FINANCIAL REPORT
1ST HALF 2010

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I. ACTIVITY REPORT FOR THE FIRST HALF OF 2010

In millions of euros	H1 2010	H2 2009	H1 2009	Change H1 2010 /H1 2009
Revenues	**490.4**	**461.4**	**468.4**	**+4.7%**
Gross operating income excluding capital gains	146.6	164.9	171.9	(14.7)%
Capital gains	22.0	0.2	1.0	
Gross operating income (EBITDA)	**168.5**	**165.2**	**172.9**	**(2.5)%**
Impairment charge	(34.3)	-	-	
Other amortization, depreciation and provisions	(94.8)	(72.3)	(59.2)	
Operating income (EBIT)	**39.4**	**92.8**	**113.7**	**(65.3)%**
Net financial income / (loss)	13.8	(13.9)	(18.7)	
Income tax	(10.0)	(3.3)	(5.7)	
Net income from discontinued operations and gains on equity interests sold	(1.5)	5.4	1.2	
Minority interests	(0.7)	(8.0)	(8.3)	
Net income, group share	**41.0**	**73.1**	**82.3**	**(50.1)%**

BOURBON's first half revenues total €490.4 million, up 4.7% **compared with the first half of 2009**, owing to the increase in revenues in the Bulk Division and to steady revenues in the Offshore Division under tough market conditions.

Gross operating income (EBITDA) totals €168.5 million, which is a decline limited to 2.5% compared with the first half of 2009, thanks to the capital gains made on the bulk carriers sold during the period. Excluding capital gains, gross operating income (EBITDA) reached €146.6 million, down 14.7%.

The 65.3% decline in operating income to €39.4 million is due to an increase in the depreciation associated with the growth of the Offshore and Bulk fleets as well as the recognition of an impairment charge of €34.3 million euros following the agreement to sell 16 bulk carriers.

The positive financial result for the period, despite the increase in debt, reflects the increased value of the financial instruments and a positive foreign exchange differential.

Net income group share amounts to €41.0 million, down 50.1% from the same period in the previous year.

Compared with the second half of 2009, revenues rose by 6.3% for the same reasons: increase in the Bulk Division and steady performance by the Offshore Division. Likewise, the 11.1% decrease in EBITDA excluding capital gains reflects in particular the unfavorable conditions of the offshore market and the increased in the cost of a growing fleet.

▪ OFFSHORE DIVISION

Over the past twelve months, the Offshore Division has taken delivery of 66 units. It had a utilization rate of 79.5% in the first half of 2010 compared with 80.5% in the previous half year and 86.4% during the first half of 2009. This steady performance confirms the favorable welcome given to the new BOURBON vessels in a tougher market.

Compared with the first half of 2009, revenues from BOURBON vessels rose by 6.5% to €387.3 million, while revenues from chartered vessels fell by €27 million.
Overall, first half revenues for the Division remained relatively stable from one year to the next at €403.8 million.

Gross operating income (EBITDA) fell by 20.2% to €125.7 million, as operating costs rose under the combined effect of numerous additions of new vessels to the fleet and repositioning of more vessels than before reaching the end of their contract.

Operating income is down 60.8% at €40.9 million, owing to the increase in the depreciation of vessels.

Compared with the second half of 2009, revenues held steady in an unfavorable market. Revenues from BOURBON vessels rose 3.2% while revenues from chartered vessels fell by €10.2 million.

In millions of euros	**H1 2010**	**H2 2009**	**H1 2009**	**Change H1 2010 /H1 2009**
Revenues	**403.8**	**402.2**	**407.7**	**(0.9)%**
from owned vessels	*387.3*	*375.5*	*363.8*	*+ 6.5%*
from chartered vessels	*16.5*	*26.7*	*43.8*	*(62.3)%*
Gross operating income excluding capital gains	**125.7**	**154.2**	**157.5**	**(20.2)%**
% of revenues	*31.1%*	*38.3%*	*38.6%*	
Capital gains	-	0.5	1.2	
Gross operating income (EBITDA)	**125.7**	**154.7**	**158.7**	**(20.8)%**
Amortization, depreciation and provisions	(84.8)	(65.2)	(54.3)	
Operating income (EBIT)	**40.9**	**89.5**	**104.4**	**(60.8)%**

Marine Services

Over the six-month period, in a market downturn, Marine Services revenues generated by the directly owned fleet amounted to €319.4 million, up 5.6% compared with **the first half of 2009.** The charter services activity is down substantially, with revenues down by €30.6 million.

Gross operating income fell by 25.8% to €98.8 million compared with the first half of 2009, due to worsening market conditions and the increase in costs related in particular to the growth of the fleet.

Utilization rate of the supply vessels is 82.9%, compared with 87.4% in the second half of 2009 and 91.7% in the first half of 2009.

In millions of euros	H1 2010	H2 2009	H1 2009	Change H1 2010 /H1 2009
Revenues	**324.5**	**323.2**	**338.2**	**(4.0)%**
from owned vessels	*319.4*	*309.5*	*302.5*	*+5.6%*
from chartered vessels	*5.1*	*13.7*	*35.7*	*(85.7)%*
Gross operating income excluding capital gains	**98.8**	**122.5**	**132.0**	**(25.2) %**
% of revenues	*30.4%*	*37.9%*	*39.0%*	
Capital gains	-	0.5	1.2	
Gross operating income (EBITDA)	**98.8**	**123.1**	**133.2**	**(25.8) %**

Subsea Services

Over the six-month period, Subsea Services revenues rose by 14.3% to €79.3 million, compared to **the first half of 2009**, owing mainly to the growth of the BOURBON fleet.

The fact that gross operating income held up well at €26.9 million, or +5.5%, reflects the contracting of vessels over longer periods than in Marine Services.

The utilization rate of the IMR vessels is 85.4%, compared with 89.7% in the second half of 2009 and 86.6% in the first half of 2009.

In millions of euros	H1 2010	H2 2009	H1 2009	Change H1 2010 /H1 2009
Revenues	**79.3**	**79.0**	**69.4**	**+14.2%**
from owned vessels	*67.9*	*66.0*	*61.3*	*+10.8%*
from chartered vessels	*11.4*	*13.0*	*8.1*	*+40.1%*
Gross operating income excluding capital gains	**26.9**	**31.6**	**25.5**	**+5.6%**
% of revenues	*34.0%*	*40.1%*	*36.7%*	
Capital gains	-	-	-	
Gross operating income (EBITDA)	**26.9**	**31.6**	**25.5**	**+5.6%**

▪ BULK DIVISION

Taking into account vessels' sales early in the year, gross operating income amounts to €48.1 million.

Operating income after recognition of depreciation on directly owned vessels and an impairment charge of € 34.3 million on the 16 bulk carriers whose sale was decided in the first semester, amounts to €4.2 million.

Compared with the second half of 2009, revenues rose by 46.8% owing to the increase in the directly owned fleet (with an average of 3 additional owned vessels on the period) and charters, and also to the improvement in rates. Gross operating income excluding capital gains rose by 58.4%.

In millions of euros	**H1 2010**	**H2 2009**	**H1 2009**	**Change H1 2010 /H1 2009**
Revenues	**86.3**	**58.8**	**60.5**	**+42.6%**
Gross operating income excluding capital gains	26.2	16.5	20.9	**+25.4%**
% of revenues	*30.3%*	*28.1%*	*34.5%*	
Capital gains	22.0	-	-	
Gross operating income (EBITDA)	**48.1**	**16.5**	**20.9**	**+130.7%**
Impairment charge	(34.3)	-	-	
Other amortization, depreciation and provisions	(9.6)	(6.4)	(3.7)	
Operating income(EBIT)	**4.2**	**10.1**	**17.2**	**(75.3)%**

▪ OUTLOOK

Offshore Division

The Offshore Division activity should benefit from a recovery in investments by the oil companies in exploration, production and maintenance during the second half of 2010. This recovery is already noticeable in West Africa and Asia.

With tougher demands by customers in terms of safety and efficiency of offshore service vessels, they are expected to prefer the most up-to-date fleets rather than older vessels, particularly in continental offshore. In this context, BOURBON is expected to be among the first to benefit from a market recovery, and its vessels are expected to see their utilization rate gradually improve.

Finally, the economic activity of the emerging countries and the maintenance of oil prices at current levels should support capital expenditures and hence the future demand for vessels.

Bulk Division

The agreement to sell 16 bulk carriers signed on June 25 with US group Genco Shipping & Trading Ltd, was confirmed in July. So far 10 sales of bulk carriers have already been made for a price of USD332 million, and 5 others are expected to follow by the end of the year, which will naturally affect revenues and the EBITDA of the Bulk Division. The last vessel will be sold in the first half of 2011. After the disposal program, the Bulk Division will own a cement carrier directly and will continue to operate an average of 10 to 12 bulk carriers.

BOURBON 2015

The implementation of the new strategic plan announced on June 25 has started. Firm orders have been placed for 39 offshore vessels worth USD 580 million. The asset disposal program for €500 million, launched with the agreement to sell 16 bulk carriers to Genco Shipping & Trading Ltd, should continue with the sale of the shares still held in the company Sucrerie de Bourbon Tay Ninh.

Backed by a USD 2 billion investment program and appropriate financing (asset sales, bank loan and a very favorable improvement in payment terms for vessels under construction), the "Bourbon 2015 Leadership Strategy" plan has the following objectives for the period 2011-2015:

- Average annual growth in Offshore revenues of 17%,
- A fleet availability rate of more than 95%,
- And by 2015, a ratio of EBITDA to Offshore revenues of 45% and a ratio of EBITDA to capital employed of 20%.

The combined effect of cash flow generation by operations, asset disposals in 2010 and the new vessel payment policy should result in a debt-equity ratio below 0.5 and a ratio of net debt to EBITDA below 2, by the year 2015. This means BOURBON would generate positive cash flows as from 2013.

▪ RELATED PARTY TRANSACTIONS

Related party transactions as of June 30, 2010 are described in Note 5 of the notes to the summary financial statements.

▪ RISKS AND UNCERTAINTIES

Main risks and uncertainties for the remaining six months of the year are described in BOURBON 2009 annual report provided in the registration document filed on May 18, 2010 with the Autorité des Marchés Financiers.

II. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF OF 2010

Restatement of the accounts for the first half of 2009

Pursuant to IFRS 5, the sugar business in Vietnam was considered as of June 30, 2010 to be an “activity held for sale.” The accounts as of June 30, 2009 were restated accordingly (see Note 2).

A. STATEMENT OF FINANCIAL POSITION

In € millions	*Notes*	June 30, 2010	December 31, 2009
Goodwill	*4.3*	33.5	33.5
Intangible assets		10.9	10.2
Property, plant and equipment	*4.4*	2,900.4	3,096.3
Investments in associates		0.4	0.3
Non-current financial assets	*4.5*	21.2	18.3
Deferred tax assets	*4.6*	36.7	15.2
Total non-current assets		**3,003.1**	**3,173.8**
Inventories and work in progress		10.9	19.0
Trade and other receivables		385.7	352.7
Current financial assets	*4.5*	63.5	43.9
Other current assets		27.1	19.7
Cash and cash equivalents		167.6	152.8
Total current assets		**654.9**	**588.2**
Non-current assets classified as held for sale	*2*	**519.3**	**-**
Total Assets		**4,177.3**	**3,761.9**
Capital		38.9	38.9
Share premiums		49.3	48.2
Consolidated reserves, Group share (including profit for the year)		1,335.7	1,298.8
Total shareholders' equity, Group share	*4.7*	**1,423.9**	**1,385.9**
Minority interests		**92.9**	**100.6**
Total shareholders' equity, Group share		**1,516.8**	**1,486.5**
Borrowings and financial liabilities	*4.8*	1,415.6	1,449.4
Employee benefit obligations		7.5	7.1
Other provisions		20.8	20.4
Deferred tax liabilities	*4.6*	17.5	9.6
Other non-current liabilities	*4.9*	76.6	26.7
Total non-current liabilities		**1,538.1**	**1,513.1**
Borrowings and bank loans (< one year)	*4.8*	775.6	453.0
Provisions (< one year)		0.6	0.3
Trade and other payables		258.7	282.7
Tax liabilities		11.9	5.2
Other current liabilities	*4.9*	42.6	21.1
Total current liabilities		**1,089.3**	**762.3**
Liabilities directly associated with non-current assets classified as held for sale	*2*	**33.0**	**-**
Total liabilities		**2,660.5**	**2,275.4**
Total liabilities and shareholders' equity		**4,177.3**	**3,761.9**

B. COMPREHENSIVE INCOME STATEMENT

In € millions	*Notes*	**1st Half 2010**	**1st Half 2009**
Revenues	*5*	490.4	468.4
Costs of goods and services sold	*5*	(280.2)	(260.9)
General and administrative costs	*5*	(41.7)	(34.6)
Increases and reversals of amortization, depreciation and provisions	*4.1*	(129.1)	(59.2)
Operating income		**39.4**	**113.7**
Costs of net debt	*4.2*	(27.1)	(14.5)
Other financial expenses and income	*4.2*	40.9	(4.2)
Income from current operations before income tax		**53.2**	**95.0**
Income tax		(10.0)	(5.7)
Share in income (loss) of associates		0.0	(0.0)
Net income before net gains on equity interests sold and net income from discontinued operations		**43.2**	**89.4**
Net gains on equity interests sold		-	(0.0)
Net income from discontinued operations/operations held for sale	*2*	(1.5)	1.2
Gain on sale of equity interests		-	-
Net income		**41.8**	**90.5**
Group share		41.0	82.3
Minority interests		0.7	8.3

In €:

Net earnings per share	*6*	0.70	1.38
Diluted net earnings per share	*6*	0.70	1.37
Net earnings per share – excluding income from discontinued operations/operations held for sale	*6*	0.74	1.37
Diluted net earnings per share – excluding income from discontinued operations/operations held for sale	*6*	0.73	1.37
Net earnings per share – income from discontinued operations/ operations held for sale	*6*	(0.04)	0.00
Diluted net earnings per share – income from discontinued operations/operations held for sale	*6*	(0.04)	0.00
Net earnings per share – excluding gains on equity interests sold and income from discontinued operations	*6*	0.74	1.37
Diluted net earnings per share – excluding gains on equity interests sold and income from discontinued operations	*6*	0.73	1.37

BOURBON - Comprehensive income statement

In € millions	1st Half 2010	1st Half 2009
Income for the period	41.8	90.5
Other components of comprehensive income	51.6	1.6
Change in the fixed assets revaluation reserve	-	-
Tax effect	-	-
Actuarial differences	-	-
Tax effect	-	-
Profits and losses from the currency translation of the statements of foreign subsidiaries	*60.4*	*13.2*
Profts and losses related to the revaluation of available-for-sale financial assets	-	-
Tax effect	-	-
Effective share of profits and losses on cash flow hedging instruments	*(17.1)*	*(12.5)*
Tax effect	*8.3*	*0.9*
Share of the other components of comprehensive income of associates	-	-
Total profits/losses	**93.3**	**92.1**

C. CONSOLIDATED CASH FLOW STATEMENT

In € millions	1st Half 2010	1st Half 2009
Consolidated net income	**41.8**	**90.5**
Share in income/loss of associates	(0.0)	0.0
Tax expenses/income	10.5	5.8
Net amortization, depreciation and provisions	130.6	60.4
Gains and losses from changes in fair value	(22.1)	1.5
Calculated income and expenses related to stock options and similar benefits	3.7	3.4
Gains and losses on disposals	(22.2)	(1.2)
Income tax paid	(11.8)	(3.9)
Other	4.3	1.6
Cash flow	**134.8**	**158.3**
Effects of changes in working capital	(53.9)	(15.8)
Dividends received	(0.1)	(2.5)
Cost of net debt	27.4	14.3
Cash flows from operating activities (A) (**)	**108.2**	**154.2**
Acquisition of consolidated companies, net of cash acquired	(13.6)	-
Sale of consolidated companies, including cash transferred	1.3	3.8
Effect of other changes in the consolidation scope	-	-
Payments for property, plant and equipment and intangible assets	(318.7)	(392.1)
Proceeds from disposal of property, plant and equipment and intangible assets	71.0	3.0
Payments for acquisition of long-term financial assets	(0.1)	(0.2)
Proceeds from disposal of long-term financial assets	2.6	-
Dividends received	0.1	2.5
Change in loans and advances granted	(5.8)	(2.7)
Cash flows from investing activities (B) (**)	**(263.2)**	**(385.6)**
Capital increase	1.1	0.6
Capital repayment	-	-
Net sales (acquisition) of treasury shares	(0.5)	0.0
Proceeds from borrowings	247.0	271.8
Repayments of borrowings	(109.9)	(132.2)
Dividends paid to parent Company shareholders	(58.9)	(47.9)
Dividends paid to minority interests	(7.1)	(7.6)
Net interest paid	(27.4)	(14.3)
Cash flows from financing activities (C) (**)	**44.2**	**70.5**
Effect of changes in exchange rates **(**)**	10.9	1.0
Effect of changes in accounting principles	-	-
Change in net cash (A) + (B) + (C) (**)	**(100.0)**	**(160.0)**
Cash at beginning of period	(68.9)	24.7
Cash at end of period (*)	(168.8)	(135.3)
Change in cash (**)	**(100.0)**	**(160.0)**

(*) including:		
- Marketable and other securities	0.0	0.0
- Cash and cash equivalents	168.4	133.0
- Bank overdrafts	(337)	(268)

(**) including discontinued operations:

Cash flows from operating activities	12.4	3.0
Cash flows from investing activities	(17.0)	(22.5)
Cash flows from financing activities	3.6	5.8
Effect of changes in exchange rates	0.2	0.4
Change in net cash	**(0.8)**	**(13.3)**
Cash at beginning of period	1.6	14.4
Cash at end of period	0.8	1.1
Change in net cash	**(0.8)**	**(13.3)**

D. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in € millions)	Capital and related reserves			Unrealized or deferred gains/losses			Other reserves and income	Total shareholders' equity, Group share	Minority interests	Total consolidated shareholders' equity
	Share capital	Share premium and reserves related to share capital	Reclassification of treasury shares	Currency translation adjustments	Change in fair value of available-for-sale investments	Change in fair value of hedging derivatives				
Shareholders' equity as of January 1st, 2010	**38.9**	**45.9**	**(78.2)**	**(72.8)**	**-**	**3.2**	**1,448.9**	**1,385.9**	**100.6**	**1,486.5**
Net income for the period	**-**	**-**	**-**	**-**	**-**	**-**	41.0	**41.0**	**0.7**	**41.8**
Other component of comprehensive income (net of taxes):	**-**	**-**	**-**	**53.4**	**-**	**(7.7)**	-	**45.7**	**5.9**	**51.6**
Cash flow hedge (IAS 39)	-	-	-	-	-	*(7.7)*	-	***(7.7)***	*(1.0)*	***(8.8)***
Profits and losses from the currency translation of the statements of foreign subsidiaries	-	-	-	*53.4*	-	-	-	***53.4***	*6.9*	***60.4***
Total income for the period	**-**	**-**	**-**	**53.4**	**-**	**(7.7)**	**41.0**	**86.7**	**6.6**	**93.3**
Capital increase	0.0	1.0	-	-	-	-	-	**1.1**	-	**1.1**
Dividends paid by the parent Company in 2010	-	-	-	-	-	-	(52.9)	**(52.9)**	(11.9)	**(64.8)**
Capital repayment	-	-	-	-	-	-	-	**-**	-	**-**
Recognition of share-based payments	-	-	-	-	-	-	3.7	**3.7**	-	**3.7**
Reclassification of treasury shares	-	-	(0.5)	-	-	-	-	**(0.5)**	-	**(0.5)**
Other changes	-	-	-	-	-	-	(0.2)	**(0.2)**	(2.3)	**(2.5)**
Total transactions with shareholders	**0.0**	**1.0**	**(0.5)**	**-**	**-**	**-**	**(49.3)**	**(48.8)**	**(14.3)**	**(63.1)**
Shareholders' equity as of June 30, 2010	**38.9**	**47.0**	**(78.7)**	**(19.4)**	**-**	**(4.6)**	**1,440.6**	**1,423.9**	**92.9**	**1,516.8**

(in € millions)	Capital and related reserves			Unrealized or deferred gains/losses			Other reserves and income	Total shareholders' equity, Group share	Minority interests	Total consolidated shareholders' equity
	Share capital	Share premium and reserves related to share capital	Reclassification of treasury shares	Currency translation adjustments	Change in fair value of available-for-sale investments	Change in fair value of hedging derivatives				
Shareholders' equity as of January 1st, 2009	**35.2**	**47.8**	**(78.4)**	**(91.4)**	**-**	**30.4**	**1,336.4**	**1,279.9**	**85.2**	**1,365.1**
Net income for the period	**-**	**-**	**-**	**-**	**-**	**-**	82.3	**82.3**	**8.3**	**90.5**
Other component of comprehensive income (net of taxes):	**-**	**-**	**-**	**13.5**	**-**	**(9.2)**	-	**4.3**	**(2.7)**	**1.6**
Cash flow hedge (IAS 39)	-	-	-	-	-	*(9.2)*	-	***(9.2)***	*(2.5)*	***(11.7)***
Profits and losses from the currency translation of the statements of foreign subsidiaries	-	-	-	*13.5*	-	-	-	***13.5***	*(0.3)*	***13.2***
Total income for the period	**-**	**-**	**-**	**13.5**	**-**	**(9.2)**	**82.3**	**86.6**	**5.5**	**92.1**
Capital increase	3.5	(3.0)	-	-	-	-	-	**0.6**	-	**0.6**
Dividends paid by the parent Company in 2009	-	-	-	-	-	-	(47.9)	**(47.9)**	(7.6)	**(55.5)**
Capital repayment	-	-	-	-	-	-	-	**-**	-	**-**
Recognition of share-based payments	-	-	-	-	-	-	3.4	**3.4**	-	**3.4**
Reclassification of treasury shares	-	-	(0.1)	-	-	-	-	**(0.1)**	-	**(0.1)**
Other changes	-	-	-	-	-	-	0.9	**0.9**	4.3	**5.2**
Total transactions with shareholders	**3.5**	**(3.0)**	**(0.1)**	**-**	**-**	**-**	**(43.6)**	**(43.1)**	**(3.3)**	**(46.4)**
Shareholders' equity as of June 30, 2009	**38.8**	**44.8**	**(78.5)**	**(77.9)**	**-**	**21.2**	**1,375.1**	**1,323.4**	**87.4**	**1,410.8**

E. EXPLANATORY NOTES

The explanatory notes below accompany the presentation of the summary consolidated financial statements and are an integral part thereof.

BOURBON is an incorporated company registered in France the shares of which are listed for trading on Compartment A of Euronext Paris.

The consolidated financial statements as of June 30, 2010 were closed by the BOURBON Board of Directors on August 30, 2010.

1. Accounting principles and valuation methods

The BOURBON consolidated financial statements are prepared in accordance with the (International Financial Reporting Standards), as adopted by the European Union. The summary accounts for the first half of the year ended on June 30, 2010 were presented and were prepared based on the provisions of IAS 34 “Interim Financial Reporting.”. With regard to the interim accounts, they do not include all the information required under the IFRS standard for the preparation of consolidated financial statements. Therefore these notes can be supplemented by reading the registration document published for the year ended December 31, 2009, particularly given the lack of seasonal effect.

BOURBON’s summary consolidated financial statements as of June 30, 2010 were prepared in accordance with the accounting principles and valuation and presentation methods applied for the preparation of the group’s consolidated financial statements as of December 31, 2009, with the exception of the standards and interpretations that went into force on January 1, 2010, which have an effect on the group’s consolidated financial statements:

- The revised version of IFRS 3 “Business combinations” and IAS 27 “Consolidated and individual financial statements” are applied to business combinations with an acquisition date after January 1, 2010.

The other standards and interpretations that must be applied on or after January 1, 2010 did not result in any significant changes in the valuation and presentation methods of these accounts. Moreover, the group did not elect to apply early any standards or interpretations that are not mandatory as of January 1, 2010.

Consolidation principles

BOURBON's summary consolidated financial statements as of June 30, 2010 include the statements of the companies exclusively controlled by the group, either directly or indirectly, through full consolidation. Companies jointly controlled are consolidated by proportional consolidation. Companies in which the group exerts significant influence are consolidated by the equity method.

Use of estimates

Preparing the financial statements in accordance with the conceptual framework of the IFRS standards implies the use of estimates, assumptions and assessments that affect the amounts included in those financial statements. Such estimates are based on past experience and on other factors considered reasonable given the circumstances.
Given the current global economic context, and the historically high degree of volatility and the resulting lack of visibility, some facts or circumstances could lead to changes in those estimates, assumptions or assessments; the future results could therefore differ from the estimates used.

2. Highlights of the period

At the time the new “BOURBON 2015 Leadership Strategy” plan was announced on June 25, 2010, BOURBON unveiled its intent to sell essentially € 500 million in assets starting in 2010.
Both the decision to sell 16 bulk carriers, announced on June 25, 2010, and the likely success of the plan to sell the Company Sucrerie de Bourbon Tay Ninh represent major sources of financing for the group’s new strategy.

Sale of group of assets

As announced by BOURBON on June 25, 2010, an agreement to sell 16 bulk carriers was signed with US Company Genco Shipping and Trading Ltd. That agreement was implemented in July. After the disposal program, the Bulk Division will own one cement carrier directly and will continue to operate an average of 10 to 12 bulk carriers.

In accordance with IFRS 5, regarding a single operation, the vessels concerned were considered on June 30, 2010 as a group of assets held for sale.

Therefore, they are presented on the consolidated balance sheet as “non-current assets held for sale” at their net book value as of the closing date, i.e. € 409.3 million.

This amount includes an impairment booked in accordance with IFRS 5 in the amount of $ 45.5 million (or € 37.1 million at the June 30, 2010 closing rate).

This impairment of $45.5 million was calculated based on the difference between the expected sale price net of selling costs and the net book value expected from the group of assets sold.

Activity held for sale

As announced on August 9, 2010, BOURBON is confident that its plan to sell the shares still owned by it in the Company Sucrerie de Bourbon Tay Ninh will take shape in the near future.

Because of that fact, and pursuant to IFRS 5, the sugar business in Vietnam was considered on June 30, 2010 as a “business held for sale.”

BOURBON’s summary consolidated financial statements as of June 30, 2010 reflect the following provisions:

- Income (net of tax) is presented in aggregated form on a separate line from the income statement for the period in progress as well as for prior periods;
- All the assets and liabilities for the business concerned are combined on specific lines on the balance sheet for the period in progress but not for prior periods.

The other information presented in the summary consolidated financial statements is restated for consistency with the treatment described above.

Therefore, and pursuant to IFRS 5, an impairment test was done by comparison between the net book value of the asset net of those activities and their fair value. The fair value was calculated with reference to an estimated sale price net of selling costs. At that time, an impairment was determined in the amount of € (-4.7) million.

This impairment was booked and deducted from the value of any non-current assets held for sale.

In all, the gradual sale of the sugar business in Vietnam, which began in 2007, will have generated a total capital gain estimated at € 21.1 million.

The effects on consolidated income/loss as of June 30, 2010 and June 30, 2009 are shown below:

in € millions	1st Half 2010		1st Half 2009
Revenues	15.5		13.7
Operating costs	(10.8)		(10.0)
Increases and reversals of amortization, depreciation and provisions	(6.2)	*(*)*	(1.5)
Cost of net debt	(0.3)		0.2
Other financial expenses and income	0.7		0.6
Net income from discontinued operations / operations held for sale	**(1.0)**		**3.0**
Income tax	(0.5)		(0.1)
Net income from discontinued operations / operations held for sale	**(1.5)**		**2.8**

(*) including impairment €(4,7) million

The primary groups of assets and liabilities of the companies held for sale are presented below:

in € millions	June 30, 2010
Assets	
Property, plant and equipment	0.1
Intangible assets	64.7
Investments in associates	-
Other debtors	44.5
Cash and cash equivalents	0.8
Assets classified as held for sale	**110.0**
Liabilities	
Interest-bearing liabilities	10.7
Other payables	22.3
Liabilities directly associated with non-current assets classified as held for sale	**33.0**

Net assets directly associated with activities held for sale	**77.0**

The statement of consolidated cash flow includes the flows related to "activities held for sale." The flows are shown below.

Cash flows from discontinued activities	**1st Half 2010**	**1st Half 2009**
Cash flows from operating activities	12.4	3.0
Cash flows from investing activities	(17.0)	(22.5)
Cash flows from financing activities	3.6	5.8
Effect of change in exchange rates	0.2	0.4
Change in net cash	**(0.8)**	**(13.3)**
Cash - opening balance	1.6	14.4
Cash - closing balance	0.8	1.1
Change in net cash	**(0.8)**	**(13.3)**

3. Change in scope during the first half of 2010

No significant change in scope occurred during the first half of 2010.

However, it should be noted that BOURBON purchased certain minority interests during the first half of 2010.

In accordance with standards IFRS 3 revised and IAS 27 amended, the application of which has been mandatory since January 1, 2010, the effect of the purchase of minority interests was noted in the consolidated reserves, as those purchases had no effect on the control exerted by BOURBON over those companies and therefore did not result in any change in the consolidation method for those companies.

The effect on shareholders' equity as of June 30, 2010 amounts to € (1.6) million and is broken down below:

in € millions	**Bourbon Offshore III AS & Bourbon Offshore III KS**
Acquisition price of the shares	2.5
Restated portion acquired	0.9
Impact on shareholders' equity	(1.6)

4. Notes on the income statement and balance sheet

4.1 Allocations to and reversals from amortization and provisions

The amount of allocations to and reversals from amortization and provisions for the first half of 2010 includes the impairment booked for the sale operation of the 16 bulk carriers on June 30, 2010. It amounts to $ (45.5) million (or € (34.3) million at the average rate of the first half of 2010) (see note 2).

4.2 Cost of net financial debt – Other financial income (loss) and other financial expenses

in € millions	1st Half 2010	1st Half 2009
Cost of net financial debt	**(27.1)**	**(14.5)**
Cost of gross debt	(27.9)	(15.0)
Income from cash and cash equivalents	0.8	0.5
Other financial income (loss) and expenses	**40.9**	**(4.2)**
Net foreign exchange income/(loss)	26.2	(1.7)
Other financial expenses	(7.1)	(19.0)
Other financial income	21.9	16.5

The change in financial income involves contrasting trends:

- An increase in the cost of net financial debt due to lower capitalization of interest (related to the maturity of the investment program) and to the increase in the group's debt.
- A very substantial improvement in foreign exchange income due mainly to a favorable dollar effect
- The increase in financial income (and the decrease in financial expenses) is due mainly to the change in fair value of the financial instruments recognized under financial income.

4.3 Goodwill

(in € millions)	Gross	Impairment	Net
01.01.2010	**33.5**	**-**	**33.5**
Goodwill on acquisitions	-	-	-
Disposals	-	-	-
Impairment	-	-	-
Currency translation adjustment	-	-	-
Change in consolidation scope	-	-	-
Reclassification and other changes	-	-	-
06.30.2010	**33.5**	**-**	**33.5**

4.4 Property, plant and equipment

The decrease in property, plant and equipment over the first half of 2010 comes mainly from the reclassification of the net book value of the bulk carriers held for sale under “non-current assets held for sale.”

4.5 Non-current financial assets/Current financial assets

The change in non-current and current financial assets comes mainly from the change in the fair value of certain financial instruments (particularly long-term hedges).

Current financial assets also include the Gulfmark securities received in partial payment for the sale of Rigdon Marine in 2008. In the first half of 2010, the change in fair value of these securities represents a gain of € 2.0 million recognized as financial income.

4.6 Deferred taxes

The change in deferred taxes over the first half of 2010 is due in particular to the effect of deferred taxation on the financial instruments.

4.7 Shareholders’ equity

As of June 30, 2010, the share capital was composed to 61,245,226 shares fully paid up representing a value of 38,903,539 euros.

The treasury shares held by the group on the closing date were deducted from the consolidated shareholders’ equity. In the first half of 2010, the effect on consolidated reserves amounted to € (0.5) million. As of June 30, 2010 BOURBON held 2,481,726 treasury shares

4.8 Borrowings and financial debts

The increase in short-term borrowings is due mainly to the change in maturity of the loans by the Bulk activity

4.9 Other non-current liabilities and other current liabilities

The change in non-current and current financial assets comes mainly from the change in the fair value of certain financial instruments (particularly rate hedging instruments).

5. Other information

Operating sectors

Sector information as of June 30, 2010 is presented below:

(in € millions)	Offshore			Bulk	Corporate	Eliminations	TOTAL
	TOTAL	of which					
		Marine Services	Subsea				
Revenues (non Group sales)	403.8	324.5	79.3	86.3	0.2	-	**490.4**
Cost of sales and general cost	(278.1)	(225.8)	(52.4)	(38.2)	(5.5)	-	**(321.8)**
EBITDA	125.7	98.8	26.9	48.1	(5.3)	-	**168.5**
Amortization/provision (*)	(84.8)	*nd*	*nd*	(43.9)	(0.4)	-	**(129.1)**
Operating income	40.9	*nd*	*nd*	4.2	(5.7)	-	**39.4**
Share in income/loss of associates, net of goodwill	0.0	0.0	-	-	-	-	**0.0**
(*) including impairment	-	-	-	*(34.3)*	-	-	**(34.3)**
Segment assets	3,536.0	*nd*	*nd*	126.6	1,165.5	(1,459.2)	**3,368.9**
Non-current segment assets held for sale	-	-	-	409.3	100.0	-	**509.2**
Segment liabilities	1,284.2	*nd*	*nd*	104.7	377.9	(1,459.2)	**307.5**
Segment liabilities directly associated with non-current assets held for sale	-	-	-	-	27.6	-	**27.6**

nd: this information is not used internally

Sector information as of June 30, 2010 is presented below:

(in € millions)	Offshore			Bulk	Corporate	Eliminations	TOTAL
	TOTAL	of which					
		Marine Services	Subsea				
Revenues (non Group sales)	407.7	338.2	69.4	60.5	0.2	-	**468.4**
Cost of sales and general cost	(249.0)	(205.0)	(43.9)	(39.7)	(6.9)	-	**(295.5)**
EBITDA	158.7	133.2	25.5	20.9	(6.7)	-	**172.9**
Amortization/provision (*)	(54.3)	*nd*	*nd*	(3.7)	(1.2)	-	**(59.2)**
Operating income	104.4	*nd*	*nd*	17.2	(7.9)	-	**113.7**
Share in income/loss of associates, net of goodwill	(0.0)	(0.0)	-				**(0.0)**
(*) including impairment	-	-	-	-	-	-	**-**
Segment assets	3,060.1	*nd*	*nd*	486.8	1,370.9	(1,627.9)	3,289.8
Non-current segment assets held for sale	-	-	-	-	-	-	**-**
Segment liabilities	1,394.1	*nd*	*nd*	53.4	459.0	(1,634.2)	**272.3**
Segment liabilities directly associated with non-current assets held for sale	-	-	-	-	-	-	**-**

nd : this information is not used internally

A breakdown in revenues of the Offshore Division by geographic area for the first half of 2010 and the first half of 2009 is shown below:

	1st Half		
(in millions of euros)	**H1 2010**	H1 2009	***Change %***
Offshore Division	**403,8**	407,7	***-0,9%***
Africa	***258,0***	271,1	***-4,8%***
Europe & Med./Middle East	***61,2***	65,9	***-7,1%***
Asia	***40,1***	43,7	***-8,3%***
American continent	***44,5***	26,9	***+65,4%***

Relations with related parties

Relations with CROWNSHIP and ZHEJIANG SHIPBUILDING Co. Ltd, subsidiaries of SINOPACIFIC

The Chairman & Chief Executive Officer of BOURBON is a partner in the naval construction Company Sinopacific, through Jaccar Holdings, a wholly-owned subsidiary of Cana Tera SAS.

During the first half of 2010, BOURBON signed a framework agreement to order 62 vessels from the companies Crownship and Zhejiang Shipbuilding Co Ltd for a total of around one billion dollars. As of June 30, 2010, prepayments on orders were made in the amount of USD 7.1 million.

Relations with SINOPACIFIC

The Chairman & Chief Executive Officer of BOURBON is a partner in the naval construction Company Sinopacific, through Jaccar Holdings, a wholly-owned subsidiary of Cana Tera SAS.

In the first half of 2010, BOURBON, through its subsidiaries, took delivery of 19 vessels from the Sinopacific group for a total of € 241.1 million, while an order for two bulk carriers was cancelled. As of June 30, 2010, the amount of orders in progress involved 45 vessels for a total amount of € 792.0 million, on which prepayments on orders were made in the amount of € 483.7 million.

In addition, Cana Tera SAS guaranteed to BOURBON's subsidiaries the return of prepayments made by them to the Sinopacific group for a total as of June 30, 2010 of € 190.4 million.

Relations with PIRIOU, WEST ATLANTIC SHIPYARD and SEAS

The Chairman & Chief Executive Officer of BOURBON is indirectly associated with the Piriou naval construction Company and its subsidiaries West Atlantic Shipyard and SEAS, through Jaccar Holdings, a wholly owned subsidiary of Cana Tera SAS.

In the first half of 2010, BOURBON, through its subsidiaries, took delivery of 10 vessels from those three companies for a total purchase price of € 24.0 million.
As of June 30, 2010, the amount of orders in progress through different BOURBON subsidiaries involved 18 vessels for a total amount of € 40.5 million, on which prepayments on orders were made in the amount of 20.5 million.

Relations with CROWNSHIP, subsidiary of SINOPACIFIC

The Chairman & Chief Executive Officer of BOURBON is a partner in the naval construction Company Sinopacific, through Jaccar Holdings, a wholly-owned subsidiary of Cana Tera SAS

BOURBON, through its subsidiaries, acquired five vessels intended for resale to the Crownship Company, including two in 2009. During the first half of 2010, the last three vessels were delivered. One of them was resold upon delivery; the two others were covered by a sale agreement to the Genco Company on June 25, 2010 with the sale to be finalized in the third quarter of 2010. In all, the sale of those three vessels will generate income close to zero.

6. Net earnings per share

Basis earnings per share

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

	1stHalf 2010	1stHalf 2009
Weighted-average number of shares over the period	61,212,351	61,013,079
Weighted-average number of treasury shares held over the period	(2,473,466)	(1,382,164)
Weighted-average number of shares outstanding during the period	**58,738,885**	**59,630,915**

The weighted-average number of shares outstanding in H1 2010 and H1 2009 takes into account the weighted average number of stock options exercised during each period.

The weighted-average number of shares outstanding in H1 2009 was also adjusted to take into account the allotment of one bonus share for 10 shares held, approved by the Combined Annual and Special Shareholders' Meeting of June 3, 2009.

For each period presented, the basis earnings per share was determined as follows:

	1stHalf 2010	1stHalf 2009
Weighted-average number of shares used in the calculation of basis earnings per share	58,738,885	59,630,915
Net income (in € million)		
Consolidated, Group share	41.0	82.3
Consolidated, Group share – excluding income from discontinued operations/operations held for sale	43.2	82.0
Net income from discontinued operations/operations held for sale, Group share	(2.2)	0.3
Consolidated, Group share – excluding gains on equity interests sold & net income from operations held for sale	43.2	82.0

	1st Half 2010	1st Half 2009
Basis earnings per share (in euros)		
Consolidated, Group share	0.70	1.38
Consolidated, Group share – excluding income from discontinued operations/operations held for sale	0.74	1.37
Net income from discontinued operations/operations held for sale, Group share	(0.04)	0.00
Consolidated, Group share – excluding gains on equity interests sold & net income from discontinued operations/operations held for sale	0.74	1.37

Diluted 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 the issue of which is conditional. The weighted average number of shares used to calculate basis earnings per share is, therefore, increased by dilutive potential ordinary shares.

Diluted earnings per share are established as follows:

Number of potential shares:

	1st Half 2010	1st Half 2009
Weighted-average number of shares outstanding during the period	58,738,885	59,630,915
Weighted-average number of shares, the issue of which is conditional during the period	52,019	136,323
Weighted-average number of dilutive stock purchase and stock subscription options during the period	148,787	96,741
Weighted-average number of potential shares during the period	**58,939,691**	**59,863,979**

The weighted average number of potential shares during the first half of 2010 and 2009 takes into account the adjustment related to the granting of one bonus share for ten shares held, approved by the Combined Annual and Special Shareholders’ Meeting of June 3, 2009.

Pursuant to IAS 33, the determination of diluted net earnings per share for H1 2009 2008 does not take into account the stock option plan authorized by the Board of Directors on December 10, 2007; nor does it take into account stock option plans authorized by the Boards of Directors meetings of December 5, 2005 and December 4, 2006, because those options have an anti-dilutive effect.

Likewise, the determination of diluted net earnings per share for the first half of 2010 excludes the stock option plan authorized by the Board of Directors meeting of December 4, 2006 as well as the stock option plans authorized by the Board of Directors meetings of December 10, 2007 and August 24, 2009.

Diluted earnings per share:

	1st Half 2010	1st Half 2009
Weighted-average number of shares used in the calculation of diluted net earnings per share	58,939,691	59,863,979
Net income (in € millions))		
Consolidated, Group share	41.0	82.3
Consolidated, Group share – excluding income from discontinued operations/operations held for sale	43.2	82.0
Net income from discontinued operations/operations held for sale	(2.2)	0.3
Consolidated, Group share – excluding gains on equity interests sold & net income from operations held for sale	43.2	82.0
Diluted earnings per share (in euros)		
Consolidated, Group share	0.70	1.37
Consolidated, Group share – excluding income from discontinued operations/operations held for sale	0.73	1.37
Net income from discontinued operations/operations held for sale – Group share	(0.04)	0.00
Consolidated, Group share – excluding gains on equity interests sold & net income from discontinued operations/operations held for sale	0.73	1.37

7. Events after the balance sheet date

None.

III. STATEMENT OF THE PERSON RESPONSIBLE FOR THE FINANCIAL REPORT FOR THE FIRST HALF OF 2010

Jacques d'Armand de Chateauvieux
Chairman & Chief Executive Officer

I hereby attest that, to the best of my knowledge, the financial statements are prepared in accordance with the applicable accounting standards and give a fair picture of the assets, the financial position and the earnings of the company and all the companies included in its scope of consolidation, and that the first half activity report presents a faithful picture of the key events that occurred during the first six months of the financial year, their effect on the statements for the first half of the year, the principal transactions among related parties as well as a description of the main risks and the main uncertainties for the remaining six months of the year.

IV. STATUTORY AUDITORS' REVIEW REPORT ON FINANCIAL INFORMATION FOR THE FIRST HALF 2010

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13002 Marseille

Statutory Auditors' Review Report on the First Half-year Financial Information for 2010

(Period January 1 to June, 30, 2010)

This is a free translation into English of the statutory auditors' review 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.

To the Shareholders,

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

- our review of the accompanying condensed half-year consolidated financial statements of Bourbon SA, for the period from January 1, 2010 to June 30, 2010,
- the verification of the information contained in the interim management report.

These condensed half-year consolidated financial statements are the responsibility of the Board of Directors, in a context described in the explanatory notes and characterised by uncertain outlooks which already existed at the 31 December 2009 year-end. 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-year 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.

8. Without qualifying our above opinion, we draw your attention to the matter in note «Accounting principles and valuation methods » to the consolidated financial statements which set out changes in accounting policies resulting from the application, from January 1st, 2010 of new standards, amendments and interpretations.

2. Specific verification

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

Lyon and Marseille, August 31, 2010

The Statutory Auditors

French original signed by

EurAAudit C.R.C ***Cabinet Rousseau Consultants***	**Deloitte & Associés**
Marc ESCOFFIER	**Vincent GROS**