Investor Presentation

June 2019
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Our differentiators
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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

Safety
Performance
Integrity
Collaboration
Sustainability
Innovation
SUBSEA 7 CAPABILITIES ACROSS THE FIELD DEVELOPMENT LIFECYCLE

ENGAGE EARLY TO DELIVER VALUE
Creating value for clients in the earliest stages of project planning, lowering costs and streamlining schedules.

CONCEPT
Input at concept allows for optimisation of later cycle stages.

DESIGN
Robust FEED ensuring minimal change and accurate forecasting during design.

ENGINEER
Detailed engineering by experienced personnel to deliver the best solution.

PROCURE AND FABRICATE
Efficient procurement and high quality fabrication delivered on time.

INSTALL AND COMMISSION
Safe, on-schedule and cost-efficient installations by world-class vessels.

MAINTAIN
Effective and responsive maintenance reducing cost of ownership.

EXTEND
Maximised return on investment by utilising new technologies and tie-back solutions.

DECOMMISSION
Facilitated abandonment and decommissioning with heavy lift vessels.

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.

**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.

2018 Revenue
$4.1 billion

- **SURF and Conventional**
  - $3.2bn (78%)
- **Life of Field**
  - $0.7bn (16%)
- **Renewables and Heavy Lifting**
  - $0.2bn (6%)
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

- Snorre (Norway)
- PUPP (Nigeria)
- Ærfugl (Norway)
- West Nile Delta (Egypt)
- Hasbah (Middle East)
- Hornsea One (UK)
- Dolphin Energy ERPS (Abu Dhabi)
- 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 (Dec 2018)
- 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

Life of Field 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

1991 SHL Joint Venture established

2009 First Renewables Project for SHL

2013 Subsea 7 increases its focus on renewables

2016 Beatrice EPCI awarded to Subsea 7

2017 SHL acquired by Subsea 7

2018 SOC acquired by Subsea 7

2018 Comprehensive balance of plant offering: T&I and EPCI

10 years experience in renewable energy

16%\(^{(1)}\) forecast for CAGR in renewables

1000 experienced personnel

2 EPCI projects complete

4 specialist offshore vessels

\(^{(1)}\) Source: BloombergNEF, January 2018, forecast to 2030 worldwide excluding China
Subsea 7’s Renewable energy focus

Subsea 7 is typically contracted to carry out, under its Seaway 7 brand:

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 does not currently carry out installation or procurement of:

1. Wind Turbine Generators
2. Export Cables
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.
Creating the right technological solutions

Pipeline Bundles and Towed Solutions

Riser solutions

Flowline solutions

EHTF
Digitalisation

- Strategy in development with new VP assigned. Focus areas within i-Tech 7, 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 modern and versatile fleet of 34 vessels

### Vessels by Ownership type
- **Owned**: 28
- **Chartered**: 6

### Vessels by Age
- **0-5 years**: 10
- **6-11 years**: 10
- **12+ years**: 14

### Vessels by Operational category
- Rigid-lay/Heavy Construction
- Diving support
- Life of Field
- Construction flexlay
- Renewables & Heavy Lift
- Hook up
34 Vessels including 31 active vessels at end Q1 ‘19

- **PIPELAY/HEAVY LIFTING VESSELS**
  - SEVEN ANTIARES
  - SEVEN BOREALIS
  - SEVEN CHAMPION
  - SEVEN OCEANS
  - SEVEN NAVICA
  - NEW REEL-LAY VESSEL: SEVEN VEGA

- **CONSTRUCTION/FLEX-LAY VESSELS**
  - SEVEN ARCTIC
  - SEVEN CRUZEIRO
  - SEVEN EAGLE
  - SEVEN PACIFIC
  - SEVEN RIO
  - SEVEN SEAS
  - SEVEN SUN
  - SEVEN WAVES
  - NORMAND OCEANIC

- **DIVING SUPPORT VESSELS**
  - SEVEN ATLANTIC
  - SEVEN FALCON
  - SEVEN KESTREL
  - SEVEN PEGASUS
  - SEVEN PELICAN
  - SIMAR ESPERANÇA
  - SKANDI ACERGY
  - SEVEN MAR
  - SEVEN PHOENIX

- **LIFE OF FIELD VESSELS**
  - SEVEN VIKING
  - HARVEY INTERVENTION
  - AKADEMIK TOFIQ ISMATULLOV
  - MMA PINNACLE
  - NORMAND SUBSEA
  - SEAWAY AIMER
  - SEAWAY MOXIE
  - SEAWAY STRASHNOV
  - SEAWAY YUDIN

**Fleet Details**:
- 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

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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

![Pie chart showing the nationality mix: Europe 46%, Americas 17%, Asia Pacific 23%, Other 14%]

![Pie chart showing the gender mix: Offshore Female 1%, Onshore Female 12%, Onshore Male 54%, Offshore Male 33%]
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.

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

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.

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

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.

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

Lost-time incident frequency rate (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tr>
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<td>0.06</td>
<td>0.06</td>
<td>0.05</td>
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Recordable Incident Frequency Rate (%)

<table>
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<tr>
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<th>2015</th>
<th>2016</th>
<th>2017</th>
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<td>Rate</td>
<td>0.25</td>
<td>0.28</td>
<td>0.28</td>
<td>0.22</td>
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</table>

Clean Operations

<table>
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<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td>Rate</td>
<td>3,800</td>
<td>3,300</td>
<td>5,000</td>
<td>3,600</td>
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Carbon Dioxide Emissions (‘000 tonnes)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td>Rate</td>
<td>469</td>
<td>404</td>
<td>404</td>
<td>418</td>
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</table>

$3.1m costs saved

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

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Corporate Responsibility – Integrity, Diversity and Society

91 Nationalities in our workforce

Operating in 33 countries worldwide

UN Global Compact signatory

Over 67 community assistance events delivered in 2018

Number of employees completing compliance & ethics e-learning 99% completion rate

- Offshore Female 1%
- Onshore Female 12%
- Offshore Male 54%
- Onshore Male 33%

<table>
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<th>Year</th>
<th>Employees</th>
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<td>3,699</td>
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<td>2018</td>
<td>3,989</td>
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London – STEM girls in engineering day

Houston – Beach clean up day

Egypt – Micro-financing project (GFR)

UN Global Compact signatory

London – STEM girls in engineering day

Houston – Beach clean up day

Egypt – Micro-financing project (GFR)
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Flexible Solutions

Our clients require flexible solutions:

- Comprehensive integrated offering with alliance partners OneSubsea being developed into 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

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
Subsea Integration Alliance

Enhanced production  Reduced cost and risk  Pore-to-shore perspective
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)
A leader in integrated projects

Woodside FEED awards with commitment to proceed to EPIC pending FID

**SNE Phase 1**
- Integrated award
- Offshore Senegal
- Flexible riser solution
- 23 Horizontal Trees
- 58 km CRA BuBi reeled flowline
- Oil field development

**Scarborough**
- Integrated award
- Offshore Australia
- 14” Lazy wave risers
- 13 Trees
- 45 km 16” reeled flowlines
- Gas field development

**Julimar**
- Offshore Australia
- 22km Tie-back
- 18” Insulated CRA flowline
- 4 Trees
- Gas field development
- Standalone SURF
Competitive landscape for full life cycle integrated solutions

<table>
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<tr>
<th>EXPLORATION GEOPHYSICS</th>
<th>DOWN-HOLE / DATA</th>
<th>FEED</th>
<th>SPS / MANUFACTURE</th>
<th>EPIC</th>
<th>LIFE OF FIELD/ WELL SERVICES</th>
<th>DECOMMISSIONING</th>
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<td>Schlumberger</td>
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<td>Intecsea</td>
<td>KBR</td>
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<td>LIFE OF FIELD/ WELL SERVICES</td>
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</table>
Subsea 7’s approach and strategy through the cycle

2015
- Global alliance with KBR/Granherne
- Creation of i-Tech Services Business Unit
- Global alliance with OneSubsea

2016
- Cost reduction programmes 2015/2016
- New-build vessels: PLSVs Seven Arctic Seven Kestrel
- Acquisition: technology

2017
- Acquisition: Middle East
- New rigid reel-lay vessel ordered
- Investment: Early engagement

2018
- Acquisition: Renewables
- Integrated solutions JV proposed
- Acquisition: Renewables
- Seaway Heavy Lifting
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
Priorities for cash

- **Invest in the business**
  - Targeted acquisitions to enhance our strategic growth areas

- **Maintain investment grade profile**
  - $413 million net cash at 31 March 2019

- **Return to shareholders**
  - $1.8 billion returned to shareholders in special dividends and buybacks since 2011
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Recent awards - driven by our differentiators

- **22** offshore developments achieved FID in 2018
- Subsea 7 were contracted to complete SURF work on **7** of these developments

**North Sea**
- Johan Castberg
- Nova
- Penguins
- IRM Equinor
- Triton Knoll
- Alligin
- Buzzard ph. 2
- Shearwater
- DSVi services
- Arran

**Gulf of Mexico**
- Vito
- Katmai
- Manuel
- VCOW Renewables

**Africa**
- PUPP
- WDDB 9B
- Zinia ph.2
- TRP
- SNE 1(FEED)

**Middle East**
- 3PDMs
- IRM BP Caspian
- Berri-Zuluf

**Asia Pacific**
- Yunlin Renewables
- Scarborough (FEED)
- Julimar (FEED)

**Total greenfield capex offshore by sanctioning year**

- **Historical**
- <40 USD/bbl
- 40-50 USD/bbl
- 50-60 USD/bbl
- >60 USD/bbl

- 22 offshore developments achieved FID in 2018
- Subsea 7 were contracted to complete SURF work on 7 of these developments
Cyclical recovery in Oil and Gas

- **Re-engineered Projects**
  - Total Zinia
  - BP Mad Dog 2

- **Brownfield Tie-Backs**
  - Nexen Buzzard
  - AKER BP Aefugl

- **Greenfield Construction**
  - SNE Phase 1

**Key Vessel Utilisation**

**Pricing Power**

**Backlog Increase**
The outlook for offshore oil and gas projects is improving

Source: Rystad Energy research and analysis; SubseaCube
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 econmies of scale

Levelised Cost of Energy Trend

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

Cumulative GW Installations

CAGR 16%
CAGR 12%

Source: BNEF July 2018

LCOE (Eur/MWh)

Year of final investment decision (FID)

LCOE dropping 30% every 5 years

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

**SURF and Conventional**
- Tendering and award activity is increasing
- Further large Greenfield market awards expected second half of the year

**Renewables and Heavy Lifting**
- Opportunities for T&I work in Taiwan
- EPCI and T&I opportunities in Europe
- Low level of work in backlog for Subsea 7 in 2019

**Life of Field**
- Increasing demand for IRM services
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
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Our backlog and order intake

Backlog of $5.2 billion, as at 31 March 2019

Order backlog includes:
- $0.9 billion relating to long-term contracts for PLSVs in Brazil
- approximately $50 million favourable foreign exchange movement in the first quarter

First quarter highlights
- $1.1 billion new awards an escalations
- Book-to-bill of 1.3x
- Three awards announced:
  - 5 year IRM North Sea (UK)
  - Arran (UK)
  - Berri-Zuluf (Middle East)
- Early engagement driving potential future awards
  - Three FEED awards with Woodside
  - HKZ wind farm partnership (Q2)
## Income statement – Q1 highlights

### Three months ended

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<tr>
<th></th>
<th>31 March 2019 Unaudited</th>
<th>31 March 2018 Unaudited</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>859</td>
<td>809</td>
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<tr>
<td>Net operating loss (NOI)</td>
<td>(10)</td>
<td>(8)</td>
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<tr>
<td>Loss before taxes</td>
<td>(29)</td>
<td>(29)</td>
</tr>
<tr>
<td>Taxation</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>Net loss</td>
<td>(19)</td>
<td>(18)</td>
</tr>
<tr>
<td>Adjusted EBITDA$^{(1)}$</td>
<td>111</td>
<td>103</td>
</tr>
<tr>
<td>Adjusted EBITDA margin</td>
<td>13%</td>
<td>13%</td>
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<tr>
<td>Diluted earnings per share $</td>
<td>(0.06)</td>
<td>(0.03)</td>
</tr>
<tr>
<td>Weighted average number of shares (millions)</td>
<td>316</td>
<td>327</td>
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$^{(1)}$ Adjusted EBITDA defined in Appendix
First Quarter Business Unit performance

Revenue

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<tr>
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<th>Q1 2019</th>
<th>Q1 2018</th>
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<tbody>
<tr>
<td>SURF &amp; Conventional</td>
<td>$747m</td>
<td>$859m</td>
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<tr>
<td>Life of Field</td>
<td>$53m</td>
<td>$173m</td>
</tr>
<tr>
<td>Renewables &amp; Heavy Lifting</td>
<td>$50m</td>
<td>$584m</td>
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Net Operating Income

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<tr>
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<th>Q1 2019</th>
<th>Q1 2018</th>
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<tbody>
<tr>
<td>SURF &amp; Conventional</td>
<td>$13m</td>
<td>$(10m)</td>
</tr>
<tr>
<td>Life of Field</td>
<td>$(4m)</td>
<td>$(9m)</td>
</tr>
<tr>
<td>Renewables &amp; Heavy Lifting</td>
<td>$(4m)</td>
<td>$(4m)</td>
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</table>

Note: Corporate segment (not presented): net operating loss Q1 2019 $2m (net operating loss Q1 2018: $13m)
2014 - 2018 costs overview

Maintaining cost discipline as the activity levels recover

$ billion

- **6.0bn**
  - Vessels and other costs\(^{(1)}\): Including vessel costs, onshore facilities, IT infrastructure and other fixed overheads
  - Depreciation and amortisation: excludes non-recurring impairment charges
  - People\(^{(2)}\): Offshore and onshore personnel
  - Procurement of materials and other direct project costs

<table>
<thead>
<tr>
<th>Year</th>
<th>Vessels and other costs</th>
<th>Depreciation and amortisation</th>
<th>People</th>
<th>Procurement</th>
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<td>1.6</td>
<td>0.8</td>
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<td>2017</td>
<td>1.7</td>
<td>0.5</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>2018</td>
<td>2.0</td>
<td>0.5</td>
<td>1.0</td>
<td>2.0</td>
</tr>
</tbody>
</table>

\(^{(1)}\) Includes impairment charges related to property, plant & equipment and intangibles
\(^{(2)}\) Includes restructuring charges in 2015 and 2016
Adjusted EBITDA progression

- 2019 EBITDA guidance for lower than 2018 in absolute terms but to remain double-digit percentage margin
- Gradual margin recovery expected as market activity increases

Average 21%
Average 32%
Our principal margin drivers

- **Total vessel utilisation**
  - 2014: 82%
  - 2015: 72%
  - 2016: 66%
  - 2017: 61%
  - 2018: 70%

- **Number of projects >$300m completed**
  - 2014: 1
  - 2015: 1
  - 2016: 2
  - 2017: 1
  - 2018: 2

- **Backlog value by year awarded**
  - 2013 and earlier
  - 2014
  - 2015
  - 2016
  - 2017
  - 2018

- **Costs ($bn)**
  - 2014: 2.0
  - 2015: 1.4
  - 2016: 1.0
  - 2017: 0.8
  - 2018: 1.0

**Reduction in offshore activity levels**

**Fewer large projects in the final stages of completion**

**Lower margin projects signed in the downturn**

**Continued cost discipline**

Definitions on slide 12
Liquidity and financial strength

Robust balance sheet

- Net cash of $413 million – excludes lease liabilities of $412m

Strong financial flexibility

- Cash and cash equivalents of $666 million
- Borrowings of $253 million
- Five-year $656 million revolving credit facility undrawn

As at 31 March 2019
### Summary balance sheet

<table>
<thead>
<tr>
<th>In $ millions</th>
<th>31 Mar 2019 Unaudited</th>
<th>31 Dec 2019 Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goodwill</td>
<td>793</td>
<td>751</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>4,599</td>
<td>4,569</td>
</tr>
<tr>
<td>Right-of-use asset</td>
<td>406</td>
<td>-</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>128</td>
<td>153</td>
</tr>
<tr>
<td>Total non-current assets</td>
<td>5,926</td>
<td>5,473</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>676</td>
<td>608</td>
</tr>
<tr>
<td>Construction contracts - assets</td>
<td>483</td>
<td>495</td>
</tr>
<tr>
<td>Other accrued income and prepaid expenses</td>
<td>169</td>
<td>166</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>666</td>
<td>765</td>
</tr>
<tr>
<td>Other current assets</td>
<td>45</td>
<td>62</td>
</tr>
<tr>
<td>Total current assets</td>
<td>2,039</td>
<td>2,096</td>
</tr>
<tr>
<td>Total assets</td>
<td>7,965</td>
<td>7,569</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>In $ millions</th>
<th>31 Mar 2019 Unaudited</th>
<th>31 Dec 2019 Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity &amp; Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total equity</td>
<td>5,682</td>
<td>5,722</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current portion of borrowings</td>
<td>228</td>
<td>234</td>
</tr>
<tr>
<td>Non-current lease liabilities</td>
<td>313</td>
<td>-</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>196</td>
<td>212</td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td>737</td>
<td>446</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other liabilities</td>
<td>1,030</td>
<td>978</td>
</tr>
<tr>
<td>Current portion of borrowings</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Current lease liabilities</td>
<td>99</td>
<td>-</td>
</tr>
<tr>
<td>Construction contracts - liabilities</td>
<td>173</td>
<td>168</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>213</td>
<td>225</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>1,547</td>
<td>1,401</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>2,283</td>
<td>1,847</td>
</tr>
<tr>
<td>Total equity &amp; liabilities</td>
<td>7,965</td>
<td>7,569</td>
</tr>
</tbody>
</table>
Summary of first quarter 2019 cash flow

• Net cash of $413 million at 31 March 2019 – excludes lease liabilities of $412m
• $656 million of undrawn committed credit facilities
## Summary of 2019 cash flow

<table>
<thead>
<tr>
<th></th>
<th>$ millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents at 31 Dec 2018</td>
<td>765</td>
</tr>
<tr>
<td>Net cash generated from operating activities</td>
<td>58</td>
</tr>
<tr>
<td>Net cash flow used in investing activities</td>
<td>(46)</td>
</tr>
<tr>
<td>Net cash flow used in financing activities</td>
<td>(108)</td>
</tr>
<tr>
<td>Other movements</td>
<td>(3)</td>
</tr>
<tr>
<td>Cash and cash equivalents at 31 March 2019</td>
<td>666</td>
</tr>
</tbody>
</table>

Net cash of $413 million at 31 March 2019 compared to $507 million at 31 December 2018
Financial guidance

**Full year 2019 Guidance (including IFRS 16 adjustments)**

- **Revenue**: Broadly in line with 2018
- **Adjusted EBITDA** $(1)$: 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

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$(1)$ Adjusted EBITDA is expected to be favourably impacted by between $100 million –$110 million due to the implementation of IFRS 16 ‘Leases’

$(2)$ Includes approximately $100 million expenditure related to the new-build reel-lay vessel, Seven Vega
IFRS 16 ‘Leases’ guidance

• IFRS 16 ‘Leases’ became effective 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.

<table>
<thead>
<tr>
<th>IFRS 16</th>
<th>2019 forecast impact</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income Statement</strong></td>
<td></td>
</tr>
<tr>
<td>Lease expense</td>
<td>Decrease by $100m - $110m</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>Increase by $100m - $110m</td>
</tr>
<tr>
<td>Amortisation charge</td>
<td>Increase by $90m - $100m</td>
</tr>
<tr>
<td>Net operating income</td>
<td>Increase by $10m - $15m</td>
</tr>
<tr>
<td>Net finance charge</td>
<td>Increase by $10m - $15m</td>
</tr>
<tr>
<td>Net income</td>
<td>Decrease by approx. $5m</td>
</tr>
<tr>
<td><strong>Balance Sheet</strong></td>
<td></td>
</tr>
<tr>
<td>Right-of-use asset</td>
<td>$406m at 31st March 2019</td>
</tr>
<tr>
<td>Lease liability</td>
<td>$412m at 31st March 2019</td>
</tr>
</tbody>
</table>
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 March 2019 excluding PLSV and Life of Field day-rate contracts

### Announced size of project

- **Major** (Over $750m)
- **Very Large** ($500-$750m)
- **Large** ($300-$500m)
- **Substantial** ($150-$300m)
- **Sizeable** ($50-$150m)

### Projects
- Sonamet (Angola)
- WND GFR (Egypt)
- Hasbah (Saudi Arabia)
- Sole (Australia)
- Production Uplift Pipelines (Nigeria)
- Snorre Expansion (Norway)
- 3PDMs (Saudi Arabia)
- Aerfugl (Norway)
- Nova (Norway)
- WDDM 9B (Egypt)
- Katmai (USA)
- Buzzard Phase 2 (UK)
- Mad Dog Phase 2 (USA)
- Manuel (USA)
- Zinia (Angola)
- Penguins Redevelopment (UK)
TRACK RECORD

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

- Katmai, Fieldwood
- Vito, Shell
- Mad Dog 2, BP
- TVEX, US Gulf of Mexico
- Manuel, BP

- Coastal Virginia Offshore Wind, Orsted

- Beatrice wind farm, BOWL
- Borkum II, Trianel
- Triton Knoll, Innogy

- Shearwater, Shell
- Buzzard ph. 2, Nexen
- Culzean, Maersk
- Alligin, BP
- Penguins, Shell
- SCIRM, BP
- DSVi, Various

- Zinia Phase 2, Total
- WDDM 9b, Burullus
- West Nile Delta Phases 1 & 2, BP
- PUPP, Mobil Producing Nigeria
- OCTP, offshore Ghana
- SNE Phase 1, Woodside

- Hasbah, Saudi Aramco
- 17 Cranes, Saudi Aramco
- 3 GDPs, Saudi Aramco

- Yunlin Offshore Windfarm, WPD

- EPRS, INPEX/Chevron
- G1/G15, Oil & Natural Gas Corp.
- Gorgon, Chevron
- Scarborough, Woodside
- Sole, Cooper
- West Barracouta, Shell

Key
- Oil and Gas projects
- Renewables projects
ADR information

**ADR Ticker:** SUBCY  
**ADR type:** Sponsored Level 1 ADR  
**Listing venue:** OTC  
**CUSIP:** 864323100  
**Ratio:** 1 ADR : 1 Ordinary Share

**Depositary 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](http://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 2018. 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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Isabel Green, Investor Relations Director

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Direct Line +44 20 8210 5568
Website www.subsea7.com