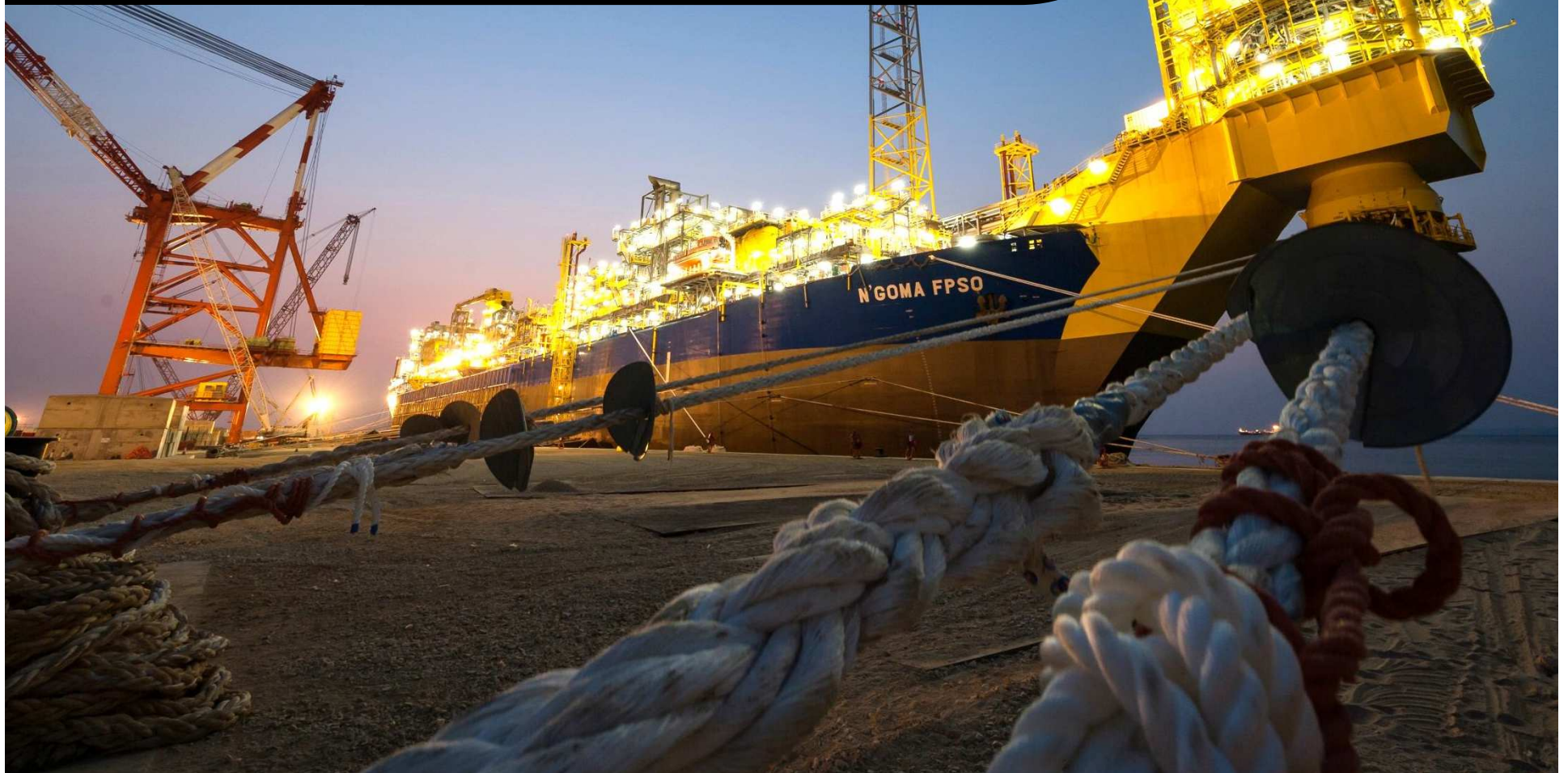


Strategy

Øivind Tangen

Group Strategy Director

September 19, 2014





Some of the statements contained in this presentation that are not historical facts are statements of future expectations and other forward-looking statements based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those in such statements. Such forward-looking statements are subject to various risks and uncertainties, which may cause actual results and performance of the Company's business to differ materially and adversely from the forward-looking statements.

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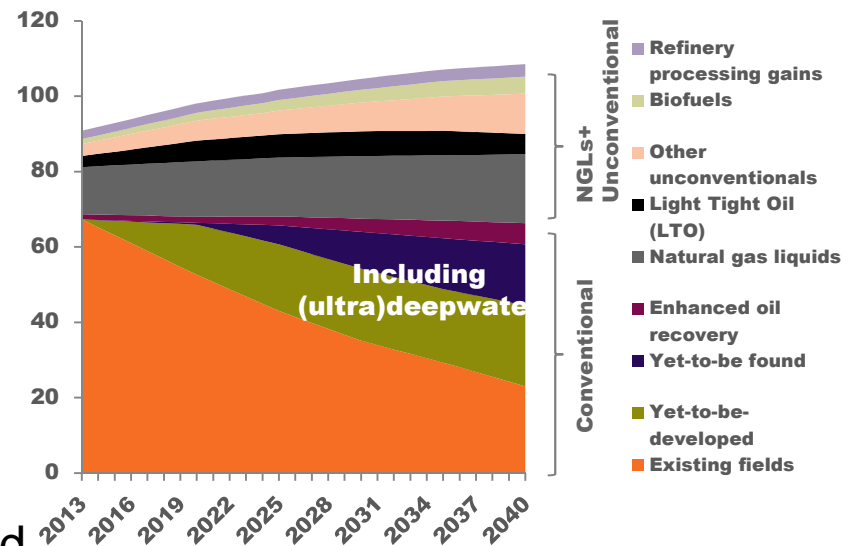
- Attractive market & opportunities
- Enlarging our footprint
- Changing industry conditions
- Our response

Ready to Grow



- Oil demand to grow due to motorizing of China and India
- Shale oil supply growth is a surge, not an evergreen
- Growth of unconvensionals⁽¹⁾ will just match growth in demand, but not compensate for declining production of existing fields
- Supply gap to be filled by conventional oil fields yet-to-be-developed / discovered
- Middle East, Venezuela and (ultra)deepwater will be the single largest contributors
- Supply/demand balance will tighten again once shale growth slows down in 3-4 years time

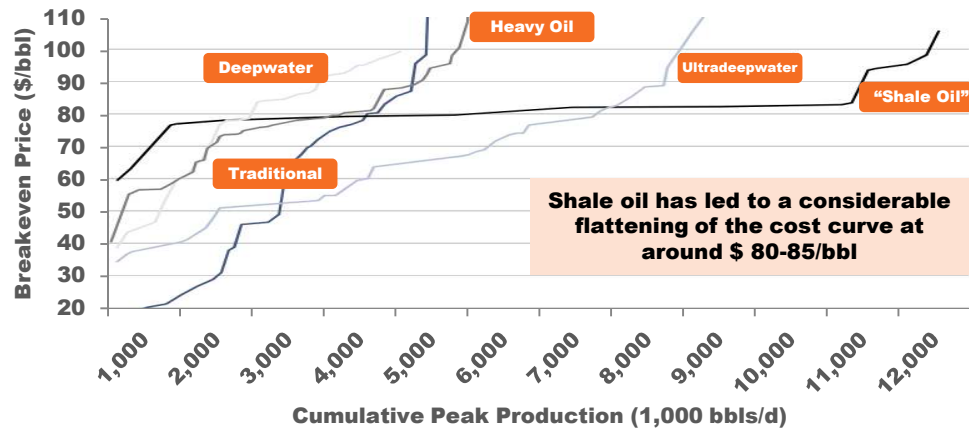
World Supply/ Demand Outlook (MMb/d)



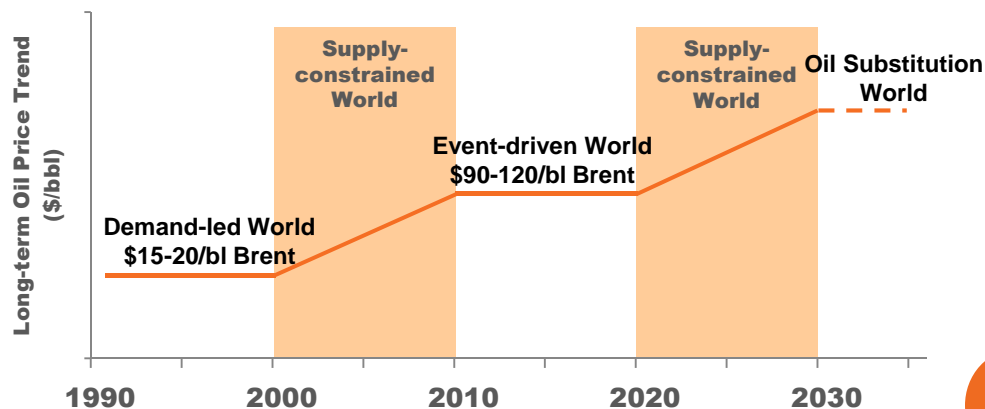
Tighter supply/demand balance foreseen by the end of this decade



Top 400 Breakeven of Non-Producing Oil Assets



Oil Price Expectation

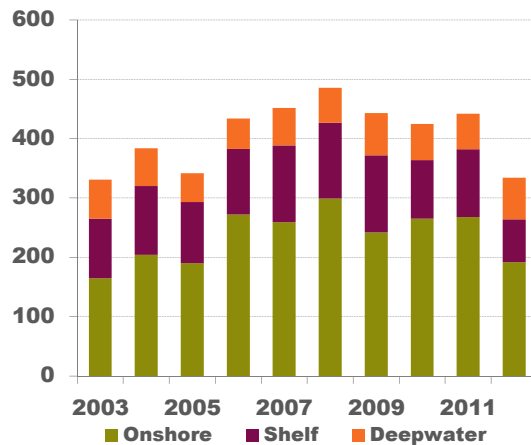


- Oil prices expected to stay flat until end of the decade
- Risk skewed to the upside over time when U.S. shale oil reaches production plateau and no new surge of oil is imminent
- Post-2020 increase of oil price expected due to growing supply gap
- Today's deepwater FIDs will see First Oil most likely at times of higher oil prices

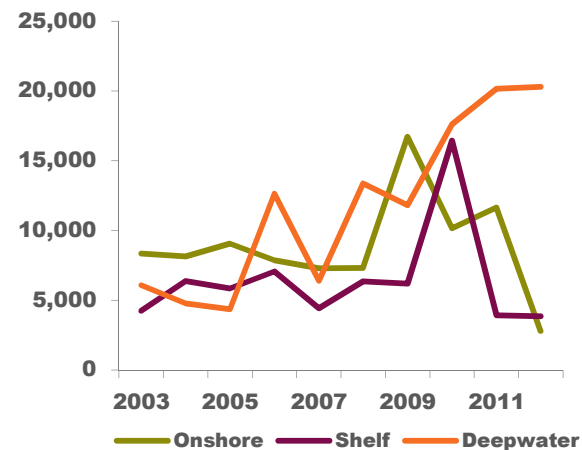
Oil price supports (Ultra) Deepwater developments



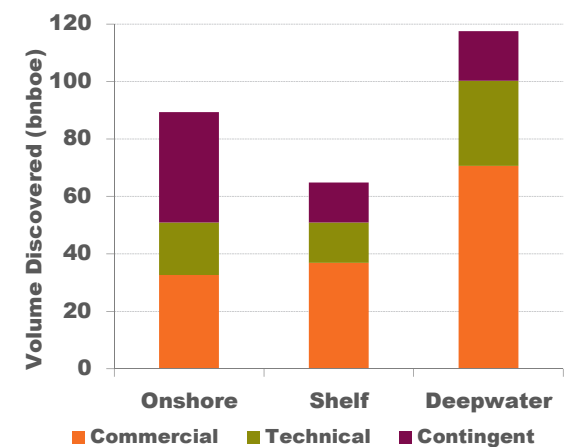
Global Discoveries (Number)



Volumes Discovered (MMboe)



Volumes by Commerciality



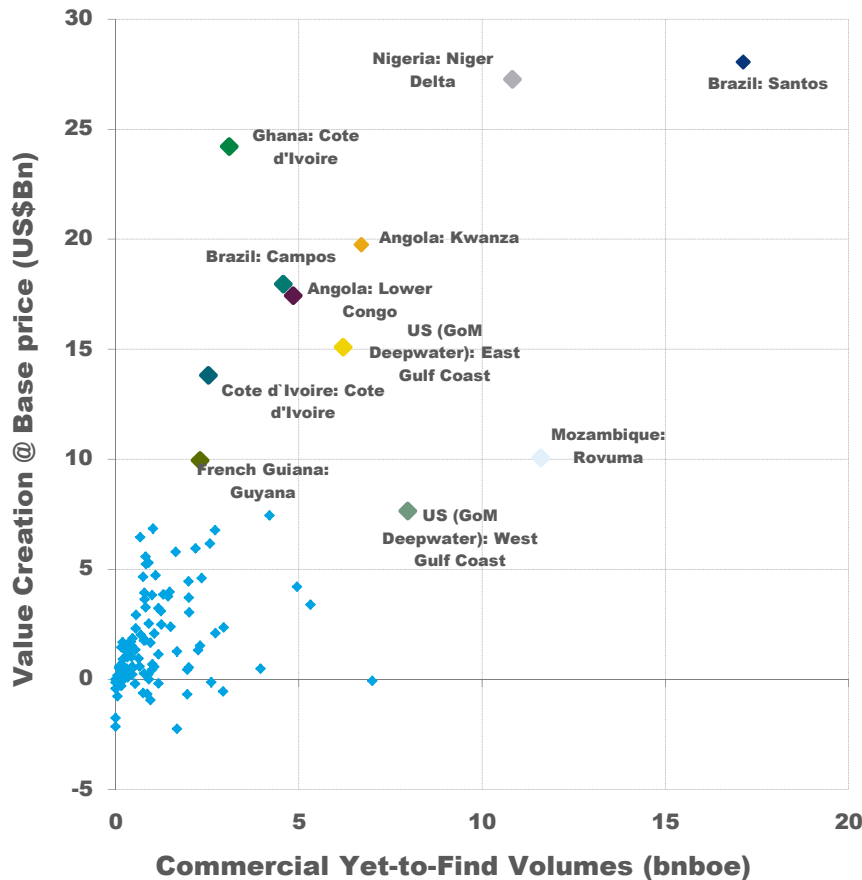
- Explorers drilled 16,000 wells since 2003, of which 2,350 in deepwater (>400m)
- Deepwater discoveries stable over the years (~50/yr), whereas Onshore and Shelf are in decline since 2008
- Dramatic increase of deepwater contribution in volume discovered
- Deepwater discoveries have highest ratio of commercial volumes

In any scenario, (ultra)deepwater will grow in importance



Many Countries with (Ultra)Deepwater Basins

(Ultra)Deepwater Yet-to-Find vs Value



Our Playing Field

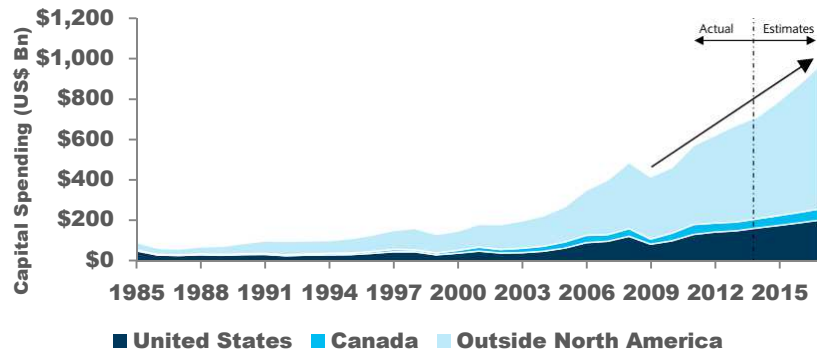
- 48 countries with 58 (ultra)deepwater oil & gas basins
 - 20 countries with deepwater oil basins, 14 with ultra-deepwater oil basins
 - 16 countries with deepwater gas basins, 6 with ultra-deepwater gas basins
- Potential offshore field developments
 - 1,500-5,000 feet of water depth: 371
 - 5,000+ feet of water depth: 202
- Total (ultra)deepwater Yet-to-Find is estimated at 175 billion boe
 - 11 recent deepwater discoveries

New discoveries to drive future deepwater developments

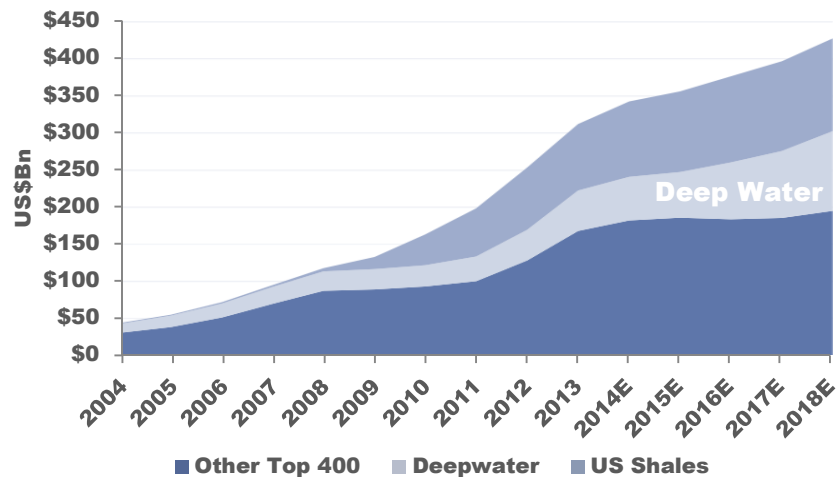


The Industry's CapEx Outlook

Global E&P CapEx Spending Outlook



Top 400 CapEx – Shale vs. Deepwater



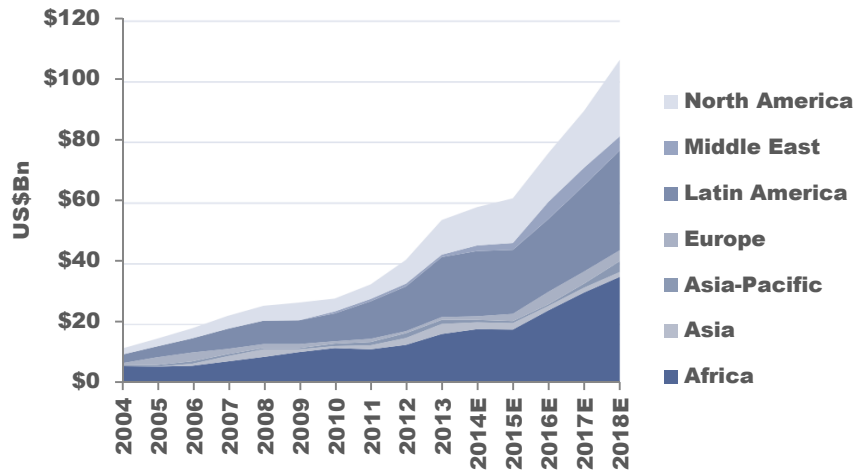
- No CapEx contraction in any region, despite a slight pullback on the part of the Majors
- The new era of oil forces oil companies to become more cost efficient and effective
- This will lead to some CapEx and OpEx cost-cutting, but mainly cost-control by:
 - Portfolio optimization / rationalization, divesting non-core / non-performing assets
 - Reengineering pre-FID developments throughout their portfolio

On an unrisksed basis, Deepwater CapEx will grow to a 25% in total Top-400 CapEx



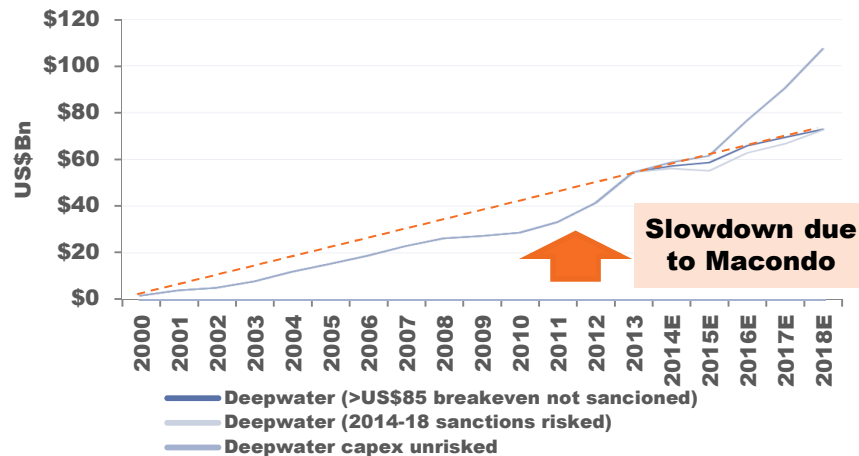
(Ultra)Deepwater CapEx

Top 400 (Ultra)Deepwater (750m+) CapEx Growth – Unrisked



- No visibility of any slowdown in deepwater CapEx
- Golden Triangle continues to dominate the Deepwater business for the foreseeable future
- Even taking historic delays into account or the marginal projects out, then still Deepwater CapEx continues its long-term growth trend

Top 400 Deepwater CapEx Growth – Risked



Long-term growth trend intact



2000-2012

Rapid growth in the Deepwater frontier



Technology & local capabilities stretched to the limit; poorly developed supply chain



Tight offshore marine contracting market



Playing catch-up

Overly optimistic on time, effort and budget

Lack of project maturation & development

2013 & Beyond

Experience from past (complex) projects



Improved upfront project scoping / more front-end engineering; avoid re-scoping



Better supply-chain capacity & management



Downward trend in cost and timing overruns

Improved profitability for client & contractor

Slow Down to Speed Up!



Client Issues & Trends

Increased technical complexity

Cost pressure

Search for new (ultra) deepwater resources

Industry capacity & capabilities

SBM Response

Technology development & leverage

Cost reduction initiatives

Entering new areas & breaking new grounds

Preferred partner & closer relationships



TECHNOLOGY

PROJECT EXECUTION

OPERATIONS

FINANCE & LEASE

Current:

Focus on top-end segment

- FPSOs
- Turret Moorings
- Turnkey Sale or Lease & Operate



Way forward:

Enlarging the envelope

- Floating LNG (FLNG)
- Semisubmersible & TLP production units

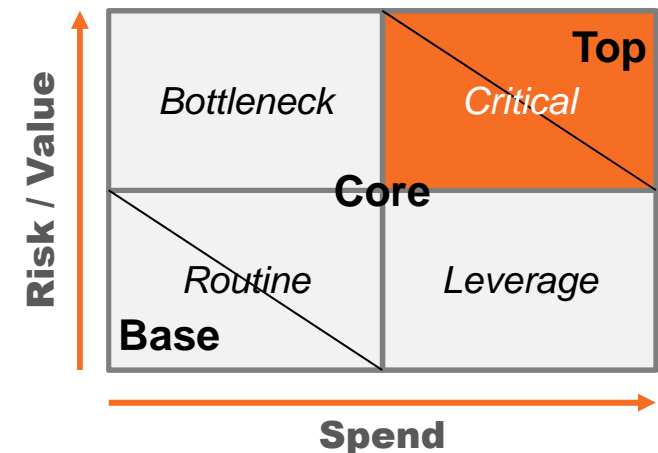


SBM Vision: To be the trusted partner of choice in the development of complete Floating Production Systems

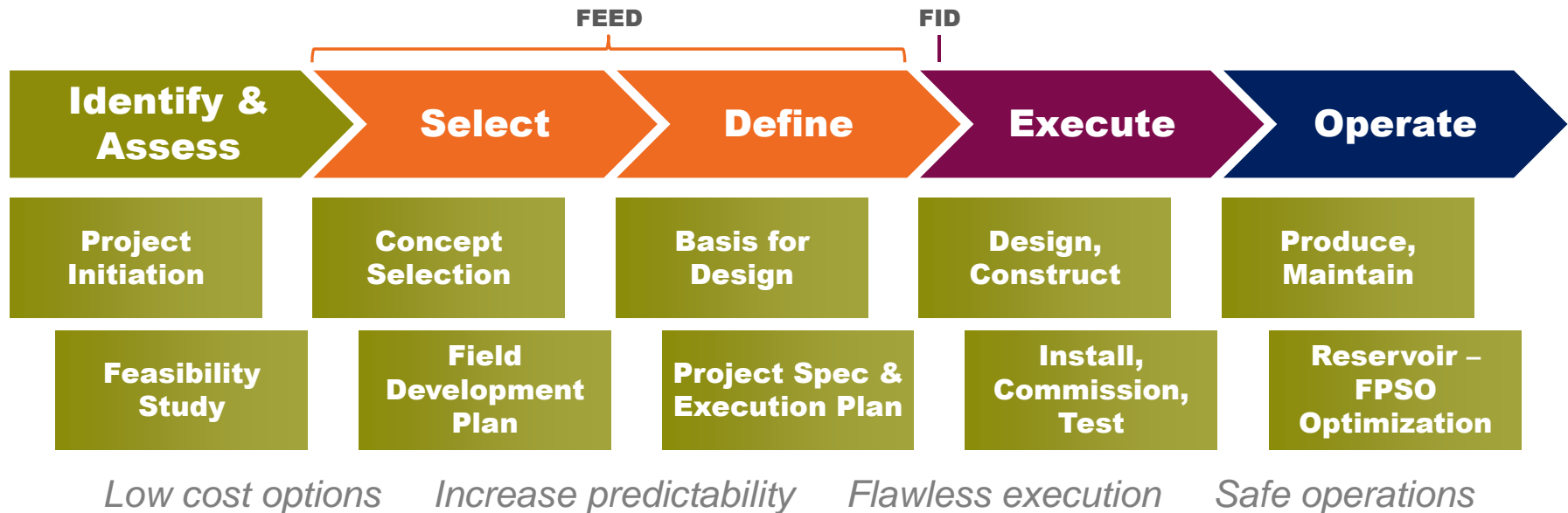


SBM's Value Added Proposition

- We provide highly customized strategic solutions to our clients
- We enable our clients to differentiate themselves in the marketplace
- We strive to offer the greatest return on investment through pursuit of collaborative opportunities
- We represent significant spend and are crucial to our client's business operations
- We operate with our clients across multiple geographies, categories, business units
- There are few alternatives in the marketplace to the products and services we provide
- We invest substantial time and effort in building & strengthening relationships with our clients to identify and create new opportunities as well as coordinate new technology development



Product Leadership – Customer Intimacy – Operational Excellence



SBM brings value in all phases of the project

- Earlier involvement provides the greatest opportunity for SBM to add value
- Latest knowhow and experience from recent and current projects
 - Technology
 - Costs & scheduling
 - Project management

Partnerships in technology



- Attractive market & opportunities
- Enlarging our footprint
- Changing industry conditions
- Our response

Ready to Grow

Q&A



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