

TechnipFMC Third Quarter 2019 Earnings Call Presentation

LONDON & PARIS & HOUSTON – (BUSINESS WIRE) – 23 October 2019

TechnipFMC plc (“TechnipFMC”) (NYSE: FTI) (Paris: FTI) (ISIN: GB00BDSFG982) announces the availability of its Earnings Call Presentation in connection with its teleconference on Thursday, 24 October 2019 to discuss the third quarter 2019 financial results and outlook for 2019.

A copy of the Earnings Call Presentation can also be accessed on TechnipFMC’s website (www.technipfmc.com).

About TechnipFMC

TechnipFMC is a global leader in subsea, onshore/offshore, and surface projects. With our proprietary technologies and production systems, integrated expertise, and comprehensive solutions, we are transforming our clients’ project economics.

We are uniquely positioned to deliver greater efficiency across project lifecycles from concept to project delivery and beyond. Through innovative technologies and improved efficiencies, our offering unlocks new possibilities for our clients in developing their oil and gas resources.

Each of our more than 37,000 employees is driven by a steady commitment to clients and a culture of purposeful innovation, challenging industry conventions, and rethinking how the best results are achieved.

TechnipFMC utilizes its website www.TechnipFMC.com as a channel of distribution of material company information. To learn more about us and how we are enhancing the performance of the world’s energy industry, go to www.TechnipFMC.com and follow us on Twitter @TechnipFMC.

Contacts

Investor relations

Matt Seinsheimer
Vice President Investor Relations
Tel: +1 281 260 3665
Email: [Matt Seinsheimer](mailto:Matt.Seinsheimer)

Phillip Lindsay
Director Investor Relations Europe
Tel: +44 203 429 3929
Email: [Phillip Lindsay](mailto:Phillip.Lindsay)

Media relations

Christophe Belorgeot
Senior Vice President Corporate Engagement
Tel: +33 1 47 78 39 92
Email: [Christophe Belorgeot](mailto:Christophe.Belorgeot)

Delphine Nayral
Director Public Relations
Tel: +33 1 47 78 34 83
Email: [Delphine Nayral](mailto:Delphine.Nayral)



Q3 2019 Earnings Call Presentation

October 24, 2019

Disclaimer

Forward-looking statements

We would like to caution you with respect to any “Forward-looking statements” made in this presentation as defined in Section 27A of the United States Securities Act of 1933, as amended, and Section 21E of the United States Securities Exchange Act of 1934, as amended. Words such as “expect,” “plan,” “intend,” “would,” “will,” and similar expressions are intended to identify forward-looking statements, which are generally not historical in nature, and include any statements with respect to the potential separation of the Company into RemainCo and SpinCo, the expected financial and operational results of RemainCo and SpinCo after the potential separation and expectations regarding RemainCo’s and SpinCo’s respective businesses or organizations after the potential separation.

Such forward-looking statements involve significant risks, uncertainties and assumptions that could cause actual results to differ materially from our historical experience and our present expectations or projections, including the following known material factors: risks associated with the impact or terms of the potential separation; risks associated with the benefits and costs of the potential separation, including the risk that the expected benefits of the potential separation will not be realized within the expected time frame, in full or at all; risks that the conditions to the potential separation, including regulatory approvals and consultation of employee representatives, will not be satisfied and/or that the potential separation will not be completed within the expected time frame, on the expected terms or at all; the expected tax treatment of the potential separation, including as to shareholders in the United States or other countries; changes in the shareholder bases of the Company, RemainCo and SpinCo, and volatility in the market prices of their respective shares; risks associated with any financing transactions undertaken in connection with the potential separation; the impact of the potential separation on our businesses and the risk that the potential separation may be more difficult, time-consuming or costly than expected, including the impact on our resources, systems, procedures and controls, diversion of management’s attention and the impact on relationships with customers, governmental authorities, suppliers, employees and other business counterparties; unanticipated changes relating to competitive factors in our industry; our ability to timely deliver our backlog and its effect on our future sales, profitability, and our relationships with our customers; our ability to hire and retain key personnel; U.S. and international laws and regulations, including existing or future environmental or trade/tariff regulations, that may increase our costs, limit the demand for our products and services or restrict our operations; disruptions in the political, regulatory, economic and social conditions of the countries in which we conduct business; downgrade in the ratings of our debt could restrict our ability to access the debt capital markets; and such other risk factors as set forth in our filings with the U.S. Securities and Exchange Commission and in our filings with the Autorité des marchés financiers or the U.K. Financial Conduct Authority.

We caution you not to place undue reliance on any forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any of our forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise, except to the extent required by law.

Q3 2019 Overview

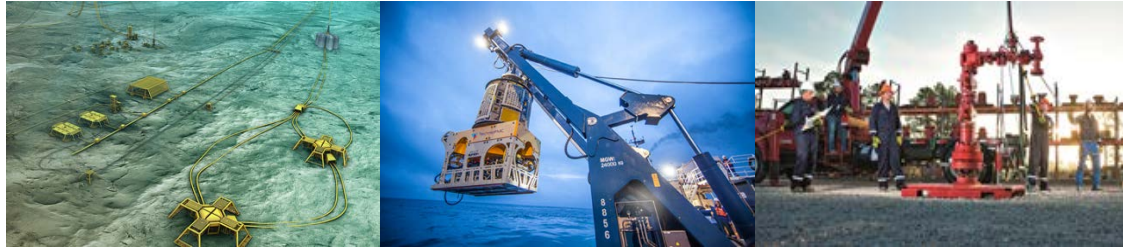
Financial Results and Operational Highlights

Doug Pferdehirt, Chairman and Chief Executive Officer

Maryann Mannen, EVP and Chief Financial Officer

Reshaping Our Future from a position of strength

RemainCo (TechnipFMC)



a fully-integrated technology and services provider, continuing to drive energy development

SpinCo



a leading E&C player, poised to capitalize on the global energy transition

Confident in the timing of our transaction



Subsea leadership position extended through integrated model – iEPCI™



Onshore/Offshore success reflects project selectivity and strong execution



Opportunity to drive new commercial models in the surface market



Primary markets are recovering, with particular strength in subsea, LNG



Order growth driving backlogs higher, with Onshore/Offshore near record high

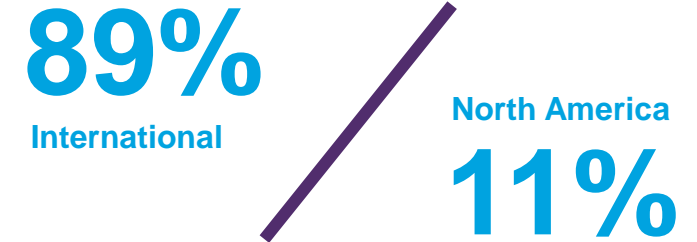
Reshaping Our Future with the right business mix

RemainCo – *International, subsea play*

- Almost 90% of RemainCo revenue generated outside the U.S. and Canada
- Subsea levered to emerging markets (Mozambique, Guyana) and established regions (Brazil, North Sea, Gulf of Mexico)
- More than 50% of Surface Technologies revenue from international markets, with growth driven by Middle East

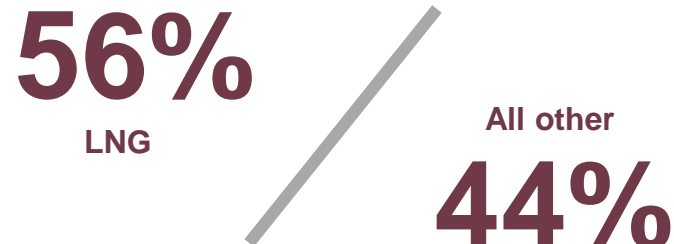
RemainCo revenue^{1,2}

Trailing 12-Months



SpinCo backlog^{1,3}

September 30, 2019



SpinCo – *E&C LNG play*

- LNG represents more than 50% of SpinCo backlog, with further growth potential from near-term opportunities
- Diversity in LNG projects and technologies, including modularization for both land based and floating structures
- Capabilities across the gas value chain position SpinCo to be a key actor in the energy transition

¹ In accordance with U.S. generally accepted accounting principles (GAAP). Following separation, RemainCo and SpinCo will be subject to immaterial carve-out adjustments.

² As of September 30, 2019. Excludes Loading Systems, Cybernetix, and Genesis Subsea revenues. International revenue includes total revenue for Subsea and revenue outside North America for Surface Technologies.

³ As of September 30, 2019. Includes Onshore/Offshore, Loading Systems, Cybernetix, and Genesis Subsea backlog.

Reshaping Our Future as leaders of distinct peer groups

RemainCo peer group⁵

Equity ticker ¹	Market cap ⁴ 2020 EBITDA multiple ⁶	Subsea				Surface	
		iEPCI™	SPS	SURF/ installation	Services	Equipment	Services
FTI	\$10.4B / 6.9x	✓	✓	✓	✓	✓	✓
BKR	\$22.9B / 7.8x		✓		✓	✓	✓
HAL	\$16.4B / 6.7x					✓	✓
NOV	\$8.2B / 10.7x			✓		✓	
SLB	\$45.4B / 8.3x		✓		✓	✓	✓
SMID-cap ²	\$2.4B / 7.4x		✓	✓	✓	✓	✓

SpinCo peer group⁵

Equity ticker ¹	Market cap ⁴ 2020 EBITDA Multiple ⁶	LNG capabilities	Process technologies	Projects	Services	Products
SpinCo		✓	✓	✓	✓	✓
FLR	\$2.7B / 4.5x	✓	✓	✓	✓	
JGC	\$3.5B / 7.7x	✓	✓	✓	✓	
KBR	\$3.6B / 8.7x	✓	✓	✓	✓	
SPM	\$4.7B / 5.1x	✓	✓	✓		
Other LNG ^{3,4}	\$0.5B	✓	✓	✓		✓

Separation will create two diversified pure-play companies with distinct peer groups

¹ For full list of company names, please see Glossary in Appendix.

² Small and mid-capitalization ("SMID-cap") peers include: Aker Solutions ASA, Oceaneering International, Inc., Subsea 7 S.A., and The Weir Group PLC.

³ Other LNG peers include: Chiyoda Corporation and McDermott International, Inc.

⁴ As of October 15, 2019; value for SMID-cap peer's equates to the average of the individual companies. Source: Bloomberg, LLP.

⁵ Peer group is a subset of peers that is provided in other disclosures.

⁶ EBITDA multiple is calculated as Enterprise Value / 2020 EBITDA analysts' consensus forecast as of October 15, 2019. Source: Bloomberg, LLP and TechnipFMC internal analysis.

Subsea orders driven by differentiation, strong outlook

Q3 Subsea orders = **\$1.5 billion**

iEPCI™

iEPCI™
Order growth YTD
>90%

- Award value almost doubled versus 2018 (year-to-date)
- 4 new iEPCI™ awards announced
 - *Neptune Seagull*
 - *Shell PowerNap*
 - *Woodside Pyxis*
 - *Shell Perdido*

Services

Subsea services
Order growth YTD
+17%

- Subsea services remains on track for double-digit growth
- Growth drivers include increased installation, well intervention and asset refurbishment activities

HP/HT



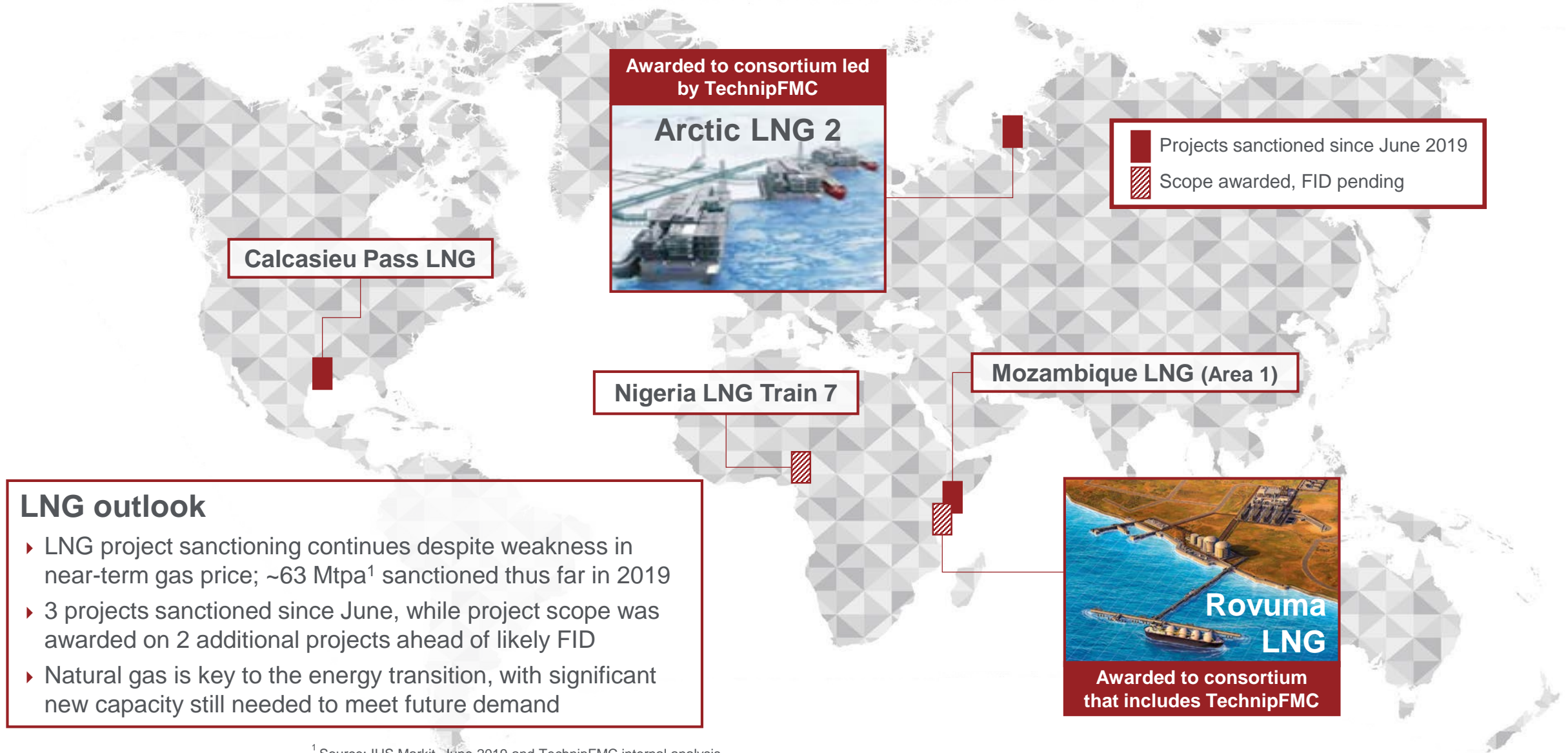
- Industry's first award of a 20K HP/HT system for LLOG's Shenandoah project
- New technology developed in joint industry program led by FTI and focused on standardization

50%+ Subsea order growth

in 2019e driven by iEPCI™, services and new technologies

- ▶ FTI order growth likely to exceed anticipated market increase of 20%
- ▶ Growth a direct result of merger and successful introduction of iEPCI™

Energy transition supports further LNG project sanctioning



¹ Source: IHS Markit, June 2019 and TechnipFMC internal analysis
Images courtesy of Novatek and Galp

Q3 2019 Company results

Revenue
\$3.3 billion

Adjusted EBITDA¹
\$379.2 million

Adjusted Diluted EPS¹
\$0.12

Net Cash²
\$596.2 million

Backlog
\$24.1 billion

OTHER ITEMS

- ▶ After-tax charges and (credits) impacting EBITDA of \$32.6 million, or \$0.07 per diluted share
- ▶ Corporate expense of \$110.6 million, excluding charges and (credits); includes \$53.2 million, or \$0.09 per diluted share, of net foreign exchange loss
- ▶ Net interest expense of \$116.5 million, includes \$99.1 million, or \$0.22 per diluted share, related to liability payable to joint venture partner
- ▶ Cash flow from operations of \$92 million

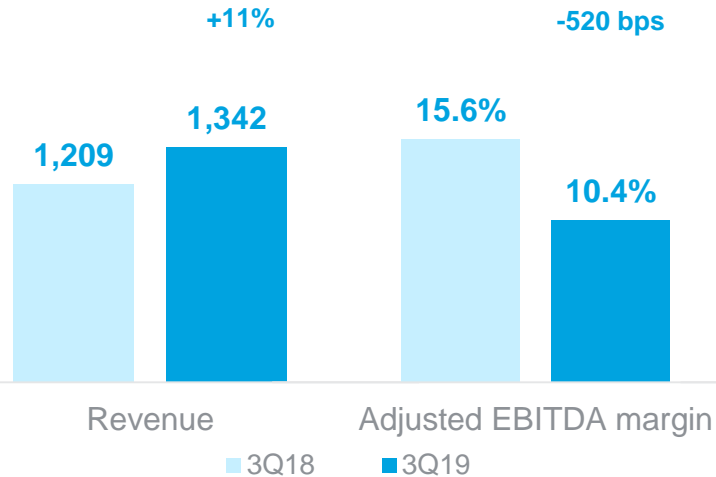
¹ Adjusted results exclude the impact of exceptional charges and credits from continuing operations as identified in the reconciliation of GAAP to non-GAAP financial measures schedules included in this presentation.

² Net cash is a non-GAAP financial measure reflecting cash and cash equivalents, net of debt, as identified in the reconciliation of GAAP to non-GAAP financial schedules included in this presentation.

Q3 2019 Segment results

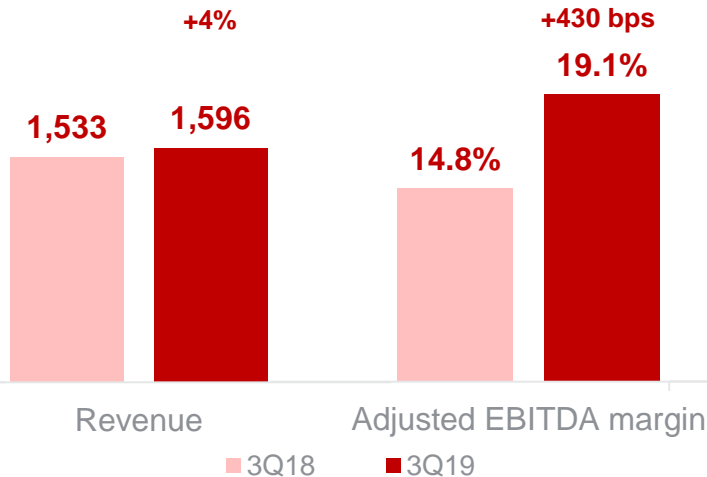
Subsea

USD, in millions



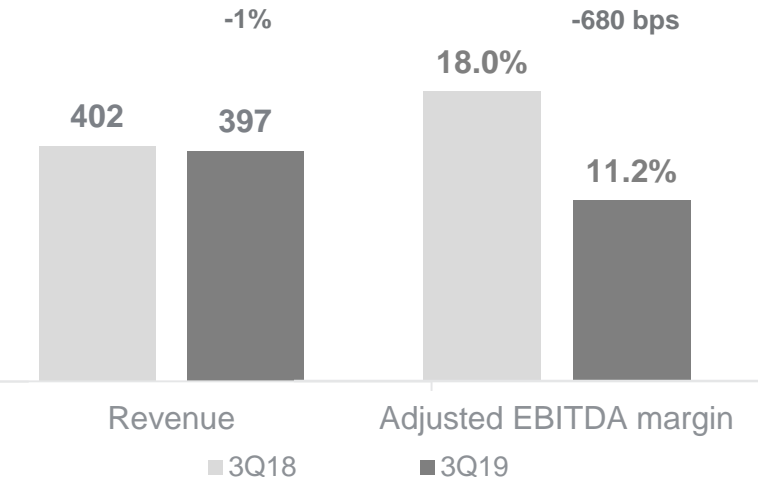
Onshore/Offshore

USD, in millions



Surface Technologies

USD, in millions



Operational Highlights

- ▶ Revenue increased 11%: primarily due to higher project-related activity and growth in services, which was driven by higher installation, well intervention and asset refurbishment activities
- ▶ Adjusted EBITDA margin declined 520 bps to 10.4%: due to a higher mix of new projects and the impact of more competitively priced backlog
- ▶ Inbound orders of \$1.5 billion; book-to-bill of 1.1; period-end backlog at \$8.7 billion

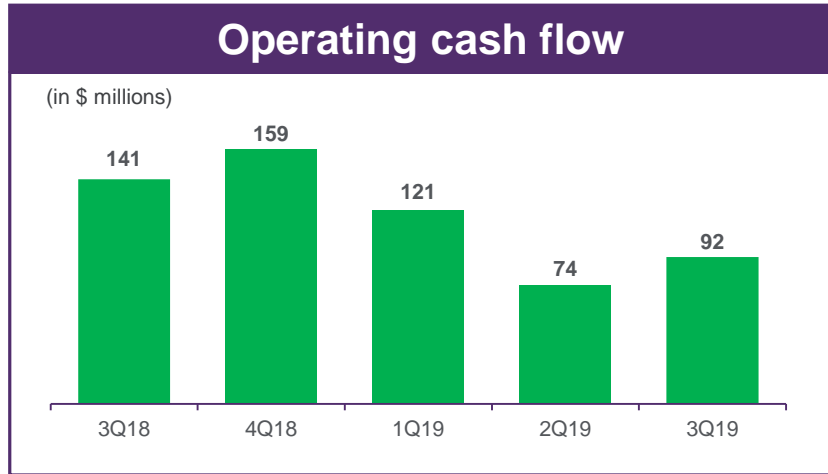
Operational Highlights

- ▶ Revenue increased 4%: driven by increased activity on recent awards in downstream, petrochemical and offshore sectors, partially offset by lower activity on Yamal LNG project
- ▶ Adjusted EBITDA margin increased 430 bps to 19.1%: benefiting from continued strength in execution on Yamal LNG
- ▶ Inbound orders of \$696 million; book-to-bill of 0.4; period-end backlog at \$15 billion

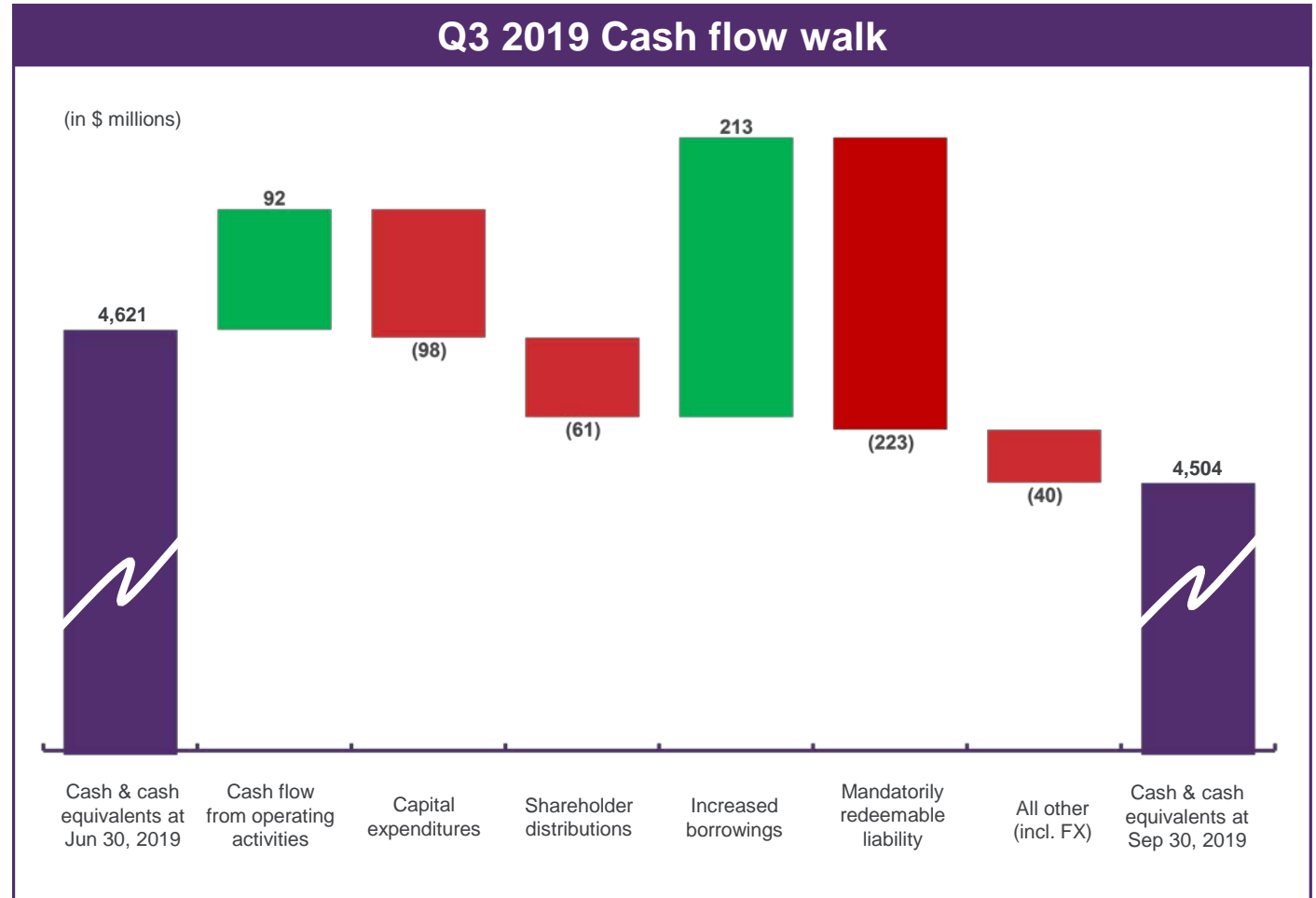
Operational Highlights

- ▶ Revenue decreased 1%: driven by lower sales and further reductions in drilling and completions activity in NAM, largely offset by growth in international markets
- ▶ Adjusted EBITDA margin decreased 680 bps to 11.2%: due to lower volume, unfavorable product line mix and pricing pressure in NAM
- ▶ Inbound orders of \$404.7 million; book-to-bill of 1.0; period-end backlog at \$428.7 million

Positive operating cash flow in line with expectations



- ### Q3 2019 Items of note
- ▶ **Positive operating cash flow**
 - Q3: \$92 million, YTD 2019: \$288 million
 - Includes \$167 million payment (prior settlement)
 - Expect positive operating cash flow in Q4 2019
 - ▶ **Capital expenditures of \$98 million**
 - ▶ **Shareholder distributions of \$61 million**
 - ▶ **\$223 million payments to Yamal JV partners**



2019 Financial guidance¹ **Updated October 23, 2019*

Subsea	Onshore/Offshore	Surface Technologies
<ul style="list-style-type: none"> ▶ Revenue in a range of \$5.6–5.8 billion ▶ EBITDA margin at least 11.5% (excluding amortization related impact of purchase price accounting, and other charges and credits) 	<ul style="list-style-type: none"> ▶ Revenue in a range of \$6.0–6.3 billion ▶ EBITDA margin at least 16.5% (excluding amortization related impact of purchase price accounting, and other charges and credits) 	<ul style="list-style-type: none"> ▶ Revenue in a range of \$1.6–1.7 billion ▶ EBITDA margin at least 10%* (excluding amortization related impact of purchase price accounting, and other charges and credits)
TechnipFMC		
<ul style="list-style-type: none"> ▶ Corporate expense, net* \$210 – 215 million for the full year (excluding the impact of foreign currency fluctuations) ▶ Net interest expense \$30 – 40 million for the full year (excluding the impact of revaluation of partners' mandatorily redeemable financial liability) ▶ Tax rate 26 – 30% for the full year ▶ Capital expenditures approximately \$350 million for the full year ▶ Cash flow from operating activities positive for the full year 		

¹Our guidance measures EBITDA margin (excluding amortization related impact of purchase price accounting, and other charges and credits), corporate expense, net (excluding the impact of foreign currency fluctuations), net interest expense (excluding the impact of revaluation of partners' mandatorily redeemable financial liability), and tax rate are non-GAAP financial measures. We are unable to provide a reconciliation to a comparable GAAP measure on a forward-looking basis without unreasonable effort because of the unpredictability of the individual components of the most directly comparable GAAP financial measure and the variability of items excluded from such measure. Such information may have a significant, and potentially unpredictable, impact on our future financial results.

Yamal LNG – Interpreting the disclosures

Project disclosure data

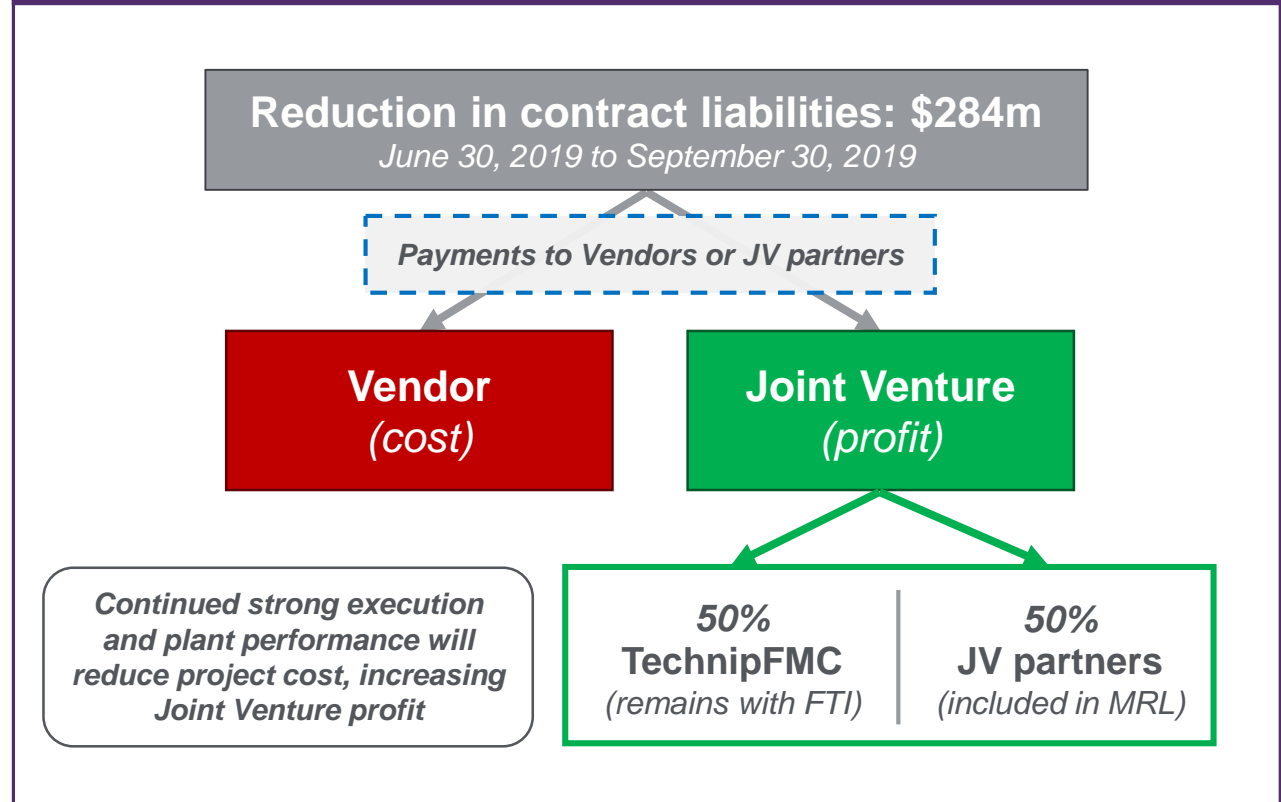
TechnipFMC plc and Consolidated Subsidiaries
Business Segment Data for Yamal LNG Joint Venture
(In millions, unaudited)

	September 30, 2019	June 30, 2019
Contract liabilities	\$ 1,437.3	\$ 1,721.1
Mandatorily redeemable financial liability	288.8	412.8

	Three Months Ended September 30, 2019	Three Months Ended June 30, 2019
Cash required by operating activities	\$ 9.1	\$ (21.2)
Settlements of mandatorily redeemable financial liability	(223.1)	(45.7)

Source: Q2 2019 and Q3 2019 earnings release schedules (Exhibit 6)

Contract liabilities structure



Summary

Company highlights

- ▶ Subsea book-to-bill of 1.7 year-to-date reflects continued strength of iEPCI™
- ▶ Strong profitability in Onshore/Offshore driven by Yamal LNG contribution and robust execution across portfolio
- ▶ Surface Technologies' international revenues expected to grow at low double digit rate for the full year
- ▶ Positive operating cash flow for five consecutive quarters, underpins full-year outlook

Key takeaways

- ▶ Surface Technologies' margin guidance revised lower due to reduced North America activity
- ▶ Subsea order growth expected to exceed 50 percent for full year – highest annual growth rate in a decade
- ▶ LNG leadership position further confirmed with award of Rovuma LNG in Mozambique
- ▶ Separation into two pure-play market leaders on track for first half 2020

Appendix

Glossary

Term	Definition
Bcm	Billion Cubic Meters per Annum
CAGR	Compound Annual Growth Rate
E&C	Engineering and Construction
FID	Final Investment Decision
FLNG	Floating LNG
GOM	Gulf of Mexico
HP/HT	High Pressure / High Temperature
HSE	Health, Safety and Environment
iEPCI™	Integrated Engineering, Procurement, Construction and Installation
iFEED™	Integrated Front End Engineering and Design
iLOF™	Integrated Life of Field
LNG	Liquefied Natural Gas
MMb/d	Million Barrels per Day
Mtpa	Million Metric Tonnes per Annum

Term	Definition
NAM	North America
ROIC	Return on Invested Capital
ROV	Remotely Operated Vehicles
ROW	Rest of World

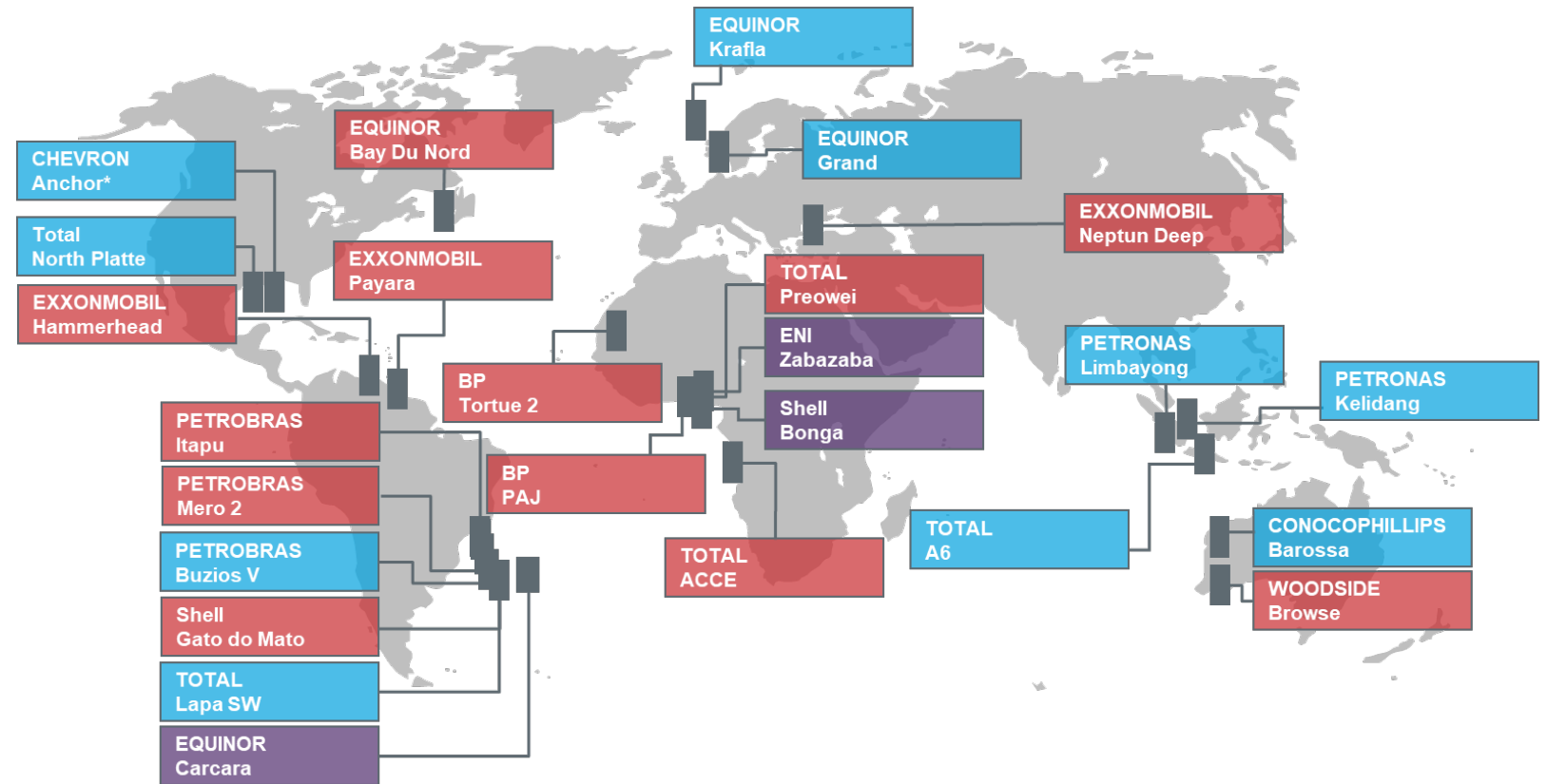
Ticker	Company
BKR	Baker Hughes Company
FLR	Fluor Corporation
HAL	Halliburton Company
JGC	JGC Corporation
KBR	KBR, Inc.
NOV	National Oilwell Varco
OII	Oceaneering International, Inc.
SLB	Schlumberger Limited
SPM	Saipem S.p.A.

3Q19 Updates: Subsea opportunities in the next 24 months¹

PROJECT UPDATES

Added	Removed
Shell Gato do Mato	TOTAL Lapa NE
Total North Platte	INPEX Ichthys 2a
PETRONAS Kelidang	

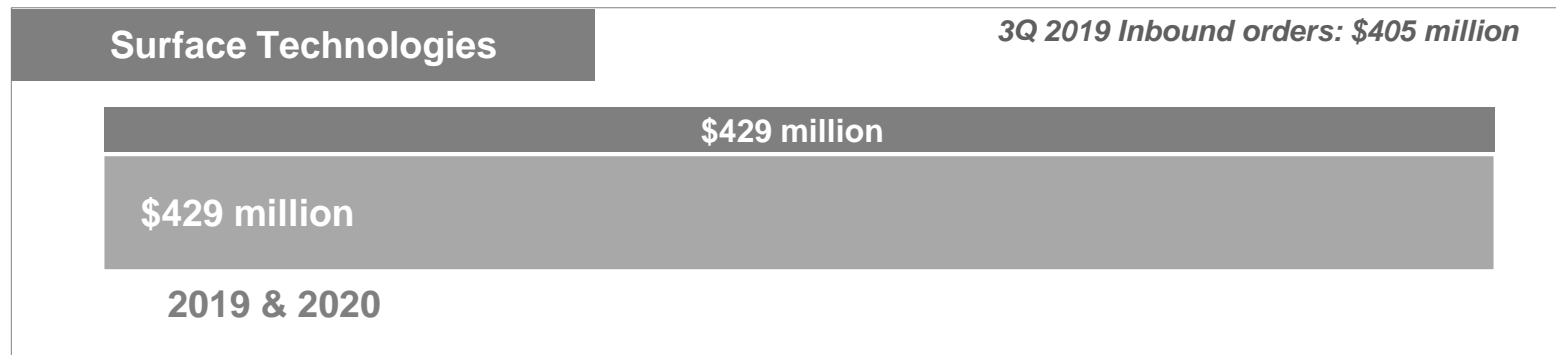
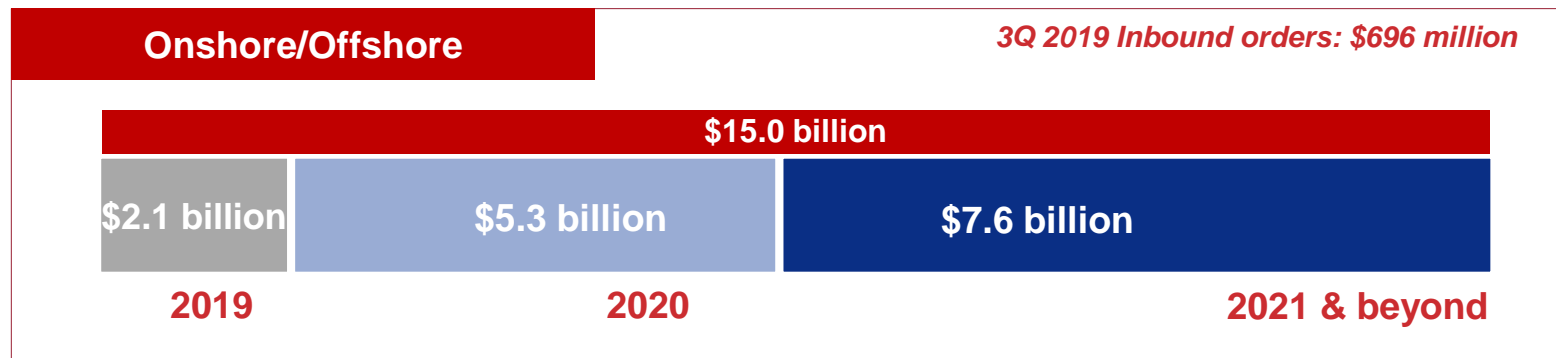
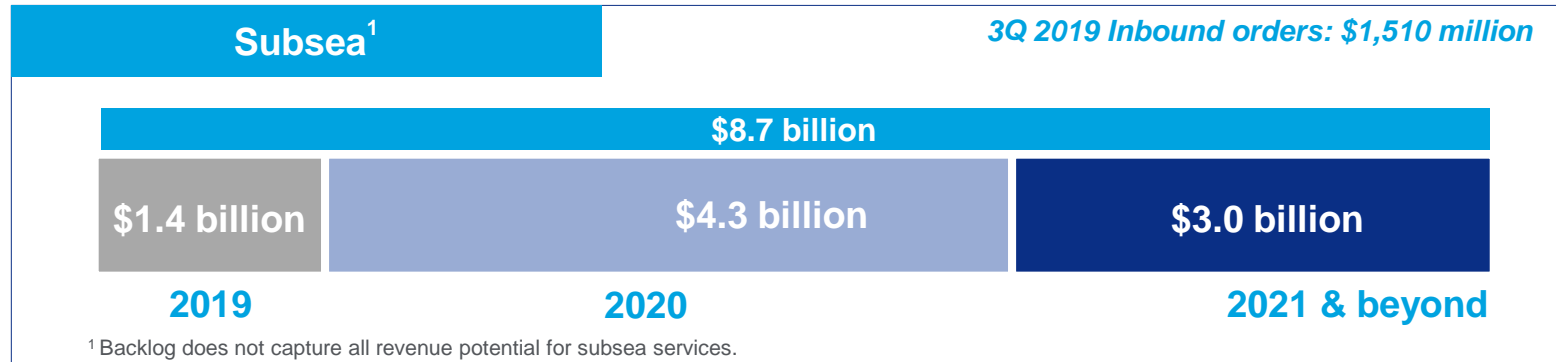
	\$250M to \$500M
	\$500M to \$1,000M
	above \$1,000M



¹October 2019 update; project value ranges reflect potential subsea scope

*Value of remaining scope is less than \$250M following partial project award

Backlog visibility



Inbound orders reconciliation

TechnipFMC Inbound Orders																							
in \$ millions, unaudited																							
Inbound Orders	2014				2015				2016				2017				2018				2019		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Exchange rate	1.37	1.37	1.33	1.25	1.13	1.11	1.11	1.10	1.10	1.13	1.12	1.08											
Technip Subsea ¹	2,818	3,070	1,686	1,587	1,163	987	590	713	493	852	542	505											
FMC Technologies Subsea ²	1,919	850	1,072	1,706	552	1,012	1,049	490	346	334	401	570											
Subsea³	4,737	3,920	2,759	3,293	1,715	1,999	1,639	1,203	839	1,186	943	1,074	666	1,773	980	1,725	1,228	1,516	1,554	881	2,678	2,633	1,510
Onshore/Offshore ⁴	991	6,636	1,246	2,444	527	683	1,353	2,363	533	823	1,147	1,180	682	1,104	1,153	874	1,850	2,301	1,666	1,609	3,139	8,131	696
Surface Technologies ⁵	669	610	678	588	422	419	480	348	332	205	298	233	242	276	329	393	410	415	427	435	368	416	405
Eliminations		(7)	(3)	4	(5)	(5)	(3)	(4)	(7)	(1)	(7)	(9)											
Total Company⁶	6,397	11,159	4,680	6,328	2,660	3,096	3,469	3,910	1,697	2,213	2,381	2,478	1,590	3,153	2,462	2,992	3,487	4,232	3,647	2,925	6,185	11,180	2,611

¹ Order intake for Subsea business segment as reported by Technip S.A. Translated from Euros to U.S. dollars using a quarterly average exchange rate that is specified in the table above.

² Inbound orders for Subsea Technologies business segment as reported by FMC Technologies, Inc.

³ Represents the combination of subsea order intake for the legacy companies for years 2014 through 2016; (Technip Subsea + FMC Technologies Subsea).

⁴ Order intake for Onshore/Offshore business segment as reported by Technip S.A. for years 2014 through 2016 Translated from Euros to U.S. dollars using a quarterly average exchange rate that is specified in the table above.

⁵ Combined inbound orders for Surface Technologies and Energy Infrastructure business segments as reported by FMC Technologies, Inc. for years 2014 through 2016.

⁶ Sum of "Subsea" + "Onshore/Offshore" + "Surface Technologies" for years 2014 through 2016.

Select financial data

Revenue	Three Months Ended				
	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018
Subsea	\$ 1,342.2	\$ 1,508.7	\$ 1,185.3	\$ 1,233.3	\$ 1,209.1
Onshore/Offshore	\$ 1,596.3	\$ 1,505.0	\$ 1,335.1	\$ 1,672.4	\$ 1,532.5
Surface Technologies	\$ 396.6	\$ 420.5	\$ 392.6	\$ 417.3	\$ 402.2
Corporate and Other		\$ -	\$ -	\$ -	\$ -
Total	\$ 3,335.1	\$ 3,434.2	\$ 2,913.0	\$ 3,323.0	\$ 3,143.8

Adjusted EBITDA	Three Months Ended				
	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018
Subsea	\$ 139.1	\$ 186.2	\$ 139.7	\$ 148.5	\$ 188.5
Onshore/Offshore	\$ 304.2	\$ 281.9	\$ 194.8	\$ 217.2	\$ 227.3
Surface Technologies	\$ 44.4	\$ 46.7	\$ 30.1	\$ 64.9	\$ 72.5
Corporate and Other	\$ (108.5)	\$ (64.8)	\$ (68.8)	\$ (88.2)	\$ (57.8)
Total	\$ 379.2	\$ 450.0	\$ 295.8	\$ 342.4	\$ 430.5

Adjusted EBITDA Margin	Three Months Ended				
	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018
Subsea	10.4%	12.3%	11.8%	12.0%	15.6%
Onshore/Offshore	19.1%	18.7%	14.6%	13.0%	14.8%
Surface Technologies	11.2%	11.1%	7.7%	15.6%	18.0%
Corporate and Other					
Total	11.4%	13.1%	10.2%	10.3%	13.7%

Inbound Orders (1)	Three Months Ended				
	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018
Subsea	\$ 1,509.9	\$ 2,632.7	\$ 2,677.6	\$ 880.6	\$ 1,553.9
Onshore/Offshore	\$ 696.0	\$ 8,131.2	\$ 3,138.9	\$ 1,609.4	\$ 1,666.1
Surface Technologies	\$ 404.7	\$ 415.7	\$ 368.0	\$ 435.1	\$ 427.2
Corporate and Other					
Total	\$ 2,610.6	\$ 11,179.6	\$ 6,184.5	\$ 2,925.1	\$ 3,647.2

Order Backlog (2)	Three Months Ended				
	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018
Subsea	\$ 8,655.8	\$ 8,747.0	\$ 7,477.3	\$ 5,999.6	\$ 6,343.4
Onshore/Offshore	\$ 15,030.8	\$ 16,608.3	\$ 9,862.7	\$ 8,090.5	\$ 8,378.8
Surface Technologies	\$ 428.7	\$ 426.6	\$ 437.6	\$ 469.9	\$ 455.8
Corporate and Other					
Total	\$ 24,115.3	\$ 25,781.9	\$ 17,777.6	\$ 14,560.0	\$ 15,178.0

Book-to-Bill (3)	Three Months Ended				
	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018
Subsea	1.1	1.7	2.3	0.7	1.3
Onshore/Offshore	0.4	5.4	2.4	1.0	1.1
Surface Technologies	1.0	1.0	0.9	1.0	1.1
Corporate and Other					
Total	0.8	3.3	2.1	0.9	1.2

(1) Inbound orders represent the estimated sales value of confirmed customer orders received during the reporting period.

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

(3) Book-to-bill is calculated as inbound orders divided by revenue.

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, unaudited)

Charges and Credits

In addition to financial results determined in accordance with U.S. generally accepted accounting principles (GAAP), the third quarter 2019 Earnings Release also includes non-GAAP financial measures (as defined in Item 10 of Regulation S-K of the Securities Exchange Act of 1934, as amended) and describes performance on a year-over-year basis against 2018 results and measures. Net income, excluding charges and credits, as well as measures derived from it (including Diluted EPS, excluding charges and credits; Income before net interest expense and taxes, excluding charges and credits ("Adjusted Operating profit"); Depreciation and amortization, excluding charges and credits; Earnings before net interest expense, income taxes, depreciation and amortization, excluding charges and credits ("Adjusted EBITDA"); and net cash) are non-GAAP financial measures. Management believes that the exclusion of charges and credits from these financial measures enables investors and management to more effectively evaluate TechnipFMC's operations and consolidated results of operations period-over-period, and to identify operating trends that could otherwise be masked or misleading to both investors and management by the excluded items. These measures are also used by management as performance measures in determining certain incentive compensation. The foregoing non-GAAP financial measures should be considered by investors in addition to, not as a substitute for or superior to, other measures of financial performance prepared in accordance with GAAP. The following is a reconciliation of the most comparable financial measures under GAAP to the non-GAAP financial measures.

	Three Months Ended September 30, 2019						
	Net income (loss) attributable to TechnipFMC plc	Net income (loss) attributable to noncontrolling interests	Provision for income taxes	Net interest expense	Income (loss) before net interest expense and income taxes (Operating profit)	Depreciation and amortization	Earnings before net interest expense, income taxes, depreciation and amortization (EBITDA)
TechnipFMC plc, as reported	\$ 21.8	\$ 3.8	\$ 65.3	\$ 116.5	\$ 207.4	\$ 141.6	\$ 349.0
Charges and (credits):							
Impairment and other charges	1.0	—	0.2	—	1.2	—	1.2
Restructuring and other severance charges	12.2	—	1.8	—	14.0	—	14.0
Business combination transaction and integration costs	6.0	—	0.2	—	6.2	—	6.2
Separation costs	7.5	—	1.9	—	9.4	—	9.4
Legal provision, net	(0.6)	—	—	—	(0.6)	—	(0.6)
Purchase price accounting adjustment	6.5	—	2.0	—	8.5	(8.5)	—
Adjusted financial measures	<u>\$ 54.4</u>	<u>\$ 3.8</u>	<u>\$ 71.4</u>	<u>\$ 116.5</u>	<u>\$ 246.1</u>	<u>\$ 133.1</u>	<u>\$ 379.2</u>
Diluted earnings per share attributable to TechnipFMC plc, as reported	\$ 0.05						
Adjusted diluted earnings per share attributable to TechnipFMC plc	\$ 0.12						

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, unaudited)

Charges and Credits

In addition to financial results determined in accordance with U.S. generally accepted accounting principles (GAAP), the third quarter 2019 Earnings Release also includes non-GAAP financial measures (as defined in Item 10 of Regulation S-K of the Securities Exchange Act of 1934, as amended) and describes performance on a year-over-year basis against 2018 results and measures. Net income, excluding charges and credits, as well as measures derived from it (including Diluted EPS, excluding charges and credits; Income before net interest expense and taxes, excluding charges and credits ("Adjusted Operating profit"); Depreciation and amortization, excluding charges and credits; Earnings before net interest expense, income taxes, depreciation and amortization, excluding charges and credits ("Adjusted EBITDA"); and net cash) are non-GAAP financial measures. Management believes that the exclusion of charges and credits from these financial measures enables investors and management to more effectively evaluate TechnipFMC's operations and consolidated results of operations period-over-period, and to identify operating trends that could otherwise be masked or misleading to both investors and management by the excluded items. These measures are also used by management as performance measures in determining certain incentive compensation. The foregoing non-GAAP financial measures should be considered by investors in addition to, not as a substitute for or superior to, other measures of financial performance prepared in accordance with GAAP. The following is a reconciliation of the most comparable financial measures under GAAP to the non-GAAP financial measures.

	Three Months Ended September 30, 2018						
	Net income (loss) attributable to TechnipFMC plc	Net income (loss) attributable to noncontrolling interests	Provision for income taxes	Net interest expense	Income (loss) before net interest expense and income taxes (Operating profit)	Depreciation and amortization	Earnings before net interest expense, income taxes, depreciation and amortization (EBITDA)
TechnipFMC plc, as reported	\$ 136.9	\$ (2.7)	\$ 66.7	\$ 106.0	\$ 306.9	\$ 142.0	\$ 448.9
Charges and (credits):							
Impairment and other charges	0.3	—	1.3	—	1.6	—	1.6
Restructuring and other severance charges	4.7	—	3.4	—	8.1	—	8.1
Business combination transaction and integration costs	3.3	—	3.0	—	6.3	—	6.3
Gain on divestitures	(21.1)	—	(10.5)	—	(31.6)	—	(31.6)
Purchase price accounting adjustment	15.7	—	4.8	—	20.5	(23.3)	(2.8)
Adjusted financial measures	<u>\$ 139.8</u>	<u>\$ (2.7)</u>	<u>\$ 68.7</u>	<u>\$ 106.0</u>	<u>\$ 311.8</u>	<u>\$ 118.7</u>	<u>\$ 430.5</u>
Diluted earnings per share attributable to TechnipFMC plc, as reported	\$ 0.30						
Adjusted diluted earnings per share attributable to TechnipFMC plc	\$ 0.31						

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, unaudited)

	Three Months Ended				
	September 30, 2019				
	Subsea	Onshore/ Offshore	Surface Technologies	Corporate and Other	Total
Revenue	\$ 1,342.2	\$ 1,596.3	\$ 396.6	\$ —	\$ 3,335.1
Operating profit (loss), as reported (pre-tax)	\$ 45.5	\$ 284.6	\$ 6.1	\$ (128.8)	\$ 207.4
Charges and (credits):					
Impairment and other charges	1.2	—	—	—	1.2
Restructuring and other severance charges	4.9	5.2	0.7	3.2	14.0
Business combination transaction and integration costs	—	—	—	6.2	6.2
Separation costs	—	—	—	9.4	9.4
Legal provision, net	—	—	—	(0.6)	(0.6)
Purchase price accounting adjustments - amortization related	8.5	—	—	—	8.5
Subtotal	14.6	5.2	0.7	18.2	38.7
Adjusted Operating profit (loss)	60.1	289.8	6.8	(110.6)	246.1
Adjusted Depreciation and amortization	79.0	14.4	37.6	2.1	133.1
Adjusted EBITDA	\$ 139.1	\$ 304.2	\$ 44.4	\$ (108.5)	\$ 379.2
Operating profit margin, as reported	3.4%	17.8%	1.5%		6.2%
Adjusted Operating profit margin	4.5%	18.2%	1.7%		7.4%
Adjusted EBITDA margin	10.4%	19.1%	11.2%		11.4%

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, unaudited)

	Three Months Ended				
	September 30, 2018				
	Subsea	Onshore/ Offshore	Surface Technologies	Corporate and Other	Total
Revenue	\$ 1,209.1	\$ 1,532.5	\$ 402.2	\$ —	\$ 3,143.8
Operating profit (loss), as reported (pre-tax)	\$ 79.7	\$ 243.4	\$ 51.9	\$ (68.1)	\$ 306.9
Charges and (credits):					
Impairment and other charges	1.4	—	0.2	—	1.6
Restructuring and other severance charges	3.6	(0.2)	1.1	3.6	8.1
Business combination transaction and integration costs	—	—	—	6.3	6.3
Gain on divestitures	(3.3)	(28.3)	—	—	(31.6)
Purchase price accounting adjustments - non-amortization related	(3.5)	—	0.9	(0.2)	(2.8)
Purchase price accounting adjustments - amortization related	23.4	—	(0.1)	—	23.3
Subtotal	21.6	(28.5)	2.1	9.7	4.9
Adjusted Operating profit (loss)	101.3	214.9	54.0	(58.4)	311.8
Adjusted Depreciation and amortization	87.2	12.4	18.5	0.6	118.7
Adjusted EBITDA	\$ 188.5	\$ 227.3	\$ 72.5	\$ (57.8)	\$ 430.5
Operating profit margin, as reported	6.6%	15.9%	12.9%		9.8%
Adjusted Operating profit margin	8.4%	14.0%	13.4%		9.9%
Adjusted EBITDA margin	15.6%	14.8%	18.0%		13.7%

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, unaudited)

	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Cash and cash equivalents	\$ 4,504.4	\$ 5,540.0
Short-term debt and current portion of long-term debt	(299.4)	(67.4)
Long-term debt, less current portion	(3,608.8)	(4,124.3)
Net cash	<u>\$ 596.2</u>	<u>\$ 1,348.3</u>

Net (debt) cash, is a non-GAAP financial measure reflecting cash and cash equivalents, net of debt. Management uses this non-GAAP financial measure to evaluate our capital structure and financial leverage. We believe net debt, or net cash, is a meaningful financial measure that may assist investors in understanding our financial condition and recognizing underlying trends in our capital structure. Net (debt) cash should not be considered an alternative to, or more meaningful than, cash and cash equivalents as determined in accordance with U.S. GAAP or as an indicator of our operating performance or liquidity.

