Full Year 2016 Earnings Update

February 9, 2017
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Leading FPSO Player Worldwide

The Company
Headquartered in The Netherlands
5 Regional Centers
10 Operational Shore Bases

Performance
- c. 300 years of cumulative operational experience
- 99.0% total historical uptime
- 1.6 MM bopd throughput capacity/day

Lease & Operate Fleet
- 14 FPSOs
- 2 FSOs
- 1 Semi-sub
- 1 MOPU

Financials FY 2016 (US$ billion)
- Directional(1) Revenue 2016: 2.0
- Directional Backlog (31 Dec. 2016): 17.1
- Market Capitalization (31 Dec. 2016): 3.4
- Total Shareholder Returns: 0.21
(c. US$ 1/share return)

(1) Directional view is a non-IFRS disclosure, which assumes all lease contracts are classified as operating leases and all vessel joint ventures are proportionally consolidated.

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Key Messages

Shareholder Returns

Industry Outlook

3 Major Projects Delivered

Strategic Positioning

Experience Matters

Performance in line with Guidance

Client Engagement
Complex projects, delivered on time.

**FPSO Cidade de Maricá**
- On hire as of February 7, 2016
- Initial charter contract of 20 years

**FPSO Cidade de Saquarema**
- On hire as of July 8, 2016
- Initial charter contract of 20 years

**FPSO Turritella**
- On hire as of September 2, 2016
- Initial charter contract of 10 years, with extension options up to a total of 20 years
Total Overview
Directional

Revenue (US$ millions)

<table>
<thead>
<tr>
<th>FY 2015</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,618</td>
<td>2,013</td>
</tr>
</tbody>
</table>

EBITDA (US$ millions)

<table>
<thead>
<tr>
<th>FY 2015</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>718</td>
<td>778</td>
</tr>
</tbody>
</table>

Backlog (US$ billions)

<table>
<thead>
<tr>
<th>FY 2015</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>18.9</td>
<td>17.1</td>
</tr>
</tbody>
</table>

Net Debt (US$ billions)

<table>
<thead>
<tr>
<th>FY 2015</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>3.1</td>
</tr>
</tbody>
</table>
Health & Safety

Committed to HSSE
Strengthening safety culture
Lowering emissions

Environment

Environmental performance per production 2016 vs. 2015:

- GHG emissions: -13%
- Gas flared: -23%
- Energy consumption: +3%
- Oil in produced water: +5%

(1) Includes Shell, BP, Total, Chevron, Woodside, ExxonMobil, ENI, Statoil
SBM Offshore remains committed to engage with all relevant authorities

- **Early 2012**: Start internal investigation and immediate remedial measures
- **November 2014**: SBM Offshore reaches US $240 million out-of-court settlement with Dutch Prosecutor’s office, US DoJ(1) closes its inquiry
- **March 17, 2015**: SBM Offshore signs MoU with two Brazilian authorities (CGU(2) and AGU(3)) for discussions on a potential mutually acceptable settlement
- **December 17, 2015**: Brazilian Prosecutor’s office makes allegations regarding several people in Brazil and abroad, including number of current and former employees, of whom one is a US citizen
- **January 24, 2016**: Settlement with Brazilian Prosecutor’s office regarding accusations against CEO and former CGCO on a non-admission guilt basis
- **February, 2016**: SBM Offshore announced the US DoJ had re-opened its past inquiry of the Company
- **July 15, 2016**: After two years of negotiations, the Leniency Agreement is signed between Brazilian Authorities, Petrobras and SBM Offshore, subject to Fifth Chamber approval
- **October 6, 2016**: Brazilian Fifth Chamber confirms decision to not approve Leniency Agreement and refer case back to prosecutor for further review
- **December 17, 2015**: Brazilian Prosecutor’s office makes allegations regarding several people in Brazil and abroad, including number of current and former employees, of whom one is a US citizen

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(1) DoJ = The United States Department of Justice
(2) CGU = Controladoria-Geral da União
(3) AGU = Advocacia-Geral da União

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FY 2016 Review

Macro View

Company Positioning

FY 2016 Financials

Outlook
Capex bottoming out in 2016

But slow ramp-up expected

Gradual recovery

Oil Industry Investment

Source: Bloomberg, Quest Offshore, DNB Markets, company presentations (Shell, ExxonMobil, Chevron, Conoco, BP, Statoil, ENI, Total)
New Reality

Break-even price per barrel of oil

**Johan Castberg**
- Statoil

**Vito**
- Shell

**Libra**
- Petrobras

**Mad Dog 2**
- BP

**Liza**
- ExxonMobil

Source: Various media quotes, company presentations, Upstream Online

- Lowered project costs
- Cost savings, smaller outlay
- Break-even prices decreased by ~30 to ~60%

**Improving economics**
Overall Market

Rock bottom in 2016
Gradual recovery from 2017

Cautiously optimistic outlook

Source: EMA FPS Report – 1Q-2017
Changing FPSO Landscape

Number of FPSO contractors decreased since 2009

Number of lease contractors with operating FPSO*

- Active lease contractors
- Non-active lease contractors

*Joint ventures included

Proportion of FPSOs Lease vs Turnkey

- Owned by Client
- Leased by Client

Source: SBM Offshore research

Stable Lease market share

Number of active players decreasing

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On-time delivery a rarity

..but key in Upstream economics

11 month delay results in ~US$600 million lower project NPV

Experience matters

Source: SBM Offshore research

(1) Assumes four years to first oil, gradual ramp up to production to 120k bbl/day, natural production profile, 20-year field life and lease and an 7% discount rate
Upstream project economics remain close to break-even

Project overruns have major financial consequences

Estimated cash loss due to FPSO project non-delivery c. US$25 Bn, or 12% of total debt increase of Oil Majors\(^1\) during same period

Source: Bloomberg, Rabobank

Industry needs experienced contractors
Concentrated Industry Experience

Unique track record in EPC, FPSO delivery and operations

Source: SBM Offshore research
FY 2016 Review

Macro View

Company Positioning

FY 2016 Financials

Outlook
Floating Solution Strategy

- **Optimize**
  - Our Current Business

- **Transform**
  - Deepwater Projects

- **Innovate**
  - Floating at Large
Lease and Operate Activity

- Strong safety and operations record
- Strong backlog supports shareholder returns and growth

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(1) Thunderhawk oil production included, PFC Deep Panuke gas production excluded

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SBM Offshore delivered its cost savings ahead of initial target while retaining core capability and experience.
Making Deepwater Affordable

Product range (proxy for level of complexity)

- Calm Buoy
- Deepwater Calm Buoy
- Turret
- FPSO

Cost savings of ~20 to ~35% using SBM Offshore specifications

Cost savings based on experience

Starting Point: Full Client Technical Specifications

Graph not to scale

Source: SBM Offshore research, case studies
Hull & Accommodation

- Pre-FEED
- FEED
- Detailed design
- Early EPC activity

Topsides catalogue

- SBM standards
- Enhanced design
- Early EPC activity

Hull design approval

Ready for award

Advanced negotiations with top tier Asian yards

Game-changing program
Energy Mix Outlook

Oil remains leading
Gas gains market share
Renewables strong growth

Change in total primary energy demand

<table>
<thead>
<tr>
<th>Year</th>
<th>Coal (Mtoe)</th>
<th>Oil (Mtoe)</th>
<th>Gas (Mtoe)</th>
<th>Renew. (Mtoe)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-2015</td>
<td>1500</td>
<td>1000</td>
<td>700</td>
<td>800</td>
</tr>
<tr>
<td>2015-2040</td>
<td>2000</td>
<td>1500</td>
<td>1000</td>
<td>1500</td>
</tr>
</tbody>
</table>

Oil share in energy mix

2015

2035

Gas main transition fuel

1 Includes nuclear energy
- Long history of delivering products and equipment in Upstream Gas
- Optimization to SBM Offshore Twin Hull FLNG concept
- Looking at overall gas value chain
Floating Wind

Strongest winds are further offshore (example offshore Europe)

Offshore renewable energy generation potential

- Floating wind: 22%
- Fixed wind: 57%
- Other: 20%

Source: World Wind Energy Association
Source: Indicta

SBM Offshore floating and mooring solution

60 years SBM Offshore experience applied to renewables
FY 2016 Review

Macro View

Company Positioning

FY 2016 Financials

Outlook
Underlying Directional Performance
(US$ millions)

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported</td>
<td>2,013</td>
<td>Exceptional Items</td>
<td>53</td>
</tr>
<tr>
<td>Underlying</td>
<td>725</td>
<td></td>
<td>778</td>
</tr>
<tr>
<td>FY 2015</td>
<td>2,618</td>
<td>Exceptional Items</td>
<td>157</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Underlying</td>
<td>718</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported</td>
<td>290</td>
<td>Exceptional Items</td>
<td>53</td>
</tr>
<tr>
<td>Underlying</td>
<td>344</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reported</td>
<td>191</td>
<td>Exceptional Items</td>
<td>157</td>
</tr>
<tr>
<td>Underlying</td>
<td>348</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Lease and Operate P&L

**US$ millions**

<table>
<thead>
<tr>
<th>Directional Comments</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>1,105</td>
<td>1,310</td>
<td>205</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>342</td>
<td>423</td>
<td>81</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>315</td>
<td>398</td>
<td>83</td>
</tr>
<tr>
<td>Underlying EBIT</td>
<td>279</td>
<td>398</td>
<td>119</td>
</tr>
<tr>
<td>Depreciation, amortization and impairment</td>
<td>352</td>
<td>425</td>
<td>(73)</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>667</td>
<td>823</td>
<td>156</td>
</tr>
<tr>
<td>Underlying EBITDA</td>
<td>631</td>
<td>823</td>
<td>192</td>
</tr>
</tbody>
</table>

#### Directional Comments

**Vessels In**

_Cidade de Marica, Cidade de Saquarema and Turritella_

**Vessels Out**

- 

**EBITDA**

FY15: Net contribution of vessels joining/leaving the fleet and $37 million release of agency fees, partially offset by US$(9) million of restructuring costs

FY16: Net contribution of vessels joining the fleet

**EBITDA Margin**

FY15: 60.4% / Underlying 57.1%

FY16: 62.8% / Underlying 62.8%
### Turnkey P&L
*(US$ millions)*

<table>
<thead>
<tr>
<th>Directional Comments</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>1,512</td>
<td>702</td>
<td>(811)</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>447</td>
<td>142</td>
<td>(305)</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>231</td>
<td>(22)</td>
<td>(253)</td>
</tr>
<tr>
<td><strong>Underlying EBIT</strong></td>
<td>178</td>
<td>9</td>
<td>(169)</td>
</tr>
<tr>
<td><strong>Depreciation, amortization and impairment</strong></td>
<td>8</td>
<td>8</td>
<td>-</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>239</td>
<td>(14)</td>
<td>(253)</td>
</tr>
<tr>
<td><strong>Underlying EBITDA</strong></td>
<td>186</td>
<td>18</td>
<td>(168)</td>
</tr>
</tbody>
</table>

**Directional Comments**

- **Projects In**: *No significant project (total order intake of US$110 million)*
- **Projects Completed**: *Cidade de Marica, Cidade de Saquarema, Turritella, Ichthys Turret and Prelude near to completion*
- **EBITDA**: 
  - FY15: Includes impact of Turritella partial divestment in JV owning the FPSO, US$(37) million engineering hour under recovery, US$(31) million of restructuring costs and $52 million release of agency fees
  - FY16: non-cash provision for SBM Installer US$(31) million, US$(22) million engineering hour under recovery and US$(40) million of restructuring costs including provision for onerous rental contract
# Group P&L

(US$ millions)

<table>
<thead>
<tr>
<th></th>
<th>Directional</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td>2,618</td>
<td>2,013</td>
<td>(605)</td>
</tr>
<tr>
<td>Gross Margin</td>
<td></td>
<td>789</td>
<td>565</td>
<td>(224)</td>
</tr>
<tr>
<td>Overheads</td>
<td></td>
<td>(299)</td>
<td>(209)</td>
<td>90</td>
</tr>
<tr>
<td>Other operating income / (expense)</td>
<td></td>
<td>(298)</td>
<td>(66)</td>
<td>232</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td></td>
<td>191</td>
<td>290</td>
<td>99</td>
</tr>
<tr>
<td>Underlying EBIT</td>
<td></td>
<td>348</td>
<td>344</td>
<td>(4)</td>
</tr>
<tr>
<td>Depreciation, amortization and impairment</td>
<td></td>
<td>(370)</td>
<td>(435)</td>
<td>(65)</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td></td>
<td>561</td>
<td>725</td>
<td>164</td>
</tr>
<tr>
<td>Underlying EBITDA</td>
<td></td>
<td>718</td>
<td>778</td>
<td>60</td>
</tr>
<tr>
<td>Net financing costs</td>
<td></td>
<td>(137)</td>
<td>(196)</td>
<td>(59)</td>
</tr>
<tr>
<td>Share of profit in associates</td>
<td></td>
<td>(8)</td>
<td>(61)</td>
<td>(53)</td>
</tr>
<tr>
<td>Income tax expense</td>
<td></td>
<td>(22)</td>
<td>(9)</td>
<td>13</td>
</tr>
<tr>
<td><strong>Net Income attributable to shareholders</strong></td>
<td></td>
<td>24</td>
<td>24</td>
<td>-</td>
</tr>
</tbody>
</table>

**Directional Comments**

- **Overheads**: See slide ‘Overheads’
- **Other operating expense**: FY15: Provision for Brazil settlement US$(245) million and US$(55) million of restructuring charges; FY16: Update to provision for Brazil settlement US$(22) million and US$(48) million of restructuring charges including provision for onerous rental contract
- **Net financing cost**: *Cidade de Marica, Cidade de Saquarema* and *Turritella* on hire; 4.65% avg. cost of debt. Additional US$(14) million provision regarding NPV increase of future payments related to contemplated Brazil leniency agreement
- **Share of profit in associates**: FY16: US$ (59) million impairment of net investment in Joint Venture owning Paenal construction yard
- **Tax**: 9.6% effective tax rate
Overheads
(US$ millions)

Directional Expense Bridge

Reduction of overhead expenses
Group Cash Position
(US$ millions)

IFRS Cash Flow

- Cash Dec-31-15: 515
- Cash from Operations (1): 603
- Cash from Financing Activities (2): 306
- Interest Paid: 11
- Shareholder Return: (252)
- Dutch Settlement: (211)
- Cash Dec-31-16: 904

(1) Includes dividends received from JV’s
(2) Net additions to borrowings and loans, net funding loans and NCI net drawdown
Group Net Debt
(US$ millions)

Proportional

FY15 Proportional
FY16 Proportional

IFRS

FY15 IFRS
FY16 IFRS

Bridge Loans
Revolving Credit
Other
Project Finance
Cash

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Shareholder Returns

- US$211 million cash returned to shareholders over 2016
  - Repurchase of 11.44 million shares for US$166 million
  - Dividend paid US$0.21/share; 25% of 2015 Underlying Directional Net Profit

- Proposed cash dividend of US$0.23/share
  - Growth year-on-year of +10%
  - Representing circa 30% of 2016 Underlying Directional Net Profit

- Dividend policy

  Maintain a stable dividend which grows over time. Determination of the dividend is based on the Company’s assessment of the underlying cash flow position and of ‘Directional net income’, where a target payout ratio of between 25% and 35% of ‘Directional net income’ will also be considered.
Cashflow Model and Allocation

**Lease & Operate Cash Generation**

- **Project Lenders**
- **Project Partners**
- **Other Equity Options**
- **RCF**

**Turnkey Cash Generation**

- **Corporate**

**Group Corporate Cash Flow**

- **Dividend**
- **Share Repurchase Option**

**Cash Flow After Debt Funds:**
- Dividends
- Growth

**Long Term Debt at Project Level:**
- Model is project finance plus up to 50% equity sell down
- Capacity for 2 FPSO awards p.a.
- RCF provides bridge financing

**Discipline based on available liquidity:**
- Regular review vs. future requirements

*RCF may also be used for M&A and general corporate purposes.*

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FY 2016 Review

Macro View

Company Positioning

FY 2016 Financials

Outlook
Directional Backlog\(^{(1)}\)

As of December 31, 2016 (US$ billions)

As of December 31, 2016 (US$ billions)

\[ \text{US$ 17.1 bn} \]

(As of December 31, 2016)

Average of 63% of L&O backlog represents operating cash flow

L&O Average Portfolio Duration: 13.0 years\(^{(2)}\)

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\(^{(1)}\) Backlog is the undiscounted revenue over the confirmed portion of the contract.

\(^{(2)}\) Does not reflect brownfield projects and FEED studies. Assumes the exercise of all lease extensions.
2017 Guidance and Dividend Proposal

- 2017 Directional Revenue guidance around US$1.7 billion
  - Turnkey around US$0.2 billion
  - Lease & Operate around US$1.5 billion

- 2017 Directional EBITDA guidance around US$750 million

- Proposed cash dividend of US$0.23 per share over 2016, representing a c. 10% year-on-year increase
Key Messages

Shareholder Returns

3 Major Projects Delivered

Experience Matters

Industry Outlook

Strategic Positioning

Performance in line with Guidance

Client Engagement
<table>
<thead>
<tr>
<th>Joint Ventures</th>
<th>Lease Contract Type</th>
<th>SBM Share %</th>
<th>Directional(1)</th>
<th>IFRS</th>
</tr>
</thead>
<tbody>
<tr>
<td>FPSO N’Goma FPSO</td>
<td>FL</td>
<td>50%</td>
<td>Proportional</td>
<td>Equity</td>
</tr>
<tr>
<td>FPSO Saxi Batuque</td>
<td>FL</td>
<td>50%</td>
<td>Proportional</td>
<td>Equity</td>
</tr>
<tr>
<td>FPSO Mondo</td>
<td>FL</td>
<td>50%</td>
<td>Proportional</td>
<td>Equity</td>
</tr>
<tr>
<td>FPSO Cdde de Ilhabela</td>
<td>FL</td>
<td>62.25%</td>
<td>Proportional</td>
<td>Full consolidation</td>
</tr>
<tr>
<td>FPSO Cdde de Maricá</td>
<td>FL</td>
<td>56%</td>
<td>Proportional</td>
<td>Full consolidation</td>
</tr>
<tr>
<td>FPSO Aseng</td>
<td>FL</td>
<td>60%</td>
<td>Proportional</td>
<td>Full consolidation</td>
</tr>
<tr>
<td>FPSO Cdde de Paraty</td>
<td>FL</td>
<td>50.5%</td>
<td>Proportional</td>
<td>Full consolidation</td>
</tr>
<tr>
<td>FPSO Cdde de Saquarema</td>
<td>FL</td>
<td>56%</td>
<td>Proportional</td>
<td>Full consolidation</td>
</tr>
<tr>
<td>FPSO Turritella</td>
<td>FL</td>
<td>55%</td>
<td>Proportional</td>
<td>Full consolidation</td>
</tr>
<tr>
<td>FPSO Kikeh(2)</td>
<td>FL</td>
<td>49%</td>
<td>Proportional</td>
<td>Equity</td>
</tr>
<tr>
<td>FPSO Capixaba</td>
<td>OL</td>
<td>80%</td>
<td>Proportional</td>
<td>Full consolidation</td>
</tr>
<tr>
<td>FPSO Espirito Santo</td>
<td>OL</td>
<td>51%</td>
<td>Proportional</td>
<td>Full consolidation</td>
</tr>
<tr>
<td>Yetagun(3)</td>
<td>FL</td>
<td>75%</td>
<td>Proportional</td>
<td>Full consolidation</td>
</tr>
<tr>
<td>N’kossa II</td>
<td>OL</td>
<td>50%</td>
<td>Proportional</td>
<td>Equity</td>
</tr>
</tbody>
</table>

Note: Deep Panuke, Thunder Hawk and FPSOs *Cidade de Anchieta*, and *Marlim Sul* are fully owned by SBM and are therefore fully consolidated

(1) Kikeh lease classification changed from OL to FL effective 1Q14.
(2) Yetagun lease classification changed from OL to FL effective 2Q15.
## Group Loans & Borrowings

**Group Loans & Borrowings**

*(US$ millions)*

### Net Book Value as of December 31, 2016

<table>
<thead>
<tr>
<th>Project Finance Facilities Drawn</th>
<th>Full Amount</th>
<th>IFRS</th>
<th>Proportional (Business Ownership)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PROJECT FINANCE FACILITIES DRAWN</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FPSO Cidade de Paraty</td>
<td>$ 714</td>
<td>$ 714</td>
<td>$ 360</td>
</tr>
<tr>
<td>MOPU Deep Panuke</td>
<td>324</td>
<td>324</td>
<td>324</td>
</tr>
<tr>
<td>FPSO Cidade de Anchieta</td>
<td>396</td>
<td>396</td>
<td>396</td>
</tr>
<tr>
<td>FPSO Cidade de Ilhabela</td>
<td>1,005</td>
<td>1,005</td>
<td>626</td>
</tr>
<tr>
<td>FPSO N’Goma FPSO</td>
<td>423</td>
<td>0</td>
<td>212</td>
</tr>
<tr>
<td>Normand Installer</td>
<td>50</td>
<td>0</td>
<td>25</td>
</tr>
<tr>
<td>OS Installer</td>
<td>95</td>
<td>0</td>
<td>24</td>
</tr>
<tr>
<td>FPSO Cidade de Maricá</td>
<td>1,394</td>
<td>1,394</td>
<td>781</td>
</tr>
<tr>
<td>FPSO Turritella</td>
<td>791</td>
<td>791</td>
<td>435</td>
</tr>
<tr>
<td><strong>US$ GUARANTEED PROJECT FINANCE FACILITIES DRAWN</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FPSO Cidade de Saquarema</td>
<td>1,426</td>
<td>1,426</td>
<td>799</td>
</tr>
<tr>
<td><strong>REVOLVING CREDIT FACILITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revolving credit facility</td>
<td>(3)</td>
<td>(3)</td>
<td>(3)</td>
</tr>
<tr>
<td><strong>OTHER</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other long-term debt</td>
<td>319</td>
<td>73</td>
<td>0</td>
</tr>
<tr>
<td><strong>Net book value of loans and borrowings</strong></td>
<td>$ 6,934</td>
<td>$ 6,120</td>
<td>$ 3,978</td>
</tr>
</tbody>
</table>
## Revolving Credit Facility

### Key Characteristics

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>US$1.0 billion</td>
</tr>
<tr>
<td>Tenor</td>
<td>6 years + one-year extension</td>
</tr>
<tr>
<td></td>
<td>Door-to-door maturity of 7 years</td>
</tr>
<tr>
<td>Accordion Option</td>
<td>SBM may request an increase of the Facility to US$1.25 billion</td>
</tr>
<tr>
<td>Opening Margin</td>
<td>70 bps vs. 125 bps applicable in late 2014 under the previous RCF</td>
</tr>
<tr>
<td>Financial Ratios</td>
<td>Previous definitions kept and slightly fine tuned, in line with previous IFRS standards excluding IFRS 10 &amp; 11</td>
</tr>
<tr>
<td></td>
<td>Proportional reporting remains for the calculation of the ratios</td>
</tr>
<tr>
<td></td>
<td>Holiday Covenant to accommodate lower EBITDA and the leverage peak in 2015 and 1H 2016 (not used to-date)</td>
</tr>
<tr>
<td>Permitted Guarantees</td>
<td>Completion Guarantees including debt repayment guarantees up to US$6.0 billion</td>
</tr>
</tbody>
</table>

### Covenant Calculations

<table>
<thead>
<tr>
<th>Ratio</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solvency Ratio</td>
<td>Tangible Net Worth divided by Total Tangible Assets</td>
</tr>
<tr>
<td>Min</td>
<td>25%</td>
</tr>
<tr>
<td>1H16</td>
<td>32.7%</td>
</tr>
<tr>
<td>FY16</td>
<td>32.4%</td>
</tr>
<tr>
<td>Leverage Ratio</td>
<td>Consolidated Net Borrowings divided by Adjusted EBITDA</td>
</tr>
<tr>
<td>Max</td>
<td>4.25</td>
</tr>
<tr>
<td>1H16</td>
<td>3.6</td>
</tr>
<tr>
<td>FY16</td>
<td>2.8</td>
</tr>
<tr>
<td>Interest Cover Ratio</td>
<td>Adjusted EBITDA divided by Net Interest Payable</td>
</tr>
<tr>
<td>Min</td>
<td>4.0</td>
</tr>
<tr>
<td>1H16</td>
<td>6.9</td>
</tr>
<tr>
<td>FY16</td>
<td>6.0</td>
</tr>
</tbody>
</table>

✅ All covenants are satisfied
### Revised RCF Covenant Definitions

<table>
<thead>
<tr>
<th>Key Financial Covenant</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Solvency Ratio</strong></td>
<td>- Tangible Net Worth&lt;sup&gt;(1)&lt;/sup&gt; divided by Total Tangible Assets&lt;sup&gt;(2)&lt;/sup&gt; &gt; 25%</td>
</tr>
<tr>
<td><strong>Leverage Ratio</strong></td>
<td>- Consolidated Net Borrowings&lt;sup&gt;(3)&lt;/sup&gt; divided by Adjusted EBITDA&lt;sup&gt;(4)&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>- &lt;3.75x at June 30, 2016</td>
</tr>
<tr>
<td></td>
<td>- &lt;4.25x at December 31, 2016</td>
</tr>
<tr>
<td></td>
<td>- &lt;4.50x at June 30, 2017</td>
</tr>
<tr>
<td></td>
<td>- &lt;4.25x at December 31, 2017</td>
</tr>
<tr>
<td></td>
<td>- &lt;3.75x thereafter</td>
</tr>
<tr>
<td></td>
<td>- At the request of the Company, the leverage ratio may be replaced by the Operating Net Leverage Ratio which is defined as Consolidated Net Operating Borrowings&lt;sup&gt;(5)&lt;/sup&gt; divided by Adjusted EBITDA&lt;sup&gt;(4)&lt;/sup&gt; &lt; 2.75</td>
</tr>
<tr>
<td></td>
<td>- This only applies to the period starting from June 30, 2015 to June 30, 2016</td>
</tr>
<tr>
<td><strong>Interest Cover Ratio</strong></td>
<td>- Adjusted EBITDA&lt;sup&gt;(4)&lt;/sup&gt; divided by Net Interest Payable&lt;sup&gt;(6)&lt;/sup&gt; &gt; 5.0 at June 30, 2016 and &gt; 4.0 thereafter</td>
</tr>
</tbody>
</table>

<sup>(1)</sup> Total Equity (including non-controlling interests) of SBM Offshore N.V. in accordance with IFRS excluding the mark to market valuation of currency and interest derivatives undertaken for hedging purposes by SBM Offshore N.V. through Other Comprehensive Income.

<sup>(2)</sup> SBM Offshore N.V’s total assets (excluding intangible assets) in accordance with IFRS Consolidated Statement of Financial position less the mark to market valuation of currency and interest derivatives undertaken for hedging purposes by SBM Offshore N.V. and included as consolidated total assets in the consolidated financial statements.

<sup>(3)</sup> Outstanding principal amount of any moneys borrowed or element of indebtedness (excluding money borrowed from partners in joint ventures) aggregated on a proportional basis for the Company’s share of interest less the consolidated cash and cash equivalents available.

<sup>(4)</sup> Consolidated earnings before interest, tax and depreciation of assets and impairments of SBM Offshore N.V. in accordance with IFRS except for all lease and operate joint ventures being then proportionally consolidated, adjusted for any exceptional or extraordinary items, and by adding back the capital portion of any finance lease received by SBM Offshore N.V. during the period.

<sup>(5)</sup> Consolidated Net Borrowings adjusted by deducting the moneys borrowed or any element of indebtedness allocated to any project during its construction on a proportional basis for the Company’s share of interest.

<sup>(6)</sup> All interest and other financing charges paid up, payable (other than capitalised interest during a construction period and interest paid or payable between wholly owned members of SBM Offshore N.V.) by SBM Offshore N.V. less all interest and other financing charges received or receivable by SBM Offshore N.V., as per IFRS and on a proportional basis for the Company’s share of interests in all lease and operate joint ventures.
Group Proportional Borrowings Overview (US$ millions)

FY16 Borrowings

FY16 Undrawn Facilities + Cash

Proportional Debt Repayment Profile

(1) The difference between current borrowings and the debt repayment profile are attributable to capitalized transaction costs.

(2) The revolving credit facility expires in 2022, but may be repaid any time prior with no penalty. As of December 31, 2016, there is nothing drawn on the facility.
SBM Lease and Operate Portfolio

L&O Portfolio Average Duration: 13.0 years

Assumes the exercise of all lease extensions.
# Group Balance Sheet

**(US$ millions)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Dec-31-15</th>
<th>Dec-31-16</th>
<th>Variance</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>1,686</td>
<td>1,474</td>
<td>(212)</td>
<td>Depreciation of assets</td>
</tr>
<tr>
<td>Investments in associates and other financial assets</td>
<td>3,943</td>
<td>8,306</td>
<td>4,363</td>
<td>CDM/S and Stones 1st Oil in 2016 and net results of JVs and redemption of finance lease assets</td>
</tr>
<tr>
<td>Trade receivables and other assets</td>
<td>860</td>
<td>789</td>
<td>(71)</td>
<td>Decrease of receivables with slowdown in Turnkey activity</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>515</td>
<td>904</td>
<td>389</td>
<td>Separate slide</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>11,340</td>
<td>11,488</td>
<td>148</td>
<td></td>
</tr>
<tr>
<td>Total equity&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>3,465</td>
<td>3,513</td>
<td>48</td>
<td>Group &amp; NCI results; SBB and dividends; equity funding from partners in JVs (NCI)</td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>5,722</td>
<td>6,120</td>
<td>398</td>
<td>New loans for Stones and drawdowns on CDM/S; SHL repayment and amortization other loans</td>
</tr>
<tr>
<td>Provisions</td>
<td>541</td>
<td>604</td>
<td>63</td>
<td>Onerous contracts and Brazil update</td>
</tr>
<tr>
<td>Trade payables and other liabilities</td>
<td>1,612</td>
<td>1,251</td>
<td>(361)</td>
<td>Decrease of accruals and payables related to FPSOs under construction, US$70 million second instalment for Dutch settlement</td>
</tr>
<tr>
<td><strong>Total Equity and Liabilities</strong></td>
<td>11,340</td>
<td>11,488</td>
<td>148</td>
<td></td>
</tr>
</tbody>
</table>

<sup>(1)</sup> Total equity includes amount attributable to non-controlling interests.
Funding

- Undrawn Credit Facilities + Cash = US$1.85 bn

- Average cost of debt: FY16 4.6% vs. FY15 4.1%
Delivering the Full Product Lifecycle

**Engineering**
60 years of industry firsts
Leading edge technology

**Procurement**
Integrated supply chain
Global efficiencies
Local sourcing

**Product Life Extension**
Leader in FPSO relocation
World class after sales

**Construction**
Strategic partnerships
Unrivalled project experience

**Operations**
Circa 300 years of experience
99% historical production uptime
Largest production capacity FPSO fleet

**Installation**
Dedicated fleet
Unparalleled experience
Extensive project capability
Oil price stabilization?

Market balancing but outlook uncertain

Supply/demand re-balancing

Deep water competitive

Development costs decreased across the board

Liquids Cost Curve

Source: Rystad, Goldman Sachs
SBM leverages financial strength, market scope and backlog in niche position

Disciplined review asset deals and selective alliancing

- Transformational consolidations target synergies between reservoir and sub-sea scope
- Other combinations mostly relatively narrow scope driven by business and product development

SBM optimal model ‘stand-alone’