

**Example of an exploitation of
one tourism submarine
PS700
in New Caledonia**

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History Modifications

V6	19/6/01	Addition Experiment Maurice and Bora
V7	23/7/01	Update Study Feasibility
V8	26/9/01	Update Commercial bases, Financing plan in FCFP
V9	5/3/02	Taking into account Market research SDEO NC
V10	27/3/02	Study of the sites and modification on shore bases: Modification Code Investment Province
V11	1/4/02	Modification plan of financing (intercalated Addition interest)
V12	4/4/02	Option base attached To the complex the PONTON (Dumbéa)
V13	2/9/02	Option Bases independent and autonomous

I. ABSTRACT

- The tourist potentiality, the technical facilities, harbor infrastructures, and the local expertise allow the assembly and the setting up of a small capacity tourist submarine all year long.
- The promoter team has the experience of two similar projects.
- The elements of the NC703 (50 meters of depth 6 passengers 1 pilot) will be manufactured in France then brought in NC for installation and sea trial.
- The team operations will be recruited and will be formed in NC
- The technical base will be installed in the bay of NUMBO
- The collect of the passengers will be made from the tourist sites of Nouméa
- The sites of diving are the coral reefs located in Nouméa areas.
- In addition to his/her/its tourist use, the NC703 will be proposed to the scientists and the school of the island.
- The operating company will be certified according to the Iso9000 norm and according to the Code ISM
- The submarine NC703 is classified by the Office Véritas and certified by the Maritime Business for the Transportation of passengers
- The formation of the teams is certified by the Maritime Business and the Inpp

II. THE MARKET

A. The market of tourism submarine

1. Historic

The first tourist submarine was created by August Piccard in 1964. Based on the lake of Geneva, 32000 tourists dove on board of this submarine. It will be necessary to wait for 1984 to see the industry truly appearing. First of all, Perries' sub capable to transport two people by 200 meters of bottom for 275US \$for 90minutes exploration on the falling of the Caymans islands. Then, following the concept of the tours by bus of years 80, different shipyards created and exploited submarines capable to transport 28 at a time to 64 passengers.

2. An Important market

Today 33 submarines, all of big capacity, operate currently in the world, in 29 countries or different islands, transporting every year more of 1 Million of passengers. The price of the diving for one hour in these "submarine buses" fluctuates between 65US \$and 120US \$per person, the average price being to 80 \$.

3. A tried security

Since the origin of the submarines tourist no serious accident has not been recorded thanks to the definition and to the respect of a very strict international regulation concerning the operators and to the constructional follow-up and to the classification of the submarines by organisms of such control: Véritas office, American Office Shipping of, Lloyd,

4. Conditions of the commercial success

The penetration rates vary from 7 to 25% of the total number of tourists on an area located in less of one-hour range

The success of the bases is bound closely to three factors:

- ❑ The quality of the submarine show,
- ❑ The proximity of a high and regular tourist flux during the year,
- ❑ The meteorological conditions permitting to exploit the submarine more than 250 days / year.

5. General technical constraints

All tourist submarines are using electric propulsion. It requires a load of the batteries after 8 to 12 diving; their maximum speed does not exceed two knots. A transfer of the passengers on the sites of diving is necessary.

These submarines of 28 to 65 places are for most made of steel with individual windows of 40 centimeters of diameter. Only, a submarine, the Seabus of the Comex, has an entirely transparent hull made of acrylic resin.

These submarines weigh between 40 and 100 tons and require important operation infrastructures

The authorized maximum depth varies between 50 and 100 meters.

B. PSI Experiences

1. Mauritius

a) Story

The project went up by two French in 1996. The starting of the exploitation of the submarine of five places was efficient in 1998 in Mount Choisy in the North west of the island.

A second submarine bought second-hand and with 10 seats has been put in service at the beginning 2000.

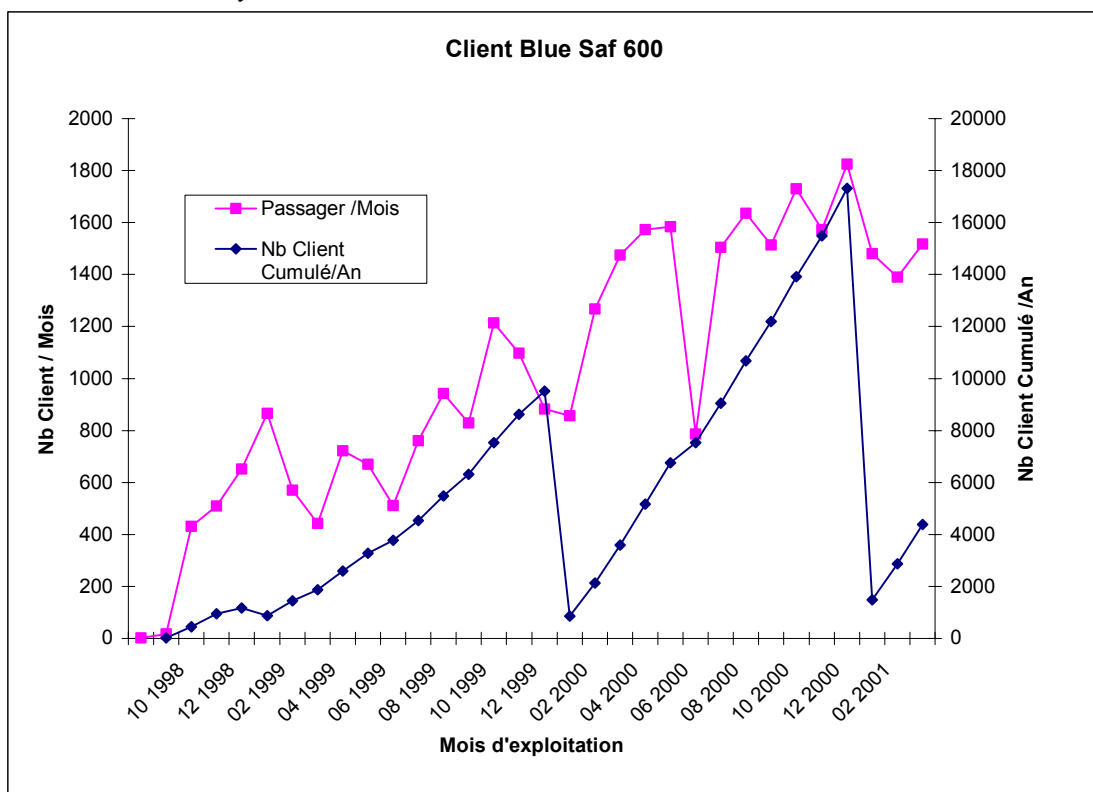
b) Local Market

There are about 600 000 tourists / year for a population of 1 200 000 inhabitants.

There are several tourist centers at less than one hour from the submarine base.

There are about 30% of accustomed tourists that come back regularly on the island.

c) Realized Sales



That is to say in 1999, with the five seats submarine, an average of seven diving per day

d) Sale Channels and price list

The Sale Channels are

Large Tour operator	51 %
Hotel	14 %
Direct sale	7 %
Free Agent	7 %
Taxi	3 %
Locale receptive	7 %

The ticket is sold the equivalent of 80 Euros with 15% of commission

2. Bora Bora

a) Story

Started in 1998, the submarine has been classified and certified during the summer 2000 and has been put in commercial service in Bora Bora in April 2001

b) Local market

There are about 50 000 tourists per year and a important number of cruise tourists

c) Sale Channels and price list

In this beginning of activity, only the Hotels provide the customers, the Tour Operators not having yet integrated the product in their catalog. The price ticket is equivalent of 150 euros while reverting 20% of commissioning

d) Realized cash

After 9 months of exploitation and while integrating the events of September 11, 2001, the exploitation arrived to its neutral with about 200 customers per month. An increase of the tourist activity (between 200 and 300 Passengers per month) since February 2002 allows reaching profitability.

3. Nouméa

a) Key data

These numbers are extracted of the annual report 1999 of the tourist board of NC

- 100 000 arrivals of tourism per Year (steady Number) with a stay superior than 15 days.
- 50000 Cruise tourists per year but with 50 touches of boat per year, the potential of the tourisms captured by the NC 703 is only of 2500 Customers
- 70000 residents traveling out territories

b) Survey Market

In order to refine the marketing a survey of market potential has been done in August 2001

The objectives of the survey were:

- To assess for the NC703 project in New Caledonia:
 - The potential size of the market: number of people susceptible to be interested by this type of service by segments
 - The waiting, incentives and the brakes susceptible to condition the purchase of the product
 - The reception of the tourism professionals
- To estimate the price that the clientele is ready to pay for the proposed service.

The results of this survey done from interview of the Tour operator persons responsible are summed up in the following picture

SUMMARY of the CLIENTELE PROFILE (according to Survey SDEONC)

The submarine suits to:

- ❑ *Couples*
- ❑ *Japanese, Metropolitan, and residents in majority*
- ❑ *Families, if the tariff permits it (from where the importance to foresee some tariffs "* family *pass "), but especially in the " silver s" (+60 years),*
- ❑ *A clientele less daring, calmer than the diving, and sporty.*
- ❑ *A public tariff of 8.000 CFP where one notes that the clientele can double practically between 10.000 and 8.000 CFP*
- ❑ *To the agencies-prescribers if service is included in a packages of recreational Day in sea.*

Potential Customers (Prix Public) :	8 000F	10 000 F	12 000 F	15 000 F	18 000 F
EUROP	2252	1144	0	0	0
JAPONAIS	5952	4929	2511	558	558
ANGLOSAXONS	1333	0	0	0	0
CROISIERISTES	1824	0	0	0	0
RESIDENTS	2000	1000	0	0	0
TOTAL Clients	13361	7073	2511	558	558
Projected Turnover (FCFP)	106 890 801	70 732 375	30 132 000	8 370 000	10 044 000

III. THE EXPLOITATION OF THE NC703

A. The submarine

The NC703 is an autonomous submarine conceived for the leisure permitting walks personalized for six passengers accompanied by a pilot.

The depth of excursion is of 50 meters that the NC703 can support with a coefficient of security of three.

The electric autonomy is 8 hours when propulsion at half power and 72 hours in situation of emergency.

The reserves of air permit about ten diving without refill. The reserves of oxygen and absorbent of CO₂ permit a survival of 72 hours in addition to the normal length of exploitation.

Powerful spotlights permit the diving of night or by weak sunshine.

Refilling operations are done with NC703 alongside, limiting the handlings thus.

The good stability in surface, the important buoyancy and the large height of the kiosk above floating permits the crew's change directly on the place of the diving by sea state 3.

A support boat equipped with VHF and an ultra sonic telephone constantly follows the NC703.

This Catamaran ship 12m long permits the full assistance of the submarine on the site of diving during periods of several weeks. It includes on its board a power-generating unit allowing battery charger and the compressor power supply of air as well as the cabins making possible the accommodation of the submariner during the missions.

A second semi-rigid ship 8.4m long with a 230 Hp Diesel Inboard, sheltered for a protection offers six seats to the passengers and ensures at a speed of 20 knots the picking of the passengers during the diving.

The design and the manufacture of the NC703 are carried out according to the regulations of Bureau Veritas concerning the underwater vehicle.

The principal characteristics are the following ones:

Length	6500 mm
Width	3400 mm
Height	4000 mm
Draught	2500 mm
Height Hatch above waterline	800 mm
Height of the conning tower above WL	1500 mm
Weight in the air	10800 Kg
Displacement at surface	11300 liters
Displacement in diving	13000 liters
Weight of the ballast	900 kg

B. Availability

The submarine is in preventive maintenance 2 days every month for operations primarily related to the control of the batteries and 10 days per year for the renewal of Bureau Véritas classification. (Stand by Maintenance 30 maximum days)

The commercial exploitation is ensured during all the time of the year except for the cyclonic periods and the periods of winds higher than force 6 raising a sea higher than state 3 (Stand By weather 30 days).

Two teams working in watch ensure the exploitation continues system of diving: each team works one day out of two from 7h00 to 17h30 that is to say an equivalent of 36h 45 per week.

The periods of Holidays of the Personnel will be mainly selected in the periods of stop for maintenance (1 month out of 2) and bad weather.

Two weeks of stop for leave are left on the initiative of the personnel

C. Responsibilities

The base chief and the person in charge of maintenance ensure the continuity of the responsibility for the exploitation.

The base chief is in charge of the marketing and the management of the base.

The person in charge of maintenance assists the pilots in the servicing of the material and assures the preventive maintenance of the submarine and the boats of surface.

Two identical teams organized in watch ensure the exploitation continues 7 days a week

Each teams are one made up of a Pilot Responsible for the watch and two pilots who ensure in turn the control of surface and the routing and the picking of the passengers, of a hostess who is charged to welcome the customers on the base and to inform them of the safety instructions

The three pilots of the submarine permute their function with each diving (see course of one day)

D. The sites (Summary of the survey of the sites)

1. The technical zone Maintenance

Situated in the Bay of Numbo, the technical basis uses facilities of the yard Neptune Entretien that is to say:

- ❑ An embankment of welcome for the submarine and the two ships of surface
- ❑ An area to lay one Shop and Storage Container (20')
- ❑ Zone storage in case of cyclone alarm and for monthly maintenance.

2. The points of reception and the commercial base.

A participation in a GIE tourism existing in Nouméa including various activities, will allow the reception of the customers and their orientation towards the points of boarding

Other points of reception and collection could be drawn up in agreement with the hotels of Nouméa and the receptive ones.

3. Sites of diving

The study is based on the nautical documents of the SHOM, the data of the national weather forecast, the Hydrodynamic atlas established by the IRD (Mr.DOUILLET), the guide of the sites of diving of NC (Pierre LARUE), the opinions of the local clubs of diving (Scubaventure, Nautac) and by diving carried out in site by the promoter in Mars 2002.

One will retain only three zones of exploitation close to NOUMEA

a) The north of the Island to Duck, the island Maitre and Seche Croissant

The visibility is lower than 10m and the depth do not exceed the 10 meters. The zones are protected from the trade wind and classified in reserve so the presence of an important fauna.

During the time except trade winds, the southern slopes of these reefs could be used. These sites will be used for the night diving of and the discovered school diving because of their proximity with Nouméa. The transfer of the passengers will be carried out by the boats of the company or the boats taxi from the pontoon of the Club Méd or the beach of ANSE VATA.

b) Reef TABOU and the wrecks la Dieppoise and Toho 5 (Phare Amédée lighthouse)

Good visibility, little current except in the reef channel, sheltered zone from the trade wind, Fauna and abundant flora up to 25 meters. Presence of two wrecks. The transfer of the passengers between Nouméa and the Amédée lighthouse (between 30 and 60 minutes) are ensured by the regular shuttle (MARY D) and/or of the Taxi boats (delicate with small ships by established trade wind). The transfer of the passengers on submarine is carried out by the boats of the company from the pontoon of the island of Headlight AMEDEE.

c) The wreckage of the HUMBOLT and the reefs of the pass of DUMBEA)

Good visibility, low speed current in the passes, Zone not sheltered from trade wind except close to the north reef (zone downwind of the PONTOON), Abundant Fauna and Flora.

The transfer of the passengers between Nouméa and the PONTOON anchored close to the MBERE reef is assured by the regular shuttle (EKUE EKUE) and boats Taxicab

(the sea of wind is always on the beam so the transfer is more comfortable than the one from Amédée Lighthouse

The boat shuttle of the society does the transfer of the passengers since the Pontoon.

Because of the important tow time to reach these last two zones (3 to 5 hours), submarine and support ship will be leave in place during the necessary time between two overhaul (3 to 4 weeks).

A flight attendant will assure the security.

E. Progress of the day

The functions taken by the three pilots during the day are summarized by the following schedule:

Boat 2 = Shuttle

Boat 1 = Support Vessel

From	To	Pilot 1	Pilot 2	Pilot 3
07:00	07:15	Submarine Verification et Preparation	Boat 1 Checking and Preparation	Boat 2 Checking and Preparation
07:15	08:00	Towing Boat 1	Towing Boat 1	Collection Passenger P1 Boat 2
08:00	09:00	Boat 1 surface control	Collection Passenger P2 Boat 2	Pilot submarine Passenger P1
09:00	10:00	Return Temporary P1, Collection Passenger P3,	Temporary submarine pilot P2	Control Surface
10:00	11:00	Pilot submarine Passenger P3	Control Surface	Return Passenger P2, Collect Passenger P4
11:00	12:00	Control Surface	Return Passenger P3, Collect Passenger P5	Pilot submarine Passenger P4
12:00	13:00	Return Passenger P4, Collect Passenger P6	Pilot submarine Passenger P5	Control Surface
13:00	14:00	Pilot submarine Passenger P6	Control Surface	Return Passenger P5, Collect Passenger P7
14:00	15:00	Control surface	Return Passenger P6, Collect Passenger P8	Pilot submarine Passenger P7
15:00	16:00	Return Passenger P7, Return on site empty V	Pilot submarine Passenger P8	Control Surface
16:00	16:45	Towing	Towing	Return Passenger P8
16:45	17:30	Submarine Verification and Maintenance	Boat 1 Verification and maintenance	Boat 2 Verification and maintenance

The diversings proceed in the following way:

- At H- 5, The Boat Shuttle goes alongside to the Boat support and the new passengers get onboard. The submarine surfaces and come alongside the ship support. The former passengers leave the submarine.
- At H, Transfer of the passengers takes place. The pilot of the previous diving becomes controller of surface while the pilot of the shuttle becomes pilot of the submarine
- At H+5, the submarine begins its new diving on a bottom of 20 to 50 meters
- In the case of exploitation from the PONTOON, the team will be reduced to 2 pilots by shift.

IV. THE TEAM

A. The Project team

- Jean Michel ONOFRI
46 years, Engineer, inventor of the SMAL submarines, Chairman and manager the society PSI, experience of the design, manufacture and operation of small capacity submarine (6 passengers 50 meters and 2 seats 200 meters)
A submarine for the red Coral fishing in Corsica in 1996
A base on Mauritius in 1998,
A bases on Bora-Bora in 2001

- Jean Noël PEZANT
Insurance Quality Consultant, He does several missions per year in NC where he directs the the Quality institute.

- Jean Claude BRICE
Submarine Technician and Pilots since 25 Years, He has participated as technical person responsible and maintenance to the main tourist submarine operations of these last years

- Christophe MISON
Electrotechnic Technician, he has managed the Neptune shipyard in Nouméa NUMBO since 5 years.

B. The operation team

- Team locally recruited
Six pilots will be recruited with a Technician level in Mechanics and/or Electronic, knowing the maritime environment by the Sail, the Diving, Motoboat. They will be alternatively Pilot of the submarine, Surface Controller and Pilot of the Shuttles.
Two stewardesses

- Formation
Medical examination (Inpp)
Training during the assembly and the tests of the submarine in NC
Theoretical formation (1 month)
Experience formation (1 month)
Certification Maritime Business (PPN and specific Certification to the submarine)

- Executive staff
One maintenance responsible (JC Brice, 20 of experience on offshore submarine and tourism)
One Commercial and Management responsible (Christophe MISON)
One Technique and Formation adviser (JM ONOFRI)

V. MARKETING PLANS

A. Market study Results

- ❑ The market study shows that the product to advantage to integrate in a one day packages to be sold by the Tour operator.
- ❑ A commission of 15 to 25% must be considered for the vendor or the TO (knowing that the product cannot be integrated in catalog before one year minimum)
- ❑ For the integrated product to packages, in order to remain in an acceptable price range, the diving will be reduced to 30 minutes for a price of the order of 5000 CFP.

B. Business partnerships

We are looking for partnership among

- ❑ Operator tower
- ❑ Cruise ship company
- ❑ Diving Club
- ❑ Hostels
- ❑ Professional of the sea

C. Commercial support

We shall produce a video clip that will be proposed in diffusion at the TO and in the Hotels

We shall print one advertising brochure to be left on free distribution

D. Internet site

We shall design a web site with an on line booking system.

E. Tourist trade fair

We shall participate directly or indirectly (by TO representing the product) to the main tourism and diving trade fair.

VI. INVESTMENTS

A. Investments realized by the ship owner Company

The Material Investments realized by a SNC are summarized below in the picture
They correspond to the Tax relief investments foreseen in the French Loi PAUL (to see principle in VII B)

The cost of the submarine corresponds to a manufacture in our facilities in France

EMPLOIS / ASSETS	
Sous-Marin/Submarine	501 931 €
Catamaran Support / Support Vessel	182 939 €
Bateau de collecte/Shuttle	45 735 €
Vehicule Utilitaires 4*4 / ATV	38 112 €
Aménagement	22 867 €
Outillage spécifique sous-marin /Special toolings	19 818 €
pièces de Rechange pour 5 ans /5 years Spare Parts	9 604 €
Transport sous marin et bateaux / Transport on sub and boats	22 867 €
Taxe Tgi / Import Taxes	50 632 €
Total Emploi SNC /Total Assets	894 506 €
Interêt intercalaire / Accrued Interest	30 692 €
Total Besoin SNC / Total Assets	925 199 €

B. Investments realized by the operator company

The immaterial Investments realized by a LTD are summarized here under in the picture

Emplois / Assets	
Etude de marché / Market survey	5 187 €
Etude Implantation et recherche site / site survey	6 862 €
Lancement Commercial (Communication Commerciale, Salon, Vidéo, Plaquette, Site Internet, Plongée Promotion) / Initial Marketing	22 867 €
Recrutement, formation Pilote / Recruitment, formation	15 245 €
Certification Iso 9000 société Exploitante / Certification Iso 9000 Operating company	22 867 €
Stock Consommable 1 an (hormis combustible) / Stock Consumable	3 811 €
Fond de Roulement (3 mois de Fonctionnement, Salaire, assurance, Loyer, Frais administratif) / Working capital	39 637 €
Total Emploi / Total Assets	116 476 €

C. Locally added value

An important point of this project is the manufacture and the tests of the submarine in Nouméa by local enterprises and by the operating team.

A previous audit mission will permit to choose the suppliers and local subcontractors able to satisfy to the quality requirements of the products

VII. FINANCING THE SNC AND LTD

A. Province Subsidies

The Province subsidies allow the financing of the market study and the feasibility study.

The region can assign some subsidies in the setting

- Of the commercial communication (50% of the cost with a maximum 5 M FCFP is 275 000 FRANC)
- Of a bonus to the use (400000 FCFP by created use)
- Of a bonus of equipment that represents in our case 15% of the investments material and capable to be, by derogation, versed on 3 years to the operator.

B. PAUL Tax relief law

Digest of the principle of the exemption of taxes:

A taxpayer must pay for 100 of tax. He can deduct 50 under the condition to invest 100 in French overseas territories. In fact, he must really invest a minimum of 60% of its reduction that is to say 30, the complement being brought by other means throughout

In the practice, it is proposed an investment of 38 that dispatch in 6 for management, 1 for setting up the file, the 31 remaining being invested in the project

For the taxpayer, there is a gain of 12

The retained basis is the material investment less the investment subsidies.

C. Intervention of the local venture Capital

This file is presented to Promosud and ICAP for an intervention in capital and current account for about 10% of the global investment.

D. Bank loan

A bank loan should permit to finance 70% of the classic material (Boat and Vehicle)

E. Supplier loan

The main suppliers of the operation grant a loan with an exemption for the five first years

F. Stockholders' capital

The capital stocks brought by the promoters and the local partners will represent between 15 and 20% of the global investment.

G. Finance Resources of the SNC

With the previous hypotheses, the following resources can cover the material investment of the SNC:

RESSOURCES / LIABILITIES		
Prime d'équipement =15% investissement / investment grant	134 176 €	14,5%
Prêt Bancaire =70% (bateaux+Véhicule) /Bank loan	202 757 €	21,9%
Apport investisseur loi Paul / Metropolitan investor Contribution (31% Total éligible)	235 702 €	25,5%
Promosud /venture capital	92 520 €	10,0%
Credit Fournisseur chantier / suppliers' credit	134 176 €	14,5%
Fonds Propres /equity capital	125 867 €	13,6%
Total ressources SNC / Total LIABILITIES	925 199 €	100,0%

H. Resources of financing of the LIMITED LIABILITY COMPANY

With the previous hypotheses, the following resources can cover the material investment of the Sarl:

Ressources / liabilities	
Aide aux étude de faisabilités / Development Grant	12 050 €
Aide à la communication commerciale / Operating Subsidies	11 434 €
Prime emploi / employment subsidies	33 539 €
Crédit Partenaires Qualité / Credit Partners Quality	22 867 €
Apport Promoteurs Capital /Capital employed	9 147 €
Apport Promoteurs CC Bloqués 5 ans /Current Account blocked during 5 years	27 439 €
Total Ressource /Total liabilities	116 476 €

VIII. EXPLOITATION

A. Rent Hypothesis

The SNC rent the material to the LTD

The rent paid by the LTD is used by the SNC for repayment of the bank loan during a first 5 years period then for the repayment or provision for acquisition of part of the other financial sources (Venture capital, Shipyard loan)

The Annuities are summed up here under

Prêt Bancaire Pris par SNC/ Bank loans for SNC	202 757 €
Taux / Rate	7%
Loyer à SNC Phase 1 = Rbt Prêt Bancaire / 5 Ans - rent to SNC	49 451 €
= bank loan repayment on 5 years	
Frais Financiers annuels Phase 1 / Annual Financial Costs period 1	8 899 €
Prêt bancaire Relais pendant Fabrication -bridging loan during manufacturing	438 460 €
Taux / Rate	7%
Rbt Prêt Relais / Bridging loan repayment	469 152 €
Frais Financier Prêt Relais / annual Financial Costs	30 692 €
INTERVENTION CAPITAL RISQUE LOCAL / Venture Capital	92 520 €
Taux / rate	4%
Actualisation au bout de 5 Ans / discount after 5 years	112 565 €
Sortie Capital Risque à terme de 5 Ans sur 5 ans + 5% Capitalisé	25 285 €
Frais Financiers annuels / Annual financial costs	6 781 €
Prêt Chantier à SNC / Shipyard loan	134 176 €
Taux / rate	4%
Actualisation au bout de 5 Ans / discount after 5 years	163 246 €
Remboursement Chantier à terme de 5 Ans + 5% Capitalisé	36 669 €
Frais Financiers annuel / Annual financial costs	9 834 €
Loyer à SNC Phase 2 = Sortie Capital Risqu+ Rbt Prêt chantier	61 954 €
Frais Financiers annuels Phase 2/ Annual financial cost période 2	16 615 €

For the operator, the following picture summarizes the loans granted to the LIMITED LIABILITY COMPANY

Prêt Fournisseur à SESM phase 2 / Supplier loan period 2	22 867 €
Taux / rate	4%
Actualisation au bout de 5 Ans / discount after 5 years	27 821 €
Remboursement à terme de 5 Ans +4% Capitalisé / refund after 5 years due date increased by 4% per year	6 249 €
Frais Financier annuels / Annual financial costs	1 676 €
Total Frais Financiers SESM Phase2 / Total Annual financial costs	1 676 €
Investissements SESM	73 028 €
Amortissement sur 5 Ans des Investissements SESM	14 606 €

B. Cash Hypotheses

Nombre de plongées / jour / Dives per Day	8
Nombre sièges / Seats number	6
Arrêt Maintenance / Maintenance stop	30
Arrêt Météo / Weather stop	60
Congé Personnel / Staff holidays	30
Disponibilité Annuelle / Annual Availability	245
Nombre de Clients Potentiels/ number of potential customers	11760

C. Hypotheses of expenses calculation

Calcul des Charges / expenses	
Taux Cotisation Salarié / employe contribution rate	13,2%
Taux Cotisation Employeur Cafat /employer's contribution rate	28,1%
Taux Cotisation Employeur hors Cafat TR A	7,0%
Taux Cotisation Employeur hors Cafat TR B	13,8%
Augmentation de salaire par An / yearly wage increase	1%
IS / Profit taxes	30%
SMIG Local / Minimum wage	4 800,00 €
Salaire net Pilotes Sous-marin Sénior / Net wage senior pilot	1 600,00 €
Salaire net Pilotes SM + Contrôle + Navette / Net Wage Shuttle pilot	1 250,00 €
Salaire net hotesses d'accueil / net wage hostesses	950,00 €
Salaire net Chef maintenance / net wage maintenance manager	2 000,00 €
Salaire net Chef de Base / Manager net wage	2 000,00 €
Partie Assurable / Amount for insurance	894 506,35 €
Assurance / Partie Assurable/ Insurance Rate	3%
Marketing costs	15 000,00 €
Charges Locatives / Rent expenses	24 000,00 €
Cout de Maintenance (Provisions) / partie Assurable- Costs of	3%
Cout Administratif / aministracion costs	10 000,00 €
Consommables / Jour d'exploitation - Daily direct costs	150,00 €

D. Working account between neutral and full load

	ANNEE 1	ANNEE 2	ANNEE 3	ANNEE 4	ANNEE 5
Potentiel croisiéristes	1824	1824	1824	1824	1824
Capture croisiéristes	0,0%	3,0%	4,0%	4,0%	4,0%
Potentiel touristes Japonais	30000	30000	30000	30000	30000
capture touristes Japonais	10,0%	10,5%	11,0%	11,5%	12,0%
Potentiel touristes Europeens	30000	30000	30000	30000	30000
Capture touristes Europeens	4,0%	6,0%	4,5%	3,5%	3,5%
Potentiel touristes AngloSaxon	22000	22000	22000	22000	22000
Capture touristes AngloSaxon	0,0%	1,0%	1,5%	2,0%	2,5%
Potentiel Résident Accueil	7500	7500	7500	7500	7500
Capture Résident Accueil	5,0%	6,0%	7,0%	8,0%	9,0%
Potentiel Résident Voyageur	62500	62500	62500	62500	62500
Capture Résident Voyageur	1,0%	1,5%	2,0%	2,5%	2,5%
Nb de passagers	5200	6612	6828	7175	7510
Remplissage	44,2%	56,2%	58,1%	61,0%	63,9%
Nb plongée / Jour Ouvrable	3,54	4,50	4,64	4,88	5,11
Prix du Billet	90 €	90 €	95 €	95 €	100 €
Commission	15%	15%	15%	15%	15%
Chiffre d'affaire	397 800 €	505 835 €	551 358 €	579 418 €	638 389 €
		1	2	3	4
2 Pilotes Sous-marin Sénior	59 788 €	60 386 €	60 989 €	61 599 €	62 215 €
2 Pilotes SM + Contrôle + Navette	46 709 €	47 176 €	47 648 €	48 125 €	48 606 €
2 hotesses d'accueil	35 499 €	35 854 €	36 213 €	36 575 €	36 940 €
1 Chef maintenance	37 367 €	37 741 €	38 118 €	38 500 €	38 885 €
1 Chef de Base	37 367 €	37 741 €	38 118 €	38 500 €	38 885 €
Assurance	26 835 €	27 104 €	27 375 €	27 648 €	27 925 €
Marketing	7 500 €	7 575 €	7 651 €	7 727 €	7 805 €
Charges Locatives	18 000 €	18 180 €	18 362 €	18 545 €	18 731 €
Cout de Maintenance (Provisions)	26 835 €	27 104 €	27 375 €	27 648 €	27 925 €
Cout Administratif	7 500 €	7 575 €	7 651 €	7 727 €	7 805 €
Consommables	16 250 €	20 663 €	21 337 €	22 423 €	23 470 €
Loyer SNC phase 1	49 451 €	49 451 €	49 451 €	49 451 €	49 451 €
Loyer SNC phase 2					
Frais Financiers phase 2					
Dotations Amortissement	14 606 €	14 606 €	14 606 €	14 606 €	14 606 €
Total COUTS	383 707 €	391 154 €	394 893 €	399 074 €	403 247 €
Cout Moyen Par Billet	73,79 €	59,16 €	57,83 €	55,62 €	53,69 €
Benefice Avant Impot	14 093 €	114 680 €	156 465 €	180 344 €	235 142 €
Report Perte	- €	- €	- €	- €	- €
Impot Société	4 228 €	34 404 €	46 939 €	54 103 €	70 543 €
Bénéfice ou perte après IS	9 865 €	80 276 €	109 525 €	126 241 €	164 600 €
Bénéfice ou perte Cumulé	14 093 €	94 369 €	203 894 €	330 135 €	494 735 €
Cash Flow	24 471 €	94 882 €	124 131 €	140 847 €	179 205 €
Cash Flow Cumulé	24 471 €	119 353 €	243 484 €	384 330 €	563 536 €
RBE (Hors Loyer/FF/Dot)	78 149 €	178 737 €	220 521 €	244 401 €	299 199 €

E. Working account between neutral and full load (Year 6-10)

ANNEE 6	ANNEE 7	ANNEE 8	ANNEE 9	ANNEE 10	
1824	1824	1824	1824	1824	Cruise passengers
4,0%	5,0%	5,0%	5,0%	5,0%	Rate
30000	30000	30000	30000	30000	Japanese tourists
12,5%	13,0%	13,5%	14,0%	15,0%	Capture rate
30000	30000	30000	30000	30000	European tourists
3,5%	3,5%	3,5%	3,5%	3,5%	Capture rate
22000	22000	22000	22000	22000	Anglo saxon tourists
3,0%	3,5%	4,0%	4,5%	5,0%	Capture rate
7500	7500	7500	7500	7500	Local families Tourist
10,0%	11,0%	12,0%	13,0%	14,0%	Capture rate
62500	62500	62500	62500	62500	Local Tourist
3,0%	3,5%	4,0%	4,5%	5,0%	Capture rate
8158	8824	9471	10119	10916	Passengers number
69,4%	75,0%	80,5%	86,0%	92,8%	Occupencies
5,55	6,00	6,44	6,88	7,43	Number of dive per operating day
100 €	105 €	105 €	110 €	110 €	Ticket price
20%	20%	20%	20%	20%	Commission
652 637 €	741 191 €	795 581 €	890 446 €	960 626 €	TurnOver
5	6	7	8	9	
62 838 €	63 466 €	64 101 €	64 742 €	65 389 €	2 senior submarine pilots
49 092 €	49 583 €	50 079 €	50 579 €	51 085 €	2 Pilotes SM + Contrôle + Navette
37 310 €	37 683 €	38 060 €	38 440 €	38 825 €	2 hotesses
39 273 €	39 666 €	40 063 €	40 463 €	40 868 €	1 maintenance manager
39 273 €	39 666 €	40 063 €	40 463 €	40 868 €	1 operation manager
28 204 €	28 486 €	28 771 €	29 059 €	29 349 €	Insurance
7 883 €	7 961 €	8 041 €	8 121 €	8 203 €	Marketing
18 918 €	19 107 €	19 298 €	19 491 €	19 686 €	Rent Costs
28 204 €	28 486 €	28 771 €	29 059 €	29 349 €	Maintenance costs
7 883 €	7 961 €	8 041 €	8 121 €	8 203 €	Administration costs
25 494 €	27 574 €	29 598 €	31 621 €	34 113 €	Consommables
61 954 €	61 954 €	61 954 €	61 954 €	61 954 €	SNC rent phase 1
1 676 €	1 676 €	1 676 €	1 676 €	1 676 €	SNC rent phase 2
					fiancial costs period 2
					Charges to depreciation
408 002 €	413 271 €	418 515 €	423 791 €	429 569 €	Total COSTS
50,01 €	46,84 €	44,19 €	41,88 €	39,35 €	Average cost per Ticket sold
244 635 €	327 920 €	377 066 €	466 654 €	531 057 €	Profit Before taxes
- €	- €	- €	- €	- €	
73 391 €	98 376 €	113 120 €	139 996 €	159 317 €	Taxes
171 245 €	229 544 €	263 946 €	326 658 €	371 740 €	Profit/loss after taxes
665 980 €	895 524 €	1 159 470 €	1 486 128 €	1 857 868 €	Cumulative profit
171 245 €	229 544 €	263 946 €	326 658 €	371 740 €	Cash Flow
734 780 €	964 324 €	1 228 271 €	1 554 929 €	1 926 668 €	Cumulative Cash Flow
308 266 €	391 550 €	440 696 €	530 285 €	594 687 €	Operating result (Hors Loyer/FF/Dot)

F. Treasury in the operating conditions between neutral and full load

	INITIAL	ANNEE 1	ANNEE 2	ANNEE 3	ANNEE 4	ANNEE 5
Tresorerie SESM						
Emploi Initial	73 028 €					
BFR	43 448 €					
Remboursement Crédit						
Total Emploi	116 476 €	- €	- €	- €	- €	- €
Total des aides	57 023 €					
Total Crédit Fournisseur L	22 867 €					
Capitaux + CC Bloqué	36 586 €					
Cash Flow		24 471 €	94 882 €	124 131 €	140 847 €	179 205 €
Total Ressource	116 476 €	24 471 €	94 882 €	124 131 €	140 847 €	179 205 €
FDR	- €	24 471 €	119 353 €	243 484 €	384 330 €	563 536 €

G. Treasury in the operating conditions between neutral and full load (Year 6 to 10)

ANNEE 6	ANNEE 7	ANNEE 8	ANNEE 9	ANNEE 10	
					Cashflow of LTD
					Net cash position
					Working capital requirement
4 573 €	4 573 €	4 573 €	4 573 €	4 573 €	Loan refund
4 573 €	4 573 €	4 573 €	4 573 €	4 573 €	Total requirement
					Total Subsidies
					Total suppliers loans
					Share capital and current accounts
171 245 €	229 544 €	263 946 €	326 658 €	371 740 €	Cash Flow
171 245 €	229 544 €	263 946 €	326 658 €	371 740 €	Total Ressource
730 207 €	955 178 €	1 214 550 €	1 536 635 €	1 903 801 €	Working capital

H. Profitability

If one considers the global investment, SESM and SNC, the distribution of the contributions sums up as follows

Total Investissement SNC+SESM	1 041 675 €	100%
Aides Province Sud	57 023 €	5%
Prime Equipement (Prêt Relais)	134 176 €	13%
Loi Paul	235 702 €	23%
Capital Risque Local	92 520 €	9%
Banque	202 757 €	19%
Crédit Fournisseurs	157 043 €	15%
Fonds Propres	162 454 €	16%

With a occupancy from 40% to 70%, the profitability of the global investment is in the order of 25%, the one of the real invested capital is in the order of 60% after taxes

Rentabilité Propre	
Total Investissement SNC+SESM -	1 041 675 €
RBE Année1	78 149 €
RBE Année2	178 737 €
RBE Année3	220 521 €
RBE Année4	244 401 €
RBE Année5	299 199 €
RBE Année6	308 266 €
RBE Année7	391 550 €
RBE Année8	440 696 €
RBE Année9	530 285 €
RBE Année10	594 687 €
Solde	4 328 166 €
TIR	21%

Rentabilité Capitaux réellement investis	
Total Capitaux Propres	- 162 454 €
Cash flow Année1	24 471 €
Cash flow Année2	94 882 €
Cash flow Année3	124 131 €
Cash flow Année4	140 847 €
Cash flow Année5	179 205 €
Cash flow Année6	171 245 €
Cash flow Année7	229 544 €
Cash flow Année8	263 946 €
Cash flow Année9	326 658 €
Cash flow Année10	371 740 €
Solde	2 089 122 €
TIR	58%

IX. GENERAL SCHEDULE

- ❑ January 2002: Survey of Market:
- ❑ February to May 2002: Setting up Contract Partnership, TO Survey and budget, delay manufacture subcontract local manufacture SM Survey and budget Bases technical and Commercial.
- ❑ May to October 2002: Survey Searches for and Setting up Financing
- ❑ November 2002 to February 2003: Manufacture France and Local of the Facilities and subset
- ❑ March - April 2003: Transit Facilities
- ❑ May - June 2003: Local Assembly
- ❑ July 2003: Tests, Certification,
- ❑ August 2003: Formation Staff
- ❑ September 2003: Commercial Launching
- ❑ October 2003: Beginning Exploitation

X. APPENDICES

- ❑ Market research
- ❑ Survey of the sites
- ❑ Survey of the local Manufacture
- ❑ Spreadsheets
- ❑ Specification of the Submarine PS700