



HORNBECK OFFSHORE

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Hornbeck Offshore Announces Strategic Review of TTB Business

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COVINGTON, La., June 6 /PRNewswire-FirstCall/ -- Hornbeck Offshore Services, Inc. (NYSE: HOS) announced today that the Company has retained J.P. Morgan Securities Inc. ("JPMorgan") to act as its financial advisor in a thorough review of strategic alternatives for its downstream tug and tank barge ("TTB") business. This review will consider possible alternatives available to the Company for the TTB business, including: (i) potential further growth by acquisitions, mergers or consolidations; (ii) potential disposition or monetization of all or a portion of the Company's ownership interests in the TTB business; (iii) other potential restructuring transactions involving the use of a master limited partnership ("MLP") structure; or (iv) maintaining the status quo.

Todd M. Hornbeck, the Company's Chairman, President and Chief Executive Officer stated: "Given the substantial pending growth in our upstream fleet over the next 24 months as a result of previously announced growth initiatives, and absent any further growth in our TTB fleet, we currently expect our overall business mix to shift from roughly 80-20 today to roughly 90-10 between our OSV and TTB segments, based on relative percentages of current and pro forma operating cash flow, respectively. While our TTB business has always been and continues to be a stable source of diversified cash flow for our Company, we have hired JPMorgan to help us explore our options with regard to this segment and to see if we can unlock additional value for our shareholders. It is important to note that no decision has been made yet. We simply want to run a disciplined process that would allow us to make the best possible decision for the Company. We expect to announce additional details regarding our plans for the TTB business later this year."

Hornbeck Offshore Services, Inc. is a leading provider of technologically advanced, new generation offshore supply vessels primarily in the U.S. Gulf of Mexico and select international markets, and is a leading transporter of petroleum products through its fleet of ocean-going tugs and tank barges primarily in the northeastern U.S., the U.S. Gulf of Mexico, the Great Lakes and in Puerto Rico. Hornbeck Offshore currently owns a fleet of over 80 vessels primarily serving the energy industry.

Forward-Looking Statements Disclaimer

This press release contains "forward-looking statements," as contemplated by the Private Securities Litigation Reform Act of 1995, in which the Company discusses factors it believes may affect its performance in the future. Forward-looking statements are all statements other than historical facts, such as statements regarding assumptions, expectations, beliefs and projections about future events or conditions. You can generally identify forward-looking statements by the appearance in such a statement of words like "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "predict," "forecast," "project," "should" or "will" or other comparable words or the negative of such words. The accuracy of the Company's assumptions, expectations, beliefs and projections depend on events or conditions that change over time and are thus susceptible to change based on actual experience, new developments and known and unknown risks. The Company gives no assurance that the forward-looking statements will prove to be correct and does not undertake any duty to update them. The Company's actual future results might differ from the forward-looking statements made in this press release for a variety of reasons, which include: activity levels in the energy markets; the strength of the global economy in general and the strength of the economies of the countries in which the Company conducts its operations in particular; that a strategic transaction involving the TTB business may not occur at all or within the expected timeframe or may occur on terms and conditions that are less favorable than expected; further weakening of demand for conventional OSVs and/or TTB services; that the TTB business will continue to be a stable source of cash flow; the ability to maintain the Company's reputation and promote its vessels and services; the Company's inability to successfully and timely complete its various upstream vessel construction and conversion programs, especially its MPSV program, which involves the construction and integration of highly complex vessels and systems; less than anticipated success in marketing and operating its MPSVs, which are a class of vessels that the Company has not previously owned or operated; unplanned customer suspensions, cancellations or non-renewals of vessel charters; industry risks; changes in capital spending budgets by customers; fluctuations in oil and natural gas prices; variations in demand for vessel services; increases in operating costs; the inability to accurately predict vessel utilization levels and dayrates; less than anticipated subsea infrastructure demand activity in the GoM and other markets; the level of fleet additions by competitors that could result in over-capacity; economic and political risks; weather related risks; the ability to attract and retain qualified marine personnel; regulatory risks; the repeal or administrative weakening of the Jones Act; drydocking delays and cost overruns and related risks; vessel accidents; unexpected litigation and insurance expenses; fluctuations in foreign currency valuations compared to the U.S. dollar and risks associated with expanded foreign operations. Should one or more of the foregoing risks or uncertainties materialize, or should the Company's underlying assumptions prove incorrect, the Company's actual results may vary materially from those anticipated in its forward-looking statements, and the Company's business, financial condition and results of operations could be materially and adversely affected. Additional factors that you should consider are set forth in detail in the Risk Factors section of the Company's most recent Annual Report on Form 10-K as well as other filings the Company has made with the Securities and Exchange Commission which can be found on the Company's website www.hornbeckoffshore.com.

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