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Free translation of the original « *Rapport des Commissaires à la fusion sur la rémunération des apports devant être effectués par la société TECHNIP SA au profit de la société TECHNIPFMC LIMITED* » issued by the merger appraisers, dated october 5, 2016

TECHNIP SA

A company with limited liability (*société anonyme*) with a share capital of
€93,281,878.63
89, avenue de la Grande Armée
75116 Paris
Paris Trade and Companies Register number 589 803 261

TECHNIPFMC LIMITED

Private limited company with a share capital of £50.001
C/O Legalinx Limited, 1 Fetter Lane
London EC4A 1BR
Companies House number 9909709

Merger Appraiser's Report on the remuneration for the contributions to be made by TECHNIP SA in favor of TECHNIPFMC LIMITED

Order of the Presiding Judge of the Paris Commercial Court dated July 26, 2016

**Merger Appraiser's Report on the remuneration for the
contributions to be made by
TECHNIP SA in favor of TECHNIPFMC LIMITED**

Dear Shareholders:

Pursuant to the mission entrusted to us by order of the Presiding Judge of the Commercial Court of Paris dated July 26, 2016 relating to the merger by absorption (*fusion par absorption*) of TECHNIP SA by TECHNIPFMC LIMITED, an English law company, we have prepared this report on the remuneration for the contributions contemplated by Article L. 236-10 of the French Commercial Code (*Code de commerce*). It being specified that our assessment of the value of the contributions is the subject of a separate report.

The remuneration of the contributions results from the exchange ratio which was determined in the Common Draft Terms of Cross-Border Merger, dated October 4, 2016, which has been signed by the representatives of the relevant companies (hereinafter the “draft merger agreement”).

It is our responsibility to express an opinion on the fairness of the exchange ratio. To this end, we have carried out our review in accordance with the professional standards of the French National Company of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) that apply to this mission. These professional standards require the implementation of safeguards intended, firstly, to verify that the relative values assigned to the shares of the companies involved in the transaction are appropriate and, secondly, to analyze the positioning of the exchange ratio in relation to relative values that have been deemed appropriate.

Our mission is brought to a close with the submission of this report. Therefore, it is not our responsibility to update this report to take into account facts and circumstances occurring after the date of the report. Our reports are contemplated by the provisions of the French Commercial Code relating to the mission of merger appraisers and are intended for the persons referred to by French law. They respond to the requirements of these regulations, but not to the requirements of American or English regulations. In particular, the reports grant no rights to the shareholders of FMC TECHNOLOGIES, INC., a U.S. Delaware corporation, who benefit from applicable U.S. law. Regarding TECHNIPFMC LIMITED, our report on the value of the contributions does not consider the company's accounting requirements for contributions under English law. Our work is not intended to respond to the requirements of these regulations, even though our reports will be made available to the parties that are involved in the Transaction.

Furthermore, these reports do not dispense with the reading of the information already publicly available or that will be made available relating to the Transaction¹.

At no time did we find ourselves in a situation of conflict, prohibition or revocation contemplated by law.

Our observations and conclusions are presented hereafter in accordance with the following outline:

- 1. Presentation of the transaction**
- 2. Verification of the appropriateness of the relative values attributed to the shares of the companies involved in the transaction**
- 3. Assessment of the fairness of the proposed exchange ratio**
- 4. Summary**
- 5. Conclusion**

¹ In particular the Form S-4 as submitted on September 19, 2016, Information Document and the EU Prospectus.

1. Presentation of the transaction

1.1 Context of the transaction

Pursuant to a joint statement dated May 19, 2016, the TECHNIP and FMC TECHNOLOGIES groups announced their proposed combination, which is intended to create a world leader in the oil and gas industry services for Subsea, Surface and Onshore/Offshore segments (the “Transaction”).

In the context of an oil sector that has been rattled by a significant drop in oil prices, this combination is intended to propose a wide and flexible service offering on the entity’s markets, by consolidating the two groups’ complementary know-how, technology and capacities, all while reducing costs. This transaction capitalizes on the proven success of the existing alliance through the joint-venture FORSYS SUBSEA.

Listed in New York and Paris, the new company called TECHNIPFMC will have approximately 49,000 employees in 45 countries.

The terms and conditions of this combination, which is described as a merger of equals, were formalized in a first document (Memorandum of Understanding) dated May 18, 2016, and then in a framework agreement (*Business Combination Agreement*, hereinafter the “BCA”) on June 14, 2016.

The Transaction will be carried out solely through an exchange of shares in two quasi-concurrent steps:

1. TECHNIP SA shall be absorbed by an English law company created for this purpose, TECHNIPFMC LIMITED (hereinafter “TECHNIPFMC”), as a result of which TECHNIP’s shareholders will receive TECHNIPFMC shares in consideration for the absorption of TECHNIP by way of a cross-border merger governed by Directive 2005/56/EC and the national laws transposing such directive (the “Merger”).

Immediately thereafter, and in an inter-conditional manner,

2. FMC TECHNOLOGIES, INC. will absorb, by way of a reverse triangular merger, a new Delaware law company formed specifically for this purpose and wholly owned by TECHNIPFMC. Pursuant to this transaction, in exchange for their shares, FMC TECHNOLOGIES, INC.’s shareholders will receive TECHNIPFMC shares and FMC TECHNOLOGIES, INC. will become a subsidiary of TECHNIPFMC.

According to the terms of the transaction, it should be noted that the exchange ratio will be determined through a comparison of the relative values of the shares of TECHNIP SA and FMC TECHNOLOGIES, INC.

In this context, (i) TECHNIP SA’s shareholders would receive two shares of TECHNIPFMC for each TECHNIP share they hold, and (ii) FMC TECHNOLOGIES, INC.’s

shareholders would receive one TECHNIPFMC share for each FMC TECHNOLOGIES, INC. share they hold.

Upon the completion of the Transaction, the former shareholders of TECHNIP and FMC TECHNOLOGIES will respectively hold approximately 50.9% and 49.1%² of TECHNIPFMC's capital.

TECHNIPFMC, whose capital could eventually be solely comprised of ordinary shares, will request the concurrent listing of all of its shares on the New York Stock Exchange and on the regulated market of Euronext Paris. TECHNIPFMC will remain an English law company, and the new group will have operating headquarters in Paris (France) and Houston (USA).

1.2 Presentation of the relevant companies

1.2.1 TECHNIP SA, absorbed company

TECHNIP SA is a French law company with limited liability (*société anonyme*) whose registered office is located at 89, avenue de la Grande Armée (75116 Paris – France). TECHNIP SA is registered with the Paris Trade and Companies Register under number 589 803 261.

At August 31, 2016, TECHNIP's share capital amounted to €93,281,878.63, divided into 122,336,890 shares of a nominal value of 0.7625€ per share, which were fully paid-up and of the same category. TECHNIP's shares are listed for trading on Compartment A of the regulated market of Euronext Paris under ISIN FR0000131708.

At August 31, 2016, 12,274,470 of TECHNIP SA shares benefitted from double voting rights, representing approximately 10.03% of TECHNIP's share capital and approximately 18.24% of its voting rights. It is reminded that the shareholders Bpifrance Participations SA and IFP Energies nouvelles, who hold approximately 73% of the shares carrying double voting rights, have confirmed³ in writing that they intend to vote in favor of (i) the transaction in an upcoming shareholder's general meeting and (ii) a resolution presented to an upcoming double voting right shareholders' special meeting eliminating double voting rights.

TECHNIP SA has granted its managers and employees free share plans as well as share subscription and purchase options representing a potential maximum issuance of 3,607,780 additional shares⁴ at August 31, 2016.

² These rates are given for illustrative purposes on a fully diluted basis and on the basis of respective capitalizations at May 18, 2016 and will depend on the number of outstanding shares of TECHNIP and FMC TECHNOLOGIES, INC. on the effective date.

³ See Form S-4 as submitted on September 19, 2016, page 257 and 258.

⁴ 2,216,749 pursuant to share subscription or purchase plans (of which 1,163,687 are exercisable to date) and 1,391,031 pursuant to performance-based share attribution schemes.

5,178,455 additional shares may also be issued as a result of the conversion of convertible and/or exchangeable bonds into new or existing shares (OCEANEs), the redemption date at par of which is January 1, 2017, absent conversion, exchange or early redemption.

The OCEANEs are listed on the Euronext Paris market.

“The Company has the following purpose in all countries:

- *all engineering studies and services, and construction of complex industrial plants, in particular for hydrocarbons, as well as all fields of industry, notably chemicals and life sciences;*
- *the design, manufacturing, purchase, sale, construction, assembly and installation of materials, products, equipment and systems intended for such installations, in particular fixed or floating platforms and pipelines for the development of oil fields at sea;*
- *the provision of all services related to these products, equipment and installations;*
- *the development and implementation of all processes and products for practical use in industry of the results of research carried out by the Company or by any other individual or entity;*
- *the registration, acquisition, direct or indirect use, sale or purchase of all brands, processes, patents, and licenses for the use of patents;*
- *the direct or indirect participation by the Company in all operations of the said type, either by way of formation of companies, contributions to existing companies, mergers with them, transfer to companies of all or part of its assets or rights in real and personal property, subscriptions, purchases and sales of securities and corporate interests, partnerships, advances, loans or otherwise;*
- *the investment by all means and in any form, in companies or industrial, commercial, financial and real property enterprises, whether French or foreign, regardless of legal form or organization and, where necessary, the disposal of these investments;*
- *more generally, all transactions of a commercial, financial, industrial or civil nature or in real or personal property, related directly or indirectly to any of the purposes listed above and to any similar or related purposes, both on its own behalf or on behalf of third parties, and more generally all transactions facilitating or related to the realization of these purposes.”*

TECHNIP SA is the holding company of the TECHNIP group, a world leader in project management, engineering and construction for the oil and gas industry. The group is

organized along two segments: (i) the Subsea segment includes the design, manufacture and installation of rigid and flexible subsea pipelines and umbilicals for both hydrocarbon field installations and subsea activities, and (ii) the Onshore/Offshore segment, which comprises conceptual studies, engineering and project management up until the commencement of operations of onshore and off-shore (fixed or floating) installations that are used, in particular, in the oil and gas industries.

The group's principal customers are international oil companies (BP, Chevron, ConocoPhillips, ExxonMobil, Shell and Total), numerous national oil companies (Petrobras, Petronas, Qatar Petroleum, Saudi Aramco, Statoil, etc.), as well as several significant independent oil companies such as Anadarko and Tullow Oil.

The TECHNIP group employs close to 32,000 employees and has operations in 45 countries located in five different continents.

TECHNIP SA's financial year ends on 31 December. The company publishes its annual accounts prepared in accordance with French accounting standards and consolidated financial statements prepared in accordance with IFRS as applied within the European Union.

1.2.2 TECHNIPFMC LIMITED, absorbing company

TECHNIPFMC LIMITED (hereinafter "TECHNIPFMC") is an English law private company limited by shares whose registered office is located at 1 Fetter Lane, London EC4A 1BR (United Kingdom). TECHNIPFMC has been registered with the Companies House under number 9909709 since December 9, 2015.

TECHNIPFMC's share capital amounts to 50.001 pounds sterling divided into one ordinary share and 50,000 redeemable preferred shares that do not carry voting rights.

TECHNIPFMC's corporate purpose is not limited, as permitted by 31(1) of the Companies Act 2006.

TECHNIPFMC also has a branch in France, which is located at 3, boulevard de Sébastopol (75001 Paris), and was registered with the Paris Trade and Companies Register under number 817 453 079 on December 24, 2015.

TECHNIPFMC's first financial year runs from December 9, 2015 to December 31, 2016. The company will prepare its annual accounts under IFRS in US dollars as from the completion of the merger.

At the date of this report, TECHNIPFMC is a wholly owned subsidiary of FMC TECHNOLOGIES, INC.

1.2.3 FMC TECHNOLOGIES, INC, parent company of the absorbing company which is intended to be absorbed by the absorbing company

FMC TECHNOLOGIES, INC. (hereinafter FMC TECHNOLOGIES or “FMCTI”) is a U.S. Delaware corporation, whose registered office is located at Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle (State of Delaware – United States). FMCTI is registered with the Delaware Secretary of State under number 3315658.

At June 30, 2016, FMCTI’s share capital was \$2,265,180 dollars, divided into 226,518,000 shares, which are listed for trading on the New York Stock Exchange (USA) under ISIN US30249U1016.

FMC TECHNOLOGIES’s corporate purpose is to perform any legal act or other activity for which companies may be created and registered under Delaware’s General Corporation Law.

The FMC TECHNOLOGIES’s group is a world leader in the market for subsea systems and one of the principal providers of equipment, technology and service to the oil and gas industry.

The FMC TECHNOLOGIES group employs close to 16,500 employees and operates 29 large production sites and service bases in 18 countries.

The group is organized along three segments: (i) *Subsea Technologies* (65% of consolidated group sales), which designs and manufactures equipment and furnishes technology and engineering know-how to oil and gas companies performing deep sea exploration and producing of crude oil and natural gas, (ii) *Surface Technologies* (25% of consolidated group sales), which carries activities similar to Subsea Technologies but for oil and gas companies that manage surface crude oil production and natural gas production projects (on land and offshore), and (iii) *Energy Infrastructure*, which manufactures measuring and transportation equipment, as well as systems used in projects relating to hydrocarbons (exploration, operation and transportation).

The group’s main customers are international oil companies such as Shell, BP and national oil companies like Petrobras, Statoil, and independent oil companies like Anadarko.

FMC TECHNOLOGIES, INC financial year ends on 31 December of each year and publishes its consolidated accounts presented in accordance with US GAAP.

FMC TECHNOLOGIES, INC. is not a direct party to this merger transaction, but is intended to be absorbed by TECHNIPFMC as mentioned above.

1.2.4 Relationships among the companies

At the date of this report, there are no capital ties between TECHNIP SA (absorbed entity) and TECHNIPFMC (absorbing entity).

Since 2015, TECHNIP SA and FMC TECHNOLOGIES, INC. have conducted a partnership through a 50/50 joint-venture (FORSYS SUBSEA).

TECHNIPFMC is wholly owned by FMC TECHNOLOGIES, INC. After having absorbed TECHNIP SA, TECHNIPFMC is meant to absorb FMC TECHNOLOGIES, INC. by way of merger with one of its subsidiaries, FMC TECHNOLOGIES, INC. being the surviving entity.

Ms. Caroline Maury Devine, a member of the board of directors of TECHNIP SA, was also a member of the board of directors of FMC TECHNOLOGIES, INC. until May 18, 2016 when she resigned from said board of directors.

1.3 Description of the transaction

1.3.1 Nature and purpose of the transaction

As indicated above, this merger forms part of the combination of TECHNIP and FMC TECHNOLOGIES, INC.

This combination should in particular bestow upon the combined entity a more flexible sales model offering integrated and bespoke solutions across the value chain. This new offering will allow the new entity to be more adaptable and to position itself in the face of industrial changes and the economic environment.

The two groups are significantly complementary in terms of products and customer bases, which should generate substantial synergies. Full year cost synergies are estimated to amount to at least \$400 million (expected for 2019) by the two groups.

1.3.2 Essential characteristics of the merger

Effective date of the transaction

For accounting purposes, the merger transaction will be effective on the date the contribution is definitively completed as determined by order of the High Court of Justice of England and Wales, which is expected to occur early 2017.

The parties have agreed to give retroactive effect to the transaction for French tax purposes at January 1, 2017.

Legal regime

Regarding the legal framework, the cross-border merger is governed by Directive 2005/56/EC and the national laws transposing that Directive.

Tax regime

A tax ruling request was filed with the *Bureau des Agréments* for the purpose of obtaining the benefit of the favorable tax regime applying to corporate income tax contemplated by article 210-A of the French General Tax Code with respect to mergers.

1.4 Description and assessment of the contributions

The contributions are composed of all of the elements – assets, liabilities and off-balance sheet commitments – that make up TECHNIP SA's assets (*patrimoine*).

In accordance with the terms of mergers by way of absorption, all of TECHNIP SA's assets and liabilities will be contributed to TECHNIPFMC, as such assets and liabilities are included in TECHNIP's assets (*patrimoine*) at the date of the definitive completion of the merger.

The parties agreed that TECHNIP SA would be the accounting acquirer pursuant to IFRS, and consequently, TECHNIP SA's contributions to TECHNIPFMC are valued based on their book value.

1.5 Remuneration for the contribution and the exchange ratio

The exchange ratio agreed by the parties for the Merger is two TECHNIPFMC shares for one TECHNIP share.

It should be noted that the Merger will be completed concurrently with the reverse triangular merger of FMC TECHNOLOGIES, INC., and that upon the completion of the

Transaction, the former shareholders of TECHNIP and FMC TECHNOLOGIES, INC. will respectively hold approximately 50.9% and 49.1% of TECHNIPFMC's capital⁵.

In this context, the exchange ratio is defined based on a comparison of the relative value of the shares of TECHNIP SA and FMC TECHNOLOGIES INC.

The exchange ratio agreed for the reverse triangular merger of FMC TECHNOLOGIES, INC. is one TECHNIPFMC share for one FMC TECHNOLOGIES, INC. share, the exchange ratio for TECHNIP SA / FMC TECHNOLOGIES, INC. shares is equal to two.

1.6 Conditions precedent

In accordance with the provisions of Article 15 of the draft merger agreement, this merger is subject to all of the terms and conditions contemplated by the BCA executed by the parties, and in particular:

- Approval of the merger and the draft merger agreement by the general meeting of TECHNIP's shareholders and approval of the elimination of double voting rights by the double voting right shareholders' special meeting of TECHNIP;
- Approval of the BCA and the transactions contemplated thereby, and in particular the merger of FMC TECHNOLOGIES, INC., by FMC TECHNOLOGIES, INC.'s shareholders;
- (i) NYSE and Euronext Paris listing approvals for the TECHNIPFMC shares, subject to a formal notice of issue and (ii) the absence of written notice by any governmental or independent authority to either party (or their respective legal representatives) denying the listing of the TECHNIPFMC shares on NYSE or Euronext Paris prior to the petition for the order of the High Court of England and Wales setting the Completion Date;
- The Registration Statement on final Form S-4 shall have been declared effective by the US Securities and Exchange Commission (SEC) and no stop order shall have been issued which affects the validity of the notice of effectiveness. All necessary approvals and consents relating to the Euronext Paris listing prospectus shall have been obtained from the relevant financial market regulator in the European Economic Area;
- Regulatory authorizations shall have been obtained with respect to the Transaction, particularly with respect to European and U.S. merger control and the other relevant authorities;

⁵ These rates are given for illustrative purposes on the basis of respective capitalizations at May 18, 2016 and will depend on the number of outstanding shares of TECHNIP and FMC TECHNOLOGIES, INC. on the effective date.

- The 30-day period for the objection of creditors has expired;
- Issuance of any compliance certificate required under French and UK regulations;
- Definitive completion of all preliminary transactions as described in the BCA;
- Notice that the French *Ministère de l'Economie, de l'Industrie et du Numérique (MINEFI)* has cleared the merger in accordance with articles L. 151-3 and R. 153-1 *et seq.* of the French Monetary and Financial Code, subject, however, to MINEFI's authorization being obtained under terms that do not require TECHNIPFMC, TECHNIP or FMCTI to take measures that are not otherwise required under the relevant provisions of the BCA;
- Confirmation by the United States Committee on Foreign Investment in the United States (CFIUS) that the transactions described in the BCA do not constitute a "covered transaction" and are not subject to a review under Section 721 of the U.S. Defense Production Act of 1950;

FMCTI or TECHNIP may terminate the BCA at any time so long as the mergers are not effective by July 18, 2017 at the latest. Each party has the option of extending this date to up to November 19, 2017 in the circumstances set forth in the BCA.

2. Verification of the appropriateness of the relative values attributed to the shares of the companies involved in the transaction

2.1 Valuation methods and relative values attributed to the shares of the companies that are parties to the draft merger agreement

As discussed above, in this context, the exchange ratio is determined by comparing the relative values of the shares of TECHNIP SA and FMC TECHNOLOGIES, INC.

In accordance with the draft merger agreement, dated October 4, 2016, executed by the parties' representatives, the exchange ratio for this merger is two TECHNIPFMC shares for one TECHNIP share.

In its multi-criteria valuation approach, which was established with the assistance of its financial advisors, TECHNIP notably used the following criteria (according to the extract of the draft report of TECHNIP SA's board of directors contemplated by the provisions of Article L. 236-27 of the French Commercial Code):

- discounted cash flows (DCF);
- stock prices; prior to the announcement of the Transaction and historical of stock prices, including crosschecked against trading multiples of comparable companies;
- analysis of the respective contributions to the combined entity as a whole.

For each of these analysis, the value creation for the shareholders as well as the profit generated from the potential synergies have also been taken into account.

We present hereunder main⁶ valuation methods used by the parties' respective financial advisors (Goldman Sachs Paris Inc. et Cie ("Goldman Sachs") and Rothschild & Cie ("Rothschild") for TECHNIP SA and Evercore Group LLC ("Evercore") for FMC TECHNOLOGIES, INC.) as they are presented in the Form S-4 as submitted on September 19, 2016.

Goldman Sachs and Rothschild have presented their analysis both including and excluding potential synergies. Only the analysis excluding synergies are presented below.

⁶ Sensitivity analysis of terminal value EV to multiple multiple and illustrative public market present value of future stock price analysis for « *standalone* » because presented only for information purpose.

2.1.1.1 Discounted cash flows (DCF)

This method consists in determining the intrinsic value of a company through the discounting of operating cash flows derived from its business plan at a rate that reflects the market's expected return rate for the company, while taking into account a terminal value at the end of such plan.

The analysis was made on the basis of stand-alone projections for each of the companies⁷.

Goldman Sachs and Rothschild analysis

Goldman Sachs and Rothschild have based their DCF analysis on financial forecasts for both TECHNIP and FMCTI as provided by TECHNIP.

On the basis of this criterion, and without taking into account potential synergies, TECHNIP's relative contribution to the pro forma combined entity amounts to between 48.4% and 63.3%, and the exchange ratio would be positioned between 1.803 and 3.324⁸ FMCTI shares for one TECHNIP share.

Evercore analysis

Evercore based its DCF analysis on financial forecasts for both FMCTI and TECHNIP, as provided by FMCTI.

On the basis of this criterion, and without taking into account potential synergies, the exchange ratio would be positioned between 1.3844 and 2.8505 FMCTI shares for one TECHNIP share.

2.1.1.2 Trading multiples of comparable companies

The comparable companies method consists in determining a company's value by applying multiples observed from a sample of other listed companies in the same sector using performance indicators that are considered as relevant, and financial indicators in particular.

Evercore analysis

In its comparable companies approach, Evercore has performed, for each company, an aggregate valuation on the basis of a global sample and a valuation of each of the two companies on the basis of samples specific to each segment of the two companies ("Sum of the Parts").

⁷ That is, made separately.





⁸ Data corresponding to last financial analysis of Goldman Sachs and Rothschild, as it will be disclosed in final S-4 Form.

Although no company was deemed to be completely comparable to TECHNIP or FMCTI, the following companies were used by Evercore, since their activities were considered as being similar to certain of TECHNIP's and FMCTI's activities for the purpose of the analysis:

The following comparable companies were selected:

	TECHNIP				FMCTI	
	Subsea	Equipments	Offshore Services	Engineering and Construction	Subsea	Offshore Services
National Oilwell Varco	X				X	
FMCTI,	X					
Dril-Quip	X				X	
Forum Energy	X				X	
Aker Solutions	X				X	
Tenaris					X	
Hunting					X	
Chart Industries					X	
Saipem		X				
Petrofac		X				
Subsea 7		X				
McDermott International		X				
Oceaneering International			X			X
Frank's International			X			X
Helix Energy Solutions Group			X			X
AECOM				X		
Chicago Bridge & Iron				X		
Fluor				X		
Jacobs				X		
KBR				X		

Source: Form S-4

-  Companies selected for the Subsea segment of Technip for the SOTP trading analysis
-  Companies selected for the Onshore/Offshore segment of Technip for the SOTP trading analysis
-  Companies selected for the Subsea segment of FMC Tech. for the SOTP trading analysis
-  Companies selected for the Surface segment of FMC Tech. for the SOTP trading analysis

On the basis of EBITDA, EBIT and estimated net income indicators drawn from analysts' consensus for 2016 to 2018, the observed multiples (EV/EBITDA, EV/EBIT and P/E) were applied to 2016, 2017 and 2018 TECHNIP and FMCTI indicators and without taking into account potential synergies.

On the basis of the aggregate valuation, the exchange ratio would be positioned between 1.1357 and 3.4450 FMCTI shares for one TECHNIP share.

On the basis of the Sum of the Parts valuation, the exchange ratio would be positioned between 1.1188 and 3.0967 FMCTI shares for 1 TECHNIP share.

2.1.1.3 Stock prices prior to the announcement of the Transaction and historical stock prices

Goldman Sachs and Rothschild analysis

The stock prices that were analyzed were:

- the spot price on May 16, 2016 prior to the announcement of the transaction,
- the volume weighted average price between April 28, 2016 (the date Q1 2016 results were published) and May 16, 2016,
- the volume weighted average prices at 1 month, 3 months, 6 months, 12 months and 36 months at May 16, 2016.

On the basis of this criterion, TECHNIP's relative contribution to the pro forma combined entity amounts to between 47.1% and 50.7%, and the exchange ratio would be positioned between 1.712 and 1.979 FMCTI share for one TECHNIP share.

Goldman Sachs and Rothschild have crosschecked the stock prices and resulting multiples against trading multiples of comparable companies.

Although no company was deemed to be completely comparable to TECHNIP or FMCTI, the following companies were used, since their activities were considered as being similar to certain of TECHNIP's and FMCTI's activities for the purpose of the analysis.

- *European engineering and construction companies:* Aker Solutions, AMEC Foster Wheeler, Petrofac, Saipem, Subsea 7 and Wood Group ;
- *International equipment manufacturers:* Dril-Quip, Forum Energy, Hunting, NOV and Oceaneering;
- *Diversified world-class companies:* Baker Hughes, Halliburton, Schlumberger and Weatherford;
- *North American engineering and construction companies:* Chicago Bridge & Iron, Fluor, Jacobs, KBR and SNC-Lavallin.

Evercore analysis

Evercore analyzed historical trading prices of FMCTI shares and TECHNIP shares over the 12 months period preceding May 17, 2016, noting that the low and high closing prices during such period ranged from \$22.77 to \$43.25 for FMCTI and \$39.72 to \$70.72 for TECHNIP.

Evercore calculated an implied exchange ratio reference range by dividing the low end of the historical trading price range for TECHNIP by the high end of the historical trading price range for FMCTI and by dividing the high end of the historical trading price range for TECHNIP by the low end of the historical trading price range for FMCTI.

Evercore presented this analysis to the board of directors of FMCTI for information purposes, but Evercore did not use this analysis as a basis for its fairness opinion.

On the basis of this criterion, the exchange ratio would be positioned between 0.9102 and 3.1058 FMCTI shares for one TECHNIP share.

2.1.1.4 Analysts' target share prices

Goldman Sachs and Rothschild analysis

On the basis of this criterion, and without taking into account potential synergies, TECHNIP's relative contribution to the pro forma combined entity amounts to 47% and the exchange ratio would be 1.700 FMCTI shares for one TECHNIP share.

Evercore analysis

On the basis of this criterion and without taking into account potential synergies, the exchange ratio would be positioned between 0.9065 and 3.6639 FMCTI shares for one TECHNIP share. Evercore presented this analysis to the board of directors of FMCTI for information purposes, but Evercore did not use this analysis as a basis for its fairness opinion.

2.1.1.5 Analysis of the respective contributions to the combined entity

Goldman Sachs and Rothschild analysis

Goldman Sachs and Rothschild analyzed TECHNIP's and FMCTI's relative contributions to the combined entity's EBITDA and net income on the basis of the projected data of both groups that was drawn from financial forecasts for both TECHNIP and FMCTI as provided by TECHNIP for 2017 to 2019.

On the basis of this criterion and without taking into account potential synergies, TECHNIP's relative contribution to the pro forma combined entity amounts to between 56% and 66% and the exchange ratio would be positioned between 2.482 and 3.720 FMCTI shares for one TECHNIP share.

Evercore analysis

Evercore analyzed TECHNIP's and FMCTI's relative contribution to different indicators of the combined entity (revenue, EBITDA, EBIT, net income, free cash flow, book value of equity and net property plant and equipment of the combined company) on the basis of 2015 contributions and the projected data of both groups for 2016 to 2018, in each case without taking into account potential synergies. Evercore presented this

analysis to the board of directors of FMCTI for information purposes, but Evercore did not use this analysis as a basis for its fairness opinion.

The analysis of the relative contributions to these seven different indicators would result in an exchange ratio positioned between 0.25 and 6.63 FMCTI shares for one TECHNIP share.

Evercore refined its analysis of EBTIDA and EBIT, the most relevant measures, and limited its analysis to 2017 and 2018. On this basis, the exchange ratio would be narrowed within a range of 3 to 4 FMCTI shares for one TECHNIP share.

2.1.1.6 Summary of the approaches carried out by the parties

On the basis of the exchange ratios calculated as described above and other criteria taken into account by TECHNIP and FMCTI, the parties selected, after a negotiation, an exchange ratio of two FMCTI shares for one TECHNIP share, which translates into, in the context of this Merger, an exchange ratio of two TECHNIPFMC shares for one TECHNIP share.

2.2 Procedures performed by the merger appraisers

Our mission, which is provided for by law, is not an audit mission nor a limited review mission. Therefore, the objective of our mission is not to enable us to formulate an opinion on the accounts or to carry out specific verifications relating to compliance with company law. Our mission cannot be likened to a due diligence mission carried out for a lender or an acquirer and did not entail all of the work necessary to such an assignment.

We carried out the procedures that we deemed necessary in view of the professional standards issued by the *Compagnie Nationale des Commissaires aux Comptes* for the purposes of assessing the remuneration of the contributions, and in particular the appropriateness of the relative values attributed to the securities of the companies involved in the transaction and the positioning of the exchange ratio in view of such relative values that were deemed appropriate.

In particular, we carried out the following work:

- we had discussions with the representatives and the advisors of the participating companies, in order to understand both the proposed merger transaction and its context, for the purpose of analyzing the proposed accounting, financial and legal terms;
- we reviewed the draft merger agreement of October 4, 2016 and its annexes;
- we reviewed an extract from the draft report of TECHNIP SA's board of directors contemplated by the provisions of article L. 236-27 of the French Commercial

!Code which describes the exchange ratio that was selected and the valuation methods that were used;

- reviewed the draft prospectus submitted to U.S. (Form S-4⁹ for the SEC) and French regulators (AMF);
- we reviewed the memorandum of understanding dated May 18, 2016 and the BCA dated June 14, 2016;
- we reviewed the legal and accounting information serving as the basis of the transaction;
- we reviewed the annual financial statements and the consolidated financial statements for the year ended December 31, 2015 and the consolidated interim financial statements at June 30, 2016 of both TECHNIP et FMCTI, as well as the reports of the statutory auditors on the individual and consolidated accounts at December 31, 2015, which were certified without reservation, and the limited review certifications which contained no observations on the consolidated accounts at June 30, 2016;
- we analyzed and discussed the financial analysis presentations of the financial advisors prepared on May 18, 2016 by Goldman Sachs and Rothschild (TECHNIP's financial advisors) on the one hand, and by Evercore (FMCTI's financial advisor), on the other hand, each of which prepared a fairness opinion which are described in the Form S-4;
- we analyzed the appropriateness of the selected criteria, reviewed the implementation parameters, carried out various sensitivity analyses and implemented our own approaches to the values as we determined to be necessary;
- we obtained an affirmation letter from the managers of the companies concerned by the merger confirming, in particular, the absence of events or facts that could significantly impact the conditions of the transaction, the relative valuations and the value of the contributions;
- we assumed that there were no significant tax impacts arising from the cross-border transaction, both as regards France and the United States;

Finally, we carried out procedures that are specific to reviewing the contributions, which are described in a separate report.

⁹ Drafts of Form S-4 as submitted on August 10, 2016 and September 19, 2016

2.3 Merger appraisers' comments and observations on the valuation methods used by TECHNIP

2.3.1 Criteria rejected by TECHNIP

In its multi-criteria valuation approach, TECHNIP rejected the following criteria:

- comparable transaction multiples;
- discounted dividend model; and
- net book value.

We reviewed the reasoning that led to the rejection of those methods. We believe that those criteria were excluded with good reason.

2.4 Examined criteria

2.4.1 Preliminary statement

We will examine in turn the parity resulting from the five methods that seem to us as being the most relevant in the context of this merger:

- trading price method;
- analysts' target share price method;
- trading multiples of comparable companies method;
- the direct approach of comparing indicators and their weight in the combined entity; and
- discounted cash flows.

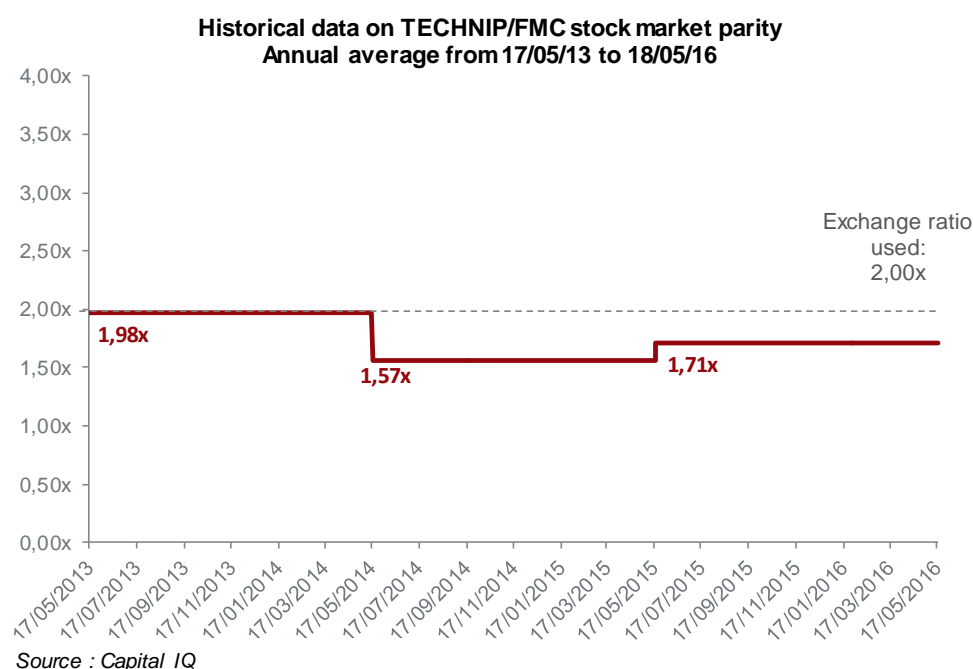
Since the two relevant companies belong to the same industry, the assessment of an exchange ratio implies using identical valuation methods and similar assumptions, particularly in the case of discounted cash flows.

The criteria that were thus selected by the parties and their financial advisors seem to us to be appropriate for the purpose of determining the relative values. We will provide our own analyses hereafter.

2.4.2 Trading price

Regarding listed companies with significant free floats (of the order of 64% and 73% at June 30, 2016 for TECHNIP and FMCTI, respectively) and whose securities have sufficient trading volumes, referring to the trading price seems to us to be justified and relevant.

The history of the exchange ratio over the last three years is as follows:



Historical stock price exchange ratio

Weighted average share price	Technip €/share	Exchange rate EUR/USD	FMCTI \$/share	Exchange ratio
Spot (05.18.16)	46,38	1,13	28,65	1,83x
1-month average	49,43	1,14	29,12	1,93x
3-months average	47,70	1,12	27,15	1,97x
6-months average	45,35	1,11	26,82	1,87x
1-year average	47,54	1,11	30,80	1,71x
3-years average	57,99	1,22	40,90	1,71x

Source: Capital IQ

The exchange ratio on the day before the announcement of the transaction (May 18, 2016) was 1.83x, i.e., 1.83 FMCTI shares for one TECHNIP share.

The review of the history of the exchange ratio results in a range of between 1.71x (one-year average) and 1.97x (three-month average).

2.4.3 Analysts' target share price

TECHNIP and FMCTI are followed by more than twenty analysts, a sample that is sufficient for carrying out the target share price criterion.

We used the last analyst reports published before the announcement of the Transaction and adjusted the sample for extreme values.

The exchange ratio thus externalized is between 1.66 and 1.81 FMCTI share for one TECHNIP share.

2.4.4 Trading multiples of comparable companies

The trading multiples of comparable companies method consists in determining the value of a company by applying multiples observed in a sample of other listed companies in the same sector to financial indicators that are deemed to be relevant.

Carrying out this approach assumes that there is an available sample of comparable companies in terms of activities, operational characteristics, size and profitability.

In the absence of companies that are truly comparable to FMCTI's Surface segment, we concluded that a sum of parts analysis could not be validly applied to FMCTI and so we also did not perform such an analysis on TECHNIP.

The analysis was therefore performed on the basis of companies that are globally comparable to all of the respective activities of TECHNIP and FMCTI.

The following companies were selected:

- For TECHNIP : Subsea 7, McDermott, Saipem and Aker Solutions;
- For FMCTI : Dril-Quip, National Oilwell Varco, Oil States International, Forum Energy Technology, Hunting, Oceaneering International and Aker Solutions.

The EBIT and EBITDA multiples externalized from these samples were applied to TECHNIP's and FMCTI's 2017 and 2018 indicators.¹⁰

The exchange ratio externalized on this basis would be positioned within a range of 1.32 and 2.22 FMCTI shares per one TECHNIP share.

2.4.5 Approach of directly comparing indicators (EBITDA/EBIT) and estimated relative weight in the new entity

We deemed that it was useful to examine the relative performance of the two entities, in addition to comparing them using historical multiples applied to the same indicators.

¹⁰ Given the extremely unfavorable economic context, 2016 was not considered as being representative of activity levels and was not used in our analysis.

They can be summarized as follows:

Implied contribution of Technip and FMCTI

M€	Combined excl. Synergies	TECHNIP relative contribution	FMCTI relative contribution	Implied Exchange Ratio
EBITDA 2017	1 308	64%	36%	3,29x
EBITDA 2018	1 517	56%	44%	2,42x
EBITDA 2019	2 002	59%	41%	2,65x
EBITDA 2020	2 270	56%	44%	2,36x
EBIT 2017	850	66%	34%	3,69x
EBIT 2018	1 021	57%	43%	2,53x
EBIT 2019	1 472	61%	39%	2,98x
EBIT 2020	1 723	58%	42%	2,57x
Net income 2017	495	64%	36%	3,26x
Net income 2018	620	53%	47%	2,14x
Net income 2019	947	59%	41%	2,72x
Net income 2020	1 130	56%	44%	2,34x

Source: Merger appraisers analysis

Depending on the reference years, the exchange ratio lies within a range of between 2.14 and 3.69.

2.4.6 Discounted cash-flow (“DCF”)

Construction of business plans

TECHNIP and FMCTI each prepared five-year business plans (2016 – 2020) approved by TECHNIP’s board of directors (TECHNIP BP) and by FMCTI’s board of directors (FMCTI BP).

For the purpose of the relative value of the companies, the business plans were adjusted downwards by TECHNIP on the one hand, and by FMCTI on the other hand, to reflect their expectations of the market and of each company’s activities.

Assessment of the principal valuation assumptions by the merger appraisers

In accordance with our procedures, we reviewed the principal assumptions retained for the purpose of estimating discounted cash flows at June 30, 2016 and performed our own valuation. We describe the sensitivity analysis of such evaluation hereafter.

In light of the documents obtained and the working meetings held with the respective management of TECHNIP and FMCTI, it did not seem necessary to us to make significant adjustments to the projected data used by TECHNIP and FMCTI. We specify that the projected data appeared to be consistent with financial analysts’ projections.

In the context of performing our DCF approach,

- we placed our valuations at June 30, 2016 and therefore adjusted 2016 cash flows for changes in cash arising from operating cash flows in the first six months of the financial year;
- TECHNIP's 2016 projected data was adjusted to take into account interim results and the upwards revision of 2016 objectives announced by TECHNIP when it published its Q2 2016 results on July 28, 2016;
- FMCTI's normative terminal cash flow was adjusted with respect to working capital requirements and investments.

TECHNIP'S and FMCTI'S net debt position was calculated on the basis of each company's interim consolidated financial statements as at June 30, 2016. In particular, we took employee benefits and derivative instruments into account in our calculations. Regarding TECHNIP'S bonds (principally OCEANES due 2017), such bonds were treated as debt in the calculation of adjusted net debt; their respective exercise values being deeply out of the money. Regarding the net position of long-term contracts assets and liabilities accounted for in TECHNIP'S consolidated balance sheet as of June 30, 2016, it was reprocessed in our calculation of net cash position, considering that this cash is not representative of cash available to the shareholders as it corresponds to client's prepayments.

Finally, the number of shares used for the purpose of calculating the value per share was calculated on the basis of the known number of outstanding shares at August 31, 2016 and adjusted for treasury shares and in-the-money grants of free shares.

We used the average weighted cost of capital of the companies to discount future cash flows, which amounted to 10.4% and 11.4% for TECHNIP and FMCTI.

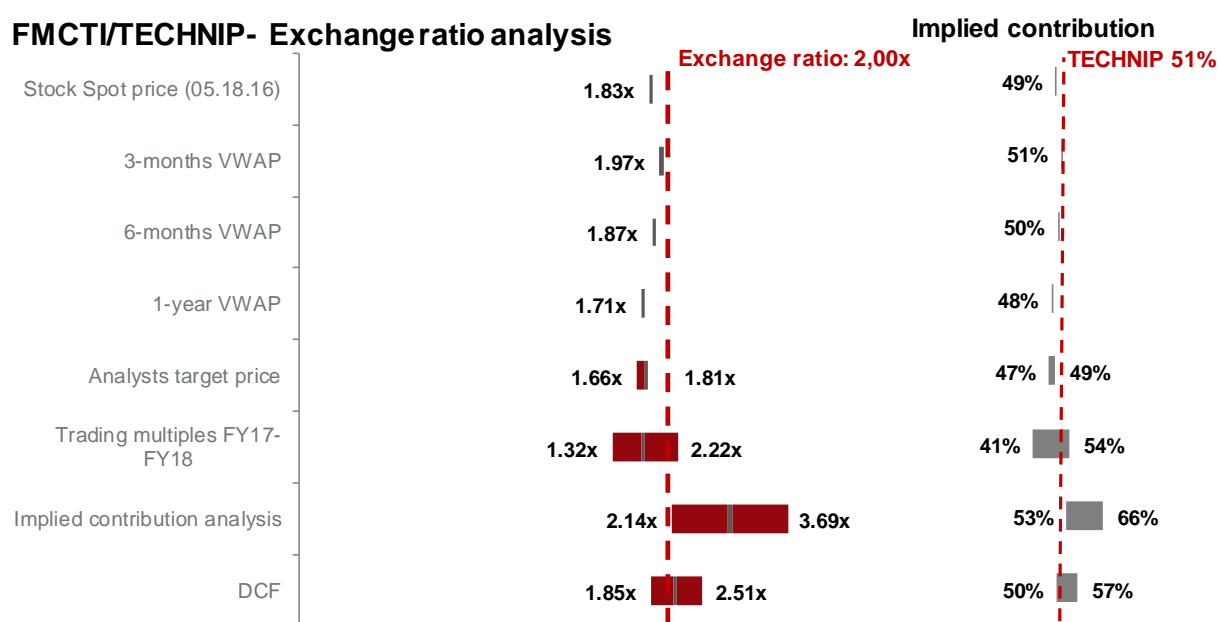
We performed sensitivity analyses relating to (i) the infinite growth rate, (ii) the discount rate, and (iii) the EV/EBITDA implied exit multiple.

On the basis of our assessment of the relative values of the TECHNIP and FMCTI shares through the DCF method, the exchange ratio lies within a range of 1.85 and 2.51, with a central value of 2.16 FMCTI shares for one TECHNIP share.

2.4.7 Summary of the relative values

The examined criteria (trading price and target share price, comparable multiples and discounted cash flow) appear appropriate for the purpose of determining the exchange ratio.

The results of the performance of multi-criteria valuation¹¹ show the following parities:



Source: Merger appraisers' analysis
 * Volume Weighted Average Price (VWAP)

¹¹ The exchange rate used for calculating the exchange ratio corresponds to the spot rate at June 30, 2016.

3. Assessment of the fairness of the proposed exchange ratio

3.1 Exchange ratio proposed by the parties

On the basis of a multi-criteria analysis, the parties set the exchange ratio at two FMCTI share for one TECHNIP shares, which translates into, in the context of this Merger, an exchange ratio of two TECHNIPFMC shares for one TECHNIP share.

3.2 Procedures carried out to verify the fairness of the exchange ratio

We performed the following principal procedures:

- we analyzed the positioning of the exchange ratio compared to the relative values that were deemed to be relevant;
- we also assessed the impact of the exchange ratio on the future position of the two sets of shareholders.

3.3 Assessment of the positioning of the proposed exchange ratio

In our view, the various criteria used reflect a fulsome multi-criteria approach.

The range resulting from this approach is relatively large, and leaves significant room for discretion.

The exchange ratio agreed upon by the parties is close to the two criteria we consider to be the most significant for reflecting the dominant characteristics of both companies, i.e., the DCF method and the respective trading prices.

The DCF method seems relevant to us to the extent that it enables the value attributable to the development of each group to be recognized: the bottom range of this criterion is at 1.85 FMCTI shares for one TECHNIP share.

The trading prices show, in a consistent and structural manner, different multiples for TECHNIP and FMCTI (with a ratio in the order of 2 to 3). It should be recalled that TECHNIP and FMCTI shares do not trade on the same markets (Paris and New York, respectively). Moreover, the nature of their respective activities, the risk profiles and market perception are not identical for both groups.

The fact that the exchange ratio reflects this structural difference in market valuation does not call into question its fairness.

Indeed, it is suitable to observe in an in-depth manner the respective situations of each set of shareholders as regards changes in the new group's earnings per share.

3.4 Impact of the exchange ratio on the position of the shareholders

3.4.1 Change in consolidated net earnings per share

For the purpose of assessing the fairness of the transaction, in addition to examining the industrial purpose of the Transaction, it is also useful to examine the synergies that the transaction is likely to generate over a phasing-in period, which could have an impact on dilution or accretion of earnings per share over a foreseeable period for the different sets of shareholders, given the exchange ratio agreed upon by the parties.

During our mission, we have understood that the Transaction would have an impact on the growth rate through an offering that, in the current cycle, allows customer needs to be answered to in a market that should experience an uptake in the near future. To our knowledge, these revenue synergies have not been precisely quantified at this stage.

The costs synergies identified by FMCTI's management have, however, been quantified as lying within a range of 330M\$ to 565M\$ per year, with a central case of 470M\$¹² on a full-year basis in 2019 after a progressive implementation phase¹³. The parties reported in their communication that costs synergies before tax were estimated at least 400M\$ in 2019.

These synergies, which represent approximately 3% of combined structure costs, correspond to savings that can be realized through the rationalization of IT and real estate infrastructures, a reduction in administrative expenses and supply chain optimization.

The complementary nature of the business activities covered by the two groups should facilitate the analyses by the competition authorities, and it is not expected that the new group's strategic scope will be impacted or will cause issues with respect to the realization of synergies.

Thus, if differences in valuation multiples by their trading price cause the Transaction to be dilutive for TECHNIP's shareholders in terms of earnings per share, if we do not take into account any synergies, the Transaction should be accretive on the earnings per share for the two sets of shareholders, and in particular for shareholders of TECHNIP as of 2018 after taking into account synergies¹⁴ on the basis of the development plan contemplated by the parties.

Aside from the impact of the above-mentioned synergies, it is also necessary to consider the impact that the valuation multiple acknowledged by the market depending on how the profile of the new group is perceived will have.

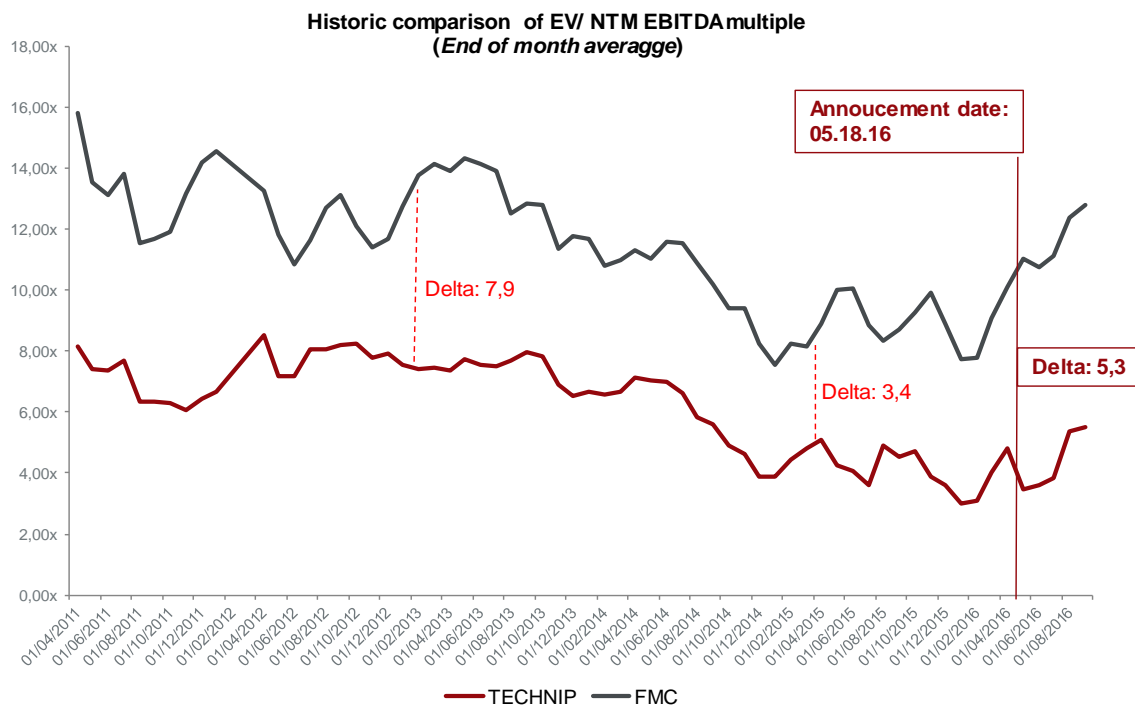
¹² Source : Form S-4 as submitted on September 19, 2016.

¹³ Estimated synergies amount to 95M\$ and 375 M\$ for 2017 and 2018, respectively, and implementation costs amount to 250M\$.

¹⁴ Central case synergies of 470 M\$ and implementation costs included.

3.4.2 Analysis of value creation for the shareholder

TECHNIP and FMCTI shares show very different valuation multiples, from 5x to 6x EBITDA with respect to TECHNIP and from 10 to 12x EBITDA with respect to FMCTI, which represents a significant difference (5.27 on the date the Transaction was announced).



Time Period	EV/NTM EBITDA Multiple		
	TECHNIP	FMCTI	Delta
Spot multiple (09.29.16)	5,51x	12,80x	7,29
Pre-announcement multiple	4,82x	10,09x	5,27
1-year average	4,12x	9,05x	4,93
3-year average	5,58x	10,45x	4,87
5-year average	6,31x	11,44x	5,14

Source: Capital IQ

We have sought to simulate the impact for both sets of shareholders of the trading price of the new combined entity on the basis of valuation multiples assumptions for the purpose of determining at what inferred multiple threshold each set of shareholders benefits from value creation.

It appears that for a TECHNIP shareholder (based on TECHNIP's current trading price¹⁵), value creation would occur in 2018 if the combined entity trades at least 6.9x its EBITDA¹⁶ (i.e., a lower multiple than the current weighted average multiple of TECHNIP and FMCTI), and in 2019 if the combined entity trades at least 4.8x its EBITDA.

¹⁵ Trading price of €50.43 at September 28, 2016.

¹⁶ Combined EBITDA including synergies central case (470 M\$) and implementation costs.

4. Summary

This merger of the two groups is a medium-term strategic transaction, aimed at providing an offer that accelerates growth in the current context of a market at the bottom of the investment cycle due to the fall in oil prices. The aim is to immediately respond to the needs of oil companies in order to accelerate recovery then growth once the market has started to pick up again, such pick-up being expected to start in 2018 and then accelerate in 2019/2020.

The two parties have negotiated the financial terms and conditions of the merger and the governance of the new group at arm's length, which reflect the agreement of a merger of equals.

The parity of 2 TECHNIPFMC shares for 1 TECHNIP share retained will indeed lead to shareholders of TECHNIP and of FMC TECHNOLOGIES, INC. respectively holding approximately 51% and 49% of the new entity¹⁷.

We have the following comments on these financial terms and conditions:

- the exchange ratio falls within a fairly wide range based on the relevant criteria implemented;
- the parity reflects the respective values of the two companies determined on the basis of their respective stock market prices, which are the structural externalization of several very different multiples, which can be explained by the differences between their activity profiles and by the risk perceived by the market;
- the intrinsic analysis provided by the DCF method or the direct comparison of performance aggregates lead to highly variable parities within the multi-criteria approach, the parity adopted is close to the DCF criteria, stock market prices and the multiples approach.

We believe that these criteria provide a relevant reflection of the key characteristics of the two groups considered.

Due to gap between valuation multiple, the Transaction may lead to a dilution of the profits per share for the TECHNIP shareholder.

We believe that this observation does not undermine the fairness of the exchange ratio adopted, as the two groups of shareholders may benefit from an improvement in the valuation multiples due to the combined profile of the new group.

In addition, the analyses of synergies carried out only identified cost savings. Any revenue synergies could also contribute to a significant improvement in the future results of the new entity.

¹⁷ These rates are given for illustrative purposes on the basis of respective capitalizations at May 18, 2016 and will depend on the number of outstanding shares of TECHNIP and FMC TECHNOLOGIES, INC. on the effective date.

On the sole basis of the costs synergies as identified and quantified by management of the two companies, the Operation would be accretive in terms of earnings per share starting 2018 for the two groups of shareholders.

5. Conclusion

In conclusion, we consider that the exchange ratio of 2 TECHNIPFMC shares for 1 TECHNIP share is fair for the two groups of shareholders.

Executed in Paris on October 5, 2016

The Merger Appraisers

Olivier PERONNET

Didier KLING

Statutory Auditors

Members of the Paris Regional Professional Body