



OFFSHORE

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ANNUAL REPORT 2018

The following reflects the share data used in the basic and diluted earnings per share computations:

Earnings per share

	2018	2017
Earnings attributable to shareholders (in thousands of US\$)	212,045	(155,122)
Number of shares outstanding at January 1 (excluding treasury shares)	203,417,031	202,042,126
Average number of treasury shares transferred to employee share programs	853,579	807,161
Weighted average number of shares outstanding	204,270,610	202,849,287
Potential dilutive shares from stock option scheme and other share-based payments	34,813	-
Weighted average number of shares (diluted)	204,305,423	202,849,287
Basic earnings per share	US\$ 1.04	US\$ (0.76)
Fully diluted earnings per share	US\$ 1.04	US\$ (0.76)

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements, except for issuing of Value Creation Stake shares for the Management Board and matching shares for the Company's Senior Management (see note 4.3.6 Employee Benefit Expenses).

4.3.12 DIVIDENDS PAID AND PROPOSED

In accordance with the Company's dividend policy, and further taking into account the specific circumstances relating to 2018 including the nature of the non-recurring items, a dividend of US\$ 0.37 per share (based on the number of shares outstanding at December 31, 2018), to be paid out of retained earnings, will be proposed to the Annual General Meeting on April 10, 2019. This represents approximately 25% of the Company's US\$ 301 million Directional 2018 net income.

The Company reviews its dividend policy on a regular basis and intends to revise this as follows: the Company's policy is to maintain a stable dividend, which grows over time. Determination of the dividend is based on the Company's assessment of its underlying cash flow position. The proposed change will be presented for discussion at the AGM on April 10, 2019.

Regarding capital allocation, the Company prioritizes payment of the dividend, followed by the financing of growth, with the option thereafter to repurchase shares depending on residual liquidity and cashflow outlook. Based on this approach and having reviewed the current liquidity position, the requirement to fund growth and the resulting cash flow outlook, the Company has determined that it currently has the capacity to repurchase shares. Consequently, on February 14, 2019 the Company will commence a euro 175 million share repurchase program, approximate to the net cash it has received for the Yme Insurance settlement.

4.3.13 PROPERTY, PLANT AND EQUIPMENT

The line item 'Property, plant and equipment' consists of property, plant and equipment owned by the Company and right-of-use assets following the early adoption of IFRS 16:

Property, plant and equipment (summary)

	31 December 2018	31 December 2017
Property, plant and equipment excluding leases	1,072	1,243
Right-of-use assets	126	-
Total	1,198	1,243