

Subsea 7 announces early termination of contract offshore Brazil

Luxembourg – 16 January 2017 - Subsea 7 S.A. (Oslo Børs: SUBC, ADR: SUBCY) today announced the early termination of the day-rate contract for Subsea 7's Pipelay Support Vessel (PLSV), *Seven Mar*, working for Petrobras, offshore Brazil, effective 16 January 2017. The contract was due to expire in 2018 and as a result the Group backlog has diminished by approximately USD 106 million.

Brazilian maritime law prioritises Brazilian-flagged vessels over international vessels of a similar specification. As a consequence, the operating licence for *Seven Mar* has expired, which resulted in the early termination of the contract.

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 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.