



Q1 2017 Earnings Call Presentation

April 27th, 2017

Disclaimer

Forward-looking statements

We would like to caution you with respect to any “forward-looking statements” made in this commentary as defined in Section 27A of the United States Securities Act of 1933, as amended, and Section 21E of the United States Securities Exchange Act of 1934, as amended. The words such as “believe,” “expect,” “anticipate,” “plan,” “intend,” “foresee,” “should,” “would,” “could,” “may,” “estimate,” “outlook” and similar expressions are intended to identify forward-looking statements, which are generally not historical in nature.

Such forward-looking statements involve significant risks, uncertainties and assumptions that could cause actual results to differ materially from our historical experience and our present expectations or projections, including the following known material factors: tax-related risks; risks related to integration; risks related to our clientele; unanticipated changes relating to competitive factors in our industry; ability to hire and retain key personnel; changes in legislation or governmental regulations affecting us; international, national or local economic, social or political conditions; conditions in the credit markets; risks associated with accounting estimates, currency fluctuations and foreign exchange controls; and such other risk factors as set forth in our filings with the United States Securities and Exchange Commission, which include our Registration Statement on Form S-4, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

We caution you not to place undue reliance on any forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any of our forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise, except to the extent required by law.

Q1 2017 Overview of Financial Results and Highlights

Doug Pferdehirt

Q1 2017 Financial Highlights

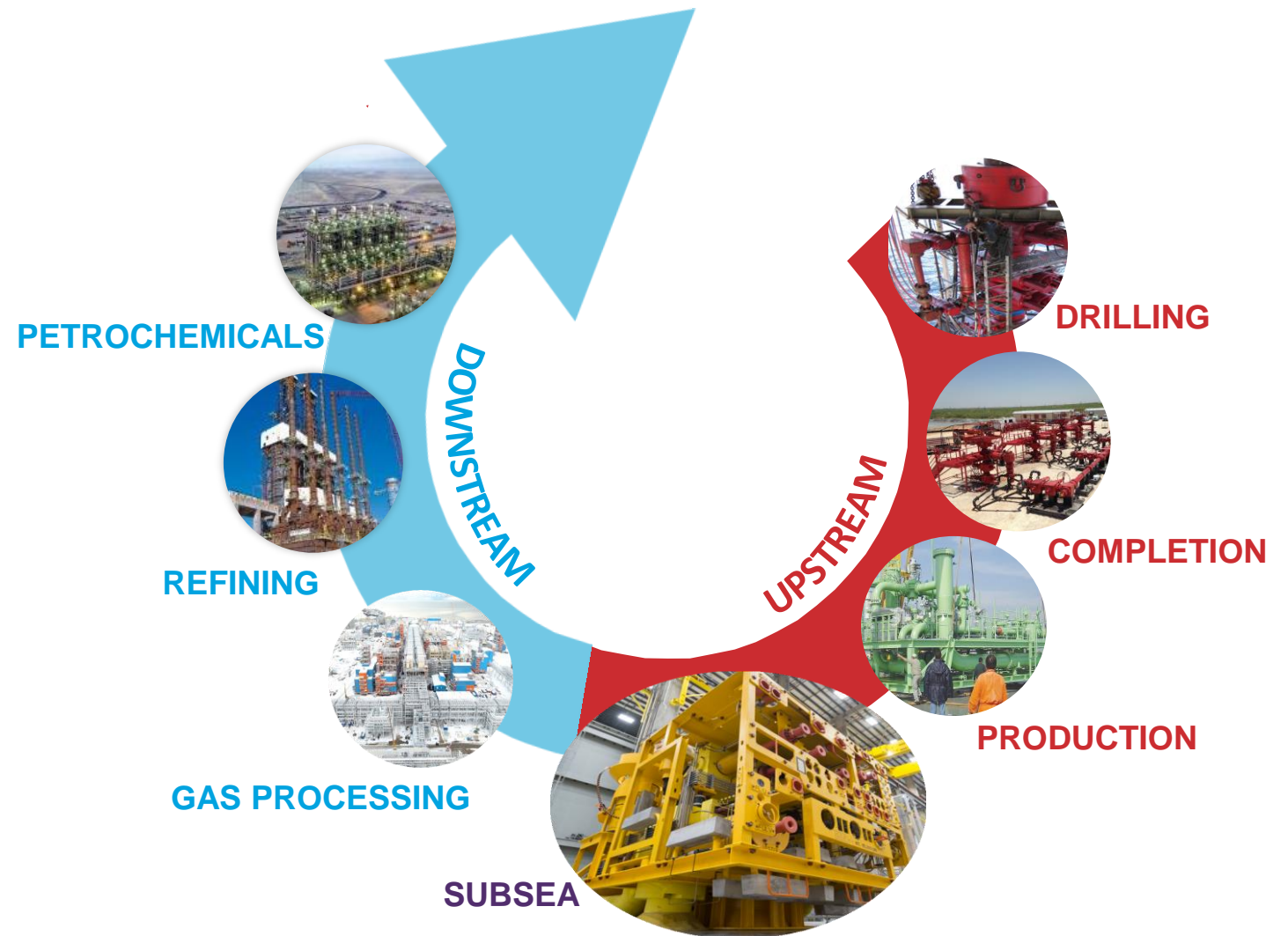
Revenue \$3.4 billion
Order Intake \$1.6 billion
Net Cash \$3.5 billion

EBITDA⁽¹⁾ of \$427 million from Subsea, Onshore/Offshore, Surface Technologies
Subsea EBITDA⁽¹⁾ margins 17.3%
Onshore/Offshore EBITDA⁽¹⁾ margins 8.6%
Surface Technologies EBITDA⁽¹⁾ margins 14.5%

(1) Adjusted results exclude the impact of charges and credits from continuing operations as identified in the reconciliation of GAAP to Non-GAAP financial measures schedules included in the press release

Leveraging industry-leading capabilities across the value chain

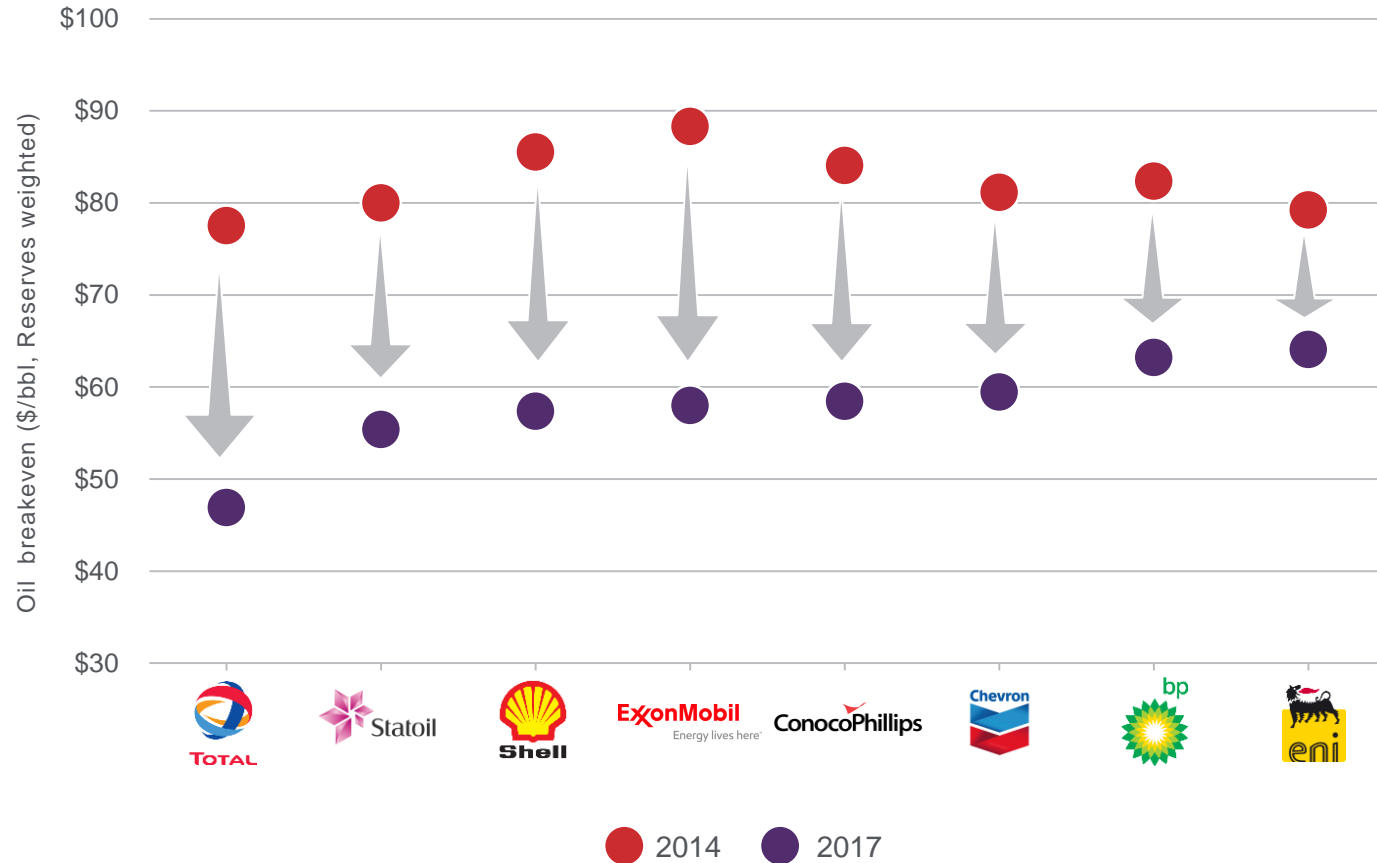
- ▶ Uniquely represented across the value chain from **upstream** to **downstream**
- ▶ Leveraged to both **short cycle** and **long cycle** projects



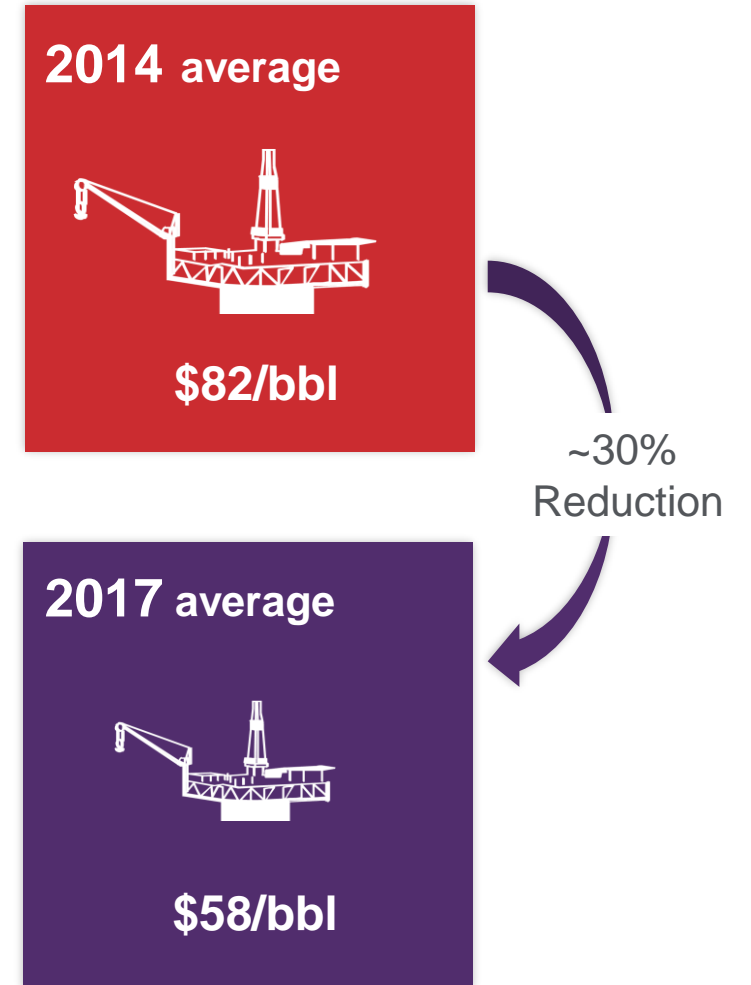
Onshore opportunities



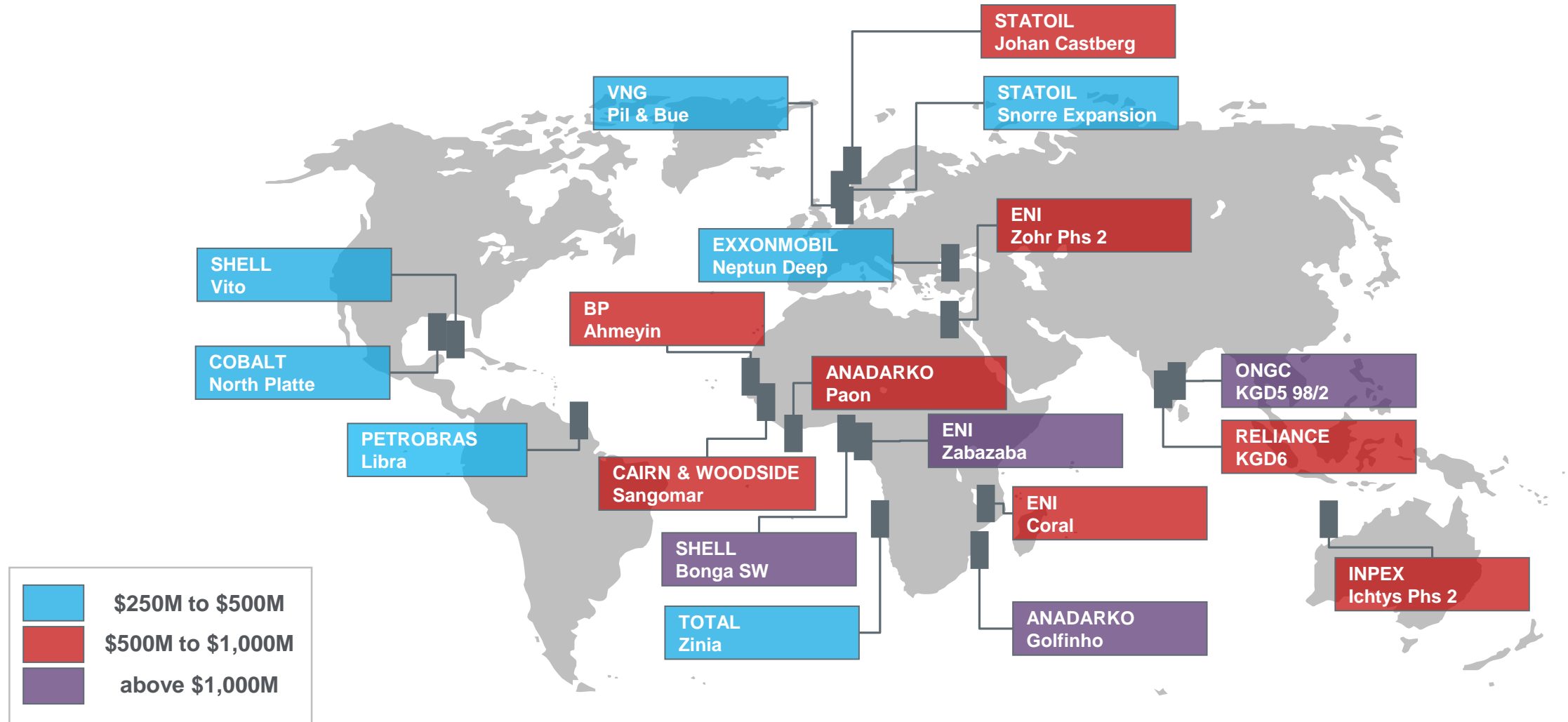
Breakeven prices of new projects have fallen materially



Source: Company data, Goldman Sachs Global Investment Research



Subsea opportunities in the next 24 months



New technologies create competitive differentiation

ExxonMobil

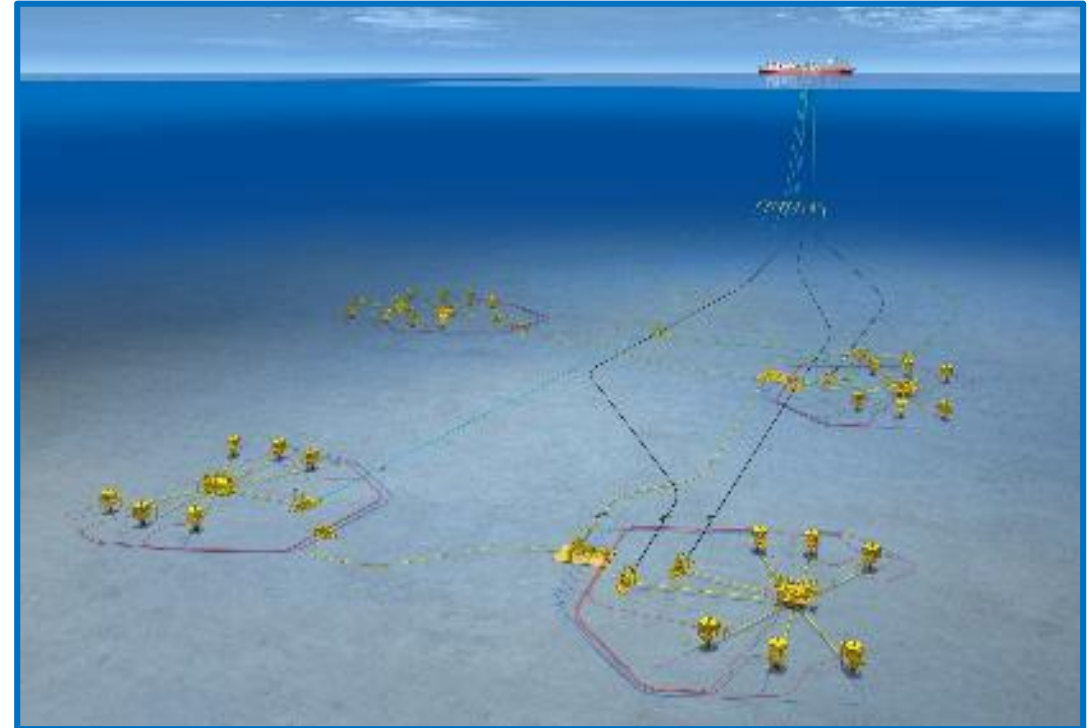
Energy lives here™

Liza

Guyana

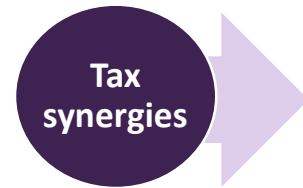
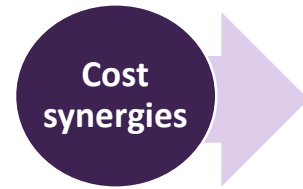
Compact Manifold

- ▶ Reduced part count
- ▶ Reduced weight
- ▶ Reduced delivery time

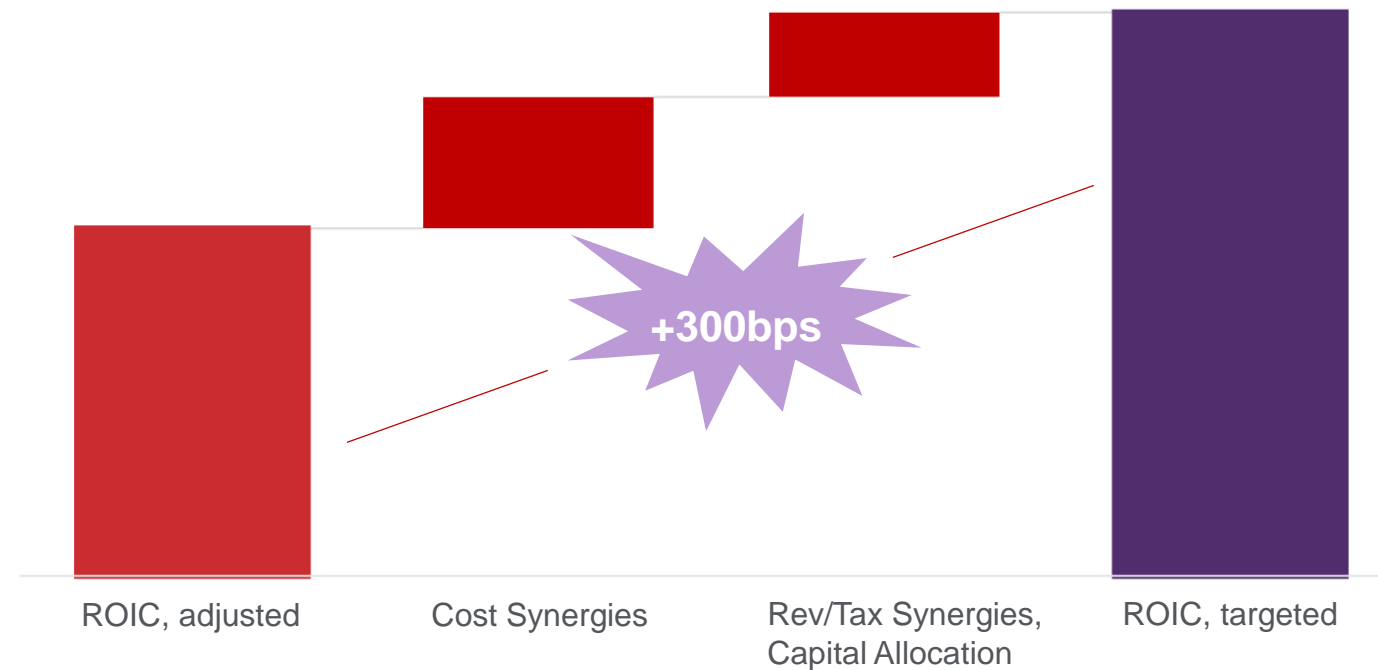


Benefits of merger to deliver sustained ROIC improvement

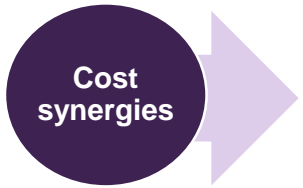
Value Drivers



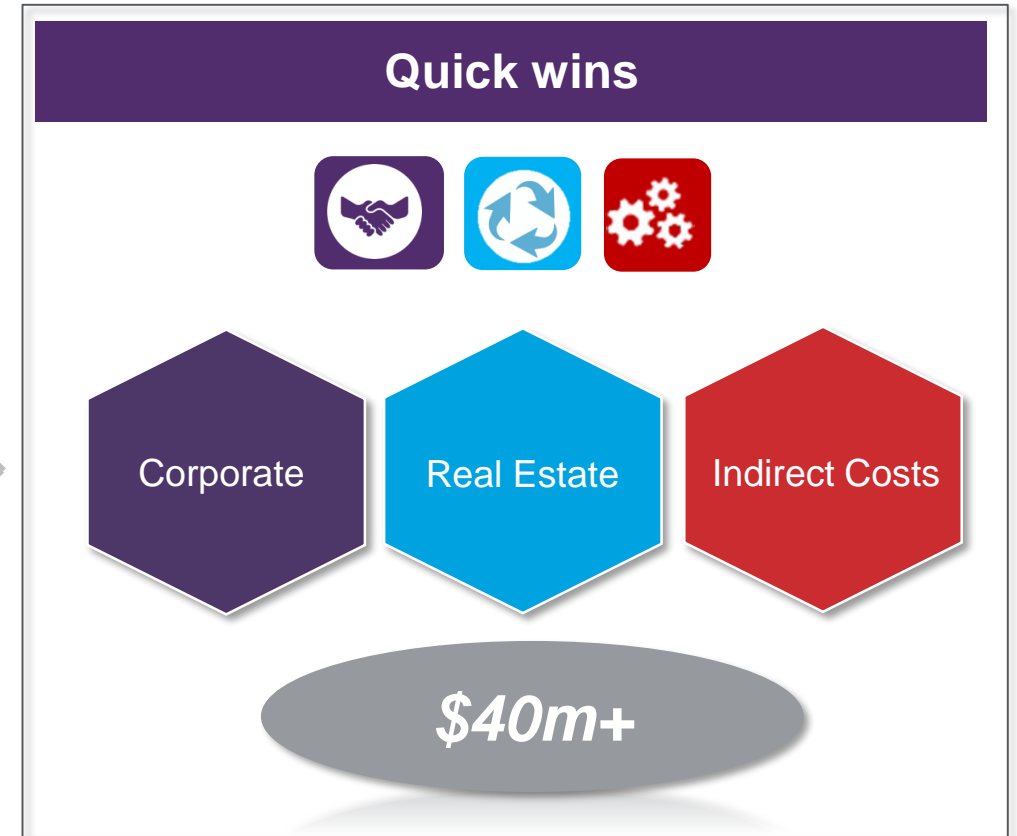
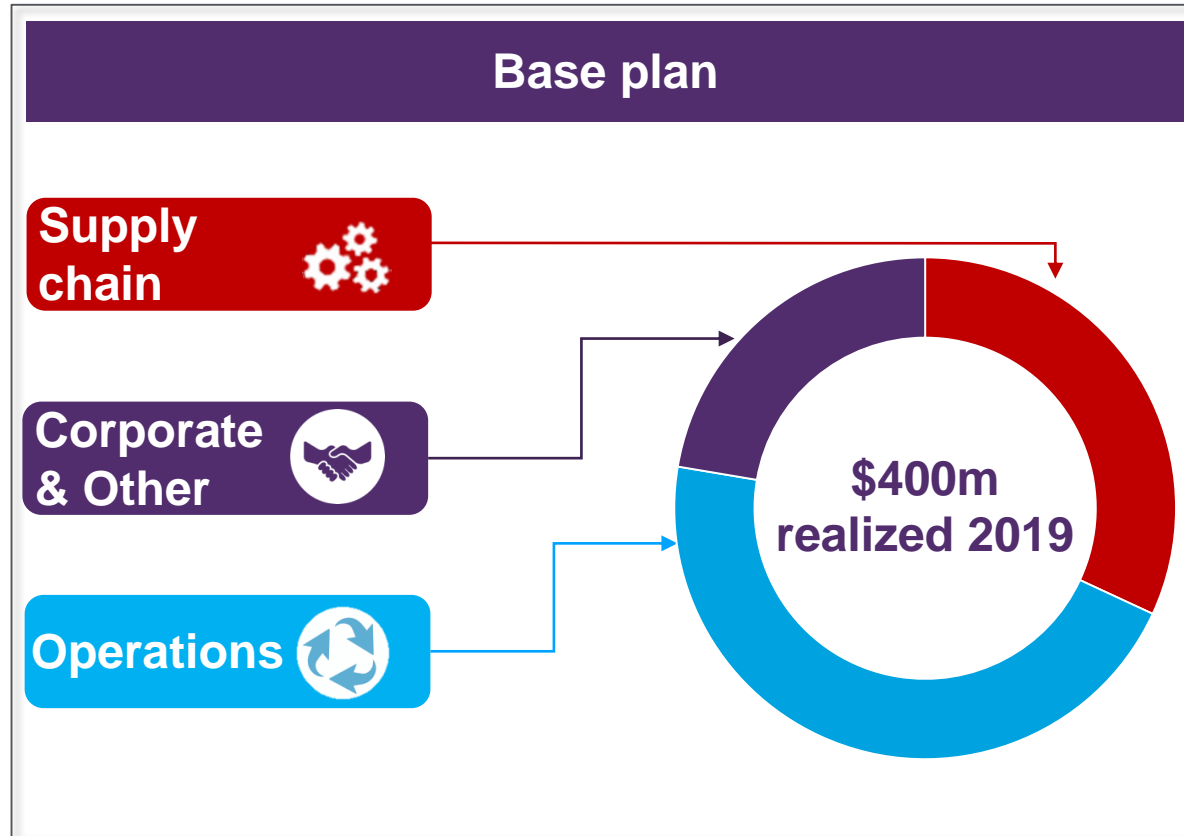
- ▶ Multiple value drivers to expand ROIC – without a significant market recovery
- ▶ Targeting an improvement of +300bps by FY 2019



⁽¹⁾ROIC calculated as NOPAT / average Capital Employed, excluding merger accounting impacts



“Quick wins” realized on targeted cost synergies



➤ **On track to deliver at least US\$400m of pre-tax synergies: run-rate savings of \$200m by 12/31/17, \$400m by 12/31/18**



Capital Allocation

1

Growth



\$300 million capex
2017

2

Dividend*



Planning for a **quarterly**
dividend following Q3
2017 results

>Sustainable with growth potential

3

Share buyback*



\$500 million share
repurchase authorization
to be completed by the
end of 2018

*Subject to U.K. required approval of distributable reserves, which is expected to be completed in the third quarter of 2017.

Q1 2017 Highlights

Delivering good underlying operational performance

- ▶ Segment EBITDA (excluding charges and credits) of \$427 million delivered by operating segments
- ▶ Segment EBITDA margins (excluding charges and credits) up slightly in Subsea, improving in Onshore/Offshore and Surface Technologies despite significant revenue headwinds
- ▶ Net cash position stands at \$3.5 billion; multi-year backlog of \$16.1 billion

Delivering a step change in project economics to our customers

- ▶ Growing customer acceptance of iEPCI™ as evidenced by recent Shell Kaikias award
- ▶ Awarded subsea equipment for ExxonMobil Liza project utilizing Compact Manifold technology

Delivering on capital allocation and merger synergies that create shareholder value

- ▶ \$500 million share repurchase authorization; planning for a quarterly dividend following Q3 2017 results
- ▶ Remain confident in achieving \$400m run-rate cost saves in less than 24 months
- ▶ Clear path to 300bps improvement in ROIC by 2019, largely within our control

Q1 2017 Financial Highlights

Maryann Mannen

Q1 2017 Financial Highlights

Revenue
\$3.4 billion

Adjusted EBITDA⁽¹⁾
\$684 million

Adjusted Diluted EPS⁽¹⁾
\$0.71

Net Cash
\$3.5 billion

Backlog
\$16.1 billion

OTHER ITEMS

- ▶ Charges and (credits) incurred in the quarter: \$194 million
- ▶ Depreciation and amortization
 - ▶ Reported: \$154 million
 - ▶ Adjusted: \$111 million⁽¹⁾
 - ▶ Purchase price accounting impact of \$43 million

ITEMS OF NOTE INCLUDED IN FINANCIAL RESULTS

- ▶ Net gains on foreign exchange: \$307 million
- ▶ Expense related to remeasurement of liability payable to joint venture partners: \$68 million

(1) Adjusted results exclude the impact of exceptional charges and credits from continuing operations as identified in the reconciliation of GAAP to Non-GAAP financial measures schedules included in the press release

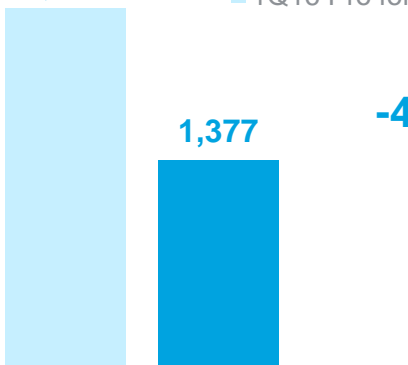
Segment Results

Subsea

In \$ million

2,378

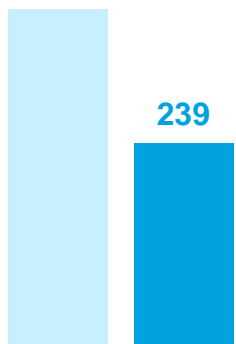
1Q16 Pro forma 1Q17



-42%

Revenue

396

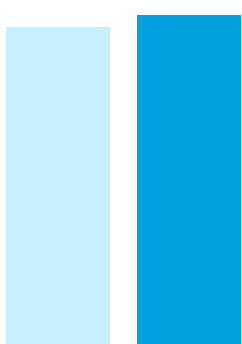


239

Adjusted EBITDA

16.7%

17.3%



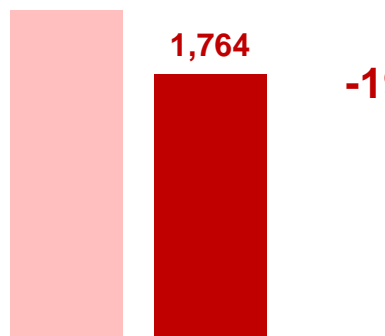
Adjusted EBITDA margin

Onshore/Offshore

In \$ million

2,182

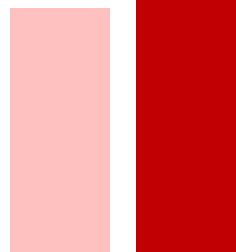
1Q16 Pro forma 1Q17



-19%

Revenue

103

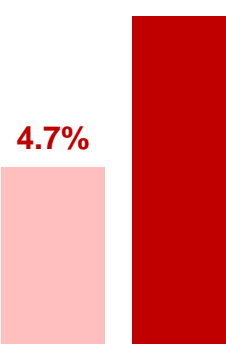


Adjusted EBITDA

152

4.7%

8.6%



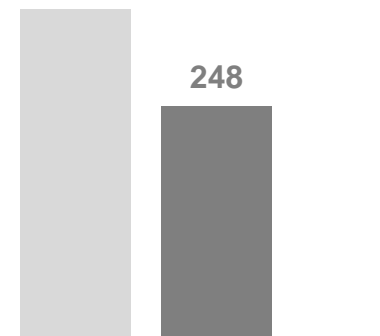
Adjusted EBITDA margin

Surface Technologies

In \$ million

350

1Q16 Pro forma 1Q17



-29%

Revenue

29

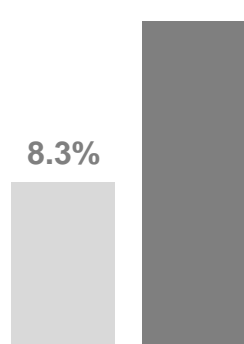


Adjusted EBITDA

36

8.3%

14.5%



Adjusted EBITDA margin

2017 Guidance

Subsea

- ▶ **Revenue** at least \$6.1 billion
- ▶ **EBITDA** margins at least 17% (excluding amortization related impact of purchase price accounting, and other charges)

Onshore/Offshore

- ▶ **Revenue** at least \$7.3 billion
- ▶ **EBITDA** margins at least 6.5% (excluding charges)

Surface Technologies

- ▶ **Revenue** at least \$1.4 billion
- ▶ **EBITDA** margins at least 13% (excluding amortization related impact of purchase price accounting, and other charges)

TechnipFMC

- ▶ **Corporate expense** \$50-\$55 million per quarter (subject to foreign currency fluctuations)
- ▶ **Net interest expense** \$22-\$25 million per quarter
- ▶ **Tax rate** 26% - 28%
- ▶ **Capital expenditures** approximately \$300 million
- ▶ **Merger integration and restructuring costs** \$150 million Q2-Q4 (total)
- ▶ **Cost synergies** target remains \$400 million annual savings (\$200 million exit run-rate 12/31/17, \$400 million exit run-rate 12/31/18)