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PRESS RELEASE
For Immediate Release

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GEORGE TOWN, GRAND CAYMAN, 26 May 2016 – SIEM INDUSTRIES INC. announces

- (i) **the launch of an offering of Senior Secured Exchangeable Bonds due 2021 exchangeable for Common Shares of Subsea 7 S.A., for an initial principal amount of EUR 200 million, which may be increased to up to EUR 275 million (the “Exchangeable Bonds”); and**
- (ii) **a concurrent repurchase of its outstanding 1.00% Exchangeable Bonds due 2019 exchangeable for Common Shares of Subsea 7 S.A. (the “2019 Exchangeable Bonds”, ISIN NO0010657968), through a reverse bookbuilding (the “Concurrent Repurchase”)**

Siem Industries Inc. (“Siem Industries” or the “Issuer”) today announces the launch of an offering of EUR 200 million Senior Secured Exchangeable Bonds due 2021, exclusively by way of a private placement to international institutional investors (the “Offering”). The Exchangeable Bonds will be exchangeable for common shares of Subsea 7 SA (“Subsea 7”). The Offering amount may be increased by up to EUR 75 million should the increase option be exercised prior to pricing, at the sole discretion of the Issuer and depending on the aggregate principal amount of 2019 Exchangeable Bonds to be repurchased pursuant to the Concurrent Repurchase.

The net proceeds of the Offering will be used to repurchase 2019 Exchangeable Bonds, to reimburse at effective maturity the 2019 Exchangeable Bonds not repurchased, and for general corporate purposes.

The Exchangeable Bonds will mature on 2 June 2021 and will be marketed with a coupon of 1.50% - 2.25%, payable semi-annually in arrear. The exchange price is expected to be set at a premium of 27.5% - 32.5% to the volume weighted average price of the common shares of Subsea 7 on the Oslo Stock Exchange today, converted at the prevailing EUR:NOK exchange rate at the closing of the market on 26 May 2016. The Exchangeable Bonds will be issued at 100% of par and, unless previously exchanged, redeemed or purchased and cancelled, will be redeemed at 100% of par at maturity. The Issuer will have the right to redeem all outstanding Exchangeable Bonds at any time at their par value together with accrued interest if less than 10% of the Exchangeable Bonds originally issued remain outstanding.

The Exchangeable Bonds constitute direct, unconditional and unsubordinated obligations of the Issuer and will be secured by a first priority security by way of pledge in respect of common shares of Subsea 7 representing a collateral ratio of approximately 150% of the aggregate amount of the Exchangeable Bonds.

The final terms of the Exchangeable Bonds are expected to be announced later today.

Settlement of the Exchangeable Bonds and of the Concurrent Repurchase is expected to take place on or about 2 June 2016.

Application will be made after the settlement of the Exchangeable Bonds to be admitted to trading on a securities exchange.

ABG Sundal Collier ASA and BNP Paribas are acting as joint bookrunners (the “Joint Bookrunners”) of the Offering and the Concurrent Repurchase.

The Reg S Offering is addressed solely to qualified investors, excluding the United States of America, Canada, Australia, South Africa, Japan and any other jurisdiction where the Offering would be prohibited by applicable law.

Concurrently with, and independently from, the Offering, the Joint Bookrunners, on behalf of the Issuer, are assisting the Issuer in carrying out a reverse bookbuilding process outside the United States to collect indications of interest from holders of the 2019 Exchangeable Bonds willing to sell their 2019 Exchangeable Bonds to the Issuer. Based on the indications of

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interest received, the Issuer, in its sole discretion, may decide to repurchase the 2019 Exchangeable Bonds tendered subject to the condition precedent of the settlement of the Exchangeable Bonds.

The repurchase price for any 2019 Exchangeable Bonds repurchased, if any, will be equal to 99% - 99.5% of the principal amount of the 2019 Exchangeable Bonds, together with any accrued and unpaid interest. The bookbuilding for the Offering and the reverse bookbuilding for the Concurrent Repurchase are two separate transactions. Existing holders of the 2019 Exchangeable Bonds placing indications of interest to sell their 2019 Exchangeable Bonds in the reverse bookbuilding process may, at the Issuer's discretion, have the benefit of a priority allocation of the Exchangeable Bonds.

The Issuer may decide to close the reverse bookbuilding at any time and the aggregate principal amount of 2019 Exchangeable Bonds to be repurchased will be announced later today.

The 2019 Exchangeable Bonds so repurchased (if any) will be cancelled in accordance with their terms. Pursuant to condition 10.2.1 of the Bond Agreement of the 2019 Exchangeable Bonds, if at any time there shall have been exchanged and/or purchased (and corresponding cancellations and/or redemptions effected) in respect of 90% or more in principal amount of the 2019 Exchangeable Bonds originally issued, the Issuer may redeem such 2019 Exchangeable Bonds in whole but not in part at their principal amount, together with accrued and unpaid interest to such date.

The Concurrent Repurchase is addressed solely to qualified investors, excluding the United States of America and U.S. Persons, France, Italy, Belgium and any other jurisdiction where the Concurrent Repurchase would be prohibited by applicable law.

SIEM INDUSTRIES INC. is a diversified industrial holding company that operates through autonomous affiliates. The Company currently holds interests in the oil and gas services industries and renewable energy sector, ocean transportation industries for refrigerated cargoes and automobiles, shipbuilding, potash-mining and finance, which includes loans and guarantees, specialist credit advisory services and investments. For further information relating to the Company, please visit www.siemindustries.com .

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