



subsea 7

**Earnings Presentation**  
**Fourth Quarter and Full Year 2010**

*February 23, 2011*

*3:00pm UK time*

## Forward-looking statements

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- Certain statements made in this announcement may include “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the US Securities Exchange Act of 1934. These statements may be identified by the use of words like “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “forecast”, “project,” “will,” “should,” “seek,” and similar expressions. These statements include, but are not limited to, statements as to the approximate value of the contract awards and the scope and location of our work thereunder, statements as to the date of commencement and completion of operations of contracts, statements as to the scope of each awarded contract expectations as to the Group’s performance in 2011, expectations as to the Group’s approach to costs, risk, pricing, execution and position and direction of the market in 2011, statements contained in the “Outlook for Subsea 7 S.A.” section, including the expected impact of a continued competitive pricing environment, the anticipated activity levels in the Conventional market in West Africa, the anticipation that delayed major SURF contracts will come to market and the timing of the offshore installation phase of such projects, the expectation for SURF contracts to increase in size and complexity in the medium-term, our ability to capture growth opportunities, statements as to the expected date of delivery of *Seven Havila* and *Oleg Strashnov*, statements as to the expected uses of the new \$1 billion revolving credit and guarantee facility, expectations regarding our backlog and pre-backlog, the integration of Acergy S.A. and Subsea 7 Inc., the Board of Directors’ intention not to propose a dividend for consideration at the 2011 Annual General Meeting of Shareholders, the expected costs relating to the acquisition of *Borealis* and the sources of such funds, the Group’s intention to delist from NASDAQ and deregister under the US Securities Exchange Act of 1934, statements as to the timing and dates of effectiveness of notices and filings to be made in connection with the delisting and deregistration process. The forward-looking statements reflect our current views and assumptions and are subject to risks and uncertainties. The following factors, and others which are discussed in our public filings and submissions with the U.S. Securities and Exchange Commission, 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; unanticipated costs and difficulties related to the integration of Acergy S.A. and Subsea 7 Inc. and our ability to achieve benefits therefrom; unanticipated delays, costs and difficulties related to the combination transaction, including satisfaction of closing conditions; 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 ships on order and the timely completion of ship conversion programmes; 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. Given these factors, you should not place undue reliance on the forward-looking statements.

## Reflecting on 2010

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- Both Companies have had an excellent year and delivered good results driven by strong operational performances
- Results were positively impacted by a number of factors:
  - Execution of contracts signed prior to 2009 with good profit margins
  - Timing of operations on projects such as: PazFlor going offshore during the fourth quarter; Block 31 utilising *Seven Seas*; and Block 18 Gas Export Line, all of which performed strongly
  - The continued strength of conventional activity in West Africa
  - The successful completion of commercial negotiations, during the fourth quarter, on the Marathon Volund Project and the Mexilhao Project in Brazil, which has now completed

## 2010 – an excellent year

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- We have achieved more than delivering good results, we have prepared the future
- We are very well positioned for short and long-term profitable growth:
  - Our safety results have continued to improve
  - We have announced the Combination of two strong companies
  - We have continued to upgrade our fleet through new builds and acquisitions
  - We have backlog of \$6.3 billion for the combined two companies at the end of December
  - Supported by a strong balance sheet
- Very pleased with the progress the two Companies have made in 2010
- Optimistic for our combined future

## 2010 – an excellent year

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- Investment focused on core assets; vessels with high technical specifications
- Acergy:
  - Good progress on *Borealis* construction – delivery expected H1 2012
  - Good progress on joint venture new builds - *Seven Havila*, our newbuild diving support vessel, and *Oleg Strashnov*, a second heavy lifting vessel for SHL – delivery expected in H1 2011
  - Acquisitions of *Antares*, *Polar Queen* and *Pertinacia*
- Legacy Subsea 7 completed five–year \$1 billion fleet enhancement programme:
  - Delivery of *Seven Atlantic* and *Seven Pacific*

## Consistent Strategy and Priorities

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- We remain focused on key markets with long-term, strong and sustainable growth characteristics; markets where we can differentiate ourselves, markets where we can achieve profitable growth
- Our priorities for the new Company remain the same:
  - Safety
  - Maintain discipline in our tendering processes
  - Continue to enhance our engineering and project management expertise, knowledge management and controls
  - Optimise costs without impeding our ability to grow profitably
  - Continue to develop local content and talent
- While integrating the two companies and achieving targeted synergies

## Subsea 7 S.A. financial statements

Subsea 7 S.A. (formerly Acergy S.A.) financial statements highlights for the year and the quarter ended November 30, 2010

# Subsea 7 S.A. (formerly Acergy S.A.)

## Income statement highlights

| <i>In \$ millions, except Adjusted EBITDA margin, share and per share data</i>    | Three Months Ended             |                        | Twelve Months Ended          |                      |
|---|--------------------------------|------------------------|------------------------------|----------------------|
|   | <b>Nov.30.10<br/>Unaudited</b> | Nov.30.09<br>Unaudited | <b>Nov.30.10<br/>Audited</b> | Nov.30.09<br>Audited |
| Revenue from continuing operations  | <b>717.2</b>                   | 621.9                  | <b>2,369.0</b>               | 2,208.8              |
| Gross profit  | <b>231.8</b>                   | 166.7                  | <b>668.0</b>                 | 525.0                |
| Net operating income from continuing operations                                   | <b>152.9</b>                   | 113.5                  | <b>436.1</b>                 | 342.7                |
| Income before taxes from continuing operations                                    | <b>139.2</b>                   | 119.1                  | <b>399.2</b>                 | 361.3                |
| Taxation  | <b>(45.1)</b>                  | (40.4)                 | <b>(130.8)</b>               | (102.8)              |
| Income from continuing operations   | <b>94.1</b>                    | 78.7                   | <b>268.4</b>                 | 258.5                |
| Net income from discontinued operations   | <b>29.6</b>                    | 2.4                    | <b>44.6</b>                  | 7.2                  |
| Net income  | <b>123.7</b>                   | 81.1                   | <b>313.0</b>                 | 265.7                |
| Adjusted EBITDA – continuing operations   | <b>179.2</b>                   | 163.3                  | <b>559.3</b>                 | 488.3                |
| Adjusted EBITDA margin – continuing operations                                    | <b>25.0%</b>                   | 26.3%                  | <b>23.6%</b>                 | 22.1%                |
| <i>Per share data (diluted)</i>   |                                |                        |                              |                      |
| Earnings per share - continuing operations  | <b>\$0.42</b>                  | \$0.39                 | <b>\$1.16</b>                | \$1.29               |
| Earnings per share - discontinued operations                                      | <b>\$0.14</b>                  | \$0.01                 | <b>\$0.22</b>                | \$0.04               |
| Earnings per share – total operations   | <b>\$0.57</b>                  | \$0.40                 | <b>\$1.38</b>                | \$1.33               |
| Weighted average number of Common Shares and Common Share equivalents outstanding | <b>207.0m</b>                  | 206.2m                 | <b>206.7m</b>                | 183.8m               |



## Subsea 7 S.A. (formerly Acergy S.A.)

## Cash flow highlights

| <i>In \$ millions</i>                                      | Year Ended<br>Nov.30.10<br>Audited | Year Ended<br>Nov.30.09<br>Audited |
|--|------------------------------------|------------------------------------|
| Net income   | 313.0                              | 265.7                              |
| Depreciation, amortisation & impairment                    | 123.2                              | 145.6                              |
| Non-cash items   | 26.5                               | 126.3                              |
| Tax paid   | (137.4)                            | (59.9)                             |
| Changes in working capital                                 | (185.3)                            | 68.4                               |
| <b>Net cash generated from operating activities</b>        | <b>140.0</b>                       | <b>546.1</b>                       |
| <b><i>Cash flows from investing activities:</i></b>        |                                    |                                    |
| Purchases of property, plant and equipment                 | (503.9)                            | (171.8)                            |
| Purchases of intangible assets                             | (6.2)                              | (4.6)                              |
| Proceeds from sale of assets (net of costs of sale)        | 2.5                                | 73.6                               |
| Dividends received from associates and joint ventures      | 28.3                               | 28.0                               |
| Investment in associates and joint ventures                | (14.0)                             | (20.6)                             |
| Advances to associates and joint ventures                  | -                                  | (5.0)                              |
| <b>Net cash used in investing activities</b>               | <b>(493.3)</b>                     | <b>(100.4)</b>                     |
| <b><i>Cash flows from financing activities:</i></b>        |                                    |                                    |
| Proceeds from / repayment of borrowings and issuance costs | (11.1)                             | 2.8                                |
| Proceeds from issuance of ordinary shares                  | 4.6                                | 1.6                                |
| Interest paid  | (15.8)                             | (11.3)                             |
| Dividends paid to equity shareholders of the parent        | (42.2)                             | (40.2)                             |
| Dividends paid to non-controlling interests                | (20.0)                             | (4.9)                              |
| <b>Net cash used in financing activities</b>               | <b>(84.5)</b>                      | <b>(52.0)</b>                      |
| Net (decrease)/increase in cash and cash equivalents       | (437.8)                            | 393.7                              |
| Cash and cash equivalents at beginning of year             | 907.6                              | 573.0                              |
| Effect of exchange rates on cash and cash equivalents      | (25.4)                             | 44.5                               |
| Closing cash balances classified as assets held for sale   | (63.7)                             | (103.6)                            |
| Opening cash balances classified as assets held for sale   | 103.6                              | -                                  |
| <b>Cash and cash equivalents at end of year</b>            | <b>484.3</b>                       | <b>907.6</b>                       |

# Subsea 7 S.A. (formerly Acergy S.A.)

## Balance sheet highlights

| In \$ millions as at  | November<br>30, 2010<br>Audited <sup>(1)</sup> | November<br>30, 2009<br>Audited <sup>(1)</sup> |
|---|--|--|
| Property, plant and equipment   | 1,278.8  | 821.8  |
| Interest in associates and joint ventures                               | 215.1  | 190.3  |
| Trade and other receivables   | 382.0  | 297.9  |
| Assets held for sale  | 255.5  | 263.6  |
| Other accrued income and prepaid expenses                               | 242.3  | 212.8  |
| Cash and cash equivalents <sup>(2)</sup>                                | 484.3  | 907.6  |
| Other assets  | 131.5  | 139.1  |
| <b>Total assets</b>   | <b>2,989.5</b>                                 | <b>2,833.1</b>                                 |
| <b>Total equity</b>   | <b>1,259.3</b>                                 | <b>1,099.2</b>                                 |
| Non-current portion of borrowings                                       | 435.3  | 415.8  |
| Trade and other liabilities   | 673.3  | 624.1  |
| Deferred revenue  | 217.8  | 279.8  |
| Current tax liabilities   | 109.9  | 97.9   |
| Liabilities directly associated with assets classified as held for sale | 134.5  | 174.9  |
| Other liabilities   | 159.4  | 141.4  |
| <b>Total liabilities</b>  | <b>1,730.2</b>                                 | <b>1,733.9</b>                                 |
| <b>Total equity and liabilities</b>                                     | <b>2,989.5</b>                                 | <b>2,833.1</b>                                 |

<sup>(1)</sup> These figures have been extracted from the Audited Consolidated Financial Statements for 2010 & 2009

<sup>(2)</sup> As at November 30, 2010 cash balances of \$484.3 million exclude \$63.7 million relating to Sonamet which as at this date is classified as an asset held for sale

**Subsea 7 Inc.  
financial  
statements**

Subsea 7 Inc. unaudited financial statements highlights for the year and the quarter ended December 31, 2010

## Subsea 7 Inc.

## Income statement highlights

|  | Three months ended |           | Year ended     |          |
|--|--------------------|-----------|----------------|----------|
|  | 31/12/10           | 31/12/09  | 31/12/10       | 31/12/09 |
| <i>(Amounts in USD millions)</i>                   | Unaudited          | Unaudited | Unaudited      | Audited  |
| <b>Revenue</b>                                     | <b>509.2</b>       | 538.2     | <b>2,022.7</b> | 2,439.3  |
| <b>Adjusted EBITDA</b>                             | <b>81.2</b>        | 130.9     | <b>427.5</b>   | 526.8    |
| <b>Net operating profit</b>                        | <b>42.6</b>        | 96.4      | <b>291.3</b>   | 404.0    |
| <b>Profit before tax</b>                           | <b>43.2</b>        | 92.0      | <b>239.5</b>   | 412.2    |
| <b>Profit attributable to equity shareholders</b>  | <b>31.3</b>        | 64.5      | <b>162.2</b>   | 288.4    |
| <b><u>Earnings per share, in USD per share</u></b> |                    |           |                |          |
| <b>Basic</b>                                       | <b>0.21</b>        | 0.44      | <b>1.10</b>    | 1.96     |
| <b>Diluted</b>                                     | <b>0.21</b>        | 0.42      | <b>1.09</b>    | 1.94     |

# Subsea 7 Inc.

## Cash flow highlights

|   | Year ended      |                |
|---|-----------------|----------------|
|   | 31/12/10        | 31/12/09       |
| <i>(Amounts in USD 1,000)</i>                               | Unaudited       | Audited        |
| Net profit  | 161,848         | 288,351        |
| Non-cash income statement items                             | 256,569         | 254,527        |
| Changes in working capital                                  | (144,689)       | 97,099         |
| <b>Cash generated from operations</b>                       | <b>273,728</b>  | <b>639,977</b> |
| Purchase of property, plant and equipment                   | (208,268)       | (246,331)      |
| Proceeds from sale of property, plant and equipment         | 3,103           | 1,413          |
| Dividends received  | 230             | 16,336         |
| Drawdown of loans   | -               | (150,000)      |
| Proceeds from issue of convertible notes                    | -               | 272,902        |
| Repurchase of convertible notes                             | (169,387)       | (75,486)       |
| Proceeds from sale of available-for-sale financial assets   | 173,015         | -              |
| Other cash flows  | (100,766)       | (85,626)       |
| <b>Net (decrease)/increase in cash and cash equivalents</b> | <b>(28,345)</b> | <b>373,185</b> |
| Cash and cash equivalents at start of period                | 487,251         | 114,066        |
| <b>Cash and cash equivalents at end of period</b>           | <b>458,906</b>  | <b>487,251</b> |

# Subsea 7 Inc.

## Balance sheet highlights

|                                     | At 31/12/10      | At 31/12/09 |
|-------------------------------------|------------------|-------------|
| <i>(Amounts in USD 1,000)</i>       | Unaudited        | Audited     |
| <b>Assets</b>                       |                  |             |
| <b>Non-current assets</b>           | <b>1,368,312</b> | 1,306,219   |
| Cash and cash equivalents           | 458,906          | 487,251     |
| Other current assets                | 688,933          | 720,739     |
| <b>Current assets</b>               | <b>1,147,839</b> | 1,207,990   |
| <b>Total assets</b>                 | <b>2,516,151</b> | 2,514,209   |
| <br>                                |                  |             |
| <b>Equity and liabilities</b>       |                  |             |
| <b>Equity</b>                       | <b>1,349,612</b> | 1,187,288   |
| Borrowings                          | 234,379          | 468,540     |
| Other non-current liabilities       | 105,300          | 107,202     |
| <b>Non-current liabilities</b>      | <b>339,679</b>   | 575,742     |
| Borrowings                          | 224,775          | 133,465     |
| Other current liabilities           | 602,085          | 617,714     |
| <b>Current liabilities</b>          | <b>826,860</b>   | 751,179     |
| <b>Total liabilities</b>            | <b>1,166,539</b> | 1,326,921   |
| <b>Total equity and liabilities</b> | <b>2,516,151</b> | 2,514,209   |

# Market Update Combination

## Market Update

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- Conventional activity in West Africa is expected to remain strong in the short and medium-term. We expect contracts to come to market award in 2011 although timing remains difficult to predict.

### SURF activity:

- Order book momentum underpinned by a robust oil price and rising tendering activity worldwide
- Execution and activity levels expected to rise although contracts signed in more challenging market conditions will impact negatively the Group's Adjusted EBITDA margin in 2011
- Renewed activity in North Sea in a competitive pricing environment
- A number of major SURF contracts, in Australia, Brazil and West Africa, still expected to come to market award in 2011 (with offshore installation post 2011)
- Trend for subsea projects to continue to increase in size and complexity contributing to strong industry growth in the medium-term



## Combination completed on January 7, 2011

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- Combination of Acergy S.A. and Subsea 7 Inc. completed on January 7, 2011. At which point Acergy S.A. was renamed Subsea 7 S.A.
- We are working with the OFT in the UK and are making progress on the remedies required
- Positive feedback from clients and employees
- Clear approach to integration – ‘keep things simple and move quickly’
- Expect to deliver synergies of at least \$100 million run-rate improvement for 2013
- 6 weeks after completion, we are on track with our integration plan

# Appendices

## Financial highlights

| <i>In \$ millions, except EBITDA margin</i>            | <i>Subsea 7 SA<br/>(formerly Acergy SA)</i> |                      | <i>Subsea 7 Inc</i>            |                      |
|--|---|----------------------|--------------------------------|----------------------|
|  | <i>Twelve Months Ended</i>                  |                      | <i>Twelve Months Ended</i>     |                      |
|  | <b>Nov.30.10<br/>Audited</b>                | Nov.30.09<br>Audited | <b>Dec.31.10<br/>Unaudited</b> | Dec.31.09<br>Audited |
| <b>Continuing operations:</b>                          |   |                      |                                |                      |
| Revenue  | <b>2,369.0</b>                              | 2,208.8              | <b>2,022.7</b>                 | 2,439.3              |
| Adjusted EBITDA  | <b>559.3</b>                                | 488.3                | <b>427.5</b>                   | 526.8                |
| Adjusted EBITDA margin %                               | <b>23.6%</b>                                | 22.1%                | <b>21.1%</b>                   | 21.6%                |
| Backlog  | <b>3,552</b>                                | 2,848                | <b>2,799</b>                   | 2,798                |
| Cash & cash equivalents                                | <b>484.3</b>                                | 907.6                | <b>458.9</b>                   | 487.3                |
| <br><i>Earnings per share – \$ per share (diluted)</i> |   |                      |                                |                      |
| Continuing operations                                  | <b>\$1.16</b>                               | \$1.29               | <b>\$1.09</b>                  | \$1.94               |
| Total operations                                       | <b>\$1.38</b>                               | \$1.33               | <b>\$1.09</b>                  | \$1.94               |

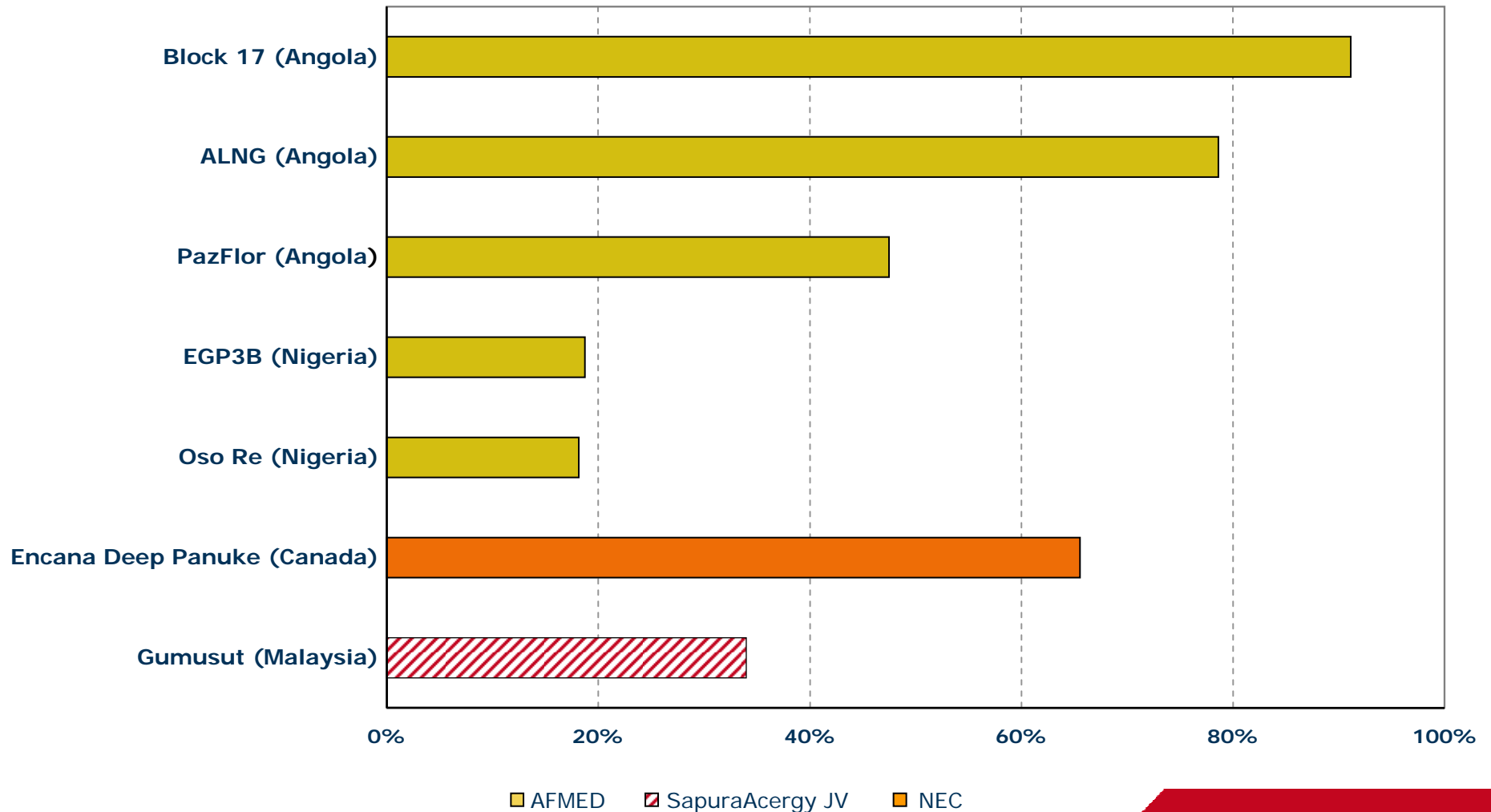
**Appendix:  
Subsea 7 S.A.**

Additional Subsea 7 S.A.  
(formerly Acergy S.A.) financial  
highlights

# Subsea 7 S.A. (formerly Acergy S.A.)

## Major project progression

Continuing projects >\$100m between 5% and 95% complete as at November 30, 2010 excl. long-term ship charters



# Subsea 7 S.A. (formerly Acergy S.A.)

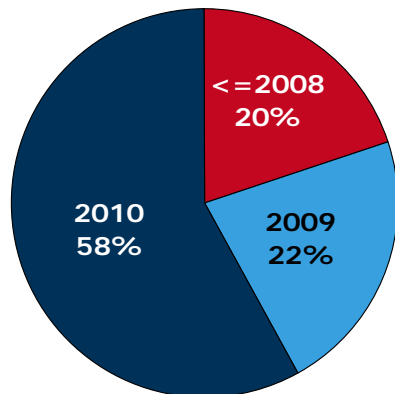
## Backlog

| <i>In \$ millions as at:</i> | <i>Nov.30.10</i> | <i>Aug.31.10</i> | <i>Nov.30.09</i> |
|------------------------------|------------------|------------------|------------------|
| Backlog <sup>(1)</sup>       | 3,552            | 3,496            | 2,848            |
| Pre-backlog <sup>(2)</sup>   | 255              | 214              | 249              |

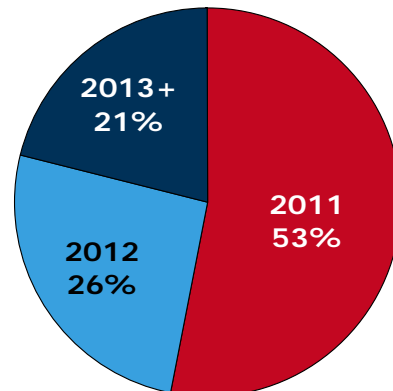
<sup>(1)</sup> Backlog excludes amounts related to discontinued operations as of Nov.30.10: \$nil, Aug.31.10: \$14 million, Nov.30.09: \$43 million

<sup>(2)</sup> Pre-backlog reflects the stated value of letters of intent and the expected value of escalations on frame agreements

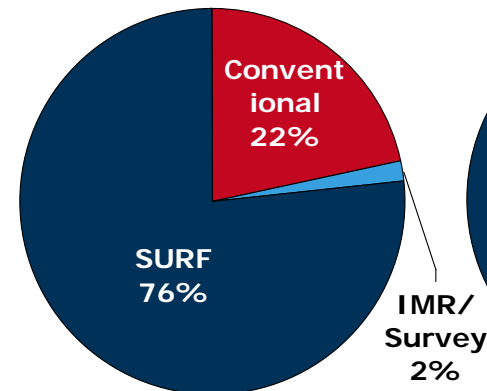
Backlog by Award Date



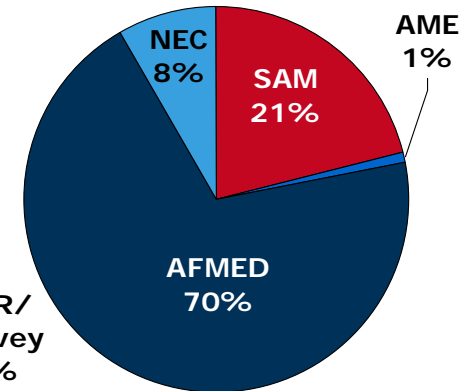
Backlog by Execution Date



Backlog by Service Capability



Backlog by Segment



# Subsea 7 S.A. (formerly Acergy S.A.)

## Segmental analysis: 12 months ended November 30, 2010

| <i>For the twelve months<br/>ended November 30, 2010<br/>Audited<br/>In \$ millions</i> | Territory 1   |               | Territory 2     |                 |               | Acergy<br>Corporate | Total –<br>continuing<br>operations |
|---|---------------|---------------|-----------------|-----------------|---------------|---------------------|-------------------------------------|
|   | Acergy<br>NEC | Acergy<br>AME | Acergy<br>AFMED | Acergy<br>NAMEX | Acergy<br>SAM |                     |                                     |
| Revenue   | 568.1         | 179.8         | 1,361.4         | 34.6            | 214.3         | 10.8                | 2,369.0                             |
| Net operating income/(loss)   | 83.6          | 83.5          | 307.7           | (0.4)           | 8.4           | (46.7)              | 436.1                               |
| Investment income   |               |               |                 |                 |               |                     | 9.8                                 |
| Other gains and losses  |               |               |                 |                 |               |                     | (18.0)                              |
| Finance costs   |               |               |                 |                 |               |                     | (28.7)                              |
| <b>Net income before taxation from continuing operations</b>                            |               |               |                 |                 |               |                     | <b>399.2</b>                        |

| <i>For the twelve months<br/>ended November 30, 2009<br/>Audited<br/>In \$ millions</i> | Territory 1   |               | Territory 2     |                 |               | Acergy<br>Corporate | Total –<br>continuing<br>operations |
|---|---------------|---------------|-----------------|-----------------|---------------|---------------------|-------------------------------------|
|   | Acergy<br>NEC | Acergy<br>AME | Acergy<br>AFMED | Acergy<br>NAMEX | Acergy<br>SAM |                     |                                     |
| Revenue   | 648.8         | 206.0         | 999.7           | 57.8            | 288.8         | 7.7                 | 2,208.8                             |
| Net operating income  | 67.4          | 37.8          | 171.3           | 26.0            | 37.5          | 2.7                 | 342.7                               |
| Investment income   |               |               |                 |                 |               |                     | 6.4                                 |
| Other gains and losses  |               |               |                 |                 |               |                     | 43.6                                |
| Finance costs   |               |               |                 |                 |               |                     | (31.4)                              |
| <b>Net income before taxation from continuing operations</b>                            |               |               |                 |                 |               |                     | <b>361.3</b>                        |

# Subsea 7 S.A. (formerly Acergy S.A.)

## Segmental analysis: 3 months ended November 30, 2010

| <i>For the three months<br/>ended November 30, 2010</i><br><i>Unaudited</i><br>In \$ millions | Territory 1   |               | Territory 2     |                 | Acergy<br>Corporate | Total –<br>continuing<br>operations |               |
|---|---------------|---------------|-----------------|-----------------|---------------------|-------------------------------------|---------------|
|   | Acergy<br>NEC | Acergy<br>AME | Acergy<br>AFMED | Acergy<br>NAMEX |                     |                                     | Acergy<br>SAM |
| Revenue   | 190.5         | 6.4           | 441.6           | 22.8            | 53.3                | 2.6                                 | 717.2         |
| Net operating income/(loss)   | 63.5          | 1.6           | 90.5            | 8.9             | 3.8                 | (15.4)                              | 152.9         |
| Investment income   |               |               |                 |                 |                     |                                     | 2.6           |
| Other gains and losses  |               |               |                 |                 |                     |                                     | (5.6)         |
| Finance costs   |               |               |                 |                 |                     |                                     | (10.7)        |
| <b>Net income before taxation from continuing operations</b>                                  |               |               |                 |                 |                     |                                     | <b>139.2</b>  |

| <i>For the three months<br/>ended November 30, 2009</i><br><i>Unaudited</i><br>In \$ millions | Territory 1   |               | Territory 2     |                 | Acergy<br>Corporate | Total –<br>continuing<br>operations |               |
|---|---------------|---------------|-----------------|-----------------|---------------------|-------------------------------------|---------------|
|   | Acergy<br>NEC | Acergy<br>AME | Acergy<br>AFMED | Acergy<br>NAMEX |                     |                                     | Acergy<br>SAM |
| Revenue   | 163.5         | 62.0          | 320.1           | 11.0            | 63.5                | 1.8                                 | 621.9         |
| Net operating income/(loss)   | 36.3          | 10.4          | 65.4            | 9.2             | 13.2                | (21.0)                              | 113.5         |
| Investment income   |               |               |                 |                 |                     |                                     | 1.6           |
| Other gains and losses  |               |               |                 |                 |                     |                                     | 12.5          |
| Finance costs   |               |               |                 |                 |                     |                                     | (8.5)         |
| <b>Net income before taxation from continuing operations</b>                                  |               |               |                 |                 |                     |                                     | <b>119.1</b>  |



## Subsea 7 S.A. (formerly Acergy S.A.)

### Adjusted EBITDA

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- The Group calculates adjusted earnings before interest, income taxation, depreciation and amortisation ('Adjusted EBITDA') from continuing operations as net income from continuing operations plus finance costs, other gains and losses, taxation, depreciation and amortisation and adjusted to exclude investment income and impairment of property, plant and equipment and intangibles. Adjusted EBITDA margin from continuing operations is defined as Adjusted EBITDA divided by revenue from continuing operations. Adjusted EBITDA for discontinued operations is calculated as per the methodology outlined above. Adjusted EBITDA for total operations is the total of continuing operations and discontinued operations.
- Adjusted EBITDA is a non-IFRS measure that represents EBITDA before additional specific items that are considered to hinder comparison of the Group's performance either year-on-year or with other businesses. The additional specific items excluded from Adjusted EBITDA are other gains and losses and impairment of property, plant and equipment and intangibles. These items are excluded from Adjusted EBITDA because they are individually or collectively material items that are not considered representative of the performance of the businesses during the periods presented. Other gains and losses principally relate to disposals of property, plant and equipment and net foreign exchange gains or losses. Impairments of property, plant and equipment represent the excess of the assets' carrying amount that is expected to be recovered from their use in the future.
- The Adjusted EBITDA measures and Adjusted EBITDA margins have not been prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB') nor as adopted for use in the European Union ('EU'). These measures exclude items that can have a significant effect on the Group's profit 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) or as a measure of the Group's liquidity.
- Management believes that Adjusted EBITDA and Adjusted EBITDA margin from continuing operations are important indicators of the operational strength and the performance of the business. These non-IFRS measures provide management with a meaningful comparison amongst its various regions, as they eliminate the effects of financing and depreciation. Management believes that the presentation of Adjusted EBITDA from continuing operations 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 from continuing operations 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 from continuing operations as presented by the Group may not be comparable to similarly titled measures reported by other companies.

# Subsea 7 S.A. (formerly Acergy S.A.)

## Reconciliation of net income to adjusted EBITDA

| In \$ millions (except percentages)     | Three-Months Ended<br>Nov 30, 2010 |               |                     | Three-Months Ended<br>Nov 30, 2009 |              |                     |
|---|------------------------------------|---------------|---------------------|------------------------------------|--------------|---------------------|
|   | Continuing                         | Discontinued  | Total<br>operations | Continuing                         | Discontinued | Total<br>operations |
| <b>Net income</b>                       | <b>94.1</b>                        | <b>29.6</b>   | <b>123.7</b>        | 78.7                               | 2.4          | 81.1                |
| Depreciation and amortisation           | 33.3                               | -             | 33.3                | 35.2                               | 0.1          | 35.3                |
| (Reversal of impairments) / impairments | (7.0)                              | -             | (7.0)               | 14.6                               | 1.0          | 15.6                |
| Investment income                       | (2.6)                              | -             | (2.6)               | (1.6)                              | -            | (1.6)               |
| Other gains and losses                  | 5.6                                | -             | 5.6                 | (12.5)                             | (0.6)        | (13.1)              |
| Finance costs                           | 10.7                               | -             | 10.7                | 8.5                                | -            | 8.5                 |
| Taxation                                | 45.1                               | 9.3           | 54.4                | 40.4                               | 2.8          | 43.2                |
| <b>Adjusted EBITDA</b>                  | <b>179.2</b>                       | <b>38.9</b>   | <b>218.1</b>        | 163.3                              | 5.7          | 169.0               |
| <b>Revenue</b>                          | <b>717.2</b>                       | <b>37.9</b>   | <b>755.1</b>        | 621.9                              | 29.5         | 651.4               |
| <b>Adjusted EBITDA %</b>                | <b>25.0%</b>                       | <b>102.6%</b> | <b>28.9%</b>        | 26.3%                              | 19.3%        | 25.9%               |

| In \$ millions (except percentages) | Twelve-Months Ended<br>Nov 30, 2010 |              |                     | Twelve Months Ended<br>Nov 30, 2009 |              |                     |
|-------------------------------------|-------------------------------------|--------------|---------------------|-------------------------------------|--------------|---------------------|
|                                     | Continuing                          | Discontinued | Total<br>operations | Continuing                          | Discontinued | Total<br>operations |
| <b>Net income</b>                   | <b>268.4</b>                        | <b>44.6</b>  | <b>313.0</b>        | 258.5                               | 7.2          | 265.7               |
| Depreciation and amortisation       | 119.4                               | -            | 119.4               | 131.0                               | 0.1          | 131.1               |
| Impairments                         | 3.8                                 | -            | 3.8                 | 14.6                                | 1.0          | 15.6                |
| Investment income                   | (9.8)                               | -            | (9.8)               | (6.4)                               | -            | (6.4)               |
| Other gains and losses              | 18.0                                | 0.2          | 18.2                | (43.6)                              | 1.6          | (42.0)              |
| Finance costs                       | 28.7                                | -            | 28.7                | 31.4                                | -            | 31.4                |
| Taxation                            | 130.8                               | 14.9         | 145.7               | 102.8                               | 6.7          | 109.5               |
| <b>Adjusted EBITDA</b>              | <b>559.3</b>                        | <b>59.7</b>  | <b>619.0</b>        | 488.3                               | 16.6         | 504.9               |
| <b>Revenue</b>                      | <b>2,369.0</b>                      | <b>83.4</b>  | <b>2,452.4</b>      | 2,208.8                             | 114.8        | 2,323.6             |
| <b>Adjusted EBITDA %</b>            | <b>23.6%</b>                        | <b>71.6%</b> | <b>25.2%</b>        | 22.1%                               | 14.5%        | 21.7%               |

# Subsea 7 S.A. (formerly Acergy S.A.)

## Reconciliation of net operating income to adjusted EBITDA

| In \$ millions (except percentages)     | Three-Months Ended<br>Nov 30, 2010 |               |                     | Three-Months Ended<br>Nov 30, 2009 |              |                     |
|---|------------------------------------|---------------|---------------------|------------------------------------|--------------|---------------------|
|   | Continuing                         | Discontinued  | Total<br>operations | Continuing                         | Discontinued | Total<br>operations |
| <b>Net operating income</b>             | <b>152.9</b>                       | <b>38.9</b>   | <b>191.8</b>        | 113.5                              | 4.6          | 118.1               |
| Depreciation and amortisation           | 33.3                               | -             | 33.3                | 35.2                               | 0.1          | 35.3                |
| (Reversal of impairments) / impairments | (7.0)                              | -             | (7.0)               | 14.6                               | 1.0          | 15.6                |
| <b>Adjusted EBITDA</b>                  | <b>179.2</b>                       | <b>38.9</b>   | <b>218.1</b>        | 163.3                              | 5.7          | 169.0               |
| <b>Revenue</b>                          | <b>717.2</b>                       | <b>37.9</b>   | <b>755.1</b>        | 621.9                              | 29.5         | 651.4               |
| <b>Adjusted EBITDA %</b>                | <b>25.0%</b>                       | <b>102.6%</b> | <b>28.9%</b>        | 26.3%                              | 19.3%        | 25.9%               |

| In \$ millions (except percentages) | Twelve-Months Ended<br>Nov 30, 2010 |              |                     | Twelve Months Ended<br>Nov 30, 2009 |              |                     |
|-------------------------------------|-------------------------------------|--------------|---------------------|-------------------------------------|--------------|---------------------|
|                                     | Continuing                          | Discontinued | Total<br>operations | Continuing                          | Discontinued | Total<br>operations |
| <b>Net operating income</b>         | <b>436.1</b>                        | <b>59.7</b>  | <b>495.8</b>        | 342.7                               | 15.5         | 358.2               |
| Depreciation and amortisation       | 119.4                               | -            | 119.4               | 131.0                               | 0.1          | 131.1               |
| Impairments                         | 3.8                                 | -            | 3.8                 | 14.6                                | 1.0          | 15.6                |
| <b>Adjusted EBITDA</b>              | <b>559.3</b>                        | <b>59.7</b>  | <b>619.0</b>        | 488.3                               | 16.6         | 504.9               |
| <b>Revenue</b>                      | <b>2,369.0</b>                      | <b>83.4</b>  | <b>2,452.4</b>      | 2,208.8                             | 114.8        | 2,323.6             |
| <b>Adjusted EBITDA %</b>            | <b>23.6%</b>                        | <b>71.6%</b> | <b>25.2%</b>        | 22.1%                               | 14.5%        | 21.7%               |

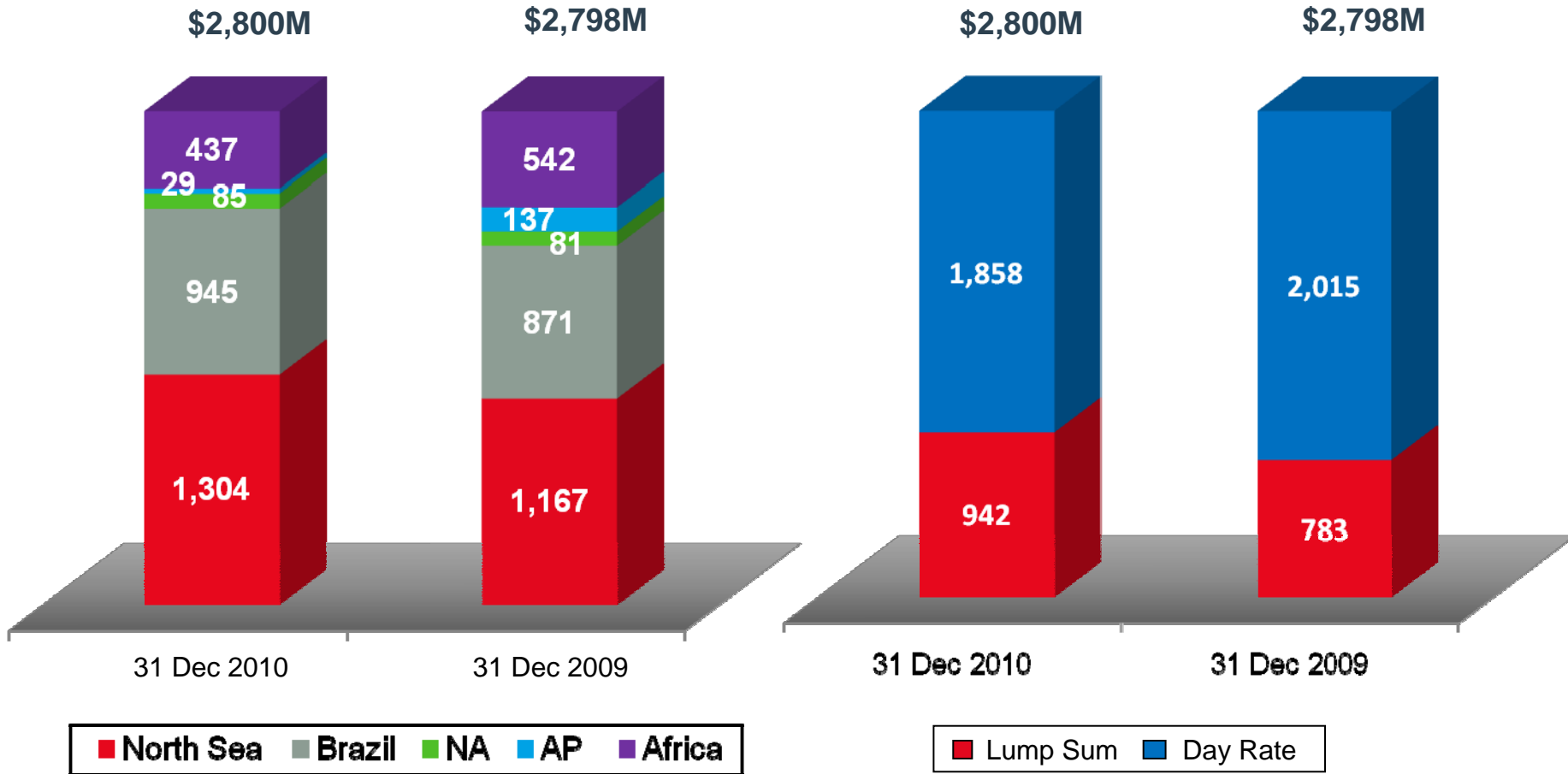
**Appendix:  
Subsea 7 Inc.**

Additional Subsea 7 Inc. financial  
highlights

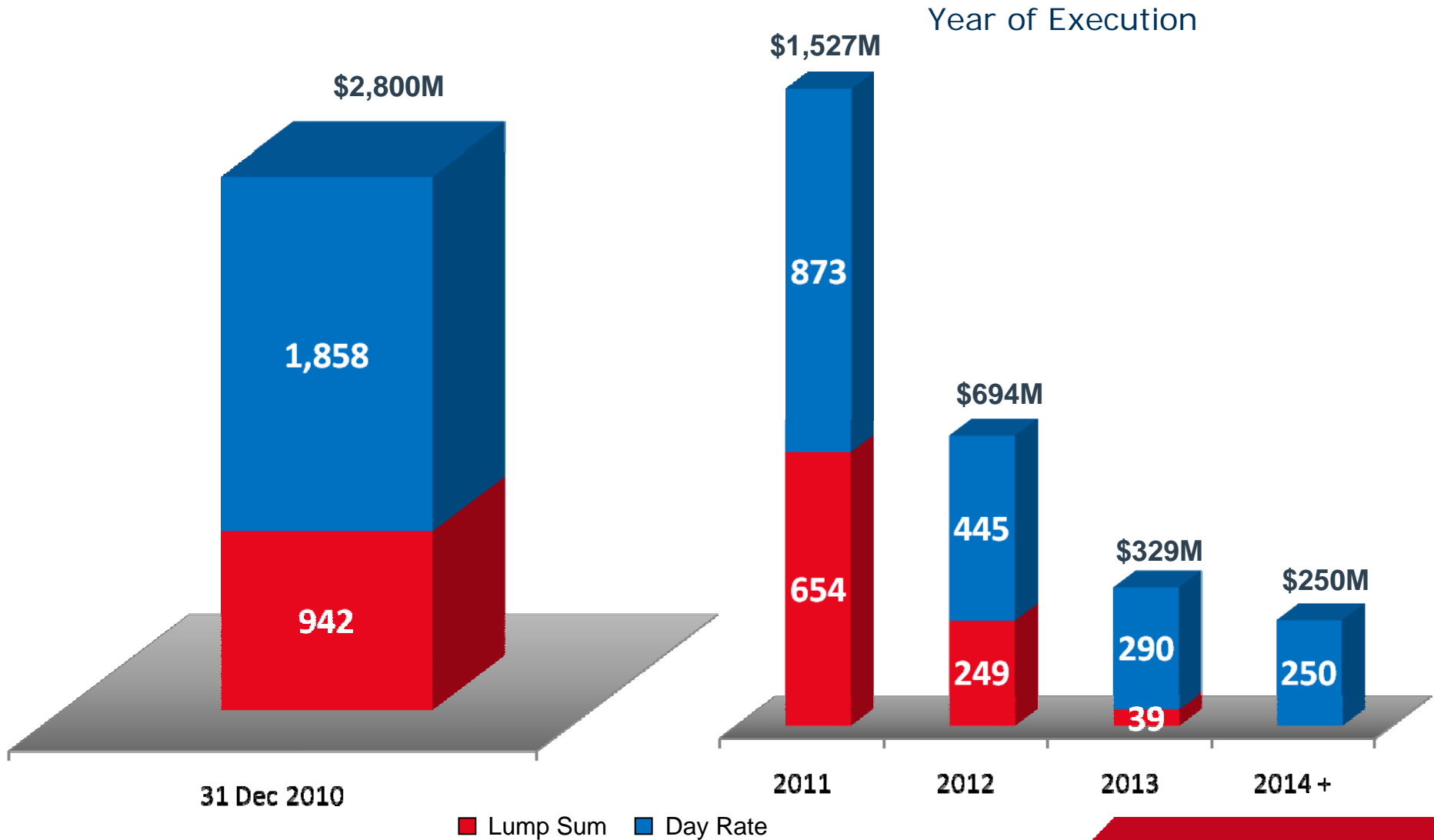
Subsea 7 Inc.  
Backlog (1/2)

By Region

By Contract Type



Subsea 7 Inc.  
Backlog (2/2)



# Subsea 7 Inc.

## Segmental analysis

| <i>(Amounts in USD 1,000)</i>          | North Sea | Africa  | Brazil   | North America | Asia Pacific | Global   | Total     |
|--|-----------|---------|----------|---------------|--------------|----------|-----------|
| <b>Fourth quarter 2010 (Unaudited)</b> |           |         |          |               |              |          |           |
| Revenue                                | 204,980   | 114,976 | 127,353  | 22,856        | 38,991       | -        | 509,156   |
| Profit/(loss) before tax               | 37,049    | 34,185  | (13,007) | (1,214)       | 1,474        | (15,282) | 43,205    |
| Fourth quarter 2009 (Unaudited)        |           |         |          |               |              |          |           |
| Revenue                                | 220,007   | 41,906  | 140,915  | 66,858        | 68,492       | -        | 538,178   |
| Profit/(loss) before tax               | 33,325    | 12,057  | 27,141   | 18,545        | 16,343       | (15,444) | 91,967    |
| <b>Full year 2010 (Unaudited)</b>      |           |         |          |               |              |          |           |
| Revenue                                | 953,117   | 286,973 | 480,437  | 104,895       | 197,290      | -        | 2,022,712 |
| Profit/(loss) before tax               | 135,484   | 90,302  | 39,035   | 12,383        | 49,845       | (87,535) | 239,514   |
| Full year 2009 (Audited)               |           |         |          |               |              |          |           |
| Revenue                                | 1,078,612 | 244,574 | 848,218  | 145,591       | 122,270      | 13       | 2,439,278 |
| Profit/(loss) before tax               | 208,620   | 88,577  | 73,593   | 47,114        | 15,010       | (20,714) | 412,200   |

*The "Global" segment comprises the global support functions, including the vessel and equipment management group which is responsible for the management and maintenance of the vessels and equipment; finance income and expense, derivative instrument fair value changes, net currency items, profits or losses on disposals of property, plant and equipment and share of profits from associates are also allocated to this segment*

## Subsea 7 Inc.

## Reconciliation of net profit to adjusted EBITDA

|  | Three months ended |           | Year ended       |           |
|--|--------------------|-----------|------------------|-----------|
|  | 31/12/10           | 31/12/09  | 31/12/10         | 31/12/09  |
| <i>(Amounts in USD 1,000)</i>                            | Unaudited          | Unaudited | Unaudited        | Audited   |
| <b>Net profit attributable to equity shareholders</b>    | <b>31,165</b>      | 64,468    | <b>161,848</b>   | 288,351   |
| Adjustments:   |                    |           |                  |           |
| Taxation expense   | <b>12,040</b>      | 27,499    | <b>77,666</b>    | 123,849   |
| Net financial items                                      | <b>493</b>         | 5,558     | <b>53,041</b>    | (1,463)   |
| Depreciation and amortisation                            | <b>37,381</b>      | 33,927    | <b>137,680</b>   | 117,214   |
| Loss/(profit) on disposal of property, plant & equipment | <b>97</b>          | (547)     | <b>(2,742)</b>   | (1,160)   |
| <b>Adjusted EBITDA</b>                                   | <b>81,176</b>      | 130,905   | <b>427,493</b>   | 526,791   |
| <b>Revenue</b>   | <b>509,156</b>     | 538,178   | <b>2,022,712</b> | 2,439,278 |
| <b>Adjusted EBITDA %</b>                                 | <b>15.9%</b>       | 24.3%     | <b>21.1%</b>     | 21.6%     |

*Subsea 7 Inc calculates "Adjusted EBITDA" (adjusted earnings before interest, taxation, depreciation and amortisation) as net profit adjusted for taxation, net financial items, depreciation, amortisation, impairments and profits or losses on disposals of property, plant and equipment*





seabed-to-surface

[www.subsea7.com](http://www.subsea7.com)