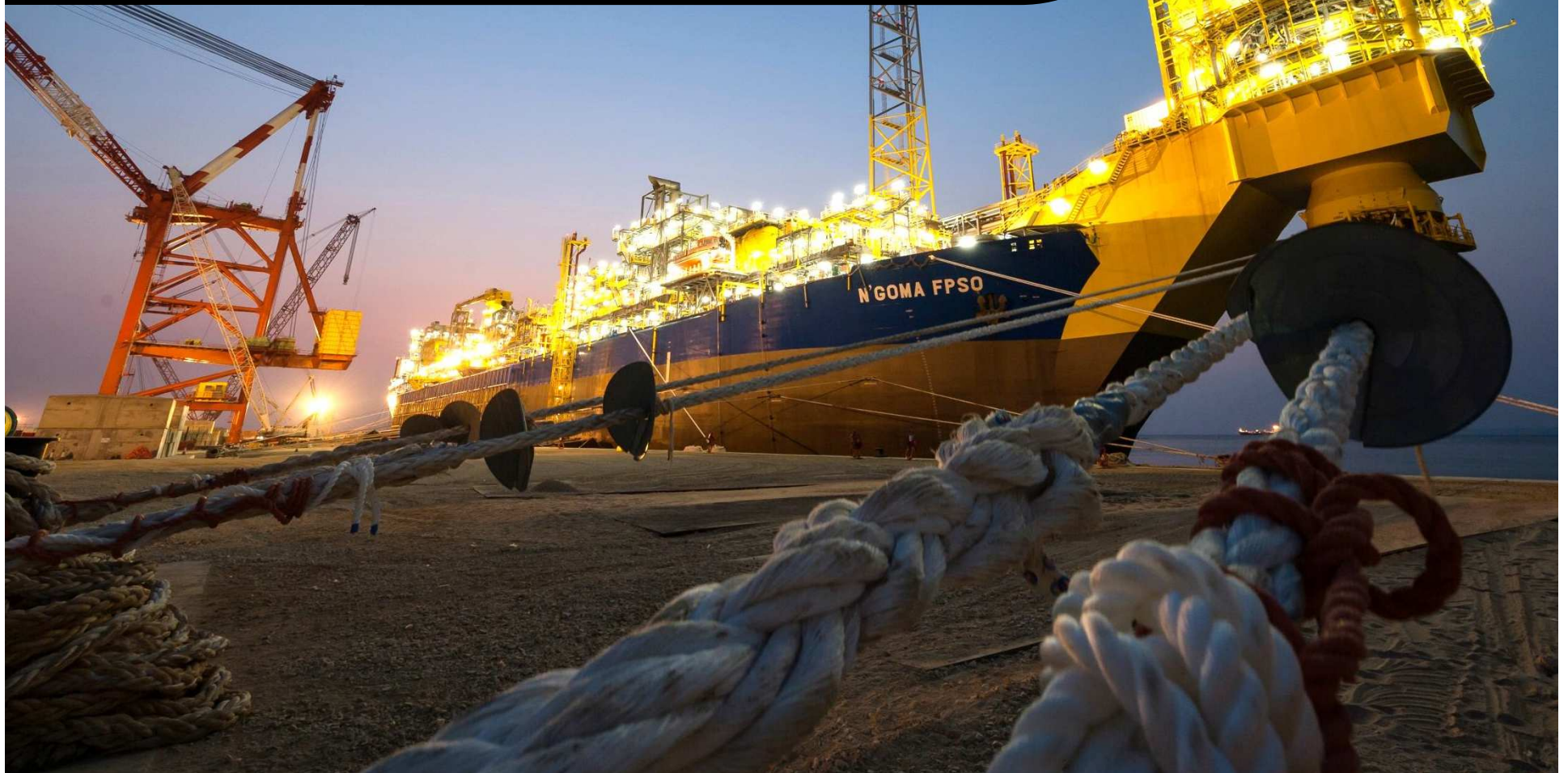


Market Overview

Oliver Kassam

Group Director - Sales & Marketing

September 19, 2014





- General Market Trends & Opportunities
- Focus Markets
- Strategic Actions
- Summary / Q&A



Gulf of Mexico

- Lower Tertiary opportunities – Technological requirements
- Mexico – reforms, deepwater, heavy oil

Brazil

- Petrobras surplus volumes - Transfer of Rights Area
- Libra pre-salt
- IOC future developments

North Sea / Europe

- Increased demand for Arctic / Harsh environment solutions

Africa

- Pre-salt expansion in Angola
- Increased activity in West Africa
- East Africa Gas / FLNG potential

Asia Pacific

- FLNG – high volume of prospects despite challenging economics
- Future deepwater potential opportunities:
 - China, India, Indonesia, Myanmar, Brunei

Ongoing activity levels across the globe



Total Visible Market

- ~130 projects
- All FPSs, FLNG, all sizes, all areas
- Leased and sale

Watch List

- ~80 projects
- 40x FPSO
- 20x Turret
- 20x FPS/FLNG

Target List

- ~50 projects
- 25x FPSOs
- 15x Turrets
- 10x FPS/FLNG

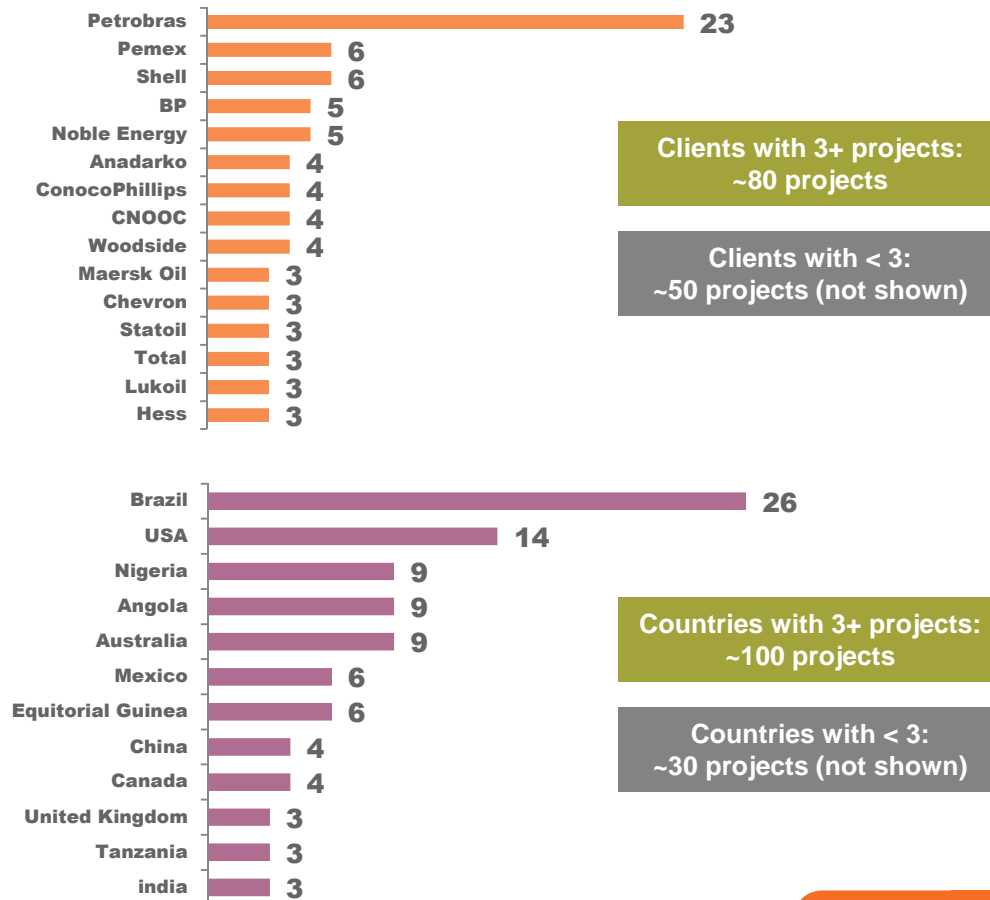
Targeted to Bid (2015 – 2017)

- ~25-30 projects

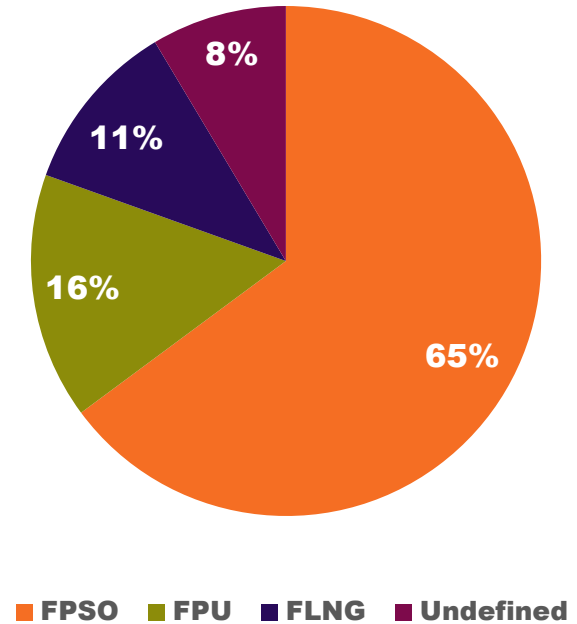
Targeted opportunities in line with strategic objectives



Markets by Client and Geography



Markets by Facility Type



~130 floating production projects identified



Our Focus

**Turrets, Moorings &
Installation**

Terminals

Optimization Solutions

**Floating Production
Systems**



Europe/Mediterranean

- Chevron UK – Rosebank FPSO
- Statoil Norway – Castberg FPSO
- Noble Israel – Leviathan FLNG

Americas

- Premier Falklands – Sealion FSO

Asia Pacific

- Woodside/Shell – Browse FLNG
- Exxon – Scarborough FLNG
- Inpex Indonesia – Masela FLNG
- PTT Australia – Cash Maple FLNG

Africa

- ENI Mozambique – Block 4 FLNG

Large Complex Turrets

- Bespoke solutions
- Cyclonic & frontier areas
- Harsh environment, Arctic
- Long design life

Other Turret Opportunities

- Standardised solutions, lower complexity:
 - Shallow water FPSOs, FSOs, FSRUs

Offshore Installation

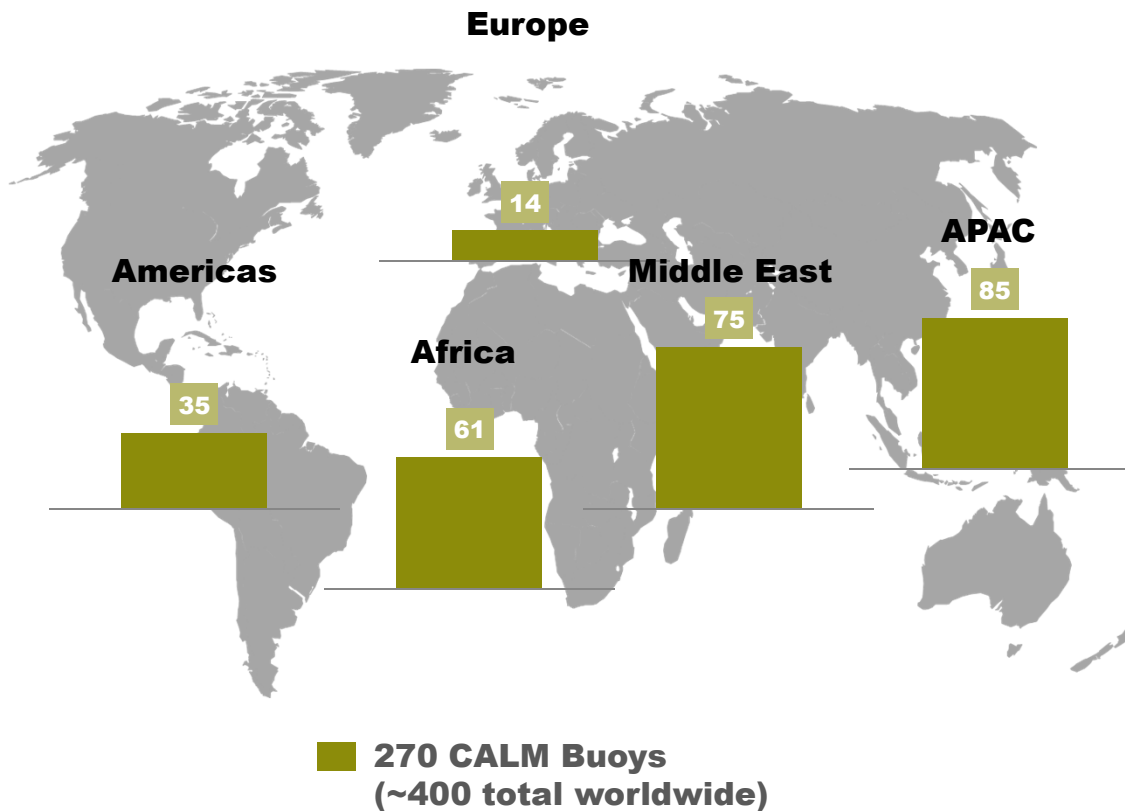
- In-house installation capacity

Broad portfolio of Turret prospects



SBM Supplied Units/Components

New Opportunities



Building upon our strengths and history in this business:

- Market leader worldwide

Aftersales on supplied units:

- Inspections
- Maintenance
- Overhauls, refurbishments

Building upon market leadership position



Optimisation Solution

Completed

- Relocation of FPSOs *Espadarte* and *Capixaba* (Brazil)
- *Kikeh* FPSO (Malaysia) – Tie backs of SNP and GK with facilities upgrades

Ongoing

- *Espirito Santo* FPSO (Brazil) – Various production upgrades

Commenced

- *Thunderhawk* Semisub (GoM) – Tie back

Under Discussion

- *Marlim Sul* FPSO (Brazil) – Life extension
- *Yetagun* FSO (Myanmar) – Life extension

Future Opportunities



FPSO *Capixaba*



North America

- GOM – BP Kaskida
- GOM – BP Tiber
- GOM – Anadarko Shenandoah - Semi
- Mexico – Pemex FPSO

Asia Pacific

- CNOOC China – Liu Hua TLP/FPSO

Brazil

- QGEP - Atlanta
- 8-10 Petrobras prospects
- Anadarko – Wahoo
- Shell – BM-S-54
- Repsol – Pao de Acucar

Africa

- Maersk Angola – Chissonga
- Cobalt Angola – Cameia
- Hess Ghana – Pecan
- Cobalt Angola – Orca
- Statoil Tanzania – Block 1

FPSO

- Presalt Angola and Brazil
- Mexico Deepwater
- Lower Tertiary (GOM)
- East Africa

FPU (TLP/Semi)

- Leverage in-house IP & proprietary components
- GoM, China

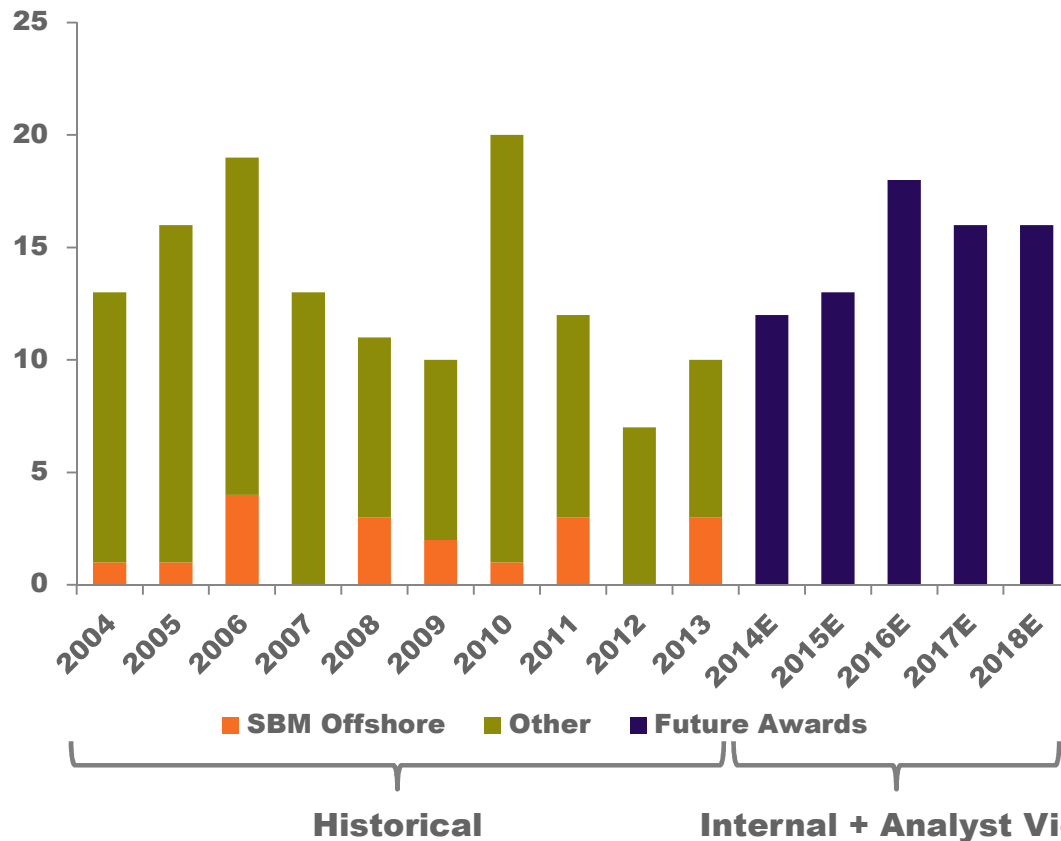
FLNG

- SBM Mid-Scale solution, developing the value chain
- Asia, West & East Africa

Good FPSO prospect pipeline with niche opportunities



Total Market Awards for FPSOs



Historical

- 131 awards in last 10 years:
 - 13 per year average
- 44 projects tendered by SBM:
 - 18 won

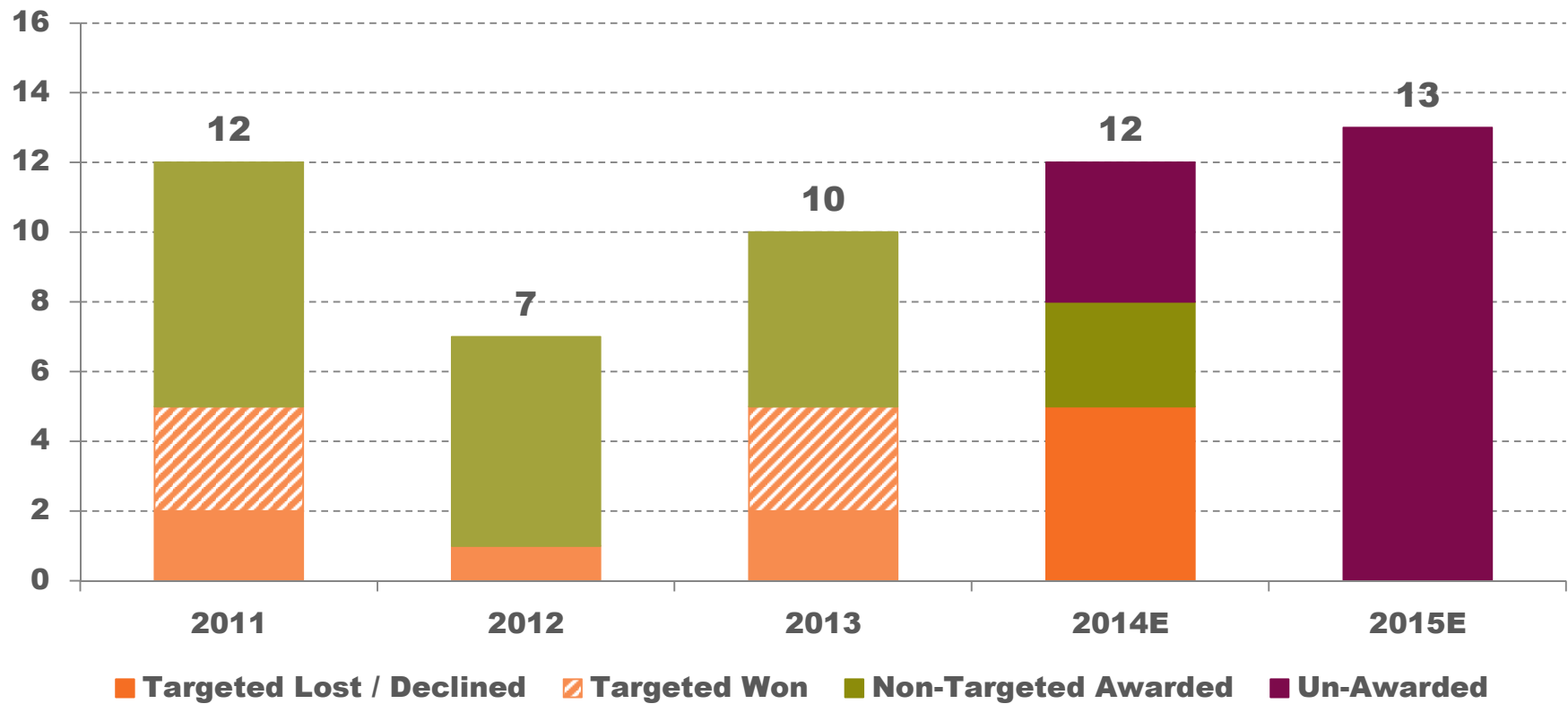
Forecast

- ~75 awards over next 5 years:
 - 16 per year average

Positive outlook for FPSO awards, however we remain cautious on timing



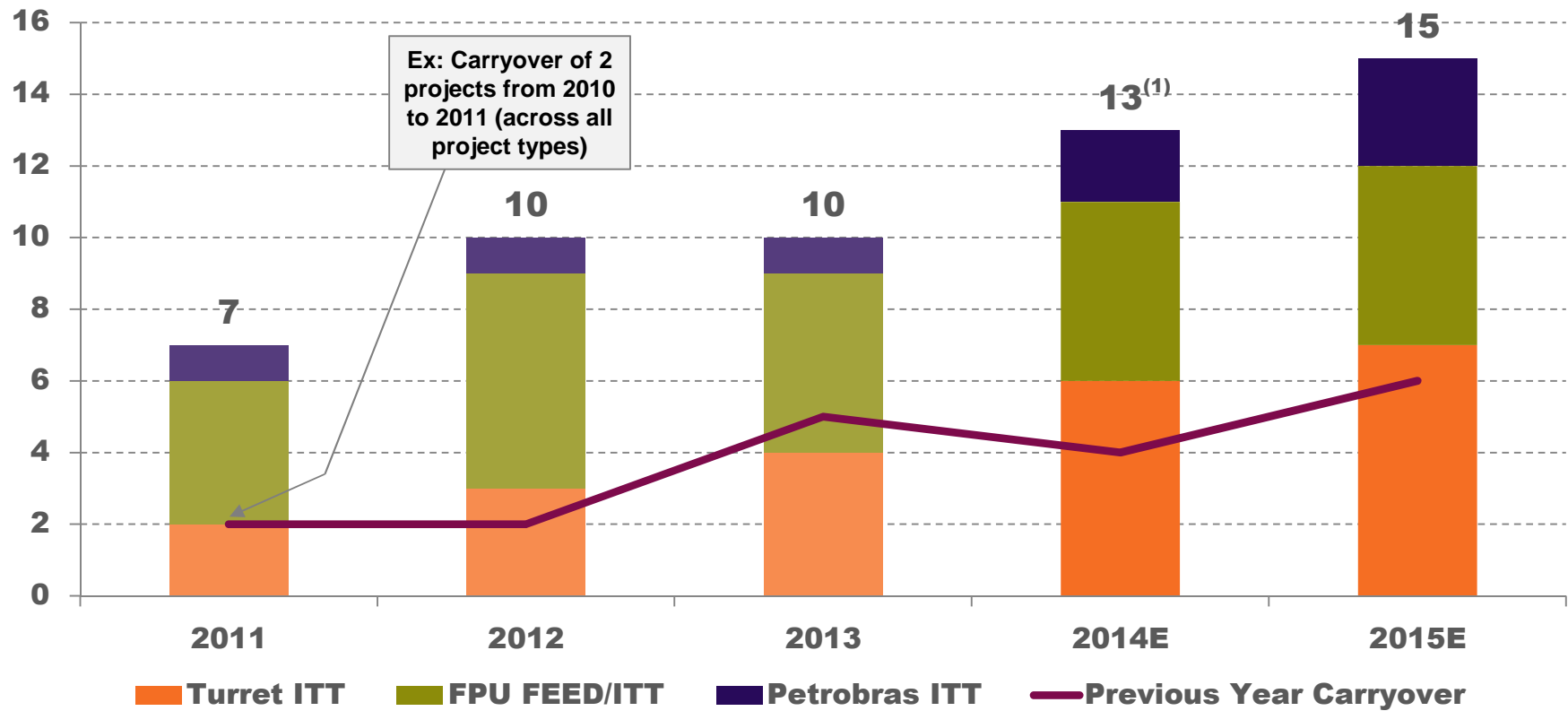
Historical and Estimated Awards



From 2011-2013, SBM won 6 of the 11 targeted FPSO awards



Bidding Activity



Anticipated high levels of bidding in 2015

(1) Petrobras ITT are *Tartaruga Verde e Mestiça* and *Libra EPS*.



Client Issues & Trends

SBM Actions

Cost Pressure

- Standardization, repeatability
- Supply chain management
- Weight reduction, lower manning levels

Increased technical complexity

- Earlier involvement & field approach
- Deeper, harsher, more remote
- Rejuvenate FLNG, TLP/Semis

Search for new (ultra) deepwater resources

- Mexico, East Africa, pre-salt Angola, Lower Tertiary
- Export/leverage local development models

Industry capacity & capabilities

- More focus on Business Development
- Strategic Account Management
- Technology Days



- **High demand** – Well diversified geographically, however remain cautious (challenging economics and delays)
- **Targeted bidding** – Focused on specific opportunities in key markets
- **Strategic Initiatives** – Put in place to prepare for market demand
- **Closer to Clients** – Clear focus on SBM understanding and meeting the needs of our Clients

Q&A



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