



EXPERIENCE **MATTERS**

2016

ANNUAL REPORT

5 FINANCIAL REPORT 2016

5.2.6 GENERAL INFORMATION

SBM Offshore N.V. is a company domiciled in Amsterdam, 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 listed on the Euronext Amsterdam stock exchange.

The consolidated financial statements for the year ended December 31, 2016 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 8, 2017.

5.2.7 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, 2016.

The separate financial statements included in section 5.4 are part of the 2016 financial statements of SBM Offshore N.V.

New standards, amendments and interpretations applicable as of January 1, 2016

The Company has adopted the following new standards with a date of initial application of January 1, 2016:

- IAS 19 Amended 'Defined Benefit Plans: Employee Contributions';
- IFRS 11 Amendment 'Accounting for Acquisitions of Interests in Joint Operations';
- IAS 16 and IAS 38 Amendment 'Clarification of Acceptable Methods of Depreciation and Amortization';
- IAS 27 Amendment 'Equity Method in Separate Financial Statements';
- IAS 1 Amendment 'Disclosure Initiative';
- Annual improvements: 2010-2012 and 2012-2014 cycles.

The adoption of the interpretations, amendments and annual improvements had no significant effect on the financial statements for earlier periods and on the financial statements for the period ended December 31, 2016.

Standards and interpretations not mandatory applicable to the group as of January 1, 2016

The Company has decided not to early adopt standards and amendments published by the IASB and endorsed by the European Commission, but not mandatory applicable as of January 1, 2016. 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: