Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten	
Organisasjonsnummer:	998 197 201
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	FMC TECHNOLOGIES NORWAY AS
Forretningsadresse:	Kirkegårdsveien 45 3616 KONGSBERG
Regnskapsår	
Årsregnskapets periode:	01.01.2019 - 31.12.2019
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 Røkaas
Dato for fastsettelse av årsregnskapet:	31.08.2020

Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert

År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

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	2019	2018
RESULTATREGNSKAP			
Kostnader			
Lønnskostnader	2	12 788 000	43 819 000
Annen driftskostnad		3 081 000	4 810 000
Sum kostnader		**15 869 000**	**48 629 000**
Driftsresultat		**-15 869 000**	**-48 629 000**
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		37 461 000	21 905 000
Sum finansinntekter		**37 461 000**	**21 905 000**
Nedskrivning av finansielle eiendeler		775 000 000	
Rentekostnad til foretak i samme konsern		4 072 000	452 459 000
Annen finanskostnad		-12 727 000	9 229 000
Sum finanskostnader		**766 345 000**	**461 688 000**
Netto finans		**-728 884 000**	**-439 783 000**
Ordinært resultat før skattekostnad		**-744 753 000**	**-488 412 000**
Skattekostnad på ordinært resultat	4	-190 380 000	-24 304 000
Ordinært resultat etter skattekostnad		**-554 373 000**	**-464 108 000**
Årsresultat		**-554 373 000**	**-464 108 000**
Overføringer og disponeringer			
Udekket tap	5	-554 373 000	-464 108 000
Sum overføringer og disponeringer	5	**-554 373 000**	**-464 108 000**

Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	4		128 706 000
Sum immaterielle eiendeler			**128 706 000**
Finansielle anleggsmidler			
Investering i datterselskap	6	3 580 970 000	4 355 970 000
Lån til foretak i samme konsern	3	393 461 000	82 898 000
Sum finansielle anleggsmidler		**3 974 431 000**	**4 438 868 000**
Sum anleggsmidler		**3 974 431 000**	**4 567 574 000**
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	3	1 663 000	19 250 000
Andre kortsiktige fordringer	3	99 000	705 147 000
Sum fordringer		**1 762 000**	**724 397 000**
Bankinnskudd, kontanter og lignende			
bankinnskudd, kontanter o.l	8	142 607 000	115 144 000
Sum bankinnskudd, kontanter og lignende		**142 607 000**	**115 144 000**
Sum omløpsmidler		**144 369 000**	**839 541 000**
SUM EIENDELER		**4 118 800 000**	**5 407 115 000**
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

Balanse

Beløp i: NOK	Note	2019	2018
Sum innskutt egenkapital		**21 303 296 000**	**21 303 296 000**
Opptjent egenkapital			
Udekket tap	5	17 224 511 000	16 670 138 000
Sum opptjent egenkapital		**-17 224 511 000**	**-16 670 138 000**
Sum egenkapital		**4 078 785 000**	**4 633 158 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til ansatte		840 000	564 000
Sum annen langsiktig gjeld		**840 000**	**564 000**
Sum langsiktig gjeld		**840 000**	**564 000**
Kortsiktig gjeld			
Leverandørgjeld	3	1 177 000	27 000
Betalbar skatt	4	28 098 000	347 184 000
Skyldig offentlige avgifter		1 455 000	16 916 000
Annen kortsiktig gjeld	3	8 445 000	409 266 000
Sum kortsiktig gjeld		**39 175 000**	**773 393 000**
Sum gjeld		**40 015 000**	**773 957 000**
SUM EGENKAPITAL OG GJELD		**4 118 800 000**	**5 407 115 000**

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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 2019, 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 2019, 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

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

pwc

Uavhengig revisors beretning - FMC Technologies Norway AS

for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

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, 12. juni 2020
PricewaterhouseCoopers AS

Stein Erik Rotegård
Statsautorisert revisor

Securely signed with Brevio

Revisjonsberetning

Signers:

Name	*Method*	*Date*
Rotegård, Stein Erik	BANKID_MOBILE	2020-06-29 13:22

FMC Technologies Norway AS

Årsregnskap 2019

FMC Technologies Norway AS

ÅRSBERETNING 2019

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 554.373. Det negative resultatet skyldes nedskriving verdien av aksjene i FMC Technologies UK Ltd. Verdifallet skyldes nedleggelse av selskapets service base i Aberdeen, samt svakere fremtidig økonomisk utvikling for produksjons virksomheten. Selskapet hadde ingen driftsinntekter i 2019.

Etter styrets oppfatning gir årsregnskapet en tilfredsstillende beskrivelse av selskapets resultat i 2019 og stilling ved årets slutt.

Styret bekrefter at forutsetning til fortsatt drift er til stede.

Myndighets beslutninger i mars 2020 om å begrense Coronavirus COVID-19 smittespredning, samtidig med olje pris kollaps som en konsekvens av ubalansen mellom etterspørsel og tilbud av oljeprodukter vil påvirke datterselskapene på kort og mellomlang sikt. På styremøte 28. april 2020 besluttet et av datterselskapene å gjennomføre en vesentlig nedbemanning for bedre å kunne tilpasse seg reduksjon i ny subsea oljefeltutbygging og utsatt vedlikehold av subsea oljeproduksjonsutstyr. Utover dette er det ikke inntruffet hendelser eller forhold som er viktige for å bedømme selskapets resultat og stilling.

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 4.078.785

Disponeringer
Styret foreslår at årets underskudd på TNOK 554.373 dekkes på følgende måte:

Til udekket tap: 554.373 TNOK

Arbeidsmiljø, likestilling, diskriminering og ytre miljø
Arbeidsmiljøet anses som tilfredsstillende, og Selskapet har som intensjon å fremme likestilling samt forebygge diskriminering.

Aktiviteten 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 oljeselskapene integrerte, kostnadseffektive løsninger for feltdesign, utbygging, drift og vedlikehold. Gjennom tildeling av kontrakter i 2019 til datterselskaper viser det seg at kunder på norsk kontinental sokkel ser behovet for disse kostnadseffektive integrerte løsningen. Konsernet utvikler nye teknologisk effektive løsninger som ytterligere vil redusere kostnadene for feltutbygging og vedlikehold i framtiden.

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, 12 Juni 2020

Jørn T. Røkaas	K Gregersen Karoline Gregersen	Bjørn Gisle Grønlie
Styrets leder	Styremedlem	Styremedlem

Hege Kullerud
Hege Kullerud
Daglig Leder

RESULTATREGNSKAP

FMC TECHNOLOGIES NORWAY AS

Alle tall i 1000 NOK

DRIFTSINNTEKTER OG DRIFTSKOSTNADER	Note	2019	2018
Lønnskostnad	2	12 788	43 819
Annen driftskostnad		3 081	4 810
Sum driftskostnader		**15 869**	**48 629**
Driftsresultat		**-15 869**	**-48 629**
FINANSINNTEKTER OG FINANSKOSTNADER			
Renteinntekt fra foretak i samme konsern		37 461	21 905
Nedskrivning på investeringer		775 000	0
Rentekostnad til foretak i samme konsern		4 072	452 459
Annen finanskostnad		-12 727	9 229
Resultat av finansposter		**-728 884**	**-439 783**
Ordinært resultat før skattekostnad		-744 753	-488 412
Skattekostnad på ordinært resultat	4	-190 380	-24 304
Årsresultat		-554 373	-464 108
OVERFØRINGER			
Overført til udekket tap	5	554 373	464 108
Sum overføringer		**-554 373**	**-464 108**

FMC TECHNOLOGIES NORWAY AS

SIDE 1

BALANSE

FMC TECHNOLOGIES NORWAY AS

Alle tall i 1000 NOK

	Note	2019	2018
EIENDELER			
ANLEGGSMIDLER			
IMMATERIELLE EIENDELER			
Utsatt skattefordel	4	0	128 706
Sum immaterielle eiendeler		**0**	**128 706**
FINANSIELLE ANLEGGSMIDLER			
Investeringer i datterselskap	6	3 580 970	4 355 970
Lån til foretak i samme konsern	3	393 461	82 898
Sum finansielle anleggsmidler		**3 974 431**	**4 438 868**
Sum anleggsmidler		**3 974 431**	**4 567 574**
OMLØPSMIDLER			
FORDRINGER			
Kundefordringer	3	1 663	19 250
Andre kortsiktige fordringer	3	99	705 147
Sum fordringer		**1 762**	**724 396**
Bankinnskudd, kontanter o.l.	8	142 607	115 144
Sum omløpsmidler		**144 369**	**839 541**
Sum eiendeler		**4 118 800**	**5 407 115**

BALANSE

FMC TECHNOLOGIES NORWAY AS

Alle tall i 1000 NOK

	Note	2019	2018
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	-17 224 511	-16 670 138
Sum opptjent egenkapital		**-17 224 511**	**-16 670 138**
Sum egenkapital		**4 078 785**	**4 633 158**
GJELD			
AVSETNING FOR FORPLIKTELSER			
ANNEN LANGSIKTIG GJELD			
Gjeld til ansatte		840	564
Sum annen langsiktig gjeld		**840**	**564**
KORTSIKTIG GJELD			
Leverandørgjeld		1 177	27
Betalbar skatt	4	28 098	347 184
Skyldig offentlige avgifter		1 455	16 916
Annen kortsiktig gjeld	3	8 445	409 265
Sum kortsiktig gjeld		**39 176**	**773 392**
Sum gjeld		**40 015**	**773 957**
Sum egenkapital og gjeld		**4 118 800**	**5 407 115**

Kongsberg, 12.06.2020
Styret i Fmc Technologies Norway AS

Jørn Trygve Røkaas
Styreleder

Bjørn Gisle Grønlie
Styremedlem

Karoline Starheim Gregersen
Styremedlem

Hege Kullerud
Daglig leder

Kontantstrømanalyse
Cash Flow Statement

All figures in 1000 NOK

FMC Technologies Norway AS

	Note	2019	2018
LIKVIDER TILFØRT / CASH GENERATED			
Tilført fra årets virksomhet / Cash generated from operations 1)		30 247	-515 742
Endring i lager, debitorer og kreditor / Change in stock, acc. rec/pay		18 737	-272
Endring i andre tidsavgrensningsposter / Change in other accruals		-15 186	259 859
A. Netto likviditetsendring fra virksomheten / Net cash flow from operations		33 798	-256 155
LIKVIDER TIL INVESTERING / CASH USED FOR INVESTMENTS			
Lån til konsernselskap / Loans to group companies		0	-16 065 142
Gjeldskonvertering		0	16 065 142
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		-711 335	273 971
Konsernbidrag / Group contribution		705 000	0
C. Netto likviditetsendring fra finans / Net cashflow from financing		-6 335	273 971
(A + B + C) Netto endring likviditet / Net change in cashflow		27 463	17 816
Likviditetsbeholdning pr. 01.01 / Cash per 1 Jan		115 144	97 328
Likviditetsbeholdning pr. 31.12 / Cash per 31 Dec		142 607	115 144
1): Ordinært resultat før skattekostnad / Net income		-744 753	-464 108
Nedskrivning av aksjer/Impairment of fixed assets		775 000	0
Betalte skatter / Tax payable		0	-51 634
Tilført fra årets virksomhet / Cash generated from operations		30 247	-515 742

FMC Technologies Norway AS
Årsregnskap for 2019

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 2019. 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 2019

Pensjonsforpliktelser og pensjonskostnad
I 2012 besluttet selskapet å endre sin pensjonsplan fra 01.01.2013. Overgangen fra en ytelsesbasert ordning til en innskuddsbasert ordning, var aldersbestemt for de ansatte som var ansatt på det tidspunktet FMC endret avtalen i 2012. Endringen var at alle som var under 52 år ble overført til en innskuddsplan, mens de som var over 52 år forble i ytelsesplanen. Alle ansatte som var mellom 41 og 52 år ble del i en kompensasjonsordning, som avsettes løpende og utbetales ved pensjonsalder eller ved avslutning av arbeidsforhold i FMC. Alle nyansatte etter 2012 uansett alder er med i den innskuddsbaserte ordningen.
I løpet av 2018 ble det bestemt å terminere den gjenværende delen av ytelsesplanen, og dette er gjennomført Pr 31 12. Medlemmene har mottatt en fripolise og er samtidig overført til innskuddsplanen, og vil delta i en kompensasjonsplan for å dekke forventet tap som følge av planendringen.

Ytelsesplanen gir de ansatte rett til avtalte fremtidige pensjonsytelser. Pensjonsforpliktelsen beregnes etter lineær opptjening på basis av forutsetninger om antall opptjeningsår, diskonteringsrente, fremtidig avkastning på pensjonsmidler, fremtidig regulering av lønn, pensjoner og ytelser fra folketrygden og aktuarmessige forutsetninger om dødelighet, frivillig avgang, osv. Pensjonsmidlene vurderes til virkelig verdi. Netto pensjonsforpliktelse består av brutto pensjonsforpliktelse fratrukket virkelig verdi av pensjonsmidler. Netto pensjonsforpliktelser på underfinansierte ordninger er balanseført som langsiktig rentefri gjeld, mens netto pensjonsmidler på overfinansierte ordninger er balanseført som langsiktig rentefri fordring dersom det er sannsynlig at overfinansieringen kan utnyttes.

Endringer i forpliktelsen som skyldes endringer i pensjonsplanene, fordeles over antatt gjennomsnittlig gjenværende opptjeningstid eller 15 år. Endringer i forpliktelsen og pensjonsmidlene som skyldes endringer i og avvik mot beregningsforutsetningene (estimatendringer), fordeles over antatt gjennomsnittlig gjenværende opptjeningstid hvis avvikene overstiger 10% av brutto pensjonsforpliktelse/pensjonsmidlene.

Innskuddsplanen 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.

Netto pensjonskostnad består av brutto pensjonskostnad fratrukket estimert avkastning på pensjonsmidlene, korrigert for fordelt virkning av endringer i estimater og pensjonsplaner, bidrag til innskuddsplanen og kompensasjonsordninger. Netto Pensjonskostnad klassifiseres som ordinær driftskostnad og er presentert sammen med lønn og andre ytelser.

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.

Konsolidering
Selskapet er konsernspiss Norge, men inngår som en del av konsernregnskapet til TechnipFMC PLC. I Norge har man fått innvilget unntak fra kravet om utarbeidelse av konsernregnskap i Norge og følgelig utarbeides det ikke eget konsernregnskap for den norske virksomheten.

Opplysninger om konsernregnskapet kan fås ved henvendelse til TechnipFMC PLC, UK.

Aksjer i døtre bokføres til kostpris. Utbytte og konsernbidrag inntektsføres i vedtaksåret basert på bestemmende innflytelse.

FMC Technologies Norway AS
Årsregnskap 2019

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**	
	2019	2018
Lønninger	**8 180**	36 994
Folketrygdavgift	**3 429**	4 163
Pensjonskostnader	**233**	764
Andre ytelser	**946**	1 898
Lønnskostnader	**12 788**	43 819
Gjennomsnittlig antall ansatte:	3	6

De ansatte er personell som skal lede og samkjøre FCM investeringer i Norge og Storbritannia.
Daglig leder/styremedlem har sitt hovedvirke i datterselskapet og får lønn derfra. Det er forøvrig ikke avtalt særskilte ytelser, opsjoner, vederlag eller sluttgodtgjørelse til styret eller daglig leder.

Revisor
Revisjonshonorar for 2019 kostnadsført med Tnok 107 inkl mva. Dette inkluderer både norsk revisjon, USGAAP og SOX revisjon.

Pensjoner og pensjonsforpliktelser
I 2012 besluttet selskapet å endre sin pensjonsplan fra 01.01.2013. Overgangen fra en ytelsesbasert ordning til en innskuddsbasert ordning, var aldersbestemt for de ansatte som var ansatt på det tidspunktet FMC endret avtalen i 2012. Endringen var at alle som var under 52 år ble overført til en innskuddsplan, mens de som var over 52 år forble i ytelsesplanen. Alle ansatte som var mellom 41 og 52 år ble del i en kompensasjonsordning, som avsettes løpende og utbetales ved pensonsalder eller ved avslutning av arbeidsforhold i FMC. Kompensasjonskostnad i 2019 NOK 65 461. Alle nyansatte etter 2012 uansett alder er med i den innskuddsbaserte ordningen.
I løpet av 2018 ble det bestemt å terminere den gjenværende delen av ytelsesplanen, og dette er gjennomført pr 31 12. Medlemmene har mottatt en fripolise og er samtidig overført til innskuddsplanen, og vil delta i en kompensasjonsplan for å dekke forventet tap som følge av planendringen. Alle vesentlige regnskapseffekter av endringen herunder en engangsinntekt på 1 293 868 NOK er hensyntatt i 2018 regnskap.

Selskapets innskuddplan omfatter 3 personer pr 31.12.2019. Selskapet yter et bidrag til den enkelte ansattes pensjonssparing som forvaltes av et forsikringsselskap. Bidragets størrelse beregnes utifra den ansattes pensjonsgivende lønn, der bidragets størrelse følger en trappemodell. Foretakets forpliktelse er således fullt innfridd ved bidragsbetalingen. Total kostnad i 2019 NOK 232 894.

Den nye planen tilfredstiller lov om obligatorisk tjenestepensjon.

FMC Technologies Norway AS
Årsregnskap 2019

Pensjonskostnad ytelsesordningen	01.01 - 31.12 2019	2018
Nåverdi av årets pensjonsopptjening	0	463
Rentekostnad av pensjonsforpliktelsen	0	221
Avkastning på pensjonsmidler	0	-288
Engangsseffekt av endring	0	-1 294
Netto pensjonsinntekt/kostnad ytelsesplaner	0	-897

Note 3 Mellomværende med selskap i samme konsern m.v.

	Kundefordringer		Leverandørgjeld	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
FMC Technologies Ltd. Nigeria	85	2 339	0	0
Technip Norge AS	195	0	0	0
Technip France	0	0	14	0
Technipnet	0	0	92	0
Technip USA Inc	0	0	13	0
FMC Kongsberg Subsea AS	1 382	0	0	0
Forsys Subsea Ltd UK	0	16 910	0	0
Sum	1 663	19 250	119	0

	Lån til foretak i samme konsern		Gjeld til foretak i samme konsern	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
FMC Kongsberg Subsea AS	287 355	705 000	57	382 498
FMC Technologies BV	0	0	27	26
Sum	287 355	705 000	85	382 524

	31.12.2019	31.12.2018
Konvertibelt lån fra konsernselskapet FMC Kongsberg Subsea AS	106 107	82 898
	106 107	82 898

I forbindelse med likvidasjonen av FMC Technologies AS selskapets fordringen på konvertibelt lån ble overført til markedsverdi. Konvertibelt lån forfaller til betaling i 2020.

FMC Technologies Norway AS
Årsregnskap 2019

Alle tall er oppgitt i hele kr. 1000 så sant ikke annet er opplyst.

Note 4 Skatt

Spesifikasjon midlertidige forskjeller	2019 Negative	2019 Positive	2018 Negative	2018 Positive	Netto endring
Avsetninger iht. god regnskapsskikk	0	0	-14 513	0	14 513
Midlertidige forskjeller	0	0	-14 513	0	14 513
Underskudd til fremføring	-237 707	0	-497 327	0	259 620
Andel avskåret rente som inngår i grunnlag utsatt skattefordel	0	0	-73 187	0	73 187
Utligning	237 707	-237 707	585 027	-585 027	0
Netto midlertidige forskjeller	0	-237 707	0	-585 027	347 320
Forskjeller som ikke inngår i utsatt skattefordel/utsatt skatt		237 708		0	237 708
Grunnlag utsatt skattefordel/utsatt skatt	0	1	0	-585 027	585 028
Utsatt skattfordel 22 %	0	0	0	-128 706	128 706
Avskåret rentefradrag til fremføring	-3 458 021		-3 458 021		-

Betalbar skatt	2019	2018
Resultat før skattekostnad og konsernbidrag	-744 753	-488 412
Ikke fradragsberettigede kostnader	-18 492	430 492
Endring midlertidige forskjeller	-14 513	13 011
Nedskrivning på aksjer	775 000	0
Overført til underskudd til fremføring	2 758	44 910
Grunnlag betalbar skatt	0	-0
Betalbar skatt på årets resultat 22 %	0	0
Avsatt betalbar skatt - usikker skatteposisjon	28 098	347 184
Bokført betalbar skatt	28 098	347 184

Skattekostnad / (-) inntekt

Endring utsatt skatt		128 706	-30 155
Effekt på utsatt skatt pr. 31.12 pga endring i skattesats til 22%		0	5 850
Avsatt betalbar skatt - usikker skatteposisjon**		-319 086	0
Skattekostnad/ (-) inntekt		**-190 380**	**-24 304**
Avstemming årets skattekostnad			
Resultat før skatt		-744 753	-488 412
22% skatt av resultat før skatt	22 %	-163 846	-112 335
Avvik		**26 535**	**-88 030**
Avviket skyldes skatteeffekt av			
Avskåret rentefradrag til fremføring		-16 101	-82 176
Ikke balanseført utsatt skatt		-52 296	0
Permanente forskjeller		4 068	-4
Nedskrivning på aksjer		-170 500	0
Effekt på utsatt skatt pr 31.12. pga endring i skattesats til 22%		0	-5 850
Avsatt betalbar skatt - usikker skatteposisjon		319 086	0
Reduksjon underskudd til framføring - usikker skatteposisjon		-57 723	0
		26 535	**-88 030**

*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 2019

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 01.01.2019	120 000	21 183 296	-16 670 138	4 633 158
Årets endring i egenkapital:				
Årsresultat	0	0	-554 373	-554 373
Egenkapital 31.12.2019	120 000	21 183 296	-17 224 511	4 078 785

Aksjekapital og aksjonærinformasjon:

	Antall	Pålydende	Balanseført
Aksjekapitalen pr. 31.12.2019 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 Kongsberg Subsea AS	100 %	12 627 469	2 897 782
FMC Technologies UK Limite	100 %	1 458 189	683 189
			3 580 970

	FMC Kongsberg Subsea AS	FMC Technologies UK Ltd
Forretningskontor	Kongsberg	Dunfermline
Eierandel	100%	100%
Andel av stemmeberettiget kapital	100%	100%
Egenkapital ifølge siste årsregnskap	165 110	-231 210
Resultat i følge siste årsregnskap	-902 209	-676 539

Egenkapital og resultattall er basert på siste godkjente offentlige tall.

FMC Technologies Norway AS
Årsregnskap 2019

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 5 MNOK som sikkerhet for skyldig skattetrekk for ansatte.

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
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

TechnipFMC

TechnipFMC plc: Availability of 2019 U.K. Annual Report

March 13, 2020

LONDON & PARIS & HOUSTON--(BUSINESS WIRE)-- Regulatory News:

TechnipFMC plc ("**TechnipFMC**") (NYSE:FTI) (Paris:FTI) (ISIN:GB00BDSFG982) announces that its U.K. Annual Report and IFRS Financial Statements for the period ended 31 December 2019 ("**2019 Annual Report**") has been published.

A copy of the 2019 Annual Report has been submitted to the U.K. National Storage Mechanism and is, or will shortly be, available for inspection at www.morningstar.co.uk/uk/NSM, and can also be found on the TechnipFMC website (investors.technipfmc.com).

The Company's annual general meeting will be held on 10:00 a.m., London time, on Friday, 24 April 2020 at the Company's offices at One St. Paul's Churchyard, London, EC4M 8AP, United Kingdom.

Compliance with Disclosure and Transparency Rule ("DTR") 6.3.5 – Extracts from the 2019 Annual Report

The information below, which is extracted from the 2019 Annual Report, is included solely for the purpose of complying with DTR 6.3.5 and the requirements it imposes on issuers as to how to make public annual financial reports. This announcement is not a substitute for reading the full 2019 Annual Report. Page, note, and section references in the text below refer to page numbers, note and section references in the 2019 Annual Report.

About TechnipFMC

TechnipFMC is a global leader in subsea, onshore/offshore, and surface projects. With our proprietary technologies and production systems, integrated expertise, and comprehensive solutions, we are transforming our clients' project economics.

We are uniquely positioned to deliver greater efficiency across project lifecycles from concept to project delivery and beyond. Through innovative technologies and improved efficiencies, our offering unlocks new possibilities for our clients in developing their oil and gas resources.

Each of our more than 37,000 employees is driven by a steady commitment to clients and a culture of purposeful innovation, challenging industry conventions, and rethinking how the best results are achieved.

TechnipFMC utilizes its website www.TechnipFMC.com as a channel of distribution of material company information. To learn more about us and how we are enhancing the performance of the world's energy industry, go to www.TechnipFMC.com and follow us on Twitter @TechnipFMC.

To learn more about us and how we are enhancing the performance of the world's energy industry, go to TechnipFMC.com and follow us on Twitter @TechnipFMC.

Appendix A – Directors' Responsibility Statements

The directors are responsible for our U.K. Annual Report, containing the Strategic Report, this Directors' Report, the Corporate Governance Report, the Directors' Remuneration Report, and the financial statements contained herein, in accordance with applicable law and regulations. The Companies Act requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the consolidated financial statements in accordance with international financial reporting standards as issued by the International Accounting Standards Board and as adopted by the European Union and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under the Companies Act, the directors must not approve financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and its consolidated subsidiaries and of the profit or loss of the Company and its consolidated subsidiaries for that period.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable IFRS as adopted by the European Union have been followed for the consolidated financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and its consolidated subsidiaries will continue in business

The directors are responsible for ensuring that the Company keeps adequate accounting records that are sufficient to show and explain the Company's and its consolidated subsidiaries' transactions and disclose with reasonable accuracy at any time the financial position of the Company and its consolidated subsidiaries and enable them to ensure that the financial statements and the U.K. Annual Report comply with the Companies Act and, as regards the consolidated financial statements, Article 4 of the E.U. IAS Regulation. They are also responsible for safeguarding the assets of the Company and its consolidated subsidiaries and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to the U.K. Annual Report

The directors consider that this U.K. Annual Report and financial statements, taken as a whole, is fair, balanced, and understandable and provides the information necessary for shareholders to assess the Company's and its consolidated subsidiaries' performance, business model, and strategy.

Each of the directors, whose names and functions are listed in the section entitled "*Directors*" of this Report, confirms that to the best of his/her knowledge:

a. The financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Company and the undertakings included in the consolidation taken as a whole.

b. The Directors' Report and Strategic Report include a fair review of the development or performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that it faces.

Statement as to Disclosure to Auditors

The directors confirm that:

c. So far as they are each aware, there is no relevant audit information of which the Company's and its consolidated subsidiaries' auditor is unaware.

d. They have each taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's and its consolidated subsidiaries' auditor is aware of that information.

Appendix B – Principal risks and uncertainties

The principal risks and uncertainties at set out in the Strategic Report of the 2019 Annual Report are set out below in full and unedited text.

Principal risks and uncertainties that could impact our ability to achieve our anticipated operating results and growth plan goals are presented below. The following principal risks and uncertainties should be read in conjunction with discussions of our business and the factors affecting our business located elsewhere in this U.K. Annual Report and in our other public filings.

Risks Related to Our Business and Industry

We operate in a highly competitive environment and unanticipated changes relating to competitive factors in our industry, including ongoing industry consolidation, may impact our results of operations.

We compete on the basis of a number of different factors, such as product offerings, project execution, customer service, and price. In order to compete effectively we must develop and implement innovative technologies and processes, and execute our clients' projects effectively. We can give no assurances that we will continue to be able to compete effectively with the products and services or prices offered by our competitors.

Our industry, including our customers and competitors, has experienced unanticipated changes in recent years. Moreover, the industry is undergoing vertical and horizontal consolidation to create economies of scale and control the value chain, which may affect demand for our products and services because of price concessions for our competitors or decreased customer capital spending. This consolidation activity could impact our ability to maintain market share, maintain or increase pricing for our products and services or negotiate favorable contract terms with our customers and suppliers, which could have a significant negative impact on our financial condition, results of operations or cash flows. We are unable to predict what effect consolidations and other competitive factors in the industry may have on prices, capital spending by our customers, our selling strategies, our competitive position, our ability to retain customers or our ability to negotiate favorable agreements with our customers.

Demand for our products and services depends on oil and gas industry activity and expenditure levels, which are directly affected by trends in the demand for and price of crude oil and natural gas.

We are substantially dependent on conditions in the oil and gas industry, including (i) the level of exploration, development and production activity, (ii) capital spending, and (iii) the processing of oil and natural gas in refining units, petrochemical sites, and natural gas liquefaction plants by energy companies that are our customers. Any substantial or extended decline in these expenditures may result in the reduced pace of discovery and development of new reserves of oil and gas and the reduced exploration of existing wells, which could adversely affect demand for our products and services and, in certain instances, result in the cancellation, modification, or re-scheduling of existing orders in our backlog. These factors could have an adverse effect on our revenue and profitability. The level of exploration, development, and production activity is directly affected by trends in oil and natural gas prices, which historically have been volatile and are likely to continue to be volatile in the future.

Factors affecting the prices of oil and natural gas include, but are not limited to, the following:

- demand for hydrocarbons, which is affected by worldwide population growth, economic growth rates, and general economic and business conditions;
- costs of exploring for, producing, and delivering oil and natural gas;
- political and economic uncertainty, and socio-political unrest;
- governmental laws, policies, regulations and subsidies related to or affecting the production, use, and exportation/importation of oil and natural gas;
- available excess production capacity within the Organization of Petroleum Exporting Countries ("**OPEC**") and the level of oil production by non-OPEC countries;
- oil refining and transportation capacity and shifts in end-customer preferences toward fuel efficiency and the use of natural

gas;
- technological advances affecting energy consumption;
- development, exploitation, relative price, and availability of alternative sources of energy and our customers' shift of capital to the development of these sources;
- volatility in, and access to, capital and credit markets, which may affect our customers' activity levels, and spending for our products and services; and
- natural disasters.

The oil and gas industry has historically experienced periodic downturns, which have been characterized by diminished demand for oilfield services and downward pressure on the prices we charge. While oil and natural gas prices have partially rebounded from the downturn that began in 2014, the market remains quite volatile and the sustainability of the price recovery and business activity levels is dependent on variables beyond our control, such as geopolitical stability, OPEC's actions to regulate its production capacity, changes in demand patterns, and international sanctions and tariffs. Continued volatility or any future reduction in demand for oilfield services could further adversely affect our financial condition, results of operations, or cash flows.

Our success depends on our ability to develop, implement, and protect new technologies and services.

Our success depends on the ongoing development and implementation of new product designs, including the processes used by us to produce and market our products, and on our ability to protect and maintain critical intellectual property assets related to these developments. If we are not able to obtain patents, trade secrets or other protection of our intellectual property rights, if our patents are unenforceable or the claims allowed under our patents are not sufficient to protect our technology, or if we are not able to adequately protect our patents or trade secrets, we may not be able to continue to develop our services, products and related technologies. Additionally, our competitors may be able to independently develop technology that is similar to ours without infringing on our patents or gaining access to our trade secrets. If any of these events occurs, we may be unable to meet evolving industry requirements or do so at prices acceptable to our customers, which could adversely affect our financial condition, results of operations, or cash flows.

The industries in which we operate or have operated expose us to potential liabilities, including the installation or use of our products, which may not be covered by insurance or may be in excess of policy limits, or for which expected recoveries may not be realized.

We are subject to potential liabilities arising from, among other possibilities, equipment malfunctions, equipment misuse, personal injuries, and natural disasters, any of which may result in hazardous situations, including uncontrollable flows of gas or well fluids, fires, and explosions. Our insurance against these risks may not be adequate to cover our liabilities. Further, the insurance may not generally be available in the future or, if available, premiums may not be commercially justifiable. If we incur substantial liability and the damages are not covered by insurance or are in excess of policy limits, or if we were to incur liability at a time when we were not able to obtain liability insurance, such potential liabilities could have a material adverse effect on our business, results of operations, financial condition or cash flows.

We may lose money on fixed-price contracts.

As customary for some of our projects, we often agree to provide products and services under fixed-price contracts. We are subject to material risks in connection with such fixed-price contracts. It is not possible to estimate with complete certainty the final cost or margin of a project at the time of bidding or during the early phases of its execution. Actual expenses incurred in executing these fixed-price contracts can vary substantially from those originally anticipated for several reasons including, but not limited to, the following:

- unforeseen additional costs related to the purchase of substantial equipment necessary for contract fulfillment or labor shortages in the markets where the contracts are performed;
- mechanical failure of our production equipment and machinery;
- delays caused by local weather conditions and/or natural disasters (including earthquakes and floods); and
- a failure of suppliers, subcontractors, or joint venture partners to perform their contractual obligations.

The realization of any material risks and unforeseen circumstances could also lead to delays in the execution schedule of a project. We may be held liable to a customer should we fail to meet project milestones or deadlines or to comply with other contractual provisions. Additionally, delays in certain projects could lead to delays in subsequent projects that were scheduled to use equipment and machinery still being utilized on a delayed project.

Pursuant to the terms of fixed-price contracts, we are not always able to increase the price of the contract to reflect factors that were unforeseen at the time our bid was submitted, and this risk may be heightened for projects with longer terms. Depending on the size of a project, variations from estimated contract performance, or variations in multiple contracts, could have a significant impact on our financial condition, results of operations or cash flows.

New capital asset construction projects for vessels and manufacturing facilities are subject to risks, including delays and cost overruns, which could have a material adverse effect on our financial condition, or results of operations.

We regularly carry out capital asset construction projects to maintain, upgrade, and develop our asset base, and such projects are subject to risks of delay and cost overruns that are inherent in any large construction project, resulting from numerous factors including, but not limited to, the following:

- shortages of key equipment, materials or skilled labor;
- delays in the delivery of ordered materials and equipment;
- design and engineering issues; and
- shipyard delays and performance issues.

Failure to complete construction in time, or the inability to complete construction in accordance with design specifications, may result in the loss of revenue. Additionally, capital expenditures for construction projects could materially exceed the initially planned investments, or there could be delays in putting such assets into operation.

Our failure to timely deliver our backlog could affect future sales, profitability, and relationships with our customers.

Many of the contracts we enter into with our customers require long manufacturing lead times due to complex technical and logistical requirements. These contracts may contain clauses related to liquidated damages or financial incentives regarding on-time delivery, and a failure by us to deliver in accordance with customer expectations could subject us to liquidated damages or loss of financial incentives, reduce our margins on these contracts, or result in damage to existing customer relationships. The ability to meet customer delivery schedules for this backlog is dependent upon a number of factors, including, but not limited to, access to the raw materials required for production, an adequately trained and capable workforce, subcontractor performance, project engineering expertise and execution, sufficient manufacturing plant capacity, and appropriate planning and scheduling of manufacturing resources. Failure to deliver backlog in accordance with expectations could negatively impact our financial performance.

We face risks relating to our reliance on subcontractors, suppliers, and our joint venture partners.

We generally rely on subcontractors, suppliers, and our joint venture partners for the performance of our contracts. Although we are not dependent upon any single supplier, certain geographic areas of our business or a project or group of projects may depend heavily on certain suppliers for raw materials or semi-finished goods.

Any difficulty in engaging suitable subcontractors or acquiring equipment and materials could compromise our ability to generate a significant margin on a project or to complete such project within the allocated time frame. If subcontractors, suppliers or joint venture partners refuse to adhere to their contractual obligations with us or are unable to do so due to a deterioration of their financial condition, we may be unable to find a suitable replacement at a comparable price, or at all. Moreover, the failure of one of our joint venture partners to perform their obligations in a timely and satisfactory manner could lead to additional obligations and costs being imposed on us as we may be obligated to assume our defaulting partner's obligations or compensate our customers.

Any delay, failure to meet contractual obligations, or other event beyond our control or not foreseeable by us, that is attributable to a subcontractor, supplier or joint venture partner, could lead to delays in the overall progress of the project and/or generate significant extra costs. Even if we are entitled to make a claim for these extra costs against the defaulting supplier, subcontractor or joint venture partner, we may be unable to recover the entirety of these costs and this could materially adversely affect our business, financial condition or results of operations.

Our businesses are dependent on the continuing services of certain of our key managers and employees.

We depend on key personnel. The loss of any key personnel could adversely impact our business if we are unable to implement key strategies or transactions in their absence. The loss of qualified employees or failure to retain and motivate additional highly-skilled employees required for the operation and expansion of our business could hinder our ability to successfully conduct research activities and develop marketable products and services.

Seasonal and weather conditions could adversely affect demand for our services and operations.

Our business may be materially affected by variation from normal weather patterns, such as cooler or warmer summers and winters. Adverse weather conditions, such as hurricanes in the Gulf of Mexico or extreme winter conditions in Canada, Russia, and the North Sea, may interrupt or curtail our operations, or our customers' operations, cause supply disruptions or loss of productivity, and may result in a loss of revenue or damage to our equipment and facilities, which may or may not be insured. Any of these events or outcomes could have a material adverse effect on our business, financial condition, cash flows, or results of operations.

Due to the types of contracts we enter into and the markets in which we operate, the cumulative loss of several major contracts, customers, or alliances may have an adverse effect on our results of operations.

We often enter into large, long-term contracts that, collectively, represent a significant portion of our revenue. These agreements, if terminated or breached, may have a larger impact on our operating results or our financial condition than shorter-term contracts due to the value at risk. Moreover, the global market for the production, transportation, and transformation of hydrocarbons and by-products, as well as the other industrial markets in which we operate, is dominated by a small number of companies. As a result, our business relies on a limited number of customers. If we were to lose several key contracts, customers, or alliances over a relatively short period of time, we could experience a significant adverse impact on our financial condition, results of operations, or cash flows.

Our operations require us to comply with numerous regulations, violations of which could have a material adverse effect on our financial condition, results of operations, or cash flows.

Our operations and manufacturing activities are governed by international, regional, transnational, and national laws and regulations in every place where we operate relating to matters such as environmental protection, health and safety, labor and employment, import/export controls, currency exchange, bribery and corruption, and taxation. These laws and regulations are complex, frequently change, and have tended to become more stringent over time. In the event the scope of these laws and regulations expand in the future, the incremental cost of compliance could adversely impact our financial condition, results of operations, or cash flows.

Our international operations are subject to anti-corruption laws and regulations, such as the U.S. Foreign Corrupt Practices Act ("**FCPA**"), the U.K. Bribery Act of 2010 (the "**Bribery Act**"), the anti-corruption provisions of French law n° 2016-1691 dated December 9, 2016 relating to Transparency, Anti-corruption and Modernization of the Business Practice ("**Sapin II Law**"), the Brazilian Anti-Bribery Act (also known as the Brazilian Clean Company Act), and economic and trade sanctions, including those administered by the United Nations, the European Union, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**U.S. Treasury**"), and the U.S. Department of State. The FCPA prohibits corruptly providing anything of value to foreign officials for the purposes of obtaining or retaining business or securing any improper business advantage. We may deal with both governments and state-owned business enterprises, the employees of which are considered foreign officials for purposes of the FCPA. The provisions of the Bribery Act extend beyond bribery of foreign public officials and are more onerous than the FCPA in a number of other respects, including jurisdiction, non-exemption of facilitation payments, and penalties. Economic and trade sanctions restrict our transactions or dealings with certain sanctioned countries, territories, and designated persons.

As a result of doing business in foreign countries, including through partners and agents, we are exposed to a risk of violating anti-corruption laws and sanctions regulations. Some of the international locations in which we currently operate or may, in the future, operate, have developing legal systems and may have higher levels of corruption than more developed nations. Our continued expansion and worldwide operations, including in developing countries, our development of joint venture relationships worldwide, and the employment of local agents in the countries in which we operate increases the risk of violations of anti-corruption laws and economic and trade sanctions. Violations of anti-corruption laws and economic and trade sanctions are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts (and termination of existing contracts), and revocations or restrictions of licenses, as well as criminal fines and imprisonment. In addition, any major violations could have a significant impact on our reputation and consequently on our ability to win future business.

We have implemented internal controls designed to minimize and detect potential violations of laws and regulations in a timely manner but we can provide no assurance that such policies and procedures will be followed at all times or will effectively detect and prevent violations of the applicable laws by one or more of our employees, consultants, agents, or partners. The occurrence of any such violation could subject us to penalties and material adverse consequences on our business, financial condition, results of operations, or cash flows.

Compliance with environmental and climate change-related laws and regulations may adversely affect our business and results of operations.

Environmental laws and regulations in various countries affect the equipment, systems, and services we design, market, and sell, as well as the facilities where we manufacture our equipment and systems, and any other operations we undertake. We are required to invest financial and managerial resources to comply with environmental laws and regulations, and believe that we will continue to be required to do so in the future. Failure to comply with these laws and regulations may result in the assessment of administrative, civil, and criminal penalties, the imposition of remedial obligations, the issuance of orders enjoining our operations, or other claims and complaints. Additionally, our insurance and compliance costs may increase as a result of changes in environmental laws and regulations or changes in enforcement. These laws and regulations, as well as any new laws and regulations affecting exploration and development of drilling for crude oil and natural gas, are becoming increasingly strict and could adversely affect our business and operating results by increasing our costs, limiting the demand for our products and services, or restricting our operations.

Existing or future laws and regulations relating to greenhouse gas emissions and climate change may adversely affect our business.

Climate change continues to attract considerable public and scientific attention. As a result, numerous laws, regulations, and proposals have been made and are likely to continue to be made at the international, national, regional, and state levels of government to monitor and limit emissions of carbon dioxide, methane, and other "greenhouse gases" (" **GHGs**"). These efforts have included cap-and-trade programs, carbon taxes, GHG reporting and tracking programs and regulations that directly limit GHG emissions from certain sources. Such existing or future laws, regulations, and proposals concerning the release of GHGs or that concern climate change (including laws, regulations, and proposals that seek to mitigate the effects of climate change) may adversely impact demand for the equipment, systems and services we design, market and sell. For example, oil and natural gas exploration and production may decline as a result of such laws, regulations, and proposals, and as a consequence, demand for our equipment, systems and services may also decline. In addition, such laws, regulations, and proposals may also result in more onerous obligations with respect to our operations, including the facilities where we manufacture our equipment and systems. Such decline in demand for our equipment, systems and services and such onerous obligations in respect of our operations may adversely affect our financial condition, results of operations, or cash flows.

Disruptions in the political, regulatory, economic, and social conditions of the countries in which we conduct business could adversely affect our business or results of operations.

We operate in various countries across the world. Instability and unforeseen changes in any of the markets in which we conduct business, including economically and politically volatile areas could have an adverse effect on the demand for our services and products, our financial condition, or our results of operations. These factors include, but are not limited to, the following:

- nationalization and expropriation;
- potentially burdensome taxation;
- inflationary and recessionary markets, including capital and equity markets;
- civil unrest, labor issues, political instability, disease outbreaks, terrorist attacks, cyber terrorism, military activity, and wars;
- supply disruptions in key oil producing countries;
- the ability of OPEC to set and maintain production levels and pricing;
- trade restrictions, trade protection measures, price controls, or trade disputes;
- sanctions, such as prohibitions or restrictions by the United States against countries that are the targets of economic sanctions, or are designated as state sponsors of terrorism;
- foreign ownership restrictions;
- import or export licensing requirements;
- restrictions on operations, trade practices, trade partners, and investment decisions resulting from domestic and foreign laws, and regulations;
- regime changes;
- changes in, and the administration of, treaties, laws, and regulations including in response to public health issues;
- inability to repatriate income or capital;
- reductions in the availability of qualified personnel;
- foreign currency fluctuations or currency restrictions; and
- fluctuations in the interest rate component of forward foreign currency rates.

DTC and Euroclear may cease to act as depository and clearing agencies for our shares.

Our shares were issued into the facilities of The Depository Trust Company ("**DTC**") with respect to shares listed on the NYSE and Euroclear with respect to shares listed on Euronext Paris (DTC and Euroclear being referred to as the "**Clearance Services**"). The Clearance Services are widely used mechanisms that allow for rapid electronic transfers of securities between the participants in their respective systems, which include many large banks and brokerage firms. The Clearance Services have general discretion to cease to act as a depository and clearing agencies for our shares. If either of the Clearance Services determine at any time that our shares are not eligible for continued deposit and clearance within its facilities, then we believe that our shares would not be eligible for continued listing on the NYSE or Euronext Paris, as applicable, and trading in our shares would be disrupted. Any such disruption could have a material adverse effect on the trading price of our shares.

The United Kingdom's withdrawal from the European Union may have a negative effect on global economic conditions, financial markets, and our business.

We are based in the United Kingdom and have operational headquarters in Paris, France; Houston, Texas, United States; and in London, United Kingdom, with worldwide operations, including material business operations in Europe. The United Kingdom formally withdrew from the European Union on January 31, 2020 and entered into a transition period, which will end on or after December 31, 2020. During the transition period, the United Kingdom and the European Union will continue to negotiate their future customs and trading arrangements, and other aspects of their relationship. Political and economic uncertainty remains about whether the terms of the relationship will differ materially from the terms before withdrawal, as well as the possibility that a so-called "no deal" separation will occur if negotiations are not completed by the end of the transition period.

These developments could have a material adverse effect on global economic conditions and the stability of the global financial markets and could significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Asset valuations, currency exchange rates, and credit ratings may be especially subject to increased market volatility. In addition, a lack of clarity about the future relationship between the United Kingdom and the European Union, and their respective laws and regulations, including financial laws and regulations, tax and free trade agreements, intellectual property rights, supply chain logistics, environmental, health and safety laws and regulations, immigration laws, employment laws, and other rules that would apply to us and our subsidiaries, could increase our costs, restrict our access to capital within the United Kingdom and the European Union, depress economic activity, and further decrease foreign direct investment in the United Kingdom. For example, withdrawal from the European Union could, depending on the negotiated terms of such withdrawal, eliminate the benefit of certain tax-related E.U. directives currently applicable to U.K. companies such as us, including the Parent-Subsidiary Directive and the Interest and Royalties Directive, which could, subject to any relief under an available tax treaty, raise our tax costs.

Any of these factors could have a material adverse effect on our business, financial condition, or results of operations.

As an English public limited company, we must meet certain additional financial requirements before we may declare dividends or repurchase shares and certain capital structure decisions may require stockholder approval which may limit our flexibility to manage our capital structure. We may not be able to pay dividends or repurchase shares of our ordinary shares in accordance with our announced intent, or at all.

Under English law, we will only be able to declare dividends, make distributions, or repurchase shares (other than out of the proceeds of a new issuance of shares for that purpose) out of "distributable profits." Distributable profits are a company's accumulated, realized profits, to the extent that they have not been previously utilized by distribution or capitalization, less its accumulated, realized losses, to the extent that they have not been previously written off in a reduction or reorganization of capital duly made. In addition, as a public limited company incorporated in England and Wales, we may only make a distribution if the amount of our net assets is not less than the aggregate of our called-up share capital and non-distributable reserves and to the extent that the distribution does not reduce the amount of those assets to less than that aggregate.

Following the Merger, we implemented a court-approved reduction of our capital, which was completed on June 29, 2017, in order to create distributable profits to support the payment of possible future dividends or future share repurchases. 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 Board of 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.

In addition, the Board of Directors' determinations regarding dividends and share repurchases will depend on a variety of other factors, including our net income, cash flow generated from operations or other sources, liquidity position, and potential alternative uses of cash, such as acquisitions, as well as economic conditions and expected future financial results. Our ability to declare and pay future dividends and make future share repurchases will depend on our future financial performance, which in turn depends on the successful implementation of our strategy and on financial, competitive, regulatory, technical, general economic conditions, demand and selling prices for our products and services, and other factors specific to our industry or specific projects, many of which are beyond our control. Therefore, our ability to generate cash depends on the performance of our operations and could be limited by decreases in our profitability or increases in costs, regulatory changes, capital expenditures, or debt servicing requirements.

Any failure to pay dividends or repurchase shares of our ordinary shares could negatively impact our reputation, harm investor confidence in us, and cause the market price of our ordinary shares to decline.

Our existing and future debt may limit cash flow available to invest in the ongoing needs of our business and could prevent us from fulfilling our obligations under our outstanding debt.

We have substantial existing debt. As of December 31, 2019, our total debt is $4.5 billion. We also have the capacity under our $2.5 billion credit facility, in addition to our bilateral facility, to incur substantial additional debt. Our level of debt could have important consequences. For example, it could:

- make it more difficult for us to make payments on our debt;
- require us to dedicate a substantial portion of our cash flow from operations to the payment of debt service, reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions, distributions, and other general partnership purposes;
- increase our vulnerability to adverse economic or industry conditions;
- limit our ability to obtain additional financing to react to changes in our business; or
- place us at a competitive disadvantage compared to businesses in our industry that have less debt.

Additionally, any failure to meet required payments on our debt or to comply with any covenants in the instruments governing our debt, could result in an event of default under the terms of those instruments. In the event of such default, the holders of such debt could elect to declare all the amounts outstanding under such instruments to be due and payable.

The London Interbank Offered Rate ("**LIBOR**") and certain other interest "benchmarks" may be subject to regulatory guidance and/or reform that could cause interest rates under our current or future debt agreements to perform differently than in the past or cause other unanticipated consequences. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, has announced that it intends to stop encouraging or requiring banks to submit LIBOR rates after 2021, and it is unclear if LIBOR will cease to exist or if new methods of calculating LIBOR will evolve. If LIBOR ceases to exist or if the methods of calculating LIBOR change from their current form, interest rates on our current or future debt obligations may be adversely affected.

A downgrade in our debt rating could restrict our ability to access the capital markets.

The terms of our financing are, in part, dependent on the credit ratings assigned to our debt by independent credit rating agencies. We cannot provide assurance that any of our current credit ratings will remain in effect for any given period of time or that a rating will not be lowered or withdrawn entirely by a rating agency. Factors that may impact our credit ratings include debt levels, capital structure, planned asset purchases or sales, near- and long-term production growth opportunities, market position, liquidity, asset quality, cost structure, product mix, customer and geographic diversification, and commodity price levels. A downgrade in our credit ratings, particularly to non-investment grade levels, could limit our ability to access the debt capital markets or refinance our existing debt or cause us to refinance or issue debt with less favorable terms and conditions. Moreover, our revolving credit agreement includes an increase in interest rates if the ratings for our debt are downgraded, which could have an adverse effect on our results of operations. An increase in the level of our indebtedness and related interest costs may increase our vulnerability to adverse general economic and industry conditions and may affect our ability to obtain additional financing, as well as have a material adverse effect on our business, financial condition, or results of operations.

Uninsured claims and litigation against us, including intellectual property litigation, could adversely impact our financial condition, results of operations, or cash flows.

We could be impacted by the outcome of pending litigation, as well as unexpected litigation or proceedings. We have insurance coverage against operating hazards, including product liability claims and personal injury claims related to our products or operating environments in which our employees operate, to the extent deemed prudent by our management and to the extent insurance is available. However, our insurance policies are subject to exclusions, limitations, and other conditions and may not apply in all cases, for example where willful wrongdoing on our part is alleged. Additionally, the nature and amount of that insurance may not be sufficient to fully indemnify us against liabilities arising out of pending and future claims and litigation. Additionally, in individual circumstances, certain proceedings or cases may also lead to our formal or informal exclusion from tenders or the revocation or loss of business licenses or permits. Our financial condition, results of operations, or cash flows could be adversely affected by unexpected claims not covered by insurance.

In addition, the tools, techniques, methodologies, programs, and components we use to provide our services may infringe upon the intellectual property rights of others. Infringement claims generally result in significant legal and other costs. The resolution of these claims could require us to enter into license agreements or develop alternative technologies. The development of these technologies or the payment of royalties under licenses from third parties, if available, would increase our costs. If a license were not available, or we are not able to develop alternative technologies, we might not be able to continue providing a particular service or product, which could adversely affect our financial condition, results of operations, or cash flows.

Currency exchange rate fluctuations could adversely affect our financial condition, results of operations, or cash flows.

We conduct operations around the world in many different currencies. Because a significant portion of our revenue is denominated in currencies other than our reporting currency, the U.S. dollar, changes in exchange rates will produce fluctuations in our revenue, costs, and earnings, and may also affect the book value of our assets and liabilities and related equity. We hedge transaction impacts on margins and earnings where a transaction is not in the functional currency of the business unit, but we do not hedge translation impacts on earnings. Our efforts to minimize our currency exposure through such hedging transactions may not be successful depending on market and business conditions. Moreover, certain currencies in which we conduct operations, specifically currencies in countries such as Angola and Nigeria, do not actively trade in the global foreign exchange markets and may subject us to increased foreign currency exposures. As a result, fluctuations in foreign currency exchange rates may adversely affect our financial condition, results of operations, or cash flows.

Our acquisition and divestiture activities involve substantial risks.

We have made and expect to continue to pursue acquisitions, dispositions, or other investments that may strategically fit our business and/or growth objectives. We cannot provide assurances that we will be able to locate suitable acquisitions, dispositions, or investments, or that we will be able to consummate any such transactions on terms and conditions acceptable to us. Even if we do successfully execute such transactions, they may not result in anticipated benefits, which could have a material adverse effect on our financial results. If we are unable to successfully integrate and develop acquired businesses, we could fail to achieve anticipated synergies and cost savings, including any expected increases in revenues and operating results. We may not be able to successfully cause a buyer of a divested business to assume the liabilities of that business or, even if such liabilities are assumed, we may have difficulties enforcing our rights, contractual or otherwise, against the buyer. We may invest in companies or businesses that fail, causing a loss of all or part of our investment. In addition, if we determine that an other-than-temporary decline in the fair value exists for a company in which we have invested, we may have to write down that investment to its fair value and recognize the related write-down as an investment loss.

A failure of our IT infrastructure, including as a result of cyber attacks, could adversely impact our business and results of operations.

The efficient operation of our business is dependent on our IT systems. Accordingly, we rely upon the capacity, reliability, and security of our IT hardware and software infrastructure and our ability to expand and update this infrastructure in response to changing needs. We have been subject to cyber attacks in the past, including phishing, malware, and ransomware. No such attack has had a material adverse effect on our business, however this may not be the case with future attacks. Our systems may be vulnerable to damages from such attacks, as well as from natural disasters, failures in hardware or software, power fluctuations, unauthorized access to data and systems, loss or destruction of data (including confidential customer information), human error, and other similar disruptions, and we cannot give assurance that any security measures we have implemented or may in the future implement will be sufficient to identify and prevent or mitigate such disruptions.

We rely on third parties to support the operation of our IT hardware, software infrastructure, and cloud services, and in certain instances, utilize web-based and software-as-a-service applications. The security and privacy measures implemented by such third parties, as well as the measures implemented by any entities we acquire or with whom we do business, may not be sufficient to identify or prevent cyber attacks, and any such attacks may have a material adverse effect on our business. While our IT vendor agreements typically contain provisions that seek to eliminate or limit our exposure to liability for damages from a cyber attack, we cannot ensure such provisions will withstand legal challenges or cover all or any such damages.

Threats to our IT systems arise from numerous sources, not all of which are within our control, including fraud or malice on the part of third parties, accidental technological failure, electrical or telecommunication outages, failures of computer servers or other damage to our property or assets, outbreaks of hostilities, or terrorist acts. The failure of our IT systems or those of our vendors to perform as anticipated for any reason or any significant breach of security could disrupt our business and result in numerous adverse consequences, including reduced effectiveness and efficiency of operations, inappropriate disclosure of confidential and proprietary information, reputational harm, increased overhead costs, and loss of important information, which could have a material adverse effect on our business and results of operations. In addition, we may be required to incur significant costs to protect against damage caused by these disruptions or security breaches in the future. Our insurance coverage may not cover all of the costs and liabilities we incur as the result of any disruptions or security breaches, and if our business continuity and/or disaster recovery plans do not effectively and timely resolve issues resulting from a cyber attack, we may suffer material adverse effects on our business.

We are subject to governmental regulation and other legal obligations related to privacy, data protection, and data security. Our actual or perceived failure to comply with such obligations could harm our business.

We are subject to international data protection laws, such as the General Data Protection Regulation, or GDPR, in the European Economic Area, or EEA. The GDPR imposes several stringent requirements for controllers and processors of personal data which have increased our obligations, including, for example, by requiring more robust disclosures to individuals, notifications, in some cases, of data breaches to regulators and data subjects, and a record of processing and other policies and procedures to be maintained to adhere to the accountability principle. In addition, we are subject to the GDPR's rules on transferring personal data outside of the EEA (including to the United States), and some of these rules are currently being challenged in the courts. Failure to comply with the requirements of GDPR and the local laws implementing or supplementing the GDPR could result in fines of up to €20,000,000 or up to 4% of the total worldwide annual turnover of the preceding financial year, whichever is higher, as well as other administrative penalties. We are likely to be required to expend significant capital and other resources to ensure ongoing compliance with the GDPR and other applicable data protection legislation, and we may be required to put in place additional control mechanisms which could be onerous and adversely affect our business, financial condition, results of operations, or cash flows.

The IRS may not agree that we should be treated as a foreign corporation for U.S. federal tax purposes and may seek to impose an excise tax on gains recognized by certain individuals.

Although we are incorporated in the United Kingdom, the U.S. Internal Revenue Service (the "**IRS**") may assert that we should be treated as a U.S. "domestic" corporation (and, therefore, a U.S. tax resident) for U.S. federal income tax purposes pursuant to Section 7874 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"). For U.S. federal income tax purposes, a corporation (i) is generally considered a "domestic" corporation (or U.S. tax resident) if it is organized in the United States or of any state or political subdivision therein, and (ii) is generally considered a "foreign" corporation (or non- U.S. tax resident) if it is not considered a domestic corporation. Because we are a U.K. incorporated entity, we would be considered a foreign corporation (and, therefore, a non-U.S. tax resident) under these rules. Section 7874 of the Code ("**Section 7874**") provides an exception under which a foreign incorporated entity may, in certain circumstances, be treated as a domestic corporation for U.S. federal income tax purposes.

We do not believe this exception applies. However, the Section 7874 rules are complex and subject to detailed regulations, the application of which is uncertain in various respects. It is possible that the IRS will not agree with our position. Should the IRS successfully challenge our position, it is also possible that an excise tax under Section 4985 of the Code (the "**Section 4985 Excise Tax**") may be assessed against certain "disqualified individuals" (including former officers and directors of FMC Technologies, Inc.) on certain stock-based compensation held thereby. We may, if we determine that it is appropriate, provide disqualified individuals with a payment with respect to the Section 4985 Excise Tax, so that, on a net after-tax basis, they would be in the same position as if no such Section 4985 Excise Tax had been applied.

In addition, there can be no assurance that there will not be a change in law or interpretation, including with retroactive effect, that might cause us to be treated as a domestic corporation for U.S. federal income tax purposes.

U.S. tax laws and/or guidance could affect our ability to engage in certain acquisition strategies and certain internal restructurings.

Even if we are treated as a foreign corporation for U.S. federal income tax purposes, Section 7874, U.S. Treasury regulations, and other guidance promulgated thereunder may adversely affect our ability to engage in certain future acquisitions of U.S. businesses or to restructure the non-U.S. members of our group. These limitations, if applicable, may affect the tax efficiencies that otherwise might be achieved in such potential future transactions or restructurings.

In addition, the IRS and the U.S. Treasury have issued final and temporary regulations providing that, even if we are treated as a foreign corporation for U.S. federal income tax purposes, certain intercompany debt instruments issued on or after April 4, 2016 will be treated as equity for U.S. federal income tax purposes, therefore limiting U.S. tax benefits and resulting in possible U.S. withholding taxes. Although recent guidance from the U.S. Treasury removes certain documentation requirements that would otherwise be imposed with respect to covered debt instruments, announces an intention to further modify and possibly withdraw certain classification rules relating to covered debt instruments, and further indicates that these rules generally are the subject of continuing study and may be further materially modified, the current regulations may adversely affect our future effective tax rate and could also impact our ability to engage in future restructurings if such transactions cause an existing intercompany debt instrument to be treated as reissued for U.S. federal income tax purposes.

We are subject to the tax laws of numerous jurisdictions; challenges to the interpretation of, or future changes to, such laws could adversely affect us.

We and our subsidiaries are subject to tax laws and regulations in the United Kingdom, the United States, France, and numerous other jurisdictions in which we and our subsidiaries operate. These laws and regulations are inherently complex, and we are, and will continue to be, obligated to make judgments and interpretations about the application of these laws and regulations to our operations and businesses. The interpretation and application of these laws and regulations could be challenged by the relevant governmental authorities, which could result in administrative or judicial procedures, actions, or sanctions, which could be material.

On December 22, 2017, the Tax Cuts and Jobs Act was signed into law in the United States, which made extensive changes to the U.S. taxation of multinational companies, and is subject to future regulatory and possible legislative changes. In addition, the U.S. Congress, the U.K. Government, the European Union, the Organization for Economic Co-operation and Development (the "**OECD**"), and other government agencies in jurisdictions where we and our affiliates do business have had an extended focus on issues related to the taxation of multinational corporations. New tax initiatives, directives, and rules, such as the U.S. Tax Cuts and Jobs Act, the OECD's Base Erosion and Profit Shifting initiative, and the European Union's Anti-Tax Avoidance Directives, may increase our tax burden and require additional compliance-related expenditures. As a result, our financial condition, results of operations, or cash flows may be adversely affected. Further changes, including with retroactive effect, in the tax laws of the United States, the United Kingdom, the European Union, or other countries in which we and our affiliates do business could also adversely affect us.

We may not qualify for benefits under tax treaties entered into between the United Kingdom and other countries.

We operate in a manner such that we believe we are eligible for benefits under tax treaties between the United Kingdom and other countries. However, our ability to qualify for such benefits will depend on whether we are treated as a U.K. tax resident, the requirements contained in each treaty and applicable domestic laws, on the facts and circumstances surrounding our operations and management, and on the relevant interpretation of the tax authorities and courts. For example, because of Brexit, we may lose some or all of the benefits of tax treaties between the United States and the remaining members of the European Union, and face higher tax liabilities, which may be significant. Another example is the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (the "**MLI**"), which entered into force for participating jurisdictions on July 1, 2018. The MLI recommends that countries adopt a "limitation-on-benefit" rule and/or a "principle purposes test" rule with regards to their tax treaties. The scope and interpretation of these rules as adopted pursuant to the MLI are presently under development, but the application of either rule might deny us tax treaty benefits that were previously available.

The failure by us or our subsidiaries to qualify for benefits under tax treaties entered into between the United Kingdom and other countries could result in adverse tax consequences to us (including an increased tax burden and increased filing obligations) and could result in certain tax consequences of owning and disposing of our shares.

We intend to be treated exclusively as a resident of the United Kingdom for tax purposes, but French or other tax authorities may seek to treat us as a tax resident of another jurisdiction.

We are incorporated in the United Kingdom. English law currently provides that we will be regarded as a U.K. resident for tax purposes from incorporation and shall remain so unless (i) we are concurrently a resident in another jurisdiction (applying the tax residence rules of that jurisdiction) that has a double tax treaty with the United Kingdom and (ii) there is a tiebreaker provision in that tax treaty which allocates exclusive residence to that other jurisdiction.

In this regard, we have a permanent establishment in France to satisfy certain French tax requirements imposed by the French Tax Code with respect to the Merger. Although it is intended that we will be treated as having our exclusive place of tax residence in the United Kingdom, the French tax authorities may claim that we are a tax resident of France if we were to fail to maintain our "place of effective management" in the United Kingdom. Any such claim would be settled between the French and U.K. tax authorities pursuant to the mutual assistance procedure provided for by the tax treaty concluded between France and the United Kingdom. There is no assurance that these authorities would reach an agreement that we will remain exclusively a U.K. tax resident; an adverse determination could materially and adversely affect our business, financial condition, results of operations, or cash flows. A failure to maintain exclusive tax residency in the United Kingdom could result in adverse tax consequences to us and our subsidiaries and could result in certain adverse changes in the tax consequences of owning and disposing of our shares.

Pirates endanger our maritime employees and assets.

We face material piracy risks in the Gulf of Guinea, the Somali Basin, and the Gulf of Aden, and, to a lesser extent, in Southeast Asia, Malacca, and the Singapore Straits. Piracy represents a risk for both our projects and our vessels, which operate and transport through sensitive maritime areas. Such risks have the potential to significantly harm our crews and to negatively impact the execution schedule for our projects. If our maritime employees or assets are endangered, additional time may be required to find an alternative solution, which may delay project realization and negatively impact our business, financial condition, or results of operations.

Risks Related to the Proposed Separation Transaction

The proposed separation transaction announced on August 26, 2019 is contingent upon the satisfaction of a number of conditions, may require significant time and attention of our management, and may not achieve the intended results.

As previously disclosed, our Board of Directors unanimously approved a plan to separate into two independent, publicly traded companies. For more information, please refer to Note 1 to our consolidated financial statements of this U.K. Annual Report. The completion of the transaction, which is expected to be structured as a separation of our Onshore/Offshore segment including Genesis, a leader in front-end engineering and design, as well as Loading Systems, a leader in cryogenic material transfer products, and Cybernetix, a technology leader in process automation, is contingent upon the final approval of our Board of Directors as well as market conditions and the receipt of regulatory approvals, which are beyond our control, as well as consultation of employee representatives, where applicable. We may also choose to abandon the separation at any time. For these and other reasons, the separation may not be completed in the expected timeframe or at all. Additionally, the execution of the proposed separation will likely continue to require significant time and attention of our management, which could impact other strategic initiatives. Our employees may also be uncertain about their future roles within the separate companies pending the completion of the separation, which could lead to departures.

Also, in connection with the separation, we will indemnify Technip Energies for certain liabilities and Technip Energies will indemnify us for certain liabilities. If we are required to act on these indemnities to Technip Energies, our financial results could be negatively impacted. Additionally, any indemnity from Technip Energies may not be sufficient to insure us against the full amount of liabilities for which we are responsible and Technip Energies may not be able to satisfy its indemnification obligations in the future.

Any such difficulties could have an adverse effect on our business, financial condition, or results of operations, and cause the combined market value of us and Technip Energies after the separation to fall short of the market value of our shares prior to the separation. Substantial sales of our shares may also occur in connection with the separation, which could cause our share price to decline.

Appendix C – Related party transactions

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)	**2019**	**2018**
TP JGC Coral France SNC	$ 40.1	$ 31.6
TTSJV W.L.L.	22.4	—
TOP CV	—	10.9
Anadarko Petroleum Company	—	4.9
Others	14.3	14.3
Total trade receivables	$ 76.8	$ 61.7

TP JGC Coral France SNC and TTSJV W.L.L. are equity method affiliates. TOP CV was previously an equity method affiliate.

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.

Trade payables consisted of payables due to following related parties:

	December 31,	
(In millions)	**2019**	**2018**
Chiyoda	$24.8	$ 70.0
JGC Corporation	15.1	69.5
IFP Energies nouvelles	2.4	2.4
Dofcon Navegacao	2.1	2.5
Magma Global Limited	—	0.6
Anadarko Petroleum Company	—	0.7
Others	6.7	2.9
Total trade payables	$51.1	$148.6

Dofcon Navegacao and Magma Global Limited are equity affiliates. JGC Corporation and Chiyoda are joint venture partners on our Yamal project. A member of our Board of Directors is an executive officer of IFP Energies nouvelles.

Additionally, we have note receivable balance of $65.2 million and $130.0 million as of December 31, 2019 and 2018, respectively. The note receivables balance includes $62.5 million and $119.9 million with Dofcon Brasil AS at December 31, 2019 and 2018, 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)	**2019**	**2018**
TTSJV W.L.L.	$ 127.9	$ —
TP JGC Coral France SNC	110.4	118.2
Anadarko Petroleum Company	67.1	124.8
TOP CV	11.9	7.2
Storengy	8.8	—
Dofcon Navegacao	8.4	2.9
Techdof Brasil AS	8.3	7.0
JGC Corporation	6.7	—
Others	30.1	33.2
Total revenue	$ 379.6	$ 293.3

A member of our Board of Directors serve on the Board of Directors for Storengy.

Expenses consisted of amount to following related parties:

	Year Ended December 31,	
(In millions)	**2019**	**2018**
Chiyoda	$ 25.1	$ 53.0

JGC Corporation	20.8	81.2
Arkema S.A.	18.9	2.6
Serimax Holdings SAS	17.7	0.1
Magma Global Limited	7.3	3.0
TP JGC Coral France SNC	5.0	—
Jumbo Shipping	4.5	—
IFP Energies nouvelles	3.8	4.4
Creowave OY	2.6	1.9
Amaja Oil	2.0	—
Altus Intervention	1.8	—
Competentia	1.6	—
Others	31.3	8.5
Total expenses	$ 142.4	$ 154.7

Serimax Holdings SAS is an equity affiliate. Amaja Oil is a joint venture partner. We own a minority interest in a Creowave OY joint venture. Members of our Board of Directors serve on the Board of Directors for Arkema S.A., Altus Intervention, Jumbo Shipping and Competentia.

LOAN RECEIVABLES - RELATED PARTIES

	December 31,	
(In millions)	**2019**	**2018**
Loan receivables - related parties	$1,551.9	$1,585.9

In 2019, Technip Umbilicals and Asiaflex Products SDN BHD ("Asiaflex") repaid part of their intercompany loans for $9.8 million and $4.5 million, respectively.

The Company's loan receivables from related parties are unsecured and are stated net of impairment allowance of $4.7 million at December 31, 2019.

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%.

LOAN PAYABLES - RELATED PARTIES

Loan payables - related parties consists of the following:

	December 31,	
(In millions)	**2019**	**2018**
Borrowings from TechnipFMC Holdings ltd (UK)	$2,657.7	$2,551.4
Borrowings from TechnipFMC International (UK) ltd	2,131.0	2,076.0
Borrowings from TechnipFMC Finance ULC	446.7	435.1
Borrowing from TechnipFMC (Europe) Ltd	364.2	354.8
Loan payables - related parties	$5,599.6	$5,417.3

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) Loans from Finance ULC primarily consist of a loan in the amount of $389.4 million with a 5 year term and interest rate of 2.69%.

(iv) Loan from Europe Ltd is in the amount of $350.0 million with a 5 year term and interest rate of 2.69%.

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