Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	998 197 201
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	FMC TECHNOLOGIES NORWAY AS
Forretningsadresse:	Kirkegårdsveien 45 3616 KONGSBERG

Regnskapsår

Årsregnskapets periode:	01.01.2020 - 31.12.2020

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Jørn Trygve Røkaas
Dato for fastsettelse av årsregnskapet:	07.07.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 06.08.2021

Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Kostnader			
Lønnskostnader	2	15 874 000	12 788 000
Annen driftskostnad		2 279 000	3 081 000
Sum kostnader		**18 153 000**	**15 869 000**
Driftsresultat		**-18 153 000**	**-15 869 000**
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		17 709 000	37 461 000
Annen finansinntekt		13 568 000	
Sum finansinntekter		**31 277 000**	**37 461 000**
Nedskrivning av investeringer		341 879 000	775 000 000
Rentekostnad til foretak i samme konsern		2 976 000	4 072 000
Annen finanskostnad		2 153 000	-12 727 000
Sum finanskostnader		**347 008 000**	**766 345 000**
Netto finans		**-315 731 000**	**-728 884 000**
Ordinært resultat før skattekostnad		**-333 884 000**	**-744 753 000**
Skattekostnad på ordinært resultat	4	0	-190 380 000
Ordinært resultat etter skattekostnad		**-333 884 000**	**-554 373 000**
Årsresultat		**-333 884 000**	**-554 373 000**
Overføringer og disponeringer			
Udekket tap	5	-333 884 000	-554 373 000
Sum overføringer og disponeringer		**-333 884 000**	**-554 373 000**

Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	6	341 310 000	3 580 970 000
Lån til foretak i samme konsern	3	316 554 000	393 461 000
Sum finansielle anleggsmidler		**657 864 000**	**3 974 431 000**
Sum anleggsmidler		**657 864 000**	**3 974 431 000**
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	3	1 423 000	1 663 000
Andre kortsiktige fordringer	3	105 000	99 000
Sum fordringer		**1 528 000**	**1 762 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter o.l	8	195 942 000	142 607 000
Sum bankinnskudd, kontanter og lignende		**195 942 000**	**142 607 000**
Sum omløpsmidler		**197 470 000**	**144 369 000**
SUM EIENDELER		**855 334 000**	**4 118 800 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	5	120 000 000	120 000 000
Overkurs	5	21 183 296 000	21 183 296 000
Sum innskutt egenkapital		**21 303 296 000**	**21 303 296 000**

Balanse

Beløp i: NOK	Note	2020	2019
Opptjent egenkapital			
Udekket tap	5	20 456 177 000	17 224 511 000
Sum opptjent egenkapital		**-20 456 177 000**	**-17 224 511 000**
Sum egenkapital		**847 119 000**	**4 078 785 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til ansatte		884 000	840 000
Sum annen langsiktig gjeld		**884 000**	**840 000**
Sum langsiktig gjeld		**884 000**	**840 000**
Kortsiktig gjeld			
Leverandørgjeld	3	100 000	1 177 000
Betalbar skatt	4	0	28 098 000
Skyldig offentlige avgifter		3 360 000	1 455 000
Annen kortsiktig gjeld	3	3 871 000	8 445 000
Sum kortsiktig gjeld		**7 331 000**	**39 175 000**
Sum gjeld		**8 215 000**	**40 015 000**
SUM EGENKAPITAL OG GJELD		**855 334 000**	**4 118 800 000**

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	12.12.2012	02.01.2013
Telefon	Deres referanse	Vår referanse
22078139	Morten Langaas	2012/942689

FMC TECHNOLOGIES NORWAY AS
Postboks 1012
3601 KONGSBERG

Fritak for konsernregnskapsplikt for FMC Technologies Norway AS, org. nr. 998 197 201

Det vises til deres brev av 12. desember 2012 der det søkes om fritak fra plikten til å utarbeide konsernregnskap for FMC Technologies Norway AS.

Skattedirektoratet finner med hjemmel i regnskapsloven av 17. juni 1998 nr. 56 § 3-7 fjerde ledd å kunne gi tillatelse til at det gjøres unntak for konsernregnskapsplikten for FMC Technologies Norway AS.

Bakgrunn
Det ultimate morselskapet til FMC Technologies Norway AS er det amerikanske børsnoterte selskapet FMC Technologies Inc. Regnskapet til FMC Technologies Inc avlegges i henhold til USGAAP og på engelsk. FMC Technologies Inc utarbeider konsernregnskap som omfatter det norske underkonsernet.

Forutsetninger for vedtaket
Det forutsettes at FMC Technologies Inc utarbeider konsernregnskap som omfatter den regnskapspliktige og dennes datterselskap. Det legges til grunn at dette konsernregnskapet er utarbeidet i samsvar med US GAAP og at kravene i regnskapsloven § 3-7 for øvrig følges.

Bestemmelsene i regnskapsloven kapittel 8 gjelder tilsvarende for dette konsernregnskapet. Morselskapet kan etter forskrift av 7.9.2006 nr. 1062 til utfylling og gjennomføring mv. av regnskapsloven § 3-7-1 utarbeide konsernregnskapet på norsk, svensk, dansk eller engelsk.

Kopi av dette brev må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Postadresse
Postboks 9200 Grønland
0134 Oslo
For elektronisk henvendelse se www.skatteetaten.no

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318

Sentralbord
800 80 000
Telefaks
22 17 08 60

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

CONSOLIDATED FINANCIAL STATEMENTS
TECHNIPFMC PLC
AS OF DECEMBER 31, 2020
Company No. 09909709

U.K. Annual Report and Accounts

1. CONSOLIDATED STATEMENTS OF INCOME

(In millions, except per share data)	Note	Year Ended December 31, 2020	Year Ended December 31, 2019
Revenue:			
Service revenue from customer contracts		$ 9,709.6	$ 9,793.1
Product revenue from customer contracts		[illegible]	[illegible]
Lease revenue		145.2	273.9
Total revenue	[illegible]	[illegible]	[illegible]
Costs and expenses:			
Cost of service revenue		8,297.9	7,784.4
Cost of product revenue		[illegible]	[illegible]
Cost of lease revenue		117.1	167.5
Selling, general and administrative expense		[illegible]	[illegible]
Research and development expense		119.8	162.9
Impairment, restructuring and other expenses	22	[illegible]	[illegible]
Separation costs	1	39.5	72.1
Merger transaction and integration costs		[illegible]	[illegible]
Total costs and expenses	6	15,855.9	14,848.6
[illegible]		[illegible]	[illegible]
Other expense, net	6	(0.8)	(267.2)
Income from equity affiliates	[illegible]	[illegible]	[illegible]
Loss before net interest expense and income taxes		(2,729.9)	(1,677.3)
Financial income	[illegible]	[illegible]	[illegible]
Financial expense	6	(386.8)	(614.3)
Loss before income taxes		[illegible]	[illegible]
Provision for income taxes	7	148.6	275.1
Net loss		[illegible]	[illegible]
Net profit attributable to non-controlling interests		(49.7)	(3.1)
Net loss attributable to TechnipFMC plc		[illegible]	[illegible]
Earnings (loss) per share attributable to TechnipFMC plc	8		
Basic		$ (7.26)	$ (5.48)
Diluted		$ (7.26)	$ (5.48)
Weighted average shares outstanding:			
Basic		448.7	448.0
Diluted		448.7	448.0

The accompanying notes are an integral part of the consolidated financial statements.

U.K. Annual Report and Accounts

2. CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME

(In millions)	Year Ended December 31, 2020	Year Ended December 31, 2019
Net loss	$ [illegible]	$ [illegible]
Exchange differences on translating entities operating in foreign currency	(147.9)	11.6
Reclassification adjustment for net gains included in net loss	—	(12.0)
Net gains (losses) on hedging instruments, net of income tax	15.3	28.2
Other comprehensive income (loss) to be reclassified to statement of income in subsequent years, net of tax	(132.6)	27.8
[illegible]		
Net remeasurement losses on defined benefit plans, net of income tax	(83.5)	(49.6)
Other comprehensive loss not being reclassified to statement of income in subsequent years, net of tax	(83.5)	(49.6)
Other comprehensive loss, net of income tax	(216.1)	(21.8)
Comprehensive loss, net of tax	[illegible]	[illegible]
Comprehensive income attributable to non-controlling interest	(50.3)	(2.4)
Comprehensive loss attributable to TechnipFMC plc	$ [illegible]	$ [illegible]

The accompanying notes are an integral part of the consolidated financial statements.

U.K. Annual Report and Accounts

3. CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions, except par value data)	Note	December 31, 2020	December 31, 2019
Assets			
Investments in equity affiliates	9	$ 354.3	$ 300.4
Property, plant and equipment, net	[illegible]	[illegible]	[illegible]
Right-of-use assets, lease	4	989.3	864.9
Goodwill	[illegible]	[illegible]	[illegible]
Intangible assets, net	11	981.1	1,086.6
Deferred income taxes	[illegible]	[illegible]	[illegible]
Derivative financial instruments	27	35.9	39.5
Other assets	[illegible]	[illegible]	[illegible]
Total non-current assets		8,329.8	11,667.6
Cash and cash equivalents	[illegible]	[illegible]	[illegible]
Trade receivables, net	14	2,389.4	2,281.4
Contract assets	[illegible]	[illegible]	[illegible]
Inventories	15	1,281.5	1,423.9
Derivative financial instruments	[illegible]	[illegible]	[illegible]
Income taxes receivable	7	334.4	285.7
Advances paid to suppliers		[illegible]	[illegible]
Other current assets	16	893.2	862.6
Total current assets		[illegible]	[illegible]
Total assets		$ 19,807.8	$ 23,575.2
[illegible]		[illegible]	[illegible]
Liabilities and equity			
Ordinary shares	[illegible]	[illegible]	[illegible]
Retained earnings, net income and other reserves	17	4,847.8	8,104.9
Accumulated other comprehensive loss	[illegible]	[illegible]	[illegible]
Total TechnipFMC plc shareholders' equity		4,143.2	7,614.6
Non-controlling interests	[illegible]	[illegible]	[illegible]
Total equity		4,247.0	7,684.5
Long-term debt, less current portion	[illegible]	[illegible]	[illegible]
Lease liabilities	4	881.0	681.7
Deferred income taxes	[illegible]	[illegible]	[illegible]
Accrued pension and other post-retirement benefits, less current portion	20	447.1	386.8
Derivative financial instruments	[illegible]	[illegible]	[illegible]
Non-current provisions	21	52.2	47.7
Other liabilities	[illegible]	[illegible]	[illegible]
Total non-current liabilities		3,580.0	3,800.0
Short-term debt and current portion of long-term debt	[illegible]	[illegible]	[illegible]
Lease liabilities	4	273.9	275.1
Accounts payable, trade	[illegible]	[illegible]	[illegible]
Contract liabilities	5	4,725.0	4,571.4
Accrued payroll	[illegible]	[illegible]	[illegible]
Derivative financial instruments	27	167.2	141.3
Income taxes payable	[illegible]	[illegible]	[illegible]
Current provisions	21	443.2	476.6
Other current liabilities	[illegible]	[illegible]	[illegible]
Total current liabilities		11,980.8	12,090.7
Total liabilities		[illegible]	[illegible]
Total equity and liabilities		$ 19,807.8	$ 23,575.2

The accompanying notes are an integral part of the consolidated financial statements.

The consolidated financial statements were approved by the Board of Directors and signed on its behalf by

Douglas J. Pferdehirt
Director and Chief Executive Officer
April 9, 2021

4. CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)	Note	Year Ended December 31, 2020	2019
Cash provided by operating activities		[illegible]	[illegible]
Net loss		$ (3,208.7)	$ (2,450.9)
Adjustments to reconcile net profit (loss) to cash provided (required) by operating activities			
Depreciation	4, 10	626.7	712.5
Amortization	[illegible]	[illegible]	[illegible]
Impairments	10, 11	3,210.1	2,430.0
Employee benefit plan and share-based compensation costs		[illegible]	[illegible]
Deferred income tax benefit, net		(7.3)	(66.0)
Unrealized (gain) loss on derivative instruments and foreign exchange		[illegible]	[illegible]
Income (loss) from equity affiliates, net of dividends received		(64.5)	(8.2)
Other		[illegible]	[illegible]
Changes in operating assets and liabilities, net of effects of acquisitions			
Trade receivables, net and contract assets		[illegible]	[illegible]
Inventories, net		77.7	(171.7)
Accounts payable, trade		[illegible]	[illegible]
Contract liabilities		(72.6)	522.5
Income taxes payable, net		[illegible]	[illegible]
Other assets and liabilities, net		(209.6)	(376.2)
Cash provided by operating activities		[illegible]	[illegible]
Cash required by investing activities			
Capital expenditures		(291.8)	(454.4)
Payment to acquire debt securities		[illegible]	[illegible]
Proceeds from sale of debt securities		51.5	18.9
Acquisition of equity securities		[illegible]	[illegible]
Acquisitions, net of cash acquired		—	16.0
Cash received from divestiture		[illegible]	[illegible]
Proceeds from sale of assets		46.0	7.8
Proceeds from repayment of advances to joint venture		[illegible]	[illegible]
Other		—	3.6
Cash required by investing activities		[illegible]	[illegible]
Cash required by financing activities			
Net decrease in short-term debt	19	(24.4)	(49.6)
Net (decrease) increase in commercial paper	19	[illegible]	[illegible]
Proceeds from issuance of long-term debt	19	223.2	96.2
Repayment of long-term debt	19	[illegible]	[illegible]
Payments for the principal portion of lease liabilities	4	(277.5)	(335.8)
Purchase of treasury shares	17	[illegible]	[illegible]
Dividends paid	17	(59.2)	(232.8)
Payments related to taxes withheld on share-based compensation		[illegible]	[illegible]
Settlements of mandatorily redeemable financial liability	23	(224.2)	(562.8)
Acquisition of non-controlling interest		[illegible]	[illegible]
Cash required by financing activities		(1,359.7)	(1,120.2)
Effect of changes in foreign exchange rates on cash and cash equivalents		[illegible]	[illegible]
Decrease in cash and cash equivalents		(382.4)	(352.1)
Cash and cash equivalents, beginning of period		[illegible]	[illegible]
Cash and cash equivalents, end of period	13	$ 4,807.7	$ 5,190.1

(In millions)	Year Ended December 31, 2020	2019
Supplemental disclosures of cash flow information		
Cash paid for interest on debt	$ 107.0	$ 109.4
Cash paid for income taxes (net of refunds received)	$ [illegible]	$ [illegible]

The accompanying notes are an integral part of the consolidated financial statements.

5. CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(In millions)	Ordinary Shares	Ordinary Shares Held In Treasury and Employee Benefit Trust	Retained Earnings, Net Income and Other Reserves	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interest	Total Shareholders' Equity
Balance as of December 31, [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
Cumulative effect of initial application of IFRS 16	—	—	1.8	—	—	1.8
Net (loss)/profit	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other comprehensive loss	—	—	—	(21.1)	(0.7)	(21.8)
Cash dividends declared (Note 17)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Cancellation of treasury shares (Note 17)	(4.0)	—	(88.7)	—	—	(92.7)
Issuance of ordinary shares (Note 17)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net sales of ordinary shares for employee benefit trust (Note 17)	—	2.4	—	—	—	2.4
Share-based compensation (Note 18)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other	—	—	16.1	—	(2.3)	13.8
Balance as of December 31, 2019	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
Net (loss)/profit	—	—	(3,258.4)	—	49.7	(3,208.7)
Other comprehensive (loss)/profit	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Cash dividends declared (Note 17)	—	—	(59.2)	—	—	(59.2)
Cancellation of treasury shares (Note 17)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Issuance of ordinary shares (Note 17)	2.4	—	(9.4)	—	—	(7.0)
Share-based compensation (Note 18)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Acquisition of non-controlling interest	—	—	(9.4)	—	(2.1)	(11.5)
Other	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Balance as of December 31, 2020	$ 449.5	$ —	$ 4,847.8	$ (1,154.1)	$ 103.8	$ 4,247.0

The accompanying notes are an integral part of the consolidated financial statements.

6. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. ACCOUNTING PRINCIPLES

Nature of operations - TechnipFMC plc and consolidated subsidiaries ("TechnipFMC", the "Company", "we", "us" or "our") is a global leader in oil and gas project execution, technology innovation, systems manufacturing and services provider through our business segments: Subsea, Technip Energies and Surface Technologies. We have manufacturing operations worldwide, strategically located to facilitate delivery of our products, systems and services to our customers. On February 16, 2021, we completed the separation of Technip Energies segment (the "Spin-off"). Subsequent to the Spin-off, we will operate under two reporting segments: Subsea and Surface Technologies.

Details of the Company's activities during the year are provided in the Strategic Report. TechnipFMC is a public limited company by shares, incorporated and domiciled in England and Wales (United Kingdom) and listed on the New York Stock Exchange ("NYSE") and on Euronext Paris, in each case trading under the "FTI" symbol. The address of the registered office is One St. Paul's Churchyard, London, England, EC4M 8AP.

1.1. Basis of preparation

The consolidated financial statements of TechnipFMC as of December 31, 2020 and for the two years then ended (the "consolidated financial statements") were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

The consolidated financial statements are expressed in millions of U.S. dollars and all values are rounded to the nearest thousand, unless specified otherwise.

TechnipFMC's consolidated financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

TechnipFMC's significant accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Reclassifications – During the year ended December 31, 2020, in anticipation of our separation transaction, we renamed our Onshore/Offshore operating segment to Technip Energies, which includes our Loading Systems business that was previously reported in the Surface Technologies segment and our process automation business, Cybernetix, that was previously reported in the Subsea segment. Accordingly, our reportable segments comparative information has been restated and Technip Energies operating segment includes $86.6 million and $103.5 million of segment revenue attributable to Loading Systems and Cybernetix businesses, respectively. Certain presentation improvements were made in the prior year comparative information in Note 17 to the consolidated financial statements. Management considers the changes to be more relevant to users in understanding the nature of the transactions.

1.2. Going concern

As required by IAS 1 "Presentation of Financial Statements" in determining the basis of preparation for the consolidated financial statements, we have considered the Company's business activities, together with the factors likely to affect its future development, performance and position in order to assess whether the Company may adopt the going concern basis in preparing its consolidated financial statements.

Spin-off

On February 16, 2021, we completed the separation of the Technip Energies business segment (the "Spin-off"). In connection with the Spin-off, we executed a series of refinancing transactions, in order to provide a capital structure with sufficient cash resources to support future operating and investment plans.

On February 16, 2021, we entered into a new senior secured revolving credit facility that provides for aggregate revolving capacity of up to $1.0 billion. Availability of borrowings under the Revolving Credit Facility is reduced by any outstanding letters of credit issued against the facility.

On January 29, 2021, we issued $1.0 billion of 6.5% senior notes due 2026. The Notes are senior secured obligations of the Company and are guaranteed on a senior unsecured basis by substantially all of the Company's wholly-owned U.S. subsidiaries and non-U.S. subsidiaries in Brazil, the Netherlands, Norway, Singapore and the United Kingdom.

The proceeds from the debt issuance described above along with the available cash on hand were used to fund:

- The repayment of all $522.8 million of the outstanding Synthetic Convertible Bonds that matured in January 2021.
- The repayment of all $500.0 million aggregate principal amount of outstanding 3.45% Senior Notes due 2022.
- The termination of the $2.5 billion senior unsecured revolving credit facility agreement dated January 17, 2017 and the termination of the €500.0 million revolving credit facility dated May 19, 2020. In connection with the termination of these credit facilities, we repaid all of the outstanding borrowings.

We will continue to be strategically focused on cash and liquidity preservation. Subsequent to the completion of the Spin-off, we own 49.9% of the outstanding shares of Technip Energies. On March 31, 2021 pursuant to the Share Purchase Agreement BPI exercised its right and purchased from TechnipFMC 7.5 million shares in Technip Energies N.V. for $100.0 million. See Note 33 for further details. We also intend to conduct an orderly sale of our stake in Technip Energies over time and will use the proceeds from future sales to further reduce our net leverage.

Operating and investing activities

We continue to actively monitor the impact of the COVID-19 pandemic and oil price volatility, including the impact on economic activity and financial reporting. Whilst the situation is uncertain and evolving, the Company has modelled potential severe but plausible impacts on revenues, profits and cash flows in its assessment. In preparing its assessment, we have considered the impact that COVID-19 and oil price reduction has had on the business and the related decline in revenues.

In reaction to the fall in revenues we reduced our expectations for capital expenditures in 2020 by more than 30% to approximately $250.0 million. We also announced a series of cost reduction initiatives that will result in annualized savings of more than $350.0 million that extend to all business segments and support functions. We anticipate achieving the targeted savings run-rate by the end of the 2021.

Additionally, we announced revisions to compensation through the end of the year which include a 30% reduction to the Chairman and Chief Executive Officer's salary; a 30% reduction in the Board of Directors' retainer; and a 20% reduction to the Executive Leadership team's salaries.

In April 2020, our Board of Directors announced its decision to lower the annual dividend by 75% to $0.13 per share. We paid a dividend of $0.13 per share in April 2020, and this fulfilled the annual dividend distribution for 2020. The revised dividend policy reduced the annual cash outflow by $175.0 million when compared to the previous year's distribution.

The Company continues to maintain sufficient liquidity and meets its covenants under the revolving credit facilities as of December 31, 2020. See Note 19 for further details. As part of our assessment of going concern we have modelled our projected cash flows under a severe but plausible downside scenario, as well as testing our covenants against this scenario. Under all the scenarios modelled, after taking mitigating actions as needed, our forecasts did not indicate breach within the going concern period of review on any of the future dates through June 2022.

Most of our cash is managed centrally and flowed through centralized bank accounts controlled and maintained by TechnipFMC globally and in many operating jurisdictions to best meet the liquidity needs of our global operations. We expect to meet the continuing funding requirements of our global operations with cash generated by such operations and our existing revolving credit facility. We expect cash flow from our operating activities to be positive for the full 2021 year.

Following its assessment of going concern, the Company has formed a judgement that there are no material uncertainties that cast doubt on the Company's going concern status and that it is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Company continues to adopt the going concern basis in preparing the consolidated financial statements.

1.3. Changes in accounting policies and disclosures

a. Standards, amendments and interpretations effective in 2020

The Company has applied the following standards and amendments for the first time in its consolidated financial statements for the year ended December 31, 2020:

- Definition of a Business - Amendments to IFRS 3 "Business Combinations" ("IFRS 3");
- Definition of Material - Amendments to IAS 1 "Presentation of Financial Statements" ("IAS 1") and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" ("IAS 8");
- Interest Rate Benchmark Reform (Phase 1) - Amendments to IFRS 9 "Financial instruments" ("IFRS 9"), IAS 39 "Financial Instruments: Recognition and Measurement" ("IAS 39") and IFRS 7 "'Financial Instruments: Disclosures" ("IFRS 7");
- Revised Conceptual Framework for Financial Reporting.

The new standards and amendments did not have any impact on the Company's accounting policies and did not require retrospective adjustments.

b. Standards, amendments and interpretations to existing standards that are issued, not yet effective and have not been early adopted as of December 31, 2020

Certain new accounting standards and interpretations have been published that are not mandatory for December 31, 2020 reporting periods and have not been early adopted by the Company. The assessment of the impact of these new standards and interpretations is set out below.

IFRS 17 "Insurance Contracts"

This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 "Insurance Contracts" ("IFRS 17") will change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. The new standard will be effective for annual periods beginning on or after January 1, 2023 subject to endorsement by the U.K. and the European Union. We are currently evaluating the impact of this standard on our consolidated financial statements and do not expect that the adoption of the standard will have a significant impact on our consolidated financial statements.

Amendments to IAS 1 "Presentation of financial statements" on classification of liabilities

These narrow-scope amendments to IAS 1, clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The new amendments will be effective for annual periods beginning on or after January 1, 2023 subject to endorsement by the U.K. and the European Union. We are currently evaluating the impact of this amendment on our consolidated financial statements and do not expect that the adoption of the amendment will have a significant impact on our consolidated financial statements.

A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16

The new amendments will be effective for annual periods beginning on or after January 1, 2022 subject to endorsement by the U.K. and the European Union. We are currently evaluating the impact of these amendments on our consolidated financial statements and do not expect that the adoption of these amendments will have a significant impact on our consolidated financial statements.

Amendments to IAS 1 and IAS 8

The new amendments will be effective for annual periods beginning on or after January 1, 2023 subject to endorsement by the U.K. and the European Union. We are currently evaluating the impact of these amendments on our consolidated financial statements and do not expect that the adoption of these amendments will have a significant impact on our consolidated financial statements.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

Amendments address issues arising during the Phase 2 reform of benchmark interest rates. The amendments are effective from January 1, 2021. We are currently evaluating the impact of these amendments on our consolidated financial statements and do not expect that the adoption of these amendments will have a significant impact on our consolidated financial statements.

1.4. Summary of significant accounting policies

a) Consolidation principles

In accordance with IFRS 10 "Consolidated Financial Statements" ("IFRS 10"), subsidiaries are all entities (including structured entities) over which TechnipFMC has control. TechnipFMC controls an entity where TechnipFMC has all the following:

- the power over the company subject to the investment;
- an exposure or rights to the company's variable returns; and
- the ability to use its power over the entity to affect these returns.

The power to direct the activities of the entity usually exists when holding more than 50% of voting rights in the entity and these rights are substantive.

As per IFRS 11 "Joint Arrangements" ("IFRS 11"), joint arrangements classified as joint operations should be recognized to the extent of TechnipFMC's assets and its liabilities, including its share of any assets held jointly or liabilities incurred jointly.

The equity method is used for joint ventures and for investments over which TechnipFMC exercises a significant influence on operational and financial policies. Unless otherwise indicated, such influence is deemed to exist for investments in companies in which TechnipFMC's ownership is between 20% and 50%.

Companies in which our ownership is less than 20% or which do not represent material investments (such as dormant companies) are recorded under the "Other Non-Current Financial Assets" and classified as "Financial Assets at Fair Value through Profit or Loss".

The list of TechnipFMC's related undertakings as of December 31, 2020 is provided in Note 32.

The main affiliates of TechnipFMC close their accounts as of December 31 and all consolidated companies apply TechnipFMC's accounting policies as set in the Global Accounting Manual.

All intercompany balances and transactions, as well as internal income and expenses, are fully eliminated.

Subsidiaries are consolidated as of the date of acquisition, being the date on which TechnipFMC obtains control, and continue to be consolidated until the date control ceases.

b) Recognition of revenue from customer contracts

TechnipFMC accounts for revenue in accordance with IFRS 15 "Revenues from Contracts with Customers" ("IFRS 15"). Revenue is measured based on the consideration specified in a contract with a customer. TechnipFMC recognizes revenue when or as it transfers control over a good or service to a customer.

Allocation of transaction price to performance obligations - A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, when, or as, the performance obligation is satisfied. To determine the proper revenue recognition method, we evaluate whether two or more contracts should be combined and accounted for as one single contract and whether the combined or single contract should be accounted for as more than one performance obligation. This evaluation requires significant judgment; some of our contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and, therefore, not distinct. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation using our best estimate of the standalone selling price of each distinct good or service in the contract.

Variable consideration - Due to the nature of the work required to be performed on many of our performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgment. It is common for our long-term contracts to contain variable considerations that can either increase or decrease the transaction price. Variability in the transaction price arises primarily due to liquidated damages. TechnipFMC considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled, and determining whether the estimated variable consideration should be constrained. We include estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. Our estimates of variable consideration are based largely on an assessment of our anticipated performance and all information (historical, current and forecasted) that is reasonably available to us.

Payment terms - Progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Payment terms may either be fixed, lump-sum or driven by time and materials (i.e., daily or hourly rates, plus materials). Because typically the customer retains a small portion of the contract price until completion of the contract, our contracts generally result in revenue recognized in excess of billings which we present as contract assets on the statement of financial position. Amounts billed and due from our customers are classified as receivables on the statement of financial position. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component because the intent is to protect the customer. For some contracts, we may be entitled to receive an advance payment. We recognize a liability for these advance payments in excess of revenue recognized and present it as contract liabilities on the statement of financial position. The advance payment typically is not considered a significant financing component because it is used to meet working capital demands that can be higher in the early stages of a contract and to protect us from the other party failing to adequately complete some or all of its obligations under the contract.

Warranty - Certain contracts include an assurance-type warranty clause, typically between 18 to 36 months, to guarantee that the products comply with agreed specifications. A service-type warranty may also be provided to the customer; in such a case, management allocates a portion of the transaction price to the warranty based on the estimated stand-alone selling price of the service-type warranty.

Revenue recognized over time - Performance obligations are satisfied over time as work progresses or at a point in time when performance obligations are fulfilled and control transfers to the customer. Revenue from products and services transferred to customers over time accounted for approximately 86% of our revenue for the year ended December 31, 2020. Typically, revenue is recognized over time using an input measure (e.g., costs incurred to date relative to total estimated costs at completion) to measure progress.

Cost-to-cost method - For long-term contracts, because of control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. The cost-to-cost measure of progress for contracts is generally used because it best depicts the transfer of control to the customer which occurs as costs on the contracts incur. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred. Any expected losses on contracts in progress are charged to earnings, in total, in the period the losses are identified.

Right to invoice practical expedient - The right-to-invoice practical expedient can be applied to a performance obligation satisfied over time if we have a right to invoice the customer for an amount that corresponds directly with the value transferred to the customer for our performance completed to date. When this practical expedient is used, we do not estimate variable consideration at the inception of the contract to determine the transaction price or for disclosure purposes. We have contracts which have payment terms dictated by daily or hourly rates where some contracts may have mixed pricing terms which include a fixed fee portion. For contracts in which we charge the customer a fixed rate based on the time or materials spent during the project that correspond to the value transferred to the customer, we recognize revenue in the amount to which we have the right to invoice.

Contract modifications - Contracts are often modified to account for changes in contract specifications and requirements. We consider contract modifications to exist when the modification either creates new, or changes the existing, enforceable rights and obligations. Most of our contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to which it relates is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

c) Foreign currency transactions

Foreign currency transactions are translated into the functional currency at the exchange rate applicable on the transaction date.

At the closing date, monetary assets and liabilities stated in foreign currencies are translated into the functional currency at the exchange rate prevailing on that date. Resulting exchange gains or losses are directly recorded in the statement of income, except exchange gains or losses on cash accounts eligible for future cash flow hedging and for hedging on net foreign currency investments.

Translation of financial statements of subsidiaries in foreign currency

The income statements of foreign subsidiaries are translated into U.S. dollars at the average exchange rate prevailing during the year. Statements of financial position are translated at the exchange rate at the closing date. Differences arising in the translation of financial statements of foreign subsidiaries are recorded in other comprehensive income (loss) as foreign currency translation reserve. Items that are recognized directly in equity are translated using the historical rates. The functional currency of the foreign subsidiaries is most commonly the local currency.

d) Business combinations

Business combinations are accounted for using the acquisition method of accounting. Under the acquisition method, assets acquired and liabilities assumed are recorded at their respective fair values as of the acquisition date. Determining the fair value of assets and liabilities involves significant judgment regarding methods and assumptions used to calculate estimated fair values. The purchase price is allocated to the assets, acquired, including identifiable intangible assets, and liabilities based on their estimated fair values. Any excess of the purchase price over the estimated fair values of the net assets acquired is recorded as goodwill. Identifiable assets are depreciated over their estimated useful lives.

Acquisition-related costs are expensed as incurred and included in the statement of income line item "Selling, general and administrative expenses".

Adjustments recorded for a business combination on the provisional values of assets, liabilities and contingent liabilities are recognized as a retrospective change in goodwill when occurring within a 12-month period after the acquisition date and resulting from facts or circumstances that existed as of the acquisition date. After this measurement period ends, any change in valuation of assets, liabilities and contingent liabilities is accounted for in profit and loss statement, with no impact on goodwill.

e) Merger transaction and integration costs

Merger transaction and integration costs are expensed as incurred and include fees and expenses as a result of business combination transactions. Merger transaction and integration costs are included in the statement of income line item "Merger transaction and integration costs".

f) Separation costs

Separation costs are expensed as incurred and include fees and expenses associated with the separation transaction. The costs include legal and tax advice expenses, consulting services and other separation activities related costs. Separation costs are included in the statement of income line item "Separation costs".

g) Segment information

Information by operating segment

Management's determination of the reporting segments was made on the basis of strategic priorities within each segment and the differences in the products and services TechnipFMC provides, which corresponds to the manner in which TechnipFMC's Chief Executive Officer, as a Chief Operating Decision Maker ("CODM"), reviews and evaluates operating performance to make decisions about resources to be allocated to the segment. TechnipFMC reports the results of operations in the following segments: Subsea, Technip Energies and Surface Technologies.

TechnipFMC's reportable segments are:

- *Subsea* - manufactures and designs products and systems, performs engineering, procurement and project management and provides services used by oil and gas companies involved in deepwater exploration and production of crude oil and natural gas.
- *Technip Energies* - designs and builds onshore facilities related to the production, treatment and transportation of oil and gas; and designs, manufactures and installs fixed and floating platforms for the production and processing of oil and gas reserves for companies in the oil and gas industry; and
- *Surface Technologies* - designs and manufactures systems and provides services used by oil and gas companies involved in land and offshore exploration and production of crude oil and natural gas; designs, manufactures and supplies technologically advanced high pressure valves and fittings for oilfield service companies; and also provides flowback and well testing services for exploration companies in the oil and gas industry.

Total revenue by segment includes intersegment sales, which are made at prices approximating those that the selling entity is able to obtain on external sales. Segment operating profit (loss) is defined as total segment revenue less segment operating expenses. Income (loss) from equity method investments is included in calculation the segment operating profit (loss). The following items have been excluded in calculating the segment operating profit (loss): corporate staff expense, foreign exchange gains (losses), net interest income (expense) associated with corporate debt facilities, income taxes, and other revenue and other expense, net.

Information by country

Operating activities and performances of TechnipFMC are reported on the basis of the following countries:

- Russia;
- United States;
- Norway;
- Brazil;
- United Kingdom;
- Angola;
- Egypt; and
- all other countries.

The items related to segment results disclosed by TechnipFMC in its geographical segment information are the "Revenue" and the "Property, Plant and Equipment".

Geographical areas are defined according to the following criteria: specific risks associated with activities performed in a given area, similarity of economic and political framework, regulation of exchange control, and underlying monetary risks. The geographical breakdown is based on the contract delivery within the specific country.

h) Earnings per share

As per IAS 33 "Earnings per Share" ("IAS 33"), Earnings Per Share ("EPS") are based on the average number of outstanding shares over the year, after deducting treasury shares.

Diluted earnings per share amounts are calculated by dividing the net profit of the year, restated if need be for the after-tax financial cost of dilutive financial instruments, by the sum of the weighted average number of outstanding shares, the weighted average number of share subscription options not yet exercised, the weighted average number of performance shares granted calculated using the share purchase method, and the weighted average number of shares of the convertible bonds and, if applicable, the effects of any other dilutive instrument.

In accordance with the share purchase method, only dilutive instruments are used in calculating EPS. Dilutive instruments are those for which the option exercise price plus the future share-based compensation expense not yet recognized is lower than the average share price during the EPS calculation period.

i) Goodwill

Goodwill is measured at the acquisition date as the total of the fair value of consideration transferred, plus the proportionate amount of any non-controlling interest, plus the fair value of any previously held equity interest in the acquiree, if any, less the net recognized amount (generally at fair value) of the identifiable assets acquired and liabilities assumed. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

Goodwill is allocated to a group of cash-generating units ("GCGU") that are expected to benefit from the business combination in which the goodwill arose and in all cases is at the operating segment level, which represents the lowest level at which goodwill is monitored for internal management purposes.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

j) Property, plant and equipment

In compliance with IAS 16 "Property, Plant and Equipment" ("IAS 16"), an asset is recognized only if the cost can be measured reliably and if future economic benefits are expected from its use.

Property, plant and equipment could be initially recognized at cost or at their fair value in case of business combinations.

Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. TechnipFMC uses different depreciation periods for each of the significant components of a single property, plant and equipment asset where the useful life of the component differs from that of the main asset. The following are the useful lives most commonly applied by TechnipFMC:

- Buildings 10 to 50 years
- Vessels 10 to 30 years
- Machinery and Equipment 3 to 20 years
- Office Fixtures and Furniture 5 to 10 years
- Vehicles 3 to 7 years
- IT Equipment 3 to 5 years

If the residual value of an asset is material and can be measured, it is taken into account in calculating its depreciable amount.

On a regular basis, TechnipFMC reviews the useful lives of its assets. That review is based on the effective use of the assets.

As per IAS 16, dry-dock expenses are capitalized as a separate component of the principal asset. They are depreciated over a period of three to five years.

Depreciation costs are recorded in the statement of income as a function of the fixed assets' use, split between the following line items: cost of sales, research and development costs, selling, general and administrative costs.

In accordance with IAS 36 "Impairment of Assets" ("IAS 36"), the carrying value of property, plant and equipment is reviewed for impairment whenever internal or external events indicate that there may be impairment, in which case, an impairment test is performed. Impairment indicators / triggering events are changes in circumstances that indicate the carrying amount of property, plant and equipment may not be recoverable include but are not limited to:

- A significant decrease in the market value of property, plant and equipment;

- A significant adverse change in the extent or manner in which property, plant and equipment is used or in its physical condition;
- A significant adverse change in legal factors or in the business climate that could affect the value of a property, plant and equipment, including an adverse action or assessment by a regulator or the increase of risk-adjusted discount rates;
- An accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of property, plant and equipment;
- A current period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with the use of property, plant and equipment; and
- A current expectation that property, plant and equipment will become idle, a significant decrease in utilization of the asset, the operation to which the asset belongs will be discontinued or restructured, sold, or otherwise disposed of significantly before the end of its previously estimated useful life.

As an example, indications of impairment loss used for vessels and analyzed together are mainly the asset workload scheduling, the change in its daily invoicing rate, its age as well as the frequency of its dry-docking.

k) Leases

Lessee arrangements

TechnipFMC leases real estate, including land, buildings and warehouses, machinery/equipment, vessels, vehicles, and various types of manufacturing and data processing equipment, from a lessee perspective. Leases of real estate generally provide for payment of property taxes, insurance, and repairs by TechnipFMC.

TechnipFMC determines if an arrangement is a lease at inception by assessing whether an identified asset exists and if we have the right to control the use of the identified asset. Leases are included in right-of-use assets, lease liabilities (current), and lease liabilities (non-current) on the statement of financial position. Right-of-use assets represent the right to use an underlying asset for the lease term and lease liabilities represent TechnipFMC's obligation to make lease payments arising from the lease. Right-of-use assets and liabilities are recognized at the commencement date based on the present value of the remaining lease payments over the lease term. With the exception of rare cases in which the implicit rate is readily determinable, TechnipFMC uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The right-of-use assets also includes any lease prepayments made and excludes lease incentives we received from the lessor. Depreciation of right-of-use assets is recognized on a straight line basis over the lease term. Several of TechnipFMC's leases provide for certain guarantees of residual value. TechnipFMC estimates and includes in the determination of lease payments any amount probable of being owed under these residual value guarantees. The leases do not contain any material restrictive covenants.

Lease terms within the lessee arrangements may include options to extend/renew or terminate the lease and/or purchase the underlying asset when it is reasonably certain that we will exercise that option. TechnipFMC applies a portfolio approach by asset class to determine lease term renewals. The leases within these portfolios are categorized by asset class and have initial lease terms that vary depending on the asset class. The renewal terms range from 60 days to 5 years for asset classes such as temporary residential housing, forklifts, vehicles, vessels, office and IT equipment, and tool rentals, and up to 15 years or more for commercial real estate. Short-term leases with an initial term of 12 months or less that do not include a purchase option are not recorded on the statement of financial position. Lease costs for short-term leases are recognized on a straight-line basis over the lease term and amounts related to short-term leases are disclosed within the consolidated financial statements.

TechnipFMC has variable lease payments, including adjustments to lease payments based on an index or rate (such as the Consumer Price Index), fair value adjustments to lease payments, and common area maintenance, real estate taxes, and insurance payments in triple-net real estate leases. Variable lease payments that depend on an index or a rate (such as the Consumer Price Index or a market interest rate) are included when measuring initial lease liability of the lease arrangements using the payments' base rate or index. We remeasure the lease liability when there is a change in future lease payments resulting from a change in such index or rate. Variable payments that do not depend on an index or rate are recognized in profit or loss and are disclosed as 'variable lease cost' in the period they are incurred.

TechnipFMC adopted the practical expedient to not separate lease and non-lease components for all asset classes except for vessels, which have significant non-lease components.

TechnipFMC currently subleases certain of its leased real estate and vessels to third parties. The subleases are classified as operating leases by the sublessor.

Lessor arrangements

TechnipFMC leases real estate including land, buildings and warehouses, machinery/equipment, and vessels from a lessor perspective. TechnipFMC determines if an arrangement is a lease at inception by assessing whether an identified asset exists and if the customer has the right to control the use of the identified asset. TechnipFMC uses the implicit rate for its lessor arrangements. TechnipFMC estimates the amount it expects to derive from the underlying asset following the end of the lease term based on remaining economic life. The lessor arrangements generally do not include any residual value guarantees. TechnipFMC recognizes lessee payments of lessor costs such as taxes and insurance on a net basis when the lessee pays those costs directly to a third party or when the amount paid by the lessee is not readily determinable.

l) Intangible assets

Internally generated research and development costs

Research costs are expensed when incurred. In compliance with IAS 38 "Intangible Assets" ("IAS 38"), development costs are capitalized if all of the following criteria are met:

- the projects are clearly identified;
- TechnipFMC is able to reliably measure expenditures incurred by each project during its development;
- TechnipFMC is able to demonstrate the technical and industrial feasibility of the project;
- TechnipFMC has the financial and technical resources available to achieve the project;
- TechnipFMC can demonstrate its intention to complete, to use or to commercialize products resulting from the project; and
- TechnipFMC is able to demonstrate the existence of a market for the output of the intangible asset, or, if it is used internally, the usefulness of the intangible asset.

Other intangible assets

Intangible assets other than goodwill (including those acquired in a business combination) are amortized on a straight-line basis over their expected useful lives, as follows:

- Acquired technology: 7 to 10 years
- Backlog: as per the timeframe of the outstanding orders (usually less than 3 years)
- Customer relationships: lower of 10 years or the terms of the customer contracts
- Trade names; Licenses, Patents and Trademarks: lower of 20 years or the period set forth in the legal conditions
- Software (including software rights, proprietary IT tools, such as the E-procurement platform, or TechnipFMC's management applications): 3 to 7 years

In accordance with IAS 36, the carrying value of intangible assets is reviewed for impairment whenever internal or external events indicate that there may be impairment, in which case, an impairment test is performed.

m) Impairment of non-financial assets

Non-financial assets, property, plant and equipment, and identifiable intangible assets being amortized are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of the asset or cash-generating unit ("CGU") may not be recoverable. If any indication exists, or when annual impairment testing for an asset is required, TechnipFMC estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, including growth rates in revenues, costs, estimates of future expected changes in operating margins, tax rates and cash expenditures. Future revenues are also adjusted to match changes in the business strategy. Factors that could trigger a lower value in use estimate include sustained price declines of a CGU's products and services, cost increases, regulatory or political environment changes, changes in customer demand, and other changes in market conditions, which may affect certain market participant assumptions used in the discounted future cash flow model.

In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Goodwill is not amortized but it is tested for impairment annually as of October 31 or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment of goodwill is determined by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

n) Fair value measurement

TechnipFMC measures certain financial instruments (including derivatives) at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

TechnipFMC uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets;
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly; and
- Level 3: Unobservable inputs (e.g., a reporting entity's own data).

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, TechnipFMC determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

o) Financial assets

Financial assets are categorized at initial recognition, as subsequently measured at either amortized cost, at fair value through other comprehensive income ("FVOCI"), or at fair value through profit or loss ("FVTPL").

For debt instruments this classification depends on the financial asset's contractual cash flow characteristics as well as business model according to which TechnipFMC is managing them. Financial assets are initially measured at their fair values plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15.

A financial asset is classified and measured at amortized cost or fair value through other comprehensive income ("OCI") if and only if it gives rise to cash flows that are 'solely payments of principal and interest ("SPPI"), i.e. the asset meets the SPPI test criteria, which are assessed at an instrument level.

The business model applied by TechnipFMC determines whether the cash flows from the instruments will be realized through collecting contractual cash flows, selling the financial assets, or both.

Transactions on financial assets that require delivery of assets within a time frame legally or contractually (regular way trades) are recognized on the trade date, being the date when TechnipFMC commits to acquire or sell the asset.

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost
- Financial assets at fair value through OCI, either with recycling or no recycling of cumulative gains and losses
- Financial assets at fair value through profit or loss

TechnipFMC currently has no financial assets at fair value through OCI.

Financial assets at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortized cost are subsequently measured using the effective interest rate and are also subject to impairment. Gains and losses are recognized in profit or loss within the Other Income (Expense) line when the asset is derecognized, impaired or contractual cash-flows change.

TechnipFMC's financial assets at amortized cost include trade receivables, loans issued to third or related parties and debt notes receivable presented under other non-current financial assets or other current assets, as applicable.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include:

- Financial assets held for trading (i.e., those which are acquired for the purpose of selling or repurchasing in the near term).
- Financial assets designated upon initial recognition at fair value through profit or loss (in order to eliminate, or significantly reduce, an accounting mismatch), or
- Financial assets required to be measured at fair value (i.e. assets with cash flows that are not solely payments of principal and interest, irrespective of the business model).

Derivatives, including separated embedded derivatives, are also classified as held for trading except for those designated as effective hedging instruments. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

This category includes derivative instruments, listed and non-quoted equity investments which TechnipFMC had not irrevocably elected to classify at fair value through OCI, as well as certain liquid, frequently traded debt instruments such as treasury bills.

Dividends on listed equity investments are also recognized in the statement of profit or loss when the right of payment has been established.

Impairment of financial assets

An allowance for Expected Credit Losses ("ECL") is recognized for all debt instruments not held at fair value through profit or loss. As opposed to the incurred loss approach, ECL is based on the difference between the carrying amount (as per the contractual cash flows of the instruments) and all the cash flows that TechnipFMC expects to receive, discounted at the original effective interest rate. The expected cash flows reflect the cash flows expected from collateral or other credit enhancements that are part of the contractual terms and are not separately recognized by TechnipFMC. The estimate of expected cash shortfalls on a collateralized financial instrument reflects the amounts and timing of cash flows that are expected from foreclosure on the collateral less the costs of obtaining and selling the collateral, irrespective of whether foreclosure is probable.

In case of instruments for which there has not been a significant increase in credit risk since initial recognition, ECL is applied for default events that are possible within the next 12-months (a 12-month ECL). In case there has been a significant increase in credit risk since initial recognition, a ECL is applied over the remaining life of the exposure (lifetime ECL).

For trade receivables and contract assets TechnipFMC applies a simplified approach permitted by IFRS 9. Therefore, TechnipFMC recognizes lifetime ECL at initial recognition and at each reporting date. TechnipFMC has considered historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment to determine lifetime expected losses.

For short-term notes receivable an expected credit loss is calculated assuming the maximum possible loss in the event of a default (that is, the loan is fully drawn and no amount is recovered). Management established a probability of default based on the counterparty's credit risk as determined by external credit rating agencies and the maximum loss given default (average recovery rate of sovereign bond issuers as published by credit rating agencies). Based on these factors management determines the ECL for TechnipFMC's short-term loans receivable.

For debt instruments recognized at amortized cost, as permitted by IFRS 9, TechnipFMC considers the low credit risk simplification. Accordingly, TechnipFMC evaluates whether the debt instrument is considered to have low credit risk at the reporting date, using available, reasonable and supportable information. TechnipFMC considers its internal credit rating of the debt instrument, and also considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due. For debt instruments that continue to have low credit risk after the evaluation, TechnipFMC assumes that there is no significant increase in the credit risk of the instrument.

ECL on such instruments is measured on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. TechnipFMC uses the ratings from credit rating agencies both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

Based on customer experience, customer relationships and the nature of the long term projects, TechnipFMC considers a financial asset in default when contractual payments are 30 days past due. Also, in cases when internal or external information indicates that it is unlikely to receive the outstanding contractual cash flows before considering any credit enhancements, TechnipFMC also considers a financial asset to be in default. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired; or
- TechnipFMC has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) TechnipFMC has transferred substantially all the risks and rewards of the asset, or (b) TechnipFMC has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When TechnipFMC has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, TechnipFMC continues to recognize the transferred asset to the extent of its continuing involvement. In that case, TechnipFMC also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that TechnipFMC has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that TechnipFMC could be required to repay.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

p) Derivative financial instruments and hedging

Initial recognition and subsequent measurement

TechnipFMC uses derivative financial instruments, such as forward contracts, swaps and options to hedge its risks, in particular foreign exchange risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Every derivative financial instrument held by TechnipFMC is aimed at hedging future cash inflows or outflows against exchange rate fluctuations during the period of contract performance. Derivative instruments and in particular forward exchange transactions are aimed at hedging future cash inflows or outflows against exchange rate fluctuations in relation to awarded commercial contracts, or material, labor and overhead expenses.

To hedge its exposure to exchange rate fluctuations during the bid-period of construction contracts, TechnipFMC occasionally enters into insurance contracts under which foreign currencies are exchanged at a specified rate and at a specified future date only if the new contract is awarded. The premium that TechnipFMC pays to enter into such an insurance contract is charged to the income statement when paid. If the commercial bid is not successful, the insurance contract is automatically terminated without any additional cash settlements or penalties.

In some cases, TechnipFMC may enter into foreign currency options for some proposals during the bid-period. These options are not designated for hedge accounting.

For the purpose of hedge accounting, instruments qualifying as hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment (TechnipFMC currently has no financial instruments designated for such hedging relationship)
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment

- Hedges of a net investment in a foreign operation (TechnipFMC currently has no financial instruments designated for such hedging relationship)

Foreign currency treasury accounts designated for a contract and used to finance its future expenses in foreign currencies may qualify as a foreign currency cash flow hedge. Cash as a hedging instrument is determined as cash less accounts payables (including debts contracted on projects) plus accounts receivable (including loans contracted on projects) on reimbursable, services and completed contracts at closing date.

An economic hedging may occasionally be obtained by offsetting cash inflows and outflows on a single contract ("natural hedging").

When implementing hedging transactions, each of TechnipFMC's subsidiaries enters into forward exchange contracts with banks or with Technip Eurocash SNC, the company that performs centralized treasury management for TechnipFMC. However, under treasury center accounting only instruments backed by a third party outside of TechnipFMC are designated as hedging instruments.

At the inception of a hedge relationship, TechnipFMC formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how TechnipFMC will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that TechnipFMC actually hedges and the quantity of the hedging instrument that TechnipFMC actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for as described below. The fair value of derivative financial instruments is estimated on the basis of valuations provided by bank counterparties or financial models commonly used in financial markets, using market data as of the statement of financial position date.

A derivative instrument qualifies for hedge accounting (fair value hedge or cash flow hedge) when there is a formal designation and documentation of the hedging relationship, and of the effectiveness of the hedge throughout the life of the contract. A fair value hedge aims at reducing risks incurred by changes in the market value of some assets, liabilities or firm commitments. A cash flow hedge aims at reducing risks incurred by variations in the value of future cash flows that may impact net profit (loss) in the statement of income.

All derivative instruments are recorded and disclosed in the statement of financial position at fair value. Derivative instruments not considered for hedge accounting are also classified as current assets and liabilities.

Changes in fair value are recognized as follows:

- regarding cash flow hedges, the effective portion of the gain or loss of the hedging instrument is recorded directly in other comprehensive income, and the ineffective portion of the gain or loss on the hedging instrument is recorded in the income statement. The amounts accumulated in other comprehensive income ("OCI") are accounted for depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in OCI for the period. For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss. If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.
- the changes in fair value of derivative financial instruments that qualify as fair value hedge are recorded as financial income or expenses. The ineffective portion of the gain or loss is immediately recorded in the income statement. The carrying amount of a hedged item is adjusted by the gain or loss on this hedged item which may be allocated to the hedged risk and is recorded in the income statement; and
- the changes in fair value of derivative financial instruments that do not qualify as hedging in accounting standards are directly recorded in the income statement.

TechnipFMC designates only the spot element of forward contracts as a hedging instrument. The forward element of contracts receiving hedge accounting is recognized in the income statement in the same line item as the underlying hedged item.

See Note 27 for further details.

q) Inventories

Inventories are recognized at the lower of cost and net realizable value with cost being principally determined on a weighted-average cost basis.

Write-down of inventories are recorded when the net realizable value of inventories is lower than their net book value.

r) Advances paid to suppliers

Advance payments made to suppliers under long-term contracts are shown under the "Advances Paid to Suppliers" line item, on the asset side of the statement of financial position.

s) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. TechnipFMC holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method.

Impairment of trade receivables

TechnipFMC applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. TechnipFMC's trade receivables and contracts assets constitute a homogeneous portfolio, therefore, to measure the expected credit losses, trade receivables and contract assets have been grouped based on a selection of TechnipFMC's entities that cover a representative part of TechnipFMC's combined trade receivables and contract assets at each period end. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. TechnipFMC has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

t) Cash and cash equivalents

Cash and cash equivalents consist of cash in bank and in hand, fixed term deposits and securities fulfilling the following criteria: an original maturity of less than three months, highly liquid, a fixed exchange value and an insignificant risk of loss of value. Securities are measured at their market value at year-end. Any change in fair value is recorded in the statement of income.

u) Share-based compensation

The measurement of share-based compensation expense on restricted share awards is based on the market price at the grant date and the number of shares awarded. TechnipFMC utilizes the Black-Scholes options pricing model to measure the fair value of share options granted, excluding from such valuation the service and non-market performance conditions (which are considered in the expected number of awards that will ultimately vest) but including market conditions (Note 18). The share-based compensation expense for each award is recognized during the vesting period (i.e. the period in which the service and, where applicable, the performance conditions are fulfilled). The cumulative expense recognized for share-based employee compensation at each reporting date reflects the already expired portion of the vesting period and TechnipFMC's best estimate of the number of awards that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as of the beginning and end of that period.

v) Provisions

Provisions are recognized if and only if the following criteria are simultaneously met:

- TechnipFMC has an ongoing obligation (legal or constructive) as a result of a past event;
- the settlement of the obligation will likely require an outflow of resources embodying economic benefits without expected counterpart; and
- the amount of the obligation can be reliably estimated: provisions are measured according to the risk assessment or the exposed charge, based upon best-known elements.

Contingencies related to contracts

These provisions relate to claims and litigation on contracts.

Restructuring

Once a restructuring plan has been decided and the interested parties have been informed, the plan is scheduled and valued. Restructuring provisions are recognized in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" ("IAS 37") and presented within Impairment, Restructuring and Other Expenses (Income) in the Statements of Income.

w) Pensions and other long-term benefits

TechnipFMC sponsors various end-of-service and retirement employee benefit plans. Payments under such employee benefit plans are made either at the date of the employee's termination of service with TechnipFMC or at a subsequent date or dates in accordance with the laws and practices of each country in which a participant resides. Depending on the employing entity, the main defined benefit plans can be:

- end-of-career benefits, to be paid at the retirement date;
- deferred compensation, to be paid when an employee leaves TechnipFMC;
- retirement benefits to be paid in the form of a pension.

TechnipFMC assesses its obligations in respect of employee pension plans and other long-term benefits such as "jubilee benefits", post-retirement medical benefits, special termination benefits and cash incentive plans. The plan assets are recorded at fair value.

The defined benefits obligations are estimated by independent actuaries using the projected unit credit actuarial valuation method as per IAS 19 "Employee Benefits" ("IAS 19"). The actuarial assumptions used to determine the obligations may vary depending on the country. The actuarial estimation is based on usual parameters such as future wage and salary increases, life expectancy, staff turnover rate and inflation rate.

The defined benefit liability equals the present value of the defined benefit obligation after deducting the plan assets. Present value of the defined benefit obligation is determined using present value of future cash disbursements based on interest rates of corporate bonds, in the currency used for benefit payment, and whose term is equal to the average expected life of the defined benefit plan.

The actuarial gains and losses resulting from adjustments related to experience and changes in actuarial assumptions are recorded in other comprehensive income. See Note 20 for further details.

x) Deferred income tax

Deferred income taxes are recognized in accordance with IAS 12 "Income Taxes" ("IAS 12"), measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period on all temporary differences at the closing date, between the tax bases of assets and liabilities and their carrying amounts for each TechnipFMC's company.

Deferred income taxes are reviewed at each closing date to take into account the effect of any changes in tax law and in the prospects of recovery.

Deferred income tax assets are recognized for all deductible temporary differences, unused tax credits carry-forwards and unused tax losses carry-forwards, to the extent that it is probable that taxable profit will be available.

To properly estimate the existence of future taxable income on which deferred tax assets could be allocated, the following items are taken into account:

- existence of temporary differences which will cause taxation in the future;
- forecasts of taxable results;
- analysis of the past taxable results; and
- existence of significant and non-recurring income and expenses, included in the past tax results, which should not repeat in the future.

Deferred income tax liabilities are recognized for all taxable temporary differences, except restrictively enumerated circumstances, in accordance with the provisions of IAS 12.

Tax assets and liabilities are not discounted.

y) Financial liabilities

Financial liabilities are classified, at initial recognition, as:

- financial liabilities at fair value through profit or loss (i.e., instruments held for trading including derivatives not designated as hedging instruments and also instruments designated upon initial recognition as of fair value through profit or loss),
- financial debt,
- trade and other payables, or
- derivatives designated as hedging instruments in an effective hedge.

Financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

TechnipFMC has not elected to designate any financial liability as of fair value through profit or loss.

Financial debts (current and non-current)

Current and non-current financial debts include bond loans, commercial paper programs and other borrowings. After initial recognition, debt is measured at amortized cost using the effective interest rate method. Transaction costs, such as issuance fees and redemption premium are included in the cost of debt on the liability side of the statement of financial position, as an adjustment to the nominal amount of the debt. The difference between the initial debt and redemption at maturity is amortized at the effective interest rate.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of income.

z) Non-current assets held for sale or distribution to equity holders

TechnipFMC classifies non-current assets and disposal groups as held for sale/or distribution to equity holders of the parent if their carrying amounts will be recovered principally through a sale transaction or a distribution rather than through continuing use. Such non-current assets and disposal groups classified as held for sale/or distribution are measured at the lower of their carrying amount and fair value less costs to sell or distribute. Costs to sell/or distribute are the incremental costs directly attributable to the sale or distribution, excluding finance costs and income tax expense.

The criteria for held for sale/or distribution classification is regarded as met only when the sale/or distribution is highly probable and the asset or disposal group is available for immediate sale/ or distribution in its present condition. Actions required to complete the sale/or distribution should indicate that it is unlikely that significant changes to the sale/or distribution will be made or that the decision to sale/or distribute will be withdrawn. Management must be committed to the sale/or distribution expected within one year from the date of the classification.

aa) Cash dividend and non-cash distribution to equity holders

TechnipFMC recognizes a liability to make cash or non-cash distributions to its equity holders when the distribution is approved by its shareholders. A corresponding amount is recognized directly in the statement of equity.

ab) Current/ non-current distinction

The distinction between current assets and liabilities, and non-current assets and liabilities is based on the operating cycle of contracts. If related to contracts, assets and liabilities are classified as "current"; if not related to contracts, assets and liabilities are classified as "current" if their maturity is less than 12 months or "non-current" if their maturity exceeds 12 months.

1.5. Use of critical accounting estimates, judgments and assumptions

The preparation of the consolidated financial statements requires the use of critical accounting estimates, judgments and assumptions and may affect the assessment and disclosure of assets and liabilities at the date of the financial statements, as well as the income and the reported expenses regarding this financial year. Estimates may be revised if the circumstances and the assumptions on which they were based change, if new information becomes available, or as a result of greater experience. Consequently, the actual result from these operations may differ from these estimates.

Other disclosures relating to TechnipFMC's exposure to risks and uncertainties includes:

- Capital management (Note 17)
- Market related exposures (Note 30)

a) Judgments

Areas of judgment that have the most significant effect on the amounts recognized in the consolidated financial statements relate to the separation transaction and revenue recognition.

Separation transaction

On August 26, 2019, we announced our intention to separate into two diversified pure-play market leaders -- TechnipFMC, focused on subsea and surface hydrocarbon production, and Technip Energies, focused on downstream engineering, procurement, and construction project execution. Due to the COVID-19 pandemic, a significant decline in commodity prices, and the heightened volatility in global equity markets, on March 15, 2020, we announced the postponement of the completion of the transaction until the markets sufficiently recover. On January 7, 2021, we announced the resumption of activity toward completion of the transaction based on increased clarity in the market outlook and our demonstrated ability to successfully execute projects.

As discussed above, on February 16, 2021, we completed the previously announced separation of the Technip Energies business segment. The transaction was structured as a spin-off, which occurred by way of a pro rata dividend (the "Distribution") to our shareholders of 50.1 percent of the outstanding shares in Technip Energies N.V. Each of our shareholders received one ordinary share of Technip Energies N.V. for every five ordinary shares of TechnipFMC held at 5:00 p.m., New York City time on the record date, February 17, 2021. Technip Energies N.V. is now an independent public company and its shares trade under the ticker symbol "TE" on the Euronext Paris stock exchange.

Under IFRS, the reclassification of assets (and any associated liabilities) as 'held for distribution' can only be triggered once the assets are available for distribution in their present condition and the distribution is 'highly probable'. The highly probable criteria is met when the distribution is expected to be completed within a year. As of December 31, 2020, we had no such expectation as the Spin-off was dependent upon on new capital structure negotiations and related new financing in connection with the Spin-off. This only came into effect on January 29, 2021, upon completion by TechnipFMC of its private offering of $1.0 billion in aggregate principal amount of senior unsecured notes due 2026.

In connection with the Spin-off, as of December 31, 2020 we were also in a process of completing a separation of the Technip Energies business from the other TechnipFMC operations. This involved separation of activities in relation to operational processes, information technologies and support functions, such as finance, human resources and the separation of certain legal entities, which host several business activities.

Revenue recognition

The majority of our revenue is derived from long-term contracts that can span several years. TechnipFMC accounts for revenue in accordance with IFRS 15. The unit of account in IFRS 15 is a performance obligation. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The performance obligations are satisfied over time as work progresses or at a point in time.

A significant portion of our total revenue recognized over time relates to our Technip Energies and Subsea segments, primarily for the entire range of onshore facilities, fixed and floating offshore oil and gas facilities, and subsea exploration and production equipment projects that involve the design, engineering, manufacturing, construction, and assembly of complex, customer-specific systems. Because of control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the products or services to be provided. We generally use the cost-to-cost measure of progress for our contracts because it best depicts the transfer of control to the customer that occurs as we incur costs on our contracts. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred.

Due to the nature of the work required to be performed on many of performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables, and requires significant judgment. It is common for the long-term contracts to contain award fees, incentive fees, or other provisions that can either increase or decrease the transaction price. We include estimated amounts in the transaction price when we believe we have an enforceable right to the modification, the amount can be estimated reliably, and its realization is probable. The estimated amounts are included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

TechnipFMC executes contracts with its customers that clearly describe the equipment, systems, and/or services. After analyzing the drawings and specifications of the contract requirements, the project engineers estimate total contract costs based on their experience with similar projects and then adjust these estimates for specific risks associated with each project, such as technical risks associated with a new design. Costs associated with specific risks are estimated by assessing the probability that conditions arising from these specific risks will affect the total cost to complete the project. After work on a project begins, assumptions that form the basis for the calculation of total project cost are examined on a regular basis and the estimates are updated to reflect the most current information and management's best judgment.

Adjustments to estimates of contract revenue, total contract cost, or extent of progress toward completion are often required as work progresses under the contract and as experience is gained, even though the scope of work required under the contract may not change. The nature of accounting for long-term contracts is such that refinements of the estimating process for changing conditions and new developments are continuous and characteristic of the process. Consequently, the amount of revenue recognized over time is sensitive to changes in estimates of total contract costs. There are many factors, including, but not limited to, the ability to properly execute the engineering and design phases consistent with customers' expectations, the availability and costs of labor and material resources, productivity, and weather, all of which can affect the accuracy of cost estimates, and ultimately, the future profitability.

Our operating loss for the year ended December 31, 2020 was positively impacted by approximately $457.9 million, as a result of changes in contract estimates related to projects that were in progress as of December 31, 2019. During the year ended December 31, 2020, we recognized changes in our estimates that had an impact on our margin in the amounts of $519.5 million, $(56.5) million and $(5.1) million in our Technip Energies, Subsea and Surface Technologies segments, respectively. The changes in contract estimates are attributed to better than expected performance throughout our execution of our projects.

Our operating loss for the year ended December 31, 2019 was positively impacted by approximately $1,114.3 million, as a result of changes in contract estimates related to projects that were in progress as of December 31, 2018. During the year ended December 31, 2019, we recognized changes in our estimates that had an impact on our margin in the amounts of $797.2 million, $324.7 million and $(7.6) million in our Technip Energies, Subsea and Surface technologies segments, respectively. The changes in contract estimates are attributed to better than expected performance throughout our execution of our projects.

See Note 1 for further details.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year relate to income taxes, pension accounting, determination of fair value in business combinations, impairment of non-financial assets and estimates related to fair value for purposes of assessing goodwill for impairment and are described below.

Income taxes

Our income tax expense, deferred tax assets and liabilities, and reserves for uncertain tax positions reflect management's best assessment of estimated future taxes to be paid. We are subject to income taxes in the United Kingdom and numerous foreign jurisdictions. Significant judgments and estimates are required in determining the consolidated income tax expense.

In determining the current income tax provision, we assess temporary differences resulting from differing treatments of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are recorded in our consolidated balance sheets. When we maintain deferred tax assets, we must assess the likelihood that these assets will be recovered through adjustments to future taxable income. To the extent we believe recovery is not probable, no deferred tax asset is recognized. We believe this assessment is a critical accounting estimate because it is highly susceptible to change from period to period, requires management to make assumptions about our future income, and can be potentially material to the results of operations.

Forecasting future income requires us to use a significant amount of judgment. In estimating future income, we use our internal operating budgets and long-range planning projections. We develop our budgets and long-range projections based on recent results, trends, economic and industry forecasts influencing the segments' performance, our backlog, planned timing of new product launches and customer sales commitments. Significant changes in our judgment related to the expected realizability of a deferred tax asset results in an adjustment to the recorded balance of that asset.

The calculation of income tax expense involves dealing with uncertainties in the application of complex tax laws and regulations in numerous jurisdictions in which we operate. We recognize tax benefits related to uncertain tax positions when, in our judgment, it is more likely than not that such positions will be sustained on examination, including resolutions of any related appeals or litigation, based on the technical merits. We adjust our liabilities for uncertain tax positions when our judgment changes as a result of new information previously unavailable. Due to the complexity of some of these uncertainties, their ultimate resolution may result in payments that are materially different from our current estimates. Any such differences will be reflected as adjustments to income tax expense in the periods in which they are determined.

See Note 7 for further details.

Accounting for pension and other post-retirement benefit plans

Pension and other post-retirement (health care and life insurance) obligations are described in Note 20 to the consolidated financial statements.

The determination of the projected benefit obligations of TechnipFMC's pension and other post-retirement benefit plans are important to the recorded amounts of such obligations on our consolidated statement of financial position and to the amount of pension expense in our consolidated statements of income. In order to measure the obligations and expense associated with our pension benefits, management must make a variety of estimates, including discount rates used to value certain liabilities, rate of compensation increase, employee turnover rates, retirement rates, mortality rates and other factors. Management updates these estimates on an annual basis or more frequently upon the occurrence of significant events. These accounting estimates bear the risk of change due to the uncertainty and difficulty in estimating these measures. Different estimates used by management could result in recognition of different amounts of expense over different periods of time.

The discount rate affects the interest cost component of net periodic pension cost and the calculation of the projected benefit obligation. The discount rate is based on rates at which the pension benefit obligation could be effectively settled on a present value basis. Discount rates are derived by identifying a theoretical settlement portfolio of long-term, high quality ("AA" rated) corporate bonds at the determination date that is sufficient to provide for the projected pension benefit payments. An application of a determined discount rate results in a discounted value of the pension benefit payments that equate to the market value of the selected bonds. The resulting discount rate is reflective of both the current interest rate environment and the pension's distinct liability characteristics. Significant changes in the discount rate, such as those caused by changes in the yield curve, the mix of bonds available in the market, the duration of selected bonds and the timing of expected benefit payments, may result in volatility in pension expense and pension liabilities.

Due to the specialized and statistical nature of these calculations which attempt to anticipate future events, management engages third-party specialists to assist evaluating the assumptions as well as appropriately measuring the costs and obligations associated with these pension benefits.

The actuarial assumptions and estimates made by management in determining TechnipFMC's pension benefit obligations may materially differ from actual results as a result of changing market and economic conditions and changes in plan participant assumptions. While management believes the assumptions and estimates used are appropriate, differences in actual experience or changes in plan participant assumptions may materially affect the financial position or results of operations.

Impairment of non-financial assets

Property, plant and equipment, including vessels, identifiable intangible assets being amortized and capitalized software costs are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of the non-financial assets may not be recoverable. The carrying amount of a non-financial asset is not recoverable if it exceeds the recoverable amount determined as the higher of and asset's fair vale less costs of disposal and its value in use. If it is determined that an impairment loss has occurred, the loss is measured as the amount by which the carrying amount of the non-financial asset exceeds its recoverable amount. The determination of future value in use as well as the estimated fair value of non-financial assets involves significant estimates on the part of management. Because there usually is a lack of quoted market prices for non-financial assets, fair value of impaired assets is generally determined based on the present values of expected future cash flows using discount rates believed to be consistent with those used by principal market participants, or based on a multiple of operating cash flow validated with historical market transactions of similar assets where possible. To assess the fair value of our vessels we utilize external broker valuation reports.

The expected future cash flows used for impairment reviews and related fair value calculations are based on judgmental assessments of future productivity of the asset, operating costs, capital decisions and possible additional impacts from emerging risks such as those related to climate change and the transition to a lower carbon economy and pandemics. Oil and gas price assumptions have a significant impact on impairment assessments of non-financial assets and are inherently uncertain. Furthermore, the estimation of future oil and gas prices is subject to increased uncertainty, given climate change and the global energy transition. If future market conditions deteriorate beyond the current expectations and assumptions, impairments of non-financial assets may be identified if management concludes that the carrying amounts are no longer recoverable.

See Note 10 for further details.

Impairment of goodwill

Goodwill represents the excess of cost over the fair market value of net assets acquired in business combinations. Goodwill is not subject to amortization but is tested for impairment at the level of GCGUs the goodwill has been allocated to, on an annual basis, or more frequently if impairment indicators arise. TechnipFMC established October 31 as the date of the annual test for impairment of goodwill. TechnipFMC identifies a potential impairment by comparing the recoverable amount of the applicable GCGU to its net book value, including goodwill. If the net book value exceeds the recoverable amount of the GCGU, management measures the impairment by comparing the carrying value of the GCGU to its recoverable amount. GCGU with goodwill are tested for impairment using a quantitative impairment test.

When using the quantitative impairment test, determining the fair value of a GCGU is judgmental in nature and involves the use of significant estimates and assumptions. TechnipFMC estimates the fair value of its GCGUs using a discounted future cash flow model. The majority of the estimates and assumptions used in a discounted future cash flow model involve unobservable inputs reflecting management's own assumptions about the assumptions market participants would use in estimating the fair value of a business. These estimates and assumptions include revenue growth rates and operating margins used to calculate projected future cash flows, discount rates and future economic and market conditions. The transition to a lower carbon global economy may potentially lead to a lower oil and gas price scenario in the future due to declining demand. Management took into account considerations of uncertainty over the pace of the transition to lower-carbon supply and demand and the social, political and environmental actions that will be taken to meet the goals of the Paris climate change agreement when determining their future revenue growth rates assumptions and revised the future revenue growth rates assumptions downwards when compared with the prior year assumptions. The estimates are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and do not reflect unanticipated events and circumstances that may occur.

A lower recoverable amount estimate in the future for any of GCGUs could result in goodwill impairments. Factors that could trigger a lower recoverable amount estimate include sustained price declines of the GCGU's products and services, cost increases, regulatory or political environment changes, changes in customer demand, and other changes in market conditions, which may affect certain market participant assumptions used in the discounted future cash flow model based on internal forecasts of revenues and expenses over a specified period plus a terminal value (the income approach). When assessing triggering factors, on a quarterly and also on an annual basis, TechnipFMC also analyzes the relationship between its market capitalization and its consolidated book value of equity.

The income approach estimates recoverable amount by discounting each GCGU's estimated future cash flows using a weighted-average cost of capital that reflects current market conditions and the risk profile of the GCGU. To arrive at the future cash flows, management uses estimates of economic and market assumptions, including growth rates in revenues, costs, estimates of future expected changes in operating margins, tax rates and cash expenditures. Future revenues are also adjusted to match changes in TechnipFMC's business strategy. Management believes this approach is an appropriate valuation method. Under the market multiple approach, management determines the estimated fair value of each of GCGUs by applying transaction multiples to each GCGU's projected EBITDA and then averaging that estimate with similar historical calculations using either a one, two or three year average. The GCGU valuations were determined primarily by utilizing the income approach, with a lesser weighting attributed the market multiple approach.

See Note 11 for further details.

NOTE 2. BUSINESS COMBINATIONS AND OTHER TRANSACTIONS

2.1 Business combinations

Year ended December 31, 2020 - Significant business combinations and other changes

TechnipFMC did not have any significant acquisitions during the year ended December 31, 2020.

Year ended December 31, 2019 - Significant business combinations and other changes

On December 30, 2019, we completed the acquisition of the remaining 50% interest in Technip Odebrecht PLSV CV ("TOP CV"). TOP CV was formed as a joint venture between Technip SA and Ocyan SA to provide pipeline installation ships to Petroleo Brasileiro SA ("Petrobras") for their work in oil and gas fields offshore Brazil with results reported in our Subsea segment using the equity method of accounting. In connection with the acquisition, we acquired $391.0 million in assets, including two vessels valued at $335.2 million. In addition, we assumed $239.9 million of liabilities, including a $203.1 million term loan. As a result of the acquisition, we recorded a gain of $59.5 million, the net results of the impairment charge of $23.8 million included within Income from Equity Affiliates and a bargain purchase gain of $83.3 million included within Impairment, Restructuring and Other Expenses. The bargain purchase gain, caused by the distressed sale, represents the excess fair value of the net assets acquired over the consideration exchanged. No significant adjustments were made to the provisional fair values of the identifiable assets and liabilities acquired when those values were finalized.

2.2 Subsidiaries, joint venture undertakings and equity affiliates

TechnipFMC's subsidiaries, joint venture undertakings and equity affiliates as of December 31, 2020 are listed in Note 32. All subsidiaries are fully consolidated in the financial statements. Ownership interests noted in the table reflect holdings of ordinary shares.

All consolidated companies close their accounts as of December 31 except (i) Technip India which closes their statutory accounts as of March 31st, (ii) Technipetrol AG which closes their statutory accounts as of November 30th and (iii) Technip South Africa (Pty.) Ltd which closes their statutory accounts as of June 30th. However, these entities perform an interim account closing as of December 31 for the purpose of TechnipFMC consolidation.

NOTE 3. SEGMENT INFORMATION

3.1 Information by business segment

Segment revenue and segment operating profit (loss)

(In millions)		Year Ended December 31, 2020		2019 (c)
[illegible]				
Subsea	$	5,471.4	$	5,419.9
[illegible]		[illegible]		[illegible]
Surface Technologies		1,066.0		1,547.4
[illegible]		[illegible]		[illegible]
[illegible]				
Subsea	$	(2,890.5)	$	(1,412.1)
[illegible]		[illegible]		[illegible]
Surface Technologies		(284.5)		(661.4)
[illegible]		[illegible]		[illegible]
[illegible]				
Impairment, restructuring and other expenses		(10.0)		(17.4)
[illegible]		[illegible]		[illegible]
Merger transaction costs		—		(31.2)
[illegible]		[illegible]		[illegible]
Other corporate expense (a)		(125.2)		(227.3)
[illegible]		[illegible]		[illegible]
Interest income		56.6		115.8
[illegible]		[illegible]		[illegible]
Foreign exchange losses		(53.3)		(167.2)
[illegible]		[illegible]		[illegible]
Loss before income taxes (b)	$	(3,060.1)	$	(2,175.8)

(a) Other corporate expenses primarily include corporate staff expenses, stock-based compensation expenses, and other employee benefits.

(b) Includes amounts attributable to non-controlling interests.

(c) As discussed in Note 1, our reportable segments 2019 comparative information have been restated and Technip Energies operating segment includes $86.6 million and $103.5 million of segment revenue attributable to Loading Systems and Cybernetix businesses, respectively. Subsequent to the Spin-off, we operate under two reportable segments: Subsea and Surface Technologies.

During the years ended December 31, 2020 and 2019, revenue from Arctic LNG and JSC Yamal LNG, respectively, exceeded 10% of TechnipFMC's consolidated revenue.

Segment assets

(In millions)		December 31, 2020		December 31, 2019
[illegible]				
Subsea	$	7,030.6	$	10,837.3
[illegible]		[illegible]		[illegible]
Surface Technologies		1,612.1		2,249.8
[illegible]		[illegible]		[illegible]
Corporate (a)		6,113.1		6,041.4
[illegible]		[illegible]		[illegible]

(a) Corporate includes cash, deferred income tax balances, property, plant and equipment, intercompany eliminations not associated with a specific segment, pension assets and the fair value of derivative financial instruments.

Other business segment information:

	Capital Expenditures		Depreciation and Amortization		Research and Development Expense	
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
(In millions)	2020	2019	2020	2019	2020	2019
Subsea	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Technip Energies	13.0	22.6	89.0	82.4	44.5	13.2
Surface Technologies	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Corporate	26.7	47.5	36.3	35.9	—	—
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

3.2 Information by geography

Sales by geography were identified based on the location where TechnipFMC's products and services were delivered.

	Year Ended December 31,	
(In millions)	2020	2019
Revenue		
Russia	$ 2,451.5	$ 2,378.0
United States	[illegible]	[illegible]
Norway	1,393.5	1,371.1
Brazil	[illegible]	[illegible]
United Kingdom	513.8	540.8
Angola	[illegible]	[illegible]
Egypt	445.9	177.6
Mozambique	[illegible]	[illegible]
India	386.4	518.0
Senegal	[illegible]	[illegible]
Vietnam	340.7	72.1
Israel	[illegible]	[illegible]
Guyana	330.1	7.2
Australia	[illegible]	[illegible]
Singapore	312.2	64.9
Indonesia	[illegible]	[illegible]
Malaysia	281.7	283.8
Mexico	[illegible]	[illegible]
China	151.4	272.9
United Arab Emirates	[illegible]	[illegible]
All other countries	1,101.0	2,130.7
Total revenue	[illegible]	[illegible]

Property, plant and equipment, net by geography is as follows:

	December 31,	
(In millions)	2020	2019
United Kingdom	[illegible]	[illegible]
United States	467.5	558.1
Netherlands	[illegible]	[illegible]
Norway	312.2	333.0
Brazil	[illegible]	[illegible]
All other countries	466.8	519.1
Total property, plant and equipment, net	[illegible]	[illegible]

NOTE 4. LEASES

Lessee arrangements

The following table shows the summary of amounts relating to leases recognized in the statement of income:

	Year Ended December 31,	
(In millions)	2020	2019
[redacted]		
Interest expense on lease liabilities	35.1	44.4
[redacted]		
Sublease income	$ 7.3	$ 8.9

The following table shows the carrying amounts and depreciation charge of right-of-use assets by types of assets:

	Depreciation		Net Book Value	
	Year Ended December 31,		December 31,	
(In millions)	2020	2019	2020	2019
[redacted]				
Vessels	85.7	129.9	77.5	101.2
[redacted]				
IT equipment	2.3	2.7	3.7	5.5
[redacted]				
Total	$ 304.3	$ 329.2	$ 989.3	$ 864.9

Additions to the right-of-use assets during the year ended December 31, 2020 were $535.9 million.

The statement of financial position shows the following amounts relating to lease liabilities:

	December 31,	
(In millions except for discount rate)	2020	2019
[redacted]		
Non-current lease liabilities	881.0	681.7
[redacted]		
[redacted]		

The following table shows the supplemental cash outflow information related to leases:

	Year Ended December 31,	
(In millions)	2020	2019
Payments for the principal portion of lease liabilities	$ 277.5	$ 335.8
[redacted]		
Right-of-use assets obtained in exchange for lease obligations	$ 535.9	$ 125.4

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The following table shows the summary of the maturity of lease liabilities:

	December 31,	
(In millions)	2020	2019
[illegible]	[illegible]	[illegible]
Between 1 and 2 years	191.5	184.6
[illegible]	[illegible]	[illegible]
Between 3 and 4 years	117.6	101.9
[illegible]	[illegible]	[illegible]
Thereafter	471.4	330.4
[illegible]	[illegible]	[illegible]
Less: Imputed interest (1)	121.3	183.1
[illegible]	[illegible]	[illegible]

(1) Calculated using the interest rate for each lease.

(2) Includes the current portion of $273.9 million and $275.1 million for lease liabilities as of December 31, 2020 and 2019, respectively.

In December 2020, TechnipFMC sold its leased office building at Gremp Campus in Houston, Texas on behalf of the existing lessor to Oak Street Real Estate Capital, LLC ("New Lessor"). TechnipFMC also sold the land underneath Gremp Campus which the Company owns to New Lessor. TechnipFMC concurrently executed a new lease agreement for both land and the office building (collectively, "Gremp Campus Properties") with New Lessor.

The new lease agreement of Gremp Campus Properties commenced on December 11, 2020 and the initial term ends on December 31, 2042. TechnipFMC has four renewal periods of ten years each after the expiration of initial term. At inception of the new lease agreement, TechnipFMC did not consider any renewal period as probable of being exercised.

TechnipFMC paid net cash of $1.8 million in connection with the new lease agreement, and recognized a loss of $3.1 million from derecognition of the existing lease. There was no gain or loss from sale of the land at Gremp Campus.

Lessor arrangements

The total lease revenue from lessor arrangements was $145.2 million and $273.9 million for the year ended December 31, 2020 and 2019, respectively.

The following table is a summary with the maturity analysis of operating lease payments, showing the undiscounted lease payments to be received on an annual basis for a minimum of each of the first five years and a total of the amounts for the remaining years:

	December 31,	
(In millions)	2020	2019
[illegible]	[illegible]	[illegible]
Between 1 and 2 years	14.3	17.5
[illegible]	[illegible]	[illegible]
Between 3 and 4 years	—	1.0
[illegible]	[illegible]	[illegible]
Total undiscounted cash flows	$ 36.7	$ 62.2

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NOTE 5. REVENUE

5.1 Revenue recognition by segment

The majority of our revenue is from long-term contracts associated with designing and manufacturing products and systems and providing services to customers involved in exploration and production of crude oil and natural gas. The following is a description of principal activities separated by reportable segments from which TechnipFMC generates its revenue.

Subsea - Our Subsea segment manufactures and designs products and systems, performs engineering, procurement and project management and provides services used by oil and gas companies involved in offshore exploration and production of crude oil and natural gas.

Systems and services may be sold separately or as combined integrated systems and services offered within one contract. Many of the systems and products TechnipFMC supplies for subsea applications are highly engineered to meet the unique demands of our customers' field properties and are typically ordered one to two years prior to installation. We often receive advance payments and progress billings from our customers in order to fund initial development and working capital requirements.

Under Subsea engineering, procurement, construction and installation contracts, revenue is principally generated from long term contracts with customers. We have determined these contracts generally have one performance obligation as the delivered product is highly customized to customer and field specifications. We generally recognize revenue over time for such contracts as the customized products do not have an alternative use for TechnipFMC and we have an enforceable right to payment plus a reasonable profit for performance completed to date.

Our Subsea segment also performs an array of subsea services including (i) installation services, (ii) asset management services (iii) product optimization, (iv) inspection, maintenance and repair services, and (v) well access and intervention services, where revenue is generally earned through the execution of either installation-type or maintenance-type contracts. For either contract-type, management has determined that the performance of the service generally represents one single performance obligation. We have determined that revenue from these contracts is recognized over time as the customer simultaneously receives and consumes the benefit of the services.

Technip Energies - Technip Energies Business designs and builds onshore facilities related to the production, treatment, transformation and transportation of hydrocarbons and renewable feedstock; and designs, manufactures and installs fixed and floating platforms for the offshore production and processing of oil and gas reserves.

The onshore business combines the design, engineering, procurement, construction and project management of the entire range of onshore facilities. The onshore activity covers all types of onshore facilities related to the production, treatment and transportation of oil and gas, as well as transformation with petrochemicals such as ethylene, polymers and fertilizers. Some of the onshore activities include the development of onshore fields, refining, natural gas treatment and liquefaction, and design and construction of hydrogen and synthesis gas production units.

Many of these contracts provide a combination of engineering, procurement, construction, project management and installation services, which may last several years. Management has determined that contracts of this nature have generally one performance obligation. In these contracts, the final product is highly customized to the specifications of the field and the customer's requirements. Therefore, the customer obtains control of the asset over time, and thus revenue is recognized over time.

The offshore business combines the design, engineering, procurement, construction and project management within the entire range of fixed and floating offshore oil and gas facilities, many of which were the first of their kind, including the development of floating liquefied natural gas ("FLNG") facilities. Similar to onshore contracts, contracts grouped under this segment provide a combination of services, which may last several years.

Management has determined that contracts of this nature have one performance obligation. In these contracts, the final product is highly customized to the specifications of the field and the customer's requirements. Management has determined that the customer obtains control of the asset over time, and thus revenue is recognized over time as the customized products do not have an alternative use for us and we have an enforceable right to payment plus reasonable profit for performance completed to date.

Surface Technologies - Our Surface Technologies segment designs, manufactures and supplies technologically advanced wellhead systems and high pressure valves and pumps used in stimulation activities for oilfield service companies and provides installation, flowback and other services for exploration and production companies.

We provide a full range of drilling, completion and production wellhead systems for both standard and custom-engineered applications. Under pressure control product contracts, we design and manufacture flowline products, under the Weco®/Chiksan® trademarks, articulating frac arm manifold trailers, well service pumps, compact valves and reciprocating pumps used in well completion and stimulation activities by major oilfield service companies. Performance obligations within these systems are satisfied either through delivery of a standardized product or equipment or the delivery of a customized product or equipment.

For contracts with a standardized product or equipment performance obligation, management has determined that because there is limited customization to products sold within such contracts and the asset delivered can be resold to another customer, revenue should be recognized as of a point in time, upon transfer of control to the customer and after the customer acceptance provisions have been met.

For contracts with a customized product or equipment performance obligation, the revenue is recognized over time, as the manufacturing of our product does not create an asset with an alternative use for us.

This segment also designs, manufactures and services measurement products globally. Contract-types include standard product or equipment and maintenance-type services where we have determined that each contract under this product line represents one performance obligation.

Revenue from standard measurement equipment contracts is recognized at a point in time, while maintenance-type contracts are typically priced at a daily or hourly rate. We have determined that revenue for these contracts is recognized over time because the customer simultaneously receives and consumes the benefit of the services.

5.2 Disaggregation of revenue

We disaggregate revenue by geographic location and contract types. The following table presents products and services revenue by geography for each reportable segment for the year ended December 31, 2020 and 2019:

	Reportable Segments			Reportable Segments		
	Year Ended December 31, 2020			Year Ended December 31, 2019		
(In millions)	Subsea	Technip Energies	Surface Technologies	Subsea	Technip Energies	Surface Technologies
Europe, Russia, Central Asia	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
America	1,957.7	982.6	376.7	1,770.4	766.2	741.4
Asia Pacific	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Africa	893.9	884.4	45.8	824.3	526.5	61.1
Middle East	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total products and services revenue	$ 5,416.5	$ 6,520.0	$ 975.7	$ 5,303.9	$ 6,458.9	$ 1,389.5

The following table represents revenue by contract type for each reportable segment for the year ended December 31, 2020 and 2019:

	Year Ended December 31, 2020			Year Ended December 31, 2019		
(In millions)	Subsea	Technip Energies	Surface Technologies	Subsea[2]	Technip Energies	Surface Technologies
Services	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
Products	2,295.4	83.1	824.1	2,162.5	—	1,196.7
Total products and services revenue	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Lease and other[1]	54.9	—	90.3	116.0	—	157.9
Total revenue	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]

(1) Represents revenue not subject to IFRS15.

5.3 Contract balances

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, costs and estimated earnings in excess of billings on uncompleted contracts (contract assets), and billings in excess of costs and estimated earnings on uncompleted contracts (contract liabilities) on the consolidated statement of financial position.

Contract Assets - Include unbilled amounts typically resulting from sales under long-term contracts when revenue is recognized over time and revenue recognized exceeds the amount billed to the customer, and right to payment is not just subject to the passage of time. Amounts may not exceed their net realizable value. Costs and estimated earnings in excess of billings on uncompleted contracts are generally classified as current.

Contract Liabilities - We receive advances or deposits from our customers, before revenue is recognized, resulting in contract liabilities.

The following table provides information about net contract assets (liabilities) as of December 31, 2020 and 2019, respectively:

(In millions)	December 31, 2020	December 31, 2019	$ change	% change
[redacted]				
Contract (liabilities)	(4,725.0)	(4,571.4)	(153.6)	(3.4)
[redacted]				

The decrease in our contract assets from December 31, 2019 to December 31, 2020 was primarily due to the timing of milestones. The increase in our contract liabilities was primarily due to additional cash received, excluding amounts recognized as revenue during the period.

In order to determine revenue recognized in the period from contract liabilities, we allocate revenue to the individual contract liability balance outstanding at the beginning of the period until the revenue exceeds that balance. Revenue recognized for the year ended December 31, 2020 that were included in the contract liabilities balance as of December 31, 2019 was $1,267.5 million. Revenue recognized for the year ended December 31, 2019 that were included in the contract liabilities balance as of December 31, 2018 was $2,414.0 million.

In addition, net revenue recognized for the year ended December 31, 2020 and 2019 from our performance obligations satisfied in previous periods has favorable impact of $470.8 million and $1,176.5 million, respectively. This primarily relates to the changes in the estimate of the stage of completion that impacted revenue.

5.4 Transaction price allocated to the remaining unsatisfied performance obligations

Remaining unsatisfied performance obligations ("RUPO" or "order backlog") represent the transaction price for products and services for which we have a material right but work has not been performed. Transaction price of the order backlog includes the base transaction price, variable consideration and changes in transaction price. The order backlog table does not include contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed. The transaction price of order backlog related to unfilled, confirmed customer orders is estimated at each reporting date. As of December 31, 2020, the aggregate amount of the transaction price allocated to order backlog was $21,388.2 million. TechnipFMC expects to recognize revenue on approximately 51.2% of the order backlog through 2021 and 48.8% thereafter.

The following table details the consolidated order backlog for each business segment as of December 31, 2020:

(In millions)	2021	2022	Thereafter
[redacted]			
Technip Energies	7,016.2	4,081.7	3,000.8
[redacted]			
Total remaining unsatisfied performance obligations	$ 10,945.2	$ 6,368.3	$ 4,074.7

The following table details the consolidated order backlog for each business segment as of December 31, 2019:

(In millions)	2020	2021	Thereafter
[redacted]			
Technip Energies	6,649.0	5,127.8	3,589.0
[redacted]			
Total remaining unsatisfied performance obligations	$ 11,499.5	$ 7,661.7	$ 5,089.9

NOTE 6. OTHER INCOME AND EXPENSE ITEMS, EXPENSES BY NATURE, FINANCIAL INCOME AND EXPENSES

6.1 Other income (expense), net

Other income (expense), net is as follows:

(In millions)	2020	2019
[illegible]	[illegible]	[illegible]
Reinsurance income	6.3	4.8
[illegible]	[illegible]	[illegible]
Unrealized loss on cost method investments	(6.3)	—
Foreign currency translation losses	[illegible]	[illegible]
Other	44.7	12.1
Total other income (expense), net	[illegible]	[illegible]

6.2 Expenses by nature

An analysis of operating expenses by nature is as follows:

(In millions)	2020	2019
[illegible]	[illegible]	[illegible]
Wages and salaries	2,546.2	2,552.7
Social security costs	[illegible]	[illegible]
Depreciation and amortization	446.1	509.3
Right-of-use asset amortization	[illegible]	[illegible]
Other pension costs	48.7	54.5
Separation costs (2)	[illegible]	[illegible]
Merger, transaction and integration costs	—	31.2
Purchases, external charges and other expenses	[illegible]	[illegible]
Total costs and other expenses	$ 15,855.9	$ 14,848.6

(1) In 2019 we have recorded a bargain purchase gain of $83.3 million in connection with the acquisition of the remaining 50% interest in TOP CV. See Note 2.1 for further details.

(2) We have incurred $39.5 million and $72.1 million of Separation costs associated with the Separation transaction related to Technip Energies operating segment for the year ended December 31, 2020 and 2019, respectively. See Note 33 for further details.

6.3 Financial income

Financial income consists of the follows:

(In millions)	2020	2019
Interest income from treasury management (1)	[illegible]	[illegible]
Net proceeds from disposal of financial assets	4.8	13.1
Financial income related to long-term employee benefit plans	[illegible]	[illegible]
Dividends from non-consolidated investments	0.3	0.3
Total financial income	[illegible]	[illegible]

(1) Mainly consists of interest income from short-term security deposits.

6.4 Financial expenses

Financial expenses consist of the follows:

(In millions)	2020	2019
[redacted]		
Interest expenses on bonds and private placements	(78.4)	(75.1)
[redacted]		
Interest expenses on lease liabilities	(35.1)	(44.4)
[redacted]		
Other	(19.7)	(16.8)
[redacted]		
Net financial expenses	$ (330.2)	$ (498.5)

Net financial expenses for the year ended December 31, 2020 amounted to a loss of $330.2 million compared to $498.5 million in 2019.

NOTE 7. INCOME TAX

7.1 Income tax expense

The income tax expense recognized in the statements of income is $148.6 million and $275.1 million in 2020 and 2019 respectively, explained as follows:

(In millions)	2020	2019
[redacted]		
Deferred income tax credit	7.3	66.0
[redacted]		

	2020	2019
[redacted]		
Deferred income tax related to items booked to equity during the year	19.8	(1.2)
[redacted]		

7.2 Income tax reconciliation

The reconciliation between the tax calculated using the standard tax rate applicable to TechnipFMC and the amount of tax effectively recognized in the accounts is detailed as follows:

(In millions)	2020	2019
[redacted]		
Income tax expense	(148.6)	(275.1)
[redacted]		
At TechnipFMC plc statutory income tax rate of 19.0%	581.4	413.4
[redacted]		
Net change in uncertain tax positions	5.3	28.3
[redacted]		
Adjustments on prior year taxes	(38.7)	(9.7)
[redacted]		
Impairments	(676.7)	(467.3)
[redacted]		
Other	6.6	(22.5)
[redacted]		
Tax rate	(4.9)%	(12.6)%
[redacted]		

7.3 Deferred income tax

Significant components of deferred tax assets and liabilities are as follows:

(In millions)	December 31, 2019	Recognized in Statement of Income	Recognized in Statement of OCI	December 31, 2020
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net operating loss carryforwards	101.6	18.7	—	120.3
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Non-deductible interest	22.8	(11.0)	—	11.8
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Foreign exchange	(2.6)	(14.0)	(5.7)	(22.3)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Contingencies related to contracts	25.1	17.0	—	42.1
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Leasing	219.8	26.1	—	245.9
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total deferred income tax assets	426.6	14.0	19.8	460.4
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
U.S. tax on foreign subsidiaries' undistributed earnings not indefinitely reinvested	10.4	(6.2)	—	4.2
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Margin recognition on construction contracts	(93.1)	14.6	—	(78.5)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total deferred income tax liabilities	343.6	16.3	—	359.9
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(In millions)	December 31, 2018	Recognized in Statement of Income	Recognized in Statement of OCI	December 31, 2019
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net operating loss carryforwards	33.6	68.0	—	101.6
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Non-deductible interest	—	22.8	—	22.8
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Foreign exchange	25.7	(21.7)	(6.6)	(2.6)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Contingencies related to contracts	71.1	(46.0)	—	25.1
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Capital loss	21.1	(21.1)	—	—
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other	15.0	(19.1)	—	(4.1)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Revenue in excess of billings on contracts accounted for under the percentage of completion method	20.8	(0.2)	—	20.6
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Property, plant and equipment, goodwill and other assets	350.1	(159.7)	—	190.4
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Leasing	—	215.3	—	215.3
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Deferred income tax assets (liabilities), net	$ 7.7	$ 76.5	$ (1.2)	$ 83.0

As of December 31, 2020, the net deferred tax asset of $100.5 million is broken down into a deferred tax asset of $225.9 million and a deferred tax liability of $125.4 million as recorded in the statement of financial position.

As of December 31, 2019, the net deferred tax asset of $83.0 million is broken down into a deferred tax asset of $267.0 million and a deferred tax liability of $184.0 million as recorded in the statement of financial position.

7.4 Tax loss carry-forwards and tax credits

As of December 31, 2020 and 2019, deferred tax assets excluded U.S. foreign tax credit carryforwards of $145.8 million and $135.3 million, which, if not utilized, will begin to expire in 2024. Realization of these deferred tax assets is dependent on the generation of sufficient U.S. taxable income prior to the above date. Based on long-term forecasts of operating results, management believes that it is more likely than not that our U.S. earnings over the forecast period will not result in sufficient U.S. taxable income to fully realize these deferred tax assets. In its analysis, management has considered the effect of deemed dividends and other expected adjustments to U.S. earnings that are required in determining U.S. taxable income. Non-U.S. earnings subject to U.S. tax, including deemed dividends for U.S. tax purposes, were $61.0 thousand in 2020 and $3.8 million in 2019, respectively.

As of December 31, 2020, deferred tax assets excluded tax benefits related to net operating loss carryforwards. If not utilized, these net operating loss carryforward will begin to expire in 2021. Except in Norway (net operating losses of $373.7 million), management believes it is more likely than not that we will not be able to utilize these operating loss carryforwards before expiration. Except in Canada, Mexico, and Netherlands, all of these tax loss carryforwards extend indefinitely.

As of December 31, 2020, deferred tax assets excluded tax benefits related to certain intercompany interest costs which are not currently deductible, but which may be deductible in future periods. If not utilized, these costs will become permanently non-deductible beginning in 2025. Management believes that it is more likely than not that we will not be able to deduct these costs before expiration of the carry forward period.

See Note 1 for discussion on estimates and uncertainties. There are no income tax consequences attached to the payment of dividends in either 2020 or 2019 by TechnipFMC to its shareholders.

NOTE 8. EARNINGS PER SHARE

Diluted earnings per share are computed in accordance with Note 1. Reconciliation between earnings per share before dilution and diluted earnings per share is as follows:

	Year Ended December 31,	
(In millions, except per share data)	2020	2019
Net loss attributable to TechnipFMC plc	$ [illegible]	$ [illegible]
Weighted average number of shares outstanding	[illegible]	[illegible]
Total shares and dilutive securities	448.7	448.0
[illegible]	[illegible]	[illegible]
(In U.S. dollars)		
Basic earnings (loss) per share attributable to TechnipFMC plc	$ [illegible]	$ [illegible]
Diluted earnings (loss) per share attributable to TechnipFMC plc	$ (7.26)	$ (5.48)

In 2020, the average annual share price amounted to $9.48 and the closing price to $9.40. In 2019, the average annual share price amounted to $23.06 and the closing price to $21.32.

For the years ended December 31, 2020 and 2019, we incurred net losses; therefore, the impact of any incremental shares from our share-based compensation awards would be anti-dilutive. For the years ended December 31, 2020 and 2019, 3.80 million shares and 4.3 million shares, respectively, were anti-dilutive due to net loss position.

Weighted average shares of the following share-based compensation awards were excluded from the calculation of diluted weighted average number of shares where the assumed proceeds exceed the average market price from the calculation of diluted weighted average number of shares, because their effect would be anti-dilutive:.

	Year Ended December 31,	
(millions of shares)	2020	2019
[redacted]		
Restricted share units	1.8	—
[redacted]		
Total	8.3	5.6

NOTE 9. EQUITY METHOD INVESTMENTS

Our equity investments were as follows as of December 31, 2020 and 2019:

	December 31, 2020		December 31, 2019	
(In millions, except %)	Percentage Owned	Carrying Value	Percentage Owned	Carrying Value
[redacted]				
Serimax Holdings SAS	20 %	18.8	20 %	21.5
[redacted]				
TTSJV WLL	36 %	—	36 %	—
[redacted]				
Investments in equity affiliates		$ 354.3		$ 300.4

For certain construction joint operations, our assets in such operations, including those held jointly, and our liabilities, including those incurred jointly are recognized in the consolidated financial statements. None of joint operations, individually or in the aggregate, are significant to our consolidated results for 2020 or 2019.

Our total net profit from equity affiliates included in each of our reporting segments was as follows:

	Year Ended December 31,	
(In millions)	2020	2019
[redacted]		
Technip Energies	7.9	3.1
[redacted]		

Our major equity method investments are as follows:

Dofcon Brasil AS ("Dofcon") - is an affiliated company in the form of a joint venture between Technip SA and DOF Subsea and was founded in 2006. Dofcon provides Pipe-Laying Support Vessels (PLSVs) for work in oil and gas fields offshore Brazil. We have accounted for our 50% investment using the equity method of accounting with results reported in our Subsea segment.

Serimax Holdings SAS ("Serimax") - is an affiliated company in the form of a joint venture between Technip SA and Vallourec SA and was founded in 2016. Serimax is headquartered in Paris, France and provides rigid pipes welding services for work in oil and gas fields around the world. We have accounted for our 20% investment using the equity method of accounting with results reported in our Subsea segment.

Magma Global Limited ("Magma Global") - is an affiliated company in the form of a collaborative agreement signed in 2018 between Technip-Coflexip UK Holdings Limited and Magma Global to develop hybrid flexible pipe for use in offshore applications. As part of the collaboration, TechnipFMC holds a minority stake. We have accounted for our 25% investment using the equity method investment of accounting with results reported in our Subsea segment.

TTSJV W.L.L. ("TTSJV W.L.L.") - is an affiliated company in the form of a joint venture between Technip Italy S.p.A. Technip USA, Inc., Tecnicas Reunidas Saudia for Services and Contracting Co. Ltd and Samsung Engineering Co. Ltd was founded in in October 2018 for the BAPCO Modernization Program. We have accounted for our 36% investment using the equity method of accounting with results reported in our Technip Energies segment.

TOP CV - is an affiliated company in the form of a joint venture between Technip SA and Ocyan SA. TOP CV was formed in 2011 when awarded a contract to provide pipeline installation ships to state controlled Petrobras for their work in oil and gas fields offshore Brazil. On December 30, 2019, we completed the acquisition of the remaining 50% interest in TOP CV. Prior to the acquisition, we accounted for our 50% investment using the equity method of accounting with results reported in our Subsea segment. See Note 2.1 for further details.

Reconciliation of carrying amount in TechnipFMC's equity affiliates is as follows:

(In millions)	2020	2019
Carrying amount of investments as of January 1	[illegible]	[illegible]
Acquisitions / contributions	0.4	0.7
Divestitures [1]	[illegible]	[illegible]
Share of profit of equity affiliates	69.4	12.3
Distributed dividends	[illegible]	[illegible]
Other comprehensive loss	(10.6)	(1.1)
Other	[illegible]	[illegible]
Carrying amount of investments as of December 31	$ 354.3	$ 300.4

[1] On December 30, 2019, we completed the acquisition of the remaining 50% interest in TOP CV. See Note 2.1 for further details.

The tables below provide summarized financial information for Dofcon and TTSJV W.L.L that are material to TechnipFMC. The information disclosed reflects the amounts presented in the financial statements of Dofcon and TTSJV W.L.L and not TechnipFMC's share of those amounts. They have been amended to reflect adjustments made by TechnipFMC when using the equity method, including fair value adjustments. On December 30, 2019, we completed the acquisition of the remaining 50% interest in TOP CV. See Note 2.1 for further details.

	TTSJV W.L.L		Dofcon	
(In millions)	December 31,		December 31,	
Data at 100%	2020	2019	2020	2019
Cash and cash equivalents	[illegible]	[illegible]	[illegible]	[illegible]
Other current assets	110.3	32.5	125.9	101.1
Total current assets	[illegible]	[illegible]	[illegible]	[illegible]
Non-current assets	1.6	3.5	1,671.1	1,715.9
Total assets	[illegible]	[illegible]	[illegible]	[illegible]
Equity	[illegible]	[illegible]	[illegible]	[illegible]
Financial non-current liabilities	—	—	1,031.7	671.4
Total non-current liabilities	[illegible]	[illegible]	[illegible]	[illegible]
Financial current liabilities	—	—	326.4	374.5
Other current liabilities	[illegible]	[illegible]	[illegible]	[illegible]
Total current liabilities	645.9	603.3	419.8	896.8
Total equity and liabilities	[illegible]	[illegible]	[illegible]	[illegible]

(In millions)	TTSJV W.L.L		Dofcon		TOP CV	
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
Data at 100%	2020	2019	2020	2019	2020	2019
Revenue	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Depreciation and amortization	(3.1)	(0.3)	(85.0)	(85.2)	—	(190.4)
Interest income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Interest expense	—	—	(34.5)	(61.1)	—	(21.0)
Income tax expense (benefit)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Profit (loss) for the period	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other comprehensive income (loss)	—	—	(3.9)	1.0	—	(2.2)
Total comprehensive income (loss)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(In millions)	TTSJV W.L.L		Dofcon		TOP CV	
Data at 100%	2020	2019	2020	2019	2020	2019
Carrying amount of investment as of January 1	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Divestiture	—	—	—	—	—	(135.6)
Profit (loss) for the period	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other comprehensive income (loss)	—	—	(3.9)	1.0	—	(2.2)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Carrying amount of investment as of December 31	$ —	$ (18.7)	$ 469.8	$ 334.8	$ —	$ —
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TechnipFMC's share in %	36.0%	36.0%	50.0%	50.0%	—%	—%
TechnipFMC's share in investment	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Carrying amount	$ —	$ —	$ 234.9	$ 167.4	$ —	$ —

In addition to the interest in Dofcon and TTSJV W.L.L disclosed above, TechnipFMC also has interests in a number of individually immaterial associates that are accounted for using the equity method. None of the investments in joint ventures and associates is individually material, therefore summarized financial information (at 100%) are presented below:

(In millions)	December 31,	
Data at 100%	2020	2019
Non-current assets	[illegible]	[illegible]
Current assets	1,449.8	823.4
Total assets	[illegible]	[illegible]
Total equity	[illegible]	[illegible]
Non-current liabilities	16.2	—
Current liabilities	[illegible]	[illegible]
Total equity and liabilities	$ 1,795.9	$ 1,128.9

Summarized statement of total comprehensive income (at 100%) are presented below:

(In millions)	Year Ended December 31,	
Data at 100%	2020	2019
Revenue	[illegible]	[illegible]
Interest income	4.8	18.7
Depreciation and amortization	[illegible]	[illegible]
Interest expense	(2.4)	(7.0)
Income tax expense (benefit)	[illegible]	[illegible]
Loss/profit for the period	[illegible]	[illegible]
Other comprehensive income	9.8	2.9
Total comprehensive income (loss)	[illegible]	[illegible]

NOTE 10. PROPERTY, PLANT AND EQUIPMENT

The following tables include the costs, the accumulated depreciation and impairment losses by type of tangible assets:

(In millions)	Land	Buildings	Vessels	Machinery and Equipment	Assets under Construction	Other	Total
Net book value as of December 31, 2018	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Costs	112.9	699.8	2,742.7	2,254.1	130.7	569.3	6,509.5
Accumulated depreciation	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Accumulated impairment	(3.4)	(74.5)	(675.0)	(316.7)	(1.8)	(0.7)	(1,072.1)
Net book value as of December 31, 2019	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Costs	$ 97.6	$ 703.1	$ 2,528.8	$ 2,360.8	$ 148.1	$ 554.0	$ 6,392.4
Accumulated depreciation	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Accumulated impairment	(8.1)	(93.7)	(585.0)	(441.2)	(2.5)	(15.8)	(1,146.3)
Net book value as of December 31, 2020	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

In connection with TechnipFMC annual test for impairment of goodwill as of October 31, property, plant and equipment was also tested for impairment at that date. In estimating property, plant and equipment value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit). For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, an impairment loss is recognized. An impairment loss is recognized as an expense immediately as part of operating profit (loss) in the consolidated statements of income.

In estimating certain vessels' recoverable amounts, TechnipFMC obtained independent valuations. Since vessels were valued using the broker valuations in 2020 and 2019, the valuation is considered to be Level 2 in the fair value hierarchy.

_2020_

Due to the substantial decline in global demand for oil caused by the COVID-19 pandemic in 2020 we reviewed the future utilization of our vessels and the service potential of our subsea service and surface equipment and determined that the carrying amount of certain properties, plant and equipment exceeded their respective recoverable amounts. Assessing these asset groups for recoverability required the use of unobservable inputs that involves significant judgment. Such judgments include expected future asset utilization while taking into account reduced future capital spending by certain customers in response to market conditions.

The $172.3 million of property, plant and equipment impairments during the year ended December 31, 2020 consisted of $92.9 million attributable to plant, equipment and various machinery infrastructure in our Subsea operating segment; $79.4 million mainly related to building and surface equipment in our Surface Technologies reportable segment. As of December 31, 2020, these impaired assets were recorded at their recoverable amount of $464.7 million. We measured the recoverable amount by estimating the amount and timing of net future cash flows, which are Level 3 unobservable inputs, and discounting them using a risk-adjusted rate of interest of 10.8%.

In December 2020, we announced our intent to sell our G1200 vessel as part of our overall strategy to optimize the profile and size of our Subsea fleet. As of December 31, 2020 we evaluated the vessel's book value and adjusted it by $8.3 million to the lower of its carrying amount or estimated fair value less cost to sell. An impairment charge of $8.3 million was recorded within Impairment, Restructuring and Other Expenses in our consolidated statement of income for the year ended December 31, 2020. In March 2021, we entered into a Memorandum of Agreement to sell the vessel. The agreement is subject to certain conditions precedent to complete the transaction. We expect to complete the sale in the first half of 2021.

_2019_

During 2019, the prolonged downturn in the energy market and its corresponding impact on our business outlook led us to conclude the carrying amount of certain of our assets in our Subsea operating segment exceeded their recoverable amount. For the long-lived assets which we impaired in 2019, we measured their recoverable amount using a fair valuation model by estimating the amount and timing of net future cash flows, which are Level 3 unobservable inputs, and discounting them using a risk-adjusted rate of interest of 10.8%.

We recorded $153.8 million impairment loss on vessels and vessels equipment in our Subsea segment during the year ended December 31, 2019. Additionally, in 2019 an impairment charge of $168.9 million related to our flexible pipe and umbilical manufacturing facilities was recorded by our Surface Technologies operating segments.

In December 2019, we completed the sale of our G1201 vessel as part of our overall strategy to optimize the profile and size of our subsea fleet. Due to the intent to sell our G1201 vessel and subsequently signed Memorandum of Agreement (MOA) with a third party, we reviewed the carrying value of its sister vessel, the G1200, as of September 30, 2019. As a result of this assessment, an impairment charge of $125.1 million was recorded on the two vessels to bring their carrying value to a combined fair value of $104.0 million as of September 30, 2019. The fair value measurements of these vessels were based on the transaction price in the MOA, which is a Level 2 observable input as per the fair value hierarchy. As a result of the sale, a net loss of $7.1 million is included in Other Income (Expense), net in our consolidated statements of income.

In January 2019, we purchased a deepwater dive support vessel, Deep Discoverer, for $116.8 million. The purchase of this vessel was funded through debt. See Note 19 for further details.

On December 30, 2019, we completed the acquisition of the remaining 50% interest in TOP CV. In connection with the acquisition, we assumed assets and liabilities that included two vessels and loan that is fully collateralized against the two vessels. See to Note 2 for further details. There were no other pledged property, plant and equipment as of December 31, 2020 and 2019.

A reconciliation of the carrying amount of property, plant and equipment is as follows:

(In millions)	Land	Buildings	Vessels	Machinery and Equipment	Assets under Construction	Other	Total
Net book value as of December 31, 2018	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Additions	0.6	33.6	118.4	224.2	25.3	33.4	435.5
Additions through business combinations	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Disposals	—	(2.7)	(45.8)	(3.1)	0.4	(2.5)	(53.7)
Transfer to right-of-use	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Depreciation expense for the year	(0.8)	(26.7)	(99.5)	(216.5)	—	(39.8)	(383.3)
Impairment	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net foreign exchange differences	(0.4)	(2.5)	18.2	1.8	(1.3)	(4.8)	11.0
Other	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net book value as of December 31, 2019	102.4	399.8	1,300.3	1,045.2	128.9	178.8	3,155.4
Additions	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Disposals	(11.5)	(8.9)	(1.2)	(5.9)	—	0.7	(26.8)
Depreciation expense for the year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Impairment	(4.7)	—	(16.4)	(150.5)	(0.7)	—	(172.3)
Net foreign exchange differences	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other	(4.2)	(16.1)	(36.0)	46.8	(38.9)	(19.3)	(67.7)
Net book value as of December 31, 2020	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

NOTE 11. GOODWILL AND INTANGIBLE ASSETS, NET

11.1 Intangible assets, net

The components of intangible assets were as follows:

(In millions)	Goodwill	Acquired Technology	Backlog	Customer Relationships	Tradenames	Licenses, Patents and Trademarks	Software	Other	Total
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Costs	9,040.5	240.0	175.0	285.4	636.6	181.2	226.4	105.6	10,890.7
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Accumulated impairment	(3,385.9)	—	—	—	—	—	(1.2)	—	(3,387.1)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Costs	$ 9,038.3	$ 240.0	$ —	$ 285.4	$ 636.7	$ 187.3	$ 253.0	$ 106.7	$ 10,747.4
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Accumulated impairment	(6,383.6)	—	—	—	—	—	(7.4)	—	(6,391.0)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

A reconciliation of the carrying amount of intangible assets is as follows:

(In millions)	Goodwill	Acquired Technology	Backlog	Customer Relationships	Tradenames	Licenses, Patents and Trademarks	Software	Other	Total
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Additions	9.9	—	—	0.4	0.1	—	27.3	10.0	47.7
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Amortization charge for the year	—	(25.0)	—	(28.5)	(31.9)	(1.9)	(19.8)	(18.9)	(126.0)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net foreign exchange differences (1)	(12.8)	—	—	—	—	0.1	(0.6)	0.2	(13.1)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net book value as of December 31, 2019	5,654.6	166.1	—	199.5	540.8	49.7	75.2	55.3	6,741.2
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Disposals - write-off	—	—	—	—	—	—	—	—	—
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Impairment	(2,997.7)	—	—	—	—	—	(6.0)	—	(3,003.7)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other	—	—	—	—	—	0.2	0.3	—	0.5
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(1) Goodwill is partially denominated in Euro.

TechnipFMC recognized identifiable intangible assets acquired in business combinations. All of the acquired identifiable intangible assets are subject to amortization and, where applicable, foreign currency translation adjustments. There are no intangible assets with indefinite useful life.

11.2 Goodwill

A reconciliation of carrying amounts of goodwill by reporting segment are as follows:

(In millions)	Subsea	Technip Energies	Surface Technologies [(a)]	Total
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Additions due to business combinations	—	—	9.9	9.9
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other	—	(17.7)	—	(17.7)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
December 31, 2019	2,866.8	2,423.6	364.2	5,654.6
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Impairment	(2,800.2)	—	(197.5)	(2,997.7)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
December 31, 2020	$ —	$ 2,512.5	$ 142.2	$ 2,654.7

(a) Surface Technologies includes Surface Americas and Surface International operating segments. While the CODM receives separate reports for each of the Surface region, the Surface Americas and Surface International operating segments have been aggregated into one reportable segment Surface Technologies as they have similar characteristics.

Goodwill was tested for impairment utilizing the methodology in accordance with the accounting policy in Note 1. In 2020, for the purpose of goodwill impairment test, the recoverable amount of the GCGUs was primarily determined by estimating value in use. In 2019, for the purpose of goodwill impairment test, the recoverable amount of the GCGUs was primarily determined by estimating value in use with a lesser weighting attributed the market multiple approach. The income approach estimates the value in use by discounting each GCGU's estimated future cash flows using a weighted-average cost of capital that reflects current market conditions and the risk profile of the GCGU. To calculate the future cash flows, TechnipFMC used estimates of economic and market assumptions, including growth rates in revenues, costs, estimates of future expected changes in operating margins, tax rates and cash expenditures. The future revenues are adjusted to match changes in TechnipFMC's business strategy and management's judgmental assessments as discussed in Note 1. Under the market multiple approach, we determine the estimated fair value of each of our GCGUs by applying transaction multiples to each GCGU's projected EBITDA and then averaging that estimate with similar historical calculations using either a one, two or three year average.

During the first half of 2020, triggering events were identified which led to performing interim goodwill impairment testing in our Subsea, Surface Americas and Surface International operating segments as of June 30, 2020. These events included the COVID-19 pandemic breakout, commodity price declines, and a significant decrease in our market capitalization as well as those of our peers and customers. The estimation of recoverable amounts of our Subsea, Surface Americas and Surface International operating segments was determined based on value in use calculations. An interim impairment test during the first quarter of 2020 resulted in $2,800.2 million, $12.2 million and $185.3 million of goodwill impairment charges in our Subsea, Surface Americas and Surface International operating segments, respectively. The goodwill at our Subsea and Surface Americas operating segments was fully impaired at June 30, 2020.

The following table sets out the key assumptions for the operating segments where the impairment calculations were updated during the first half of 2020:

	June 30, 2020
[illegible]	[illegible]
Risk-adjusted post-tax discount rate	12.0% to 14.0%

During our annual impairment tests the following significant estimates were used by management in determining the fair values of reporting units in order to test the goodwill as of October 31:

	December 31, 2020	December 31, 2019
Year of cash flows before terminal value	4	[illegible]
Risk-adjusted post-tax discount rate	9.5% to 18.0%	12.5% to 15.0%
EBITDA multiples	N/A	[illegible]

During the year ended December 31, 2020, the significant estimates used by management in determining the recoverable amount described above relate to Technip Energies and Surface International operating segments only.

The recoverable amount over carrying amount for our Technip Energies and Surface International operating segments was in excess of 300% and 100% of their carrying amounts at October 31, 2020, respectively. No reasonably possible change in any of the significant estimates would cause the Technip Energies and Surface International carrying amounts to exceed their recoverable amounts.

Based on the impairment tests performed during the year ended December 31, 2020, no further goodwill impairment charges were recorded during the second half of 2020 in our Subsea, Surface Americas and Surface International operating segments.

During the year ended December 31, 2019, we recorded $1,347.7 million and $671.0 million of goodwill impairment charges in our Subsea and Surface Americas operating segments, respectively.

NOTE 12. OTHER NON-CURRENT ASSETS

Other non-current assets consisted of the following:

	December 31,	
(In millions)	2020	2019
Non-current financial assets at amortized cost, gross	$ 186.9	$ 252.6
Loss allowance	(11.7)	(11.8)
Non-current financial assets at amortized cost, net	175.2	240.8
Non-quoted equity instruments at Fair Value Through Profit or Loss ("FVTPL")	2.6	3.6
Quoted equity instruments at FVTPL	65.6	[illegible]
Total non-current assets, net	$ 243.4	$ 299.2

NOTE 13. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following:

	December 31,			
(In millions)		2020		2019
[redacted]				
Cash equivalents		1,648.3		1,869.5
[redacted]				
[redacted]				
Euro		1,724.7		1,514.5
[redacted]				
Pound sterling		110.6		136.3
[redacted]				
Japanese yen		35.3		56.1
[redacted]				
Brazilian real		—		40.8
[redacted]				
Total cash and cash equivalents by currency	$	4,807.7	$	5,190.1
[redacted]				
Fixed term deposits	$	1,634.7	$	1,617.3
[redacted]				
Total cash equivalents by nature	$	1,648.3	$	1,869.5

A substantial portion of cash and securities are recorded or invested in either Euro or U.S. dollar which are frequently used by TechnipFMC within the framework of its commercial relationships. Cash and securities in other currencies correspond either to deposits retained by subsidiaries located in countries where such currencies are the national currencies in order to ensure their own liquidity, or to amounts received from customers prior to the payment of expenses in these same currencies or the payment of dividends. Short-term deposits are classified as cash equivalents along with the other securities.

NOTE 14. TRADE RECEIVABLES, NET AND CONTRACT ASSETS

Trade receivables, net and contract assets include trade accounts receivable from completed contracts, contract assets and other miscellaneous invoices (e.g. trading, procurement services). TechnipFMC's trade receivables and contracts assets mainly constitute a homogeneous portfolio of major oil and gas, petrochemical or oil-related companies.

TechnipFMC applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. On that basis, the all potential uncollectible receivables as of December 31, 2020 and 2019 were determined as follows for both trade receivables and contract assets:

	December 31, 2020				December 31, 2019			
(In millions)		Trade Receivables		Contract Assets		Trade Receivables		Contract Assets
[redacted]								
Opening loss allowance	$	(101.1)	$	(2.5)	$	(125.2)	$	(3.7)
[redacted]								
Used allowance reversals		55.5		—		3.5		—
[redacted]								
Effects of foreign exchange and other		(3.8)		0.4		20.3		—
[redacted]								
Total, net	$	2,389.4	$	1,266.8	$	2,281.4	$	1,519.1

See Note 30 for further information on impairment losses of trade receivables and TechnipFMC's exposure to credit risk and foreign currency risk.

NOTE 15. INVENTORIES

Inventories consisted of the following:

	December 31,	
(In millions)	2020	2019
Raw materials	$ [illegible]	$ [illegible]
Work in process	245.2	290.2
Finished goods	[illegible]	[illegible]
Total inventories, net	$ 1,281.5	$ 1,423.9

All amounts in the table above are reported net of obsolescence reserves of $162.8 million and $135.7 million as of December 31, 2020 and 2019, respectively.

NOTE 16. OTHER CURRENT ASSETS

Other current assets consisted of the following:

	December 31,	
(In millions)	2020	2019
Current financial assets at amortized cost	$ 64.2	$ 91.7
Current financial assets, total	64.2	91.7
Value added tax receivables	[illegible]	[illegible]
Prepaid expenses	111.7	66.8
Other tax receivables	[illegible]	[illegible]
Assets held for sale	47.3	25.8
Other	[illegible]	[illegible]
Other current assets, total	829.0	770.9
Total other current assets, net	$ [illegible]	$ [illegible]

NOTE 17. STOCKHOLDERS' EQUITY

17.1 Changes in TechnipFMC's ordinary shares and treasury shares

As of December 31, 2020, TechnipFMC's share capital was 449,466,233 ordinary shares. As of December 31, 2019, TechnipFMC's share capital was 447,064,767 ordinary shares. On November 27, 2019, TechnipFMC redeemed 50,000 redeemable shares of £1 each and cancelled one deferred ordinary share of £1 in the capital of TechnipFMC.

The movements in share capital were as follows:

(In millions of shares)	Ordinary Shares	Ordinary Shares held in Employee Benefit Trust	Treasury Shares
[illegible]	[illegible]	[illegible]	[illegible]
Stock awards	0.6	—	—
[illegible]	[illegible]	[illegible]	[illegible]
Treasury stock cancellations	(4.0)	—	(4.0)
[illegible]	[illegible]	[illegible]	[illegible]
December 31, 2019	447.1	—	—
[illegible]	[illegible]	[illegible]	[illegible]
December 31, 2020	449.5	—	—

The plan administrator of the Non-Qualified Plan purchases shares of our ordinary shares on the open market. Such shares are placed in a trust owned by a subsidiary.

17.2 Dividends

As an English public limited company, we are required under U.K. law to have available "distributable reserves" to conduct share repurchases or pay dividends to shareholders. Distributable reserves are a statutory requirement and are not linked to a IFRS reported amount (e.g. retained earnings, net income and other reserves). The declaration and payment of dividends require the authorization of our Board of Directors, provided that such dividends on issued share capital may be paid only out of our "distributable reserves" on our statutory balance sheet. Therefore, we are not permitted to pay dividends out of share capital, which includes share premium

Our articles of association permit us by ordinary resolution of the shareholders to declare dividends, provided that the directors have made a recommendation as to its amount. The dividend shall not exceed the amount recommended by the directors. The directors may also decide to pay interim dividends if it appears to them that the profits available for distribution justify the payment. When recommending or declaring payment of a dividend, the directors are required under English law to comply with their duties, including considering our future financial requirements.

Dividends declared and paid during the year ended December 31, 2020 were $59.2 million.

Dividends declared and paid during the year ended December 31, 2019 were $232.8 million.

17.3 Capital management

For the purpose of our equity capital management, equity capital includes issued ordinary shares, share premium and all other equity reserves attributable to the equity holders of TechnipFMC. The primary objective of our capital management is to maximize the shareholder value.

We monitor our capital structure and take actions in light of economic conditions and the requirements of our financial covenants. To manage our capital structure, from time to time we may adjust the return capital to shareholders or issue new share. We have also met all our financial covenants set forth by our loans and borrowings.

In 2017, the Board of Directors authorized a share repurchase program of up to $500.0 million in ordinary shares. In December 2018, the Board of Directors authorized an extension of the share repurchase program of up to $300.0 million of additional shares. During the years ended December 31, 2020, 2019 and 2018, we repurchased nil, $92.7 million and $442.8 million of shares, respectively. As of December 31, 2020, we had $207.8 million of shares authorized for repurchase. Repurchased shares are canceled and not held in treasury.

As of December 31, 2020, our securities authorized for issuance under equity compensation plans were as follows:

	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (in $)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans
Equity compensation plans approved by security holders	[illegible]	[illegible]	[illegible]
Equity compensation plans not approved by security holders	—	—	—
Total	[illegible]	[illegible]	[illegible]

We had no unregistered sales of equity securities during the years ended December 31, 2020 and 2019.

17.4 Accumulated other comprehensive income (loss)

Accumulated other comprehensive income (loss) are as follows:

(In millions)	Cash Flow Hedges [1]	Gains (Losses) on Defined Benefit Pension Plans	Foreign Currency Translation	Accumulated Other Comprehensive Income (Loss) – TechnipFMC plc	Accumulated Other Comprehensive Income (Loss) – Non-Controlling Interests	Total Accumulated Other Comprehensive Income (Loss)
December 31, 2018	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net effect before reclassification to profit or loss	51.9	(49.6)	12.3	14.6	(0.7)	13.9
Reclassification to profit or loss	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
December 31, 2019	(39.7)	(73.2)	(824.5)	(937.4)	(5.6)	(943.0)
Net effect before reclassification to profit or loss	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Reclassification to profit or loss	(20.0)	—	—	(20.0)	—	(20.0)
December 31, 2020	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(1) Recorded under this heading is the effective portion of the change in fair value of the financial instruments qualified as cash flow hedging, as well as foreign exchange gains and losses corresponding to the effective portion of non-derivative financial assets or liabilities that are designated as a hedge of a foreign currency risk.

17.5 Non-controlling interests

Non-controlling interests amounting to $103.8 million and $69.9 million as of December 31, 2020 and 2019, respectively, did not represent a material component of TechnipFMC's consolidated financial statements in the years ended December 31, 2020, and 2019.

NOTE 18. SHARE-BASED COMPENSATION

Incentive compensation and award plan

On January 11, 2017, we adopted TechnipFMC's Incentive Award Plan (the "Plan"). The Plan provides certain incentives and awards to officers, employees, non-employee directors and consultants of TechnipFMC and its subsidiaries. The Plan allows our Board of Directors to make various types of awards to non-employee directors and the Compensation Committee (the "Committee") of the Board of Directors to make various types of awards to other eligible individuals. Awards may include share options, share appreciation rights, performance share units, restricted share units, restricted shares or other awards authorized under the Plan. All awards are subject to the Plan's provisions, including all share-based grants previously issued by FMC Technologies and Technip prior to consummation of the Merger. Under the Plan, 24.1 million ordinary shares were authorized for awards. As of December 31, 2020, 8.5 million ordinary shares were available for future grant.

The exercise price for options is determined by the Committee but cannot be less than the fair market value of our ordinary shares at the grant date. Restricted share and performance share unit grants generally vest after three years of service.

Under the Plan, our Board of Directors has the authority to grant non-employee directors share options, restricted shares, restricted share units and performance shares. Unless otherwise determined by our Board of Directors, awards to non-employee directors generally vest one year from the date of grant. Restricted share units are settled when a director ceases services to the Board of Directors. As of December 31, 2020, outstanding awards to active and retired non-employee directors included 254.3 thousand of share units. As of December 31, 2019, outstanding awards to active and retired non-employee directors included 83.4 thousand of share units.

We recognize compensation expense and the corresponding tax benefits for awards under the Plan. The compensation expense under the Plan was as follows:

	Year Ended December 31,	
(In millions)	2020	2019
Share-based compensation expense	$ [illegible]	$ [illegible]
Income tax benefits related to share based compensation expense	18.6	20.1

Share-based compensation expense is recognized over the lesser of the stated vesting period of three years or the period until the employee reaches age 62 (the retirement eligible age under the plan).

As of December 31, 2020 and 2019, the portion of share-based compensation expense related to outstanding awards to be recognized in future periods is as follows:

	December 31,	
	2020	2019
Share-based compensation expense not yet recognized (in millions)	$ [illegible]	$ [illegible]
Weighted-average recognition period (in years)	1.8	1.7

Restricted share units

We began issuing restricted share units in 2017. A summary of the non-vested restricted share units activity is as follows:

	2020		2019	
(Shares in thousands)	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value
Nonvested as of January 1	[illegible]	$ [illegible]	[illegible]	$ [illegible]
Granted	3,836.0	$ 9.27	1,969.1	$ 21.24
Vested	[illegible]	$ [illegible]	[illegible]	$ [illegible]
Cancelled/forfeited	(330.9)	$ 15.71	(73.5)	$ 27.79
Nonvested as of December 31	[illegible]	$ [illegible]	[illegible]	$ [illegible]

The total grant date fair value of restricted stock share units vested during the years ended December 31, 2020 and 2019 was $51.8 million and $10.2 million, respectively.

Performance share Units

The Board of Directors has granted certain employees, senior executives and Directors or Officers performance share units that vest subject to achieving satisfactory performances. For performance share units issued on or after January 1, 2017, performance is based on results of return on invested capital and total shareholder return ("TSR").

For the performance share units which vest based on TSR, the fair value of performance shares is estimated using a combination of the closing stock price on the grant date and the Monte Carlo simulation model. The weighted-average fair value and the assumptions used to measure the fair value of performance share units subject to performance-adjusted vesting conditions in the Monte Carlo simulation model were as follows:

	Year Ended December 31,	
	2020	2019
Weighted-average fair value (1)	[illegible]	[illegible]
Expected volatility (2)	38.30 %	34.00 %
Risk-free interest rate (3)	[illegible]	[illegible]
Expected performance period in years (4)	3.0	3.0

(1) The weighted-average fair value was based on performance share units granted during the period.

(2) Expected volatility is based on normalized historical volatility of our shares over a preceding period commensurate with the expected term of the performance share units.

(3) The risk-free rate for the expected term of the performance share units is based on the U.S. Treasury yield curve in effect at the time of grant.

(4) For awards subject to service-based vesting, due to the lack of historical exercise and post-vesting termination patterns of the post-Merger employee base, the expected term was estimated using a simplified method for all awards granted in 2019 and 2018.

A summary of the non-vested performance share units activity is as follows:

	2020		2019	
(Shares in thousands)	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value
Non-vested at January 1	[illegible]	[illegible]	[illegible]	[illegible]
Granted	2,828.4	$ 10.02	1,514.7	$ 24.99
Vested	[illegible]	[illegible]	[illegible]	[illegible]
Cancelled/forfeited	(441.0)	$ 20.62	(143.2)	$ 27.94
Non-vested as of December 31	[illegible]	[illegible]	[illegible]	[illegible]

The total grant date fair value of performance shares vested during years ended December 31, 2020 and 2019 was $43.2 million and $13.3 million, respectively.

Share option awards

The fair value of each share option award is estimated as of the date of grant using the Black-Scholes options pricing model or the Cox Ross Rubinstein binomial model.

Share options awarded prior to 2017 were granted subject to performance criteria based upon certain targets, such as total shareholder return, return on capital employed, and operating profit (loss) from recurring activities. Subsequent share options granted are time based awards vesting over three years.

The weighted-average fair value and the assumptions used to measure fair value are as follows:

	Year Ended December 31	
	2020	2019
[redacted]		
Expected volatility [2]	— %	32.5 %
[redacted]		
Expected dividend yield [4]	— %	2.6 %
[redacted]		

(1) The weighted-average fair value was based on stock options granted during the period.

(2) Expected volatility is based on normalized historical volatility of our shares over a preceding period commensurate with the expected term of the option.

(3) The risk-free rate for the expected term of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

(4) Share options awarded in 2020 and 2019 were valued using an expected dividend yield of 0.0% and 2.6%, respectively.

(5) For awards subject to service-based vesting, due to the lack of historical exercise and post-vesting termination patterns of the post-Merger employee base, the expected term was estimated using a simplified method for all awards granted in 2020 and 2019.

The following is a summary of share option transactions during year ended December 31, 2020:

(Shares in thousands)	Number of Shares	Weighted average exercise price	Weighted average remaining life (in years)
[redacted]			
Granted	—	$ —	
[redacted]			
Cancelled	(244.0)	$ 28.08	
[redacted]			
Exercisable as of December 31, 2020	3,460.8	$ 31.47	3.0

The aggregate intrinsic value of stock options outstanding and stock options exercisable as of December 31, 2020 was nil and nil, respectively.

Cash received from the share option exercises was nil during each of the years ended December 31, 2020 and 2019. The total intrinsic value of share options exercised during each of the years ended December 31, 2020 and 2019 was nil. To exercise share options, an employee may choose (1) to pay, either directly or by way of the group savings plan, the share option strike price to obtain shares, or (2) to sell the shares immediately after having exercised the share option (in this case, the employee does not pay the strike price but instead receives the intrinsic value of the share options in cash).

The following summarizes significant ranges of outstanding and exercisable share options as of December 31, 2020:

	Options Outstanding			Options Exercisable	
Exercise Price Range	Number of options (in thousands)	Weighted average remaining life (in years)	Weighted average exercise price (in $)	Number of options (in thousands)	Weighted average exercise price (in $)
[redacted]					
$45.00-$51.00	33.0	1.0	$ 45.49	33.0	$ 45.49
[redacted]					
Total	4,598.4	4.2	$ 29.77	3,460.8	$ 31.47

The following summarizes significant ranges of outstanding and exercisable options as of December 31, 2019:

	Options Outstanding			Options Exercisable	
Exercise Price Range	Number of options (in thousands)	Weighted average remaining life (in years)	Weighted average exercise price (in $)	Number of options (in thousands)	Weighted average exercise price (in $)
[redacted]					
$45.00-$51.00	33.0	2.0	$ 45.49	33.0	$ 45.49
[redacted]					
Total	4,842.4	5.3	$ 29.68	1,617.7	$ 35.92

NOTE 19. DEBT

19.1 Debt

Short-term debt and current portion of long-term debt consisted of the following:

(In millions)	December 31, 2020		December 31, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Synthetic bonds due 2021	551.1	552.0	—	—
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5.00% Notes due 2020	—	—	224.4	230.0
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total short-term debt and current portion of long-term	$ 2,161.6	$ 2,164.7	$ 2,462.2	$ 2,467.9

Long-term debt—Long-term debt consisted of the following:

(In millions)	December 31, 2020		December 31, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3.45% Senior Notes due 2022	500.0	513.2	500.0	499.2
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3.15% Notes due 2023	159.0	163.7	145.4	156.8
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4.50% Notes due 2025	241.1	256.8	—	—
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4.00% Notes due 2032	119.0	136.8	108.6	127.8
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bank borrowings and other	224.7	224.8	265.5	265.4
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commercial paper	1,525.2	1,527.7	1,967.0	1,966.9
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bank borrowings and other	85.3	85.0	270.8	271.0
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total short-term debt and current portion of long-term	2,161.6	2,164.7	2,462.2	2,467.9
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Significant Funding and Liquidity Activities

During 2020, we completed the following transactions in order to enhance our total liquidity position:

- Repaid $233.9 million of 5.00% 2010 private placement notes;
- Repaid the remaining outstanding balance of $190.0 million of the term loan assumed in connection with the acquisition of the remaining 50% interest in TOP CV.
- Issued €200 million aggregate principal amount of 4.500% 2020 Private Placement Notes due June 30, 2025. Within three months of the effective date of the Spin-off of Technip Energies, if there is a downgrade by a nationally recognized rating agency of the corporate rating of TechnipFMC from an investment grade to a non-investment grade rating or a withdrawal of any such rating, the interest rate applicable to the 2020 Private Placement Notes will be increased to 5.75%;
- Entered into a new, six-month €500 million senior unsecured revolving credit facility agreement, which may be extended for two additional three-month periods (the "Euro Facility"); and
- Entered into the Bank of England's COVID Corporate Financing Facility program (the "CCFF Program"), which allows us to issue up to £600 million of unsecured commercial paper notes.

Credit Facilities and Debt

Revolving credit facility - On January 17, 2017, we acceded to a new $2.5 billion senior unsecured revolving credit facility agreement ("facility agreement") between FMC Technologies, Inc., Technip Eurocash SNC (the "Borrowers"), and TechnipFMC plc (the "Additional Borrower") with JPMorgan Chase Bank, National Association ("JPMorgan"), as agent and an arranger, SG Americas Securities LLC as an arranger, and the lenders party thereto.

The facility agreement provides for the establishment of a multicurrency, revolving credit facility, which includes a $1.5 billion letter of credit subfacility. Subject to certain conditions, the Borrowers may request the aggregate commitments under the facility agreement be increased by an additional $500.0 million. On November 26, 2018, we entered into an extension which extends the expiration date to January 2023.

Borrowings under the facility agreement bear interest at the following rates, plus an applicable margin, depending on currency:

- U.S. dollar-denominated loans bear interest, at the Borrowers' option, at a base rate or an adjusted rate linked to the London interbank offered rate ("Adjusted LIBOR");
- sterling-denominated loans bear interest at Adjusted LIBOR; and
- euro-denominated loans bear interest at the Euro interbank offered rate ("EURIBOR").

Depending on the credit rating of TechnipFMC, the applicable margin for revolving loans varies (i) in the case of Adjusted LIBOR and EURIBOR loans, from 0.820% to 1.300% and (ii) in the case of base rate loans, from 0.000% to 0.300%. The "base rate" is the highest of (a) the prime rate announced by JPMorgan, (b) the greater of the Federal Funds Rate and the Overnight Bank Funding Rate plus 0.50% or (c) one-month Adjusted LIBOR plus 1.0%. As of December 31, 2020, there were no outstanding borrowings under our revolving credit facility.

Euro Facility – On May 19, 2020, we entered into the Euro Facility with HSBC France, as agent, and the lenders party thereto, which provides for the establishment of a six-month revolving credit facility denominated in Euros with total commitments of €500.0 million, which may be extended by us for two additional three-month periods. Borrowings under the Euro Facility bear interest at the Euro interbank offered rate for a period equal in length to the interest period of a given loan (which may be three or six months), plus an applicable margin. As of December 31, 2020, there were no outstanding borrowings under Euro Facility.

On June 12, 2020, we entered into Amendment No. 1 to the Facility Agreement and into an Amendment and Restatement Agreement to our Euro Facility. The amendments, which are effective through the respective expirations of the Facility Agreement and Euro Facility, permit us to include the gross book value of $3.2 billion of goodwill (fully impaired in the quarter ended March 31, 2020) in the calculation of consolidated net worth, which is used in the calculation of our quarterly compliance with the total capitalization ratio under the Facility Agreement and Euro Facility.

The facility agreement and Euro Facility contain usual and customary covenants, representations and warranties, and events of default for credit facilities of this type, including financial covenants requiring that our total capitalization ratio not exceed 60% at the end of any financial quarter. The facility agreement and Euro Facility also contain covenants restricting our ability and our subsidiaries' ability to incur additional liens and indebtedness, enter into asset sales, or make certain investments.

As of December 31, 2020, we were in compliance with all restrictive covenants under our credit facilities.

CCFF Program - On May 19, 2020, we entered into a dealer agreement (the "Dealer Agreement") with Bank of America Merrill Lynch International DAC (the "Dealer") and an Issuing and Paying Agency Agreement (the "Agency Agreement", and together with the Dealer Agreement, the "Agreements") with Bank of America, National Association, London Branch, relating to the European commercial paper program established under the CCFF Program as a source of additional liquidity.

The Agreements provide the terms under which we may issue, and the Dealer will arrange for, the sale of short term, unsecured commercial paper notes (the "Notes") to reduce existing debt or decrease overall borrowing costs. The Notes contain customary representations, warranties, covenants, defaults, and indemnification provisions, and will be sold at such discounts from their face amounts as shall be agreed between us and the Dealer. The Notes will be fully payable at maturity, and the maturities of the Notes will vary but may not exceed 364 days. The principal amount of outstanding Notes may not exceed £600.0 million. The Agency Agreement provides for the terms of issuance and payment of the Notes. As of December 31, 2020, our commercial paper borrowings under the CCFF Program had a weighted average interest rate of 0.43%. The commercial paper borrowings under the CCFF Program were repaid during the first quarter of 2021.

Bilateral credit facilities - We have access to a €100.0 million bilateral credit facility expiring in May 2021. The bilateral credit facility contains usual and customary covenants, representations and warranties and events of default for credit facilities of this type.

As of December 31, 2020, there were no outstanding borrowings under our bilateral credit facility.

Commercial paper - Under our commercial paper program, we have the ability to access $1.5 billion and €1.0 billion of short-term financing through our commercial paper dealers, subject to the limit of unused capacity of our facility agreement. Commercial paper borrowings are issued at market interest rates. As of December 31, 2020, our commercial paper borrowings had a weighted average interest rate of 0.34% on the U.S. dollar denominated borrowings and (0.06)% on the Euro denominated borrowings.

Synthetic bonds - On January 25, 2016, we issued €375.0 million principal amount of 0.875% convertible bonds with a maturity date of January 25, 2021 and a redemption at par of the bonds which have not been converted. On March 3, 2016, we issued additional convertible bonds for a principal amount of €75.0 million issued on the same terms, fully fungible with and assimilated to the bonds issued on January 25, 2016. The synthetic bonds were repaid in January 2021.

Senior Notes - We have outstanding 3.45% $500.0 million senior notes due October 1, 2022 (the "Senior Notes"). The terms of the Senior Notes are governed by the indenture, dated as of March 29, 2017 between TechnipFMC and U.S. Bank National Association, as trustee (the "Trustee"), as amended and supplemented by the First Supplemental Indenture between TechnipFMC and the Trustee (the "First Supplemental Indenture") relating to the issuance of the 2017 Notes and the Second Supplemental Indenture between TechnipFMC and the Trustee (the "Second Supplemental Indenture") relating to the issuance of the 2022 Notes.

At any time prior to July 1, 2022, in the case of the 2022 Notes, we may redeem some or all of the Senior Notes at the redemption prices specified in the First Supplemental Indenture and Second Supplemental Indenture, respectively. At any time on or after July 1, 2022, we may redeem the 2022 Notes at the redemption price equal to 100% of the principal amount of the 2022 Notes redeemed. The Senior Notes are our senior unsecured obligations. The Senior Notes will rank equally in right of payment with all of our existing and future unsubordinated debt, and will rank senior in right of payment to all of our future subordinated debt.

Private Placement Notes

2020 Issuances:

During 2020, we completed the private placement of €200.0 million aggregate principal amount of the 2020 Private Placement Notes. The 2020 Private Placement Notes bear interest of 4.500% and are due June 2025. Interest on the notes is payable annually in arrears on June 30 of each year beginning June 30, 2020. The 2020 Private Placement Notes contain usual and customary covenants and events of default for notes of this type. In addition, within three months of the effective date of the Spin-off of Technip Energies, if there is a downgrade by a nationally recognized rating agency of the corporate rating of TechnipFMC from an investment grade to a non-investment grade rating or a withdrawal of any such rating, the interest rate applicable to the 2020 Private Placement Notes will be increased to 5.75%.

2013 Issuances:

In October 2013, we completed the private placement of €355.0 million aggregate principal amount of senior notes. The notes were issued in three tranches with €100.0 million bearing interest at 3.75% and due October 2033 (the "Tranche A 2033 Notes"), €130.0 million bearing interest of 3.15% and due October 2023 (the "Tranche B 2023 Notes) and €125.0 million bearing interest of 3.15% and due October 2023 (the "Tranche C 2023 Notes" and, collectively with the "Tranche A 2033 Notes" and the "Tranche B 2023 Notes", the "2013 Private Placement Notes").

Interest on the Tranche A 2033 Notes is payable annually in arrears on October 7 each year, beginning October 7, 2014. Interest on the Tranche B 2023 Notes is payable annually in arrears on October 16 of each year beginning October 16, 2014. Interest on the Tranche C 2023 Notes is payable annually in arrears on October 18 of each year, beginning October 18, 2014.

2012 Issuances:

In June 2012, we completed the private placement of €325.0 million aggregate principal amount of notes. The notes were issued in three tranches with €150.0 million bearing interest at 3.40% and due June 2022 (the "Tranche A 2022 Notes"), €75.0 million bearing interest of 4.0% and due June 2027 (the "Tranche B 2027 Notes") and €100.0 million bearing interest of 4.0% and due June 2032 (the "Tranche C 2032 Notes" and, collectively with the "Tranche A 2022 Notes and the "Tranche B 2027 Notes", the "2012 Private Placement Notes"). Interest on the Tranche A 2022 Notes and the Tranche C 2032 Notes is payable annually in arrears on June 14 of each year beginning June 14, 2013. Interest on the Tranche B 2027 Notes is payable annually in arrears on June 15 of each year, beginning June 15, 2013.

The 2013 and 2012 Private Placement Notes contain usual and customary covenants and events of default for notes of this type. In the event of a change of control resulting in a downgrade in the rating of the notes below BBB-, the 2013 and 2012 Private Placement Notes may be redeemed early by any bondholder, at its sole discretion. The 2013 and 2012 Private Placement Notes are our unsecured obligations. The 2013 and 2012 Private Placement Notes will rank equally in right of payment with all of our existing and future unsubordinated debt.

Bank borrowings and other

Bank borrowings - In January 2019, we executed a sale-leaseback transaction to finance the purchase of a deepwater dive support vessel, Deep Discoverer (the "Vessel") for the full transaction price of $116.8 million. The sale-leaseback agreement ("Charter") was entered into with a French joint-stock company, owned by Credit Industrial et Commercial ("CIC") which was formed for the sole purpose to purchase and act as the lessor of the Vessel. It is a variable interest entity, which is fully consolidated in our consolidated financial statements. The transaction was funded through debt of $96.2 million which is primarily long-term, expiring on January 8, 2031.

Term loan - In December 2016, we entered into a £160.0 million term loan agreement to finance the Deep Explorer, a diving support vessel ("DSV"), maturing December 2028. Under the loan agreement, interest accrues at an annual rate of 2.813%. This loan agreement contains usual and customary covenants and events of default for loans of this type.

Foreign committed credit - We have committed credit lines at many of our international subsidiaries for immaterial amounts. We utilize these facilities for asset financing and to provide a more efficient daily source of liquidity. The effective interest rates depend upon the local national market.

Analysis by type of interest rate after yield management is described in Note 30.

19.2 Secured financial debts excluding finance leases

Secured debts are as follows:

(In millions)	December 31, 2020 Guarantee	December 31, 2020 Without Guarantee	December 31, 2020 Total	December 31, 2019 Guarantee	December 31, 2019 Without Guarantee	December 31, 2019 Total
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Short-term portion of long-term debt	38.7	633.9	672.6	34.4	2,191.6	2,226.0
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total long-term debt, less current portion and finance leases	201.7	3,069.1	$ 3,270.8	190.0	1,823.2	2,013.2
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

NOTE 20. PENSIONS AND OTHER LONG-TERM EMPLOYEE BENEFIT PLANS

20.1 Description of TechnipFMC's current benefit plans

We have funded and unfunded defined benefit pension plans which provide defined benefits based on years of service and final average salary.

We are required to recognize the funded status of defined benefit post-retirement plans as an asset or liability in the consolidated statement of financial position and recognize changes in that funded status in comprehensive income in the year in which the changes occur. Further, we are required to measure the plan's assets and its obligations that determine its funded status as of the date of the consolidated statement of financial position. We have applied this guidance to our domestic pension and other post-retirement benefit plans as well as for many of our non-U.S. plans, including those in the United Kingdom, Germany, France and Canada.

In the case of funded plans, we ensure that the investment positions are managed to achieve long-term investments that are in line with the obligations under the pension schemes. Our objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

We actively monitor how the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligations. We have not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

Our pension investment strategy emphasizes maximizing returns consistent with balancing risk. Excluding our international plans with insurance-based investments, 86% of our total pension plan assets represent the U.S. qualified plan, the U.K. plan and the Netherlands plan. These plans are primarily invested in equity securities to maximize the long-term returns of the plans.

On December 31, 2017, we amended the U.S. retirement plans (the "Plans") to freeze benefit accruals for all participants of the Plans as of December 31, 2017. After that date, participants in the Plans will no longer accrue any further benefits and participants' benefits under the Plans will be determined based on credited service and eligible earnings as of December 31, 2017.

Foreign-based employees are eligible to participate in TechnipFMC-sponsored or government-sponsored benefit plans to which we contribute. Several of the foreign defined benefit pension plans sponsored by us provide for employee contributions; the remaining plans are noncontributory. The most significant of these plans are in the Netherlands, France and the United Kingdom.

We have other post-retirement benefit plans covering substantially all of our U.S. unionized employees. The post-retirement health care plans are contributory; the post-retirement life insurance plans are noncontributory.

We expect to contribute approximately $20.7 million to our international pension plans, representing primarily the Netherlands qualified pension plans and U.K. qualified pension plans. We do not expect to make any contributions to our U.S. Qualified Pension Plan and our U.S. Non-Qualified Defined Benefit Pension Plan in 2021. All of the contributions are expected to be in the form of cash.

The following table summarizes expected benefit payments from our various pension and post-retirement benefit plans through 2030 as of December 31, 2020. Actual benefit payments may differ from expected benefit payments.

(In millions)	Expected benefit payments
2021	[illegible]
2022	65.9
2023	[illegible]
2024	71.3
2025	[illegible]
2026-2030	380.2
Total	[illegible]

20.2 Net benefit expense recognized in the statement of income

The net benefit expense recognized in the statement of income is as follows:

(In millions)	2020	2019
Current service cost	[illegible]	[illegible]
Financial cost	37.5	45.0
Interest (income)	[illegible]	[illegible]
Net actuarial loss (gain) recognized on long-term benefits	0.2	(0.2)
Settlement loss (gain)	[illegible]	[illegible]
Special events (curtailment/settlement)	0.3	1.5
Administration costs and taxes	[illegible]	[illegible]
Net benefit expense as recorded in the statement of income	$ 33.7	$ 31.5

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20.3 Defined benefit asset (liability) recognized in the consolidated statements of financial position

The amounts recognized in the statement of financial position and the movements in the net defined benefit obligation over the year are as follows:

(In millions)	Defined Benefit Obligation	Fair Value of Plan Assets	Net Defined Benefit Obligation
[illegible]	[illegible]	[illegible]	[illegible]
Acquisitions / disposals	—	—	—
[illegible]	[illegible]	[illegible]	[illegible]
Total current service cost	17.7	—	17.7
[illegible]	[illegible]	[illegible]	[illegible]
Actuarial gains of the year	(0.2)	—	(0.2)
[illegible]	[illegible]	[illegible]	[illegible]
Actuarial loss recognized in other comprehensive income	185.3	129.5	55.8
[illegible]	[illegible]	[illegible]	[illegible]
- Experience	(2.7)	—	(2.7)
[illegible]	[illegible]	[illegible]	[illegible]
- Demographic assumptions	(14.9)	—	(14.9)
[illegible]	[illegible]	[illegible]	[illegible]
Change in irrecoverable surplus other than interest	(1.3)	—	(1.3)
[illegible]	[illegible]	[illegible]	[illegible]
Contributions by employer	—	6.9	(6.9)
[illegible]	[illegible]	[illegible]	[illegible]
Benefits paid by employer	(17.0)	—	(17.0)
[illegible]	[illegible]	[illegible]	[illegible]
Exchange difference and other	11.0	13.5	(2.5)
[illegible]	[illegible]	[illegible]	[illegible]
December 31, 2019	$ 1,592.5	$ 1,167.9	$ 424.6
[illegible]	[illegible]	[illegible]	[illegible]
Expense as recorded in the statement of income	62.0	28.3	33.7
[illegible]	[illegible]	[illegible]	[illegible]
Net financial costs	37.5	28.3	9.2
[illegible]	[illegible]	[illegible]	[illegible]
Settlement loss of the year	0.2	—	0.2
[illegible]	[illegible]	[illegible]	[illegible]
Actuarial loss recognized in other comprehensive income	107.3	39.0	68.3
[illegible]	[illegible]	[illegible]	[illegible]
- Experience	(20.7)	—	(20.7)
[illegible]	[illegible]	[illegible]	[illegible]
- Demographic assumptions	(5.1)	—	(5.1)
[illegible]	[illegible]	[illegible]	[illegible]
Change in irrecoverable surplus other than interest	(0.3)	—	(0.3)
[illegible]	[illegible]	[illegible]	[illegible]
Contributions by employer	—	28.7	(28.7)
[illegible]	[illegible]	[illegible]	[illegible]
Benefits paid by employer	(28.9)	—	(28.9)
[illegible]	[illegible]	[illegible]	[illegible]
Exchange difference and other	47.4	33.6	13.8
[illegible]	[illegible]	[illegible]	[illegible]
Other	3.2	0.2	3.0
[illegible]	[illegible]	[illegible]	[illegible]

In 2020 and 2019, the discounted defined benefit obligation included $1,469.3 million and $1,378.2 million for funded plans and $238.3 million and $215.8 million for unfunded plan assets, respectively.

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Below are the details of the principal categories of plan assets by country in terms of percentage of their total fair value:

	December 31, 2020					
(In %)	Bonds	Shares	Real Estate	Cash	Other	Total
[redacted]						
United Kingdom	11 %	71 %	7 %	11 %	— %	100 %
[redacted]						

	December 31, 2019					
(In %)	Bonds	Shares	Real Estate	Cash	Other	Total
[redacted]						
United Kingdom	11 %	82 %	— %	7 %	— %	100 %
[redacted]						

20.4 Actuarial assumptions

	December 31, 2020			
	Discount Rate	Future Salary Increase (above Inflation Rate)	Healthcare Cost Increase Rate	Inflation Rate
Eurozone	From 0.30% to 0.70%	From 1.50% to 3.90%	3.0 %	From 1.50% to 1.90%
[redacted]				
United States	2.5 %	4.0 %	NA	NA

	December 31, 2019			
	Discount Rate	Future Salary Increase (above Inflation Rate)	Healthcare Cost Increase Rate	Inflation Rate
[redacted]				
United Kingdom	2.0 %	3.9 %	NA	From 2.40% to 3.10%
[redacted]				

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each territory. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 65:

	December 31, 2020			
	Assumed life expectations for a retiree age 65			
	Retiring at the end of the reporting period		Retiring 15 years after the end of the reporting period	
(in years)	Male	Female	Male	Female
[redacted]				
United Kingdom	21	23	23	25
[redacted]				

	December 31, 2019			
	Assumed life expectations for a retiree age 65			
	Retiring at the end of the reporting period		Retiring 15 years after the end of the reporting period	
(in years)	Male	Female	Male	Female
Eurozone	24	27	25	30
United Kingdom	21	23	23	25
United States	21	23	19	20

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant.

The discount rates as of December 31, 2020 of the Eurozone, United Kingdom and the United States zones are determined by holding the benefit flows of services expected from the plans and by using a curve of yield built from a wide basket of bonds of companies of high quality (rated AA). In the countries where the market bonds of companies of high quality is insufficiently deep, the discount rates are measured in reference to governmental rates.

The references used to determine the discount rates and mortality assumptions as of December 31, 2020 remain unchanged compared to 2019. A 25% decrease in the discount rate would increase the defined benefit obligation by approximately 98.7%. A 25% increase in the discount rate would decrease the defined benefit obligation by approximately (3.8)%. A one year decrease in the life expectancy would decrease the defined benefit obligation by approximately (3.7)%. A one year increase in the life expectancy would increase the defined benefit obligation by approximately 3.7%.

20.5 Other plans

Savings plans - The TechnipFMC Retirement Savings Plan ("Qualified Plan"), a qualified salary reduction plan under Section 401(k) of the Internal Revenue Code, is a defined contribution plan. Additionally, we have a non-qualified deferred compensation plan, the Non-Qualified Plan, which allows certain highly compensated employees the option to defer the receipt of a portion of their salary. We match a portion of the participants' deferrals to both plans. Both plans relate to FMC Technologies, Inc.

Participants in the Non-Qualified Plan earn a return based on hypothetical investments in the same options as our 401(k) plan, including TechnipFMC plc stock ("FTI Stock Fund"). In March 2019, the FTI Stock Fund was removed from the Non-Qualified Plan. Changes in the market value of these participant investments are reflected in other income (expense), net. The deferred compensation obligation is measured based on the actuarial present value of the benefits owed to the employee. As of December 31, 2020 and 2019, our liability for the Non-Qualified Plan was $36.4 million and $36.6 million, respectively, and was recorded in other non-current liabilities. We hedge the financial impact of changes in the participants' hypothetical investments by purchasing the investments that the participants have chosen. Changes in the fair value of these investments are recognized as an offset to other income (expense), net. As of December 31, 2020 and 2019, we had investments for the Non-Qualified Plan totaling $22.8 million and $26.3 million at fair market value, respectively.

We recognized expense of $29.9 million and $34.0 million for matching contributions to these plans in 2020 and 2019, respectively. Additionally, we recognized expense of $12.1 million and $13.2 million for non-elective contributions in 2020 and 2019, respectively.

NOTE 21. PROVISIONS (CURRENT AND NON-CURRENT)

Movements in each class of provision as of December 31, 2019 are as follows:

(In millions)	December 31, 2018	Increase	Used Reversals	Unused Reversals	Net foreign exchange differences	Other	December 31, 2019
[redacted]							
Litigation	5.8	5.2	(2.2)	—	(3.2)	2.0	7.6
[redacted]							
Provisions for claims	6.4	2.4	—	—	(0.1)	—	8.7
[redacted]							
Total non-current provisions	42.7	10.8	(16.1)	(2.2)	(3.3)	15.8	47.7
[redacted]							
Tax	30.0	8.8	(1.1)	(2.6)	0.3	(11.6)	23.8
[redacted]							
Restructuring obligations [2]	28.6	30.3	(17.3)	(1.3)	—	(7.2)	33.1
[redacted]							
Other current provisions	215.5	124.1	(115.6)	(73.2)	(2.9)	(5.3)	142.6
[redacted]							
Total provisions	$ 869.0	$ 300.2	$ (484.7)	$ (117.2)	$ (13.8)	$ (29.2)	$ 524.3

Movements in each class of provision as of December 31, 2020 are as follows:

(In millions)	December 31, 2019	Increase	Used Reversals	Unused Reversals	Net foreign exchange differences	Other	December 31, 2020
[redacted]							
Litigation	7.6	—	—	—	0.4	(1.5)	6.5
[redacted]							
Provisions for claims	8.7	0.4	(0.1)	(0.5)	0.9	—	9.4
[redacted]							
Total non-current provisions	47.7	21.2	(5.1)	(2.8)	0.3	(9.1)	52.2
[redacted]							
Tax	23.8	1.3	—	(4.9)	—	—	20.2
[redacted]							
Restructuring obligations	33.1	105.8	(77.0)	(12.7)	2.8	3.7	55.7
[redacted]							
Other current provisions	142.6	89.5	(104.1)	(31.9)	(9.2)	0.8	87.7
[redacted]							
Total provisions	$ 524.3	$ 320.9	$ (207.1)	$ (120.1)	$ (9.6)	$ (13.0)	$ 495.4

(1) *Litigation* - The balance includes provision of $51.5 million and $128.6 million as of December 31, 2020 and 2019, respectively. U.S. Department of Justice performed investigation of offshore platform projects awarded between 2003 and 2007, performed in Brazil by a joint venture company in which Technip S.A. was a minority participant, and also certain other projects performed by Technip S.A. subsidiaries in Brazil between 2002 and 2013. On June 25, 2019, we announced a global resolution to pay a total of $301.3 million. As part of this resolution, we entered into a three-year Deferred Prosecution Agreement. See Note 26 for further details.

(2) *Restructuring obligations* - In December 2019, we initiated a company-wide reduction in workforce intended to reduce costs and better align our workforce with current and anticipated activity levels, which resulted in the recognition of severance costs relating to termination benefits and other restructuring charges. The initial plan

included a workforce reduction of approximately 1,600 employees. Restructuring charges related to this global initiative were $32.4 million. In 2020, due to prolonged uncertainty in energy markets related to COVID-19 we also incurred additional restructuring and other expenses. See Note 22 for more details.

The accounting policy principles utilized to evaluate the amounts and types of provisions for liabilities and charges are described in Note 1.

NOTE 22. IMPAIRMENT, RESTRUCTURING AND OTHER EXPENSES

Impairment, restructuring and other expenses were as follows:

	Year Ended December 31,	
(In millions)	2020	2019
Subsea	[illegible]	[illegible]
Technip Energies	93.6	17.0
Surface Technologies	[illegible]	[illegible]
Corporate and other	10.0	17.4
Total impairment, restructuring and other expenses	[illegible]	[illegible]

Goodwill, property, plant and equipment and right-of-use impairments

During the years ended December 31, 2020 and 2019, triggering events were identified which led to impairments of certain property, plant and equipment, including goodwill.

Goodwill impairment charges of $2,800.2 million and $197.5 million were recorded during the year ended December 31, 2020 in our Subsea and Surface Technologies operating segments, respectively. Goodwill impairment charges of $1,347.7 million and $671.0 million were recorded during the year ended December 31, 2019 in our Subsea and Surface Technologies operating segments, respectively. See Note 11 for further details.

For property, plant and equipment, as a result of impairment assessments, during the year ended December 31, 2020, impairment charges of $92.9 million and $79.4 million were recorded in our Subsea and Surface Technologies operating segments, respectively. During the year ended December 31, 2019, we recorded $411.3 million of property, plant and equipment impairment charges primarily consisted of $153.8 million related to vessels and vessels equipment in our Subsea operating segment and $168.9 million related to the pipe and umbilical manufacturing facilities in our Surface Technologies operating segments. See Note 10 for further details.

For right-of-use assets, as a result of impairment assessments, during the year ended December 31, 2020, impairment charges of $18.8 million, $1.8 million, $10.3 million and $2.6 million were recorded in our Subsea, Surface Technologies, Technip Energies operating segments and Corporate, respectively. No impairment charges for right-of-use assets were recorded in 2019.

Restructuring and other expenses

In addition, during the year ended December 31, 2020, we recorded restructuring and other charges of $227.5 million. Restructuring and other charges primarily consisted of severance and other employee related costs and COVID-19 related expenses across all segments. Restructuring and other charges were as follows:

	Year Ended December 31,		
	2020		2019
(In millions)	Restructuring and other charges	COVID-19 expenses	Restructuring and other charges
Subsea	[illegible]	[illegible]	[illegible]
Technip Energies	39.3	44.0	17.0
Surface Technologies	[illegible]	[illegible]	[illegible]
Corporate and other	6.7	—	17.4
Total	[illegible]	[illegible]	[illegible]

COVID-19 related expenses represent unplanned, one-off, incremental and non-recoverable costs incurred solely as a result of COVID-19 pandemic situation, which would not have been incurred otherwise. COVID-19 related expenses primarily included (a) employee payroll and travel, operational disruptions associated with quarantining, personnel travel restrictions to job sites and shutdown of manufacturing plants and sites; (b) supply chain and related expediting costs of accelerated shipments for previously ordered and undelivered products; (c) costs associated with implementing additional information technology to support remote working environments; and (d) facilities-related expenses to ensure safe working environments.

Prolonged uncertainty in energy markets could lead to further future reductions in capital spending from our customer base. In turn, this may lead to changes in our strategy. We will continue to take actions designed to mitigate the adverse effects of the rapidly changing market environment and expect to continue to adjust our cost structure to market conditions. If market conditions continue to deteriorate, we may record additional restructuring charges and additional impairments of our property, plant and equipment and equity method investments.

NOTE 23. OTHER LIABILITIES (CURRENT AND NON-CURRENT)

Other current liabilities are as follows:

(In millions)	December 31, 2020	December 31, 2019
[illegible]	[illegible]	[illegible]
Current financial liabilities at Fair Value Through Profit or Loss, total	184.2	129.0
[illegible]	[illegible]	[illegible]
Accruals on completed contracts	174.9	193.5
[illegible]	[illegible]	[illegible]
Payable on litigation settlement	51.5	62.9
[illegible]	[illegible]	[illegible]
Other current liabilities, total	797.7	889.1
[illegible]	[illegible]	[illegible]

Other non-current liabilities are as follows:

(In millions)	December 31, 2020	December 31, 2019
[illegible]	[illegible]	[illegible]
Non-current financial liabilities at Fair Value through Profit or Loss, total	104.7	181.0
[illegible]	[illegible]	[illegible]
Obligations on non-qualified employee retirement plans	36.4	36.6
[illegible]	[illegible]	[illegible]
Payable on litigation settlement	—	62.9
[illegible]	[illegible]	[illegible]
Other	60.6	76.2
[illegible]	[illegible]	[illegible]
Total other non-current liabilities	$ 258.5	$ 433.9

A mandatorily redeemable financial liability was recognized in 2016 to account for the fair value of the non-controlling interests in the equity of legal onshore/offshore contract entities which own and account for the design, engineering and construction of the Yamal LNG plant. This financial liability is periodically revalued to its fair value, in order to reflect current expectations about the obligation. TechnipFMC recognized a loss of $202.0 million and $423.1 million in 2020 and 2019, respectively. Pursuant to payments of $224.2 million and $562.8 million during the year in 2020 and 2019, respectively. The carrying amount of Yamal LNG redeemable financial liability as of December 31 was $246.6 million and $268.8 million in 2020 and 2019, respectively.

NOTE 24. ACCOUNTS PAYABLE, TRADE

Trade payables amounted to $2,741.1 million as of December 31, 2020 as compared to $2,660.7 million as of December 31, 2019. Trade payables maturities are linked to the operating cycle of supply contracts and mature within 12 months.

NOTE 25. WARRANTY OBLIGATIONS

Warranty obligations are included within "Other current liabilities" in our consolidated statements of financial position as of December 31, 2020 and 2019. A reconciliation of warranty obligations for the years ended December 31, 2020 and 2019 as follows:

	Year Ended December 31,	
(In millions)	2020	2019
Balance at beginning of period	[illegible]	[illegible]
Warranty expenses	95.6	78.8
Adjustment for existing accruals	[illegible]	[illegible]
Claims paid	(28.1)	(62.2)
Balance at end of period	[illegible]	[illegible]

NOTE 26. COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities associated with guarantees - In the ordinary course of business, we enter into standby letters of credit, performance bonds, surety bonds and other guarantees with financial institutions for the benefit of our customers, vendors and other parties. The majority of these financial instruments expire within five years. Management does not expect any of these financial instruments to result in losses that, if incurred, would have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Guarantees consisted of the following:

	December 31,	
(In millions)	2020	2019
Financial guarantees (1)	[illegible]	[illegible]
Performance guarantees (2)	4,659.6	4,916.0
Maximum potential undiscounted payments	[illegible]	[illegible]

(1) Financial guarantees represent contracts that contingently require a guarantor to make payments to a guaranteed party based on changes in an underlying agreement that is related to an asset, a liability, or an equity security of the guaranteed party. These tend to be drawn down only if there is a failure to fulfill our financial obligations.

(2) Performance guarantees represent contracts that contingently require a guarantor to make payments to a guaranteed party based on another entity's failure to perform under a nonfinancial obligating agreement. Events that trigger payment are performance-related, such as failure to ship a product or provide a service.

Management believes the ultimate resolution of our known contingencies will not materially affect our consolidated financial position, results of operations, or cash flows.

Contingent liabilities associated with legal matters - We are involved in various pending or potential legal and tax actions or disputes in the ordinary course of our business. Management is unable to predict the ultimate outcome of these actions because of their inherent uncertainty. However, management believes that the most probable, ultimate resolution of these matters will not have a material adverse effect on our consolidated financial position, results of operations or cash flows.

On March 28, 2016, FMC Technologies received an inquiry from the U.S. Department of Justice ("DOJ") related to the DOJ's investigation of whether certain services Unaoil S.A.M. provided to its clients, including FMC Technologies, violated the U.S. Foreign Corrupt Practices Act ("FCPA"). On March 29, 2016, Technip S.A. also received an inquiry from the DOJ related to Unaoil. We cooperated with the DOJ's investigations and, with regard to FMC Technologies, a related investigation by the SEC.

In late 2016, Technip S.A. was contacted by the DOJ regarding its investigation of offshore platform projects awarded between 2003 and 2007, performed in Brazil by a joint venture company in which Technip S.A. was a minority participant, and we have also raised with DOJ certain other projects performed by Technip S.A. subsidiaries in Brazil between 2002 and 2013. The DOJ has also inquired about projects in Ghana and Equatorial Guinea that were awarded to Technip S.A. subsidiaries in 2008 and 2009, respectively. We cooperated with the DOJ in its investigation into potential violations of the FCPA in connection with these projects. We contacted and cooperated with the Brazilian authorities (Federal Prosecution Service ("MPF"), the Comptroller General of Brazil ("CGU") and the Attorney General of Brazil ("AGU")) with their investigation concerning the projects in Brazil and have also contacted and are cooperating with French authorities (the Parquet National Financier ("PNF")) with their investigation about these existing matters.

On June 25, 2019, we announced a global resolution to pay a total of $301.3 million to the DOJ, the SEC, the MPF, and the CGU/AGU to resolve these anti-corruption investigations. We will not be required to have a monitor and will, instead, provide reports on our anti-corruption program to the Brazilian and U.S. authorities for two and three years, respectively.

As part of this resolution, we entered into a three-year Deferred Prosecution Agreement ("DPA") with the DOJ related to charges of conspiracy to violate the FCPA related to conduct in Brazil and with Unaoil. In addition, Technip USA, Inc., a U.S. subsidiary, pled guilty to one count of conspiracy to violate the FCPA related to conduct in Brazil. We will also provide the DOJ reports on our anti-corruption program during the term of the DPA.

In Brazil, our subsidiaries Technip Brasil - Engenharia, Instalações E Apoio Marítimo Ltda. and Flexibrás Tubos Flexíveis Ltda. entered into leniency agreements with both the MPF and the CGU/AGU. We have committed, as part of those agreements, to make certain enhancements to their compliance programs in Brazil during a two-year self-reporting period, which aligns with our commitment to cooperation and transparency with the compliance community in Brazil and globally.

In September 2019, the SEC approved our previously disclosed agreement in principle with the SEC Staff and issued an Administrative Order, pursuant to which we paid the SEC $5.1 million, which was included in the global resolution of $301.3 million.

To date, the investigation by PNF related to historical projects in Equatorial Guinea and Ghana has not reached resolution. We remain committed to finding a resolution with the PNF and will maintain a $70.0 million provision related to this investigation. As we continue to progress our discussions with PNF towards resolution, the amount of a settlement could exceed this provision.

There is no certainty that a settlement with PNF will be reached or that the settlement will not exceed current accruals. The PNF has a broad range of potential sanctions under anticorruption laws and regulations that it may seek to impose in appropriate circumstances including, but not limited to, fines, penalties, and modifications to business practices and compliance programs. Any of these measures, if applicable to us, as well as potential customer reaction to such measures, could have a material adverse impact on our business, results of operations, and financial condition. If we cannot reach a resolution with the PNF, we could be subject to criminal proceedings in France, the outcome of which cannot be predicted.

Legal proceedings -A purported shareholder class action filed in 2017 and amended in January 2018 and captioned Prause v. TechnipFMC, et al., No. 4:17-cv-02368 (S.D. Texas) is pending in the U.S. District Court for the Southern District of Texas against the Company and certain current and former officers and employees of the Company. The suit alleged violations of the federal securities laws in connection with the Company's restatement of our first quarter 2017 financial results and a material weakness in our internal control over financial reporting announced on July 24, 2017. On January 18, 2019, the District Court dismissed claims under Section 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended, and Section 15 of the Securities Act of 1933, as amended ("Securities Act"). A remaining claim for alleged violation of Section 11 of the Securities Act in connection with the reporting of certain financial results in the Company's Form S-4 Registration Statement filed in 2016 is pending and seeks unspecified damages. The Company is vigorously contesting the litigation and cannot predict its duration or outcome.

Contingent liabilities associated with liquidated damages - Some of our contracts contain provisions that require us to pay liquidated damages if we are responsible for the failure to meet specified contractual milestone dates and the applicable customer asserts a conforming claim under these provisions. These contracts define the conditions under which our customers may make claims against us for liquidated damages. Based upon the evaluation of our performance and other commercial and legal analysis, management believes we have appropriately recognized probable liquidated damages as of December 31, 2020 and 2019, and that the ultimate resolution of such matters will not materially affect our consolidated financial position, results of operations, or cash flows.

NOTE 27. FINANCIAL INSTRUMENTS

27.1 Financial assets and liabilities by category

Financial assets and financial liabilities are as follows:

	December 31, 2020			
	Analysis by Category of Financial Instruments			
(In millions)	Carrying Amount	At Fair Value through Profit or Loss	Assets/ Liabilities at Amortized cost	At Fair Value through OCI
Financial assets				
Trade receivables, net	$ 2,389.4	$ —	$ 2,389.4	$ —
Other financial assets	[illegible]	[illegible]	[illegible]	[illegible]
Derivative financial instruments	337.3	85.9	—	251.4
Cash and cash equivalents	[illegible]	[illegible]	[illegible]	[illegible]
Total financial assets	$ 7,842.0	$ 4,961.8	$ 2,628.8	$ 251.4
Financial liabilities				
Long-term debt, less current portion	$ 1,792.5	$ —	$ 1,792.5	$ —
Non-current lease liabilities	[illegible]	[illegible]	[illegible]	[illegible]
Other non-current financial liabilities	104.7	104.7	—	—
Short-term debt and current portion of long-term debt	[illegible]	[illegible]	[illegible]	[illegible]
Accounts payable, trade	2,741.1	—	2,741.1	—
Derivative financial instruments	[illegible]	[illegible]	[illegible]	[illegible]
Current lease liabilities	273.9	—	273.9	—
Other financial liabilities	[illegible]	[illegible]	[illegible]	[illegible]
Total financial liabilities	$ 8,329.5	$ 304.5	$ 7,850.1	$ 174.9

(In millions)	December 31, 2019 Analysis by Category of Financial Instruments Carrying Amount	At Fair Value through Profit or Loss	Assets/ Liabilities at Amortized cost	At Fair Value through OCI
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Trade receivables, net	$ 2,281.4	$ —	$ 2,281.4	$ —
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Derivative financial instruments	141.4	12.3	—	129.1
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total financial assets	$ 8,003.8	$ 5,260.8	$ 2,613.9	$ 129.1
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Long-term debt, less current portion	$ 2,013.2	$ —	$ 2,013.2	$ —
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other non-current financial liabilities	181.0	181.0	—	—
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Accounts payable, trade	2,660.7	—	2,660.7	—
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Current lease liabilities	275.1	—	275.1	—
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total financial liabilities	$ 8,596.9	$ 331.0	$ 8,092.9	$ 173.0

The following explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, TechnipFMC has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

(In millions)	December 31, 2020 Level 1	Level 2	Level 3	Total
[illegible]				
Investments:				
[illegible]				
Traded securities [1]	$ 65.6	$ —	$ —	$ 65.6
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Stable value fund	—	0.9	—	0.9
[illegible]				
Foreign exchange contracts	—	337.3	—	337.3
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Financial liabilities				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Derivative financial instruments:				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total financial liabilities	$ —	$ 190.5	$ 288.9	$ 479.4

	December 31, 2019			
(In millions)	Level 1	Level 2	Level 3	Total
[redacted]				
Investments:				
[redacted]				
Traded securities (1)	$ 54.8	$ —	$ —	$ 54.8
[redacted]				
Stable value fund	—	2.1	—	2.1
[redacted]				
Synthetic bonds - call option premium	—	4.3	—	4.3
[redacted]				
Total financial assets	$ 54.8	$ 145.0	$ —	$ 199.8
[redacted]				
Redeemable financial liability	$ —	$ —	$ 310.0	$ 310.0
[redacted]				
Synthetic bonds - embedded derivatives	—	4.3	—	4.3
[redacted]				
Total financial liabilities	$ —	$ 194.0	$ 310.0	$ 504.0

(1) Includes equity securities, fixed income and other investments measured at fair value.

During the financial years 2020 and 2019, there were no transfer between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

Non-Qualified Plan—The fair value measurement of our traded securities is at FVTPL and is based on quoted prices that we have the ability to access in public markets. Our stable value fund and money market fund are valued at the net asset value of the shares held at the end of the quarter, which is based on the fair value of the underlying investments using information reported by our investment adviser at period-end.

Redeemable financial liabilities—The following redeemable financial liabilities were recognized during the financial year 2020 and 2019:

- *Yamal redeemable financial liability* - The mandatorily redeemable financial liability relates to our voting control interests in legal Technip Energies contract entities which own and account for the design, engineering and construction of the Yamal LNG plant. The fair value is determined using a discounted cash flow model. The key assumptions used in applying the income approach are the selected discount rates and the expected dividends to be distributed in the future to the non-controlling interest holders. Expected dividends to be distributed are based on the non-controlling interests' share of the expected profitability of the underlying contract, a 15% discount rate and the overall timing of completion of the project. See Note 23 for further details. A decrease of one percentage point in the discount rate would have increased the liability by $2.0 million as of December 31, 2020.
- *TIOS redeemable financial liability* - In 2018, we acquired a 51% share in TIOS. On acquisition date a redeemable financial liability was recorded at fair value of a written put option. On acquisition date we determined the fair value of the put option over non-controlling interest as the present value of the expected redemption price of the written put option. TIOS redeemable financial liability is classified as a current financial liability and stated at its redemption value totaling $42.3 million as of December 31, 2020.

The fair value measurement of our redeemable financial liabilities is based upon significant unobservable inputs not observable in the market and is consequently classified as a Level 3 fair value measurement.

Changes in the fair value of our Level 3 mandatorily redeemable financial liabilities is recorded as interest expense in the consolidated statements of income and is presented below.

	Yamal		TIOS	
(In millions)	2020	2019	2020	2019
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Expenses recognized in the statements of income	(202.0)	(423.1)	(1.1)	(0.4)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Balance as of December 31	$ 246.6	$ 268.8	$ 42.3	$ 41.2

Fair value of debt—The fair values (based on Level 2 inputs) of our debt, carried at amortized cost, are presented in Note 19 Debts.

27.2 Derivative financial instruments

For purposes of mitigating the effect of changes in exchange rates, we hold derivative financial instruments to hedge the risks of certain identifiable and anticipated transactions and recorded assets and liabilities in our consolidated statement of financial position. The types of risks hedged are those relating to the variability of future earnings and cash flows caused by movements in foreign currency exchange rates. Our policy is to hold derivatives only for the purpose of hedging risks associated with anticipated foreign currency purchases and sales created in the normal course of business and not for trading purposes where the objective is solely or partially to generate profit.

Generally, we enter into hedging relationships such that changes in the fair values or cash flows of the transactions being hedged are expected to be offset by corresponding changes in the fair value of the derivatives. For derivative instruments that qualify as a cash flow hedge, the effective portion of the gain or loss of the derivative, which does not include the time value component of a forward currency rate, is reported as a component of OCI and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. For derivative instruments not designated as hedging instruments, any change in the fair value of those instruments are reflected in earnings in the period such change occurs.

See Note 30 for further details.

We hold the following types of derivative instruments:

Foreign exchange rate forward contracts—The purpose of these instruments is to hedge the risk of changes in future cash flows of highly probable purchase or sale commitments denominated in foreign currencies and recorded assets and liabilities in our consolidated statement of financial position.

We held the following material net positions as of December 31, 2020 and 2019:

	December 31, 2020			
	Maturity			
(In millions except for rates)	1-12 months	12-24 months	Beyond 24 months	Total
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	27.3	45.2	5.7	78.2
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	21.1	34.9	4.4	60.4
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	(951.4)	1,632.8	—	681.4
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(183.1)	314.2	—	131.1
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	653.5	96.0	22.1	771.6

Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	892.9	131.3	30.1	1,054.3
Canadian dollar				
Notional amount (LC)	(4.4)	(2.7)	—	(7.1)
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(3.4)	(2.2)	—	(5.6)
Colombian peso				
Notional amount (LC)	37,142.2	—	—	37,142.2
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	10.8	—	—	10.8
Euro				
Notional amount (LC)	1,406.1	367.6	20.8	1,794.5
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	1,725.2	451.0	25.5	2,201.7
Hong Kong dollar				
Notional amount (LC)	(95.1)	(2.5)	—	(97.6)
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(12.3)	(0.3)	—	(12.6)
Indian rupee				
Notional amount (LC)	2,694.3	478.0	(0.3)	3,172.0
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	36.9	6.5	—	43.4
Indonesian rupiah				
Notional amount (LC)	(201,679.0)	—	—	(201,679.0)
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(14.3)	—	—	(14.3)
Japanese yen				
Notional amount (LC)	1,300.0	(175.6)	—	1,124.4
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	12.6	(1.7)	—	10.9
Malaysian ringgit				
Notional amount (LC)	745.0	146.0	—	891.0
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	185.2	36.3	—	221.5
Mexican peso				
Notional amount (LC)	(26.3)	843.7	470.6	1,288.0
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(1.3)	42.3	23.6	64.6
Norwegian krone				
Notional amount (LC)	501.5	149.9	1,070.2	1,721.6
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	156.0	(79.7)	125.4	201.7
Singapore dollar				
Notional amount (LC)	165.8	5.4	—	171.2
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	125.4	4.1	—	129.5
Yuan Renminbi				
Notional amount (LC)	35.9	—	—	35.9
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]

USD equivalent	5.5	—	—	5.5
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

	December 31, 2019			
	Maturity			
(In millions except for rates)	1-12 months	12-24 months	Beyond 24 months	Total
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	154.5	(103.1)	—	51.4
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	108.4	(72.4)	—	36.0
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	1,089.7	(101.1)	(190.0)	798.6
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	270.3	(25.1)	(47.1)	198.1
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	233.4	116.7	(235.3)	114.8
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	307.8	154.1	(310.4)	151.5
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	(89.6)	(0.3)	—	(89.9)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(68.9)	(0.2)	—	(69.1)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	—	—	(7.0)	(7.0)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	—	—	(1.1)	(1.1)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	908.0	99.0	102.3	1,109.3
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	1,019.8	111.1	114.8	1,245.7
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	—	(138.0)	—	(138.0)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	—	(17.7)	—	(17.7)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	—	74.3	302.2	376.5
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	—	1.0	4.2	5.2
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	—	240,584.6	—	240,584.6
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	—	17.3	—	17.3
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	(50.1)	(130.5)	4,557.2	4,376.6
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(0.5)	(1.2)	42.0	40.3
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	52.6	(0.2)	361.2	413.6
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	12.9	—	88.3	101.2
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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Notional amount (LC)	(300.0)	—	—	(300.0)
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(15.9)	—	—	(15.9)
Norwegian krone	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	834.0	1,573.9	275.1	2,683.0
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	94.9	179.2	31.3	305.4
Singapore dollar	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	192.2	15.1	0.9	208.2
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	142.9	11.2	0.6	154.7
Swedish krona	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	90.0	15.7	—	105.7
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	9.7	1.7	—	11.4
Kuwaiti dinar	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	(2.0)	(0.2)	—	(2.2)
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(6.5)	(0.6)	—	(7.1)
Yuan Renminbi	[illegible]	[illegible]	[illegible]	[illegible]
Notional amount (LC)	—	31.6	—	31.6
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	—	4.5	—	4.5
U.S. dollar	[illegible]	[illegible]	[illegible]	[illegible]

Foreign exchange rate instruments embedded in purchase and sale contracts—In general embedded derivative instrument are separated from the host contract if the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to those of the host contract and the host contract is not marked-to-market at fair value. The purpose of these instruments is to match offsetting currency payments and receipts for particular projects, or comply with government restrictions on the currency used to purchase goods in certain countries.

As of December 31, 2020 and 2019, our portfolio of these instruments included the following material net positions:

	December 31, 2020			
(In millions except rates)	1-12 months	12-24 months	Beyond 24 months	Total
Brazilian real				
Notional amount (LC)	35.5	42.4	—	77.9
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	6.8	8.2	—	15.0
Euro				
Notional amount (LC)	(6.8)	(1.9)	—	(8.7)
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(8.3)	(2.4)	—	(10.7)
Norwegian krone				
Notional amount (LC)	(143.5)	0.7	—	(142.8)
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(16.8)	0.1	—	(16.7)
U.S. dollar	[illegible]	[illegible]	[illegible]	[illegible]

	December 31, 2019			
(In millions except rates)	1-12 months	12-24 months	Beyond 24 months	Total
Brazilian real				
Notional amount (LC)	20.4	37.2	—	57.6
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	5.1	9.2	—	14.3
Euro				
Notional amount (LC)	(2.0)	(4.8)	—	(6.8)
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(2.2)	(5.4)	—	(7.6)
Norwegian krone				
Notional amount (LC)	(55.2)	(69.5)	—	(124.7)
Average forward rate (LC/USD)	[illegible]	[illegible]	[illegible]	[illegible]
USD equivalent	(6.3)	(7.9)	—	(14.2)
U.S. dollar	[illegible]	[illegible]	[illegible]	[illegible]

Fair value amounts for all outstanding derivative instruments have been determined using available market information and commonly accepted valuation methodologies. Accordingly, the estimates presented may not be indicative of the amounts that we would realize in a current market exchange and may not be indicative of the gains or losses we may ultimately incur when these contracts are settled.

The following table presents the location and fair value amounts of derivative instruments reported in the consolidated statement of financial position:

	December 31, 2020		December 31, 2019	
(In millions)	Assets	Liabilities	Assets	Liabilities
Derivatives designated as hedging instruments	[illegible]	[illegible]	[illegible]	[illegible]
Foreign exchange contracts				
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Long-term - Derivative financial instruments	35.6	23.3	34.8	48.0
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Derivatives not designated as hedging instruments				
Foreign exchange contracts	[illegible]	[illegible]	[illegible]	[illegible]
Current - Derivative financial instruments	85.6	15.6	7.6	16.3
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total derivatives not designated as hedging instruments	85.9	15.6	8.0	16.7
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Long-term - Derivative financial instruments - Synthetic Bonds - Embedded Derivatives	—	—	—	4.3
Total derivatives	[illegible]	[illegible]	[illegible]	[illegible]

Cash flow hedges

Foreign exchange forward contracts listed above are designated as hedging instruments in cash flow hedges of forecast sales and forecast purchases in different local currencies. These forecast transactions are highly probable. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange forward contracts match the terms of the expected highly probable forecast transactions (i.e., notional amount and expected payment date). We have established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

Hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

We recognized loss of \$0.2 million and gain of \$3.2 million for the year ended December 31, 2020 and 2019, respectively, due to discontinuance of hedge accounting as it was probable that the original forecasted transaction would not occur. Cash flow hedges of forecasted transactions, net of tax, resulted in accumulated other comprehensive loss of Nil million and \$39.7 million as of December 31, 2020 and 2019, respectively. We expect to transfer an approximately 107.6 million gain from accumulated OCI to earnings during the next 12 months when the anticipated transactions actually occur. All anticipated transactions currently being hedged are expected to occur by the second half of 2025.

The following represents the effect of cash flow hedge accounting on the consolidated statements of income for the year ended December 31, 2020 and 2019:

(In millions)	Year Ended December 31, 2020				Year Ended December 31, 2019			
Total amount of income (expense) presented in the consolidated statements of income associated with hedges and derivatives	Revenue	Cost of sales	Selling, general and administrative expense	Other income (expense), net	Revenue	Cost of sales	Selling, general and administrative expense	Other income (expense), net
[redacted]								
Foreign Exchange Contracts								
[redacted]								
Ineffective amounts	—	—	—	(0.2)	—	—	—	3.2
[redacted]								
Total	$ (84.5)	$ 71.9	$ (0.4)	$ 18.1	$ (28.2)	$ 12.2	$ —	$ (16.1)

Impact of hedging on equity

A reconciliation of cash flow hedge reserves in OCI attributable to TechnipFMC plc are as follows:

	Cash flow hedge reserve	
	Year Ended December 31,	
(In millions)	2020	2019
[redacted]		
Effective portion of changes in fair value	65.4	58.6
[redacted]		
Tax effect	(5.7)	(6.7)
[redacted]		

27.3 Offsetting financial assets and financial liabilities

We execute derivative contracts with counterparties that consent to a master netting agreement, which permits net settlement of the gross derivative assets against gross derivative liabilities. Each instrument is accounted for individually and assets and liabilities are not offset. As of December 31, 2020 and 2019, we had no collateralized derivative contracts.

The following tables present both gross information and net information of recognized derivative instruments:

	December 31, 2020			December 31, 2019		
(In millions)	Gross Amount Recognized	Gross Amounts Not Offset Permitted Under Master Netting Agreements	Net Amount	Gross Amount Recognized	Gross Amounts Not Offset Permitted Under Master Netting Agreements	Net Amount
[redacted]						
Derivative liabilities	$ 190.5	$ (134.0)	$ 56.5	$ 194.0	$ (112.5)	$ 81.5

NOTE 28. PAYROLL STAFF

As of December 31, 2020, TechnipFMC had approximately 35,000 full-time employees.

The average monthly number of employees (including executive directors) employed by TechnipFMC during the years ended December 31, 2020 and 2019 are as follows:

By function:	2020	2019
[redacted]		
Selling and distribution	3,168	3,368
[redacted]		
Total	36,358	38,026

NOTE 29. RELATED PARTIES DISCLOSURES

29.1 Transactions with related parties and equity affiliates

Receivables, payables, revenues and expenses which are included in our consolidated financial statements for all transactions with related parties, defined as entities related to our directors and main shareholders as well as the partners of our consolidated joint ventures, were as follows.

Trade receivables consisted of receivables due from following related parties:

	December 31,	
(In millions)	2020	2019
[redacted]		
Equinor ASA	24.1	—
[redacted]		
Novarctic SNC	9.7	—
[redacted]		
Techdof Brasil AS	8.0	4.3
[redacted]		
Others	8.4	6.9
[redacted]		

TP JGC Coral France SNC, TTSJV W.L.L., Dofcon Navegacao, and Novarctic SNC are equity method affiliates. Techdof Brasil AS is a wholly owned subsidiary of Dofcon Brasil AS, our equity method affiliate. A member of our Board of Directors serves on the Board of Directors for Storengy. In October 2020, we added a new member of our Board of Directors who is an executive of Equinor ASA.

Trade payables consisted of payables due to following related parties:

	December 31,	
(In millions)	2020	2019
[redacted]		
Nipigas	14.2	—
[redacted]		
JGC Corporation	1.9	15.1
[redacted]		
Dofcon Navegacao	1.5	2.1
[redacted]		
Total trade payables	$ 61.2	$ 51.1

Chiyoda and JGC Corporation are joint venture partners on our Yamal project. Saipem and Nipigas are joint venture partners on our Arctic LNG project. A member of our Board of Directors serve as an executive officer of IFP Energies nouvelles until June 2020.

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Additionally, we have note receivable balance of $40.3 million and $65.2 million as of December 31, 2020 and 2019, respectively. The note receivables balance includes $37.6 million and $62.5 million with Dofcon Brasil AS at December 31, 2020 and 2019, respectively. Dofcon Brasil AS is an associate and accounted for as an equity method investment. These are included in other assets on our consolidated statements of financial position.

Revenue consisted of amount from following related parties:

	Year Ended December 31,	
(In millions)	2020	2019
[redacted]		
TP JGC Coral France SNC	44.2	110.4
[redacted]		
Equinor Brasil	38.5	—
[redacted]		
TOP CV	—	11.9
[redacted]		
Novarctic SNC	10.7	0.4
[redacted]		
Techdof Brasil AS	11.2	8.3
[redacted]		
Others	27.2	29.7
[redacted]		

A member of our Board of Directors (the "Director") served on the Board of Directors of Anadarko Petroleum Company ("Anadarko") until August 2019. In August 2019, Anadarko was acquired by Occidental Petroleum Corporation ("Occidental"). As a result, the Director no longer serves as a member of the Board of Directors of Anadarko. The Director is not an officer or director of Occidental.

Techdof Brasil AS is a wholly owned subsidiary of Dofcon Brasil AS, our equity method affiliate.

TOP CV was previously an equity method affiliate that became a fully consolidated subsidiary on December 30, 2019. See Note 2.1 for further details.

Novarctic SNC is our equity method affiliate.

Expenses consisted of amount to following related parties:

	Year Ended December 31,	
(In millions)	2020	2019
[redacted]		
JGC Corporation	0.4	20.8
[redacted]		
Serimax Holdings SAS	0.4	17.7
[redacted]		
Nipigas	36.8	—
[redacted]		
TP JGC Coral France SNC	—	5.0
[redacted]		
Dofcon Navegacao	24.0	1.8
[redacted]		
Total expenses	$ 149.7	$ 142.4

Serimax Holdings SAS and Magma Global Limited are equity method affiliates. Members of our Board of Directors serve on the Board of Directors for Arkema S.A. and Jumbo Shipping.

29.2 Executive compensation

The below table sets forth the single figure of remuneration for the years ended December 31, 2020 and 2019 for each of TechnipFMC's executive directors; the Chief Executive Officer and the Executive Chairman. In May 2019, our Chief Executive Officer assumed the role of Executive Chairman when the former Executive Chairman retired.

	Chief Executive Officer		Executive Chairman	
(In U.S. dollars)	2020	2019	2020	2019
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Taxable benefits (2)	48,659	84,989	—	46,193
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Long-term incentive awards (4)	354,027	1,455,003	—	901,545
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total remuneration	$ 6,217,856	$ 7,861,135	$ —	$ 1,695,264

(1) Salary provides a fixed level of market competitive compensation to our executive director that reflects his major responsibilities. Base pay is set with reference to market median, based on responsibility, experience, individual performance, and contributions to the business.

Salary for our Chairman and CEO is unchanged since March 1, 2018. The salary provided for 2020 includes a 30% temporary pay reduction to the Chairman and CEO effective May 1, 2020 and ending December 31, 2020.

(2) The taxable benefits for 2020 for the Chairman and CEO includes: (i) personal use of Company automobile of $6,727; (ii) financial planning services of $18,000; (iii) UK tax preparation fees of $5,204; (iv) company paid life insurance fees of $578; (v) club dues of $8,863; and (vi) security services of $9,287.

The taxable benefits for 2019 for the Chairman and CEO includes: (i) personal use of Company automobile of $4,977; (ii) spouse travel for Company business functions of $42,699; (iii) financial planning of $20,935; and (iv) security services of $16,378.

(3) The amount disclosed in the Annual Incentive Awards line for 2020 for our Chairman and CEO represents the sum of annual cash incentive and time-based (non-performance based) RSUs awarded in 2020. In 2020, our Chairman and CEO's annual cash incentive was $1,668,600, calculated using a target bonus of 135% of salary, a BPI rating of 75%, and an API rating of 175%. The time-based (non-performance based) RSUs awarded in 2020 were valued at $2,910,000, comprising 30% of the Chairman and CEO's long-term equity incentive target value of $9,700,000.

The amount disclosed in the Annual Incentive Awards line for 2019 for our Chairman and CEO represents the sum of annual cash incentive and time-based (non-performance based) RSUs awarded in 2019. In 2019, our Chairman and CEO's annual cash incentive was $2,903,364 calculated using a target bonus of 135% of salary, a BPI rating of 172%, and an API rating of 180%. The time-vested (non-performance based) RSUs awarded in 2019 were valued at $1,940,000, comprising 20% of the Chairman and CEO's long-term equity incentive target value of $9,700,000.

(4) The amount disclosed in the Long-Term Incentive Awards line for 2020 for our Chairman and CEO represents the value of performance-based RSUs subject to performance (ROIC) and market-based (TSR) vesting conditions with a performance period ending December 31, 2020. The value was calculated using a performance percentage of 25% and share price on date of vesting. Dividend equivalents attributable to the vested shares are not included.

The amount disclosed in the Long-Term Incentive Awards line for 2019 for our Chairman and CEO represent the value of performance-based RSUs subject to performance (ROIC) and market-based (TSR) vesting conditions with a performance period ending December 31, 2019. The value was calculated using a performance percentage of 25% and share price on date of vesting. Dividend equivalents attributable to the vested shares are not included.

The amount disclosed in the Long-term Incentive Awards line for our former Executive Chairman represent the value of performance-based RSUs subject to performance (ROIC) and market-based (TSR) vesting conditions with a performance period ending December 31, 2019.

(5) The amount disclosed in the Pension-Related Benefits line represents the value of Company contributions to the U.S. 401(K) and non-qualified defined contribution plans.

Note: The amounts reported as Salary, Taxable Benefits, Annual Incentive Awards, and Pension-Related Benefits to our former Executive Chairman were paid in Euros. These amounts were converted to U.S. dollars utilizing an average of the Euro to U.S. dollar exchange rates on the last day of each month during each reporting year (for 2019: EUR 1 to USD 1.117971). For 2019, the table includes all compensation paid during the period he served as Executive Chairman, from January 1 to May 1, 2019.

NOTE 30. MARKET RELATED EXPOSURE

30.1 Liquidity risk

Most of our cash is managed centrally and flows through centralized bank accounts controlled and maintained by TechnipFMC globally and in many operating jurisdictions to best meet the liquidity needs of our global operations.

Net (debt) cash

Net (debt) cash, is a non-IFRS financial measure reflecting cash and cash equivalents, net of debt. Management uses this non-IFRS 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 IFRS or as an indicator of our operating performance or liquidity.

The following table provides a reconciliation of our cash and cash equivalents to net (debt) cash, utilizing details of classifications from our consolidated statement of financial position:

(In millions)	December 31, 2020	December 31, 2019
Cash and cash equivalents	[illegible]	[illegible]
Less: Short-term debt and current portion of long-term debt	2,161.6	2,462.2
Less: Long-term debt, less current portion	[illegible]	[illegible]
Less: Lease liabilities	1,154.9	956.8
Net (debt) cash	[illegible]	[illegible]

Cash flows

Operating cash flows - During 2020, we generated $934.4 million in cash flows from operating activities as compared to $1,182.1 million used in 2019, resulting in a $247.7 million decrease compared to 2019. The decrease in operating cash flows is primarily driven by the decrease in cash generated by our operations during the year due to the overall decline in activity.

Investing cash flows - Investing activities used $180.6 million and $419.8 million of cash in 2020 and 2019, respectively. The decrease in cash used by investing activities was due primarily to decreased capital expenditures, decreased payments to acquire debt securities and increased proceeds from sale of assets and debt securities during 2020. In 2019, we purchased a deepwater dive support vessel, Deep Discoverer for $116.8 million, that was subsequently funded through a sale-leaseback transaction.

Financing cash flows - Financing activities used $1,359.7 million and $1,120.2 million in 2020 and 2019, respectively. The increase of $239.5 million in cash required for financing activities was due primarily to the increased debt pay down activity during 2020, partially offset by $338.6 million reduction in settlements of mandatorily redeemable financial liability and our efforts and commitment to preserve cash, which included reduction in cash dividends and share repurchases.

Debt and Liquidity

Significant Funding and Liquidity Activities - During 2020, we completed the following transactions in order to enhance our total liquidity position:

- Repaid $233.9 million of 5.00% 2010 private placement notes;
- Repaid the remaining outstanding balance of $190.0 million of the term loan assumed in connection with the acquisition of the remaining 50% interest in TOP CV.
- Issued €200.0 million aggregate principal amount of 4.500% Private Placement Notes due June 30, 2025. Within three months of the effective date of the Spin-off of Technip Energies, if there is a downgrade by a nationally recognized rating agency of the corporate rating of TechnipFMC from an investment grade to a non-investment grade rating or a withdrawal of any such rating, the interest rate applicable to the Private Placement Notes will be increased to 5.75%;
- Entered into a new, six-month €500.0 million senior unsecured revolving credit facility agreement, which may be extended for two additional three-month periods (the "Euro Facility"); and
- Entered into the Bank of England's COVID Corporate Financing Facility program (the "CCFF Program"), which allows us to issue up to £600.0 million of unsecured commercial paper notes.

Total borrowings as of December 31, 2020 and 2019 were as follows:

(In millions)	December 31, 2020	December 31, 2019
Commercial paper	[illegible]	[illegible]
Synthetic bonds due 2021	551.1	491.7
[illegible] Senior Notes due [illegible]	[illegible]	[illegible]
5.00% Notes due 2020	—	224.4
3.40% Notes due 2022	[illegible]	[illegible]
3.15% Notes due 2023	159.0	145.4
[illegible] Notes due [illegible]	[illegible]	[illegible]
4.50% Notes due 2025	241.1	—
4.00% Notes due 2027	[illegible]	[illegible]
4.00% Notes due 2032	119.0	108.6
[illegible] Notes due [illegible]	[illegible]	[illegible]
Bank borrowings and other	310.0	536.3
Total borrowings	[illegible]	[illegible]

Credit facilities - The following is a summary of our credit facilities as of December 31, 2020:

(In millions)	Amount	Debt Outstanding	Commercial Paper Outstanding (a)	Letters of Credit	Unused Capacity	Maturity
Revolving credit facility	$ 2,500.0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
CCFF Program	£ 600.0	£ —	£ 600.0	£ —	£ —	March 2021
Euro Facility	€ 500.0	[illegible]	[illegible]	[illegible]	€ 500.0	[illegible]
Bilateral credit facility	€ 100.0	€ —	€ —	€ —	€ 100.0	May 2021

(a) Under our commercial paper program, we have the ability to access up to $1.5 billion and €1.0 billion of financing through our commercial paper dealers. Our available capacity under our revolving credit facility is reduced by any outstanding commercial paper.

Committed credit available under our revolving credit facilities provides the ability to issue our commercial paper obligations on a long-term basis. We had $708.0 million of commercial paper issued under our facilities as of December 31, 2020. In addition, we had $817.9 million of Notes outstanding under the CCFF Program.

On June 12, 2020, we entered into Amendment No. 1 to the Facility Agreement and into an Amendment and Restatement Agreement to our Euro Facility. The amendments, which are effective through the respective expirations of the Facility Agreement and Euro Facility, permit us to include the gross book value of $3.2 billion of goodwill (fully impaired in the quarter ended March 31, 2020) in the calculation of consolidated net worth, which is used in the calculation of our quarterly compliance with the total capitalization ratio under the Facility Agreement and Euro Facility.

The Facility Agreement and Euro Facility contain usual and customary covenants, representations and warranties, and events of default for credit facilities of this type, including financial covenants requiring that our total capitalization ratio not exceed 60% at the end of any financial quarter. The Facility Agreement and Euro Facility also contain covenants restricting our ability and our subsidiaries' ability to incur additional liens and indebtedness, enter into asset sales, or make certain investments.

As of December 31, 2020, we were in compliance with all restrictive covenants under our credit facilities. See Note 19 for further details.

Credit Ratings - As of April 9, 2021 our credit ratings with Standard and Poor's (S&P) are BB+ for our long-term secured debt and B for commercial paper program. Our credit ratings with Moody's are Ba1 for our long-term secured debt.

The contractual, undiscounted repayment schedule of financial liabilities are as follows:

(In millions)	2021	2022	2023	2024	2025	2026 and beyond	Total
Debt	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Interest on debt	58.1	51.0	32.1	24.2	18.7	73.3	257.4
Accounts payable, trade	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Derivative financial instruments	167.2	21.9	1.4	—	—	—	190.5
Redeemable financial liability	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Finance lease liabilities	279.4	191.5	137.1	117.6	79.2	471.4	1,276.2
Total financial liabilities as of December 31, 2020	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(In millions)	2020	2021	2022	2023	2024	2025 and beyond	Total
Debt	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Interest on debt	54.9	44.4	24.2	19.3	12.1	77.7	232.6
Accounts payable, trade	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Derivative financial instruments	141.3	37.3	13.2	2.2	—	—	194.0
Redeemable financial liability	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Finance lease liabilities	305.3	184.6	128.0	101.9	89.7	330.4	1,139.9
Total financial liabilities as of December 31, 2019	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

30.2 Foreign currency exchange rate risk

We conduct operations around the world in a number of different currencies. Many of our significant foreign subsidiaries have designated the local currency as their functional currency. Our earnings are therefore subject to change due to fluctuations in foreign currency exchange rates when the earnings in foreign currencies are translated into U.S. dollars. We do not hedge this translation impact on earnings. A 10% increase or decrease in the average exchange rates of all foreign currencies as of December 31, 2020, would have changed our revenue and profit (loss) before income taxes attributable to TechnipFMC by approximately $813.0 million and $38.0 million, respectively. A 10% increase or decrease in the average exchange rates of all foreign currencies as of December 31, 2019, would have changed our revenue and income before income taxes attributable to TechnipFMC by approximately $733.5 million and $19.1 million, respectively.

When transactions are denominated in currencies other than our subsidiaries' respective functional currencies, we manage these exposures through the use of derivative instruments. We primarily use foreign currency forward contracts to hedge the foreign currency fluctuation associated with firmly committed and forecasted foreign currency denominated payments and receipts. The derivative instruments associated with these anticipated transactions are usually designated and qualify as cash flow hedges, and as such the gains and losses associated with these instruments are recorded in other comprehensive income until such time that the underlying transactions are recognized. Unless these cash flow contracts are deemed to be ineffective or are not designated as cash flow hedges at inception, changes in the derivative fair value will not have an immediate impact on our results of operations since the gains and losses associated with these instruments are recorded in other comprehensive income. When the anticipated transactions occur, these changes in value of derivative instrument positions will be offset against changes in the value of the underlying transaction. When an anticipated transaction in a currency other than the functional currency of an entity is recognized as an asset or liability on the statement of financial position, we also hedge the foreign currency fluctuation of these assets and liabilities with derivative instruments after netting our exposures worldwide. These derivative instruments do not qualify as cash flow hedges.

Occasionally, we enter into contracts or other arrangements containing terms and conditions that qualify as embedded derivative instruments and are subject to fluctuations in foreign exchange rates. In those situations, we enter into derivative foreign exchange contracts that hedge the price or cost fluctuations due to movements in the foreign exchange rates. These derivative instruments are not designated as cash flow hedges.

For our foreign currency forward contracts hedging anticipated transactions that are accounted for as cash flow hedges, a 10% increase in the value of the U.S. dollar would have resulted in an additional loss of $68.4 million and $83.8 million in the net fair value of cash flow hedges reflected in our consolidated statement of financial position as of December 31, 2020 and 2019, respectively.

30.3 Interest rate risk

We assess effectiveness of forward foreign currency contracts designated as cash flow hedges based on changes in fair value attributable to changes in spot rates. We exclude the impact attributable to changes in the difference between the spot rate and the forward rate for the assessment of hedge effectiveness and recognize the change in fair value of this component immediately in earnings. Considering that the difference between the spot rate and the forward rate is proportional to the differences in the interest rates of the countries of the currencies being traded, we have exposure in the unrealized valuation of our forward foreign currency contracts to relative changes in interest rates between countries in our results of operations.

Our interest-bearing loans and borrowings were split between fixed and floating rate as follows:

(In millions)	December 31, 2020	December 31, 2019
Fixed Rate	$ [illegible]	$ [illegible]
Floating Rate	27.1	43.1
Total debt	$ [illegible]	$ [illegible]

Sensitivity analysis as of December 31, 2020

TechnipFMC's floating rate debt amounted to $27.1 million compared to an aggregate total debt of $3,954.1 million. To ensure liquidity, cash is invested on a short-term basis. Financial products are subject to fluctuations in currency interest rates.

As of December 31, 2020, the net short-term cash position of TechnipFMC (cash and cash equivalents, less short-term financial debts) amounted to $2,372.2 million.

As of December 31, 2020, a 1% (100 basis points) increase in interest rates would lower the fair value of the fixed rate synthetic bonds, senior notes and private placements by $40.9 million before tax. A 1% (100 basis points) decrease in interest rates would raise the fair value by $43.8 million before tax.

A 1% (100 basis points) increase in interest rates would generate an additional profit of $26.4 million before tax in the net cash position. A 1% (100 basis points) decrease in interest rates would generate a loss of the same amount.

Sensitivity analysis as of December 31, 2019

TechnipFMC's floating rate debt amounted to $43.1 million compared to an aggregate total debt of $4,475.4 million. To ensure liquidity, cash is invested on a short-term basis. Financial products are subject to fluctuations in currency interest rates.

As of December 31, 2019, the net short-term cash position of TechnipFMC (cash and cash equivalents, less short-term financial debts) amounted to $2,452.8 million.

As of December 31, 2019, a 1% (100 basis points) increase in interest rates would lower the fair value of the fixed rate synthetic bonds, senior notes and private placements by $53.7 million before tax. A 1% (100 basis points) decrease in interest rates would raise the fair value by $56.6 million before tax.

A 1% (100 basis points) increase in interest rates would generate an additional profit of $27.3 million before tax in the net cash position. A 1% (100 basis points) decrease in interest rates would generate a loss of the same amount

30.4 Credit risk

Valuations of derivative assets and liabilities reflect the value of the instruments, including the values associated with counterparty risk. These values must also take into account our credit standing, thus including in the valuation of the derivative instrument the value of the net credit differential between the counterparties to the derivative contract. Our methodology includes the impact of both counterparty and our own credit standing. Adjustments to our derivative assets and liabilities related to credit risk were not material for any period presented.

By their nature, financial instruments involve risk, including credit risk, for non-performance by counterparties. Financial instruments that potentially subject us to credit risk primarily consist of trade receivables, contract assets, contractual cash flows from our debt instruments (primarily loans), cash equivalents and deposits with banks, as well as derivative contracts. We manage the credit risk on financial instruments by transacting only with what management believes are financially secure counterparties, requiring credit approvals and credit limits, and monitoring counterparties' financial condition. Our maximum exposure to credit loss in the event of non-performance by the counterparty is limited to the amount drawn and outstanding on the financial instrument. We mitigate credit risk on derivative contracts by executing contracts only with counterparties that consent to a master netting agreement, which permits the net settlement of gross derivative assets against gross derivative liabilities.

We apply the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. TechnipFMC's trade receivables and contracts assets constitute a homogeneous portfolio. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. TechnipFMC has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on a selection of TechnipFMC's subsidiaries that cover a representative part of TechnipFMC's consolidated trade receivables and contract assets at each period end.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before December 31, 2020 or December 31, 2019, respectively, and the corresponding historical credit losses experienced within this period.

Credit risk exposure on our trade receivables and contract assets using a provision matrix are set out as follows:

	December 31, 2020					
	Days past due					
(In millions)	Current	Less than 3 months	3 to 12 months	Over 1 year	Total Trade Receivables	Contract Assets
Carrying amount - Gross	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Weighted average expected credit loss rate	—	—	—	—	0.18 %	0.18 %

	December 31, 2019					
	Days past due					
(In millions)	Current	Less than 3 months	3 to 12 months	Over 1 year	Total Trade Receivables	Contract Assets
Carrying amount - Gross	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Weighted average expected credit loss rate	—	—	—	—	0.16 %	0.16 %

NOTE 31. AUDITORS' REMUNERATION

Fees payable to TechnipFMC's auditors and its associates are as follows:

(In millions)		2020		2019
Audit Services				
Fees payable to TechnipFMC plc's auditors for the audit of its annual financial statements including 404B internal control and separation related audit fees	$	17.3	$	11.2
Fees payable to TechnipFMC plc's auditors and its associates for the audit of its subsidiaries		4.7		[illegible]
Total fees payable for audit services	$	22.0	$	15.7
Other Services				
Audit related services	$	3.5	$	8.4
Legal and tax compliance services		0.2		0.1
Other services		0.2		—
Total fees payable for other services	$	3.9	$	[illegible]

NOTE 32. SUBSIDIARIES, JOINT VENTURE UNDERTAKINGS AND EQUITY AFFILIATES

TechnipFMC's subsidiaries, joint venture undertakings and equity affiliates as of December 31, 2020 are listed below:

32.1 Directly owned subsidiaries

Company Name	Address	Share Class	Group interest held in %
AUSTRALIA			
Technip Australia Pty	1120 Hay Street, Perth WA 6000	Ordinary shares	100
CHINA			
Technip Chemical Engineering (Tianjin) Co., Ltd.	521 Jingjin, Road Tianjin	Equity interest	100
FRANCE			
Clecel SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
Compagnie Française De Réalisations Industrielles, Cofri SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
Cybernetix SAS	Technopôle de Château-Gombert 13382 Marseille Cedex 13	Ordinary shares	100
Middle East Projects International (Technip Mepi)	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
Safrel SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
Seal Engineering SAS	19, Avenue Feuchères 30000 Nîmes	Ordinary shares	100
Technip Corporate Services SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
Technip Eurocash SNC	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Equity interest	96[1]
Technip France SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
Technip Ingenierie Defense SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
Technip N-Power SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	77.79[1]

Company Name	Address	Share Class	Group interest held in %
Technip Offshore International SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
Technipnet SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
GERMANY			
Technip Zimmer GmbH	Friesstrasse 20 60388 Frankfurt am Main	Ordinary shares	100
ITALY			
Technip Italy S.P.A.	68, Viale Castello della Magliana 00148 Rome	Ordinary shares	100
TPL - Tecnologie Progetti Lavori S.P.A. In Liquidazione	68, Viale Castello della Magliana 00148 Rome	Ordinary shares	100
MALAYSIA			
Technip Far East Sdn Bhd	Suite 13.03, 13th Floor 207 Jalan Tun Razak Kuala Lumpur 50400	Ordinary shares	100
NETHERLANDS			
Technip Benelux B.V.	Afrikaweg 30 Zoetermeer 2713 AW	Ordinary shares	100
Technip Energies BV	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
Technip Holding Benelux B.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
Technip Oil & Gas B.V.	Afrikaweg 30 Zoetermeer 2713 AW	Ordinary shares	100
NEW CALEDONIA - FRENCH OVERSEAS TERRITORY			
Technip Nouvelle-Caledonie	27 bis Avenue du Maréchal Foch - Galerie CENTER FOCH - Centre-Ville B.P. 4460 98847 NOUMEA	Ordinary shares	100
NORWAY			
Kanfa AS	Philip Pedersens vei 7 1366 Lysaker	Ordinary shares	100
PANAMA			
Technip Overseas S.A.	East 53rd Street, Marbella, Humboldt Tower, 2nd Floor, Panama	Ordinary shares	100

Company Name	Address	Share Class	Group Interest held in %
RUSSIAN FEDERATION			
Technip Rus JSC	266 Litera O, Ligovsky Prospect 196084 St Petersburg	Ordinary shares	99.9
SINGAPORE			
Technip Energies Singapore Pte Ltd	149 Gul Circle 629605 Singapore	Ordinary shares	100
SPAIN			
Technip Iberia, S.A.	Building n° 8 - Floor 4th Plaça de la Pau s/n World Trade Center - Almeda Park - Cornellà de Llobregat 08940 Barcelone	Ordinary shares	100
SWITZERLAND			
Engineering Re AG	Vulkanstrasse 106 8048 Zurich	Ordinary shares	100
UNITED KINGDOM			
Technip E&C Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Technip PMC Services Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
TechnipFMC Corporate Holdings Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	88.03[1]
VENEZUELA			
Inversiones Dinsa, C.A.	Avenida Principal de La Urbina, calle 1 con calle 2 Centro Empresarial INECOM, piso 1, oficina 1-1 La Urbina, Minicipio Sucre 1070 Caracas	Ordinary shares	100
Technip Bolivar, C.A. en liquidation	523 Zona Industrial Matanzas, Planta De Bauxilum Puerto Ordaz Ciudad Bolivar	Ordinary shares	99.88[1]
VIETNAM			
Technip Vietnam Co., Ltd.	7F, Centec Tower Building 72-74 Nguyen Thi Minh Khai Street and 143-145B Hai Ba Trung Street, Ward 6, District 3, Ho Chi Minh City	Equity interest	100

[1] Subsidiary fully and indirectly owned by TechnipFMC, plc.

32.2 Indirectly owned subsidiaries

Company Name	Address	Share Class	Group Interest held in %
ALGERIA			
FMC Technologies Algeria SARL	Rue Shakespeare BT 08/10 Commune d'El Mouradia Algiers	Ordinary Shares	100
ANGOLA			
Angoflex Industrial Limitada	Rua 1 de Dezembro n° 15, Lobito, Província de Benguela	Ordinary Shares	70
Technip Angola-Engenharia, Limitada	Rua Rei Katyavala, N.°43-45, Edifício Avenca Plaza, 5°. Andar 5364 Luanda	Ordinary Shares	60
TechnipFMC Angola, Limitada	Rua Rei Katyavala, n.° 41-43, Edifício Avenca Plaza, 12.° Andar, Bairro e Distrito Urbano da Ingombota, Luanda, Angola	Ordinary Shares	49
ARGENTINA			
FMC Technologies Argentina S.R.L.	c/o Allende & Brea Maipú 1300, 10th Floor Buenos Aires C1006ACT	Equity interest	100
AUSTRALIA			
FMC Technologies Australia Limited	66 Sparks Road - Henderson WA 6166	Ordinary shares	100
Genesis Oil & Gas Consultants (Pty) Ltd	1120 Hay St, West Perth WA 6005	Ordinary shares	100

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Company Name	Address	Share Class	Group interest held in %
Technip Oceania Pty Ltd	1120 Hay St, West Perth WA 6005	Ordinary shares	100
BAHAMAS			
AMC Angola Offshore Ltd	c/o Trident Corporate Services Limited Provident House East Hill Street, Nassau	Ordinary shares	100
BELARUS			
Technip Bel	Pobediteley avenue, 17, room 1009 220004 Minsk	Ordinary shares	100
BRAZIL			
Cybernétix Produtos E Serviços Do Brasil Ltda. (In Liquidation)	Rua Dom Marcos Barbosa, nº 2, sala 402 20211-178, Cidade Nova, Rio de Janeiro	Equity interest	100
FMC Technologies do Brasil Ltda	Rodovia Presidente Dutra 2660 Pavuna - RJ - Brazil CEP 21535-900	Equity interest	100
Genesis Oil & Gás Brasil Engenharia Ltda.	Rua Paulo Emídio Barbosa, 485, quadra 4 (parte), Cidade Universitária cidade e estado do Rio de Janeiro, CEP: 21941-615	Equity interest	100
GLBL Brasil Oleodutos E Serviços Ltda.	Rua Dom Marcos Barbosa, nº 2, sala 602 (parte) 20211-178, Cidade Nova, Rio de Janeiro	Equity interest	100
Technip Brasil - Engenharia, Instalações e Apoio Marítimo Ltda.	Rua Dom Marcos Barbosa, nº 2, salas 202 (parte), 203, 204, 302, 303, 304, 403, 404, 503, 504, 603 e 604 20211-178, Cidade Nova, Rio de Janeiro	Equity interest	100
BRUNEI DARUSSALAM			
Technip Engineering (B) Sendirian Berhad	B6, Second Floor, Block B Shakirin Complex, Kampong Kiulap BE1518 Bandar Seri Begawan	Ordinary shares	93.10
CAMEROON			
FMC Technologies Cameroon SARL	Zone Portuaire/Place de l'Udeac, P.B. 12804, Bonanjo, Douala	Equity interest	100
CANADA			
TechnipFMC Canada Limited	c/o McInnes Cooper 5th Floor, 10 Fort William Place P.O. Box 5939, St John's, NL A1C 5X4 Newfoundland and Labrador	Ordinary shares	100
CHILE			
FMC Technologies Chile Limitada	Callao 2910, Office 704 Las Condes, Santiago	Equity interest	100
CHINA			
FMC Technologies Energy (Hong Kong) Limited	Suite 1106-8, 11/F., Tai Yau Building, No. 181 Johnston Road, Wanchai Hong Kong	Ordinary shares	100
FMC Technologies Energy Holdings (Shanghai) Ltd.	Suite 1106-8, 11/F., Tai Yau Building, No. 181 Johnston Road, Wanchai Hong Kong	Ordinary shares	100
FMC Technologies (Shanghai) Co., Ltd	Room 1903 No. 55 Ding'an Road Xuhui District, Shanghai	Equity interest	100
FMC Technologies (Shenzhen) Co., Ltd.	Room H, 12/F, Times Plaza, 1 Taizi Road, Shekou, Nanshan District 518607 Shenzhen	Equity interest	100
Gydan Yard Management Services (Shanghai) Co., Ltd.	ARCTIC LNG 2 18F N°1329 Middle Huaihai Road, Shanghai 200031	Ordinary shares	84.9
Shanghai Technip Trading Company	Room 1903, 55 Ding'An Road, Shanghai	Equity interest	100
Technip Engineering Consultant (Shanghai) Co., Ltd.	Room 1902, 55 Ding'An Road, Shanghai	Equity interest	100
CYPRUS			
Subtec Marine Services Limited	3 Chrysanthou Mylona, P.C.3030 Limassol	Ordinary shares	100
EGYPT			

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Company Name	Address	Share Class	Group interest held in %
FMC Technologies Egypt LLC	2nd floor, building No. 80 located at Road 250 Maadi El Sarayat, Maadi	Ordinary shares	100
EQUATORIAL GUINEA			
Technipfmc Equatorial Guinea SARL	Carretera de Aeropuerto, KM 5, APDO 925, Malabo	Ordinary shares	65
FRANCE			
Angoflex SAS	ZAC Danton 92400 Courbevoie	Ordinary shares	100
Consorcio Intep SNC	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Equity interest	90
Cyxplus SAS	Technopôle de Château-Gombert 13382 Marseille Cedex 13	Ordinary shares	100
Flexi France SAS	Rue Jean Huré 76580 Le Trait	Ordinary shares	100
FMC Loading Systems SAS	Route des Clérimois 89100 Sens	Ordinary shares	100
FMC Technologies Overseas, SAS	Bâtiment C, Rue Nelson Mandela, Zone ECOParc, 89100 Sens	Ordinary shares	100
FMC Technologies SAS	Bâtiment C, Rue Nelson Mandela, Zone ECOParc, 89100 Sens	Ordinary shares	100
Gydan LNG SNC	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	84
Gygaz SNC	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	84.85
SCI les Bessons	Technopôle de Château-Gombert 13382 Marseille Cedex 13	Equity interest	100
Technip Normandie SAS	14 rue Linus Carl Pauling PAT La Vatine 76130 Mont-Saint-Aignan	Ordinary shares	100
GABON			
FMC Technologies Gabon S.A.R.L.	Boite Postale (B.P) 277 Port Gentil	Equity interest	90
GERMANY			
F.A. Sening GmbH	Regentstraße 1 25474 Ellerbek	Ordinary shares	100
Smith Meter GmbH	Regentstraße 1 25474 Ellerbek	Ordinary shares	100
GHANA			
FMC Technologies (Ghana) Limited	Commercial Port Gate 2 Takoradi P.O. Box CT 42, Cantonments, Accra	Ordinary shares	100
GNPC-TechnipFMC Engineering Services Limited	6th Floor, One Airport Square, Airport City, Accra PMB CT 305 Cantonments, Accra	Ordinary shares	70
GUYANA			
TechnipFMC Guyana INC.	c/o Cameron & Shepherd 2 Avenue of the Republic, Georgetown	Ordinary shares	100
INDIA			
FMC Technologies India Private Limited	Plot No.27(Part) Survey No. 124, Road No 12, Commerzone, Raheja IT Park, Opp. Institute of Preventive Medicine, Industrial Park, IDA Nacharam, Hyderabad, Telangana 500 076	Ordinary shares	100
Technip Global Business Services Private Limited	9th Floor, World Trade Tower (WTT) Tower-B C-1, Sector 16, Noida - 201301, U.P 201301 Noida	Ordinary shares	100
Technip India Limited	B-22, Okhla Phase, 1 Industrial Area 110020 New Delhi	Ordinary shares	100
INDONESIA			
PT FMC Santana Petroleum Equipment Indonesia	Jalan Cakung Cilincing Raya KM 2.5 Semper, Jakarta 14130	Ordinary shares	60

Company Name	Address	Share Class	Group interest held in %
PT FMC Technologies Subsea Indonesia	Metropolitan Tower Lantai 15 Unit B, JL RA Kartini TB Simatupang Kav 14 RT/RW 010/04, Cilandak Barat, Cilandak, Jakarta Selatan 12430	Ordinary shares	100
IRAQ			
F.M.C Petroleum Services Ltd.	English Village Compound House 161 - Gulan Street - Erbil	Ordinary shares	100
Advanced Oil Services LLC	Al Mansour - District 609 - Alley 23, Building 70 - Office 15, Baghdad	Equity interest	100
ISLE OF MAN			
Subtec Asia Ltd	Burleigh Manor, Peel Road Douglas IM1 5EP	Ordinary shares	100
ITALY			
Consorzio Technip Italy Procurement Services - TIPS	68, Viale Castello della Magliana 00148 Rome	Equity interest	100
FMC Technologies S.r.l. a socio unico	Via Thomas Alva Edison n.110 ed. A 20099 Sesto San Giovanni (MI),	Equity interest	100
Technip Italy Direzione Lavori S.P.A.	68, Viale Castello della Magliana 00148 Rome	Ordinary shares	100
JERSEY			
CSO Oil & Gas Technology (West Africa) Ltd	26 New Street, St. Helier, Jersey, JE2 3RA	Ordinary shares	100
KAZAKHSTAN			
FMC Technologies Kazakhstan LLP	43/5 building, industrial zone 3 Birlik residential area, 130006 Kyzyltobe village, Munaily district Mangistau Region	Equity interest	100
TKJV LLP	Karagandy district, Karaganda city, Kazybek bi district, av.Abdirova, bld. 3, postal index 100009	Participatory Interest	49.5
LUXEMBOURG			
FMC Technologies Global Rental Tools S.a r.l	8-10 avenue de la Gare 1610 Luxembourg	Ordinary shares	100
FMC Technologies Tool Holdings S.ar.l	8-10 avenue de la Gare 1610 Luxembourg	Ordinary shares	100
MALAYSIA			
Asiaflex Products Sdn. Bhd.	Suite 13.03, 13th Floor 207 Jalan Tun Razak 50400 Kuala Lumpur	Ordinary shares	65.75
Flexiasia Sdn Bhd	Suite 13.03, 13th Floor 207 Jalan Tun Razak 50400 Kuala Lumpur	Ordinary shares	48.89
FMC Petroleum Equipment (Malaysia) Sdn. Bhd.	Suite 13.03, 13th Floor 207 Jalan Tun Razak 50400 Kuala Lumpur	Ordinary shares	100
FMC Technologies Global Supply Sdn. Bhd.	Suite 13.03, 13th Floor 207 Jalan Tun Razak 50400 Kuala Lumpur	Ordinary shares	100
Genesis Oil & Gas Consultants Malaysia Sdn. Bhd.	Suite 13.03, 13th Floor 207 Jalan Tun Razak 50400 Kuala Lumpur	Ordinary shares	100
MAURITIUS			
Coflexip Stena Offshore (Mauritius) Ltd.	33, Edith Cavell Street 11324 Port Louis	Ordinary shares	100
GIL Mauritius Holdings Ltd	33, Edith Cavell Street 11324 Port Louis	Ordinary shares	100
Global Construction Mauritius Services Ltd (In Liquidation)	33, Edith Cavell Street 11324 Port Louis	Ordinary shares	100
Global Vessels Mauritius, Ltd. (In Liquidation)	33, Edith Cavell Street 11324 Port Louis	Ordinary shares	100
MEXICO			
FMC Technologies de México S.A. de R.L de C.V.	FMC Technologies de Mexico, S.A. de C.V. Laurel Lote 41, Manzana 19, Col. Bruno Pagliai Veracruz, Veracruz C.P. 91697	Ordinary shares	100

Company Name	Address	Share Class	Group interest held in %
FMC Technologies Servicios Corporativos, S. de R.L de C.V.	FMC Technologies de Mexico, S.A. de C.V. Laurel Lote 41, Manzana 19, Col. Bruno Pagliai Veracruz, Veracruz C.P. 91697	Ordinary shares	100
Global Industries Mexico Holdings S. de R.L. de C.V.	Vasco de Quiroga 3000 Edificio Calakmul piso 6 Colonia Santa Fe CP 01210 México, D.F. México	Ordinary shares	100
Global Industries Services, S. de R.L. de C.V.	Vasco de Quiroga 3000 Edificio Calakmul piso 6 Colonia Santa Fe CP 01210 México, D.F. México	Class A, B and N	100
Global Offshore Mexico, S. de R.L. de C.V.	Vasco de Quiroga 3000 Edificio Calakmul piso 6 Colonia Santa Fe CP 01210 México, D.F. México	Ordinary shares	100
Global Vessels Mexico, S. de R.L. de C.V.	Vasco de Quiroga 3000 Edificio Calakmul piso 6 Colonia Santa Fe CP 01210 México, D.F. México	Ordinary shares	99
Technip De Mexico S. de R.L. de C.V.	Blvd. Manuel Ávila Camacho 36, Piso 10, Oficina 1058 Lomas De Chapultepec I Sección. C. P. 11000, Alcaldía Miguel Hidalgo Ciudad de México, México	Ordinary shares	100
TP Energies Servicios Mexico, S. de R.L. de C.V.	Blvd. Manuel Ávila Camacho 36, Piso 10, Oficina 01 Lomas De Chapultepec I Sección. C. P. 11000, Alcaldía Miguel Hidalgo Ciudad de México, México	Ordinary shares	100
TP Oil & Gas Mexico, S. de R.L. de C.V.	Avenida de la Marina Oficina 1 Baja California 22800	Ordinary shares	100
MOZAMBIQUE			
Technip Mozambique Lda	Distrito Urbano 1, Bairro Central Avenida da Vladmir Lénine n.°1123 Ed. Topázio 8° andar Maputo	Ordinary Shares	100
FMC Technologies Mozambique Lda	Distrito Urbano 1, Av. Zedequias Manganhela no 257, 5 Andar (5th floor), Maputo Cidade	Ordinary Shares	100
MYANMAR			
Technip Myanmar Co. Ltd	No. 18 G/F, Ground Floor Tha Pyay Nyo Street, Shin Saw Pu Quarter Sanchaung Township 11201	Ordinary shares	100
NETHERLANDS			
FMC Separation Systems B.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
FMC Technologies B.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
FMC Technologies Brazil Finance B.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
FMC Technologies Global B.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
FMC Technologies International Services B.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
FMC Technologies Surface Wellhead B.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
TSLP B.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
Technip EPG B.V.	Barbizonlaan 50 Capelle aan den Ijssel 2908 ME	Ordinary shares	100
TechnipFMC PLSV BV	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
TechnipFMC PLSV CV	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100

Company Name	Address	Share Class	Group Interest held In %
Technip Offshore Contracting B.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
Technip Offshore N.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
Technip Ships (Netherlands) B.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
TechnipFMC Cash B.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
TechnipFMC International Holdings B.V.	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares Preferred shares	100 100
TechnipFMC Pipelaying BV	Zuidplein 126, WTC, Tower H, 15th Fl. Amsterdam 1077XV	Ordinary shares	100
NIGERIA			
Global Pipelines Plus Nigeria Ltd.	7 Town Planning way, Ilupeju, Lagos	Ordinary shares	99.99
Neptune Maritime Nigeria Ltd.	Neptune Base, Rumuolumeni PMB 017 (Trans Amadi), Rivers State Port Harcourt	Ordinary shares	66.91
TechnipFMC Nigeria Limited	22A Gerrard Road Ikoyi Lagos	Ordinary shares	100
Technip Offshore (Nigeria) Ltd	22A, Gerrard Road, Ikoyi, Lagos.	Ordinary shares	100
NORWAY			
Agat Technology AS	Lagerveien 23 4033 Stavanger	Ordinary shares	51
FMC Kongsberg Subsea AS	Kirkegårdsveien 45 3616 Kongsberg	Ordinary shares	100
FMC Technologies Norway AS	Kirkegårdsveien 45 3616 Kongsberg	Ordinary shares	100
Technip - FMC IEPCI DA (In liquidation)	Philip Pedersens vei 7 1366 Lysaker	Equity interest	100
Genesis Oil & Gas Consultants Norway AS	Moseidsletta 122 4033 Stavanger	Ordinary shares	100
Technip Chartering Norge AS	Philip Pedersens vei 7 1366 Lysaker	Ordinary shares	100
Technip Norge AS	Philip Pedersens vei 7 1366 Lysaker	Ordinary shares	100
TechnipCoflexip Norge AS	Philip Pedersens vei 7 1366 Lysaker	Ordinary shares	100
POLAND			
FMC Technologies Sp.z.o.o.	al. Gen. Tadeusza Bora-Komorowskiego 25b Buma Quattro Complex Buidling B 31-476 Krakow	Ordinary shares	100
Technip Polska Sp. Z o.o.	ul. Promyka No.13, suite 4, 01-604 Warsaw	Ordinary shares	100
PORTUGAL			
Angoltech, SGPS, LDA.	Centro Empresarial Torres de Lisboa, Rua Tomás da Fonseca, Torre E, Piso 9 1600-209 Lisboa	Ordinary shares	100
Lusotechnip Engenharia, Sociedade Unipessoal Lda.	Centro Empresarial Torres de Lisboa, Rua Tomás da Fonseca, Torre E, Piso 9 1600-209 Lisboa	Ordinary shares	100
RUSSIAN FEDERATION			
FMC Eurasia LLC	31 Bolshaya Yakimanka, 31, office 401, 119180 Moscow	Ordinary shares	100
Rus Technip LLC	Prechistenka, str. 40/2, building 1, office XXVII, 4th floor, 119034 Moscow	Ordinary shares	51
Arctic Energies LLC	The site 1, territory TOR "Stolica Arctiki" Kolsky District, Murmansk Region	Ordinary shares	100
SAUDI ARABIA			
FMC Technologies Saudi Arabia Limited	PO Box 3076 2nd Industrial City Dammam 34326, Eastern Province	Ordinary shares	100

Company Name	Address	Share Class	Group interest held in %
Technip Saudi Arabia Limited	Dhahran Center Building - 5th Floor, Suite #501 Dharan Street, P.O. Box 30893 31952 Al-Khobar	Ordinary shares	76
TPL Arabia	Dhahran Center Building - 5th Floor, Suite #501 Dharan Street, P.O. Box 30893 31952 Al-Khobar	Ordinary shares	90
SINGAPORE			
Coflexip Singapore Pte Ltd	149 Gul Circle 629605 Singapore	Ordinary shares	100
FMC Technologies Global Services Pte. Ltd.	149 Gul Circle 629605 Singapore	Ordinary shares	100
FMC Technologies Singapore Pte. Ltd.	149 Gul Circle 629605 Singapore	Ordinary shares	100
Technip Singapore Pte. Ltd.	149 Gul Circle 629605 Singapore	Ordinary shares	100
TP-NPV Singapore Pte Ltd	149 Gul Circle 629605 Singapore	Ordinary shares	100
SOUTH AFRICA			
FMC Technologies (Pty.) Ltd.	Koper Street Brackenfell 7560, Kape Town	Ordinary shares	100
Technip South Africa (Pty.) Ltd	13, Sloane Street, Epsom Downs OfficePark, Optimum House, Bryanston, 2021, Johannesburg	Ordinary shares	100
SPAIN			
Global Industries Offshore Spain, S.L.	Arturo Soria 263B 28003 Madrid	Ordinary shares	100
SWITZERLAND			
FMC Kongsberg International GmbH	Bahnofstrasse 10 6300 Zurich	Ordinary shares	100
FMC Technologies GmbH	Bahnofstrasse 10 6300 Zug	Ordinary shares	100
Technipetrol AG	Industriestrasse 13c CH-6304 Zug	Ordinary shares	100
THAILAND			
Global Industries Offshore (Thailand), Ltd.	18th Floor, Sathorn Thani Building 2, No. 92/52, North Sathorn Road, Kwaeng Silom, Khet Bangrak, Bangkok 10500	Ordinary shares	100
Technip Engineering (Thailand) Co. Ltd	20th Floor - Suntowers Building A 123 Vibhavadee - Rangsit Road Chatuchak, Bangkok 10900	Ordinary shares	74
TUNISIA			
FMC Technologies Service SARL	Rue Lac Tanganyika, Immeuble Junior, Bureaux 2-3, Les Berges du Lac, 1053, La Marsa,Tunis	Ordinary shares	100
UNITED ARAB EMIRATES			
Multi Phase Meters FZE	Office LB14414, P.O. Box 262274 Jebel Ali Free Zone, Dubai	Ordinary shares	100
Technip Middle East FZCO	Office LB15310, P.O. Box 17864 Jebel Ali Free Zone Dubai	Ordinary shares	100
TechnipFMC Gulf FZE	Office LB15325, Jebel Ali Free Zone Dubai	Ordinary shares	100
UNITED KINGDOM			
AABB Limited	One St Paul's Churchyard London EC4M 8AP	48,880 Ordinary (equity) of 1p each 4,937,630 Ordinary deferred of 10p each	100 100
Coflexip (UK) Ltd	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Control Systems International (UK) Limited	One St. Paul's Churchyard, London, EC4M 8AP	Ordinary shares	100
Crosby Services International Ltd.	Enterprise Drive, Westhill, Aberdeenshire, AB32 6TQ	Ordinary shares	100

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Company Name	Address	Share Class	Group interest held in %
Cybernetix S.R.I.S. Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Forsys Subsea Limited (In liquidation)	Birchin Court 20 Birchin Lane London, EC3V 9DU	Share A Share B	100
Genesis Oil & Gas Consultants Ltd	One St Paul's Churchyard London EC4M 8AP	Share A Share B	100
Genesis Oil & Gas Ltd	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
FMC Kongsberg Services Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
FMC/KOS West Africa Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
FMC Technologies Global Business Services Ltd. (In liquidation)	C/o Johnston Carmichael LLP Bishop's Court 29 Albyn Place Aberdeen, AB10 1YL	Ordinary shares	100
FMC Technologies Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
FMC Technologies Pension Plan Ltd	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Spoolbase UK Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Subsea I & C Services Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Subsea Maritime Services Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Subsea Offshore Services Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Schilling Robotics Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Technip Maritime UK Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Technip Offshore Holdings Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Technip Offshore Manning Services Ltd	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Technip Services Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Technip Ships One Ltd	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Technip UK Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Technip-Coflexip UK Holdings Ltd	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
TechnipFMC DSV3 Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
TechnipFMC (Europe) Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
TechnipFMC Finance ULC	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
TechnipFMC Holdings Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares A Ordinary shares B	100
TechnipFMC International Finance Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
TechnipFMC International UK Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
TechnipFMC Umbilicals Ltd	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
West Africa Subsea Services Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
UNITED STATES			

Company Name	Address	Share Class	Group interest held in %
Badger Licensing LLC	Corporation Service Company 251 Little Falls Drive Wilmington, DE 19808	Membership interest	100
Badger Technologies, LLC	c/o CT Corporation System 3867 Plaza Tower Baton Rouge, Louisiana, 70816	Membership interest	100
Badger Technology Holdings, LLC	c/o CT Corporation System 3867 Plaza Tower Baton Rouge, Louisiana, 70816	Membership interest	100
Control Systems International, Inc.	c/o CT Corporation Company, Inc. 3800 North Central Avenue, Suite 460 Topeka, Kansas 66603	Ordinary shares	100
Deepwater Technologies Inc	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Ordinary shares	75
FMC Subsea Service, Inc.	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Ordinary shares	100
FMC Technologies Energy LLC	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Membership interest	100
FMC Technologies, Inc.	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Ordinary shares	100
FMC Technologies Measurement Solutions, Inc.	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Ordinary shares	100
FMC Technologies Overseas Ltd.	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Ordinary shares	100
FMC Technologies Separation Systems, Inc.	c/o CT Corporation System 1999 Bryan Street, Suite 900 Dallas, Texas 75201	Ordinary shares	100
FMC Technologies Surface Integrated Services, Inc.	c/o The Corporation Company 7700 E Arapahoe Road, Suite 220 Centennial, Colorado 80112-1268	Ordinary shares	100
FMX, LLC	c/o CT Corporation System 1999 Bryan Street, Suite 900 Dallas, Texas 75201	Membership interest	100
Schilling Robotics, LLC	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Membership interest	100
Subtec Middle East Ltd	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Ordinary shares	100
Technip E&C, Inc.	c/o CT Corporation System 1999 Bryan Street, Suite 900 Dallas, Texas 75201	Ordinary shares	100
Technip Energy & Chemicals International, Inc.	c/o CT Corporation System 3867 Plaza Tower Baton Rouge, Louisiana, 70816	Ordinary shares	100
Technip Process Technology, Inc.	c/o CT Corporation System 3867 Plaza Tower Baton Rouge, Louisiana, 70816	Ordinary shares	100
Technip S&W Abu Dhabi, Inc.	c/o CT Corporation System 3867 Plaza Tower Baton Rouge, Louisiana, 70816	Ordinary shares	100
Technip S&W International, Inc.	c/o CT Corporation System 3867 Plaza Tower Baton Rouge, Louisiana, 70816	Ordinary shares	100
Technip Stone & Webster Process Technology, Inc	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Ordinary shares	100

Company Name	Address	Share Class	Group interest held in %
Technip USA, Inc.	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Ordinary shares	100
TechnipFMC Umbilicals, Inc.	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Ordinary shares	100
TechnipFMC USA, Inc	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Ordinary shares	100
TechnipFMC US Holdings Inc.	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Ordinary shares	100
TechnipFMC US LLC 1	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Membership Interest	100
TechnipFMC US LLC 2	c/o The Corporation Trust Company 1209 Orange Street Wilmington, Delaware 19801	Membership Interest	100
The Red Adair Company, L.L.C.	c/o CT Corporation System 3867 Plaza Tower Baton Rouge, Louisiana, 70816	Membership interest	100
VENEZUELA			
FMC Wellhead de Venezuela, S.A.	Av. 62 # 147-35, Zona Industrial, Maracaibo, Zulia State, 4001	Ordinary shares	100
Technip Velam, S.A	Av. Principal con Calle 1 y Calle 2 Centro Empresarial Inecom Piso 1 - La Urbina 1060 Caracas	Ordinary shares	100
VIETNAM			
FMC Technologies (Vietnam) Co., Ltd.	No. 29, Le Duan Street Ben Nghe Ward, Distric 1 Ho Chi Minh City	Equity interest	100

32.3 Joint ventures

Company Name	Address	Share Class	Group interest held in %
BAHRAIN			
TTSJV W.L.L.	P.O. Box 28110 Muharraq – Block 215, Rd 1531, Bldg 1130, Flt.12, Kingdom of Bahrain	Ordinary shares	36
ESTONIA			
Ingenium Baltic OU	Teaduspargi 8, 12618 Tallinn	Ordinary shares	70
FRANCE			
South Tambey LNG	5 place de la Pyramide 92088 La Défense Cedex	Equity interest	50
TP JGC Coral France SNC	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Equity interest	50
Yamgaz SNC	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Equity interest	50
ITALY			
Consorzio Technip Italy Worley Parsons	Viale Castello della Magliana, 68 00148 Roma	Equity interest	90
TP - HQC S.R.L.	68, Viale Castello della Magliana 00148 Rome	Equity interest	51
MOZAMBIQUE			
ENHL- TechnipFMC Mozambique, LDA	Av. Vladimir Lenine, 1123, 7° Andar | Edifício Topázio | Maputo	Ordinary shares	51
JGC Fluor TechnipFMC Moçambique, LDA	Av. Vladimir Lenine, 1123, 7° Andar | Edifício Topázio | Maputo	Ordinary shares	33.33

Company Name	Address	Share Class	Group interest held in %
TP JGC Coral Mozambique	Av. Vladimir Lenine, 1123, 7° Andar | Edifício Topázio | Maputo	Ordinary shares	50
NETHERLANDS			
Etileno XXI Holding B.V.	Kleine Houtweg 33 Haarlem 2012 CB	Ordinary shares	50
NIGERIA			
B7JV(Nigeria) Limited	3rd Floor, WAEC Office Complex, 10, Zambezi Crescent, Maitama, Abuja, FCT Maitama	Ordinary shares	33.33
NORWAY			
Anchor Contracting AS	Bryggegata 9 0250 Oslo	Ordinary shares	51
Dofcon Brasil AS	Thormohlens Gate 53 C 5006 Bergen	Ordinary shares	50
Inocean AS	Bryggegata 3 0250 Oslo	Ordinary shares	51
Inocean Marotec AS	Bryggegata 9 0250 Oslo	Ordinary shares	46
Marine Offshore AS	Vollsveien 17A 1327 Lysaker	Ordinary shares	51
TechDOF Brasil AS	ThormØhlens Gate 53C, 5006 Bergen	Ordinary shares	50
Technip-DeepOcean PRS JV DA	Killingøy 5515 Haugesund	No capital	50
TIOS AS	Lagerveien 23 4033 Stavanger	Ordinary shares	51
TIOS Crewing AS	Lagerveien 23 4033 Stavanger	Ordinary shares	51
POLAND			
Inocean Poland Sp Z.o.o	ul. Dubois 20 71-610 Szczecin	Ordinary shares	51
PORTUGAL			
TSKJ - Serviços De Engenharia, Lda.	Avenida Arriaga, n.º 30, 1.º andar - H Funchal (Sé) 9000 064, Ilha da Madeira	Ordinary shares	25
SAUDI ARABIA			
Global Al Rushaid Offshore Ltd	P O Box No 31685 31952 Al Khobar	Ordinary shares	50
Technip Italy S.p.A. & Dar Al Riyadh for Engineering Consulting	Khobar Business Gate, Tower B, 7th Floor, King Faisal Bin Abdul-Aziz Road 34423 Al-Khobar	Ordinary shares	60
SWEDEN			
Inocean AB	Gårdatorget 1 SE-412 50 Gothenburg	Ordinary shares	51
THAILAND			
Technip (Thailand) Ltd	20th Floor - Suntowers Building A 123 Vibhavadee - Rangsit Road Chatuchak, Bangkok 10900	Ordinary shares	49
UNITED ARAB EMIRATES			
Yemgas FZCO	Office LB03031 P.O. Box No.17891 Jebel Ali Free Zone - Dubai	Ordinary shares	33.33
UNITED KINGDOM			
B7JV(UK) Limited	Hill Park Court Springfield Drive, Leatherhead, Surrey, KT22 7NL	Ordinary shares	33.33
TechnipFMC Island Offshore Subsea UK Ltd	Pavilion 2, Aspect 32 Prospect Road, Arnhall Business Park, Westhill AB32 6FE Aberdeenshire	Ordinary shares	51
UNITED STATES			

Company Name	Address	Share Class	Group interest held in %
FMC Technologies Offshore, LLC	c/o The Corporation Trust Center 1209 Orange Street Wilmington, Delaware 19801 USA	Ownership based on Contributions	50
Spars International Inc.	c/o CT Corporation System 1999 Bryan Street, Suite 900 Dallas, Texas 75201 USA	Class A Common Stock	50

32.4 Associated undertakings

Company Name	Address	Share Class	Group interest held in %
BOSNIA AND HERZEGOVINA			
Petrolinvest, D.D. Sarajevo	Tvornicka 3 71000 Sarajevo	Ordinary shares	33
BRAZIL			
FSTP Brasil Ltda.	Rua Visconde de Inhaúma, n.º 83, 17 e 18 andares, Centro, Cidade e Estado do Rio de Janeiro	Ordinary shares	25
CHINA			
HQC - TP Co. Ltd	n° 7 Yinghuayuan Dongjie, Chaoyang District Pechino	Equity interest	49
COLOMBIA			
Tipiel, S.A.	Calle 38 # 8-62 Piso 3 Santafe De Bogota D.C.	Ordinary shares	56.5
FINLAND			
Creowave Oy	Yrttipellontie 10 H 90230 Oulu	Ordinary shares	24.9
FRANCE			
Novarctic SNC	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	33.33
Oceanide	Port de Brégaillon 83502 La Seyne sur Mer	Ordinary shares	23.10
Serimax Holdings SAS	346 rue de la Belle Etoile 95700 Roissy en France	Ordinary shares	20
GHANA			
TechnipFMC Ghana Limited	6th Floor, One Airport Square 00233 Accra	Ordinary shares	49
INDONESIA			
PT Technip Indonesia	Metropolitan Tower, 15th Florr, JL. R. A. Kartini Kav. 14 (T.B Simatupang), Cilandak Jakarta Selatan 12430	Ordinary shares	42.1
MALAYSIA			
FMC Wellhead Equipment Sdn. Bhd.	Suite 13.03, 13th Floor 207 Jalan Tun Razak 50400 Kuala Lumpur	Ordinary shares	49
Technip Consultant (M) Sdn. Bhd	Suite 13.03, 13th Floor 207 Jalan Tun Razak 50400 Kuala Lumpur	Ordinary shares	25
Technip Geoproduction (M) Sdn. Bhd.	Suite 13.03, 13th Floor 207 Jalan Tun Razak 50400 Kuala Lumpur	Ordinary shares	31
Technip Marine (M) Sdn Bhd	Suite 13.03, 13th Floor 207 Jalan Tun Razak 50400 Kuala Lumpur	Ordinary shares	49
NETHERLANDS			
Etileno XXI Services B.V.	Prins Bernhardplein 200 Amsterdam 1097 JB	Ordinary shares	40
NORWAY			

Company Name	Address	Share Class	Group interest held in %
Kongsberg Technology Training Centre AS	Kirkegårdsveien 45 3616 KONGSBERG	Ordinary shares	33.33
RUSSIA			
LNG Nova Engineering LLC	Room 1,2 Premises XXXV, ul. Akademika Pilyugina 22 Moscow 117393	Ordinary shares	34.90
SINGAPORE			
FSTP Pte Ltd	50 Gul road 629351 Singapore	Ordinary shares	25
UNITED ARAB EMIRATES			
CTEP Free Zone Company	Jebel Ali Free Zone - Office 10007 P.O. Box 261645 Dubaï	Ordinary shares	40
UNITED KINGDOM			
Magma Global Limited	Magma House, Trafalgar Wharf, Hamilton Road, Portsmouth, PO6 4PX	Ordinary shares	25

NOTE 33. SUBSEQUENT EVENTS

On February 16, 2021, we completed the Spin-off. In connection with the Spin-off, on January 7, 2021, Bpifrance Participations SA ("BPI"), which has been one of our substantial shareholders since 2009, entered into a share purchase agreement with us (the "Share Purchase Agreement") pursuant to which BPI agreed to purchase a portion of our retained stake in Technip Energies N.V. (the "BPI Investment") for $200.0 million (the "Purchase Price"). On February 25, 2021, BPI paid 200.0 million in connection with the Share Purchase Agreement. The Purchase Price was subject to adjustment, and BPI's ownership stake was determined based upon a thirty day volume-weighted average price of Technip Energies N.V.'s shares (with BPI's ownership collared between an 11.82 percentage floor and a 17.25 percentage cap), less a six percent discount. The BPI Investment was subject to customary conditions and regulatory approval.

On March 31, 2021 pursuant to the Share Purchase Agreement BPI exercised its right and purchased from TechnipFMC 7.5 million shares in Technip Energies N.V. for $100.0 million. On April 8, 2021 we refunded $100.0 million to BPI as a result of their revised level of investment. We intend to significantly reduce our remaining shareholding in Technip Energies N.V. over the 18 months following the Spin-off.

Pursuant to the Separation and Distribution Agreement, signed between TechnipFMC and Technip Energies in connection with the Spin-off, we and Technip Energies each agreed to cross-indemnities principally designed to allocate financial responsibility for the obligations and liabilities of our business to us and those of Technip Energies' business to it.

In connection with the Spin-off, we executed a series of refinancing transactions, in order to provide a capital structure with sufficient cash resources to support future operating and investment plans.

On February 16, 2021, we entered into a new senior secured revolving credit facility (the "Revolving Credit Facility") that provides for aggregate revolving capacity of up to $1.0 billion. Availability of borrowings under the Revolving Credit Facility is reduced by any outstanding letters of credit issued against the facility.

On January 29, 2021, we issued $1.0 billion of 6.5% senior notes due 2026 (the "2021 Notes"). The interest on the 2021 Notes is paid semi-annually on February 1 and August 1 of each year, beginning on August 1, 2021. The 2021 Notes are senior unsecured obligations and are guaranteed on a senior unsecured basis by substantially all of our wholly-owned U.S. subsidiaries and non-U.S. subsidiaries in Brazil, the Netherlands, Norway, Singapore and the United Kingdom.

The proceeds from the debt issuance described above along with the available cash on hand were used to fund the repayment of all $522.8 million of the outstanding Synthetic Convertible Bonds that matured in January 2021 and the repayment of all $500.0 million aggregate principal amount of outstanding 3.45% Senior Notes due 2022.

In addition, we terminated the $2.5 billion senior unsecured revolving credit facility we entered into on January 17, 2017 and terminated the €500.0 million Euro Facility and CCFF Program we entered into on May 19, 2020. In connection with the termination of these credit facilities, we repaid most of the outstanding commercial paper borrowings, which were $1,525.2 million as of December 31, 2020.

NOTE 34. RECONCILIATION OF US GAAP TO IFRS

In accordance with the Securities and Exchange Commission ("SEC"), TechnipFMC is required to prepare its Annual Report on Form 10-K for the three years ended December 31, 2020 in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and SEC rules and regulations pertaining to annual financial information.

To assist TechnipFMC's shareholders in understanding the differences in the basis of preparation of the TechnipFMC's consolidated financial statements, the tables below set out reconciliations from US GAAP to IFRS for Net Loss attributable to TechnipFMC plc for the years ended December 31, 2020 and 2019, respectively, together with a reconciliation of Total Equity from US GAAP to IFRS as of December 31, 2020 and 2019. These reconciliations set out all significant differences which are expected to result from the conversion from US GAAP to IFRS.

In the consolidated financial statements as of December 31, 2020 and for the two years then ended, the main differences between US GAAP and IFRS for TechnipFMC relate to the following:

(In millions)	**December 31,**	
	2020	**2019**
[illegible]	[illegible]	[illegible]
Leases	(50.9)	(25.0)
Goodwill	[illegible]	[illegible]
Impairment of property, plant and equipment	(24.9)	(18.1)
Defined benefit plans	[illegible]	[illegible]
Hedge accounting	3.8	8.5
LIFO adjustments	[illegible]	[illegible]
Expected credit losses	—	(9.6)
Equity method investments	[illegible]	[illegible]
Other	(6.5)	6.1
Total equity in accordance with IFRS	[illegible]	[illegible]

(In millions)	**Year Ended**	
	2020	**2019**
Net loss attributable to TechnipFMC plc in accordance with US GAAP	$ (3,287.6)	$ (2,415.2)
Leases	[illegible]	[illegible]
Goodwill	86.0	(30.0)
Impairment of property, plant and equipment	[illegible]	[illegible]
Defined benefit plans	(10.3)	(25.5)
Hedge accounting	[illegible]	[illegible]
LIFO adjustments	0.7	3.0
Expected credit losses	[illegible]	[illegible]
Equity method investments	—	33.7
Other	[illegible]	[illegible]
Net loss attributable to TechnipFMC plc in accordance with IFRS	$ (3,258.4)	$ (2,454.0)

Leases

Under the US GAAP leasing accounting guidance at lease commencement, a lessee classifies a lease as a finance lease or an operating lease. Under the IFRS accounting guidance, almost all leases are treated under a single model that is similar to a finance lease model under US GAAP. TechnipFMC classified majority of its leases as operating lease under US GAAP that resulted in significant accounting differences between the two standards.

Goodwill

In 2020 due to a different valuation methodology applied to calculate the goodwill impairment charge under US GAAP and IFRS, the difference in fair values of our Surface International operating segment resulted in a higher goodwill impairment charge under US GAAP.

Impairment of property, plant and equipment

US GAAP has a higher hurdle for impairment of long-lived assets (property, plant and equipment) than IFRS, meaning it is less likely for impairment charges to be recognized. Therefore, the US GAAP impairment test had yielded different results in the past years that subsequently resulted in an impact to IFRS earnings.

Defined benefit plans

There are differences between the methodologies for defined benefits under IFRS compared to US GAAP. The most notable differences relate to accounting for actuarial gains and losses, recognition of prior service costs, special event accounting and calculation of the expected return on plan assets.

Under US GAAP all actuarial gains and losses are deferred in OCI and subsequently amortized to net income through a corridor approach as elected by TechnipFMC. Under IFRS actuarial gains and losses are recognized immediately in OCI for long-term benefit plans. Gains and losses are not subsequently recognized in net income in subsequent periods for these plans. Several small short-term plans (such as jubilee plans) do expense gains and losses directly in net income in the year incurred.

Under US GAAP prior service costs or credits from plan amendments are initially deferred in OCI and subsequently recognized in net income over the average remaining service period of active employees affected by the plan amendment. Under IFRS all past service costs and credits are immediately recognized in profit or loss at the earlier of when the amendment occurs or when the related restructuring or termination costs are recognized.

Under US GAAP special events such as settlements and curtailments are recognized differently from IFRS. Under US GAAP settlements are triggered through lump sums exceeding a specified threshold in a given year, resulting in accelerated recognition of actuarial gains and losses. Under IFRS, settlements are triggered based on non-routine lump sum payments, with the settlement impact calculated as the difference between the cash payout and the present value of the benefit held on the balance sheet. Curtailments have different definitions of when to recognize, with US GAAP triggering a curtailment when an event causes a significant decrease in the plan's future service and IFRS triggering a curtailment based on a significant reduction in employee headcount based on a specific event. The net income impact under IFRS is calculated as the change in present value due to the curtailment, and US GAAP using a more complicated formula depending on whether the curtailment is a gain or loss, and whether any outstanding prior service cost exists.

The US GAAP expected return on plan assets is calculated using the expected long-term rate of return on invested assets in the underlying portfolio. Under IFRS, a "net interest" expense (income) on the net defined benefit liability (asset) is recognized as a component of defined benefit cost, based on the discount rate used to determine the obligation.

Hedge accounting

Using cash as natural hedge instrument is not allowed under US GAAP. An adjustment to reclassify natural hedging results from income statement to OCI is recorded under IFRS.

LIFO adjustments

TechnipFMC has several subsidiaries that utilize LIFO cost accounting method under US GAAP. While LIFO is an allowable method under US GAAP, it is prohibited under IFRS. TechnipFMC records an adjustment to reverse the impact from LIFO costing method under IFRS in its consolidated financial statements.

Expected credit losses

Effective January 1, 2020, under US GAAP we adopted ASU No. 2016-13, "Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments." This ASU introduces a new model for recognizing credit losses on financial instruments based on an estimate of current expected credit losses. After adoption of the new standard TechnipFMC do not have material US GAAP to IFRS conversion differences in accounting for expected credit losses for trade and other receivables, debt securities, loans receivable and other financial assets.

Equity method investments

US GAAP and IFRS have different methodologies in assessment of impairment on equity method investments.

Other

TechnipFMC recorded other various insignificant differences including differences from deferred taxes.

COMPANY FINANCIAL STATEMENTS
TECHNIPFMC PLC
AS OF DECEMBER 31, 2020
Company No. 09909709

1. COMPANY STATEMENT OF FINANCIAL POSITION

(In millions)	Note	December 31, 2020	December 31, 2019
[illegible]		[illegible]	[illegible]
Investments in subsidiaries	3	$ 11,110.2	$ 14,475.5
[illegible]		[illegible]	[illegible]
Right-of-use assets	4	—	42.6
[illegible]		[illegible]	[illegible]
Loan receivables – related parties	5	156.8	1,551.9
[illegible]		[illegible]	[illegible]
Deferred income taxes	6	5.1	0.6
[illegible]		[illegible]	[illegible]
Cash and cash equivalents		2.3	5.5
[illegible]		[illegible]	[illegible]
Loan receivables – related parties	5	1,035.2	—
[illegible]		[illegible]	[illegible]
Income taxes receivable	8	154.3	180.6
[illegible]		[illegible]	[illegible]
Total current assets		1,483.4	408.9
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
Ordinary shares	9	$ 449.5	$ 447.1
[illegible]		[illegible]	[illegible]
Total shareholders' equity		2,068.3	6,382.8
[illegible]		[illegible]	[illegible]
Loan payables – related parties	12	5,701.7	5,599.5
[illegible]		[illegible]	[illegible]
Derivative financial instruments	11	1.1	4.3
[illegible]		[illegible]	[illegible]
Total non-current liabilities		7,361.8	7,435.1
[illegible]		[illegible]	[illegible]
Trade and other payables	13	1,917.6	2,327.2
[illegible]		[illegible]	[illegible]
Income taxes payable	8	37.6	84.8
[illegible]		[illegible]	[illegible]
Total liabilities		10,704.0	10,127.2
[illegible]		[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
Loss for the year		(4,556.4)	(2,068.0)
[illegible]		[illegible]	[illegible]
Retained earnings		$ 1,618.8	$ 5,935.7

The accompanying notes are an integral part of the financial statements.

The financial statements were approved by the Board of Directors and signed on its behalf by

Douglas J. Pferdehirt
Director and Chief Executive Officer
April 9, 2021

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2. COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(In millions)	Ordinary Shares	Share Premium	Merger Reserve	Retained Earnings, Net Income and Other reserves	Total Shareholders' Equity
Balance as of December 31, 2018	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Cumulative effect of initial application of IFRS 16	—	—	—	(1.2)	(1.2)
Net loss	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other comprehensive income/(loss)	—	—	—	(65.8)	(65.8)
Dividends (Note 9)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Issuance of ordinary shares (Note 9)	0.6	—	—	—	0.6
Cancellation of treasury shares (Note 9)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Share-based compensation (Note 9)	—	—	—	74.5	74.5
Balance as of December 31, 2019	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net loss	—	—	—	(4,556.4)	(4,556.4)
Other comprehensive income/(loss)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dividends (Note 9)	—	—	—	(59.2)	(59.2)
Issuance of ordinary shares (Note 9)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Share-based compensation (Note 9)	—	—	—	69.0	69.0
Balance as of December 31, 2020	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

The accompanying notes are an integral part of the financial statements.

3. NOTES TO THE COMPANY FINANCIAL STATEMENTS

NOTE 1 - GENERAL CORPORATE INFORMATION

TechnipFMC plc (the "Company" or "TechnipFMC") is a global leader in subsea, onshore/offshore, and surface projects. TechnipFMC is a public limited company limited by shares. The company is incorporated under the laws of England and Wales. The Company's registered address is One St. Paul's Churchyard, London, EC4M 8AP.

NOTE 2 - ACCOUNTING PRINCIPLES

2.1 Basis of preparation

The financial statements for the year ended December 31, 2020 have been prepared in accordance with United Kingdom Accounting Standards – in particular Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101") – and with the Act. FRS 101 sets out a reduced disclosure framework for a qualifying entity as defined in the Standards which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards ("IFRS").

The Company is a qualifying entity for the purposes of FRS 101. The application of FRS 101 has enabled the Company to take advantage of certain disclosure exemptions that would have been required had the Company adopted IFRS in full. The only such exemptions that the directors considered to be significant are:

- No detailed disclosures in relation to financial instruments;
- No cash flow statement;
- No disclosure of related party transactions with subsidiaries;
- No statement regarding the potential impact of forthcoming changes in financial reporting standards;
- No disclosure of "key management compensation" for key management other than the Directors;
- No disclosures relating to the Company's policy on capital management, and
- No disclosure of requirements of paragraph 45b and 46-52 of IFRS 2 Share based charges.

The Company's functional currency was determined to be U.S. dollars ("USD") as this is the primary economic environment in which the entity operates.

The financial statements have been prepared under the historical cost convention, except for certain financial assets and liabilities, which are measured at fair value. Accounting policies have been consistently applied throughout the reporting period. The financial statements of the Company for the year ended December 31, 2020 are presented in U.S. dollars, the presentation and functional currency of the Company, and all values are rounded to the nearest million included to one decimal place.

The directors have a reasonable expectation that the Company has adequate resources to continue in existence for the foreseeable future. Therefore, the financial statements have been prepared on a going concern basis.

The directors have taken advantage of the exemption available under Section 408 of the Act and have not presented a profit and loss account for the Company.

Going concern

Following its assessment of going concern, the Company has formed a judgement that there are no material uncertainties that cast doubt on the Company's going concern status and that it is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Company continues to adopt the going concern basis in preparing its financial statements. Details of going concern assessment are provided in Note 1 of TechnipFMC consolidated financial statements.

2.2 Standards, amendments and interpretations effective in 2020

The Company has applied the following standards and amendments for the first time in its financial statements for the year ended December 31, 2020:

- Definition of a Business - Amendments to IFRS 3 "Business Combinations" ("IFRS 3");
- Definition of Material - Amendments to IAS 1 "Presentation of Financial Statements" ("IAS 1") and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" ("IAS 8");
- Interest Rate Benchmark Reform (Phase 1) - Amendments to IFRS 9 "Financial instruments" ("IFRS 9"), IAS 39 "Financial Instruments: Recognition and Measurement" ("IAS 39") and IFRS 7 "'Financial Instruments: Disclosures" ("IFRS 7");
- Revised Conceptual Framework for Financial Reporting.

The new standards and amendments did not have any impact on the Company's accounting policies and did not require retrospective adjustments.

2.3 Summary of significant accounting policies

The significant accounting policies, which have been used in the preparation of the Company financial statements, are set out below. These policies have been consistently applied to all years presented.

a) Investments

Investments are measured initially at cost, including transaction costs, less any provision for impairment.

At each balance sheet date, the Company reviews the carrying amounts of its investments to assess whether there is an indication that those assets may be impaired. If any such indication exists, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in the income statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. A reversal of an impairment loss is recognized immediately in the income statement.

Dividend income is recognized when the right to receive payment is established.

b) Trade receivable and loans issued to related parties

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method.

Loans issued to related parties are initially measured at their fair values plus transaction costs and subsequently carried at amortized cost net of impairment allowance.

Interest income on loans issued to related parties is calculated by applying the effective interest rate to the gross carrying amount of a loan receivable.

c) Share-based employee compensation

The measurement of share-based compensation expense on restricted share awards is based on the market price at the grant date and the number of shares awarded. The share-based compensation expense for each award is recognized during the vesting period (i.e., the period in which the service and, where applicable, the performance conditions are fulfilled). The cumulative expense recognized for share-based employee compensation at each reporting date reflects the already expired portion of the vesting period and the Company's best estimate of the number of awards that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as of the beginning and end of that period.

d) Long term debt

Current and non-current financial debts include bond loans, commercial paper programs and other borrowings. After initial recognition, debt is measured at amortized cost using the effective interest rate method. Transaction costs, such as issuance fees and redemption premium are included in the cost of debt on the liability side of the statement of financial position, as an adjustment to the nominal amount of the debt. The difference between the initial debt and redemption at maturity is amortized at the effective interest rate.

e) Foreign currency transactions

Foreign currency transactions are translated into the functional currency at the exchange rate applicable on the transaction date.

At the closing balance sheet date, monetary assets and liabilities stated in foreign currencies are translated into the functional currency at the exchange rate prevailing on that date. Resulting exchange gains or losses are directly recorded in the income statement, except exchange gains or losses on cash accounts eligible for future cash flow hedging and for hedging on net foreign currency investments.

Translation of financial statements of the Company's branch in foreign currency

The income statements of the Company's branch are translated into USD at the average exchange rate prevailing during the year. Statements of financial position are translated at the exchange rate at the closing date. Differences arising in the translation of financial statements of the branch are recorded in other comprehensive income as foreign currency translation reserve. The functional currency of the branch is the local currency (euro).

f) Derivative financial instruments and hedging

The Company uses derivative financial instruments, such as forward contracts, swaps and options to hedge its risks, in particular foreign exchange risks. Currently, every derivative financial instrument held by the Company is aimed at hedging future inflows or outflows against exchange rate fluctuations during the period of contract performance. Derivative instruments and in particular forward exchange transactions are aimed at hedging future cash inflows or outflows against exchange rate fluctuations in relation with awarded commercial contracts.

See Note 27 of TechnipFMC consolidated financial statements for further details.

g) Cash and cash equivalents

Cash and cash equivalents consist of cash in bank and in hand, fixed term deposits and securities fulfilling the following criteria: an original maturity of less than three months, highly liquid, a fixed exchange value and an insignificant risk of loss of value. Securities are measured at their market value at year-end. Any change in fair value is recorded in the statement of income.

h) Share capital and dividend distribution

Ordinary shares and redeemable shares are classified as equity. The redeemable shares may be redeemed by the Company for nil consideration at any time and are therefore recognized within equity.

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. A corresponding amount is recognized directly in the statement of equity. Interim dividends are recognized when paid.

i) Taxation

Corporate tax is payable on taxable profits at amounts expected to be paid, or recovered, under the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognized to take account of temporary differences between the treatment of transactions for financial reporting purposes and their treatment for tax purposes. A deferred tax asset is only recognized when it is regarded as more likely than not there will be a suitable taxable profit from which the future reversal of the underlying temporary differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse based on the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

j) Non-current assets held for sale or distribution to equity holders

TechnipFMC classifies non-current assets as held for sale/or distribution to equity holders of the parent if their carrying amounts will be recovered principally through a sale transaction or a distribution rather than through continuing use. Such non-current assets classified as held for sale/or distribution are measured at the lower of their carrying amount and fair value less costs to sell or distribute. Costs to sell/or distribute are the incremental costs directly attributable to the sale or distribution, excluding finance costs and income tax expense.

The criteria for held for sale/or distribution classification is regarded as met only when the sale/or distribution is highly probable and the asset is available for immediate sale/ or distribution in its present condition. Actions required to complete the sale/or distribution should indicate that it is unlikely that significant changes to the sale/or distribution will be made or that the decision to sale/or distribute will be withdrawn. Management must be committed to the sale/or distribution expected within one year from the date of the classification.

k) Cash dividend and non-cash distribution to equity holders

The Company recognizes a liability to make cash or non-cash distributions to its equity holders when the distribution is approved by its shareholders. A corresponding amount is recognized directly in the statement of equity.

l) Related parties

The Company is a qualifying entity for the purposes of FRS 101 and took an advantage of the disclosure exemption not to provide a disclosure on the following:

- related party transactions with subsidiaries;
- "key management compensation" for key management other than the Directors.

2.4 Use of critical accounting estimates, judgments and assumptions

The preparation of the financial statements requires the use of critical accounting estimates, judgments and assumptions that may affect the assessment and disclosure of assets and liabilities at the date of the financial statements, as well as the income and the reported expenses regarding this financial year. Estimates may be revised if the circumstances and the assumptions on which they were based change, if new information becomes available, or as a result of greater experience. Consequently, the actual result from these operations may differ from these estimates.

a) Judgments

Area of judgment that has the most significant effect on the amounts recognized in the Company's financial statements relate to the separation transaction.

On February 16, 2021, we completed the previously announced separation of the Technip Energies business segment. The transaction was structured as a spin-off, which occurred by way of a pro rata dividend (the "Distribution") to our shareholders of 50.1 percent of the outstanding shares in Technip Energies N.V. Each of our shareholders received one ordinary share of Technip Energies N.V. for every five ordinary shares of TechnipFMC held at 5:00 p.m., New York City time on the record date, February 17, 2021. Technip Energies N.V. is now an independent public company and its shares trade under the ticker symbol "TE" on the Euronext Paris stock exchange.

Under IFRS, the reclassification of assets (and any associated liabilities) as 'held for distribution' can only be triggered once the assets are available for distribution in their present condition and the distribution is 'highly probable'. The highly probable criteria is met when the distribution is expected to be completed within a year. As of December 31, 2020, we had no such expectation as the Spin-off was dependent upon on new capital structure negotiations and related new financing in connection with the Spin-off. This only came into effect on January 29, 2020, upon completion by TechnipFMC its private offering of $1.0 billion in aggregate principal amount of senior unsecured notes due 2026. Therefore, the assets and liabilities associated with our Technip Energies business are not classified as held for distribution as of December 31, 2020. The "highly probable" criteria was not met as of

December 31, 2020 since both TechnipFMC and Technip Energies were in process of negotiation on capital structure that was conditional on issuance of new financing in connection with the Spin-off.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date relate to the following:

- estimates on provision for expected credit losses on trade receivable and loans issued to related parties, and
- impairment of investments in subsidiaries.

The loss allowances for trade receivable and loans issued to related parties are based on assumptions about risk of default and expected credit loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The Company assesses whether there are any indicators of impairment of investments at each reporting date. Investments are tested for impairment when there are both external and internal indicators that the carrying amount may not be recoverable. Details of impairment recorded during the year and the carrying value of investments are contained in Note 3.

There have been no other critical judgments made in applying the Company's accounting policies.

NOTE 3 - INVESTMENTS IN SUBSIDIARIES

The movement in investments account balances are described below:

(In millions)	2020	2019
Cost as of January 1,	$ 18,497.7	$ 18,581.6
Capital increase	6.8	—
Additions due to the spin-off of Technip Energies [2]	[illegible]	[illegible]
Net foreign exchange difference	227.6	(83.9)
Total cost as of December 31,	$ 19,618.9	$ 18,497.7
Impairments as of January 1,	$ 4,022.2	$ 1,996.9
Impairments [1]	4,486.5	2,035.8
Net foreign exchange difference	[illegible]	(10.5)
Total impairment as of December 31,	**$ 8,508.7**	**$ 4,022.2**
[illegible]	[illegible]	[illegible]
Net book value as of December 31,	**$ 11,110.2**	**$ 14,475.5**

(1) Impairments relate to the carrying value of intermediate holding company investments. The methodology and assumptions used in reviewing the investments for impairment were the same as those used in the Goodwill review. See Note 11 of TechnipFMC consolidated financial statements for further details.

(2) During 2020, the Company executed a series of transactions to restructure and realign the ownership of its group entities in connection with the Spin-off. The transactions included the acquisition of additional ownership interest from 77.8% to 100.0% in its investment in Technip France for $194.2 million. The Company also restructured ownership of underlying investments and acquired a 100.0% direct interest in existing subsidiaries including Clecel SAS for $109.2 million, Technip E&C Limited for $188.3 million, and Kanfa AS for $52.1 million. Creation of new subsidiaries included a 77.79% direct interest in Technip N-Power for $38.5 million and a 100.0% direct interest in Technip Benelux B.V. for $223.0 million. See Note 33 of TechnipFMC consolidated financial statements for further details on the Spin-off transaction.

The Company's direct subsidiaries as of December 31, 2020 are listed below. Ownership interests reflect holdings of ordinary shares. Details of other related undertakings are provided in Note 32 of TechnipFMC consolidated financial statements.

Company Name	Address	Share Class	The Company interest held In %
AUSTRALIA			
Technip Australia Pty	1120 Hay Street, Perth WA 6000	Ordinary shares	100
BRAZIL			
Technip Cleplan Empreendimentos E Projetos Industriais Ltda.	Rua Dom Marcos Barbosa, nº 2, sala 202 (parte) 20211-178 Rio de Janeiro	Equity interest	58.29
CHINA			
Technip Chemical Engineering (Tianjin) Co., Ltd.	10th Floor - Yunhai Mansion 200031 Shanghai	Equity interest	100
COLOMBIA			
Tipiel, S.A.	Calle 38 # 8-62 Piso 3 Santafe de Bogota D.C.	Equity interest	7.2
FRANCE			
Clecel, SAS	6-8 Allee de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
Technip Corporate Services SAS	89, avenue de la Grande Armée 75116 Paris	Ordinary shares	100
TechnipFMC Corporate Services SAS	89, avenue de la Grande Armee 75116 Paris	Ordinary shares	77.97
Technip Eurocash SNC	89, avenue de la Grande Armée 75116 Paris	Equity interest	96
Technip France SA	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	78
Compagnie Française De Réalisations Industrielles, Cofri SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
Cybernetix SAS	Technopôle de Château-Gombert 13382 Marseille Cedex 13	Ordinary shares	100
Genesis Nimes SAS	19, Avenue Feuchères 30000 Nîmes	Ordinary shares	100
Serimax Holdings SAS	95700 Roissy en France	Ordinary shares	20
Technip Ingenierie Defense SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
Technip N-Power SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	77.79
Technip Offshore International SAS	89, avenue de la Grande Armée 75116 Paris	Ordinary shares	100
Technipnet SAS	6-8 Allée de l'Arche - Faubourg de l'Arche - ZAC Danton 92400 Courbevoie	Ordinary shares	100
GERMANY			
Technip Zimmer GmbH	Friesstrasse 20 60388 Frankfurt am Main	Ordinary shares	100
INDONESIA			
PT Technip Indonesia	Metropolitan Tower, 15th Florr, JL. R. A. Kartini Kav. 14 (T.B Simatupang), Cilandak Jakarta Selatan 12430	Equity interest	9
ITALY			
Technip Italy S.P.A.	68, Viale Castello della Magliana 00148 Rome	Ordinary shares	100
TPL - Tecnologie Progetti Lavori S.P.A. In Liquidazione	68, Viale Castello della Magliana 00148 Rome	Ordinary shares	100
MALAYSIA			

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Company Name	Address	Share Class	The Company Interest held in %
Technip Geoproduction (M) Sdn. Bhd.	Suite 13.03, 13th Floor 2017 Jalan Tun Razak Kuala Lumpur 50400	Ordinary shares	31
Asiaflex Products Sdn. Bhd.	Suite 13.03, 13th Floor 2017 Jalan Tun Razak Kuala Lumpur 50400	Ordinary shares	33
Technip Far East Sdn Bhd	Suite 13.03, 13th Floor 2017 Jalan Tun Razak Kuala Lumpur 50400	Ordinary shares	100
MEXICO			
Technip de Mexico S.de R.L. de C.V.	Blvd, Manuel Avila Camacho 36, Piso 10, Officina 1058	Ordinary shares	50
NETHERLANDS			
FMC Technologies Global B.V.	Zuidplein 126, Tower H, 15th Fl. 1077 XV Amsterdam	Ordinary shares	68.6
Technip Benelux B.V.	Afrikaweg 30 Zoetemeer, 2713 AW	Ordinary shares	100
Technip Energies B.V.	6-8 Allee de l'Arche - Faubourg De l'Arche - ZAC Danton	Ordinary shares	100
Technip Oil & Gas B.V.	Afrikaweg 30 Zoetemeer, 2713 AW	Ordinary shares	100
Technip Holding Benelux B.V.	Afrikaweg 30 Zoetermeer 2713 AW	Ordinary shares	100
TechnipFMC International Holdings B.V.	Zuidplein 126, WTC, Tower H, 15é Amsterdam 1077XV	Preferred shares and Ordinary shares	38.93
NEW CALEDONIA - FRENCH OVERSEAS TERRITORY			
Technip Nouvelle-Caledonie	27 bis Avenue du Maréchal Foch - Galerie CENTER FOCH - Centre-Ville B.P. 4460 98847 NOUMEA	Ordinary shares	100
NORWAY			
Inocean AS	Bryggeata 3 0250 Oslo	Ordinary shares	51
Marine Offshore AS	Vollsveien 17A 1327 Lysaker	Ordinary shares	51
Kanfa AS	Philip Pedersens vei 7 1366 Lysaker	Ordinary shares	100
PANAMA			
Technip Overseas S.A.	East 53rd Street Marbella, Humboldt Tower 2nd Floor Panama	Ordinary shares	100
PORTUGAL			
TSKJ Servicos De Engenharia, Lda	Avenida Arriaga, numero trinta Terceiro andar - H Frequesia da Se, Concelho do Funchal	Equity Interest	25
RUSSIAN FEDERATION			
Technip Rus LLC	266 Litera O, Ligovsky Prospect 196084 St Petersburg	Ordinary shares	99.98
SAUDI ARABIA			

Company Name	Address	Share Class	The Company Interest held in %
Technip Saudi Arabia Limited	Dhahran Center Building - 5th Floor, Suite $501 31952 Al-Khobar	Ordinary shares	40
[redacted]			
Petrolinvest, dd Sarajevo	Tvornicka 3 71000 Sarajevo	Equity interest	33.01
[redacted]			
Technip Energies Singapore Pte Ltd	149 Gul Circle 629605 Singapore	Ordinary shares	100
[redacted]			
Technip Iberia, S.A.	Building n° 8 - Floor 4th Plaça de la Pau s/n World Trade Center - Almeda Park - Cornellà de Llobregat 08940 Barcelone	Ordinary shares	99.99
[redacted]			
Engineering Re AG	Basteiplatz 7 8001 Zurich	Ordinary shares	100
[redacted]			
TechnipFMC Corporate Holdings Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	88.12
Technip PMC Services Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
Technip E&C Limited	One St Paul's Churchyard London EC4M 8AP	Ordinary shares	100
[redacted]			
Inversiones Dinsa, C.A.	Avenida Principal de La Urbina, calle 1 con calle 2 Centro Empresarial INECOM, piso 1, oficina 1-1 La Urbina, Minicipio Sucre 1070 Caracas	Ordinary shares	100
Technip Bolivar, C.A. en liquidation	523 Zona Industrial Matanzas, Planta De Bauxilum Puerto Ordaz Ciudad Bolivar	Ordinary shares	99.94

NOTE 4 – LEASES

In 2020, the Company novated its sole lease to another entity within the TechnipFMC's subsidiaries. The Company has no leases as of December 31, 2020.

(In millions except for discount rate)	December 31, 2020	December 31, 2019
[redacted]		
Lease Liability	—	45.4
[redacted]		
Non-current lease liabilities	$ —	$ 9.9
[redacted]		
Weighted average discount rate	— %	3.9%

The following summarizes various amounts recognized by the Company as of and for the years ended December 31, 2020 and 2019:

- Depreciation of ROU asset in consolidated statement of income of $0.0 million and $35.6 million, respectively.

- Interest expense on lease liability of $0.0 million and $2.0 million, respectively.
- Payments for the principal portion of lease liability of $0.0 million and $34.2 million and interest portion of $0.0 million and $1.8 million for total payments of $0.0 million and $36.0 million, respectively.

NOTE 5 - LOAN RECEIVABLES

(In millions)	December 31, 2020	December 31, 2019
Loan receivables - current	[illegible]	[illegible]
Loan receivables - non-current	156.8	1,551.9
Total	[illegible]	[illegible]

The Company's loan receivables from related parties are unsecured and are stated net of impairment allowance of $4.7 million and $4.7 million as of December 31, 2020 and 2019, respectively.

Loan receivables from related parties primarily consist of loans to Technip Offshore International SAS ("TOI"), Technip UK Ltd ("Technip UK") and Asiaflex. The terms and interest rates for significant loans are detailed below:

(i) Loans to TOI consist of two loans in the amount of $1,103.5 million and $114.0 million respectively with 5 year terms and interest rates of 4.16% and 2.10% respectively.

(ii) Loan to Technip UK is in the amount of $147.8 million with a 5 year term and interest rate of LIBOR GBP 6 months +0.5 basis point.

(iii) Loan to Asiaflex is in the amount of $70.0 million with a 10 year term and interest rate of LIBOR 3M +1.1%.

NOTE 6 - DEFERRED INCOME TAX

The tax rate utilized to compute deferred taxes depends on the location of the underlying transaction. The transactions carried out by the U.K. head office are tax effected using the U.K. tax rate. The transactions carried out by the French permanent establishment are tax effected using the French tax rate.

The earnings of the U.K. head office are subject to the U.K. statutory rate of 19.0%. The profits or losses of the French permanent establishment are not taxable in the U.K. as the election under section 18A CTA 2009 has been validly made.

The net deferred tax assets and liabilities amounts to $5.8 million and $0.6 million as of December 31, 2020 and 2019, respectively. The deferred tax balance comprises:

(In millions)	December 31, 2020	December 31, 2019
Deferred tax relating to pensions	[illegible]	[illegible]
Deferred tax relating to financial instruments	—	(1.9)
Short-term temporary differences	[illegible]	[illegible]
Tax loss carry forward	5.6	1.2
Total	[illegible]	[illegible]

The movement in the deferred tax asset is shown below:

(In millions)	December 31, 2020	December 31, 2019
As of January 1	[illegible]	[illegible]
Movement relating to pensions	0.2	0.4
Credit to income statement	[illegible]	[illegible]
As of December 31	$ 5.8	$ 0.6

NOTE 7 - TRADE AND OTHER RECEIVABLES

	December 31,	
(In millions)	2020	2019
Trade receivables - related parties	$ [illegible]	$ [illegible]
Prepaid expenses	16.5	11.9
Advances paid to suppliers	[illegible]	[illegible]
Trade and other receivables	$ 205.0	$ 195.0

The Company's trade receivables from related parties are stated net of loss allowance of $0.0 million and $6.3 million as of December 31, 2020 and 2019, respectively.

NOTE 8 - INCOME TAX RECEIVABLE / INCOME TAX PAYABLE

The Company is a tax resident of both the United Kingdom (the "U.K.") and France.

The Company maintains a permanent establishment in France which carries out the activities that were previously carried out by Technip. For tax purposes, this permanent establishment is the head of the French tax consolidated group. As such, the Company's French branch is liable for tax at the French statutory rate of 31.0% on French consolidated income.

In turn, the Company's French branch receives from the French affiliates members of the French tax consolidated group the income tax that these affiliates would have paid on a standalone basis if they had not been a member of the French tax consolidated group.

The current income tax credit booked by the Company's French branch is the difference between the income tax due on the consolidated income to the French tax authorities and the income tax received from the affiliates members of the French tax consolidated group.

NOTE 9 - STOCKHOLDERS' EQUITY

9.1 Changes in the Company's ordinary shares

On November 27, 2019, TechnipFMC redeemed 50,000 redeemable shares of £1 each and cancelled one deferred ordinary share of £1 in the capital of TechnipFMC. As of December 31, 2020, the Company's share capital was 449,466,233. As of December 31, 2019, TechnipFMC's share capital was 447,064,767 ordinary shares. The movements in share capital were as follows:

(In millions of shares)	Ordinary Shares
December 31, 2018	[illegible]
Stock awards	0.6
Treasury stock cancellations	[illegible]
December 31, 2019	447.1
Stock awards	[illegible]
Treasury stock cancellations	—
December 31, 2020	[illegible]

As an English public limited company, we are required under U.K. law to have available "distributable reserves" to conduct share repurchases or pay dividends to shareholders. Distributable reserves are a statutory requirement and are not linked to a IFRS reported amount (e.g. retained earnings, net income and other reserves). The declaration and payment of dividends require the authorization of our Board of Directors, provided that such dividends on issued share capital may be paid only out of our "distributable reserves" on our statutory balance sheet. Therefore, we are not permitted to pay dividends out of share capital, which includes share premium

The Company's articles of association permit by ordinary resolution of the shareholders to declare dividends, provided that the directors have made a recommendation as to its amount. The dividend shall not exceed the amount recommended by the directors. The directors may also decide to pay interim dividends if it appears to them that the profits available for distribution justify the payment. When recommending or declaring payment of a dividend, the directors are required under English law to comply with their duties, including considering its future financial requirements.

The additional information required in relation to shareholder's equity is given in Note 17 to TechnipFMC consolidated financial statements.

9.2 Dividends

Dividends declared and paid during the year ended December 31, 2020 and 2019 were $59.2 million and $232.8 million, respectively. We made a dividend payment of $0.13 per share in April 2020, which fulfills our annual dividend under our revised dividend policy announced on April 21, 2020.

The additional information required in relation to dividends is given in Note 17 to TechnipFMC consolidated financial statements.

9.3 Share-based compensation

See Note 18 of TechnipFMC consolidated financial statements for details of share-based payment schemes. Details of the directors' remuneration is provided in the Directors' Remuneration Report in the Company's Annual Report.

NOTE 10 - DEBT (SHORT-TERM AND LONG-TERM)

Debt consisted of the following:

	December 31, 2020		December 31, 2019	
(In millions)	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Synthetic bonds due 2021	[illegible]	[illegible]	491.6	518.1
3.45% Senior Notes due 2022	459.9	459.2	459.9	459.2
3.40% Notes due 2022	[illegible]	[illegible]	[illegible]	160.6
3.15% Notes due 2023	159.5	156.8	145.4	156.8
4.15% Notes due 2023	153.3	160.5	140.2	160.5
4.50% Notes due 2025	241.0	241.0	—	—
4.05% Notes due 2027	92.0	96.4	84.2	98.4
4.00% Notes due 2032	122.7	127.8	108.6	127.8
3.75% Notes due 2033	122.7	123.6	109.2	123.8
Total Long-term debt	1,535.1	1,536.1	1,707.5	1,808.2
5.00% Notes due 2020	[illegible]	[illegible]	222.4	230.0
Synthetic bonds due 2021	543.6	513.1	—	—
UK Commercial paper	817.3	817.3	—	—
Other	26.1	26.1	20.2	20.2
Total short-term debt and current portion of long-term debt	1,387.0	1,356.5	244.6	250.2
Total debt	$ 2,922.1	$ 2,892.6	$ 1,952.1	$ 2,058.4

For details of long and short term debt included in the table above, see Note 19 of TechnipFMC consolidated financial statements.

NOTE 11 – DERIVATIVE FINANCIAL INSTRUMENTS

For purposes of mitigating the effect of changes in exchange rates, we hold derivative financial instruments to hedge the risks of certain identifiable and anticipated transactions and recorded assets and liabilities in our statement of financial position. The types of risks hedged are those relating to the variability of future earnings and cash flows caused by movements in foreign currency exchange rates. Our policy is to hold derivatives only for the purpose of hedging risks associated with anticipated foreign currency purchases and sales created in the normal course of business and not for trading purposes where the objective is solely or partially to generate profit. There are no derivatives designated for hedge accounting.

The derivative instrument we hold is designated in USD. The instrument is related to commercial paper borrowings that were repaid during the first quarter of 2021.

The analysis of derivative financial instruments by category is as follows:

	December 31, 2020		
(In millions)	Carrying Amount	At Fair Value through Profit or Loss	At Fair Value through OCI
Current assets			
Derivative financial instruments	$ 69.9	$ 69.9	$ —
Total	[illegible]	[illegible]	[illegible]
Non-current liabilities			
Derivative financial instruments	$ 1.1	[illegible]	[illegible]
Total	$ 1.1	$ 1.1	$ —

	December 31, 2019		
(In millions)	Carrying Amount	At Fair Value through Profit or Loss	At Fair Value through OCI
Current assets			
Derivative financial instruments	$ 4.3	$ 4.3	$ —
Total	[illegible]	[illegible]	[illegible]
Non-current liabilities			
Derivative financial instruments	[illegible]	[illegible]	[illegible]
Total	$ 4.3	$ 4.3	$ —

NOTE 12 - LOAN PAYABLES - RELATED PARTIES

Loan payables - related parties consists of the following:

	December 31,	
(In millions)	2020	2019
Borrowings from TechnipFMC Holdings ltd (UK)	[illegible]	[illegible]
Borrowings from TechnipFMC International (UK) ltd	2,189.1	2,131.0
Borrowings from TechnipFMC Finance ULC	[illegible]	[illegible]
Borrowing from TechnipFMC (Europe) Ltd	374.2	364.2
Borrowings from TechnipFMC International Holdings BV	[illegible]	[illegible]
Borrowing from Technip Holding Benelux BV	267.3	—
Borrowing from [illegible] SAS	[illegible]	[illegible]
Loan payables - related parties	$ 5,701.7	$ 5,599.5

Loan payables to related parties are unsecured and consist of borrowings from TechnipFMC Holdings Ltd (UK) ("Holdings Ltd"), TechnipFMC International (UK) Ltd ("International Ltd"), TechnipFMC Finance ULC ("Finance ULC"), and TechnipFMC (Europe) Ltd ("Europe Ltd"). The terms and interest rates for significant loans are detailed below.

(i) Loans from Holdings Ltd primarily consist of three loans in the amount of $1,008.1 million, $838.5 million and $545.8 million respectively with 5 year terms and interest rates of 4.83%, 4.68% and 2.69% respectively.

(ii) Loan from International Ltd is in the amount of $2,048.2 million with a 5 year term and interest rate of 2.69%.

(iii) The loan from Finance ULC was repaid in 2020.

(iv) Loan from Europe Ltd is in the amount of $350.0 million with a 5 year term and interest rate of 2.69%.

(v) A new loan from Technip Holding Benelux BV was executed in 2020 in the amount of $267.3 million with a 5 year term and interest rate of 3.22%.

NOTE 13 - TRADE AND OTHER PAYABLES

Trade and other payables consists of the following:

(In millions)	December 31, 2020	December 31, 2019
[illegible]	[illegible]	[illegible]
Borrowings from TechnipFMC Holdings ltd (UK)	36.7	—
[illegible]	[illegible]	[illegible]
Other current liabilities	112.6	19.1
[illegible]	[illegible]	[illegible]

NOTE 14 - SUBSEQUENT EVENTS

On February 16, 2021, we completed the Spin-off. In connection with the Spin-off, on January 7, 2021, Bpifrance Participations SA ("BPI"), which has been one of our substantial shareholders since 2009, entered into a share purchase agreement with us (the "Share Purchase Agreement") pursuant to which BPI agreed to purchase a portion of our retained stake in Technip Energies N.V. (the "BPI Investment") for $200.0 million (the "Purchase Price"). On February 25, 2021, BPI paid $200.0 million in connection with the Share Purchase Agreement. The Purchase Price was subject to adjustment, and BPI's ownership stake was determined based upon a thirty day volume-weighted average price of Technip Energies N.V.'s shares (with BPI's ownership collared between an 11.82 percentage floor and a 17.25 percentage cap), less a six percent discount. The BPI Investment was subject to customary conditions and regulatory approval. On March 31, 2021 pursuant to the Share Purchase Agreement BPI exercised its right and purchased from TechnipFMC 7.5 million shares in Technip Energies N.V. for $100.0 million. On April 8, 2021 we refunded $100.0 million to BPI as a result of their revised level of investment. We intend to significantly reduce our shareholding in Technip Energies N.V. over the 18 months following the Spin-off.

Pursuant to the Separation and Distribution Agreement, signed between TechnipFMC and Technip Energies in connection with the Spin-off, we and Technip Energies each agreed to cross-indemnities principally designed to allocate financial responsibility for the obligations and liabilities of our business to us and those of Technip Energies' business to it.

In connection with the Spin-off, we executed a series of refinancing transactions, in order to provide a capital structure with sufficient cash resources to support future operating and investment plans.

On February 16, 2021, we entered into a new senior secured revolving credit facility (the "Revolving Credit Facility") that provides for aggregate revolving capacity of up to $1.0 billion. Availability of borrowings under the Revolving Credit Facility is reduced by any outstanding letters of credit issued against the facility.

On January 29, 2021, we issued $1.0 billion of 6.5% senior notes due 2026 (the "2021 Notes"). The interest on the 2021 Notes is paid semi-annually on February 1 and August 1 of each year, beginning on August 1, 2021. The 2021 Notes are senior unsecured obligations and are guaranteed on a senior unsecured basis by substantially all of our wholly-owned U.S. subsidiaries and non-U.S. subsidiaries in Brazil, the Netherlands, Norway, Singapore and the United Kingdom.

The proceeds from the debt issuance described above along with the available cash on hand were used to fund the repayment of all $522.8 million of the outstanding Synthetic Convertible Bonds that matured in January 2021 and the repayment of all $500.0 million aggregate principal amount of outstanding 3.45% Senior Notes due 2022.

In addition, we terminated the $2.5 billion senior unsecured revolving credit facility we entered into on January 17, 2017 and terminated the €500.0 million Euro Facility and CCFF Program we entered into on May 19, 2020. In connection with the termination of these credit facilities, we repaid most of the outstanding commercial paper borrowings, which were $1,525.2 million as of December 31, 2020.

Til generalforsamlingen i FMC Technologies Norway AS

Uavhengig revisors beretning

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert FMC Technologies Norway AS' årsregnskap som består av balanse per 31. desember 2020, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening er det medfølgende årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettvisende bilde av selskapets finansielle stilling per 31. desember 2020, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av selskapet slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Ledelsen er ansvarlig for øvrig informasjon. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen.

Vår uttalelse om revisjonen av årsregnskapet dekker ikke øvrig informasjon, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese øvrig informasjon med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom øvrig informasjon og årsregnskapet, kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon.

Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

Styrets og daglig leders ansvar for årsregnskapet

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettvisende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

PricewaterhouseCoopers AS, Strømsø Torg 9, Postboks 2078 Strømsø, NO-3003 Drammen
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til:
https://revisorforeningen.no/revisjonsberetninger

Uttalelse om andre lovmessige krav

Konklusjon om årsberetningen

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til resultatdisponering er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge.

Drammen, 7. juli 2021
PricewaterhouseCoopers AS

Stein Erik Rotegård
Statsautorisert revisor
(elektronisk signert)

Securely signed with Brevio

Revisjonsberetning

Signers:

Name	***Method***	***Date***
Rotegård, Stein Erik	BANKID_MOBILE	2021-07-07 12:56

FMC Technologies Norway AS

Årsregnskap 2020

RESULTATREGNSKAP

FMC TECHNOLOGIES NORWAY AS

Alle tall i 1000 NOK

DRIFTSINNTEKTER OG DRIFTSKOSTNADER	Note	2020	2019
Lønnskostnad	2	15 874	12 788
Annen driftskostnad		2 280	3 081
Sum driftskostnader		**18 154**	**15 869**
Driftsresultat		**-18 154**	**-15 869**
FINANSINNTEKTER OG FINANSKOSTNADER			
Renteinntekt fra foretak i samme konsern		17 709	37 461
Annen finansinntekt		13 568	0
Nedskrivning på investeringer		341 879	775 000
Rentekostnad til foretak i samme konsern		2 976	4 072
Annen finanskostnad		2 153	-12 727
Resultat av finansposter		**-315 730**	**-728 884**
Ordinært resultat før skattekostnad		-333 884	-744 753
Skattekostnad på ordinært resultat	4	0	-190 380
Årsresultat		**-333 884**	**-554 373**
OVERFØRINGER			
Overført til udekket tap	5	333 884	554 373
Sum overføringer		**-333 884**	**-554 373**

BALANSE

FMC TECHNOLOGIES NORWAY AS

Alle tall i 1000 NOK

	Note	2020	2019
EIENDELER			
ANLEGGSMIDLER			
IMMATERIELLE EIENDELER			
FINANSIELLE ANLEGGSMIDLER			
Investeringer i datterselskap	6	341 310	3 580 970
Lån til foretak i samme konsern	3	316 554	393 461
Sum finansielle anleggsmidler		**657 864**	**3 974 431**
Sum anleggsmidler		**657 864**	**3 974 431**
OMLØPSMIDLER			
FORDRINGER			
Kundefordringer	3	1 423	1 663
Andre kortsiktige fordringer	3	105	99
Sum fordringer		**1 527**	**1 762**
Bankinnskudd, kontanter o.l.	8	195 942	142 607
Sum omløpsmidler		**197 470**	**144 369**
Sum eiendeler		**855 334**	**4 118 800**

BALANSE

FMC TECHNOLOGIES NORWAY AS

Alle tall i 1000 NOK

	Note	2020	2019
EGENKAPITAL OG GJELD			
INNSKUTT EGENKAPITAL			
Aksjekapital	5	120 000	120 000
Overkurs	5	21 183 296	21 183 296
Sum innskutt egenkapital		**21 303 296**	**21 303 296**
OPPTJENT EGENKAPITAL			
Udekket tap	5	-20 456 176	-17 224 511
Sum opptjent egenkapital		**-20 456 176**	**-17 224 511**
Sum egenkapital		**847 119**	**4 078 785**
GJELD			
AVSETNING FOR FORPLIKTELSER			
ANNEN LANGSIKTIG GJELD			
Gjeld til ansatte		884	840
Sum annen langsiktig gjeld		**884**	**840**
KORTSIKTIG GJELD			
Leverandørgjeld		100	1 177
Betalbar skatt	4	0	28 098
Skyldig offentlige avgifter		3 360	1 455
Annen kortsiktig gjeld	3	3 870	8 445
Sum kortsiktig gjeld		**7 330**	**39 176**
Sum gjeld		**8 214**	**40 015**
Sum egenkapital og gjeld		**855 334**	**4 118 800**

Kongsberg, 07.07.2021
Styret i Fmc Technologies Norway AS

Jørn T. Røkaas	KAROLINE GREGERSEN	Hege Kullerud
Jørn T. Røkaas (Jul 7, 2021 08:28 GMT+2)	KAROLINE GREGERSEN (Jul 7, 2021 08:27 GMT+2)	
Jørn Trygve Røkaas	Karoline Starheim Gregersen	Hege Kullerud
Styreleder	Styremedlem	Daglig leder

Kontantstrømanalyse
Cash Flow Statement

Alle tall i 1000 NOK

FMC Technologies Norway AS

	Note	2020	2019
LIKVIDER TILFØRT / CASH GENERATED			
Tilført fra årets virksomhet / Cash generated from operations 1)		-20 103	30 247
Endring i lager, debitorer og kreditor / Change in stock, acc. rec/pay		-837	18 737
Endring i andre tidsavgrensningsposter / Change in other accruals		1 949	-15 186
A. Netto likviditetsendring fra virksomheten / Net cash flow from operations		-18 991	33 798
LIKVIDER TIL INVESTERING / CASH USED FOR INVESTMENTS			
Lån til konsernselskap / Loans to group companies		0	0
B. Netto likviditetsendring fra investeringer / Net cash outflow from investments		0	0
KONTANTSTRØMMER FRA FINANSIERINGSAKTIVITETER/ NET CASH FLOW FROM FINANCING ACTIVITES			
Endring finansiering med konsernmellomv./Changes in liabilities from group financing		72 326	-711 335
Konsernbidrag / Group contribution		0	705 000
C. Netto likviditetsendring fra finans / Net cashflow from financing		72 326	-6 335
(A + B + C) Netto endring likviditet / Net change in cashflow		53 335	27 463
Likviditetsbeholdning pr. 01.01 / Cash per 1 Jan		142 607	115 144
Likviditetsbeholdning pr. 31.12 / Cash per 31 Dec		195 942	142 607
1): Ordinært resultat før skattekostnad / Net income		-333 884	-744 753
Nedskrivning av aksjer/Impairment of fixed assets		341 879	775 000
Betalte skatter / Tax payable		-28 098	0
Tilført fra årets virksomhet / Cash generated from operations		-20 103	30 247

FMC Technologies Norway AS
Årsregnskap for 2020

Note 1 Regnskapsprinsipper

Grunnleggende prinsipper - vurdering og klassifisering - Andre forhold

Årsregnskapet består av resultatregnskap, balanse, kontantstrømoppstilling og noteopplysninger og er avlagt i samsvar med aksjelov, regnskapslov og god regnskapsskikk i Norge gjeldende pr. 31. desember 2020. For å gjøre årsregnskapet lettere å lese, er det redigert slik at regnskapsoppstillingene er sammendratt i formen. Den nødvendige spesifiseringen er gjort i notene. Notene er følgelig en integrert del av årsregnskapet.

Årsregnskapet er basert på de grunnleggende prinsipper om historisk kost, sammenlignbarhet, fortsatt drift, kongruens og forsiktighet. Transaksjoner regnskapsføres til verdien av vederlaget på transaksjonstidspunktet. Inntekter resultatføres når de er opptjent og kostnader sammenstilles med opptjente inntekter. Regnskapsprinsippene utdypes nedenfor.

Når faktiske tall ikke er tilgjengelige på tidspunkt for regnskapsavleggelsen, tilsier god regnskapsskikk at ledelsen beregner et best mulig estimat for bruk i resultatregnskap og balanse. Det kan fremkomme avvik mellom estimerte og faktiske tall.

Eiendeler/gjeld som knytter seg til varekretsløpet og poster som forfaller til betaling innen ett år etter balansedagen, er klassifisert som omløpsmidler/kortsiktig gjeld. Vurdering av omløpsmidler/kortsiktig gjeld skjer til laveste/høyeste verdi av anskaffelseskost og virkelig verdi. Virkelig verdi er definert som antatt fremtidig salgspris redusert med forventede salgskostnader. Andre eiendeler er klassifisert som anleggsmidler. Vurdering av anleggsmidler skjer til anskaffelseskost. Anleggsmidler som forringes avskrives. Dersom det finner sted en verdiendring som ikke er forbigående, foretas en nedskrivning av anleggsmidlet. Tilsvarende prinsipper legges normalt til grunn for gjeldsposter.

Det er i henhold til god regnskapsskikk noen unntak fra de generelle vurderingsreglene. Disse unntakene er kommentert i de respektive noter. Ved anvendelse av regnskapsprinsipper og presentasjon av transaksjoner og andre forhold, legges det vekt på økonomiske realiteter, ikke bare juridisk form. Betingede tap som er sannsynlige og kvantifiserbare, kostnadsføres.

Regnskapsprinsipper for vesentlige regnskapsposter

Inntektsføringstidspunkt
Selskapet er et holdingselskap uten faste løpende driftsinntekter, men dersom det er driftsinntekter resultatføres de når opptjent. Driftsinntektene er fratrukket merverdiavgift, rabatter, bonuser og fakturerte fraktkostnader. Viderefakturering av lønnskostnader og andre driftskostnader regnskaps føres som en kostnadsreduksjon og ikke som inntekt (se note 2).

Kostnadsføringstidspunkt / sammenstilling
Utgifter kostnadsføres når de påløper. Kostnader relatert til restrukturering og avvikling av virksomhet kostnadsføres når det er tatt beslutning om restrukturering eller avvikling. Lønnskostnader viderefaktureres de virksomheter som ledes og samkjøres av de ansatte.

Valuta
Transaksjoner i utenlandsk valuta omregnes til månedlige gjennomsnittskurser. Pengeposter i utenlandsk valuta omregnes til norske kroner ved å benytte balansedagens kurs. Valutakursendringer resultatføres løpende i regnskapsperioden under andre finansposter.

Utsatt skatt og skattekostnad
Utsatt skatt beregnes på bakgrunn av midlertidige forskjeller mellom regnskapsmessige og skattemessige verdier ved utgangen av regnskapsåret. Ved beregningen benyttes nominell skattesats. Positive og negative forskjeller vurderes mot hverandre innenfor samme tidsintervall. Visse poster vurderes likevel særskilt, herunder merverdier ved oppkjøp og utsatt skatt på netto pensjonsforpliktelser. Utsatt skattefordel oppstår dersom en har midlertidige forskjeller som gir opphav til skattemessige fradrag i fremtiden. Årets skattekostnad består av endringer i utsatt skatt sammen med betalbar skatt for inntektsåret korrigert for feil i tidligere års beregninger.

FMC Technologies Norway AS
Årsregnskap for 2020

Pensjonsforpliktelser og pensjonskostnad
Alle ansatte er inkludert i en innskuddsbasert ordning. Innskuddsplan betyr at selskapet yter et bidrag til den enkelte ansattes pensjonssparing som forvaltes av et forsikringsselskap. Bidragets størrelse beregnes ut ifra den ansattes pensjonsgivende lønn, der bidragets størrelse følger en trappemodell. Foretakets forpliktelse er således fullt innfridd ved bidragsbetalingen.

Foretaket hadde inntil 2018 en ytelsesordning. Ansatte i særskilte aldersgrupper har blitt tildelt en kompensasjonsordning for å dekke forventet tap som følge av planendringen, hvor kosten for foretaket er årlig avsatt og betalt ut ved pensjonstidspunktet eller når den ansatte forlater selskapet.

Netto pensjonskostnad består av bidrag til innskuddsordning og kompensasjonsordning. Netto pensjonskostnad er klassifisert som ordinær driftskostnad og er presentert sammen med lønn og andre ytelser.

Foretakets innskuddsbaserte ordning inkluderer 3 personer per 31.12.2020.

Selskapet har ordninger som oppfyller kravene i lov om obligatorisk tjenestepensjon.

Kontantstrømoppstilling
Kontantstrømoppstillingen er utarbeidet etter den indirekte metoden. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige, likvide plasseringer som umiddelbart og med uvesentlig kursrisiko kan konverteres til kjente kontantbeløp og med forfallsdato kortere enn tre måneder fra anskaffelsesdato.

Selskapet inngår nå i en konsernkontoordning hvor innestående eller skyldig beløp bokføres som henholdsvis en fordring eller gjeld i regnskapet.

Aksjer
Aksjer vurderes til det laveste av anskaffelseskost og virkelig verdi. Datterselskapet regnskapsføreres etter kostmetoden. Det foretas vurderinger om det er indikatorer på verdifall. I tilfelle det er indre eller ytre indikatorer, foretas det vurderinger av fremtidige antatte kontantstrømmer som måles opp mot kostpris.

Morselskap
FMC Technologies Norway AS er 100% eid av FMC Technologies B.V.
Opplysninger om konsernregnskapet kan fås ved henvendelse til TechnipFMC PLC, UK.

FMC Technologies Norway AS
Årsregnskap 2020

Alle tall er oppgitt i hele kr. 1000 så sant ikke annet er opplyst.

Note 2 Godtgjørelser / Lønn og pensjon / Revisor

Lønnskostnader mm.	**01.01-31.12**	
	2020	2019
Lønninger	**8 064**	8 180
Folketrygdavgift	**2 895**	3 429
Pensjonskostnader	**2 270**	233
Andre ytelser	**2 645**	946
Lønnskostnader	**15 874**	12 788
Gjennomsnittlig antall ansatte:	3	3

De ansatte er personell som skal lede og samkjøre TechnipFMC investeringer i Norge og Storbritannia.
Daglig leder/styremedlem har sitt hovedvirke i FMC Kongsberg Subsea AS og får lønn derfra. Det er forøvrig ikke avtalt særskilte ytelser, opsjoner, vederlag eller sluttgodtgjørelse til styret eller daglig leder.

Revisor
Revisjonshonorar for 2020 kostnadsført med TNOK 233 inkl mva. for norsk revisjon,

Pensjoner og pensjonsforpliktelser

Alle ansatte er inkludert i en innskuddsbasert ordning. Innskuddsplan betyr at selskapet yter et bidrag til den enkelte ansattes pensjonssparing som forvaltes av et forsikringsselskap. Bidragets størrelse beregnes ut ifra den ansattes pensjonsgivende lønn, der bidragets størrelse følger en trappemodell. Foretakets forpliktelse er således fullt innfridd ved bidragsbetalingen.

Foretaket hadde inntil 2018 en ytelsesordning. Ansatte i særskilte aldersgrupper har blitt tildelt en kompensasjonsordning for å dekke forventet tap som følge av planendringen, hvor kosten for foretaket er årlig avsatt og betalt ut ved pensjonstidpunktet eller når den ansatte forlater selskapet.

Netto pensjonskostnad består av bidrag til innskuddsordning og kompensasjonsordning. Netto pensjonskostnad er klassifisert som ordinær driftskostnad og er presentert sammen med lønn og andre ytelser.

Foretakets innskuddsbaserte ordning inkluderer 3 personer per 31.12.2020.

FMC Technologies Norway AS

Årsregnskap 2020

Note 3 Mellomværende med selskap i samme konsern m.v.

	Kundefordringer		Leverandørgjeld	
	31.12.2020	31.12.2019	**31.12.2020**	31.12.2019
FMC Technologies Ltd. Nigeria	**0**	85	**0**	0
Technip Norge AS	**150**	195	**0**	0
Technip France	**0**	0	**2**	14
Technipnet	**0**	0	**0**	92
Technip USA Inc	**0**	0	**0**	13
FMC Kongsberg Subsea AS	**1 273**	1 382	**-1**	0
Sum	**1 423**	1 663	**1**	119

	Lån til foretak i samme konsern		Gjeld til foretak i samme konsern	
	31.12.2020	31.12.2019	**31.12.2020**	31.12.2019
FMC Kongsberg Subsea AS	**316 554**	287 355	**0**	57
FMC Technologies BV	**0**	0	**27**	27
Sum	**316 554**	287 355	**27**	85

	31.12.2020	31.12.2019
Konvertibelt lån fra konsernselskapet FMC Kongsberg Subsea AS	**0**	106 107
	0	106 107

I forbindelse med likvidasjonen av FMC Technologies AS selskapets fordringen på konvertibelt lån ble overført til markedsverdi. Konvertibelt lån forfalt til betaling i 2020.

FMC Technologies Norway AS
Årsregnskap 2020

Alle tall er oppgitt i hele kr. 1000 så sant ikke annet er opplyst.

Note 4 Skatt

Spesifikasjon midlertidige forskjeller	2020		2019		
	Negative	Positive	Negative	Positive	Netto endring
Avsetninger iht. god regnskapsskikk	0	0	0	0	0
Midlertidige forskjeller	0	0	0	0	0
Underskudd til fremføring	-229 649	0	-237 707	0	8 058
Andel avskåret rente som inngår i grunnlag utsatt skattefordel	0	0	0	0	0
Utligning	229 649	-229 649	237 707	-237 707	0
Netto midlertidlige forskjeller	0	-229 649	0	-237 707	8 058
Forskjeller som ikke inngår i utsatt skattefordel/utsatt skatt		229 649		237 708	-8 059
Grunnlag utsatt skattefordel/utsatt skatt	0	0	0	0	0
Utsatt skattfordel 22 %	0	0	0	0	0
Avskåret rentefradrag til fremføring	-3 458 021		-3 458 021		-

Betalbar skatt	2020	2019
Resultat før skattekostnad og konsernbidrag	-333 884	-744 753
Ikke fradragsberettigede kostnader	64	-18 492
Endring midlertidige forskjeller	0	-14 513
Nedskrivning på aksjer	341 879	775 000
Overført til underskudd til fremføring	-8 059	2 758
Grunnlag betalbar skatt	**0**	**0**
Betalbar skatt på årets resultat 22 %	0	0
Avsatt betalbar skatt - usikker skatteposisjon	0	28 098
Bokført betalbar skatt	**0**	**28 098**

Skattekostnad / (-) inntekt

Endring utsatt skatt		0	128 706
Avsatt betalbar skatt - usikker skatteposisjon**		0	-319 086
Skattekostnad/ (-) inntekt		**0**	**-190 380**
Avstemming årets skattekostnad			
Resultat før skatt		-333 884	-744 753
22% skatt av resultat før skatt	22 %	-73 454	-163 846
Avvik		**-73 454**	**26 535**
Avviket skyldes skatteeffekt av			
Avskåret rentefradrag til fremføring		0	-16 101
Ikke balanseført utsatt skatt		1 773	-52 296
Permanente forskjeller		-14	4 068
Nedskrivning på aksjer		-75 213	-170 500
Avsatt betalbar skatt - usikker skatteposisjon		0	319 086
Reduksjon underskudd til framføring - usikker skatteposisjon		0	-57 723
		-73 454	**26 535**

*Selskapet har fått endelig vedtak i skattesaken angående rentefradrag i 2012-2013. Avsetningen for den usikre skatteposisjonen som ble gjort i regnskapet for 2016/17 er delvis reversert i samsvar med endelig vedtak.

Utsatt skattefordel knyttet til underskudd til framføring er ikke balanseført.

FMC Technologies Norway AS
Årsregnskap 2020

Alle tall er oppgitt i hele kr. 1000 så sant ikke annet er opplyst.

Note 5 Egenkapital og aksjonærinformasjon

	Aksjekapital	Overkurs	Annen EK	Sum
Egenkapital 01.01.2020	120 000	21 183 296	-17 224 511	4 078 785
Årets endring i egenkapital:				
Dividende	0	0	-2 897 782	-2 897 782
Årsresultat	0	0	-333 884	-333 884
Egenkapital 31.12.2020	120 000	21 183 296	-20 456 176	847 119

Aksjekapital og aksjonærinformasjon:

	Antall	Pålydende	Balanseført
Aksjekapitalen pr. 31.12.2020 består av :	200	600	120 000

Eierstruktur:

	Aksjer	Eierandel	Stemmeandel
FMC Technologies BV	200	100,0 %	100,0 %

Note 6 Aksjer i datterselskap

	Eierandel	Kostpris	Balanseført verdi
Anleggsmidler:			
FMC Technologies UK Limited	100 %	1 458 189	**341 310**
			341 310

	FMC Technologies UK Ltd
Forretningskontor	Dunfermline
Eierandel	100%
Andel av stemmeberettiget kapital	100%
Egenkapital ifølge siste årsregnskap	**-742 777**
Resultat i følge siste årsregnskap	**-510 198**

Egenkapital og resultattall er basert på siste godkjente offentlige tall.

FMC Technologies Norway AS
Årsregnskap 2020

Alle tall er oppgitt i hele kr. 1000 så sant ikke annet er opplyst.

Note 7 Nærstående parter

Alle konserntransaksjoner er gjennomført etter forretningsmessige vilkår og prinsipper.
Transaksjoner mellom nærtstående parter er hovedsakelig relatert til finansiering.

Note 8 Pantstillelser og garantiansvar

Selskapet har en kassekreditt-ramme på 200 000 TNOK i DNB. Denne er sikret via FMC Technologies Inc.
Selskapet har stilt en bankgaranti på 1 MNOK som sikkerhet for skyldig skattetrekk for ansatte.

FMC Technologies Norway AS

ÅRSBERETNING 2020

Om virksomheten
Selskapets hovedformål er å knytte sammen den norske gruppen med sin største og viktigste leverandør FMC Technologies UK LTD for å oppnå hensiktsmessig operasjonell og juridisk struktur, eierstyring og selskapsledelse.

FMC Technologies Norway AS 100% indirekte eid av TechnipFMC Plc (Storbritannia).

Arbeidsmiljø
Selskapet har høyt fokus på å opprettholde et godt arbeidsmiljø. En forutsetning for å oppnå dette er utvikling og etterlevelse av TechnipFMC-konsernets verdier i alle ledd av organisasjonen. Vi anser arbeidsmiljøet som tilfredsstillende.

Redegjørelse for årsregnskapet
Selskapets resultat etter skatt ble negativt TNOK 333.884. Det negative resultatet skyldes nedskriving verdien av aksjene i FMC Technologies UK Ltd. Verdifallet skyldes omlegging av stor andel av selskapets produksjon fra Dunfermline til søsterselskaper i Asia, samt svakere fremtidig økonomisk utvikling for produksjons virksomheten. Selskapet hadde ingen driftsinntekter i 2020. Datterselskapet FMC Kongsberg Subsea AS ble i 2020 overført til eierselskapet FMC Technologies BV i form av ekstraordinært utbytte.

Etter styrets oppfatning gir årsregnskapet en tilfredsstillende beskrivelse av selskapets resultat i 2020 og stilling ved årets slutt. Det foreligger ikke hendelser eller forhold etter balansedato som er viktige for å bedømme selskapets resultat og stilling.

Styret bekrefter at forutsetning til fortsatt drift er til stede.

Eiendeler og gjeld
Selskapets aktiva utgjøres av aksjer i datterselskaper. Selskapet har ingen langsiktig gjeld. Kortsiktig gjeld består av betalbar skatt, offentlige avgifter og kortsiktig lån fra selskaper i samme konsern. Lånene rente beregnes på markedsmessige vilkår.

Egenkapital
Egenkapitalen var ved årets slutt var TNOK 847.119

Disponeringer
Styret foreslår at årets underskudd på TNOK 333.884 dekkes på følgende måte:

Til udekket tap: 333.884 TNOK

Arbeidsmiljø, likestilling, diskriminering og ytre miljø
Arbeidsmiljøet anses som tilfredsstillende, og Selskapet har som intensjon å fremme likestilling samt forebygge diskriminering.

Aktiviteten som et holdingselskap påvirker i liten grad det ytre miljøet.

Finansiell risiko
Da Selskapets aktiva er knyttet til aksjeposter i datterselskaper, har man en viss risiko i forhold til markedsforhold som kan påvirke verdsettelsen av disse. Det gjøres årlig verdivurderinger for å sikre at eiendelene er riktig vurdert i regnskapet. Vurderingen er basert på antatt fremtidige kontantstrømmer, og styret presiserer at det knytter seg usikkerhet til disse under de rådende markedsforhold.

Da selskapets inntekter og kostnader delvis er i utenlandsk valuta kan svingninger i valutakurser påvirke verdien av de fremtidige kontantstrømmene.

Fremtidig utvikling
TechnipFMC konsernet tilbyr olje- og energiselskapene integrerte, kostnadseffektive løsninger for feltdesign, utbygging, drift og vedlikehold. Konsernet utvikler nye teknologisk effektive løsninger for olje, gass og fornybar energi (offshore vind, bølgekraft og hydrogen). Teknologiutvikling reduserer utslipp fra olje/gass utvinning, kostnadene for feltutbygging og vedlikehold samt en bidragsyter til utvikling av alternative fornybare offshore energikilder.

Pågående omorganisering innen TechnipFMC Plc selskapsstruktur kan føre til hensiktsmessige endringer i FMC Technologies Norway AS konsernstruktur, utover dette er det ikke forventet vesentlige endringer i selskapets formål og drift.

Kongsberg, 7 Juli 2021

Jørn T. Røkaas
Jorn T. Rokaas (Jul 7, 2021 08:28 GMT+2)
Jørn T. Røkaas
Styrets leder

KAROLINE GREGERSEN
KAROLINE GREGERSEN (Jul 7, 2021 08:27 GMT+2)
Karoline Gregersen
Styremedlem

Hege Kullerud

Hege Kullerud
Daglig Leder