

SBM OFFSHORE 2015 HALF-YEAR EARNINGS

Solid first half; Industry searching for new equilibrium

August 5, 2015

SBM Offshore is happy to report better than expected revenue. The Company continues to see a healthy appetite for its projects, as evidenced by the 45% taken up by joint venture partners in the *Turritella* project as well as the recently announced US\$1.55 billion of project financing for *Cidade de Saquarema*. Progress in discussions with Brazilian authorities continues via the announced signing of a Memorandum of Understanding. SBM Offshore continued to achieve over 99% uptime across the fleet while Directional¹ Backlog ended the period at US\$20.0 billion. Full year Directional¹ revenue guidance has been increased to at least US\$2.6 billion.

Bruno Chabas, CEO of SBM Offshore, commented:

"The current downturn is having a profound impact on our industry, which is faced with the challenge to reinvent itself to survive profitably in the current oil price environment. SBM Offshore is determined and confident it can play its part based on its track record of technological innovation, its willingness to take decisive action through its restructuring and backed by its strong lease and operate cash flow."

Financial Highlights

- Directional¹ revenue ahead of expectations at US\$1.6 billion
- Underlying Directional¹ EBIT of US\$255 million and underlying EPS of \$0.78 per share
- Directional¹ Backlog stood at US\$20.0 billion
- Cash and undrawn committed credit facilities at the end of the period stood at US\$1,364 million
- Proportional net debt at the end of June stood at US\$3,568 million
- Joint Venture partner participation in the *Turritella* project totaling 45%
- Memorandum of Understanding signed with Brazilian authorities
- Project financing secured post period for FPSO *Cidade de Saquarema* totaling US\$1.55 billion

in US\$ million	Directional ¹			IFRS		
	1H 2015	1H 2014	% Change	1H 2015	1H 2014	% Change
Revenue	1,572	1,729	-9%	1,457	2,797	-48%
<i>Turnkey</i>	1,030	1,208	-15%	965	2,275	-58%
<i>Lease and Operate</i>	542	521	4%	492	522	-6%
EBIT	255	(41)	NM	204	201	1%
Underlying EBIT	255	184	39%	204	426	-52%
Profit (Loss) attributable to Shareholders	164	(98)	NM	106	137	-23%
Underlying Profit (Loss) attributable to Shareholders	164	127	29%	106	362	-71%

in US\$ billion	30-Jun-15	31-Dec-14	% Change	30-Jun-15	31-Dec-14	% Change
Backlog	20.0	21.8	-8%	-	-	NM
Net Debt	3.6	3.3	9%	5.2	4.8	9%

Guidance

The Company is updating 2015 Directional¹ revenue guidance from at least US\$2.2 billion to at least US\$2.6 billion. The increase is primarily attributable to the announced 45% stake in the *Turritella* project taken up by joint venture partners. Turnkey revenue guidance for 2015 is now expected to be US\$1.4 billion versus US\$1.0 billion previously, while Lease & Operate segment guidance of US\$1.2 billion remains unchanged. Proportional net debt guidance below US\$3.5 billion is being confidently reiterated for FY2015.

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.



Management is introducing Directional¹ capital expenditure guidance. For the remaining three finance lease vessels under construction Directional¹ capital expenditure is expected to total approximately US\$265 million, with approximately 75% falling in the second half of 2015. Directional¹ capital expenditure excludes changes in net working capital and is presented net of upfront payments for FPSOs *Cidade de Maricá* and *Cidade de Saquarema*.

FIRST HALF 2015 RESULTS

Project Review

FPSO Cidade de Maricá and Cidade de Saquarema (Brazil)

Construction is ongoing for the two finance leased vessels. *Cidade de Maricá* berthed safely at the Brasa yard near Rio de Janeiro on July 9, 2015 where topside integration work is ongoing in order to meet local content requirements. Delivery to the client is expected in 1Q16.

Concurrently refurbishment and conversion work on *Cidade de Saquarema* progressed during the first half of 2015 at a Chinese yard and is nearing completion. Sail away for Brazil, where integration of the topside will take place, is expected in the second half of 2015.

The charter contract for both vessels includes an initial period of 20 years with extension options. The client will make upfront payments at first oil totalling US\$282 million, split between both vessels, of which US\$158 million represents SBM Offshore's 56% share in the joint ventures. The two double-hull sister vessels will be moored in approximately 2,300 meters of water depth and possess a storage capacity of 1.6 million barrels each. The topside facilities of each FPSO weigh approximately 22,000 tons, will be able to produce 150,000 bpd of well fluids, have associated gas treatment capacity of 6,000,000 Sm³/d and water injection capacity will be 200,000 bpd each.

FPSO Turritella (US Gulf of Mexico)

Construction continued for the finance leased vessel in the first half of the year, with refurbishment and conversion work near completion at Keppel Singapore. Sail away for the Gulf of Mexico, where anchoring and commissioning will take place, is expected during the second half of 2015 with delivery to the client expected near the end of 1H16. The charter contract includes an initial period of 10 years with extension options up to a total of 20 additional years.

When installed at almost three kilometers of water depth, the FPSO *Turritella* will be the deepest offshore production facility of any type in the world. The vessel is a typical Generation 2 design, with a disconnectable internal turret and processing facility capacity of 60,000 barrels of oil per day (bpd) and 15 mmscfd of gas treatment and export.

N'Goma FPSO (Angola)

Formal Production Readiness Notice was received in early January 2015 going into effect retroactively to late November. The vessel is producing and has been on-hire generating dayrate retroactively since November 28, 2014.

FSO Yetagun (Myanmar)

Following fifteen years of operation with no lost time incident, the client has notified the Company of its intention to exercise an additional three-year extension option. Additionally, a brownfield life extension award totalling approximately US\$30 million has been agreed upon. The Yetagun Life Extension project is expected to take 18 months and be

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completed in July 2016. The vessel will remain in normal operation while brownfield life extension work is being completed.

FPSO Marlim Sul (Brazil)

Previously announced decommissioning activities, that were expected to be completed during the second quarter of 2015, have ceased as the client reviews continued production alternatives for the Marlim Sul field. The vessel is receiving a standby dayrate through the end of 2015 while awaiting client confirmation to complete decommissioning activities.

Turret Mooring Systems

The three large, complex turrets for Prelude FLNG, Quad 204 and Ichthys are progressing in accordance to clients' schedule. Integration of the Quad 204 turret with the vessel has been completed in Korea and the client has accepted delivery, while fabrication work on Prelude FLNG has been completed in Dubai with final integration in Korea. The last elements of the Ichthys turret have been delivered for final integration in Korea with expected delivery in early 2016.

Main Projects Overview

Project	Contract	SBM Share	Capacity, Size	POC	Expected Delivery	Notes
Quad 204, Turret	Turnkey sale	100%	320,000 bpd, 28 risers		2015	Integration with the vessel completed and delivered to client in 2Q15.
Prelude, Turret	Turnkey sale	100%	95m height, 11,000 tons		2016	Fabrication in Dubai completed and manifold being transported to Korea. Final integration phase with the vessel commencing.
Ichthys, Turret	Turnkey sale	100%	60m height, 7,000 tons		2016	Last elements delivered for final integration in Korea. Final delivery expected in 1H16.
Maricá, FPSO	20 year finance lease	56%	150,000 bpd		2016	Refurbishment and conversion work in the Chinese shipyard completed. Vessel has arrived at the Brasa yard in Brazil where integration of the topsides will take place. Delivery is expected in 1Q16.
Saquarema, FPSO	20 year finance lease	56%	150,000 bpd		2016	Vessel in the shipyard in China, refurbishment and conversion nearing completion. Sail away for Brazil expected in 2H15.
Turritella, FPSO	10 year finance lease	55%	60,000 bpd, disconnectable		2016	Refurbishment and conversion progressing at Keppel shipyard in Singapore. Sail away for the US GOM expected at the end of 3Q15. Delivery to the client expected near the end of 1H16.

Legend, Percentage of Completion (POC)



Directional¹ capital expenditure through the first half of 2015 amounted to a combined total of US\$265 million, reflecting the advanced construction progress of the Company's main projects which are expected to be completed over the next twelve months. These amounts correspond to the SBM Offshore share in SBM Inc. (the Company's construction subsidiary) costs as well as costs directly incurred at the joint venture level.

HSSE

The Company has continued to achieve improved safety performance in the first half of 2015 with the lowest frequencies of recordable injuries and lost time injuries since 2007. Total Recordable Injury Frequency Rate (TRIFR) improved 30% to 0.15 compared to 0.22 at the end of 2014, while the Lost Time Injury Frequency Rate (LTIFR) improved by 80% to 0.01 in the first half of 2015 from 0.05 at the end of 2014.

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Furthermore, the focus on the potentially severe incidents and on process safety has been strong allowing the Company to reach the lowest level frequency rate since 2011. The volume of gas flared was 25% better than target, however GHG emissions per unit of production was 25% above the industry benchmark for first half year. Offshore energy consumption and oil discharged from produced water improved compared to last year and stood well above the industry benchmark.

Compliance

On March 16, 2015 SBM Offshore announced the signing of a Memorandum of Understanding (MoU) with the Brazilian Comptroller General's Office (Controladoria-Geral da União – "CGU") and the Attorney General's Office (Advocacia Geral da União – "AGU"). This MoU sets a framework between the Company, the CGU and the AGU for discussions on a potential mutually acceptable settlement and for the disclosure by SBM Offshore of information relevant to the CGU's investigations.

The Company continues to cooperate with all requests for information and is in active dialogue with the Brazilian Comptroller General's Office in order to come to an agreement to close the matter in Brazil.

Turritella Joint Venture

Effective June 30, SBM Offshore completed the divestment of a 45% stake in the *Turritella* project to joint venture partners Mitsubishi Corporation (MC) and Nippon Yusen Kabushiki Kaisha (NYK Line). Subsequently, the Company cash called the joint venture partners for their share in the construction costs, and an amount of US\$446 million was received on July 15, 2015. The total partners' cash contribution to the *Turritella* project is expected to amount to approximately US\$590 million. Future milestone payments will follow the stages of completion of the project.

Post-Period Events

Cidade de Saquarema Project Financing

On July 27, 2015 the Company secured project financing for FPSO *Cidade de Saquarema* totalling US\$1.55 billion, at a weighted average cost of debt of 5.1%, from a consortium of sixteen international banks with insurance cover from four Export Credit Agencies (ECA). The financing consists of three tranches, two with ECA insurance cover and one commercial, with fourteen year post-completion maturities. This is the largest project financing in the Company's history.

Directional¹ Backlog

Directional¹ backlog at the end of June 2015 came in at US\$20.0 billion compared to US\$21.8 billion at the end of 2014. This reduction reflects the low order intake of US\$0.3 billion, the revenue generated during the first half of 2015 and the US\$0.5 billion decrease related to the 45% stake in the *Turritella* project by joint venture partners. Approximately 37% of total future bareboat revenues will be generated from the lease contracts which have yet to commence operations. Those include FPSOs *Cidade de Maricá*, *Cidade de Saquarema* and *Turritella*.

Directional¹ Turnkey backlog decreased to US\$0.9 billion compared to US\$1.1 billion at the end of 2014 due to the execution of projects under construction, while being partially offset by the 45% partner's stake in the *Turritella* project. Backlog as of June 30, 2015 is expected to be executed as per the below table:

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.



<i>(in billion US\$)</i>	Turnkey	Lease & Operate	Total
2H15	0.4	0.6	1.0
2016	0.5	1.4	2.0
2017	-	1.6	1.6
Beyond 2017	-	15.4	15.4
Total Backlog	0.9	19.1	20.0

Order Intake

New orders signed during the first half of 2015 totalled US\$161 million, and variation orders totalled US\$111 million. The main new orders signed during the period include the *Yetagun* brownfield life extension award and various offshore contracting awards.

Restructuring

As announced with the first quarter 2015 trading update on May 7, workforce reductions over the period 2014 and 2015 were revised from 1,200 to 1,500 positions as a result of a further review of the cost structure and a prolonged market downturn.

Upon announcement of the original restructuring on December 11, 2014 the Company stated that annualized savings of approximately US\$40 million related to Company employees were expected. Management also indicated that redundancy costs were likely to total approximately US\$25 million, of which US\$8 million were taken in 2014 and a further US\$17 million would be incurred in 2015.

Updated 2015 cost provisions of approximately US\$49 million, an increase of US\$32 million versus previous expectations, have been taken in the first half results and the Company anticipates realizing annualized savings of approximately US\$80 million compared to previous guidance of US\$40 million.

The Company's adaptation to market developments is focused on retaining core competencies. While expectations for order intake remain subdued, maintaining some engineering overcapacity remains crucial to being properly positioned for a market upturn.

Divestment Update

The Company completed the disposal of FPSO *Brasil*, *Kuito* and VLCC *Alba* in the first quarter of 2015.

Master Limited Partnership

Following the completion of a strategic review of alternatives, the Company announced on November 13, 2014 its intent to pursue the development of a master limited partnership (MLP). Structuring work is progressing with the Company working towards receiving the required regulatory approvals and filing a registration statement with the Securities and Exchange Commission. The Company currently expects any initial public offering of common units in the MLP to occur during the second or third quarter of 2016. This is revised from initial expectations of third quarter 2015. The anticipated offering would be subject to market conditions.

Extraordinary General Meeting of Shareholders

The Company will hold an Extraordinary General Meeting of Shareholders on November 4, 2015 where it will be proposed that Bruno Chabas (CEO) be reappointed as a member of the Management Board and CEO effective January 1, 2016 for a second four year term in office.



Investing in Our Future

The Company announced in 2014 a focused investment program in Research and Development (R&D), project capabilities (Odyssey24) and increased fleet maintenance, which would total approximately 2.5%-3% per year for two years of 2014 Directional¹ revenue guidance of US\$3.3 billion.

The R&D and Odyssey24 programs are on track with first half 2015 spending amounting to US\$41 million compared to US\$28 million in the year-ago period. R&D efforts are largely focused on the new reality of delivering complex deepwater projects in the current oil price environment, while Odyssey24 is focused on step changes in project and supply chain management with an expected payback on investment with the next Generation 3 FPSO project.

The Odyssey24 project will be completed in the second half of 2015, while the increased Research and Development efforts continue. A substantial part of the efforts represent internal workforce, making optimal use and retaining available engineering capacity during the current downturn.

Outlook and Guidance 2015

The market outlook remains challenging as the Company continues to see delays in final investment decisions, and ultimately awards, by clients. The Company maintains its positive medium to long-term outlook as the Company considers deepwater development a secular growth story.

The Company is updating 2015 Directional¹ revenue guidance from at least US\$2.2 billion to at least US\$2.6 billion. The increase is primarily attributable to the announced divestment of a 45% stake in the *Turritella* project. Turnkey revenue guidance for 2015 is now expected to be US\$1.4 billion versus US\$1.0 billion previously, and Lease & Operate segment guidance of US\$1.2 billion remains unchanged. Proportional net debt guidance below US\$3.5 billion is confidently reiterated for FY2015.

Management is introducing Directional¹ capital expenditure guidance. For the remaining three finance lease vessels under construction Directional¹ capital expenditure is expected to total approximately US\$265 million, with approximately 75% falling in the second half of 2015. Directional¹ capital expenditure excludes changes in net working capital and is presented net of upfront payments for FPSOs *Cidade de Maricá* and *Cidade de Saquarema*.

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FINANCIAL REVIEW

Directional¹ Performance

In 2013, SBM Offshore decided to extend its reporting with non-IFRS disclosures showing audited disclosures of Backlog and Income Statement based on Directional¹ principles. Directional¹ reporting principles stand as follows:

- Directional¹ reporting represents an additional non-GAAP disclosure to IFRS reporting
- Directional¹ reporting assumes all lease contracts are classified as operating leases
- Directional¹ reporting assumes all JVs related to lease contracts are consolidated on a proportional basis
- All other accounting principles remain unchanged compared to applicable IFRS standards.

HY2015 <i>in US\$ million</i>	HY 2015 Directional (1)	HY 2014 Directional (1)	Variance
Total Revenue	1,572	1,729	-9%
Lease and Operate			
Third parties revenue	542	521	4%
Gross Margin	168	152	10%
Operating profit/(loss) (EBIT)	149	139	7%
Underlying EBIT Margin	28%	24%	16%
Depreciation, amort. and impairment	167	129	29%
EBITDA	316	268	18%
Turnkey			
Third parties revenue	1,030	1,208	-15%
Gross Margin	282	199	41%
Operating profit/(loss) (EBIT)	171	107	60%
Underlying EBIT Margin	17%	9%	87%
Depreciation, amort. and impairment	4	7	-42%
EBITDA	175	114	54%
Other			
Other operating income/(expense)	(5)	(240)	NM
Selling, Administrative, Research & Development expenses	(61)	(47)	28%
Operating profit/(loss) (EBIT)	(66)	(288)	NM
Total Operating profit/(loss) (EBIT)	255	(41)	NM
Total EBITDA	430	98	NM
Net financing costs	(70)	(47)	49%
Share of profit of equity-accounted investees	(4)	(16)	-77%
Income tax expense	(17)	6	NM
Profit/(Loss)	164	(98)	NM

⁽¹⁾ Directional view is a non-IFRS disclosure, which treats all leases as operating leases and consolidates the vessel joint ventures proportionally

Directional¹ revenue for the first half of 2015 was down by 9% year-over-year to US\$1,572 million versus US\$1,729 million in the first half of 2014, reflecting the slowdown of Turnkey activity as a result of oil and gas macro market conditions. Directional¹ revenue by segment was as follows:

- Directional¹ Turnkey revenue decreased by 15% from the year-ago period reflecting lower activity on the construction of FPSOs *Cidade de Maricá* and *Saquarema* during the first half of 2015, the lack of significant

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order intake, partially offset by additional revenue invoiced to the new partners in the *Turritella* joint venture company.

- Directional¹ Lease and Operate revenue increased by 4% versus the first half of 2014 mainly due to the commencement of production of FPSOs *Cidade de Ilhabela* and *N'Goma FPSO* in late 2014 offset by FPSOs *Brasil*, *Kuito* and *Marlim Sul* no longer being in production in 2015.

Directional¹ Earnings Before Interest and Taxes (EBIT) for the first half of 2015 increased to US\$255 million compared with a loss of US\$41 million in the year-ago period, which featured a US\$240 million provision for the settlement of the investigation of improper sales practices and the US\$15 million release of an impairment related to Deep Panuke. Adjusted for both exceptional items in 2014, EBIT increased by 39% from US\$184 million to US\$255 million in the first half of 2015. This was primarily attributable to:

- Directional¹ Turnkey EBIT increased by 60% due to the strong performance of various projects during the period and the positive contribution of the gross margin recognised during the engineering, procurement and construction of FPSO *Turritella* started in 2013 on the new partners who acquired a stake of 45% in this project.
- Directional¹ Lease and Operate EBIT increased by 7% compared with the year-ago period but includes the impact of increased costs associated with the two year focused fleet maintenance programme. Directional¹ Lease & Operate EBIT Margin came in at 27.6% in the first half of 2015 including some restructuring costs, compared to the 26.7% during the first half of 2014.
- As a result of an on-going review of the cost structure and continued market downturn, the Company's workforce reduction is now expected to amount to at least 1,500 positions worldwide over the period 2014 and 2015. Restructuring costs accounted for as "Other operating expense" over the period represent US\$49 million, of which US\$32 million relate to the Turnkey segment, US\$11 million for Lease and Operate, and US\$6 million for the "Other" segment.

Directional¹ Overhead expenses reported in the "Other" segment increased to US\$61 million in the first half of 2015 from US\$47 million in the year-ago period. The strong level of overhead expenses is mainly attributable to the ongoing investments in the two year transformation program, *Odyssey 24*, which will be completed by the end of 2015. In general, Overhead expenses reflect the additional efforts to maintain the Company's leading technological position, as well as one-off items such as expenses related to the investigation in Brazil.

For the first half of 2015, Directional¹ EBITDA increased to US\$430 million, compared to US\$98 million in 2014. Adjusted for non-recurring items, Underlying Directional¹ EBITDA increased by 27% due to strong project execution positively impacting the Turnkey segment and the positive effects of the partner contributions to the *Turritella* project.

Directional¹ net financing costs totalled US\$70 million in the first half of 2015, up from US\$47 million in the year-ago period. The increase was primarily due to interest costs related to the project financings of FPSOs *Cidade de Ilhabela* and *N'Goma FPSO* as both units commenced production at the end of 2014.

SBM Offshore recorded a Directional¹ net profit of US\$164 million for the first half of 2015 or US\$0.78 per share, compared with a US\$98 million loss or US\$0.47 per share for the first half of 2014. Adjusted for the US\$240 million provision related to the settlement of the investigation of potentially improper sales practices and the US\$15 million release of an impairment related to Deep Panuke in 2014, underlying Directional¹ net income increased by 29% year-on-year to US\$164 million or US\$0.78 per share, compared to US\$127 million or US\$0.61 in the first half of 2014 for the reasons stated above.

IFRS Performance

IFRS revenue for the first half of 2015 amounted to US\$1,457 million, decreasing by 48% compared to US\$2,797 million in the year-ago period as a result of the reduction of investments in finance lease contracts under construction.

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Under IFRS, the 45% stake taken by Joint Venture partners in the *Turritella* project has no visible impact. The *Turritella* lease is classified as a finance lease, implying the project is already accounted for as a 100% sale during construction including deemed construction profit. Also of importance is that SBM Offshore will retain control of the companies owning and operating the FPSO, resulting in continued full consolidation as if no partner contribution had taken place except for the recognition of additional non-controlling interests.

IFRS EBIT for the first half of 2015 remained stable to US\$204 million compared to US\$201 million in the year ago period which was including the US\$240 million provision in 2014 for the settlement of the investigation of potentially improper sales practices and the US\$15 million impairment release on Deep Panuke. The underlying decrease of IFRS EBIT reflects the reduction of investments in finance lease projects under construction, due to projects nearing completion in 2015, and the lack of any impact under IFRS in the consolidated Income statement of the 45% partner's share in the joint venture companies owning and operating FPSO *Turritella*, which remain both fully controlled under IFRS 10.

IFRS net income attributable to shareholders came in at US\$106 million compared to US\$137 million a year ago.

Statement of Financial Position

Total assets remained stable at US\$11.3 billion as of June 30, 2015 compared to US\$11.1 billion at year-end 2014. This reflects the lower investments in FPSOs *Cidade de Maricá*, *Cidade de Saquarema* and *Turritella* during the period and the planned amortisation of property, plant, and equipment and finance lease receivables.

As of June 30, 2015 net debt under IFRS standards slightly increased to US\$5,159 million reflecting lower investments in the ongoing Lease & Operate projects under construction. Cash and cash equivalent balances came in at US\$389 million and committed, undrawn, long-term bank facilities stood at US\$975 million. The average cost of debt is 4.2%, unchanged from the end of 2014.

Total equity as of June 30, 2015 slightly increased at US\$3,363 million compared to December 31, 2014. The Company's net debt to total equity remained stable at 152% at year-end 2014 to 153% at the end of the first half of 2015.

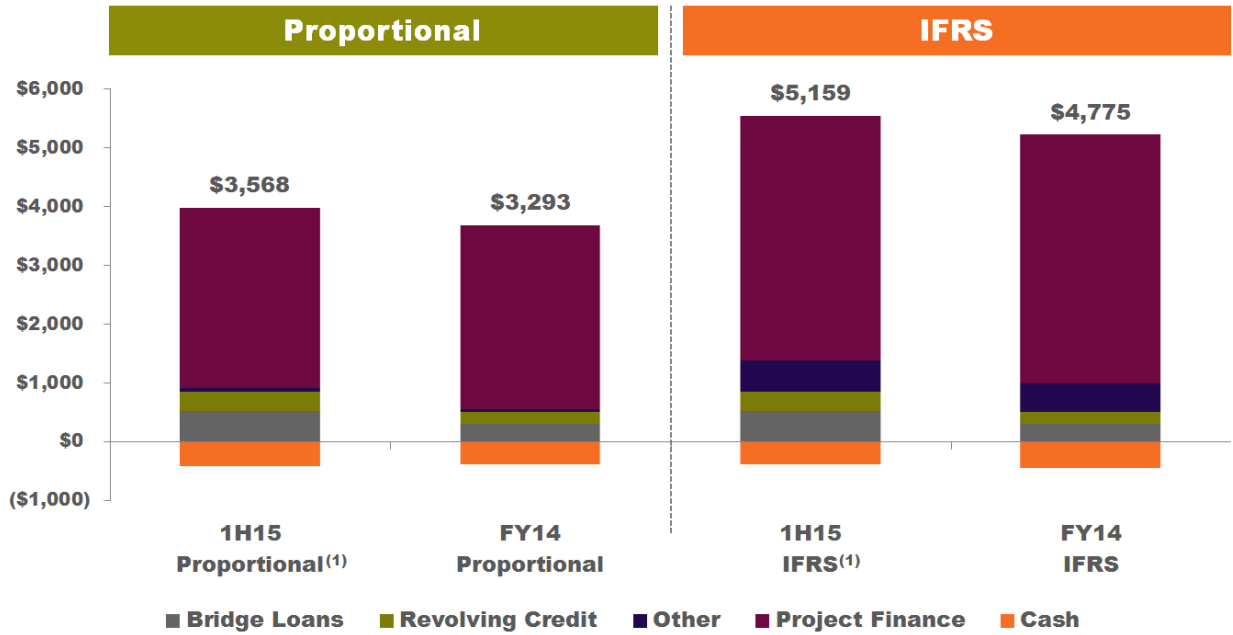
The Company's solvency ratio stood at 32.5% while the leverage ratio came at 3.3 times and the interest cover ratio came in at 10.3 times, all firmly within covenant requirements.

Covenant Calculations	
Solvency Ratio	<ul style="list-style-type: none"> ■ Tangible Net Worth divided by Total Tangible Assets > 25% – Solvency Ratio = 32.5% vs. FY14 31.1%
Leverage Ratio	<ul style="list-style-type: none"> ■ Consolidated Net Borrowings divided by Adjusted EBITDA < 3.75 – Leverage Ratio = 3.3 vs. FY14 2.6
Interest Cover Ratio	<ul style="list-style-type: none"> ■ Adjusted EBITDA divided by Net Interest Payable > 5.0 – Interest Cover Ratio = 10.3 vs. FY14 14.1

Including cash outflows for finance leases under construction previously reported as investing activities, cash from operating activities was negative US\$394 million for the period compared to negative US\$817 million during the first half of 2014. Cash outflows in finance leases under construction for the first half of 2015 decreased significantly to US\$394 million compared to US\$1,370 million in the year-ago period taking into consideration the decreasing investments in the fully consolidated FPSOs *Cidade de Maricá*, *Saquarema*, *Ilhabela* and *Turritella*.

Directional¹ capital expenditure through the first half of 2015 amounted to a combined total of US\$265 million, reflecting the advanced construction progress of the Company's main projects which are expected to be completed over the next twelve months. These amounts correspond to the SBM Offshore share in SBM Inc. (the Company's construction subsidiary) costs as well as costs directly incurred at the joint venture level.

The remaining Directional¹ capital expenditures for the three finance lease vessels under construction is expected to total approximately US\$265 million, with approximately 75% falling in the second half of 2015. Directional¹ capital expenditure excludes changes in net working capital and is presented net of upfront payments for FPSOs *Cidade de Maricá* and *Cidade de Saquarema*.



Further financial information is provided in the consolidated interim financial statements included in this press release.

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² The *Turritella* JV and *Cidade de Saquarema* financing are post-period events that are not reflected in debt facilities or cash as of June 30, 2015.



Analyst Presentation & Conference Call

SBM Offshore has scheduled a webcast of its presentation to the financial community and a conference call followed by a Q&A session at 19.30 Central European Summer Time on Wednesday, August 5, 2015.

The presentation will be hosted by Bruno Chabas (CEO), Peter van Rossum (CFO), Philippe Barril (COO) and Erik Legendijk (CGCO). Interested parties are invited to listen to the call by dialling +31 20 716 8256 in the Netherlands, +44 203 427 1918 in the UK or +1 646 254 3367 in the US. Conference ID: 1511299. Interested parties may also listen to the presentation via webcast through a link posted on the Investor Relations section of the Company's website.

A replay of the conference call will be available shortly after the end of the conference call. The replay can be accessed by dialling +31 20 708 5013 and using access code 1511299 until August 19, 2015. The webcast replay will also be available on the Company's website.

Financial Calendar	Date	Year
Extraordinary General Meeting of Shareholders	November 4	2015
Trading Update Q3 2015 - Press Release	November 11	2015
Full-Year 2015 Results - Press Release	February 10	2016
Publication of AGM Agenda	February 23	2016
Annual General Meeting of Shareholders	April 6	2016

Corporate Profile

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

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

Group companies employ over 9,000 people worldwide. Full time company employees totalling 5,700 are spread over five regional centres, eleven operational shore bases and the offshore fleet of vessels. A further 3,300 are working for the joint ventures with several construction yards. Please visit our website at www.sbmoffshore.com.

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

The Management Board
Schiedam, The Netherlands, August 5, 2015



For further information, please contact:

Investor Relations

Nicolas D. Robert
Head of Investor Relations

Telephone: +377 92 05 18 98
Mobile: +33 (0) 6 40 62 44 79
E-mail: nicolas.robert@sbmoffshore.com
Website: www.sbmoffshore.com

Media Relations

Anne Guerin-Moens
Group Communications Director

Telephone: +377 92 05 30 83
Mobile: +33 (0) 6 80 86 36 91
E-mail: anne.guerin-moens@sbmoffshore.com
Website: www.sbmoffshore.com

Disclaimer

Some of the statements contained in this release that are not historical facts are statements of future expectations and other forward-looking statements based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those in such statements. Such forward-looking statements are subject to various risks and uncertainties, which may cause actual results and performance of the Company's business to differ materially and adversely from the forward-looking statements. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as "believes", "may", "will", "should", "would be", "expects" or "anticipates" or similar expressions, or the negative thereof, or other variations thereof, or comparable terminology, or by discussions of strategy, plans, or intentions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this release as anticipated, believed, or expected. SBM Offshore NV does not intend, and does not assume any obligation, to update any industry information or forward-looking statements set forth in this release to reflect subsequent events or circumstances. Nothing in this press release shall be deemed an offer to sell, or a solicitation of an offer to buy, any securities.

Compliance statement

The Management Board of the Company declares, to the best of its knowledge that:

- The condensed consolidated interim financial statements IAS 34 as of and for the six months ended 30 June 2015 as presented under IAS 34, and supplemented by essential non-IFRS disclosures (Directional Reporting), give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company, and the undertakings included in the consolidation taken as a whole;
- The interim financial statements and the Management Board report as presented in the press release dated 5 August 2015, give a fair view of the information required pursuant to section 5.25d, subsection 8 and, as far as applicable, subsection 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

Management Board.

Mr. B.Y.R Chabas, Chief Executive Officer

Mr. P. Barril, Chief Operating Officer

Mr. P.M. van Rossum, Chief Financial Officer

Mr. E. Lagendijk, Chief Governance and Compliance Officer

APPENDIX: SBM Offshore N.V. – Condensed consolidated interim financial statements (unaudited)

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APPENDIX: SBM Offshore N.V. - Condensed consolidated interim financial statements (unaudited)

The Notes 1 to 22 are an integral part of these condensed interim financial statements.

Consolidated income statement

<i>For the six months ended 30 June, figures are expressed in millions of US\$</i>	<i>Notes</i>	2015	2014
Revenue	8	1,457	2,797
Cost of sales		(1,054)	(2,208)
Gross margin	8	403	590
Other operating income/(expense)	9	(48)	(240)
Selling and marketing expenses		(32)	(19)
General and administrative expenses		(102)	(111)
Research and development expenses		(17)	(18)
Operating profit/(loss) (EBIT)		204	201
Financial income		13	13
Financial expenses		(102)	(78)
Net financing costs	10	(89)	(66)
Share of profit of equity-accounted investees		48	59
Profit/(Loss) before tax		164	194
Income tax expense	11	(11)	(9)
Profit/(Loss)		153	185
Attributable to shareholders of the parent company		106	138
Attributable to non-controlling interests		47	47
Profit/(Loss)		153	185

Earnings/(loss) per share

	<i>Notes</i>	2015	2014
Weighted average number of shares outstanding	12	209,961,397	208,824,569
Basic earnings/(loss) per share	12	US\$ 0.50	US\$ 0.66
Fully diluted earnings/(loss) per share	12	US\$ 0.50	US\$ 0.66

Consolidated statement of comprehensive income

<i>For the six months ended 30 June, figures are expressed in millions of US\$</i>	2015	2014
Profit/(Loss) for the period	153	185
Cash flow hedges, net of tax	3	(33)
Currency translation differences	(7)	(3)
Items that may be reclassified subsequently to profit or loss, net of tax	(4)	(36)
Remeasurements of defined benefit liabilities, net of tax	3	(8)
Items that will never be reclassified to profit or loss, net of tax	3	(8)
Other comprehensive income for the period, net of tax	(2)	(44)
Total comprehensive income for the period, net of tax	151	141
Of which		
- on controlled entities	103	86
- on equity-accounted entities	48	55
Attributable to shareholders of the parent company	102	107
Attributable to non-controlling interests	50	35
Total comprehensive income for the period, net of tax	151	141

Consolidated Statement of Financial Position

Figures are expressed in millions of US\$

	Notes	30 June 2015	31 December 2014
ASSETS			
Property, plant and equipment	13	1,821	1,923
Intangible assets		34	34
Investment in associates and joint-ventures		437	386
Finance lease receivables	14	3,113	3,177
Other financial assets	15	403	402
Deferred tax assets		63	63
Derivative financial instruments	20	-	1
Total non-current assets		5,870	5,985
Inventories		8	10
Finance lease receivables	14	182	202
Trade and other receivables		921	978
Income tax receivables		2	4
Construction work-in-progress	17	3,904	3,424
Derivative financial instruments	20	22	25
Cash and cash equivalents		389	475
Assets held for sale	16	-	13
Total current assets		5,429	5,133
TOTAL ASSETS		11,299	11,118
EQUITY AND LIABILITIES			
Issued share capital		59	64
Share premium reserve		1,165	1,160
Retained earnings		1,634	1,482
Other reserves		(285)	(287)
Equity attributable to shareholders of the parent company		2,573	2,419
Non-controlling interests		790	730
Total Equity	18	3,363	3,149
Loans and borrowings	19	4,663	4,332
Provisions	21	124	130
Deferred income		259	251
Deferred tax liabilities		-	11
Derivative financial instruments	20	141	156
Other non-current liabilities		70	70
Total non-current liabilities		5,257	4,950
Loans and borrowings	19	885	895
Provisions	21	155	139
Trade and other payables		1,417	1,721
Income tax payables		41	60
Bank overdrafts		-	23
Derivative financial instruments	20	182	181
Total current liabilities		2,680	3,020
TOTAL EQUITY AND LIABILITIES		11,299	11,118

Consolidated Statement of Changes in Equity

2015	Outstanding number of shares	Issued share capital	Share premium reserve	Retained earnings	Other reserves	Attributable to shareholders	Non-controlling interests	Total Equity
<i>Figures are expressed in millions of US\$</i>								
At 1 January 2015	209,695,094	64	1,160	1,482	(287)	2,419	730	3,149
Profit/(Loss) for the period	-	-	-	106	-	106	47	153
Foreign currency translation	-	(5)	-	-	(2)	(7)	-	(7)
Remeasurements of defined benefit provisions	-	-	-	-	3	3	-	3
Cash flow hedges/net investment hedges	-	-	-	-	1	1	2	3
Comprehensive income for the period	-	(5)	-	106	1	102	50	151
Issue of shares	-	-	-	-	-	-	89	89
IFRS 2 Vesting cost of Share based payments	-	-	-	10	-	10	-	10
Issuance of shares on the share based scheme	529,460	0	6	(3)	-	3	-	3
Cash dividend	-	-	-	-	-	-	-	-
Transactions with non-controlling interests	-	-	-	38	-	38	(38)	-
Other movements (*)	-	-	-	-	-	-	(40)	(40)
At 30 June 2015	210,224,554	59	1,165	1,634	(285)	2,573	790	3,363

* equity repayment in companies Cidade de Ilhabela, following shareholders resolution

2014	Outstanding number of shares	Issued share capital	Share premium reserve	Retained earnings	Other reserves	Attributable to shareholders	Non-controlling interests	Total Equity
<i>Figures are expressed in millions of US\$</i>								
At 1 January 2014	208,747,188	72	1,145	894	(72)	2,039	848	2,887
Profit/(Loss) for the period	-	-	-	138	-	138	47	185
Foreign currency translation	-	-	-	-	(3)	(3)	-	(3)
Remeasurements of defined benefit provisions	-	-	-	-	(8)	(8)	-	(8)
Cash flow hedges/net investment hedges	-	-	-	-	(21)	(21)	(12)	(33)
Comprehensive income for the period	-	-	-	138	(31)	107	35	141
Issue of shares	-	-	-	-	-	-	30	30
IFRS 2 Vesting cost of Share based payments	-	-	-	10	-	10	-	10
Issuance of shares on the share based scheme	308,555	-	5	-	-	5	-	5
Cash dividend	-	-	-	-	-	-	(2)	(2)
Other movements (**)	-	-	-	-	-	-	(154)	(154)
At 30 June 2014	209,055,743	72	1,150	1,042	(103)	2,161	756	2,917

** conversion of equity reserves into shareholders loans in companies Alfa Lula Alto Srl and Beta Lula Central Srl, following shareholders resolution

Consolidated Cash Flow Statement

For the six months ended 30 June, figures are expressed in millions of US\$

	2015	2014
Cash flow from operating activities		
Receipts from customers	1,045	985
Payments for finance leases construction	(394)	(1,370)
Payments to suppliers and employees	(1,026)	(421)
Income tax received / (paid)	(20)	(11)
Net cash from operating activities	(394)	(817)
Cash flow from investing activities		
Investment in property, plant and equipment	(1)	(60)
Investment in intangible assets	(4)	-
Additions to funding loans	(3)	(116)
Redemption of funding loans	65	234
Interest received	4	6
Dividends received from equity-accounted investees	3	2
Net proceeds from disposal of property, plant and equipment	13	-
Other investing activities	-	84
Net cash used in investing activities	77	150
Cash flow from financing activities		
Equity funding from partners	49	30
Additions to borrowings and loans	587	1,260
Repayments of borrowings and loans	(293)	(602)
Dividends paid to non-controlling interests	-	(2)
Interest paid	(89)	(72)
Net cash from financing activities	253	615
Net increase/(decrease) in cash and cash equivalents	(64)	(53)
Net cash as at 1 January	452	208
Net increase/(decrease) in net cash	(64)	(53)
Currency differences	1	(1)
Net cash end of period	389	154

1. General information

SBM Offshore N.V. is a Company domiciled in Rotterdam, the Netherlands. SBM Offshore N.V. is the holding Company of a group of international marine technology oriented companies. The Company serves globally the offshore oil and gas industry by supplying engineered products, vessels and systems, as well as offshore oil and gas production services.

The Company has its listing on the Euronext Amsterdam stock exchange.

The condensed consolidated interim financial statements as of and for the six months ended 30 June 2015 comprise the interim financial statements of SBM Offshore N.V., its subsidiaries and interests in associates and joint ventures (together referred to as 'the Company'). They are presented in millions of US Dollars, except when otherwise indicated. Figures may not add up due to rounding.

The condensed interim financial statements were authorised for issue by the Supervisory Board on 5 August 2015, and have been reviewed, but not audited.

2. Basis for preparation

The condensed consolidated interim financial statements as at and for the six months ended 30 June 2015 have been prepared in accordance with IAS 34 "Interim financial reporting". The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2014, as the same policies apply except for the new IFRS standards and interpretations adopted by the European Union as at 30 June 2015, where effective, for financial years beginning January 1st, 2015.

The consolidated financial statements of the Company as at and for the year ended 31 December 2014 are available upon request or can be downloaded on the Company's website.

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

3. Accounting principles

The accounting principles adopted are consistent with those of the previous financial year except as described below.

3.1. New standards, amendments and interpretations applicable as of January 1st, 2015

The Company has adopted the following new standards with a date of initial application of January 1st, 2015:

- IFRIC 21 "Levies";
- Annual improvements 2011-2013 cycle.

IFRIC 21 addresses the accounting for a liability to pay a levy if that liability falls within the scope of IAS 37 "Provisions". The interpretation addresses the obligating event that gives rise to pay a levy, and when a liability should be recognised. The Company is not currently subject to significant levies. The adoption of the interpretation had no significant effect on the financial statements for earlier periods and on the interim financial statements for the period ended 30 June 2015. The Company does not expect IFRIC 21 to have a significant effect on the results for the financial year ending 31 December 2015.

In addition, the IFRS amendments included in the annual improvements 2011-2013 cycle have a negligible impact on the Company's condensed consolidated interim financial statements.

3.2. Standards and interpretations not mandatory applicable to the Company as of January 1st, 2015

The following standards and amendments are published by the IASB and endorsed by the European Commission, but not mandatory applicable as of January 1st, 2015. Application is permitted by the IASB. The Company has decided not to early adopt them.

- Annual improvements: 2010-2012 cycle;
- IAS 19 Amended "Defined Benefit Plans: Employee Contributions".

Other new standards and amendments have been published by the IASB but have not been endorsed yet by the European Commission and have therefore not been adopted by the Company.

4. Use of estimates

When preparing the condensed consolidated interim financial statements, it is necessary for the Management of the Company to make estimates and certain assumptions that can influence the valuation of the assets and liabilities and the outcome of the income statement. The actual outcome may differ from these estimates and assumptions, due to changes in facts and circumstances. Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

The judgments made by the Management in applying the Company's accounting policies, and the key sources of estimation and assumptions were the same as those that applied to the consolidated financial statements as of and for the year ended 31 December 2014.

5. Fair value measurement

The Company measures some financial instruments, such as derivatives, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 20 "Accounting classifications and fair value of financial instruments".

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability;
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Information regarding the fair value of all financial assets and liabilities is included in Note 20 "Accounting classifications and fair value of financial instruments".

6. Financial risk management

All aspects of the Company's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as of and for the year ended 31 December 2014.

In the Company's view, financial market, treasury and liquidity risks remain largely covered by the Company's full hedging policy and resulting volatility is not considered material in the overall financial context.

7. Highlights

Restructuring

As a result of an on-going review of the cost structure and continued market downturn, the Company's workforce reduction is now expected to amount to at least 1,500 positions worldwide over the periods of 2014 and 2015. Restructuring costs accounted for as "Other operating expense" over the period represent US\$ 49 million, of which US\$ 45 million relate to Monaco based employees. The restructuring liabilities represent US\$ 17 million as of 30 June 2015 for the Company.

Partial divestment agreement of FPSO Turritella

On June 30th, 2015, the Company entered into an agreement with Mitsubishi Corporation and Nippon Yusen Kabushiki Kaisha for the disposal of 45% of the Company's share in companies incorporated for the purpose of owning and operating FPSO Turritella at shares nominal value. After the completion of this transaction, the Company has kept the control of its subsidiaries under IFRS 10 "Consolidated financial statements" and the transaction has been therefore accounted for as an equity transaction. As a result, the equity attributable to the shareholders of the parent company has increased by US\$ 38 million, and no gain or loss has been recognised in the Consolidated Income Statement prepared in accordance with IFRS standards.

In the operating segments disclosure, the Company has recognised under Directional Reporting accounting principles, the share of construction revenues and gross margin made on the new partners in the company owning FPSO Turritella (Stones Sarl), which was eliminated in consolidation prior to the completion of the divestment.

FSO Yetagun (Myanmar)

In May 2015, the client extended its lease contract of the Yetagun FSO by 3 years, ending May 2018. This extension has been classified as financial lease according to IAS17, triggering a gross margin impact of US\$ 16 million on the period in accordance with IFRS standards. In the operating segments disclosure, this extension remains classified as operating lease under Directional Reporting accounting principles, triggering a linear recognition of related revenues and gross margin during the extended lease period.

8. Operating segments

The Company's reportable operating segments as defined by IFRS 8 "Operating segments" are:

- Lease and Operate;
- Turnkey.

The operating segments are measured under Directional Reporting accounting principles, as described under section 6.2.7.G.(e) "Significant Accounting policies" of the consolidated financial statements as of and for the year ended 31 December 2014.

2015 operating segments

<i>For the six months ended 30 June</i>	Lease and Operate	Turnkey	Reported segments	Other	Total Directional reporting
Third party revenue	542	1,030	1,572	-	1,572
Gross margin	168	282	450	-	450
Other operating income/expense	(7)	(32)	(40)	(5)	(45)
Selling and marketing expense	(3)	(29)	(32)	-	(32)
General and administrative expense	(9)	(33)	(41)	(61)	(102)
Research and development expense	-	(17)	(17)	-	(17)
Operating profit/(loss) (EBIT)	149	171	320	(66)	255
Net financing costs					(70)
Share of profit of equity-accounted investees					(4)
Income tax expense					(17)
Profit/(Loss)					164
Operating profit/(loss) (EBIT)	149	171	320	(66)	255
Depreciation, amortisation and impairment	167	4	171	5	175
EBITDA	316	175	491	(61)	430
Other segment information :					
Impairment charge / (reversal)	-	-	-	-	-

Reconciliation of 2015 operating segments

<i>For the six months ended 30 June</i>	Reported segments under Directional reporting	Impact of consolidation methods	Impact of lease accounting treatment	Impact of business segment that does not meet the definition of an operating segment	Total Consolidated IFRS
Revenue					
Lease and Operate	542	21	(71)	0	492
Turnkey	1,030	3	(68)	-	965
Total revenue	1,572	24	(139)	0	1,457
Gross margin					
Lease and Operate	168	19	19	0	206
Turnkey	282	(6)	(80)	-	197
Total gross margin	450	14	(60)	0	403
EBIT					
Lease and Operate	149	16	19	-	184
Turnkey	171	(6)	(80)	-	86
Other	-	(0)	-	(66)	(66)
Total EBIT	321	10	(60)	(66)	204

2014 operating segments

<i>For the six months ended 30 June</i>	Lease and Operate (*)	Turnkey (*)	Reported segments (*)	Other (*)	Total Directional reporting (*)
Third party revenue	521	1,208	1,729	-	1,729
Gross margin	152	199	352	-	352
Other operating income/expense	-	-	-	(240)	(240)
Selling and marketing expense	(1)	(22)	(23)	-	(23)
General and administrative expense	(12)	(53)	(65)	(47)	(112)
Research and development expense	-	(18)	(18)	-	(18)
Operating profit/(loss) (EBIT)	139	107	246	(288)	(41)
Net financing costs					(47)
Share of profit of equity-accounted investees					(16)
Income tax expense					6
Profit/(Loss)					(98)
Operating profit/(loss) (EBIT)	139	107	246	(288)	(41)
Depreciation, amortisation and impairment	129	7	136	4	139
EBITDA	268	114	382	(284)	98
Other segment information :					
Impairment charge / (reversal)	(15)	2	(13)	-	(13)

* restated following the change in accounting policies used in the measurement of "operating segments" described in section 6.2.7.G.(e) of the consolidated financial statements as of 31 December 2014

Reconciliation of 2014 operating segments

<i>For the six months ended 30 June</i>	Reported segments under Directional reporting	Impact of consolidation methods	Impact of lease accounting treatment	Impact of business segment that does not meet the definition of an operating segment	Total Consolidated IFRS
Revenue					
Lease and Operate	521	40	(39)	-	522
Turnkey	1,208	(140)	1,207	-	2,275
Total revenue	1,729	(100)	1,168	-	2,797
Gross margin					
Lease and Operate	152	29	4	-	185
Turnkey	199	(39)	245	-	405
Total gross margin	352	(10)	248	-	590
EBIT					
Lease and Operate	139	28	4	-	171
Turnkey	107	(35)	245	-	316
Other	-	1	-	(288)	(287)
Total EBIT	246	(6)	248	(288)	201

9. Other Operating Income and Expense

Other operating income and expense

<i>For the six months ended 30 June</i>	2015	2014
Gains from sale of financial participations, property, plant and equipment	-	-
Other operating income	1	-
Total other operating income	1	-
Settlement expenses	-	(240)
Restructuring expenses	(49)	-
Other operating expense	0	-
Total other operating expense	(49)	(240)
Total	(48)	(240)

As explained in Note 7 "Highlights", the other operating expenses refer to the net restructuring costs following the workforce reduction plans launched since the end of the year 2014.

In 2014, the other operating expenses included the US\$ 240 million charge related to the out-of-court settlement with the Dutch Public Prosecutor's Office into potentially improper sales payments.

10. Net financing costs

Net financing costs

<i>For the six months ended 30 June</i>	2015	2014
Interest income on loans & receivables	13	13
Interest income on Held-to-Maturity investments	0	-
Net gain on financial instruments at fair value through profit and loss	-	0
Net foreign exchange gain	1	1
Other financial income	0	-
Financial Income	13	13
Interest expenses on financial liabilities at amortised cost	(68)	(42)
Interest expenses on hedging derivatives	(32)	(34)
Interest addition to provisions	(1)	(2)
Net cash flow hedges ineffectiveness	(2)	(1)
Financial Expenses	(102)	(78)
Net financing costs	(89)	(66)

The increase in interest expenses in 2015 is mainly related to interest paid on facilities upon commencement of production FPSO Cidade de Ilhabela.

11. Income tax

The effective tax rate, excluding the income from companies accounted for under the equity method, was 9.3% in the first half of 2015, compared with 8.2% for the full year 2014 (excluding tax effects on adjustments on prior years). The variance is mainly explained by an increase of withholding tax on one of the Company's project in Angola.

12. Earning/Loss per share

The basic earnings per share for the period is US\$ 0.50 (for the six months ended 30 June 2014: US\$ 0.66). The fully diluted earnings per share amounts to US\$ 0.50 (for the six months ended 30 June 2014: US\$ 0.66).

Basic earnings / loss per share is calculated by dividing net profit / loss for the period attributable to shareholders of the Company by the weighted average number of shares outstanding during the period.

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

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

Earnings per share

	2015	2014
Earnings attributable to shareholders (in thousands of US\$)	105,822	137,928
Number of shares outstanding at 1 January	209,695,094	208,747,188
Average number of new shares issued	266,303	77,381
Weighted average number of shares outstanding	209,961,397	208,824,569
Potential dilutive shares from stock option scheme and other share-based payments	279,413	1,114,464
Weighted average number of shares (diluted)	210,240,810	209,939,033
Basic earnings/(loss) per share	US\$ 0.50	US\$ 0.66
Fully diluted earnings/(loss) per share	US\$ 0.50	US\$ 0.66

13. Property, plant and equipment

The movement of the property, plant and equipment is summarised as follows:

Movement in property, plant and equipment

	30 June 2015	31 December 2014
Cost	3,810	4,087
Accumulated depreciation and impairment	(1,887)	(2,029)
Net book value at beginning of period	1,923	2,058
Additions	1	59
Disposals	(4)	(3)
Depreciation	(96)	(223)
Impairment	-	37
Exchange rate differences	(6)	(9)
Other movements/deconsolidation	4	5
Total movements	(102)	(135)
Cost	3,728	3,810
Accumulated depreciation and impairment	(1,906)	(1,887)
Net book value at end of period	1,821	1,923

14. Finance lease receivables

Finance lease receivables (reconciliation gross / net investment)

	30 June 2015	31 December 2014
Gross receivable	6,235	6,457
Less: Unearned finance income	(2,940)	(3,078)
Total	3,295	3,379
Of which:		
Current portion	182	202
Non-current portion	3,113	3,177

As of 30 June 2015, finance lease receivables relate to the finance lease of:

- FPSO Cidade de Ilhabela, which started production in November 2014;
- FPSO Cidade de Paraty, which started production in June 2013;
- FPSO Aseng, which started production in November 2011;
- FSO Yetagun life extension started in May 2015.

The decrease in finance lease receivables mainly relates to redemptions as per amortisation plan.

15. Other financial assets

Other financial assets

	30 June 2015	31 December 2014
Non-current portion of other receivables	56	54
Corporate securities	31	29
Non-current portion of loans to joint ventures and associates	316	319
Total	403	402

The current portion of other receivables and loans to joint ventures and associates are included within the "trade and other receivables" in the statement of financial position.

Loans to joint-ventures and associates

	30 June 2015	31 December 2014
Current portion	62	121
Non-current portion	316	319
Total	378	441

As of 30 June 2015 the decrease in loans to joint ventures relates to redemptions of loans (including FPSO Kikeh by US\$ 30 million).

In addition, the cumulative losses recognised using the equity method in excess of the Company's investment in ordinary shares of two joint ventures represent US\$ 64 million as of 30 June 2015. It reduces the carrying amount of the loans provided to these joint ventures and associates.

16. Assets held for sale

The movement of assets held for sale is summarised as follows:

Assets held for sale

	30 June 2015	31 December 2014
Book value at 1 January	13	177
Impairments	-	(2)
Other movements	(13)	(162)
Book value at end of period	-	13

During the first quarter of 2015, the Company completed the disposal of FPSO Brasil and VLCC Alba, which were presented as assets held for sale as of 31 December 2014.

In 2014, the significant decrease of the assets held for sale was mainly related to the sale of a real estate property in Monaco and the DSCV SBM Installer.

17. Construction Work-in-progress

The increased work-in-progress reflects the amount of construction activities related to FPSOs Cidade de Marica, Cidade de Saquarema and Turritella during the period.

18. Equity attributable to shareholders

The authorised share capital of the Company is two hundred million euro (€ 200,000,000). This share capital is divided into four hundred million (400,000,000) Ordinary Shares with a nominal value of twenty-five eurocent (€ 0.25) each and four hundred million (400,000,000) Protective Preference Shares, with a nominal value of twenty-five eurocent (€ 0.25) each.

During the period up to and including 30 June 2015, 529,460 new ordinary shares were issued. The total number of ordinary shares outstanding at 30 June 2015 was 210,224,554 (31 December 2014: 209,695,094).

19. Loans and borrowings

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

Bank interest-bearing loans and other borrowings

	30 June 2015	31 December 2014
Non-current portion	4,332	3,205
Add: current portion	895	403
Remaining principal at beginning of period	5,227	3,608
Additions	608	2,517
Redemptions	(294)	(878)
Transaction and amortised costs	6	(19)
Movements during the period	320	1,620
Remaining principal at end of period	5,548	5,227
Less: Current portion	(885)	(895)
Non-current portion	4,663	4,332
Transaction and amortised costs	58	64
Remaining principal at end of period (excluding transaction and amortised costs)	5,606	5,291
Less: Current portion	(897)	(907)
Non-current portion	4,709	4,384

The Company has no 'off-balance sheet' financing through special purpose entities. All long-term debt is included in the consolidated statement of financial position.

The allocation per entity is as follows:

Loans and borrowings per entity

Entity name	Project name or nature of loan	% Ownership	% Interest (*)	Maturity	Net book value at 30 June 2015			Net book value at 31 December 2014		
					Non-current	Current	Total	Non-current	Current	Total
US\$ PROJECT FINANCE FACILITIES DRAWN:										
Aseng Production Company Ltd	FPSO Aseng	60.00	4.02%	15-Dec-15	-	67	67	-	121	121
SBM Espirito do Mar BV	FPSO Capixaba	100.00	2.79%	15-Mar-16	-	61	61	31	60	90
Brazilian Deepwater Prod. Ltd	FPSO Espirito Santo	51.00	4.91%	30-Jun-16	-	75	75	42	63	105
SBM Deep Panuke SA	MOPU Deep Panuke	100.00	3.80%	31-Dec-21	353	57	411	383	57	440
Tupi Nordeste Sarl	FPSO Cidade de Paraty	50.50	5.21%	15-Jun-23	758	85	843	801	82	883
Guara Norte Sarl	FPSO Cidade de Ilhabela	62.25	5.49%	15-Oct-24	1,055	96	1,151	1,103	78	1,181
SBM Baleia Azul Sarl	FPSO Cidade de Anchieta	100.00	5.89%	15-Sep-27	410	26	436	423	25	448
US\$ GUARANTEED PROJECT FINANCE FACILITIES DRAWN:										
Alfa Lula Alto Sarl	FPSO Cidade de Marica	56.00	5.02%	15-Dec-30	1,126	0	1,126	968	(5)	963
BILATERAL CREDIT FACILITIES:										
SBM Holding Inc.SA	FPSO Cidade de Saquarema	100.00	Variable	17-Dec-16 (**)	525	-	525	303	(0)	303
REVOLVING CREDIT FACILITY:										
SBM Offshore Finance Sarl	Corporate Facility	100.00	Variable	30-Jan-22 (**)	283	-	283	-	-	-
Single Buoy Moorings Inc	Corporate Facility	100.00	Variable	30-Jan-22 (**)	47	(1)	46	152	(1)	151
OTHER:										
Other		100.00			106	418	524	126	417	543
Net book value of loans and borrowings					4,663	885	5,548	4,332	895	5,227

* % interest per annum on the remaining loan balance

** additional year(s) extension option considered

The other borrowings mainly include loans received from partners in subsidiaries.

20. Accounting classifications and fair values of financial instruments

Accounting classification

The Company uses the following fair value hierarchy for financial instruments that are measured at fair value in the statement of financial position, which require disclosure of fair value measurements by level:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2);
- Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs) (Level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value:

Accounting classification and fair values as at 30 June 2015

Notes	Carrying amount							Fair value				Total
	Fair Value through profit or loss	Fair value - hedging instruments	Held-to-maturity	Available for sale	Loans and receivables	IAS 17 Leases	Financial liabilities at amortised cost	Level 1	Level 2	Level 3		
Financial assets measured at fair value												
Interest rate swaps	-	0	-	-	-	-	-	0	-	0	-	0
Forward currency contracts	11	11	-	-	-	-	-	22	-	22	-	22
Commodity contracts	-	-	-	-	-	-	-	-	-	-	-	-
Total	11	11	-	-	-	-	-	22	-	22	-	22
Financial assets not measured at fair value												
Corporate securities	-	-	30	2	-	-	-	31	26	2	-	29
Trade and other receivables	-	-	-	-	859	-	-	859	-	-	-	-
Finance leases receivables	14	-	-	-	-	3,295	-	3,295	-	-	3,476	3,476
Loans to joint ventures and associates	15	-	-	-	378	-	-	378	-	-	419	419
Total	-	-	30	2	1,237	3,295	-	4,563	-	-	419	419
Financial liabilities measured at fair value												
Interest rate swaps	-	173	-	-	-	-	-	173	-	173	-	173
Forward currency contracts	40	108	-	-	-	-	-	149	-	149	-	149
Commodity contracts	-	1	-	-	-	-	-	1	-	1	-	1
Total	40	282	-	-	-	-	-	323	-	323	-	323
Financial liabilities not measured at fair value												
US\$ project finance facilities drawn	19	-	-	-	-	-	3,043	3,043	-	3,043	-	3,043
US\$ guaranteed project finance facilities drawn	19	-	-	-	-	-	1,126	1,126	-	1,126	-	1,126
Revolving credit facility / Bilateral credit facilities	19	-	-	-	-	-	854	854	-	854	-	854
Bank overdrafts	-	-	-	-	-	-	-	-	-	-	-	-
Other debt	19	-	-	-	-	-	524	524	-	-	531	531
Trade and other payables / Other non-current liabilities	-	-	-	-	-	-	1,487	1,487	-	-	-	-
Total	-	-	-	-	-	-	7,035	7,035	-	-	-	-

Additional information:

- In the above table, the Company has disclosed the fair value of each class of financial assets and financial liabilities in a way that permits the information to be compared with the carrying amounts;
- Classes of financial instruments that are not used are not disclosed;
- The Company has not disclosed the fair values for financial instruments such as short-term trade receivables, payables because their carrying amounts are a reasonable approximation of fair values as the impact of discounting is not significant;
- No instruments were transferred between Level 1 and Level 2;
- None of the instruments of the Level 3 hierarchy is carried at fair value in the statement of financial position;
- No financial instruments were subject to offsetting as of June 30th, 2015 and December 31st, 2014. Financial Derivatives

amounting to a fair value of US\$ 21 million (2014: US\$ 28 million) were subject to enforceable master netting arrangements or similar arrangements but were not offset as the IAS 32 “Financial instruments – Presentation” criteria was not met. The impact of offsetting would result in a reduction of both assets and liabilities by US\$ 0.4 million (2014: US\$ 0.1 million).

The comparative information as at 31 December 2014 is the following:

Accounting classification and fair values as at 31 December 2014

Notes	Carrying amount					Fair value				Total	
	Fair Value through profit or loss	Fair value - hedging instruments	Held-to-maturity	Loans and receivables	IAS 17 Leases	Financial liabilities at amortised cost	Level 1	Level 2	Level 3		
Financial assets measured at fair value											
Interest rate swaps	-	2	-	-	-	-	2	-	2	-	2
Forward currency contracts	23	1	-	-	-	-	24	-	24	-	24
Commodity contracts	-	-	-	-	-	-	-	-	-	-	-
Total	23	3	-	-	-	-	26	-	-	-	-
Financial assets not measured at fair value											
Corporate securities	-	-	29	-	-	-	29	24	5	-	29
Trade and other receivables	-	-	-	857	-	-	857	-	-	-	-
Finance leases receivables	14	-	-	-	3,379	-	3,379	-	-	3,645	3,645
Loans to joint ventures and associates	15	-	-	441	-	-	441	-	-	449	449
Total	-	-	29	1,298	3,379	-	4,706	-	-	-	-
Financial liabilities measured at fair value											
Interest rate swaps	-	186	-	-	-	-	186	-	186	-	186
Forward currency contracts	23	125	-	-	-	-	148	-	148	-	148
Commodity contracts	-	3	-	-	-	-	3	-	3	-	3
Total	23	314	-	-	-	-	337	-	-	-	-
Financial liabilities not measured at fair value											
US\$ project finance facilities drawn	19	-	-	-	-	3,268	3,268	-	3,257	-	3,257
US\$ guaranteed project finance facilities drawn	19	-	-	-	-	963	963	-	963	-	963
Revolving credit facility / Bilateral credit facilities	19	-	-	-	-	454	454	-	454	-	454
Bank overdrafts	-	-	-	-	-	23	23	-	-	-	-
Other debt	19	-	-	-	-	543	543	-	-	553	553
Trade and other payables / Other non-current liabilities	-	-	-	-	-	1,791	1,791	-	-	-	-
Total	-	-	-	-	-	7,042	7,042	-	-	-	-

Measurement of fair values

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used:

Measurement of fair values

Type	Level 2 and level 3 instruments	Level 3 instruments	
	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial instrument measured at fair value			
Interest rate swaps	Income approach - Present value technique	Not applicable	Not applicable
Forward currency contracts	Income approach - Present value technique	Not applicable	Not applicable
Commodity contracts	Income approach - Present value technique	Not applicable	Not applicable
Financial instrument not measured at fair value			
Loans to joint ventures and associates	Income approach - Present value technique	- Forecast revenues - Risk-adjusted discount rate (4% - 8%)	The estimated fair value would increase (decrease) if : - the revenue was higher (lower) - the risk-adjusted discount rate was lower (higher)
Finance lease receivables	Income approach - Present value technique	- Forecast revenues - Risk-adjusted discount rate (7% - 8%)	The estimated fair value would increase (decrease) if : - the revenue was higher (lower) - the risk-adjusted discount rate was lower (higher)
Loans and borrowings	Income approach - Present value technique	Not applicable	Not applicable
Other long term debt	Income approach - Present value technique	- Forecast revenues - Risk-adjusted discount rate (7% - 9%)	The estimated fair value would increase (decrease) if : - the revenue was higher (lower) - the risk-adjusted discount rate was lower (higher)
Corporate debt securities	Market approach	Not applicable	Not applicable

21. Provisions

The current portion and the non-current portion of provisions refer to the following type of provisions:

Provisions (summary)

	30 June 2015	31 December 2014
Demobilisation	123	110
Onerous contract	-	1
Warranty	124	118
Employee benefits	26	32
Other	7	9
Total	279	269
of which :		
Non-current portion	124	130
Current portion	155	139

22. Other information

22.1. Financial information related to equity-accounted investees

The bank interest-bearing loans and borrowings in the joint ventures accounted for under the equity method are as follows (amounts provided at 100% at entity level):

Loans and borrowings (per entity)

			30 June 2015	31 December 2014
Entity name	Project name or nature of loan	% Ownership		
Sonasing Xikomba Ltd	FPSO N'goma	50.00	673	679
Malaysia Deepwater Floating Terminal Ltd	FPSO Kikeh	49.00	102	163
Sonasing Mondo Ltd	FPSO Mondo	50.00	15	19
Sonasing Saxi-Batuque Ltd	FPSO Saxi Batuque	50.00	125	129
SBM Ship Yard Ltd and Paenal Lda	Angolan yard	33.33 - 30.00	382	380
Normand Installer SA	Normand Installer	49.90	63	66
OS Installer AS	SBM Installer	25.00	105	109
Brasil Superlift Serviçõs Icamento Ltda	Brasilian yard	50.00	0	0
Total loans and borrowings at 100%			1,464	1,544

The total revenue of the joint-ventures accounted for under the equity method (at 100%) represents US\$ 446 million for the six months ended 30 June 2015 (for the six months ended 30 June 2014: US\$ 969 million).

22.2. Commitments

Parent Company Guarantees

In the ordinary course of business, the Company is committed to fulfil various types of obligations arising from customer contracts (among which full performance and warranty obligations).

As such, the Company has issued Parent Company Guarantees for contractual obligations in respect of several group companies, including equity-accounted joint ventures, with respect to FPSO long-term lease and operate contracts.

Commitments

Certain investment commitments have been entered into, principally the FPSO Turritella and the FPSOs Cidade de Marica and Saquarema. As at 30 June 2015, the remaining contractual commitments for acquisition of property, plant and equipment and investment in leases amounted to US\$ 108 million (31 December 2014: US\$ 191 million).

22.3. Contingencies

Contingent Liability

The Company announced on November 12th, 2014 that it reached an out-of-court settlement with the Dutch Public Prosecutor's Office (Openbaar Ministerie) over the investigation into potentially improper sales payments. Furthermore, the US Department of Justice informed the Company that it is not prosecuting the Company and had closed its inquiry into the matter. The out-of-court settlement consists of a payment by the Company to the Openbaar Ministerie of US\$ 240 million.

In its press release announcing its settlement with SBM Offshore N.V., the Openbaar Ministerie disclosed that a mutual legal assistance request in the context of the investigation conducted by the Dutch Fiscale Inlichtingen- en Opsporingsdienst

(FIOD), under instruction of the Openbaar Ministerie, established that payments were made from the Brazilian sales agent's offshore entities to Brazilian government officials and that these findings resulted from means of investigation inaccessible to the Company. In 2014 several different Brazilian authorities initiated investigations in Brazil, notably the Federal Prosecutor's Office in Rio de Janeiro (Ministério Público Federal – MPF), the Federal Accounts Tribunal (Tribunal de Contas da União – TCU) and the Comptroller General's Office (Controladoria-Geral da União – CGU). Some of these investigations are directed against or involve the Company. At this stage, it is not possible to state anything on the outcome of these investigations, financial or otherwise, but failure to comply with existing Brazilian anti-corruption laws could result in the Company having to pay damages, fines or penalties, as well as in disgorgement, or debarment.

On 17 March 2015, the CGU, the Attorney General's Office (Advocacia-Geral da União – AGU) and the Company signed a Memorandum of Understanding (MoU). This MoU sets a framework between the Company, the CGU and the AGU for discussions on a potential mutually acceptable settlement and for the disclosure by the Company of information relevant to the CGU's investigation. The Company remains in active dialogue with relevant authorities and other interested parties in Brazil with the aim of seeking closure of these issues.

Contingent Asset

The Company continues to investigate the possibility to recover losses incurred in connection with the Yme development project from insurers. Under the terms of the settlement agreement with Talisman, all pending and future claim recoveries (after expenses and legal costs) relating to the Yme development project under the relevant construction all risks insurance shall be shared 50/50 between the Company and Talisman. At this stage it is not possible to estimate the financial outcome of the insurance claim.

22.4. Related party transactions

During 2015, no major related party transactions requiring additional disclosure in the financial statements took place.

Related party transactions are mainly transactions with joint-ventures and associates, and are recognised as follows in the Group's consolidated financial statements:

Related party transactions

	<i>Note</i>	2015	2014
Revenue		33	149
Cost of sales		87	170
Loans to joint-ventures and associates	15	378	441
Trade receivables		235	305
Trade payables		68	77

The Company has provided loans to joint ventures and associates such as shareholder loans and funding loans at rates comparable to the commercial rates of interest. During the period, the Company entered into trading transactions with joint ventures and associates, and are made on terms equivalent to those that prevail in arm's length transactions. The decrease of revenue mainly relates to the finalisation of the construction of the N'Goma FPSO in January 2015 whereas the decrease of cost of sales is mainly driven by lower transactions with the Brasa yard on the period.

23. Subsequent event

On July 27th 2015 the Company secured project financing for FPSO Cidade de Saquarema totaling US\$ 1.55 billion, at a weighted average cost of debt of 5.1%, from a consortium of sixteen international banks with insurance cover from four Export Credit Agencies (ECA), and consisting of three tranches, two with ECA insurance cover and one commercial, with fourteen year post-completion maturities.

24. Review report

To: the supervisory board and the management board of SBM Offshore N.V.

Introduction

We have reviewed the accompanying condensed consolidated interim financial information for the six month period ended 30 June 2015 of SBM Offshore N.V., Rotterdam, which comprises the condensed consolidated statement of financial position as at 30 June 2015, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and the selected explanatory notes for the six-month period then ended. The management board is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2015 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

The Hague, 5 August 2015
PricewaterhouseCoopers Accountants N.V.

drs. W.H. Jansen RA