



SBM OFFSHORE

General Presentation, November 2013



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Agenda

Who we are, where we are

Emerging Opportunities
Our Strategy





The Company

- 4 Execution Centres
- 10 Shore Bases
- 5 Representative Offices
- 9,660 Employees

Lease Fleet

- 16 FPSOs
- 2 FSOs
- 1 Semi Sub
- 1 MOPU



- Execution / Corporate Centres
- Representative Offices
- Site Office
- Shore Base
- Lease Unit
- Future Lease Unit
- Operated Unit
- Laid-up
- Construction Yard
- Under Construction

Financials in US\$ billion

2013 IFRS Revenue Guidance	4.3
Directional ¹ Backlog (as of 09/30/2013)	24.4
Market Cap (as of 11/13/2013)	4.1

Performance YE2012

- 167 years of FPSO operation
- 99% Uptime
- 1 million barrels of throughput per day
- 5,460 Tanker Offloads



We Deliver Along the Full Product Lifecycle

Engineering

50 years of industry firsts
Leading edge technology

Procurement

Integrated supply chain
Global efficiencies
Local sourcing

Product Life Extension

Leader in FPSO relocation
World class after sales

Construction

Strategic partnerships
Unrivalled project experience

Operations

160+ years of FPSO experience
99%+ production uptime
Largest international FPSO fleet

Installation

Dedicated fleet
Unparalleled experience
Extensive project capability





99%
Uptime
in Fleet

0.18 LTIFR
YTD

9,660
employees
as of the end of
September 2013

N'Goma
US\$600
mln project
financing

IFRS
Revenue
Up 40%

FPSO³

US\$274 mln
equity

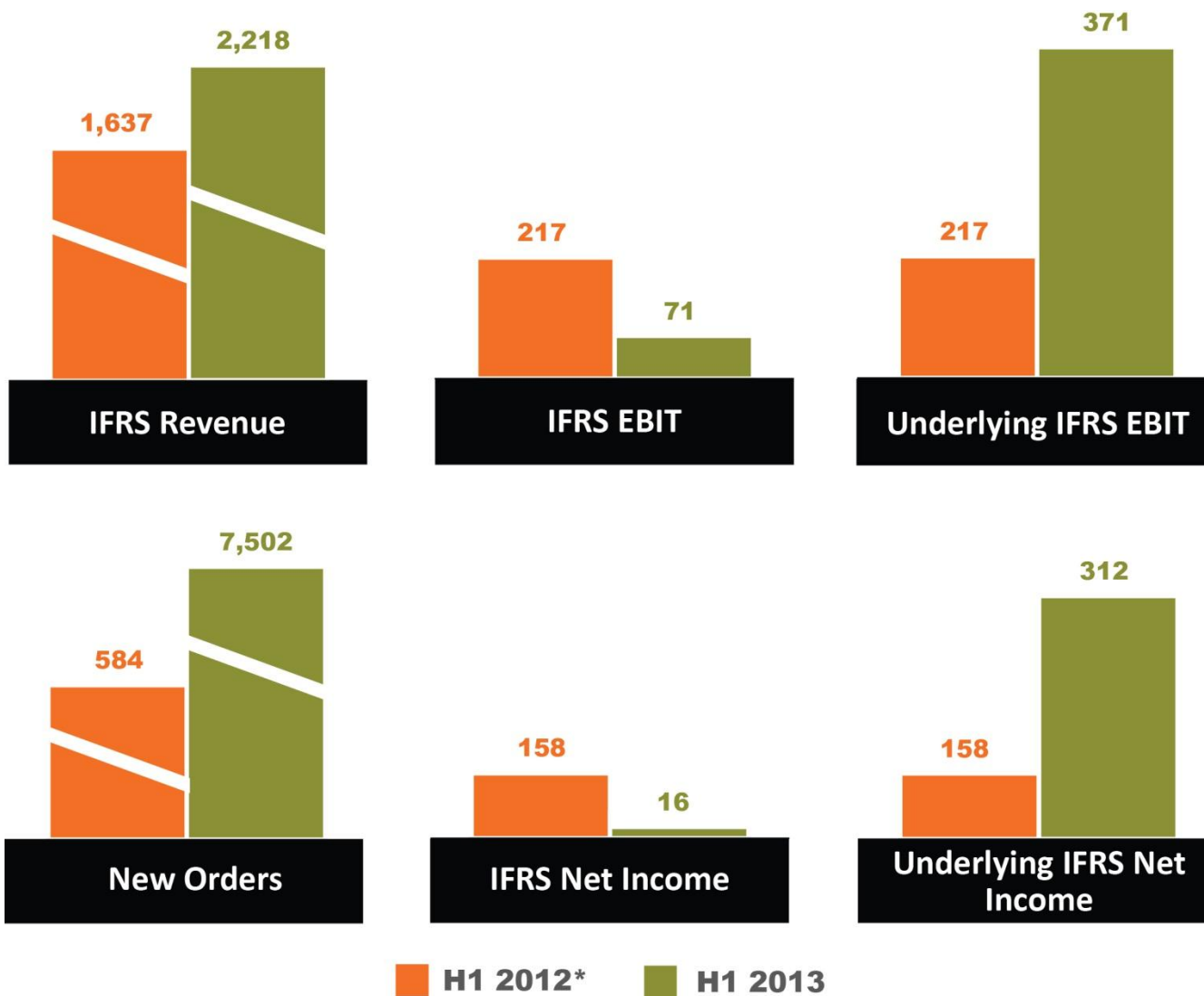
**Cidade
de Paraty**
first oil

YME
settlement

US\$10.5 bn
YTD
Total Order
Intake

US\$24.4 bn
Directional¹
Backlog

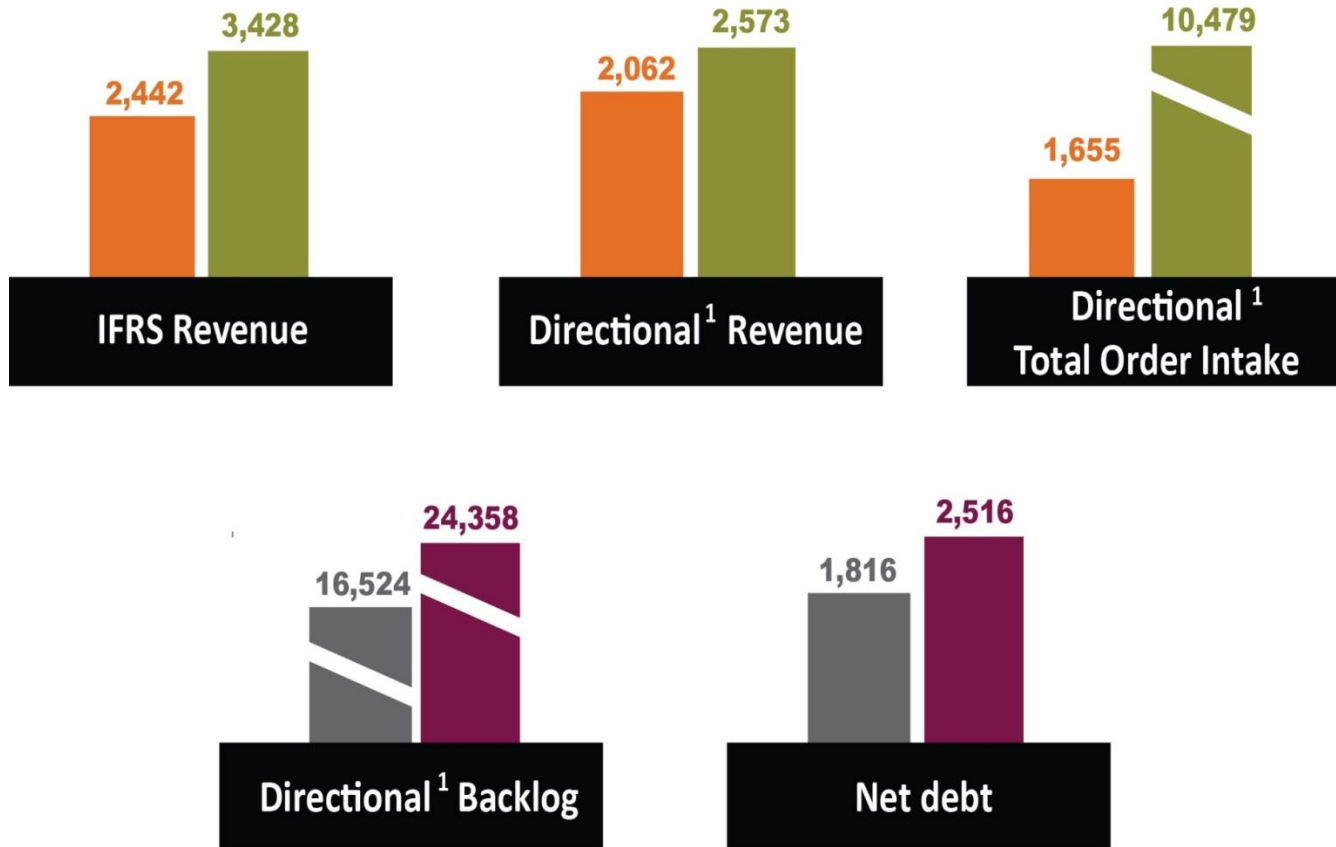
Directional¹
Revenue
Up 25%





YTD Q3 2013 Key Figures

(in millions of US\$)



■ YTD Q3 2012* ■ YTD Q3 2013 ■ as of 30 Sept 2012* ■ as of 30 Sept 2013



- Continued strengthening of Balance Sheet post Rights Issue
 - No dividend over 2013
 - Sale of non-core assets ongoing
- 2013 IFRS revenue guidance: at least US\$4.3 billion
 - US\$3.3 billion in Turnkey
 - US\$1.0 billion in Lease & Operate



FPSOs *Cidade de Maricá & Cidade de Saquarema*

- Generation 3 FPSOs
- Topside: 22,000 T
- Accelerated award process
- Delivery end 2015 and early 2016

Contracts executed





- 10 year lease contract
- Optional extensions up to 10 years
- World's deepest disconnectable FPSO; 2,896 meters in GOM
- Delivery date H1 2016

Contract executed

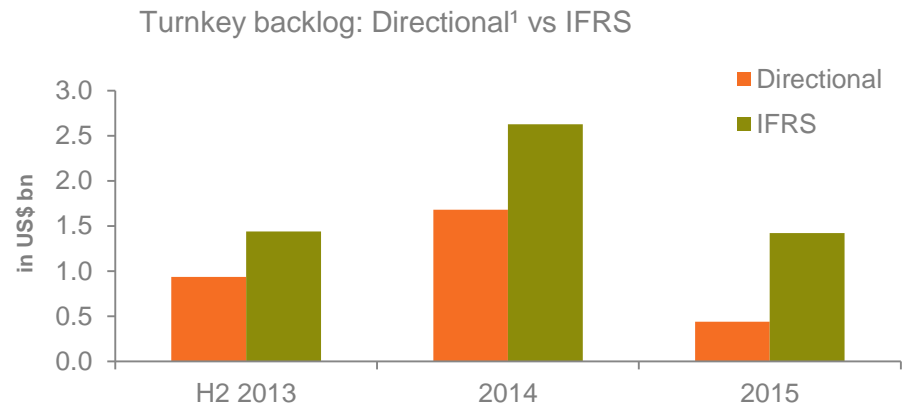
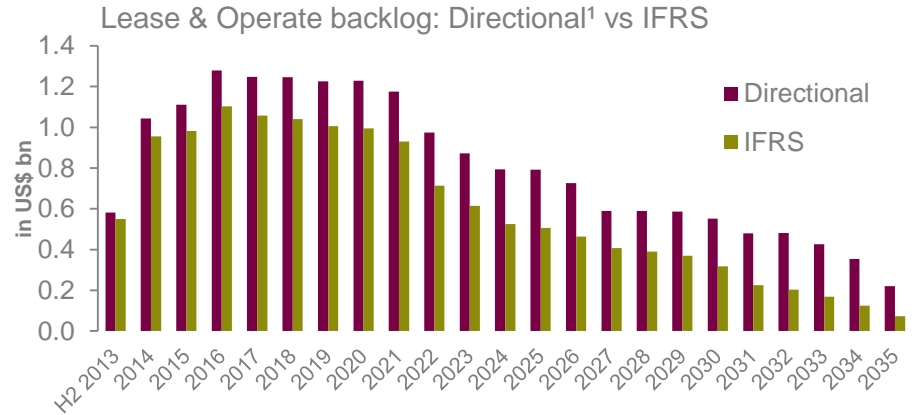




US\$22.4 bn
(as of June 30, 2013)



■ Lease & Operate
■ Turnkey





- Turnkey sale
- On time, on budget
- No further financial exposure

Delivered in September





- 20 year lease contract
- On time, on budget
- More than 65% local content
- FPSO built in 34 months

In production H1 2013

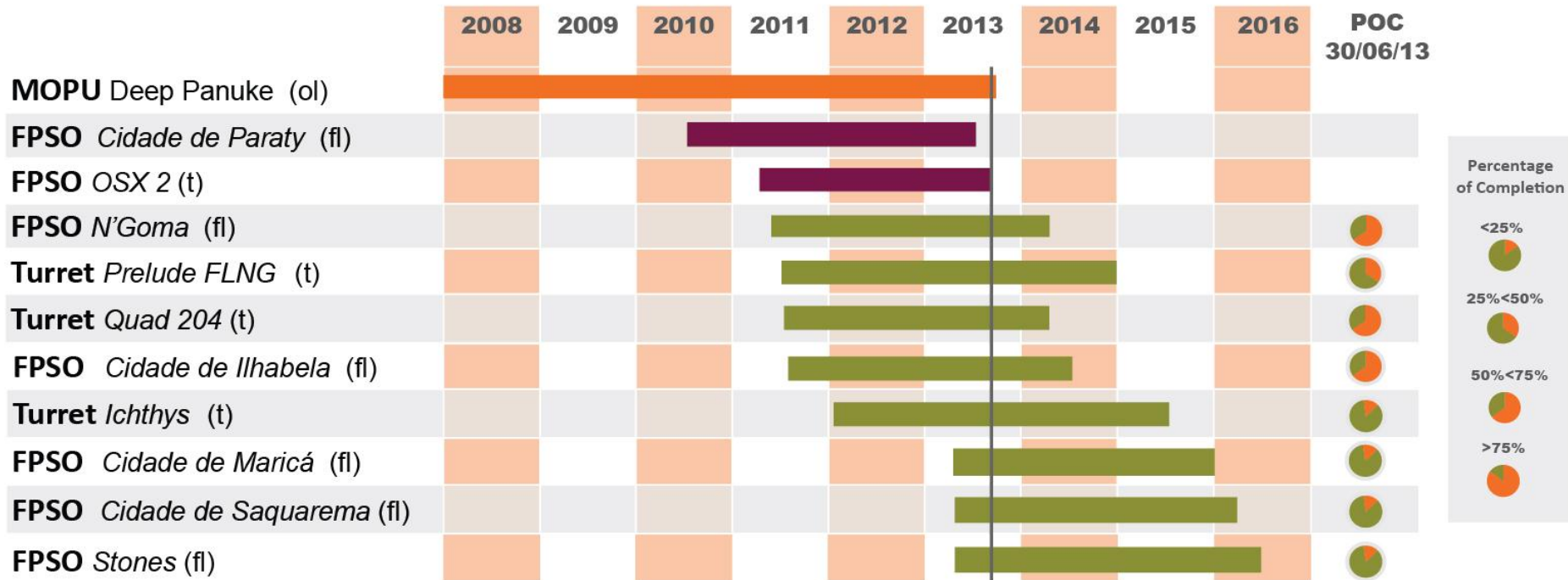




- Well gas on platform
- Partial day rate arrangement applies
- Final stages commissioning and start-up

In production H2 2013



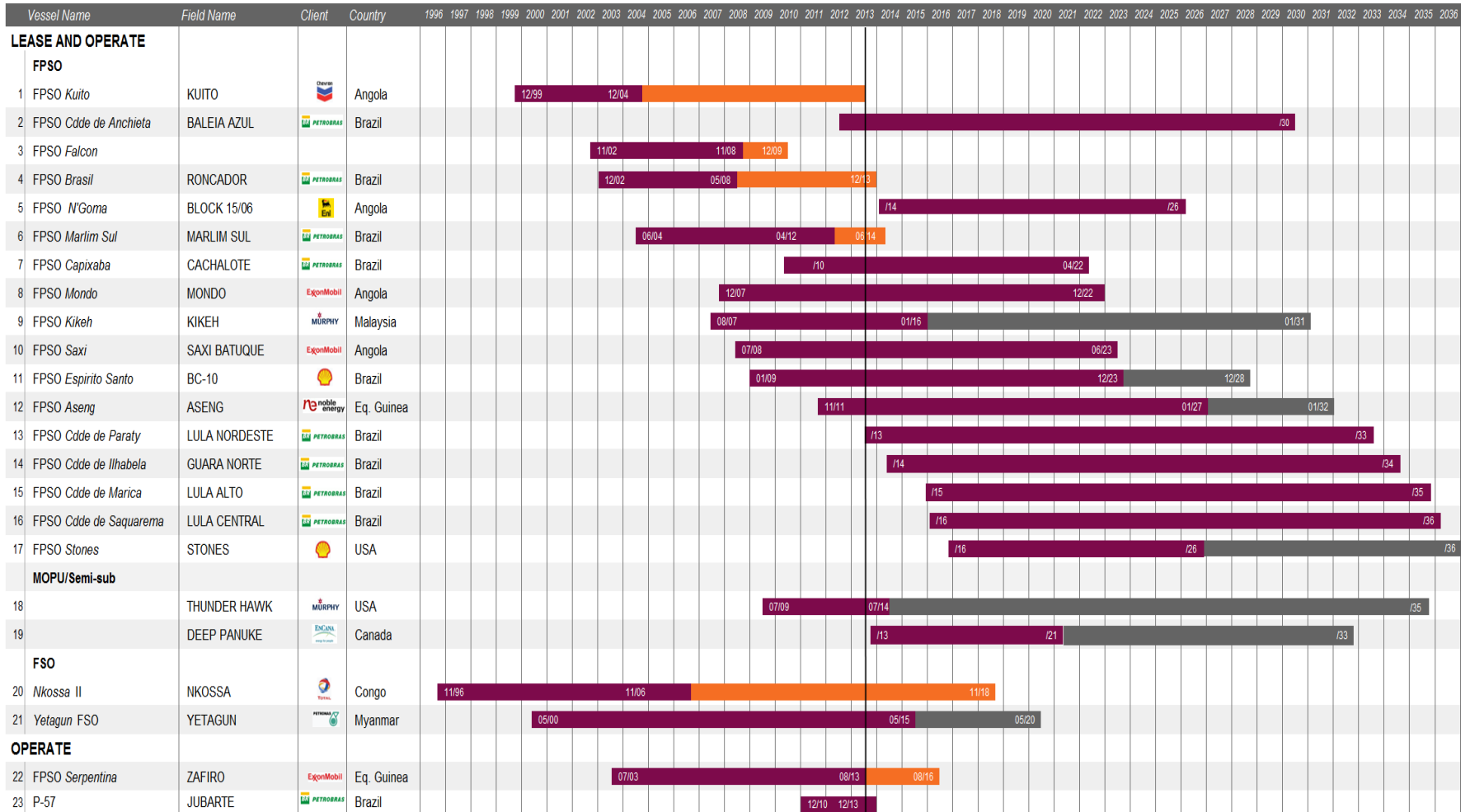


(ol) operating lease (fl) finance lease (t) turnkey

■ Legacy Project
 ■ In Progress/On Schedule
 ■ Completed/On Hire



L&O Portfolio Average Duration: 14.5 years



Initial Lease Period Confirmed Extension Contractual Extension Option



- Termination of existing agreements and arbitration procedures
- Platform to be decommissioned by Talisman by 2016; transported and scrapped by SBM Offshore
- All relevant costs have been provided for in 2012
- US\$470 mln settlement contribution: Paid in full, March 2013
- Impact on P&L: US\$200 mln charge in H2 2012 and US\$270 mln charge in H1 2013



- 10% Rights Issue at €10.07 per share in April 2013
- 97.7% take-up by existing shareholders
- HAL at 13.5% shareholding following the Rights Issue and December 2012 Private Placement

December Private Placement at €8.5/share	US\$189 mln
March top-up Private Placement at €10.07/share	US\$27 mln
April Rights Issue at €10.07/share	US\$247 mln
TOTAL	US\$463 mln



- 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 under our Chief Governance and Compliance Officer
- In active dialogue with the relevant authorities
- Final outcome not expected by year end



- Sale and lease back of Monaco real estate
- COOL™ hose technology sold
- *SBM Installer* sold for US\$180 million cash





FPSO *N'Goma* Project Financing

- US\$600 mln project loan secured
- Maturity: 1 year pre completion / 7 years post completion fully amortised term loan
- Weighted Average Cost of Debt: 4.7%

Q3 2013 Financing Obtained



Agenda

Who we are, where we are

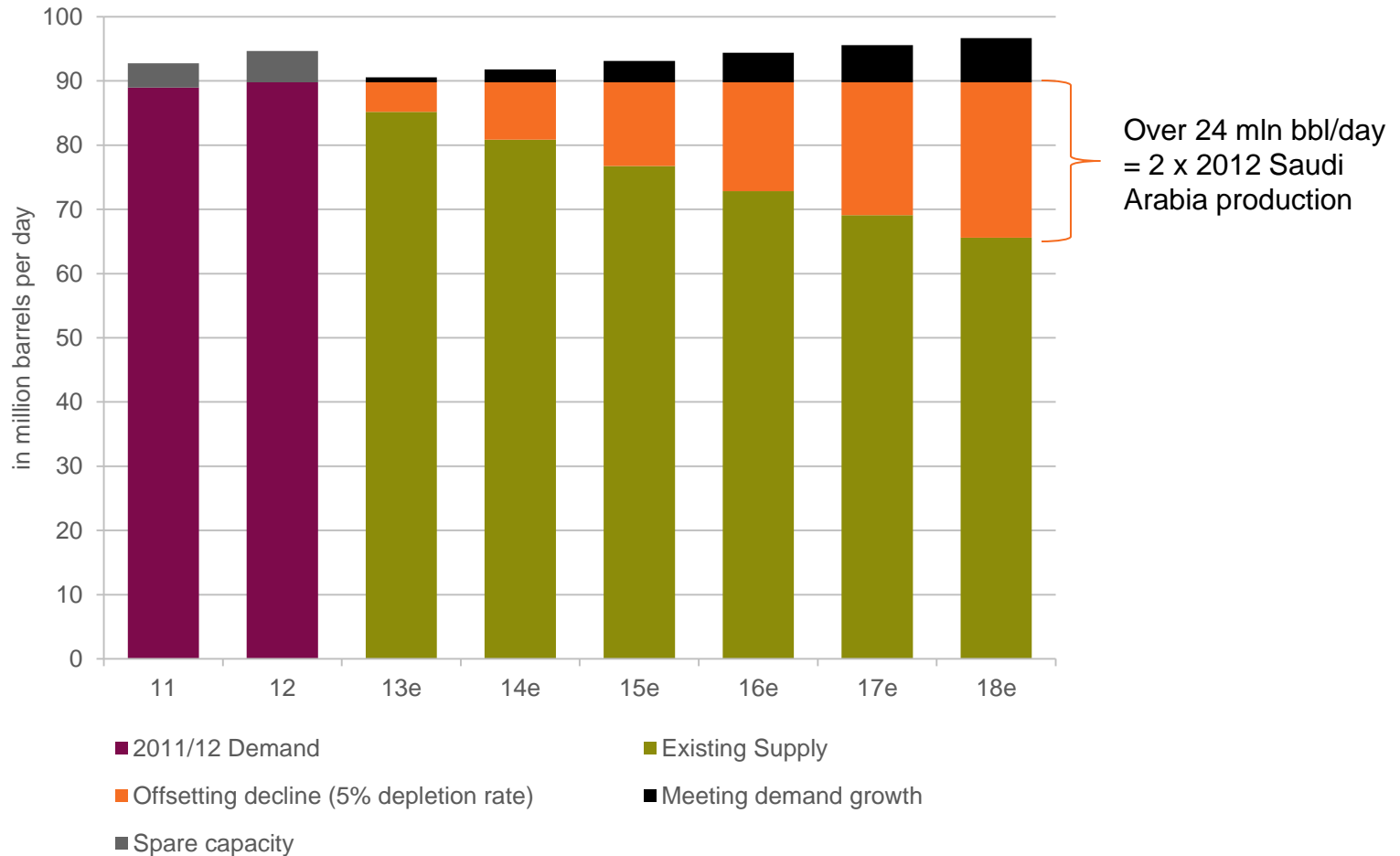
Emerging Opportunities

Our Strategy



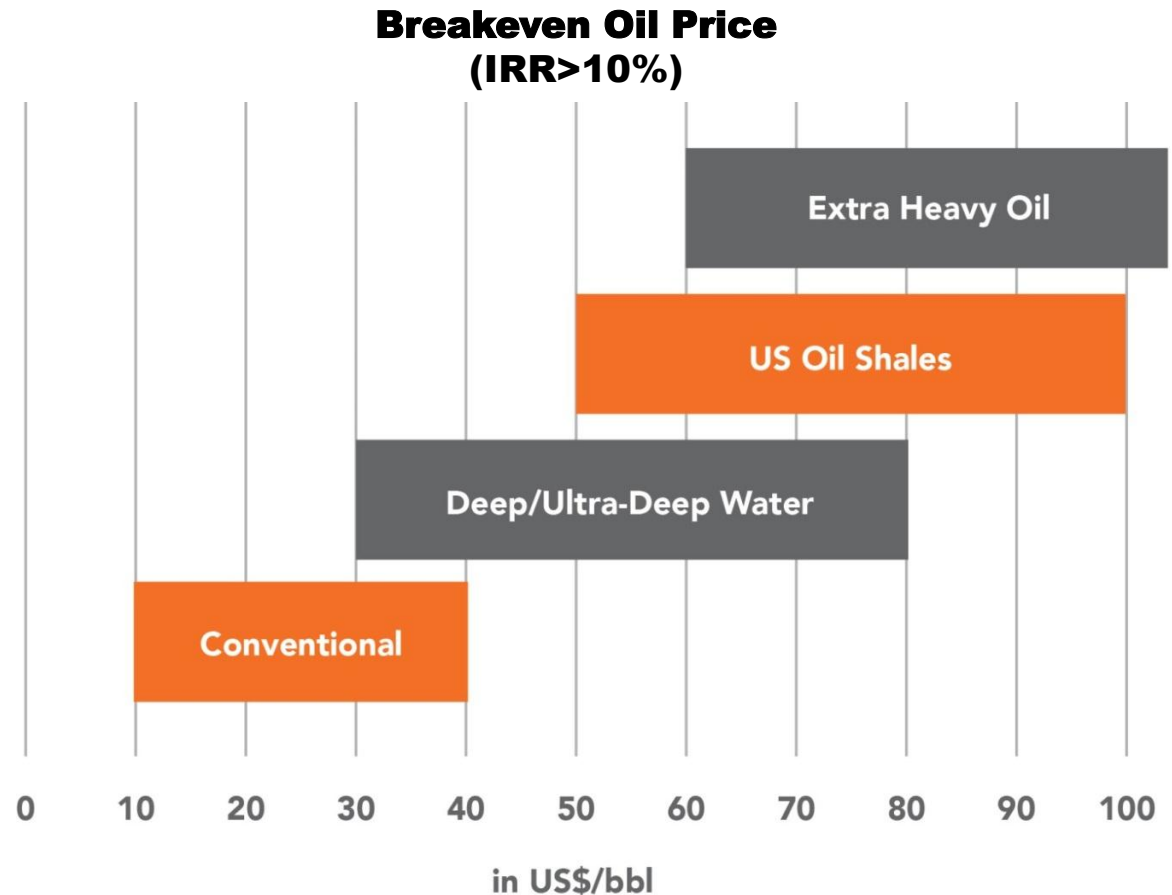


Demand Growth vs. Field Depletion





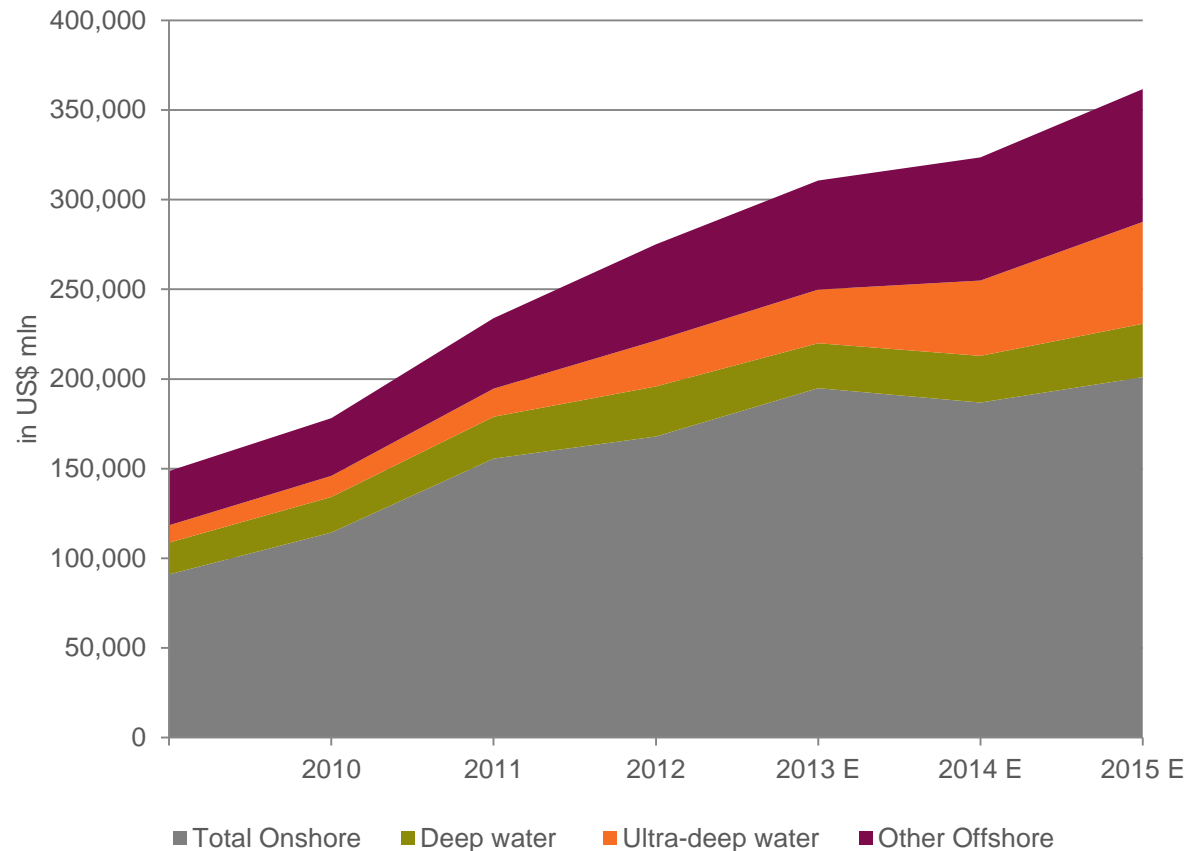
- Deep and ultra-deep water breakeven costs are competitive
- Average SBM Generation 3 FPSO production costs are below US\$5/bbl





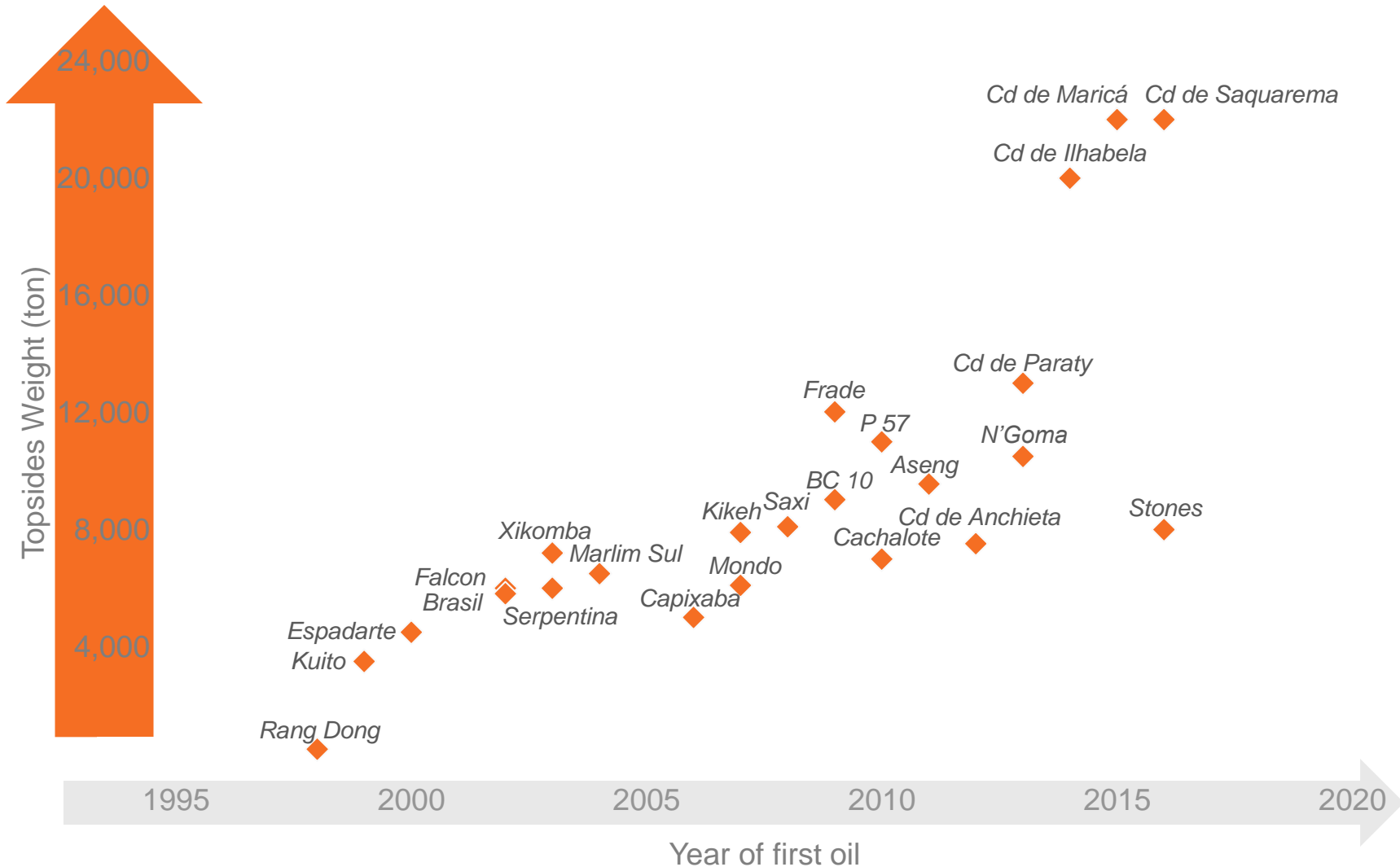
- Offshore Growth
CAGR 2012-15E: +20%
- Ultra-deep Water Growth
CAGR 2012-15E: +38%
- Onshore Growth
CAGR 2012-15E: +7%

Global Upstream CAPEX (in US\$ mln)





Complexity Increasing





S&B
OFFSHORE

Getting Complex



IR - 18/09/2013

1996



November 2012



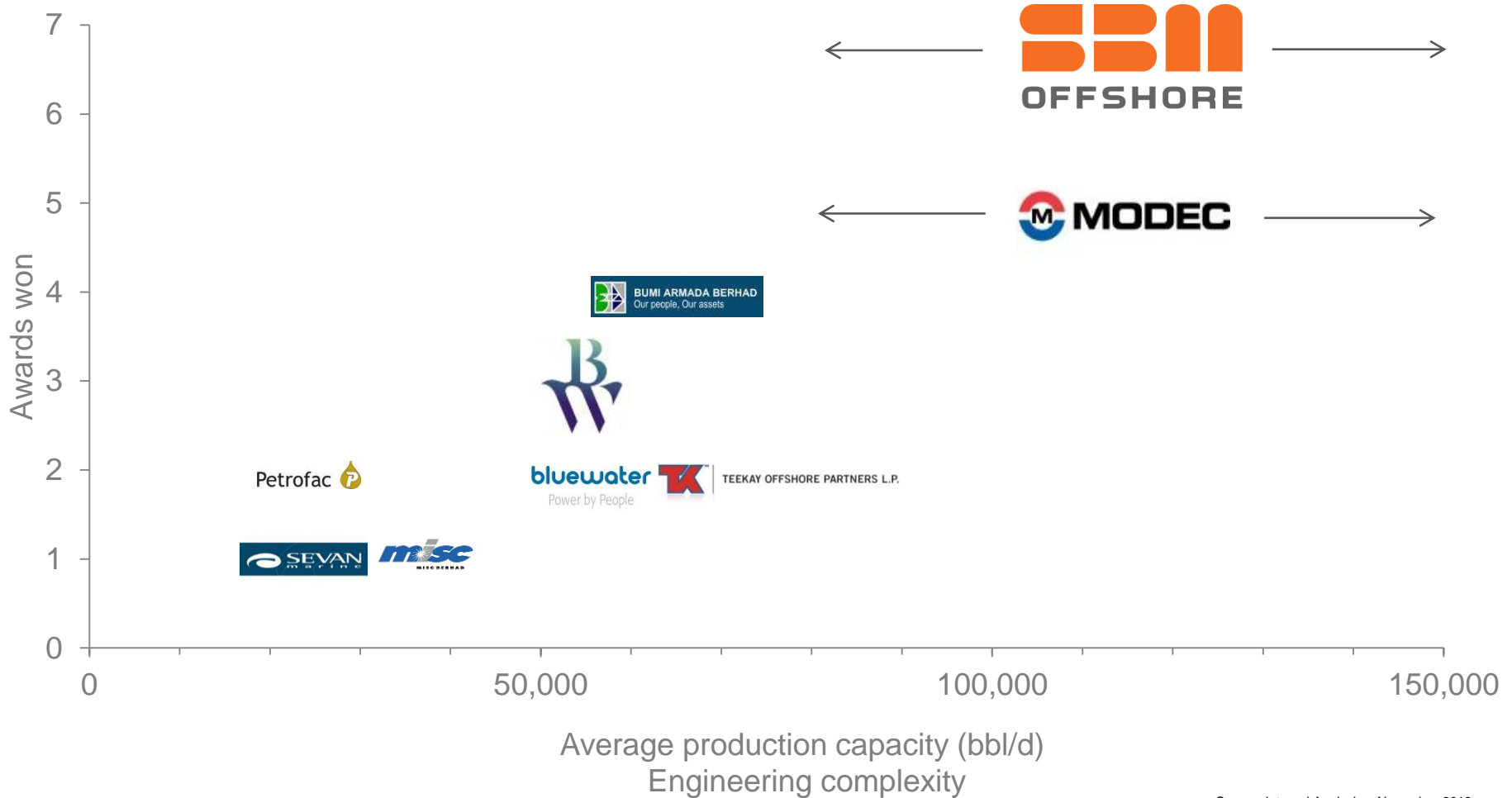
1862	1905	1959	1960	1969	1972	1973	1974	1977	1978
A.F. Smulders Machine Factory	Start of Gusto Shipyard	CALM Buoy*	Drilling Jack-up*	SBM Inc. established in Switzerland	DP Drillship*	SBS Mooring System*	Semi-submersible pipelay vessel*	SALS Mooring System*	Start of Gusto Engineering
1981	1985	1985	1986	1988	1990	1993	1996	1999	2001
Leased FPSO*	Jacket Soft Yoke*	External Turret*	Disconnectable Turret*	MSC re-joined the Group	Acquisition of Imodco	North Sea Internal Turret*	Turnkey North Sea FPSO*	Deepwater CALM Buoy*	Acquisition of Atlantia
2002	2002	2003	2005	2005	2006	2006	2006	2007	2007
Delivery of the first generic FPSO	Acquisition of Ocean Design Associates Inc.	Delivery of the largest Seastar® TLP	Company name change to SBM Offshore N.V.	New Build LPG FPSO*	Leased MOPU*	Deepest Semi-Submersible in the GoM	Offshore Offloading Line : Trelline™ Installed*	GAP™ mid water Fluid Transfer System*	Largest Internal Turret with 75 risers
2008	2009	2010	2011	2012	2012	2013			
First DeepDraft Semi® with PHA contract	First turret-moored FPSO using steel catenary risers	First FPSO with over 65% Brazilian content*	COOL™ LNG Transfer System*	Company rebranding	HV-AC Electric Swivel rated at 65KV and 150 MW*	VHP Swivel rated at over 800 bar*			

■ World Record

* Industry First



FPSO market 2010-2013 YTD Awards



Source: Internal Analysis – November 2013



FPSO Awards in Review

2010
12 Awards

2011
12 Awards

2012
7 Awards

YTD 2013
10 Awards

Small FPSOs

4

4

4

3

New build FPSOs

5

3

2

FPSOs
in scope

2

2

2

1

Cdd Paraty

3

*Cdd Ilhabela
N'Goma
OSX 2*

2

1

3

*Cdd Maricá
Cdd Saquarema
Stones*

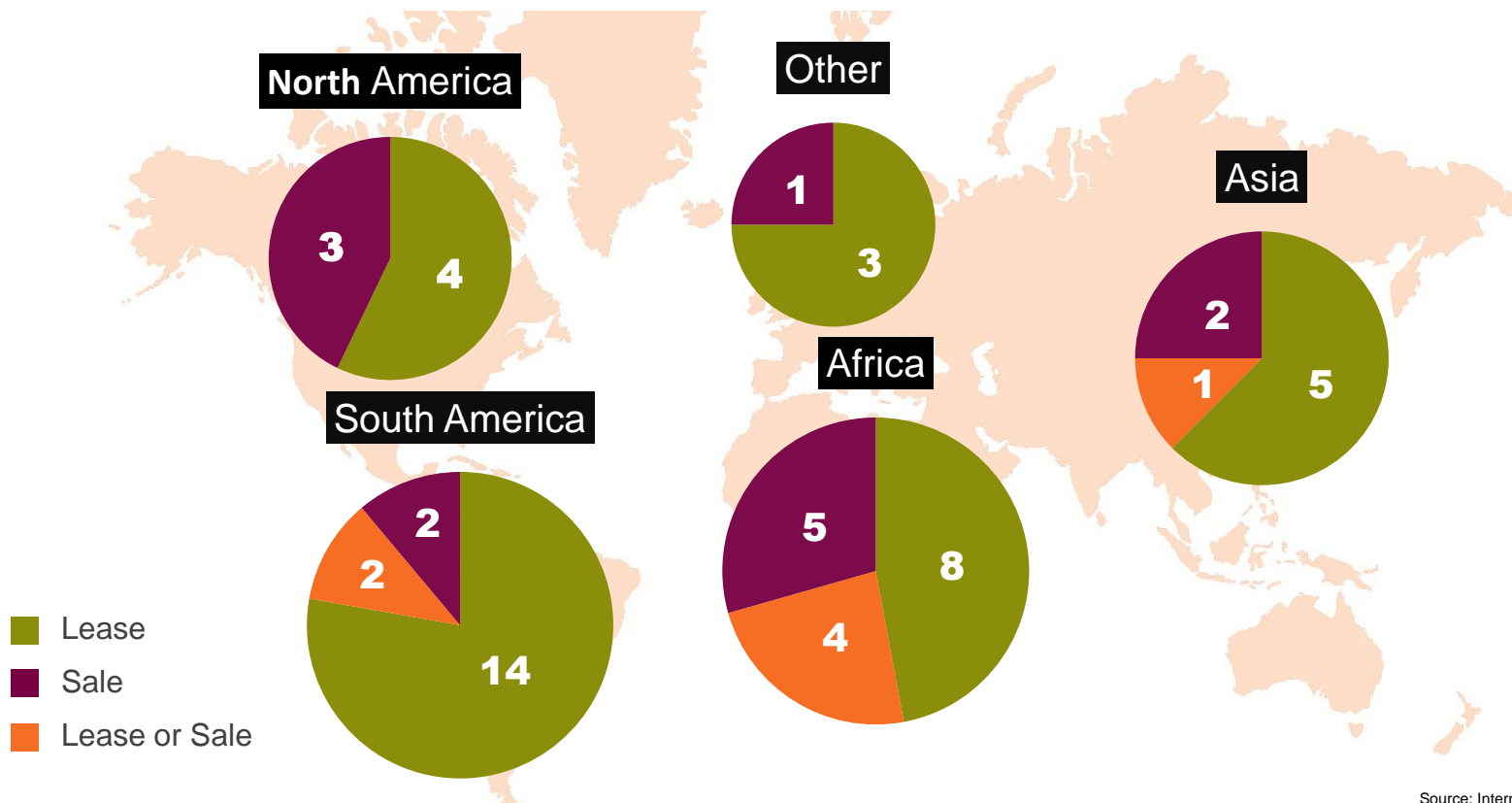




Field developments requiring FPSOs over the next 3 years

More than 50 FPSO project awards anticipated

SBM will focus on ~20 projects to obtain targeted share



Source: Internal Analysis - August 2013

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FPSO

FPSO

FPSO

The Company has refocused its product line on core FPSO products and associated services.

By focusing on core products with historically good margins, whilst improving execution standards and project risk profiles, the Company believes it will return to delivering superior financial returns.



- Unsustainable historic industry returns
- SBM recent steps:
 - ✓ Discipline in tendering
 - ✓ Attractive niche position
 - ✓ Not a commodity product
 - ✓ Excellent operations (99% uptime)





Still in Transformation Process

Appendix



SBM
OFFSHORE

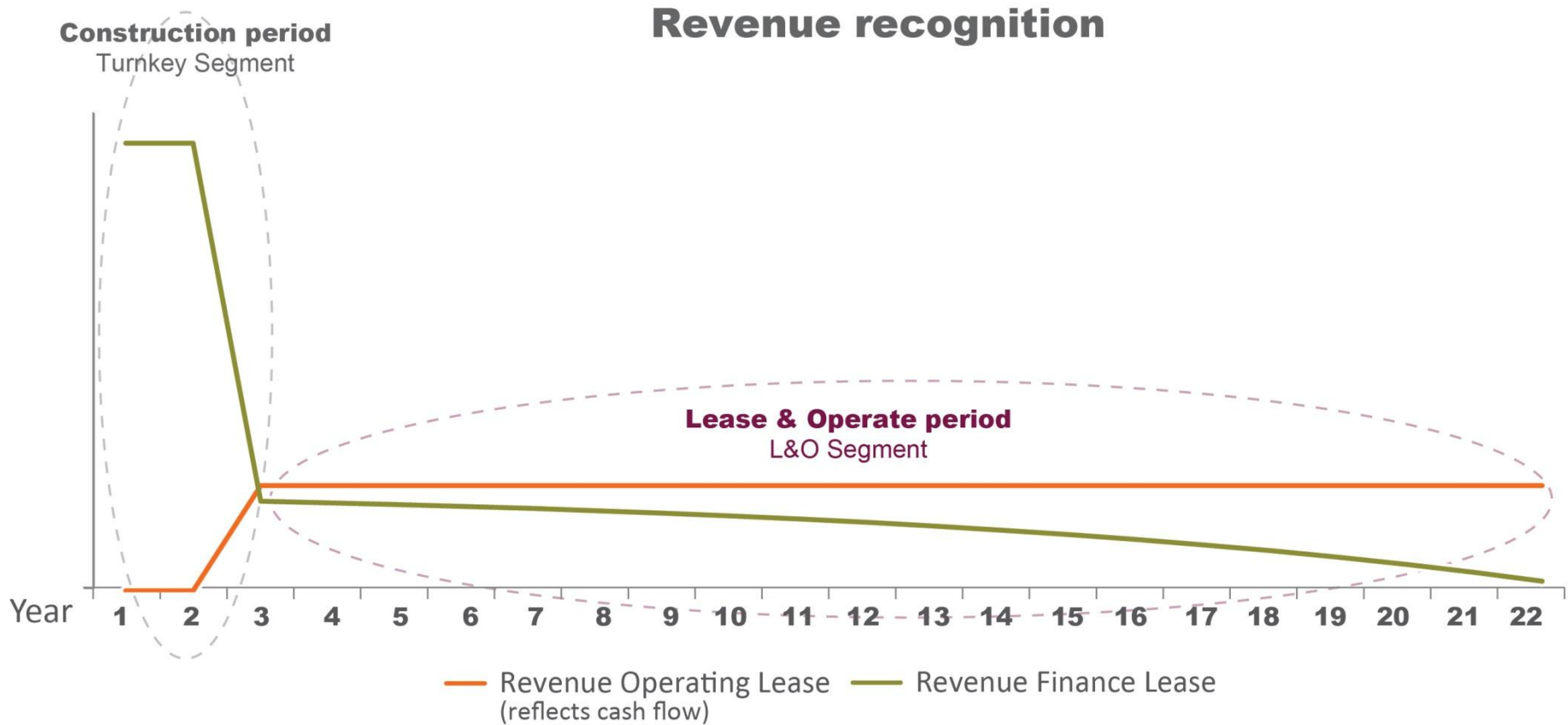
SBM
OFFSHORE



- SBM Offshore seeking to provide analysts and investors with clarity on business performance above and beyond statutory IFRS disclosure
- SBM Offshore's business model combines turnkey sales, construction and lease and operate projects, making it a challenge to model
- IFRS finance lease accounting adds complexity by separating revenue recognition from cash flows
- IFRS accelerates recognition of revenues, profit and equity well before any rents are paid by client
- Increasing number of contracts classified as finance leases, with IASB intention to make all leases finance leases
- In this context, SBM Offshore is extending its reporting to a non-GAAP operating lease presentation in line with operating cash flows...
- ...leading to increased transparency and understanding of SBM Offshore's performance...
- ...through disclosure of Directional¹ Backlog and a Directional¹ Income Statement as part of the Financial Review

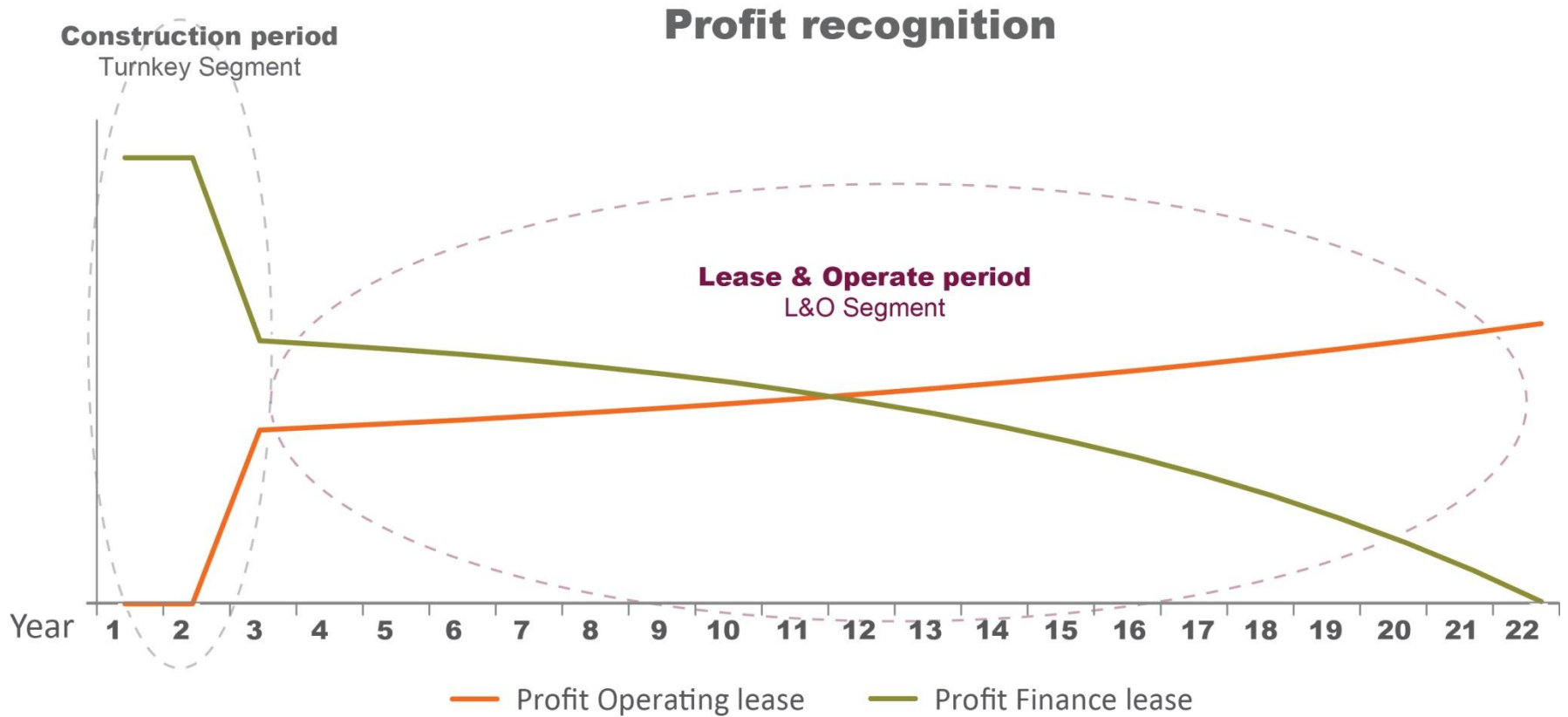


Operating Lease vs Finance Lease





Operating Lease vs Finance Lease





- Turnkey segment becomes a pure construction business. Revenue and Gross Margin consist of:
 - Direct sales contracts (FPSO *OSX 2*, Turrets for *Prelude*, *Quad 204* and *Ichthys*)
 - Sales to JV partners (FPSO *Cdd de Ilhabela*, FPSO *N'Goma*, FPSO *Cdd de Maricá* and *Saquarema*)
- Lease and Operate segment becomes a pure long term cash business. Revenue and Gross Margin consist of SBM's share of Lease and Operate contracts (Bareboat + OPEX)
- 2013 transition period to promote Directional¹ Reporting as the main indicator for company performance and variance analysis
- 2014 guidance to be based on Directional¹ results



Turnkey P&L

(in millions of US\$)

US\$ mln		H1 2013			H1 2012*		
		Directional ¹	IFRS Adjustment	IFRS	Directional ¹	IFRS Adjustment	IFRS
Turnkey	Third parties revenues	1,146	577	1,723	891	310	1,201
	Gross Margin	238	70	308	122	34	156
	EBIT	170	70	240	61	34	95
	Depreciation, amortisation and impairment	(8)	-	(8)	(13)	-	(13)
	EBITDA	178	70	248	74	34	108

*Restated for comparison purposes

Directional¹

- Revenue up 29% reflecting high activity levels
- EBIT margin 15% vs 7% in H1 2012 (includes introduction POC method)

IFRS

- Revenue up 43% reflecting high activity levels on FL contracts
- EBIT margin 14% vs 8% in H1 2012 (includes introduction POC method)



Lease & Operate P&L

(in millions of US\$)

US\$ mln		H1 2013			H1 2012*		
		Directional ¹	IFRS Adjustment	IFRS	Directional ¹	IFRS Adjustment	IFRS
Lease and Operate	Third parties revenues	523	(28)	495	459	(22)	437
	Gross Margin	(141)	4	(137)	152	7	159
	EBIT	(152)	4	(148)	140	7	147
	Depreciation, amortisation and impairment	(150)	31	(119)	(125)	29	(95)
	EBITDA	(1)	(28)	(29)	265	(22)	243

*Restated for comparison purposes

Directional¹

- Revenue up 14%, mainly *Anchieta*
- EBIT affected by US\$300 mln charges (Yme, Deep Panuke)
- Underlying EBIT margin 28% (H1 2012 31%)

IFRS

- Revenue up 13%, mainly *Anchieta*
- EBIT affected by US\$300 mln charges (Yme, Deep Panuke)
- Underlying EBIT margin 31% (H1 2012 34%)



Group P&L

(in millions of US\$)

US\$ mln	H1 2013			H1 2012*		
	Directional ¹	IFRS Adjustment	IFRS	Directional ¹	IFRS Adjustment	IFRS
Third parties revenues	1,669	549	2,218	1,350	287	1,637
Gross Margin	97	74	171	274	41	315
EBIT	(3)	74	71	176	41	217
Depreciation, amortisation and impairment	(158)	31	(127)	(138)	29	(109)
EBITDA	155	43	198	314	11	326
Net financing costs	(51)	-	(51)	(44)	-	(44)
Income from associated companies	1	-	1	3	-	3
Income tax expense	12	(16)	(4)	(14)	(4)	(18)
Profit / (loss)	(42)	58	16	121	37	158
Underlying EPS in US\$	1.26		1.56	0.70		0.89
Weighted average number of shares			199,090,924			175,257,669

*Restated for comparison purposes

- Directional¹ revenue up 24%
- US\$270 mln charge for Yme settlement and US\$30 mln Deep Panuke charge
- Directional¹ EBIT(excluding Yme and Deep Panuke charges) up 69%



Group Ratios

(in millions of US\$)

	30-Jun-13	31-Dec-12*	Change	Comment
Debt	2,553	2,531	1%	Stable
Net Liquidities	253	715	-65%	Cash position affected by Yme payment
Net Debt	2,300	1,816	27%	Cash position affected by Yme payment
Total Equity	1,864	1,530	22%	H1 result, Private placement and H1 Rights Issue
Net Debt : Equity	123%	119%	400bps	Stable
Solvency Ratio	30%	27%	300bps	H1 result, Rights Issue

*Restated for comparison purposes