First Quarter 2020 Earnings Presentation

30 April 2020

Forward-looking statements

This document may contain 'forward-looking statements' (within the meaning of the safe harbour provisions of the U.S. Private Securities Litigation Reform Act of 1995). These statements relate to our current expectations, beliefs, intentions, assumptions or strategies regarding the future and are subject to known and unknown risks that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements may be identified by the use of words such as 'anticipate', 'believe', 'estimate', 'expect', 'future', 'goal', 'intend', 'likely' 'may', 'plan', 'project', 'seek', 'should', 'strategy' 'will', and similar expressions. The principal risks which could affect future operations of the Group are described in the 'Risk Management' section of the Group's Annual Report and Consolidated Financial Statements for the year ended 31 December 2019. Factors that may cause actual and future results and trends to differ materially from our forward-looking statements include (but are not limited to): (i) our ability to deliver fixed price projects in accordance with client expectations and within the parameters of our bids, and to avoid cost overruns; (ii) our ability to collect receivables, negotiate variation orders and collect the related revenue; (iii) our ability to recover costs on significant projects; (iv) capital expenditure by oil and gas companies, which is affected by fluctuations in the price of, and demand for, crude oil and natural gas; (v) unanticipated delays or cancellation of projects included in our backlog; (vi) competition and price fluctuations in the markets and businesses in which we operate; (vii) the loss of, or deterioration in our relationship with, any significant clients; (viii) the outcome of legal proceedings or governmental inquiries; (ix) uncertainties inherent in operating internationally, including economic, political and social instability, boycotts or embargoes, labour unrest, changes in foreign governmental regulations, corruption and currency fluctuations; (x) the effects of a pandemic or epidemic or a natural disaster; (xi) liability to third parties for the failure of our joint venture partners to fulfil their obligations; (xii) changes in, or our failure to comply with, applicable laws and regulations (including regulatory measures addressing climate change); (xiii) operating hazards, including spills, environmental damage, personal or property damage and business interruptions caused by adverse weather; (xiv) equipment or mechanical failures, which could increase costs, impair revenue and result in penalties for failure to meet project completion requirements; (xv) the timely delivery of vessels on order and the timely completion of ship conversion programmes; (xvi) our ability to keep pace with technological changes and the impact of potential information technology, cyber security or data security breaches; and (xvii) the effectiveness of our disclosure controls and procedures and internal control over financial reporting;. Many of these factors are beyond our ability to control or predict. Given these uncertainties, you should not place undue reliance on the forward-looking statements. Each forward-looking statement speaks only as of the date of this document. We undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Dual shock: Covid-19 and oil price

Start of 2020

Started the year with a backlog of $5.2bn and net cash of $164m(1)

February

Covid-19 begins to impact Chinese and Italian supply chains

Limited impact on Subsea 7

March

Covid-19 begins to impact global operations and oil demand

Brent falls from ~$70/b to ~$20/b

Now

Impact on Subsea 7:

1. Covid-19 impact
2. Oil price impact
3. Taking action

(1) Excluding IFRS 16 lease liabilities

Covid-19: immediate impact

- Protecting the health of our workforce while continuing to deliver clients' projects
  - Workforce of ~12,000 operating in 27 countries
- Executing projects safely through the crisis
  - New safeguards for crew on vessels
    - Travel restrictions, quarantine and extended rotations
  - Adapting to new work practices at worksites
    - Reduced operational capacity to enable social distancing
    - Suspension of activity at Wick due to labour availability
  - Remote working for engineers and office staff
- Logistical delays to projects and additional costs
  - Financial impact in Q1 2020: approximately $15-20m

Oil price impact

- Backlog security
  - Risk to contracts awarded in 2019 and earlier is considered low
  - Some deferral of SURF and Conventional awards made in 2020
    - Barossa – nine month delay; FID now expected Q2 2021
    - Sangomar, King’s Quay, Anchor – currently progressing with some re-profiling of spend
- Pre-backlog delays
  - FEED contracts likely to take longer to convert to EPCI
- Tendering activity low
  - Clients have reduced capex by 20-25% in 2020
  - Hiatus in SURF and Conventional bidding expected at least until end 2020
  - Renewables activity remains robust

Swift and decisive action: costs and liquidity

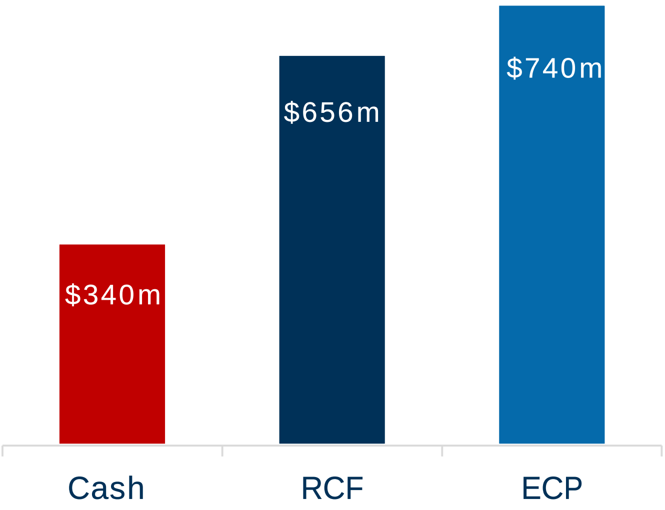
- Focus on cash preservation and maintaining balance sheet strength
  - Steps being taken to reduce the cost base, commensurate with expected workload
  - Liquidity remains strong and sources of liquidity have been diversified
- Operating cost reductions to be rolled out in Q2 2020
  - Headcount reduction, mainly affecting non-permanent workforce
  - Reduction of the active fleet through non-renewal of charters and stacking vessels
  - Targeting annualised cash cost reduction of approximately $400 million by Q2 2021
- Capital expenditure reduction
  - 2020 capex target reduced to $230-250 million from $270-290 million
  - Modern fleet allows a reduction in capex to minimal levels in 2021 and 2022
- Restructuring charge expected to be recorded in 2020

Swift and decisive action: strengthened access to liquidity

- Diversified access to liquidity
  - Increasing resilience to market downturn
- Cash and equivalents of $340 million
  - Cash preservation measures in place
- Established a Euro Commercial Paper (ECP) programme equivalent to $740 million
- RCF of $656 million
  - Remains undrawn
  - Covenant-light
- No near-term debt maturities

Diversified access to liquidity

31 March 2020



Strategy: unchanged

Subsea Field of the Future: system and delivery

- Early engagement and partnerships
- System innovation and enabling Products
- Digital delivery of projects and services
- Integrated SPS and SURF

Energy transition: proactive participation

- Oil and gas: energy of our operations and investment in technology to support the market growth of low carbon energy sources
- Renewables: offshore wind

First quarter 2020 results

FINANCIAL HIGHLIGHTS

- Revenue $751 million
- Adjusted EBITDA $68 million
- Adjusted EBITDA margin 9%
- Covid-19 impact approximately $15-20 million
- Diluted loss per share $0.13
- New orders $1.5 billion
- Order backlog $5.6 billion
- Net cash $112 million(1)

OPERATIONAL HIGHLIGHTS

- Active vessel utilisation 63%
- High utilisation of PLSV fleet
- Low Conventional and diving activity
- Key global enablers transiting

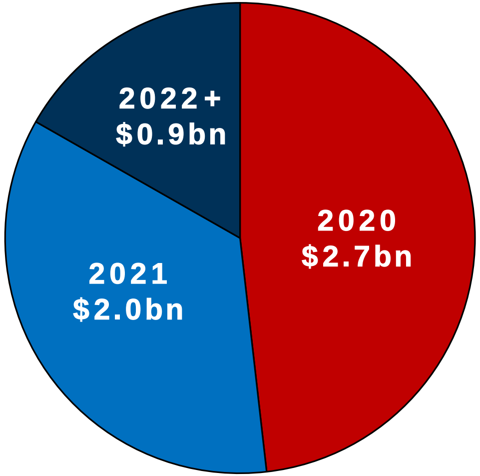
STRATEGIC HIGHLIGHTS

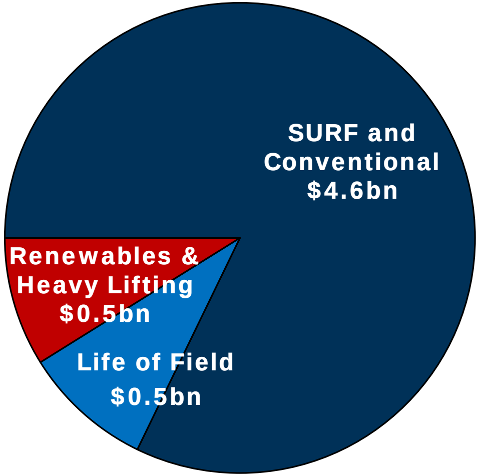
- Further success in integrated tenders
- Early engagement trend continued
- Renewables tendering remained active

(1) Net cash excludes IFRS 16 lease liabilities of $367 million

First quarter 2020 backlog

Backlog of $5.6 billion, as at 31 March 2020

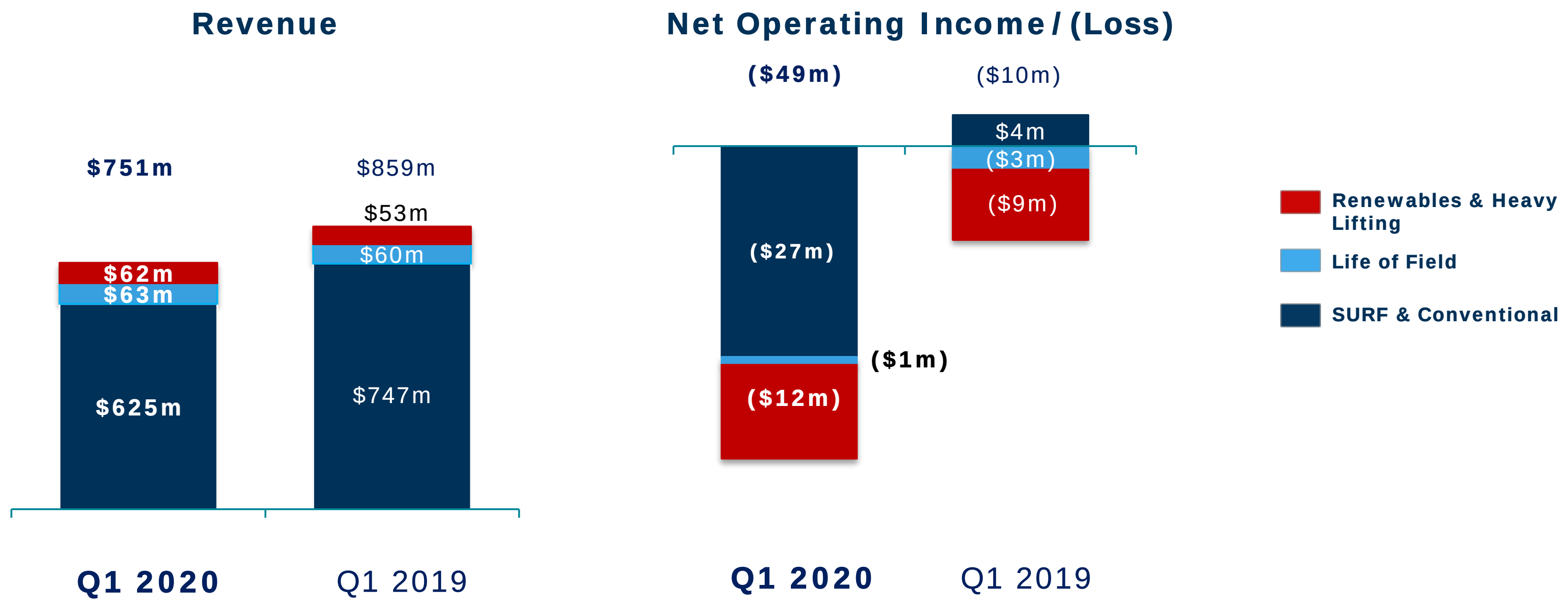




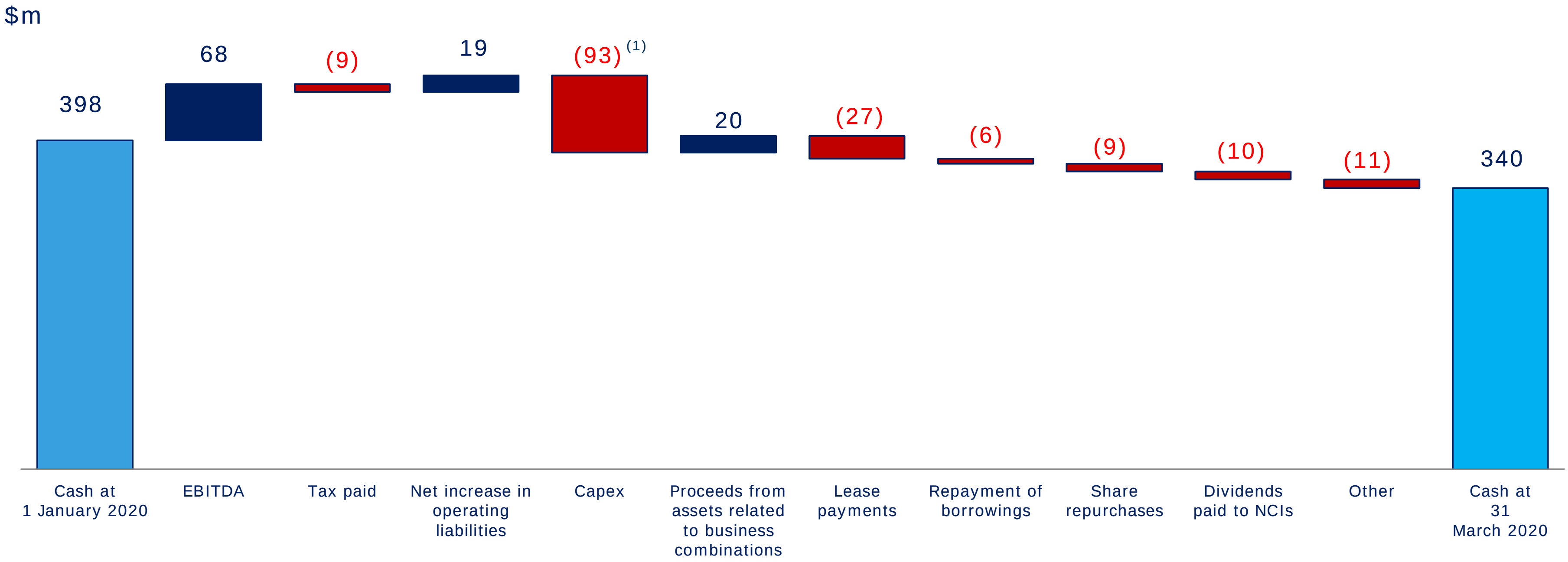
- $1.5 billion awarded in Q1
- Book-to-bill:
  – 2.0x in the quarter
- Four awards announced in Q1:
  – Sangomar (Senegal)
  – Bacalhau FEED (Brazil)
  – Barossa (Australia)
  – King's Quay (GoM)

Order backlog includes:
- $0.5 billion relating to long-term contracts for PLSVs in Brazil
- approximately $280 million unfavourable foreign exchange movement in the first quarter

First quarter 2020 business unit performance



Summary of first quarter 2020 cash flow



- Net cash (excluding IFRS 16 ‘Leases’ liabilities) of $112 million at 31 March 2020

(1) Includes approximately $60 million related to new pipelay vessel, *Seven Vega*

Financial guidance

- 2020 guidance withdrawn on 1 April 2020
- Visibility on influencing factors too low to give meaningful guidance
  - Covid-19: longevity and impact unknown
  - Oil price: full demand impact of Covid-19 unknown
  - Outlook for oil industry capital spending is uncertain
  - Renewables remains active and provides some support
- Addressing those elements under our control
  - Operating costs: targeting an annualised reduction of ~$400 million from Q2 2021
  - 2020 capex: guidance reduced to $230-250 million from $270-290 million
  - 2021-22 capex: targeting a reduction to a minimal level
  - Further details of opex and capex reductions to be announced in Q2 2020
- Balance sheet: diversified access to liquidity

Summary: resilient in uncertain times

- Experienced partner for clients navigating a challenging operational environment
- Solid financial position with strong liquidity
- Proven ability to re-shape the business in response to the change in outlook
- Robust strategy supporting Subsea Field of the Future in oil and gas
- Renewables outlook unchanged and a source of profitable growth in the long term

ANY QUESTIONS?

Appendix

Major project progression

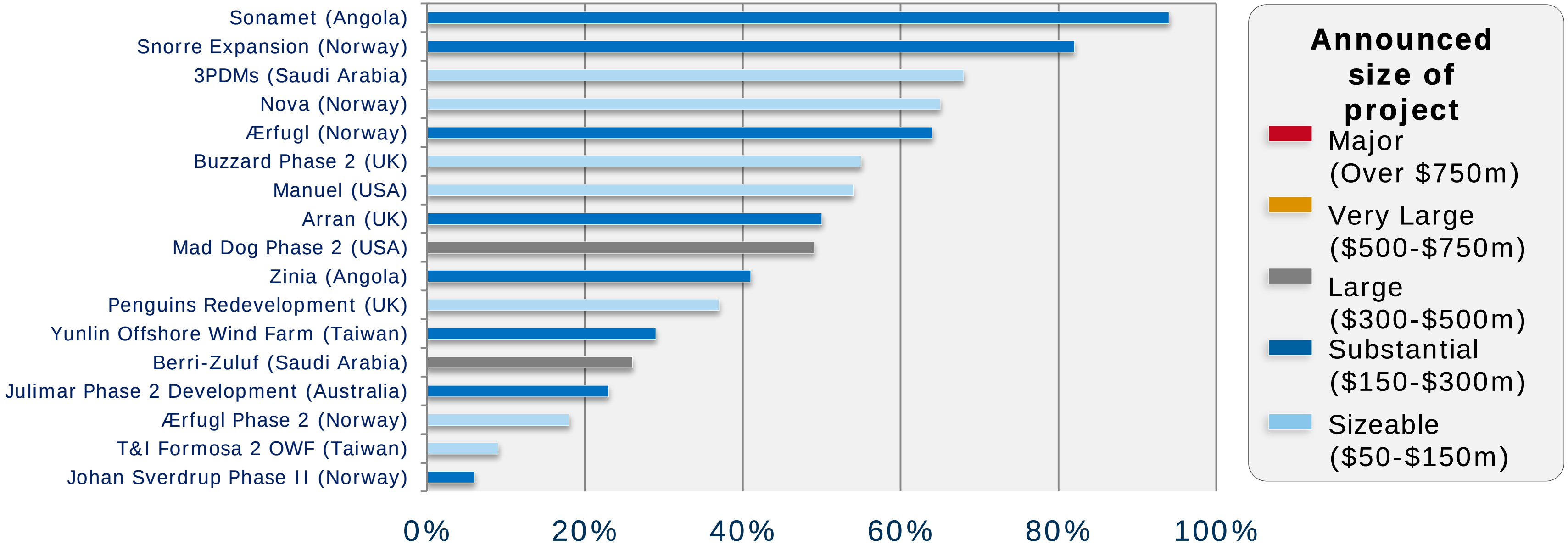
Track Record

Fleet

Financial summaries

Major project progression

- Continuing projects >$100m between 5% and 95% complete as at 31 March 2020 excluding PLSV and Life of Field day-rate contracts



TRACK RECORD

subsea 7

Over 1,000 projects delivered for our clients worldwide
- A selection of current and recent projects

FLEET

34 Vessels including 32 active vessels at the end of Q1 2020

- Under Construction Reel-lay Vessel to be named Seven Vega
- Long-term charter from a vessel-owning joint venture
- Stacked
- Chartered from a third party
- Owned by Nigerian joint venture

Note: *Seven Mar* was removed from the list as the vessel is now classified as asset held for sale

Income statement – Q1 highlights

In $ millions, unless otherwise indicated	Three months ended **31 March 2020** **Unaudited**	 31 March 2019 Unaudited
Revenue	**751**	859
Net operating loss (NOI)	**(49)**	(10)
Loss before taxes	**(33)**	(29)
Taxation	**(4)**	10
Net loss	**(38)**	(19)
Adjusted EBITDA	**68**	111
Adjusted EBITDA margin	**9%**	13%
Diluted earnings per share $	**(0.13)**	(0.06)
Weighted average number of shares (millions)	**299**	316

Income statement – supplementary details

In $ millions	Three months ended **31 March 2020 Unaudited**	 31 March 2019 Unaudited
Administrative expenses	**(63)**	(58)
Depreciation and amortisation	**(117)**	(121)
Net operating loss	**(49)**	(10)
Net finance cost	**(4)**	(2)
Other gains and losses	**20**	(17)
Loss before taxes	**(33)**	(29)
Taxation	**(4)**	10
Net loss	**(38)**	(19)
Net loss attributable to:		
Shareholders of the parent company	**(38)**	(19)

Segmental analysis

For the three months ended 31 March 2020

In $ millions (Unaudited)	SURF & Conventional	Life of Field	Renewables & Heavy Lifting	Corporate	TOTAL
Revenue	**625**	**63**	**62**	**-**	**751**
Net operating loss	**(27)**	**(1)**	**(12)**	**(9)**	**(49)**
Finance income					**2**
Other gains and losses					**20**
Finance costs					**(6)**
Loss before taxes					**(33)**

For the three months ended 31 March 2019

In $ millions (Unaudited)	SURF & Conventional	Life of Field	Renewables & Heavy Lifting	Corporate	TOTAL
Revenue	747	60	53	-	859
Net operating income/(loss)	4	(3)	(9)	(2)	(10)
Finance income					4
Other gains and losses					(17)
Finance costs					(6)
Loss before taxes					(29)

Summary balance sheet

In $ millions	**31 Mar 2020 Unaudited**	31 Dec 2019 Audited
Assets		
Non-current assets		
Goodwill	**678**	705
Property, plant and equipment	**4,351**	4,422
Right-of-use asset	**347**	328
Other non-current assets	**155**	160
Total non-current assets	**5,531**	**5,615**
Current assets		
Trade and other receivables	**623**	605
Construction contracts - assets	**334**	398
Other accrued income and prepaid expenses	**184**	169
Cash and cash equivalents	**340**	398
Other current assets	**93**	39
Total current assets	**1,574**	**1,609**
Total assets	**7,105**	**7,224**

In $ millions	**31 Mar 2020 Unaudited**	31 Dec 2019 Audited
Equity & Liabilities		
Total equity	**5,253**	**5,363**
Non-current liabilities		
Non-current portion of borrowings	**203**	209
Non-current lease liabilities	**255**	251
Other non-current liabilities	**122**	136
Total non-current liabilities	**580**	**596**
Current liabilities		
Trade and other liabilities	**828**	858
Current portion of borrowings	**25**	25
Current lease liabilities	**112**	94
Construction contracts – liabilities	**180**	162
Deferred revenue	**2**	2
Other current liabilities	**125**	124
Total current liabilities	**1,272**	**1,265**
Total liabilities	**1,852**	**1,861**
Total equity & liabilities	**7,105**	**7,224**

Reconciliation of Adjusted EBITDA

Net operating loss to Adjusted EBITDA

For the period (in $millions)	**Three Months Ended 31 March 2020 Unaudited**	Three Months Ended 31 March 2019 Unaudited
Net operating loss	**(49)**	(10)
Depreciation, amortisation and mobilisation	**117**	121
Adjusted EBITDA	**68**	111
Revenue	**751**	859
Adjusted EBITDA %	**9%**	13%

Net loss to Adjusted EBITDA

For the period (in $millions)	**Three Months Ended 31 March 2020 Unaudited**	Three Months Ended 31 March 2019 Unaudited
Net loss	**(38)**	(19)
Depreciation, amortisation and mobilisation	**117**	121
Finance income	**(2)**	(4)
Other gains and losses	**(20)**	17
Finance costs	**6**	6
Taxation	**4**	(10)
Adjusted EBITDA	**68**	111
Revenue	**751**	859
Adjusted EBITDA %	**9%**	13%

Summary of first quarter 2020 cash flows

	$ millions	
Cash and cash equivalents at 1 January 2020	**398**	
Net cash generated from operating activities	82	Includes a net increase in operating liabilities of $19 million
Net cash flow used in investing activities	(73)	Includes capital expenditure of $93m
Net cash flow used in financing activities	(55)	Includes $27m in payments related to lease liabilities and $9m of share repurchases
Other movements	(12)	Includes $10m adverse movement related to foreign exchange rate movements
Cash and cash equivalents at 31 March 2020	**340**	

- Net cash (excluding IFRS 16 lease liabilities) of $112 million at 31 March 2020 compared to $164 million at 31 December 2019
- Borrowings totalled $228 million at 31 March 2020 compared to $234 million at 31 December 2019

THANK YOU

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