**Press release - SBM Offshore N.V.** **11 March 2008**

# FINAL RESULTS SBM OFFSHORE 2007

## Highlights

- net profit of US$ 266.8 million, a 23.3% increase in comparison with 2006 (US$ 216.3 million);
- net profit excluding non-recurring items increases by 28%;
- earnings per share of US$ 1.85, (US$ 1.55 in 2006) and proposed dividend per share is US$ 0.93 versus US$ 0.77 in 2006;
- turnover of US$ 2,871 million, a 44% increase in comparison with US$ 1,990 million in 2006, mainly from expanded turnkey sales and services activities;
- total order portfolio at year-end US$ 7,955 million (US$ 6,992 at the end of 2006);
- operating profit (EBIT) of US$ 302.0 million compared with US$ 254.3 million in 2006;
- EBIT margin 10.5% compared to 12.8% in 2006;
- EBITDA amounted to US$ 548.3 million, compared to US$ 477.5 million in 2006;
- two orders for jack-up production facilities on lease;
- sale of 20% in the FPSO Capixaba to STAR, an affiliate of Brazilian strategic partner Queiroz Galvao (QGP);
- delivery of two major lease projects, the FPSO Kikeh for Murphy Oil in Malaysia and the FPSO Mondo for ExxonMobil in Angola;
- capital expenditure of US$ 551 million (US$ 309 million in 2006);
- sale of airport infrastructure activities (NKI).

## 1. Dividend

The dividend proposal is based on 50% of the total profit for the year, resulting in a dividend of US$ 0.93 per share.

The dividend may be fully paid in either cash or shares (stock dividend) at the shareholder's option. As the Company's shares are quoted in Euros, the cash payment will be made in Euros. Conversion from US Dollars into Euros will be against the currency exchange rate on May 15, 2008, the day of the Annual General Meeting of Shareholders.

## 2. Development Order Portfolio

### 2.1. Lease and Operate Portfolio

The portfolio developed over the year as follows:

*New orders and extensions:*

- in the first quarter, a contract with Talisman Energy Norge AS, operator of the PL316 license offshore Norway, for a five year lease of a MOPUstor™, a production jack-up installed on a subsea storage tank, for the re-development of the Yme field;
- a three year extension from Petrobras of the lease contract of the ‘FPSO Brasil’, owned and operated in joint venture between SBM and MISC Berhad, thus extending the service of this FPSO in the Roncador field offshore Brazil until May 2012;

- a four year extension from Total Congo of the lease contract of the 'Nkossa II' LPG FSO, owned and operated in joint venture between SBM and Maersk, extending the service of this FSO until November 2011;
- in the fourth quarter, a contract with EnCana Corporation for an eight year lease and operation of a production facility, based on the MOPU technology, for EnCana's Deep Panuke natural gas project offshore Nova Scotia. This contract also includes the field logistic services;
- further to the extension of the lease contract with Sakhalin Energy Investment Company (SEIC) reported in the second quarter 2007, under a new agreement with SEIC in December 2007 the Company has committed the availability of the FSO Okha until the end of 2008.

*Start of operations:*
- in September the start of operation of the 'FPSO Kikeh' in the Kikeh field offshore Malaysia under the lease contract with Murphy;
- in December ready for start up of operation of the 'FPSO Mondo' in the Kizomba 'C' field offshore Angola under the fifteen year lease contract with Exxon Mobil.

*Disposal of FPSO:*
- the contract with Agip for the lease and operation of the FPSO Firenze was terminated in September and the unit sold for scrap.

## 2.2 Turnkey Supply and Services portfolio

The most significant awards during the year included:
- a contract with Tanker Pacific Offshore Terminals Pte Ltd (TPOT) for the design and supply of an external turret mooring system for the SuTu Vang FSO on CuuLong field offshore Vietnam;
- a contract with Delba Perforadora Internacional S.A. from Brazil for the supply of a Dynamically Positioned Semi-Submersible Drilling Unit. The rig will be delivered first quarter 2010;
- a contract with BP Norge AS for the turnkey supply of an internal turret for the Skarv development. The turret will be delivered end of 2009 to Samsung Heavy Industries in Korea for integration into the FPSO hull.

The major completions during the year included the following projects:
- supply of compression barges for Kashagan development in the Caspian Sea for Agip KCO;
- supply of Deep Water CALM Buoy for Greater Plutonio FPSO for BP offshore Angola;
- supply of 'Neptune' SeaStar® TLP for BHP for Neptune field in the Gulf of Mexico;
- supply and installation of the GAP™ between the 'FPSO Kikeh' and the dry-tree unit for Kikeh field offshore Malaysia;
- delivery and integration of the internal turret into the 'P53' FPSO for Petrobras;
- several contracts for the supply of standard CALM type tanker loading terminals, a swivel stack, components for jack up systems for rigs, offshore cranes and offshore contracting activities.

## 2.3 Developments since the beginning of 2008

In the first month of the year the Company has reported the following:

A contract has been signed with Petrobras for the turnkey supply of the P-57 FPSO to be installed on Jubarte field offshore Brazil.

This contract represents a portfolio value of 1.25 billion dollars when inclusive of three years of operating services. The facility will have the capacity to produce 180,000 barrels per day of oil and total gas compression for 71 MMscfd.

The FPSO is likely to be converted in Singapore and made from one of the SBM-owned VLCC tankers from the fleet inventory: the Island Accord. It is planned that the integration of the topsides will be performed in Brazil in accordance with new local content requirements.

The delivery of the unit in Brazil, ready for installation, is planned for end of 2010.

## 3. Expectations for 2008

The projected 2008 net profit is US$ 280 million.

EBIT contributions from turnkey supply and services, and lease and operate activities are expected to be more balanced than in 2007.

Capital expenditure is expected to accelerate to around US$ 1.2 billion, depending on accounting treatment for recently awarded and prospective lease contracts.

Net gearing will increase back to a level well above 100%.

## 4. Market Developments

Demand for oil and gas services remained high in 2007, although such market conditions do not lead to improved margins throughout the entire supply chain.

To re-quote a statement in last year's Annual Report, SBM Offshore outsources all equipment and services and experiences from the supply side short bid validities, high prices, tough conditions, inflexibility and long deliveries from vendors and subcontractors. Those difficulties were not anticipated to the full extent 2 years ago, at the time when bids were submitted and therefore not sufficiently factored into the cost estimates of proposals; they resulted in constrained margins during 2007 on some of the major projects.

Additional focus has since been placed on pricing of proposals. This has improved the robustness of cost estimates and the projects obtained in 2007 should contain sufficient provisions for the market adversity and should deliver the expected margins.

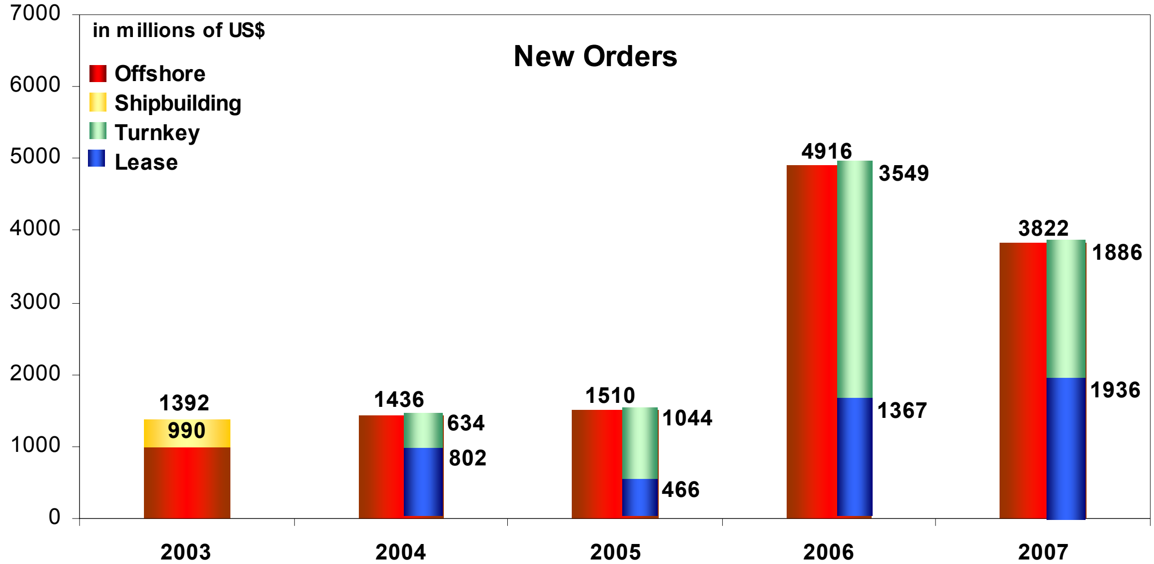
Except for these difficulties, 2007 has been a great year in terms of progressing the Company into the big league; ten digit figure projects have become common in the segments of the market where SBM Offshore operates and both the organisation and the resources have been boosted further in order to grasp the upcoming opportunities and execute (more) efficiently such large projects.

In Management's opinion, the present oil and gas services industry will continue to provide earnings growth opportunities for several years to come, and beyond that, the new technologies presently being developed and promoted, particularly related to offshore production of LNG, should pick up the role of fuelling the further growth.

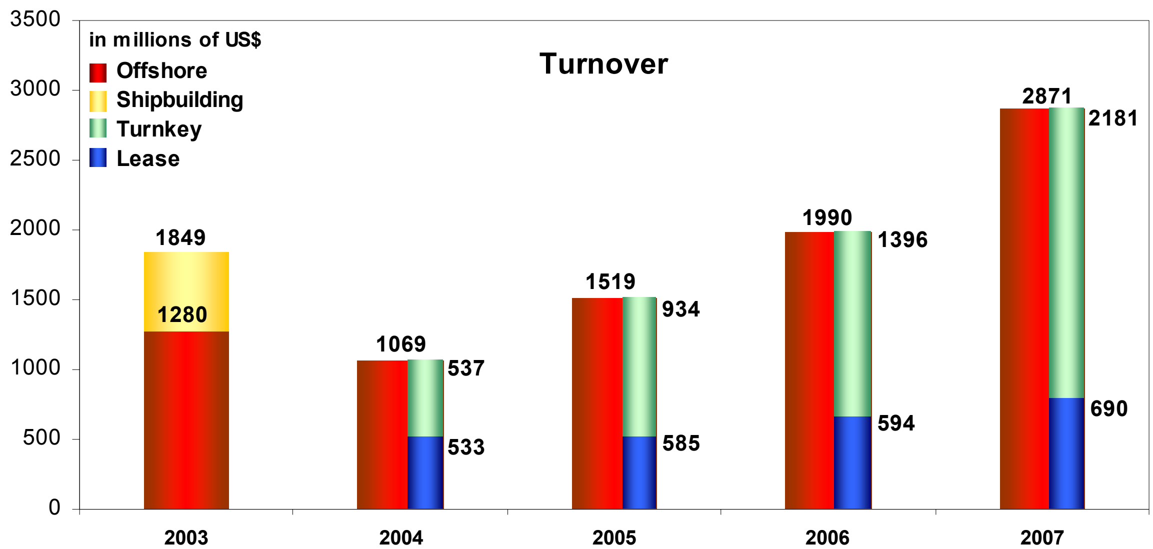
## 5. Financial Review

Segmental information in respect of the two core businesses of the Company during 2007 is provided in the detailed financial analysis which follows. It should be noted that the Company adopted IFRS as from January 2004 and financial information concerning 2003 in the detailed analysis below has not been restated from Dutch GAAP and includes the Company's former shipbuilding division.

## Order portfolio



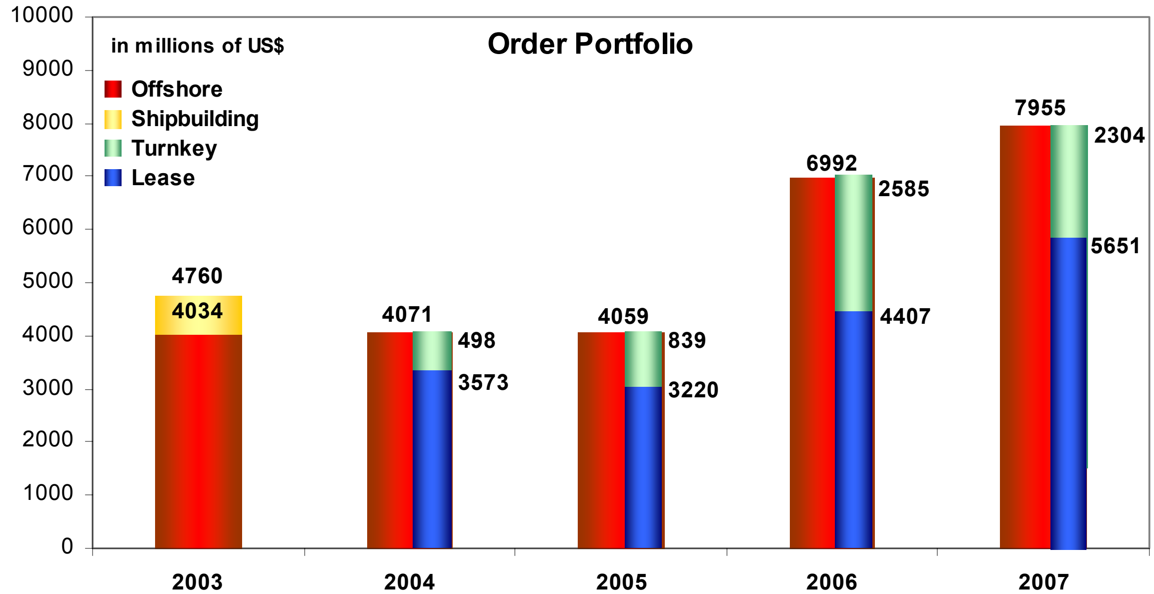

Total new booked orders for 2007 amounted to US$ 3,822 million. This amount includes new lease contracts (MOPUstor™ for Talisman, Norway; MOPU for Encana, Canada), lease extensions (FPSO Brasil, FSO NKossa II and FSO Sakhalin Okha) as well as substantial turnkey contracts (BP Skarv turret, Delba semi-submersible drilling rig).




Total turnover increased significantly when compared with 2006, mainly as a result of 56% higher turnkey sales activity levels, with turnkey business representing in 2007 76% of total turnover (70% in 2006). Lease and operate turnover increased by 16% compared with 2006 as the first revenues from FPSO Kikeh and full year revenues from the MOPU/FSO Turkmenistan and FPSO Capixaba more than compensated for the termination of the FPSO Firenze contract.

The contracts for the FPSO Mondo and FPSO Saxi Batuque for ExxonMobil consist of significant lump sum elements, plus fifteen year front loaded leases, which are accounted for as finance leases. This means that the entire capital values are recognised as turnkey turnover during construction, but with the return on investment recognised as lease income during the lease period, thus negatively impacting turnkey margins and increasing lease margins. Under an operating lease treatment only the partner's 50% share of the Capex investment would have been accounted for as a turnkey sale. In

2007, total turnover recognised in respect of construction of assets accounted for as finance leases amounted to US$ 315 million (2006: US$ 207 million).

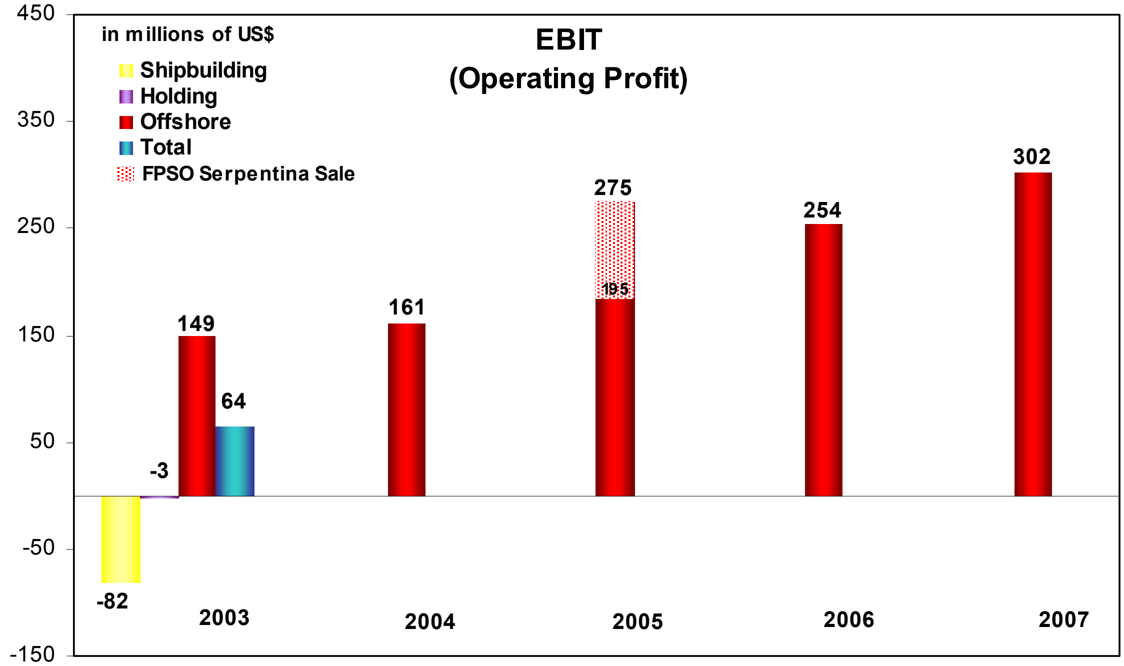



The year-end order portfolio at US$ 7.96 billion is up 14% from last year's level of $ 6.99 billion and represents an all-time high. The current order portfolio includes US$ 5.65 billion (2006: US$ 4.41 billion) for the non-discounted value of future revenues from the long-term charters of the lease fleet, of which US$ 3.86 billion (2006: US$ 2.95) represents the bareboat element of the operating leases. The turnkey order backlog decreased by 11% but still amounts to more than one year of turnkey turnover.

**Profitability**

The primary business segments of the Company are the lease and operate activities versus turnkey sales. However, given that both activities are closely related, and each demand the same core technological know-how, it is not possible to specifically allocate all costs to either one segment or the other. Furthermore, with IFRS limiting the capitalisation of General & Administrative overheads into the asset value of the lease fleet, segmental results are further skewed in favour of the lease activities. Indeed much of the Company's engineering and project management resources contribute to construction of the lease fleet 'at cost' without a Selling, General and Administration costs (S, G & A) mark-up, while the FPSO/FSO fleet results 'benefit' from lower capex and lower annual depreciation. For these reasons, the Company does not present detailed analysis of segment net profits. In approximate terms however, two-thirds of S, G & A and other operating costs and revenues can be attributed to the turnkey sale segment, meaning that in 2007 around 40% of EBIT is contributed by turnkey sales and 60% by lease and operate activities.

During 2008 the Company will review the assumptions and processes involved in deriving segmental results in order to implement the requirements of IFRS 8 'Operating Segments' as from 1 January 2009.




Gross margin in 2007 of US$ 435.6 million (US$ 370.2 million in 2006) consisted of US$ 223.9 million (up from US$ 189.3 million in 2006) from lease and operate activities and US$ 211.7 million (up from US$ 180.9 million in 2006) from turnkey sales.

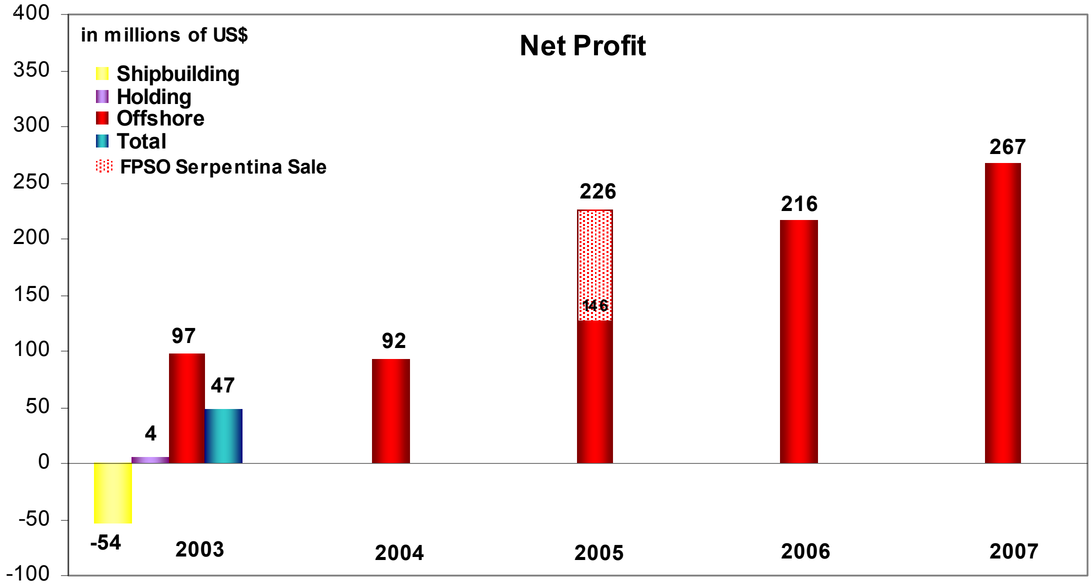
EBIT increased compared to 2006 due to:

- continuing growth from the lease fleet as a result of the start-up of FPSO Kikeh in August 2007, and a full year operation of the units having entered service during 2006. It should be noted however that the net profit contribution of newly operational leased units is limited by the relatively high interest burden during the first years of operation. Full dedication of lease revenues to debt servicing leads to fast amortisation of the loan balances and hence reduced interest charges going forward;
- additional bonus and maintenance day revenues awarded for FPSO fleet performance, and FPSO/FSO operating cost savings with, notably, FPSO Capixaba completing its first year of operations during the first half of 2007 and securing full bonus for unit uptime;
- sale of a 20% stake in the FPSO Capixaba to strategic partner QGP in Brazil and sale of the Company's non-core airport infrastructure activities, resulting in a combined net gain of US$ 5 million;
- increased profits from turnkey projects, reflecting the much higher volume of activity, but a lower average margin due to higher materials, equipment and subcontractors costs than budgeted on certain major projects;
- slightly lower R&D charge;
- full occupancy levels.

As a percentage of the higher turnover, operating profit therefore decreased to 10.5% (2006: 12.8%).

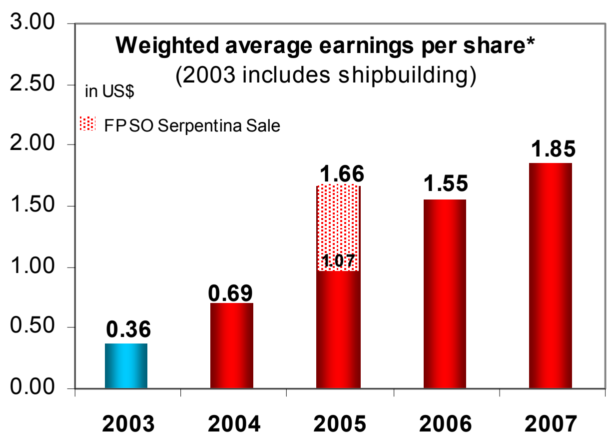
Net financing costs were lower as a result of the good cash-flow from ongoing projects generating interest income. Although net debt increased significantly during 2007, the major part of this increase concerned production units under construction for which the interest was capitalised.

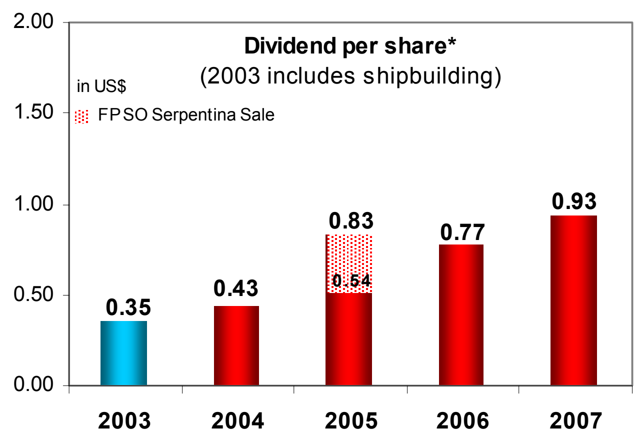
The 2007 tax burden was US$ 14.9 million (5.3% of profit before tax), reflecting the profitability of the US and Dutch operations of the Company, combined with the relatively low tax burden elsewhere. This compares to a net tax burden of US$ 6.4 million (2.9% of pre-tax profit) in 2006, when credit was taken for realisation and recognition of previously unvalued tax losses. The corporate tax burden (excluding withholding taxes and other project taxes) for the Company is expected to average between 5% and 10% of pre-tax profits for the foreseeable future.




For the reasons stated before, no detailed allocation of net profit between lease and turnkey business segments is provided.

When excluding the non-recurring items mentioned earlier (net gain US$ 5 million), net profit increases by 28% compared to 2006.

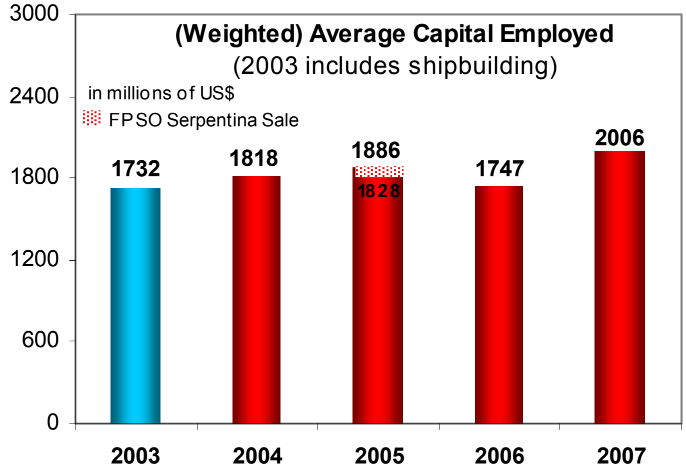


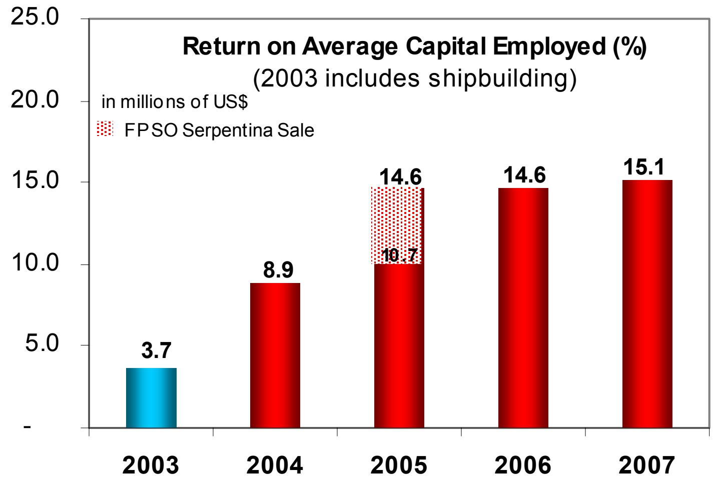

* restated for the four to one split

The proposed 2007 dividend, based upon the Company's usual 50% pay-out ratio, increases with the higher profits and slightly higher number of shares.

## Return On Average Capital Employed and Equity

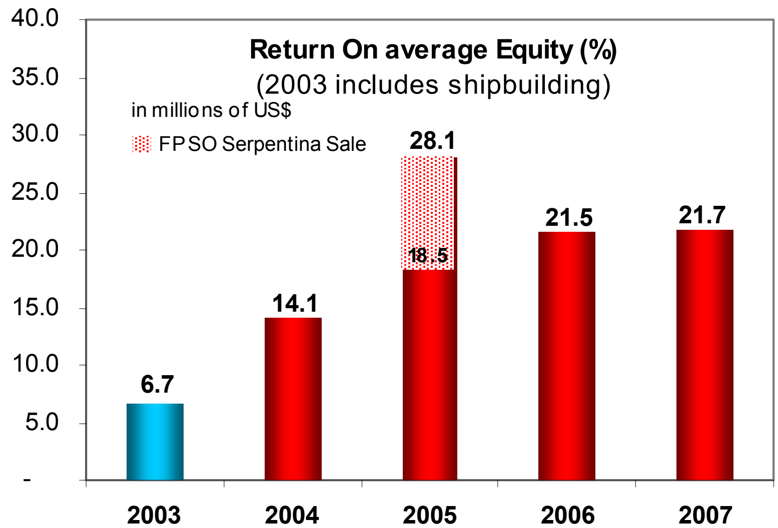



Capital Employed (Equity + Provisions + Deferred tax liability + Net Debt) at year-end 2007 is US$ 503 million above last year's level due to the increasing investments in leased production facilities (and consequently net debt), plus retained profits. The impact of any change in the US$/€ exchange rate is negligible.




ROACE (Return On Average Capital Employed) increased in 2007 to 15.1%. This is the combined result of two main factors, namely:

- high profitability from the lease and operate activities;
- average capital employed grew more slowly than EBIT. Good cash-flow on turnkey projects limited the growth of the net debt component of capital employed.




Return On average Equity (ROE) at 21.7% was maintained at a very acceptable level. The Company continues to generate returns on its new leases which exceed the weighted average cost of capital (WACC), and thus creates value for the Company and its shareholders.

**Cash flow / liquidities**

| US$ million | 2003 | 2004 | 2005 | 2006 | 2007 |
|---|---|---|---|---|---|
| Net profit | 46.6 | 91.7 | 225.8 | 216.3 | 266.8 |
| Depreciation and amortisation | 154.8 | 209.6 | 206.8 | 223.3 | 246.3 |
| Cash flow | 201.4 | 301.3 | 432.6 | 439.6 | 513.0 |
| EBITDA | 219.2 | 370.8 | 482.2 | 477.5 | 548.3 |
| Net liquidities/securities | 167.3 | 145.1 | 144.8 | 339.7 | 274.1 |
| Cash flow from operations* | 296.6 | 93.1 | 831.0 | 592.4 | 331.1 |
| EV: EBITDA ratio at 31/12 | 12.9 | 8.8 | 7.4 | 11.3 | 9.9 |
| EBITDA: interest cover ratio | 5.4 | 6.1 | 9.4 | 15.2 | 24.5 |

*As per the consolidated statement of cash flows

Cash flow and EBITDA were significantly higher than prior years given the growing lease fleet and high volume of turnkey sales.

Net liquidities decreased to US$ 274.1 million, of which US$ 44.5 million can be considered as being dedicated to specific project debt servicing or otherwise restricted in its utilisation.

The EV to EBITDA ratio at year-end 2007 was at 9.9 substantially lower than the previous year, due to both the lower share price and growing cash flow.

**Balance sheet**

| **US$ million** | **2003** | **2004** | **2005** | **2006** | **2007** |
|---|---|---|---|---|---|
| Capital employed | 1,841.0 | 1,846.1 | 1,740.9 | 1,754.0 | 2,257.4 |
| Shareholders' equity | 710.6 | 662.4 | 895.0 | 1,118.7 | 1,333.4 |
| Net Debt | 1,067.1 | 1,139.6 | 804.7 | 585.8 | 874.7 |
| Net gearing (%) | 150 | 172 | 90 | 52 | 65 |
| Net Debt: EBITDA ratio | 3.8 | 3.1 | 1.7 | 1.2 | 1.6 |
| Capital expenditure | 530.0 | 237.3 | 398.5 | 309.0 | 551.0 |
| Current ratio | 1.01 | 0.96 | 0.78 | 1.14 | 1.15 |

Shareholders' equity increased by 19% to US$ 1,333.4 million. Capital employed increased by 29% when taking into account the expansion of net debt. Management remains clearly focused on the Company's gearing and other balance sheet ratios. The relevant banking covenants were all more than comfortably met.

There continues to be no off-balance sheet financing.

The capital expenditure does not take into account the costs of the FPSO Mondo and FPSO Saxi Batuque contracts which are accounted for as finance leases.

## 6. Financial Agenda

| | | |
|---|---|---|
| Final Results 2007 - Press Release | 11 March | 2008 |
| Final Results 2007 - Analysts Presentation (Amsterdam) | 12 March | 2008 |
| Annual Report 2007 | End April | 2008 |
| Annual General Meeting of Shareholders 2008 | 15 May | 2008 |
| Ex-dividend Date | 19 May | 2008 |
| Half-year Results 2008 - Press Release | 19 August | 2008 |
| Half-year Results 2008 - Analysts Presentation (Amsterdam) | 20 August | 2008 |

## 7. Corporate Profile

The Dutch public company SBM Offshore N.V. is the holding company of a group of international, marine technology orientated companies. Its business is to serve on a global basis the offshore oil and gas industry by supplying engineered products, vessels and systems, and offshore oil and gas production services.

The product line comprises:

- Offshore import/export terminals for crude oil, refined products, LPG and LNG, mostly based on the single point mooring principle, Floating Production and/or Storage and Offloading systems (FSOs and FPSOs) and other floating production facilities based on ship hulls, semi-submersibles and Tension Leg Platforms (TLPs);
- Offshore oil and gas production services through the leasing of integrated production and storage facilities owned and operated by the Company;
- Design, construction and supply of semi-submersible drilling platforms;
- Special designs and engineering services and delivery of specific hardware components for dynamically positioned drillships, semi-submersible drilling platforms, jack-up drilling platforms, jack-up platforms for civil construction, large capacity offshore cranes, elevating and lifting systems, crane vessels and other specialised work vessels;
- Offshore construction and installation contracting services.

The Board of Management                                                                 Schiedam, 11 March 2008

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## Consolidated income statement

*For the years ended 31 December in thousands of US Dollars*

| | 2007 | | 2006 | |
|---|---|---|---|---|
| Revenue | 2,871,214 | | 1,989,689 | |
| Cost of Sales | (2,435,624) | | (1,619,531) | |
| **Gross margin** | | **435,590** | | 370,158 |
| Other operating income | 1,313 | | 2,582 | |
| Selling and marketing expenses | (36,234) | | (30,661) | |
| General and administrative expenses | (76,496) | | (63,187) | |
| Other operating expenses | (22,158) | | (24,626) | |
| | | (133,575) | | (115,892) |
| **Operating profit (EBIT)** | | **302,015** | | 254,266 |
| Financial income | 20,870 | | 18,390 | |
| Financial expenses | (43,222) | | (49,858) | |
| **Net financing costs** | | **(22,352)** | | (31,468) |
| Share of profit of associates | | **1,964** | | (20) |
| **Profit before tax** | | **281,627** | | 222,778 |
| Income tax | | (14,861) | | (6,439) |
| **Profit** | | **266,766** | | **216,339** |

| | 2007 | 2006 |
|---|---|---|
| Attributable to shareholders | 262,885 | 216,241 |
| Attributable to minority interests | 3,881 | 98 |
| **Profit** | **266,766** | 216,339 |

| | 2007 | 2006 |
|---|---|---|
| Weighted average number of shares outstanding | **142,274,874** | 139,575,922 |
| Basic earnings per share | **US$ 1.85** | US$ 1.55 |
| Fully diluted earnings per share | **US$ 1.82** | US$ 1.53 |

## Consolidated balance sheet

*at 31 December in thousands of US Dollars (before appropriation of profit)*

| | 2007 | | 2006 | |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Property, plant and equipment | 1,962,395 | | 1,662,222 | |
| Intangible assets | 35,571 | | 33,048 | |
| Investment in associates | 71 | | 45 | |
| Other financial assets | 92,550 | | 72,145 | |
| Deferred tax asset | 8,596 | | 11,574 | |
| **Total non-current assets** | | **2,099,183** | | 1,779,034 |
| Inventories | 15,448 | | 15,314 | |
| Trade and other receivables | 569,344 | | 324,117 | |
| Income tax receivable | 224 | | 1,176 | |
| Construction contracts | 513,644 | | 324,319 | |
| Derivative financial instruments | 156,095 | | 150,015 | |
| Cash and cash equivalents | 280,684 | | 346,361 | |
| **Total current assets** | | **1,535,439** | | 1,161,302 |
| **TOTAL ASSETS** | | **3,634,622** | | 2,940,336 |
| **EQUITY AND LIABILITIES** | | | | |
| **Equity attributable to shareholders** | | | | |
| Issued share capital | 52,750 | | 46,359 | |
| Share premium reserve | 363,057 | | 344,326 | |
| Retained earnings | 890,697 | | 677,636 | |
| Other reserves | 26,933 | | 50,379 | |
| | 1,333,437 | | 1,118,700 | |
| Minority interests | 4,297 | | 323 | |
| **Total equity** | | **1,337,734** | | 1,119,023 |
| Long-term loans and other liabilities | 921,505 | | 754,649 | |
| Provisions | 44,110 | | 49,242 | |
| Deferred tax liability | 812 | | 0 | |
| Total non-current liabilities | | **966,427** | | 803,891 |
| Trade and other payables | 909,081 | | 720,139 | |
| Current income tax liabilities | 16,414 | | 5,691 | |
| Borrowings and bank overdrafts | 233,868 | | 177,484 | |
| Derivative financial instruments | 171,098 | | 114,108 | |
| Total current liabilities | | **1,330,461** | | 1,017,422 |
| **TOTAL EQUITY AND LIABILITIES** | | **3,634,622** | | 2,940,336 |

## Consolidated statement of changes in equity

*in thousands of US Dollars*

| | Attributable to shareholders | | | | | | Minority interests | **Total equity** |
|---|---|---|---|---|---|---|---|---|
| | Outstanding number of shares | Issued share capital | Share premium reserve | Retained earnings | Other reserves | Total | | |
| **At 1 January 2006** | 137,774,324 | 40,577 | 323,776 | 533,927 | (3,236) | 895,044 | 292 | 895,336 |
| Foreign currency translation | | 4,876 | - | (5,978) | 5,302 | 4,200 | (67) | 4,133 |
| Cash flow hedges/net investment hedges | | - | - | - | 48,313 | 48,313 | - | 48,313 |
| Share based payments | | - | - | 5,515 | - | 5,515 | - | 5,515 |
| Net income directly recognised in equity | | 4,876 | - | (463) | 53,615 | 58,028 | (67) | 57,961 |
| Profit for the year | - | - | - | 216,241 | | 216,241 | 98 | 216,339 |
| Total income and expense for the year | | 4,876 | - | 215,778 | 53,615 | 274,269 | 31 | 274,300 |
| Stock dividend | 1,606,528 | 494 | (494) | - | - | 0 | - | 0 |
| Share options/ bonus shares | 1,334,683 | 412 | 21,044 | - | - | 21,456 | - | 21,456 |
| Cash dividend | | - | - | (72,069) | - | (72,069) | - | (72,069) |
| **At 31 December 2006** | **140,715,535** | **46,359** | **344,326** | **677,636** | **50,379** | **1,118,700** | **323** | **1,119,023** |
| Foreign currency translation | | 5,524 | - | (5,617) | 8,821 | 8,728 | 93 | 8,821 |
| Cash flow hedges/net investment hedges | | - | - | - | (32,267) | (32,267) | - | (32,267) |
| Share based payments | | - | - | 14,099 | - | 14,099 | - | 14,099 |
| Net income directly recognised in equity | | 5,524 | - | 8,482 | (23,446) | (9,440) | 93 | (9,347) |
| Profit for the year | | - | - | 262,885 | - | 262,885 | 3,881 | 266,766 |
| Total income and expense for the year | | 5,524 | - | 271,367 | (23,446) | 253,445 | 3,974 | 257,419 |
| Stock dividend | 1,432,296 | 476 | (476) | - | - | 0 | - | 0 |
| Share options/ bonus shares | 1,175,850 | 391 | 19,207 | - | - | 19,598 | - | 19,598 |
| Cash dividend | - | - | - | (58,306) | - | (58,306) | - | (58,306) |
| **At 31 December 2007** | **143,323,681** | **52,750** | **363,057** | **890,697** | **26,933** | **1,333,437** | **4,297** | **1,337,734** |

Within retained earnings an amount of US$ 100.3 million (2006: US$ 76.4 million) relates to equity of joint ventures and should therefore be treated as legal reserve. Furthermore a legal reserve of US$ 3.4 million should be maintained in respect of capitalised R&D expenditures.

## Consolidated cash flow statement

*For the years ended 31 December in thousands of US Dollars*

| | 2007 | | 2006 | |
|---|---|---|---|---|
| **Cash flow from operating activities** | | | | |
| Receipts from customers | **2,537,426** | | 1,951,329* | |
| Payments to suppliers and employees | **(2,203,177)** | | (1,354,209)* | |
| Income tax received / (paid) | **(3,187)** | | (4,691) | |
| **Net cash from operating activities** | | **331,062** | | 592,429 |
| **Cash flow from investing activities** | | | | |
| Interest received | **19,156** | | 17,632 | |
| Interest paid | **(35,620)** | | (48,846) | |
| Investment in property, plant and equipment | **(555,757)** | | (299,060) | |
| Investment in intangible fixed assets | **(3,365)** | | - | |
| Investment in associated and group companies | **-** | | (9,957) | |
| Disposals of property, plant and equipment | **3,659** | | 280 | |
| Disposal of intangible fixed assets | **-** | | 405 | |
| Dividends received from associated companies | **1,964** | | - | |
| **Net cash from investing activities** | | **(569,963)** | | (339,546) |
| **Cash flow from financing activities** | | | | |
| Proceeds from issue of shares | **16,898** | | 21,456 | |
| Additions to borrowings and loans | **383,472** | | 678,709 | |
| Repayments of borrowings and loans | **(170,919)** | | (687,620) | |
| Investments in other financial fixed assets | **(2,080)** | | - | |
| Dividends paid to shareholders | **(58,284)** | | (72,069) | |
| **Net cash from financing activities** | | **169,087** | | (59,524) |
| **Net increase in cash and cash equivalents** | | **(69,814)** | | 193,359 |
| Cash and cash equivalents at 1 January | | **339,687** | | 144,850 |
| Net cash divestments | | **(286)** | | (2,566) |
| Currency differences | | **4,501** | | 4,044 |
| **Cash and cash equivalents at 31 December** | | **274,088** | | 339,687 |

The reconciliation of the cash and cash equivalents as at 31 December with the corresponding amounts in the balance sheet is as follows:

| | 2007 | 2006 |
|---|---|---|
| Cash and cash equivalents | **280,684** | 346,361 |
| Bank overdrafts | **(6,596)** | (6,674) |
| **Cash and cash equivalents at 31 December** | **274,088** | 339,687 |

* The 2006 receipts from customers and payments to suppliers and employees have been restated due to the use of a direct, detailed calculation method introduced in 2007. The calculation method did not impact the net cash from operating activities.