Press release - SBM Offshore N.V. **27 January 2009**

PRELIMINARY RESULTS SBM OFFSHORE 2008
NET PROFIT MEETS REVISED OBJECTIVES

Highlights

- Unaudited net profit for 2008 of US$ 227 million (2007: US$ 267 million);
- Year-end order portfolio increases to US$ 9.24 billion (2007: US$ 7.95 billion);
- Record turnover in 2008 of US$ 3.06 billion (2007: US$ 2.87 billion);
- Dividend proposal US$ 0.93 per share (same as 2007) payable 50% in cash, 50% in shares.

1. Financial (unaudited)

The net profit for 2008 is currently estimated at US$ 227 million of which US$ 222 million (US$ 1.54 per share) is attributable to shareholders, compared with US$ 263 million in 2007 (US$ 1.85 per share). All operating companies have made positive contributions to this result which includes estimated variation orders and recoveries from clients where negotiations or discussions are at a sufficiently advanced stage. Additional relevant information prior to the date of approval of the 2008 financial statements (10 March 2009) could lead to amendment of the results disclosed herein.

Dividend proposal will be to maintain the same level as for 2007, at US$ 0.93 per share, representing a pay-out ratio of 60%. To preserve balance sheet flexibility and cash-flow predictability the dividend will, exceptionally, be payable 50% in cash and 50% in shares.

Turnover rises to US$ 3,060 million (2007: US$ 2,871 million), of which 73% derived from turnkey sales and services projects (76% in 2007).

EBITDA is US$ 531 million (2007: US$ 548 million); EBIT is US$ 276 million (2007: US$ 302 million), of which 76% is generated from lease and operate activities (60% in 2007).

Net debt increased from US$ 875 million at 31 December 2007 to US$ 1,464 million at 2008 year-end, mainly due to ongoing investments in new units for the lease fleet. Capital expenditure reached US$ 1.0 billion (2007: US$ 0.55 billion). At 31 December 2008 the Company had over US$ 400 million in committed undrawn bank facilities, cash and cash equivalents of US$ 230 million, and all bank covenants were comfortably met. Equity decreased during the year from US$ 1,338 million to US$ 1,260 million due to the negative impact of unrealised losses on the Company's portfolio of interest rate and foreign exchange hedges. Such impact is a consequence of the Company's conservative hedging policy, and the significant movements in US interest rates and foreign exchange rates in the latter part of 2008. The net gearing ratio increased accordingly to around 116%.

2. Development Order Portfolio

New orders and variation orders in 2008 totalled US$ 4.34 billion of which US$ 1.44 billion relate to lease and operate activities and US$ 2.90 billion relate to turnkey supply and services orders. Total year-end order portfolio increased to US$ 9.24 billion (2007: US$ 7.95 billion).

2.1. Lease and Operate Portfolio

At the end of 2008 the lease portfolio value amounted to US$ 6.28 billion (2007: US$ 5.65 billion) representing the non discounted lease revenues to be received under the eighteen long-term "lease and operate" contracts and four "operate only" contracts for oil and gas production facilities (2007: twenty-two contracts and three contracts respectively). A total of fifteen (2007: seventeen) of the owned or part-owned units were in operation and three (2007: five) under construction.

The portfolio developed over the year as follows:

New orders and extensions:

- A one-year extension, until 23 November 2009, of the lease and operate contract for the FPSO Falcon from Esso Deepwater Limited, a subsidiary of Exxon Mobil;
- A lease and operate contract with Petrobras for the Company's existing FPSO Capixaba for a period of 12 years at the Cachalote field offshore Brazil. Disconnection from the Golfinho field is planned for June 2009, followed by an upgrade of the unit in Singapore with first oil at the Cachalote field in February 2010.

Start of operations:

- In January, start of operation of the FPSO Mondo in the Kizomba 'C' field offshore Angola under the fifteen year lease contract with Exxon Mobil;
- In July, start of operation of the FPSO Saxi-Batuque in the Kizomba 'C' field offshore Angola under the fifteen year lease contract with Exxon Mobil;
- At the end of December, hook up of the FPSO Espirito Santo in the BC-10 field offshore Brazil under the fifteen year lease contract with Shell. The lease commenced on 1 January 2009.

End of lease contracts:

- In May, the FPSO Mystras, previously owned by FPSO Mystras Producao de Petroleo LTDA (FMPP), a 50% owned subsidiary of the Company, has been purchased by Agip Energy and Natural Resources (Nigeria) Ltd (AENR);
- In July, the FPSO Tantawan Explorer in Thailand has been purchased by Chevron Offshore Thailand Ltd at the end of the lease and operate contract;
- At the end of October, FPSO Rang Dong I in Vietnam has been redelivered to the Company by Japan Vietnam Petroleum Company Ltd (JVPC) at the end of the confirmed lease period including a short extension. The unit has been disconnected and decommissioned and is currently laid up;
- The FSO Okha has been redelivered to the Company by Sakhalin Energy Investment Company Ltd (SEIC) in December 2009, at the end of the lease period. The FSO will be converted into a FPSO as replacement of the Cossack Pioneer FPSO for Woodside Energy Limited.

2.2 Turnkey Supply and Services Portfolio

The value of the turnkey supply and services portfolio amounted at the end of 2008 to US$ 2.96 billion (2007: US$ 2.30 billion).

The major completions and milestones during the year included the following projects:

- Supply of an external turret for an FSO for Tanker Pacific Offshore Terminal Pte Ltd (TPOT) for operation in the Su Tu Vang field offshore Vietnam;
- Supply of a turret for the LPG FSO for the Belanak field for ConocoPhillips;
- Supply of a deep water CALM buoy for Total for the Akpo field development offshore Nigeria.
- Mechanical completion of the Frade FPSO at Dubai Drydocks. The unit is currently en route to Brazil for offshore installation.

The most significant awards during the year included:

- A contract with Petrobras for the turnkey supply and three years of operation of the P-57 FPSO to be installed on Jubarte field offshore Brazil. The delivery of the unit in Brazil, ready for installation, is planned for end of 2010;
- A contract with Woodside Energy Limited and the Cossack Wanaea Lambert Hermes (CWLH) Joint Venture for the turnkey supply of the disconnectable FPSO Okha, to be installed offshore Australia as replacement of the existing FPSO Cossack Pioneer. Delivery of the unit is scheduled for the fourth quarter of 2010;
- A call off frame contract with BP Angola for the supply of FPSOs offshore Angola. The initial contract call off has been signed for early engineering and fabrication works. Subject to project sanction decisions, the full scope supply of one or more FPSOs is expected. In view of this contract and other FPSO prospects in Angola, in joint-venture with Sonangol the Company commenced construction of a new fabrication yard at Porto Amboim, which will be able to perform significant FPSO construction and integration activities;
- In consortium with APL, a contract with Total E&P Angola for the supply and installation of the Oil Loading System on the Pazflor project. The Company's scope of work consists of supply of the (2) Oil Offloading Lines, to be based on the Trelline™, and the offshore installation of the complete Oil Loading System;
- A contract with Resolution Shipping Ltd (Cyprus), a subsidiary of Vroon Group, for the supply of two 1,000 ton cranes and two jacking systems, with a total jacking capacity of 22,500 tons each, for two wind turbine installation jack-up vessels (SBM Offshore group design).

3. Expectations for 2009

In the current economic climate, awards of a number of oil and gas projects targeted by the Company in 2009 are likely to be delayed. As a result the Company is unable at this time to provide net profit expectations for full-year 2009.

Average EBIT margins in 2009 in the Turnkey supply and services segment are expected to return to 5% - 10% range.

Excluding non-recurring items, and depending upon the variable, production related revenues from the Thunder Hawk semi-submersible unit, the EBIT contribution from the lease and operate segment is expected to be close to the level achieved in 2008.

Net interest charge in 2009 will double compared to 2008 due to start of operations on major lease contracts and low expected interest income on liquidities.

Capital expenditure, excluding any new operating lease contracts to be obtained in 2009, is expected to amount to US$ 0.5 billion.

Net gearing is expected to remain at or below the current level, with debt ratios well within all financing covenants.

Quarterly trading updates will be provided in 2009.

4. Market Developments

The medium and long term fundamentals of the business remain sound and the demand for the Company's products is still strong. This is supported by the current high level of bidding activities similar to previous years. However, due to the current turmoil in the financial markets and lower oil price it is anticipated that there will be a slow down in the award of new contracts in the short term as some oil companies may decide to postpone project developments, either because the projects become uneconomic at current low oil price levels or that they will wait before awarding contracts in the expectation that the costs will decrease.

It is also anticipated that some of the smaller operators may run into difficulty to raise financing for their project developments, resulting in the projects being cancelled or at least delayed. It should be noted however, that the Company generally targets the major oil companies who are less likely to be affected by financing concerns. We expect to be successful in obtaining new orders to maintain current portfolio levels in both segments over the next couple of years.

The lease fleet is contracted with major and national oil companies on long term charters independent of oil price fluctuations, production volumes (except for Murphy Thunder Hawk) or financial turmoil. The investments in the operating units have been fully financed to the extent necessary, with the exception of the EnCana Deep Panuke project, for which the Company intends to obtain financing during 2009. The solid and robust nature of our clients and contracts give a high level of confidence for profit generation in the years to come and continued repayment of debt on schedule.

The execution of the current turnkey portfolio backlog is progressing on schedule. Input costs remain tight, even though there are some signs of easing in the construction activities.

With respect to the LNG FPSO we expect to start front end engineering and design work for a client in 2009, although a final investment decision is not expected before the end of 2009. No material capex requirements are expected in 2009 for the LNG FPSO.

The Company will continue to develop technology for the increasing challenge of deepwater, complex oil fields and natural gas exploitation, which are considered to be the long term growth areas.

5. Conference Call

Management of SBM Offshore will be available to discuss the contents of this press release in a conference call at 18.30 hrs on Tuesday 27 January 2009. The dial-in number for participants will be +31 (0) 20 304 3371 and the replay number, available for 48 hours, is +31 (0) 70 315 4300 replay code: 16 03 50#.

6. Financial Agenda

Preliminary Results 2008 - Conference Call	27 January	2009
Final Results 2008 Press Release	10 March	2009
Final Results 2008 - Analysts Presentation (Amsterdam)	11 March	2009
Annual Report 2008	End April	2009
Annual General Meeting of Shareholders 2008	14 May	2009
Ex-dividend Date	18 May	2009
Half-year Results 2009 - Press Release	18 August	2009
Half-year Results 2009 - Analysts Presentation (Amsterdam)	19 August	2009

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, 27 January 2009

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