Earnings Presentation

First Quarter 2016

28 April 2016

12:00 noon UK time

Forward-looking statements

Certain statements made in this announcement may include ‘forward-looking statements’. These statements may be identified by the use of words like ‘anticipate’, ‘believe’, ‘could’, ‘estimate’, ‘expect’, ‘forecast’, ‘intend’, ‘may’, ‘might’, ‘plan’, ‘predict’, ‘project’, ‘scheduled’, ‘seek’, ‘should’, ‘will’, and similar expressions. The forward-looking statements reflect our current views and are subject to risks, uncertainties and assumptions. The principal risks and uncertainties which could impact the Group and the factors which could affect the actual results are described but not limited to those in the ‘Risk Management’ section in the Group’s Annual Report and Consolidated Financial Statements for the year ended 31 December 2015. These factors, and others which are discussed in our public announcements, are among those that may cause actual and future results and trends to differ materially from our forward-looking statements: actions by regulatory authorities or other third parties; our ability to recover costs on significant projects; the general economic conditions and competition in the markets and businesses in which we operate; our relationship with significant clients; the outcome of legal and administrative proceedings or governmental enquiries; uncertainties inherent in operating internationally; the timely delivery of vessels on order; the impact of laws and regulations; and operating hazards, including spills and environmental damage. Many of these factors are beyond our ability to control or predict. Other unknown or unpredictable factors could also have material adverse effects on our future results. Given these factors, you should not place undue reliance on the forward-looking statements.

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Jean Cahuzac
CEO

Q1 2016 highlights

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FINANCIAL

- Revenue $746m
- Adjusted EBITDA $284m
- Adjusted EBITDA margin 38.0%
- Diluted EPS of $0.42 per share
- Net cash of $633m

OPERATIONAL

- Strong project execution
- Reduced cost base
- Increased client interest in integrated solutions
- Vessel utilisation Active: 71% Total: 55%

ORDER INTAKE

- Order backlog increased to $6.5 billion
- Order intake $1.1 billion
- Announced awards:
  - West Nile Delta Phase 2, BP
  - Life of Field agreements, UK

OUTLOOK

- Challenging market conditions
- Timing of new awards still uncertain
- Driving cost effective solutions
- Additional cost reduction measures will be implemented

Business Unit performance overview

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Northern Hemisphere and Life of Field

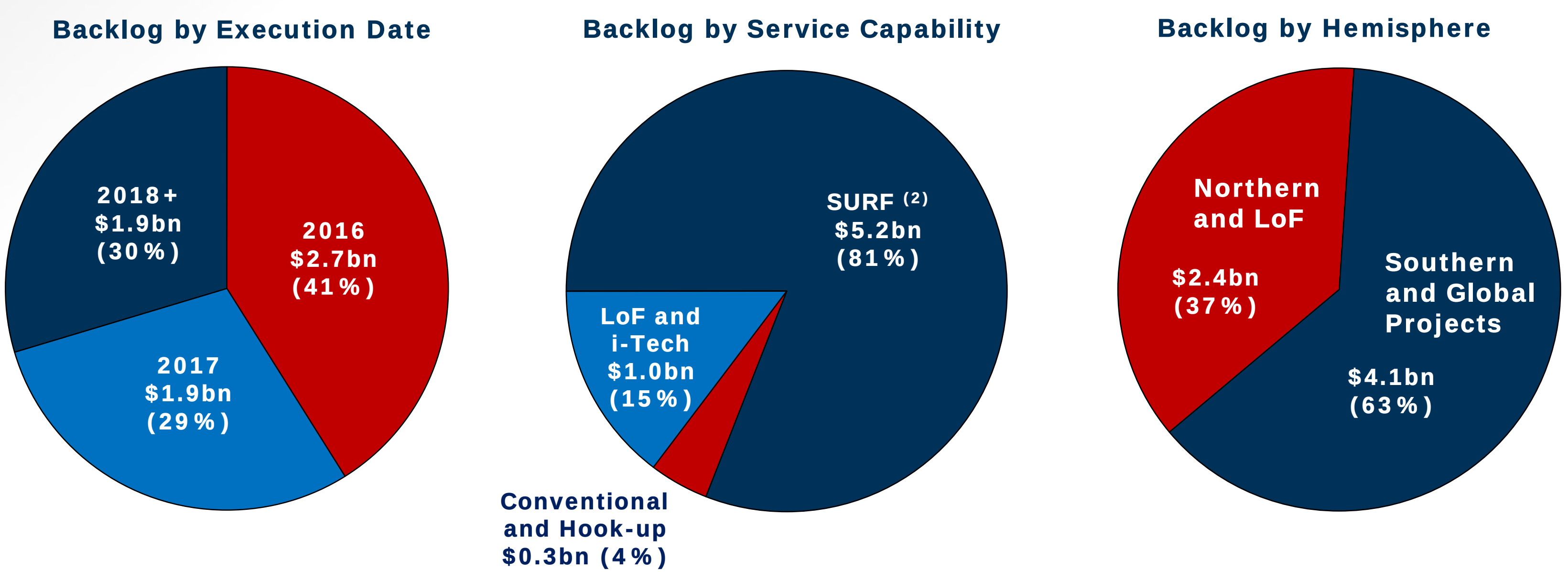
- Continued activity in the US Gulf of Mexico with a focus on low-cost and fast-track solutions
- Decline in offshore activity in the North Sea is driving innovative solutions and cost reduction
- Seasonal North Sea weather impacted utilisation; progressed with preparations for offshore campaigns in the summer

Southern Hemisphere and Global Projects

- Several large projects reached final stages of execution
- East Nile Delta and West Nile Delta Phase 1 projects, offshore Egypt, progressing well
- *Seven Rio* PLSV commenced a five year day-rate contract offshore Brazil
- Discussions ongoing regarding the blocking risk to older PLSVs

Q1 Backlog and order intake

- Backlog of $6.5 billion[1], as at 31 March 2016
- $1.1 billion order intake including announced awards:
  - *West Nile Delta Phase 2, offshore Egypt;*
  - *Life of Field contract extension, offshore UK*



(1) $0.05 billion positive impact from foreign currency movements
(2) Includes $2.2 billion related to 10 long-term contracts for PLSVs in Brazil

Ricardo Rosa
CFO

Income statement – key highlights

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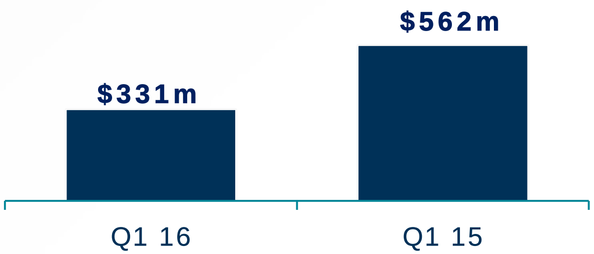
In $ millions, unless otherwise indicated	Three months ended 31 Mar 16 Unaudited	Three months ended 31 Mar 15 Unaudited
Revenue	746	1,181
Net operating income (NOI)	194	176
Income before taxes	211	211
Taxation	(64)	(60)
Net income	147	151
Adjusted EBITDA[(1)]	284	281
Adjusted EBITDA margin	38%	24%
Diluted earning per share	0.42	0.44
Weighted average number of shares (millions)	343	348

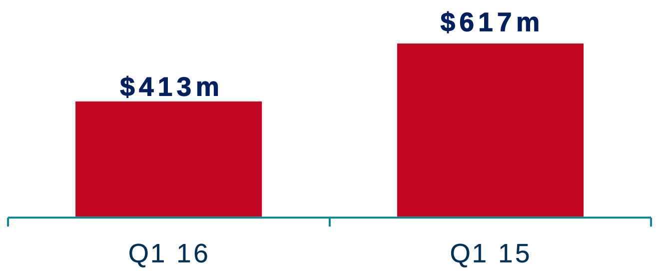
(1) Adjusted EBITDA defined in Appendix

Business Unit performance – Q1 2016

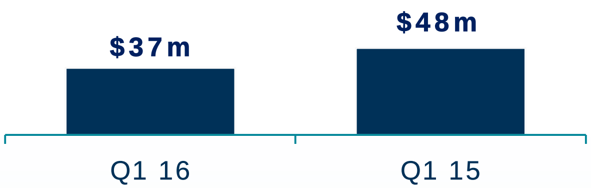
Northern Hemisphere and Life of Field Revenue



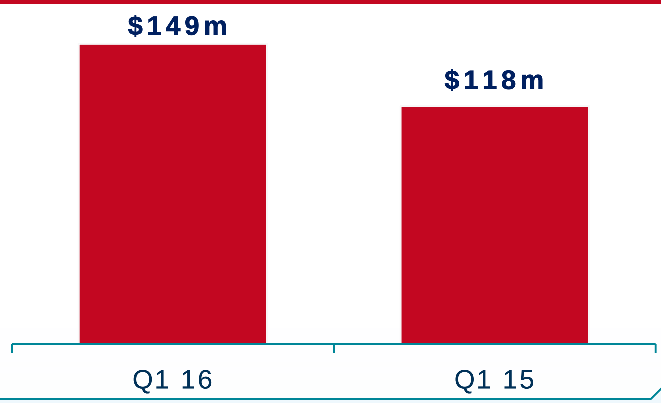
Southern Hemisphere and Global Projects Revenue



Northern Hemisphere and Life of Field NOI



Southern Hemisphere and Global Projects NOI



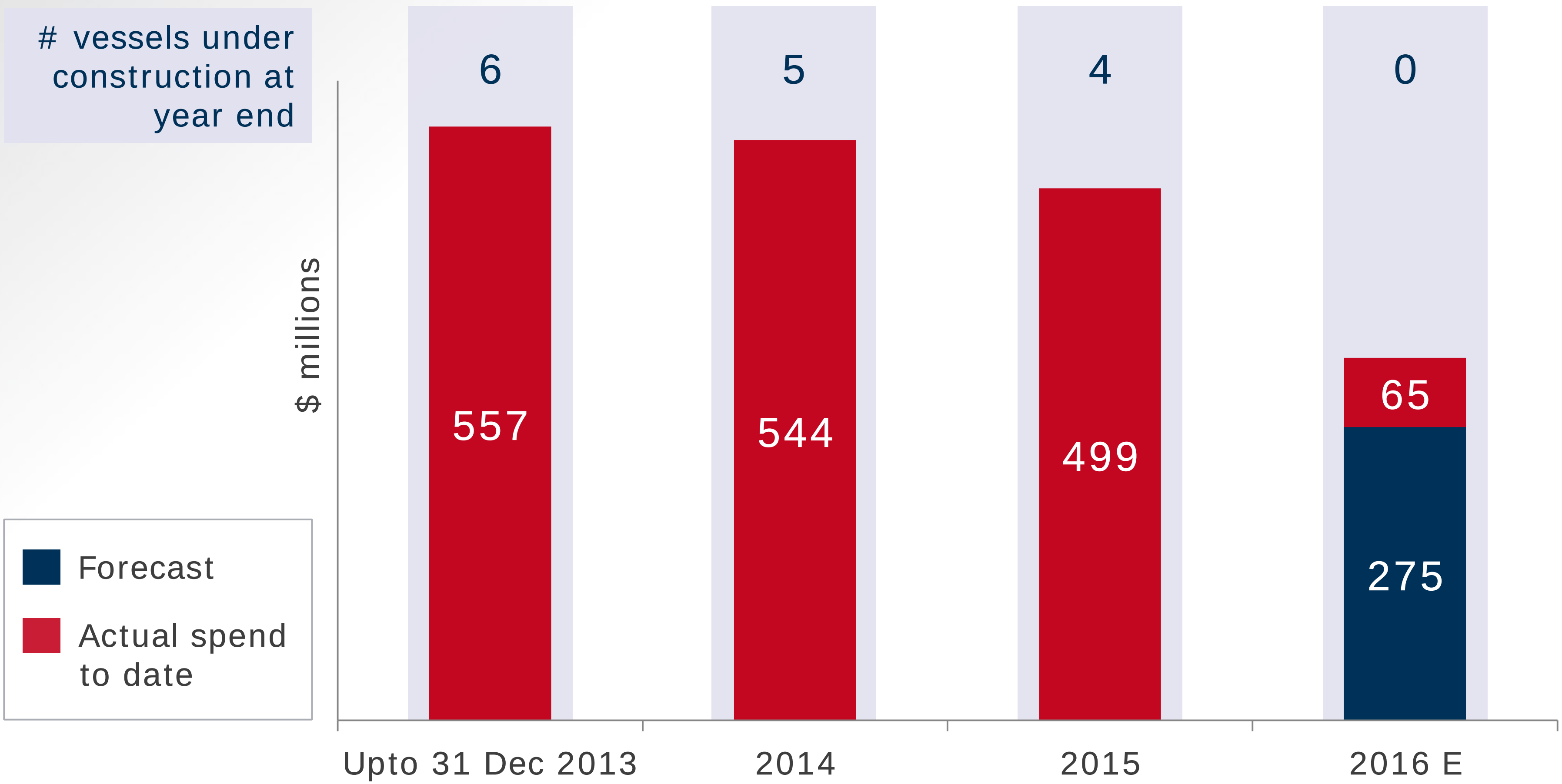
Note: excludes contribution from Corporate segment

Summary of first quarter 2016 cash flow

	$ millions	
Cash and cash equivalents at **31 Dec 2015**	947	
Net cash generated from operating activities	281	*Increase of $29 million in net operating liabilities*
Net cash flow used in investing activities	(74)	*Included capital expenditure of $82 million mainly on new-build vessel programme*
Net cash flow used in financing activities	(73)	*Included $72 million repurchase of convertible bonds*
Other movements	4	
Cash and cash equivalents at **31 Mar 2016**	1,085	

- Net cash of $633 million as at 31 March 2016 compared to $423 million at 31 December 2015

Capital expenditure for vessel new-build programme[(1)]



(1) Comprises four PLSVs being constructed for long-term contracts with Petrobras (including *Seven Waves*, operational from May 2014 and *Seven Rio*, operational from September 2015), and construction of *Seven Arctic* and *Seven Kestrel*. Amounts include an estimate for interest to be capitalised during construction.

E = estimated

Financial guidance

2016	Guidance
Revenue	Significantly lower than 2015
Adjusted EBITDA percentage margin	Lower than 2015
Administrative expense	$240 million - $250 million
Net finance charge	$5 million - $10 million
Depreciation and Amortisation	$400 million - $420 million
Full year effective tax rate	30% - 32%
Total capital expenditure	$450 million - $480 million
- New build programme	$340 million
- Sustaining capex	$110 million - $140 million
Net working capital outflow	$250 million - $350 million

Jean Cahuzac
CEO

Delivering market-driven cost-effective solutions

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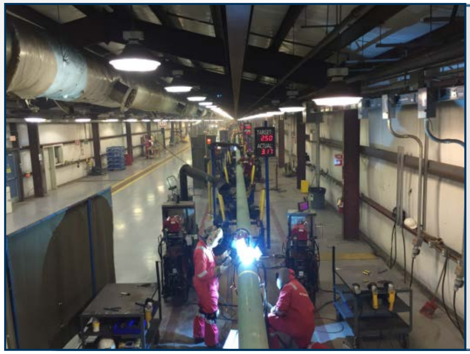
- Early engagement
- Technology and innovation
- Integrated solutions
- Partnerships
- Ways of working
- Resize

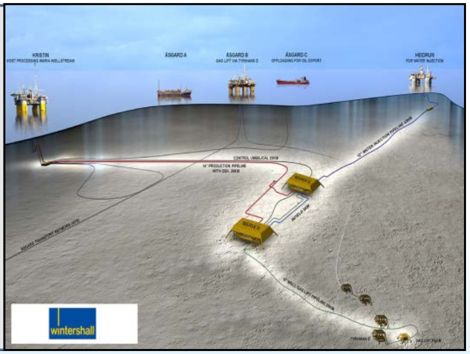
Making it happen – three current examples

West Nile Delta Phase 1, offshore Egypt
Fast-track gas project for Egypt
Early engagement engineering
New ways of working applied
Innovation of equipment design



Coelacanth, US Gulf of Mexico
Fast-track:10 weeks from award to completion
Optimised use of onshore and offshore assets
Synergies with other projects
Pre-qualified procedures accepted

Maria, offshore Norway
Early engagement
Application of appropriate standards
Removed excess specification
Reduced project management and engineering



Our resizing and reorganising

- Actively **adapt to industry conditions** ...
  - 2015 Resizing and cost reduction programme completed in first quarter 2016
  - Resized our workforce to below 10,000 (2013: over 14,000)
  - Resized our active fleet to 27 vessels (2014: 39 vessels)
  - Additional cost reduction measures will be implemented in 2016
- ... without losing focus on **long-term strategic priorities**
  - Remain committed to strategic technology investment
  - Invest in our assets: new-build vessel programme due to complete in 2016
  - Strengthen our proposition: combined Life of Field and i-Tech capabilities into a single business, i-Tech Services, in 2016

Business Unit outlook

- Timing of new awards to market remains highly uncertain

Northern Hemisphere and Life of Field

- Seasonal increase in activity expected in the North Sea in the summer
- Life of Field: potential for increase in activity outside the North Sea

Southern Hemisphere and Global Projects

- Clients continue to postpone capital investment decisions
- Active SURF project tenders include:
  - Fortuna (Equatorial Guinea)
  - Greater Enfield (Australia)
  - Golfinho (Mozambique)
  - Mad Dog 2 (US GoM)
  - Platina (Angola)
  - Atoll (Egypt)

Subsea 7 Alliances and Joint Ventures

- SHL: opportunities in the renewables sector
- Client interest in integrated solutions is accelerating

Q&A

Appendix

- Our global presence
- Major project progression
- Adjusted EBITDA
- Segmental analysis
- Supplementary Income statement
- Balance sheet summary
- Our fleet

Our global presence

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- Catcher, Premier
- Culzean, Maersk
- Callater, Apache
- Western Isles, Dana
- Montrose, Talisman
- USC & Pipelay, Shell
- SCIRM, BP
- DSVi, Various

- Martin Linge, Total
- Aasta Hansteen, Statoil
- Maria, Wintershall
- Mariner, Statoil

- Stampede, Hess
- Coulomb Ph2, Shell
- Holstein Deep, Freeport McMoran

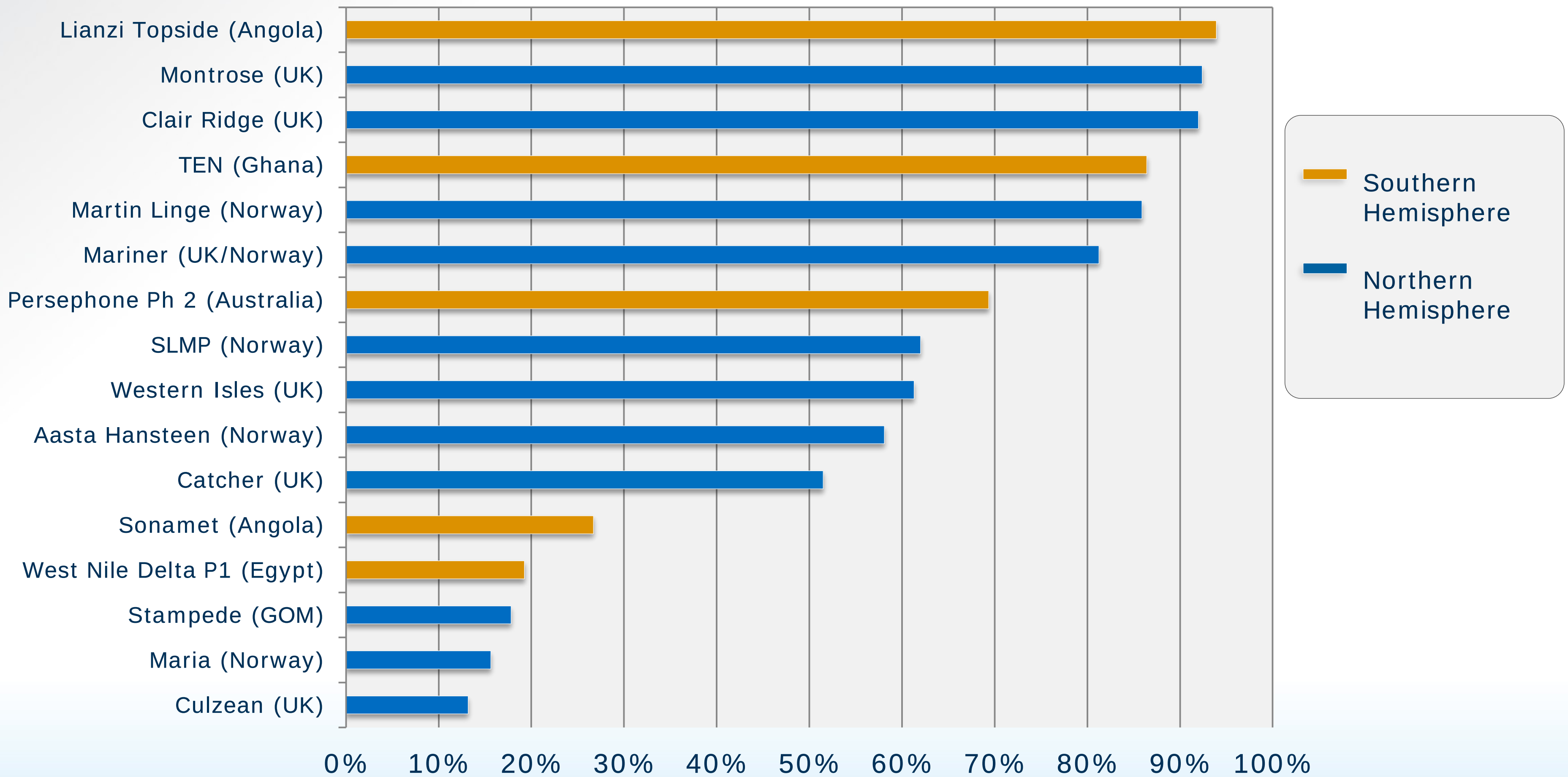
- T.E.N., Tullow (JV Partner)
- West Nile Delta Phase 1, BP
- West Nile Delta Phase 2, BP
- West Nile Delta, Burullus
- East Nile Delta, Pharonic
- Lianzi, Chevron

- EPRS, INPEX/Chevron
- Persephone, Woodside

- PLSVs, Petrobras

Major project progression

Continuing projects >$100m between 5% and 95% complete as at 31 March 2016 excluding PLSV and Life of Field day-rate contracts



Adjusted EBITDA

- Adjusted earnings before interest, taxation, depreciation and amortisation (‘Adjusted EBITDA’) is a non-IFRS measure that represents net income before additional specific items that are considered to impact the comparison of the Group’s performance either period-on-period or with other businesses. The Group defines Adjusted EBITDA as net income adjusted to exclude depreciation, amortisation and mobilisation costs, impairment charges or impairment reversals, finance income, other gains and losses (including gain on disposal of subsidiary and gain on distribution), finance costs and taxation. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue, expressed as a percentage.
- The items excluded from Adjusted EBITDA represent items which are individually or collectively material but which are not considered representative of the performance of the business during the periods presented. Other gains and losses principally relate to disposals of investments, property, plant and equipment and net foreign exchange gains or losses. Impairments of assets represent the excess of the assets’ carrying amount over the amount that is expected to be recovered from their use in the future or their sale.
- Adjusted EBITDA and Adjusted EBITDA margin have not been prepared in accordance with IFRS as adopted by the EU. These measures exclude items that can have a significant effect on the Group’s income or loss and therefore should not be considered as an alternative to, or more meaningful than, net income (as determined in accordance with IFRS) as a measure of the Group’s operating results or cash flows from operations (as determined in accordance with IFRS) as a measure of the Group’s liquidity.
- Management believes that Adjusted EBITDA and Adjusted EBITDA margin are important indicators of the operational strength and the performance of the business. These non-IFRS measures provide management with a meaningful comparative for its Business Units, as they eliminate the effects of financing, depreciation and taxation. Management believes that the presentation of Adjusted EBITDA is also useful as it is similar to measures used by companies within Subsea 7’s peer group and therefore believes it to be a helpful calculation for those evaluating companies within Subsea 7’s industry. Adjusted EBITDA margin may also be a useful ratio to compare performance to its competitors and is widely used by shareholders and analysts following the Group’s performance. Notwithstanding the foregoing, Adjusted EBITDA and Adjusted EBITDA margin as presented by the Group may not be comparable to similarly titled measures reported by other companies.

Reconciliation of Adjusted EBITDA

Net operating income to Adjusted EBITDA

For the period (in $millions)	Three Months Ended 31 Mar 2016	Three Months Ended 31 Mar 2015
Net operating income	**194**	176
Depreciation, amortisation and mobilisation	**90**	102
Impairment of property, plant and equipment	**-**	3
Adjusted EBITDA	**284**	281
Revenue	**746**	1,181
Adjusted EBITDA %	**38%**	24%

Net income to Adjusted EBITDA

For the period (in $millions)	Three Months Ended 31 Mar 2016	Three Months Ended 31 Mar 2015
Net Income	**147**	151
Depreciation, amortisation and mobilisation	**90**	102
Impairment of property, plant and equipment	**-**	3
Finance income	**(4)**	(3)
Other gains and losses	**(14)**	(33)
Finance costs	**1**	1
Taxation	**64**	60
Adjusted EBITDA	**284**	281
Revenue	**746**	1,181
Adjusted EBITDA %	**38%**	24%

Segmental analysis

For the three months ended 31 March 2016

In $ millions (unaudited)	Northern Hemisphere and Life of Field	Southern Hemisphere and Global Projects	Corporate	TOTAL
Revenue	**331**	**413**	**3**	**746**
Net operating income	**37**	**149**	**8**	**194**
Finance income				**4**
Other gains and losses				**14**
Finance costs				**(1)**
Income before taxes				**211**

For the three months ended 31 March 2015

In $ millions (unaudited)	Northern Hemisphere and Life of Field	Southern Hemisphere and Global Projects	Corporate	TOTAL
Revenue	562	617	2	1,181
Net operating income	48	118	10	176
Finance income				3
Other gains and losses				33
Finance costs				(1)
Income before taxes				211

Income statement – supplementary details

In $ millions	Three months ended	
	31 Mar 16 Unaudited	**31 Mar 15 Unaudited**
Administrative expenses	(53)	(70)
Share of net income of associates and joint ventures	16	15
Depreciation and amortisation	(90)	(102)
Impairment of property, plant and equipment	-	(3)
Net operating income	**194**	**176**
Net finance income	3	2
Other gains and losses	14	33
Income before taxes	**211**	**211**
Taxation	(64)	(60)
Net income	**147**	**151**
Net income attributable to:		
Shareholders of the parent company	146	153
Non-controlling interests	1	(2)

Summary balance sheet

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In $ millions	31 Mar 2016 Unaudited	31 Dec 2015 Audited
Assets		
Non-current assets		
Goodwill	753	767
Property, plant and equipment	4,505	4,559
Other non-current assets	523	502
Total non-current assets	**5,781**	**5,828**
Current assets		
Trade and other receivables	506	584
Construction contracts - assets	138	278
Other accrued income and prepaid expenses	159	152
Cash and cash equivalents	1,085	947
Other current assets	59	65
Total current assets	**1,947**	**2,026**
Total assets	**7,728**	**7,854**

In $ millions	31 Mar 2016 Unaudited	31 Dec 2015 Audited
Equity & Liabilities		
Total equity	**5,441**	**5,346**
Non-current liabilities		
Non-current portion of borrowings	453	524
Other non-current liabilities	184	210
Total non-current liabilities	**637**	**734**
Current liabilities		
Trade and other liabilities	994	1,123
Current portion of borrowings	-	-
Construction contracts – liabilities	439	459
Deferred revenue	12	10
Other current liabilities	205	182
Total current liabilities	**1,650**	**1,774**
Total liabilities	**2,287**	**2,508**
Total equity & liabilities	**7,728**	**7,854**

Our fleet as at 31 March 2016

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- 27 vessels in the active fleet

8 Chartered:	19 Owned:	
Skandi Acergy	Seven Borealis	Rockwater 2
Normand Seven	Seven Oceans	Seven Atlantic
Grant Candies	Seven Condor	Seven Falcon
Normand Subsea	Seven Rio	Seven Osprey
Siem Stingray	Seven Seas	Seven Pelican
Subsea Viking	Sapura 3000 (1)	Kommandor 3000
Normand Oceanic (2)	Oleg Strashnov (1)	Seven Eagle
Seven Viking (2)	Stanislav Yudin (1)	Seven Mar
	Simar Esperança	Seven Pacific
		Seven Phoenix

- 7 vessels stacked and 4 under construction

Stacked	Under construction	
Seven Navica	Seven Arctic	- delivery due 2Q 2016
Seven Discovery	Seven Sun	- delivery due 2Q 2016
Rockwater 1	Seven Kestrel	- delivery due 2Q 2016
Seven Inagha	Seven Cruzeiro	- delivery due 4Q 2016
Seven Petrel		
Seven Antares		
Seven Waves (3)		

- 2 vessels stacked and 1 chartered vessels returned during Q1 ‘16

Seven Antares	Skandi Neptune
Seven Waves (3)	

(1) Owned and operated by a joint venture
(2) Long-term charter from a vessel-owning joint venture
(3) Undergoing extensive repairs to the lay-tower

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