



NEWS RELEASE

FOR IMMEDIATE RELEASE

Signal Contracted to Build Second AT/B Vessel

Mobile, AL—08 AUG 2011—Signal International announced today the option to build the second articulated tug/barge (AT/B) vessel has been exercised by Kirby Ocean Transport Company of Houston, Texas. Signal's state-of-the-art continuous flow manufacturing facility in Orange, Texas now has a backlog of nearly \$100M.

Engineering, planning and material procurement for the first AT/B is on schedule for manufacturing work to begin in the fourth quarter of this year. Simultaneously, fabrication of the second unit is also slated to get underway before year's end.

The AT/B vessels are comprised of a 20,000 DWT ocean bulk barge with a 6,000 BHP AT/B ocean tug. Each barge measures 480 ft x 90 ft x 36 ft and will be outfitted with Ocean Tug & Barge Engineering's Articouple connection. The 6,000 HP tugboat will be 125 ft x 42 ft x 22 ft built and classed to ABS Maltese Cross, +A1 Ocean Towing Service standards. The AT/B's will transport dry-bulk commodities in United States coastwise trade.

"We will begin hiring in August, primarily in the fitter and welder trades," commented Dick Marler, Chairman and CEO of Signal International. Signal anticipates bringing on four hundred craftsmen to their Orange shipyard. Marler added, "In terms of job creation, with this contract our employment level will peak around 500 craft personnel."

"The building of the two Kirby AT/B's is ideal for our Orange shipyard which has 450,000 sq. ft. of covered fabrication area, a proven CFM strategy and an experienced management team," stated Marler, noting the contract puts Signal squarely back into shipbuilding. "With this accomplished, Signal is now bidding on a variety of ship and vessel designs offering competitive pricing and schedules."

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About Signal International:

Signal International, Inc., is an integrated company providing global services to the offshore, marine and naval industries. As a leading supplier of marine and fabrication services, the core business is construction, repair, and conversion of offshore drilling rigs, ships and vessels. The company utilizes world-class continuous flow manufacturing processes for fabrication of marine vessels, modules for refinery expansion and offshore renewable energy components. Recognized as one of the "Best Large Shipyards" for excellence in safety, Signal is known for quality workmanship, on time and on budget. Headquartered in Mobile, Alabama, Signal operates four production facilities in Alabama, Mississippi and Texas.

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