



# Q1 2022 Earnings Call Presentation

April 28, 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 statements 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, 2021 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.

# Q1 2022 Overview

## Operational Highlights and Financial Results

Doug Pferdehirt, Chair and Chief Executive Officer

Alf Melin, EVP and Chief Financial Officer

# Q1 2022 Operational summary

## Highlights

- ▶ Total Company inbound orders of \$2.2 billion; sequential backlog growth to \$8.9 billion
- ▶ Subsea orders of \$1.9 billion reflect breadth of operators, project scope and regional diversification
- ▶ Subsea experiencing improvements in pricing and contractual arrangements
- ▶ Energy security a global priority; sources of supply challenged by material and labor constraints

## Takeaways

**Completed sale of remaining ownership stake in Technip Energies** (April '22)

**~40% of Subsea inbound from smaller, unannounced project awards**

**Subsea opportunity list highlights \$20+ billion of larger projects (>\$250m)**

# Q1 2022 Financial results

## Sequential highlights

- ▶ Total Company adjusted EBITDA of \$154 million from continuing operations
  - ▶ Subsea results largely unchanged due to seasonal impact of weather
  - ▶ Surface Technologies results negatively impacted by transition to a new international facility, modestly offset by higher NAM activity and improved pricing environment
- ▶ Cash and cash equivalents of \$1.2 billion, net debt of \$802 million
  - ▶ Cash flow from operations of \$(329) million, free cash flow of \$(357) million
  - ▶ Normal working capital outflows in Q1; maintain FCF guide of \$175 million (FY midpoint)
- ▶ Targeting reduction of gross debt of up to \$400 million in the second quarter

**\$2.2B**

Inbound orders

**\$8.9B**

Backlog

**\$154M**

Adjusted EBITDA

**\$(357M)**

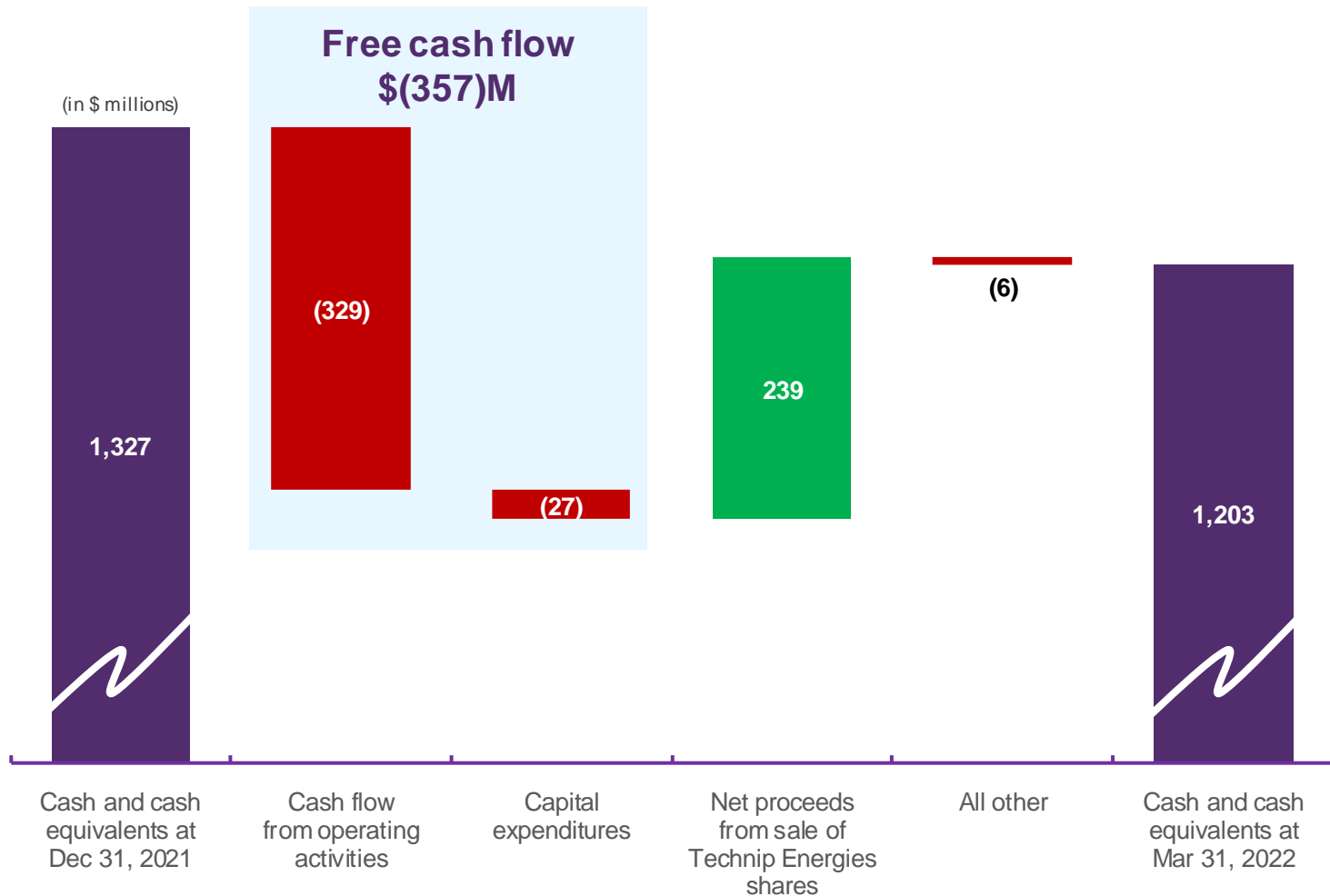
Free cash flow

## Segment results

Subsea	1Q22	4Q21	1Q21	QoQ	YoY
Revenue	1,289	1,236	1,387	▲ 4%	▼ -7%
Adjusted EBITDA margin	10.0%	10.0%	9.7%	0 bps	▲ 30 bps
Inbound orders	1,894	1,035	1,519	▲ 83%	▲ 25%
Backlog	7,741	6,533	6,857	▲ 18%	▲ 13%

Surface Technologies	1Q22	4Q21	1Q21	QoQ	YoY
Revenue	267	287	246	▼ -7%	▲ 9%
Adjusted EBITDA margin	8.2%	10.1%	11.0%	▼ -190 bps	▼ -280 bps
Inbound orders	291	1,072	203	▼ -73%	▲ 43%
Backlog	1,153	1,125	364	▲ 2%	▲ 216%

# Q1 2022 Cash flow and net debt



<b>Net Debt</b>	
<b>(In millions, unaudited)</b>	
	March 31, 2022
Cash and cash equivalents	\$ 1,203.0
Short-term debt and current portion of long-term debt	(281.8)
Long-term debt, less current portion	(1,723.3)
<b>Net debt</b>	<b>\$ (802.1)</b>

# 2022 Full-year financial guidance<sup>1</sup> *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

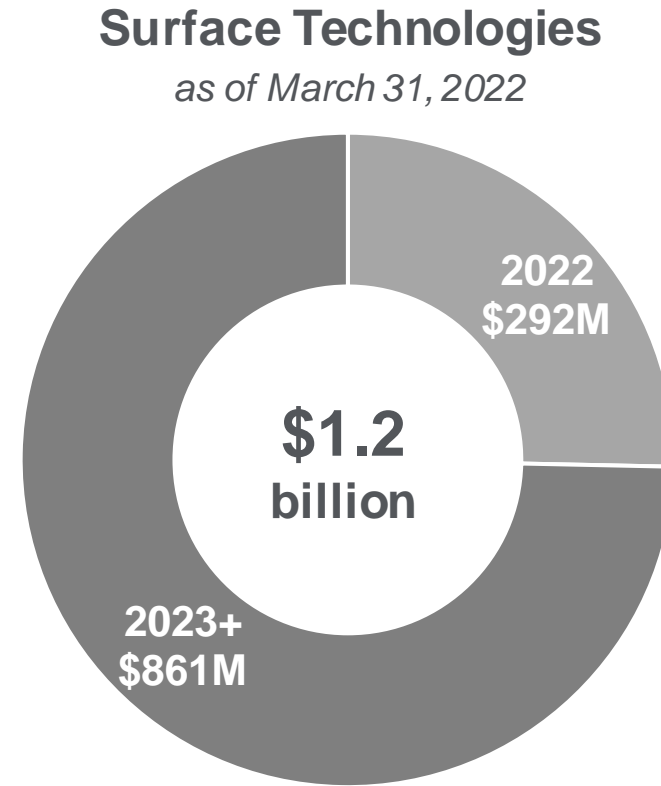
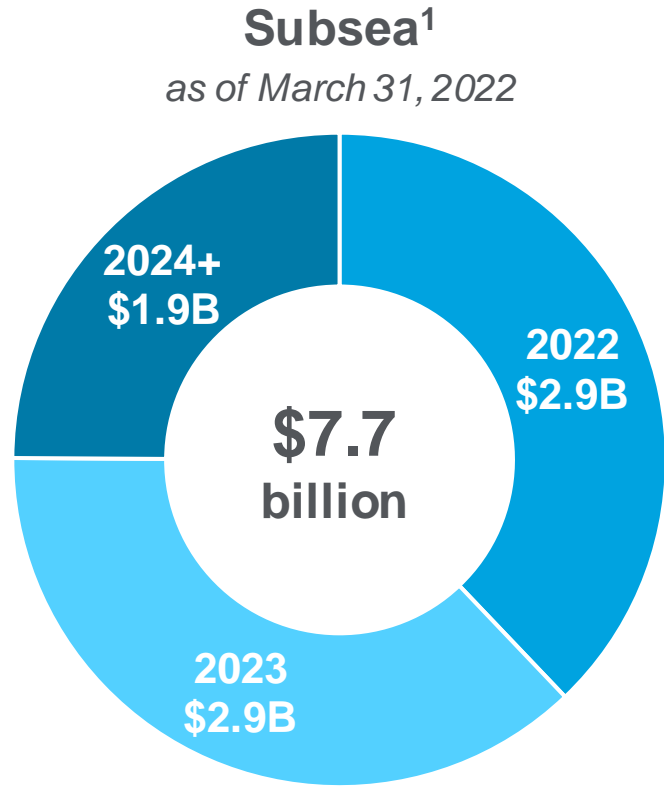
- ▶ **Corporate expense, net** \$100 – 110 million (includes depreciation and amortization of ~\$5 million)
- ▶ **Net interest expense** \$105 – 115 million
- ▶ **Tax provision, as reported** \$100 – 110 million
- ▶ **Capital expenditures** approximately \$230 million
- ▶ **Free cash flow**<sup>2</sup>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

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

<sup>1</sup>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.

<sup>2</sup>Free cash flow = cash flow from operations less capital expenditures

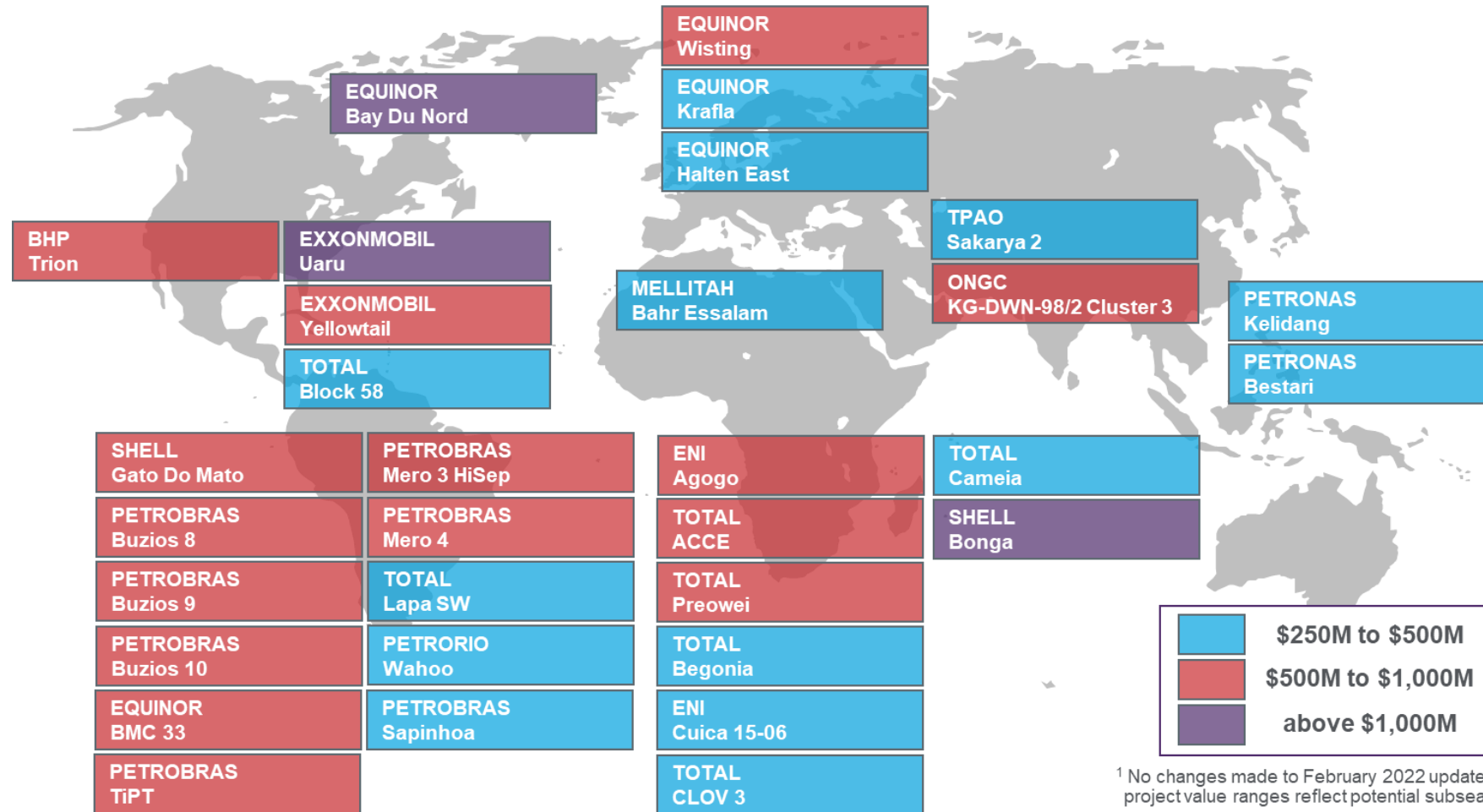
# Backlog scheduling provides visibility



<sup>1</sup> Backlog does not capture all revenue potential for subsea services



# Subsea opportunities in the next 24 months<sup>1</sup>



<sup>1</sup> No changes made to February 2022 update; project value ranges reflect potential subsea scope

# Appendix

# Glossary

<b>Term</b>	<b>Definition</b>	<b>Term</b>	<b>Definition</b>
CAGR	Compound Annual Growth Rate	iLOF™	Integrated Life of Field
CCS	Carbon Capture and Storage	LNG	Liquefied Natural Gas
ESG	Environmental, Social and Governance	MMb/d	Million Barrels per Day
FID	Final Investment Decision	Mtpa	Million Metric Tonnes per Annum
F/X	Foreign Exchange	NAM	North America
GHG	Greenhouse Gas Emissions	RCF	Revolving Credit Facility
GOM	Gulf of Mexico	ROIC	Return on Invested Capital
HP/HT	High Pressure / High Temperature	ROV	Remotely Operated Vehicles
HSE	Health, Safety and Environment	ROW	Rest of World
iEPCI™	Integrated Engineering, Procurement, Construction and Installation		
iFEED™	Integrated Front End Engineering and Design		

**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 first quarter 2022 Earnings Release also includes non-GAAP financial measures (as defined in Item 10 of Regulation S-K of the Securities Exchange Act of 1934, as amended) and describes performance on a year-over-year basis against 2021 results and measures. Net income, excluding charges and credits, as well as measures derived from it (including Diluted EPS, excluding charges and credits; Income before net interest expense and taxes, excluding charges and credits ("Adjusted Operating profit"); Depreciation and amortization, excluding charges and credits; Earnings before net interest expense, income taxes, depreciation and amortization, excluding charges and credits ("Adjusted EBITDA"); and net cash) are non-GAAP financial measures. Management believes that the exclusion of charges and credits from these financial measures enables investors and management to more effectively evaluate TechnipFMC's operations and consolidated results of operations period-over-period, and to identify operating trends that could otherwise be masked or misleading to both investors and management by the excluded items. These measures are also used by management as performance measures in determining certain incentive compensation. The foregoing non-GAAP financial measures should be considered by investors in addition to, not as a substitute for or superior to, other measures of financial performance prepared in accordance with GAAP. The following is a reconciliation of the most comparable financial measures under GAAP to the non-GAAP financial measures.

	Three Months Ended March 31, 2022						
	Loss from continuing operations attributable to TechnipFMC plc	Income attributable to non- controlling interests from continuing operations	Provision for income taxes	Net interest expense and loss on early extinguishment of debt	Income 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	\$ (42.3)	\$ 8.0	\$ 28.5	\$ 33.9	\$ 28.1	\$ 95.9	\$ 124.0
Charges and (credits):							
Impairment and other charges	1.1	—	—	—	1.1	—	1.1
Restructuring and other charges	(0.3)	—	0.2	—	(0.1)	—	(0.1)
Loss from investment in Technip Energies	28.5	—	—	—	28.5	—	28.5
Adjusted financial measures	<u>\$ (13.0)</u>	<u>\$ 8.0</u>	<u>\$ 28.7</u>	<u>\$ 33.9</u>	<u>\$ 57.6</u>	<u>\$ 95.9</u>	<u>\$ 153.5</u>
Diluted loss per share from continuing operations attributable to TechnipFMC plc, as reported	\$ (0.09)						
Adjusted diluted loss per share from continuing operations attributable to TechnipFMC plc	\$ (0.03)						

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(In millions, unaudited)

	Three Months Ended				
	March 31, 2022				
	Subsea	Surface Technologies	Corporate Expense	Foreign Exchange, net and Other	Total
Revenue	\$ 1,289.1	\$ 266.7	\$ —	\$ —	\$ 1,555.8
Operating profit (loss), as reported (pre-tax)	\$ 54.0	\$ 3.7	\$ (29.5)	\$ (0.1)	\$ 28.1
Charges and (credits):					
Impairment and other charges	—	1.1	—	—	1.1
Restructuring and other charges	(3.4)	0.5	2.8	—	(0.1)
Loss from investment in Technip Energies	—	—	—	28.5	28.5
Subtotal	(3.4)	1.6	2.8	28.5	29.5
Adjusted Operating profit (loss)	50.6	5.3	(26.7)	28.4	57.6
Depreciation and amortization	78.4	16.7	0.8	—	95.9
Adjusted EBITDA	\$ 129.0	\$ 22.0	\$ (25.9)	\$ 28.4	\$ 153.5
Operating profit margin, as reported	4.2%	1.4%			1.8%
Adjusted Operating profit margin	3.9%	2.0%			3.7%
Adjusted EBITDA margin	10.0%	8.2%			9.9%

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(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%

**TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES**  
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(In millions, unaudited)

	Three Months Ended				
	March 31, 2021				
	Subsea	Surface Technologies	Corporate Expense	Foreign Exchange, net	Total
Revenue	\$ 1,386.5	\$ 245.5	\$ —	\$ —	\$ 1,632.0
Operating loss, as reported (pre-tax)	\$ 37.0	\$ 8.2	\$ (28.8)	\$ 498.2	\$ 514.6
Charges and (credits):					
Impairment and other charges	15.7	0.1	3.0	—	18.8
Restructuring and other charges	4.0	2.7	—	—	6.7
Income from investment in Technip Energies	—	—	—	(470.1)	(470.1)
Subtotal	19.7	2.8	3.0	(470.1)	(444.6)
Adjusted Operating profit (loss)	56.7	11.0	(25.8)	28.1	70.0
Depreciation and amortization	78.4	15.9	0.9	—	95.2
Adjusted EBITDA	\$ 135.1	\$ 26.9	\$ (24.9)	\$ 28.1	\$ 165.2
Operating profit margin, as reported	2.7%	3.3%			31.5%
Adjusted Operating profit margin	4.1%	4.5%			4.3%
Adjusted EBITDA margin	9.7%	11.0%			10.1%

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(In millions, unaudited)

	<u>March 31, 2022</u>	<u>December 31, 2021</u>	<u>March 31, 2021</u>
Cash and cash equivalents	\$ 1,203.0	\$ 1,327.4	\$ 752.8
Short-term debt and current portion of long-term debt	(281.8)	(277.6)	(96.8)
Long-term debt, less current portion	(1,723.3)	(1,727.3)	(2,434.3)
Net debt	<u>\$ (802.1)</u>	<u>\$ (677.5)</u>	<u>\$ (1,778.3)</u>

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



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(In millions, unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Cash provided (required) by operating activities from continuing operations	\$ (329.4)	\$ 181.5
Capital expenditures	(27.3)	(44.2)
Free cash flow (deficit) from continuing operations	<u>\$ (356.7)</u>	<u>\$ 137.3</u>

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.

