

# Reorganisation & Revised Segmental Reporting

November 2016



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This document has been prepared by the Company solely for purpose of communicating the change to the Segmental Reporting following a recent operational reorganisation, including the restatement of historic financial performance under those revised Segments. No new financial information is being provided. The information in this document has not been independently verified and no representation or warranty, expressed or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. None of the Company or any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss whatsoever arising from any use of this document, or its contents, or otherwise arising in connection with this document.

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# Commercial rationale for reorganisation and repositioning

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Moving to an organisation defined by service provision

Our reorganisation is driven by customer requirements

Effectiveness increased by enabling easier customer engagement

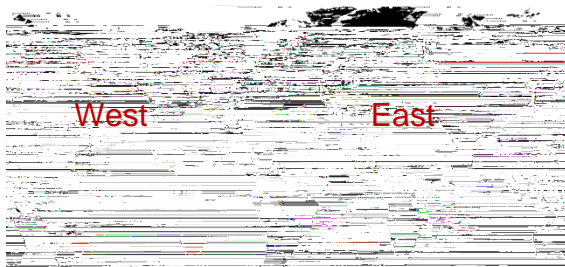
Efficiency gains as a simpler business with less internal complexity

Better positioned to leverage proven track record and technical independence to develop smart solutions

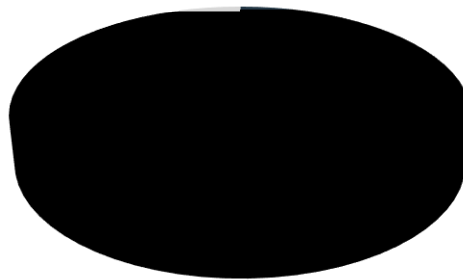
Change in reportable segments driven by reorganisation of the business and mirrors operating structure



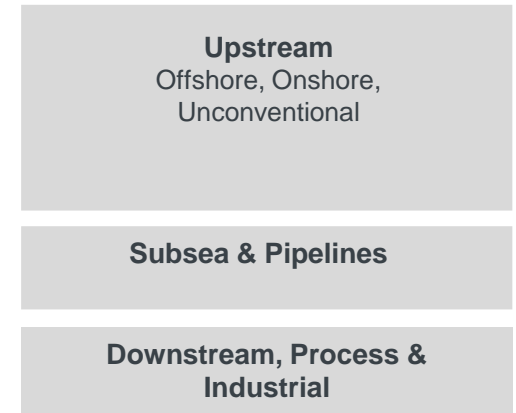
# Investment case remains unchanged



Broad Geographic footprint



Customers



Markets and Sectors





## Reportable Segments and disclosure - our approach

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Remain simple to understand and facilitate evaluation of the nature and financial impact of our activities and the markets in which we operate

**Asset Life Cycle Solutions West, Asset life Cycle Solutions East** and **Specialist Technical Solutions** will replace Engineering, PSN and Turbine Activities as our 3 reportable Segments

Revenue, EBITA, Margin and headcount will continue to be disclosed for our Reportable Segments

Management discussion and analysis will be service line based

Reporting structure will give good insight into the breadth of our business

Restated historic analysis covers the period back to 2012, the point at which PSN became wholly owned and the Well Support division was disposed



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# Reportable Segments 2: MD&A and Disclosure

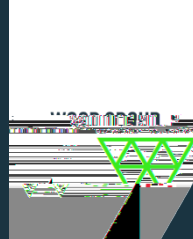
<b>2016 Reportable Segments</b>	<b>Asset Life Cycle Solutions West (41%)</b>		<b>Asset Life Cycle Solutions East (49%)</b>		<b>Specialist Technical Solutions (10%)</b>	
<b>Management discussion &amp; analysis disclosure</b>	<b>Projects and Modifications (c30%)</b>	<b>Operations and Maintenance (c70%)</b>	<b>Projects and Modifications (c35%)</b>	<b>Operations and Maintenance (c65%)</b>	<b>Subsea &amp; Technology Business (c55%)</b>	<b>Automation (c45%)</b>
<b>Includes</b>	Onshore Pipeline Services	n/a	n/a	Turbine Activities Decommissioning Industrial Services	Asset Integrity Clean Energy Digital Solutions Studies	n/a



# Historic Financial Performance 2012 to H1 2016

	2012		2013		2014		2015		H1 2016	
PSN Production Services	3,713	209	4,018	265	4,636	342	3,448	258	1,556	89
Engineering	1,788	220	1,986	247	2,131	232	1,729	215	701	80
Turbine Activities	1,317	85	1,052	78	850	33	676	44	302	13
Central costs		(52)		(57)		(57)		(47)		(17)
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Asset Life Cycle Solutions West	2,166	201	2,399	256	2,798	271	2,121	208	1,051	78
Asset Life Cycle Solutions East	4,000	213	3,938	221	4,099	221	3,145	217	1,251	71
Specialist Technical Solutions	651	100	717	113	719	116	586	92	257	33
Central costs		(52)		(57)		(57)		(47)		(17)
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Reported	<hr/> <hr/>		<hr/> <hr/>		<hr/> <hr/>		<hr/> <hr/>		<hr/> <hr/>	





# H1 2016 performance under Revised Segments





# Asset Life Cycle Solutions Eastern Region

(49% of Revenue and 39% of EBITA)

	1H 2016 \$m	1H 2015 \$m	Change %
Revenue	1,251	1,628	(24.8)%
EBITA	71	99	(28.3)%
Margin	5.7%	6.0%	(0.3)%
Headcount	17,100	19,700	(13.2)%

## Operations & maintenance

(c.65% of revenue)

Renewed contracts in very challenging North Sea market seeing volume and pricing pressure

Turbine Activities revenue slightly down on 2015

## Projects & modifications

(c.35% of revenue)

Significant awards in Baku and Iraq

Ongoing activity in Saudi Arabia with Aramco

Late stage of follow on in Det Norske Ivar Aasen





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Asset Life Cycle Solutions West, Asset life Cycle Solutions East and Specialist Technical Solutions will replace Engineering.255 0.278 RGP087

