Earnings Presentation

Fourth Quarter and Full Year 2016

2 March 2017

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; 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.

Jean Cahuzac

CEO

2016 operational highlights

- Consistent and safe operational performance with several large projects successfully completed
- Vessel utilisation 66% full year and 65% fourth quarter
  - Active vessel utilisation 80% full year, 78% fourth quarter
- $3.4 billion full year order intake, 0.9 book-to-bill ratio
- First SPS/SURF integrated project awarded to our Subsea Integration Alliance(1)
- Affirmed our position in offshore renewable energy with the award of Beatrice offshore wind farm project
- Delivered cost reduction and resizing programme
- Maintained differentiated expertise and capability

(1) Subsea Integration Alliance is a global and exclusive alliance between Subsea 7 and OneSubsea (a Schlumberger company) to provide clients with fully integrated SPS and SURF solutions on an EPIC basis

2016 project highlights

2016 financial highlights

subsea 7

Fourth quarter financial highlights

- Fourth quarter revenue $932m
- Adjusted EBITDA $288m, 31% margin
- Adjusted diluted earnings per share(1) of $0.27
- Net cash of $1,249m at 31 December 2016
- Impairment charges: $90m relating to goodwill, $147m relating to assets

Full year financial highlights

- Full year revenue $3.6bn
- Adjusted EBITDA $1,142m, 32% margin
- Adjusted diluted earnings per share(1) of $1.54
- NOK 5.00 per share special dividend recommended
- Impairment charges: $90m relating to goodwill, $158m relating to assets

(1) Adjusted diluted earnings per share (EPS) excludes the $90m goodwill impairment charge

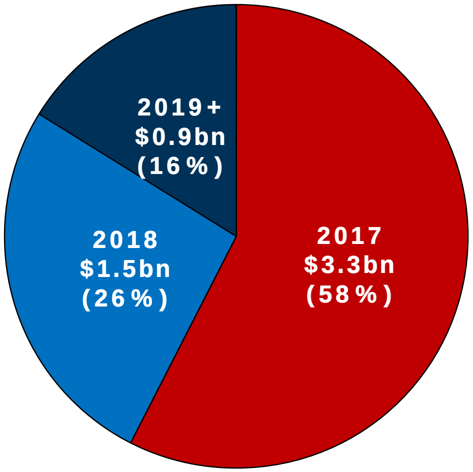
Positioning for the long-term

- Acted early to reduce our capacity and deliver strong performance though the downturn
- Protected our differentiated capability, positioning us to outperform over the long-term
- Industry conditions remain challenging in the near term
- The oil price has stabilised in recent months and clients are reviewing their plans to sanction projects
- This gives us cause to believe that there could be an increase in SURF project awards in the market within the next 12 months

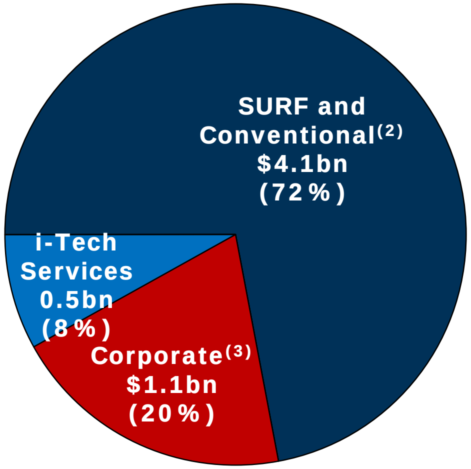
Year end Backlog and Q4 order intake

- Backlog of $5.7 billion[1], as at 31 December 2016
- $0.6 billion order intake, including announced awards:
  - Atoll Development, offshore Egypt
  - Greater Western Flank Phase 2, offshore Australia
  - Oda, offshore Norway
  - Dalmatian (a Subsea Integration Alliance award), US Gulf of Mexico

Backlog by Execution Date



Backlog by segment



(1) $0.2 billion adverse impact from foreign currency movements
(2) Included $1.8 billion related to 9 long-term contracts for PLSVs in Brazil, approximately 80% of which related to the four 550t PLSVs (*Seven Waves, Seven Rio, Seven Sun* and *Seven Cruzeiro*). Approximately $100m backlog included for *Seven Mar* which was cancelled in January 2017.
(3) Corporate includes Renewables and Heavy Lifting

SURF and Conventional

- Remaining competitive, with the right project risk profile
- Active SURF project tenders include:
  - Mad Dog 2 (US GoM)
  - KG-D6, R-Cluster (India)
  - Skarfjell (Norway)
  - Pil (Norway)
  - Liza (Guyana)
  - Fortuna (Equatorial Guinea)
  - Golfinho (Mozambique)
  - KG-DWN, block 98/2 (India)
  - Zinia (Angola)

i-Tech Services

- Frame agreement tenders in North Sea, Angola, Brazil and US GoM

Renewables and Heavy Lifting

- Offshore wind farm installation remains an active market
- Decommissioning tendering activity on the increase

Ricardo Rosa
CFO

Income statement – key highlights

In $ millions, unless otherwise indicated	Three months ended 31 Dec 16 Unaudited	Three months ended 31 Dec 15 Unaudited	Twelve months ended 31 Dec 16 Audited	Twelve months ended 31 Dec 15 Audited
Revenue	932	1,025	3,567	4,758
Impairment of Goodwill	(90)	(521)	(90)	(521)
Net operating (loss)/income (NOI)	(45)	(415)	521	144
(Loss)/income before taxes	(26)	(404)	577	185
Taxation	13	(17)	(158)	(222)
Net (loss)/income	(13)	(421)	418	(37)
Adjusted EBITDA[1]	288	310	1,142	1,217
Adjusted EBITDA margin	31%	30%	32%	26%
Adjusted diluted earning per share[2]	0.27	0.29	1.54	1.45
Weighted average number of shares (millions)	342	346	343	347

(1) Adjusted EBITDA defined in Appendix
(2) Adjusted diluted earnings per share (EPS) is based on net income, excluding the $90 million goodwill impairment charge

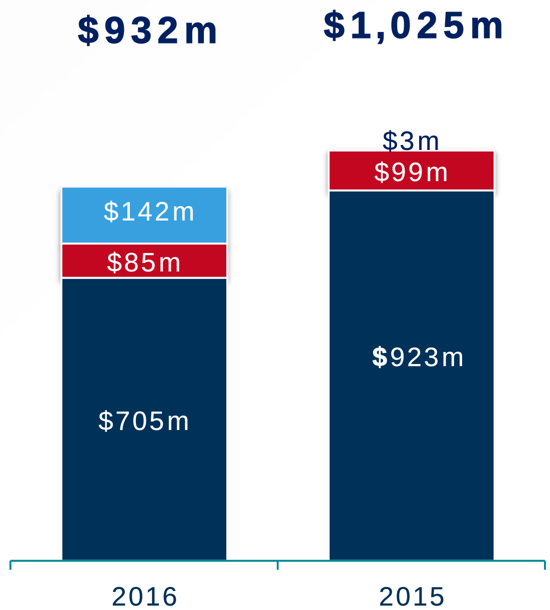
Income statement – supplementary details

In $ millions	Three months ended		Twelve months ended	
	31 Dec 16 Unaudited	31 Dec 15 Unaudited	31 Dec 16 Audited	31 Dec 15 Audited
Administrative expenses	(58)	(68)	(242)	(305)
Share of net income of associates and joint ventures	(7)	2	46	63
Depreciation and amortisation	(95)	(108)	(372)	(416)
Impairment of property, plant and equipment	(147)	(96)	(158)	(137)
Impairment of goodwill	(90)	(521)	(90)	(521)
Net operating (loss) / income	**(45)**	**(415)**	**521**	**144**
Net finance income/(costs)	3	(1)	11	9
Other gains and losses	16	12	45	33
(Loss) / income before taxes	(26)	(404)	577	185
Taxation	13	(17)	(158)	(222)
Net (loss) / income	(13)	(421)	418	(37)
Net (loss) / income Attributable to:				
Shareholders of the parent company	3	(422)	436	(17)
Non-controlling interests	(16)	1	(18)	(20)

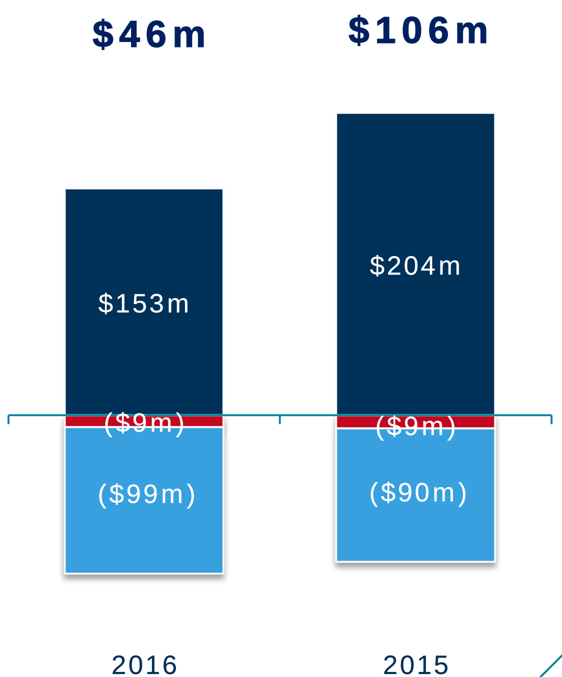
- Twelve month net operating income included restructuring charges of $97 million (2015: $136 million)

Business Unit performance – Q4 2016

Revenue Q4 2016



NOI Q4 2016 (1)



SURF & Conventional

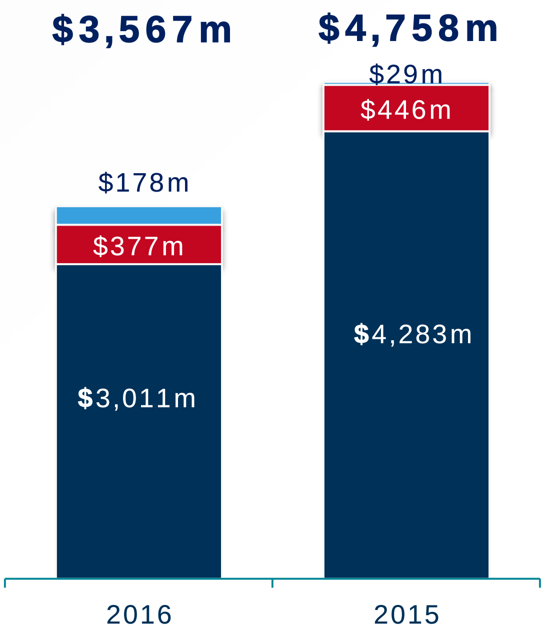
i-Tech Services

Corporate (2) (includes Renewables and Heavy Lifting)

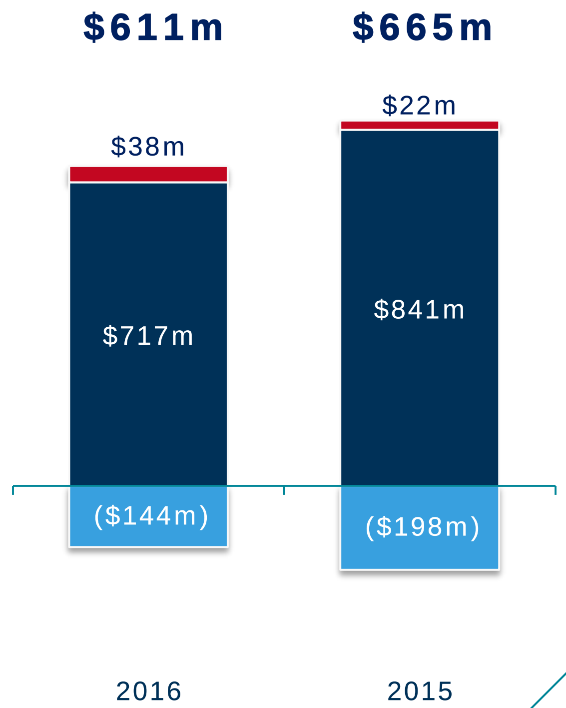
(1) Net operating income was adjusted to exclude goodwill impairment charge
(2) Corporate net operating loss included an impairment charge related to property, plant and equipment of $100 million in Q4 2016 (Q4 2015: $89 million)

Business Unit performance - Full Year 2016

Revenue
Full Year 2016



NOI
Full Year 2016 (1)



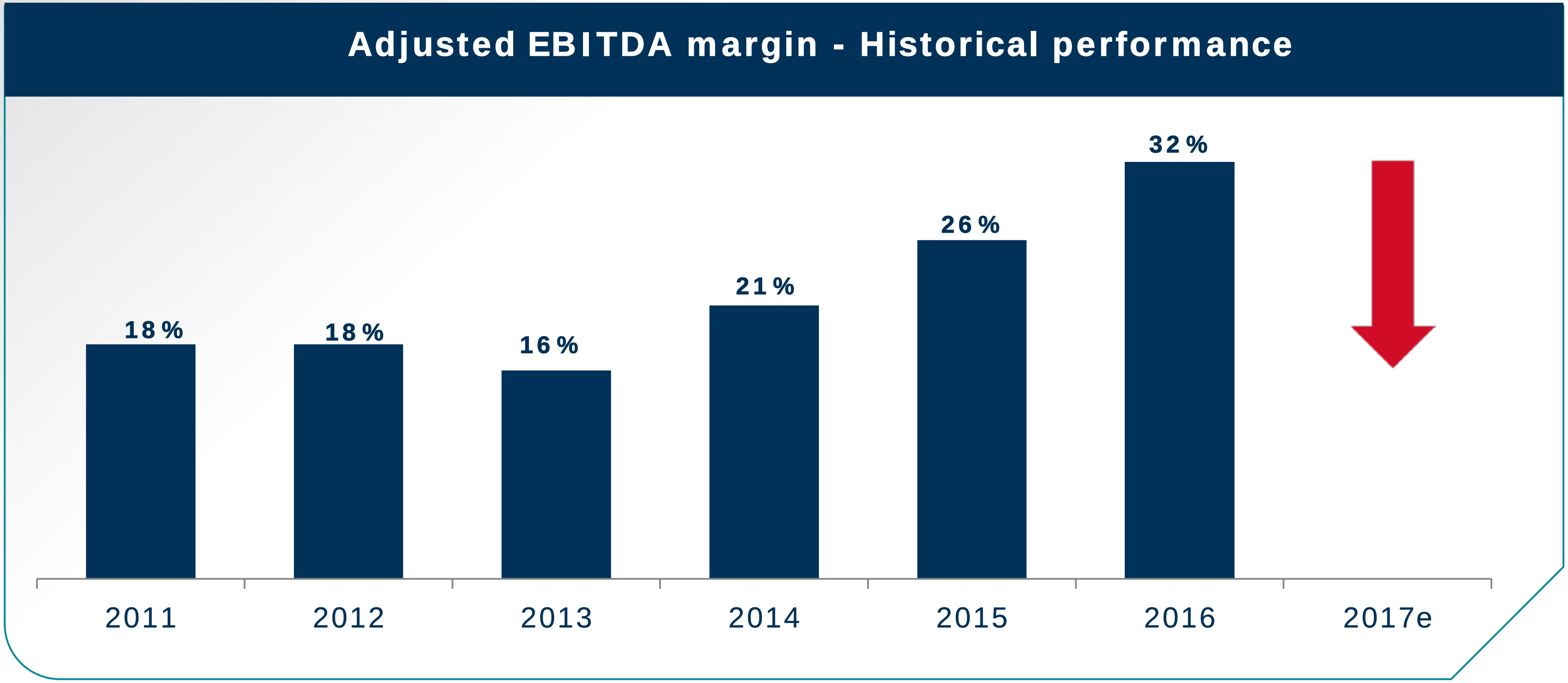
SURF & Conventional

i-Tech Services

Corporate (includes Renewables and Heavy Lifting)

(1) Net operating income was adjusted to exclude charge for goodwill impairment
(2) Corporate net operating loss included:
- restructuring charges of $97 million in 2016 (2015: $136 million) in relation to the resizing programmes
- an impairment charge related to property, plant and equipment of $100m in 2016 (2015: $129 million)

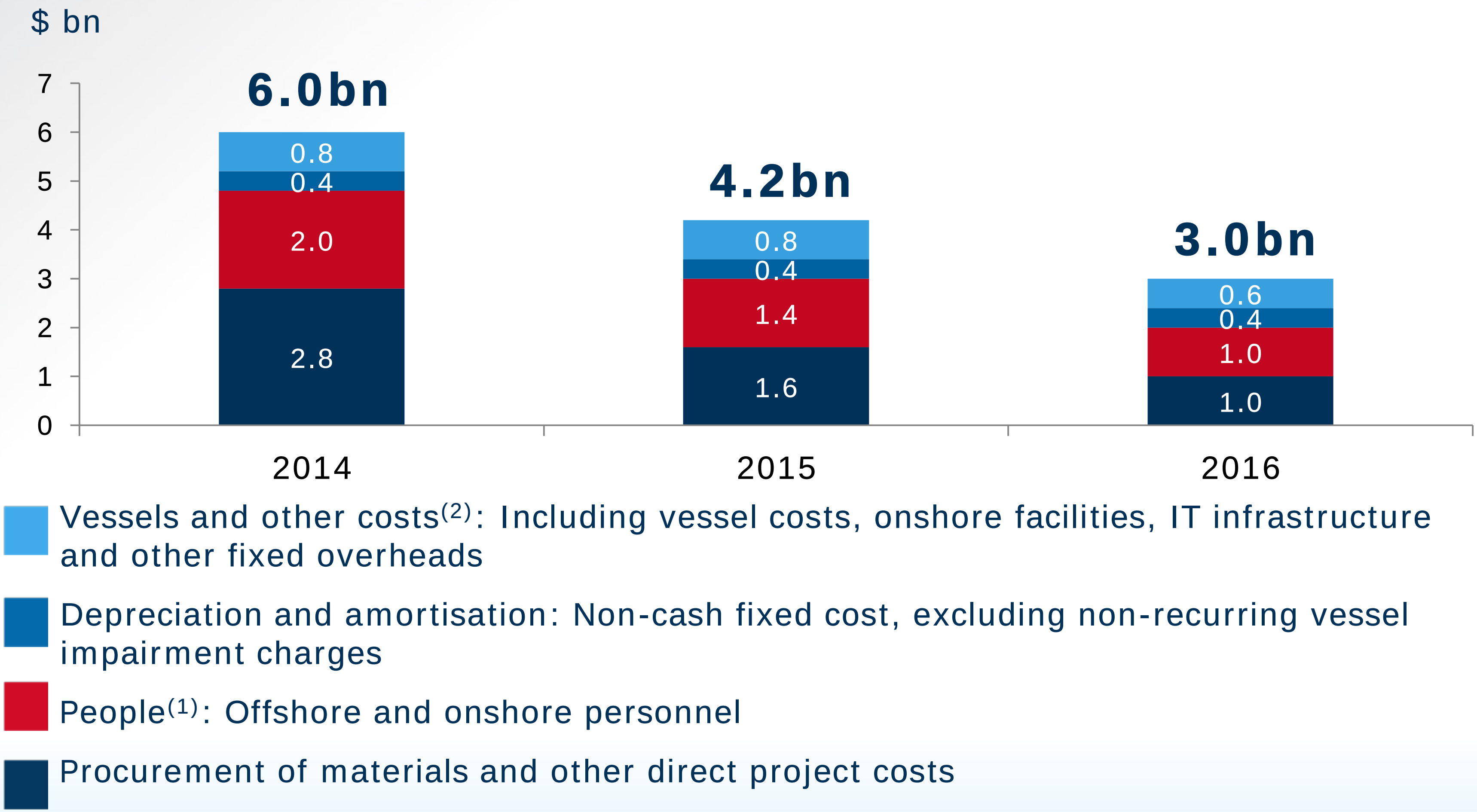
Our Adjusted EBITDA margin performance



- Adjusted EBITDA percentage margin driven by:
  - Alignment of capacity and cost with activity
  - Project execution and de-risking
  - Mix of activity and phasing of projects
  - Market environment and competition for awards

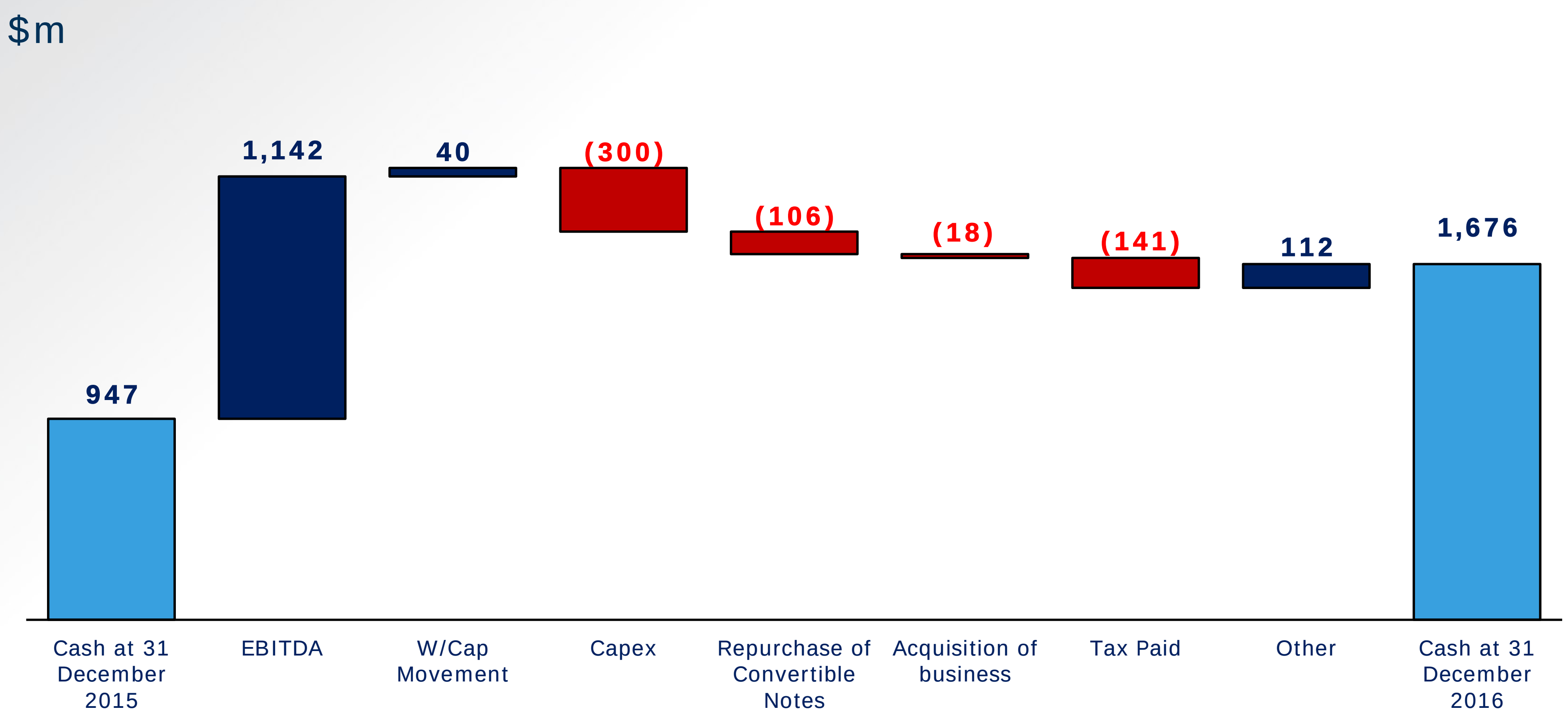
2016 expenses overview

$1.2 billion vessel and workforce cost savings since 2014



(1) Includes restructuring charges 2016: $97m, 2015: $136 million, 2014: nil
(2) Includes impairment charges related to property, plant & equipment 2016: $158 million, 2015: $ 136 million, 2014: $89 million

Summary of full year 2016 cash flow



- Net cash of $1.2 billion as at 31 December 2016 compared to $423 million at 31 December 2015

- Net cash generated from operating activities was $1.0 billion with $333 million generated in the fourth quarter

Our priorities for capital allocation

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1. Invest to grow and strengthen our business

- Completion of new-build vessel programme
- Focused investment in technology and innovation
- Integrated solutions with OneSubsea
- Offered to acquire remaining 50% of SHL

2. Maintain an investment-grade profile

- Net cash $1.2 billion at 31 December 2016
- $113 million (par value) convertible bonds re-purchased in 2016

3. Return surplus cash to shareholders

- NOK 5.00 per share special dividend recommended to be paid in 2017
- Over $1 billion cash returned since 2011

Financial guidance

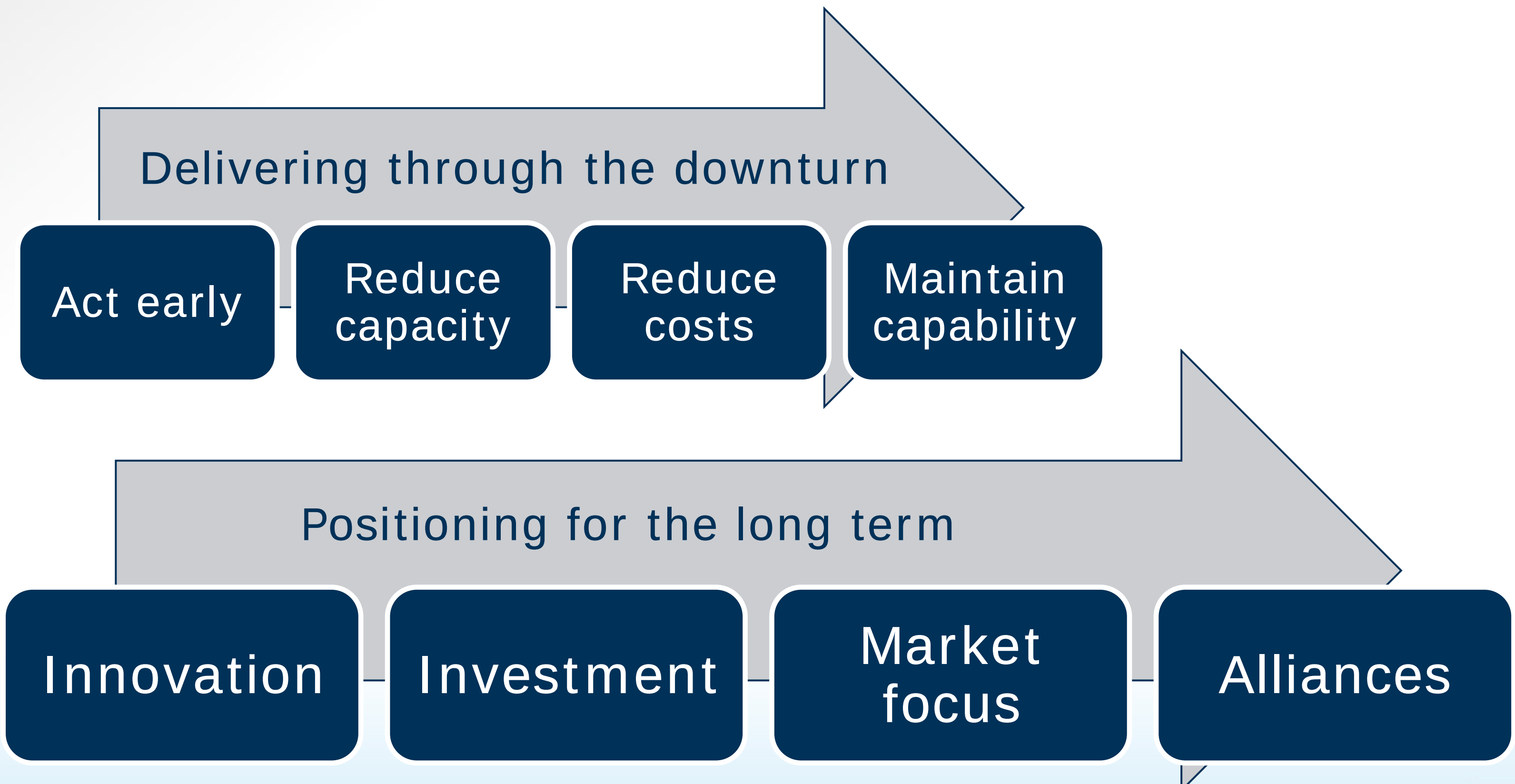
2017	Guidance
Revenue	Broadly in line with 2016
Adjusted EBITDA percentage margin	Significantly lower than 2016
Administrative expense	$190 million - $210 million
Net finance cost	$10 million - $15 million
Depreciation and Amortisation	$370 million - $390 million
Full year effective tax rate	45% - 50%
Capital expenditure	$160 million - $180 million

Jean Cahuzac

CEO

subsea 7

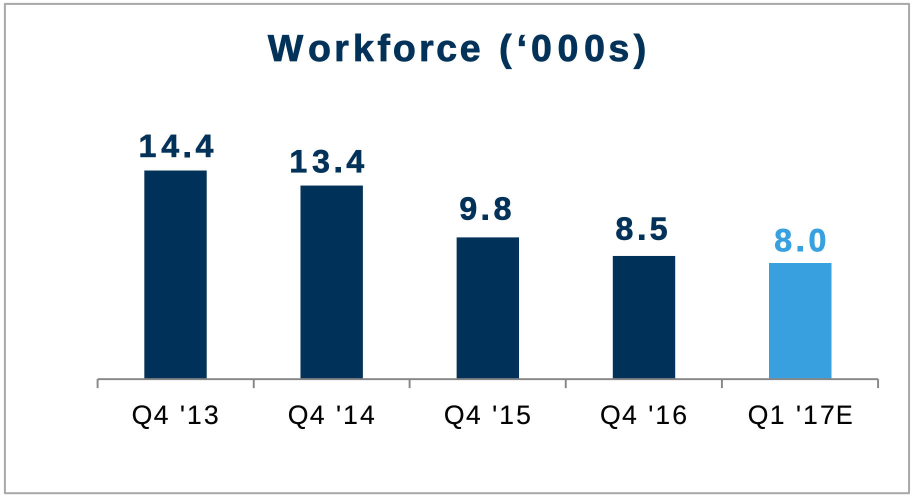
- We acted early to deliver through the downturn and position for long-term success in our core market segments: SURF and Conventional, i-Tech Services and Renewables and Heavy Lifting

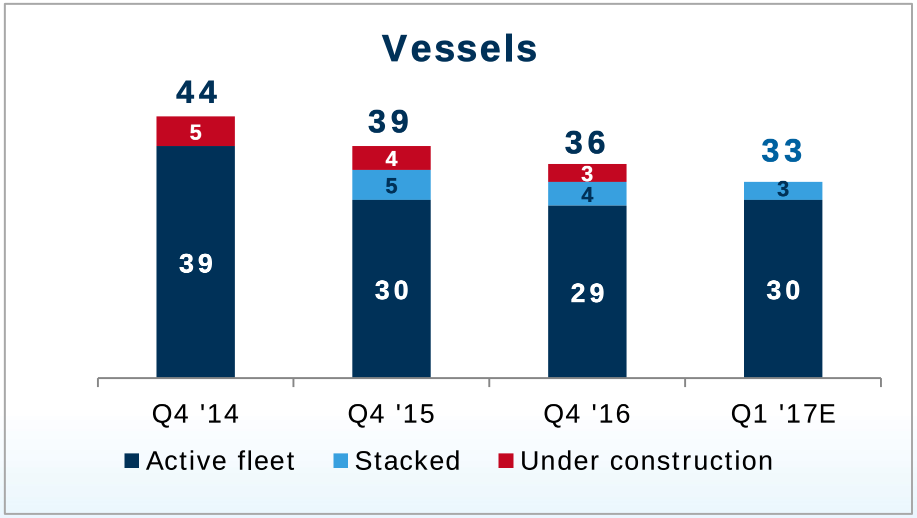


Delivering through the downturn

Cost reduction and resizing actions taken early

- Centralised expertise in our Global Project Centre offices
- Workforce reduced by approximately 40%
- Six chartered vessels returned to owners
- Four owned vessels stacked
- Two owned vessels left the fleet, two more due to leave in 2017



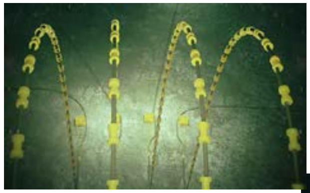


Positioning for the long-term - Innovation

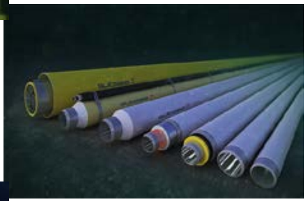
Technology investment maintained

- Invested through the cycle to develop new enabling and cost-reducing technologies
- Owns one of the largest and most recent groups of patents in our markets
- Acquired Swagelining in 2016: a leading polymer lining technologist

Our five strategic technology programmes



Riser Systems



Flowline Systems

Bundles

Subsea Processing

LOF & remote intervention

Positioning for the long-term - Investment

New-build vessel programme

- Six vessel new-build programme completed in January 2017
- Total cost $1.9 billion
- Four high-specification flex-lay vessels on long term contracts with Petrobras
- *Seven Arctic* and *Seven Kestrel* to commence operations in the North Sea first half 2017

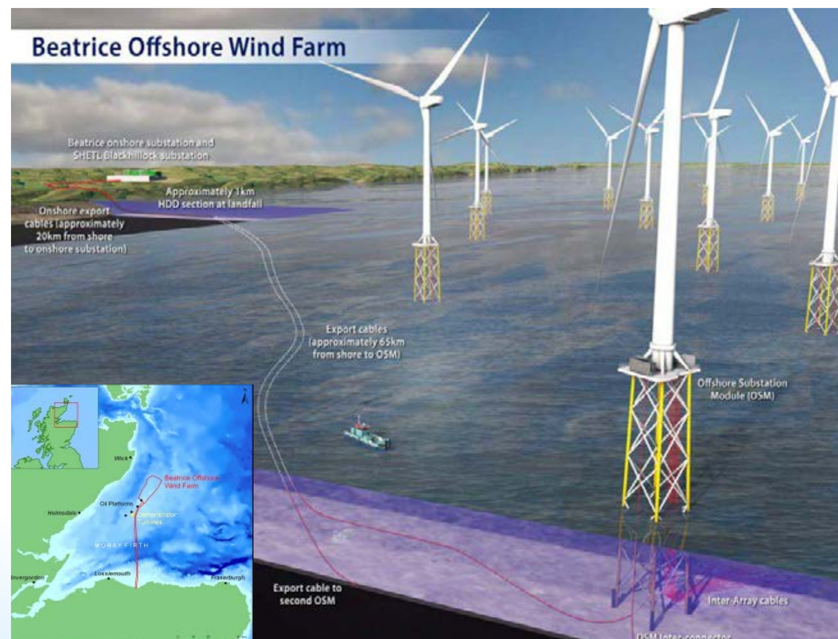
Positioning for the long-term – Market focus

Presence in Renewable and Heavy Lifting

- Renewables and Heavy Lifting are long-term growth markets
- In 2016, Subsea 7 was awarded the Beatrice project, to be delivered with SHL(1)
- 95% of SHL revenue in 2016 was on renewable energy projects
- January 2017: Subsea 7 offered to acquire the remaining 50% of SHL

Beatrice offshore wind farm

- $1.3 billion EPCI contract, offshore N.E. Scotland
- 84 jacket-based wind turbine foundations – 120,000t steel
- Fully integrated team of Subsea 7 and SHL personnel



(1) Seaway Heavy Lifting (SHL) is a joint venture company 50% owned by Subsea 7

Positioning for the long term - Alliances

Collaboration – Alliances and Partnerships

- We are working collaboratively with industry partners and clients to develop and deliver optimal solutions

Integrated solutions

Early engagement

Client partnerships

A gradual market recovery

- Industry conditions remain challenging in the near term
- We are investing strategically to enhance our differentiated offering
- We are innovating and working collaboratively to deliver optimal solutions for our clients
- The oil price has stabilised in recent months and clients are reviewing their project sanction plans
- A gradual market recovery is anticipated
- This gives us cause to believe that there could be an increase in SURF project awards in the market within the next 12 months

Q&A

Appendix

- Our global presence
- Major project progression
- Our fleet
- Adjusted EBITDA
- Segmental analysis
- Cash Flow
- Balance Sheet

Our global presence

- Beatrice Wind Farm, BOWL

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

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

- Stampede, Hess
- Coulomb Ph2, Shell
- Holstein Deep, Freeport McMoRan
- Dalmation, Murphy

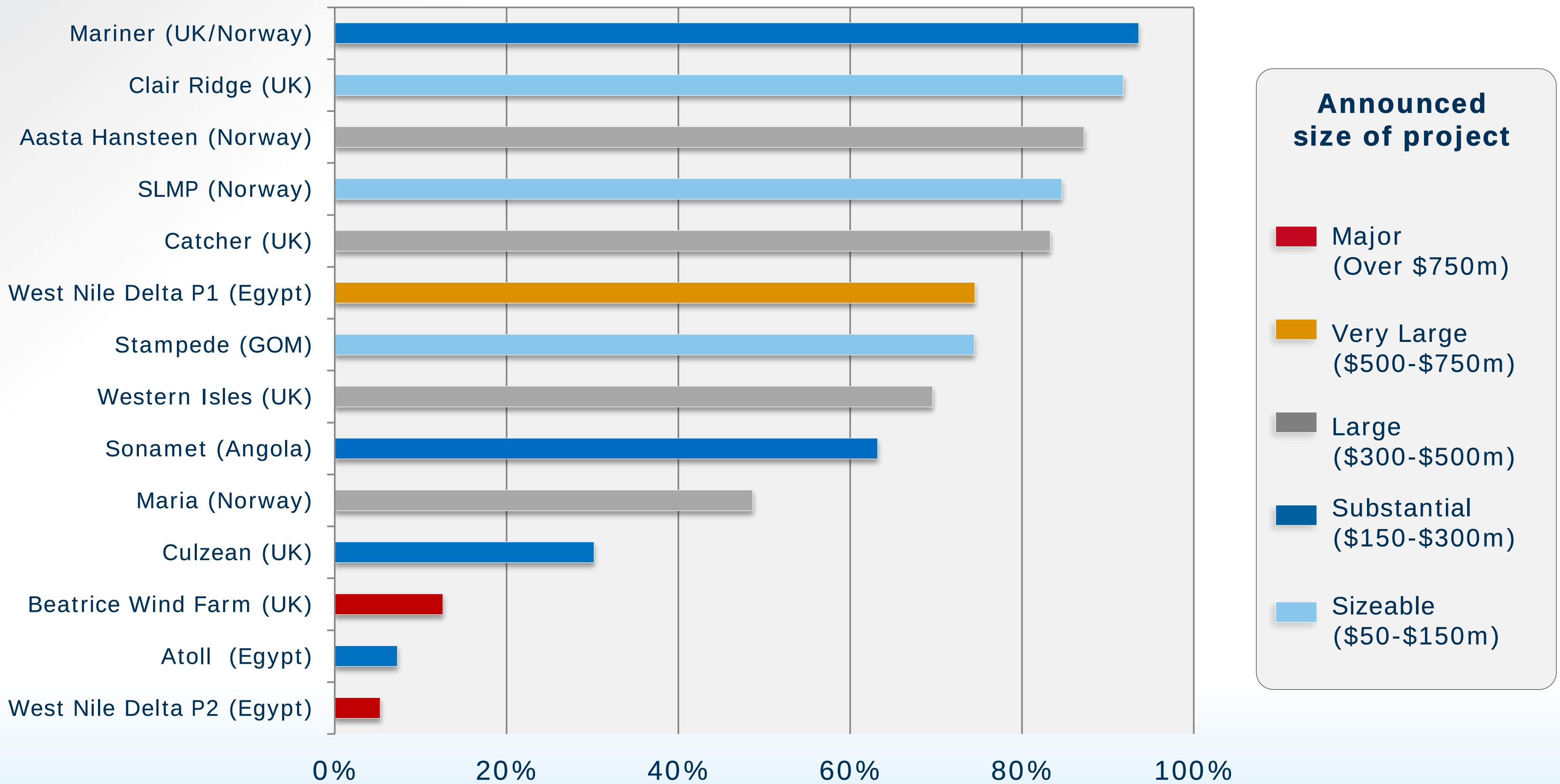
- PLSVs, Petrobras

- 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
- Atoll, Pharonic
- Lianzi, Chevron

- EPRS, INPEX/Chevron
- Persephone, Woodside
- Greater Western Flank, Woodside
- Sole, Cooper

Major project progression

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



Our fleet as at 31 December 2016

- 29 vessels in the active fleet

7 Chartered:
- Skandi Acergy
- Grant Candies
- Normand Subsea
- Siem Stingray
- Subsea Viking
- Normand Oceanic (2)
- Seven Viking (2)

22 Owned:
- Seven Borealis
- Seven Oceans
- Seven Condor
- Seven Rio
- Seven Seas
- Sapura 3000 (1)
- Oleg Strashnov (1)
- Stanislav Yudin (1)
- Rockwater 2
- Seven Atlantic
- Seven Falcon
- Seven Osprey
- Seven Pelican
- Kommandor 3000
- Seven Eagle
- Seven Mar
- Simar Esperança
- Seven Antares
- Seven Waves
- Seven Pacific
- Seven Phoenix
- Seven Sun

- 4 vessels stacked
  - Seven Navica
  - Seven Discovery
  - Rockwater 1
  - Seven Inagha

3 Vessels under construction
- Seven Arctic - Delivered January 2017
- Seven Kestrel - Delivered January 2017
- Seven Cruzeiro - Delivered and commenced long-term contract with Petrobras offshore Brazil January 2017

- No fleet changes during the fourth quarter 2016

- Changes since 31 December 2016
  - Seven Mar stacked following the early termination of its contract
  - New-build programme completed in January 2017 with delivery of Seven Arctic, Seven Kestrel and Seven Cruzeiro

(1) Owned and operated by a joint venture
(2) Long-term charter from a vessel-owning joint venture

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 Dec 2016	Three Months Ended 31 Dec 2015	Twelve Months Ended 31 Dec 2016	Twelve Months Ended 31 Dec 2015
Net operating (loss)/income	**(45)**	(415)	521	144
Depreciation, amortisation and mobilisation	**95**	108	372	416
Impairment of goodwill	**90**	521	90	521
Impairment of Property, Plant and Equipment	**147**	96	158	136
Adjusted EBITDA	**288**	310	1,142	1,217
Revenue	**932**	1,025	3,567	4,758
Adjusted EBITDA %	**30.9%**	30.2%	32.0%	25.6%

Net income to Adjusted EBITDA

For the period (in $millions)	Three Months Ended 31 Dec 2016	Three Months Ended 31 Dec 2015	Twelve Months Ended 31 Dec 2016	Twelve Months Ended 31 Dec 2015
Net loss	**(13)**	(421)	418	(37)
Depreciation, amortisation and mobilisation	**95**	108	372	416
Impairment of goodwill	**90**	521	90	521
Impairment of Property, Plant and Equipment	**147**	96	158	136
Finance income	**(7)**	(5)	(18)	(17)
Other gains and losses	**(16)**	(12)	(45)	(33)
Finance costs	**4**	5	7	8
Taxation	**(13)**	17	158	222
Adjusted EBITDA	**288**	310	1,142	1,217
Revenue	**932**	1,025	3,567	4,758
Adjusted EBITDA %	**30.9%**	30.2%	32.0%	25.6%

Segmental analysis

For the three months ended 31 December 2016

In $ millions (unaudited)	SURF & Conventional	i-Tech Services	Corporate	TOTAL
Revenue	705	85	142	932
Net operating income/(loss) excluding goodwill impairment	153	(9)	(99)	46
Impairment of goodwill	(90)	-	-	(90)
Net operating income/(loss)	63	(9)	(99)	(45)
Finance income				7
Other gains and losses				16
Finance costs				(4)
Loss before taxes				(26)

For the three months ended 31 December 2015

In $ millions (unaudited)	SURF & Conventional	i-Tech Services	Corporate	TOTAL
Revenue	923	99	3	1,025
Net operating income/(loss) excluding goodwill impairment	204	(9)	(90)	105
Impairment of goodwill	(521)	-	-	(521)
Net operating loss	(317)	(9)	(90)	(415)
Finance income				5
Other gains and losses				12
Finance costs				(5)
Loss before taxes				(404)

Summary of full year 2016 cash flow

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	$ millions	
Cash and cash equivalents at **31 Dec 2015**	947	
Net cash generated from operating activities	1,046	*Increase of $40 million in net operating liabilities*
Net cash flow used in investing activities	(199)	*Included capital expenditure of $300 million mainly on new-build vessel programme*
Net cash flow used in financing activities	(121)	*Included $106 million repurchase of convertible bonds*
Other movements	4	
Cash and cash equivalents at **31 Dec 2016**	1,676	

- Net cash of $1,249 million as at 31 December 2016 compared to $423 million at 31 December 2015
- Fourth quarter net cash generated from operating activities was $333 million

Summary balance sheet

In $ millions	31 Dec 2016 Audited	31 Dec 2015 Audited
Assets		
Non-current assets		
Goodwill	628	767
Property, plant and equipment	4,124	4,559
Other non-current assets	486	502
Total non-current assets	**5,238**	**5,828**
Current assets		
Trade and other receivables	500	584
Construction contracts - assets	80	278
Other accrued income and prepaid expenses	217	152
Cash and cash equivalents	1,676	947
Other current assets	92	65
Total current assets	**2,565**	**2,026**
Total assets	**7,803**	**7,854**

In $ millions	31 Dec 2016 Audited	31 Dec 2015 Audited
Equity & Liabilities		
Total equity	**5,537**	**5,346**
Non-current liabilities		
Non-current portion of borrowings	-	524
Other non-current liabilities	204	210
Total non-current liabilities	**204**	**734**
Current liabilities		
Trade and other liabilities	824	1,123
Current portion of borrowings	427	-
Construction contracts – liabilities	536	459
Deferred revenue	6	10
Other current liabilities	269	182
Total current liabilities	**2,062**	**1,774**
Total liabilities	**2,266**	**2,508**
Total equity & liabilities	**7,803**	**7,854**

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