Third Quarter 2017
Earnings Presentation

9 November 2017

Forward-looking statements

Certain statements made in this presentation 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 2016. 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.

Third Quarter 2017

Jean Cahuzac, CEO

- Highlights

Ricardo Rosa, CFO

- Financial performance

Jean Cahuzac, CEO

- Strategy and outlook

- Q&A

Q3 2017 results

FINANCIAL HIGHLIGHTS

- Revenue $1.1 billion
- Adjusted EBITDA $250 million
- Adjusted EBITDA margin 24%
- Diluted EPS $0.34

- Net cash $877 million
- Cash and equivalents $1.5 billion
- $656 million undrawn facilities

OPERATIONAL HIGHLIGHTS

- Strong execution and continued focus on cost control
- Vessel Utilisation

  Active: 78% Total: 69%

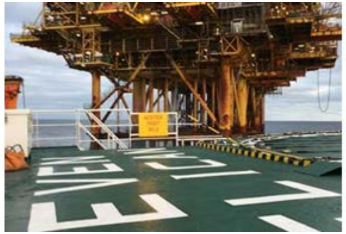
ORDER INTAKE

- Order backlog $5.3 billion
- $538 million new awards and escalations
- Tendering activity increased, pricing remained competitive for near-term work

Some of our activities

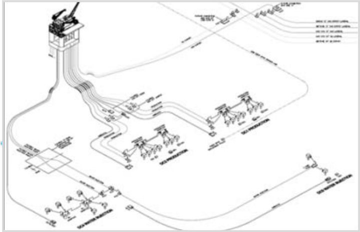

WND Ph.2/GFR (Egypt)


Maria (Norway)


Western Isles (UK)


OCTP SURF(Ghana)


Beatrice (UK)

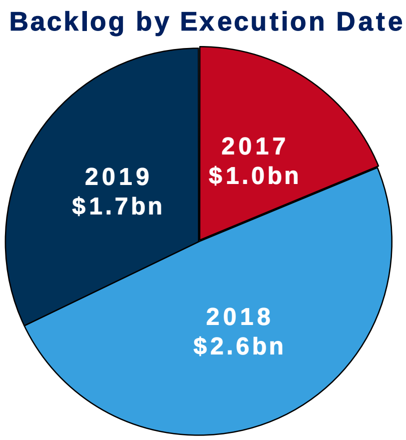

Mad Dog 2 (US GoM)

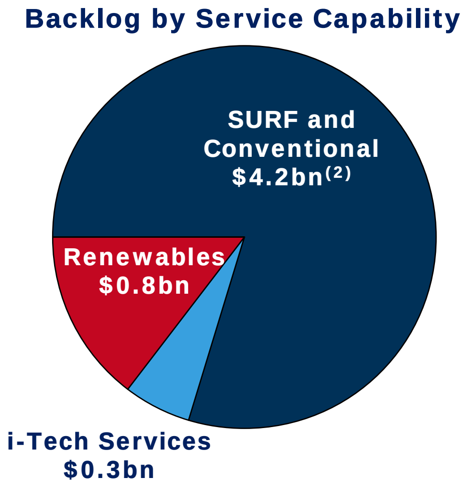
EPRS (Australia)


PLSVs (Brazil)

Backlog and order intake

Backlog of $5.3 billion[1], as at 30 September 2017





- $538 million awarded in the third quarter
- Contract extensions for three PLSVs, offshore Brazil
- Fortuna project, Subsea Integration Alliance, Offshore Equatorial Guinea

(1) Approximately $100 million positive impact from foreign currency movements
(2) Includes $1.5bn relating to 7 long-term contracts for PLSVs in Brazil, approximately 90% of which relates to the four 550t PLSVs (*Seven Waves*, *Seven Rio*, *Seven Sun* and *Seven Cruzeiro*)

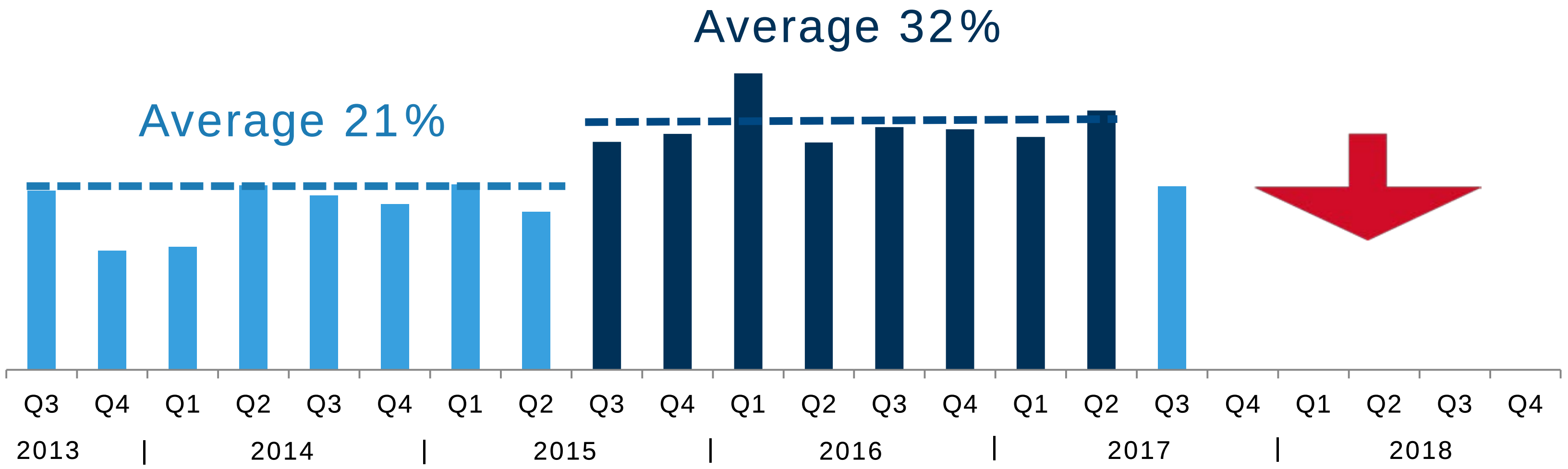
Income statement – Q3 highlights

In $ millions, unless otherwise indicated	Three months ended **30 September 2017 Unaudited**	 30 September 2016 Unaudited
Revenue	**1,063**	928
Net operating income (NOI) [(1)]	**149**	195
Income before taxes	**123**	186
Taxation	**(12)**	(37)
Net income	**111**	149
Adjusted EBITDA[(2)]	**250**	289
Adjusted EBITDA margin	**24%**	31%
Diluted earnings per share $	**0.34**	0.44
Weighted average number of shares (millions)	**341**	343

(1) Net operating income included a $52m restructuring charge in Q3 2016
(2) Adjusted EBITDA defined in Appendix

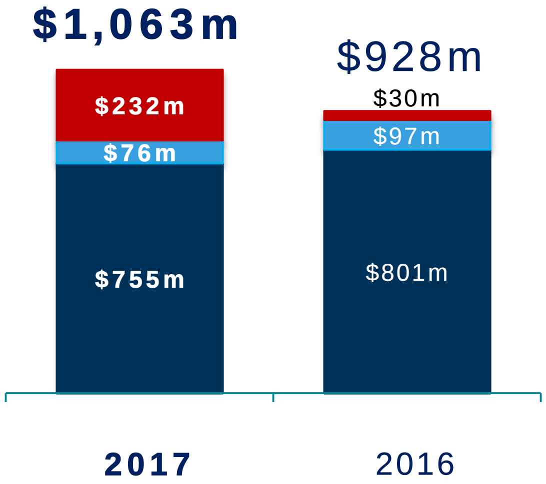
Adjusted EBITDA progression

- High Group margins for previous 8 quarters reflected strong contribution from projects awarded before the downturn, good execution and cost control
- Near-term margins will be lower with fewer large projects completing and a competitive tendering environment

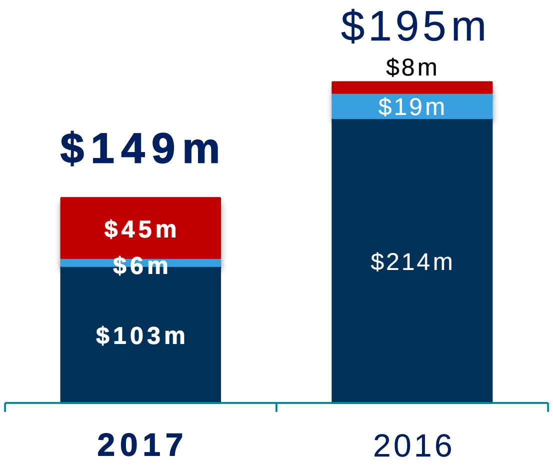


Business Unit performance– Third quarter

Revenue



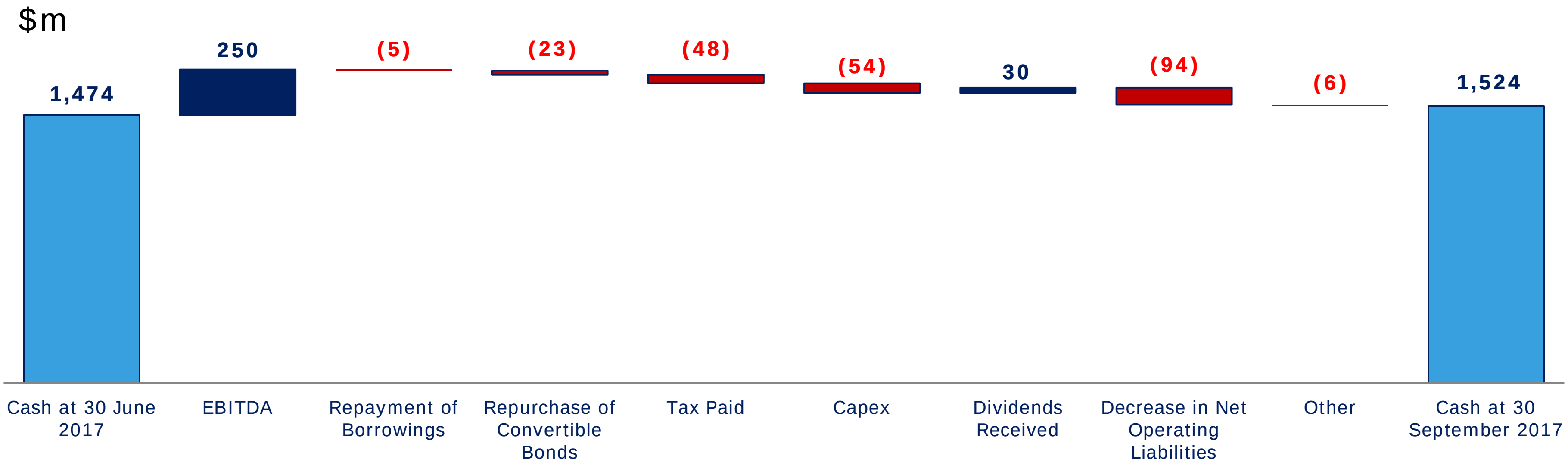
NOI



SURF & Conventional | i-Tech Services | Renewables & Heavy Lifting

Corporate segment: net operating loss Q3 2017 $4m (net operating loss Q3 2016: $45m, which included $52m related to restructuring charges)

Summary of third quarter 2017 cash flow



- Net cash of $877 million as at 30 September 2017
- $656 million of undrawn committed credit facilities

EMAS Chiyoda Subsea (ECS) integration

- ECS acquired projects progressing in line with expectations
  - Hasbah (Saudi Arabia) nearshore work underway
  - OCTP SURF (Ghana) offshore work continued
  - TVEX (US GoM) pipeline welding commenced at Ingleside
- ECS People transitioned to Subsea 7
- Lewek Champion integrated into the fleet on a long-term charter
- Lewek Constellation will be returned to owner in the first quarter 2018
- Asia Pacific and Middle East being managed as single business to streamline organisation and accelerate integration

Post quarter end events

- Convertible bond matured and repaid
  - $358 million bonds outstanding at 30 September redeemed for cash, $342 million bonds previously repurchased cancelled
- Agreement to discontinue SapuraAcergy joint venture
  - *Sapura 3000* vessel sold to Sapura Energy
  - ~$100 million in cash dividends
- Agreement to acquire remaining 50% of Normand Oceanic joint venture
  - Full ownership of *Normand Oceanic* flex-lay and heavy construction vessel assumed
  - ~$100 million outstanding loan repaid

Sapura 3000

Normand Oceanic

Financial guidance

2017 Guidance

Revenue	Higher than 2016
Adjusted EBITDA percentage margin	Lower than 2016
Administrative expense	\$230 million - \$240 million
Net finance cost	\$0 million - \$5 million
Depreciation and Amortisation	\$410 million - \$420 million
Full year effective tax rate	25% - 28%
Capital expenditure [(1)]	\$180 million - \$200 million

NEW 2018 Guidance

Revenue	Broadly in line with 2017
Adjusted EBITDA percentage margin	Significantly lower than 2017

(1) Includes initial expenditure related to the new-build reel-lay vessel

Delivering in the downturn and preparing for future growth

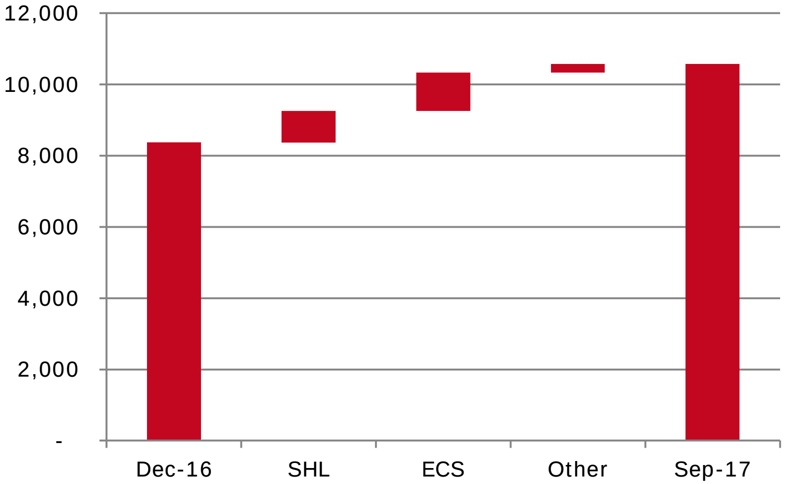
- Investing in the qualities that differentiate us and help lower the cost of development for our clients

Project delivery based on our expertise and know-how

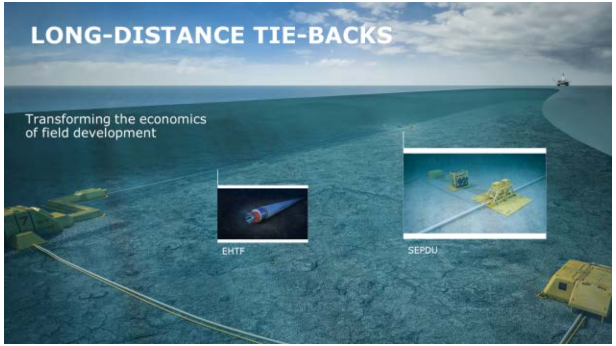
Our People

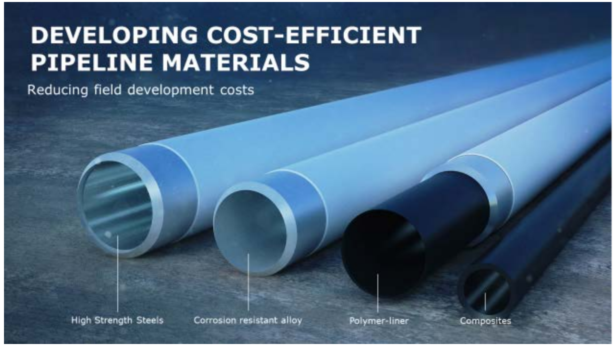
- Increase in workforce size associated with growth in Renewables and Conventional activities
  - Supported by skilled and experienced people joining from SHL and ECS

Number of people working at Subsea 7



Latest key technology development areas





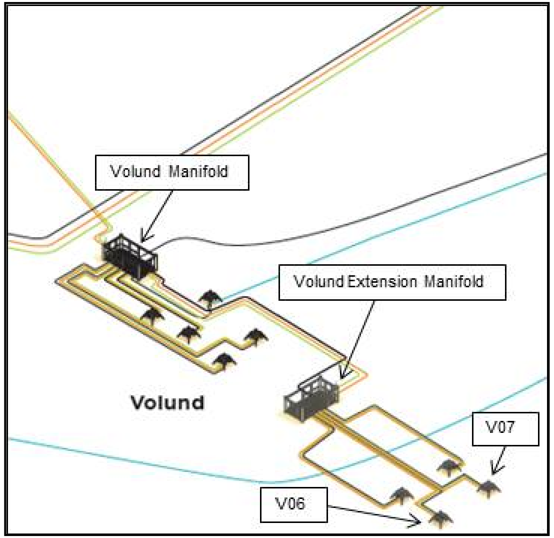
A diverse fleet of vessels

31	4	1
Vessels in the **active** fleet	Vessels **stacked**	Vessel **under construction**

- Aligning fleet capability and capacity to expected market activity
- Vessel utilisation expected to reduce with fewer projects active offshore near-term
- Two chartered Life of Field vessels returned to their owners in the third quarter
- Preparing for the future: new-build reel-lay vessel to join Subsea 7's fleet in 2020

Our Client Partnerships

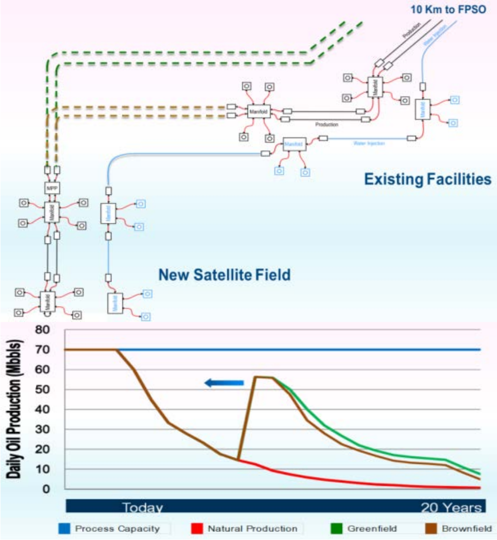
- Volund Infill: first project executed in the partnership alliance with Aker BP
- Sanctioned June 2016, completed July 2017
- Common incentive model
- ~30% saving on PM&E hours
- Two well tie-in delivered 25% faster than scheduled
- Project executed in 13 months, 9 months faster than traditional delivery of similar projects

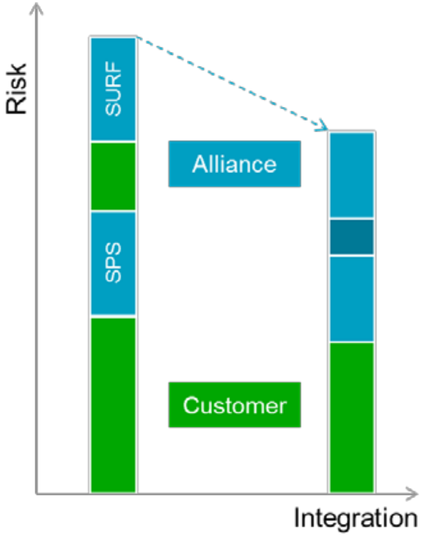


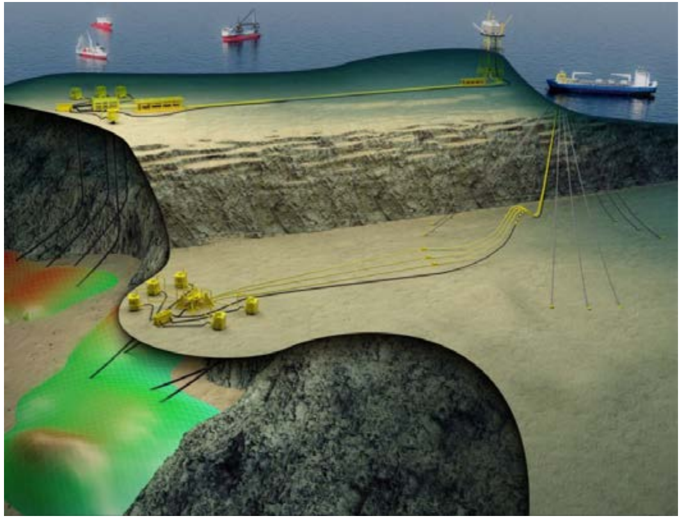
Subsea Integration Alliance

OneSubsea A Schlumberger Company + subsea 7 = Subsea Integration Alliance OneSubsea & Subsea 7

Enhanced production	Reduced cost and risk	Pore-to-shore perspective







Business Unit outlook

SURF and Conventional

- Gradual recovery with highly competitive pricing, awards to market could increase in first half 2018
- Active SURF project tenders include:
  - Snorre (Norway)
  - Skarfjell (Norway)
  - Snadd (Norway)
  - Johan Castberg (Norway)
  - Golfinho (Mozambique)
  - Mamba (Mozambique)
  - Tortue (Mauritania and Senegal)
  - Gorgon Ph.2 (Australia)
  - Libra (Brazil)
- Conventional tendering activity under the LTA with Saudi Aramco

i-Tech Services

- Tendering activity gradually increasing:
  - IRM in the North Sea and US Gulf of Mexico,
  - Drill rig ROV support in the North Sea and Asia

Renewables and Heavy Lifting

- Several wind farm tenders in progress worldwide
  - UK
  - Germany
  - France
  - Netherlands
  - US
  - Taiwan

ANY QUESTIONS?

Appendix

Major project progression

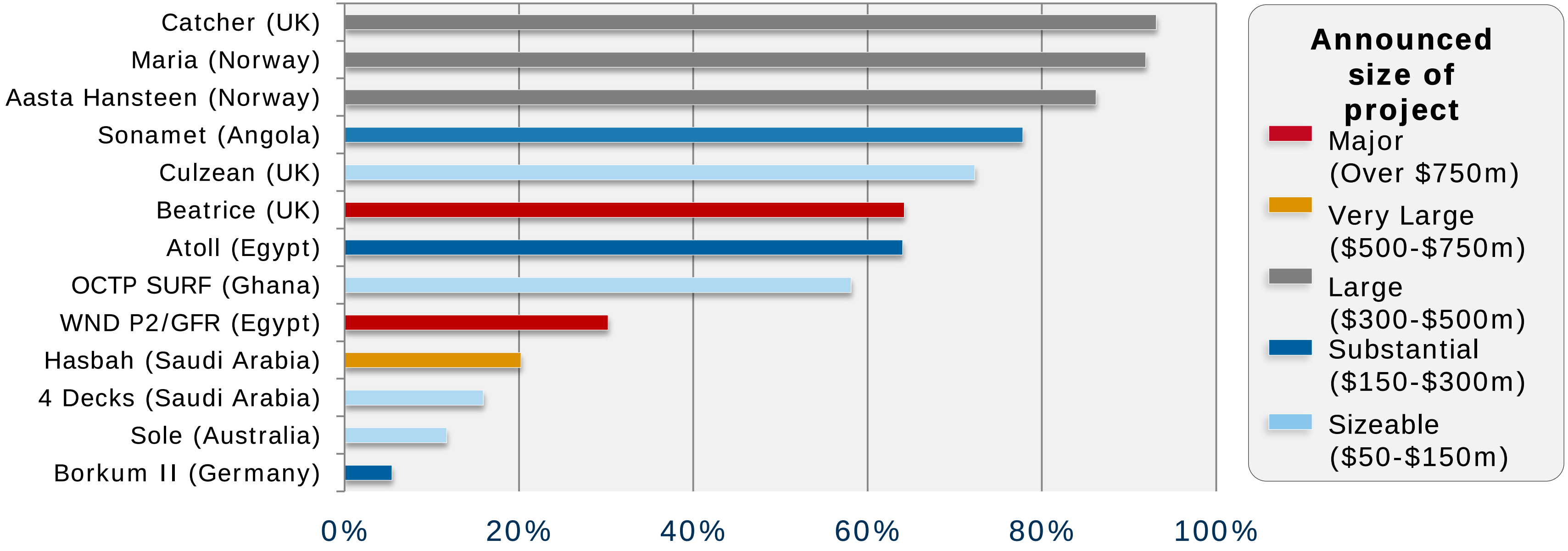
Track Record

Fleet

Financial summaries

Major project progression

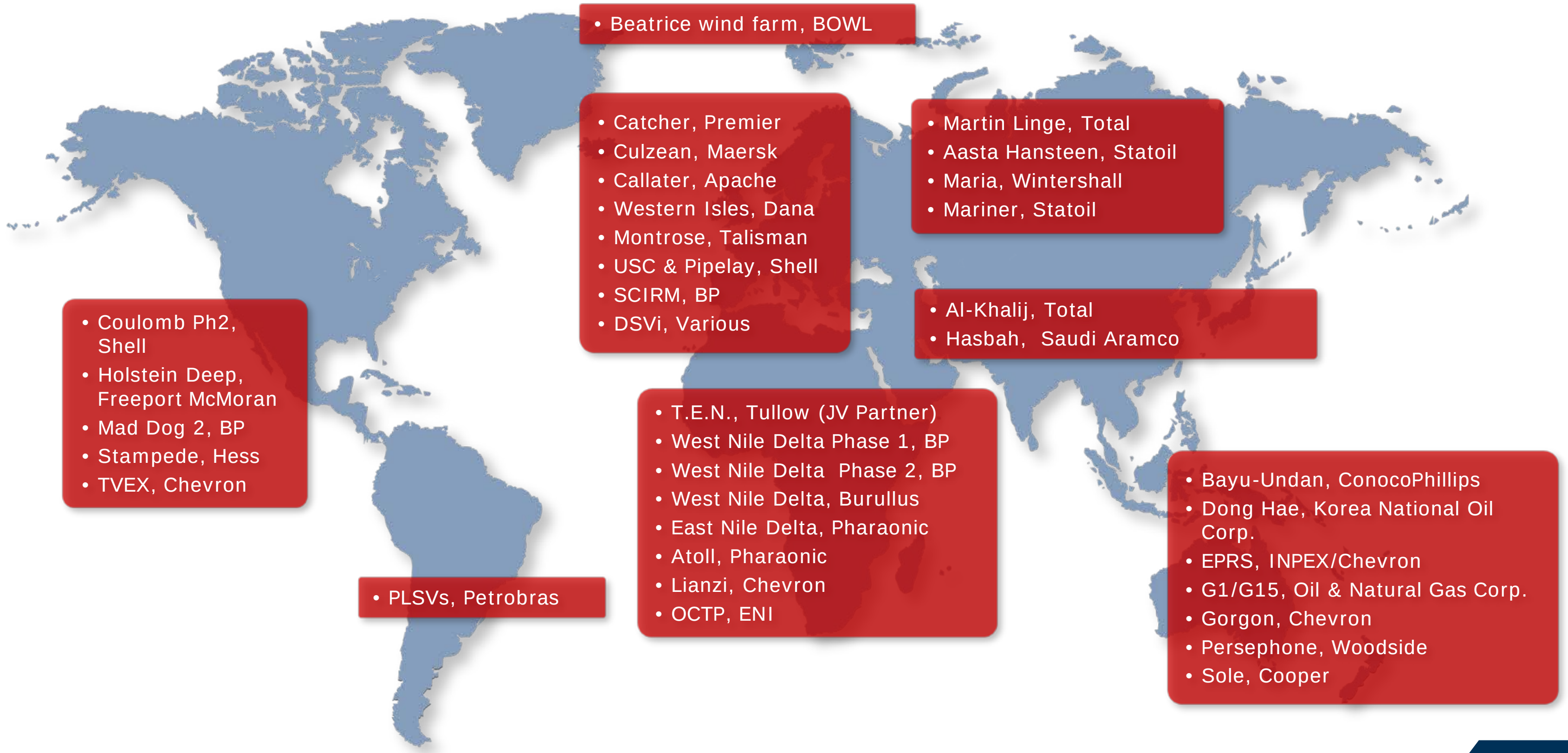
- Continuing projects >$100m between 5% and 95% complete as at 30 September 2017 excluding PLSV and Life of Field day-rate contracts



TRACK RECORD

subsea 7

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



FLEET 36 Vessels including 31 active vessels at end Q3 '17

subsea 7

12 vessels released since May 2015

Skandi Seven (returned to owner Q3 '15)

Seven Polaris (Scrapped Q4 '15)

Havila Subsea (returned to owner Q4 '15)

Acergy Viking (returned to owner Q4 '15)

Skandi Skansen (returned to owner Q4 '15)

Skandi Neptune (returned to owner Q1 '16)

Normand Seven (returned to owner Q3 '16)

Seven Petrel (Sold Q3 '16)

Normand Oceanic (returned to vessel owning JV Q1 '17 and chartered to third party)

Seven Discovery (Scrapped Q1 '17)

Grant Candies (returned to owner Q3 '17)

Siem Stingray (returned to owner Q3 '17)

Post Q3 quarter end

Normand Oceanic (acquired from JV, Q4 '17)

Sapura 3000 (Sold Q4 '17)

RIGID PIPELAY/HEAVY LIFT VESSELS / LIFT/HOOK-UP

CONSTRUCTION/VERTICAL FLEX-LAY VESSELS

DIVING SUPPORT VESSELS

LIFE OF FIELD VESSELS

CONSTRUCTION/HORIZONTAL FLEX-LAY VESSELS

UNDER CONSTRUCTION

- Owned and operated by a joint venture
- Long-term charter from a vessel-owning joint venture
- Stacked
- Chartered from a third party

Income statement – supplementary details

In $ millions	Three months ended 30 September 17 Unaudited	 30 September 16 Unaudited
Administrative expenses	**(64)**	(63)
Share of net (loss)/income of associates and joint ventures	**(13)**	11
Depreciation and amortisation	**(101)**	(94)
Net operating income	**149**	195
Net finance income/(loss)	**-**	(1)
Other gains and losses	**(27)**	(8)
Income before taxes	**123**	186
Taxation	**(12)**	(37)
Net income	**111**	149
Net income attributable to:		
Shareholders of the parent company	**113**	151
Non-controlling interests	**(2)**	(2)

Segmental analysis

For the three months ended 30 September 2017

In $ millions (unaudited)	SURF & Conventional	i-Tech Services	Renewables & Heavy Lifting	Corporate	TOTAL
Revenue	**755**	**76**	**232**	**-**	**1,063**
Net operating income/(loss)	**103**	**6**	**45**	**(4)**	**149**
Finance income					**6**
Other gains and losses					**(26)**
Finance costs					**(6)**
Income before taxes					**123**

For the three months ended 30 September 2016

In $ millions (unaudited)	SURF & Conventional	i-Tech Services	Renewables & Heavy Lifting	Corporate	TOTAL
Revenue	801	97	30	-	928
Net operating income/(loss)	214	19	8	(45)	195
Finance income					1
Other gains and losses					(8)
Finance costs					(2)
Income before taxes					186

Summary balance sheet

In $ millions	30 Sept 2017 Unaudited	31 Dec 2016 Audited
Assets		
Non-current assets		
Goodwill	**701**	628
Property, plant and equipment	**4,687**	4,124
Other non-current assets	**155**	486
Total non-current assets	**5,543**	5,238
Current assets		
Trade and other receivables	**721**	500
Construction contracts - assets	**280**	80
Other accrued income and prepaid expenses	**172**	217
Cash and cash equivalents	**1,524**	1,676
Other current assets	**92**	92
Total current assets	**2,789**	2,565
Total assets	**8,333**	7,803

In $ millions	30 Sept 2017 Unaudited	31 Dec 2016 Audited
Equity & Liabilities		
Total equity	**5,904**	5,537
Non-current liabilities		
Non-current portion of borrowings	**264**	-
Other non-current liabilities	**217**	204
Total non-current liabilities	**481**	204
Current liabilities		
Trade and other liabilities	**1,025**	824
Current portion of borrowings	**383**	427
Construction contracts – liabilities	**213**	536
Deferred revenue	**6**	6
Other current liabilities	**320**	269
Total current liabilities	**1,947**	2,062
Total liabilities	**2,428**	2,266
Total equity & liabilities	**8,333**	7,803

Reconciliation of Adjusted EBITDA

Net operating income to Adjusted EBITDA

For the period (in $millions)	Three Months Ended 30 September 2017 Unaudited	Three Months Ended 30 September 2016 Unaudited
Net operating income	**149**	195
Depreciation, amortisation and mobilisation	**101**	94
Impairment of intangible assets	**-**	1
Adjusted EBITDA	**250**	289
Revenue	**1,063**	928
Adjusted EBITDA %	**24%**	**31%**

Net income to Adjusted EBITDA

For the period (in $millions)	Three Months Ended 30 September 2017 Unaudited	Three Months Ended 30 September 2016 Unaudited
Net income	**111**	149
Depreciation, amortisation and mobilisation	**101**	94
Impairment of intangible assets	**-**	1
Finance income	**(6)**	(1)
Other gains and losses	**26**	8
Finance costs	**6**	2
Taxation	**12**	37
Adjusted EBITDA	**250**	289
Revenue	**1,063**	928
Adjusted EBITDA %	**24%**	**31%**

Summary of year-to-date 2017 cash flow

	$ millions	
Cash and cash equivalents at **31 Dec 2016**	1,676	
Net cash generated from operating activities	191	*Included decrease of $559 million in net operating liabilities*
Net cash flow used in investing activities	(211)	*Included cash outflows on acquisition of Seaway Heavy Lifting, $111 million and ECS, $38 million (net of cash acquired) and capital expenditure of $115 million*
Net cash flow used in financing activities	(129)	*Included $191 million dividends paid, repayment of SHL loan $133 million, repurchase of convertible bonds, $77 million, partially offset by $301 million funds drawn from ECA facility*
Other movements	(3)	
Cash and cash equivalents at **30 September 2017**	1,524	

- Net cash of $877 million as at 30 September 2017 compared to $1,249 million at 31 December 2016

THANK YOU

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