

## Subsea 7 S.A. announces cost reduction programme

**Luxembourg – 12 May, 2015** - Subsea 7 S.A. (Oslo Børs: SUBC) announced that in view of the difficult business and economic conditions in the oil and gas market and declining workload, a programme of cost reduction measures will be implemented including a re-sizing of the fleet and workforce, and the restructuring of its corporate organisation.

It is envisaged that the overall reduction in the global workforce would be approximately 2,500 by early 2016, down from the 13,000 reported at the end of 2014. Consultation with employees and employee representatives will continue to take place on a local basis and consultation processes have begun in Norway and the UK.

The global fleet will be reduced by up to 11 vessels, based on a mixture of non-renewal of charter vessels and either disposal or stacking of owned vessels. It is intended that the reshaping of the fleet will be phased over the coming 12 months, commensurate with the projected global workload as well as continued effective execution of projects. At the end of 2014, the fleet consisted of 39 vessels with a further five under construction.

Jean Cahuzac, Chief Executive Officer, said: “These cost reduction plans will allow us not only to adapt to present market challenges but also to maintain our competitiveness and the long-term viability of our business. This will enable us to emerge stronger once the downturn ends. Reducing employment is not a decision we take lightly but one that is necessary in today’s difficult oil and gas environment.”

“Deepwater oil and gas production remains a significant market with long-term growth potential. While implementing the restructuring of our organisation, we remain committed to preserving our core capabilities and investing in key enabling technologies to deliver cost-effective solutions to our clients through all stages of the oil price cycle.”

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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.  
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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; 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.

