TechnipFMC

Q3 2023 Earnings Presentation

October 26, 2023

Disclaimer
Forward-looking statements

This communication contains “forward-looking statements” as defined in Section 27A of the United States Securities Act of 1933, as amended, and Section 21E of the United States Securities Exchange Act of 1934, as amended. Forward-looking statements usually relate to future events, market growth and recovery, earnings, cash flows, or other aspects of our operations or operating results. Forward-looking statements are often identified by words such as “commit,” “guidance,” “confident,” “believe,” “expect,” “anticipate,” “plan,” “intend,” “foresee,” “should,” “would,” “could,” “may,” “will,” “likely,” “predicated,” “estimate,” “outlook” and similar expressions, including the negative thereof. The absence of these words, however, does not mean that the statements are not forward-looking. These forward-looking statements are based on our current expectations, beliefs, and assumptions concerning future developments and business conditions and their potential effect on us. While management believes these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting us will be those that we anticipate. All of our forward-looking statements involve risks and uncertainties (some of which are significant or beyond our control) and assumptions that could cause future results to differ materially from our historical experience and our present expectations or projections, including unpredictable trends in the demand for and price of crude oil and natural gas; competition and unanticipated changes relating to competitive factors in our industry, including ongoing industry consolidation; the COVID-19 pandemic and any resurgence thereof; our inability to develop, implement and protect new technologies and services and intellectual property related thereto, including new technologies and services for our New Energy business; the cumulative loss of major contracts, customers or alliances and unfavorable credit and commercial terms of certain contracts; disruptions in the political, regulatory, economic and social conditions of the countries in which we conduct business including the impact of the Russia-Ukraine and Israel-Hamas wars; the refusal of DTC to act as depository agency for our shares; the impact of our existing and future indebtedness and the restrictions on our operations by terms of the agreements governing our existing indebtedness; the risks caused by our acquisition and divestiture activities; additional costs or risks from increasing scrutiny and expectations regarding ESG matters; uncertainties related to our investments in New Energy business; the risks caused by fixed-price contracts; our failure to timely deliver our backlog; our reliance on subcontractors, suppliers and our joint venture partners; a failure or breach of our IT infrastructure or that of our subcontractors, suppliers or joint venture partners, including as a result of cyber-attacks; risks of pirates endangering our maritime employees and assets; any delays and cost overruns of new capital asset construction projects for vessels and manufacturing facilities; potential liabilities inherent in the industries in which we operate or have operated; our failure to comply with existing and future laws and regulations, including those related to environmental protection, climate change, health and safety, labor and employment, import/export controls, currency exchange, bribery and corruption, taxation, privacy, data protection and data security; the additional restrictions on dividend payouts or share repurchases as an English public limited company; uninsured claims and litigation against us; tax laws, treaties and regulations and any unfavorable findings by relevant tax authorities; potential departure of our key managers and employees; adverse seasonal and weather conditions and unfavorable currency exchange rates; risk in connection with our defined benefit pension plan commitments; and our inability to obtain sufficient bonding capacity for certain contracts, and other risks as discussed in Part I, Item 1A, “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and our other reports subsequently filed with the Securities and Exchange Commission.

We caution you not to place undue reliance on any forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any of our forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise, except to the extent required by law.

Operational highlights and financial results

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Q3 2023 Operational summary

Takeaways

Operating results for both segments now expected above midpoint of full-year guidance

Subsea inbound over next five quarters to approach $11 billion

Highlights

- Subsea inbound of $1.8 billion, a book-to-bill of 1.1; full-year Subsea orders expected to exceed $9 billion
- Significant orders for flexible pipe, including our largest ever contract in the Gulf of Mexico
- Total Company backlog of $13.2 billion, including Subsea of $12.1 billion

Q3 2023 Financial results

Sequential highlights

- Total Company adjusted EBITDA of $284 million, excluding foreign exchange:
  - Subsea increased due to higher volume and favorable mix
  - Surface Technologies increased due to improved operational performance in the Middle East
- Cash flow from operating activities of $222 million, free cash flow of $178 million
- Cash and cash equivalents of $691 million; net debt reduced $194 million to $650 million
- Total shareholder distributions of $72 million (share repurchase + dividend)

$2.1B
Inbound orders

$13.2B
Backlog

$284M
Adjusted EBITDA excluding F/X

$178M
Free cash flow

Segment results

Subsea	3Q23	2Q23	3Q22	QoQ	YoY
Revenue	**1,708**	1,618	1,415	▲ *6%*	▲ *21%*
Adjusted EBITDA	**258**	234	184	▲ *10%*	▲ *40%*
Adjusted EBITDA margin	**15.1%**	14.4%	13.0%	▲ *70 bps*	▲ *210 bps*
Inbound orders	**1,828**	4,115	1,401	▼ *-56%*	▲ *30%*
Backlog	**12,074**	12,089	7,603	▼ *0%*	▲ *59%*

Surface Technologies	3Q23	2Q23	3Q22	QoQ	YoY
Revenue	**349**	354	318	▼ *-1%*	▲ *10%*
Adjusted EBITDA	**50**	47	41	▲ *6%*	▲ *22%*
Adjusted EBITDA margin	**14.3%**	13.3%	12.8%	▲ *100 bps*	▲ *150 bps*
Inbound orders	**317**	333	449	▼ *-5%*	▼ *-29%*
Backlog	**1,157**	1,190	1,238	▼ *-3%*	▼ *-7%*

Subsea opportunities in the next 24 months[1]

PROJECT UPDATES

Added

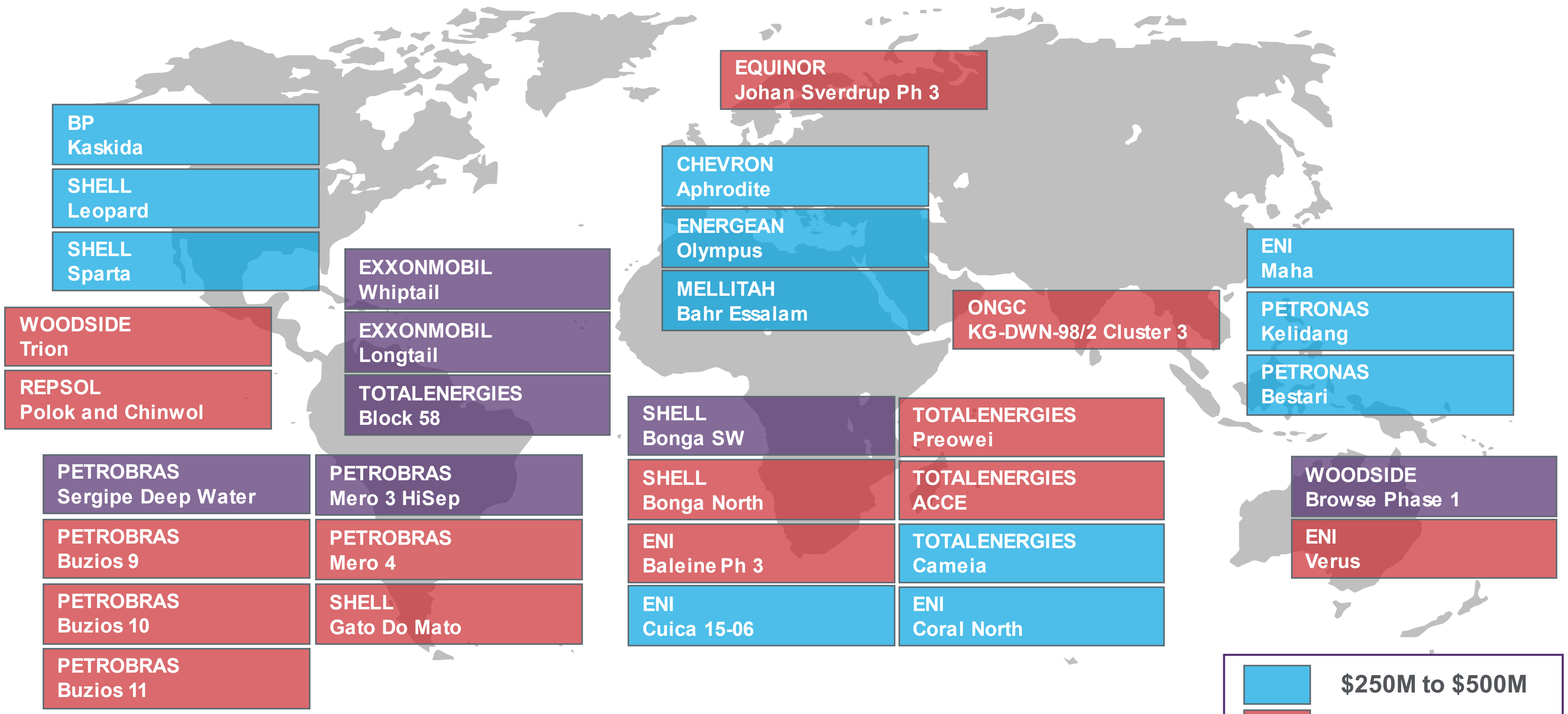
- ENI Baleine Ph 3
- EQUINOR Johan Sverdrup Ph 3
- BP Kaskida

Removed

- AZULE ENERGY BL 15/06 Ndungu
- EQUINOR Rosebank
- PETRORIO Wahoo

Change in Scope Value

- PETROBRAS Mero 3 HiSep
  Increase to above $1,000M
  (Previously $500M to $1,00M)



- $250M to $500M
- $500M to $1,000M
- above $1,000M

[1] October 2023 update; project value ranges reflect potential subsea scope

2023 Full-year financial guidance[1] *As of February 23, 2023*

Subsea

- **Revenue** in a range of $5.9 – 6.3 billion
- **Adjusted EBITDA margin** in a range of 12.5 – 13.5%

Surface Technologies

- **Revenue** in a range of $1.3 – 1.45 billion
- **Adjusted EBITDA margin** in a range of 12 – 14%

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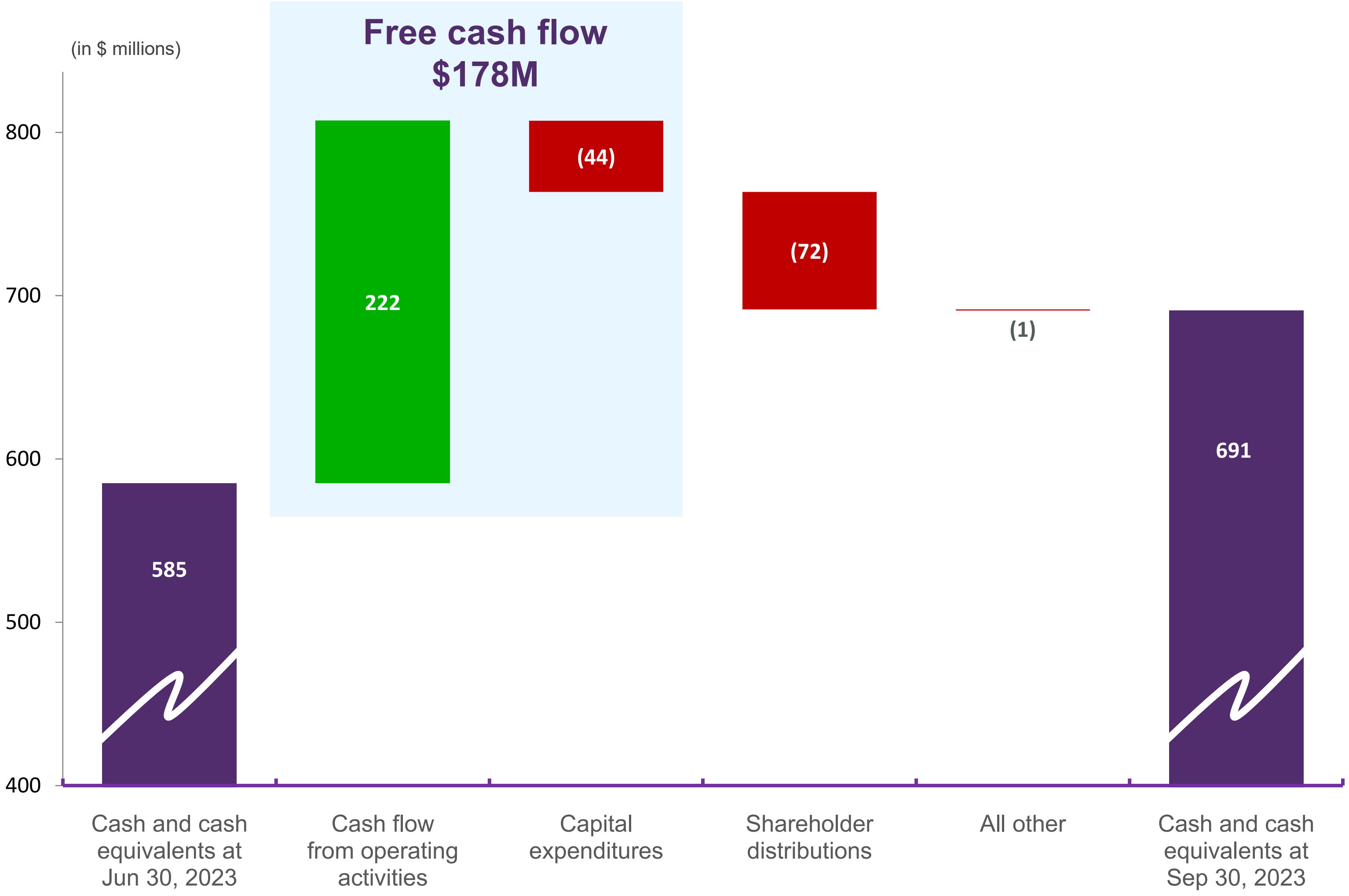
- **Corporate expense, net** $100 – 110 million (includes depreciation and amortization of ~$5 million; excludes charges and credits)
- **Net interest expense** $100 – 110 million
- **Tax provision, as reported** $155 – 165 million
- **Capital expenditures** approximately $250 million
- **Free cash flow**[2] $225 – 375 million

[1]Our guidance measures of adjusted EBITDA, adjusted EBITDA margin, free cash flow, free cash flow conversion and adjusted corporate expense, net are non-GAAP financial measures. We are unable to provide a reconciliation to comparable GAAP financial measures on a forward-looking basis without unreasonable effort because of the unpredictability of the individual components of the most directly comparable GAAP financial measure and the variability of items excluded from each such measure. Such information may have a significant, and potentially unpredictable, impact on our future financial results.
[2]Free cash flow is calculated as cash flow from operations less capital expenditures

Q3 2023 Cash flow and net debt

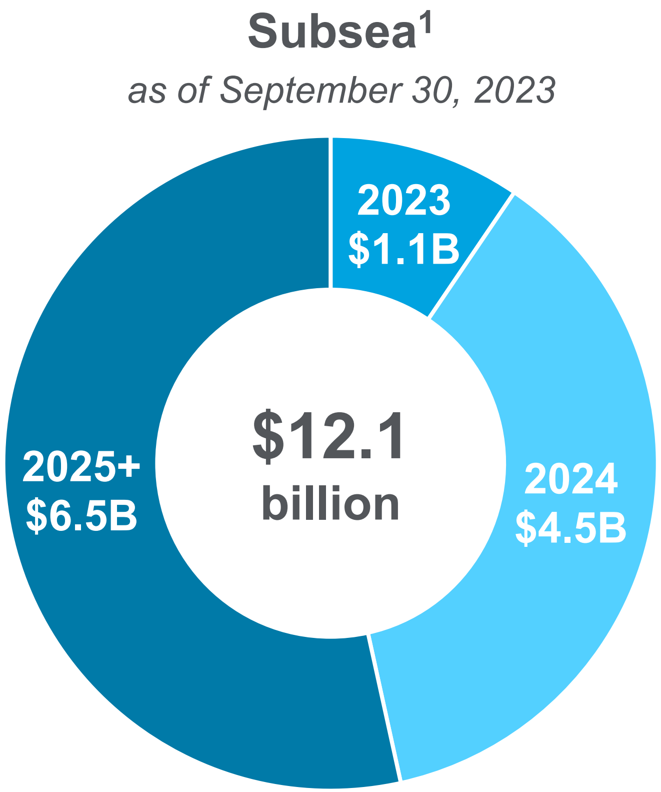


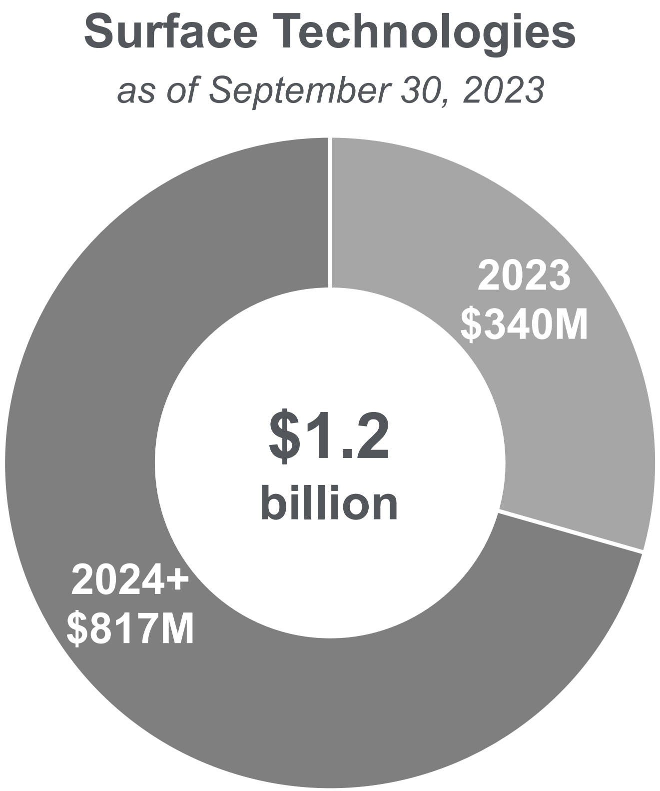
Net Debt

(In millions, unaudited)

	September 30, 2023	
Cash and cash equivalents	$	691
Short-term debt and current portion of long-term debt		(407)
Long-term debt, less current portion		(933)
Net debt	**$**	**(650)**

Backlog scheduling provides visibility





[1] Backlog does not capture all revenue potential for Subsea Services

Appendix

Glossary

Term	Definition
CAGR	Compound Annual Growth Rate
CCS	Carbon Capture and Storage
ESG	Environmental, Social and Governance
FID	Final Investment Decision
F/X	Foreign Exchange
GHG	Greenhouse Gas Emissions
GOM	Gulf of Mexico
HP/HT	High Pressure / High Temperature
HSE	Health, Safety and Environment
iEPCI™	Integrated Engineering, Procurement, Construction and Installation
iFEED™	Integrated Front End Engineering and Design

Term	Definition
iLOF™	Integrated Life of Field
LNG	Liquefied Natural Gas
MMb/d	Million Barrels per Day
Mtpa	Million Metric Tonnes per Annum
NAM	North America
RCF	Revolving Credit Facility
ROIC	Return on Invested Capital
ROV	Remotely Operated Vehicles
ROW	Rest of World

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, unaudited)

In addition to financial results determined in accordance with U.S. generally accepted accounting principles (GAAP), the third quarter 2023 Earnings Release also includes non-GAAP financial measures (as defined in Item 10 of Regulation S-K of the Securities Exchange Act of 1934, as amended) and describes performance on a year-over-year or sequential basis. Income (loss) from continuing operations attributable to TechnipFMC plc, excluding charges and credits, as well as measures derived from it (including Diluted EPS, excluding charges and credits; Income before net interest expense and taxes, excluding charges and credits (“Adjusted Operating profit”); Depreciation and amortization, excluding charges and credits; Earnings before net interest expense, income taxes, depreciation and amortization, excluding charges and credits (“Adjusted EBITDA”); and Adjusted EBITDA, excluding foreign exchange gains or losses, net; Adjusted EBITDA margin; Adjusted EBITDA margin, excluding foreign exchange, net; Corporate expense, excluding charges and credits; Foreign exchange, net and other, excluding charges and credits; and net debt) are non-GAAP financial measures.

Non-GAAP measures are presented on a gross basis and are not net of tax. Estimates of the tax effect of each adjustment is calculated item by item, applying the relevant jurisdiction tax rate to the pretax amount, unless the nature of the item and/or the tax jurisdiction in which the item has been recorded requires application of a specific tax rate, tax treatment or valuation allowance consideration, in which case the tax effect of such item is estimated accordingly.

Management believes that the exclusion of charges, credits and foreign exchange impacts from these financial measures provides useful perspective on the Company’s underlying business results and operating trends, and a means to evaluate TechnipFMC's operations and consolidated results of operations period-over-period. These measures are also used by management as performance measures in determining certain incentive compensation. The foregoing non-GAAP financial measures should be considered by investors in addition to, not as a substitute for or superior to, other measures of financial performance prepared in accordance with GAAP. The following is a reconciliation of the most comparable financial measures under GAAP to the non-GAAP financial measures.

	Three Months Ended September 30, 2023						
	Income from continuing operations attributable to TechnipFMC plc	Income attributable to non-controlling interests from continuing operations	Provision for income taxes	Net interest expense	Income before net interest expense and income taxes (Operating profit)	Depreciation and amortization	Earnings before net interest expense, income taxes, depreciation and amortization
TechnipFMC plc, as reported	$ 90.0	$ 3.7	$ 19.5	$ 26.7	$ 139.9	$ 93.3	$ 233.2
Charges and (credits):							
Impairment	2.0	—	—	—	2.0	—	2.0
Restructuring and other charges	1.7	—	0.6	—	2.3	—	2.3
Adjusted financial measures	$ 93.7	$ 3.7	$ 20.1	$ 26.7	$ 144.2	$ 93.3	$ 237.5
Diluted earnings per share from continuing operations attributable to TechnipFMC plc, as reported	$ 0.20						
Adjusted diluted earnings per share from continuing operations attributable to TechnipFMC plc	$ 0.21						

Exhibit 8

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, unaudited)

	Three Months Ended September 30, 2023				
	Subsea	**Surface Technologies**	**Corporate Expense**	**Foreign Exchange, net**	**Total**
Revenue	$ 1,708.3	$ 348.6	$ —	$ —	$ 2,056.9
Operating profit (loss), as reported (pre -tax)	$ 177.7	$ 33.3	$ (24.7)	$ (46.4)	$ 139.9
Charges and (credits):					
Impairment	1.6	—	0.4	—	2.0
Restructuring and other charges	1.7	0.6	—	—	2.3
Subtotal	3.3	0.6	0.4	—	4.3
Adjusted Operating profit (loss)	181.0	33.9	(24.3)	(46.4)	144.2
Depreciation and amortization	76.8	16.0	0.5	—	93.3
Adjusted EBITDA	$ 257.8	$ 49.9	$ (23.8)	$ (46.4)	$ 237.5
Foreign exchange, net	0.0	0.0	0.0	46.4	46.4
Adjusted EBITDA, excluding foreign exchange, net	$ 257.8	$ 49.9	$ (23.8)	$ —	$ 283.9
Operating profit margin, as reported	10.4%	9.6%			6.8%
Adjusted Operating profit margin	10.6%	9.7%			7.0%
Adjusted EBITDA margin	15.1%	14.3%			11.5%
Adjusted EBITDA margin, excluding foreign exchange, net	15.1%	14.3%			13.8%

Exhibit 8

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, unaudited)

	Three Months Ended June 30, 2023				
	Subsea	**Surface Technologies**	**Corporate Expense**	**Foreign Exchange, net**	**Total**
Revenue	$ 1,618.4	$ 353.8	$ —	$ —	$ 1,972.2
Operating profit (loss), as reported (pre -tax)	$ 153.4	$ 25.7	$ (153.5)	$ (48.3)	$ (22.7)
Charges and (credits):					
Restructuring and other charges	0.5	4.6	—	—	5.1
Non recurring legal settlement charges	—	—	126.5	—	126.5
Subtotal	0.5	4.6	126.5	—	131.6
Adjusted Operating profit (loss)	153.9	30.3	(27.0)	(48.3)	108.9
Depreciation and amortization	79.9	16.6	0.5	—	97.0
Adjusted EBITDA	$ 233.8	$ 46.9	$ (26.5)	$ (48.3)	$ 205.9
Foreign exchange, net	—	—	—	48.3	48.3
Adjusted EBITDA, excluding foreign exchange, net	$ 233.8	$ 46.9	$ (26.5)	$ —	$ 254.2
Operating profit margin, as reported	9.5%	7.3%			-1.2%
Adjusted Operating profit margin	9.5%	8.6%			5.5%
Adjusted EBITDA margin	14.4%	13.3%			10.4%
Adjusted EBITDA margin, excluding foreign exchange, net	14.4%	13.3%			12.9%

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, unaudited)

	Three Months Ended September 30, 2022				
	Subsea	Surface Technologies	Corporate Expense	Foreign Exchange, net	Total
Revenue	$ 1,415.0	$ 318.0	$ —	$ —	$ 1,733.0
Operating profit (loss), as reported (pre -tax)	$ 105.0	$ 19.0	$ (25.2)	$ (14.5)	$ 84.3
Charges and (credits):					
Impairment	1.9	1.7	—	—	3.6
Restructuring and other charges	1.4	1.8	—	—	3.2
Subtotal	3.3	3.5	—	—	6.8
Adjusted Operating profit (loss)	108.3	22.5	(25.2)	(14.5)	91.1
Depreciation and amortization	75.5	18.3	0.7	—	94.5
Adjusted EBITDA	$ 183.8	$ 40.8	$ (24.5)	$ (14.5)	$ 185.6
Foreign exchange, net	—	—	—	14.5	14.5
Adjusted EBITDA, excluding foreign exchange, net	$ 183.8	$ 40.8	$ (24.5)	$ —	$ 200.1
Operating profit margin, as reported	7.4%	6.0%			4.9%
Adjusted Operating profit margin	7.7%	7.1%			5.3%
Adjusted EBITDA margin	13.0%	12.8%			10.7%
Adjusted EBITDA margin, excluding foreign exchange, net	13.0%	12.8%			11.5%

Exhibit 10

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, unaudited)

	September 30, 2023	June 30, 2023	September 30, 2022
Cash and cash equivalents	$ 690.9	$ 585.2	$ 711.5
Short-term debt and current portion of longterm debt	(407.3)	(429.5)	(231.9)
Long-term debt, less current portion	(933.5)	(999.7)	(1,134.9)
Net debt	$ (649.9)	$ (844.0)	$ (655.3)

Net (debt) cash is a non-GAAP financial measure reflecting cash and cash equivalents, net of debt. Management uses this non-GAAP financial measure to evaluate our capital structure and financial leverage. We believe net debt, or net cash, is a meaningful financial measure that may assist investors in understanding our financial condition and recognizing underlying trends in our capital structure. Net (debt) cash should not be considered an alternative to, or more meaningful than, cash and cash equivalents as determined in accordance with U.S. GAAP or as an indicator of our operating performance or liquidity.

Exhibit 11

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, unaudited)

	Three Months Ended September 30,	Nine Months Ended September 30,	
	2023	2023	2022
Cash provided (required) by operating activities from continuing operations	$ 221.9	$ (8.1)	$ (214.3)
Capital expenditures	(43.6)	(153.7)	(94.3)
Free cash flow (deficit) from continuing operations	$ 178.3	$ (161.8)	$ (308.6)

Free cash flow (deficit) from continuing operations, is a non-GAAP financial measure and is defined as cash provided (required) by operating activities less capital expenditures. Management uses this non-GAAP financial measure to evaluate our financial condition. We believe from continuing operations, free cash flow (deficit) from continuing operations is a meaningful financial measure that may assist investors in understanding our financial condition and results of operations.

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