5.2.

3.2 INTANGIBLE ASSETS

Intangible assets can be analyzed as follows:

(in € millions)	Gross	Amortization and impairment	Net
12.31.2010	**18.4**	**(8.5)**	**9.9**
Acquisitions	2.5	(2.4)	0.1
Disposals	(0.4)	0.4	(0.0)
Change in consolidation scope	(0.0)	0.0	(0.0)
Currency translation adjustment	0.0	0.0	0.1
Reclassification and other changes	(0.3)	(0.1)	(0.3)
IFRS 5 reclassification *	-	-	-
12.31.2011	**20.3**	**(10.5)**	**9.8**
Acquisitions	3.1	(2.4)	0.6
Disposals	(0.2)	0.1	(0.0)
Change in consolidation scope	(0.0)	0.0	-
Currency translation adjustment	(0.0)	(0.0)	(0.1)
Reclassification and other changes	(0.2)	-	(0.2)
IFRS 5 reclassification *	-	-	-
12.31.2012	**23.0**	**(12.8)**	**10.1**

* *Reclassification of discontinued operations/operations held for sale.*

The change in the gross value of the intangible assets is as follows:

(in € millions)	R&D costs	Concessions and patents	Business goodwill	Other intangible assets	Intangible assets in progress	Advances and installments	Total
12.31.2010	**0.1**	**8.4**	**-**	**8.0**	**1.4**	**0.6**	**18.4**
Acquisitions	0.0	0.2	-	0.0	0.6	1.8	2.5
Disposals	-	(0.0)	-	(0.4)	-	-	(0.4)
Change in consolidation scope	-	-	-	(0.0)	-	-	(0.0)
Currency translation adjustment	-	0.0	-	0.0	0.0	-	0.0
Reclassification and other changes	-	0.7	-	0.2	(0.9)	(0.3)	(0.3)
IFRS 5 reclassification *	-	-	-	-	-	-	-
12.31.2011	**0.1**	**9.2**	**-**	**7.9**	**1.1**	**2.0**	**20.3**
Acquisitions	-	0.5	-	0.1	0.3	2.1	3.1
Disposals	-	(0.2)	-	-	-	-	(0.2)
Change in consolidation scope	-	-	-	(0.0)	-	-	(0.0)
Currency translation adjustment	-	-	-	(0.0)	0.0	-	(0.0)
Reclassification and other changes	0.0	4.6	-	(0.0)	(1.2)	(3.6)	(0.2)
IFRS 5 reclassification *	-	-	-	-	-	-	-
12.31.2012	**0.1**	**14.2**	**-**	**7.9**	**0.2**	**0.6**	**23.0**

* *Reclassification of discontinued operations/operations held for sale.*

Amortization and impairments of intangible assets break down as follows:

(in € millions)	R&D costs	Concessions and patents	Business goodwill	Other intangible assets	Intangible assets in progress	Advances and installments	Total
12.31.2010	**(0.0)**	**(5.1)**	**-**	**(3.3)**	**-**	**-**	**(8.5)**
Acquisitions	(0.0)	(2.1)	-	(0.3)	-	-	(2.4)
Disposals	-	-	-	0.4	-	-	0.4
Change in consolidation scope	-	-	-	0.0	-	-	0.0
Currency translation adjustment	-	(0.0)	-	0.0	-	-	0.0
Reclassification and other changes	-	0.1	-	(0.1)	-	-	(0.1)
IFRS 5 reclassification *	-	-	-	-	-	-	-
12.31.2011	**(0.1)**	**(7.1)**	**-**	**(3.4)**	**-**	**-**	**(10.5)**
Acquisitions	(0.0)	(2.1)	-	(0.3)	-	-	(2.4)
Disposals	-	0.1	-	-	-	-	0.1
Change in consolidation scope	-	-	-	0.0	-	-	0.0
Currency translation adjustment	-	(0.0)	-	(0.0)	-	-	(0.0)
Reclassification and other changes	-	(0.0)	-	0.0	-	-	-
IFRS 5 reclassification *	-	-	-	-	-	-	-
12.31.2012	**(0.1)**	**(9.1)**	**-**	**(3.6)**	**-**	**-**	**(12.8)**

* *Reclassification of discontinued operations/operations held for sale.*

3.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment represented €3,326.6 million as of December 31, 2012, including €0.7 million for investment properties detailed in note 3.4, and €3,325.9 million in other property, plant and equipment which break down as follows:

(in € millions)	Gross	Depreciation and provisions	Net
12.31.2010	**3,742.5**	**(665.9)**	**3,076.6**
Acquisitions	389.7	(201.2)	188.5
Disposals	(52.5)	35.0	(17.5)
Impairment	-	-	-
Change in consolidation scope	0.0	(0.0)	0.0
Currency translation adjustment	1.3	1.0	2.4
Reclassification and other changes	3.3	0.2	3.5
IFRS 5 reclassification *	(10.0)	-	(10.0)
12.31.2011	**4,074.4**	**(831.0)**	**3,243.4**
Acquisitions	348.6	(237.2)	111.4
Disposals	(126.6)	85.0	(41.7)
Impairment	-	-	-
Change in consolidation scope	-	(0.0)	(0.0)
Currency translation adjustment	17.2	(4.4)	12.9
Reclassification and other changes	0.1	(0.2)	(0.1)
IFRS 5 reclassification *	-	-	-
12.31.2012	**4,313.7**	**(987.8)**	**3,325.9**

* *Reclassification of discontinued operations/operations held for sale.*

Over fiscal year 2012, interim borrowing costs capitalized in the cost of the vessels amounted to €9.9 million.

Details of gross property, plant and equipment:

(in € millions)	Land	Buildings	Technical facilities	Vessels and overhauls	Other property, plant and equipment	Property, plant and equipment in progress	Total
12.31.2010	**1.4**	**26.5**	**12.8**	**2,985.3**	**15.5**	**701.0**	**3,742.5**
Acquisitions	-	2.1	1.7	59.1	2.0	324.9	389.7
Disposals	-	-	(0.2)	(46.4)	(0.1)	(5.8)	(52.5)
Change in consolidation scope	-	0.0	0.0	0.0	0.0	(0.0)	0.0
Currency translation adjustment	0.0	0.5	(0.0)	1.1	0.2	(0.4)	1.3
Reclassification and other changes	-	0.1	(0.7)	303.9	(1.3)	(298.6)	3.3
IFRS 5 reclassification *	-	-	-	-	-	(10.0)	(10.0)
12.31.2011	**1.5**	**29.1**	**13.6**	**3,302.9**	**16.2**	**711.1**	**4,074.4**
Acquisitions	0.1	0.8	1.8	92.9	1.9	251.2	348.6
Disposals	-	(0.1)	(0.0)	(125.9)	(0.7)	-	(126.6)
Change in consolidation scope	-	-	-	-	-	-	-
Currency translation adjustment	(0.0)	(0.3)	0.0	11.6	0.1	5.8	17.2
Reclassification and other changes	-	(2.0)	1.4	313.3	0.2	(312.8)	0.1
IFRS 5 reclassification *	-	-	-	-	-	-	-
12.31.2012	**1.5**	**27.5**	**16.8**	**3,594.8**	**17.8**	**655.3**	**4,313.7**

* *Reclassification of discontinued operations/operations held for sale.*

Details of depreciation and impairment on property and equipment:

(in € millions)	Land	Buildings	Technical facilities	Vessels and overhauls	Other property, plant and equipment	Property, plant and equipment in progress	Total
12.31.2010	**-**	**(4.5)**	**(3.8)**	**(649.9)**	**(7.7)**	**0.0**	**(665.9)**
Acquisitions	-	(1.0)	(1.9)	(195.8)	(2.6)	-	(201.2)
Disposals	-	-	0.1	34.8	0.1	-	35.0
Impairment	-	-	-	-	-	-	-
Change in consolidation scope	-	-	(0.0)	(0.0)	(0.0)	-	(0.0)
Currency translation adjustment	-	(0.0)	0.0	1.1	(0.1)	-	1.0
Reclassification and other changes	-	(0.2)	(0.1)	(0.2)	0.7	-	0.2
IFRS 5 reclassification *	-	-	-	-	-	-	-
12.31.2011	**-**	**(5.7)**	**(5.6)**	**(810.0)**	**(9.7)**	**0.0**	**(831.0)**
Acquisitions	-	(1.5)	(1.6)	(231.0)	(3.1)	-	(237.2)
Disposals	-	0.1	-	84.3	0.6	-	85.0
Impairment	-	-	-	-	-	-	-
Change in consolidation scope	-	-	-	-	(0.0)	-	(0.0)
Currency translation adjustment	-	0.1	(0.0)	(4.4)	0.0	-	(4.4)
Reclassification and other changes	-	-	(0.3)	(0.1)	0.2	-	(0.2)
IFRS 5 reclassification *	-	-	-	-	-	-	-
12.31.2012	**-**	**(7.0)**	**(7.6)**	**(961.1)**	**(12.0)**	**0.0**	**(987.8)**

* *Reclassification of discontinued operations/operations held for sale.*

Disposals made in 2012 mainly involved the sale of three PSV (Platform Supply Vessels) built in 2004. The sale was agreed with a bareboat charter under a five-year contract. It generated a capital gain of around €22 million.

Property, plant and equipment presented above include assets held under finance leases which break down as follows:

Details of the gross property, plant and equipment held under finance leases:

(in € millions)	Land	Buildings	Technical facilities	Vessels and maintenance	Other property, plant and equipment	Total
12.31.2010	**-**	**-**	**-**	**117.6**	**-**	**117.6**
Acquisitions	-	-	-	6.0	-	6.0
Disposals	-	-	-	(3.1)	-	(3.1)
Change in consolidation scope	-	-	-	-	-	-
Currency translation adjustment	-	-	-	-	-	-
Reclassification and other changes	-	-	-	23.0	-	23.0
12.31.2011	**-**	**-**	**-**	**143.5**	**-**	**143.5**
Acquisitions	-	-	-	5.7	-	5.7
Disposals	-	-	-	(3.3)	-	(3.3)
Change in consolidation scope	-	-	-	-	-	-
Currency translation adjustment	-	-	-	-	-	-
Reclassification and other changes	-	-	-	(113.0)	-	(113.0)
12.31.2012	**-**	**-**	**-**	**32.9**	**-**	**32.9**

The change from 2012 was due to the exercise of irrevocable purchase agreements arising from sale agreements for eight tax EIGs entered into in 2006.

Financial liabilities related to fixed assets under finance lease arrangements correspond to the discounted value of the minimum payments for the lease. The amounts of the financial liabilities as well as their due dates are presented in note 3.14.

Details of depreciation and provisions on property, plant and equipment under finance leases:

(in € millions)	Land	Buildings	Technical facilities	Vessels and maintenance	Other property, plant and equipment	Total
12.31.2010	**-**	**-**	**-**	**(27.6)**	**-**	**(27.6)**
Acquisitions	-	-	-	(9.1)	-	(9.1)
Disposals	-	-	-	3.1	-	3.1
Impairment	-	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-	-
Currency translation adjustment	-	-	-	-	-	-
Reclassification and other changes	-	-	-	(3.8)	-	(3.8)
12.31.2011	**-**	**-**	**-**	**(37.4)**	**-**	**(37.4)**
Acquisitions	-	-	-	(7.7)	-	(7.7)
Disposals	-	-	-	3.3	-	3.3
Impairment	-	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-	-
Currency translation adjustment	-	-	-	-	-	-
Reclassification and other changes	-	-	-	34.3	-	34.3
12.31.2012	**-**	**-**	**-**	**(7.4)**	**-**	**(7.4)**

3.4 INVESTMENT PROPERTIES

Breakdown of investment properties:

(in € millions)	Gross	Amortization and impairment	Net
12.31.2010	**0.7**	**-**	**0.7**
Acquisitions	-	-	-
Disposals	-	-	-
Impairment	-	-	-
Currency translation adjustment	-	-	-
Change in consolidation scope	-	-	-
Reclassification and other changes		-	-
12.31.2011	**0.7**	**-**	**0.7**
Acquisitions	-	-	-
Disposals	-	-	-
Impairment	-	-	-
Currency translation adjustment	-	-	-
Change in consolidation scope	-	-	-
Reclassification and other changes		-	-
12.31.2012	**0.7**	**-**	**0.7**

3.5 INVESTMENTS IN ASSOCIATES

As of December 31, 2012, investments in associates totaled €0.1 million. The change in the equity value was as follows:

(in € millions)	Investments in associates
12.31.2010	**0.4**
Share of net income/loss	0.2
Change in consolidation scope and other changes	(0.0)
Currency translation adjustment	0.0
12.31.2011	**0.6**
Share of net income/loss	0.0
Change in consolidation scope and other changes	(0.5)
Currency translation adjustment	(0.0)
12.31.2012	**0.1**

The main financial items of the companies consolidated by the equity method are presented below (calculated data indicated at 100%):

(in € millions)	12.31.2012	12.31.2011
Non-current assets	0.0	0.0
Current assets	0.3	2.3
TOTAL ASSETS	**0.3**	**2.4**
Non-current liabilities	0.2	2.1
Current liabilities	0.1	0.3
TOTAL LIABILITIES	**0.3**	**2.4**
Revenue	0.3	0.6
Net income	0.1	0.7

3.6 NON-CURRENT FINANCIAL ASSETS

The non-current portion of the financial assets is detailed below:

(in € millions)	12.31.2012	12.31.2011
Available-for-sale assets	0.1	0.1
Receivables from non-consolidated companies	-	-
Loans and securities	21.0	9.4
Financial assets at fair value	0.1	0.1
Other non-current financial assets	9.6	12.8
Derivative financial instruments	-	-
TOTAL	**30.8**	**22.4**

The following tables show the change in the gross values and impairment on the available-for-sale assets, loans and guarantees as well as the financial assets at fair value.

- Change in gross values:

(in € millions)	Available-for-sale assets	Other receivables from non-consolidated companies	Loans and securities	Financial assets at fair value	Total
12.31.2010	**2.5**	**-**	**4.7**	**0.1**	**7.3**
Acquisitions	-	-	6.1	-	6.1
Disposals	(2.0)	-	(0.9)	-	(2.9)
Change in consolidation scope	-	-	0.0	-	0.0
Currency translation adjustment	-	-	0.1	-	0.1
Reclassification and other changes	(0.2)	-	(0.6)	-	(0.8)
12.31.2011	**0.3**	**-**	**9.4**	**0.1**	**9.8**
Acquisitions	-	-	16.3	-	16.3
Disposals	(0.0)	-	(4.5)	-	(4.5)
Change in consolidation scope	-	-	-	-	-
Currency translation adjustment	-	-	(0.0)	-	(0.0)
Reclassification and other changes	-	-	(0.2)	-	(0.2)
12.31.2012	**0.3**	**-**	**21.0**	**0.1**	**21.4**

- Change in valuation allowance:

(in € millions)	Available-for-sale assets	Other receivables from non-consolidated companies	Loans and securities	Financial assets at fair value	Total
12.31.2010	**(2.2)**	**-**	**(0.0)**	**-**	**(2.2)**
Acquisitions	-	-	-	-	-
Disposals	2.0	-	-	-	2.0
Change in consolidation scope	-	-	-	-	-
Currency translation adjustment	-	-	-	-	-
Reclassification and other changes	0.0	-	-	-	0.0
12.31.2011	**(0.3)**	**-**	**(0.0)**	**-**	**(0.3)**
Acquisitions	-	-	-	-	-
Disposals	0.1	-	-	-	0.1
Change in consolidation scope	-	-	-	-	-
Currency translation adjustment	-	-	-	-	-
Reclassification and other changes	-	-	-	-	-
12.31.2012	**(0.2)**	**-**	**(0.0)**	**-**	**(0.2)**

The derivative instruments are detailed in note 3.19.

3.7 INVENTORIES AND WORK IN PROGRESS

Inventories and work in progress presented a net value of €44.3 million as of December 31, 2012 and €33.3 million as of December 31, 2011, broken down as follows:

- Gross values:

(in € millions)	12.31.2012	12.31.2011
Gross		
Raw materials and supplies	44.0	33.1
Work in progress	0.1	0.2
Finished and semi-finished goods	0.1	0.0
Merchandise	-	-
TOTAL	**44.3**	**33.3**

- Impairment:

(in € millions)	12.31.2012	12.31.2011
Impairment		
Raw materials and supplies	-	-
Work in progress	-	-
Finished and semi-finished goods	-	-
Merchandise	-	-
TOTAL	**-**	**-**

The increase in inventories reflects the continuation of the Bourbon fleet maintenance optimization strategy, with the aim of improving vessel availability, one of the cornerstones of BOURBON's customer satisfaction policy.

3.8 TRADE AND OTHERS DEBTORS, CURRENT FINANCIAL ASSETS AND OTHER CURRENT ASSETS

Receivables due in less than one year are classified as current assets.

The current part of financial assets is detailed below:

(in € millions)	12.31.2012			12.31.2011		
	Gross	Impairment	Net	Gross	Impairment	Net
Trade and other receivables	391.1	(6.2)	384.9	394.4	(6.4)	388.1
Current financial assets	20.4	-	20.4	29.7	-	29.7
Other current assets	31.6	-	31.6	33.4	-	33.4
TOTAL	**443.1**	**(6.2)**	**436.9**	**457.5**	**(6.4)**	**451.2**

Details of current financial assets and other current assets:

(in € millions)	12.31.2012	12.31.2011
Loans and securities	1.5	0.9
Interest accrued on receivables and loans	-	0.0
Financial assets at fair value through profit & loss	-	-
Derivative financial instruments	18.9	28.8
TOTAL CURRENT FINANCIAL ASSETS	**20.4**	**29.7**
State, income tax	1.6	1.5
Prepaid expenses	30.0	31.9
TOTAL OTHER CURRENT ASSETS	**31.6**	**33.4**

The derivative instruments are presented in note 3.19.

3.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows:

(in € millions)	12.31.2012	12.31.2011
Marketable securities	0.0	0.0
Other investments	-	-
Accrued interests	0.1	0.0
Cash on hand and in banks	195.1	229.6
TOTAL	**195.2**	**229.6**

3.10 SHAREHOLDERS' EQUITY

Share capital

As of December 31, 2012, share capital amounted to €43,055,075. It consisted of 67,781,535 fully paid-up shares, representing a value of €0.64.

3.11 STOCK OPTION PLANS

BOURBON issued ten stock option plans, five of which are in force as of December 31, 2012, representing as of that date 5,659,711 stock options. The valuation and accounting methods for these stock option plans are shown in detail in note 1.5.14, and their main characteristics are shown in the table below:

	December 2007	December 2008	September 2009	December 2011	November 2012
Date of authorization by the Combined General Meeting	June 07, 2005	May 30, 2008	May 30, 2008	June 01, 2011	June 01, 2011
Date of Board authorization	December 10, 2007	December 08, 2008	August 24, 2009	December 05, 2011	November 30, 2012
Number of stock options authorized	1,561,626	43,076	2,126,850	2,535,500	27,000
Total number of allotted stock options adjusted as of 12.31.2012	1,221,495	24,926	1,935,890	2,450,400	27,000
Number of beneficiaries	681	50	895	1,153	2
Start date	December 2011	December 2012	September 2013	December 2015	November 2016
Expiration date	December 2013	December 2014	September 2015	December 2017	November 2018
Subscription price in euros adjusted as of 12.31.2012	36.35	17.36	28.73	20.00	21.80
Subscription price in euros (before adjustment)	€43.98	€21.00	€31.60	€20.00	€21.80
Price per share:					
Price per share on the grant date (before adjustment)	€45.11	€18.60	€31.62	€22.74	€21.72
Fair value of options:					
Original fair value of options (before adjustment)	€11.10	€7.58	€7.46	€5.72	€4.96
Risk-free interest rate (ten-year OAT)	4.18%	3.69%	3.57%	3.19%	2.05%
Dividend yield	1.1%	1.5%	2.2%	3.1%	3.4%
Volatility	24.53%	61.80%	30.00%	41.30%	36.10%
Contractual acquisition period	Four years	Four years	Four years	Four years	Four years

N.B.: the only grounds for early exercise is the death of the employee.

The expense recognized during the fiscal year for the stock option plans was -€6.1 million (-€6.4 million in 2011).

3.12 TREASURY SHARES

The treasury shares held by the Group on the closing date were deducted from consolidated shareholders' equity. The total impact at the end of 2012 was -€78.5 million. BOURBON held 2,713,839 treasury shares as of Monday, December 31, 2012. The total effect at the close of fiscal year 2011 was -€78.4 million, as the number of treasury shares held by BOURBON was then 2,710,946.

3.13 EMPLOYEE BENEFIT OBLIGATIONS AND OTHER PROVISIONS

Provisions can be analyzed as follows:

(in € millions)	Employee benefit obligations	Tax audits	Litigation	Guarantee of liabilities	Other provisions for risks	Provisions for major maintenance	Total
12.31.2010	**7.6**	**1.5**	**0.9**	**0.8**	**13.0**	**0.0**	**23.8**
Provisions for the year	1.3	-	-	-	10.5	-	11.9
Used during the year	(0.3)	-	-	-	(1.8)	-	(2.1)
Unused amount reversed	-	-	-	-	(0.5)	-	(0.5)
Change in consolidation scope	-	-	-	-	-	-	-
Currency translation adjustment	0.0	-	-	-	(0.8)	-	(0.8)
Reclassification and other changes	(0.9)	-	-	-	0.3	-	(0.5)
12.31.2011	**7.7**	**1.5**	**0.9**	**0.8**	**20.7**	**0.0**	**31.6**
Provisions for the year	1.2	2.1	-	-	7.8	0.2	11.4
Used during the year	(0.0)	(0.5)	-	-	(5.6)	-	(6.1)
Unused amount reversed	(0.1)	-	-	-	(5.3)	-	(5.3)
Change in consolidation scope	-	-	-	-	-	-	-
Currency translation adjustment	0.0	-	-	-	(1.1)	-	(1.1)
Reclassification and other changes	1.2	-	-	-	0.1	-	1.3
12.31.2012	**10.1**	**3.2**	**0.9**	**0.8**	**16.7**	**0.2**	**31.8**

This item reflects the provisions with maturity greater than one year. The short-term portion of the provisions is stated on the line "Provisions - portion < one year".

The impact of additional provisions and reversals of provisions for the year is booked as operating income.

In 2012, the Group entered into operating leases involving major periodic maintenance work throughout the lease period. Consequently, and pursuant to IAS 37, the Group recognized a provision for major maintenance work. This stood at €0.2 million as of December 31, 2012.

Employee benefit obligations

Employee benefit obligations include the long-term portion of the provision for retirement benefit obligations and the provision for seniority awards.

Retirement benefit obligations

The table below shows the main assumptions used in valuing retirement benefit commitments:

	2012	2011	2010	2009	2008
Discount rate:	2.60%	4.50%	4.50%	5.25%	5.75%
Inflation rate:	2% in most cases, except for certain countries where a different rate was used to take into account local economic conditions.				
Salary increase:	inclusion of an average salary increase rate based on the salary policy within the various companies concerned.				
Turnover:	turnover rate determined for each entity.				

The change in the provision for pensions is as follows:

(in € millions)	12.31.2012	12.31.2011
Present value of the obligation at the beginning of the year	**7.7**	**6.8**
Current service cost	0.9	0.7
Interest cost	0.2	0.3
Retirement indemnities paid	(0.5)	(0.6)
Actuarial (Gains)/losses	1.8	0.3
Past service cost	-	0.1
Currency translation adjustment	0.0	(0.0)
Reclassifications	-	0.0
Effects of changes in consolidation scope and changes in consolidation method	-	-
Present value of the obligation at closing	**10.1**	**7.7**
o/w less than one year	*1.4*	*1.3*

The current service cost is the present value of benefit attributed to the current year (cost of one additional year of work).

Interest cost is the increase in the present value of the obligation resulting from the fact that it is one year closer to the date of payment of the benefits. It represents the cost of one year of non-discounting.

The items recognized in the income statement over 2012 for retirement benefit obligations were:

(in € millions)	2012	2011
Current service cost	(0.9)	(0.7)
Past service cost	-	(0.1)
Interest cost	(0.2)	(0.3)
TOTAL EXPENSES RELATED TO RETIREMENT OBLIGATIONS	**(1.1)**	**(1.1)**

3.14 FINANCIAL LIABILITIES

Financial liabilities (€2,255.7 million as of 12.31.2012) appear on the balance sheet in the items “Borrowings and financial liabilities”, “Borrowings and financial liabilities (portion less than one year)”, and “Bank overdrafts and short-term lines”.

a) Analysis by maturity

The maturities on the financial liabilities are as follows:

(in € millions)	12.31.2012	12.31.2011
Bank overdrafts and short-term lines	157.7	273.6
< one year	353.1	346.3
Between one and five years	1,336.8	1,043.4
> five years	408.2	521.5
TOTAL	**2,255.7**	**2,184.9**
o/w:		
Finance lease liabilities	*21.4*	*91.9*
< one year	*3.5*	*70.5*
Between one and five years	*15.5*	*15.1*
> five years	*2.5*	*6.3*

The change in finance lease liabilities was due to the exercise of irrevocable purchase agreements under agreements to sell eight tax EIGs entered into in 2006.

b) Analysis by interest rate

Financial liabilities break down as follows:

(in € millions)	12.31.2012	12.31.2011
Fixed rate or swapped-to-fixed rate	1,420.0	1,236.7
Bank overdrafts (fixed or swapped-to-fixed rate)	-	-
Variable rate	669.4	666.2
Bank overdrafts (variable rate)	157.6	273.3
Total borrowings and bank loans	**2,246.9**	**2,176.1**
Accrued interests	8.8	8.8
TOTAL FINANCIAL DEBT	**2,255.7**	**2,184.9**

c) Analysis by currency

The list below shows a breakdown of debt as of Monday, December 31, 2012:

(in € millions)	12.31.2012	12.31.2011
EUR – Euro	1,583.6	1,608.4
USD – American Dollar	311.7	247.2
NOK – Norwegian Kroner	351.4	319.7
VND – Vietnamese Dong	0.0	0.0
MXP – Mexican Peso	0.2	-
BRL – Brazilian Real	-	0.8
TOTAL (EX. ACCRUED INTEREST)	**2,246.9**	**2,176.1**

The Group's debt consists mainly of three kinds of financing:

- "Club deal" bank type financing:
  - initial loan signed in 2005 for €320 million, in redemption phase since 2009 (ten-year redemption),
  - a second loan signed in 2007 for €450 million, in redemption phase since 2010 (ten-year redemption),
  - a third loan signed in 2009 for €318 million, in redemption phase since July 2011 (five-year redemption),
  - lastly, a fourth loan signed in 2012 for €240 million;
- a series of asset-based bilateral financing;
- short-term lines of credit, of which €65 million was unused as of December 31, 2012.

d) Debt secured by collateral

As of December 31, 2012, bank borrowings secured by mortgages, pledges of equipment or marketable securities represented a total of €2,060.9 million. The assets pledged are primarily vessels.

These mortgages were recorded with the *Bureau des Hypothèques* (Mortgage Registry) between 1999 and 2012 for a total value of €2,466.8 million.

3.15 FINANCIAL INCOME/(LOSS)

Financial income/(loss) breaks down as follows:

(in € millions)	12.31.2012	12.31.2011
Cost of net debt	**(71.9)**	**(64.4)**
- cost of gross debt	(74.6)	(65.9)
- income from cash and cash equivalents	2.6	1.5
Other financial expenses and income	**(15.1)**	**(7.3)**
- net foreign exchange income	(14.0)	(1.3)
- other financial expenses	(7.3)	(10.6)
- other financial income	6.2	4.6

Cost of net debt equals all interest expenses and income produced by the elements composing the financial debt during the year.

Other finance income and expenses mainly include foreign exchange gains and losses realized and unrealized as well as the fair value of derivative instruments and securities at fair value through profit and loss.

The other finance income and expenses as of 12.31.2012 are broken down below:

(in € millions)	12.31.2012
Other financial expenses and income	**(15.1)**
Foreign exchange income *	(14.0)
Other financial expenses	(7.3)
of which fair value of derivative instruments	*(0.8)*
Other financial income	6.2
of which fair value of securities at fair value through profit and loss	*0.0*
of which fair value of derivative instruments	*4.0*

* *Including the impact of the fair value of derivative instruments hedging balance sheet items.*

3.16 DEFERRED TAXES

As of December 31, the balances for deferred tax assets and liabilities were as follows:

(in € millions)	12.31.2012	12.31.2011
Deferred tax assets	31.3	33.6
Deferred tax liabilities	(20.5)	(24.9)
Net deferred tax	**10.8**	**8.7**

Analysis of deferred taxes

(in € millions)	12.31.2012	12.31.2011
Deferred tax assets	**31.3**	**33.6**
Retirement benefit obligations	0.9	0.7
Other temporary differences	1.6	4.2
Consolidation restatements	28.7	28.7
Other	0.0	0.0
Deferred tax liabilities	**(20.5)**	**(24.9)**
Restatements of amortization and depreciation	(7.4)	(10.0)
Other restatements and temporary differences	(13.1)	(14.9)

As of December 31, 2012, based on the principle of prudence and based on the tax position of the companies concerned, no deferred tax asset was recognized on the tax losses, which were €403.5 million.

3.17 INCOME TAX

(in € millions)	12.31.2012	12.31.2011
Current income tax	(22.4)	(6.7)
Deferred taxes	0.2	(4.0)
Tax (expenses)/income	**(22.2)**	**(10.7)**

As of December 31, 2012, the theoretical corporate income tax of €27 million is calculated by applying the prevailing tax rate in France to income before tax, the share in income/loss of associates, gains on equity interests sold and net income from discontinued operations:

(in € millions)	12.31.2012	12.31.2011
Consolidated income before taxes, share in income/loss of associates, gains on equity interests sold and net income from discontinued operations:	74.6	13.6
French domestic income tax prevailing as of 12.31.2012 [(1)]:		
33.33%	(24.9)	(4.5)
3.30%	(2.1)	(2.4)
Theoretical income tax	(27.0)	(6.9)
Income tax expense	(22.2)	(10.7)
DIFFERENCE	**4.7**	**(3.8)**

(1) The tax rate shown is the statutory French tax rate, not including the exceptional contribution provided for by Article 235 ter ZAA of the French Tax Code.

The difference between the tax recognized and the theoretical tax is as follows:

(in € millions)	12.31.2012	12.31.2011
Companies not liable for corporate income tax (companies subject to tonnage tax, foreign companies not liable for taxation)	9.5	49.4
Loss-making companies (tax consolidated and non-tax consolidated companies and foreign companies)	(15.3)	(55.4)
Difference in tax rate	8.4	0.7
Other differences	2.2	1.4
TOTAL	**4.7**	**(3.8)**

The other differences are mainly due to the fact that deferred taxes on the treasury shares restatement were not recognized.

3.18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICY

The main risks to which the Group is exposed are credit/counterparty risks, liquidity risks and market risks. The Board of Directors has reviewed and approved the management policies of each of these risks. The policies are summarized below.

3.18.1 Credit/counterparty risk

The Group's policy is to verify the financial health of all customers seeking credit payment terms. Furthermore, the Group continually monitors client balances. The financial soundness of its clients enables BOURBON to avoid the use of COFACE-type credit insurance. Supermajor, major, national and independent oil companies account for nearly 80% of revenues. The Group has not therefore taken out this type of credit insurance agreement.

The volume of business conducted with the top five clients represented €516 million (43.4% of revenues) while the top ten clients accounted for nearly 58.3% (€692 million).

A statement of anteriority of credits and other debtors is presented in note 3.19.5. of the Notes to the Consolidated Financial Statements.

In 2012, BOURBON did not conduct any contracts with national oil companies in countries with a high political risk such as Venezuela, Iran, Iraq or Burma.

Concerning the credit risk on the Group's other financial assets, *i.e.* cash and cash equivalents, available-for-sale financial assets and certain derivative instruments, the Group works only with top-ranking banks, particularly with the major French banks, and pays particular attention to the choice of banking institutions.

3.18.2 Liquidity risks

Financing comes under a Group policy implemented by the Finance and Administration Department. This policy consists of financing the Group's needs through a combination of cash flows from operations and disposals of non-strategic assets, bank borrowings and market transactions. Recurring cash flows are generated by the regular growth in the vessel fleet and by the long-term contract strategy with oil company clients whose investment programs have grown sharply.

As of December 31, 2012, BOURBON's gross financial debt amounted to €2,256 million, including €1,745 million at more than one year. The repayment schedule for the medium and long-term debt is presented in note 3.14 of the notes to the Consolidated Financial Statements. The average residual life of this debt is five years and four months.

The following table shows the composition of long and medium-term debt as of Monday, December 31, 2012:

(in € millions)	Portion of medium/long-term debt under one year	Medium/long-term debt	Total
CLUB DEAL loan – €320 million	32	112	144
CLUB DEAL loan – €450 million	45	281	326
CLUB DEAL loan – €318 million	64	175	239
CLUB DEAL loan – €240 million	40	200	240
EIG/SNC OUTSOURCED	15	154	169
Financing – Norway fleet	49	359	407
55 other bilateral loans	100	464	564
TOTAL	**344**	**1,745**	**2,089**

As of December 31, 2012, short-term lines, in the form of overdrafts, spot credit or credit facilities (revolving), were used in the amount of €158 million. Accrued interest amounted to €9 million.

The Group had cash assets of €195 million as of December 31, 2012.

Medium- and long-term borrowings

Medium- and long-term borrowings comprise mainly "club deal [1]" financings and bilateral loans.

All these borrowings are backed by assets (vessels) taken as guarantees (first ranking mortgage or negative pledge). The vessels are clearly identified when the loan contract is signed, details of which appear in note "5.1 Contractual obligations and other off-balance sheet commitments" of the Notes to the Consolidated Financial Statements. During the performance of the loan contract, for technical reasons, BOURBON may have to adjust the list of vessels initially assigned to the loan. Two options then arise – either partial redemption of the loan or substitution with another vessel. Whichever is the case, an amendment to the loan contract is signed to reflect the new guarantees.

There are no long- and medium-term loans in existence that are not assigned to financing assets.

In 2005, BOURBON took out a "club deal" loan of €320 million for which the redemption phase began in April 2007 and will end in 2017. As of December 31, 2012, the outstanding loan was €144 million.

In the summer of 2007, a €450 million loan (a "club deal") was subscribed. The redemption phase began in January 2010 and will end in 2020. As of December 31, 2012, the outstanding loan was €326 million.

In July 2009, a €318 million "club deal" loan was taken out. The redemption phase began in 2011 and will end in 2016. As of December 31, 2012, the outstanding loan was €239 million.

Lastly, in 2012, a new €240 million "club deal" loan was taken out. The redemption phase will begin in 2013 and will end in 2015. As of December 31, 2012, the amount outstanding on this loan was €240 million.

In parallel, bilateral borrowings (in dollars, euros and Norwegian kroner) are regularly signed. Thus, in 2012, new loans were contracted in an amount equivalent to €293 million, of which €269 million with foreign banks; €11 million was also drawn in 2012 on loans signed in previous years.

Following negotiations in June 2010 with China Exim-Bank for a USD 400 million loan, an initial USD 256 million tranche was provided in 2012. This initial tranche secured the funding for 26 vessels under construction at the Chinese Sinopacific shipyard and is made available as and when these vessels are delivered. As of December 31, 2012, USD 21 million of this USD 256 million tranche had been drawn down.

As of December 31, 2012, the amount remaining to be drawn on existing loans totaled €181.8 million.

In many instances, contractual documentation includes a ratio of net debt to equity requirement of below 1.90.

For some of the bilateral financings, mainly tax-based leasing financing, of which the total amount outstanding at the end of 2012 was €101.7 million, the provisions of the tax-based leasing contracts specify a net debt to equity ratio of below 1.90 and a "Net Operating Debt to EBITDA" ratio that must be below 5.0 for fiscal years 2011 and 2012, below 4.5 for fiscal years 2013 and 2014, and 4.0 thereafter.

No early settlements were required on any of our financial commitments as of December 31, 2012. Likewise there were no cross defaults between Group entities.

Furthermore, there were no instances of early termination of loan contracts due to a new circumstance (termination event) linked to a change of control of the debtor as of December 31, 2012.

As of December 31, 2012, BOURBON was in compliance with its financial covenants, *i.e.* its financial commitments with regard to loan contracts.

Short-term lines of credit

In addition, the Group has unused short-term credit lines totaling around €65 million as of December 31, 2012. The Group had cash assets of €195 million as of December 31, 2012.

Cash management is coordinated at the Group's operating headquarters. Financière Bourbon, a partnership organized as a cash clearing house, offers its services to most of the Group's operating subsidiaries. These entities, under a cash agreement with Financière Bourbon, receive active support in the management of their cash flow, their foreign currency and interest rate risks, their operating risks and their short and medium-term debt, in accordance with the various laws in force locally.

BOURBON does not have a financial rating from a specialist agency.

3.18.3 Market risks

Market risks include the Group's exposure to interest rate risks, foreign exchange risks, risks on equities and risks on supplies.

(1) In terms of bank finance, "club deals" involve small groups of banks with historically close relations with the Company, which share the senior debt between them. When its loans are set up, BOURBON meets with all the banks proposing the loans in order to put the credit facility in place. No one bank has an overriding interest in the loan. For reasons of convenience, one bank becomes the "bookrunner" but the other institutions are appointed as arrangers.

Interest rate risk

The Group's exposure to the risk of interest rate fluctuations is related to the Group's medium and long-term variable rate financial debt. BOURBON regularly monitors its exposure to interest rate risk. This is coordinated and controlled centrally. It comes under the responsibility of the Vice President-Finance who reports to the Executive Vice President Chief Financial Officer.

The Group's policy consists of managing its interest rate expense by using a combination of fixed-rate and variable-rate borrowing. In order to optimize the overall financing cost, the Group sets up interest rate swaps under which it exchanges, at pre-determined intervals, the difference between the amount of fixed-rate interest and the amount of variable-rate interest calculated on a pre-defined nominal amount of borrowing.

These swaps are assigned to hedge the borrowings. As of December 31, 2012, after taking account of interest rate swaps, approximately 68% of the Group's medium or long-term debt was contracted at a fixed interest rate.

As of December 31, 2012, the interests rate swap contracts were on the Group's borrowings, transforming variable rates into fixed rates. These contracts were entered into in euros (EUR), Norwegian kroner (NOK) and US dollars (USD); they are broken down by maturity date as follows:

(in € millions)	Outstanding in foreign currencies as of December 31, 2012	Outstanding in euros as of December 31, 2012	Maturity
Currency – Fixed-rate borrowing swaps			
EUR	2	2	03.30.2013
EUR	23	23	04.07.2014
EUR	23	23	04.07.2014
EUR	23	23	04.07.2014
EUR	23	23	04.07.2014
EUR	54	54	04.07.2014
EUR	40	40	04.15.2014
EUR	40	40	10.15.2014
EUR	5	5	11.24.2014
EUR	4	4	11.24.2014
EUR	4	4	11.24.2014
EUR	5	5	11.24.2014
EUR	80	80	10.15.2015
EUR	240	240	12.28.2015
EUR	22	22	06.26.2017
EUR	120	120	07.26.2018
EUR	206	206	07.26.2018
NOK	500	68	02.15.2013
NOK	200	27	04.16.2013
NOK	50	7	03.29.2014
NOK	350	48	10.19.2014
NOK	150	20	10.22.2014
NOK	50	7	03.23.2015
NOK	200	27	04.16.2015
NOK	100	14	03.22.2016
NOK	50	7	03.29.2016
NOK	150	20	06.30.2016
NOK	100	14	12.29.2016
USD	16	12	07.17.2017
USD	20	15	07.17.2017
TOTAL		**1,197**	

The following table shows the Group's net exposure to variable rates before and after risk management, based on the hedges in place and the sensitivity of the Group's income before taxes (related to changes in the fair value of monetary assets and liabilities) to a reasonable variation in interest rates, with all other variables remaining constant:

(in € millions)	As of December 31, 2012													
	Less than one year		One to two years		Two to three years		Three to four years		Four to five years		More than five years		Total	
	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate
Cash	-	195.2	-	-	-	-	-	-	-	-	-	-	-	195.2
Term deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and securities	1.5	-	1.2	-	2.7	-	0.8	-	11.9	-	4.4	-	22.5	-
Financial assets	**1.5**	**195.2**	**1.2**	**-**	**2.7**	**-**	**0.8**	**-**	**11.9**	**-**	**4.4**	**-**	**22.5**	**195.2**
Bank overdrafts and short-term lines	-	(157.6)	-	-	-	-	-	-	-	-	-	-	-	(157.6)
Deposits and securities received	-	-	(0.3)	(0.0)	-	-	-	-	-	-	-	-	(0.3)	(0.0)
Finance lease liabilities	-	(3.5)	-	(3.7)	-	(3.9)	-	(4.1)	-	(3.9)	-	(2.5)	-	(21.4)
Bank borrowings	(21.6)	(319.2)	(21.8)	(410.6)	(22.5)	(353.3)	(23.3)	(203.0)	(23.7)	(263.0)	(110.3)	(295.4)	(223.2)	(1,844.4)
Financial liabilities	**(21.6)**	**(480.3)**	**(22.0)**	**(414.3)**	**(22.5)**	**(357.2)**	**(23.3)**	**(207.0)**	**(23.7)**	**(266.8)**	**(110.3)**	**(297.9)**	**(223.4)**	**(2,023.5)**
Net position before hedging	**(20.1)**	**(285.1)**	**(20.9)**	**(414.3)**	**(19.8)**	**(357.2)**	**(22.5)**	**(207.0)**	**(11.7)**	**(266.8)**	**(105.9)**	**(297.9)**	**(200.9)**	**(1,828.3)**
Hedging													**(1,196.5)**	**1,196.5**
Net position after hedging													**(1,397.5)**	**(631.8)**

Assuming the position reached on December 31, 2012 to be constant, a change in interest rates of 100 basis points (1%) would therefore result in increasing or decreasing the cost of the Group's financial debt by €6.3 million over one year.

As of December 31, 2011, the position was as follows:

	As of December 31, 2011													
	Less than one year		One to two years		Two to three years		Three to four years		Four to five years		More than five years		Total	
(in € millions)	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate
Cash	-	229.6	-	-	-	-	-	-	-	-	-	-	-	229.6
Term deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and securities	-	0.9	-	-	-	-	-	-	-	-	-	-	-	0.9
Financial assets	**-**	**230.5**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**230.5**
Bank overdrafts and short-term lines	-	(273.3)	-	-	-	-	-	-	-	-	-	-	-	(273.3)
Deposits and securities received	-	-	(0.3)	(0.0)	-	-	-	-	-	-	-	-	(0.3)	(0.0)
Finance lease liabilities	(67.2)	(3.3)	-	(3.5)	-	(3.7)	-	(3.9)	-	(4.1)	-	(6.3)	(67.2)	(24.7)
Bank borrowings	(18.2)	(249.1)	(18.4)	(233.4)	(18.9)	(289.7)	(19.8)	(234.7)	(20.7)	(192.5)	(104.1)	(411.1)	(200.1)	(1,610.5)
Financial liabilities	**(85.5)**	**(525.7)**	**(18.6)**	**(236.9)**	**(18.9)**	**(293.4)**	**(19.8)**	**(238.6)**	**(20.7)**	**(196.6)**	**(104.1)**	**(417.5)**	**(267.6)**	**(1,908.5)**
Net position before hedging	**(85.5)**	**(295.2)**	**(18.6)**	**(236.9)**	**(18.9)**	**(293.4)**	**(19.8)**	**(238.6)**	**(20.7)**	**(196.6)**	**(104.1)**	**(417.5)**	**(267.6)**	**(1,678.0)**
Hedging													**(969.1)**	**969.1**
Net position after hedging													**(1,236.7)**	**(708.9)**

Assuming the position reached on December 31, 2011 is constant over one year, a 100 basis point (1%) change in the interest rate would therefore increase or decrease the cost of the Group's financial debt by €7.1 million over one year.

Foreign exchange risk

Objectives

The Group's policy is to reduce as far as possible the economic risk related to foreign currency fluctuations over the medium term. The Group also tries to minimize the impact of the US dollar's volatility on annual operating income.

Cash flows from operating activities

The main foreign exchange risks on operations are related to invoicing clients. BOURBON invoices a large portion (approximately 69%) of its services in US dollars. The Group has a natural foreign exchange hedge thanks to the payment of expenses in dollars (representing about 19% of revenues). The policy is to maximize this natural hedge.

The residual risk is partially hedged in the short term by using forward US dollar sales and/or currency puts. On the unhedged portion, and over time, offshore oil and gas marine services are directly exposed to foreign currency risks, particularly on the US dollar.

Long-term cash flows

Policy

For vessel acquisitions in foreign currencies, the policy is to partly hedge the foreign exchange risk during the construction period by setting up currency futures call options.

The policy is to finance these acquisitions in the currency in which the corresponding charters will be paid by the customers. However, in order to avoid accounting exchange differences in countries outside the euro zone and the US dollar zone (particularly in Norway), the entities finance their investments in their functional currency.

Current practice

As an exception, at the beginning of 2004 it was decided to temporarily abandon this practice and convert the majority of borrowings that were in dollars at the time to euros. This was done to recognize the unrealized foreign exchange gains booked during previous fiscal years.

Since then, most of the new borrowings (outside Norway) have been contracted in euros or US dollars. Where the euro/dollar exchange rate allows, borrowings in euros to finance assets generating revenue in dollars will be converted to dollars and future acquisitions will again be financed in dollars.

The following tables show the Group's net exposure to changes in foreign exchange rates:

- on income: transaction risk;
- on shareholders' equity: currency translation risk.

a) Transaction risk

As of December 31, 2012, foreign exchange derivatives mainly involved flows in US dollars (USD) and Norwegian kroner (NOK), broken down as follows:

As of 12.31.2012	Outstanding in foreign currencies *(in millions)*	Maturity	Average exchange rate
Futures contracts covering expected future sales			
EUR/USD	153	Between 01.31.2013 and 06.30.2013	1.2489
Futures contracts covering expected future purchases			
USD/EUR	184	Between 01.01.2013 and 01.31.2013	1.4464
USD/NOK	8	Between 01.01.2013 and 01.31.2013	5.6535
Cross-currency swap			
USD/EUR	116	09.29.2017 and 06.30.2021	1.4541
NOK/EUR	259	10.26.2016 and 02.01.2017	8.3202

The table below shows, as of Monday, December 31, 2012, the position of the Group's monetary assets and liabilities (denominated in different a currency from the entity's functional currency) before and after management:

(in € millions)	USD	NOK	EUR	Other
Monetary assets	952.5	39.9	26.3	23.2
Monetary liabilities	(707.1)	(55.2)	(40.7)	(34.6)
Net position before management	**245.4**	**(15.3)**	**(14.4)**	**(11.4)**
Hedges	(87.9)	(35.2)	-	-
Net position after management	**157.5**	**(50.6)**	**(14.4)**	**(11.4)**

As of December 31, 2012, a 1% change in the euro exchange rate against all the currencies would represent a total impact at Group level of €2 million, after hedges are taken into account.

It should be noted that currency futures hedges related to future transactions are not shown in this table since the hedged item does not yet appear on the balance sheet.

b) Currency translation risk

The table below shows a breakdown by currency of consolidated shareholders' equity for the years 2012 and 2011:

(in € millions)	12.31.2012	12.31.2011
Euro (EUR)	1,386.7	1,387.1
Brazilian Real (BRL)	(88.9)	(55.1)
Mexican Peso (MXN)	17.9	9.7
Norwegian Kroner (NOK)	76.7	67.6
US Dollar (USD)	54.5	46.0
Vietnamese Dong (VND)	(1.7)	(2.1)
Swiss Franc (CHF)	2.6	2.4
Nigerian Naira (NGN)	(33.7)	(36.8)
Other	(2.5)	(1.9)
TOTAL	**1,411.8**	**1,417.1**

As of December 31, 2012, a 1% change in the exchange rates would represent an impact on consolidated shareholders' equity of €3.1 million (€3.0 million as of December 31, 2011).

Equity risks

As of Monday, December 31, 2012, the Group had no cash investments.

As indicated in note 3.12 Treasury Shares, BOURBON held 2,713,839 treasury shares as of December 31, 2012. Treasury shares are presented as a deduction from consolidated shareholders' equity.

A 10% change either up or down in the BOURBON share price would result in a change in the market value of the treasury shares of €5.7 million.

Supply price risk

The Group's exposure to price risk is minimal.

The change in the price of raw materials does not constitute a risk of significant increase in operating costs. Clients generally take direct charge of the cost of fuel.

3.19 FINANCIAL INSTRUMENTS

3.19.1 Financial assets

As of 12.31.2012 and 12.31.2011, financial assets were as follows:

(in € millions)	12.31.2012					
	Available-for-sale assets	Financial assets at fair value through profit and loss	Loans and receivables	Derivative instruments at fair value	Cash and cash equivalents	Balance sheet total
Non-current financial assets	0.1	0.1	30.6	-	-	30.8
Trade and other receivables	-	-	384.9	-	-	384.9
Current financial assets	-	-	1.5	18.9	-	20.4
Other current assets	-	-	31.6	-	-	31.6
Cash and cash equivalents	-	-	-	-	195.2	195.2
TOTAL	**0.1**	**0.1**	**448.5**	**18.9**	**195.2**	**662.9**

(in € millions)	12.31.2011					
	Available-for-sale assets	Financial assets at fair value through profit and loss	Loans and receivables	Derivative instruments at fair value	Cash and cash equivalents	Balance sheet total
Non-current financial assets	0.1	0.1	22.2	-	-	22.4
Trade and other receivables	-	-	388.1	-	-	388.1
Current financial assets	-	-	1.0	28.8	-	29.7
Other current assets	-	-	33.4	-	-	33.4
Cash and cash equivalents	-	-	-	-	229.6	229.6
TOTAL	**0.1**	**0.1**	**444.6**	**28.8**	**229.6**	**703.1**

a) Available-for-sale assets

Available-for-sale assets held by the Group totaled €0.1 million as of December 31, 2012. Profits and losses recorded as equity and as income/loss on available-for-sale assets were as follows:

(in € millions)	12.31.2012					
		Subsequent valuation				
	Dividends	Change in fair value	Currency translation adjustment	Valuation allowance	Income from sale	Redemption
Shareholders' equity	-	-	-	-	-	-
Income/loss	0.1	-	-	0.1	0.1	-
TOTAL	**0.1**	**-**	**-**	**0.1**	**0.1**	**-**

(in € millions)	12.31.2011					
		Subsequent valuation				
	Dividends	Change in fair value	Currency translation adjustment	Valuation allowance	Income from sale	Redemption
Shareholders' equity	-	-	(0.0)	-	-	-
Income/loss	0.5	-	-	-	0.9	-
TOTAL	**0.5**	**-**	**(0.0)**	**-**	**0.9**	**-**

b) Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss held by the Group totaled €0.1 million as of December 31, 2012. Profits and losses posted from financial assets at fair value through profit and loss are shown below:

(in € millions)	12.31.2012					
		Subsequent valuation				
	Dividends	Change in fair value	Currency translation adjustment	Valuation allowance	Income from sale	Redemption
Shareholders' equity	-	-	-	-	-	-
Income/loss	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**

(in € millions)	12.31.2011					
	Dividends	Subsequent valuation			Income from sale	Redemption
		Change in fair value	Currency translation adjustment	Valuation allowance		
Shareholders' equity	-	-	-	-	-	-
Income/loss	-	1.2	-	-	-	-
TOTAL	**-**	**1.2**	**-**	**-**	**-**	**-**

c) Loans and receivables at amortized cost

Loans and receivables at amortized costs can be analyzed as follows:

(in € millions)	12.31.2012			12.31.2011		
	Gross	Valuation allowance	Net	Gross	Valuation allowance	Net
Loans and receivables at amortized cost	63.6		63.6	56.6		56.6
Trade and other receivables	391.1	(6.2)	384.9	394.4	(6.4)	388.1
TOTAL	**454.7**	**(6.2)**	**448.5**	**451.0**	**(6.4)**	**444.6**

Profits and losses recorded as equity and as income/loss on loans and receivables at amortized cost were as follows:

(in € millions)	12.31.2012			
	Interest	Subsequent valuation		Income from sale
		Currency translation adjustment	Valuation allowance	
Shareholders' equity	-	(0.4)	-	-
Income/loss	0.4	-	-	-
TOTAL	**0.4**	**(0.4)**	**-**	**-**

(in € millions)	12.31.2011			
	Interest	Subsequent valuation		Income from sale
		Currency translation adjustment	Valuation allowance	
Shareholders' equity	-	(0.0)	-	-
Income/loss	0.5	-	-	-
TOTAL	**0.5**	**(0.0)**	**-**	**-**

d) Cash and cash equivalents

Cash and cash equivalents totaled €195.2 million as of December 31, 2012 versus €229.6 million as of December 31, 2011. This item does not include liquid assets subject to restrictions.

The policy for managing financial risks is presented in note 3.18. The cash and cash equivalents item is presented in note 3.9.

3.19.2 Derivative financial instruments

The fair value of the derivative financial instruments as of 12.31.2012 and 12.31.2011 can be analyzed as follows:

Financial assets

(in € millions)	12.31.2012			12.31.2011
	Current	Non-current	Total	Total
Derivative instruments to hedge debt	-	-	-	-
Derivative instruments to hedge revenues in foreign currencies and other	18.9	-	18.9	28.8
TOTAL	**18.9**	**-**	**18.9**	**28.8**

Financial liabilities

(in € millions)	12.31.2012			12.31.2011
	Current	Non-current	Total	Total
Derivative instruments to hedge debt	0.3	66.3	66.6	64.1
Derivative instruments to hedge foreign exchange rate and other	0.1	22.3	22.4	17.5
TOTAL	**0.4**	**88.6**	**89.0**	**81.6**

Hedging the interest rate risk

As of December 31, 2012 and as of December 31, 2011, the Group held various swap contracts intended to cover changes in the rates on its variable rate borrowings. The swap contracts are used to hedge the rate risk for firm commitments.

The terms of the rate swaps have been negotiated to coincide with the terms of the firm commitments.

Hedges on future cash flows related to loans were deemed highly effective as of Monday, December 31, 2012. The change in the fair value of these hedging instruments represents an unrealized loss of -€12.7 million, which was booked under shareholders' equity.

Hedging the foreign exchange risk

As of December 31, 2012 and as of December 31, 2011, the Group held various forward contracts intended to cover future sales or future purchases for which the Group has firm commitments.

The terms of the forward currency contracts have been negotiated to coincide with the terms of the firm commitments.

The hedges on future cash flows related to purchases or sales were considered to be highly effective. Therefore, the changes in fair value of the effective portion of the hedging instrument are recognized as shareholders' equity. For the year 2012, an unrealized loss of -€11.7 million was booked under shareholders' equity.

Since 2007, the Group has contracted forward exchange rate hedges to cover certain intragroup transactions. Pursuant to IAS 39 § 80, these hedges have been classified as "trading" hedges, and the fair value booked directly as income/loss. The impact on the 2012 results was a loss of -€0.6 million.

The change in fair value of the derivative instruments booked directly under consolidated reserves (Group and non-controlling interests) represents for the year 2012 a net unrealized tax-deferred loss of -€21.0 million, broken down as follows:

(in € millions)	2012	2011
Change in fair value of hedge derivatives	(24.4)	(13.2)
o/w:		
forward contracts on hulls/revenues	*(11.6)*	*10.4*
interest rate swaps	*(12.7)*	*(23.6)*
other	*(0.1)*	*0.0*
Effect of deferred taxation	3.4	8.1
NET IMPACT	**(21.0)**	**(5.1)**

The derivative instruments are put in place in accordance with the Group's risk management policy and are analyzed in note 3.19.

3.19.3 Financial liabilities

As of December 31, 2012 and December 31, 2011, financial liabilities were as follows:

	12.31.2012			12.31.2011
(in € millions)	Current	Non-current	Total	Total
Financial liabilities	510.7	1,745.0	2,255.7	2,184.9
Derivative financial instruments	0.4	88.6	89.0	81.6
Trade and other payables	285.4	-	285.4	305.9
Other liabilities	12.9	0.2	13.1	11.3
TOTAL	**809.4**	**1,833.8**	**2,643.2**	**2,583.7**

a) Financial liabilities

The financial debt is analyzed in note 3.14. It breaks down as follows as of 12.31.2012 and 12.31.2011:

	12.31.2012			12.31.2011
(in € millions)	Current	Non-current	Total	Total
Bonds	-	-	-	-
Commercial paper	-	-	-	-
Draws on credit facilities	-	-	-	-
Borrowings on finance leases	3.5	17.9	21.4	91.9
Other bank loans	340.8	1,727.1	2,067.9	1,810.9
Accrued interest	8.7	-	8.7	8.4
Total borrowings	**353.1**	**1,745.0**	**2,098.0**	**1,911.3**
Bank overdrafts and short-term lines	157.6	-	157.6	273.3
Accrued interest	0.1	-	0.1	0.4
TOTAL FINANCIAL DEBT	**510.7**	**1,745.0**	**2,255.7**	**2,184.9**

b) Derivative financial instruments

Derivative financial instruments recognized as liabilities on the balance sheet are presented in note 3.19.2.

c) Trade and other payables

(in € millions)	12.31.2012	12.31.2011
Trade payables	101.8	98.0
Debt on non-current assets	51.1	73.8
Social security liabilities	47.9	42.4
Tax liabilities	52.5	58.9
Other liabilities	32.1	32.8
Deferred income	5.2	7.2
TOTAL	**290.5**	**313.1**

The balance sheet value of all these debts represents a good approximation of their fair value.

3.19.4 Fair value of the financial assets and liabilities

The method for valuing financial assets and liabilities is detailed in notes 1.5.8 to 1.5.19.

3.19.5 Management of the risks related to financial instruments

The Group's risk management policy is presented in note 3.18.

a) Credit risk

The policy for managing financial risks is presented in note 3.18.

Receivables outstanding and non-impaired were as follows as of 12.31.2012 and 12.31.2011:

	12.31.2012							
	Assets outstanding at year-end					Assets impaired	Assets not impaired or outstanding	Total
(in € millions)	< 30 days	31-60 days	61-90 days	> 91 days	Total			
Loans and receivables at amortized cost					-	-	63.6	63.6
Trade and other receivables	36.8	15.1	5.7	21.1	78.7	6.2	306.2	391.1
TOTAL	**36.8**	**15.1**	**5.7**	**21.1**	**78.7**	**6.2**	**369.8**	**454.7**

	12.31.2011							
	Assets outstanding at year-end					Assets impaired	Assets not impaired or outstanding	Total
(in € millions)	< 30 days	31-60 days	61-90 days	> 91 days	Total			
Loans and receivables at amortized cost					-	-	56.6	56.6
Trade and other receivables	34.8	15.8	10.7	30.5	91.9	6.4	296.2	394.4
TOTAL	**34.8**	**15.8**	**10.7**	**30.5**	**91.9**	**6.4**	**352.8**	**451.0**

b) Liquidity risk

The contractual undiscounted flows on net financial debt by maturity date were as follows:

As of December 31, 2012

(in € millions)	2013	2014	2015	2016	2017	> five years	Total	Balance sheet total
Bonds	-	-	-	-	-	-	-	-
Commercial paper	-	-	-	-	-	-	-	-
Draws on credit facilities	-	-		-	-	-	-	-
Borrowings on finance leases	3.5	3.7	3.9	4.1	3.9	2.5	21.4	21.4
Other bank loans	340.8	432.7	375.8	226.2	286.6	405.7	2,067.9	2,067.9
Accrued interests	8.7						8.7	8.7
Borrowings	**353.1**	**436.3**	**379.7**	**230.3**	**290.5**	**408.2**	**2,098.0**	**2,098.0**
Bank overdrafts and cash current accounts	157.6	-	-	-	-	-	157.6	157.6
Accrued interests	0.1	-	-	-	-	-	0.1	0.1
Cash and cash equivalents	(195.2)	-	-	-	-	-	(195.2)	(195.2)
Net cash	**(37.5)**	**-**	**-**	**-**	**-**	**-**	**(37.5)**	**(37.5)**
TOTAL NET FINANCIAL DEBT	**315.5**	**436.3**	**379.7**	**230.3**	**290.5**	**408.2**	**2,060.5**	**2,060.5**

As of December 31, 2011

(in € millions)	2012	2013	2014	2015	2016	> five years	Total	Balance sheet total
Bonds	-	-	-	-	-	-	-	-
Commercial paper	-	-	-	-	-	-	-	-
Draws on credit facilities	-	-		-	-	-	-	-
Borrowings on finance leases	70.5	3.5	3.7	3.9	4.1	6.3	91.9	91.9
Other bank loans	267.3	252.0	308.7	254.5	213.2	515.2	1,810.9	1,810.9
Accrued interests	8.4						8.4	8.4
Borrowings	**346.3**	**255.5**	**312.3**	**258.3**	**217.2**	**521.5**	**1,911.3**	**1,911.3**
Bank overdrafts and cash current accounts	273.3	-	-	-	-	-	273.3	273.3
Accrued interests	0.4	-	-	-	-	-	0.4	0.4
Cash and cash equivalents	(229.6)	-	-	-	-	-	(229.6)	(229.6)
Net cash	**44.0**	**-**	**-**	**-**	**-**	**-**	**44.0**	**44.0**
TOTAL NET FINANCIAL DEBT	**390.3**	**255.5**	**312.3**	**258.3**	**217.2**	**521.5**	**1,955.3**	**1,955.3**

c) Market risk

The Group's exposure to market risk is analyzed in note 3.18.

4/ Operating segments

The operating segments as presented under sector information are as follows: "Marine Services" and "Subsea Services". In turn, the "Marine Services" segment is broken down into "Deep", "Shallow" and "Crew".

It should be noted that the assumptions for valuing the results of the different segments are no different from the assumptions used to prepare the financial statements.

Income and expenses that cannot be charged to the operating segments are classified as "Other".

The capital employed as presented in the segment information includes the following items:

- goodwill;
- the consolidated net book value of the vessels;
- installments on vessels under construction;
- other intangible assets and property, plant and equipment;
- non-current financial instruments (asset and liability components);
- long-term financial assets (mainly loans);
- working capital, which includes current assets (with the exception of cash and cash equivalents) as well as current liabilities (with the exception of borrowings and bank loans and provisions).

Commercial transactions between Divisions are established on a market basis, with terms and conditions identical to those in effect for supplying goods and services to customers outside the Group.

4.1 OPERATING SEGMENTS

The segment information for 2012 is as follows:

(in € millions)	Total Marine Services	of which Deep	Shallow	Crew	Total Subsea Services	Other	Total
Revenues (non-Group sales)	972.2	360.8	336.7	274.8	190.0	24.7	1,186.9
Direct costs	(545.7)	(169.4)	(210.7)	(165.7)	(97.8)	(17.5)	(661.0)
General and administrative costs	(99.1)	(36.8)	(34.3)	(28.0)	(19.4)	(1.3)	(119.8)
EBITDA	**327.4**	**154.6**	**91.7**	**81.1**	**72.9**	**5.9**	**406.2**
Goodwill	14.3	8.2	6.1	-	19.2	-	33.5
Vessels	2,166.3	nd	nd	nd	442.6	24.7	2,633.6
Installments on vessels under construction	358.9	nd	nd	nd	281.8	-	640.7
Other non-current assets and liabilities	(22.7)	nd	nd	nd	6.0	13.4	(3.3)
Working capital	155.3	nd	nd	nd	30.4	4.7	190.3
Capital employed	**2,672.2**	**nd**	**nd**	**nd**	**779.8**	**42.9**	**3,494.8**
Capital employed excluding installments on vessels under construction	**2,313.3**	**nd**	**nd**	**nd**	**498.0**	**42.9**	**2,854.1**
Capital employed related to non-current assets held for sale and liabilities associated with non-current assets held for sale	-	nd	nd	nd	-	-	-

The segment information for 2011 was as follows:

(in € millions)	Total Marine Services	of which			Total Subsea Services	Other	Total
		Deep	Shallow	Crew			
Revenues (non-Group sales)	792.9	318.4	241.5	233.0	172.8	42.3	1,008.0
Direct costs	(488.3)	(174.4)	(155.8)	(158.1)	(87.2)	(29.6)	(605.1)
General and administrative costs	(83.2)	(33.4)	(25.3)	(24.4)	(18.1)	(1.3)	(102.6)
EBITDA	**221.4**	**110.6**	**60.3**	**50.5**	**67.5**	**11.3**	**300.2**
Goodwill	14.3	8.2	6.1	-	19.2	0.5	34.0
Vessels	2,056.2	nd	nd	nd	410.6	26.2	2,493.0
Installments on vessels under construction	432.6	nd	nd	nd	278.0	-	710.6
Other non-current assets and liabilities	(34.4)	nd	nd	nd	8.9	13.0	(12.5)
Working capital	135.5	nd	nd	nd	29.5	6.5	171.6
Capital employed	**2,604.2**	**nd**	**nd**	**nd**	**746.2**	**46.2**	**3,396.6**
Capital employed excluding installments on vessels under construction	**2,171.7**	**nd**	**nd**	**nd**	**468.2**	**46.2**	**2,686.0**
Capital employed related to non-current assets held for sale and liabilities associated with non-current assets held for sale	-	nd	nd	nd	-	-	-

The breakdown of revenues of BOURBON by geographical region for 2012 and 2011 was as follows:

(in € millions)	2012	2011
Africa	729.2	611.1
Europe & Med./Middle East	201.1	188.5
American Continent	146.3	125.6
Asia	110.3	82.9

5/ Other information

5.1 CONTRACTUAL OBLIGATIONS AND OTHER OFF-BALANCE SHEET COMMITMENTS

5.1.1 Off-balance sheet commitments related to the Group scope of consolidation

(in € millions)	12.31.2012	12.31.2011
Commitments given	-	-
TOTAL COMMITMENTS GIVEN	**-**	**-**
Commitments received	-	-
TOTAL COMMITMENTS RECEIVED	**-**	**-**

5.1.2 Off-balance sheet commitments related to financing

a) Lines of credit

Unused lines of credit are listed below by period:

(in € millions)	12.31.2012	12.31.2011
Bilateral loan – USD 255 million	177.1	-
Bilateral loan – NOK 870 million	3.5	10.3
Bilateral loan – USD 5.8 million	1.2	-
Bilateral loan – €20 million	-	5.0
TOTAL COMMITMENTS RECEIVED (BORROWINGS)	**181.8**	**15.3**

(in € millions)	12.31.2012	12.31.2011
Short-term lines of credit	65.2	43.6
TOTAL COMMITMENTS RECEIVED (SHORT-TERM LINES)	**65.2**	**43.6**

In parallel, bilateral borrowings (in dollars, euros and Norwegian kroner) are regularly signed. In 2012, an amount equivalent to €549 million of new loans was signed and drawn.

In addition, €11 million were drawn in 2012 on loans signed in previous years.

As of December 31, 2012, the amount remaining to be drawn on existing loans totaled €181.8 million.

b) Guarantees

(in € millions)	12.31.2012	12.31.2011
Commitments given		
Mortgages and pledges on loans	2,466.8	1,826.1
Guarantees given by the parent company to companies in the Group (excluding one mortgage)	47.6	87.4
TOTAL COMMITMENTS GIVEN	**2,514.4**	**1,913.6**
Commitments received	-	-
TOTAL COMMITMENTS RECEIVED	**-**	**-**

In connection with certain bilateral and "club deal" financings, the companies that own BOURBON's vessels took out mortgages on some of their vessels with the lending institutions concerned to guarantee the repayment of said loans.

As of December 31, 2012, although the total amount of the mortgages recorded with the agencies concerned is approximately €2,466.8 million, the total amount that can be called is limited to the capital still actually owed by the Group (limited to €2,013.3 million under the loans guaranteed by these mortgages). The mortgage is released when the loan guaranteeing it is repaid in full.

In addition, the Group's holding companies granted to their respective subsidiaries redemption guarantees totaling €47.6 million, for which no mortgage was granted.

5.1.3 Off-balance sheet commitments related to the Group's operating activities

a) Operating activities

(in € millions)	12.31.2012	12.31.2011
Commitments given		
Commitments given related to the performance of client contracts	9.7	28.7
Commitments given related to obligations towards the government	28.4	14.6
Commitments given related to the performance of supplier contracts	176.3	60.5
Other guarantees given	1.0	-
TOTAL COMMITMENTS GIVEN	**215.3**	**103.8**
Commitments received		
Installment return guarantees	434.5	509.4
Purchase requirement on property, plant and equipment	-	-
Other guarantees received	0.3	0.3
TOTAL COMMITMENTS RECEIVED	**434.8**	**509.6**

i. Commitments given

In the competitive bidding process in which the Group participates, some clients ask the bidders to submit a bid guarantee with their bid to protect them if the call for bids is withdrawn. The validity period of this kind of guarantee usually varies between six and twelve months.

If the contract is signed, the client may ask the bidder selected to protect it by setting up a performance guarantee valid for the duration of the contract, for a fixed or unspecified amount.

As of December 31, 2012, all such guarantees given by the Group totaled €9.7 million.

The Group issues commitments to the customs authorities of some countries in order to guarantee payment of the fees applicable to the vessels operating in those countries. As of December 31, 2012, all such guarantees given by the Group totaled €28.4 million.

In 2006, when five 120-ton anchor handling tug supply vessels (AHTS) were ordered from the Bharati shipbuilding company in India, the Group issued a guarantee covering payment of the installments owed to that company by one of its subsidiaries. As of December 31, 2012, the total amount of installments remaining to be paid was €5.1 million.

In 2012, when four fast supply intervention vessels (FSIV) were ordered from the SEAS shipbuilding company in Vietnam, the Group issued a guarantee covering payment of the installments owed to that company by one of its subsidiaries. As of December 31, 2012, the total amount of installments remaining to be paid was €14.4 million.

As part of the initial USD 270.3 million tranche of the USD 400 million framework agreement loan that China Exim Bank granted to Crown Ship Ltd, a subsidiary of Sinopacific, to finance construction of vessels ordered by BOURBON, the Group agreed to provide China Exim Bank with a repayment guarantee for said loan contract; this allows Crown Ship Ltd to grant BOURBON particularly favorable payment terms. This guarantee, whose implementation was related to the receipt of various pledges granted by companies in the Sinopacific group in favor of BOURBON, came into force on November 16, 2011. As of December 31, 2012, the amount actually drawn by the companies in the Sinopacific group, and covered by this guarantee, was approximately €156.9 million.

ii. Commitments received

In connection with orders placed with different shipyards, the Group receives installment return guarantees which guarantee it the reimbursement of all installments made during the construction period in the event the project is interrupted.

These guarantees are issued either by the banks or by holding companies and totaled €434.5 million as of December 31, 2012.

b) Contractual obligations

Contractual obligations are as follows:

(in € millions)	Total	Payments due by period		
		< One year	One to five years	> Five years
Finance leases	21.4	3.5	15.5	2.5
Operating leases	14.0	8.9	4.4	0.7
Balance payable on orders for vessels under construction	650.5	307.6	342.9	-
TOTAL	**685.9**	**320.0**	**362.8**	**3.2**

In connection with its financing, the Group conducted finance lease operations under which the parent company of the entity entering into the finance lease agreement guarantees repayment of the rents. The debt related to those operations amounted to €21.4 million as of December 31, 2012.

For the various orders placed with shipyards, the total amount of the installments remaining due while the vessels are being built amounted to €650.5 million as of December 31, 2012.

5.2 NET EARNINGS PER SHARE

5.2.1 Net earnings per share

The determination of the weighted average number of shares of common stock outstanding during each period is presented below:

	12.31.2012	12.31.2011
Weighted average number of shares over the period	67,781,535	67,727,905
Weighted average number of treasury shares held over the period	(2,714,457)	(2,712,624)
Weighted average number of shares outstanding during the period	**65,067,078**	**65,015,281**

The weighted average number of shares outstanding in 2012 and 2011 takes into account the weighted average number of stock options exercised during each period, as the case may be.

For each period presented, the basic net earnings per share were determined as follows:

	12.31.2012	12.31.2011
Weighted average number of shares used in the calculation of basic net earnings per share	65,067,078	65,015,281
Net income *(in € millions)*		
Consolidated, Group share	41.9	6.8
Consolidated, Group share – excluding income from discontinued operations/operations held for sale	41.1	6.4
Net income from discontinued operations/operations held for sale – Group share	0.8	0.5
Basic net earnings per share *(in €)*		
Consolidated, Group share	0.64	0.11
Consolidated, Group share – excluding income from discontinued operations/operations held for sale	0.63	0.10
Net income from discontinued operations/operations held for sale – Group share	0.01	0.01

5.2.2 Diluted net earnings per share

Pursuant to IAS 33, the number of shares used to calculate diluted earnings per share takes into account the diluting effect of the exercise of stock options (stock subscription and stock purchase options), determined on the basis of the "share buyback" method. It also includes the shares whose issue is conditional. The weighted average number of shares used to calculate net earnings per share is, therefore, increased by dilutive potential ordinary shares. Diluted earnings per share are established as follows:

Number of potential shares:

	12.31.2012	12.31.2011
Weighted average number of shares outstanding during the period	65,067,078	65,015,281
Weighted average number of shares, the issue of which is conditional during the period	-	42,081
Weighted average number of dilutive stock options during the period	6,180	69,613
Weighted average number of potential shares	**65,073,258**	**65,126,975**

Pursuant to IAS 33, the determination of diluted net earnings per share for 2012 and 2011 does not take into account the stock option plans authorized by the Board of Directors on December 10, 2007 and August 24, 2009 because these plans have an anti-dilutive effect. For 2012, the determination of diluted net earnings per share does not take into account the stock option plans authorized by the Board of Directors on December 5, 2011 and November 30, 2012.

Diluted net earnings per share:

	12.31.2012	12.31.2011
Weighted average number of shares used in the calculation of diluted net earnings per share	65,073,258	65,126,975
Net income *(in € millions)*		
Consolidated, Group share	41.9	6.8
Consolidated, Group share – excluding income from discontinued operations/operations held for sale	41.1	6.4
Net income from discontinued operations/operations held for sale – Group share	0.8	0.5
Diluted net earnings per share *(in €)*		
Consolidated, Group share	0.64	0.10
Consolidated, Group share – excluding income from discontinued operations/operations held for sale	0.63	0.10
Net income from discontinued operations/operations held for sale – Group share	0.01	0.01

5.3 WORKFORCE AND PAYROLL

The Group's workforce was as follows:

(Workforce)	2012	2011
Onshore personnel	1,275	1,249
Seamen	4,085	3,703
- *Officers*	*2,096*	*1,755*
- *Crews and other*	*1,989*	*1,948*
TOTAL	**5,360**	**4,952**

(in € millions)	12.31.2012	12.31.2011
Personnel expenses	261.7	231.7

5.4 EVENTS AFTER THE BALANCE SHEET DATE

BOURBON rolled out a transformation plan for its future growth. As part of this “Transforming for beyond” project, BOURBON decided to sell USD 2.5 billion dollars’ worth of its fleet assets, with bareboat charter of vessels under ten-year contracts.

5.5 RELATED PARTY TRANSACTIONS

Relations with the SINOPACIFIC Group

The Chairman of the Board of Directors of BOURBON is a partner in the naval construction company Sinopacific, through JACCAR Holdings, a 92% owned subsidiary of Cana Tera SAS. Mr. Jacques d’Armand de Chateauvieux is also a Director of Sinopacific. Ms. Lan Vo, a Director of BOURBON, is also a Director of Sinopacific.

Through its subsidiaries, BOURBON acquired 12 vessels from Sinopacific Group companies in 2012, for a total of €289.6 million. As of December 31, 2012, there were current orders for 58 vessels. Orders amounted to USD 1,385.5 million with prepayments generated of USD 516.1 million, covered up to USD 511.8 million by installment return guarantees granted by Sinopacific, as well as by bank guarantees.

Relations with PIRIOU and its subsidiaries

The Chairman of the Board of Directors of BOURBON is a partner in the naval construction company Piriou and its subsidiaries, West Atlantic Shipyard, SEAS, Piriou Ingenierie and Etablissements BOPP Treuils Jeb, through JACCAR Holdings, a 92% owned subsidiary of Cana Tera SAS. Mr. Jacques d’Armand de Chateauvieux is also a member of the Supervisory Board of the Piriou company. Mr. Christian Munier, a Director of BOURBON, is Chairman of the Supervisory Board of the Piriou company.

Through its subsidiaries, BOURBON acquired 11 vessels from Piriou, West Atlantic Shipyard, SEAS and Piriou Ingenierie in 2012, for a total of €27.6 million. As of December 31, 2012, there were current orders for 35 vessels. Orders amounted to €26.6 million with prepayments generated of €10.2 million. This includes three FSIV vessels on which BOURBON benefits from the guarantee from the Piriou company with respect to the repayment of the first or the first two advances paid, depending on the vessel, for an amount of €4.8 million as of December 31, 2011.

Through its subsidiaries, BOURBON ordered six sets of deck equipment and davits from Etablissements BOPP Treuils Jeb, with an option to purchase additional units, for an estimated €2.4 million. As of December 31, 2012, the six sets of equipment had actually been ordered for a total of €2.4 million, resulting in the payment of advances totaling €1.7 million.

Relations with JACCAR HOLDINGS

The Chairman of the Board of Directors of BOURBON is also Chairman of JACCAR Holdings. JACCAR Holdings invoices BOURBON SA for services.

For 2012, the amount (excluding taxes) of services billed stood at €0.36 million.

Relations with Marine SAS

Mr. Christian Lefèvre, Chief Executive Officer of BOURBON, is also Chairman of Marine SAS. Marine SAS invoices Bourbon Management, a BOURBON subsidiary, for services.

For 2012, the amount (excluding taxes) of services billed stood at €0.15 million.

5.6 EXECUTIVE COMPENSATION

The compensation of corporate officers is approved by the Board of Directors on the recommendation of the Nominating, Compensation and Governance Committee.

Mr. Jacques d’Armand de Chateauvieux, Chairman of the Board of Directors as of December 31, 2012, does not receive any direct compensation from BOURBON aside from Directors’ fees. Mr. Jacques d’Armand de Chateauvieux is an employee of the JACCAR Holdings company, the managing holding company with a substantial stake in BOURBON and which, as such, receives management services. Compensation of the Chief Executive Officer and of the Executive Vice Presidents for 2012 was set on the recommendation of the Nominating, Compensation and Governance Committee at its June 1, 2012 meeting and includes a fixed part and a variable part. The variable part is payable the year following approval of the financial statements by the General Meeting. It is based on the set compensation and is capped at 70% of the annual base compensation. 20% of it is pegged to safety performance criteria, 60% to financial and performance criteria (criteria set at the meeting of March 5, 2012 and relating to the reference year) and 20% to personal qualitative objectives. The compensation paid for terms of office served in the Group (excluding BOURBON SA) is deducted from the variable part.

At its March 4, 2013 meeting, the Board evaluated the performance of the Chief Executive Officer and the two Executive Vice Presidents and, after having heard the recommendation of the Nominating, Compensation and Governance Committee, decided on the variable compensation to be granted for 2012.

5.6.1 Table summarizing the compensation, stock options and shares awarded to each Executive Director (in €)

Jacques d'Armand de Chateauvieux, Chairman of the Board of Directors	Year 2012	Year 2011
Compensation due for the year	216,000	210,000
Value of the options granted during the year	-	-
Value of the performance stock granted during the year	-	-
TOTAL	**216,000**	**210,000**

Christian Lefèvre, Chief Executive Officer	Year 2012	Year 2011
Compensation due for the year	433,061	317,720
Value of the options granted during the year	-	371,800 (1)
Value of the performance stock granted during the year	-	-
TOTAL	**433,061**	**689,520**

Gaël Bodénès, Executive Vice President	Year 2012	Year 2011
Compensation due for the year	386,793	288,568
Value of the options granted during the year	-	200,200 (1)
Value of the performance stock granted during the year	-	-
TOTAL	**386,793**	**488,768**

Laurent Renard, Executive Vice President	Year 2012	Year 2011
Compensation due for the year	482,162	418,854
Value of the options granted during the year	-	286,000 (1)
Value of the performance stock granted during the year	-	-
TOTAL	**482,162**	**704,854**

(1) *The value of the options awarded was calculated on the day of the award using the Black & Scholes method based on the assumptions used for drawing up the consolidated financial statements before deferment of expenses. In the December 5, 2011 grant, the subscription price was set at €20. On that date, the fair value of one option was €5.72.*

5.6.2 Table summarizing the compensation of each Executive Director (in €)

Jacques d'Armand de Chateauvieux, Chairman of the Board of Directors	Year 2012		Year 2011	
	due for the year	paid during the year	due for the year	paid during the year
Fixed compensation (1)	197,000	197,000	195,000	195,000
Variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Directors' fees	19,000	15,000	15,000	13,000
In-kind benefits	-	-	-	-
TOTAL	**216,000**	**212,000**	**210,000**	**208,000**

Mr. Jacques d'Armand de Chateauvieux does not receive any direct compensation from BOURBON apart from Directors' fees. Jaccar Holdings, of which Mr. Jacques d'Armand de Chateauvieux is Chairman, bills BOURBON annually for management services. Since January 1, 2011, these services have been composed exclusively of a fixed portion of €360,000.

(1) The fixed compensation amounts indicated in the table are the amounts paid by Jaccar Holdings, BOURBON's managing holding company, to Mr. Jacques d'Armand de Chateauvieux in his capacity as an employee of this company.

Christian Lefèvre, Chief Executive Officer	Year 2012		Year 2011	
	due for the year	paid during the year	due for the year	paid during the year
Fixed compensation	240,000	240,000	200,005	200,005
Variable compensation (1)	176,208 (2)	45,306 (2)	45,306 (2)	43,985 (2)
Exceptional compensation	-	-	-	-
Directors' fees for terms of office served in the Group	12,792	12,792	68,694	68,694
In-kind benefits (3)	4,061	4,061	3,715	3,715
TOTAL	**433,061**	**302,159**	**317,720**	**316,399**

Mr. Christian Lefèvre is also Chairman of the Marine SAS company. This company bills BOURBON for €150,000 in management fees per year.

(1) Variable compensation is payable the following year, after approval of the financial statements by the General Meeting.

(2) Directors' fees were deducted from the total variable compensation payable. The amount shown is the remainder paid or still outstanding.

(3) Company car.

Gaël Bodénès, Executive Vice President	Year 2012		Year 2011	
	due for the year	paid during the year	due for the year	paid during the year
Fixed compensation	265,000	265,000	220,025	220,025
Variable compensation (1)	114,939 (2)	66,000 (2)	66,000	-
Exceptional compensation	-	-	-	-
Directors' fees for terms of office served in the Group	4,311	4,311	-	-
In-kind benefits (3)	2,543	2,543	2,543	2,543
TOTAL	**386,793**	**337,854**	**288,568**	**222,568**

(1) Variable compensation is payable the following year, after approval of the financial statements by the General Meeting.

(2) Directors' fees were deducted from the total variable compensation payable. The amount shown is the remainder paid or still outstanding.

(3) Company car.

Laurent Renard, Executive Vice President	Year 2012		Year 2011	
	due for the year	paid during the year	due for the year	paid during the year
Fixed compensation	330,000	330,000	319,995	319,995
Variable compensation (1)	135,708 (2)	27,396 (2)	27,396 (2)	26,685 (2)
Exceptional compensation	-	-	-	-
Directors' fees for terms of office served in the Group	12,792	12,792	68,604	68,604
In-kind benefits (3)	3,662	3,662	2,859	2,859
TOTAL	**482,162**	**373,850**	**418,854**	**418,143**

(1) Variable compensation is payable the following year, after approval of the financial statements by the General Meeting.
(2) Directors' fees were deducted from the total variable compensation payable. The amount shown is the remainder paid or still outstanding.
(3) Company car.

No supplementary pension scheme has been granted by BOURBON, nor any benefit in kind other than those mentioned in the tables above, for the Chief Executive Officer and for each of the two Executive Vice Presidents.

5.6.3 Commitments of any kind made by the Company to its corporate officers

Executive Directors coming under the AFEP-MEDEF recommendation	Employment contract		Supplementary pension scheme		Indemnity or benefits payable or potentially payable due to termination or change of function		Indemnities relating to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Jacques d'Armand de Chateauvieux, Chairman of the Board of Directors Start date of term of office: 06/09/2010 End date of term of office: AGM ruling on the financial statements for the year ended 12/31/2012		x (1)		x		x		x
Christian Lefèvre, Chief Executive Officer Start date of term of office: 01/01/2011 End date of term of office: 12/31/2013	x (2)			x		x		x
Gaël Bodénès, Executive Vice President Start date of term of office: 01/01/2011 End date of term of office: 12/31/2013	Not applicable			x		x		x
Laurent Renard, Executive Vice President Start date of term of office: 01/01/2011 End date of term of office: 12/31/2013	Not applicable			x		x(3)		x

The AFEP-MEDEF Code of Corporate Governance, which BOURBON uses as a reference, recommends that companies should put an end to the practice of corporate officers also holding employment contracts, but does not make this a requirement:
(1) The Chairman of the Board of Directors of BOURBON has an employment contract with Jaccar Holdings, the Group's managing holding company. This company bills BOURBON for its management services as managing holding company. On the basis of the information available to it, the BOURBON Board of Directors cannot prejudge the stipulations of the employment contract binding Mr. Jacques d'Armand de Chateauvieux to Jaccar Holdings and, as a result, terminate said contract. BOURBON has not given Mr. Jacques d'Armand de Chateauvieux any undertaking with regard to the non-renewal of his term of office as Chief Executive Officer.
(2) The Board of Directors believes that there are no grounds for terminating the employment contract of Mr. Christian Lefèvre, CEO since January 1, 2011, due to his length of service with the Group. In fact, his term of office is merely an extension of the salaried duties performed by him since he joined the Group in 1982 and, for this reason, the Board of Directors believed that to terminate Mr. Christian Lefèvre's employment contract (within the subsidiary "Bourbon Management") would result in a loss of rights relating to his length of service with the Group. The CEO does not benefit from any special compensation clause in the event of departure. The same commitments made previously to Mr. Christian Lefèvre continue to apply to his new term of office.
(3) Mr. Laurent Renard is not entitled to any termination benefit under his term of office as corporate officer; however, his employment contract, dated before his appointment as Executive Vice President, contains a clause providing for benefits in the event of dismissal following a change of control of BOURBON.

5.6.4 Stock options exercised during the year by each Executive Director

Options exercised by Executive Directors	No. and date of plan	Number of options exercised during the year	Exercise price
Jacques d'Armand de Chateauvieux	-	-	-
Christian Lefèvre	-	-	-
Gaël Bodénès	-	-	-
Laurent Renard	-	-	-

5.7 SCOPE OF CONSOLIDATION

5.7.1 List of fully consolidated companies

	% control of capital held directly or indirectly		% capital interest held directly or indirectly		
	2012	2011	2012	2011	Country
BOURBON	Parent company		Parent company		France (Paris)
Aequo Animo Shipping Navegação Lda	100.00	100.00	100.00	100.00	Portugal (Madeira)
Antheor	100.00	100.00	100.00	100.00	France
Aries Marine Pte Ltd (ex Marine Network Asia Pte Ltd)	51.00	51.00	51.00	51.00	Singapore
Avracs	100.00	100.00	100.00	100.00	France
BON Crewing AS	100.00	100.00	100.00	100.00	Norway
BON Management AS	100.00	100.00	100.00	100.00	Norway
Bourbon AD2	100.00	100.00	100.00	100.00	France
Bourbon AD3	100.00	0.00	100.00	0.00	France
Bourbon AD4	100.00	0.00	100.00	0.00	France
Bourbon Asia Asset Pte Ltd	100.00	90.00	100.00	90.00	Singapore
Bourbon Assistance	100.00	100.00	100.00	100.00	France (Reunion)
Bourbon Baltic Ltd Liability Company	100.00	100.00	100.00	100.00	Russia
Bourbon Ben Luc Shareholding Company	100.00	100.00	99.81	99.81	Vietnam
Bourbon Brazil Participações	100.00	100.00	100.00	100.00	Brazil
Bourbon Capital	100.00	100.00	100.00	100.00	Luxembourg
Bourbon Capital Holdings USA	100.00	100.00	100.00	100.00	United States
Bourbon China Group Ltd	100.00	100.00	100.00	100.00	China
Bourbon East Asia Private Limited	90.00	0.00	90.00	0.00	Singapore
Bourbon Far East Pte Ltd	100.00	100.00	100.00	100.00	Singapore
Bourbon Gaia Supply	100.00	100.00	100.00	100.00	France
Bourbon Interoil Nigeria Ltd	40.00	40.00	40.00	40.00	Nigeria
Bourbon Logistic Nigeria Limited	100.00	100.00	100.00	100.00	Nigeria
Bourbon Logistics Indonesia	100.00	100.00	95.00	95.00	Indonesia
Bourbon Management (ex CFG)	100.00	100.00	100.00	100.00	France
Bourbon Marine Services Austral	100.00	100.00	100.00	100.00	Mauritius
Bourbon Marine Services Greenmar	100.00	0.00	100.00	0.00	Mauritius
Bourbon Maritime	100.00	100.00	100.00	100.00	France
Bourbon Offshore (ex Holding)	100.00	100.00	100.00	100.00	France
Bourbon Offshore Asia Pte Ltd	90.00	90.00	90.00	90.00	Singapore
Bourbon Offshore Associates	100.00	100.00	100.00	100.00	United States

	% control of capital held directly or indirectly		% capital interest held directly or indirectly		
	2012	2011	2012	2011	Country
Bourbon Offshore Craft	100.00	100.00	100.00	100.00	France
Bourbon Offshore DNT (ex DNT Offshore)	100.00	100.00	100.00	100.00	Italy
Bourbon Offshore DNT Asia Pte Ltd	100.00	100.00	100.00	80.00	Singapore
Bourbon Offshore Gaia	100.00	100.00	100.00	100.00	France
Bourbon Offshore Greenmar	100.00	100.00	100.00	100.00	Switzerland
Bourbon Offshore Gulf	60.00	60.00	60.00	60.00	Bahrain (Manama)
Bourbon Offshore India Private Ltd	100.00	100.00	100.00	100.00	India
Bourbon Offshore Interoil Shipping-Navegação Lda	55.00	55.00	55.00	55.00	Portugal (Madeira)
Bourbon Offshore IV AS	89.00	79.00	89.00	79.00	Norway
Bourbon Offshore IV KS	90.10	81.10	89.00	79.00	Norway
Bourbon Offshore Labuan Ltd	90.00	90.00	90.00	90.00	Malaysia
Bourbon Offshore Maritima (ex Delba Maritima Navegação)	100.00	100.00	100.00	100.00	Brazil
Bourbon Offshore Mitra SDN BHD	100.00	100.00	90.00	90.00	Malaysia
Bourbon Offshore MMI	100.00	100.00	100.00	100.00	United Arab Emirates
Bourbon Offshore Norway AS	100.00	100.00	100.00	100.00	Norway
Bourbon Offshore Pacific Pty Ltd	90.00	90.00	90.00	90.00	Australia
Bourbon Offshore Surf	100.00	100.00	100.00	100.00	France
Bourbon Offshore Triangle	70.00	70.00	70.00	70.00	Egypt
Bourbon Offshore Trinidad Ltd	100.00	100.00	100.00	100.00	Trinidad
Bourbon Offshore Ukraine (ex Bourbon Marine Services Ukraine)	80.00	80.00	80.00	80.00	Ukraine
Bourbon PS	100.00	100.00	100.00	100.00	France
Bourbon Salvage investments	100.00	100.00	100.00	100.00	France
Bourbon Services Luxembourg SARL	100.00	100.00	100.00	100.00	Luxembourg
Bourbon Ships AS	100.00	100.00	100.00	100.00	Norway
Bourbon Sourcing and Trading Pte Ltd (ex Bourbon Training Center Asia Pte Ltd)	100.00	100.00	100.00	100.00	Singapore
Bourbon Subsea PS (ex Bourbon AD1)	100.00	100.00	100.00	100.00	France
Bourbon Subsea Services	100.00	100.00	100.00	100.00	France
Bourbon Subsea Services Investments	100.00	100.00	100.00	100.00	France
Bourbon Supply Asia Pte Ltd	90.00	90.00	90.00	90.00	Singapore
Bourbon Supply Investissements	100.00	100.00	100.00	100.00	France
Bourbon Training Center & Simulator Pte Ltd	100.00	100.00	100.00	100.00	Singapore
Buana Jasa Bahari Pte Ltd	100.00	100.00	100.00	100.00	Singapore
Caroline 8 SAS	100.00	100.00	0.00	0.00	France
Caroline 20	100.00	100.00	0.00	0.00	France
Caroline 21	100.00	100.00	0.00	0.00	France
Caroline 22	100.00	100.00	0.00	0.00	France
Caroline 23	100.00	100.00	0.00	0.00	France
Cemtaf (ex Tribor)	100.00	100.00	100.00	100.00	France
Centre de Formation Offshore Pétrolier Bourbon-Hydro Marseille	100.00	100.00	100.00	100.00	France
Delba Operadora de Apoio Maritimo	100.00	100.00	100.00	100.00	Brazil
Elbuque-Shipping LDA	100.00	100.00	51.00	51.00	Portugal (Madeira)
Endeavor	100.00	100.00	100.00	100.00	France
Financière Bourbon	100.00	100.00	100.00	100.00	France

	% control of capital held directly or indirectly		% capital interest held directly or indirectly		
	2012	2011	2012	2011	Country
Fipargest	0.00	100.00	0.00	100.00	France (Reunion)
Flash Light – Exploraçao de Barcos LDA	0.00	100.00	0.00	51.00	Portugal (Madeira)
Gestion SB GIE	92.86	92.86	92.86	92.86	France (Reunion)
GIE Abeille Bourbon	100.00	100.00	100.00	100.00	France
GIE Abeille Liberté	0.00	100.00	0.00	100.00	France
GIE AHTS 279 (Bourbon Aladin)	0.00	100.00	0.00	100.00	France
GIE AHTS 280 (Bourbon Apsara)	0.00	100.00	0.00	100.00	France
GIE AHTS 281 (Bourbon Alexandre)	0.00	100.00	0.00	100.00	France
GIE AHTS 610 Bourbon Sagitta	100.00	100.00	100.00	100.00	France
GIE AHTS Argonaute 2004	0.00	100.00	0.00	100.00	France
GIE FSIV 254 Bourbon Express	0.00	100.00	0.00	100.00	France
GIE FSIV 255 Bourbon Oceane	0.00	100.00	0.00	100.00	France
GIE PSV 114 (Bourbon Helios)	0.00	100.00	0.00	100.00	France
GIE PSV 115 (Bourbon Hermes)	0.00	100.00	0.00	100.00	France
GIE PSV 116 (Bourbon Hera)	0.00	100.00	0.00	100.00	France
GIE Surfer 2005	0.00	100.00	0.00	100.00	France
GIE Surfer 2005 Bis	100.00	100.00	100.00	100.00	France
GIE Surfer 2006	0.00	100.00	0.00	100.00	France
GIE Surfer 2006 Bis	100.00	100.00	100.00	100.00	France
Grena-Navegação LDA	100.00	100.00	100.00	100.00	Portugal (Madeira)
Handy Shipping AG	99.95	99.95	99.95	99.95	Switzerland
Inebolu Petroleum Marine Services Ltd Company	100.00	100.00	100.00	100.00	Turkey
Jade-Navegacão LDA	100.00	100.00	100.00	100.00	Portugal (Madeira)
Lastro-Companhia Internacional de Navegação LDA	100.00	100.00	100.00	100.00	Portugal (Madeira)
Latin quarter-Serviços Maritimos Internacionais LDA	100.00	100.00	51.00	51.00	Portugal (Madeira)
Les Abeilles	100.00	100.00	100.00	100.00	France
Liberty 233 SNC	100.00	100.00	0.00	0.00	France
Liberty 234 SNC	100.00	100.00	0.00	0.00	France
Mastshipping-Shipping LDA	100.00	100.00	51.00	51.00	Portugal (Madeira)
Navegacãno-Shipping LDA	100.00	100.00	51.00	51.00	Portugal (Madeira)
Onix Participaçoes e Investimentos, Sociedade Unipessoal Lda	100.00	100.00	100.00	100.00	Portugal (Madeira)
Pearlor	100.00	100.00	100.00	100.00	France
Placements Provence Languedoc	100.00	100.00	100.00	100.00	France
PT Surf Marine Indonesia	100.00	100.00	49.00	49.00	Indonesia
Saint Nikolas (ex Setaf)	100.00	100.00	100.00	100.00	France
Sefor	100.00	100.00	100.00	100.00	France
SGSP International	100.00	100.00	51.00	51.00	France
Shangor	100.00	100.00	100.00	100.00	France
SNC AHTS 1	100.00	100.00	100.00	0.00	France
SNC Altair	100.00	100.00	0.00	0.00	France
SNC Bourbon Alienor (ex B.L. 230)	100.00	100.00	100.00	100.00	France
SNC Bourbon Amilcar	100.00	100.00	100.00	100.00	France
SNC Bourbon Arcadie (ex B.L. 201)	100.00	100.00	100.00	100.00	France
SNC Bourbon Auroch	100.00	100.00	100.00	100.00	France

	% control of capital held directly or indirectly		% capital interest held directly or indirectly		
	2012	2011	2012	2011	Country
SNC Bourbon Bison	100.00	100.00	100.00	100.00	France
SNC Bourbon Diamond	100.00	100.00	100.00	100.00	France
SNC Bourbon Enterprise	100.00	100.00	100.00	100.00	France
SNC Bourbon Evolution 802	100.00	0.00	100.00	0.00	France
SNC Bourbon Evolution 803	100.00	0.00	100.00	0.00	France
SNC Bourbon Hamelin	100.00	100.00	100.00	100.00	France
SNC Bourbon Herald	100.00	100.00	100.00	100.00	France
SNC Bourbon Himalaya	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 105	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 110	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 111	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 115	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 119 (ex B.L. 117)	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 120 (ex B.L. 118)	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 205	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 207	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 216	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 218	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 221 (ex B.L. 222)	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 225	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 226	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 227	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 228	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 229	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 232 (ex B.L. 119)	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 235 (ex B.L. 122)	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 236	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 237 (ex B.L. 234)	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 238	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 243	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 244	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 245	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 247 (ex B.L. 121)	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 248 (ex B.L. 239)	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 249 (ex B.L. 233)	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 251 (ex SNC Bourbon Artabaze)	100.00	100.00	100.00	100.00	France
SNC Bourbon Liberty 252	100.00	0.00	100.00	0.00	France
SNC Bourbon Liberty 253	100.00	0.00	100.00	0.00	France
SNC Bourbon Liberty 303 (ex TBN 2)	100.00	0.00	100.00	0.00	France
SNC Bourbon Liberty 305 (ex TBN 3)	100.00	0.00	100.00	0.00	France
SNC Bourbon Liberty 306 (ex TBN 4)	100.00	0.00	100.00	0.00	France
SNC Bourbon Liberty 307 (ex TBN 5)	100.00	0.00	100.00	0.00	France
SNC Bourbon Pearl	100.00	100.00	100.00	100.00	France
SNC Bourbon Ruby	100.00	100.00	100.00	100.00	France
SNC Bourbon Sapphire	100.00	100.00	100.00	100.00	France
SNC Bourbon Sirocco (ex TBN 6)	100.00	0.00	100.00	0.00	France
SNC Bourbon Supporter	100.00	100.00	100.00	100.00	France

	% control of capital held directly or indirectly		% capital interest held directly or indirectly		
	2012	2011	2012	2011	Country
SNC Bourbon Themis	100.00	100.00	100.00	100.00	France
SNC Bourbon Yack	100.00	100.00	100.00	100.00	France
SNC Liberty 201	100.00	100.00	0.00	0.00	France
SNC Liberty 204	100.00	100.00	0.00	0.00	France
SNC Liberty 212	100.00	100.00	0.00	0.00	France
SNC Liberty CE 121	100.00	100.00	0.00	0.00	France
SNC Liberty CE 122	100.00	100.00	0.00	0.00	France
SNC Liberty CE 217	100.00	100.00	0.00	0.00	France
SNC Liberty CE 223	100.00	100.00	0.00	0.00	France
SNC Liberty CE 239	100.00	100.00	0.00	0.00	France
SNC Liberty CE 241	100.00	100.00	0.00	0.00	France
SNC Liberty CE 303	100.00	0.00	0.00	0.00	France
SNC Liberty CE 304	100.00	0.00	0.00	0.00	France
SNC Surfer 2007	100.00	100.00	100.00	100.00	France
SNC Surfer 2007 bis	100.00	100.00	100.00	100.00	France
SNC Surfer 2008	100.00	100.00	100.00	100.00	France
SNC Surfer 2008 TT	100.00	100.00	100.00	100.00	France
SNC Surfer 2009	100.00	100.00	100.00	100.00	France
SNC Surfer 2009 TT	100.00	100.00	100.00	100.00	France
SNC Surfer 2010	100.00	100.00	100.00	100.00	France
SNC Surfer 2011 (ex Surfer 2010 TT)	100.00	100.00	100.00	100.00	France
SNC Surfer 2012	100.00	100.00	100.00	100.00	France
SNC Surfer 3603	100.00	0.00	100.00	0.00	France
SNC Surfer 325	100.00	100.00	100.00	100.00	France
SNC TBN7	100.00	0.00	100.00	0.00	France
SNC TBN8	100.00	0.00	100.00	0.00	France
SNC TBN9	100.00	0.00	100.00	0.00	France
SNC TBN10	100.00	0.00	100.00	0.00	France
SNC TBN11	100.00	0.00	100.00	0.00	France
Sonasurf Internacional-Shipping LDA	51.00	51.00	51.00	51.00	Portugal (Madeira)
Sonasurf Jersey Limited	100.00	100.00	51.00	51.00	Jersey
Sopade (Sté Participation Développement SAS)	100.00	100.00	100.00	100.00	France (Reunion)
Sunor	100.00	100.00	100.00	100.00	France
Thermidor (ex Babor)	100.00	100.00	100.00	100.00	France
Toesa	100.00	100.00	100.00	100.00	Uruguay
VSSA Limited	100.00	0.00	100.00	0.00	Malta

5.7.2 List of proportionately consolidated companies

	% control of capital held directly or indirectly		% capital interest held directly or indirectly		
	2012	2011	2012	2011	Country
Bourbon Gulf	49.00	49.00	49.00	49.00	Qatar
EPD (Yangzhou) Electronic Power Design, Co, Ltd	50.00	50.00	50.00	50.00	China
EPD Horizon Pte Ltd	50.00	50.00	50.00	50.00	Singapore
EPD Singapore Services Pte Ltd	50.00	50.00	50.00	50.00	Singapore
EPD Asia Group Ltd	50.00	50.00	50.00	50.00	United States
Navegacion Costa Fuera	49.00	49.00	49.00	49.00	Mexico
Naviera Bourbon Tamaulipas	49.00	49.00	49.00	49.00	Mexico
Oceanteam Bourbon Spares & Equipments AS	50.00	0.00	50.00	0.00	Norway
Oceanteam Bourbon 101 AS	50.00	50.00	50.00	50.00	Norway
Oceanteam Bourbon 4 AS	50.00	50.00	50.00	50.00	Norway
Servicios y Apoyos Maritimos	49.00	49.00	49.00	49.00	Mexico
Sonasurf (Angola) – Companhia de Serviços Maritimos, LDA	50.00	50.00	50.00	50.00	Angola
Southern Transformers & Magnetics	50.00	50.00	50.00	50.00	United States

5.7.3 List of companies consolidated using the equity method

	% control of capital held directly or indirectly		% capital interest held directly or indirectly		
	2012	2011	2012	2011	Country
Bourbon Marine Services Manila Inc.	24.98	24.98	24.98	24.98	Philippines
Jackson Offshore LLC	24.50	24.50	24.50	24.50	United States

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (YEAR ENDED DECEMBER 31, 2012)

This is a free translation into English of the Statutory Auditors' report on the consolidated financial statements issued in the French language and is provided solely for the convenience of English speaking users. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes explanatory paragraphs discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report also includes information relating to the specific verification of information given in the management report.

This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meetings, we hereby report to you, for the year ended December 31, 2012, on:

- the audit of the accompanying consolidated financial statements of BOURBON Company;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2012 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. JUSTIFICATION OF OUR ASSESSMENTS

The accounting estimates used in the preparation of the consolidated financial statements were made in an uncertain environment, linked to the crisis of government funds of some countries of the Eurozone. This crisis is accompanied by an economic and liquidity crisis which makes difficult the apprehension of economic prospects. Such is the context in which we made our own assessments that we bring to your attention in accordance with the requirements of Article L. 823-9 of the French Commercial Code (*Code de commerce*):

At each year-end, the Company systematically tests its goodwill, under the methods described in note 1.4 "Use of estimates and assumptions – Impairment test on goodwill" of the notes of the consolidated financial statements, goodwill which have been allocated to the cash generating unit at the lowest level at which this goodwill are monitored for internal management purposes. In this way, the vessels, whose net book value in the Balance Sheet is about €2,633.7 million as at December 31, 2012 and which were part of Cash Generating Units tested, have been tested thus for impairment under the methods described in note 1.5.6 "Property, plant and equipment" of the notes of the consolidated financial statements.

We have examined the methods implemented in this impairment test, based on independent experts' valuations reviewed by Group management and we have verified that note 1.5.6 "Property, plant and equipment" of the notes of the consolidated financial statements discloses appropriate information. Furthermore, based on the information available to date, we performed tests to check the application of this approach using sampling techniques.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. SPECIFIC VERIFICATION

As required by law, we have also verified in accordance with professional standards applicable in France the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Lyon and Marseille, April 10, 2013
The Statutory Auditors

EurAAudit CRC

Cabinet Rousseau Consultants
Alexandre BRISSIER

Deloitte & Associés

Hugues DESGRANGES

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COMPANY FINANCIAL STATEMENTS

PARENT COMPANY BALANCE SHEET

Assets *(in € thousands)*	**As of 12.31.2012** Gross	Depreciation, amortization and provisions	Net	**12.31.2011** Net
I. FIXED ASSETS				
Intangible assets				
Other intangible assets	-	-	-	-
Property, plant and equipment				
Land	-	-	-	-
Buildings	-	-	-	-
Other property, plant and equipment	-	-	-	-
Property, plant and equipment in progress	-	-	-	-
Long-term financial assets				
Equity interests	48,923	1,714	47,209	47,251
Receivables from non-consolidated companies	-	-	-	-
Loans	-	-	-	-
TOTAL I	**48,923**	**1,714**	**47,209**	**47,251**
II. CURRENT ASSETS				
Inventories				
In progress	-	-	-	-
Advances and installments on orders	**2**	**-**	**2**	**-**
Accounts receivable				
Trade and other receivables	147	142	5	5
Other receivables	705,702	-	705,702	686,051
Other				
Marketable securities	76,204	17,486	58,718	58,172
Cash and cash equivalents	796	-	796	1,127
Prepaid expenses	79	-	79	78
TOTAL II	**782,930**	**17,628**	**765,302**	**745,433**
Currency translation difference – assets	-	-	-	-
TOTAL ASSETS	**831,853**	**19,342**	**812,511**	**792,684**

Liabilities *(in € thousands)*	12.31.2012	12.31.2011
I. SHAREHOLDERS' EQUITY		
Capital stock	43,055	43,055
Additional paid-in capital	52,582	52,582
Legal reserve	7,878	3,909
Regulated reserves	15,395	15,395
Other reserves	481,012	481,012
Retained earnings	136,468	95,465
Profit (loss) for the year	70,516	98,315
TOTAL I	**806,906**	**789,733**
II. PROVISIONS FOR RISKS AND CONTINGENCIES		
For risks	2,163	1,774
For contingencies	2,135	-
TOTAL II	**4,298**	**1,774**
III. LIABILITIES		
Bank borrowings	-	-
Other borrowings and financial liabilities	-	-
Trade and other payables	840	487
Tax and social security liabilities	1	140
Fixed asset and other payables	-	-
Other liabilities	466	550
Deferred income	-	-
TOTAL III	**1,307**	**1,177**
Currency translation difference – liabilities	-	-
TOTAL LIABILITIES	**812,511**	**792,684**

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INCOME STATEMENT

(in € thousands)	2012	2011
I. OPERATING INCOME		
Income from services	-	-
Revenue	**-**	**-**
Reversals of provisions (and amortizations), expense transfers	-	-
Other income	-	-
TOTAL I	**-**	**-**
II. OPERATING EXPENSES		
Other purchases and external expenses	2,757	2,549
Taxes and similar levies	538	430
Social security contributions	1	-
Provisions for amortization	-	-
Provisions for current assets	-	-
Provisions for risks and contingencies	122	-
Other expenses	196	189
TOTAL II	**3,614**	**3,168**
OPERATING RESULT	**(3,614)**	**(3,168)**
III. FINANCIAL PROFIT (LOSS)		
Financial income from investments	60,837	105,610
Income from other securities and fixed asset receivables	-	-
Other interest receivable and similar income	3,036	7,025
Reversals of provisions and expense transfers	556	8,091
Foreign exchange gains	-	-
Net income from sale of securities	-	-
TOTAL III	**64,429**	**120,726**
IV. FINANCIAL EXPENSES		
Depreciation allowance and provisions	-	24,101
Interest and similar expenses	1	8
Foreign exchange losses	3	-
Net loss from sale of securities	-	-
TOTAL IV	**4**	**24,109**
FINANCIAL INCOME (LOSS)	**64,425**	**96,617**
INCOME FROM CURRENT OPERATIONS	**60,811**	**93,449**
V. NON-RECURRING INCOME		
Income from management operations	-	-
Income from capital transactions	688	1,238
Reversals of provisions and expense transfers	-	-
TOTAL V	**688**	**1,238**
VI. NON-RECURRING EXPENSES		
Expenses on management operations	-	-
Expenses on capital transactions	699	2,650
Amortization, depreciation and provisions	2,401	-
TOTAL VI	**3,100**	**2,650**
NON-RECURRING PROFIT (LOSS)	**(2,412)**	**(1,412)**
VII. INCOME TAX	**(12,117)**	**(6,278)**
Total income	65,117	121,964
Total expenses	(5,399)	23,649
PROFIT (LOSS) FOR THE YEAR	**70,516**	**98,315**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Notes to the balance sheet before appropriation of earnings for the year ended December 31, 2012, showing a total of €812,511,000 and to the comprehensive income statement for the year, presented in the form of a list and showing a profit of €70,516,000.

The fiscal year covered a period of 12 months from January 1, 2012 to December 31, 2012.

The notes and tables presented below form an integral part of the annual financial statements.

The annual financial statements were approved by the Board of Directors on March 4, 2013.

1/ Accounting policies and methods

The annual financial statements for the fiscal year ended December 31, 2012 have been prepared and presented in accordance with the provisions of the French Commercial Code, the accounting decree of November 29, 1983, respecting the principle of prudence and independence of fiscal years and assuming operating continuity.

The presentation of the annual financial statements takes into account the provisions of regulation 99-03 of the Accounting Regulatory Committee.

The method used when stating the value of items in the financial statements is the historical cost method.

2/ Shareholders' equity

2.1 CAPITAL STOCK STRUCTURE

As of December 31, 2012, the capital stock, totaling €43,055,075, is divided into 67,781,535 shares. The change in the capital stock is as follows:

	Number of shares	€ thousands
Share capital at December 31, 1988	566,004	8,628
Capital increase following the November 10, 1989 Extraordinary General Meeting	141,501	2,157
Capital increase through the capitalization of paid-in capital following the July 6, 1992 Extraordinary General Meeting	141,501	2,157
Merger absorption of SAPMER following the December 18, 1992 Extraordinary General Meeting	3,504	53
Capital increase through the capitalization of paid-in capital following the June 18, 1993 Extraordinary General Meeting	142,085	2,166
Capital increase following the June 17, 1994 Extraordinary General Meeting	99,459	1,516
Decision taken by the June 17, 1994 Extraordinary General Meeting: 1-for-4 share split taking the number of shares to 4,376,216 from 1,094,054 previously	3,282,162	-
Capital increase following the November 15, 1995 Extraordinary General Meeting	1,080,247	4,117
Capital increase following the October 12, 1996 Combined General Meeting	96,727	368
Capital increase through the allocation of bonus shares following the May 25, 2000 Combined General Meeting	555,319	2,116
Capital increase by issuance of bonus shares through the capitalization of paid-in capital (one bonus share for 11 existing shares) following the Combined General Meeting of May 30, 2002	555,319	2,116
Capital increase following Board of Directors' meeting of July 12, 2002 (9,100 new shares + 1,820 bonus shares)	10,920	42
Capital increase following Board of Directors' meeting of September 9, 2002 (297,710 new shares + 59,542 bonus shares)	357,252	1,362
Capital increase by issuance of bonus shares through the capitalization of paid-in capital (one new share for six existing shares held) following the Combined General Meeting of June 8, 2004	1,172,000	4,467
Merger absorption of Financière Jaccar by BOURBON, through the issuance of 2,485,401 shares, followed by a reduction of 2,485,401 shares	-	-
Decision taken by August 23, 2004 Extraordinary General Meeting: 1-for-3 share split taking the number of shares to 24,612,000 from 8,204,000 previously.	16,408,000	-
Options exercised (plan no. 1) between October 1, 2005 and May 31, 2006	449,238	571
Decision taken by May 23, 2006 Extraordinary General Meeting (effective as of June 1, 2006): 2-for-1 share split taking the number of shares to 50,122,476 from 25,061,238 previously.	25,061,238	-
Options exercised between June 1, 2006 and December 31, 2006	73,052	47
Options exercised between January 1, 2007 and May 29, 2007	6,957	5
Capital increase by issuance of bonus shares through the capitalization of paid-in capital (one bonus share for ten existing shares) following the Combined General Meeting of May 29, 2007	5,020,247	3,189
Options exercised between June 5, 2007 and December 31, 2007	238,570	152
Capital increase by issuance of bonus shares through the capitalization of paid-in capital (one bonus share for ten existing shares held) following the Combined General Meeting of June 3, 2009	5,546,130	3,523
Options exercised between January 1, 2009 and June 3, 2009	33,880	22
Capital increase through the capitalization of paid-in capital following the granting of bonus shares to employees on November 2, 2009	76,824	49
Options exercised between June 3, 2009 and December 31, 2009	69,090	44
Options exercised between January 1, 2010 and March 31, 2010	34,775	22
Capital increase through the capitalization of paid-in capital following the granting of bonus shares to employees on November 2, 2009	1,463	1
Options exercised between April 1, 2010 and December 31, 2010	309,081	197
Options exercised between January 1, 2011 and June 1, 2011	24,269	16
Capital increase by issuance of bonus shares through the capitalization of paid-in capital (one bonus share for ten existing shares held) following the Combined General Meeting of June 1, 2011	6,155,681	3,910
Capital increase through the capitalization of paid-in capital following the granting of bonus shares to employees on November 2, 2011	46,284	29
Options exercised between June 1, 2011 and November 2, 2011	22,756	14
Share capital at December 31, 2012	**67,781,535**	**43,055**

Following the decision taken by the Extraordinary General Meeting on May 29, 2007, the capital stock was increased by €3,188,879, from €31,888,801 to €35,077,680 through the capitalization of a portion of the paid-in capital. This capital increase was completed by the issuance of 5,020,247 shares allotted to shareholders in the ratio of one new share for ten existing shares.

The raising of options exercised in 2007 resulted in the issuance of 245,527 shares and a capital increase of €155,960. The excess subscription price over the par value was recognized as a share premium in the amount of €1,795,735.

Following the decision taken by the Extraordinary General Meeting on June 3, 2009, the capital stock was increased by €3,522,922, from €35,229,221 to €38,752,143, through the capitalization of a portion of the paid-in capital. This capital increase was completed by the issuance of 5,546,130 new shares allotted to shareholders in the ratio of one new share for ten existing shares.

The raising of options exercised in 2009 resulted in the issuance of 102,970 shares and a capital increase of €65,407. The excess subscription price over the par value was recognized as a share premium in the amount of €1,728,930.

On November 2, 2009, the issuance of bonus shares to beneficiary employees meeting the criteria used by the Board of Directors of August 27, 2007 led to a capital increase of €48,799 through the capitalization of a portion of the paid-in capital. This capital increase was completed by the issuance of 76,824 new shares.

The raising of options exercised in 2010 resulted in the issuance of 343,856 shares and a capital increase of €218,417. The excess subscription price over the par value was recognized as a share premium in the amount of €7,255,299.

Following the decision taken by the Extraordinary General Meeting on June 1, 2011, the capital stock was increased by €3,910,110, from €39,101,110 to €43,011,221, through the capitalization of a portion of the paid-in capital. This capital increase was completed by the issuance of 6,155,681 new shares allotted to shareholders in the ratio of one new share for ten existing shares.

The raising of options exercised in 2011 resulted in the issuance of 47,025 shares and a capital increase of €29,870. The excess subscription price over the par value was recognized as a share premium in the amount of €1,051,361.

On November 2, 2011, the issuance of bonus shares to beneficiary employees meeting the criteria used by the Board of Directors of August 27, 2007 led to a capital increase of €29,400 through the capitalization of a portion of the paid-in capital. This capital increase was completed by the issuance of 46,284 new shares.

Class of securities	Number of securities		
	At year-end	Issued during the year	Reimbursed during the year
Ordinary shares	67,781,535	-	-

▸ NUMBER OF VOTING RIGHTS AS OF DECEMBER 31, 2012:

Number of shares outstanding	67,781,535
Of which number of treasury shares with no voting rights	2,713,839
Number of shares with voting rights	65,067,696

2.2 CHANGES IN EQUITY

(in € thousands)	Capital stock	Share premiums	Reserves and retained earnings	Profit (loss) for the year	Total
Balance as of December 31, 2011 before appropriation of earnings	**43,055**	**52,582**	**595,781**	**98,315**	**789,733**
Capital increase	-	-	-	-	-
Appropriation of 2011 earnings	-	-	98,315	(98,315)	-
Dividends paid	-	-	(53,343)	-	(53,343)
Profit (loss) for the period	-	-	-	70,516	70,516
Other changes	-	-	-	-	-
BALANCE AS OF DECEMBER 31, 2012 BEFORE APPROPRIATION OF EARNINGS	**43,055**	**52,582**	**640,753**	**70,516**	**806,906**

3/ Gross long-term financial assets

Equity interests were valued at their purchase price (historical cost method), excluding the costs incurred in their acquisition.

At year-end, the inventory value of the shares is based on the percentage of equity held, adjusted to take any unrealized gains or losses into account. For corporate securities listed on a regulated market, the inventory value applied corresponds to the average price over the last month. The inventory value of securities in foreign currency is converted at the exchange rate on the closing date.

Where necessary, the gross value of the securities was adjusted to this inventory value by applying a provision.

Where a portion of a set of securities conferring the same rights is sold, the entry value of the sold portion is estimated using the "FIFO" method (first in, first out).

The change in gross long-term financial assets can be analyzed as follows:

(in € thousands)	12.31.2012	Increases	Decreases	12.31.2011
Equity interests	48,923	-	(15,246)	64,169
Receivables from non-consolidated companies	-	-	-	-
TOTAL	**48,923**	**-**	**(15,246)**	**64,169**

The drop in "equity interests" over the year was due to the liquidation of Fipargest.

4/ Provisions

(in € thousands)	12.31.2012	Increases	Decreases	12.31.2011
Provisions for risks and contingencies				
Provisions for guarantee of liabilities on sales of investments (1)	817	-	-	817
Provisions for foreign exchange losses	-	-	-	-
Provisions for taxes (2)	2 135	2,135	-	-
Other provisions for risks and contingencies (3)	1,346	388	-	958
sub-total	**4,298**	**2,523**	**-**	**1,775**
Provisions for impairment:				
Equity interests (4)	1,714	-	(15,204)	16,918
Accounts receivable	142	-	-	142
Current accounts	-	-	-	-
Marketable securities (5)	17,485	-	(486)	17,971
sub-total	**19,341**	**-**	**(15,690)**	**35,031**
TOTAL	**23,639**	**2,523**	**(15,690)**	**36,806**
Of which allowances and reversals:				
- from operating activities		122	-	
- financial (6)		-	(556)	
- non-recurring		2,401	-	

(1) The balance as of December 31, 2012 corresponds to the liability guarantee relating to company disposals made previously.
(2) The balance corresponds to the tax provision subsequent to the initial findings of the tax assessment on fiscal years 2008 and 2009.
(3) Provisions recognized in 2012 correspond to a €266,000 provision for fines and penalties in relation to the fiscal years audited and a €123,000 provision for risks relating to company disposals made previously. The balance corresponds to risks relating to prior real estate transactions.
(4) Following the liquidation of Fipargest, a provision of €15,133,000 recognized previously was reversed, in full. €70,000 of the provision for impairment of Bourbon Ben Luc equity interests recognized previously was reversed.
(5) The provision for impairment of marketable securities relates to the treasury shares owned by the Company as of December 31, 2012 (see note 7).
(6) The reversal of the provision for equity interests in Fipargest, which was liquidated in 2012, is included in the merger gain/loss. It does not, therefore, appear under reversals of financial provisions.

5/ Receivables and liabilities

Receivables and liabilities were valued at their par value. Provisions for impairment of receivables were recognized to compensate for any risks of non-recovery.

(in € thousands)	Gross amount	Up to one year	More than one year
Accounts receivable:			
Other trade receivables	147	147	-
Income tax	171	171	-
Group and associates (1)	705,530	705,530	-
Sundry receivables	-	-	-
Prepaid expenses	79	79	-
TOTAL	**705,927**	**705,927**	**-**

(1) *"Group and associates" receivables mainly refer to a current account advance in the amount of €701 million.*

(in € thousands)	Gross amount	Up to one year	One to five years	More than five years
Liabilities:				
Bank borrowings				
- falling due less than one year after contracted	-	-	-	-
- falling due more than one year after contracted	-	-	-	-
Borrowings and other financial liabilities	-	-	-	-
Trade and other payables	840	840	-	-
Other taxes and similar payments	1	1	-	-
Debt on non-current assets	-	-	-	-
Group and associates (1)	45	45	-	-
Other liabilities	421	421	-	-
TOTAL	**1,307**	**1,307**	**-**	**-**

(1) *"Group and associates" liabilities mainly refer to an interest-bearing current account with a total credit balance of €45,000.*

6/ Advances to Directors

In accordance with Articles L. 225-43 and L. 223-21 of the French Commercial Code, no loans or advances were granted to Directors of the Company.

7/ Marketable securities

Marketable securities at Monday, December 31, 2012 correspond solely to treasury shares. They were valued on the closing date based on the average trading price for December 2012. A provision for impairment is recorded when the cost of acquiring the shares is higher than this price.

The Combined General Meeting of June 1, 2012 authorized the Company to buy back its own shares within the limit of 10% of the share capital. CM CIC Securities is responsible for managing the liquidity contract, according to the "AMAFI charter" (20,434 shares at December 31, 2012).

The statement of treasury shares held at the end of the year is as follows:

(in € thousands)	Number of shares	Gross Values	Provisions	Net Values
Excluding liquidity contract (1)	2,693,405	75,772	(17,486)	58,286
Liquidity contract	20,434	432	-	432
TOTAL	**2,713,839**	**76,204**	**(17,486)**	**58,718**

(1) These shares are intended to cover share purchase options or any other employee shareholding scheme.

8/ Cash and cash equivalents

Cash held in banks was valued at its par value, *i.e.* €796,000.

9/ Deferred income and expenses

(in € thousands)	12.31.2012	12.31.2011
Prepaid expenses	79	78
Deferred income	-	-
TOTAL	**79**	**78**

Deferred expenses refer to the account operation payment to CM CIC Securities and a levy relative to 2013. They must be recognized under the operating result.

10/ Currency translation difference on receivables and liabilities in foreign currencies

Receivables and liabilities in foreign currencies were converted and recognized in euros based on the latest known exchange rate. At Monday, December 31, 2012, no unrealized foreign exchange gains or losses existed.

11/ Factors impacting several balance sheet items

11.1 ASSETS

(in € thousands)	12.31.2012	12.31.2011
Prepayments and accrued income:	-	**772**
Operating activities		
Financial transactions	-	772
Commercial paper		
Related parties:	**754,452**	**749,404**
Equity interests	48,922	64,169
Receivables from non-consolidated companies		
Loans		
Trade and other receivables		
Other receivables (1)	705,530	685,235
TOTAL	**754,452**	**750,176**

(1) *"Other receivables" mainly refers to a current account advance in the amount of €701 million.*

11.2 LIABILITIES

(in € thousands)	12.31.2012	12.31.2011
Accruals and deferred income:	**-**	**-**
Operating activities	-	-
Financial transactions	-	-
Notes payable	**-**	**-**
Related parties:	**144**	**209**
Borrowings and other financial liabilities (1)	45	209
Trade and other payables	99	
Other	-	-
TOTAL	**144**	**209**

(1) *Liabilities refer to an interest-bearing current account with a total credit balance of €45,000.*

12/ Executive compensation

The members of the Board of Directors, including its Chairman and the members of the Nominating, Compensation and Governance Committee and Audit Committee, together received €168,000 in Directors' fees in 2012 for performing their duties.

13/ Details of non-recurring income and expenses

(in € thousands)	2012
Non-recurring expenses	**3,100**
From management operations	**-**
From capital transactions	**699**
Net book value of equity interests sold (1)	112
Share buybacks	547
Other	39
Non-recurring amortization, depreciation and provisions	**2,401**
Tax provision	2,135
Other provisions for risks and contingencies	267
Non-recurring income	**688**
From management operations	**-**
From capital transactions	**688**
Income from sale of equity investments (2)	205
Share buybacks	430
Other	53
Reversals of provisions and expense transfers	**-**
Tax provision reversal	-
Reversal of provision for guarantee of liabilities	-

(1) See notes 3 and 4.
(2) €205,000 in income from sale of equity investments includes the merger surplus following the liquidation of Fipargest.

14/ Related parties

(in € thousands)	2012	2011
Financial expenses [(1)]	1	7
Financial income [(2)]	63,874	112,626

(1) Financial expenses refer to interest expense on a current account advance of €45,000 as of 12/31/2012.
(2) Financial income mainly corresponds to income from equity interests (dividends) in the amount of €60,837,000 and interest on current account advances in the amount of €3,036,000.

15/ Income tax

Distribution *(in € thousands)*	Income before tax	Tax due	Net income after tax
Income from current operations	60,811	(3,205)	57,606
Short-term non-recurring income	(2,412)	3	(2,409)
Long-term non-recurring income	-	-	-
Tax grouping surplus	-	15,319	15,319
ACCOUNTING INCOME	**58,399**	**12,117**	**70,516**

Income from current operations was subject to tax disallowances (non-deductible expenses on income from current operations) and deductions (non-taxable proceeds on income from current operations) in order to determine a tax base at the statutory rate. The same method was used to determine the taxable long-term non-recurring income and the corresponding tax.

The tax grouping surplus for 2012 is €15,319,000.

BOURBON opted to use the French tax consolidation scheme from January 1, 1998. The scope of consolidation at Monday, December 31, 2012 is composed of the following companies:

BOURBON – BOURBON ASSISTANCE – BOURBON MARITIME – PLACEMENTS PROVENCE LANGUEDOC – BOURBON OFFSHORE SURF – LES ABEILLES – ST NIKOLAS – AVRACS – BOURBON SUPPLY INVESTISSEMENTS – BOURBON OFFSHORE – THERMIDOR – CEMTAF – BOURBON OFFSHORE CRAFT – BOURBON SALVAGE INVESTMENTS – BOURBON OFFSHORE GAIA – BOURBON GAIA SUPPLY – BOURBON SUBSEA SERVICES – BOURBON SUBSEA SERVICES INVESTMENTS – SEFOR – BOURBON PS – BOURBON SUBSEA PS – BOURBON AD2 – SHANGOR – PEARLOR – BRINDOR –ANTHEOR – SUNOR

The taxation agreement stipulates that the tax charge is borne by the subsidiary, as is the case in the absence of tax consolidation. The tax saving related to the deficit, kept by BOURBON, is treated as an immediate gain.

16/ Amount of financial commitments

BOURBON S.A. granted China Exim Bank a repayment guarantee for the loan granted to any Crownship subsidiary. As of December 31, 2012, the amount actually guaranteed stood at USD 207 million.

The Group, through one of its subsidiaries, arranged a loan with China Exim Bank. This loan was secured by a guarantee given by Bourbon SA to China Exim Bank. At December 31, 2012, the amount guaranteed was €16.2 million.

17/ Increase and reduction in future tax liability

(in € thousands)	12.31.2012	12.31.2011
Increase		
Currency translation differences - Assets	-	-
TOTAL	**-**	**-**
Reduction		
Contribution to age and disability pensions	-	-
Provisions (foreign exchange losses)	-	-
Provisions for risks and contingencies	2,523	-
Tax income from partnerships	6,665	10,840
Currency translation differences - Liabilities	-	-
TOTAL	**9,188**	**10,840**

18/ Subsidiaries and equity interests

(in € thousands)	Form	Capital stock	Equity other than capital	% owned
Detailed information on subsidiaries and equity interests whose inventory value exceeds 1% of BOURBON SA's share capital				
A - Subsidiaries (more than 50% of share capital owned by BOURBON SA)				
Bourbon Ben Luc – Vietnam	SARL	3,778	905	100
Bourbon Maritime – France	SAS	3,049	390,708	100
Financière Bourbon – France	SNC	626	13,205	52
B - Equity interests (10% to 50% of share capital owned by BOURBON SA)				
Information on other subsidiaries and equity interests				
A - Subsidiaries (more than 50% of share capital owned by BOURBON SA)				
1. French subsidiaries	-	-	-	-
2. Foreign subsidiaries	-	-	-	-
B - Equity interests (10% to 50% of share capital owned by BOURBON SA)				
1. French subsidiaries	-	-	-	-
2. Foreign subsidiaries	-	-	-	-

N.B.: For foreign companies, the capital stock and equity are converted at the closing rate, while the result and revenues are converted at the average rate.
Conversion rate used to compile the table of subsidiaries and equity interests
Cash at end of period: €1 = 27,527 VND
Average rate: €1 = 27,054 VND

	Equity interests Book value			Income from last fiscal year	Loans and advances granted by BOURBON SA	Securities and endorsements given by BOURBON SA	Pre-tax revenues from last fiscal year	Dividends received by BOURBON SA
	Gross	Provisions	Net					
	6,391	1,707	4,684	408	0	0	1,712	0
	41,722	0	41,722	67,923	0	0	1,078	50,000
	646	0	646	12,886	0	0	0	10,837
	66	0	66	-	0	0	-	0
	0	0	0	-	0	0	-	0
	3	0	3	-	0	0	-	0
	49	8	41	-	0	0	-	0

5

STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS (OF THE PARENT COMPANY ONLY) (YEAR ENDED DECEMBER 31, 2012)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking users. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes explanatory paragraphs discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were made for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements.

This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meetings, we hereby report to you, for the year ended December 31, 2012, on:

- the audit of the accompanying financial statements of BOURBON Company;
- the justification of our assessments;
- the specific verification and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2012 and of the results of its operations for the year then ended in accordance with French accounting principles.

II. JUSTIFICATION OF OUR ASSESSMENTS

The accounting estimates used in the preparation of the financial statements were made in an uncertain environment, linked to the crisis of government funds of some countries of the Eurozone. This crisis is accompanied by an economic and liquidity crisis which makes difficult the apprehension of economic prospects. Such is the context in which we made our own assessments that we bring to your attention in accordance with the requirements of Article L. 823-9 of the French Commercial Code (*Code de commerce*):

Investments in subsidiaries and affiliates, whose the net amount in the balance sheet, as at December 31, 2012, is of about 47 209 thousands Euros, are valued at their acquisition costs and depreciated on the basis of their value in use, as described in Note 3 "gross long-term financial assets" to the financial statements.

We assessed the approach used by BOURBON Company, as described in this note, based on the information available to date and performed tests to check the application of this approach using sampling techniques.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. SPECIFIC PROCEDURES AND DISCLOSURES

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of Board of Directors and in the documents addressed to Shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) relating to remunerations and benefits received by the Directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Lyon and Marseille, April 10, 2013
The Statutory Auditors

EurAAudit CRC

Cabinet Rousseau Consultants
Alexandre BRISSIER

Deloitte & Associés

Hugues DESGRANGES

STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS AND COMMITMENTS

Shareholders' Meeting held to approve the financial statements for the year ended 31 December 2012

This is a free translation into English of the Statutory Auditors' special report on regulated agreements and commitments that is issued in the French language and is provided solely for the convenience of English speaking readers. This report on regulated agreements and commitments should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France. It should be understood that the agreements and commitments reported on are only those provided by the French Commercial Code (Code de Commerce) and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

To the Shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements and commitments.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention or which we may have discovered during the course of our audit, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (*Code de Commerce*), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information provided for in Article R. 225-31 of the French Commercial Code in respect of the performance of the agreements and commitments, already authorised by the Shareholders' Meeting and having continuing effect during the year, if any.

We conducted our procedures in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. These guidelines require that we agree the information provided to us with the relevant source documents.

AGREEMENTS AND COMMITMENTS SUBMITTED TO THE APPROVAL OF THE SHAREHOLDERS' MEETING

Agreements and commitments authorised during the year

Pursuant to Article L. 225-40 of the French Commercial Code, the following agreements and commitments, which were previously authorised by your Board of Directors, have been brought to our attention.

With Etablissements BOPP Treuils Jeb, a PIRIOU group company

Nature and purpose: order dated 30 January 2012 for 6 batches of deck and davit equipment, including an option for additional units, from Etablissements BOPP Treuils Jeb for an estimated €2.4 million. This equipment is intended to be installed aboard ordered ships currently under construction.

Directors concerned: Mr. Jacques d'Armand de Chateauvieux, Chairman of the Board of Directors of BOURBON and member of the Supervisory Board of PIRIOU S.A.S. and Mr. Christian MUNIER, Director of BOURBON and Chairman of the Supervisory Board of PIRIOU S.A.S.

Date of authorisation: Board of Directors' meeting of 30 November 2012.

Terms and conditions: as at 31 December 2012, 6 batches were ordered in the amount of €2.4 million, resulting in the payment of advances totalling €1.7 million.

AGREEMENTS AND COMMITMENTS PREVIOUSLY APPROVED BY THE SHAREHOLDERS' MEETING

Agreements and commitments approved during previous years and having continuing effect during the year

Pursuant to Article R. 225-30 of the French Commercial Code, the following agreements and commitments, which were previously authorised by the Shareholders' Meeting during previous years, have had continuing effect during the year.

1. With SINOPACIFIC Group companies

Directors concerned: Mr. Jacques d'Armand de Chateauvieux, Chairman of the Board of Directors of BOURBON and Director of SINOPACIFIC and Mrs. Van Lo, Director of BOURBON and SINOPACIFIC.

With ZHEJIANG SHIPBUILDING Co, Ltd

Nature and purpose: ship orders from ZHEJIANG SHIPBUILDING Co, Ltd, with advances on construction contracts.

Terms and conditions: 6 ships were delivered as at 31 December 2012 in the total amount of $177.5 million. As at 31 December 2012, orders in progress covered 9 ships for a total amount of $415.8 million and resulted in the payment of advances totalling $273.3 million, covered for up to $251 million by advance payment guarantees granted by SINOPACIFIC SHIPBUILDING and CANA TERA SAS (formerly JACCAR SAS) jointly and severally with EVERGREEN, and by bank guarantees in the amount of $18 million.

With CROWN HEATHER, Ltd

Nature and purpose: orders for 4 "Spa 80" offshore ships from CROWN HEATHER, Ltd., for a total amount of $71.2 million.

Terms and conditions: 4 ships were delivered as at 31 December 2012 totalling $75 million.

With CROWNSHIP, Ltd

Nature and purpose: pursuant to the framework agreement of $400 million between CHINA EXIM BANK and CROWNSHIP, Ltd, BOURBON, S.A. agreed to provide CHINA EXIM BANK with a loan repayment guarantee that would be granted to any subsidiary of CROWNSHIP, Ltd.

Terms and conditions: the loan agreement was signed on 16 November 2011 with CROWN HERA, Ltd, a CROWNSHIP subsidiary. The guarantee came into effect on the same date. As at 31 December 2012, the amount drawn down by SINOPACIFIC group companies, and covered by this guarantee, was $207 million.

With CROWN HERA, Ltd and ZHEJIANG SHIPBUILDING Co, Ltd

Ship orders from ZHEJIANG SHIPBUILDING Co, Ltd *via* CROWN HERA, Ltd under the framework agreement signed between BOURBON OFFSHORE (a BOURBON, S.A. subsidiary) and CROWNSHIP, Ltd and ZHEJIANG SHIPBUILDING Co, Ltd involving 62 ships to be delivered between 2012 and 2014.

First agreement

Nature and purpose: order for 8 PSV type offshore ships (SPP 35 design).

Terms and conditions: the order totalled $204.8 million and is subject to the terms of the framework agreement signed on 25 June 2010. It replaces the initially planned order of 20 SPU 1000s. It resulted in the payment of advances amounting to €52.3 million as at 31 December 2012, fully covered by an advance payment guarantee.

Second agreement

Nature and purpose: order for 5 PSV type offshore ships (SPP 17 design).

Terms and conditions: the order totalled $72.9 million and resulted in the payment of advances amounting to $18.2 million as at 31 December 2012, fully covered by an advance payment guarantee.

Third agreement

Nature and purpose: order of 38 ships as follows: 10 PSV type offshore ships (SPP 17 design), 12 PSV type offshore ships (SPP 35 design) and 16 AHTS type offshore ships (SPA 80 design) from ZHEJIANG SHIPBUILDING Co, Ltd *via* CROWN HERA, Ltd in replacement of CROWNSHIP, Ltd.

Terms and conditions: two ships were delivered on 31 December 2012 in the amount of $37.1 million. Orders in progress covering 36 ships yet to be delivered totalled $692 million and resulted in the payment of advances amounting to €172.3 million as at 31 December 2012, fully covered by an advance payment guarantee.

2. With PIRIOU group companies

Directors concerned: Mr. Jacques d'Armand de Chateauvieux, Chairman of the Board of Directors of BOURBON and member of the Supervisory Board of PIRIOU S.A.S. and Mr. Christian MUNIER, Director of BOURBON and Chairman of the Supervisory Board of PIRIOU S.A.S.

With WEST ATLANTIC SHIPYARD

Nature and purpose: ship orders from West Atlantic Shipyard, with advances on construction contracts.

Terms and conditions: 6 ships were delivered as at 31 December 2012, in the total amount of €14.1 million.

With SEAS

Nature and purpose: ship orders from SEAS, with advances on construction contracts.

Terms and conditions: 3 surfers and 1 FSIV were delivered on 31 December 2012 in the amount of €9.3 million. As of this date, orders in progress involve 5 ships, of which 2 surfers and 3 FSIV in the total amount of €21 million, resulting in the payment of advances on orders for €6.6 million covered by a PIRIOU advance payment guarantee totalling €4.8 million.

With LES CHANTIERS PIRIOU

Nature and purpose: ship orders from LES CHANTIERS PIRIOU, with advances on construction contracts.

Terms and conditions: one ship was delivered in 2012 amounting to €4.2 million.

With PIRIOU INGENIERIE

Nature and purpose: order of 42 rescue boats, reduced to 30, including an option for additional units, from PIRIOU INGENIERIE, for an estimated initial amount of €8 million. These rescue boats are to be installed aboard ordered ships currently under construction.

Terms and conditions: As at 31 December 2012, 30 rescue boats were ordered in the amount of €5.6 million, resulting in the payment of advances on orders for €3.6 million.

3. With JACCAR HOLDINGS, S.A.

Directors concerned: Mr. Jacques d'Armand de Chateauvieux, Chairman of the Board of Directors of BOURBON and Director of JACCAR HOLDINGS S.A and Mrs. Van Lo, Director of BOURBON and JACCAR HOLDINGS S.A.

First agreement

Nature and purpose: management services agreement entered into with JACCAR HOLDINGS, S.A.

Terms and conditions: services invoiced for the year ended 31 December 2012 amounted to €360,000, excluding taxes.

Second agreement

Nature and purpose: management services agreement entered into with JACCAR HOLDINGS S.A. relating to the organised sale of the BOURBON S.A. interest in the capital of Bourbon BEN LUC.

Terms and conditions: the sale of the BOURBON interest in the capital of BOURBON BEN LUC will result in the invoicing of an amount equal to 1% of the share sale price. The sale of BOURBON BEN LUC shares was not finalised as at 31 December 2012.

4. With MARINE, S.A.S.

Nature and purpose: management services agreement entered into with MARINE, S.A.S.

Director concerned: Mr. Christian Lefèvre, Chief Executive Officer of BOURBON and Chairman of MARINE S.A.S.

Terms and conditions: services invoiced for fiscal year 2012 amounted to €150,000, excluding taxes.

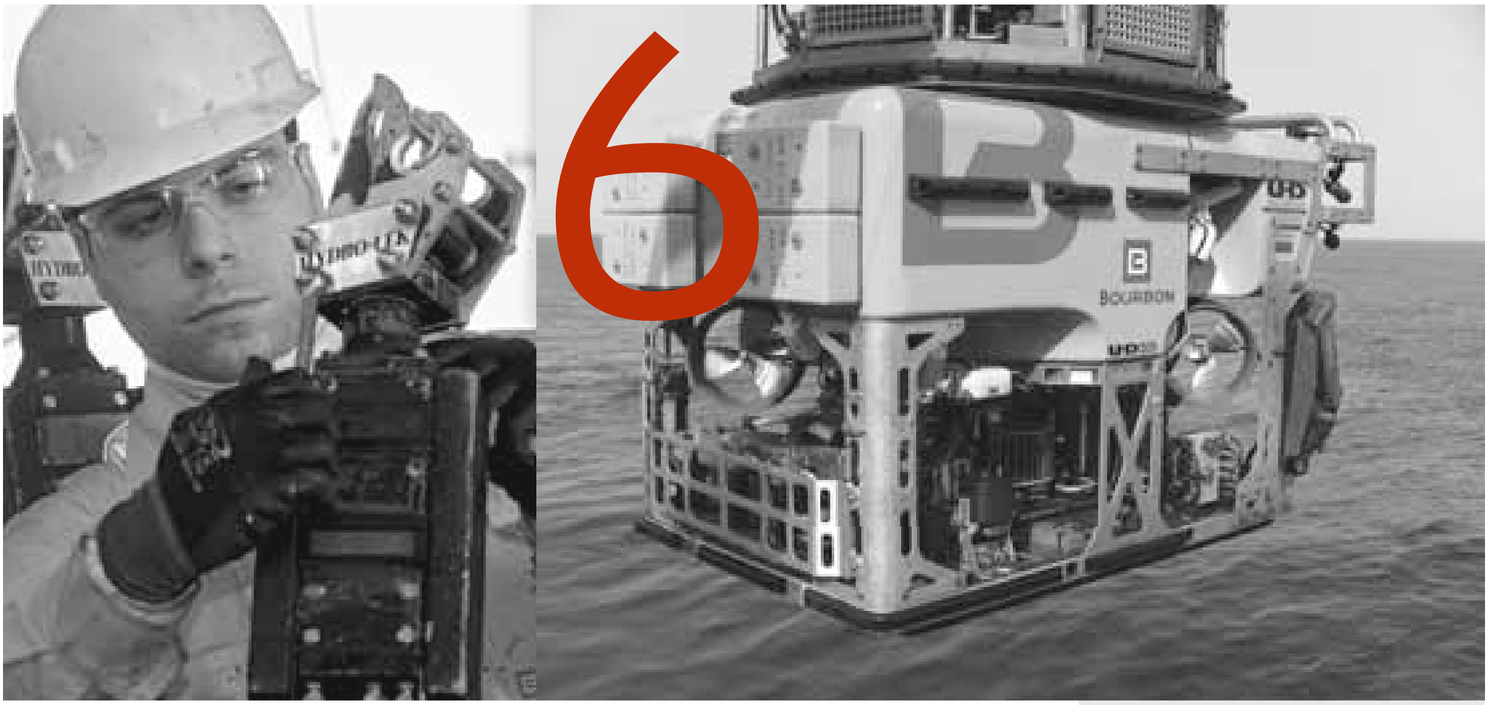
SECURITIES, ENDORSEMENTS AND GUARANTEES

Situation regarding the overall authorisation of €30,000,000 for securities and guarantees granted by the 5 March 2012 Board of Directors' meeting.

No other securities were granted during the fiscal year.

Lyon and Marseille, 10 April 2013
The Statutory Auditors

EurAAudit C.R. C	**Deloitte & Associés**
Cabinet Rousseau Consultants	
Alexandre BRISSIER	**Hugues DESGRANGES**



6 REPORT OF **THE CHAIRMAN**

REPORT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS ON THE MODUS OPERANDI OF THE BOARD OF DIRECTORS AND ON INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

To our Shareholders,

Pursuant to the provisions of Article L. 225-37, paragraph 6, of the French Commercial Code as amended by law No. 2005-842 of July 26, 2005 and law No. 2008-649 of July 3, 2008, the object of this report is to inform shareholders of:

- the composition of the Board of Directors and the application of the principle of the balanced representation of women and men therein;
- the conditions for the preparation and organization of the work of your Board of Directors for the year ended December 31, 2012;
- the internal control and risk management procedures established by the Company;
- the scope of the powers of the Chief Executive Officer.

With respect to corporate governance, the Company refers to the Corporate Governance Code of listed companies published by AFEP-MEDEF in December 2008 and updated in April 2010 (the "AFEP-MEDEF Code"). This Code can be found at www.code-afep-medef.com. Pursuant to the provisions of Article L. 225-37 of the French Commercial Code, this report specifies the provisions of the Code that have been ignored by the Company and the reasons why.

The company complies with the AFEP-MEDEF Code, with the exception of the following points:

- assessment of the independence of Directors: 12-year seniority criterion not taken into account (see §1.1 of this report);
- employment contract and corporate office of the Chairman and the Chief Executive Officer held concurrently (see §1.6 of this report).

The Company reiterates that it complies with the transposition of the eighth European Directive on the obligation to have an Audit Committee.

As part of the process of improving internal control, this report is also based on the implementation guide for the reference framework on internal control published by the *Autorité des marchés financiers* in January 2007, updated in July 2010.

In accordance with the recommendations of the AMF working group on Audit Committees, the Audit Committee, following its session on March 1, 2013, examined this report before publication. This report was also approved by the Board of Directors on April 9, 2013.

1/ Composition and conditions for the preparation and organization of the work of the Board of Directors

1.1 COMPOSITION OF THE BOARD OF DIRECTORS

As of December 31, 2012, the Board of Directors is composed of nine Directors, who bring to it different backgrounds and complementary experiences:

- **Mr. Jacques d'Armand de Chateauvieux**: Chairman of the Board of Directors;
- **Mr. Henri d'Armand de Chateauvieux**: Director, Member of the Nominating, Compensation and Governance Committee;
- **Mr. Guy Dupont**: Independent Director, Chairman of the Nominating, Compensation and Governance Committee;
- **Mr. Baudouin Monnoyeur**: Director;
- **Mr. Christian Munier**: Director, Member of the Audit Committee;
- **Ms. Agnès Pannier-Runacher**: Independent Director, Chairperson of the Audit Committee;
- **Mr. Philippe Sautter**: Independent Director, Member of the Nominating, Compensation and Governance Committee;
- **Mr. Mahmud Tukur**: Independent Director, Member of the Audit Committee;
- **Ms. Vo Thi Huyen Lan**: Director.

In 2012, the composition of the Board of Directors was affected by the following events:

- Renewal of term of office for Ms. Agnès Pannier-Runacher and Mr. Philippe Sautter;
- Appointment of Mr. Mahmud Tukur to replace Mr. Marc Francken;
- Resignation of Mr. Christian d'Armand de Chateauvieux.

Since August 24, 2009, the Board of Directors has received the assistance of a non-voting member, as permitted under the bylaws, in the person of Dominique Senequier, previously a Director.

The duration of the term of office of the Directors appointed by the Shareholders' General Meeting is three years. Those terms end in a staggered manner as follows: two terms of office will end at the time of the General Meeting convened to rule on the financial statements for the year ended December 31, 2012; four terms of office will end with the General Meeting convened to rule on the financial statements for the year ended December 31, 2013; and three terms of office will end with the General Meeting convened to rule on the financial statements for the year ended December 31, 2014.

There are two foreign Directors. Women make up 22% of the Board of Directors (seven men and two women). BOURBON will attempt to comply gradually with Law No. 2011-103 of January 27, 2011 regarding the balanced representation of women and men on Boards of Directors and Supervisory Boards and to ensure professional equality so that the Board of Directors will reach and maintain a proportion of women of at least 20% within three years and at least 40% by 2017.

Each Director holds at least 300 shares of BOURBON stock, as required under the bylaws.

Details of Directorships exercised outside the Group by members of the Board of Directors are listed in section 3.2 of the management report.

Evaluating the independence of the Directors

In accordance with the recommendations of the AFEP-MEDEF Code, the Board of Directors, in its April 9, 2013 meeting, on the recommendation of its Nominating, Compensation and Governance Committee, reviewed the qualifications of each of its members in terms of independence. The Board chose to follow the criteria of the AFEP-MEDEF Code, recommending that no Director:

- is an employee or a corporate officer of the Company, or an employee or Director of its parent company or any Company consolidated by it within the past five years;
- is a corporate officer of any Company in which the Company holds, either directly or indirectly, a term of office as Director or in which any employee designated as such or any corporate officer in the Company (currently or within less than the previous five years) holds a term as Director;
- is a significant client, supplier, investment banker, or finance banker:
  - of the Company or its Group,
  - or for which the Company or its Group represents a significant part of its activity;
- has close family ties with any corporate officer in the Company;
- has been an auditor of the Company in the past five years.

The Board did not, however, follow the criterion recommended by the AFEP-MEDEF which stipulates that seniority in the role of Director must not exceed 12 years. The Board prefers to prioritize the competence and experience of Directors and thorough knowledge of the Group, assets which are not a potential source of conflicts of interests between the Directors and the Company.

Regarding the foregoing criteria, the Board of Directors has ascertained the independence of four Directors: Agnès Pannier-Runacher, Guy Dupont, Mahmud Tukur and Philippe Sautter. Independent Directors thus make up 45% of the composition of the Board, more than the one third recommended by the AFEP-MEDEF Code with respect to companies controlled by a major shareholder.

Additional information on the corporate officers

To the Company's knowledge, in the past five years, no corporate officer:

- has been found guilty of fraud;
- has been involved in a bankruptcy, receivership or liquidation;
- has been found guilty of any offense or been subject to any official public sanction issued by any statutory or regulatory authority;
- has ever been prevented by a court of law from acting as a member of any administrative, management or supervisory body of any issuer, or from participating in the management or conduct of the business of any issuer.

As of December 31, 2012, Jacques d'Armand de Chateauvieux held over 20% of the capital of the Company, through the Company JACCAR Holdings.

Baudouin Monnoyeur and Henri d'Armand de Chateauvieux held an interest in the capital or voting rights of over 5%, through the companies Monnoyeur SAS and Mach-Invest International.

In addition, apart from under related party agreements, concerning potential conflicts of interest, no corporate officer has been involved in any arrangement or agreement with the major shareholders, clients, suppliers or others, by virtue of which he has been selected as a Director or as a member of Management. These agreements are not a source of conflict of interest as they are negotiated and dealt with under normal conditions.

To date, there is no service contract in existence binding a Director or member of Management to the Company or to any of its subsidiaries and providing for the granting of benefits under the terms of the contract.

1.2 MODUS OPERANDI OF THE BOARD OF DIRECTORS

The Board of Directors has its own internal regulations defining its methods of organization and operation supplementing the prevailing legal and statutory provisions. Every member of the Board of Directors is individually required to comply with these internal regulations.

The internal regulations also include a Director's charter spelling out the rights and obligations of the Directors, and also the rules concerning any restrictions on and/or prohibitions against trading by the Directors in the Company's shares when they have information not yet made public. In that regard, the Directors are informed of the restrictive periods.

1.2.1 Missions

On the recommendation of the Management, the Board of Directors determines the Group's medium-term strategy and reviews it regularly, appoints the corporate officers in charge of managing the Company in accordance with that strategy, oversees the management of the Company and ensures the quality of the information provided to the shareholders and the markets.

Every year, the Board of Directors examines and approves the annual budget and the medium term strategic plan.

The Board of Directors deliberates prior to any operation outside the strategy announced by the Group or any operation that is liable to have a significant effect on or that is liable to modify substantially the Group's financial structure or results.

The Board of Directors examines and approves beforehand all acquisition or divestment operations in any amount above €100 million.

The Board of Directors receives regular briefings and can obtain information at all times on any changes in the activity or results of the Group, its financial position, indebtedness, cash position and more generally on any of the Group's commitments, particularly any problem calling into question the implementation of any of the guidelines in the strategic plan.

The Board determines the objectives in terms of financial structure and keeps itself apprised of their attainment.

The Board of Directors reviews and approves the information published in the Registration Document by the Company on its corporate governance practices and structures.

It approves the composition of the Group's Executive Committee.

The Board of Directors reviews its composition whenever necessary. It examines its *modus operandi* annually.

1.2.2 Organization of the work of the Board of Directors

The Chairman organizes and directs the work of the Board of Directors. He provides the General Meeting with a report and executes its decisions. He supervises the proper functioning of the Company's administrative bodies and ensures that the Directors are in a position to perform their mission.

The Group's Executive Committee, composed of the Chief Executive Officer, Christian Lefèvre, and the Executive Vice Presidents of BOURBON, Gaël Bodénès and Laurent Renard, all three of whom are not Directors, meets twice a month, and in particular, before each meeting of the Board of Directors. This committee prepares for decisions by the Board of Directors, particularly concerning investments and the annual operating budget.

1.3 MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors meets as often as required by the interests of the Company. All Directors receive the information necessary to perform their duties, particularly to prepare for every Board meeting. The Directors also receive all information on significant events in the Company.

The minutes of the meetings of the Board of Directors are drafted at the end of each meeting and sent to all the Directors within the stipulated deadlines. The minutes are generally subject to their express approval at the following Board meeting.

The Statutory Auditors are invited to the meetings in which the Board of Directors closes the accounts.

The Directors met for a seminar on January 24 and 25, 2012, to review the "BOURBON 2015 Leadership Strategy" plan.

In 2012, the Board of Directors met four times (on March 5, June 1, August 27 and November 30). The meetings lasted an average of four hours. The attendance rate was 82% against 90% in 2011.

The Directors also met for a seminar on January 21 and 22, 2013, to review the "BOURBON 2015 Leadership Strategy" plan, and met again on February 26, 2013.

The following issues were discussed in the meetings of the Board of Directors:

- current management follow-up: examination of financial statements, reports from the committees, reports on current major issues, preparations for the Annual General Meeting;
- major guidelines follow-up: the Group's development strategy, monitoring of investments under the "BOURBON 2015 Leadership Strategy" plan, sale of assets, financing strategy;
- functioning of the administrative bodies: definition of tasks to be performed by the Board or the executive management, setting of compensation for corporate officers, appointments, assessment, rules of corporate governance, employee shareholding, allocation of stock options, succession plan for brightest talents;
- decision in terms of related party agreements, in particular, review and authorization of any orders placed with shipyards under related party agreements. This review is done outside the presence of the Directors concerned. Decisions on related party agreements are made after a review of the issues prepared by the Chief Operating Officer. These decisions take into account factors reflecting the objectives of the strategic plan, the ability of the shipyards to deliver quality products within the deadlines and within the budget, as well as the competitiveness of the products in light of the market conditions of the moment.

1.4 EVALUATION BY THE BOARD OF DIRECTORS

The Board carried out a written review of its *modus operandi* in 2012, based on a standard questionnaire updated to comply with the recommendations of an AFEP working group, issued in October 2012 and sent to each Director, with the aim of:

- reviewing its *modus operandi*;
- checking that important issues are appropriately prepared and discussed;
- measuring the actual contribution of each Director to the work of the Board and his or her involvement in deliberations;
- allowing Directors to signal the strengths that they see in the Board and also to address any issues they wish on the agenda.

The findings of this evaluation were discussed by the Board on April 9, 2013. The evaluation found that Directors considered the Board's *modus operandi* generally satisfactory. The roles of Board and executive are clearly delineated. The Directors consider that they are adequately informed of events in the company and appreciate the excellent clarity of the presentations given, which are well supported by documents and very professional. The quality of discussion with the chief executives is also appreciated. They underline the importance of the annual seminar, which gives them a more detailed picture of BOURBON's different business lines and allows them to meet operational managers. It was also suggested that the composition of the Board might be reviewed to better reflect changes in BOURBON over recent years and in the years to come. The Board of Directors will look into taking any steps that would improve the quality of its work.

1.5 THE SPECIALIZED COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors is assisted in its work by two specialized committees: the Audit Committee and the Nominating, Compensation and Governance Committee. These committees cannot be delegated powers reserved by law or bylaws to the Board of Directors nor can they reduce or limit the powers of the Executive Committee. Each committee issues proposals, recommendations and advice as appropriate within its field of responsibility.

1.5.1 The Audit Committee

The mission of the Audit Committee is to assist the Board of Directors so that it can monitor the accuracy and consistency of BOURBON's Company and consolidated accounts, the quality of internal control and the information available to shareholders and the markets.

The Audit Committee performs the duties of a specialized committee, following up on any questions related to the preparation and auditing of accounting and financial information pursuant to Articles L. 823-19 and L. 823-20-4° of the French Commercial Code introduced by ruling No. 2008-1278 of December 8, 2008.

In this context:

- it manages the procedure for selecting Statutory Auditors before submitting results to the Board; it examines their independence and objectivity;
- it oversees the process of preparing financial data;
- it reviews in advance and gives its opinion on the draft annual and interim financial statements;
- it examines the relevance and permanence of the accounting rules and the principles used in preparing the financial statements and prevents any violations of such rules;
- it ensures that any changes in the scope of the consolidated companies are presented, and provides any necessary explanations;
- it evaluates the effectiveness and quality of the Group's internal control systems and procedures, and in particular, sees to it that the Internal Control Committee is established and operating properly;
- it reviews the Group's financial and cash position and any significant risks faced by it;
- it examines the procedures adopted to evaluate and manage risk;
- it reviews the Chairman's report on the *modus operandi* of the Board of Directors and internal control and risk management procedures;
- it examines the financial commitments with shipyards under related party agreements for new orders.

The Audit Committee follows the recommendations issued on July 22, 2010 by the AMF working group on Audit Committees.

Composition and modus operandi of the Audit Committee

The Audit Committee consists of at least three members appointed by the Board of Directors. The duration of the members' term of office coincides with their term as Directors. The committee appoints its Chairman from among its members. For the deliberations of the committee to be valid, at least half of its members must be present. Directors who take part in the meeting by videoconference or telecommunication methods are deemed to be present provided that these methods enable them to be identified and ensure their effective participation. The nature and application conditions of these methods are set by a decree of the French Conseil d'État.

The Audit Committee adopted internal regulations in its March 10, 2010 meeting.

The committee is currently composed of three people, including two independent Directors, complying with the proportion of at least two thirds recommended by AFEP-MEDEF in controlled companies:

- Agnès Pannier-Runacher, independent Director, Chairperson of the committee;
- Mahmud Tukur, independent Director;
- Christian Munier.

Its members all have recognized skills in finance and accounting.

Once a year, the committee invites an outside consultancy firm to update members on new regulations and any other matters necessary to fulfill their role within the committee.

The Audit Committee meets with and questions the Statutory Auditors, the General Management, the Finance Department, the Internal Auditing Department or any other person in the management whenever it deems necessary. Accordingly, the committee interviewed the Internal Audit Manager and the Vice-President in charge of Marine Services in a meeting held on November 28, 2012.

Regarding the review of the financial statements by the Audit Committee, it has been decided to respect a minimum period of time before the meeting of the Board of Directors which is held to approve these financial statements.

The Chairman of the Audit Committee reports to the Board on the work of the committee at the start of each session of the Board of Directors' meeting following the Audit Committee.

The Audit Committee carried out its self-evaluation during the general evaluation of the Board of Directors. It considered that the composition was appropriate and the documentation used for the committee's work was comprehensive and professional.

Work of the Audit Committee

The Audit Committee met three times in 2012. The attendance rate of the members at the committee meetings was 89%. The Statutory Auditors attended the committee meetings held to close the audited accounts, at which they described the context in which they performed their mission and presented their conclusions.

During those meetings, the committee:

- examined the accounts for fiscal year 2011 and the 2012 interim financial statements;
- reviewed the risk mapping;
- reviewed related party agreements;
- assessed the management of the foreign exchange risk;
- reviewed the Group's financial position, indebtedness and cash position;
- followed up progress on the "Horizon 2012" and "BOURBON 2015 Leadership Strategy" investment plans;
- followed up the work done by internal audit.

1.5.2 Nominating, Compensation and Governance Committee

The mission of the Nominating, Compensation and Governance Committee is to:

- examine all proposals for nomination to a position as a member of the Board of Directors or to any position as a corporate officer and to formulate an opinion on those proposals and/or a recommendation to the Board of Directors;
- make recommendations to the Board of Directors concerning the compensation, pension and benefits system, in-kind benefits and other pecuniary rights, including any stock options awarded to the corporate officers and/or Executive Directors of the Group;
- ensure there is a succession plan for the members of the management team and brightest talents.

Composition and modus operandi of the Nominating, Compensation and Governance Committee

The committee consists of at least three members appointed by the Board of Directors. The committee appoints its Chairman from among its members.

The committee meets at least once a year.

The Nominating, Compensation and Governance Committee is currently composed of three members, two of whom are independent Directors:

- Guy Dupont, independent Director, Chairman of the committee;
- Henri d'Armand de Chateauvieux;
- Philippe Sautter, independent Director.

The Nominating, Compensation and Governance Committee adopted internal regulations in its March 15, 2010 meeting.

The Nominating, Compensation and Governance Committee carried out its self-evaluation during the general evaluation of the Board of Directors.

Work of the Nominating, Compensation and Governance Committee

The committee met twice in 2012 with a 100% attendance rate.

The committee dealt with various issues, particularly:

- a review of the independent Directors;
- a review of the composition of the Board of Directors;
- compensation of the corporate officers and definition of the criteria for the variable part in accordance with a benchmark from the sector and in line with the compensation paid to the other executives in the Company;
- a review of the succession plan for the Company's brightest talents.

1.6 PRINCIPLES AND RULES FOR DETERMINING THE COMPENSATION OF CORPORATE OFFICERS

The elements of compensation of corporate officers are detailed in the management report (section 3.3.).

The Company chose to ignore the recommendations of the AFEP-MEDEF Code which states that a corporate officer serving as Chairman of the Board of Directors and Chief Executive Officer should not also have an employment contract.

- BOURBON's Chairman of the Board of Directors has an employment contract with JACCAR Holdings, the managing holding company of the Group. This company bills BOURBON for its management services as managing holding company. On the basis of the information available to it, BOURBON's Board of Directors cannot prejudge any provisions of the employment contract between Jacques d'Armand de Chateauvieux and JACCAR Holdings and, as a result, terminate that contract,
- The Board of Directors believed that, given the employment seniority within the Group of Christian Lefèvre, Chief Executive Officer since January 1, 2011, terminating his employment contract was not justified. Indeed, his term of office as corporate officer is a continuation of the salaried duties he has performed since joining the Group in 1982. As such, the Board of Directors believed that terminating the employment contract of Christian Lefèvre would deprive him of the rights associated with his seniority in the Group.

1.7 PARTICIPATION OF SHAREHOLDERS IN THE GENERAL MEETING

The methods for shareholder participation in General Meetings are described in Article 19 of the Company's bylaws.

1.8 FACTORS THAT COULD HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFERING

The information referred to in Article L. 225-100-3 of the French Commercial Code has been conveyed in the management report (section 6.4.).

2/ Internal control and risk management procedures

The internal control system described in this report refers to the Company and all its consolidated entities (referred to hereunder as "BOURBON").

2.1 OBJECTIVES IN TERMS OF INTERNAL CONTROL

The internal control arrangements at BOURBON are designed to ensure:

- compliance with laws and regulations;
- application of the instructions and guidelines set by Management;
- the proper operation of internal processes, particularly those helping to protect its assets;
- the reliability of financial data.

They generally contribute to overseeing its activities, the effectiveness of its operations and the efficient use of its resources.

2.2 THE NOTION OF INTERNAL CONTROL

Internal control affects everyone from governance bodies through to all BOURBON employees. Being observant and seeing to it that the system operates properly is a constant concern shared by all the operational and functional managers collectively as they work to achieve the objectives assigned to them. By contributing to preventing and controlling the risk of not achieving the objectives that BOURBON has set itself, the internal control function plays a key role in the conduct and management of its various activities.

In this way, the internal control system adopted by BOURBON is backed by:

- a structure that includes a clear definition of responsibilities, with adequate resources and skills, backed by information system procedures and appropriate tools and practices;
- the internal distribution of relevant and reliable information, knowledge of which enables everyone to exercise their proper responsibility;
- a system designed to identify and analyze the key risks relating to the Company's objectives and to establish procedures for the management of these risks;

- control activities in keeping with the challenges inherent in each process, designed to ensure that actions are taken to limit and to the extent possible, reduce and gain control over any risks likely to affect the Group's ability to meet its goals;
- oversight of the internal control system.

However, no matter how well designed and applied it is, internal control, like any control system, cannot provide an absolute guarantee that the risks targeted by it will be totally eliminated.

2.3 CONTROL ENVIRONMENT

Organizing and implementing the internal control system means raising the awareness of all BOURBON's employees and getting them involved.

The control environment thus includes the behaviors of the people responsible for the internal control of accounting and finance.

2.3.1 General organization of internal control

Under the authority issued by the Board of Directors, the Group is managed by the Chief Executive Officer assisted by two committees:

- the Executive Committee;
- the Management Committee.

The BOURBON Executive Committee is the decision-making collegial body responsible for implementing the strategy and achieving the objectives of the Group. It examines the best options for achieving the strategy, particularly in the areas of safety, innovation, human resources and cost control. It decides on priorities and allocates the resources and the means necessary for the growth of the Company.

Under the authority of the Executive Committee, the Management Committee oversees the implementation of the strategy's objectives and deals with questions of general interest to the Group in its monthly meetings. In addition to the members of the Executive Committee, this committee is composed of 12 members representing the Group's central functions as well as the heads of some of the main subsidiaries.

The central functions involve experts in the business lines specific to the Group or else they involve conventional support functions. They propose the Group strategies and policies in their respective areas and provide assistance to the operating units, ensuring among other things that best practices are disseminated. It is up to every operating unit to appropriate and adapt to the local context the policies defined in the areas concerned in order to support the objectives and the definition of internal control.

The group is organized around two main Activities:

- Marine Services;
- Subsea Services.

Each business contains dedicated operating units. The operating units carry out the strategy in compliance with the budgets assigned to them by their respective Boards of Directors. They have broad authority to ensure the best possible customer satisfaction. They are directly involved and have the proper authority to perform internal control.

In addition, the operating units report quarterly to the Executive Committee on their performance, in operational as well as financial terms.

2.3.2 Presentation of the overall organization of the Group's internal control systems

The different internal control activities serve to make certain that the procedures and standards defined by the Group are in line with the guidelines defined by the Management.

Operating standards and procedures

The Group's policy in terms of conducting operations and controlling risks is clearly defined by a management system contingent on:

- empowering the "Management" to implement and monitor this policy; and
- issuing organizational and management procedures aimed at compliance with regulations, controlling operating risks, managing health and safety and the environment, training and certification of employees, maintenance, purchases, analysis and the treatment of incidents and accidents.

Internal control procedures related to the preparation and treatment of financial and accounting information

The processes covered fall into two categories: those that enable information to be entered into the accounting data base and financial and accounting information to be generated, and the procedures for year-end closure and financial communication.

The reliability of the financial and accounting information that is published is underpinned by a set of mechanisms, rules, procedures and controls. Gradually documenting and formalizing procedures will help to reinforce this reliability.

This mainly involves the following:

- Group's planning process. It results in the drafting of the annual budget, which makes it possible to break the Group's strategic guidelines down into operational action plans. In this spirit, the Management Control Department supervises and coordinates the budget control system using a manual of procedures that sets the management rules and methods for preparing the budget and the management report applicable to both the operational level and the Group level;

- procedures for consolidating the financial statements in accordance with rules set and approved by Management. The Company draws up its consolidated financial statements according to IFRS. An integrated software program is used to consolidate the Group's financial statements. The interim and annual consolidated financial statements are presented to the Audit Committee prior to their approval by the Board of Directors;
- procedures for drafting the Registration Document to ensure accuracy, consistency, compliance with applicable laws and regulations, and the quality of the financial information.

2.4 MANAGING INTERNAL CONTROL

The internal control systems are themselves the subject of controls, on an ongoing basis by Management as well as through periodic evaluations by bodies that do not have direct authority over operations nor responsibility for them.

2.4.1 The Audit Committee

The attributes of the Audit Committee and the work conducted by it are described in section 1.5.1. of this report.

2.4.2 The internal control and risk committee

The Internal Control Committee is composed of the Chief Executive Officer, the Executive Vice President, Operations, and the Executive Vice President, Chief Financial Officer. The Internal Audit Manager presents the audit results and main conclusions.

The purpose of this committee is to examine the quality of internal control and risk management within BOURBON:

- it approves the Group's annual internal audit plan before its presentation to the Audit Committee;
- it examines the conclusions and recommendations made following the quarterly audits by the Internal Control Committee;
- it examines the quality of follow-up to action plans by Group entities in response to the recommendations of internal audit;
- it oversees follow-up to risk mapping and action plans for major risks;
- it examines any other matter relating to internal audit, internal control or risk management that it wishes to include on its agenda.

2.4.3 The Group Internal Audit Department

Group Internal Audit is an independent and objective department that makes sure BOURBON has full control over its operations, offers advice on improvements and so contributes to value added. It helps the organization achieve its objectives by systematically and methodically assessing procedures for risk management, control and corporate governance and by making recommendations on how these could be more effective.

As of December 31, 2012, the Group Internal Audit Department comprised one Director and four internal auditors.

Group Internal Audit reports to the Executive Vice President, Chief Financial Officer and the Executive Committee. It has access to the Chief Executive Officer and the Chairman of the Board of Directors as necessary. It reports regularly to the Audit Committee on its analysis of the Group's internal control. BOURBON's internal audit charter was approved in 2012 by the BOURBON Executive Committee and by the Audit Committee.

Group Internal Audit covers all fields and functions of BOURBON companies, including the operational businesses, all other functional and operational activities as well as the information, IT and management systems.

It carries out internal audits (assurance and advice) or investigations for the Group as a whole and subsidiaries as necessary.

It carries out audits of operations, finances, effectiveness, compliance, acquisitions or major projects, which may be recurrent or one-off. These audits cover all high-level management, business and support processes.

It leads and promotes internal control throughout the Group and validates the effectiveness of internal control and risk management.

In 2012, Internal Audit carried out a total of 26 audits: 13 "new" audits of subsidiaries, one group-wide audit and 12 "follow-up" audits.

2.4.4 Group control of operating businesses

The Group's HSE (Health, Safety and Environment) managers and referring officers carry out regular controls of operating units to check the effectiveness of the system and the proper application of BOURBON standards. Furthermore, every operating unit is subject to periodic or one-off external audits aimed at making certain that its internal organization and its vessels meet the recommendations under standards or codes that are either mandatory or adopted intentionally.

2.4.5 The quality management system

The Quality Department is responsible for seeing to it that an integrated quality management system is set up and maintained. Under this system the Group is broken down by the nature of each process: strategic, support, key or evaluation.

2.5 THE STATUTORY AUDITORS

As of December 31 each year, the Statutory Auditors perform a complete audit of the accounts of BOURBON and all its subsidiaries. An interim audit that takes the form of a limited review is also conducted by the Statutory Auditors on June 30 each year.

Their work provides the Group with reasonable assurance regarding the reliability and accuracy of the accounting and financial information produced. In the course of their audit, the Statutory Auditors review the internal control system in order to identify and evaluate the risk of any significant misstatement in the accounts so that they can design and implement their audit procedures.

2.6 RISK MANAGEMENT

Risk management is a Group-wide process that involves a large number of players (operating and functional departments, risk managers, “process owners”, Executive Committee, Audit Committee, Internal Audit, insurance).

The risk management process allows BOURBON to identify, evaluate, manage and monitor the risks it faces. These come in all kinds: operating, financial, strategic, human, regulatory or reputational.

As “process owner”, the Internal Audit Manager is responsible for the design, implementation and leadership of the risk management process. He oversees the definition and implementation of action plans. He also directs the network of risk managers.

The risk management process covers the updating of risk mapping and risk management, monitoring and control.

In 2012, a new risk management charter was approved by the BOURBON Executive Committee. It defines and implements a revised risk management process focused on identifying and monitoring major risks, defined as risks with a severe impact whose management needs to be significantly improved.

Risk mapping was not updated in 2012 because of the introduction of the new risk management process. It will be completely revised in 2013.

2.7 NEXT STEPS

In 2013, BOURBON plans the following actions to strengthen its system of risk management and internal control:

- Evaluation of administrative, accounting and financial internal control at Group level, and drafting of the first set of internal control standards;
- Ongoing extension of the internal control standards through all functional processes and business lines;
- Overhaul of the Group’s risk mapping and implementation of the risk management process.

3/ Powers of the Chief Executive Officer

I hereby inform you that no limitation has been placed on the powers of the Chief Executive Officer. The Executive Vice Presidents have the same powers as the Chief Executive Officer, in accordance with the bylaws.

Chairman of the Board of Directors

STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L. 225-235 OF FRENCH COMPANY LAW (*CODE DE COMMERCE*) ON THE REPORT PREPARED BY THE CHAIRMAN OF THE BOARD OF DIRECTORS OF THE COMPANY BOURBON (YEAR ENDED DECEMBER 31, 2012)

This is a free translation into English of the Statutory Auditors' report issued in French prepared in accordance with Article L. 225-235 of French company law on the report prepared by the Chairman of the Board of Directors on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information issued in French and is provided solely for the convenience of English speaking users.

This report should be read in conjunction and construed in accordance with French law and the relevant professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of BOURBON and in accordance with Article L. 225-235 of French company law (*Code de Commerce*), we hereby report on the report prepared by the Chairman of your company in accordance with Article L. 225-37 of French company law (*Code de Commerce*) for the year ended December 31, 2012.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report on the internal control and risk management procedures implemented by the company and containing the other disclosures required by Article L. 225-37 of French company law (*Code de Commerce*), particularly in terms of corporate governance.

It is our responsibility:

- to report to you on the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information, and
- to attest that this report contains the other disclosures required by Article L. 225-37 of French company law (*Code de commerce*), it being specified that we are not responsible for verifying the fairness of these disclosures.

We conducted our work in accordance with professional standards applicable in France.

Information on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consisted mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and the existing documentation;
- determining if any significant weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the company's internal control and risk management procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the Chairman of the Board in accordance with Article L. 225-37 of French company law (*Code de Commerce*).

Other disclosures

We hereby attest that the Chairman's report includes the other disclosures required by Article L. 225-37 of French company law (*Code de commerce*).

Lyon and Marseille, April 10, 2013
The Statutory Auditors

EurAAudit CRC	**Deloitte & Associés**
Cabinet Rousseau Consultants	
Alexandre BRISSIER	**Hugues DESGRANGES**

7

OTHER **LEGAL AND FINANCIAL** INFORMATION

GENERAL INFORMATION ON BOURBON SA AND ITS CAPITAL

1 INFORMATION ABOUT THE COMPANY

Corporate name: BOURBON

Head office: 33 rue du Louvre – 75002 PARIS

Date of incorporation of the Company: December 2, 1948.

Legal form and governing law: Incorporated Company (*société anonyme*) with a Board of Directors, governed by the French Commercial Code, BOURBON is a French Company.

Duration: the Company was incorporated for 99 years and expires on December 2, 2066 except if dissolved early or extended (harmonization of the bylaws pursuant to the law of July 24, 1966, Extraordinary General Meeting of January 19, 1966).

Trade Register: Paris 310 879 499.

Location where the corporate documents and records may be consulted: the bylaws, financial statements and reports and minutes of General Meetings may be consulted at the corporate office at the address indicated above.

1.1 Corporate purpose (Article 2 of the bylaws)

The purpose of the Company is:

- the creation, ownership, acquisition, sale, lease, development, operation, management, rental, control, organization and financing of all industrial, commercial, agricultural, real estate or other types of property, companies or businesses;
- the acquisition of equity interests and the management of interests related to any and all marine business activities, either directly or indirectly;
- the manufacture, packaging, import, export, commission, representation, transit, deposit and shipping of any and all products, merchandise, items and commodities of any kind of any origin;
- the acquisition, purchase, operation, sale or licensing of all patents and manufacturing trademarks;
- the acquisition of an interest through contribution, merger, participation, subscription of shares, units or bonds or in any other manner, in all businesses or companies related directly to the aim of the Company and in general in all businesses, companies or work that may attract clients to its corporate activity or stimulate operations in which they would have an interest;
- and, in a general sense, all industrial, commercial, financial, agricultural, real estate and capital transactions that may relate directly to the aim of the Company, the various elements of which are specified above.

1.2 Corporate financial year (Article 22 of the bylaws)

It starts on January 1 and ends on December 31 of each year.

1.3 Appointment of Directors (Article 13 of the bylaws)

I - During the life of the Company, Directors are appointed by the Ordinary General Meeting. However, in the event of a merger or a demerger, they may be appointed by the Extraordinary General Meeting. Their term of office lasts for three years. It ends after the Ordinary General Meeting ruling on the financial statements for the year ended, which is held in the year in which the term of the said Director expires.

The retirement age of a Director is set at 70 (seventy).

Any exiting Director is eligible for reappointment provided he or she can meet the conditions of this Article. Directors may be dismissed and replaced at any time by the Ordinary General Meeting. Any appointment made in violation of the foregoing provisions shall be null and void, except for appointments made on a temporary basis.

II - Directors may be individuals or legal entities.

In the latter case, when appointed, the legal entity is required to appoint a permanent representative who is subject to the same conditions and requirements and who assumes the same civil and criminal responsibilities as if he were a Director in his own name, without prejudice to the joint and several liability of the legal entity represented by him. The permanent representative of a legal entity appointed as Director shall be subject to the same age requirement applied to individual Directors.

The term of the permanent representative appointed by the legal entity serving as Director shall be given for the duration of the term of the legal entity.

III - An employee of the Company may be appointed as Director only if his employment contract corresponds to an actual job. He shall not lose the benefit of such employment contract. The number of employee Directors may not exceed one third of the Directors in office.

IV - In the event of a vacancy owing to death or to the resignation of one or more Directors, the Board of Directors may, between two General Meetings, make appointments on a temporary basis. If the number of Directors falls below the legal minimum, the remaining Directors must immediately convene the Ordinary General Meeting in order to fill the vacancies on the Board.

Temporary appointments made by the Board shall be subject to ratification by the next Ordinary General Meeting. Failing ratification, the deliberations and acts carried out previously by the Board shall remain valid nonetheless.

If the Board neglects making the required appointments or convening the meeting, then any interested party may ask the Chief Judge of the Commercial Court, ruling on request, to appoint a representative in charge of convening the General Meeting so that such appointments may be made or ratified as the case may be.

V - Every Director must own 300 shares in the Company. If this is not the case on the date of his appointment or at any time in the course of his terms of office, he shall be considered as having automatically resigned if he fails to remedy the situation within a period of six months.

1.4 General Meetings (Article 19 of the bylaws)

General Meetings shall be called and shall deliberate under the conditions set by law and regulations. They shall be held in any location specified in the meeting notice.

Any shareholder, however many shares he or she owns, may participate in the meetings in person or by proxy, provided they give proof of identity and proof of ownership of registered shares, either in nominative form or else in registered form, and held in a bearer securities trading account held by a certified intermediary, no later than the third business day preceding the meeting at midnight Paris time.

Registration as an accounting entry in a bearer securities account held by the certified intermediary shall be indicated by a stock certificate issued by the intermediary, attached to the mail-in voting form or proxy or when requesting the admission card.

Shareholders who have already voted by mail, sent in a proxy or requested their admission card or stock certificate, may no longer choose any other method of participating in the meeting.

In the absence of the Chairman and unless there are mandatory provisions to the contrary, the meeting is chaired by the Director specifically appointed by the Board. If there is no appointed Director, the meeting elects a Chairman.

1.5 Ownership thresholds

The bylaws do not stipulate specific requirements for ownership thresholds or declarations of intent to cross shareholding thresholds.

Pursuant to Articles L. 233-7, R. 233-1 and R. 233-1-1 of the French Commercial Code and Article 223-14 of the Regulations of the Autorité des marchés financiers,

- when the shares of a Company with its corporate office in the French Republic are admitted for trading on a registered market of any state that is party to the agreement on the European Economic Space or on a financial instruments market admitting for trading shares that can be registered in an account with an authorized intermediary mentioned in Article L. 211-3 of the French Monetary and Financial Code (*Code monétaire et financier*), any individual or legal entity, acting alone or with others, who owns a number of shares representing more than one twentieth, one tenth, three twentieths, one fifth, one fourth, one third, half, two thirds, eighteen twentieths or nineteen twentieths of the capital and/or voting rights in the Company shall inform the Company at the latest before the close of trading of the fourth trading day following the date the ownership threshold is crossed;
- the information cited above shall also be given before the same deadlines whenever the percentage of capital or voting rights owned falls below the aforementioned thresholds;
- the person required to provide the information shall specify the number of shares owned that give access in the future to the capital and voting rights attached thereto;
- the person required to provide the information shall also inform the *Autorité des marchés financiers* ("AMF") by filing his or her declaration with the AMF before the close of trading, no later than the fourth trading day after the ownership threshold is crossed.

Failure to comply with this requirement shall be punishable under Article L. 233-14 of the French Commercial Code.

The person required to provide the information is bound to declare, when they cross the thresholds of one tenth, three twentieths, one fifth or one quarter of the capital and/or voting rights, (i) the objectives he/she intends to pursue in the next six months (ii) and other declarations required by Article L. 233-7 VII paragraph 2 of the French Commercial Code.

This declaration shall be addressed to the Company whose shares were acquired and it must reach the *Autorité des marchés financiers* at the latest before the close of trading of the fifth trading day following the day the ownership threshold is crossed, resulting in the application of this article.

1.6 Appropriation and distribution of earnings (Articles 24 and 25 of the bylaws)

The income statement summarizing income and expenses for the year shows the profit or loss for the year after deduction of depreciation, amortization and provisions.

At least 5% of the earnings for the year minus any prior losses shall be used to fund the legal reserve. This withdrawal shall cease to be mandatory when the legal reserve fund equals one tenth of the capital stock; it shall resume when the legal reserve falls below one tenth of the capital for any reason.

Distributable earnings consist of the profit for the year less prior losses and sums placed in reserve as required by law and the bylaws, plus any retained earnings.

The General Meeting may withdraw from these earnings any sums it deems appropriate to be carried forward to the following year or to be placed in one or more general or special reserves, the use of or allocation to which to be determined by it. The balance, if any, is divided among all shares. Dividends are first taken from the distributable earnings for the year.

The General Meeting may also decide to distribute sums taken from the reserves at its disposal, and must expressly note the reserve items from which these sums are taken.

Excluding the case of a capital reduction, no distribution may be made to shareholders when the shareholders' equity is or would become, after any distribution, less than the amount of the capital plus reserves which may not be distributed under the law or bylaws. The revaluation reserve may not be distributed. It may be capitalized in whole or in part.

The loss, if any, is carried forward after approval of the financial statements by the shareholders and is charged against the profits from subsequent years until it is extinguished.

The General Meeting has the option of granting to each shareholder for all or part of the dividend paid out an option between payment of the dividend in shares, subject to the legal conditions, or in cash.

The procedures for payment of the dividends in cash shall be set by the General Meeting or by the Board of Directors.

Cash dividends must be paid within a maximum period of nine months after the close of the financial year unless this deadline is extended by court order.

However, when a balance sheet prepared during or at the end of the year and certified by a Statutory Auditor shows that the Company has earned a profit since the end of the previous year and after the required depreciation, amortization and provisions, and after deduction of any prior losses and sums to be placed in reserve as required by the law or bylaws, interim dividends may be paid before approval of the financial statements for the year. The amount of such dividends may not exceed the amount of the profit as shown.

A request for payment of the dividend in shares must be made within a time period set by the meeting, which may not exceed three months from the date of the meeting.

No dividends may be claimed back from shareholders, unless distribution was performed in violation of legal provisions and the Company deems that beneficiaries were aware of the irregular nature of this distribution at the time, or could not have not been aware thereof, given the circumstances. Where applicable, claims for refund are limited to three years after the payment of these dividends.

Any dividends not claimed within five years of their release for payment are lapsed.

The Ordinary General Meeting may, on the recommendation of the Board of Directors, decide that the dividend shall be paid in kind.

1.7 Purchase by the Company of its own shares

(See Management report – section 6.3.1 – Share buyback program, page 61).

1.8 Parent company-subsidiary relations

BOURBON SA is a holding company; the financial flows with its subsidiaries correspond mainly to the dividends paid by them.

As of December 31, 2012, the figures for the parent company, BOURBON SA, and its main subsidiaries are listed below:

Consolidated values (except dividends) *(in € millions)*	**Bourbon Offshore Surf**	**Sonasurf Internacional Ship.**	**Bourbon Offshore Interoil Ship.**	**Bourbon Ships AS**	**Bourbon Supply Invest.**	**Bourbon Supply Asia**	**Bourbon Maritime**	**BOURBON SA (listed company)**
Revenue	167.0	236.8	187.2	42.4	0.0	6.4	-	-
Net property, plant and equipment	196.5	0.0	0.6	329.6	248.0	78.9	7.4	-
Financial debt (excl. Group)	20.7	-	0.2	244.0	25.5	41.8	1,063.9	-
Cash and cash equivalents	0.7	6.9	-	15.5	0.0	2.4	0.0	0.8
Dividends paid during the year returning to the listed Company	-	-	-	-	-	-	50.0	-

Aside from the parent company (BOURBON SA), the companies presented are the most representative of their respective activities:

- for operating companies: Bourbon Offshore Surf, Sonasurf Internacional Shipping, Bourbon Offshore Interoil Shipping Navegação, Bourbon Ships AS, Bourbon Supply Asia and Bourbon Supply Investissements which alone account for nearly 54% of the Group's revenues. The Group's remaining revenues are earned by 37 operating companies;
- for shipowning companies: Bourbon Offshore Surf, Bourbon Ships AS, Bourbon Supply Investissements and Bourbon Supply Asia, these four companies representing 26% of the Group's net property, plant and equipment. The other property, plant and equipment are owned by 135 companies, shipowning being the sole activity (mainly tax vehicles) for 84 of them;
- for companies with a financing activity: Bourbon Offshore Surf, Bourbon Ships AS, Bourbon Supply Investissements, Bourbon Supply Asia and Bourbon Maritime, which account for nearly 62% of the Group's debt. The remaining financial debt is carried by 54 companies, shipowning being the sole activity for 23 of them. In general, transactions between members of the Group are managed by the centralized cash-clearing house, the subsidiary Financière Bourbon.

2 INFORMATION ABOUT THE CAPITAL STOCK

The Company was listed for trading on the second market of the Paris Stock Exchange on October 20, 1998.

Since February 2004, BOURBON has been classified by Euronext in the "Oil Services" sector.

BOURBON was admitted to the SBF 120 index in September 2005.

BOURBON was admitted for trading on Euronext Paris, as from January 2006, in capitalization compartment A of Euronext Paris.

As from March 28, 2006, the share was included in the Deferred Settlement Service (SRD), and since March 2011 it has been included in the CAC Mid 60 index.

2.1 Capital stock

As of December 31, 2012, the number of shares (all of the same class) and theoretical voting rights amounted to 67,781,535. The amount of the capital stock on that date totaled €43,055,075.

During 2012, more than 31.8 million shares of BOURBON stock were traded on the NYSE Euronext Market.

As of December 31, 2012, the Company's market capitalization amounted to €1,411 million at a year end price of €20.81 per share compared with €1,444 million as of December 31, 2011.

According to the criteria "number of shares traded", "capital", "rotation rate" and "market capitalization", depending on the month, BOURBON ranked between number 62 and number 103 among the companies listed on Euronext Paris.

As of December 31, 2012, there were 1,043 employee shareholders holding stock through the FCPE "Bourbon Expansion" for 561,776 shares, or 0.83% of the capital.

In the Combined General Meeting of August 23, 2004, double voting rights were eliminated. Moreover, with the exception of treasury shares (2,713,839 shares as of December 31, 2012, 4% of the total outstanding), no shares have limited voting rights.

2.2 Position with regard to stock option plans for new and/or existing shares

The table below shows all the information related to stock option plans for new and/or existing shares granted by the Company, in force as of December 31, 2012.

Meeting date	June 7, 2005		May 30, 2008		June 1, 2011		Total
	Plan No. 5 (1)	Plan No. 6 (1)	Plan No. 7 (1)	Plan No. 8 (1)	Plan No. 9	Plan No. 10	
Date of Board Meeting	December 4, 2006	December 10, 2007	December 8, 2008	August 24, 2009	December 5, 2011	November 30, 2012	
Start date for exercising options	December 4, 2010	December 10, 2011	December 8, 2012	September 24, 2013	December 5, 2015	November 30, 2016	
Expiration date	December 3, 2012	December 9, 2013	December 7, 2014	September 23, 2015	December 4, 2017	November 29, 2018	
Original number of beneficiaries	60	681	50	895	1,153	2	
Total number of stock subscription or purchase options:	57,499	1,561,626	43,076	2,126,850	2,535,500	27,000	
a) Corporate officers in this capacity at the time granted		96,800 (2)		99,000	150,000 (3)(2)		
- Incl. Jacques de Chateauvieux							
- Incl. Christian Lefèvre		48,400		49,500	65,000		
- Incl. Gaël Bodénès					35,000		
- Incl. Laurent Renard		48,400		49,500	50,000		
b) Top ten employee beneficiaries	26,354	211,750	21,296	235,400	201,000	27,000	
Subscription or purchase price	€30.09	€36.35	€17.36	€28.73	€20.00	€21.80	
Discounts granted	5%	No	No	No	No	No	
Options exercised as of 12/31/2012	532 (4)	-	-	-	-	-	
Options cancelled or voided as of 12/31/2012	56,967	340,131	18,150	190,960	85,100	-	
Options remaining to be exercised as of 12/31/2012	0	1,221,495	24,926	1,935,890	2,450,400	27,000	5,659,711

(1) Numbers of options and exercise prices are adjusted values, as required under applicable regulations, following operations on the BOURBON share.
(2) Exercise terms for corporate officers from the December 2007 allocations, by decision of the March 10, 2008 Board of Directors' meeting: mandatory retention of 20% of the options exercised for the duration of their position.
(3) Options related to performance conditions (see management report – section 3.3.3.2, page 36).
(4) In accordance with the terms of the plan.

2.3 Position with regard to granting of bonus shares

As of December 31, 2012, there were no bonus share plans.

2.4 Potential capital dilution as of December 31, 2012

The table below shows an assessment of the Company's potential capital dilution resulting from the conversion or exercise of securities giving access to any outstanding capital in the Company as of December 31, 2012 (stock subscription or purchase options).

	Allocation date	Maturity		Number of potential shares	Potential dilution	Capital stock (in shares)
		Start	End			
Number of shares as of December 31, 2012						**67,781,535**
Stock subscription options	12/10/2007	12/10/2011	12/09/2013	1,221,495	1.80%	
Stock subscription options	12/08/2008	12/08/2012	12/07/2014	24,926	0.04%	
Stock subscription options	09/24/2009	09/24/2013	09/23/2015	1,935,890	2.86%	
Subscription or purchase options	12/05/2011	12/05/2015	12/04/2017	2,450,400	3.62%	
Subscription or purchase options	11/30/2012	11/30/2016	11/29/2018	27,000	0.04%	
Total stock subscription options				**5,659,711**	**8.35%**	
POTENTIAL CAPITAL AS OF DECEMBER 31, 2012						**73,441,246**

The Company did not issue or grant any other rights or securities giving direct or indirect access to its capital, immediately or in the future.

2.5 Changes in the capital over the past three years

Date	Operation	Share issues			Total amount of capital *(in euros)*	Total number of shares
		Amount of capital increase *(in euros)*	Number of shares	Issue and merger premium *(in euros)*		
03/15/2010	Bonus shares granted to employees and stock options exercised between January 1, 2010 and March 15, 2010	2,081	3,278	29,546	38,868,429	61,190,504
12/06/2010	Stock options exercised between March 15, 2010 and December 6, 2010	113,143	178,121	4,211,924	38,981,572	61,368,625
12/31/2010	Stock options exercised between December 6, 2010 and December 31, 2010	104,123	163,920	3,012,900	39,085,695	61,532,545
03/14/2011	Stock options exercised between January 1, 2011 and March 14, 2011	15,399	24,244	505,244	39,101,094	61,556,789
06/01/2011	Stock options exercised between March 14, 2011 and June 1, 2011	17	25	661	39,101,110	61,556,814
06/01/2011	Allotment of one new share for ten old shares	3,910,111	6155,681	(3,910,111)	43,011,221	67,712,495
11/02/2011	Bonus shares granted to employees	29,400	46,284	(29,400)	43,040,621	67,758,779
12/31/2011	Stock options exercised between June 1, 2011 and December 31, 2011	14,454	22,756	545,457	43,055,075	67,781,535
12/31/2012	No stock options were exercised between January 1, 2012 and December 31, 2012	0	0	0	43,055,075	67,781,535
03/04/2013	No stock options were exercised between January 1, 2013 and March 4, 2013	0	0	0	43,055,075	67,781,535

The number of shares comprising the capital stock and the number of voting rights are adjusted monthly as necessary in accordance with the "Transparency Directive". This information is available on the Company's website, www.bourbon-online.com under the heading "BOURBON" – "Finance" – "Regulated information".

2.6 Significant transactions affecting the distribution of capital over the past three years

Following the transactions mentioned below, up to the registration date of the 2012 Registration Document and as far as the Company is aware, the companies Mach-Invest International and Monnoyeur SAS hold more than 5% of BOURBON's capital stock and the JACCAR Holdings company more than 25%.

Year 2012

On January 19, 2012, JACCAR Holdings strengthened its position following the acquisition of a block of 945,000 BOURBON shares and reported that it had exceeded the 25% threshold for the capital stock and theoretical voting rights. Since that date, JACCAR Holdings has held 17,647,033 BOURBON shares.

JACCAR Holdings also declared, on the same date:

- that it will continue acting as a shareholder, namely a shareholder desirous of accompanying the development and strategy decided on by the Board of Directors of BOURBON;
- that it will continue to manage its interests actively and that it is planning to increase them as opportunities arise;
- that it is not the intention of JACCAR Holdings to take over BOURBON nor to request other directorships on BOURBON's Board of Directors other than those of Jacques de Chateauvieux, Chairman and Director with delegated powers of JACCAR Holdings, and Ms. Lan Vo, Board member and manager of the Vietnamese branch of JACCAR Holdings.

Year 2011

On October 5 and 6, 2011, Cana Tera SAS, the parent company of JACCAR Holdings, acquired 72,324 BOURBON shares on the market, increasing its total number of shares to 114,674.

After selling all of its shares to Mach-Invest International, Mach-Invest SAS purchased 7,000 BOURBON shares in October 2011.

On May 17, 2011, Mach-Invest SAS reported that, on May 16, 2011, it had fallen below the 5% threshold for capital stock and theoretical voting rights in BOURBON, while Mach-Invest International declared that it had risen above the 5% threshold for capital stock and theoretical voting rights in BOURBON. The thresholds were crossed owing to the sale of 3,105,530 shares previously held by Mach-Invest SAS to Mach-Invest International.

Year 2010

On November 30, 2010, Mach-Invest International reported that it had acquired 1,650,000 shares.

On September 3, 2010, Cana Tera SAS, the parent company of JACCAR Holdings, reported that it had borrowed 38,500 BOURBON shares.

2.7 Changes in the shareholder base

Shareholders	Position as of 12.31.2012			12.31.2011			12.31.2010		
	Number of shares	% of capital and theoretical voting rights	% of voting rights in the General Meeting	Number of shares	% of capital and theoretical voting rights	% of voting rights in the General Meeting	Number of shares	% of capital	% of voting rights
Jaccar *	17,761,707	26.20%	27.30%	16,816,707	24.81%	25.84%	15,222,168	24.74%	25.77%
Mach-Invest **	5,238,083	7.73%	8.05%	5,238,083	7.73%	8.05%	4,755,530	7.73%	8.05%
Monnoyeur	3,623,789	5.35%	5.57%	3,623,789	5.35%	5.57%	3,294,354	5.35%	5.58%
Treasury shares	2,713,839	4.00%	-	2,710,946	4.00%	-	2,456,430	3.99%	-
Employees	561,776	0.83%	0.86%	548,667	0.81%	0.84%	514,423	0.84%	0.87%
Public	37,882,341	55.89%	58.22%	38,843,343	57.31%	59.69%	35,289,640	57.35%	59.74%
TOTAL	**67,781,535**	**100%**	**100%**	**67,781,535**	**100%**	**100%**	**61,532,545**	**100%**	**100%**

* *Jaccar: JACCAR Holdings SA and Cana Tera SAS, companies associated with Mr. Jacques d'Armand de Chateauvieux.*
** *Mach-Invest: Mach-Invest SAS and Mach-Invest International, companies related to Mr. Henri d'Armand de Chateauvieux.*

2.8 Distribution of capital and voting rights

Total number of shares (December 31, 2012)	67,781,535
Total number of theoretical voting rights (December 31, 2012)	67,781,535
Total number of voting rights exercisable in General Meetings (December 31, 2012)	65,067,696
Approximate number of shareholders (TPI shareholder identification procedure in January 2013)	40,000

Shareholders owning 5% or more of the capital and theoretical voting rights (December 31, 2012):

- more than 20%: JACCAR Holdings;
- more than 10%: None;
- more than 5%: Mach-Invest International and Monnoyeur SAS.

To the Company's knowledge, there are no other shareholders owning, either directly or indirectly or together, 5% or more of the capital and theoretical voting rights.

Percentage of capital and theoretical voting rights held by all the members of the Board of Directors: 40%.

As of December 31, 2012, the Company owned 2,713,839 shares (including 20,434 under the supervision and liquidity contract with CM-CIC Securities), or 4.0% of the capital.

In addition, as of that same date, 1,043 employees owned 0.83% of the capital with 561,776 shares.

Since December 31, 2004, there has been a shareholders' agreement stipulating a collective pledge to retain shares of BOURBON stock ("*Loi Dutreil*", Article 885-I of the French General Tax Code, *Code général des impôts*) involving 26.3% of the capital. This agreement, which is tax-related in nature, does not under any circumstances represent a "collective action" to implement a voting policy or a BOURBON management policy. It does not contain any preferred terms for sales. This agreement is renewed annually by tacit agreement in accordance with its bylaws.

2.9 Price trend in euros over 18 months

Date	High (1)	Low (2)	Volume of shares traded	Capital traded *(in € millions)*
2011				
September	23.08	16.60	4,339,001	84.17
October	21.70	15.04	3,755,449	71.12
November	21.72	17.80	4,115,712	80.65
December	23.00	20.03	2,100,633	45.07
2012				
January	26.77	21.24	4,004,040	97.66
February	28.00	25.40	2,937,104	78.17
March	28.10	21.91	4,096,474	99.00
April	22.80	19.43	2,899,513	61.57
May	22.35	17.84	3,147,499	61.53
June	19.19	16.95	2,678,165	48.18
July	21.88	18.55	2,542,637	51.58
August	22.36	20.79	1,893,906	41.15
September	23.83	20.83	1,733,185	39.14
October	22.66	20.03	1,760,250	37.17
November	23.19	20.60	2,348,725	51.18
December	22.43	20.74	1,835,556	39 65
2013				
January	23.04	20.70	2,317,020	50.87
February	22.98	20.50	1,767,462	38.16

(1) High reached in intraday over the period.
(2) Low reached in intraday over the period.

7

TRADEMARKS, LICENSES, PATENTS, REAL PROPERTIES, PLANT AND EQUIPMENT

1 TRADEMARKS, LICENSES, PATENTS

The BOURBON Company has filed its logo, including the graphic features. It has also protected its trademarks, *i.e.* BOURBON, Bourbon Offshore and Les Abeilles, for the products and services concerned.

BOURBON has also registered the brand "Under the flag of excellence" with the INPI (National Industrial Property Institute).

2 REAL PROPERTIES, PLANT AND EQUIPMENT

The fleet of vessels constitutes the major portion of the Group's property, plant and equipment. The vessels (including those under construction) account for nearly 99% of the net property, plant and equipment as of December 31, 2012. For 2012, the average utilization rate for the fleet in service was 84.1%. In 2012, the breakdown of the fleet was as follows:

	Marine Services							
	Deepwater Offshore		Shallow water offshore		Crewboats		Subsea Services	
	Per half year							
	H1 2012	H2 2012	H1 2012	H2 2012	H1 2012	H2 2012	H1 2012	H2 2012
Number of vessels (end of period)	71	72	97	102	260	265	17	18
Utilization rate (1)	91.9%	91.2%	88.5%	91.3%	78.9%	80.5%	87.7%	88.5%
Average daily rates (US dollar)	$20,145	$20,955	$13,519	$14,281	$4,678	$4,968	$37,866	$39,037
Availability rate	94.6%	95.4%	95.5%	96.6%	93.2%	94.4%	92.8%	89.9%

(1) *Utilization rate: over a period, number of days generating income divided by the number of calendar days.*

As of December 31, 2012, the offshore fleet breaks down as follows:

Position as of December 31, 2012	Operating vessels	Average age	Average utilization rate *(%)* (1)
Marine Services			
Deepwater offshore vessels	72	8.2	91.6%
Shallow water offshore vessels	102	4.5	89.9%
Crewboats	265	5.9	79.6%
Total Marine Services	**439**	**6.0**	**83.9%**
Subsea Services			
IMR vessels	18	5.5	88.1%
TOTAL VESSELS	**457**	**6.0**	**84.1%**

(1) *Utilization rate: over a period, number of days generating income divided by the number of calendar days.*

BOURBON also has twelve ROVs with an average age of less than five years and a cement carrier delivered in 2009.

As of December 31, 2012, over 72% of offshore supply vessels were under long-term (1) contracts, with the average residual duration of contracts for these vessels at 11.8 months, excluding crewboats.

BOURBON's fleet of offshore support vessels (excluding crewboats) is valued at the end of each year by independent ship brokers, all with extensive knowledge of the markets in which our vessels operate. Transactions involving vessels with characteristics as similar as possible are taken into account by the brokers. Certain specifics may also be taken into account, such as:

- the country in which the vessel was built (opening or closing access to certain markets);
- degree of proximity to an operating zone targeted by the purchaser, as well as the condition and age of the vessel.

The Statutory Auditors rely on this data for impairment of assets tests.

(1) *In the industry, "long-term" applies to commitments over six months. In practice, "long-term" contracts have terms of between two and three years, and sometimes include options to extend them for an additional one or two years.*

Based on the market values provided at December 31, 2012 and the net book value of offshore support vessels on this date, the unrealized capital gains stand at almost €1.1 billion.

As indicated in the notes to the consolidated financial statements, maintenance operations are performed on all our vessels at regular intervals according to a multi-year plan for compliance with the classification requirements of international agreements or regulations.

Thus every vessel involves two components:

- a vessel component;
- an “overhaul” component, representing the cost of an overhaul.

Treatment of the “overhaul” component is also explained in note 1.5.6 of the notes to the consolidated financial statements. A summary of BOURBON’s property, plant and equipment and the main expenses related thereto (amortization and losses in value) is included in note 3.3 of the notes to the consolidated financial statements. In addition, in section 4.2, the management report describes the environmental risks and BOURBON’s approach to them.

3 VESSEL DELIVERIES AND FINANCING

BOURBON took delivery of 33 vessels in 2012:

- 3 deepwater offshore vessels;
- 9 shallow water offshore vessels;
- 20 crewboats;
- 1 IMR vessel.

The table below summarizes the number of vessel deliveries forecast for the period 2013-2015. It takes account of the fact that:

- BOURBON has still to take delivery of 11 vessels included in its “HORIZON 2012” investment plan;
- BOURBON has already taken delivery of 40 vessels included in the “BOURBON 2015 Leadership Strategy” plan.

The amounts given below are the estimated vessel values (excluding financing costs) expressed in millions of euro, and not the amounts disbursed on delivery (advance payments are made at different stages of construction).

		Deliveries expected in 2013	Deliveries expected in 2014	Deliveries expected in 2015	Total
Deepwater offshore vessels	Number	5	12	6	23
	Value (before financing costs)	€110 M	€245 M	€128 M	€483 M
Shallow water offshore vessels	Number	22	13		35
	Value (before financing costs)	€282 M	€162 M		€444 M
Crewboats	Number	15		-	15
	Value (before financing costs)	€35 M		-	€35 M
IMR vessels	Number	3	4	1	8
	Value (before financing costs)	€135 M	€180 M	€45 M	€360 M
TOTAL	**NUMBER**	**45**	**29**	**7**	**81**
	VALUE (BEFORE FINANCING COSTS)	**€562 M**	**€587 M**	**€173 M**	**€1,322 M**

“BOURBON 2015 Leadership Strategy” plan

“BOURBON 2015 Leadership Strategy” program amount *	€1.538 billion / US$2 billion
Investments committed as of December 31, 2012	€1.053 billion
Amount paid as of December 31, 2012	€377 million
Rate of progress of the investment program	69%
Estimated maturity of the program in 2013	€386 million (excluding any additional orders)
Resources and financing	See paragraphs 1.2, 2.4 and 4.4.2 of the management report.

* *Assuming a EUR/USD exchange rate of EUR 1 to USD 1.30.*

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4 REAL PROPERTY

As of December 31, 2012, the Group had access, either through a lease or through direct ownership, to the following real property:

Country	Location	Purpose	Legal status
France	**Paris**	**Head office**	**Lease**
Australia	Perth	Offices	Lease
Brazil	Rio de Janeiro	Offices, warehouse	Ownership/Lease
China	Shanghai	Offices	Lease
United Arab Emirates	Dubaï	Offices, other	Lease
Egypt	Cairo – Agouza	Offices	Lease
France	Le Havre, Marseille, Paris, Sainte-Marie (La Réunion)	Offices, other	Ownership/Lease
Indonesia	Balikpapan, Jakarta, Tamapole	Offices, logistics base	Ownership/Lease
Italy	Ravenna	Offices	Lease
Malaysia	Labuan	Offices	Lease
Nigeria	Lagos, Port Harcourt, Onne	Offices, logistics base, other	Ownership/Lease
Norway	Fosnavaag	Offices	Lease
Portugal	Funchal	Offices	Lease
Qatar	Doha	Offices	Lease
Russia	St Petersburg	Offices	Lease
Singapore	Singapore	Offices, other	Lease
Switzerland	Nyon	Offices	Lease
Ukraine	Odessa	Offices	Lease
Vietnam	Ho Chi Minh City	Offices	Lease

N.B.: real property owned/leased by fully consolidated companies.

Leased property consists mainly of premises used for administrative purposes. The Group is the owner of buildings located in Marseille, which house the main corporate departments as well as the head offices of several subsidiaries. Simple leasing expenses for real property are included in the information given in point 5.1 of the notes to the consolidated financial statements showing contractual obligations. Simple leasing expenses related to administrative premises represent most of the Group's contractual obligations in this area.

AGENDA OF THE COMBINED GENERAL MEETING OF MAY 28, 2013

1 AGENDA OF THE ORDINARY GENERAL MEETING

- Directors' report and Group management report for the period closed on December 31, 2012;
- Chairman's report as required by Article L. 225-37 of the French Commercial Code;
- Special Directors' report on stock options, as required by Article L. 225-184 of the said Commercial Code;
- Special Directors' report on granting of bonus shares, as required by Article L. 225-197-4 of the said Commercial Code;
- Statutory Auditors' report on the annual financial statements and consolidated financial statements;
- Statutory Auditors' special report on those agreements and commitments defined in Articles L. 225-38 *et seq*. of the said Commercial Code;
- Statutory Auditors' report on the internal control and risk management procedures relating to the compilation and processing of accounting and financial data;
- Approval of the annual financial statements for the period closed on December 31, 2012;
- Appropriation of net income for the year – decision concerning distribution of dividend;
- Approval of the consolidated financial statements for the period closed on December 31, 2012;
- Approval and/or ratification of related party agreements and commitments mentioned in the related Statutory Auditors' special report;
- Setting of Directors' fees;
- Renewal of term of office for two Directors (Mr. Jacques d'Armand de Chateauvieux and Ms. Vo Thi Huyen Lan;
- Appointment of one Director (Mr. Christian Lefèvre);
- Authorization to be given to the Board of Directors to allow the Company to buy back its own shares as part of the share buyback program, duration, ceiling, objectives and terms and conditions of the authorization;
- Powers for filing and formalities.

2 AGENDA OF THE EXTRAORDINARY GENERAL MEETING

- Directors' report;
- Statutory Auditors' Report;
- Authorization by the Board of Directors to reduce the authorized capital by cancellation of acquired shares, duration and ceiling of the authorization;
- Decision concerning capital increase by incorporation of part of the issue premium to fund granting of bonus shares to shareholders;
- Delegation of authority to be given to the Board of Directors to issue ordinary shares and/or transferable securities giving access to equity (of the company or another Group company) and/or giving entitlement to the award of debt securities with elimination of pre-emptive subscription rights by public offering and/or in settlement of securities contributed under a public exchange offer, duration of the powers granted, maximum nominal amount of the capital increase, issue price, authority to reduce the amount issued to the amount of the subscriptions or to distribute unsubscribed securities, authorization to increase the amount of the issue if oversubscribed;
- Authorization, in case of issue with elimination of the shareholders' pre-emptive subscription right, to set, within the limit of 10% of share capital per year, the issue price under the terms determined by the meeting;
- Amendment of Article 11-VII of the bylaws regarding the usufructuary referred to in Article 787 B of the French Tax Code;
- Delegation of authorization to the Board of Directors to issue share subscription warrants, share subscription and/or purchase warrants (BSAANE) and/or redeemable share subscription and/or purchase warrants for new and/or existing shares (BSAAR) with elimination of the pre-emptive subscription right in favor of a defined class of persons, maximum amount of the capital increase, duration of the delegation, exercise price;
- Powers for filing and formalities.

PROPOSED RESOLUTIONS TO BE PUT TO THE COMBINED GENERAL MEETING OF MAY 28, 2013

1 THOSE FOR THE ORDINARY GENERAL MEETING

First resolution - Approval of financial statements and reports

The General Meeting, resolving under the conditions of majority and quorum required for Ordinary General Meetings and having heard the Directors' report, the Chairman's report and the Statutory Auditors' report, approves these reports in full, together with the balance sheet, profit and loss account (income statement) and notes thereto for the financial year closed on December 31, 2012, as presented, and all the transactions expressed in these accounts and summarized in the said reports.

Second resolution - Appropriation of earnings

The General Meeting, resolving under the conditions of majority and quorum required for Ordinary General Meetings, adopts the Board's proposal and decides to appropriate the net income for the period as follows:

Profit for the year	70,516,160.36
Retained earnings	136,468,190.51
Total distributable	206,984,350.87
Distribution of a dividend of €0.82 for each of the 67,781,535 shares comprising the share capital	55,580,858.70
Balance to carry forward under Retained Earnings	151,403,492.17

The dividend thus set will be distributed as of June 6, 2013. If the number of shares bearing dividend rights should change from the 67,781,535 outstanding at April 9, 2013, the total amount of dividends will be adjusted accordingly.

As regards the Company's purchase of its own stock, it may be noted that acquired shares do not yield dividend. The sum corresponding to this unpaid dividend will thus be carried forward as "retained earnings".

This dividend will qualify the holder to a rebate of 40% applicable to individuals who are tax residents of France.

As required by amended Article 117 quater of the French Tax Code, a 21% withholding will be deducted at source.

Shareholders are reminded that social security deductions (CSG, CRDS, social security contributions and additional contribution) representing 15.50% of the amount of the dividend, will be deducted at source on payment of the dividend.

Legal persons are not entitled to this tax abatement.

No income is distributed under this meeting apart from the above-mentioned dividend, eligible or otherwise for the 40% rebate mentioned in Article 158, section 3, paragraph 2, of the French Tax Code.

Dividends distributed for the three preceding years were as follows:

	Number of shares at year end	Net dividend per share * *(in €)*	Total distributed *(in € thousands)* **
2009	61,187,226	0.90	52,866
2010	61,532,545	0.90	53,170
2011	61,781,535	0.82	53,343

* *Dividend entitling individuals considered tax residents in France to a 40% tax abatement under Article 158-3-2 of the French Tax Code.*

** *This is the amount actually paid out and does not include dividends on treasury shares, which are instead credited to retained earnings.*

Third resolution - Approval of the 2012 consolidated financial statements

The General Meeting, resolving under the conditions of majority and quorum required for Ordinary General Meetings and having heard the Directors' report on management of the Group and the Statutory Auditors' report on the consolidated financial statements closed on December 31, 2012, approves these accounts as presented together with all the transactions expressed in these accounts and summarized in the said reports.

Fourth resolution - Approval of related party agreements

The General Meeting, resolving under the conditions of majority and quorum required for Ordinary General Meetings and having heard the Statutory Auditors' special report, approves and, where appropriate, ratifies the report in full together with each of the new agreements mentioned therein.

Fifth resolution - Setting of Directors' fees

The General Meeting, resolving under the conditions of majority and quorum required for Ordinary General Meetings and having heard the Directors' report, decides to allow the Directors an overall sum of two hundred and forty thousand euros (€240,000) as fees for the financial year 2012 and subsequent periods.

Sixth resolution - Renewal of term of office as Director of Mr. Jacques d'Armand de Chateauvieux

The General Meeting, resolving under the conditions of majority and quorum required for Ordinary General Meetings, notes that Mr. Jacques d'Armand de Chateauvieux's term of office as Director is coming to its end and decides to renew this tenure for a period of three years, *i.e.* until the close of the General Meeting held in 2016 to approve the accounts for the financial year closed on December 31, 2015.

Seventh resolution - Renewal of term of office as Director of Ms. Vo Thi Huyen Lan

The General Meeting, resolving under the conditions of majority and quorum required for Ordinary General Meetings, notes that Ms. Vo Thi Huyen Lan's term of office as Director is coming to its end and decides to renew this tenure for a period of three years, *i.e.* until the close of the General Meeting held in 2016 to approve the accounts for the financial year closed on December 31, 2015.

Eighth resolution - Appointment of Mr. Christian Lefèvre as Director

The General Meeting, resolving under the conditions of majority and quorum required for Ordinary General Meetings, resolves to appoint as Director Mr. Christian Lefèvre of 23 A quai de Rive Neuve, Les Jardins du Vieux-Port, Marseille (13007), for a period of three years, i.e. until the close of the General Meeting held in 2016 to approve the accounts for the financial year closed on December 31, 2015.

Ninth resolution - Share buyback program

The General Meeting, resolving under the conditions of majority and quorum required for Ordinary General Meetings and after having heard the Board's report and examined the description of the share buyback program, decides:

- to terminate the current buyback program decided by the Combined General Meeting of June 1, 2012, under the terms of the ninth ordinary resolution;
- to adopt the following program and, for such purposes:

1. authorizes the Board of Directors, with powers of sub-delegation, in accordance with the stipulations of Articles L. 225-209 *et seq*. of the French Commercial Code, to purchase Company shares within the limit of 5% of the capital stock, adjusted as the case may be to allow for possible increases or reductions of capital in the course of the program but never exceeding the ceiling of 10%, on condition that the maximum percentage of shares acquired by the Company as treasury stock and for later use as payment or exchange within the scope of a merger, corporate break-up or capital contribution plan be limited to 5% in compliance with applicable French legislation;
2. decides that shares may be purchased with a view to:
   - stimulating the markets or the liquidity of the BOURBON share through an investment service provider, operating wholly independently within the scope of a liquidity contract under the rules of professional conduct of the AMAFI approved by the French Financial Services Authority (AMF),
   - holding them for later use as payment or exchange within the scope of external expansion operations initiated by the Company,
   - allotting shares to employees and authorized agents of the Company or its Group to cover bonus share or stock option allotment plans or as part of their beneficial participation in the expansion of the Company or within the scope of a shareholding plan or an employee savings plan, and/or all other forms of share allocation to employees and/or corporate officers of the Group.

- handing over stock upon exercise of rights attached to securities which, by way of conversion, exercise, repayment or exchange, entitle the exerciser to allotment of Company shares within the bounds of stock market regulations,
- canceling them, by way of equity reduction, as prescribed by law, subject to adoption of the eleventh ordinary resolution below;

3. decides that the maximum purchase price per share cannot exceed forty euros (€40), excluding costs;
4. decides that the Board of Directors may nevertheless adjust the above-mentioned purchase price in the same proportions (coefficient of the ratio between the number of shares comprising the capital stock before the transaction and the number of shares after the transaction), in the event of any change in the par value of the shares, any increase of capital by capitalization of reserves and stock dividend, stock-split or consolidation of shares, any redemption of shares, reduction of capital, distribution of reserves or other assets or any other transactions affecting the shareholders' equity, in order to allow for the incidence of these operations on the share value;
5. decides that the maximum sum of funds set aside for this share buyback program cannot exceed one hundred and thirty-five million, five hundred and sixty-three thousand, and seventy euros (€135,563,070);
6. decides that the shares can be purchased, on one or more occasions, by any means – and notably wholly or partially through transactions on the market or through purchase of blocks of stock and, as the case may be, through OTC transactions, public purchase offers or exchange offers, or by use of options or derivatives other than sale of put options in accordance with the AMF position of November 19, 2009 – and at any times considered appropriate by the Board, including during public offers, within the bounds authorized by stock market regulations, and with the sole aim of respecting a commitment to deliver shares or of compensating an acquisition of assets by exchange and transfer of shares within the scope of an external growth operation already in progress upon launching of the public offer;
7. shares acquired under this authorization may be kept or transferred by any means, including block stock transfers, and at any time, including during public offers;
8. grants the Board of Directors full powers, with right of delegation, to, notably:
   - implement the program, proceed with the transactions and set the terms and conditions thereof,
   - place all orders on the stock exchange or between-dealer market,
   - adjust the purchase price of shares to allow for the incidence of the above-mentioned operations on the share value,
   - enter into any agreements, notably with a view to keeping registers of share purchases and sales,
   - make any reports or declarations to the French Financial Market Authority (AMF) and any other organizations, including, in particular, the publication of details of the buyback program,
   - proceed with all formalities;
9. decides that the present authorization shall be granted for a period expiring at the close of the Annual General Meeting called to vote on the accounts for the period ending on December 31, 2013 and, at all events, not exceeding eighteen (18) months as of the date of present meeting.

Tenth resolution - Powers for formalities

The General Meeting vests the bearer of an original or a copy of, or an extract from, the minutes of the present meeting with full powers to proceed with all legal or administrative formalities, to file all documents and to make all public announcements required by current legislation.

2 THOSE FOR THE EXTRAORDINARY GENERAL MEETING

Eleventh resolution - Authorization to the Board of Directors to reduce the authorized capital by cancellation of treasury shares

The General Meeting, resolving under the conditions of majority and quorum required for Extraordinary General Meetings, after having heard the Directors' report and the Statutory Auditors' special report:

1. authorizes the Board of Directors, as provided for under Article L. 225-209 of the French Commercial Code, on one or more occasions and in such proportions and at such times as it sees fit, to cancel all or some of the shares acquired by the Company under the various buyback authorizations granted by the General Meeting to the present or future Board of Directors, within the limit of 10% of the Company's capital stock per period of twenty-four (24) months, and thereby to reduce the Company's capital accordingly;
2. authorizes the Board of Directors to charge the difference between the repurchase price of the shares canceled and their par value to all available accounts for premiums and reserves;
3. vests the Board of Directors with full powers, including that of sub-delegation, to proceed with this or these reduction(s) of capital, and notably to set the final amount of the reduction of capital, fix the terms and conditions thereof, note the final implementation of these reductions, order the corresponding accounting entries, proceed with the correlative amendment of the bylaws, accomplish all formalities, take any steps and file any declarations with respect to any institutions and, more generally, do whatever is necessary for these purposes;
4. sets the validity of the present authorization at eighteen (18) months as of the date of the present meeting.

Twelfth resolution - Decision concerning capital increase by incorporation of part of the issue premium: bonus shares granted to shareholders

The General Meeting, by derogation from Article L. 225-96 of the French Commercial Code, resolving under the conditions of majority and quorum required for Ordinary General Meetings under Article L. 225-98 of the French Commercial Code, after having heard the Directors' report, decides to increase the share capital by €4,305,507 from €43,055,075 to €47,360,582 by incorporation of part of the issue premium.

This capital increase shall be accomplished by the issuance of 6,778,153 bonus shares allotted to shareholders in the ratio of one new share for ten existing shares.

The amount of the capital increase and the number of new shares created may be increased as necessary if the exercise of share subscription options by their beneficiaries has resulted in an increase in the capital stock by the time this decision takes effect. The Board of Directors is also empowered to suspend temporarily the rights of the option holders so that the transaction can be completed.

New shares shall bear dividend rights as from January 1, 2013, and shall be assimilated to the existing shares after the payment to the latter of the 2012 dividend.

The General Meeting decides that rights to fractional shares will not be transferable or tradable. The corresponding whole shares will be sold and the proceeds allocated to the rightsholders within thirty days, the whole number of shares to which they are entitled being registered in their account.

The General Meeting grants all necessary powers to the Board of Directors to:

- implement this resolution after the close of this Meeting;
- to adjust the final amount to be incorporated from reserves in light of the number of shares composing the capital stock at the implementation date of this resolution;
- to suspend temporarily, if necessary, exercise of the rights of the option holders so that the transaction can be completed;
- to then take all necessary measures to preserve the rights of share subscription option holders as required by law;
- in general, to take all necessary steps to successfully carry out this resolution.

Thirteenth resolution - Delegation of authority to be given to the Board of Directors to issue ordinary shares and/or transferable securities giving access to company equity and/or giving entitlement to the award of debt securities with elimination of pre-emptive subscription rights by public offering

The General Meeting, resolving under the conditions of majority and quorum required for Extraordinary General Meetings, after having heard the Directors' report and the Statutory Auditors' special report, decides to delegate its authority to the Board of Directors to proceed with, in one or more operations and in such proportions and at such times as the Board considers appropriate, as provided for under Articles L. 225-129-2, L. 225-135, L. 225-136 and L. 228-92 of the French Commercial Code, whether in France or elsewhere, for a period of twenty-six (26) months as of the date of the present meeting, with elimination of shareholders' pre-emptive subscription rights, the issuance of:

- ordinary shares;
- and/or marketable securities conferring entitlement, immediately or in the future, at any time or on a fixed date, to ordinary shares in the Company, either by subscription, conversion, exchange, redemption, presentation of a warrant or in any other way;
- and/or marketable securities giving entitlement to the allotment of debt securities.

The General Meeting decides that these issues may also be used to remunerate securities contributed to the company under a public exchange offer, including all types of securities issued by the Company, in accordance with Article L. 225-148 of the French Commercial Code.

As provided for under Article L. 228-93 of the French Commercial Code, the securities to be issued may give entitlement to ordinary shares of any company possessing, directly or indirectly, more than half of its capital stock or of which it directly or indirectly possesses a majority shareholding.

For the case of issuance of securities entitling holders to apply for securities representing a portion of the Company's capital, within the scope of this present delegation, the General Meeting explicitly delegates authority to the Board of Directors to increase the capital stock in accordance with the exercise of these rights.

The General Meeting decides to eliminate the pre-emptive subscription rights of shareholders to ordinary shares and/or other securities that may be issued pursuant to this delegation, the Board of Directors being able to grant shareholders a priority subscription right over all or part of an issue of ordinary shares or securities.

The General Meeting decides that the nominal value of the capital increase or increases that may be decided by the Board of Directors and carried out, either immediately or subsequently, pursuant to this delegation of powers, cannot exceed a maximum of eight million euros (€8,000,000).

In the event of a capital increase by incorporation of reserves, this amount shall be automatically increased in the same proportions.

Where necessary, the par value of the ordinary shares to be issued in order to safeguard, in accordance with the law and, where applicable, any contractual stipulations providing for other adjustments, the rights of holders of securities giving access to Company equity, will be added to this ceiling.

This ceiling is independent of all ceilings set forth by the other resolutions of the present Meeting.

The General Meeting authorizes the Board of Directors, in the event of excess demand, to increase the maximum ceiling of the capital increase(s) within a limit of 15% of the initial issue as provided for under Articles L. 225-135-1 and R. 225-118 of the French Commercial Code.

Any securities issued pursuant to this delegation may comprise debt securities or may be linked with the issuance of such securities or may allow their issuance as intermediary securities. They may be issued either in euros or in other currencies or in any monetary units created with reference to several currencies. The nominal value of debt securities which may be issued may not exceed three hundred and fifty million euros (€350,000,000), or the equivalent of this sum in the case of issue in other currency or units set with reference to several currencies, at the date of the issuance decision. This ceiling refers to all debt securities whose issue is delegated to the Board of Directors by this General Meeting. This ceiling is independent of all ceilings set forth by the other resolutions of the present Meeting.

The General Assembly takes note and decides that the present delegation of authority may if necessary include, by right and by operation of law, a waiver, in favor of holders of securities liable to be issued and giving access, immediately or subsequently, to the Company's shares, of the shareholders' pre-emptive right of subscription to those equity securities to which the said securities may give entitlement.

The amount that is – or will become – receivable by the Company for each ordinary share issued pursuant to this delegation of authority, after taking into consideration, in the event of the issue of detachable share subscription warrants, the issue price of such warrants, shall be greater than or equal to the minimum price imposed by the legal and/or regulatory provisions applicable when the Board of Directors implements the delegation.

The issue price of other securities giving access to Company equity shall be set such that the amount received immediately by the Company, plus any amounts received subsequently, shall, for each share issued as a result of the issue of these other securities, be at least equal to the issue price defined in the paragraph above.

If subscriptions fail to take up the whole of the issue, the Board may use any or all of the following options:

- reduce the amount of the issue to match the subscriptions, it being noted that for issues of ordinary shares or instruments whose primary security is a share, subscriptions must reach at least three-quarters of the issue decided before any reduction is allowed;
- freely allot all or part of the unsubscribed securities.

The General Meeting decides, in accordance with law, that the Board of Directors will have full powers, with right of sub-delegation in favor of its Chief Executive Officer, under the terms and conditions set by law, to implement the present delegation of authority and notably to record the completion of the issues and to proceed with the correlative amendments to the bylaws, to charge, as it deems appropriate, the costs of the capital increases to the amount of the corresponding premiums and withdraw, from this amount, the sums necessary to bring the legal reserve up to one tenth of the stated capital after each increase and, more generally, to do whatever is necessary for these purposes.

The General Meeting decides that if securities are issued to remunerate securities contributed as part of a public exchange offer, the Board of Directors is granted, in accordance with Article L. 225-148 of the French Commercial Code and with the limits set above, all necessary powers to specify the securities contributed to the offer, to set the conditions of issue, the exchange ratio and, if applicable, the cash amount to pay, and to determine the issue terms.

This delegation, which replaces and nullifies any previous delegation with the same purpose, is granted for a term of twenty-six (26) months.

Fourteenth resolution - Deciding how to set the subscription price in the event of elimination of pre-emptive subscription rights up to an annual limit of 10% of capital

The General Meeting, after having heard the Directors' report and the Statutory Auditors' special report and in accordance with the provisions of Article L. 225-136-1, paragraph 2 of the French Commercial Code, authorizes the Board of Directors, which decides on the issue of ordinary shares or securities giving access to Company equity pursuant to the thirteenth resolution of the present Meeting, to waive, within the limit of 10% of capital stock per year, the pricing conditions set out in the aforementioned resolutions and to set the issue price of equivalent equity securities to be issued according to the following terms:

The issue price of equivalent equity securities to be issued immediately or at a later date may not, according to the preference of the Board of Directors, fall below:

- either the average weighted price of the Company share on the day prior to the issue price being set, less, where applicable, a maximum discount of 15%;
- or the average of five consecutive share prices, selected from the last 30 stock market trading sessions prior to the setting of the issue price, less, where applicable, a maximum discount of 10%.

Fifteenth resolution - Amendment of Article 11 of the bylaws regarding the usufructuary in light of Article 787 B of the French Tax Code

The General Meeting, resolving under the conditions of majority and quorum required for Extraordinary General Meetings, after having heard the Directors' report, decides to amend Article 11-VII of the bylaws by adding the following paragraph:

"Article 11 – Rights and obligations attaching to shares – indivisibility –

…………../

VII - …………. /

"As an exception to the above, where the usufructuary and/or bare owner are eligible, in respect of their shares, for the partial exemption set out by Article 787B of the French Tax Code, and where this is duly recorded in the account where their rights are held, the usufructuary shall have the right to vote on decisions regarding appropriation of earnings and the bare owner shall have the right to vote on all other decisions."

Sixteenth resolution - Delegation of authorization to the Board of Directors to issue share subscription warrants, share subscription and/or purchase warrants (BSAANE) and/or redeemable share subscription and/or purchase warrants for new and/or existing shares (BSAAR) with elimination of the pre-emptive subscription right in favor of a defined class of persons

The General Meeting, resolving under the conditions of majority and quorum required for Extraordinary General Meetings, after having heard the Directors' report and the Statutory Auditors' special report, and in accordance with Articles L. 225-129-2, L. 225-138 and L. 228-91 of the French Commercial Code:

1. delegates to the Board of Directors the authorization to issue, in one or more operations and in such proportions and at such times as the Board considers appropriate, in France or elsewhere, share subscription warrants, share subscription and/or purchase warrants (BSAANE) and/or redeemable share subscription and/or purchase warrants for new and/or existing shares (BSAAR) with elimination of the pre-emptive subscription right in favor of a class of persons defined below;
2. sets the duration of the validity of this delegation at eighteen (18) months, as of the date of the present meeting;
3. decides that the total nominal value of the shares which may be issued pursuant to this delegation may not exceed thirty million (€30,000,000) euros. Where necessary, the par value of the ordinary shares to be issued in order to safeguard the rights of holders of warrants, BSAANEs and/or BSAARs in accordance with the law and, where applicable, any contractual stipulations providing for other adjustments, will be added to this ceiling. This ceiling is independent of all ceilings set forth by the other resolutions of the present meeting;
4. decides that the subscription and/or acquisition price of the shares to which the warrants grant entitlement, after deducting the issue price of the warrants, shall be at least equal to [the average closing price of the BOURBON share on the 20 stock market trading days before the decision to issue the bonds is taken];
5. decides to eliminate the pre-emptive subscription right of shareholders to warrants, BSAANEs or BSAARs that may be issued, in favor of the following class of persons: BOURBON's corporate officers, French and foreign employees and the companies in which BOURBON is a significant shareholder;
6. Notes that this delegation of powers entails a waiver by shareholders of their pre-emptive subscription rights to any shares in the Company that may be issued on exercise of warrants, BSAANEs and/or BSAARs in favor of their holders;
7. decides that if subscriptions do not take up the whole of an issue of warrants, BSAANEs and/or BSAARs, the Board of Directors may use any or all of the following options:
    - reduce the amount issued to the amount of the subscriptions;
    - freely allot, among the persons defined above, all or part of the unsubscribed warrants, BSAANEs and/or BSAARs;
8. decides that the Board of Directors shall have all necessary powers, within the terms and conditions set by law and above, to issue warrants, BSAANEs and/or BSAARs and notably:
    - to define the specific beneficiaries from within the class of persons defined above, the nature and number of warrants to allot to each, the number of shares to which each warrant shall entitle the holder, the issue price of the warrants and the subscription and/or acquisition price of the shares to which the warrants grant entitlement under the above terms and conditions, the terms, conditions and deadlines for subscription to and exercise of the warrants, their terms of adjustment and generally any other terms and conditions for their issue,
    - to draw up an additional report setting out the final terms and conditions of the operation,

- to acquire the shares needed for the share buyback program and allocate them to the allotment plan,
- to record any capital increase resulting from the exercise of warrants, BSAANEs and/or BSAARs and to proceed with the correlative amendments to the bylaws,
- to charge, as it deems appropriate, the costs of the capital increases to the amount of the corresponding premiums and withdraw, from this amount, the sums necessary to bring the legal reserve up to one tenth of the stated capital after each increase,
- to delegate to the Chief Executive Officer all necessary powers to carry out the capital increase and to defer it within such limits and using such methods as the Board of Directors may determine in advance,
- and generally to take whatever steps are necessary for this purpose.

The General Meeting notes that the present delegation nullifies any previous delegation with the same purpose.

Seventeenth resolution - Powers for formalities

The General Meeting vests the bearer of an original or a copy of, or an extract from, the minutes of the present meeting with full powers to proceed with all legal or administrative formalities, to file all documents and to make all public announcements required by current legislation.

STATUTORY AUDITORS' REPORT ON THE PROPOSED DECREASE IN SHARE CAPITAL

Extraordinary Shareholders' Meeting of May 28, 2013 (11th resolution)

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your company and in accordance with the procedures provided for in Article L. 225-209 of the French Commercial Code (*Code de Commerce*) in the event of a decrease in share capital by cancellation of shares purchased, we hereby report to you on our assessment of the reasons for and the terms and conditions of the proposed decrease in share capital.

Shareholders are requested to confer all necessary powers on the Board of Directors, during a period of eighteen months starting from the day of this Meeting, to cancel, for up to a maximum of 10% of share capital by 24-month periods, the shares purchased by the Company pursuant to the buyback authorization, under the provisions of the above-mentioned Article.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to this engagement. Our procedures consisted in verifying the fairness of the reasons for and the terms and conditions of the proposed decrease in share capital, which does not interfere with the equal treatment of shareholders.

We have no comments on the reasons for and the terms and conditions of the proposed decrease in share capital.

Lyon and Marseille, April 10, 2013
The Statutory Auditors

EurAAudit C.R. C	**Deloitte & Associés**
Cabinet Rousseau Consultants	
Alexandre BRISSIER	**Hugues DESGRANGES**

STATUTORY AUDITORS' REPORT ON THE ISSUE OF SHARES AND VARIOUS MARKETABLE SECURITIES WITH WAIVER OF PREFERENTIAL SUBSCRIPTION RIGHTS

Combined Shareholders' Meeting of 28 May 2013 (13th and 14th resolutions)

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in accordance with the procedures provided for in Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de Commerce*), we hereby report to you on the proposed delegations of authority to the Board of Directors to decide on various issues of shares and/or marketable securities, which you will be asked to approve.

Your Board of Directors proposes that, based on its report:

- You grant it, for a period of 26 months, the authority to decide on the following issues and to determine the final terms and conditions thereof and asks that you waive your preferential subscription rights:
- Issue of ordinary shares with or without share subscription warrants or any other marketable securities ultimately granting entitlement to the attribution of shares *via* subscription, conversion, exchange, or by any other means, with a public offering (13th resolution);
- You authorise it, under the 14th resolution and as part of the authorisation covered in the 13th resolution, to determine the issue price within the annual legal limit of 10% of the share capital (Article L. 225-136 1° paragraph 2).

The total nominal amount of capital increases likely to be carried out immediately or in the future shall not exceed €8,000,000 under the 13th resolution. The total nominal amount of debt securities likely to be issued shall not exceed €350,000,000 under the 13th resolution.

It is your Board of Directors' responsibility to prepare a report in accordance with Articles R 225-113 *et seq.* of the French Commercial Code. Our role is to express an opinion on the fairness of the quantified data extracted from the financial statements, on the proposed waiver of preferential subscription rights, and the other information on the transactions provided in this report.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to this engagement. Such procedures consisted in verifying the contents of the Board of Directors' report relating to these transactions and the terms and conditions under which the issue price of the equity securities to be issued was determined.

Subject to our subsequent review of the terms and conditions of the issues that will be decided, we have no comments to make on the procedures for determining the issue price of the equity securities to be issued, as presented in the Board of Directors' report.

As the final issue terms and conditions have not yet been determined, we do not express an opinion on the latter and, consequently, on the waiver of preferential subscription rights proposed in the 13th resolution.

In accordance with Article R. 225-116 of the French Commercial Code, we will issue an additional report, if necessary, when your Board of Directors uses these authorisations to issue marketable securities giving access to capital and/or the attribution of debt securities with waiver of preferential subscription rights.

Lyon and Marseille, 10 April 2013
The Statutory Auditors

EurAAudit C.R. C	**Deloitte & Associés**
Cabinet Rousseau Consultants	
Alexandre BRISSIER	**Hugues DESGRANGES**

STATUTORY AUDITORS' REPORT ON THE ISSUE OF VARIOUS MARKETABLE SECURITIES WITH WAIVER OF PREFERENTIAL SUBSCRIPTION RIGHTS

Combined Shareholders' Meeting of 28 May 2013 (16th resolution)

This is a free translation into English of the Statutory Auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your Company and in accordance with the procedures provided for in Articles L.228-92 and L.225-135 et seq. of the French Commercial Code (*Code de Commerce*), we hereby report to you on the proposed delegation of authority to the Board of Directors to decide on the issue, with waiver of preferential subscription rights, of share subscription warrants, subscription and/or purchase warrants for new and/or existing shares, and/or subscription and/or purchase warrants for new and/or existing redeemable shares, reserved for the following categories: corporate officers, French and foreign employees, and companies in which BOURBON is significant shareholders, in a maximum amount of €30,000,000, a transaction you will be asked to approve.

Based on its report, your Board of Directors proposes that you grant it, for a period of 18 months, the authority to decide on an issue and waive your preferential subscription rights to the marketable securities to be issued. Where applicable, the Board shall determine the final terms and conditions of the issue.

It is your Board of Directors' responsibility to prepare a report in accordance with Articles R. 225-113 et seq. of the French Commercial Code. Our role is to express an opinion on the fairness of the quantified data extracted from the financial statements, on the proposed waiver of preferential subscription rights and the other information on the issue provided in this report.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to this engagement. Such procedures consisted in verifying the contents of the Board of Directors' report relating to these transactions and the terms and conditions under which the issue price of the equity securities to be issued was determined.

Subject to our subsequent review of the terms and conditions of the issue that will be decided, we have no comments to make on the procedures for determining the issue price of the equity securities to be issued, as presented in the Board of Directors' report.

As the final issue terms and conditions have not yet been determined, we do not express an opinion on the latter and, consequently, on the proposed waiver of preferential subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code, we will issue an additional report, if necessary, when your Board of Directors uses this authorisation.

Lyon and Marseille, 10 April 2013
The Statutory Auditors

EurAAudit C.R. C	**Deloitte & Associés**
Cabinet Rousseau Consultants **Alexandre BRISSIER**	**Hugues DESGRANGES**

PERSONS RESPONSIBLE FOR THE REGISTRATION DOCUMENT AND THE AUDITING OF THE FINANCIAL STATEMENTS

1 PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

1.1 Person assuming responsibility for the Registration Document

- Mr. Christian Lefèvre, Chief Executive Officer.

1.2 Attestation by the person responsible for the Registration Document

I hereby attest, after taking any and all reasonable measures for such purpose, that the information contained in this Registration Document is, to my knowledge, true and accurate and does not contain any omissions liable to alter the scope thereof.

I hereby attest that, to the best of my knowledge, the financial statements are drawn up in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and all companies included in the scope of consolidation, and that the management report contained in this Registration Document faithfully reflects the changes in the business, results and financial position of the Company and all companies included in the scope of consolidation, together with a description of the main risks and uncertainties they face.

I have received from the Statutory Auditors, Deloitte & Associés and EurAAudit CRC, a letter in which they indicate that they have audited the information on the financial position and the financial statements given in this Registration Document and have read the entire Registration Document.

Paris, April 17, 2013

Chief Executive Officer

2 STATUTORY AUDITORS

Statutory Auditors

	Date first appointed	End of tenure
Deloitte & Associés Represented by Mr. Hugues Desgranges Les Docks – Atrium 10.4 10 place de la Joliette 13002 Marseille	Appointed by the Combined General Meeting of June 7, 2005 and renewed by the Combined General Meeting of May 30, 2008	After the Ordinary General Meeting ruling in 2014 on the financial statements for the year ending December 31, 2013
EurAAudit CRC Represented by Mr. Alexandre Brissier "Le CAT SUD" Building B 68 cours Albert Thomas 69008 Lyon	Appointed by the Combined General Meeting of May 30, 2002 and renewed by the Combined General Meetings of June 7, 2005 and June 1, 2011	After the Ordinary General Meeting ruling in 2017 on the financial statements for the year ending December 31, 2016

Alternates

	Date first appointed	End of tenure
BEAS 195, avenue Charles de Gaulle 92524 Neuilly-sur-Seine Cedex	Appointed by the Combined General Meeting of June 7, 2005 and renewed by the Combined General Meeting of May 30, 2008	After the Ordinary General Meeting ruling in 2014 on the financial statements for the year ending December 31, 2013
Jean-Marie Cadren 363 chemin de Leysotte 33140 Villenave-d'Ornon	Appointed by the Combined General Meeting of June 1, 2011	After the Ordinary General Meeting ruling in 2017 on the financial statements for the year ending December 31, 2016

CONCORDANCE TABLES

This Registration Document contains all components of the annual financial report (*Rapport Financier Annuel*) referred to in Articles R. 451-1-2 of the French Monetary and Financial Code and 222-3 of the Regulations of the *Autorité des marchés financiers*. You will find below the references to the extracts of the Registration Document corresponding to the various parts of the annual financial report.

In order to facilitate the consultation of this Registration Document, the following index lists the main headings required by the provisions of Appendix I of European Commission regulation No. 809/2004 of April 29, 2004.

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N/A: not applicable.

Pursuant to Article 28 of European Commission regulation No. 809/2004 of April 29, 2004, the following information is included by reference:

- the consolidated and annual financial statements, together with the corresponding Statutory Auditors' reports, are found on pages 62 to 142 of the 2011 Registration Document filed with the *Autorité des marchés financiers* (AMF) on April 27, 2012, under number D.12-0458.
- the consolidated and annual financial statements, together with the corresponding Statutory Auditors' reports, are found on pages 55 to 140 of the 2010 Registration Document filed with the *Autorité des marchés financiers* (AMF) on April 27, 2011, under number D.11-0372;
- the consolidated and annual financial statements, together with the corresponding Statutory Auditors' reports, are found on pages 51 to 129 of the 2009 Registration Document filed with the *Autorité des marchés financiers* (AMF) on May 18, 2010, under number D.10-0452.

Parts not included in these documents are either irrelevant to the investor or included elsewhere in the present Registration Document.

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