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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2003

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 1-16489

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**FMC Technologies, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation or organization)

**200 East Randolph Drive, Chicago, Illinois**  
(Address of principal executive offices)

**36-4412642**  
(I.R.S. Employer  
Identification No.)

**60601**  
(Zip code)

**(312) 861-6000**  
(Registrant's telephone number, including area code)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

<u>Class</u>	<u>Outstanding at July 31, 2003</u>
Common Stock, par value \$0.01 per share	65,946,223

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**PART I—FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**

FMC Technologies, Inc. and Consolidated Subsidiaries

Consolidated Statements of Income (Unaudited)

(In millions, except per share data)

	Three Months Ended June 30		Six Months Ended June 30	
	2003	2002	2003	2002
Revenue	\$ 609.9	\$ 542.3	\$ 1,109.6	\$ 965.9
Costs and expenses:				
Costs of sales and services	491.0	428.6	896.5	763.7
Selling, general and administrative expense	73.1	72.8	141.7	138.3
Research and development expense	10.8	12.2	21.0	24.1
Total costs and expenses	574.9	513.6	1,059.2	926.1
Income before minority interests, net interest expense and income taxes	35.0	28.7	50.4	39.8
Minority interests	0.2	0.4	0.4	1.0
Net interest expense	2.5	3.3	4.7	6.7
Income before income taxes	32.3	25.0	45.3	32.1
Provision for income taxes	9.4	7.2	13.2	9.3
Income before the cumulative effect of a change in accounting principle	22.9	17.8	32.1	22.8
Cumulative effect of a change in accounting principle, net of income taxes (Note 3)	—	—	—	(193.8)
Net income (loss)	\$ 22.9	\$ 17.8	\$ 32.1	\$(171.0)
Basic earnings (loss) per share (Note 9):				
Income before the cumulative effect of a change in accounting principle	\$ 0.35	\$ 0.27	\$ 0.49	\$ 0.35
Cumulative effect of a change in accounting principle	—	—	—	(2.97)
Basic earnings (loss) per share	\$ 0.35	\$ 0.27	\$ 0.49	\$ (2.62)
Basic weighted average shares outstanding	66.1	65.3	66.0	65.3
Diluted earnings (loss) per share (Note 9):				
Income before the cumulative effect of a change in accounting principle	\$ 0.34	\$ 0.27	\$ 0.48	\$ 0.34
Cumulative effect of a change in accounting principle	—	—	—	(2.91)
Diluted earnings (loss) per share	\$ 0.34	\$ 0.27	\$ 0.48	\$ (2.57)
Diluted weighted average shares outstanding	66.8	66.9	66.6	66.5

The accompanying notes are an integral part of the consolidated financial statements.

FMC Technologies, Inc. and Consolidated Subsidiaries

Consolidated Balance Sheets

(In millions, except per share data)

	June 30, 2003	December 31, 2002
	(Unaudited)	
<b>Assets:</b>		
Current assets:		
Cash and cash equivalents	\$ 63.3	\$ 32.4
Trade receivables, net of allowances of \$10.0 in 2003 and \$10.5 in 2002	464.0	419.2
Inventories (Note 4)	295.9	273.1
Due from FMC Corporation, net	—	1.9
Other current assets	71.0	86.0
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Total current assets	894.2	812.6
Investments	29.1	29.4
Property, plant and equipment, net of accumulated depreciation of \$391.6 in 2003 and \$390.2 in 2002	315.6	306.1
Goodwill (Note 3)	90.6	83.6
Intangible assets, net (Note 3)	37.1	36.3
Other assets	23.1	20.1
Deferred income taxes	67.6	74.6
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Total assets	\$ 1,457.3	\$ 1,362.7
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<b>Liabilities and stockholders' equity:</b>		
Current liabilities:		
Short-term debt	\$ 204.8	\$ 59.4
Current portion of long-term debt	—	0.1
Accounts payable, trade and other	473.4	421.2
Other current liabilities	191.9	178.8
Income taxes payable	24.8	29.5
Current portion of accrued pension and other postretirement benefits	21.3	21.0
Deferred income taxes	15.2	18.2
	<hr/>	<hr/>
Total current liabilities	931.4	728.2
Long-term debt, less current portion	50.5	175.4
Accrued pension and other postretirement benefits, less current portion	82.7	76.8
Reserve for discontinued operations	13.5	18.1
Other liabilities	36.6	55.8
Minority interests in consolidated companies	6.3	4.6
Commitments and contingent liabilities (Note 11)	—	—
Stockholders' equity:		
Preferred stock, \$0.01 par value, 12.0 shares authorized; no shares issued in 2003 or 2002	—	—
Common stock, \$0.01 par value, 195.0 shares authorized; 66.3 and 65.6 shares issued in 2003 and 2002; 66.1 and 65.5 shares outstanding in 2003 and 2002	0.7	0.7
Common stock held in employee benefit trust, at cost, 0.2 and 0.1 shares in 2003 and 2002	(2.8)	(2.5)
Capital in excess of par value of common stock	550.8	543.7
Unamortized restricted stock compensation	(9.2)	(5.1)
Retained deficit	(55.3)	(87.4)
Accumulated other comprehensive loss (Note 8)	(147.9)	(145.6)
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Total stockholders' equity	336.3	303.8
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Total liabilities and stockholders' equity	\$ 1,457.3	\$ 1,362.7
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The accompanying notes are an integral part of the consolidated financial statements.

FMC Technologies, Inc. and Consolidated Subsidiaries  
Consolidated Statements of Cash Flows (Unaudited)  
(In millions)

	Six Months Ended June 30	
	2003	2002
Cash provided (required) by operating activities of continuing operations:		
Income before the cumulative effect of a change in accounting principle	\$ 32.1	\$ 22.8
Adjustments to reconcile income before the cumulative effect of a change in accounting principle to cash provided by operating activities of continuing operations:		
Depreciation	22.7	19.2
Amortization	4.0	3.6
Employee benefit plan costs	7.6	6.6
Deferred income taxes	4.0	6.7
Other	2.2	3.0
Changes in operating assets and liabilities:		
Trade receivables, net	(44.9)	(50.8)
Inventories	(24.2)	(44.3)
Other current assets and other assets	4.3	(30.7)
Accounts payable (including advance payments), other current liabilities and other liabilities	71.2	130.5
Income taxes payable	(4.7)	(10.4)
Accrued pension and other postretirement benefits, net	(1.4)	(3.9)
Cash provided by operating activities of continuing operations	\$ 72.9	\$ 52.3

(continued)

FMC Technologies, Inc. and Consolidated Subsidiaries  
Consolidated Statements of Cash Flows (Unaudited) (Continued)  
(In millions)

	Six Months Ended June 30	
	2003	2002
Cash provided by operating activities of continuing operations	\$ 72.9	\$ 52.3
Cash required by discontinued operations	(4.6)	(2.2)
Cash provided (required) by investing activities:		
Capital expenditures	(27.7)	(31.9)
Retirement of sale-leaseback obligations (Note 5)	(35.9)	(21.6)
Proceeds from disposal of property, plant and equipment	1.1	2.2
(Increase) decrease in investments	0.4	(0.8)
Cash required by investing activities	(62.1)	(52.1)
Cash provided (required) by financing activities:		
Net increase in short-term debt	145.4	24.1
Repayments of long-term debt	(124.9)	(43.7)
Issuances of common stock, net of common stock acquired for employee benefit plan	4.0	1.0
Cash provided (required) by financing activities	24.5	(18.6)
Effect of exchange rate changes on cash and cash equivalents	0.2	—
Increase (decrease) in cash and cash equivalents	30.9	(20.6)
Cash and cash equivalents, beginning of period	32.4	28.0
Cash and cash equivalents, end of period	\$ 63.3	\$ 7.4
<b>Supplemental disclosures of cash flow information:</b>		
Cash paid for interest (net of capitalized interest)	\$ 5.3	\$ 7.4
Cash paid for income taxes (net of refunds received)	\$ 13.1	\$ 11.5
<b>Supplemental schedule of non-cash activity:</b>		
Common stock issued for restricted stock awards	\$ 6.2	\$ 7.0

The accompanying notes are an integral part of the consolidated financial statements.

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FMC Technologies, Inc. and Consolidated Subsidiaries  
Notes to Consolidated Financial Statements (Unaudited)

Note 1: Basis of Presentation

The accompanying consolidated financial statements include the accounts of FMC Technologies, Inc. and its majority-owned subsidiaries ("FMC Technologies" or the "Company").

In the opinion of management, these consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States applicable to interim period financial statements and reflect all adjustments necessary for a fair statement of the Company's results of operations and cash flows for the interim periods ended June 30, 2003 and 2002, and of its financial position as of June 30, 2003. All such adjustments are of a normal recurring nature.

These interim consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto, which are included in the Company's Annual Report on Form 10-K as filed with the Securities and Exchange Commission for the year ended December 31, 2002.

The results of operations for interim periods are not necessarily indicative of the results of operations for full years.

Note 2: Stock-Based Compensation

The Company accounts for stock compensation using the recognition and measurement principles of Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees," and related Interpretations. Employee compensation cost related to restricted stock grants is recognized ratably over the vesting period. However, no employee compensation cost related to common stock options is reflected in net income, as each option granted under the plan had an exercise price equal to the market value of the underlying common stock on the date of grant. The following table illustrates the effect on net income (loss) and earnings (loss) per share assuming the Company had applied the fair value recognition provisions of Statement of Financial Accounting Standards ("SFAS") No. 123, "Accounting for Stock-Based Compensation," to all awards of common stock options:

(In millions, except per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
Net income (loss), as reported	\$ 22.9	\$ 17.8	\$32.1	\$(171.0)
Add: Stock-based employee compensation expense included in reported net income (loss), net of related tax effects	0.5	1.0	1.1	1.9
Deduct: Stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(2.3)	(2.4)	(4.2)	(4.6)
Pro forma net income (loss)	\$ 21.1	\$ 16.4	\$29.0	\$(173.7)
Per share data:				
Income before the cumulative effect of a change in accounting principle:				
Basic—as reported	\$ 0.35	\$ 0.27	\$0.49	\$ 0.35
Basic—pro forma	\$ 0.32	\$ 0.25	\$0.44	\$ 0.31
Diluted—as reported	\$ 0.34	\$ 0.27	\$0.48	\$ 0.34
Diluted—pro forma	\$ 0.32	\$ 0.25	\$0.44	\$ 0.30
Earnings (loss) per share:				
Basic—as reported	\$ 0.35	\$ 0.27	\$0.49	\$ (2.62)
Basic—pro forma	\$ 0.32	\$ 0.25	\$0.44	\$ (2.66)
Diluted—as reported	\$ 0.34	\$ 0.27	\$0.48	\$ (2.57)
Diluted—pro forma	\$ 0.32	\$ 0.25	\$0.44	\$ (2.61)

In December 2002, SFAS No. 148 was issued to amend the disclosure requirements of SFAS No. 123 to require prominent disclosures in both annual and interim period financial statements about the method of accounting for stock-based compensation and the effect of the method used on reported results, and to allow for alternative methods of transition for a change to the fair value based method of accounting for stock-based employee compensation. The Company has chosen to continue to account for compensation cost related to common stock options using the recognition and measurement principles of APB Opinion No. 25 and related Interpretations, and has adopted the disclosure provisions of SFAS No. 148 for its interim period financial reports. Implementation of SFAS No. 148 did not have a material impact on the Company's financial position or results of operations.

### Note 3: Goodwill and Other Intangible Assets

On January 1, 2002, the Company adopted the provisions of SFAS No. 142, "Goodwill and Other Intangible Assets." SFAS No. 142, which together with SFAS No. 141, "Business Combinations," provides guidance for the recognition, amortization and continuing valuation of goodwill and other intangible assets acquired in a business combination. During the first quarter of 2002, the Company completed the goodwill impairment testing that is required upon adoption of SFAS No. 142. As a result, the Company recognized a goodwill impairment loss of \$193.8 million, net of an income tax benefit of \$21.2 million, as the cumulative effect of a change in accounting principle measured as of January 1, 2002.

#### *Intangible assets*

All of the Company's acquired intangible assets are subject to amortization and, where applicable, foreign currency translation adjustments. The Company recorded \$0.7 million and \$1.3 million in amortization expense related to intangible assets in the three-month and six-month periods ended June 30, 2003, respectively. The Company estimates that amortization of intangible assets will be approximately \$3 million for the year ending December 31,

2003. During the years 2004 through 2008, annual amortization expense is expected to be approximately \$3 million. No impairment losses related to these identifiable intangible assets were required to be recognized as a result of implementing SFAS No. 142.

The components of intangible assets were as follows:

(In millions)	June 30, 2003		December 31, 2002	
	Gross carrying amount	Accumulated amortization	Gross carrying amount	Accumulated amortization
Customer lists	\$ 17.4	\$ 4.8	\$ 17.1	\$ 4.4
Patents	26.3	15.1	24.2	13.6
Trademarks	17.5	4.2	16.9	3.9
<b>Total intangible assets</b>	<b>\$ 61.2</b>	<b>\$ 24.1</b>	<b>\$ 58.2</b>	<b>\$ 21.9</b>

#### Goodwill

During 2002, the carrying amount of goodwill reflected the impairment loss recognized upon adoption of the new accounting standard. The reported pre-tax impairment loss of \$215.0 million (\$193.8 million after tax) related to FoodTech (\$117.4 million before tax; \$98.3 million after tax) and Energy Processing Systems (\$97.6 million before tax; \$95.5 million after tax). The after-tax impairment loss was reflected as a cumulative effect of a change in accounting principle.

The impairment loss was calculated at the reporting unit level and represents the excess of the carrying value of reporting unit goodwill over its implied fair value. The implied fair value was determined by a two-step process. The first step compared the fair value of the reporting unit (measured as the present value of expected future cash flows) to its carrying amount. If the fair value of the reporting unit was less than its carrying amount, the fair value of the reporting unit was allocated to its assets and liabilities to determine the implied fair value of goodwill, which was used to measure the impairment loss. In conjunction with implementation of SFAS No. 142, all of the Company's reporting units were tested for impairment during the first quarter of 2002.

The carrying amount of goodwill by business segment was as follows:

(In millions)	June 30, 2003	December 31, 2002
Energy Production Systems	\$ 54.4	\$ 47.8
Energy Processing Systems	17.2	17.3
<b>Subtotal Energy Systems</b>	<b>71.6</b>	<b>65.1</b>
FoodTech	14.6	14.2
Airport Systems	4.4	4.3
<b>Total goodwill</b>	<b>\$ 90.6</b>	<b>\$ 83.6</b>

At June 30, 2003 and December 31, 2002, the carrying amount of goodwill included the impact of foreign currency translation adjustments.

#### Note 4: Inventories

Inventories consisted of the following:



(In millions)	June 30, 2003	December 31, 2002
Raw materials	\$ 80.5	\$ 77.0
Work in process	116.1	120.1
Finished goods	222.7	193.6
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Gross inventories before LIFO reserves and valuation adjustments	419.3	390.7
LIFO reserves and valuation adjustments	(123.4)	(117.6)
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Net inventories	\$ 295.9	\$ 273.1
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#### Note 5: Termination of Sale-Leaseback Agreements

During 2000 and 1999, the Company entered into agreements for the sale and leaseback of an airplane and certain equipment. The leases were classified as operating leases in accordance with SFAS No. 13, "Accounting for Leases." In 2003 and 2002, the Company repurchased these assets and terminated the sale-leaseback agreements.

During the second quarter of 2002, the Company exercised an option to purchase its leased airplane for \$21.6 million in cash. This asset had previously been sold by FMC Corporation to a third party via a sale-leaseback transaction. The asset was subsequently assigned to the Company in connection with the Separation and Distribution Agreement relating to the spin-off of the Company from FMC Corporation, which required that the airplane be sold and any gain or loss and cash flow impact related to the sale be shared equally between FMC Corporation and the Company. The Company sold the airplane in the third quarter of 2002.

In March 2003, the Company elected to pay \$35.9 million to repurchase equipment and terminate certain sale-leaseback agreements. The effect on the Company's consolidated balance sheet was an increase in property, plant and equipment of \$15.1 million and a reversal of the \$20.8 million in non-amortizing credits recognized in connection with the original transaction, which were included in other long-term liabilities. Termination of these sale-leaseback obligations did not have a material impact on the Company's results of operations.

#### Note 6: Derivative Financial Instruments

Hedge ineffectiveness and the portion of derivative gains or losses excluded from assessments of hedge effectiveness related to outstanding cash flow hedges and recorded in earnings during the three- and six-month periods ended June 30, 2003 and 2002, were not significant. At June 30, 2003, the net deferred hedging gain in accumulated other comprehensive loss was \$1.3 million. Approximately \$0.5 million of net gains are expected to be recognized in earnings during the twelve months ending June 30, 2004, at the time the underlying hedged transactions are realized. Net gains of \$0.8 million are expected to be recognized at various times through November 30, 2012. At June 30, 2003, the Company had recognized the following amounts in the consolidated balance sheet representing the fair values of derivative instruments: \$13.8 million in other current assets, \$1.8 million in other assets, \$7.8 million in other current liabilities and \$0.5 million in other liabilities.

At December 31, 2002, the net deferred hedging gain in accumulated other comprehensive loss was \$3.9 million. The Company had recognized the following amounts in the consolidated balance sheet representing the fair values of derivative instruments: \$35.4 million in other current assets, \$0.9 million in other assets, \$13.1 million in other current liabilities and \$3.0 million in other liabilities.

#### Note 7: Commercial Paper

The Company initiated a commercial paper program in the first quarter of 2003 to provide an alternative vehicle for meeting short-term funding requirements. Under this program and subject to available capacity under the Company's revolving credit facilities, the Company has the ability to access up to \$400 million of short-term financing through its commercial paper dealers. As of June 30, 2003, short-term debt included \$185.0 million of commercial paper with maturities ranging from 1 to 30 days, with an average annual interest rate of 1.35%.

In June 2003, the Company entered into interest rate swaps related to \$150.0 million of its commercial paper borrowings. The effect of these interest rate swaps is to fix the effective annual interest rate of these borrowings at an average rate of 2.9%. These interest rate swaps mature in June 2008. The swaps are accounted for as cash flow hedges and their fair value is included in other assets on the Company's consolidated balance sheet at June 30, 2003.

Note 8: Comprehensive Income (Loss)

Comprehensive income (loss) consisted of the following:

(In millions)	Three Months Ended June 30		Six Months Ended June 30	
	2003	2002	2003	2002
Net income (loss)	\$ 22.9	\$17.8	\$ 32.1	\$(171.0)
Foreign currency translation adjustment	22.4	9.4	13.9	17.7
Cumulative effect of a change in functional currency	(12.8)	—	(12.8)	—
Net deferral of hedging gains (losses)	2.5	9.8	(2.6)	9.8
Adjustment to minimum pension liability	(0.8)	—	(0.8)	—
<b>Comprehensive income (loss)</b>	<b>\$ 34.2</b>	<b>\$37.0</b>	<b>\$ 29.8</b>	<b>\$(143.5)</b>

Accumulated other comprehensive income (loss) consisted of the following:

(In millions)	June 30, 2003	December 31, 2002
Cumulative foreign currency translation adjustments	\$(111.0)	\$ (112.1)
Cumulative deferral of hedging gains	1.3	3.9
Cumulative adjustments to minimum pension liability	(38.2)	(37.4)
<b>Accumulated other comprehensive income (loss)</b>	<b>\$(147.9)</b>	<b>\$ (145.6)</b>

Note 9: Earnings Per Share ("EPS")

Basic EPS is computed using the weighted average number of common shares outstanding during the period. Diluted EPS is computed using the combination of the weighted average number of common shares outstanding during the period and the number of additional common shares that would have been outstanding if the potentially dilutive common shares had been issued.

Diluted EPS for the three- and six-month periods ended June 30, 2003, included 0.7 million and 0.6 million incremental shares, respectively, related to stock options and restricted stock.

Note 10: Warranty Obligations

The Company provides for the estimated cost of warranties at the time revenue is recognized and when additional specific obligations are identified. The balance sheet obligation is based on historical experience by product, and considers failure rates and the related costs incurred in correcting a product failure. The Company believes its methodology provides a reasonable estimate of its liability. Warranty cost and accrual information is as follows:

(In millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
Balance at beginning of period	\$ 12.1	\$ 9.9	\$ 11.9	\$11.6
Expenses for new warranties	5.6	2.8	8.6	5.0
Adjustments to pre-existing warranties	(0.7)	0.5	(0.5)	(0.5)
Claims paid	(5.0)	(2.7)	(8.0)	(5.6)
Balance at end of period	\$ 12.0	\$ 10.5	\$ 12.0	\$10.5

**Note 11: Commitments and Contingent Liabilities**

In February 2003, the Company initiated court action in the Judicial District Court in Harris County, Texas, against ABB Lummus Global, Inc., seeking recovery of scheduled payments owed and compensatory, punitive and other damages.

In August 2002, the Company initiated court action in the United Kingdom to confirm that certain components of its subsea production systems' designs do not conflict with a patent issued to Cooper Cameron Corporation in Europe. In response, Cooper Cameron Corporation initiated court action alleging infringement of certain of their U.K. patents.

In the ordinary course of business with customers, vendors, and others, the Company issues standby letters of credit, performance bonds, and other guarantees. During the six months ended June 30, 2003, the Company entered into an additional \$88.3 million of these instruments, of which approximately \$60 million related to the operations of the Energy Production Systems' business segment.

The Company's management believes that the ultimate resolution of its known contingencies will not materially affect the Company's consolidated financial position, results of operations or cash flows.

Note 12: Business Segment Information

(In millions)	Three Months Ended June 30		Six Months Ended June 30	
	2003	2002	2003	2002
<b>Revenue</b>				
Energy Production Systems	\$ 290.2	\$ 227.4	\$ 555.6	\$ 425.4
Energy Processing Systems	103.5	103.3	198.0	187.3
Intercompany eliminations	(0.3)	—	(0.3)	(1.3)
Subtotal Energy Systems	393.4	330.7	753.3	611.4
FoodTech	165.3	152.6	260.6	244.3
Airport Systems	53.1	60.3	99.4	113.1
Intercompany eliminations	(1.9)	(1.3)	(3.7)	(2.9)
	\$ 609.9	\$ 542.3	\$ 1,109.6	\$ 965.9
<b>Income before income taxes and the cumulative effect of a change in accounting principle</b>				
Energy Production Systems	\$ 20.0	\$ 10.7	\$ 36.1	\$ 21.6
Energy Processing Systems	8.1	7.5	9.5	10.5
Subtotal Energy Systems	28.1	18.2	45.6	32.1
FoodTech	15.3	16.9	21.5	21.2
Airport Systems	1.9	3.3	2.7	4.3
Segment operating profit	45.3	38.4	69.8	57.6
Corporate expense	(6.3)	(6.3)	(12.4)	(12.0)
Other expense, net	(4.2)	(3.8)	(7.4)	(6.8)
Operating profit before net interest expense and income taxes	34.8	28.3	50.0	38.8
Net interest expense	(2.5)	(3.3)	(4.7)	(6.7)
Income before income taxes and the cumulative effect of a change in accounting principle	\$ 32.3	\$ 25.0	\$ 45.3	\$ 32.1

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## **ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

### **FORWARD-LOOKING STATEMENTS—SAFE HARBOR PROVISIONS**

Item 2 of this report contains certain forward-looking statements that are based on management's current views and assumptions regarding future events, future business conditions and management's outlook for FMC Technologies, Inc. ("FMC Technologies" or the "Company") based on currently available information.

In some cases, we have identified forward-looking statements by such words or phrases as "will likely result," "is confident that," "expects," "should," "could," "may," "will continue to," "believes," "anticipates," "predicts," "forecasts," "estimates," "projects," "potential," "intends" or similar expressions identifying "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including the negative of those words or phrases. Such forward-looking statements are based on management's current views and assumptions regarding future events, future business conditions and the outlook for our Company based on currently available information. The forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, these statements. These statements are qualified by reference to our discussion of important factors that could affect our financial position and could cause our actual results for future periods to differ materially from any opinions or statements expressed in, or implied by, these statements, included in the section "Cautionary Note Regarding Forward-Looking Information" in Part I, Item 1 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2002. We wish to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made and involve judgment.

We caution that the referenced list of factors may not be all-inclusive, and we specifically decline to undertake any obligation to publicly revise any forward-looking statements that have been made to reflect events or circumstances after the date of such statements, or to reflect the occurrence of anticipated or unanticipated events.

### **BACKGROUND INFORMATION**

FMC Technologies, Inc. was incorporated in Delaware on November 13, 2000, and was a wholly owned subsidiary of FMC Corporation until its initial public offering on June 14, 2001, when it sold 17.0% of its common stock to the public. On December 31, 2001, FMC Corporation distributed its remaining 83.0% ownership of FMC Technologies' common stock to FMC Corporation shareholders in the form of a dividend (the "Distribution"). Each FMC Corporation shareholder of record as of December 12, 2001, received a dividend of approximately 1.72 shares of FMC Technologies' common stock for each share of FMC Corporation common stock.

**RESULTS OF OPERATIONS****Three Months Ended June 30, 2003 Compared With  
Three Months Ended June 30, 2002**

The following table summarizes our operating results for the three months ended June 30, 2003 and 2002:

(In millions, except %)	Three Months Ended June 30		Favorable/ (Unfavorable)	
	2003	2002	\$	%
<b>Revenue</b>				
Energy Production Systems	\$ 290.2	\$ 227.4	\$ 62.8	27.6%
Energy Processing Systems	103.5	103.3	0.2	0.2
Intercompany eliminations	(0.3)	—	(0.3)	*
Subtotal Energy Systems	393.4	330.7	62.7	19.0
FoodTech	165.3	152.6	12.7	8.3
Airport Systems	53.1	60.3	(7.2)	(11.9)
Intercompany eliminations	(1.9)	(1.3)	(0.6)	*
Total revenue	\$ 609.9	\$ 542.3	\$ 67.6	12.5%
<b>Segment Operating Profit</b>				
Energy Production Systems	\$ 20.0	\$ 10.7	\$ 9.3	86.9%
Energy Processing Systems	8.1	7.5	0.6	8.0
Subtotal Energy Systems	28.1	18.2	9.9	54.4
FoodTech	15.3	16.9	(1.6)	(9.5)
Airport Systems	1.9	3.3	(1.4)	(42.4)
Total segment operating profit	45.3	38.4	6.9	18.0
Corporate expense	(6.3)	(6.3)	—	—
Other expense, net	(4.2)	(3.8)	(0.4)	(10.5)
Operating profit before net interest expense and income taxes	34.8	28.3	6.5	23.0
Net interest expense	(2.5)	(3.3)	0.8	24.2
Income before income taxes	32.3	25.0	7.3	29.2
Provision for income taxes	9.4	7.2	(2.2)	(30.6)
Net income	\$ 22.9	\$ 17.8	\$ 5.1	28.7%

\* Not meaningful

**CONSOLIDATED RESULTS OF OPERATIONS**

Our total revenue for the three months ended June 30, 2003 increased 12.5 % to \$609.9 million, driven by a 27.6 % increase in Energy Production Systems' revenue.

Our pre-tax income for the three months ended June 30, 2003, of \$32.3 million (\$22.9 million after tax), compared favorably with pre-tax income for the quarter ended June 30, 2002, of \$25.0 million (\$17.8 million after tax). The increase in 2003 pre-tax income was primarily attributable to higher operating profit from our Energy Production

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Systems business segment, partially offset by lower profitability from our FoodTech and Airport Systems business segments.

Based on the strength of our Energy Systems businesses, we have increased the upper end of our estimate of full year 2003 earnings per share to \$1.15 from \$1.10.

## **OPERATING RESULTS OF BUSINESS SEGMENTS**

Segment operating profit is defined as total segment revenue less segment operating expenses. The following items have been excluded in computing segment operating profit: corporate staff expense, interest income and expense associated with corporate debt facilities and investments, income taxes and other expense, net.

### ***Energy Production Systems***

Increased revenue for Energy Production Systems was primarily attributable to subsea systems for projects in major offshore oil and gas producing regions, including the Gulf of Mexico and offshore West Africa, as oil companies continued to increase their investment in offshore exploration and production. Sales also increased due to increased surface wellhead activity in Asia Pacific and the Middle East. Revenues were also favorably affected by foreign currency exchange rates relative to the prior year period.

Energy Production Systems' operating profit in the second quarter of 2003 increased compared with the second quarter of 2002 as a result of higher sales volumes and margins in our subsea business. This increase was partially offset by the impact of weaker surface wellhead margins in North America and lower margins for floating production systems.

For full year 2003, we expect continued growth in the Energy Production Systems business segment driven by revenue related to subsea systems, a large floating production project for Sonatrach and, to a lesser extent, sales of surface wellhead equipment as the North America market further improves. The trend toward offshore deepwater development reflects the positive economics of subsea oil and gas production. The Sonatrach project for turnkey offshore mooring systems involves higher engineering content and pass through billings associated with our role as general contractor. We expect this contract will be less profitable as a percent of sales than other contracts in this business segment. The anticipated growth in surface activity reflects higher rig counts in North America, the result of firmer natural gas prices and lower levels of natural gas inventory, as well as continued surface activity in Asia, the Middle East and Europe.

### ***Energy Processing Systems***

Energy Processing Systems' revenue for the three months ended June 30, 2003, was flat when compared with the same period in 2002, as increased sales, primarily for measurement solutions, were offset by lower sales of loading systems. While sales of fluid control equipment were flat when compared with the prior year, there was an increase in sales of WECO®/Chiksan® equipment in the latter part of the quarter, the result of increased rig counts in the United States.

Energy Processing Systems' operating profit in the second quarter of 2003 increased compared with the second quarter of 2002. The increase reflected the favorable impact of cost savings programs and lower period costs, while lower profitability from the loading systems business in 2003 partially offset this increase.

While we have not yet seen a sustained increase in demand for Energy Processing Systems equipment, we believe that this business segment is in a position to benefit from increased drilling activity and rig counts in the United States. Positive trends for this business segment include the growth in order backlog and the increased sales of WECO®/Chiksan® equipment in the latter part of the second quarter of 2003.

### ***FoodTech***

FoodTech's revenue increased in the second quarter of 2003 compared with the second quarter of 2002. This increase reflected the favorable impact of foreign currency exchange rates and higher sales volumes for food processing equipment in Asia, Europe and Africa, partially offset by a decrease in domestic sales of freezing and cooking systems.

FoodTech's operating profit in the second quarter of 2003 decreased compared with the second quarter of 2002. The decrease in profitability was the result of lower second quarter 2003 volumes due to an earlier Florida citrus crop and competitive pressures in the citrus industry. The decrease was partially offset by the favorable impact of foreign

currency exchange rates and lower costs resulting from restructuring activities in various food processing businesses.

Economic uncertainty both in the United States and abroad caused some delay in orders for FoodTech equipment. While we are not forecasting higher revenues for full year 2003, we continue to expect a slight improvement in profitability as a result of the favorable impact of our continued cost-cutting initiatives.

### **Airport Systems**

Airport Systems' revenue decreased in the second quarter of 2003 compared with 2002, primarily reflecting lower domestic sales of Jetway® passenger boarding bridges and airport ground support equipment as a result of continued weakness in the domestic airline industry. Partially offsetting this decrease were sales of airport ground support equipment to customers outside of the United States and increased sales of automated material handling systems.

Airport Systems' operating profit in the second quarter of 2003 decreased compared with the second quarter of 2002. The decrease was primarily attributable to lower volumes of Jetway® passenger boarding bridges, partially offset by the favorable impact of a higher volume of automated material handling systems.

Capital spending by U.S. commercial airlines continues to be low as a result of business conditions in that industry. For the remainder of 2003, we expect the downturn in our Jetway® passenger boarding bridge and domestic ground support equipment businesses to continue to be offset in part by sales of Halvorsen loaders to the U.S. Air Force. However, sales of Halvorsen loaders for periods after December 31, 2003 are dependent upon government approval of funding. Following is a summary of Halvorsen loader deliveries, including our full year 2003 estimate:

(Number of units delivered)	Three Months Ended June 30 (Actual)		Six Months Ended June 30 (Actual)	
	2003	2002	2003	2002
Halvorsen loaders	28	32	62	49

  

(Number of units delivered)	Year Ended December 31	
	2003 (Estimate)	2002 (Actual)
Halvorsen loaders	92	133

### **Order Backlog**

Order backlog is calculated as the estimated sales value of unfilled, confirmed customer orders at the reporting date.

(In millions)	June 30, 2003	December 31, 2002	June 30, 2002
Energy Production Systems	\$ 728.0	\$ 822.5	\$ 676.6
Energy Processing Systems	119.2	110.0	104.5
Subtotal Energy Systems	847.2	932.5	781.1
FoodTech	120.9	107.2	134.4
Airport Systems	124.7	112.0	124.8
Total order backlog	\$1,092.8	\$ 1,151.7	\$1,040.3

Energy Production Systems' order backlog at June 30, 2003, decreased compared with December 31, 2002, primarily as a result of delays in the timing of subsea projects in both the Gulf of Mexico and Brazil. When compared with June 30, 2002, order backlog increased primarily as a result of the increase in orders for subsea systems and floating production equipment, primarily in the second half of 2002 in the Gulf of Mexico and the North Sea.

Energy Processing Systems' order backlog at June 30, 2003, increased when compared with December 31, 2002, as a result of higher order backlog for fluid control equipment, measurement solutions and loading systems, partially



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offset by lower order backlog for the blending and transfer systems business. When compared with June 30, 2002, order backlog at June 30, 2003 increased, reflecting orders received by all businesses other than blending and transfer systems.

FoodTech's order backlog at June 30, 2003, increased when compared with December 31, 2002, primarily as a result of higher order backlog for tomato harvesters in Europe, partially offset by a reduction in order backlog for tomato processing equipment in Europe. The increase in order backlog for tomato harvesters was driven by delayed shipments. Compared with June 30, 2002, the order backlog decrease was attributable primarily to lower order backlog for freezing and cooking systems in Asia and freezing systems in Europe, partially offset by an increase in order backlog for food processing equipment in Europe.

Airport Systems' order backlog at June 30, 2003, increased when compared with December 31, 2002. Higher order backlog for ground support equipment, Jetway® passenger boarding bridges and automated material handling systems was partially offset by lower order backlog for Halvorsen loaders. When compared with June 30, 2002, order backlog at June 30, 2003 was substantially unchanged, as a decrease in order backlog for Halvorsen loaders largely offset the increased order backlog for automated material handling systems and international orders for airport ground support equipment.

## **OTHER COSTS AND EXPENSES**

### ***Other Expense, Net***

Other expense, net, consists primarily of LIFO inventory adjustments, expense related to employee pension and other postretirement employee benefits, expense related to the transition of our payroll and benefit administration service center, foreign currency-related gains or losses and amortization expense for restricted stock.

Other expense, net, for the three months ended June 30, 2003 increased compared with the three months ended June 30, 2002. The increase was primarily attributable to the impact of foreign currency exchange rates in 2003.

### ***Net Interest Expense***

Net interest expense for the quarterly period ended June 30, 2003 was lower compared with the same period in 2002 as a result of lower average debt levels.

During the quarter, we entered into a series of interest rate swaps that effectively locked in the effective annual interest rate on \$150.0 million of our commercial paper portfolio for five years at 2.9%. Absent any acquisitions, we expect total debt net of cash to be near \$200 million by the end of 2003. Consequently, we expect net interest expense for the second half of the year to be at or below the expense recognized in the first half of the year.

### ***Income Tax Expense***

Income tax expense for the three months ended June 30, 2003 was \$9.4 million on pre-tax earnings of \$32.3 million. Income tax expense for the three months ended June 30, 2002 was \$7.2 million on pre-tax earnings of \$25.0 million. The difference between our effective income tax rate of 29% during these periods and the statutory U.S. federal income tax rate relates primarily to the difference between the U.S. tax rate and foreign tax rates applied to foreign earnings and qualifying foreign trade income not subject to U.S. tax.

Management estimates that the effective tax rate for full year 2003 will be 29%.

**Six Months Ended June 30, 2003 Compared With  
Six Months Ended June 30, 2002**

The following table summarizes our operating results for the six months ended June 30, 2003 and 2002:

(In millions, except %)	Six Months Ended June 30		Favorable/ (Unfavorable)	
	2003	2002	\$	%
<b>Revenue</b>				
Energy Production Systems	\$ 555.6	\$ 425.4	\$ 130.2	30.6%
Energy Processing Systems	198.0	187.3	10.7	5.7
Intercompany eliminations	(0.3)	(1.3)	1.0	*
Subtotal Energy Systems	753.3	611.4	141.9	23.2
FoodTech	260.6	244.3	16.3	6.7
Airport Systems	99.4	113.1	(13.7)	(12.1)
Intercompany eliminations	(3.7)	(2.9)	(0.8)	*
Total revenue	\$ 1,109.6	\$ 965.9	\$ 143.7	14.9%
<b>Segment Operating Profit</b>				
Energy Production Systems	\$ 36.1	\$ 21.6	\$ 14.5	67.1%
Energy Processing Systems	9.5	10.5	(1.0)	(9.5)
Subtotal Energy Systems	45.6	32.1	13.5	42.1
FoodTech	21.5	21.2	0.3	1.4
Airport Systems	2.7	4.3	(1.6)	(37.2)
Total segment operating profit	69.8	57.6	12.2	21.2
Corporate expense	(12.4)	(12.0)	(0.4)	(3.3)
Other expense, net	(7.4)	(6.8)	(0.6)	(8.8)
Operating profit before net interest expense and income taxes	50.0	38.8	11.2	28.9
Net interest expense	(4.7)	(6.7)	2.0	29.9
Income before income taxes	45.3	32.1	13.2	41.1
Provision for income taxes	13.2	9.3	(3.9)	(41.9)
Income before the cumulative effect of a change in accounting principle	32.1	22.8	9.3	40.8
Cumulative effect of a change in accounting principle, net of income taxes	—	(193.8)	193.8	*
Net income (loss)	\$ 32.1	\$ (171.0)	\$ 203.1	*

\* Not meaningful

**CONSOLIDATED RESULTS OF OPERATIONS**

Revenue for the six months ended June 30, 2003 was \$1.1 billion, an increase of 14.9% compared with the six months ended June 30, 2002. Higher sales attributable to our Energy Systems businesses and, to a lesser extent, FoodTech, were partially offset by lower sales of Airport Systems.

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Income before income taxes for the six months ended June 30, 2003 of \$45.3 million (\$32.1 million after tax) compared favorably with income before income taxes and the cumulative effect of a change in accounting principle for the six months ended June 30, 2002 of \$32.1 million (\$22.8 million after tax). The increase in income in 2003 was primarily attributable to higher segment operating profit and lower net interest expense.

We recorded net income of \$32.1 million for the six months ended June 30, 2003. A net loss of \$171.0 million for the six months ended June 30, 2002 included the cumulative effect of a change in accounting principle of \$215.0 million (\$193.8 million after tax) recorded in the first quarter of 2002. On January 1, 2002, we adopted the provisions of Statement of Financial Accounting Standards (“SFAS”) No. 142, “Goodwill and Other Intangible Assets,” which together with SFAS No. 141, “Business Combinations,” provides guidance for the recognition, amortization and continuing valuation of goodwill and other intangible assets acquired in a business combination. We completed the goodwill impairment testing that is required upon adoption of SFAS No. 142 during the first quarter of 2002. The adoption of SFAS No. 142 on January 1, 2002, resulted in a loss from the cumulative effect of a change in accounting principle of \$193.8 million, net of an income tax benefit of \$21.2 million, affecting the FoodTech business segment (\$117.4 million before tax; \$98.3 million after tax) and the Energy Processing Systems business segment (\$97.6 million before tax; \$95.5 million after tax). This loss was not the result of a change in the outlook of the businesses but was due to a change in the method of measuring goodwill impairment as required by the adoption of SFAS No. 142. The impact of adopting the provisions of SFAS No. 142 relating to goodwill amortization resulted in our discontinuing the amortization of goodwill beginning January 1, 2002.

## **OPERATING RESULTS OF BUSINESS SEGMENTS**

### ***Energy Production Systems***

Energy Production Systems’ revenue and operating profits increased in the first six months of 2003 compared with the same period in 2002. Higher revenue was primarily attributable to subsea systems for projects in the major offshore oil and gas producing basins and, to a lesser extent, the favorable impact of foreign currency exchange rates. Increased profitability reflected higher sales volumes and margins in our subsea business.

### ***Energy Processing Systems***

Energy Processing Systems’ revenue increased in the first six months of 2003 compared with the same period in 2002 while operating profit declined. We recorded higher revenue in 2003 in each of the businesses, with the most notable increases arising from the measurement solutions and blending and transfer systems businesses. Lower operating profit in 2003 was primarily attributable to employee severance costs and increased expense related to contract reserve adjustments.

### ***FoodTech***

FoodTech’s revenue and operating profit increased in the first six months of 2003 compared with the same period in 2002. The increase in revenue reflected the favorable impact of foreign currency exchange rates, as well as higher sales of food processing equipment in Asia, Europe and Africa, partially offset by a decrease in domestic sales of freezing systems. The increase in profitability was primarily attributable to a lower cost structure, reflecting the favorable impact of previous restructuring activities in various food processing businesses, as well as the positive impact of higher sales volumes and favorable foreign currency exchange rates.

### ***Airport Systems***

Airport Systems’ revenue and operating profit decreased in the first six months of 2003 compared with the same period in 2002, which was primarily attributable to the financial difficulties of commercial airlines in the United States. The impact of lower volumes of Jetway® passenger boarding bridges and airport ground support equipment was partially offset by favorable results in the Halverson loader and automated material handling systems businesses.

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## **OTHER COSTS AND EXPENSES**

### ***Other Expense, Net***

For the six months ended June 30, 2003, other expense, net, was higher compared with the same period in 2002, primarily reflecting the impact of foreign currency exchange rates, partially offset by lower restricted stock compensation expense.

### ***Net Interest Expense***

Net interest expense decreased in the first half of 2003 compared to the first half of 2002 as a result of lower average debt levels and, to a lesser extent, lower interest rates.

### ***Income Tax Expense***

Income tax expense for the six months ended June 30, 2003 was \$13.2 million on pre-tax income of \$45.3 million. Income tax expense for the six months ended June 30, 2002 was \$9.3 million on pre-tax income of \$32.1 million. The difference between our effective income tax rate of 29% during these periods and the statutory U.S. federal income tax rate relates primarily to the difference between the U.S. tax rate and foreign tax rates applied to foreign earnings and qualifying foreign trade income not subject to U.S. tax.

## **LIQUIDITY AND CAPITAL RESOURCES**

Our net debt at June 30, 2003, and December 31, 2002, was \$192.0 million and \$202.5 million, respectively. Net debt includes short- and long-term debt and the current portion of long-term debt, net of cash and cash equivalents. The decrease in net debt primarily reflected our positive cash flow from operations partially offset by the negative impact of cash used to retire certain sale-leaseback obligations in the first quarter of 2003.

Cash provided by operating activities of continuing operations was \$72.9 million and \$52.3 million for the six months ended June 30, 2003 and 2002, respectively.

Operating working capital is calculated as current assets less current liabilities, adjusted to exclude cash and cash equivalents, amounts due from FMC Corporation, short-term debt, the current portion of long-term debt and income tax balances. At June 30, 2003, operating working capital was \$144.3 million, a decrease of \$13.0 million compared with operating working capital of \$157.3 million at December 31, 2002. The decrease from December 31, 2002, reflects an increase in advance payments in Energy Production Systems, partially offset by a decrease in advance payments in Airport Systems. The decrease in operating working capital related to higher advance payments was partially offset by the impact of higher accounts receivable in our Energy Systems businesses, primarily attributable to revenue in excess of billings on contracts accounted for under the percentage of completion method.

Cash required by investing activities was \$62.1 million and \$52.1 million for the six months ended June 30, 2003 and 2002, respectively. Cash outlays of \$35.9 million in 2003 and \$21.6 million in 2002 reflected payments related to the termination of certain sale-leaseback agreements, which were replaced with lower cost balance sheet debt.

The following is a summary of our committed credit facilities at June 30, 2003, the amount of debt outstanding under the committed credit facilities, the amount of available capacity, and maturity dates:

(In millions) Description	Commitment Amount	Debt Outstanding	Available Capacity	Maturity
Five-year revolving credit facility (A)	\$ 250.0	\$ 50.0	\$ 185.1(B)	April, 2006
364-day revolving credit facility	150.0	—	150.0	April, 2004
	<u>\$ 400.0</u>	<u>\$ 50.0</u>	<u>\$ 335.1(C)</u>	

- (A) The five-year revolving credit facility allows us to obtain a total of \$100.0 million in financial standby letters of credit. Our available capacity is reduced by any outstanding letters of credit associated with this facility.
- (B) At June 30, 2003, available capacity is reduced by \$14.9 million of financial standby letters of credit associated with the five-year revolving credit facility.
- (C) Our commercial paper program is subject to available capacity under these committed revolving credit facilities.

In April 2003, the Company renewed its committed 364-day revolving credit facility to allow for borrowings of up to \$150.0 million under similar terms.

Among other restrictions, the terms of our committed credit agreements include negative covenants related to liens, and financial covenants related to consolidated tangible net worth, debt-to-earnings ratios and interest coverage ratios. We are in compliance with all debt covenants as of June 30, 2003. During the second quarter of 2003, these borrowings carried an effective annual interest rate of 100 basis points above the one-month London Interbank Offered Rate.

During the second quarter of 2003, we paid down \$100.0 million of borrowings under our five-year revolving credit facility, primarily with proceeds from our borrowings under the commercial paper program that we initiated in the first quarter of 2003. We have an interest rate swap maturing in June 2004 related to \$50.0 million of the long-term amount borrowed, which fixes the effective annual interest rate at an average rate of 5.37%. The interest rate swap is accounted for as a cash flow hedge and its fair value is included in other current liabilities and other liabilities on our consolidated balance sheets at June 30, 2003 and December 31, 2002, respectively.

During the second quarter of 2003, a \$50.0 million interest rate swap related to the five-year revolving credit facility matured. In addition, we elected to terminate a second \$50.0 million interest rate swap related to these long-term borrowings that had an original maturity of September 2003.

Under our commercial paper program, and subject to available capacity under our revolving credit facilities, we have the ability to access up to \$400 million of short-term financing through our commercial paper dealers. As of June 30, 2003, we had \$185.0 million of commercial paper outstanding with maturities ranging from 1 to 30 days, with an average annual interest rate of 1.35%.

In June 2003, we entered into interest rate swaps related to \$150.0 million of our commercial paper borrowings. The effect of these interest rate swaps is to fix the effective annual interest rate of these borrowings at an average rate of 2.9%. These interest rate swaps mature in June 2008. The swaps are accounted for as cash flow hedges and their fair value is included in other assets on our consolidated balance sheet at June 30, 2003.

Our uncommitted credit, consisting of three domestic money-market credit facilities, totaled \$30.0 million at June 30, 2003. We also have smaller uncommitted credit lines for many of our international subsidiaries. Borrowings under uncommitted facilities totaled \$5.8 million at June 30, 2003, of which approximately \$0.5 million is classified as long-term. Borrowings under uncommitted facilities totaled \$16.0 million at December 31, 2002.

We also have an uncommitted credit agreement with MODEC International LLC ("MODEC LLC"), a 37.5% owned joint venture, at annual interest rates of 1.49% at June 30, 2003 and 2.2% at December 31, 2002. Under the terms of the credit agreement, the interest rate is based on the monthly weighted average interest rate we pay on our domestic credit facilities and commercial paper.

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MODEC LLC deposits its excess cash with us. At June 30, 2003, and December 31, 2002, borrowings from MODEC LLC amounted to \$14.5 million and \$23.4 million, respectively, and were included in short-term debt on our consolidated balance sheets.

MODEC, Inc., an affiliate of our joint venture partner in MODEC LLC, recently completed an initial public offering of approximately 11% of its common stock on the Tokyo Stock Exchange. Beginning in May 2004, we will have an annual right during the 120 day period following the issuance of the annual report of MODEC, Inc. to convert all or a portion of our joint venture interest in MODEC LLC into shares of common stock of MODEC Inc. or, at MODEC, Inc.'s option, a combination of cash and common stock with equivalent value. The conversion right expires on December 31, 2020. The number of shares of MODEC, Inc. obtainable upon any such conversion is determined pursuant to a formula based on the relative income of MODEC, Inc. and MODEC LLC, respectively, for the two fiscal years preceding such conversion. Our management has no current plans to convert our joint venture interest in MODEC LLC and there can be no assurance as to the timing or terms of any such conversion. However, if the conversion rights were currently exercised in full, we believe that it would result in our receipt of common stock and/or cash totaling approximately 13% of the equity market value of MODEC, Inc. The percentage interest in MODEC, Inc. available to us at the time of any such exercise, and the value of that interest, may vary significantly from that estimate.

Our accumulated other comprehensive loss increased from \$145.6 million at December 31, 2002, to \$147.9 million at June 30, 2003. Foreign currency translation adjustments included in accumulated other comprehensive loss during the second quarter of 2003 reflected the impact of a strengthening U.S. dollar against the Norwegian krone and the Venezuelan bolivar, largely offset by the impact of a weaker U.S. dollar against the euro and the Brazilian real. During the second quarter of 2003, we implemented a functional currency change at one of our foreign subsidiaries resulting in a \$12.8 million increase in other comprehensive loss, primarily reflecting a reduction in net property, plant and equipment.

Pursuant to terms of our Tax Sharing Agreement with FMC Corporation, certain actions related to the sale of assets or the sale or issuance of additional securities (including securities convertible into stock) are potentially restricted for a period of 30 months following the Distribution (i.e., through June 30, 2004). In general, such actions are not restricted if we obtain (a) a supplemental ruling from the IRS that such actions do not cause the Distribution to be taxable, or (b) an acceptable letter of credit sufficient in amount to cover any potential tax, interest and penalties that result from a determination that such actions cause the Distribution to be taxable. The IRS has recently announced certain changes to its private ruling policy, which we believe effectively eliminate our ability to obtain a supplemental IRS ruling. We do not expect restrictions under the Tax Sharing Agreement to significantly limit our ability to engage in strategic transactions.

We expect to meet our operating needs, fund capital expenditures, pension plan contributions and potential acquisitions and meet debt service requirements through cash generated from operations and the credit facilities discussed above. Capital spending is forecast to total approximately \$55 to \$60 million for 2003, excluding \$15.1 million related to the first quarter 2003 repurchase of equipment as a result of the termination of certain sale-leaseback obligations. We expect contributions to our pension plans to total approximately \$17 million for 2003.

We expect net debt to be near \$200 million by the end of 2003, unless we incur debt related to the acquisition of a business. We are evaluating potential acquisitions, divestitures and joint ventures in the ordinary course of business.

#### **CRITICAL ACCOUNTING ESTIMATES**

Refer to our Annual Report on Form 10-K for the year ended December 31, 2002, for a discussion of our critical accounting estimates. During the six months ended June 30, 2003, there were no material changes in our judgments and assumptions associated with the development of our critical accounting estimates.

#### **RECENTLY ISSUED ACCOUNTING STANDARDS**

In April 2003, Statement of Financial Accounting Standards ("SFAS") No. 149, "Amendment of Statement No. 133 on Derivative Instruments and Hedging Activities" was issued. SFAS No. 149 amends and clarifies accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and accounting for hedging activities under SFAS No. 133. The amendments set forth in SFAS No. 149 require that contracts with

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comparable characteristics be accounted for similarly. SFAS No. 149 is generally effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. The guidance is to be applied prospectively. SFAS No. 149 is not expected to have a material effect on our financial position or results of operations.

In December 2002, SFAS No. 148 was issued amending SFAS No. 123, "Accounting for Stock-Based Compensation." The Statement amends the disclosure requirements of SFAS No. 123 to require prominent disclosures in both annual and interim period financial statements about the method of accounting for stock-based compensation and the effect of the method used on reported results. We have chosen to continue to account for common stock options using the recognition and measurement principles of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related Interpretations. We have adopted the SFAS No. 148 disclosure provisions. Implementation of SFAS No. 148 did not have a material impact on our financial position or results of operations.

In June 2002, SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities," was issued. This Statement revises accounting for specified employee and contract terminations that are part of restructuring activities, but it excludes restructuring activities related to operations acquired in a business combination. The Statement requires exit or disposal costs to be recorded when they are incurred, rather than at the date a formal exit plan is adopted, and can be measured at fair value. The provisions of this Statement became effective for activities initiated after December 31, 2002. Implementation of this Statement did not have a material impact on our financial position or results of operations.

In January 2003, the FASB issued Interpretation No. 46, "Consolidation of Variable Interest Entities, an Interpretation of ARB No. 51." This Interpretation addresses the consolidation by business enterprises of variable interest entities as defined in the Interpretation. The Interpretation was effective immediately for variable interests in variable interest entities created or obtained after January 31, 2003. For public enterprises, such as FMC Technologies, with a variable interest in a variable interest entity created before February 1, 2003, the Interpretation applies to the enterprise no later than the end of the first interim reporting period beginning after June 15, 2003. In connection with the retirement of our sale-leaseback obligations, we terminated our variable interest in a variable interest entity during the first quarter of 2003. Consequently, we do not expect this Interpretation to have a material impact on our financial position or results of operations.

In November 2002, the Financial Accounting Standards Board ("FASB") issued Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others" ("FIN 45"). FIN 45 requires that, upon issuance of certain types of guarantees, a guarantor must recognize a liability for the fair value of the non-contingent obligation assumed under that guarantee. These provisions were effective for guarantees issued or modified after December 31, 2002. FIN 45 also requires additional disclosures by a guarantor about the obligations associated with issued guarantees. The disclosure requirements are effective for financial statements of periods ending after December 15, 2002. Adoption of the provisions of FIN 45 did not have a material impact on our financial position or results of operations.

In November 2002, the FASB's Emerging Issues Task Force ("EITF") reached consensus regarding when a revenue arrangement with multiple deliverables should be divided into separate units of accounting, and, if so, how consideration should be allocated. The new guidance, EITF Abstract No. 00-21, "Accounting for Revenue Arrangements with Multiple Deliverables," applies to revenue arrangements entered into after June 15, 2003. While the conclusions in this consensus will not have an impact on the total amount of revenue recorded under an arrangement, they may have some impact on the timing of that revenue recognition. Implementation of the provisions of this consensus is not expected to have a material impact on our financial position or results of operations.

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**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

There have been no material changes in reported market risks from the information reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2002.

**ITEM 4. CONTROLS AND PROCEDURES****Evaluation of disclosure controls and procedures.**

The Company's principal executive officer and its principal financial officer, after management's evaluation, with the participation of such officers, of the effectiveness of the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this report, have concluded that, based on such evaluation, the Company's disclosure controls and procedures were effective.

**Changes in internal control over financial reporting.**

There was no change in the Company's internal control over financial reporting that occurred during the fiscal quarter covered by this report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.



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**INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

The Board of Directors  
FMC Technologies, Inc.:

We have reviewed the accompanying consolidated balance sheet of FMC Technologies, Inc. (the Company) as of June 30, 2003, the related consolidated statements of income for the three-month and six-month periods ended June 30, 2003 and 2002, and the related consolidated statements of cash flows for the six-month periods ended June 30, 2003 and 2002. These consolidated financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet of FMC Technologies, Inc. as of December 31, 2002, and the related consolidated statement of income, cash flows and changes in stockholders' equity for the year then ended (not presented herein); and in our report dated January 27, 2003, we expressed an unqualified opinion on those consolidated financial statements. Our report contains an explanatory paragraph that describes the Company's adoption of Statement of Financial Accounting Standards No. 142 as of January 1, 2002. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2002 is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ KPMG LLP

Chicago, Illinois  
July 23, 2003

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**PART II—OTHER INFORMATION**

**ITEM 1. LEGAL PROCEEDINGS**

In February 2003, the Company initiated court action in the Judicial District Court in Harris County, Texas, against ABB Lummus Global, Inc., seeking recovery of scheduled payments owed and compensatory, punitive and other damages.

In August 2002, the Company initiated court action in the United Kingdom to confirm that certain components of its subsea production systems' designs do not conflict with a patent issued to Cooper Cameron Corporation in Europe. In response, Cooper Cameron Corporation initiated court action alleging infringement of certain of their U.K. patents.

Management believes that the ultimate resolution of these matters will not materially affect the Company's consolidated financial position, results of operations or cash flows.

**ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

The Annual Meeting of Stockholders was held on April 25, 2003 for the purposes of:

- re-electing three directors;
- ratifying the appointment of the independent public accountants for 2003; and
- voting on any other business properly brought before the meeting.

All of the nominees for directors, as listed in the proxy statement, were re-elected by the following votes:

Mike R. Bowlin	For:	58,190,847 votes
	Against:	— votes
	Withheld:	1,001,428 votes
Edward J. Mooney	For:	58,133,397 votes
	Against:	— votes
	Withheld:	1,058,878 votes
James M. Ringler	For:	58,189,176 votes
	Against:	— votes
	Withheld:	1,003,099 votes

The following directors' terms of office continued after the meeting: B. A. Bridgewater, Jr., Thomas M. Hamilton, Asbjørn Larsen, Joseph H. Netherland, Richard A. Pattarozzi and James R. Thompson.

The Board of Director's recommendation for ratification of the appointment of KPMG LLP as the Company's independent public accountants for 2003 was ratified by the following votes:

For:	57,520,621 votes
Against:	1,532,030 votes
Withheld:	139,624 votes

There was no other business voted upon at the meeting.

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**ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K****(a) Exhibits**

<u>Number in Exhibit Table</u>	<u>Description</u>
4.9	Third Amendment to the \$150,000,000 364-Day Revolving Credit Facility.
4.10	Third Amendment to the \$250,000,000 Five-Year Credit Agreement.
15	Letter re: unaudited interim financial information.
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a).
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a).
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

**(b) Reports on Form 8-K**

Current Report on Form 8-K dated April 29, 2003, furnishing a press release announcing the Company's financial results for the fiscal quarter ended March 31, 2003.

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FMC TECHNOLOGIES, INC.  
(Registrant)

/s/ RONALD D. MAMBU

---

Ronald D. Mambu  
Vice President, Controller, and  
duly authorized officer

Date: August 14, 2003

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**EXHIBIT INDEX**

<b>Number in Exhibit Table</b>	<b>Description</b>
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32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

## THIRD AMENDMENT TO 364-DAY CREDIT AGREEMENT

THIS AMENDMENT (herein so called) is entered into as of April 24, 2003, among FMC TECHNOLOGIES, INC., a Delaware corporation ("Borrower"), the Lenders (as defined in the Credit Agreement) party to the Credit Agreement (hereinafter defined) that continue as Lenders after giving effect to this Amendment, the Persons that become Lenders pursuant to this Amendment and BANK OF AMERICA, N.A., as Administrative Agent (as defined in the Credit Agreement) for the Lenders.

Borrower, the Lenders and the Administrative Agent are party to the 364-Day Credit Agreement dated as of April 26, 2001, as amended by that certain First Amendment to 364-Day Credit Agreement dated as of May 30, 2001 and that certain Second Amendment to 364-Day Credit Agreement dated as of April 25, 2002 (as amended, the "Credit Agreement"), and have agreed, upon the following terms and conditions, to further amend the Credit Agreement in certain respects. Accordingly, for valuable and acknowledged consideration, Borrower, the Lenders and the Administrative Agent agree as follows:

1. Terms and References. Unless otherwise stated in this Amendment, (a) terms defined in the Credit Agreement have the same meanings when used in this Amendment, and (b) references to "Sections," "Articles" and "Exhibits" are to the Credit Agreement's sections, articles and exhibits.

2. Amendments. The Credit Agreement is amended as follows:

(a) Section 1.01 is amended to delete the definition of "Applicable Rate" in its entirety and substitute the following definition in lieu thereof:

"Applicable Rate means the following percentages per annum, based upon the Debt Rating:

----- Applicable Rate -----				
Pricing Level	Debt Ratings S&P/Moody's	Facility Fee	Eurodollar Rate	Utilization Fee
1	**BBB+/Baa1	.125%	.500%	.125%
2	BBB/Baa2	.150%	.725%	.125%
3	BBB-/Baa3	.175%	.825%	.125%
4	*BB+/Ba1	.250%	1.000%	.125%

\*\* means greater than or equal to

\* means less than or equal to

Debt Rating means, as of any date of determination, the rating as determined by either S&P or Moody's (collectively, the "Debt Ratings") of the Borrower's non-credit-enhanced, senior unsecured long-term debt; provided that if a Debt Rating is issued by each of the foregoing rating agencies, then the higher of such Debt Ratings shall apply (with Pricing Level 1 being the highest and Pricing Level 4 being the lowest), unless there is a split in Debt Ratings of more than one level, in which case the average Debt Rating (or the higher of two intermediate Debt Ratings) shall apply. If neither of the foregoing rating agencies issues a Debt Rating, Pricing Level 4 shall apply.

Each change in the Applicable Rate resulting from a publicly announced change in a Debt Rating shall be effective during the

period commencing on the date of the public announcement thereof and ending on the date immediately preceding the effective date of the next such change."

(b) Section 1.01 is further amended to delete the definition of "Maturity Date" in its entirety and substitute the following definition in lieu thereof:

"Maturity Date means (a) subject to extension pursuant to Section 2.03, April 22, 2004 or (b) such earlier date upon which the Commitments may be terminated in accordance with the terms hereof; provided that, if the Loans are converted to a term loan pursuant to Section 2.03(d), from and after such conversion, "Maturity Date" shall mean the first anniversary of the date on which such conversion occurs."

(c) Article V is amended to add the following new Section 5.12:

5.12 Tax Shelter Regulations. The Borrower does not intend to treat the Loans and related transactions as being a "reportable transaction" (within the meaning of Treasury Regulation Section 1.6011-4). In the event the Borrower determines to take any action inconsistent with such intention, it will promptly notify the Administrative Agent thereof. If the Borrower so notifies the Administrative Agent, the Borrower acknowledges that one or more of the Lenders may treat its Loans as part of a transaction that is subject to Treasury Regulation Section 301.6112-1, and such Lender or Lenders, as applicable, will maintain the lists and other records required by such Treasury Regulation.

(d) Section 6.01 is amended by deleting Sections 6.01(i) and (j) and substituting the following Sections 6.01(i), (j), and (k) in lieu thereof:

(i) as soon as practicable after a Principal Officer of the Borrower obtains knowledge of the commencement of an action, suit or proceeding against the Borrower or any Subsidiary before any court or arbitrator or any governmental body, agency or official in which there is a reasonable likelihood of an adverse decision which would have a Material Adverse Effect or which in any manner questions the validity or enforceability of this Agreement or any of the transactions contemplated hereby, information as to the nature of such pending or threatened action, suit or proceeding;

(j) promptly after the Borrower has notified the Administrative Agent of any intention by the Borrower to treat the Loans and related transactions as being a "reportable transaction" (within the meaning of Treasury Regulation Section 1.6011-4), a duly completed copy of IRS Form 8886 or any successor form; and

Third Amendment to Credit Agreement - Page 2

(k) from time to time such additional information regarding the business, properties, financial position, results of operations, or prospects of the Borrower or any Subsidiary as the Administrative Agent, at the request of any Lender, may reasonably request.

(e) Section 10.08 is amended to add the following sentence at the end thereof:

Notwithstanding anything herein to the contrary, "Information" shall not include, and the Administrative Agent and each Lender may disclose without limitation of any kind, any information with respect to the "tax treatment" and "tax structure" (in each case, within the meaning of Treasury Regulation Section 1.6011-4) of the transactions contemplated hereby and all materials of any kind (including opinions or other tax analyses) that are provided to the Administrative Agent or such Lender relating to such tax treatment and tax structure other than information or materials for which nondisclosure is reasonably necessary in order to comply with applicable

securities laws; provided that with respect to any document or similar item that in either case contains information concerning the tax treatment or tax structure of the transaction as well as other information, this sentence shall only apply to such portions of the document or similar item that relate to the tax treatment or tax structure of the Loans and transactions contemplated hereby.

(f) Schedule 2.01 is entirely amended in the form of, and all references in the Credit Agreement to Schedule 2.01 are changed to, Amended Schedule 2.01 attached hereto. Each Person named on Amended Schedule 2.01 that was not a party to the Credit Agreement prior to this Amendment hereby becomes a Lender and agrees to perform and be bound by the terms and provisions of the Credit Agreement, as amended hereby, and the other Loan Documents that are applicable to a Lender.

3. Conditions Precedent to Effectiveness. This Amendment shall not be effective until the Administrative Agent receives (a) counterparts of this Amendment executed by Borrower, the Lenders and the Administrative Agent, (b) such evidence as the Administrative Agent may reasonably request to verify that Borrower is duly incorporated, validly existing and in good standing in its jurisdiction of incorporation, (c) a certificate signed by a Principal Officer of Borrower (i) certifying that there has been no event or circumstance since December 31, 2002, which has had or could reasonably be expected to have a Material Adverse Effect, (ii) showing the Debt Ratings of Borrower on the date hereof, and (iii) stating that no amendments have been made to the certificate of incorporation or bylaws of Borrower since April 30, 2001 or, if any such amendments have been made, attaching true and correct copies of the certificate of incorporation or bylaws of Borrower, as so amended, (d) a certificate signed by a Principal Officer of Borrower certifying as to the incumbency of the Principal Officer of Borrower executing this Amendment, and attaching true and correct copies of resolutions adopted by the Board of Directors of Borrower authorizing Borrower to enter into this Amendment and verifying the authority and capacity of such Principal Officer to execute this Amendment, (e) an opinion of James Marvin, Associate General Counsel and Assistant Secretary of Borrower, substantially in the form of Exhibit A attached hereto, (f) an opinion of Mayer, Brown, Rowe & Maw, special New York counsel to Borrower, substantially in the form of Exhibit B attached hereto, (g) upon request of any Lender made through the Administrative Agent, a Note executed by Borrower and payable to such Lender in a principal amount equal to such Lender's Commitment (after giving effect to this Amendment), which Note shall be in substitution and replacement of any Note previously executed by Borrower and payable to such Lender pursuant to the

Third Amendment to Credit Agreement - Page 3

Credit Agreement, and (h) such other documents, instruments and certificates as the Administrative Agent may reasonably request.

4. Representations. Borrower represents and warrants to the Lenders that as of the date of this Amendment, (a) the representations and warranties contained in Article V are true and correct in all material respects except to the extent that such representations and warranties refer to an earlier date, in which case they were true and correct in all material respects as of such earlier date, and (b) no Default or Event of Default has occurred and is continuing.

5. Effect of Amendment. This Amendment is a Loan Document. Except as expressly modified and amended by this Amendment, all of the terms, provisions and conditions of the Loan Documents shall remain unchanged and in full force and effect. The Loan Documents and any and all other documents heretofore, now or hereafter executed and delivered pursuant to the terms of the Credit Agreement are hereby amended so that any reference to the Credit Agreement shall mean a reference to the Credit Agreement as amended hereby.

6. Counterparts. This Amendment may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

7. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

[REMAINDER OF PAGE INTENTIONALLY BLANK.  
SIGNATURE PAGES FOLLOW.]



EXECUTED as of the date first stated above.

FMC TECHNOLOGIES, INC.

By: /s/ Joseph J. Meyer

-----  
Name: Joseph J. Meyer  
Title: Director, Treasury Operations

By:

-----  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

BANK OF AMERICA, N.A.,  
as Administrative Agent

By: /s/ Renita M. Cummings

-----  
Name: Renita M. Cummings  
Title: Agency Management Officer

BANK OF AMERICA, N.A., as a Lender

By:

-----  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

BANK OF AMERICA, N.A.,  
as Administrative Agent

By:

-----  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

BANK OF AMERICA, N.A., as a Lender

By: /s/ Ronald E. McKaig

-----  
Name: Ronald E. McKaig  
Title: Managing Director

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

THE ROYAL BANK OF SCOTLAND PLC,  
as a Lender

By: /s/ Jayne Seaford

-----  
Name: Jayne Seaford  
Title: Senior Vice President

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

WESTLB AG (formerly known as  
Westdeutsche Landesbank Girozentrale),  
NEW YORK BRANCH, as a Lender

By: /s/ Duncan M. Robertson

-----  
Name: Duncan M. Robertson  
Title: Director

By: /s/ Salvatore Battinelli

-----  
Name: Salvatore Battinelli  
Title: Managing Director  
Credit Department

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

DANSKE BANK, as a Lender

By: /s/ Peter L. Hargraves

-----  
Name: Peter L. Hargraves  
Title: Vice President

By: /s/ John A. O'Neill

-----  
Name: John A. O'Neill  
Title: Assistant General Manager

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

WACHOVIA BANK, N.A., as a Lender

By: /s/ Sarah T. Warren

-----  
Name: Sarah T. Warren  
Title: Vice President

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

WELLS FARGO BANK TEXAS, NATIONAL  
ASSOCIATION, as a Lender

By: /s/ Eric R. Hollingsworth

-----  
Name: Eric R. Hollingsworth  
Title: Vice President

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

COOPERATIVE CENTRALE RAIFFEINSEN-  
BOERENLEENBANK B.A., "RABOBANK  
NEDERLAND" NEW YORK BRANCH, as a Lender

By: /s/ Ivan Rodriguez

-----  
Name: Ivan Rodriguez  
Title: Vice President

By: /s/ Barbara A. Hyland

-----  
Name: Barbara A. Hyland  
Title: Managing Director

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

DEN NORSKE BANK ASA, as a Lender

By: /s/ Nils Fykse

-----  
Name: Nils Fykse  
Title: Senior Vice President

By: /s/ Stig Kristiansen

-----  
Name: Stig Kristiansen  
Title: Vice President

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

MIZUHO CORPORATE BANK LTD., as a Lender

By: /s/ Bertram Tang

-----  
Name: Bertram Tang  
Title: Vice President

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

NATIONAL CITY BANK,  
as a Lender

By: /s/ Dale F. Klose

-----  
Name: Dale F. Klose  
Title: Senior Vice President

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

THE BANK OF NEW YORK, as a Lender

By: /s/ Mark O'Connor

-----  
Name: Mark O'Connor  
Title: Vice President

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

THE NORTHERN TRUST COMPANY, as a Lender

By: /s/ Eric Dybing

-----  
Name: Eric Dybing  
Title: Second Vice President  
The Northern Trust Company

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

BANCA NAZIONALE DEL LAVORO SPA,  
as a Lender New York Branch

By: /s/ Frederic W. Hall

-----  
Name: Frederic W. Hall  
Title: Vice President

/s/ Leonardo Valentini

-----  
Leonardo Valentini  
First Vice President

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

EXECUTED as of the date first stated above.

U.S. BANK NATIONAL ASSOCIATION,  
as a Lender

By: /s/ R. Michael Newton

-----  
Name: R. Michael Newton  
Title: Vice President

Signature Page to Third Amendment to FMC Technologies 364-Day Credit Agreement

COMMITMENTS  
AND PRO RATA SHARES

Lender	Commitment	Pro Rata Share
Bank of America, N.A.	\$ 15,000,000	10.000000000%
The Royal Bank of Scotland plc	\$ 16,250,000	10.833333333%
Westdeutsche Landesbank Girozentrale, New York Branch	\$ 16,250,000	10.833333333%
Danske Bank	\$ 12,500,000	8.333333333%
Wachovia Bank, N.A.	\$ 12,500,000	8.333333333%
Wells Fargo Bank Texas, National Association	\$ 12,500,000	8.333333333%
Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A., "Rabobank Nederland" New York Branch	\$ 11,875,000	7.916666667%
Den norske Bank ASA	\$ 10,750,000	7.166666667%
Mizuho Corporate Bank Ltd.	\$ 10,000,000	6.666666667%
National City Bank	\$ 9,687,500	6.458333333%
The Bank of New York	\$ 7,500,000	5.000000000%
The Northern Trust Company	\$ 6,750,000	4.500000000%
Banca Nazionale del Lavoro Spa	\$ 4,687,500	3.125000000%
U.S. Bank National Association	\$ 3,750,000	2.500000000%
Total	\$150,000,000	100.000000000%

1

Schedule 2.01

EXHIBIT A

FORM OF OPINION OF JAMES MARVIN

\_\_\_\_\_, 2003

To Bank of America, N.A., as Administrative Agent,  
and each of the Lenders party to  
the Credit Agreement referred to below

Re: FMC Technologies, Inc.

Ladies and Gentlemen:

I am the Associate General Counsel and Assistant Secretary of, and have acted as counsel to, FMC Technologies, Inc. (the "Borrower") in connection with the preparation, execution and delivery of, and the consummation of the transactions contemplated by, the 364-Day Credit Agreement dated as of April 26, 2001, as amended by the First Amendment to 364-Day Credit Agreement dated as of May 30, 2001, the Second Amendment to 364-Day Credit Agreement dated as of April 25, 2002, and the Third Amendment to 364-Day Credit Agreement dated as of April 24, 2003 (the "Third Amendment") (such Credit Agreement, as so amended, the "Credit Agreement"), by and among the Borrower, the Lenders party thereto, and Bank of America, N.A., as agent for the Lenders (the "Administrative Agent").

This opinion is rendered to you pursuant to Section 4(b) of the Third Amendment. Capitalized terms defined in the Credit Agreement, used herein, and not otherwise defined herein, shall have the meanings given them in the Credit Agreement.

In so acting, I have examined originals or copies (certified or otherwise identified to my satisfaction) of the following documents:

1. the Credit Agreement; and
2. the Third Amendment.

The agreements specified in clauses (1) and (2) are collectively referred to as the "Agreements."

In addition, I have examined such corporate records, agreements, documents and other instruments, and such certificates or comparable documents of public officials and of officers and representatives of each of the Borrower, and have made such inquiries of such officers and representatives, as I have deemed relevant and necessary as a basis for the opinions hereinafter set forth.

In such examination, I have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to me as originals, the conformity to original documents of all documents submitted to me as certified, conformed or photostatic copies and the authenticity of the originals of such latter documents. As to all questions of fact material to the opinions

A-1

Exhibit A

set forth herein that have not been independently established, I have relied upon certificates or comparable documents of officers and representatives of the Borrower and upon the representations and warranties of the Borrower contained in the Agreements.

I am licensed to practice law in the State of Illinois, and this opinion is limited to the laws of the State of Illinois, the General Corporation Law of the State of Delaware and the federal laws of the United States of America.

Based on the foregoing, and subject to the qualifications stated herein, I am of the opinion that:

1. The Borrower is a corporation validly existing and in good standing under the law of the State of Delaware and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted.
2. The Borrower is duly qualified to transact business and is in good standing as a foreign corporation in each jurisdiction where the failure to be so qualified would have a Material Adverse Effect.
3. The Borrower has all requisite corporate power and authority to execute, deliver and perform the Agreements. The execution, delivery and performance by the Borrower of the Agreements have been duly authorized by all necessary corporate action on the part of the Borrower. The Borrower has duly executed and delivered the Agreements. An Illinois state court or a federal court sitting in the State of Illinois in a diversity action should, under conflicts of law principles observed by the courts of the State of Illinois, if properly presented with the issue, give effect to those provisions of the Agreements providing that the Agreements are to be governed by and construed in accordance with the law of the State of New York insofar as such provisions relate to the substantive laws of the State of New York and to the validity, nature, interpretation and effect of the Agreements, except (i) to the extent, if any, that federal law applies, (ii) to the extent procedural (as opposed to substantive) laws are involved, or (iii) to the extent that the applicable laws of New York violate a public policy of the State of Illinois.
4. The execution, delivery and performance by the Borrower of the Agreements will not conflict with, constitute a default under or violate (i) any of the terms, conditions or provisions of the Certificate of Incorporation or By-laws of the Borrower, (ii) any of the terms, conditions or provisions of any material contractual obligation of the Borrower of which I am aware, (iii) any Illinois, Delaware corporate or federal requirement of law or (iv) any judgment, writ, injunction, decree, order or ruling of any court or governmental authority of which I am aware which is binding on the Borrower.
5. No consent, approval, waiver, license or authorization or other action by or filing with any Illinois, Delaware corporate or federal Governmental

Authority of which I am aware is required in connection with the execution, delivery or performance by the Borrower of the Agreements.

- 6. The borrowings by and other financial accommodations provided to the Borrower under the Agreements and the application of proceeds thereof as provided in the Credit Agreement will not violate Regulation U or X of the Board.
- 7. The Borrower is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended, or a "holding company" or a "subsidiary company" of a "holding company" within the meaning of the Public Utility Holding Company Act of 1935, as amended.
- 8. To my knowledge, there is no action, suit, proceeding, governmental investigation or arbitration, at law or in equity or before any governmental authority, pending or overtly threatened against the Borrower (i) with respect to any Agreement or challenging any of the Lenders' or the Administrative Agent's rights or remedies thereunder or (ii) which is reasonably likely to be adversely determined and, if so determined, would be reasonably likely to materially adversely affect the ability of the Borrower to perform its obligations under the Agreements.

My opinion in Paragraph 4(iii) is based upon my review of those requirements of law which in my experience are normally applicable to or normally relevant in connection with transactions of the type provided for in the Agreements. For purposes of my opinion in the last sentence of Paragraph 3, I have assumed that New York law bears a reasonable relationship to the transactions contemplated by the Agreements.

The opinions expressed herein are effective only as of the date of this opinion letter. I do not assume responsibility for updating this opinion letter as of any date subsequent to the date of this opinion letter, and I assume no responsibility for advising you of (i) any change with respect to any matter described in this opinion letter or (ii) the discovery subsequent to the date of this opinion letter of factual information not previously known to me pertaining to events occurring prior to the date of this opinion letter.

This opinion letter is rendered solely to you in connection with the above-described transactions. This opinion letter may not be relied upon by you for any other purpose, or relied upon by any other Person (other than your successors and permitted assigns under the Credit Agreement) for any purpose, without in each case my prior written consent.

Very truly yours,

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EXHIBIT B

FORM OF OPINION OF MAYER, BROWN, ROWE & MAW

, 2003

-----

Bank of America, N.A.  
and each of the other financial  
institutions that is a party to the  
Credit Agreement referred to below  
c/o Bank of America, N.A., as Administrative Agent  
901 Main Street  
Dallas, Texas 75202

Ladies and Gentlemen:

We have acted as special New York counsel for FMC Technologies, Inc., a Delaware corporation (the "Borrower"), in connection with the 364-Day Credit

Agreement dated as of April 26, 2001, as amended by the First Amendment to 364-Day Credit Agreement dated as of May 30, 2001, the Second Amendment to 364-Day Credit Agreement dated as of April 25, 2002, and the Third Amendment to 364-Day Credit Agreement dated as of April 24, 2003 (the "Third Amendment") (such Credit Agreement, as so amended, the "Credit Agreement") among the Borrower, various financial institutions and Bank of America, N.A., as Administrative Agent. Terms defined in the Credit Agreement are used herein as therein defined. This opinion letter is being rendered to you at the request of our clients pursuant to the requirements of the Third Amendment.

We have examined originals or copies, certified or otherwise identified to our satisfaction, of (i) the Credit Agreement, (ii) the Third Amendment, and (iii) such documents, corporate records, certificates of public officials and of officers and representatives of the Borrower and other instruments, and have conducted such other investigations of fact and law, as we have deemed necessary or advisable for purposes of this opinion letter. Except as described in the foregoing sentence, we have not undertaken any independent investigation of any factual matters which might be relevant to this opinion letter and we have made no independent investigation of the records of, or other matters relating to, the Borrower or any other Person.

For the purposes of this opinion letter, we have assumed that all items submitted to us as originals are complete and authentic and all signatures thereon are genuine, and all items submitted to us as copies are complete and conform to the originals. We have also assumed, with your permission and without independent investigation of any kind, the following: (i) the Borrower has been duly incorporated and is validly existing and is in good standing under the laws of the State of Delaware; (ii) the Borrower has the corporate power and authority to execute, deliver and perform its obligations under the Third Amendment and the Credit Agreement; (iii) the Borrower has the corporate power and authority to execute, deliver and perform its obligations under the Third Amendment and the Credit Agreement; (iv) the Borrower has taken all corporate action required to duly authorize the execution, delivery and performance by it of the Third Amendment and the Credit Agreement; (v) the Third Amendment and the Credit Agreement have

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been duly authorized, executed and delivered by the Borrower, (vi) the Third Amendment and the Credit Agreement are the legal, valid and binding obligations of each party thereto (other than the Borrower) enforceable against each such party in accordance with its terms; (vii) the execution, delivery and performance of the Third Amendment and the Credit Agreement by the Borrower (a) are in accordance with (and do not conflict with) the laws of the State of Delaware, (b) do not violate or contravene the organizational documents or by-laws of the Borrower, and (c) do not violate or contravene any provision of any agreement or contract applicable to or binding upon the Borrower; and (viii) there are no agreements or understandings among the parties, written or oral, and no usage of trade or course of prior dealing among the parties which would, in either case, define, supplement or qualify the terms of the Third Amendment or Credit Agreement.

Upon the basis of the foregoing and the other assumptions and qualifications set forth herein, we are of the opinion that:

1. The Credit Agreement constitutes a valid and binding agreement of the Borrower, enforceable in accordance with its terms.
2. The Third Amendment constitutes a valid and binding agreement of the Borrower, enforceable in accordance with its terms.

Our opinions set forth above are subject to the following qualifications:

- (a) We express no opinion as to any law, rule, regulation, ordinance, code or similar provision of law of any county, municipality, or similar political subdivision of the State of New York or any agency or instrumentality thereof, and we express no opinion as to any law to which the Borrower may be subject solely as a result of your legal or regulatory status or as to any insurance law or any federal or state securities or "blue sky" law. Members of our Firm are admitted to practice law in the State of New York and we express no opinion on any law other than the laws of the State of New York and the Federal law of the United States to the extent specifically set forth herein.



(b) Our opinions are subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws affecting creditors' rights generally and to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including (without limitation) concepts of materiality, reasonableness, good faith and fair dealing and by limitations on the availability of specific performance, injunctive relief or other equitable remedies.

(c) We express no opinion as to:

(i) obligations relating to indemnification, contribution or exculpation of costs, expenses or liabilities which contravene public policy;

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(ii) the enforceability, under certain circumstances, of provisions imposing penalties or forfeitures, late payment charges or an increase in interest rate upon delinquency in payment or the occurrence of a default;

(iii) any agreement by the Borrower to the subject matter jurisdiction of a United States federal court, to the waiver of the right to jury trial or to be served with process by service upon a designated third party;

(iv) any agreement by the Borrower purporting to waive any objection to the laying of venue or any claim that an action or proceeding has been brought in an inconvenient forum;

(v) the effect of the law of any jurisdiction other than the State of New York wherein any Lender may be located or wherein the enforcement of the Third Amendment or the Credit Agreement may be sought that limits the rates of interest, fees or other charges legally chargeable or collectible;

(vi) any provision of the Third Amendment or the Credit Agreement (A) restricting access to legal or equitable remedies, (B) relating to severability or similar clauses, (C) providing that the Third Amendment or the Credit Agreement may only be amended, modified or waived in writing, (D) stating that all rights or remedies of any party are cumulative and may be enforced in addition to any other right or remedy and that the election of a particular remedy does not preclude recourse to one or more remedies, (E) purporting to establish an evidentiary standard for determinations by the Lenders or the Administrative Agent or (F) purporting to convey rights to Persons other than parties to the Third Amendment or the Credit Agreement;

(vii) whether any court outside the State of New York would honor the choice of New York law as the governing law of the Third Amendment and the Credit Agreement; or

(viii) Section 10.09 of the Credit Agreement.

The opinions expressed herein are effective only as to the date of this opinion letter. We do not assume responsibility for updating this opinion letter as of any date subsequent to the date of this opinion letter, and we assume no responsibility for advising you of (i) any changes with respect to any matters described in this opinion letter or (ii) the discovery subsequent to the date of this opinion letter of factual information not previously known to us pertaining to the events occurring prior to the date of this opinion letter.

This opinion letter is rendered solely to you in connection with the above-described transactions. This opinion letter may not be relied upon by you for any other purpose, or relied upon by any other Person (other than your successors and permitted assigns under the Credit Agreement) for any purpose, without in each case our prior written consent.

Very truly yours,

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THIRD AMENDMENT TO FIVE-YEAR CREDIT AGREEMENT  
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THIS AMENDMENT (herein so called) is entered into as of April 24, 2003, among FMC TECHNOLOGIES, INC., a Delaware corporation ("Borrower"), the Lenders (herein so called) party to the Credit Agreement (hereinafter defined) and BANK OF AMERICA, N.A., as Administrative Agent (as defined in the Credit Agreement) for the Lenders.

Borrower, the Lenders and the Administrative Agent are party to the Five-Year Credit Agreement dated as of April 26, 2001, as amended by that certain First Amendment to Five-Year Credit Agreement dated as of May 30, 2001 and that certain Second Amendment to Five-Year Credit Agreement dated as of April 25, 2002 (as amended, the "Credit Agreement"), and have agreed, upon the following terms and conditions, to further amend the Credit Agreement in certain respects. Accordingly, for valuable and acknowledged consideration, Borrower, the Lenders and the Administrative Agent agree as follows:

1. Terms and References. Unless otherwise stated in this Amendment, (a) terms defined in the Credit Agreement have the same meanings when used in this Amendment, and (b) references to "Sections", "Articles" and "Exhibits" are to the Credit Agreement's sections, articles and exhibits.

2. Amendments.

(a) Section 1.01 is amended to delete the definition of "Letter of Credit Sublimit" in its entirety and substitute the following definition in lieu thereof:

"Letter of Credit Sublimit means an amount equal to \$100,000,000; provided that the Outstanding Amount of the L/C Obligations arising out of the issuance of Letters of Credit that are considered by the Administrative Agent, in the exercise of its sole discretion, to be "financial standby letters of credit", within the meaning of such phrase in the risk-based capital regulations set forth in Part 325 of Title 12 of the Code of Federal Regulations, shall not exceed an amount equal to \$10,000,000. The Letter of Credit Sublimit is part of, and not in addition to, the Aggregate Commitments."

(b) Article V is amended to add the following new Section 5.12:

5.12 Tax Shelter Regulations. The Borrower does not intend to treat the Loans and/or Letters of Credit and related transactions as being a "reportable transaction" (within the meaning of Treasury Regulation Section 1.6011-4). In the event the Borrower determines to take any action inconsistent with such intention, it will promptly notify the Administrative Agent thereof. If the Borrower so notifies the Administrative Agent, the Borrower acknowledges that one or more of the Lenders may treat its Loans as part of a transaction that is subject to Treasury Regulation Section 301.6112-1, and such Lender or Lenders, as applicable, will maintain the lists and other records required by such Treasury Regulation.

Third Amendment to Credit Agreement - Page 1  
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(c) Section 6.01 is amended by deleting Sections 6.01(i) and (j) and substituting the following Sections 6.01(i), (j), and (k) in lieu thereof:

(i) as soon as practicable after a Principal Officer of the Borrower obtains knowledge of the commencement of an action, suit or proceeding against the Borrower or any Subsidiary before any court or arbitrator or any governmental body, agency or official in which there is a reasonable likelihood of an adverse decision which would

have a Material Adverse Effect or which in any manner questions the validity or enforceability of this Agreement or any of the transactions contemplated hereby, information as to the nature of such pending or threatened action, suit or proceeding;

(j) promptly after the Borrower has notified the Administrative Agent of any intention by the Borrower to treat the Loans and/or Letters of Credit and related transactions as being a "reportable transaction" (within the meaning of Treasury Regulation Section 1.6011-4), a duly completed copy of IRS Form 8886 or any successor form; and

(k) from time to time such additional information regarding the business, properties, financial position, results of operations, or prospects of the Borrower or any Subsidiary as the Administrative Agent, at the request of any Lender, may reasonably request.

(d) Section 10.08 is amended to add the following sentence at the end thereof:

Notwithstanding anything herein to the contrary, "Information" shall not include, and the Administrative Agent and each Lender may disclose without limitation of any kind, any information with respect to the "tax treatment" and "tax structure" (in each case, within the meaning of Treasury Regulation Section 1.6011-4) of the transactions contemplated hereby and all materials of any kind (including opinions or other tax analyses) that are provided to the Administrative Agent or such Lender relating to such tax treatment and tax structure other than information or materials for which nondisclosure is reasonably necessary in order to comply with applicable securities laws; provided that with respect to any document or similar item that in either case contains information concerning the tax treatment or tax structure of the transaction as well as other information, this sentence shall only apply to such portions of the document or similar item that relate to the tax treatment or tax structure of the Loans, Letters of Credit and transactions contemplated hereby.

3. Conditions Precedent to Effectiveness. This Amendment shall not be effective until the Administrative Agent receives (a) counterparts of this Amendment executed by Borrower, the Required Lenders and the Administrative Agent, (b) such evidence as the Administrative Agent may reasonably request to verify that Borrower is duly incorporated, validly existing and in good standing in its

Third Amendment to Credit Agreement - Page 2  
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jurisdiction of incorporation, (c) a certificate signed by a Principal Officer of Borrower (i) certifying that there has been no event or circumstance since December 31, 2002, which has had or could reasonably be expected to have a Material Adverse Effect, (ii) showing the Debt Ratings of Borrower on the date hereof, and (iii) stating that no amendments have been made to the certificate of incorporation or bylaws of Borrower since April 30, 2001 or, if any such amendments have been made, attaching true and correct copies of the certificate of incorporation or bylaws of Borrower, as so amended, (d) a certificate signed by a Principal Officer of Borrower certifying as to the incumbency of the Principal Officer of Borrower executing this Amendment, and attaching true and correct copies of resolutions adopted by the Board of Directors of Borrower authorizing Borrower to enter into this Amendment and verifying the authority and capacity of such Principal Officer to execute this Amendment, (e) an opinion of James Marvin, Associate General Counsel and Assistant Secretary of Borrower, substantially in the form of Exhibit A attached hereto, (f) an opinion of Mayer, Brown, Rowe & Maw, special New York counsel to Borrower, substantially in the form of Exhibit B attached hereto, and (g) such other documents, instruments and certificates as the Administrative Agent may reasonably request.

4. Representations. Borrower represents and warrants to the Lenders that as of the date of this Amendment, (a) the representations and warranties

contained in Article V are true and correct in all material respects except to the extent that such representations and warranties refer to an earlier date, in which case they were true and correct in all material respects as of such earlier date, and (b) no Default or Event of Default has occurred and is continuing.

5. Effect of Amendment. This Amendment is a Loan Document. Except as expressly modified and amended by this Amendment, all of the terms, provisions and conditions of the Loan Documents shall remain unchanged and in full force and effect. The Loan Documents and any and all other documents heretofore, now or hereafter executed and delivered pursuant to the terms of the Credit Agreement are hereby amended so that any reference to the Credit Agreement shall mean a reference to the Credit Agreement as amended hereby.

6. Counterparts. This Amendment may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

7. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

[REMAINDER OF PAGE INTENTIONALLY BLANK.  
SIGNATURE PAGES FOLLOW.]

Third Amendment to Credit Agreement - Page 3  
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EXECUTED as of the date first stated above.

FMC TECHNOLOGIES, INC.

By: /s/ Joseph J. Meyer  
-----  
Name: Joseph J. Meyer  
-----  
Title: Director, Treasury Operations  
-----

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ Renita M. Cummings  
-----  
Name: Renita M. Cummings  
-----  
Title: Agency Management Officer  
-----

BANK OF AMERICA, N.A., as a Lender

By: \_\_\_\_\_  
Name: \_\_\_\_\_

-----  
Title:  
-----

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

BANK OF AMERICA, N.A., as Administrative Agent

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

BANK OF AMERICA, N.A., as a Lender

By: /s/ Ronald E. McKaig  
-----

Name: Ronald E. McKaig  
-----

Title: Managing Director  
-----

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

DEN NORSKE BANK ASA, as a Lender

By: /s/ Nils Fyske  
-----

Name: Nils Fyske  
-----

Title: Senior Vice President  
-----

By: /s/ Stig Kristiansen  
-----

Name: Stig Kristiansen  
-----

Title: Vice President  
-----

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

COOPERATIVE CENTRALE RAIFFEINSEN-  
BOERENLEENBANK B.A., "RABOBANK  
NEDERLAND", NEW YORK BRANCH, as Lender

By: /s/ Ivan Rodriguez  
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Name: Ivan Rodriguez  
-----

Title: Vice President

-----  
By: /s/ Barbara A. Hyland

-----  
Name: Barbara A. Hyland

-----  
Title: Managing Director  
-----

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

THE ROYAL BANK OF SCOTLAND PLC,  
as a Lender

By: /s/ Jayne Seaford

-----  
Name: Jayne Seaford

-----  
Title: Senior Vice President  
-----

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

WESTLB AG (formerly known as  
Westdeutsche Landesbank Girozentrale),  
NEW YORK BRANCH, as a Lender

By: /s/ Duncan M. Robertson

-----  
Name: Duncan M. Robertson

-----  
Title: Director  
-----

By: /s/ Salvatore Battinelli

-----  
Name: Salvatore Battinelli

-----  
Title: Managing Director

-----  
Credit Department  
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Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

DANSKE BANK, as a Lender

By: /s/ Peter L. Hargraves

-----  
Name: Peter L. Hargraves

-----  
Title: Vice President  
-----

By: /s/ John A. O'Neill  
-----  
Name: John A. O'Neill  
-----  
Title: Assistant General Manager  
-----

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

WACHOVIA BANK, N.A., as a Lender

By: /s/ Sarah T. Warren  
-----  
Name: Sarah T. Warren  
-----  
Title: Vice President  
-----

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

WELLS FARGO BANK TEXAS, NATIONAL  
ASSOCIATION, as a Lender

By: /s/ Eric R. Hollingsworth  
-----  
Name: Eric R. Hollingsworth  
-----  
Title: Vice President  
-----

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

THE BANK OF NEW YORK, as a Lender

By: /s/ Mark O'Connor  
-----  
Name: Mark O'Connor  
-----  
Title: Vice President  
-----

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

THE NORTHERN TRUST COMPANY, as a Lender

By: /s/ Eric Dybing



-----  
Name: Eric Dybing  
-----  
Title: Second Vice President  
-----  
The Northern Trust Company  
-----

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

NATIONAL CITY BANK,  
as a Lender

By: /s/ Dale F. Klose  
-----  
Name: Dale F. Klose  
-----  
Title: Senior Vice President  
-----

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

BANCA NAZIONALE DEL LAVORO SPA,  
as a Lender New York Branch

By: /s/ Frederic W. Hall  
-----  
Name: Frederic W. Hall  
-----  
Title: Vice President  
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By: /s/ Leonardo Valentini  
-----  
Leonardo Valentini  
First Vice President

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXECUTED as of the date first stated above.

U.S. BANK NATIONAL ASSOCIATION,  
as a Lender

By: /s/ R. Michael Newton  
-----  
Name: R. Michael Newton  
-----  
Title: Vice President  
-----

Signature Page to Third Amendment to FMC Technologies Five-Year Credit Agreement

EXHIBIT A

FORM OF OPINION OF JAMES MARVIN

\_\_\_\_\_, 2003

To Bank of America, N.A., as Administrative Agent,  
and each of the Lenders party to  
the Credit Agreement referred to below

Re: FMC Technologies, Inc.

Ladies and Gentlemen:

I am the Associate General Counsel and Assistant Secretary of, and have acted as counsel to, FMC Technologies, Inc. (the "Borrower") in connection with the preparation, execution and delivery of, and the consummation of the transactions contemplated by, the Five-Year Credit Agreement dated as of April 26, 2001, as amended by the First Amendment to Five-Year Credit Agreement dated as of May 30, 2001, the Second Amendment to Five-Year Credit Agreement dated as of April 25, 2002, and the Third Amendment to Five-Year Credit Agreement dated as of April 24, 2003 (the "Third Amendment") (such Credit Agreement, as so amended, the "Credit Agreement"), by and among the Borrower, the Lenders party thereto, and Bank of America, N.A., as agent for the Lenders (the "Administrative Agent").

This opinion is rendered to you pursuant to Section 4(b) of the Third Amendment. Capitalized terms defined in the Credit Agreement, used herein, and not otherwise defined herein, shall have the meanings given them in the Credit Agreement.

In so acting, I have examined originals or copies (certified or otherwise identified to my satisfaction) of the following documents:

1. the Credit Agreement; and
2. the Third Amendment.

The agreements specified in clauses (1) and (2) are collectively referred to as the "Agreements."

In addition, I have examined such corporate records, agreements, documents and other instruments, and such certificates or comparable documents of public officials and of officers and representatives of each of the Borrower, and have made such inquiries of such officers and representatives, as I have deemed relevant and necessary as a basis for the opinions hereinafter set forth.

In such examination, I have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to me as originals, the conformity to original documents of all documents submitted to me as certified, conformed or photostatic copies and the authenticity of the originals of such latter documents. As to all questions of fact material to the opinions set forth herein that have not been independently established, I have relied upon certificates or comparable documents of officers and representatives of the Borrower and upon the representations and warranties of the Borrower contained in the Agreements.

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Exhibit A

I am licensed to practice law in the State of Illinois, and this opinion is limited to the laws of the State of Illinois, the General Corporation Law of the State of Delaware and the federal laws of the United States of America.

Based on the foregoing, and subject to the qualifications stated herein, I am of the opinion that:

1. The Borrower is a corporation validly existing and in good standing under the law of the State of Delaware and has all requisite corporate power and authority to own, lease and operate its properties and to

carry on its business as now being conducted.

2. The Borrower is duly qualified to transact business and is in good standing as a foreign corporation in each jurisdiction where the failure to be so qualified would have a Material Adverse Effect.
3. The Borrower has all requisite corporate power and authority to execute, deliver and perform the Agreements. The execution, delivery and performance by the Borrower of the Agreements have been duly authorized by all necessary corporate action on the part of the Borrower. The Borrower has duly executed and delivered the Agreements. An Illinois state court or a federal court sitting in the State of Illinois in a diversity action should, under conflicts of law principles observed by the courts of the State of Illinois, if properly presented with the issue, give effect to those provisions of the Agreements providing that the Agreements are to be governed by and construed in accordance with the law of the State of New York insofar as such provisions relate to the substantive laws of the State of New York and to the validity, nature, interpretation and effect of the Agreements, except (i) to the extent, if any, that federal law applies, (ii) to the extent procedural (as opposed to substantive) laws are involved, or (iii) to the extent that the applicable laws of New York violate a public policy of the State of Illinois.
4. The execution, delivery and performance by the Borrower of the Agreements will not conflict with, constitute a default under or violate (i) any of the terms, conditions or provisions of the Certificate of Incorporation or By-laws of the Borrower, (ii) any of the terms, conditions or provisions of any material contractual obligation of the Borrower of which I am aware, (iii) any Illinois, Delaware corporate or federal requirement of law or (iv) any judgment, writ, injunction, decree, order or ruling of any court or governmental authority of which I am aware which is binding on the Borrower.
5. No consent, approval, waiver, license or authorization or other action by or filing with any Illinois, Delaware corporate or federal Governmental Authority of which I am aware is required in connection with the execution, delivery or performance by the Borrower of the Agreements.
6. The borrowings by and other financial accommodations provided to the Borrower under the Agreements and the application of proceeds thereof as provided in the Credit Agreement will not violate Regulation U or X of the Board.

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Exhibit A

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7. The Borrower is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended, or a "holding company" or a "subsidiary company" of a "holding company" within the meaning of the Public Utility Holding Company Act of 1935, as amended.
8. To my knowledge, there is no action, suit, proceeding, governmental investigation or arbitration, at law or in equity or before any governmental authority, pending or overtly threatened against the Borrower (i) with respect to any Agreement or challenging any of the Lenders' or the Administrative Agent's rights or remedies thereunder or (ii) which is reasonably likely to be adversely determined and, if so determined, would be reasonably likely to materially adversely affect the ability of the Borrower to perform its obligations under the Agreements.

My opinion in Paragraph 4(iii) is based upon my review of those requirements of law which in my experience are normally applicable to or normally relevant in connection with transactions of the type provided for in the Agreements. For purposes of my opinion in the last sentence of Paragraph 3, I have assumed that New York law bears a reasonable relationship to the transactions contemplated by the Agreements.

The opinions expressed herein are effective only as of the date of this opinion letter. I do not assume responsibility for updating this opinion letter as of any date subsequent to the date of this opinion letter, and I assume no

responsibility for advising you of (i) any change with respect to any matter described in this opinion letter or (ii) the discovery subsequent to the date of this opinion letter of factual information not previously known to me pertaining to events occurring prior to the date of this opinion letter.

This opinion letter is rendered solely to you in connection with the above-described transactions. This opinion letter may not be relied upon by you for any other purpose, or relied upon by any other Person (other than your successors and permitted assigns under the Credit Agreement) for any purpose, without in each case my prior written consent.

Very truly yours,

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Exhibit A

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EXHIBIT B

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FORM OF OPINION OF MAYER, BROWN, ROWE & MAW

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\_\_\_\_\_, 2003

Bank of America, N.A.  
and each of the other financial  
institutions that is a party to the  
Credit Agreement referred to below  
c/o Bank of America, N.A., as Administrative Agent  
901 Main Street  
Dallas, Texas 75202

Ladies and Gentlemen:

We have acted as special New York counsel for FMC Technologies, Inc., a Delaware corporation (the "Borrower"), in connection with the Five-Year Credit Agreement dated as of April 26, 2001, as amended by the First Amendment to Five-Year Credit Agreement dated as of May 30, 2001, the Second Amendment to Five-Year Credit Agreement dated as of April 25, 2002, and the Third Amendment to Five-Year Credit Agreement dated as of April 24, 2003 (the "Third Amendment") (such Credit Agreement, as so amended, the "Credit Agreement") among the Borrower, various financial institutions and Bank of America, N.A., as Administrative Agent. Terms defined in the Credit Agreement are used herein as therein defined. This opinion letter is being rendered to you at the request of our clients pursuant to the requirements of the Third Amendment.

We have examined originals or copies, certified or otherwise identified to our satisfaction, of (i) the Credit Agreement, (ii) the Third Amendment, and (iii) such documents, corporate records, certificates of public officials and of officers and representatives of the Borrower and other instruments, and have conducted such other investigations of fact and law, as we have deemed necessary or advisable for purposes of this opinion letter. Except as described in the foregoing sentence, we have not undertaken any independent investigation of any factual matters which might be relevant to this opinion letter and we have made no independent investigation of the records of, or other matters relating to, the Borrower or any other Person.

For the purposes of this opinion letter, we have assumed that all items submitted to us as originals are complete and authentic and all signatures thereon are genuine, and all items submitted to us as copies are complete and conform to the originals. We have also assumed, with your permission and without independent investigation of any kind, the following: (i) the Borrower has been duly incorporated and is validly existing and is in good standing under the laws of the State of Delaware; (ii) the Borrower has the corporate power and authority to execute, deliver and perform its obligations under the Third Amendment and the Credit Agreement; (iii) the Borrower has the corporate power and authority to execute, deliver and perform its obligations under the Third Amendment and the Credit Agreement; (iv) the Borrower has taken all corporate action required to duly authorize the execution, delivery and performance by it of the Third Amendment and the Credit Agreement; (v) the Third Amendment and the Credit Agreement have been duly authorized, executed and delivered by the

Borrower, (vi) the Third Amendment and the Credit Agreement are the legal, valid and binding obligations of each party thereto (other than the Borrower)

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Exhibit B

enforceable against each such party in accordance with its terms; (vii) the execution, delivery and performance of the Third Amendment and the Credit Agreement by the Borrower (a) are in accordance with (and do not conflict with) the laws of the State of Delaware, (b) do not violate or contravene the organizational documents or by-laws of the Borrower, and (c) do not violate or contravene any provision of any agreement or contract applicable to or binding upon the Borrower; and (viii) there are no agreements or understandings among the parties, written or oral, and no usage of trade or course of prior dealing among the parties which would, in either case, define, supplement or qualify the terms of the Third Amendment or Credit Agreement.

Upon the basis of the foregoing and the other assumptions and qualifications set forth herein, we are of the opinion that:

1. The Credit Agreement constitutes a valid and binding agreement of the Borrower, enforceable in accordance with its terms.
2. The Third Amendment constitutes a valid and binding agreement of the Borrower, enforceable in accordance with its terms.

Our opinions set forth above are subject to the following qualifications:

- (a) We express no opinion as to any law, rule, regulation, ordinance, code or similar provision of law of any county, municipality, or similar political subdivision of the State of New York or any agency or instrumentality thereof, and we express no opinion as to any law to which the Borrower may be subject solely as a result of your legal or regulatory status or as to any insurance law or any federal or state securities or "blue sky" law. Members of our Firm are admitted to practice law in the State of New York and we express no opinion on any law other than the laws of the State of New York and the Federal law of the United States to the extent specifically set forth herein.
- (b) Our opinions are subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws affecting creditors' rights generally and to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including (without limitation) concepts of materiality, reasonableness, good faith and fair dealing and by limitations on the availability of specific performance, injunctive relief or other equitable remedies.
- (c) We express no opinion as to:
  - (i) obligations relating to indemnification, contribution or exculpation of costs, expenses or liabilities which contravene public policy;
  - (ii) the enforceability, under certain circumstances, of provisions imposing penalties or forfeitures, late payment charges or an increase in interest rate upon delinquency in payment or the occurrence of a default;

B-2

Exhibit B

(iii) any agreement by the Borrower to the subject matter jurisdiction of a United States federal court, to the waiver of the right to jury trial or to be served with process by service upon a designated third party;

(iv) any agreement by the Borrower purporting to waive any objection to the laying of venue or any claim that an action or proceeding has been brought in an inconvenient forum;

(v) the effect of the law of any jurisdiction other than the State of New York wherein any Lender may be located or wherein the enforcement of the Third Amendment or the Credit Agreement may be sought that limits the rates of interest, fees or other charges legally chargeable or collectible;

(vi) any provision of the Third Amendment or the Credit Agreement (A) restricting access to legal or equitable remedies, (B) relating to severability or similar clauses, (C) providing that the Third Amendment or the Credit Agreement may only be amended, modified or waived in writing, (D) stating that all rights or remedies of any party are cumulative and may be enforced in addition to any other right or remedy and that the election of a particular remedy does not preclude recourse to one or more remedies, (E) purporting to establish an evidentiary standard for determinations by the Lenders or the Administrative Agent or (F) purporting to convey rights to Persons other than parties to the Third Amendment or the Credit Agreement;

(vii) whether any court outside the State of New York would honor the choice of New York law as the governing law of the Third Amendment and the Credit Agreement; or

(viii) Section 10.09 of the Credit Agreement.

The opinions expressed herein are effective only as to the date of this opinion letter. We do not assume responsibility for updating this opinion letter as of any date subsequent to the date of this opinion letter, and we assume no responsibility for advising you of (i) any changes with respect to any matters described in this opinion letter or (ii) the discovery subsequent to the date of this opinion letter of factual information not previously known to us pertaining to the events occurring prior to the date of this opinion letter.

This opinion letter is rendered solely to you in connection with the above-described transactions. This opinion letter may not be relied upon by you for any other purpose, or relied upon by any other Person (other than your successors and permitted assigns under the Credit Agreement) for any purpose, without in each case our prior written consent.

Very truly yours,

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**Exhibit 15 Letter re: Unaudited Interim Financial Information**

FMC Technologies, Inc.  
Chicago, Illinois

Re: Registration Statements on Form S-8 (No. 333-62996, 333-76210, 333-76214 and 333-76216).

With respect to the subject registration statements, we acknowledge our awareness of the incorporation by reference therein of our report dated July 23, 2003 related to our review of interim financial information.

Pursuant to Rule 436(c) under the Securities Act of 1933 (the "Act"), such report is not considered part of a registration statement prepared or certified by an accountant, or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Act.

Very truly yours,

/s/ KPMG LLP

Chicago, Illinois  
August 14, 2003

**CHIEF EXECUTIVE OFFICER CERTIFICATION**

I, Joseph H. Netherland, Chairman, President and Chief Executive Officer of FMC Technologies, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of FMC Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2003

/s/ Joseph H. Netherland

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Joseph H. Netherland  
Chairman, President and Chief Executive  
Officer (Principal Executive Officer)



## CHIEF FINANCIAL OFFICER CERTIFICATION

I, William H. Schumann, III, Senior Vice President, Chief Financial Officer and Treasurer of FMC Technologies, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of FMC Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2003

/s/ William H. Schumann, III

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William H. Schumann, III  
Senior Vice President, Chief Financial Officer  
and Treasurer (Principal Financial Officer)

Certification  
of  
Chief Executive Officer  
Pursuant to 18 U.S.C. 1350  
as Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002

I, Joseph H. Netherland, Chairman, President and Chief Executive Officer of FMC Technologies, Inc. (the "Company"), do hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (a) the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended June 30, 2003, as filed with the Securities and Exchange Commission (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 14, 2003

/s/ Joseph H. Netherland

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Joseph H. Netherland  
Chairman, President and Chief  
Executive Officer

A signed original of this written statement required by Section 906 or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form with the electronic version of this written statement required by Section 906 has been provided to FMC Technologies, Inc., and will be retained by FMC Technologies, Inc., and furnished to the Securities and Exchange Commission or its staff upon request.

Certification  
of  
Chief Financial Officer  
Pursuant to 18 U.S.C. 1350  
as Adopted Pursuant to  
Section 906 of the Sarbanes-Oxley Act of 2002

I, William H. Schumann, III, Senior Vice President, Chief Financial Officer and Treasurer of FMC Technologies, Inc. (the "Company"), do hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (a) the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended June 30, 2003, as filed with the Securities and Exchange Commission (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 14, 2003

/s/ William H. Schumann, III

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William H. Schumann, III  
Senior Vice President, Chief Financial  
Officer and Treasurer

A signed original of this written statement required by Section 906 or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form with the electronic version of this written statement required by Section 906 has been provided to FMC Technologies, Inc., and will be retained by FMC Technologies, Inc., and furnished to the Securities and Exchange Commission or its staff upon request.