



# Subsea Integration Alliance awarded FEED contract offshore Brazil

**Luxembourg – 30 January 2020** - Subsea 7 S.A. (Oslo Børs: SUBC, ADR: SUBCY) announced today the award to Subsea Integration Alliance<sup>(1)</sup> of an exclusive contract by Equinor for the Front End Engineering Design (FEED) study on its Bacalhau (formerly Carcará) project, offshore Brazil. The Bacalhau field is located 185 km from the coast of the State of São Paulo, in water depths of 2050 metres.

The awarded work is required to finalise the technical definition of the proposed development prior to Equinor making final investment decisions (FID) late 2020. Subsea 7 has recognised the FEED award in its order backlog.

The contract is based on a two-step award. The FEED and pre-investment are starting now, with an option for the execution phase under a lump sum turnkey set-up which includes engineering, procurement, construction and installation for the entire SURF and SPS scope.

The development will include 19 wells, approximately 130 km of rigid risers and flowlines and 35 km of umbilicals. Furthermore, Subsea Integration Alliance will be responsible for subsequent life of field support, representing a fully integrated contract model across the entire field lifecycle, from engineering, early engagement to after-sales services.

The value of the EPCI contract will only be recognised by Subsea 7 in its order backlog after FID, and will represent a major<sup>(2)</sup> project award. Project management and engineering will take place in Rio de Janeiro with support from Subsea 7’s Global Project Centre in UK, France and various OneSubsea® offices. Offshore installation activities are scheduled for 2022 and 2023.

Bacalhau is Brazil’s first ever integrated SPS and SURF project. The award today is a significant endorsement of Subsea Integration Alliance’s strong position within the integrated market, Subsea 7’s long-established local presence in Brazil and the Group’s commitment to support Equinor’s strategy of long term growth in the region.

Stuart Fitzgerald, Deputy CEO for Subsea Integration Alliance LLC said: “The award to Subsea Integration Alliance of the FEED contract for the Bacalhau project builds on our early engagement expertise and successful track record of major integrated projects. It underlines the breadth and strength of our product portfolio, quality of onshore and offshore assets and our extensive project management and engineering capabilities in Brazil and worldwide. We look forward to supporting Equinor in this and future developments.”

Marcelo Xavier, Subsea 7’s Vice-President Brazil, said: “This contract award builds on our successful track record of solutions developed for deepwater projects in Brazil and demonstrates our capability to maximise asset value through early engagement and an integrated approach.”

- (1) Subsea Integration Alliance is a non-incorporated strategic global alliance between Subsea 7 and OneSubsea®, the subsea technologies, production and processing systems division of Schlumberger, bringing together field development planning, project delivery and total lifecycle solutions under an extensive technology and services portfolio. As one team, Subsea Integration Alliance amplifies subsea performance by helping customers to select, design, deliver and operate the smartest subsea projects. This eliminates costly revisions, avoids delays and reduces risk across the life of field. For more information, visit [www.subseaintegrationalliance.com](http://www.subseaintegrationalliance.com).
- (2) Subsea 7 defines a major contract as being over USD 750 million.
- (3) Subsea Planner is a mark of Schlumberger or Schlumberger companies.

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 Subsea 7 is a global leader in the delivery of offshore projects and services for the evolving energy industry. We create sustainable value by being the industry’s partner and employer of choice in delivering the efficient offshore solutions the world needs.  
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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 2018. 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.