



## First Quarter 2016 Results

April 28, 2016

PARIS--([BUSINESS WIRE](#))--Regulatory News:

Technip (Paris:TEC) (ISIN:FR0000131708) (ADR:TKPPY):

### FIRST QUARTER 2016: SOLID START TO THE YEAR

- **Adjusted revenue** at €2.8 billion balanced between both business segments at €1.4 billion each
- **Adjusted Operating Income From Recurring Activities<sup>1</sup>** at €237 million, up 38% supported by record 1Q vessel utilization and margin improvement in Onshore/Offshore
- **Underlying Net Income<sup>2</sup>** at €145 million
- **SG&A** down 11% reflecting accelerated restructuring plan
- **Backlog** at €15 billion with order intake at €930 million
- **Balance sheet** strengthened with €2 billion adjusted net cash
- **Diluted EPS<sup>3</sup>** up to €0.94; **Net Income** at €114 million

### FULL YEAR 2016 OBJECTIVES UNCHANGED

- Adjusted Subsea revenue between €4.7 and €5.0 billion, adjusted Operating Income From Recurring Activities<sup>1</sup> between €640 and €680 million
- Adjusted Onshore/Offshore revenue between €5.7 and €6.0 billion, adjusted Operating Income From Recurring Activities<sup>1</sup> between €240 and €280 million

<sup>1</sup> Adjusted operating income from recurring activities after income/(loss) of equity affiliates.

<sup>2</sup> Net income of the parent company excluding exceptional items. See annex V.

<sup>3</sup> As per IFRS, diluted earnings per share are calculated by dividing income/(loss) attributable to the parent company's shareholders, restated for 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 and still outstanding IFRS 2 charge is lower than the average market share price during the EPS reference period.

**Note:** The first quarter 2016 results presented in this press release were prepared on the adjusted basis as described in Technip's fourth quarter 2015 press release. These results reflect the financial reporting framework used for management purposes.

- 1Q 16 revenue at €2,192 million within IFRS framework and €2,762 million within adjusted framework
- 1Q 16 net income at €114 million within both IFRS and adjusted frameworks

On April 26, 2016, Technip's Board of Directors approved the first quarter 2016 adjusted consolidated financial statements.

| € million (except Diluted Earnings per Share) | 1Q 15          | 1Q 16          | Change        |
|---|----------------|----------------|---------------|
| <b>Adjusted Revenue</b>                       | <b>2,883.3</b> | <b>2,762.1</b> | <b>(4.2)%</b> |
| Subsea  | 1,287.6        | 1,382.3        | 7.4%          |
| Onshore/Offshore                              | 1,595.7        | 1,379.8        | (13.5)%       |
| <b>Adjusted EBITDA<sup>1</sup></b>            | <b>243.7</b>   | <b>304.7</b>   | <b>25.0%</b>  |
| Adjusted EBITDA Margin                        | 8.5%           | 11.0%          | 258bp         |
| <b>Adjusted OIFRA<sup>2</sup></b>             | <b>171.7</b>   | <b>236.6</b>   | <b>37.8%</b>  |
| Subsea  | 165.2          | 181.4          | 9.8%          |
| Onshore/Offshore                              | 23.5           | 69.7           | 3x            |
| Adjusted Operating Margin <sup>3</sup>        | 6.0%           | 8.6%           | 261bp         |
| One-off Charge                                | -              | (32.5)         | nm            |
| <b>Underlying Net Income<sup>4</sup></b>      | <b>108.0</b>   | <b>145.4</b>   | <b>34.6%</b>  |
| <b>Net Income of the Parent Company</b>       | <b>86.1</b>    | <b>114.4</b>   | <b>32.9%</b>  |
| Diluted Earnings per Share <sup>5</sup> (€)   | 0.73           | 0.94           | 29.6%         |

|              |        |        |
|--------------|--------|--------|
| Order Intake | 1,501  | 930    |
| Backlog      | 20,618 | 14,924 |

<sup>1</sup> Adjusted operating income from recurring activities after income/(loss) of equity affiliates excluding depreciation and amortization.

<sup>2</sup> Adjusted operating income from recurring activities after income/(loss) of equity affiliates.

<sup>3</sup> Adjusted operating income from recurring activities after income/(loss) of equity affiliates, divided by adjusted revenue.

<sup>4</sup> Net income of the parent company excluding exceptional items. See annex V.

<sup>5</sup> As per IFRS, diluted earnings per share are calculated by dividing income/(loss) attributable to the parent company's shareholders, restated for 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 and still outstanding IFRS 2 charge is lower than the average market share price during the EPS reference period.

**Thierry Pilenko, Chairman and CEO**, commented: "At the start of the year, Technip set out to execute our projects, sustain our balance sheet strength, reduce our costs and progress our strategy – all in response to the harsh and prolonged downturn in our industry. The first quarter shows that our teams are following through on these objectives.

On revenues down 4.2%, we improved our profitability – the Group's OIFRA margin was 8.6% compared to 6.0% in 1Q 2015. In Subsea, our manufacturing plants were busy and so were our vessels on West African offshore campaigns in particular driving a record 82% vessel utilization rate for a first quarter. In terms of early stage work, we won an important contract with Statoil through our Forsys Subsea JV for the development of the Trestakk field. We also renewed for a four-year period the contract to provide logistic support for Petrobras at our Vitória base in Brazil. In Onshore/Offshore, we started the 2016 campaign on Yamal with the first module shipments and early works continued for the upgrade and expansion of the MIDOR refinery in Egypt.

We continued to implement our restructuring plan. During the quarter, SG&A expenses fell 11% year-on-year. Cashflow was robust and we ended the quarter with 2 billion euros of adjusted net cash on the balance sheet slightly up compared to December 2015.

Order intake remained at a low level, but its quality and diversity was satisfactory, spread across both Subsea and Onshore/Offshore projects and our technology, equipment and consulting activities. We ended the quarter with 15 billion euros of backlog and our 2016 guidance well underpinned – and unchanged from the targets we set out in mid-February.

Our views on the market outlook are unchanged compared to mid-February. With a low and volatile oil price and their cashflows under pressure, our clients are more than ever focused on cutting their capex and costs to substantially below 2014 levels. Project awards are therefore being postponed and even cancelled, putting visible strain on some parts of our industry. Overall, we are seeing continued interest worldwide in investing, revamping and upgrading Downstream, but Upstream - even if we may see momentum on a few strategic developments - will be less resilient with front-end work only gaining momentum from late 2016 into 2017.

Technip's performance in the first quarter illustrates well our areas of focus in this unprecedented environment. We can secure early stage engagement with our clients and drive their project costs down through the application of technology, simplicity and standardization. Internally we are focused on project execution, controlling our costs and maintaining a strong balance sheet and therefore our capacity to reinforce our leadership. In building a broad-based oilfield services and equipment company, we adapt to resist and shape the future – to win projects, gain new markets, retain and build talents – and create long-term value for all our stakeholders."

## I. ORDER INTAKE AND BACKLOG

### 1. First Quarter 2016 Order Intake

During first quarter 2016, Technip's **order intake** was €930 million. The breakdown by business segment was as follows:

| <b>Order Intake<sup>1</sup></b> (€ million) | <b>1Q 2015</b> | <b>1Q 2016</b> |
|---|----------------|----------------|
| Subsea                                      | 1,033          | 447            |
| Onshore/Offshore                            | 468            | 483            |
| <b>Total</b>                                | <b>1,501</b>   | <b>930</b>     |

**Subsea** order intake included two lump sum contracts for Johan Sverdrup Development and Oseberg Vestflanken 2 in Norway, covering the installation of infield flowlines to be welded at our spoolbase in Orkanger and installed by the Deep Energy vessel.

In Brazil, Technip signed a four-year contract extension for its Flexible Pipe Logistic Base (BAVIT), located in Vitória, covering storage, handling, inspection, testing, load-out, internal cleaning and maintenance of flexible pipes.

In Australia, Technip was awarded a fast-track contract for the disconnection of the Kitan field Floating Production Storage & Offloading (FPSO) unit using the Deep Orient vessel to complete the offshore works in the Timor Sea.

Finally, in United Arab Emirates, Technip was awarded a contract for additional work on the ongoing Rashid-C field development, offshore Dubai, including engineering, procurement, fabrication, installation, and pre-commissioning of a replacement 42" export pipeline.

**Onshore/Offshore** order intake included a contract to supply proprietary ethylene technology, a Process Design Package (PDP), technical services and proprietary equipment for a 650 KTA grassroots gas cracker in China. In South Korea, Technip was awarded a contract to provide proprietary equipment for the world's first commercial High Severity Fluid Catalytic Cracking unit, as part of the expansion of the residue conversion facilities at the S-Oil refinery. Both contracts show the potential of our TEC<sup>2</sup>activities.

Additionally, order intake included conversion into backlog of non-backlog elements on various contracts, as well as numerous Front-End Engineering Design (FEED) and other early stage contracts.

Listed in annex IV are the main contracts announced since January 2016 and their approximate value if publicly disclosed.

## 2. Backlog

At the end of first quarter 2016, Technip's **backlog** was €14.9 billion, compared with €17.0 billion at the end of fourth quarter 2015 and €20.6 billion at the end of first quarter 2015.

### Estimated Backlog<sup>3</sup> Scheduling

| as of March 31, 2016 (€ million) | Subsea       | Onshore/Offshore | Group         |
|----------------------------------|--------------|------------------|---------------|
| 2016 (9 months)                  | 3,435        | 3,803            | 7,238         |
| 2017                             | 1,838        | 3,056            | 4,894         |
| 2018 and beyond                  | 1,085        | 1,707            | 2,792         |
| <b>Total</b>                     | <b>6,358</b> | <b>8,566</b>     | <b>14,924</b> |

<sup>1</sup> Order intake includes all projects whose revenues are consolidated in our adjusted financial statements

<sup>2</sup> Technology, Equipment and Consulting.

<sup>3</sup> Backlog includes all projects whose revenues are consolidated in our adjusted financial statements.

## II. FIRST QUARTER 2016 OPERATIONAL & FINANCIAL HIGHLIGHTS – ADJUSTED BASIS

### 1. Subsea

Subsea main operations for the quarter were as follows:

- **In the Americas:**
  - **In the US Gulf of Mexico**, the Deep Blue vessel completed its second and third installation trips on Stones and started its class renewal dry-dock at the end of the quarter as planned.
  - **In Brazil**, at our manufacturing plants in Vitória and Açu, flexible pipe production continued for the pre-salt fields of Lula Alto, Iracema Norte and Iracema Sul and started for the Libra Extended Well Test.
- **In the North Sea**, engineering and procurement phases continued for the Edradour project in Scotland, for which umbilicals are being manufactured in our Newcastle plant.
- **In Asia Pacific**, the Deep Orient vessel completed its installation campaigns for Bangka in Indonesia and Kitan in Australia, before being mobilized on Jangkrik, for which flexible pipe manufacturing progressed at our Asiaflex plant. In Australia, the North Sea Atlantic successfully completed its offshore campaigns for Wheatstone as well as for Prelude where it installed christmas trees on the seabed. In United Arab Emirates, the G1201 vessel completed the Rashid C project.
- **In West Africa**, the Deep Energy vessel completed its installation campaign for the Block 15/06 East Hub development in Angola. Meanwhile, engineering and procurement advanced on the major Kaombo project, also in Angola, while umbilicals for this project were being fabricated in our manufacturing plants. In Congo, the G1200 vessel continued working on Moho Nord, while the newly-built Skandi Africa started its campaign on this project. In Ghana, offshore works progressed on T.E.N. with the completion of the Deep Energy campaign and the ongoing campaign by the Deep Pioneer.

Overall, the **vessel utilization rate** for the first quarter of 2016 reached 82%, well above the 68% in the first quarter of 2015 and 74% in the fourth quarter of 2015: operations in Asia Pacific and West Africa counterbalanced the effects of the traditional winter season in North Sea.

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

| € million  | 1Q 2015      | 1Q 2016      | Change        |
|--|--------------|--------------|---------------|
| <b>Subsea</b>  |              |              |               |
| Adjusted Revenue   | 1,287.6      | 1,382.3      | 7.4%          |
| Adjusted EBITDA  | 227.6        | 241.2        | 6.0%          |
| <i>Adjusted EBITDA Margin</i>                            | <i>17.7%</i> | <i>17.4%</i> | <i>(23)bp</i> |
| Adjusted OIFRA after Income/(Loss) of Equity Affiliates* | 165.2        | 181.4        | 9.8%          |
| <i>Adjusted Operating Margin</i>                         | <i>12.8%</i> | <i>13.1%</i> | <i>29bp</i>   |

\* No one-off charge accounted in Subsea adjusted operating income from recurring activities in 1Q 2016.

### 2. Onshore/Offshore

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

- **In the Middle East**, fabrication continued for the Umm Lulu complex in Abu Dhabi. Meanwhile, for the FMB platforms, the first topside was successfully loaded out and the G1201 vessel was mobilized to proceed with installation works offshore Qatar.
- **In Asia Pacific**, the Malikai tension leg platform (TLP) was successfully loaded out and floated off offshore Malaysia. In South Korea, the Petronas FLNG Satu had its naming ceremony and integration continued on the Prelude FLNG hull.
- **In Europe and Russia**, the first of the 2016 shipments of process modules fabricated in Chinese yards were sent on their way to the Yamal LNG site in Sabetta, Russia. Engineering and procurement progressed on the Duslo ammonia plant in Slovakia and engineering continued for a polyethylene plant in the Czech Republic.
- **In Africa**, early works continued for the MIDOR refinery modernization and expansion project in Egypt.
- **In the Americas**, engineering and procurement started for two grassroots hydrogen plants in Montana and Texas, while construction activities continued on the CPChem polyethylene plant in Texas and on Sasol's world-scale ethane cracker and derivative complex near Lake Charles, Louisiana. At the same time, construction of the topsides and jacket progressed for the Juniper project in Trinidad and Tobago.

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

| € million  | 1Q 2015 | 1Q 2016 | Change  |
|--|---------|---------|---------|
| <b>Onshore/Offshore</b>                                  |         |         |         |
| Adjusted Revenue   | 1,595.7 | 1,379.8 | (13.5)% |
| Adjusted OIFRA after Income/(Loss) of Equity Affiliates* | 23.5    | 69.7    | 3x      |
| <i>Adjusted Operating Margin</i>                         | 1.5%    | 5.1%    | 358bp   |

\* No one-off charge accounted in Onshore/Offshore adjusted operating income from recurring activities in 1Q 2016.

On the Hejre platform, the involvement of the Technip and DSME consortium in this project has ended at the request of its client, Dong Energy which said that the platform will not be completed, that they will not take possession of the elements of the platform under construction and that the overall project in its current form will be stopped. Given that the project was well advanced, this project represented less than 1% of our backlog. The consortium disagrees with many aspects of the Dong statement and will defend its interests as arbitration proceedings on claims proceed.

### 3. Group

The Group's **adjusted operating income from recurring activities after income/(loss) of equity affiliates**, including Corporate charges of €15 million, is set out in the following table:

| € million  | 1Q 2015 | 1Q 2016 | Change |
|--|---------|---------|--------|
| <b>Group</b>   |         |         |        |
| Adjusted Revenue   | 2,883.3 | 2,762.1 | (4.2)% |
| Adjusted OIFRA after Income/(Loss) of Equity Affiliates* | 171.7   | 236.6   | 37.8%  |
| <i>Adjusted Operating Margin</i>                         | 6.0%    | 8.6%    | 261bp  |

\* No one-off charge accounted in adjusted operating income from recurring activities in 1Q 2016.

In the first quarter of 2016, compared to a year ago, the estimated translation impact from **foreign exchange** was a negative €97 million on adjusted revenue and a negative €22 million on adjusted operating income from recurring activities after income/(loss) of equity affiliates.

### 4. Adjusted Non-Current Items and Group Net Income

Adjusted non-current operating items of €(33) million were booked in the quarter, related to the restructuring plan announced on July 6, 2015 and extended in February 2016 to reflect a €1 billion cost saving target.

**Adjusted financial result** in the first quarter of 2016 included €20 million of interest expenses on debt and a €26 million negative impact from changes in foreign exchange rates and the fair market value of hedging instruments.

| € million (except Diluted Earnings per Share and Diluted Number of Shares) | 1Q 2015      | 1Q 2016      | Change       |
|--|--------------|--------------|--------------|
| Adjusted OIFRA after Income/(Loss) of Equity Affiliates*                   | 171.7        | 236.6        | 37.8%        |
| Adjusted Non-Current Operating Result                                      | (6.0)        | (32.5)       | nm           |
| Adjusted Financial Result  | (38.9)       | (43.1)       | 10.8%        |
| Adjusted Income Tax Expense  | (38.1)       | (46.7)       | 22.6%        |
| <i>Adjusted Effective Tax Rate</i>   | 30.0%        | 29.0%        | (104)bp      |
| Adjusted Non-Controlling Interests   | (2.6)        | 0.1          | nm           |
| <b>Net Income of the Parent Company</b>                                    | <b>86.1</b>  | <b>114.4</b> | <b>32.9%</b> |
| <b>Underlying Net Income</b>   | <b>108.0</b> | <b>145.4</b> | <b>34.6%</b> |
| Diluted Number of Shares   | 125,717,937  | 124,423,268  | (1.0)%       |
| <b>Diluted Earnings per Share (€)</b>                                      | <b>0.73</b>  | <b>0.94</b>  | <b>29.6%</b> |

\* No one-off charge accounted in adjusted operating income from recurring activities in 1Q 2016.

## 5. Adjusted Cash Flow and Statement of Consolidated Financial Position

As of March 31, 2016, the **adjusted net cash position** was €1,987 million, up €49 million compared with €1,938 million as of December 31, 2015.

|   |                |
|---|----------------|
| <b>Adjusted Cash<sup>1</sup> as of December 31, 2015</b>    | <b>4,501.3</b> |
| Adjusted Cash Generated from/(used in) Operating Activities | 82.4           |
| Adjusted Cash Generated from/(used in) Investing Activities | (23.1)         |
| Adjusted Cash Generated from/(used in) Financing Activities | (245.3)        |
| Adjusted FX Impacts   | 4.1            |
| <b>Adjusted Cash<sup>1</sup> as of March 31, 2016</b>       | <b>4,319.4</b> |

**Adjusted capital expenditures** for the first quarter of 2016 were €24 million, compared with €58 million one year ago.

The Group's balance sheet remained robust and liquid. **Adjusted shareholders' equity of the parent company** as of March 31, 2016 was €4,648 million, compared with €4,536 million as of December 31, 2015.

<sup>1</sup> Adjusted cash and cash equivalents, less bank overdraft.

### III. FULL YEAR 2016 OBJECTIVES UNCHANGED

- **Adjusted Subsea revenue between €4.7 and €5.0 billion, adjusted Operating Income From Recurring Activities<sup>1</sup> between €640 and €680 million**
- **Adjusted Onshore/Offshore revenue between €5.7 and €6.0 billion, adjusted Operating Income From Recurring Activities<sup>1</sup> between €240 and €280 million**

<sup>1</sup> Adjusted operating income from recurring activities after income/(loss) of equity affiliates.

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The information package on First Quarter 2016 results includes this press release and the annexes which follow, as well as the presentation published on Technip's website: [www.technip.com](http://www.technip.com)

### NOTICE

Today, Thursday, April 28, 2016, Chairman and CEO Thierry Pilenko, along with Group CFO Julian Waldron, will comment on Technip's results and answer questions from the financial community during a conference call in English starting at 9:30 a.m. Paris time.

To participate in the conference call, you may call any of the following telephone numbers approximately 5 - 10 minutes prior to the scheduled start time:

France / Continental Europe: +33 (0) 1 70 77 09 42  
UK: +44 (0) 203 367 9453  
USA: +1 855 402 7761

The conference call will also be available via a simultaneous, listen-only audio-cast on Technip's website.

A replay of this conference call will be available approximately two hours following the conference call for three months on Technip's website and at the following telephone numbers:

*Telephone Numbers    Confirmation Code*

France / Continental Europe: +33 (0) 1 72 00 15 00    300260#  
UK: +44 (0) 203 367 9460    300260#  
USA: +1 877 642 3018    300260#

### Cautionary note regarding forward-looking statements

***This press release 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 33,000 people are constantly offering the best solutions and most innovative technologies to meet the world's energy challenges.

Present in 45 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 Euronext Paris exchange, and its ADR is traded in the US on the OTCQX marketplace as an American Depositary Receipt (OTCQX: TKPPY).

## ANNEX I (a) <sup>1</sup>

### ADJUSTED CONSOLIDATED STATEMENT OF INCOME

|  | First Quarter  |                |               |
|--|----------------|----------------|---------------|
|  | Not audited    |                |               |
| € million (except Diluted Earnings per Share and Diluted Number of Shares) | 2015           | 2016           | Change        |
| <b>Revenue</b>   | <b>2,883.3</b> | <b>2,762.1</b> | <b>(4.2)%</b> |
| Gross Margin   | 336.0          | 388.8          | 15.7%         |
| Research & Development Expenses  | (17.9)         | (18.5)         | 3.4%          |
| SG&A and Other   | (151.4)        | (136.5)        | (9.8)%        |
| Share of Income/(Loss) of Equity Affiliates                                | 5.0            | 2.8            | (44.0)%       |
| <b>OIFRA after Income/(Loss) of Equity Affiliates</b>                      | <b>171.7</b>   | <b>236.6</b>   | <b>37.8%</b>  |
| Non-Current Operating Result   | (6.0)          | (32.5)         | nm            |
| <b>Operating Income</b>  | <b>165.7</b>   | <b>204.1</b>   | <b>23.2%</b>  |
| Financial Result   | (38.9)         | (43.1)         | 10.8%         |
| <b>Income/(Loss) before Tax</b>  | <b>126.8</b>   | <b>161.0</b>   | <b>27.0%</b>  |
| Income Tax Expense   | (38.1)         | (46.7)         | 22.6%         |
| Non-Controlling Interests  | (2.6)          | 0.1            | nm            |
| <b>Net Income/(Loss) of the Parent Company</b>                             | <b>86.1</b>    | <b>114.4</b>   | <b>32.9%</b>  |
| Diluted Number of Shares   | 125,717,937    | 124,423,268    | (1.0)%        |

Diluted Earnings per Share (€)

0.73

0.94

29.6%

<sup>1</sup> Note that statements disclosed in annexes I(a) and I(c) do not report underlying results. Please refer to annex V for the underlying net income reconciliation.

## IFRS CONSOLIDATED REVENUE AND NET INCOME

|   | First Quarter |         |         |
|---|---------------|---------|---------|
|   | Not audited   |         |         |
| € million                               | 2015          | 2016    | Change  |
| Revenue                                 | 2,618.8       | 2,191.8 | (16.3)% |
| Net Income/(Loss) of the Parent Company | 86.1          | 114.4   | 32.9%   |

### ANNEX I (b)

#### FOREIGN CURRENCY CONVERSION RATES

|               | Closing Rate as of |               | Average Rate of |         |
|---------------|--------------------|---------------|-----------------|---------|
|               | Dec. 31, 2015      | Mar. 31, 2016 | 1Q 2015         | 1Q 2016 |
| USD for 1 EUR | 1.09               | 1.14          | 1.13            | 1.10    |
| GBP for 1 EUR | 0.73               | 0.79          | 0.74            | 0.77    |
| BRL for 1 EUR | 4.31               | 4.12          | 3.22            | 4.31    |
| NOK for 1 EUR | 9.60               | 9.41          | 8.73            | 9.53    |

### ANNEX I (c) <sup>1</sup>

#### ADJUSTED ADDITIONAL INFORMATION BY BUSINESS SEGMENT

|  | First Quarter |         |        |
|--|---------------|---------|--------|
|  | Not audited   |         |        |
| € million                                      | 2015          | 2016    | Change |
| <b>SUBSEA</b>                                  |               |         |        |
| Revenue  | 1,287.6       | 1,382.3 | 7.4%   |
| Gross Margin                                   | 226.3         | 246.2   | 8.8%   |
| OIFRA after Income/(Loss) of Equity Affiliates | 165.2         | 181.4   | 9.8%   |
| Operating Margin                               | 12.8%         | 13.1%   | 29bp   |
| Depreciation and Amortization                  | (62.4)        | (59.8)  | (4.2)% |
| EBITDA   | 227.6         | 241.2   | 6.0%   |
| EBITDA Margin                                  | 17.7%         | 17.4%   | (23)bp |

#### ONSHORE/OFFSHORE

|  |         |         |         |
|--|---------|---------|---------|
| Revenue  | 1,595.7 | 1,379.8 | (13.5)% |
| Gross Margin                                   | 109.7   | 142.6   | 30.0%   |
| OIFRA after Income/(Loss) of Equity Affiliates | 23.5    | 69.7    | 3x      |
| Operating Margin                               | 1.5%    | 5.1%    | 358bp   |
| Depreciation and Amortization                  | (9.6)   | (8.3)   | (13.5)% |

#### CORPORATE

|  |        |        |         |
|--|--------|--------|---------|
| OIFRA after Income/(Loss) of Equity Affiliates | (17.0) | (14.5) | (14.7)% |
| Depreciation and Amortization                  | -      | -      | -       |

<sup>1</sup> Note that statements disclosed in annexes I(a) and I(c) do not report underlying results. Please refer to annex V for the underlying net income reconciliation.

### ANNEX I (d)

#### ADJUSTED REVENUE BY GEOGRAPHICAL AREA

**First Quarter**

**Not audited**

| € million                           | 2015           | 2016           | Change        |
|-------------------------------------|----------------|----------------|---------------|
| <b>Europe, Russia, Central Asia</b> | 1,028.2        | 1,020.5        | (0.7)%        |
| <b>Africa</b>                       | 419.0          | 496.8          | 18.6%         |
| <b>Middle East</b>                  | 284.7          | 220.8          | (22.4)%       |
| <b>Asia Pacific</b>                 | 476.1          | 413.3          | (13.2)%       |
| <b>Americas</b>                     | 675.3          | 610.7          | (9.6)%        |
| <b>TOTAL</b>                        | <b>2,883.3</b> | <b>2,762.1</b> | <b>(4.2)%</b> |

**ANNEX II**

**ADJUSTED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

|  | <b>Dec. 31, 2015</b> | <b>Mar. 31, 2016</b> |
|--|----------------------|----------------------|
| € million  | <b>Audited</b>       | <b>Not audited</b>   |
| Fixed Assets   | 6,507.9              | 6,394.2              |
| Deferred Tax Assets  | 481.8                | 470.7                |
| <b>Non-Current Assets</b>                                  | <b>6,989.7</b>       | <b>6,864.9</b>       |
| Construction Contracts – Amounts in Assets                 | 652.0                | 699.1                |
| Inventories, Trade Receivables and Other                   | 3,366.5              | 3,415.5              |
| Cash & Cash Equivalents                                    | 4,501.4              | 4,319.5              |
| <b>Current Assets</b>                                      | <b>8,519.9</b>       | <b>8,434.1</b>       |
| <b>Assets Classified as Held for Sale</b>                  | <b>26.4</b>          | <b>18.0</b>          |
| <b>Total Assets</b>  | <b>15,536.0</b>      | <b>15,317.0</b>      |
| Shareholders' Equity (Parent Company)                      | 4,536.4              | 4,648.4              |
| Non-Controlling Interests                                  | 8.5                  | 7.6                  |
| <b>Shareholders' Equity</b>                                | <b>4,544.9</b>       | <b>4,656.0</b>       |
| Non-Current Financial Debts                                | 1,626.0              | 1,536.1              |
| Non-Current Provisions                                     | 243.0                | 238.7                |
| Deferred Tax Liabilities and Other Non-Current Liabilities | 215.0                | 195.4                |
| <b>Non-Current Liabilities</b>                             | <b>2,084.0</b>       | <b>1,970.2</b>       |
| Current Financial Debts                                    | 937.1                | 796.5                |
| Current Provisions   | 435.7                | 459.0                |
| Construction Contracts – Amounts in Liabilities            | 2,308.2              | 2,020.6              |
| Trade Payables & Other                                     | 5,226.1              | 5,414.7              |
| <b>Current Liabilities</b>                                 | <b>8,907.1</b>       | <b>8,690.8</b>       |
| <b>Total Shareholders' Equity &amp; Liabilities</b>        | <b>15,536.0</b>      | <b>15,317.0</b>      |
| <b>Net Cash Position</b>                                   | <b>1,938.3</b>       | <b>1,986.9</b>       |

**Adjusted Statement of Changes in Shareholders' Equity (Parent Company)**

**Not audited** (€ million):

|   |                |
|---|----------------|
| <b>Shareholders' Equity as of December 31, 2015</b> | <b>4,536.4</b> |
| Net Income  | 114.4          |
| Other Comprehensive Income                          | (10.2)         |
| Capital Increase                                    | 0.1            |
| Treasury Shares                                     | 2.3            |
| Dividends Paid                                      | -              |
| Other   | 5.4            |
| <b>Shareholders' Equity as of March 31, 2016</b>    | <b>4,648.4</b> |

**ANNEX III (a)**

**ADJUSTED CONSOLIDATED STATEMENT OF CASH FLOWS**

**First Quarter**

**Not audited**



|   |               |                |
|---|---------------|----------------|
| € million   | <b>2015</b>   | <b>2016</b>    |
| Net Income/(Loss) of the Parent Company                           | 86.1          | 114.4          |
| Depreciation & Amortization of Fixed Assets                       | 72.0          | 68.1           |
| Stock Options and Performance Share Charges                       | 6.5           | 5.5            |
| Non-Current Provisions (including Employee Benefits)              | 22.3          | 0.5            |
| Deferred Income Tax   | 0.6           | (24.0)         |
| Net (Gains)/Losses on Disposal of Assets and Investments          | 0.3           | 0.3            |
| Non-Controlling Interests and Other                               | 5.2           | 12.7           |
| <b>Cash Generated from/(used in) Operations</b>                   | <b>193.0</b>  | <b>177.5</b>   |
| <b>Change in Working Capital Requirements</b>                     | <b>317.7</b>  | <b>(95.1)</b>  |
| <b>Net Cash Generated from/(used in) Operating Activities</b>     | <b>510.7</b>  | <b>82.4</b>    |
| Capital Expenditures  | (57.9)        | (23.6)         |
| Proceeds from Non-Current Asset Disposals                         | 0.1           | 0.5            |
| Acquisitions of Financial Assets                                  | (2.4)         | -              |
| Acquisition Costs of Consolidated Companies, Net of Cash Acquired | (0.1)         | -              |
| <b>Net Cash Generated from/(used in) Investing Activities</b>     | <b>(60.3)</b> | <b>(23.1)</b>  |
| Net Increase/(Decrease) in Borrowings                             | (51.8)        | (245.4)        |
| Capital Increase  | 1.7           | 0.1            |
| Dividends Paid  | -             | -              |
| Share Buy-Back and Other  | -             | -              |
| <b>Net Cash Generated from/(used in) Financing Activities</b>     | <b>(50.1)</b> | <b>(245.3)</b> |
| <b>Net Effects of Foreign Exchange Rate Changes</b>               | <b>183.0</b>  | <b>4.1</b>     |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>       | <b>583.3</b>  | <b>(181.9)</b> |
| Bank Overdrafts at Period Beginning                               | (0.9)         | (0.1)          |
| Cash and Cash Equivalents at Period Beginning                     | 3,738.3       | 4,501.4        |
| Bank Overdrafts at Period End                                     | (0.9)         | (0.1)          |
| Cash and Cash Equivalents at Period End                           | 4,321.6       | 4,319.5        |
|   | <b>583.3</b>  | <b>(181.9)</b> |

#### ANNEX III (b)

##### ADJUSTED CASH & FINANCIAL DEBTS

| € million                              | Dec. 31, 2015  | Mar. 31, 2016  |
|--|----------------|----------------|
|  | Audited        | Not audited    |
| Cash Equivalents                       | 2,555.7        | 2,117.7        |
| Cash                                   | 1,945.7        | 2,201.8        |
| <b>Cash &amp; Cash Equivalents (A)</b> | <b>4,501.4</b> | <b>4,319.5</b> |
| Current Financial Debts                | 937.1          | 796.5          |
| Non-Current Financial Debts            | 1,626.0        | 1,536.1        |
| <b>Gross Debt (B)</b>                  | <b>2,563.1</b> | <b>2,332.6</b> |
| <b>Net Cash Position (A – B)</b>       | <b>1,938.3</b> | <b>1,986.9</b> |

#### ANNEX IV

##### CONTRACT AWARDS

###### Not audited

The main contracts we announced during first quarter 2016 were the following:

###### Subsea Segment:

- A lump sum contract for the development of the South Santa Cruz and Barataria fields. The contract covers fabrication and

installation of approximately 23 kilometers of pipe-in-pipe flowline and associated system, to be fabricated at our spoolbase in Mobile, Alabama and installed by the Deep Blue vessel: *Deep Gulf Energy II LLC., Mississippi Canyon offshore New Orleans, US Gulf of Mexico*,

- Two lump sum contracts for infield pipeline construction for the Johan Sverdrup Development and the Oseberg Vestflanken 2 projects, covering the fabrication and installation of 29 kilometers of plastic lined 16" water injection flowlines for Johan Sverdrup, and 7.5 kilometers of 14" production pipeline and 9 kilometers of 10" gas injection pipeline for Oseberg Vestflanken 2: *Statoil, North Sea*.

#### Onshore/Offshore Segment:

- A contract to provide proprietary technology and engineering and procurement services for a grassroots hydrogen plant. The 3.5 million standard cubic meters per day plant will produce hydrogen and carbon monoxide (CO): *Air Products, Baytown, Texas, USA*,
- A contract to provide engineering and procurement services for a 480 metric ton per day Dorr Oliver FluoSolids® roaster system for the Glogow I Copper Smelter Optimization Project, also covering proprietary technology and equipment, erection supervision, commissioning, startup and training assistance: *KGHM, Glogow, Poland*,
- A contract to supply proprietary ethylene technology, a Process Design Package (PDP), technical services and proprietary equipment for a 650 KTA grassroots gas cracker. The plant will use low-cost ethane and propane from North America and will be part of SP Olefins 1100 KTA Light Hydrocarbon Utilization Project: *SP Olefins (Taixing) Co. Ltd, a subsidiary of SP Chemicals, Taixing, Jiangsu Province, China*,
- A three-year contract to provide engineering, technical assistance, management, supervision and coordination, as well as procurement-related activities for the existing Girassol, Pazflor, Dalia and CLOV floating production storage and offloading (FPSO) units and associated subsea field development: *Total E&P Angola, located in Block 17 offshore Angola*.

Since March 31, 2016, Technip has also announced the award of the following contracts, which were included in the backlog as of March 31, 2016:

#### Subsea Segment:

- A four-year extension of its five-year initial contract signed in January 2011 for its Flexible Pipes Logistic Base (BAVIT). The scope covers storage, handling, inspection, testing, load-out, internal cleaning and maintenance of flexibles pipes. The base has a 300t handling capacity, storage capacity for 220 reels and serves as the main load-out point for all pre-salt flexible pipes: *Petrobras S.A., Vitória, Brazil*.

#### Onshore/Offshore Segment:

- A contract to provide proprietary equipment for the world's first commercial High Severity Fluid Catalytic Cracking (HS-FCC™) unit. The HS-FCC cracks heavy hydrocarbons into lighter olefins such as propylene and lighter fuels such as gasoline. It will be constructed as part of the expansion of the existing residue conversion facilities at the S-Oil refinery: *Daelim Industrial Company, Onsan, South Korea*.

## ANNEX V

### UNDERLYING NET INCOME RECONCILIATION

€ million

**First Quarter  
2016**

**Not audited**

|   |              |
|---|--------------|
| <b>Net Income of the Parent Company</b> | <b>114.4</b> |
| One-off charges in OIFRA                | -            |
| Charges from Non-Current Activities     | 32.5         |
| Other                                   | -            |
| Taxes & Financial Result                | (1.5)        |
| <b>Underlying Net Income</b>            | <b>145.4</b> |

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