



NEWS RELEASE

Signal Wins \$47M Contract to Build Articulated Tug Barge Unit

Mobile, AL—31 MAR 2011—Signal International has been awarded a \$47M contract by Kirby Ocean Transport Company of Houston, Texas, to build an articulated tug/barge (AT/B) unit with an option for an additional unit.

The AT/B vessel is comprised of a 20,000 DWT ocean bulk barge with a 6,000 BHP AT/B ocean tug. The barge will measure 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 will transport dry-bulk commodities in United States coastwise trade.

The barge fabrication work will commence in the second quarter of 2011 at Signal's state-of-the-art continuous flow manufacturing facility in Orange, Texas, which has 450,000 sq. ft. of covered fabrication area. The first AT/B will complete in 14 months. The option AT/B can be built in less than 12 months. This facility recently completed two of the world's largest floating power generation barges within a 180-day production schedule.

"The fabrication of the AT/B is well-suited to our Orange shipyard and experienced management team," stated Dick Marler, Chairman and CEO of Signal International, noting that the contract also puts Signal's Orange shipyard squarely back into shipbuilding. "A return to shipbuilding has been a strategic goal of Signal and we have all of the resources necessary to be competitive with regard to cost and schedule for a variety of ship and vessel designs."

Marler added, "In terms of job creation this contract will peak at an employment level of around 500 craft personnel. Hiring will begin in late June in primarily the fitter and welder trades. We expect to add four hundred workers at our Orange Shipyard.

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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 five production facilities in Alabama, Mississippi and Texas.

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