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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) **with reference to the press release issued earlier today, the successful placement and pricing of its Offering of Senior Secured Exchangeable Bonds due 2021 exchangeable for Common Shares of Subsea 7 S.A., for a principal amount of EUR 250 million (the “Exchangeable Bonds”); and**
- (ii) **the results of the 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”) today announces the successful placement and pricing of EUR 250 million Senior Secured Exchangeable Bonds due 2021, following the exercise of EUR 50 million increase option by Siem Industries, 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 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 are expected to mature on 2 June 2021 and will bear interest at a fixed rate of 2.25%, payable semi-annually in arrear. The exchange price has been set at EUR 10.2995, representing a premium of 27.5% to the full day’s volume weighted average price of EUR 8.0780 of the common shares of Subsea 7 on the Oslo Stock Exchange, converted at the NOK:EUR spot rate equal to NOK 9.2449 / EUR 1.00. 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.

Settlement of the Exchangeable Bonds is expected to take place on 2 June 2016. It is intended that an 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 acted as joint bookrunners (the “Joint Bookrunners”) of the Offering and the Concurrent Repurchase.

The total principal amount of the 2019 Exchangeable Bonds that shall be repurchased as a result of the Concurrent Repurchase is equal to USD 128.6 million representing approximately 43% of outstanding nominal amount of the 2019 Exchangeable Bonds.

The repurchase price is equal to USD 199,000 per USD 200,000 principal amount per outstanding bonds (i.e. a price of 99.5% of their principal amount), together with USD 449.32 accrued and unpaid interest.

Any of the 2019 Exchangeable Bonds repurchased will be cancelled after settlement by Siem Industries.

Settlement of the Concurrent Repurchase is expected to take place on 2 June 2016.

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The Concurrent Repurchase has not been open to any persons located or resident in the United States (or that are otherwise US persons, as defined in Regulation S of the US Securities Act of 1933), or persons acting for the account or benefit of such persons, or in any other jurisdiction where participation in the concurrent repurchase would be unlawful.

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 .

THIS PRESS RELEASE IS FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE OR FORM PART OF, AND SHOULD NOT BE CONSTRUED AS AN OFFER OR AN INVITATION TO SELL, OR ISSUE OR THE SOLICITATION OF ANY OFFER TO BUY OR SUBSCRIBE FOR, ANY SECURITIES. THE DISTRIBUTION OF THIS PRESS RELEASE AND THE OFFER AND SALE OF THE BONDS IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. ANY PERSONS RECEIVING THIS PRESS RELEASE SHOULD INFORM THEMSELVES OF AND OBSERVE ANY SUCH RESTRICTIONS.

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THE CONCURRENT BUYBACK IS NOT BEING CARRIED OUT AND WILL NOT BE CARRIED OUT, DIRECTLY OR INDIRECTLY, IN, OR BY USE OF THE MAILS OF, OR BY ANY MEANS OR INSTRUMENTALITY OF INTERSTATE OR FOREIGN COMMERCE OF, OR OF ANY FACILITIES OF A NATIONAL SECURITIES EXCHANGE OF, THE UNITED STATES. THIS INCLUDES, BUT IS NOT LIMITED TO, FACSIMILE TRANSMISSION, ELECTRONIC MAIL, TELEX, TELEPHONE, THE INTERNET AND OTHER FORMS OF ELECTRONIC COMMUNICATION.

THIS PRESS RELEASE AND THE OFFER WHEN MADE ARE ONLY ADDRESSED TO AND DIRECTED, IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA WHICH HAVE IMPLEMENTED THE PROSPECTUS DIRECTIVE (EACH, A "RELEVANT MEMBER STATE"), AT PERSONS WHO ARE "QUALIFIED INVESTORS" WITHIN THE MEANING OF ARTICLE 2(1)(E) OF THE PROSPECTUS DIRECTIVE (DIRECTIVE 2003/71/EC) AND PURSUANT TO THE RELEVANT IMPLEMENTING RULES AND REGULATIONS ADOPTED BY EACH RELEVANT MEMBER STATE ("QUALIFIED INVESTORS"). EACH PERSON WHO INITIALLY ACQUIRES ANY BONDS OR TO WHOM ANY OFFER OF BONDS MAY BE MADE WILL BE DEEMED TO HAVE REPRESENTED, ACKNOWLEDGED AND AGREED THAT IT IS A "QUALIFIED INVESTOR".

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