Press Release

SBM OFFSHORE HALF-YEAR RESULTS 2014

Revenue up 6%; Outlook confirmed

August 6, 2014

SBM Offshore's execution of projects on hand in the first six months of the year led to better than expected revenue growth. The Company is making progress towards resolving its compliance issue, as evidenced by the US$240 million provision, secured US$1.45 billion of financing for *Cidade de Maricá* and signed the Operations & Maintenance contract for FPSO *Turritella*. Directional[1] Backlog stands at US$21.5 billion. SBM Offshore continued to achieve over 99% uptime across the fleet. The Company delivered the Kikeh brownfield extension project on time and on budget while also reaching a settlement of claims arising from the Deep Panuke project.

Bruno Chabas, CEO of SBM Offshore commented:

"In financial and operational terms, the first half of 2014 has been a period of solid performance. We have also made progress towards the closure of our final legacy issue with a provision against a potential settlement.

The period also presented a significant challenge: our withdrawal from two current tenders in Brazil pending the outcome of the compliance investigation. Nevertheless, the Company has built a decades-long track record of close cooperation with Petrobras. We believe this will provide a basis to resume a successful working relationship, once the investigation is properly completed.

Tendering activity remains high, and there is industry consensus on a substantial number of new FPSOs and turrets due for award in the coming years. Thus, while we remain cautious on the timing of individual awards in the short term, we have a sound basis for confidence in our medium and long term prospects."

Financial Highlights

- Directional[1] revenue ahead of expectations at US$1,729 million
- Underlying Directional[1] EBIT decreased by 37% to US$184 million, compared to a strong 1H 2013
- Directional[1] Backlog stands at US$21.5 billion, including the O&M contract for the Shell FPSO *Turritella*
- Cash at the end of the period stood at US$154 million; undrawn credit facilities of US$939 million
- Net debt at the end of June stood at US$4,302 million, under new IFRS reporting standards
- Project financing secured for *Cidade de Maricá* totaling US$1.45 billion at an average cost of debt of 5.3% with 12 and 14 year maturity tranches
- US$240 million provision related to the compliance investigation

	Directional[1]			IFRS		
in US$ million	1H 2014	1H 2013*	% Change	1H 2014	1H 2013*	% Change
Revenue	1,729	1,634	6%	2,797	2,164	29%
Turnkey	*1,208*	*1,146*	*5%*	*2,275*	*1,744*	*30%*
Lease and Operate	*521*	*488*	*7%*	*522*	*419*	*25%*
EBIT	(41)	(8)	*NM*	201	74	NM
Underlying EBIT	184	292	*-37%*	426	374	*14%*
Profit (Loss) attributable to Shareholders	(98)	(44)	*NM*	137	12	*NM*
Underlying Profit (Loss) attributable to Shareholders	127	252	*-49%*	362	307	*18%*
in US$ billion	30-Jun-14	31-Dec-13*	% Change	30-Jun-14	31-Dec-13*	% Change
Backlog	21.5	22.2	*-3%*	-	-	*NM*
Net Debt	3.0	2.4	*25%*	4.3	3.4	*27%*

*Restated for comparison purposes

Guidance

Management is confidently reiterating 2014 Directional[1] revenue guidance of US$3.3 billion, of which US$2.3 billion is expected in the Turnkey segment and US$1.0 billion in the Lease & Operate segment.

[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.

First Half 2014 Results

Project Review

FPSO N'Goma (Angola)

The construction, refurbishment, and module work at Keppel Singapore was completed in early May 2014. A successful lifting campaign at the Paenal yard in Port Amboim, Angola, was completed in July and the vessel set sail to the offshore site where mooring has been completed and hook-up operations and acceptance testing is to follow. The scheduled start of production is in 3Q14 at a design capacity of 100,000 bpd.

FPSO Cidade de Ilhabela (Brazil)

Following completion of refurbishment and conversion at the Chinese yard at the end of 2013, construction continued for the finance leased vessel during the first half of 2014 in Brazil where the process modules were successfully installed at the Brasa yard. The FPSO includes topside facilities able to process 150,000 bpd of production fluids for export, including the substantial volumes of associated gas from the pre-salt field. Start-up of the facility is expected in the second half of 2014.

FPSO Cidade de Maricá and Cidade de Saquarema (Brazil)

Construction is ongoing for the two finance leased vessels. Refurbishment and conversion work progressed during the first half of 2014 at a Chinese yard. The charter contract for both vessels includes an initial period of 20 years with extension options. 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 and have associated gas treatment capacity of 6,000,000 Sm3/d. The water injection capacity of the FPSOs will be 200,000 bpd each.

FPSO Turritella (US Gulf of Mexico)

Construction on the FPSO previously known as *Stones* continued for the finance leased vessel in the first half of the year, with refurbishment and conversion work continuing at Keppel Singapore. The charter contract includes an initial period of 10 years with extension options up to a total of 20 additional years. In May 2014, the Operations & Maintenance contract was signed with Shell Offshore Inc. When installed at almost 3 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.

FPSO Marlim Sul (Brazil)

An extension of six months through the end of 2014 has been agreed to with Petrobras. Negotiations for further extension opportunities beyond 2014 continue.

FPSO Kikeh (Malaysia)

SBM Offshore and its joint venture partner MISC Bhd achieved a key milestone with the start-up of the Siakap North-Petai (SNP) field through a tie-back to the Kikeh FPSO.

The SNP field, a unitized development operated by Murphy Sabah Oil Co.,Ltd (Murphy), is located offshore Malaysia in water depth of approximately 1,300 metres. Murphy announced first oil production from the SNP field on February 27, 2014.

The event is an important milestone for a project that commenced in January 2012 at SBM Offshore's Kuala Lumpur office and involved the fabrication and offshore lifting of four new modules and approximately 340,000 man-hours of offshore construction and commissioning work done on a live FPSO.

Turret Mooring Systems

The three large, complex turrets for Prelude FLNG, Quad 204 and Ichthys are progressing, in close consultation with the respective clients, on schedule according to their respective stages of project completion. Fabrication work on Prelude FLNG is underway in Dubai, while the integration of the Quad 204 Turret with the vessel continues in South Korea, with expected delivery in the second half of 2014. Engineering and procurement for the Ichthys turret has been completed while construction continues to progress at the yard in Singapore, with expected delivery in the first half of 2015.

Main Projects Overview

Project	Contract	SBM Share	Capacity, Size	POC	Expected Delivery	Notes
N'Goma , FPSO	12 year finance lease	50%	100,000 bpd		2014	Construction, refurbishment and module work at Keppel shipyard in Singapore completed in early May. Lifting of remaining modules at the Paenal yard in Angola completed, and vessel has set sail to the offshore site. Mooring completed, hook-up operations and acceptance testing to follow with delivery expected 3Q14.
Ilhabela , FPSO	20 year finance lease	62.25%	150,000 bpd		2014	Integration and commissioning of the process modules at our Brasa yard in Brazil progressing well. Delivery expected 2H14.
Quad 204, Turret	Turnkey sale	100%	320,000 bpd, 28 risers		2014	Integration with the vessel in Korea is ongoing. Delivery expected in 2H14.
Prelude, Turret	Turnkey sale	100%	95m height, 11,000 tons		2015	Fabrication in Dubai nearing completion. Integration with the vessel to commence 1Q15 in Korea.
Ichthys, Turret	Turnkey sale	100%	60m height, 7,000 tons		2015	Engineering and procurement completed. Construction progressing in Singapore.
Maricá , FPSO	20 year finance lease	56%	150,000 bpd		2015	Vessel in the shipyard in China, refurbishment and conversion progressing.
Saquarema , FPSO	20 year finance lease	56%	150,000 bpd		2016	Vessel in the shipyard in China, refurbishment and conversion progressing.
Turritella , FPSO	10 year finance lease	100%	60,000 bpd, disconnectable		2016	Refurbishment and conversion progressing at Keppel shipyard in Singapore.

Legend, Percentage of Completion (POC)

<25% 25%<50% 50%<75% >75% 100%

HSSE

During the period, SBM Offshore deeply regrets to have to report two fatalities of contractor staff at the relevant yard on construction projects in Singapore. Root cause analysis has been carried out and appropriate measures have been put into effect at contractor facilities.

These fatalities are all the more regrettable, since over the course of the first six months of 2014 the Company achieved an improved safety performance in a range of its business activities, with a Total Recordable Injury Frequency Rate (TRIFR) of 0.26 for the first half of 2014 compared to 0.40 at the end of 2013. The Lost Time Injury Frequency Rate (LTIFR) also improved to 0.06 in the first half of 2014 from 0.15 at the end of 2013.

Compliance

As previously disclosed in various press releases, SBM Offshore voluntarily reported in April 2012 an internal investigation into potentially improper sales practices involving third parties to the relevant authorities, and has since been in dialogue with these authorities.

SBM Offshore is discussing a potential settlement of the issues arising from the investigation. While these discussions are ongoing, it is sufficiently clear that a resolution of the issues will have a financial component, and consequently SBM Offshore has recorded a non-recurring charge of US$240 million in the first half of 2014, reflecting the information currently available to the Company.

Until the matter is concluded, SBM Offshore cannot provide further details regarding a possible resolution of the issues arising from the investigation, and no assurance can be given that a settlement will actually be reached. As always, the Company will inform the market as soon as further information can be provided.

Overheads & Operating Costs

As announced with the Full Year 2013 results on February 6, 2014, SBM Offshore has embarked on a two year programme focused on business improvements, increased fleet maintenance and Research and Development.

The business improvement project Odyssey 24 is aiming to achieve several objectives. It will optimize and consolidate the ways of working of a Company that has quickly grown from a mid-sized centrally managed business to a multi-national, organized in accountable business units. It will improve project management and controls of projects that have grown in size from around US$500 million a few years ago, to close to US$2 billion today. It aims to reduce project costs by at least 5% for each project through improved project, supply chain and materials management, improving both profitability and competitive edge. These financial benefits will accrue to the bottom line increasingly over the next few years. Increased investments in R&D will ensure SBM Offshore stays at the forefront of floating solutions technology, such as complex large turret and swivel systems, thereby opening up new deepwater frontiers for the industry. Finally, a focused increased in offshore maintenance will ensure that the Company is better prepared for long duration lease contracts and contract extensions.

The Company expects incremental annual costs equivalent to 2.5%-3% of Directional[1] revenue in 2014 and 2015. These incremental costs have an impact on the 1H'14 Gross Margin and Overheads, as the investments precede the expected benefits.

Orders

Directional[1] order intake during the first half of 2014 totalled US$1,034 million, driven primarily by the finalization of the FPSO *Turritella* Operations & Maintenance contract with Shell and the payment of agreed upon variation orders by clients.

Post-Period Events

The Company secured project financing for FPSO *Cidade de Maricá* totalling US$1.45 billion from a consortium of international banks at a weighted average cost of debt of 5.3%. The financing consists of two tranches, $1.0 billion with a 12 year post-completion maturity and $450 million with 14 year maturity.

Divestment Update

Marketing of the newbuild DSCV *SBM Installer* continues. The FPSO *Falcon* and VLCC *Alba* remain held for sale and the disposal of the last of three Monaco office buildings is nearing completion.

Outlook and Guidance 2014

Management is confidently reiterating 2014 Directional[1] revenue guidance of US$3.3 billion, of which US$2.3 billion is expected in the Turnkey segment and US$1.0 billion in the Lease & Operate segment.

In terms of new FPSOs, SBM Offshore anticipates total industry-wide awards in double digits over the next few years, and the Company is well-positioned to take an appropriate share of the projects which it is targeting. On the timing of individual awards, SBM Offshore is cautious, noting the trend in recent years for tendering processes to lengthen. Nevertheless, it is clear that a substantial body of FPSOs must be commissioned over the next two years for oil & gas companies to maintain production levels.

[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.

FINANCIAL REVIEW

IFRS 10, 11 & 12

New consolidation standards for joint ventures (JVs) have been introduced as of January 1, 2014 ending proportional consolidation of JVs for SBM Offshore. As disclosed in its 2013 Annual Report, the Company is now required to account for its fully controlled JVs on a fully consolidated basis (mostly impacting all Brazilian FPSOs) and apply equity accounting to the Company's jointly controlled JVs (mostly Angolan FPSOs). These new standards (IFRS 10, 11 & 12) apply to the income statement, statement of financial position and cash flow statement.

On balance, this implementation has a limited impact on SBM Offshore's IFRS revenue as the additionally reported partner share in the fully consolidated ventures is offset by the exclusion of revenue in the equity accounted ventures and almost nil to net income attributable to shareholders. However, the Company's reported total asset value at year-end 2013 has increased significantly by approximately US$1.6 billion, as the now fully consolidated Brazilian assets are younger and represent a larger part of the balance sheet. A similar effect is visible at the gross debt level, increasing from US$2.9 billion to US$3.6 billion. The Company's 2013 pro-forma financial statements were disclosed in SBM Offshore's Q1 trading update.

As this change of consolidation rules under IFRS further complicates the understanding of the Company's performance and as previously announced, Directional[1] reporting will be based on proportional consolidation for all Lease & Operate contracts. Compared to previous Directional[1] reporting the change is limited to FPSOs *Aseng* (60% owned) and *Capixaba* (80% owned) previously fully consolidated and now proportionally consolidated as all other Lease & Operate contracts. This change to Directional[1] reporting led to a limited negative impact of US$35 million and US$5 million in first half 2013 Directional[1] Revenue and EBIT respectively (no impact on Directional[1] net income attributable to shareholders) and restated figures for first half 2013.

Effective January 1, 2014 SBM Offshore's Directional[1] reporting principles are as follows:

- Directional[1] reporting represents an additional non-GAAP disclosure to IFRS reporting
- Directional[1] reporting assumes all lease contracts are classified as operating leases
- Directional[1] reporting assumes all JVs related to lease contracts are consolidated on a proportional basis
- Directional[1] reporting is limited to restating the consolidated income statement however no restatement of the statement of financial position is made

	New Directional[1]	Directional[1]	New IFRS	IFRS
in US$ million	2013	2013	2013	2013
Revenue	3,373	3,445	4,584	4,803
EBIT	63	98	188	293
Profit (Loss) attributable to Shareholders	58	58	114	111
in US$ million	31-Dec-13	31-Dec-13	31-Dec-13	31-Dec-13
Backlog	22,198	23,025	-	-
Gross Debt	-	-	3,608	2,890
Total Assets	-	-	8,692	7,118
Total Equity	-	-	2,887	2,135

Directional[1] Performance

In 2013, SBM Offshore decided to extend its reporting with non-IFRS disclosures showing revenue and results ("Directional[1]") more in line with operating cash flows to increase transparency and understanding of the Company's performance and provide unaudited disclosures of Backlog and Income Statement based on Directional[1] principles.

[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.

For more information, a copy of the Directional[1] presentation made to the financial community in June 2013 can be found in the Investor Relations section of the Company website.

1H 2014 *in US$ million*	1H 2014 Directional (1)	1H 2013 Directional pro-forma (2)	Variance
Total Revenue	**1,729**	**1,634**	*6%*
Lease and Operate			
Third party revenue	521	488	*7%*
Gross Margin	152	(153)	*NM*
Operating profit/(loss) (EBIT)	**139**	**(164)**	***NM***
Underlying EBIT Margin	23.8%	27.9%	*-410bps*
Depreciation, amort. and impairment	129	140	*NM*
EBITDA	**268**	(24)	*NM*
Turnkey			
Third party revenue	1,208	1,146	*5%*
Gross Margin	199	245	*-19%*
Operating profit/(loss) (EBIT)	**107**	**177**	***-40%***
Underlying EBIT Margin	8.9%	15.5%	*-660bps*
Depreciation, amort. and impairment	7	7	*0%*
EBITDA	**114**	184	*-38%*
Other			
Other operating income/(expense)	(240)	-	*NM*
Selling, administrative, research & development expenses	(47)	(22)	*119%*
Operating profit/(loss) (EBIT)	**(288)**	**(22)**	***NM***
Total Operating profit/(loss) (EBIT)	**(41)**	**(8)**	*NM*
Total EBITDA	**98**	**139**	*-29%*
Net financing costs	(47)	(42)	*11%*
Share of profit of equity-accounted investees	(16)	(6)	*155%*
Income tax expense	6	12	*-49%*
Profit/(Loss)	**(98)**	**(44)**	*121%*

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

(2) Restated for all vessels proportionnally consolidated

Directional[1] revenue for the first half of 2014 was up by 6% year-over-year to US$1,729 million versus US$1,634 million in the first half of 2013. Directional[1] revenue by segment was as follows:

- Directional[1] Turnkey revenue increased by 5% from the year-ago period reflecting the strong activity on the construction of FPSOs *Cidade de Maricá* and *Saquarema* during the first half of 2014.

- Directional[1] Lease and Operate revenue increased by 7% versus the first half of 2013 mainly due to FPSO *Cidade de Paraty* and the Deep Panuke platform commencing production in June 2013 and August 2013, respectively.

Directional[1] Earnings Before Interest and Taxes (EBIT) for the first half of 2014 represented a loss of US$41 million compared with a loss of US$8 million in the year-ago period. Underlying Directional[1] EBIT excluding the US$270 million charge recorded on Yme and the impairment variances on Deep Panuke along with the US$240 million provision in 2014 for the settlement of the investigation of improper sales practices, decreased by 37% to US$184 million compared to the first half of 2013. This was primarily attributable to:

- Directional[1] Turnkey EBIT decreased by 40% due to the exceptional performance of various projects during the last year period (*OSX-2*, *Fram*, Skarv and construction of *Cidade de Paraty*). Underlying Directional[1] Turnkey EBIT Margin in the first half of 2014 came in at 8.9% compared to 9.6% in the second half of 2013.

[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.

- Underlying Directional[1] Lease and Operate EBIT remained stable compared with the year-ago period but includes the impact of increased costs associated with the start-up of the two-year focused fleet maintenance programme. Underlying Directional[1] Lease & Operate EBIT Margin remained stable at 23.8% in the first half of 2014 compared to the second half of 2013.

Directional[1] Overheads expenses reported in the Other segment increased to US$47 million in the first half of 2014 from US$22 million in the year-ago period. The strong year-on-year increase was mainly due to the launch of our two year transformation programme, named Odyssey 24, aiming at laying the foundation to deliver consistent and outstanding performance. In general, Overheads expenses increased also due to additional efforts to maintain our leading technological position, as well as one-off items such as the expenses in relation to our internal investigation and the absence of depreciation during the past period for offices held for sale.

For the first half of 2014, Directional[1] EBITDA decreased to US$98 million. Adjusted for non-recurring events, underlying Directional[1] EBITDA decreased by 19% to US$338 million due to the positive effects of the projects closed-out in 2013 impacting the Turnkey segment.

Directional[1] net financing costs totalled US$47 million in the first half of 2014, up from US$42 million in the year-ago period. The increase was primarily due to the interest costs related to the FPSO *Cidade de Paraty* project loan as the unit commenced production in June 2013 and mitigated by the decrease of the overall cost of debt during the period.

SBM Offshore recorded a Directional[1] net loss of US$98 million for the first half of 2014 or US$0.47 per share, compared with a US$44 million loss or US$0.22 per share for the first half of 2013. Adjusted for the US$270 million charge recorded on Yme and the impairment variances on Deep Panuke along with the US$240 million provision in 2014 for the settlement of the investigation of potentially improper sales practices, underlying Directional[1] net income decreased by 49% year-on-year to US$127 million or US$0.61 per share, compared to US$252 million or US$1.26 in the first half of 2013 for the reasons stated above.

IFRS Performance

IFRS revenue for the first half of 2014 amounted to US$2,797 million, an increase of 29% compared to US$2,164 million in the year-ago period, mainly as a consequence of significant investments in finance lease contracts.

IFRS EBIT for the first half of 2014 increased significantly from US$74 million to US$201 million despite the US$240 million provision in 2014 for the settlement of the investigation of potentially improper sales practices.

IFRS net income attributable to shareholders came in at US$137 million compared to US$12 million a year ago.

Directional[1] Backlog

Directional[1] Backlog as of June 30, 2014 totalled US$21.5 billion of which approximately US$1.7 billion is expected to be executed over the remainder of 2014. The Backlog at the end of June 2014 includes the Shell *Turritella* FPSO Operations & Maintenance contract signed in May 2014.

Directional[1] Backlog at the end of June 2014 is as follow:

(in billion US$)	Turnkey Systems	Lease & Operate	Total
2H14	1.2	0.6	1.7
2015	0.9	1.0	1.9
2016	0.1	1.4	1.5
Beyond 2016	0.0	16.4	16.4
Total Backlog	**2.1**	**19.4**	**21.5**

[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.

Statement of Financial Position

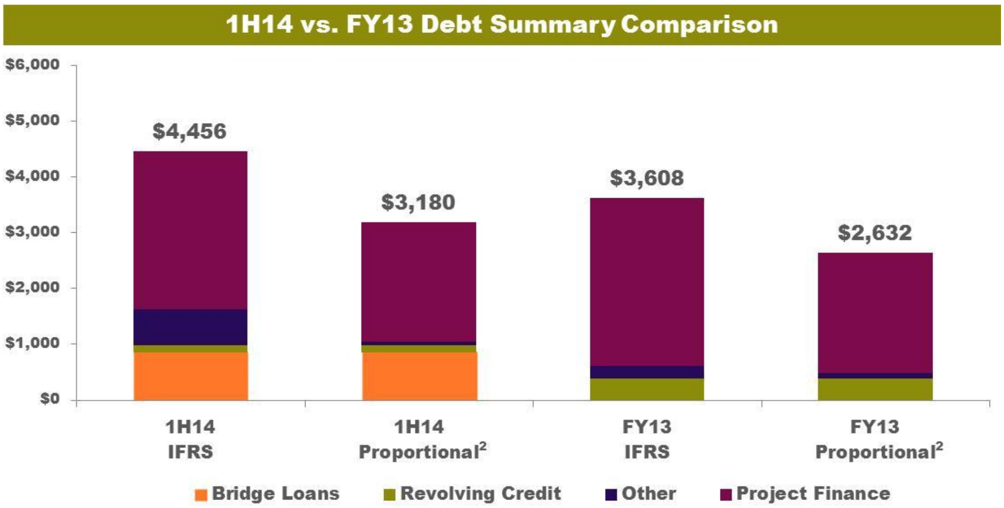
The Company has adopted IFRS 10, 11 and 12 in 2014, which had significant consequences for the reported financial statements.

Under new IFRS 10, 11 & 12 consolidation standards for joint ventures (JVs), reported net debt as of December 31, 2013 was restated from US$2,691 million (previous IFRS) to US$3,400 million (new IFRS). As of June 30, 2014 net debt under new IFRS standards increased to US$4,302 million reflecting significant investments in the ongoing Lease and Operate projects under construction for Brazil and *Turritella*. Cash and cash equivalent balances came in at US$154 million and committed, undrawn, long-term bank facilities stood at US$939 million. The average cost of debt is 4.2% compared to 5.3% at the end of 2013 driven by lower cost of debt on recent bridge loans and projects loans, such as *Cidade de Paraty*.

Total equity as of June 30, 2014 remained stable at US$2,917 million compared to December 31, 2013. The Company's net debt to total equity increased from 118% at year-end 2013 to 147% at the end of the first half of 2014. This was primarily due to the strong growth of project debt funding finance lease projects under construction for Brazil as well as the Deep Panuke bridge loan set up in May 2014.

As a result of the significant impacts on the Company's consolidated statement of financial position relating to the new IFRS 10 and 11 standards instituted in January 2014, the key financial covenants applying to current bank loans had to be recalculated with the view to place the Company and lenders in the same position as they would have been if the change of IFRS standards had not occurred. Restated for the implementation of IFRS 10 and 11, the Company's solvency ratio stood at 27.5%, firmly within its covenants.

Including cash outflows for finance leases under construction previously reported as investing activities, cash from operating activities was negative US$817 million for the period compared to negative US$420 million during the first half of 2013. Cash outflows in finance leases under construction for the first half of 2014 increased significantly to US$1,370 million compared to US$541 million in the year-ago period taking into consideration the increasing investments in the fully consolidated FPSOs *Cidade de Maricá*, *Saquarema* and *Turritella*. Following the decision to focus the Company's activities exclusively on FPSOs and FPSO-related products, the disposal process of non-core assets has continued. As of the end of June 2014, the total carrying value of assets presently held for sale amounts to US$177 million.



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

[2] Reflects SBM Offshore's proportional share in loan facilities.

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 6, 2014.

The presentation will be hosted by Bruno Chabas (CEO), Peter van Rossum (CFO) and Sietze Hepkema (CGCO). Interested parties are invited to listen to the call by dialling +31 20 794 8484 in the Netherlands, +44 207 190 1595 in the UK or +1 480 629 9822 in the US. Conference ID: 4690978. 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 on Wednesday, August 6, 2014, beginning at 22:00 Central European Summer Time until August 20, 2014. The phone number for the replay is +31 45 799 0028 in the Netherlands and +44 207 959 6720 in the UK using access code 4690978#. The webcast replay will also be available on the Company's website.

Financial Calendar	Date	Year
Trading Update Q3 2014 - Press Release	November 13	2014
Full-Year 2014 Results - Press Release	February 5	2015
Publication of AGM Agenda	March 3	2015
Annual General Meeting of Shareholders	April 15	2015
Trading Update Q1 2015 - Press Release	May 8	2015
Half-Year 2015 Results - Press Release	August 6	2015
Trading Update Q3 2015 - Press Release	November 12	2015

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 10,983 people worldwide, who are spread over five execution centres, eleven operational shore bases, the joint ventures with several construction yards and the offshore fleet of vessels. 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, August 6, 2014

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

The notes 1. to 4. are an integral part of these condensed interim financial statements.

Consolidated income statement (1/3)

For the six months ended 30 June, figures are expressed in millions of US$ and may not add up due to rounding	*Notes*	**2014**	2013(*)
Revenue	*3.1*	2,797	2,164
Cost of Sales		(2,208)	(1,990)
Gross margin	***3.1***	**590**	**174**
Other operating income/(expense)	*3.9*	(240)	0
Selling and marketing expenses		(19)	(19)
General and administrative expenses		(111)	(73)
Research and development expenses		(18)	(9)
Operating profit/(loss) (EBIT)	***3.1***	**201**	**73**
Financial income		13	15
Financial expenses		(78)	(64)
Net financing costs	***3.2***	**(66)**	**(49)**
Share of profit of equity-accounted investees		59	23
Profit/(Loss) before tax		**194**	**47**
Income tax expense		(9)	(1)
Profit/(Loss)		**185**	**46**

** restated for comparison purposes*

Consolidated income statement (2/3)

For the six months ended 30 June, figures are expressed in millions of US$ and may not add up due to rounding	**2014**	2013(*)
Attributable to shareholders of the parent company	138	12
Attributable to non-controlling interests	47	34
Profit/(Loss)	**185**	**46**

** restated for comparison purposes*

Consolidated income statement (3/3)

	Notes	**2014**	2013(*)
Weighted average number of shares outstanding	*3.3*	208,824,569	199,054,442
Basic earnings/(loss) per share	*3.3*	US$ 0.66	US$ 0.06
Fully diluted earnings/(loss) per share	*3.3*	US$ 0.66	US$ 0.06

** restated for comparison purposes*

Consolidated statement of comprehensive income (1/2)

For the six months ended 30 June, figures are expressed in millions of US$ and may not add up due to rounding	2014	2013(*)
Profit/(Loss) for the period	185	46
Cash flow hedges, net of tax	(33)	89
Currency translation differences, net of tax	(3)	(14)
Items that are or may be reclassified to profit or loss	**(36)**	**75**
Remeasurements of defined benefit liabilities, net of tax	(8)	-
Items that will never be reclassified to profit or loss	**(8)**	**-**
Other comprehensive income for the period, net of tax	**(44)**	**75**
Total comprehensive income for the period	**141**	**121**

** restated for comparison purposes*

Consolidated statement of comprehensive income (2/2)

For the six months ended 30 June, figures are expressed in millions of US$ and may not add up due to rounding	2014	2013(*)
Attributable to shareholders of the parent company	107	48
Attributable to non-controlling interests	35	73
Total comprehensive income for the period	**141**	**121**

** restated for comparison purposes*

Consolidated statement of financial position

Figures are expressed in millions of US$ and may not add up due to rounding	*Notes*	**30 June 2014**	31 December 2013 (*)
ASSETS			
Property, plant and equipment	*3.4*	2,013	2,055
Intangible assets		32	30
Investment in associates and joint-ventures		338	242
Other financial assets	*3.5*	2,035	2,394
Deferred tax assets		22	25
Derivative financial instruments	*3.8*	35	55
Total non-current assets		**4,476**	**4,800**
Inventories		14	16
Trade and other receivables		1,153	1,152
Income tax receivable		14	10
Construction work-in-progress		3,903	2,221
Derivative financial instruments	*3.8*	41	109
Cash and cash equivalents		154	208
Assets held for sale	*3.10*	177	177
Total current assets		**5,457**	**3,892**
TOTAL ASSETS		**9,933**	**8,692**
EQUITY AND LIABILITIES			
Issued share capital		72	72
Share premium reserve		1,150	1,145
Retained earnings		1,042	894
Other reserves		(103)	(72)
Equity attributable to shareholders of the parent company		**2,161**	**2,039**
Non-controlling interests		756	848
Total Equity	***3.6***	**2,917**	**2,887**
Loans and borrowings	*3.7*	3,197	3,205
Provisions	*3.9*	118	84
Deferred income		250	265
Deferred tax liabilities		12	11
Derivative financial instruments	*3.8*	42	134
Total non-current liabilities		**3,619**	**3,698**
Loans and borrowings	*3.7*	1,259	403
Provisions	*3.9*	315	59
Trade and other payables		1,651	1,496
Income tax payable		52	53
Derivative financial instruments	*3.8*	120	96
Total current liabilities		**3,397**	**2,107**
TOTAL EQUITY AND LIABILITIES		**9,933**	**8,692**

** restated for comparison purposes*

Consolidated statement of changes in equity

Figures are expressed in millions of US$ and may not add up due to rounding	Outstanding number of shares	Issued share capital	Share premium reserve	Retained earnings	Other reserves	Attributable to shareholders	Non-controlling interests	Total Equity
At 31 December 2012	**189,142,215**	**62**	**867**	**800**	**(270)**	**1,459**	**71**	**1,530**
Change in accounting policy - IFRS 10 & 11	-	-	-	(27)	-	(27)	243	216
At 1 January 2013 (*)	**189,142,215**	**62**	**867**	**773**	**(270)**	**1,432**	**314**	**1,746**
Profit/(Loss) for the period	-	-	-	12	-	12	34	46
Foreign currency translation	-	(1)	-	-	(14)	(15)	1	(14)
Remeasurements of defined benefit liabilities (asset)	-	-	-	-	-	-	-	-
Cash flow hedges/net investment hedges	-	-	-	-	51	51	38	89
Comprehensive income for the period (*)	**-**	**(1)**	**-**	**12**	**37**	**48**	**73**	**121**
Issue of shares	18,914,221	6	267	-	-	273	32	305
Share based payments	-	-	-	5	-	5	-	5
Share options/bonus shares	70,118	-	1	(1)	-	-	-	-
Cash dividend	-	-	-	-	-	-	(24)	(24)
Other movements	-	-	-	2	-	2	(2)	-
At 30 June 2013 (*)	**208,126,554**	**67**	**1,135**	**791**	**(233)**	**1,760**	**393**	**2,153**
At 31 December 2013	**208,747,188**	**72**	**1,145**	**919**	**(72)**	**2,064**	**71**	**2,135**
Change in accounting policy - IFRS 10 &11	-	-	-	(25)	-	(25)	777	752
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 liabilities (asset)	-	-	-	-	(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
Share based payments	-	-	-	10	-	10	-	10
Share options/bonus shares	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**

** restated for comparison purposes*

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

Consolidated cash flow statement

For the six months ended 30 June, figures are expressed in millions of US$ and may not add up due to rounding	2014	2013 (*)
Cash flow from operating activities		
Receipts from customers	985	1,401
Payments for finance leases construction (**)	(1,370)	(541)
Payments to suppliers and employees	(421)	(794)
Final settlement Talisman	-	(470)
Income tax received / (paid)	(11)	(16)
Net cash from operating activities	**(817)**	**(420)**
Cash flow from investing activities		
Investment in property, plant and equipment	(60)	(86)
Investment in intangible assets	-	-
Additions to funding loans	(116)	(374)
Redemption of funding loans	234	2
Interest received	6	(1)
Dividends received from equity-accounted investees	2	-
Net proceeds from disposal of financial participations	-	-
Net proceeds from disposal of property, plant and equipment	84	-
Net cash used in investing activities	**150**	**(459)**
Cash flow from financing activities		
Proceeds from issue of shares	-	305
Non-controlling interests in share capital increases of subsidiaries	30	-
Additions to borrowings and loans	1,260	625
Repayments of borrowings and loans	(602)	(453)
Dividends paid to non-controlling interests	(2)	(24)
Interest paid	(72)	(46)
Net cash from financing activities	**615**	**407**
Net increase/(decrease) in cash and cash equivalents	**(53)**	**(473)**
Cash and cash equivalents as at 1 January	208	692
Net increase/(decrease) in cash and cash equivalents	(53)	(473)
Currency differences	(1)	-
Cash and cash equivalents end of period	**154**	**220**

** restated for comparison purposes*

*** change in presentation described in Note 2.3*

The reconciliation of the cash and cash equivalents as at 30 June with the corresponding amounts in the statement of financial position is as follows:

Reconciliation of the cash an cash equivalents as at 30 June

Figures are expressed in millions of US$ and may not add up due to rounding	2014	2013 (*)
Cash and cash equivalents	154	220
Bank overdrafts	-	-
Cash and cash equivalents	**154**	**220**

** restated for comparison purposes*

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, and 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 2014 comprise the interim financial statements of SBM Offshore N.V., its subsidiaries and interests in associates and jointly controlled entities (together referred to as 'the Company').

The condensed interim financial statements were approved for issue by the Supervisory Board on 6 August 2014, and have been reviewed, but not audited.

These interim financial statements are presented in millions of US Dollars.

2. Accounting policies and measurements

2.1. Accounting framework

The condensed consolidated interim financial statements as at and for the six months ended 30 June 2014 have been prepared in accordance with IAS 34 "Interim financial reporting". Interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2013, as the same policies apply except for the new IFRS standards and interpretations adopted by the EU as at 30 June 2014 and mandatorily applicable as from 1 January 2014.

The consolidated financial statements of the Company as at and for the year ended 31 December 2013 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 cyclicality of operations.

2.1.1. New standards and interpretations applicable as from 1 January 2014

The Company has adopted the following new standards with a date of initial application of 1 January 2014 :

- IFRS 10 "Consolidated Financial statements" which supersedes IAS 27 "Consolidated and separate financial statements", and SIC 12 "Consolidation: Special Purpose Entities";
- IFRS 11 "Joint arrangements", which supersedes IAS 31 "Interests in Joint-Venture";
- IFRS 12 "Disclosure of Interests in Other Entities" ; in the context of interim financial statements, that standard is not applicable as it provides with yearly disclosures requirements;
- IAS 28 Amended "Interests in Associates and Joint-Ventures";
- IAS 32 Amended "Financial Instruments: Presentation" about "Offsetting Financial Assets and Financial Liabilities";
- IAS 36 Amended "Impairment of assets" about "Recoverable Amount Disclosures for Non-Financial Assets";
- IAS 39 Amended "Financial instruments – recognition and measurement" about "novation of derivatives and continuation of hedge accounting".

Main impacts of the application of these standards result from the application of IFRS 10, IFRS 11 and IAS 28 Amended, which are described in Note 2.2.

2.1.2. Standards and interpretations not mandatorily applicable as from 1 January 2014

The following standards and interpretations were published by the IASB but have not been adopted yet by the European Commission :

- Annual improvements 2012 and 2013;
- IFRS 9 Amended “Financial Instruments: Classification and Measurement”;
- IFRS 9 “Financial Instruments: Hedge Accounting”;
- IFRS 7 Amended “Financial Instruments: Disclosures”;
- IAS 19 Amended “Defined Benefit Plans: Employee Contributions”;
- IFRS 15 “Revenue from contract with customers”;
- Amendments to IAS 16 and 38 about “clarification of acceptable methods of depreciation and amortisation”.

In addition, the IFRIC 21 " Levies" has been endorsed by the EU, but its application is not mandatory as from 1 January 2014.

The Company does not apply these standards and interpretations but is currently analysing the impacts and practical consequences of their future application.

2.2. Change in accounting method : application of IFRS 10 and 11 and IAS 28 Amended

The Company applies the new standards relating to IFRS 10, IFRS 11 and IAS 28 Amended as from 1 January 2014.

IFRS 10 introduces a new control model to determine whether an investee should be consolidated. This new model focuses on whether a Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and its ability to use its power to affect those returns.

IFRS 11 changes the accounting treatment for interests in joint arrangements by distinguishing two types of joint arrangements:

- a company's interest in a joint operation, which is an arrangement in which a company has rights to the assets, and obligations for the liabilities, will be accounted for on the basis of the Company's interest in those assets and liabilities; and

- a company's interest in a joint-venture, which is an arrangement in which a company has rights only to the net assets, will be equity-accounted.

When making this assessment, IFRS 11 requires consideration of the structure of joint arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. Finally, IFRS 11 terminates the proportionate consolidation of joint-ventures.

2.2.1. Consequences on the consolidation scope

In accordance with these new standards, the Company has reviewed the nature of control exercised by the Company on its jointly owned entities. As a result, and as disclosed in its 2013 annual financial statements, the Company is now required :

- to account for its fully controlled subsidiaries on a full consolidated basis, mostly impacting Brazilian FPSOs; and
- to apply equity accounting treatment to the jointly controlled joint-ventures, mostly impacting Angolan FPSOs.

None of the jointly owned entities are qualified for joint-operations as per IFRS 11.

The changes of accounting treatments are the following :

Changes in accounting treatments

Investee	% of ownership	2013 qualification	2013 accounting treatment	Application of IFRS 10 & 11 New qualification	New accounting treatment
Sonasing Sanha Ltd.	50.00	Joint Venture	Proportionate	Joint Venture	Equity
Sonasing Kuito Ltd.	50.00	Joint Venture	Proportionate	Joint Venture	Equity
Sonasing Mondo Ltd.	50.00	Joint Venture	Proportionate	Joint Venture	Equity
Sonasing Saxi Batuque Ltd.	50.00	Joint Venture	Proportionate	Joint Venture	Equity
Sonasing Xikomba Ltd.	50.00	Joint Venture	Proportionate	Joint Venture	Equity
OPS-Serviçõs de Produção de Petroleos Ltd.	50.00	Joint Venture	Proportionate	Joint Venture	Equity
OPS-Serviçõs de Petroleos Ltd Branch	50.00	Joint Venture	Proportionate	Joint Venture	Equity
Estaleiro Brasa Ltda	50.00	Joint Venture	Proportionate	Joint Venture	Equity
Brasil Superlift Serviçõs Icamento Ltda	50.00	Joint Venture	Proportionate	Joint Venture	Equity
SNV Offshore Ltd	50.00	Joint Venture	Proportionate	Joint Venture	Equity
FPSO Mystras Produção de Petroleo LTDA	50.00	Joint Venture	Proportionate	Joint Venture	Equity
Malaysia Deepwater Floating Terminal (Kikeh) Limited	49.00	Joint Venture	Proportionate	Joint Venture	Equity
Malaysia Deepwater Production Contractors Sdn Bhd.	49.00	Joint Venture	Proportionate	Joint Venture	Equity
Gas Management (Congo) Ltd.	49.00	Joint Venture	Proportionate	Joint Venture	Equity
Solgaz S.A.	49.00	Joint Venture	Proportionate	Joint Venture	Equity
Anchor Storage Ltd.	49.00	Joint Venture	Proportionate	Joint Venture	Equity
Normand Installer S.A.	49.90	Joint Venture	Proportionate	Joint Venture	Equity
FPSO Brasil Venture S.A.	51.00	Joint Venture	Proportionate	Controlled	Full
SBM Operações Ltda.	51.00	Joint Venture	Proportionate	Controlled	Full
SBM Systems Inc.	51.00	Joint Venture	Proportionate	Controlled	Full
Brazilian Deepwater Floating Terminals Ltd.	51.00	Joint Venture	Proportionate	Controlled	Full
Brazilian Deepwater Production Ltd.	51.00	Joint Venture	Proportionate	Controlled	Full
Brazilian Deepwater Production Contractors Ltd.	51.00	Joint Venture	Proportionate	Controlled	Full
Operações Marítimos em Mar Profundo Brasileiro Ltd	51.00	Joint Venture	Proportionate	Controlled	Full
Tupi Nordeste Ltd	50.50	Joint Venture	Proportionate	Controlled	Full
Tupi Operações Maritimas Ltda	50.50	Joint Venture	Proportionate	Controlled	Full
Tupi Nordeste Holding Ltd	50.50	Joint Venture	Proportionate	Controlled	Full
Guara Norte SARL	62.25	Joint Venture	Proportionate	Controlled	Full
Guara Norte Holding Ltd	62.25	Joint Venture	Proportionate	Controlled	Full
Guara Norte Operações Maritimas Ltda	62.25	Joint Venture	Proportionate	Controlled	Full
Alfa Lula Alto Sarl	56.00	Joint Venture	Proportionate	Controlled	Full
Beta Lula Central Sarl	56.00	Joint Venture	Proportionate	Controlled	Full
Alfa Lula Alto Holding Ltd	56.00	Joint Venture	Proportionate	Controlled	Full
Beta Lula Central Holding Ltd	56.00	Joint Venture	Proportionate	Controlled	Full
Alfa Lula Central Operações Maritimas LTDA	56.00	Joint Venture	Proportionate	Controlled	Full
Beta Lula Central Operações Maritimas LTDA	56.00	Joint Venture	Proportionate	Controlled	Full
South East Shipping Co. Ltd.	75.00	Joint Venture	Proportionate	Controlled	Full

2.2.2. Consequences on the presentation of the consolidated financial statements

Changes to equity accounting treatment :

The contributions of formerly proportionately consolidated entities which are now accounted for under the equity method are removed from the various line items in the consolidated statement of financial position and the consolidated income statement and are now presented as a separate asset and result, respectively called “Investment in associates and joint-ventures” and “Share of profit of equity-accounted investees”.

As a result, reciprocal intercompany transactions with no profit or loss impact at consolidation level, carried out with these entities are no longer eliminated for the preparation of the consolidated financial statements. Thus, the removal of these entities’ contributions from the various line items in the Company’s financial statements is partially offset by the presentation in the same line items of the amounts for the transactions carried out by the Group with these entities. The impact arising from reciprocal intercompany transactions does not, however, have any impact on the operating profit and net income.

Changes to full consolidation method :

To the opposite, the contribution of formerly proportionately consolidated entities which are now fully consolidated are accounted for at one hundred per cent in the consolidated statement of financial position and the income statement, disregarding the percentage of ownership of the Company in these investees.

As a result, reciprocal intercompany transactions with no profit or loss impact at consolidation level, carried out with these entities are now fully eliminated for the preparation of the consolidated financial statements.

Finally, the implementation of new standards has a limited impact on the Company’s IFRS revenue and net income attributable to shareholders, but the total asset value, equity attributable to non-controlling interests and loans and borrowings have increased significantly, mainly due to the effect of the full consolidation of Brazilian investees.

2.2.3. Detailed impacts on the Company's consolidated financial statements

The Group complied with the transitional measures for application of IFRS 10, IFRS 11 and IAS 28 Amended. The 2013 comparative figures have been restated accordingly for comparison purposes.

The reconciliations between restated comparative data and data published as at 31 December 2013 and 30 June 2013 are presented below :

Consolidated income statement (1/2)

Figures are expressed in millions of US$ and may not add up due to rounding	**June 2013 Restated financial statements**	IFRS 10&11 Impact	June 2013 Published financial statements
Revenue	2,164	54	2,218
Cost of Sales	(1,990)	(57)	(2,047)
Gross margin	**174**	**(3)**	**171**
Other operating income/(expense)	-	-	-
Selling and marketing expenses	(19)	-	(19)
General and administrative expenses	(73)	-	(73)
Research and development expenses	(9)	-	(9)
Operating profit/(loss) (EBIT)	**73**	**(3)**	**71**
Financial income	15	(2)	13
Financial expenses	(64)	-	(64)
Net financing costs	**(49)**	**(2)**	**(51)**
Share of profit of equity-accounted investees	23	(22)	1
Profit/(Loss) before tax	**47**	**(26)**	**21**
Income tax expense	(1)	(3)	(4)
Profit/(Loss)	**46**	**(30)**	**16**

Consolidated income statement (2/2)

Figures are expressed in millions of US$ and may not add up due to rounding	**June 2013 Restated financial statements**	IFRS 10&11 Impact	June 2013 Published financial statements
Attributable to shareholders of the parent company	12	1	13
Attributable to non-controlling interests	34	(31)	3
Profit/(Loss)	**46**	**(30)**	**16**

Consolidated statement of comprehensive income (1/2)

Figures are expressed in millions of US$ and may not add up due to rounding

	June 2013 Restated financial statements	IFRS 10&11 Impact	June 2013 Published financial statements
Profit/(Loss) for the period	**46**	**(30)**	**16**
Cash flow hedges, net of tax	89	(34)	55
Currency translation differences, net of tax	(14)	(1)	(15)
Items that are or may be reclassified to profit or loss	**75**	**(35)**	**40**
Remeasurement of defined benefit liabilities (assets), net of tax	-	-	-
Items that will never be reclassified to profit or loss	**-**	**-**	**-**
Other comprehensive income for the period, net of tax	**75**	**(35)**	**40**
Total comprehensive income for the period	**121**	**(65)**	**56**

Consolidated statement of comprehensive income (2/2)

Figures are expressed in millions of US$ and may not add up due to rounding

	June 2013 Restated financial statements	IFRS 10&11 Impact	June 2013 Published financial statements
Attributable shareholders of the parent company	48	1	49
Attributable non-controlling interests	73	(66)	7
Total comprehensive income for the period	**121**	**(65)**	**56**

Consolidated statement of financial position

Figures are expressed in millions of US$ and may not add up due to rounding

	December 2013 Restated financial statements	IFRS 10&11 Impact	December 2013 Published financial statements
ASSETS			
Property, plant and equipment	2,055	(31)	2,023
Intangible assets	30	0	30
Investment in associates and joint-ventures	242	(242)	-
Other financial assets	2,394	(872)	1,522
Deferred tax assets	25	0	25
Derivative financial instruments	55	(0)	54
Total non-current assets	**4,800**	**(1,145)**	**3,654**
Inventories	16	11	27
Trade and other receivables	1,152	67	1,218
Income tax receivable	10	0	10
Construction work-in-progress	2,221	(488)	1,733
Derivative financial instruments	109	(11)	98
Cash and cash equivalents	208	(8)	200
Assets held for sale	177	0	177
Total current assets	**3,892**	**(429)**	**3,463**
TOTAL ASSETS	**8,692**	**(1,574)**	**7,118**
EQUITY AND LIABILITIES			
Issued share capital	72	-	72
Share premium reserve	1,145	-	1,145
Retained earnings	894	25	919
Other reserves	(72)	-	(72)
Equity attributable to shareholders of the parent company	**2,039**	**25**	**2,064**
Non-controlling interests	848	(777)	71
Total Equity	**2,887**	**(752)**	**2,135**
Loans and borrowings	3,205	(691)	2,514
Provisions	84	3	87
Deferred income	265	(120)	145
Deferred tax liabilities	11	23	34
Derivative financial instruments	134	(9)	125
Total non-current liabilities	**3,698**	**(793)**	**2,905**
Loans and borrowings	403	(27)	376
Provisions	59	5	64
Trade and other payables	1,496	5	1,501
Income tax payable	53	1	54
Derivative financial instruments	96	(14)	82
Total current liabilities	**2,107**	**(29)**	**2,077**
TOTAL EQUITY AND LIABILITIES	**8,692**	**(1,574)**	**7,118**

Consolidated cash flow statement

Figures are expressed in millions of US$ and may not add up due to rounding	**June 2013 Restated financial statements after change in presentation**	**Change in presentation (Note 2.3.)**	**June 2013 Restated financial statements before change in presentation**	IFRS 10&11 Impact	June 2013 Published financial statements
Cash flow from operating activities	(420)	(542)	121	221	(100)
Cash flow from investing activities	(459)	542	(1,001)	(415)	(586)
Cash flow from financing activities	407	-	407	181	226
Net increase/decrease in cash and cash equivalents	**(473)**	**-**	**(473)**	**(13)**	**(460)**
Cash and cash equivalents at 1 January	692		692	(23)	715
Net cash increase/(decrease)	(473)		(473)	(13)	(460)
Currency differences	-		-	2	(2)
Cash and cash equivalents end of period	**220**		**220**	**(33)**	**253**

Reconciliation of the cash and cash equivalents

Figures are expressed in millions of US$ and may not add up due to rounding	**June 2013 Restated financial statements**	IFRS 10&11 Impact	June 2013 Published financial statements
Cash and cash equivalents	220	33	253
Bank overdrafts	-	-	-
Cash and cash equivalents end of period	**220**	**(33)**	**253**

2.3. Change in presentation

The Company has reviewed its presentation of cash outflows relating to finance leases contracts during construction period and realigned the cashflow presentation with the accounting treatment of finance lease as per IAS17 :

- during the construction period cash outflows are treated as operating activities, and no more, as previously reported, as investing activities;
- during the lease period cash inflows remain treated as operating activities.

This change in presentation has been applied retrospectively to the 2013 comparative period in accordance with IAS 1.

2.4. Use of estimates

In the preparation of the condensed consolidated interim financial statements, it is necessary for management of the Company to make estimates and certain assumptions that can affect the valuation of the assets and liabilities and the outcome of the income statement. The actual outcome may differ from these estimates and assumptions. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and assumptions were the same as those that applied to the consolidated financial statements as of and for the year ended 31 December 2013.

2.5. Fair value measurement

The Company measures 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 3.8."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, or
- 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 by 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 3.8. "Accounting classifications and fair value of financial instruments".

2.6. 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 2013.

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.

3. Notes to the interim financial statements

3.1. Operating segments

The Company’s operating segments are :

- Lease and Operate;
- Turnkey;
- Other.

Business information (1/2)

For the six months ended 30 June 2014, figures are expressed in millions of US$ and may not add up due to rounding	Lease and Operate	Turnkey	Other	Eliminations and adjustments	Consolidated
Revenue					
Third party	522	2,275	-	-	2,797
Inter-segment	-	(16)	0	16	-
Total revenues	**522**	**2,259**	**0**	**16**	**2,797**
Gross margin	**185**	**405**	**0**	**-**	**590**
Other operating income/expense	0	0	(240)	-	(240)
Selling and marketing expense	(2)	(18)	-	-	(19)
General and administrative expense	(12)	(53)	(46)	-	(111)
Research and development expense	-	(18)	-	-	(18)
Operating profit/(loss) (EBIT)	**171**	**316**	**(287)**	**-**	**201**
Net financing costs					(66)
Share of profit of equity-accounted investees					59
Income tax expense					(9)
Profit/(Loss)					**185**
Operating profit/(loss) (EBIT)	171	316	(287)	-	201
Depreciation, amortisation and impairment	(98)	(9)	(4)	-	(110)
EBITDA	**269**	**325**	**(283)**	**-**	**311**
Other segment information :					
Impairment (charge)/reversal	15	(4)	-	-	11
Capital expenditures	39	4	14	-	57
Non-current assets	4,326	111	38	-	4,476

As previously disclosed in various press releases, the Company voluntarily reported in April 2012 an internal investigation into potentially improper sales practices involving third parties to the relevant authorities, and has since been in dialogue with these authorities.

The Company is discussing a potential settlement of the issues arising from the investigation. While these discussions are ongoing, it is sufficiently clear that a resolution of the issues will have a financial component, and consequently the Company has recorded a non-recurring charge of US$ 240 million in the first half-year 2014, reflecting the information currently available to the Company.

Until the matter is concluded, the Company cannot provide further details regarding a possible resolution of the issues arising from the investigation, and no assurance can be given that a settlement will actually be reached.

The US$ 11 million net reversal of impairment relates mainly to a US$ 15 million reversal of impairment for MOPU Deep Panuke, following the signature in May 2014 of a settlement agreement.

Business information (2/2)

For the six months ended 30 June 2013, figures are expressed in millions of US$ and may not add up due to rounding	Lease and Operate (*)	Turnkey (*)	Other (*)	Eliminations and adjustments (*)	**Consolidated (*)**
Revenue					
Third party	419	1,744	-	-	**2,164**
Inter-segment	-	152	-	(152)	**(0)**
Total revenues	**419**	**1,896**	**-**	**(152)**	**2,164**
Gross margin	**(159)**	**333**	**-**	**-**	**174**
Other operating income/expense	0	0	-	-	**0**
Selling and marketing expense	(2)	(17)	(0)	-	**(19)**
General and administrative expense	(9)	(42)	(22)	-	**(73)**
Research and development expense	-	(9)	-	-	**(9)**
Operating profit/(loss) (EBIT)	**(170)**	**265**	**(22)**	**-**	**73**
Net financing costs					**(49)**
Share of profit of equity-accounted investees					**23**
Income tax expense					**(1)**
Profit/(Loss)					**46**
Operating profit/(loss) (EBIT)	(170)	265	(22)	-	**73**
Depreciation, amortisation and impairment	(119)	(5)	(1)	-	**(125)**
EBITDA	**(50)**	**270**	**(21)**	**-**	**198**
Other segment information :					
Impairment (charge)/reversal	(21)	-	-	-	**(21)**
Capital expenditures	61	28	6	-	**95**
Non-currrent assets	4,745	389	55	-	**5,188**

** restated for comparison purposes*

3.2. Net financing costs

Net financing costs

For the six months ended 30 June, figures are expressed in millions of US$ and may not add up due to rounding	2014	2013 (*)
Interest income	13	13
Net forex exchange gain	1	-
Interest rate swap result	-	-
Other financial income	(0)	2
Financial Income	**13**	**15**
Interest expenses	(76)	(60)
Interest addition to provisions	(2)	(1)
Net forex exchange loss	(0)	(2)
Net ineffective portion in fair value of cash flow hedge	(1)	(1)
Other financial expenses	-	-
Financial Expenses	**(78)**	**(64)**
Net financing costs	**(66)**	**(49)**

** restated for comparison purposes*

The increase in interest expenses in 2014 is mainly related to interests paid on facilities upon commencement of production of FPSO Cidade de Paraty and MOPU Deep Panuke.

3.3. Earning/Loss per share

The basic earnings per share for the period is US$ 0.66 (2013 restated : US$ 0.06). The fully diluted earnings per share amounts to US$ 0.66 (2013 restated : US$ 0.06).

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 dilutive potential shares into ordinary shares.

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

Earnings per share

	2014	2013
Number of shares outstanding at 1 January	208,747,188	189,142,215
New shares issued (stock options and share-based payments)	77,381	9,912,227
Weighted average number of shares outstanding	**208,824,569**	**199,054,442**
Impact of shares to be issued	-	36,482
Weighted average number of shares (for calculation basic earnings per share)	**208,824,569**	**199,090,924**
Potential dilutive shares from stock option scheme and other share-based payments	1,114,464	757,745
Weighted average number of shares (diluted)	**209,939,033**	**199,848,669**

3.4. Property, plant and equipment

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

Movement in property, plant and equipment

Figures are expressed in millions of US$ and may not add up due to rounding	30 June 2014	31 December 2013 (*)
Net book value at beginning of period	**2,055**	**2,441**
Additions	57	185
Disposals	(1)	(0)
Depreciation	(117)	(217)
Impairment	15	(183)
Exchange rate differences	0	7
Other movements/deconsolidation	5	(178)
Total movements	**(41)**	**(387)**
Net book value at end of period	**2,013**	**2,055**

** restated for comparison purposes*

Main additions during the period relate to the completion of the Neptune building in Monaco and to the purchase of a double hull VLCC tanker.

3.5. Other financial assets

Other financial assets

Figures are expressed in millions of US$ and may not add up due to rounding	30 June 2014	31 December 2013 (*)
Non-current portion of finance lease receivables	1,724	1,817
Other financial assets	311	576
Total	**2,035**	**2,394**

** restated for comparison purposes*

As at 30 June 2014, non-current portion of finance lease receivables relate to the finance lease of the FPSO Cidade de Paraty which started production in June 2013, and to the FPSO Aseng. The other financial assets mainly relate to interest-bearing loans to joint-ventures.

3.6. Equity attributable to shareholders

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

During the period up to and including 30 June 2014, 308,555 new ordinary shares were issued. The total number of ordinary shares outstanding at 30 June 2014 was 209,055,743 (31 December 2013: 208,747,188).

3.7. Loans and borrowings

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

Bank interest-bearing loans and borrowings (movement)

Figures are expressed in millions of US$ and may not add up due to rounding	30 June 2014	31 December 2013(*)
Non-current portion	3,205	2,583
Add: current portion	403	641
Remaining principal at beginning of period	**3,608**	**3,224**
Additions	1,445	1,216
Redemptions	(602)	(831)
Transaction costs amortisation	4	(1)
Movements during the period	**848**	**385**
Remaining principal	**4,456**	**3,608**
Less: Current portion	(1,259)	(403)
Non-current portion at end of period	**3,197**	**3,205**

** restated for comparison purposes*

The allocation per entity is as follows :

Loans and borrowings per entity

				Net book value at 30 June 2014			Net book value at 31 December 2013 (*)		
Figures are expressed in millions of US$ and may not add up due to rounding	**Project name or nature of loan**	**% Ownership**	**Consolidation method**	**Non-current**	**Current**	**Total**	Non-current	Current	Total
Aseng Production Company Ltd	FPSO Aseng	60.00	Full	198	160	358	275	155	430
SBM Deep Panuke SA	MOPU Deep Panuke	100.00	Full	-	267	267	-	-	-
SBM Holding Inc	MOPU Deep Panuke	100.00	Full	-	133	133	-	-	-
Brazilian Deepwater Prod. Ltd	FPSO Espirito Santo	51.00	Full	74	61	135	104	72	176
Beta Lula Central Sarl	FPSO Cidade de Marica	56.00	Full	-	210	210	-	-	-
Alfa Lula Alto Sarl	FPSO Cidade de Saquarema	56.00	Full	-	207	207	-	-	-
Tupi Nordeste Sarl	FPSO Cidade de Paraty	50.50	Full	843	87	930	881	77	958
Guara Norte Sarl	FPSO Cidade de Ilhabela	62.25	Full	988	53	1,041	1,004	-	1,004
SBM Baleia Azul Sarl	FPSO Cidade de Anchieta	100.00	Full	437	24	460	449	23	472
SBM Espirito Do Mar BV	FPSO Capixaba	100.00	Full	68	58	126	98	56	154
SBM Production Inc	Corporate Facility	100.00	Full	-	-	-	125	-	125
SBM Holding Inc	Corporate Facility	100.00	Full	113	-	113	259	-	259
Single Buoy Moorings Inc	Corporate Facility	100.00	Full	130	-	130	-	-	-
SBM Holding Luxembourg Sarl	Corporate Facility	100.00	Full	330	-	330	-	-	-
Other		100.00	Full	15	-	15	10	20	30
Net book value of loans and borrowings				**3,197**	**1,259**	**4,456**	**3,205**	**403**	**3,608**

** restated for comparison purposes*

3.8. 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 2014 (1/2)

Assets	Carrying amount						Fair value			
Figures are expressed in millions of US$ and may not add up due to rounding	**Fair Value through profit or loss**	**Fair value - hedging instruments**	**Loans and receivables**	**IAS 17 Leases**	**Other financial liabilities**	**Total**	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Interest rate swaps	-	30	-	-	-	30	-	30	-	30
Forward currency contracts	1	45	-	-	-	46	-	46	-	46
Commodity contracts	-	-	-	-	-	-	-	-	-	-
Total	**1**	**75**	**-**	**-**	**-**	**76**				
Financial assets not measured at fair value										
Trade and other receivables	-	-	559	-	-	559	-	-	-	-
Cash and cash equivalents	-	-	154	-	-	154	-	-	-	-
Finance leases receivables	-	-	-	1,900	-	1,900	-	-	-	-
Other interest bearing loans	-	-	412	-	-	412	-	-	399	399
Total	**-**	**-**	**1,125**	**1,900**	**-**	**3,025**				

Accounting classification and fair values as at 30 June 2014 (2/2)

Liabilities	Carrying amount						Fair value			
Figures are expressed in millions of US$ and may not add up due to rounding	Fair Value through profit or loss	Fair value - hedging instruments	Loans and receivables	IAS 17 Leases	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value										
Interest rate swaps	-	131	-	-	-	131	-	131	-	131
Forward currency contracts	5	26	-	-	-	31	-	31	-	31
Commodity contracts	-	-	-	-	-	-	-	-	-	-
Total	**5**	**157**	**-**	**-**	**-**	**162**				
Financial liabilities not measured at fair value										
US$ project finance facilities drawn	-	-	-	-	1,810	1,810	-	1,810	-	1,810
US $ guaranteed project finance facilities drawn	-	-	-	-	1,017	1,017	-	1,017	-	1,017
Revolving credit facility / Bilateral credit facilities	-	-	-	-	973	973	-	973	-	973
Bank overdrafts	-	-	-	-	-	-	-	-	-	-
Other long term debt	-	-	-	-	655	655	-	-	664	664
Trade and other payables	-	-	-	-	518	518	-	-	-	-
Total	**-**	**-**	**-**	**-**	**4,973**	**4,973**				

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.

The comparative information as at 31 December 2013 is the following :

Accounting classification and fair values as at 31 December 2013 (*)

	Carrying amount						Fair value			
Figures are expressed in millions of US$ and may not add up due to rounding	**Fair Value through profit or loss**	**Fair value - hedging instruments**	**Loans and receivables**	**IAS 17 Leases**	**Other financial liabilities**	**Total**	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Interest rate swaps	-	102	-	-	-	102	-	102	-	102
Forward currency contracts	1	60	-	-	-	61	-	61	-	61
Commodity contracts	-	-	-	-	-	-	-	-	-	-
Total	**1**	**162**	**-**	**-**	**-**	**163**				
Financial assets not measured at fair value										
Trade and other receivables	-	-	634	-	-	634	-	-	-	-
Cash and cash equivalents	-	-	208	-	-	208	-	-	-	-
Finance leases receivables	-	-	-	1,986	-	1,986	-	-	-	-
Other interest bearing loans	-	-	576	-	-	576	-	-	595	595
Total	**-**	**-**	**1,418**	**1,986**	**-**	**3,404**				
Financial liabilities measured at fair value										
Interest rate swaps	-	136	-	-	-	136	-	136	-	136
Forward currency contracts	5	88	-	-	-	93	-	93	-	93
Commodity contracts	-	-	-	-	-	-	-	-	-	-
Total	**5**	**224**	**-**	**-**	**-**	**229**				
Financial liabilities not measured at fair value										
US$ project finance facilities drawn	-	-	-	-	1,996	1,996	-	1,999	-	1,999
US $ guaranteed project finance facilities drawn	-	-	-	-	1,002	1,002	-	1,002	-	1,002
Revolving credit facility / Bilateral credit facilities	-	-	-	-	384	384	-	384	-	384
Bank overdrafts	-	-	-	-	-	-	-	-	-	-
Other long term debt	-	-	-	-	226	226	-	-	240	240
Trade and other payables	-	-	-	-	499	499	-	-	-	-
Total	**-**	**-**	**-**	**-**	**4,107**	**4,107**				

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

	Level 2 and level 3 instruments	Level 3 instruments	
Type	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			
Other interest bearing loans	Income approach - Present value technique	Forecast revenues - Risk-adjusted discount rate (3% - 7%)	The estimated fair value would increase (decrease) if: - the revenue were higher (lower) - the risk-adjusted discount rate were 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 (3% - 7%)	The estimated fair value would increase (decrease) if: - the revenue were higher (lower) - the risk-adjusted discount rate were lower (higher)

Level 3 instruments are loans between partners and joint-ventures. Level 3 fair values are estimated by a valuation team within the Group Treasury department. This team has overall responsibility for overseeing all significant fair value measurements, based on internal and external data.

3.9. Provisions

Provisions

Figures are expressed in millions of US$ and may not add up due to rounding	30 June 2014	31 December 2013 (*)
Demobilisation	63	54
Warranty	57	41
Employee benefits	40	30
Other	273	19
Total	**433**	**143**
of which :		
Non-current portion	118	84
Current portion	315	59

** restated for comparison purposes*

The increase in other provisions is mainly due to the following items :

- the US$ 240 million provision related to the investigation of improper sales practices (additional information disclosed in Note 3.1.);
- the attributable share of the negative net equity of companies accounted for under the equity method.

3.10. Assets held for sale

The following property, plant and equipment continues to be classified as assets held for sale for their carrying value in the Company's statement of financial position as of 30 June 2014 :

- a remaining real estate property owned in Monaco;
- three non-core vessels : the DSCV SBM Installer, the FPSO Falcon and the VLCC Alba.

Efforts to sell the assets are still ongoing.

4. Other information

4.1. 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

Figures are expressed in millions of US$ and may not add up due to rounding	% ownership	2014	2013(*)
Sonasing Xikomba Ltd (FPSO N'goma)	50.00	646	525
Malaysia Deepwater Floating Terminal Ltd (FPSO Kikeh)	49.00	194	224
Sonasing Mondo Ltd (FPSO Mondo)	50.00	22	34
Sonasing Saxi Batuque Ltd (FPSO Saxi Batuque)	50.00	131	145
SBM Ship Yard Ltd and Paenal Lda	33.33 - 30.00	365	378
Normand Installer SA	49.90	69	72
Brasil Superlift Serviçõs Icamento Ltda	50.00	2	-
Total loans and borrowings at 100%		**1,430**	**1,377**
Loans from Group companies		507	634

** restated for comparison purposes*

The total revenue of the joint-ventures accounted for under the equity method (at 100%) represents US$ 969 million for the six months ended 30 June 2014 (30 June 2013 restated for comparison purposes : US$ 508 million).

4.2. Commitments

Certain investment commitments have been entered into, principally the FPSO Turritella and the FPSOs Cidade de Marica and Saquarema. As at 30 June 2014, the remaining contractual commitments for acquisition of property, plant and equipment and investment in leases amounted to US$ 806 million (31 December 2013 restated for comparison purposes : US$ 1,605 million).

4.3. Related party transactions

Related party transactions are mainly transactions with joint-ventures. Transactions with related parties are undertaken at market prices. There was no material change during the first half of 2014 in the nature of transactions conducted by the Company with related parties from those at 31 December 2013.

4.4. Contingencies

The Company keeps on investigating 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.

Review report

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

Introduction

We have reviewed the accompanying condensed consolidated interim financial information for the six-month period ended 30 June 2014 of SBM Offshore N.V., Schiedam, which comprises the condensed statement of financial position as at 30 June 2014, the condensed income statement, the condensed statement of comprehensive income, the condensed statement of changes in equity, the condensed statement of cash flows and the selected explanatory notes for the six-month period then ended. Board of Management is responsible for the preparation and presentation of this (condensed) 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 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 company. 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 2014 is not prepared, in all material respects, in accordance with IAS 34, ‘Interim Financial Reporting’ as adopted by the European Union.

The Hague, 6 August 2014

PricewaterhouseCoopers Accountants N.V.

Drs W.H. Jansen RA