



OFFSHORE

ENERGY. COMMITTED.

ANNUAL REPORT 2018

4.2.6 GENERAL INFORMATION

SBM Offshore N.V. has its registered office in Amsterdam, the Netherlands and is located at Evert van de Beekstraat 1-77, 1118 CL in Schiphol, the Netherlands. 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 registered at the Dutch Chamber of Commerce under number 24233482 and is listed on the Euronext Amsterdam stock exchange.

The consolidated financial statements for the year ended December 31, 2018 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 13, 2019.

4.2.7 ACCOUNTING PRINCIPLES

A. ACCOUNTING FRAMEWORK

The consolidated financial statements of the Company have been prepared in accordance with, and comply with, International Financial Reporting Standards (IFRS) and interpretations adopted by the EU, where effective, for financial years beginning January 1, 2018 and also comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code.

The Company financial statements included in section 4.4 are part of the 2018 financial statements of SBM Offshore N.V.

NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLICABLE AS OF JANUARY 1, 2018

The Company has adopted the following new standards as of January 1, 2018:

- IFRS 9 'Financial Instruments';
- IFRS 15 'Revenue from Contracts with Customers';
- IFRS 16 'Leases';
- IAS 28 Amendment 'Long-term Interests in Associates and Joint Ventures';
- IFRS 2 Amendment 'Share-based Payment';
- IAS 40 Amendment 'Investment Property';
- IFRIC 22 'Foreign Currency Transactions and Advance Considerations';
- Annual Improvements to IFRS Standards 2014-2016 Cycle.

IFRS 9 – Financial Instruments

IFRS 9 includes requirements for the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. This standard is mandatory as of January 1, 2018. The adoption of IFRS 9 resulted in changes in accounting policies and adjustments to the amounts recognized in the financial statements of the Company as described below.

Classification and measurement

IFRS 9 includes amended guidance for the classification and measurement of financial assets. IFRS 9 classifies financial assets in the following measurement categories: i) those to be measured subsequently at fair value (either through Other Comprehensive Income ('OCI'), or through profit or loss), and ii) those to be measured at amortized cost. The classification under IFRS 9 for financial assets is driven by the entity's business model for