

## SBM OFFSHORE Q1 TRADING UPDATE

23 May 2013

### Turnover on track, two FPSOs for Petrobras, rights issue successfully completed

#### Highlights

- Q1 2013 consolidated revenues up 35% to US\$ 1 billion, in line with guidance
- Agreement to decommission the Yme platform and terminate the contract at a cost of US\$ 470 million
- Letters of Intent for lease and operate contracts for two FPSOs for Lula field from Petrobras
- The order portfolio increased by 49% to record level of US\$ 21 billion
- Post period, a successful 10% rights offering at €10.07 per share raised US\$ 244 million

"During the last few months we have completed a number of the issues we intended to address including the resolution of Yme and strengthening of the balance sheet. We are now fully focused on delivering reliable and sustainable value in line with our strategy, as the two FPSOs for the Lula field demonstrate", says Bruno Chabas, SBM Offshore's CEO. "Our on-going projects are on track, as is turnover and we continue to pursue new prospects to take full advantage of the opportunities within the industry, while at the same time continuing our transformation activities".

#### Financial Highlights

in US\$ million	YTD Q1'13	YTD Q1'12*	Change
Turnover Total	1,001	739	35.5%
<i>Turnkey</i>	765	524	46.0%
<i>Lease and operate</i>	236	215	10.3%
Order intake	7,851	564	14x

	31-Mar-13	31-Dec-12*	Change
Total order portfolio	21,110	14,480	45.8%
<i>Contracted</i>	13,470	14,480	n/a
<i>Petrobras Letters of Intent</i>	7,640	n/a	n/a
Net Debt	2,319	1,816	27.7%

\*) Restated for comparison purposes: Paenal yard changed from proportional consolidation to equity method, following implementation of new IFRS 10 & 11 consolidation rules.

For the first three months of 2013, consolidated turnover totalled US\$ 1,001 million (2012 US\$ 739 million). Both Lease & Operate and Turnkey segments showed improved results compared to 2012.

Net debt at 31 March 2013 amounted to US\$ 2,319 million (31 December 2012: US\$ 1,816 million), with cash and cash equivalent balances of US\$ 389 million (31 December 2012: US\$ 715 million) and committed, undrawn credit facilities of US\$ 280 million (31 December 2012: US\$ 750 million). Net Debt reflects payment of US\$ 470 million settlement costs on Yme in cash, but excludes the proceeds from the April rights issue.

The Company fully repaid the US\$ 221 million Deep Panuke loan.

Capital expenditure and investments on finance lease contracts in the first three months of 2013 amounted to a combined total of US\$ 226 million.

The Company is pleased to report that the Project Loan Facility for FPSO *Cidade de Ilhabela* was finalised at the targeted US\$ 1.2 billion during the first quarter.

### Order Portfolio

First quarter order intake came to US\$ 7,851 million including Petrobras LOIs resulting in a total order portfolio at 31 March 2013 of US\$ 21,110 million.

#### *FPSO Cidade de Maricá and FPSO Cidade de Saquarema (Brazil)*

Order intake was significantly boosted by the LOIs received for the twenty year charter and operation of two FPSOs (FPSO *Cidade de Maricá* and FPSO *Cidade de Saquarema*) from BM-S-11 subsidiary Tupi BV on 22 March 2013. The FPSOs will be deployed at the Lula field in the pre-salt province, offshore Brazil. The FPSOs will be owned and operated by a Joint Venture company held 70% by SBM Offshore with other partners including Mitsubishi and Queiroz Galvão Óleo e Gás S.A.(QGOG). SBM Offshore will take overall charge of the construction of the two FPSOs, with delivery planned respectively by end 2015 and in early 2016.

#### *Extended order portfolio disclosure*

The aggregate reported IFRS order portfolio of US\$ 21.1 billion is understated by US\$ 2.1 billion if compared with the portfolio value of US\$ 23.2 billion which is calculated as if all lease contracts were classified as operating leases.

### Legacy Issues

#### *Yme*

SBM Offshore and Talisman Energy Norge AS ("Talisman"), on behalf of its joint venture partners, reached an agreement to terminate the Yme MOPUstor project for a settlement contribution by SBM Offshore of US\$ 470 million, as announced in a separate joint statement issued on 12 March 2013. The settlement includes the termination of the existing agreements and arbitration procedures and the decommissioning of the MOPU.

As SBM Offshore had already made a provision of US\$ 200 million for estimated decommissioning costs in December 2012, the Company will charge the difference of US\$ 270 million to its 2013 results. The Company has paid the total settlement value of US\$ 470 million to Talisman during Q1.

#### *Compliance*

Further to the update on 28 March 2013 regarding the internal investigation into potentially improper sales practices, the investigation continues. At this stage no further statement can be made as to the outcome of the investigation, financial or otherwise.

#### *Deep Panuke (Canada)*

The MOPU's path to production continues on track. Commissioning is currently proceeding and production is expected to commence before end June 2013.

### Post Period events

#### *FPSO Cidade de Paraty (Brazil)*

FPSO *Cidade de Paraty* departed the BrasFELS shipyard in Brazil on 16 April 2013 following mechanical completion and is now secured to the anchor lines at the field location offshore. When the subsea risers and umbilicals are connected, testing with hydrocarbons can commence as the final stage before systems acceptance which will, in turn, allow the vessel to be declared on hire.

#### *Share Issue*

In April, the Company strengthened its financial position through a 1 for 10 rights offering of 18,914,221 new ordinary shares, which was taken up for 97.7% by existing shareholders and the remaining 406,776 Offer Shares subscribed and paid for by HAL Investment B.V. (HAL) at € 10.07 per share, raising US\$ 244 million.

In the first quarter the Company received an additional payment of US\$ 27 million from HAL as a result of the announced settlement with Talisman. HAL has paid this additional amount in cash as a share premium contribution on the 17.1 million new ordinary shares it acquired through a private placement on 20 December 2012.

Upon completion of the Rights Offering on 22 April 2013, we were informed that HAL held 28,074,871 ordinary shares in SBM Offshore, representing 13.5% of the issued share capital of the Company.

#### *Sanha LPG FPSO (Angola)*

Ownership of Sanha LPG FPSO has been transferred to the client on 2 May 2013, at the end of the lease period as per contract.

### **Outlook and Guidance 2013**

The Company confirms its outlook to generate turnover growth of approximately 8%, to US\$ 4 billion in 2013, of which US\$ 3 billion for the Turnkey and US\$ 1 billion for the Lease and Operate segments respectively.

### **Conference Call**

Management of SBM Offshore will be available to discuss the contents of this press release in a conference call at 8:30 hrs (CET) on Thursday 23 May 2013.

Dial-in number: + 31 (0) 20 531 58 71

Replay number: + 31 (0) 10 29 44 210 (available for 48 hours)

Replay Conference ID Code: 1197815 #

The call will be hosted by Bruno Chabas, CEO, Peter van Rossum, CFO and Sietze Hepkema, CGCO.

<b>Financial Calendar</b>	<b>Date</b>	<b>Year</b>
Half-year Results 2013 - Press Release (18.00 CET)	07-Aug	2013
Half-year Results 2013 - Analysts Presentation (19:00 CET)	07-Aug	2013
Trading Update Q3 2013 - Press Release (07.30 CET)	14-Nov	2013

### **Corporate Profile**

SBM Offshore N.V. is a listed holding company that is headquartered in Schiedam. It holds direct and indirect interests in other companies that collectively with SBM Offshore N.V. form the SBM Offshore group ("the Company").

SBM Offshore provides floating production solutions to the offshore energy industry, over the full product life-cycle. The Company is market leading in leased floating production systems with multiple units currently in operation, and has unrivalled operational experience in this field. The Company's main activities are the design, supply, installation and operation of Floating Production, Storage and Offloading (FPSO) vessels. These are either owned and operated by SBM Offshore and leased to its clients or supplied on a turnkey sale basis.



Group companies employ over 7,400 people worldwide, who are spread over five execution centres, eleven operational shore bases, several construction yards and the offshore fleet of vessels. Please visit our website at [www.sbmoffshore.com](http://www.sbmoffshore.com).

The companies in which SBM Offshore N.V. directly and indirectly owns investments are separate entities. In this communication "SBM Offshore" is sometimes used for convenience where references are made to SBM Offshore N.V. and its subsidiaries in general, or where no useful purpose is served by identifying the particular company or companies.

The Board of Management  
Schiedam, 23 May 2013

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#### **Disclaimer**

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