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EDITED TRANSCRIPT

TechnipFMC PLC at Sanford C Bernstein Strategic Decisions
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Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

PRESENTATION

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

Good morning, and good afternoon. Thank you for joining Bernstein's 17th Pan European Strategic Decisions Conference. I'm Nick Green, analyst covering Global Oil Services here at Bernstein. I'm delighted to introduce Catherine MacGregor, President of Technip Energies.

Catherine began her career at Schlumberger, where she remained for 23 years, initially as an engineer and later in a series of leadership positions, including President of the Drilling Group and President of the Characterization Group.

She joined TechnipFMC in July 2019 as President of New Ventures before becoming President and CEO elect of Technip Energies earlier this year.

A quick reminder to our viewers of the format. Catherine will present now for 5 to 10 minutes to give an overview of TechnipFMC and Technip Energies and maybe touch a little bit on the investment case. We'll then spend 30 to 35 minutes discussing the business and taking questions from the audience. For interactive Q&A, you'll see a link on the left-hand side of your screen called Join Live Q&A. When you click that link, it will open up a new window in your browser. You can submit your own anonymous questions in the box at the top, and you can also vote on questions submitted by others using the triangle next to the question. If you please go ahead and click on that box now, feel free to start dropping any questions in there. We'll make sure we include them and tailor them into the conversation.

Secondly, we are collecting a live poll of investor sentiment for each company at conference. There's a link to access this on the left-hand side of your screen, share and view investor sentiment.

At the conclusion of our session today, I'll ask you to take a minute or 2 to poll your views of Technip Energies, and you'll then have access to investor community sentiment on the same.

And finally, if you experience any technical difficulties, please reach out to your sales contact, the corporate marketing or to the dedicated conference helpline.

With that, I'll turn over to Catherine to get us underway.

Catherine MacGregor *TechnipFMC plc - President of the Technip Energies*

All right. Thank you very much, Nick, and good afternoon, good morning, good evening, everyone. I'm going to start by thanking our cost, Nick, yourself and the entire Bernstein team. Very excited to be presenting to you today. Appreciate also the opportunity to provide you with the update on TechnipFMC.

I'm going to start with a very brief overview of the company. We are a global leader for the energy industry. We deliver products, technologies and services with 1 overarching vision to enhance the performance of the works at the industry. We are listed on both the New York Stock Exchange as well as Euronext Paris.

We have 3 global business units: Subsea, where we have extended our leadership in the manufacturing and the installation of the Subsea production equipment with the introduction of the industry's only fully integrated Subsea model. We have Technip Energies, where we combine our leading engineering and construction management capabilities with our technology and the know-how to execute some of the world's largest and most complex projects. And we have Surface Technologies, where we have leading market positions and integrated solution in field proven equipment and services from the wellhead all the way to the point of sales.

With over \$13 billion in total revenue over the trailing 12 months and operations and employees across 48 countries, we are absolutely a global company.

Against the backdrop of a very challenging market, TechnipFMC continues to execute well. We have swiftly adapted to the changing market environments. We have accelerated the transformation of our business to unlock new possibilities for our customers in both developing their energy resources and also meeting their carbon reduction ambitions.

We have made solid progress in those 3 core areas that you're seeing on the slide: The first one around strengthening our balance sheet; second, around progressing our backlog scheduling; and third, accelerating our business transformation.

And if I start with the balance sheet, we have nearly a \$7 billion of cash and liquidity to help us navigate what continues to be challenging times. And this includes an increase in our liquidity of \$1.2 billion that was secured during the second quarter.

If I look now at our backlog. At the end of the second quarter, we had nearly \$21 billion of total company matter and approximately \$15 billion of that is scheduled for 2021 and beyond. And this obviously provides us with a significant revenue visibility for future years.

Notably our second quarter ending backlog does not include the recently announced Subsea iEPCI award for the Mero 2 project from Petrobras.

The resilience of our backlog and our ability to secure future projects, driven by a very strong client relationship and direct awards provide us flexibility as we reshape our business to thrive beyond 2020. We continue to progress our business transformation through a series of both operational and financial actions. And these initiatives are driven by changes and opportunities created from the successful introduction of new business models, innovative technologies and also digital solutions pretty much across all of our businesses.

We have global actions underway to generate annualized run rate savings in excess of USD 350 million by year-end and we have already actually achieved a significant portion of the savings.

On our second quarter earnings call, we issued 2020 guidance for all 3 operating segments, and we remain confident in this outlook. We continue to expect an increase in total company revenue in the second half, largely supported by backlog. Importantly, we already exceed the low end of our revenue guidance range for both Subsea and Technip Energies when considering our first half reported revenue and our backlog scheduled for execution in the second half of the year. And for Subsea, this includes the Subsea services revenue, which is anticipated for the remainder of the year.

So it's a really resilient backlog, which provides us confidence in our revenue assumptions as well as visibility on margin progression. In Subsea, for example, we expect EBITDA margins to improve in the second half of the year, supported by increased clarity we now have from our customers regarding project scheduling.

We will also benefit from higher operating efficiency due to less impact on COVID-19 and the continued return to more normalized operations as well as additional cost reductions. In Technip Energies, our EBITDA margin reflects the strong contribution from the Yamal LNG, which more than offset the impact from growth in the early stage projects, such as Arctic LNG 2. These projects tend to carry a more conservative margin profile at this stage of the project cycle.

Turning to Surface technologies. The anticipated revenue decline in 2020, primarily driven by the sharp reduction in operator activity in North America, has been moderated by favorable business mix outside of North America. We continue to anticipate that revenue outside North America will represent around 60% of total Surface technologies revenue for the year. And aggressive cost-reduction activities are expected to provide sustainable benefits, particularly in North America, where we anticipate EBITDA to be positive for the full year.

This operational momentum should also drive strong cash generation in the second half of the year, supported by our expectation for the increase in total company revenue as well as the increase in total company adjusted EBITDA at the midpoint of our full year guidance.

And taken together, this provides us the confidence that we will meet our full year free cash flow guidance of up to \$150 million.

Now let me turn to the energy transition, where there is 1 overarching paradox. How does the world meet rising demand for energy, while at the same time, decarbonizing the global energy system. The energy industry is responding by laying out ambitions to reduce emission, with many pledging to become net 0 carbon companies by decarbonizing their oil and gas production and increasing their exposure to clean energy solutions. And with growing emphasis being placed on decarbonization from our communities and the capital markets, the industry is progressing efforts on a more accelerated timelines, TechnipFMC included.

That is for sure that no one has all the answers today. But we strongly believe that TechnipFMC has the core competencies and capabilities needed to successfully assist in this transition.

We have a strong culture of engineering, technology and innovation and project execution that demonstrate our ability to adapt and stay at the forefront of our industry. This makes us an ideal partner to transition with our customers. We will help them to decarbonize the oil and gas production over time, while also delivering sustainable energy solutions. And we have many lower carbon solutions today, in Technip Energies, this is evident. We are growing businesses in biofuels, biochemicals, in secular economy, to name a few.

In Surface technologies, we offer high-efficiency solutions that enable our clients to reach hydrocarbons faster with fully optimized and environmentally combat system, an integrated production system, high production, allows for the capture of over 50% of the greenhouse gases that are typically released into the atmosphere during the production phase of an interventional development.

We also know that natural gas has absolutely a critical role to play in the transition story, and we will leverage our leading capability to capitalize on the positive outlook we continue to see for energy both in Technip Energies but also in Subsea.

Next, we have strategic decarbonization initiatives across the whole portfolio that have the potential to deliver new, sustainable solutions to our clients. And here, we will leverage our core competencies in engineering, manufacturing and project management, skills that are transferable and can be applied beyond the traditional market segments.

For Subsea, our vision includes all-electric system powered by renewable energy. This will further simplify the Subsea infrastructure and reduce, if not eliminate environmental visions. And we will also leverage our extensive automation and robotic expertise to further enhance the economy, and environmental attractiveness of our offering.

Longer term, we see exciting potential in carbon-free opportunities, notably in the area of hydrogen where we already have proven technology along list of references for blue hydrogen and are well positioned for the emerging markets of green hydrogen as well.

So we firmly believe that TechnipFMC is and will remain a highly relevant player in the energy transition. And our equities across all segments will support our clients' efforts to meet the carbon reduction ambition.

And finally, I'm just going to leave you with these key takeaways that you can see on the slide, but I also won't -- before I pass it on to Nick for the Q&A session.

Just to give you a brief update on our planned separation into 2 diversified pure-play companies. The decision to postpone the transaction to spin-off Technip Energies earlier this year was obviously very difficult, particularly that we were at the last stage of the separation activities. So I just want to reaffirm that the strategic rationale for the transaction remains unchanged.

We continue to believe it is the right move for our company, for our customers and for our shareholders, and the Board and the management team is fully committed to the separation.

Thank you for your interest in TechnipFMC. I will pass on to Nick now to facilitate the Q&A session.

QUESTIONS AND ANSWERS

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

Fantastic. Thank you very much, Catherine. That was a very useful introduction. We're going to split our time halfway talking through your operations of Technip Energies and halfway talking through strategy and looking forward. But maybe as a right point to start as just an introduction. Clearly, coronavirus has been tough for the world, and the falling oil price has made it extra tough for the oil sector. But it's not all negative. For some businesses in oil and gas, there are positive structural shifts that may come out of this.

Maybe as an introduction, can you talk through if you think there are any positive changes you've observed in the world of oil and gas, and opportunities that you suspect may be opening up?

Catherine MacGregor *TechnipFMC plc - President of the Technip Energies*

Yes, sure. Thank you, Nick, for the questions. I think it is a good question. I would say, as I'm sure a lot of people would say that, obviously, key priorities during this crisis was the health and the safety of our employees, our partners and contractors. And I think the company has spent a lot of bandwidth, making sure that, that was continuing to happen.

At the same time, I would just say my admiration for the resilience that our workforce, our employees have shown and demonstrated through the design. And I think hearing from customers and from partners, I do think that it's a bit true across our industry. Resilience is really the word that comes to our mind. Resilience to continue to progress the projects across pretty much all of our portfolio, managing and overcoming the challenges as they were presenting themselves.

I would say, obviously, on the engineering side of Technip Energies, the work does lend itself quite messy to working from home. But still, there are a lot of touch points, a lot of interactions between project team members. And so the teams had to reinvent the way they were working.

And what I can say is really amazingly, some of these changes are for the good. And these changes now have wired in the way we will work in the future.

In certain centers, for example, which are still very much remotely working, we have seen today productivity that we have not seen in the past, ever before. And this is people because people were forced to change and finding ways to work, which happens to be actually more efficient than the old way. So that's some of the things that obviously makes me excited.

And I can also talk a little bit about the whole domain of remote inspection. We realized that with our suppliers, with our customers, there was a lot of trips that we were doing to actually go and check something. And all of these things now can be done remotely. Obviously, it takes a bit of the technology. It takes a bit of the trust also to be established. But when everybody puts their acts to it, it's really amazing, the number of solutions.

I would also maybe just a side comment on the way we also manage safety. A lot of our HSC management culture is a lot of being on the ground and leadership business and really connecting with the. So here also, we had to find solutions for not being able to go and see the construction side, for example. So we have introduced a lot of the HSC virtual workarounds to try and remain connected with the people to have those HSC focused discussions, which we have done. It's not quite the same thing. I'm not going to tell you -- it's not quite the same to be visiting a shipyard remotely and it's better than nothing.

And so just a long and wide banner of solutions. But I would say a lot of the things I've just talked about, I'm very likely to stay with us forever. And I think that's for the good.

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

That's encouraging. That's good. Let's talk then about the spin-off, to begin with. You summarized a little bit of the rationale again just a few minutes ago in your prepared remarks. But investors are -- they are very interested in this. They're keen to understand more. Maybe

for the benefit of our listeners as much as anyone else. Can you summarize again the rationale for why TechnipFMC is spinning off Technip Energies? You mentioned your customers as part of the reason, part of the business outlook as well. Maybe just summarize that rationale again?

Catherine MacGregor TechnipFMC plc - President of the Technip Energies

Yes, sure. So when we announced the intention to spin-off, it was at the end of August last year. And indeed, we presented a number of what we sell, where strong strategic drivers for the separation. And when we look at them today, we really feel that they are very, very much valid. And the whole idea was to say, well, these businesses actually have very little in common. In fact, the business units today are run very separately. Obviously, we get on well together. There is good dynamics. But truly, the business units are run quite autonomously and separately. So that's 1 reflection on that.

Their customer base is also very different. Sometimes even in all major will be an important customer for TechnipFMC. We would go and see different people if it was to talk about Technip Energies' business or if it is to talk about, for example, a Subsea project. So very different customer base.

The markets are also growing quite separately. If you look at Subsea, obviously, it's a pure upstream player. In the case of Technip Energies, very squarely, we see LNG as a key growth opportunity. We are also looking at the whole downstream arena. And in the downstream arena, we're really very focused on energy transition opportunities.

So everything around transformation with potentially agnostic feedstock we are in. Obviously, biofuel, biodiesel, recycling. These are -- tend to be operations, customers type of activity, which are very, very different from what you would find in the upstream.

So the market that we see, diverging more and more. I would say also in terms of capital resource requirements, also very different. Technip Energies has an asset-light profile, very different. Obviously, Subsea has vessels and equipment, so manufacturing capabilities. So very different from also a capital allocation standpoint.

So when you look at this long list of differences, you kind of realize, well, these businesses are not necessarily much in common. But I think on top of that, what we find is that each one in their own way has market opportunities and potential development that would be better realized separately.

And here, I'm thinking, for example, in the case of Technip Energies, opportunities to grow further and reach our process technology portfolio. Process Technologies, very interesting business within Technip Energies, which has sometimes proprietary technology. And when you think about some of the opportunity of energy transition, you realize that technology is going to play big role. And so to have a platform which -- where we can build on is very exciting.

And so we feel that this opportunity will be best realized separately. And so some of the reasons and background behind the decision to separate the business.

Nicholas James Green Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst

And I appreciate if there's anything market sense you can't discuss to us. But help help us us think about potential timeline about thoughts about when the new prospectus may be able to come through. You were quite -- your degree of separation was quite a long way longer along the road, as you say, back in March time. So how would you like investors to be thinking about the time frames of this separation?

Catherine MacGregor TechnipFMC plc - President of the Technip Energies

Yes. Obviously, what we've said, and that continues to go true is that we have commitment, support from the Board, from the management team that the speed the separation continues to make sense. What we also said is that because we were quite ready, and because we have maintained, if you like Technip Energies, what I call, transaction-ready. And because we've also maintained some of the financials current. So through the prospectus, not going to go to the going details of the formality, but the prospectus does require us to report our financial was under a special format. And so that format is being kept current.

So a lot of the work that were done for the time frame we had originally continues to be done so that we are very much transaction made. And by that, we mean that from the time we announced to the time we performed the operation, we are quite comfortable that we can do that in 90 days, 9-0 days.

Yes. So that's really to give you a feel of the level of readiness and also, of course, understanding that the uncertainty is -- it will be good when we lift it. And so to be able to do the transaction quickly is important, and we've heard that.

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

But is it fair to say you still feel market conditions are perhaps not optimal for thinking about this transaction yet?

Catherine MacGregor *TechnipFMC plc - President of the Technip Energies*

We think about this transaction every day. But we're not ready to put a timetable yet in front of you.

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

That's fine. That's fine. Since it is an important topic, just 2 more on the spin-off, please. One is, how would you like investors to think about the right mix of debt and equity for the business? Again, we're not looking for specific numbers. You mentioned it yourself that the RemainCo, TechnipFMC tends to have -- we'll have more assets than Technip Energies will have in terms of vessels, et cetera. So how would you like to think of -- how would you like investors to think about the -- I guess, we're talking about the capital structure or what Technip Energies may look like?

Catherine MacGregor *TechnipFMC plc - President of the Technip Energies*

Yes. You're right. You're right to highlight the fact that these businesses are fundamentally very different. All the things you said, 1 has assets, the other one, doesn't, et cetera. And so you should think about the capital structure of these businesses to be quite different and unique. And so you would think, a., Technip Energies to be typically net cash and typically, you would see TechnipFMC new perimeter or new TechnipFMC, we need composition of assets to be able to carry a bit more debt.

And so that's some of the differences you would expect when we -- and obviously, we'll give the community much more color and details on their respective balance sheet, but that's the type of differences you would expect to see at this time.

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

That's very clear. A question also here from the audience. Are you able to talk about the distribution commitment of FTI or more importantly, how a potential distribution policy might look for Technip Energies?

Catherine MacGregor *TechnipFMC plc - President of the Technip Energies*

Look, it's really a bit early. Obviously, as you know, capital allocation and particularly dividend policies need to be discussed and approved by the new Board of Technip Energies. So it's a little bit early for me to discuss it. And this is really something that I look forward to be able to do that once we have the clock ticking again.

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

I understand. I completely understand. Okay. Let's talk a little bit about the competitive landscape, again, from the perspective of Technip Energies. What do you see as the main competitive opportunities and challenges facing Technip Energies after the spin off? What do you see as your main strengths and competitive advantages there?

Catherine MacGregor *TechnipFMC plc - President of the Technip Energies*

Yes. I mean it's interesting. When you look at some of the engineering players and engineering and construction players, you see quite a bit of movement these days, showing that the talent to execute in some of the big and complicated projects in our industry is not something that is necessarily a given for everybody.

And so we've been thinking a lot about that, and we really feel that execution is a key differentiator for Technip Energies. And this is something that we don't take lightly. We we make sure it's hard coated, quoted hardwired. It doesn't depend on any 1 person or it's really

something that is very much fundamental to who we are. And we do think that this continues and will be more and more very, very big differentiator.

We actually see that in some of the discussions we have with customers. Today, 2020, a difficult market by everybody, we're still getting calls from customers to add Technip Energies to come to the table for some of the projects they have to deliver. Because of that execution quality label that we have, we like the credibility we have.

So that is something which is very distinct. I would say, particularly if you look at the LNG market, and the ability to deliver those large LNG complex project in sometimes complicated places, the number of able contractors in that landscape is actually very small.

So very big strength of Technip Energies is differentiated. And that I think is going to be a great spring mode, if you like, for a company like us to start independence. And it's reflected in the quality of our backlog. I've talked about TechnipFMC backlog but for Technip Energies, Q2 2020, we have USD 13.1 billion, gives us a nice visibility also 2021 and beyond. A big chunk of that backlog continues to be LNG project. For which, again, we are so differentiated. So we like the quality of this backlog.

And I'd say maybe if I look at the perspective for Technip Energies is really all around the energy transition prospect. I mean, we are so well positioned in the mix. And when you think about, for example, our capability in hydrogen today, so yes, it is largely great hydrogen. So we've installed 217 plants in the world of hydrogen for the past decades. 50 of them were already have been retrofitted with carbon capture units, which make them Blue Hydrogen. So today, we have a commercial proven Blue Hydrogen offering, which when you look at industrial hydrogen application, Green Hydrogen is still very, very very challenge.

So if you look at today, we are very, very strong in Blue Hydrogen. And we are obviously super excited about the prospect of Green Hydrogen and what will be needed to have Green Hydrogen in industrial conditions. And here, again, we think that we have a role to play, either through technology, or at least to our ability to architect and integrate large systems and optimize them with others.

So loads -- and that's quite unique. By ability to do large energy projects, at the same time, we are a leader in hydrogen. If you put all this together, you see that our equity story is both strong and distinctive.

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

Maybe we should keep talking about hydrogen a bit. That's an interesting topic. You do have a large, long list of credentials in that space. Are you seeing much change in the way your customers are approaching hydrogen projects? Do you see that as a large market opportunity for you? Or is it a case that it's actually been there quite a while. You've been a major player in it, and it's just about communicating to investors that you have this market position?

Catherine MacGregor *TechnipFMC plc - President of the Technip Energies*

Yes. It's a great question. So we have a traditional hydrogen market, which is strong. And now we have everybody that wants to try and talk about hydrogen. So all of the others that we are not a traditional market. So it's all incremental, which is absolutely fantastic.

And what also is very interesting is that our customers are really, really -- I mean, they're learning. They don't have necessarily the expertise. And sometimes, they're looking at opportunities to bring hydrogen to some of their operations.

So we, for example, are talking with customers about what you can do with hydrogen on big LNG operation. And when you think about it, there are not many companies that can do propose hydrogen and LNG integration to help decarbonize operations. There are not that many companies at all.

And so we're having this discussion with our customers. So that's very, very exciting, really exciting. And yes, so big opportunity there.

What's also interesting for us is that we see existing hydrogen customers, so it's more on the downstream side. You have the big major companies that IOCs that are doing the shift and this is very good because it's the same people that we talk to that now certainly want to talk about hydrogen. So we have already the relationship. So that's extremely exciting.

And then the other type of discussions we have on hydrogen tend to be more what we call the green tech. So we're really looking here at people who are potentially developing the technologies. Sometimes just literary startups, but they have no way to make those technology a reality in the industrial landscape. They don't necessarily have all the engineering capability, but definitely don't have the procurement or the access to the supply chain, let alone the ability to supervise construction.

And so here you have a superb combination that we bring and can help and nurture some of these green tech or start-ups. And as you know, the green hydrogen technology is going to be very important. So we have a whole landscape. And for us, it's really an incredible playground. So we've organized ourselves. We've created a product line with obviously head of hydrogen to make sure that we're really looking at the whole spectrum of opportunities.

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

Would it be fair to say that you see hydrogen as your best energy transition market opportunity? You mentioned in your slide earlier that you feel there may be a role in places like offshore wind or draw was TechnipFMC as opposed to Technip Energies. But is hydrogen your main opportunity, you feel?

Catherine MacGregor *TechnipFMC plc - President of the Technip Energies*

It's -- I would say, hydrogen, it's a fantastic opportunity. I would not dismiss a sustainable chemistry capability. What we do on biofuel, it's really amazingly close to what we do normally. So that's sustainable chemistry, you transform things and it's just a feedstock that is changing.

And if you look at the work we do with Neste, a biofuel refinery expansion, we do. For example, in Singapore, if you look at a picture of that work, you will not make the difference between this and normal refinery. So it's exactly the same.

So the sustainable chemistry for us caused an exact competencies, exact track record as we have before. So it's really a sweet spot.

And what's happening in the refining works today, Nick, is as I'm sure you know, there is quite a bit of refinery today that are underused or even idle. Operators are looking forward to the opportunity to convert some of them to biofuel capability. And so obviously, this represents a significant opportunity for us for sure. So in example, biofuel its important, sustainable chemistry. Talk a bit about -- sorry, biochemicals and recycling.

So we also have, in the world of transformation through our process technology, the ability as you know, to transform from monomer to polymer, we are like to go back to monomer requires transformation again, technology, and this is, again our playground. So sustainable chemistry is another big thing for us.

And you've talked about offshore win. And I agree with you, it's a significant opportunity for TechnipFMC. On the Subsea side, potentially the installation.

I think on Technip Energies, what is going to be very interesting is the ability to design complex offshore structures. Potentially also mooring systems can be also very interesting. We have, obviously, expertise there. So here, I'm thinking obviously more about floating wind, but that could be an opportunity for us in the future.

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

It's exciting. That's good. It's good for investors to hear it too. It's not just traditional E&C. This is an evolving place.

Okay. A couple of questions come in on the -- from the audience, but also on our question list. Probably about how you would like to be risk managing, managing risk for TechnipFMCs. And clearly, some very large projects. And maybe the right way to start it is to talk about Yamal. No discussion with Technip is complete without talking about Yamal. Can we start off with why was Yamal such a fantastically successful project? And in your view, how can we best replicate those benefits on your new other and new projects?

Catherine MacGregor TechnipFMC plc - President of the Technip Energies

Yes. So I can brag a little bit because I was not there, Nick, right? So allow me to brag because it's true that Yamal has been an extraordinary project on absolutely many dimensions, in terms of volume, the number of tons of modules that were elected. I mean, the conditions, the remoteness, it was the first of its kind. The capacity with this 3 train, 16 something million tons per annum. Just amazing project in terms of scale and geography, et cetera.

And I think it is -- the reason why I would say, it was successful, is obviously because we were able to execute. So we put our best team, we put our best processes, project management, just that level of attention to details that is so specific to Technip Energies, and I've never seen ever before. The way people monitor the progress of every single aspect of the project, having planned A, B, C, D, making sure that they have a right amount of float when they look at to schedule that piece of equipment versus that piece of equipment and how they schedule all their arrival at every piece to make sure that it coincides with the work front on the fabrication side or the module for that yet. It's just amazing.

The ability to manage the complexity and make sure that all the cases fall in place. It is amazing, real execution machine that we have.

Now it is true that Yamal was the first of its kind and so I want also to give credit to the team that was working on the commercial terms of Yamal. And because it was the first of its kind, it was a very risky project. Very risky project means that you do have to carry a certain amount of contingencies.

And so here, you have an association of a first of its kind, a project that was indeed seen as risky, and therefore, had the right commercial model. You have absolutely flawless execution. Actually, the third trend was commissioned and started 1 year early. Amazing. I mean you don't see big industrial projects ever being early to you. I mean it's rare.

And so of course, that combined with the contingency that were in line with the risk profile, then it was financially turned into such a success. So very special.

Obviously, I'm sure the next question is going to be, well, is every project like that? I'd say not every project is the first of its kind. With Arctic LNG 2, we almost in contrary, benefiting from the continuity. If you remember, Arctic LNG 2, we announced it mid in July last year, and we started to recognize revenue in Q3. We know the team literally ramped up the project in the continuity of Yamal.

So we're benefiting from all these learnings, and that execution is execution machine continues to be there. Obviously, the financial profile of the project, while we're very pleased with the Arctic LNG 2 financial profiles, but we cannot expect it to be another Yamal. It's much -- it's not a first of its kind.

Nicholas James Green Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst

That's fine. And there is probably a flip side to the success of Yamal. And this is a question that's come in from the audience. Management communication of E&C projects has not been overly strong since Technip and FMC, since the merger. Coming from a drilling background, how do you -- how do you intend to make sure this communication stays strong going forward?

Catherine MacGregor TechnipFMC plc - President of the Technip Energies

Yes. It's an interesting question. I would say we spend a lot of time on the road for the past years and we -- well, we do talk a lot when we speak to investors, we also try and decent. So we've heard a lot of that feedback. And we understand the need for much focus on how we explain the financials of our projects. And that's were heard and something that we're absolutely planning to integrate in the Technip Energies future communication.

The CEO elect for Technip Energies comes from the business. I just make that parallel because the question talked about my drilling background. So just to remind you, the team of Technip Energies, apart from me, coming from outside, everybody comes from within. So the expertise, the knowledge on the business is actually amazing. Amazing.

So we are sure that the expertise is there. And Phil and the whole team, we understand that need really well explain the way the financial on those big project work, and we will do our best to address that concern.

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

That's great. We probably have time for just 1 more question. And there's an interesting 1 here again, also from the audience. Are there business areas that you see an independent Technip Energies being able to pursue, which has not been possible as part of the TechnipFMC group?

Catherine MacGregor *TechnipFMC plc - President of the Technip Energies*

Yes. I obviously don't think -- I don't think about the opportunity of the separation that way. I don't see that as binary as that. I would just say that when you have a pure player, your capital allocation decisions are a little bit different than when you have a more of a conglomerate type of business.

So what I think of Technip Energies going forward, I think that our capital allocation decisions will be helped by some of the perspectives we see on the technology side, which within the more TechnipFMC might not have the same level of priority. And that's really what I'm looking forward to.

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

Yes, that's exciting. Well, I could ask you many more questions, and I'm afraid we've run out of time, though. So I think we'll close it there. Many thanks to our audience for their time today.

As a reminder, we are collecting a live poll of investor feedback on each company here at the conference. Please go ahead and click that link on the left of your screen now, sharing your investor sentiment. If you kindly complete your view on TechnipFMC, now you'll have access to the investor community sentiment on the same.

Catherine, many thanks, indeed, for taking the time to speak with us. That was a very interesting discussion and I hope the rest of your meetings go very well at the conference.

Catherine MacGregor *TechnipFMC plc - President of the Technip Energies*

Thank you so much for having me, Nick, and have a nice afternoon, everyone. Have a nice day. Bye-bye.

Nicholas James Green *Sanford C. Bernstein & Co., LLC., Research Division - Senior Analyst*

Thank you.

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