

## Subsea 7 and KBR form global alliance to deliver Concept and FEED services

**Luxembourg – 16 July, 2015** - Subsea 7 S.A. (Oslo Børs: SUBC, ADR: SUBCY) announced today that it has signed an agreement to form an alliance with Houston-based KBR, Inc. (KBR) and its wholly owned subsidiary, Granherne Inc. (Granherne), to collaborate in the delivery of Concept and Front End Engineering and Design (FEED) services to the global offshore oil and gas industry.

The alliance will bring two market-leading companies together to ensure the most cost-effective solutions are presented to clients in the early concept evaluation phase of a field development project. KBR's and Granherne's expertise in field development planning, concept evaluation and FEED will be complemented by Subsea 7's subsea project management and engineering experience and the application of technology and know-how to enable improved cost-benefit evaluation for clients.

Within the co-operation agreement between the companies, Granherne will support Subsea 7 on concept and FEED studies and Subsea 7 will support Granherne with subsea engineering and technology. The alliance will operate on a global basis using the existing resources of the two companies.

The alliance further provides the opportunity for KBR and Subsea 7 to collaborate in the execution phase of offshore projects. The combined experience and capabilities has the potential to deliver the full scope of any project. The decision to collaborate will be on a project-by-project basis and will be based on a clear and differentiated value proposition to the client.

Jean Cahuzac, Subsea 7 Chief Executive Officer, said: "This alliance will drive improvements in the offshore market with two leading independent companies working together to deliver greater value for clients worldwide. I look forward to strengthening our relationship with KBR through this alliance which provides the opportunity for early engagement in the project lifecycle when value creation can be optimised and where we can introduce enabling subsea technologies and know-how at the critical concept evaluation stage. This is key to assisting the offshore oil and gas industry to adapt to the lower oil price environment."

Stuart Bradie, KBR President and CEO, said: "This alliance combines the complementary skill-sets and know-how of two leading offshore contractors working together to ensure a greater contribution at the early stage of projects. Together, both companies can ensure that offshore oil and gas development becomes more economic and we look forward to continuing our already strong working partnership with Subsea 7."

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Subsea 7 S.A. is a leading global contractor in seabed-to-surface engineering, construction and services to the offshore energy industry. We provide technical solutions to enable the delivery of complex projects in all water depths and challenging environments.

KBR, Inc. is a global technology, engineering, procurement and construction company serving the hydrocarbons and government services industries, employing about 25,000 people worldwide with customers in more than 70 countries and operations in 40 countries across three distinct global businesses: Technology & Consulting, including proprietary technology in refining, ethylene, ammonia and fertilizers, and gasification; and niche consulting and know-how through Granherne/Energo and GVA; Engineering & Construction, including Upstream Oil & Gas; LNG/GTL; Downstream Oil & Gas, Petrochemicals and Chemicals; and differentiated EPC; and, Government Services, including program management and long term annuity contracts.

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**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 2014. These factors, and others which are discussed in our public announcements, are among those that may cause actual and future results and trends to differ materially from our forward-looking statements: actions by regulatory authorities or other third parties; our ability to recover costs on significant projects; the general economic conditions and competition in the markets and businesses in which we operate; our relationship with significant clients; the outcome of legal and administrative proceedings or governmental enquiries; uncertainties inherent in operating internationally; the timely delivery of vessels on order and the timely completion of vessel conversion programmes; 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.