# FINANCIAL REPORT
# 1ST HALF-YEAR 2017

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# _ FINANCIAL REPORT FOR THE 1ST HALF-YEAR 2017

## 1. Business report for the 1st half-year 2017

### Financial information for the 1st half-year and significant events

| *In € millions, unless otherwise noted* | **H1 2017** | H1 2016 | *var H1 2017 / H1 2016* | H2 2016 | *var H1 2017 / H2 2016* |
|---|---|---|---|---|---|
| **Operational indicators** | | | | | |
| ▪ Number of vessels (FTE)* | **513.5** | 511.3 | *0.4%* | 513.3 | *-* |
| ▪ Number of vessels (end of period)** | **513** | 513 | *-* | 514 | *-1 vessel* |
| ▪ Technical availability rate (%) | **97.3%** | 97.6% | *-0.3 pt* | 97.4% | *-0.1 pt* |
| ▪ Average utilization rate (%) | **53.8%** | 66.8% | *-13.0 pts* | 58,6% | *-4.8 pts* |
| ▪ Average daily rate $/d | **8,948** | 9,961 | *-10.2%* | 9,193 | *-2.7%* |

*(*) FTE: full time equivalent.*
*(**) Vessels operated by BOURBON (including vessels owned or on bareboat charter).*

| | **H1 2017** | H1 2016 | *var H1 2017 / H1 2016* | H2 2016 | *var H1 2017 / H2 2016* |
|---|---|---|---|---|---|
| **Financial performance** | | | | | |
| ▪ Adjusted[a] Revenues | **459.5** | 599.2 | *-23.3%* | 503.4 | *-8.7%* |
| (change at constant rate) | | | *-24.9%* | | *-9.2%* |
| ▪ Adjusted[a] Costs (excl. bareboat charters) | **(314.3)** | (370.3) | *-15.1%* | (349.3) | *-10.0%* |
| ▪ Adjusted[a] EBITDAR (ex. cap. gains) | **145.1** | 228.8 | *-36.6%* | 154.2 | *-5.9%* |
| Adjusted EBITDAR / Revenues | 31.6% | 38.2% | | 30.6% | |
| ▪ Adjusted[a] EBITDA | **59.6** | 134.4 | *-55.7%* | 58.9 | *1.1%* |
| ▪ Impairment | **-** | - | | (36.0) | |
| ▪ Adjusted[a] EBIT | **(87.0)** | (24.8) | *n/s* | (140.4) | *-38.0%* |
| ▪ IFRS 11 impact *** | **(3.8)** | (3.6) | *7.0%* | (6.6) | *-41.7%* |
| ▪ EBIT | **(90.8)** | (28.3) | *n/s* | (147.0) | *-38.2%* |
| ▪ Net income | **(170.4)** | (87.3) | *n/s* | (175.7) | *-3.0%* |
| ▪ Net income (group share) | **(170.1)** | (104.3) | *n/s* | (175.3) | *-2.9%* |

*(***) Effect of consolidation of jointly controlled companies using the equity method.*

| | **H1 2017** | H1 2016 | *var H1 2017 / H1 2016* | H2 2016 | *var H1 2017 / H2 2016* |
|---|---|---|---|---|---|
| Average utilization rate (excl. Crew boats) | **48.3%** | 68.1% | *-19.8 pts* | 55.2% | *-6.9 pts* |
| Average daily rate (excluding Crew boats, US$/d) | **15,133** | 15,741 | *-3.9%* | 15,123 | *0.1%* |

***(a) Adjusted data:***
*The adjusted financial information is presented by Activity and by Segment based on the internal reporting system and shows internal segment information used by the principal operating decision maker to manage and measure the performance of BOURBON (IFRS 8). The internal reporting (and thus the adjusted financial information) records the performance of operational joint ventures on which the group has joint control using the full integration method.*

## Market highlights and 1st Half 2017 operations

- In the first half of 2017, the Offshore services market continued to face a standstill on investment by the oil companies and consequently, a reduction in activity. The Offshore PSV market continues to be affected by significant overcapacity and strong pressure on daily rates.
- Successful first well clean-up for the *Bourbon Evolution 801*: contracted by TOTAL, the MPSV conducted a well restarting operation on the Nigerian OFON field, lasting some thirty hours in January 2017.
- BOURBON carried out the mooring installation of the first floating wind turbine in France for Ecole Centrale de Nantes (ECN) as part of the European project FLOATGEN* on the SEM-REV experimental test site, off Le Croisic. Responsible for the overall project management, BOURBON supervised the surveys and engineering, the site preparation and the execution of the mooring system installation, thereby confirming its expertise in the renewable energy market.
- BOURBON and Kongsberg Maritime, who have been partners for many years, signed a strategic agreement to jointly develop autonomous connected vessels.

## 1st Half 2017 results highlights

- Sustained cost control efforts enabled a significant reduction of 10% in direct and general costs compared with the second half of 2016 and 15.1% compared with the first half of 2016. Proactive vessels stacking policy was maintained: 100 supply vessels were stacked as of June 30, 2017.
- Financial income was impacted by unrealized foreign exchange losses amounting to €50 million, mainly due to the weakening of the US dollar.
- BOURBON improved its free cash flow generation which stands up at €76 million for the first semester 2017 against €58 million for the second half of 2016, thanks in particular to a decrease in capital expenditure and dry docks costs, divided by 2.

## MARINE SERVICES

| Operational Business Indicators | H1 2017 | H1 2016 | var H1 2017 / H1 2016 | H2 2016 | var H1 2017 / H2 2016 |
|---|---|---|---|---|---|
| Number of vessels FTE * | **490.5** | 488.3 | *0.5%* | 490.3 | *-* |
| Technical availability rate | **97.2** | 97.6% | *-0.4 pt* | 97.4% | *-0.2 pt* |
| Average utilization rate | **53.5%** | 67.4% | *-13.9 pts* | 58.5% | *-5.0 pts* |

** Vessels operated by BOURBON (including vessels owned or on bareboat charter).*

| Adjusted Financial Performance *In € millions* | H1 2017 | H1 2016 | var H1 2017 / H1 2016 | H2 2016 | var H1 2017 / H2 2016 |
|---|---|---|---|---|---|
| Revenues | **327.1** | 478.0 | *-31.6%* | 386.1 | *-15.3%* |
| costs (excluding bareboat charter costs) | **(237.2)** | (308.2) | *-23.0%* | (277.7) | *-14.6%* |
| EBITDAR (excluding capital gains) | **90.0** | 169.8 | *-47.0%* | 108.4 | *-17.0%* |
| EBITDAR (excluding capital gains) / Revenues | **27.5%** | 35.5% | *-8.0 pts* | 28.1% | *-0.6 pt* |
| EBITDA | **28.0** | 103.5 | *-73.0%* | 40.7 | *-31.3%* |
| Impairment | **-** | - | | (36.0) | |
| EBIT | **(87.9)** | (22.6) | *n/s* | (133.1) | *-34.0%* |

The reduction in revenue reflects strong pressure on daily rates and slightly lower utilization rates. The Shallow water Offshore segment has been the most affected in these difficult market conditions.

Sustained cost-reduction efforts enabled the Marine services business to preserve an EBITDAR/adjusted revenue margin of 27.5%.

### Marine Services : Deepwater offshore vessels

| Operational Business Indicators | H1 2017 | H1 2016 | var H1 2017 / H1 2016 | H2 2016 | var H1 2017 / H2 2016 |
|---|---|---|---|---|---|
| Number of vessels FTE * | **89.0** | 88.7 | *0.3%* | 89.0 | *-* |
| Technical availability rate | **96.8** | 95.4% | *+1.4 pts* | 94.8% | *+2.0 pts* |
| Average utilization rate | **60.6%** | 73.4% | *-12.8 pts* | 63.4% | *-2.8 pts* |
| Average daily rate ($/day) | **15,016** | 17,114 | *-12.3%* | 15,945 | *-5.8%* |

** Vessels operated by BOURBON (including vessels owned or on bareboat charter)*

| Adjusted Financial Performance *In € millions* | H1 2017 | H1 2016 | var H1 2017 / H1 2016 | H2 2016 | var H1 2017 / H2 2016 |
|---|---|---|---|---|---|
| Revenues | **137.0** | 182.8 | *-25.0%* | 154.2 | *-11.1%* |
| costs (excluding bareboat charter costs) | **(91.7)** | (112.9) | *-18.8%* | (108,8) | *-15.7%* |
| EBITDAR (excluding capital gains) | **45.4** | 69.9 | *-35.1%* | 45.4 | *-0.2%* |
| EBITDAR / Revenues | **33.1%** | 38.2% | *-5.2 pts* | 29.4% | *+3.6 pts* |
| EBITDA | **13.0** | 36.1 | *-64.0%* | 11.3 | *14.7%* |

The decline in drilling activity and vessel overcapacity in this segment continued to impact utilization rates (-2.8 points) and daily rates (-5.8%) compared to the second semester 2016.

Cost reduction and proactive vessel stacking allowed to slightly improve the EBITDAR/adjusted revenue margin by 3.6 points compared to the previous half year.

## Marine Services : Shallow water offshore vessels

| Operational Business Indicators | H1 2017 | H1 2016 | var H1 2017 / H1 2016 | H2 2016 | var H1 2017 / H2 2016 |
|---|---|---|---|---|---|
| Number of vessels FTE* | **132.5** | 133.0 | *-0.4%* | 133.0 | *-0.4%* |
| Technical availability rate | **99.4%** | 98.7% | *+0.7 pt* | 99.4% | - |
| Average utilization rate | **37.8%** | 66.9% | *-29.1 pts* | 48.9% | *-11.1 pts* |
| Average daily rate (in US$/day) | **9,128** | 11,289 | *-19.1%* | 10,148 | *-10.1%* |

** Vessels operated by BOURBON (including vessels owned or on bareboat charter).*

| Adjusted Financial Performance *In € millions* | H1 2017 | H1 2016 | var H1 2017 / H1 2016 | H2 2016 | var H1 2017 / H2 2016 |
|---|---|---|---|---|---|
| Revenues | **76.2** | 168.2 | *-54.7%* | 111.0 | *-31.4%* |
| costs (excluding bareboat charter costs) | **(61.1)** | (107.2) | *-43.0%* | (80.0) | *-23.7%* |
| EBITDAR (excluding capital gains) | **15.2** | 61.0 | *-75.2%* | 31.0 | *-51.1%* |
| EBITDAR / Revenues | **19.9%** | 36.3% | *-16.4 pts* | 27.9% | *-8.0 pts* |
| EBITDA | **(14.6)** | 28.2 | *n/s* | (2.6) | *n/s* |

In the context of a weak drilling activity, the main driver of this segment, revenue decreased by 31% and margins dropped by 8 points compared with the second half of 2016. After hitting a low in the first quarter, activity recovered in the second quarter, mainly driven by Egypt and the end of the monsoon season in Asia. The segment recorded revenue growth of 5.3% and a rise of 4.3 points in utilization rates between the first and second quarters of 2017.

## Marine Services : Crew boat vessels

| Operational Business Indicators | H1 2017 | H1 2016 | var H1 2017 / H1 2016 | H2 2016 | var H1 2017 / H2 2016 |
|---|---|---|---|---|---|
| Number of vessels FTE | **269.0** | 266.6 | *+0.9%* | 268.3 | *0.2%* |
| Technical availability rate | **96.3%** | 97.9% | *-1.6 pts* | 97.4% | *-1.1 pts* |
| Average utilization rate | **58.9%** | 65.6% | *-6.7 pts* | 61.6% | *-2.7 pts* |
| Average daily rate (in US$/day) | **4,355** | 4,478 | *-2.7%* | 4,364 | *-0.2%* |

| Adjusted Financial Performance *In € millions* | H1 2017 | H1 2016 | var H1 2017 / H1 2016 | H2 2016 | var H1 2017 / H2 2016 |
|---|---|---|---|---|---|
| Revenues | **113.8** | 127.0 | *-10.3%* | 120.8 | *-5.8%* |
| costs (excluding bareboat charter costs) | **(84.4)** | (88.1) | *-4.2%* | (88.9) | *-5.0%* |
| EBITDAR (excluding capital gains) | **29.4** | 38.8 | *-24.2%* | 31.9 | *-7.8%* |
| EBITDAR / Revenues | **25.9%** | 30.6% | *-4.7 pts* | 26.4% | *-0.6 pt* |
| EBITDA | **29.5** | 39.2 | *-24.7%* | 31.9 | *-7.6%* |

The Crew boats segment saw a decrease in revenue this half-year, mainly due to the reduction in contractors' activity in West Africa. Average utilization rates and daily rates fell by 2.7 points and 0.2% respectively compared with the second half of 2016.

The EBITDAR/adjusted revenue margin was stable compared with the previous half-year due to effective cost control and the proactive stacking of vessels.

## SUBSEA SERVICES

| Operational Business Indicators | H1 2017 | H1 2016 | var H1 2017 / H1 2016 | H2 2016 | var H1 2017 / H2 2016 |
|---|---|---|---|---|---|
| Number of vessels FTE* | **22.0** | 22.0 | - | 22.0 | - |
| Technical availability rate | **97.7%** | 96.1% | *+1.6 pts* | 96.5% | *+1.2 pts* |
| Average utilization rate | **61.6%** | 54.1% | *+7.5 pts* | 60.1% | *+1.5 pts* |
| Average daily rate (in US$/day) | **37,774** | 41,501 | *-9.0%* | 36,062 | *4.7%* |

** Vessels operated by BOURBON (including vessels owned or on bareboat charter).*

| Adjusted Financial Performance *In € millions* | H1 2017 | H1 2016 | var H1 2017 / H1 2016 | H2 2016 | var H1 2017 / H2 2016 |
|---|---|---|---|---|---|
| Revenues | **124.4** | 110.8 | *12.2%* | 106.3 | *17.0%* |
| costs (excluding bareboat charter costs) | **(72.1)** | (54.5) | *32.1%* | (64.5) | *11.7%* |
| EBITDAR (excluding capital gains) | **52.3** | 56.3 | *-7.1%* | 41.8 | *25.2%* |
| EBITDAR / Revenues | **42.1%** | 50.8% | *-8.7 pts* | 39.3% | *+2.7 pts* |
| EBITDA | **28.8** | 28.1 | *2.3%* | 14.3 | *101.6%* |
| Impairment | **-** | - | | - | |
| EBIT | **1.4** | 4.0 | *-63.9%* | (10.6) | *n/s* |

The average utilization rate held up well with a rise of 1.5 points in this half-year compared with the previous semester.

Turnkey projects in Africa and Asia contributed to revenue growth in this half-year, as well as to the increase in EBITDAR compared with the second half of 2016.

Despite significant pressure on daily rates, the IMR (Inspection, Maintenance and Repair) market remained indeed stable due to its essential nature in maintaining production in Deepwater offshore.

## OTHER

| Adjusted Financial Performance *In € millions* | H1 2017 | H1 2016 | var H1 2017 / H1 2016 | H2 2016 | var H1 2017 / H2 2016 |
|---|---|---|---|---|---|
| Revenues | **8.0** | 10.4 | *-23.2%* | 11.0 | *-27.7%* |
| costs | **(5.1)** | (7.6) | *-32.6%* | (7.0) | *-26.9%* |
| EBITDAR (excluding capital gains) | **2.8** | 2.7 | *2.9%* | 4.0 | *-29.1%* |
| EBITDAR / Revenues | **35.5%** | 26.5% | *+9.0 pts* | 36.2% | *-0.7 pt* |
| EBITDA | **2.8** | 2.7 | *+2.9%* | 4.0 | *-29.1%* |
| EBIT | **(0.5)** | (6.1) | *-91.7%* | 3.3 | *n/s* |

Activities included are those that do not fit into either Marine Services or Subsea Services. For the most part, they correspond to the results of various ship management and logistics activities and to the cement carrier Endeavor, which was sold in July 2017.

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| **Consolidated Capital Employed**<br>*In millions of euros* | **06/30/2017** | **12/31/2016** |
|---|---|---|
| Net non-current Assets | 2,427.0 | 2,654.5 |
| Working Capital | 181.2 | 198.0 |
| **Total Capital Employed** | **2,608.2** | **2,852.5** |
| Shareholders equity | 1,098.0 | 1,255.5 |
| Non-current liabilities (provisions and deferred taxes) | 134.7 | 128.7 |
| Net debt | 1,375.4 | 1,468.2 |
| **Total Capital Employed** | **2,608.2** | **2,852.5** |

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| **Consolidated Sources and uses of Cash** *In € millions* | **H1 2017** | | **H2 2016** | | **H1 2016** | |
|---|---|---|---|---|---|---|
| **Cash generated by operations** | **81.6** | | **41.5** | | **111.8** | |
| Vessels in service (A) | | 79.0 | | 37.1 | | 110.9 |
| Vessel sales | | 2.6 | | 4.4 | | 0.9 |
| **Cash out for:** | **(31.4)** | | **(76.5)** | | **(40.6)** | |
| Interest | | (23.4) | | (23.7) | | (23.5) |
| Taxes (B) | | (8.0) | | (14.2) | | (11.7) |
| Dividends | | - | | (38.6) | | (5.3) |
| **Net Cash from activity** | **50.2** | | **(35.0)** | | **71.2** | |
| Net debt changes | (62.4) | | 3.1 | | 56.6 | |
| Perpetual bond | - | | - | | - | |
| **Use of cash for:** | **2.4** | | **30.8** | | **(93.4)** | |
| Investments | | (17.0) | | (36.4) | | (117.9) |
| Working capital (C) | | 19.4 | | 67.1 | | 24.5 |
| Other sources and uses of cash | 9.8 | | 1.1 | | (34.4) | |
| **Free cash flow** | **76.0** | | **58.0** | | **6.7** | |
| Net Cash flow from operating activities (A+B+C) | | 90.4 | | 90.1 | | 123.7 |
| Acquisition of property, plant and equipment and intangible assets | | (17.0) | | (36.4) | | (117.9) |
| Sale of property, plant and equipment and intangible assets | | 2.6 | | 4.4 | | 0.9 |

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## Reconciliation of adjusted financial information with the consolidated financial statements

The adjustment items are the effects of the consolidation of joint ventures according to the equity method. At June 30, 2017 and for the comparative period presented, adjustment elements are:

| *In millions of euros* | H1 2017 Adjusted | IFRS 11 Impact* | H1 2017 Consolidated |
|---|---|---|---|
| Revenues | 459.5 | (39.8) | 419.7 |
| Direct Costs & General and Administrative costs | (314.3) | 31.5 | (282.9) |
| **EBITDAR (excluding capital gains)** | **145.1** | **(8.3)** | **136.8** |
| Bareboat charter costs | (85.6) | - | (85.6) |
| **EBITDA (excluding capital gains)** | **59.5** | **(8.3)** | **51.2** |
| Capital gain | - | - | - |
| **EBITDA** | **59.6** | **(8.3)** | **51.2** |
| Depreciation, Amortization & Provisions | (146.6) | 2.9 | (143.7) |
| Impairment | - | - | - |
| Share of results from companies under the equity method | - | 1.6 | 1.6 |
| **EBIT** | **(87.0)** | **(3.8)** | **(90.8)** |

**Effect of consolidation of jointly controlled companies using the equity method.*

| *In millions of euros* | H2 2016 Adjusted | IFRS 11 Impact* | H2 2016 Consolidated |
|---|---|---|---|
| Revenues | 503.4 | (39.4) | 464.1 |
| Direct Costs & General and Administrative costs | (349.3) | 28.8 | (320.5) |
| **EBITDAR (excluding capital gains)** | **154.2** | **(10.6)** | **143.6** |
| Bareboat charter costs | (95.2) | - | (95.2) |
| **EBITDA (excluding capital gains)** | **58.9** | **(10.6)** | **48.4** |
| Capital gain | - | - | - |
| **EBITDA** | **58.9** | **(10.6)** | **48.4** |
| Depreciation, Amortization & Provisions | (163.3) | 4.0 | (159.4) |
| Impairment | (36.0) | - | (36.0) |
| Share of results from companies under the equity method | - | - | - |
| **EBIT** | **(140.4)** | **(6.6)** | **(147.0)** |

**Effect of consolidation of jointly controlled companies using the equity method.*

| *In millions of euros* | H1 2016 Adjusted | IFRS 11 Impact* | H1 2016 Consolidated |
|---|---|---|---|
| Revenues | 599.2 | (42.6) | 556.6 |
| Direct Costs & General and Administrative costs | (370.3) | 36.9 | (333.4) |
| **EBITDAR (excluding capital gains)** | **228.8** | **(5.7)** | **223.2** |
| Bareboat charter costs | (93.4) | - | (93.4) |
| **EBITDA (excluding capital gains)** | **135.4** | **(5.7)** | **129.7** |
| Capital gain | (1.0) | 1.4 | 0.4 |
| **EBITDA** | **134.4** | **(4.2)** | **130.1** |
| Depreciation, Amortization & Provisions | (159.1) | 2.1 | (157.0) |
| Share of results from companies under the equity method | - | (1.4) | (1.4) |
| **EBIT** | **(24.8)** | **(3.6)** | **(28.3)** |

**Effect of consolidation of jointly controlled companies using the equity method.*

## Outlook

With oil prices having stabilized at around US$50, oil companies have adapted and started again exploration-production projects. Demand remains low; however, signs of a gradual return to drilling and development of existing oilfields are visible in certain countries.

In this context, utilization rates can be expected to stabilize in the Subsea and Crew boats segments. The Deepwater offshore and Shallow water offshore segments will see a slight upturn in activity, however at prices that are expected to remain under heavy pressure due to the continued impact of vessel overcapacity on the market.

In order to face this major market change, the group has launched a transformation plan and is pursuing in particular its efforts to streamline operations, cut costs and protect cash, while maintaining its focus on operational excellence.

## Related-party transactions

Related-party transactions as of June 30, 2017 are described in note 5 of the notes to the condensed consolidated financial statements.

## Risk factors and uncertainties

The main risks and uncertainties to which the Company is exposed for the six remaining months of the year are those described in the BOURBON's 2016 Registration Document registered with the French Financial Markets Authority (AMF) on April 25, 2017.

# 2. Condensed consolidated financial statements for the first half of 2017

## A. Statement of financial position

| *(in € millions)* | **June 30, 2017** | **December 31, 2016** |
|---|---|---|
| Goodwill | 25.2 | 25.2 |
| Intangible assets | 13.4 | 14.0 |
| Property, plant and equipment | 2,283.0 | 2,437.6 |
| Investments in affiliates under the equity method | 15.5 | 14.8 |
| Non-current financial assets | 67.7 | 167.6 |
| Deferred taxes | 20.0 | 21.8 |
| **Total non-current assets** | **2,424.8** | **2,681.0** |
| Inventories and work in progress | 79.9 | 83.9 |
| Trade and receivables | 435.7 | 454.4 |
| Current financial assets | 53.1 | 31.0 |
| Other current assets | 39.6 | 27.9 |
| Cash and cash equivalents | 279.3 | 281.5 |
| **Total current assets** | **887.6** | **878.8** |
| **Non-current assets held for sale** | **-** | **-** |
| **Total assets** | **3,312.4** | **3,559.8** |
| Capital | 48.5 | 48.5 |
| Share premiums | 91.0 | 91.0 |
| Consolidated reserves, group share (including profit for the year) | 843.8 | 1,004.2 |
| **Total shareholders' equity, group share** | **983.3** | **1,143.7** |
| **Non-controlling interests** | **114.7** | **111.8** |
| **Total shareholders' equity** | **1,098.0** | **1,255.5** |
| Borrowings and financial liabilities | 286.4 | 218.7 |
| Employee benefit obligations | 14.9 | 14.9 |
| Other provisions | 63.4 | 74.0 |
| Deferred taxes | 31.2 | 30.8 |
| Other non-current liabilities | 22.8 | 31.4 |
| **Total non-current liabilities** | **418.8** | **369.7** |
| Borrowings and financial liabilities (< one year) | 1,076.1 | 1,237.8 |
| Bank overdrafts and short-term lines | 292.2 | 293.3 |
| Provisions (< one year) | 45.1 | 30.9 |
| Trade and other payables | 375.0 | 349.9 |
| Tax liabilities | 3.5 | 3.3 |
| Other current liabilities | 3.6 | 19.4 |
| **Total current liabilities** | **1,795.6** | **1,934.5** |
| **Liabilities directly associated with non-current assets classified as held for sale** | **-** | **-** |
| **Total liabilities** | **2,214.4** | **2,304.3** |
| **Total liabilities and shareholders' equity** | **3,312.4** | **3,559.8** |

## B. Statement of comprehensive income

| *(in € millions)* | 1st half-year 2017 | 1st half-year 2016 |
|---|---|---|
| **Revenues** | **419.7** | **556.6** |
| Direct costs excluding bareboat leases | (231.9) | (275.0) |
| General and administrative costs | (51.0) | (58.3) |
| Bareboat leases | (85.6) | (93.4) |
| Capital gains | 0.0 | 0.4 |
| **EBITDA** | **51.2** | **130.1** |
| Increases and reversals of amortization, depreciation and provisions | (143.7) | (157.0) |
| Impairment | - | - |
| Capital gains on equity interests sold | - | - |
| **Operating income (EBIT)** | **(92.5)** | **(26.9)** |
| Share of results from affiliates under the equity method | 1.6 | (1.4) |
| **Operating income (EBIT) after share of results from companies under equity method** | **(90.8)** | **(28.3)** |
| Cost of net debt | (25.4) | (21.0) |
| Other financial expenses and income | (44.4) | (15.5) |
| **Income from current operations before income tax** | **(160.7)** | **(64.9)** |
| Income tax | (9.7) | (22.5) |
| **Net income before discontinued operations net income** | **(170.4)** | **(87.3)** |
| Net income from discontinued operations/operations held for sale | - | - |
| **Net income** | **(170.4)** | **(87.3)** |
| Group share | (170.1) | (104.3) |
| Non-controlling interests | (0.2) | 16.9 |
| | | |
| Basic net earnings per share | (2.21) | (1.35) |
| Diluted net earnings per share | (2.20) | (1.35) |
| Net earnings per share – excluding income from discontinued operations/operations held for sale | (2.21) | (1.35) |
| Diluted net earnings per share – excluding income from discontinued operations/operations held for sale | (2.20) | (1.35) |
| Net earnings per share – income from discontinued operations/operations held for sale | - | - |
| Diluted net earnings per share – income from discontinued operations/operations held for sale | - | - |

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### C. Statement of consolidated cash flows

| (in € millions) | 1st half-year 2017 | 1st half-year 2016 |
|---|---|---|
| **Consolidated net income** | **(170.4)** | **(87.3)** |
| Share of results from affiliates under the equity method | (1.6) | 1.4 |
| Tax (expense)/income | 9.7 | 22.5 |
| Net amortization, depreciation and provisions | 123.3 | 150.1 |
| Gains and losses from changes in fair value | 27.5 | (1.9) |
| Calculated income and expenses related to stock options and similar benefits | 1.0 | 1.0 |
| Gains and losses on disposals | (0.0) | (0.6) |
| Income tax paid | (8.0) | (11.7) |
| Dividends received from affiliates under the equity method | 1.3 | (0.0) |
| Other | 63.0 | 4.8 |
| **Cash flows** | **45.7** | **78.3** |
| Effect of changes in working capital | 19.4 | 24.5 |
| Dividends received | (0.1) | (0.1) |
| Cost of net debt | 25.4 | 21.0 |
| **Cash flows from operating activities (A)** | **90.4** | **123.7** |
| Acquisition of consolidated companies, net of cash acquired | - | (0.1) |
| Sale of consolidated companies, including cash transferred | - | - |
| Effect of other changes in the consolidation scope | - | (0.7) |
| Payments for property, plant and equipment and intangible assets | (17.0) | (117.9) |
| Proceeds from disposals of property, plant and equipment and intangible assets | 2.6 | 0.9 |
| Payments for acquisitions of long-term financial assets | 0.0 | - |
| Proceeds from disposal of long-term financial assets | 0.1 | - |
| Dividends received | - | 0.1 |
| Change in loans and advances granted | 9.8 | (29.7) |
| **Cash flows from investment activities (B)** | **(4.5)** | **(147.3)** |
| Capital increase | - | 0.2 |
| Capital repayment | - | - |
| Net sales (acquisition) of treasury shares | (0.1) | (4.2) |
| Proceeds from borrowings | 13.1 | 197.5 |
| Repayments of borrowings | (88.9) | (181.1) |
| Issue of Perpetual Deeply Subordinated Notes | - | - |
| Dividends paid to parent company shareholders | - | - |
| Dividends paid to non-controlling interests | - | (5.3) |
| Net financial interest paid | (23.4) | (23.5) |
| **Cash flows from financing activities (C)** | **(99.3)** | **(16.6)** |
| Impact from the change in exchange rates (D) | (2.7) | (1.0) |
| Effect of changes in accounting principles and other reclassifications (D) | 15.0 | - |
| **Change in net cash (A) + (B) + (C) + (D)** | **(1.1)** | **(41.2)** |
| Cash at beginning of period | (11.8) | 63.8 |
| Cash at end of period (*) | (12.9) | 22.6 |
| **Change in cash** | **(1.1)** | **(41.2)** |

| | | |
|---|---|---|
| **(*) of which:** | | |
| - Marketable and other securities | - | - |
| - Cash and cash equivalents | 279.3 | 314.4 |
| - Bank overdrafts | (292.2) | (291.8) |

## D. Statement of changes in equity

| (in € millions) | Capital and related reserves | | | | Unrealized or deferred profit/loss | | | | | Other reserves and income | Total shareholders' equity, group share | Shareholders' equity made up of non-controlling interests | Total consolidated shareholders' equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Capital | Share premiums and reserves related to share capital | Reclassification of treasury shares | Perpetual Deeply Subordinated Notes | Related to currency translation differences | Related to net investment in foreign operations | Related to actuarial differences | Change in the fair value of available-for-sale assets | Change in fair value of hedge derivatives | | | | |
| **Shareholders' equity as of January 1, 2017** | **48.5** | **88.7** | **(5.7)** | **118.5** | **(31.3)** | **(4.8)** | **(3.7)** | **-** | **(13.2)** | **946.7** | **1,143.7** | **111.8** | **1,255.5** |
| **Net income for the period** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | (170.1) | **(170.1)** | **(0.2)** | **(170.4)** |
| **Other components of comprehensive income (net of tax):** | **-** | **-** | **-** | **-** | **(12.8)** | **-** | **-** | **-** | **10.5** | **-** | **(2.4)** | **2.7** | **0.4** |
| *Cash flow hedge (IAS 39)* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *10.5* | *-* | ***10.5*** | *0.4* | ***10.8*** |
| *Employee benefit obligations* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | *-* | ***-*** | *-* | ***-*** |
| *Profits and losses from the currency translation of the statements of foreign subsidiaries* | *-* | *-* | *-* | *-* | *(12.8)* | *-* | *-* | *-* | *-* | *-* | ***(12.8)*** | *2.3* | ***(10.5)*** |
| **Comprehensive income for the period** | **-** | **-** | **-** | **-** | **(12.8)** | **-** | **-** | **-** | **10.5** | **(170.1)** | **(172.5)** | **2.5** | **(170.0)** |
| Capital increase | - | - | - | - | - | - | - | - | - | - | **-** | - | **-** |
| Dividends paid in cash | - | - | - | - | - | - | - | - | - | (8.5) | **(8.5)** | - | **(8.5)** |
| Dividends paid in shares | - | - | - | - | - | - | - | - | - | - | **-** | - | **-** |
| Capital repayment | - | - | - | - | - | - | - | - | - | - | **-** | - | **-** |
| Issue of Perpetual Deeply Subordinated Notes | - | - | - | - | - | - | - | - | - | - | **-** | - | **-** |
| Recognition of share-based payments | - | - | - | - | - | - | - | - | - | 1.0 | **1.0** | - | **1.0** |
| Reclassification of treasury shares | - | - | 0.1 | - | - | - | - | - | - | (0.2) | **(0.1)** | - | **(0.1)** |
| Other changes | - | - | - | - | - | - | - | - | - | 19.7 | **19.7** | 0.5 | **20.1** |
| **Total transactions with shareholders** | **-** | **-** | **0.1** | **-** | **-** | **-** | **-** | **-** | **-** | **12.0** | **12.1** | **0.5** | **12.5** |
| **Shareholders' equity as of June 30, 2017** | **48.5** | **88.7** | **(5.6)** | **118.5** | **(44.1)** | **(4.8)** | **(3.7)** | **-** | **(2.7)** | **788.5** | **983.3** | **114.7** | **1,098.0** |

BOURBON's Combined Shareholders' Meeting, held on May 23, 2017, decided that the dividend to be paid for 2016 would be set at €0.25 per share and that each shareholder would have the option to receive the payment of the dividend in cash or in new shares. Shareholders could make their choice between June 8 and June 30, 2017, inclusive. The issue price of new shares for the share-based payment was € 9.08 after application of the maximum discount of 10%. The shares were traded ex-dividend on June 8, 2017 and were being released for payment in cash or in shares on July 17, 2017.

At the close of the option period, the shareholders who chose payment of the dividend in shares represented 55.28% of BOURBON shares. 1,156,611 new shares were thus issued, representing approximately 1.52% of the capital and 0.91% of the voting rights of the Company, based on the total number of shares and voting rights as of May 31, 2017.

The settlement and delivery of shares and their admission to trading on the Euronext Paris occurred on July 17, 2017, with immediate dividend rights. They bear the same rights and are subject to the same obligations as the already issued ordinary shares and are entirely assimilated with the already issued shares.

The final impact (after taking into account the treasury shares) on BOURBON's consolidated financial statements for the second half of 2017 is as follows:

- Increase in capital stock and in share premiums of €0.7 million and €9.7 million respectively;
- Payment in cash for an amount of €8.5 million.

As of June 30, 2017, €8.5 million corresponding to the amount of dividends payable in cash was recognized in the statement of financial position under "Trade and other payables".

The “Other changes” line includes the impact of transactions with some non-controlling interests.

| (in € millions) | Capital and related reserves | | | | Unrealized or deferred profit/loss | | | | | Other reserves and income | Total shareholders' equity, group share | Shareholders' equity made up of non-controlling interests | Total consolidated shareholders' equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Capital | Share premiums and reserves related to share capital | Reclassification of treasury shares | Deeply subordinated notes | Related to currency translation differences | Related to net investment in foreign operations | Related to actuarial differences | Change in the fair value of available-for-sale assets | Change in fair value of hedge derivatives | | | | |
| **Shareholders' equity as of January 1, 2016** | **45.5** | **46.0** | **(5.0)** | **118.5** | **(5.2)** | **(28.8)** | **(2.9)** | **-** | **(11.4)** | **1,276.8** | **1,433.4** | **130.9** | **1,564.3** |
| **Net income for the period** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | (104.3) | **(104.3)** | **16.9** | **(87.3)** |
| **Other components of comprehensive income (net of tax):** | **-** | **-** | **-** | **-** | **(20.6)** | **15.5** | **-** | **-** | **5.5** | **-** | **0.4** | **(3.6)** | **(3.3)** |
| *Cash flow hedge (IAS 39)* | - | - | - | - | - | - | - | - | *5.5* | - | ***5.5*** | *(0.0)* | ***5.5*** |
| *Employee benefit obligations* | - | - | - | - | - | - | - | - | - | - | **-** | - | **-** |
| *Profits and losses from the currency translation of the statements of foreign subsidiaries* | - | - | - | - | *(20.6)* | *15.5* | - | - | - | - | ***(5.1)*** | *(3.6)* | ***(8.7)*** |
| **Comprehensive income for the period** | **-** | **-** | **-** | **-** | **(20.6)** | **15.5** | **-** | **-** | **5.5** | **(104.3)** | **(103.9)** | **13.3** | **(90.6)** |
| Capital increase | - | - | - | - | - | - | - | - | - | - | **-** | - | **-** |
| Dividends | - | - | - | - | - | - | - | - | - | (71.6) | **(71.6)** | (1.9) | **(73.5)** |
| Capital repayment | - | - | - | - | - | - | - | - | - | - | **-** | - | **-** |
| Issue of Perpetual Deeply Subordinated Notes | - | - | - | - | - | - | - | - | - | - | **-** | - | **-** |
| Recognition of share-based payments | - | - | 3.9 | - | - | - | - | - | - | (2.9) | **1.0** | - | **1.0** |
| Reclassification of treasury shares | - | - | (4.2) | - | - | - | - | - | - | - | **(4.2)** | - | **(4.2)** |
| Other changes | - | - | - | - | - | - | - | - | - | 20.1 | **20.1** | (20.7) | **(0.6)** |
| **Total transactions with shareholders** | **-** | **-** | **(0.4)** | **-** | **-** | **-** | **-** | **-** | **-** | **(54.4)** | **(54.7)** | **(22.6)** | **(77.3)** |
| **Shareholders' equity as of June 30, 2016** | **45.5** | **46.0** | **(5.4)** | **118.5** | **(25.9)** | **(13.3)** | **(2.9)** | **-** | **(5.9)** | **1,118.2** | **1,274.8** | **121.5** | **1,396.4** |

BOURBON's Combined Shareholders' Meeting, held on May 26, 2016, decided that the dividend to be paid for 2015 would be set at €1 per share and that each shareholder would have the option to receive the payment of the dividend in cash or in new shares. The shareholders were able to exercise their choice between June 15 and July 7, 2016 inclusive. The issue price of new shares for the share-based payment was € 9.66 after application of the maximum discount of 10%. The dividend had to be detached from the share on June 15, 2016 and had to be released for payment in cash or in shares on July 18, 2016.

As of June 30, 2016, the amount of €71.6 million corresponding to the gross distributable amount (before taking treasury shares into account) was booked to the financial position statement as "Trade and other payables".

At the closure of the option period, the shareholders who have elected to receive the payment of the dividend in shares represented 64.4% of BOURBON shares. 4,736,272 new shares will therefore be issued, representing about 6.6% of the share capital and 4.5% of the voting rights of the company, based on the total number of shares and voting rights as of May 31, 2016.

The settlement and delivery of shares and their admission to trading on the Euronext Paris occurred on July 18, 2016, with immediate dividend rights. They bear the same rights and are subject to the same obligations as the already issued ordinary shares and are entirely assimilated with the already issued shares.

The final impact (after taking into account the treasury shares) on BOURBON's consolidated financial statements for the second half of 2016 is as follows:

- Increase in capital stock and share premiums by €45.8 million;
- Payment in cash for an amount of €25.5 million.

The “Other changes” line includes the impact of transactions with some non-controlling interests.

Since the second half of 2015, certain monetary items (loans and advances) were considered by the Group as part of the net investment in a foreign subsidiary of the Group, their settlement being neither planned nor likely to occur in the foreseeable future (IAS 21.15). In accordance with IAS 21, from the date of their classification as a net investment in a foreign operation, exchange differences on these monetary items, recognized in profit or loss in the separate financial statements of the subsidiaries, were recognized directly in Other Comprehensive Income (OCI) in the Group’s financial statements. Over the 1st half of 2016, the impact of foreign-currency fluctuations stood at €15.5 million.

## E. Notes

The explanatory notes below are annexed to the presentation of the condensed consolidated financial statements and form an integral part of them.

BOURBON is an incorporated company registered in France, whose shares are listed for trading on Compartment B of Euronext Paris.

The consolidated financial statements as of June 30, 2017 were approved by BOURBON's Board of Directors on September 4, 2017.

### 1 - Accounting principles and valuation methods

#### a. General principles

BOURBON's consolidated financial statements are established in accordance with IFRS (International Financial Reporting Standards), as adopted by the European Union. The condensed interim financial statements, closed on June 30, 2017, are presented and have been prepared based on the provisions of IAS 34 "Interim Financial Information". Concerning the interim financial statements, they do not include all the information required under IFRS for the preparation of consolidated financial statements. These notes may therefore be supplemented by reading the Registration Document published for the year ended December 31, 2016, given that there is no seasonal effect.

#### b. Consolidation principles

BOURBON's condensed consolidated financial statements as of June 30, 2017 include the financial statements of companies exclusively controlled by the Group, directly or indirectly, by full consolidation. The companies that are jointly controlled, or over which the Group has notable influence, are consolidated by the equity method.

#### c. Changes to the accounting standards applicable in 2017

BOURBON's condensed consolidated financial statements as of June 30, 2017 were established according to the accounting principles and evaluation and presentation methods applied for establishing the consolidated financial statements of the Group as of December 31, 2016.

The new IFRS standards, interpretations and amendments, as adopted by the European Union for the fiscal years opened from January 1, 2017, were applied and did not have any significant impact on BOURBON's consolidated financial statements.

The Group also decided not to opt for the early application of the standards and interpretations for which application was not mandatory as of January 1, 2017, namely:

- IFRS 15 "Revenue from contracts with customers";
- IFRS 9 "Financial instruments".

The potential impacts and practical consequences of the application of these standards and interpretations are currently being analyzed by the Group. Following the finalization of BOURBON's debt restructuring announced on July 31, 2017, the Group will be fully able in future to assess the impact of IFRS 9 on the second half of 2017.

- IFRS 16 "Leases".

This standard, which introduces the concept of control of the leased asset, fundamentally changes the way that lessees account for leases.

At this point, the Group believes that application of IFRS 16, which becomes mandatory on January 1, 2019, will have a significant impact on its consolidated financial statements, on the balance sheet, with respect to the value of property, plant, and equipment, and on the income statement with respect to an improvement in EBITDA through a decrease in rent and, on the other hand, an increase in depreciation.

As of June 30, 2017 (and as was the case at December 31, 2016), the application of this standard is liable to affect the leases on 57 vessels.

### d. 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.

With regard to the current worldwide economic context and the historically high degree of volatility and the corresponding lack of visibility, certain facts or circumstances could lead to changes in these estimates, assumptions or evaluations and therefore future results achieved may differ from the estimates adopted.

### e. Going concern

In accordance with IAS 1.25, when preparing financial statements, management must assess the entity's capacity to continue as a going concern. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, the entity shall disclose those uncertainties. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The degree of consideration depends on the facts in each case.

On March 8, 2017, BOURBON announced a sustainable restructuring of the majority of its financial indebtedness, or €910.8 million, in connection with its "Stronger for longer" action plan. On July 28, 2017, BOURBON confirmed that it had successfully rescheduled its debt after meeting the conditions for completion of the debt restructuring agreement.

As of the closing date, the Management believes that it will have sufficient liquidity to pay its obligations as they come due over the next 12 months and thus prepared the consolidated financial statements as of June 30, 2017 on a going concern basis.

## 2 - Significant events over the period

On March 8, 2017, BOURBON announced a sustainable restructuring of the majority of its financial indebtedness, or €910.8 million, in connection with its “Stronger for longer” action plan.

In connection with that plan, which is intended to protect and strengthen the Company’s cash flow so that it emerges stronger after the current downturn in the oil and gas marine services sector, BOURBON announced that it had signed an agreement with its financial partners to restructure the maturities of the majority of its indebtedness. The principal characteristics of the restructuring are as follows:

- out of long and medium-term debt totaling €692 million, €365 million of repayments due between 2016 and 2018 have been rescheduled and reduced to an amount of €63 million not repayable until 2018. The remainder of the debt, i.e. €629 million, will henceforth be repaid progressively between 2019 and 2025; the weighted average of the spreads applicable to these facilities will initially represent approximately 2.1% from October 1, 2017, then approximately 3.1% from January 1, 2020 and lastly approximately 4% from January 1, 2022;

- short term facilities amounting to €196.8 million will be refinanced and maintained at this level from 2017 to 2020 inclusive, before being repaid progressively afterwards, while €22 million in short-term credits will be maintained and repaid progressively as from 2018; the weighted average of the spreads applicable to these facilities will initially and from the completion date represent 1.9%, then 2.9% from January 1, 2020 and lastly 3.9% from January 1, 2022.

As a result of these arrangements, debts totaling €143 million due in 2017 were rescheduled with progressive repayment until 2022 under the terms of the restructuring agreement.

The agreement, signed on March 6, 2017, was due to take effect by June 30, and by no later than July 15, 2017, once the conditions subsequent had been lifted and the conditions precedent had been met. As a result of the agreements relating to the modification of the conditions precedent to the implementation of €910.8 million debt rescheduling agreement of March 6, 2017, and particularly the timetable for obtaining new financing and the repayment of an advance granted to JACCAR Holdings during the negotiation of the proposed acquisition of gas activities, BOURBON announced that the fulfillment of the new conditions means that the deadline for the definitive completion was set at July 28, 2017 at latest. The main features of the reorganization of the major part of the company’s financial debt, applicable margins and maturities, remained unchanged.

On July 28, 2017, after having fulfilled the conditions precedent to the implementation of the debt rescheduling agreement, Bourbon confirmed the successful finalization of its debt rescheduling

The agreement represents a solid foundation for the success of the "Stronger for longer" action plan which namely aims at preserving and strengthening the company’s cash flow in order to emerge stronger from the current down cycle of the Offshore marine services market.

## 3 - Changes in scope in the first half of 2017

a- Purchase of non-controlling interests

The Group purchased some non-controlling interests in the first half of 2017. In accordance with IFRS 10, the impact was recognized under consolidated reserves, as these transactions had no effect on the control exercised by BOURBON over those companies, and hence they did not entail any changes in the way those companies are consolidated.

The impact on shareholders' equity, Group share, as of June 30, 2017, stood at:

| (in € millions) | |
|---|---|
| Acquisition price of the shares | 0.0 |
| Restated portion acquired | 3.8 |
| **Impact on shareholders' equity, Group share** | **3.8** |

b- Disposal of non-controlling interests

During the first half of 2017, the Group completed the disposal of non-controlling interests in two companies in Asia. In accordance with IFRS 10, the impact was recognized under consolidated reserves, as these transactions had no effect on the control exercised by BOURBON over those companies, and hence they did not entail any changes in the way those companies are consolidated.

The impact on shareholders' equity, Group share, as of June 30, 2017, stood at:

| (in € millions) | TOTAL |
|---|---|
| Share transfer price | 20.2 |
| Percentage of group sold | 4.9 |
| **Impact on shareholders' equity, Group share** | **15.3** |

## 4 - Notes on the income statement and financial position statement

### a. Cost of net financial debt – Other financial income and other financial expenses

| **(in € millions)** | **1st half-year 2017** | **1st half-year 2016** |
|---|---|---|
| **Cost of net debt** | **(25.4)** | **(21.0)** |
| Cost of gross debt | (28.8) | (25.9) |
| Income from cash and cash equivalents | 3.3 | 4.9 |
| | | |
| **Other financial expenses and income** | **(44.4)** | **(15.5)** |
| Net foreign exchange income/loss | (49.9) | (14.6) |
| *- of which unrealized foreign exchange gains/losses* | *(50.0)* | *1.5* |
| Other financial expenses | (12.1) | (10.7) |
| *- of which fair value of derivative financial instruments* | (9.9) | (8.5) |
| Other financial income | 17.5 | 9.8 |
| *- of which fair value of derivative financial instruments* | 16.5 | 9.0 |

The significant deterioration in unrealized foreign exchange gains/losses since the previous half is mainly due to the depreciation of the dollar against the euro and the impact on the Group's net assets in dollars, in addition to movements in other currencies to which the Group is exposed.

### b. Goodwill

As of June 30, 2017, the still-challenging conditions in the oil and gas market, together with the fact that BOURBON's market capitalization (€649 million with a share price of €8.50 as of June 30, 2017) is significantly lower than shareholders' equity as of that date (€1,098 million), constitute indications of impairment loss under IAS 36.

The Group conducted an impairment test on each cash-generating unit (CGU). The recoverable value of each CGU used for testing corresponds to the going concern value, defined as total discounted future cash flows.

Going concern values are determined using economic assumptions and forecasts of activity and results deemed by the Group's management to be the most probable. The principal assumptions and forecasts are presented below:

- business plan covering the 2017-2022 period for each of the CGUs, prepared on the basis of adjusted financial data and taking into account the results for the first half of 2017;

- use of standardized cash flows beyond 2022; the weight of the discounted standardized cash flows represents approximately 76% of total going concern value;

- business plan over six years, providing more relevant standardized cash flows to match the business forecasts prepared by management;

- perpetual growth rate of 2.5% (taking into account the regions of the world in which the Group does business and that have fairly high inflation rates);

- discount rate of 9%, considered to reflect the Group's weighted average cost of capital (WACC) and representing the average WACC used by the financial analysts following BOURBON;

- exchange rate (business plan and standardized cash flows): €1 = USD1.10.

The activity forecasts used in the business plan are based on the assumptions that the price per barrel of Brent will stabilize at an average of USD50 in 2017 and then USD50-55 in 2018, before reaching USD60-65 in 2020 with a possible insufficient supply as compared with the demand anticipated by the International Energy Agency (IEA) following the historic reduction in exploration and production investments by oil companies since mid-2014.

The recovery in oil prices witnessed since the end of 2016, with Brent gradually returning around USD50 a barrel, should have a favorable impact on oil company investments, first onshore and then offshore, and, by association, on companies such as BOURBON which support their operations. The first phase of the recovery should result in a progressive increase in the Group's vessel utilization rates. A fleet of modern vessels and a strong local presence through partnerships should enable BOURBON to be among the first to benefit from the recovery. Daily charter rates should begin to climb later.

The Crewboats segment has held up relatively well, as it is a less expensive and safer alternative to the helicopter, whereas the Subsea segment continues to diversify by expanding its range of activities (ROV construction support, diving, floatel, well stimulation and “turnkey” projects).

On the other hand, the Deepwater Offshore and Shallow Water Offshore segments are expected to recover more slowly due to the overcapacity of vessels affecting these convenience segments.

Finally, the business plan was prepared taking into account the Group’s policy to preserve cash flow through proactive management of the fleet, leading to the decommissioning of vessels without short-term commercial prospects; its policy of cost-reduction for operating vessels, making it possible to offset the costs of the decommissioned vessels, themselves managed strictly; and its policy of aligning structural costs with the activity.

The result of the valuation at going concern value is set forth below:

| *(in € millions)* | *Goodwill* | *Economic assets as of 06.30.2017 including goodwill (*) (**)* | *Estimated going concern value(*)* | *Excess of estimated going concern value over the value (*) of assets including goodwill (**)* |
|---|---|---|---|---|
| *Marine Services – DEEP* | - | 867.9 | 890.5 | 22.6 |
| *Marine Services – SHALLOW* | 6.1 | 798.9 | 896.1 | 97.2 |
| *Marine Services – CREW* | - | 347.3 | 721.2 | 374.0 |
| *Subsea Services* | 19.2 | 511.7 | 919.8 | 408.1 |

(*) Adjusted data: operating joint ventures over which the Group exercises joint control are fully consolidated

(**) Economic assets = goodwill, intangible assets and property, plant and equipment, and working capital requirement

Taken together, none of these measurements of going concern value led to an impairment loss being recognized for the first half of 2017.

The results of the sensitivity analyses performed on individual changes to the assumptions used are presented below and represent the impacts as compared with the estimated going concern values presented in the previous table:

| | Sensitivity of the going concern value measurement of the CGUs | | | | | |
|---|---|---|---|---|---|---|
| *(in € millions)* | *0.5 pt decrease in the discount rate* | *0.5 pt increase in the discount rate* | *0.5 pt decrease in the growth rate* | *0.5 pt increase in the growth rate* | *10% decrease in cash flows* | *10% increase in cash flows* |
| *Marine Services – DEEP* | 80.2 | (68.7) | (52.9) | 61.7 | (89.0) | 89.0 |
| *Marine Services – SHALLOW* | 94.5 | (80.7) | (63.8) | 74.4 | (89.6) | 89.6 |
| *Marine Services – CREW* | 51.1 | (44.2) | (31.8) | 37.1 | (72.1) | 72.1 |
| *Subsea Services* | 83.2 | (71.3) | (54.7) | 63.9 | (92.0) | 92.0 |

Under each scenario, the individual rates according to which an impairment would have to be recorded are the following:

| | Deep | Shallow | Crew | Subsea |
|---|---|---|---|---|
| Discount rate of: | 9.16% | 9.61% | 17.65% | 13.50% |
| Growth rate of: | 2.29% | 1.70% | no impairment even in the event of a growth rate of zero | |
| Decrease in cash flows of: | 2.6% | 10.9% | 51.9% | 44.4% |

### c. Shareholders' equity

As of June 30, 2017, the capital stock was composed of 76,342,603 fully paid-up shares, representing a value of €48,493,096.

The treasury shares held by the Group on the closing date were deducted from consolidated shareholders' equity. The treasury shares held by BOURBON on June 30, 2017 stood at 430,130 treasury shares.

### d. Provisions

| *(in € millions)* | Employee benefit obligations | Business risks | Tax audits | Other tax risks | Other provisions for risks and contingencies | Provisions for major maintenance | Total |
|---|---|---|---|---|---|---|---|
| **01.01.2016** | **15.5** | **5.6** | **4.7** | **11.2** | **7.4** | **49.8** | **94.3** |
| ***of which current portion*** | **1.9** | **1.1** | **-** | **-** | **-** | **11.5** | **14.4** |
| Provisions for the year | 1.8 | 0.2 | 10.2 | 2.7 | 5.8 | 22.5 | **43.3** |
| Used during the year | (0.9) | (1.8) | - | (3.9) | (1.7) | (6.6) | **(15.0)** |
| Unused amount reversed | (0.5) | (0.1) | (0.3) | (1.9) | (0.8) | (2.1) | **(5.7)** |
| Change in consolidation scope | - | - | - | - | - | - | **-** |
| Currency translation adjustment | (0.0) | 0.6 | - | 0.7 | 0.6 | 1.0 | **2.8** |
| Reclassification and other changes | 0.9 | - | (0.7) | - | - | - | **0.2** |
| **12.31.2016** | **16.7** | **4.5** | **13.9** | **8.9** | **11.2** | **64.5** | **119.8** |
| ***of which current portion*** | ***1.9*** | **-** | **-** | **-** | **-** | ***29.0*** | **30.9** |
| Provisions for the year | 1.0 | 0.0 | 1.0 | 0.1 | 2.5 | 11.3 | **15.9** |
| Used during the year | (0.2) | (0.2) | (0.8) | (0.6) | (1.7) | (1.8) | **(5.2)** |
| Unused amount reversed | (0.4) | (0.1) | (0.1) | (0.1) | (1.7) | (0.3) | **(2.7)** |
| Change in consolidation scope | - | - | - | - | - | - | **-** |
| Currency translation adjustment | 0.0 | (0.3) | - | (0.4) | (0.5) | (1.6) | **(2.7)** |
| Reclassification and other changes | | - | | | (1.6) | - | **(1.6)** |
| **06.30.2017** | **17.2** | **3.9** | **14.1** | **7.9** | **8.3** | **72.1** | **123.5** |
| ***of which current portion*** | ***2.3*** | **-** | **-** | **-** | **-** | ***42.8*** | **45.1** |

The change in provisions for major maintenance comes notably from the review and adjustments of the plans to overhaul leased vessels. The utilizations correspond to the major classification maintenance that actually took place.

e. Financial liabilities

On March 6, 2017, the Group signed an agreement with a number of financial institutions and partners to restructure its principal debt, in the amount of €910.8 million.

BOURBON thus restructured its debt as follows:

- out of long and medium-term debt totaling €692 million, €365 million of repayments due between 2016 and 2018 have been rescheduled and reduced to an amount of €63 million not repayable until 2018. The remainder of the debt, i.e. €629 million, will henceforth be repaid progressively between 2019 and 2025; the weighted average of the spreads applicable to these facilities will initially represent approximately 2.1% from October 1, 2017, then approximately 3.1% from January 1, 2020 and lastly approximately 4% from January 1, 2022;

- short term facilities amounting to €196.8 million will be refinanced and maintained at this level from 2017 to 2020 inclusive, before being repaid progressively afterwards, while €22 million in short-term credits will be maintained and repaid progressively as from 2018; the weighted average of the spreads applicable to these facilities will initially and from the completion date represent 1.9%, then 2.9% from January 1, 2020 and lastly 3.9% from January 1, 2022.

As a result of the agreements relating to the modification of the conditions precedent to the implementation of €910.8 million debt rescheduling agreement of March 6, 2017, and particularly the timetable for obtaining new financing and the repayment of an advance granted to JACCAR Holdings during the negotiation of the proposed acquisition of gas activities, BOURBON announced that the fulfillment of the new conditions means that the deadline for the definitive completion was set at July 28, 2017 at latest. The main features of the reorganization of the major part of the company's financial debt, applicable margins and maturities, remained unchanged.

As the discussions progressed, standstill agreements were entered into for dates on which capital was paid on the loans in question, whereas the interest related to these payments was paid. As of December 31, 2016, the payments in question totaled €90 million and for the first half of 2017, they amounted to €72 million.

As of June 30, 2017, the Group examined all of its existing loans as of that date according to the position of each loan, without taking into account the impact of the restructuring agreement:

- Loans covered by standstill agreements, which are in place until March 10, 2017 and are replaced by the principles of the agreement signed on March 6, 2017
- Compliance with the covenants applicable to each loan, where relevant
- Review of the contractual clauses of each loan, in particular cross-default or similar clauses

Following this review, and in accordance with IAS 1.69 d, the non-current portion of the loans for which the Group did not have an unconditional right as of the financial statement closing date to defer payment for more than twelve months were classified in current liabilities.

This lack of an unconditional right as of the closing date was noted for loans covered by the restructuring agreement. In accordance with IAS 1.75, since the grace period had a duration of less than 12 months following the closing date, the non-current portion of these loans was reclassified in current liabilities in the amount of €391.3 million as of June 30, 2017.

A review of the cross-default and similar clauses in the other loan agreements showed that the theoretical application of such clauses could lead to acceleration of the amounts due as of June 30, 2017. None of these clauses had been triggered as of the closing date. The long-term portion of the loans subject to this theoretical acceleration totaled €181.3 million as of June 30, 2017.

In accordance with IFRS 7.18, the details of the reclassifications are presented below:

| | | **Before reclassification** | | | **After reclassification** | |
|---|---|---|---|---|---|---|
| **Nature of the loan** | **Balance as of June 30, 2017** | *of which current portion* | *of which non-current portion* | **Impact of reclassification on current liabilities** | *of which current portion* | *of which non-current portion* |
| **- Loans covered by standstill agreements with a duration of less than twelve months following the closing date:** | | | | | | |
| CLUB DEAL - €318M | 15.9 | 15.9 | - | - | 15.9 | - |
| CLUB DEAL - €320M | 32.0 | 32.0 | - | - | 32.0 | - |
| CLUB DEAL - €340M | 326.0 | 112.0 | 214.0 | 214.0 | 326.0 | - |
| CLUB DEAL - €450M | 168.8 | 90.0 | 78.8 | 78.8 | 168.8 | - |
| Bilateral borrowings | 146.9 | 48.4 | 98.5 | 98.5 | 146.9 | - |
| **- Borrowings containing cross-default or similar clauses:** | | | | | | |
| Bilateral borrowings | 240.6 | 59.3 | 181.3 | 181.3 | 240.6 | - |

On July 28, 2017, BOURBON confirmed that it had successfully restructured its debt after meeting the conditions for completion of the debt rescheduling agreement announced in March 2017.

The closing of the restructuring agreement will allow the reclassification of the debts as long and medium-term.

In accordance with IAS 39 AG62, a qualitative and quantitative analysis was carried out on each restructured loan to determine whether or not there had been a substantial change in each loan.

In the event of a substantial change, the existing loan will be considered extinguished and will be derecognized, while a new liability will be recognized at the same time.

The tests conducted by the Group show that there has been no substantial change in any of the loans concerned. Given the absence of any substantial change, the loans will remain on the balance sheet. The related fees will be deducted from the loan amount and amortized over their residual life.

f. Contingent liabilities

Pursuant to IAS 37 on "Provisions, contingent liabilities and contingent assets", it should be noted that one of the Group's subsidiaries is involved in legal proceedings following a dispute regarding a duty similar to an indirect tax on certain invoiced services, for an estimated total of €29 million in principal and €67 million in penalties and default interest.

The claim by the local tax administration appears to be groundless, because it seems to rely on an erroneous classification of the services invoiced by the subsidiary, which the court of first instance in the country in question confirmed in its judgment rendered on October 18, 2016, invalidating the adjustments notified by the local tax administration.
The local tax administration has appealed the judgment before the competent court of appeal.

It should be noted that in 2013, in a similar matter, the Superior Court of Justice in the same country also ruled for the taxpayer and against the local tax administration.

As a result, in the management's opinion, to the best of its knowledge of the matter and of the local legal and tax environment, and supported by the opinion of its counsel, this is a contingent liability for which the likelihood of a significant payout is currently slight.

## 5 - Other information

a. Operating segments

The business segment financial information is presented by activity and by Segment based on the internal reporting system and shows internal segment information used by the principal operating decision maker to manage and measure the performance of BOURBON (IFRS 8).

The principles of the internal reporting do not reflect the application of the consolidation standards IFRS10, 11, 12, IAS 27 (amended) and IAS 28 (amended). Internal reporting (and thus adjusted financial information) records the performance of operational joint ventures in which the Group has joint control by the full consolidation method.

Segment information as of June 30, 201 and June 30, 2016 is as follows:

| In € millions – 1st half-year of 2017 | Total Marine Services | of which Deep | of which Shallow | of which Crew | Total Subsea Services | Other | ADJUSTED TOTAL: BY ACTIVITY/SEGMENT | Adjustments | CONSOLIDATED TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| Revenues | 327.1 | 137.0 | 76.2 | 113.8 | 124.4 | 8.0 | 459.5 | (39.8) | 419.7 |
| Direct costs excluding bareboat leases | (196.5) | (74.7) | (51.6) | (70.3) | (56.6) | (4.1) | (257.2) | 25.3 | (231.9) |
| General and administrative costs | (40.7) | (17.0) | (9.5) | (14.2) | (15.5) | (1.0) | (57.1) | 6.1 | (51.0) |
| Bareboat leases | (62.0) | (32.4) | (29.7) | - | (23.6) | - | (85.6) | 0.0 | (85.6) |
| Capital gains | 0.0 | - | (0.0) | 0.1 | - | - | 0.0 | 0.0 | 0.0 |
| **EBITDA** | **28.0** | **13.0** | **(14.6)** | **29.5** | **28.8** | **2.8** | **59.6** | **(8.3)** | **51.2** |
| | | | | | | | | | |
| **EBIT** | **(87.9)** | **nc** | **nc** | **nc** | **1.4** | **(0.5)** | **(87.0)** | **(5.5)** | **(92.5)** |
| | | | | | | | | | |
| Goodwill | 6.1 | - | 6.1 | - | 19.2 | - | 25.2 | - | 25.2 |
| Vessels | 1,845.0 | nc | nc | nc | 384.2 | 18.1 | 2,247.2 | (60.2) | 2,187.0 |
| Installments on vessels under construction | 11.9 | nc | nc | nc | 47.9 | - | 59.8 | 0.0 | 59.8 |
| Other non-current assets and liabilities | 95.7 | nc | nc | nc | 26.7 | 23.4 | 145.9 | 9.0 | 154.9 |
| Working capital | 124.2 | nc | nc | nc | 47.2 | 0.0 | 171.5 | 9.7 | 181.2 |
| **Capital employed** | **2,082.9** | **nc** | **nc** | **nc** | **525.3** | **41.5** | **2,649.7** | **(41.5)** | **2,608.2** |
| **Capital employed excluding installments on vessels under construction** | **2,071.0** | **nc** | **nc** | **nc** | **477.3** | **41.5** | **2,589.8** | **(41.5)** | **2,548.3** |
| | | | | | | | | | |
| Capital employed related to non-current assets held for sale and liabilities associated with non-current assets held for sale | - | nc | nc | nc | - | - | - | - | - |

| In € millions – 1st half-year of 2016 | Total Marine Services | of which Deep | of which Shallow | of which Crew | Total Subsea Services | Other | ADJUSTED TOTAL: BY ACTIVITY/SEGMENT | Adjustments | CONSOLIDATED TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| Revenues | 478.0 | 182.8 | 168.2 | 127.0 | 110.8 | 10.4 | 599.2 | (42.6) | 556.6 |
| Direct costs excluding bareboat leases | (255.7) | (92.8) | (88.7) | (74.2) | (42.4) | (6.7) | (304.8) | 29.7 | (275.0) |
| General and administrative costs | (52.5) | (20.1) | (18.5) | (13.9) | (12.2) | (0.9) | (65.5) | 7.2 | (58.3) |
| Bareboat leases | (66.7) | (33.8) | (32.8) | - | (26.8) | - | (93.4) | 0.0 | (93.4) |
| Capital gains | 0.4 | - | - | 0.4 | (1.4) | - | (1.0) | 1.4 | 0.4 |
| **EBITDA** | **103.5** | **36.1** | **28.2** | **39.2** | **28.1** | **2.7** | **134.4** | **(4.3)** | **130.1** |
| **EBIT** | **(22.6)** | **nc** | **nc** | **nc** | **4.0** | **(6.1)** | **(24.7)** | **(3.6)** | **(28.3)** |
| Goodwill | 14.3 | 8.2 | 6.1 | - | 19.2 | - | 33.5 | - | 33.5 |
| Vessels | 2,049.7 | nc | nc | nc | 422.9 | 20.7 | 2,493.3 | (65.8) | 2,427.5 |
| Installments on vessels under construction | 21.0 | nc | nc | nc | 47.0 | - | 68.0 | - | 68.0 |
| Other non-current assets and liabilities | 152.7 | nc | nc | nc | 50.1 | 29.4 | 232.2 | 8.0 | 240.1 |
| Working capital | 159.1 | nc | nc | nc | 36.9 | 0.4 | 196.4 | 9.4 | 205.8 |
| **Capital employed** | **2,396.8** | **nc** | **nc** | **nc** | **576.1** | **50.6** | **3,023.4** | **(48.4)** | **2,975.0** |
| **Capital employed excluding installments on vessels under construction** | **2,375.8** | **nc** | **nc** | **nc** | **529.1** | **50.6** | **2,955.4** | **(48.4)** | **2,907.0** |
| Capital employed related to non-current assets held for sale and liabilities associated with non-current assets held for sale | - | nc | nc | nc | - | - | - | - | - |

The breakdown of adjusted revenue by geographical area for the first half of 2017 and the first half of 2016 is as follows:

| (in € millions) | 1st half-year 2017 adjusted | 1st half-year 2016 adjusted |
|---|---|---|
| Africa | 265.4 | 349.5 |
| Europe & Mediterranean/Middle East | 60.4 | 70.6 |
| American continent | 79.4 | 118.3 |
| Asia | 54.3 | 60.8 |

b. Related-party transactions

Other than the elements presented below, in the first half of 2017, there was no significant change covering transactions with related parties as they are described in the Registration Document as of December 31, 2016.

### Relationships with JACCAR HOLDINGS

A Cash Management agreement was signed between BOURBON (through one of its subsidiaries) and Jaccar Holdings SA (BOURBON's shareholder).

As of June 30, 2017, the amount of the advance including interest granted by BOURBON was €30.5 million.

### 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 SA, a subsidiary of Cana Tera SCA. Mr. Jacques d'Armand de Chateauvieux is also a Director of Sinopacific.

As of June 30, 2017, like as of December 31, 2016, there were current orders for 2 vessels. Orders amounted to USD72.4 million with prepayments generated of USD45.6 million, covered up to USD36.5 million by installment return guarantees granted by Sinopacific.

## 6 - Net earnings per share

a. Basic net earnings per share

The determination of the weighted average number of ordinary shares outstanding during each period is presented below:

| | 06.30.2017 | 06.30.2016 |
|---|---|---|
| Weighted average number of shares over the period | 77,499,214 | 77,499,214 |
| Weighted average number of treasury shares held over the period | (419,111) | (452,896) |
| **Weighted average number of shares outstanding during the period** | **77,080,103** | **77,046,318** |

(*) This number includes the 1,156,611 shares issued on July 17, 2017, effective immediately, in payment of the 2016 dividend.

The weighted average number of shares in circulation during the first half-years 2017 and 2016 take into account the weighted average number of stock options exercised during each period.

For each period presented, the basic net earnings per share were determined as follows:

| | 06.30.2017 | 06.30.2016 |
|---|---|---|
| Weighted average number of shares used to calculate the basic net earnings per share | 77,080,103 | 77,046,318 |
| **Net income (in € millions)** | | |
| Consolidated, group share | (170.1) | (104.3) |
| Consolidated, group share – excluding income from discontinued operations/operations held for sale | (170.1) | (104.3) |
| Net income from discontinued operations/operations held for sale - Group share | - | - |
| **Basic net earnings per share (in €)** | | |
| Consolidated, group share | (2.21) | (1.35) |
| Consolidated, group share – excluding income from discontinued operations/operations held for sale | (2.21) | (1.35) |
| Net income from discontinued operations/operations held for sale - Group share | - | - |

b. 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:

| | 06.30.2017 | 06.30.2016 |
|---|---|---|
| Weighted average number of shares outstanding during the period | 77,080,103 | 77,046,318 |
| Weighted average number of shares, the issue of which is conditional during the period | 319,400 | 371,400 |
| Weighted average number of dilutive stock options during the period | - | - |
| **Weighted average number of potential shares** | **77,399,503** | **77,417,718** |

In accordance with IAS 33, determination of diluted net earnings per share for the first half of 2016 did not take into account any stock option plan authorized by the meetings of the Board of Directors because these options had an anti-dilutive effect.

Likewise, determination of the diluted net earnings per share for the first half of 2017 excludes all these stock option plans authorized by meetings of the Board of Directors, as these retained their anti-dilutive effect.

| | 06.30.2017 | 06.30.2016 |
|---|---|---|
| Weighted average number of shares used to calculate diluted net earnings per share | 77,399,503 | 77,417,718 |
| **Net income (in € millions)** | | |
| Consolidated, group share | (170.1) | (104.3) |
| Consolidated, group share – excluding income from discontinued operations/operations held for sale | (170.1) | (104.3) |
| Net income from discontinued operations/operations held for sale - Group share | - | - |
| **Diluted net earnings per share (in €)** | | |
| Consolidated, group share | (2.20) | (1.35) |
| Consolidated, group share – excluding income from discontinued operations/operations held for sale | (2.20) | (1.35) |
| Net income from discontinued operations/operations held for sale - Group share | - | - |

## 8 - Post-closure events

On July 28, 2017, after having fulfilled the conditions precedent to the implementation of the debt rescheduling agreement, Bourbon confirmed the successful finalization of its debt rescheduling

The agreement represents a solid foundation for the success of the "Stronger for longer" action plan which namely aims at preserving and strengthening the company’s cash flow in order to emerge stronger from the current down cycle of the Offshore marine services market.

## F. Financial Glossary

***Adjusted data****:* internal reporting (and thus adjusted financial information) records the performance of operational joint ventures in which the Group has joint control by the full consolidation method. The adjusted financial information is presented by activity and by Segment based on the internal reporting system and shows internal segment information used by the principal operating decision maker to manage and measure the performance of BOURBON (IFRS 8).

***EBITDAR***: revenue less direct operating costs (except bare-boat rental costs) and general and administrative costs.

***EBITDA***: EBITDAR less bareboat charter costs.

***EBIT***: EBITDA after depreciation, amortization and provisions and capital gains on equity interests sold, but excluding share of net income of companies under equity method.

***Operating income (EBIT) after share of results from companies under equity method****:* EBIT after share of results from companies under equity method.

***Capital invested (or employed)***: includes (i) shareholders' equity, (ii) provisions (including net deferred tax), (iii) net debt; it is also defined as the sum (i) of net non-current assets (including advances on fixed assets), (ii) working capital requirement, and (iii) net assets held for sale.

***Average capital employed excl. installments***: is understood as the average of the capital employed at the beginning of the period and end of the period, excluding installments on fixed assets.

***Free cash flow***: net cash flows from operating activities after including incoming payments and disbursements related to acquisitions and sales of property, plant and equipment and intangible assets.

# 3. Statement by the person responsible for the half-yearly financial report

Mr. Jacques de Chateauvieux

Chairman and Chief Executive Officer of BOURBON Corporation

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 half-yearly activity report presents an accurate picture of the significant events that occurred during the first six months of the year and of their impact on the interim financial statements, the main transactions between related parties and a description of the main risks and uncertainties for the remaining six months of the year.

# 4. Statutory Auditors' Report on the 2017 half-yearly financial information

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**BOURBON Corporation**
Société Anonyme
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75002 PARIS

Statutory Auditors' Review Report on the Half-yearly Financial Information for 2017

(Period January 1 to June, 30, 2017)

*This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English speaking readers. This report includes information relating to the specific verification of information presented in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of Article L.451-1-2 of the French Monetary and Financial Code ("*Code Monétaire et Financier*"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of BOURBON Corporation, for the period from January 1, 2017 to June 30, 2017,
- the verification of the information presented in the half-yearly management report.

These condensed half-year consolidated financial statements are the responsibility of the Board of Directors, in a context characterised by uncertain outlooks which already existed at the closing of the previous year's accounts. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Lyon and Marseille, September 7, 2017

The Statutory Auditors

*French original signed by*

**EurAAudit C.R.C**
***Cabinet Rousseau Consultants***

**Jean-Marc ROUSSEAU**

**Deloitte & Associés**

**Christophe PERRAU**

BOURBON
Building together a sea of trust

## 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 9,300 skilled employees. Through its 37 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 two operating Activities (Marine Services and Subsea Services) and also protects the French coastline for the French Navy.

In 2016, BOURBON'S revenue came to €1,102.6 million and the company operated a fleet of 514 vessels.

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

## CONTACTS

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