

May 15, 2007

# First Quarter 2007 Results



**Technip**

# First Quarter 2007 Financial Highlights

€ in Millions, except EPS  
(Not audited)

|  |                     | Var. YoY               |
|--|---------------------|------------------------|
| <b>Revenues</b>  | <b>1,774.7</b>      | <b>+ 12.7 %</b>        |
| <b>Operating Income<br/>from Recurring Activities *</b>              | <b>107.9</b>        | <b>+ 237.2 %</b>       |
| <b><i>Operating Margin Ratio<br/>from Recurring Activities *</i></b> | <b><i>6.1 %</i></b> | <b><i>+ 410 bp</i></b> |
| <b>Net Income</b>  | <b>68.1</b>         | <b>+ 169.2 %</b>       |
| <b>EPS (€)<br/>(on a diluted basis**)</b>                            | <b>0.65</b>         | <b>+ 103.1 %</b>       |
| <b>E/ADS (\$)<br/>(on a diluted basis**)</b>                         | <b>0.87</b>         | <b>+ 103.1 %</b>       |

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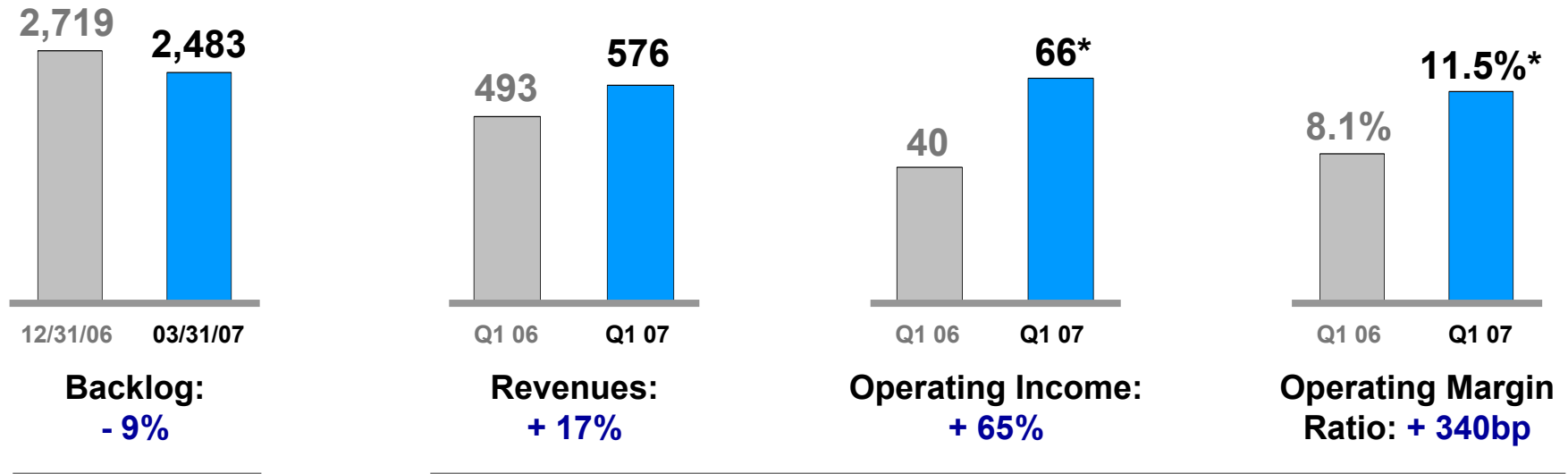
# I/ **First Quarter 2007 Figures**

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- 1. Business Segment Performance**
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# 1.1 / SURF

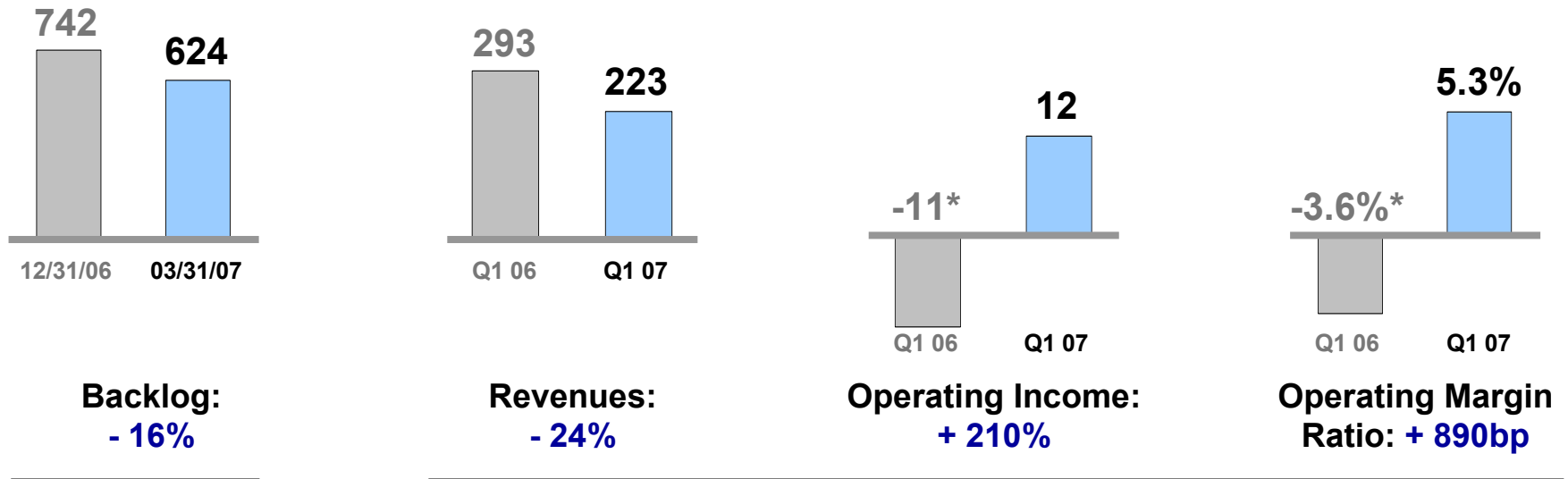
€ in Millions



- ▶ Including capital gain on PSS sale, operating margin ratio was 14.0%
  - ▶ Good vessel utilization rate: 79% for the first quarter
  - ▶ Agbami (Nigeria): Flexible and umbilicals manufacturing progressing as planned
  - ▶ Sunrise 2000 chartered by Petrobras for a new four year period
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- ▶ Strong tendering level in all regions and in all water depth

## 1.2 / Offshore Facilities

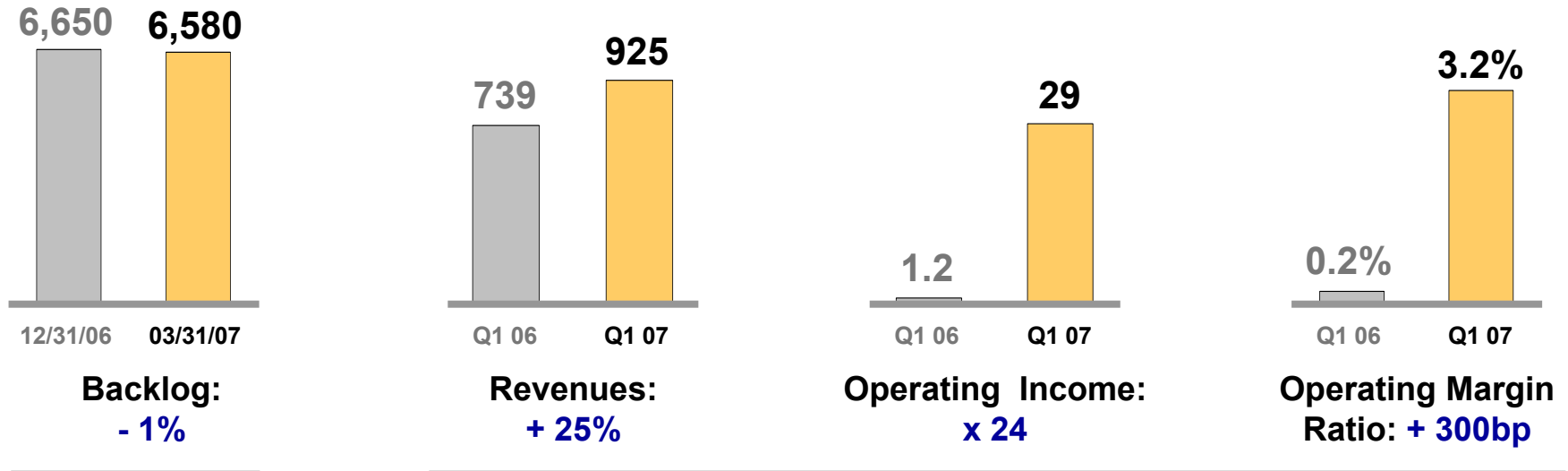
€ in Millions



- ▶ QatarGas II Offshore: E&P completed, construction ongoing at NPCC Abu Dhabi yard
  - ▶ Tahiti SPAR sailed away from Pori yard to Gulf of Mexico beginning of May 2007
  - ▶ Perdido SPAR progressing on engineering and procurement
  - ▶ Akpo FPSO under construction in Korea (topsides) and Nigeria (flare structure)
- 
- ▶ Strong tendering level especially in West Africa, but some delays in contract awards

## 1.3 / Onshore-Downstream

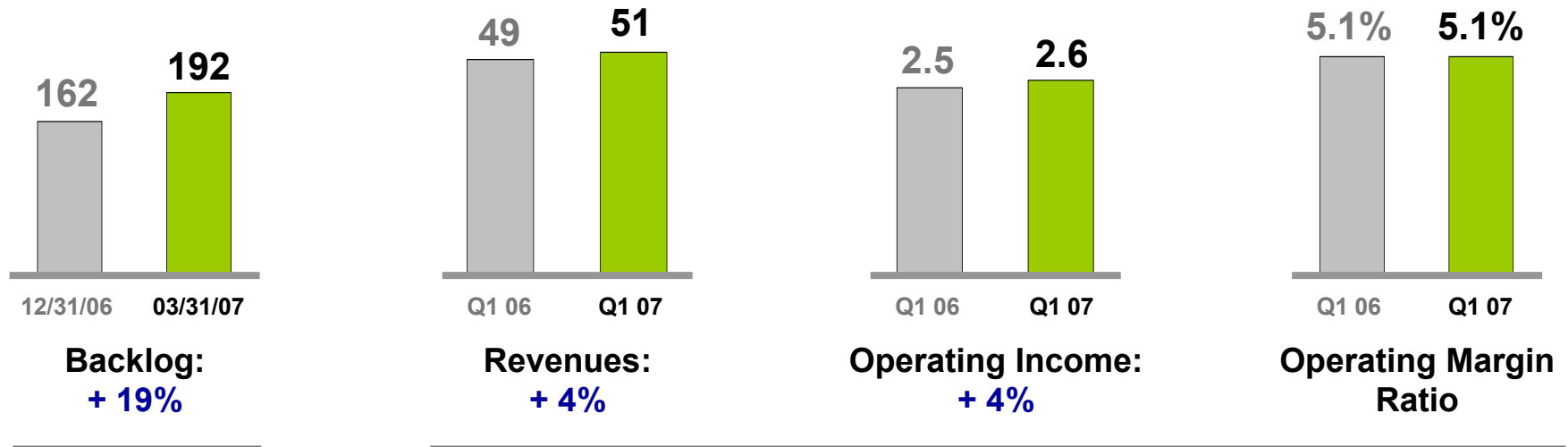
€ in Millions



- ▶ LNG projects (Qatar & Yemen): Construction ramping up with 54 000 workers
  - ▶ Bonny LNG train 6 (Nigeria) and Freeport terminal (Texas) construction progressing
  - ▶ Horizon Coker (Canada) modules fabrication in Edmonton completed
  - ▶ Dung Quat Refinery (Vietnam) piping prefabrication ongoing
  - ▶ OAG project (Abu Dhabi) mobilization and engineering started
- 
- ▶ Many large project opportunities, but construction resources remain strained

## 1.4 / Industries

€ in Millions



- ▶ Technip awarded contract for Renault Nissan Mahindra in India
- ▶ High activity in Life Sciences with projects in France and abroad (India / China)



## 2. / Q1 Group Income Statement

€ in Millions, except EPS  
(Not audited)

|   | Q1 07          | Q1 06          | Change          |
|---|----------------|----------------|-----------------|
| <b>Revenues</b>                                   | <b>1,774.7</b> | <b>1,574.4</b> | <b>+ 12.7%</b>  |
| <b>Operating Income from Recurring Activities</b> | <b>107.9</b>   | <b>32.0</b>    | <b>+ 237.2%</b> |
| Income from Sale of Activities                    | 14.6           | 22.0           |                 |
| <b>Operating Income</b>                           | <b>122.5</b>   | <b>54.0</b>    | <b>+ 126.9%</b> |
| Financial Charges                                 | (20.6)         | (17.3)         | + 19.1%         |
| Income of Equity Affiliates                       | 1.4            | 0.4            |                 |
| <b>Profit Before Tax</b>                          | <b>103.3</b>   | <b>37.1</b>    | <b>+ 178.4%</b> |
| Income Tax  | (26.8)         | (11.1)         | nm              |
| Tax on Capital Gain on Activity Disposal          | (7.2)          | -              |                 |
| Minority Interests                                | (1.2)          | (0.7)          |                 |
| <b>Net Income</b>                                 | <b>68.1</b>    | <b>25.3</b>    | <b>+ 169.2%</b> |
| <b>EPS on a diluted basis* (in €)</b>             | <b>0.65</b>    | <b>0.32</b>    | <b>+ 103.1%</b> |
| <b>E/ADS on a diluted basis* (in \$)</b>          | <b>0.87</b>    | <b>0.43</b>    |                 |

nm = not meaningful

\* See note on dilution calculation in Q1 07 results press release

### 3. / Net Cash

€ in Millions, (Not audited)

|                                      |              |
|--------------------------------------|--------------|
| <b>Net Cash at December 31, 2006</b> | <b>1,540</b> |
| Share Buyback                        | - 86         |
| Operating Cash Flow                  | 81           |
| Capex                                | - 35         |
| Working Capital                      | 54           |
| Asset Disposals                      | 66           |
| Others                               | - 9          |
| <b>Net Cash at March 31, 2007</b>    | <b>1,611</b> |

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*2007 capex forecast: EUR 350 million*

*2006 dividend paid on May 3<sup>rd</sup>, 2007: EUR 275 million*

## 4. / Group Balance Sheet

€ in Millions

|   | Mar. 31, 2007* | Dec. 31, 2006** |
|---|----------------|-----------------|
| FIXED ASSETS                                      | 3,223.5        | 3,241.1         |
| OTHER ASSETS                                      | 2,497.1        | 2,419.6         |
| CASH & EQUIVALENTS                                | 2,481.3        | 2,402.8         |
| <b>TOTAL ASSETS</b>                               | <b>8,201.9</b> | <b>8,063.5</b>  |
| SHAREHOLDERS' EQUITY (incl. Min. Interests)       | 2,393.1        | 2,416.8         |
| FINANCIAL DEBT                                    | 869.8          | 862.5           |
| OTHER LIABILITIES                                 | 4,939.0        | 4,784.2         |
| <b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b> | <b>8,201.9</b> | <b>8,063.5</b>  |

\*Not audited

\*\* Audited: Following the analysis supervised by Technip auditors and performed between the date of the FY 2006 results press release issuance and the "Document de reference" reporting, "construction contracts" has been modified, increasing the total amount of the balance sheet at December 31, 2006 by EUR 364.7 million with no impact on the statement of income and on the shareholders equity.

## 5. / Net Return on Capital Employed

€ in Millions  
(Not audited)

|   | Q1 07          | Q1 06        |
|---|----------------|--------------|
| Profit Before Tax   | 103.3          | 37.1         |
| Financial Charges   | 20.6           | 17.3         |
| Notional Income Tax (30%)                                 | (37.2)         | (16.3)       |
| <b>Adjusted Net Income (1)</b>                            | <b>86.7</b>    | <b>38.1</b>  |
| Opening Shareholders' Equity (inc. Minorities)            | 2,416.8        | 1,967.6      |
| Accumulated Goodwill Amortization                         | 358.7          | 328.9        |
| Net Debt (Cash) as of March 31 <sup>st</sup>              | (1,611.5)      | (1,328.0)    |
| <b>Capital Employed (2)</b>                               | <b>1,164.0</b> | <b>968.5</b> |
| <b>Annualized Return on Capital Employed: (1)/(2) X 4</b> | <b>29.8%</b>   | <b>15.7%</b> |

## 6. / Shareholder Value

- ▶ In Q1 2007, 1.73 million shares were bought back on the market for a total amount of € 86.1 million
- ▶ On April 27<sup>th</sup>, 2007, Shareholders approved
  - a 14% increase in dividend to € 1.05 per share
  - an exceptional dividend of € 2.10 per share

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*Our € 600 million program of cash distribution to shareholders has been completed as scheduled by May 3<sup>rd</sup>, 2007*

## **II/ Market Trends and 2007 Outlook**

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- 1. Backlog as of March 31<sup>st</sup>, 2007**
- 2. Prospects for Order Intake in 2007**
- 3. Full Year 2007 Outlook**

# 1.1 / March 31<sup>st</sup>, 2007 Backlog Estimated Scheduling

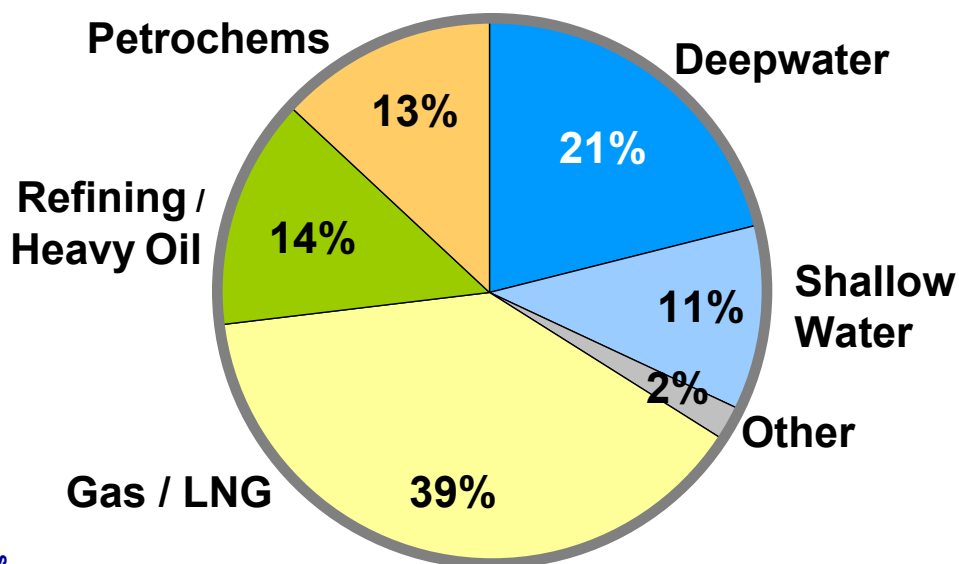
€ in Millions

|               | <b>SURF</b>  | <b>Offshore<br/>Facilities</b> | <b>Onshore<br/>Downstream</b> | <b>Industries</b> | <b>Group</b> |
|---------------|--------------|--------------------------------|-------------------------------|-------------------|--------------|
| <b>2007</b>   | 1531         | 418                            | 2,437                         | 140               | 4,526        |
| <b>2008</b>   | 848          | 206                            | 2,764                         | 37                | 3,855        |
| <b>2009 +</b> | 104          | -                              | 1,379                         | 15                | 1,498        |
| <b>Total</b>  | <b>2,483</b> | <b>624</b>                     | <b>6,580</b>                  | <b>192</b>        | <b>9,879</b> |

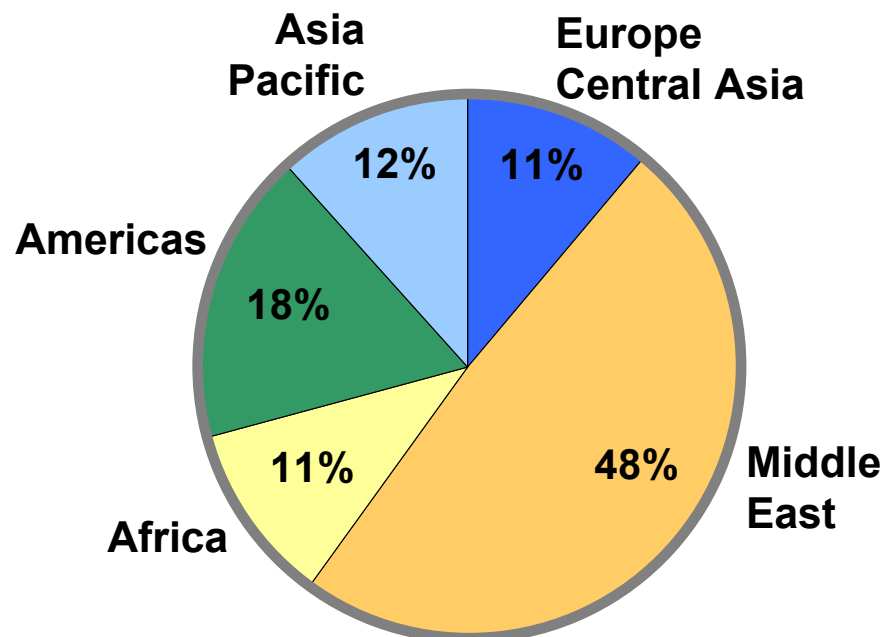
# 1.2 / Backlog Breakdown as of March 31<sup>st</sup>, 2007

€ 9,879 M

### Market Split



### Regional Split





## 2.1 / Major Awards Expected by Technip and Competition in Next 12 Months

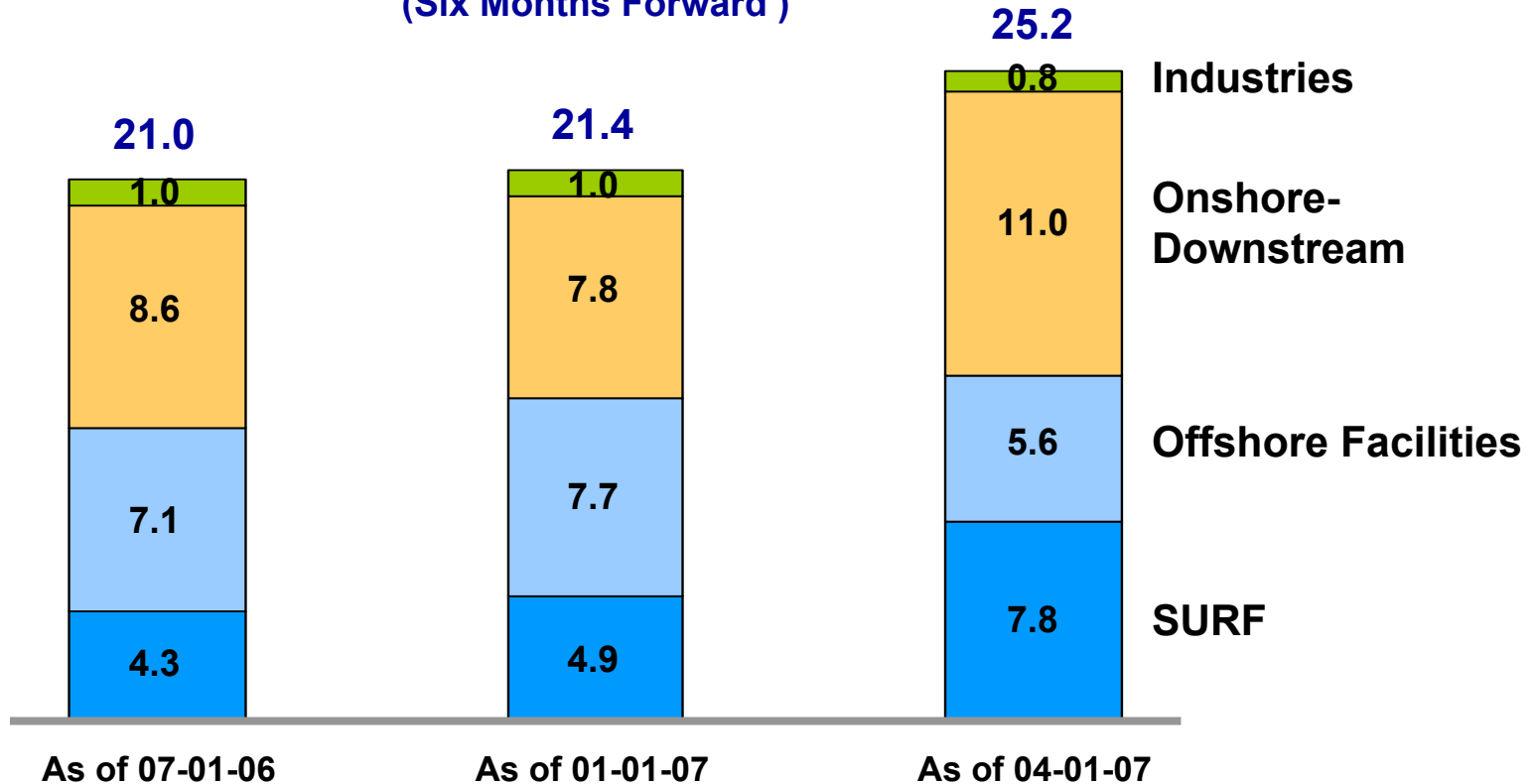
| SURF                            |    | OFFSHORE FACILITIES   |   | GAS / LNG                     |     | REFINING / PETCHEM.               |     |
|---------------------------------|----|-----------------------|---|-------------------------------|-----|-----------------------------------|-----|
| USAN (Nigeria)                  | L  | USAN FPSO (Nigeria)   | L | BONNY LNG TRAIN 7 (Nigeria)   | XL  | DOW ETHYLENE (Oman)               | XXL |
| PAZ FLOR (Angola)               | XL | PAZ FLOR (Angola)     | L | AGX GAS TREAT. (Qatar)        | L   | MA'ADEN Phosphate (S.Arabia)      | XL  |
| BLOCK 31 (Angola)               | XL | BROWSE (Australia)    | L | BAB GAS COMP. (UAE)           | L   | EXXON ETHYLENE (Singapore)        | XL  |
| BONGA SOUTHWEST (Nigeria)       | L  | ZAKUM (UAE)           | L | PASCAGOULA LNG TERMINAL (USA) | L   | AMMONIA/UREA CAM ANH (Vietnam)    | XL  |
| VEGA FLOWLINES (Norway)         | L  | BONGKOT 4A (Thailand) | L | TARANTO LNG TERMINAL (Italy)  | L   | WESTLAKE ETHYLEN. (Trinidad)      | XL  |
| CHINOOK CASCADE (GoM)           | L  | P-56 (Brazil)         | L | ADCO SAS FIELD (UAE)          | XXL | HEAVY OIL REFINERY (Canada)       | XXL |
| BLOCK 15 Gas Gathering (Angola) | L  | P-55 (Brazil)         | L | OK LNG (Nigeria)              | XXL | AL JUBAIL REFINERY (Saudi Arabia) | XXL |

| TECHNIP POTENTIAL SHARE |                  |           |
|-------------------------|------------------|-----------|
| L                       | XL               | XXL       |
| €200m to €500m          | €500m to €1,000m | > €1,000m |

## 2.2 / Prospects for Order Intake in 2007

€ in Billion

### ACCESSIBLE MARKET\* (Six Months Forward)



*The size of Technip's backlog combined with strong market demand allow for a highly selective business development approach*

**Technip**

\*Technip estimates

### 3. / **Full Year 2007 Outlook**

- ▶ **Group revenues are expected to show a moderate growth**
- ▶ **We anticipate a further improvement in operating income from recurring activities**
- ▶ **Our robust backlog and favorable market conditions enable us to manage the growth of our backlog, focusing on the quality of new order intake**
- ▶ **On top of its organic growth, Technip will continue to explore new opportunities for external growth**

# Summary

- ▶ **Revenues up 13%**
  - ▶ **Earnings per share up 103% at € 0.65**
  - ▶ **Strong performance in SURF**
- 
- ▶ **High tendering activities in all business segments and in all regions**

**For more information,  
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## **INVESTOR RELATIONS**

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# Trading Technip

**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 Arabian-Persian Gulf, Africa or other regions; the strength of competition; control of costs and expenses; the reduced availability of government-sponsored export financing; losses in one or more of our large contracts; U.S. legislation relating to investments in Iran or elsewhere that we seek to do business; changes in tax legislation; intensified price pressure by our competitors; severe weather conditions; our ability to successfully keep pace with technology changes; our ability to attract and retain qualified personnel; the evolution, interpretation and uniform application and enforcement of International Financial Reporting Standards (IFRS), according to which we prepare our financial statements as of January 1, 2006; political and social stability in developing countries; competition; supply chain bottlenecks; the ability of our subcontractors to attract skilled labor; and our ability to manage and mitigate logistical challenges due to underdeveloped infrastructure in some countries where we are performing projects.***

***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, 2006, 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 IFRS, and certain elements would differ materially upon reconciliation to U.S. GAAP.***

# Annexes

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- 1. U.S. GAAP Net Income**
- 2. Corporate Governance**



# Annex 1: U.S. GAAP Net Income

| € in Millions<br>(Not Audited)            | Q1 07       |
|---|-------------|
| <b>IFRS Net Income</b>                    | <b>68.1</b> |
| Restatement IAS 32/39 & FAS 133 and Other | <b>6.2</b>  |
| <b>U.S. GAAP Net Income</b>               | <b>74.3</b> |

# Annex 2: Corporate Governance

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- 1. New Board of Directors**
- 2. Composition of the Board Specialized Committees**

# 1. / **New Board of Directors**

- ▶ **The mandates of all Directors expired at the Shareholders' Meeting on April 27, 2007. The new composition of the Board of Directors is as follows:**
  - **Re-elected Directors:**
    - **Olivier APPERT, Chairman and CEO of « Institut Français du Pétrole », French**
    - **Jacques DEYIRMENDJIAN, Chairman of Deynergies SAS, French**
    - **Jean-Pierre LAMOURE, Chairman and CEO of Solétanche, French**
    - **Daniel LEBEGUE, Chairman of « Institut Français des Administrateurs », French**
    - **Roger M. MILGRIM, Lawyer, American**
    - **Rolf-Erik ROLFSEN, Chairman of the Executive Counsel of the Industrial Development, Norwegian**
    - **Bruno WEYMULLER, Executive VP of Strategy and Risk assessment of Total, French**
  - **Newly-elected Directors:**
    - **Thierry PILENKO, Chairman and CEO of Technip, French**
    - **Pascal COLOMBANI, Associate Director and Senior Advisor of A.T. Kearney, French**
    - **John C. G. O'LEARY, Chairman and CEO of Strand Energy (Dubai), Irish**
    - **Germaine GIBARA, Chairman Avvio Management Inc., Canadian**
- ▶ **Technip by-laws have been modified so that half of the Board of Directors will be renewed on a rolling basis every two years.**

## 2. / **Composition of the Board Specialized Committees**

- ▶ **Audit Committee**
  - Daniel LEBEGUE\* (Chairman)
  - Jacques DEYIRMENDJIAN\*
  - Roger MILGRIM\*
  - John O'LEARY\*
  
- ▶ **Strategic Committee**
  - Jacques DEYIRMENDJIAN\* (Chairman)
  - Olivier APPERT
  - Pascal COLOMBANI\*
  - Germaine GIBARA\*
  - Rolf-Erik ROLFSEN\*
  
- ▶ **Nomination and Compensation Committee**
  - Bruno WEYMULLER (Chairman)
  - Pascal COLOMBANI\*
  - Germaine GIBARA\*
  - Jean-Pierre LAMOURE\*