Technip

First half 2012 financial report

1 2012 INTERIM MANAGEMENT REPORT

1 – SECOND QUARTER 2012 RESULTS

SECOND QUARTER 2012 RESULTS

- **Order intake of €2,516 million**
- **Record backlog of €12,724 million, of which €5,963 million in Subsea**
- **Revenue of €2,052 million**
- **Operating margin[1] of 9.9%**
- **Net income of €134 million**

FULL YEAR 2012 OUTLOOK CONFIRMED[2]

- **Group revenue between €7.65 and €8.00 billion**
- **Subsea revenue between €3.35 and €3.50 billion, with operating margin around 15%, both including Global Industries**
- **Onshore/Offshore revenue between €4.3 and €4.5 billion, with operating margin between 6% and 7%**

On July 24, 2012, Technip's Board of Directors approved the second quarter and first half 2012 consolidated accounts.

€ million (Except Diluted Earnings per Share)	2Q 11	2Q 12	Change	1H 11	1H 12	Change
Revenue	**1,663.9**	**2,052.2**	**23.3%**	**3,100.1**	**3,817.5**	**23.1%**
EBITDA[3]	**212.6**	**253.8**	**19.4%**	**391.6**	**458.5**	**17.1%**
EBITDA Margin	*12.8%*	*12.4%*	*(41)bp*	*12.6%*	*12.0%*	*(62)bp*
Operating Income from Recurring Activities	**175.6**	**203.8**	**16.1%**	**320.4**	**369.0**	**15.2%**
Operating Margin	*10.6%*	*9.9%*	*(62)bp*	*10.3%*	*9.7%*	*(67)bp*
Operating Income	**175.6**	**200.8**	**14.4%**	**320.4**	**366.0**	**14.2%**
Net Income	**132.5**	**134.2**	**1.3%**	**236.8**	**246.4**	**4.1%**
Diluted Earnings per Share[4] (€)	1.15	1.13	(1.8)%	2.06	2.08	0.9%
Order Intake	**2,092**	**2,516**		**3,384**	**5,826**	
Backlog	**9,413**	**12,724**				

Thierry Pilenko, Chairman and CEO, commented: "Technip's second quarter revenue and profit were fully in line with our objectives. In Subsea, activity was strong across all our regions and revenue jumped almost 50% year-on-year. In Onshore/Offshore, major projects continued to move through their construction phases and revenue grew by almost 7%.

Second quarter order intake was again at a high level, reflecting our strong positions in key regions and technologies, and so our backlog grew to €12.7 billion. Order intake in Subsea was diversified geographically and by size. The North Sea and Asia Pacific were notably strong. In Onshore/Offshore, we took a substantial EPC project with high technology content in the Middle East and, in Malaysia, we won our second FLNG project.

[1] Operating income from recurring activities divided by revenue.
[2] Based on the year-to-date average exchange rates.
[3] Operating income from recurring activities before depreciation and amortization.
[4] As per IFRS, diluted earnings per share are calculated by dividing profit or loss attributable to the Parent Company's Shareholders, restated from financial interest related to dilutive potential ordinary shares, by the weighted average number of outstanding shares during the period, plus the effect of dilutive potential ordinary shares related to the convertible bonds, dilutive stock options and performance shares calculated according to the "Share Purchase Method" (IFRS 2), less treasury shares. In conformity with this method, anti-dilutive stock options are ignored in calculating EPS. Dilutive options are taken into account if the subscription price of the stock options plus the future IFRS 2 charge (i.e. the sum of annual charge to be recorded until the end of the stock option plan) is lower than the average market share price during the period.

The proposed acquisition of the Stone & Webster Process Technologies business that we announced in May is intended to reinforce the range of skills, technologies and services Technip offers. This move would strengthen our ability to provide services from the very start of onshore project life cycle and roughly double the flow of our revenues built around technologies.

Looking ahead, we continue to see strong bidding activity in nearly all our markets, with no impact as yet from either the lower market price of oil or economic issues affecting Europe. Our customers remain focused on solving technology and resource challenges to meet their production objectives. Hence, we are investing to enhance our position, continuously recruiting talents and ramping up our capex program.

In summary, whilst remaining rightly cautious about the economic uncertainties around us, we reiterate our 2012 financial objectives, and are confident in benefiting from the robust growth prospects of our industry."

I. PORTFOLIO OF PROJECTS

1. Second Quarter 2012 Order Intake

During second quarter 2012, Technip's order intake was €2,516 million. The breakdown by business segment was as follows:

Order Intake (€ million)	2Q 2011	2Q 2012
Subsea	1,018.1	1,335.8
Onshore/Offshore	1,073.4	1,180.0
Total	**2,091.5**	**2,515.8**

Subsea order intake in the North Sea included several small and medium size contracts as well as a larger EPCI (engineering, procurement, construction & installation) contract to install pipe-in-pipe with our leading reel-lay method for the Bøyla field development in Norway. We also continued to expand into new markets: in the Middle East, we won the South West Fatah and Falah contract and in Mexico, we won two EPCI contracts in the Bay of Campeche. Other regions continued to see various diversified awards such as the Panyu EPCI in China and Prelude FLNG subsea installation in Australia, which followed the contract related to the floating facility we won one year ago.

Onshore/Offshore order intake in Asia Pacific included services contracts for the fabrication of Petronas FLNG in Malaysia and Ichthys FPSO in Australia. In the Middle East, our teams will work on a high technology petrochemical project in Saudi Arabia, underlying the success of our differentiating strategy in this region. Elsewhere, several strategic FEEDs projects were awarded, including the Tobolsk polyethylene plant in Russia.

Listed in annex IV (b) are the main contracts announced since April 2012 and their approximate value if publicly disclosed.

2. Backlog by Geographic Area

At the end of second quarter 2012, Technip's **backlog** rose to €12,724 million, compared with €12,344 million at the end of first quarter 2012 and €9,413 million at the end of second quarter 2011.

This backlog remains well diversified in terms of project type, size, technology and by geographic area as set out in the table below.

Backlog by Geographic Area (€ million)	March 31, 2012	June 30, 2012	Change
Europe, Russia, Central Asia	3,328.3	3,402.9	2.2%
Africa	1,297.7	1,152.2	(11.2)%
Middle East	1,655.9	1,784.3	7.8%
Asia Pacific	2,247.1	2,764.3	23.0%
Americas	3,815.1	3,620.0	(5.1)%
Total	**12,344.1**	**12,723.7**	**3.1%**

3. Backlog Scheduling

Approximately 29% of the backlog is scheduled for execution in 2012.

Estimated Backlog Scheduling as of June 30, 2012 (€ million)	Subsea	Onshore/Offshore	Group
2012 (6 months)	1,520.0	2,145.2	3,665.2
2013	2,066.6	2,577.2	4,643.8
2014 and beyond	2,376.5	2,038.2	4,414.7
Total	**5,963.1**	**6,760.6**	**12,723.7**

II. SECOND QUARTER 2012 OPERATIONAL & FINANCIAL HIGHLIGHTS

1. Subsea

Subsea main operations for the quarter were as follows:

- In the **North Sea**, offshore operations continued on Goliat, north of the Arctic Circle in the Barents Sea, as well as on Gryphon Area Reinstatement Program and Causeway development in the UK. To support our operations in the region, the North Sea Giant vessel was chartered for several years, as was a new vessel to be built in Norway, which will be delivered to Technip in 2014,

- In the **Americas**:
  - In Brazil, the Papa Terra Integrated Production Bundle (IPB) topside module was delivered to Petrobras, fabrication of flexible pipes for the Baleia Azul development progressed, and the Deep Capixaba export pipeline project was delivered to the client ahead of schedule,
  - In the Gulf of Mexico, pipelay works for the L56-57 project were completed in Mexican waters, while fabrication of flexible pipes with 3,000 meters water depth design capacity for the MWCS continued to progress,
  - In Venezuela, work progressed on the Mariscal Sucre accelerated development,

- In **Africa**, offshore operations completed on GirRi project in Angola, offshore operations continued in Congo & Gabon for CoGa, and procurement activities started on Jubilee 1A project in Ghana,

- In **Asia Pacific**, the G1201 vessel started her first S-lay project for the Liwan shallow water project, while offshore operations continued on Liuhua 11-1 in China. Fabrication of Fletcher Finucane's flexible pipes started at the Asiaflex manufacturing plant, in Malaysia.

Overall Group **vessel utilization rate** for the second quarter was 74%, compared with 62% for the first quarter 2012.

Subsea **financial performance** is set out in the following table:

€ million	2Q 2011	2Q 2012	Change
Subsea			
Revenue	659.7	981.2	48.7%
EBITDA	141.5	188.5	33.2%
EBITDA Margin	*21.4%*	*19.2%*	*(224)bp*
Operating Income From Recurring Activities	111.9	145.7	30.2%
Operating Margin	*17.0%*	*14.8%*	*(211)bp*

2. Onshore/Offshore

Onshore/Offshore main operations for the quarter were as follows:

- In the **Middle East**:
  - In Qatar, mechanical, electrical & instrumentation works started on PMP,
  - In Saudi Arabia, engineering and procurement activities were nearly completed and construction works continued on the Jubail refinery. On Khafji Crude Related project, first modules are ready for delivery to site,
  - Offshore Abu Dhabi, works continued on Satah gas development,

- In **Asia Pacific**:
  - In Australia, activities progressed on Prelude FLNG, as well as on Wheatstone and Greater Gorgon fixed platforms, while Ichthys FPSO engineering works started,
  - In China, production started on both Ningxia LNG trains,
  - In Malaysia, RAPID refining and petrochemical complex FEED works started,

- In the **Americas**,
  - In the Gulf of Mexico, fabrication of Lucius Spar hull progressed on Pori, our yard in Finland, while FEED works for Mad Dog Phase II Spar continued under BP's 10-year Spar platform frame agreement,
  - In Brazil, engineering works for P-58 and P-62 FPSOs were almost completed, and deliveries of main equipment and bulk materials continued on the Cubatão refinery,
  - In Venezuela, basic & FEED works started on Petrocarabobo upgrader,

- **Elsewhere**, activities on Algiers refinery in Algeria and Ikra vinyl plant in Russia continued to progress, and Burgas refinery activities ramped up in Bulgaria.

Onshore/Offshore **financial performance** is set out in the following table:

€ million	2Q 2011	2Q 2012	Change
Onshore/Offshore			
Revenue	1,004.2	1,071.0	6.7%
Operating Income From Recurring Activities	76.4	75.6	(1.0)%
Operating Margin	*7.6%*	*7.1%*	*(55)bp*

3. Group

Technip Group's **Operating Income From Recurring Activities** including Corporate charges as detailed in annex I (c) is set out in the following table:

€ million	2Q 2011	2Q 2012	Change
Group			
Revenue	1,663.9	2,052.2	23.3%
Operating Income From Recurring Activities	175.6	203.8	16.1%
Operating Margin	*10.6%*	*9.9%*	*(62)bp*

In second quarter 2012, **foreign exchange** had a positive impact estimated at €67 million on revenue and a positive impact estimated at €5 million on operating income from recurring activities.

Financial result on contracts recognized as revenue amounted to €4 million in second quarter 2012.

4. Group Net Income

Operating income was €201 million in second quarter 2012, including €3 million of acquisition costs, versus €176 million a year ago.

Financial result in second quarter 2012 included a €12 million negative impact from changes in foreign exchange rates and fair market value of hedging instruments, compared with a €15 million positive impact last year.

The variation in **Diluted Number of Shares** is mainly due to the potential dilution of convertible bonds (OCEANE), as well as share subscription options and performance shares granted to Technip Group employees.

€ million, except Diluted Earnings per Share, and Diluted Number of Shares	2Q 2011	2Q 2012	Change
Operating Income From Recurring Activities	175.6	203.8	16.1%
Income / (Charges) from Non-Current Activities	-	(3.0)	nm
Operating Income	175.6	200.8	14.4%
Financial Result	11.3	(17.9)	nm
Income Tax Expense	(55.6)	(48.0)	(13.7)%
Effective Tax Rate	*29.7%*	*26.2%*	*(350)bp*
Non-Controlling Interests	1.2	(0.7)	nm
Net Income	**132.5**	**134.2**	**1.3%**
Diluted Number of Shares	117,267,300	123,391,178	5.2%
Diluted Earnings per Share (€)	**1.15**	**1.13**	**(1.8)%**

5. Cash Flow and Statement of Financial Position

As of June 30, 2012, Group's **net cash position** was €252 million compared to €629 million at the end of March 2012.

€ million

Net Cash Position as of March 31, 2012		**629.4**
Net Cash Generated from / (Used in) Operating Activities		(67.7)
of which:		
Cash Generated from / (Used in) Operations	*232.0*	
Change in Working Capital Requirements	*(299.7)*	
Capital Expenditures		(152.4)
Dividends Paid		(172.6)
Other including FX Impacts*		15.3
Net Cash Position as of June 30, 2012		**252.0**

(*) Includes impact of preliminary assessment of purchase price allocation of Global Industries, which is reflected in restated December 31, 2011 statement of financial position, in annex II.

Capital expenditures for second quarter 2012 increased strongly to €152 million compared to €62 million one year ago. This notably covered key milestone payments related to the fabrication of the Deep Orient and the two Brazilian 550t Flex-lay vessels, as well as works to adapt the newly chartered North Sea Giant vessel. In the first half of 2012, capital expenditures amounted to €248 million versus €112 million one year ago. Total capital expenditure for 2012 is now expected to exceed €400 million.

Shareholders' equity as of June 30, 2012, was €3,780 million compared with €3,673 million as of December 31, 2011.

The **consolidated statement of financial position** as of June 30, 2012 includes €325 million raised in June, through 10, 15 & 20-year private debt issues.

III. FULL YEAR 2012 OUTLOOK CONFIRMED

- Group revenue between €7.65 and €8.00 billion
- Subsea revenue between €3.35 and €3.50 billion, with operating margin around 15%, both including Global Industries
- Onshore/Offshore revenue between €4.3 and €4.5 billion, with operating margin between 6% and 7%

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The information package on Second Quarter 2012 results includes this press release and the annexes which follow, as well as the presentation published on Technip's website: www.technip.com

Cautionary note regarding forward-looking statements

This presentation contains both historical and forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect our current expectations concerning future results and events, and generally may be identified by the use of forward-looking words such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "likely", "should", "planned", "may", "estimates", "potential" or other similar words. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by these forward-looking statements. Risks that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among other things: our ability to successfully continue to originate and execute large services contracts, and construction and project risks generally; the level of production-related capital expenditure in the oil and gas industry as well as other industries; currency fluctuations; interest rate fluctuations; raw material (especially steel) as well as maritime freight price fluctuations; the timing of development of energy resources; armed conflict or political instability in the Arabian-Persian Gulf, Africa or other regions; the strength of competition; control of costs and expenses; the reduced availability of government-sponsored export financing; losses in one or more of our large contracts; U.S. legislation relating to investments in Iran or elsewhere where we seek to do business; changes in tax legislation, rules, regulation or enforcement; intensified price pressure by our competitors; severe weather conditions; our ability to successfully keep pace with technology changes; our ability to attract and retain qualified personnel; the evolution, interpretation and uniform application and enforcement of International Financial Reporting Standards (IFRS), according to which we prepare our financial statements as of January 1, 2005; political and social stability in developing countries; competition; supply chain bottlenecks; the ability of our subcontractors to attract skilled labor; the fact that our operations may cause the discharge of hazardous substances, leading to significant environmental remediation costs; our ability to manage and mitigate logistical challenges due to underdeveloped infrastructure in some countries where we are performing projects.

Some of these risk factors are set forth and discussed in more detail in our Annual Report. Should one of these known or unknown risks materialize, or should our underlying assumptions prove incorrect, our future results could be adversely affected, causing these results to differ materially from those expressed in our forward-looking statements. These factors are not necessarily all of the important factors that could cause our actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors also could have material adverse effects on our future results. The forward-looking statements included in this release are made only as of the date of this release. We cannot assure you that projected results or events will be achieved. We do not intend, and do not assume any obligation to update any industry information or forward-looking information set forth in this release to reflect subsequent events or circumstances.

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References to Stone & Webster processing technologies and associated Oil & Gas engineering capabilities are subject to the closing of the acquisition announced on May 21, 2012.

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Technip is a world leader in project management, engineering and construction for the energy industry.

From the deepest Subsea oil & gas developments to the largest and most complex Offshore and Onshore infrastructures, our 30,000 people are constantly offering the best solutions and most innovative technologies to meet the world's energy challenges.

Present in 48 countries, Technip has state-of-the-art industrial assets on all continents and operates a fleet of specialized vessels for pipeline installation and subsea construction.

Technip shares are listed on the NYSE Euronext Paris exchange and the USA over-the-counter (OTC) market as an American Depositary Receipt (ADR: TKPPY).

Euronext
NYSE Euronext
ISIN: FR0000131708

OTCQX
OTC ADR ISIN: US8785462099
ADR: TKPPY

ANNEX I (a)
CONSOLIDATED STATEMENT OF INCOME
IFRS, not audited

€ million (Except Diluted Earnings per Share, and Diluted Number of Shares)	Second Quarter			First Half		
	2011	**2012**	**Change**	**2011**	**2012**	**Change**
Revenue	**1,663.9**	**2,052.2**	**23.3%**	**3,100.1**	**3,817.5**	**23.1%**
Gross Margin	332.2	385.4	16.0%	611.8	713.0	16.5%
Research & Development Expenses	(15.1)	(17.5)	15.9%	(27.4)	(32.6)	19.0%
SG&A and Other	(141.5)	(164.1)	16.0%	(264.0)	(311.4)	18.0%
Operating Income from Recurring Activities	**175.6**	**203.8**	**16.1%**	**320.4**	**369.0**	**15.2%**
Non-Current Operating Result	-	(3.0)	nm	-	(3.0)	nm
Operating Income	**175.6**	**200.8**	**14.4%**	**320.4**	**366.0**	**14.2%**
Financial Result	11.3	(17.9)	nm	9.7	(25.1)	nm
Income / (Loss) before Tax	**186.9**	**182.9**	**(2.1)%**	**330.1**	**340.9**	**3.3%**
Income Tax Expense	(55.6)	(48.0)	(13.7)%	(95.3)	(93.1)	(2.3)%
Non-Controlling Interests	1.2	(0.7)	nm	2.0	(1.4)	nm
Net Income / (Loss)	**132.5**	**134.2**	**1.3%**	**236.8**	**246.4**	**4.1%**
Diluted Number of Shares	117,267,300	123,391,178	5.2%	117,331,750	123,449,452	5.2%
Diluted Earnings per Share (€)	**1.15**	**1.13**	**(1.8%)**	**2.06**	**2.08**	**0.9%**

ANNEX I (b)
FOREIGN CURRENCY CONVERSION RATES
IFRS, not audited

	Closing Rate as of		Average Rate of			
	Dec. 31, 2011	**Jun. 30, 2012**	**2Q 2011**	**2Q 2012**	**1H 2011**	**1H 2012**
USD for 1 EUR	1.29	1.26	1.44	1.28	1.40	1.30
GBP for 1 EUR	0.84	0.81	0.88	0.81	0.87	0.82
BRL for 1 EUR	2.42	2.58	2.30	2.51	2.29	2.42
NOK for 1 EUR	7.75	7.53	7.83	7.56	7.82	7.57

ANNEX I (c)
ADDITIONAL INFORMATION BY BUSINESS SEGMENT
IFRS, not audited

€ million	Second Quarter 2011	Second Quarter 2012	Second Quarter Change	First Half 2011	First Half 2012	First Half Change
SUBSEA						
Revenue	659.7	981.2	48.7%	1,253.5	1,772.3	41.4%
Gross Margin	174.8	226.8	29.7%	327.3	407.6	24.5%
Operating Income from Recurring Activities	111.9	145.7	30.2%	211.9	261.9	23.6%
Operating Margin	*17.0%*	*14.8%*	*(211)bp*	*16.9%*	*14.8%*	*(213)bp*
Depreciation and Amortization	(29.6)	(42.8)	44.6%	(57.2)	(75.9)	32.7%
EBITDA	141.5	188.5	33.2%	269.1	337.8	25.5%
EBITDA Margin	*21.4%*	*19.2%*	*(224)bp*	*21.5%*	*19.1%*	*(241)bp*
ONSHORE/OFFSHORE						
Revenue	1,004.2	1,071.0	6.7%	1,846.6	2,045.2	10.8%
Gross Margin	158.0	158.6	0.4%	284.5	305.4	7.3%
Operating Income from Recurring Activities	76.4	75.6	(1.0)%	138.7	139.7	0.7%
Operating Margin	*7.6%*	*7.1%*	*(55)bp*	*7.5%*	*6.8%*	*(68)bp*
Depreciation and Amortization	(7.6)	(7.2)	(5.3)%	(13.8)	(13.6)	(1.4)%
CORPORATE						
Operating Income from Recurring Activities	(12.7)	(17.5)	37.8%	(30.2)	(32.6)	7.9%
Depreciation and Amortization	0.2	-	nm	(0.2)	-	nm

ANNEX I (d)
REVENUE BY GEOGRAPHICAL AREA
IFRS, not audited

€ million	Second Quarter 2011	Second Quarter 2012	Second Quarter % □	First Half 2011	First Half 2012	First Half % □
Europe, Russia, Central Asia	497.4	628.5	26.4%	895.4	1,121.5	25.3%
Africa	201.4	210.4	4.5%	484.9	317.0	(34.6)%
Middle East	393.1	267.2	(32.0)%	730.7	540.8	(26.0)%
Asia Pacific	205.1	318.5	55.3%	378.6	608.2	60.6%
Americas	366.9	627.6	71.1%	610.5	1,230.0	101.5%
TOTAL	**1,663.9**	**2,052.2**	**23.3%**	**3,100.1**	**3,817.5**	**23.1%**

ANNEX II
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
IFRS

€ million	Dec. 31, 2011, restated* (not audited)	Jun. 30, 2012 (not audited)
Fixed Assets	5,506.7	5,673.8
Deferred Tax Assets	355.1	374.9
Non-Current Assets	**5,861.8**	**6,048.7**
Construction Contracts – Amounts in Assets	585.4	412.5
Inventories, Trade Receivables and Other	2,397.2	2,544.1
Cash & Cash Equivalents	2,808.7	2,473.7
Current Assets	**5,791.3**	**5,430.3**
Total Assets	**11,653.1**	**11,479.0**
Shareholders' Equity (Parent Company)	3,651.6	3,768.0
Non-Controlling Interests	21.7	11.5
Shareholders' Equity	**3,673.3**	**3,779.5**
Non-Current Financial Debts	1,552.9	1,699.9
Non-Current Provisions	139.2	150.2
Deferred Tax Liabilities and Other Non-Current Liabilities	249.1	245.4
Non-Current Liabilities	**1,941.2**	**2,095.5**
Current Financial Debts	598.0	521.8
Current Provisions	345.0	297.2
Construction Contracts – Amounts in Liabilities	698.3	763.7
Trade Payables & Other	4,397.3	4,021.3
Current Liabilities	**6,038.6**	**5,604.0**
Total Shareholders' Equity & Liabilities	**11,653.1**	**11,479.0**
Net Cash Position	**657.8**	**252.0**

(*) Restated with preliminary assessment of purchase price allocation of Global Industries.

Statement of Changes in Shareholders' Equity (Parent Company), not audited (€ million):	
Shareholders' Equity as of December 31, 2011	**3,651.6**
First Half 2012 Net Income	246.4
First Half 2012 Other Comprehensive Income	42.2
Capital Increase	23.1
Treasury Shares	(37.1)
Dividends Paid	(172.6)
Other	14.4
Shareholders' Equity as of June 30, 2012	**3,768.0**

ANNEX III (a)
CONSOLIDATED STATEMENT OF CASH FLOWS
IFRS, not audited

€ million	First Half 2011		First Half 2012	
Net Income / (Loss)	236.8		246.4	
Depreciation & Amortization of Fixed Assets	71.2		89.5	
Stock Options and Performance Share Charges	22.4		21.2	
Non-Current Provisions (including Employee Benefits)	4.2		9.2	
Deferred Income Tax	20.5		28.3	
Net (Gains) / Losses on Disposal of Assets and Investments	0.6		(4.7)	
Non-Controlling Interests and Other	4.1		15.1	
Cash Generated from / (Used in) Operations	**359.8**		**405.0**	
Change in Working Capital Requirements	**(269.1)**		**(418.6)**	
Net Cash Generated from / (Used in) Operating Activities		**90.7**		**(13.6)**
Capital Expenditures	(111.7)		(248.0)	
Proceeds from Non-Current Asset Disposals	0.4		37.9	
Acquisitions of Financial Assets	-		(3.3)	
Acquisition Costs of Consolidated Companies, Net of Cash Acquired	12.6		(11.1)	
Net Cash Generated from / (Used in) Investing Activities		**(98.7)**		**(224.5)**
Net Increase / (Decrease) in Borrowings	(615.5)		65.7	
Capital Increase	21.3		23.1	
Dividends Paid	(156.1)		(172.6)	
Share Buy-Back	1.1		(40.0)	
Net Cash Generated from / (Used in) Financing Activities		**(749.2)**		**(123.8)**
Net Effects of Foreign Exchange Rate Changes		**(59.2)**		**22.2**
Net Increase / (Decrease) in Cash and Cash Equivalents		**(816.4)**		**(339.7)**
Bank Overdrafts at Period Beginning	(0.1)		(0.1)	
Cash and Cash Equivalents at Period Beginning	3,105.7		2,808.7	
Bank Overdrafts at Period End	(0.7)		(4.8)	
Cash and Cash Equivalents at Period End	2,289.9		2,473.7	
		(816.4)		**(339.7)**

ANNEX III (b)
CASH & FINANCIAL DEBTS
IFRS

€ million	Cash and Financial Debts Dec. 31, 2011 restated* (not audited)	Jun. 30, 2012 (not audited)
Cash Equivalents	1,890.1	1,646.9
Cash	918.6	826.8
Cash & Cash Equivalents (A)	**2,808.7**	**2,473.7**
Current Financial Debts	598.0	521.8
Non-Current Financial Debts	1,552.9	1,699.9
Gross Debt (B)	**2,150.9**	**2,221.7**
Net Cash Position (A – B)	**657.8**	**252.0**

(*) Restated with preliminary assessment of purchase price allocation of Global Industries.

ANNEX IV (a)
BACKLOG
not audited

€ million	Backlog by Business Segment As of Jun. 30, 2011	As of Jun. 30, 2012	Change
Subsea	3,630.0	5,963.1	64.3%
Onshore/Offshore	5,782.7	6,760.6	16.9%
Total	**9,412.7**	**12,723.7**	**35.2%**

ANNEX IV (b)
CONTRACT AWARDS
not audited

The main contracts **we announced during second quarter 2012** were the following:

Onshore/Offshore segment was awarded:

- A lump sum contract for the basic, front-end engineering design and the first phase of project management consultancy services for the Petrocarabobo upgrader, to be built in the Faja del Orinoco region, Venezuela,
- In a consortium with Daewoo Shipbuilding & Marine Engineering (DSME) Co. Ltd., the Technip-Daewoo Consortium (TDC), was awarded by Petronas Floating LNG 1 (Labuan) Ltd, a wholly owned subsidiary of Petroliam Nasional Berhad (PETRONAS) a services contract for engineering, procurement, construction, installation and commissioning of a floating liquefied natural gas (FLNG) facility with 1.2 million ton per year maximum capacity. The 300 meter-long and 60 meter-wide FLNG facility will be located offshore Malaysia. The contract is an Alliance between TDC, led by Technip, and Petronas. Technip's portion is composed of project management services and lump sum for engineering,
- A services contract for the Ichthys floating production storage and offloading (FPSO) unit. The FPSO unit will be located in the Browse Basin, Western Australia, at a water depth of 250 meters. Technip will provide these services to Daewoo Shipbuilding & Marine Engineering (DSME). This contract covers detailed engineering and procurement assistance for the topsides facilities of the 1.2 million barrels storage capacity

Ichthys FPSO. The Ichthys LNG project is a joint venture between INPEX (operator) and Total,

- By ZapSibNeftekhim LLC (an affiliate of JSC Sibur Holding) two front end engineering and design contracts for plants located in Tobolsk, in the Tyumen Region of Russia. The first contract concerns a linear low/high density gas phase polyethylene plant; the second one is for a high density slurry phase polyethylene plant. Each plant will consist of two parallel production trains with a total capacity of 1.5 million tons per year of polyethylene. Both will be developed using INEOS Technologies license.

Subsea segment was awarded:

- A lump sum contract by Anadarko Petroleum Corporation for the development of the Lucius field, located in the Keathley Canyon area of the Gulf of Mexico at a water depth of approximately 2,130 meters,
- A subsea contract by Chevron Australia Pty Ltd for the Wheatstone Project, one of Australia's largest resource projects. The contract, valued at approximately €245 million, covers the development of the Wheatstone and Lago fields, located in the Carnarvon Basin, offshore North Western Australia,
- By Inpex Corporation a flexible pipe supply lump sum contract for the Ichthys gas field, in Australia. Inpex has novated this contract to McDermott as part of the overall subsea umbilical, riser, flowline EPCI contract,
- By Offshore Oil Engineering Co, Ltd (COOEC) a pipeline installation contract for the Liwan 3-1 shallow water project, located in the Pearl River Mouth Basin, China Sea,
- By Petróleos Mexicanos (PEMEX) two subsea contracts in the Bay of Campeche, Mexico, worth a total amount of €105 million,
- By Marathon Oil Norge AS an engineering, procurement, installation and commissioning contract, worth over €300 million, for the Bøyla field development in the North Sea, located about 225 kilometers West of Stavanger, Norway, at a water depth of 120 meters. The contract includes all activities necessary to complete the construction of the subsea system for the Bøyla field development and connect it to the existing Alvheim subsea facilities, located 28 kilometers away,
- By EnQuest Britain Limited a contract for the development of the Alma and Galia fields, located 310 kilometers Southeast of Aberdeen, United Kingdom. The fields, which will be tied back to the EnQuest Producer floating production storage and offloading unit (FPSO), are located at a water depth of approximately 80 meters,
- A large subsea installation contract by Shell Development (Australia) Pty Ltd for the Prelude Floating Liquefied Natural Gas (FLNG) facility moored some 200 kilometers off the North West coast of Australia, in the Browse Basin, at a water depth of approximately 240 meters.

Since June 30, 2012, Technip has also announced the award of following contracts, which were **included in the backlog** as of June 30, 2012:

Onshore/Offshore segment:

- By the petrochemical company Al-Jubail Petrochemical Company (KEMYA) - a joint venture between SABIC and Exxon Chemical Arabia, an affiliate of ExxonMobil Chemical Company - a contract for the engineering, procurement and construction of an Halobutyl facility, located in Al-Jubail, Saudi Arabia. This project is part of the Saudi Elastomers Program undertaken by KEMYA to set up a world-scale specialty elastomers facility to serve local markets, the Middle East and Asia.

Subsea segment was awarded:

- By Dubai Petroleum, an engineering, procurement, installation and commissioning (EPIC) contract for the South West Fatah and Falah fields, located 90 kilometers offshore Dubai, United Arab Emirates, at a water depth up to 53 meters. The contract scope includes the replacement of a 12-inch gas pipeline and six 18-inch water injection pipelines,
- By Apache Energy Ltd a subsea installation contract worth approximately €50 million for the Balnaves oil field development, located in the Carnarvon Basin, offshore Northwestern Australia, at a water depth of approximately 135 meters,
- A contract by Marathon Oil Norge AS for on-going expansion of the subsea drill centers at Kneler B and Volund located in the Alvheim area in the North Sea. The water depth in the area is around 120 meters,

and the subsea work will be performed by use of remotely-operated vehicules as well as by divers.

Since June 30, 2012, Technip has also announced the award of following contract, which **was not included in the backlog** as of June 30, 2012:

Onshore/Offshore segment:

- Was awarded by Reliance Industries Limited (RIL) a license, supply of basic engineering package and an engineering and procurement services contract for the Refinery Off-Gas Cracker (ROGC) plant. This contract is part of the expansion project being executed at RIL's world-scale Jamnagar refining and petrochemical complex in Gujarat, on the West coast of India.

PRESS RELEASE – MAY 21, 2012

Technip to Acquire Stone & Webster Process Technologies and Associated Oil & Gas Engineering Capabilities from The Shaw Group

Creating a World-Class Downstream Technology Leader

Technip (NYSE Euronext Paris: TEC) announced today that it has entered into an agreement to acquire Stone & Webster process technologies and the associated oil and gas engineering capabilities from The Shaw Group (NYSE: SHAW) for a cash consideration of approximately €225 million.

This transaction will enable Technip to:

- Enhance substantially its position as a technology provider to the refining and petrochemicals industries,
- Diversify further its Onshore/Offshore segment, adding revenues based on technology supply,
- Strengthen its relationships with clients and partners worldwide, backed by the Stone & Webster reputation,
- Expand in promising growth areas such as the US, where downstream markets will benefit from the supply of unconventional gas,
- Add skilled resources, notably in research in the US, and in engineering in the US, the UK and India.

Thierry Pilenko, Technip's Chairman and CEO, commented: *"The acquisition of these world-class downstream technologies and high-quality engineering resources fits perfectly with Technip's strategy to differentiate itself through technology. Technip becomes a major technology provider to downstream markets, adding value to its Onshore/Offshore segment. In addition, we gain access to promising growth areas, including US petrochemical investments driven by low-price shale gas. Furthermore, we are delighted to welcome 1,200 talented people to Technip, to support our growth and our clients' needs. We continue the process of broadening Technip's offering of products, services and technologies."*

Acquisition overview and rationale

Technip is acquiring Stone & Webster process technologies and the associated oil and gas engineering capabilities from The Shaw Group. The business operates from five main locations with a particularly strong presence in the US (Houston, Texas, along with Cambridge and Weymouth, Massachusetts), in the UK (Milton Keynes) and in India (Mumbai).

Other sites remain with Shaw, which will also retain all legacy EPC contracts.

The business possesses important and widely recognized best-in-class proprietary technologies and alliances in several key onshore domains around refining and petrochemicals. These complement Technip's existing technology and alliances in ethylene, hydrogen, fertilizers, polyolefins, and LNG.

The acquired business generates revenues from technology licensing, process design engineering, early-stage and front-end engineering, PMC and the supply of equipment. These revenues, pro forma and annualized, are currently around €220 million. The acquisition therefore roughly doubles the revenues that Technip already generates from this type of activity to around €400 million on a pro forma basis.

Technip will welcome a highly skilled group of 1,200 engineers, researchers and project teams, at a time of strong growth in our industry worldwide. Technip's execution capabilities in the US and the UK, including Project Management Consulting (PMC) will be particularly reinforced.

Financial aspects

The acquisition is expected to close during the second half of 2012. Technip plans to integrate rapidly and to take the majority of an estimated €15 million of transaction and transition costs this year. The acquisition will be consolidated for only a few months and, excluding the above-mentioned one-off costs, there will therefore be no material impact on Technip's revenue and operating profit this year. On this basis, Technip’s 2012 financial objectives are unchanged.

The transition costs will drive cost synergies, notably in the areas of premises and IT, of around €7 million on an annualized basis from around a year after close. Purchase price accounting is likely to give rise to some amortizable intangibles. Looking forward, the acquired business can generate margins above those of the Onshore/Offshore segment, as well as having a more robust and lower risk earnings profile.

The cash consideration of around €225 million will be paid out of Technip's existing cash resources. The transaction is subject to customary price adjustment and closing conditions, including regulatory approvals.

Barclays is acting as financial advisor to Technip and Davis Polk & Wardwell LLP is acting as legal advisor to Technip.

2 – FIRST QUARTER 2012 RESULTS

The first quarter 2012 results as disclosed hereafter are those released by Technip on April 26, 2012 and therefore are not restated from the temporary purchase price allocation of the company Global Industries, Ltd. The impact of its preliminary purchase price assessment is disclosed in second quarter 2012 results and in Note 2 of the condensed consolidated financial statements for the first half 2012.

FIRST QUARTER 2012 RESULTS

- **Order intake of €3,310 million**
- **Record backlog of €12,344 million, of which €5,665 million in Subsea**
- **Revenue of €1,765 million**
- **Operating margin[1] of 9.4%**
- **Net income of €112 million**

FULL YEAR 2012 OUTLOOK CONFIRMED[2]

- **Group revenue between €7.65 and €8.00 billion**
- **Subsea revenue between €3.35 and €3.50 billion, with operating margin around 15%, both including Global Industries**
- **Onshore/Offshore revenue between €4.3 and €4.5 billion, with operating margin between 6% and 7%**

On April 24, 2012, Technip's Board of Directors approved the unaudited first quarter 2012 consolidated accounts.

€ million, except Diluted Earnings per Share	1Q 11	1Q 12	Change
Revenue	**1,436.2**	**1,765.3**	**22.9%**
EBITDA[3]	**179.0**	**204.7**	**14.4%**
EBITDA Margin	*12.5%*	*11.6%*	*(87)bp*
Operating Income from Recurring Activities	**144.8**	**165.2**	**14.1%**
Operating Margin	*10.1%*	*9.4%*	*(72)bp*
Operating Income	**144.8**	**165.2**	**14.1%**
Net Income	**104.3**	**112.2**	**7.6%**
Diluted Earnings per Share[4] (€)	0.92	0.94	3.2%
Order Intake	1,293	3,310	
Backlog	9,081	12,344	

1 Operating income from recurring activities divided by revenue.
2 Based on the year-to-date average exchange rates.
3 Operating income from recurring activities before depreciation and amortization.
4 As per IFRS, diluted earnings per share are calculated by dividing profit or loss attributable to the Parent Company's Shareholders, restated from financial interest related to dilutive potential ordinary shares, by the weighted average number of outstanding shares during the period, plus the effect of dilutive potential ordinary shares related to the convertible bonds, dilutive stock options and performance shares calculated according to the "Share Purchase Method" (IFRS 2), less treasury shares. In conformity with this method, anti-dilutive stock options are ignored in calculating EPS. Dilutive options are taken into account if the subscription price of the stock options plus the future IFRS 2 charge (i.e. the sum of annual charge to be recorded until the end of the stock option plan) is lower than the average market share price during the period.

Thierry Pilenko, Chairman and CEO, commented: “Our first quarter performance was very much in line with our expectations, which enables us to reiterate our 2012 financial objectives. We saw evidence of the trends highlighted in our February statement, with momentum across nearly all our markets, driven by our customers’ desire to bring new reserves into production and supported by Technip's strong positions in key regions, technologies and market segments.

The most striking aspect of the quarter was our very strong order intake contributing to a well diversified backlog at a record level. In Subsea, we won several small and medium size contracts, complemented by the large Quad 204 EPIC award in the UK North Sea, reflecting the effectiveness of our integrated business model. In Onshore/Offshore, the Burgas contract highlights Technip’s leadership in refining technology and our strategy to get involved in our customers' key projects early in their lifecycle. In Malaysia, our capacity to provide highly skilled local content was essential to win the RAPID petrochemical FEED for Petronas, a landmark project for future activity in the region.

Looking forward, although the timing for individual awards can be difficult to predict, bidding continues to run at high levels. We continue to see a favorable orientation of our industry as operators’ investment plans remain very ambitious. Moreover, some operators have started to share their concerns about resource availability, focusing on near-term shortage of deepwater drilling capacity and possible lack of adequate skilled human resources across the supply chain.

In this promising market, Technip seeks to differentiate through its ability to grow a diversified backlog, whilst keeping a constant focus on profitability and project execution. We are maintaining our investments in technology, assets and notably people in key markets to meet our customers' growing challenges and requirements.”

I. PORTFOLIO OF PROJECTS

1. First Quarter 2012 Order Intake

During first quarter 2012, Technip’s order intake was €3,310 million. The breakdown by business segment was as follows:

Subsea order intake in the North Sea included several small and medium size contracts as well as some larger EPIC contracts such as Quad 204 in the UK and Åsgard Subsea Compression in Norway. Asia Pacific won several contracts, notably for S-lay and Heavy-lift capability such as Wheatstone and Greater Western Flank in Australia, while other regions continued to see various diversified awards such as Jubilee Phase 1A in Ghana, Guara & Lula Nordeste pre-salt flexible risers supply in Brazil and Lucius subsea construction works in the US Gulf of Mexico.

Onshore/Offshore order intake included contracts across continents. Europe demonstrated good level of awards with a renewal of offshore platform activity for Technip in Denmark and Norway and a large EPC contract to build the Burgas refinery in Bulgaria. In Malaysia, our strong focus in developing local engineering capabilities continued to bear fruit with the award of a FEED for the RAPID petrochemical & refining complex, while Americas and Middle East were successful in securing various onshore & offshore smaller contracts.

Listed in annex IV (b) are the main contracts announced since January 2012 and their approximate value if publicly disclosed.

Order Intake (€ million)	1Q 2011	1Q 2012
Subsea	735.6	1,860.3
Onshore/Offshore	557.2	1,449.4
Total	**1,292.8**	**3,309.7**

2. Backlog by Geographical Areas

At the end of first quarter 2012, Technip's **backlog** rose to €12,344 million compared with €10,416 million at the end of 2011, driven by order intake and other movements including currency.

This backlog remains well diversified in terms of project types, sizes, technologies and geographical areas as set-out in the table below.

Backlog (€ million)	December 31, 2011	March 31, 2012	Change
Europe, Russia, Central Asia	1,912.2	3,328.3	74.1%
Africa	1,261.1	1,297.7	2.9%
Middle East	1,725.0	1,655.9	(4.0)%
Asia Pacific	1,704.0	2,247.1	31.9%
Americas	3,813.8	3,815.1	nm
Total	**10,416.1**	**12,344.1**	**18.5%**

3. Backlog Scheduling

Approximately 43% of the backlog is scheduled for execution in 2012.

Backlog Estimated Scheduling as of March 31, 2012 (€ million)	Subsea	Onshore/Offshore	Group
2012 (9 months)	2,267.2	3,008.0	5,275.2
2013	1,770.3	2,456.0	4,226.3
2014 and beyond	1,627.1	1,215.5	2,842.6
Total	**5,664.6**	**6,679.5**	**12,344.1**

II. FIRST QUARTER 2012 OPERATIONAL & FINANCIAL HIGHLIGHTS

1. Subsea

Subsea main operations for the quarter were as follows:

- In the **North Sea**, we focused our efforts on the completion of projects delayed in 2011 by weather conditions. The Apache II notably completed pipelay operations for several projects including the installation of Islay electrically trace heated pipe-in-pipe in the UK,
- In the **Americas**,
  - In Brazil, deepwater S-lay installation of the Capixaba export pipeline was successfully completed with the support of our Angra logistic base, while BC-10 phase 2 project progressed,
  - In the Gulf of Mexico, the Deep Blue completed installation of Caesar Tonga riser and Shenzi water injection line in the USA, while work progressed on L56-57 Mexican projects with the Hercules,
  - Work progressed on Mariscal Sucre development in Venezuela,

- In **Africa**, flexible pipe fabrication progressed and offshore operations started in Congo & Gabon for CoGa,
- In **Asia Pacific**, umbilical and flexible pipe production ramp-up continued on Asiaflex Products moving to three shifts.

The **vessel utilization rate** for the first quarter included vessels acquired with Global Industries in December 2011 and was 62% compared with 65% a year ago, including substantial maintenance dry docks for rigid Reel-lay vessels. As previously indicated, the limited backlog of projects involving S-lay and Heavy-lift assets impacted the segment profitability.

Subsea **financial performance** is set out in the following table:

€ million	1Q 2011	1Q 2012	Change
Subsea			
Revenue	593.8	791.1	33.2%
EBITDA	127.6	149.3	17.0%
EBITDA Margin	*21.5%*	*18.9%*	*(262)bp*
Operating Income From Recurring Activities	100.0	116.2	16.2%
Operating Margin	*16.8%*	*14.7%*	*(215)bp*

2. Onshore/Offshore

Onshore/Offshore main operations for the quarter were as follows:

- In the **Middle East,** greenfield and brownfield construction works continued on the Jubail refinery in Saudi Arabia, PMP in Qatar, Asab 3 in Abu Dhabi and in China for the prefabrication of Khafji Crude Related platform, while engineering works progressed on Satah gas development offshore Abu Dhabi,
- In **Asia Pacific**, engineering and procurement activities progressed for Prelude FLNG, Wheatstone, and Greater Gorgon projects offshore Australia, site services activities continued on Macedon gas plant onshore Australia, and Petronas FLNG FEED in Malaysia was completed,
- In the **Americas**, works on the Lucius Spar for the Gulf of Mexico started to ramp-up at our yard in Pori, Finland, while engineering and procurement activities continued on the Cubatão refinery in Brazil and CNRL oil sands complex in Canada,
- **Elsewhere**, Algiers refinery in Algeria and Ikra vinyl plant in Russia continued to progress and works on Burgas refinery in Bulgaria ramped up.

Onshore/Offshore **financial performance** is set out in the following table:

€ million	1Q 2011	1Q 2012	Change
Onshore/Offshore			
Revenue	842.4	974.2	15.6%
Operating Income From Recurring Activities	62.3	64.1	2.9%
Operating Margin	*7.4%*	*6.6%*	*(82)bp*

3. Group

Technip Group's **Operating Income From Recurring Activities** including Corporate charges as detailed in annex I (c) is set out in the following table:

€ million	1Q 2011	1Q 2012	Change
Group			
Revenue	1,436.2	1,765.3	22.9%
Operating Income From Recurring Activities	144.8	165.2	14.1%
Operating Margin	*10.1%*	*9.4%*	*(72)bp*

In first quarter 2012, **foreign exchange** had a positive impact estimated at €21 million on revenue and a positive impact estimated at €3 million on operating income from recurring activities.

Financial result on contracts recognized as revenue amounted to €3 million in first quarter 2012.

4. Group Net Income

Operating income was €165 million in first quarter 2012 versus €145 million a year ago.

Financial result in first quarter 2012 included a €1 million negative impact from changes in foreign exchange rates and fair market value of hedging instruments, compared with a €7 million positive impact in first quarter 2011.

The variation in **Diluted Number of Shares** is mainly due to the potential dilution of convertible bonds (OCEANE) as well as stock options and performance shares granted to Technip's employees.

€ million, Except Diluted Earnings per Share, and Diluted Number of Shares	1Q 2011	1Q 2012	Change
Operating Income	144.8	165.2	14.1%
Financial Result	(1.6)	(7.2)	350.0%
Income Tax Expense	(39.7)	(45.1)	13.6%
Effective Tax Rate	*27.7%*	*28.5%*	*82bp*
Non-Controlling Interests	0.8	(0.7)	nm
Net Income	**104.3**	**112.2**	**7.6%**
Diluted Number of Shares	116,496,167	124,028,670	*6.5%*
Diluted Earnings per Share (€)	**0.92**	**0.94**	**3.2%**

5. Cash Flow and Statement of Financial Position

As of March 31, 2012, Group's **net cash position** was €629 million compared to €721 million at the end of 2011.

€ million

Net Cash Position as of December 31, 2011		**720.8**
Net Cash Generated from / (Used in) Operating Activities		54.1
of which:		
Cash Generated from / (Used in) Operations	*173.0*	
Change in Working Capital Requirements	*(118.9)*	
Capital Expenditures		(95.6)
Other including FX Impacts		(49.9)
Net Cash Position as of March 31, 2012		**629.4**

Capital expenditures for first quarter 2012 comprised payments for the G1201, which has now completed sea trials and will be ready to work in May 2012, as well as payments to cover construction progress on plants & vessels.

Our **gross cash position** reduced during the quarter following the reimbursement of the convertible bond acquired with Global Industries in 2011 for $323 million.

Shareholders' equity as of March 31, 2012, was €3,788 million compared with €3,673 million as of December 31, 2011.

III. FULL YEAR 2012 OUTLOOK CONFIRMED

- Group revenue between €7.65 and €8.00 billion
- Subsea revenue between €3.35 and €3.50 billion, with operating margin around 15%, both including Global Industries
- Onshore/Offshore revenue between €4.3 and €4.5 billion, with operating margin between 6% and 7%

Total capital expenditure for 2012 is expected between €350 and €400 million.

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Cautionary note regarding forward-looking statements

This presentation contains both historical and forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect our current expectations concerning future results and events, and generally may be identified by the use of forward-looking words such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "likely", "should", "planned", "may", "estimates", "potential" or other similar words. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by these forward-looking statements. Risks that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among other things: our ability to successfully continue to originate and execute large services contracts, and construction and project risks generally; the level of production-related capital expenditure in the oil and gas industry as well as other industries; currency fluctuations; interest rate fluctuations; raw material (especially steel) as well as maritime freight price fluctuations; the timing of development of energy resources; armed conflict or political instability in the Arabian-Persian Gulf, Africa or other regions; the strength of competition; control of costs and expenses; the reduced availability of government-sponsored export financing; losses in one or more of our large contracts; U.S. legislation relating to investments in Iran or elsewhere where we seek to do business; changes in tax legislation, rules, regulation or enforcement; intensified price pressure by our competitors; severe weather conditions; our ability to successfully keep pace with technology changes; our ability to attract and retain qualified personnel; the evolution, interpretation and uniform application and enforcement of International Financial Reporting Standards (IFRS), according to which we prepare our financial statements as of January 1, 2005; political and social stability in developing countries; competition; supply chain bottlenecks; the ability of our subcontractors to attract skilled labor; the fact that our operations may cause the discharge of hazardous substances, leading to significant environmental remediation costs; our ability to manage and mitigate logistical challenges due to underdeveloped infrastructure in some countries where we are performing projects.

Some of these risk factors are set forth and discussed in more detail in our Annual Report. Should one of these known or unknown risks materialize, or should our underlying assumptions prove incorrect, our future results could be adversely affected, causing these results to differ materially from those expressed in our forward-looking statements. These factors are not necessarily all of the important factors that could cause our actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors also could have material adverse effects on our future results. The forward-looking statements included in this release are made only as of the date of this release. We cannot assure you that projected results or events will be achieved. We do not intend, and do not assume any obligation to update any industry information or forward-looking information set forth in this release to reflect subsequent events or circumstances.

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Technip is a world leader in project management, engineering and construction for the energy industry.

From the deepest Subsea oil & gas developments to the largest and most complex Offshore and Onshore infrastructures, our 30,000 people are constantly offering the best solutions and most innovative technologies to meet the world's energy challenges.

Present in 48 countries, Technip has state-of-the-art industrial assets on all continents and operates a fleet of specialized vessels for pipeline installation and subsea construction.

Technip shares are listed on the NYSE Euronext Paris exchange and the USA over-the-counter (OTC) market as an American Depositary Receipt (ADR: TKPPK).

NYSE Euronext
ISIN: FR0000131708

OTC ADR ISIN: US8785462099
ADR: TKPPK

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ANNEX I (a)
CONSOLIDATED STATEMENT OF INCOME
IFRS, not audited

€ million (Except Diluted Earnings per Share, and Diluted Number of Shares)	First Quarter 2011	First Quarter 2012	Change
Revenue	**1,436.2**	**1,765.3**	**22.9%**
Gross Margin	279.6	327.6	17.2%
Research & Development Expenses	(12.3)	(15.1)	22.8%
SG&A and Other	(122.5)	(147.3)	20.2%
Operating Income from Recurring Activities	**144.8**	**165.2**	**14.1%**
Non-Current Operating Result	-	-	nm
Operating Income	**144.8**	**165.2**	**14.1%**
Financial Result	(1.6)	(7.2)	350.0%
Income / (Loss) before Tax	**143.2**	**158.0**	**10.3%**
Income Tax Expense	(39.7)	(45.1)	13.6%
Non-Controlling Interests	0.8	(0.7)	nm
Net Income / (Loss)	**104.3**	**112.2**	**7.6%**

Diluted Number of Shares	116,496,167	124,028,670	6.5%

Diluted Earnings per Share (€)	**0.92**	**0.94**	**3.2%**

ANNEX I (b)
FOREIGN CURRENCY CONVERSION RATES
IFRS, not audited

	Closing Rate as of		Average Rate of	
	Dec. 31, 2011	**Mar. 31, 2012**	**1Q 2011**	**1Q 2012**
USD for 1 EUR	1.29	1.34	1.37	1.31
GBP for 1 EUR	0.84	0.83	0.85	0.83

ANNEX I (c)
ADDITIONAL INFORMATION BY BUSINESS SEGMENT
IFRS, not audited

€ million	First Quarter 2011	2012	Change
SUBSEA			
Revenue	593.8	791.1	33.2%
Gross Margin	152.5	180.8	18.6%
Operating Income from Recurring Activities	100.0	116.2	16.2%
Operating Margin	*16.8%*	*14.7%*	*(215)bp*
Depreciation and Amortization	(27.6)	(33.1)	19.9%
EBITDA	127.6	149.3	17.0%
EBITDA Margin	*21.5%*	*18.9%*	*(262)bp*
ONSHORE/OFFSHORE			
Revenue	842.4	974.2	15.6%
Gross Margin	126.5	146.8	16.0%
Operating Income from Recurring Activities	62.3	64.1	2.9%
Operating Margin	*7.4%*	*6.6%*	*(82)bp*
Depreciation and Amortization	(6.2)	(6.4)	3.2%
CORPORATE			
Operating Income from Recurring Activities	(17.5)	(15.1)	(13.7)%
Depreciation and Amortization	(0.4)	-	nm

ANNEX I (d)
REVENUE BY GEOGRAPHICAL AREA
IFRS, not audited

€ million	First Quarter 2011	2012	Change
Europe, Russia, Central Asia	398.0	493.0	23.9%
Africa	283.5	106.6	(62.4)%
Middle East	337.6	273.6	(19.0)%
Asia Pacific	173.5	289.7	67.0%
Americas	243.6	602.4	147.3%
Total	**1,436.2**	**1,765.3**	**22.9%**

ANNEX II
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
IFRS

€ million	Dec. 31, 2011 (audited)	Mar. 31, 2012 (not audited)
Fixed Assets	5,317.2	5,298.2
Deferred Tax Assets	306.3	307.7
Non-Current Assets	**5,623.5**	**5,605.9**
Construction Contracts – Amounts in Assets	588.0	425.8
Inventories, Trade Receivables and Other	2,411.8	2,404.4
Cash & Cash Equivalents	2,808.7	2,514.3
Current Assets	**5,808.5**	**5,344.5**
Assets Classified as Held for Sale	**-**	**9.6**
Total Assets	**11,432.0**	**10,960.0**
Shareholders' Equity (Parent Company)	3,651.6	3,776.0
Non-Controlling Interests	21.7	12.1
Shareholders' Equity	**3,673.3**	**3,788.1**
Non-Current Financial Debts	1,543.5	1,552.5
Non-Current Provisions	139.2	141.7
Deferred Tax Liabilities and Other Non-Current Liabilities	265.0	241.2
Non-Current Liabilities	**1,947.7**	**1,935.4**
Current Financial Debts	544.4	332.4
Current Provisions	344.6	334.3
Construction Contracts – Amounts in Liabilities	644.5	668.4
Trade Payables & Other	4,277.5	3,901.4
Current Liabilities	**5,811.0**	**5,236.5**
Total Shareholders' Equity & Liabilities	**11,432.0**	**10,960.0**
Net Cash Position	**720.8**	**629.4**

Statement of Changes in Shareholders' Equity (Parent Company), not audited (€ million):	
Shareholders' Equity as of December 31, 2011	**3,651.6**
3 Months 2012 Net Income	112.2
3 Months 2012 Other Comprehensive Income	15.5
Capital Increase	19.7
Treasury Shares	4.6
Dividends Paid	-
Other	(27.6)
Shareholders' Equity as of March 31, 2012	**3,776.0**

ANNEX III (a)
CONSOLIDATED STATEMENT OF CASH FLOWS
IFRS, not audited

€ million	First Quarter 2011		First Quarter 2012	
Net Income / (Loss)	104.3		112.2	
Depreciation & Amortization of Fixed Assets	34.2		39.5	
Stock Options and Performance Share Charges	12.5		10.6	
Non-Current Provisions (including Employee Benefits)	-		0.1	
Deferred Income Tax	12.0		9.0	
Net (Gains) / Losses on Disposal of Assets and Investments	(0.1)		0.9	
Non-Controlling Interests and Other	2.2		0.7	
Cash Generated from / (Used in) Operations	**165.1**		**173.0**	
Change in Working Capital Requirements	**(145.8)**		**(118.9)**	
Net Cash Generated from / (Used in) Operating Activities		**19.3**		**54.1**
Capital Expenditures	(47.5)		(95.6)	
Proceeds from Non-Current Asset Disposals	0.1		0.2	
Acquisitions of Financial Assets	12.6		(3.3)	
Acquisition Costs of Consolidated Companies, Net of Cash Acquired	-		(11.1)	
Net Cash Generated from / (Used in) Investing Activities		**(34.8)**		**(109.8)**
Net Increase / (Decrease) in Borrowings	(18.9)		(271.9)	
Capital Increase	9.3		19.7	
Dividends Paid	-		-	
Share Buy-Back	1.5		(1.9)	
Net Cash Generated from / (Used in) Financing Activities		**(8.1)**		**(254.1)**
Net Effects of Foreign Exchange Rate Changes		**(35.5)**		**12.7**
Net Increase / (Decrease) in Cash and Cash Equivalents		**(59.1)**		**(297.1)**
Bank Overdrafts at Period Beginning	(0.1)		(0.1)	
Cash and Cash Equivalents at Period Beginning	3,105.7		2,808.7	
Bank Overdrafts at Period End	(0.2)		(2.8)	
Cash and Cash Equivalents at Period End	3,046.7		2,514.3	
		(59.1)		**(297.1)**

ANNEX III (b)
CASH & FINANCIAL DEBTS
IFRS

€ million	Cash and Financial Debts	
	Dec. 31, 2011 (audited)	Mar. 31, 2012 (not audited)
Cash Equivalents	1,890.1	1,622.9
Cash	918.6	891.4
Cash & Cash Equivalents (A)	**2,808.7**	**2,514.3**
Current Financial Debts	544.4	332.4
Non-Current Financial Debts	1,543.5	1,552.5
Gross Debt (B)	**2,087.9**	**1,884.9**
Net Cash Position (A - B)	**720.8**	**629.4**

ANNEX IV (a)
BACKLOG
Not audited

€ million	Backlog by Business Segment		
	As of Mar. 31, 2011	As of Mar. 31, 2012	Change
Subsea	3,298.8	5,664.6	71.7%
Onshore/Offshore	5,782.4	6,679.5	15.5%
Total	**9,081.2**	**12,344.1**	**35.9%**

ANNEX IV (b)
CONTRACT AWARDS
Not audited

The main contracts **we announced during first quarter 2012** were the following:

Onshore/Offshore segment was awarded:

- A contract by Andra to be the main contractor for the future Industrial Geological Storage Center (CIGEO: Centre industriel de stockage géologique) planned to be located in Meuse/Haute-Marne, France,
- By Lukoil Neftochim Burgas ad, subsidiary of OAO LUKOIL, a lump sum turnkey contract, worth more than €900 million (Technip share around €600 million), for the engineering, procurement and construction of Phase 1 of a heavy residue hydrocracking complex to be built at their refinery in Burgas, Bulgaria,
- A contract, worth approximately AUD110 million (€90 million), by Daewoo Shipbuilding and Marine Engineering (DSME) for the detailed design of Chevron's Wheatstone offshore gas processing platform, located 200 kilometers off Western Australia's coast,
- A contract by Kuwait Gulf Oil Company (KGOC), for the engineering, procurement, construction and commissioning assistance of their Gas and Condensate Export System project. The project is spread over onshore and offshore locations in two countries, Saudi Arabia and Kuwait,

- An Enterprise Framework Agreement by Shell Global Solutions International B.V., covering Subsea Umbilical Risers and Flowlines (SURF), Engineering and Project Management Services. The contract duration is 5 years, with the option to extend for additional 5 years and will cover the supply of services to support all of Shell's SURF projects on a worldwide basis,
- By DONG E&P and BAYERNGAS, a contract for the HEJRE project development, offshore Denmark, at a water depth of 70 meters. This contract covers engineering, procurement, fabrication, hook-up, and commissioning assistance for a fixed wellhead and process platform and associated facilities,
- A lump sum front-end engineering design (FEED) contract by Statoil ASA for the development of the Luva floating platform, offshore Norway, at a water depth of approximately 1,300 meters,
- A front-end engineering design (FEED) contract by Petronas for its Refinery and Petrochemical Integrated Development (RAPID) project located in the state of Johor, Malaysia.

Subsea segment was awarded:

- The extension of Statoil frame contract for diving, pipeline repair, contingency and modification services in the Norway held by Technip since January 2007 to December 2014. The yearly revenue under the contract is expected to be in the range of €50-80 million,
- By Nexen Petroleum U.K. Limited a lump sum contract, worth approximately €135 million, for the Golden Eagle development located 110 kilometers North-east of Aberdeen, Scotland, in 115 meters of water,
- Two contracts by the international energy company Statoil, worth a total of around €55 million, for the Vilje South field and Visund North developments located in the Norwegian North Sea at water depths of 120 and 385 meters respectively,
- Two contracts, worth approximately €100 million, for the Phase 1A of the Jubilee project. The Jubilee field is located offshore Ghana at a water depth of 1,300 meters,
- A 5-year frame agreement contract from Petróleo Brasileiro S.A. (Petrobras) for the supply of around 1,400 kilometers of flexible pipes. The contract includes supply starting in 2013 and orders are guaranteed for at least 50% of the total value, which is currently estimated to be worth around US$2.1 billion,
- A pipeline installation contract by Woodside Energy Limited for the Greater Western Flank Phase 1 Project located 130 kilometers North West of Karratha in Western Australia,
- A lump sum contract by Hess Corporation for the development of the Tubular Bells field, located in the Mississippi Canyon area of the US Gulf of Mexico at a water depth of approximately 1,370 meters,
- By Statoil a contract, valued above €150 million, for the major Åsgard Subsea Compression project located in the Norwegian Sea, 40 kilometers East of the Åsgard field, at a water depth of 340 meters. The contract covers the installation of the subsea compression system and its connection to the existing subsea infrastructure and the Åsgard platform,
- By Petrobras a highly technological lump sum contract for the supply of gas injection flexible risers to develop Guara & Lula Nordeste pre-salt fields located in the Santos Basin, offshore Brazil, at a water depth of 2,250 meters,
- Two contracts in Norway for the Åsgard and Gudrun & Valemon projects. The total value of the contracts is around €45 million,
- A contract by Exxon Mobil Corporation for subsea equipment on the Hadrian South natural gas project in the Gulf of Mexico in approximately 2,300 meters of water,
- By Santos Limited, a flexible pipe supply contract for the Fletcher Finucane oil field development, in Western Australia. The field is located in the Carnarvon Basin, offshore North Western Australia, at a water depth of 160 meters,
- A contract by BP and partners to develop the subsea infrastructure for the Quad 204 project, located West of Shetland. This is Technip's largest contract to date in the UK North Sea, worth approximately €600 million,
- A contract by Bluewater Industries Inc. for the Cheviot field development, whose operator is ATP

Oil & Gas (UK) Limited. The Cheviot field is located in Block 2/10B, approximately 100 kilometers East of the Shetland Isles, in the UK North Sea, at a water depth of 150 meters. The project also includes the development of the Peter and Eclat fields.

Since March 31, 2012, Technip also announced the award of following contracts, which were **included in the backlog** as of March 31, 2012:

Onshore/Offshore segment was awarded:

- A lump sum contract for the basic, front-end engineering design and the first phase of project management consultancy services for the Petrocarabobo upgrader, to be built in the Faja del Orinoco region, Venezuela.

Subsea segment was awarded:

- A lump sum contract by Anadarko Petroleum Corporation for the development of the Lucius field, located in the Keathley Canyon area of the Gulf of Mexico at a water depth of approximately 2,130 meters,
- A subsea contract by Chevron Australia Pty Ltd for the Wheatstone Project, one of Australia's largest resource projects. The contract, valued at approximately €245 million, covers the development of the Wheatstone and Lago fields, located in the Carnarvon Basin, offshore North Western Australia,
- By Inpex Corporation a flexible pipe supply lump sum contract for the Ichthys gas field, in Australia. Inpex has novated this contract to McDermott as part of the overall subsea umbilical, riser, flowline EPCI contract,
- By Offshore Oil Engineering Co, Ltd (COOEC) a pipeline installation contract for the Liwan 3-1 shallow water project, located in the Pearl River Mouth Basin, China Sea.

3 – MAIN RISKS

The main risks the Group is facing have not significantly changed since December 31, 2011. These risks are described in 2011 Annual Financial Report.

4 – RELATED PARTIES

IFP Énergies nouvelles (IFP) is represented on Technip's Board of Directors. Its percentage of ownership amounted to 2.54% as of June 30, 2012 and to 2.55% as of December 31, 2011.

Technip paid IFP a royalty in respect of an agreement for research cooperation on offshore deepwaters. This royalty is determined under arm's length conditions and amounted to €1.9 million for the first half of 2012, the recorded expense amounted to €1.6 million.

There was no modification concerning other related parties as described in 2011 Annual Financial Report.

2 STATEMENT OF THE PERSON RESPONSIBLE FOR THE FIRST HALF 2012 FINANCIAL REPORT

I hereby declare that to the best of my knowledge,

- the condensed interim consolidated financial statements for the first half of 2012 have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial position and results of Technip and of entities included in the consolidation,

- the first half 2012 management report describes the material events that occurred in the first six months of the year and their impact on accounts, together with the main related-party transactions and a description of the main risks and uncertainties for the remaining six months of the year.

Paris, July 25, 2012

Thierry Pilenko
Chairman and Chief Executive Officer

3 2012 INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 – CONSOLIDATED STATEMENT OF INCOME

In millions of Euro	Notes	1st Half-Year 2012	1st Half-Year 2011
Revenues		**3 817,5**	**3 100,1**
Cost of Sales		(3 104,5)	(2 488,3)
Gross Margin		**713,0**	**611,8**
Research and Development Costs		(32,6)	(27,4)
Selling Costs		(110,3)	(94,6)
Administrative Costs		(214,0)	(167,4)
Other Operating Income		55,7	8,4
Other Operating Expenses		(42,8)	(10,4)
Operating Income / (Loss) from Recurring Activities		**369,0**	**320,4**
Income from Sale of Activities		-	-
Charges from Non-Current Activities		(3,0)	-
Operating Income / (Loss)		**366,0**	**320,4**
Financial Income	4	177,6	201,4
Financial Expenses	4	(202,7)	(191,7)
Share of Income / (Loss) of Equity Affiliates		-	-
Income / (Loss) before Tax		**340,9**	**330,1**
Income Tax Expense	5	(93,1)	(95,3)
Income / (Loss) from Continuing Operations		**247,8**	**234,8**
Income / (Loss) from Discontinued Operations		-	-
NET INCOME / (LOSS) FOR THE PERIOD		**247,8**	**234,8**
Attributable to:			
Shareholders of the Parent Company		246,4	236,8
Non-Controlling Interests		1,4	(2,0)
Earnings per Share (in Euro)	6	2,26	2,20
Diluted Earnings per Share (in Euro)	6	2,08	2,06

2 – CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In millions of Euro	1st Half-Year 2012	1st Half-Year 2011
Net Income / (Loss) for the Period	**247,8**	**234,8**
Exchange Differences on Translating Entities Operating in Foreign Currency	53,7	(55,7)
Fair Value Adjustement on Available-For-Sale Financial Assets	0,9	63,0
Cash Flow Hedging	(14,2)	60,4
Other	(0,1)	0,1
Taxes	1,4	(20,1)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**289,5**	**282,5**
Attributable to:		
Shareholders of the Parent Company	288,6	285,6
Non-Controlling Interests	0,9	(3,1)

3 – CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

In millions of Euro	Notes	June 30, 2012	December 31, 2011 Restated (*)
Property, Plant and Equipment, Net	7	2 346,7	2 187,0
Intangible Assets, Net	8	3 048,2	3 025,0
Investments in Equity Affiliates		-	-
Other Financial Assets		77,9	92,8
Deferred Tax Assets		374,9	355,1
Available-For-Sale Financial Assets	9	201,0	201,9
Total Non-Current Assets		**6 048,7**	**5 861,8**
Inventories		278,6	254,6
Construction Contracts - Amounts in Assets	10	412,5	585,4
Advances Paid to Suppliers		198,2	204,2
Derivative Financial Instruments		37,1	35,6
Trade Receivables		1 469,2	1 279,9
Current Income Tax Receivables		117,1	149,6
Other Current Receivables		443,9	473,3
Cash and Cash Equivalents	11	2 473,7	2 808,7
Total Current Assets		**5 430,3**	**5 791,3**
Assets Classified as Held for Sale		-	-
TOTAL ASSETS		**11 479,0**	**11 653,1**

(*) The restatement of the 2011 consolidated financial statements is described in Note 2.

EQUITY AND LIABILITIES

In millions of Euro	Notes	June 30, 2012	December 31, 2011 Restated (*)
Share Capital	12(a)	85,0	84,6
Share Premium		1 806,7	1 784,0
Retained Earnings		1 711,4	1 371,6
Treasury Shares	12(c)	(146,4)	(109,3)
Foreign Currency Translation Reserve		57,2	(6,3)
Fair Value Reserve		7,7	19,7
Net Income		246,4	507,3
Total Equity Attributable to Shareholders of the Parent Company		**3 768,0**	**3 651,6**
Non-Controlling Interests		11,5	21,7
Total Equity		**3 779,5**	**3 673,3**
Non-Current Financial Debts	13	1 699,9	1 552,9
Non-Current Provisions	14	150,2	139,2
Deferred Tax Liabilities		189,0	143,6
Other Non-Current Liabilities		56,4	105,5
Total Non-Current Liabilities		**2 095,5**	**1 941,2**
Current Financial Debt	13	521,8	598,0
Trade Payables		2 091,3	2 136,3
Construction Contracts - Amounts in Liabilities	10	763,7	698,3
Derivative Financial Instruments		122,9	104,0
Current Provisions	14	297,2	345,0
Current Income Tax Payables		107,0	173,1
Other Current Liabilities		1 700,1	1 983,9
Total Current Liabilities		**5 604,0**	**6 038,6**
Total Liabilities		**7 699,5**	**7 979,8**
Liabilities Directly Associated with the Assets Classified as Held for Sale		-	-
TOTAL EQUITY AND LIABILITIES		**11 479,0**	**11 653,1**

(*) The restatement of the 2011 consolidated financial statements is described in Note 2.

4 – CONSOLIDATED STATEMENT OF CASH FLOWS

In millions of Euro	1st Half-Year 2012	1st Half-Year 2011
Net Income for the Period (including Non-Controlling Interests)	247,8	234,8
Adjustments for:		
Amortization and Depreciation of Property, Plant and Equipment	84,3	65,2
Amortization and Depreciation of Intangible Assets	5,2	6,0
Non-Cash Convertible Bond Expense	13,7	6,1
Charge related to Share Subscription or Purchase Option and Performance Share Plans	21,2	22,4
Non-Current Provisions (including Employee Benefits)	9,2	4,2
Share of Income / (Loss) of Equity Affiliates	-	-
Net (Gains) / Losses on Disposal of Assets and Investments	(4,7)	0,6
Deferred Income Tax Credit / (Expense)	28,3	20,5
	405,0	**359,8**
(Increase) / Decrease in Working Capital Requirement	(418,6)	(269,1)
Net Cash (Used in) / Generated from Operating Activities	**(13,6)**	**90,7**
Purchases of Property, Plant and Equipment	(242,7)	(105,4)
Proceeds from Disposal of Property, Plant and Equipment	21,4	0,4
Purchases of Intangible Assets	(5,3)	(6,3)
Proceeds from Disposal of Intangible Assets	-	-
Acquisitions of Financial Assets	(3,3)	-
Proceeds from Disposals of Financial Assets	16,5	-
Acquisition Costs of Consolidated Companies, net of Cash Acquired	(11,1)	12,6
Net Cash Used in Investing Activities	**(224,5)**	**(98,7)**
Increase in Borrowings	393,7	111,9
Decrease in Borrowings	(328,0)	(727,4)
Capital Increase	23,1	21,3
Share Buy-Back	(40,0)	1,1
Dividends Paid	(172,6)	(156,1)
Net Cash Used Financing Activities	**(123,8)**	**(749,2)**
Net Effects of Foreign Exchange Rate Changes	22,2	(59,2)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(339,7)**	**(816,4)**
Cash and Cash Equivalents as of January 1	2 808,7	3 105,7
Bank Overdrafts as of January 1	(0,1)	(0,1)
Cash and Cash Equivalents as of June 30	2 473,7	2 289,9
Bank Overdrafts as of June 30	(4,8)	(0,7)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(339,7)**	**(816,4)**

5 – CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In millions of Euro	Share Capital	Share Premium	Retained Earnings	Treasury Shares	Foreign Currency Translation Reserve	Fair Value Reserves	Net Income - Parent Company	Shareholders ' Equity - Parent Company	Shareholders ' Equity - Non-Controlling Interests	Total Shareholders ' Equity
As of January 1st, 2012	**84,6**	**1 784,0**	**1 371,6**	**(109,3)**	**(6,3)**	**19,7**	**507,3**	**3 651,6**	**21,7**	**3 673,3**
Net Income of 1st half year 2012	-	-	-	-	-	-	246,4	**246,4**	1,4	**247,8**
Other Comprehensive Income	-	-	-	-	54,2	(12,0)	-	**42,2**	(0,5)	**41,7**
Total Comprehensive Income of 1st Half Year 2012	**-**	**-**	**-**	**-**	**54,2**	**(12,0)**	**246,4**	**288,6**	**0,9**	**289,5**
Capital Increase	0,4	22,7	-	-	-	-	-	**23,1**	-	**23,1**
Appropriation of Net Income 2011	-	-	507,3	-	-	-	(507,3)	**-**	-	**-**
Dividends	-	-	(172,6)	-	-	-	-	**(172,6)**	-	**(172,6)**
Treasury Shares	-	-	-	(37,1)	-	-	-	**(37,1)**	-	**(37,1)**
Valuation of Share Subscription or Purchase Options and Performance Shares	-	-	12,8	-	-	-	-	**12,8**	-	**12,8**
Other	-	-	(7,7)	-	9,3	-	-	**1,6**	(11,1)	**(9,5)**
AS OF JUNE 30, 2012	**85,0**	**1 806,7**	**1 711,4**	**(146,4)**	**57,2**	**7,7**	**246,4**	**3 768,0**	**11,5**	**3 779,5**
As of January 1st, 2011	**84,1**	**1 750,1**	**1 013,6**	**(137,9)**	**11,5**	**40,8**	**417,6**	**3 179,8**	**22,3**	**3 202,1**
Net Income of 1st Half Year 2011	-	-	-	-	-	-	236,8	**236,8**	(2,0)	**234,8**
Other Comprehensive Income	-	-	-	-	(54,6)	103,4	-	**48,8**	(1,1)	**47,7**
Total Comprehensive Income of 1st Half Year 2011	**-**	**-**	**-**	**-**	**(54,6)**	**103,4**	**236,8**	**285,6**	**(3,1)**	**282,5**
Capital Increase	0,3	21,0	-	-	-	-	-	**21,3**	-	**21,3**
Appropriation of Net Income 2010	-	-	417,6	-	-	-	(417,6)	**-**	-	**-**
Dividends	-	-	(156,1)	-	-	-	-	**(156,1)**	-	**(156,1)**
Treasury Shares	-	-	-	13,2	-	-	-	**13,2**	-	**13,2**
Valuation of Share Subscription or Purchase Options and Performance Shares	-	-	7,9	-	-	-	-	**7,9**	-	**7,9**
Other	-	-	4,2	-	(5,1)	-	-	**(0,9)**	(3,8)	**(4,7)**
AS OF JUNE 30, 2011	**84,4**	**1 771,1**	**1 287,2**	**(124,7)**	**(48,2)**	**144,2**	**236,8**	**3 350,8**	**15,4**	**3 366,2**

6 – NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Technip's principal businesses are as follows:

- lump sum or cost-to-cost engineering service contracts performed over a short period;
- engineering, manufacturing, installation and commissioning service contracts lasting approximately 12 months; and
- turnkey projects related to complex industrial facilities with engineering, procurement, construction and start-up in accordance with industry standards and a contractual schedule. The average duration of these contracts is three years, but can vary depending on the contract.

The consolidated financial statements are expressed in millions of Euro and all values are rounded to the nearest thousand, unless specified otherwise. The condensed interim consolidated financial statements have been approved by the Board of Directors as of July 24, 2012.

Note 1 – Accounting Principles

(a) Interim Condensed Information

The condensed interim consolidated financial statements for the six-month period ended 30 June, 2012 have been prepared in accordance with IAS 34 Interim Financial Reporting, standard of the IFRS framework as endorsed by the European Union. International Financial Reporting Standards are available on the website of the European Union (http://ec.europa.eu/internal_market/accounting/ias/index_en.htm).

The condensed interim consolidated financial statements only include a selection of disclosures and notes and thus must be read in conjunction with the full year consolidated financial statements as of December 31, 2011.

(b) Accounting Framework

Except for the adoption of new standards and interpretations described below, the accounting policies applied in the condensed interim consolidated accounts for the six-month period ended June 30, 2012 are in conformity with those applied and detailed in the consolidated financial statements as of December 31, 2011.

<u>Effective Standards, that apply to the Group</u>

There were no new standards or interpretations that had mandatory application for periods starting after January 1, 2012 which had a significant impact on the financial situation and performance of the Group.

<u>Standards with a Mandatory Application after June 30, 2012:</u>

Technip interim condensed consolidated financial statements at June 30, 2012 do not include the possible impact of standards published at this date whose applications are only mandatory for periods starting after the ongoing exercise date. The Group is currently assessing the potential impacts of the following standards:

IFRS 10 and IFRS 12 Consolidated Financial Statements / Disclosure of Interests in other Entities. These standards modify IAS 27 Separate Financial Statements and replaces SIC-12 Consolidation - Special Purpose Entities. This standard presents a unique model of control, identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company.

IFRS 11 Joint Arrangements: This standard supersedes IAS 31 Interests in Joint Ventures and SIC-13 Jointly Controlled Entities. The standard distinguishes two types of joint arrangement: Joint venture and joint operation. A party to a joint arrangement determines the type of joint arrangement in which it is involved by assessing its rights and obligations and accounts for those rights and obligations in accordance with that type of joint arrangement.

IFRS 13 Fair Value: Guidance on fair value measurement and disclosures.

IAS 19 (amended) Employee Benefits: The amendment brings numerous changes to the standard, especially recognition of all actuarial gains and losses in other comprehensive income and the suppression of the corridor method, as well as the immediate recognition of past service costs.

These standards are applicable to annual reporting periods beginning on or after 1 January 2013 provided they are endorsed by the European Union.

IAS 1: Presentation of Financial Statements (Presentation of items of other comprehensive income). Applicable to annual reporting periods beginning on or after 1 July 2012.

(c) Accounting Rules and Estimates

Interim condensed consolidated financial statements have been prepared in accordance with the IFRSs: fair presentation, consistency, going concern, relative extent and business combinations.

The preparation of financial statements in compliance with the IFRSs requires the use of certain critical accounting estimates. The main assessments and accounting assumptions made in the Group's financial statements relate to the construction contracts, to the valuation of Group exposure to litigations, to residual goodwill valuation and to the valuation of income tax assets resulting from carry-forward tax losses.

Note 2 – Scope of Consolidation

On December 1, 2011, Technip acquired 100% of the shares of Global Industries, Ltd. In accordance with IFRS 3R, the Group has started to perform the valuation of acquired assets and liabilities at fair value.

Following this temporary purchase price allocation and as per IFRS 3R, the Group restated the consolidated financial statements as of December 31, 2011:

In millions of Euro	Initial/Temporary Carrying Amount as of December 31, 2011	Revised Carrying Amount as of June 30, 2012
Fixed Assets	668,9	546,8
Construction Contracts, Net	7,0	(49,4)
Cash and Cash Equivalents	109,6	109,6
Provisions	(10,0)	(10,4)
Financial Debts	(241,2)	(304,2)
Other receivables and payables	(37,1)	(106,8)
Net Asset	**497,2**	**185,6**
Temporary Goodwill	226,5	538,1
Purchase Price	**723,7**	**723,7**

This residual goodwill mainly corresponds to the synergies expected by the Group, especially the material increase in Technip's current capabilities and its addressable market in deep-to-shore subsea infrastructure.

There is no significant change in the scope of consolidation compared to December 31, 2011.

Note 3 – Segment Information

IFRS 8 defines an operating segment as a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are regularly reviewed by the entity's chief operating decision maker; and
- for which distinct financial information is available.

Effective as from January 1, 2012, the Group has modified the reporting of its operating performances, by consolidating the former Onshore and Offshore segments.

Both activities have been pooled in 2011 under the authority of one of the two Executive Vice Presidents & Chief Operating Officers. They involve shared resources in terms of engineering, and have similar characteristics in terms of economic performances, as well as range of products, processes and markets.

The three business segments as reported to the main operating decision-maker, the Group Executive Committee, are therefore organized as following:

- the Subsea segment, which includes the design, manufacture, procurement and installation of subsea equipment;
- the Onshore/Offshore segment, which includes the entire engineering and construction business for petrochemical and refining plants as well as facilities for developing onshore oil and gas fields (including gas treatment units, liquefied natural gas (LNG) units and onshore pipelines). It also includes the renewable energies and the engineering and construction of non-petroleum facilities; as well as the design and construction of fixed or floating facilities and surface installations; and
- the Corporate segment, which includes holding company activities and central services rendered to Group subsidiaries, including IT services and reinsurance activity.

Segment information relating to the statement of income is prepared in accordance with IFRS.

The items related to segment result disclosed by Technip in its business segment information are the "Operating Income/(Loss) from Recurring Activities" and the "Operating Income/(Loss)". As a result, the segment result does not include financial income and expenses (except financial result on contracts), income tax expense (because of shared treasury and tax management), or the share of income/(loss) of equity affiliates.

In millions of Euro	1st Half-Year 2012						
	Subsea	Onshore / Offshore	Corporate	Not Allocable and Eliminations	Total Continuing Operations	Discontinued Operations	Total
Revenues	1 772,3	2 045,2	-	-	3 817,5	-	3 817,5
Gross Margin	407,6	305,4	-	-	713,0	-	713,0
Operating Income / (Loss) from Recurring Activities	**261,9**	**139,7**	**(32,6)**	**-**	**369,0**	**-**	**369,0**
Result from Sale of Activities	-	-	-	-	-	-	-
Result from Non-Current Activities	-	-	-	(3,0)	(3,0)	-	(3,0)
Operating Income / (Loss)	**261,9**	**139,7**	**(32,6)**	**(3,0)**	**366,0**	**-**	**366,0**
Financial Income / (Expenses)					(25,1)	-	(25,1)
Share of Income / (Loss) of Equity Affiliates					-	-	-
Income Tax Expense					(93,1)	-	(93,1)
Discontinued Operations					-	-	-
NET INCOME / (LOSS) FOR THE PERIOD					**247,8**	**-**	**247,8**
Other Segment Information							
Backlog	5 963,1	6 760,6	-	-	12 723,7	-	12 723,7
Order Intake	3 196,1	2 629,4	-	-	5 825,5	-	5 825,5

In millions of Euro	1st Half-Year 2011						
	Subsea	Onshore / Offshore	Corporate	Not Allocable and Eliminations	Total Continuing Operations	Discontinued Operations	Total
Revenues	1 253,5	1 846,6	-	-	3 100,1	-	3 100,1
Gross Margin	327,3	284,5	-	-	611,8	-	611,8
Operating Income / (Loss) from Recurring Activities	**211,9**	**138,7**	**(30,2)**	**-**	**320,4**	**-**	**320,4**
Result from Sale of Activities	-	-	-	-	-	-	-
Result from Non-Current Activities	-	-	-	-	-	-	-
Operating Income / (Loss)	**211,9**	**138,7**	**(30,2)**	**-**	**320,4**	**-**	**320,4**
Financial Income / (Expenses)					9,7	-	9,7
Share of Income / (Loss) of Equity Affiliates					-	-	-
Income Tax Expense					(95,3)	-	(95,3)
Discontinued Operations					-	-	-
NET INCOME / (LOSS) FOR THE PERIOD					**234,8**	**-**	**234,8**
Other Segment Information							
Backlog	3 630,0	5 782,7	-	-	9 412,7	-	9 412,7
Order Intake	1 753,7	1 630,6	-	-	3 384,3	-	3 384,3

Note 4 – Financial Income and Expenses

The financial result is a net charge of €25.1 million as of June 30, 2012 to be compared to a net income of €9.7 million as of June 30, 2011. The breakdown is as follows:

In millions of Euro	1st Half-Year 2012	1st Half-Year 2011
Interest Income from Treasury Management	31,5	29,7
Dividends from Non-Consolidated Investments	3,4	-
Financial Income related to Employee Benefits	4,6	2,5
Foreign Currency Translation Gains	136,4	141,6
Changes in Derivative Fair Value, Net	-	27,6
Inefficient Part of Derivative Instruments, Net	1,7	-
Total Financial Income	**177,6**	**201,4**

In millions of Euro	1st Half-Year 2012	1st Half-Year 2011
Interest Expenses on Bonds	-	(12,2)
Interest Expenses on Private Placements	(5,7)	(5,1)
Interest Expenses on Convertible Bonds	(15,8)	(7,5)
Fees Related to Credit Facilities	(2,4)	(0,9)
Financial Expenses related to Employee Benefits	(7,5)	(5,9)
Interest Expenses on Bank Borrowings and Overdrafts	(16,7)	(10,8)
Depreciation on Financial Assets, Net	-	-
Foreign Currency Translation Losses	(148,7)	(144,0)
Changes in Derivative Fair Value, Net	(1,9)	-
Inefficient Part of Derivative Instruments, Net	-	(3,2)
Other	(4,0)	(2,1)
Total Financial Expenses	**(202,7)**	**(191,7)**
NET FINANCIAL RESULT	**(25,1)**	**9,7**

Note 5 – Income Tax

The income tax expense breaks down as follows:

In millions of Euro	1st Half-Year 2012	1st Half-Year 2011
Current Income Tax Credit/(Expense)	(64,8)	(74,8)
Deferred Income Tax Credit/(Expense)	(28,3)	(20,5)
INCOME TAX CREDIT / (EXPENSE) AS RECOGNIZED IN STATEMENT OF INCOME	**(93,1)**	**(95,3)**
Deferred Income Tax related to Items Booked Directly to Opening Equity	(15,1)	18,8
Deferred Income Tax related to Items Booked to Equity during the Period	(4,1)	(22,5)
INCOME TAX CREDIT / (EXPENSE) AS REPORTED IN EQUITY	**(19,2)**	**(3,7)**
Income Tax rate	27,3%	28,9%

Note 6 – Earnings per Share

Reconciliation between earnings per share before dilution and diluted earnings per share is as follows:

In millions of Euro	1st Half-Year 2012	1st Half-Year 2011
Net Income Attributable to Shareholders of the Parent Company	**246,4**	**236,8**
Financial Expense on Convertible Bonds, Net of Tax	10,0	4,7
ADJUSTED NET INCOME FOR DILUTED EARNINGS PER SHARE	**256,4**	**241,5**
In thousands		
Weighted Average Number of Outstanding Shares during the Period (excluding Treasury Shares) used for Basic Earnings per Share	108 886	107 715
Effect of Dilution :		
- Share Subscription Options	842	921
- Performance Shares	1 924	2 077
- Convertible Bonds	11 797	6 619
WEIGHTED AVERAGE NUMBER OF OUTSTANDING SHARES DURING THE PERIOD (EXCLUDING TREASURY SHARES) ADJUSTED FOR DILUTED EARNINGS PER SHARE	**123 449**	**110 713**
In Euro		
Basic Earnings per Share	**2,26**	**2,20**
DILUTED EARNINGS PER SHARE	**2,08**	**2,06**

During the first half-year 2012 and 2011, the Group granted performance shares and share subscription options subject to performance conditions, and in addition, issued two convertible bonds on November 17, 2010 and December 15, 2011 which resulted in a dilution of earnings per share.

The average share price in the first half-year 2012 amounted to €79.13 compared to €72.44 in the first half-year 2011.

Note 7 – Property, Plant and Equipment (Tangible Assets)

During the six month-period ended June 30, 2012, Group investments amounted to €203.6 million. Investments in vessels amounted to €86.1 million including vessels under construction for €60.2 million.

The Group does not have any tangible asset acquired through a lease contract.

Note 8 – Intangible Assets

There was no significant change over the six-month period ended June 30, 2012. During the first half of 2012, no meaningful event occurred which might have caused to impair the value of goodwill or other intangible assets. Therefore no impairment test was performed as of June 30, 2012.

Changes in goodwill over the first half year of 2012 are detailed in Note 2 – Scope of Consolidation.

Note 9 – Available-For-Sale Financial Assets

As of June 30, 2012 and December 31, 2011, the Group owned 789,067 shares, i.e. 5.5%, of Gulf Island Fabrication, Inc. (GIFI), a company listed in New York (NASDAQ).

As of December 31, 2011, the Group owned an 8.35% stake in Malaysia Marine and Heavy Engineering Holdings Berhad (MHB), a company listed in Malaysia (Bursa Malaysia Securities Berhad), i.e. 133,555,000 shares. As of June 30, 2012, Technip's stake in MHB increased by 0.15%, namely 2,445,000 additional shares.

The main change over 2012 first half year was due to the valuation of MHB share.

Note 10 – Construction Contracts

Long-term contracts are recorded in accordance with IAS 11 "Construction contracts" when they include construction and delivery of a complex physical asset, or in accordance with IAS 18 "Revenues" in other cases.

The breakdown of construction contracts is as follows:

In millions of Euro	June 30, 2012	December 31, 2011 restated
Construction Contracts - Amounts in Assets	412,5	585,4
Construction Contracts - Amounts in Liabilities	(763,7)	(698,3)
TOTAL NET CONSTRUCTION CONTRACTS	**(351,2)**	**(112,9)**
Costs and Margins Recognized at the Percentage of Completion	6 610,3	4 966,7
Payments Received from Clients	(6 722,5)	(4 835,3)
Losses at Completion	(239,0)	(244,3)
TOTAL NET CONSTRUCTION CONTRACTS	**(351,2)**	**(112,9)**

Note 11 – Cash and Cash Equivalents

Cash and cash equivalents break down as follows:

In millions of Euro	June 30, 2012	December 31, 2011 restated
Cash at Bank and in Hand	826,8	918,6
Cash Equivalents	1 646,9	1 890,1
TOTAL CASH AND CASH EQUIVALENTS	**2 473,7**	**2 808,7**

The market value of cash equivalents is equal to their historical cost.

Note 12 – Shareholders' Equity

(a) Changes in the Parent Company's Share Capital

As of June 30, 2012, Technip share capital consisted of 111,458,520 outstanding authorized shares with a par value of €0.7625. The changes since January 1, 2011 can be analyzed as follows:

	Number of Shares	Share Capital (In millions of Euro)
Share Capital as of January 1, 2011	**110 249 352**	**84,1**
Capital Increase due to Share Subscription Options Exercised	738 406	0,5
Share Capital as of December 31, 2011	**110 987 758**	**84,6**
Capital Increase due to Share Subscription Options Exercised	470 762	0,4
SHARE CAPITAL AS OF JUNE 30, 2012	**111 458 520**	**85,0**

(b) Technip's Shareholders

Technip's principal shareholders are as follows (last available information):

	June 30, 2012	December 31, 2011
Capital Research and Management	7,88%	5,25%
Fonds Stratégique d'Investissement	5,32%	5,35%
Blackrock Inc.	5,00%	6,20%
Amundi Asset Management	3,72%	3,20%
AXA Investment Managers	3,50%	1,50%
Norges Bank Investment Management	3,05%	2,50%
Oppenheimer Funds Inc.	2,89%	2,90%
IFP Énergies nouvelles	2,54%	2,55%
BNP Paribas	2,36%	2,35%
Natixis	1,69%	3,00%
Causeway Capital Management	1,43%	1,45%
Treasury Shares	2,31%	2,00%
Group Employees	1,75%	2,00%
Other	56,56%	59,75%
TOTAL	**100,00%**	**100,00%**

(c) Treasury Shares

The total value of treasury shares, shown as a deduction from equity, amounted to €146.4 million as of June 30, 2012, representing 2,588,776 shares. The changes can be analyzed as follows:

	Number of Shares	Treasury Shares (In millions of Euro)
Treasury Shares as of January 1, 2011	**2 907 461**	**(137,9)**
Shares Acquired pursuant to Liquidity Contract	957 023	(64,5)
Shares Sold pursuant to Liquidity Contract	(950 023)	64,1
Shares Granted to Employees	(671 743)	29,0
Treasury Shares as of December 31, 2011	**2 242 718**	**(109,3)**
Shares Acquired pursuant to Liquidity Contract	302 426	(23,0)
Shares Sold pursuant to Liquidity Contract	(312 426)	23,4
Shares Acquired for Employees	753 600	(57,2)
Shares Granted to Employees	(397 542)	19,7
TREASURY SHARES AS OF JUNE 30, 2012	**2 588 776**	**(146,4)**

(d) Dividends

On the first half 2012, dividends paid for the year ended December 31, 2011 amounted to €172.6 million (i.e. 1.58 euro per share), compared to €156.1 million (i.e. 1.45 euro per share) paid on the first half 2011.

(e) Share Subscription Option Plans and Share Purchase Option Plans

On June 15, 2012, the Board of Directors granted a plan of 284,700 share subscription options approved by the Combined Shareholders' General Meeting held on April 26, 2012. The performance of this plan will be measured over the 2012-2014 period on the basis of several criteria: Group results in terms of Total Shareholder Return, operating income from recurring activities and return on capital employed.

The Group recorded a total charge related to share subscription and share purchase options of €5.6 million as of June 30, 2012 compared to €7.0 million at the end of June 2011.

(f) Performance Share Plans

On June 15, 2012, the Board of Directors granted a plan of 430,150 performance shares approved by the Combined Shareholders' General Meeting held on April 26, 2012. The performance of this plan will be measured over the 2012-2014 period on the basis of several criteria: Group results in matter of Health/Safety/Environment, operating income from recurring activities and treasury generated from operating activities.

The Group recorded a total charge related to performance share grants of €15.6 million as of June 30, 2012, compared to €15.5 million at the end of June 2011.

Note 13 – Financial Debts (current and non-current)

Financial debts can be analyzed as follows:

In millions of Euro	June 30, 2012	December 31, 2011 restated
Bond Issue (1)	46,3	45,7
Convertible Bonds (2)	931,7	916,1
Private Placements (3)	516,9	197,4
Bank Borrowings (4)	205,0	393,7
Total Non-Current Financial Debts	**1 699,9**	**1 552,9**
Bond Issues (1)	3,1	3,0
Convertible Bond (2)	-	251,2
Commercial Papers	150,0	170,0
Bank Borrowings (4)	352,2	158,5
Accrued Interests Payables	16,5	15,3
Total Current Financial Debts	**521,8**	**598,0**
TOTAL FINANCIAL DEBTS	**2 221,7**	**2 150,9**

(1) As of June 30, 2012, the bonds issued by Global Industries and guaranteed by the US Government under Title XI of the Federal Ship Financing Program, amounted to USD61.2 million (recorded for €49.4 million), net of issue charges. A total amount of USD57.4 million (recorded for €46.3 million) was classified as non-current financial debts as of June 30, 2012. These 7.71% p.a. bonds are reimbursed semi-annually with equal principal installments of USD2.0 million each and have a final maturity of February 15, 2025. The effective interest rate is 3.70%.

(2) On December 15, 2011, Technip issued a bond with an option for conversion and/or exchangeable for new or existing shares (OCEANE) for a total amount of €497.6 million. As per IAS 32, the OCEANE convertible bond is recognized in two distinct components: a debt component recorded at amortized cost for an initial amount of €420.4 million and a conversion option component recorded in equity for an amount of €73.1 million. As of June 30, 2012, the debt component amounted to €428.2 million.

On November 17, 2010, Technip issued a bond with an option for conversion and/or exchangeable for new or existing shares (OCEANE) for a total amount of €550 million. As per IAS 32, the OCEANE convertible bond is recognized in two distinct components: a debt component recorded at amortized cost for an initial amount of €480.9 million and a conversion option component recorded in equity for an amount of €63.3 million. As of June 30, 2012, the debt component amounted to €501.6 million.

A Senior Convertible Debenture was issued on July 27, 2007 by Global Industries for a total amount of USD325 million (recognized for €251.2 million as of December 31, 2011). The interest rate is 2.75% p.a. and the maturity is August 1, 2027. On January 11, 2012, Global Industries reimbursed a principal amount of USD322.6 million (corresponding to 99.3% of the outstanding debentures) and paid accrued interest of approximately USD3.9 million to bondholders. As of June 30, 2012, its residual value amounted to €1.9 million.

(3) On June 15, 2012, Technip achieved a private placement for €75 million (recorded for €74.9 million as of June 30, 2012). The maturity is 15 years; the annual coupon rate is 4%.

On June 14, 2012, Technip achieved a private placement for €150 million (recorded for €149.7 million as of June 30, 2012). The maturity is 10 years; the annual coupon rate is 3.40%.

On June 14, 2012, Technip achieved a private placement for €100 million (recorded for €94.8 million as of June 30, 2012). The maturity is 20 years; the annual coupon rate is 4%.

On July 27, 2010, Technip achieved a private placement for €200 million (recorded for €197.5 million as of June 30, 2012). The maturity is 10 years; the annual coupon rate is 5%.

(4) Includes bank borrowings and credit facilities representing drawings on subsidized loans granted to one of the Brazilian subsidiaries for the purpose of pre-financing exports and re-financing investments, drawings on loans granted to a Norwegian subsidiary and to a Brazilian affiliate aimed at financing new vessels.

As of June 30, 2012, financial debts due within less than one year amounted to €521.8 million.

Note 14 – Provisions (current and non-current)

Changes in provisions over the first half of 2012 can be analyzed as follows:

In millions of Euro	**As of January 1, 2012 restated**	Increase	Used Reversals	Unused Reversals	Foreign Exchange Adjustments	Other	**As of June 30, 2012**
Employee Benefits	105,0	18,2	(8,9)	-	0,3	-	114,6
Tax	10,5	1,3	-	(0,1)	0,5	-	12,2
Litigation	0,2	-	-	-	-	-	0,2
Provisions for Claims Incurred but not Reported (1)	7,9	2,7	-	(0,1)	-	-	10,5
Other Non-Current Provisions	15,6	36,4	(2,2)	(37,1)	-	-	12,7
Total Non-Current Provisions	**139,2**	**58,6**	**(11,1)**	**(37,3)**	**0,8**	**-**	**150,2**
							-
Employee Benefits	4,8	1,0	(0,7)	(0,5)	(0,1)	-	4,5
Contingencies related to Contracts	132,3	8,5	(8,8)	(32,6)	0,4	5,1	104,9
Restructuring	0,1	0,1	-	0,1	-	-	0,3
Tax	44,1	3,6	-	(3,7)	0,5	-	44,5
Litigation	0,5	-	-	-	-	-	0,5
Provisions for Claims (1)	1,8	0,2	-	-	-	-	2,0
Other Current Provisions	161,4	21,9	(51,2)	(0,5)	(1,0)	9,9	140,5
Total Current Provisions	**345,0**	**35,3**	**(60,7)**	**(37,2)**	**(0,2)**	**15,0**	**297,2**
TOTAL PROVISIONS	**484,2**	**93,9**	**(71,8)**	**(74,5)**	**0,6**	**15,0**	**447,4**

(1) Provisions for Reinsurance are recorded at the level of the Group's captive reinsurance companies as per IFRS 4.

Note 15 – Related Party Disclosures

IFP Énergies nouvelles (IFP) is represented on Technip's Board of Directors. Its percentage of ownership amounted to 2.54% as of June 30, 2012 and to 2.55% as of December 31, 2011.

Technip paid IFP a royalty in respect of an agreement for research cooperation on offshore deepwaters. This royalty is determined under arm's length conditions and amounted to €1.9 million for the first half of 2012, the recorded expense amounted to €1.6 million.

In the first 2012 half year, there was no modification concerning other related parties as described in 2011 Annual Financial Report.

Note 16 – Off Balance Sheet Commitments

The nature and amounts of off-balance sheet commitments are comparable to those disclosed in the notes to the Consolidated Financial Statements as of December 31, 2011 included in the Annual Financial Report.

It should be mentioned that on May 21, 2012, the Group announced an agreement to acquire Stone & Webster process technologies and the associated oil and gas engineering capabilities from The Shaw Group for a cash consideration of approximately €225 million.

Note 17 – Litigation

Between January 1 and June 30, 2012, the situation of litigation described in 2011 Annual Financial Report has not significantly changed.

Note 18 – Market Related Exposure and Financial Instruments

Technip has been managing its market related risks in the same way than described in the notes to the Consolidated Financial Statements in 2011 Annual Financial Report. In particular, Technip entered into exchange rate hedging financial instruments to manage its exposure to currency risks as incurred in the normal course of its business.

Note 19 – Subsequent Events

There are no significant subsequent events.

4 STATUTORY AUDITORS' REVIEW REPORT ON THE 2012 INTERIM FINANCIAL INFORMATION

PricewaterhouseCoopers Audit

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STATUTORY AUDITORS' REVIEW REPORT ON THE 2012 INTERIM FINANCIAL INFORMATION

Period from January 1 to June 30, 2012

This is a free translation into English of the Statutory Auditors' review report on the interim consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users. This report also includes information relating to the specific verification of information given in the Group's interim management report. This report should be read in conjunction with and construed in accordance with French law and professional standards applicable in France.

Technip
89, avenue de la Grande Armée
75116 Paris

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of article L.451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed interim consolidated financial statements of Technip, for the period from January 1 to June 30, 2012, and
- the verification of the information contained in the interim management report.

These condensed interim consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with the professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that these condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRS as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information provided in the interim management report in respect of the condensed interim consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the condensed interim consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, July 25, 2012

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit

Edouard Sattler

Ernst & Young et Autres

Nour-Eddine Zanouda

take it further.

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