

Letter to Shareholders



FULL YEAR 2007

€ in millions
(except EPS and dividend)

Revenues:

7,886.5
+13.9%

Operating Income:

247.0
-25.9%

Net Income:

126.3
-36.9%

Earnings per share:

€1.20
-35.5%

Annual dividend:

(subject to shareholders' approval)

€1.20
+ 14.3%

The percentages indicate the variation compared to Full Year 2006

**Ultra-deep water:
Pushing back the limits**

Shareholders' Log

**Technip and Sustainable
Development**

Dear Valued Shareholder,

2007 was a year of contrasting results for Technip, but the Group starts 2008 on surer footing and with better visibility.

First, the excellent performance of our subsea business resulted in a record operating margin of 15.8% in that segment. Second, the situation of certain onshore contracts that were affected by unpredictable cost escalation and a severe shortage of resources, during the construction phase, has been clarified. Third, the Group's order intake rose 17% in 2007, and the backlog, which amounted to approximately € 9.4 billion at year-end, is more balanced.

As for the Group's industrial assets, the production capacity of our flexible pipe fabrication plants in Brazil and France were increased and the construction of a new plant in Asia was launched. Two vessels joined our fleet in 2007 and the construction of two others was commenced. Our asset enhancement program of €1 billion over the 2007-2010 period is progressing as planned.

The fundamentals of our industry remain solid and offer good visibility on our onshore and offshore markets beyond the current decade. With its technological expertise and solid balance sheet, Technip is well-positioned to take full advantage of these growing markets while focusing on profitability.

In this context, Technip's financial targets for 2008 are consolidated revenues of approximately €8 billion and an operating margin of over 7.3%.

Confident in our ability to create long-term value for our shareholders, the Board of Directors will propose an increase in the 2007 ordinary dividend to €1.20 per share to the Annual General Shareholder's Meeting.

I would like to thank you for your trust,

Thierry Pilenko
Chairman & Chief Executive Officer

Ultra-deep water: Pushing back the limits

The idea of “ultra-deep water” has changed a lot over the last 20 years. Today subsea developments can reach depths close to 3,000 meters.*

*The equivalent of 9 Eiffel Towers

During the 1980's the term "deep" sea referred to hydrocarbon fields located in water depths reaching 500 meters. Today, fields located beyond 2,000 meters are being exploited. Such developments are mainly found off the coast of West Africa, in the Gulf of Mexico and off the coast of Brazil. By 2010, oil and gas production in ultra-deep waters should more than double.

In this context, Technip continues its investment and R&D efforts (45% of Technip's R&D expenditures are dedicated to ultra-deep water technologies) in order to provide innovative technological solutions and execution capabilities.

Four technologies in answer to current and future challenges

1. FLEXIBLE PIPES

For thirty years, Technip has designed flexible pipes adapted to all types of field developments. These products are manufactured at the Group's two production plants in France and Brazil. A third plant, to be built in Malaysia, will be operational in 2010. This new plant will supply the growing Southeast Asian market.

2. RIGID PIPES

Technip is the leader in reeled rigid pipe technology. The Group assembles this type of flowline at its 5 spoolbases located in Angola, Brazil, USA, Norway and UK, close to its clients' operating zones. The rigid pipe is installed using Technip's own fleet of specialized pipelay vessels.

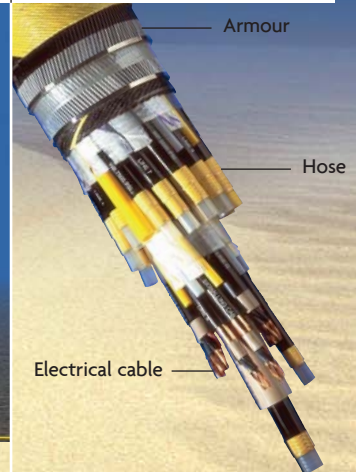
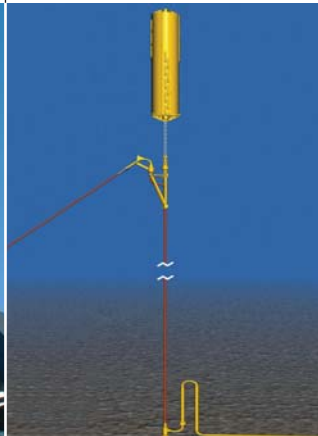
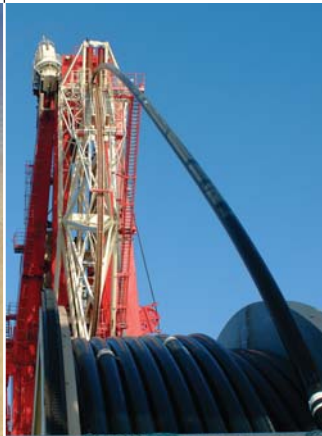
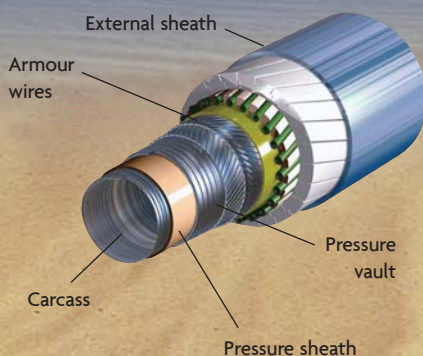
3. HYBRID RISERS

Designed for deep water depths, these flowlines are used to transport hydrocarbons from the seabed to the production unit at the surface and the transfer of fluids from the surface to subsea reservoirs. The term "hybrid" refers to the composition of the flowline which is part flexible and part rigid pipe.

4. UMBILICALS

Umbilicals are a bundles of hydraulic hoses, electric and fiber optic cables which serve to remotely control installations and subsea robots. Umbilicals are manufactured at the Group's three production facilities in the UK, USA and Angola.

Each sheath has a purpose:





The design and installation of subsea infrastructures at such great depths requires increasingly specialized expertise at every level. Technip is vertically integrated with activities that cover all phases of a subsea infrastructure project, from the design of flexible products, fabrication and assembly, through to installation. For example, Technip's R&D teams have succeeded in developing innovative flexible pipe products such as the Integrated Production Bundle (IPB), which has an internal diameter of up to 12 inches (30 cm), thus ensuring the flow of hydrocarbons. Another example is the type of steel chosen, which is a determining factor in the prevention of internal corrosion of flowlines. This is a complex process and is carried out in cooperation with the R&D teams of Technip and its suppliers. Technip is also adapting its fleet to enable the installation of pipe that is increasingly heavy and sophisticated. Other criteria also have to be taken into account such as the geographic zone, sea characteristics, weather conditions...

Technip's achievements

Thanks to its experience and expertise, Technip can offer its clients the development of prototypes such as the IPB which was installed for the first time in 2006. This flexible product was designed by Technip's R&D teams for Total's Dalia field off the coast of Angola. The IPB is a 12 inch (30 cm) production flowline surrounded by 24 uniformly distributed stainless steel tubes. The tubes are used to inject gas at a temperature of 70° C (158°F) under 200 bars of pressure, thus accelerating the rise of the crude towards the surface. The water temperature at a depth of 1,350 meters is approximately 2°C (36°F). Six electric cables heat the flowline to prevent the crude from solidifying in case production stop. Depending on the nature of the crude (degree of viscosity) and type of seas, extraction can be very complex. Today, the Dalia field is equipped with 8 IPBs each measuring 58 cm (23 inches) in diameter and 1,650 meters in length (for a total length of 13.2 km). Thus, Technip achieved a world technological first.

In 2005 Technip had already achieved a world's record in terms of water-depth (1,900 meters) with the installation of 8-inch (20 cm) very-high pressure (10,000 psi) flexible pipe on BP's Thunderhorse field in the Gulf of Mexico. On the Perdido project, currently underway in the Gulf of Mexico, Technip will achieve a new depth record with the installation of flexible pipe at depths reaching 2,950 meters.

As for rigid pipe, Technip achieved several technological firsts on the Na Kika field also in the Gulf of Mexico. In May 2004, this project received the Distinguished Achievement Award at the annual Offshore Technology Conference (OTC) in Houston, Texas.

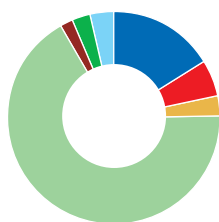
The first installation of 18-inch (46 cm) hybrid riser, at a water depth of 1,800 meters, took place in October 2007 on the Roncador field in Brazil. Technip was recently awarded another contract for the installation of five flowlines of this type at a water depth of 2,500 meters for the Cascade Chinook fields in the Gulf of Mexico.

The supply of umbilicals to be installed in 2,950 meters of water for the Perdido field in the Gulf of Mexico will be a new record in this domain.

With pipe lay resources unique to the market and its fleet of specialized vessels, Technip installs all types of subsea flowlines, both rigid and flexible. To answer market needs and changing demands, three new ships will be added to the current fleet of 16 vessels. These new vessels will be equipped with state-of-the-art technology enabling the execution of increasingly high-performance projects.

Shareholders' Log

SHAREHOLDING STRUCTURE AT DECEMBER 31, 2007



French Institutions	16.3%
Individual Shareholders	5.6%
Institut Français du Pétrole	2.9%
Foreign Institutions	67%
Employees	1.9%
Treasury Shares	2.9%
Others	3.4%

- April 21:**
Annual General Meeting (1st notice)
- May 6:**
Technip Annual General Meeting (2nd notice)
- May 13:** Payment of dividend
- May 15:**
2008 First Quarter Results
- July 31:**
2008 First Half Results
- November 13 :**
2008 Third Quarter Results

* Provisional calendar

2008 CALENDAR*

STOCK MARKET DATA AT DECEMBER 31, 2007

Share Price: €54.50

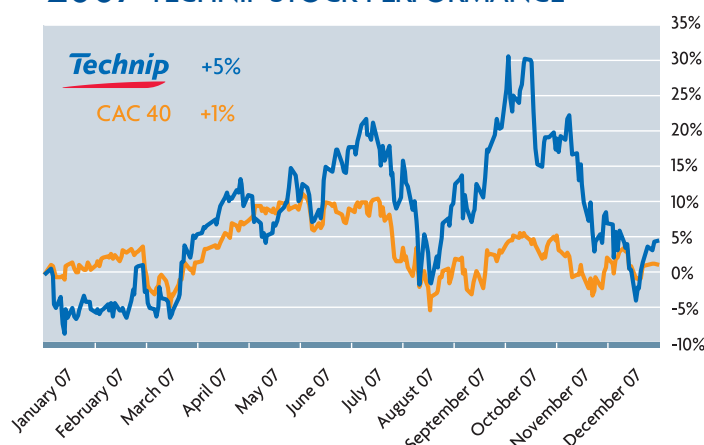
Number of outstanding shares (in millions): 107.4

Market Capitalization (in millions): 5,853.3

Since January 1st, 2007:

Change	+ 5%
Highest Share Price (€)	67.88
Lowest Share Price (€)	47.68
Average Daily Volume	815,432

2007 TECHNIP STOCK PERFORMANCE



Technip and Sustainable Development

ORCA^{II} ANTICIPATING RISK

The ORCA II program is a proactive tool which aims to build awareness, among employees on project sites and ships, of the correct behaviors to adopt in order to limit incident risk. The Orca II program has been implemented by the Group's teams in Aberdeen, Scotland and is based on 4 principles.

Observe - two auditors, the activity manager and a person from another department, observe employees in their work environment. During this first phase behaviors, protective measures taken, compliance with procedures, etc. are studied.

Record - during this phase potentially dangerous situations are identified and proper safety practices are promoted.

Communicate - the audited employees react to security issues by answering questions relating to their daily activities. This discussion phase provides an opportunity to emphasize good habits and to explain corrective measures to be implemented in order to anticipate any incident.

Agree - the audit should result in an agreement between the different parties relating to areas that need improving. During subsequent follow-ups this agreement will serve as a reference document. It is essential to return on-site at regular intervals to show that safety is an everyday priority.



Shareholders Information **Technip**

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