

Marseilles, July 25, 2019,

## **BOURBON Corporation asks for reorganization proceedings as a result of guarantees activated by Chinese company ICBC Leasing**

BOURBON Corporation announced today that it has requested for reorganization proceedings (*redressement judiciaire*) to the Commercial Court of Marseilles.

In a series of letters sent on July 18, 2019, the Chinese Group ICBC Leasing had expressed its intention to demand from BOURBON Corporation the payment of all outstanding rental payments up to 2026 as part of the guarantee provided to contracting companies, today in arrears. Considering that despite these calls in guarantee, it was not in state of cessation of payments, BOURBON Corporation filed a request for “sauvegarde” procedure. By decision of 24 July 2019, the Commercial Court of Marseilles rejected this request, considering that the guarantees activated by the Chinese company ICBC Leasing are proof that BOURBON Corporation is insolvent as of July 24, 2019.

BOURBON Corporation has taken note of this judicial decision and draws the necessary conclusions thereby requesting for reorganization proceedings.

The reorganization proceedings will only concern the holding company BOURBON Corporation and not the operating companies, which will be able to continue their normal operations and continue to meet the needs of customers.

BOURBON Corporation's aim is to preserve the Group's operating activities in order to actively participate in the emerging recovery of a profoundly changing market. BOURBON is thus continuing the radical transformation of its business model, with the deployment of the **#BOURBONINMOTION** strategic action plan.

These calls on guarantees from ICBC Leasing were made despite the ongoing amicable negotiations on the financial restructuring of the group's bank and lease debt.

Following the Shareholders' Meeting of June 28, BOURBON had proposed two options for the payment of its financial commitments\* to its creditors, based on the principle of value creation sharing:

- a) Share market risk and thus receive a reduced fixed part along with a variable part dependent on the net cash generated per vessel provided as guarantee for loans or leased property, in order to benefit from the pace and intensity of the recovery in the offshore services market over time;
- b) Take on the company's risk and in this case agree with BOURBON on a reduced amount of debt to be repaid, with interest and repayable over 8 years, and receive BOURBON Corporation shares in compensation for the non-reimbursed part. These non-reimbursed debts and abandoned lease obligations would give access, according to this proposal, to a maximum of 30% of BOURBON Corporation's share capital.

BOURBON thus offered ICBC Leasing a cash payment equal to the amount it requested as part of the Banks' offer they were part of, which was announced in their own press release dated June 5, 2019.

The treatment of the debts related to the guarantees provided to the sole Chinese operational leasing entities, ICBC Leasing and Minsheng Leasing, as well as the Export-Import Bank of China (CEXIM), which are the only creditors to benefit from BOURBON Corporation's guarantee, will now be discussed within this framework. The restructuring proposal will also be discussed with holders of Perpetual Deeply Subordinated Notes (TSSDI) within the framework of this same procedure.

In the context of this reorganization proceedings\*\*, BOURBON will pay particular attention to the positive outcome of negotiations with its financial partners in order to be able to operate in a stabilized context that would result from a financial restructuring that is fair to all and in the interest of the company and its employees.

The listing of all securities issued by BOURBON Corporation will resume on July 26 at market opening.

### **About the reorganization proceedings**

The reorganization proceedings are a collective procedure that freezes the liabilities existing at the beginning of the procedure during the observation period which can last up to 18 months. The purpose of this procedure is to enable the debtor to present a plan for the continuation of his activities by reorganising his debt - which may be spread over a maximum period of 10 years - and to ensure his recovery.

*\*It is specified that these two options are presented in detail and available on the group's website, in the presentation made at the AGM, chapter [« Drive Recovery, Restore Leadership »](#).*

*\*\* It is specified that the request for reorganization proceedings is applied only to the holding BOURBON Corporation. Existing liabilities of the holding BOURBON Corporation at the opening of the procedure amount to 900 million euros at this stage and includes activated guarantees and TSSDI bonds.*

### **ABOUT BOURBON**

*Among the market leaders in marine services for offshore oil & gas, BOURBON offers the most demanding oil & gas companies a wide range of marine services, both surface and sub-surface, for offshore oil & gas fields and wind farms. These extensive services rely on a broad range of the latest-generation vessels and the expertise of more than 8,400 skilled employees. Through its 29 operating subsidiaries the group provides local services as close as possible to customers and their operations throughout the world, of the highest standards of service and safety.*

*BOURBON provides three operating activities (Marine & Logistics, Mobility and Subsea Services) and also protects the French coastline for the French Navy.*

*In 2018, BOURBON'S revenue came to €689.5 million and the company operated a fleet of 483 vessels.*

Placed by ICB (Industry Classification Benchmark) in the "Oil Services" sector, BOURBON is listed on the Euronext Paris, Compartment B.

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