



EXPERIENCE **MATTERS**

2016

ANNUAL REPORT

5.3.10 EARNINGS / (LOSS) PER SHARE

The basic earnings per share for the year amounts to US\$ 0.87 (2015: US\$ 0.14); the fully diluted earnings per share amounts to US\$ 0.87 (2015: US\$ 0.14).

Basic earnings / (loss) per share amounts are calculated by dividing net profit / (loss) for the year attributable to shareholders of the Company by the weighted average number of shares outstanding during the year.

Diluted earnings / (loss) per share amounts are calculated by dividing the net profit / loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the year plus the weighted average number of shares that would be issued on the conversion of all the dilutive potential shares into ordinary shares.

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

Earnings per share

	2016	2015
Earnings attributable to shareholders (in thousands of US\$)	182,307	29,313
Number of shares outstanding at January 1	211,694,950	209,695,094
Average number of new shares issued	1,118,829	1,155,957
Average number of shares repurchased	-2,245,363	0
Weighted average number of shares outstanding	210,568,416	210,851,051
Potential dilutive shares from stock option scheme and other share-based payments	1,747	150,332
Weighted average number of shares (diluted)	210,570,163	211,001,383
Basic earnings per share	US\$ 0.87	US\$ 0.14
Fully diluted earnings per share	US\$ 0.87	US\$ 0.14

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 issue of matching shares to the Management Board and other senior management.

5.3.11 DIVIDENDS PAID AND PROPOSED

The Company introduced a new dividend policy in 2015 which consists of paying out either in cash or in shares of SBM Offshore at the election of each shareholder between 25% and 35% of the directional net income, provided that positive free cash flows are expected to be generated during the year of payment. In accordance with this policy but taking into account the specific circumstances relating to 2016 including the nature of the non-recurring items, a dividend out of 2016 net income of US\$ 0.23 (2015 : US\$ 0.21) per share will be proposed to the Annual General Meeting on April 13, 2017, corresponding to approximately 31% of the Company's US\$ 150 million Directional net income adjusted, this year, for non-recurring items.

The annual dividend will be calculated in US dollars, but will be payable in euros. The conversion into Euro will be effected on the basis of the exchange rate on April 13, 2017.