FULL YEAR 2003 RESULTS

Technip

04
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Dow Jones
Sustainability
Indexes

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I.

2003: A SOLID YEAR FOR TECHNIP

1. ACHIEVEMENTS
2. BUSINESS DEVELOPMENT
3. FINANCIAL STRUCTURE
4. SHAREHOLDER VALUE

ACHIEVEMENTS

ORDER INTAKE	6,582 M€	+ 19 %
BACKLOG AT YEAR END	7,180 M€	+ 24 %
REVENUES	4,711 M€	+ 6 %
INCOME* FROM OPERATIONS (EBITA)	228 M€	+ 11 %
PROFIT* BEFORE TAX	176 M€	+ 31 %
PRE-TAX RETURN* ON EQUITY	9.5 %	+ 7 % (2002)

A significant set of achievements despite the sharp decline of the US dollar and specific difficulties encountered on a few "legacy" contracts

** Before Goodwill Amortization*

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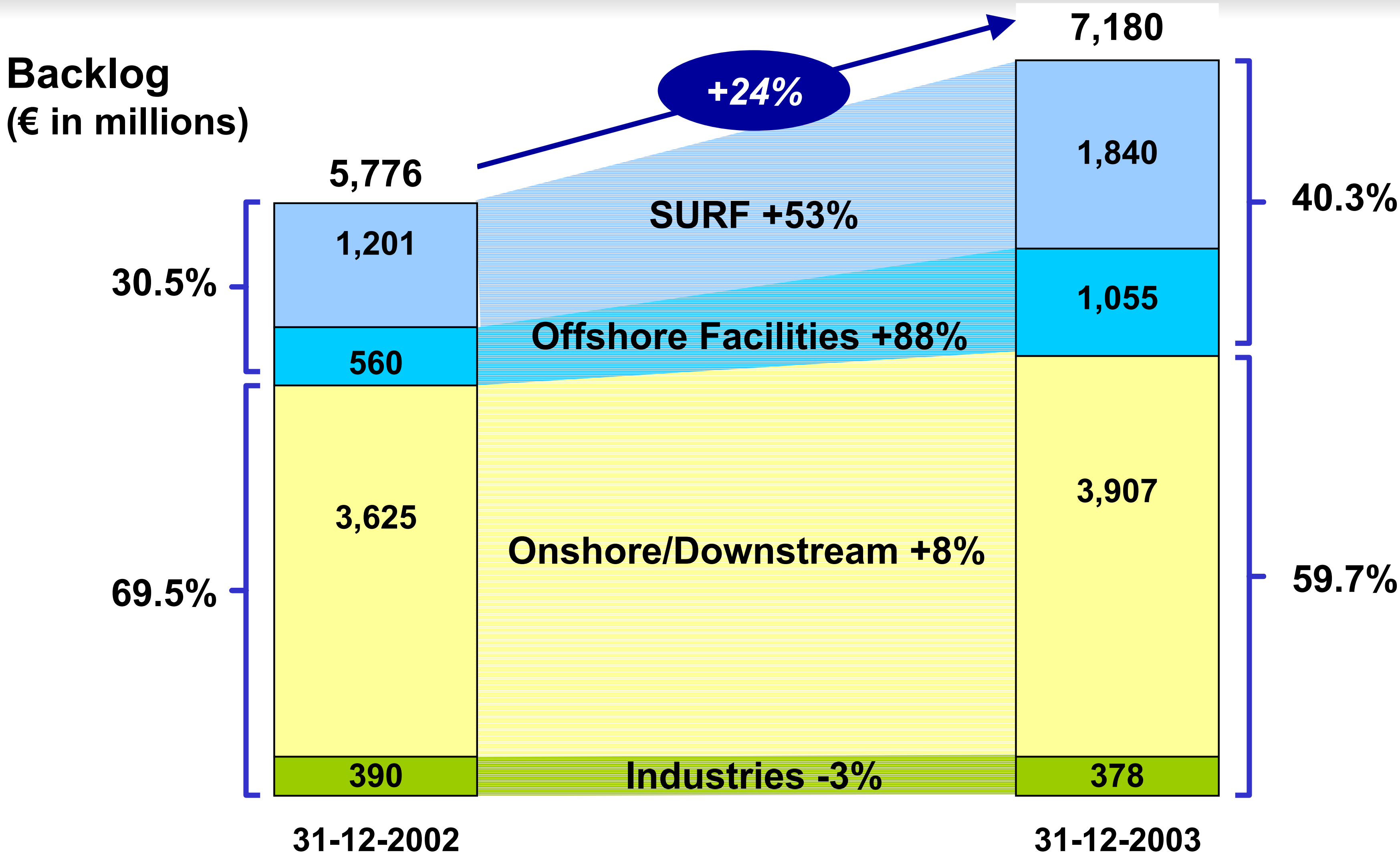
BUSINESS DEVELOPMENT



Backlog increase concentrated in higher value business (SURF, Offshore Facilities)
Better visibility: current backlog should generate €3.7bn revenues in 2004

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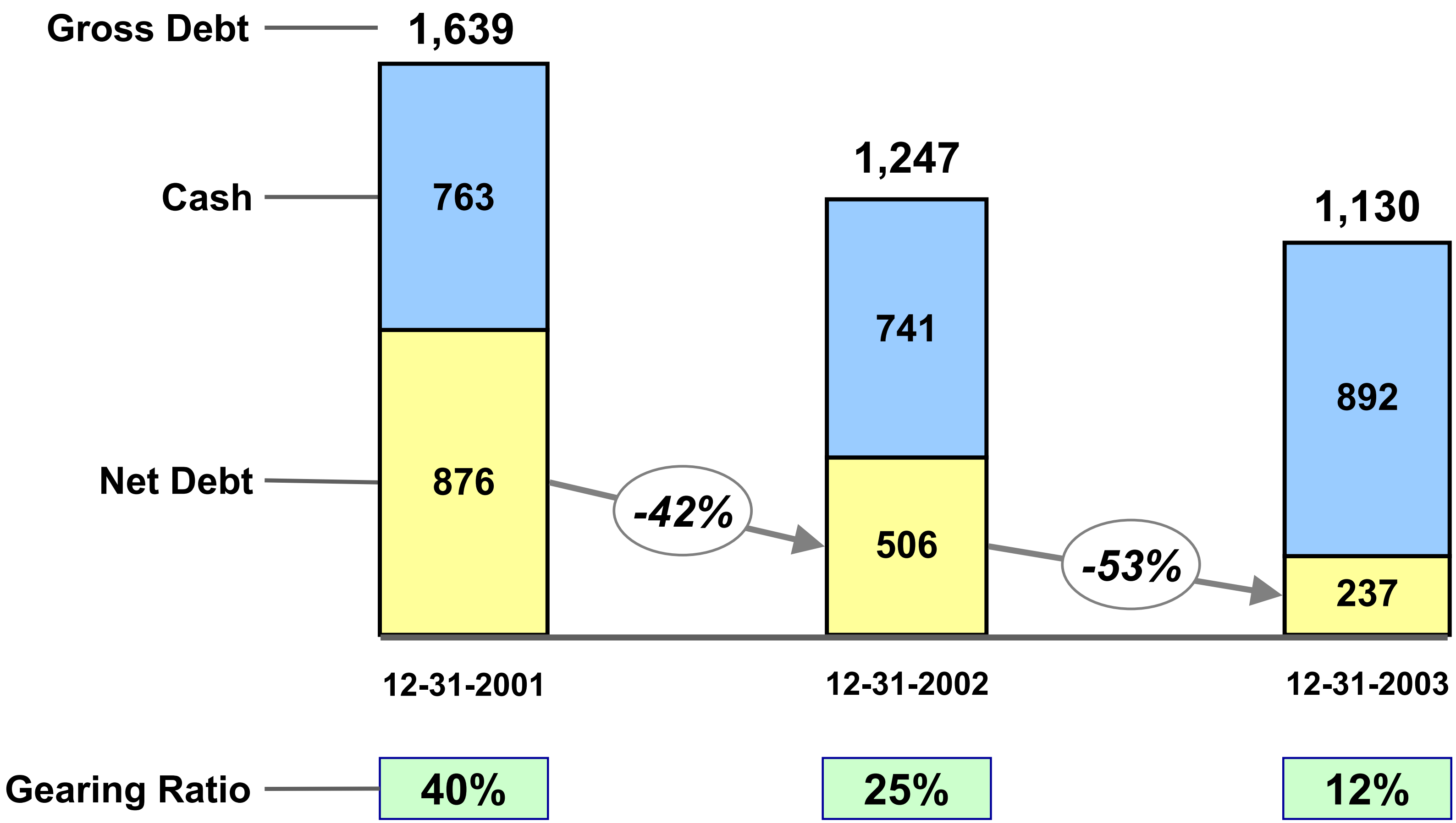
FINANCIAL STRUCTURE

€ in millions

Financial Debt

excluding convertible bond redemption premium



Net debt slashed by 3/4 in 2 years due to cash flow generation and sale of non-core assets

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SHAREHOLDER VALUE

TECHNIP POLICIES

- Stable dividend policy: current yield 3.1%
- New employee shareholder plan completed (331,614 new shares to be issued in March 2004)
- Buy back of securities (since early 2003):
  - 107,000 shares
  - 712,000 convertible bonds

MARKET FACTORS

- Large free float: 80% of issued capital
- High liquidity: average daily volume 116K in 2003 (235K YTD 2004)
- Coverage by international brokers: 28 firms (23 in 2001)

An active debt and equity management in order to limit potential dilution and enhance EPS on a sustainable basis

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II.

MAIN FIGURES

1. OFFSHORE ACTIVITIES
2. ONSHORE ACTIVITIES
3. SIMPLIFIED P/L
4. BALANCE SHEET
5. CASH FLOW STATEMENT
6. BOTTOM LINE LEVERAGE

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2003 OFFSHORE ACTIVITIES

€ in millions	SURF		+	Facilities		=	Offshore activities	
Order Intake	2,104	*+59%*		1,427	*+272%*		3,531	*+107%*
Backlog	1,840	*+53%*		1,055	*+88%*		2,895	*+64%*
Revenues	1,315	*+2%*		895	*+8%*		2,210	*+4%*
EBITA	97	*-15%*		45	*+232%*		142	*+12%*
margin	*7.3%*			*5.1%*			*6.4%*	

% = year-on-year change

A year of strong performance despite two difficult "legacy" SURF contracts:

- **Offshore order intake doubled**
- **Offshore EBITA grew 3 times faster than revenues**

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2003 ONSHORE ACTIVITIES

€ in millions	Onshore and Downstream		+	Industries		=	Onshore activities	
Order Intake	2,666	*-20%*		385	*-27%*		3,051	*-21%*
Backlog	3,907	*+8%*		378	*-3%*		4,285	*+7%*
Revenues	2,119	*+9%*		382	*-2%*		2,501	*+7%*
EBITA	86	*+25%*		-1	*ns*		85	*+10%*
margin	*4.1%*			*-0.1%*			*3.4%*	

% = year-on-year change

- **Onshore/Downstream EBITA grew 3 times faster than revenues**
- **A tough year for Industries, hit by losses on a handful of contracts**
- **Overall backlog still growing in 2003 after an excellent 2002**

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SIMPLIFIED P/L

€ in millions	2003	2002	Change
Revenues	**4,711**	**4,452**	**+6%**
EBITA	**227.6**	**204.6**	**+11%**
EBITA Margin	*4.8%*	*4.6%*	
Financial Charges	-44.3	-66.9	
Profit Before Tax	**176.0**	**134.7**	**+31%**
Tax Charges	-82.0	-46.3	
Net Income Pre-Goodwill	**94.0**	**88.4**	**+6%**
Goodwill Amortization	-113.7	-117.8	
Net Income	**-19.7**	**-29.4**	**+33%**

EPS fully diluted (in €)	**3.97**	**3.91**
E/ADS (in $)	**1.25**	**1.23**

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BALANCE SHEET

	€ in millions	Dec. 31, 2003	Dec. 31, 2002
1.	Cash	892	741
2.	Other Current Assets	1,428	1,370
3.	Work in Progress	6,442	4,977
4.	Fixed Assets	3,246	3,518
5.	**Total Assets**	**12,008**	**10,606**
6.	Financial Debt	1,129	1,247
7.	Premium for Redemption of Convertible Bonds	85	90
8.	Progress Payments on Contracts	7,048	5,420
9.	Other Liabilities	1,475	1,478
10.	Provisions	324	329
11.	Shareholders' Equity and Minority Interests	1,947	2,042
12.	**Total Liabilities and Shareholders' Equity**	**12,008**	**10,606**
13.	*Net Financial Debt (ex. redemption premium) = (6)-(1)*	*237*	*506*
14.	*Contract Coverage = (8) – (3)*	*606*	*443*

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2003 CASH FLOW STATEMENT

€ in millions

SOURCES		USES	
Operating Cash Flow	229	Capex	122
		Debt Repayment	86
Working Capital	119		
		Dividend	77
Asset Disposals	105	Share Buybacks	7
		FETA and Others	49
Aker Repayment	38		
		Cash	151
TOTAL	492	TOTAL	492

Available cash:

- Coming mainly from operations and asset disposals
- Used to enhance shareholder value (debt reduction, dividend, buybacks)

BOTTOM LINE LEVERAGE

€ in millions

	2002		2003	Variation
Depreciation	143	Disp. of non-core assets Strict capex monitoring Weaker $ and £	118	-17%
GW Amortization	118	Aker repayment	114	-3%
Fin. Charges	67	Net debt reduction Improved forex mgmt	44	-34%
Total	328		276	-16%
% of Revenues	7.4%		5.9%	

Growing the business in a less capital intensive mode provides a powerful leverage on the bottom line

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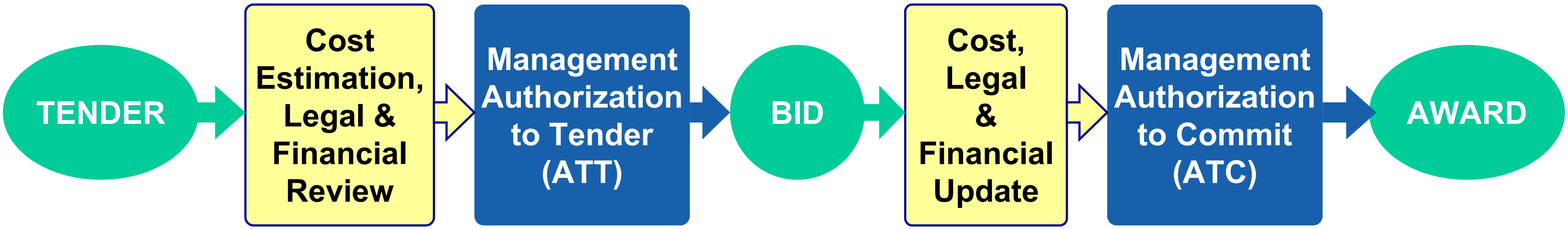
III. PROJECT MANAGEMENT: THE TECHNIP WAY

1. BIDDING DISCIPLINE
2. CONTROL OF PROJECT EXECUTION
3. DEALING WITH CURRENCY FLUCTUATIONS
4. GLOBAL NETWORK OF ENGINEERING CENTERS
5. GLOBAL PROCUREMENT NETWORK

BIDDING DISCIPLINE

Ensure Appropriate Risk/Reward Achieved on Each Contract



Each project is evaluated on its own merits
No market share or asset utilisation target supersedes this rule

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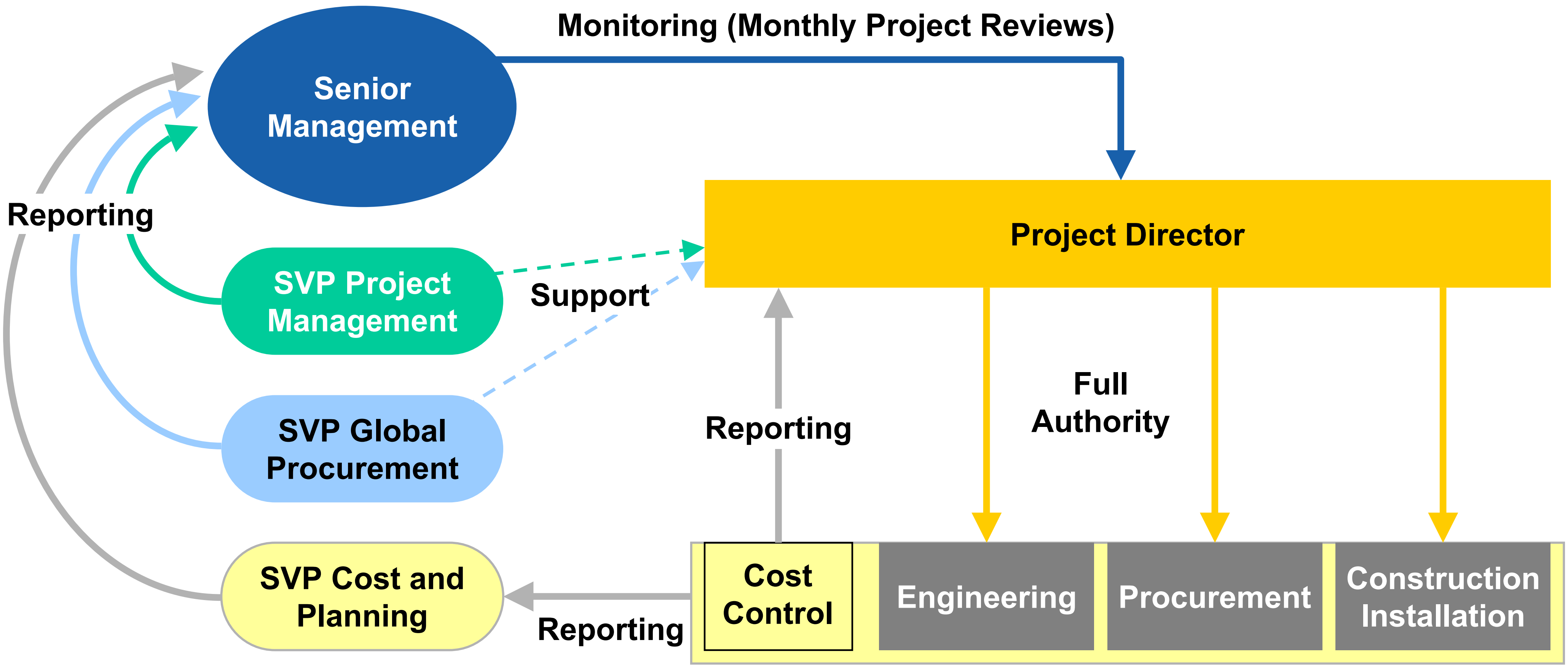
CONTROL OF PROJECT EXECUTION



Two principles are concurrently implemented:

- **Project Director:** single point of accountability for each project
- **Senior Management:** hands-on policy, supported by central expertise

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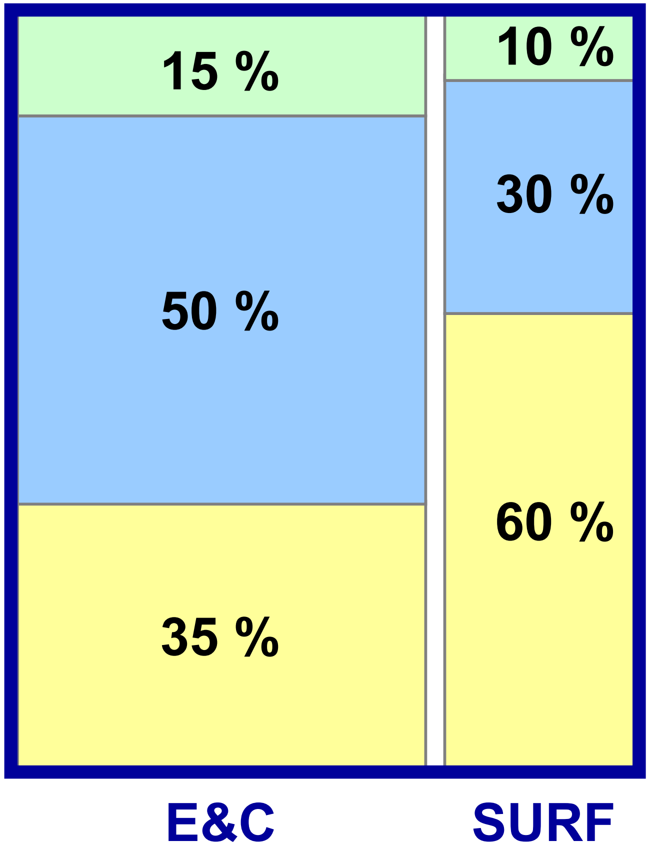
DEALING WITH CURRENCY FLUCTUATIONS

Typical Cost Structure of Contracts



Engineering: Done by Technip workforce (36% in Euroland, 64% outside)

Procurement: Done on a global basis, using Technip's global procurement network

Construction/ Installation: Subcontracted *or* Executed by Technip's vessels, yards, plants (57% Euroland, 43% outside)

On each project, foreign exchange exposure is covered:

- **First by natural hedge (multi-currency contracts)**
- **Then by systematic hedge of remaining exposure**

Residual Forex loss: 0.1% of Revenues in 2003

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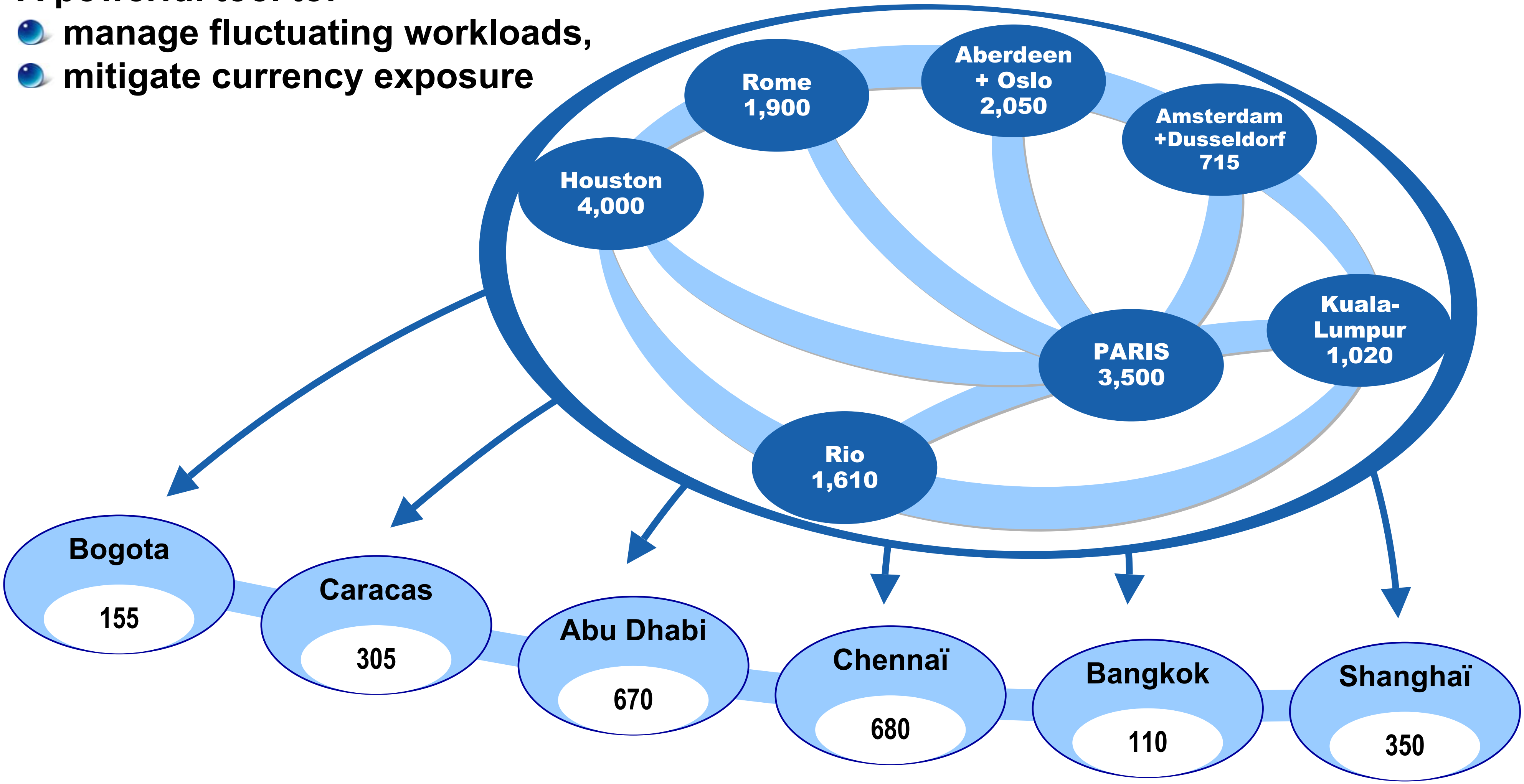
GLOBAL NETWORK OF ENGINEERING CENTERS

A powerful tool to:

- manage fluctuating workloads,
- mitigate currency exposure



Moderate cost centers: provide enhanced competitiveness on projects

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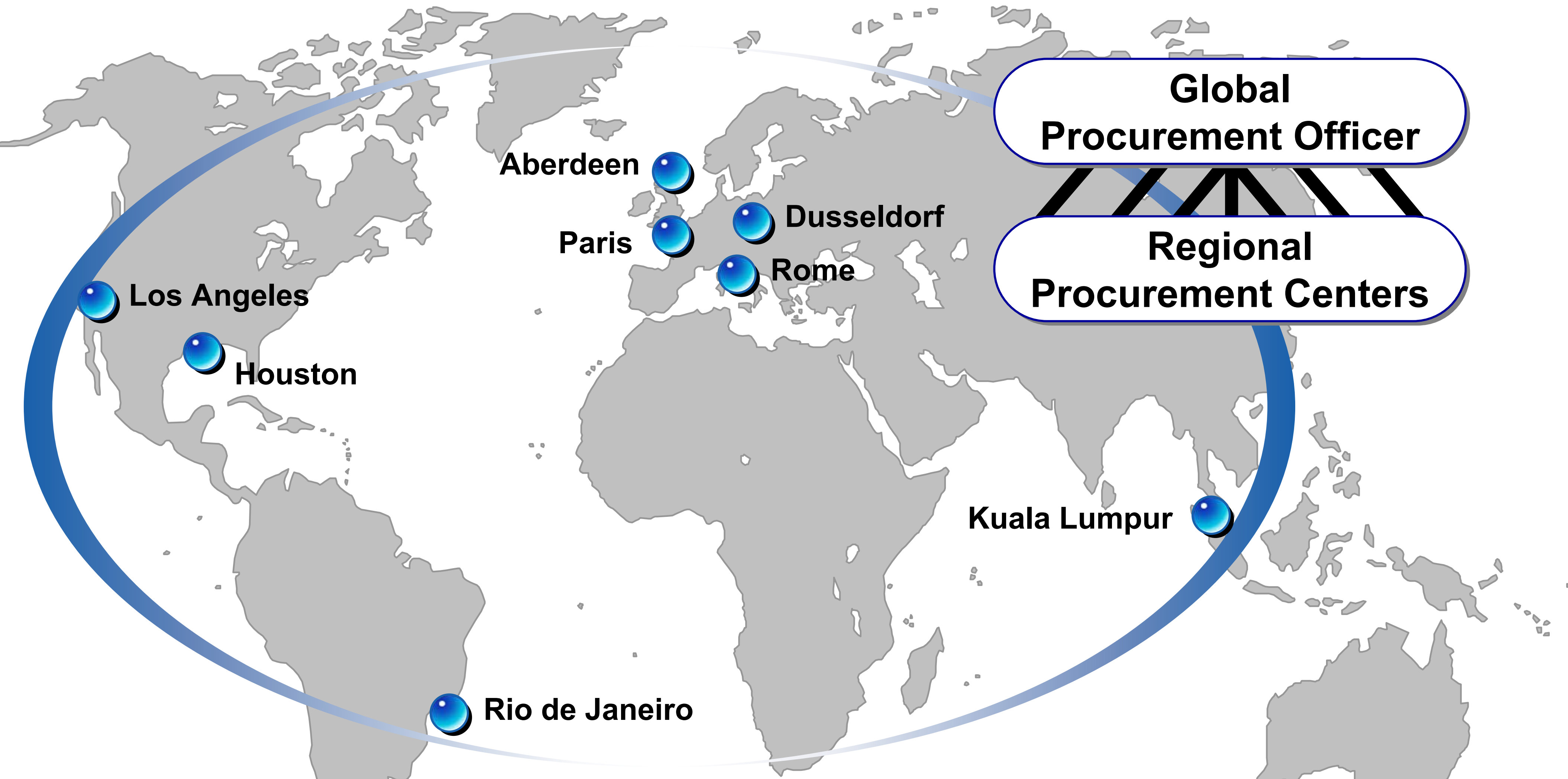
GLOBAL PROCUREMENT NETWORK

Worldwide Network Increases Flexibility and Competitiveness



EPC-Services Internet Based Procurement System
Volume Processed in 2003: €1,200M

- **Sourcing from USD zone: 2000: 27% → 2003: 41%**
- **Est. net savings in 2003: €30M**

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IV. MARKETS AND STRATEGY

1. MARKET POSITIONING

2. 2004 MARKET TRENDS
   - SURF
   - Offshore Facilities
   - Onshore-Downstream
   - Industries

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MARKET POSITIONNING: BUSINESS LINES

Downstream

Distribution / Marketing

Petrochemicals

GTL

LNG

Gas Plants

Refining

Exploration & Production

Onshore Pipelines

SURF

Production Facilities

Offshore Platforms

ONSHORE

Well Services

Drilling

Seismic

OFFSHORE

	Key Success Factor	Capital Intensitivity	Main Market Drivers
Technip Positioning	SKILLS ● Process ● Engineering ● Project management ● Procurement	Very Low (except SURF)	● Economic & demographic growth (downstream) ● Cleaner fuel requirements (downstream + gas) ● Development budgets (upstream)
Other Markets	ASSETS ● Drilling rigs ● Plants ● Seismic vessels	High	● Exploration / Drilling budgets ● U.S. gas price ● Rig count

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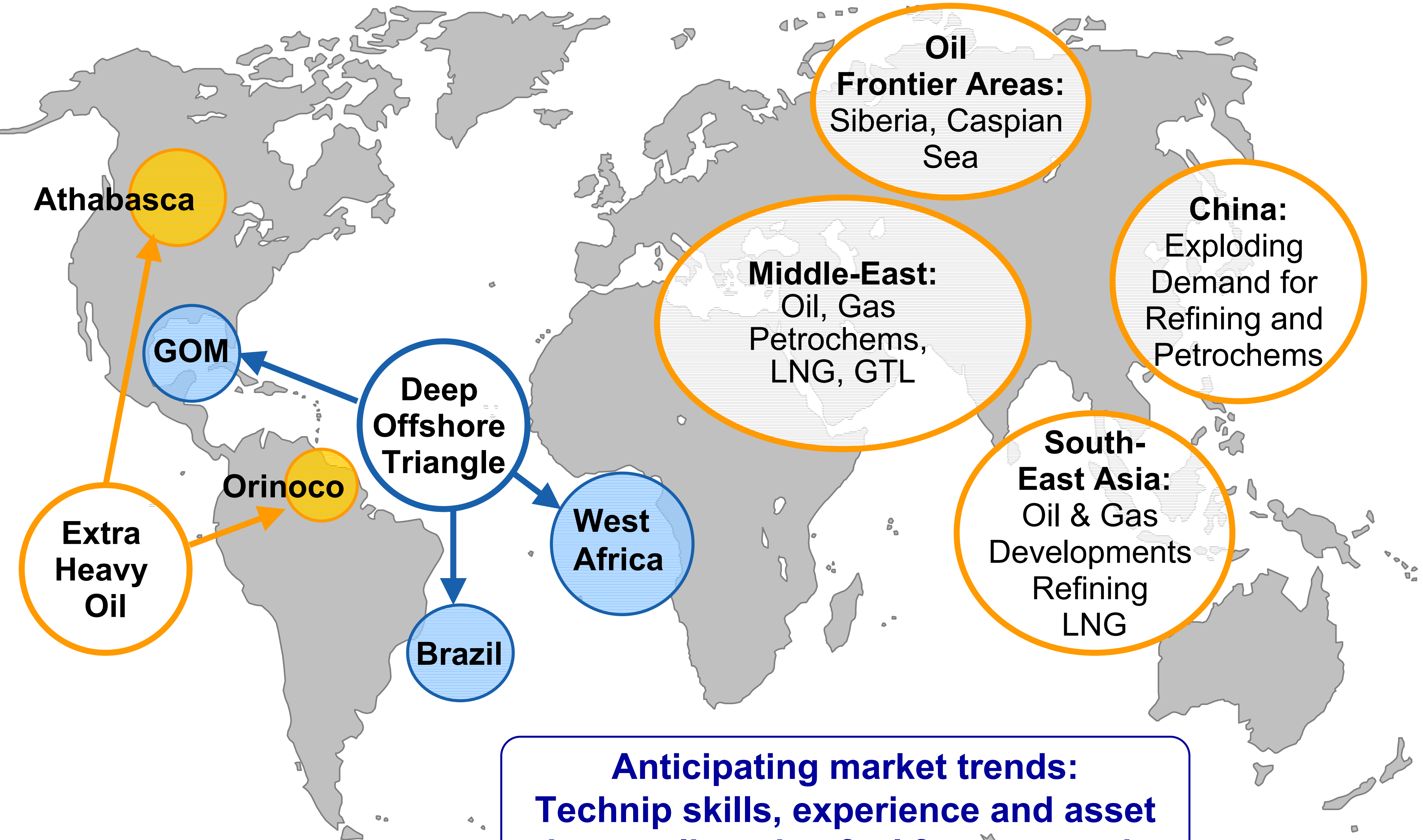
Where Does the Action Take Place?



**Anticipating market trends:
Technip skills, experience and asset bases aligned to fuel future growth**

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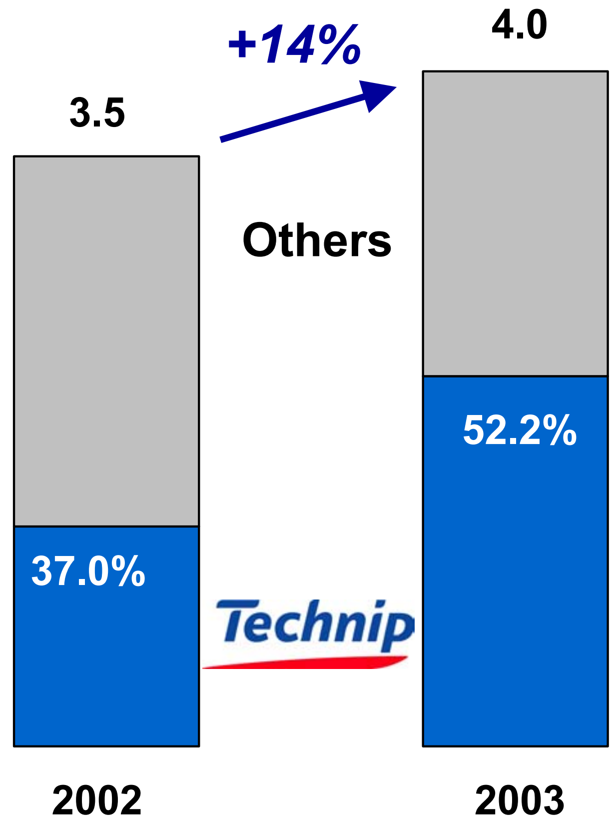
2004 MARKET TRENDS: SURF

€ in billions

Actual Awards (12 months)



2004 Trends

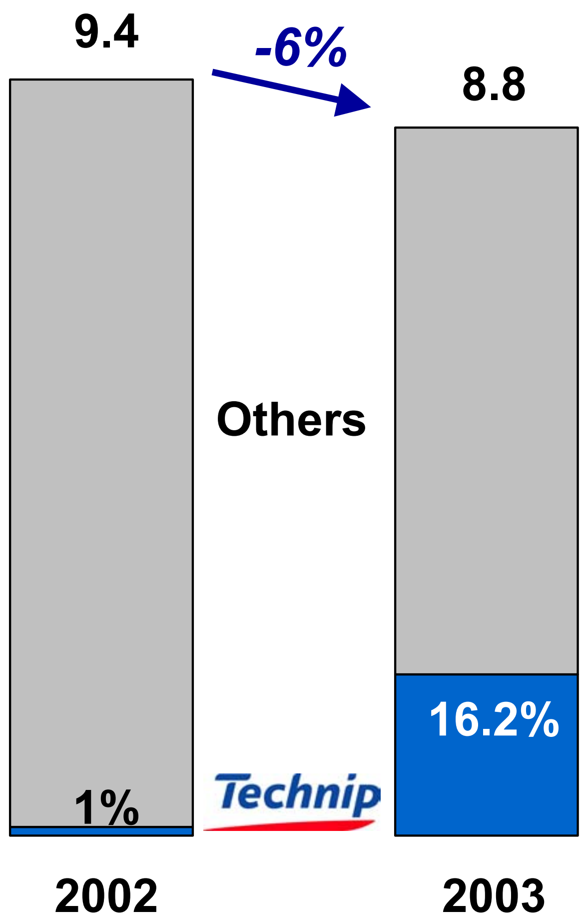
- West Africa: Largest market with opportunities in 2004
- Brazil & GoM: Expected recovery
- North Sea: Sustained level of activity with higher seasonality

2004 MARKET TRENDS: OFFSHORE FACILITIES

€ in billions

(Floaters and Fixed Production Platforms)

Actual Awards (12 months)



2004 Trends

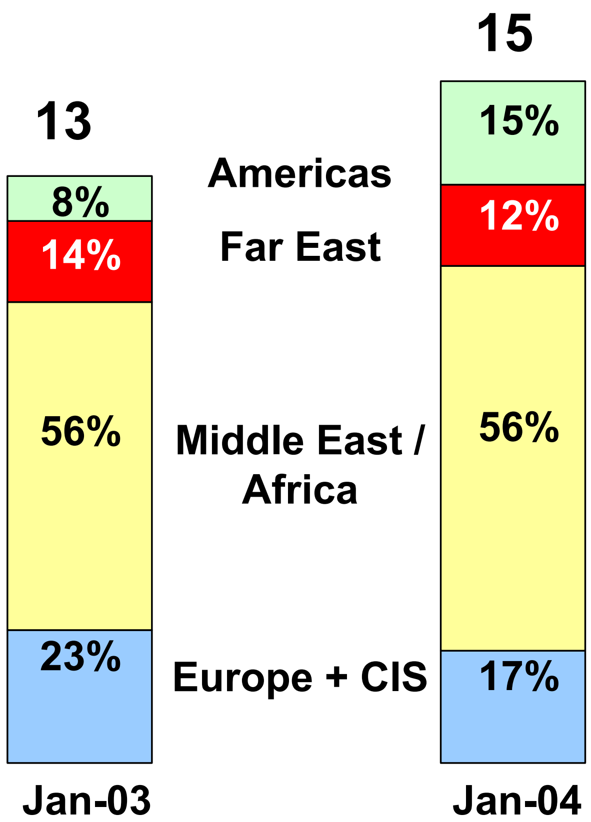
- W. Africa and Caspian: Limited slowdown expected
- Brazil & GoM: Semi-subs and SPARs announced
- New Opportunities: Mexico, S.E. Asia, Australia, China, Middle East

2004 MARKET TRENDS: ONSHORE/DOWNSTREAM

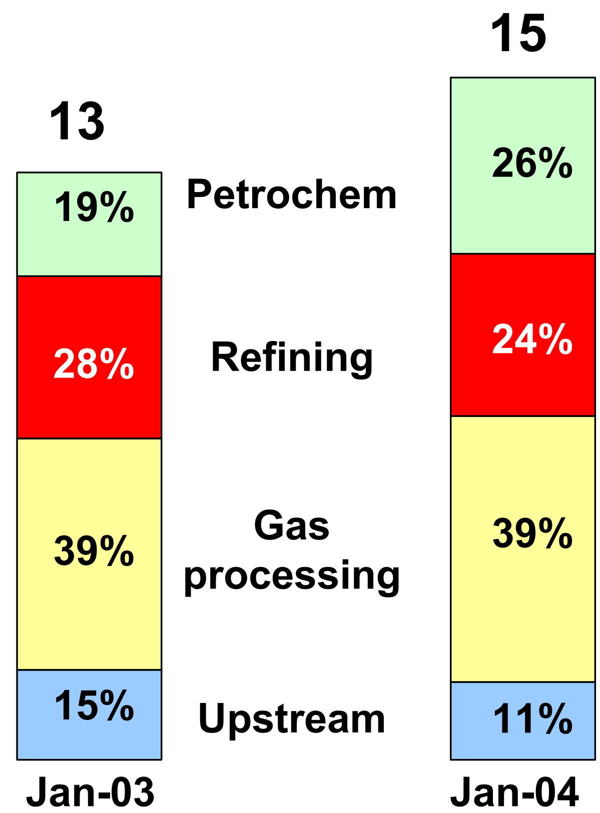
€ in billions

Expected Awards in Next 12 Months

By Regions



By Business Lines

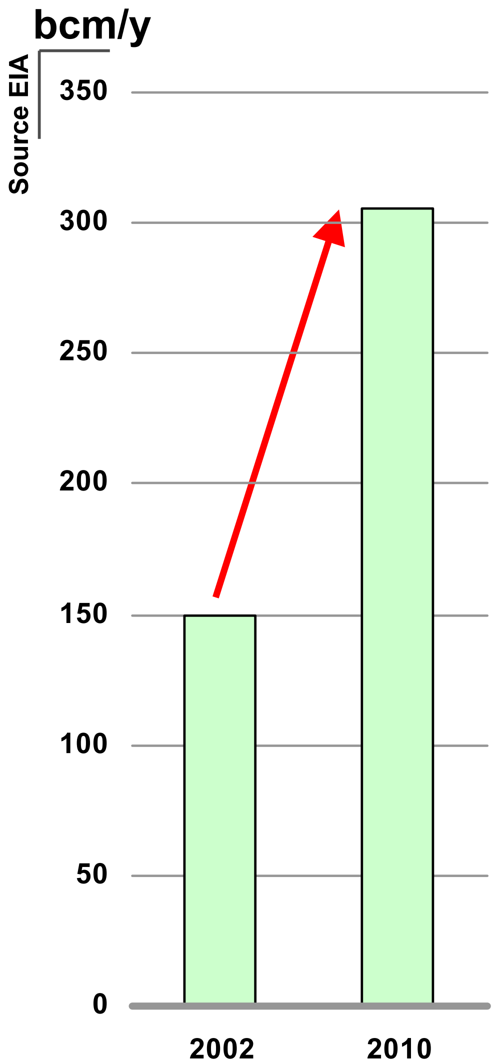


- **EU and US:** Growing demand ➔ monetization of stranded gas
- **China, SE Asia:** Greenfields & revampings boost refining capacity
- **China, Mid.East :** 60% of world petrochemicals capex in next 10 years

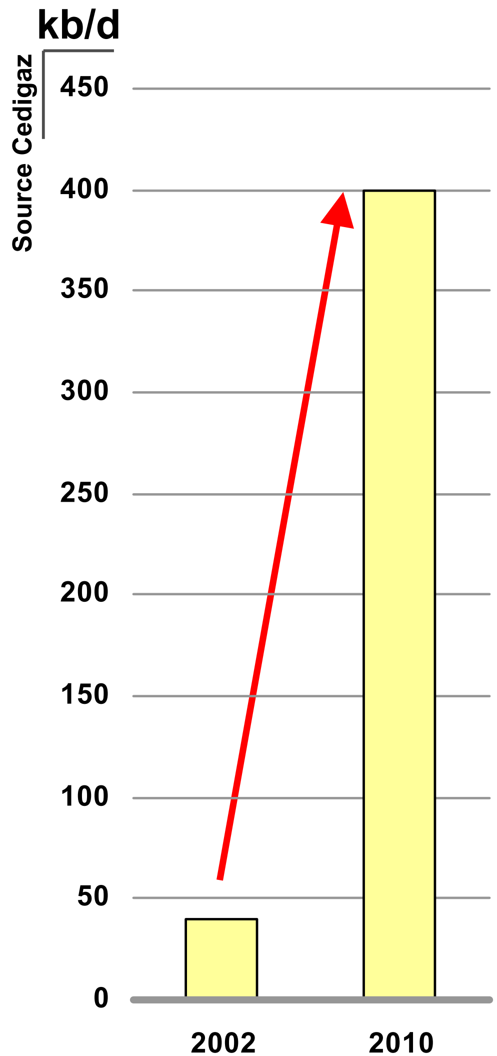
Source : Technip tender bank

ONSHORE MAIN DRIVER: INTERNATIONAL GAS DEVELOPMENTS

LNG production



GTL production



MARKET TRENDS (Next 10 yrs)

- **Natural gas demand:**
  - ➔ + 2.4% / year, 2 times faster than oil
- **LNG demand: + 6-7 % / year**
  - ➔ 20 new greenfield projects
  - ➔ 16 new trains in existing plants
- **Growth in LNG receiving terminals in US and Europe**
- **Emerging G.T.L. market expected to grow from 40 to 400 Th. B/D in 2010**

2004 TRENDS: THE INDUSTRIES BRANCH

- **Actual financial performance below standards due to :**
  - **Sub-critical size**
  - **Losses on a few "legacy" contracts**
  - **Restructuring costs**

- **Strategy: increase the business and return to profit by focusing on selected segments with high growth potential**

Markets	Life Sciences/ Fine Chemicals	Metal & Mining	Power & Infrastructures
Market Features	Fast-growing market dominated by a few majors, mostly US	Few projects, but very large size	Huge market worldwide Deregulation in Europe
Technip's Outlook	Start-up of a new affiliate in New Jersey (Technip Bio Pharm)	Pechiney contracts Prospect in New Caledonia	Termoli contract (800 Mw) Infrastructure prospects in Italy

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2004 TARGETS

2004 TARGETS

- Based on unchanged scope of consolidation, budgetary currency exchange rates (€1=$1.20) and a 37% tax rate
- Accounting methods for E&C offshore projects aligned with Onshore / Downstream

	Comp. to 2003		Comp. to 2002
Revenues	+9%	*Guidance Unchanged*	+15%
EBITA	+13%		+25%
Net Income pre-Goodwill	+35%		+45%
Gearing at Year End	<20%		<20%

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Statements in this document that are not historical fact are forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including forward-looking statements with respect to the financial condition, results of operations, business and plans of the Technip Group. Such forward-looking statements include, without limitation, statements relating to: (a) (i)Technip's estimation of 2003 revenues, income from operations, EBITA and pre-tax/pre-goodwill net income, (ii) Technip's estimation of order intake during 2003, both for the Offshore branch, the Onshore and Downstream branch, and the Industries branch (iii) Technip's estimation of its net debt at year-end 2003, and (iv) Technip's estimation of its backlog as of January 1, 2004; all of which estimations may prove to differ significantly from the final figures, and (b) Technip's performance in 2004, with respect to EBITA margins, revenues, income from operations and pre-goodwill net income.

Such statements are based on a number of assumptions, expectations and forecasts (including, without limitation, the assumption that the scope of consolidation of Technip will remain unchanged, and the assumption, for budget purposes, of a euro/dollar exchange rate of €1.00 = $1.20), that could ultimately prove inaccurate, and are subject to a number of risks and uncertainties that could cause actual results to differ materially, including currency fluctuations, the level of capital expenditure in the oil and gas industry as well as other industries, the timing of development of energy resources, construction and project risks, armed conflict or political instability in the Persian Gulf or other regions, the strength of competition, interest rate fluctuations, control of costs and expenses, the reduced availability of government-sponsored export financing, the timing and success of anticipated integration synergies and stability in developing countries. For a further description of such risks and uncertainties, see the reports filed by Technip with the Securities and Exchange Commission and the "Autorité de Marchés Financiers". Technip disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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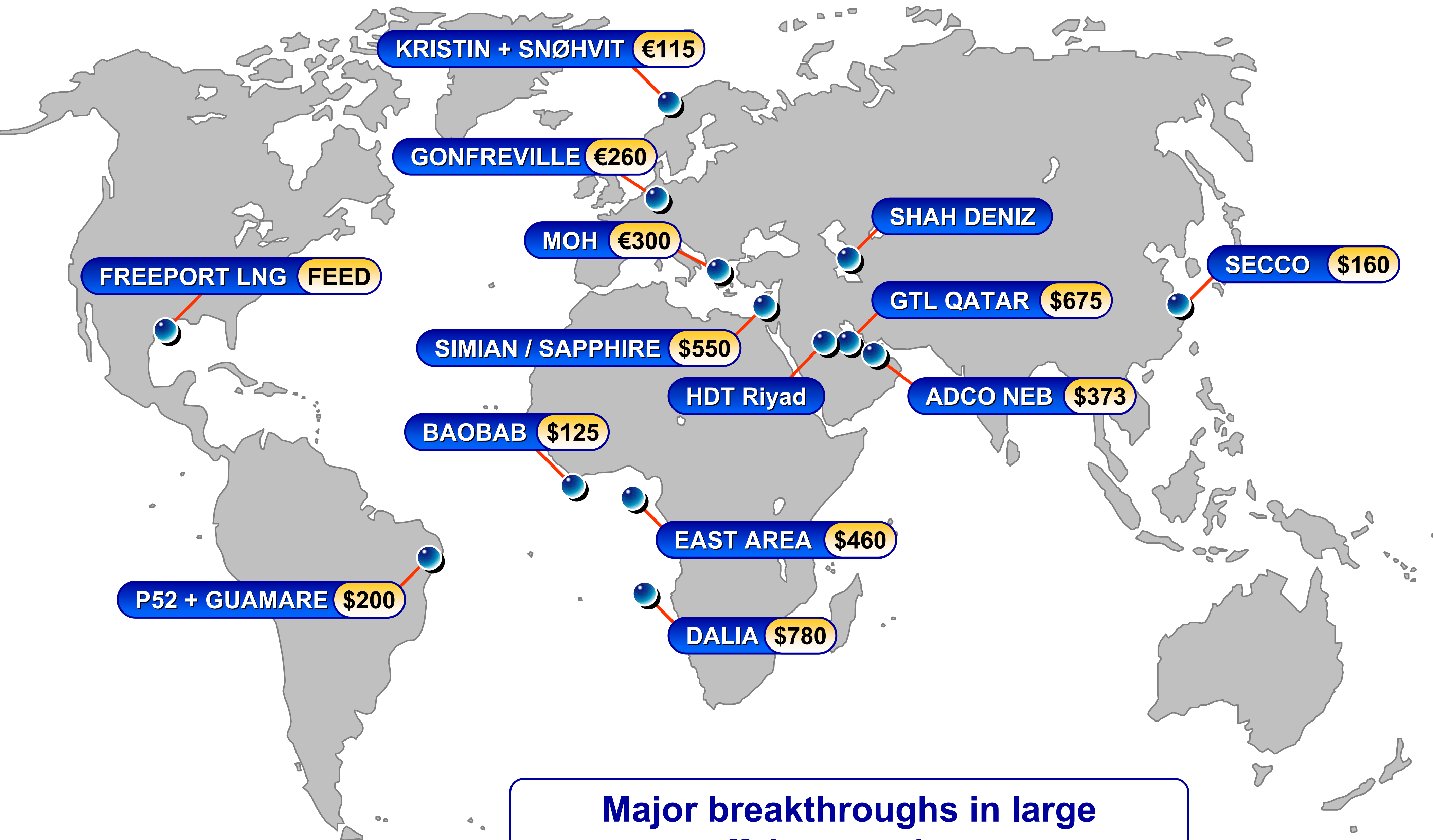
ANNEX

BUSINESS DEVELOPMENT: MAIN CONTRACTS AWARDED IN 2003

in millions



Major breakthroughs in large offshore projects

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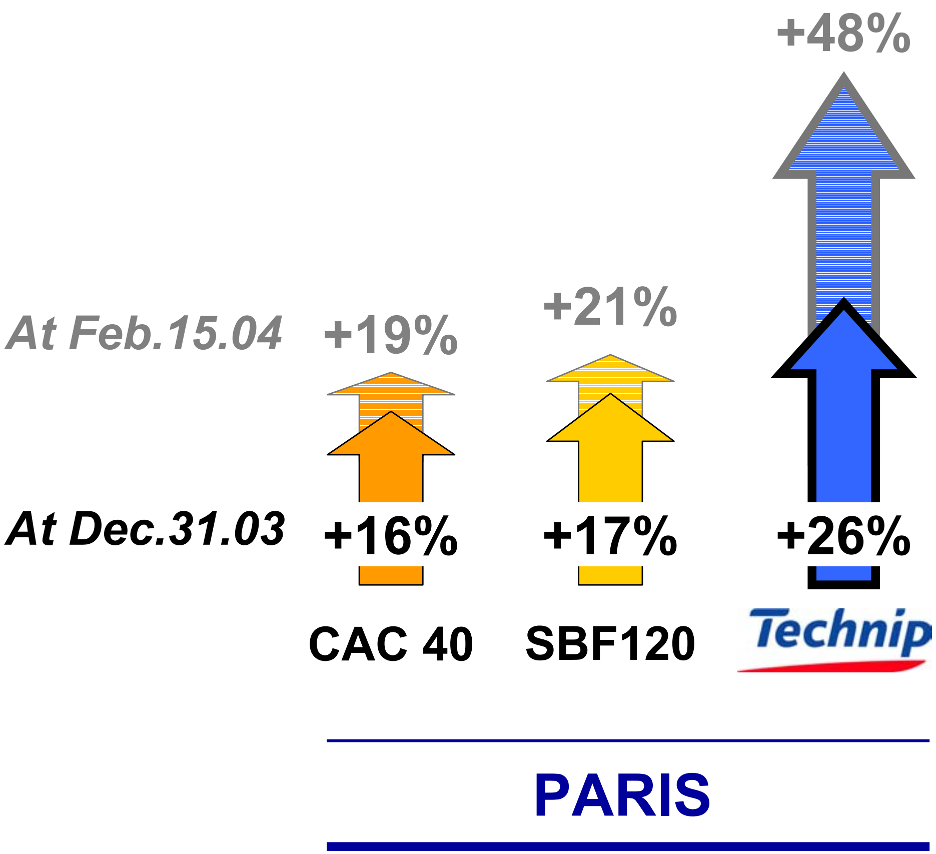
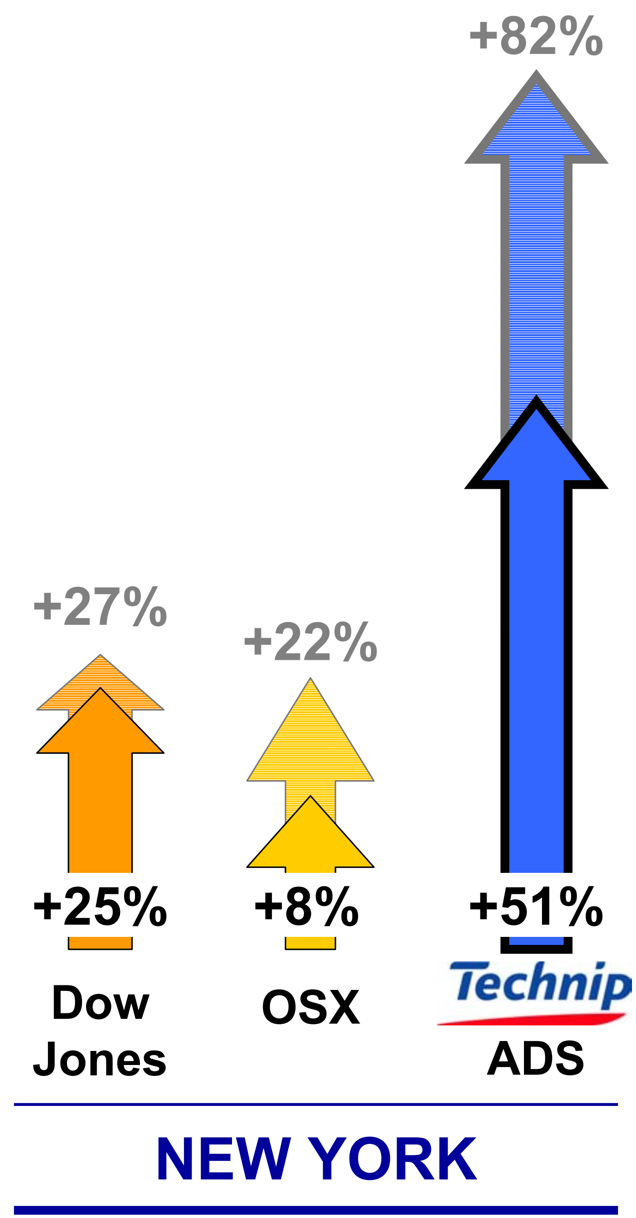
2003 STOCK EXCHANGE PERFORMANCE

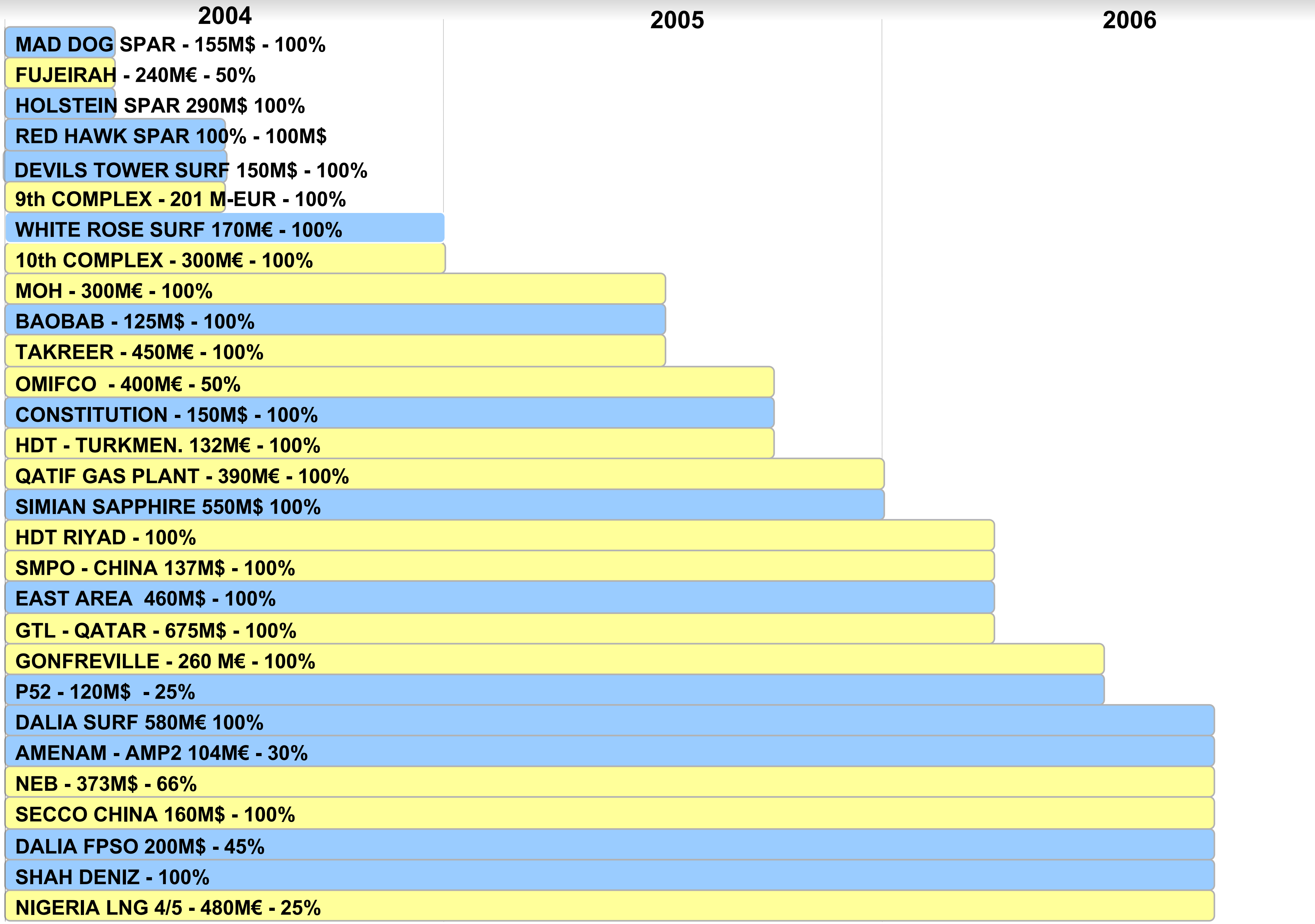




Technip has outperformed the financial markets since Jan. 1st 2003

CONTRACT SCHEDULE

CONTRACT SCHEDULE



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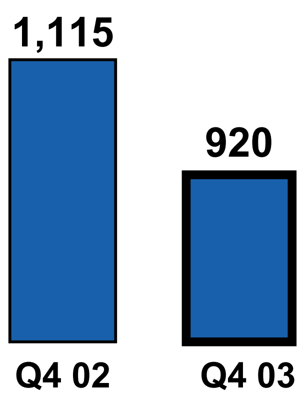
LUMP-SUM CONTRACTS > 100 M Eur – Revenue in Group share - Group share in %

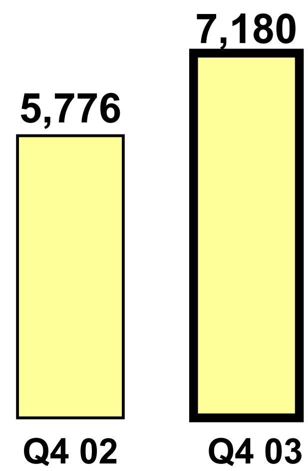
Q4 2003 ACCOUNTS

Q4 2003 KEY FIGURES (€ in million)

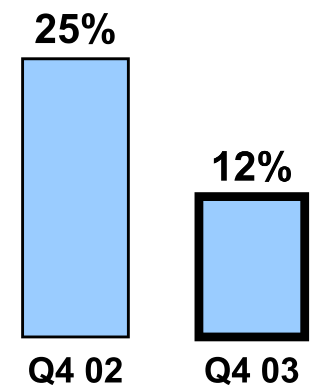
Order Intake



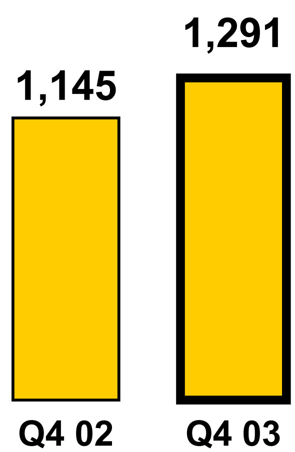
Backlog



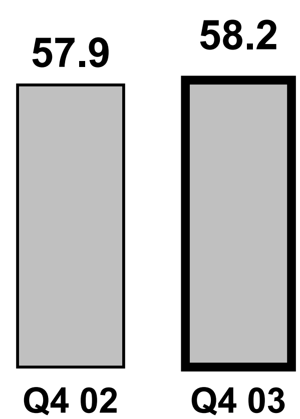
Gearing



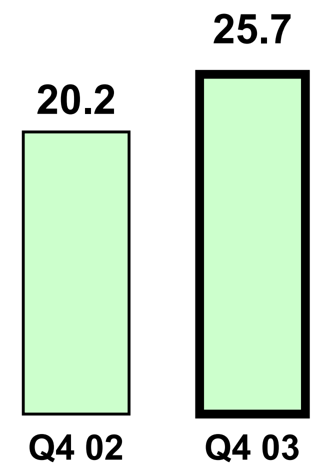
Revenues
+13%



Income from Operations*
+1%



Net Income (pre-Goodwill)
+27%



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* Income from Operations = EBITA

Q4 OFFSHORE ACTIVITIES

(€ in million)	SURF		+	Facilities		=	Offshore activities	
Order Intake	97	-52%		286	+82%		383	+7%
Backlog	1,840	+53%		1,055	+88%		2,895	+64%
Revenues	371	+18%		246	+13%		617	+16%
EBITA	33	+4%		-1	-109%		32	-18%
margin	9.0%			-0.3%			5.3%	

% = year-on-year change

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Q4 ONSHORE ACTIVITIES

(€ in million)	Onshore and Downstream		+	Industries		=	Onshore activities	
Order Intake	379	*-31%*		158	*-25%*		537	*-29%*
Backlog	3,907	*+8%*		378	*-3%*		4,285	*+7%*
Revenues	575	*+10%*		99	*+11%*		674	*+10%*
EBITA	32	*+85%*		-6	*ns*		26	*+40%*
margin	*5.6%*			*-6.4%*			*3.8%*	

% = year-on-year change

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SIMPLIFIED P/L

€ in million	Q4 2003	Q4 2002
Revenue	**1,291**	**1,145**
Income from operations	**58.2**	**57.9**
% EBITA	*4.5%*	*5.1%*
Financials	-7.5	-23.3
Profit Before Tax	**49.3**	**31.9**
Tax Charges	-23.6	-11.7
Net Income Pre-Goodwill	**25.7**	**20.2**
Goodwill	-29.2	-29.8
Net Income	-3.5	-9.6
EPS (€)	**1.05**	**0.86**
E/ADS ($)	**0.33**	**0.27**

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Q4 CASH FLOW STATEMENT

SOURCES		USES	
Operating Cash Flow	51	Capital Expenditures	43
Change in Working Capital	191	Debt Repayment	81
		Share Buybacks	7
Asset Disposals	94	FETA and Others	17
Aker Repayment	7	Cash	195
TOTAL	343	TOTAL	343

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INTERNATIONAL FINANCIAL REPORTING STANDARDS ROADMAP

July 2003	**Initial Application Studies**
December 2003	**Preliminary Findings Presented to Board of Directors**
Jan/Mar 2004	**IFRS Policy Choices / Impact Assessment**
Mar/Dec 2004	**Preparation of IFRS Quarterly ‘03 Accounts**
January 2005	**Group Adopts IFRS Accounting Standards**
May/June 2005	**First Publication of IFRS Compliant Quarterly Accounts (Q1 05) and Historical Proforma Figures (Q1 04)**

Main Items Impacted (Estimation)

- **Transactions in foreign currencies**
- **Goodwill**
- **Debt split accounting**

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