

# Annual REPORT

**S&B**  
OFFSHORE

2015



### 6.3.4 Other Operating Income and Expense

	2015	2014
Gains from sale of financial participations, property, plant and equipment	-	61
Other operating income	1	1
<b>Total other operating income</b>	<b>1</b>	<b>62</b>
Settlement expenses	(245)	(240)
Restructuring expenses	(55)	(8)
Other operating expense	(3)	0
<b>Total other operating expense</b>	<b>(303)</b>	<b>(248)</b>
<b>Total</b>	<b>(302)</b>	<b>(186)</b>

In 2015, the other operating expenses mainly include:

- The US\$ 245 million for non-recurring provision for settlement in Brazil (Please refer to note 6.3.1 Highlights)
- The net restructuring costs following the workforce reduction plan launched since the end of the year 2014

In 2014, the gains from disposal of items of property, plant and equipment included the sale of the third and last Monaco office building for US\$ 58 million and the DSCV SBM Installer for US\$ 4 million. The other operating expense included the US\$ 240 million charge related to the settlement of investigation with the Dutch Public Prosecutor's Office and the cost of restructuring plan already initiated in 2014 for US\$ 8 million.

### 6.3.5 Expenses by Nature

Year-on-year, expenses on construction contracts sharply decreased as a result from the market slowdown and the lower activity on the Company's finance lease project under construction, which are nearing completion FPSOs Cidade de Maricá, Cidade de Saquarema and Turritella.

The table below sets out expenses by nature for all items included in EBIT for the years 2015 and 2014:

#### Information on the nature of expenses

	<i>Note</i>	2015	2014
Expenses on construction contracts		(733)	(2,960)
Employee benefit expenses	6.3.6	(704)	(861)
Depreciation, amortisation and impairment		(223)	(199)
Selling expenses		(37)	(22)
Other costs		(770)	(773)
<b>Total expenses</b>		<b>(2,467)</b>	<b>(4,815)</b>

Employee benefit expenses came down during the period following the workforce reduction which ranged 2,000 positions over the period 2014 to 2015, including 700 positions on subsidiaries consolidated using the full consolidation method and 1300 positions on joint ventures and associates accounted for using the equity method.

The line 'Other costs' includes US\$ 245 million for non-recurring provision for settlement in Brazil and US\$ 89 million release of accruals for sales consultancy fees (please refer to 6.3.1).

In 2014, the line 'Other costs' includes the US\$ 240 million settlement cost with the Dutch Public Prosecutor's Office.