Earnings Presentation

Third Quarter 2016

10 November 2016

12:00 noon UK time

Forward-looking statements

Certain statements made in this announcement may include ‘forward-looking statements’. These statements may be identified by the use of words like ‘anticipate’, ‘believe’, ‘could’, ‘estimate’, ‘expect’, ‘forecast’, ‘intend’, ‘may’, ‘might’, ‘plan’, ‘predict’, ‘project’, ‘scheduled’, ‘seek’, ‘should’, ‘will’, and similar expressions. The forward-looking statements reflect our current views and are subject to risks, uncertainties and assumptions. The principal risks and uncertainties which could impact the Group and the factors which could affect the actual results are described but not limited to those in the ‘Risk Management’ section in the Group’s Annual Report and Consolidated Financial Statements for the year ended 31 December 2015. These factors, and others which are discussed in our public announcements, are among those that may cause actual and future results and trends to differ materially from our forward-looking statements: actions by regulatory authorities or other third parties; our ability to recover costs on significant projects; 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.

Jean Cahuzac
CEO

Q3 2016 highlights

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FINANCIAL

• Revenue	$928m
• Adjusted EBITDA	$289m
margin	*31.2%*
• Diluted EPS	$0.44
• Net cash	$943m

OPERATIONAL

- Good execution and successful project outcomes
- Vessel Utilisation

  Active: 91% Total: 75%
- New-build PLSV, Seven Sun, commenced operations

ORDER INTAKE

- Industry conditions remained challenging
- Subdued market activity and low order intake
- Order backlog $6.2 billion

OUTLOOK

- Cause to believe in an improvement in SURF project award activity within 18 months
- 2016 guidance raised to reflect year-to-date performance

Operational highlights

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- Good execution sustained across the project portfolio
- Successful application of market leading technology

Aasta Hansteen
(Norway)

Catcher
(UK)

TEN
(Ghana)

Maria
(Norway)

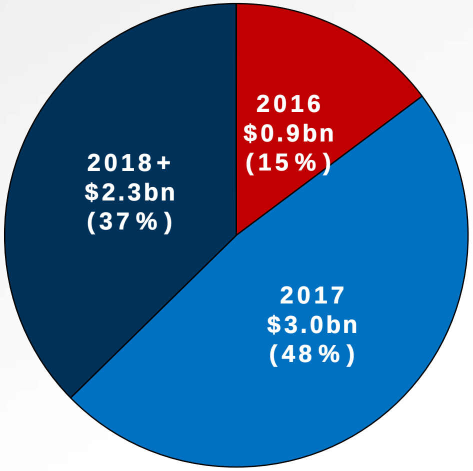
Martin Linge
(Norway)

WND Ph. 1
(Egypt)

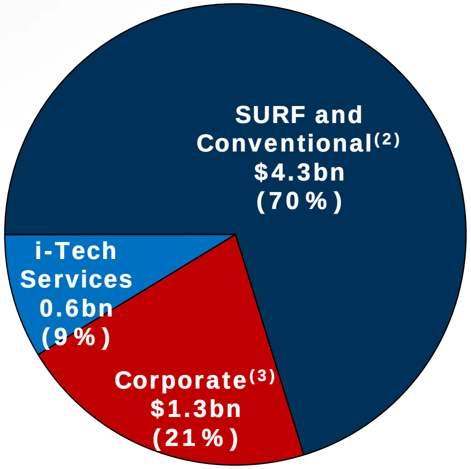
Q3 Backlog and order intake

- Backlog of $6.2 billion[1], as at 30 September 2016
- Low order intake with no announced awards in the third quarter

Backlog by Execution Date



Backlog by segment



- 2017 and 2018+ backlog phasing adjusted to reflect a change in project scheduling

(1) Minimal impact from foreign currency movements in the quarter
(2) Included $1.9 billion related to 9 long-term contracts for PLSVs in Brazil, approximately 75% of which related to the four 550t PLSVs (*Seven Waves*, *Seven Rio*, *Seven Sun* and *Seven Cruzeiro*)
(3) Corporate includes Renewables and Heavy Lift

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Ricardo Rosa
CFO

Income statement – key highlights

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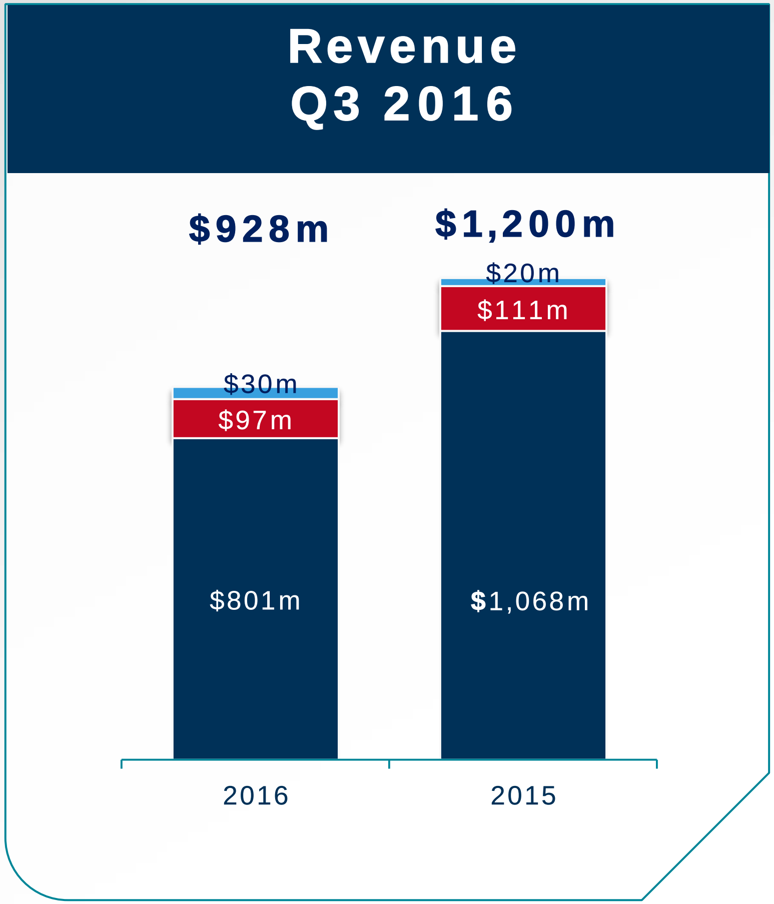
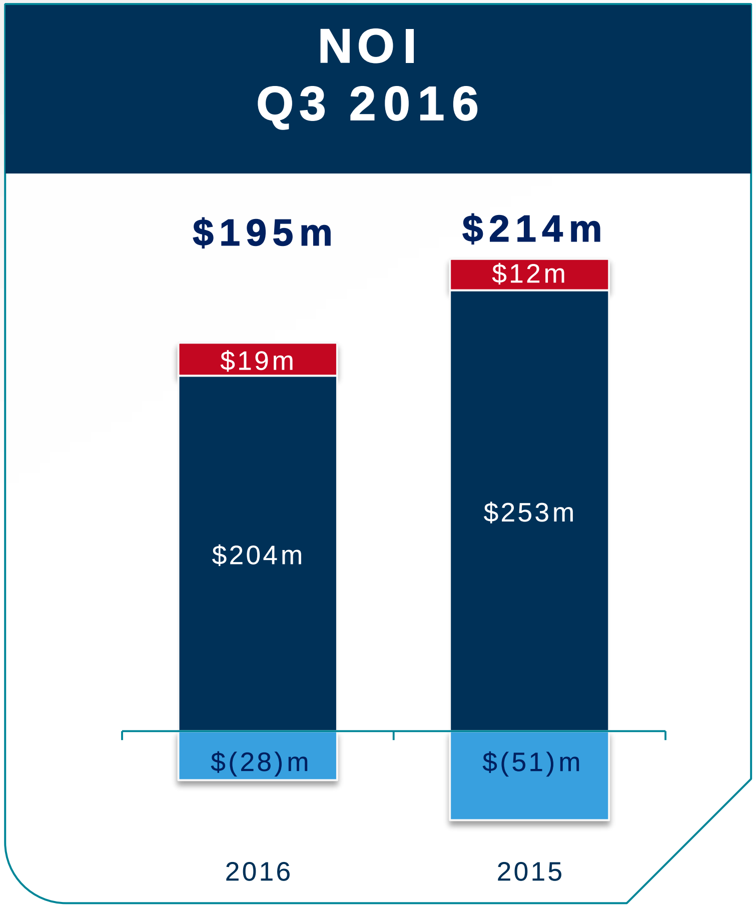
In $ millions, unless otherwise indicated	Three months ended 30 September 16 Unaudited	Three months ended 30 September 15 Unaudited
Revenue	928	1,200
Net operating income (NOI)	195	214
Income before taxes	186	241
Taxation	(37)	(96)
Net income	149	145
Adjusted EBITDA[1]	289	351
Adjusted EBITDA margin	31%	29%
Diluted earnings per share $	0.44	0.46
Weighted average number of shares (millions)	343	347

[1] Adjusted EBITDA defined in Appendix

Business Unit performance





SURF & Conventional

i-Tech Services

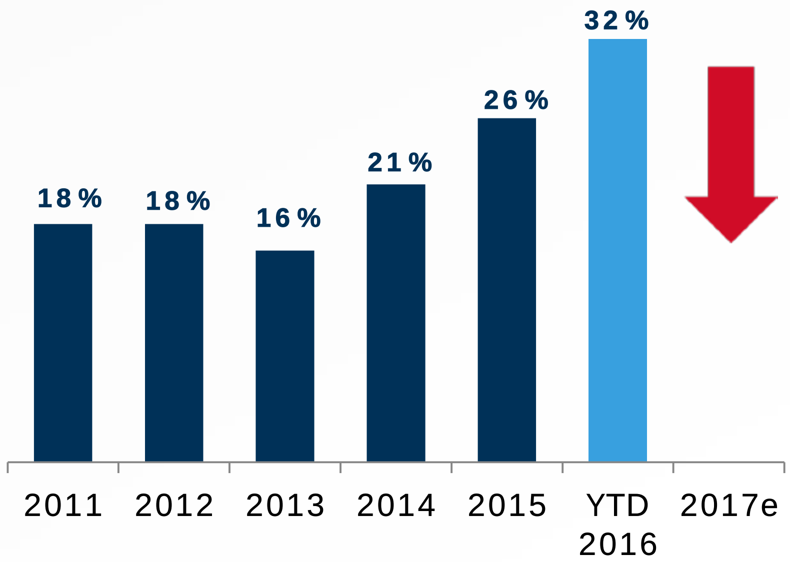
Corporate (includes Renewables and Heavy Lift)

Corporate Net Operating loss included:

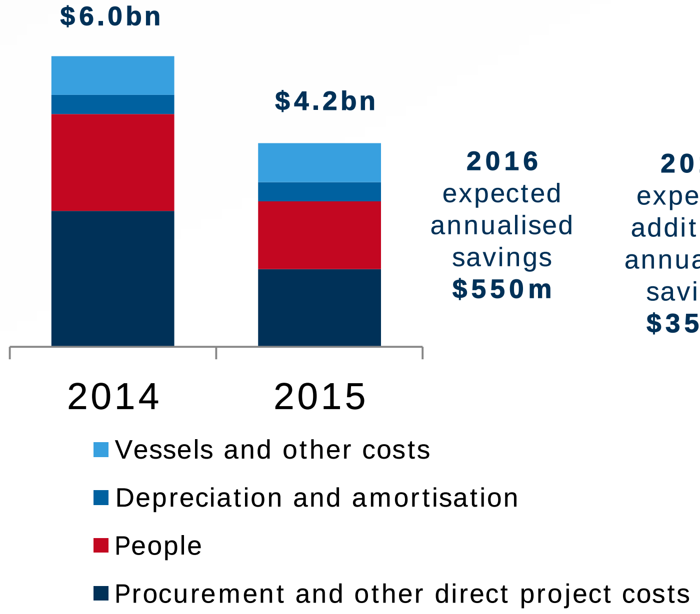
- Restructuring charges of $52 million in Q3 2016 (Q3 2015: $36 million) in relation to the resizing programmes
- An impairment charge of nil in Q3 2016 (Q3 2015: $37 million)

Our Adjusted EBITDA margin performance

Historical performance
Adjusted EBITDA margin



Operating expenses



2016 expected annualised savings **$550m**

2017 expected additional annualised savings **$350m**

- 2015 and 2016 Adjusted EBITDA margins enhanced by
  - Early implementation of cost reduction measures
  - Consistently good execution and project de-risking
  - Successful completions of peak-cycle projects

Summary of year to date 2016 cash flow

	$ millions	
Cash and cash equivalents at **31 Dec 2015**	947	
Net cash generated from operating activities	713	*Decrease of $12 million in net operating liabilities*
Net cash flow used in investing activities	(186)	*Included capital expenditure of $276 million mainly on new-build vessel programme*
Net cash flow used in financing activities	(85)	*Included $76 million repurchase of convertible bonds*
Other movements	8	
Cash and cash equivalents at **30 Sep 2016**	1,397	

- In the third quarter $234 million net cash generated from operating activities and $71 million invested in capital expenditure
- Investment activities included $18 million cash outflow in the quarter relating to the acquisition of Swagelining
- Net cash of $943 million as at 30 September 2016 compared to $423 million at 31 December 2015

New-build vessels programme

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Operational 2014

Operational 2015

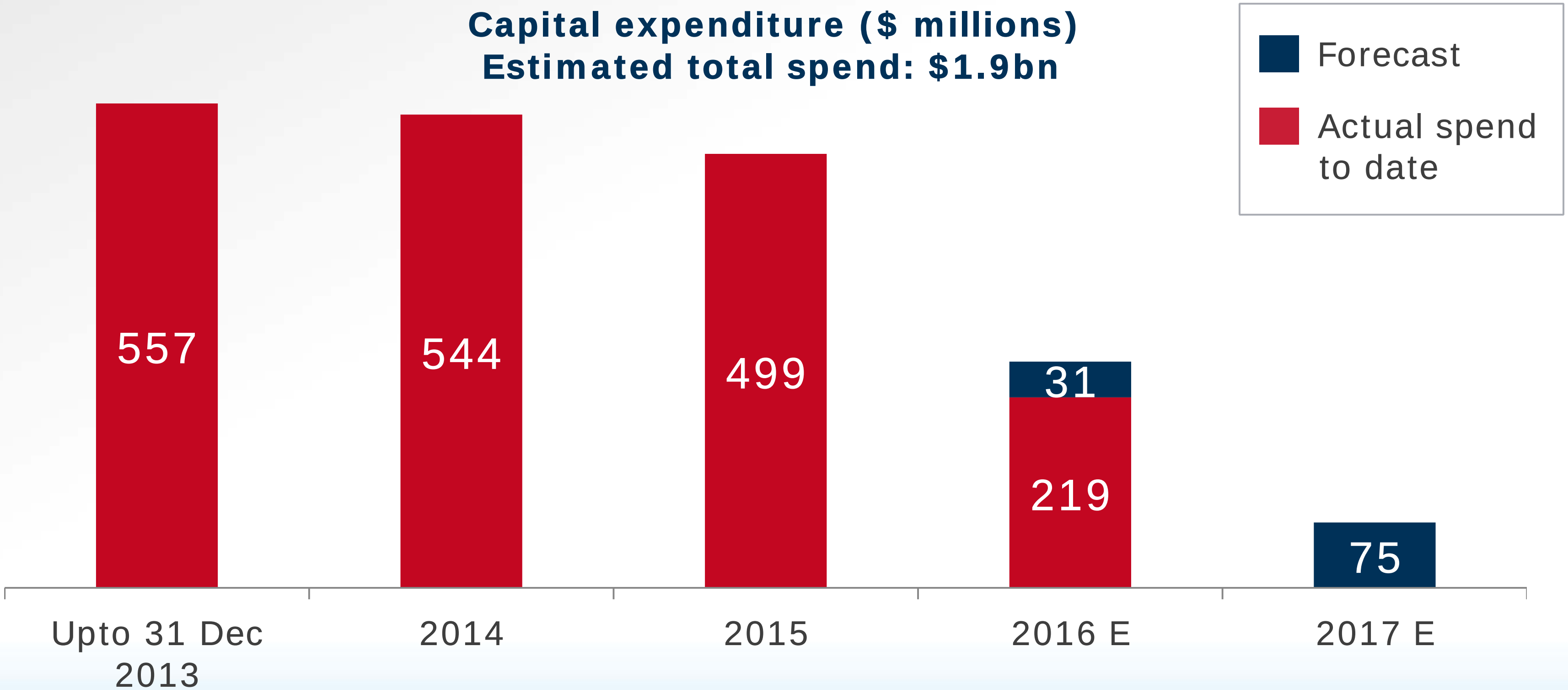
Operational Q4 2016

Scheduled H1 2017

Scheduled H1 2017

Scheduled H1 2017

Capital expenditure ($ millions)
Estimated total spend: $1.9bn



Amounts include an estimate for interest to be capitalised during construction.
E = estimated

Financial guidance

2016	Guidance
Revenue	Significantly lower than 2015
Adjusted EBITDA percentage margin	Higher than 2015
Administrative expense	$240 million - $250 million
Net finance income	Up to $10 million
Depreciation and Amortisation	$380 million - $400 million
Full year effective tax rate	28% - 30%
Total capital expenditure	$340 million - $370 million
- New build programme	$250 million
- Sustaining capital expenditure	$90 million - $120 million
Net working capital outflow	$100 million - $200 million

2017	Guidance
Revenue	Broadly in line with 2016
Adjusted EBITDA percentage margin	Significantly lower than 2016

Adjusted EBITDA is defined on slide 27
Net working capital is defined as current assets and liabilities excluding current borrowings and cash and cash equivalents

Jean Cahuzac
CEO

Subsea 7

A leading strategic partner in offshore energy

- Executing complex projects in challenging environments
- Working collaboratively to deliver superior results
- Providing cost-effective technical solutions
- Engaging early to identify cost reductions and Subsea Integration Alliance opportunities
- Leveraging our global presence and extensive experience

Developing cost-effective technology

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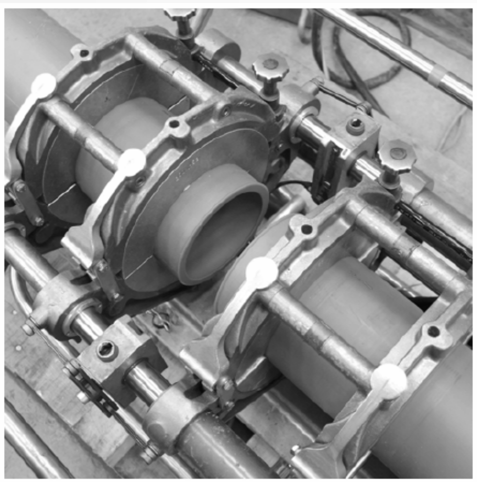
- Subsea 7 has enhanced and expanded its technology portfolio with the acquisition of Swagelining
- Swagelining is a market leader in polymer lining, a cost-effective corrosion resistance technology for pipes

SWAGELINING®

POLYMER LINING TECHNOLOGY
PIPELINE AND RISER SYSTEMS

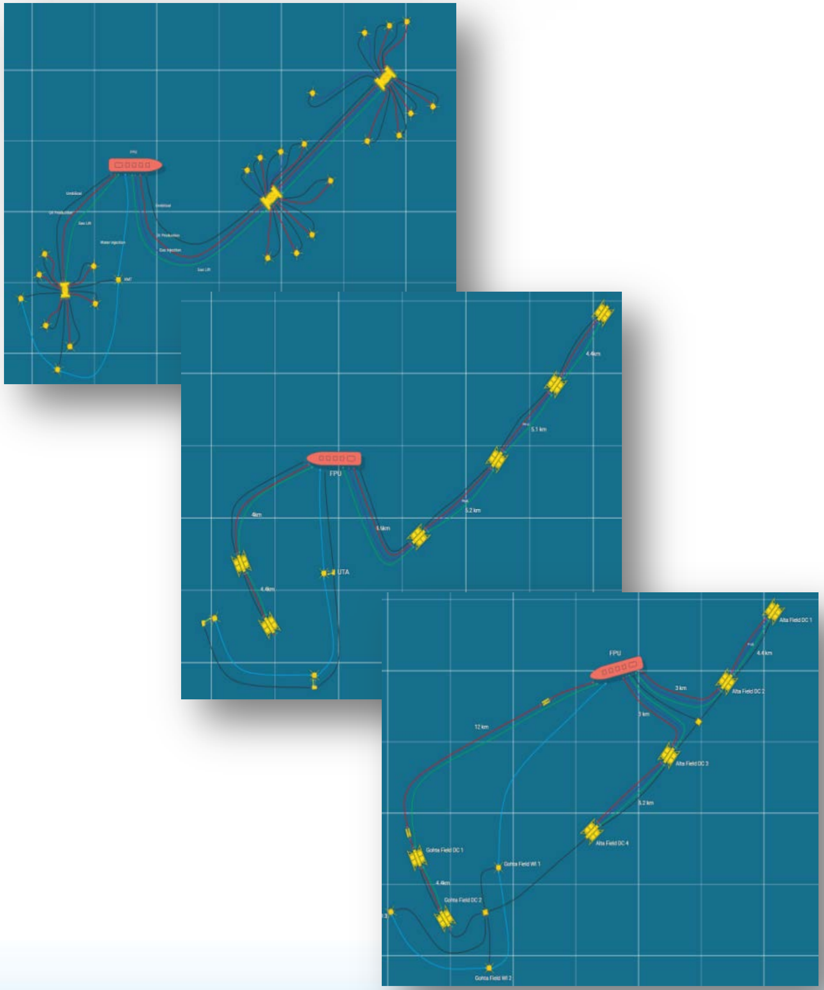


Working collaboratively: Subsea Integration Alliance

- **Subsea Integration Alliance**: Subsea 7 and OneSubsea unite to deliver integrated subsea oil and gas projects world-wide

- **8** paid engineering studies
  30 client engagements

- Growing client interest worldwide; tendering for project awards on an integrated basis



Working collaboratively: Our Partnerships

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- New partnership with Aker BP:
  - innovative contractual model
  - offshore Norway
  - integrated partnership basis
  - three way risk/reward agreement
- Partnerships are an extension of our collaborative approach to client engagement
- Engage early and develop long-term collaborative relationships with mutual benefits

AkerBP

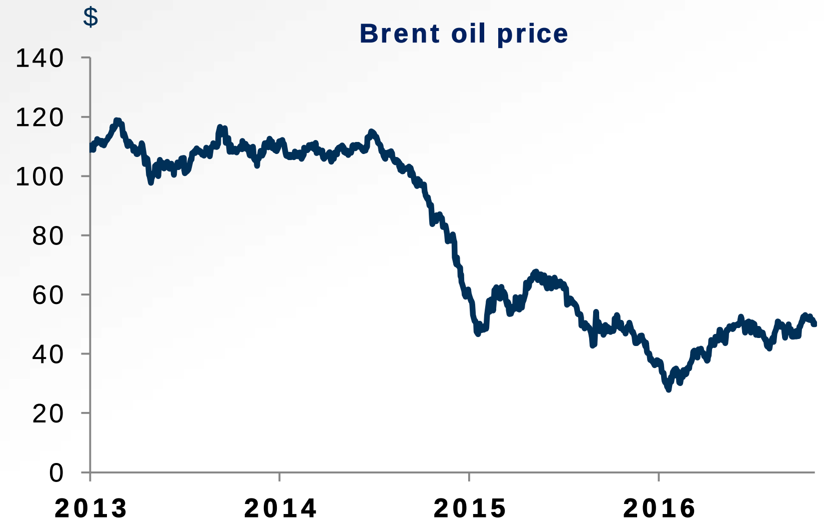
centrica energy

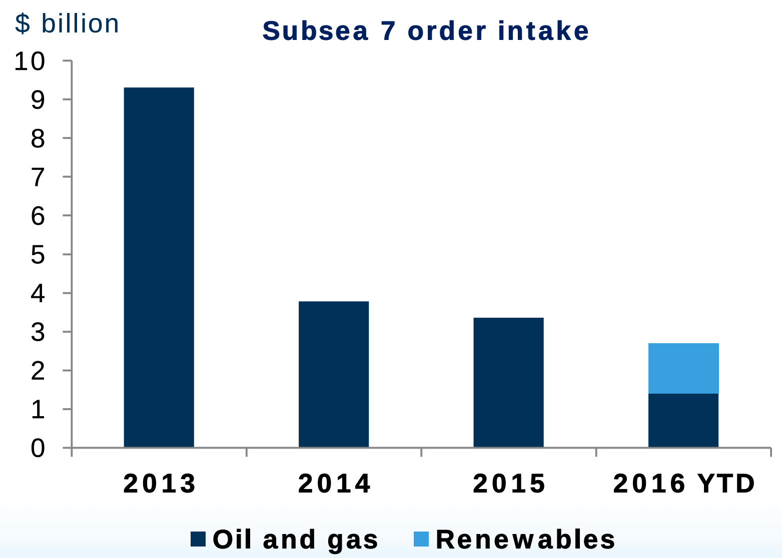
PremierOil

MOLGROUP

Market outlook

- Industry conditions are still challenging at present
- Oil price has improved over the last nine months and there is evidence that supply and demand are becoming more balanced
- Sustainable savings are lowering costs for our clients on new projects
- We have cause to believe that there could be an increase in SURF project awards in the market within the next 18 months





SURF and Conventional

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

i-Tech Services

- Focusing on expanding activities worldwide

Renewables and Heavy Lift

- Sustaining tender activity level

Q&A

Appendix

- Our global presence
- Major project progression
- Our fleet
- Adjusted EBITDA
- Segmental analysis
- Supplementary Income Statement
- Balance Sheet summary

Our global presence

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- Beatrice wind farm, BOWL

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

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

- Stampede, Hess
- Coulomb Ph2, Shell
- Holstein Deep, Freeport McMoran

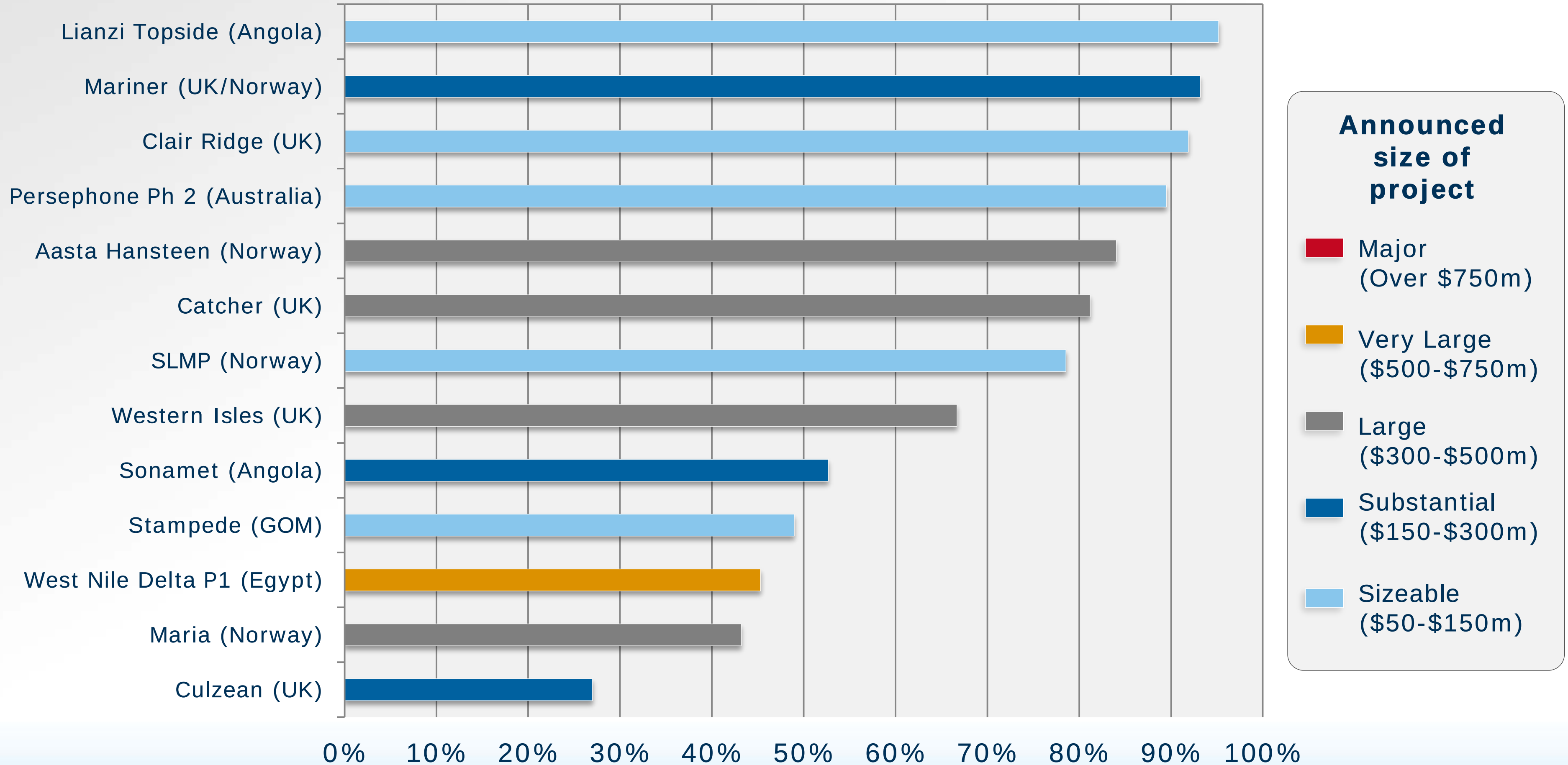
- T.E.N., Tullow (JV Partner)
- West Nile Delta Phase 1, BP
- West Nile Delta Phase 2, BP
- West Nile Delta, Burullus
- East Nile Delta, Pharonic
- Atoll, Pharonic
- Lianzi, Chevron

- EPRS, INPEX/Chevron
- Persephone, Woodside

- PLSVs, Petrobras

Major project progression

Continuing projects >$100m between 5% and 95% complete as at 30 September 2016 excluding PLSV and Life of Field day-rate contracts



Our fleet as at 30 September 2016

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- 29 vessels in the active fleet

7 Chartered:	22 Owned:		
Skandi Acergy	Seven Borealis	Rockwater 2	Seven Antares
Grant Candies	Seven Oceans	Seven Atlantic	Seven Waves
Normand Subsea	Seven Condor	Seven Falcon	Seven Pacific
Siem Stingray	Seven Rio	Seven Osprey	Seven Phoenix
Subsea Viking	Seven Seas	Seven Pelican	Seven Sun
Normand Oceanic (2)	Sapura 3000 (1)	Kommandor 3000	
Seven Viking (2)	Oleg Strashnov (1)	Seven Eagle	
	Stanislav Yudin (1)	Seven Mar	
		Simar Esperança	

- 4 vessels stacked

Seven Navica
Seven Discovery
Rockwater 1
Seven Inagha

- 3 under construction

Seven Arctic - Scheduled to commence operations H1 2017
Seven Kestrel - Scheduled to commence operations H1 2017
Seven Cruzeiro - Scheduled to commence operations H1 2017

- Changes during the third quarter

Seven Petrel - Sold
Normand Seven - Returned to owner
Seven Sun - Delivered from shipyard in Q3 2016 and scheduled to commence operations Q4 2016

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

Adjusted EBITDA

- Adjusted earnings before interest, taxation, depreciation and amortisation ('Adjusted EBITDA') is a non-IFRS measure that represents net income before additional specific items that are considered to impact the comparison of the Group's performance either period-on-period or with other businesses. The Group defines Adjusted EBITDA as net income adjusted to exclude depreciation, amortisation and mobilisation costs, impairment charges or impairment reversals, finance income, other gains and losses (including gain on disposal of subsidiary and gain on distribution), finance costs and taxation. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue, expressed as a percentage.
- The items excluded from Adjusted EBITDA represent items which are individually or collectively material but which are not considered representative of the performance of the business during the periods presented. Other gains and losses principally relate to disposals of investments, property, plant and equipment and net foreign exchange gains or losses. Impairments of assets represent the excess of the assets' carrying amount over the amount that is expected to be recovered from their use in the future or their sale.
- Adjusted EBITDA and Adjusted EBITDA margin have not been prepared in accordance with IFRS as adopted by the EU. These measures exclude items that can have a significant effect on the Group's income or loss and therefore should not be considered as an alternative to, or more meaningful than, net income (as determined in accordance with IFRS) as a measure of the Group's operating results or cash flows from operations (as determined in accordance with IFRS) as a measure of the Group's liquidity.
- Management believes that Adjusted EBITDA and Adjusted EBITDA margin are important indicators of the operational strength and the performance of the business. These non-IFRS measures provide management with a meaningful comparative for its Business Units, as they eliminate the effects of financing, depreciation and taxation. Management believes that the presentation of Adjusted EBITDA is also useful as it is similar to measures used by companies within Subsea 7's peer group and therefore believes it to be a helpful calculation for those evaluating companies within Subsea 7's industry. Adjusted EBITDA margin may also be a useful ratio to compare performance to its competitors and is widely used by shareholders and analysts following the Group's performance. Notwithstanding the foregoing, Adjusted EBITDA and Adjusted EBITDA margin as presented by the Group may not be comparable to similarly titled measures reported by other companies.

Reconciliation of Adjusted EBITDA

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Net operating income to Adjusted EBITDA

For the period (in $millions)	Three Months Ended 30 September 2016	Three Months Ended 30 September 2015
Net operating income	**195**	214
Depreciation, amortisation and mobilisation	**94**	100
Impairment of property, plant and equipment	**-**	37
Impairment of intangibles	**1**	-
Adjusted EBITDA	**289**	351
Revenue	**928**	1,200
Adjusted EBITDA %	**31%**	29%

Net income to Adjusted EBITDA

For the period (in $millions)	Three Months Ended 30 September 2016	Three Months Ended 30 September 2015
Net income	**149**	145
Depreciation, amortisation and mobilisation	**94**	100
Impairment of property, plant and equipment	**-**	37
Impairment of intangibles	**1**	-
Finance income	**(1)**	(3)
Other gains and losses	**8**	(25)
Finance costs	**2**	1
Taxation	**37**	96
Adjusted EBITDA	**289**	351
Revenue	**928**	1,200
Adjusted EBITDA %	**31%**	29%

Segmental analysis

For the three months ended 30 September 2016

In $ millions (unaudited)	SURF & Conventional	i-Tech Services	Corporate	TOTAL
Revenue	801	97	30	928
Net operating income	204	19	(28)	195
Finance income				1
Other gains and losses				(8)
Finance costs				(2)
Income before taxes				186

For the three months ended 30 September 2015

In $ millions (unaudited)	SURF & Conventional	i-Tech Services	Corporate	TOTAL
Revenue	1,068	111	20	1,200
Net operating income	253	12	(51)	214
Finance income				3
Other gains and losses				25
Finance costs				(1)
Income before taxes				241

Income statement – supplementary details

In $ millions	Three months ended	
	30 September 16 Unaudited	**30 September 15 Unaudited**
Administrative expenses	(63)	(89)
Share of net income of associates and joint ventures	11	33
Depreciation and amortisation	94	100
Impairment of property, plant and equipment	-	37
Impairment of Intangibles	1	-
Net operating income	**195**	**214**
Net finance income/(costs)	(1)	2
Other gains and losses	(8)	25
Income before taxes	**186**	**241**
Taxation	(37)	(96)
Net income	**149**	**145**
Net income attributable to:		
Shareholders of the parent company	151	158
Non-controlling interests	(2)	(13)

Summary balance sheet

In $ millions	30 Sep 2016 Unaudited	31 Dec 2015 Audited
Assets		
Non-current assets		
Goodwill	731	767
Property, plant and equipment	4,432	4,559
Other non-current assets	519	502
Total non-current assets	**5,682**	**5,828**
Current assets		
Trade and other receivables	583	584
Construction contracts - assets	146	278
Other accrued income and prepaid expenses	171	152
Cash and cash equivalents	1,397	947
Other current assets	93	65
Total current assets	**2,390**	**2,026**
Total assets	**8,072**	**7,854**

In $ millions	30 Sep 2016 Unaudited	31 Dec 2015 Audited
Equity & Liabilities		
Total equity	**5,634**	**5,346**
Non-current liabilities		
Non-current portion of borrowings	454	524
Other non-current liabilities	211	210
Total non-current liabilities	**665**	**734**
Current liabilities		
Trade and other liabilities	988	1,123
Construction contracts – liabilities	423	459
Deferred revenue	7	10
Other current liabilities	355	182
Total current liabilities	**1,773**	**1,774**
Total liabilities	**2,437**	**2,508**
Total equity & liabilities	**8,072**	**7,854**

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