2017
ANNUAL REPORT

SBM OFFSHORE

EXPERIENCE MATTERS

4.5.4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are at the SBM Offshore N.V.'s free disposal.

4.5.5 SHAREHOLDERS EQUITY

For an explanation of the shareholders equity, reference is made to the consolidated statement of changes in equity and 4.3.23 Equity Attributable to Shareholders.

Legal reserve

	31 December 2017	31 December 2016
Investees equity non-distributable[1]	1,124	947
Capitalized development expenditure[2]	14	18
Translation reserve	(62)	(45)
Cash flow hedges	(26)	(212)
Total	**1,051**	**708**

1 including US$ 70 million of Swiss entities legal reserves
2 relates to the Company subsidiaries

Under the Dutch guidelines for financial reporting which apply to the Company statement of financial position, a legal reserve must be maintained for the above-mentioned items.

PROPOSED APPROPRIATION OF RESULT

With the approval of the Supervisory Board, it is proposed that the result shown in SBM Offshore N.V. income statement be appropriated as follows (in US$):

Appropriation of result

	2017
Profit/Loss attributable to shareholders	(155)
In accordance with Article 29 clause 4 to be transferred to the 'Retained earnings'	(155)
At the disposal of the General Meeting of Shareholders	**-**

It is proposed that US$ 51 million of retained earnings is distributed among the shareholders.

4.5.6 OTHER CURRENT AND NON-CURRENT LIABILITIES

Current and non current liabilities

	31 December 2017	31 December 2016
Trade payables	1	0
Amounts owed to Group companies	29	303
Taxation and social security costs	1	1
Other creditors	6	3
Total current liabilities	**37**	**307**

The other current liabilities fall due in less than one year. The fair value of other current liabilities approximates the book value, due to their short-term character.

4.5.7 REVENUE

The revenue comprises management fees charged to 100% owned Group companies.