



Investor Presentation

March 2019



Index

What we do

Our differentiators

Our priorities

Our outlook

Our financials

Appendix

Subsea 7 – In Summary

Our vision is to lead the way in the delivery of offshore projects and services for the energy industry.

In an evolving energy sector, we create sustainable value by being the industry's partner and employer of choice in delivering the efficient offshore solutions the world needs.

Our differentiators

Why our stakeholders choose us



Our Values

What makes us who we are



SUBSEA 7 CAPABILITIES ACROSS THE FIELD DEVELOPMENT LIFECYCLE



SOLUTIONS THAT DELIVER VALUE TO CLIENTS

Early engagement through global alliances and client partnerships optimises the solutions Subsea 7 can provide

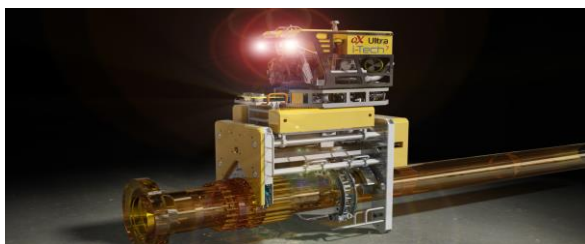
EXECUTING PROJECTS AND SERVICES THAT MEET CLIENT EXPECTATIONS

An extensive track record of safely executed projects worldwide makes Subsea 7 a market-leading provider

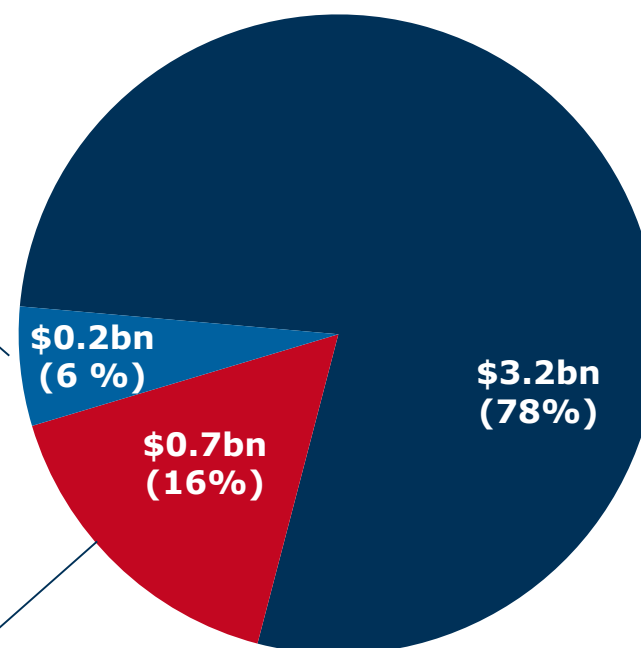
Our market segments

Life of Field

i-Tech 7 is a progressive and pioneering subsea life of field partner delivering Inspection, Repair and Maintenance solutions to offshore energy developments.

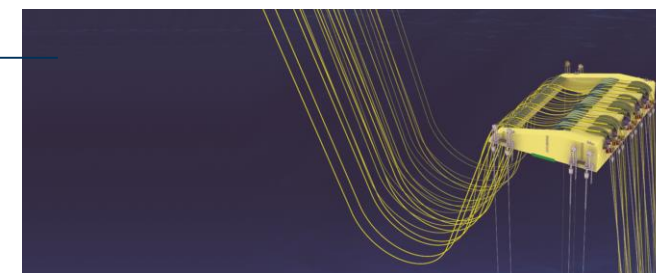


2018 Revenue \$4.1 billion



SURF and Conventional

Subsea 7 is a global leader in offshore energy construction projects, operating in all water depths and conditions.



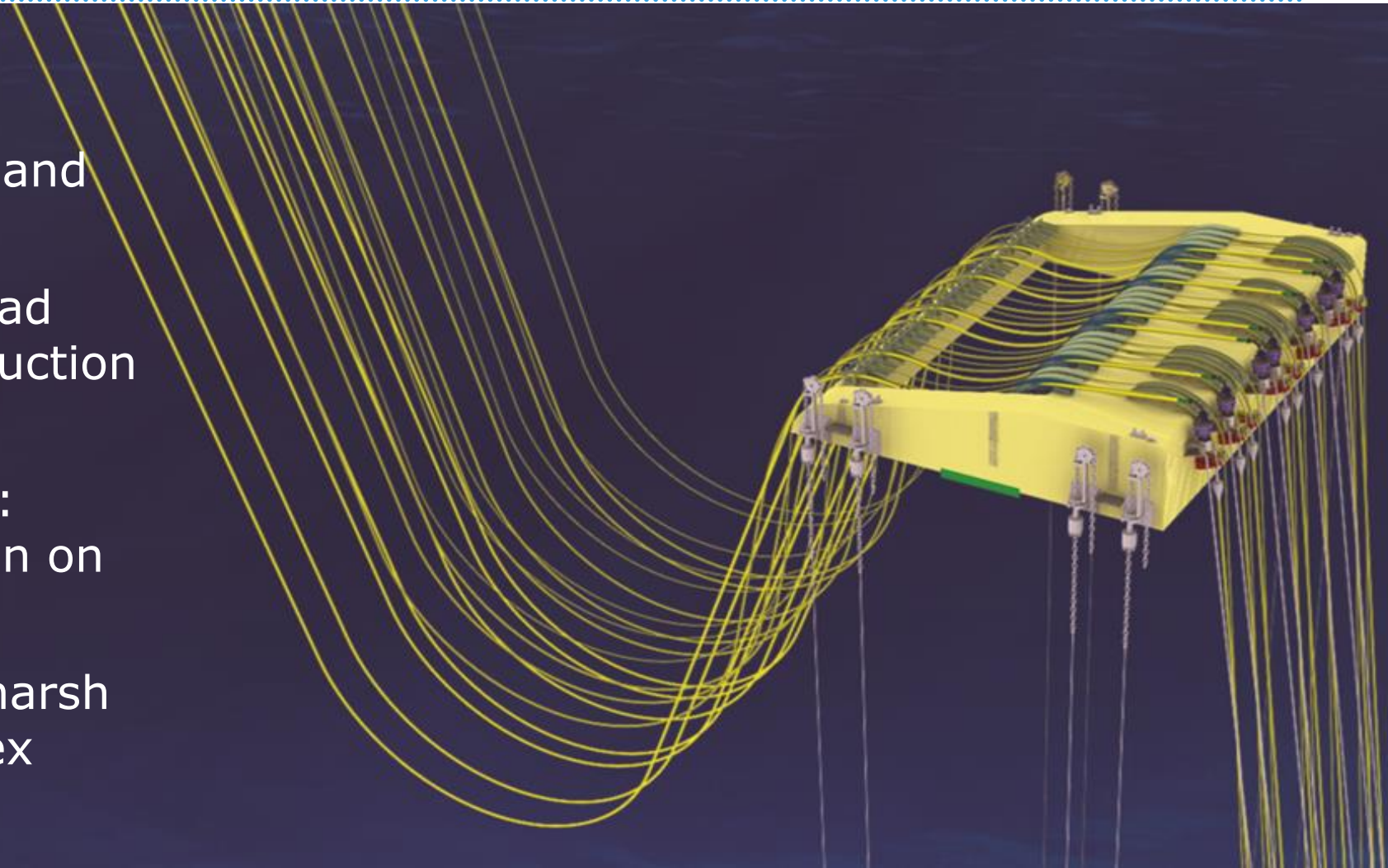
Renewables and Heavy Lifting

Seaway 7 is a highly capable and experienced partner for the delivery of offshore wind farm projects, specialist heavy lifting and cable-lay services.

SURF and Conventional

SURF and Conventional

- Subsea Umbilicals, Risers and flowlines (SURF)
- Connecting seabed wellhead structures to surface production facilities
- Over 20 year track record: safe and efficient execution on over 1,000 projects
- Operating in remote and harsh environments with complex challenges and risks



Recent Operational highlights



PUPP (Nigeria)



Snorre Expansion (Norway)



WND Phase Two (Egypt)



17 Cranes (KSA)



Brent Bypass (UK)



Hornsea One Windfarm (UK)



Life of Field



PLSVs (Brazil)

Our PLSV activities offshore Brazil

Servicing life of field and new construction needs for Petrobras in all water depths

- Long-term day-rate contracts to 2021 / 2022
- Performing production maintenance and new construction activities
- \$0.9bn of firm backlog (at Q4)
- July 2017: contract extensions awarded under same day-rates for 550t top tension PLSVs



550t purpose-built vessels capable of laying pipe in ultra-deep water

Life of Field

- Leading Life of Field partner for clients throughout the oil and gas industry
- Over 35 year's experience

- Over 165 ROVs and a fleet of ROV support vessels
- Global business with operational bases in the UK, Brazil, the US and Australia



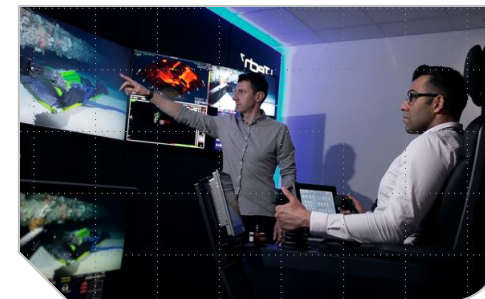
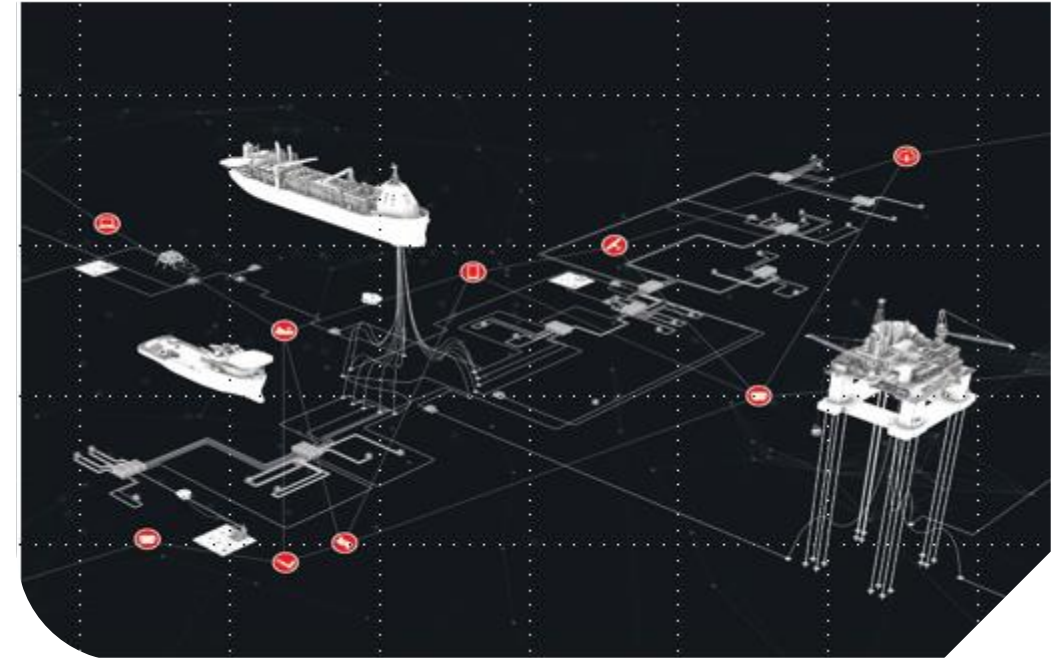
Life of Field: products and services

Integrated solutions built on core products and services

- ROV Intervention
- Diving
- Survey, Inspection & Data Management
- Well simulation & sampling
- Tool Management & Engineering Solutions
- Pipeline Repair & Tree Installation

Highly skilled and experienced people

Innovative technologies



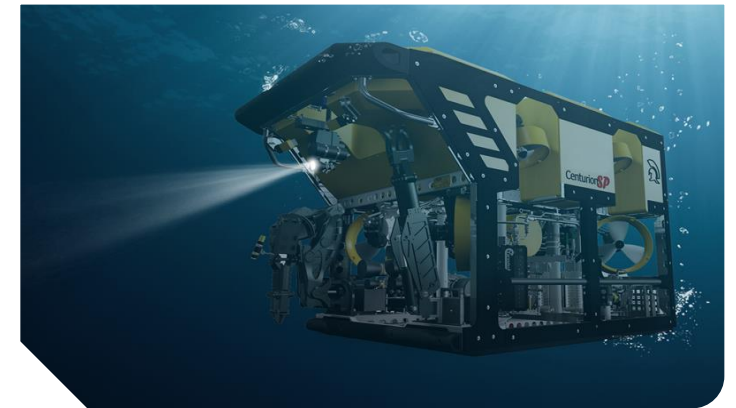
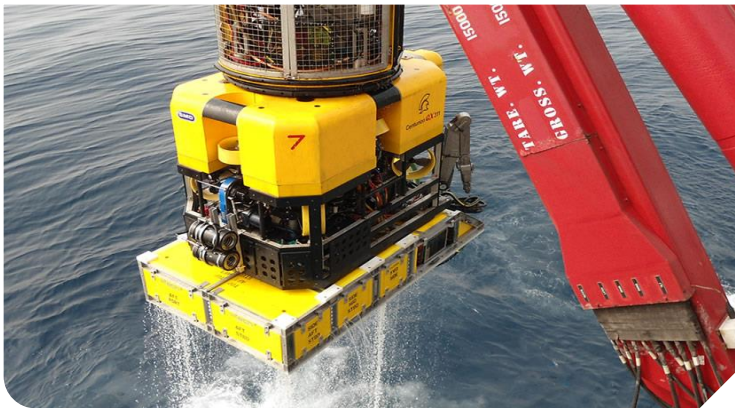
Life of Field track record

Over 1000 successful Inspection, Repair and Maintenance projects completed

Over 300 successful hydrocarbon sampling missions using ROVs

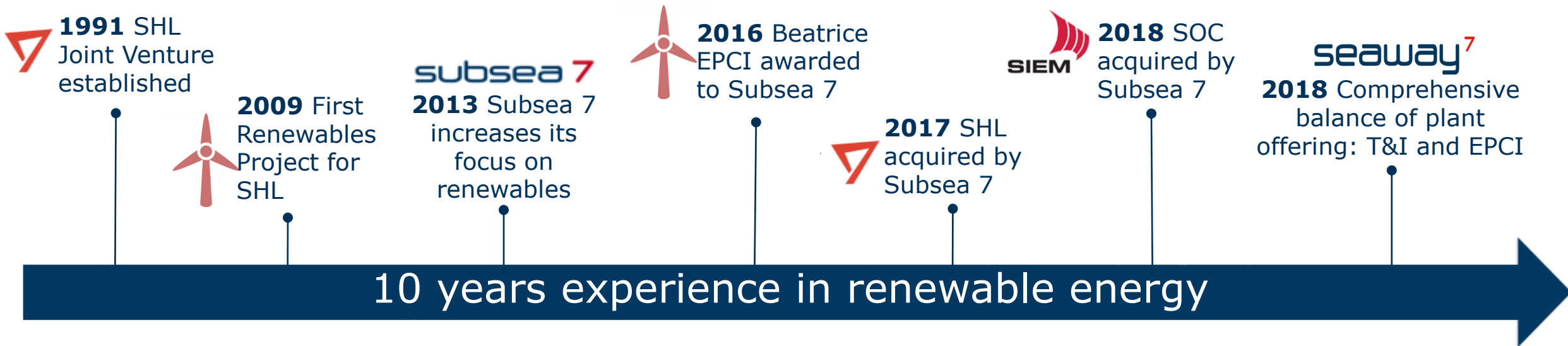
Over 18,000 intervention tooling products designed, delivered and managed

ROV drill rig exploration support worldwide since 1976



Global experience, world-class technology and assets

Renewables and Heavy Lifting



Renewable and Heavy Lifting contract models

The background of the slide features a large red and white Subsea 7 vessel, likely a heavy lift ship, positioned in the foreground. In the background, several offshore wind turbines are visible, their white towers and blades extending into the sky. The overall scene is set against a blue sky and sea, with the Subsea 7 logo prominently displayed in the upper center.

seaway⁷

EPCI

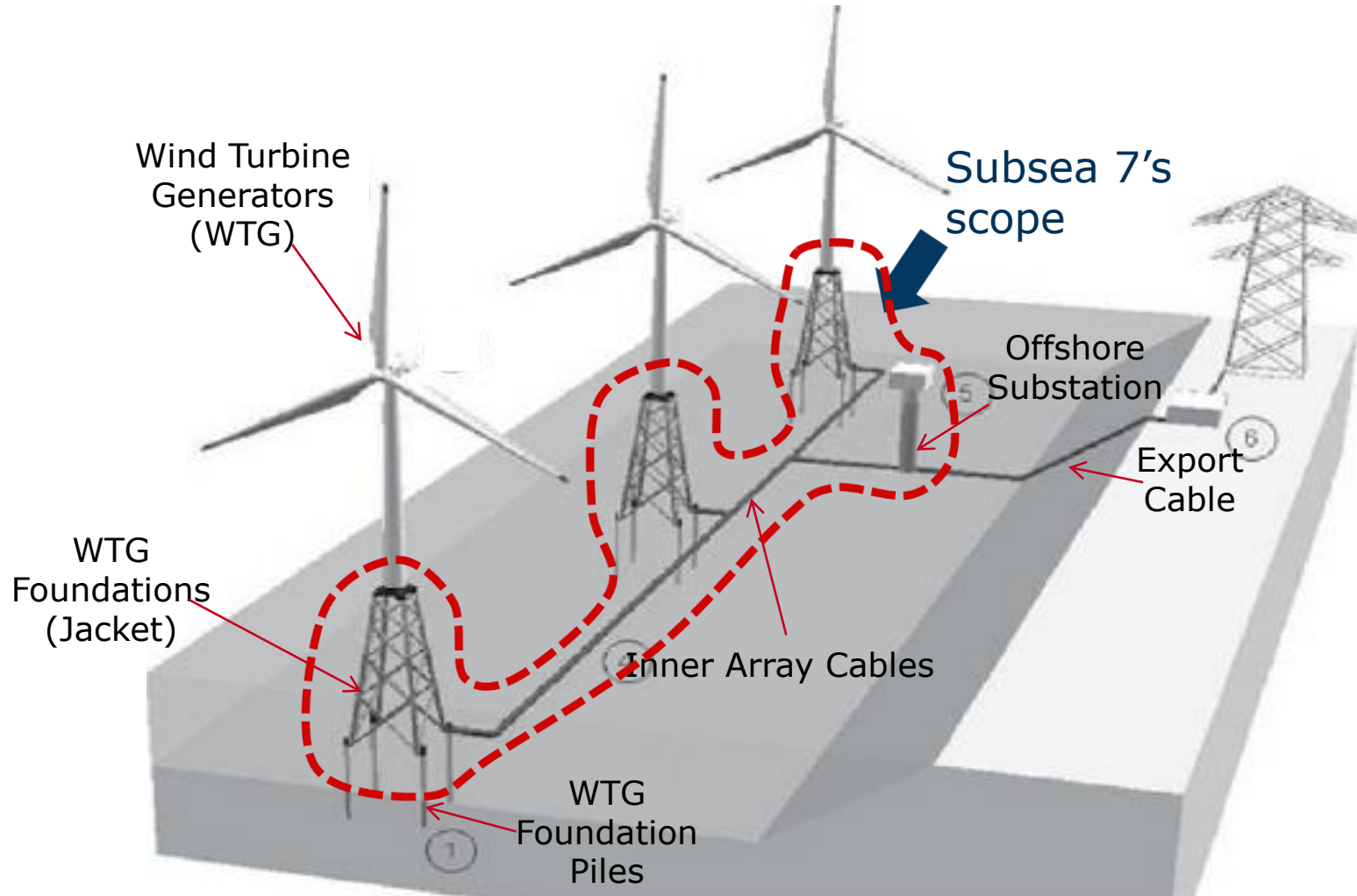
- Transferable skills and synergies from oil and gas
- Longer time from tender to execution
- Early engagement and engineering
- Procurement costs can be >50%
- Potential to integrate heavy lifting and cable lay services

T&I

- Heavy lifting in oil and gas sector as well as renewables
- Shorter time from tender to execution
- Lower barrier to entry increasing competition

What we do to reduce contribution to climate change

Subsea 7's input to Renewable Energy



Subsea 7 (RHL) are typically contracted to carry out:

1. Design, procurement and installation of foundation piles and jackets (SHL)
2. Design procurement and installation of Inner Array Cables (SOC)
3. Installation of the Offshore Substation and its foundations (SHL)

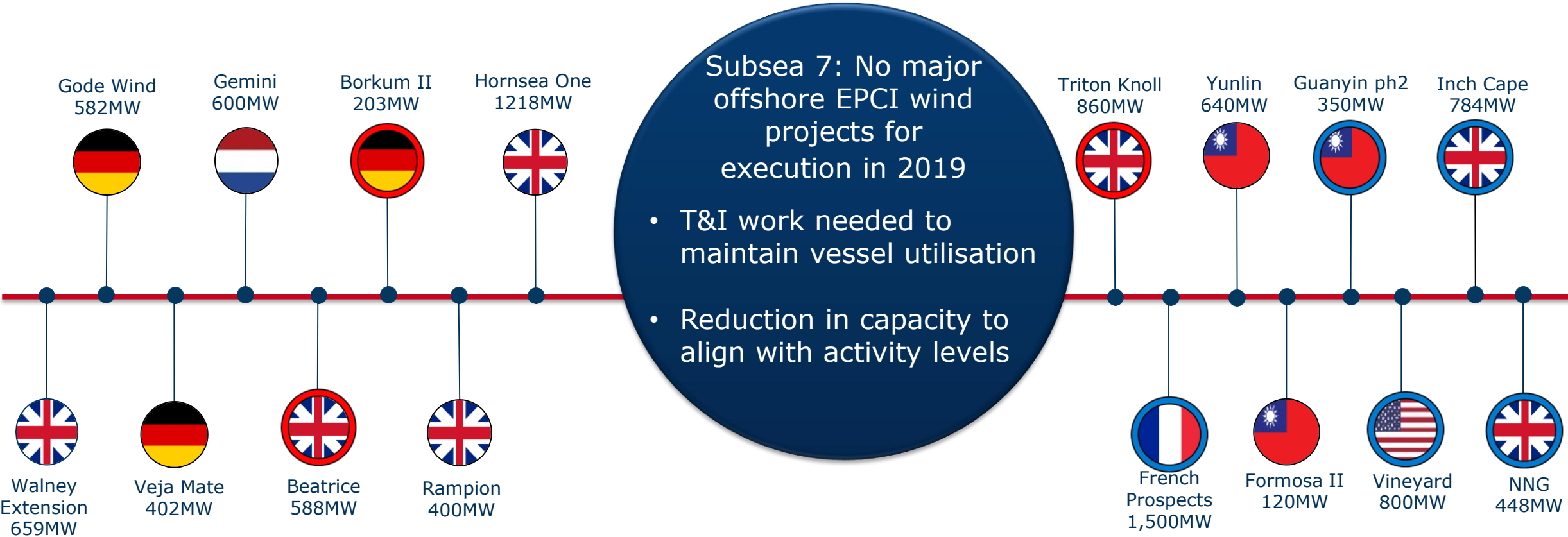
Subsea 7 (RHL) do not currently carry out installation or procurement of:

1. Wind Turbine Generators
2. Export Cables

Large offshore wind farm projects

Pre-2019

Post-2019





Index

What we do

Our differentiators

Our priorities

Our outlook

Our financials

Appendix

Our Differentiators

We're different from our competition because we're more creative, more reliable, and more focused on what our clients really need.



Culture

Global team with expertise, passion and commitment to deliver.



Creativity

Ability to innovate through technology, processes and partnerships.



Relationships

Working and learning together to achieve success for all.



Reliability

Trusted partner in delivering projects.



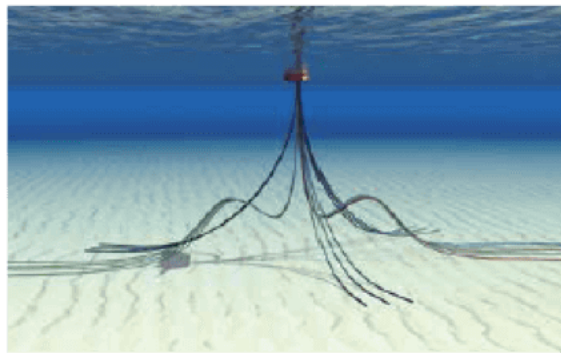
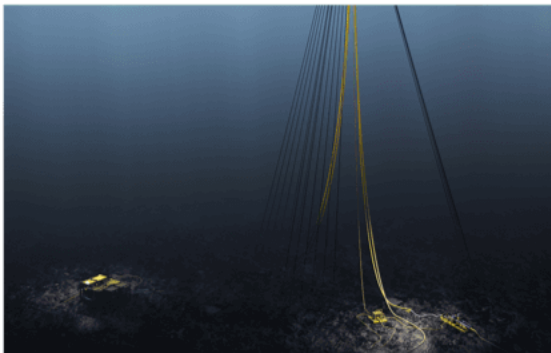
Solutions

Client-focused mindset to create the right solution.

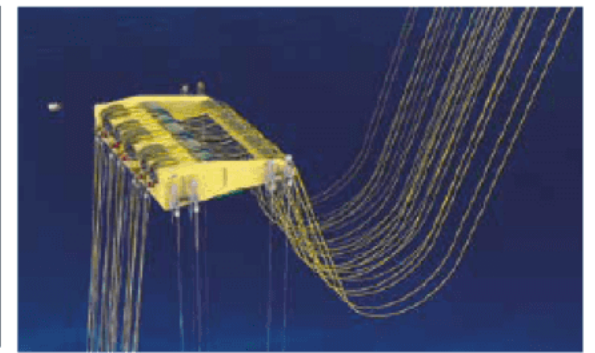
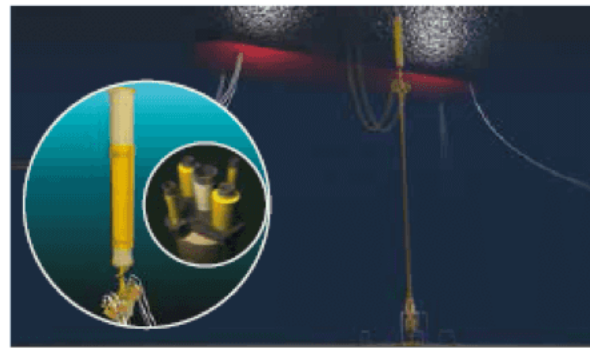
... A LEADER IN **DEEPWATER RISER SYSTEMS**

- **Cost-efficient** solutions
- Uniquely **wide portfolio** of riser solutions allowing optimised concept selection for each project
- **Strong track-record**, including large EPCI projects
- Optimised riser integration into field development
- **Improved** flow and integrity **performance**

Coupled Systems



Un-Coupled Systems



... FLOWLINE SYSTEMS

Developing portfolio of high performance and cost-efficient flowline solutions to enable optimum field architecture.

- Active heating systems - Electrically Heat Traced Flowline Pipe-in-Pipe (EHTF PiP) with most energy efficient system in market
- Longer tie-backs
- PiP with industry leading thermal performance
- Enable more cost efficient solutions
- Integration of continuous health monitoring
- Non-Destructive Testing (NDT)
- Field Joint Coating (FJC)



BUNDLES

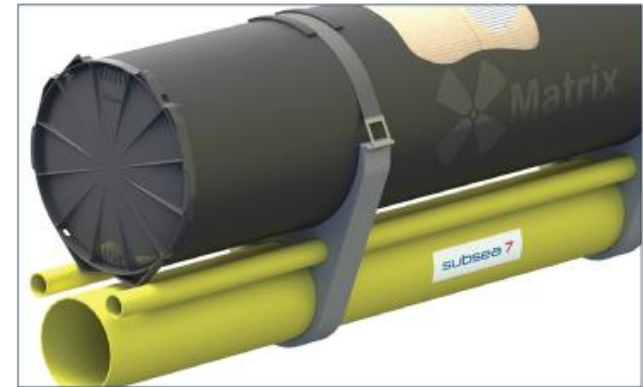
Enhancing Pipeline Bundle technology solutions for global market. Developing towed production systems.

- Multiple flowlines packaged inside a carrier pipe
- Terminates with towhead structures (manifolds)
- Fabricated on-shore in a single length
- Towed to site by CDTM (Controlled Depth Tow Method)



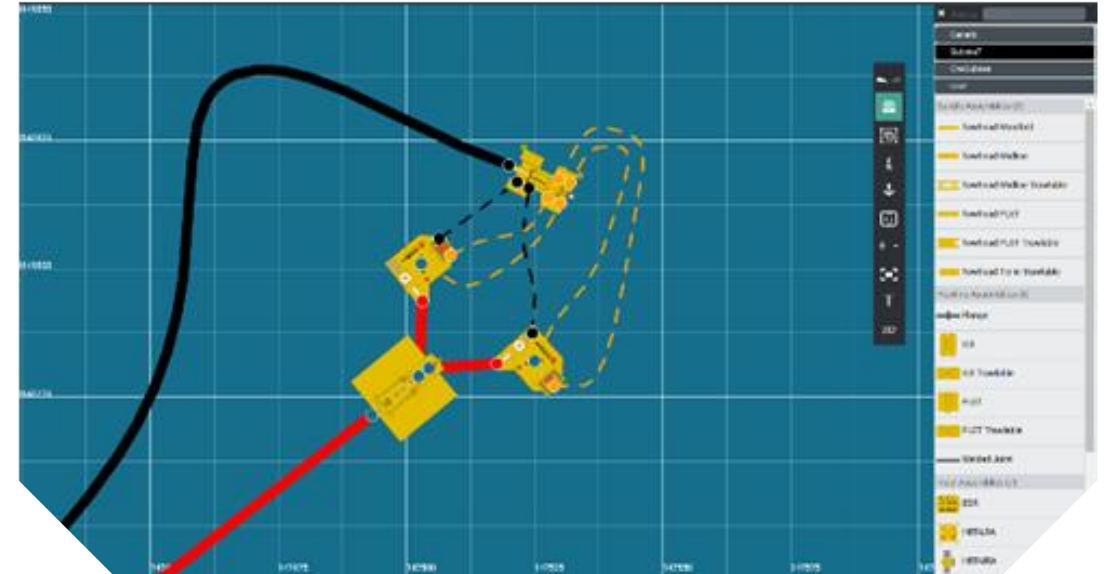
TOWED PRODUCTION SYSTEM

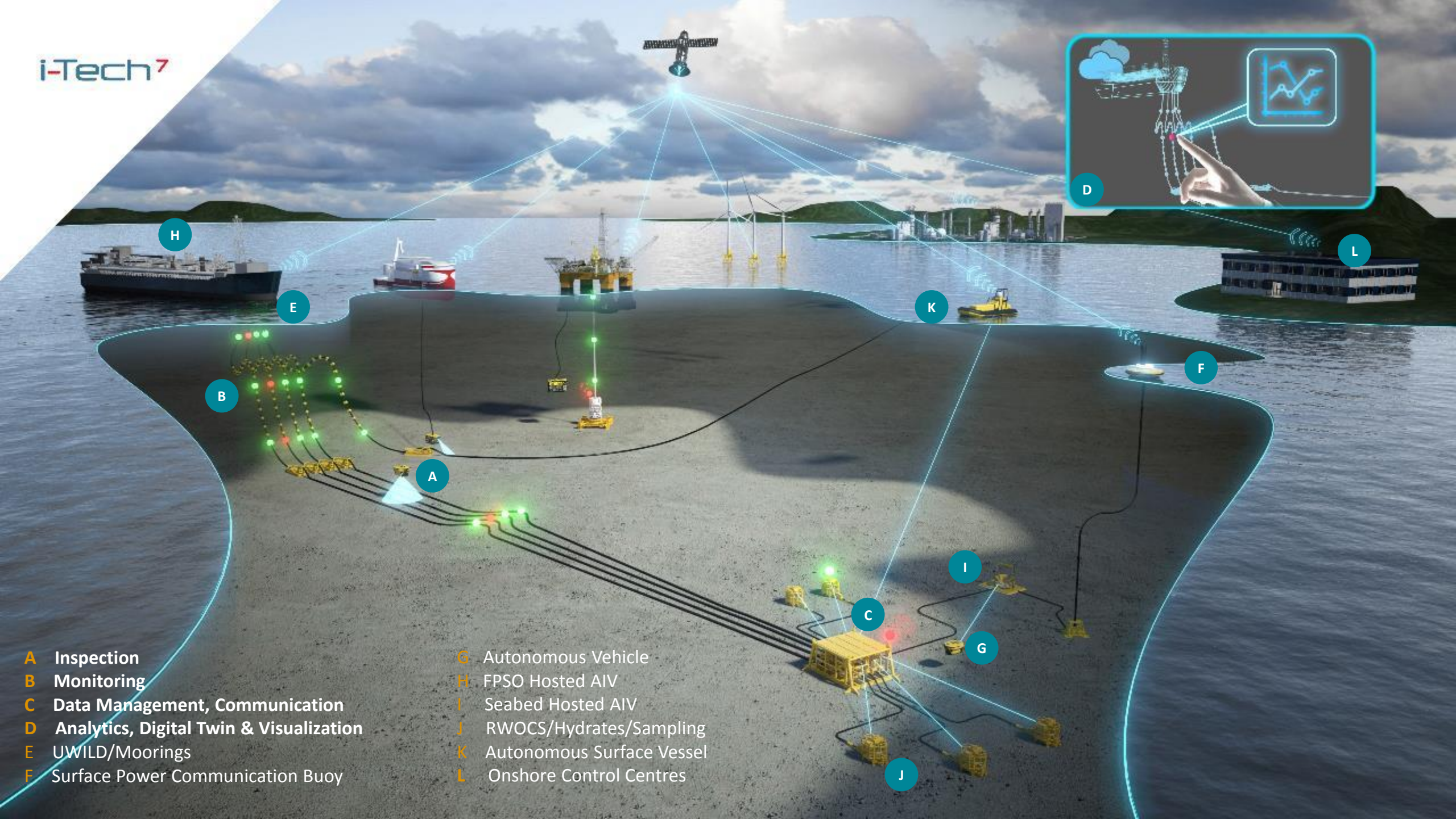
- **Active monitoring** - use Bundle for first adoption
- Increased pressure (20K) and temperature (220°C) ratings to access mature market
- **Deeper water** to increase envelope of Bundles
- Increased length to provide **cost reductions for longer tie-backs**
- Use of composite pipes and structural components to **reduce weight and cost**
- **Integrated process modules**
- **Global migration** of technology solution



Digitalisation

- Strategy in development with new VP assigned. Focus areas within i-Tech, early engagement and Pipeline Bundles
- Planning software made available by Schlumberger to Subsea Integration Alliance for early engagement
- i-Tech 7 and Leidos have a 5 year digitalisation partnership agreement – using artificial intelligence and automation to reduce the costs of life of field services
- Monitoring equipment incorporated into Pipeline Bundle Towhead

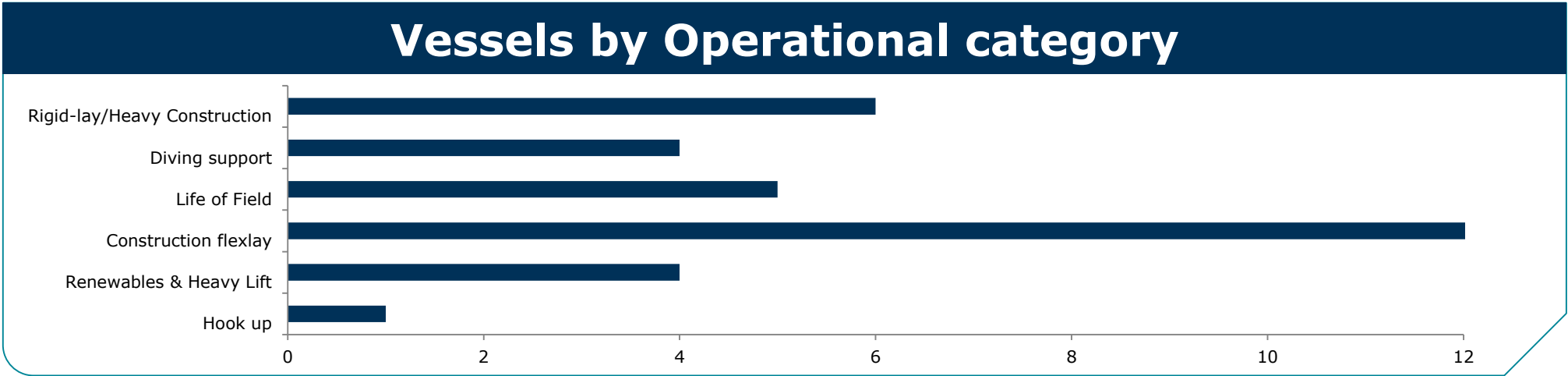
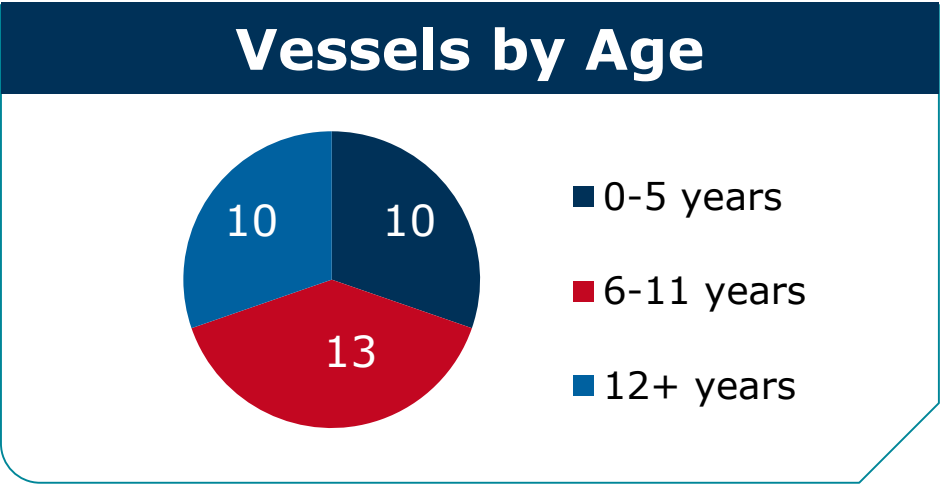
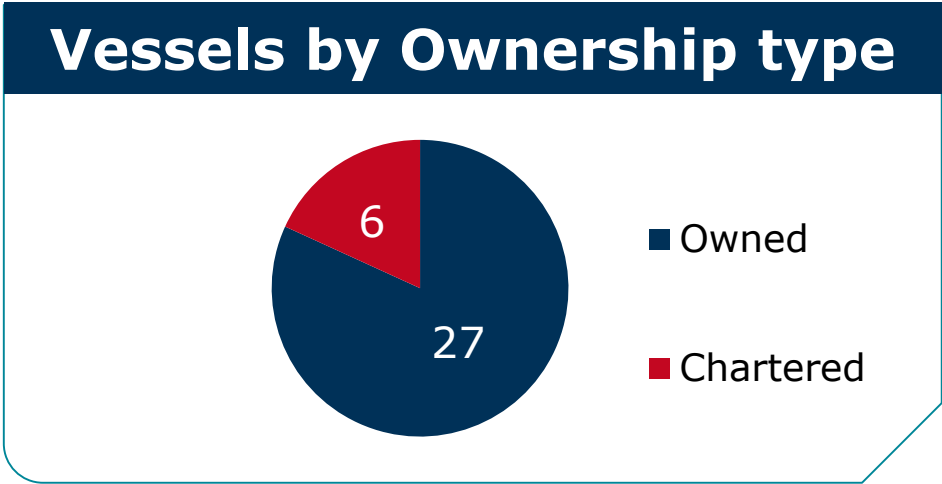




- A** Inspection
- B** Monitoring
- C** Data Management, Communication
- D** Analytics, Digital Twin & Visualization
- E** UWILD/Moorings
- F** Surface Power Communication Buoy

- G** Autonomous Vehicle
- H** FPSO Hosted AIV
- I** Seabed Hosted AIV
- J** RWOCs/Hydrates/Sampling
- K** Autonomous Surface Vessel
- L** Onshore Control Centres

A modern and versatile fleet of 33 vessels



PIPELAY/HEAVY LIFTING VESSELS



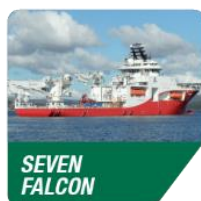
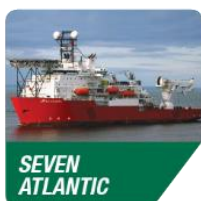
LIFT/HOOK-UP



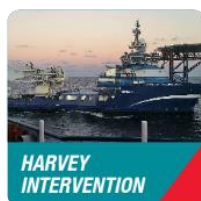
CONSTRUCTION/FLEX-LAY VESSELS



DIVING SUPPORT VESSELS



LIFE OF FIELD VESSELS



RENEWABLES & HEAVY LIFTING VESSELS



- ▲ Under Construction Reel-lay Vessel to be named Seven Vega
- ▲ Long-term charter from a vessel-owning joint venture
- ▲ Stacked
- ▲ Chartered from a third party

Our People

- **11,000 people** in our workforce at end 2018, including **over 1,700 engineers**
- We deliver projects based on our expertise and know-how
- Our highly skilled and experienced workforce deliver projects safely and reliably
- We recognise the importance of diversity and strive to achieve it

Nationality mix

46%

Europe

17%

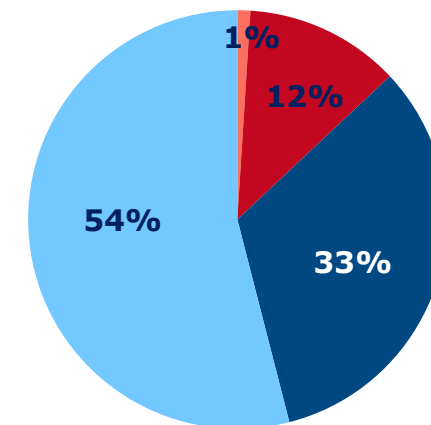
Asia Pacific

23%

Americas

14%

Other



■ Offshore Female ■ Onshore Female
■ Onshore Male ■ Offshore Male

Our Values

Our values define how we conduct our business



Safety

Our goal is an incident-free workplace. We work every day, everywhere to make sure all our people are safe.



Performance

We are driven to achieve the outcomes our clients want. We are trusted to achieve superior performance from every project.



Integrity

We apply the highest ethical standards in everything we do. We treat clients, our people, partners and suppliers fairly and with respect.



Collaboration

We work closely and openly together with clients, partners and suppliers at a local and global level to deliver safer and stronger results for all.



Sustainability

We take a proactive approach towards our social responsibilities, mitigate the impact of our activities on our planet's environment and respond to the effects of climate change.

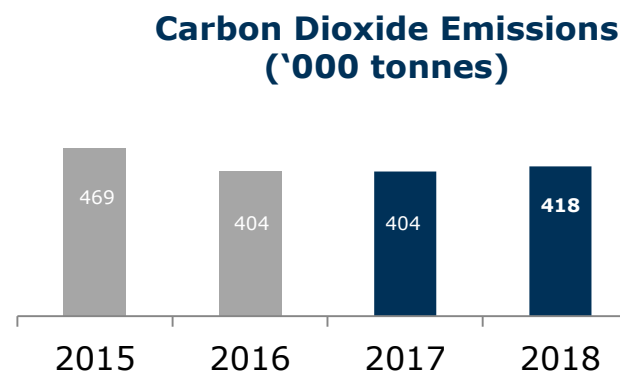
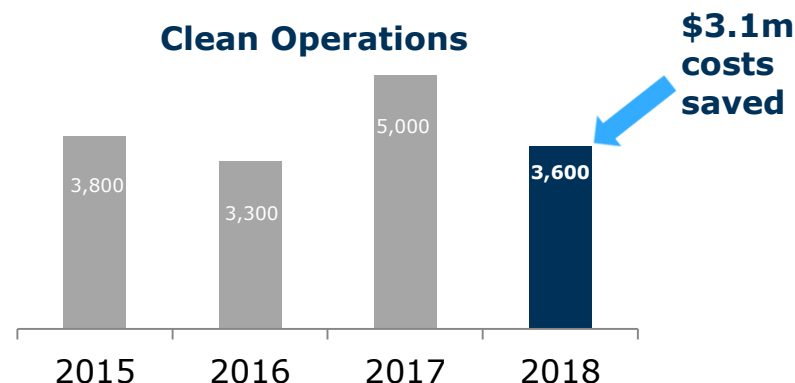
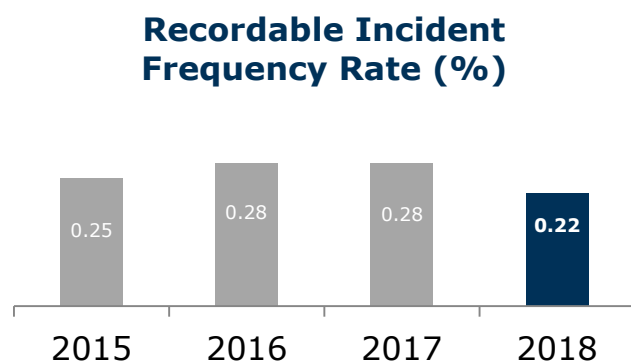
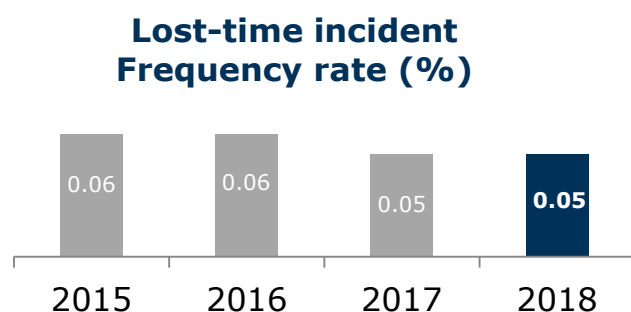


Innovation

We create smarter and simpler solutions to meet the industry's needs. We combine technology, expertise, assets and partnerships to deliver projects in new ways.

Corporate Responsibility – Safety and Environment

- We are committed to operating in a safe, ethical and responsible manner



2019 Targets:

- Lost-time incident frequency rate <0.03 (target lowered from 0.05 in 2018)
- Recordable incident frequency rate <0.21
- Environmental spills frequency rate <25 litres
- Environmental incident frequency rate <0.70 (target lowered from <0.90 in 2018)
- 5% vessel fuel saving through clean operations

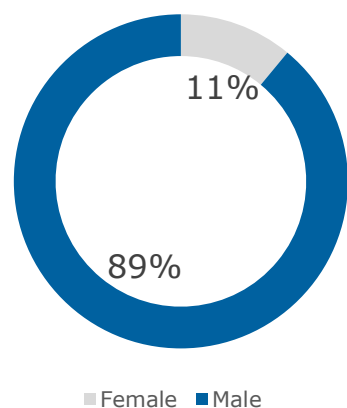
Clean Operations data is for owned vessels only
Frequency rate data is per 200,000 hours worked

Corporate Responsibility – Integrity, Diversity and Society

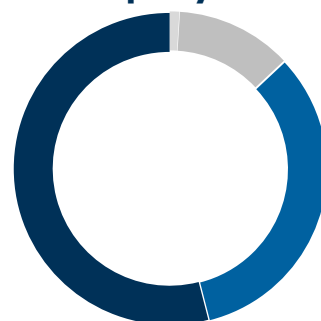
Offices and facilities
in 21 countries

91 Nationalities in
our workforce

**Gender mix
leadership level**



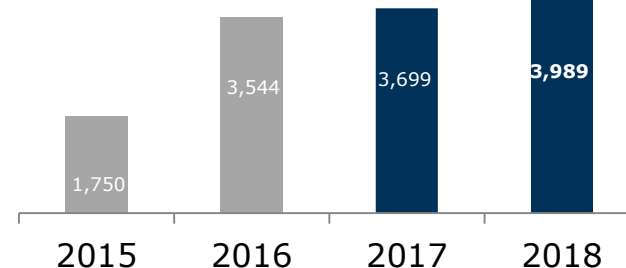
**Gender mix
company wide**



Offshore Female Onshore Female
Onshore Male Offshore Male

**Number of employees
completing compliance &
ethics e-learning**

99% completion rate



Over 67 community assistance
events delivered in 2018



London – STEM girls
in engineering day



Egypt – Micro-
financing
project (GFR)



Houston – Beach
clean up day





Index

What we do

Our differentiators

Our priorities

Our outlook

Our financials

Appendix

Strategic highlights

Technology & Early Engagement



Second EHTF project awarded

Numerous supplier-led designs completed

Client-led engagement with Xodus

Subsea Integration Alliance



4 Projects awarded

Integrated technology portfolio

Strengthened partnership for future growth

Renewables



Globalisation of Seaway 7

SOC acquisition

Execution of large EPCI projects

Fleet Management

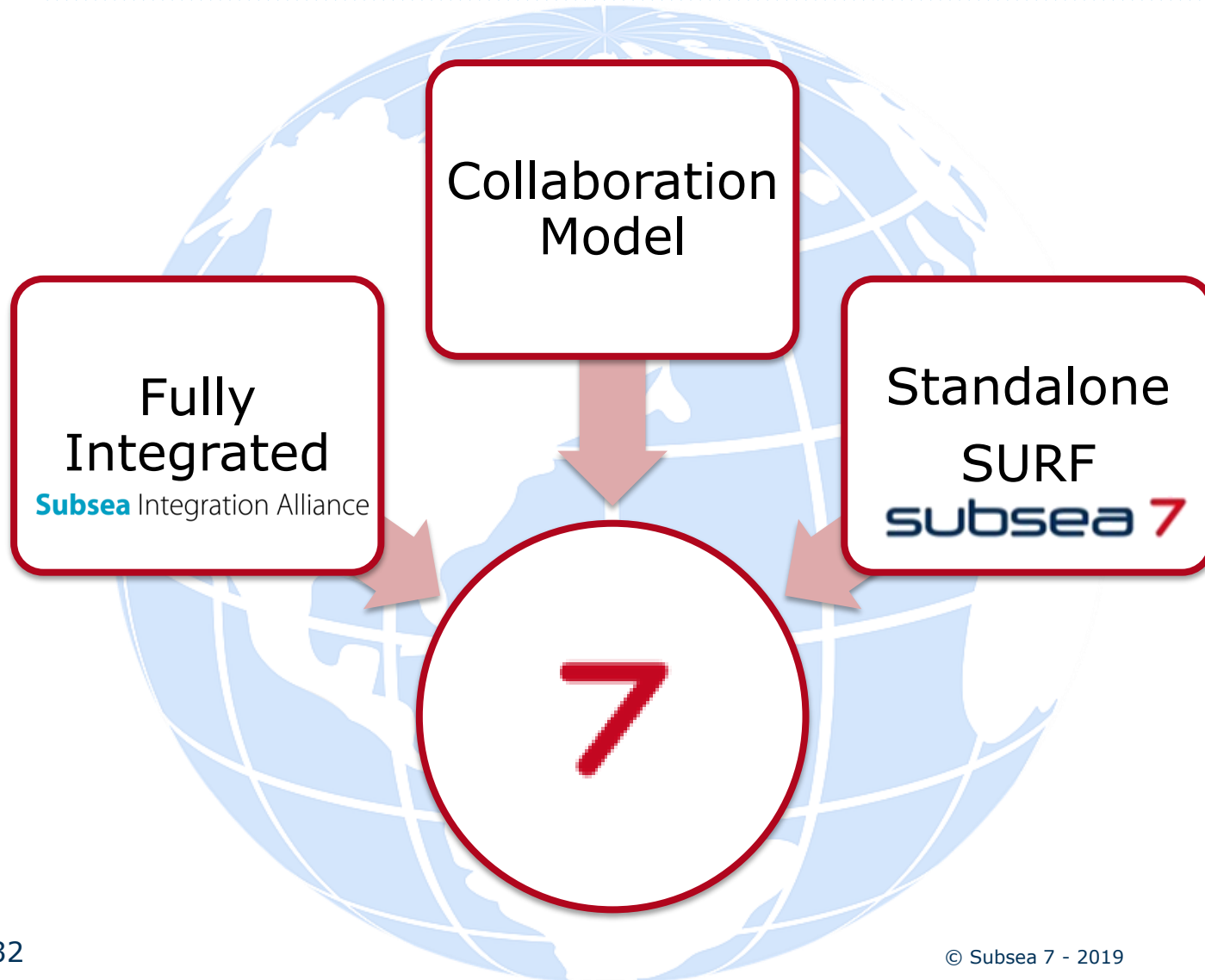


Average vessel age 10 years

Upgrade of Seven Viking to hybrid power

Tactical asset investment

Flexible Solutions



Our clients require flexible solutions:

- Comprehensive integrated offering with alliance partners OneSubsea being developed in to a Joint Venture.
- Successful collaboration models with certain independent clients including AkerBP, Promethean, Premier and Spirit Energy
- Standalone SURF and Conventional contracts still the prominent model

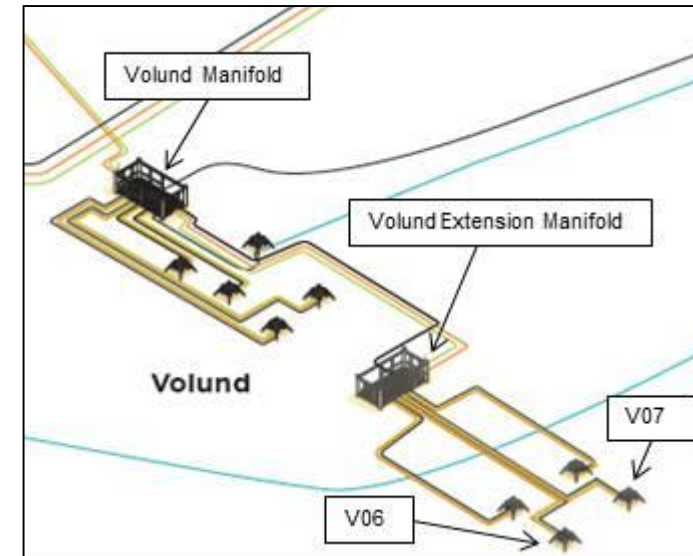
Our Partnerships

- We have a collaboration model in partnership with certain clients to provide cost effective solutions based on long-term relationships.



- Early engagement and long-term collaborative relationships with mutual benefits
- AKER BP frame agreement is an innovative solution with shared risks and rewards

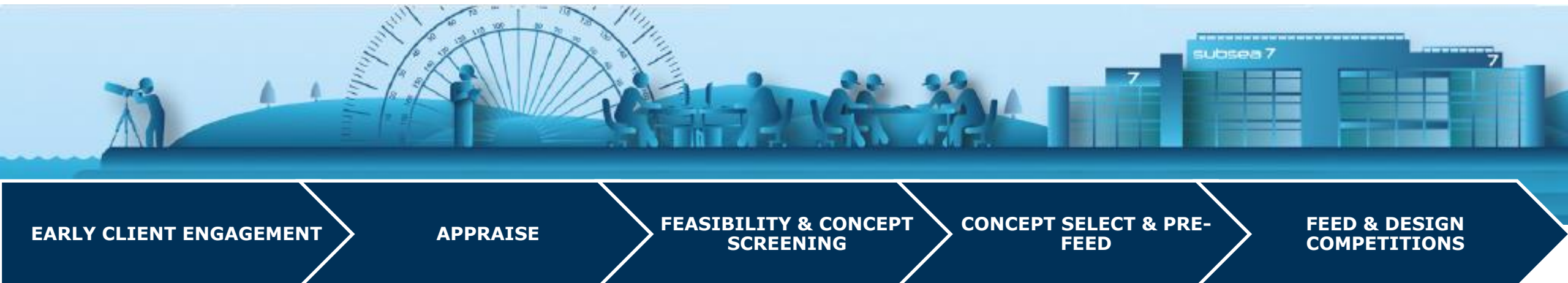
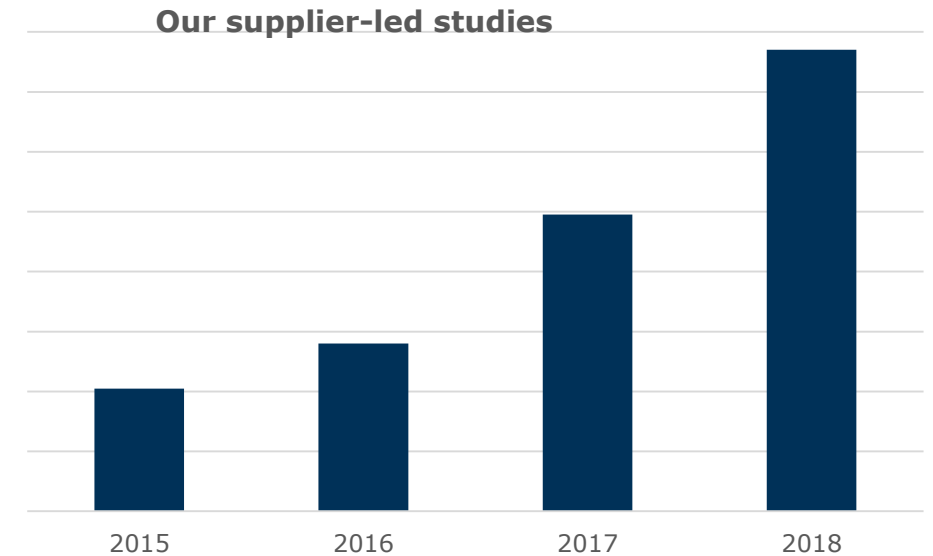
Recent successful completion of the Volund Infill project for Aker BP



30% saved on PM&E hours
Two well tie-in completed **25%** faster
Delivered **9 months** sooner

Early Engagement

- Significant increase in early engagement activity in all regions
- Subsea Integration Alliance and Subsea 7 provide supplier-led solutions
- Xodus Group provide client-led solutions
- Large greenfield FEED awards to Subsea Integration Alliance by Woodside for SNE Phase 1 and Scarborough projects



Competitive landscape for full life cycle integrated solutions

EXPLORATION GEOPHYSICS	DOWN-HOLE / DATA	FEED	SPS / MANUFACTURE	EPIC	LIFE OF FIELD/ WELL SERVICES	DECOMMISSIONING
Schlumberger	Schlumberger	subsea 7 xodus GROUP Subsea Integration Alliance	OneSubsea A Cameron & Schlumberger Company Schlumberger Subsea Integration Alliance	subsea 7 Subsea Integration Alliance	subsea 7 i-Tech 7	subsea 7 Seaway Heavy Lifting
TGS	Weatherford	TechnipFMC GENESIS	TechnipFMC	TechnipFMC	TechnipFMC	TechnipFMC
PGS	HALLIBURTON	SAIPEM XSIGHT BY SAIPEM	AkerSolutions	SAIPEM	---	SAIPEM
CGG	BAKER HUGHES a GE company	io	BAKER HUGHES a GE company	MODERNOT	OCEANEERING®	AkerSolutions
	Core Lab	WOOD GROUP KENNY KBR INTECSEA WorleyParsons Group AkerSolutions amec foster wheeler		I/seas sapura energy	FUGRO DCF Subsea	I/seas MARINE CONTRACTORS

Subsea Integration Alliance

 **OneSubsea**
A Schlumberger Company

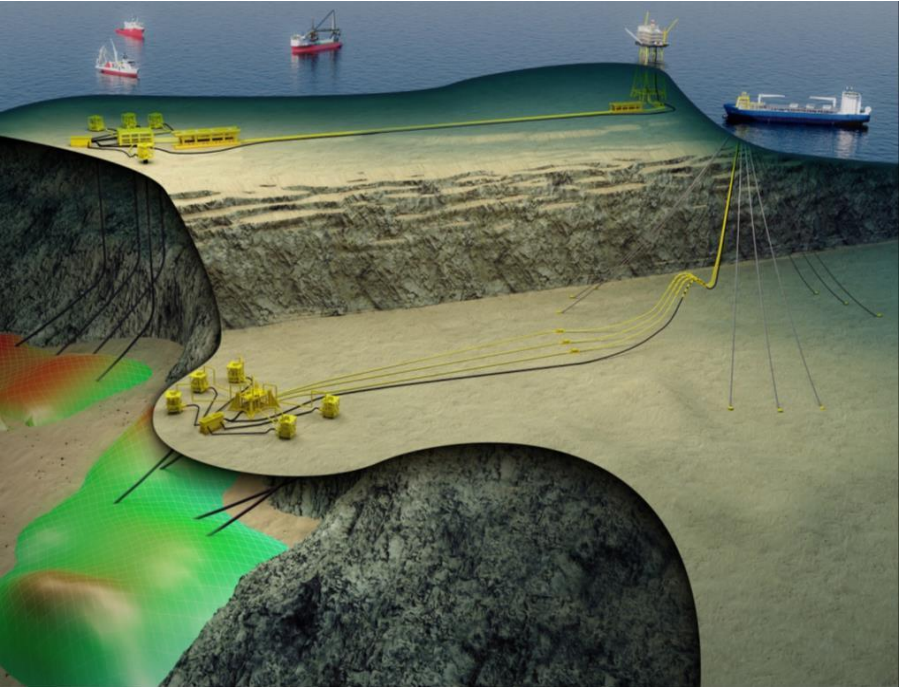
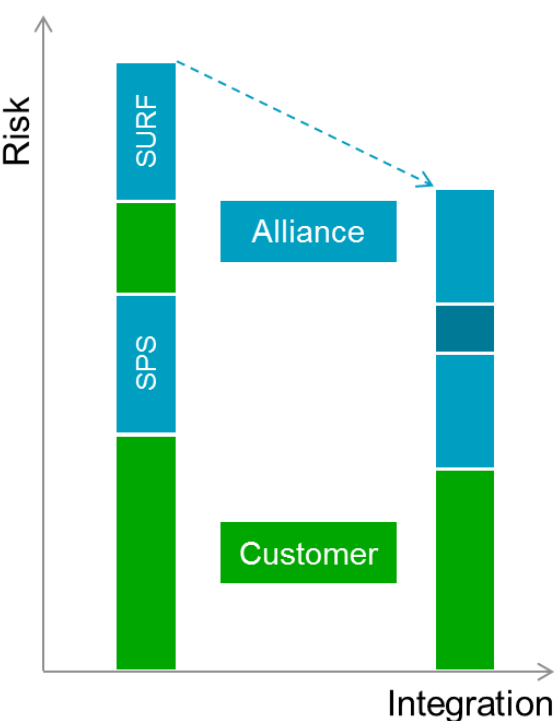
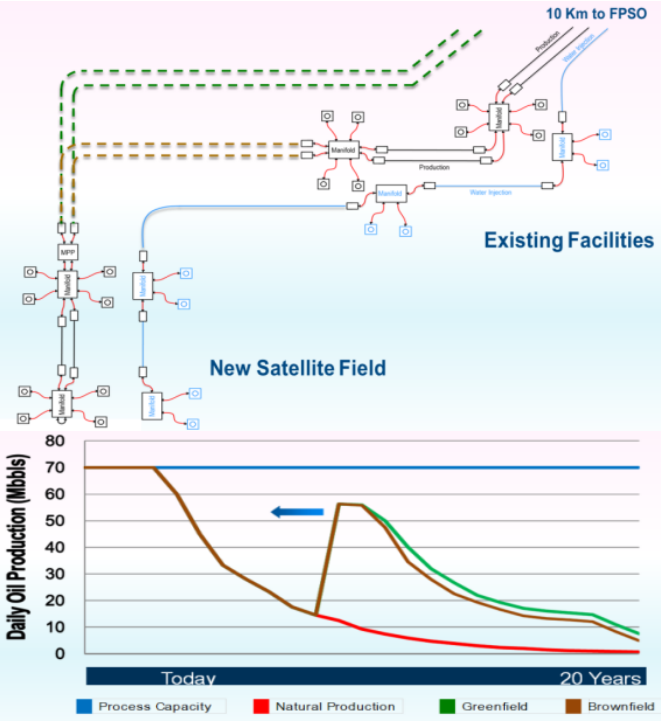
+

 **subsea 7**

=

 **Subsea** Integration Alliance
OneSubsea & Subsea 7

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



Subsea Integration Alliance

OneSubsea & Subsea 7

2

Projects
completed

8

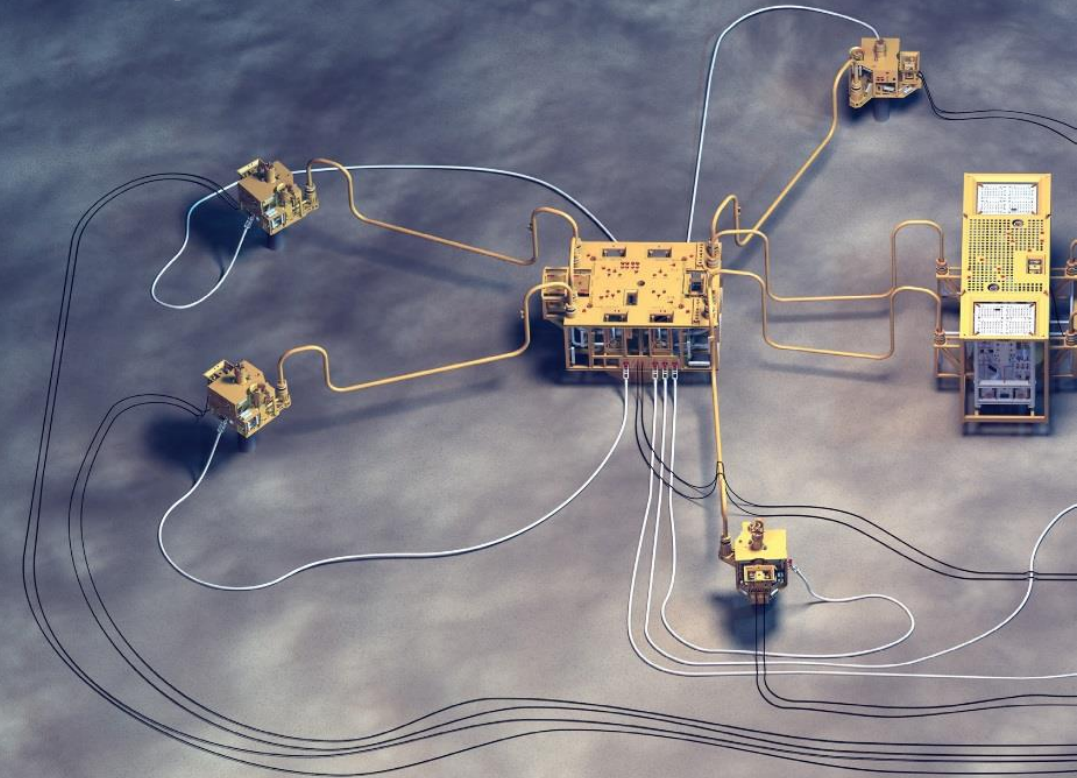
Projects
awarded

70+

Integrated concept
studies and pre-FEEDs

Completed and ongoing projects:

- Murphy Dalmatian (completed)
- BP Mad Dog 2
- TAQA Otter (completed)
- Fieldwood Katmai
- BP Manuel
- ExxonMobil West Barracouta
- Woodside SNE Phase 1 (FEED)
- Woodside Scarborough (FEED)



Subsea Integration Alliance Technology

Multibore Connector

- Direct Bundle to Bundle connector,
- Improves economics for longer Bundles;
- Vertical configuration for multi-bore spools,
- Direct Connect to Manifolds

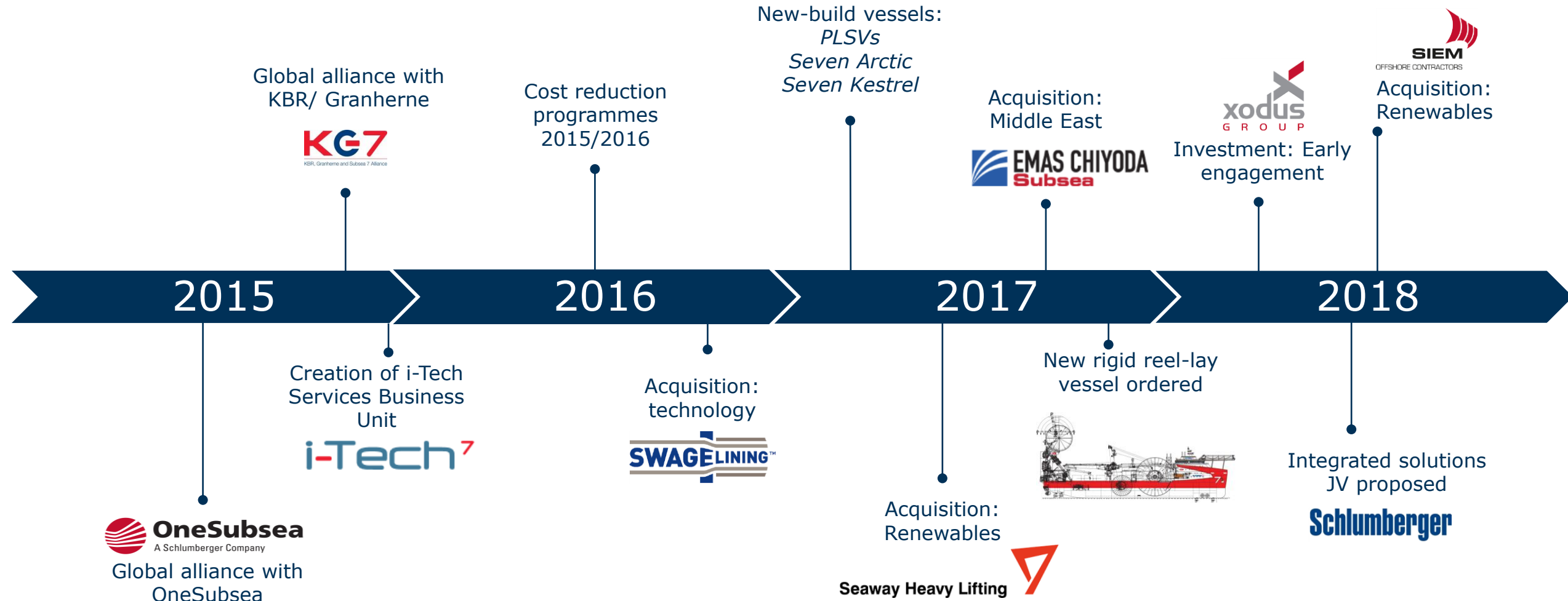


Standardised UTA

- Standardised Umbilical Termination Assembly's
- Increased efficiency for umbilical installation

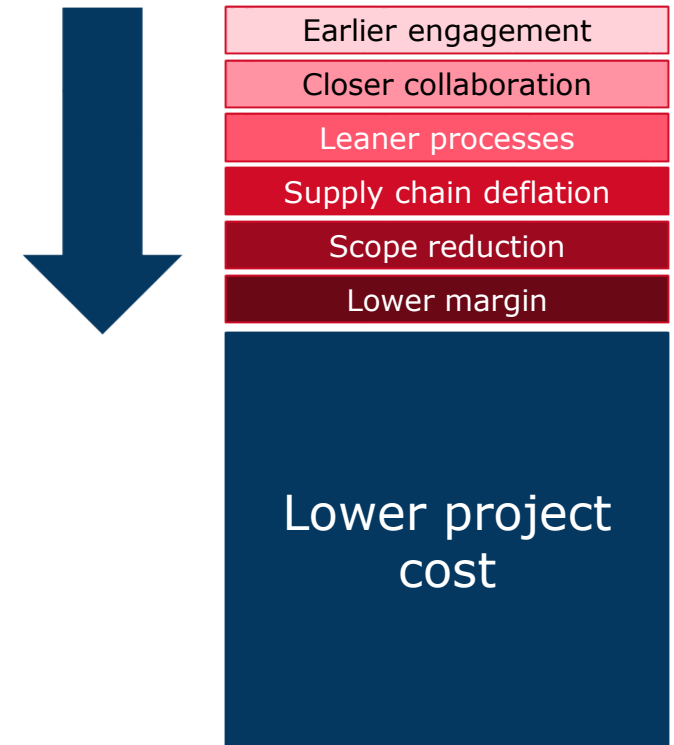
Subsea Integration Alliance
OneSubsea & Subsea 7

Subsea 7's approach and strategy through the cycle



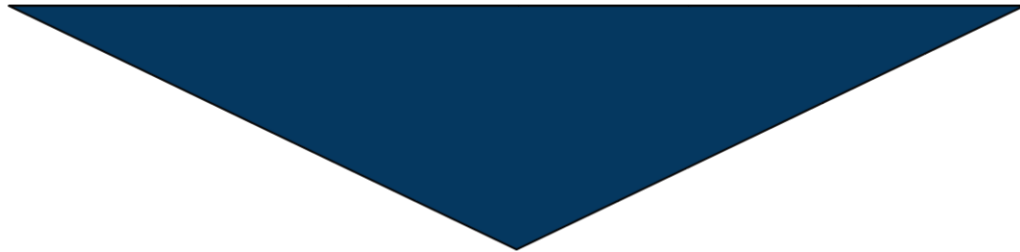
Drivers of lower costs for projects

- **Earlier engagement** enables better engineering, introduction of integrated and full lifecycle solutions and application of new technology
- **Closer collaboration** with alliances and partnerships reduces risk and shortens project duration
- **Leaner processes** reduce project management and engineering hours
- **Supply chain deflation** gives lower procurement costs
- **Scope reduction** eliminates over-engineering and reflects a more modular development approach
- **Lower margins** accepted on projects to protect utilisation and retain capability



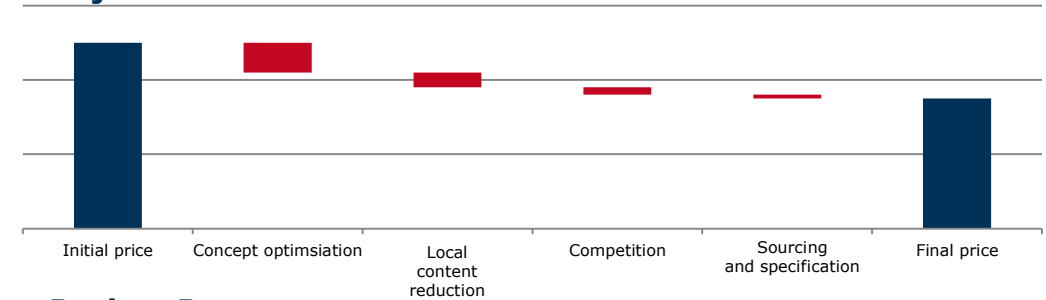
Drive business improvements to lower costs

Actively **adapt to industry conditions** without losing focus on **long term strategic priorities**

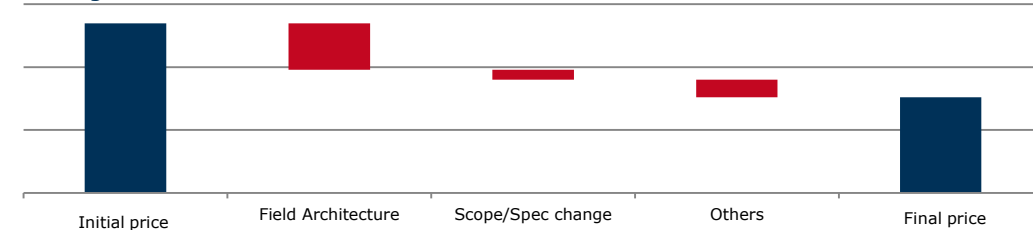


Enable projects to progress
in a lower oil price environment

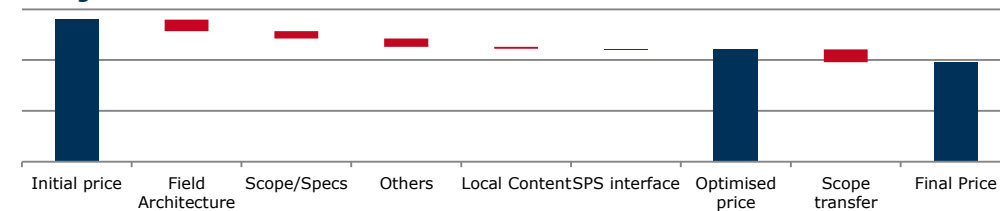
Project A



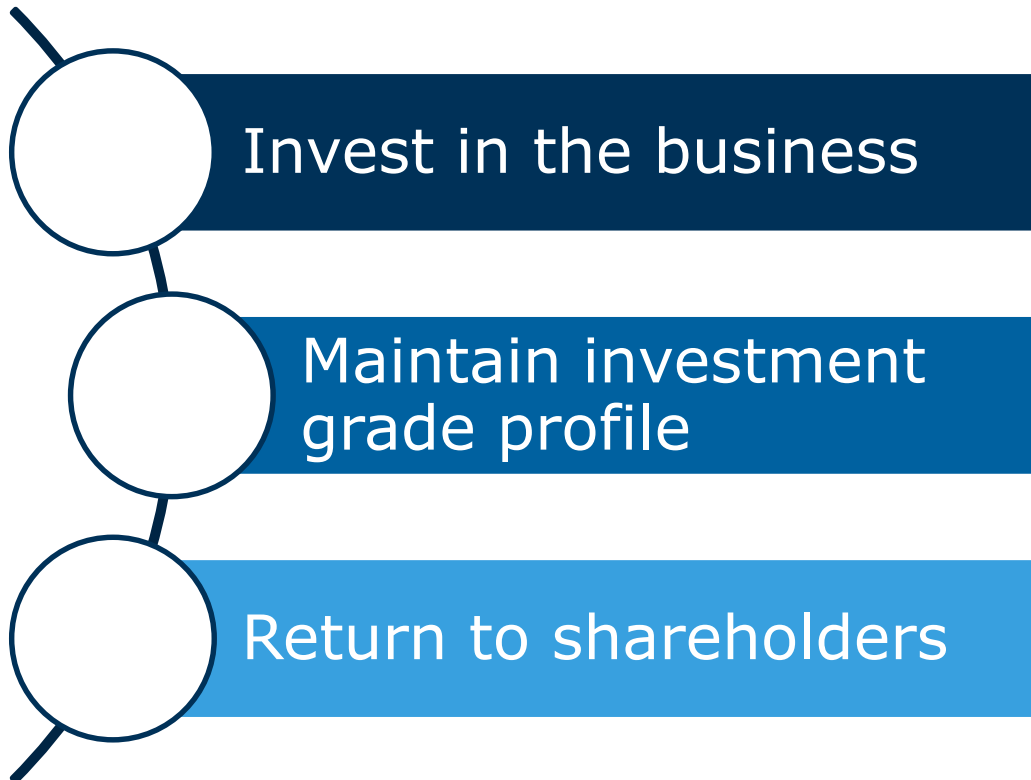
Project B



Project C



Priorities for cash



Targeted acquisitions to enhance our strategic growth areas

\$507 million net cash at 31 December 2018

\$1.7 billion returned to shareholders in special dividends and buybacks since 2011



Index

What we do

Our differentiators

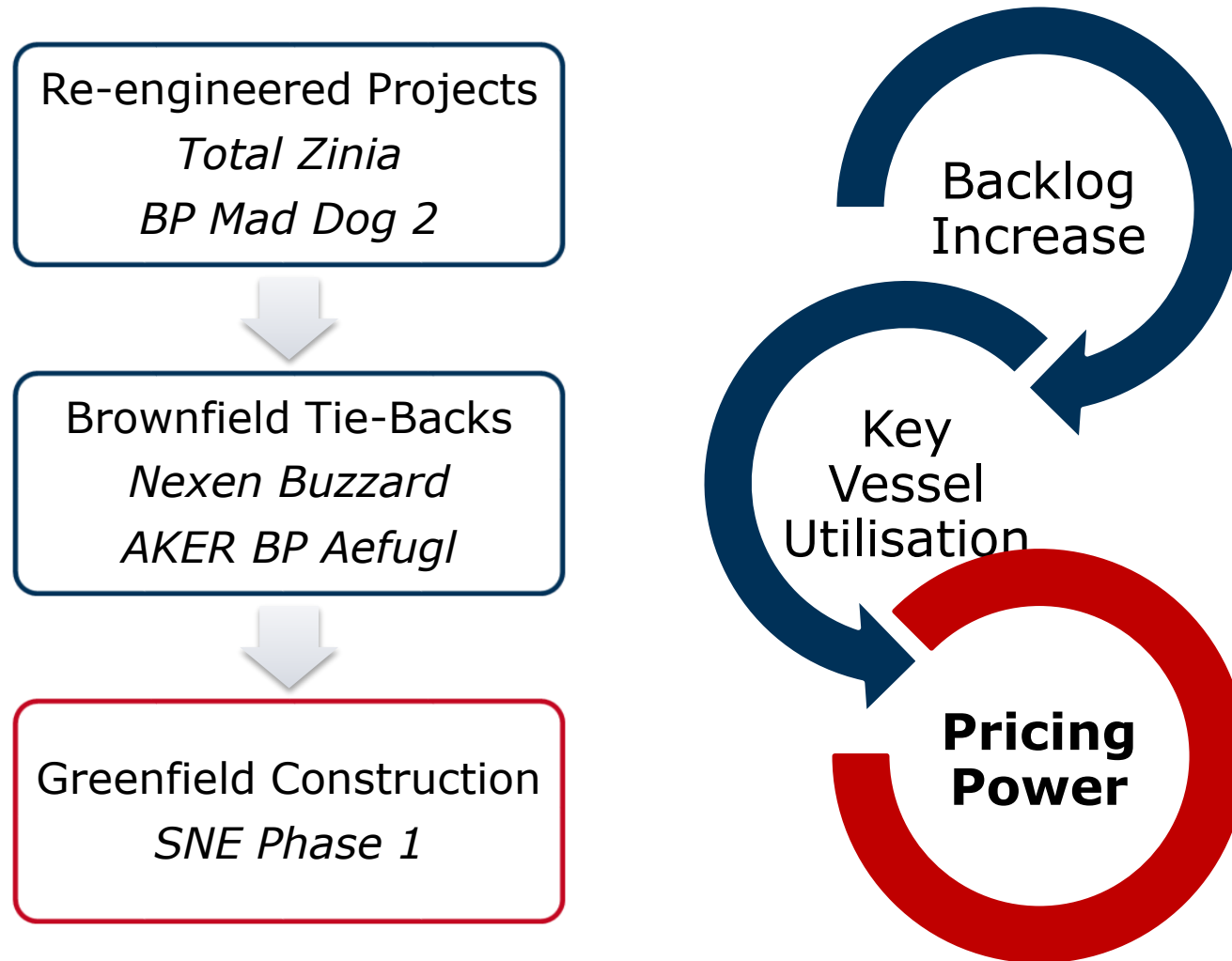
Our priorities

Our outlook

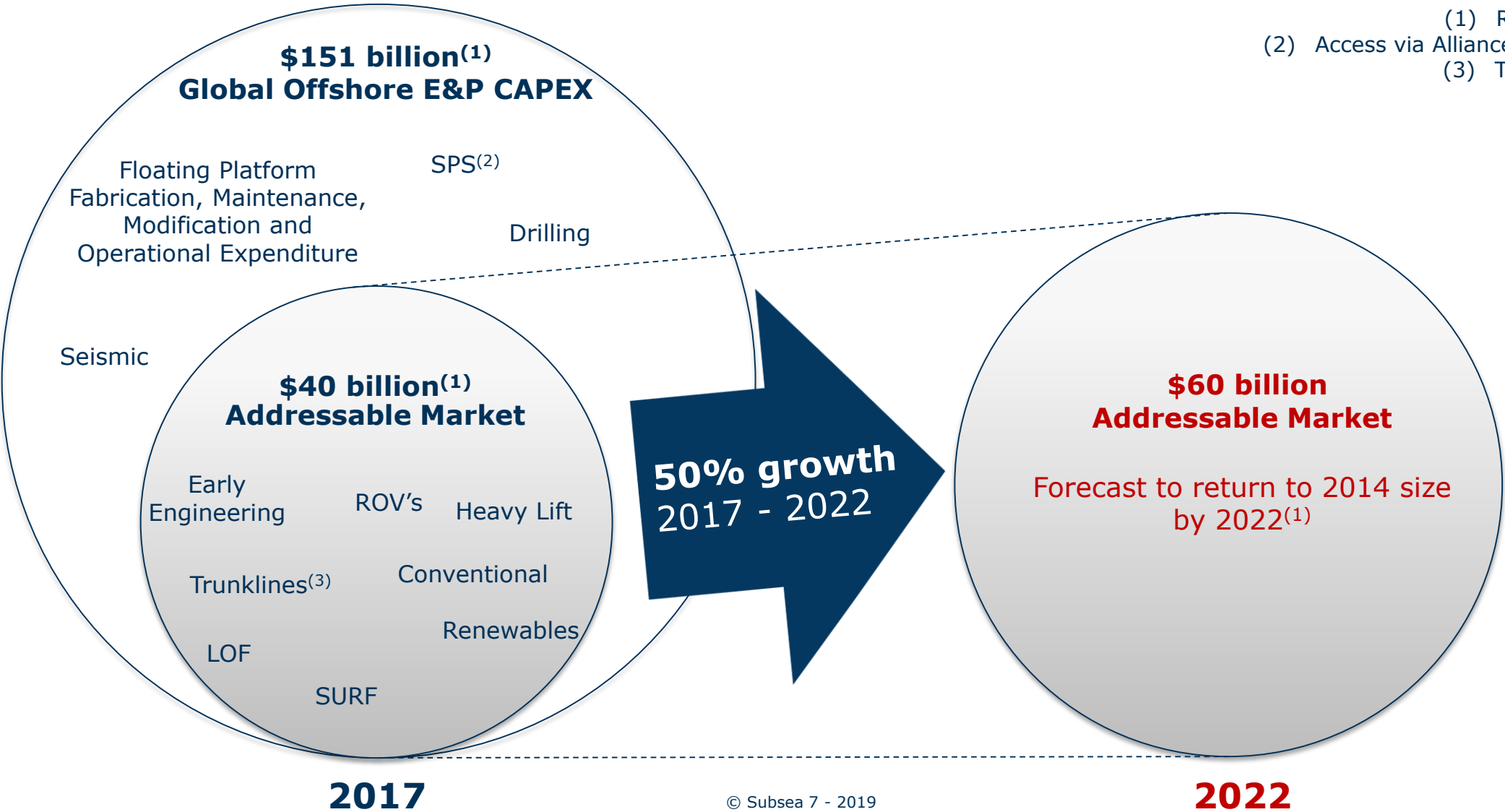
Our financials

Appendix

Cyclical recovery in Oil and Gas



Subsea 7's Addressable Market

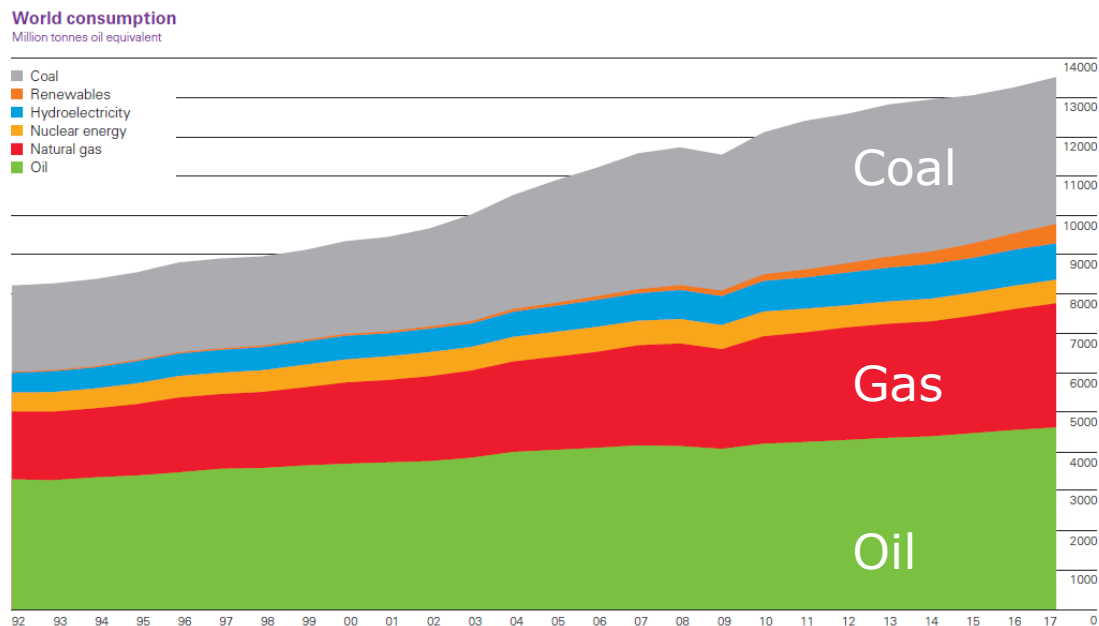


(1) Rystad August 2018
(2) Access via Alliances and Partnerships
(3) Trunklines up to 46"

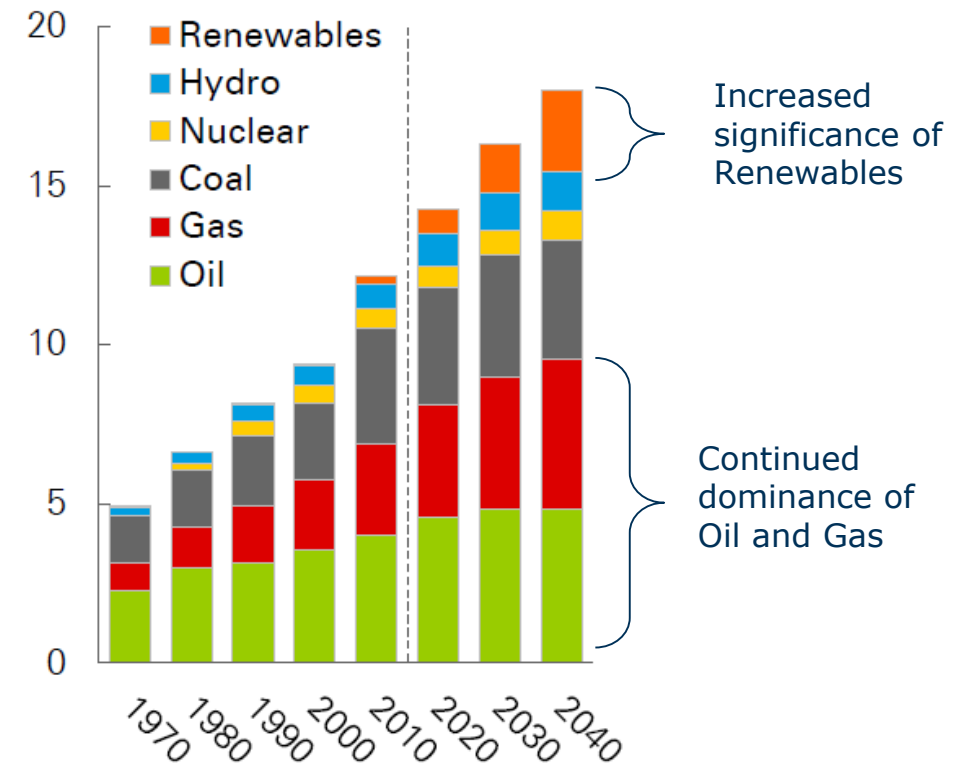
Evolving energy sector

In an **evolving energy** sector, we **create sustainable value** by being the industry's **partner** and employer of choice in delivering the **efficient** offshore solutions the **world needs**.

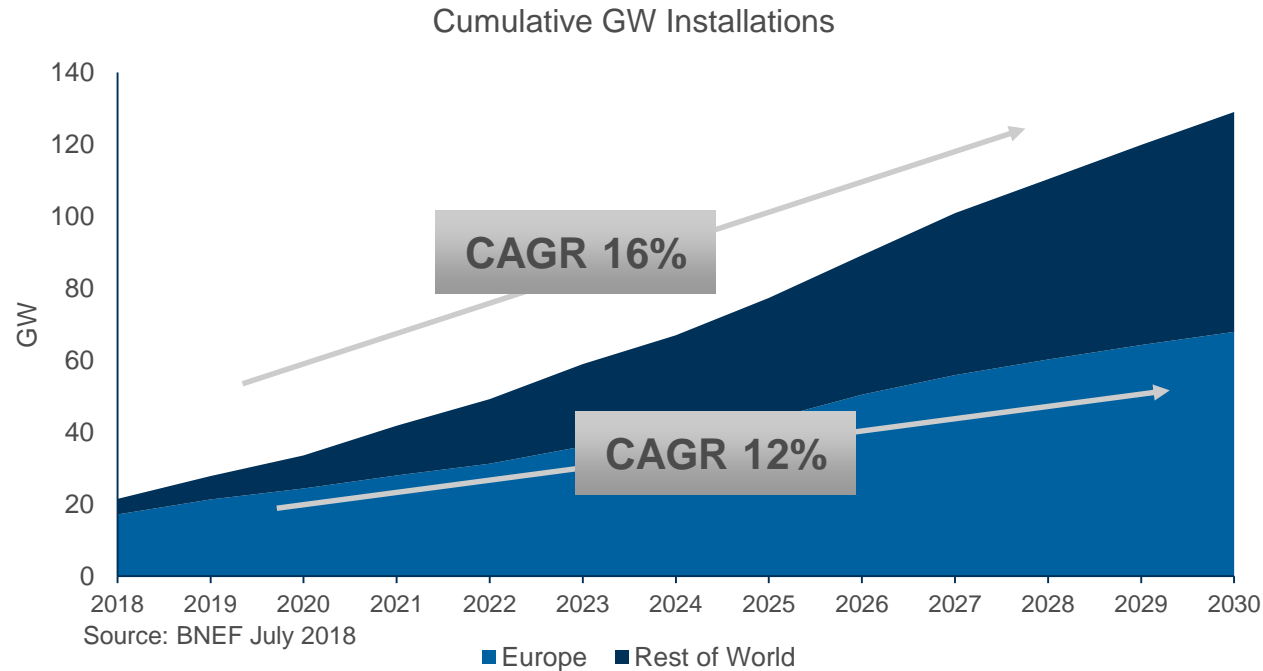
Past



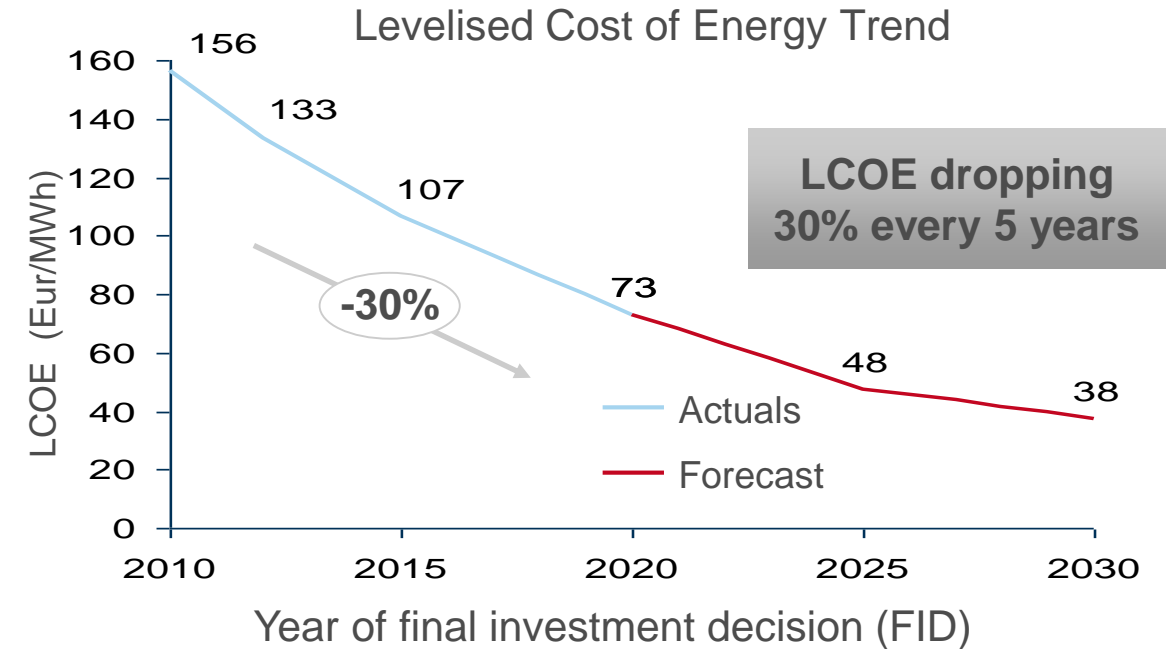
Future



Offshore Wind Market Trends



- Market is growing significantly; both in the mature markets (Europe) and new markets (Rest of World)
- Turbines are getting bigger, resulting in economies of scale



Source: LCOE actuals from Offshore Wind Programme Board – forecast from BVG associates 2017 and BNEF; 4C Offshore and BNEF for market demand

- Declining levelised cost of electricity (LCOE) enabling more projects to be commercially viable, increasing volume

Business Unit Outlook



SURF and Conventional

- Tendering activity increasing particularly in Brazil, Australia, Angola and Nigeria
- Increased number of large greenfield projects awarded to market subject to sanction

Renewables and Heavy Lifting

- 2019 limited execution opportunities
- T&I execution in Taiwan for 2020+
- Medium EPCI projects in Europe for 2020+

Life of Field

- All significant IRM frame agreements awarded to market
- Pricing remains competitive

Summary

- Market award activity in offshore oil and gas has begun to recover
- Subsea 7 has taken cyclical opportunities to grow and strengthen its business for the future and is positioned well for the next phase of the cycle
- Subsea 7's Values-driven strategy and strong financial position have supported its investment in differentiated capability and worldwide presence
- Subsea 7 looks to the future with confidence in the long-term sustainability of offshore energy





Index

What we do

Our differentiators

Our priorities

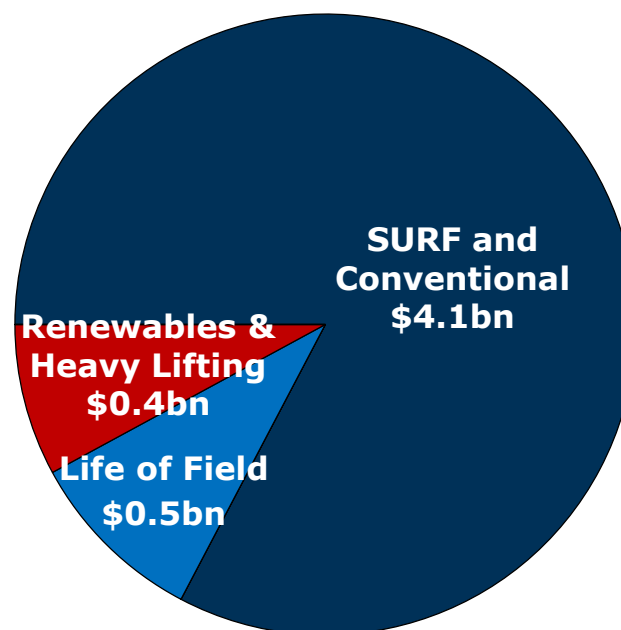
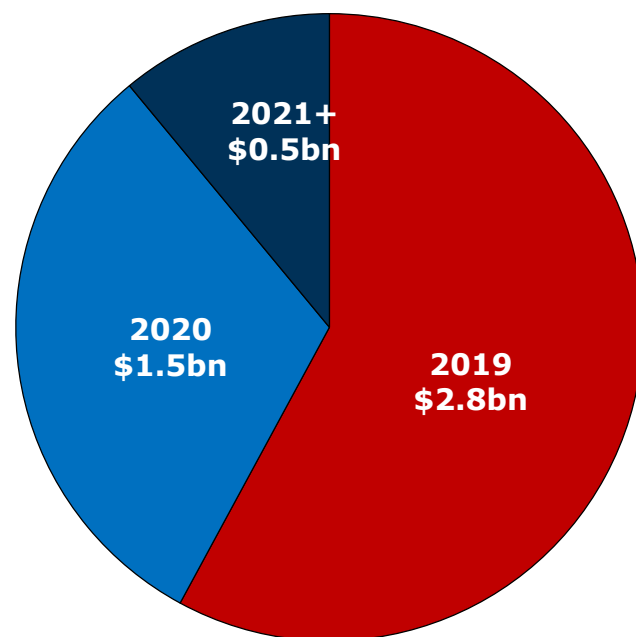
Our outlook

Our financials

Appendix

Backlog and order intake

Backlog of \$4.9 billion, as at 31 December 2018



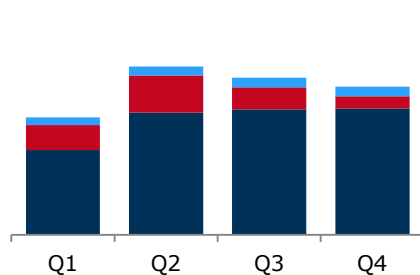
- \$0.9 billion awarded in the fourth quarter
- Book-to-bill:
 - 0.9x in the quarter
 - 1.0x in the year
- Five announced awards:
 - Manuel (US GOM)
 - Jubilee Turret Remediation (Ghana)
 - Shearwater (UK)
 - Yunlin Windfarm (Taiwan)
 - DSVi Frame Agreement (North Sea)*

Order backlog includes:

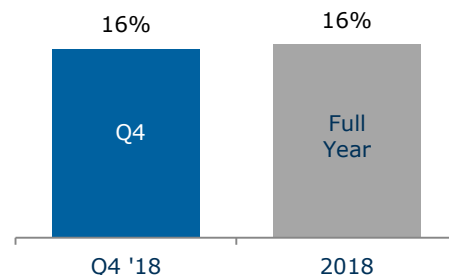
- \$0.9 billion relating to long-term contracts for PLSVs in Brazil
- approximately \$60 million adverse foreign exchange movement in the fourth quarter
- approximately \$110 million has been de-recognition in the quarter relating to the Fortuna project

*Frame agreements not included in backlog

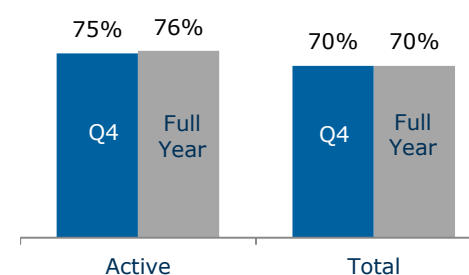
Q4 and Full Year 2018 results



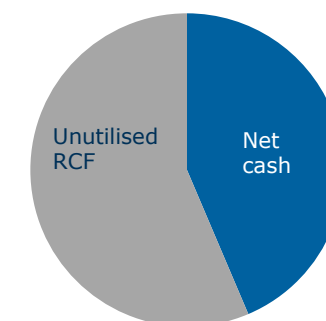
2018 Revenue
\$4.1 billion



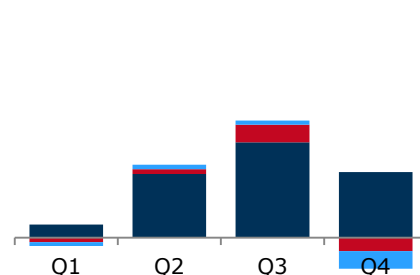
Adj. EBITDA margin



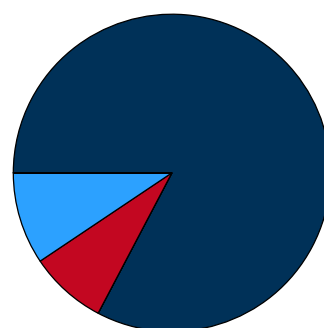
Vessel Utilisation



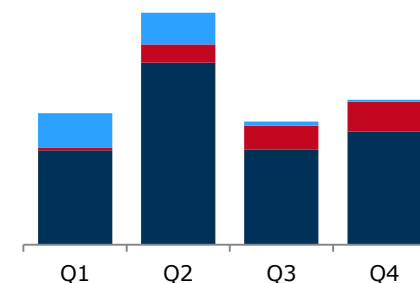
Liquidity \$1.2bn



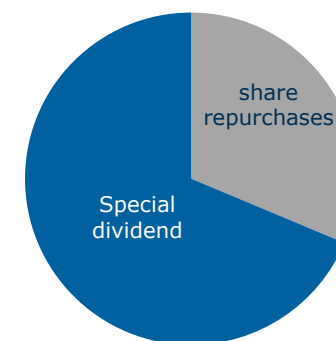
2018 NOI
\$200m



Backlog at 31 Dec 2018
\$4.9 billion



2018 Order Intake
\$4.0 billion



\$297m cash
returned in 2018

■ SURF & Conventional
 ■ Life of Field (1)
 ■ Renewables & Heavy Lifting

Income statement – Q4 and Full Year highlights

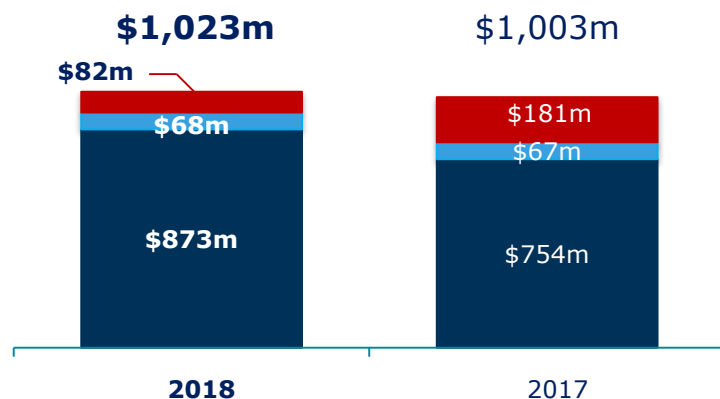
	Three months ended		Twelve months ended	
	31 December 2018 Unaudited	31 December 2017 Unaudited	31 December 2018 Audited	31 December 2017 Audited
In \$ millions, unless otherwise indicated				
Revenue	1,023	1,003	4,074	3,986
Net operating income (NOI) ⁽¹⁾	23	28	200	581
Income before taxes	35	19	216	555
Taxation	(3)	32	(52)	(100)
Net income	32	51	165	455
Adjusted EBITDA ⁽²⁾	163	176	669	1,035
Adjusted EBITDA margin	16%	18%	16%	26%
Diluted earnings per share \$	0.12	0.17	0.56	1.36
Weighted average number of shares (millions)	325	329	327	338

(1) 2018 Net operating income includes asset impairment charges of \$39m, primarily recognised in Q4 2018 (Q4 2017: \$32m, Full Year 2017: \$32m)

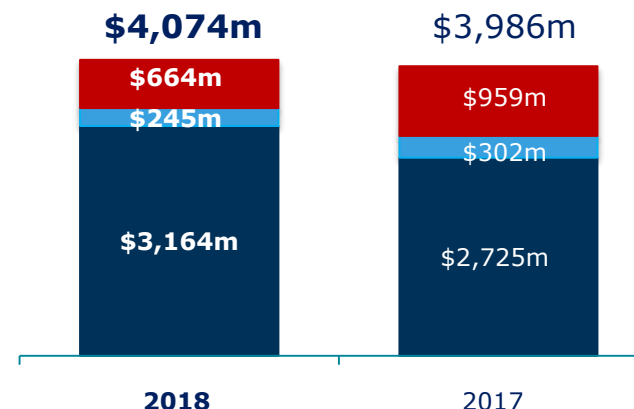
(2) Adjusted EBITDA defined in Note 8 to the Condensed Consolidated Financial Statements

Business Unit performance

Fourth Quarter Revenue



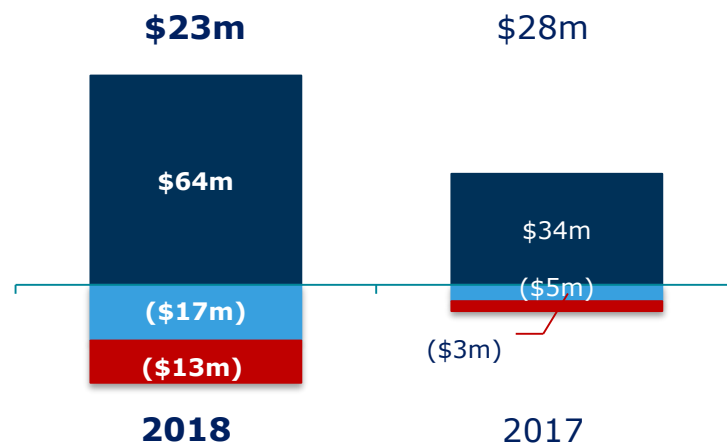
Full Year Revenue



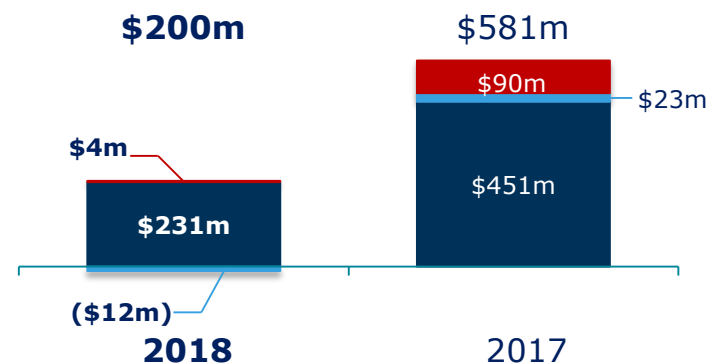
Note:
 Net operating income (NOI):
 Corporate segment (not presented) Q4 2018 net operating loss \$11m (Q4: 2017 net operating income \$2m). Full Year 2018 net operating loss \$23m (2017: net operating income \$17m)

Allocation of impairment charges: Full Year 2018 \$26m in SURF and Conventional and \$12m in Life of Field (2017 \$32m in SURF and Conventional)

Fourth Quarter NOI



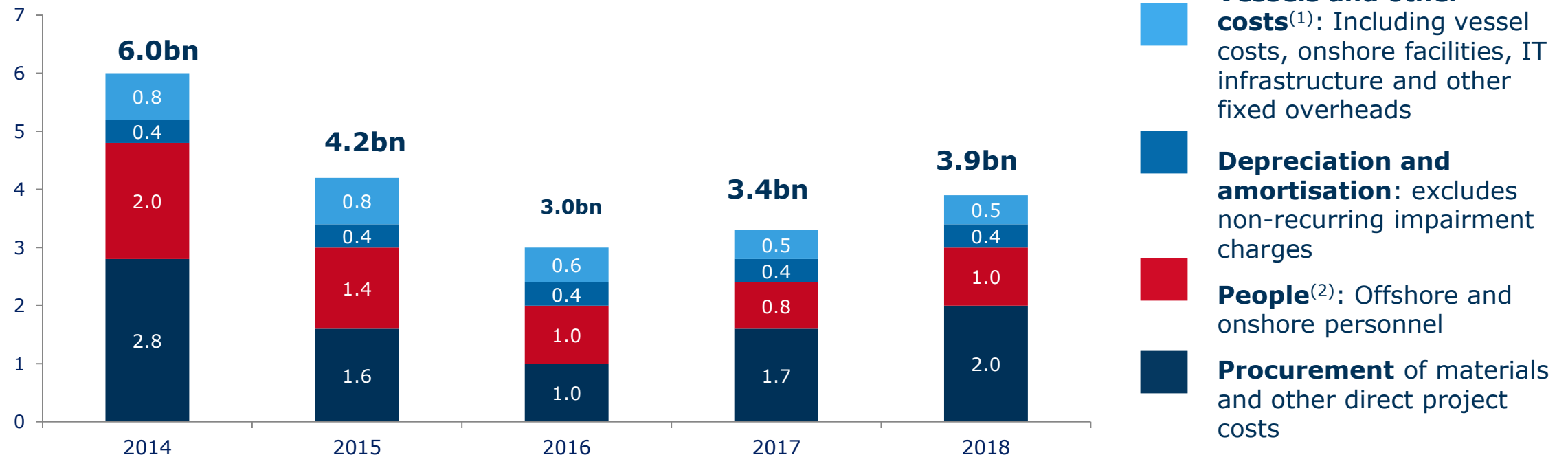
Full Year NOI



2014 - 2018 costs overview

Maintaining cost discipline as the activity levels recover

\$ billion

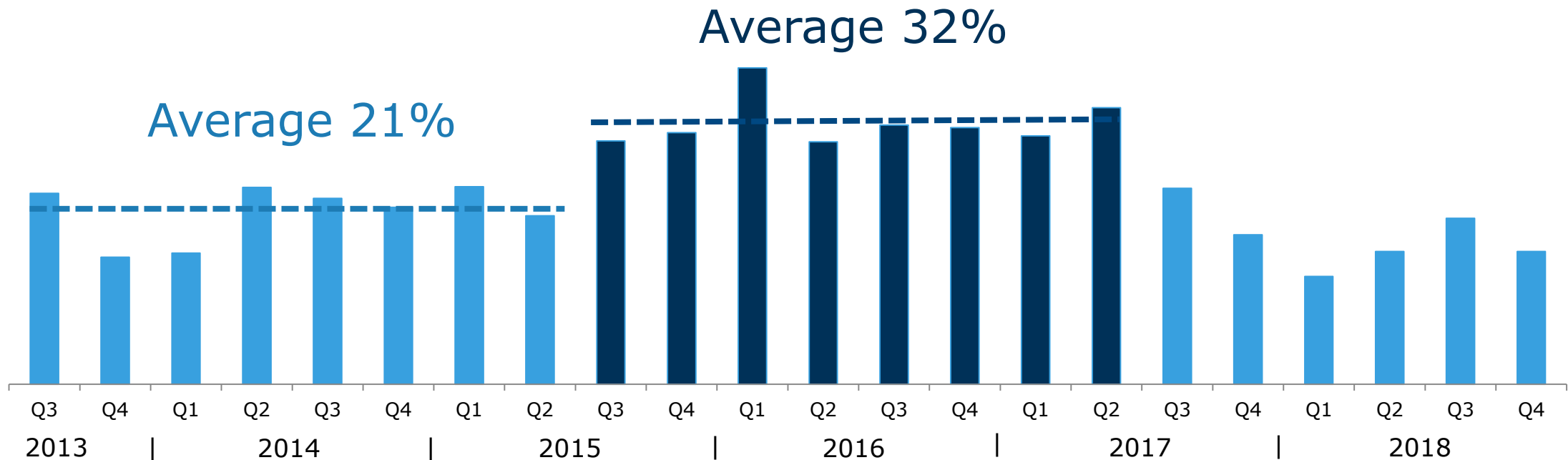


(1) Includes impairment charges related to property, plant & equipment and intangibles

(2) Includes restructuring charges in 2015 and 2016

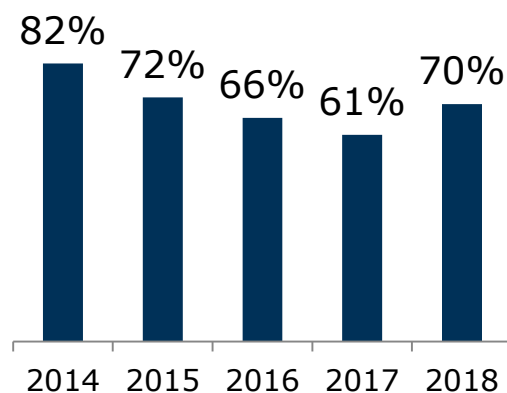
Adjusted EBITDA progression

- 2018 guidance: **Revenue broadly in line,**
Adjusted EBITDA percentage **margin significantly lower** compared to 2017



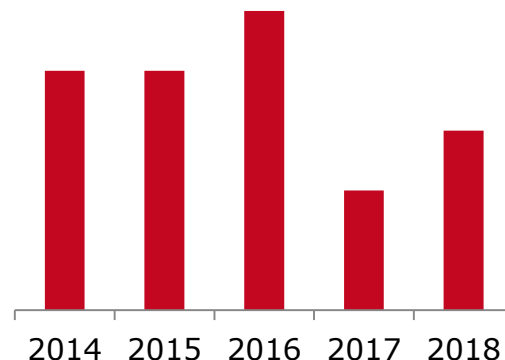
Our principal margin drivers

Total vessel utilisation



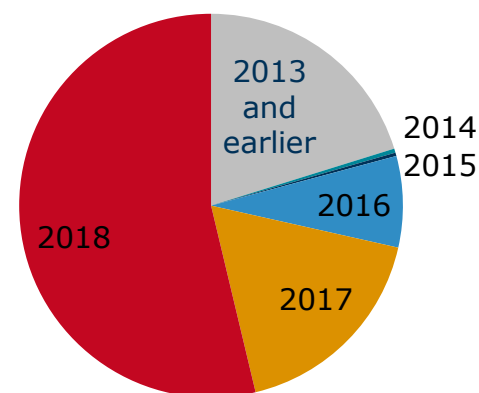
Reduction in offshore activity levels

Number of projects >\$300m completed



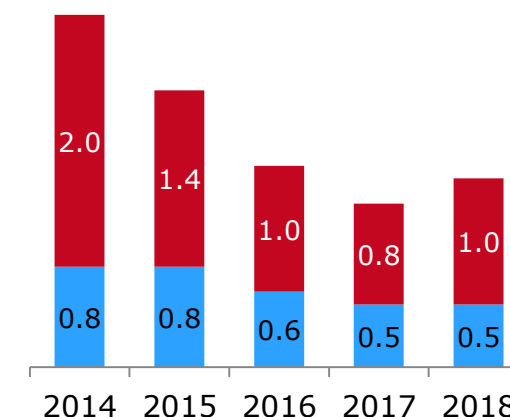
Fewer large projects in the final stages of completion

Backlog value by year awarded

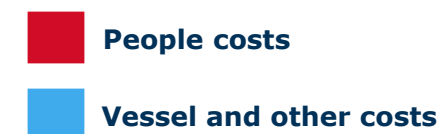


Lower margin projects signed in the downturn

Costs (\$bn)



Continued cost discipline



Definitions on slide 12

Liquidity and financial strength

Robust balance sheet

- Net cash of \$507 million

Strong financial flexibility

- Cash and cash equivalents of \$765 million
- Borrowings of \$258 million
- Five-year \$656 million revolving credit facility undrawn

As at 31 December 2018

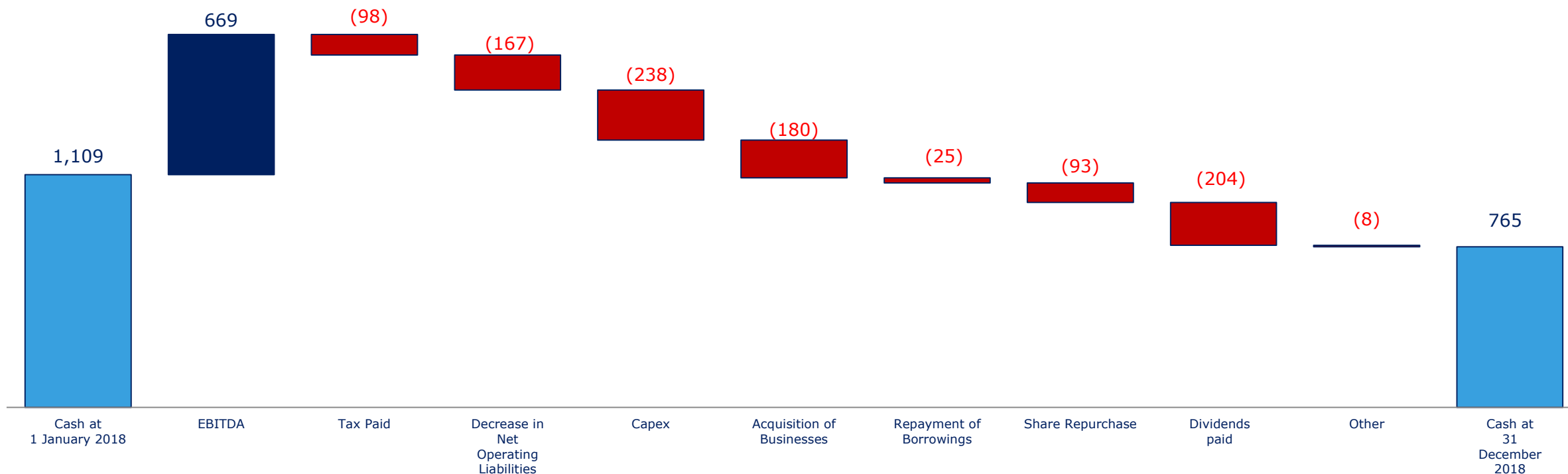
Summary balance sheet

In \$ millions	31 December 2018 Audited	31 December 2017 Audited
<u>Assets</u>		
Non-current assets		
Goodwill	751	701
Property, plant and equipment	4,569	4,688
Other non-current assets	153	173
Total non-current assets	5,473	5,562
Current assets		
Trade and other receivables	608	497
Construction contracts - assets	495	319
Other accrued income and prepaid expenses	166	176
Cash and cash equivalents	765	1,109
Other current assets	62	81
Total current assets	2,096	2,182
Total assets	7,569	7,745

In \$ millions	31 December 2018 Audited	31 December 2017 Audited
<u>Equity & Liabilities</u>		
Total equity	5,722	5,941
Non-current liabilities		
Non-current portion of borrowings	234	258
Other non-current liabilities	212	235
Total non-current liabilities	446	493
Current liabilities		
Trade and other liabilities	978	893
Current portion of borrowings	25	25
Construction contracts – liabilities	168	200
Deferred revenue	5	4
Other current liabilities	225	188
Total current liabilities	1,401	1,310
Total liabilities	1,847	1,804
Total equity & liabilities	7,569	7,745

Summary of 2018 cash flow

\$m



- Net cash of \$507 million at 31 December 2018

Summary of year-to-date 2018 cash flow

	\$ millions	
Cash and cash equivalents at 1 January 2018	1,109	
Net cash generated from operating activities	424	<i>Included an increase in net operating assets of \$167 million</i>
Net cash flow used in investing activities	(425)	<i>Included cash outflows on SOC acquisition of \$155 million including vessels, acquisition of interest in Xodus \$19m and capital expenditure of \$238m</i>
Net cash flow used in financing activities	(335)	<i>Included dividends paid of \$204 million, \$93m of shares repurchased and \$25 million repayments of the ECA senior secured facility</i>
Other movements	(8)	
Cash and cash equivalents at 31 December 2018	765	

- Net cash of \$507 million at 31 December 2018 compared to \$826 million at 31 December 2017
- Long-term ECA borrowing facility of \$258 million at 31 December 2018 compared to \$283 million at 31 December 2017

Financial guidance

2019 Guidance (including IFRS 16 adjustments⁽¹⁾)

Revenue	.....	Slightly lower than 2018
Adjusted EBITDA	.....	Lower than 2018, double digit percentage margin
Net Operating Income	.....	Positive for the Group
Administrative expense	.....	\$260 million - \$280 million
Net finance cost	.....	\$10 million - \$20 million
Depreciation and Amortisation	.....	\$480 million - \$500 million
Full year effective tax rate	.....	33% - 35%
Capital expenditure ⁽²⁾	\$270 million - \$290 million

(1) Further information on impacts of implementing IFRS 16 “leases” guidance is shown on slide [30] and Note 16 to the Condensed Consolidated Financials Statements

(2) Includes approximately \$100 million expenditure related to the new-build reel-lay vessel, *Seven Vega*

IFRS 16 'Leases' guidance

- IFRS 16 'Leases' will be effective from 1 January 2019.
- Requires the Group to recognise:
 - a right-of-use asset for long-term leases, to be amortised straight-line over duration of the lease.
 - a lease liability (equivalent in value to the right-of-use asset) with finance costs recognized over lease life.
- No cash flow impact.
- No impact on net income over duration of leases.
- Due to modified retrospective implementation, 2019 net income will be adversely impacted by approximately \$5m, which will reverse in subsequent years.
- Impact on 2019 results may differ from the guidance given, depending on lease commitments.

IFRS 16	2019 forecast impact
Income Statement	
Lease expense	Decrease by \$100m - \$110m
Adjusted EBITDA	Increase by \$100m - \$110m
Amortisation charge	Increase by \$90m - \$100m
Net operating income	Increase by \$10m - \$15m
Net finance charge	Increase by \$10m - \$15m
Net income	Decrease by approx. \$5m
Balance Sheet	
Right-of-use asset	Addition of approx. \$350m
Lease liability	Addition of approx. \$360m

- Subsea 7 guidance for 2019 on slide 12 includes the estimated impact of IFRS 16



Appendix

Major project progression

Track record

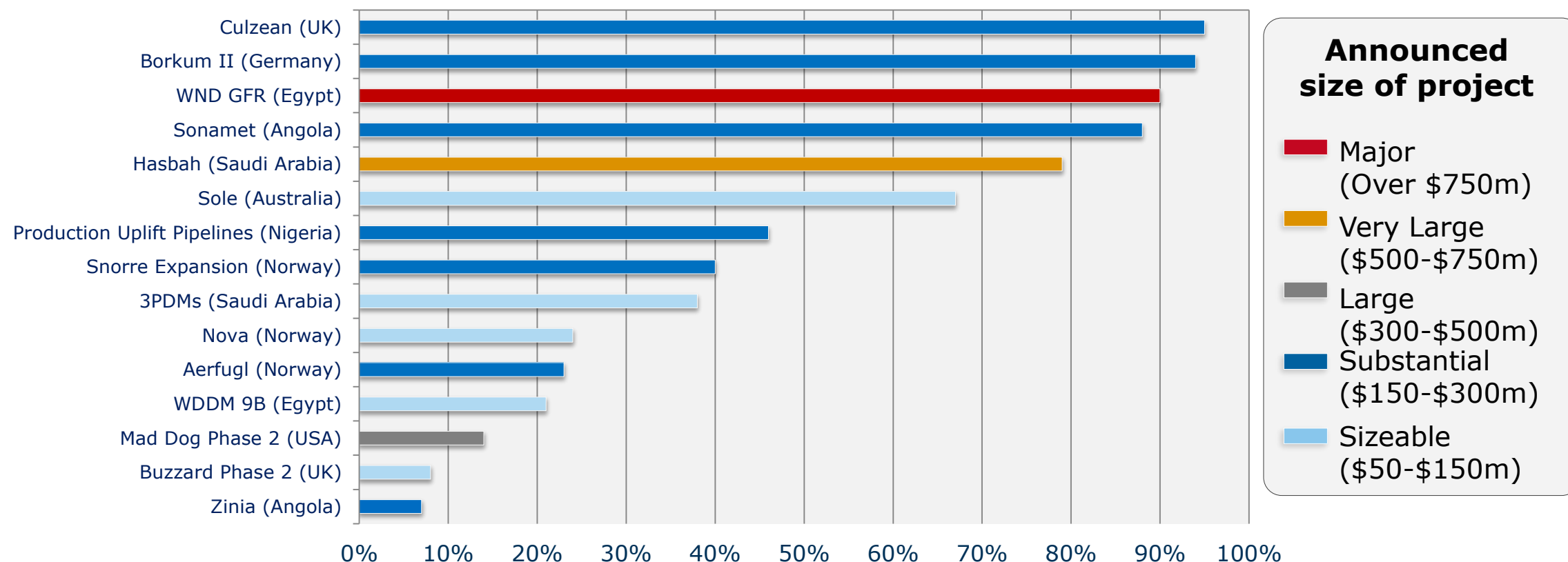
ADR

Forward looking statement

Contact details

Major project progression

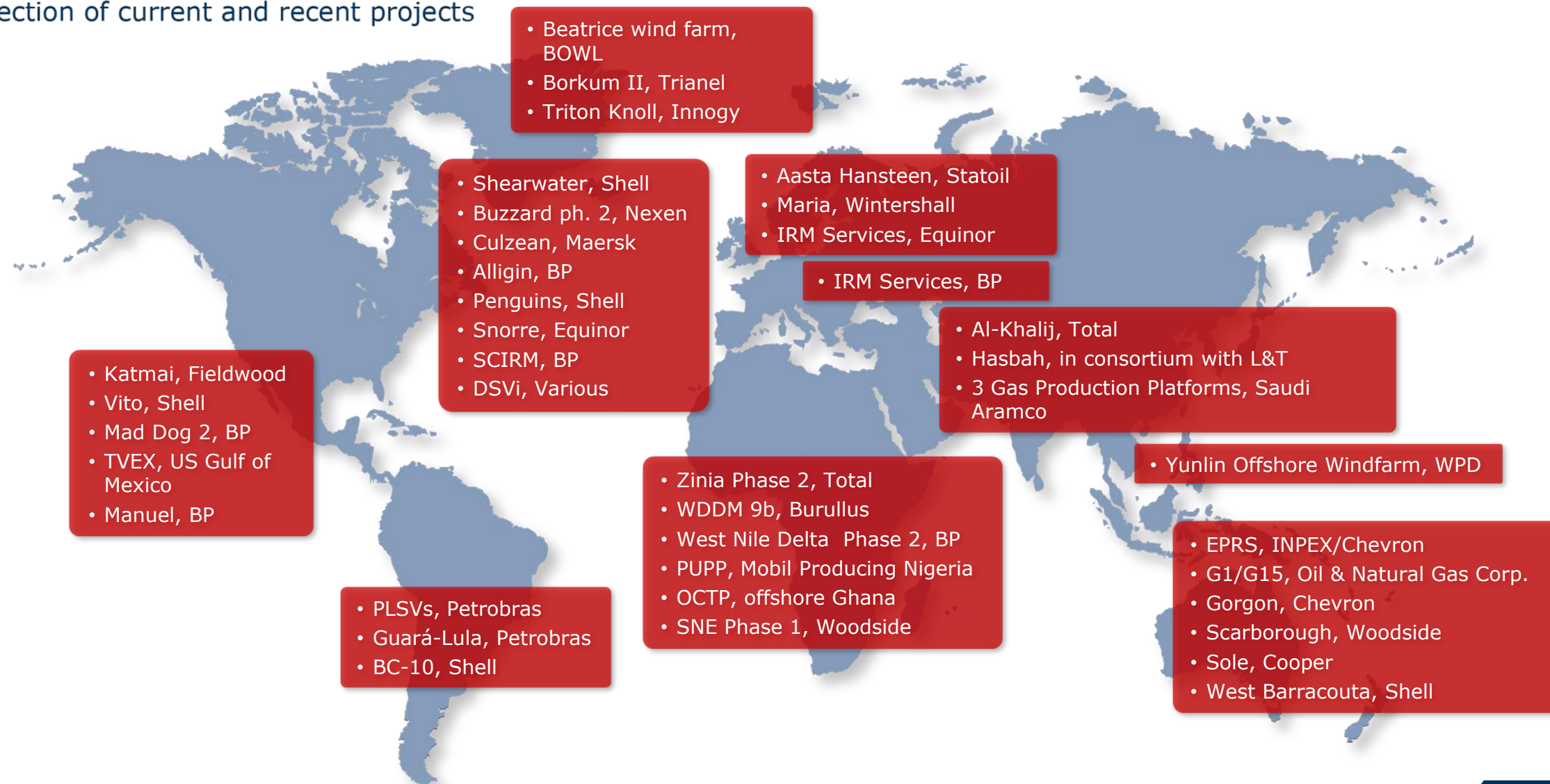
- Continuing projects >\$100m between 5% and 95% complete as at 31 December 2018 excluding PLSV and Life of Field day-rate contracts



TRACK RECORD

Over 1,000 projects delivered for our clients worldwide

- A selection of current and recent projects



ADR information

ADR Ticker: SUBCY

ADR type: Sponsored Level 1 ADR

Listing venue: OTC

CUSIP: 864323100

Ratio: 1 ADR : 1 Ordinary Share

Depository bank: Deutsche Bank Trust Company Americas

ADR broker helpline:

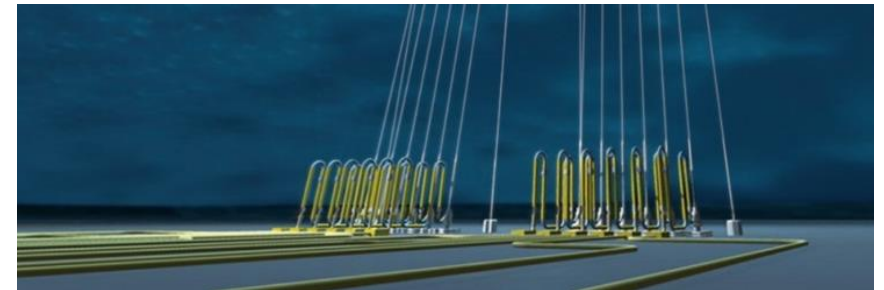
New York: +1 8662492593

London: +44 207 547 6500

Hong Kong: +852 2203 7854

e-mail: db@astfinancial.com

ADR website: www.adr.db.com



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 2017. 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.

THANK YOU



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Direct Line +44 20 8210 5568

Website www.subsea7.com