UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2002

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 1-2376

FMC TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**36-4412642** (I.R.S. Employer Identification No.)
200 East Randolph Drive, Chicago, Illinois (Address of principal executive offices)	**60601** (Zip Code)
Registrant's telephone number, including area code:	**312/861-6000**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $0.01 par value	New York Stock Exchange
Preferred Share Purchase Rights	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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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 IF DISCLOSURE OF DELINQUENT FILERS PURSUANT TO ITEM 405 OF REGULATION S-K IS NOT CONTAINED HEREIN, AND WILL NOT BE CONTAINED, TO THE BEST OF REGISTRANT'S KNOWLEDGE, IN DEFINITIVE PROXY OR INFORMATION STATEMENTS INCORPORATED BY REFERENCE IN PART III OF THIS FORM 10-K OR ANY AMENDMENT TO THIS FORM 10-K. ☐

INDICATE BY CHECK MARK WHETHER THE REGISTRANT IS AN ACCELERATED FILER (AS DEFINED IN RULE 12B-2 OF THE ACT). YES ☒ NO ☐

THE AGGREGATE MARKET VALUE OF VOTING STOCK HELD BY NON-AFFILIATES OF THE REGISTRANT AS OF THE REGISTRANT'S MOST RECENTLY COMPLETED SECOND FISCAL QUARTER (JUNE 30, 2002), WAS APPROXIMATELY $1,272,866,000.

THE NUMBER OF SHARES OF THE REGISTRANT'S COMMON STOCK, $0.01 PAR VALUE, OUTSTANDING AS OF FEBRUARY 28, 2003 WAS 66,051,869.

DOCUMENTS INCORPORATED BY REFERENCE

DOCUMENT	FORM 10-K REFERENCE
Portions of 2002 Annual Report to Stockholders	Part I, Item 1; Part II; and Part IV, Item 15(a)(1) and (2)
Portions of Proxy Statement for 2003 Annual Meeting of Stockholders	Part III

PART I

FMC Technologies, Inc. (the “Company”) was incorporated in 2000 under Delaware law and has its principal executive offices at 200 East Randolph Drive, Chicago, Illinois 60601. As used in this report, except where otherwise stated or indicated by the context, the “Company” means the Company and its consolidated subsidiaries and their predecessors.

The Company is one of the world’s leading producers of machinery for industry. The Company employs approximately 8,500 people at 35 manufacturing facilities in 16 countries.

The Company designs, manufactures and services technologically sophisticated systems and products for its customers through its Energy Production Systems, Energy Processing Systems, FoodTech and Airport Systems business segments. Energy Production Systems is a supplier of systems and services used in the offshore, particularly deepwater, exploration and production of crude oil and natural gas. Energy Processing Systems is a provider of specialized systems and products to customers involved in the production, transportation and processing of crude oil, natural gas and other energy related products. FoodTech is a supplier of technologically sophisticated food handling and processing systems and products to industrial food processing companies. Airport Systems provides technologically advanced equipment and services for airlines, airports, air freight companies and the U.S. military.

Business and geographic segment data for 2002, 2001 and 2000 are summarized in Note 19 to the consolidated financial statements on pages 64 through 67 of the 2002 Annual Report to Stockholders, which is incorporated herein by reference.

ITEM 1. BUSINESS

			Incorporated by Reference From:
(a)	General Development of Business	—	2002 Annual Report to Stockholders, pages 3-21 and inside back cover, Management’s Discussion and Analysis on pages 24-37, and Notes 1, 2 and 4 to the consolidated financial statements on pages 44-45 and 48-49
(b)	Financial Information About Segments	—	2002 Annual Report to Stockholders, Note 19 to the consolidated financial statements on pages 64-67
(c)	Narrative Description of Business	—	2002 Annual Report to Stockholders, pages 8-21 and 24-37

Principal Products

See page 18 and Note 19 to the consolidated financial statements on pages 64 through 67 of the 2002 Annual Report to Stockholders for information about each business segment's principal products.

Sources and Availability of Raw Materials

The Company purchases carbon steel, stainless steel, aluminum and steel castings and forgings both domestically and internationally.

The Company does not use single source suppliers for the majority of its raw material purchases and believes the available supplies of raw materials are adequate. Moreover, raw materials essential to the Company's businesses are generally readily available.

Patents

The Company owns a number of U.S. and foreign patents, trademarks and licenses that are cumulatively important to its businesses. The Company has approximately 2,000 issued patents and pending patent applications worldwide. Further, the Company licenses certain intellectual property rights to or from third parties. The Company also owns numerous U.S. and foreign trademarks and trade names and has 1,020 registrations and pending applications in the United States and abroad. The Company does not believe that the loss of any one or group of related patents, trademarks or licenses would have a material adverse effect on the overall business of the Company.

Seasonality

The Company's businesses are generally not subject to significant seasonal fluctuations, except for sales of Energy Processing Systems and sales of deicers by Airport Systems, which are typically greater in the fourth quarter of each year. In addition, due to the seasonal nature of fruit and vegetable production, sales of certain FoodTech products are typically greater in the second and fourth quarters of each year.

Product Warranties

The Company provides for estimated losses related to warranties of product performance. The balance sheet obligation is based on historical experience by product which the Company believes is a reasonable estimate of future liability. The following table details the Company's 2002 obligations incurred and settlements made under product warranties.

(In Millions)		
Obligations for product warranties at December 31, 2001	$	11.8
Obligations incurred		15.8
Settlements made		(15.7)
Obligations for product warranties at December 31, 2002	$	11.9

Order Backlog

	Order Backlog December 31,			
(In Millions)		2002		2001
Energy Production Systems	$	822.5	$	570.9
Energy Processing Systems		110.0		105.0
Subtotal Energy Systems		932.5		675.9
FoodTech		107.2		121.4
Airport Systems		112.0		163.4
Total	$	1,151.7	$	960.7

Although the Company provides many systems, equipment and services pursuant to long-term agreements entered into in advance of the delivery of those items to its customers, orders are not entered into order backlog until formally recognized by receipt of a confirmed customer order.

The Company projects that $243.5 million of total order backlog at December 31, 2002 will be recorded as revenue after fiscal year 2003.

Competitive Conditions

The Company markets its products primarily through its own technically-oriented sales organization and, in some cases, through independent distributors and sales representatives. The Company conducts business worldwide in more than 100 countries. Energy Production Systems competes with other companies that supply subsea systems and floating production products and with smaller companies that are focused on a specific application, technology or geographical area in the Company's other product areas. Energy Processing Systems competes with a number of companies in the measurement and transportation industry, some of whom have access to greater resources. FoodTech and Airport Systems compete with a variety of local and regional companies typically focused on a specific application, technology or geographic area, and with a few large multinational companies.

The Company competes by leveraging its industry experience to provide advanced technology, integrated systems, high product quality and reliability and quality aftermarket service. The Energy Systems businesses differentiate themselves by the depth of their industry experience, engineering and design capabilities, product performance, integrated systems, global manufacturing capability, quality, reliability, service and price. FoodTech and Airport Systems differentiate themselves on many of the same bases as the Energy Systems businesses – the depth of their industry experience, engineering and design capabilities, product performance, integrated systems, quality, reliability, service, and price and, in the food processing industry, in particular, on the basis of yield and hygiene.

Research and Development

The objectives of the Company's research and development programs are to discover new products and business opportunities in relevant fields and to improve existing products. Worldwide expenditures for research and development by business segment for the fiscal years ended December 31, 2002, 2001 and 2000 were as follows:

	Year Ended December 31,		
(In Millions)	2002	2001	2000
Energy Production Systems	$ 21.7	$ 22.5	$ 25.3
Energy Processing Systems	6.9	7.5	8.5
Subtotal Energy Systems	28.6	30.0	33.8
FoodTech	13.4	16.7	15.1
Airport Systems	5.8	8.2	7.8
Total	$ 47.8	$ 54.9	$ 56.7

Employees

The Company employs approximately 8,500 people in its domestic and foreign operations. Approximately 300 such employees are represented by collective bargaining agreements in the United States. In 2003, two of the Company's six collective bargaining agreements in the United States will expire, covering approximately 40 employees. The Company maintains good employee relations and has successfully concluded all of its recent negotiations without a work stoppage. The Company, however, cannot predict the outcome of future contract negotiations.

			Incorporated by Reference From:
(d)	Financial Information About Geographic Areas	—	2002 Annual Report to Stockholders, page 67
(e)	Available Information		

This Form 10-K, the Company's Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are available free of charge through the Company's website at www.fmctechnologies.com as soon as reasonably practicable after the Company electronically files such material with, or furnishes it to, the Securities and Exchange Commission.

Cautionary Note Regarding Forward-Looking Information

Statement under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995: The Company and its representatives may from time to time make written or oral statements that are "forward-looking" and provide other than historical information, including statements contained in the 2002 Annual Report to Stockholders, this Form 10-K, the Company's other filings with the Securities and Exchange Commission or communications to its stockholders. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any results, levels of activity, performance or achievements expressed or implied by any forward-looking statement. These factors include, among other things, the risk factors listed below.

In some cases, the Company has 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 and phrases. Such forward-looking statements are based on management's current views and assumptions regarding future events, future business conditions and the outlook for the Company based on currently available information. These 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. The Company wishes to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made and involve judgments.

In connection with the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995, the Company is hereby identifying important factors that could affect the Company's financial performance and could cause the Company's actual results for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements.

Among the factors that could have an impact on the Company's ability to achieve operating results and growth plan goals are:

- Significant competition;
- The impact of unforeseen economic and political changes in the international markets where the Company competes, including changes in currency exchange rates, war, terrorist attacks and activities, civil unrest, inflation rates, recessions, trade restrictions, foreign ownership restrictions and economic embargoes imposed by the United States or any of the foreign countries in which the Company does business; changes in governmental laws and regulations and the level of enforcement of these laws and regulations; other governmental actions; and other external factors over which the Company has no control;
- The impact of significant changes in interest rates or taxation rates;
- Increases in raw material prices compared with historical levels, or shortages of raw materials;
- Underestimating labor or other internal costs;
- Inherent risks in the marketplace associated with new product introductions and technologies;
- Changes in capital spending by customers or consolidation of customers in the petroleum exploration, commercial food processing or airline or air freight industries or by the United States Government;
- Risks associated with developing new manufacturing processes;
- Fluctuations in the price of crude oil or natural gas;
- The impact of freight transportation delays beyond the control of the Company;
- The ability of the Company to integrate, operate and manage possible future acquisitions or joint ventures into our existing operations; for example, the Company owns a 37.5% interest in the MODEC joint venture, cannot control the actions of its joint venture partner and has only limited rights in controlling the actions of the joint venture;
- Conditions affecting domestic and international capital markets;
- Unexpected changes in the size and timing of regional and/or product markets, particularly for short lead-time products;
- Risks derived from unforeseen developments in industries served by the Company, such as political or economic changes in the energy, food processing or airline industries, and other external factors over which the Company has no control;
- Risks associated with litigation, including changes in applicable laws; the development of facts in individual cases; settlement opportunities; the actions of plaintiffs, judges and juries; and the possibility that current reserves relating to the Company's ongoing litigation may prove inadequate;

- The effect of the loss of major contracts or losses from fixed-price contracts;
- The loss of key management or other personnel;
- Developments in technology of competitors; and
- Environmental and asbestos-related liabilities that may arise in the future that exceed the Company’s current reserves.

The Company wishes to caution that the foregoing list of important factors may not be all-inclusive, and specifically declines 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.

ITEM 2. PROPERTIES

The Company leases executive offices in Chicago and maintains executive offices in its Houston facility. The Company operates 35 manufacturing facilities in 16 countries.

Most of the Company’s plant sites are owned, with an immaterial number of them being leased. The Company believes its properties and facilities meet present requirements and are in good operating condition and that each of its significant manufacturing facilities is operating at a level consistent with the requirements of the industry in which it operates.

The significant production properties for the Energy Production Systems operations currently are:

Location	Square Feet (approximate)	Leased or Owned
United States:		
Oklahoma City, Oklahoma	40,000	Owned
*Houston, Texas	390,000	Owned
International:		
Rio de Janeiro, Brazil	225,000	Owned
*Sens, France	185,000	Owned
*Kongsberg, Norway	568,000	Leased
*Singapore, RS	97,000	Owned
Dunfermline, Scotland	152,000	Owned
Maracaibo, Venezuela	60,000	Owned

*These facilities are production properties for both Energy Production Systems and Energy Processing Systems.

The significant production properties for the Energy Processing Systems operations currently are:

Location	Square Feet (approximate)	Leased or Owned
United States:		
Tupelo, Mississippi	330,000	Owned
Erie, Pennsylvania	350,000	Owned
Corpus Christi, Texas	15,000	Owned
Stephenville, Texas	300,000	Owned
Homer City, Pennsylvania	267,000	Owned
International:		
Ellerbek, Germany	200,000	Owned

The significant production properties for the FoodTech operations currently are:

Location	Square Feet (approximate)	Leased or Owned
United States:		
Madera, California	250,000	Owned
Stockton, California	58,000	Owned/Leased
Lakeland, Florida	208,000	Owned
Hoopeston, Illinois	359,000	Owned
Northfield, Minnesota	80,400	Owned/Leased
Sandusky, Ohio	140,000	Owned
Newberg, Oregon	101,000	Leased
International:		
St. Niklaas, Belgium	539,000	Owned
Araraquara, Brazil	94,000	Owned
Collecchio, Italy	34,000	Leased
Parma, Italy	68,000	Owned
Helsingborg, Sweden	227,000	Owned/Leased
Fakenham, United Kingdom	117,000	Owned

The significant production properties for the Airport Systems operations currently are:

Location	Square Feet (approximate)	Leased or Owned
United States:		
Orlando, Florida	253,000	Owned
Ogden, Utah	350,000	Owned
International:		
Madrid, Spain	27,000	Owned

ITEM 3. LEGAL PROCEEDINGS

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 recently 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 known contingencies 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

None.

Executive Officers of the Registrant

The executive officers of the Company, together with the offices in the Company currently held by them, their business experience and their ages as of February 28, 2003, are as follows:

Name	Age	Office, year of election and other information for past five years
Joseph H. Netherland	56	Chairman, President and Chief Executive Officer (01); President of FMC Corporation (99); Executive Vice President of FMC Corporation (98)
William H. Schumann, III	52	Treasurer (02); Senior Vice President and Chief Financial Officer (01); Senior Vice President and Chief Financial Officer of FMC Corporation (99); Vice President, Corporate Development of FMC Corporation (98)
Charles H. Cannon, Jr.	51	Vice President and General Manager—FoodTech and Airport Systems (01); Vice President and General Manager of FMC Corporation—FMC FoodTech (94) and Transportation Systems Group of FMC Corporation (98)
Jeffrey W. Carr	46	Vice President, General Counsel and Secretary (01); Associate General Counsel of FMC Corporation (97)
Peter D. Kinnear	55	Vice President (01); Vice President of FMC Corporation (00); General Manager, Petroleum Equipment and Systems Division of FMC Corporation (94)
Ronald D. Mambu	53	Vice President and Controller (01); Vice President and Controller of FMC Corporation (95)
Robert L. Potter	52	Vice President (01); Division President of Energy Transportation and Measurement Division of FMC Corporation (95)

No family relationships exist among any of the above-listed officers, and there are no arrangements or understandings between any of the above-listed officers and any other person pursuant to which they serve as an officer. All officers are elected to hold office for one (1) year and until their successors are elected and qualified.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

(a) Market Information – FMC Technologies, Inc. is listed on the New York Stock Exchange under the symbol FTI. High and low sales prices for the Company's common stock is incorporated by reference from the 2002 Annual Report to Stockholders, Note 20 to the consolidated financial statements on page 68.

(b) Holders – As of February 28, 2003, there were 7,646 holders of record of the Company's common stock.

(c) Dividends – The Company did not pay dividends on its common stock in 2002 and does not expect to pay dividends on its common stock in 2003.

			Incorporated by Reference From:
ITEM 6.	**SELECTED FINANCIAL DATA**	—	2002 Annual Report to Stockholders, pages 70-71
ITEM 7.	**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**	—	2002 Annual Report to Stockholders, pages 24-37
ITEM 7A.	**QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**	—	2002 Annual Report to Stockholders, page 35
ITEM 8.	**FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**	—	2002 Annual Report to Stockholders, pages 38-69
ITEM 9.	**CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**	—	None

PART III

			Incorporated by Reference From:
ITEM 10.	**DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT**	—	Part I; Proxy Statement for 2003 Annual Meeting of Stockholders, pages 4-8
ITEM 11.	**EXECUTIVE COMPENSATION**	—	Proxy Statement for 2003 Annual Meeting of Stockholders, pages 16-23
ITEM 12.	**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**	—	Proxy Statement for 2003 Annual Meeting of Stockholders, pages 14-15 and page 24
ITEM 13.	**CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**	—	Proxy Statement for 2003 Annual Meeting of Stockholders, pages 12-13

ITEM 14. CONTROLS AND PROCEDURES

The Company’s principal executive officer and its principal financial officer, after evaluating the effectiveness of the Company’s disclosure controls and procedures (as defined in Exchange Act Rules 13a-14(c) and 15d-14(c)) as of a date within ninety days before the filing date of this report, have concluded that, based on such evaluation, the Company’s disclosure controls and procedures were effective.

There were no significant changes in the Company’s internal controls or in other factors that could significantly affect the Company’s disclosure controls and procedures subsequent to the date of their evaluation, nor were there any significant deficiencies or material weaknesses in the Company’s internal controls. As a result, no corrective actions were required or undertaken.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K

(a) Documents filed with this Report

1. Consolidated financial statements of the Company and its subsidiaries are incorporated by reference herein under Item 8 of this Form 10-K.

2. Report of Independent Accountants on Financial Statement Schedule

   See Schedule II—Valuation and Qualifying Accounts on page 14 of this document. All other schedules are omitted because of the absence of conditions under which they are required or because information called for is shown in the consolidated financial statements and notes thereto in the 2002 Annual Report to Stockholders.

3. Exhibits: See attached Index of Exhibits.

(b) Reports on Form 8-K

Form 8-K dated November 12, 2002, containing certifications of Chief Executive Officer and Chief Financial Officer of the Company pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(c) Exhibits

See Index of Exhibits beginning on page 18 of this document.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders of FMC Technologies, Inc.:

Under date of January 27, 2003, we reported on the consolidated balance sheets of FMC Technologies, Inc. and consolidated subsidiaries as of December 31, 2002 and 2001, and the related consolidated statements of income, cash flows and changes in stockholders' equity for each of the years in the three-year period ended December 31, 2002, as contained in the 2002 annual report to stockholders. These consolidated financial statements and our report thereon are incorporated by reference in the annual report on Form 10-K for the year 2002. In connection with our audits of the aforementioned consolidated financial statements, we also audited the related financial statement schedules as listed in the accompanying index. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement schedule based on our audits.

In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

As described in Note 3 to the consolidated financial statements, the Company changed its method of accounting for goodwill effective January 1, 2002.

/s/ KPMG LLP

Chicago, Illinois
January 27, 2003

Schedule II—Valuation and Qualifying Accounts

(In thousands)

(A) Description (1)	(B) Balance at beginning of period	(C) Additions charged to costs and expenses	(C) Additions charged to other accounts	(D) Deductions and other		(E) Balance at end of period
Year ended December 31, 2000:						
Allowance for doubtful accounts	$ 10,383	$ 1,379	$ 955	$ 5,508	(a)	$ 7,209
Valuation allowance for deferred tax assets	$ 6,143	$ 312	$ —	$ 993	(d)	$ 5,462
Year ended December 31, 2001:						
Allowance for doubtful accounts	$ 7,209	$ 2,027	$ 117	$ 131	(b)	$ 9,222
Valuation allowance for deferred tax assets	$ 5,462	$ 618	—	$ 623	(d)	$ 5,457
Year ended December 31, 2002:						
Allowance for doubtful accounts	$ 9,222	$ 2,782	$ 189	$ 1,673	(c)	$ 10,520
Valuation allowance for deferred tax assets	$ 5,457	$ 1,830	$ —	$ 701	(d)	$ 6,586

(a) – "Additions charged to other accounts" include reserves acquired through business combinations. "Deductions and other" include writeoffs and translation adjustments.
(b) – "Additions charged to other accounts" include recoveries. "Deductions and other" include writeoffs and translation adjustments.
(c) – "Additions charged to other accounts" include reserves acquired through business combinations, recoveries and translation adjustments. "Deductions and other" include writeoffs.
(d) – "Deductions and other" reflect tax benefit realized.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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)

By: /S/ WILLIAM H. SCHUMANN, III

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

Date: March 25, 2003

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

	Title	Signature
Joseph H. Netherland	Chairman of the Board, President, Chief Executive Officer and Director (Principal Executive Officer)	/S/ JOSEPH H. NETHERLAND **March 25, 2003**
William H. Schumann, III	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)	/S/ WILLIAM H. SCHUMANN, III **March 25, 2003**
Ronald D. Mambu	Vice President and Controller (Principal Accounting Officer)	/S/ RONALD D. MAMBU **March 25, 2003**
Mike R. Bowlin	Director	/S/ MIKE R. BOWLIN **March 25, 2003**
B.A. Bridgewater, Jr.	Director	/S/ B.A. BRIDGEWATER, JR. **March 25, 2003**
Thomas M. Hamilton	Director	/S/ THOMAS M. HAMILTON **March 25, 2003**
Asbjørn Larsen	Director	/S/ ASBJØRN LARSEN **March 25, 2003**
Edward J. Mooney	Director	/S/ EDWARD J. MOONEY **March 25, 2003**
Richard A. Pattarozzi	Director	/S/ RICHARD A. PATTAROZZI **March 25, 2003**
James R. Ringler	Director	/S/ JAMES R. RINGLER **March 25, 2003**
James R. Thompson	Director	/S/ JAMES R. THOMPSON **March 25, 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 annual report on Form 10-K of FMC Technologies, Inc.;

2. Based on my knowledge, this annual 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 annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual 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 annual 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-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures 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 annual report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: March 25, 2003

/S/ JOSEPH H. NETHERLAND

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 annual report on Form 10-K of FMC Technologies, Inc.;

2. Based on my knowledge, this annual 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 annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual 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 annual 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-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures 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 annual report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: March 25, 2003

/S/ WILLIAM H. SCHUMANN, III

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

INDEX OF EXHIBITS FILED WITH OR INCORPORATED BY REFERENCE INTO FORM 10-K OF FMC TECHNOLOGIES, INC. FOR THE YEAR ENDED DECEMBER 31, 2002

Exhibit No.	Exhibit Description
2.1	Separation and Distribution Agreement by and between FMC Corporation and the Company, dated as of May 31, 2001 (incorporated by reference from Exhibit 2.1 to the Form S-1/A filed on June 6, 2001).
3.1	Registrant's Amended and Restated Certificate of Incorporation (incorporated by reference from Exhibit 3.1 to the Form S-1/A filed on April 4, 2001).
3.2	Registrant's Amended and Restated Bylaws (incorporated by reference from Exhibit 3.2 the Form S-1/A filed on April 4, 2001).
4.1	Form of Specimen Certificate for the Company's Common Stock (incorporated by reference from Exhibit 4.1 to the Form S-1/A filed on May 4, 2001).
4.2	Preferred Share Purchase Rights Agreement (incorporated by reference from Exhibit 4.2 to the Form S-8 filed on June 14, 2001).
4.3	$250,000,000 Five-Year Credit Agreement (incorporated by reference from Exhibit 4.3 to the Form S-1/A filed on June 6, 2001).
4.4	First Amendment to the $250,000,000 Five-Year Credit Agreement (incorporated by reference from Exhibit 4.4 to the Form S-1/A filed on June 6, 2001).
4.5	$150,000,000 364-Day Revolving Credit Facility (incorporated by reference from Exhibit 4.5 to the Form S-1/A filed on June 6, 2001).
4.6	First Amendment to the $150,000,000 364-Day Revolving Credit Facility (incorporated by reference from Exhibit 4.6 to the Form S-1/A filed on June 6, 2001).
4.7	Second Amendment to the $150,000,000 364-Day Revolving Credit Facility (incorporated by reference from Exhibit 4.7 to the Quarterly Report on Form 10-Q filed on May 15, 2002).
4.8	Second Amendment to the $250,000,000 Five-Year Credit Agreement (incorporated by reference from Exhibit 4.8 to the Quarterly Report on Form 10-Q filed on May 15, 2002).
10.1	Tax Sharing Agreement by and among FMC Corporation and the Company, dated as of May 31, 2001 (incorporated by reference from Exhibit 10.1 to the Form S-1/A filed on June 6, 2001).
10.2	Employee Benefits Agreement by and between FMC Corporation and the Company, dated as of May 30, 2001 (incorporated by reference from Exhibit 10.2 to the Form S-1/A filed on June 6, 2001).
10.3	Transition Services Agreement between FMC Corporation and the Company, dated as of December 31, 2001 (incorporated by reference from Exhibit to the Form S-1/A filed on May 4, 2001).
10.4*	FMC Technologies, Inc.'s Incentive Compensation and Stock Plan (incorporated by reference from Exhibit 10.4 to the Form S-1/A filed on June 6, 2001).
10.5*	Forms of Executive Severance Agreements (incorporated by reference from Exhibit 10.5 to the Form S-1/A filed on June 6, 2001).
10.6*	FMC Technologies, Inc. Defined Benefit Retirement Trust (incorporated by reference from Exhibit 10.6 to the Quarterly Report on Form 10-Q filed on November 14, 2001).
10.6.a*	FMC Corporation Defined Benefit Retirement Trust (incorporated by reference from Exhibit 10.6.a to the Quarterly Report on Form 10-Q filed on August 14, 2001).

10.6.b*	Amendment to the FMC Corporation Defined Benefit Retirement Trust (incorporated by reference from Exhibit 10.6.b to the Quarterly Report on Form 10-Q filed on August 14, 2001).
10.6.c*	FMC Technologies, Inc. Employees' Retirement Program—Part I Salaried and Non-Union Hourly Employees' Retirement Plan (incorporated by reference from Exhibit 10.6.c to the Quarterly Report on Form 10-Q filed on November 14, 2001).
10.6.d*	FMC Technologies, Inc. Employees' Retirement Program—Part II Union Hourly Employees' Retirement Plan (incorporated by reference from Exhibit 10.6.d to the Quarterly Report on Form 10-Q filed on November 14, 2001).
10.6.e*	First Amendment to the FMC Technologies, Inc. Employees' Retirement Program—Part I Salaried and Non-Union Hourly Employees' Retirement Plan (incorporated by reference from Exhibit 10.6.e to the Quarterly Report on Form 10-Q filed on November 14, 2001).
10.6.f*	Second Amendment to the FMC Technologies, Inc. Employees' Retirement Program—Part I Salaried and Non-Union Hourly Employees' Retirement Plan (incorporated by reference from Exhibit 10.6.f to the Annual Report on Form 10-K filed on March 25, 2002).
10.6.g*	Third Amendment to the FMC Technologies, Inc. Employees' Retirement Program—Part I Salaried and Non-Union Hourly Employees' Retirement Plan.
10.6.h*	First Amendment to the FMC Technologies, Inc. Employees' Retirement Program—Part II Union Hourly Employees' Retirement Plan.
10.6i*	Fourth Amendment to the FMC Technologies, Inc. Employees' Retirement Program—Part I Salaried and Non-Union Hourly Employees' Retirement Plan.
10.6j*	Second Amendment to the FMC Technologies, Inc. Employees' Retirement Program—Part II Union Hourly Employees' Retirement Plan.
10.6k*	Third Amendment to the FMC Technologies, Inc. Employees' Retirement Program—Part II Union Hourly Employees' Retirement Plan.
10.7.a*	FMC Technologies, Inc. Salaried Employees' Equivalent Retirement Plan (incorporated by reference from Exhibit 10.7.a to the Quarterly Report on Form 10-Q filed on November 14, 2001).
10.7.b*	FMC Technologies, Inc. Equivalent Retirement Plan Grantor Trust Agreement (incorporated by reference from Exhibit 10.7.b to the Quarterly Report on Form 10-Q filed on November 14, 2001).
10.7.c*	First Amendment to the FMC Technologies, Inc. Salaried Employees' Equivalent Retirement Plan.
10.8.a*	FMC Technologies, Inc. Savings and Investment Plan (incorporated by reference from Exhibit 10.8.a to the Quarterly Report on Form 10-Q filed on November 14, 2001).
10.8.b*	FMC Technologies, Inc. Savings and Investment Plan Trust (incorporated by reference from Exhibit 10.8.b to the Quarterly Report on Form 10-Q filed on November 14, 2001).
10.8.c*	First Amendment to the FMC Technologies, Inc. Savings and Investment Plan.
10.8.d*	Second Amendment to the FMC Technologies, Inc. Savings and Investment Plan.
10.9.a*	FMC Technologies, Inc. Non-Qualified Savings and Investment Plan (incorporated by reference from Exhibit 10.9.a to the Quarterly Report on Form 10-Q filed on November 14, 2001).
10.9.b*	FMC Technologies, Inc. Non-Qualified Savings and Investment Plan Trust Agreement (incorporated by reference from Exhibit 10.9.b to the Quarterly Report on Form 10-Q filed on November 14, 2001).
10.9.c*	First Amendment to the FMC Technologies, Inc. Non-Qualified Savings and Investment Plan.
10.10	Commercial Paper Dealer Agreement 4(2) Program between Merrill Lynch Money Markets Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated and the Company, dated as of January 24, 2003.

10.11	Commercial Paper Dealer Agreement 4(2) Program between Banc of America Securities LLC and the Company, dated as of January 24, 2003.
10.12	Issuing and Paying Agent Agreement between Bank One, National Association and the Company, dated as of January 24, 2003.
13.1	2002 Annual Report to Stockholders is included as an Exhibit to this report for the information of the Securities and Exchange Commission and, except for those portions thereof specifically incorporated by reference elsewhere herein, such Annual Report should not be deemed filed as a part of this report.
21.1	Significant Subsidiaries of the Registrant.
23.1	Consent of KPMG LLP.
24.1	Powers of Attorney.
99.1	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.
99.2	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.

* Indicates a management contract or compensatory plan or arrangement.

Exhibit 10.6.g

THIRD AMENDMENT OF
FMC TECHNOLOGIES, INC. EMPLOYEES' RETIREMENT PROGRAM
PART I SALARIED AND NONUNION HOURLY EMPLOYEES' RETIREMENT PLAN

WHEREAS, FMC Technologies, Inc. (the "Company") maintains the FMC Technologies, Inc. Employees' Retirement Program Part I Salaried and Nonunion Hourly Employees' Retirement Plan (the "Plan");

WHEREAS, amendment of the Plan is now considered desirable to reflect certain provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA");

WHEREAS, this amendment is intended as good faith compliance with the requirements of EGTRRA and is to be construed in accordance with EGTRRA and guidance issued thereunder; and

WHEREAS, this amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of the amendment;

NOW, THEREFORE, by virtue and in exercise of the powers reserved to the Company under Section 11.1 Plan Amendment or Termination of the Plan, the Plan is hereby amended, effective January 1, 2002 (unless otherwise indicated), in the following respects:

1. Effective May 1, 2001, the definition of Actuarial Equivalent contained in Article I of the Plan is hereby amended to read as follows:

"Actuarial Equivalent means a benefit determined to be of equal value to another benefit on the basis of either (a) the actuarial assumptions in Exhibit E-1, E-2, E-3 or E-4, as applicable, or (b) the mortality table and interest rate described in the applicable Supplement.

Notwithstanding the foregoing, for purposes of Section 12.8, Actuarial Equivalent value shall be determined as follows:

(i) with respect to FMC Participants whose Annuity Starting Dates occurred prior to June 1, 1995, based on the actuarial assumptions in Exhibit E-4; provided that the interest rate shall not exceed the immediate rate used by the Pension Benefit Guaranty Corporation for lump sum distributions occurring on the first day of the Plan Year that contains the Annuity Starting Date;

(ii) with respect to FMC Participants with Annuity Starting Dates occurring on or after June 1, 1995, and who had an Hour of Service prior to August 31, 1999, based on the 1983 Group Annuity Mortality Table (weighed 50% male and 50% female) (or the applicable mortality table prescribed under Section 417(e)(3) of the Code) and the lesser of the interest rate in Exhibit E-4 or the applicable interest rate prescribed under Section 417(e)(3) of the Code for the November preceding the Plan Year that contains the Annuity Starting Date;

(iii) for Annuity Starting Dates occurring on or after August 31, 1999, with respect to any Participant who did not have an Hour of Service prior to August 31, 1999, based on the 1983 Group Annuity Mortality Table (weighted 50% male and 50% female) (or the applicable mortality table, prescribed under Section 417(e)(3) of the Code) and the applicable interest rate prescribed under Section 417(e)(3) of the Code for the November preceding the Plan Year that contains the Annuity Starting Date; and

(iv) for Annuity Starting Dates occurring on or after December 31, 2002, using the applicable interest rate as described above, and based on the 1994 Group Annuity Reserving Table (weighted 50% male, 50% female and projected to 2002 using Scale AA), which is the applicable mortality table prescribed in Rev. Rul. 2001-62, (or the applicable mortality table, prescribed under Section 417(e)(3) of the Code or other guidance of general applicability issued thereunder)."

2. The definition of Earnings contained in Article I of the Plan is hereby amended to read as follows:

"Earnings means the total compensation paid by the Company or a Participating Employer to an Eligible Employee for each Plan Year that is currently includible in gross income for federal income tax purposes:

(a) including: overtime, administrative and discretionary bonuses (including, gainsharing bonuses, performance related bonuses, completion bonuses (except as provided below); sales incentive bonuses; earned but unused vacation, back pay, sick pay (other than a cash payment of unused sick days) and state disability benefits; plus the Employee's Pre-Tax Contributions and amounts contributed to a plan described in Code Section 125 or 132; and the incentive compensation (including management incentive bonuses which may be paid in cash and restricted stock and local incentive bonuses) earned during the Plan Year;

(b) but excluding: hiring bonuses; referral bonuses; stay bonuses; retention bonuses; awards (including safety awards, "Gutbuster" awards and other similar awards);

amounts received as deferred compensation; disability payments from insurance or the Long-Term Disability Plan for Employees of FMC Technologies, Inc. (other than state disability benefits); workers' compensation benefits; flexible credits (i.e., wellness awards and payments for opting out of benefit coverage); expatriate premiums (including completion of expatriate assignment bonuses); grievance or settlement pay; severance pay; incentives for reduction in force; accrued (but not earned) vacation; other special payments such as reimbursements, relocation or moving expense allowances; stock options or other stock-based compensation (except as provided above); any gross-up paid by a Participating Employer; other distributions that receive special tax benefits; any amounts paid by a Participating Employer to cover an Employee's FICA tax obligation as to amounts deferred or accrued under any nonqualified retirement plan of a Participating Employer; and, pay in lieu of notice.

(c) The annual amount of Earnings taken into account for a Participant must not exceed $160,000 (as adjusted by the Internal Revenue Service for cost-of-living increases in accordance with Code Section 401(a)(17)(B)); provided, however, in determining benefit accruals after December 31, 2001, the annual amount of Earnings taken into account for a Participant must not exceed $200,000 (as adjusted by the Internal Revenue Service, for cost of living increases in accordance with Code Section 401(a)(17)(B)). For the purposes of determining benefit accruals in any Plan Year after December 31, 2001, Earnings for any prior Plan Year shall be subject to the applicable limit on Earnings for that prior year.

A Participant's Earnings will be conclusively determined according to the Company's records.

An FMC Participant's Earnings shall include all "Earnings" determined under the FMC Plan on and prior to April 30, 2001."

3. A new sentence shall be added to the end of Section 3.3.2 of the Plan to read as follows:

"With respect to distributions made under the Plan for Plan Years beginning on or after January 1, 2003, all Plan distributions will comply with Code Section 401(a)(9), including Department of Treasury Regulation Section 1.401(a)(9)-2 through 1.401(a)(9)-9, as promulgated under Final and Temporary Regulations published in the Federal Register on April 17, 2002 (the `401(a)(9) Regulations'), with respect to minimum distributions under Code Section 401(a)(9). In addition, the benefit payments distributed to any Participant on or after January 1, 2003, will satisfy the incidental death benefit provisions under Code Section 401(a)(9)(G) and Department of Treasury Regulation Section 1.401(a)(9)-5(d), as promulgated in the 401(a)(9) Regulations."

4. Effective May 1, 2001, Section 3.5.1 of the Plan is hereby amended to read as follows:

"3.5.1 Limitation on Accrued Benefit: Effective January 1, 2002, notwithstanding any other provision of the Plan, the annual benefit payable under the Plan to a Participant, when expressed as a monthly benefit commencing at the Participant's Social Security Retirement Age (as defined in Code Section 415(b)(8)), shall not exceed the lesser of (a) $13,333.33 or (b) the highest average of the Participant's monthly compensation for 3 consecutive calendar years, subject to the following:

(i) The maximum shall apply to the Individual Life Annuity computed under Section 3.1, 3.2, 3.3 or Article IV and to that portion of the Accrued Benefit (as adjusted as required under Code Section 415) payable in the form elected to the Participant during the Participant's lifetime.

(ii) If a Participant has fewer than 10 years of participation in the Plan, the maximum dollar limitation of Subsection (a) above shall be multiplied by a fraction of which the numerator is the Participant's actual years of participation in the Plan (computed to fractional parts of a year) and the denominator is 10. If a Participant has fewer than 10 Years of Vesting Service, the maximum compensation limitation in Subsection (b) above shall be multiplied by a fraction of which the numerator is the Years of Vesting Service (computed to fractional parts of a year) and the denominator is 10. Provided, however, that in no event shall such dollar or compensation limitation, as applicable, be less than 1/10th of such limitation determined without regard to any adjustment under this Subsection (ii).

(iii) As of January 1 of each year, the dollar limitation as adjusted by the Commissioner of Internal Revenue for that calendar year to reflect increases in the cost of living, shall become effective as the maximum dollar limitation in Subsection (a) above for the Plan Year ending within that calendar year for Participants terminating in or after such Plan Year.

(iv) Effective January 1, 2002, if the benefit of a Participant begins prior to age 62, the defined benefit dollar limitation applicable to the Participant at such earlier age is an annual benefit payable in the form of a Life Annuity beginning at the earlier age that is the Actuarial Equivalent of the dollar limitation under Subsection (a) above applicable to the participant at age 62. The defined benefit dollar limitation applicable at an age prior to age 62 is determined by using the lesser of the effective Early Retirement reduction, as determined under the Plan, or 5% per year. The mortality basis for determining Actuarial Equivalence for terminations on or after December 31, 2002, as applicable, shall be the 1994 Group Annuity Reserving Table (weighted 50% male, 50% female and projected to 2002 using Scale AA), which is the table prescribed in Rev. Rul. 2001-62, (or the applicable mortality table, prescribed under Section 417(e)(3) of the Code or other guidance of general applicability issued thereunder).

For periods prior to January 1, 2002, the dollar limitation under Code Section 415 in effect for the applicable Plan Year shall be modified as follows to reflect

commencement of retirement benefits on a date other than the Participant's Social Security Retirement Age:

(1) if the Participant's Social Security Retirement Age is 65, the dollar limitation for benefits commencing on or after age 62 is determined by reducing the dollar limitation under Subsection (a) above by 5/9ths of 1% for each month by which benefits commence before the month in which the Participant attains age 65;

(2) if the Participant's Social Security Retirement Age is greater than 65, the dollar limitation for benefits commencing on or after age 62 is determined by reducing the dollar limitation under Subsection (a) above by 5/9ths of 1% for each of the first 36 months and by 5/12ths of 1% for each of the additional months by which benefits commence before the month in which the Participant attains the Participant's Social Security Retirement Age;

(3) if the Participant's benefit commences prior to age 62, the

dollar limitation shall be the actuarial equivalent of Subsection (a) above, payable at age 62, as determined above, reduced for each month by which benefits commence before the month in which the Participant attains age 62. The interest rate for determining Actuarial Equivalence shall be the greater of the interest rate assumption under the Plan for determining early retirement benefits or 5% per year. The mortality basis for determining Actuarial Equivalence for terminations prior to January 1, 1995 shall be the 1971 Group Annuity Mortality Table (weighted 95% male and 5% female). The mortality basis for determining Actuarial Equivalence for terminations on or after January 1, 1995 shall be the 1983 Group Annuity Mortality Table (weighted 50% male and 50% female).

(v) Notwithstanding the foregoing, the maximum as applied to any FMC Participant on April 1, 1987 shall in no event be less than the FMC Participant's "current accrued benefit" as of March 31, 1987, under the FMC Plan, as that term is defined in Section 1106 of the Tax Reform Act of 1986.

(vi) The maximum shall apply to the benefits payable to a Participant under the Plan and all other tax-qualified defined benefit plans of the Company and Affiliates (whether or not terminated), and benefits shall be reduced, if necessary, in the reverse of the chronological order of participation in such plans."

5. A new paragraph shall be added to the end of subsection (a) of Section 12.10 of the Plan to read as follows:

"Effective January 1, 2002, a portion of a distribution shall not fail to be an eligible rollover distribution because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described

in Section 408(a) or (b) of the Code, or to a qualified defined contribution plan described in Section 401(a) or 403(a) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible."

6. Subsection (b) of Section 12.10 of the Plan is hereby amended to read as follows:

"(b) Effective January 1, 2002, as used in this Section 12.10, an "eligible retirement plan" means an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, a qualified trust described in Section 401(a) of the Code, that accepts the distributee's eligible rollover distribution and, effective January 1, 2002, an annuity contract described in Section 403(b) of the Code or an eligible retirement plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or an agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. Effective for Plan Years beginning on or after January 1, 2002, the definition of "eligible retirement plan" shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code."

7. The definition of Key Employee contained in Section 13.1 of the Plan is hereby amended to read as follows:

"Key Employee means an employee described in Code Section 416(i)(1), the regulations promulgated thereunder and other guidance of general applicability issued thereunder. Effective January 1, 2002, generally, a Key Employee is an Employee or former Employee who, at any time during the Plan Year containing the Determination Date is:

(a) an officer of the Company or an Affiliate with annual

Compensation greater than $130,000 (as adjusted under Code Section 416(i)(1) for Plan Years beginning after December 31, 2002);

(b) a 5% owner of the Company or an Affiliate; or

(c) a 1% owner of the Company or an Affiliate with annual Compensation from the Company and all Affiliates of more than $150,000."

8. The definition of Present Value contained in Section 13.1 of the Plan is hereby amended to read as follows:

"Present Value means, effective January 1, 2002, in calculating a Participant's present value of accrued benefits as of a Determination Date, the sum of:

(a) the present value of accrued benefits using the actuarial assumptions of Exhibit E-4;

(b) any Plan distributions made within the Plan Year that includes the Determination Date; provided, however, in the case of a distribution made for a reason other than separation from service, death or disability, this provision shall also include distributions made within the 4 preceding Plan Years. In the case of distributions made after the valuation date and prior to the Determination Date, such distributions are not included as distributions for top heavy purposes to the extent that such distributions are already included in the Participant's present value of accrued benefits as of the valuation date. Notwithstanding anything herein to the contrary, all distributions, including distributions under a terminated plan which if it had not been terminated would have been required to be included in an Aggregation Group, will be counted;

(c) any Employee Contributions, whether voluntary or mandatory. However, amounts attributable to tax deductible Qualified Voluntary Employee Contributions shall not be considered to be a part of the Participant's present value of accrued benefits;

(d) with respect to unrelated rollovers and plan-to-plan transfers (ones which are both initiated by the Participant and made from a plan maintained by one employer to a plan maintained by another employer), if this Plan provides for rollovers or plan-to-plan transfers, it shall always consider such rollover or plan-to-plan transfer as a distribution for the purposes of this Section 13.1. If this Plan is the plan accepting such rollovers or plan-to-plan transfers, it shall not consider such rollovers or plan-to-plan transfers, as part of the Participant's present value of accrued benefits;

(e) with respect to related rollovers and plan-to-plan transfers (ones either not initiated by the Participant or made to a plan maintained by the same employer), if this Plan provides the rollover or plan-to-plan transfer, it shall not be counted as a distribution for purposes of this Section. If this Plan is the plan accepting such rollover or plan-to-plan transfer, it shall consider such rollover or plan-to-plan transfer as part of the Participant's present value of accrued benefits, irrespective of the date on which such rollover or plan-to-plan transfer is accepted; and

(f) if an individual has not performed services for a Participating Employer within the Plan Year that includes the Determination Date, any accrued benefit for such individual shall not be taken into account."

9. A new subsection 13.3.5 of the Plan is hereby amended to read as follows:

"13.3.5. For purposes of this Section 13.3, "416 Compensation" shall mean W-2 wages for the calendar year ending with or within the Plan Year, and shall be limited to

$200,000 (as adjusted for cost-of-living in accordance with Section

401(a)(17)(B) of the Code) in Top Heavy Plan Years."

10. A new subsection 13.3.8 of the Plan is hereby added to Section 13.3 to read as follows:

> "13.3.8 In determining Years of Service, any service shall be disregarded to the extent such service occurs during a Plan Year when the Plan benefits (within the meaning of Code Section 410(b)) no Key Employee or Former Key Employee."

IN WITNESS WHEREOF, the Company has caused this amendment to be executed by a duly authorized representative this 30th day of December 2002.

FMC Technologies, Inc.

By: /s/ William H. Schumann

Senior Vice President and Chief Financial Officer

Exhibit 10.6.h

FIRST AMENDMENT OF
FMC TECHNOLOGIES, INC. EMPLOYEES' RETIREMENT PROGRAM
PART II UNION HOURLY EMPLOYEES' RETIREMENT PLAN

WHEREAS, FMC Technologies, Inc. (the "Company") maintains the FMC Technologies, Inc. Employees' Retirement Program Part II Union Hourly Employees' Retirement Plan (the "Plan");

WHEREAS, amendment of the Plan is now considered desirable to reflect certain provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA");

WHEREAS, this amendment is intended as good faith compliance with the requirements of EGTRRA and is to be construed in accordance with EGTRRA and guidance issued thereunder; and

WHEREAS, this amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of the amendment;

NOW, THEREFORE, by virtue and in exercise of the powers reserved to the Company under Section 11.1 Plan Amendment or Termination of the Plan, the Plan is hereby amended, effective January 1, 2002 (unless otherwise indicated), in the following respects:

1. Effective May 1, 2001, the definition of Actuarial Equivalent contained in Article I of the Plan is hereby amended to read as follows:

> "Actuarial Equivalent means a benefit determined to be of equal value to another benefit, on the basis of either (a) the UP-1984 Mortality Table and 8-1/2% interest compounded annually or (b) the mortality table and interest rate described in the applicable Supplement.
>
> Notwithstanding the foregoing, for purposes of Section 12.8, Actuarial Equivalent value shall be determined as follows:
>
> (i) with respect to FMC Participants whose Annuity Starting Dates occurred prior to June 1, 1995, based on the actuarial assumptions described above; provided that the interest rate shall not exceed the immediate rate used by the Pension Benefit Guaranty Corporation for lump sum distributions occurring on the first day of the Plan Year that contains the Annuity Starting Date;
>
> (ii) with respect to FMC Participants with Annuity Starting Dates occurring on or after June 1, 1995, and who had an Hour of Service prior to August 31, 1999, based on the 1983 Group Annuity Mortality Table (weighed 50% male and 50% female) (or the applicable mortality table prescribed under Section 417(e)(3) of the Code) and the lesser of the interest rate described above the applicable interest rate prescribed under Section 417(e)(3) of the Code for the November preceding the Plan Year that contains the Annuity Starting Date;
>
> (iii) for Annuity Starting Dates occurring on or after August 31, 1999, with respect to any Participant who did not have an Hour of Service prior to August 31, 1999, based on the 1983 Group Annuity Mortality Table (weighted 50% male and 50% female) (or the applicable mortality table, prescribed under Section 417(e)(3) of the Code) and the applicable interest rate prescribed under Section 417(e)(3) of the Code for the November preceding the Plan Year that contains the Annuity Starting Date; and
>
> (iv) for Annuity Starting Dates occurring on or after December 31, 2002, using the applicable interest rate as described above, based on the 1994 Group Annuity Reserving Table (weighted 50% male, 50% female and projected to 2002 using Scale AA), which is the applicable mortality table prescribed in Rev. Rul. 2001-62 (or the applicable mortality table, prescribed under Section 417(e)(3) of the Code or other guidance of general applicability issued thereunder)."

2. A new sentence shall be added to the end of Section 3.3.2 of the Plan to read as follows:

"With respect to distributions made under the Plan for Plan Years beginning on or after January 1, 2003, all Plan distributions will comply with Code Section 401(a)(9), including Department of Treasury Regulation Section 1.401(a)(9)-2 through 1.401(a)(9)-9, as promulgated under Final and Temporary Regulations published in the Federal Register on April 17, 2002 (the `401(a)(9) Regulations'), with respect to minimum distributions under Code Section 401(a)(9). In addition, the benefit payments distributed to any Participant on or after January 1, 2003, will satisfy the incidental death benefit provisions under Code Section 401(a)(9)(G) and Department of Treasury Regulation Section 1.401(a)(9)-5(d), as promulgated in the 401(a)(9) Regulations."

3. Effective May 1, 2001, Section 3.5.1 of the Plan is hereby amended to read as follows:

"3.5.1 Limitation on Accrued Benefit: Effective January 1, 2002, notwithstanding any other provision of the Plan, the annual benefit payable under the Plan to a Participant, when expressed as a monthly benefit commencing at the Participant's Social Security Retirement Age (as defined in Code Section 415(b)(8)), shall not exceed the lesser of (a) $13,333.33 or (b) the highest average of the Participant's monthly compensation for 3 consecutive calendar years, subject to the following:

(i) The maximum shall apply to the Individual Life Annuity and to that portion of the Accrued Benefit (as adjusted as required under Code Section 415) payable in the form elected to the Participant during the Participant's lifetime.

(ii) If a Participant has fewer than 10 years of participation in the Plan, the maximum dollar limitation of Subsection (a) above shall be multiplied by a fraction of which the numerator is the Participant's actual years of participation in the Plan (computed to fractional parts of a year) and the denominator is 10. If a Participant has fewer than 10 Years of Vesting Service, the maximum compensation limitation in Subsection (b) above shall be multiplied by a fraction of which the numerator is the Years of Vesting Service (computed to fractional parts of a year) and the denominator is 10. Provided, however, that in no event shall such dollar or compensation limitation, as applicable, be less than 1/10th of such limitation determined without regard to any adjustment under this Subsection (ii).

(iii) As of January 1 of each year, the dollar limitation as adjusted by the Commissioner of Internal Revenue for that calendar year to reflect increases in the cost of living, shall become effective as the maximum dollar limitation in Subsection (a) above for the Plan Year ending within that calendar year for Participants terminating in or after such Plan Year.

(iv) Effective January 1, 2002, if the benefit of a Participant begins prior to age 62, the defined benefit dollar limitation applicable to the Participant at such earlier age is an annual benefit payable in the form of a Life Annuity beginning at the earlier age that is the Actuarial Equivalent of the dollar limitation under Subsection (a) above applicable to the participant at age 62. The defined benefit dollar limitation applicable at an age prior to age 62 is determined by using the lesser of the effective Early Retirement reduction, as determined under the Plan, or 5% per year. The mortality basis for determining Actuarial Equivalence for terminations on or after December 31, 2002, as applicable, shall be the 1994 Group Annuity Reserving Table (weighted 50% male, 50% female and projected to 2002 using Scale AA), which is the table prescribed in Rev. Rul. 2001-62, (or the applicable mortality table, prescribed under Section 417(e)(3) of the Code or other guidance of general applicability issued thereunder).

For periods prior to January 1, 2002, the dollar limitation under Code Section 415 in effect for the applicable Plan Year shall be modified as follows to reflect commencement of retirement benefits on a date other than the Participant's Social Security Retirement Age:

(1) if the Participant's Social Security Retirement Age is 65, the dollar limitation for benefits commencing on or after age 62 is determined by reducing the dollar limitation under Subsection (a) above by 5/9ths of 1% for each month by which benefits commence before the month in which the Participant attains age 65;

(2) if the Participant's Social Security Retirement Age is greater than 65, the dollar limitation for benefits commencing on or after age 62 is determined by reducing the dollar limitation under Subsection (a) above by 5/9ths of 1% for each of the first 36 months and by 5/12ths of 1% for each of the additional months by which benefits commence before the month in which the Participant attains the Participant's Social Security Retirement Age;

(3) if the Participant's benefit commences prior to age 62, the dollar limitation shall be the actuarial equivalent of Subsection (a) above, payable at age 62, as determined above, reduced for each month by which benefits commence before the month in which the Participant attains age 62. Actuarial equivalence shall be determined using the greater of the interest rate assumption under the Plan for determining early retirement benefits or 5% per year. The mortality basis for determining Actuarial Equivalence for terminations prior to January 1, 1995 shall be the 1971 Group Annuity Mortality Table (weighted 95% male and 5% female). The mortality basis for determining Actuarial Equivalence for terminations on or after January 1, 1995 shall be the 1983 Group Annuity Mortality Table (weighted 50% male and 50% female).

(v) Notwithstanding the foregoing, the maximum as applied to any FMC Participant on April 1, 1987 shall in no event be less than the FMC Participant's "current accrued benefit" as of March 31, 1987, under the FMC Plan, as that term is defined in Section 1106 of the Tax Reform Act of 1986.

(vi) The maximum shall apply to the benefits payable to a Participant under the Plan and all other tax-qualified defined benefit plans of the Company and Affiliates (whether or not terminated), and benefits shall be reduced, if necessary, in the reverse of the chronological order of participation in such plans."

4. A new paragraph shall be added to the end of subsection (a) of Section 12.10 of the Plan to read as follows:

"Effective January 1, 2002, a portion of a distribution shall not fail to be an eligible rollover distribution because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in Section 408(a) or (b) of the Code, or to a qualified defined contribution plan described in Section 401(a) or 403(a) of the Code that agrees to separately account for amounts so transferred,

including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible."

5. Subsection (b) of Section 12.10 of the Plan is hereby amended to read as follows:

"(b) Effective January 1, 2002, as used in this Section 12.10, an "eligible retirement plan" means an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, a qualified trust described in Section 401(a) of the Code, that accepts the distributee's eligible rollover distribution and, effective January 1, 2002, an annuity contract described in Section 403(b) of the Code or an eligible retirement plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or an agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. Effective for Plan Years beginning on or after January 1, 2002, the definition of "eligible retirement plan" shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code."

6. The definition of Key Employee contained in Section 13.1 of the Plan is hereby amended to read as follows:

"Key Employee means an employee described in Code Section 416(i)(1), the regulations promulgated thereunder and other guidance of general applicability issued thereunder. Effective January 1, 2002, generally, a Key Employee is an Employee or former Employee who, at any time during the Plan Year containing the Determination Date is:

(a) an officer of the Company or an Affiliate with annual Compensation greater than $130,000 (as adjusted under Code Section 416(i)(1) for Plan Years beginning after December 31, 2002);

(b) a 5% owner of the Company or an Affiliate; or

(c) a 1% owner of the Company or an Affiliate with annual Compensation from the Company and all Affiliates of more than $150,000."

7. The definition of Present Value contained in Section 13.1 of the Plan is hereby amended to read as follows:

"Present Value means, effective January 1, 2002, in calculating a Participant's present value of accrued benefits as of a Determination Date, the sum of:

(a) the Actuarial Equivalent present value of accrued benefits;

(b) any Plan distributions made within the Plan Year that includes the Determination Date; provided, however, in the case of a distribution made for a reason other than separation from service, death or disability, this provision shall also include distributions made within the 4 preceding Plan Years. In the case of distributions made after the valuation date and prior to the Determination Date, such distributions are not included as distributions for top heavy purposes to the extent that such distributions are already included in the Participant's present value of accrued benefits as of the valuation date. Notwithstanding anything herein to the contrary, all distributions, including distributions under a terminated plan which if it had not been terminated would have been required to be included in an Aggregation Group, will be counted;

(c) any Employee Contributions, whether voluntary or mandatory. However, amounts attributable to tax deductible Qualified Voluntary Employee Contributions shall not be considered to be a part of the Participant's present value of accrued benefits;

(d) with respect to unrelated rollovers and plan-to-plan transfers (ones which are both initiated by the Participant and made from a plan maintained by one employer to a plan maintained by another employer), if this Plan provides for rollovers or plan-to-plan transfers, it shall always consider such rollover or plan-to-plan transfer as a distribution for the purposes of this Section 13.1. If this Plan is the plan accepting such rollovers or plan-to-plan transfers, it shall not consider such rollovers or plan-to-plan transfers, as part of the Participant's present value of accrued benefits;

(e) with respect to related rollovers and plan-to-plan transfers (ones either not initiated by the Participant or made to a plan maintained by the same employer), if this Plan provides the rollover or plan-to-plan transfer, it shall not be counted as a distribution for purposes of this Section. If this Plan is the plan accepting such rollover or plan-to-plan transfer, it shall consider such rollover or plan-to-plan transfer as part of the Participant's present value of accrued benefits, irrespective of the date on which such rollover or plan-to-plan transfer is accepted; and

(f) if an individual has not performed services for a Participating Employer within the Plan Year that includes the Determination Date, any accrued benefit for such individual shall not be taken into account."

8. A new subsection 13.3.5 of the Plan is hereby amended to read as follows:

> "13.3.5. For purposes of this Section 13.3, "416 Compensation" shall mean W-2 wages for the calendar year ending with or within the Plan Year, and shall be limited to $200,000 (as adjusted for cost-of-living in accordance with Section 401(a)(17)(B) of the Code) in Top Heavy Plan Years."

9. A new subsection 13.3.8 of the Plan is hereby added to Section 13.3 to read as follows:

> "13.3.8 In determining Years of Service, any service shall be disregarded to the extent such service occurs during a Plan Year when the Plan benefits (within the meaning of Code Section 410(b)) no Key Employee or Former Key Employee."

10. The second paragraph of Section 1-4 of Supplement 1 - Jetway Systems Division, Ogden, Utah, to the Plan is amended to read as follows:

> "The annual amount of Considered Compensation taken into account for a Participant must not exceed $160,000 (as adjusted by the Internal Revenue Service for cost-of-living increases in accordance with Code Section 401(a)(17)(B)); provided, however in determining benefit accruals after December 31, 2001, the annual amount of Considered Compensation taken into account for a Participant must not exceed $200,000 (as adjusted by the Internal Revenue Service, for cost of living increases in accordance with Code Section 401(a)(17)(B)). For the purposes of determining benefit accruals in any Plan Year after December 31, 2001, Considered Compensation for any prior Plan Year shall be subject to the applicable limit on Earnings for that prior year."

IN WITNESS WHEREOF, the Company has caused this amendment to be executed by a duly authorized representative this 30th day of December 2002.

FMC Technologies, Inc.

By: /s/ William H. Schumann

Senior Vice President and
Chief Financial Officer

Exhibit 10.6.i

FOURTH AMENDMENT OF
FMC TECHNOLOGIES, INC. EMPLOYEES' RETIREMENT PROGRAM
PART I SALARIED AND NONUNION HOURLY EMPLOYEES' RETIREMENT PLAN

WHEREAS, FMC Technologies, Inc. (the "Company") maintains the FMC Technologies, Inc. Employees' Retirement Program Part I Salaried and Nonunion Hourly Employees' Retirement Plan (the "Plan");

WHEREAS, amendment of the Plan is now considered desirable to clarify the Plan language to reflect certain administrative practices and include reference to applicable regulations; and

WHEREAS, this amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of the amendment;

NOW, THEREFORE, by virtue and in exercise of the powers reserved to the Company under Section 11.1 Plan Amendment or Termination of the Plan, the Plan is hereby amended, effective May 1, 2001, in the following respects:

1. The definition of Hour of Service contained in Article I of the Plan is hereby amended to read as follows:

"Hour of Service means each hour for which an Employee is directly or indirectly paid or entitled to payment by the Company or an Affiliate for the performance of duties and, for each FMC Participant, each hour of service credited to such individual under the FMC Plan as of the date prior to the Effective Date for such FMC Participant. Hours of Service will be credited to the Employee for the computation period in which the duties are performed. To the extent required by law, Hour of Service will include each hour for which an Employee is paid, or entitled to payment, by the Company or an Affiliate on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. No more than 501 Hours of Service will be credited for any single continuous period (whether or not such period occurs in a single computation period). Hours of Service for these purposes will be calculated and credited pursuant to section 2530.200b-

2 of the Department of Labor Regulations which is incorporated herein by this reference. Also, to the extent required by law, Hours of Service will include each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Company or an Affiliate, provided, however, the same hours of service will not be credited. These hours will be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made."

2. The definition of Participant contained in Article I of the Plan is hereby amended to read as follows:

"Participant means an Eligible Employee who has begun, but not ended, his or her participation in the Plan pursuant to the provisions of Article II and, unless specifically indicated otherwise, shall include each FMC Participant. If a Participant who is vested in the Participant's accrued benefit on his or her Severance from Service Date is subsequently reemployed after his or her Severance from Service Date, he or she will become a Participant immediately upon reemployment. If a Participant who is not vested in the Participant's accrued benefit on his or her Severance from Service Date is subsequently reemployed after his Severance from Service Date, he or she will become a Participant immediately upon reemployment, unless his or her Period of Severance is greater than or equal to five One-Year Periods of Severance."

3. The definition of Period of Service contained in Article I of the Plan is hereby amended to read as follows:

"Period of Service means the period commencing on the Effective Date and ending on the Severance from Service Date including, for each FMC

Participant, periods of service credited under the FMC Plan as of the date immediately prior to the relevant Effective Date for such FMC Participant. All Periods of Service (whether or not consecutive) shall be aggregated. For a Participant who is not immediately eligible to participate in the Plan under the terms of Section 2.1 hereof, Period of Service shall include service from and after the first day of the period in which they become eligible to participate in the Plan pursuant to the terms of Section 2.1, but in no event earlier than the Participant's date of hire by the Company or its Affiliates. Notwithstanding the foregoing, if an Employee incurs a One-Year Period of Severance at a time when he or she has no vested interest under the Plan and the Employee does not perform an Hour of Service within 5 years after the beginning of the One-Year Period of Severance, the Period of Vesting Service prior to such One-Year Period of Severance shall not be aggregated."

4. Section 2.1 Eligibility and Commencement of Participation is hereby amended by eliminating the word "permanent" in Subsection (b) and replacing it with the word "regular."

5. Section 3.1.3 Increases for Employee Contributions: is hereby amended to read as follows:

"3.1.3 Increases for Employee Contributions: Employee Contributions and Interest credited to a Participant are not paid as an accrued benefit, but rather may be withdrawn by the Participant at any time pursuant to Section 5.2 hereof. However, if a Participant does not elect to withdraw the Employee Contributions and Interest credited to the Participant either at the time of Retirement or before, pursuant to the terms of Section 5.2 hereof, a Participant's Normal Retirement Benefit shall be increased $1 for each $120.00 of unwithdrawn Employee Contributions credited to the Participant."

6. Section 3.1.4 Reductions for Certain Benefits: is hereby amended to read as follows:

"3.1.4 Reductions for Certain Benefits: A Participant's Normal Retirement Benefit shall be reduced by the value of (a) for FMC Participants, the FMC Participant's vested benefit accrued under the FMC Plan as of November 30, 1985 (to the extent funded by the Aetna nonparticipating annuity contract or the Prudential nonparticipating annuity contract) and (b) any vested benefit payable to the Participant under the FMC Plan or any pension, profit sharing or other retirement plan other than the Savings Plan (hereinafter called "Duplicate Benefit Plan") which is attributable to any period which counts as Credited Service under this Plan. For purposes of determining the amount of any Duplicate Benefit Plan reduction, the vested benefit under the Duplicate Benefit Plan shall be converted to a form which is identical to the form of benefit which is to be paid under this Plan, including any applicable reductions for early commencement as determined under the Plan or the Duplicate Benefit Plan, as applicable. Such values will be determined as of the earlier of the Annuity Starting Date under the Plan, or the date distribution of such vested benefit was made or commenced under the Duplicate Benefit Plan, as applicable."

7. Section 3.2.4 Adjustments to Early Retirement Benefit: is hereby amended to read as follows:

"3.2.4 Adjustments to Early Retirement Benefit: To the extent applicable, a Participant's Early Retirement Benefit shall be increased as provided in Section 3.1.3 except that the number of dollars of unwithdrawn Employee Contributions and Interest required to provide $1 of monthly retirement benefits shall be increased by $3 for each full year by which the commencement of the Participant's Early Retirement Benefit precedes the Participant's Normal Retirement Date. Partial years shall be prorated on the basis of $0.25 per month."

8. Section 3.3.1 Deferred Retirement: is hereby amended to read as follows:

"3.3.1 Deferred Retirement: A Participant who retires after the Normal Retirement date shall be entitled to receive a Normal Retirement Benefit determined under Section 3.1.2 commencing as of the first day of the month coinciding with or next following the date the Participant actually retires. Each Participant shall accrue additional benefits hereunder after the Participant's Normal Retirement Date with respect to the portion of the Normal Retirement Benefit which is attributable to contributions by the Company, and the amount, if any, of Employee Contributions and Interest required to provide $1 of monthly retirement benefit under Section 3.1.3 shall be decreased by $3 for each full year by which the commencement of the Normal Retirement Benefit follows the Normal Retirement Date. Partial years shall be prorated on the basis of $0.25 per month. If a Participant who is not employed by the Company or its Affiliates on his or her Normal Retirement Date defers his or her Normal Retirement Benefit beyond his or her Normal Retirement Date, the Normal Retirement Benefit will be paid retroactive to the Participant's Normal Retirement Date as soon as reasonably practicable after the Plan Administrator learns of the deferred benefit."

9. Section 3.3.2 Distribution Requirements is hereby amended by adding the following sentence to the end thereof:

"To the extent required by Code Section 401(a)(9)(C)(iii), or any other applicable guidance issued thereunder, with respect to a Participant who retires in a calendar year after the calendar year in which the Participant attains age 70 1/2, the actuarial increase in such Participant's accrued benefit mandated by Code Section 401(a)(9)(C)(iii) shall be implemented notwithstanding any suspension of benefits provision applicable to such Participant pursuant to ERISA 203(a)(3)(B), Code Section 411(A)(3)(B) and the terms of the Plan."

10. Section 4.2 Amount of Termination Benefit is hereby amended to read as follows:

"4.2 Amount of Termination Benefit

Except as otherwise provided in the applicable Supplement or in Section 3.6, a Participant's monthly Termination Benefit shall be determined pursuant to Section 3.1.2 and 3.1.3 as in effect on the date the Participant terminates employment, except that the following adjustments shall be made if payment of the Participant's Termination Benefit is to commence before the Normal Retirement Date:

(a) the amount computed pursuant to Section 3.1.2 shall be reduced by 1/2 of 1% for each month between the Annuity Starting Date and the Normal Retirement Date;

(b) the amount of Employee Contributions and Interest required to provide $1 of monthly retirement benefit under Section 3.1.3 shall be increased by $3 for each full year by which the Annuity Starting Date precedes the Normal Retirement Date, and partial years shall be prorated on the basis of $0.25 per month;

(c) notwithstanding Subsection (a) of this Section 4.2, the amounts computed pursuant to Section 3.1.2 shall be reduced by 1/3 of 1% for each month in excess of 36 by which the Annuity Starting Date precedes the Participant's 65th birthday if:

   (i) the Participant's combined age and Years of Vesting Service equal to at least 65, and the Participant ceases to be an Employee (1) because of the permanent shutdown of a single site of employment or one or more facilities or operating units within a single site of employment or (2) in connection with a permanent reduction in force; or

   (ii) the Participant has Years of Vesting Service attributable to employment with FMC before January 1, 1989, has attained age 40 and permanently ceases to be an Employee because of a specified permanent shut down of a single site of employment resulting in the termination of employment of not more than 20 Participants at that employment site.

(d) If a Participant ceases to be an Employee (1) because of the permanent shut down of a single site of employment of one or more facilities or operating units within a single site of employment, or (2) in connection with a permanent reduction in force, solely for purposes of determining a Participant's eligibility for Early Retirement, a Participant with 10 Years of Credited Service shall have added to his or her age the number of weeks of pay he or she receives that are attributable to severance pay, unused vacation pay and accrued vacation pay.

(e) Notwithstanding anything herein to the contrary, for purposes of determining a Participant's total combined age and Years of Vesting Service under Section 4.2(c) and 4.2(d), a partial month of age or Period of Service shall be counted as a whole month, and fractional years of age and Years of Vesting Service shall be taken into account."

11. Section 5.1 Employee Contributions is hereby amended by adding the following sentence to the end thereof:

"All Employee Contributions transferred from the FMC Plan are fully vested and nonforfeitable and will be paid in accordance with the terms of Sections 5.2, 5.3 or 5.4 or in accordance with the terms of Section 3.1.3, 3.2.4 or 3.3.1, as applicable."

12. Section 9.3 Committee Members is hereby amended by deleting the phrase "Chief Executive Officer" and replacing it with the phrase "Board of Directors" in each place where it appears.

13. Section 12.8 Small Annuities is hereby amended to read as follows:

"12.8 Small Annuities

If the sum of (a) the lump sum Actuarial Equivalent value of a Normal, Early, or Deferred Retirement Benefit under Article III, Termination Benefit (payable at the Participant's Normal Retirement Date) under Article IV, or Survivor's Benefit under Article VII, excluding any Aetna or Prudential nonparticipating annuity; and (b) the lump sum Actuarial Equivalent value of any Aetna or Prudential nonparticipating annuity is equal to $5,000 (or such other amount as may be prescribed in or under the Code) or less, such amounts shall be paid in a lump sum as soon as administratively practicable following the Participant's retirement, termination of employment or death.

For lump sum distributions paid on or after January 1, 2003 if the Participant is thereafter reemployed by the Company, the Participant's subsequent benefit will be reduced by the lump sum Actuarial Equivalent value of the lump sum distribution previously paid to the Participant. For lump sum distributions paid prior to January 1, 2003, if a Participant who has received such a lump sum distribution is thereafter reemployed by the Company, the Participant shall have the option to repay to the Plan the amount of such distribution, together with interest at the rate of 5% per annum (or such other rate as may be prescribed pursuant to section 411(c)(2)(C)(III) of the Code), compounded annually from the date of the distribution to the date of repayment. If a reemployed Participant does not make such repayment, no part of the Period of Service with respect to which the lump sum distribution was made shall count as Years of Vesting Service or Years of Credited Service."

14. Section 12.11 Claims Procedure is hereby amended to read as follows:

"12.11 Claims Procedure

12.11.1 Any application for benefits under the Plan and all inquiries concerning the Plan shall be submitted to the Company at such address as may be announced to Participants from time to time. Applications for benefits shall be in the form and manner prescribed by the Company and shall be signed by the Participant or, in the case of a benefit payable after the death of the Participant, by the Participant's Surviving Spouse or Beneficiary, as the case may be.

12.11.2 The Plan Administrator shall give written or electronic notice of its decision on any application to the applicant within 90 days of receipt of the application. Electronic notification may be used, at the discretion of the Plan Administrator (or Review Panel, as discussed below). If special circumstances require a longer period of time, the Plan Administrator shall provide notice to the applicant within the initial 90-day period, explaining the special circumstances requiring the extension of time and the date by which the Plan expects to render a benefit determination. A decision will be given as soon as possible, but no later than 180 days after receipt of the application. In the event any application for benefits is denied in whole or in part, the Plan Administrator shall notify the applicant in writing or electronic notification of the right to a review of the denial. Such notice shall set forth, in a manner calculated to be understood by the applicant: the specific reasons for the denial; the specific references to the Plan provisions on which the denial is based; a description of any information or material necessary to perfect the application and an explanation of why such material is necessary; and a description of the Plan's review procedures and the applicable time limits to such procedures, including a statement of the applicant's right to bring a civil action under ERISA Section 502(a) following a denial on review.

12.11.3 The Company shall appoint a "Review Panel," which shall consist of three or more individuals who may (but need not) be employees of the Company. The Review Panel shall be the named fiduciary that has the authority to act with respect to any appeal from a denial of benefits under the Plan, and shall hold meetings at least quarterly, as needed. The Review Panel shall have the authority to further delegate its responsibilities to two or more individuals who may (but need not) be employees of the Company.

12.11.4 Any person (or his authorized representative) whose application for benefits is denied in whole or in part may appeal the denial by submitting to the Review Panel a request for a review of the application within 60 days after receiving notice of the denial. The Review Panel shall give the applicant or such representative the opportunity to submit written comments, documents, and other information relating to the claim; and an opportunity to review, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other relevant information (other than legally privileged documents) in preparing such request for review. The request for review shall be in writing and addressed as follows: "Review Panel of the Employee Welfare Benefits Plan Committee, 200 East Randolph Drive, Chicago, Illinois 60601." The request for review shall set forth all of the grounds on which it is based, all facts in support of the request and any other matters that the applicant deems pertinent. The Review Panel may require the applicant to submit such additional facts, documents, or other material as it may deem necessary or appropriate in

making its review. The Review Panel will consider all comments, documents, and other information submitted by the applicant regardless of whether such information was submitted or considered during the initial benefit determination.

12.11.5 The Review Panel shall act upon each request for review within 60 days after receipt thereof. If special circumstances require a longer period of time, the Review Panel shall so notify the applicant within the initial 60 days, explaining the special circumstances requiring the extension of time and the date by which the Review Panel expects to render a benefit determination. A decision will be given as soon as possible, but no later than 120 days after receipt of the request for review. The Review Panel shall give notice of its decision to the Company and the applicant. In the event the Review Panel confirms the denial of the application for benefits in whole or in part, such notice shall set forth in a manner calculated to be understood by the applicant, the specific reasons for such denial and specific references to the Plan provisions on which the decision is based. If such an extension of time for review is required because of special circumstances, the Plan Administrator shall provide the applicant with written notice of the extension, describing the special circumstances and the date as of which the benefit determination will be made, prior to the commencement of the extension. In the event the Review Panel confirms the denial of the application for benefits in whole or in part, such notice shall set forth in a manner calculated to be understood by the applicant: the specific reasons for such denial; the specific references to the Plan provisions on which the decision is based; the applicant's right, upon request and free of charge, to receive reasonable access to, and copies of, all documents and other relevant information (other than legally-privileged documents and information); and a statement of the applicant's right to bring a civil action under ERISA Section 502(a).

12.11.6 The Review Panel shall establish such rules and procedures, consistent with ERISA and the Plan, as it may deem necessary or appropriate in carrying out its responsibilities under this Section 12.11.

12.11.7 To the extent an application for benefits as a result of a Disability requires the Plan Administrator or the Review Panel, as applicable, to make a determination of Disability under the terms of the Plan, such determination shall be subject to all of the general rules described in this Section 12.11, except as they are expressly modified by this Section 12.11.7.

(a) If the applicant's claim is for benefits as a result of Disability, then the initial decision on a claim for benefits will be made within 45 days after the Plan receives the applicant's claim, unless special circumstances require additional time, in which case the Plan Administrator will notify the applicant before the end of the initial 45-day period of an extension of up to 30 days. If necessary, the Plan Administrator may notify the applicant, prior to the end of the initial 30-day extension period, of a second extension of up to 30 days. If an extension is due to the

applicant's failure to supply the necessary information, the notice of extension will describe the additional information and the applicant will have 45 days to provide the additional information. Moreover, the period for making the determination will be delayed from the date the notification of extension was sent out until the applicant responds to the request for additional information. No additional extensions may be made, except with the applicant's voluntary consent. The contents of the notice shall be the same as described in Section 12.11.2 above. If a benefit claim as a result of Disability is denied in whole or in part, the applicant (or his authorized representative) will receive written or electronic notification, as described in Section 12.11.2.

(b) If an internal rule, guideline, protocol or similar criterion is relied upon in making the adverse determination, then the notice to the applicant of the adverse decision will either set forth the internal rule, guideline, protocol or similar criterion, or will state that such was relied upon and will be provided free of charge to the applicant upon request (to the extent not legally-privileged) and if the applicant's claim was denied based on a medical necessity or experimental treatment or similar exclusion or limit, then the applicant will be provided a statement either explaining the decision or indicating that an explanation will be provided to the applicant free of charge upon request.

(c) The Review Panel, as described above in Section 12.11.3 shall be the named fiduciary with the authority to act on any appeal from a denial of benefits as a result of Disability under the Plan. Any applicant (or his authorized representative) whose application for benefits as a result of Disability is denied in whole or in part may appeal the denial by submitting to the Review Panel a request for a review of the application within 180 days after receiving notice of the denial. The request for review shall be in the form and manner prescribed by the Review Panel and addressed as follows: "Review Panel of the Employee Welfare Benefits Plan Committee, 200 East Randolph Drive, Chicago, Illinois 60601." In the event of such an appeal for review, the provisions of Section 12.11.4 regarding the applicant's rights and responsibilities shall apply. Upon request, the Review Panel will identify any medical or vocational expert whose advice was obtained on behalf of the Review Panel

in connection with an adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination. The entity or individual appointed by the Review Panel to review the claim will consider the appeal de novo, without any deference to the initial benefit denial. The review will not include any person who participated in the initial benefit denial or who is the subordinate of a person who participated in the initial benefit denial.

(d) If the initial benefit denial was based in whole or in part on a medical judgment, then the Review Panel will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment, and who was neither consulted in connection with the initial benefit determination nor is the subordinate of any person who was consulted in connection with that determination; and upon notifying the applicant of an adverse determination on review, include in the notice either an explanation of the clinical basis for the determination, applying the terms of the Plan to the applicant's medical circumstances, or a statement that such explanation will be provided free of charge upon request.

(e) A decision on review shall be made promptly, but not later than 45 days after receipt of a request for review, unless special circumstances require an extension of time for processing. If an extension is required, the applicant will be notified before the end of the initial 45-day period that an extension of time is required and the anticipated date that the review will be completed. A decision will be given as soon as possible, but not later than 90 days after receipt of a request for review. The Review Panel shall give notice of its decision to the applicant; such notice shall comply with the requirements set forth in Section 12.11.5. In addition, if the applicant's claim was denied based on a medical necessity or experimental treatment or similar exclusion, the applicant will be provided a statement explaining the decision, or a statement providing that such explanation will be furnished to the applicant free of charge upon request. The notice shall also contain the following statement: "You and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local

U.S. Department of Labor Office and your State insurance regulatory agency."

12.11.8 No legal or equitable action for benefits under the Plan shall be brought unless and until the applicant (a) has submitted a written application for benefits in accordance with Section 12.11.1 (or 12.11.7(a), as applicable), (b) has been notified by the Plan Administrator that the application is denied, (c) has filed a written request for a review of the application in accordance with Section 12.11.4 (or 12.11.7(c), as applicable); and (d) has been notified that the Review Panel has affirmed the denial of the application; provided that legal action may be brought after the Review Panel has failed to take any action on the claim within the time prescribed in Section 12.11.5 (or 12.11.7(e), as applicable). An applicant may not bring an action for benefits in accordance with this Section 12.11.8 later than 90 days after the Review Panel denies the applicant's application for benefits."

15. Subsection 13.3.5 of the Plan is hereby amended to read as follows:

"13.3.5. For purposes of this Section 13.3, "416 Compensation" shall mean W-2 wages for the calendar year ending with or within the Plan Year, plus any elective deferral (as defined in Code section 402(g)), any amounts contributed to a plan described in Code Section 125 and any amounts contributed to a plan described in Code Section 132. 416 Compensation shall be limited to $200,000 (as adjusted for cost-of-living in accordance with Section 401(a)(17)(B) of the Code in Top Heavy Plan Years)."

16. Subsection 13.4.2 of the Plan is hereby amended to read as follows:

"13.4.2 The computation of the nonforfeitable percentage of the Participant's interest in the Plan shall not be reduced as the result of any direct or indirect amendment to this Plan. In the event that this Plan is amended to change or modify any vesting schedule, a Participant with at least 3 Years of Service as of the expiration date of the election period may elect to have the Participant's nonforfeitable percentage computed under the Plan without regard to such amendment. If a Participant fails to make such election, then such Participant shall be subject to the new vesting schedule. The Participant's election period shall commence on the adoption date of the amendment and shall end 60 days after the latest of:

(a) the adoption date of the amendment,

(b) the effective date of the amendment, or

(a) the date the Participant receives written notice of the amendment from the Company."

17. Exhibit A - Credited Service is hereby amended by adding the following to the end thereof:

"To the extent applicable to any FMC Participant, any service acquired as a participant under any of the plans listed below shall not be counted as Credited Service for purposes of this Plan.

1. Stearns Electric Company Profit Sharing Plan
2. Fritzke & Icke Employees savings and Profit Sharing Plan
3. Employees Profit Sharing Plan of Industrial Brush Company
4. Wayne Manufacturing Company Profit Sharing Plan
5. P.E. Van Pelt, Inc. Profit Sharing Plan
6. Mojonnier Bros. Co. Salaried Employees Profit Sharing Plan
7. Lithium Corporation of America Retirement Plan
8. Elf Acquitaine, Inc. Pension Plan"

18. Supplement 1 - Jetway Systems Division is hereby amended by amending the first sentence of Section 1-5 of Supplement 1 to read as follows:

"A Participant is fully vested in the Participant's benefit under the Prior Plan."

19. Supplement 1 - Jetway Systems Division is hereby amended by amending the first sentence of Section 1-7 of Supplement 1 to read as follows:

"In addition to the special provisions of the preceding sections, a Participant who participated in the Retirement Plan for Employees of Abex Corporation before January 1, 1989 will be subject to the following provision with respect to the Participant's Prior Plan benefit accrued before May 27, 1994."

IN WITNESS WHEREOF, the Company has caused this amendment to be executed by a duly authorized representative this 25/th/ day of February 2003.

FMC Technologies, Inc.

By: /s/ William H. Schumann

Senior Vice President and
Chief Financial Officer

Exhibit 10.6.j

SECOND AMENDMENT OF
FMC TECHNOLOGIES, INC. EMPLOYEES' RETIREMENT PROGRAM
PART II UNION HOURLY EMPLOYEES' RETIREMENT PLAN

WHEREAS, FMC Technologies, Inc. (the "Company") maintains the FMC Technologies, Inc. Employees' Retirement Program Part II Union Hourly Employees' Retirement Plan (the "Plan");

WHEREAS, amendment of the Plan is now considered desirable to clarify the Plan language to reflect certain administrative practices and include reference to applicable regulations; and

WHEREAS, this amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of the amendment;

NOW, THEREFORE, by virtue and in exercise of the powers reserved to the Company under Section 11.1 Plan Amendment or Termination of the Plan, the Plan is hereby amended, effective May 1, 2001, in the following respects:

1. The definition of Hour of Service contained in Article I of the Plan is hereby amended to read as follows:

> "Hour of Service means each hour for which an Employee is directly or indirectly paid or entitled to payment by the Company or an Affiliate for the performance of duties and, for each FMC Participant, each hour of service credited to such individual under the FMC Plan as of the date prior to the Effective Date for such FMC Participant. Hours of Service will be credited to the Employee for the computation period in which the duties are performed. To the extent required by law, Hour of Service will include each hour for which an Employee is paid, or entitled to payment, by the Company or an Affiliate on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence. No more than 501 Hours of Service will be credited for any single continuous period (whether or not such period occurs in a single computation period). Hours of Service for these purposes will be calculated and credited pursuant to section 2530.200b-
>
> 2 of the Department of Labor Regulations which is incorporated herein by this reference. Also, to the extent required by law, Hours of Service will include each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Company or an Affiliate, provided, however, the same hours of service will not be credited. These hours will be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made."

2. The definition of Participant contained in Article I of the Plan is hereby amended to read as follows:

> "Participant means an Eligible Employee who has begun, but not ended, his or her participation in the Plan pursuant to the provisions of Article II and, unless specifically indicated otherwise, shall include each FMC Participant. If a Participant who is vested in the Participant's accrued benefit on his or her Severance from Service Date is subsequently reemployed after his or her Severance from Service Date, he or she will become a Participant immediately upon reemployment. If a Participant who is not vested in the Participant's accrued benefit on his or her Severance from Service Date is subsequently reemployed after his Severance from Service Date, he or she will become a Participant immediately upon reemployment, unless his or her Period of Severance is greater than or equal to five One-Year Periods of Severance."

3. The definition of Period of Service contained in Article I of the

Plan is hereby amended to read as follows:

"Period of Service means the period commencing on the Effective Date and ending on the Severance from Service Date including, for each FMC Participant, periods of service credited under the FMC Plan as of the date immediately prior to the relevant Effective Date for such FMC Participant. All Periods of Service (whether or not consecutive) shall be aggregated. For a Participant who is not immediately eligible to participate in the Plan under the terms of Section 2.1 hereof, Period of Service shall include service from and after the Participant's date of hire by the Company or its Affiliates. Notwithstanding the foregoing, if an Employee incurs a One-Year Period of Severance at a time when he or she has no vested interest under the Plan and the Employee does not perform an Hour of Service within 5 years after the beginning of the One-Year Period of Severance, the Period of Vesting Service prior to such One-Year Period of Severance shall not be aggregated."

4. Section 2.1 Eligibility and Commencement of Participation is hereby amended by eliminating the word "permanent" in Subsection (b) and replacing it with the word "regular."

5. Section 3.1.3 Reductions for Certain Benefits is hereby amended to read as follows:

"3.13 Reductions for Certain Benefits: A Participant's Normal Retirement Benefit shall be reduced by the value of any vested benefit payable to the Participant under the FMC Plan or any pension, profit sharing or other retirement plan other than the Savings Plan (hereinafter called "Duplicate Benefit Plan") which is attributable to any period which counts as Credited Service under this Plan. For purposes of determining the amount of any Duplicate Benefit Plan reduction, the vested benefit under the Duplicate Benefit Plan shall be converted to a form which is identical to the form of benefit which is to be paid under this Plan, including any applicable reductions for early commencement as determined under the Plan or the Duplicate Benefit Plan, as applicable. Such values will be determined as of the earlier of the Annuity Starting Date under the Plan, or the date distribution of such vested benefit was made or commenced under the Duplicate Benefit Plan, as applicable."

6. Section 3.3.1 Deferred Retirement: is hereby amended by adding the following sentence to the end thereof:

"If a Participant who is not employed by the Company or its Affiliates on his or her Normal Retirement Date defers his or her Normal Retirement Benefit beyond his or her Normal Retirement Date, the Normal Retirement Benefit will be paid retroactive to the Participant's Normal Retirement Date as soon as reasonably practicable after the Plan Administrator learns of the deferred benefit."

7. Section 3.3.2 Distribution Requirements is hereby amended by adding the following sentence to the end thereof:

"To the extent required by Code Section 401(a)(9)(C)(iii), or any other applicable guidance issued thereunder, with respect to a Participant who retires in a calendar year after the calendar year in which the Participant attains age 70 1/2, the actuarial increase in such Participant's accrued benefit mandated by Code Section 401(a)(9)(C)(iii) shall be implemented notwithstanding any suspension of benefits provision applicable to such Participant pursuant to ERISA 203(a)(3)(B), Code Section 411(A)(3)(B) and the terms of the Plan."

8. Section 9.3 Committee Members is hereby amended by deleting the phrase "Chief Executive Officer" and replacing it with the phrase "Board of Directors" in each place where it appears.

9. Section 12.8 Small Annuities is hereby amended to read as follows:

"12.8 Small Annuities

If the sum of (a) the lump sum Actuarial Equivalent value of a Normal, Early, or Deferred Retirement Benefit under Article III, Termination Benefit (payable at the Participant's Normal Retirement Date) under Article IV, or Survivor's Benefit under Article VII, excluding any Aetna or Prudential nonparticipating annuity; and (b) the lump sum Actuarial Equivalent value of any Aetna or Prudential nonparticipating annuity is equal to $5,000 (or such other amount as may be prescribed in or under the Code) or less, such amounts shall be paid in a lump sum as soon as administratively practicable following the Participant's retirement, termination of employment or death.

For lump sum distributions paid on or after January 1, 2003 if the Participant is thereafter reemployed by the Company, the Participant's subsequent benefit will be reduced by the lump sum Actuarial Equivalent value of the lump sum distribution previously paid to the Participant. For lump sum distributions paid prior to January 1, 2003, if a Participant who has received such a lump sum distribution is thereafter reemployed by the Company, the Participant shall have the option to repay to the Plan the amount of such distribution, together with interest at the rate of 5% per annum (or such other rate as may be prescribed pursuant to section 411(c)(2)(C)(III) of the Code), compounded annually from the date of the distribution to the date of repayment. If a reemployed Participant does not make such repayment, no part of the Period of Service with respect to which the lump sum distribution was made shall count as Years of Vesting Service or Years of Credited Service."

10. Section 12.11 Claims Procedure is hereby amended to read as follows:

"12.11 Claims Procedure

12.11.1 Any application for benefits under the Plan and all inquiries concerning the Plan shall be submitted to the Company at such address as may be announced to Participants from time to time. Applications for benefits shall be in the form and manner prescribed by the Company and shall be signed by the Participant or, in the case of a benefit payable after the death of the Participant, by the Participant's Surviving Spouse or Beneficiary, as the case may be.

12.11.2 The Plan Administrator shall give written or electronic notice of its decision on any application to the applicant within 90 days of receipt of the application. Electronic notification may be used, at the discretion of the Plan Administrator (or Review Panel, as discussed below). If special circumstances require a longer period of time, the Plan Administrator shall provide notice to the applicant within the initial 90-day period, explaining the special circumstances requiring the extension of time and the date by which the Plan expects to render a

benefit determination. A decision will be given as soon as possible, but no later than 180 days after receipt of the application. In the event any application for benefits is denied in whole or in part, the Plan Administrator shall notify the applicant in writing or electronic notification of the right to a review of the denial. Such notice shall set forth, in a manner calculated to be understood by the applicant: the specific reasons for the denial; the specific references to the Plan provisions on which the denial is based; a description of any information or material necessary to perfect the application and an explanation of why such material is necessary; and a description of the Plan's review procedures and the applicable time limits to such procedures, including a statement of the applicant's right to bring a civil action under ERISA Section

502(a) following a denial on review.

12.11.3 The Company shall appoint a "Review Panel," which shall consist of three or more individuals who may (but need not) be employees of the Company. The Review Panel shall be the named fiduciary that has the authority to act with respect to any appeal from a denial of benefits under the Plan, and shall hold meetings at least quarterly, as needed. The Review Panel shall have the authority to further delegate its responsibilities to two or more individuals who may (but need not) be employees of the Company.

12.11.4 Any person (or his authorized representative) whose application for benefits is denied in whole or in part may appeal the denial by submitting to the Review Panel a request for a review of the application within 60 days after receiving notice of the denial. The Review Panel shall give the applicant or such representative the opportunity to submit written comments, documents, and other information relating to the claim; and an opportunity to review, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other relevant information (other than legally privileged documents) in preparing such request for review. The request for review shall be in writing and addressed as follows: "Review Panel of the Employee Welfare Benefits Plan Committee, 200 East Randolph Drive, Chicago, Illinois 60601." The request for review shall set forth all of the grounds on which it is based, all facts in support of the request and any other matters that the applicant deems pertinent. The Review Panel may require the applicant to submit such additional facts, documents, or other material as it may deem necessary or appropriate in making its review. The Review Panel will consider all comments, documents, and other information submitted by the applicant regardless of whether such information was submitted or considered during the initial benefit determination.

12.11.5 The Review Panel shall act upon each request for review within 60 days after receipt thereof. If special circumstances

require a longer period of time, the Review Panel shall so notify the applicant within the initial 60 days, explaining the special circumstances requiring the extension of time and the date by which the Review Panel expects to render a benefit determination. A decision will be given as soon as possible, but no later than 120 days after receipt of the request for review. The Review Panel shall give notice of its decision to the Company and the applicant. In the event the Review Panel confirms the denial of the application for benefits in whole or in part, such notice shall set forth in a manner calculated to be understood by the applicant, the specific reasons for such denial and specific references to the Plan provisions on which the decision is based. If such an extension of time for review is required because of special circumstances, the Plan Administrator shall provide the applicant with written notice of the extension, describing the special circumstances and the date as of which the benefit determination will be made, prior to the commencement of the extension. In the event the Review Panel confirms the denial of the application for benefits in whole or in part, such notice shall set forth in a manner calculated to be understood by the applicant: the specific reasons for such denial; the specific references to the Plan provisions on which the decision is based; the applicant's right, upon request and free of charge, to receive reasonable access to, and copies of, all documents and other relevant information (other than legally-privileged documents and information); and a statement of the applicant's right to bring a civil action under ERISA Section 502(a).

12.11.6 The Review Panel shall establish such rules and procedures, consistent with ERISA and the Plan, as it may deem necessary or appropriate in carrying out its responsibilities under this Section 12.11.

12.11.7 To the extent an application for benefits as a result of a Disability requires the Plan Administrator or the Review Panel, as applicable, to make a determination of Disability under the terms of the Plan, such determination shall be subject to all of the general rules described in this Section 12.11, except as they are expressly modified by this Section 12.11.7.

(a) If the applicant's claim is for benefits as a result of Disability, then the initial decision on a claim for benefits will be made within 45 days after the Plan receives the applicant's claim, unless special circumstances require additional time, in which case the Plan Administrator will notify the applicant before the end of the initial 45-day period of an extension of up to 30 days. If necessary, the Plan Administrator may notify the applicant, prior to the end of the initial 30-day extension period, of a second extension of up to 30 days. If an extension is due to the

applicant's failure to supply the necessary information, the notice of extension will describe the additional information and the applicant will have 45 days to provide the additional information. Moreover, the period for making the determination will be delayed from the date the notification of extension was sent out until the applicant responds to the request for additional information. No additional extensions may be made, except with the applicant's voluntary consent. The contents of the notice shall be the same as described in Section 12.11.2 above. If a benefit claim as a result of Disability is denied in whole or in part, the applicant (or his authorized representative) will receive written or electronic notification, as described in Section 12.11.2.

(b) If an internal rule, guideline, protocol or similar criterion is relied upon in making the adverse determination, then the notice to the applicant of the adverse decision will either set forth the internal rule, guideline, protocol or similar criterion, or will state that such was relied upon and will be provided free of charge to the applicant upon request (to the extent not legally-privileged) and if the applicant's claim was denied based on a medical necessity or experimental treatment or similar exclusion or limit, then the applicant will be provided a statement either explaining the decision or indicating that an explanation will be provided to the applicant free of charge upon request.

(c) The Review Panel, as described above in Section 12.11.3 shall be the named fiduciary with the authority to act on any appeal from a denial of benefits as a result of Disability under the Plan. Any applicant (or his authorized representative) whose application for benefits as a result of Disability is denied in whole or in part may appeal the denial by submitting to the Review Panel a request for a review of the application within 180 days after receiving notice of the denial. The request for review shall be in the form and manner prescribed by the Review Panel and addressed as follows: "Review Panel of the Employee Welfare Benefits Plan Committee, 200 East Randolph Drive, Chicago, Illinois 60601." In the event of such an appeal for review, the provisions of Section 12.11.4 regarding the applicant's rights and responsibilities shall apply. Upon request, the Review Panel will identify any medical or vocational expert whose advice was obtained on behalf of the Review Panel in connection with an adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination. The entity or individual appointed by the Review Panel to review the claim will consider the appeal de novo, without any deference to the initial benefit denial. The review will not include any person who participated in the initial benefit denial or who is the subordinate of a person who participated in the initial benefit denial.

(d) If the initial benefit denial was based in whole or in part on a medical judgment, then the Review Panel will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment, and who was neither consulted in connection with the initial benefit determination nor is the subordinate of any person who was consulted in connection with that determination; and upon notifying the applicant of an adverse determination on review, include in the notice either an explanation of the clinical basis for the determination, applying the terms of the Plan to the applicant's medical circumstances, or a statement that such explanation will be provided free of charge upon request.

(e) A decision on review shall be made promptly, but not later than 45 days after receipt of a request for review, unless special circumstances require an extension of time for processing. If an extension is required, the applicant will be notified before the end of the initial 45-day period that an extension of time is required and the anticipated date that the review will be completed. A decision will be given as soon as possible, but not later than 90 days after receipt of a request for review. The Review Panel shall give notice of its decision to the applicant; such notice shall comply with the requirements set forth in Section 12.11.5. In addition, if the applicant's claim was denied based on a medical necessity or experimental treatment or similar exclusion, the applicant will be provided a statement explaining the decision, or a statement providing that such explanation will be furnished to the applicant free of charge upon request. The notice shall also contain the following statement: "You and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local

U.S. Department of Labor Office and your State insurance regulatory agency."

12.11.8 No legal or equitable action for benefits under the Plan shall be brought unless and until the applicant (a) has submitted a written application for benefits in accordance with Section 12.11.1 (or 12.11.7(a), as applicable), (b) has been notified by the Plan Administrator that the application is denied, (c) has filed a written request for a review of the application in accordance with Section 12.11.4 (or 12.11.7(c), as applicable); and (d) has been notified that the Review Panel has affirmed the denial of the application; provided that legal action may be brought after the Review Panel has failed to take any action on the claim within the time prescribed in Section 12.11.5 (or 12.11.7(e), as applicable). An applicant may not bring an action for benefits in accordance with this Section 12.11.8 later than 90 days after the Review Panel denies the applicant's application for benefits."

11. Subsection 13.3.5 of the Plan is hereby amended to read as follows:

"13.3.5. For purposes of this Section 13.3, "416 Compensation" shall mean W-2 wages for the calendar year ending with or within the Plan Year, plus any elective deferral (as defined in Code section 402(g)), any amounts contributed to a plan described in Code Section 125 and any amounts contributed to a plan described in Code Section 132. 416 Compensation shall be limited to $200,000 (as adjusted for cost-of-living in accordance with Section 401(a)(17)(B) of the Code in Top Heavy Plan Years)."

12. Subsection 13.4.2 of the Plan is hereby amended to read as follows:

"13.4.2 The computation of the nonforfeitable percentage of the Participant's interest in the Plan shall not be reduced as the result of any direct or indirect amendment to this Plan. In the event that this Plan is amended to change or modify any vesting schedule, a Participant with at least 3 Years of Service as of the expiration date of the election period may elect to have the Participant's nonforfeitable percentage computed under the Plan without regard to such amendment. If a Participant fails to make such election, then such Participant shall be subject to the new vesting schedule. The Participant's election period shall commence on the adoption date of the amendment and shall end 60 days after the latest of:

(a) the adoption date of the amendment,

(b) the effective date of the amendment, or

(a) the date the Participant receives written notice of the amendment from the Company."

13. Supplement 1 - Jetway Systems Division - Ogden, Utah is hereby amended by amending the first sentence of Section 1-9 Disability Retirement to read as follows:

"1-9 Disability Retirement

A Participant who has completed 10 years of Vesting Service, has a Total and Permanent Disability for a period of at least 26 weeks and who retires due to Total and Permanent Disability shall be eligible for a Disability Retirement Benefit."

14. Supplement 1 - Jetway Systems Division, Ogden Utah is hereby amended by amending the first sentence of Section 1-13 Surviving Spouse's Benefit to read as follows:

"The surviving spouse's benefit shall be equal to 60% of 90% of the amount the Participant would have received if the Participant had retired on the day before death and commenced payments on the Participant's earliest early retirement date, unless the Participant waived such benefit with spousal consent, in which case the surviving spouse's benefit shall be eliminated."

15. Supplement 2 - Packaging Machinery, Green Bay Wisconsin is hereby amended by amending the first sentence of Section 2-7 of Supplement 2 to read as follows:

"The Participant's Early Retirement Benefit shall be reduced by 4% per year for each year between the Participant's Annuity Starting Date and the Participant's 65th birthday."

16. Supplement 3 - Smith Meter Plant, Erie, Pennsylvania is hereby amended by amending Section 3-2 Actuarial Equivalent to read as follows:

"Actuarial Equivalent, other than for purposes of Section 12.8 of the Plan, shall be determined based on the UP-1984 Mortality Table (for nondisabled participants) and the 1965 Railroad Board Disabled Annuitants Mortality Table - Ultimate Rates (for disabled participants) and the immediate interest rate used by the Pension Benefit Guaranty Corporation for lump sum distributions occurring on the first day of the Plan Year that contains the Annuity Starting Date."

17. Supplement 3 - Smith Meter Plant, Erie, Pennsylvania is hereby amended by amending the last paragraph of Section 3-5 Normal Retirement Benefit to read as follows:

"Each Participant whose Years of Credited Service terminates after January 1, 2001, but prior to January 1, 2004 as a result of Normal Retirement, Early Retirement, Disability Retirement or Deferred Retirement, but not including a Participant whose employment terminates prior to Early Retirement eligibility, shall have their Normal, Early, Disability or Deferred Retirement benefit, as applicable, recalculated effective January 1, 2004 using a monthly benefit rate of $29.00, provided that any such recalculation shall not increase the amount of Normal, Early, Disability or Deferred Retirement benefit, as applicable, already paid to such Participant, but shall be applied solely to any Normal, Early, Disability or Deferred Retirement benefit, as applicable, payable after January 1, 2004. A Participant's monthly Normal, Early, Disability or Deferred Retirement benefit, as applicable shall be increased by $20.00 per month after the Participant attains age 65, and by an additional $20.00 per month after the Participant's spouse attains age 65."

18. Supplement 3 - Smith Meter Plant, Erie, Pennsylvania is hereby amended by adding the following sentence to the end of Section 3-7 Early Retirement Reduction Factor:

"The same reduction factor shall apply to a terminated Participant who is not Early Retirement eligible if the Participant has 10 Years of Vesting Service."

IN WITNESS WHEREOF, the Company has caused this amendment to be executed by a duly authorized representative this 25/th/ day of February 2003.

FMC Technologies, Inc.

By: /s/ William H. Schumann

Senior Vice President and
Chief Financial Officer

Exhibit 10.6.k

THIRD AMENDMENT OF
FMC TECHNOLOGIES, INC. EMPLOYEES' RETIREMENT PROGRAM
PART II UNION HOURLY EMPLOYEES' RETIREMENT PLAN

WHEREAS, FMC Technologies, Inc. (the "Company") maintains the FMC Technologies, Inc. Employees' Retirement Program Part II Union Hourly Employees' Retirement Plan (the "Plan");

WHEREAS, amendment of the Plan is now considered desirable to reflect the most recent union negotiations; and

WHEREAS, this amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of the amendment;

NOW, THEREFORE, by virtue and in exercise of the powers reserved to the Company under Section 11.1 Plan Amendment or Termination of the Plan, the Plan is hereby amended, effective May 1, 2001, in the following respects:

Supplement 4 - Food Processing Machinery Division, Hoopeston, Illinois is hereby amended by adding the following to the end of Section 4-5 Normal Retirement Benefit:

"On or after December 1, 2002 $33.00"

IN WITNESS WHEREOF, the Company has caused this amendment to be executed by a duly authorized representative this 17th day of March 2003.

FMC Technologies, Inc.

By: /s/ Michael W. Murray

Vice President Human Resources

Exhibit 10.7.c

First Amendment
of
FMC Technologies, Inc. Salaried Employees' Equivalent Retirement Plan

WHEREAS, FMC Technologies, Inc. (the "Company") maintains the FMC Technologies, Inc. Salaried Employees' Equivalent Retirement Plan (the "Plan"); and

WHEREAS, the Company now considers it desirable to amend the Plan to modify the distribution options available under the Plan.

NOW, THEREFORE, by virtue of the authority reserved to the Company by Section 8 of the Plan, the Plan is hereby amended effective as of August 1, 2002, as follows:

Section 6. Payment of Excess Benefit is hereby amended by deleting the following text effective as of August 1, 2002:

> "Notwithstanding anything herein to the contrary, the Committee may, in its sole discretion, give a Participant the ability to elect a special annuity distribution option whereby the Company will purchase an annuity contract to pay the Participant's Excess Benefit at the same time and in the same manner as his or her accrued benefit under the Salaried Retirement Plan are to be paid."

IN WITNESS WHEREOF, the Company has caused this Plan to be executed in its name and behalf on this 13th day of August 2002.

FMC TECHNOLOGIES, INC.

By: /s/ William H. Schumann

Senior Vice President and
Chief Financial Officer

Exhibit 10.8.c

First Amendment
of
FMC Technologies, Inc. Savings and Investment Plan

WHEREAS, FMC Technologies, Inc. (the "Company") maintains the FMC Technologies, Inc. Savings and Investment Plan (the "Plan"); and

WHEREAS, since its spin-off from FMC Corporation, the Company has allowed participants in the Plan to continue to hold or sell balances in the FMC Corporation Stock Fund in the participants' discretion, but has prohibited new investments in the FMC Corporation Stock Fund;

WHEREAS, the Company now deems necessary and desirable to amend the Plan to eliminate the FMC Corporation Stock Fund from the investment options offered under the Plan; and

NOW, THEREFORE, by virtue of the authority reserved to the Company by Section 10.3 of the Plan, the Plan is hereby amended effective as of July 1, 2003, as follows:

Section 10.3.3. Investment of Accounts is here by amended by adding the following to the end thereof:

> "Effective July 1, 2003 the FMC Stock Fund will be eliminated as an Investment Fund in the Plan. The Company will direct the Trustee to sell any balances remaining in the FMC Corporation Stock Fund on June 30, 2003 and reinvest the proceeds from such sale into another Investment Fund under the Plan to be designated by the Company at the time. It is currently anticipated that any remaining balances in the FMC Corporation Stock Fund will be transferred to the Fidelity Retirement Government Money Market Portfolio."

IN WITNESS WHEREOF, the undersigned officer has executed the foregoing amendment on behalf of the Company, this 13/th/ day of August 2002.

FMC Technologies, Inc.

By: /s/ William H. Schumann

Senior Vice President and
Chief Financial Officer

Exhibit 10.8.d

Second Amendment
Of
FMC Technologies, Inc. Savings and Investment Plan

WHEREAS, FMC Technologies, Inc. (the "Company") maintains the FMC Technologies, Inc. Savings and Investment Plan (the "Plan"); and

WHEREAS, the Company now deems it necessary and desirable to amend the Plan to conform with the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"); and

WHEREAS, this Second Amendment of the Plan is intended to effect "good faith" compliance with the requirements of EGTRRA, and to be construed in accordance with EGTRRA and all guidance issued thereunder. This Second Amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Second Amendment;

NOW, THEREFORE, by virtue of the authority reserved to the Company by Section 12.1 of the Plan, the Plan is hereby amended effective for Plan Years beginning on and after January 1, 2002, unless otherwise provided, as follows:

1. Effective as of July 1, 2002, the following definition is hereby added to Article I of the Plan immediately after the definition Break In Service:

   "Catch-Up Contribution means a Pre-Tax Contribution made by a Participant who has attained or will attain age fifty (50) before the close of the Plan Year, subject to the limitations of Code Section 414(v)."

2. The final paragraph of the definition of Compensation in Article I of the Plan is hereby deleted and replaced with the following:

   "For Plan Years beginning on and after January 1, 2002, the annual amount of Compensation taken into account for a Participant must not exceed $200,000 (as adjusted by Internal Revenue Service for cost-of-living increases in accordance with Code Section 401(a)(17)(B)). A Participant's Compensation will be conclusively determined according to the Company's records."

3. The definition of Eligible Retirement Plan in Article I of the Plan is hereby deleted and replaced with the following:

   "Eligible Retirement Plan means an individual retirement account described in Code Section 408(a), an individual retirement annuity described in Code Section 408(b), an annuity plan described in Code Section 403(a), or a plan described in Code Section 401(a) that accepts the Distributee's Eligible Rollover Distribution; and, effective for Plan Years beginning on and after January 1, 2002, an annuity contract described in Code Section 403(b) and an eligible plan under Code Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state. Effective for Plan Years beginning on and after January 1, 2002, the definition of Eligible Retirement Plan shall also apply in the case of an Eligible Rollover Distribution paid to a Surviving Spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code Section 414(p)."

4. The definition of Eligible Rollover Distribution in Article I of the Plan is hereby deleted and replaced with the following:

   "Eligible Rollover Distribution means any distribution of all or any portion of the balance to the credit of the Distributee, other than (a) a distribution that is one of a series of substantially equal periodic payments made (no less frequently than annually) for the life (or life expectancy) of the Distributee and the Distributee's Beneficiary, or for a specified period of ten years or more; (b) the portion of a distribution that is required to be made under Code Section 401(a)(9); (c) the portion of a distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation for employer securities); provided, however, effective for distributions occurring on and after January 1, 2002, a portion of the distribution shall not fail to be an Eligible Rollover Distribution merely because the portion consists of After-Tax Contributions that are not includible in gross income, but only if such portion is transferred to an individual retirement account or annuity described in Code Section 408(a) or (b), or to a qualified defined contribution plan described in Code Section 401(a) or 403(a) that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible in gross income; or (d) a "hardship distribution" within the meaning of Code Section 402(c)(4)."

5. The definition of Rollover Contribution in Article I of the Plan is hereby deleted and replaced with the following:

"Rollover Contribution means an amount received from a deferred compensation plan that is qualified under Code Section 401 or 403(a), and which is rolled over to the Plan pursuant to Code Section 402(c). A Rollover Contribution can be either a Direct Rollover or an amount distributed to a Participant and then rolled over. In addition, if an Employee had deposited an Eligible Rollover Distribution into an individual retirement account as defined in Code Section 408, he or she may transfer the amount of the distribution plus earnings from the individual retirement account to the Plan, if the rollover amount is deposited with the Trustee within 60 days after receipt from the individual retirement account, and the rollover meets the other requirements of Code Section 408(d)(3)(A)(ii). Effective on and after January 1, 2002, a Rollover Contribution also means an amount received from a qualified plan described in Code Section 401(a) or 403(a) attributable to after-tax contributions; from an annuity contract described in Code Section 403(b), including after-tax contributions; or an eligible plan under Code Section 457(b) that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state. To the extent a Rollover Contribution includes after-tax contributions, such amounts shall be credited to an After-Tax Contribution Account created for such individual in accordance with Section 3.6.2."

6. Effective as of July 1, 2002, Article III of the Plan is hereby amended by the addition of a

new Section 3.1.1 to the end of Section 3.1 to read as follows:

"3.1.1 Effective as of July 1, 2002, and for each Plan Year commencing thereafter, all Participants who have attained or will attain age fifty (50) before the close of the Plan Year shall be eligible to make Catch-Up Contributions during such Plan Year in accordance with, and subject to the limitations of Code Section 414(v) as follows:

(a) The Plan shall not be treated as failing to satisfy the requirements of Code Section 401(k)(3), 401(k)(11), 401(k)(12), 410(b) or 416, as applicable, by reason of the making of such Catch-Up Contributions. Catch-Up Contributions shall be disregarded in determining the limitations on Pre-Tax Contributions as provided in Section 3.9.

(b) Pre-Tax Contributions (other than Catch-Up Contributions) determined to be Excess Pre-Tax Contributions as provided in Section 3.9.9, or determined to be in excess of the required limitations of Code Section 415 in a Plan Year may be recharacterized as a Catch-Up Contribution (to the extent available under the limitations of Code Section 414(v) as in effect for that Plan Year) for a Participant who is eligible to make Catch-Up Contributions, as described in the first paragraph of this Section 3.1.1.

(c) Catch-Up Contributions shall not be eligible for Company

Contributions made on behalf of a Matched Participant pursuant to Section 3.4.

(d) Pre-Tax Contributions determined to be Excess Contributions as provided in Section 3.9.8 may be recharacterized as Catch-Up Contributions for a Participant who is eligible, as described in the first paragraph of this Section 3.1.1, but

(i) only after the application of Sections 3.12.7 and 3.13.7 regarding the recharacterization of Excess Contributions as After-Tax Contributions, to the extent available, and

(ii) only to the extent a Catch-Up Contribution amount is available under the limitations of Code Section 414(v) as in effect for that Plan Year."

7. Section 3.7 of the Plan is hereby deleted and replaced with the following:

"3.7 Limitation on Annual Additions to Accounts

(a) For purposes of this Section 3.7, `annual additions' includes all Pre-Tax Contributions, After-Tax Contributions, Company Contributions and Forfeitures allocated to the Participant's Accounts for the Plan

Year, but shall not include Catch-Up Contributions pursuant to Code Section 414(v) (as described in Section 3.1.1), and Excess Pre-Tax Contributions (as described in Section 3.11.4) that are distributed to the Participant by April 15th following the year for which they were contributed to the Plan.

`Annual additions' also includes any employer and employee contributions and forfeitures allocated for the Plan Year under other defined contribution plans of the Company and the Affiliates, including (i) an individual medical benefit account (as defined in Code Section 415(l)(2)) which is a part of any such plan, or (ii) amounts derived from contributions paid or accrued after December 31, 1985, in taxable years ending after such date, which are attributable to post-retirement medical benefits, allocated to the separate account of a Key Employee (as defined in Code Section 419A(d)(3)) and under a welfare benefit fund (as defined in Code Section 419(e)) maintained by the Company.

(b) Notwithstanding any provision of the Plan to the contrary, the total annual additions allocated for any Plan Year to the Account of a Participant and to his or her accounts under any other defined contribution plan maintained by the Company or an Affiliate shall not exceed the lesser amount of (a) $40,000, as adjusted in accordance with Code Section 415(d), or (b) 100% of the Participant's Compensation, except that the compensation limitation described herein shall not apply to any employer contribution for medical benefits (within the meaning of Code Section 401(h) or 419A(f)(2)) which is otherwise treated as an `annual addition' under Code Section 415(l)(1) or 419A(d)(2). For periods prior to January 1, 2002, notwithstanding anything herein to the contrary, the total annual additions allocated for any Plan Year to the Account of Participant and to his or her accounts under any other defined contribution plan maintained by the Company or an Affiliate must not exceed $30,000, as adjusted in accordance with Code Section 415(d), or 25% of the Participant's Compensation."

8. Section 3.14 of the Plan is hereby deleted in its entirety, effective for Plan Years beginning on and after January 1, 2002.

9. Section 5.2.4 of the Plan is hereby deleted and replaced with the following:

"5.2.4. Notwithstanding any other provision of this Plan, effective January 1, 2002, all Plan distributions will comply with Code Section 401(a)(9), including Department of Treasury Regulation Section 1.401(a)(9)-2 through 1.401(a)(9)-9, as promulgated under Final and

Temporary Regulations published in the Federal Register on April 17, 2002 (the `401(a)(9) Regulations'), with respect to minimum distributions

under Code Section 401(a)(9). In addition, the benefit payments distributed to any Participant on or after January 1, 2002, will satisfy the incidental death benefit provisions under Code Section 401(a)(9)(G) and Department of Treasury Regulation Section 1.401(a)(9)-5(d), as promulgated in the 401(a)(9) Regulations."

10. Section 13.11 of the Plan is hereby deleted in its entirety and replaced with the following:

"13.11 Claims Procedure

13.11.1 Any application for benefits under the Plan and all inquiries concerning the Plan shall be submitted to the Company at such address as may be announced to Participants from time to time. Applications for benefits shall be in the form and manner prescribed by the Company and shall be signed by the Participant or, in the case of a benefit payable after the death of the Participant, by the Participant's Surviving Spouse or Beneficiary, as the case may be.

13.11.2 The Plan Administrator shall give written or electronic notice of its decision on any application to the applicant within 90 days of receipt of the application. Electronic notification may be used, at the discretion of the Plan Administrator (or Review Panel, as discussed below). If special circumstances require a longer period of time, the Plan Administrator shall provide notice to the applicant within the initial 90-day period, explaining the special circumstances requiring the extension of time and the date by which the Plan expects to render a benefit determination. A decision will be given as soon as possible, but no later than 180 days after receipt of the application. In the event any application for benefits is denied in whole or in part, the Plan Administrator shall notify the applicant in writing or electronic notification of the right to a review of the denial. Such notice shall set forth, in a manner calculated to be understood by the applicant: the specific reasons for the denial; the specific references to the Plan provisions on which the denial is based; a description of any information or material necessary to perfect the application and an explanation of why such material is necessary; and a description of the Plan's review procedures and the applicable time limits to such procedures, including a statement of the applicant's right to bring a civil action under ERISA Section 502(a) following a denial on review.

13.11.3 The Company shall appoint a "Review Panel," which shall consist of three or more individuals who may (but need not) be employees of the Company. The Review Panel shall be the named fiduciary that has the authority to act with respect to any appeal from a denial of benefits under the Plan, and shall hold meetings at least quarterly, as needed. The Review Panel shall have the authority to further delegate its responsibilities to two or more individuals who may (but need not) be employees of the Company.

13.11.4 Any person (or his authorized representative) whose application for benefits is denied in whole or in part may appeal the denial by submitting to the Review Panel a request for a review of the application within 60 days after receiving notice of the denial. The Review Panel shall give the applicant or such representative the opportunity to submit written comments, documents, and other information relating to the claim; and an opportunity to review, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other relevant information (other than legally privileged documents) in preparing such request for review. The request for review shall be in writing and addressed as follows: "Review Panel of the Employee Welfare Benefits Plan Committee, 200

East Randolph Drive, Chicago, Illinois 60601." The request for review shall set forth all of the grounds on which it is based, all facts in support of the request and any other matters that the applicant deems pertinent. The Review Panel may require the applicant to submit such additional facts, documents, or other material as it may deem necessary or appropriate in making its review. The Review Panel will consider all comments, documents, and other information submitted by the applicant regardless of whether such information was submitted or considered during the initial benefit determination.

13.11.5 The Review Panel shall act upon each request for review within 60 days after receipt thereof. If special circumstances require a longer period of time, the Review Panel shall so notify the applicant within the initial 60 days, explaining the special circumstances requiring the extension of time and the date by which the Review Panel expects to render a benefit determination. A decision will be given as soon as possible, but no later than 120 days after receipt of the request for review. The Review Panel shall give notice of its decision to the Company and the applicant. In the event the Review Panel confirms the denial of the application for benefits in whole or in part, such notice shall set forth in a manner calculated to be understood by the applicant, the specific reasons for such denial and specific references to the Plan provisions on which the decision is based. If such an extension of time for review is required because of special circumstances, the Plan Administrator shall provide the applicant with written notice of the extension, describing the special circumstances and the date as of which the benefit determination will be made, prior to the commencement of the extension. In the event the Review Panel confirms the denial of the application for benefits in whole or in part, such notice shall set forth in a manner calculated to be understood by the applicant: the specific reasons for such denial; the specific references to the Plan provisions on which the decision is based; the applicant's right, upon request and free of charge, to receive reasonable access to, and copies of, all documents and other relevant information (other than legally-privileged documents and information); and a statement of the applicant's right to bring a civil action under ERISA Section 502(a).

13.11.6 The Review Panel shall establish such rules and procedures, consistent with ERISA and the Plan, as it may deem necessary or appropriate in carrying out its responsibilities under this Section 13.11.

13.11.7 To the extent an application for accelerated vesting as a result of a Disability requires the Plan Administrator or the Review Panel, as applicable, to make a determination of Disability under the terms of the Plan, such determination shall be subject to all of the general rules described in this Section 13.11, except as they are expressly modified by this Section 13.11.7.

(a) If the applicant's claim is for benefits as a result of Disability, then the initial decision on a claim for benefits will be made within 45 days after the Plan receives the applicant's claim, unless special circumstances require additional time, in which case the Plan Administrator will notify the applicant before the end of the initial 45-day period of an extension of up to 30 days. If necessary, the Plan Administrator may notify the applicant, prior to the end of the initial 30-day extension period, of a second extension of up to 30 days. If an extension is due to the applicant's failure to supply the necessary information, the notice of extension will describe the additional information and the applicant will have 45 days to provide the additional information. Moreover, the period for making the determination will be delayed from the date the notification of extension was sent out until the applicant responds to the request for additional information. No additional extensions may be made, except with the applicant's voluntary consent. The contents of the notice shall be the same as described in Section 13.11.2 above. If a benefit claim as a result of Disability is denied in whole or in part, the applicant (or his authorized representative) will receive written or electronic notification, as described in Section 13.11.2.

(b) If an internal rule, guideline, protocol or similar criterion is relied upon in making the adverse determination, then the notice to the applicant of the adverse decision will either set forth the internal rule, guideline, protocol or similar criterion, or will state that such was relied upon and will be provided free of charge to the applicant upon request (to the extent not legally-privileged) and if the applicant's claim was denied based on a medical necessity or experimental treatment or similar exclusion or limit, then the applicant will be provided a statement either explaining the decision or indicating that an explanation will be provided to the applicant free of charge upon request.

(c) The Review Panel, as described above in Section 13.11.3 shall be the named fiduciary with the authority to act on any appeal from a denial of benefits as a result of Disability under the Plan. Any applicant (or

his authorized representative) whose application for benefits as a result of Disability is denied in whole or in part may appeal the denial by submitting to the Review Panel a request for a review of the application within 180 days after receiving notice of the denial. The request for review shall be in the form and manner prescribed by the Review Panel and addressed as follows: "Review Panel of the Employee Welfare Benefits Plan Committee, 200 East Randolph Drive, Chicago, Illinois 60601." In the event of such an appeal for review, the provisions of Section 13.11.4 regarding the applicant's rights and responsibilities shall apply. Upon request, the Review Panel will identify any medical or vocational expert whose advice was obtained on behalf of the Review Panel in connection with an adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination. The entity or individual appointed by the Review Panel to review the claim will consider the appeal de novo, without any deference to the initial benefit denial. The review will not include any person who participated in the initial benefit denial or who is the subordinate of a person who participated in the initial benefit denial.

(d) If the initial benefit denial was based in whole or in part on a medical judgment, then the Review Panel will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment, and who was neither consulted in connection with the initial benefit determination nor is the subordinate of any person who was consulted in connection with that determination; and upon notifying the applicant of an adverse determination on review, include in the notice either an explanation of the clinical basis for the determination, applying the terms of the Plan to the applicant's medical circumstances, or a statement that such explanation will be provided free of charge upon request.

(e) A decision on review shall be made promptly, but not later than 45 days after receipt of a request for review, unless special circumstances require an extension of time for processing. If an extension is required, the applicant will be notified before the end of the initial 45-day period that an extension of time is required and the anticipated date that the review will be completed. A decision will be given as soon as possible, but not later than 90 days after receipt of a request for review. The Review Panel shall give notice of its decision to the applicant; such notice shall comply with the requirements set forth in Section 13.11.5. In addition, if the applicant's claim was denied based on a medical necessity or experimental treatment or similar exclusion, the applicant will be provided a statement explaining the decision, or a statement providing that such explanation will be furnished to the applicant free of charge upon request. The notice shall also contain the following statement: "You and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your State insurance regulatory agency."

13.11.8 No legal or equitable action for benefits under the Plan shall be brought unless and until the applicant (a) has submitted a written application for benefits in accordance with Section 13.11.1 (or 13.11.7(a), as applicable), (b) has been notified by the Plan Administrator that the application is denied, (c) has filed a written request for a review of the application in accordance with Section 13.11.4 (or 13.11.7(c), as applicable); and (d) has been notified that the Review Panel has affirmed the denial of the application; provided that legal action may be brought after the Review Panel has failed to take any action on the claim within the time prescribed in Section 13.11.5 (or 13.11.7(e), as applicable). An applicant may not bring an action for benefits in accordance with this Section 13.11.8 later than 90 days after the Review Panel denies the applicant's application for benefits."

11. Section 14.1.4 of the Plan setting forth the definition of "Key Employee" is hereby deleted and replaced with the following:

"14.1.4 Key Employee means an employee described in Code Section 416(i)(1) and the regulations promulgated thereunder. Generally, a Key Employee is an Employee or former Employee (including a deceased Employee) who, at any time during the Plan Year containing the Determination Date is:

(a) an officer of the Company or an Affiliate with annual Compensation greater than $130,000 (as adjusted under Code Section 416(i)(1) for Plan Years beginning on and after January 1, 2002);

(b) a five percent owner of the Company or an Affiliate; or

(c) a one percent owner of the Company or an Affiliate having annual Compensation of more than $150,000.

For purposes of determining who is a Key Employee, the Plan's definition of Compensation will be applied by taking into account amounts paid by Affiliates who are not Participating Employers, as well as amounts paid by Participating Employers, and without applying the exclusions for amounts paid by a Participating Employer to cover an Employee's nonqualified deferred compensation FICA tax obligations and for gross-up payments on such FICA tax payments."

12. Section 14.1.8 Present Value of Accrued Benefits of the Plan is hereby amended by

the deletion and replacement of Subsection (c) therein, and the addition of a new Subsection (d), to read as follows:

"(c) The aggregate value of amounts distributed under the Plan and any plan in an Aggregation Group (as defined in Code Section 416(g)(2)) during the one (1)-year period ending on the Determination Date, including amounts distributed under a terminated plan that, if it had not been terminated, would have been in a Mandatory Aggregation Group. In the case of a distribution from any such plan made for a reason other than separation from service, death, or Disability, this provision shall be applied by substituting `five (5)-year period' for `one (1)-year period.'

(d) The Present Value of Accrued Benefit of any individual who has not performed services for the Company or an Affiliate during the one (1)-year period ending on the Determination Date shall not be taken into account."

13. Section 14.3 Minimum Allocation for Top Heavy Plan of the Plan is hereby amended by the addition of a new Section 14.3.5 to read as follows:

    "14.3.5 Company Contributions made on behalf of a Matched Participant pursuant to Section 3.4 of the Plan shall be taken into account for purposes of satisfying the minimum allocation requirements of Section 14.3 of the Plan and Code Section 416(c)(2). Company Contributions made on behalf of a Matched Participant that are used to satisfy the minimum contribution requirements shall be treated as Company Contributions for purposes of the Actual Contribution Percentage Test and other requirements of Code Section 401(m)."

14. Except as set forth in this Second Amendment, all other terms and conditions of the Plan shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned officer has executed the foregoing amendment on behalf of the Company, this 30th day of December, 2002.

FMC Technologies, Inc.

By: /s/ William H. Schumann

Senior Vice President and
Chief Financial Officer

Exhibit 10.9.c

First Amendment
of
FMC Technologies, Inc. Non-Qualified Savings and Investment Plan

WHEREAS, FMC Technologies, Inc. (the "Company") maintains the FMC Technologies, Inc. Non-Qualified Savings and Investment Plan (the "Plan"); and

WHEREAS, since its spin-off from FMC Corporation, the Company has allowed participants in the Plan to continue to hold or sell balances in the FMC Corporation Stock Fund in the participants' discretion, but has prohibited new investments in the FMC Corporation Stock Fund;

WHEREAS, the Company now deems necessary and desirable to amend the Plan to eliminate the FMC Corporation Stock Fund from the investment options offered under the Plan; and

NOW, THEREFORE, by virtue of the authority reserved to the Company by Article IX of the Plan, the Plan is hereby amended effective as of July 1, 2003, as follows:

Section 6.1 Deemed Investments is here by amended by adding the following to the end thereof:

> (e) "Effective July 1, 2003 the FMC Corporation Stock Fund will be eliminated as a Permitted Investment in the Plan. The Company will direct the Trustee to sell any balances remaining in the FMC Corporation Stock Fund on June 30, 2003 and reinvest the proceeds from such sale into another Permitted Investment under the Plan to be designated by the Company at the time. It is currently anticipated that any remaining balances in the FMC Corporation Stock Fund will be transferred to the Fidelity Retirement Government Money Market Portfolio."

IN WITNESS WHEREOF, the undersigned officer has executed this amendment on behalf of the Company, this 30/th/ day of August 2002.

FMC Technologies, Inc.

By: /s/ William H. Schumann

Senior Vice President and
Chief Financial Officer

Exhibit 10.10

COMMERCIAL PAPER DEALER AGREEMENT
4(2) PROGRAM

between

FMC Technologies, Inc., as Issuer

and

Merrill Lynch Money Markets Inc., as Dealer for Notes with maturities up to 270 days;

Merrill Lynch, Pierce, Fenner & Smith Incorporated, as Dealer for Notes with maturities over 270 days up to 365 days

Concerning Notes to be issued pursuant to an Issuing and Paying Agent Agreement dated as of January 24, 2003 between the Issuer and Bank One, National Association, as Issuing and Paying Agent

Dated As of

January 24, 2003

COMMERCIAL PAPER DEALER AGREEMENT
4(2) Program

This agreement ("Agreement") sets forth the understandings between the Issuer and the Dealer in connection with the issuance and sale by the Issuer of its short-term promissory notes through the Dealer (the "Notes").

Certain terms used in this Agreement are defined in Section 6 hereof.

The Addendum to this Agreement, and any Annexes or Exhibits described in this Agreement or such Addendum, are hereby incorporated into this Agreement and made fully a part hereof.

Section 1. Offers, Sales and Resales of Notes

1.1 While (i) the Issuer has and shall have no obligation to sell the Notes to the Dealer or to permit the Dealer to arrange any sale of the Notes for the account of the Issuer, and (ii) the Dealer has and shall have no obligation to purchase the Notes from the Issuer or to arrange any sale of the Notes for the account of the Issuer, the parties hereto agree that in any case where the Dealer purchases Notes from the Issuer, or arranges for the sale of Notes by the Issuer, such Notes will be purchased or sold by the Dealer in reliance on the representations, warranties, covenants and agreements of the Issuer contained herein or made pursuant hereto and on the terms and conditions and in the manner provided herein.

1.2 So long as this Agreement shall remain in effect, and in addition to the limitations contained in Section 1.7 hereof, the Issuer shall not, without the consent of the Dealer, offer, solicit or accept offers to purchase, or sell, any Notes except (a) in transactions with one or more dealers which may from time to time after the date hereof become dealers with respect to the Notes by executing with the Issuer one or more agreements which contain provisions substantially identical to Section 1 of this Agreement, of which the Issuer hereby undertakes to provide the Dealer prompt notice or (b) in transactions with the other dealers listed on the Addendum hereto, which are executing agreements with the Issuer which contain provisions substantially identical to Section 1 of this Agreement contemporaneously herewith. In no event shall the Issuer offer, solicit or accept offers to purchase, or sell, any Notes directly on its own behalf in transactions with persons other than broker-dealers as specifically permitted in this Section 1.2.

1.3 The Notes shall be in a minimum denomination or minimum amount, whichever is applicable, of $250,000 or integral multiples of $1,000 in excess thereof, will bear such interest rates, if interest bearing, or will be sold at such discount from their face amounts, as shall be agreed upon by the Dealer and the Issuer, shall have a maturity not exceeding 365 days from the date of issuance (exclusive of days of grace) and shall not contain any provision for extension, renewal or automatic "rollover."

1.4 The authentication, delivery and payment of the Notes shall be effected in accordance with the Issuing and Paying Agent Agreement and the Notes shall be represented by book-entry Notes registered in the name of DTC or its nominee in the form or forms annexed to the Issuing and Paying Agent Agreement.

1.5 If the Issuer and the Dealer shall agree on the terms of the purchase of any Note by the Dealer or the sale of any Note arranged by the Dealer (including, but not limited to, agreement with respect to the date of issue, purchase price, principal amount, maturity and interest rate (in the case of interest-bearing Notes) or discount thereof (in the case of Notes issued on a discount basis), and appropriate compensation for the Dealer's services hereunder) pursuant to this Agreement, the Issuer shall cause such Note to be issued and delivered in accordance with the terms of the Issuing and Paying Agent Agreement and payment for such Note shall be made by the purchaser thereof, either directly or through the Dealer, to

the Issuer. Except as otherwise agreed, in the event that the Dealer is acting as an agent and a purchaser shall either fail to accept delivery of or make payment for a Note on the date fixed for settlement, the Dealer shall promptly notify the Issuer, and if the Dealer has theretofore paid the Issuer for the Note, the Issuer will promptly return such funds to the Dealer upon notice of such failure. If such failure occurred for any reason other than default by the Dealer, the Issuer shall reimburse the Dealer on an equitable basis for the Dealer's loss of the use of such funds for the period such funds were credited to the Issuer's account.

1.6 The Dealer and the Issuer hereby establish and agree to observe the following procedures in connection with offers, sales and subsequent resales or other transfers of the Notes:

(a) Offers and sales of the Notes by or through the Dealer shall be made only to investors reasonably believed by the Dealer to be: (i) Institutional Accredited Investors or Sophisticated Individual Accredited Investors, (ii) non-bank fiduciaries or agents that will be purchasing Notes for one or more accounts, each of which is an Institutional Accredited Investor or Sophisticated Individual Accredited Investor, and (iii) Qualified Institutional Buyers.

(b) Resales and other transfers of the Notes by or through the Dealer or by other holders thereof shall be made only in accordance with the restrictions in the legends described in clause (e) below.

(c) No general solicitation or general advertising shall be used in connection with the offering of the Notes. Without limiting the generality of the foregoing, without the prior written approval of Dealer, the Issuer shall not issue any press release or place or publish any "tombstone" or other advertisement relating to the Notes.

(d) No sale of Notes to any one purchaser shall be for less than $250,000 principal or face amount, and no Note shall be issued in a smaller principal or face amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom such purchaser is acting must purchase at least $250,000 principal or face amount of Notes.

(e) Offers and sales of the Notes by the Issuer through the Dealer acting as agent for the Issuer shall be subject to the restrictions described in the legend appearing on Exhibit A hereto. A legend substantially to the effect of such Exhibit A shall appear as part of the Private Placement Memorandum used in connection with offers and sales of Notes hereunder.

(f) The Dealer shall furnish or shall have furnished to each purchaser of Notes for which it has acted as the Dealer a copy of the then-current Private Placement Memorandum unless such purchaser has previously received a copy of the Private Placement Memorandum as then in effect. The Private Placement Memorandum shall expressly state that any person to whom Notes are offered shall have an opportunity to ask questions of, and receive information from, the Issuer and the Dealer and shall provide the names, addresses and telephone numbers of the persons from whom information regarding the Issuer may be obtained.

(g) The Issuer agrees, for the benefit of the Dealer and each of the holders and prospective purchasers from time to time of the Notes that, if at any time the Issuer shall not be subject to Section 13 or 15(d) of the Exchange Act, the Issuer will furnish, upon request and at its expense, to the Dealer and to holders and prospective purchasers of Notes information required by Rule 144A(d)(4)(i) in compliance with Rule 144A(d).

(h) In the event that any Note offered or to be offered by Dealer would be ineligible for resale under Rule 144A, the Issuer shall immediately notify Dealer (by telephone, confirmed in writing) of such fact and shall promptly prepare and deliver to Dealer an amendment or supplement to the Private Placement Memorandum describing the Notes that are ineligible, the reason for such ineligibility and any other relevant information relating thereto.

(i) The Issuer represents that it may issue commercial paper in the United States market in reliance upon, and in compliance with, the exemption provided by Section 3(a)(3) of the Securities Act. In that connection, the Issuer agrees that (a) the proceeds from the sale of the Notes will be segregated from the proceeds of the sale of any such commercial paper by being placed in a separate account; (b) the Issuer will institute appropriate corporate procedures to ensure that the offers and sales of notes issued by the Issuer pursuant to the Section 3(a)(3) exemption are not integrated with offerings and sales of Notes hereunder; and (c) the Issuer will comply with each of the requirements of Section 3(a)(3) of the Act in selling commercial paper or other short-term debt securities other than the Notes in the United States.

1.7 The Issuer hereby represents and warrants to the Dealer, in connection with offers, sales and resales of Notes, as follows:

(a) Issuer hereby confirms to the Dealer that (except as permitted by Section 1.6(i)) within the preceding six months neither the Issuer nor any person other than the Dealer or the other dealers referred to in Section 1.2 hereof acting on behalf of the Issuer has offered or sold any Notes, or any substantially similar security of the Issuer (including, without limitation, medium-term notes issued by the Issuer), to, or solicited offers to buy any such security from, any person other than the Dealer or the other dealers referred to in Section 1.2 hereof. The Issuer also agrees that (except as permitted by Section 1.6(i)), as long as the Notes are being offered for sale by the Dealer and the other dealers referred to in Section 1.2 hereof as contemplated hereby and until at least six months after the offer of Notes hereunder has been terminated, neither the Issuer nor any person other than the Dealer or the other dealers referred to in Section 1.2 hereof (except as contemplated by Section 1.2 hereof) will offer the Notes or any substantially similar security of the Issuer for sale to, or solicit offers to buy any such security from, any person other than the Dealer and the other dealers referred to in Section 1.2 hereof (except to the extent any of the foregoing would not cause the offer and sale of the Notes by the Issuer to be integrated with other offers and sales so as to no longer come within the exemption provided by Section 4(2) of the Securities Act), it being understood that such agreement is made with a view to bringing the offer and sale of the Notes within the exemption provided by Section 4(2) of the Securities Act and shall survive any termination of this Agreement. The Issuer hereby represents and warrants that it has not taken or omitted to take, and will not take or omit to take, any action that would cause the offering and sale of Notes hereunder to be integrated with any other offering of securities, whether such offering is made by the Issuer or some other party or parties, under circumstances that would cause the offering and sale of the Notes by the Issuer to fail to be exempt under Section 4(2) of the Securities Act.

(b) The Issuer represents and agrees that the proceeds of the sale of the Notes are not currently contemplated to be used for the purpose of buying, carrying or trading securities within the meaning of Regulation T and the interpretations thereunder by the Board of Governors of the Federal Reserve System. In the event that the Issuer determines to use such proceeds for the purpose of buying, carrying or trading securities, whether in connection with an acquisition of another company or otherwise, the Issuer shall give the Dealer at least five business days' prior written notice to that effect. The Issuer shall also give the Dealer prompt notice of the actual date that it commences purchasing securities with the proceeds of the Notes. Thereafter, in the event that the Dealer purchases Notes as principal and does not resell such Notes on the day of such purchase, to the extent necessary to comply with Regulation T and the interpretations thereunder, the Dealer will sell such Notes only to offerees it reasonably believes to be Qualified Institutional Buyers or to Qualified Institutional Buyers it reasonably believes are acting for other Qualified Institutional Buyers, in each case in accordance with Rule 144A.

Section 2. Representations and Warranties of Issuer

The Issuer represents and warrants that:

2.1 The Issuer is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all the requisite power and authority to execute, deliver and perform its obligations under the Notes, this Agreement and the Issuing and Paying Agent Agreement.

2.2 This Agreement and the Issuing and Paying Agent Agreement have been duly authorized, executed and delivered by the Issuer and constitute the legal, valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and limitations on rights to indemnity and contribution imposed by applicable law.

2.3 The Notes have been duly authorized, and when issued and delivered as provided in the Issuing and Paying Agent Agreement, will be duly and validly issued and delivered and will constitute the legal, valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and limitations on rights to indemnity and contribution imposed by applicable law.

2.4 Assuming compliance by the Dealer with the procedures applicable to it set forth in Section 1.6 hereof, the offer and sale of Notes in the manner contemplated hereby do not require registration of the Notes under the Securities Act, pursuant to the exemption from registration contained in Section 4(2) thereof, and no indenture in respect of the Notes is required to be qualified under the Trust Indenture Act of 1939, as amended.

2.5 The Notes will rank at least pari passu with all other unsecured and unsubordinated indebtedness of the Issuer.

2.6 Assuming compliance by the Dealer with the procedures applicable to it set forth in Section 1.6 hereof, no consent or action of, or filing or registration with, any governmental or public regulatory body or authority, including the SEC, is required to authorize, or is otherwise required in connection with the execution, delivery or performance of this Agreement, the Notes or the Issuing and Paying Agent Agreement, except as may be required by the securities or Blue Sky laws of the various states in connection with the offer and sale of the Notes.

2.7 Neither the execution and delivery of this Agreement and the Issuing and Paying Agent Agreement, nor the issuance and delivery of the Notes in accordance with the Issuing and Paying Agent Agreement, nor the fulfillment of or compliance with the terms and provisions hereof or thereof by the Issuer, will (i) result in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Issuer, or (ii) violate or result in a breach or an event of default under any of the terms of the Issuer's charter documents or by-laws, any material contract or instrument to which the Issuer is a party or by which it or its property is bound, or any law or regulation or any order, writ, injunction or decree of any court or government instrumentality, to which the Issuer is subject or by which it or its property is bound, which breach or event of default could reasonably be expected to have a material adverse effect on the condition (financial or otherwise) or operations of the Issuer and its subsidiaries, taken as a whole, or the ability of the Issuer to perform its obligations under this Agreement, the Notes or the Issuing and Paying Agent Agreement.

2.8 There is no litigation or governmental proceeding pending, or to the knowledge of the Issuer threatened, against or affecting the Issuer or any of its subsidiaries which could reasonably be expected to result in a material adverse change in the condition (financial or otherwise) or operations of the Issuer and its subsidiaries, taken as a whole, or the ability of the Issuer to perform its obligations under this Agreement, the Notes or the Issuing and Paying Agent Agreement.

2.9 The Issuer is not an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

2.10 The Private Placement Memorandum delivered to investors in connection with any sale of Notes will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, that the Issuer makes no representation or warranty as to the Dealer Information.

2.11 Each (a) issuance of Notes by the Issuer hereunder and (b) amendment or supplement of the Private Placement Memorandum shall be deemed a representation and warranty by the Issuer to the Dealer, as of the date thereof, that, both before and after giving effect to such issuance and after giving effect to such amendment or supplement, (i) the representations and warranties given by the Issuer set forth above in this Section 2 remain true and correct on and as of such date as if made on and as of such date, (ii) in the case of an issuance of Notes, the Notes being issued on such date have been duly and validly issued and constitute legal, valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and limitations on rights to indemnity and contribution imposed by applicable law and (iii) in the case of an issuance of Notes, since the date of the most recent Private Placement Memorandum, there has been no material adverse change in the condition (financial or otherwise) or operations of the Issuer and its subsidiaries taken as a whole which has not been disclosed to the Dealer in writing.

Section 3. Covenants and Agreements of Issuer

The Issuer covenants and agrees that:

3.1 The Issuer will give the Dealer prompt notice (but in any event prior to any subsequent issuance of Notes hereunder) of any amendment to, modification of, or waiver with respect to, the Notes or the Issuing and Paying Agent Agreement, including a complete copy of any such amendment, modification or waiver.

3.2 The Issuer shall, whenever there shall occur any event that could reasonably be expected to have a material adverse effect on the condition (financial or otherwise) or operations of the Issuer and its subsidiaries taken as a whole or the ability of the Issuer to perform its obligations under this Agreement or the Notes, notify the Dealer (by telephone, confirmed in writing) of such event prior to subsequent issuances of Notes hereunder. The Issuer shall, whenever it receives notice of any downgrading or intended downgrading or any review for potential change in the rating accorded any of the Issuer's securities by any nationally recognized statistical rating organization which has published a rating of the Notes, promptly, and in any event prior to any subsequent issuance of Notes hereunder, notify the Dealer (by telephone, confirmed in writing) of such occurrence.

3.3 The Issuer shall from time to time upon request of the Dealer furnish to the Dealer copies of all materials provided by the Issuer to any national securities exchange regarding (i) the Issuer's operations and financial condition, and (ii) the Issuer's ability to pay the Notes as they mature.

3.4 The Issuer will take all such action as the Dealer may reasonably request to ensure that each offer and each sale of the Notes will comply with any applicable state Blue Sky laws; provided, that the Issuer shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation in any jurisdiction in which it is not so qualified or subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

3.5 The Issuer shall not issue Notes hereunder until the Dealer shall have received (a) an opinion of counsel to the Issuer, addressed to the Dealer, satisfactory in form and substance to the Dealer, (b) a copy of the executed Issuing and Paying Agent Agreement as then in effect, (c) a copy of resolutions

adopted by the Board of Directors of the Issuer, satisfactory in form and substance to the Dealer and certified by the Secretary or similar officer of the Issuer, authorizing execution and delivery by the Issuer of this Agreement, the Issuing and Paying Agent Agreement and the Notes and consummation by the Issuer of the transactions contemplated hereby and thereby, (d) a copy of the executed Letter of Representations among the Issuer, the Issuing and Paying Agent and DTC and (e) such other certificates, opinions, letters and documents as the Dealer shall have reasonably requested.

3.6 The Issuer shall reimburse the Dealer for all of the Dealer's reasonable out-of-pocket expenses related to this Agreement up to $10,000, including expenses incurred in connection with its preparation and negotiation, and the transactions contemplated hereby (including, but not limited to, the printing and distribution of the Private Placement Memorandum), and, if applicable, for the reasonable fees and out-of-pocket expenses of the Dealer's counsel.

Section 4. Disclosure

4.1 The Private Placement Memorandum and its contents (other than the Dealer Information) shall be the sole responsibility of the Issuer. The Private Placement Memorandum shall contain a statement expressly offering an opportunity for each prospective purchaser to ask questions of, and receive answers from, the Issuer concerning the offering of Notes and to obtain relevant additional information which the Issuer possesses or can acquire without unreasonable effort or expense.

4.2 The Issuer agrees to promptly furnish the Dealer the Company Information as it becomes publicly available.

4.3 (a) The Issuer further agrees to notify the Dealer promptly upon the occurrence of any event relating to or affecting the Issuer that would cause the Company Information then in existence to include an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they are made, not misleading.

(b) In the event that the Issuer gives the Dealer notice pursuant to Section 4.3(a) and the Dealer notifies the Issuer that it then has Notes it is holding in inventory, the Issuer agrees promptly to supplement or amend the Private Placement Memorandum so that such Private Placement Memorandum, as amended or supplemented, shall not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, and the Issuer shall make such supplement or amendment available to the Dealer.

(c) In the event that (i) the Issuer gives the Dealer notice pursuant to Section 4.3(a), (ii) the Dealer does not notify the Issuer that it is then holding Notes in inventory and (iii) the Issuer chooses not to promptly amend or supplement the Private Placement Memorandum in the manner described in clause (b) above, then all solicitations and sales of Notes shall be suspended until such time as the Issuer has so amended or supplemented the Private Placement Memorandum, and made such amendment or supplement available to the Dealer.

Section 5. Indemnification and Contribution

5.1 The Issuer will indemnify and hold harmless the Dealer and each individual, corporation, partnership, trust, association or other entity controlling the Dealer within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (hereinafter the "Indemnitees") against any and all liabilities, penalties, suits, causes of action, losses, damages, claims, costs and expenses (including, without limitation, reasonable fees and disbursements of counsel) or judgments of whatever kind or nature (each a "Claim"), imposed upon, incurred by or asserted against the Indemnitees arising out of or based upon (i) any allegation that the Private Placement Memorandum included (as of any relevant time of an offer and sale of the Notes by the Issuer) or includes an untrue statement of a material fact or omitted (as of any relevant time of an offer and sale of the Notes by the Issuer) or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or

(ii) arising out of or based upon the breach by the Issuer of any agreement, covenant or representation made in or pursuant to this Agreement; provided, however, the obligations of the Issuer under this Section 5 shall not inure to the benefit of any Indemnitee on account of any losses, claims, damages or liabilities from the sale of any Notes by the Dealer to any investor if a copy of the Private Placement Memorandum (as amended or supplemented, if prior to distribution of the Private Placement Memorandum by the Dealer to such investor the Issuer shall have made any amendments or supplements which have been furnished to the Dealer) shall not have been sent or given by or on behalf of the Dealer to such investor at or prior to the written confirmation of the sale of the Notes to such investor and such statement or omission is cured in the Private Placement Memorandum; and provided further, however, that the obligations of the Issuer under this Section 5 shall not extend to any liability of any Indemnitee arising out of (i) any untrue statement or alleged untrue statement of a material fact contained in the Private Placement Memorandum, or the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading, in each case, to the extent such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon Dealer Information with respect to Claims arising from clause (i) of the preceding sentence, or (ii) the Dealer's willful misconduct or gross negligence in the performance of its obligations under this Agreement with respect to Claims arising from clause (ii) of the preceding sentence.

5.2 Provisions relating to claims made for indemnification under this Section 5 are set forth on Exhibit B to this Agreement.

5.3 In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in clause (i) of Section 5 is held to be unavailable or insufficient to hold harmless the Indemnitees, although applicable in accordance with the terms of this Section 5, the Issuer shall contribute to the aggregate costs incurred by the Dealer in connection with any Claim in the proportion of the respective economic interests of the Issuer and the Dealer; provided, however, that such contribution by the Issuer shall be in an amount such that the aggregate costs incurred by the Dealer do not exceed the aggregate of the commissions and fees earned by the Dealer hereunder with respect to the issue or issues of Notes to which such Claim relates. The respective economic interests shall be calculated by reference to the aggregate proceeds to the Issuer of the Notes issued hereunder and the aggregate commissions and fees earned by the Dealer hereunder. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

Section 6. Definitions

6.1 "Claim" shall have the meaning set forth in Section 5.1.

6.2 "Company Information" at any given time shall mean the Private Placement Memorandum together with, to the extent incorporated by reference therein, (i) the Issuer's most recent report on Form 10-K filed with the SEC and each report on Form 10-Q or 8-K filed by the Issuer with the SEC since the most recent Form 10-K, (ii) the Issuer's most recent annual audited financial statements and each interim financial statement or report prepared subsequent thereto, if not included in item (i) above, (iii) the Issuer's other publicly available recent reports, including, but not limited to, any publicly available filings or reports provided to its stockholders, (iv) any other information or disclosure prepared pursuant to Section 4.3 hereof and (v) any information prepared or approved by the Issuer for dissemination to investors or potential investors in the Notes.

6.3 "Dealer" shall mean Merrill Lynch Money Markets Inc. for Notes with maturities up to 270 days and Merrill Lynch, Pierce, Fenner & Smith Incorporated for Notes with maturities over 270 days to 365 days.

6.4 "Dealer Information" shall mean material concerning the Dealer and provided by the Dealer in writing expressly for inclusion in the Private Placement Memorandum.

6.5 "DTC" shall mean The Depository Trust Company.

6.6 "Exchange Act" shall mean the U.S. Securities Exchange Act of 1934, as amended.

6.7 "Indemnitee" shall have the meaning set forth in Section 5.1.

6.8 "Institutional Accredited Investor" shall mean an institutional investor that is an accredited investor within the meaning of Rule 501 under the Securities Act and that has such knowledge and experience in financial and business matters that it is capable of evaluating and bearing the economic risk of an investment in the Notes, including, but not limited to, a bank, as defined in Section 3(a)(2) of the Securities Act, or a savings and loan association or other institution, as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity.

6.9 "Issuing and Paying Agent Agreement" shall mean the issuing and paying agency agreement described on the cover page of this Agreement, as such agreement may be amended or supplemented from time to time.

6.10 "Issuing and Paying Agent" shall mean the party designated as such on the cover page of this Agreement, as issuing and paying agent under the Issuing and Paying Agent Agreement.

6.11 "Non-bank fiduciary or agent" shall mean a fiduciary or agent other than (a) a bank, as defined in Section 3(a)(2) of the Securities Act, or (b) a savings and loan association, as defined in Section 3(a)(5)(A) of the Securities Act.

6.12 "Private Placement Memorandum" shall mean offering materials prepared in accordance with Section 4 (including the Company Information and all other materials referred to therein or incorporated by reference therein) provided to purchasers and prospective purchasers of the Notes, and shall include amendments and supplements thereto which may be prepared from time to time in accordance with this Agreement (other than any amendment or supplement that has been completely superseded by a later amendment or supplement).

6.13 "Qualified Institutional Buyer" shall have the meaning assigned to that term in Rule 144A under the Securities Act.

6.14 "Rule 144A" shall mean Rule 144A under the Securities Act.

6.15 "SEC" shall mean the U.S. Securities and Exchange Commission.

6.16 "Securities Act" shall mean the U.S. Securities Act of 1933, as amended.

6.17 "Sophisticated Individual Accredited Investor" shall mean an individual who (a) is an accredited investor within the meaning set forth in

Regulation D under the Securities Act and (b) based on his or her pre-existing relationship with the Dealer, is reasonably believed by the Dealer to be a sophisticated investor (i) possessing such knowledge and experience (or represented by a fiduciary or agent possessing such knowledge and experience) in financial and business matters that he or she is capable of evaluating and bearing the economic risk of an investment in the Notes and (ii) having a net worth of at least $5 million.

Section 7. General

7.1 Unless otherwise expressly provided herein, all notices under this Agreement to parties hereto shall be in writing and shall be effective when received at the address of the respective party set forth in the Addendum to this Agreement.

7.2 This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to its conflict of laws provisions.

7.3 EACH OF THE DEALER AND THE ISSUER WAIVES ITS RIGHT TO TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

7.4 This Agreement may be terminated, at any time, by the Issuer, upon ten business days' prior notice to such effect to the Dealer, or by the Dealer upon ten business days' prior notice to such effect to the Issuer. Any such termination, however, shall not affect the obligations of the Issuer under Sections 3.6 and 5 hereof or any liability arising from a breach of the respective representations, warranties, agreements, covenants, rights or responsibilities of the parties made or arising prior to the termination of this Agreement.

7.5 This Agreement is not assignable by either party hereto without the written consent of the other party; provided, however, that the Dealer may assign its rights and obligations under this Agreement to any wholly-owned direct or indirect subsidiary of the Dealer or of its ultimate parent. This Agreement shall not confer any rights or remedies upon any person other than the parties hereto and their respective permitted assigns.

7.6 This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

7.7 This Agreement constitutes the entire agreement between the parties hereto and supercedes any prior understandings, agreements or representations by or between the parties hereto, written or oral, to the extent they relate to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

FMC Technologies, Inc.,
as Issuer

By: /s/ Joseph J. Meyer

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

By: /s/ Brian D. Yates

Name: Brian D. Yates
Title: Manager, Corporate Finance

Merrill Lynch Money Markets Inc.,
as Dealer for Notes with maturities up to
270 days

By: /s/ Robert J. Little

Name: Robert J. Little
Title: Managing Director

Merrill Lynch, Pierce, Fenner & Smith
Incorporated, as
Dealer for Notes
with maturities
over 270 days up
to 365 days

By: /s/ Robert J. Little

Name: Robert J. Little
Title: Vice President

ADDENDUM

1. The other dealers referred to in clause (b) of Section 1.2 of the Agreement are Banc of America Securities LLC.

2. The addresses of the respective parties for purposes of notices under Section 7.1 are as follows:

For the Issuer:

Address:	200 East Randolph Drive Chicago, IL 60601
Attention:	Joseph J. Meyer
Telephone number:	(312) 861-6146
Fax number:	(312) 861-5797

For the Dealer:

Address:	4 World Financial Center 250 Vesey Street-11th Floor New York, New York 10080
Attention:	Product Management-CP
Telephone number:	(212) 449-7476
Fax number:	(212) 449-2234

EXHIBIT A

FORM OF LEGEND FOR
PRIVATE PLACEMENT MEMORANDUM AND NOTES

THE NOTES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY OTHER APPLICABLE SECURITIES LAW, AND OFFERS AND SALES THEREOF MAY BE MADE ONLY IN COMPLIANCE WITH AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. BY ITS ACCEPTANCE OF A NOTE, THE PURCHASER WILL BE DEEMED TO REPRESENT THAT IT HAS BEEN AFFORDED AN OPPORTUNITY TO INVESTIGATE MATTERS RELATING TO THE ISSUER AND THE NOTES, THAT IT IS NOT ACQUIRING SUCH NOTE WITH A VIEW TO ANY DISTRIBUTION THEREOF AND THAT IT IS EITHER (A) AN INSTITUTIONAL INVESTOR OR HIGHLY SOPHISTICATED INDIVIDUAL INVESTOR THAT IS AN ACCREDITED INVESTOR WITHIN THE MEANING OF RULE 501(a) UNDER THE ACT AND WHO, IN THE CASE OF AN INDIVIDUAL, (i) POSSESSES SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT HE OR SHE IS CAPABLE OF EVALUATING AND BEARING THE ECONOMIC RISK OF AN INVESTMENT IN THE NOTES AND (ii) HAS A NET WORTH OF AT LEAST $5 MILLION (AN "INSTITUTIONAL ACCREDITED INVESTOR" OR "SOPHISTICATED INDIVIDUAL ACCREDITED INVESTOR", RESPECTIVELY) AND THAT EITHER IS PURCHASING

NOTES FOR HIS, HER OR ITS OWN ACCOUNT, IS A U.S. BANK (AS DEFINED IN SECTION 3(a)(2) OF THE ACT) OR A SAVINGS AND LOAN ASSOCIATION OR OTHER INSTITUTION (AS DEFINED IN SECTION 3(a)(5)(A) OF THE ACT) ACTING IN ITS INDIVIDUAL OR FIDUCIARY CAPACITY OR IS A FIDUCIARY OR AGENT (OTHER THAN A U.S. BANK OR SAVINGS AND LOAN) PURCHASING NOTES FOR ONE OR MORE ACCOUNTS EACH OF WHICH IS SUCH AN INSTITUTIONAL ACCREDITED INVESTOR OR SOPHISTICATED INDIVIDUAL ACCREDITED INVESTOR (i) WHO POSSESSES SUCH KNOWLEDGE AND EXPERIENCE OR (ii) WITH RESPECT TO WHICH SUCH PURCHASER HAS SOLE INVESTMENT DISCRETION; OR (B) A QUALIFIED INSTITUTIONAL BUYER ("QIB") WITHIN THE MEANING OF RULE 144A UNDER THE ACT WHICH IS ACQUIRING NOTES FOR ITS OWN ACCOUNT OR FOR ONE OR MORE ACCOUNTS, EACH OF WHICH IS A QIB AND WITH RESPECT TO EACH OF WHICH THE PURCHASER HAS SOLE INVESTMENT DISCRETION; AND THE PURCHASER ACKNOWLEDGES THAT HE, SHE OR IT IS AWARE THAT THE SELLER MAY RELY UPON THE EXEMPTION FROM THE REGISTRATION PROVISIONS OF SECTION 5 OF THE ACT PROVIDED BY RULE 144A. BY ITS ACCEPTANCE OF A NOTE, THE PURCHASER THEREOF SHALL ALSO BE DEEMED TO AGREE THAT ANY RESALE OR OTHER TRANSFER THEREOF WILL BE MADE ONLY (A) IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE ACT, EITHER (1) TO THE ISSUER OR TO MERRILL LYNCH MONEY MARKETS INC., MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED OR ANOTHER PERSON DESIGNATED BY THE ISSUER AS A PLACEMENT AGENT FOR THE NOTES (COLLECTIVELY, THE "PLACEMENT AGENTS"), NONE OF WHICH SHALL HAVE ANY OBLIGATION TO ACQUIRE SUCH NOTE, (2) THROUGH A PLACEMENT AGENT TO AN INSTITUTIONAL ACCREDITED INVESTOR OR SOPHISTICATED INDIVIDUAL ACCREDITED INVESTOR OR A QIB BY A PLACEMENT AGENT, OR (3) TO A QIB IN A TRANSACTION THAT MEETS THE REQUIREMENTS OF RULE 144A AND (B) IN A MINIMUM AMOUNT OF $250,000.

EXHIBIT B

FURTHER PROVISIONS RELATING TO INDEMNIFICATION

(a) The Issuer agrees to reimburse each Indemnitee for all expenses (including reasonable fees and disbursements of internal and external counsel) as they are incurred by it in connection with investigating or defending any loss, claim, damage, liability or action in respect of which indemnification may be sought under Section 5.1 of the Agreement (whether or not it is a party to any such proceedings).

(b) Promptly after receipt by an Indemnitee of notice of the existence of a Claim arising under Section 5.1 of the Agreement, such Indemnitee will, if a claim in respect thereof is to be made against the Issuer, notify the Issuer in writing of the existence thereof; provided that (i) the omission so to notify the Issuer will not relieve it from any liability which it may have hereunder unless and except to the extent it did not otherwise learn of such Claim and the Issuer is materially prejudiced thereby, and (ii) the omission so to notify the Issuer will not relieve it from liability which it may have to an Indemnitee otherwise than on account of this indemnity agreement. In case any such Claim is made against any Indemnitee and it notifies the Issuer of the existence thereof, the Issuer will be entitled to participate therein, and to the extent that it may elect by written notice delivered to the Indemnitee, to assume the defense thereof, with counsel reasonably satisfactory to such Indemnitee; provided that if the defendants in any such Claim include both the Indemnitee and the Issuer and the Indemnitee shall have concluded that there may be legal defenses available to it which are different from or additional to those available to the Issuer, the Issuer shall not have the right to direct the defense of such Claim on behalf of such Indemnitee, and the Indemnitee shall have the right to select separate counsel to assert such legal defenses on behalf of such Indemnitee. Upon receipt of notice from the Issuer to such Indemnitee of the Issuer's election so to assume the defense of such Claim and approval by the Indemnitee of counsel, the Issuer will not be liable to such Indemnitee for expenses incurred thereafter by the Indemnitee in connection with the defense thereof (other than reasonable costs of investigation) unless (i) the Indemnitee shall have employed separate counsel in connection with the assertion of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the Issuer shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel in the jurisdiction in which any Claim is brought), approved by the Dealer, representing the Indemnitee who is party to such Claim), (ii) the Issuer shall not have employed counsel reasonably satisfactory to the Indemnitee to represent the Indemnitee within a reasonable time after notice of existence of the Claim or (iii) the Issuer has authorized in writing the employment of counsel for the Indemnitee. The indemnity, reimbursement and contribution obligations of the Issuer hereunder shall be in addition to any other liability the Issuer may otherwise have to an Indemnitee and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Issuer and any Indemnitee. The Issuer agrees that without the Dealer's prior written consent, which consent shall not be unreasonably withheld, it will not settle, compromise or consent to the entry of any judgment in any Claim in respect of which indemnification may be sought under Section 5.1 of the Agreement (whether or not the Dealer or any other Indemnitee is an actual or potential party to such Claim), unless such settlement, compromise or consent includes an unconditional release of each Indemnitee from all liability arising out of such Claim. The Dealer agrees that without the Issuer's prior written consent, which consent shall not be unreasonably withheld, it shall not settle, compromise or consent to the entry of any judgment in any Claim in respect of which indemnification may be sought under Section 5.1 of the Agreement (whether or not the Issuer is an actual or potential party to such Claim).

Exhibit 10.11

COMMERCIAL PAPER DEALER AGREEMENT
4(2) PROGRAM

between

FMC Technologies, Inc., as Issuer

and

Banc of America Securities LLC, as Dealer

Concerning Notes to be issued pursuant to an Issuing and Paying Agent Agreement dated as of January 24, 2003 between the Issuer and Bank One, National Association, as Issuing and Paying Agent

Dated As of

January 24, 2003

COMMERCIAL PAPER DEALER AGREEMENT
4(2) Program

This agreement ("Agreement") sets forth the understandings between the Issuer and the Dealer in connection with the issuance and sale by the Issuer of its short-term promissory notes through the Dealer (the "Notes").

Certain terms used in this Agreement are defined in Section 6 hereof.

The Addendum to this Agreement, and any Annexes or Exhibits described in this Agreement or such Addendum, are hereby incorporated into this Agreement and made fully a part hereof.

Section 1. Offers, Sales and Resales of Notes

1.1 While (i) the Issuer has and shall have no obligation to sell the Notes to the Dealer or to permit the Dealer to arrange any sale of the Notes for the account of the Issuer, and (ii) the Dealer has and shall have no obligation to purchase the Notes from the Issuer or to arrange any sale of the Notes for the account of the Issuer, the parties hereto agree that in any case where the Dealer purchases Notes from the Issuer, or arranges for the sale of Notes by the Issuer, such Notes will be purchased or sold by the Dealer in reliance on the representations, warranties, covenants and agreements of the Issuer contained herein or made pursuant hereto and on the terms and conditions and in the manner provided herein.

1.2 So long as this Agreement shall remain in effect, and in addition to the limitations contained in Section 1.7 hereof, the Issuer shall not, without the consent of the Dealer, offer, solicit or accept offers to purchase, or sell, any Notes except (a) in transactions with one or more dealers which may from time to time after the date hereof become dealers with respect to the Notes by executing with the Issuer one or more agreements which contain provisions substantially identical to Section 1 of this Agreement, of which the Issuer hereby undertakes to provide the Dealer prompt notice or (b) in transactions with the other dealers listed on the Addendum hereto, which are executing agreements with the Issuer which contain provisions substantially identical to Section 1 of this Agreement contemporaneously herewith. In no event shall the Issuer offer, solicit or accept offers to purchase, or sell, any Notes directly on its own behalf in transactions with persons other than broker-dealers as specifically permitted in this Section 1.2.

1.3 The Notes shall be in a minimum denomination or minimum amount, whichever is applicable, of $250,000 or integral multiples of $1,000 in excess thereof, will bear such interest rates, if interest bearing, or will be sold at such discount from their face amounts, as shall be agreed upon by the Dealer and the Issuer, shall have a maturity not exceeding 365 days from the date of issuance (exclusive of days of grace) and shall not contain any provision for extension, renewal or automatic "rollover."

1.4 The authentication, delivery and payment of the Notes shall be effected in accordance with the Issuing and Paying Agent Agreement and the Notes shall be represented by book-entry Notes registered in the name of DTC or its nominee in the form or forms annexed to the Issuing and Paying Agent Agreement.

1.5 If the Issuer and the Dealer shall agree on the terms of the purchase of any Note by the Dealer or the sale of any Note arranged by the Dealer (including, but not limited to, agreement with respect to the date of issue, purchase price, principal amount, maturity and interest rate (in the case of interest-bearing Notes) or discount thereof (in the case of Notes issued on a discount basis), and appropriate compensation for the Dealer's services hereunder) pursuant to this Agreement, the Issuer shall cause such Note to be issued and delivered in accordance with the terms of the Issuing and Paying Agent Agreement and payment for such Note shall be made by the purchaser thereof, either directly or through the Dealer, to

the Issuer. Except as otherwise agreed, in the event that the Dealer is acting as an agent and a purchaser shall either fail to accept delivery of or make payment for a Note on the date fixed for settlement, the Dealer shall promptly notify the Issuer, and if the Dealer has theretofore paid the Issuer for the Note, the Issuer will promptly return such funds to the Dealer upon notice of such failure. If such failure occurred for any reason other than default by the Dealer, the Issuer shall reimburse the Dealer on an equitable basis for the Dealer's loss of the use of such funds for the period such funds were credited to the Issuer's account.

1.6 The Dealer and the Issuer hereby establish and agree to observe the following procedures in connection with offers, sales and subsequent resales or other transfers of the Notes:

(a) Offers and sales of the Notes by or through the Dealer shall be made only to investors reasonably believed by the Dealer to be: (i) Institutional Accredited Investors or Sophisticated Individual Accredited Investors, (ii) non-bank fiduciaries or agents that will be purchasing Notes for one or more accounts, each of which is an Institutional Accredited Investor or Sophisticated Individual Accredited Investor, and (iii) Qualified Institutional Buyers.

(b) Resales and other transfers of the Notes by or through the Dealer or by other holders thereof shall be made only in accordance with the restrictions in the legends described in clause (e) below.

(c) No general solicitation or general advertising shall be used in connection with the offering of the Notes. Without limiting the generality of the foregoing, without the prior written approval of Dealer, the Issuer shall not issue any press release or place or publish any "tombstone" or other advertisement relating to the Notes.

(d) No sale of Notes to any one purchaser shall be for less than $250,000 principal or face amount, and no Note shall be issued in a smaller principal or face amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom such purchaser is acting must purchase at least $250,000 principal or face amount of Notes.

(e) Offers and sales of the Notes by the Issuer through the Dealer acting as agent for the Issuer shall be subject to the restrictions described in the legend appearing on Exhibit A hereto. A legend substantially to the effect of such Exhibit A shall appear as part of the Private Placement Memorandum used in connection with offers and sales of Notes hereunder.

(f) The Dealer shall furnish or shall have furnished to each purchaser of Notes for which it has acted as the Dealer a copy of the then-current Private Placement Memorandum unless such purchaser has previously received a copy of the Private Placement Memorandum as then in effect. The Private Placement Memorandum shall expressly state that any person to whom Notes are offered shall have an opportunity to ask questions of, and receive information from, the Issuer and the Dealer and shall provide the names, addresses and telephone numbers of the persons from whom information regarding the Issuer may be obtained.

(g) The Issuer agrees, for the benefit of the Dealer and each of the holders and prospective purchasers from time to time of the Notes that, if at any time the Issuer shall not be subject to Section 13 or 15(d) of the Exchange Act, the Issuer will furnish, upon request and at its expense, to the Dealer and to holders and prospective purchasers of Notes information required by Rule 144A(d)(4)(i) in compliance with Rule 144A(d).

(h) In the event that any Note offered or to be offered by Dealer would be ineligible for resale under Rule 144A, the Issuer shall immediately notify Dealer (by telephone, confirmed in writing) of such fact and shall promptly prepare and deliver to Dealer an amendment or supplement to the Private Placement Memorandum describing the Notes that are ineligible, the reason for such ineligibility and any other relevant information relating thereto.

(i) The Issuer represents that it may issue commercial paper in the United States market in reliance upon, and in compliance with, the exemption provided by Section 3(a)(3) of the Securities Act. In that connection, the Issuer agrees that (a) the proceeds from the sale of the Notes will be segregated from the proceeds of the sale of any such commercial paper by being placed in a separate account; (b) the Issuer will institute appropriate corporate procedures to ensure that the offers and sales of notes issued by the Issuer pursuant to the Section 3(a)(3) exemption are not integrated with offerings and sales of Notes hereunder; and (c) the Issuer will comply with each of the requirements of Section 3(a)(3) of the Act in selling commercial paper or other short-term debt securities other than the Notes in the United States.

1.7 The Issuer hereby represents and warrants to the Dealer, in connection with offers, sales and resales of Notes, as follows:

(a) Issuer hereby confirms to the Dealer that (except as permitted by Section 1.6(i)) within the preceding six months neither the Issuer nor any person other than the Dealer or the other dealers referred to in Section 1.2 hereof acting on behalf of the Issuer has offered or sold any Notes, or any substantially similar security of the Issuer (including, without limitation, medium-term notes issued by the Issuer), to, or solicited offers to buy any such security from, any person other than the Dealer or the other dealers referred to in Section 1.2 hereof. The Issuer also agrees that (except as permitted by Section 1.6(i)), as long as the Notes are being offered for sale by the Dealer and the other dealers referred to in Section 1.2 hereof as contemplated hereby and until at least six months after the offer of Notes hereunder has been terminated, neither the Issuer nor any person other than the Dealer or the other dealers referred to in Section 1.2 hereof (except as contemplated by Section 1.2 hereof) will offer the Notes or any substantially similar security of the Issuer for sale to, or solicit offers to buy any such security from, any person other than the Dealer and the other dealers referred to in Section 1.2 hereof (except to the extent any of the foregoing would not cause the offer and sale of the Notes by the Issuer to be integrated with other offers and sales so as to no longer come within the exemption provided by Section 4(2) of the Securities Act), it being understood that such agreement is made with a view to bringing the offer and sale of the Notes within the exemption provided by Section 4(2) of the Securities Act and shall survive any termination of this Agreement. The Issuer hereby represents and warrants that it has not taken or omitted to take, and will not take or omit to take, any action that would cause the offering and sale of Notes hereunder to be integrated with any other offering of securities, whether such offering is made by the Issuer or some other party or parties, under circumstances that would cause the offering and sale of the Notes by the Issuer to fail to be exempt under Section 4(2) of the Securities Act.

(b) The Issuer represents and agrees that the proceeds of the sale of the Notes are not currently contemplated to be used for the purpose of buying, carrying or trading securities within the meaning of Regulation T and the interpretations thereunder by the Board of Governors of the Federal Reserve System. In the event that the Issuer determines to use such proceeds for the purpose of buying, carrying or trading securities, whether in connection with an acquisition of another company or otherwise, the Issuer shall give the Dealer at least five business days' prior written notice to that effect. The Issuer shall also give the Dealer prompt notice of the actual date that it commences purchasing securities with the proceeds of the Notes. Thereafter, in the event that the Dealer purchases Notes as principal and does not resell such Notes on the day of such purchase, to the extent necessary to comply with Regulation T and the interpretations thereunder, the Dealer will sell such Notes only to offerees it reasonably believes to be Qualified Institutional Buyers or to Qualified Institutional Buyers it reasonably believes are acting for other Qualified Institutional Buyers, in each case in accordance with Rule 144A.

Section 2. Representations and Warranties of Issuer

The Issuer represents and warrants that:

2.1 The Issuer is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all the requisite power and authority to execute, deliver and perform its obligations under the Notes, this Agreement and the Issuing and Paying Agent Agreement.

2.2 This Agreement and the Issuing and Paying Agent Agreement have been duly authorized, executed and delivered by the Issuer and constitute the legal, valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and limitations on rights to indemnity and contribution imposed by applicable law.

2.3 The Notes have been duly authorized, and when issued and delivered as provided in the Issuing and Paying Agent Agreement, will be duly and validly issued and delivered and will constitute the legal, valid and binding obligations of the Issuer enforceable against the Issuer in accordance with their terms subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and limitations on rights to indemnity and contribution imposed by applicable law.

2.4 Assuming compliance by the Dealer with the procedures applicable to it set forth in Section 1.6 hereof, the offer and sale of Notes in the manner contemplated hereby do not require registration of the Notes under the Securities Act, pursuant to the exemption from registration contained in Section 4(2) thereof, and no indenture in respect of the Notes is required to be qualified under the Trust Indenture Act of 1939, as amended.

2.5 The Notes will rank at least pari passu with all other unsecured and unsubordinated indebtedness of the Issuer.

2.6 Assuming compliance by the Dealer with the procedures applicable to it set forth in Section 1.6 hereof, no consent or action of, or filing or registration with, any governmental or public regulatory body or authority, including the SEC, is required to authorize, or is otherwise required in connection with the execution, delivery or performance of this Agreement, the Notes or the Issuing and Paying Agent Agreement, except as may be required by the securities or Blue Sky laws of the various states in connection with the offer and sale of the Notes.

2.7 Neither the execution and delivery of this Agreement and the Issuing and Paying Agent Agreement, nor the issuance and delivery of the Notes in accordance with the Issuing and Paying Agent Agreement, nor the fulfillment of or compliance with the terms and provisions hereof or thereof by the Issuer, will (i) result in the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets of the Issuer, or (ii) violate or result in a breach or an event of default under any of the terms of the Issuer's charter documents or by-laws, any material contract or instrument to which the Issuer is a party or by which it or its property is bound, or any law or regulation or any order, writ, injunction or decree of any court or government instrumentality, to which the Issuer is subject or by which it or its property is bound, which breach or event of default could reasonably be expected to have a material adverse effect on the condition (financial or otherwise) or operations of the Issuer and its subsidiaries, taken as a whole, or the ability of the Issuer to perform its obligations under this Agreement, the Notes or the Issuing and Paying Agent Agreement.

2.8 There is no litigation or governmental proceeding pending, or to the knowledge of the Issuer threatened, against or affecting the Issuer or any of its subsidiaries which could reasonably be expected to result in a material adverse change in the condition (financial or otherwise) or operations of the Issuer and its subsidiaries, taken as a whole, or the ability of the Issuer to perform its obligations under this Agreement, the Notes or the Issuing and Paying Agent Agreement.

2.9 The Issuer is not an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

2.10 The Private Placement Memorandum delivered to investors in connection with any sale of Notes will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, that the Issuer makes no representation or warranty as to the Dealer Information.

2.11 Each (a) issuance of Notes by the Issuer hereunder and (b) amendment or supplement of the Private Placement Memorandum shall be deemed a representation and warranty by the Issuer to the Dealer, as of the date thereof, that, both before and after giving effect to such issuance and after giving effect to such amendment or supplement, (i) the representations and warranties given by the Issuer set forth above in this Section 2 remain true and correct on and as of such date as if made on and as of such date, (ii) in the case of an issuance of Notes, the Notes being issued on such date have been duly and validly issued and constitute legal, valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and limitations on rights to indemnity and contribution imposed by applicable law and (iii) in the case of an issuance of Notes, since the date of the most recent Private Placement Memorandum, there has been no material adverse change in the condition (financial or otherwise) or operations of the Issuer and its subsidiaries taken as a whole which has not been disclosed to the Dealer in writing.

Section 3. Covenants and Agreements of Issuer

The Issuer covenants and agrees that:

3.1 The Issuer will give the Dealer prompt notice (but in any event prior to any subsequent issuance of Notes hereunder) of any amendment to, modification of, or waiver with respect to, the Notes or the Issuing and Paying Agent Agreement, including a complete copy of any such amendment, modification or waiver.

3.2 The Issuer shall, whenever there shall occur any event that could reasonably be expected to have a material adverse effect on the condition (financial or otherwise) or operations of the Issuer and its subsidiaries taken as a whole or the ability of the Issuer to perform its obligations under this Agreement or the Notes, notify the Dealer (by telephone, confirmed in writing) of such event prior to subsequent issuances of Notes hereunder. The Issuer shall, whenever it receives notice of any downgrading or intended downgrading or any review for potential change in the rating accorded any of the Issuer's securities by any nationally recognized statistical rating organization which has published a rating of the Notes, promptly, and in any event prior to any subsequent issuance of Notes hereunder, notify the Dealer (by telephone, confirmed in writing) of such occurrence.

3.3 The Issuer shall from time to time upon request of the Dealer furnish to the Dealer copies of all materials provided by the Issuer to any national securities exchange regarding (i) the Issuer's operations and financial condition, and (ii) the Issuer's ability to pay the Notes as they mature.

3.4 The Issuer will take all such action as the Dealer may reasonably request to ensure that each offer and each sale of the Notes will comply with any applicable state Blue Sky laws; provided, that the Issuer shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation in any jurisdiction in which it is not so qualified or subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

3.5 The Issuer shall not issue Notes hereunder until the Dealer shall have received (a) an opinion of counsel to the Issuer, addressed to the Dealer, satisfactory in form and substance to the Dealer, (b) a copy of the executed Issuing and Paying Agent Agreement as then in effect, (c) a copy of resolutions

adopted by the Board of Directors of the Issuer, satisfactory in form and substance to the Dealer and certified by the Secretary or similar officer of the Issuer, authorizing execution and delivery by the Issuer of this Agreement, the Issuing and Paying Agent Agreement and the Notes and consummation by the Issuer of the transactions contemplated hereby and thereby, (d) a copy of the executed Letter of Representations among the Issuer, the Issuing and Paying Agent and DTC and (e) such other certificates, opinions, letters and documents as the Dealer shall have reasonably requested.

3.6 The Issuer shall reimburse the Dealer for all of the Dealer's reasonable out-of-pocket expenses related to this Agreement up to $10,000, including expenses incurred in connection with its preparation and negotiation, and the transactions contemplated hereby (including, but not limited to, the printing and distribution of the Private Placement Memorandum), and, if applicable, for the reasonable fees and out-of-pocket expenses of the Dealer's counsel.

Section 4. Disclosure

4.1 The Private Placement Memorandum and its contents (other than the Dealer Information) shall be the sole responsibility of the Issuer. The Private Placement Memorandum shall contain a statement expressly offering an opportunity for each prospective purchaser to ask questions of, and receive answers from, the Issuer concerning the offering of Notes and to obtain relevant additional information which the Issuer possesses or can acquire without unreasonable effort or expense.

4.2 The Issuer agrees to promptly furnish the Dealer the Company Information as it becomes publicly available.

4.3 (a) The Issuer further agrees to notify the Dealer promptly upon the occurrence of any event relating to or affecting the Issuer that would cause the Company Information then in existence to include an untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they are made, not misleading.

(b) In the event that the Issuer gives the Dealer notice pursuant to Section 4.3(a) and the Dealer notifies the Issuer that it then has Notes it is holding in inventory, the Issuer agrees promptly to supplement or amend the Private Placement Memorandum so that such Private Placement Memorandum, as amended or supplemented, shall not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, and the Issuer shall make such supplement or amendment available to the Dealer.

(c) In the event that (i) the Issuer gives the Dealer notice pursuant to Section 4.3(a), (ii) the Dealer does not notify the Issuer that it is then holding Notes in inventory and (iii) the Issuer chooses not to promptly amend or supplement the Private Placement Memorandum in the manner described in clause (b) above, then all solicitations and sales of Notes shall be suspended until such time as the Issuer has so amended or supplemented the Private

Placement Memorandum, and made such amendment or supplement available to the Dealer.

Section 5. Indemnification and Contribution

5.1 The Issuer will indemnify and hold harmless the Dealer and each individual, corporation, partnership, trust, association or other entity controlling the Dealer within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (hereinafter the "Indemnitees") against any and all liabilities, penalties, suits, causes of action, losses, damages, claims, costs and expenses (including, without limitation, reasonable fees and disbursements of counsel) or judgments of whatever kind or nature (each a "Claim"), imposed upon, incurred by or asserted against the Indemnitees arising out of or based upon (i) any allegation that the Private Placement Memorandum included (as of any relevant time of an offer and sale of the Notes by the Issuer) or includes an untrue statement of a material fact or omitted (as of any relevant time of an offer and sale of the Notes by the Issuer) or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or

(ii) arising out of or based upon the breach by the Issuer of any agreement, covenant or representation made in or pursuant to this Agreement; provided, however, the obligations of the Issuer under this Section 5 shall not inure to the benefit of any Indemnitee on account of any losses, claims, damages or liabilities from the sale of any Notes by the Dealer to any investor if a copy of the Private Placement Memorandum (as amended or supplemented, if prior to distribution of the Private Placement Memorandum by the Dealer to such investor the Issuer shall have made any amendments or supplements which have been furnished to the Dealer) shall not have been sent or given by or on behalf of the Dealer to such investor at or prior to the written confirmation of the sale of the Notes to such investor and such statement or omission is cured in the Private Placement Memorandum; and provided further, however, that the obligations of the Issuer under this Section 5 shall not extend to any liability of any Indemnitee arising out of (i) any untrue statement or alleged untrue statement of a material fact contained in the Private Placement Memorandum, or the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading, in each case, to the extent such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon Dealer Information with respect to Claims arising from clause (i) of the preceding sentence, or (ii) the Dealer's willful misconduct or gross negligence in the performance of its obligations under this Agreement with respect to Claims arising from clause (ii) of the preceding sentence.

5.2 Provisions relating to claims made for indemnification under this Section 5 are set forth on Exhibit B to this Agreement.

5.3 In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in clause (i) of Section 5 is held to be unavailable or insufficient to hold harmless the Indemnitees, although applicable in accordance with the terms of this Section 5, the Issuer shall contribute to the aggregate costs incurred by the Dealer in connection with any Claim in the proportion of the respective economic interests of the Issuer and the Dealer; provided, however, that such contribution by the Issuer shall be in an amount such that the aggregate costs incurred by the Dealer do not exceed the aggregate of the commissions and fees earned by the Dealer hereunder with respect to the issue or issues of Notes to which such Claim relates. The respective economic interests shall be calculated by reference to the aggregate proceeds to the Issuer of the Notes issued hereunder and the aggregate commissions and fees earned by the Dealer hereunder. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

Section 6. Definitions

6.1 "Claim" shall have the meaning set forth in Section 5.1.

6.2 "Company Information" at any given time shall mean the Private Placement Memorandum together with, to the extent incorporated by reference therein, (i) the Issuer's most recent report on Form 10-K filed with the SEC and each report on Form 10-Q or 8-K filed by the Issuer with the SEC since the most recent Form 10-K, (ii) the Issuer's most recent annual audited financial statements and each interim financial statement or report prepared subsequent thereto, if not included in item (i) above, (iii) the Issuer's other publicly available recent reports, including, but not limited to, any publicly available filings or reports provided to its stockholders, (iv) any other information or disclosure prepared pursuant to Section 4.3 hereof and (v) any information prepared or approved by the Issuer for dissemination to investors or potential investors in the Notes.

6.3 "Dealer" shall mean Banc of America Securities LLC.

6.4 "Dealer Information" shall mean material concerning the Dealer and provided by the Dealer in writing expressly for inclusion in the Private Placement Memorandum.

6.5 "DTC" shall mean The Depository Trust Company.

6.6 "Exchange Act" shall mean the U.S. Securities Exchange Act of 1934, as amended.

6.7 "Indemnitee" shall have the meaning set forth in Section 5.1.

6.8 "Institutional Accredited Investor" shall mean an institutional investor that is an accredited investor within the meaning of Rule 501 under the Securities Act and that has such knowledge and experience in financial and business matters that it is capable of evaluating and bearing the economic risk of an investment in the Notes, including, but not limited to, a bank, as defined in Section 3(a)(2) of the Securities Act, or a savings and loan association or other institution, as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity.

6.9 "Issuing and Paying Agent Agreement" shall mean the issuing and paying agency agreement described on the cover page of this Agreement, as such agreement may be amended or supplemented from time to time.

6.10 "Issuing and Paying Agent" shall mean the party designated as such on the cover page of this Agreement, as issuing and paying agent under the Issuing and Paying Agent Agreement.

6.11 "Non-bank fiduciary or agent" shall mean a fiduciary or agent other than (a) a bank, as defined in Section 3(a)(2) of the Securities Act, or (b) a savings and loan association, as defined in Section 3(a)(5)(A) of the Securities Act.

6.12 "Private Placement Memorandum" shall mean offering materials prepared in accordance with Section 4 (including the Company Information and all other materials referred to therein or incorporated by reference therein) provided to purchasers and prospective purchasers of the Notes, and shall include amendments and supplements thereto which may be prepared from time to time in accordance with this Agreement (other than any amendment or supplement that has been completely superseded by a later amendment or supplement).

6.13 "Qualified Institutional Buyer" shall have the meaning assigned to that term in Rule 144A under the Securities Act.

6.14 "Rule 144A" shall mean Rule 144A under the Securities Act.

6.15 "SEC" shall mean the U.S. Securities and Exchange Commission.

6.16 "Securities Act" shall mean the U.S. Securities Act of 1933, as amended.

6.17 "Sophisticated Individual Accredited Investor" shall mean an individual who (a) is an accredited investor within the meaning set forth in Regulation D under the Securities Act and (b) based on his or her pre-existing relationship with the Dealer, is reasonably believed by the Dealer to be a sophisticated investor (i) possessing such knowledge and experience (or represented by a fiduciary or agent possessing such knowledge and experience) in financial and business matters that he or she is capable of evaluating and bearing the economic risk of an investment in the Notes and (ii) having a net worth of at least $5 million.

Section 7. General

7.1 Unless otherwise expressly provided herein, all notices under this Agreement to parties hereto shall be in writing and shall be effective when received at the address of the respective party set forth in the Addendum to this Agreement.

7.2 This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to its conflict of laws provisions.

7.3 EACH OF THE DEALER AND THE ISSUER WAIVES ITS RIGHT TO TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

7.4 This Agreement may be terminated, at any time, by the Issuer, upon ten business days' prior notice to such effect to the Dealer, or by the Dealer upon ten business days' prior notice to such effect to the Issuer. Any such termination, however, shall not affect the obligations of the Issuer under Sections 3.6 and 5 hereof or any liability arising from a breach of the respective representations, warranties, agreements, covenants, rights or responsibilities of the parties made or arising prior to the termination of this Agreement.

7.5 This Agreement is not assignable by either party hereto without the written consent of the other party; provided, however, that the Dealer may assign its rights and obligations under this Agreement to any wholly-owned direct or indirect subsidiary of the Dealer or of its ultimate parent. This Agreement shall not confer any rights or remedies upon any person other than the parties hereto and their respective permitted assigns.

7.6 This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

7.7 This Agreement constitutes the entire agreement between the parties hereto and supercedes any prior understandings, agreements or representations by or between the parties hereto, written or oral, to the extent they relate to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first above written.

FMC Technologies, Inc.,
as Issuer

By: /s/ Joseph J. Meyer

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

By: /s/ Brian D. Yates

Name: Brian D. Yates
Title: Manager, Corporate Finance

Banc of America Securities LLC,
as Dealer

By: /s/ Paul Kline

Name: Paul Kline
Title: Principal

ADDENDUM

1. The other dealers referred to in clause (b) of Section 1.2 of the Agreement are Merrill Lynch Money Markets Inc. and Merrill Lynch, Pierce, Fenner

and Smith Incorporated.

2. The addresses of the respective parties for purposes of notices under Section 7.1 are as follows:

For the Issuer:

Address:	200 East Randolph Drive Chicago, IL 60601
Attention:	Joseph J. Meyer
Telephone number:	(312) 861-6146
Fax number:	(312) 861-5797

For the Dealer:

Address:	600 Montgomery Street Mail Code CA5-801-12-47 San Francisco, California 94111
Attention:	Money Market Origination
Telephone number:	(415) 913-3689
Fax number:	(415) 913-6288

EXHIBIT A

FORM OF LEGEND FOR
PRIVATE PLACEMENT MEMORANDUM AND NOTES

THE NOTES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY OTHER APPLICABLE SECURITIES LAW, AND OFFERS AND SALES THEREOF MAY BE MADE ONLY IN COMPLIANCE WITH AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. BY ITS ACCEPTANCE OF A NOTE, THE PURCHASER WILL BE DEEMED TO REPRESENT THAT IT HAS BEEN AFFORDED AN OPPORTUNITY TO INVESTIGATE MATTERS RELATING TO THE ISSUER AND THE NOTES, THAT IT IS NOT ACQUIRING SUCH NOTE WITH A VIEW TO ANY DISTRIBUTION THEREOF AND THAT IT IS EITHER (A) AN INSTITUTIONAL INVESTOR OR HIGHLY SOPHISTICATED INDIVIDUAL INVESTOR THAT IS AN ACCREDITED INVESTOR WITHIN THE MEANING OF RULE 501(a) UNDER THE ACT AND WHO, IN THE CASE OF AN INDIVIDUAL, (i) POSSESSES SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT HE OR SHE IS CAPABLE OF EVALUATING AND BEARING THE ECONOMIC RISK OF AN INVESTMENT IN THE NOTES AND (ii) HAS A NET WORTH OF AT LEAST $5 MILLION (AN "INSTITUTIONAL ACCREDITED INVESTOR" OR "SOPHISTICATED INDIVIDUAL ACCREDITED INVESTOR", RESPECTIVELY) AND THAT EITHER IS PURCHASING NOTES FOR HIS, HER OR ITS OWN ACCOUNT, IS A U.S. BANK (AS DEFINED IN SECTION 3(a)(2) OF THE ACT) OR A SAVINGS AND LOAN ASSOCIATION OR OTHER INSTITUTION (AS DEFINED IN SECTION 3(a)(5)(A) OF THE ACT) ACTING IN ITS INDIVIDUAL OR FIDUCIARY CAPACITY OR IS A FIDUCIARY OR AGENT (OTHER THAN A U.S. BANK OR SAVINGS AND LOAN) PURCHASING NOTES FOR ONE OR MORE ACCOUNTS EACH OF WHICH IS SUCH AN INSTITUTIONAL ACCREDITED INVESTOR OR SOPHISTICATED INDIVIDUAL ACCREDITED INVESTOR (i) WHO POSSESSES SUCH KNOWLEDGE AND EXPERIENCE OR (ii) WITH RESPECT TO WHICH SUCH PURCHASER HAS SOLE INVESTMENT DISCRETION; OR (B) A QUALIFIED INSTITUTIONAL BUYER ("QIB") WITHIN THE MEANING OF RULE 144A UNDER THE ACT WHICH IS ACQUIRING NOTES FOR ITS OWN ACCOUNT OR FOR ONE OR MORE ACCOUNTS, EACH OF WHICH IS A QIB AND WITH RESPECT TO EACH OF WHICH THE PURCHASER HAS SOLE INVESTMENT DISCRETION; AND THE PURCHASER ACKNOWLEDGES THAT HE, SHE OR IT IS AWARE THAT THE SELLER MAY RELY UPON THE EXEMPTION FROM THE REGISTRATION PROVISIONS OF SECTION 5 OF THE ACT PROVIDED BY RULE 144A. BY ITS ACCEPTANCE OF A NOTE, THE PURCHASER THEREOF SHALL ALSO BE DEEMED TO AGREE THAT ANY RESALE OR OTHER TRANSFER THEREOF WILL BE MADE ONLY (A) IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE ACT, EITHER (1) TO THE ISSUER OR TO BANC OF AMERICA SECURITIES LLC OR ANOTHER PERSON DESIGNATED BY THE ISSUER AS A PLACEMENT AGENT FOR THE NOTES (COLLECTIVELY, THE "PLACEMENT AGENTS"), NONE OF WHICH SHALL HAVE ANY OBLIGATION TO ACQUIRE SUCH NOTE, (2) THROUGH A PLACEMENT AGENT TO AN INSTITUTIONAL ACCREDITED INVESTOR OR SOPHISTICATED INDIVIDUAL ACCREDITED INVESTOR OR A QIB BY A PLACEMENT AGENT, OR (3) TO A QIB IN A TRANSACTION THAT MEETS THE REQUIREMENTS OF RULE 144A AND (B) IN A MINIMUM AMOUNT OF $250,000.

EXHIBIT B

FURTHER PROVISIONS RELATING
TO INDEMNIFICATION

(a) The Issuer agrees to reimburse each Indemnitee for all expenses (including reasonable fees and disbursements of internal and external counsel) as they are incurred by it in connection with investigating or defending any loss, claim, damage, liability or action in respect of which indemnification may be sought under Section 5.1 of the Agreement (whether or not it is a party to any such proceedings).

(b) Promptly after receipt by an Indemnitee of notice of the existence of a Claim arising under Section 5.1 of the Agreement, such Indemnitee will, if a claim in respect thereof is to be made against the Issuer, notify the Issuer in writing of the existence thereof; provided that (i) the omission so to notify the Issuer will not relieve it from any liability which it may have hereunder unless and except to the extent it did not otherwise learn of such Claim and the Issuer is materially prejudiced thereby, and (ii) the omission so to notify the Issuer will not relieve it from liability which it may have to an Indemnitee otherwise than on account of this indemnity agreement. In case any such Claim is made against any Indemnitee and it notifies the Issuer of the existence thereof, the Issuer will be entitled to participate therein, and to the extent that it may elect by written notice delivered to the Indemnitee, to assume the defense thereof, with counsel reasonably satisfactory to such Indemnitee; provided that if the defendants in any such Claim include both the Indemnitee and the Issuer and the Indemnitee shall have concluded that there may be legal defenses available to it which are different from or additional to those available to the Issuer, the Issuer shall not have the right to direct the defense of such Claim on behalf of such Indemnitee, and the Indemnitee shall have the right to select separate counsel to assert such legal defenses on behalf of such Indemnitee. Upon receipt of notice from the Issuer to such Indemnitee of the Issuer's election so to assume the defense of such Claim and approval by the Indemnitee of counsel, the Issuer will not be liable to such Indemnitee for expenses incurred thereafter by the Indemnitee in connection with the defense thereof (other than reasonable costs of investigation) unless (i) the Indemnitee shall have employed separate counsel in connection with the assertion of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the Issuer shall not be liable for the expenses of more than one separate counsel (in addition to any local counsel in the jurisdiction in which any Claim is brought), approved by the Dealer, representing the Indemnitee who is party to such Claim), (ii) the Issuer shall not have employed counsel reasonably satisfactory to the Indemnitee to represent the Indemnitee within a reasonable time after notice of existence of the Claim or (iii) the Issuer has authorized in writing the employment of counsel for the Indemnitee. The indemnity, reimbursement and contribution obligations of the Issuer hereunder shall be in addition to any other liability the Issuer may otherwise have to an Indemnitee and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Issuer and any Indemnitee. The Issuer agrees that without the Dealer's prior written consent, which consent shall not be unreasonably withheld, it will not settle, compromise or consent to the entry of any judgment in any Claim in respect of which indemnification may be sought under Section 5.1 of the Agreement (whether or not the Dealer or any other Indemnitee is an actual or potential party to such Claim), unless such settlement, compromise or consent includes an unconditional release of each Indemnitee from all liability arising out of such Claim. The Dealer agrees that without the Issuer's prior written consent, which consent shall not be unreasonably withheld, it shall not settle, compromise or consent to the entry of any judgment in any Claim in respect of which indemnification may be sought under Section 5.1 of the Agreement (whether or not the Issuer is an actual or potential party to such Claim).

Exhibit 10.12

ISSUING AND PAYING AGENT AGREEMENT

This Issuing and Paying Agent Agreement (the "Agreement"), dated as of January 24, 2003, between FMC Technologies, Inc., a Delaware corporation (the "Issuer"), and Bank One, National Association, a national banking association (the "IPA"), as issuing and paying agent, in connection with the issuance and payment, in book entry only form, of certain commercial paper notes (collectively the "Notes"). The Issuer hereby appoints the IPA its agent to issue, deliver and pay such Notes as herein set forth. The Issuer hereby agrees with the IPA as follows:

1. Definitions.

Terms capitalized shall have the meanings assigned them below.

"Advance" means funds credited by the IPA to or on behalf of the Issuer for the purpose of either crediting Proceeds to the Note Account or remitting payment on Notes.

"Agreement" means this Issuing and Paying Agent Agreement as defined in the preamble, and includes the terms of the Exhibits.

"Business Day" means any day that both the IPA and DTC are open for business.

"Certificate Agreement" means the Certificate Agreement dated May 17, 1994, between DTC and the IPA (formerly known as The First National Bank of Chicago), a copy of which is attached hereto as Exhibit C.

"Dealer" means any person other than an Issuer Agent, which has been authorized by the Issuer to deliver Issuance Instructions to the IPA and is listed on an Incumbency Certificate.

"DTC" means The Depository Trust Company, a New York limited purpose trust company, and its successors and assigns.

"GAITIR" means the Global Automated Issuance Trade Initiator and Reporter system.

"Incumbency Certificate" means the certificate of the Issuer, substantially in the form of Exhibit A, executed by its Secretary or any of its Assistant Secretaries, which identifies Issuer Agents and Dealers from time to time.

"Indemnified Persons" means the IPA and its officers, directors, employees, and agents.

"Issuance Instructions" means the instructions as to issuance of Notes delivered to the IPA by an Issuer Agent or Dealer pursuant to Section 3.B. of the Agreement.

"Issuer Agents" means those officers, employees, or agents of the Issuer identified on an Incumbency Certificate the Issuer has authorized to execute Notes, deliver Note Issuance Instructions, and deliver other notices hereunder to the IPA.

"Manual" means the DTC Money Market Instrument Issuing/Paying Agent Manual, as modified from time to time, including the rules of the DTC Same Day Funds Settlement System, Money Market Instruments Program.

"Maturity Date" means the date any Note is payable by its terms.

"Note" or "Notes" means the commercial paper notes of the Issuer issued pursuant to the Agreement and identified on the records of the IPA as evidenced by the Issuer's Corporate Commercial Paper Master Note substantially in the form set forth in Exhibit B.

"Note Account" means the Issuer's demand deposit account number 644600033 established at the IPA pursuant to Section 6.A.

"Proceeds" means, with respect to any Note, funds representing the purchase price for its original issuance.

"Representation Letter" means the agreement by and among the IPA, the Issuer and DTC with respect to the Notes substantially in the form set forth in Exhibit D.

2. Authorization.

The Issuer shall deliver to the IPA upon execution of this Agreement an Incumbency Certificate to designate the Issuer Agents and Dealers to the IPA. Until the IPA receives a subsequent Incumbency Certificate from the Issuer, it may rely on the last such Incumbency Certificate delivered to it. Any Note bearing the signature of an Issuer Agent on the date such signature is affixed thereto shall bind the Issuer after the authentication and delivery of such Note even if such person shall have ceased to hold his or her office on the date such Note is authenticated and delivered.

3. Notes.

A. The Notes shall be issued to DTC or its nominee in book-entry form only. In connection with the issuance of Notes, (i) the IPA and DTC have previously entered into the Certificate Agreement and (ii) the IPA, the Issuer and DTC shall jointly execute the Representation Letter. The Issuer understands and acknowledges that the execution of the Certificate

Agreement and the Representation Letter by the IPA is a necessary condition precedent to the acceptance of the Notes by DTC and as such the terms of the Certificate Agreement and Representation Letter may supplement the provisions of this Agreement.

B. Prior to 12:00 noon (Chicago time) on each issuance date, an Issuer Agent or Dealer shall provide the IPA with Issuance Instructions specifying the issue date, interest rate (if applicable), maturity date (which shall be no later than 365 days from the date of issuance thereof), proceeds amount, maturity amount, CUSIP number, purchaser and purchaser's settlement bank (which bank must be a participant in the DTC Same Day Funds Settlement System).

C. Following receipt of Issuance Instructions, the IPA will process such Issuance Instructions in accordance with and subject to (i) this Agreement, (ii) the procedures set forth in the Manual, (iii) the terms and conditions of the Certificate Agreement and (iv) the terms and conditions of the Representation Letter. Unless otherwise instructed by an Issuer Agent or Dealer, Notes delivered under this Agreement shall be made against payment as more fully set forth in Section 4 below. In the event of a conflict between the terms of this Agreement and the terms of the Manual, the Certificate Agreement, or the Representation Letter, the provisions of this Agreement shall control.

4. Proceeds of Sale of Notes.

A. The Issuer understands that when the IPA is instructed to deliver against payment, the processing of Issuance Instructions may not be completed simultaneously against the receipt of payment. Accordingly, the IPA is authorized to initiate delivery and to receive payment from the purchaser in accordance with the provisions of the Manual. All such payments shall be credited upon receipt to the Note Account. The Issuer hereby agrees to bear the risk that the IPA may fail to receive payment of the Proceeds of any Notes issued pursuant to Issuance Instructions.

B. Funds received by the IPA as Proceeds will be credited to the Note Account. Prior to receipt of such Proceeds, the IPA may, but shall not be obligated to, credit such Proceeds to the Issuer by making an Advance. Upon telephonic, written (which may be in facsimile form), or electronic instructions received by the IPA from an Issuer Agent, an Advance may be (i) used in payment of Notes presented for payment upon maturity, (ii) deposited to an account of the Issuer at the IPA, or

(iii) transferred to the account of the Issuer at another bank. If the IPA, in its sole discretion, makes an Advance, the Issuer agrees to apply the Proceeds to repay such Advance. If such Proceeds are insufficient to repay the Advance in full, the Issuer agrees to repay such Advance within 24 hours from the time

such Advance was made. Interest on any Advance shall accrue from the day such Advance is made, and shall bear interest (i) in accordance with any separate agreement between the Issuer and the IPA in effect at the time, or (ii) if no such separate agreement is then in effect, then the Issuer shall repay to the IPA such Advance and the IPA's cost of funding such Advance.

5. Instructions

A. The Issuer hereby authorizes the IPA to act in accordance with Issuance Instructions received electronically, in writing, by facsimile or by telephone from an Issuer Agent or the Dealer. The Issuer or a Dealer may initiate Issuance Instructions electronically via GAITIR or otherwise in accordance with the IPA's standard business practices. The IPA shall be entitled to rely on the Issuance Instructions received electronically hereunder and may assume conclusively that all such Issuance Instructions are correct and complete and were transmitted by the Issuer or on the Issuer's behalf.

B. Telephonic Issuance Instructions shall be given to the IPA by an Issuer Agent or a Dealer at the telephone number specified by the IPA from time to time for such purpose, and shall be expressed to be for the attention of any of its officers or employees whose name has been specified for such purpose. The telephone numbers initially authorized for such purpose are set forth in Exhibit E, which may be modified by notice to the Issuer and each Dealer. Telephonic Issuance Instructions to the IPA by an Issuer Agent or Dealer shall be confirmed in writing by an Issuer Agent or Dealer within 24 hours of the time such instructions are given; provided that, in the event a discrepancy exists between the telephonic Issuance Instructions and the subsequent confirmation, or in the absence of receiving a written confirmation prior to the time specified in Sections 3.B. above, the Telephonic Issuance Instructions shall be deemed the proper and controlling Issuance Instructions. A written confirmation may be effected by any electronic means of communications, including transmission by telecopier or computer.

6. Note Account.

A. For purposes of the transactions contemplated herein, the Issuer shall open and maintain the Note Account.

B. Deposits will be made to the Note Account from time to time by or on behalf of the Issuer by delivery of funds to be deposited therein. All Proceeds shall be credited to the Note Account. Withdrawals or other uses

of the funds from the Note Account shall be made in accordance with instructions from an Issuer Agent or to repay amounts payable under Sections 4.B. or 7.D. hereof. Notwithstanding anything in this Agreement to the contrary, the IPA shall not be obligated (i) to permit any withdrawal or other use of funds from the Note Account, or (ii) to honor any instructions to those effects, if the IPA, in its sole discretion, shall determine that as a result there would be an overdraft or negative balance in respect of final credits (whether in the course of any day, overnight or otherwise) in the Note Account. The Issuer shall deposit in the Note Account on the Maturity Date an amount in immediately available funds equal to the principal and interest payable on such Notes, unless such funds represent Proceeds and are deposited to the Note Account pursuant to Section 4.B.

7. Payment of Notes.

A. The IPA hereby agrees to serve as paying agent of the Issuer with respect to each of the Notes presented for payment pursuant to this Agreement.

B. The IPA is hereby authorized and instructed by the Issuer, to the extent that funds sufficient to effect such payment are available in the Note Account, to pay, and shall pay, each of the Notes upon presentation thereof. The IPA is further hereby authorized and instructed by the Issuer to debit the Note Account in the amount of each such payment.

C. If at any time funds in the Note Account are insufficient to cover payment of any matured Notes presented prior to 2:00 p.m. (Chicago time) on the Maturity Date of such Notes, the IPA may, but shall not be obligated to, pay the Notes thus creating an overdraft for the account of the Issuer, which overdraft shall be charged to the Note Account.

D. The amount of any resulting overdraft shall represent an Advance by the IPA to the Issuer to be promptly repaid by the Issuer together with any applicable overdraft charges and interest on such Advance for each day such Advance remains outstanding in accordance with Section 4.B.

8. Representations and Warranties.

Each day on which an Issuance Instruction is given to the IPA, the Issuer shall be deemed to represent and warrant to the IPA that (a) the issuance and delivery of the designated Notes will not violate any state or federal securities law, (b) the Notes have been duly and validly authorized by the Issuer and (c) the Notes, when issued and delivered pursuant hereto, will constitute the legal, valid, and binding obligations of the Issuer.

9. Concerning the IPA.

A. In acting with respect to the Notes, and generally in acting under the provisions hereof, the IPA acts only as agent of the Issuer to perform only such duties as are specifically set forth herein and this Agreement shall not be construed to subject the IPA to any implied covenants or obligations. No provision of this Agreement shall be construed to impose upon the IPA any trust, agency of, or fiduciary duty to DTC or any beneficial owner of the Notes. The IPA may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or affiliates. The IPA may consult with legal counsel regarding matters arising under this Agreement and shall not be liable for any action taken in good faith in reliance upon the advice of such counsel. The IPA or its affiliates in their individual or any other capacity may become the owner or pledgee of Notes and may transact business with the Issuer or its affiliates with the same rights they would have if the IPA were not acting hereunder. The IPA shall be under no liability for interest on any moneys received by it hereunder and need not segregate such moneys except as may be required by law. Except in the case of the IPA's gross negligence or willful misconduct, it shall not be liable to the Issuer for any action taken or omitted and reasonably believed by the IPA to be authorized or within the powers conferred upon it hereby. In no event shall the IPA be liable for consequential, indirect or special damages, even if it has been advised of the possibility of such damages. The IPA shall also not be liable for any action taken, or any failure to take any action in connection with this Agreement or the services provided hereunder or otherwise to fulfill its obligations in connection with this Agreement, in the event and to the extent that the taking of such action or such failure arises out of or is caused by mechanical breakdown, computer or system failure or other failure of equipment, failure or malfunctioning of any communications media for whatever reason, or any other cause outside of the control of the IPA, provided that it undertakes to use commercially reasonable efforts to cure any such failure or breakdown of its equipment. It is understood by the Issuer that provision of services under this Agreement is dependent upon the availability to the IPA and the Issuer of telecommunication facilities provided by third party vendors and that the IPA does not warrant or guarantee such availability.

B. The Issuer shall indemnify and hold the Indemnified Persons harmless from and against any and all costs, expenses, claims or liabilities (including, without limitation, reasonable legal fees and expenses) arising out of or connected with the performance of each Indemnified Person's duties hereunder, except for costs, expenses, claims or liabilities arising out of the gross negligence or willful misconduct of an Indemnified Person. Each Indemnified Person may rely and shall be protected in

acting upon any resolution, certificate, opinion, instructions (whether oral or otherwise), receipt, or other document reasonably believed by such Indemnified Person to be (i) genuine and (ii) to have been signed or given by the proper party or parties.

C. Fees for the IPA's services, and reimbursement of its expenses hereunder shall be as mutually agreed upon in writing between the IPA and the Issuer, which are initially set forth as Exhibit F, and shall be payable by the Issuer in accordance with such agreement.

D. Except as otherwise expressly provided herein, whenever, in the administration of this Agreement, the IPA shall deem it necessary that a matter be proved or established prior to taking, suffering or omitting any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate or written instructions of an Issuer Agent and such certificate or written instructions shall be full warranty to the IPA for any action taken, suffered, or omitted under the provisions of this Agreement in reliance upon such certificate or written instructions.

E. Any banking association or corporation into which the IPA may be merged, converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which it shall be a party, shall succeed to all its rights, obligations and immunities hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

F. The IPA's countersignature of a Note shall be for authentication purposes only. The IPA shall have no liability on any Notes. Except with respect to the IPA's own actions in issuing and delivering Notes pursuant to Issuance Instructions, it shall not be liable for the authorization, validity or legality of any Notes delivered by it in accordance with Issuance Instructions.

G. Nothing in this Agreement constitutes a commitment or obligation of the IPA or its affiliates to extend any credit to the Issuer, nor shall any course of dealing between the Issuer and the IPA be deemed to be, or constitute, any such commitment or obligation.

10. Miscellaneous.

A. The IPA or the Issuer may terminate this Agreement upon thirty (30) days' prior written notice to the other party; provided, however, that to the

extent there are then outstanding any Notes, notwithstanding such termination they shall remain valid obligations of the Issuer and shall continue to be subject to the provisions of this Agreement. No termination of this Agreement shall affect the rights and obligations of the parties hereto with respect to transactions initiated prior to such termination. In the event that the IPA shall give the Issuer notice of termination, the Issuer shall not issue on or after the date of such notice any Notes (pursuant to the terms of this Agreement) having a maturity in excess of thirty (30) days.

B. No amendment or modification of this Agreement shall be effective unless the same shall be in writing and signed by both of the parties hereto. No waiver of, nor any consent to any departure from, any provision of this Agreement shall be effective unless signed by the party intended to be bound. No such amendment, modification, waiver or consent shall adversely affect the rights of any holder of Notes outstanding at the time of such amendment, modification, waiver or consent.

C. Any obligation under this Agreement or the Notes that falls on a day that is not a Business Day shall be performed on the next succeeding Business Day.

D. Neither party hereto may assign any of its rights or obligations hereunder without the consent of the other party hereto.

E. This Agreement may be executed in any number of counterparts and by each party hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts taken together shall constitute one and the same Agreement.

11. Notices.

Any notices, demands, instructions and other communications required or permitted to be given or made upon either party shall be in writing and shall be personally delivered or sent by first class mail, postage prepaid (or telecopier, as permitted hereunder), and shall be effective for purposes of this Agreement upon receipt by the intended recipient thereof at the address designated by such recipient, or on the next succeeding Business Day if received on other than a Business Day. Unless otherwise specified in a notice sent or delivered in accordance with the foregoing provisions of this paragraph (or with respect to Issuance Instructions, as permitted hereunder), notices, demands, instructions and other communications in writing shall be addressed as indicated below:

If to the IPA	Bank One, National Association 1 Bank One Plaza Mail Code IL1-0823 Chicago, Illinois 60670-0823 Attn: Commercial Paper Client Services Telephone: (312) 407-3358 Telecopier: (312) 336-8840
If to the Issuer:	FMC Technologies, Inc. 200 East Randolph Drive Chicago, Illinois 60601 Attn: Joseph J. Meyer Telephone: (312) 861-6146 Telecopier: (312) 861-5797

12. GAITIR License

A. The IPA grants to the Issuer a personal, non-transferable and non-exclusive license to use the instruction and reporting communication software, GAITIR, to transmit Issuance Instructions made pursuant to Section 3 hereof and to obtain reports with respect to the Notes. The IPA warrants that, for ninety (90) days from the date of installation of each copy of GAITIR software, such copy will perform substantially in accordance with user documentation provided by the IPA. The IPA warrants that the tape, diskettes, or other media on which GAITIR software is delivered will be free of defects in materials and workmanship during the same ninety (90) days. The Issuer acknowledges that (a) GAITIR IS PROVIDED TO THE ISSUER WITHOUT ADDITIONAL WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED OF ANY KIND WHATSOEVER BY THE IPA OR ANY THIRD PARTY VENDOR, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE; (b) GAITIR is proprietary and confidential property of the IPA disclosed to the Issuer in confidence and only on the terms and conditions and for purposes set forth in this Agreement, and (c) GAITIR is a registered trademark of Bank One Corporation. The IPA represents that it has all power and authority to grant to the Issuer the license set forth in this Section 12.A.

B. By this Agreement, the Issuer acquires no title, ownership or sublicensing rights whatsoever in GAITIR or in any trade secret, trademark, copyright or patent of the IPA now or to become applicable to GAITIR. The Issuer may not transfer, sublicense, assign, rent, lease, convey, modify, translate, convert to a programming language, decompile, disassemble, recirculate, republish or redistribute GAITIR for any purpose without the prior written consent of the IPA, provided; however, that the Issuer may make copies of the software for back-up purposes only without prior written consent of the IPA. The Issuer shall take commercially reasonable efforts to secure and protect GAITIR against any disclosure or transfer of any part thereof to any third party.

C. In the event (a) any action is taken or threatened which may result in a disclosure or transfer of GAITIR or any part thereof, other than as authorized by this Agreement, or (b) the use of any trademark, trade name, service mark, service name, copyright or patent of the IPA by the Issuer amounts to unfair competition, or otherwise constitutes a possible violation of any kind, then the IPA shall have the right to take any and all action deemed necessary to protect their rights in GAITIR, and to avoid the substantial and irreparable damage which would result from such disclosure, transfer or use, including the immediate termination of the Issuer's right to use GAITIR.

D. To permit the use of GAITIR to issue Instructions and/or obtain reports with respect to the Notes, the IPA will supply the Issuer with an identification number and initial passwords. From time to time thereafter, the Issuer may change its passwords directly through GAITIR. The Issuer will keep all information relating to its identification number and passwords strictly confidential and will be responsible for the maintenance of adequate security over its customer identification number and passwords.

E. Upon the termination of this Agreement, Issuer shall promptly return all copies of GAITIR and any related manuals, instructions and similar information to the IPA.

F. The IPA shall assume and defend and may, at its option, settle any claim, action or proceeding brought against the Issuer alleging that GAITIR infringes upon any trademark, trade name, trade secret, service mark, service name, patent or copyright and shall indemnify the Issuer against all costs incurred in connection with and all damages finally awarded in any such claim, action or proceeding.

13. GOVERNING LAW.

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAW OF THE STATE OF NEW YORK (EXCLUDING ITS CONFLICTS OF LAWS RULES).

14. Entire Agreement.

This Agreement together with the Exhibits, constitute the entire agreement between the IPA and the Issuer relating to the subject matter hereof, and supersedes all proposals and all other communications between the parties relating hereto.

FMC Technologies, Inc.

By: /s/ Joseph J. Meyer

Name: Joseph J. Meyer

Title: Director, Treasury Operations

By: /s/ Brian D. Yates

Name: Brian D. Yates

Title: Manager, Corporate Finance

BANK ONE, National Association,
as Issuing and Paying Agent

By: /s/ Maria G. Romero

Name: Maria G. Romero

Title: Corporate Account Representative

LIST OF EXHIBITS*

Exhibit A	Form of Issuer Incumbency Certificate
Exhibit B	Form of Master Note
Exhibit C	Commercial Paper Certificate Agreement
Exhibit D	Form of Issuer/IPA/DTC Representation Letter
Exhibit E	Telephone Numbers for Telephonic Issuance
	Instructions to the IPA
Exhibit F	IPA Fee Schedule

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* The exhibits to the Issuing and Paying Agent Agreement have been omitted. FMC Technologies, Inc. hereby agrees to furnish supplementally a copy of any omitted exhibit to the Securities and Exchange Commission upon request.

A YEAR OF
CONTINUING PROGRESS

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FMC TECHNOLOGIES, INC. 2002 ANNUAL REPORT

CORPORATE PROFILE

FMC Technologies, Inc. is a global leader providing mission-critical solutions, based on innovative, industry-leading technologies, for the energy, food processing and air transportation industries. The Company designs, manufactures and services sophisticated systems and products for its customers through its Energy Systems (comprising Energy Production Systems and Energy Processing Systems), FoodTech and Airport Systems businesses. FMC Technologies operates 32 manufacturing facilities in 15 countries.

ABOUT THE COVER

Project Manager Jose Osuna inspects the High-Pressure/High-Temperature subsea tree produced by FMC Energy Systems for BP's Thunder Horse deepwater project in the Gulf of Mexico. This is the first subsea tree produced under our five-year frame agreement with BP.

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HIGHLIGHTS

($ in millions, except per share data)	2002	2001
REVENUE (BY LOCATION OF CUSTOMER):		
United States	$ 831.1	$ 885.1
Norway	215.0	150.7
All other countries	1,025.4	892.1
Total revenue	$ 2,071.5	$ 1,927.9
INCOME (LOSS):		
Income before the cumulative effect of accounting changes	$ 64.1	$ 39.4
Net income (loss)	$ (129.7)	$ 34.7
EARNINGS (LOSS) PER DILUTED SHARE:		
Income before the cumulative effect of accounting changes	$ 0.96	$ 0.60
Net income (loss)	$ (1.94)	$ 0.53
INCOME PER DILUTED SHARE (PRO FORMA BASIS):/(1)//(2)/		
Income before the cumulative effect of accounting changes (pro forma basis)	$ 0.96	$ 0.82
FINANCIAL AND OTHER DATA:		
Common stock price range	$ 23.83 - $14.30	$ 22.48- $10.99

At December 31	Net debt/(3)/	$ 202.5	$ 245.0
	Order backlog/(4)/	$ 1,151.7	$ 960.7
	Number of employees	8,500	8,500
	Number of stockholders of record	7,687	8,085

(1) Income per diluted share (pro forma basis) should not be considered in isolation nor as an alternative for earnings per diluted share measured in accordance with U.S. generally accepted accounting principles ("GAAP"), nor as the sole measure of our profitability.

(2) The following is a reconciliation of income per diluted share (pro forma basis), which is a non-GAAP financial measure, to earnings per diluted share before the cumulative effect of accounting changes, measured on the basis of GAAP:

	2002	2001
Income per diluted share (pro forma basis)	$ 0.96	$ 0.82
Less:		
Restructuring and asset impairment charges/(a)/	-	(0.16)
Income tax provisions related to our separation from FMC Corporation/(b)/	-	(0.13)
Add:		
Pro forma interest expense/(c)/	-	0.07
Earnings per diluted share before the cumulative effect of changes in accounting principles (GAAP basis)	$ 0.96	$ 0.60

(a) In 2001, we recorded restructuring charges, primarily representing initiatives undertaken to lower our cost structure in response to adverse market conditions, and asset impairment charges.

(b) In 2001, we recorded income tax provisions related to repatriation of offshore earnings and the reorganization of our worldwide entities in anticipation of our separation from FMC Corporation.

(c) Prior to June 1, 2001, our results were carved out from the consolidated financial statements of FMC Corporation. Pro forma interest expense represents an estimate of the additional interest expense that we would have incurred had we been a stand-alone entity for the entire year.

(3) Net debt consists of short-term debt, long-term debt and the current portion of long-term debt, less cash and cash equivalents.

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

TO OUR SHAREHOLDERS

In our first full year of operation, we benefited from the strong market position we have in our businesses. We continued to listen to the customer, create solutions, innovate continuously, maximize value and win with teamwork. We profited from the strong demand for subsea systems. Further, we took actions to mitigate the effects of the difficult market conditions most of our other businesses faced. Consequently, on balance, 2002 was a year of continuing progress for FMC Technologies.

Earnings, cash flow and stock performance improved

In 2002, our full-year earnings, before the effect of an accounting change, increased to $0.96 per diluted share. Revenues increased to $2.07 billion in 2002, compared to $1.93 billion in 2001. We ended the year with $1.15 billion in total backlog, up by $191 million from a year earlier.

Results for our businesses were mixed in 2002. Energy Systems sales and earnings improved on strong subsea results, which were partially offset by declines in other product lines. FoodTech's 2002 sales were down, while operating earnings improved compared to 2001. Airport Systems was profitable despite extremely poor market conditions.

Our strong free cash flow enabled us to continue to pay down debt in 2002. Since the beginning of 2001, we have applied over $97 million of free cash flow to reduce our balance sheet debt, and we eliminated $33 million in lease obligations. Additionally, we made cash contributions of $35 million to our pension fund.

Last year, our stock outperformed our peer group. At year-end 2002, our stock price had increased over 24 percent since the first of the year, while the oilfield service index increased less than 1 percent and the S&P 500 index declined 22 percent in the same period.

Strength in subsea drove Energy Systems

While uncertainty over economic and political stability seems to have restricted oil and gas exploration and development spending in 2002, the development of large offshore oil fields continued. Large, low-cost offshore reservoirs are being discovered and developed by oil companies in increasingly deeper water. The development of these reservoirs, coupled with our know-how and technical capability in subsea production systems, continue to drive the growth of our Energy Systems business.

NET DEBT AND SALE-LEASEBACK OBLIGATIONS

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All years at December 31. Net debt consists of short-term debt, long-term debt and the current portion of long-term debt, less cash and cash equivalents. At December 31, 2000, net debt is presented on a pro forma basis, as defined in the Separation and Distribution Agreement with FMC Corporation.

SUBSEA TREE MARKET

[GRAPHIC APPEARS HERE]

Source: Quest Offshore

INBOUND ORDERS

[GRAPHIC APPEARS HERE]

ORDER BACKLOG

[GRAPHIC APPEARS HERE]

All years at December 31

FOODTECH OPERATING CAPITAL EMPLOYED

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All years at December 31

Energy Systems' sales of $1.33 billion in 2002 were up $210 million, or 19 percent, while earnings of $77.5 million were up 8 percent compared with a year ago. Our Energy Production Systems revenues, driven by our subsea business, rose to $940 million, compared to $726 million in 2001 - a 29 percent increase. However, our margins in subsea continued to be constrained by competitive pressures and the increased costs associated with the customized work required for some of our larger projects.

Difficult market conditions adversely affected most of our other Energy Systems businesses. Except for subsea projects, oilfield activity levels were lower than last year. Rig counts in the United States were down almost 30 percent in 2002 from 2001 levels. This had a particularly negative impact on our WECO(R)/Chiksan(R) products, included in Energy Processing Systems, and our surface completion product lines, included in Energy Production Systems. Oilfield infrastructure spending, which affects the remainder of Energy Processing Systems, also remained at low levels last year. All the above resulted in Energy Production Systems generating increased sales due to subsea, while Energy Processing Systems reacted more to general oilfield markets and sales declined.

Inbound orders for Energy Systems in 2002 were $1.59 billion, up 16 percent from 2001. Deepwater development activities were responsible for Energy Production Systems' inbound order growth of 23 percent compared to 2001, while Energy Processing Systems' inbound declined 3 percent. Total backlog for Energy Systems at year-end 2002 was $933 million, up 38 percent during 2002.

FoodTech benefited from lower expenses

Food company capital spending continued at low levels throughout 2002. The food processing industry is going through a period of consolidation. Consequently, our customers continue to delay projects and defer capital expenditures. When the industry consolidation slows and some of their capital expenditure projects go forward, we should benefit.

During the year, FoodTech sales were $497 million, down 3 percent compared with 2001 sales, and operating earnings of $43.3 million were up 9 percent compared with 2001. The profit improvement resulted

from lower amortization expense and cost reduction efforts undertaken in 2002 and 2001.

Airport Systems results partially offset by U.S. Air Force program

Airport Systems' 2002 sales of $245 million declined 18 percent and earnings of $15.8 million were down 13 percent compared to 2001. Decreased volumes of all commercial ground support and passenger loading equipment contributed to lower results, reflecting the poor business conditions in the commercial airline industry.

These results were partially offset by increased deliveries of the Halvorsen loader to the U.S. Air Force. We delivered 133 Halvorsen loaders in 2002, compared to 19 units delivered in 2001. The Halvorsen loader program enables us to maintain our manufacturing base and product development programs despite depressed industry conditions. We have firm orders for Halvorsen loaders through most of 2003, but it is unclear when we will see stronger demand for our products from commercial airlines.

People enabled progress

We owe the progress we made last year, in great part, to the hard work of our employees. Our results in 2002 are based on people exerting extraordinary efforts and technical competence. Over the past couple of years in the Energy Systems business, we earned BP's subsea business in the Gulf of Mexico and entered into an alliance with Norsk Hydro. In addition, we retained Shell's business and supplied systems to Kerr-McGee and ExxonMobil. Our people did an excellent job of controlling working capital in FMC FoodTech; that business now has record low levels of funds tied up in inventory and receivables. Rising to the challenge, the Airport Systems team successfully ramped up production of the Halvorsen to meet the Air Force's needs.

We also are pleased with the progress in our health, safety and environmental performance. For example, last year our Houston Energy Systems manufacturing facility reached 7.7 million work hours without a lost-time accident, and several locations are progressing toward industry safety records. We continually strive to improve in this area because it's important to our employees, our customers and our communities.

HALVORSEN LOADERS DELIVERED

[GRAPHIC APPEARS HERE]

INDUSTRY SAFETY RECORD
Per 100 full-time workers

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Source: U.S. Bureau of Labor Statistics

ETHICS and corporate governance

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Laws and standards vary in different countries and cultures. As we expand our activities, our overriding goal and continuing commitment is to maintain uniformly high standards wherever we conduct business.

Our company has a strong commitment to high ethical standards built on trust in our dealings with investors, employees, vendors and customers. This trust is essential to our long-term success. In addition to our day-to-day business practices, we have taken a number of steps to ensure that we are upholding high ethical standards.

First, we have implemented the FMC Technologies Commitment to Ethics, which specifies appropriate business conduct for employees, contractors and suppliers. This program also includes a training and certification program for employees, which helps ensure that our people are knowledgeable about and adhering to our principles of business conduct.

Our company does not tolerate violations of law or actions that are inconsistent with the Commitment to Ethics. Employees, contractors and suppliers are responsible for familiarizing themselves with this commitment, abiding by it and promptly reporting any violations. We provide an employee resolution process and a third-party-administered ethics hotline to facilitate the reporting of infractions.

We also practice high ethical standards in all aspects of corporate governance. For example, both the Audit and Compensation and Organization committees of the Board of Directors are composed entirely of independent directors.

Our vision is to be the premier provider of world-class, mission-critical technology solutions for the energy, food processing and air transportation industries. We believe we can realize our vision only if we uphold all the objectives of responsible performance, including conducting business in an ethical manner.

In all our businesses, we have industry-leading technologies developed by some of the best minds in their respective industries. Our intellectual capital has developed innovations such as high-pressure/high-temperature subsea trees, highly reliable flowline products and asset management systems, total systems diagnostics for food processing management, and Web-based life cycle analysis solutions for air transportation equipment.

One of the reasons we believe we have been successful is because, in many ways, we do not think of ourselves as a big company. Our employee teams are proud of what their particular plant or location does and how they perform. Each business succeeds based on the products of that business and how well these products serve their customers' needs. We also have low employee turnover, which provides continuity, experience and higher levels of performance.

Our Board of Directors complements our talented group of employees. In 2002, we welcomed a new member to the Board - Rich Pattarozzi, former Vice President of Shell Oil Company and head of Shell's pacesetting deepwater developments in the Gulf of Mexico. Rich's addition enhances our Board with a career's worth of valuable experience.

Outlook expected to be highlighted by subsea

In Energy Systems, we anticipate that our 2003 revenues will be up over 2002 levels as a result of subsea growth, where our continuing focus will be on execution. Our strong backlog means we have won the right to prove ourselves capable of solving increasingly difficult technical challenges for our subsea customers. Over the next several months, we intend to continue to prove to these customers that they made the right choice in choosing FMC Technologies. An increase in oilfield activity and infrastructure spending from the low levels of 2002 should occur in 2003, which would benefit our Energy Processing Systems businesses.

FoodTech is well positioned to serve our food processing customers as the economy improves and the industry consolidation slows. Our FoodTech business addresses important issues, such as food safety and the growing demand for convenience food.

However, we do not believe the food processing industry will see much growth in 2003, and, consequently, our performance in FoodTech is expected to be flat with 2002.

We continue to be concerned about the impact of commercial airline industry conditions on Airport Systems. We do not anticipate any significant upturn in purchases by our commercial airline customers in 2003. Therefore, we plan to focus primarily on supplying the U.S. Air Force, as well as serving the needs of our air freight customers. Additionally, we plan to continue building our product base and improving our cost structure so that we will be well positioned when this market returns.

On balance, 2003 should be another good year, with earnings at $1.05 to $1.10 per share, based on a recovery in oilfield activity. We also anticipate continuing positive cash flow.

On an absolute basis - and certainly on a relative basis - 2002 was a good year for us. The resolve and determination of our people, as well as our technology and market positions, enabled us to capitalize on the opportunities that presented themselves during the year. We believe these factors will continue to serve us well as FMC Technologies moves into its second full year as an independent company.

Sincerely,

/s/ Joseph H. Netherland

Joseph H. Netherland
Chairman, President and Chief Executive Officer
February 21, 2003

[PHOTO OF JOSEPH H. NETHERLAND]

THE "MARCH TO THE SEA"
DRIVES FMC ENERGY SYSTEMS
DEEPER & HIGHER...IN 2002.

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FMC Energy Systems coped with the challenge of success in 2002. With $676 million in backlog at the beginning of the year, growing to $933 million by year's end, the challenge has been to execute. One very important element of execution is on-time delivery, especially in the case of offshore developments. Deepwater rigs cost about $300,000 a day to operate. On-time delivery of our systems means that an operator can minimize development and production costs.

Quality and reliability are equally important elements of execution. Subsea wells must produce large volumes to justify their cost. By producing high-quality, highly reliable systems, we help our customers optimize their operations and maximize returns.

During 2002, much of our subsea activity concentrated on the Gulf of Mexico for customers such as BP, Shell and Kerr-McGee. However, we also were busy supplying and servicing, for example, Petrobras and Shell offshore Brazil; TotalFinaElf, ExxonMobil, Statoil and Agip offshore West Africa; and Norsk Hydro, Statoil and TotalFinaElf in the North Sea.

As we rise to the challenge of producing an annual record number of subsea trees for our customers, we are focusing on helping them solve a number of unprecedented technical hurdles. Those hurdles include producing oil from the ocean floor in water depths as great as 10,000 feet. At that depth, production equipment has to withstand temperatures up to 350 degrees Fahrenheit (DEG.F) and pressures up to 15,000 pounds per square inch (psi). That contrasts with many land-based wells, with typical drilling temperatures of 80DEG.F to 100DEG.F and pressures of 5,000 psi or lower.

Our total solutions approach to high-pressure/high-temperature (HP/HT) subsea developments combines years of experience in HP/HT surface well solutions with advanced subsea technology and expertise. The BP Thunder Horse tree is the first vertical subsea tree in the industry designed to handle production pressures of 15,000 psi and temperatures of 350DEG.F, in waters more than a mile deep. Our five-year frame agreement with BP calls for us to provide subsea trees, controls, manifolds, well connection systems and related offshore services to BP for its deepwater Gulf of Mexico exploration and production activities.

STANDARDIZATION reaps rewards for Shell/FMC Energy Systems alliance

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Traditionally, subsea trees have been custom designed to meet the requirements of a specific project. This approach is not only costly; it also tends to increase delivery and installation time and may make performance reliability unpredictable.

In 1996, Shell and FMC Energy Systems instituted an alliance to develop a breakthrough innovation that has significantly reduced installation and project cycle time, as well as capital expenditures. The solution entailed developing a large number of projects using standardized processes for the design, manufacture, testing and installation support for subsea trees, manifolds and jumpers.

Following implementation of the alliance's standardized processes, installation times for the tree system were reduced by 50 percent, and tree delivery times have been reduced by as much as 60 percent. Capital expenditure reductions of more than 40 percent have been realized.

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The standard system design has proved itself with numerous Shell projects in the Gulf of Mexico, including Angus, Crosby, Einset, Europa, King, Macaroni and Serrano/Oregano. Shell's Coulomb, Na Kika, Manatee, and Serrano/Oregano Phase 2 projects, which represent the next generation of deepwater developments, will all benefit from the new approach.

The lessons learned through standardization and the alliance can add value to other projects. The Shell/FMC Energy Systems alliance has improved the Gulf of Mexico's benchmarks for installation costs, cycle time and capital expenditures. Compared with the prealliance benchmarks, the alliance approach has resulted in lower costs and improved safety, thereby providing Shell with greater reliability and operability.

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J.D. Lockhart, Subsea Assembly Technician, works on a subsea tree for Shell's Na Kika development in the Mississippi Canyon area of the ultra-deepwater Gulf of Mexico.

FMC Energy Systems is scheduled to produce the subsea systems for Shell's Coulomb project, in a satellite field to Na Kika, which is anticipated to be the world's deepest installation at about 7,600 feet.

While pioneering HP/HT solutions for BP, we have been applying lessons learned to achieve breakthrough solutions for Shell. Last year, we produced the Shell Na Kika tree for water depths as great as 7,000 feet, and we are scheduled to produce the subsea trees for Shell's Coulomb field, which is anticipated to be the world's deepest installation at about 7,600 feet.

Subsea sales and inbound orders were strong throughout 2002. In the deepwater Gulf of Mexico, Kerr-McGee chose us to provide subsea trees and associated services for the Gunnison field area project. The Gunnison area is being developed using a truss Spar, similar to those used in the development of Kerr-McGee's Nansen and Boomvang fields in the deepwater Gulf of Mexico. We provided the offshore industry's first Enhanced Horizontal Tree(TM) for Nansen and Boomvang, which were the first fields to use a truss Spar.

Building on our subsea frame contract with BP, we also signed a strategic sourcing agreement in 2002 to supply metering systems for BP's deepwater developments in the Gulf of Mexico. The first orders under the agreement were for BP's Holstein and Thunder Horse fields. The metering units supplied for these developments provide unattended metering and transfer of oil or gas from the well to the pipeline.

In West Africa, we were awarded a contract for subsea systems to be installed offshore Equatorial Guinea by a subsidiary of ExxonMobil. The subsea systems for Mobil Equatorial Guinea's Zafiro Southern Expansion Area project include 19 subsea trees, five HOST(R) (hinge-over subsea template) and production manifold systems, a water injection manifold, topside and subsea control systems and related equipment and services. We also were selected to provide continuing

(cont'd on pg.12)

Stuart Fleming, Subsea Assembly Technician, readies a subsea assembly for BP's Thunder Horse project. The BP Thunder Horse tree is the first vertical subsea tree in the industry designed to handle production pressures of 15,000 psi and temperatures of 350DEG.F, in waters more than a mile deep.

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FMC Energy Systems' Web-enabled Asset Management system is used by Alvin Brown, Service Technician, to check cement heads for Schlumberger. Our Asset Management system helps ensure that the right products are shipped to our customers' job sites on time and in top working condition.

FMC Energy Systems provides a comprehensive selection of integrated systems and stand-alone products for subsea completion and processing, wellhead, fluid control, hydrocarbon transfer, storage and production applications. We have one of the broadest ranges of product offerings in our peer group.

Manufacturing ramps up to MEET DEMAND for subsea trees

With about $823 million in backlog at year-end 2002, mostly for subsea systems, our Energy Production Systems business is focusing on fulfilling an ambitious production schedule in 2003.

FMC Energy Systems' manufacturing facilities in Dunfermline, Scotland; Houston, Texas; Kongsberg, Norway; Rio de Janeiro, Brazil; and Singapore produce complex subsea completion systems for use in the major offshore producing basins of the world. We built a record number of subsea systems in 2002 and expect to build about as many in 2003.

To meet these rapidly increasing demands, we completed an expansion of the Houston facility last year, adding additional office space, a new assembly bay, a new test pit and various other equipment designed to help execute the projects. We also expanded our facilities in Brazil. Our focus on execution enables us to reduce costs and lead time and to add even more value for our customers.

We have taken several steps to maximize execution while ramping up to produce greater volumes, including standardizing products and improving efficiency in the manufacturing area.

Because of our long-term relationships with major subsea operators, we are able to standardize key components of subsea trees. The more that we can standardize, the more we can reduce costs and lead times while also improving quality and safety. For example, Shell analyzed their projects in the Gulf of Mexico and determined that we could design a subsea system that meets the needs of most of their deepwater wells in the Gulf. They developed the standard, and we are building trees to meet that standard.

Building trees quickly requires improved efficiency. So we are working to reduce the time that it takes to perform each step in building a tree, including supply chain management, machining, welding and assembly processes. Throughout the process, we focus on ensuring that issues are addressed early and are not passed along to the next step.

In assembling a tree, we use a "pit crew" concept. The pit crew comprises all the talent and disciplines necessary to solve issues immediately, such as engineering, materials and quality support. Using this concept, tree assemblers are able to focus their efforts exclusively on building the tree. This has reduced our tree assembly time by 50 percent while enabling us to maintain high standards of quality and reliability.

Besides handling a large volume of work, our manufacturing teams are proud of their safety record. For example, in 2002, our Houston manufacturing facility reached 7.7 million hours without a lost-time accident, achieving one of the best safety records in the industry.

subsea equipment and services for extensions from TotalFinaElf's Girassol field development offshore Angola.

Offshore Brazil, we remained active in 2002, supplying equipment for Petrobras' Campos Basin developments. We provided subsea trees, manifolds and related equipment for Petrobras' Roncador and Albacora East fields, as well as pipeline-related equipment for the Barracuda and Caratinga fields. Our gas lift subsea manifold for the Roncador field, which was installed last year at a depth of 6,200 feet, set a world record for manifold installation water depth.

In the North Sea region, we signed a subsea production system frame agreement and a subsea service agreement extension with Statoil in 2002. We also were chosen by Statoil to provide a complete subsea production system, technical services and operations support for the Alpha North project, a satellite to the Sleipner West field. Norsk Hydro, one of our global alliance customers, selected us to supply subsea systems and related services for the Vigdis Extension field, offshore Norway. We also signed a cooperative agreement with Prosafe and Halliburton to provide a full range of light and medium well intervention services from an offshore support vessel in the North Sea. This agreement significantly enhances our subsea service capabilities in this region.

In addition, we struck agreements for SOFEC(TM) CALM buoy marine export terminals offshore Algeria and Ecuador. The multiyear, $240 million agreement in Algeria is with Sonatrach-TRC, the Algerian Oil and Gas Company, for the development of five offshore loading stations to transport crude oil and condensate from onshore facilities. Also, MODEC International LLC, our joint venture with MODEC Inc. of Tokyo, was chosen by El Paso Energy Partners to provide the engineering, procurement and construction of the hull, mooring and production riser system for Anadarko's Marco Polo project in the Gulf of Mexico. This project is anticipated to employ the world's deepest TLP (Tension Leg Platform).

While the U.S. surface rig activity level was low last year, certain areas of our surface wellhead business were active. One of those was our dry tree product line for offshore platforms. We signed a total vendor management frame agreement for surface wellhead solutions with Norsk Hydro last year. This agreement is part

Innovative SOLUTIONS DEVELOPED for BP Thunder Horse challenges

[LOGO OF BP]

The challenges of developing solutions for the HP/HT environment of the BP Thunder Horse field have driven a number of innovations by FMC Energy Systems. Two of the most notable developments are an ultra-deepwater, high-pressure riser system and Novolastic(TM) HT insulation.

At the outset of work on the solution for Thunder Horse, a great deal of effort focused on value engineering the subsea tree and riser system. The challenge was to scale up the traditional system to deal with the HP/HT environment while containing costs.

This effort was the start of a continuing series of new approaches to meeting the challenges of the ultra-deepwater environment, as well as the customer's requirements for unsurpassed safety and operational flexibility. The platform for Thunder Horse is anticipated to be the largest production semi-submersible ever built. It will be held in place by dynamic positioning, which puts considerable demands on the riser system. This aspect, along with the HP/HT and depth factors, as well as the force of the ocean current, demanded that we develop a unique riser system.

The system developed for Thunder Horse is the world's first 15,000 psi open-water riser system rated to 10,000 feet of water depth. It is designed to resist material fatigue by dealing with a wide range of changing forces over long periods of time due to ocean currents, water pressure, vessel motions and wave actions. Additionally, by employing a highly sophisticated control system, the riser is designed to facilitate multiple operations -- completion, well testing, intervention and workover -- on a large number of wells in succession, while affording a high degree of safety and protection for the environment.

A high-temperature insulation we developed for the Thunder Horse subsea tree is another unique, innovative solution. Our Novolastic(TM) HT insulation is designed to withstand internal temperatures of 350DEG.F and to retain its insulating properties under extreme ultra-deepwater conditions over a long period of time. Both the riser and insulation solutions we developed for BP's deep-water Gulf of Mexico projects are leading innovations on the threshold of the next generation of ultra-deepwater developments.

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Environmental, Health and Safety PERFORMANCE

We accept our responsibility to help protect human health, safety and the environment. This responsibility is a core value of the Company and has evolved through the leadership, dedication and teamwork of our employees.

Our Environmental, Health and Safety (EHS) performance is a vital concern of our customers, shareholders, employees and the communities in which we operate. In order to meet our EHS responsibilities, we:

- Continuously monitor employee health and safety;
- Communicate and work with communities, local emergency response teams, medical facilities and fire departments;
- Promote the safety and protection of the environment during transportation, storage and waste disposal;
- Maintain a cooperative working relationship with the government; and
- Responsibly serve our customers who want to operate and market environmentally safe products and protect their employees.

A number of our locations hold industry safety records in their respective industries, and company-wide we substantially outperform our peers. For example, in 2002, FMC Technologies' Total Recordable Incidence Rate (TRIR) was 1.24 and Lost Workday Incidence Rate (LWIR) was 0.31 per hundred full-time workers. According to the latest data from the U.S. Bureau of Labor Statistics, our rates compare with TRIRs of 8.1 and 6.1 and LWIRs of 1.8 and 2.0 per hundred full-time workers for the manufacturing and oil and gas industries, respectively.

While we are pleased with our employees' safety performance, we continually review procedures, practices and work environments in order to continuously improve. Our goal is to achieve an injury-free workplace while safeguarding the environment and our neighbors.

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FMC Energy Systems employees, including this team producing the subsea trees for ExxonMobil's Zafiro project, offshore West Africa, take pride in their environmental, health and safety performance.

of Norsk Hydro's "fully integrated supplier" strategy, in which the supplier serves as a project team member. It covers the supply of fully instrumented surface wellhead and tree systems, as well as related equipment and services, for Norsk Hydro's Grane, Oseberg-B, Oseberg-C and Brage platform projects in the North Sea. We also were chosen to supply dry tree systems for TotalFinaElf's Matterhorn and Murphy Oil's Front Runner projects in the Gulf of Mexico.

Our surface wellhead business also was active in Asia, Africa and the Middle East in 2002, providing equipment and services under long-term agreements with customers such as ExxonMobil Malaysia, Shell Sakhalin Island, Esso Chad, ExxonMobil Nigeria and Abu Dhabi Company in the United Arab Emirates.

The low U.S. land rig count levels in 2002 adversely affected sales for WECO(R) and Chicksan(R) products. Consequently, our fluid control business team focused on asset management activities for its substantial customer base. Flowline Asset

Management tracks and maintains high-pressure flowline equipment through a Web-enabled solution. This total solutions approach identifies the customer's equipment, tracks usage patterns and establishes inspection and repair intervals to ensure that the right products are shipped to the job site on time and in top working condition. By providing services directly to operators as well as major oilfield service firms such as BJ Services, Halliburton and Schlumberger, our asset management team helps provide optimal equipment utilization by ensuring consistently fast, safe, trouble-free flowline connections.

FMC FOODTECH COOKS UP SOLUTIONS FOR CUSTOMER SERVICE & FOOD SAFETY

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In 2002, FMC FoodTech reorganized to provide continuing high levels of service and a more thorough understanding of the issues facing our customers. Our business is organized to be a solutions provider for customers who value top-quality, technologically advanced equipment, as well as experience and strategic advice.

Our organization enables us to recommend integrated system solutions. This reduces the time our customers have to spend on processing issues, giving them more time to manage the rest of their businesses. This also provides customers with specifically tailored service and equipment options, on-site technical support and off-site equipment monitoring.

We provide solutions for a variety of customers. For example, FoodTech provided Conagra with an automated sterilization system, featuring our Automated Guided Vehicles, which requires no manual labor in the cooking process. In 2002, we also worked with Burgers' Ozark Country Cured Hams to fully automate their ham processing operation, including installing waterjet portioning systems. Burgers' management reports improved ham yields and decreased operating costs among the many benefits derived from this project.

FoodTech deploys global resources to serve customers worldwide. Over the past few years, we have installed 12 tomato processing lines in China's northwestern region. We also have provided training on agricultural practices, machinery for field preparation and seeding, tomato harvesters, preparation equipment, processing and packaging equipment, as well as initial technical and operational support.

One of FoodTech's top priorities is to provide customers with systems, advice and training that help them produce high-quality, safe food products. We advance this objective worldwide by conducting extensive food safety research, development and testing at our food technology centers in the United States, Europe and Asia.

Our systems are designed with built-in safety features. We provide food safety solutions in many food processing applications, such as cooking, frying, freezing and chilling; in-container sterilization and pasteurization; tomato and citrus processing; automatic clean-up systems; and food portioning.

FoodTech's GYRoCOMPACT(R) M7 Spiral freezer is an example of designed-in food safety. This freezer's design helps reduce the opportunity for the growth of microorganisms and helps prevent cross-contamination of food. The freezer's technology is based on designing equipment surfaces that are easy to reach and maintain.

Our aseptic fillers and sterilizers also help food companies deal with food safety issues. These systems offer the food processing industry a highly effective aseptic method of bulk packaging and sterilization processing.

Cooked food can become contaminated if it is not frozen or cooked at uniform temperatures. The less temperature variation there is in the oven, the safer the cooking process is. Our ovens are designed to prevent temperature variations that can threaten food safety.

While FoodTech staff helps train customers' employees in the optimal use of our systems, we also support and work with research centers at universities and other institutions committed to food safety, such as the National Center for

Food Safety Technology, the National Food Processors Association and the European Hygienic Engineering & Design Group. Our participation in these organizations helps advance the development of safe food processing technologies for the food industry.

This FMC FoodTech batch retort sterilization system is used by O-AT-KA Milk Products Cooperative in Batavia, New York, to process well-known name brands of canned evaporated milk, flavored specialty drinks and nutritional beverages.

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FMC FoodTech's state-of-the-art DSI 512 Portioner(TM) demonstrated here by Training Specialist William Johnson (left) and Dave Below, Applications and Sales Support (above), provides efficient, precise and flexible trimming, portioning and cutting of poultry, ham, beef and fish. This is the same model waterjet portioner that was installed at Burgers' Ozark Country Cured Hams in 2002.

How to say "LISTEN TO THE CUSTOMER" in Spanish

FMC Frigoscandia Equipment Iberica was established in Madrid in 1987, and this team's record of success has been built on listening to the customer and continually providing new solutions to the marketplace. Through strong relationships with the leading food processors in Spain and Portugal, this team had a very successful year in 2002.

About 60 percent of the Iberica team's sales are repeat orders, indicating a high level of customer satisfaction. Our team also holds memberships in various professional associations, such as "Centro Experimental del Frio," which allows them to promote our brand name and capabilities along with the benefits of their industry's products. Their active participation in industry organizations also plays a key role in emphasizing the importance of food safety.

In addition to achieving a significant share of the existing market for freezers, chillers and proofers, listening to customers and anticipating their needs also has enabled our Iberica team to develop and expand the market. The team constantly pursues innovative solutions encompassing a wide range of new products, such as freezing/glazing solutions for the fish industry and freezing/proofing solutions for the bakery industry.

Today, our Iberica team has an installed base of more than 300 freezers, chillers and proofers. These installations range across an extensive number of food industry segments, including bakery, meat, poultry, fish and seafood, ready-meals and vegetables.

FMC AIRPORT SYSTEMS CHARTS A FLIGHT PLAN FOR THE FUTURE

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The year 2002 was an extremely difficult one for the air transportation industry. Economic pressures caused commercial airlines to postpone or cancel equipment orders and significantly reduce planned capital expenditures.

Our Airport Systems business responded to these adverse business conditions by streamlining operations, cutting costs and redeploying employees and equipment. Three aspects of this business fared well in 2002 - the Halvorsen loader program for the U.S. Air Force, equipment for air freight customers and our growing airport services business.

By utilizing experience and manufacturing capabilities from our commercial business, we ramped up production of the Halvorsen loader in 2002 to meet increased demand from the Air Force. Last year, we delivered 133 Halvorsen loaders, compared to 19 units delivered in 2001. We also continued to supply the equipment needs of our air freight customers, such as FedEx and UPS.

Our airport services business also had an active year in 2002. This business was established in late 2000 when we recognized the need in the aviation industry for a service company that could add value through technology, a factory-certified workforce and in-depth aviation experience.

Exhibiting true customer-focus, we consulted with key customers while building our service business model, and we engaged customers to test the model and the maintenance management technology we developed. The resulting solution for customers comprises cost-effective, outsourced technical analysis and maintenance services for aviation ground support and gate equipment.

In airport services' first year of operation, Airport Systems' strong customer relationships enabled us to sell our expanded service concept to customers in various new locations.

With initial success established, the airport services team continued to introduce new service capabilities to the industry. Last year, we were awarded a contract by Continental Airlines to provide facilities maintenance and technology for Continental's Houston operations. In winning this contract, our team unseated a 12-year incumbent service provider.

By listening to the customer and developing a strategy and business model that responds to the unique requirements of the aviation industry, we built a "flight plan" for success. In less than two years, the airport services team succeeded in developing a new, profitable business for Airport Systems.

FMC Airport Systems provides cost effective, out-sourced technical analysis and maintenance services for aviation ground support and gate equipment. In 2002, we were awarded a contract by Continental Airlines to provide facilities maintenance and technology for Continental's Houston operations. Pictured is Matthew Foster, HVAC Technician.

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FMC Airport Systems delivered 133 Halvorsen loaders to the U.S. Air Force in 2002. Oscar Jeffers, Assembly Specialist, readies a Halvorsen loader in the final stages of assembly at our facility in Orlando, Florida.

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FMC Airport Systems DELIVERS 100th Halvorsen Loader

In 2002, FMC Airport Systems delivered the 100th Halvorsen loader to the U.S. Air Force's 437th Aerial Port Squadron. The event, celebrated at our facility in Orlando, Florida, featured Colonel Gail S. Halvorsen, U.S. Air Force (Retired), as keynote speaker.

The Halvorsen loader can carry up to 25,000 pounds of cargo and is designed to serve both military and certain commercial aircraft, which are routinely used by the Air Force for cargo operations. The loader is a lightweight vehicle that can be quickly reconfigured for shipment, driven into a variety of aircraft and flown to remote airfields close to battle. It plays a key role in the growing need and ability of the United States to respond rapidly to conflicts around the world.

Col. Halvorsen, for whom the loader is named, served as a C-47/C-54 transport pilot during World War II in the South Atlantic from 1944 to 1946. During his volunteer assignment in the Berlin Airlift (Operation Vittles), he instituted Operation Little Vittles by dropping small parachutes laden with candy to the children of Berlin, including those in East Berlin, thus earning the nickname, "The Candy Bomber."

In addition to Col. Halvorsen, the Orlando event featured Major General Arthur J. Lichte and Brigadier General Ted F. Bowlds, both of the U.S. Air Force. These three speakers praised the efforts of the Airport Systems Halvorsen loader team in meeting the military's needs for this important equipment. Other honored guests representing the U.S. Air Force included Major General Paul W. Essex and Major General George N. Williams.

In November, Airport Systems received a Halvorsen loader order from the Air Force for delivery in 2003, valued at approximately $35 million.

STRATEGIC

FMC EnergySystems

Energy Production Systems
- Subsea systems
- Surface and platform wellhead equipment
- Turret mooring systems and transfer buoys
- Tension Leg Platform and floating production technology

Energy Processing Systems
- Flowline products and manifold systems
- Loading systems
- Metering systems
- Material handling and conveying systems
- Blending and transfer systems

FMC FoodTech

- Freezing and chilling systems
- Coating and cooking equipment
- Frying and filtration equipment
- Waterjet portioning systems
- Potato processing systems
- Food handling systems
- Inspection detection systems (color sorters)
- Citrus processing systems
- Food processing systems (sterilization and pasteurization)
- Aseptic technology
- Packaging, conveying, optical sorting and seasoning systems
- Fresh produce protective coating and labeling systems

FMC AirportSystems

- Commercial and military loaders
- Deicers
- Push-back tractors
- Passenger boarding bridges
- Automated guided vehicles
- Airport services

COMPETITIVE STRENGTHS

FMC Energy Systems offers an industry-leading mix of integrated systems, stand-alone products and engineering expertise designed to meet the technical, economic and life cycle demands of customers on six continents. By focusing on the development of new technology and total capabilities solutions, FMC Energy Systems offers customers added value across its energy product lines. FMC Energy Systems' deepwater subsea expertise and experience position us as the technology leader for the growing subsea area.

Concentrating on the convenience food, fruit, vegetable and protein segments of the industry, FMC FoodTech designs, manufactures and services a comprehensive range of solutions for the world's largest food processors and suppliers to retailers, fast-food chains, institutions and commercial restaurants. Our equipment processes a majority of the citrus juice produced globally and freezes about half of the world's commercially frozen foods. FMC FoodTech's poultry processing solutions are used by industry leaders such as Tyson Food and Pilgrim's Pride, and FMC FoodTech products sterilize a significant portion of the world's canned foods.

As an industry-leading supplier to the air transportation industry, FMC Airport Systems provides a range of equipment, such as loaders, deicers, boarding bridges and push-back tractors. Our knowledge base extends into airport planning, apron layout and gate operation, computerized controls and airport management systems. FMC Airport Systems is a global leader in providing products and services that significantly advance the operational efficiency of airports, airlines and air cargo companies, as well as the efficient and reliable cargo handling needs of the military.

OUTLOOK

MARKET OPPORTUNITIES

The trend of energy exploration into increasingly deeper offshore environments should emphasize the need for solutions based on innovative technologies and proven subsea expertise. Third-party surveys of planned capital expenditures for global exploration and production in 2003 indicate that spending will be in excess of $130 billion, a 4 percent increase over 2002. A major portion of that is anticipated to be for deepwater activities. Stringent industry requirements for both land-based and offshore operations continue to create opportunities for providers of cost-competitive, value-added products and services, such as FMC Energy Systems. In addition, the growing installed base of equipment and systems should provide increasing intervention service opportunities.

To maintain profitability, food processors are being pressured to become more efficient and reduce costs. As a result, they are consolidating as well as seeking technologically sophisticated, integrated systems and services. These trends present potential opportunities for solutions providers, such as FMC FoodTech, which can maximize the efficiency of food processors' operations while helping them maintain high standards of food safety. As the economy improves, market opportunities should expand in this business.

The air transportation industry faces difficult challenges. Commercial passenger airlines are expected to maintain very stringent cost-containment efforts. Air freight companies are anticipated to moderate their capital expenditures for the foreseeable future. In the near term, we believe that our best market opportunities in this segment will be in supplying military cargo handling equipment and improving international market share. We accelerated the Halvorsen loader program deliveries in 2002 and continue to work with the U.S. Air Force to support expected needs for operations support equipment. In addition, airports and airlines are expected to outsource services that can help lower their operating costs, which may provide further opportunities for our recently established airport services business.

STRATEGIES FOR 2003

Focus on executing major, long-term subsea alliance projects.

Further develop standardized subsea processes to improve customer value while enhancing margins.

Maintain our deepwater technology leadership and focus.

Expand our intervention services throughout our energy operations.

Maintain our leadership position in completion equipment for FPSO, TLP/Spar and offshore platform markets.

Utilize our low-cost position to capture additional market share as the economy recovers.

Capitalize on the advantages of our integrated organization to recommend system solutions - from fryer to freezer - for our customers.

Leverage our large installed base by providing extensive aftermarket services.

Continue to execute the Halvorsen loader program for the U.S. Air Force while exploring opportunities for expanding our participation in military markets for all of our equipment.

Expand our global reach by leveraging our installed base and customer relationships.

Grow our service business by providing technical maintenance and support services directly to airports and airlines.

Position our commercial ground support and passenger boarding bridge businesses for profitability when the commercial airline business recovers.

GLOSSARY OF INDUSTRY TERMS

CALM (Catenary Anchor Leg Mooring) Buoy - a flexible marine export terminal system that utilizes a fixed, floating buoy anchored to the seabed. The system enables fluids to be transferred between a moored tanker and either onshore or offshore facilities.

CHRISTMAS TREE - an assembly of control valves, gauges and chokes at the surface that control oil and gas flow in a completed well. Christmas trees installed on the ocean floor are referred to as subsea, or "wet," trees. Christmas trees installed on platforms are referred to as "dry" trees.

DEEPWATER - generally defined as operations in water depths of 1,500 feet or greater.

DEVELOPMENT WELL - a well drilled in a proven field to complete a pattern of production.

DYNAMIC POSITIONING - systems that use computer-controlled directional propellers to keep a drilling or production vessel (such as a semi-submersible) stationary relative to the seabed, compensating for wind, wave or current.

FLOW CONTROL EQUIPMENT - mechanical devices for the purpose of directing, managing and controlling the flow of produced or injected fluids.

FPSO (Floating Production, Storage and Offloading) SYSTEM - a system contained on a large, tanker-type vessel and moored to the seafloor. An FPSO is designed to process and stow production from nearby subsea wells and to periodically offload the stored oil to a smaller shuttle tanker, which transports the oil to onshore facilities for further processing.

FSO (Floating Storage and Offloading) SYSTEM - essentially the same as an FPSO without the production facilities.

HP/HT (High-Pressure/High-Temperature) - refers to deepwater environments producing pressures as great as 15,000 pounds per square inch (psi) and temperatures as high as 350 degrees Fahrenheit (DEG.F).

INTERVENTION SYSTEM - a system used for deployment and retrieval of equipment such as subsea control modules, flow control modules and pressure caps; also used to perform pull-in and connection of umbilicals and flowlines and to enable diagnostic and well manipulation operations.

JUMPERS - connections for various subsea equipment, including tie-ins between trees, manifolds or flowline skids.

MANIFOLD - a subsea assembly that provides an interface between the production pipeline and flowline and the well. The manifold performs several functions, including collecting produced fluids from individual subsea wells, distributing the electrical and hydraulic systems and providing support for other subsea structures and equipment.

RISERS - the physical link between the seabed and the topside of offshore installations, for production, gas lift or water injection purposes. Risers can be either rigid or flexible and are critical components of these types of installations.

SALM (Single Anchor Leg Mooring) System - a mooring system utilizing a single anchor base and single riser, designed to operate as an unmanned marine terminal.

SEMI-SUBMERSIBLE RIG - a mobile offshore drilling or production unit that floats on the water's surface above the subsea wellhead and is held in position either by anchors or dynamic positioning. The semi-submersible rig gets its name from pontoons at its base which are empty while being towed to the drilling location and are partially filled with water to steady the rig over the well.

SPM (Single Point Mooring) SYSTEM - a mooring system that allows a tanker to weathervane around a mooring point.

SPAR PLATFORM - named for logs used as buoys in shipping and moored in place vertically; developed as an alternative to conventional platforms. A Spar platform consists of a large-diameter, single vertical cylinder supporting a deck.

SUBSEA SYSTEM - ranges from single, subsea wells producing to a nearby platform, floating production system or TLP to multiple wells producing through a manifold and pipeline system to a distant production facility.

SUBSEA TREE - a "Christmas tree" installed on the ocean floor. Also called a "wet" tree.

TLP (Tension Leg Platform) - an offshore drilling platform attached to the seafloor with tensioned steel tubes. The buoyancy of the platform applies tension to the tubes.

TOPSIDE - refers to the oil production facilities above the water, usually on a platform or production vessel, as opposed to subsea production facilities. Also refers to the above-water location of certain subsea system components, such as some control systems.

TRUSS SPAR PLATFORM - modified version of the floating production Spar that features an open truss in the lower hull, which reduces weight significantly and lowers overall cost.

ULTRA-DEEPWATER - usually refers to operations in water depths of 5,000 feet or greater.

UMBILICALS - connections between topside equipment and subsea equipment. The number and type of umbilicals vary according to field requirements, and umbilicals may carry the service line, hydraulic tubes and electric cables and/or fiber optic lines.

WELLHEAD - the surface termination of a wellbore that incorporates facilities for installing casing hangers during the well construction phase. The wellhead also incorporates a means of hanging the production tubing and installing the Christmas tree and surface flow-control facilities in preparation for the production phase of the well.

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COMMUNITY involvement

FMC Technologies supports and is involved in a broad spectrum of activities and programs that benefit the communities in which we do business and our employees live. We proudly support community organizations around the world by sponsoring projects, encouraging employee volunteerism and making financial contributions.

In 2002, we supported numerous civic, educational, health, cultural and arts organizations and institutions. This included direct contributions, as well as support through our Matching Gift and Donations for Doers programs.

Our Matching Gift Plan provides significant support - through both company and employee contributions - to strengthen not-for-profit organizations worldwide. This plan supports higher education, as well as primary and secondary education and arts and cultural organizations. Providing a one-for-one match, the plan is designed to double the financial contributions made by employees.

We established the Donations for Doers program to recognize and encourage community service. This program matches volunteer hours to eligible not-for-profit organizations with a financial contribution from FMC Technologies. Through this program, recipient organizations benefit twice from employee community service: first, from the benefits achieved through the donation of our employees' time; and second, from our financial contribution.

FMC Technologies is proud to be a member of the National Corporate Leadership group of the United Way. In the United States in 2002, over 70 percent of our employees contributed to the United Way, and employee participation at our two largest domestic locations was more than 90 percent.

FMC Technologies and our employees are committed to enhancing the quality of life in the communities where we work and live.

DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

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Officer, FMC Technologies, Inc.

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James R. Thompson/2/
Former Governor of Illinois; Chairman,
Chairman of the Executive Committee and
Partner, Law Firm of Winston & Strawn

/1/ Audit Committee
/2/ Compensation and Organization Committee

OFFICERS

Joseph H. Netherland*
Chairman, President and Chief Executive Officer

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

Charles H. Cannon, Jr.*
Vice President - FMC FoodTech and
FMC Airport Systems

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Vice President, General Counsel and Secretary

Randall S. Ellis
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Peter D. Kinnear*
Vice President - FMC Energy Systems

Ronald D. Mambu*
Vice President and Controller

Michael W. Murray
Vice President - Human Resources

Robert L. Potter*
Vice President - FMC Energy Systems

* Executive Officer

Financial Review

MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITION & RESULTS OF OPERATIONS

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statement under the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995: FMC Technologies, Inc. and its representatives may from time to time make written or oral statements that are "forward-looking" and provide other than historical information, including statements contained in this report, our 2002 Annual Report on Form 10-K, our other filings with the Securities and Exchange Commission or communications to our stockholders. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any results, levels of activity, performance or achievements expressed or implied by any forward-looking statement. These factors include, among other things, the risk factors listed below.

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 and phrases. Such forward-looking statements are based on our current views and assumptions regarding future events, future business conditions and our outlook based on currently available information. These 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. We wish to caution you not to place undue reliance on any such forward-looking statements, which speak only as of the date made and involve judgments.

In connection with the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995, we are hereby identifying important factors that could affect our financial performance and could cause our actual results for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements.

Among the factors that could have an impact on our ability to achieve operating results and growth plan goals are:

- Significant competition;

- The impact of unforeseen economic and political changes in the international markets in which we compete, including changes in currency exchange rates, war, terrorist attacks and activities, civil unrest, inflation rates, recessions, trade restrictions, foreign ownership restrictions and economic embargoes imposed by the United States or any of the foreign countries in which we do business; changes in governmental laws and regulations and the level of enforcement of these laws and regulations; other governmental actions; and other external factors over which we have no control;

- The impact of significant changes in interest rates or taxation rates;

- Increases in raw material prices compared with historical levels, or shortages of raw materials;

- Underestimating labor or other internal costs;

- Inherent risks in the marketplace associated with new product introductions and technologies;

- Changes in capital spending by customers or consolidation of customers in the petroleum exploration, commercial food processing or airline or airfreight industries or by the U.S. government;

- Risks associated with developing new manufacturing processes;

- Fluctuations in the price of crude oil or natural gas;

- The impact of freight transportation delays beyond our control;

- Our ability to integrate, operate and manage possible future acquisitions or joint ventures into our existing operations; for example, we own a 37.5% interest in the MODEC joint venture, cannot control the actions of our joint venture partner and have only limited rights in controlling the actions of the joint venture;

- Conditions affecting domestic and international capital markets;

- Unexpected changes in the size and timing of regional and/or product markets, particularly for short lead-time products;

- Risks derived from unforeseen developments in industries served by us, such as political or economic changes in the energy, food processing or airline industries, and other external factors over which we have no control;

- Risks associated with litigation, including changes in applicable laws; the development of facts in individual cases; settlement opportunities; the actions of plaintiffs, judges and juries; and the possibility that current reserves relating to our ongoing litigation may prove inadequate;

- The effect of the loss of major contracts or losses from fixed-price contracts;

- The loss of key management or other personnel;

- Developments in technology of competitors; and

- Environmental and asbestos-related liabilities that may arise in the future that exceed our current reserves.

We wish to caution that the foregoing list of important 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.

OVERVIEW

We design, manufacture and service technologically sophisticated systems and products for our customers through our Energy Production Systems, Energy Processing Systems, FoodTech and Airport Systems business segments. Energy Production Systems is a supplier of systems and services used in the offshore, particularly

deepwater, exploration and production of crude oil and natural gas. Energy Processing Systems is a provider of specialized systems and products to customers involved in the production, transportation and processing of crude oil, natural gas and other energy related products. FoodTech is a supplier of technologically sophisticated food handling and processing systems and products to industrial food processing companies. Airport Systems provides technologically advanced equipment and services for airlines, airports, airfreight companies and the U.S. military.

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 we sold 17.0% of our common stock to the public.

Through May 31, 2001, FMC Corporation operated the businesses of FMC Technologies as internal units of FMC Corporation through various divisions and subsidiaries, or through investments in unconsolidated affiliates. As of June 1, 2001, FMC Corporation contributed to FMC Technologies substantially all of the assets and liabilities of, and its interests in, the businesses that compose FMC Technologies, Inc. and consolidated subsidiaries (the "Separation").

During June 2001, FMC Technologies borrowed $280.9 million under two revolving debt agreements and received proceeds of $207.2 million from the initial public offering. Under the terms of the Separation and Distribution Agreement (the "SDA") between FMC Corporation and FMC Technologies, in exchange for the assets contributed by FMC Corporation to FMC Technologies, FMC Technologies remitted $480.1 million of the proceeds of the debt and equity financings to FMC Corporation, net of $8.0 million of proceeds used to cover the expenses of the initial public offering.

On December 31, 2001, FMC Corporation distributed its remaining 83.0% ownership of FMC Technologies' common stock to FMC Corporation's shareholders in the form of a dividend (the "Distribution").

Our financial statements for periods prior to June 1, 2001, were carved out from the consolidated financial statements of FMC Corporation using the historical results of operations and bases of the assets and liabilities of the transferred businesses. For periods prior to June 1, 2001, the financial information we present may not necessarily be indicative of what our operating results or cash flows would have been had we been a separate, stand-alone entity during the periods presented.

The SDA contained key provisions relating to the Separation. Under the terms of the SDA, FMC Corporation and FMC Technologies completed a "true-up" process to identify any required adjustments to the original allocation of assets and liabilities at the Separation. We recorded these adjustments as increases or decreases in the applicable assets and liabilities with an offset to capital in excess of par value of common stock.

A Transition Services Agreement (the "TSA") that we entered into with FMC Corporation governed the provision of support services by FMC Corporation to FMC Technologies and by FMC Technologies to FMC Corporation during the period subsequent to the Separation. At December 31, 2002, transition services between the companies ceased with the exception of payroll and certain benefit administration services. Currently, FMC Corporation and FMC Technologies utilize a common payroll and benefit administration service center; however, we expect to be fully transitioned to a separate payroll and benefit administration service center in 2003.

CONSOLIDATED RESULTS OF OPERATIONS

Consolidated Revenue

Our total revenue for fiscal year 2002 increased 7% to $2.07 billion, as higher revenue for Energy Production Systems reflected a strong market for subsea systems, which we supply to exploration and production companies for use in major offshore oil and gas producing regions throughout the world. The increase in revenue was partially offset by lower revenue from our other business segments, reflecting difficult market conditions.

Our total revenue for the year ended December 31, 2001 increased 3% when compared with the year ended December 31, 2000, as higher revenue for Energy Production Systems, Airport Systems and Energy Processing Systems was partially offset by a decrease in FoodTech revenue, as FoodTech customers responded to global economic weakness by reducing capital expenditures.

Consolidated Income

Before the cumulative effect of changes in accounting principles in both years, pre-tax income in 2002 increased to $90.3 million ($64.1 million after tax), from pre-tax income in 2001 of $63.5 million ($39.4 million after tax). The increase in 2002 pre-tax income of $26.8 million was primarily attributable to the absence of restructuring and asset impairment charges, lower amortization expense related to the implementation of Statement of Financial Accounting Standards ("SFAS") No. 142, reduced corporate expense and higher profit from our Energy Production Systems business segment. The increase was partially offset by the negative impact of other expense, net, and reduced profit from our Energy Processing Systems and Airport Systems businesses.

Income before income taxes and the cumulative effect of a change in accounting principle in 2001 of $63.5 million ($39.4 million after tax) was lower when compared with pre-tax income in 2000 of $90.6 million ($67.9 million after tax). The decrease of $27.1 million in pre-tax income in 2001 was primarily attributable to a reduction in our FoodTech business operating profit, higher restructuring charges and an increase in net interest expense.

The following is a reconciliation of after-tax profit (pro forma basis), which is a non-GAAP financial measure, to net income (loss) measured on the basis of U.S. generally accepted accounting principles:

(In millions)	Year Ended December 31		
	2002	2001	2000
After-tax profit (pro forma basis)	$ 64.1	$ 54.0	$ 64.2
Less: Restructuring and asset impairment charges, net of income taxes	-	(10.4)	(6.9)
Less: Income tax charges related to the Separation	-	(8.9)	-
Plus: Pro forma interest expense, net of income taxes	-	4.7	10.6
Income before the cumulative effect of changes in accounting principles	64.1	39.4	67.9
Cumulative effect of changes in accounting principles, net of income taxes	(193.8)	(4.7)	-
Net income (loss)	$ (129.7)	$ 34.7	$ 67.9

Before the cumulative effect of changes in accounting principles in both years, our after-tax profit for the year ended December 31, 2002, of $64.1 million increased by $10.1 million when compared with after-tax profit (pro forma basis) for the year ended December 31, 2001, of $54.0 million. The increase in 2002 was primarily attributable to lower amortization expense related to the implementation of SFAS No. 142, reduced corporate expense and higher profit from our Energy Production Systems business, partially offset by the negative impact of other expense, net, and reduced profit from our Energy Processing Systems and Airport Systems businesses.

Our after-tax profit (pro forma basis) for the year ended December 31, 2001, of $54.0 million was lower when compared with after-tax profit (pro forma basis) for the year ended December 31, 2000, of $64.2 million. The decrease in 2001 reflected a reduction in segment operating profit, primarily attributable to our FoodTech business, which experienced lower sales volume in 2001.

Outlook for 2003

Growth in sales of subsea systems within our Energy Production Systems business segment is driving our expectation that diluted earnings per share for fiscal 2003 will be in the range of $1.05 to $1.10. We expect to achieve these results despite difficult market conditions that continue to affect our FoodTech and Airport Systems businesses.

Pro Forma Adjustments

Restructuring and asset impairment charges. In 2001, we recorded restructuring and asset impairment charges totaling $16.8 million before taxes ($10.4 million after tax), consisting of restructuring charges of $15.5 million and an asset impairment charge of $1.3 million.

Our decision to restructure our operations in 2001 was based on the slowing U.S. and global economies and a reduction in airline travel. We lowered our cost structure by reducing headcount in each of our business segments and at our corporate office and by consolidating certain facilities in our FoodTech and Airport Systems businesses. Restructuring charges of $5.1 million related to planned reductions in workforce of 121 individuals in the Energy Processing Systems businesses; $1.1 million related to 31 planned reductions in workforce in the Energy Production Systems businesses; $5.2 million related to planned reductions in workforce of 170 positions in the FoodTech businesses; $3.7 million related to a planned plant closing and restructuring activities, including 244 planned workforce reductions, in the Airport Systems businesses; and $0.4 million for other corporate initiatives. The asset impairment charge reflected the write-off of goodwill associated with a FoodTech product line, which we decided not to develop further.

In 2000, we recorded restructuring and asset impairment charges totaling $11.3 million before taxes ($6.9 million after tax). On a pre-tax basis, this amount consisted of restructuring charges of $9.8 million and an asset impairment charge of $1.5 million. We made strategic decisions to restructure certain FoodTech operations and recorded an $8.0 million charge for reductions in workforce of 236 individuals. Restructuring charges of $1.4 million at Energy Production Systems included severance costs related to reductions in workforce of 68 individuals as a result of the delay in orders received from oil and gas companies for major systems. Restructuring charges of $0.4 million related to a reduction in our corporate workforce. Asset impairments of $1.5 million were required to write down certain Energy Production Systems equipment, as estimated future cash flows attributed to these assets indicated that an impairment had occurred.

Income tax charges. In 2001, we recorded $8.9 million in charges for income taxes associated with the repatriation of offshore earnings and the reorganization of FMC Technologies' worldwide entities in anticipation of the Separation.

Pro forma interest expense. For periods prior to June 1, 2001, our results are carved out from the consolidated financial statements of FMC Corporation. For 2001, we calculated pro forma incremental interest expense of $6.3 million before taxes ($4.7 million after tax), representing an estimate of the additional interest expense that we would have incurred prior to June 1, 2001, had we been a stand-alone entity. For 2000, we calculated pro forma incremental interest expense of $14.0 million before taxes ($10.6 million after tax). These estimates assume that we had been operating independently prior to June 1, 2001; that we were paying a 6.0% interest rate on debt; and that our debt, net of cash, was $300.5 million after repurchasing $38.0 million of accounts receivable previously sold in connection with FMC Corporation's accounts receivable financing program.

Cumulative Effect of Changes in Accounting Principles

On January 1, 2002, we adopted the provisions of SFAS No. 141, "Business Combinations," and SFAS No. 142, "Goodwill and Other Intangible Assets." The standards collectively provide new guidance for the recognition, amortization and continuing valuation of goodwill and other intangible assets acquired in a business combination. SFAS No. 141 prohibits the use of the pooling of interests method of accounting for a business combination. The adoption of SFAS No. 141 did not have an impact on our historical financial statements. 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.

Goodwill amortization expense recognized in 2001 and 2000 was as follows:

(In millions)	Year Ended December 31	
	2001	2000
Energy Production Systems	$ 3.1	$ 3.4
Energy Processing Systems	4.7	4.6
Subtotal Energy Systems	7.8	8.0
FoodTech	4.6	4.4
Airport Systems	0.6	0.8
Total goodwill amortization expense	$ 13.0	$ 13.2
Total goodwill amortization expense (net of income taxes)	$ 9.9	$ 10.0

On January 1, 2001, we implemented, on a prospective basis, SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended, resulting in a loss from the cumulative effect of a change in accounting principle of $4.7 million, net of an income tax benefit of $2.9 million.

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, restructuring and asset impairment charges and other expense, net.

The following table summarizes our operating results for the years ended December 31, 2002, 2001 and 2000:

(In millions)	Year Ended December 31			Favorable/(Unfavorable)			
	2002	2001	2000	2002 vs. 2001		2001 vs. 2000	
REVENUE:							
Energy Production Systems	$ 940.3	$ 725.9	$ 667.9	$ 214.4	30%	$ 58.0	9%
Energy Processing Systems	395.9	400.0	370.7	(4.1)	(1)	29.3	8
Intercompany eliminations	(1.4)	(0.6)	(1.3)	(0.8)	*	0.7	*
Subtotal Energy Systems	1,334.8	1,125.3	1,037.3	209.5	19	88.0	8
FoodTech	496.9	512.9	573.3	(16.0)	(3)	(60.4)	(11)
Airport Systems	245.1	299.8	267.2	(54.7)	(18)	32.6	12
Intercompany eliminations	(5.3)	(10.1)	(2.6)	4.8	*	(7.5)	*
Total revenue	$ 2,071.5	$ 1,927.9	$ 1,875.2	$ 143.6	7%	$ 52.7	3%
SEGMENT OPERATING PROFIT:							
Energy Production Systems	$ 50.4	$ 41.1	$ 45.5	$ 9.3	23%	$ (4.4)	(10)%
Energy Processing Systems	27.1	30.8	26.9	(3.7)	(12)	3.9	14
Subtotal Energy Systems	77.5	71.9	72.4	5.6	8	(0.5)	(1)
FoodTech	43.3	39.6	53.8	3.7	9	(14.2)	(26)
Airport Systems	15.8	18.1	15.2	(2.3)	(13)	2.9	19
Total segment operating profit	136.6	129.6	141.4	7.0	5	(11.8)	(8)
Corporate expenses	(24.1)	(33.8)	(33.7)	9.7	29	(0.1)	-
Other expense, net	(9.7)	(4.4)	(1.5)	(5.3)	(120)	(2.9)	(193)
Operating profit before asset impairments, restructuring charges, net interest expense and income taxes	102.8	91.4	106.2	11.4	12	(14.8)	(14)
Asset impairments	-	(1.3)	(1.5)	1.3	*	0.2	13
Restructuring charges	-	(15.5)	(9.8)	15.5	*	(5.7)	(58)
Net interest expense	(12.5)	(11.1)	(4.3)	(1.4)	(13)	(6.8)	(158)
Income before income taxes and the cumulative effect of changes in accounting principles	90.3	63.5	90.6	26.8	42	(27.1)	(30)
Provision for income taxes	26.2	24.1	22.7	(2.1)	(9)	(1.4)	(6)
Income before the cumulative effect of changes in accounting principles	64.1	39.4	67.9	24.7	63	(28.5)	(42)
Cumulative effect of changes in accounting principles, net of income taxes	(193.8)	(4.7)	-	(189.1)	*	(4.7)	*

Net income (loss)	$ (129.7)	$ 34.7	$ 67.9	$ (164.4)	*	$ (33.2)	(49)%

* Not meaningful

Energy Production Systems

2002 Compared With 2001

Increased revenue in 2002 was attributable to strong sales of subsea systems and, to a lesser extent, floating production systems, continuing the trend toward offshore development of deepwater oil and gas fields. Subsea customers in 2002 included Shell and BP in the Gulf of Mexico, ExxonMobil offshore West Africa, Petrobras offshore Brazil and Statoil and Norsk Hydro in the North Sea. We saw our sales of floating production equipment recover in 2002, as higher volumes reflected sales to Esso in Chad, Conoco in Vietnam, Techint in Ecuador, and Shell (formerly Enterprise Oil) in Brazil. Our surface sales were relatively flat when compared with 2001, as higher sales of offshore platform surface equipment were offset by the impact of lower rig counts for U.S. land-based exploration and production activity.

Increased operating profit in 2002 resulted from our progress on deepwater subsea projects for major oil companies, the recovery of our floating production sales from depressed activity levels in the prior period, and lower operating and amortization expense. Lower amortization expense was attributable to the implementation of SFAS No. 142. The favorable earnings impact related to strong sales volume of subsea and floating production systems was partially offset by the impact of lower margins in 2002 from projects involving higher engineering content and pass-through billings associated with our role as general contractor.

2001 Compared With 2000

Higher sales of land and offshore wellhead equipment and subsea systems were driven by an increase in exploration and production activity by oil and gas companies due to higher crude oil and natural gas prices. Additionally, our customers decided to shift a higher percentage of exploration and production spending to offshore projects. These increases were partially offset by a decrease in sales of floating production equipment attributable to project delays by customers.

Energy Production Systems' operating profit in 2001 decreased when compared with 2000, as increases in operating profit from higher sales volumes of land and offshore equipment were more than offset by reduced profitability from the subsea and floating production businesses. In addition, profit was negatively affected by adverse changes in sales mix, including the winding down of deliveries of floating production equipment in 2001 for the Petro Canada Terra Nova project.

Outlook for 2003

Based upon strong 2002 year-end subsea and floating production order backlog positions, we project that Energy Production Systems' revenue and operating profit will continue to increase in 2003. In addition, we expect to see slight improvement in the North American surface market from the depressed activity levels experienced in 2002. However, adverse developments in the political and economic environments in Latin America, the Middle East, and other regions could negatively impact this business.

Energy Processing Systems

2002 Compared With 2001

Slightly lower revenue for Energy Processing Systems in 2002 was primarily attributable to the impact of reduced North American drilling activity on sales of WECO(R)/Chiksan(R) equipment. In addition, we experienced lower sales in our material handling and blending and transfer businesses. Partially offsetting the decline in revenue were higher sales of marine loading arms, the result of increased demand for new and upgraded marine loading and unloading facilities worldwide.

Lower operating profit was primarily attributable to lower volumes of WECO(R)/Chiksan(R) equipment, as land-based oilfield exploration and development spending and infrastructure spending remained at low levels in 2002 due to continued uncertainty surrounding the economy and energy prices. Partially offsetting the decrease in operating profit was the favorable effect of reduced amortization expense in 2002, due to the implementation of SFAS No. 142, and the positive impact of lower operating costs resulting from restructuring programs initiated in 2001.

2001 Compared With 2000

Energy Processing Systems' revenue in 2001 increased when compared with 2000, as increased sales of fluid control equipment, and to a lesser extent, loading systems and measurement solutions, were partially offset by lower sales of blending and transfer equipment. The increase in revenue relating to fluid control equipment reflected higher volumes to the oilfield service company market and the positive effect of improved pricing. Shipments of marine loading arms contributed to the revenue increase, while lower sales of blending and transfer equipment reflected continued delays in orders for material handling systems.

Energy Processing Systems' improved operating profitability in 2001 when compared with 2000 was attributable to higher volumes for fluid control equipment and increased demand for loading systems. Improved performance in 2001 was partly offset by project delays and market weakness in our blending and transfer business. Margins in the measurement solutions business improved as a result of ongoing restructuring activity. However, a reduced level of investment in pipeline and terminal infrastructure by our customers resulted in continued weakness in measurement markets.

Outlook for 2003

Management is projecting that 2003 sales will be driven somewhat by increased demand for WECO(R)/Chiksan(R) equipment, based on a modest increase in oilfield exploration and development spending. In addition, higher demand for marine loading arms is expected to continue in 2003. Increased energy infrastructure spending should favorably impact our material handling and blending and transfer systems businesses. Profit in 2003 is expected to improve; however, pricing pressure is expected to intensify and could partially offset the profit impact of increased sales volumes and continued cost reduction efforts.

In the fourth quarter of 2002, management committed to a plan to divest the assets and liabilities associated with research and development of one type of measurement equipment.

FoodTech

2002 Compared With 2001

FoodTech's decrease in revenue from 2001 reflected reduced sales of cooking and freezing equipment in North America, partially offset by higher sales of food processing and cooking equipment in Asia and, to a lesser extent, increased sales of freezing equipment in Europe and Asia.

The impact of reduced revenue on FoodTech's operating profit was offset by a decrease in expenses resulting from restructuring activities initiated in 2001 in various food processing businesses and the absence of goodwill amortization expense in 2002.

2001 Compared With 2000

FoodTech's revenue in 2001 decreased when compared with 2000. Lower revenue in 2001 was primarily the result of decreased sales of tomato processing and food sterilization equipment, reflecting the impact of global economic weakness. This weakness led customers to reduce capital expenditures and particularly affected the sales of freezing, harvesting and poultry processing equipment. Additional sales of food handling equipment, resulting from the acquisition of Allen Machinery in late 2000, partially offset the decrease in revenue.

Operating profit for FoodTech decreased when compared with 2000. The decrease in profitability was primarily the result of lower volumes and operating profit for tomato processing, food sterilization equipment and freezing systems. Cost savings from the restructuring of various food processing businesses somewhat offset the reduction in FoodTech's operating profit caused by decreased revenue.

Outlook for 2003

Weak U.S. economic conditions have caused customers to postpone capital investments. Consolidation in the food industry has also delayed capital expenditures while the merged companies restructure their operations. Furthermore, we expect an unfavorable impact due to the forecast for significantly reduced citrus crops in both Florida and Brazil. Consequently, management is not forecasting revenue growth for 2003. However, we expect slight improvements in operating profitability for full-year 2003 as a result of the favorable impact of our continued cost-cutting initiatives.

Airport Systems

2002 Compared With 2001

Airport Systems' revenue decreased in 2002 when compared with 2001, reflecting lower sales of airport ground support equipment and Jetway(R) passenger boarding bridges primarily as a result of commercial airlines' deferral of capital expenditures due to the industry's financial difficulties. Partially offsetting this decrease were increased sales of Halvorsen loaders to the U.S. Air Force. We delivered 133 Halvorsen loaders in 2002, compared to 19 loaders delivered during 2001.

Airport Systems' operating profit in 2002 decreased when compared with 2001, primarily due to lower sales volumes of airport ground support equipment. The profit impact related to reduced volumes of commercial airline ground support equipment was mitigated by increased sales volumes of Halvorsen loaders to the U.S. Air Force and the benefit of a lower cost structure, the result of restructuring actions that we initiated following the events of September 11, 2001.

2001 Compared With 2000

Airport Systems' revenue in 2001 increased when compared with 2000. This revenue increase in 2001 was primarily attributable to sales of the Halvorsen loader to the U.S. Air Force, increased sales of loaders to air freight companies and higher sales of ground support equipment to European locations. These increases were partially offset by lower sales of Jetway(R) passenger boarding bridges and reduced capital expenditures by commercial airlines, the latter attributable to cancellations or delays of orders for ground support equipment after September 11, 2001.

Operating profit for Airport Systems increased when compared with 2000. The increase was primarily attributable to revenue from sales of Halvorsen loaders and, to a lesser extent, the increase in sales of loaders to air freight companies, partially offset by lower volumes and margins in the Jetway(R) business.

Outlook for 2003

We expect that the weak financial position of the commercial airlines will continue to negatively affect Airport Systems in 2003, and we do not expect a significant rebound in the near future. This will be offset to a limited extent by revenue and profit from the continuation of the Halvorsen loader program. We expect to deliver 88 Halvorsen loaders in 2003. Given these factors, we expect full-year 2003 revenues to be either flat or down slightly, and profits to decline primarily due to lower sales of Halvorsen loaders.

Order Backlog

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

(In millions)	Order Backlog December 31	
	2002	2001

Energy Production Systems	$ 822.5	$ 570.9
Energy Processing Systems	110.0	105.0
Subtotal Energy Systems	932.5	675.9
FoodTech	107.2	121.4
Airport Systems	112.0	163.4
Total order backlog	$ 1,151.7	$ 960.7

The portion of total order backlog at December 31, 2002, that we project will be recorded as revenue after fiscal year 2003 amounts to $243.5 million.

When compared with December 31, 2001, Energy Production Systems' order backlog increased significantly, primarily as a result of strong orders for subsea and floating production equipment. Significant orders received in 2002 that caused order backlog to increase included projects for BP and Norsk Hydro for subsea systems and Sonatrach for floating production systems. Order backlog for surface equipment was relatively flat, as higher demand for offshore platform equipment was largely offset by lower orders for land-based systems.

Energy Processing Systems' order backlog increased compared to December 31, 2001, primarily as a result of the timing of project orders for both measurement systems and blending and transfer, partially offset by lower backlog for WECO(R)/Chiksan(R) equipment. Lower backlog for fluid control in 2002 is primarily attributable to the receipt of a large manifold order in late 2001.

FoodTech's order backlog at December 31, 2002, was lower when compared with December 31, 2001, primarily as a result of a decrease in orders for freezing and cooking equipment in the United States. The decrease was partially offset by higher order backlog for food processing equipment, driven by increased inbound orders from customers in Europe, Asia and Africa.

Airport Systems' order backlog at December 31, 2002, was lower when compared with December 31, 2001, primarily as a result of significantly lower order backlog for Jetway(R) passenger boarding bridges, reflecting a substantial reduction in orders from commercial airlines and airport authorities as a result of the weakness in the commercial airline industry. Order backlog was also reduced by the decrease in inbound orders for Halvorsen loaders and ground support equipment. These negative effects on order backlog were partially offset by an increase in order backlog for automated guided vehicles.

OTHER COSTS AND EXPENSES

Corporate Expenses

When compared with 2001, 2002 corporate expenses decreased due to lower corporate staffing levels.

Corporate expenses in 2001 increased slightly, reflecting the sharing of corporate staff costs in 2001 between FMC Corporation and FMC Technologies under the terms of the SDA.

We expect our corporate expenses to remain at current levels or decline slightly in 2003.

Other Expense, Net

Other expense, net, consists primarily of LIFO inventory adjustments, expenses related to pension and other postretirement employee benefits, and foreign currency-related gains or losses. During 2002 and 2001, it also included compensation expense related to the replacement of FMC Corporation restricted stock with FMC Technologies restricted stock at the time of our initial public offering.

The increase in 2002 in other expense, net, when compared with 2001, reflected the absence of foreign currency transaction gains recorded in 2001 and higher LIFO and pension related expense. In 2002, we recorded a gain of $1.3 million in conjunction with the sale of our plane. Other expense, net, in 2002 also reflected a reduction in expense related to the replacement of FMC Corporation restricted stock with FMC Technologies restricted stock, which amounted to $2.8 million and $4.2 million in 2002 and 2001, respectively.

Other expense, net, increased in 2001 when compared with 2000. Higher expense in 2001 was primarily a result of an increase in noncash pension and restricted stock related expense, partially offset by an increase in gains relating to foreign currency transactions.

We anticipate that other expense, net, for 2003 will increase versus 2002 as a result of pension and other postretirement related costs as well as the absence of the $1.3 million gain recorded in 2002 in conjunction with the sale of our plane. The projected increase in pension and other postretirement related costs is due to lower interest rate and return assumptions, offset somewhat by the benefit of $34.6 million in cash contributions made to our pension plans during 2002.

Net Interest Expense

Net interest expense (interest expense related to external debt financing less interest income earned on cash equivalents and marketable securities) increased in 2002 by $1.4 million. Interest expense incurred in 2001 was primarily related to the credit facilities, obtained in June 2001, required to establish our stand-alone capital structure. Net interest expense incurred in 2002 was favorably impacted by lower debt levels, the result of our strong cash flow from operations, and the declining interest rate environment during 2002. We estimate that had we been a stand-alone company for full year 2001, our 2001 net interest expense would have increased by $6.3 million.

Net interest expense increased in 2001 compared to 2000. The increase was primarily associated with debt we obtained in 2001 as we established our stand-alone capital structure in preparation for our separation from FMC Corporation.

Prior to June 2001, we were a wholly owned subsidiary of FMC Corporation; consequently, net interest expense during that period was associated only with cash balances and third-party debt in our operating companies. FMC Corporation funded most of its businesses centrally, and the third-party debt and cash balances that were reported by FMC Technologies prior to June 2001 were not necessarily representative of what the actual debt or cash balances would have been had FMC Technologies been a separate, stand-alone entity.

Income Tax Expense

Income tax expense for the year ended December 31, 2002, was $26.2 million on pre-tax income of $90.3 million before the cumulative effect of a change in accounting principle, resulting in an effective tax rate of 29%.

Income tax expense for the year ended December 31, 2001, was $24.1 million on pre-tax income of $63.5 million before the cumulative effect of a change in accounting principle. Included in 2001 income tax expense was a provision of $8.9 million for income taxes associated with repatriation of offshore earnings and the reorganization of FMC Technologies' worldwide entities in anticipation of the Separation. Excluding the effects of restructuring and impairment charges, the Separation-related income tax provision and the cumulative effect of a change in accounting principle, income tax expense for the year ended December 31, 2001, was $21.7 million on adjusted pre-tax earnings of $80.3 million, resulting in an effective tax rate of 27%.

The increase in the effective tax rate to 29% in 2002 from 27% in 2001 resulted from a change in the mix of domestic taxable income versus foreign taxable income.

Income tax expense for the year ended December 31, 2000, was $22.7 million on pre-tax income of $90.6 million. Excluding the effects of restructuring and impairment charges, income tax expense for the year ended December 31, 2000, was $27.1 million on adjusted pre-tax income of $101.9 million, resulting in an effective tax rate of 27%.

The differences between the effective tax rates for these periods and the statutory U.S. Federal income tax rate relate primarily to differing foreign tax rates, taxes on intercompany dividends and deemed dividends for tax purposes, qualifying foreign trade income (in 2002 and 2001), foreign sales corporation benefits (in 2000) and non-deductible expenses.

Management estimates that the effective tax rate for 2003 will remain at 29%.

LIQUIDITY AND CAPITAL RESOURCES

We had cash and cash equivalents at December 31, 2002 and 2001, of $32.4 million and $28.0 million, respectively.

Operating Cash Flows

Cash provided by operating activities of continuing operations was $119.0 million, $76.3 million and $8.0 million for the twelve months ended December 31, 2002, 2001 and 2000 respectively. At December 31, 2002, operating working capital was $157.3 million, an increase of $9.4 million when compared with operating working capital of $147.9 million at December 31, 2001. Operating working capital excludes cash and cash equivalents, amounts due from FMC Corporation, short-term debt, the current portion of long-term debt, income tax balances and the effect of the sale of accounts receivable during 2001. Our operating working capital balances vary significantly depending on the payment terms and timing of delivery on key contracts. During 2002, the operating working capital increase primarily reflected growth in Energy Production Systems' business activity.

As part of FMC Corporation, we participated in a financing facility under which accounts receivable were sold without recourse through FMC Corporation's wholly owned, bankruptcy remote subsidiary. During 2001, we ceased our participation in this program, the net effect of which was an increase in accounts receivable of $38.0 million and a corresponding increase in debt.

Investing Cash Flows

Cash required by investing activities was $66.4 million and $64.4 million in 2002 and 2001, respectively. Cash provided by investing activities was $63.4 million in 2000. Cash outflows in 2002 and 2001 were related to capital expenditures primarily for our expanding Energy Production Systems business to support increased subsea volumes. Cash inflows in 2000 included the redemption of Tyco International Ltd. preferred stock received in conjunction with the 1998 divestiture of a business, partially offset by cash paid for the acquisition of Northfield Freezing Equipment.

During 2000, we entered into agreements for the sale and leaseback of certain equipment and received net cash proceeds of $22.5 million on equipment with a total carrying value of $13.7 million. Non-amortizing deferred credits recorded in conjunction with sale-leaseback transactions totaled $20.8 million and $27.4 million at December 31, 2002 and 2001, respectively, and are included in other long-term liabilities. The decrease in non-amortizing deferred credits in 2002 resulted from the repurchase of our plane, which we subsequently sold in 2002.

Financing Cash Flows

Financing activities in 2002 consisted primarily of reducing debt outstanding under our revolving credit facilities. Total borrowings were $234.9 million and $273.0 million at December 31, 2002 and 2001, respectively.

As part of FMC Corporation, we previously had access to funds available under FMC Corporation's revolving credit and other debt facilities, which remained with FMC Corporation after the Separation. Additionally, our businesses were centrally funded; therefore, third-party debt and cash balances prior to the Separation were not necessarily representative of what our actual debt and cash balances would have been had we been a separate, stand-alone entity.

During June 2001, we borrowed $280.9 million, which we distributed to FMC Corporation. Also in 2001, we received proceeds of

$207.2 million from the issuance of common stock in conjunction with our initial public offering. Net proceeds of $199.2 million from our initial public offering were distributed to FMC Corporation. We retained $8.0 million to cover expenses related to the offering.

The following is a summary of our committed credit facilities at December 31, 2002, amount of debt outstanding under committed credit facilities, the amount of available capacity and maturity dates:

(In millions)

	Commitment Amount	Debt Outstanding	Available Capacity	Maturity
Five-year revolving credit facility	$ 250.0	$ 175.0	$ 75.0	April 2006
364-day revolving credit facilities	182.2	20.0	162.2	April 2003/(1)/
	$ 432.2	$ 195.0	$ 237.2	

(1) Upon maturity of our short-term debt agreements, it is management's intention to negotiate new short-term facilities with terms similar to those of our current facilities. See "Contractual Obligations and Other Commercial Commitments."

Our uncommitted credit includes three domestic money-market credit facilities totaling $30.0 million, maturing on April 25, 2003, and smaller uncommitted credit lines for many of our international subsidiaries. Borrowings under uncommitted facilities totaled $16.0 million and $42.2 million at December 31, 2002 and 2001, respectively.

We also have an uncommitted credit agreement with MODEC International LLC ("MODEC"), a 37.5%-owned joint venture, at interest rates based on our domestic short-term committed credit facilities' interest rate, which was 2.2% in 2002 and 2.9% in 2001. Under terms of the agreement, MODEC deposits its excess cash with us. At December 31, 2002 and 2001, borrowings from MODEC amounted to $23.4 million and $22.7 million, respectively, and were included in short-term debt on our consolidated balance sheets.

Outlook for 2003

We expect to meet our operating needs, fund capital expenditures and potential acquisitions and meet debt service requirements primarily through cash generated from operations and the credit facilities discussed above.

We initiated a $400.0 million commercial paper program in early 2003 to provide an alternative vehicle for short-term funding requirements. Standard & Poor's Ratings Services and Moody's Investor Services assigned their "A-2" and Prime-2 ("P-2") commercial paper ratings, respectively, to our program. Standard & Poor's Ratings Services defines an A-2 rating as follows, "A short-term obligation rated 'A-2' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories..." There is only one rating category higher than A-2. "... however, the obligor's capacity to meet its financial commitment on the obligation is satisfactory." Moody's Investor Services defines their "P-2" rating as follows, "Issuers rated Prime-2 have a strong ability to repay senior short-term debt obligations."

Under our commercial paper program, and subject to available capacity under our revolving credit facilities, we have the ability to access up to $400.0 million of short-term financing through our commercial paper dealers. In 2003, we utilized up to $115 million of commercial paper with maturities ranging from 1 to 7 days. Commercial paper proceeds were used for debt reduction and for general corporate purposes.

Subsequent to December 31, 2002, we began evaluating our option to terminate the sale-leaseback agreement due to the availability of credit under our commercial paper program. Terminating the agreement will require us to repurchase the assets for approximately $36 million. The effect on our consolidated balance sheet will be an increase to property, plant and equipment representing the net book value of the assets, an increase to debt representing the purchase price, and a reversal of the non-amortizing credits in other long-term liabilities. We plan to pursue termination of the sale-leaseback agreement and believe that this action will not have a material effect on our results of operations.

Our forecast for 2003 capital spending is approximately $60 million, compared with $68.1 million in 2002. We expect that capital expenditures in 2003 will be used primarily for our expanding Energy Production Systems business to support increased subsea volumes.

We routinely evaluate potential acquisitions, divestitures and joint ventures in the ordinary course of business.

We contributed cash of $34.6 million to our employees' pension plans in 2002. In 2003, we expect to contribute approximately $17 million.

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. 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. Management does not expect that the restrictions under the Tax Sharing Agreement will significantly limit our ability to engage in strategic transactions.

Discontinued Operations and Other Contingent Liabilities

We maintain a liability for the actuarially estimated value of self-insured product obligations associated with equipment manufactured by specific operations discontinued by us and FMC Corporation prior to 1985. During 2002, we spent $5.3 million and completed the settlement of 23 claims. At December 31, 2002, we maintained a reserve for discontinued operations of $18.1 million for the estimated cost of claims that are known or have been incurred but not reported. We believe this liability is adequate, but cannot predict with certainty the timing of cash flows for settlements and costs in 2003 or in future years.

We also have certain other contingent liabilities arising from litigation, claims, performance guarantees and other commitments incident to the ordinary course of business. We believe that the ultimate resolution of our known contingencies will not materially affect our consolidated financial position, results of operations or cash flows.

OFF-BALANCE SHEET ITEMS

Our off-balance sheet items include agreements for the sale and leaseback of equipment and operating leases. Information on the sale-leaseback obligations is included in "Liquidity and Capital Resources" and "Contractual Obligations and Other Commercial Commitments." Information on our operating leases is included in "Contractual Obligations and Other Commercial Commitments."

CONTRACTUAL OBLIGATIONS AND OTHER COMMERCIAL COMMITMENTS

The following is a summary of our contractual obligations at December 31, 2002:

(In millions)					Payments Due By Period
Contractual obligations	Total payments	Less than 1 year	1 - 3 years	3 - 5 years	After 5 years
Long-term debt/(1)/	$ 175.5	$ 0.1	$ 0.2	$ 175.1	$ 0.1
Short-term debt/(2)/	59.4	59.4	-	-	-
Operating leases	114.8	22.2	34.3	23.8	34.5
Sale-leaseback obligations/(3)/	9.9	5.0	4.9	-	-
Total contractual cash obligations	$ 359.6	$ 86.7	$ 39.4	$ 198.9	$ 34.6

(1) Our available long-term debt is dependent upon our compliance with debt covenants, including negative covenants related to liens, and financial covenants related to consolidated tangible net worth, debt to earnings and interest coverage ratios. We were in compliance with all covenants at December 31, 2002; however, any violation of debt covenants, event of default, or change in our credit rating could have a material impact on our ability to maintain our committed financing arrangements.

(2) Upon maturity of our short-term debt agreements, it is management's intention to negotiate new short-term facilities with terms similar to our current facilities. No assurances can be given that we will be able to negotiate new facilities or that such facilities will be on terms acceptable to us. In the

event that new short-term facilities are not available, we believe that cash generated from operations, available credit under our long-term facility, and proceeds received from the issuance of commercial paper will be adequate to meet our anticipated short-term and long-term liquidity requirements, including capital expenditures and scheduled debt repayments.

(3) Under the terms of our sale-leaseback agreement, we have an option to renew the obligation at the end of the contract period in 2004. If we elect not to renew the lease agreement, the contract provides us with other options to satisfy the obligation to the lessor, amounting to approximately $29 million. We may choose to either: (a) repurchase the equipment (the estimated value of which, at December 31, 2002, was approximately $37 million); (b) sell the equipment and remit the proceeds to the lessor; or (c) deliver the equipment to the lessor. Defaults under the covenants of our long-term debt agreement trigger an event of default under the sale-leaseback obligation. Any such default may lead to acceleration of the payment commitment. The proceeds received in conjunction with these transactions in excess of the carrying value of the equipment were recorded as a deferred credit in the consolidated balance sheets. These non-amortizing credits totaled $20.8 million at December 31, 2002, and are included in other long-term liabilities. Subsequent to December 31, 2002, we began evaluating our option to terminate the sale-leaseback agreement. See Liquidity and Capital Resources,"Outlook for 2003."

The following is a summary of our commercial commitments at December 31, 2002:

(In millions)		Amount Of Commitment Expiration Per Period			
Commercial commitments	Total amounts committed	Less than 1 year	1 - 3 years	3 - 5 years	After 5 years
Letters of credit	$ 58.0	$ 53.4	$ 4.6	$ -	$ -
Surety bonds	45.2	18.8	0.3	26.1	-
Third-party guarantees	3.9	-	-	-	3.9
Other bank guarantees	106.5	32.2	51.3	3.6	19.4
Total commercial commitments	$ 213.6	$ 104.4	$ 56.2	$ 29.7	$ 23.3

As collateral for our performance on certain sales contracts or as part of our agreements with insurance companies, we were contingently liable under letters of credit, surety bonds and other guarantees in the amount of $213.6 million at December 31, 2002. In order to obtain these letters of credit, surety bonds and other guarantees, we pay fees to various financial institutions in amounts competitively determined in the marketplace. Our ability to generate revenue from certain contracts is dependent upon our ability to obtain these off-balance sheet financial instruments.

At December 31, 2002, FMC Corporation's contingent obligations on our behalf amounted to $9.5 million, and consisted primarily of parent company guarantees for FMC Technologies' performance on sales contracts. As of December 31, 2001, the amount of these guarantees was $298.0 million. We do not believe that FMC Corporation will be required to perform under any of these guarantees. Under the SDA, FMC Corporation and FMC Technologies each indemnify the other party from all liabilities arising from their respective businesses or contracts, as well as from liabilities arising from breach of the SDA.

These off-balance sheet financial instruments may be renewed, revised or released based on changes in the underlying commitment. Historically, our commercial commitments have not been drawn upon to a material extent; consequently, management believes it is not likely that there will be claims against these commitments that will have a negative impact on our key financial ratios or our ability to obtain financing.

DERIVATIVE FINANCIAL INSTRUMENTS AND MARKET RISK

We are subject to financial market risks, including fluctuations in currency exchange rates and interest rates. In order to manage and mitigate our exposure to these risks, we may use derivative financial instruments in accordance with established policies and procedures. We do not use derivative financial instruments for trading purposes where the objective is to generate profit. At December 31, 2002 and 2001, our derivative holdings consisted of foreign currency forward contracts and interest rate swap contracts.

When we sell or purchase products or services, transactions are frequently denominated in currencies other than the particular operation's functional currency. We mitigate our exposure to variability in currency exchange rates when possible through the use of natural hedges, whereby purchases and sales in the same foreign currency, and with similar maturity dates, offset one another. Additionally, we initiate hedging activities by entering into foreign currency forward contracts with third parties when natural hedges are not available. The maturity dates and currencies of the forward contracts that provide hedge coverage are synchronized with those of the underlying purchase or sales commitments, and the amount of hedge coverage related to each underlying transaction does not exceed the amount of the underlying purchase or sales commitment. At December 31, 2002 and 2001, our net foreign currency market exposures were primarily in the Norwegian krone, the euro, the Brazilian real, the Japanese yen, the Swedish krona and the British pound.

We monitor our currency exchange rate risks using a sensitivity analysis, which measures the impact on earnings of an immediate 10% adverse movement in the foreign currencies to which we have exposure. This calculation assumes that each exchange rate would change in the same direction relative to the U.S. dollar and all other variables are held constant. Our sensitivity analysis indicated that such a fluctuation in currency exchange rates would not materially affect our consolidated operating results, financial position or cash flows at either December 31, 2002 or December 31, 2001.

We believe that our hedging activities have been effective in reducing our risks related to foreign currency exchange rate fluctuations.

Our debt instruments subject us to the risk of loss associated with movements in interest rates. During 2001, we entered into three floating-to-fixed interest rate swap agreements to fix the interest rates on a portion of our variable-rate debt. The notional value of these contracts at December 31, 2002 and 2001, was $150.0 million, of which $100.0 million matures in 2003 and $50.0 million matures in 2004.

CRITICAL ACCOUNTING ESTIMATES

We prepare the consolidated financial statements of FMC Technologies in conformity with accounting principles generally accepted in the United States of America. As such, we are required to make certain estimates, judgments and assumptions about matters that are inherently uncertain. On an ongoing basis, our management re-evaluates these estimates, judgments and assumptions for reasonableness because of the critical impact that these factors have on the reported amounts of assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the periods presented. Management has discussed the development and selection of these critical accounting estimates with the Audit Committee of our Board of Directors, and the Audit Committee has reviewed this disclosure.

Revenue Recognition Using the Percentage of Completion Method of Accounting

We record revenue on construction-type manufacturing and assembly projects using the percentage of completion method, where revenue is recorded as work progresses on each contract in the ratio that costs incurred to date bear to total estimated contract costs. Total estimated contract cost is a critical accounting estimate because it can materially affect net income and it requires us to make judgments about matters that are uncertain.

Revenue recorded using the percentage of completion method amounted to $678.9 million, $590.2 million and $498.1 million for the years ended December 31, 2002, 2001 and 2000, respectively. During 2002, $420.0 million of revenue recognized using the percentage of completion method was associated with contracts that were completed during the year.

We use the percentage of completion method most frequently in our Energy Production Systems business segment, primarily for subsea petroleum exploration equipment projects that involve the design, engineering, manufacturing and assembly of complex, customer-specific systems. The systems are not built from standard bills of material and typically require extended periods of time to construct.

We execute contracts with our customers that clearly describe the equipment, systems and/or services that we will provide and the amount of consideration we will receive. After analyzing the drawings and specifications of the contract requirements, our project engineers estimate total contract costs based on their experience with similar projects and then adjust these estimates for specific risks associated with each project, such as technical risks associated with a new design. Costs associated with specific risks are estimated by assessing the probability that conditions will arise that will affect our total cost to complete the project. After work on a project begins, assumptions that form the basis for our calculation of total project cost are examined on a monthly basis and our estimates are updated to reflect new information as it becomes available.

It is reasonably possible that we could have used different estimates of total contract costs in our calculation of revenue recognized using the percentage of completion method. If we had used a different estimate of total contract costs for each contract in progress at December 31, 2002, a 1% increase or decrease in the estimated margin earned on each contract would have increased or decreased total revenue and pre-tax income for the year ended December 31, 2002, by $2.6 million.

Inventory Valuation

Inventory is recorded at the lower of cost or net realizable value. In order to determine net realizable value, we evaluate each component of inventory on a regular basis to determine whether it is excess or obsolete. We record the decline in the carrying value of estimated excess or obsolete inventory as a reduction of inventory and as an expense included in cost of sales in the period it is identified. Our estimate of excess and obsolete inventory is a critical accounting estimate because it is highly susceptible to change from period to period. In addition, it requires management to make judgments about the future demand for inventory.

In order to quantify excess or obsolete inventory, we begin by preparing a listing of the components of inventory that, based on projected demand, are not anticipated to be sold within a two-year period or, based on our current product offerings, are excess or obsolete. This list is then reviewed with sales, production and materials management personnel to determine whether this list of potential excess or obsolete inventory items is accurate. Factors which impact this evaluation include, for example, whether there has been a change in the market for finished goods, whether there will be future demand for spare parts and whether there are components of inventory that incorporate obsolete technology.

It is reasonably possible that we could have used different assumptions about future sales when estimating excess or obsolete inventory. Had we assumed that future sales would be 10% higher or lower than those used in our forecast, the effect on our estimate of excess or obsolete inventory and pre-tax income would have been an increase or decrease of $1.5 million for the year ended December 31, 2002.

Accounting for Income Taxes

In determining our current income tax provision, we assess temporary differences resulting from differing treatments of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are recorded in our consolidated balance sheets. When we maintain deferred tax assets, we must assess the likelihood that these assets will be recovered through adjustments to future taxable income. To the extent we believe recovery is not likely, we establish a valuation allowance. We record an allowance reducing the asset to a value we believe will be recoverable based on our expectation of future taxable income. We believe the accounting estimate related to the valuation allowance is a critical accounting estimate because it is highly susceptible to change from period to period as it requires management to make assumptions about our future income over the lives of the deferred tax assets, and the impact of increasing or decreasing the valuation allowance is potentially material to our results of operations.

Forecasting future income requires us to use a significant amount of judgment. In estimating future income, we use our internal operating budgets and long-range planning projections. We develop our budgets and long-range projections based on recent results, trends, economic and industry forecasts influencing our segments' performance, our backlog, planned timing of new product launches and customer sales commitments. Significant changes in the expected realizability of the deferred tax asset would require that we provide an additional valuation allowance against the gross value of our total deferred tax assets.

As of December 31, 2002, we estimated that it is not likely that we will have future taxable income in foreign jurisdictions in which we have cumulative net operating losses and, therefore, provided a valuation allowance against the related deferred tax assets. As of December 31, 2002, we estimated that it is more likely than not that we will have future taxable income in the United States to utilize our deferred tax assets. Therefore, we have not provided a valuation allowance against the related deferred tax assets.

With respect to deferred tax assets in our domestic businesses, it is reasonably possible we could have used a different estimate of future taxable income in determining the need for a valuation allowance. If our estimate of future taxable income was 25% lower than the estimate used, we would still generate sufficient taxable income to utilize our deferred tax assets.

Retirement Benefits

We provide most of our employees with certain retirement (pension) and postretirement (health care) benefits. In order to measure the expense and our obligations associated with these retirement benefits, management must make a variety of estimates, including discount rates used to value certain liabilities, expected return on plan assets set aside to fund these costs, rate of compensation increase, employee turnover rates, retirement rates, mortality rates and other factors.

We base these estimates on our historical experience as well as current facts and circumstances. We use third-party specialists to assist management in appropriately measuring the costs and obligations associated with these retirement benefits. We base the discount rate assumption on investment yields available at year-end on AA-rated corporate long-term bonds. The rate of compensation increase assumption reflects our near-term outlook and assumed inflation. Retirement rates are based primarily on actual plan experience. Mortality rates are based on tables published by the insurance industry. Different estimates used by management could result in our recognizing different amounts of expense over different periods of time.

The expected return on plan assets is a critical accounting estimate because it is based primarily on the historical performance of our plan assets, it is subject to management's judgment, and it can materially affect net income.

On a trailing five-year and trailing ten-year basis, our actual returns on plan assets have exceeded the fiscal 2002 estimated long-term rate of return of 9.25%. We believe that the expected return rate to be reported in the fiscal 2003 financial results will be 8.75%, lower than the previous estimate of 9.25% due to the expectation that more modest returns will be obtained in the near future. The accounting requirements for pensions call for amortization of gains and losses over several years, so there is a lag time between the market's performance and its impact on plan results.

It is reasonably possible that we could have used a different estimate for the rate of return on plan assets in calculating annual pension expense. For every 1% reduction in the expected rate of return on plan assets, annual pension expense would increase by approximately $3.7 million.

Impact of Recently Issued Accounting Pronouncements

Recently issued Statements of Financial Accounting Standards include the following:

SFAS No. 141 - "Business Combinations"
SFAS No. 142 - "Goodwill and Other Intangible Assets"
SFAS No. 143 - "Accounting for Asset Retirement Obligations"
SFAS No. 144 - "Accounting for the Impairment or Disposal of Long-Lived Assets"
SFAS No. 146 - "Accounting for Costs Associated with Exit or Disposal Activities"
SFAS No. 148 - "Accounting for Stock-Based Compensation - Transition and Disclosure, an amendment of SFAS No. 123"

- We have adopted the provisions of SFAS Nos. 141 and 142. The standards collectively provide guidance for the recognition, amortization and continuing valuation of goodwill and other intangible assets acquired in a business combination. SFAS No. 141 prohibits the use of the pooling of interests method of accounting for a business combination; it is effective for all business combinations completed after June 30, 2001. The adoption of SFAS No. 141 did not have an impact on our historical financial statements. We completed the goodwill impairment testing that is required upon adoption of SFAS No. 142 during the first quarter of 2002. The adoption 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). Upon adoption of SFAS No. 142 we discontinued the amortization of goodwill.

- In June 2001, the FASB issued SFAS No. 143, "Accounting for Asset Retirement Obligations," which addresses the accounting and reporting for obligations associated with the retirement of tangible long-lived assets and associated asset retirement costs. The Statement is effective in fiscal years beginning after June 15, 2002. We do not expect the implementation of this Statement to have a material impact on our financial position, results of operations or cash flows.

- We adopted the provisions of SFAS No. 144 during 2002. This Statement provides guidance on measuring and recording impairments of assets, other than goodwill, and provides clarifications on measurement of cash flow information and other variables used to measure impairment. The adoption of SFAS No. 144 did not have a significant impact on our financial statements.

- 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 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 are effective for activities that are initiated after December 31, 2002. We do not expect the implementation of this Statement to have a material impact on our financial position, results of operations or cash flows.

- In December 2002, SFAS No. 148 was issued, amending SFAS No. 123, "Accounting for Stock-Based Compensation," to provide alternative methods of transition to SFAS No. 123's fair value method of accounting for stock-based employee compensation. The Statement amends the disclosure requirements of SFAS No. 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employment 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 disclosure provisions of SFAS No. 148 in our financial reports for the year ended December 31, 2002, and will adopt the interim disclosure provisions for our financial reports for the quarter ended March 31, 2003. As the adoption of this Standard involves disclosures only, we do not expect a material impact on our results of operations, financial position or liquidity.

Additionally, 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 are 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. We have made the applicable disclosures for our significant guarantees outstanding as of December 31, 2002. We are currently evaluating the effects of the recognition provisions of FIN 45 but do not expect that the adoption will have a material effect on our financial statements.

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 applies immediately to 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 is applied to the enterprise no later than the end of the first interim reporting period beginning after June 15, 2003. We have not yet determined the impact this Interpretation will have on our consolidated financial statements. The Interpretation requires certain disclosures in financial statements issued after January 31, 2003, if it is reasonably possible that we will consolidate or disclose information about variable interest entities when the Interpretation becomes effective. We have made the applicable disclosures in our December 31, 2002, financial statements.

In November 2002, the 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, it 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 results of operations, financial condition or cash flows.

CONSOLIDATED STATEMENTS OF INCOME

(In millions, except per share data)	Year Ended December 31		
	2002	2001	2000
Revenue	$ 2,071.5	$ 1,927.9	$ 1,875.2
COSTS AND EXPENSES:			
Cost of sales and services	1,654.2	1,487.9	1,421.3
Selling, general and administrative expense	264.5	292.5	291.2
Research and development expense	47.8	54.9	56.7
Asset impairments (Note 5)	-	1.3	1.5
Restructuring charges (Note 5)	-	15.5	9.8
Total costs and expenses	1,966.5	1,852.1	1,780.5
Income before minority interests, interest income, interest expense and income taxes	105.0	75.8	94.7
Minority interests	2.2	1.2	(0.2)
Interest income	1.6	3.0	2.3
Interest expense	14.1	14.1	6.6
Income before income taxes and the cumulative effect of changes in accounting principles	90.3	63.5	90.6
Provision for income taxes (Note 10)	26.2	24.1	22.7
Income before the cumulative effect of changes in accounting principles	64.1	39.4	67.9
Cumulative effect of changes in accounting principles, net of income taxes (Note 3)	(193.8)	(4.7)	-
Net income (loss)	$ (129.7)	$ 34.7	$ 67.9
BASIC EARNINGS (LOSS) PER COMMON SHARE (NOTES 2 AND 3):			
Income before the cumulative effect of changes in accounting principles	$ 0.98	$ 0.60	
Cumulative effect of changes in accounting principles	(2.97)	(0.07)	
Basic earnings (loss) per common share	$ (1.99)	$ 0.53	
DILUTED EARNINGS (LOSS) PER COMMON SHARE (NOTES 2 AND 3):			
Income before the cumulative effect of changes in accounting principles	$ 0.96	$ 0.60	
Cumulative effect of changes in accounting principles	(2.90)	(0.07)	
Diluted earnings (loss) per common share	$ (1.94)	$ 0.53	

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

CONSOLIDATED BALANCE SHEETS

(In millions, except per share data)	December 31	
	2002	2001

ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 32.4	$ 28.0
Trade receivables, net of allowances of $10.5 in 2002 and $9.2 in 2001	419.2	375.9
Inventories (Note 6)	273.1	269.6
Due from FMC Corporation, net (Note 17)	1.9	4.7
Other current assets	86.0	62.5
Deferred income taxes (Note 10)	-	14.4
Total current assets	812.6	755.1
Investments	29.4	27.1
Property, plant and equipment, net (Note 7)	306.1	275.3
Goodwill (Note 8)	83.6	311.6
Intangible assets, net (Note 8)	36.3	35.5
Other assets	20.1	17.9
Deferred income taxes (Note 10)	74.6	15.4
Total assets	$ 1,362.7	$ 1,437.9
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term debt (Note 9)	$ 59.4	$ 78.8
Current portion of long-term debt (Note 9)	0.1	0.1
Accounts payable, trade and other	421.2	369.4
Accrued payroll	41.5	46.5
Income taxes payable	29.5	41.8
Other current liabilities	137.3	125.2
Current portion of accrued pension and other postretirement benefits (Note 12)	21.0	19.0
Deferred income taxes (Note 10)	18.2	-
Total current liabilities	728.2	680.8
Long-term debt, less current portion (Note 9)	175.4	194.1
Accrued pension and other postretirement benefits, less current portion (Note 12)	76.8	48.7
Reserve for discontinued operations (Note 11)	18.1	23.4
Other liabilities	55.8	69.3
Minority interests in consolidated companies	4.6	3.4
Commitments and contingent liabilities (Note 18)		
STOCKHOLDERS' EQUITY (NOTE 14):		
Preferred stock, $0.01 par value, 12.0 shares authorized; no shares issued in 2002 and 2001	-	-
Common stock, $0.01 par value, 195.0 shares authorized; 65.6 and 65.1 shares issued in 2002 and 2001; 65.5 and 65.0 shares outstanding in 2002 and 2001	0.7	0.7
Common stock held in employee benefit trust, at cost, 0.1 shares in 2002 and 2001	(2.5)	(1.2)
Capital in excess of par value of common stock	538.6	523.0
Retained earnings (deficit)	(87.4)	42.3
Accumulated other comprehensive loss	(145.6)	(146.6)
Total stockholders' equity	303.8	418.2
Total liabilities and stockholders' equity	$ 1,362.7	$ 1,437.9

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)	Year Ended December 31		
	2002	2001	2000
CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES OF CONTINUING OPERATIONS:			
Income before the cumulative effect of changes in accounting principles	$ 64.1	$ 39.4	$ 67.9
ADJUSTMENTS TO RECONCILE INCOME BEFORE THE CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES TO CASH PROVIDED BY OPERATING ACTIVITIES OF CONTINUING OPERATIONS:			
Depreciation	40.1	37.7	41.2
Amortization	8.5	20.1	17.9
Asset impairments (Note 5)	-	1.3	1.5
Restructuring charges (Note 5)	-	15.5	9.8
Amortization of employee benefit plan costs	11.1	7.9	5.2
Settlement of derivative contracts (Note 3)	-	(3.8)	-
Deferred income taxes	19.0	8.1	11.1
Other	5.7	1.9	1.7
CHANGES IN OPERATING ASSETS AND LIABILITIES:			
Accounts receivable sold (repurchase of securitized receivables)	-	(38.0)	15.6
Trade receivables, net	(34.2)	(7.0)	(78.3)
Inventories	27.0	(15.1)	(16.5)
Other current assets and other assets	(15.3)	(0.8)	17.4
Accounts payable (including advance payments), accrued payroll, other current liabilities and other liabilities	49.2	15.1	(91.1)
Income taxes payable	(20.5)	6.7	15.6
Accrued pension and other postretirement benefits, net	(35.7)	(12.7)	(11.0)
Cash provided by operating activities of continuing operations	$ 119.0	$ 76.3	$ 8.0

(Continued)

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

(In millions)	Year Ended December 31		
	2002	2001	2000
Cash provided by operating activities of continuing operations	$ 119.0	$ 76.3	$ 8.0
Cash required by discontinued operations (Note 11)	(5.3)	(7.3)	(3.2)
CASH PROVIDED (REQUIRED) BY INVESTING ACTIVITIES:			
Acquisitions and joint venture investments	-	(2.6)	(47.4)
Capital expenditures	(68.1)	(67.6)	(43.1)
Proceeds from disposal of property, plant and equipment and sale-leasebacks	4.2	9.1	31.6
Redemption of preferred stock investment (Note 4)	-	-	127.5
Increase in investments	(2.5)	(3.3)	(5.2)
Cash provided (required) by investing activities	(66.4)	(64.4)	63.4
CASH PROVIDED (REQUIRED) BY FINANCING ACTIVITIES:			
Net increase (decrease) in short-term debt	(19.5)	38.2	29.0
Proceeds from issuance of long-term debt	-	250.2	-
Repayment of long-term debt	(20.6)	(56.0)	-
Contributions from FMC Corporation	-	99.5	-
Distributions to FMC Corporation	(4.4)	(531.5)	(117.9)
Issuance of common stock, net of common stock acquired for employee benefit plan	1.0	207.2	-
Cash provided (required) by financing activities	(43.5)	7.6	(88.9)
Effect of exchange rate changes on cash and cash equivalents	0.6	(2.0)	(1.6)
Increase (decrease) in cash and cash equivalents	4.4	10.2	(22.3)
Cash and cash equivalents, beginning of year	28.0	17.8	40.1
Cash and cash equivalents, end of year	$ 32.4	$ 28.0	$ 17.8
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
Cash paid for interest	$ 14.1	$ 14.5	$ 7.7
Cash paid for income taxes (net of refunds received)	$ 25.9	$ 7.3	$ 1.8
SUPPLEMENTAL SCHEDULE OF NON-CASH ACTIVITY:			
Common stock issued for restricted stock awards	$ 5.1	$ -	$ -

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

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(In millions)	Common stock	Common stock held in employee benefit trust	Capital in excess of par	Retained earnings	FMC Corporation's net investment	Accumulated other comprehensive earnings (loss)
Balance at December 31, 1999	$ -	$ -	$ -	$ -	$ 802.0	$ (79.8)
Net income	-	-	-	-	67.9	-
Foreign currency translation adjustment (Note 15)	-	-	-	-	-	(35.9)
Minimum pension liability adjustment (Note 12)	-	-	-	-	-	1.3
Distribution to FMC Corporation (Note 2)	-	-	-	-	(117.9)	-
Balance at December 31, 2000	$ -	$ -	$ -	$ -	$ 752.0	$ (114.4)
Net income (loss) (Note 2)	-	-	-	42.3	(7.6)	-
Issuance of common stock to FMC Corporation (Note 1)	0.6	-	315.8	-	(316.4)	-
Sale of common stock to public (Note 1)	0.1	-	207.2	-	-	-
Contribution from FMC Corporation	-	-	-	-	60.1	-
Purchases of common stock for employee benefit trust, at cost (Note 14)	-	(1.2)	-	-	-	-
Return of capital to FMC Corporation (Note 1)	-	-	-	-	(488.1)	-
Foreign currency translation adjustment (Note 15)	-	-	-	-	-	(31.7)
Minimum pension liability adjustment (Note 12)	-	-	-	-	-	0.7
Cumulative effect of a change in accounting principle (net of an income tax benefit of $0.9) (Note 3)	-	-	-	-	-	(1.3)
Net deferral of hedging gains (Note 16)	-	-	-	-	-	0.1
Balance at December 31, 2001	$ 0.7	$ (1.2)	$ 523.0	$ 42.3	$ -	$ (146.6)

(In millions)

	Comprehensive earnings (loss)
Balance at December 31, 1999	
Net income	$ 67.9
Foreign currency translation adjustment (Note 15)	(35.9)
Minimum pension liability adjustment (Note 12)	1.3
Distribution to FMC Corporation (Note 2)	-
	$ 33.3
Balance at December 31, 2000	
Net income (loss) (Note 2)	$ 34.7
Issuance of common stock to FMC Corporation (Note 1)	-
Sale of common stock to public (Note 1)	-
Contribution from FMC Corporation	-
Purchases of common stock for employee benefit trust, at cost (Note 14)	-
Return of capital to FMC Corporation (Note 1)	-
Foreign currency translation adjustment (Note 15)	(31.7)
Minimum pension liability adjustment (Note 12)	0.7
Cumulative effect of a change in accounting principle (net of an income tax benefit of $0.9) (Note 3)	(1.3)
Net deferral of hedging gains (Note 16)	0.1
	$ 2.5
Balance at December 31, 2001	

(Continued)

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (CONTINUED)

(In millions)

	Common stock	Common stock held in employee benefit trust	Capital in excess of par	Retained earnings	FMC Corporation's net investment	Accumulated other comprehensive earnings (loss)
Balance at December 31, 2001	$ 0.7	$ (1.2)	$ 523.0	$ 42.3	$ -	$ (146.6)
Net loss	-	-	-	(129.7)	-	-
Issuance of common stock	-	-	2.3	-	-	-
Purchases of common stock for employee benefit trust, at cost (Note 14)	-	(1.3)	-	-	-	-
Adjustment for true-up with FMC Corporation (Notes 1 and 17)	-	-	(4.4)	-	-	-
Restricted stock activity	-	-	17.7	-	-	-
Foreign currency translation adjustment (Note 15)	-	-	-	-	-	32.1
Minimum pension liability adjustment (net of an income tax benefit of $18.5) (Note 12)	-	-	-	-	-	(36.2)
Net deferral of hedging gains (net of income taxes of $3.3) (Note 16)	-	-	-	-	-	5.1
Balance at December 31, 2002	$ 0.7	$ (2.5)	$ 538.6	$ (87.4)	$ -	$ (145.6)

(In millions)

	Comprehensive earnings (loss)
Balance at December 31, 2001	
Net loss	$ (129.7)
Issuance of common stock	-
Purchases of common stock for employee benefit trust, at cost (Note 14)	-
Adjustment for true-up with FMC Corporation (Notes 1 and 17)	-
Restricted stock activity	-
Foreign currency translation adjustment (Note 15)	32.1
Minimum pension liability adjustment (net of an income tax benefit of $18.5) (Note 12)	(36.2)
Net deferral of hedging gains (net of income taxes of $3.3) (Note 16)	5.1
	$ (128.7)
Balance at December 31, 2002	

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. NATURE, FORMATION AND ORGANIZATION OF BUSINESS

FMC Technologies, Inc. ("FMC Technologies" or the "Company") designs, manufactures and services technologically sophisticated systems and products for its customers through its Energy Production Systems, Energy Processing Systems, FoodTech and Airport Systems business segments. Energy Production Systems is a supplier of systems and services used in the offshore, particularly deepwater, exploration and production of crude oil and natural gas. Energy Processing Systems is a provider of specialized systems and products to customers involved in the production, transportation and processing of crude oil, natural gas and other energy related products. FoodTech is a supplier of technologically sophisticated food handling and processing systems and products to industrial food processing companies. Airport Systems provides technologically advanced equipment and services for airlines, airports, air freight companies and the U.S. military.

FMC Technologies 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 was listed on the New York Stock Exchange and sold 17.0% of its common stock to the public.

Through May 31, 2001, FMC Corporation operated the businesses of FMC Technologies as internal units of FMC Corporation through various divisions and subsidiaries, or through investments in unconsolidated affiliates. As of June 1, 2001, FMC Corporation contributed to FMC Technologies substantially all of the assets and liabilities of, and its interests in, the businesses that comprise FMC Technologies, Inc. and consolidated subsidiaries (the "Separation").

During June 2001, FMC Technologies borrowed $280.9 million under two revolving debt agreements and received proceeds of $207.2 million from its initial public offering. Under the terms of the Separation and Distribution Agreement (the "SDA") between FMC Corporation and FMC Technologies, in exchange for the assets contributed by FMC Corporation to FMC Technologies, FMC Technologies remitted $480.1 million of the proceeds of the debt and equity financings to FMC Corporation, net of $8.0 million of proceeds used to cover the expenses of the initial public offering.

On December 31, 2001, FMC Corporation distributed its remaining 83.0% ownership of FMC Technologies' common stock to FMC Corporation's shareholders in the form of a dividend (the "Distribution").

The SDA contained key provisions relating to the Separation. Under the terms of the SDA, FMC Corporation and FMC Technologies completed a "true-up" process to identify any required adjustments to the original allocation of assets and liabilities at the Separation. Adjustments identified during the true-up process were recorded on the Company's balance sheet as increases or decreases in the applicable assets and liabilities, with an offset to capital in excess of par value of common stock (Note 17).

A Transition Services Agreement ("TSA") between the Company and FMC Corporation governed the provision of support services by FMC Corporation to FMC Technologies and by FMC Technologies to FMC Corporation during the period subsequent to the Separation. At December 31, 2002, transition services between the companies ceased, with the exception of payroll and certain benefit administration services. Currently, FMC Corporation and FMC Technologies utilize a common payroll and benefit administration service center; however, it is expected that the Company will be fully transitioned to a separate payroll and benefit administration service center in 2003.

NOTE 2. BASIS OF PRESENTATION

The financial statements of FMC Technologies for all periods prior to June 1, 2001, reflect the combined results of the businesses that were transferred from FMC Corporation as if they had been contributed to the Company for all periods. Subsequent to the Separation, all of the businesses included in these combined financial statements became consolidated subsidiaries or divisions of the

Company or investments of the Company or its subsidiaries. The Company's financial statements for all periods in 2001 are presented as if net assets had been contributed and the Company's 65,000,000 shares of common stock had been outstanding since January 1, 2001. The Company's capital structure in 2000 (Note 14) did not include a significant number of shares of common stock and was not comparable to its capital structure following the completion of the transactions discussed in Note 1. Accordingly, earnings per share information has not been presented for 2000.

FMC Technologies' financial statements for periods prior to June 1, 2001, were carved out from the consolidated financial statements of FMC Corporation using the historical results of operations and bases of the assets and liabilities of the transferred businesses, and give effect to certain allocations of expenses from FMC Corporation. Such expenses represent costs related to general and administrative services that FMC Corporation provided to FMC Technologies, including accounting, treasury, tax, legal, human resources, information technology, cash management, risk management, real estate management and other corporate and infrastructure services. The costs of these services have been allocated to FMC Technologies and included in the Company's consolidated financial statements based upon the relative levels of use of those services. The expense allocations have been determined on the basis of assumptions and estimates that management believes to be a reasonable reflection of FMC Technologies' utilization of those services. These allocations and estimates, however, are not necessarily indicative of the costs and expenses that would have resulted if FMC Technologies had operated as a separate entity in the past or of the costs the Company would expect to incur in periods subsequent to the Separation.

During 2001, the Company began retaining its own earnings and managing its cash separately from FMC Corporation. Prior to June 1, 2001, the Company's cash resources were managed under a centralized system with FMC Corporation wherein receipts were deposited to the corporate accounts of FMC Corporation and disbursements were centrally funded. Accordingly, settlement of certain assets and liabilities arising from common services or activities provided by FMC Corporation and certain related-party transactions were reflected as net equity contributions from or distributions to FMC Corporation through May 31, 2001.

The financial statements prior to June 1, 2001, do not necessarily reflect the debt or interest expense FMC Technologies would have incurred if it had been a stand-alone entity. In addition, these carve-

out financial statements may not be indicative of the Company's financial position, operating results or cash flows in periods subsequent to the Separation or what the Company's financial position, operating results or cash flows would have been had FMC Technologies been a separate, stand-alone entity during periods prior to the Separation.

NOTE 3. PRINCIPAL ACCOUNTING POLICIES

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The Company bases its estimates on historical experience and on other assumptions that it believes to be relevant under the circumstances. In particular, judgment is used in areas such as revenue recognition using the percentage of completion method of accounting, making estimates associated with the valuation of inventory and income tax assets, and accounting for retirement benefits and contingencies.

Principles of consolidation - The consolidated financial statements include the accounts of FMC Technologies and its majority-owned subsidiaries and affiliates. Intercompany accounts and transactions are eliminated in consolidation.

Reclassifications - Certain prior-year amounts have been reclassified to conform to the current year's presentation.

Revenue recognition - Revenue from equipment sales is recognized either upon transfer of title to the customer (which is upon shipment or when customer-specific acceptance requirements are met) or under the percentage of completion method.

The percentage of completion method of accounting is used for construction-type manufacturing and assembly projects that involve significant design and engineering effort in order to satisfy detailed customer-supplied specifications. Under the percentage of completion method, revenue is recognized as work progresses on each contract in the ratio that costs incurred to date bear to total estimated costs at completion. If it is not possible to form a reliable estimate of progress toward completion, no revenues or costs are recognized until the project is complete, or substantially complete. Any expected losses on construction-type contracts in progress are charged to operations in the period the losses become probable.

Modifications to construction-type contracts, referred to as "change orders," effectively change the provisions of the original contract, and may, for example, alter the specifications or design, method or manner of performance, equipment, materials, sites and/or period for completion of the work. If a change order represents a firm commitment from a customer, the Company accounts for the revised estimate as if it had been included in the original estimate, effectively recognizing the pro rata impact of the new estimate on its calculation of progress toward completion in the period in which the firm commitment is received. If a change order is unpriced: (1) the Company includes the costs of contract performance in its calculation of progress toward completion in the period in which the costs are incurred or become probable; and (2) the Company includes the revenue related to the change order in its calculation of progress toward completion in the period in which it can be reliably estimated and realization is assured beyond a reasonable doubt. The latter may be based upon the Company's previous experience with the customer or based upon the Company receiving a firm price commitment from the customer.

Revenue recorded relating to construction-type contracts accounted for using the percentage of completion method amounted to $678.9 million, $590.2 million and $498.1 million for the years ended December 31, 2002, 2001 and 2000, respectively. During 2002, $420.0 million of revenue recognized using the percentage of completion method was associated with contracts that were completed during the year.

Service revenue is recognized as the service is provided.

Cash equivalents - The Company considers investments in all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

Accounts receivable - Prior to the Separation, FMC Corporation entered into an accounts receivable financing facility under which accounts receivable were sold without recourse through FMC Corporation's wholly owned, bankruptcy remote subsidiary. Certain of the accounts receivable generated by the businesses ultimately contributed to FMC Technologies were sold as part of the facility. The Company discontinued the practice of financing accounts receivable and terminated its participation in this facility during the first quarter of 2001. Upon withdrawal from the facility, the Company repurchased its outstanding trade accounts receivable for $38.0 million in cash. The Company accounted for the sales of receivables in accordance with the requirements of Statement of Financial Accounting Standards ("SFAS") No. 125, "Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities." The Company received proceeds from the sale of trade accounts receivable, net of repurchases and discounts, of $15.6 million during the year ended December 31, 2000. Net discounts recognized on sales of receivables were included in selling, general and administrative expense in the consolidated statements of income and amounted to approximately $0.1 million in the years ended December 31, 2001 and 2000.

Amounts included in accounts receivable representing revenue in excess of billings on contracts accounted for under the percentage of completion method amounted to $87.8 million and $73.8 million at December 31, 2002 and 2001, respectively.

Inventories - Inventories are stated at the lower of cost or net realizable value. Inventory costs include those costs directly attributable to products prior to sale, including all manufacturing overhead but excluding costs to distribute. Cost is determined on the last-in, first-out ("LIFO") basis for all domestic inventories, except certain inventories relating to construction-type contracts, which are stated at the actual production cost incurred to date, reduced by the portion of these costs identified with recognized revenue. At December 31, 2002, inventories accounted for under the LIFO method totaled $78.6

million. The first-in, first-out ("FIFO") method is used to determine the cost for all other inventories.

Impairment of long-lived and intangible assets - Long-lived assets, including property, plant and equipment; identifiable intangible assets that are subject to amortization; capitalized software costs; and investments are accounted for in accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." A long-lived asset is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If it is determined that an impairment loss has occurred, the loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Long-lived assets held for sale are reported at the lower of carrying value or fair value less cost to sell.

Investments - Investments in the common stock of affiliated companies in which FMC Technologies' ownership interest is 50% or less and in which FMC Technologies exercises significant influence over operating and financial policies are accounted for using the equity method after eliminating the effects of any material intercompany transactions. All other investments are carried at fair value or at cost, as appropriate.

Property, plant and equipment - Property, plant and equipment is recorded at cost. Depreciation for financial reporting purposes is provided principally on the straight-line basis over the estimated useful lives of the assets (land improvements - 20 years, buildings - 20 to 50 years, and machinery and equipment - 3 to 18 years). Gains and losses are reflected in income upon the sale or retirement of assets. Expenditures that extend the useful lives of property, plant and equipment are capitalized.

Capitalized interest - Interest costs of $2.5 million in 2002 ($2.0 million in 2001, $0.6 million in 2000) associated with the construction of certain long-lived assets have been capitalized as part of the costs of those assets and are being amortized over the assets' estimated useful lives.

Capitalized software costs - Other assets include the capitalized cost of internal-use software (including Internet Web sites) totaling $9.3 million and $9.2 million at December 31, 2002 and 2001, respectively. These software costs include internal and external costs incurred during the application development stage of software projects. These costs are amortized on a straight-line basis over the estimated useful lives of the assets. For internal-use software, the useful lives range from three to seven years. For Internet Web site costs, the estimated useful lives do not exceed three years.

Goodwill and other intangible assets - SFAS No. 142, "Goodwill and Other Intangible Assets," provides guidance on accounting for intangible assets and eliminates the amortization of goodwill and acquired intangible assets deemed to have indefinite lives. Acquired intangible assets, including goodwill, that are not subject to amortization are required to be tested for impairment on an annual basis (or more frequently if impairment indicators arise). The Company adopted SFAS No. 142 as of January 1, 2002, and upon adoption, discontinued the amortization of goodwill and recorded a goodwill impairment loss amounting to $215.0 million before taxes ($193.8 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 Company has established October 31 as the date of its annual test for impairment of goodwill. The Company's acquired intangible assets are being amortized on a straight-line basis over their estimated useful lives, which range from 7 to 40 years. None of the Company's acquired intangible assets were deemed to have indefinite lives.

Accounts payable - Amounts advanced by customers as deposits on orders not yet billed and progress payments on construction-type contracts are classified with accounts payable and amounted to $186.2 million and $152.4 million at December 31, 2002 and 2001, respectively.

Reserve for discontinued operations - Reserves related to personal injury and product liability claims associated with the Company's discontinued operations are recorded based on an actuarially determined estimate of liabilities. The Company evaluates the estimate of these liabilities on a regular basis, and makes adjustments to the recorded liability balance to reflect current information regarding the estimated amount of future payments to be made on both reported claims and incurred but unreported claims. On an annual basis, the Company engages an actuary to prepare an estimate of the liability for these claims. The actuarial estimate of the liability is determined based upon the estimated number of pieces of equipment in use and the expected loss rate per unit, and considers such factors as historical claim and settlement experience by year, recent trends in the number of claims and the cost of settlements, and available stop-loss insurance coverage. Actual settlements of self-insured product liabilities may be more or less than the liability estimated by the Company and the actuary.

Income taxes - Current income taxes are provided on income reported for financial statement purposes adjusted for transactions that do not enter into the computation of income taxes payable. Deferred tax liabilities and assets are measured using enacted tax rates for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities.

A valuation allowance is established whenever management believes deferred tax assets are stated at an amount exceeding their net realizable value. Management's analysis is based on the premise that the Company is, and will continue to be, a going concern and that it is more likely than not that deferred tax benefits will be realized through the generation of future taxable income. Management reviews all available evidence, both positive and negative, to assess the earnings potential of the Company.

Income taxes are not provided on the Company's equity in undistributed earnings of foreign subsidiaries or affiliates when it is management's intention that such earnings will remain invested in those companies. Taxes are provided on such earnings in the year in which the decision is made to repatriate the earnings.

Stock-based employee compensation - The Company has a stock-based employee compensation plan, described more fully in Note 13. The Company accounts for common stock option awards made under this plan using the recognition and measurement principles of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related Interpretations. No employee compensation cost related to common stock options is reflected in net income, as all options 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 common share, assuming the Company had applied the fair value recognition provisions of SFAS No. 123, "Accounting for Stock-Based Compensation," to common stock options:

(In millions, except per share data)	Year Ended December 31		
	2002	2001	2000
Net income (loss), as reported	$ (129.7)	$ 34.7	$ 67.9
Deduct: Total stock option compensation expense determined under fair value based method, net of related tax effects	(5.3)	(3.1)	(1.3)
Pro forma net income (loss)	$ (135.0)	$ 31.6	$ 66.6
Earnings (loss) per common share:			
Basic -- as reported	$ (1.99)	$ 0.53	
Basic -- pro forma	$ (2.07)	$ 0.49	
Diluted -- as reported	$ (1.94)	$ 0.53	
Diluted -- pro forma	$ (2.02)	$ 0.48	

The Company's capital structure prior to 2001 (Note 14) did not include a significant number of shares of common stock and was not comparable to its capital structure following the completion of the transactions discussed in Note 1 and, accordingly, earnings per share information has not been presented for 2000.

The 2000 and 2001 pro forma results include the pro forma expense associated with options awarded by FMC Corporation, which were subsequently replaced with options to purchase FMC Technologies common stock on January 1, 2002.

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model and assuming an expected life of five years and a dividend yield of 0%. The estimated fair values were calculated using varying risk-free interest rates and volatility levels. The weighted average interest rate and volatility were 5.0% and 38.5%, respectively. The weighted average fair value of stock options granted during the year ended December 31, 2002, calculated using the Black-Scholes option-pricing model, was $7.72.

Common stock held in employee benefit trust - Shares of the Company's common stock are purchased by the plan administrator of the FMC Technologies, Inc. Non-Qualified Savings and Investment Plan and placed in a trust owned by the Company. Purchased shares are recorded at cost and classified as a reduction of stockholders' equity in the consolidated balance sheets.

Earnings per common share ("EPS") - The Company's capital structure prior to 2001 (Note 14) did not include a significant number of shares of common stock and was not comparable to its capital structure following the completion of the transactions discussed in Note 1, and, accordingly, EPS information has not been presented for 2000. The Company's EPS calculations for 2001 give effect to the issuance of 65,000,000 common shares as if they were issued and outstanding on January 1, 2001.

In 2002 and 2001, basic EPS was computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the year. Diluted EPS was computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the year plus the weighted average number of additional common shares that would have been outstanding during the year if all potentially dilutive common shares had been issued under the Company's stock compensation plans.

The weighted average numbers of shares of common stock outstanding used to calculate EPS for the year ended December 31, 2002, were 65,326,000 for basic EPS and 66,824,000 for diluted EPS.

The weighted average numbers of shares of common stock outstanding used to calculate EPS for the year ended December 31, 2001, were 65,008,000 for basic EPS and 65,923,000 for diluted EPS. On January 1, 2002, certain employees and directors of the Company who had held options to purchase FMC Corporation common stock received newly issued options to purchase stock of the Company. The impact of these 3,247,868 replacement stock options is excluded from the 2001 calculation of diluted EPS. If the dilutive effect of these replacement stock options had been included in the calculation of diluted weighted average shares outstanding, the effect on 2001 diluted EPS would have been less than $0.01 per share.

Options to purchase 2,371,671 and 2,363,350 shares of the Company's common stock were outstanding at December 31, 2002 and 2001, respectively, but were excluded from the diluted EPS calculation because the options' exercise price exceeded the average market price of the common stock for the periods.

Foreign currency translation - Assets and liabilities of foreign operations in non-highly inflationary countries are translated at exchange rates in effect at the balance sheet date, while income statement accounts are translated at the monthly exchange rates for the period. For these operations, translation gains and losses are recorded as a component of accumulated other comprehensive earnings (loss) in stockholders' equity until the foreign entity is sold or liquidated. For operations in highly inflationary countries and where the local currency is not the functional currency, inventories, property, plant and equipment, and other non-current assets are converted to U.S. dollars at historical exchange rates, and all gains or losses from conversion are included in net income. Foreign currency effects on cash and cash equivalents and debt in hyper-inflationary economies are included in interest income or expense.

Derivative financial instruments and foreign currency transactions - On January 1, 2001, the Company implemented, on a prospective basis, SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", as amended by SFAS No. 137 and SFAS No. 138 (collectively, the "Statement"). The Statement requires the Company to recognize all derivatives in the consolidated balance sheets at fair value, with changes in the fair value of derivative instruments to be recorded in current earnings or deferred in accumulated other comprehensive earnings (loss), depending on whether a derivative is designated as, and is effective as, a hedge and on the type of hedging transaction. In accordance with the provisions of the Statement, the Company recorded first quarter 2001 losses from the cumulative effect of a change in accounting principle of $4.7 million, net of an income tax benefit of $2.9 million, in the consolidated statement of income, and $1.3 million, net of an income tax benefit of $0.9 million, in accumulated other comprehensive earnings (loss).

The Company uses derivative financial instruments selectively to offset exposure to market risks arising from changes in foreign exchange and interest rates. Derivative financial instruments currently used by the Company consist of foreign currency forward contracts and interest rate swap contracts.

The Company records all derivatives at fair value as assets or liabilities in the consolidated balance sheets, with classification as current or non-current based upon the maturity of the derivative instrument. Generally, the Company applies hedge accounting as allowed by the Statement for derivatives related to anticipated future cash flows and does not apply hedge accounting for derivatives related to fair value exposures. For derivatives where hedge accounting is used, the Company formally designates the derivative as either (1) a cash flow hedge of an anticipated transaction or (2) a foreign currency cash flow hedge. The Company also documents the designated hedging relationship upon entering into the derivative, including identification of the hedging instrument and the hedged item or transaction, the strategy and risk management objective for undertaking the hedge, and the nature of the risk being hedged. Each derivative is assessed for hedge effectiveness both at the inception of the hedging relationship and, at a minimum, on a quarterly basis thereafter. Hedge accounting is only applied when the derivative is deemed to be highly effective at offsetting changes in anticipated cash flows of the hedged item or transaction. Hedge accounting is discontinued if the forecasted transaction is no longer expected to occur, and any previously deferred hedging gains or losses are immediately recorded in earnings. Realized gains or losses for all designated hedges are recorded in the consolidated statements of income on the same line as the gain or loss on the hedged item.

For cash flow hedges, the effective portion of the change in fair value of the derivative is deferred in accumulated other comprehensive loss in the stockholders' equity section of the consolidated balance sheets until the underlying transaction is reflected in earnings, at which time any deferred hedging gains or losses are also recorded in earnings. The ineffective portion of the change in the fair value of a derivative used as a cash flow hedge is recorded in earnings as incurred.

For periods prior to the adoption of the Statement, gains and losses on hedges of existing assets and liabilities were included in the carrying amounts of those assets or liabilities and were ultimately recognized in income when those carrying amounts were converted. Gains and losses related to hedges of firm commitments also were deferred and included in the basis of the transaction when it was completed. Gains and losses on unhedged foreign currency transactions were included in income as part of cost of sales and services. Gains and losses on derivative financial instruments that protected the Company from exposure in a particular currency, but did not have a designated underlying transaction, were also included in income as part of cost of sales and services. If a hedged item matured, was sold, extinguished, terminated, or was related to an anticipated transaction that was no longer likely to take place, the derivative financial instrument related to the hedged item was closed out and the related gain or loss was included in income as part of cost of sales and services or interest expense, as appropriate in relation to the hedged item.

Cash flows from derivative contracts are reported in the consolidated statements of cash flows in the same categories as the cash flows from the underlying transactions. The 2001 cash outflow related to contracts settled as a result of the adoption of the Statement of $3.8 million is reported separately in the consolidated statements of cash flows.

NOTE 4. BUSINESS COMBINATIONS AND DIVESTITURES

The Company is a provider of several types of measurement equipment to various markets through its Energy Processing Systems business segment. In the fourth quarter of 2002, management committed to a plan to divest the assets and liabilities associated with research and development activity for one type of measurement equipment. Assets held for sale of $2.9 million consisted of $1.3

million of inventory and $1.6 million of net property, plant and equipment, and liabilities of $0.4 million included the related accounts payable and other current liabilities. The assets and liabilities were classified in other current assets and other current liabilities, respectively, on the December 31, 2002, consolidated balance sheet.

On February 16, 2000, the Company acquired York International Corporation's Northfield Freezing Systems Group ("Northfield") for $39.8 million in cash and the assumption of certain liabilities. Northfield was headquartered in Northfield, Minnesota, and was a manufacturer of freezers, coolers and dehydrators for the industrial food processing industry. The Company recorded goodwill and other intangible assets totaling $41.6 million relating to the acquisition. Intangible assets consisting of customer lists were valued at $3.2 million and are being amortized on a straight-line basis over 20 years. In 2002, the remaining goodwill relating to Northfield was written off upon implementation of SFAS No. 142 (Note 8). Northfield's operations are included in the FoodTech business segment.

In 2000, the Company redeemed an investment in preferred stock of Tyco International Ltd. for cash proceeds of $127.5 million. The Company received the preferred stock in 1998 in conjunction with the divestiture of a business.

The Company completed several other smaller acquisitions, joint venture investments and divestitures during the three-year period ended December 31, 2002.

All acquisitions were accounted for using the purchase method of accounting. Accordingly, the purchase prices have been allocated to the assets acquired and liabilities assumed based on the estimated fair values of such assets and liabilities at the dates of acquisition. The excess of the purchase prices over the fair values of the net tangible assets acquired has been recorded as intangible assets, primarily goodwill. Had the acquisitions occurred at the beginning of the earliest period presented, the effect on the Company's operating results would not have been significant, and, accordingly, pro forma financial information has not been provided.

The purchase prices for all of the aforementioned acquisitions were satisfied from cash flows from operations and external financing. Results of operations of the acquired companies have been included in the Company's consolidated statements of income from the respective dates of acquisition.

NOTE 5. ASSET IMPAIRMENTS AND RESTRUCTURING CHARGES

In 2001, FMC Technologies recorded asset impairment and restructuring charges of $16.8 million before taxes ($10.4 million after tax). An asset impairment of $1.3 million was required to write off goodwill associated with a FoodTech product line, which the Company decided not to develop further. In the first quarter of 2001, the Company recorded pre-tax restructuring charges of $9.2 million. In the third quarter of 2001, the Company recorded pre-tax restructuring charges of $8.3 million and reduced certain restructuring reserves recorded in the first quarter of 2001 by $2.0 million, reflecting both favorable changes in the underlying businesses and adjustments to cost estimates. This resulted in a total of $15.5 million in restructuring charges, of which $5.1 million related to planned reductions in workforce of 121 individuals in the Energy Processing Systems businesses; $1.1 million related to 31 planned reductions in workforce in the Energy Production Systems businesses; $5.2 million related to planned reductions in workforce of 170 positions in the FoodTech businesses; $3.7 million related to a planned plant closing and restructuring activities initiated in 2000 at an Airport Systems facility as well as other Airport Systems actions, including 244 planned workforce reductions; and $0.4 million for other corporate initiatives. Restructuring spending related to the 2001 programs amounted to $3.7 million and $11.0 million during the years ended December 31, 2002 and 2001, respectively. Remaining reserves at December 31, 2002, were not significant.

In 2000, FMC Technologies recorded asset impairment and restructuring charges totaling $11.3 million before taxes ($6.9 million after tax). Asset impairments of $1.5 million were required to write down certain Energy Production Systems equipment, as estimated future cash flows attributed to these assets indicated that an impairment of the assets had occurred. Restructuring charges were $9.8 million, of which $8.0 million resulted primarily from strategic decisions to restructure certain FoodTech operations, and included planned reductions in workforce of 236 individuals. Restructuring charges of $1.4 million at Energy Production Systems included severance costs related to planned reductions in workforce of 68 individuals as a result of the delay in orders received from oil and gas companies for major systems. Restructuring charges of $0.4 million related to a reduction in corporate workforce. Restructuring spending under these programs totaled $7.0 million in 2000. The remaining 82 workforce reductions associated with these restructuring programs were completed during 2001 and fully utilized remaining reserves.

In 2000, spending related to a restructuring program initiated in 1999 was $0.7 million. All restructuring activities were completed, and there were no remaining accruals related to this program at December 31, 2000.

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 excludes restructuring activities related to operations acquired in a business combination. The Statement requires that exit or disposal costs are 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 are effective for activities that are initiated after December 31, 2002. The Company does not expect the implementation of this Statement to have a material impact on its financial position, results of operations or cash flows.

NOTE 6. INVENTORIES

Inventories are recorded at the lower of cost or net realizable value. The current replacement costs of inventories exceeded their recorded values by $83.7 million and $80.9 million at December 31, 2002 and 2001, respectively. During 2002 and 2001, the Company reduced certain LIFO inventories that were carried at lower than prevailing costs, resulting in a reduction of LIFO expense of $0.3 million and $0.6 million, respectively. There were no reductions in LIFO inventories in 2000.

Inventories consisted of the following:

(In millions)	December 31	
	2002	2001
Raw materials and purchased parts	$ 101.2	$ 115.2
Work in progress	120.1	118.9
Manufactured parts and finished goods	169.4	145.0
Gross inventories before LIFO reserves and valuation adjustments	390.7	379.1
LIFO reserves and valuation adjustments	(117.6)	(109.5)
Net inventories	$ 273.1	$ 269.6

NOTE 7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of the following:

(In millions)	December 31	
	2002	2001
Land and land improvements	$ 18.0	$ 17.2
Buildings	147.8	135.5
Machinery and equipment	483.9	433.6
Construction in progress	46.6	38.5
Total cost	696.3	624.8
Accumulated depreciation	(390.2)	(349.5)
Net property, plant and equipment	$ 306.1	$ 275.3

Depreciation expense was $40.1 million, $37.7 million and $41.2 million in 2002, 2001 and 2000, respectively.

During 2000, the Company entered into agreements for the sale and leaseback of certain equipment. The leases, which end in December 2004, are classified as operating leases in accordance with SFAS No. 13, "Accounting for Leases." Net property, plant and equipment was reduced by the carrying values of equipment sold, which amounted to $13.7 million. Net cash proceeds received in excess of the carrying value of equipment sold in conjunction with sale-leaseback transactions were recorded as deferred credits in the consolidated balance sheets. These non-amortizing credits totaled $20.8 million and $27.4 million at December 31, 2002 and 2001, respectively, and are included in other long-term liabilities. The decrease in 2002 in the amount of deferred credits resulted from the repurchase of the Company plane, which was subsequently sold in 2002.

Subsequent to December 31, 2002, the Company began evaluating its option to terminate the sale-leaseback agreement due to the availability of credit under its commercial paper program (Note 9). Terminating the agreement will require the Company to repurchase the assets for approximately $36 million. The effect on the Company's consolidated balance sheet will be an increase to property, plant and equipment representing the net book value of the assets, an increase to debt representing the purchase price, and a reversal of the non-amortizing credits in other long-term liabilities. The Company plans to pursue termination of the sale-leaseback agreement and believes that this action will not have a material effect on its results of operations.

NOTE 8. GOODWILL AND INTANGIBLE ASSETS

On January 1, 2002, the Company adopted the provisions of SFAS No. 142, "Goodwill and Other Intangible Assets." SFAS No. 142 provides new guidance on the initial recognition and measurement of intangible assets acquired individually or as part of a group of other assets not constituting a business. SFAS No. 142 also addresses the subsequent accounting for and continuing valuation of goodwill and other intangible assets.

Goodwill - During 2002, the carrying amount of goodwill was reduced by an impairment loss recognized upon adoption of the new accounting standard and, where applicable, was increased or decreased by foreign currency translation adjustments. The 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 of goodwill was determined by a two-step process. The first 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 the implementation of SFAS No. 142, all of the Company's reporting units were tested for impairment during the first quarter of 2002.

Goodwill by business segment was as follows:

(In millions)	December 31	
	2002	2001
Energy Production Systems	$ 47.8	$ 59.1
Energy Processing Systems	17.3	114.3
Subtotal Energy Systems	65.1	173.4
FoodTech	14.2	133.9
Airport Systems	4.3	4.3
Total goodwill	$ 83.6	$ 311.6

The adoption of SFAS No. 142's provisions relating to goodwill amortization resulted in the Company discontinuing the amortization of goodwill beginning January 1, 2002. Goodwill amortization expense recognized in 2001 and 2000 was as follows:

(In millions)	Year Ended December 31	
	2001	2000
Energy Production Systems	$ 3.1	$ 3.4
Energy Processing Systems	4.7	4.6
Subtotal Energy Systems	7.8	8.0
FoodTech	4.6	4.4
Airport Systems	0.6	0.8
Total goodwill amortization expense	$ 13.0	$ 13.2
Total goodwill amortization expense (net of income taxes)	$ 9.9	$ 10.0

The following table provides a comparison of the effects of adopting SFAS No. 142:

(In millions, except per share data)	Year Ended December 31		
	2002	2001	2000
NET INCOME (LOSS):			
As reported-Income before the cumulative effect of changes in accounting principles	$ 64.1	$ 39.4	$ 67.9
Add back: goodwill amortization (net of income taxes)	-	9.9	10.0
Adjusted income before the cumulative effect of changes in accounting principles	64.1	49.3	77.9
Cumulative effect of changes in accounting principles (net of income taxes)	(193.8)	(4.7)	-
Adjusted net income (loss)	$ (129.7)	$ 44.6	$ 77.9
As reported-Net income (loss)	$ (129.7)	$ 34.7	$ 67.9
BASIC EARNINGS (LOSS) PER COMMON SHARE:			
As reported-Income before the cumulative effect of changes in accounting principles	$ 0.98	$ 0.60	
Add back: goodwill amortization (net of income taxes)	-	0.15	
Adjusted income before the cumulative effect of changes in accounting principles	0.98	0.75	
Cumulative effect of changes in accounting principles (net of income taxes)	(2.97)	(0.07)	
Adjusted net income (loss) per common share	$ (1.99)	$ 0.68	
As reported-Basic earnings (loss) per common share	$ (1.99)	$ 0.53	
DILUTED EARNINGS (LOSS) PER COMMON SHARE:			
As reported-Income before the cumulative effect of changes in accounting principles	$ 0.96	$ 0.60	
Add back: goodwill amortization (net of income taxes)	-	0.15	
Adjusted income before the cumulative effect of changes in accounting principles	0.96	0.75	
Cumulative effect of changes in accounting principles (net of income taxes)	(2.90)	(0.07)	
Adjusted net income (loss) per common share	$ (1.94)	$ 0.68	
As reported-Diluted earnings (loss) per common share	$ (1.94)	$ 0.53	

The Company's capital structure prior to 2001 (Note 14) did not include a significant number of shares of common stock and was not comparable to its capital structure following the completion of the transactions discussed in Note 1, and, accordingly, earnings per share information has not been presented for 2000.

Intangible assets - All of the Company's acquired identifiable intangible assets are subject to amortization and, where applicable, foreign currency translation adjustments. The Company recorded $2.5 million in amortization expense related to intangible assets during the year ended December 31, 2002. During the years 2003 through 2007, annual amortization expense is expected to be $2.5 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)				December 31
	2002			2001
	GROSS CARRYING AMOUNT	ACCUMULATED AMORTIZATION	Gross carrying amount	Accumulated amortization
Customer lists	$ 17.1	$ 4.4	$ 16.9	$ 3.7
Patents	24.2	13.6	20.3	11.0
Trademarks	16.9	3.9	16.2	3.2
Total intangible assets	$ 58.2	$ 21.9	$ 53.4	$ 17.9

NOTE 9. DEBT

Committed credit - During 2001, the Company obtained non-amortizing revolving credit facilities as follows: a five-year $250.0 million facility maturing on April 26, 2006, and a 364-day $175.0 million facility maturing on April 25, 2002. As of April 25, 2002, the 364-day facility was renewed for $182.2 million, with a new maturity of April 24, 2003. Among other restrictions, the terms of the credit agreements include negative covenants related to liens and financial covenants related to consolidated tangible net worth, debt to earnings and interest coverage ratios. The Company was in compliance with all covenants at December 31, 2002. Each of the committed credit facilities carries an effective interest rate of 100 basis points above the one-month London Interbank Offered Rate ("LIBOR"), and together they provide the Company with an aggregate of $432.2 million in committed credit. Unused capacity under committed credit facilities at December 31, 2002, totaled $237.2 million, consisting of $75.0 million under the $250.0 million long-term credit facility and $162.2 million under the $182.2 million short-term facilities. The one-month LIBOR was 1.38% at December 31, 2002.

Uncommitted credit - During 2001, the Company obtained three uncommitted credit facilities in the United States totaling $35.0 million. These facilities were renewed as of April 25, 2002, for a total of $30.0 million. In addition, the Company has uncommitted credit lines at many of its international subsidiaries for immaterial amounts. The Company utilizes these facilities to provide a more efficient daily source of liquidity. The effective interest rates depend upon the local national market. For the domestic credit facilities, rates are approximately 100 basis points over the prevailing Federal Funds rate traded in the money markets. At December 31, 2002, the Federal Funds rate was 1.25%. At December 31, 2002, $20.0 million was made available for funding under the domestic uncommitted credit facilities and $15.0 million was outstanding.

Long-term debt - Long-term debt consisted of the following:

(In millions)		December 31
	2002	2001
Five-year revolving committed credit facility	$ 175.0	$ 194.0
Other	0.5	0.2
Total long-term debt	175.5	194.2
Less: current portion	(0.1)	(0.1)
Long-term debt, less current portion	$ 175.4	$ 194.1

The Company entered into interest rate swap agreements in 2001 related to $150.0 million of long-term debt. The effect of these agreements is to fix the effective interest rate of these borrowings at an average rate of 5.37%.

Interest rate swaps with notional values of $100.0 million and $50.0 million mature in 2003 and 2004, respectively.

Short-term debt - Short-term debt consisted of the following:

(In millions)	December 31	
	2002	2001
364-day revolving committed credit facility	$ 20.0	$ 13.9
Domestic uncommitted credit facilities	15.0	25.0
Foreign uncommitted credit facilities	1.0	17.2
Borrowings from joint venture	23.4	22.7
Total short-term debt	$ 59.4	$ 78.8

At December 31, 2002, borrowings under the 364-day revolving committed credit facility carried an effective interest rate of 2.3%. At December 31, 2001, borrowings under the 364-day revolving committed credit facilities carried an effective interest rate of 2.9%.

Advances under the domestic uncommitted credit facilities were $15.0 million and $25.0 million, with an effective interest rate of 2.3% and 3.0% at December 31, 2002 and 2001, respectively.

At December 31, 2002 and 2001, short-term debt included third-party debt of FMC Technologies' foreign operations outstanding under foreign uncommitted credit facilities totaling $1.0 million and $17.2 million, respectively. The weighted average interest rates on these outstanding borrowings were approximately 7.6% and 6.6% at December 31, 2002 and 2001, respectively.

At December 31, 2002 and 2001, short-term debt included $23.4 million and $22.7 million, respectively, of borrowings from MODEC International LLC, a 37.5% - owned joint venture, at interest rates based on the Company's short-term committed credit interest rate, which was 2.2% and 2.9% at December 31, 2002 and 2001, respectively.

The Company initiated a $400.0 million commercial paper program in early 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 $400.0 million of short-term financing through its commercial paper dealers. After commencement of the program, the Company utilized up to $115 million of commercial paper, with maturities ranging from 1 to 7 days. Commercial paper proceeds were used for debt reduction and for general corporate purposes.

NOTE 10. INCOME TAXES

Domestic and foreign components of income (loss) before income taxes and the cumulative effect of changes in accounting principles are shown below:

(In millions)	Year Ended December 31		
	2002	2001	2000
Domestic	$ (8.4)	$ (22.8)	$ 11.6
Foreign	98.7	86.3	79.0
Income before income taxes and the cumulative effect of changes in accounting principles	$ 90.3	$ 63.5	$ 90.6

The provision (benefit) for income taxes attributable to income before the cumulative effect of changes in accounting principles consisted of:

(In millions)	Year Ended December 31		
	2002	2001	2000
CURRENT:			
Federal	$ -	$ 1.1	$ (0.2)
Foreign	7.2	15.6	11.2
State and local	-	(0.7)	0.6

Total current	7.2	16.0	11.6
Deferred	19.0	8.1	11.1
Provision for income taxes	$ 26.2	$ 24.1	$ 22.7

Significant components of the deferred income tax provision attributable to income before income taxes were as follows:

(In millions)	Year Ended December 31		
	2002	2001	2000
Deferred tax expense (exclusive of the effect of changes in valuation allowance)	$ 17.8	$ 8.1	$ 11.8
Increase (decrease) in the valuation allowance for deferred tax assets	1.2	-	(0.7)
Deferred income tax provision	$ 19.0	$ 8.1	$ 11.1

Significant components of the Company's deferred tax assets and liabilities were as follows:

(In millions)	December 31	
	2002	2001
DEFERRED TAX ASSETS ATTRIBUTABLE TO:		
Accrued pension and other postretirement benefits	$ 42.2	$ 26.9
Reserves for insurance, warranties and other	30.0	32.5
Net operating loss carryforwards	27.4	5.4
Goodwill	13.6	-
Foreign tax credit carryforwards	12.4	-
Reserve for excess and obsolete inventory	9.1	7.9
Sale-leaseback	8.6	7.3
Reserves for discontinued operations and restructuring	7.7	11.1
Other	14.5	5.5
Deferred tax assets	165.5	96.6
Valuation allowance	(6.6)	(5.4)
Deferred tax assets, net of valuation allowance	158.9	91.2
DEFERRED TAX LIABILITIES ATTRIBUTABLE TO:		
Revenue in excess of billings on contracts accounted for under the percentage of completion method	41.6	39.6
Property, plant and equipment and other	60.9	21.8
Deferred tax liabilities	102.5	61.4
Net deferred tax assets	$ 56.4	$ 29.8

The Company has generated $12.4 million in foreign tax credit carryforwards. If not utilized, $7.6 million will expire in 2006 and $4.8 million will expire in 2007.

Included in deferred tax assets at December 31, 2002, are $6.6 million in net operating loss carryforwards attributable to foreign entities. Management believes it is more likely than not that the Company will not be able to utilize these operating loss carryforwards before expiration; therefore, the Company has established a valuation allowance with regard to the related deferred tax assets. Realization of the Company's remaining net deferred tax assets is dependent on the generation of domestic taxable income. Based on long-term forecasts of operating results, management believes that it is more likely than not that domestic earnings over this period will support this level of domestic taxable income. In its analysis, management has considered the effect of foreign dividends and other expected adjustments to domestic earnings that are required in determining domestic taxable income. Foreign earnings taxable to the Company as dividends were $24.9 million, $153.9 million and $35.3 million in 2002, 2001 and 2000, respectively.

By country, current and non-current deferred income taxes included in the Company's consolidated balance sheet at December 31, 2002, were as follows:

(In millions)

	Current asset (liability)	Non-current asset (liability)	Total
United States	$ (1.0)	$ 114.9	$ 113.9
United Kingdom	-	(3.5)	(3.5)
Norway	(17.2)	(24.4)	(41.6)
Brazil	-	(11.2)	(11.2)
Other foreign	-	(1.2)	(1.2)
Total deferred income taxes	$ (18.2)	$ 74.6	$ 56.4

The effective income tax rate was different from the statutory U.S. Federal income tax rate due to the following:

	Year Ended December 31		
	2002	2001	2000
Statutory U.S. tax rate	35%	35%	35%
NET DIFFERENCE RESULTING FROM:			
Foreign earnings subject to different tax rates	(12)	(20)	(11)
Tax on foreign intercompany dividends and deemed dividends for tax purposes	6	21	3
Nondeductible expenses	2	2	1
Qualifying foreign trade income	(2)	(3)	-
Foreign sales corporation income	-	-	(2)
Nondeductible goodwill amortization	-	3	1
Change in valuation allowance	1	-	(1)
Other	(1)	-	(1)
Total difference	(6)	3	(10)
Effective tax rate	29%	38%	25%

U.S. income taxes have not been provided on undistributed earnings of foreign subsidiaries. The cumulative balance of these undistributed earnings was $451.4 million at December 31, 2002. It is not practicable to determine the amount of applicable taxes that would be incurred if any of such earnings were repatriated.

FMC Corporation and FMC Technologies entered into a Tax Sharing Agreement in connection with the Separation. Effective January 1, 2002, FMC Technologies was no longer included in either the U.S. consolidated income tax return of FMC Corporation or in the state or foreign income tax returns of FMC Corporation or its affiliates.

For years prior to 2002, the operations of the Company and its subsidiaries were included in the Federal consolidated and certain state and foreign tax returns of FMC Corporation. Pursuant to the terms of the Tax Sharing Agreement, the Company and its subsidiaries are liable for all taxes for all periods prior to the Separation which are related to its operations, computed as if the Company and its subsidiaries were a separate group filing its own tax returns for such periods. The Tax Sharing Agreement provides that the Company and FMC Corporation will make payments between them as appropriate in order to properly allocate the group's tax liabilities for pre-Separation periods.

The Company's income tax provision for the year ended December 31, 2001, included $8.9 million in charges associated with the Separation. Of this amount, $4.2 million was incurred as a result of restructuring transactions related to the Company's reorganization of its worldwide group and $4.7 million was incurred on the repatriation of $126.4 million of the Company's foreign earnings in connection with the Company's Separation from FMC Corporation. Pursuant to the Tax Sharing Agreement between the Company and FMC Corporation, FMC Corporation assumed liability for certain additional tax charges related to this repatriation.

The Tax Sharing Agreement places certain restrictions upon FMC Technologies regarding the sale of assets, the sale or issuance of additional securities (including securities convertible into stock) or the entry into some types of corporate transactions during a restriction period that continues for 30 months after the Distribution. Management does not expect that the restrictions under the Tax Sharing Agreement will significantly limit the Company's ability to engage in strategic transactions.

FMC Corporation's Federal income tax returns for years through 1997 have been examined by the Internal Revenue Service and are closed for Federal income tax purposes. As a result of these examinations, the Company paid $4.2 million to FMC Corporation in 2002 pursuant to the terms of the Tax Sharing Agreement. Management believes that adequate provision for income taxes has been made for remaining open tax years.

NOTE 11. RESERVE FOR DISCONTINUED OPERATIONS

Under agreements governing the Separation of the Company from FMC Corporation, the Company assumed self-insured product liabilities associated with equipment manufactured by certain discontinued machinery businesses of FMC Corporation. These businesses primarily consisted of the construction equipment, power control, beverage equipment and marine and rail divisions, all of which were divested prior to 1985. The Company engages an actuary to value the estimated ultimate future payout related to the reported personal injury and other claims outstanding and the estimated ultimate future payout for incurred but not reported claims. Estimated costs for claims administration and insurance coverage were added to the claims payout estimate resulting in total reserves of $18.1 million at December 31, 2002, and $23.4 million at December 31, 2001.

At December 31, 2002, the Company had six known open claims related to cranes and one known open claim related to other equipment, none of which was individually material.

The Company believes its existing reserves are based on the most current estimate of potential loss and are adequate, and also believes that product liability claims will decrease over time as the products are retired. However, it is possible that the ultimate settlement cost of all discontinued operations' claim liabilities could differ materially from the recorded reserve. Management cannot predict with certainty the timing of cash flows for settlements and costs in 2003 or in future years.

The following table presents accruals, payments and discontinued operations reserves for claims related to cranes and other product-related liabilities for the two years ended December 31, 2002:

(In millions)	Reserve for Discontinued Operations		
	Crane Claims	Other Claims	Total
December 31, 2000, reserve	$ 26.2	$ 4.4	$ 30.6
Accruals in 2001	-	-	-
Payments in 2001	(5.4)	(1.8)	(7.2)
December 31, 2001, reserve	20.8	2.6	23.4
Accruals in 2002	-	-	-
Payments in 2002	(5.1)	(0.2)	(5.3)
December 31, 2002, reserve	$ 15.7	$ 2.4	$ 18.1

The Company maintains insurance coverage limiting its exposure to $2.75 million for any individual product liability claim.

NOTE 12. PENSIONS AND POSTRETIREMENT AND OTHER BENEFIT PLANS

Effective May 1, 2001, the Company's domestic pension obligations were separated from FMC Corporation's qualified pension plans and, effective November 1, 2001, a separate trust was established for custody and investment of these assets. The initial allocation of assets and obligations between the Company's and FMC Corporation's plans and trusts was based on estimates. The disclosures herein reflect interim adjustments to these allocations in accordance with the SDA and with applicable ERISA guidelines and are described as "spin-off adjustments." The final allocation of obligations was determined and completed during 2002.

Effective at various dates in 2001, all other benefit obligations, including the Company's postretirement medical and life insurance obligations, were legally separated from those of FMC Corporation and separate plans were established by the Company.

Through the end of 2000, and during portions of 2001 until the Separation of the various plans as described above, substantially all of the Company's domestic employees participated in FMC Corporation's qualified pension and postretirement medical and life insurance plans after meeting certain employment criteria, and may have participated in FMC Corporation's other benefit plans, depending on their location and employment status. Foreign-based employees may also have been eligible to participate in FMC Corporation-sponsored or government-sponsored programs that were available to them.

Pension and postretirement amounts recognized in the Company's consolidated financial statements for 2000 and 2001 were determined based on certain assumptions regarding whether FMC Corporation or FMC Technologies would assume the assets and liabilities related to specific groups of FMC Corporation employees. As a result, the Company assumed the assets and liabilities associated with benefits for FMC Technologies' employees and the terminated vested employees and retirees of FMC Corporation's machinery businesses.

The funded status of the Company's domestic qualified and non-qualified pension plans, certain foreign pension plans and domestic postretirement health care and life insurance benefit plans (or the Company's allocated portions of FMC Corporation's plans prior to spin-off of the Company's separate plans during 2001), together with the associated balances recognized in the Company's consolidated financial statements as of December 31, 2002 and 2001, were as follows:

(In millions)	Pensions		Other Postretirement Benefits	
	2002	2001	2002	2001
CHANGE IN BENEFIT OBLIGATION:				
Benefit obligation at January 1	$ 410.8	$ 367.8	$ 41.7	$ 35.1
Service cost	13.8	12.6	0.8	1.2
Interest cost	27.5	25.5	2.6	2.8
Spin-off adjustment	-	(6.5)	-	-
Actuarial (gain) loss	3.5	27.3	(0.1)	5.6
Amendments	(0.2)	(0.8)	(7.6)	-
Foreign currency exchange rate changes	8.7	(1.9)	-	-
Plan participants' contributions	1.2	0.9	2.7	2.7
Benefits paid	(15.2)	(14.1)	(6.1)	(5.7)
Benefit obligation at December 31	450.1	410.8	34.0	41.7
CHANGE IN FAIR VALUE OF PLAN ASSETS:				
Fair value of plan assets at January 1	335.3	341.2	-	-
Actual return on plan assets	(20.7)	12.3	-	-
Spin-off adjustment	(7.7)	(12.4)	-	-
Foreign currency exchange rate changes	7.4	(1.8)	-	-
Company contributions	34.6	9.2	3.4	3.0
Plan participants' contributions	1.2	0.9	2.7	2.7
Benefits paid	(15.2)	(14.1)	(6.1)	(5.7)
Fair value of plan assets at December 31	334.9	335.3	-	-
Funded status of the plans (liability)	(115.2)	(75.5)	(34.0)	(41.7)
Unrecognized actuarial loss	121.7	56.4	3.4	3.6
Unrecognized prior service cost (income)	4.0	5.1	(11.3)	(7.0)
Unrecognized transition asset	(4.7)	(4.8)	-	-
Net amounts recognized in the consolidated balance sheets at December 31	$ 5.8	$ (18.8)	$ (41.9)	$ (45.1)
Accrued pension and other postretirement benefits	$ (55.9)	$ (22.6)	$ (41.9)	$ (45.1)
Other assets	5.0	1.8	-	-
Accumulated other comprehensive loss	56.7	2.0	-	-
Net amounts recognized in the consolidated balance sheets at December 31	$ 5.8	$ (18.8)	$ (41.9)	$ (45.1)

The following table summarizes under-funded and non-funded pension plans:

(In millions)	December 31	
	2002	2001
UNDER-FUNDED PLANS:		
Accumulated benefit obligation	$ 363.1	$ -
Fair value of plan assets	$ 331.7	$ -
NON-FUNDED PLANS:		
Accumulated benefit obligation	$ 21.4	$ 20.9

The following table summarizes the assumptions used and the components of net annual benefit cost for the years ended December 31:

	Pensions			Other Postretirement Benefits		
	2002	2001	2000	2002	2001	2000
ASSUMPTIONS AS OF SEPTEMBER 30:						
Discount rate	6.75%	7.00%	7.50%	6.75%	7.00%	7.50%
Expected return on assets	9.25%	9.25%	9.25%	-	-	-
Rate of compensation increase	4.25%	4.25%	4.25%	-	-	-
COMPONENTS OF NET ANNUAL BENEFIT COST (IN MILLIONS):						
Service cost	$ 13.8	$ 12.6	$ 12.6	$ 0.8	$ 1.2	$ 1.0
Interest cost	27.5	25.5	24.1	2.6	2.8	2.6
Expected return on plan assets	(32.4)	(30.4)	(27.1)	-	-	-
Amortization of transition asset	(0.5)	(2.6)	(6.8)	-	-	-
Amortization of prior service cost (benefit)	1.0	1.2	1.6	(3.3)	(3.1)	(3.1)
Recognized net actuarial (gain) loss	1.5	0.8	0.6	0.1	(0.1)	(0.3)
Net annual benefit cost	$ 10.9	$ 7.1	$ 5.0	$ 0.2	$ 0.8	$ 0.2

In September 2002, the Company announced changes to other postretirement benefits effective January 1, 2003. These changes resulted in a reduction in the benefit obligation and annual benefit cost by $7.5 million and $1.8 million, respectively.

The change in the discount rate used in determining domestic pension and other postretirement benefit obligations from 7.00% to 6.75% increased the projected benefit obligation by $12.8 million at December 31, 2002.

Effective in 2003, the expected rate of return on plan assets was reduced from 9.25% to 8.75% to reflect current market conditions. While this change did not have an impact on 2002 net annual benefit cost, it will increase 2003 net annual benefit cost by $1.8 million.

The change in the discount rate used in determining domestic pension and other postretirement benefit obligations from 7.50% to 7.00% increased the projected benefit obligation by $24.6 million at December 31, 2001.

For measurement purposes, a 9.0% and 11.0% increase in the per capita cost of health care benefits for pre-age 65 retirees and post-age 65 retirees was assumed for 2002. The rates of increase were forecast to decrease gradually to 6.0% in 2009 and remain at that level thereafter.

Assumed health care cost trend rates will not have an effect on the amounts reported for the health care plan since the Company's benefit obligation under the plan is fully capped at the 2002 benefit level. A one-percentage-point change in the assumed health care cost trend rates would not have a significant effect on total service and interest costs or the Company's postretirement benefit obligation.

The Company has adopted SFAS No. 87, "Employers' Accounting for Pensions," for its pension plans covering employees in the United Kingdom and Canada and for one pension plan in Germany. Pension expense measured in compliance with SFAS

No. 87 for other non-U.S. pension plans is not materially different from the locally reported pension expense. The cost of providing pension benefits for foreign employees was $4.8 million in 2002, $4.2 million in 2001 and $3.4 million in 2000.

In 2002, the Company recognized expense of $7.9 million for matching contributions to the FMC Technologies, Inc. Savings and Investment Plan. In 2001 and 2000, the Company recognized expense of $7.9 million and $7.5 million, respectively, reflecting FMC Technologies' share of matching contributions to the FMC Corporation Savings and Investment Plan. On September 28, 2001, the Company's employees' assets were separated from the FMC Corporation Savings and Investment Plan and transferred to the Company's newly established plan known as the FMC Technologies, Inc. Savings and Investment Plan. The plan is a qualified salary reduction plan under Section 401(k) of the Internal Revenue Code.

NOTE 13. STOCK-BASED COMPENSATION

The FMC Technologies, Inc. Incentive Compensation and Stock Plan (the "Plan") was approved on February 16, 2001. The Plan provides certain incentives and awards to officers, employees, directors and consultants of the Company or its affiliates. The Plan allows the Board of Directors of the Company (the "Board") to make various types of awards to non-employee directors and the Compensation and Organization Committee (the "Committee") of the Board to make various types of awards to other eligible individuals. Awards include management incentive awards, stock options, stock appreciation rights, restricted stock and performance units. All awards are subject to the provisions of the Plan.

Management incentive awards may be awards of cash, common stock options, restricted stock or a combination thereof. Grants of common stock options may be incentive and/or nonqualified stock options. The exercise price for options is not less than the market value of the Company's common stock at the date of grant. Options are exercisable after a period of time designated by the Committee and expire not later than 10 years after the grant date. Restricted stock grants specify any applicable performance goals, the time and rate of vesting and such other provisions as the Committee may determine.

Awards to non-employee directors currently consist of nonqualified common stock options, restricted stock or performance units. Common stock options were awarded in 1999, 1998 and 1997 and consist of 17,362 vested unexercised options at December 31, 2002, exercisable upon each director's retirement from the Board. Restricted stock was awarded to non-employee directors in 2002, 2001 and 2000 and totaled 43,230 shares at December 31, 2002. Restricted stock vests one year from the date of award but is not distributed to each director until his or her retirement from the Board.

The Plan also provides that each non-employee director will receive an annual retainer in an amount to be determined by the Board. Until changed by resolution of the Board, the grant date of the annual retainer will be May 1 of each year, and the amount will be $40,000, $25,000 of which will be paid in the form of performance units and the remainder paid quarterly at the end of each calendar quarter. Not less than 60 days prior to the grant date, each non-employee director may elect to have the remaining $15,000 annual retainer paid in the form of performance units. The number of performance units is determined by dividing the amount of the total deferred retainer by the market value of the Company's common stock on the grant date. Performance units accrued under this portion of the Plan totaled 51,401 units at December 31, 2002.

Under the Plan, 12,000,000 shares of the Company's common stock became available to be issued or transferred to participants under the Plan, subject to a maximum of 8,000,000 shares for management incentive awards and for grants of restricted stock and performance units. These shares are in addition to shares previously granted by FMC Corporation and converted into 4,493,257 potentially issuable shares of the Company's common stock. Cancellation (through expiration, forfeiture or otherwise) or non-issuance (through retention of shares related to income tax withholding or payment of fractional shares in cash) of outstanding awards and options preserves the number of shares available for future awards and grants. At December 31, 2002, 9,153,284 shares were available for future grant under the Plan.

The following shows stock option activity for the two years ended December 31, 2002:

(Number of shares in thousands)

	Number of Shares		Weighted-Average Exercise Price Per Share
Granted concurrent with the initial public offering	2,387	$	20.00
Forfeited	(24)	$	20.00
December 31, 2001 (No shares exercisable)	2,363	$	20.00
Issued to replace FMC Corporation options/(1)/	3,248	$	16.04
Granted	527	$	17.35
Exercised	(136)	$	15.55
Forfeited	(133)	$	19.08
December 31, 2002 (2,628 shares exercisable)	5,869	$	17.70

(1) Effective as of January 1, 2002, following the Distribution of FMC Corporation's interest in the Company, certain employees and non-employee directors of the Company who had held options to purchase FMC Corporation stock received replacement options to purchase stock of the Company. These replacement stock options are included in the disclosures herein and in the calculation of diluted shares outstanding for 2002, but are excluded from the calculation of diluted EPS in 2001.

The following tables summarize information about stock options outstanding at December 31, 2002:

Options Outstanding

Range of Exercise Prices	Number Outstanding at December 31, 2002 (In thousands)	Weighted-Average Remaining Contractual Life (In years)		Weighted-Average Exercise Price Per Share
$ 8.16 - $ 8.61	59	2.7	$	8.38
$12.44 - $12.82	520	5.5	$	12.75
$13.27 - $13.84	786	6.6	$	13.52
$15.97 - $16.93	659	5.3	$	16.77
$17.35 - $17.79	522	9.1	$	17.35
$19.28 - $19.66	948	4.4	$	19.46
$20.00 - $21.37	2,375	8.1	$	20.02
Total	5,869	6.8	$	17.70

Options Exercisable

Range of Exercise Prices	Number Exercisable at December 31, 2002 (In thousands)		Weighted-Average Exercise Price Per Share
$ 8.16 - $ 8.61	59	$	8.38
$12.44 - $13.27	956	$	12.99
$15.97 - $17.79	662	$	16.78
$19.28 - $21.37	951	$	19.47
Total	2,628	$	16.18

On January 2, 2003, additional options representing 350,308 shares became exercisable at a price per share of $13.84 with an expiration date of February 10, 2010.

At December 31, 2002, total awards and options outstanding under the Plan were as follows:

(Number of shares in thousands)

	Number of Shares	Weighted-Average Exercise Price
Employee stock options	5,852	$ 17.69
Non-employee director stock options	17	$ 19.40
Total options	5,869	$ 17.70
Restricted stock awards	846	
Non-employee director retainer shares and restricted stock units	95	
Total restricted stock and stock units	941	
Total awards and options outstanding	6,810	

Prior to adoption of the Plan, certain employees of the Company and certain employees of FMC Corporation who provided services to the Company were granted restricted stock under the incentive compensation plans of FMC Corporation. On January 1, 2002, all restricted stock issued by FMC Corporation to employees of the Company was canceled, and new restricted stock was issued by the Company at an equivalent value and with an identical vesting date. Under the Company's and its predecessor's plans, the Company recognized compensation expense related to restricted stock grants of $5.1 million, $8.0 million and $5.7 million during the years ended December 31, 2002, 2001 and 2000, respectively.

NOTE 14. STOCKHOLDERS' EQUITY

At December 31, 2002, accumulated other comprehensive earnings (loss) consisted of cumulative foreign currency translation losses of $112.1 million, net after-tax deferred gains on derivative contracts of $3.9 million (net of deferred hedging losses of $4.8 million), and minimum pension liability loss adjustments of $37.4 million. At December 31, 2001, accumulated other comprehensive loss consisted of cumulative foreign currency translation losses of $144.2 million, net after-tax deferred losses on derivative contracts of $1.2 million (comprised of the cumulative effect of a change in accounting principle of $1.3 million, net of 2001 deferred hedging gains of $0.1 million) and minimum pension liability loss adjustments of $1.2 million.

The following is a summary of the Company's capital stock activity over the past three years:

(Number of shares in thousands)

	Common Stock	Common Stock Held in Employee Benefit Trust
December 31, 1999	-	-
Issuance of stock to FMC Corporation	1	-
December 31, 2000	1	-
Initial public offering	11,050	-
Issuance of stock to FMC Corporation	53,949	-
Stock awards	91	-
Stock purchased for employee benefit trust	-	86
December 31, 2001	65,091	86
Stock awards	439	-
Stock purchased for employee benefit trust	-	60

December 31, 2002	65,530	146

At December 31, 2002 and 2001, FMC Technologies' capital stock consisted of 195,000,000 authorized shares of $0.01 par value common stock and 12,000,000 shares of undesignated $0.01 par value preferred stock. At December 31, 2000, FMC Technologies' capital stock consisted of 1,000 authorized, issued and outstanding shares of $0.01 par value common stock, all of which was owned by FMC Corporation.

On December 7, 2001, the Board authorized the Company to repurchase up to 2,000,000 common shares in the open market for general corporate purposes. No shares had been repurchased as of December 31, 2002, under this authorization.

The plan administrator of the FMC Technologies, Inc. Non-Qualified Savings and Investment Plan purchases shares of the Company's common stock on the open market. Such shares, which totaled 146,072 and 85,873 shares at December 31, 2002 and 2001, respectively, are placed in a trust owned by the Company.

At December 31, 2002, 15,963,184 shares of unissued common stock were reserved for future and existing stock options and awards.

No cash dividends were paid on the Company's common stock in 2002 or in 2001.

On June 7, 2001, the Board declared a dividend distribution to each recordholder of common stock of one Preferred Share Purchase Right for each share of common stock outstanding at that date. Each right entitles the holder to purchase, under certain circumstances related to a change in control of the Company, one one-hundredth of a share of Series A junior participating preferred stock, without par value, at a price of $95 per share (subject to adjustment), subject to the terms and conditions of a Rights Agreement dated June 5, 2001. The rights expire on June 6, 2011, unless redeemed by the Company at an earlier date. The redemption price of $0.01 per right is subject to adjustment to reflect stock splits, stock dividends or similar transactions. The Company has reserved 800,000 shares of Series A junior participating preferred stock for possible issuance under the agreement.

NOTE 15. FOREIGN CURRENCY

The Company mitigates a substantial portion of its transactional exposure to variability in currency exchange rates by entering into foreign exchange hedges with third parties. In 2002, foreign currency transactional exposures were most affected by the weakening of the U.S. dollar against the Norwegian krone, the Swedish krona, the euro and the British pound, partially offset by the strengthening of the U.S. dollar against the Brazilian real. Foreign currency exposures in 2001 were affected primarily by a weakening of the Swedish krona, the Japanese yen, the euro and the Brazilian real in relation to the U.S. dollar. In 2000, foreign currency exposures were most affected by the weakening of the British pound, the Norwegian krone and the Swedish krona against the U.S. dollar.

The Company's 2002 earnings were positively affected by the earnings denominated in foreign currency due to the devaluation of the U.S. dollar against the Norwegian krone, the Swedish krona, the euro and the British pound. There was no significant impact on the Company's 2001

earnings as a direct result of sales or expenses denominated in foreign currencies. During 2000, the Company's earnings were negatively affected by the impact of weaker European currencies (particularly the euro, the Norwegian krone and the Swedish krona) on the Company's foreign currency-denominated sales, which was partly offset by the benefit of paying certain local operating costs in the same foreign currencies.

The following table presents the foreign currency adjustments to key balance sheet categories and the offsetting adjustments to accumulated other comprehensive earnings (loss) or to income for the years ended December 31:

(Gains (losses) in millions)	Year Ended December 31		
	2002	2001	2000

Cash and cash equivalents	$ 0.6	$ (2.0)	$ (1.6)
Other working capital components	14.7	2.2	(26.2)
Property, plant and equipment, net	9.5	(4.7)	(8.8)
Debt	(2.1)	0.3	(0.1)
Other	11.5	(18.8)	5.3
Total foreign currency adjustments	$ 34.2	$ (23.0)	$ (31.4)
Other comprehensive earnings (loss)	$ 32.1	$ (31.7)	$ (35.9)
Gain included in income	2.1	8.7	4.5
Total foreign currency adjustments	$ 34.2	$ (23.0)	$ (31.4)

NOTE 16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Derivative financial instruments -- At December 31, 2002 and 2001, derivative financial instruments consisted of foreign currency forward contracts and interest rate swap contracts. The Company uses derivative instruments to manage certain of its foreign exchange and interest rate risks. Company policy allows for the use of derivative financial instruments only for identifiable exposures, and, therefore, the Company does not enter into derivative instruments for trading purposes where the objective is to generate profit.

With respect to foreign exchange rate risk, the Company's objective is to limit potential losses in local currency-based earnings or cash flows from adverse foreign currency exchange rate movements. The Company's foreign currency exposures arise from transactions denominated in a currency other than an entity's functional currency, primarily anticipated purchases of raw materials or services and sales of finished product, and the settlement of receivables and payables. The primary currencies to which the Company and its affiliates are exposed include the Brazilian real, the British pound, the euro, the Japanese yen, the Norwegian krone, the Singapore dollar, the Swedish krona and the U.S. dollar.

With respect to interest rate risk, the Company's objective is to limit its exposure to fluctuations in market interest rates on floating rate debt. The Company assesses interest rate cash flow risk by continually monitoring changes in interest rate exposures that may adversely impact expected future cash flows and by evaluating hedging opportunities. The Company maintains risk management control systems to monitor interest rate cash flow risk attributable to the Company's outstanding or forecasted debt obligations as well as the Company's offsetting hedge positions.

Except in emerging markets where in-country trading is more efficient, contracts are executed centrally from the corporate office to minimize transaction costs on currency conversions and minimize losses due to adverse changes in debt or foreign currency markets. For anticipated transactions and debt obligations, the Company enters into external derivative contracts which individually correlate with each exposure in terms of currency and maturity, and the amount of the contract does not exceed the amount of the exposure being hedged. For foreign currency exposures recorded on the Company's consolidated balance sheet, such as accounts receivable or payable, the Company evaluates and monitors consolidated net exposures by currency and maturity, and external derivative financial instruments correlate with that net exposure in all material respects.

The Company primarily uses variable-rate debt to finance its operations. The debt obligations expose the Company to variability in interest payments due to changes in interest rates. Management believes it is prudent to limit the variability of a portion of its interest payments. To meet this objective, management enters into interest rate swap agreements to manage fluctuations in cash flows resulting from interest rate risk. These swaps change the variable-rate cash flow exposure on the debt obligations to fixed-rate cash flows.

Changes in the fair value of interest rate swaps designated as hedging instruments that effectively offset the variability of cash flows associated with variable-rate, long-term debt obligations are reported in accumulated other comprehensive earnings (loss). These amounts are subsequently reclassified into interest expense as a yield adjustment of the hedged debt obligation in the same period in which the related interest affects earnings.

Hedge ineffectiveness and the portion of derivative gains or losses excluded from assessments of hedge effectiveness related to the Company's outstanding cash flow hedges and which were recorded in earnings during the year ended

December 31, 2002, were less than $0.5 million. At December 31, 2002, the net deferred hedging gain in accumulated other comprehensive loss was $3.9 million, of which a net gain of $5.2 million is expected to be recognized in earnings during the twelve months ending December 31, 2003, at the time the underlying hedged transactions are realized, and a net loss of $1.3 million is expected to be recognized at various times from January 1, 2004, through November 30, 2009. At December 31, 2002, the Company had recognized the following amounts in the consolidated balance sheet representing the fair values of derivative instruments: $35.4 million in current assets, $0.9 million in non-current assets, $13.1 million in current liabilities and $3.0 million in non-current liabilities.

Hedge ineffectiveness and the portion of derivative gains or losses excluded from assessments of hedge effectiveness related to the Company's outstanding cash flow hedges and which were recorded in earnings during the year ended December 31, 2001, were less than $0.1 million. At December 31, 2001, the net deferred hedging loss in accumulated other comprehensive earnings (loss) was $1.2 million. At December 31, 2001, the Company had recognized the following amounts in the consolidated balance sheet representing the fair values of derivative instruments: $7.5 million in current assets, $1.0 million in non-current assets, $7.3 million in current liabilities and $4.1 million in non-current liabilities.

As of December 31, 2002, the Company held foreign currency forward contracts with notional amounts of $420.0 million in which foreign currencies (primarily the Norwegian krone, the Singapore dollar, the euro and the British pound) were purchased and $272.9 million in which foreign currencies (primarily the Norwegian krone, the euro, the Japanese yen, the Swedish krona and the British pound) were sold. As of December 31, 2001, the Company held foreign currency forward contracts with notional amounts of $299.9 million in which foreign currencies (primarily the Norwegian krone, the Singapore dollar, the euro and the British pound) were purchased and $231.5 million in which foreign currencies (primarily the Norwegian krone, the euro, the Japanese yen, the Swedish krona and the Singapore dollar) were sold. Notional amounts are used to measure the volume of derivative financial instruments and do not represent potential gains or losses on these agreements.

Fair value disclosures -- The carrying amounts of cash and cash equivalents, trade receivables, other current assets, accounts payable, short- and long-term debt, as well as the amounts included in investments, current liabilities and other liabilities that meet the definition of financial instruments, approximate fair value.

The Company had interest rate swap agreements with a total notional amount of $150.0 million as of December 31, 2002 and 2001. These interest rate swap agreements were reflected as liabilities on the Company's consolidated balance sheets at fair values amounting to $4.0 million and $3.1 million at December 31, 2002 and 2001, respectively. Fair values relating to foreign exchange contracts were $24.2 million and $1.4 million at December 31, 2002 and 2001, respectively. These fair values reflect the estimated net amounts that the Company would receive or pay if it terminated the contracts at the reporting date based on quoted market prices of comparable contracts at those dates.

NOTE 17. RELATIONSHIP WITH FMC CORPORATION

As described in Note 1, FMC Technologies was a subsidiary of FMC Corporation prior to the Distribution of FMC Technologies' common stock by FMC Corporation on December 31, 2001.

During 2001 and 2002, FMC Technologies and FMC Corporation entered into transactions related to the Separation and the provision of support services under the terms of the TSA (Note 1). There were no significant purchases, sales or other transactions of a commercial nature between FMC Corporation and FMC Technologies in 2002, 2001 or 2000.

The terms of the Separation, including the capital transactions discussed in Note 1, were governed by the SDA. The SDA also required FMC Corporation and FMC Technologies to complete a true-up process. During 2001, $23.0 million was paid by FMC Technologies to FMC Corporation relating to the true-up process and the settlement of outstanding amounts owed for transition services. An additional true-up payment of $4.7 million, due from FMC Corporation to the Company, was reflected on the Company's December 31, 2001, consolidated financial statements and was received by the Company in the first quarter of 2002.

In conjunction with the finalization of the true-up process, the Company transferred $4.4 million to FMC Corporation in the third quarter of 2002. This payment represented an adjustment to the original allocation of assets and liabilities at the Separation, and was recorded as an equity adjustment relating to the Company's beginning balance sheet.

The true-up calculation assumed that FMC Technologies was operating as an independent entity beginning January 1, 2001, and that the Company had debt, net of cash, on January 1, 2001, of $300.5 million after repurchasing $38.0 million of accounts receivable previously sold in connection with FMC Corporation's accounts receivable financing program (Note 3).

The TSA governed the provision of support services by FMC Corporation to FMC Technologies and by FMC Technologies to FMC Corporation. The support services included accounting, treasury, tax, legal, human resources, information technology, cash management, risk management, real estate management and other corporate and infrastructure services. At December 31, 2002, services between the companies ceased with the exception of payroll and certain benefit administration services. Currently, FMC Corporation and FMC Technologies utilize a common payroll and benefit administration service center; however, the Company expects to complete its transition to a separate payroll and benefit administration service center in 2003.

As described in Note 12, the Company established new benefit plans for its employees during 2001, separate from FMC Corporation's benefit plans, and assumed all obligations under FMC Corporation's plans to employees and former employees allocated to FMC Technologies. During the periods prior to establishment of the new plans, FMC Technologies made contributions to FMC Corporation's benefit plans or reimbursed FMC Corporation for the costs of benefits it provided to the Company's employees. The amount of these contributions and reimbursements was $10.5 million in 2001 and $4.3 million in 2000.

FMC Corporation and FMC Technologies entered into a Tax Sharing Agreement in connection with the Separation (Note 10). The Tax Sharing Agreement provides that the Company and FMC Corporation will make payments between them as appropriate in order to properly allocate tax liabilities for pre-Separation periods. During 2002, the Company paid $4.2 million to FMC Corporation relating to income tax liabilities for pre-Separation periods.

Prior to the Separation, FMC Corporation was the guarantor for certain obligations related to the businesses of FMC Technologies, including debt, surety bonds, performance guarantees and letters of credit. At December 31, 2002 and 2001, FMC Corporation's contingent obligations on behalf of FMC Technologies amounted to $9.5 million and $298.0 million, respectively, and consisted primarily of guarantees for FMC Technologies' performance on sales contracts. FMC Corporation has not been required and is not expected to be required to perform under any of these guarantees. As parties to the SDA, FMC Corporation and FMC Technologies indemnify each other from liabilities arising from their respective businesses, as well as from liabilities arising from breach of the SDA.

NOTE 18. COMMITMENTS AND CONTINGENT LIABILITIES

The Company leases office space, plants and facilities and various types of manufacturing and data processing equipment. Leases of real estate generally provide for payment of property taxes,

insurance and repairs by FMC Technologies. Capital leases are not significant. Rent expense under operating leases amounted to $28.5 million, $32.1 million and $29.3 million, in 2002, 2001 and 2000, respectively.

Minimum future rental payments under noncancelable leases amounted to approximately $124.7 million as of December 31, 2002, and are payable as follows: $27.2 million in 2003, $23.6 million in 2004, $15.6 million in 2005, $12.3 million in 2006, $11.5 million in 2007 and $34.5 million thereafter.

The Company has a sale-leaseback agreement under which it is required to satisfy a guaranteed residual value of the leased equipment. The agreement expires in 2004. The Company will be required to remit to the lessor of this equipment the guaranteed residual value of $29.0 million, which reflects the maximum potential amount that the Company could be required to pay to satisfy the guarantee. Related to the sale-leaseback agreement, $20.8 million of deferred credits are included in other liabilities on the consolidated balance sheet at December 31, 2002. The Company has the option to sell the equipment, which has an estimated value of $37.0 million at December 31, 2002, and use the proceeds to satisfy the guaranteed residual value. Management believes that proceeds received upon the sale of the equipment are likely to cover a substantial portion of the maximum potential amount of future payments that could be required. Any payment required under the agreement is not likely to be material to the Company's 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 applies immediately to 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 is applied to the enterprise no later than the end of the first interim reporting period beginning after June 15, 2003. Management has not yet determined the impact this Interpretation will have on the Company's consolidated financial statements.

The lessor of the equipment under the sale-leaseback agreement is a trust, which the Company believes meets the requirements of a variable interest entity ("VIE") as defined by Interpretation No. 46. The VIE's activities are limited to acting as lessor under the sale-leaseback agreement and holding the assets in trust on behalf of the parties to the agreement. Effective July 1, 2003, the Company will be required to consolidate the VIE. Management expects that the Company's exposure to loss resulting from its involvement with the VIE will not be material.

Subsequent to December 31, 2002, the Company began evaluating its option to terminate the sale-leaseback agreement due to the availability of credit under its commercial paper program (Note 9). Terminating the agreement will require the Company to repurchase the assets for approximately $36 million. The effect on the Company's consolidated balance sheet will be an increase to property, plant and equipment representing the net book value of the assets, an increase to debt representing the purchase price, and a reversal of the non-amortizing credits in other long-term liabilities. The Company plans to pursue termination of the sale-leaseback agreement and believes that this action will not have a material effect on its results of operations.

The Company also has certain other contingent liabilities arising from litigation, claims, performance guarantees and other commitments incident to the ordinary course of business. Contingent liabilities associated with the Company's discontinued operations are discussed in Note 11.

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 patents recently 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, which totaled approximately $214 million at December 31, 2002. The majority of these represent guarantees of the Company's future performance. Management does not believe it is practicable to estimate the fair values of these instruments and does not expect any losses from their resolution. The Company's credit facilities provide for the issuance of standby letters of credit, which represent a reduction of the total funding available under such facilities.

The Company has guaranteed the debt of one of its customers. This guarantee expires in May 2006. At December 31, 2002, the maximum potential amount of undiscounted future payments that the Company could be required to make under this guarantee is $3.6 million. Should the Company be required to make any payments under this guarantee, it may rely upon its security interest (consisting of a second mortgage) in certain of the customer's real estate to satisfy the guarantee. Management believes that proceeds from foreclosure are likely to cover a substantial portion of the maximum potential amount of future payments that could be required under the guarantee. Any deficiency payment required is not likely to be material to the Company's results of operations.

The Company is primarily liable for an Industrial Development Revenue Bond payable to Franklin County, Ohio. The obligations under the bond were assigned to a third party when the Company sold the land securing the bond. At December 31, 2002, the maximum potential amount of undiscounted future payments that the Company could be required to make under this bond is $5.4 million through final maturity in October 2009. Should the Company be required to make any payments under the bond, it may recover the property from the current owner, sell the property and use the proceeds to satisfy the bond. Management believes that proceeds from the sale of the property would cover a substantial portion of the potential future payments required.

FMC Corporation was the guarantor for certain obligations related to the businesses of FMC Technologies (Note 17).

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 19. BUSINESS SEGMENTS

The Company's determination of its four reportable segments was made on the basis of its strategic business units and the commonalities among the products and services within each segment, and it corresponds to the manner in which the Company's management reviews and evaluates operating performance. The Company has combined certain similar operating segments that meet applicable criteria established under SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information."

Total revenue by segment includes intersegment sales, which are made at prices approximating those that the selling entity is able to obtain on external sales. 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, net interest income (expense) associated with corporate debt facilities and investments, income taxes, restructuring and asset impairment charges and other expense, net.

Segment Revenue and Segment Operating Profit

(In millions)	Year Ended December 31		
	2002	2001	2000
REVENUE:			
Energy Production Systems	$ 940.3	$ 725.9	$ 667.9
Energy Processing Systems	395.9	400.0	370.7
Intercompany eliminations	(1.4)	(0.6)	(1.3)
Subtotal Energy Systems	1,334.8	1,125.3	1,037.3
FoodTech	496.9	512.9	573.3
Airport Systems	245.1	299.8	267.2
Intercompany eliminations	(5.3)	(10.1)	(2.6)
Total revenue	$ 2,071.5	$ 1,927.9	$ 1,875.2
INCOME BEFORE INCOME TAXES:			
Energy Production Systems	$ 50.4	$ 41.1	$ 45.5
Energy Processing Systems	27.1	30.8	26.9
Subtotal Energy Systems	77.5	71.9	72.4
FoodTech	43.3	39.6	53.8
Airport Systems	15.8	18.1	15.2
Total segment operating profit	136.6	129.6	141.4
Corporate expenses/(1)/	(24.1)	(33.8)	(33.7)
Other expense, net/(2)/	(9.7)	(4.4)	(1.5)
Operating profit before asset impairments, restructuring charges, net interest expense and income taxes	102.8	91.4	106.2
Asset impairments/(3)/	-	(1.3)	(1.5)
Restructuring charges/(4)/	-	(15.5)	(9.8)
Net interest expense	(12.5)	(11.1)	(4.3)
Income before income taxes and the cumulative effect of changes in accounting principles	$ 90.3	$ 63.5	$ 90.6

(1) Corporate expenses primarily include staff expenses.

(2) Other expense, net, consists primarily of LIFO inventory adjustments, expenses related to pension and other postretirement employee benefits, and foreign currency related gains or losses. In 2002 and 2001, it also included compensation expense related to the replacement of FMC Corporation restricted stock with FMC Technologies restricted stock at the time of the Company's initial public offering.

(3) Asset impairments (Note 5) in 2001 relate to FoodTech. Asset impairments in 2000 relate to Energy Production Systems.

(4) Restructuring charges (Note 5) in 2001 relate to Energy Processing Systems ($5.1 million), Energy Production Systems ($1.1 million), FoodTech ($5.2 million), Airport Systems ($3.7 million) and Corporate ($0.4 million). Restructuring charges in 2000 relate to FoodTech ($8.0 million), Energy Production Systems ($1.4 million) and Corporate ($0.4 million).

The following table summarizes the approximate percentage of segment revenues derived from sales to single customers:

	Year Ended December 31		
	2002	2001	2000
ENERGY PRODUCTION SYSTEMS:			
Customer A	14.0%	14.6%	26.5%
Customer B	10.5%	11.6%	6.1%
Customer C	8.7%	10.1%	11.0%
Customer D	2.6%	4.5%	14.5%
AIRPORT SYSTEMS:			
Customer E	26.0%	6.0%	1.0%
Customer F	6.2%	13.8%	12.3%

Segment Operating Capital Employed and Segment Assets

(In millions)	December 31	
	2002	2001
SEGMENT OPERATING CAPITAL EMPLOYED:/(1)/		
Energy Production Systems	$ 299.2	$ 294.0
Energy Processing Systems	170.3	249.0
Subtotal Energy Systems	469.5	543.0
FoodTech	187.4	300.5
Airport Systems	28.4	66.4
Total segment operating capital employed	685.3	909.9
Segment liabilities included in total segment operating capital employed/(2)/	570.0	507.4
Corporate/(3)/	107.4	20.6
Total assets	$ 1,362.7	$ 1,437.9
SEGMENT ASSETS:		
Energy Production Systems	$ 566.8	$ 483.9
Energy Processing Systems	261.1	349.4
Intercompany eliminations	(0.9)	(1.1)
Subtotal Energy Systems	827.0	832.2
FoodTech	333.9	463.8
Airport Systems	94.4	121.3
Total segment assets	1,255.3	1,417.3
Corporate/(3)/	107.4	20.6
Total assets	$ 1,362.7	$ 1,437.9

(1) FMC Technologies' management views segment operating capital employed, which consists of assets, net of liabilities, reported by the Company's operations (and excludes corporate items such as debt, pension liabilities, income taxes and LIFO reserves), as the primary measure of segment capital.

(2) Segment liabilities included in total segment operating capital employed consist of trade and other accounts payable, advance payments from customers, accrued payroll and other liabilities.

(3) Corporate includes LIFO reserves, deferred income tax balances, intercompany eliminations, property, plant and equipment not attributable to a specific segment and amounts due from FMC Corporation.

Geographic Segment Information

Geographic segment sales represent sales by location of the Company's customers or their headquarters. Geographic segment long-lived assets include investments, net property, plant and equipment, and certain other non-current assets. Goodwill and identifiable intangible assets of acquired companies are not reported by geographic segment.

Revenue (by location of customer)

(In millions)	Year Ended December 31		
	2002	2001	2000
United States	$ 831.1	$ 885.1	$ 734.7
Norway	215.0	150.7	206.0
All other countries	1,025.4	892.1	934.5
Total revenue	$ 2,071.5	$ 1,927.9	$ 1,875.2

Long-lived assets

(In millions)	December 31		
	2002	2001	2000
United States	$ 203.8	$ 198.4	$ 195.4
Norway	39.2	15.0	7.5
Brazil	33.7	33.8	32.5
All other countries	78.9	73.1	64.3
Total long-lived assets	$ 355.6	$ 320.3	$ 299.7

Other Business Segment Information

(In millions)	Capital Expenditures Year Ended December 31			Depreciation and Amortization Year Ended December 31			Research and Development Expense Year Ended December 31		
	2002	2001	2000	2002	2001	2000	2002	2001	2000
Energy Production Systems	$ 41.5	$ 37.3	$ 14.7	$ 17.5	$ 18.0	$ 18.8	$ 21.7	$ 22.5	$ 25.3
Energy Processing Systems	3.8	5.2	5.5	6.6	10.7	11.0	6.9	7.5	8.5
Subtotal Energy Systems	45.3	42.5	20.2	24.1	28.7	29.8	28.6	30.0	33.8
FoodTech	19.6	19.5	19.2	19.6	24.4	25.3	13.4	16.7	15.1
Airport Systems	0.5	2.6	2.6	2.4	2.9	2.9	5.8	8.2	7.8
Corporate	2.7	3.0	1.1	2.5	1.8	1.1	-	-	-
Total	$ 68.1	$ 67.6	$ 43.1	$ 48.6	$ 57.8	$ 59.1	$ 47.8	$ 54.9	$ 56.7

NOTE 20. QUARTERLY INFORMATION (UNAUDITED)

(In millions except per share data and common stock prices)	2002			
	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Revenue	$ 580.2	$ 525.4	$ 542.3	$ 423.6
Cost of sales and services	$ 465.5	$ 425.0	$ 428.6	$ 335.1
Income (loss) before the cumulative effect of changes in accounting principles	$ 24.5	$ 16.8	$ 17.8	$ 5.0
Net income (loss)	$ 24.5	$ 16.8	$ 17.8	$ (188.8)
EARNINGS (LOSS) PER COMMON SHARE:/(1)/				
BASIC:				
Income (loss) before the cumulative effect of changes in accounting principles	$ 0.38	$ 0.26	$ 0.27	$ 0.08
Net income (loss)	$ 0.38	$ 0.26	$ 0.27	$ (2.89)
DILUTED:				
Income (loss) before the cumulative effect of changes in accounting principles	$ 0.37	$ 0.25	$ 0.27	$ 0.08
Net income (loss)	$ 0.37	$ 0.25	$ 0.27	$ (2.89)
COMMON STOCK PRICE:				
High	$ 20.97	$ 20.60	$ 23.83	$ 20.50
Low	$ 16.49	$ 14.85	$ 19.27	$ 14.30

(In millions except per share data and common stock prices)	2001			
	4th Qtr.	3rd Qtr.	2nd Qtr.	1st Qtr.
Revenue	$ 546.4	$ 474.0	$ 478.1	$ 429.4
Cost of sales and services	$ 422.9	$ 363.2	$ 367.9	$ 333.9
Income (loss) before the cumulative effect of changes in accounting principles	$ 21.4	$ 11.4	$ 10.2	$ (3.6)
Net income (loss)	$ 21.4	$ 11.4	$ 10.2	$ (8.3)
EARNINGS (LOSS) PER COMMON SHARE:/(1)/				
BASIC:				
Income (loss) before the cumulative effect of changes in accounting principles	$ 0.33	$ 0.18		
Net income (loss)	$ 0.33	$ 0.18		
DILUTED:				
Income (loss) before the cumulative effect of changes in accounting principles	$ 0.32	$ 0.17		
Net income (loss)	$ 0.32	$ 0.17		
COMMON STOCK PRICE:				
High	$ 16.50	$ 20.65	$ 22.48	
Low	$ 11.06	$ 10.99	$ 19.60	

(1) The Company's capital structure prior to June 2001 (Note 14) did not include a significant number of shares of common stock and was not comparable to its current capital structure (following the completion of the transactions discussed in Note 1); accordingly, earnings per share has not been presented for quarterly periods ended prior to September 30, 2001.

FMC Technologies recorded restructuring and asset impairment charges of $10.5 million before tax ($6.5 million after tax) and $6.3 million before tax ($3.9 million after tax) in the first and third quarters of 2001, respectively. Third quarter 2001 charges included $8.3 million before tax ($5.1 million after tax) related to additional restructuring programs implemented in 2001, net of a reduction of $2.0 million in specific restructuring accruals recorded in the first quarter of 2001, reflecting both favorable changes in the underlying businesses and adjustments to cost estimates.

During 2001, the Company recorded income tax charges related to the Separation of FMC Technologies' worldwide entities from FMC Corporation and the repatriation of cash from certain non-U.S. entities relating to the Separation. These income tax charges were recorded in the first, second and third quarters of 2001 and amounted to $3.3 million, $4.2 million and $1.4 million, respectively.

Other items affecting quarterly results in 2002 and 2001 are described in Notes 1, 2, 3 and 17.

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders of FMC Technologies, Inc.:

We have audited the accompanying consolidated balance sheets of FMC Technologies, Inc. and consolidated subsidiaries (the Company) as of December 31, 2002 and 2001, and the related consolidated statements of income, cash flows and changes in stockholders' equity for each of the years in the three-year period ended December 31, 2002. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of FMC Technologies, Inc. and consolidated subsidiaries as of December 31, 2002 and 2001, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2002, in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3 to the consolidated financial statements, the Company adopted Statement of Financial Accounting Standard No. 142, "Goodwill and Other Intangible Assets," as of January 1, 2002.

/s/ KPMG LLP
KPMG LLP

Chicago, Illinois
January 27, 2003

MANAGEMENT'S REPORT ON FINANCIAL STATEMENTS

The consolidated financial statements and related information have been prepared by FMC Technologies, Inc.'s management, who are responsible for the integrity and objectivity of that information. Where appropriate, they reflect estimates based on judgments of management. The statements have been prepared in conformity with accounting principles generally accepted in the United States of America. Financial information included elsewhere in this annual report is consistent with that contained in the consolidated financial statements.

FMC Technologies, Inc. maintains a system of internal control over financial reporting and over safeguarding of assets against unauthorized acquisition, use or disposition which is designed to provide reasonable assurance as to the reliability of financial records and the safeguarding of such assets. The system is maintained by the selection and training of qualified personnel, by establishing and communicating sound accounting and business policies and by an internal auditing program that evaluates the adequacy and effectiveness of such internal controls, policies and procedures.

The Audit Committee of the Board of Directors, composed of independent directors, meets regularly with management, with the Company's internal auditors, and with its independent auditors to discuss their evaluation of internal accounting controls and the quality of financial reporting and to carry out the Audit Committee's oversight role with respect to auditing, internal controls, and financial reporting matters. Both the independent auditors and the internal auditors meet privately with, and have direct access to, the Audit Committee to discuss the results of their audits.

The Company's independent auditors have been engaged to render an opinion on the consolidated financial statements. They review and make appropriate tests of the data included in the financial statements. As independent auditors, they also provide an objective, outside review of management's performance in reporting operating results and financial condition.

/s/ William H. Schumann, III

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

/s/ Ronald D. Mambu

Ronald D. Mambu
Vice President and Controller

Chicago, Illinois
January 27, 2003

SELECTED HISTORICAL FINANCIAL DATA

Operating results data for the years ended December 31, 2002, 2001 and 2000, and balance sheet data as of December 31, 2002 and 2001, are derived from our audited consolidated financial statements, which are included elsewhere in this report. The operating results and balance sheet data relating to periods prior to our June 1, 2001, separation from FMC Corporation represent combined financial information that was carved out from the consolidated financial statements of FMC Corporation using the historical results of operations and bases of assets and liabilities of the businesses transferred to FMC Technologies, Inc. Our historical combined financial information does not necessarily reflect what our financial position and results of operations would have been had we operated as a separate, stand-alone entity during the periods presented.

(In millions, except per share data)	Year Ended December 31			
	2002	2001	2000	1999
REVENUE:				
Energy Production Systems	$ 940.3	$ 725.9	$ 667.9	$ 785.2
Energy Processing Systems	395.9	400.0	370.7	348.5
Intercompany eliminations	(1.4)	(0.6)	(1.3)	(4.3)
Total Energy Systems	1,334.8	1,125.3	1,037.3	1,129.4
FoodTech	496.9	512.9	573.3	537.3
Airport Systems	245.1	299.8	267.2	290.9
Intercompany eliminations	(5.3)	(10.1)	(2.6)	(4.5)
Total revenue	$ 2,071.5	$ 1,927.9	$ 1,875.2	$ 1,953.1
Cost of sales and services	1,654.2	1,487.9	1,421.3	1,479.9
Selling, general and administrative expense	264.5	292.5	291.2	302.4
Research and development expense	47.8	54.9	56.7	51.8
Asset impairments	-	1.3	1.5	6.0
Restructuring charges	-	15.5	9.8	3.6
Minority interests	2.2	1.2	(0.2)	(0.1)
Interest expense (income), net	12.5	11.1	4.3	(0.5)
Income from continuing operations before income taxes	90.3	63.5	90.6	110.0
Provision for income taxes	26.2	24.1	22.7	33.5
Income from continuing operations	64.1	39.4	67.9	76.5
Discontinued operations, net of income taxes	-	-	-	(5.5)
Cumulative effect of accounting changes, net of income taxes	(193.8)	(4.7)	-	-
Net income (loss)	$ (129.7)	$ 34.7	$ 67.9	$ 71.0
DILUTED EARNINGS PER COMMON SHARE:/(1)/				
Income before the cumulative effect of accounting changes	$ 0.96	$ 0.60		
Diluted earnings per common share	$ (1.94)	$ 0.53		
Average shares used in diluted earnings per share computations	66.8	65.9		

(In millions, except per share data)	Year Ended December 31	
	1998	1997 (Unaudited)
REVENUE:		
Energy Production Systems	$ 813.5	$ 629.5
Energy Processing Systems	508.4	516.2
Intercompany eliminations	(1.0)	(1.4)
Total Energy Systems	1,320.9	1,144.3
FoodTech	549.3	580.6
Airport Systems	320.0	310.0
Intercompany eliminations	(4.7)	(3.3)
Total revenue	$ 2,185.5	$ 2,031.6
Cost of sales and services	1,669.6	1,550.7
Selling, general and administrative expense	337.8	324.1
Research and development expense	50.7	46.7
Asset impairments	-	27.0
Restructuring charges	-	27.9

Minority interests	(0.3)	0.4
Interest expense (income), net	1.9	3.8
Income from continuing operations before income taxes	125.8	51.0
Provision for income taxes	38.6	20.7
Income from continuing operations	87.2	30.3
Discontinued operations, net of income taxes	-	-
Cumulative effect of accounting changes, net of income taxes	-	-
Net income (loss)	$ 87.2	$ 30.3
DILUTED EARNINGS PER COMMON SHARE:/(1)/		
Income before the cumulative effect of accounting changes		
Diluted earnings per common share		
Average shares used in diluted earnings per share computations		

(Continued)

(1) Per share information has not been presented for years prior to 2001 because our capital structure during these years was not comparable to our capital structure following the completion of transactions relating to our 2001 spin-off from FMC Corporation. The calculation of average shares in 2001 gives effect to the issuance of 65.0 million common shares as if they were issued and outstanding on January 1, 2001.

SELECTED HISTORICAL FINANCIAL DATA (CONTINUED)

(In millions)						December 31
	2002	2001	2000	1999	1998 (Unaudited)	1997 (Unaudited)
BALANCE SHEET DATA:						
Total assets	$ 1,362.7	$ 1,437.9	$ 1,373.7	$ 1,473.2	$ 1,665.1	$ 1,563.7
Net debt/(1)/	$ 202.5	$ 245.0	$ 23.3	$ (28.1)	$ (2.0)	$ 7.9
Long-term debt, less current portion	$ 175.4	$ 194.1	$ -	$ -	$ -	$ 8.3
Stockholders' equity/(2)/	$ 303.8	$ 418.2	$ 637.6	$ 722.2	$ 822.5	$ 793.7
Segment operating capital employed/(3)/	$ 685.3	$ 909.9	$ 933.1	$ 803.7	$ 855.8	$ 979.9
Operating working capital/(4)/	$ 157.3	$ 147.9	$ 189.0	$ 62.9	$ 36.9	$ 141.8
Order backlog (unaudited)/(5)/	$ 1,151.7	$ 960.7	$ 644.3	$ 840.6	$ 1,133.9	$ 988.8

(In millions, except per share data)						Year Ended December 31
	2002	2001	2000	1999	1998	1997 (Unaudited)
OTHER FINANCIAL INFORMATION:						
Cash flows provided by operating activities of continuing operations	$ 119.0	$ 76.3	$ 8.0	$ 152.7	$ 196.4	$ 268.0
Depreciation	$ 40.1	$ 37.7	$ 41.2	$ 46.2	$ 49.0	$ 48.9
Amortization	$ 8.5	$ 20.1	$ 17.9	$ 16.1	$ 17.6	$ 18.6
Capital expenditures	$ 68.1	$ 67.6	$ 43.1	$ 40.9	$ 59.4	$ 66.3
COMMON STOCK PRICE RANGE:/(6)/						
High	$ 23.83	$ 22.48				
Low	$ 14.30	$ 10.99				
Cash dividends declared	$ -	$ -				

(1) Net debt consists of short-term debt, long-term debt and the current portion of long-term debt, less cash and cash equivalents.

(2) For periods prior to our June 14, 2001, initial public offering, stockholders' equity was composed of FMC Corporation's net investment and accumulated other comprehensive loss.

(3) We view segment operating capital employed, which consists of assets, net of liabilities, reported by our operations, as the primary measure of segment capital. Segment operating capital employed excludes corporate items such as debt, pension liabilities, income taxes and LIFO reserves. Segment liabilities included in total segment operating capital employed consist of trade and other accounts payable, advance payments from customers, accrued payroll and other liabilities.

(4) Operating working capital includes net trade receivables, inventories, other

current assets, accounts payable, accrued payroll, other current liabilities and the current portion of accrued pension and other postretirement benefits.

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

(6) Common stock prices are presented for periods subsequent to our June 14, 2001, initial public offering.

CORPORATE INFORMATION

CORPORATE OFFICES
FMC Technologies Inc
200 East Randolph Drive
Chicago IL 60601
312 861 6000

1803 Gears Road
Houston TX 77067
281 591 4000

INVESTOR RELATIONS
Investor Relations may be contacted at the following address:

FMC Technologies Inc
Investor Relations
David W Grzebinski CFA
200 East Randolph Drive
Chicago IL 60601
312 861 6414
281 405 4929

STOCK EXCHANGE
FMC Technologies, Inc. is listed on the New York Stock Exchange under the symbol FTI.

ANNUAL MEETING
The Annual Meeting of Stockholders will be held on Friday, April 25, 2003, at 200 East Randolph Drive, Chicago, Illinois. Notice of the meeting, together with proxy materials, will be mailed to stockholders in advance of the meeting.

STOCK TRANSFER AGENT
Address stockholder inquiries, including requests for stock transfers, to:

National City Bank
Corporate Trust Operations
PO Box 92301
Cleveland OH 44193-0900
Telephone 800 622 6757
Fax 216 257 8508
Email:
shareholder.inquiries@nationalcity.com

FORM 10K
A copy of the Company's 2002 Annual Report on Form 10-K, as filed with the U.S. Securities and Exchange Commission, is available at www.fmctechnologies.com or upon written request to:

FMC Technologies Inc
Corporate Communications
1803 Gears Road
Houston TX 77067

However, most information required under Parts II and III of Form 10-K has been incorporated by reference from the 2002 Annual Report to Stockholders or the 2003 Proxy Statement.

FMC Technologies was incorporated in Delaware in 2000.

AUDITORS
KPMG LLP

303 East Wacker Drive
Chicago IL 60601

INFORMATION SERVICES
Information about FMC Technologies - including continually updated stock quotes, news and financial data - is available by visiting the Company's Web site: www.fmctechnologies.com
An email alert service is available by request under the Investor Relations section of the site. This service will provide an automatic alert, via email, each time a news release is posted to the site or a new filing is made with the U.S. Securities and Exchange Commission. Information also may be obtained by writing to Corporate Communications in Houston.

FMC TECHNOLOGIES - LEADER IN INNOVATIVE OFFSHORE TECHNOLOGY

1980
Subsea completion depth record (619 feet): Petrobras Bonito

1983
First Tension Leg Platform (TLP) well completion in the world: Conoco Hutton, North Sea

1984
First diverless EPC (Engineering, Procurement and Construction) contract: Statoil Gullfaks Satellites

1985
Subsea completion depth record (1,256 feet): Petrobras Marimba

1987
First subsea layaway installation sets depth record (1,351 feet): Petrobras Marimba

1988
Subsea completion depth record (1,613 feet): Petrobras Marimba

1989
First TLP completion in the Gulf of Mexico: Conoco Jolliet

1991
Santa Fe Minerals (now Devon) Gulf of Mexico

- First fully diverless subsea completion
- Longest layaway flowline offset to a fixed platform (14.5 miles)
- World's first hybrid (flexible pipe and steel pipe) reel installation

1992
World's first guidelineless subsea completion (2,561 feet): Petrobras Marlim

1993
First disconnectable internal turret employed by a Floating Storage and Offloading (FSO) vessel: JHN Lufeng 13-1, offshore Hong Kong

Oryx Energy Company
(now Kerr-McGee) Mississippi Canyon Subsea Development Project

- World's first tubing head layaway installation
- Deepest subsea gas well in the world at 2,088 feet
- Deepest and longest all-flexible flowline (7.3 miles)

1994
World's deepest TLP completion (2,860 feet): Shell Auger

World's deepest guidelineless subsea completion (3,368 feet): Petrobras Marlim

First subsea field with submersible pumps: Amoco (now BP) Liuhua

1995

First 10,000 psi subsea completion and clustered well/manifold tieback approach in the Gulf of Mexico: Phillips SeaStar

1996
Oryx Energy Neptune

- World's first Spar well completion
- World's first internal hydraulic tieback connector on a top-tensioned riser
- World's first integral (to the surface wellhead) riser tension monitoring system

1997
World's deepest guidelineless subsea gas well completion (5,308 feet): Shell Mensa

World's longest gas production tieback (68 miles): Shell Mensa

World's deepest TLP completion (3,214): Shell RamPowell

World's deepest compliant tower completion (1,650 feet): Amerada Hess Baldpate

1998
First FSO vessel in the Gulf of Mexico, with world's largest throughput (800,000 barrels per day): FSO Ta'Kuntah - PEMEX Cantarell

World's first guidelineless subsea horizontal tree completion: Agip Aquila

1999
World's deepest guidelineless subsea completion (6,080 feet): Petrobras Roncador

2000
World's deepest guidelineless subsea horizontal tree completion (4,950 feet): ExxonMobil Diana

2001
World's deepest Spar completion (4,808 feet): ExxonMobil Hoover

World's longest subsea oil production tieback (29 miles): ExxonMobil Mica

World's first top-tensioned, dry tree riser system on a TLP: El Paso Prince

World's first Enhanced Horizontal Tree(TM): Kerr-McGee Nansen

2002
World's first 350 DEG.F/15,000 psi HP/HT subsea solution: BP Thunder Horse

World's deepest gas lift subsea manifold installation (6,200 feet): Petrobras Roncador

[LOGO OF FMC TECHNOLOGIES]

www.fmctechnologies.com

Exhibit 21.1

SIGNIFICANT SUBSIDIARIES OF THE REGISTRANT
December 31, 2002

Company(1)	Organized Under Laws of	Percent of Voting Securities Owned(2)
Chipuco Company	Illinois	100%
Direct Measurement Corporation	Colorado	100%
FMC Airport Products Europe, S.L.	Spain	100%
FMC FoodTech Inc	Delaware	100%
FMC FoodTech S.L.	Spain	100%
FMC G.m.b.H.	Germany	100%
FMC Kongsberg International AG	Switzerland	100%
FMC Kongsberg Metering A/S	Norway	100%
FMC Kongsberg Subsea A/S	Norway	100%
FMC SOFEC Floating Systems, Inc.	Texas	100%
FMC Subsea Service, Inc.	Delaware	100%
FMC Technologies (South Africa) Pty. Ltd.	South Africa	100%
FMC Technologies A.G.	Switzerland	100%
FMC Technologies A/S	Norway	100%
FMC Technologies Argentina, S.A.	Argentina	100%
FMC Technologies B.V.	The Netherlands	100%
FMC Technologies de Mexico, S.A. de C.V.	Mexico	100%
FMC Technologies do Brasil S.A.	Brazil	100%
FMC Technologies Hong Kong Limited	Hong Kong	100%
FMC Technologies Italia S.p.A.	Italy	100%
FMC Technologies Limited	England	100%
FMC Technologies N.V.	Belgium	100%
FMC Technologies S.A.	France	100%
FMC Technologies S.L.	Spain	100%
FMC Technologies Singapore Pte. Ltd.	Singapore	100%
FMC Wellhead de Venezuela, S.A.	Venezuela	100%
FMC Wellhead Equipment Sdn. Bhd.	Malaysia	100%
Frigoscandia Equipment AB	Delaware	100%
Frigoscandia Equipment Holding AB	Delaware	100%
Frigoscandia Equipment Iberica S.L.	Spain	100%
Frigoscandia Equipment International AB	Sweden	100%
Intertrade Corporation	Delaware	100%
PT FMC Santana Petroleum Equipment Indonesia	Indonesia	60%
Smith Meter G.m.b.H.	Germany	100%
Smith Meter Holding Ltd.	Delaware	100%
Smith Meter Inc.	Delaware	100%

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(1) The names of various active and inactive subsidiaries have been omitted. Such subsidiaries, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary. The Company owns 37.5% of MODEC International, LLC, and is also a minority owner of certain other affiliates. These entities are not subject to inclusion in the determination of the Company's significant subsidiaries.

(2) Percentages shown for indirect subsidiaries reflect the percentage of voting securities owned by the parent subsidiary.

Exhibit 23.1

CONSENT OF KPMG LLP

The Board of Directors
FMC Technologies, Inc.:

We consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-62996, 333-76210, 333-76214, and 333-76216) of FMC Technologies, Inc. of our report dated January 27, 2003, relating to the consolidated balance sheets of FMC Technologies, Inc. and consolidated subsidiaries as of December 31, 2002 and 2001, and the related consolidated statements of income, cash flows, and changes in stockholders' equity for each of the years in the three-year period ended December 31, 2002, which report is incorporated by reference in the December 31, 2002 annual report on Form 10-K of FMC Technologies, Inc. Our report contains an explanatory paragraph that describes the Company's adoption of Statement of Financial Accounting Standard No. 142 as of January 1, 2002.

/s/ KPMG LLP

Chicago, Illinois
March 25, 2003

Exhibit 24.1

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, FMC TECHNOLOGIES, INC., a Delaware corporation (hereinafter referred to as the "Company"), proposes to file with the Securities and Exchange Commission an Annual Report on Form 10-K for the year ended December 31, 2002 under the Securities Exchange Act of 1934, as amended; and

WHEREAS, the undersigned holds and may hereafter from time to time hold one or more positions with the Company whether as an officer or a director, or both, such that the undersigned may be required or permitted in such capacity or capacities, or on behalf of the Company, to sign one or more of such documents;

NOW, THEREFORE, the undersigned hereby constitutes and appoints W. H. Schumann, III and J. W. Carr or either of them, his or her attorney for him or her and in his or her name, place and stead, and in each of his or her offices and capacities with the Company as may now or hereafter exist, to sign and file said Form 10-K and any and all amendments, schedules and exhibits thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do, or cause to be done, by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his or her hand as of the 25th day of March, 2003.

/s/ Joseph H. Netherland

Joseph H. Netherland

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, FMC TECHNOLOGIES, INC., a Delaware corporation (hereinafter referred to as the "Company"), proposes to file with the Securities and Exchange Commission an Annual Report on Form 10-K for the year ended December 31, 2002 under the Securities Exchange Act of 1934, as amended; and

WHEREAS, the undersigned holds and may hereafter from time to time hold one or more positions with the Company whether as an officer or a director, or both, such that the undersigned may be required or permitted in such capacity or capacities, or on behalf of the Company, to sign one or more of such documents;

NOW, THEREFORE, the undersigned hereby constitutes and appoints W. H. Schumann, III and J. W. Carr or either of them, his or her attorney for him or her and in his or her name, place and stead, and in each of his or her offices and capacities with the Company as may now or hereafter exist, to sign and file said Form 10-K and any and all amendments, schedules and exhibits thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do, or cause to be done, by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his or her hand as of the 25th day of March, 2003.

/s/ Mike R. Bowlin

Mike R. Bowlin

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, FMC TECHNOLOGIES, INC., a Delaware corporation (hereinafter referred to as the "Company"), proposes to file with the Securities and Exchange Commission an Annual Report on Form 10-K for the year ended December 31, 2002 under the Securities Exchange Act of 1934, as amended; and

WHEREAS, the undersigned holds and may hereafter from time to time hold one or more positions with the Company whether as an officer or a director, or both, such that the undersigned may be required or permitted in such capacity or capacities, or on behalf of the Company, to sign one or more of such documents;

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IN WITNESS WHEREOF, the undersigned has hereunto set his or her hand as of the 25th day of March, 2003.

/s/ B.A. Bridgewater, Jr.

B.A. Bridgewater, Jr.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

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IN WITNESS WHEREOF, the undersigned has hereunto set his or her hand as of the 25th day of March, 2003.

/s/ Thomas M. Hamilton

Thomas M. Hamilton

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

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IN WITNESS WHEREOF, the undersigned has hereunto set his or her hand as of the 25th day of March, 2003.

/s/ Asbjorn Larsen

Asbjorn Larsen

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, FMC TECHNOLOGIES, INC., a Delaware corporation (hereinafter referred to as the "Company"), proposes to file with the Securities and Exchange Commission an Annual Report on Form 10-K for the year ended December 31, 2002 under the Securities Exchange Act of 1934, as amended; and

WHEREAS, the undersigned holds and may hereafter from time to time hold one or more positions with the Company whether as an officer or a director, or both, such that the undersigned may be required or permitted in such capacity or capacities, or on behalf of the Company, to sign one or more of such documents;

NOW, THEREFORE, the undersigned hereby constitutes and appoints W. H. Schumann, III and J. W. Carr or either of them, his or her attorney for him or her and in his or her name, place and stead, and in each of his or her offices and capacities with the Company as may now or hereafter exist, to sign and file said Form 10-K and any and all amendments, schedules and exhibits thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do, or cause to be done, by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his or her hand as of the 25th day of March, 2003.

/s/ Edward J. Mooney

Edward J. Mooney

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, FMC TECHNOLOGIES, INC., a Delaware corporation (hereinafter referred to as the "Company"), proposes to file with the Securities and Exchange Commission an Annual Report on Form 10-K for the year ended December 31, 2002 under the Securities Exchange Act of 1934, as amended; and

WHEREAS, the undersigned holds and may hereafter from time to time hold one or more positions with the Company whether as an officer or a director, or both, such that the undersigned may be required or permitted in such capacity or capacities, or on behalf of the Company, to sign one or more of such documents;

NOW, THEREFORE, the undersigned hereby constitutes and appoints W. H. Schumann, III and J. W. Carr or either of them, his or her attorney for him or her and in his or her name, place and stead, and in each of his or her offices and capacities with the Company as may now or hereafter exist, to sign and file said Form 10-K and any and all amendments, schedules and exhibits thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do, or cause to be done, by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his or her hand as of the 25th day of March, 2003.

/s/ Richard A. Pattarozzi

Richard A. Pattarozzi

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, FMC TECHNOLOGIES, INC., a Delaware corporation (hereinafter referred to as the "Company"), proposes to file with the Securities and Exchange Commission an Annual Report on Form 10-K for the year ended December 31, 2002 under the Securities Exchange Act of 1934, as amended; and

WHEREAS, the undersigned holds and may hereafter from time to time hold one or more positions with the Company whether as an officer or a director, or both, such that the undersigned may be required or permitted in such capacity or capacities, or on behalf of the Company, to sign one or more of such documents;

NOW, THEREFORE, the undersigned hereby constitutes and appoints W. H. Schumann, III and J. W. Carr or either of them, his or her attorney for him or her and in his or her name, place and stead, and in each of his or her offices and capacities with the Company as may now or hereafter exist, to sign and file said Form 10-K and any and all amendments, schedules and exhibits thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do, or cause to be done, by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his or her hand as of the 25th day of March, 2003.

/s/ James M. Ringler

James M. Ringler

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, FMC TECHNOLOGIES, INC., a Delaware corporation (hereinafter referred to as the "Company"), proposes to file with the Securities and Exchange Commission an Annual Report on Form 10-K for the year ended December 31, 2002 under the Securities Exchange Act of 1934, as amended; and

WHEREAS, the undersigned holds and may hereafter from time to time hold one or more positions with the Company whether as an officer or a director, or both, such that the undersigned may be required or permitted in such capacity or capacities, or on behalf of the Company, to sign one or more of such documents;

NOW, THEREFORE, the undersigned hereby constitutes and appoints W. H. Schumann, III and J. W. Carr or either of them, his or her attorney for him or her and in his or her name, place and stead, and in each of his or her offices and capacities with the Company as may now or hereafter exist, to sign and file said Form 10-K and any and all amendments, schedules and exhibits thereto, hereby giving and granting to said attorneys full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do if personally present at the doing thereof, hereby ratifying and confirming all that said attorneys may or shall lawfully do, or cause to be done, by virtue hereof.

IN WITNESS WHEREOF, the undersigned has hereunto set his or her hand as of the 25th day of March, 2003.

/s/ James R. Thompson

James R. Thompson

Exhibit 99.1

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

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 Annual Report on Form 10-K of the Company for the fiscal year ended December 31, 2002, 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: March 25, 2003

/s/ Joseph H. Netherland

Joseph H. Netherland
Chairman, President and Chief
Executive Officer

A signed original 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.

Exhibit 99.2

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

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 Annual Report on Form 10-K of the Company for the fiscal year ended December 31, 2002, 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: March 25, 2003

/s/ William H. Schumann, III

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

A signed original 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.