

# Building Solutions for the Energy Industry



**Julian Waldron, CFO**

UBS European Conference, London, November 13, 2012

**Technip**  
*take it further.*



## Safe Harbor

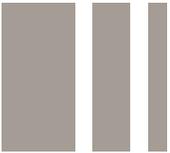
*This presentation contains both historical and forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect our current expectations concerning future results and events and generally may be identified by the use of forward-looking words such as “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.*

\*\*\*\*

*This presentation does not constitute an offer or invitation to purchase any securities of Technip in the United States or any other jurisdiction. Securities may not be offered or sold in the United States absent registration or an exemption from registration. The information contained in this presentation may not be relied upon in deciding whether or not to acquire Technip securities.*

*This presentation is being furnished to you solely for your information, and it may not be reproduced, redistributed or published, directly or indirectly, in whole or in part, to any other person. Non-compliance with these restrictions may result in the violation of legal restrictions of the United States or of other jurisdictions.*



# Business Environment

## North America

- Upswing in US Gulf of Mexico
- Increasing activity in Mexico
- US shale gas driving onshore downstream investments

## North Sea

- High level of subsea awards continues
- Step change in size and complexity of offshore developments
- Increase in platform activity

## Middle East

- Sustained volume of activity
- Good opportunities offshore & downstream

## Africa

- New discoveries to drive future onshore & offshore developments, incl. in new areas
- Project timing remains uncertain

## Asia Pacific

- Australian gas projects continue to progress
- GDP growth drives refining, petrochemicals and fertilizer investments

## Latin America

- Good visibility in Brazil with ramp-up of pre-salt developments
- Downstream and some offshore prospects across countries

# 9 Months 2012 Subsea Operations



Deep Capixaba's pipes in Angra logistic base, Brazil



G1200 & Deep Blue vessels, Gulf of Mexico

## ■ Offshore main operations completed

- Caesar Tonga, USA
- Deep Capixaba, Brazil
- GirRi, Angola
- Hyme, Norway
- L56-57, Mexico
- Liuhua 11-1, China

# 9 Months 2012 Onshore/Offshore Operations



## ■ Onshore/Offshore main ongoing projects

- Jubail refinery, Saudi Arabia
- Asab 3 gas plant, UAE
- Burgas refinery, Bulgaria
- PMP gas treatment, UAE
- Lucius Spar, Gulf of Mexico
- Mariscal Sucre offshore dvpt., Venezuela
- Prelude FLNG, Australia
- Wheatstone platform, Australia

# Year-to-date Financial Performance

€ million

	9M 11 - 9M 12 Variation
<b>Revenue</b>	<b>+23%</b>
<b>EBITDA<sup>1</sup></b>	<b>+ 19%</b>
<b>Operating Income<sup>2</sup></b>	<b>+17%</b>
<b>Net Income</b>	<b>+10%</b>

## 2012 Full Year Outlook<sup>3</sup>

- **Group** revenue towards €8.0 billion (formerly between €7.65 and €8.0 billion)
- **Subsea** revenue at least €3.50 billion (formerly between €3.35 and €3.50 billion), with operating margin<sup>2</sup> around 15% (unchanged)
- **Onshore/Offshore** revenue around €4.3 billion (formerly between €4.3 and €4.5 billion), with operating margin<sup>2</sup> between 6.5% and 7% (formerly between 6% and 7%)

<sup>1</sup> calculated as operating income from recurring activities before depreciation and amortization

<sup>2</sup> from recurring activities

<sup>3</sup> based on year-to-date average exchange rates

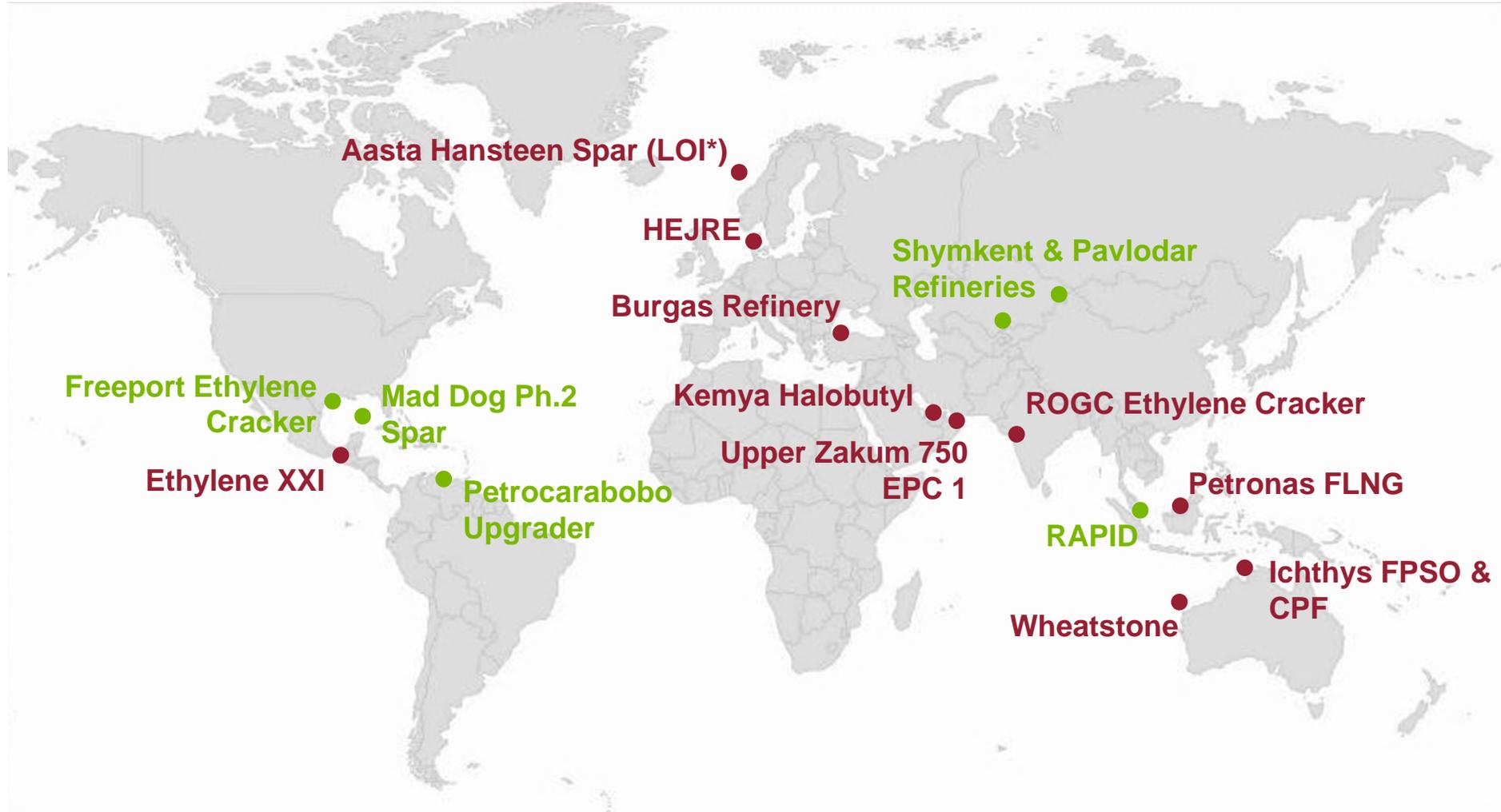
# Subsea Recent Awards: Success in Integrating Global Industries



- Main Subsea contracts
- Projects involving Global Industries' assets

\*PIP: Pipe-in-pipe

# Onshore/Offshore Recent Awards: from Conceptual to EPC



● Main Onshore/Offshore contracts

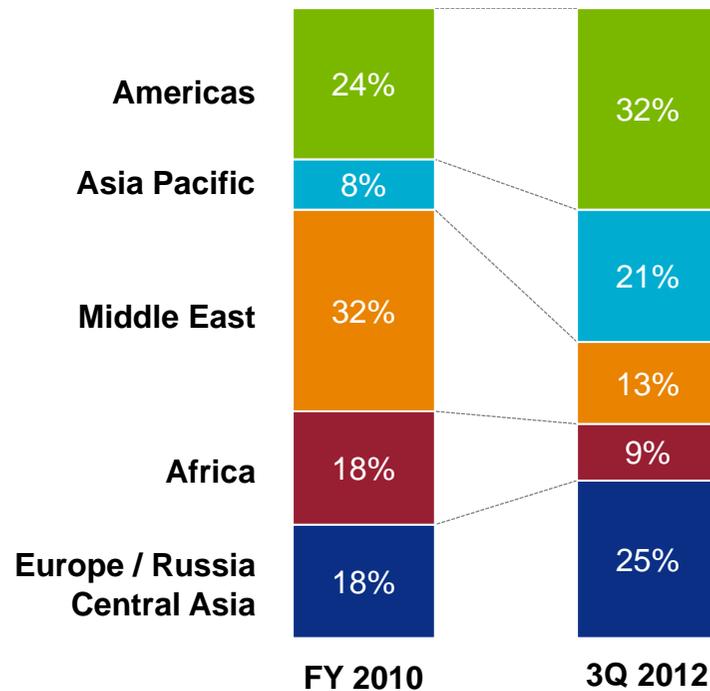
● Strategic FEEDs

\*LOI: Letter of intent

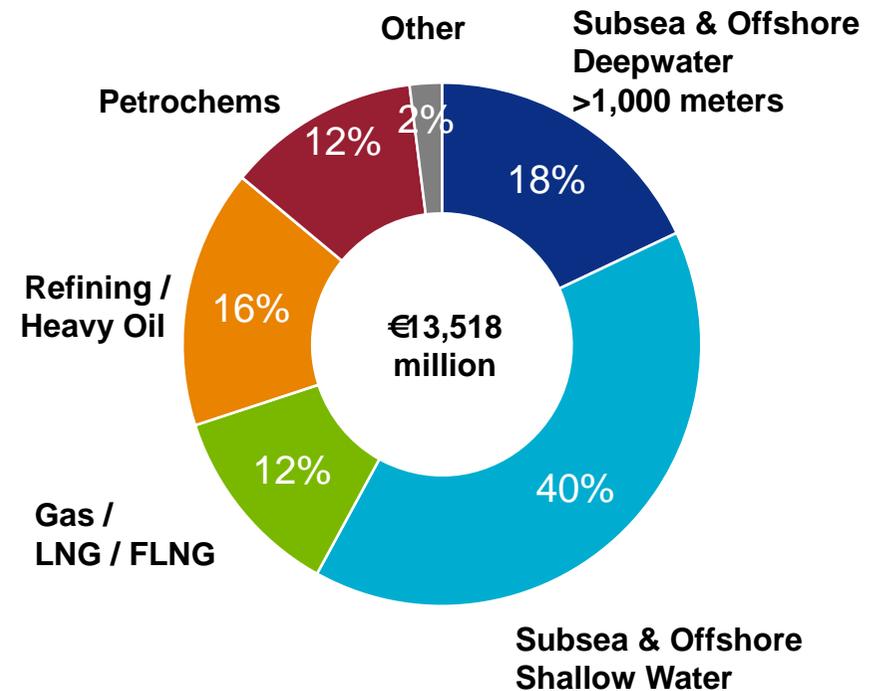
# Diversified Backlog Across Regions and Markets

As of September 30, 2012

## Backlog by geography



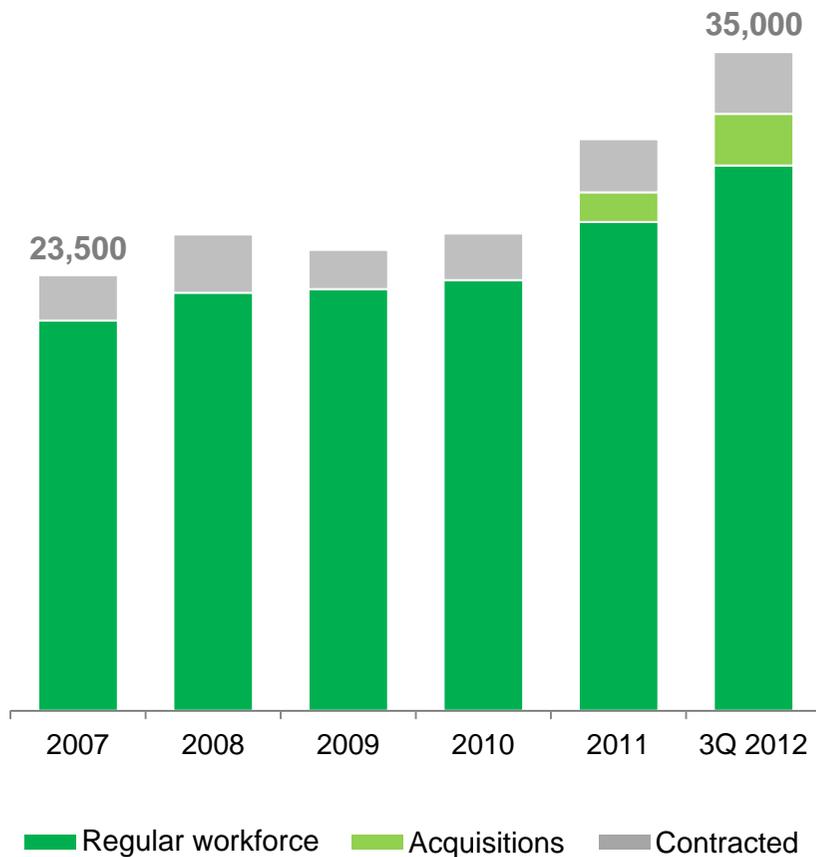
## Backlog by market split



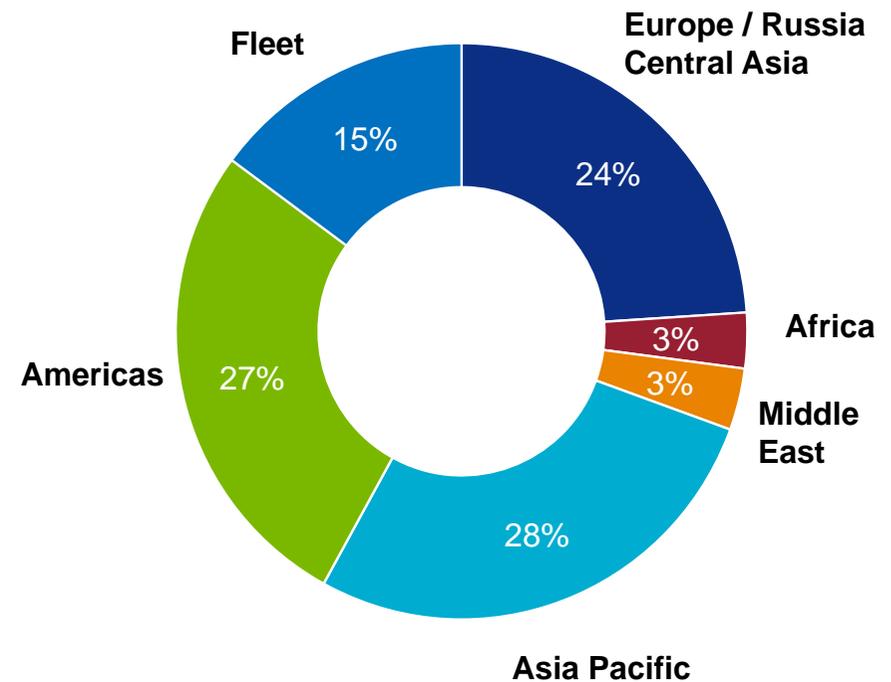
# Supporting Growth: Investment in Talent Locally

As of September 30, 2012

## Workforce



## Employee growth by geography



# Supporting Growth: Investment in Downstream Technologies



## ■ Technip Stone & Webster Process Technology

- Team of ~1,200 people with specialists from both companies
- Cutting edge technologies in refining, hydrogen, ethylene, petrochemicals & GTL
- ~€400 million of revenue on a pro forma basis

## ■ Why

- Reinforce Technip's position as a technology provider to the downstream industry, with positive feedback from clients
- Additional revenue streams from enhanced technology and high-end proprietary solutions
- Strengthened commercial relationship with clients at early stages of projects

# Technip Stone & Webster Process Technology: Leading Position in Growing Markets

	Strong Track Record	Recent Key Projects
S&W Ethylene	<ul style="list-style-type: none"> <li>~35% installed capacities with ~120 references</li> <li>~25% of licensing over the past 10 years</li> </ul>	<ul style="list-style-type: none"> <li>CP Chem cracker, USA</li> <li>Braskem Comperj petrochemical complex, Brazil</li> </ul>
Technip Ethylene	<ul style="list-style-type: none"> <li>~25% of installed capacities over the past 10 years including 7 EPC</li> </ul>	<ul style="list-style-type: none"> <li>Braskem / Idesa Ethylene XXI, Mexico</li> <li>Freeport Ethylene Cracker, USA</li> </ul>
Petrochemicals	<ul style="list-style-type: none"> <li>Leading position around key proprietary technologies<sup>1</sup> through Badger JV</li> </ul>	<ul style="list-style-type: none"> <li>EBSM<sup>1</sup>: El Dekila Egyptian Polystyrene Prod. Co., Egypt</li> <li>Cumene: Lihuayi Weiyuan Chemical Co. Ltd., China</li> </ul>
GTL	<ul style="list-style-type: none"> <li>Strong track-record and technology partnership with Sasol</li> </ul>	<ul style="list-style-type: none"> <li>Sasol Uzbekistan GTL, Uzbekistan</li> <li>Sasol Oryx plant, Qatar</li> </ul>
Refining	<ul style="list-style-type: none"> <li>Resid FCC<sup>2</sup>: world leader, &gt;75 references</li> <li>DCC<sup>2</sup>: unrivalled performance, &gt;10 references</li> </ul>	<ul style="list-style-type: none"> <li>Resid FCC<sup>2</sup>: Takreer, UAE</li> <li>DCC<sup>2</sup>: Petro-Rabigh, Saudi Arabia &amp; IRPC, Thailand</li> </ul>
Hydrogen	<ul style="list-style-type: none"> <li>World leader with ~40% market share, inc. alliance with Air Products, &gt;240 references</li> </ul>	<ul style="list-style-type: none"> <li>McKee &amp; Memphis refineries, USA</li> <li>Petrochina Chengdu refinery, China</li> </ul>

<sup>(1)</sup> Ethylbenzene / Styrene Monomer (EBSM), Cumene, Bisphenol A (BPA)

<sup>(2)</sup> RFCC: Resid Fluid Catalytic Cracking. DCC: Deep Catalytic Cracking

# Supporting Growth: Investment in Assets to be Delivered During 2013



New Flexible Manufacturing Plant in Açú, Brazil



Deep Energy Reel-lay & Flex-lay Worldwide Vessel



Umbilical Plant Upgrade in Newcastle, UK



Deep Orient Flex-lay & Construction Vessel for Asia Pacific

# Supporting Growth: Commercial Alliance with Heerema

- 5-year worldwide alliance agreement combining capabilities for EPCI projects in ultra-deepwater
- Working together through ad-hoc JV, consortiums or subcontract arrangements to best answer client requirements
- Alliance effective immediately on an exclusive basis
- First successes expected in 2013/2014, with offshore phases in 2015 and beyond



**Technip**

# Ultra-Deepwater Challenges

Deeper water and heavier pipes



Vessels with higher tension pipe laying capacities



Heavier subsea equipment



Vessels with higher lifting/abandonment capacity



Larger developments with contracting interfaces increasingly difficult to manage by operators



Increasing use of EPCI contracts requiring extensive project management and execution experience



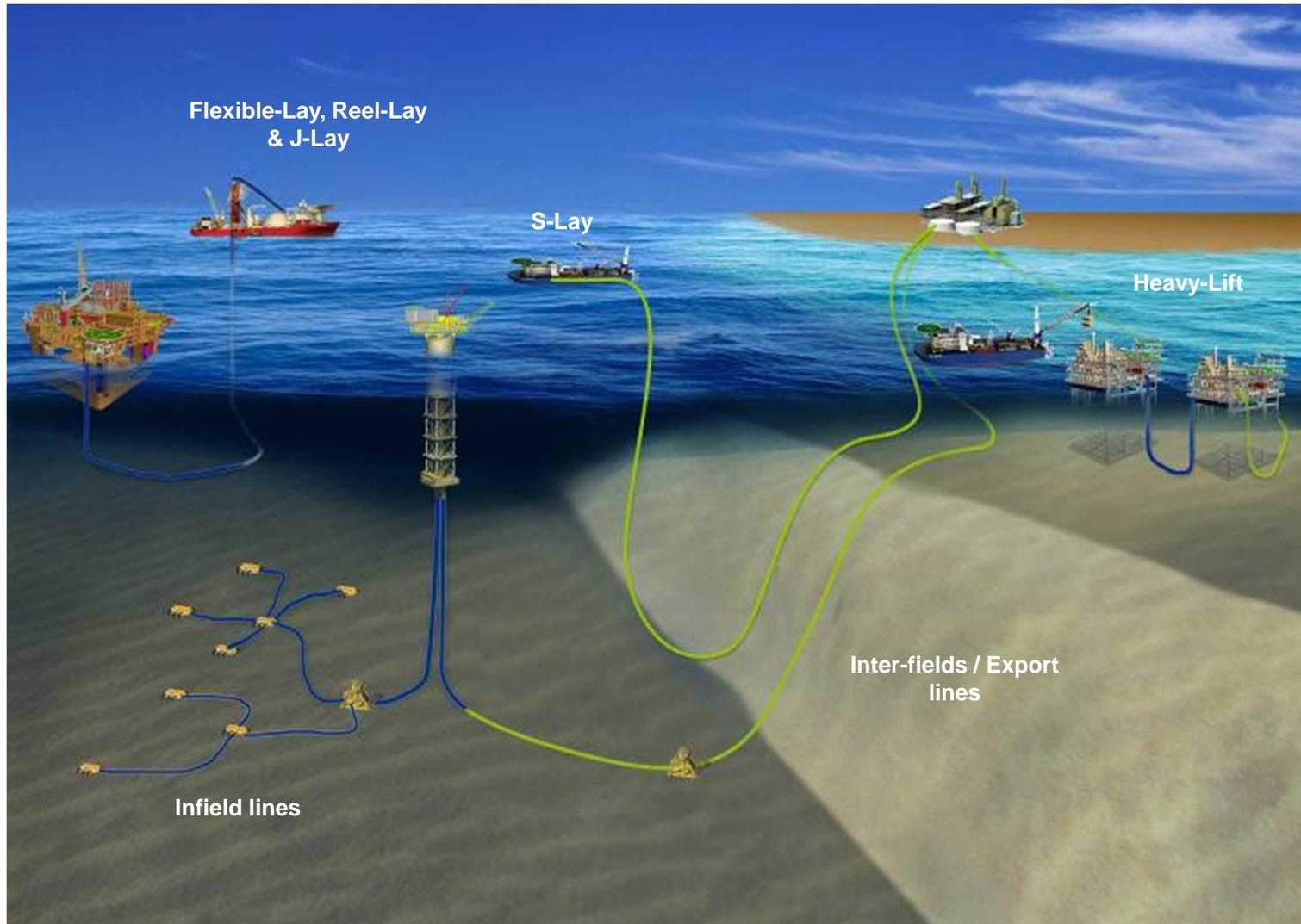
Increasing QHSE requirements



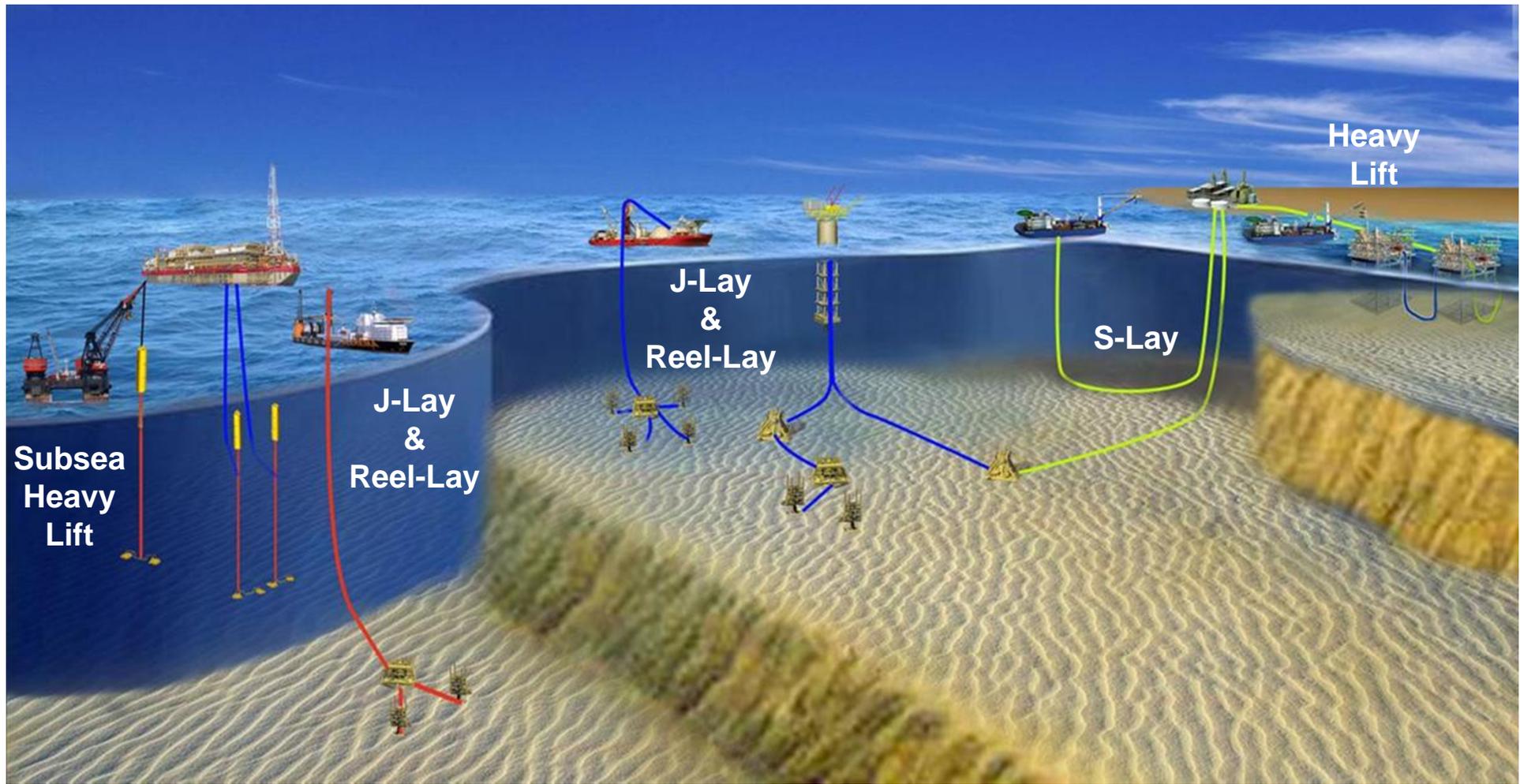
State-of-the-art vessels and experienced project management required



# Technip's Subsea in 2011: Access to Deep-to-shore Market



# Alliance with Heerema: Complementary Capabilities for Ultra Deepwater Developments



**Ultra deepwater infield lines**  
(Very high tensions: alliance with Heerema)

**Deepwater infield lines**

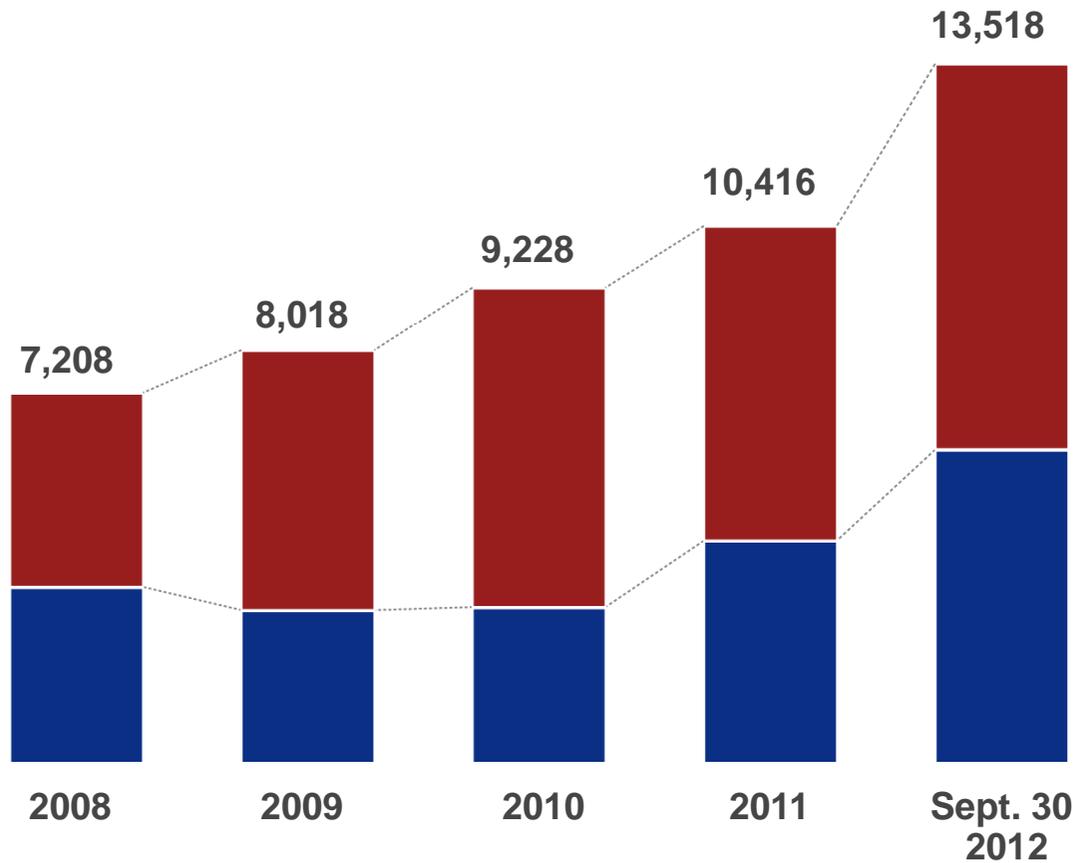
**Deep-to-shore**



# Growing, Diversified Backlog

€ million

## Backlog

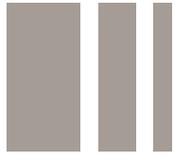


Asab 3, UAE



G1201

■ Onshore/Offshore backlog ■ Subsea backlog



## Technip's Share Information



**ISIN: FR0000131708**

**Bloomberg: TEC FP**

**Reuters: TECF.PA**

**SEDOL: 4874160**

**OTC ADR ISIN: US8785462099**

**ADR: TKPPY**

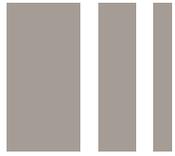
### **Convertible Bonds:**

**OCEANE 2010 ISIN: FR0010962704**

**OCEANE 2011 ISIN: FR0011163864**

**Private Placement Notes: ISIN: FR0010828095**





## Technip has a sponsored Level 1 ADR

Bloomberg ticker: TKPPY  
CUSIP: 878546209

Depository bank: Deutsche Bank Trust Company Americas

Depository bank contacts:

ADR broker helpline: +1 212 250 9100 (New York)  
+44 207 547 6500 (London)

e-mail: [adr@db.com](mailto:adr@db.com)

ADR website: [www.adr.db.com](http://www.adr.db.com)

Depository bank's local custodian: Deutsche Bank Amsterdam