



2008 Fourth Quarter and Full Year Results



February 19, 2009

Technip



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2008 Highlights



Key Financial Performance Objectives

- ▶ **Drive margin enhancement across the businesses**
- ▶ **Manage legacy contracts within expectations**
- ▶ **Conserve our cash whilst investing for the future**

Key Financial Achievements

▶ Margins 2007 to 2008

- Subsea from 15.8% to 19.5%
- Offshore / Onshore combined from (2.3)% to 4.0%

▶ Operational and financial parameters of legacy contracts within expectations

▶ Significant progress in major capex program and increased R&D investment

▶ Cash at year-end 2008 was €1.64 billion, ahead of expectations

Recommendation to maintain dividend at €1.20 per share



Where Technip stands at the end of 2008

- ▶ **Solid backlog of €7.2 billion affording good visibility on 2009 revenue and profit**
- ▶ **Balanced backlog: Regions, Clients and Markets**
- ▶ **Profitable across all our segments**
- ▶ **Strong Balance Sheet**
- ▶ **Management team aligned to creating value**



II.

Fourth Quarter Operational Highlights

Fourth Quarter Subsea Operational Highlights

▶ Operations / Projects

- High vessel utilization rate of 78% during the fourth quarter 2008,
- Caught up on Hurricane Ike's impact in Gulf of Mexico
- Flexible pipe production units continued to have a strong activity,
- Offshore operations on Agbami, Nigeria, were successfully completed,
- Engineering for Pazflor, Angola, progressed well and procurement is ongoing,
- Azurite, Congo, and Gimboa, Angola, were successfully completed,
- Technip's first pipe-in-pipe gas project was successfully completed on Canapu, Brazil,
- White Rose North Amethyst, Canada, progressed well.

▶ Numerous small and medium size contracts awarded

- Phase 2 of MA-D6 oil field development operated by Reliance Industries

▶ Backlog

- Visibility with long-term large projects such as Pazflor, Block 31 and Cascade Chinook

Fourth Quarter Offshore Operational Highlights

▶ Operations / Projects

- Hook-up of subsea lines to Akpo FPSO and commissioning progressed well,
- First oil produced with P-51 in Brazil; P-56 execution is ongoing,
- Diversification of the Pori yard in Finland continued

▶ Numerous small contracts awarded

▶ Backlog

- Offshore Backlog of €461 million mainly composed of engineering studies

Fourth Quarter Onshore Operational Highlights

► Operations / Projects

- QatarGas II first train, number 4, has been handed over to the client. Discussions on QatarGas III & IV have advanced significantly, while the ethylene project is ongoing,
- LNG Project in Yemen progressed,
- Ethylene plant in Shuaiba, Kuwait, was delivered to the client in third quarter. Successful start-up of the plant during fourth quarter. Contractual specifications reached in record time,
- Saudi Arabian Khursaniyah first train advanced according to plan,
- Commissioning is under progress on the Yansab project in Saudi Arabia and preparing for “Ready for Start-up”,
- Many units of Dung Quat Refinery, Vietnam, have reached mechanical completion,
- Numerous other projects progressed well:
 - Gdansk refinery for Grupa Lotos in Poland
 - OAG modules are being installed on Das Island, United Arab Emirates
 - Biodiesel plants for Neste Oil in Rotterdam and Singapore

► Many small projects rich in engineering man-hours awarded



III. Financial Highlights

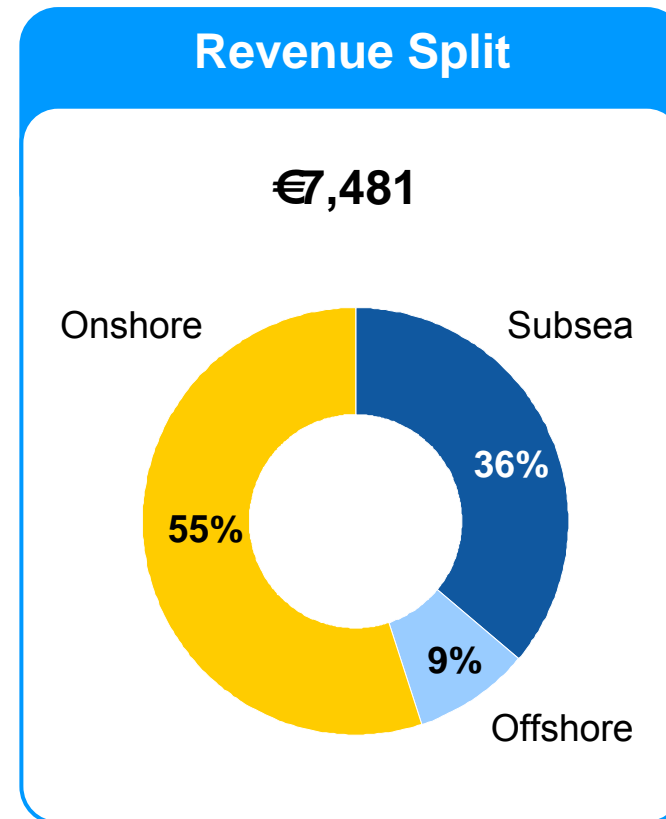
Fourth Quarter and Full Year 2008 Group Financial Highlights

€ in millions (audited)	4Q07	4Q08	FY07	FY08
Revenue	2,101	1,908	7,887	7,481
EBITDA⁽¹⁾	(52)	234	410	846
<i>EBITDA margin</i>	(2.5)%	12.3%	5.2%	11.3%
Operating Income⁽²⁾	(108)	184	247	657
<i>Operating margin</i>	(5.1)%	9.6%	3.1%	8.8%
Net Income	(98)	134	126	448
EPS (€)	(0.92)	1.26	1.20	4.25
Order Intake	2,102	1,203	7,198	5,755
Backlog as of Dec. 31	9,390	7,208		
Net cash as of Dec. 31	1,704	1,645		

Revenue Highlights

In € millions (not audited)

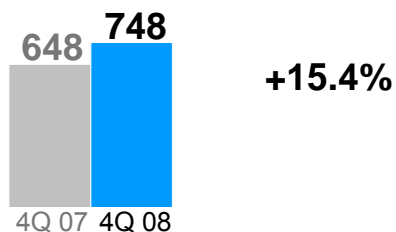
Backlog as December 31, 2007 scheduled for 2008	€5,850
2008 orders in 2008 revenue	€1,956
Currency impact	€(325)
2008 Revenue	€7,481
% change 2007 / 2008	
○ absolute:	(5.1)%
○ excluding FX:	(1.0)%



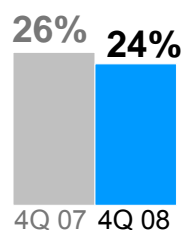
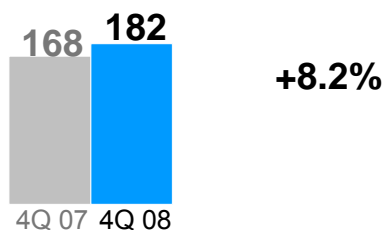
Subsea Fourth Quarter Figures

In € millions (not audited)

Revenue

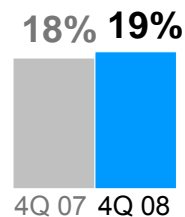
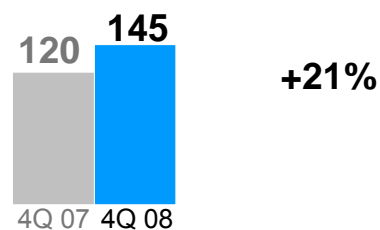


EBITDA



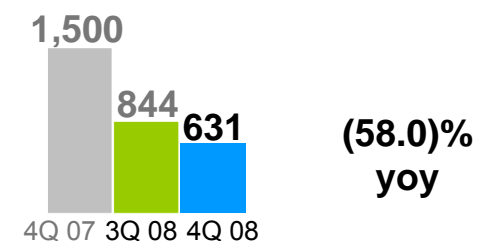
Margin
(163)bp

Operating income*

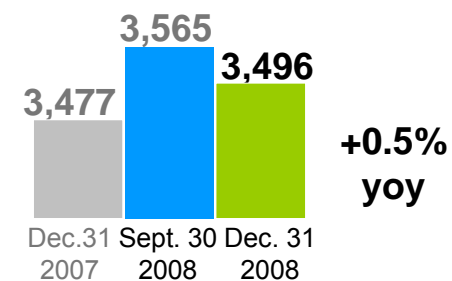


Margin
+88bp

Order intake



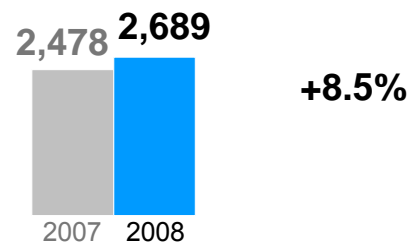
Backlog



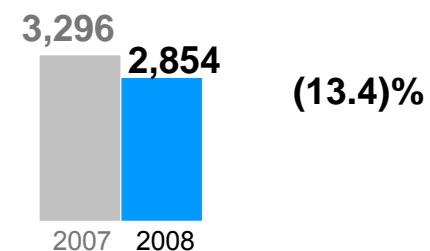
Subsea Full Year Figures

In € millions (not audited)

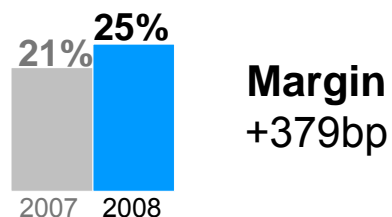
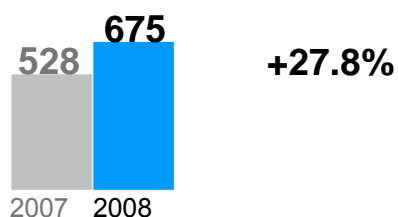
Revenue



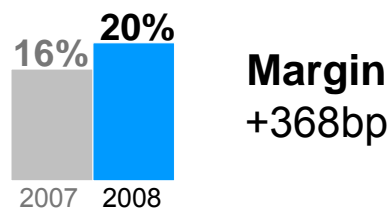
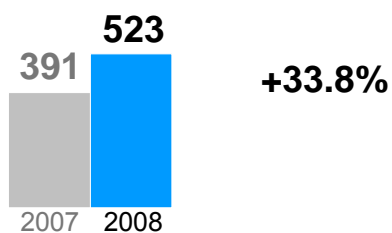
Order intake



EBITDA



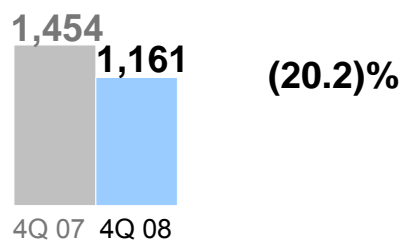
Operating income*



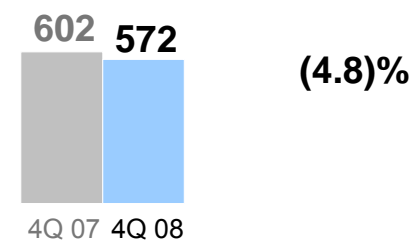
Onshore / Offshore Combined Fourth Quarter Figures

In € millions (not audited)

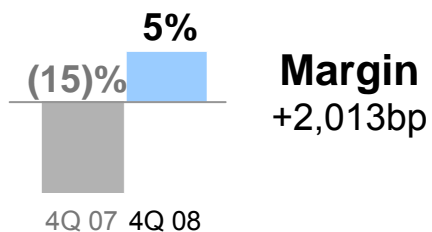
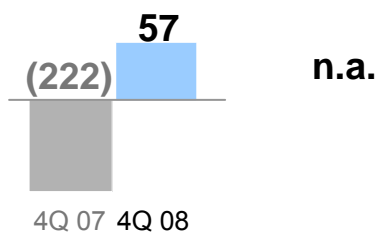
Revenue



Order intake

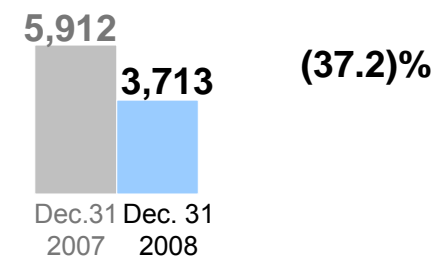


Operating income*



* from recurring activities

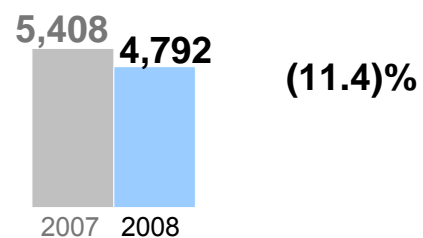
Backlog



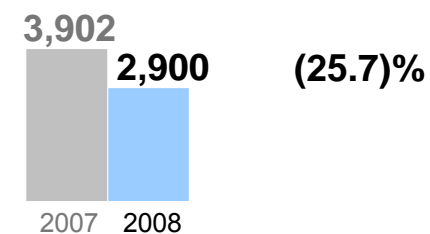
Onshore / Offshore Combined Full Year Figures

In € millions (not audited)

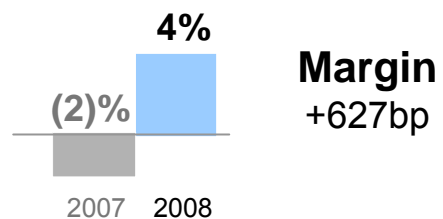
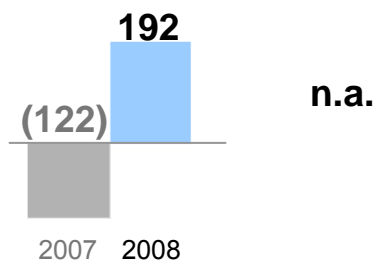
Revenue



Order intake



Operating income*



* from recurring activities

Group Income Statement

€ in millions (audited)	4Q 07	4Q 08	FY07	FY08	Change
Operating Income	(108.8)	183.5	266.9	656.9	2.5x
Financial Charges	(11.1)	12.8	(64.6)	(11.0)	
Income of Equity Affiliates	0.7	0.3	2.8	2.2	
Profit Before Tax	(119.2)	196.6	205.1	648.1	
Income Tax	20.5	(59.0)	(68.0)	(193.8)	
Tax on Income from Activity Disposal	(0.1)	-	(9.1)	-	
Minority Interests	1.3	(3.6)	(1.7)	(6.3)	
Net Income	(97.5)	134.0	126.3	448.0	3.5x

Group Balance Sheet

€ in millions (audited)	Dec. 31, 2007	Dec. 31, 2008
Fixed assets	3,280.4	3,387.7
Construction Contracts	280.6	140.8
Other assets	2,136.8	2,198.7
Cash & cash equivalents	2,401.5	2,404.7
Total assets	8,099.3	8,131.9
Shareholder's equity (including minority interests)	2,196.8	2,495.7
Construction Contracts	1,860.2	1,253.0
Financial debt	697.2	760.1
Other liabilities	3,345.1	3,623.1
Total shareholders' equity and liabilities	8,099.3	8,131.9

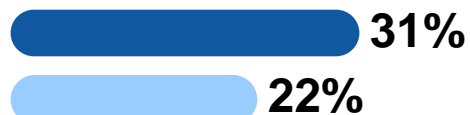
Full Year and Fourth Quarter 2008 Net Cash Flow Statement

€ in millions (audited)

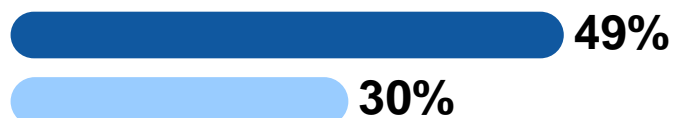
	12 months	3 months
Net Cash beginning of period	1,704.3	1,554.9
EBITDA	845.5	234.4
Taxes, Financials & Other	(163.8)	(4.3)
Working Capital	(227.0)	(19.0)
Capex	(401.3)	(145.4)
Dividends payment	(125.1)	0.0
Other	12.0	24.0
Net Cash as of Dec. 30, 2008	1,644.6	1,644.6

Major Capex Progress as of December 31, 2008

ASIA FLEX
Malaysia



PLSV
Brazil
Charter: 4 years
Option: 4 years



NPV
Worldwide



SKANDI ARCTIC
Norway
Frame agreement: 3 years
Option: 1 + 1 + 1 years



2007 – 2010 Capex Program

€ in millions

	2007	2008	2009
Capex	262 actual	401 actual	=< 400 estimate

2007 – 2010 Capex Program on track



IV. Key Operational Performance Initiatives



2008 year of significant progress on key operational performance initiatives

**Change
risk
profile**

**Strengthen
execution
capabilities**

**Empower
the
organization**

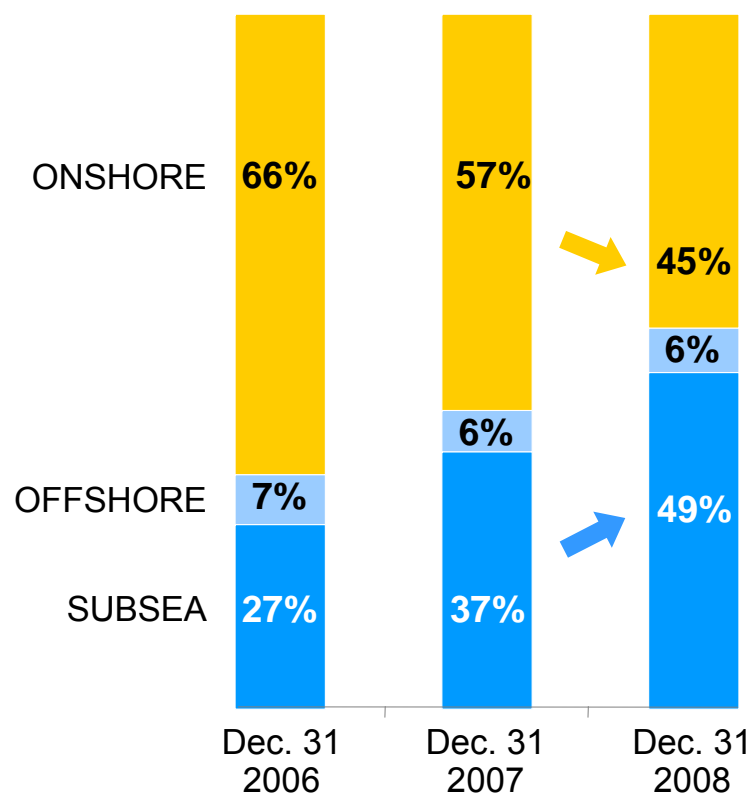
**Commit to
excellence
in safety
& quality**

**Develop
high
performance
human
resources**

Improving Financial Performance

Change risk profile: Balance of Backlog per Segments

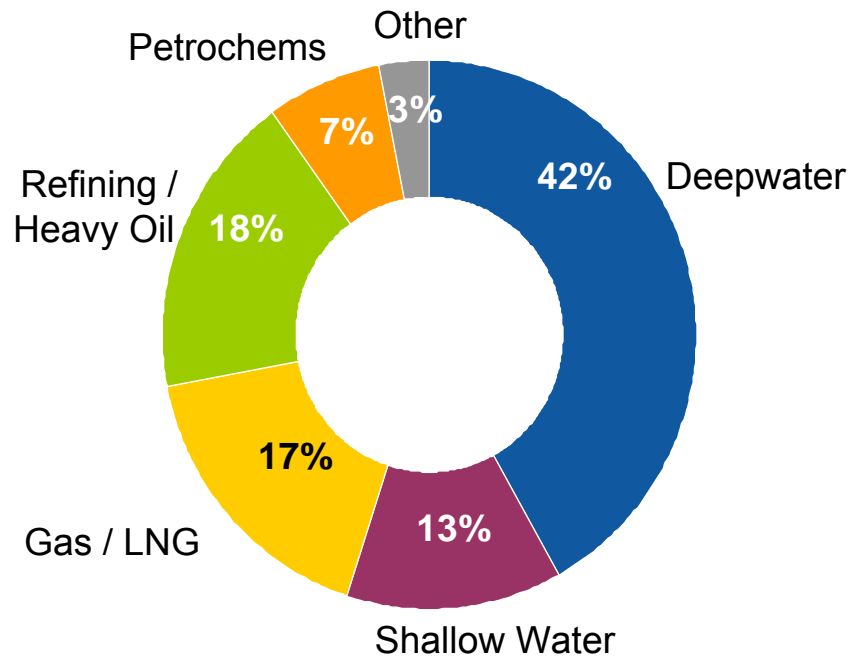
Business Segment Split



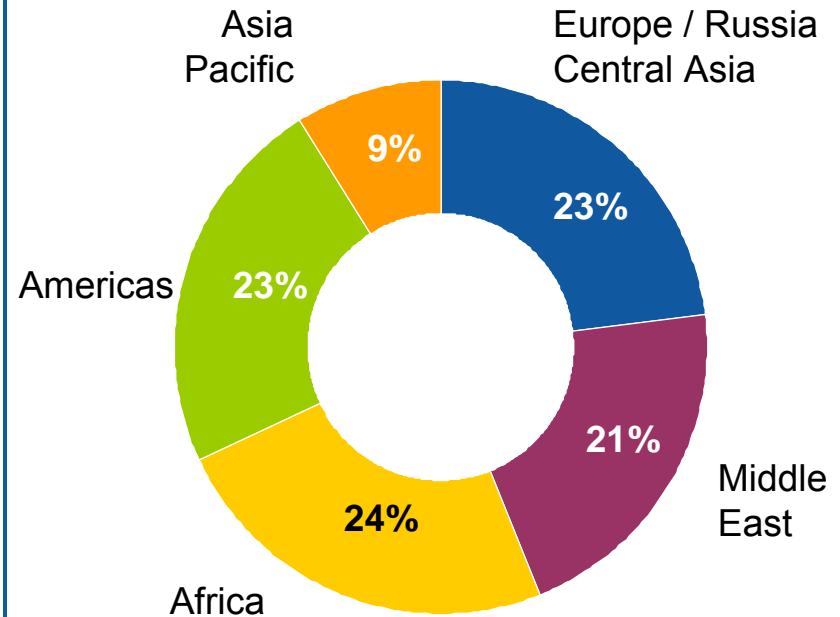
**Backlog as of
December 31, 2008:
€7,208 million**

Change risk profile: Balance of Backlog per Markets and Regions

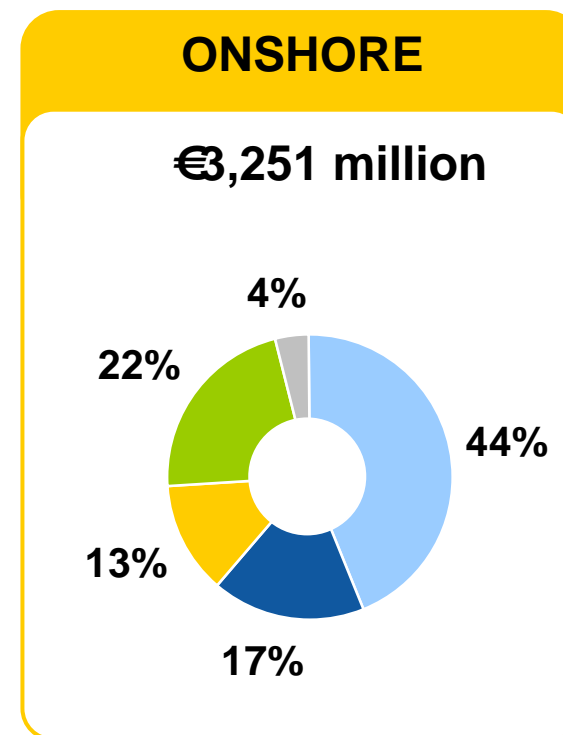
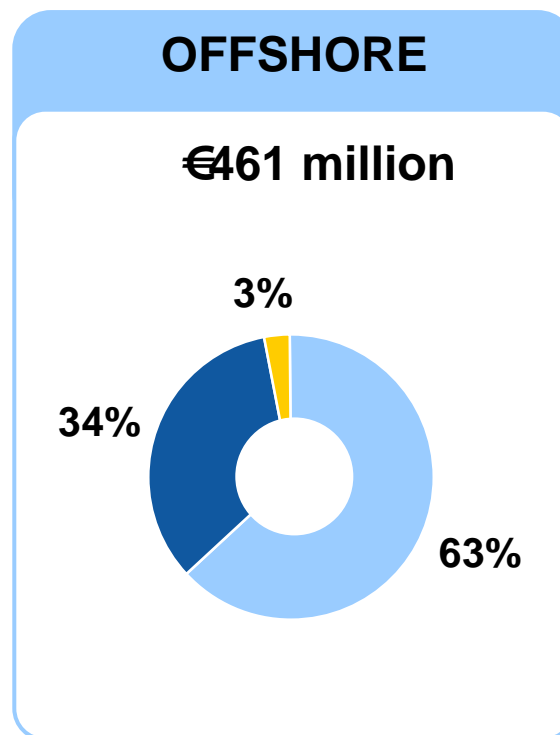
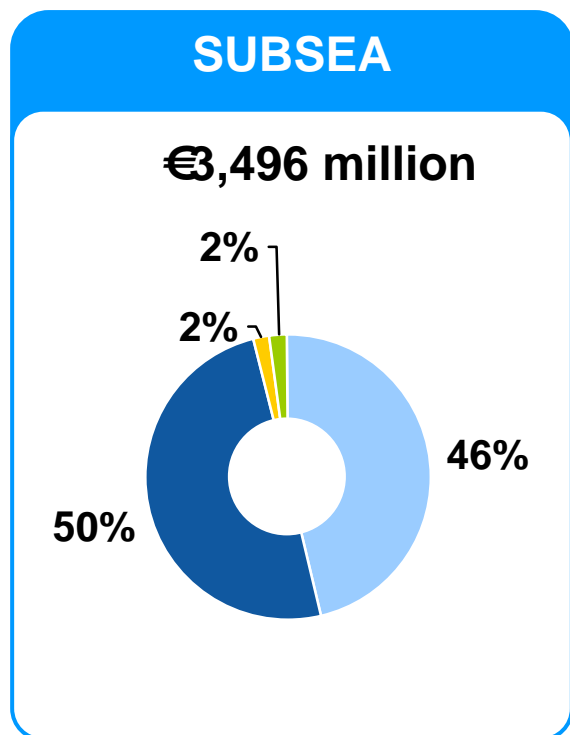
Market Split



**Dec. 31, 2008
€7,208 million**



Change risk profile: Backlog by Contract Award Date as of Dec. 31, 2008



● < 2005 ● 2005 ● 2006 ● 2007 ● 2008

Strengthen execution capabilities

▶ Onshore: focus on construction

- Strategic plan to improve our construction capabilities ready for implementation
- Key initiatives:
 - Reinforce construction resources
 - Create a Construction Method Center to gather and develop know-how
 - Strengthen construction partnerships

▶ Subsea

- Renewal of our fleet under progress
- Optimization of vessels, assets and people
- Better scheduling of installation phases has improved execution across projects



Empower the organization

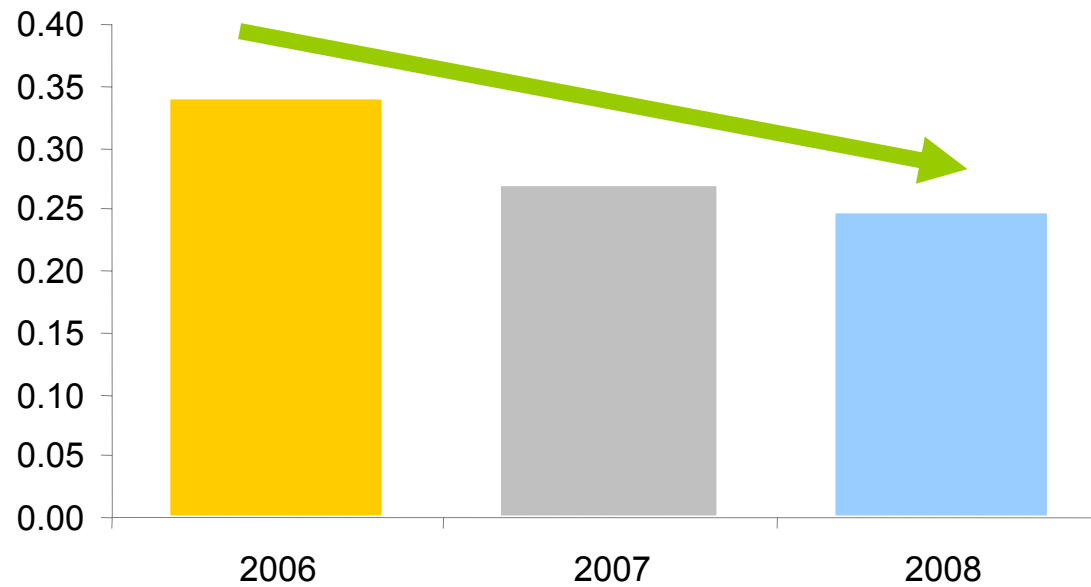
- ▶ **New organization based on 6 regions and a Subsea division now fully implemented: creation and staffing the new Middle East regional office ongoing**

- ▶ **Regions focused on ensuring:**
 - resource sharing between sites
 - maximizing FEED / service contracts to optimize man-hours

- ▶ **Accountability:**
 - 2008 bonus based on regions absolute operating income
 - 2009 bonus focuses on both operating income and cash

Commit to excellence in safety & quality

Total Recordable Cases Frequency*



* Total Recordable Cases Frequency = (Lost Time Injury * 200,000) / man-hours



Develop High Performance by strengthening our main asset: Human Resources

- ▶ **Three year plan launched in 2008 dedicated to talent development and retention of key competencies**
- ▶ **Inaugurated Technip University to enhance our technological leadership**
- ▶ **Optimization of in-house expertise through geographical, functional and business segment mobility**



Costs optimization

- ▶ **Assist clients to reduce new project costs through engineering, design / skills and procurement**
- ▶ **Broaden our own procurement base to reduce manufacturing and capex costs**
- ▶ **Capitalize on our flexible workforce and share resources**
- ▶ **Reduce real estate costs and discretionary spending**
- ▶ **In general, simplify group structures and processes**



V. Outlook



Our industry beginning of 2009 a rapidly changing environment...

- ▶ **Oil price decline and financial crisis have triggered rapid reactions from our clients:**
 - Small or highly leveraged E&P companies dramatically reducing investments
 - Non-conventional, frontier hydrocarbon developments (ex: Canada oil sands) are being cancelled
 - Refining in OCDE countries and petrochemicals investments have slowed down
- ▶ **Projects that are in the procurement or construction phases continue to proceed normally**
- ▶ **New projects are being re-evaluated or re-scheduled**
 - “low” price of oil for an unknown period
 - Project financing conditions in a different credit environment
 - Lower commodities and raw material prices



Our industry beginning of 2009 ...however...

- ▶ **Larger customers (majors, some large independents and NOCs) continue to invest reprioritizing their capital expenditures:**
 - buying reserves rather than exploration and focused on lower cost production
- ▶ **Deep water continues to be attractive: recent discoveries will take 7 to 10 years to be developed**
- ▶ **The cost of projects (raw material, equipment and soon construction) has started to decrease, eventually making more projects viable at US\$40/bbl**
- ▶ **Several large projects are still planned in the Middle East**
- ▶ **Medium term: reservoir depletion rates and production challenges will increasingly drive investment priorities**

2009 Full Year Outlook*

We are targeting:

- ▶ **Group revenue of €6.1 - 6.4 billion with flat to moderate revenue growth in the Subsea segment**
- ▶ **Further improvement in the combined Onshore/Offshore operating margin**
- ▶ **Subsea operating margin range of 16% to 18%**

*based upon current exchange rates



Technip's differentiating attributes

- ▶ **Well balanced: regions, clients and markets**
- ▶ **First class technology and project management skills**
- ▶ **Subsea vertically integrated**
- ▶ **Proximity to local clients**
- ▶ **Strong balance sheet with €1,645 million Net Cash**
- ▶ **Continuous investment in key assets and R&D**

Technip is a Long-Term Solid Partner

Safe Harbor

This presentation contains both historical and forward-looking statements. 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 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) as well as maritime freight 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 where we seek to do business; changes in tax legislation, rules, regulation or enforcement; 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, 2005; political and social stability in developing countries; competition; supply chain bottlenecks; the ability of our subcontractors to attract skilled labor; the fact that our operations may cause the discharge of hazardous substances, leading to significant environmental remediation costs; 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. 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.

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Bloomberg: TEC FP

Reuters: TECF.PA

SEDOL: 4874160



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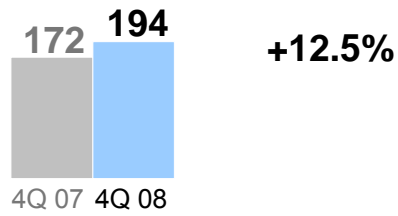


Annex

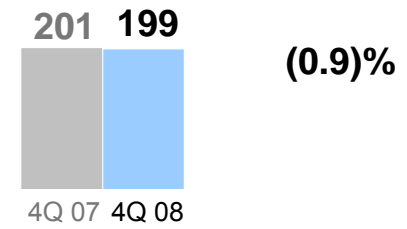
Offshore Fourth Quarter Figures

In € millions (not audited)

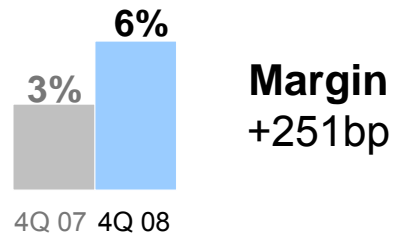
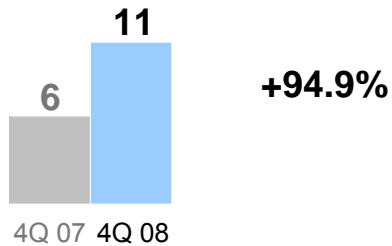
Revenue



Order intake

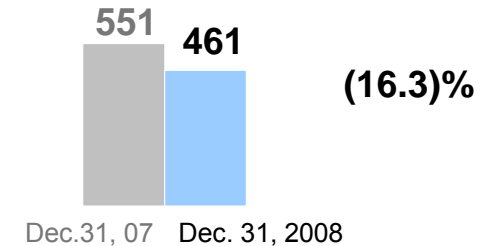


Operating income*



* from recurring activities

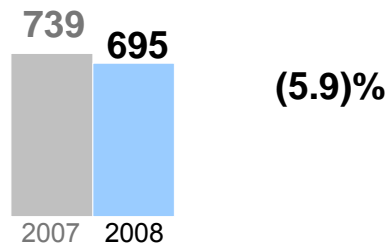
Backlog



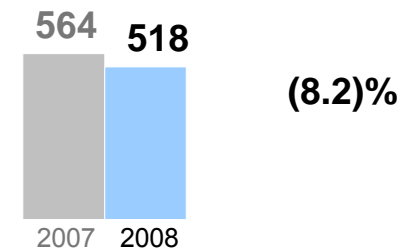
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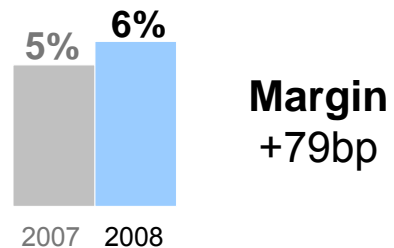
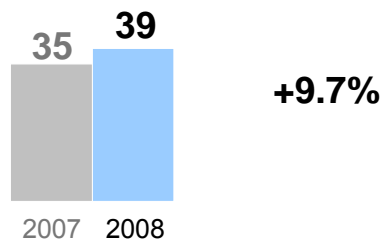
Revenue



Order intake



Operating income*

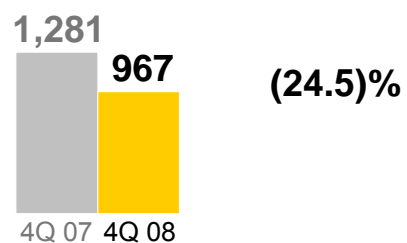


* from recurring activities

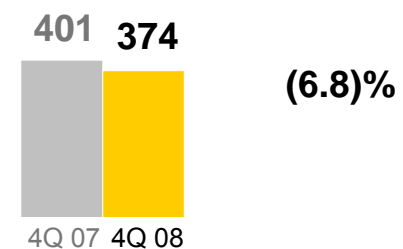
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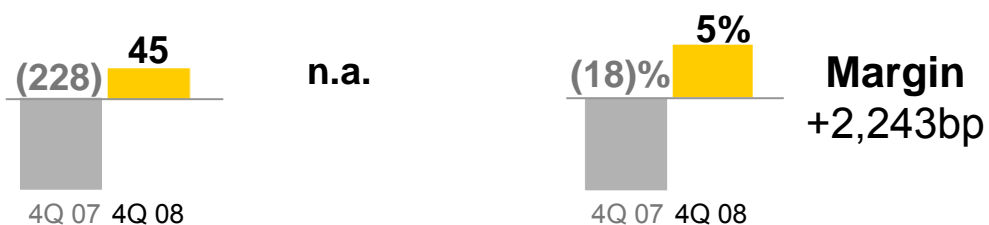
Revenue



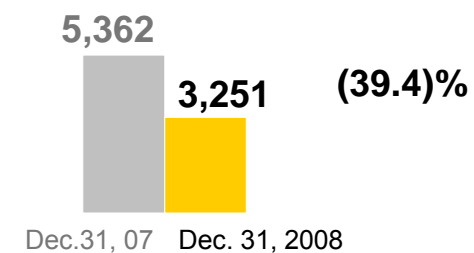
Order intake



Operating income*



Backlog

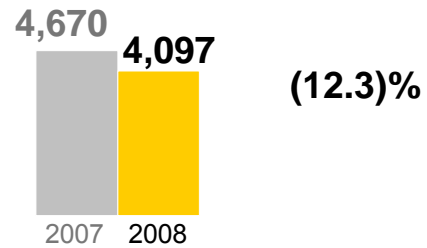


* from recurring activities

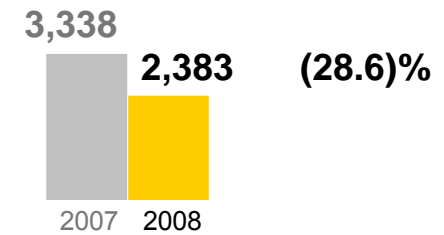
Onshore Full Year Figures

In € millions (not audited)

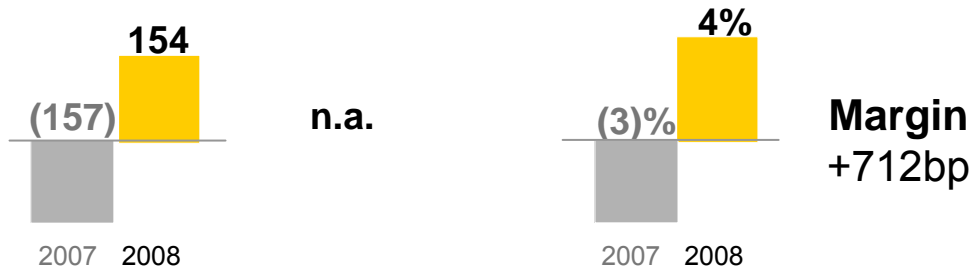
Revenue



Order intake



Operating income*



* from recurring activities

Dec. 31, 2008 Backlog Estimated Scheduling

€ in millions

	Subsea	Offshore	Onshore	Group
2009	2,325	352	2,488	5,165
2010	835	109	741	1,685
2011+	336	0	22	358
Total	3,496	461	3,251	7,208

12 months Group Income Statement

€ in millions, except EPS (audited)

	2007	2008	Change	ex. FX impact
Revenue	7,886.5	7,481.4	(5.1)%	(1.0)%
EBITDA*	410.0	845.5	2.1x	2.2x
Operating Income from Recurring Activities	247.0	656.9	2.7x	2.8x
Income from Activity Disposal	19.9	-	-	
Operating Income	266.9	656.9	2.5x	
Operating Margin	3.4%	8.8%	540bp	
Financial Charges	(64.6)	(11.0)	(83.0)%	
Income of Equity Affiliates	2.8	2.2	(21.4)%	
Profit Before Tax	205.1	648.1	3.2x	
Income Tax	(68.0)	(193.8)	2.9x	
Income Tax on Activity Disposal	(9.1)	-	-	
Minority Interests	(1.7)	(6.3)	nm	
Net Income	126.3	448.0	3.5x	
EPS (€)	1.20	4.25	3.5x	

* Calculated as Operating Income from recurring activities pre depreciation and amortization

Full Year 2008

Business Segment Operating Performance

€ in millions (not audited)

	Subsea	Offshore	Onshore
Revenue <i>Change year-on-year</i>	2,689.0 +8.5%	695.2 (5.9)%	4,097.2 (12.3)%
Operating Income from recurring activities <i>Change year-on-year</i>	523.2 +33.8%	38.6 +9.7%	153.7 <i>n.a.</i>
Operating Margin from recurring activities	19.5%	5.6%	3.8%

Subsea Return on Capital Employed

€ in millions (not audited)	SUBSEA			OTHERS**			GROUP		
	2006	2007	2008	2006	2007	2008	2006	2007	2008
Non Current Assets	2,701	2,763	2,984	698	701	605	3,399	3,464	3,589
Working Capital and Others	(601)	(1,131)	(1,238)	(2,134)	(1,888)	(1,610)	(2,735)	(3,019)	(2,848)
Capital Employed*	2,100	1,632	1,746	(1,436)	(1,187)	(1,005)	664	445	741
Op. Income after tax + income of equity affiliates	149	286	366	100	(97)	95	249	189	461
Net Return on Capital Employed (annual)	7%	18%	21%						

Financial Risk Management

- ▶ **Strong cash position as of December 31, 2008**
 - Total Cash €2,405 million
 - Net Cash €1,645 million

- ▶ **Debt financing has a long horizon**
 - €650 million straight bond maturing May 2011
 - Unused confirmed credit facilities of €1,294 million expiring May / June 2012

- ▶ **Security of cash deposits**
 - Only cash and term deposits
 - Highly liquid: nearly all invested for less than three month tenor
 - Mostly invested in deposit banks (majority of European banks)
 - Monitor allocation per bank on a regular basis



2008 Fourth Quarter and Full Year Results



February 19, 2009

Technip