# Q4 2017 Earnings Call Presentation

February 22, 2018

# Disclaimer

## Forward-looking statements

We would like to caution you with respect to any “forward-looking statements” made in this presentation 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: risks related to review of our accounting for foreign currency effects and any resulting financial restatements, pro forma corrections, filing delay, regulatory non-compliance or litigation; the risk that additional information may arise during our review of our accounting for foreign currency effects that would require us to make additional adjustments or identify additional material weaknesses; competitive factors in our industry; risks related to our information technology infrastructure and intellectual property; risks related to our business operations and products; risks related to third parties with whom we do business; our ability to hire and retain key personnel; risks related to legislation or governmental regulations affecting us; international, national or local economic, social or political conditions; risks associated with being a public listed company; conditions in the credit markets; risks associated with litigation or investigations; risks associated with accounting estimates, currency fluctuations and foreign exchange controls; risks related to integration; tax-related risks; and such other risk factors as set forth in our filings with the United States Securities and Exchange Commission.

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.

# Q4 2017 Overview
# Financial Results and Operational Highlights

Doug Pferdehirt, Chief Executive Officer

Maryann Mannen, EVP and Chief Financial Officer

TechnipFMC

# Q4 2017 Financial highlights

| | |
|---|---|
| **REVENUE** | **Total Company $3.7B**<br>Subsea $1.3B<br>Onshore/Offshore $2B<br>Surface Technologies $372M |
| **Adjusted EBITDA[(1)]** | **Total Company $573M**<br>**Operating segments $614M** |
| **INBOUND ORDERS and BACKLOG** | **Total Company inbound orders $3B; Subsea $1.7B**<br>**Total Company backlog $13B** |
| **CASH** | **Net cash[(2)] $2.9B** |

(1) Adjusted EBITDA is a non-GAAP measure. Adjusted EBITDA as presented excludes the impact of charges and credits from continuing operations as identified in the reconciliation of GAAP to non-GAAP financial schedules included in this presentation.
(2) Net cash is a non-GAAP financial measure reflecting cash and cash equivalents, net of debt, as identified in the reconciliation of GAAP to non-GAAP financial schedules included in this presentation.

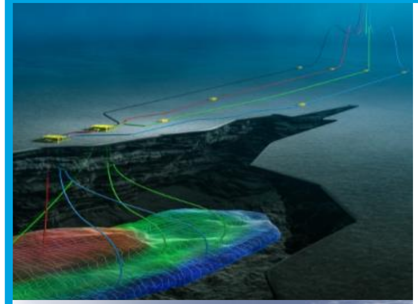
# 2017 – A transformational journey

## Executing

- **Strong** financial performance
  - Segment margins ahead of guidance
- **Robust** project execution
  - **Yamal LNG**: first cargo loaded
  - **Prelude FLNG**: hook-up and commissioning progressing well
  - Subsea: **Kaombo, Appomattox, Trestakk**
- $200M+ of year one synergies **delivered early; target increased**
  - Raised target to $450M by end of 2019



## Winning




- Increase in **Subsea orders**
  - $5.1B in 2017, +27%[1] vs 2016
- **Differentiated** commercial model
  - **XOM Liza**: new technology
  - **ENI Coral**: $3^{rd}$ FLNG
  - **VNG Norge Fenja**: $6^{th}$ iEPCI™, Major[2] award
  - **Bapco Sitra**: early engagement
- **Technology** leadership
  - Subsea 2.0 launched
  - Next Gen LNG/FLNG progressing
  - Surface scope and integration

(1) Calculated as the difference in 2017 Subsea inbound orders versus the combined FMC Technologies Inc. and Technip S.A. Subsea inbound orders in 2016.
(2) Major award is defined as $250 million or greater in value.

# Market opportunities

## Subsea

- Smaller projects, direct awards
  - Subsea tiebacks, alliance partners
- Shift in composition of operators
  - Growing prominence of Independents
- Future offshore capex
  - Growth in gas developments

## LNG

- Market rebalancing to drive activity
- Large project opportunities
  - North America
  - Arctic
  - Middle East
- Concept studies and FEED activity increasing

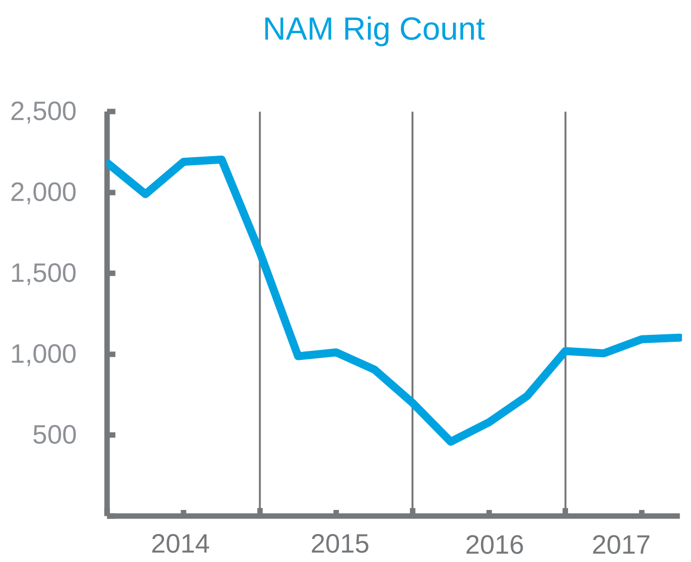
- Confidence in near-term prospects
- Significant longer term opportunities
- Differentiation:
  - Early engagement, front-end positioning
  - Technology portfolio

## Downstream: refining, petrochemicals

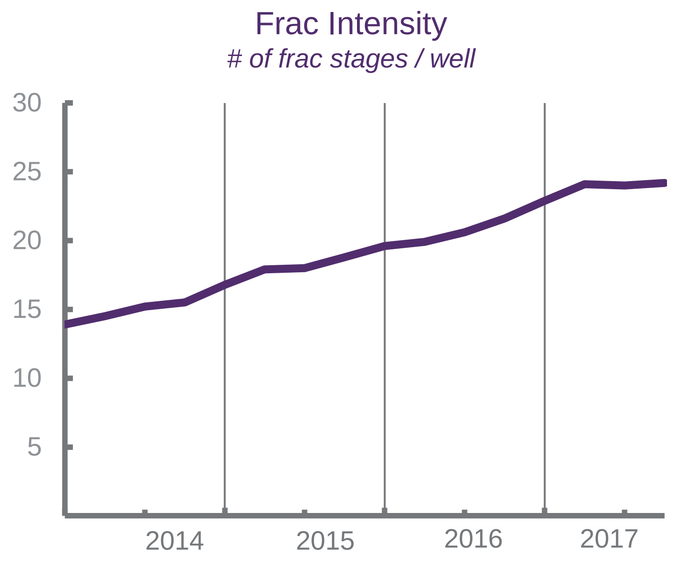
- Global activity levels to improve in 2018
- International growth opportunities
  - Middle East
  - CIS
  - Asia Pacific
- NAM - unconventional activity growth

## Surface: unconventionals

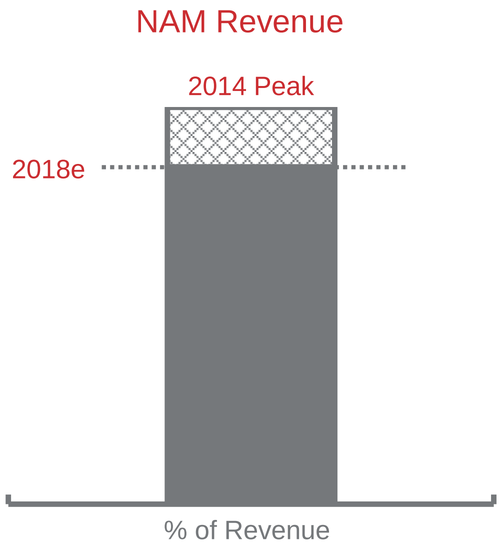
# Market spotlight: Surface Technologies – North America




Source: Baker Hughes, a GE Company



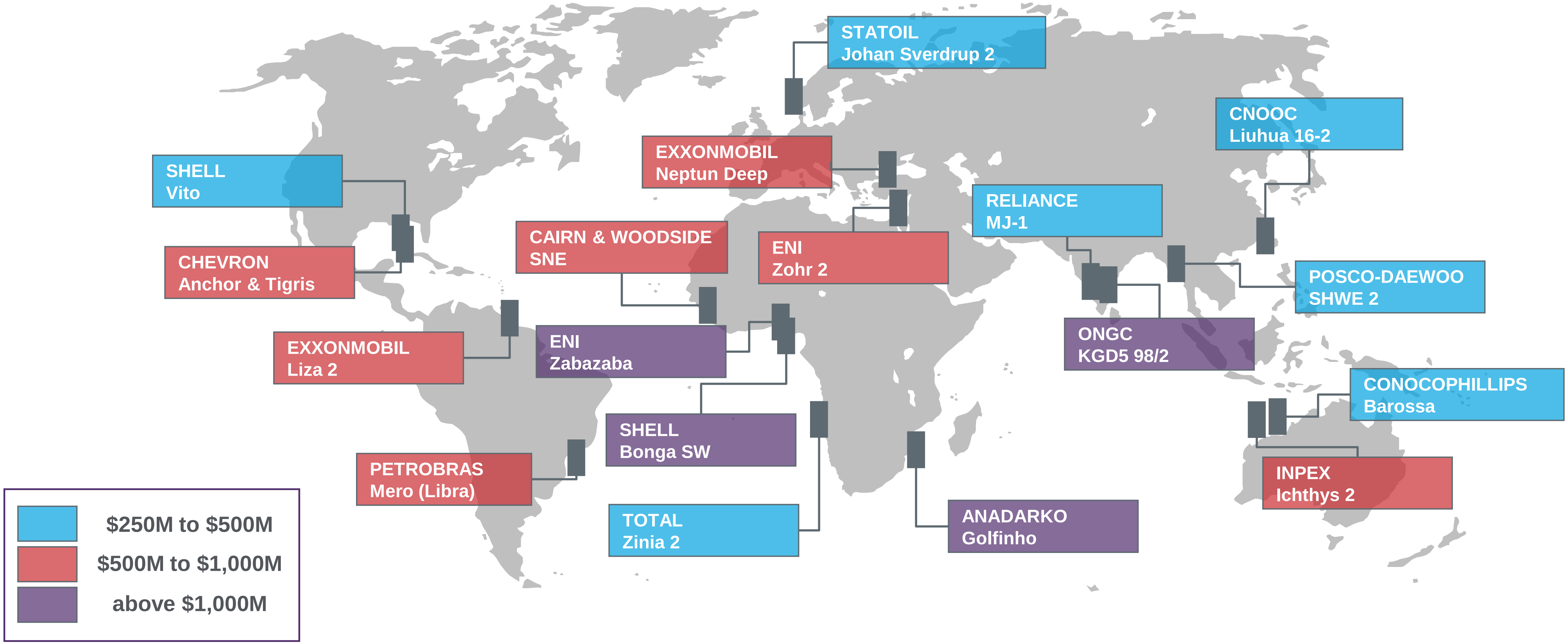

Source: IHS




Source: FTI Internal Analysis

- North American rig count improving, but still down ~40% from prior peak levels
- Growth in frac stage counts per well through the cycle; frac intensity has nearly doubled since 2014
- North American market recovery has accelerated; 2018 revenues moving towards 2014 peak
  - Continued increase in frac intensity driving faster repair/refurbishment cycles and higher demand for consumables
  - Key beneficiaries: flowline, fluid end and frac rental services; wellhead sales more closely correlated to rig count

# Subsea opportunities in the next 24 months



# Q4 2017 Financial highlights

**Revenue**
**$3.7 billion**

**Adjusted EBITDA(1) $573 million**
**$614 million from Subsea, Onshore/Offshore, Surface Technologies**

**Adjusted Diluted EPS(1)**
**$0.20**

**Net Cash(2)**
**$2.9 billion**

**Backlog**
**$13 billion**

(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 this presentation.
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# Q4 2017 Financial highlights

**Revenue**
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**$0.20**

**Net Cash[2]**
**$2.9 billion**

**Backlog**
**$13 billion**

## OTHER ITEMS

- After-tax charges and (credits) of $245 million, including $138 million non-cash charge related to tax reform
- Corporate expense of $42 million, excluding charges and (credits)
- Effective tax rate of 33%, excluding discrete items and tax law changes
- Depreciation and amortization
  - Reported: $153 million; adjusted: $118 million[1]
  - Purchase price accounting impact of $35 million

## ITEMS OF NOTE INCLUDED IN FINANCIAL RESULTS

- Expense related to liability payable to joint venture partners: $91 million

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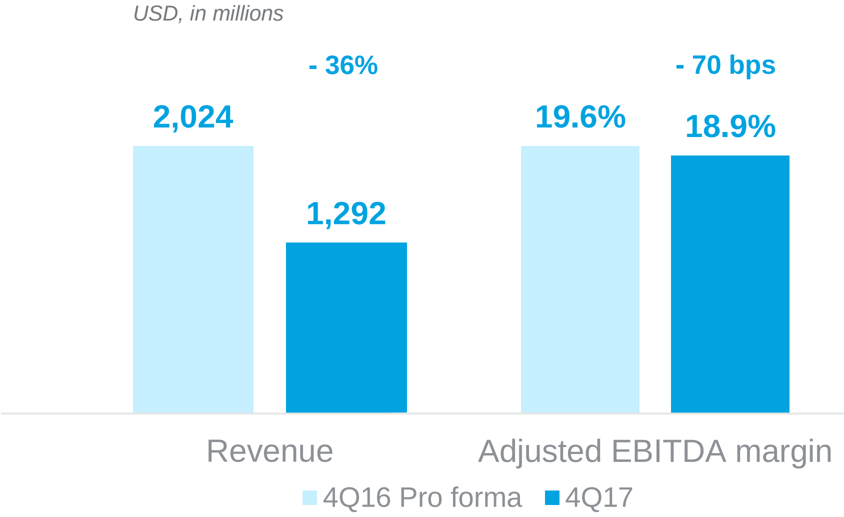
# Q4 2017 Segment results

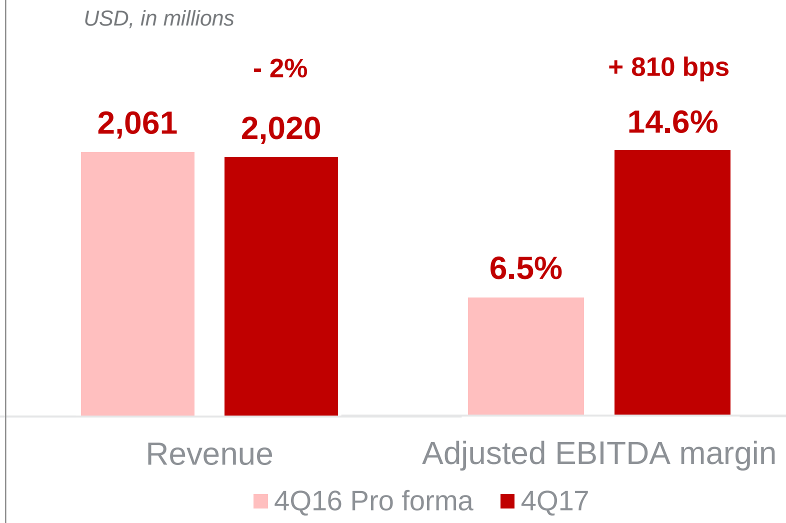
## Subsea




**Operational Highlights**

- Revenue declined 36%: primarily due to reduced project activity in Europe & Africa and Asia Pacific regions
- Adjusted EBITDA margin declined 70 bps: strong project execution and cost reduction initiatives mitigated impact of lower activity and lower vessel utilization at 65% (2017: 78%)
- Inbound orders of $1.7 billion; book-to-bill of 1.3x; year-end backlog at $6.2 billion

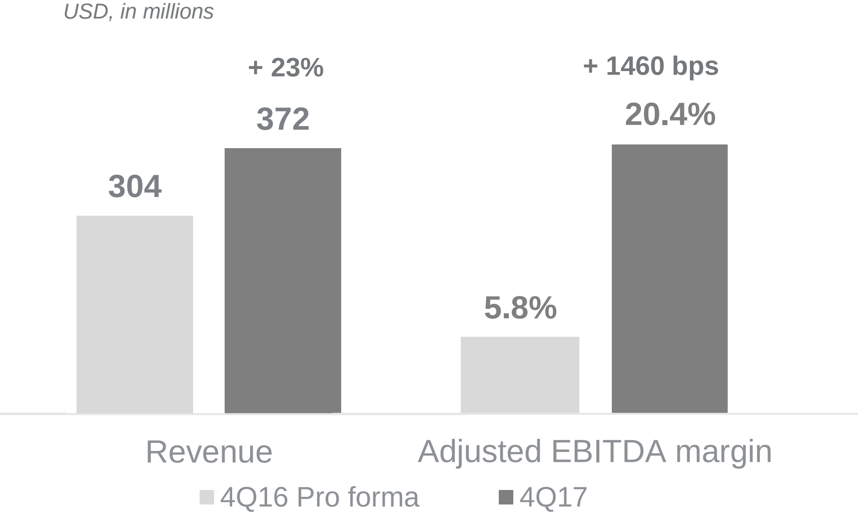
## Onshore/Offshore




**Operational Highlights**

- Revenue modestly lower: Yamal LNG first phase neared completion, offset by increased project activity in Europe, Middle East, and Asia Pacific regions
- Adjusted EBITDA margin increased to 14.6%: good execution, key milestones reached on several major projects, including Yamal LNG
- Inbound orders of $874 million; year-end backlog at $6.4 billion

## Surface Technologies




**Operational Highlights**

- Revenue increased 23%: robust increase in NAM well completion activity; international markets stable
- Adjusted EBITDA margin improved to 20.4%; NAM activity positively impacting product mix, plus cost savings benefits
- Inbound orders of $393 million; year-end backlog at $410 million

# 2018 Full Guidance **Items updated February 21, 2018*

| Subsea | Onshore/Offshore | Surface Technologies |
|---|---|---|
| **Revenue** in a range of $5.0–5.3 billion<br>**EBITDA** margin[1] at least 14% (excluding amortization related impact of purchase price accounting, and other charges and credits) | **Revenue** in a range of $5.3–5.7 billion<br>**EBITDA** margin[1] at least 10.5%* (excluding amortization related impact of purchase price accounting, and other charges and credits) | **Revenue** in a range of $1.5–1.6 billion<br>**EBITDA** margin[1] at least 17.5% (excluding amortization related impact of purchase price accounting, and other charges and credits) |

## TechnipFMC

- **Corporate expense** $40 – 45 million per quarter (excluding the impact of foreign currency fluctuations)
- **Net interest expense** approximately $20 – 22 million per quarter (excluding the impact of revaluation of JV partners' redeemable financial liability)
- **Tax rate** 28% – 32% for the full year (excluding the impact of discrete items)
- **Capital expenditures** approximately $300 million for the full year
- **Merger integration and restructuring costs** approximately $100 million for the full year
- **Cost synergies** $450 million annual savings ($200m exit run-rate 12/31/17, $400m exit run-rate 12/31/18, $450m exit run-rate 12/31/19)

[1] Our guidance measure, segment EBITDA margin, is a non-GAAP financial measure. We are unable to provide a reconciliation to a comparable GAAP measure on a forward-looking basis without unreasonable effort because of the unpredictability of the individual components of the most directly comparable GAAP financial measure and the variability of items excluded from such measure. Such information may have a significant, and potentially unpredictable, impact on our future financial results.

# Summary

## Q4 2017 – Positive momentum continues

- Robust operating performance across all segments, particularly in Onshore/Offshore
- Subsea segment book-to-bill above 1.3x; VNG Norge Fenja is first major* iEPCI™ award
- Bapco's Sitra refinery award announced; confidence of further downstream awards

## FY 2017 – Successful delivery

- Segment adjusted EBITDA margin performance ahead of guidance
- Synergy realization ahead of plan; target increased to $450 million
- Capital allocation – initiated quarterly dividend and commenced share repurchase program

## FY 2018 – Confidence

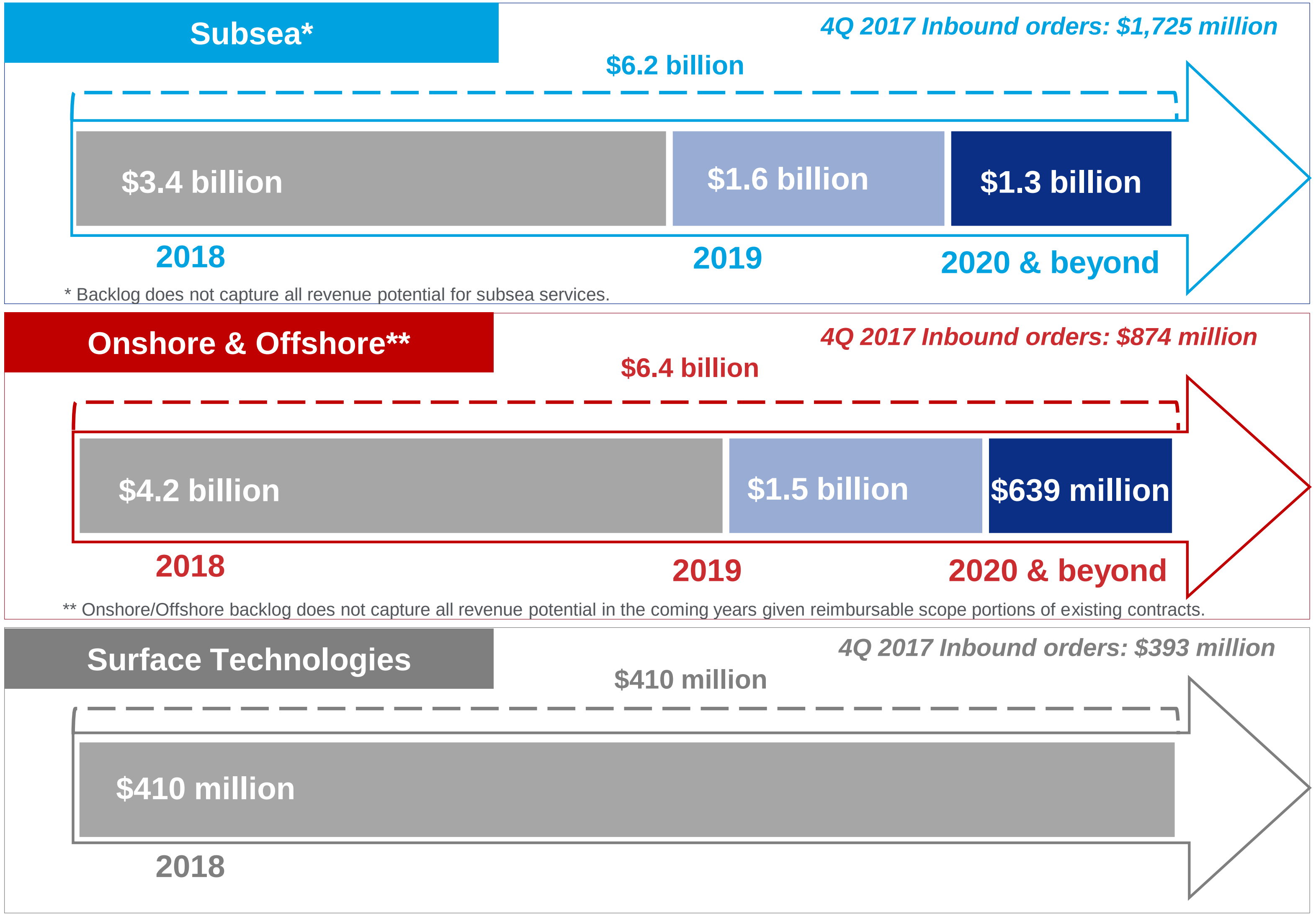
- Improving market penetration of our integrated subsea model and Subsea 2.0
- Relentless focus on execution and project delivery; raised adjusted EBITDA margin guidance for Onshore/Offshore
- Focused on enhancing shareholder returns

* Major award is defined as $250 million or greater in value.

# Appendix

TechnipFMC

# Backlog visibility



**TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES**

**RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES**

**(In millions, unaudited)**

**Charges and Credits**

In addition to financial results determined in accordance with U.S. generally accepted accounting principles (GAAP), the Fourth Quarter 2017 Earnings Release also includes non-GAAP financial measures (as defined in Item 10 of Regulation S-K of the Securities Exchange Act of 1934, as amended) and describes performance on a year-over-year basis against 2016 pro forma results and measures. Net income, excluding charges and credits, as well as measures derived from it (including Diluted EPS, excluding charges and credits; Income before net interest expense and taxes, excluding charges and credits ("Adjusted Operating profit"); Depreciation and amortization, excluding charges and credits; Earnings before net interest expense, income taxes, depreciation and amortization, excluding charges and credits ("Adjusted EBITDA"); and net cash) are non-GAAP financial measures. Management believes that the exclusion of charges and credits from these financial measures enables investors and management to more effectively evaluate TechnipFMC's operations and consolidated results of operations period-over-period, and to identify operating trends that could otherwise be masked or misleading to both investors and management by the excluded items. These measures are also used by management as performance measures in determining certain incentive compensation. The foregoing non-GAAP financial measures should be considered by investors in addition to, not as a substitute for or superior to, other measures of financial performance prepared in accordance with GAAP. The following is a reconciliation of the most comparable financial measures under GAAP to the non-GAAP financial measures.

| | Three Months Ended December 31, 2017 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Net income (loss) attributable to TechnipFMC plc | Net (income) loss attributable to noncontrolling interests | Provision for income taxes | Net interest expense | Income before net interest expense and income taxes (Operating profit) | Depreciation and amortization | Earnings before net interest expense, income taxes, depreciation and amortization (EBITDA) |
| TechnipFMC plc, as reported | $ (153.9) | $ (26.4) | $ 295.8 | $ (122.8) | $ 291.1 | $ 153.0 | $ 444.1 |
| Charges and (credits): | | | | | | | |
| Impairment and other charges | 11.7 | - | 6.8 | - | 18.5 | - | 18.5 |
| Restructuring and other severance charges | 73.5 | - | 42.7 | - | 116.2 | - | 116.2 |
| Business combination transaction and integration costs | 10.6 | - | 4.0 | - | 14.6 | - | 14.6 |
| Change in accounting estimate | - | - | - | - | - | - | - |
| Purchase price accounting adjustments | 10.8 | - | 4.0 | - | 14.8 | (35.1) | (20.3) |
| Tax reform | 138.2 | | (138.2) | | - | - | - |
| Adjusted financial measures | $ 90.9 | $ (26.4) | $ 215.1 | $ (122.8) | $ 455.2 | $ 117.9 | $ 573.1 |

**TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES**
**RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES**
**(In millions except per share amounts)**

| | (Unaudited) | | | |
|---|---|---|---|---|
| | Three Months Ended December 31 | | Twelve Months Ended December 31 | |
| | 2017 | 2016 | 2017 | 2016 |
| (after-tax) | | | | |
| Net income (loss) attributable to TechnipFMC plc, as reported | $ (154) | $ (134) | $ 113 | $ 393 |
| Charges and (credits): | | | | |
| Impairment and other charges (1) | 11 | (6) | 17 | 25 |
| Restructuring and other severance charges (2) | 74 | 159 | 103 | 201 |
| Business combination transaction and integration costs (3) | 11 | 41 | 64 | 61 |
| Change in accounting estimate (4) | - | - | 16 | - |
| Purchase price accounting adjustments (5) | 11 | - | 153 | - |
| Tax reform (6) | 138 | - | 138 | - |
| Adjusted net income attributable to TechnipFMC plc | $ 91 | $ 60 | $ 604 | $ 680 |
| Earnings (loss) per diluted share attributable to TechnipFMC plc, as reported | $ (0.33) | $ (1.13) | $ 0.24 | $ 3.16 |
| Adjusted diluted EPS attributable to TechnipFMC plc | $ 0.20 | $ 0.50 | $ 1.29 | $ 5.45 |

(1) Tax effect of $7 million and $(3) million during the three months ended and $10 million and $12 million during the twelve months ended December 31, 2017 and 2016, respectively.

(2) Tax effect of $43 million and $83 million during the three months ended and $61 million and $103 million during the twelve months ended December 31, 2017 and 2016, respectively.

(3) Tax effect of $4 million and $21 million during the three months ended and $38 million and $31 million during the twelve months ended December 31, 2017 and 2016, respectively.)

(4) Tax effect of nil and nil during the three months ended and $6 million and nil during the twelve months ended December 31, 2017 and 2016, respectively.

(5) Tax effect of $4 million and nil during the three months ended and $56 million and nil during the twelve months ended December 31, 2017 and 2016, respectively.

(6) Tax effect of $138 million and nil during the three months ended and $138 million and nil during the twelve months ended December 31, 2017 and 2016, respectively.

**TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES**
**RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES**
**(In millions, unaudited)**

| | Three Months Ended December 31, 2017 | | | | |
|---|---|---|---|---|---|
| | **Subsea** | **Onshore/ Offshore** | **Surface Technologies** | **Corporate and Other** | **Total** |
| Revenue | $ 1,292.2 | $ 2,019.5 | $ 372.3 | $ (1.0) | $ 3,683.0 |
| Operating profit, pre-tax, as reported | $ 67.4 | $ 257.2 | $ 53.3 | $ (86.8) | $ 291.1 |
| Charges and (credits): | | | | | |
| Impairment and other charges | 9.3 | - | 3.2 | 6.0 | 18.5 |
| Restructuring and other severance charges | 55.0 | 26.1 | 4.1 | 31.0 | 116.2 |
| Business combination transaction and integration costs | - | - | - | 14.6 | 14.6 |
| Change in accounting estimate | - | - | - | - | - |
| Purchase price accounting adjustments - non-amortization related | (14.8) | - | 1.0 | (6.5) | (20.3) |
| Purchase price accounting adjustments - amortization related | 34.5 | - | 0.9 | (0.3) | 35.1 |
| Subtotal | 84.0 | 26.1 | 9.2 | 44.8 | 164.1 |
| Adjusted Operating profit | 151.4 | 283.3 | 62.5 | (42.0) | 455.2 |
| Adjusted Depreciation and amortization | 92.7 | 11.2 | 13.3 | 0.7 | 117.9 |
| Adjusted EBITDA | $ 244.1 | $ 294.5 | $ 75.8 | $ (41.3) | $ 573.1 |
| Operating profit margin, as reported | 5.2% | 12.7% | 14.3% | | 7.9% |
| Adjusted Operating profit margin | 11.7% | 14.0% | 16.8% | | 12.4% |
| Adjusted EBITDA margin | 18.9% | 14.6% | 20.4% | | 15.6% |

**TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES**
**RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES**
**(In millions, unaudited)**

| | Pro Forma Three Months Ended December 31, 2016 | | | | |
|---|---|---|---|---|---|
| (including legacy FMC Technologies and PPA adjustments) | Subsea | Onshore/ Offshore | Surface Technologies | Corporate and Other | Total |
| Revenue, as pro forma | $ 2,024.1 | $ 2,060.9 | $ 303.6 | $ (8.9) | $ 4,379.7 |
| Operating profit (loss), pre-tax, as pro forma | $ 146.3 | $ (55.0) | $ (5.3) | $ (109.7) | $ (23.7) |
| Charges and (credits): | | | | | |
| Impairment and other charges | 21.7 | (17.1) | 2.1 | (13.3) | (6.6) |
| Restructuring and other severance charges | 44.6 | 184.0 | 5.0 | 31.6 | 265.2 |
| Business combination transaction and integration costs | 1.2 | - | 0.4 | 74.9 | 76.5 |
| Purchase price accounting adjustments - non-amortization related | (14.8) | - | 1.0 | (6.5) | (20.3) |
| Purchase price accounting adjustments - amortization related | 34.5 | - | 0.9 | (0.3) | 35.1 |
| Subtotal | 87.2 | 166.9 | 9.4 | 86.4 | 349.9 |
| Adjusted Operating profit | 233.5 | 111.9 | 4.1 | (23.3) | 326.2 |
| Adjusted Depreciation and Amortization | 162.4 | 22.7 | 13.4 | 1.2 | 199.7 |
| Adjusted EBITDA | $ 395.9 | $ 134.6 | $ 17.5 | $ (22.1) | $ 525.9 |
| Operating profit (loss) margin, as pro forma | 7.2% | -2.7% | -1.7% | | -0.5% |
| Adjusted Operating profit margin | 11.5% | 5.4% | 1.4% | | 7.4% |
| Adjusted EBITDA margin | 19.6% | 6.5% | 5.8% | | 12.0% |

**TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES**
**RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES**
**(In millions, unaudited)**

| | December 31 2017 | December 31, 2016 |
|---|---|---|
| Cash and cash equivalents | $ 6,737.4 | $ 6,269.3 |
| Short-term debt and current portion of long-term debt | (77.1) | (683.6) |
| Long-term debt, less current portion | (3,777.9) | (1,869.3) |
| Net cash | $ 2,882.4 | $ 3,716.4 |

Net cash (debt) is a non-GAAP financial measure reflecting cash and cash equivalents, net of debt. Management uses this non-GAAP financial measure to evaluate TechnipFMC's capital structure and financial leverage. Management believes net cash (debt) is a meaningful financial measure that may also assist investors in understanding TechnipFMC's financial condition and underlying trends in its capital structure.