TechnipFMC

Q4 2021 Earnings Call Presentation

February 24, 2022

Disclaimer

Forward-looking statements

This communication contains “forward-looking statements” 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. Forward-looking statement usually relate to future events and anticipated revenues, earnings, cash flows, or other aspects of our operations or operating results. Forward-looking statements are often identified by words such as “guidance,” “confident,” “believe,” “expect,” “anticipate,” “plan,” “intend,” “foresee,” “should,” “would,” “could,” “may,” “will,” “likely,” “predicated,” “estimate,” “outlook” and similar expressions, including the negative thereof. The absence of these words, however, does not mean that the statements are not forward-looking. These forward-looking statements are based on our current expectations, beliefs, and assumptions concerning future developments and business conditions and their potential effect on us. While management believes these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting us will be those that we anticipate. All of our forward-looking statements involve risks and uncertainties (some of which are significant or beyond our control) and assumptions that could cause actual results to differ materially from our historical experience and our present expectations or projections, including unpredictable trends in the demand for and price of crude oil and natural gas; competition and unanticipated changes relating to competitive factors in our industry, including ongoing industry consolidation; the COVID-19 pandemic and its impact on the demand for our products and services; our inability to develop, implement and protect new technologies and services; the cumulative loss of major contracts, customers or alliances; disruptions in the political, regulatory, economic and social conditions of the countries in which we conduct business; the refusal of DTC and Euroclear to act as depository and clearing agencies for our shares; the United Kingdom’s withdrawal from the European Union; the impact of our existing and future indebtedness and the restrictions on our operations by terms of the agreements governing our existing indebtedness; the risks caused by our acquisition and divestiture activities; the risks caused by fixed-price contracts; any delays and cost overruns of new capital asset construction projects for vessels and manufacturing facilities; our failure to deliver our backlog; our reliance on subcontractors, suppliers and our joint venture partners; a failure or breach of our IT infrastructure or that of our subcontractors, suppliers or joint venture partners, including as a result of cyber-attacks; the risks of pirates endangering our maritime employees and assets; potential liabilities inherent in the industries in which we operate or have operated; our failure to comply with numerous laws and regulations, including those related to environmental protection, health and safety, labor and employment, import/export controls, currency exchange, bribery and corruption, taxation, privacy, data protection and data security; the additional restrictions on dividend payouts or share repurchases as an English public limited company; uninsured claims and litigation against us, including intellectual property litigation; tax laws, treaties and regulations and any unfavorable findings by relevant tax authorities; the uncertainties related to the anticipated benefits or our future liabilities in connection with the spin-off of Technip Energies (the “Spin-off”); any negative changes in Technip Energies’ results of operations, cash flows and financial position, which impact the value of our remaining investment therein; potential departure of our key managers and employees; adverse seasonal and weather conditions and unfavorable currency exchange rate and risk in connection with our defined benefit pension plan commitments and other risks as discussed in Part I, Item 1A, “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2020 and Part II, Item 1A, “Risk Factors” of our subsequently filed Quarterly Reports on Form 10-Q. In addition, our results may be impacted by the uncertainty of transition to new energy, including the type, development and demand for new energy sources; unpredictable trends in energy transition initiatives; geopolitical, legislative or regulatory initiatives and changes related to energy transition; and our ability to achieve the benefits of the energy transition related business strategies, initiatives, systems, collaborations and applications.

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.

Q4 2021 Overview
Financial Results and Operational Highlights

Doug Pferdehirt, Chair and Chief Executive Officer

Alf Melin, EVP and Chief Financial Officer

TechnipFMC

2021 – A breakout year for TechnipFMC

Entered multi-year upcycle

- Total orders increased 33% year-over-year, with Subsea growing to $5 billion
- Subsea inbound coming earlier in cycle, more in parallel with U.S. land markets
- Positioned for the energy transition, with inbound orders of $1 billion anticipated through 2025e

Improved financial performance
(versus 2020)

- Total Company adjusted EBITDA increased 46% to $580 million
- Subsea adjusted EBITDA margin expanded 200bps to 10.5%
- Surface Technologies achieved record inbound; adjusted EBITDA margin up 300bps to 10.6%

Strengthened balance sheet

- Strong free cash flow of $523 million from continuing operations
- $901 million of cash proceeds generated through monetization of Technip Energies stake
- Net debt reduced to $678 million, a nearly 70% improvement from the prior year

Q4 2021 Operational summary

Highlights

- Total Company orders of $2.1 billion; sequential backlog growth of 9% to $7.7 billion
- Subsea orders of $1 billion, driven by continued strength in South America
- Strength in Middle East driving expansion of manufacturing capabilities (Saudi Arabia, UAE)
- Introduction of New Energy Ventures (NEV) to accelerate our role in the energy transition

Takeaways

Operating segments achieved full-year guidance

Surface Technologies' largest ever award, a multi-year contract from ADNOC

Subsea opportunity list expanded to record level of $20+ billion

Q4 2021 Financial results

Highlights

- Cash flow from operations of $484 million, free cash flow of $423 million
- Total Company adjusted EBITDA of $130 million from continuing operations
  - Subsea sequential results reflected normal seasonality
  - Surface Technologies sequential results benefited from improvement in NAM, partially offset by investment in new international manufacturing capacity
- Net debt improved to $678 million; gross debt reduced $251 million sequentially

$2.1B Inbound orders

$7.7B Backlog

$130M Adjusted EBITDA

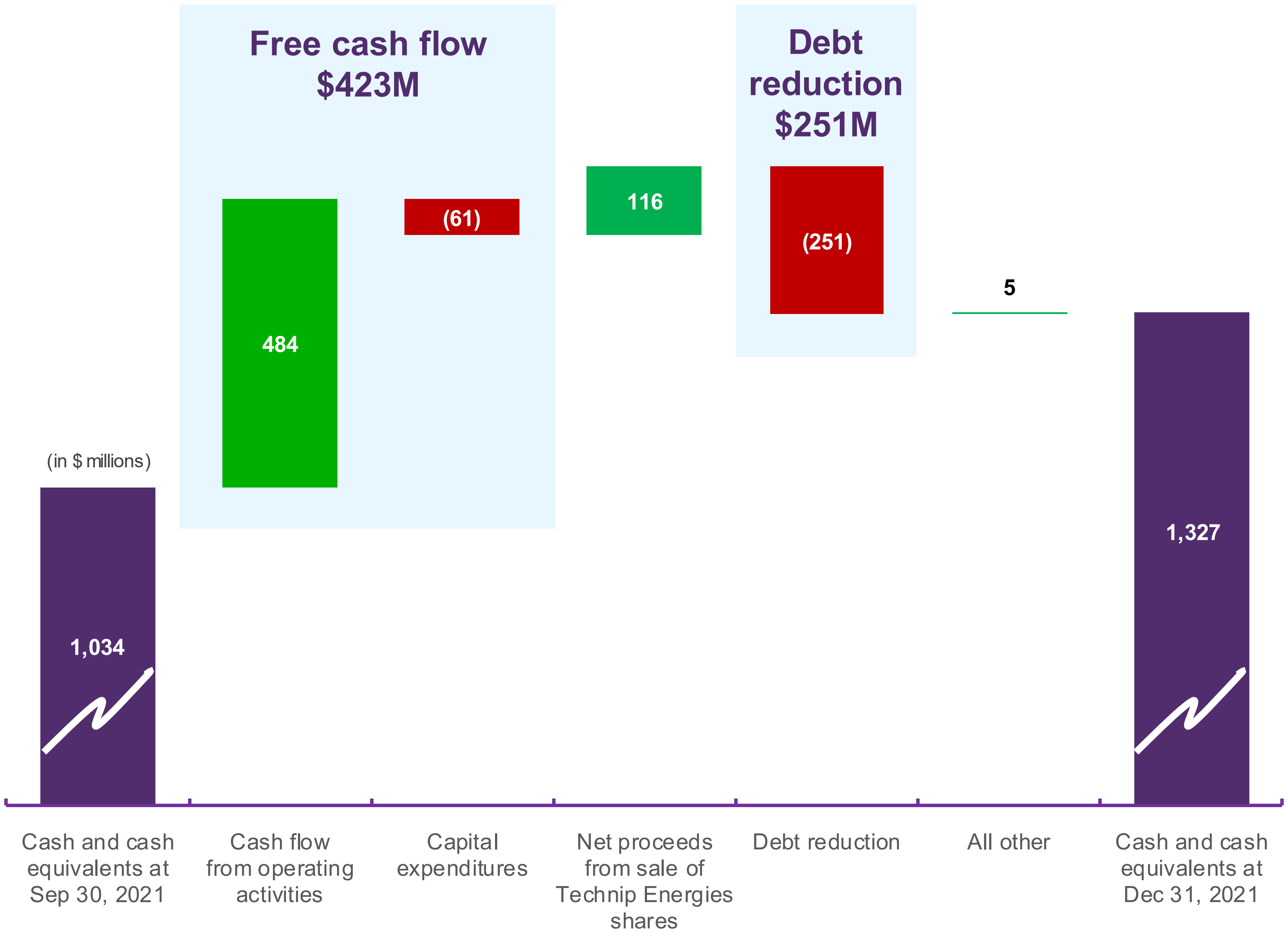
$423M Free cash flow

Segment results

Subsea	4Q21	3Q21	4Q20	QoQ	YoY
Revenue	1,236	1,312	1,338	▼ -6%	▼ -8%
Adjusted EBITDA margin	10.0%	11.2%	8.7%	▼ -120 bps	▲ 130 bps
Inbound orders	1,035	1,116	712	▼ -7%	▲ 45%
Backlog	6,533	6,661	6,876	▼ -2%	▼ -5%

Surface Technologies	4Q21	3Q21	4Q20	QoQ	YoY
Revenue	287	267	262	▲ 7%	▲ 9%
Adjusted EBITDA margin	10.1%	10.6%	11.8%	▼ -50 bps	▼ -170 bps
Inbound orders	1,072	250	300	▲ 329%	▲ 257%
Backlog	1,125	341	414	▲ 230%	▲ 172%

Q4 2021 Cash flow and net debt



Net Debt

(In millions, unaudited)

	December 31, 2021
Cash and cash equivalents	$ 1,327.4
Short-term debt and current portion of long-term debt	(277.6)
Long-term debt, less current portion	(1,727.3)
Net debt	**$ (677.5)**

2022 Full-year financial guidance[1] As of *February 23, 2022*

Subsea

- **Revenue** in a range of $5.2 – 5.6 billion
- **EBITDA** margin in a range of 11 – 12%
  (excluding charges and credits)

Surface Technologies

- **Revenue** in a range of $1,150 – 1,300 million
- **EBITDA** margin in a range of 11 – 13%
  (excluding charges and credits)

TechnipFMC

- **Corporate expense, net** $100 – 110 million (includes depreciation and amortization of ~$5 million)
- **Net interest expense** $105 – 115 million
- **Tax provision, as reported** $100 – 110 million
- **Capital expenditures** approximately $230 million
- **Free cash flow**[2] $100 – 250 million

All segment guidance assumes no further material degradation from COVID-19 related impacts.

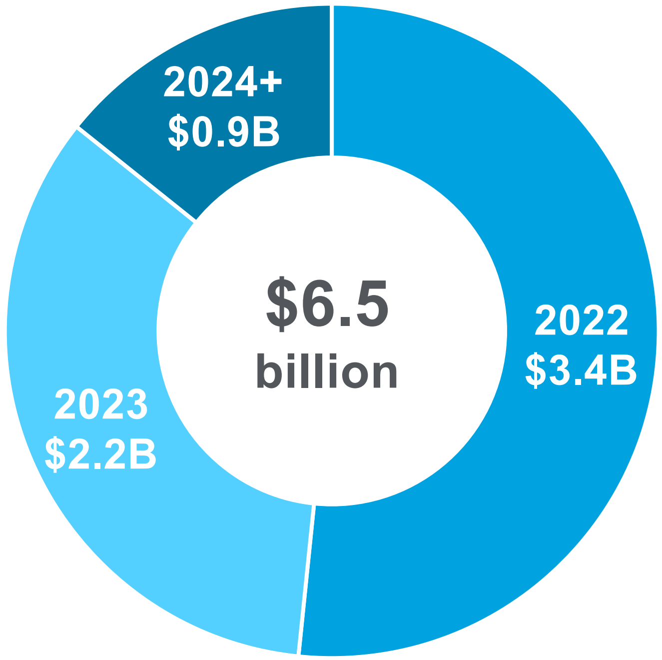
[1]Our guidance measures of adjusted EBITDA margin, corporate expense, net, net interest expense and free cash flow are non-GAAP financial measures. We are unable to provide a reconciliation to comparable GAAP financial measures on a forward-looking basis without unreasonable effort because of the unpredictability of the individual components of the most directly comparable GAAP financial measure and the variability of items excluded from each such measure. Such information may have a significant, and potentially unpredictable, impact on our future financial results.

[2]Free cash flow = cash flow from operations less capital expenditures

Backlog scheduling provides visibility

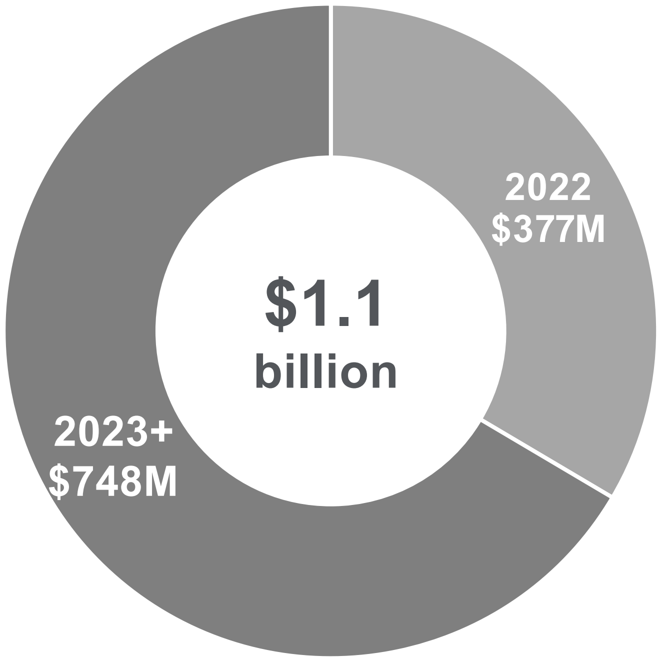
Subsea[1]

as of December 31, 2021



Surface Technologies

as of December 31, 2021

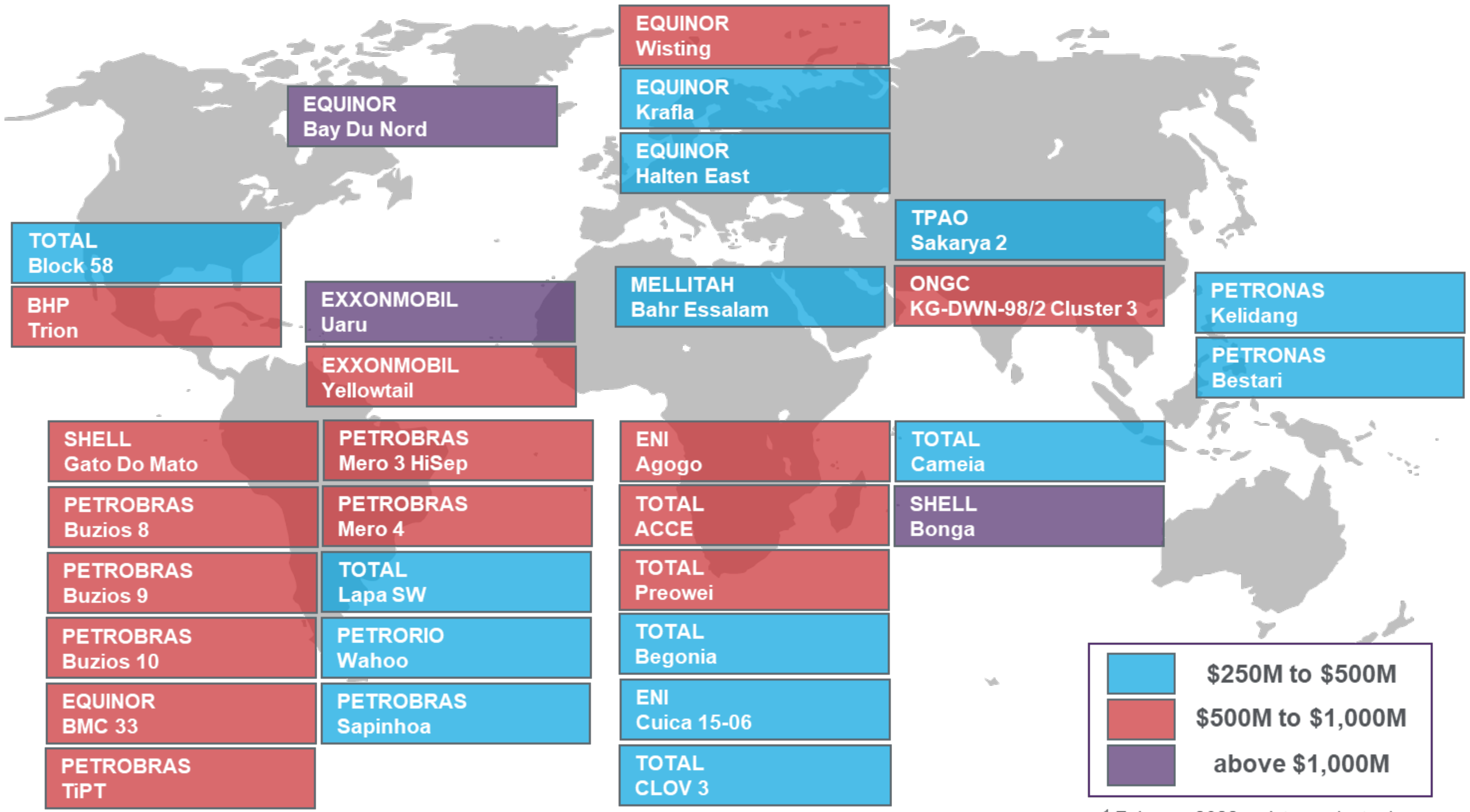


[1] Backlog does not capture all revenue potential for subsea services

Subsea opportunities in the next 24 months[1]

Added
EQUINOR Halten East
PETRONAS Bestari
PETROBRAS Sapinhoa
PETRORIO Wahoo
TPAO Sakarya 2
ENI Agogo
PETROBRAS Buzios 10

Removed
CHEVRON Jansz-Io
CNOOC Lingshui
TOTAL North Platte
PETROBRAS Buzios 6
PETROBRAS Buzios 7
PETROBRAS Tupi



[1] February 2022 update; project value ranges reflect potential subsea scope

Appendix

Glossary

Term	Definition
CAGR	Compound Annual Growth Rate
CCS	Carbon Capture and Storage
ESG	Environmental, Social and Governance
FID	Final Investment Decision
F/X	Foreign Exchange
GHG	Greenhouse Gas Emissions
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

Term	Definition
iLOF™	Integrated Life of Field
LNG	Liquefied Natural Gas
MMb/d	Million Barrels per Day
Mtpa	Million Metric Tonnes per Annum
NAM	North America
RCF	Revolving Credit Facility
ROIC	Return on Invested Capital
ROV	Remotely Operated Vehicles
ROW	Rest of World

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 2021 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 sequential and year-over-year basis against the comparable period in 2020. 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); Adjusted EBITDA margin; Corporate expense, excluding charges and credits; Foreign exchange, net and other, excluding charges and credits; 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 December 31, 2021						
	Loss from continuing operations attributable to TechnipFMC plc	Loss attributable to non-controlling interests from continuing operations	Provision for income taxes	Net interest expense and loss on early extinguishment of debt	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	$ (127.2)	$ (6.3)	$ 39.4	$ 56.7	$ (37.4)	$ 95.7	$ 58.3
Charges and (credits):							
Impairment and other charges	28.2	—	—	—	28.2	—	28.2
Restructuring and other charges	13.6	—	0.6	—	14.2	—	14.2
Loss from investment in Technip Energies	29.6	—	—	—	29.6	—	29.6
Adjusted financial measures	$ (55.8)	$ (6.3)	$ 40.0	$ 56.7	$ 34.6	$ 95.7	$ 130.3
Diluted loss per share from continuing operations attributable to TechnipFMC plc, as reported	$ (0.28)						
Adjusted diluted loss per share from continuing operations attributable to TechnipFMC plc	$ (0.12)						

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

	Three Months Ended December 31, 2021				
	Subsea	Surface Technologies	Corporate Expense	Foreign Exchange, net and Other	Total
Revenue	$ 1,236.2	$ 287.1	$ —	$ —	$ 1,523.3
Operating profit (loss), as reported (pre-tax)	$ 8.5	$ 8.8	$ (29.7)	$ (25.0)	$ (37.4)
Charges and (credits):					
Impairment and other charges	26.6	1.6	—	—	28.2
Restructuring and other charges	9.8	2.2	2.2	—	14.2
Loss from investment in Technip Energies	—	—	—	29.6	29.6
Subtotal	36.4	3.8	2.2	29.6	72.0
Adjusted Operating profit (loss)	44.9	12.6	(27.5)	4.6	34.6
Depreciation and amortization	78.7	16.3	0.7	—	95.7
Adjusted EBITDA	$ 123.6	$ 28.9	$ (26.8)	$ 4.6	$ 130.3
Operating profit margin, as reported	0.7%	3.1%			-2.5%
Adjusted Operating profit margin	3.6%	4.4%			2.3%
Adjusted EBITDA margin	10.0%	10.1%			8.6%

Exhibit 8

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

	Three Months Ended September 30, 2021				
	Subsea	**Surface Technologies**	**Corporate Expense**	**Foreign Exchange, net and Other**	**Total**
Revenue	$ 1,312.1	$ 267.3	$ —	$ —	$ 1,579.4
Operating profit (loss), as reported (pre-tax)	$ 23.5	$ 12.1	$ (29.3)	$ 22.3	$ 28.6
Charges and (credits):					
Impairment and other charges*	38.0	—	—	—	38.0
Restructuring and other charges	5.6	—	0.4	—	6.0
Income from investment in Technip Energies	—	—	—	(28.5)	(28.5)
Subtotal	43.6	—	0.4	(28.5)	15.5
Adjusted Operating profit (loss)	67.1	12.1	(28.9)	(6.2)	44.1
Depreciation and amortization	79.4	16.3	0.8	—	96.5
Adjusted EBITDA	$ 146.5	$ 28.4	$ (28.1)	$ (6.2)	$ 140.6
Operating profit margin, as reported	1.8%	4.5%			1.8%
Adjusted Operating profit margin	5.1%	4.5%			2.8%
Adjusted EBITDA margin	11.2%	10.6%			8.9%

*Includes $36.7 million impairment relating to our equity method investment.

Exhibit 8

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

	Three Months Ended December 31, 2020				
	Subsea	**Surface Technologies**	**Corporate Expense**	**Foreign Exchange, net**	**Total**
Revenue	$ 1,338.0	$ 262.3	$ —	$ —	$ 1,600.3
Operating profit (loss), as reported (pre-tax)	(9.5)	15.1	(59.8)	13.6	$ (40.6)
Charges and (credits):					
Impairment and other charges	27.9	1.2	—	—	29.1
Restructuring and other charges	16.8	(0.8)	0.7	—	16.7
Subtotal	44.7	0.4	0.7	—	45.8
Adjusted Operating profit (loss)	35.2	15.5	(59.1)	13.6	5.2
Depreciation and amortization	81.3	15.4	17.1	—	113.8
Adjusted EBITDA	$ 116.5	$ 30.9	$ (42.0)	$ 13.6	$ 119.0
Operating profit margin, as reported	-0.7%	5.8%			-2.5%
Adjusted Operating profit margin	2.6%	5.9%			0.3%
Adjusted EBITDA margin	8.7%	11.8%			7.4%

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

	Year Ended December 31, 2021				
	Subsea	Surface Technologies	Corporate Expense	Foreign Exchange, net and Other	Total
Revenue	$ 5,329.1	$ 1,074.4	$ —	$ —	$ 6,403.5
Operating profit (loss), as reported (pre-tax)	$ 141.4	$ 42.0	$ (118.1)	$ 338.0	$ 403.3
Charges and (credits):					
Impairment and other charges*	80.9	1.9	3.0	—	85.8
Restructuring and other charges	19.8	5.7	2.6	—	28.1
Income from investment in Technip Energies	—	—	—	(322.2)	(322.2)
Subtotal	100.7	7.6	5.6	(322.2)	(208.3)
Adjusted Operating profit (loss)	242.1	49.6	(112.5)	15.8	195.0
Depreciation and amortization	317.2	64.8	3.4	—	385.4
Adjusted EBITDA	$ 559.3	$ 114.4	$ (109.1)	$ 15.8	$ 580.4
Operating profit margin, as reported	2.7%	3.9%			6.3%
Adjusted Operating profit margin	4.5%	4.6%			3.0%
Adjusted EBITDA margin	10.5%	10.6%			9.1%

*Includes $36.7 million impairment relating to our equity method investment.

Exhibit 9

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

	Year Ended December 31, 2020				
	Subsea	Surface Technologies	Corporate Expense	Foreign Exchange, net	Total
Revenue	$ 5,471.4	$ 1,059.2	$ —	$ —	$ 6,530.6
Operating loss, as reported (pre-tax)	$ (2,815.5)	$ (429.3)	$ (131.9)	$ (40.2)	$ (3,416.9)
Charges and (credits):					
Impairment and other charges	2,854.5	419.3	—	—	3,273.8
Restructuring and other charges	52.9	13.2	4.3	—	70.4
Direct COVID - 19 expenses	50.1	7.7	—	—	57.8
Purchase price accounting adjustments	8.5	—	—	—	8.5
Subtotal	2,966.0	440.2	4.3	—	3,410.5
Adjusted Operating profit (loss)	150.5	10.9	(127.6)	(40.2)	(6.4)
Adjusted Depreciation and amortization	316.4	70.1	17.1	—	403.6
Adjusted EBITDA	$ 466.9	$ 81.0	$ (110.5)	$ (40.2)	$ 397.2
Operating profit margin, as reported	-51.5%	-40.5%			-52.3%
Adjusted Operating profit margin	2.8%	1.0%			-0.1%
Adjusted EBITDA margin	8.5%	7.6%			6.1%

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

	December 31, 2021	September 30, 2021	December 31, 2020
Cash and cash equivalents	$ 1,327.4	$ 1,034.0	$ 1,269.2
Short-term debt and current portion of long-term debt	(277.6)	(282.2)	(624.7)
Long-term debt, less current portion	(1,727.3)	(1,973.6)	(2,835.5)
Net debt	$ (677.5)	$ (1,221.8)	$ (2,191.0)

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.

Exhibit 11

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

	Three Months Ended December 31,	Year Ended December 31,	
	2021	2021	2020
Cash provided by operating activities from continuing operations	$ 483.5	715.0	772.4
Capital expenditures	(60.5)	(191.7)	(256.1)
Free cash flow from continuing operations	$ 423.0	$ 523.3	$ 516.3

Free cash flow (deficit) from continuing operations, is a non-GAAP financial measure and is defined as cash provided by operating activities less capital expenditures. Management uses this non-GAAP financial measure to evaluate our financial condition. We believe from continuing operations, free cash flow (deficit) from continuing operations is a meaningful financial measure that may assist investors in understanding our financial condition and results of operations.

TechnipFMC