



This announcement is not an offer of securities in the United States or any other jurisdiction. The Bonds (and the underlying shares) may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Siem Industries does not intend to register any portion of the planned offer in the United States or to conduct a public offering of securities in the United States.

Siem Industries announces the successful placement of Senior Secured Exchangeable Bonds Linked to Common Shares of Subsea 7 S.A., due 2019, for US\$ 400 million, potentially increased by the exercise of the Greenshoe option to up to US\$ 445 million

Siem Industries Inc. (“Siem Industries”) today announces the successful issuance of US\$ 400 million Senior Secured Exchangeable Bonds due 2019, exclusively by way of a private placement to Norwegian and international institutional investors. The Exchangeable Bonds will carry exchange rights linked to the value of the common shares of Subsea 7 SA (“Subsea 7”). Siem Industries has granted the Sole Lead Manager a Greenshoe option of US\$ 45 million (i.e. 15% of the initial size) exercisable until 10 September 2012 inclusive.

The net proceeds of the offering will be used for Siem Industries’ general funding requirements.

The Exchangeable Bonds will mature on 12 September 2019 and will bear a coupon of 1.00%, payable semi-annually in arrears. The exchange price has been set at US\$ 29.00, representing a premium of 30.0% to the volume weighted average price of the common shares of Subsea 7 on the Oslo Stock Exchange, over the period from launch to pricing of the Offering, converted at the prevailing USD:NOK spot exchange rate at the time of pricing. 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, and Bondholders will have the option to put the bond to the Issuer on 12 September 2016.

The Exchangeable Bonds are a direct, unconditional and unsubordinated obligation of the Issuer and are secured by a first priority security by way of pledge in respect of 35.9 million common shares of Subsea 7 representing a collateral ratio of 260% of the number of shares underlying the Exchangeable Bonds.

Settlement of the Exchangeable Bonds will take place on 12 September 2012. It is intended that an application will be made for the Exchangeable Bonds to be admitted to listing on Oslo Børs.

Citigroup Global Markets Limited is acting as Sole Lead Manager and Bookrunner of the offering.

At June 30, 2012 and for the six month period then ended, Siem Industries (unconsolidated) reported total income of US\$ 236 million, total assets of US\$ 2.0 billion and a net cash position of US\$ 63 million with net income of US\$ 221 million and expenses of US\$ 15 million. At December 31, 2011, Siem Industries (unconsolidated) reported total assets of US\$ 1.8 billion and a net cash position of US\$ 3 million.

5 September 2012

SIEM INDUSTRIES INC.