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**DNB's 9th Annual Oil,
Offshore & Shipping
Conference**

Kristian Siem

Chairman Subsea 7

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 2014. 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.

Subsea 7's core Values

- Safety
- Integrity
- Innovation
- Performance
- Collaboration

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Driving the business forward to meet client needs

- Excellence in SURF project management and execution through early engagement, consistent delivery and increased flexibility, with a focus on cost reduction
- Life of Field service delivering a service that is low-cost, local and long-term
- Enhanced focus on developing and applying cost-efficient technology

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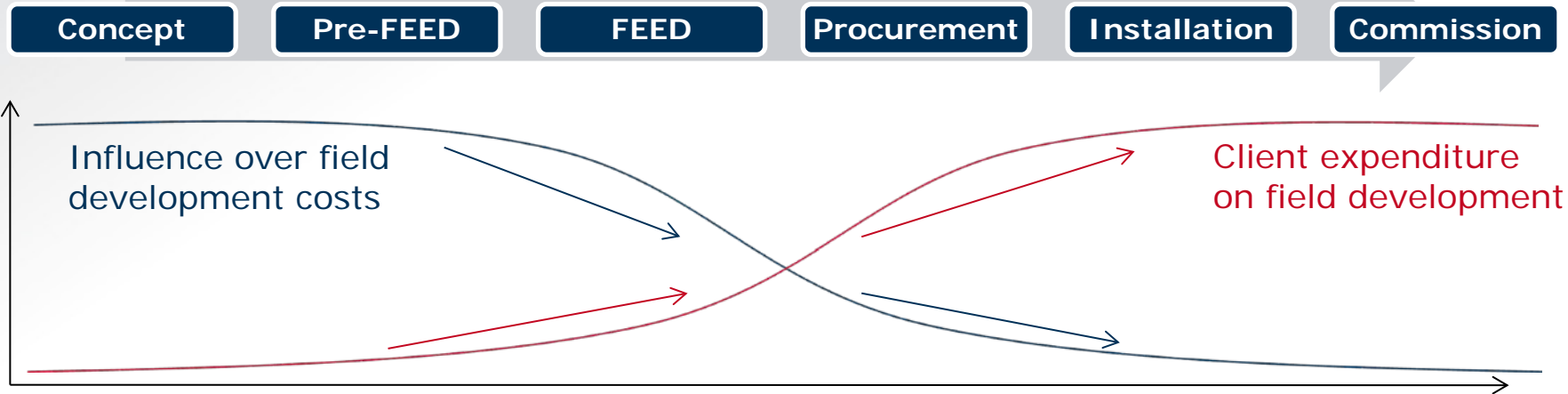




- Standardise and simplify
- Continue to drive efficiency through a “fit for purpose” solutions

Formed leading industry alliances

We have expanded our offering and are engaging earlier



Granherne KBR subsea 7

Engaging Early to Deliver Value

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OneSubsea
A Cameron & Schlumberger Company

- We are an acknowledged leading strategic partner in our markets
- We have developed long-term preferred supplier agreements with several clients
- This supports early engagement and delivers mutual benefits

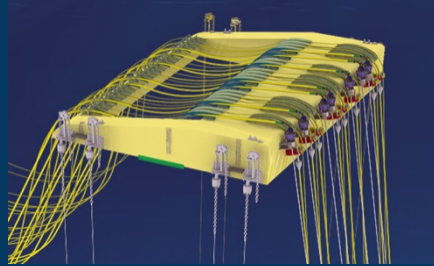
centrica
energy

 **PremierOil**

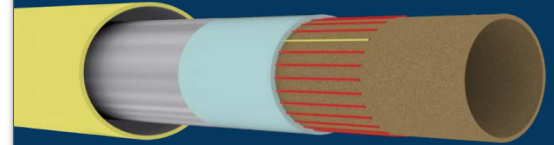
 **MOLGROUP**

**Delivering
market-driven
cost-efficient
solutions**

Riser Systems



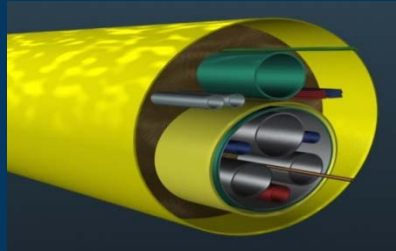
Flowline Systems



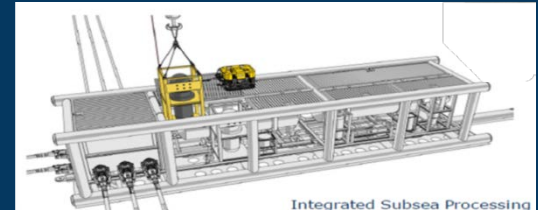
Life of Field & Remote
Intervention



Pipeline Bundles



Subsea Processing



Financial Highlights

In \$ millions, unless otherwise indicated	Three months ended	Twelve months ended
	31 Dec 15 Unaudited	31 Dec 15 Audited
Revenue	1,025	4,758
Adjusted EBITDA-excluding restructuring charge	310	1,353
Restructuring charge	-	(136)
Adjusted EBITDA	310	1,217
Adjusted EBITDA margin (%)	30%	26%
Net operating income excluding impairment charges	202	801
Goodwill impairment charge	(521)	(521)
Vessel and equipment impairment charges	(96)	(136)
Net operating (loss)/income	(415)	144
Net loss	(421)	(37)
As at 31 December 2015 (in \$ millions)		
Cash & cash equivalents		947

Summary

- Challenging conditions expected to persist short to medium term
- Longer term fundamentals for deepwater oil remain intact
- Subsea 7 has acted quickly, collaborated with clients and alliance partners and is driving solutions

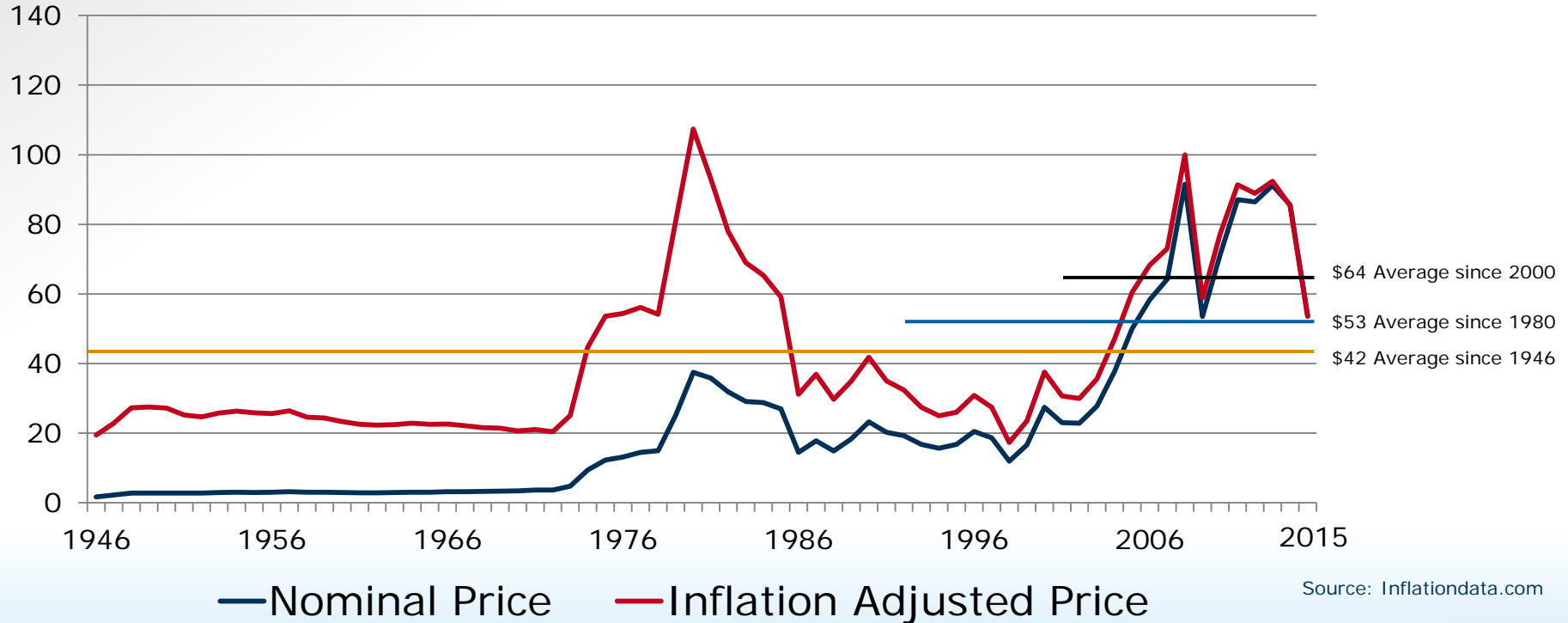


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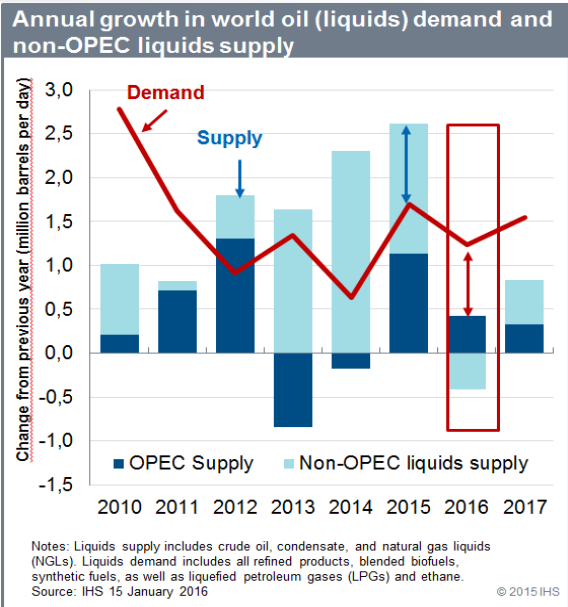
seabed-to-surface

Yearly average oil prices (\$) Nominal and inflation adjusted

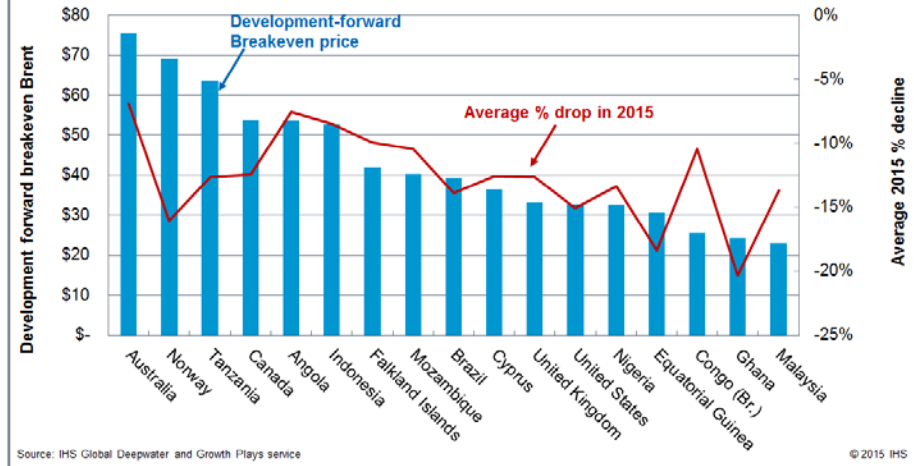


Source: Inflationdata.com

The oil market is expected to find a new equilibrium

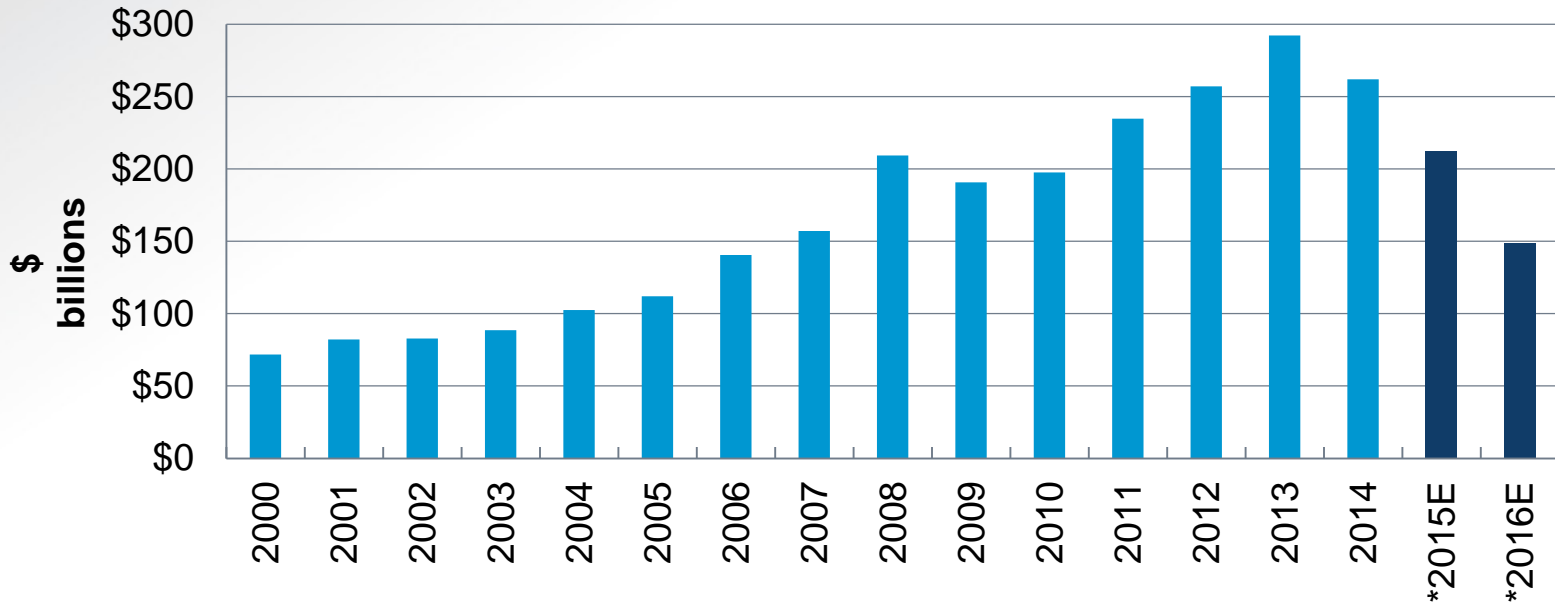


Deepwater Brent development-forward breakeven prices and average downward change in 2015



Deepwater will remain competitive, driven by the initiatives being taken across the industry to reduce costs

Majors and Large IOCs: Corporate capex (estimate at 3 Feb 2016)



Notes: Majors and Large IOCs peer group includes Anadarko, Apache, BG Group, BP, Chevron, ConocoPhillips, Eni, ExxonMobil, Hess, Marathon Oil, Occidental, Repsol, Shell, Statoil, and TOTAL.

*2015 estimates derived by annualizing reported data through first nine months quarters of 2015; 2016 estimates based on initial guidance.

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