



**Technology
Creating
Value**

2004 ANNUAL ACCOUNTS

PRESENTATIONS IN AMSTERDAM / LONDON / NEW YORK / BOSTON

April 2005

D.H. Keller, President and CEO / M.A.S. Miles, CFO / H. Peereboom, Investor Relations Manager



HIGHLIGHTS 2004

- **Successful start-up of Okono FPSO for Agip Nigeria and FPSO Marlim Sul for Petrobras**
- **Breakthrough in the Caspian Sea with orders for the supply of three flash gas compression barges for Agip KCO and the lease of an Extended Well Test system for Petronas**
- **Turnaround for Atlantia Offshore with an order for the supply of a deep-draft semi-submersible for the Independence Hub and the FEED order for a TLP for the Neptune development, both in the Gulf of Mexico**
- **Order from Petrobras for the seven year lease of an FPSO for Golfinho**
- **Agreement on the conditions for the divestment of the shipbuilding activities resulting in closure of the sale on March 1st, 2005**



RATIONALE FOR SALE OF SHIPBUILDING ACTIVITIES

- **Long term visibility of oil and gas revenues affected by risks of low margins and high labour cost in irregular shipbuilding market**
- **Imbalance between the two activities with shipbuilding contributing 5% of the results while utilising close to 50% of the human resources**
- **Shipbuilding suffering from lack of management focus, taken by growing oil and gas sector**
- **Combination of two totally different activities making business model difficult to understand and affecting clarity and transparency in financial reporting**



COMPANY STRUCTURE



MONACO

Single Buoy Moorings 

HOUSTON

 SBM-Imodco

SCHIEDAM

Gusto BV 

 Atlantia Offshore

Marine Structure Consultants(MSC) 

 GustoMSC Inc.



MANAGEMENT STRUCTURE

BOARD OF MANAGEMENT



Didier Keller
President and CEO



Mark Miles
CFO



Dick van der Zee
Director
COO



Francis Blanchelande
Director
FPSO Operations

INVESTOR RELATIONS



Hans Peereboom
Investor Relations Manager



KEY FINANCIAL POINTS 2004

- **Net profit US\$ 47 million, US\$ 115 million before charge for impairment on Shipbuilding sale**
 - Profit Offshore Division US\$ 101 million (2003 : US\$ 97 million)
 - Profit Shipbuilding Division US\$ 5 million
 - Miscellaneous US\$ 9 million
- **EBITDA US\$ 386 million (before Shipbuilding impairment)**
- **Cashflow US\$ 310 million (before Shipbuilding impairment)**
- **Capital Expenditure US\$ 241 million (97% relates to Offshore)**
- **Portfolio end 2004 US\$ 5,374 million (US\$ 4,731 million excluding Shipbuilding)**



P&L OVERVIEW 2004

Total Group

US\$ million	2004	2003	Movement	Comment
Value of Production	1,825	2,178	(353)	Lower capex
Turnover	1,319	1,849	(530)	No major Offshore turnkey deliveries
EBITDA	318.1	219.2	98.9	Growing lease fleet
EBIT	122.5	64.4	58.1	Growing lease fleet
% x Turnover	9.3%	3.5%	5.8%	EBIT up / Turnover down
Net Profit	46.8	46.6	0.2	Shipbuilding impairment charge
% x Turnover	3.5%	2.5%	1.0%	Net profit stable / Turnover down
New orders	1,890	1,392	498	Up but coming late in the year
Order portfolio	5,374	4,760	614	Good order intake / Low deliveries



P&L OVERVIEW 2004

Offshore

US\$ million	2004	2003	Movement	Comment
Value of Production	1,299	1,543	(244)	Lower capex
Turnover	736	1,280	(544)	No major turnkey deliveries
EBITDA	357.9	291.8	66.1	Growing lease fleet
EBIT	172.6	148.8	23.8	Growing lease fleet
% x Turnover	23.5%	11.6%	11.9%	EBIT up / Turnover down
Net Profit	101.3	96.9	4.4	EBIT up but higher interest & tax
% x Turnover	13.8%	7.6%	6.2%	Net profit up / Turnover down
New orders	1,427	990	437	Up but coming late in the year
Order portfolio	4,731	4,034	697	Good order intake / Low deliveries



FINANCIAL OVERVIEW 2004

Total Group

US\$ million	2004	2003	Movement	Comment
Investment Fixed Assets	241	530	(289)	Slower FPSO investments
Long-Term Debt	1,329	1,231	98	Includes full Sanha debt
Net Liquidities	142	164	(22)	Still healthy level
Net Debt	1,187	1,067	120	
Share Price €	46.74	43.00	3.74	Outperformed AEX by 5%
Share Price US\$	63.47	54.22	9.25	Euro appreciation 8%
Market Capitalisation US\$	2,130	1,753	377	Share price and Euro up
Enterprise Value	3,317	2,820	497	Market cap and net debt up
Net Debt : Equity	159%	150%	9%	Includes full Sanha debt
Return on Capital Employed	5.5%	5.5%	-	Stable / Shipbuilding impairment
Return on Equity	6.4%	6.7%	(0.3%)	Stable / Shipbuilding impairment



EXPECTATIONS 2005

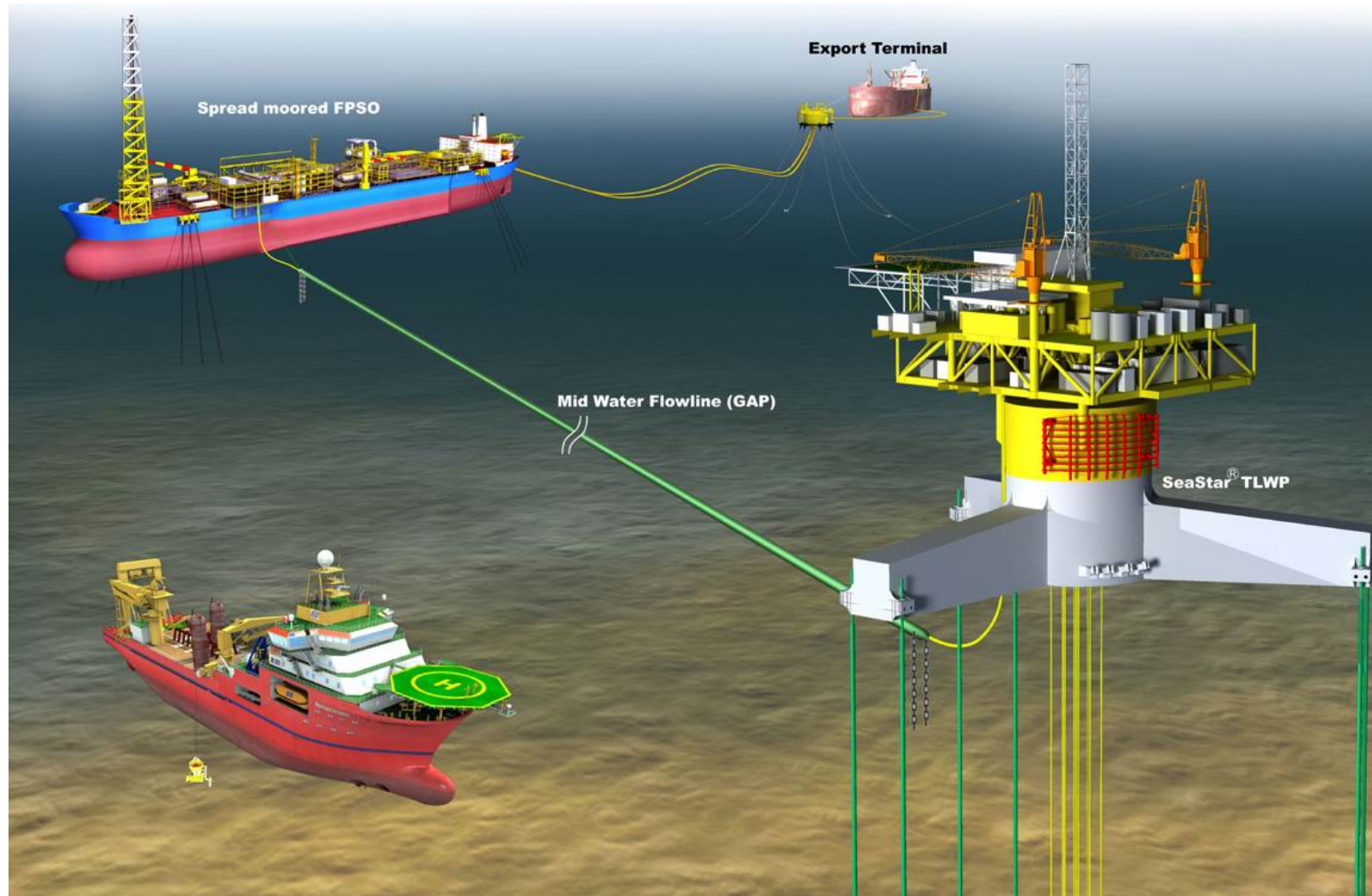
- **Net profit under IFRS US\$ 125 million (lease 75%, turnkey 25%)**
- **Net profit under Dutch GAAP US\$ 135 million**
- **EBITDA US\$ 420 million**
- **Cashflow US\$ 345 million**
- **Capital expenditure US\$ 550 million**



TRANSITION TO IFRS

- **Straight-line depreciation replaces interest equalisation method increasing the 2005 charge, but beneficial in subsequent years**
- **Marketing and general overheads no longer capitalised into fixed asset values, reducing fixed cost recoveries but lowering depreciation**
- **Turnkey project profits recognised on a percentage of completion basis instead of at completion, improving 2005 results**
- **Goodwill no longer depreciated but subject to annual impairment test**
- **Stock options expensed**
- **Opening 2005 equity will fall**
- **Financial instruments to be included in balance sheet at market value**
 - **Changes in market value go to P&L for ineffective hedges**
 - **System for effective matching in place for major hedges**
- **Volatility of results will increase**

TOTAL DEEPWATER FIELD DEVELOPMENT CAPABILITY





SUMMARY OF ACTIVITIES

- **Design, build, own and operate Floating Production and/or Storage and Offloading Systems (FPSOs / FSOs) under long-term lease contracts**
- **Supply and install FPSOs / FSOs, Tension Leg Platforms (TLPs) and Semi-Submersible Platforms for oil / gas production under turnkey contracts**
- **Supply mooring systems for FPSOs / FSOs**
- **Supply deepwater export systems and conventional CALM systems for loading / offloading terminals**
- **Provide design and engineering services for drillships, jack-up rigs, semi-submersible rigs, specialised vessels and topsides for oil and gas production facilities**
- **Design and supply offshore terminals for LNG export and import**
- **Offshore Contracting and After-Sales Services**



SBM's COMPETITIVE EDGE

- **Flexibility in execution with three engineering centres and all construction outsourced**
- **Unique in-house competence to design, supply, install and operate complete, complex FPSOs and other deepwater floating facilities**
- **Own deep and ultra deepwater installation vessels for turnkey projects**
- **Vast experience on converted FPSOs provides high accuracy in cost estimation, short schedule in execution and minimum risk**
- **Track record - on time and in budget**
- **Strategic partnerships such as Sonangol, Saipem, Mitsubishi, Petronas etc.**
- **Full toolbox for deepwater field developments, mainly with patented technology**

HIGHLIGHTS 2004

FIRST OIL ON TWO NEW LEASED FPSOs

Okono FPSO for Agip Nigeria



January 14, 2004

Marlim Sul FPSO for Petrobras



June 7, 2004

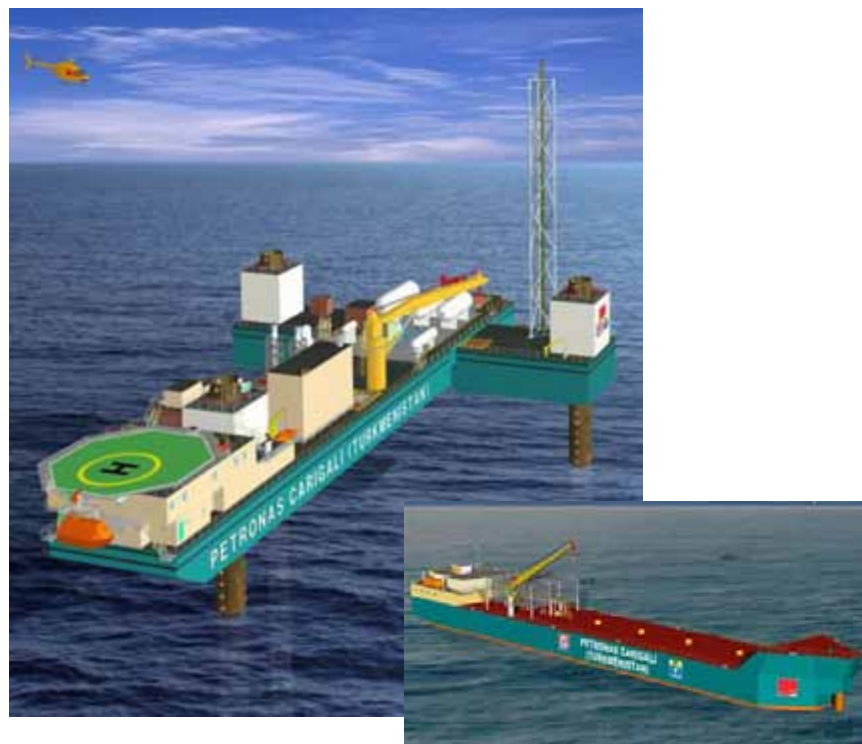
HIGHLIGHTS 2004

BREAKTHROUGH IN THE CASPIAN SEA



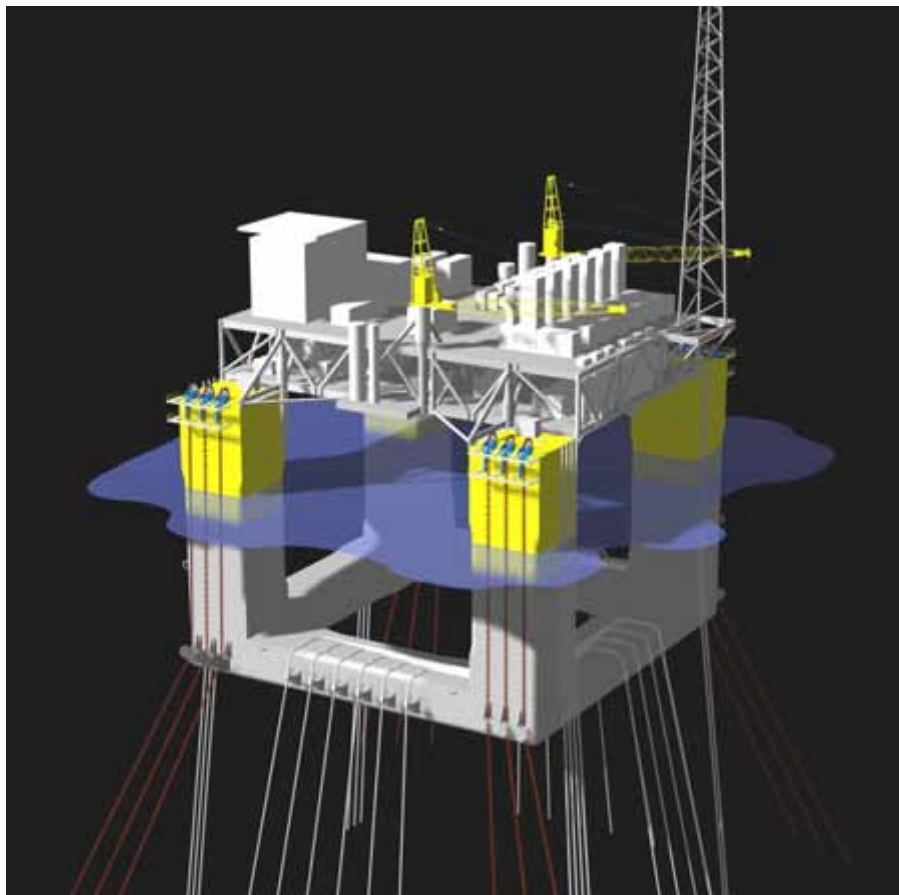
Supply contract for three flash gas compression barges for Kashagan Agip KCO - Kazakhstan

Three year lease for a Mobile Offshore Production Unit and FSO for Petronas - Turkmenistan



HIGHLIGHTS 2004

ORDER FOR A DEEP-DRAFT SEMI-SUBMERSIBLE FOR ATLANTIA



The world's deepest
offshore installation:
2,400 meters

Independence Hub - Enterprise Products Partners
Gulf of Mexico

HIGHLIGHTS 2004

FOURTH FPSO LEASE CONTRACT FOR PETROBRAS



Espadarte



Roncador



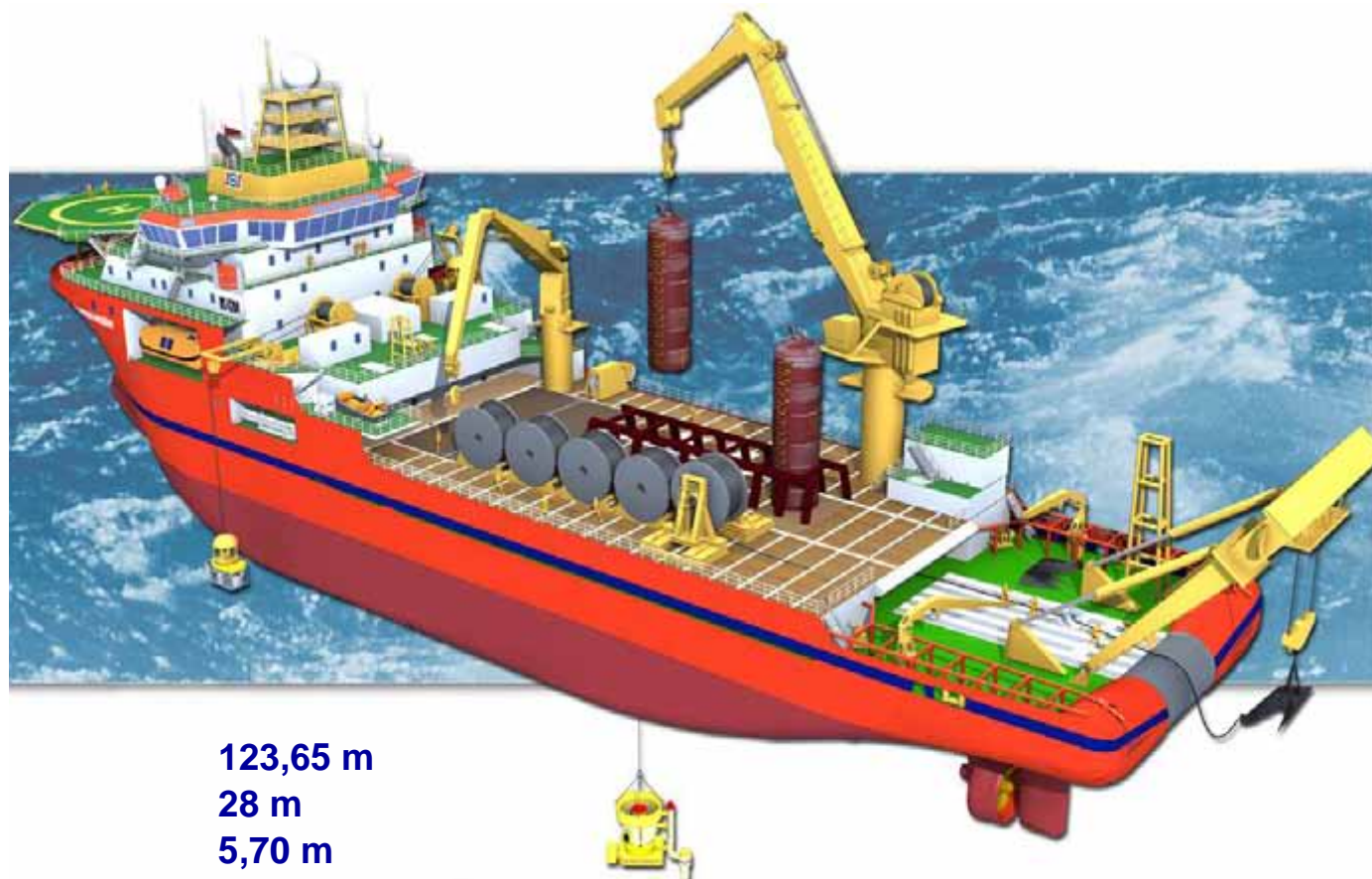
Marlim Sul



Golfinho

HIGHLIGHTS 2004

PLACED ORDER FOR NEW GENERATION DEEPWATER INSTALLATION VESSEL



LOA	123,65 m
Breadth	28 m
Min Draught	5,70 m
Speed	16,8 knots
Cargo Capacity	3400 t
Total Generated Power	23 MW

“NORMAND INSTALLER”

HIGHLIGHTS 2004

COMPLETION OF CONSTRUCTION OF SANHA LPG FPSO

ChevronTexaco, Angola



Installation Offshore Angola - Completed March 2005

Ready for First Gas - April 2005

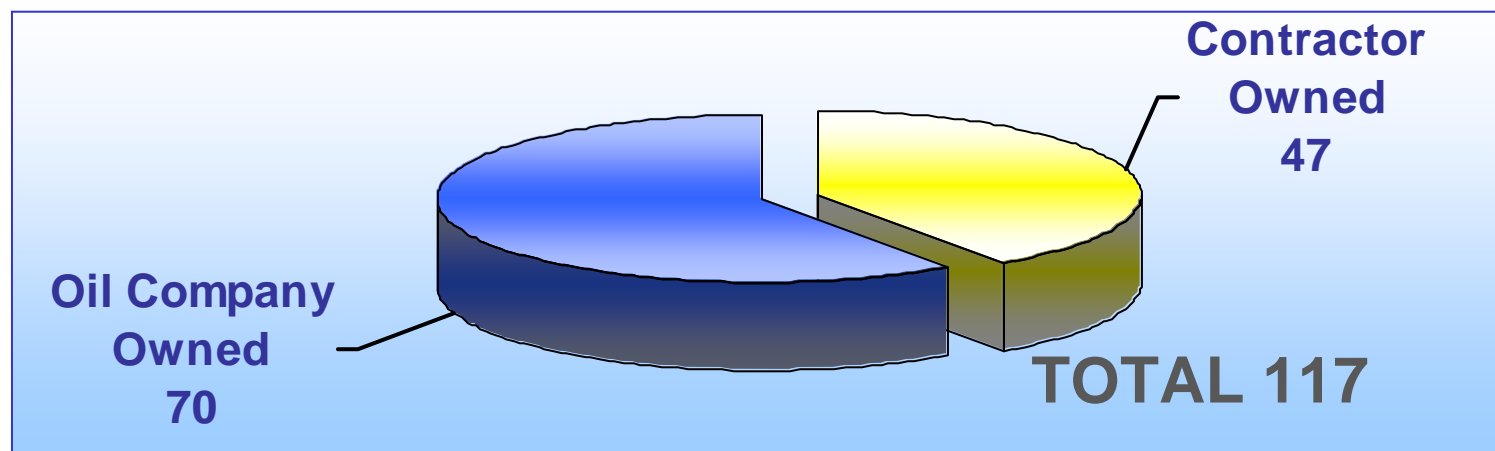


NEW ORDERS SINCE END 2004

- **Contract from Murphy for the eight year lease of an FPSO for the Kikeh Field, Malaysia in Joint Venture with MISC**
- **Contract from Stolt Offshore for a Deepwater Export System for BP's Greater Plutonio field, Angola**
- **Contract for the supply and installation of the spread mooring system for the Agbami FPSO of ChevronTexaco, Nigeria**
- **Orders for CALM systems from Agip (Soilmare) / Libya, BP / Trinidad and Waha / Libya**
- **Engineering and special component supply contract for four jack-up drilling rigs for Maersk Contractors**



FPSO's IN OPERATION / UNDER CONSTRUCTION

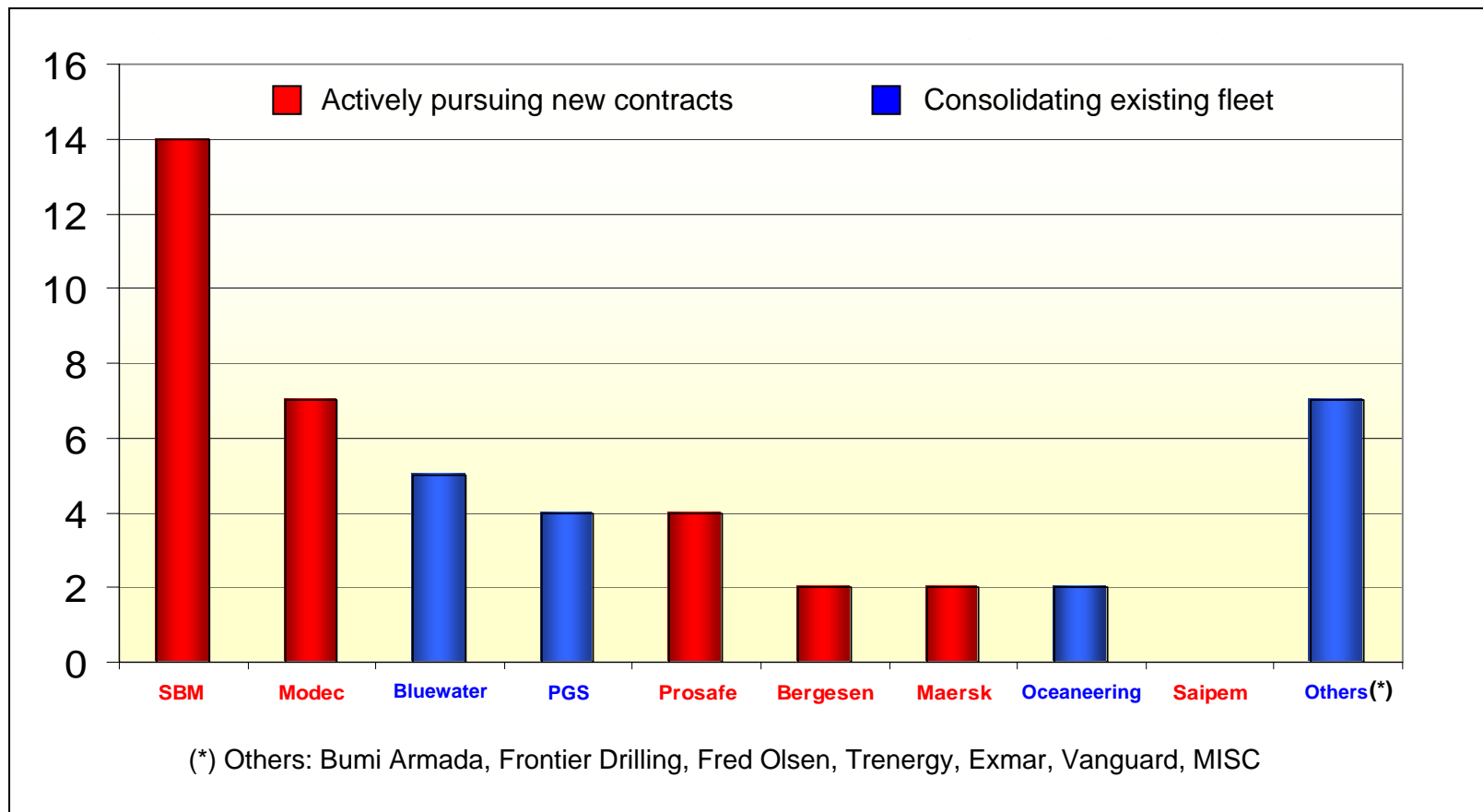


COVERS A LARGE VARIETY OF UNITS

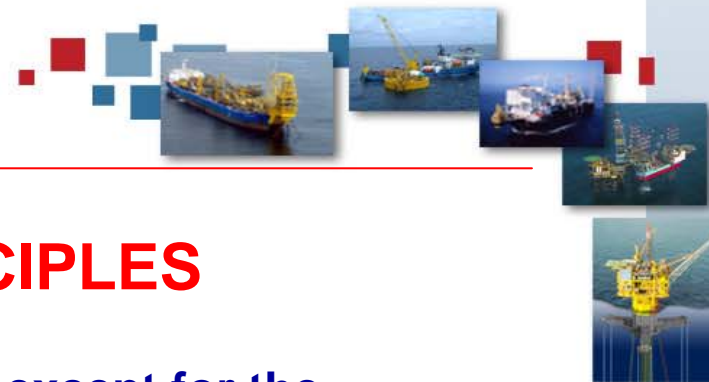
- **Converted tankers / purpose built barges**
- **Spread moored / weathervaning**
- **Oil production rates from 15,000 to 250,000 barrels / day**
- **Oil storage from 50,000 to 2,000,000 barrels**
- **From oil production only to comprehensive production with gas and water injection**



FPSO LEASE CONTRACTORS



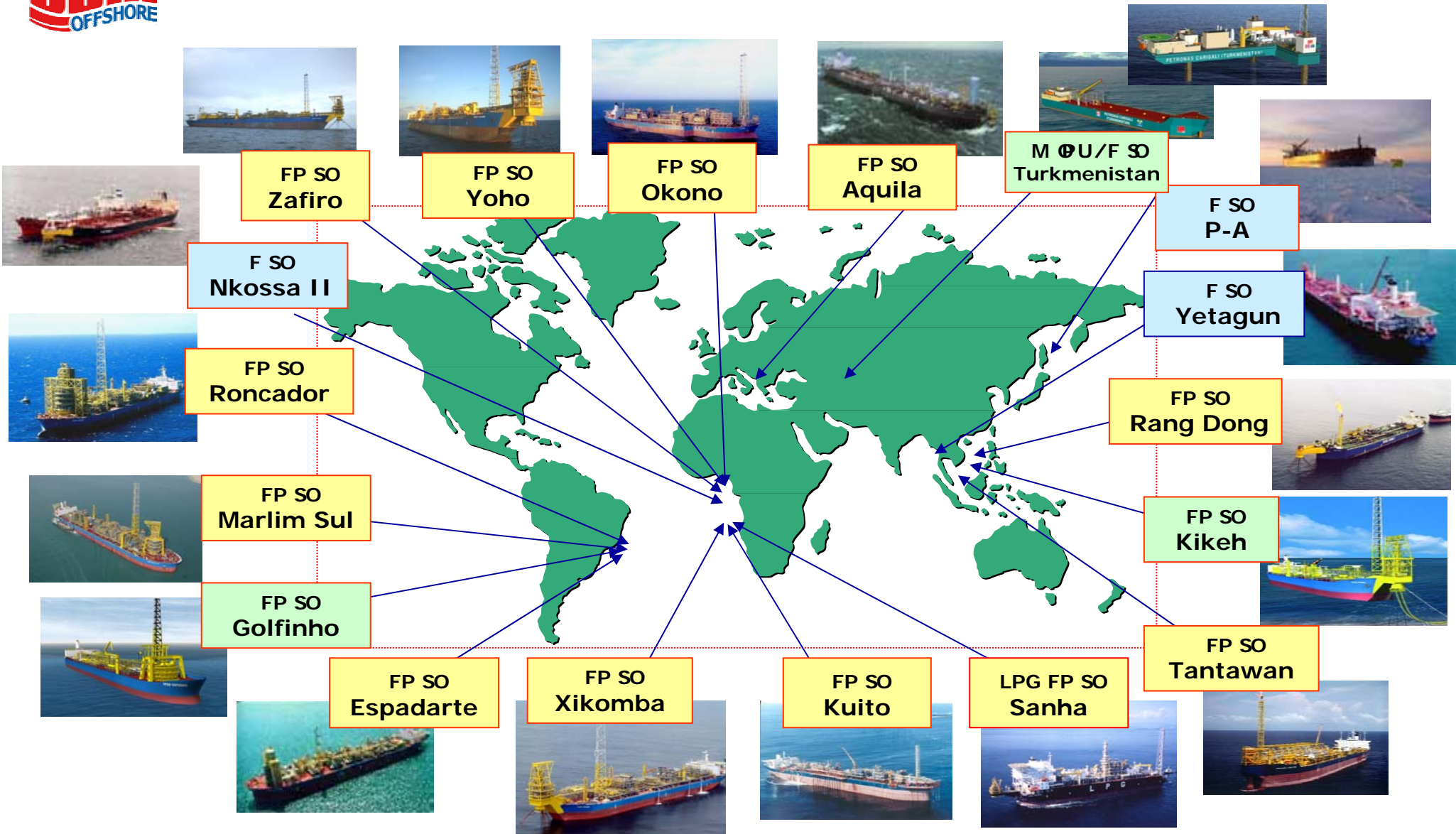
Leased FPSOs in operation or under construction : Total 47



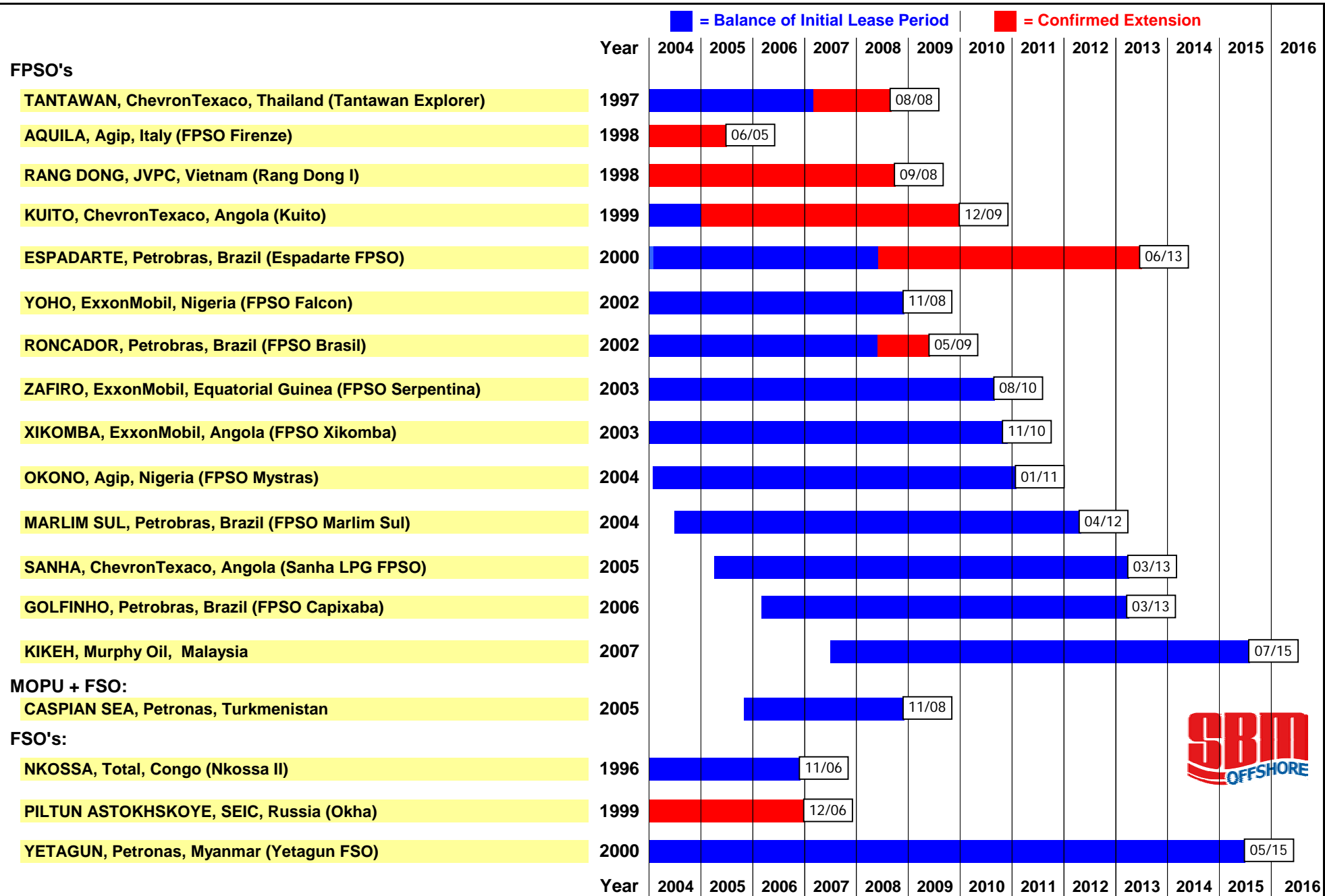
LEASE BUSINESS PRINCIPLES

- Invest only on the basis of contracts in hand, except for the acquisition of existing tankers suitable for conversion into an FPSO
- Obtain firm commitments for lease periods (ideally) in excess of five years
- Bareboat revenues not exposed to oil price variations or reservoir risks
- Put interest rate swap in place upon contract award
- Finance design and construction phase from Revolving Credit Facility (RCF)
- Substitute RCF financing by Project Financing for at least 80% of FPSO capex towards first oil date
- Project debt fully serviced by guaranteed lease income
- Apply conservative policy with respect to depreciation
- Manage fleet operations in-house
- Engage all senior staff for the fleet under direct employment

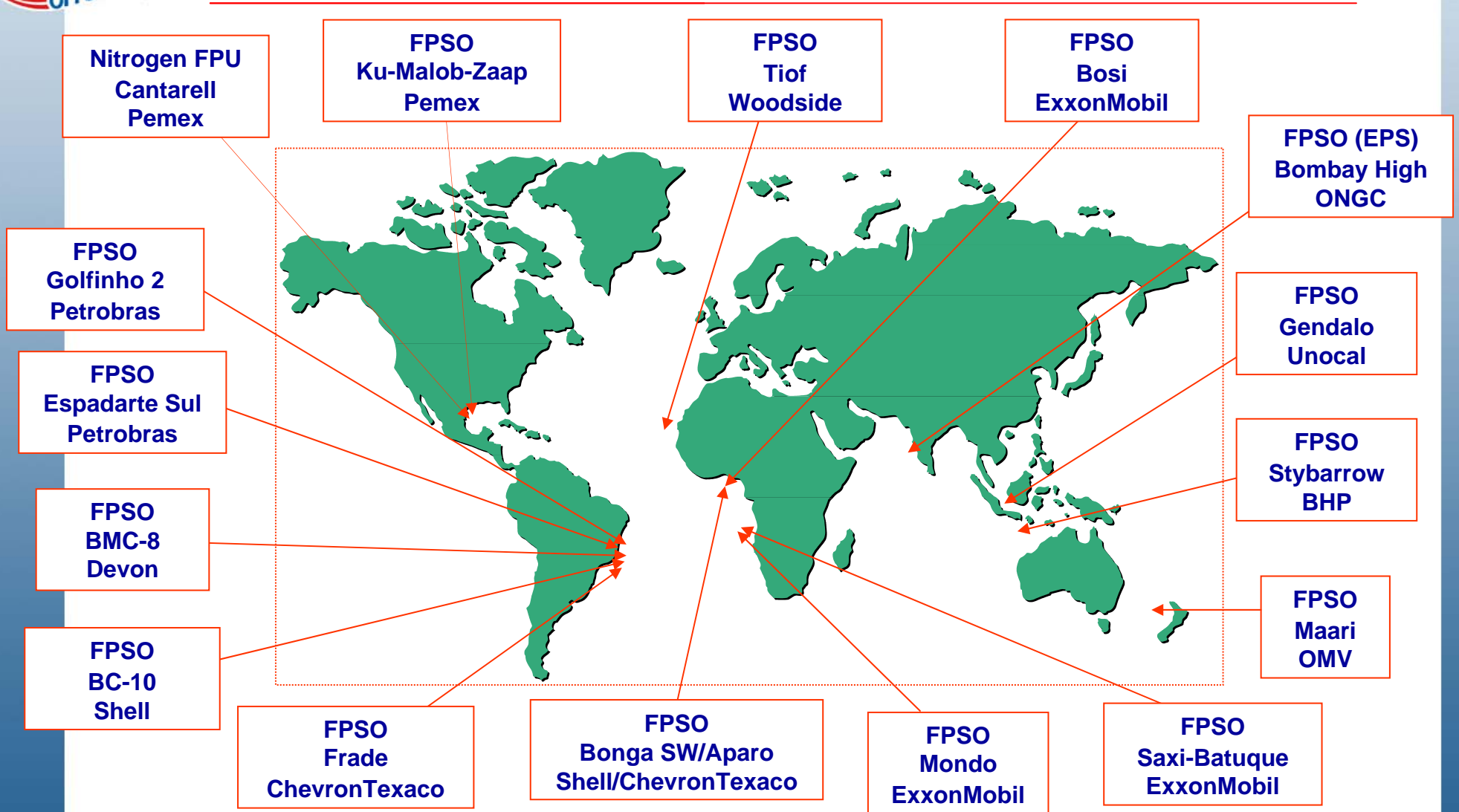
SBM LEASE FLEET



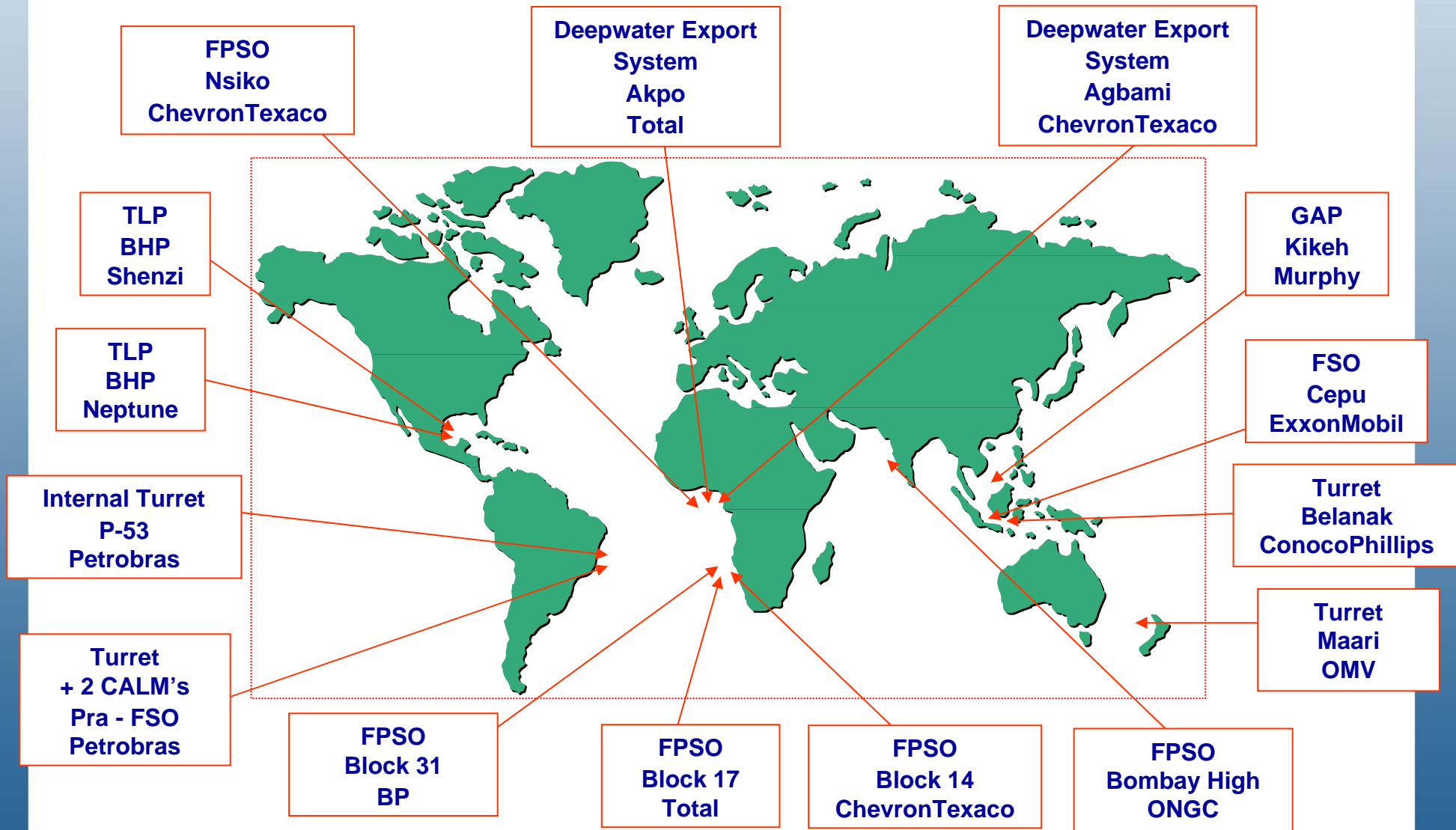
REMAINING DURATION OF LEASE CONTRACTS



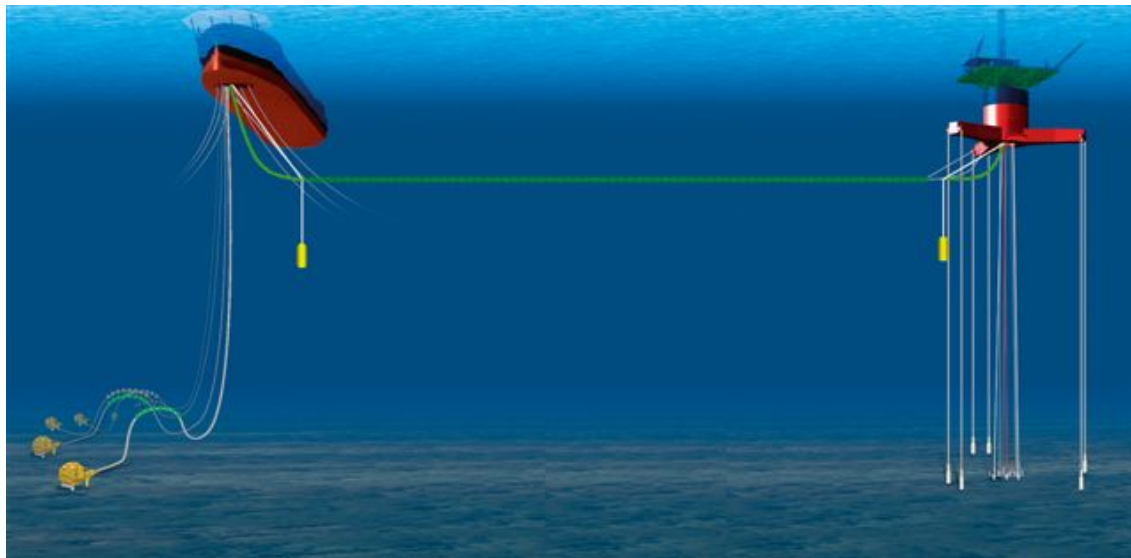
OUTLOOK 2005 & 2006 LEASE PROSPECTS



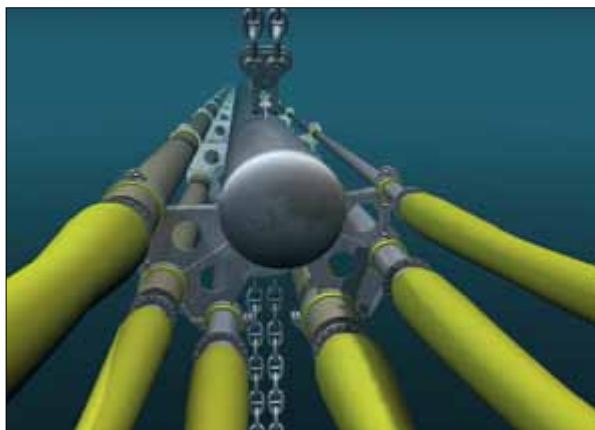
OUTLOOK 2005 & 2006 TURNKEY SUPPLY PROSPECTS



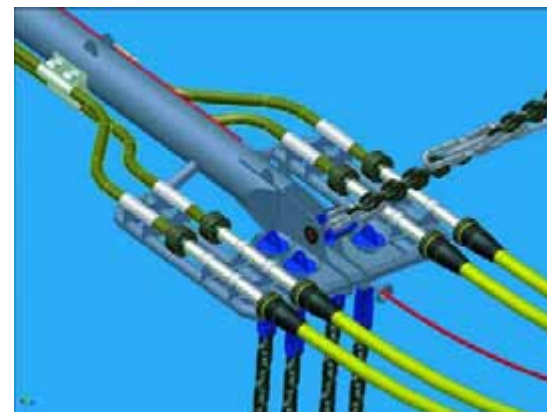
GAP DEVELOPMENT



Gravity Actuated Pipe, a flowline bundle between a Dry Completion Unit and an FPSO



Carrier pipe with flowlines grouped around it



Interface between the horizontal bundle and the flexible jumpers at the two extremities



THE LNG CHAIN / **ROLE FOR SBM**

LNG PRODUCTION

- Onshore
 - export via port or jetties
 - export via offshore terminal**
- Offshore, **Floating LNG Production, Storage and Offloading Unit**

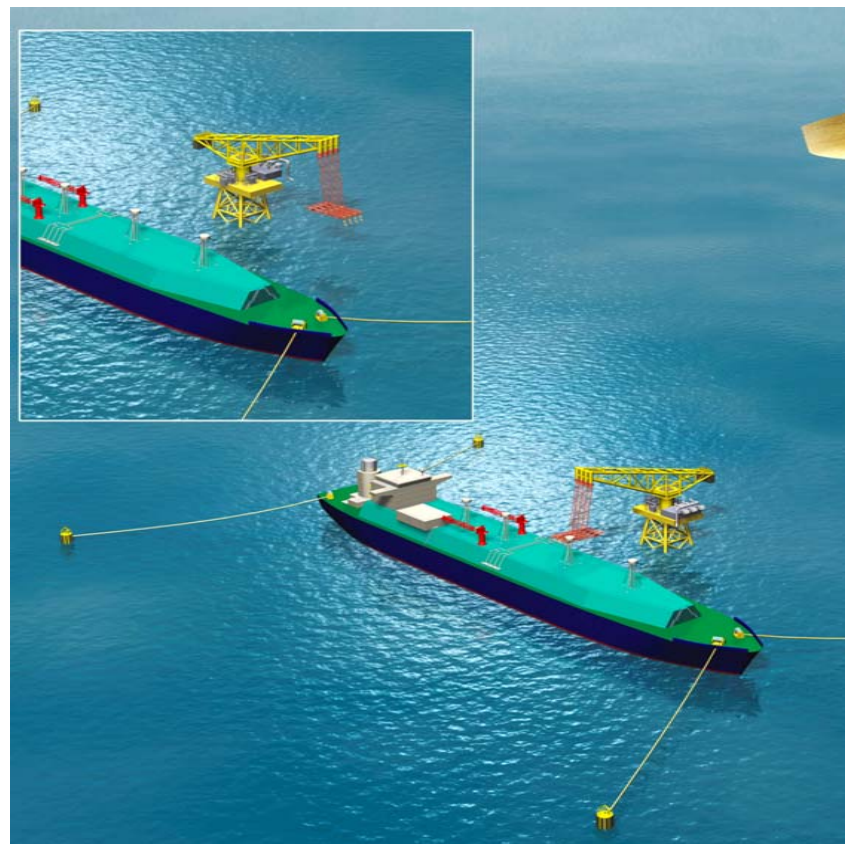
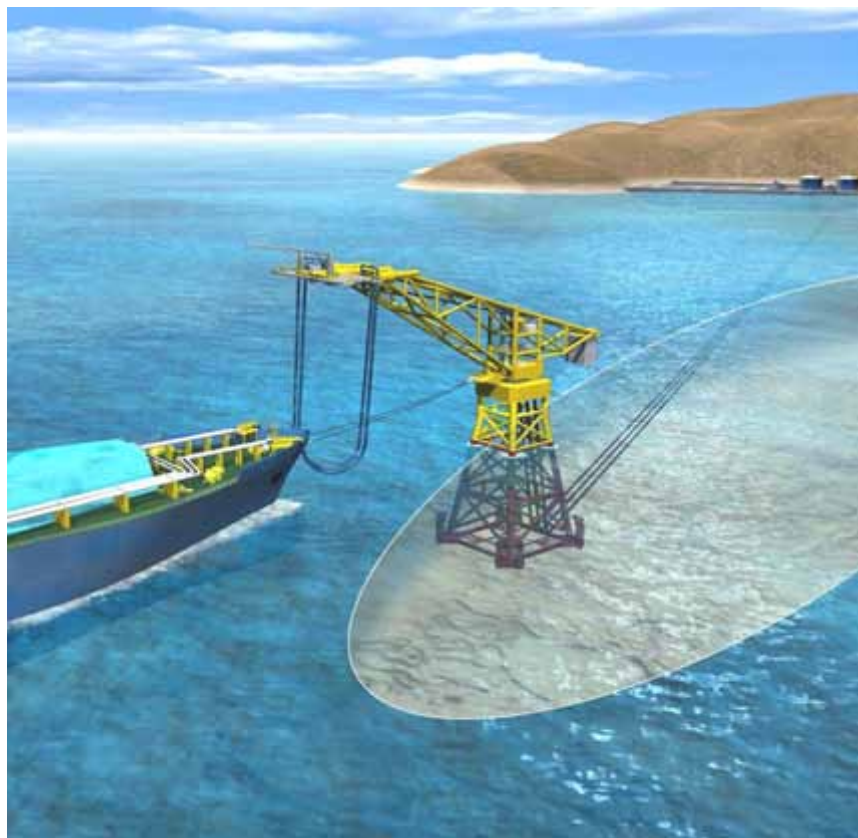
LNG TRANSPORTATION

- Long-term charters for dedicated routes
- Very limited spot market

LNG REGASIFICATION

- Onshore
 - import via port or jetties
 - import via offshore terminal**
- Offshore, **Floating Storage and Regasification Unit**

OFFSHORE LNG IMPORT / EXPORT TERMINALS



FLOATING STORAGE AND REGASIFICATION UNIT (F S R U)



**“Small” capacity FSRU
based on the conversion of
an LNG carrier**

**“Large” capacity FSRU
based on a new built
barge**





STRATEGY

- **Grow the Group organically**
- **Develop innovative technical solutions, in particular for deepwater technology and in the gas sector**
- **Continue to grow the FPSO lease fleet while improving returns on capital employed**
- **Maintain a position of leader in the Group's current market, develop the same position in the gas sector**
- **Maintain a high level of attention on engineering, offshore contracting and after-sales services and grow this stable predictable business**



OUTLOOK

SHORT TERM

- High bidding activity should result in further order intake in the remainder of 2005

MEDIUM TERM

- Number of identified projects, both for lease and turnkey supply prospects, should generate a satisfactory activity level in 2006 and 2007
- Growing worldwide LNG demand, combined with restrictions on onshore receiving terminals, will stimulate the development of offshore LNG storage and regasification units

LONG TERM

- Increasing Exploration & Production budgets, largely dedicated to deep and ultra deepwater, will lead to continued growth in the demand for FPSOs, TLPs, Semi-Submersibles and associated equipment for deepwater developments
- Further expansion of the LNG market will see the development of remote offshore gas fields with floating LNG production units