MINUTES
of the General Meeting of SBM Offshore N.V. ("SBM Offshore" or the "Company"),
held on 6 April 2016 at 2:30 pm at the Hilton Hotel at Schiphol

A total of 132,630,774 ordinary shares were represented at the meeting. This represented 62.51% of the total issued share capital out of a total of 212,173,814 issued ordinary shares.

1 Opening

The Chairman opened the meeting and welcomed all those present. The external auditor, PricewaterhouseCoopers Accountants N.V., was represented at the meeting by Mr Jansen. The meeting was held in English as decided in an extraordinary meeting of shareholders on 11 February 2005. Simultaneous interpreting facilities were available. All the members of the Supervisory Board and the Management Board and the Company Secretary, Ms Van Nood, were present. The minutes were taken by Mr Van Olffen and Ms Snijder-Kuipers, notary and candidate notary of De Brauw Blackstone Westbroek. Mr Roelvink and Mr De Keijzer (who was involved in the internal investigation), partners of De Brauw Blackstone Westbroek, were also present. The meeting was recorded on audiotape for the purpose of minuting. The electronic voting system was used.

The agenda with attachments for this meeting was published on 24 February 2016 on Securities Info, ABN AMRO E-voting and the Company’s website. The agenda with attachments, the annual report and the consolidated financial statements were made available free of charge at the offices of the Company, at the office of ABN AMRO in Amsterdam and on the website of the Company. They were sent to those shareholders who requested hard copies. There were no requests from shareholders holding 1% or more of the ordinary shares to include additional items on the agenda. The registration date to attend this AGM was 9 March 2016. Registration for this meeting was possible until 30 March 2016. In accordance with the Dutch Corporate Governance Code, the draft minutes of last year’s AGM were posted on the Company’s website within three months after that meeting. No comments were received. The minutes were subsequently adopted and posted on the Company’s website. For the minutes of the Extraordinary General Meeting on 4 November 2015 the same procedure is followed.

All the legal and statutory requirements had been satisfied. The AGM had the authority to adopt resolutions as per the meeting agenda. As of the registration date, the total issued share capital of the Company was EUR 53,043,453.50 or 212,173,814 ordinary shares with an equal number of voting rights.

The Chairman stated that the year 2015 had been challenging. Low oil prices led to continued postponement of client investment decisions. Discussions with Brazilian authorities progressed but had not yet led to a final settlement. SBM Offshore’s revenue and net debt reduction over 2015 are in line with expectations. The Company is generating a positive cash flow. After five years, a cash dividend payment of USD 0.21 per share was proposed at this meeting.

The Brazilian Public Prosecutor, on 17 December 2015, announced that his office was pressing charges against various individuals, including SBM Offshore’s CEO Mr Chabas and Supervisory Board member Mr Hepkema. The allegations against Mr Chabas and Mr Hepkema have been settled (press release 25 January 2016).

2. Report of the Management Board for the financial year 2015 (information)

Mr Chabas, SBM Offshore’s Chief Executive Officer ("CEO"), informed the meeting of the Company’s performance, financial results and the outlook for the upcoming year.

Mr Lagendijk, the Company’s Chief Governance and Compliance Officer ("CGCO") provided an explanation of the discussions with Brazilian authorities and Petrobras, whereas the Company is providing US$245 million for a possible settlement. Mr Lagendijk mentioned that on December 17, 2015 the Brazilian Public Prosecutor’s Office made allegations regarding several people in Brazil and abroad, including a number of current and former employees of the Company, of whom one is a U.S. citizen. The United States Department of Justice has informed SBM Offshore that it has re-opened its past inquiry of the Company and has made information requests in connection with that inquiry. Mr Lagendijk explained that the Company
remains committed to closing out the discussions on this compliance issue which the Company self-reported to the authorities in 2012 and for which it reached a settlement with the Dutch Public Prosecutor in 2014.

FY 2015 Review

Mr Chabas provided an overview of the oil market outlook, showing a level of uncertainty and volatility. The outlook shows a long-term energy demand growth and a rebalancing of energy supply and demand. The expected demand for activities in deep water are explained, whereas the main fields are in Brazil, the Gulf of Mexico and Western Africa. The low oil price has resulted in a drop of FPSO orders, since final investment decisions are tied to the price of oil. The years 2016 and 2017 are likely to remain difficult for SBM Offshore. The industry is in the middle of a transformation and reorganisation. For 2016 the expectation is that 1 to 4 FPSOs may be awarded industry wide. It is too early to have a definite view on 2017. The number of FPSOs that may be awarded industry wide in 2017 is estimated between 4 to 7, which is low compared to the past 10 or 15 years.

Mr Chabas explained that today’s challenge relates to making deep water projects competitive at a price of oil of USD 40 to USD 60 per barrel. SBM Offshore is working on standardisation of the Company’s equipment and has launched a project called Fast4Ward. SBM Offshore is working together with other companies (including SBM Offshore’s clients and partners in the industry) to find ways to simplify the field architecture, to reduce the costs of field development and to optimize the supply chain. In the past two years, SBM Offshore has invested in the development of a generic hull. SBM Offshore is in contact with a number of yards for the engineering work on the hull. Fast4Ward will help to standardise projects going forward. SBM Offshore will also be able to standardise the topside of FPSOs and to make products much more cost efficient and deliver them to the market faster once the Fast4Ward program is up and running.

Results

Mr Chabas reported that due to the downturn, SBM Offshore had to go through restructuring. In 2015, SBM Offshore’s workforce was reduced by more than 3,200 people out of which 1,500 were on a short-term contract or in project management and engineering offices. This has led to cost savings of around USD 50 million and is going to lead to ongoing savings of around USD 80 million.

One of the few projects that SBM Offshore was awarded (the Browse Project) has been cancelled, like other projects. SBM Offshore needs to restructure the Company and reduce its workforce further. Part of the plan of 2016 is to reduce the workforce by approximately 400 people worldwide. This will lead to cost savings of approximately USD 30 million and to ongoing savings of approximately USD 40 million.

Mr Chabas explained that although recovery of the market is not foreseen before 2018, SBM Offshore seeks to maintain a level of critical skills inside the Company to position itself for a future market upturn. This will allow SBM Offshore to maintain the know-how built up over the years. SBM Offshore will use this overcapacity to internally develop projects. In financial terms, the bottom line costs of this overcapacity will be in a range of in total USD 150 million over a period of two years.

Mr Chabas explained that financially, SBM Offshore is in a good position. SBM Offshore does not have new (capital) projects that require investment and SBM Offshore’s current lease and operate activities are yielding significant revenues and cash flow. The backlog at the end of 2015 was approximately USD 19 billion, of which USD 18.3 billion in its Lease & Operate activities and USD 500 million in the turnkey business, which is the business being impacted by the downturn in the industry. On the Lease & Operate activities, the cash conversion margin is in a range of 60% to 63%.

Mr Chabas explained that the average unit cost of SBM Offshore’s FPSOs are approximately USD 7 per barrel. SBM Offshore has long-term contracts, for more than USD 18 billion in the Lease & Operate activities with no FPSO contractual renewals until 2022. Reference is made to the Company’s track record for the past few years showing over 99% reliability in SBM Offshore’s production uptime.

Total Overview

The full year financial results 2016 are reported. Directional revenue in the turnkey activity is decreasing and the Lease & Operate activity is increasing, which led to a total revenue of USD 2.6 billion in 2015 which is in line with the guidance SBM Offshore gave for the full year 2015. The exceptional items for 2015 are a release of a provision for agency fees of approximately USD 88 million and a new provision taken for the
Brazilian settlement of USD 245 million. As a result, the directional EBITDA at the end 2015 was USD 718 million which is an increase compared to 2014.

From a balance sheet point of view (IFRS), SBM Offshore's working capital over 2015 has been impacted by a decrease in payables, mainly linked to a payment of USD 70 million to the Dutch authorities for the resolution of the improper sales practices and a release of the aforementioned provision for agency fees. Certain large projects are coming to an end and result in a reduction of payables. Overall, SBM Offshore's working capital decreased with USD 400 million to USD 450 million during 2015.

SBM Offshore realized funding for FPSO Cidade de Saquarema in Brazil and for FPSO Turritella in the Gulf of Mexico. The Cidade de Saquarema project obtained financing for USD 1.5 billion which is the largest project financing SBM Offshore has ever realized. This financing was put in place by the third quarter of 2015. SBM Offshore closed the financing for FPSO Turritella before the end of 2015. The average cost of debt in the full year 2015 was 4.1% compared to 4.2% for the full year 2014.

**Outlook for 2016**

At the beginning of 2016 there were three projects under construction. The first (FPSO Cidade de Maricà) was delivered to Petrobras on 7 February 2016 and has gone into production. FPSOs Cidade de Saquarema and Turritella both are planned to be delivered by the second quarter of 2016. Reference is made to turret projects that all have been delivered.

Based on the performance over 2015, SBM Offshore has decided to propose to pay dividend. The dividend is based on 25% of the restated, underlying net income of the Company. This leads to a payment of dividend of USD 45 million or USD 0.21 per share. This is based on SBM Offshore's results and strong cash flow position.

The revenue guidance for SBM Offshore for the full year 2016 is USD 2 billion, of which USD 600 million to USD 700 million is coming from the turnkey activity. A decrease in the volume of activities in the market is expected. The Lease & Operate activities are expected to increase and are expected to lead to revenues between USD 1.3 and 1.4 billion. SBM Offshore provides guidance for EBITDA for the full year 2016 at USD 750 million. The remaining expected capital expenditure for 2016 is approximately USD 90 million.

**Mr Chabas** concluded that SBM Offshore is in a difficult market environment. There will be a need for oil and gas services in the coming years and SBM Offshore is well-positioned for this need. The Company is investing to decrease the costs of its products and to be competitive. SBM Offshore has a strong financial position and a strong order book. SBM Offshore has delivered as promised over the past few years.

**The Chairman** opened the floor for questions.

**Mr Sisson** asked for information about the differentiating factors that SBM Offshore offers in the future and the competitive advantage that the Company will retain after it has achieved the goal of creating more standard equipment offerings.

**Mr Chabas** stated that standardisation enables SBM Offshore to provide clients with products at reduced costs at the same or higher level of output. Standardisation is based on the know-how of SBM Offshore and its experience over the past 30 years in building and operating FPSOs.

**Mr Stevens** (*Stichting Rechtsbescherming Beleggers*) asked whether cancelling the Browse project would cause additional depreciations and restructuring costs in the course of this year and whether this would affect the expected EBITDA (*first question*). Mr Stevens then asked to what extent SBM Offshore was involved in specific projects between Petrobras and Odebrecht which are currently under investigation by the authorities in Brazil (*second question*). Finally (*third question*) Mr Stevens asked whether further restructuring would take place considering the decrease in turnkey orders.

**Mr Barril**, SBM Offshore's Chief Operating Officer (*"COO"*), replied (*first question*) that the Browse Project concerned three potential turret mooring systems for FLNGs for Australia. This prospect was following the Prelude Project, in which SBM Offshore this year successfully delivered the turret to the yard. In October 2015 SBM Offshore announced the Front-End Engineering and Design (*"FEED"*) project for Browse. Since the Company's projections for 2016 do not take the turnkey contract into account there is no effect on the current guidance.
Mr Lagendijk stated (second question) that SBM Offshore is not involved in the case that led to Mr Odebrecht’s imprisonment.

Mr Van Rossum, SBM Offshore’s Chief Financial Officer (“CFO”), answered (third question) regarding the reduction in the turnkey segment. There is still ongoing activity for the two vessels for Brazil and the FPSO Turritella in the Gulf of Mexico. In addition, SBM Offshore is involved in upgrades and modifications (brownfield) of existing FPSOs. The Company’s offshore contracting business has offshore vessels and provides installation and diving support. SBM Offshore also has a terminals (offshore buoys) business. SBM Offshore is the world’s leading supplier of these buoys. That is also part of the revenue the Company recognises through the turnkey segment.

Mr Van Berkel commented on Mr Chabas’ presentation about standardisation, simplification and supply chain. Mr Van Berkel is of the opinion that SBM Offshore should not be too optimistic about the possible savings. SBM Offshore has a variety of oil companies as a client and according to Mr Van Berkel every oil company has its own preferences (first remark). Mr Van Berkel referred to the 1980s when SBM Offshore reduced its workforce because the market was down and the price of oil was very low. A reduction in salary for the remaining employees was compensated by SBM Offshore shares. Mr Van Berkel suggested taking that option into consideration in order to maintain know-how (second remark). Mr Van Berkel suggested other savings such as reducing the number of Supervisory Board members and the number of offices (third remark).

Mr Chabas commented that Mr Van Berkel seemed to know the oil industry well. Even though every client has its own specific characteristics, clients also recognise the impact of deep water costs on their business model (first remark). SBM Offshore is discussing with clients about the optimal solution in order to develop a field. About the restructuring in personnel, SBM Offshore agrees that know-how of employees is important for the Company (second remark). SBM Offshore is reducing costs as much as possible also in relation to its offices.

The Chairman commented on the number of people in the Supervisory Board, which is eight (third remark). SBM Offshore has a need for a diverse Supervisory Board with people from different nationalities, different regions, and different backgrounds in a technical sense, in governance sense and in financial sense as well as knowledge of the oil industry and governance. In terms of gender diversity, there are three women in the Supervisory Board.

Mr Broenink pointed out that SBM Offshore is an engineering company, a manufacturing company and a leasing company. He indicated that he would like to hear more about SBM Offshore in its capacity as leasing company.

Mr Chabas replied that SBM Offshore is special in the oil services industry in its capacity to do engineering, project management, financing and leasing and operating of vessels.

Mr Van Rossum noted that the lease portfolio generates good returns with long term contracts. SBM Offshore has managed the Lease and Operate portfolio in a way that it adds to the value of the assets. SBM Offshore’s balance sheet is approximately USD 12 billion, which is very significant. A lot of that is carried by joint venture partners, a model that SBM Offshore had been deploying for many years. For example in 2015, Mitsubishi Corporation and NYK, two Japanese companies, together bought 45% of the interest in the FPSO Turritella companies based on a framework agreement with Mitsubishi Corporation. This allows SBM Offshore more projects in terms of balance sheet and funding. Mr Van Rossum also reported the effects on return on equity and the recent funding with the support of export credit agencies.

Mr Smits (Vereniging van Effectenbezitters) mentioned that the VEB had a recent discussion with the management of SBM Offshore. Regarding efficiencies in the supply chain, Mr Smits asked what the influence of lower commodities prices was (first question). The VEB states that the return on capital in recent years was partly explained by the fact that projects are very different. Mr Smits asked how that will be dealt with when moving towards standardisation (second question). The VEB inquired after the risks for the company in case matters from the past, such as the case of Unaoil in Iraq, remain to attract attention. The VEB raised the question whether SBM Offshore could be more open, for example about the settlement that was effected with the Dutch Public Prosecutions Office (“PPO”) in 2014 (third question).

Mr Barril stated that one of the reasons for standardisation (first and second question) is the fact that the industry has been facing increasing costs in the last 10 to 15 years. The current period of low oil prices and slow-down in the industry allows SBM Offshore to think differently. SBM Offshore announced, for example,
that a partnership agreement with General Electric had been signed. This relates to the standardisation ambition, which means that SBM Offshore will be looking not only at standard machines but also at worldwide contracts to maintain those machines. SBM Offshore believes that it can help their clients to reach production costs in the region of the USD 40 to USD 50 per barrel. SBM Offshore also aims at subcontracting engineering and yard activities. Over the last year, SBM Offshore has seen a positive response from many of its customers.

Mr Chabas added that standardisation is important. The delivery of the so-called sister vessels FPSO Cidade de Ilhabela and FPSO Cidade de Maricá shows that by repeating the two similar projects, with similar equipment, SBM Offshore was able to save more than 10% in the delivery from one project to the next based solely on the learning curve. Every FPSO will remain to be different. However, with Fast4Ward SBM Offshore will be able to standardise equipment and to use the learning curve much faster than was the case in past projects.

Mr Lagendijk referred to compliance matters such as the media reports on a company called Unaoil (third question). SBM Offshore is being followed closely by today’s media. Since 2012, SBM Offshore’s management has explicitly chosen to be transparent about its investigation and related matters. SBM Offshore has zero appetite for compliance wrongdoings. SBM Offshore is confident that these situations will not occur as they did in the past. With regard to Iraq, SBM Offshore confirmed in its press release that the Company had done business with Unaoil in the past. There are no ongoing sales services provided by Unaoil. SBM Offshore conducted due diligence on Unaoil, as SBM Offshore regularly does with regard to its activities, and SBM Offshore did not find any irregularities at that time. The situation today, with the media reports, has triggered SBM Offshore to look further into its relationship with Unaoil. That process is ongoing.

The Chairman added from a Supervisory Board perspective that SBM Offshore has continued to have the CGCO in the Management Board. SBM Offshore finds that important. The Supervisory Board values good governance, good controls and compliance. SBM Offshore is one of the very few top 50 companies in the Netherlands who have such a position in the Management Board.

Mr Smits (Vereniging van Effectenbezitters) asked whether one should understand the answer to mean that Iraq’s inquiries had not been taken into account in the inquiry that resulted in the settlement with the Dutch PPO in 2014.

Mr Lagendijk answered that due diligence had been carried out in the past and in that context Unaoil had been reviewed. SBM Offshore has currently no concerns that this would lead to a reopening of the case with the Dutch PPO.

Mrs Reijnoud (VBDO) complimented SBM Offshore on significantly improved transparency, which was also recognised by the Dutch transparency benchmark. Emissions are directly linked to the global challenge of climate change. VBDO asked what SBM Offshore is doing to reduce emissions that SBM Offshore has in control and the emissions by SBM Offshore's clients (first question). VBDO also asked how SBM Offshore ensures that its suppliers meet the same health, safety, security and environment standards that SBM Offshore applies (second question). SBM Offshore’s tax policy is very comprehensive. Finally, VBDO asks whether the offices and subsidiaries in Bermuda, the Cayman Islands and Luxemburg are used for tax avoidance. (third question).

Mr Lagendijk stated that there are two sources for greenhouse emissions (first question). One is the power generation on the FPSO to run the facility. These emissions have increased because of an increase in FPSOs in operation. The relative emissions have decreased since SBM Offshore is becoming more efficient. Mr Lagendijk reported some of the specific situations that impact emissions. In Angola, a gas treatment installation onshore is not yet finalised. Sometimes the client decides that gas cannot be reinjected into the well. SBM Offshore tries to make sure that clients understand that SBM Offshore takes emission reduction seriously. Mr Lagendijk explained that SBM Offshore initiated a contest amongst its engineers to find new CO2 reduction solutions. SBM Offshore spends considerable time on engagement with stakeholders on the subject. The Company is more and more able to perform audits in different countries with different suppliers and will continue doing that.

Mr Barril stated that any incident at supplier’s and engineering locations are accounted for and reported by SBM Offshore (see p. 232 annual report) (second question). SBM Offshore has a total recordable frequency rate of 0.22. The suppliers must meet the HSSE criteria and they report about this to SBM Offshore. SBM Offshore is proud to engage with its partners and reach this outstanding performance.
Mr Van Rossum stated that SBM Offshore is a very complex organisation, doing work on an international scale (third question). SBM Offshore’s projects consists of products from and activities in China, Singapore, Italy, the United Kingdom, France, Monaco, the Netherlands, Houston and Brazil. From a tax perspective, choices therefore need to be made. In 1969, SBM Offshore based its activities in Marly, Switzerland where SBM Offshore has an office and activities. That is still the case today. In most cases SBM Offshore works with joint venture partners and with clients. All these stakeholders also have their own views on where to establish the joint venture and where to run the activities. Cost optimisation is an important element for the oil and gas industry and tax is a considered cost.

At the same time there is the base erosion profit shifting (BEPS) initiative from the OECD. SBM Offshore takes that very seriously and has assessed whether it complies with the initiatives. SBM Offshore does not have hybrid finance structures. SBM Offshore does not use intellectual property in irregular tax structures. SBM Offshore pays attention to its international structures. SBM Offshore needs to be established at a place that is agreeable to joint venture partners and to clients.

Mr De Buijzer asked for a forecast of the interest costs and depreciation for this year to get more insight (first question). He also inquired whether the amount of USD 150 million for maintaining a larger engineering staff than necessary in 2016 and 2017 is per year or in total (second question). Finally, regarding Unaoil, Mr de Buijzer asked about SBM Offshore’s activities in Iraq (third question).

Mr Chabas stated that the USD 150 million is for the total period 2016 – 2017 (second question). SBM Offshore has a terminals business for liquids export that also operates in Iraq (third question).

Mr Van Rossum explained that SBM Offshore does not provide guidance on interest payments or about depreciation levels for the fleet (first question). Mr van Rossum refers to the various disclosures on individual project loans in the annual report. SBM Offshore has included EBITDA guidance for the first time for the reason that liquidity and cash flow are important in current times.

Mr Langeveld asked about SBM Offshore’s optimal debt level (first question) and about the advantages for shareholders if SBM Offshore decided to do an MLP listing, also with regard to the US DOJ’s current investigation (second question).

Mr Van Rossum stated that SBM Offshore is producing cash (first question). Effectively all the loans are project loans. Each of the project loans are being repaid over the lifetime of the loans. An automatic level of deleveraging is therefore taking place. As an application of funds, deleveraging as an objective in itself is not so easy to pursue because it would require a consent of all the shareholders. SBM Offshore does not see a lot of enthusiasm by shareholders to reduce return on investment by effectively exchanging cheap debt for expensive equity.

SBM Offshore stated approximately three years ago that it would like the balance sheet to have the strength of an investment grade company. For various reasons (the downturn in the economy, some of the compliance issues) this has not yet been achieved. SBM Offshore is still interested in the Master Limited Partnership instrument which was announced in November 2014 (second question). The MLP market has not done very well in the last nine months. SBM Offshore believes that the Company is in a good position to launch an MLP when the market rebounds, which will be related to a revival of the oil price and the deep water industry.

Mr Heineman commented on the low oil price and the cancellation of projects by companies like Shell and asked about SBM Offshore’s ambitions with regard to gas production, gas transportation and offshore wind (first question). Mr Heineman also informs about the compliance problems within Petrobras and the project risks for SBM Offshore in that respect (second question). Finally, Mr Heineman informs about the installation of tidal power plants to generate tidal energy (third question).

Mr Chabas mentioned that there is an oversupply in the oil market. The oversupply in the gas market is even more dramatic and will be more dramatic for a longer period of time (first question). It is estimated that the oversupply in the gas market is going to last until 2020 or 2022, while the oversupply in the oil market is expected to last until 2017 or 2018. The gas market on the longer term has a brighter future. SBM Offshore has been positioned in the gas market for a long time. Today SBM Offshore has one facility producing gas, which is in Canada. SBM Offshore has had the first GTL plant in the world producing gas. The Prelude Project and the Ichthys projects, for which SBM Offshore provided the turret mooring technology, were both gas projects. In summary, SBM Offshore also provides services and equipment to the gas market. SBM Offshore has a lot of mooring and deep water and the Company is looking at opportunities to develop
technology for offshore wind fields. SBM Offshore also seeks to transfer the technology for deep water to a different market segment, taking the level of risk that SBM Offshore understands and that SBM Offshore can measure.

Petrobras is an extremely important client and SBM Offshore is an important supplier of Petrobras (second question). Today SBM Offshore produces more than 20% of Petrobras’ oil. SBM Offshore has been totally transparent about potentially improper sales practices and about how the Company deals with authorities.

Mr Chabas explains that SBM Offshore is looking at generating electricity from wave energy (third question). SBM Offshore has been investing in this technology for almost the past ten years. SBM Offshore has made some breakthroughs, but not yet at the level of having a product that can be sold to the market. The Company continues to invest in this technology because of its potential.

3. Report of the Supervisory Board and of its committees for the financial year 2015 (information)

The Chairman stated that the Supervisory Board in the course of 2015 supervised the business and activities of the Company at a number of formal scheduled meetings, special or ad hoc meetings and conference calls (pages 66-70 annual report). The main issues and non-recurring issues are mentioned on page 67.

The Chairman explains that the main issues which were reviewed by the Supervisory Board and its committees in 2015, are mentioned on page 67 and following of the Annual Report. The political and economic situation in Brazil remains a factor of uncertainty for SBM Offshore. The Chairman refers to the settlement of the accusations made by the Brazilian public Prosecutor (MPF) in relation to Mr Chabas and Mr Hepkema and refers to the Company’s press releases of 17, 21 December 2015 and of 25 January 2016. The Supervisory Board has taken this matter very seriously and has also carefully considered the potential conflicts of interest when discussing and resolving matters in relation to these accusations. Deliberations and decision making on the allegations took place outside the presence of the Management Board and of Mr Hepkema in two separate ad hoc meetings. The Supervisory Board affirms its earlier statement of support of Mr Chabas and Mr Hepkema.

The strategy of the Company in the difficult low price of oil business environment, the strategy with regard to the specific situation in Brazil and the proposal to reappoint members to the Supervisory Board and the Management Board were other key points reviewed by the Supervisory Board during 2015. The Supervisory Board reviewed their performance and effectiveness, which topics were discussed twice in 2015.

Mr Van Berkel asked about the compliance issues, particularly concerning Brazil and especially the prosecution of (former) board members of SBM Offshore (first question). Mr Van Berkel suggested that all issues with Petrobras, either directly or indirectly related with SBM Offshore be resolved as soon as possible. Mr Van Berkel asked for an update on Jonathan Taylor (second question).

The Chairman stated (first question) that there is a large difference between the allegations made against Mr Chabas and Mr Hepkema and what happened in the past of the Company. The main allegations with regard to Mr Chabas and Mr Hepkema, which have been resolved, were that they had not provided Petrobras with certain information. They actually gave that information to Petrobras. Moreover, there was no obligation to provide that information. The prosecutor offered a small out of court settlement. This was announced in January 2016.

Mr Lagendijk stated (second question) that SBM Offshore started proceedings against Mr Taylor in the Rotterdam Court in the Netherlands. Mr Lagendijk mentioned that SBM Offshore is not part of the proceedings against the former SBM Offshore executives.

Mr Van Berkel asked if a third individual, besides Mr Mace and Mr Keller, who was accused in Brazil is still employed by SBM Offshore.

Mr Lagendijk referred to Mr Levy, formerly managing director in Brazil and currently managing director in Kuala Lumpur. Allegations have been raised against Mr Levy similar to those against Mr Hepkema and Mr Chabas. The same settlement conditions applied to him.
4. Remuneration report 2015 (information)

The Chairman stated that since 1 January 2013, Dutch listed companies are required to report on the implementation of the Company’s remuneration policy to the General Meeting in the year under review. The current remuneration policy of the Management Board was approved in the AGM of 2014 (see Remuneration Report paragraph 4.4 and paragraph 6.3.6 of the annual report).

Mr Deckers, chairman of the Remuneration Committee, stated that this agenda item is for information purposes only. The Appointment & Remuneration Committee met four times in 2015. The Management Board and the Group HR director were invited to the appropriate parts of those meetings. Mr Chabas was invited to provide feedback on the performance of the Management Board, and to give input on the selection of performance metrics. The individual remuneration of the individual Management Board members was discussed only in the presence of the members of the Appointment & Remuneration Committee. Recommendations were made by the Appointment & Remuneration Committee during the Supervisory Board meetings, including determination of the relevant Short Term and Long Term Incentive setting and realization in accordance with the applicable Remuneration Policy.

The remuneration policy of SBM Offshore’s Management Board consists of four components; (1) a Base Salary, (2) a Short Term Incentive, (3) a Long Term Incentive, (4) and a pension payment (para 4.4 annual report). The objective of the remuneration policy is to attract, retain and motivate the Management Board members, and protect and promote the Company’s objectives. The Management Board took control over large and complex legacy problems in the last four years. This Management Board has guided the Company through a significant change in terms of processes, culture and behavior. There are challenging external factors for SBM Offshore, such as a downturn in the market, a drop in the price of oil and political and economic challenges in Brazil and Angola.

SBM Offshore’s Management Board has managed to position the Company in 2015 in such a way, that it is stable and ready for a return of the market. One of the major tasks of the Management Board has been to manage the cost base. Unfortunately, the Company had to go through downsizing exercises as well. The Company has deliberately pursued the two tier model of a turnkey business and lease & operate. The backlog represents an ongoing stream of lease income from the management of the existing fleet, which is a major differentiating factor compared to a number of other oil and gas service providers.

In 2013, a peer group was selected for determining the total shareholder return targets for the 2013-2015 long-term incentive. This reference group consisted of 17 peers. Apart from SBM Offshore, the highest performer in that group for that period had a 25% total shareholder return. The average total shareholder return was minus 29%. SBM Offshore had a total shareholder return of +30% in that period and therefore outperformed its peers convincingly. In 2015, SBM Offshore saw a strong growth in earnings per share. Total shareholder returns and earnings per share together determine the 2013-2015 long-term incentive award, which therefore vests at maximum. The Management Board members now are required to retain the delivered shares to increase further alignment of interests with SBM Offshore’s shareholders.

The Supervisory Board is satisfied that the outcome of the remuneration policy in 2015 is fair and in accordance with the policy. On behalf of the Supervisory Board, Mr Deckers expressed confidence in this Management Board and in the individual members and thanked them for their strong performance in 2015 under difficult market circumstances.

Mr Smits (Vereniging van Effectenbezitters) asked three questions about the indicators regarding the Short Term Incentive. He inquired how the political situation in Angola was taken into account in the short term reward while referring to page 76 of the annual report (first question). He also asked about the influence of the progress made in resolving irregularities in Brazil on the Short Term Incentive (second question). Finally, the VEB inquired about the successful move of the head office from Monaco to Amsterdam as part of the Short Term Incentive (third question).

Mr Deckers stated that, in terms of the Short Term Incentive, this past year had been strongly affected by the reduced net debt. In 2015, SBM Offshore made progress in Brazil and the Company was able to incorporate a provision for that purpose (second question). Mr Deckers pointed out that the individual objectives (which are not fully published) included objectives that must be seen in the context of difficult situation in the countries where SBM Offshore operates (first question). Angola is an exceptionally difficult country to operate in. As for the move from Monaco (third question), managing the impact of moving a long-established company with an exceptionally large number of French employees can be considered a challenging objective.
5. Annual accounts

5.1 Information by PricewaterhouseCoopers Accountants N.V. on the audit at SBM Offshore Offshore N.V. (information)

Mr Jansen, partner of PricewaterhouseCoopers Accountants N.V. ("PwC") explains that he is responsible for the audit of SBM Offshore’s financial statements over 2015. Reference is made to page 214 of the annual report for the auditor’s report. PwC has issued an unqualified auditor’s report.

Audit approach and plan

Mr Jansen explained that the audit approach was fairly consistent with the previous year. Overall materiality was re-assessed. PwC still has a central team, led by Mr Jansen, and responsible for the audit of the full set of control of data and financial statements. PwC used local teams, for example in Monaco, Houston and in Marly. PwC visited those teams throughout the year and PwC was engaged on a reasonable basis with their planning, execution, and reporting. PwC used a central team and a local team with general auditors and specialists, for example valuation specialists, tax specialists, IT specialists and derivative specialists because it was a complex audit.

PwC made a plan for potential fraud detection as part of the Company’s audit planning and PwC carried out a significant number of procedures to ensure that there was no material misstatement in the financial statements. PwC discussed their plan with the Management Board, with the management, and the Audit Committee. PwC formally reported their findings to the Management Board, to the board, and to the Audit Committee. PwC attended all Audit Committee meetings.

Key audit matters

There were five key audit matters. The external environment in which the Company operates is not benign and the immediate outlook is not great either. That triggers the discussion about the Company's financial position, liquidity and going concern. The Company is generating a positive cash flow, and is able to pay dividend. PwC has looked at all the forecasts for 2016 and for 2017 and PwC does not think there is a reason to be overly concerned about the going concern assumption.

The situation in Brazil consists of three elements. The first is the overall effort to try to settle the compliance issue in Brazil. Last year the disclosure was made that the Company had agreed with the authorities in Brazil on an intention to settle. PwC agreed with the Company to book a provision, but PwC emphasized that there is no settlement agreement yet. The situation in Brazil is considered difficult. PwC stated that the provision is an estimate that is uncertain and that may be effected by future events. PwC has taken into account what PwC knew at the time of their report. The second element is about the release of the agency provisions- which PwC discussed in their report. The third element is the allegations against Mr Chabas and Mr Hepkema, senior members of the Company. PwC heard about those allegations in December 2015 and had discussions with the Supervisory Board (with the chairman of the Supervisory Board, and the chairman of the Audit Committee) to understand whether this could have any impact on the integrity or behaviour of the individuals, and on PwC's audit and audit report. PwC was comfortable with the work that the Supervisory Board did to ensure that they could continue to support those members. The matter has been settled.

Three other items are discussed in the audit report. In 2015, the turnkey business revenue generation was impacted by projects under construction. Those projects are being commissioned this year. That business is coming down and had a major impact on the 2015 financial statements. Revenue recognition is a judgment item and PwC has done a lot of work to make sure that PwC is comfortable with the accounting and in particular with the contingencies that may and may not be required.

The Company’s financial statements are based on IFRS. The results between directional reporting and IFRS reporting have been reconciled and PwC has reviewed that reconciliation.

In the downturn that the Company and the market is going through, and with the challenges that the Company will face in the future, asset valuation and specific factors (interest rate risk, credit rating risk, utilisation of yard, reduction in the price of oil and in the price of steel) have an impact on the valuation of the Company’s assets. PwC took these into account in the audit process. PwC is comfortable with the valuation of those assets.

Mr Hendriks (NN Investment Partners and Menzis) asked for an explanation of the scope of the audit, which is limited to 71% of consolidated total assets and 77% of profit before tax.
Mr Jansen replied that the percentage of revenue, which is the other indicator for the audit scope, is relevant as well. That information is in the audit report. PwC used materiality and risk assessment in determining the audit scope and used a number of components. First of all, PWC looked at materiality and the firm selected every material component that is part of that consolidation. The material and significant components are the operations in Monaco and the building of the Brazilian FPSO’s. PwC included all of the accounting for the FPSO Turritella in Houston into the scope of the audit, plus (for Marly) all the key treasury balances. These activities together cover the entire activities of the Company for last year.

There are a number of smaller components in the consolidation. PwC carried out a risk assessment for each component. PwC discussed each component with the local financial management. PwC did other work as well. PwC did journal entry testing because of the risk. Allocation to the various components has been based on a selection method - which is consistent with audit methodology and gives a reasonable result. A revenue indicator of more than 90% confirms that PwC included all of the activities of 2015 into PwC’s scope of the audit.

Mr Van Riet asked how PwC had audited the incentive remuneration calculation. Mr Van Riet believed that moving the head offices need not impact the remuneration and asked whether the auditor knew those requirements. Mr Van Riet also asked whether the remuneration incentive was a calculation and whether PwC could assess whether the make-up of the percentage was correct.

Mr Jansen stated that it was PwC’s duty to determine that the figures in the annual accounts were correct. Mr Jansen pointed out that tables of the total remuneration in the individual categories had been included in the annual accounts. These were audited on the basis of the remuneration policy. The Supervisory Board assessed the performance of the individual board members. PwC trusted their assessment and ensured that the figures were then entered correctly and properly in the annual accounts.

Mr Stevens (Stichting Rechtsbescherming Beleggers) asked which countries PwC had visited and which topics would be subjected to a special audit this year (first question). Mr Stevens also asked how PwC audited the very small enterprises (second question).

Mr Jansen indicated that it was quite a complex process (first question). PwC mainly focused on the countries where SBM Offshore carries out activities and where the accounting takes place. This year, the consolidation took place in Monaco, so that is where PwC had been. PwC had determined that the accounting process had been effected correctly. The project for the FPSO Turritella is based in Houston. PwC had contact with the PwC auditors in Marly, where the treasury is based. PwC focused on the Company’s financial position, deferred tax assets and going concern. Although PwC did not visit Brazil this year, Brazil was a focal point for PwC. PwC further referred to the aforementioned key audit matters. PwC carried out a group audit (second question). As stated, PwC’s audit of the group is based on materiality and risk assessment.

5.2 Adoption of the Annual Accounts (resolution – see explanatory note)

The Chairman noted that the consolidated financial statements and the other financial data could be found on pages 105-220 of the annual report 2015. The annual accounts 2015 were audited by PwC. The auditor’s report and the unqualified opinion could be found in paragraph 6.6.3 of the annual report. A copy of the annual report signed by the Supervisory Board and the Management Board and a copy signed by the external auditor are available from the Company Secretary. The annual accounts were approved by the Supervisory Board in accordance with article 28 of the Articles of Association of the Company.

The Chairman put the proposal to adopt the annual accounts to a vote and noted that the proposal was adopted with 132,618,523 votes in favour, 1,151 votes against and 212 abstentions.

5.3 Dividend distribution proposal (resolution – see explanatory note)

The Chairman noted that on the basis of the current dividend policy, dividends to be distributed depends on the availability of positive free cash flow in the year of payment, with a range of 25 to 35% of the directional net income. It was proposed to pay a cash dividend of USD 45 million or USD 0.21 per share for the year 2015. This corresponds to 25% of the Company’s USD 180 million directional income, which is exceptionally adjusted for non-recurring compliance related events. Given the Company’s strong cash
The dividend will be fully paid in cash and payable in Euro. The dividend is EUR 0.01847 per share based on the exchange rate on the day of the AGM.

**Mr Stevens** (*Stichting Rechtsbescherming Beleggers*) and **Mr Heineman** asked to reconsider paying out dividend in cash or in stock given the dividend tax consequences.

**Mr Van Rossum** stated that ABN AMRO was offering a facility to convert the cash dividend into a stock dividend.

**Mr Heineman** asked whether it is intended to pay out dividend in the future at the request of the shareholder in cash or in stock.

**Mr Van Rossum** stated that the dividend policy allows the Company to declare a dividend in cash or in stock. Dividend for 2015 was proposed to be paid in cash.

**The Chairman** stated the board would reconsider the proposal for future years.

**The Chairman** put the proposal to distribute dividend to a vote and noted that the proposal was adopted with 132,524,226 votes in favour, 93,316 votes against and 12 abstentions.

### 6. Discharge

**6.1 Discharge of the Managing Directors for their management during 2015** *(resolution – see explanatory note)*

**The Chairman** stated that in accordance with the Articles of Association granting discharge to the members of the Management Board for their management during the year 2015 was proposed.

**The Chairman** put the proposal to a vote and noted that the proposal was adopted with 131,356,926 votes in favour, 1,260,263 votes against and 13 abstentions.

**6.2 Discharge of the Supervisory Directors for their supervision during 2015** *(resolution – see explanatory note)*

**The Chairman** stated that in accordance with the Articles of Association granting discharge to the members of the Supervisory Board for their supervision during the year 2015 was being proposed.

**The Chairman** put the proposal to a vote and noted that the proposal was adopted with 131,276,738 votes in favour, 1,250,263 votes against and 14 abstentions.

### 7. Corporate Governance: summary of the Corporate Governance policy *(information – see explanatory note)*

**The Chairman** referred to the Corporate Governance section in the annual report (chapter 4) with a summary of the corporate governance policy, which aligns with the best practices of the Dutch Corporate Governance Code and to the compliance section (section 4.7 of the annual report) which sets out the compliance structure and the initiatives taken to enhance compliance throughout the Company. The Company is currently fully compliant with the Dutch Corporate Governance Code. The risk management section (section 4.6 of the annual report) describes the Company's risk appetite, the design and effectiveness of the internal risk management and control system. Reference is made to the in control statement by the Management Board (section 4.11 of the annual report).

### 8. Amendment of the Articles of Association

**The Chairman** referred to the proposal to amend the Articles of Association as described in the explanatory notes, the full text of which is given in the triptych. This proposal included granting authority to every employee of De Brauw Blackstone Westbroek to execute the deed of amendment of the Articles of
Association of the Company in accordance with the triptych. In accordance with the Corporate Governance Code, the proposed amendment of the articles of association was divided into three categories, each of which was put to a vote separately.

8.1 Amendments due to changes in Dutch legislation (resolution – see explanatory note)

The Chairman stated that the first category of amendments relate to certain changes in Dutch law, such as the Act on Management and Supervision ("Wet Bestuur en Toezicht").

The Chairman put the proposal to a vote and noted that the proposal was adopted with 132,501,907 votes in favour, 106,940 votes against and 4,500 abstentions.

8.2 Amendments on the basis of the former structure regime (resolution – see explanatory note)

The Chairman stated that the second group of amendments relates to the former structure regime which applied before the Company divested the yard activities in 2005. Removing a list of items that require Supervisory Board approval under the structure regime from the Articles of Association was being proposed.

The Chairman put the proposal to a vote and noted that the proposal was adopted with 132,424,166 votes in favour, 96,140 votes against and 12 abstentions.

8.3 Amendments due to other changes (resolution – see explanatory note)

The Chairman stated that the third group of amendments relates to further clarification of provisions and to updating provisions in line with current market practice. For example, it was proposed to change the corporate seat of the Company to Amsterdam in relation to moving SBM Offshore’s head offices to the Netherlands. It was also proposed to amend article 20 regarding the event that one or more managing directors is prevented from acting or fails to act ("belet of ontstentenis"). The current article 20 provides for a temporary replacement in case the entire Management Board is prevented from acting or fails to act. The proposed amendment includes an individual Management Board member who is prevented from acting or who fails to act as well. The Supervisory Board will also be able to elect an individual temporary replacement. "Temporary" means a maximum of six months (see further explanation on agenda item 8.3 on the Company's website).

The Chairman put the proposal to a vote and noted that the proposal was adopted with 131,844,571 votes in favour, 675,047 votes against and 0 abstentions.

9. Authorisation to issue ordinary shares and to restrict or to exclude pre-emption rights

9.1 Designation of the Management Board as the corporate body authorised – subject to the approval of the Supervisory Board – to issue ordinary shares and to grant rights to subscribe for ordinary shares as provided for in article 4 of the Company’s Articles of Association for a period of eighteen (18) months (resolution – see explanatory note)

The Chairman stated that in accordance with article 4 of the Company's Articles of Association, it was proposed to designate the Management Board as the corporate body authorised – subject to the approval of the Supervisory Board – to issue ordinary shares and to grant rights to subscribe for ordinary shares. The authorisation is limited to 10% of the issued ordinary shares as per the 2016 AGM, which percentage will be increased to 20% in case of mergers, acquisitions or strategic cooperation. This authorisation was being requested amongst others to allow the Management Board to react in a timely manner with regard to financing of the Company. The period of the authorisation requested is 18 months as of the date of the AGM 2016. The authorisation granted at the AGM of 15 April 2015 for a period of 18 months will be cancelled for the remaining period.
The Chairman put the proposal to a vote and noted that the proposal was adopted with 122,435,093 votes in favour, 10,088,483 votes against and 13 abstentions.

9.2 Designation of the Management Board as the corporate body authorised – subject to the approval of the Supervisory Board – to restrict or to exclude pre-emption rights as provided for in article 6 of the Company’s Articles of Association for a period of eighteen (18) months (resolution – see explanatory note)

The Chairman stated that in accordance with article 6 of the Company’s Articles of Association it was proposed to designate the Management Board as the corporate body authorised – subject to the approval of the Supervisory Board – to restrict or to exclude pre-emption rights in connection with the issue of and/or granting of rights to subscribe for ordinary shares in accordance with article 2.96a of the Dutch Civil Code. Similar to proposal referred to under agenda item 9.1 – this designation is limited to a period of 18 months, as of the date of the 2016 AGM. The authorisation granted at the AGM of 15 April 2015 for a period of 18 months will be cancelled for the remaining period.

The Chairman put the proposal to a vote and noted that the proposal was adopted with 121,556,638 votes in favour, 11,060,351 votes against and 13 abstentions.

10. Authorisation to repurchase ordinary shares: authorisation of the Management Board – subject to the approval of the Supervisory Board – to repurchase the Company’s own ordinary shares as specified in article 7 of the Company’s Articles of Association for a period of eighteen (18) months (resolution – see explanatory note)

The Chairman stated that in accordance with article 7 of the Company’s Articles of Association, a request was made to authorise the Management Board – subject to the approval of the Supervisory Board – and without prejudice to the provisions of article 2:98 of the Dutch Civil Code, to acquire ordinary shares representing up to 10% of the Company’s issued share capital as of the date of the AGM. The period for the authorisation requested is 18 months as of the date of the AGM. The mandate was being requested to acquire ordinary shares at a price per ordinary share between the nominal value of the ordinary share and 110% of the average price of the ordinary shares on the Stock Exchange Euronext Amsterdam N.V. during the five (5) trading days prior to the acquisition. This authorisation to repurchase ordinary shares provides the Management Board, with the prior approval of the Supervisory Board, with the flexibility to fulfil any purpose including but not limited to stock dividend and/or its obligations deriving from employment related share plans. The duration of this authorisation is 18 months starting with the adoption of this resolution. The authorisation granted at last year’s AGM will lapse with this new resolution.

Mr Heineman asked whether SBM Offshore has a stock option plan. Mr Lagendijk replied that SBM Offshore does not have a stock option plan.

The Chairman put the proposal to a vote and noted that the proposal was adopted with 132,613,234 votes in favour, 100 votes against and 13 abstentions.

11. Composition of the Management Board

Re-appointment of Mr P. Van Rossum as a member of the Management Board (resolution – see explanatory note)

The Chairman stated that the Supervisory Board resolved, in accordance with article 17 of the Articles of Association to make a non-binding proposal to reappoint Mr Van Rossum, SBM Offshore's CFO, as member of the Management Board for a second term of office of four years, expiring at the AGM of 2020 (see personal information in explanatory note 11). If the general meeting re-appoints Mr Van Rossum as a member of the Management Board, Mr Van Rossum will be designated by the Supervisory Board as the CFO.
It was mentioned that Mr Van Rossum seeks to retire after the AGM of 2017. The Supervisory Board has started preparations to nominate a successor. The general meeting was requested to reappoint Mr Van Rossum for a term of four years to maintain flexibility with regard to the timing of nominating a successor.

Mr Broenink asked what the motivation was to continue for another year and what Mr Van Rossum would be focusing on. He asked the same question to the other candidates who were to be nominated for re-appointment as Supervisory Board members.

Mr Van Rossum stated that the years at SBM Offshore had been challenging. At the same time he has been working with a fantastic team.

The Chairman put the proposal to a vote and noted that the proposal was adopted with 132,465,263 votes in favour, 154,239 votes against and 0 abstentions.

12. Composition of the Supervisory Board

12.1 Re-appointment of Mr T.M.E. Ehret as a member of the Supervisory Board (resolution – see explanatory note)

The Chairman stated that the Supervisory Board resolved in accordance with article 23 of the Articles of Association to make a non-binding proposal to reappoint Mr Ehret as member of the Supervisory Board for a third term of office of four years, expiring at the AGM of 2020 (see personal details on the Company's website). If the general meeting re-appointed Mr Ehret as a member of the Supervisory Board, Mr Ehret will be designated as continuing vice-chairman of the Supervisory Board and chairman of the Technical and Commercial Committee.

Mr Ehret stated that SBM Offshore has gone through some challenging times and has had to re-invent itself. Mr Ehret would like to complete this mission.

Mr Stevens (Stichting Rechtsbescherming Beleggers) advocated a greater spread in the retirement schedule so that candidates could be appointed or re-appointed every year.

The Chairman promised to review the retirement schedule in that respect.

The Chairman put the proposal to a vote and noted that the proposal was adopted with 132,282,954 votes in favour, 330,393 votes against and 1 abstention.

12.2 Re-appointment of Mr F.G.H. Deckers as a member of the Supervisory Board (resolution – see explanatory note)

The Chairman stated that the Supervisory Board resolved in accordance with article 23 of the Articles of Association to make a non-binding proposal to reappoint Mr Deckers as a member of the Supervisory Board for a third term of office of four years, expiring on the AGM of 2020 (see personal details on the Company's website). If the general meeting re-appoints Mr Deckers as a member of the Supervisory Board, Mr Deckers will be designated as continuing chairman of the Appointment and Remuneration Committee for remuneration matters and as a member of the Audit Committee.

Mr Deckers mentioned that it has been a challenge. He seeks to further contribute to the Company, specifically in relation to project finance and Brazil.

The Chairman put the proposal to a vote and noted that the proposal was adopted with 127,747,644 votes in favour, 4,871,758 votes against and 100 abstentions.

13. Communications and questions

Mr Van Berkel asked Mr Chabas about the ongoing projects which may result in a project award. Mr Van Berkel refers to the bid for an FPSO project in Brazil, the study for Premier Oil in the Falklands and the FEED study for Technip.
Mr Chabas replied that the Company does not comment about the details of potential projects under tender. The FEED for Technip was cancelled recently by Woodside.

Mr Stevens (Stichting Rechtsbescherming Beleggers) requested that the financial agenda (p. 104 of the annual report) be continued up to the AGM in 2018 and that it includes the date on which the dividend would become available for payment.

Ms Van Nood stated that 3 May 2016 is the payment day for the dividend.

Mr Van de Riet asked whether parking costs for the meeting would be reimbursed by SBM Offshore.

Ms Van Nood refers to the information on SBM Offshore’s website about the logistics of the general meeting. There it was explained that the Company does not reimburse the transportation costs of shareholders for general meetings.

Mr Buijzer requested that a handout of Mr Chabas’ presentation be made available at the next AGM.

Mr Van Rossum thanked Mr Buijzer for his suggestion. Mr Chabas's presentation is available on the Company's website.

14. Closing

The Chairman closed the meeting.

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