

2017

ANNUAL REPORT



EXPERIENCE MATTERS

4.2.6 GENERAL INFORMATION

SBM Offshore N.V. is a company domiciled in Amsterdam, the Netherlands (KvK number 24233482). SBM Offshore N.V. is the holding company of a group of international marine technology oriented companies. The Company globally serves the offshore oil and gas industry by supplying engineered products, vessels and systems, as well as offshore oil and gas production services.

The Company is listed on the Euronext Amsterdam stock exchange.

The consolidated financial statements for the year ended December 31, 2017 comprise the financial statements of SBM Offshore N.V., its subsidiaries and interests in associates and joint ventures (together referred to as 'the Company'). They are presented in millions of US dollars, except when otherwise indicated. Figures may not add up due to rounding.

The consolidated financial statements were authorized for issue by the Supervisory Board on February 7, 2018.

4.2.7 ACCOUNTING PRINCIPLES

A. ACCOUNTING FRAMEWORK

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the EU, where effective, for financial years beginning January 1, 2017 and also comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code.

The separate financial statements included in section 4.4 are part of the 2017 financial statements of SBM Offshore N.V.

New standards, amendments and interpretations applicable as of January 1, 2017

The Company has adopted the following new standards with a date of initial application of January 1, 2017:

- IAS 7 Amendment 'Disclosure initiative';
- IAS 12 Amendment 'Recognition of deferred tax assets for unrealized Losses';
- Annual Improvements to IFRSs 2014-2016 (Amendments to IFRS 12).

The adoption of the interpretations, amendments and annual improvements had no significant effect on the financial statements for earlier periods nor on the financial statements for the period ended December 31, 2017.

Standards and interpretations not mandatory applicable to the group as of January 1, 2017

The Company has decided not to pursue early adoption of standards and amendments published by the IASB and endorsed by the European Commission, but not mandatory applicable as of January 1, 2017. Other new standards and amendments have been published by the IASB but have not been endorsed yet by the European Commission. Early adoption is not possible until European Commission endorsement. Those which may be relevant to the Company are set out below:

IFRS 9 – Financial Instruments

This standard includes requirements for the classification, measurement and (de-)recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. This standard will be mandatory as of January 1, 2018.

The Company has further analyzed the impacts and practical consequences of the standard's future application. Based on the analyses performed, the preliminary conclusions are the following:

- Implementation of the new standard has no impact on the classification and initial measurement of the Company's financial assets and liabilities.
- The new rules for hedge accounting are expected to have no impact on the financial reporting of the Company.