



PAN EUROPEAN SMALL & MID CAP CONFERENCE

DEUTSCHE BANK

London, 17 March 2005

Technip

I. 2004: A YEAR OF SUCCESS FOR TECHNIP

II. THE OIL & GAS MARKET

III. TECHNIP'S KEY MARKET STRATEGIES

IV. TECHNIP'S 2005 TARGETS



I. 2004: A YEAR OF SUCCESS FOR TECHNIP

1. COMMERCIAL BREAKTHROUGHS
2. RESILIENCE TO ADVERSE MARKET CONDITIONS
3. FURTHER NET DEBT REDUCTION
4. ENHANCING SHAREHOLDER VALUE

DEEP OFFSHORE DEVELOPMENTS

- Greater Plutonio (Angola)
- SPAR Constitution (USA)
- Semi-Submersible P-51 (Brazil)
- SPAR Kikeh (Malaysia)



LNG

- Qatargas II: Onshore + Offshore
- Nigeria Train VI
- Freeport Receiving Terminal (Texas)



EXTRA HEAVY OILS

- Horizon Oil Sands Coker (Canada)
- Horizon Oil Sands Hydrogen (Canada)



Combined value: USD 4 billion

RESILIENCE TO ADVERSE MARKET CONDITIONS

ADVERSE MARKET CONDITIONS

- **Currency fluctuations:**
\$ down 10%, impacting both 2004 revenues and earnings by about 3%
- **Commodity disruptions:**
higher steel and freight costs, reducing operating margin ratio by about 60 basis points

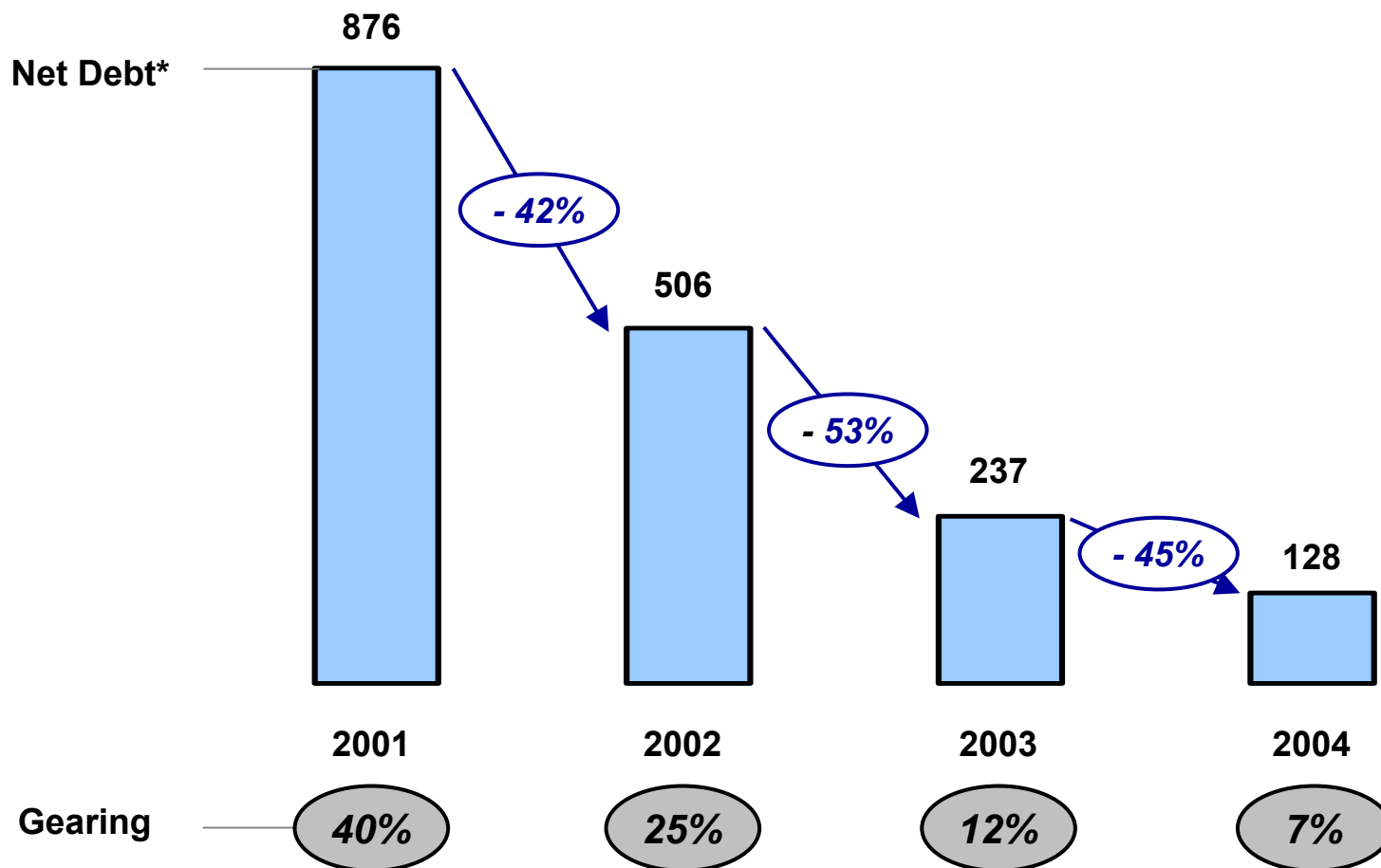
TECHNIP'S RESILIENCE

	2004 / 2003	
	<u>Actual</u>	<u>Targets</u>
● Revenues	+ 9.1%	+ 9%
● Op. Income	+ 13.6%	+ 13%
● Net Income	+ 35.9%	+ 35%

Technip met its full-year 2004 targets

FURTHER NET DEBT REDUCTION

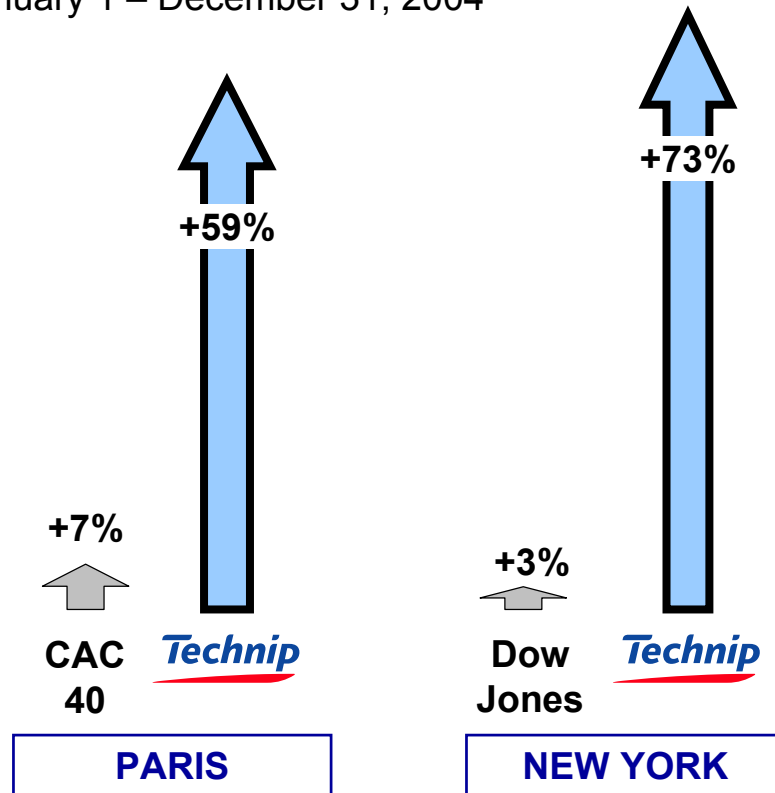
€ in Millions



Indebtedness arising from the 2001 acquisition is now behind us, net debt reduced by 85% in a three years time period

ENHANCING SHAREHOLDER VALUE

January 1 – December 31, 2004



- Stock and convertible bond buybacks more than offset dilution created by employees' shareholding program and stock option exercises
- With a proposed dividend of €3.30 in 2005 (of which €2.00 paid in advance in December 2004), pay-out ratio would stand at a high level (60%)
- Technip share selected for NextCAC 70 and CAC Next20 (Feb. 2005)

Increasing shareholder value in a sustainable manner
is a top priority of Technip Management

Technip

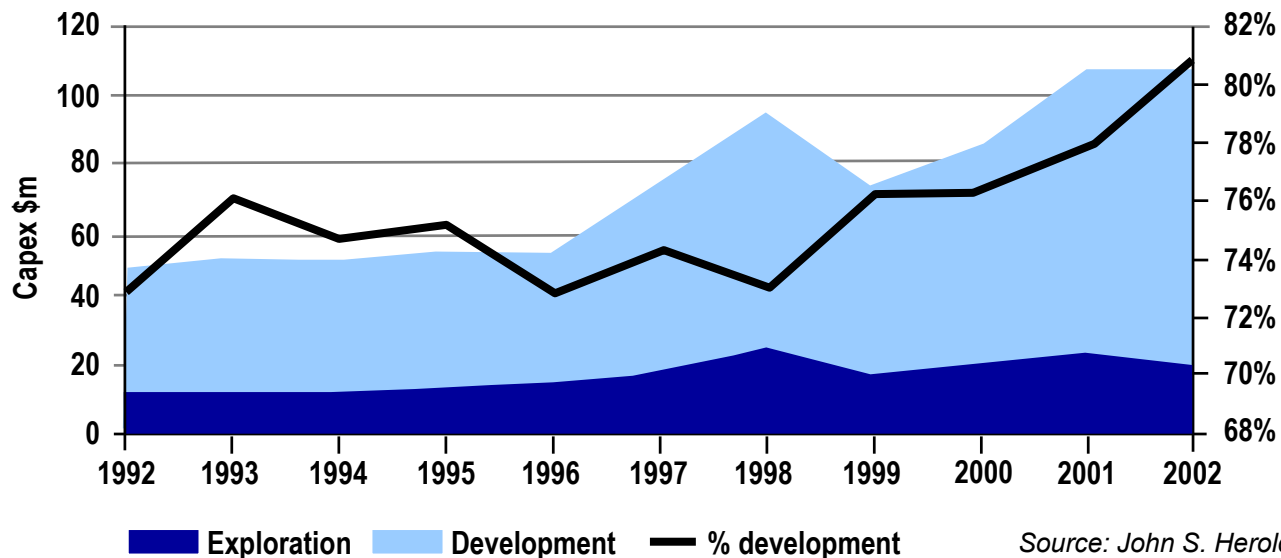
II. THE OIL & GAS MARKET

1. OIL COMPANIES' RESERVES ARE DWINDLING
2. WORLD OIL PRODUCTION BY SOURCE
3. LONG-TERM PRODUCTION & CAPEX

OIL COMPANIES' RESERVES ARE DWINDLING

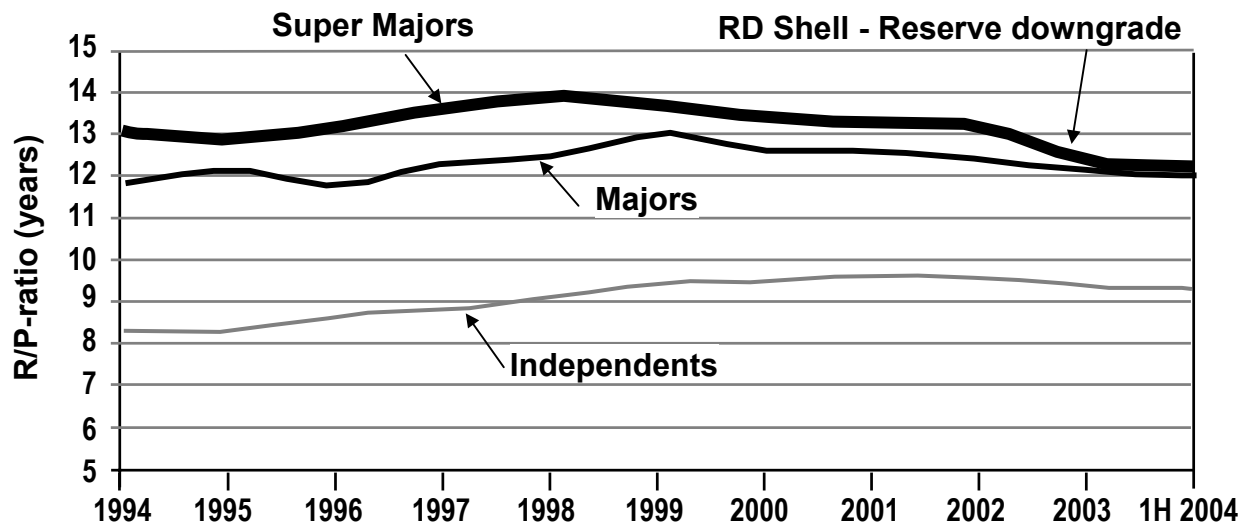
Global exploration and development capex 1992-2002

Capex trough of 1999-2000

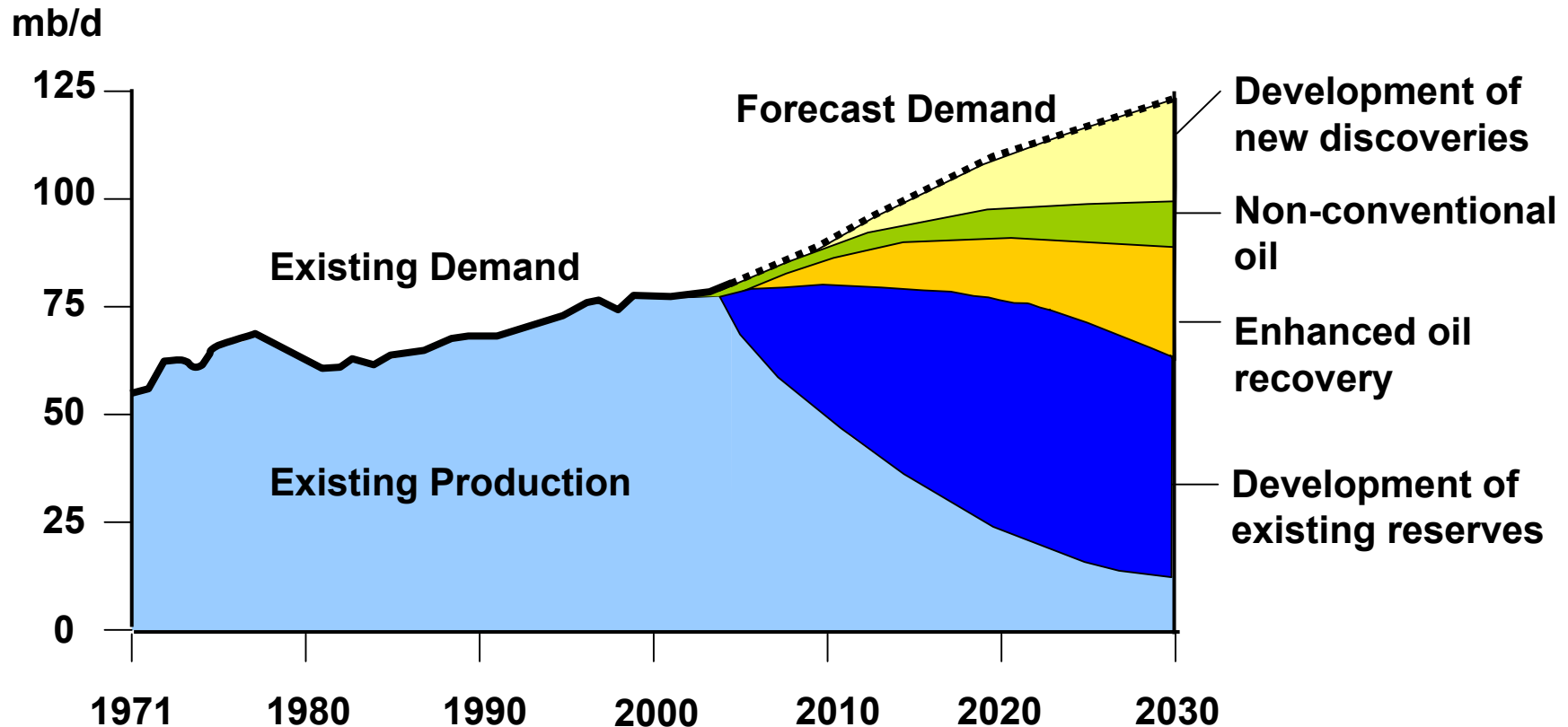


Evolution of reserve lives: reserve/production ratio

Slowdown in R/P in recent years



WORLD OIL PRODUCTION BY SOURCE



- Reservoir depletion rates vary from 5% to 11% pa in the various production areas
- Massive capital spending is needed just to maintain current production levels
- Additional capital spending is required to meet expected future demand

LONG-TERM PRODUCTION & CAPEX

FORECASTED OIL AND GAS PRODUCTION AND CAPEX

	<u>2002</u>	<u>Production</u>	<u>2030</u>		<u>Capex</u> (2002 – 2030)	<u>of</u> <u>which E&P</u>
Oil (mb/d)	77	+57%	121	➔	\$3 trillion (\$111 bn/y)	70%
Gas (bcm)	2,622	+87%	4,900	➔	\$2.7 trillion (\$100 bn/y)	56%

NEW MAJOR TRENDS EXPECTED TO EMERGE

	<u>2002</u>	➔	<u>2010</u>	➔	<u>2030</u>	<u>Variation</u> <u>2002 - 2030</u>
More OPEC Oil (mb/d)	28		33		65	+ 132%
More LNG (bcm)	150		250		680	+ 353%
More Non-Conventional Oil (mb/d)	1.6		3.8		10.1	+ 531%

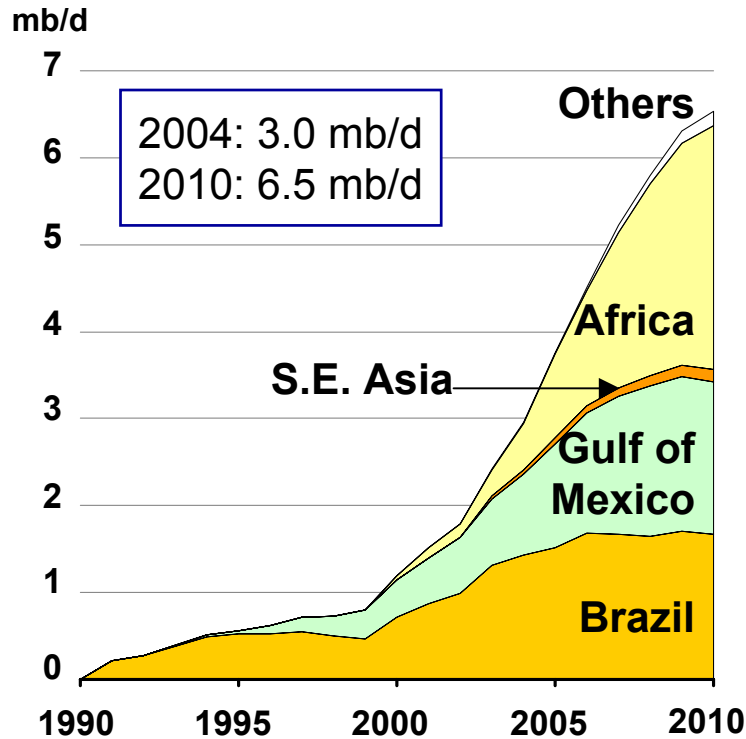
The era of easy oil and gas would appear to be over

III. TECHNIP'S KEY MARKET STRATEGIES

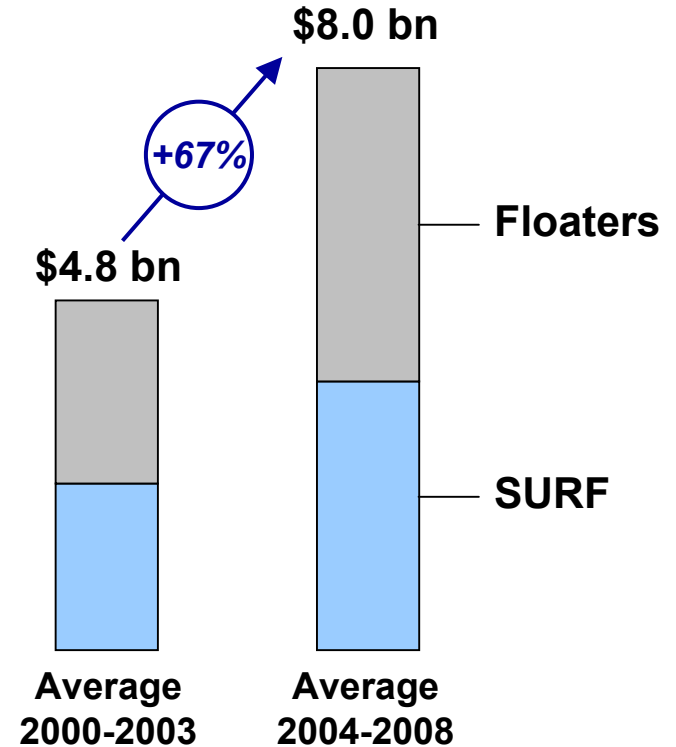
1. DEEPWATER DEVELOPMENTS
2. GAS TO MARKETS
3. EXTRA HEAVY OILS
4. REFINING, HYDROGEN, PETROCHEMS
5. INDUSTRIES

DEEPWATER DEVELOPMENTS: THE MARKET

DEEPWATER OIL PRODUCTION



ANNUAL DEEPWATER CAPEX



Strong growth expected in the coming years, with a steady pattern in Brazil, bumpy growth in West Africa, renewed growth in Gulf of Mexico and emerging projects in SE Asia.

DEEPWATER DEVELOPMENTS: TECHNIP

MARKET POSITION

- **Market leader in SURF:
35% historical market share**
- **Growing position in floaters:
10% market share in 2004**
 - Leader in SPARs
 - FPSO (Dalia)
 - Semi-sub (Brazil)

TECHNIP'S DEEPWATER BUSINESS

- **23% of 2004 Group revenues**
- **20% of 2004 Group order intake**
- **27% of YE 2004 Group backlog**
- **12 months proposals and prospects: €7 bn**

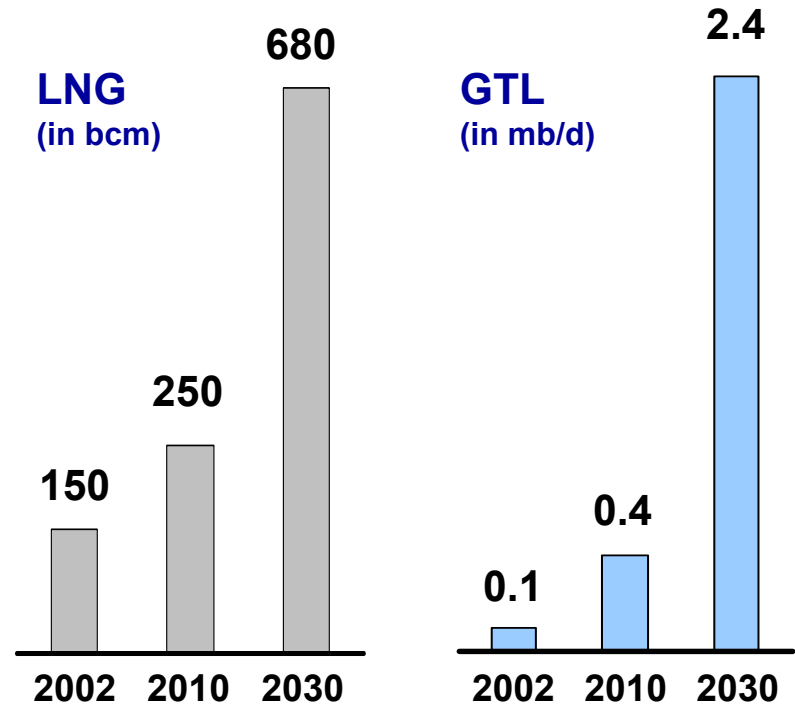
Technip's strategy: maintain leading position in deepwater business

GAS TO MARKET: TRENDS

NET GAS IMPORTS (in bcm)

Europe	162	267	525
Japan/Korea	98	130	183
N. America	0	33	97
China	0	9	42
India	0	10	44
	2002	2010	2030

FORECAST LNG AND GTL PRODUCTION



Growing gas dependence in major countries should lead to very rapid growth in gas extraction/treatment, LNG capacities and GTL units

GAS TO MARKET: TECHNIP

MARKET POSITION

- **25% partner in Nigeria LNG trains**
- **50% partner in QATARGAS revamping**
- **Currently building the first large scale GTL plant in Qatar (ORYX)**
- **QATARGAS II, largest ever LNG contract**
- **2005 Freeport LNG Receiving Terminal (USA)**

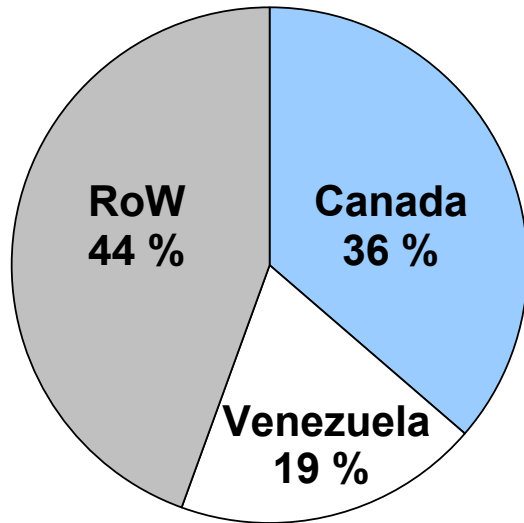
TECHNIP'S LNG / GTL BUSINESS

- **7% of 2004 Group revenues**
- **32% of 2004 Group order intake**
- **29% of YE 2004 Group backlog**
- **12-month proposals and prospects: €14 bn**

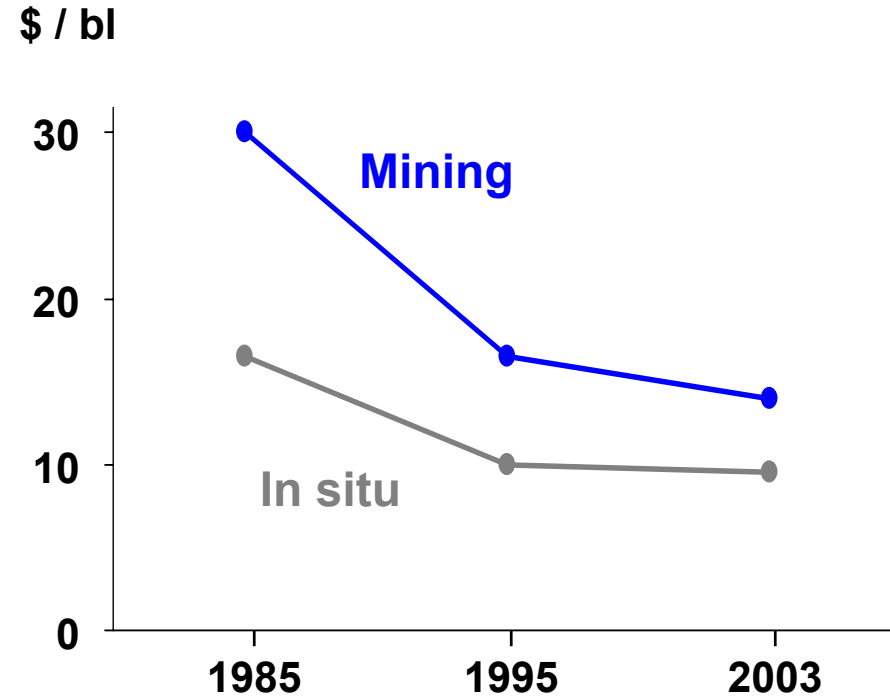
After major breakthroughs in 2004, Technip's share of LNG/GTL business is expanding rapidly, mainly in the Middle East

EXTRA HEAVY OILS: THE MARKET

NON-CONVENTIONAL OIL RESOURCES 7 trillion barrels



CANADIAN TAR SANDS OIL PRODUCTION COST



Technological improvements (horizontal drilling, steam assisted gravity drainage...) make the development of tar sands economically attractive in an era of high oil prices

EXTRA HEAVY OILS: TECHNIP

MARKET POSITION

- **Venezuela (Orinoco Belt):**
30% interest in 2 major upgraders (1997 to 2001)
 - Sincor
 - Petrozuata
- **Canada (Athabasca):**
Signed early 2005, 2 major contracts for the Horizon Oil Sands projects in Alberta

TECHNIP'S EXTRA HEAVY OILS BUSINESS

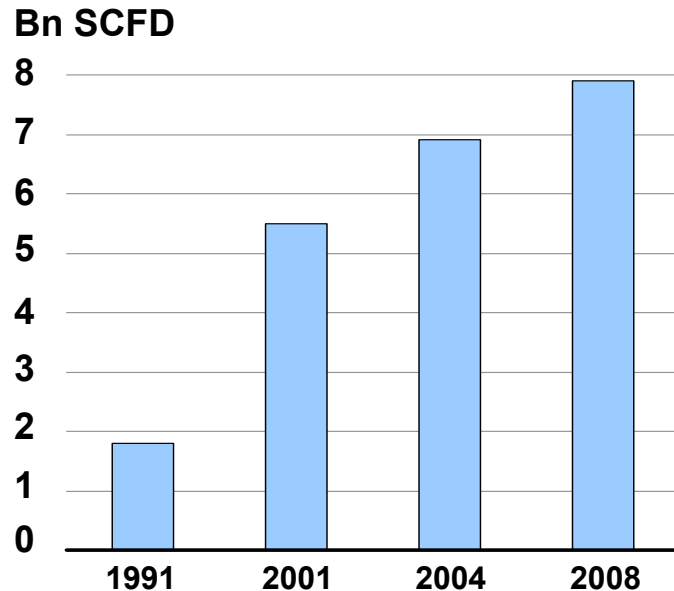
- **2004 Group revenues: nil**
- **2005 Group order intake: €700 mn (to-date)**
- ➔ **Proposals and prospects expected to grow in coming years**

Over time, recoverable reserves in Athabasca and Orinoco could each reach same size as those of Saudi Arabia (~ 260 billion barrels)

REFINING, HYDROGEN, PETROCHEMICALS: THE MARKETS

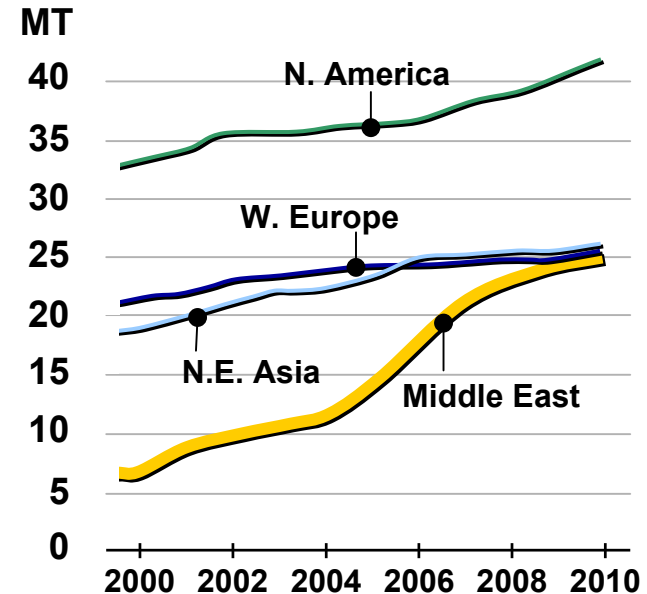
DEVELOPED COUNTRIES: CLEANER FUELS

Ex: Hydrogen Market in N. America



DEVELOPING COUNTRIES: GRASS ROOT CAPACITIES

Ex: Ethylene Capacity Growth



Towards a two-tier market:

- **Developed countries: de-sulfurization and plant extensions**
- **Gas rich & developing countries: grass root plants**

MARKET POSITION

- **Leader in hydrogen plants:**
 - 40% market share worldwide,
 - 70% market share in the USA
- **Among the leaders in refining and petrochemicals, with leading positions in:**
 - large-scale ethylene plants
 - polyolefins and PTA units

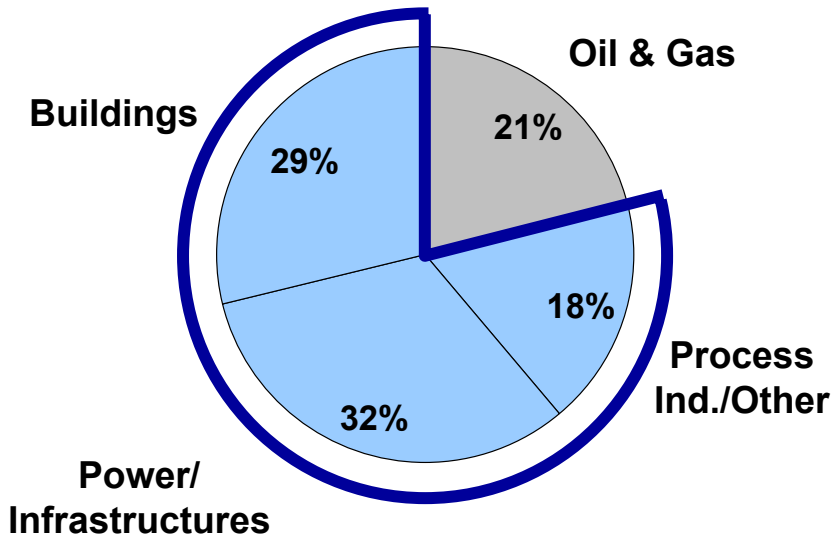
TECHNIP'S REFINING, HYDROGEN, PETROCHEMICALS BUSINESS

- **31% of 2004 Group revenues**
- **12% of 2004 Group order intake**
- **20% of YE 2004 Group backlog**
- ➔ **12-month proposals and prospects: €8 bn**

Technip targeting large-scale complex, high value-added projects

INDUSTRIES: THE MARKETS

ENGINEERING AND CONSTRUCTION GLOBAL MARKET (\$372 BN)



MARKET TRENDS

- **LIFESCIENCES:**
Secular expansion in line with demographics / healthcare requirements
- **CHEMICALS:**
New ethanol plants required by environmental regulations
- **METAL & MINING:**
Rising demand, mainly driven by emerging countries
- **POWER / INFRASTRUCTURES:**
Emerging market in Europe created by deregulation / de-monopolization and “public-private partnerships” (PPP’s)

A large potential for growth outside of oil and gas

INDUSTRIES: TECHNIP

WHERE DO WE STAND TODAY?

- The restructuring process is behind us
- Normalized margins: 4 – 6%
- Technip enjoys many positions in niche businesses:
 - Ethanol plants in Europe
 - Buildings in France
 - Pharmaceutical engineering in Europe

WHY DO WE WANT TO GROW?

- To strengthen our position on high-growth markets, including:
 - Metals & Mining
 - Power and Infrastructure
- To reduce the exposure to specific risks associated with the oil and gas markets:
 - LSTK contracts
 - Business cyclicality
 - Currencies
 - Increased competition on the lower range of the market

Medium-term target: 10 - 15% of Group revenues

IV. TECHNIP'S 2005 TARGETS



2005 TARGETS

Revenues



Euro 4.8 to 4.9 billion

Operating Margin Ratio



> 5.0%

Net Income
Pre-GW/Except.



≥ Euro 138 million

Based on €1=\$1.35, current scope of consolidation and French GAAP



PAN EUROPEAN SMALL & MID CAP CONFERENCE

DEUTSCHE BANK

London, 17 March 2005

Technip

**For more information,
please contact:**

INVESTOR RELATIONS

- **G. Christopher Welton**
Tel. +33 (0) 1 47 48 66 74
e-mail: cwelton@technip.com
- **Xavier d'Ouince**
Tel. +33 (0) 1 47 78 25 75
e-mail: xdouince@technip.com

TKP
LISTED
NYSE.



ISIN
FR0000131708

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

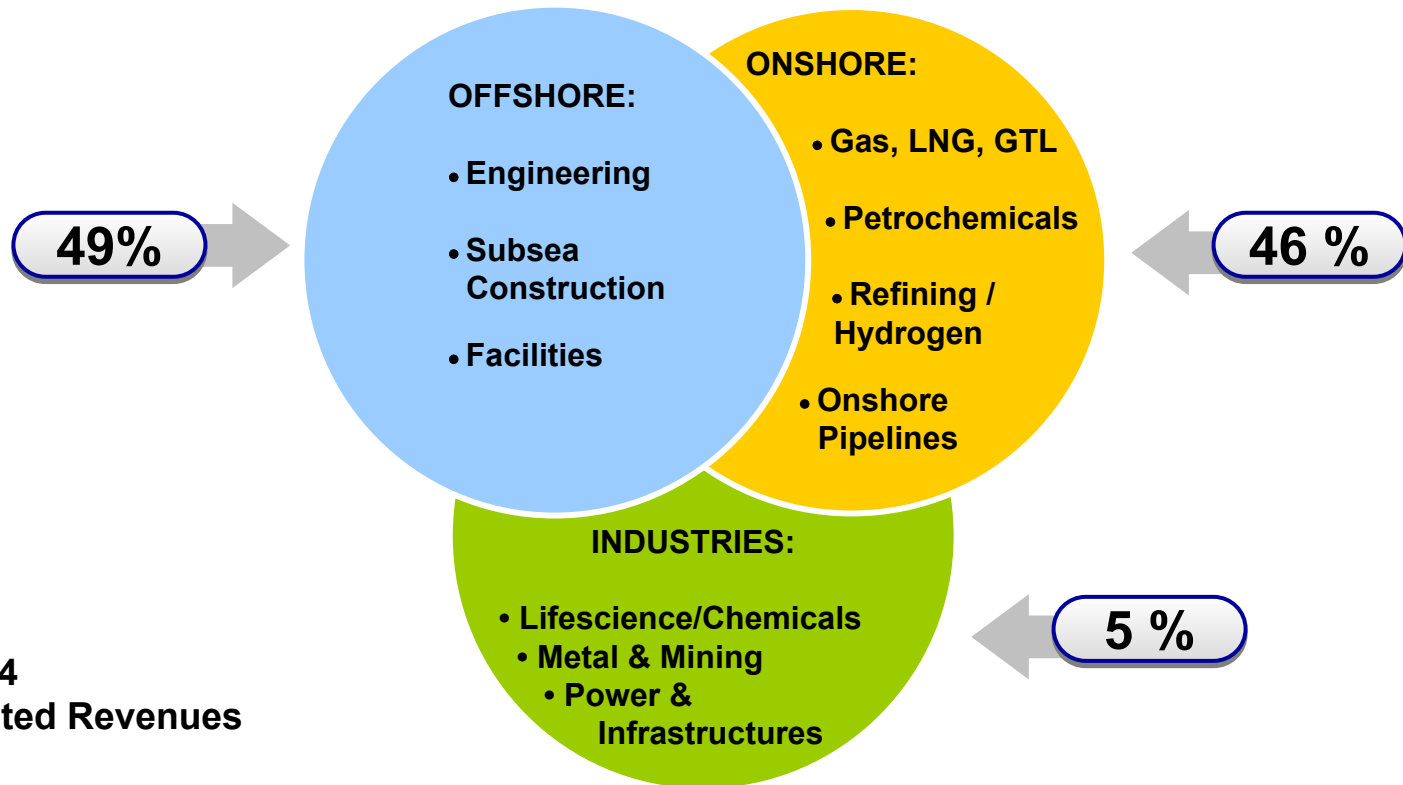
This presentation contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, or statements of future expectations; within the meaning of Section 27A of the Securities Act of 1933 or Section 21E of the Securities Exchange Act of 1934, each as amended. These forward-looking statements are not based on historical facts, but rather reflect our current expectations concerning future results and events and generally may be identified by the use of forward-looking words such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “likely”, “should”, “planned”, “may”, “estimates”, “potential” or other similar words. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by these forward-looking statements. Risks that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among other things: our ability to successfully continue to originate and execute large integrated services contracts, and construction and project risks generally; the level of production-related capital expenditure in the oil and gas industry as well as other industries; currency fluctuations; interest rate fluctuations; raw material, especially steel, price fluctuations; the timing of development of energy resources; armed conflict or political instability in the Arabic-Persian Gulf, Africa or other regions; the strength of competition; control of costs and expenses; the reduced availability of government-sponsored export financing; and the timing and success of anticipated integration synergies.

Some of these risk factors are set forth and discussed in more detail in our Annual Report on Form 20-F as filed with the SEC on June 29, 2004, and as updated from time to time in our SEC filings. Should one of these known or unknown risks materialize, or should our underlying assumptions prove incorrect, our future results could be adversely affected, causing these results to differ materially from those expressed in our forward-looking statements. These factors are not necessarily all of the important factors that could cause our actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors also could have material adverse effects on our future results. The forward-looking statements included in this release are made only as of the date of this release. We cannot assure you that projected results or events will be achieved. We do not intend, and do not assume any obligation to update any industry information or forward looking information set forth in this release to reflect subsequent events or circumstances. Except as otherwise indicated, the financial information contained in this document has been prepared in accordance with French GAAP, and certain elements would differ materially upon reconciliation to US GAAP.

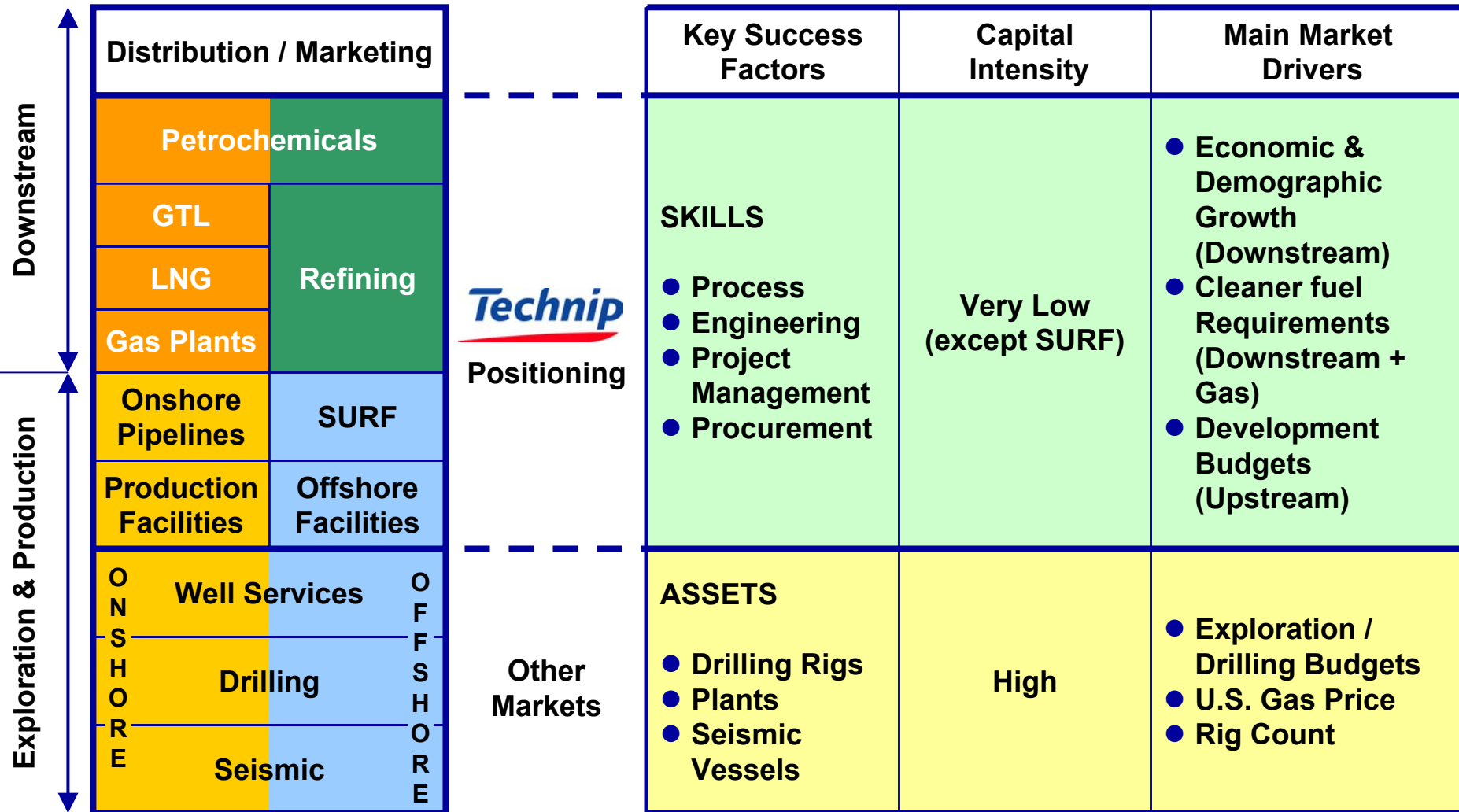
ANNEXES

TECHNIP IN A SNAPSHOT

- A leading provider of engineering, technologies and construction services for the oil&gas, petrochemical and other industries, specialised in LSTK contracting
- Listed on Eurolist by Euronext™ and NYSE



MARKET POSITIONING: BUSINESS LINES



OFFSHORE ACTIVITIES

FACILITIES

TPG 500

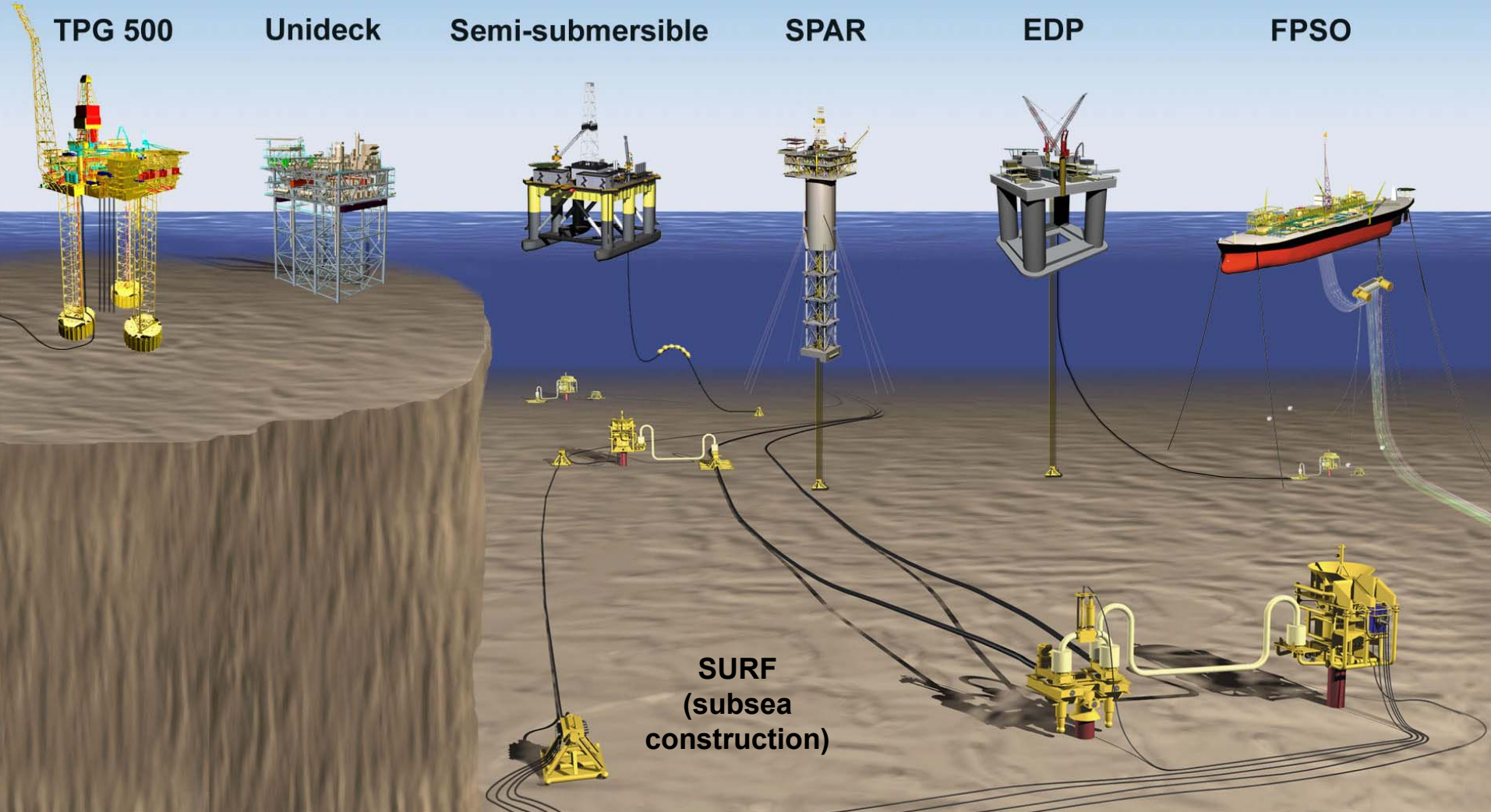
Unideck

Semi-submersible

SPAR

EDP

FPSO



SURF
(subsea
construction)

GLOBAL NETWORK OF ENGINEERING CENTERS, YARDS & PLANTS



Technip in the world: 19,000 people

Technip

E.N.R RANKING FOR INDUSTRIAL/PETROLEUM OVERSEAS ACTIVITY

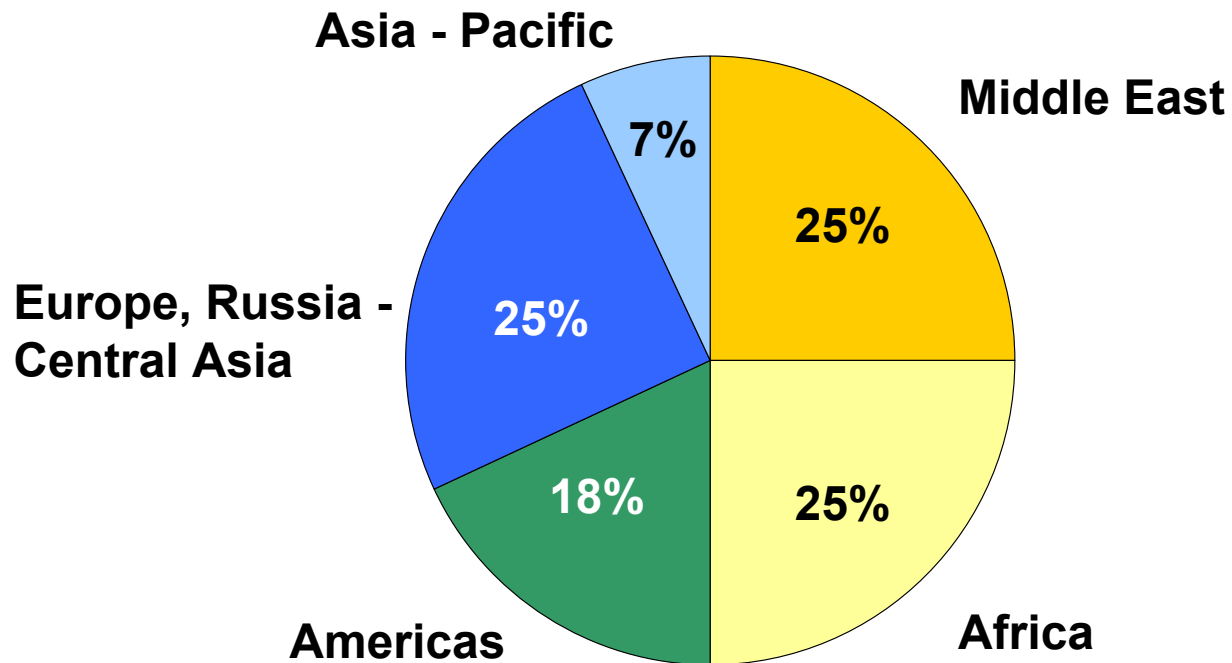
USD in Millions (2003)

CONTRACTOR RANKINGS	2003 INTERNATIONAL REVENUE OF INDUSTRIAL / PETROLEUM	OVERSEAS INDUSTRIAL / PETROLEUM IN % OF TOTAL INTERNATIONAL REVENUE
1 TECHNIP	5,181	96%
2 BECHTEL	2,588	39%
3 FLUOR	2,168	71%
4 JGC	2,098	100%
5 KBR	2,018	31%
6 SNAMPROGETTI	1,952	100%
7 FOSTER WHEELER	995	44%
8 JACOBS	950	83%
9 HYUNDAI E&C	768	48%
10 TOYO ENGINEERING	758	66%

Source: Engineering News Record 2004

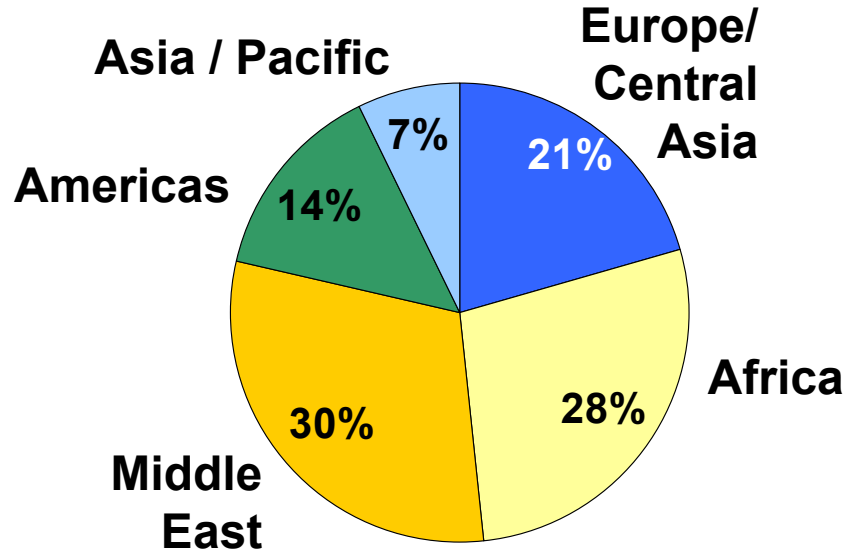


2004 REVENUES BY REGIONS

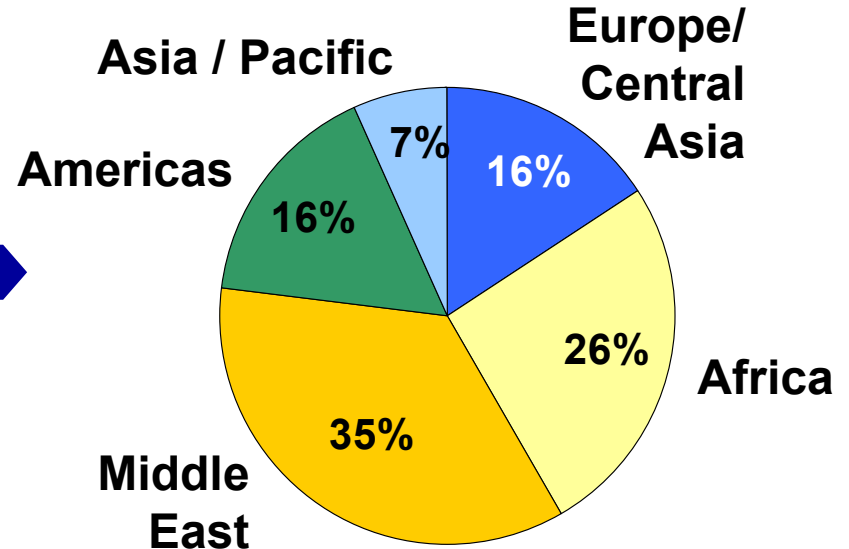


BACKLOG: REGIONAL SPLIT

As of Dec. 31, 2003



As of Dec. 31, 2004



Strong growth in Middle East share, thanks to major contracts in gas processing and liquefaction