



SBM OFFSHORE N.V. HALF-YEAR RESULTS 2010 SOUND PERFORMANCE AND RECORD ORDER BACKLOG

Highlights

- Turnover for the half-year at US\$ 1.4 billion (H1 2009: US\$ 1.4 billion);
- EBIT increased by 14% compared to H1 2009;
- Net profit for the half-year at US\$ 92.5 million (H1 2009: US\$ 95.5 million) includes a non-cash US\$ 21 million mark to market hedging loss;
- Total order backlog at 30 June 2010 at US\$ 10.9 billion (H1 2009: US\$ 8.2 billion);
- A new five year revolving credit facility increased to US\$ 750 million;
- Letter of Intent from Petrobras for a 20 year lease of the FPSO Cidade de Paraty for the Tupi Nordeste field in Brazil.

Tony Mace, CEO of SBM Offshore: "The first half of 2010 has seen some important new orders, continuing robust performance of the SBM Offshore fleet, and progress on ongoing projects. The results during this period reflect a sound performance by the Company, with a new record order backlog. The market for new projects has been increasing as expected, and although the long term impact of the Macondo accident in the Gulf of Mexico is uncertain, we remain optimistic that the market conditions will allow continued growth of the Company."

Outlook Full Year 2010

- Turnover in the same range as 2009; fully secured by current backlog;
- EBIT margin from Turnkey Systems solidly within 5%-10% range;
- EBIT margin from Turnkey Services within 15%-20% range;
- Lease and Operate EBIT contribution below 2009 level.

Key Figures

US\$ million	H1 2010	H1 2009	Change
Turnover	1,378.4	1,435.3	- 4.0%
EBITDA	293.5	291.5	0.7%
EBIT	146.0	128.3	13.8%
Profit	92.5	95.5	- 3.1%
EBIT margin	10.6%	8.9%	19.1%
Investments in fixed assets	282.5	354.6	- 20.3%



1. Half-Year Results

The profit after tax for SBM Offshore N.V. for the first six months of 2010 was US\$ 92.5 million (US\$ 0.47 per share) compared with US\$ 95.5 million (US\$ 0.62 per share) at half-year 2009.

Net profit includes a non-cash mark to market loss of US\$ 21 million on the interest rate swap entered into in 2007 relating to the financing of the Deep Panuke platform. Part of this hedge relationship has become ineffective under IAS 39 rules obliging the Company to recognise the negative market value at 30 June 2010 within the net financing costs in the consolidated income statement rather than directly to equity. In 2009 non-recurring items amounted to a net loss of US\$ 7 million, being a US\$ 32 million post-tax gain on the sale of the Turkmenistan MOPU/FSO (Turnkey Systems segment) and a US\$ 39 million impairment on the MOPUstor™ for Talisman's Yme field (Lease and Operate segment).

Consolidated turnover for the first six months of 2010 was US\$ 1,378.4 million compared with US\$ 1,435.3 million for half-year 2009. Turnkey Systems represents 63%, Turnkey Services represents 9% and Lease and Operate represents 28%, which was also the case in 2009.

EBITDA for the first six months of 2010 was US\$ 293.5 million (US\$ 1.77 per share) compared with US\$ 291.5 million (US\$ 1.99 per share) at half-year 2009.

EBIT for the first six months of 2010 was US\$ 146.0 million (US\$ 0.88 per share) compared with US\$ 128.3 million (US\$ 0.88 per share) at half-year 2009. Within the Turnkey Systems segment, significant charges were recorded to establish provisions for the forecasted completion of the three drilling rigs and for a heavy lift crane project.

Segmental EBIT margins for the first six months of 2010 are from Lease and Operate 22.0% compared to 17.6% at mid-year 2009; from Turnkey Systems at 5.7% compared to 3.3% at mid-year 2009 and for Turnkey Services at 20.8% (of total segment turnover including intercompany) compared to 26.3% for half-year 2009.

Net debt at 30 June 2010 amounted to US\$ 1,763 million (31 March 2010 amounted to US\$ 1,606 million), with cash and cash equivalent balances of US\$ 177 million and committed, undrawn, long-term bank facilities of US\$ 540 million. Net gearing amounts to 102%, higher than year end 2009 (81%) due largely to the timing of turnkey project milestone payments and the reduction in market value of the foreign exchange and interest rate hedge portfolio.

Net debt to EBITDA on a rolling 12 month basis at 30 June 2010 amounted to 2.87 compared with 2.39 at 31 December 2009. All banking covenants were comfortably met.

The Company completed the refinancing and expansion of its existing revolving credit facility of US\$ 500 million to a new US\$ 750 million facility. The targeted syndication to a select group of banks found very strong interest and led to a substantial oversubscription. The margin over Libor is variable, depending upon a Net Debt / EBITDA grid which has a minimum level of 95 bps and maximum of 190 bps.

Capital expenditure in the first six month of 2010 amounted to US\$ 283 million (US\$ 355 million for half-year 2009).

Order intake for the first six months amounted to US\$ 2,279 million. Backlog at 30 June 2010 totals US\$ 10.9 billion of which approximately US\$ 1.6 billion is expected to be executed in the remainder of 2010 and approximately US\$ 1.9 billion in 2011.



2. Market Outlook

The Macondo accident in the Gulf of Mexico has not impacted ongoing operations on the Thunder Hawk Semi-submersible production facility and production has continued as normal. The effects of the current drilling moratorium will delay some new prospects and projects in the region, and the extent of this delay remains uncertain.

Outside of the Gulf of Mexico, the general market outlook is currently buoyant, with an high level of bidding activity and increasing demand for the Company's products worldwide, leading the Company to remain optimistic for continued growth.

The Brazilian deepwater projects in the pre-salt oilfields are technically very challenging, and the Company is pleased to have recently started our first pre-salt oil production at the Cachalote field in Brazil, on the relocated FPSO Capixaba. The Company's experience of performing a large part of the P57 FPSO construction in Brazil has helped us secure a major new lease FPSO project for the Tupi Nordeste field. The Company believes that this region as well as West Africa, where the Company also has a strong presence, will continue to be of prime importance in the coming years.

The LNG FPSO market is showing signs of gaining momentum, and the Company is pleased to be actively involved in pre-project work for several LNG FPSO vessels. The coming year should see the industry's first major LNG FPSO being sanctioned and entering the EPC phase, and the Company believes it is well positioned to play a significant role in this sector.

3. Portfolio Development

3.1 Lease and Operate

The portfolio developed over the first six months of 2010 as follows:

- An extension of one year for the lease and operate contract of the FPSO Xikomba from ExxonMobil in Angola, subject to a three months notice cancellation provision;
- An extension of one year for the lease and operate contract of the FPSO Kuito from Chevron in Angola;
- An extension of one year for the operating contract of the FPSO Serpentina from ExxonMobil in Equatorial Guinea;
- An extension of five years with options for a further five years for the lease and operate contract of the LPG FSO NKOSSA II from Total E&P in Congo;
- An extension of one year for the operating contract of the FSO Unity from Total in Nigeria.



3.2 Turnkey Systems and Turnkey Services

The most significant awards during the first six months of 2010 included:

- A Letter of Intent from Petrobras Netherlands B.V. and Petroleo Brasileiro S.A. – Petrobras as Operator of the Consortium BM-S-11, established by companies Petrobras (65%), BG E&P do Brasil LTDA (25%), and Petrogal Brasil LTDA (10%) for a twenty year charter and operation of the FPSO Cidade de Paraty for the Tupi Nordeste development in the Santos pre-salt area, offshore Brazil;

This project is reported financially as a Turnkey Systems sale of the FPSO to the joint venture which will own the unit; where SBM's partners are Queiroz Galvão Óleo e Gás S.A., Nippon Yusen Kabushiki Kaisha (NYK), and Itochu Corporation;

- A contract for the design of two windmill installation jack-up vessels including the supply of the continuous jacking systems and large 800 ton offshore cranes that will be fitted on these vessels;
- Variation orders on several contracts;
- In Turnkey Services the order portfolio is developing better than expected with orders for eight CALM buoys, swivel stacks, offshore contracting and other services related orders;
- Several FEED studies for production facilities and turrets, some of which are expected to lead to hardware orders.

4. Operations

Brazil

The FPSO Capixaba upgrade project has been successfully completed and has commenced oil production on the Cachalote field for Petrobras following relocation from the Golfinho field and upgrade work.

The Petrobras P-57 FPSO topsides integration and commissioning activities at BrasFELS yard are progressing in line with the schedule with all topsides modules now safely lifted onto the unit.

Engineering and procurement work is progressing on the FPSO Espadarte relocation project to the Baleia Azul field. It is expected that the FPSO will be disconnected from its current location in 2011 and will be towed to Singapore for the conversion and upgrade work, with first oil at Baleia Azul in 2012.

Singapore

The Woodside FPSO Okha construction works are advancing according to plan at Keppel shipyard with completion scheduled close to year-end, in line with expectations.

The FPSO Aseng project is proceeding in accordance with the Company's plans with the vessel refurbishment ongoing at the Keppel yard and good progress on procurement of equipment.

The FPSO Cidade de Paraty project for Tupi Nordeste is in progress with engineering activities and procurement of long lead equipment as per schedule. The vessel has already arrived at Keppel shipyard to start refurbishment work.



Abu Dhabi

The MOPUstor™ for Talisman's Yme field has been completed in Abu Dhabi and is in transit to Norway on a heavy lift vessel. On arrival in Norway the jack-up legs will be fitted inshore and subsequently the unit will be installed offshore.

The semi submersible drilling rigs construction and commissioning is progressing with some delays on the units. The first two rigs are now expected to be completed later this year and the third rig in 2011. The cost provisions mentioned in Section 1 take the revised schedules into account.

The construction of the Deep Panuke platform for EnCana is in the assembly stage in the dry dock with completion and load out of the unit scheduled around the end of the year.

5. Outlook Full Year 2010

The Company's previously announced outlook is updated as follows:

- Turnover to be in the same range as 2009, which will be achieved from the orders in hand as at 30 June 2010;
- Average EBIT margin in the Turnkey Systems segment is still expected to be solidly within the 5% - 10% range;
- Turnkey Services average EBIT margin is still expected to be within the 15% - 20% range;
- 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, lower expected operating bonuses and no new addition to the operating fleet in 2010;
- Excluding the mark to market loss of US\$ 21 million recognised at 30 June 2010, net interest charge will exceed the 2009 level by up to 10%.
- Capital expenditure, excluding any new operating lease contracts to be obtained in 2010 and including variation orders on ongoing projects, is expected to amount to around US\$ 0.6 billion;
- Net gearing at year-end 2010 is expected to return below 100%, with all financial ratios well within banking covenants.

6. Risk Management

In the 2009 Annual Report, in the section Report of the Board of Management, under Risk Management, SBM Offshore's risk management policies have been described and main risk factors have been categorised under strategic, operational, financial reporting and legal compliance risks.

In the Company's view, other than as set out in this press release and the 2009 Annual Report, the nature and potential impact of these risk categories on the business are not expected to be materially different for the second half of 2010.



7. Statement of Compliance

Mr. A. Mace, CEO of SBM Offshore N.V. and Mr. M. Miles, CFO of SBM Offshore N.V., hereby declare that, to the best of their knowledge, the condensed consolidated interim financial statements, which have been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of SBM Offshore N.V. and the undertakings included in the consolidation as a whole, and the semi-annual management report includes a fair review of the information required pursuant to section 5:25d, subsections 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

8. Financial Agenda

Half-year Results 2010 - Press Release (07.30 CET)	18 August	2010
Half-year Results 2010 - Analysts Presentation (12.00 CET Amsterdam)	18 August	2010
Trading Update Q3 2010 - Press Release (07.30 CET)	10 November	2010
Full-year Results 2010 - Press Release (07.30 CET)	4 March	2011
Full-year Results 2010 - Analysts Presentation	4 March	2011
Publication Annual Report and agenda Annual General Meeting of Shareholders	25 March	2011
Trading Update Q1 2011 - Press Release (07.30 CET)	5 May	2011
Annual General Meeting of Shareholders (Rotterdam)	5 May	2011
Half-year Results 2011 - Press Release (07.30 CET)	18 August	2011
Half-year Results 2011 - Analysts Presentation (Amsterdam)	18 August	2011
Trading Update Q3 2011 - Press Release (07.30 CET)	17 November	2011

9. Analyst Presentation

The Analysts Presentation will be webcast via the SBM Offshore website (www.sbmoffshore.com) at 12h00 CET on Wednesday 18 August 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 224 and the replay number, available for 48 hours, is +31 10 2944 210, replay code: 18 12 15#.

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



10. Corporate Profile

The Dutch public 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 the Company;
- 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, 18 August 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.



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SBM Offshore N.V. – Consolidated income statement

For the 6 months ended 30 June 2010 and 30 June 2009

In thousands of US Dollars

	Notes	2010	2009*
Revenue	7	1,378,407	1,435,274
Cost of Sales		(1,157,790)	(1,232,748)
Gross Margin	7	220,617	202,526
Other operating income		546	834
Selling and marketing expenses	7	(22,466)	(27,712)
General and administrative expenses	7	(43,571)	(36,883)
Research and development expenses	7	(9,107)	(10,479)
Operating profit (EBIT)		146,019	128,286
Net financing costs	8	(51,585)	(30,514)
Share of profit of associates		-	186
Profit before income tax		94,434	97,958
Income tax expenses		(1,953)	(2,484)
Profit for the period		92,481	95,474

*restated for comparison purposes

Profit attributable to:	2010	2009
Shareholders of the Company	77,593	90,329
Non-controlling interests	14,888	5,145
Profit for the period	92,481	95,474

Earnings per share	9	2010	2009
Weighted average number of shares outstanding		165,543,729	146,256,570
Basic earnings per share	USD	0.47	USD 0.62
Fully diluted earnings per share	USD	0.47	USD 0.62



SBM Offshore N.V. – Consolidated statement of comprehensive income

For the 6 months ended 30 June 2010 and 30 June 2009

In thousands of US Dollars

	2010	2009
Profit for the period	92,481	95,474
Other comprehensive income		
Cash flow hedges, net of tax	(130,032)	109,904
Foreign currency translation differences, net of tax	(23,375)	(3,566)
Total other comprehensive income for the period, net of income tax	(153,407)	106,338
Total of comprehensive income for the period	(60,926)	201,812
	2010	2009
Total comprehensive income attributable to:		
Shareholders of the Company	(75,767)	196,556
Non controlling interests	14,841	5,256
Total of comprehensive income for the period	(60,926)	201,812



SBM Offshore N.V. – Consolidated statement of financial position

In thousands of US Dollars

	Notes	30 June 2010	31 December 2009
ASSETS			
Property, plant and equipment	10	2,917,043	2,830,302
Intangible assets		63,944	61,421
Investment in associates		39	46
Other financial assets		354,410	377,234
Deferred tax assets		13,317	13,087
Total non-current assets		3,348,753	3,282,090
Inventories		27,704	25,763
Trade and other receivables		657,685	681,562
Current tax assets		5,940	3,014
Construction contracts		589,314	458,234
Derivative financial instruments		48,786	61,106
Cash and cash equivalents		176,667	146,712
Total current assets		1,506,096	1,376,391
TOTAL ASSETS		4,854,849	4,658,481
EQUITY AND LIABILITIES			
Share capital		51,728	58,963
Share premium reserve		656,629	632,963
Retained earnings		1,242,457	1,216,343
Other reserves		(250,417)	(105,652)
Total equity attributable to equity holders of the Company		1,700,397	1,802,617
Non controlling interests		29,037	14,215
Total equity	11	1,729,434	1,816,832
Loans and borrowings	12	1,566,096	1,282,468
Provisions		41,357	43,924
Deferred tax liabilities		897	1,048
Total non current liabilities		1,608,350	1,327,440
Trade and other payables		856,915	1,005,421
Current tax liabilities		7,327	8,431
Loans and borrowings	12	373,180	328,237
Derivative financial instruments		279,643	172,120
Total current liabilities		1,517,065	1,514,209
TOTAL EQUITY AND LIABILITIES		4,854,849	4,658,481



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

In thousands of US Dollars

	Attributable to shareholders					Total	Non-	Total
	Oustanding number of shares	Share capital	Share premium reserve	Retained earnings	Other reserves		controlling interests	
At 1 January 2009	145,613,988	50,885	383,274	1,053,780	(253,211)	1,234,728	6,207	1,240,935
Profit for the year		-	-	90,329	-	90,329	5,145	95,474
Foreign currency translation differences		572	-	(683)	(3,566)	(3,677)	111	(3,566)
Cash flow hedges/net investment hedges		-	-	-	109,904	109,904	-	109,904
Comprehensive income for the period		572	-	89,646	106,338	196,556	5,256	201,812
Share based payment transactions		-	-	4,982	-	4,982	-	4,982
Stock dividends	4,221,744	1,409	(1,409)	-	-	-	-	-
Share options/bonus shares exercised	582,622	194	7,182	-	-	7,376	-	7,376
Dividends to equity holders		-	-	(67,071)	-	(67,071)	-	(67,071)
At 30 June 2009	150,418,354	53,060	389,047	1,081,337	(146,873)	1,376,571	11,463	1,388,034
At 1 January 2010	164,459,980	58,963	632,963	1,216,343	(105,652)	1,802,617	14,215	1,816,832
Profit for the year		-	-	77,593	-	77,593	14,888	92,481
Foreign currency translation differences		(8,595)	-	-	(14,733)	(23,328)	(47)	(23,375)
Cash flow hedges/net investment hedges		-	-	-	(130,032)	(130,032)	-	(130,032)
Comprehensive income for the period		(8,595)	-	77,593	(144,765)	(75,767)	14,841	(60,926)
Share based payment transactions		-	-	7,719	-	7,719	-	7,719
Stock dividends	2,628,848	871	(871)	-	-	-	-	-
Share options/bonus shares exercised	1,474,480	489	24,537	(753)	-	24,273	-	24,273
Dividends to equity holders		-	-	(58,445)	-	(58,445)	(19)	(58,464)
At 30 June 2010	168,563,308	51,728	656,629	1,242,457	(250,417)	1,700,397	29,037	1,729,434



SBM Offshore N.V. - Condensed consolidated statement of cash flows

In thousands of US Dollars

	6 months ended 30 June 2010	6 months ended 30 June 2009*
Cash flow from operating activities	69,345	183,636
Cash flow from investing activities	(278,021)	(353,336)
Cash flow from financing activities	<u>247,084</u>	<u>130,635</u>
Net increase in cash and cash equivalents	38,408	(39,065)
Cash and cash equivalents at 1 January	146,712	230,137
Currency differences	<u>(8,453)</u>	<u>2,571</u>
Cash and cash equivalents end of period	<u>176,667</u>	<u>193,643</u>

*The 2009 figures have been restated for comparison purposes.



SBM Offshore N.V. - notes to the condensed consolidated interim financial statements

1. General information

SBM Offshore N.V. is a company domiciled in Rotterdam, The Netherlands. The condensed consolidated interim financial statements as of and for the six months ended 30th June, 2010 comprise the interim financial statements of SBM Offshore N.V. and its subsidiaries (together referred to as the 'Company') and the Company's interest in associate and jointly controlled entities.

The Company serves the world wide offshore oil and gas industry by supplying engineered products, vessels and systems, as well as offshore oil and gas production services. The Company has its primary listing on the Euronext Amsterdam stock exchange.

2. Statement of compliance

The condensed consolidated interim financial statements as of and for the six months ended 30th June, 2010 have been prepared in accordance with IAS 34, "Interim financial reporting," as adopted by the European Union. The condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31st December, 2009, which have been prepared in accordance with International Financial Reporting Standards (IFRS) along with the interpretations adopted by the EU.

The condensed consolidated interim financial statements are presented in US Dollars, rounded to the nearest thousand.

This condensed consolidated interim financial information was approved for issue by the Board of Directors on 17 August 2010, and has been reviewed by the Company's external auditor, but not audited.

3. Seasonality and cyclicity

The condensed consolidated interim financial statements are not materially impacted by either seasonality or cyclicity of operations.

4. Significant accounting policies

The accounting policies adopted in preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company annual financial statements for the year ended 31st December, 2009. The consolidated financial statements of the Company as at and for the year ended 31 December 2009, are available upon request or can be downloaded on the Company's website.

During the first half of the year 2010, there has been no change in the IFRS accounting principles applicable to the Company.

The cash flow statement for the 6 months ended 2009 has been restated for comparison purposes:

- Interest paid and Interest received are now presented as cash flows from Financing activities, instead of Investing activities.
- Receipts of finance lease contracts are now presented as cash flows from Operating activities, instead of Financing activities.

The cash flow statement for the 6 months ended 2010 presents cash calls received from Joint Venture partners in fully consolidated subsidiaries as cash flows from Financing activities.



5. Estimates

The preparation of interim financial statements requires management to make judgments, estimates, and assumptions which affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as of and for the year ended 31st December, 2009.

6. Financial Risk Management

All aspects of the Company's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as of and for the year ended 31st December, 2009.

7. Operating segments

The Company's reportable segments are identified as follows:

- Lease and operate
- Turnkey systems
- Turnkey services
- Other (This category consists of corporate overhead functions and other units.)

Certain Corporate functions were, on the 30th June, 2009 and prior to such date, included within the Operating Unit cost structure and not reclassified for external reporting purposes. Such reclassification was implemented for the 2009 consolidated financial statements with restatement of intermediate periods for comparison purposes.

In addition, the allocation of IFRS2 "Share based payments" to the various segments has been changed during the course of 2009. The costs were previously allocated to the general and administrative expenses and are, with the new principle, charged to the segment in which the employees work. The comparative 2009 figures are adjusted accordingly. The change impacted neither the equity nor the profit reported in the 2009 Condensed Interim Financial Statements.



Period ending 30 June 2010:
In thousands of US dollars

	Lease and Operate	Turnkey Systems	Turnkey Services	Other	Eliminations & adjustments	Consolidated
<i>Revenue</i>						
Third party	391,668	862,151	124,588	-	-	1,378,407
Inter-segment	-	208	9,707	-	(9,915)	-
Total revenue	391,668	862,359	134,295	-	(9,915)	1,378,407
<i>Profit</i>						
Gross margin	97,162	89,668	33,362	-	425	220,617
Other operating income	14	913	-	44	(425)	546
Selling and marketing expenses	(5,007)	(15,073)	(2,386)	-	-	(22,466)
General and administrative expenses	(4,568)	(19,477)	(2,284)	(17,242)	-	(43,571)
Research and Development expenses	(1,375)	(7,024)	(708)	-	-	(9,107)
EBIT	86,226	49,007	27,984	(17,198)	-	146,019
Net financing costs						(51,585)
Income tax expense						(1,953)
Share of profit of associates						-
Profit for the period						92,481
<i>EBITDA</i>						
EBIT	86,226	49,007	27,984	(17,198)	-	146,019
Depreciation, amortization, and impairment	134,536	8,491	3,911	505	-	147,443
EBITDA	220,762	57,498	31,895	(16,693)	-	293,462
<i>Other segment information</i>						
Impairment charges	-	-	-	-	-	-
Capital expenditure	259,841	4,974	13,354	4,340	-	282,509



Period ending 30 June 2009 (restated for comparison purposes):
In thousands of US dollars

	Lease and Operate	Turnkey Systems	Turnkey Services	Other	Eliminations & adjustments	Consolidated
<i>Revenue</i>						
Third party	408,265	904,840	122,169	-	-	1,435,274
Inter-segment	-	-	30,426	-	(30,426)	-
Total revenue	408,265	904,840	152,595	-	(30,426)	1,435,274
<i>Profit</i>						
Gross margin	81,910	72,504	48,112			202,526
Other operating income	634	93	-	107	-	834
Selling and marketing expenses	(4,922)	(18,443)	(4,279)	(68)	-	(27,712)
General and administrative expenses	(3,880)	(17,438)	(1,940)	(13,625)	-	(36,883)
Research and Development expenses	(1,697)	(7,043)	(1,697)	(42)	-	(10,479)
EBIT	72,045	29,673	40,196	(13,628)	-	128,286
Net financing costs						(30,514)
Income tax expense						(2,484)
Share of profit of associates						186
Profit for the period						95,474
<i>EBITDA</i>						
EBIT	72,045	29,673	40,196	(13,628)	-	128,286
Depreciation, amortization, and impairment	153,176	6,128	3,405	462		163,171
EBITDA	225,221	35,801	43,601	(13,166)	-	291,457
<i>Other segment information</i>						
Impairment charges	(39,057)	-	-	-	-	(39,057)
Capital expenditure	326,014	23,290	1,513	3,744	-	354,561



8. Net financing costs

In thousands of US dollars

	6 months ended 30 June 2010	6 months ended 30 June 2009
Interest income	3,401	5,441
<i>Financial income</i>	<i>3,401</i>	<i>5,441</i>
Interest expenses	(32,405)	(29,965)
Net forex exchange loss	(740)	(2,237)
Net ineffective portion in fair value of cash flow hedge	(21,827)	(3,324)
Other financial expense	(14)	(429)
<i>Financial expenses</i>	<i>(54,986)</i>	<i>(35,955)</i>
Net financing costs	(51,585)	(30,514)

The 'Net ineffective portion in fair value of cash flow hedge' for the 6 months ended 30 June 2010 essentially relates to the market value loss on the interest rate swap for the Deep Panuke project, where part of the hedge has become ineffective due to changes in projected timing and underlying borrowings.

9. Earnings per share

The basic earnings per share for the period amount to US\$ 0.47 (2009: US\$ 0.62). The fully diluted earnings per share amount to US\$ 0.47 (2009: US\$ 0.62).

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted earnings per share amounts are calculated by dividing the net profit attributable to shareholders of the Company by the weighted average number of shares outstanding during the period plus the weighted average number of shares that would be issued on the conversion of all the dilutive potential shares into ordinary shares.

The following reflects the share data used in the basic and diluted earnings per share computations:

	6 months ended 30 June 2010	6 months ended 30 June 2009
Number of shares outstanding 1 January	164,459,980	145,613,988
Stock dividend	682,629	489,816
New share issue	401,120	152,766
Weighted average number of shares	165,543,729	146,256,570
Potential dilutive shares from stock option scheme and other share-based payments	1,087,653	411,859
Weighted average number of shares (fully diluted)	166,631,382	146,668,429



10. Property, Plant and Equipment

The total movement in property, plant and equipment is as follows:
(in thousands of US dollars)

	6 months ended 30 June 2010	12 months ended 31 December 2009
Book value 1 January	2,830,302	2,565,388
Additions	277,589	639,121
Disposals	(187)	(59,611)
Depreciation	(146,091)	(278,268)
Impairment charge	-	(40,098)
Exchange rate differences	(14,512)	2,809
(De)consolidation and other movements	(30,058)	961
<i>Movements during the year</i>	86,741	264,914
Book value 30 June / 31 December	2,917,043	2,830,302

Acquisition and Disposals

During the first 6 months of 2010, the Company did not sell any units from its fleet nor buy any new vessels.

During the first 6 months of 2009, Petronas Carigali exercised its purchase option over the MOPU and FSO facilities (MOPU/FSO Oguzhan) operating in Turkmenistan. The execution of the purchase option generated a non-recurring turnover of US\$ 51.5 million, and a post-tax profit of around US\$ 32 million, included in the Turnkey systems segment, and cash flow resulting from this transaction was included in the cash flow from operating activities.

At the end of June 2010, the amount shown under “(De)consolidation and other movements” corresponds to the allocation of one vessel to Construction contracts.

Impairment loss

During the first 6 months of 2010, the Company did not record any impairment charges.

During the first 6 months of 2009, the Company recorded an impairment charge in the lease segment. This was related to the reduction of the carrying amount to its recoverable amount of one of the lease units under construction.



11. Equity attributable to shareholders

Share capital

The authorized share capital amounts to € 100,000,000 divided into 200,000,000 ordinary shares each of € 0.25 and 50,000,000 preference shares, each of € 1. During the period up to and including 30 June 2010 1,328,153 (30 June 2009: 568,400) new ordinary shares were issued in respect of employee share options; 2,628,848 (30 June 2009: 4,221,744) new ordinary shares in respect of stock dividend, and 146,327 (30 June 2009: 14,222) new ordinary shares in respect of the share based part of the bonus. The total number of ordinary shares outstanding at 30 June 2010 was 168,563,308 (30 June 2009: 150,418,354).

Dividends paid

The dividend relating to the year ending 31 December 2009 amounted to US\$ 0.67 per share, and at the option of the shareholders was payable in cash or in shares. This resulted in a cash dividend of € 0.49 per ordinary share or a stock dividend of 2 new ordinary shares for 57 existing ordinary shares. The payment of dividends took place the 14th of May 2010 and resulted in a cash outflow of US\$ 58.4 million.

12. Loans and Borrowings

Loans and other liabilities comprise interest bearing bank loans, other loans and deferred income. The breakdown is as follows:

In thousands of US dollars

	As at 30 June 2010	As at 31 December 2009
Interest bearing bank loans and borrowings	1,792,469	1,540,390
Other loans	109,861	45,681
Deferred income	36,946	24,634
Remaining principal	1,939,276	1,610,705
Less: short term portion	(373,180)	(328,237)
Long term portion 30 June / 31 December	1,566,096	1,282,468

The movement of the interest bearing bank loans and borrowings is as follows:

	6 months ended 30 June 2010	12 months ended 31 December 2009
Long term portion	1,217,395	1,349,983
Add: short term portion	322,995	255,187
Remaining principal 1 January	1,540,390	1,605,170
Additions	412,826	494,443
Redemptions	(160,747)	(559,223)
Movements during the period	252,079	(64,780)
Remaining principal	1,792,469	1,540,390
Less: short term portion	(330,026)	(322,995)
Long term portion 30 June / 31 December	1,462,443	1,217,395

In June 2010, the Company completed the refinancing and expansion of its existing revolving credit facility of US\$ 500 million to a new US\$ 750 million facility.



13. Related party disclosures

During the six months period ended 30 June 2010, no major related-party transactions took place that should be disclosed in these consolidated interim financial statements.

With respect to the remuneration of key management personnel and Supervisory Board of the Company, no major increases or decreases compared with the remuneration disclosed in the 2009 financial statements were recorded during the period ended 30 June 2010. The expenses recognized with respect to share based payments are US\$ 7.7 million (2009: US\$ 5.0 million).

14. Subsequent events

No major subsequent event took place that should be disclosed in these interim financial statements.



Report on review of condensed consolidated interim financial statements

To: The Supervisory Board and Board of Management of SBM Offshore N.V.

Review report

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements for the six month period ended 30 June 2010 ('the consolidated interim financial statements'), of SBM Offshore N.V., Rotterdam, which comprise the consolidated statement of financial position as at 30 June 2010, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, condensed consolidated statement of cash flows and the selected explanatory notes for the six month period then ended. Management is responsible for the preparation and presentation of the consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on the interim financial statements based on our review.

Introduction

We conducted our review in accordance with Dutch law including standard 2410, "Review of Interim Financial Information Performed by the Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements as at 30 June 2010 are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

Rotterdam, 17 August 2010

KPMG ACCOUNTANTS N.V.

J.C.M. van Rooijen RA