Rice Global E & C Forum

Loïc des Déserts
Chairman & CEO

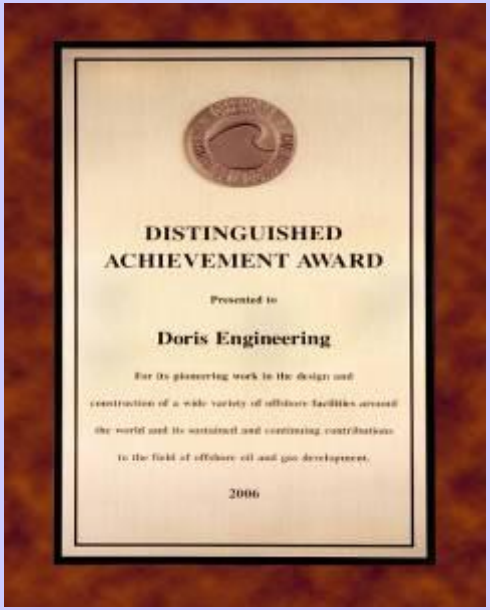
DORIS Engineering

Houston, October 4, 2011

Who Is DORIS?

An independent engineering company with:

- **More than 45 years of experience in the offshore industry:**
  - **More than 200 major contracts since 1965,**
  - **Specialised in conceptual and FEED studies,**
  - **Significant effort in Research & Development,**
  - **Many world “firsts" since 1965,**
  - **2006 OTC Distinguished Achievement Award.**



- **Strong resources:**
  - **Almost 1,000 people working worldwide,**
  - **Network of Partners all over the world,**
  - **Skills in every discipline used for offshore field development,**
  - **Ability to mobilize either reduced or large teams worldwide,**
  - **Many specific analysis and design tools developed.**

Who Is DORIS?

- **Established track record of international development work:**
  - **Large commitments in international markets,**
  - **Majority of revenue comes from outside of France.**
- **A company culture valuing long-term business relationships:**
  - **Orientation towards services to oil companies.**

DORIS' Market

- **Offshore Industry**

  Fixed and Floating facilities, Topsides, Subsea, Pipeline, Umbilicals, Flowlines, Risers, Mooring systems, Living Quarters in all kind of environment (swamp area, shallow water, deepwater, arctic area …).

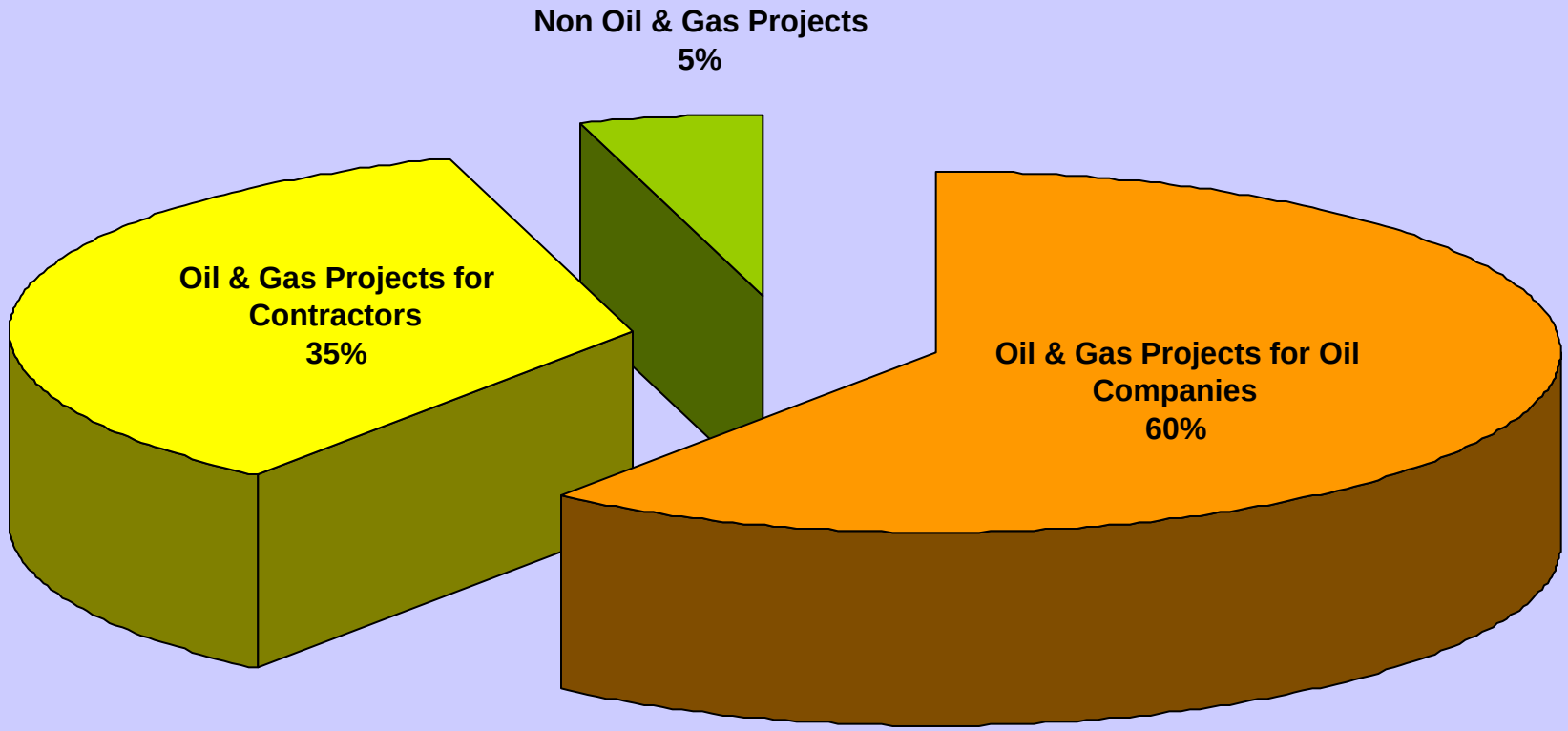
- **Onshore Industry**

  Onshore field development, onshore Pipelines, Terminals for offshore facilities, LNG Terminals.

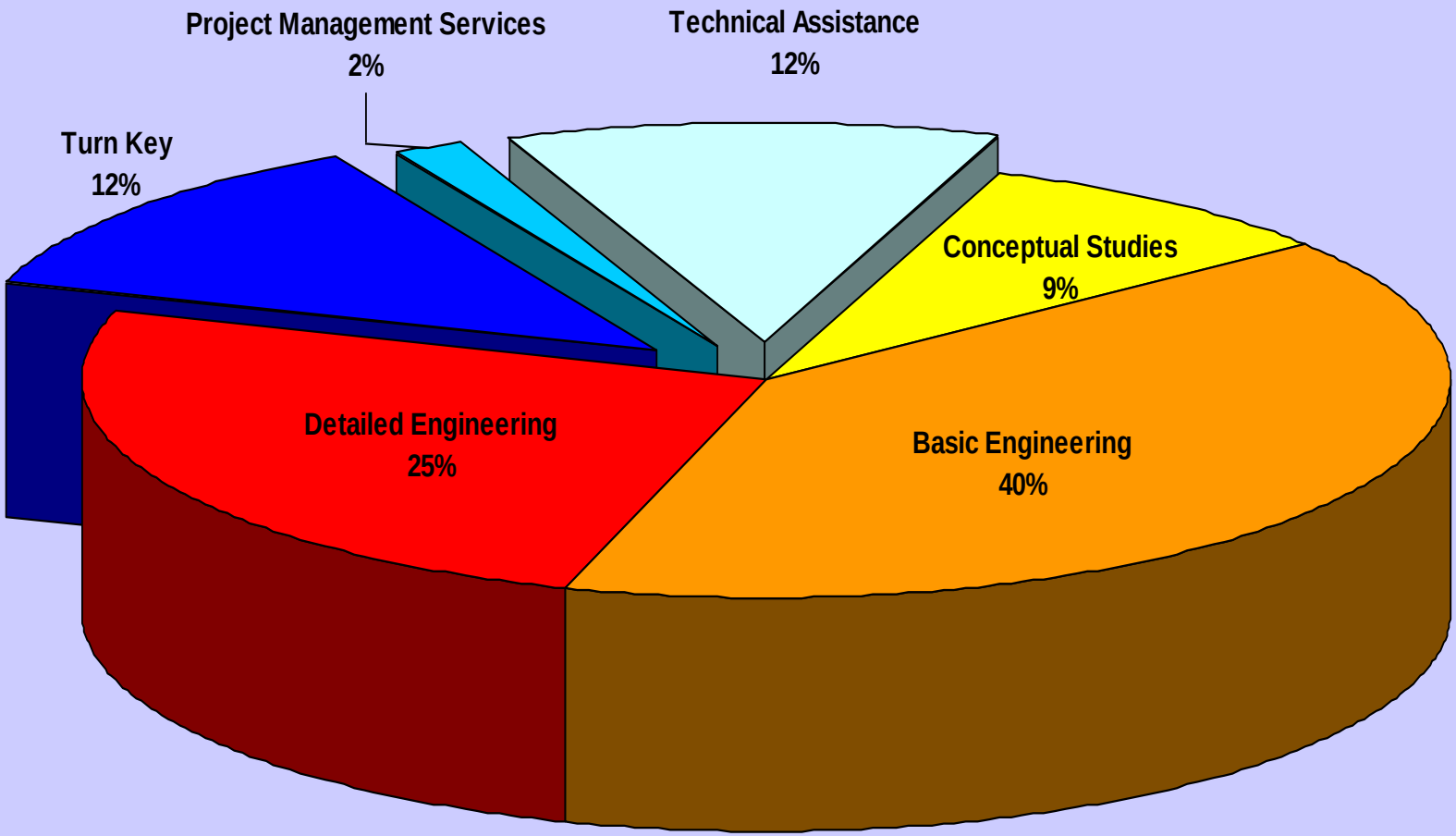
- **Others**

  Coastal engineering, Defence, Space.

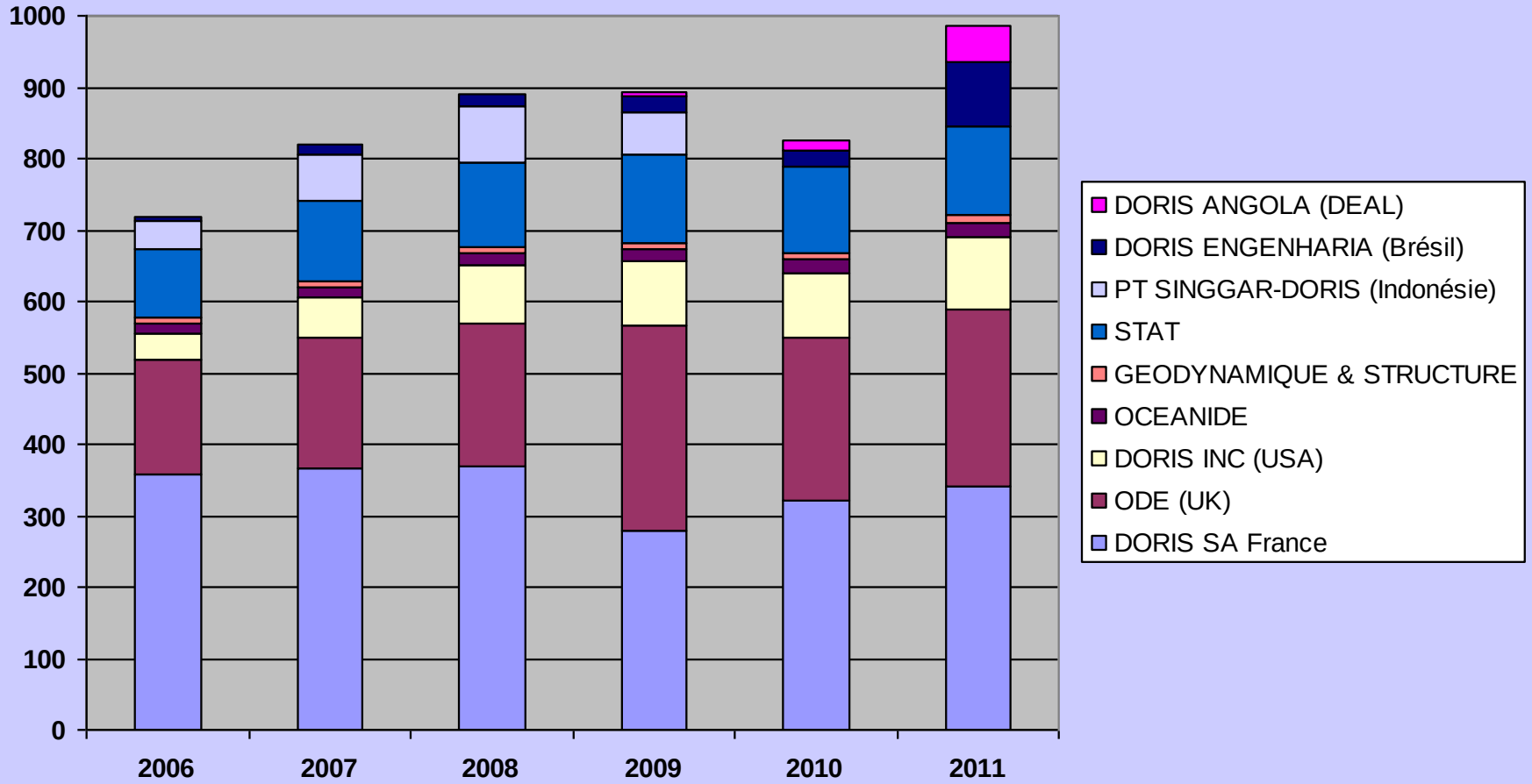
DORIS Revenues per Type of Clients (5 Years)



DORIS Revenues per Type of Activity (5 Years)



Resources in DORIS Group Worldwide



Main Projects

Possible Strategy for an Engineering Company (1/2)

Permanently listen to the Clients to understand their needs & insure the quality of the services

- Maintain the independence of the Company,
- Look to the long term, not the short term:
  - ⇨ Accept lower profitability to maintain high capability profile,
  - ⇨ Easier to implement long term goals of privately owned engineering companies.
- Insure an effective worldwide development,
- Open new office locations according to clients needs and local constraints,
- Keep each autonomous entity to a reasonable size.

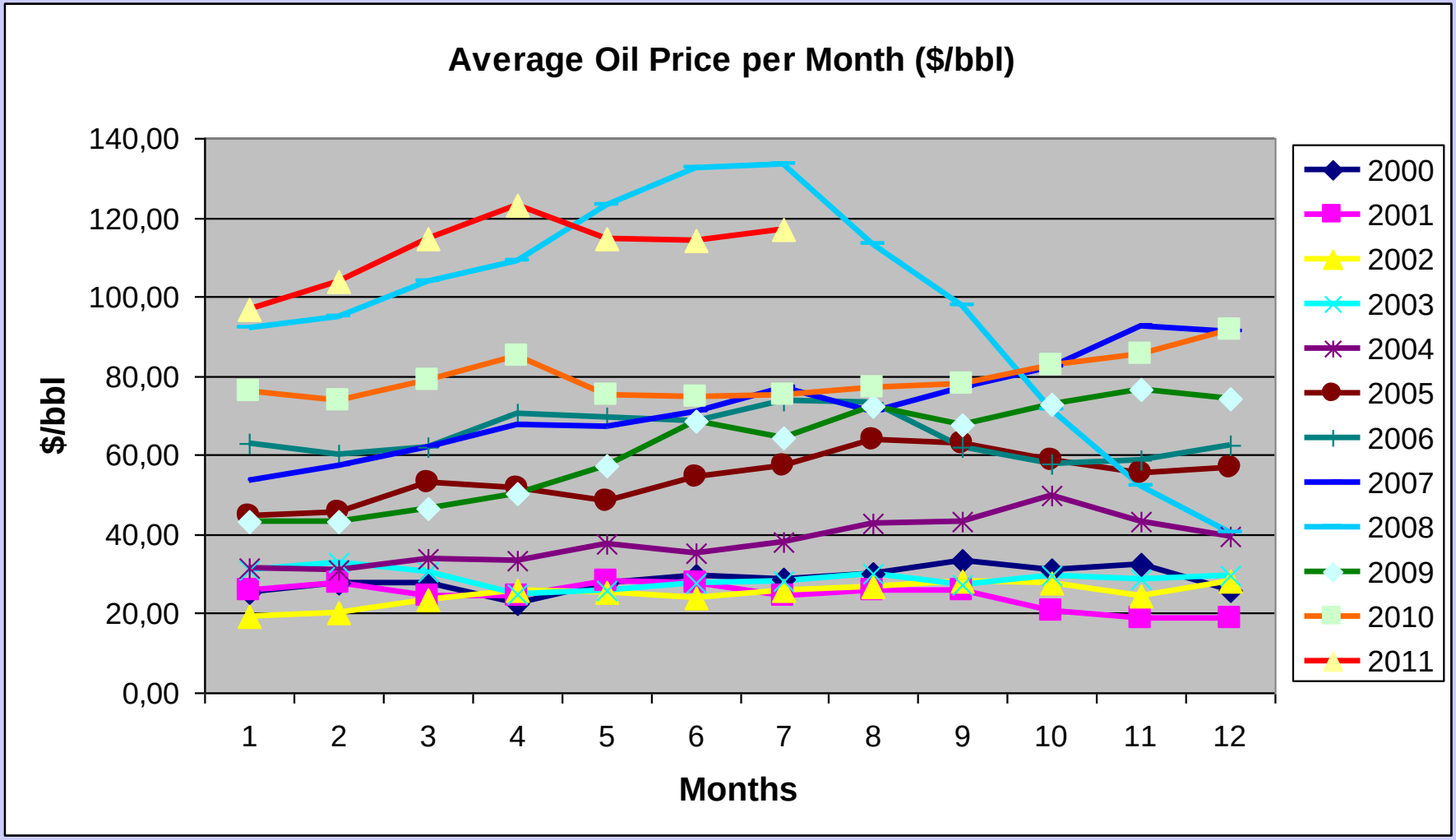
Possible Strategy for an Engineering Company (2/2)

- Develop innovative and economical solutions:
  - ⇨ R&D and associated innovations are the drivers of an engineering company.
- Deliver high quality services:
  - ⇨ Quality is paramount and a low level of quality is suicidal.
- Be open & reactive:
  - ⇨ Openness with clients is certainly the best asset in terms of development for an engineering company.
- Have the appropriate skills:
  - ⇨ By hiring additional personnel or through appropriate JV or partnership.
- Be physically close to clients and fulfill local content rules.

Current State of the Industry – Today

- Permanent crisis status:
  - ⇨ Macondo disaster has delayed a number of projects in the GOM,
  - ⇨ The turmoil in the Middle East is modifying a large number of decision parameters,
  - ⇨ Major stock exchanges are chaotic. Great uncertainty about valuations of engineering companies,
  - ⇨ Price level of a barrel of oil is very volatile:
    - When low, it prevents the development of new projects. This has a negative impact on the overall level of worldwide production and may in turn increase the cost of oil. This will then create a more favorable situation to develop new projects.
    - When high, it creates the polar opposite situation. High crude prices promote energy project developments that create surplus production capacity and an unstable situation.
    - Associated to external elements (geopolitics, economic, financing, …) the forecasting in oil price becomes an art more than a science.

Variation of Oil Price for the Last 10 Years



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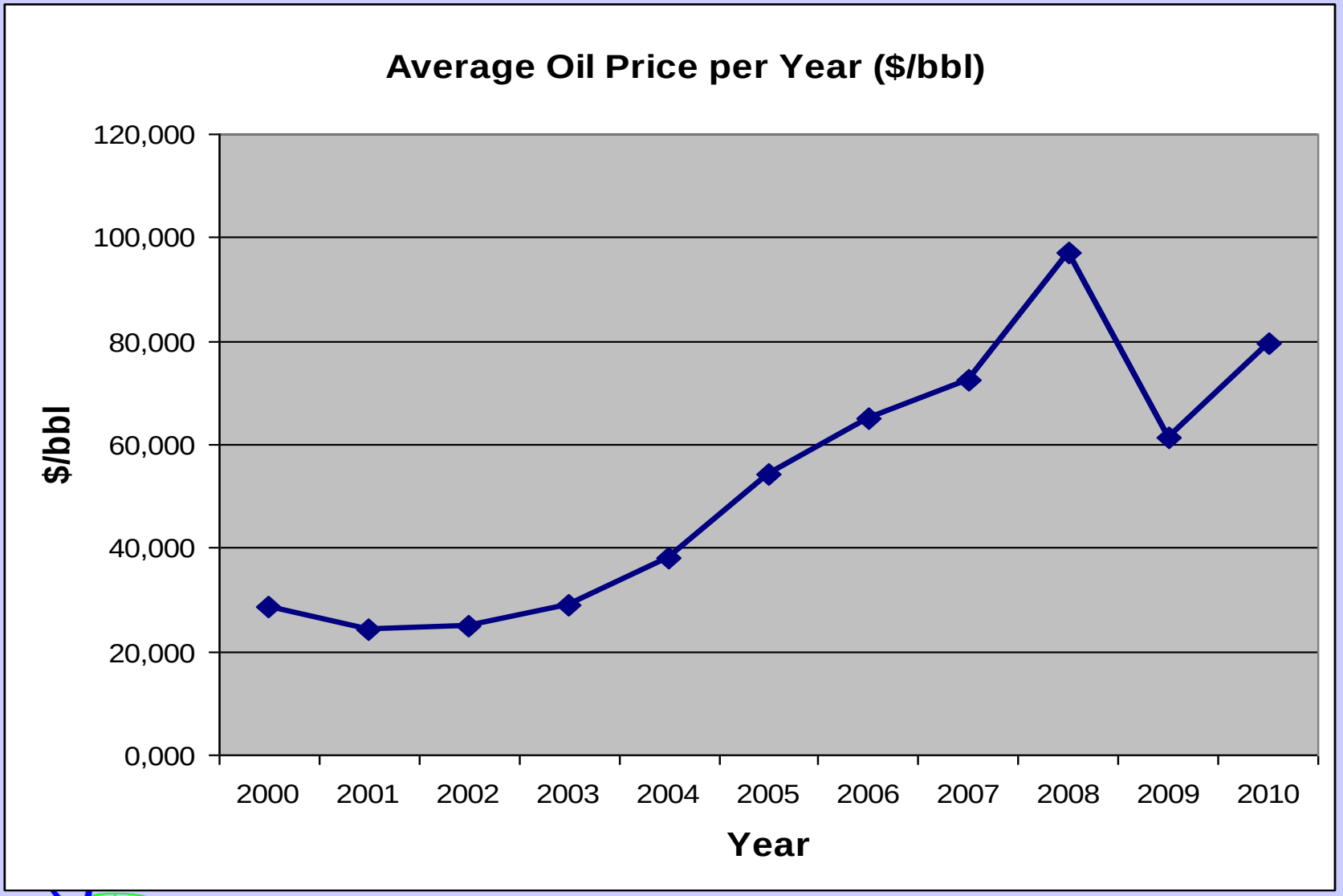

Current State of the Industry – Today

- The decision power of the NOC's becomes larger and larger, delaying somewhat the decision process of the IOC's:
  - ⇨ The NOC's are much more dependant on political decisions than the IOC's.
- Operators are now forced to respect local content rules that are more and more demanding:
  - ⇨ As a consequence of that a lot of engineering activities, not all, are performed in the NOC home country
- The great recession caused oil priced to fall. The post recession will spur oil prices to rise again.
- The post recession period should have kicked off a number of many upstream projects. Unfortunately, the slow recovery along with many political socio-economic problems means that projects are still effectively frozen.

Current State of the Industry – Tomorrow

- As soon as the world economic crisis is completely over, oil demand will increase again.
- Oil price will then go up, and has already started to do so.
- Operators will then be desperate to start new projects in a hurry.
- If we are not careful in designing our policies, we will not be capable in the future of handling all the engineering demands that will arise.

Current State of the Industry – How to Cope with It

- Maintain engineering capabilities to the present level even if the workload is low,
- Limit expenditures to stay competitive and attractive to the operators,
- With these actions, remain ready when the activity will ramp up again,
- Be organized to cope with the increasing demand on local content,
- Establish good cooperation with NOC's and local engineering companies.

Thank you very much

Any questions?