Fourth Quarter and Full Year 2017 Earnings Presentation

1 March 2018

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 2016. 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.

Fourth Quarter and Full Year 2017

Jean Cahuzac, CEO

- Highlights

Ricardo Rosa, CFO

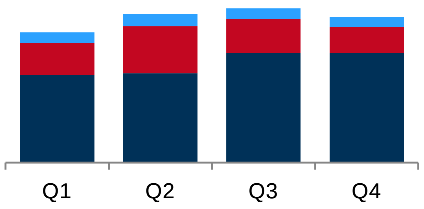
- Financial performance

Jean Cahuzac, CEO

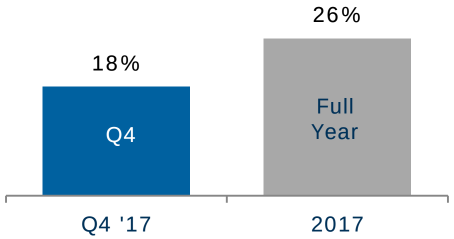
- Strategy and outlook

- Q&A

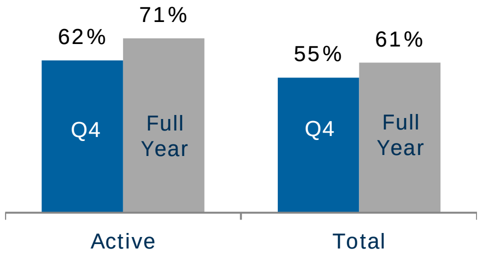
2017 Results Highlights



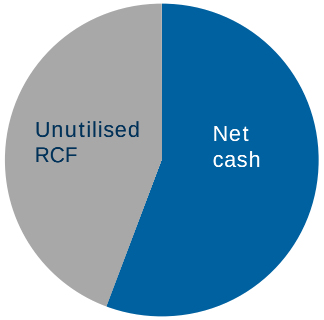
2017 Revenue
$4.0 billion



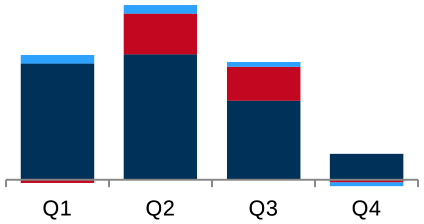
Adj. EBITDA margin



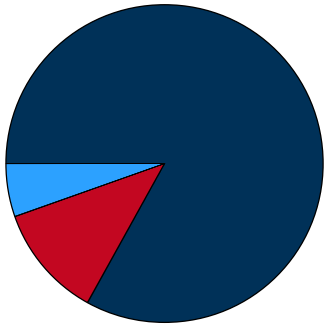
Vessel Utilisation



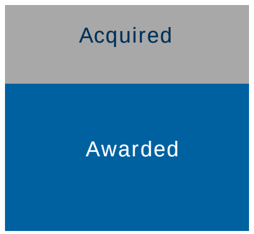
Liquidity $1.5bn



2017 NOI
$581m



Backlog
$5.2 billion



2017 Order Intake
$3.3 billion

NOK 5.0 per share

~ USD 200 million

2017 Special dividend

SURF & Conventional **i-Tech Services** **Renewables & Heavy Lifting**

Some of our activities


Atoll (Egypt)


Maria (Norway)


Hasbah (Saudi Arabia)


OCTP (Ghana)


Beatrice (UK)


WND Ph.2/GFR (Egypt)


i Tech Services


PLSVs (Brazil)

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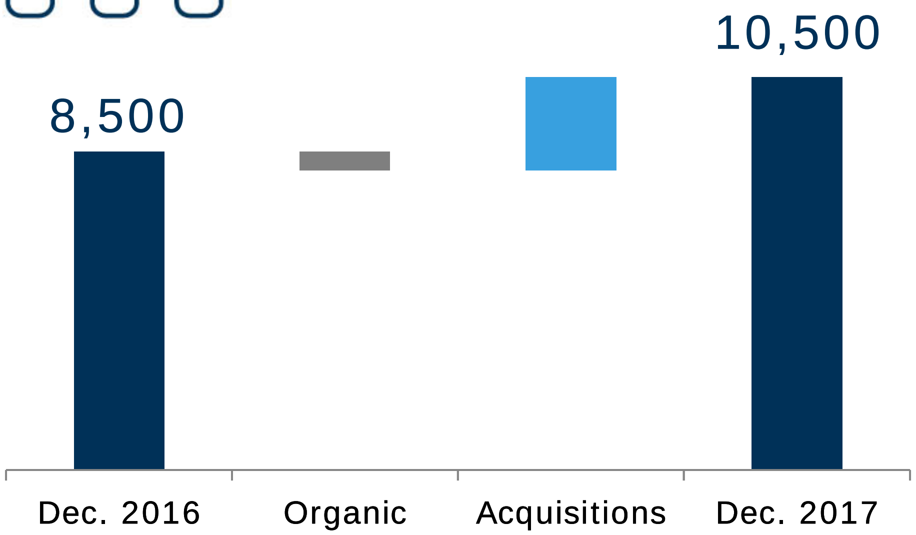
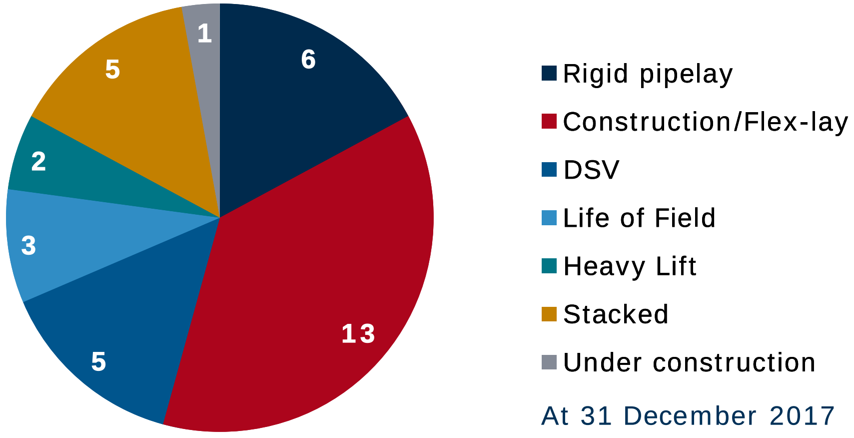
Our experienced people and modern fleet

Our people



SHL and ECS acquisitions added approximately 2,000 people

Our vessels

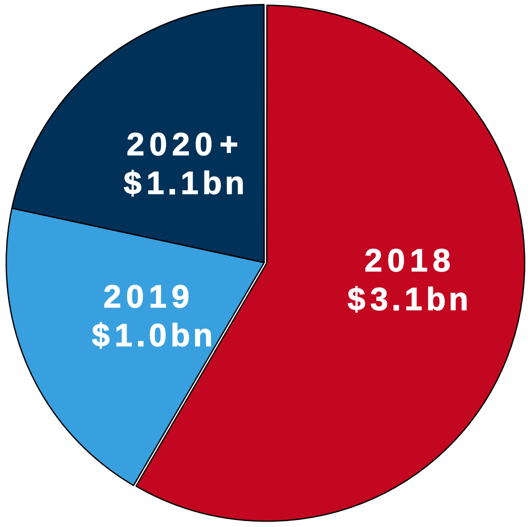


29 vessels in the active fleet
35 vessels in the total fleet
Two new vessels delivered in 2017

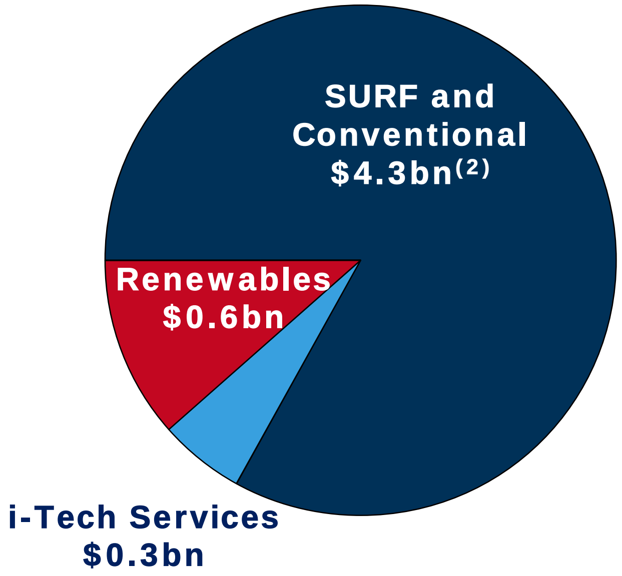
Backlog and order intake

Backlog of $5.2 billion(1), as at 31 December 2017

Backlog by Execution Date



Backlog by Service Capability

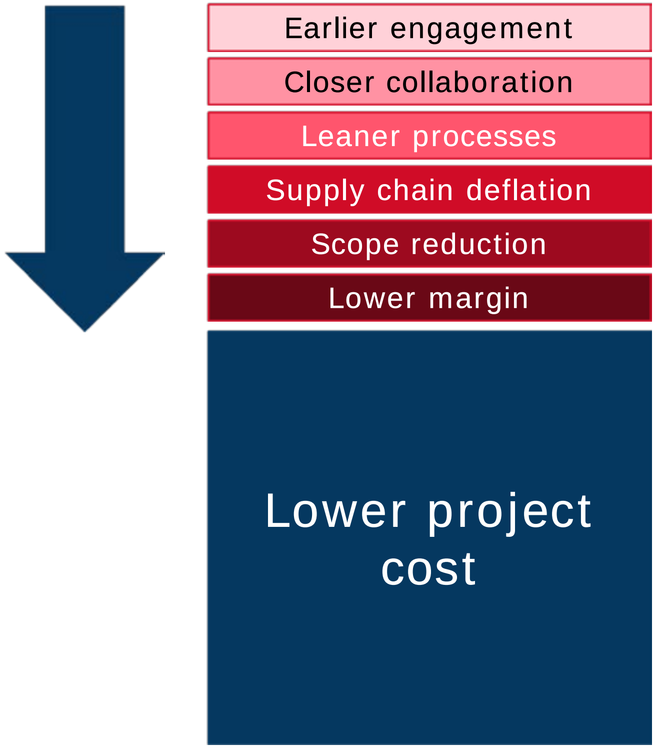


- $979 million new awards and escalations awarded in the fourth quarter
- Snorre project, (Norway) Pipeline Bundle Solution
- Aerfugl project, (Norway) partnership client, Electrically Heat Traced flowline

(1) Approximately $60 million negative impact from foreign currency movements in the fourth quarter
(2) Includes $1.3bn relating to 7 long-term contracts for PLSVs in Brazil, over 90% of which relates to the four 550t PLSVs (*Seven Waves*, *Seven Rio*, *Seven Sun* and *Seven Cruzeiro*)

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



Income statement – Q4 and Full Year highlights

In $ millions, unless otherwise indicated	Three months ended **31 December 2017 Unaudited**	Three months ended 31 December 2016 Unaudited	Twelve months ended **31 December 2017 Audited**	Twelve months ended 31 December 2016 Audited
Revenue	**1,003**	932	3,986	3,567
Net operating income/(loss) (NOI) (1)	**28**	(45)	581	521
Income/(loss) before taxes	**19**	(26)	555	577
Taxation	**32**	13	(100)	(158)
Net income/(loss)	**51**	(13)	455	418
Adjusted EBITDA(2)	**176**	288	1,035	1,142
Adjusted EBITDA margin	**18%**	31%	26%	32%
Diluted earnings per share $	**0.17**	0.01	1.36	1.27
Weighted average number of shares (millions)	**329**	342	338	343

(1) Net operating income includes:
- $97m restructuring charge in Full Year 2016 (2017: nil)
- Goodwill impairment charge $90m all recognised in Q4 2016 (Q4 2017: nil, Full Year 2017: nil)
- 2017 NOI includes asset impairment charges of $32m, all recognised in Q4 2017 (Q4 2016: $147m, Full Year 2016: $158m)

(2) Adjusted EBITDA defined in Appendix

Income statement – supplementary details

In $ millions	Three months ended 31 December 2017 Unaudited	Three months ended 31 December 2016 Unaudited	Twelve months ended 31 December 2017 Audited	Twelve months ended 31 December 2016 Audited
Administrative expenses	**(74)**	(58)	(244)	(242)
Share of net (loss)/income of associates and joint ventures	**(11)**	(7)	(43)	46
Depreciation and amortisation	**(116)**	(95)	(422)	(372)
Impairment of goodwill	**-**	(90)	-	(90)
Impairment of property plant and equipment	**(32)**	(147)	(32)	(158)
Net operating income/(loss)	**28**	(45)	581	521
Net finance income	**2**	3	4	11
Net remeasurement (loss)/gain on business combinations	**(17)**	-	25	-
Other gains and losses	**6**	16	(55)	45
Income/(loss) before taxes	**19**	(26)	555	577
Taxation	**32**	13	(100)	(158)
Net income/(loss)	**51**	(13)	455	418
Net income/(loss) attributable to:				
Shareholders of the parent company	**57**	3	455	436
Non-controlling interests	**(6)**	(16)	-	(18)

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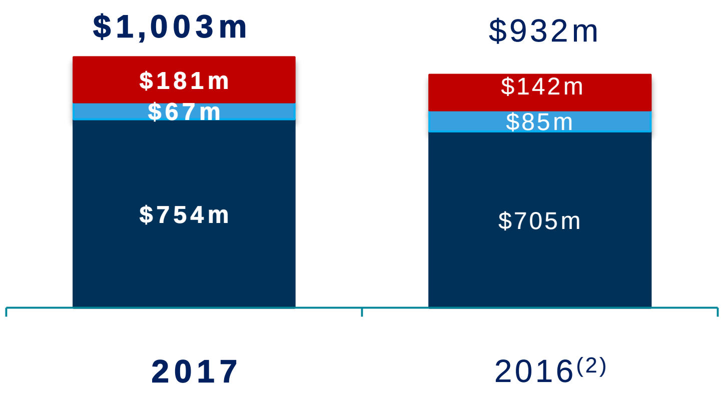
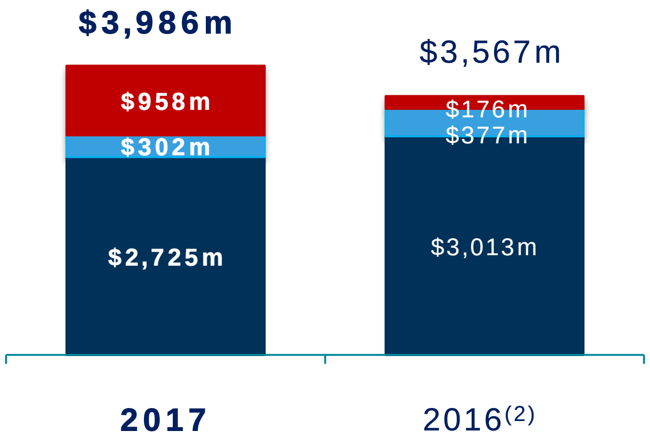
Business Unit performance

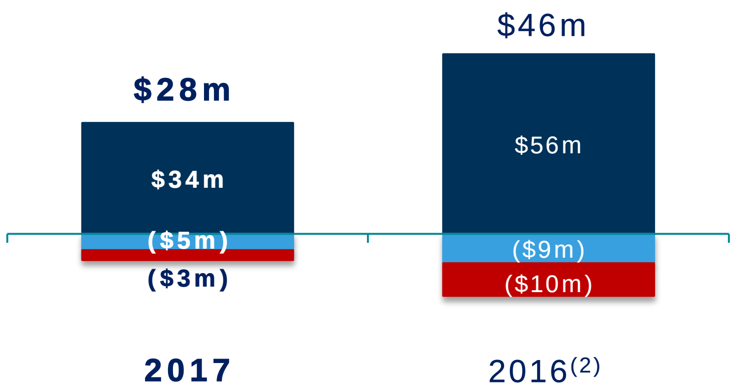
Fourth quarter Revenue



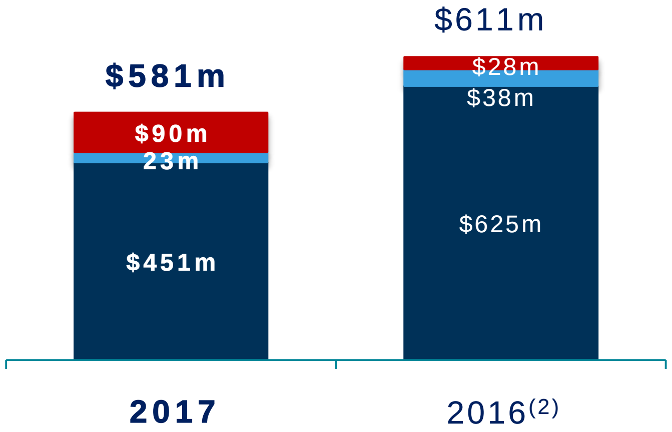
Full Year Revenue



Fourth quarter NOI(1)



Full Year NOI(1)

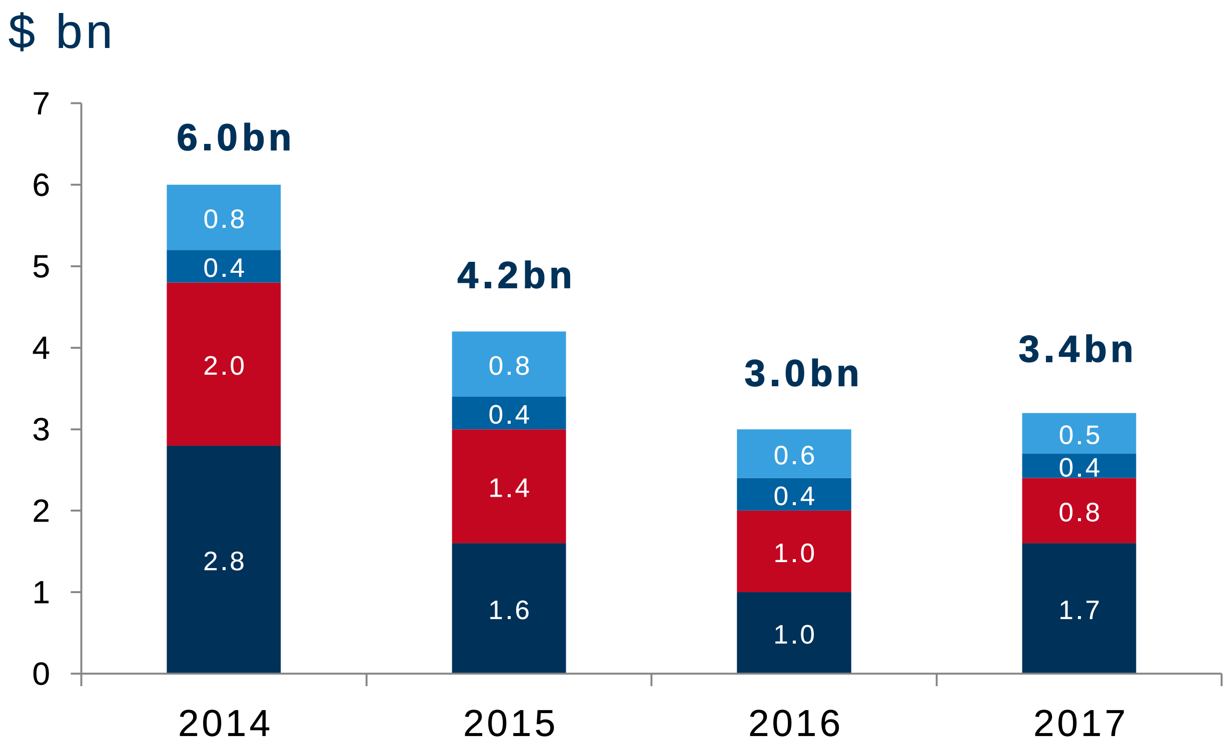


(1) 2016 Net Operating Income was adjusted to exclude charge for goodwill impairment of $90m
(2) Re-presented due to the reorganisation of operating segments from 1 January 2017

Note: Corporate segment (not presented): net operating income 2017 $17m (net operating loss 2016: $79m, which included $97m related to restructuring charges)

2017 costs overview

$1.5 billion cost savings on vessel and workforce since 2014: 50% reduction



Vessels and other costs(2): Including vessel costs, onshore facilities, IT infrastructure and other fixed overheads

Depreciation and amortisation: excludes non-recurring impairment charges

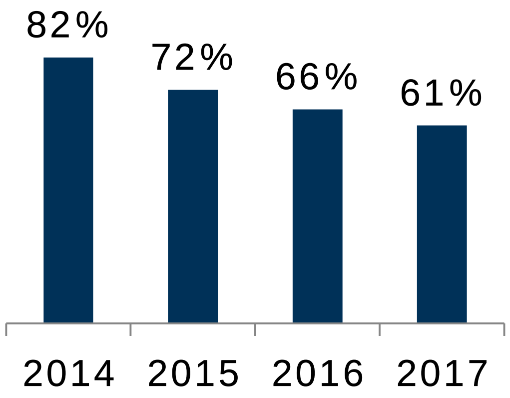
People(1): Offshore and onshore personnel

Procurement of materials and other direct project costs

(1) Includes restructuring charges 2017: nil, 2016: $97m, 2015: $136 million, 2014: nil
(2) Includes impairment charges related to property, plant & equipment 2017: $32m 2016: $158 million, 2015: $ 136 million, 2014: $89 million

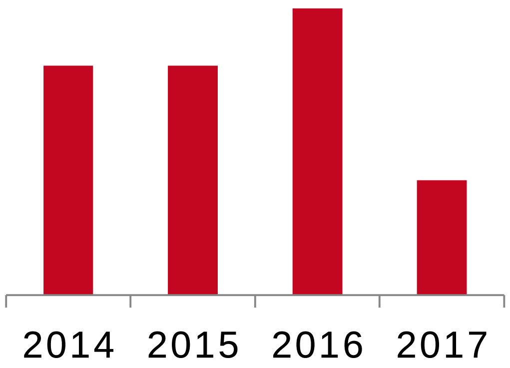
Our principal margin drivers

Total vessel utilisation



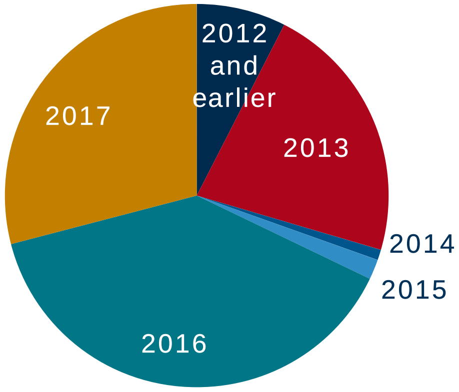
Reduction in offshore activity levels

Number of projects >$300m completed



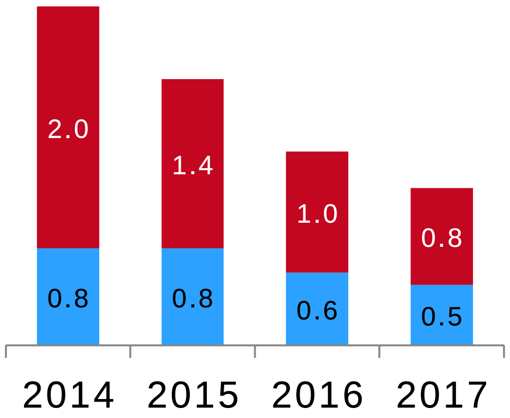
Fewer large projects in the final stages of completion

Backlog value by year awarded



Lower margin projects signed in the downturn

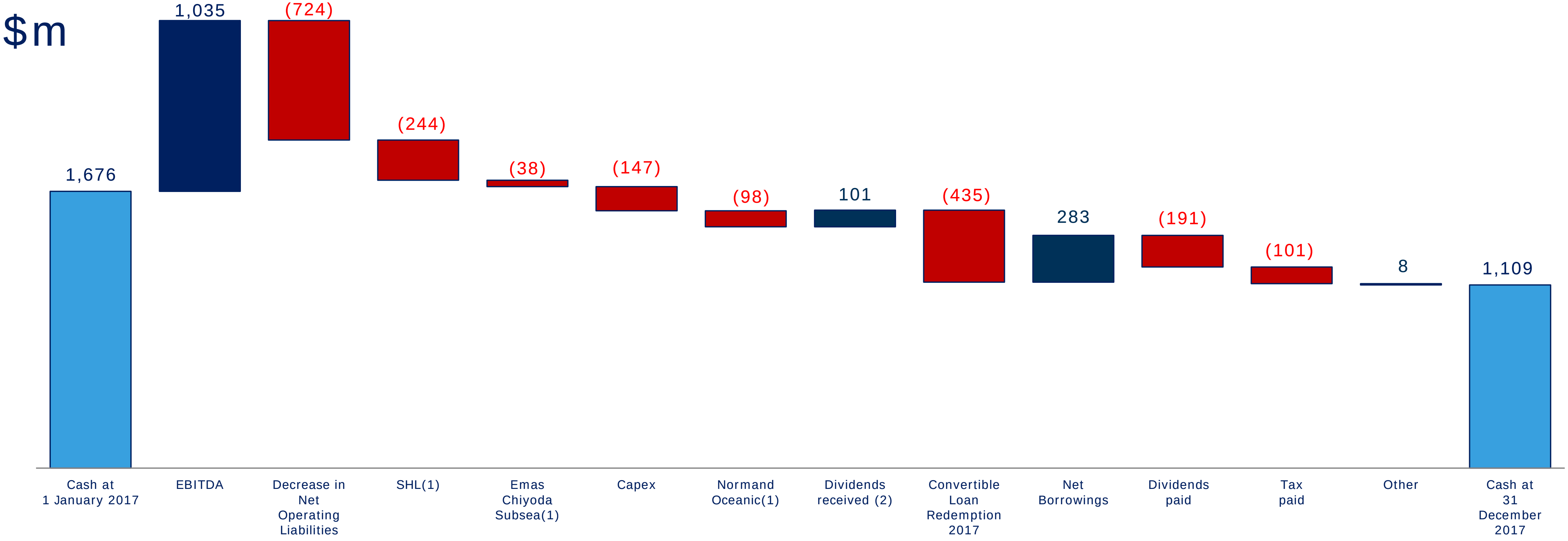
Costs ($bn)



Continued cost discipline

Definitions on slide 12

Summary of 2017 cash flow



(1) Acquisitions net of cash acquired and including associated borrowings
(2) $ 100m dividends from SapuraAcergy JV, related to the disposal of pipelay vessel *Sapura 3000*

- Net cash of $826 million at 31 December 2017
- $656 million of undrawn committed credit facilities

Financial guidance

2018 Guidance

Revenue	Broadly in line with 2017
Adjusted EBITDA percentage margin	Significantly lower than 2017
Administrative expense	\$250 million - \$270 million
Net finance cost	\$0 million - \$5 million
Depreciation and Amortisation	\$410 million - \$430 million
Full year effective tax rate	25% - 27%
Capital expenditure [1]	\$250 million - \$300 million

(1) Includes approximately \$115 million expenditure related to the new-build reel-lay vessel

Our value proposition

- Experience
- Expertise
- Scale
- Reliability
- Relationships
- Financial profile

Creating value for our **Clients** through strong long-term relationships and excellent execution

Creating value for our **Shareholders** by investing for the future while maintaining a strong financial position

Creating value for our **People** with continual investment in safety, security, skills and development

Creating value for **Society** through engaging and respecting the environments and communities we work in worldwide

Creating value through the cycle

Our actions in the downturn	Looking ahead to the next phase
• Formed successful early engagement and integrated solution alliances • Expanded presence in Renewable energy services • Accelerated strategy to be present in Conventional developments in the Middle East • Invested in vessel capability	• Increased focus on integrated solutions for the full field lifecycle • Strengthen early engagement capability • Continued investment in growth of offshore renewable energy services • Invest in development of leading-edge technology

Increased focus on integrated solutions

The proposed joint venture will:

- Share access to parent company resources and expertise
- Build on the successes of Subsea Integration Alliance
- Contain the Life of Field businesses of OneSubsea and Subsea 7
- Include key elements of other functions, including tendering, engineering, technology and project management
- Operate an asset light model

2018
Intent to develop Subsea Integration Alliance into a joint venture business

2017
Largest integrated award: the Mad Dog 2 project by BP
Integrated award: the Otter project by TAQA
Integrated award: the Fortuna project by Ophir

2016
First integrated award: the Dalmatian project, Murphy, US Gulf of Mexico

2015
Subsea Integration Alliance formed with OneSubsea, a Schlumberger company

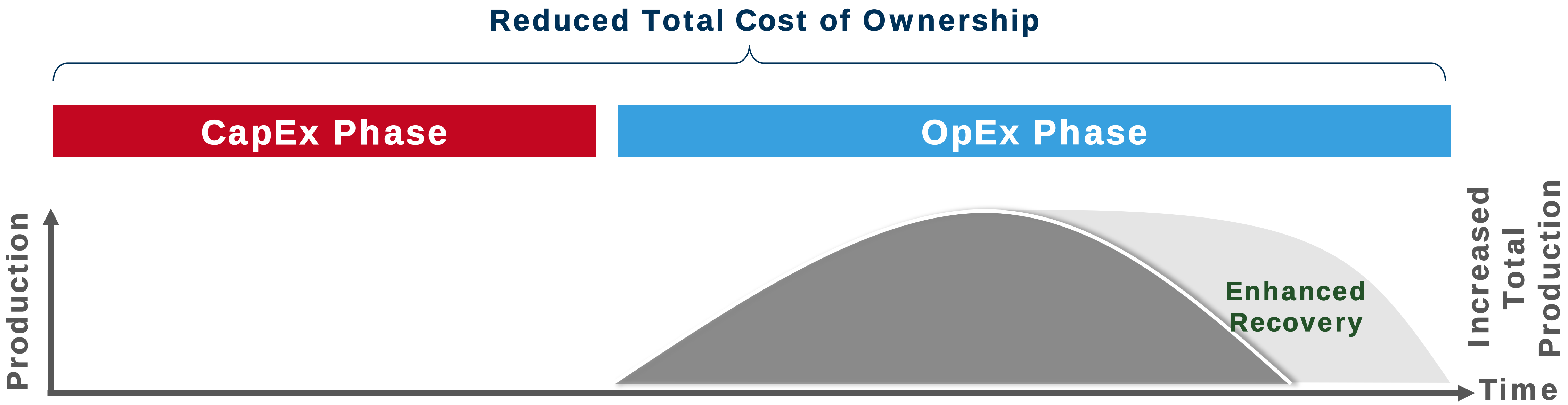
Subsea Integration Alliance

Integrated full field lifecycle joint venture value proposition

Integrated optimized design of the entire subsea facility

Improved EPIC economics: lower cost, reduced risk and shorter schedule

Integrated technology and services enhance recovery over the full field life



subsea 7

Strengthened early engagement capability

- Engaging early provides our Clients with the right choices for cost-efficient solutions at the concept and design phase
- In February 2018, Subsea 7 agreed to acquire 60% holding in Xodus Group, a leading energy consultancy, from Chiyoda, forming a joint venture to provide objective, unbiased engineering and advisory services on **client-led solutions**
- The intended Schlumberger/Subsea 7 JV will offer early engagement for clients seeking **supplier-led solutions**
- Subsea 7 and KBR/Granherne will not continue with the KG7 alliance (established 2015), but will work together on a project-by-project basis

xodus GROUP

Investment in growth of offshore renewable energy

- Offshore renewable energy installation market is forecast to grow at 11% CAGR to 2022
- Larger wind turbines and bigger offshore fields require specialist vessels and experienced contractors

Beatrice
Offshore Windfarm Ltd

2015: Award of the $1.3 billion Beatrice project to Subsea 7, using SHL installation experience and vessels

Seaway Heavy Lifting

2017: Subsea 7 acquired remaining 50% of SHL

SIEM
OFFSHORE CONTRACTORS

2018: Subsea 7 agreed to acquire Siem Offshore Contractors, leading array cable business

Business Unit outlook

SURF and Conventional

- Gradual recovery with competitive pricing, awards to market could increase by first half 2018
- Active SURF and Conventional project tenders include:
  - Penguins (UK)
  - Golfinho (Mozambique)
  - Mamba (Mozambique)
  - Zinia (Angola)
  - 98-2 (India)
  - Gorgon Ph.2 (Australia)
  - Libra (Brazil)
  - Barzan (Qatar)
  - LTA activity (Saudi Arabia)

i-Tech Services

- Tendering activity gradually increasing:
  - IRM in the North Sea, Caspian Sea and US Gulf of Mexico,
  - Drill rig ROV support in the North Sea and Asia

Renewables and Heavy Lifting

- Several wind farm tenders in progress worldwide
  - UK
  - Germany
  - France
  - Netherlands
  - US
  - Taiwan

ANY QUESTIONS?

Appendix

Major project progression

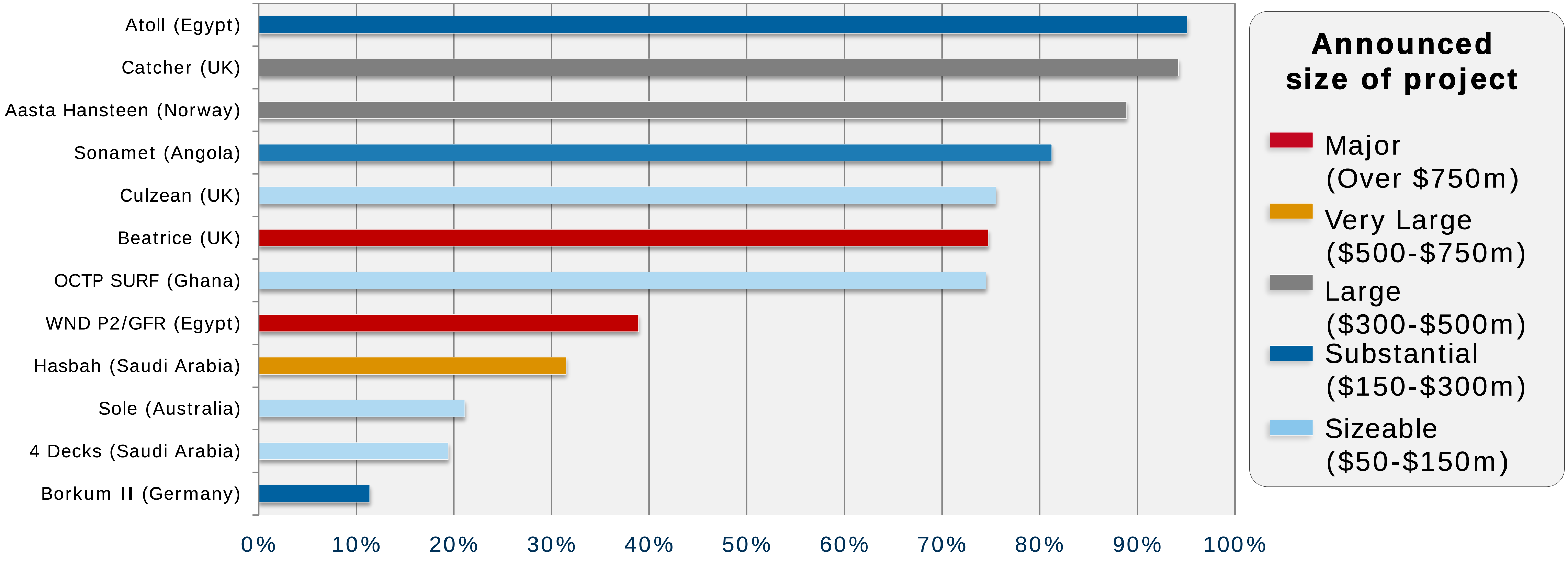
Track Record

Fleet

Financial summaries

Major project progression

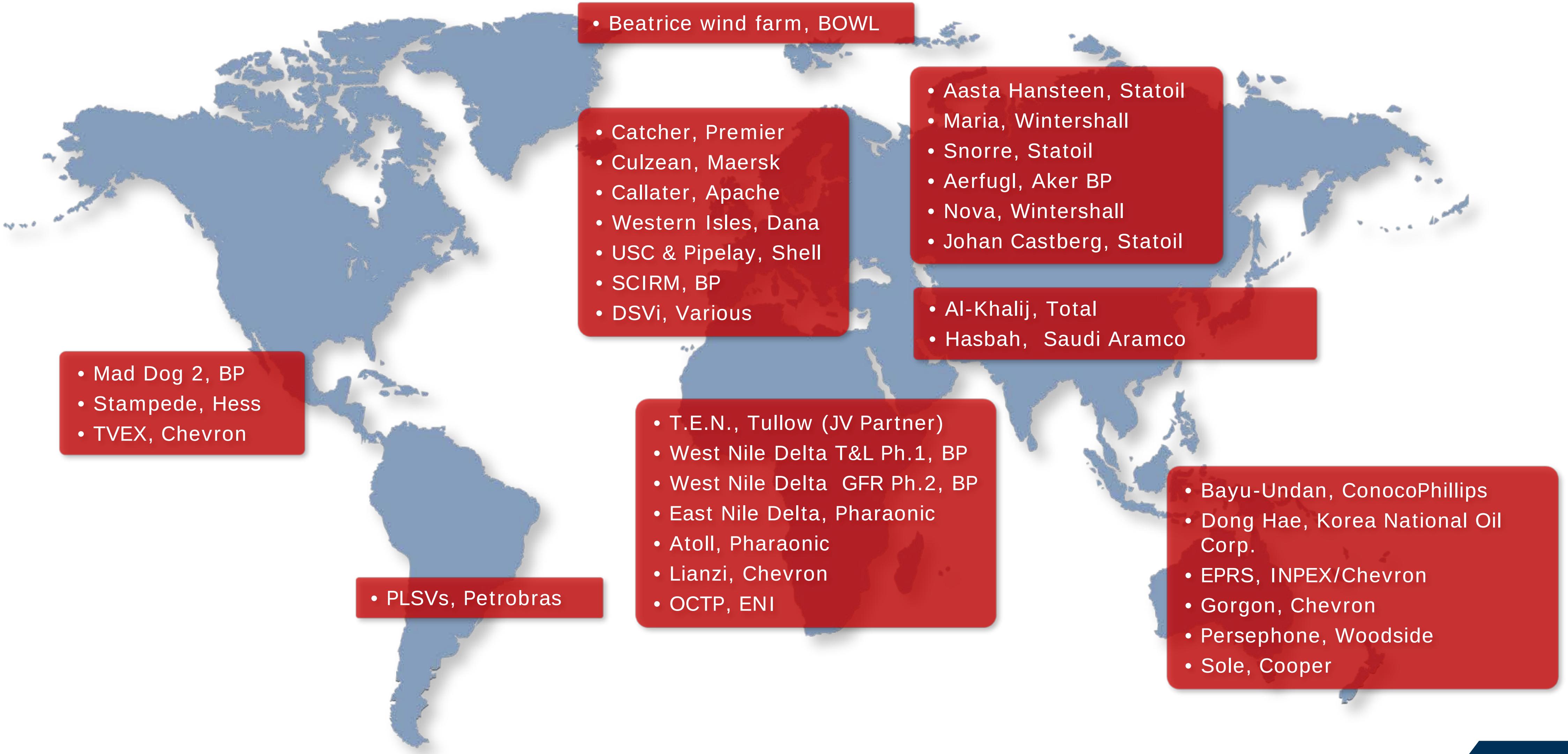
- Continuing projects >$100m between 5% and 95% complete as at 31 December 2017 excluding PLSV and Life of Field day-rate contracts



TRACK RECORD

subsea 7

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



FLEET

35 Vessels including 29 active vessels at end Q4 ‘17

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13 vessels released since May 2015

Skandi Seven (returned to owner Q3 ‘15)

Seven Polaris (Scrapped Q4 ‘15)

Havila Subsea (returned to owner Q4 ‘15)

Acergy Viking (returned to owner Q4 ‘15)

Skandi Skansen (returned to owner Q4 ’15)

Skandi Neptune (returned to owner Q1 ‘16)

Normand Seven (returned to owner Q3 ‘16)

Seven Petrel (Sold Q3 ‘16)

Seven Discovery (Scrapped Q1 ’17)

Grant Candies (returned to owner Q3 ’17)

Siem Stingray (returned to owner Q3 ’17)

Sapura 3000 (Sold Q4 ‘17)

Subsea Viking (returned to owner Q4 ’17

- ▲ Owned and operated by a joint venture
- ▲ Long-term charter from a vessel-owning joint venture
- ▲ Stacked
- ▲ Chartered from a third party

Segmental analysis

For the three months ended 31 December 2017

In $ millions (unaudited)	SURF & Conventional	i-Tech Services	Renewables & Heavy Lifting	Corporate	TOTAL
Revenue	**754**	**67**	**181**	**-**	**1,003**
Net operating income/(loss)	**34**	**(5)**	**(3)**	**2**	**28**
Finance income					**8**
Net remeasurement loss on business combination					**(17)**
Other gains and losses					**6**
Finance costs					**(6)**
Income before taxes					**19**

For the three months ended 31 December 2016(1)

In $ millions (unaudited)	SURF & Conventional	i-Tech Services	Renewables & Heavy Lifting	Corporate	TOTAL
Revenue	705	85	142	-	932
Net operating income/(loss) excluding goodwill impairment charge	55	(9)	(10)	9	46
Impairment of goodwill	(90)	-	-	-	(90)
Net operating income/(loss)	(35)	(9)	(10)	9	(45)
Finance income					7
Other gains and losses					16
Finance costs					(4)
Loss before taxes					(26)

(1) re-presented due to the reorganisation of operating segments from 1 January 2017

Segmental analysis

For the twelve months ended 31 December 2017

In $ millions (Audited)	SURF & Conventional	i-Tech Services	Renewables & Heavy Lifting	Corporate	TOTAL
Revenue	**2,725**	**302**	**959**	**-**	**3,986**
Net operating income/(loss)	**451**	**23**	**90**	**17**	**581**
Finance income					**25**
Net remeasurement gain on business combination					**25**
Other gains and losses					**(55)**
Finance costs					**(21)**
Income before taxes					**555**

For the twelve months ended 31 December 2016 (1)

In $ millions (Audited)	SURF & Conventional	i-Tech Services	Renewables & Heavy Lifting	Corporate	TOTAL
Revenue	3,013	377	176	-	3,567
Net operating income/(loss) excluding goodwill impairment charge	625	38	28	(79)	611
Impairment of goodwill	(90)	-	-	-	(90)
Net operating income/(loss)	535	38	28	(79)	521
Finance income					18
Other gains and losses					45
Finance costs					(7)
Income before taxes					577

(1) re-presented due to the reorganisation of operating segments from 1 January 2017

Summary balance sheet

In $ millions	31 Dec 2017 Audited	31 Dec 2016 Audited
Assets		
Non-current assets		
Goodwill	**701**	628
Property, plant and equipment	**4,688**	4,124
Other non-current assets	**173**	486
Total non-current assets	**5,562**	5,238
Current assets		
Trade and other receivables	**497**	500
Construction contracts - assets	**319**	80
Other accrued income and prepaid expenses	**176**	217
Cash and cash equivalents	**1,109**	1,676
Other current assets	**81**	92
Total current assets	**2,182**	2,565
Total assets	**7,745**	7,803

In $ millions	31 Dec 2017 Audited	31 Dec 2016 Audited
Equity & Liabilities		
Total equity	**5,941**	5,537
Non-current liabilities		
Non-current portion of borrowings	**258**	-
Other non-current liabilities	**235**	204
Total non-current liabilities	**493**	204
Current liabilities		
Trade and other liabilities	**893**	824
Current portion of borrowings	**25**	427
Construction contracts – liabilities	**200**	536
Deferred revenue	**4**	6
Other current liabilities	**188**	269
Total current liabilities	**1,310**	2,062
Total liabilities	**1,804**	2,266
Total equity & liabilities	**7,745**	7,803

Reconciliation of Adjusted EBITDA

Net income to Adjusted EBITDA

For the period (in $millions)	Three Months Ended 31 December 2017 Unaudited	Three Months Ended 31 December 2016 Unaudited	Twelve Months Ended 31 December 2017 Audited	Twelve Months Ended 31 December 2016 Audited
Net income	**51**	(13)	455	418
Depreciation, amortisation and mobilisation	**116**	95	422	372
Impairment of property plant and equipment	**32**	147	32	158
Impairment of intangible assets	**-**	-	-	1
Impairment of goodwill	**-**	90	-	90
Net remeasurement loss/(gain) on business combinations	**17**	-	(25)	-
Finance income	**(8)**	(7)	(25)	(18)
Other gains and losses	**(6)**	(16)	55	(45)
Finance costs	**6**	4	21	7
Taxation	**(32)**	(13)	100	158
Adjusted EBITDA	**176**	**288**	**1,035**	**1,142**
Revenue	**1,003**	932	3,986	3,567
Adjusted EBITDA %	18%	31%	26%	32%

Summary of 2017 cash flow

	$ millions	
Cash and cash equivalents at **31 Dec 2016**	1,676	
Net cash generated from operating activities	210	*Includes decrease of $724 million in net operating liabilities*
Net cash flow used in investing activities	(170)	*Includes expenditure on PPE of $147 million and cash outflows on acquisitions of businesses of $146 million (net of cash acquired), partially offset by $101 million of dividends received from joint ventures.*
Net cash flow used in financing activities	(602)	*Includes $191 million dividends paid, repayment of SHL loan $133 million, repayment of Normand Oceanic loan $102 million, repurchase of convertible bonds $77 million, and redemption of convertible bonds $358 million, partially offset by $301 million funds drawn from ECA facility*
Other movements	(5)	
Cash and cash equivalents at **31 Dec 2017**	1,109	

Net cash of $826 million as at 31 December 2017 compared to $1,249 million at 31 December 2016

THANK YOU

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