



EXPERIENCE **MATTERS**

**2016**

ANNUAL REPORT

## 5 FINANCIAL REPORT 2016

### 5.4.3 GENERAL

The separate financial statements are part of the 2016 financial statements of SBM Offshore N.V.

The Company costs mainly comprise of management activities and cost of the headquarters office at Schiphol of which part is recharged to Group companies.

### 5.4.4 PRINCIPLES FOR THE MEASUREMENT OF ASSETS AND LIABILITIES AND THE DETERMINATION OF THE RESULT

SBM Offshore N.V. uses the option provided in section 2:362 (8) of the Netherlands Civil Code in that the principles for the recognition and measurement of assets and liabilities and determination of result (hereinafter referred to as principles for recognition and measurement) of the separate financial statements of SBM Offshore N.V. are the same as those applied for the consolidated financial statements. The consolidated financial statements are prepared according to the standards set by the International Accounting Standards Board and adopted by the European Union (referred to as EU-IFRS). Reference is made to the notes to the consolidated financial statements ('5.2.7 Accounting Principles') for a description of these principles.

Investments in group companies, over which control is exercised, are stated on the basis of the net asset value.

Results on transactions, involving the transfer of assets and liabilities between SBM Offshore N.V. and its participating interests or between participating interests themselves, are not incorporated insofar as they can be deemed to be unrealized.

## 5.5 NOTES TO THE COMPANY FINANCIAL STATEMENTS

### 5.5.1 INVESTMENT IN GROUP COMPANIES

The movements in the item Investment in Group companies are as follows:

#### Investment in Group companies

	2016	2015
Balance at 1 January	2,585	2,129
Reclassification to other receivables	(42)	(47)
<b>Investments net value</b>	<b>2,543</b>	<b>2,082</b>
Result of Group companies	204	54
Investment and other changes (a.o. IAS 39)	54	381
Divestments and capital repayments	-	39
Foreign currency variations	(27)	(13)
<b>Movements</b>	<b>230</b>	<b>461</b>
<b>Balance at 31 December</b>	<b>2,814</b>	<b>2,585</b>

The subsidiaries of the Company are the following (all of which are 100% owned):

- SBM Offshore Holding B.V., Amsterdam, the Netherlands
- SBM Group Holding Inc., Marly, Switzerland
- SBM Holding Luxembourg SARL, Luxembourg, Luxembourg
- SBM Schiedam B.V., Rotterdam, the Netherlands
- Van der Giessen-de Noord N.V., Krimpen a/d IJssel, the Netherlands
- SBM Holland B.V., Rotterdam, the Netherlands
- Capixaba Holding B.V., 's Gravenhage, the Netherlands
- XNK Industries B.V., Dongen, the Netherlands

### 5.5.2 DEFERRED TAX ASSET

The Company is head of a fiscal unity in which almost all Dutch companies are included.

A deferred tax asset is recognized for tax losses of the fiscal unity which can be carry forward for a period of nine years and are expected to be recovered based on anticipated future taxable profit within the Dutch fiscal unit.

### 5.5.3 OTHER RECEIVABLES

	31 December 2016	31 December 2015
Amounts owed by Group companies	5	21
Other debtors	-	1
<b>Total</b>	<b>5</b>	<b>22</b>

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

### 5.5.4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are at the Company's free disposal.