



SBM OFFSHORE ANNUAL RESULTS 2009 SOLID RESULTS AND A RECORD ORDER BACKLOG

Highlights

- Turnover US\$ 2,957 million (US\$ 3,060 million in 2008);
- Net profit of US\$ 230 million (US\$ 228 million in 2008);
- New orders totalled US\$ 3,740 million (US\$ 4,366 million in 2008);
- Record backlog US\$ 10,032 million (2008: US\$ 9,247 million);
- Net debt US\$ 1,464 million (net gearing 81%);
- EPS of US\$ 1.47 (US\$ 1.54 in 2008), dividend of US\$ 0.67 per share (US\$ 0.93 in 2008).

Outlook 2010

- Turnover in the same range as 2009 – 80% secured from current backlog;
- EBIT margin from Turnkey Systems to increase;
- Lease and Operate EBIT contribution below 2009.

Key figures

US\$ million	2009	2008	Change
Turnover	2,957	3,060	(3.4%)
EBITDA	613.3	530.1	15.7%
EBIT	293.4	275.1	6.7%
Net profit	230.0	227.9	0.9%
EBIT margin	9.9%	9.0%	10.0%
Investment in fixed assets	656.0	1,000	(34.4%)

Tony Mace, CEO of SBM Offshore: "We are pleased to announce solid financial results for 2009 with a profit slightly ahead of the previous year. Execution performance on the major ongoing projects has in general improved resulting in increased profit margins. The Company's fleet of leased vessels has again performed very well generating substantial bonus revenues. We were successful in obtaining some major new orders in the second half of the year and have increased the order backlog to a new record level. The share offering in November has strengthened our balance sheet to fund the Company's ongoing plans for further development of our lease business".



1. Financial Review

In accordance with IFRS 8 accounting rules for segmental reporting, the Company now provides separate disclosure of its Turnkey Services activities, which were previously combined with the Turnkey Systems activities. Specific allocation of Selling and Marketing, and General and Administrative expenses are now made to the reporting segments, and the 2008 comparative figures have been restated accordingly.

Turnover decreased by 3.4% to US\$ 2,957 million, in comparison with US\$ 3,060 million in 2008, mainly as a result of lower Turnkey Systems revenues. Turnkey Systems contributed 65%, Turnkey Services 8% and Lease and Operate 27%. In 2008 the corresponding split was 65%, 9%, 26%.

EBITDA amounted to US\$ 613.3 million, an increase of 16% compared to US\$ 530.1 million in 2008.

Operating profit (EBIT) increased by 6.7% to US\$ 293.4 million compared with US\$ 275.1 million in 2008. The EBIT margin increased to 9.9% compared to 9.0% in 2008.

Before allocation of "Other" income and expenses, segmental EBIT margins are as follows:

In the Turnkey Systems segment the good results generated from the more recent projects become more predominant, and despite some further schedule and cost increases on the drilling rigs series and on a heavy lift crane project, the EBIT margin increased to 5.0% (2008: 0%).

In the Turnkey Services activities excellent operating performance was offset by full impairment (US\$ 7.6 million) of the Pyrodriver installation tool, development of which has been discontinued. The EBIT margin increased slightly to 20.3% (2008: 19.9%).

Although turnover in the Lease and Operate activities was stable, EBIT was negatively impacted by the impairment charge of US\$ 32.5 million related to the Yme MOPUstor™ (lower than provided for in the first half of 2009 due to variation orders agreed with our client), and an operating loss of US\$ 25.1 million incurred on the tanker inventory which was laid-up for most of the year following the collapse of the trading market. This resulted in a decrease in EBIT margin to 21.4% (2008: 28.4%).

Non-allocated "Other" income and expenses amounted to US\$ 31 million in 2009 (2008: US\$ 17 million). This mainly relates to the cost of general management and corporate functions, as well as the cost of various corporate improvement projects undertaken in 2009.

Net financing costs were 48.6% higher than in 2008 as a result of the start of the charters in 2008 of the FPSO Saxi Batuque and in 2009 of the FPSO Espirito Santo and Semi-Submersible Thunder Hawk. Interest income fell sharply in 2009 with the reduction in short-term US interest rates.

The 2009 tax burden was US\$ 3.7 million (1.6% of profit before tax), reflecting in particular small losses in the Dutch and US operations of the Company, combined with the relatively low tax burden elsewhere. This compares to a net tax burden of US\$ 9.4 million (4.0% of pre-tax profit) in 2008.

The consolidated result for 2009 is a net profit of US\$ 230.0 million, a 0.9% increase in comparison with the 2008 net profit of US\$ 227.9 million. This result includes non recurring sales of assets which generated a net gain of US\$ 32.4 million in 2009 (US\$ 31.4 million in 2008). The net profit margin rose to 7.8% (7.4% in 2008).



Earnings per share amounted to US\$ 1.47, compared to US\$ 1.54 in 2008.

In November 2009, the Company raised € 180.7 million of fresh capital through a successful 9.2% equity issue.

Net debt at 31 December 2009 amounted to US\$ 1,464 million with cash and cash equivalent balances of US\$ 146.7 and committed, undrawn, long-term bank facilities of US\$ 703 million. Net gearing reduced to 81% (year end 2008: 118%) providing significant financial headroom for growth.

The Company arranged new project finance facilities of US\$ 350 million for EnCana Deep Panuke MOPU and US\$ 200 million for Petrobras FPSO Cachalote relocation.

The total investment in fixed assets in 2009 amounted to US\$ 656 million, which is much lower than in 2008 (US\$ 1,000 million) due to the slowdown in order intake between mid 2008 and mid 2009;

New orders in the year totalled US\$ 3,740 million (split 63% / 30% / 7% between the Lease and Operate, the Turnkey Systems and the Turnkey Services segments respectively), compared to US\$ 4,366 million of new orders in 2008.

Total order portfolio at the end of the year was US\$ 10,032 million compared to US\$ 9,247 million at the end of 2008, an increase of 8.5%. Of this, 78% (2008: 68%) or US\$ 7,834 million relates to the non-discounted value of the revenues from the Company's long-term lease contracts in portfolio at year-end.

More financial information is provided in the detailed financial analysis that can be found in the appendix.

2. Development Order Portfolio

2.1 Lease and Operate

The portfolio developed over the year as follows:

New orders and extensions:

- In June 2009, the FSO Unity operations contract has been extended by Total Exploration Production Nigeria Limited (TEPN) for 12 months up to 30 June 2010;
- In October 2009, Noble Energy awarded a contract for the provision and fifteen year Lease and Operate of an FPSO for the Aseng development offshore Equatorial Guinea confirming a Letter of Intent issued in August 2009. A Joint Venture between GEPetrol (40%) and SBM Offshore (60%) will own and operate the unit;
- In December 2009, the Company received a Letter of Intent from Petrobras for the upgrade of the Company's existing FPSO Espadarte and Lease and Operate contract for a period of 18 years on the Baleia Azul field offshore Brazil.

Start of operations:

- In June 2009, the Company started the three year operations contract following first oil production on the FPSO Frade for Chevron in Brazil;
- In July 2009, the FPSO Espirito Santo for Shell Brazil located in the BC-10 deep water field development in the Campos Basin offshore Brazil achieved first oil production. The Company will operate this vessel for fifteen years on a Lease and Operate contract in joint venture with MISC;
- In July 2009, the Company's DeepDraft Semi™ production platform Thunder Hawk started operations under a minimum five year lease and production handling agreement for Murphy and other Producers in the Gulf of Mexico. The unit is fully owned by the Company but operated by Murphy;
- In August 2009, FPSO Capixaba was disconnected from Petrobras Golfinho field offshore Brazil, sailed to Singapore and started conversion works for re-deployment of the unit at the new Cachalote field offshore Brazil. The unit will be under contract with Petrobras for a twelve year Lease and Operate period which is scheduled to commence in April 2010.



End of lease contracts:

- In September 2009, The Company received notification of termination of the Lease and Operate contract of the FPSO Falcon from Esso Deepwater Limited, and the unit was redelivered in December;
- In June 2009, Petronas Carigali (Turkmenistan) Sdn Bhd exercised its purchase option for both the FSO and MOPU under the terms of the Service Agreement entered into with the Company in January 2005.

2.2 Turnkey Systems and Turnkey Services

The most significant awards during the year included:

- in April 2009, a contract was signed with Total for the engineering and supply of equipment for the Deep Water CALM buoy for the Usan OOL;
- in August 2009, a framework agreement was signed with Shell Global Solutions International BV for the supply of Turret Mooring Systems for Shell's Floating LNG (FLNG) facilities;
- In December 2009, a FEED contract was signed with Petrobras for a FLNG FPSO for Brazil.

3. Operations

3.1 Lease and Operate

The MOPUstor™ platform for Talisman Yme is due for load out and transport to Norway from Abu Dhabi at the end of Q1 2010, as communicated earlier.

The construction of the MOPU for EnCana is in the assembly stage in the dry dock in Abu Dhabi and completion of the unit has been rescheduled to the second half of 2010 to enable scope changes to be implemented. This is not expected to change the commercial result for this project.

The Capixaba FPSO has completed upgrade works in Keppel shipyard in Singapore and has left the yard in February 2010, ahead of schedule, to sail back to Brazil

The operating fleet performed well and in certain cases generated substantial bonus revenues.

One of the Company's tankers in inventory will be used for the Aseng development in Equatorial Guinea. The three remaining tankers, plus one newly acquired VLCC, are currently laid-up and being proposed for new FPSO projects.

3.2 Turnkey Systems and Turnkey Services

In June 2009, the Company completed and delivered an external turret mooring system for an FPSO to be located offshore Vietnam on the Ruby field for Petronas/Petrovietnam;

The first portions of the turret for BP Skarv have been delivered during 2009 and the last portion will be completed at Keppel shipyard in Singapore in Q1 2010 in accordance with the schedule.

Petrobras P-57 FPSO vessel refurbishment and conversion will be completed at Keppel shipyard in Singapore and the vessel will sail to Brazil in Q1 2010. Thereafter topside integration will be undertaken at the BrasFELS yard before scheduled offshore installation in Q4 2010.

The Woodside Okha FPSO construction works are progressing according to plan at Keppel shipyard in Singapore with completion planned in the second half of 2010.



The drilling rigs construction is progressing with delivery of the three units scheduled in Q2, Q3 and Q4 of 2010 respectively. Provisions have been taken in the fourth quarter for the extra costs associated with these later delivery times.

The Company's two installation vessels achieved high utilisation rates during the course of the year and other services activities were buoyant. The prototype subsea pile driving device (Pyrodriver) which had been in development for a couple of years has been discontinued. The associated costs (US\$ 7.6 million) have been written off.

4. Market Developments

The slow down of new orders in the Company's business segments which had started in 2008 continued well into 2009 with many projects either postponed or cancelled, even though bidding activity remained at a high level. In the latter part of the year there was some movement in the FPSO lease business with a few contracts awarded. The Company obtained two new important lease contracts representing the lion's share of these awards. These new contracts are located in West Africa and Brazil, which are two of the key focus areas for deepwater projects. Other significant developments were the award of a framework agreement from Shell for turret mooring systems for potentially a series of FLNG vessels and the first FEED order for a FLNG vessel for Petrobras in Brazil. These latter orders are considered to be important indicators in the development of the offshore floating LNG business, which the Company has targeted as a future growth area.

Despite the more stable higher oil price in the recent period and softening of project input costs there continues to be some hesitation from oil companies to go ahead with the sanction of new projects. Deep water oil and gas exploration continues and it is expected that the need to maintain production levels will result in a gradual release of new oil field project developments with activity picking up in the latter part of 2010. Many of these will be located in the deepwater areas where the Company concentrates its expertise and effort.

The Company's Turnkey Services business has been very buoyant in 2009, not being significantly affected by the lower oil price. Activity in this segment is expected to continue in the same way in the future, apart from the potentially lower utilisation rate of one of the Company's vessels due to the near term absence of new FPSO installation work.

The Company's Turnkey Systems business includes the supply of proprietary designs and equipment for the drilling rig and offshore construction industry. This business is picking up again in particular for the offshore wind farm installation sector.

The Company will continue to develop technology for deepwater oil and gas production, offshore LNG production and proprietary designs for the offshore drilling and construction industry.

5. Dividend proposal

The Company's proposal is to return to the usual dividend pay-out ratio of 50% of net profit, with the choice of payment of the dividend in cash or in shares of SBM Offshore at the election of each shareholder. Based on a 2009 Net Profit of US\$ 230 million and taking into account the increased number of shares, the proposed dividend is US\$ 0.67 per share compared to US\$ 0.93 in 2008, when exceptionally, a higher pay-out ratio was applied.

As in previous years, the annual dividend will be calculated in US Dollars, but will be payable in Euros. The conversion into Euros will be effected on the basis of the exchange rate on 14 April 2010. The conversion ratio for stock dividend will be determined on 7 May 2010, after the close of the Euronext Amsterdam stock exchange and will be based on the volume weighted average price of all traded ordinary shares for the period of 3 – 7 May 2010.



6. Outlook 2010

The Company anticipates the following developments in 2010:

- Turnover to be in the same range as 2009;
- Average EBIT margin in the Turnkey Systems segment is expected to be solidly within the 5% - 10% range;
- Turnkey Services average EBIT margin expected around lower end of 15% – 20% range due to potentially lower utilisation rate for one installation vessel;
- The EBIT contribution from the Lease and Operate segment is expected to be below the level achieved in 2009 due to the end of certain lease contracts in 2009 and lower expected operating bonuses;
- Net interest charge will increase by up to 20% compared to 2009 due to start of operations on major lease contracts and low expected interest income on liquidities;
- Capital expenditure, excluding any new operating lease contracts to be obtained in 2010, is expected to amount to around US\$ 0.5 billion;
- Net gearing at year-end 2010 is expected to remain below 100%, with all financial ratios well within banking covenants.

7. Financial Agenda

Final Results 2009 - Press Release	26 February	2010
Final Results 2009 - Analysts Presentation (Amsterdam)	26 February	2010
Annual Report 2009	End March	2010
Annual General Meeting of Shareholders 2010	14 April	2010
Trading Update Q1 2010 - Press Release	12 May	2010
Half-year Results 2010 - Press Release	18 August	2010
Half-year Results 2010 - Analysts Presentation (Amsterdam)	18 August	2010
Trading Update Q3 2010 - Press Release	10 November	2010

The Analysts Presentation will be webcast via the SBM Offshore website (www.sbmoffshore.com) at 14h00 CET on Friday 26 February 2010.

There is also a Call-In facility for participants who want to listen to the presentation via teleconference and also have the option to ask questions during Q&A session. The dial-in number is: **+31 10 2944 271**.

Playback facilities of the presentation and Q&A session will be accessible via the Company website www.sbmoffshore.com.

8. Corporate Profile

Dutch limited liability company SBM Offshore N.V. is the holding company of a group of international, marine technology orientated companies. Its business is to serve on a global basis the offshore oil and gas industry by supplying engineered products, vessels and systems, and offshore oil and gas production services.



The product line comprises:

- Offshore import/export terminals for crude oil, refined products, LPG and LNG, mostly based on the single point mooring principle, Floating Production and/or Storage and Offloading systems (FSOs and FPSOs) and other floating production facilities based on ship hulls, semi-submersibles and Tension Leg Platforms (TLPs);
- Offshore oil and gas production services through the leasing of integrated production and storage facilities owned and operated by SBM Offshore;
- Design, construction and supply of semi-submersible drilling platforms;
- Special designs and engineering services and delivery of specific hardware components for dynamically positioned drillships, semi-submersible drilling platforms, jack-up drilling platforms, jack-up platforms for civil construction, large capacity offshore cranes, elevating and lifting systems, crane vessels and other specialised work vessels;
- Offshore construction and installation contracting services.

The Board of Management

Schiedam, 26 February 2010

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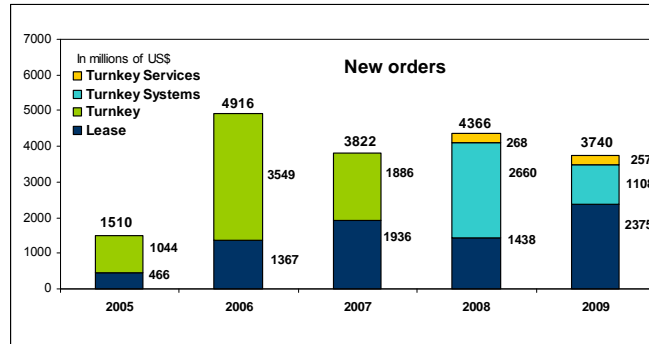
Disclaimer

Some of the statements contained in this release that are not historical facts are statements of future expectations and other forward-looking statements based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those in such statements. Such forward-looking statements are subject to various risks and uncertainties, which may cause actual results and performance of the Company's business to differ materially and adversely from the forward-looking statements. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as "believes", "may", "will", "should", "would be", "expects" or "anticipates" or similar expressions, or the negative thereof, or other variations thereof, or comparable terminology, or by discussions of strategy, plans, or intentions. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this release as anticipated, believed, or expected. SBM Offshore NV does not intend, and does not assume any obligation, to update any industry information or forward-looking statements set forth in this release to reflect subsequent events or circumstances.



Appendix Detailed Financial Information

Order Portfolio

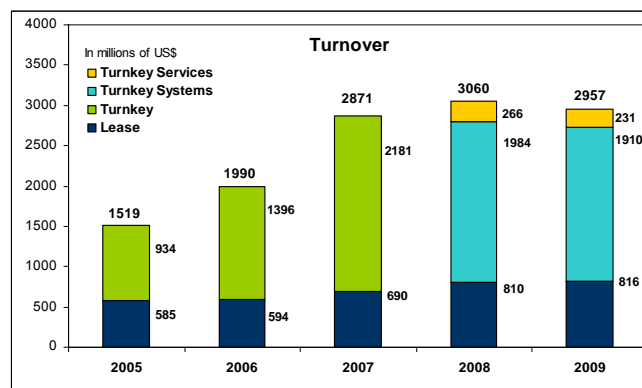


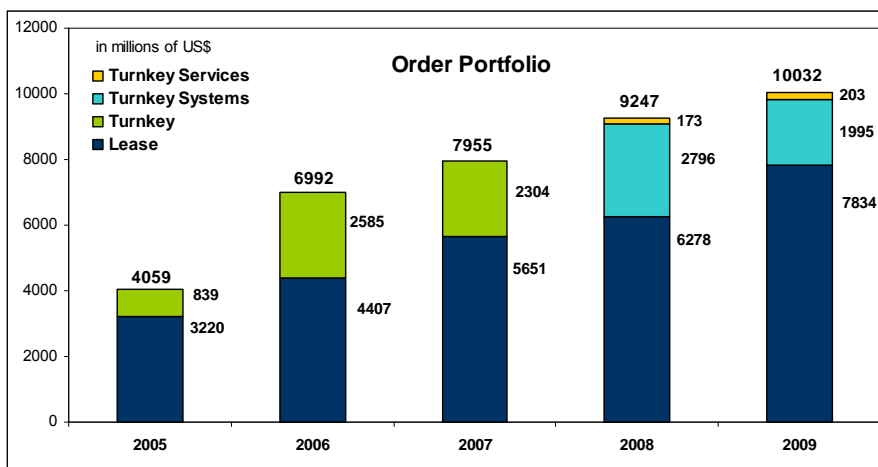
Total new booked orders for 2009 amounted to US\$ 3,740 million. This amount includes a major contract amendment for the relocation of the FPSO Espadarte to Petrobras' Baleia Azul field in Brazil for a period of 18 years, which is assumed to be treated as an operating lease contract. The total also includes a 15 year lease contract for an FPSO for Noble Energy's Aseng field in Equatorial Guinea. Due to the specific contract structure and terms this contract is accounted for as a finance lease.

Total turnover reduced marginally when compared with 2008 due to lower revenues recognised in the Turnkey Systems segment as the completion of certain major projects (e.g. FPSO Frade, FPSO Espirito Santo) outweighed the higher progress and associated turnover on more recent projects (e.g. FPSO P-57, FPSO Okha). Turnkey Systems third party turnover of US\$ 1,910 million represents 65% of total 2009 turnover (2008: US\$ 1,984 million representing 65%). Lease and Operate turnover rose by 1% to US\$ 816 million (27% of total revenues; 26% in 2008) as the first revenues from FPSO Espirito Santo and Semi-Submersible Thunder Hawk, and full year revenues from the FPSO Saxi Batuque compensated for the reduction in day-rate income resulting from the sale of FPSO Mystras (May 2008), sale of FPSO Tantawan Explorer (August 2008), sale of MOPU/FSO Oguzhan (June 2009), termination of the charters of Rang Dong I (October 2008) and FPSO Falcon (December 2009) and the idle tanker inventory. Turnkey Services third party turnover decreased by 13% to US\$ 231 million and represents 8% of total revenues (9% in 2008).

The contract for the FPSO Aseng for Noble Energy is a fifteen year front-loaded lease performed in a 60/40 joint venture with GEPetrol, which is accounted for as a finance lease. This means that the entire capital value is recognised as turnkey turnover during construction with related gross margin, but with a return on investment recognised as lease income during the lease period. Under an operating lease treatment only the partner's 40% share of the Capex investment would have been accounted for as a turnkey sale. In 2009, total turnover recognised in respect of construction of assets accounted for as finance leases amounted to US\$ 95 million (2008: US\$ 61 million).

The contracts for FPSOs Mondo and Saxi Batuque are similarly accounted as finance leases. Return on investment recognised in the Lease & Operate turnover in 2009 in respect of these contracts amounted to US\$ 19 million (2008: US\$ 19 million).





The year-end order portfolio at US\$ 10.03 billion is up 8.5% from last year's level of US\$ 9.25 billion and represents a year-end record. The current order portfolio includes US\$ 7.83 billion (2008: US\$ 6.28 billion) for the non-discounted value of future revenues from the long-term charters of the lease fleet, of which US\$ 4.84 billion (2008: US\$ 4.18 billion) represents the bareboat element of the operating leases. Approximately two thirds of the future bareboat revenues will be generated from the lease contracts which have yet to commence (FPSOs Cachalote and Baleia Azul, MOPUstor™ Yme and MOPU Deep Panuke). The Turnkey Systems order portfolio decreased by 29% but still represents one year of turnover. Turnkey Services backlog increased by 15% to US\$ 0.2 billion (approximately nine months of turnover).

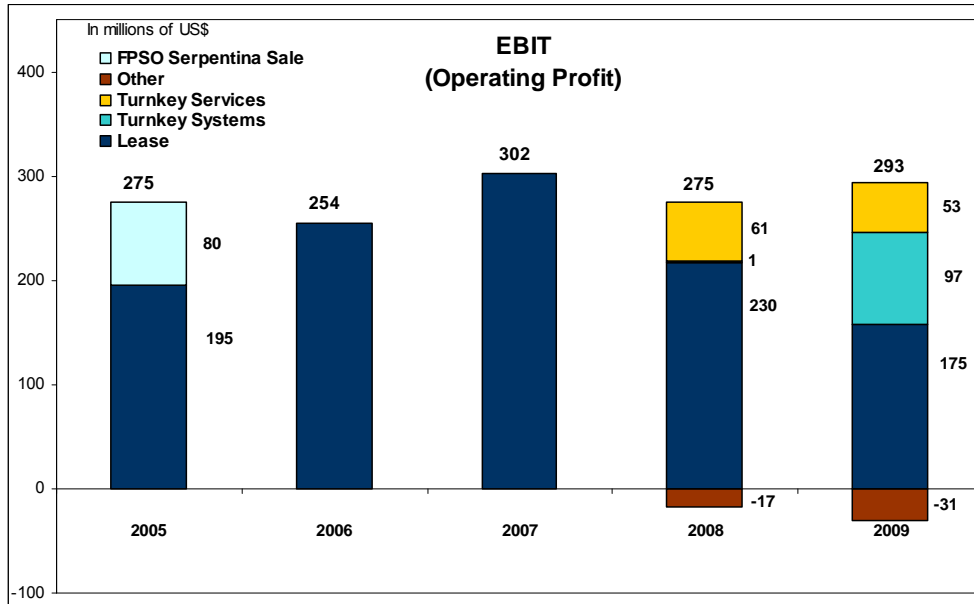
The Company's order portfolio as at 31 December 2009 is expected to be executed as follows:

US\$ billion	Turnkey Systems	Turnkey Services	Lease & Operate	Total
2010	1.4	0.2	0.8	2.4
2011	0.6	-	0.9	1.5
2012	-	-	0.9	0.9
Beyond 2012	-	-	5.2	5.2
TOTAL	2.0	0.2	7.8	10.0

Profitability

The primary business segments of the Company are Lease and Operate, Turnkey Systems and Turnkey Services plus "Other", non allocated corporate income and expense items. EBIT is analysed per segment but it should be recognised that business activities are closely related, and certain costs are not specifically related to either one segment or another. For example, when sales costs are incurred (including significant sums for preparing the bid), it is often uncertain whether the project will be leased or contracted on a turnkey lump sum basis. Furthermore, with IFRS limiting the capitalisation of General & Administrative overheads into the asset value of the lease fleet, segmental results are skewed in favour of the lease activities. Indeed much of the Company's engineering and project management resources contribute to construction of the lease fleet 'at cost' without a Selling, General and Administration costs (S, G & A) mark-up, while the Lease and Operate segment results 'benefit' from lower capex and lower annual depreciation.

For management reporting purposes the "Other" income and expense items are allocated to the three operating segments as follows: Turnkey Systems 62.5%, Lease and Operate 25% and Turnkey Services 12.5%.



Gross margin in 2009 of US\$ 452.3 million (US\$ 399.0 million in 2008) consisted of US\$ 195 million (US\$ 252 million in 2008) from Lease and Operate activities, US\$ 187 million (US\$ 71 million in 2008) from Turnkey Systems, and US\$ 70 million (US\$ 76 million in 2008) from Turnkey Services.

EBIT increased by 6.7% compared to 2008 to US\$ 293.4 million due to:

- much higher contribution from the Turnkey Systems segment, as the good results generated from the more recent projects become more predominant, and despite some further schedule and cost increases on the drilling rigs series and on a heavy lift crane project;
- although turnover on Lease and Operate activities was stable, EBIT was negatively impacted by the impairment charge of US\$ 32.5 million related to the Yme MOPUstor™ (lower than provided for in the first half of 2009 due to variation orders agreed with our client), and an operating loss of US\$ 25.1 million incurred on the tanker inventory which was laid-up for most of the year following the collapse of the trading market;
- excellent operating performance from the Turnkey Services activities offset by full impairment (US\$ 7.6 million) of the Pyrodriver installation tool, development of which has been discontinued;
- non-recurring gains of US\$ 32.4 million from sale of assets in 2009 (MOPU/FSO Oguzhan) were marginally lower than the pre-tax gains of US\$ 34 million realised in 2008 (sales of FPSOs Mystras, Tantawan Explorer and Alblasserdam South real estate). The FPSO Rang Dong I was sold in the last quarter of 2009 with the gain on sale of US\$ 2 million matching the unit's lay-up costs incurred during the year;
- slightly higher R&D charge.

As a percentage of the lower turnover, operating profit increased to 9.9% (2008: 9.0%). Before allocation of "Other" income and expenses, segmental EBIT margins were for Lease and Operate 21.4% (2008: 28.4%), Turnkey Systems 5.0% (2008: 0%) and Turnkey Services 20.3% (2008: 19.9%). The relative contributions to EBIT from the three segments were 54% from Lease and Operate, 30% from Turnkey Systems and 16% from Turnkey Services. In 2008 the corresponding split was 79% : 0% : 21%.

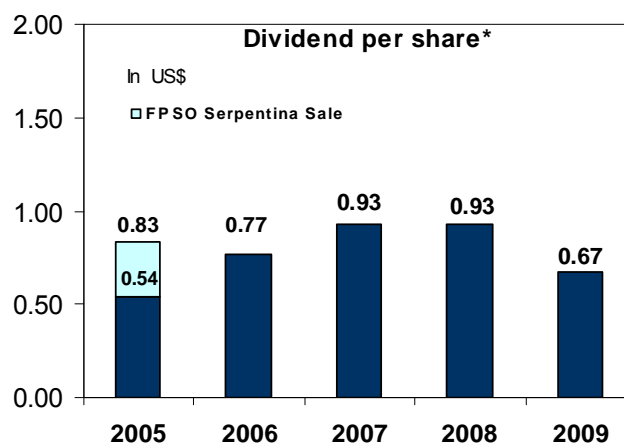
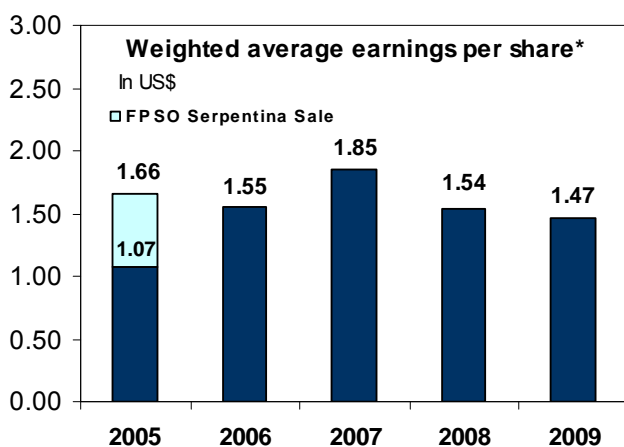
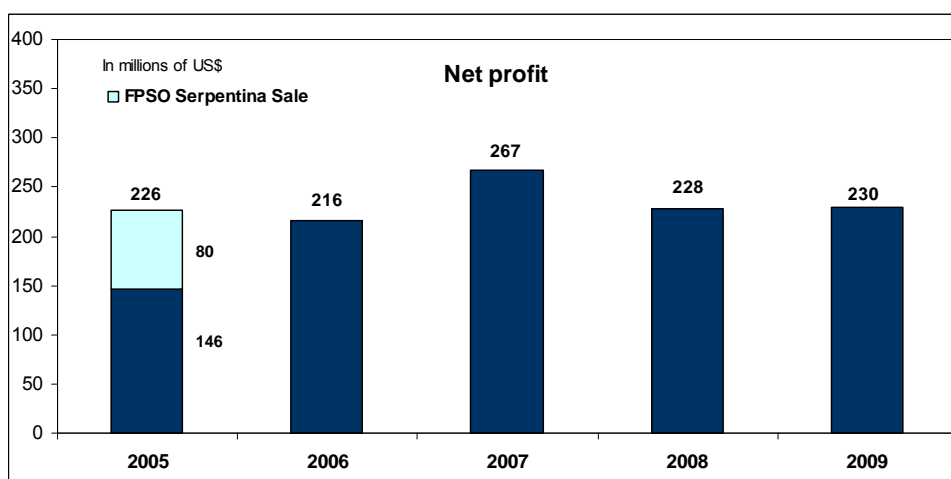
Non-allocated "Other" income and expenses relate mainly to the cost of general management and corporate functions and activities including Treasury, Finance, Tax, Risk Management, HSSE, Internal Assurance and IR, as well as the cost of various corporate improvement projects undertaken in 2009. The net cost of US\$ 31 million in 2009 is compared with US\$ 17 million in 2008, when notably the sale of the Alblasserdam South land realised a pre-tax gain of US\$ 10 million.



Net financing costs were 48.6% higher than in 2008 as a result of the beginning of the charters in 2008 of the FPSO Saxi Batuque and in 2009 of the FPSO Espirito Santo and Semi-Submersible Thunder Hawk. Once production units are brought into service the financing costs are expensed to P&L (whereas during construction interest is capitalised). It should be emphasised that the net profit contribution of newly operational leased units is limited by the relatively high interest burden during the first years of operation, although dedication of lease revenues to debt servicing leads to fast amortisation of the loan balances and hence reduced interest charges going forward. Interest income fell sharply in 2009 with the reduction in short-term US interest rates.

The reported Share of profit in associates was much lower in 2009 than in 2008 due to the termination of a lease structure related to one of the fleet units.

The 2009 tax burden was US\$ 3.7 million (1.6% of profit before tax), reflecting in particular small losses in the Dutch and US operations of the Company, combined with the relatively low tax burden elsewhere. This compares to a net tax burden of US\$ 9.4 million (4.0% of pre-tax profit) in 2008. The corporate tax burden excludes deemed profit taxes and withholding taxes levied outside each group company's country of incorporation, which are considered to be project costs and reported within cost of sales. In 2009 these taxes amounted to US\$ 29 million (2008: US\$ 22 million).



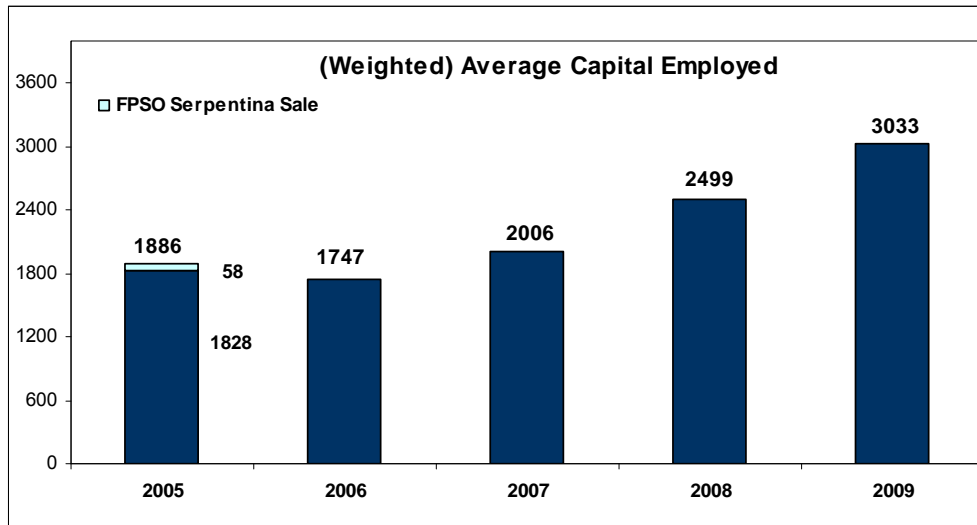
*restated for the four to one share split in 2006

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The dividend proposal of US\$ 0.67 per share is explained above in Section 5.



Return On Average Capital Employed and Equity

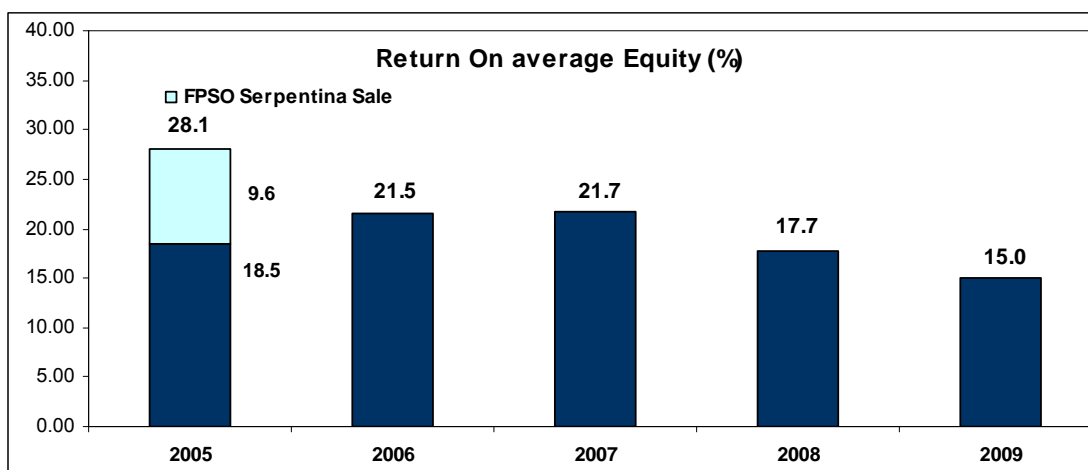


Capital Employed (Equity + Provisions + Deferred tax liability + Net Debt) at year-end 2009 is US\$ 3,326 million which is US\$ 585 million above last year's level due to the ongoing investments in leased production facilities (partly financed with new debt), the November equity issue plus retained profits and adjustments to equity in respect of derivative financial instruments. With the weakening of the US Dollar and the steepening of the yield curve for US interest rates, equity has been positively impacted by US\$ 134 million in 2009 on marking to market the Company's portfolio of forward exchange contracts and interest rate swaps.



ROACE (Return On Average Capital Employed) decreased in 2009 to 9.7%, which is still well above the Company's weighted average cost of capital. This is the combined result of three main factors, namely:

- profitability from the Lease and Operate activities was impacted significantly by the impairment charge on the Yme MOPUstor™ and the tanker inventory costs;
- higher average capital employed finances assets still under construction (or brought into service during the year) without commensurate EBIT contribution;
- growth in capital employed was amplified by the movement in the market value of the exchange rate/interest rate hedge portfolio.



Return On average Equity (ROE) at 15.0% was below the level achieved in recent years due to the same factors as mentioned above, plus the 9.2% equity issue of November 2009.

Cash flow / liquidities

US\$ million	2005	2006	2007	2008	2009
Net profit	225.8	216.3	266.8	227.9	230.0
Depreciation and amortisation	206.8	223.3	246.3	255.0	319.8
Cash flow	432.6	439.6	513.1	482.9	549.8
EBITDA	482.2	477.5	548.3	530.1	613.3
Net liquidities/securities	144.8	339.7	274.1	230.1	146.7
Cash flow from operations*	831.0	592.4	331.1	577.0	459.2
EV: EBITDA ratio at 31/12	7.4	11.3	9.9	6.4	7.6
EBITDA: interest cover ratio	9.4	15.2	24.5	13.1	10.2

* As per the consolidated statement of cash flows

Cash flow and EBITDA were each well above prior year due to the increased contribution from Turnkey Systems activities.

Net liquidities decreased to US\$ 146.7 million, of which US\$ 40.6 million can be considered as being dedicated to specific project debt servicing or otherwise restricted in its utilisation.



Statement of financial position

US\$ million	2005	2006	2007	2008	2009
Capital employed	1,740.9	1,754.0	2,257.4	2,740.9	3,325.8
Shareholders' equity	895.0	1,118.7	1,333.4	1,234.7	1,802.6
Net Debt	804.7	585.8	874.7	1,464.0	1,464.0
Net gearing (%)	90	52	65	118	81
Net Debt: EBITDA ratio	1.7	1.2	1.6	2.76	2.39
Investment in fixed assets	398.5	309.0	551.3	999.8	656.0
Current ratio	0.78	1.14	1.15	0.79	0.91

Shareholders' equity increased by 46% to US\$ 1,802.6 million as a result of the share issue and the reduction of the negative value of the Company's portfolio of interest rate and foreign exchange hedges. These unrealised losses are charged directly against equity in accordance with hedge accounting rules and result from the Company's policy of full hedging of identified interest rate and forex exposures and the significant movements in relevant US interest rates and foreign exchange rates. Capital employed increased by 21%.

At 31 December 2009 the Company has undrawn committed long-term bank facilities totalling US\$ 703 million (Revolving Credit Facility, Deep Panuke and Cachalote project loans) available for financing capital investment in 2010. The relevant banking covenants (principally Net Debt: EBITDA \leq 3.75) were all comfortably met.

There continues to be no off-balance sheet financing.

Capital Expenditure

Total capital expenditure for 2009 (comprising of additions to property, plant & equipment plus capitalised development expenditure) amounted to US\$ 656 million (2008: US\$ 1,000 million). The majority of this total is related to new investment in the lease fleet for which the major elements are:

- completion of the Thunder Hawk Semi-Submersible for Murphy Oil and the FPSO Espirito Santo for Shell;
- ongoing expenditure on the conversion and equipment procurement for the MOPUstor™ jack-up facility for Talisman's Yme field in Norway, the MOPU gas platform for EnCana's Deep Panuke field in Canada, and the FPSO Capixaba upgrade for relocation to Petrobras' Cachalote field in Brazil;
- completion of Phase I of the Angolan yard Paenal;
- LNG FPSO development work and patents;
- a VLCC hull for future conversion into a FPSO.

Capital expenditure in 2009 on the FPSO Aseng for Noble Energy is excluded from the total amount above. Due to the classification of the contract as a finance lease, investment in the unit was recorded through construction contracts, with the investment in finance lease to be ultimately recorded in financial fixed assets.



SBM Offshore N.V. - Consolidated income statement

For the years ended 31 December in thousands of US Dollars

	2009	2008*
Revenue	2,956,545	3,060,276
Cost of Sales	(2,504,211)	(2,661,318)
Gross margin	452,334	398,958
Other operating income	1,080	10,345
Selling and marketing expenses	(57,102)	(40,556)
General and administrative expenses	(80,072)	(72,318)
Other operating expenses	(22,801)	(21,365)
	(158,895)	(123,894)
Operating profit (EBIT)	293,439	275,064
Financial income	17,278	24,932
Financial expenses	(77,248)	(65,276)
Net financing costs	(59,970)	(40,344)
Share of profit of associates	185	2,535
Profit before tax	233,654	237,255
Income tax	(3,673)	(9,380)
Profit	229,981	227,875

	2009	2008
Attributable to shareholders	221,001	223,172
Attributable to non-controlling interests	8,980	4,703
Profit	229,981	227,875

	2009	2008
Weighted average number of shares outstanding	150,100,926	144,659,503
Basic earnings per share	US\$ 1.47	US\$ 1.54
Fully diluted earnings per share	US\$ 1.46	US\$ 1.53

* Restated for comparison purposes



SBM Offshore N.V. - Consolidated statement of comprehensive income
In thousands of US Dollars

	2009	2008
Profit for the period	229,981	227,875
Other comprehensive income		
Fair value gains on available-for-sale financial assets, net of tax	-	-
Cash flow hedges, net of tax	133,913	(269,475)
Currency translation differences, net of tax	13,646	(10,667)
Other comprehensive income for the period, net of tax	147,559	(280,142)
Total comprehensive income for the period	377,540	(52,267)
Total comprehensive income attributable to:		
Attributable to shareholders	368,332	(56,781)
Attributable to non-controlling interests	9,208	4,514
	377,540	(52,267)



SBM Offshore N.V. - Consolidated statement of financial position
at 31 December in thousands of US Dollars (before appropriation of profit)

	2009	2008
ASSETS		
Property, plant and equipment	2,830,302	2,565,388
Intangible assets	61,421	46,782
Investment in associates	46	69
Other financial assets	377,234	420,372
Deferred tax asset	13,087	12,922
Total non-current assets	3,282,090	3,045,533
Inventories	25,763	23,305
Trade and other receivables	681,562	672,795
Income tax receivable	3,014	829
Construction contracts	458,234	292,542
Derivative financial instruments	61,106	79,661
Cash and cash equivalents	146,712	230,329
Total current assets	1,376,391	1,299,461
TOTAL ASSETS	4,658,481	4,344,994
EQUITY AND LIABILITIES		
Equity attributable to shareholders		
Issued share capital	58,963	50,885
Share premium reserve	632,963	383,274
Retained earnings	1,216,343	1,053,780
Other reserves	(105,652)	(253,211)
	1,802,617	1,234,728
Non-controlling interests	14,215	6,207
Total equity	1,816,832	1,240,935
Long-term loans and other liabilities	1,282,468	1,430,319
Provisions	43,924	35,275
Deferred tax liability	1,048	709
Total non-current liabilities	1,327,440	1,466,303
Trade and other payables	1,005,421	1,039,467
Current income tax liabilities	8,431	21,144
Borrowings and bank overdrafts	328,237	263,970
Derivative financial instruments	172,120	313,175
Total current liabilities	1,514,209	1,637,756
TOTAL EQUITY AND LIABILITIES	4,658,481	4,344,994



SBM Offshore N.V. - Consolidated statement of changes in equity

in thousands of US Dollars

	Attributable to shareholders					Total	Non- control- ling interests	Total equity
	Outstanding number of shares	Issued share capital	Share premium reserve	Retained earnings	Other reserves			
	Note 19	Note 19	Note 19	Note 19	Note 19			
At 1 January 2008	143,323,681	52,750	363,057	890,697	26,933	1,333,437	4,297	1,337,734
Profit for the year		-	-	223,172	-	223,172	4,703	227,875
Foreign currency translation		(2,740)	-	2,931	(10,669)	(10,478)	(189)	(10,667)
Cash flow hedges/net investment hedges		-	-	-	(269,475)	(269,475)	-	(269,475)
Comprehensive income for the period		(2,740)	-	226,103	(280,144)	(56,781)	4,514	(52,267)
Share based payments		-	-	16,844	-	16,844	-	16,844
Stock dividend	1,300,774	498	(498)	-	-	0	-	0
Share options/ bonus shares	989,533	377	20,715	-	-	21,092	-	21,092
Cash dividend		-	-	(79,864)	-	(79,864)	(2,604)	(82,468)
At 31 December 2008	145,613,988	50,885	383,274	1,053,780	(253,211)	1,234,728	6,207	1,240,935
Profit for the year		-	-	221,001	-	221,001	8,980	229,981
Foreign currency translation		1,591	-	(1,819)	13,646	13,418	228	13,646
Cash flow hedges/net investment hedges		-	-	-	133,913	133,913	-	133,913
Comprehensive income for the period		1,591	-	219,182	147,559	368,332	9,208	377,540
Share issue	13,896,880	4,835	241,842	-	-	246,677	-	246,677
Share based payments	-	-	-	13,300	-	13,300	-	13,300
Stock dividend	4,221,744	1,409	(1,409)	-	-	0	-	0
Share options/ bonus shares	727,368	243	9,256	-	-	9,499	-	9,499
Cash dividend	-	-	-	(69,919)	-	(69,919)	(1,200)	(71,119)
At 31 December 2009	164,459,980	58,963	632,963	1,216,343	(105,652)	1,802,617	14,215	1,816,832

Within retained earnings an amount of US\$ 100.7 million (2008: US\$ 102.0 million) relates to equity of joint ventures and other non-distributable items and should therefore be treated as legal reserve. Furthermore a legal reserve of US\$ 30.9 (2008: US\$ 15.4 million) should be maintained in respect of capitalised development expenditures.



SBM Offshore N.V. - Consolidated cash flow statement

For the years ended 31 December in thousands of US Dollars

	2009	2008
Cash flow from operating activities		
Receipts from customers	2,631,497	2,958,493
Payments to suppliers and employees	(2,153,705)	(2,376,261)
Income tax received / (paid)	(18,572)	(5,254)
Net cash from operating activities	459,220	576,978
Cash flow from investing activities		
Interest received	14,385	22,861
Interest paid	(69,447)	(64,017)
Investment in property, plant and equipment	(635,768)	(987,570)
Investment in intangible fixed assets	(15,945)	(12,217)
Investment in associated and group companies	(906)	-
Disposals of property, plant and equipment	801	9,833
Dividends received from associated companies	-	2,535
Net cash from investing activities	(706,880)	(1,028,575)
Cash flow from financing activities		
Proceeds from issue of shares	254,522	12,141
Additions to borrowings and loans	463,746	682,350
Repayments of borrowings and loans	(481,913)	(204,967)
Investments in other financial fixed assets	(10,052)	(1,488)
Dividends paid to shareholders	(69,919)	(79,864)
Net cash from financing activities	156,384	408,172
Net increase in cash and cash equivalents	(91,276)	(43,425)
Cash and cash equivalents at 1 January	230,137	274,088
Currency differences	7,851	(526)
Cash and cash equivalents at 31 December	146,712	230,137

The reconciliation of the cash and cash equivalents as at 31 December with the corresponding amounts in the balance sheet is as follows:

	2009	2008
Cash and cash equivalents	146,712	230,329
Bank overdrafts	-	(192)
Cash and cash equivalents at 31 December	146,712	230,137