PRESS RELEASE

ANNUAL RESULTS 2012
14 FEBRUARY 2013

Press release

SBM OFFSHORE FULL-YEAR RESULTS 2012

RESULTS IMPACTED BY LEGACY ISSUES; GOOD UNDERLYING PERFORMANCE & PROGRESS

14 February 2013

As in 2011, the 2012 results are overshadowed by the impact of impairments and provisions for two legacy projects, which hide the good underlying performance in the core FPSO business. Despite falling short of expectations, revenues were up 17.1% on 2011 at a record $3.7 billion, while underlying EBIT margins were in line with or above expectations. Consistent with the core FPSO strategy announced in 2012, GustoMSC was divested in the fourth quarter. Record financing levels were achieved, notably with the $1.1 billion project loan for Ilhabela, and the $ 500 million US Private Placement for Anchieta. In December, the Company moved further towards a solution of the Yme MOPUstor™ legacy project and restored the balance sheet through an equity injection by cornerstone investor HAL. Order intake was slow, in line with the industry, as a consequence of delays in contract awards.

Commenting on the results, Bruno Chabas, CEO of SBM Offshore, said:

"For SBM Offshore, 2012 was tougher than we had expected. Even so, we made significant progress toward unlocking the outstanding potential of our Company. In vital respects, such as strategy, structure, ways of working, increased compliance focus and a renewed management team, SBM is being transformed. As we move towards closure of our legacy projects, I am convinced that the quality of performance being delivered by so many colleagues across the Company will begin to manifest itself in our financial results."

Financial highlights

- Turnover increased by 17.1 % to US$ 3,695 million in 2012, and underlying EBIT by 6.4% to US$ 550 million.
- Exceptional items:
  - book gains of US$ 128 million following the sale of Gusto MSC and the Dynamic Installer
  - US$ 200 million settlement costs provision for YME
  - full impairment of US$ 398 million on the Yme MOPUstor™
  - additional impairment of US$ 29 million for the Deep Panuke platform
- The Company ended the year with US$ 748 million in cash, an additional US$ 750 million undrawn credit facility and a resulting net debt position of US$ 1,783 million, reflecting strong liquidity.

US$ million	FY 2012	FY 2011	Change
Turnover	3,695	3,157	17%
EBIT before impairments, provisions and divestments	550	516	6%
EBIT after impairments, provisions and divestments	51	(341)	n.m.
Net Profit / (Loss)	(75)	(441)	n.m.
Investments in fixed assets and finance leases	1,235	1,413	-13%
Operating cashflow	1,144	1,158	-1%

	FY 2012	FY 2011	Change
Order Portfolio	14,538	16,910	-14%
Cash	748	165	n.m.
Net Debt	1,783	1,959	-9%
Solvency ratio	27.1%	30.0%	-10%

Further financial information is provided in the Financial Review section and the Consolidated Financial Statements as included in this press release

Financial outlook

Despite the remaining uncertainty over the financial impact of the legacy projects, the Company is confident in the continued growth of its core FPSO business, and expects to achieve revenue of approximately $4 billion in 2013.

2012 Company overview

Introduction

Despite multiple challenges, 2012 was a year of significant transformation for the Company. The completion of important changes to the organisational and senior management structure, and further appointments to the Board of Management, have created an organisation with a substantially greater emphasis on accountability, transparency and compliance. Having adopted a more conservative approach to margin recognition, the Percentage of Completion (POC) method for complex projects, the Company continues to embed rigorous accounting and operational disciplines across the business.

2012 was also characterised by the shift in strategy to focus on FPSOs and associated products and services. In its core FPSO activities the Company's assets continued to perform at high levels, with a renewed sense of strategic purpose accompanying the organisational reforms. Significant progress was made in addressing legacy issues, with the announcement in December of SBM Offshore's expectation of a probable de-commissioning of the Yme platform as a difficult but necessary step.

However**,** order intake across the sector was lower than expected, with a number of prospective orders slipping into 2013, leading to a lower overall order intake for the FPSO industry at large. The technical challenges, large investments and complex contractual structures involved in deep water field developments increasingly led to delays in the process to final investment decision and contract awards.

In line with SBM Offshore's strategy the Company made a number of non-core asset divestments during the period. GustoMSC was sold for approximately US$ 189 million and the Dynamic Installer, a diving support vessel, was sold for US$ 15 million. The Company is further pursuing divestments in non-core assets with the sale and lease back of real estate in Monaco and the COOL hose technology.

The Company has achieved a number of successful financing agreements totalling US$ 1.7 billion, including a Limited Recourse Project Loan from banks of US$ 1.1 billion and a US Private Placement Project Bond of US$ 500 million. The additional liquidity and greater financial flexibility have further improved the Company's risk profile for securing funding for future projects.

Towards the end of 2012, important steps were also taken to restore the balance sheet through a 9.95% private placement with existing shareholder HAL. Subject to the Company reaching a settlement with Talisman in respect of the Yme project before 11 March 2013, HAL will also pay an additional amount to the Company to reflect a revised, higher valuation for the private placement shares, and the Company will raise additional equity by means of a rights offering fully underwritten by HAL of approximately 10% of the issued share capital at the time of the offering, subject also to customary conditions and the approval of the general meeting of shareholders.

HSSE

The Company's occupational safety record has shown an improvement in 2012, as the Company made significant progress in the reduction of incidents. The TRIFR (Total Recordable Incident Frequency Rate) for 2012 is 0.38 showing a 25% improvement compared to 2011.

Compliance

In April 2012, the Company announced it had initiated an internal investigation into potentially improper sales practices. This investigation is being carried out by outside counsel and forensic accountants. The Company has disclosed this internal investigation to appropriate authorities and has taken remedial action to enhance its compliance programme. Good progress was made during the year but the investigation is still in progress; typically these types of investigation take 12 to 18 months to conclude. Consequently, at this point it is not possible to provide further information or an estimate of the financial impact, if any.

Legacy projects

YME

Since the market update on 20 December 2012, SBM Offshore and its client, the platform operator, Talisman, have maintained a constructive dialogue on the future of the project and taken forward the near term process to permit re-manning of the platform. As previously announced, the balance of expectation for SBM Offshore is that the platform will be decommissioned, but until an agreement with Talisman has been reached all options remain open.

Several practical steps to allow the platform to be re-manned have been taken, including the repair of grouting. Subsequently, a close visual inspection (CVI) by a robot has provided good evidence of structural integrity. The Company is currently in discussions with Talisman as to whether further inspection is required before teams can board the platform. Should the parties fail to reach mutual agreement, the ongoing arbitration proceedings will continue.

Deep Panuke

Finalisation and commissioning of this platform is progressing in line with the schedule presented at the time of the Q3 trading update, with the platform expected to be on hire during the first half of 2013.

Strategy

From the start of the year, the Company's strategy was re-focused on FPSOs and associated products and services. As industry leader, the company strives for an improved risk/reward balance for its FPSO products and services. The Company's revised focus has resulted in a substantial volume of bidding and tendering activity with an encouraging pipeline of projects in the medium term. There has been slippage of several prospects into 2013, but underlying demand for the Company's core FPSO offer remains strong, supported by a stable high oil price.

Outlook and guidance 2013

The underlying momentum in the oil & gas upstream market continues to be strong, driving demand for FPSOs and related products. We are confident in our prospects for 2013, buoyed by the increasing demand for specialist FPSO skills dictated by the growing complexity, scale, costs and associated risks of deep water developments.

Within this context, the Company expects to generate an 8% higher turnover of approximately US$ 4 billion in 2013, of which respectively US$ 3 billion in the Turnkey and US$ 1 billion in the Lease and Operate segment.

Dividend

In view of the reported loss for 2012 and in order to preserve and improve the Group's equity position, the Management Board proposes not to distribute a dividend over fiscal years 2012 and 2013.

Annual General Meeting of Shareholders (AGM)

The Company has decided to advance the Annual General Meeting of Shareholders to 2 April 2013. The convocation and agenda will be published on 19 February 2013.

Analyst Presentation

The Analyst Presentation will be webcast via the SBM Offshore website (www.sbmoffshore.com) at **11:00** CET on Thursday 14 February 2013.

The presentation will be hosted by Bruno Chabas, CEO, Peter van Rossum, CFO and Sietze Hepkema CGCO.

There is also a Call-In facility for participants who want to listen to the presentation via teleconference and also have the option to ask questions during Q&A session.

Dial-in number: +31 10 2944 271
Replay number: +31 10 2944 210 (for 48 hrs)
Replay code: 1197606#
Playback facilities of the presentation and Q&A session will be accessible via the Company website www.sbmoffshore.com.

Financial Calendar	Date
Annual General Meeting of Shareholders	2 April 2013
Trading Update Q1 2013 - Press Release (07.30 CET)	23 May 2013
Half-year Results 2013 - Press Release (07.30 CET)	8 August 2013
Half-year Results 2013 - Analysts Presentation (Amsterdam)	8 August 2013
Trading Update Q3 2013 - Press Release (07.30 CET)	14 November 2013

Financial review

Highlights

The consolidated result for 2012 is a net loss of US$ 74.9 million (2011 net loss of US$ 440.6 million). This result includes divestment profits, impairment charges, and other non-recurring items relating to the Yme and Deep Panuke projects which generated a net loss of US$ 473.4 million in 2012 (US$ 857.0 million in 2011). Net loss attributable to shareholders amounts to US$ 79.5 million (US$ 472.7 million loss in 2011).

The loss per share amounted to US$ 0.46 (loss per share of US$ 2.77 in 2011). In view of the loss recorded for the period, and applying the Company's dividend policy, it is proposed not to distribute dividend for 2012.

Following the losses accumulated in 2011 and 2012, the Company strengthened its financial position through a 9.95% private placement with HAL at € 8.50 per ordinary share raising US$ 193 million in December 2012. In addition, subject to the Company reaching a settlement with Talisman in respect of the Yme project before 11 March 2013:

- HAL will pay an additional amount for the private placement shares;
- HAL will underwrite in full an approximately 10% rights offering to all shareholders at the final private placement price, subject to customary conditions and the approval of the general meeting of shareholders.

Net debt at the year-end amounted to US$ 1,782.7 million (US$ 1,958.5 million in 2011) with bank covenants met and available committed bank facilities of US$ 1,300 million.

Total orders in the year come to US$ 1,322.2 million (split 14% / 72% / 14% between the Lease and Operate, the Turnkey Systems and the Turnkey Services segments respectively), compared to the record level US$ 8,552 million achieved in 2011.

Turnover increased by 17.1% to US$ 3,695 million, in comparison with US$ 3,157 million in 2011, mainly as a result of higher Turnkey Systems revenues.

Total order portfolio at the end of the year was US$ 14,538 million compared to US$ 16,910 million at the end of 2011, a decrease of 14% reflecting the combined effect of high revenues, low level of orders in 2012 and de-recognition of the Yme project and GustoMSC divestment. Of this, 73% equal to US$ 10,566 million relates to the non-discounted value of the revenues from the Company's long-term lease contracts in portfolio at year-end.

EBITDA amounted to US$ 697.6 million, representing a 14.2% decrease compared to US$ 813.2 million in 2011 but includes non-recurring items for US$ 72 million.

Operating result (EBIT) increased to US$ 50.5 million profit after the impairment charges, divestment profits and non-recurring items for US$ 499.0 million compared to US$ 340.6 million EBIT loss in 2011 which included US$ 857.0 million of non-recurring items related to the Yme and Deep Panuke projects.

The year was marked by the following financial highlights:

- Order intake of US$ 1,322 million. This figure excludes the Letters of Intent received on several projects awaiting final investment decisions by the client;
- On the Yme project, SBM Offshore and client and operator Talisman have been in intensive discussions since mid 2012. Despite every effort on both sides, no agreement has been reached but the dialogue continues. From these discussions, it has appeared to SBM Offshore that the balance of expectation is that the platform will be decommissioned. The book value of the asset has been fully impaired through an additional US$ 398 million impairment. As the Company expects it may have to contribute to the cost of decommissioning under Talisman's responsibility, it has made a provision of US$ 200 million;
- Completion activities on Deep Panuke progressed slower than expected, with start up now planned in the first half of 2013. The remaining works on the platform were identified and primarily relate to the re-instalment of piping systems, gas leak testing and commissioning completions. The required repairs, additional contingencies and the impact of delays have resulted in a further impairment charge of US$ 29 million in the period;
- Realisation of the first two milestones of a disposal program announced in 2012 of non-core activities through the sale of Gusto MSC and of the Dynamic Installer, a diving support vessel. These two disposals have resulted in net proceeds of respectively US$189 million and US$ 15 million in November 2012, and a total of US$ 128 million of capital gains;
- Capital expenditure and investments in finance leases in 2012 amounted to US$ 1,235 million, which is lower than in 2011 (US$ 1,413 million);
- Satisfactory level of margins on Turnkey Systems and Turnkey Services activities reflecting the good performance of these two segments;

- New financing agreements totalling US$ 1.7 billion including project finance facilities of US$ 1.1 billion for FPSO Cidade de Ilhabela and a successfully priced inaugural US$ 500 million US private placement project bond with 16 institutional investors on the US capital market.

Segmental information in respect of the three core business segments of the Company during 2012 is provided in the detailed financial analysis. Turnover by geographical area is included in the notes to the Financial Statements.

As a result from an internal reorganisation effective 1 January 2013, Turnkey Services will be merged with Turnkey Systems into a new Turnkey segment.

Orders

Total orders for 2012 amounted to US$ 1,322 million. This total includes new orders signed for US$ 1,508 million, variation orders signed for US$ 644 million and negative portfolio adjustments resulting from Yme and GustoMSC for US$ 830 million.

The Company continued to capitalise on its strength and expertise in its core FPSO market, securing new orders including:

Turret for Ichthys (Australia)

A contract for the engineering, procurement, fabrication and supply of a Turret & Mooring system for the Ichthys LNG Project, a joint venture between INPEX (76%, the operator) and Total (24%).

FPSO Fram for Shell (UK North Sea)

A Letter of Interim Award (LoIA) from Shell for the supply, lease and operation of a FPSO for the Fram field in the UK sector of the North Sea. The LoIA allows SBM Offshore to commence engineering and procurement of long lead items to ensure timely completion of the planned Fram FPSO project, subject to a Final Investment Decision. Pending Shell's Final Investment Decision, this project is not included in the Company's backlog.

Extension for FPSO Brasil (Brazil)

An extension of the lease and operate contract for FPSO Brasil of 14 months, with a further extension option of up to 4 months.

Rigless Intervention System (RIS) module for FPSO Espirito Santo

A contract from Shell for the engineering, procurement, construction, installation and operation of a Rigless Intervention System (RIS) module on FPSO Espirito Santo, servicing the BC-10 field, offshore Brazil. The RIS is planned to be operational for a first intervention in the second quarter of 2014.

SNP tie-back to FPSO Kikeh (Malaysia)

An 8.5 year lease, operate and maintain contract on FPSO Kikeh for a tie-back of the Siakap North-Petai fields to the FPSO located offshore Malaysia.

Extension for FPSO Kuito (Angola)

An extension on the existing lease and operate contract of Kuito FPSO untill February 2013.

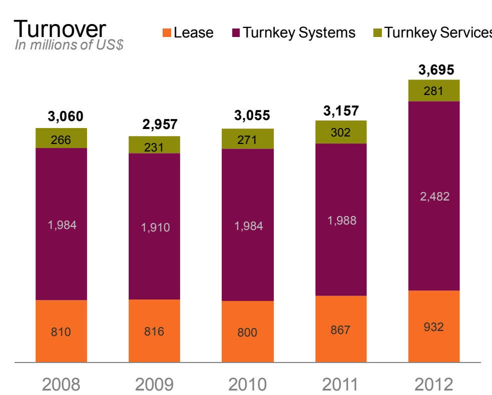
Turnover

Total turnover rose significantly in the year due to higher revenues recognised in the Lease and Operate and Turnkey Systems segments.

Turnkey Systems third party turnover of US$ 2,481.7 million rose by 25% and represents 67% of total 2012 turnover (2011: US$ 1,988 million representing 65%). Lease and Operate turnover increased by 7.5% to US$ 932.4 million (25% of total revenues; 26% in 2011) as the first full year of revenues from FPSO Aseng operations and the revenues from September 2012 onwards on FPSO Cidade de Anchieta (previously named FPSO Espadarte) more than compensated for the reduction in day-rate income resulting from the termination of the charter of FPSO Xikomba (August 2011) and of the FPSO Espadarte (June 2012).

Turnkey Services third party turnover decreased by 6.8% to US$ 281.2 million and represents 8% of total revenues (10% in 2011). Turnkey Systems and Turnkey Services are to be merged into one Turnkey segment effective 1 January 2013.

The contract for the FPSO Cidade de Ilhabela is accounted for as a finance lease. The joint venture



(JV) is jointly controlled by SBM Offshore, and is consolidated proportionately to the Company's 62.25% share of the JV. Thus turnover recognised is equal to the partners' 37.75% share of the EPCI selling price of the FPSO from SBM Offshore to the JV, plus the Company's share of the fair value of the lease. As at 31 December 2012 the charter contracts with Petrobras were concluded and a US$ 1.1 billion project loan arranged with a syndicate of banks. Drawdowns totalling US$ 270 million (SBM Offshore share) were made during the second half of 2012.

Construction continued for the finance lease FPSO Cidade de Paraty contract (SBM Offshore share 50.5%) throughout 2012. Turnover during construction is equal to the partners' 49.5% share of the investment plus the Company's 50.5% share of the fair value of the lease, all on a percentage of completion basis.

The twelve-year lease contract with ENI for FPSO Xikomba renamed as FPSO N'Goma is also accounted for as a finance lease. Turnover during construction is equal to our partner Sonangol's 50% share of the investment plus the Company's 50% share of the fair value of the lease, all on a percentage of completion basis.

In 2012, total Turnkey Systems turnover recognised in respect of construction of assets accounted for as finance leases amounted to US$ 1,233 million (2011: US$ 1,159 million).

The ongoing charter contracts for FPSOs Aseng, Mondo and Saxi Batuque are similarly accounted for as finance leases. Earned interest in Lease & Operate turnover in 2012 in respect of these contracts amounted to US$ 64 million (2011: US$ 20 million).

Ongoing construction contracts

FPSOs

On FPSO Cidade de Paraty all process modules (13,000 tons) have been lifted onto the FPSO and the main focus is on integration, hook up and completion activities at BrasFELS in Brazil before installation and commissioning offshore. The FPSO is on schedule to start production in 2013 and is designed for a production capacity of 120,000 barrels per day on a pre-salt field with high gas content. Financing of a US$ 1 billion project loan was secured in 2011.

On FPSO N'goma the first phase of the construction works at Keppel shipyard in Singapore is progressing well. The FPSO is expected to arrive on time at Paenal in Angola for lifting of the remaining modules and completion of the FPSO. The schedule foresees a production start in 2014 at a design capacity of 100,000 barrels per day.

On FPSO OSX2 critical engineering and procurement activities were completed successfully during the first half of 2012 allowing all construction activities to progress on time. Refurbishment and conversion works on the hull progressed well and fabrication of the modules and turret mooring system is well advanced. Module lifting and integration activities are progressing at the shipyard for completion in 2013.

On FPSO Cidade de Ilhabela, refurbishment and conversion works in China are progressing in line with expectations. Additional work has been transferred to the yard in Guangzhou prior to sailing to Brasa dockyard in Brazil.

Main projects overview

Project	Contract	SBM share	Oil capacity, Size	POC	Target year	Notes
Deep Panuke, Mopu	8 yrs operating lease	100%	54,000 boe/day		2013	Has faced delays, now in final commissioning, offshore Nova Scotia
Cidade de Paraty, FPSO	20 yrs finance lease	50.5%	120.000 bbl/day		2013	Final phase of hook up and integration of system at BrasFELS in Brazil. Project loan of US$ 1 billion in place.
OSX-2, FPSO	Turnkey sale	100%	100,000 bbl/day		2013	Project nearing completion at shipyard in Singapore
N'Goma, FPSO	12 yrs finance lease	50%	100,000 bbl/day		2014	Refurbishment and upgrade works ongoing. Completion of FPSO at Paenal in Angola scheduled for 2013.
Cidade de Ilhabela, FPSO	20 yrs finance lease	62.25%	150,000 bbl/day		2014	FSPO in China, refurbishment work satisfactory. Modules construction in Brasa started. Project loan of US$ 1.1 billion in place.
Quad204, Turret	Turnkey sale	100%	90m height, 9,500 tons		2013/14	Progressing well with construction works started in Singapore
Prelude, Turret	Turnkey sale	100%	95m height, 11,000 tons		2014	Fabrication in Dubai started, engineering and procurement still ongoing
Ichthys, Turret	Turnkey sale	100%	85m height, 7,000 tons		2015	In engineering and procurement phase of project. Construction to start in 2013
Fram, FPSO	Lease	tbc	40,000 bbl/day		n.a.	Engineering and procurement started under a LoIA. Full contract still to be awarded.

Legend, Percentage of Completion

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

At Brasa, construction of most of the process modules (22,000 tons in total) has commenced in anticipation of the arrival of the FPSO in the second half of 2013, with start-up of the facility expected in 2014. The FPSO has been designed to produce 150,000 barrels per day, with processing of the substantial volumes of associated gas from the pre-salt field for export. Financing of US$ 1.1 billion has been secured with a project loan in 2012.

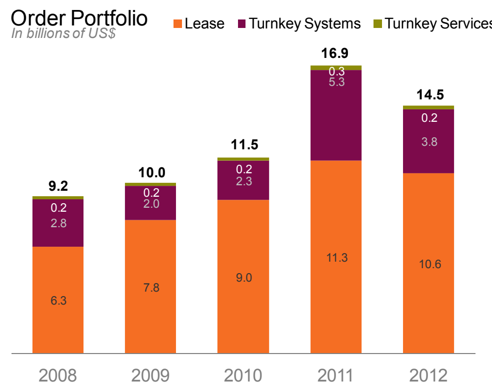
On FPSO Fram, work is limited to engineering and procurement activities as the contracted scope of the project is still constrained by the LOIA.

Turret mooring systems

The three large complex turrets for Prelude FLNG, Quad204 and Ichthys are progressing well and on schedule at their different stages of completion of the project. These three turrets represent a substantial part of the Turnkey Systems segment with delivery of sections commencing in 2013 and will reach completion with the superstructure of Ichthys as last section in 2014. All three turrets contain elements that require advanced technology solutions for high mooring loads; total weight of 11,000 tons with a height of 95 meters for Prelude, fluid throughput of 320,000 barrels per day in the swivel stack on Quad 204 and 40 years of continuous operation in harsh environment on Ichtys.

Order Portfolio

The year-end order portfolio at US$ 14.54 billion is lower by 14.0% from last year's record level of US$ 16.91 billion reflecting the combined effect of high revenues and low level of orders in 2012. The current order portfolio includes US$ 10.57 billion (2011: US$ 11.31 billion) for the non-discounted value of future revenues from the long-term charters of the lease fleet, of which US$ 3.8 billion (2011: US$ 4.5 billion) represents the bareboat element of the operating leases. Approximately 41.7% of the total future bareboat revenues will be generated from the lease contracts which have yet to commence (FPSO Cidade de Paraty, Cidade de Ilhabela, FPSO N'Goma



and MOPU Deep Panuke). Following the shift in the balance of expectation for the MOPUstor™ Yme contract and the Company's assumption that the likely scenario for the platform is to be decommissioned, the future revenues of the contract were removed from the Lease & Operate backlog even though a formal settlement has not been reached.

The Turnkey Systems order portfolio decreased (US$ 5.33 billion in 2011) to US$ 3.79 billion, as a result of strong revenues and 2012 order intake representing approximately 1.5 year's equivalent turnover. Turnkey Services backlog decreased by 33% to US$ 0.18 billion (approximately 8 months of turnover).

The Company's order portfolio as at 31 December 2012 is expected to be executed as per table below.

Additional detailed disclosures and further information on the order portfolio are provided on page 13.

Order Portfolio at 31 December 2012

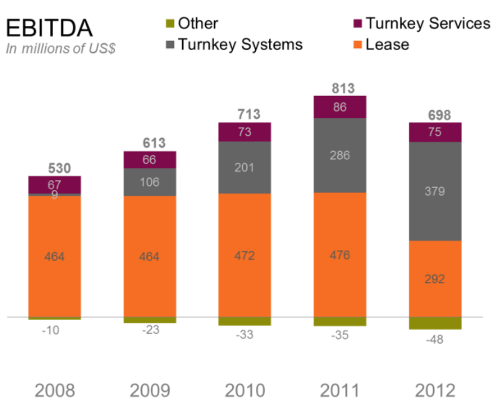
US$ billion	Turnkey *	Lease & Operate	Total
2013	2.8	1	3.8
2014	1.0	0.9	1.9
2015	0.1	0.9	1.1
Beyond 2015		7.7	7.7
Total	**4.0**	**10.5**	**14.5**

* Turnkey Systems and Turnkey Services segments have been merged into one segment 'Turnkey'.

Profitability

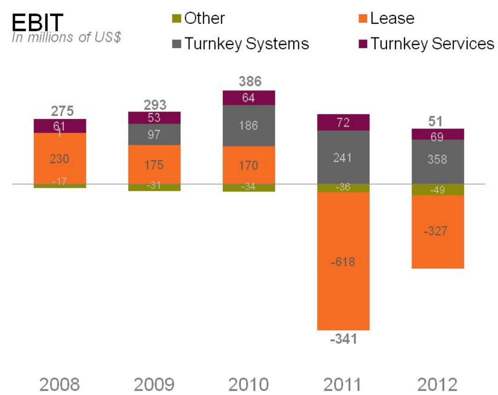
The primary business segments of the Company are Lease and Operate, Turnkey Systems and Turnkey Services plus “Other” non-allocated corporate income and expense items. EBITDA and EBIT are analysed per segment but it should be recognised that business activities are closely related, and certain costs are not specifically related to either one segment or another. For example, when sales costs are incurred (including significant sums for preparing the bid), it is often uncertain whether the project will be leased or contracted on a turnkey lump sum basis.

In recent years, new lease contracts are showing longer durations and are increasingly considered to be finance leases for accounting purposes, whereby the fair value of the leased asset is recorded as a Turnkey Systems “sale” during construction. This has the effect of recognising, in the Turnkey Systems segment during construction, part of the lease profits which would, in the case of an operating lease, be reported through the Lease & Operate segment during the lease.



EBITDA in 2012 of US$ 697.6 million (US$ 813.2 million in 2011) consisted of US$ 291.9 million (US$ 476.6 million in 2011) from Lease and Operate activities, US$ 378.5 million (US$ 286.1 million in 2011) from Turnkey Systems, US$ 75.0 million (US$ 85.7 million in 2011) from Turnkey Services, less US$ 47.7 million (US$ 35.2 million in 2011) of non-allocated corporate and other costs.

As a percentage of turnover, EBITDA was 18.9% (2011: 25.8%). Segmental EBITDA margins were for Lease and Operate 31.3% (2011: 55.0%), Turnkey Systems 15.3% (2011: 14.4%) and Turnkey Services 26.7% (2011: 28.4%) excluding intercompany projects. The relative contributions to EBITDA from the three segments were 39% from Lease and Operate, 51% from Turnkey Systems and 10% from Turnkey Services. In 2011, the corresponding split was 56% / 34% / 10%.



The operating profit in 2012 amounted to US$ 50.5 million (EBIT loss in 2011 US$ 340.6 million) with the following highlights:

- Higher contribution from the Turnkey Systems segment, resulting from the capital gain realised upon disposal of GustoMSC reported in the segment, and despite the revised use of accounting estimates for recognising margin on large, complex projects which had the effect of deferring US$ 74 million of gross margin to future years (US$ 57 million in 2011). EBIT margin was 14.4% and 9.6% excluding GustoMSC divestment (12.1% in 2011);
- The performance of the Lease & Operate fleet in operation in 2012 exceeded expectations, although the year was severely impacted by impairment charges and a provision totalling US$ 627 million related to the Yme and Deep Panuke platforms. These impairments resulted from increased project costs for Deep Panuke and from a revised assessment of the Yme contract leading to the full impairment of the asset and an additional provision for decommissioning and settlement; EBIT margin was -35.1% and 32.2% excluding impairment charges and other non-recurring items (30.6% in 2011);
- Good operating performance and stable contribution from the Turnkey Services activities despite lower revenues, resulting also from the gain realised upon disposal of the Dynamic Installer, a diving support vessel. EBIT margin on total turnover was 24.5% (24.1% in 2011).

Non-allocated “Other” income and expenses showed a net cost of US$ 48.8 million in 2012, compared with US$ 36.3 million in 2011.

Net financing costs were in line with expectation at US$ 86.9 million, significantly higher compared to 2011 (US$ 49.9 million) mainly as a result of the Aseng and Cidade de Anchieta interest charges associated to start-up of operations in respectively December 2011 and September 2012.

More generally, once production units are brought into service the financing costs are expensed to P&L whereas during construction interest is capitalised. It should be emphasised that the net profit contribution of newly operating leased units is limited by the relatively high interest burden during the first years of operation, although dedication of lease revenues to debt servicing leads to fast redemption of the loan balances and hence reduced interest charges going forward.

Interest income on the Company's cash balances was again low in 2012 due to the low level of short-term US interest rates.

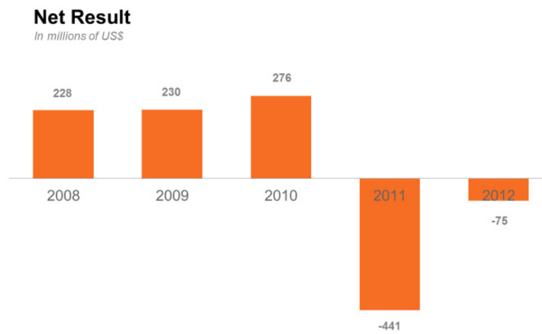
Net financing costs include currency variances resulting from assets under construction, project and overhead hedges. These currency variances were much higher in 2012 than in 2011 (US$ 6.6 million profit versus US$ 0.8 million loss for prior year). The average cost of debt came to 5.3% in 2012 (4.5% in 2011).

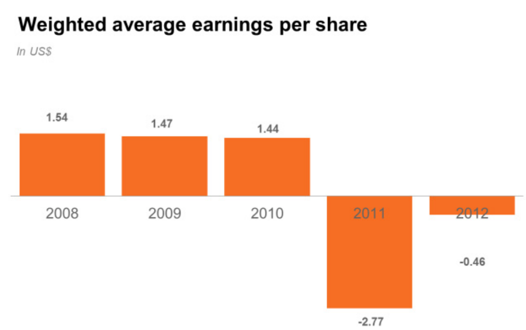
The reported share of profit in associates was nil in 2012 as it was in 2011. In the future the Company's share of net results in any non-controlled joint ventures (as defined by IFRS 11) will appear in this line item, but at present the Company's accounting policy for joint ventures continues to be the proportionate consolidation method whereby the Company's share of each income statement or balance sheet line item is included in the consolidated financial statements.

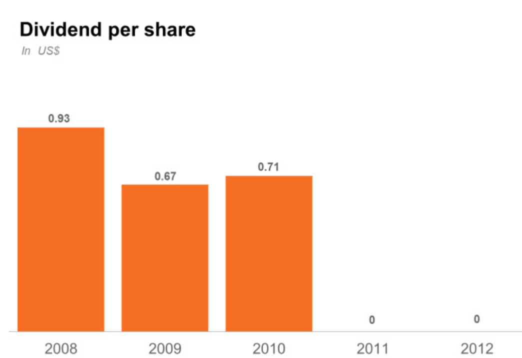
Income tax in 2012 was US$ 38.5 million (US$ 50.0 million in 2011) including deemed profit taxes and withholding taxes. The decreased tax burden in 2012 derives from deferred tax assets resulting from significant losses reported in 2011 and 2012.

Minority interest in the 2012 net result amounts to US$ 4.6 million, which is well below the 2011 minority share of US$ 32.0 million due to lower reported results from fully consolidated joint ventures where the Company has a minority partner (principally concerns FPSOs Aseng and Capixaba). Net result attributable to shareholders accordingly amounts to a loss of US$ 79.5 million (US$ 472.7 million loss in 2011).

As a consequence of the net loss for the year, the Company does not propose to pay a dividend on account of 2012.







Statement of financial position

Total assets were US$ 6.3 billion as at 31 December 2012 (31 December 2011: $5.3 billion). The increase is largely a result of the growing investments and activities recorded in 2012, and the proceeds of divestitures of GustoMSC, a non-core design and engineering subsidiary for the value of US$189 million, and of the Dynamic Installer, a diving support vessel sold for a consideration of US$ 15 million.

Shareholders' equity increased from US$ 1,283.6 million to US$ 1,468.5 million as a result of the private placement with HAL at the end of December 2012, the net loss for the year, and the positive income in Other Comprehensive Income resulting from the variation of hedging reserve related to financial instruments.

The private placement shares were issued at a price of € 8.50 per ordinary share, equivalent to US$ 11.31 per ordinary share. The equity raising of the private placement with HAL Investment was US$ 193 million. HAL will furthermore pay an additional amount to the Company by way of a share premium contribution ("agiostorting") on the private placement shares, resulting in an adjusted price for the shares, in the event that an Yme settlement with Talisman is reached before 11 March 2013. In that event, the Company will furthermore raise additional equity by means of a rights offering fully underwritten by HAL of approximately 10% of the then issued share capital, subject to customary conditions and the approval of the general meeting of shareholders. The issue price in the rights offering will be equal to the € equivalent of the adjusted private placement price in US$ terms. Additional information on the private placement shares and the potential rights offering is set out in Note 21 'Equity attributable to shareholders' to the Consolidated Financial Statements.

Capital Employed (Equity + Provisions + Deferred tax liability + Net Debt) at year-end 2012 amounts to US$ 3,366.7 million, a slight increase by US$ 12 million (0.4%) compared to last year's level due to the positive contribution to equity in respect of the private placement realised at the end of December 2012, the provision considered in the period for the Yme contract largely offset by the net debt reduction. The ongoing investments in leased production facilities were only partly financed with new debt, and did not have a significant impact on the evolution in capital employed.

At 31 December 2012, the Company has undrawn committed long-term bank facilities totalling US$ 1,300 million (Revolving Credit Facility, Cidade de Paraty - SBM 50.5% share, Cidade de Ilhabela - SBM 62.25% share, Deep Panuke and Aseng project loans) available for financing capital investment in 2013 onwards.

Net debt at the year-end amounted to US$ 1,782.7 million (US$ 1,958.5 million at 31 December 2011) with net gearing at 115.8% which is significantly lower than last year due to the private placement and divestment proceeds in the second half of 2012 and despite the net loss of the year. The relevant banking covenants (main solvency, net debt/adjusted EBITDA, interest cover) were all met.

As in previous years, the Company has no off-balance sheet financing.

The Company announced in 2012 a plan to sell and lease back its premises owned in Monaco during the course of 2013. As a consequence, the related property, plant and equipment were classified as assets held for sale for their carrying value in the Company statement of financial position as of 31 December 2012. In 2012, the Company also engaged in a process for disposal of its non-core "COOL hose" technology. The related intangible asset was reclassified as an asset held for sale at its carrying value as of 31 December 2012.

The current ratio defined as "current assets / current liabilities" increased to 1.17 due to the increase in cash position and the increasing construction activities on finance lease contracts.

Financial position

US$ million	2008	2009	2010	2011	2012
Capital employed	2,740.9	3,325.8	3,811.9	3,354.3	3,366.7
Total equity	1,240.9	1,816.8	2,123.4	1,349.0	1,539.8
Net Debt	1,464.0	1,464.0	1,644.3	1,958.5	1,782.7
Net gearing (%)	118.0	81.0	77.4	145.2	115.8
Net Debt: Unadjusted EBITDA ratio	2.76	2.39	2.31	2.41	2.55
Capital expenditure	999.8	656.0	519.0	840.6	673.0
Current ratio	0.79	0.91	1.48	0.86	1.17
Solvency ratio	NA	NA	39.6	30.0	27.1

Capital structure

Following two years where impairments and provisions on significant projects resulted in net income losses, the Company executed a successful private placement of 9.95% of the Company's shares with HAL in December 2012. This equity boost was required in order to stay within banking covenants. A further potential rights issue in 2013, as well as non-core asset disposals and passing dividend payments in 2013 and 2014, will provide further equity support. In the medium term, the Company's objective is to strengthen the balance sheet to such a point that it will be able to obtain an investment grade credit rating, in order to access the corporate bond market.

Investments and capital expenditures

Total investments made in 2012 amounted to US$ 1,235 million compared to US$ 1,413 million in 2011 and were recorded as:

- Capital expenditures of US$ 673.0 million (US$ 840.6 million in 2011);
- Investments in finance leases for US$ 561.9 million (US$ 572.5 million in 2011).

Total capital expenditures for 2012 (comprising of additions to property, plant & equipment plus capitalised development expenditure) amounted to US$ 673.0 million (2011: US$ 840 million). The majority of this total is related to new investment in the lease fleet (operating leases only) and other ongoing investments for which the major elements are:

- Ongoing expenditure on the conversion and equipment procurement for the MOPU gas platform for EnCana's Deep Panuke field in Canada, and the FPSO Cidade de Anchieta to Petrobras' in Brazil;
- Ongoing investment in the construction of a new diving support and construction vessel for the Turnkey Services division;
- Ongoing expenditure on Phase II of the Angolan construction yard Paenal;
- Ongoing investment on the Brasa integration yard in Brazil;
- Refurbishment of a newly leased office "*Le Neptune*"in Monaco.

Expenditures in 2012 on the FPSOs Cidade de Paraty and Cidade de Ilhabela for Petrobras and on the FPSO N'Goma for ENI are excluded from the total amounts above. Due to the classification of the contracts as finance leases, investment in the units were recorded through construction contracts, with the investments in finance lease to be ultimately recorded in financial fixed assets. The net investment in these finance lease contracts amounted to US$ 561.9 million in 2012 (US$ 572.5 million in 2011) and are reported as investing activities in the consolidated cash-flow statement.

The decrease in property, plant and equipment in 2012 to US$ 2,482 million (31 December 2011: US$ 2,534 million) resulted from capital expenditure in 2012 less depreciation, impairment and amortisation, less the disposal of the Dynamic Installer, a diving support vessel and the reclassification of the Monaco premises and the "Cool Hose" technology as assets held for sale.

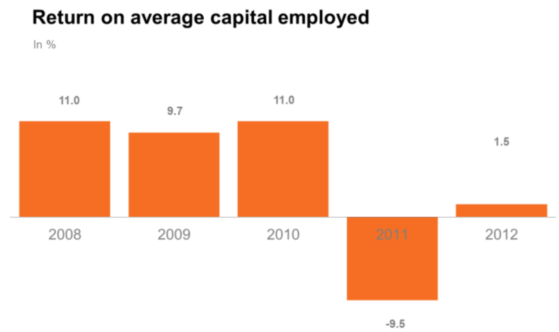
The Company's investments comprise the external costs (shipyards, subcontractors, and suppliers), internal costs (man-hours and expenses in respect of design, engineering, construction supervision, etc.), third party financial costs including interest, and such overhead allocation as allowed under IFRS. The total of the above costs (or a proportionate share in the case of joint ventures) is capitalised in the Company's consolidated statement of financial position as the value of the respective facility. No profit is taken on completion/delivery of such a system for a lease and operate contract which is classified as an operating lease, apart from the profit realised by SBM Offshore with external partners on the construction contract with a joint venture proportionally consolidated.

Cash flow/ Liquidities

US$ million	2008	2009	2010	2011	2012
EBITDA	530.1	613.3	712.4	813.2	697.6
Net liquidities/securities	230.1	146.7	103.4	164.7	748.3
Cash flow from operations	577.0	548.5	981.8	1,157.6	1,143.5
EV: EBITDA ratio at 31/12	6.4	7.7	7.6	6.8	6.3
EBITDA: interest cover ratio	13.1	10.2	8.2	16.3	10.5

Return On Average Capital Employed and Equity

ROACE (Return On Average Capital Employed) was very low but positive at 1.5% and Return On average shareholders' Equity (ROE) at minus 5.8%, both resulting from the major impairment charge and provision taken in 2012. They were also affected by the increase in equity and capital employed due to the Company's private placement achieved in December 2012.

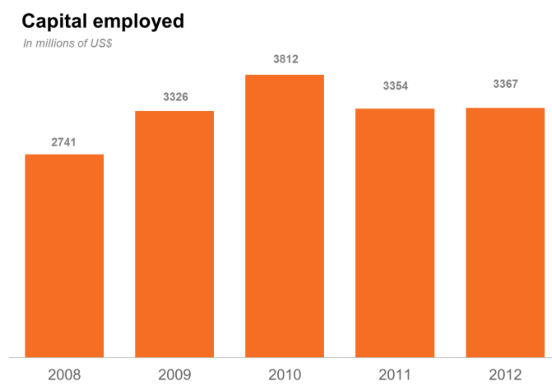


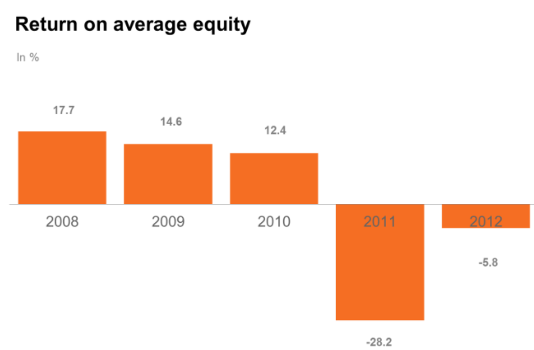
Cash flow / liquidities

EBITDA was lower than the previous year mainly due to the US$ 200.0 million provision taken for the Yme contract.

Net liquidities increased to US$ 748.3 million, of which US$ 76.4 million can be considered as being dedicated to specific project debt servicing or otherwise restricted in its utilisation.

The Enterprise Value to EBITDA ratio at year-end 2012 was at 6.3 lower than the previous year, mainly due to the lower market capitalisation.





Extended order portfolio disclosure

IAS 17 addressing lease contracts had several impacts on the SBM Offshore accounts. As soon as a lease contract transfers substantial risks and rewards incidental to ownership to the client, such contract shall be classified as a finance lease. Increased duration in lease contracts has also led to a growing number of lease contracts being classified as finance leases.

In comparison with an operating lease, the treatment of finance lease accounting differs on several aspects:

- Higher revenue and margin levels recognised upfront during the construction period and a change in the reporting segments: the fair value of the leased asset is recorded as a Turnkey Systems "sale" during construction. This has the effect of recognising, in the Turnkey Systems segment during construction, part of the lease profits which would, in the case of an operating lease, be reported through the Lease & Operate segment during the lease.

- Lower revenue and EBITDA recognition during the lease period: only financial interests associated with the financial asset are recognised as revenues and EBITDA for finance lease contracts instead of the full amount of day-rates recognised as revenues in case of an operating lease contract.

- Large disconnect between P&L revenues and cash inflows leading to the distortion of the reported order portfolio and future cash inflows for the Lease and Operate segment.

To provide more insight in the effects of the above on SBM Offshore's portfolio, both the traditional lease view and the compulsory IFRS view are shown in the table below. In essence the outcome is that an amount of US$ 2 billion of revenue has been recorded in previous years which are still to be realised in the Company's future cash flow.

Restated order portfolio at 31 December 2012

in US$ million	Turnkey			Lease & Operate			Total		
	OL view	FL impact	IFRS	OL view	FL impact	IFRS	OL view	FL impact	IFRS
2013	2.0	0.8	2.8	1.1	-0.1	1.0	3.1	0.7	3.8
2014	0.8	0.2	1.0	1.0	-0.1	0.9	1.8	0.1	1.9
2015	0.1	0.0	0.1	1.1	-0.1	0.9	1.2	-0.1	1.1
Beyond 2015	0.0	0.0	0.0	10.4	-2.7	7.7	10.4	-2.7	7.7
Total	**3.0**	**1.0**	**4.0**	**13.6**	**-3.0**	**10.6**	**16.5**	**-2.0**	**14.5**

* Turnkey Systems and Turnkey Services segments have been merged into one segment 'Turnkey'.

Definitions:	
OL view	Corresponds to the contribution of all turnkey construction contracts with third-parties plus the contribution of all lease contracts as if all lease contracts were classified as operating lease.
FL Impact	Corresponds to the additional contribution of IAS17 applied to all finance lease contracts.
IFRS	Corresponds to the contribution of all contracts under International Financial Reporting Standards.

Corporate Profile

SBM Offshore N.V. 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 activity is the design, supply, installation and operation of Floating Production, Storage and Offloading (FPSO) vessels. These are either owned and operated by the Company and leased to our clients or supplied on a turnkey sale basis.

The Company has built over several years a large in-house engineering, procurement and project management capability, to ensure consistency from project to project, and so enable a continuous improvement process for enhancement of product quality.

Headquartered in Schiedam, the Company employs over 6,900 people worldwide, who are spread over seven execution centres, eight operational shore bases, several construction yards and the offshore fleet of vessels.

The Board of Management
Schiedam, 14 February 2013

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Consolidated financial Statements

Consolidated Income Statement

Consolidated income statement (1/3)

in thousands of US$	**2012**	2011
Revenue	3,695,223	3,156,826
Cost of Sales	(3,571,655)	(3,317,774)
Gross margin	**123,568**	**(160,948)**
Other operating income	130,639	1,894
Selling and marketing expenses	(49,611)	(46,722)
General and administrative expenses	(128,770)	(84,435)
Research and development expenses	(25,349)	(50,408)
Operating profit/(loss) (EBIT)	**50,477**	**(340,619)**
Financial income	15,640	13,198
Financial expenses	(102,496)	(63,145)
Net financing costs	**(86,856)**	**(49,947)**
Profit/(Loss) before tax	**(36,379)**	**(390,566)**
Income tax expense	(38,481)	(50,048)
Profit/(Loss)	**(74,860)**	**(440,614)**

Consolidated income statement (2/3)

	2012	2011
Attributable to shareholders of the parent company	(79,488)	(472,657)
Attributable to non-controlling interests	4,628	32,043
Profit/(Loss)	**(74,860)**	**(440,614)**

Consolidated income statement (3/3)

	2012	2011
Weighted average number of shares outstanding	172,280,556	170,342,173
Basic earnings/(loss) per share	US$ (0.46)	US$ (2.77)
Fully diluted earnings/(loss) per share	US$ (0.46)	US$ (2.77)

Consolidated Statement of Comprehensive Income

Consolidated statement of comprehensive income (1/2)

in thousands of US$	2012	2011
Profit/(Loss) for the period	**(74,860)**	**(440,614)**
Cash flow hedges, net of tax	66,488	(286,882)
Currency translation differences, net of tax	1,978	(6,693)
Other comprehensive income for the period, net of tax	**68,466**	**(293,575)**
Total comprehensive income for the period	**(6,394)**	**(734,189)**

Consolidated statement of comprehensive income (2/2)

	2012	2011
Total comprehensive income:		
Attributable to shareholders of the parent company	(16,376)	(749,500)
Attributable to non-controlling interests	9,982	15,311
	(6,394)	**(734,189)**

Consolidated Statement of Financial Position

Consolidated statement of financial position

in thousands of US$	2012	2011
ASSETS		
Property, plant and equipment	2,482,160	2,533,666
Intangible assets	29,225	47,300
Investment in associates	-	41
Other financial assets	833,771	963,497
Deferred tax assets	40,682	9,959
Derivative financial instruments	11,035	9,524
Total non-current assets	**3,396,873**	**3,563,987**
Inventories	20,318	27,915
Trade and other receivables	906,309	996,023
Income tax receivable	293	416
Construction work-in-progress	1,159,994	499,062
Derivative financial instruments	25,847	29,158
Cash and cash equivalents	748,323	173,500
Assets held for sale	77,431	-
Total current assets	**2,938,515**	**1,726,074**
TOTAL ASSETS	**6,335,388**	**5,290,061**
EQUITY AND LIABILITIES		
Issued share capital	62,412	55,504
Share premium reserve	866,831	674,913
Retained earnings	799,725	875,668
Other reserves	(260,433)	(322,517)
Equity attributable to shareholders of the parent company	**1,468,535**	**1,283,568**
Non-controlling interests	71,264	65,463
Total Equity	**1,539,799**	**1,349,031**
Loans and borrowings	1,907,403	1,531,887
Deferred Income	110,464	74,943
Provisions	43,662	44,443
Deferred tax liabilities	552	2,352
Derivative financial instruments	228,590	281,400
Total non-current liabilities	**2,290,671**	**1,935,025**
Loans and borrowings	623,577	600,096
Provisions	234,942	30,845
Trade and other payables	1,549,266	1,248,092
Income tax payable	49,032	10,961
Derivative financial instruments	48,101	116,011
Total current liabilities	**2,504,918**	**2,006,005**
TOTAL EQUITY AND LIABILITIES	**6,335,388**	**5,290,061**

Consolidated Statement of Changes in Equity

Consolidated statement of changes in equity

in thousands of US$	Outstanding number of shares	Share capital	Share premium	Retained earnings	Other reserves	Total	Non-controlling interests	Total equity
	Note 21							
At 1 January 2012	**171,440,416**	**55,504**	**674,913**	**875,668**	**(322,517)**	**1,283,568**	**65,463**	**1,349,031**
Loss for the year	-	-	-	(79,488)	-	(79,488)	4,628	(74,860)
Foreign currency translation	-	1,028	-	-	1,118	2,146	(168)	1,978
Cash flow hedges/net investment hedges	-	-	-	-	60,966	60,966	5,522	66,488
Total comprehensive income for the year	**-**	**1,028**	**-**	**(79,488)**	**62,084**	**(16,376)**	**9,982**	**(6,394)**
Share based payments	-	-	-	11,293	-	11,293	-	11,293
Share issue	17,111,757	5,691	182,990	-	-	188,681	-	188,681
Stock dividend	-	-	-	-	-	-	-	-
Share options/ bonus shares	590,042	189	8,928	(8,172)	-	945	-	945
Cash dividend	-	-	-	-	-	-	(4,181)	(4,181)
Other	-	-	-	424	-	424	-	424
Total transactions with owners of the Company	**17,701,799**	**5,880**	**191,918**	**3,545**	**-**	**201,343**	**(4,181)**	**197,162**
At 31 December 2012	**189,142,215**	**62,412**	**866,831**	**799,725**	**(260,433)**	**1,468,535**	**71,264**	**1,539,799**

Consolidated statement of changes in equity

in thousands of US$	Outstanding number of shares	Share capital	Share premium	Retained earnings	Other reserves	**Total**	Non-controlling interests	**Total equity**
	Note 21							
At 1 January 2011	**168,667,512**	**56,420**	**658,532**	**1,406,301**	**(48,083)**	**2,073,170**	**50,235**	**2,123,405**
Loss for the year	-	-	-	(472,657)	-	**(472,657)**	32,043	**(440,614)**
Foreign currency translation	-	(1,882)	-	-	(4,507)	**(6,389)**	(304)	**(6,693)**
Cash flow hedges/net investment hedges	-	-	-	-	(270,454)	**(270,454)**	(16,428)	**(286,882)**
Total Comprehensive income for the year	**-**	**(1,882)**	**-**	**(472,657)**	**(274,961)**	**(749,500)**	**15,311**	**(734,189)**
Share based payments	-	-	-	9,981	-	**9,981**	-	**9,981**
Stock dividend	2,104,877	733	(733)	-	-	**-**	-	**-**
Share options/ bonus shares	668,027	233	17,114	(7,194)	-	**10,153**	-	**10,153**
Cash dividend	-	-	-	(60,763)	527	**(60,236)**	(83)	**(60,319)**
Total transactions with owners of the Company	**2,772,904**	**966**	**16,381**	**(57,976)**	**527**	**(40,102)**	**(83)**	**(40,185)**
At 31 December 2011	**171,440,416**	**55,504**	**674,913**	**875,668**	**(322,517)**	**1,283,568**	**65,463**	**1,349,031**

Within retained earnings, an amount of US$ 150.8 million (2011: US$ 133.7 million) relates to equity of joint ventures and other non-distributable items and should therefore be treated as legal reserve. Furthermore, a legal reserve of US$ 8.8 million (2011: US$ 18.5 million) should be maintained in respect of capitalised development expenditures and US$ 2.2 million (2011: US$ 1.1 million) in respect of cummulative translation adjustments.

Consolidated Cash Flow Statement

Consolidated cash flow statement

in thousands of US$	**2012**	2011
Cash flow from operating activities		
Receipts from customers	2,620,374	2,517,081
Payments to suppliers and employees	(1,425,256)	(1,311,288)
Income tax received / (paid)	(51,648)	(48,189)
Net cash from operating activities	**1,143,470**	**1,157,604**
Cash flow from investing activities		
Investment in property, plant and equipment	(643,447)	(799,995)
Investment in intangible assets	-	(5,757)
Investment in finance leases	(552,255)	(572,529)
Additions to funding loans	(4,167)	-
Redemption of funding loans	7,692	41,732
Interest received	-	10,898
Net proceeds from disposal of financial participations	142,572	-
Net proceeds from disposal of property, plant and equipment	15,614	14,450
Net cash used in investing activities	**(1,033,991)**	**(1,311,201)**
Cash flow from financing activities		
Proceeds from issue of shares	188,681	-
Additions to borrowings and loans	1,003,339	617,604
Repayments of borrowings and loans	(616,155)	(290,507)
Dividends paid to shareholders	(4,181)	(60,846)
Interest paid	(98,891)	(49,783)
Direct contribution in equity	424	-
Net cash from financing activities	**473,217**	**216,468**
Net increase/(decrease) in cash and cash equivalents	**582,696**	**62,871**
Cash and cash equivalents at 1 January	164,700	103,421
Net cash increase	582,696	62,871
Currency differences	927	(1,592)
Cash and cash equivalents at 31 December	**748,323**	**164,700**

The reconciliation of the cash and cash equivalents as at 31 December with the corresponding amounts in the consolidated statement of financial position is as follows:

Reconciliation of the cash and cash equivalents as at 31 December

in thousands of US$		2012	2011
Cash and cash equivalents		748,323	173,500
Bank overdrafts		-	(8,800)
Cash and cash equivalents at 31 December		**748,323**	**164,700**