



Onshore

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Senior Vice President, Region B



Investor Presentation

Paris, October 17, 2007 - New York, October 19, 2007

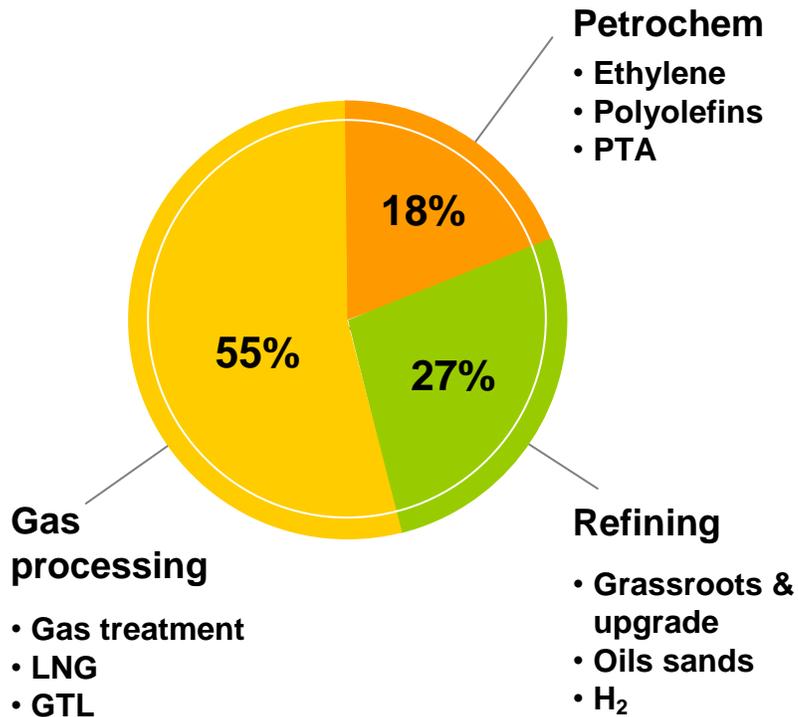
Technip

Onshore markets

TECHNIP BACKLOG

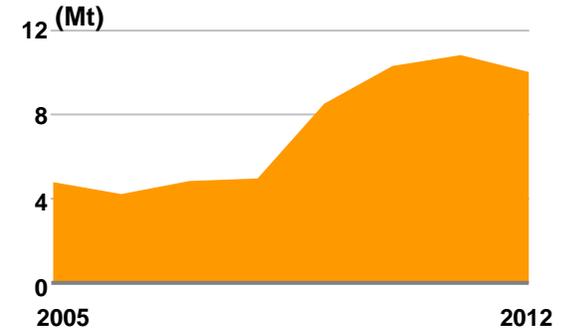
(June 30, 2007)

Total: €6.4 Bn

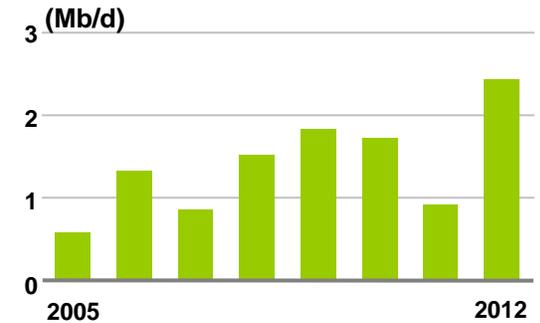


ANTICIPATED MARKET GROWTH

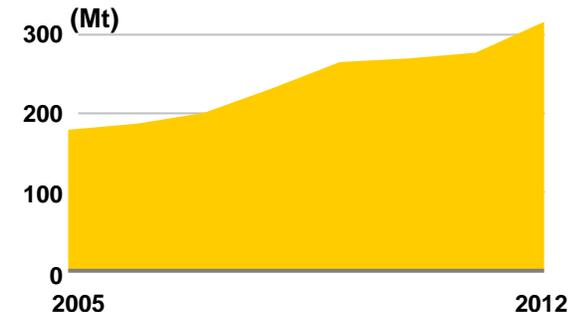
Ethylene capacity addition



Crude distillation capacity addition



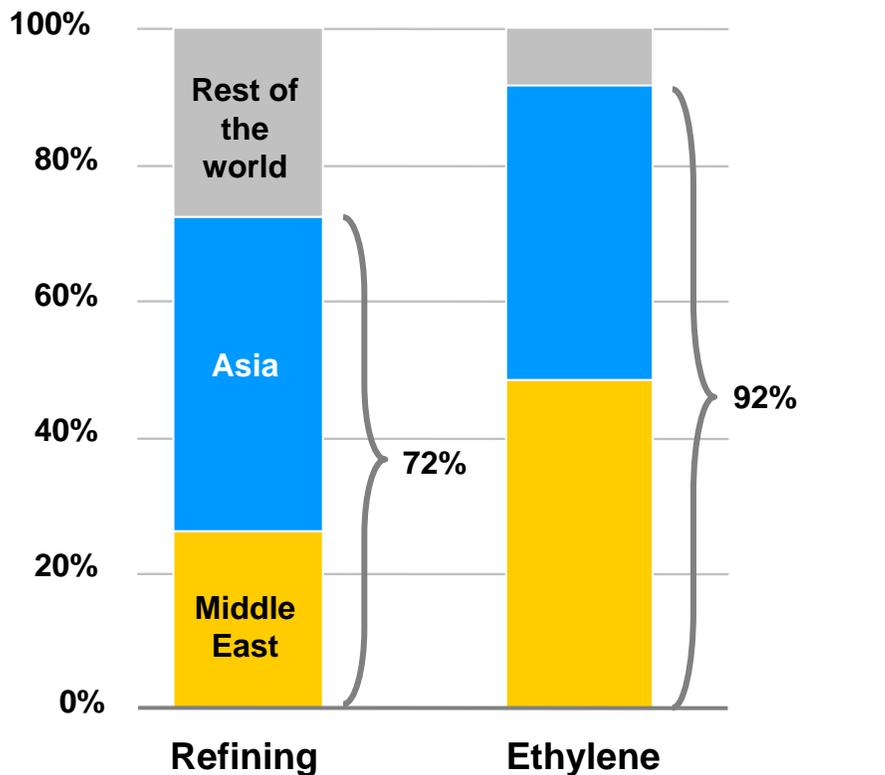
Natural gas liquefaction capacity



Market dynamics

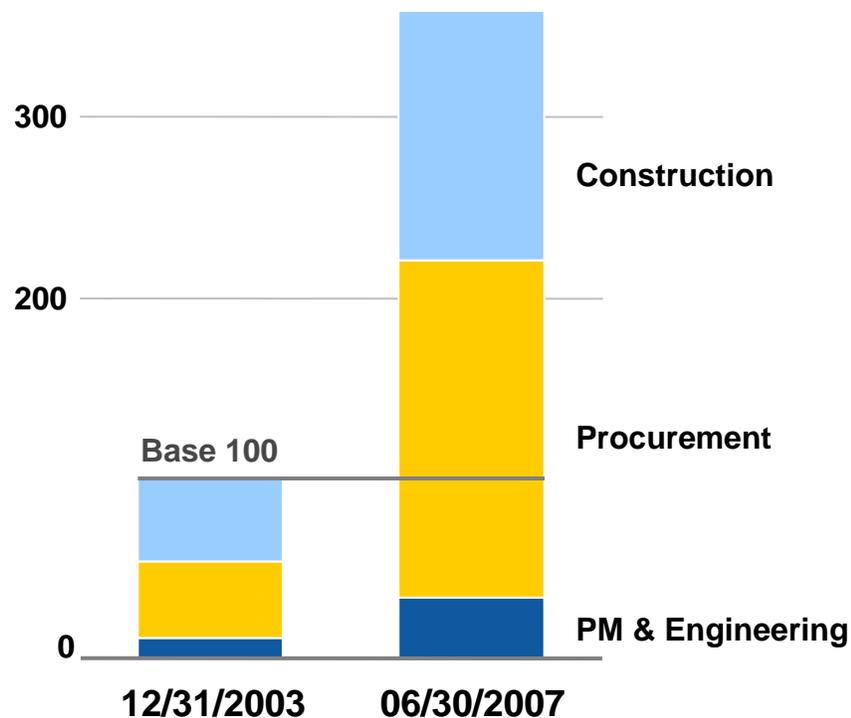
SHIFT FROM WEST TO EAST

Capacity addition, 2007-2012



PROJECT SIZE INCREASE

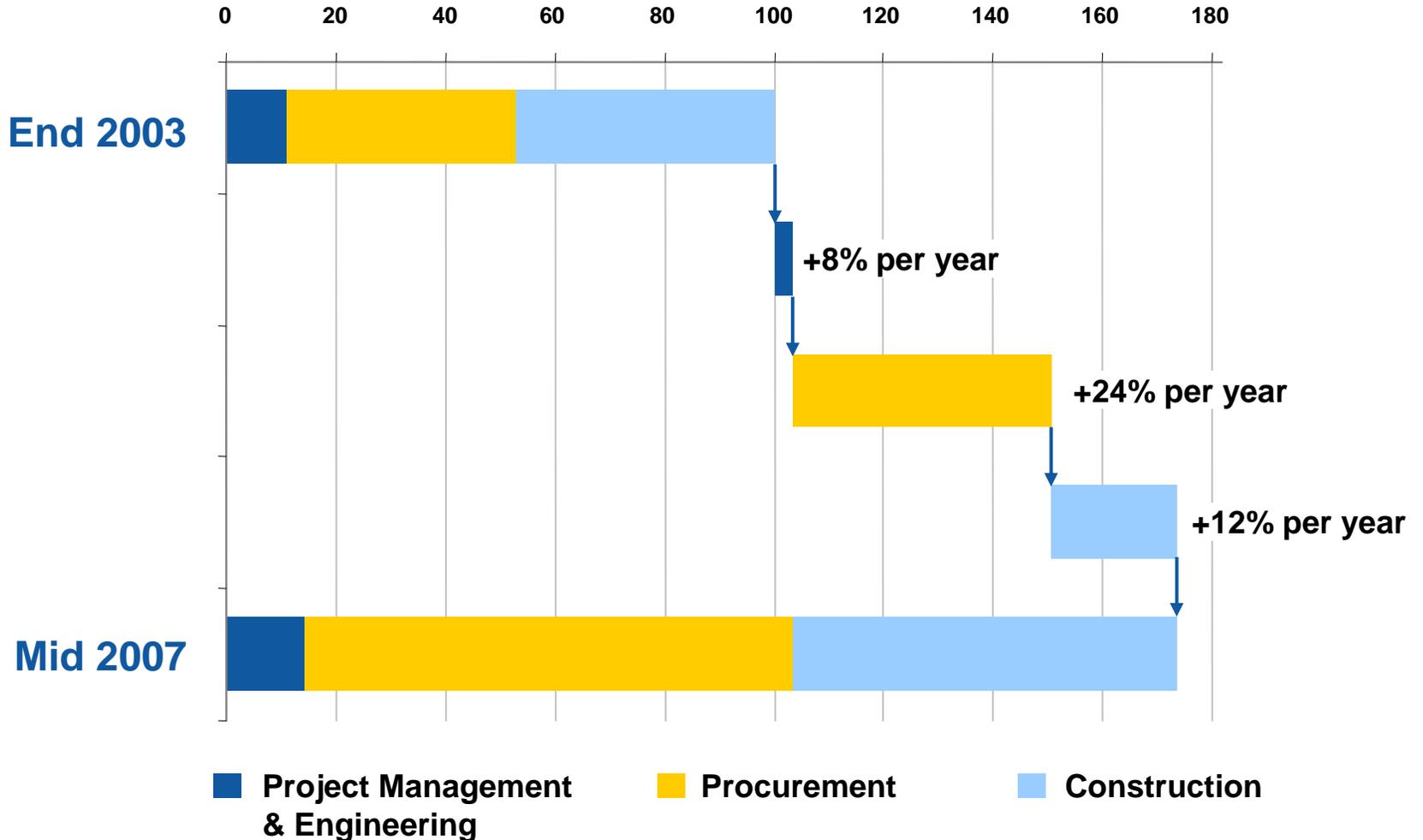
5 largest contracts in Technip backlog



Increasing project cost

EPC PROJECT COST EVOLUTION

(100 = cost index for 2003)



Main initiatives

“DE-RISKING” INITIATIVES

- ▶ Better project selection
- ▶ Innovative contracting schemes
- ▶ Stronger construction capabilities

STRATEGIC INITIATIVES

- ▶ A focused and accountable organization
- ▶ Stronger local operating centres
- ▶ Differentiation through technology and know-how

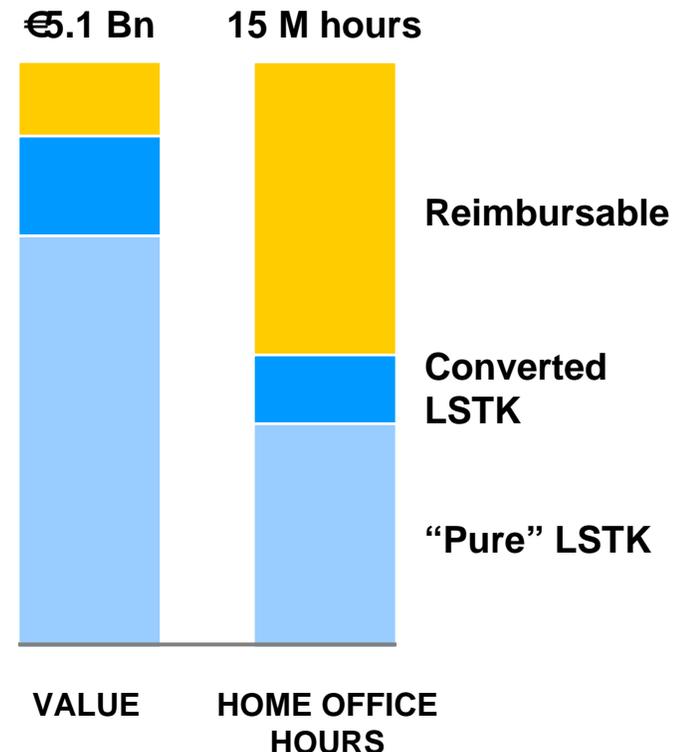


Target profitability and leadership

“De-risk” through better project selection

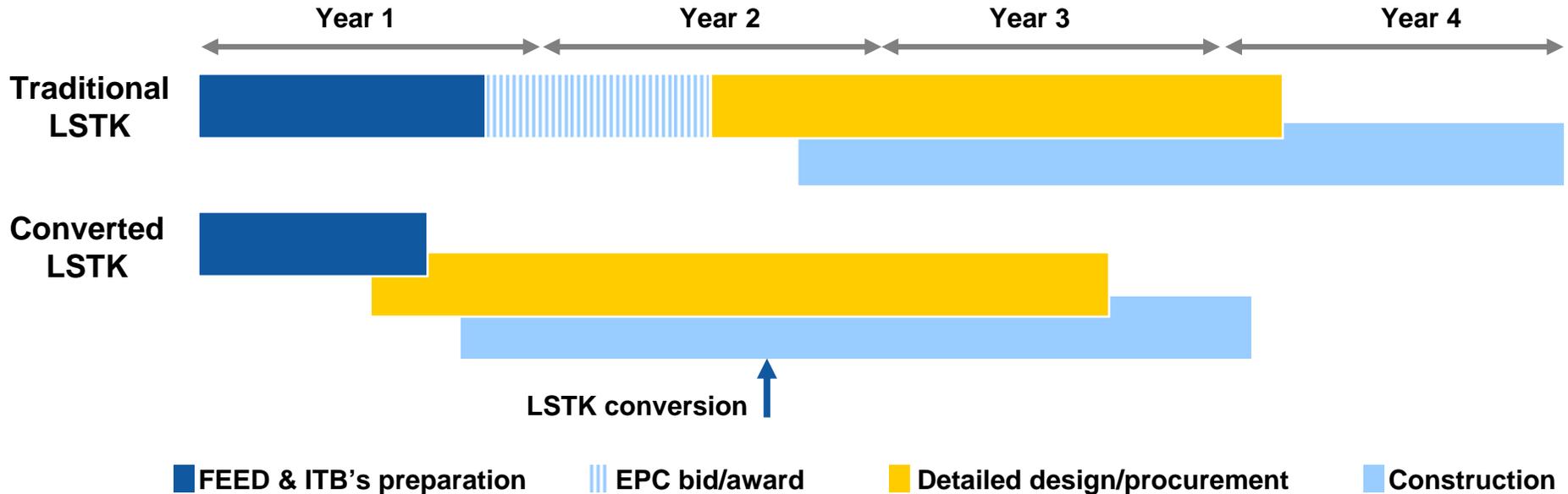
- ▶ **Reduce the share of “pure” LSTK and increase technological content (FEED)**
 - Ex: Jubail and Al-Shaheen refineries
- ▶ **Improve risk profile and contractual conditions**
 - Ex: No lump-sum construction in specific countries (e.g.: North America and Australia)
- ▶ **Avoid unfair competitive environment**

TECHNIP ONSHORE AWARDS * (January 2006 – June 2007)



Innovative contracting schemes

CONVERTED VS. TRADITIONAL LSTK



CONTRACTOR BENEFITS

- ▶ Significant 'de-risking' of the project
- ▶ Single project team from FEED to project delivery
- ▶ Earlier commitment on long delivery items

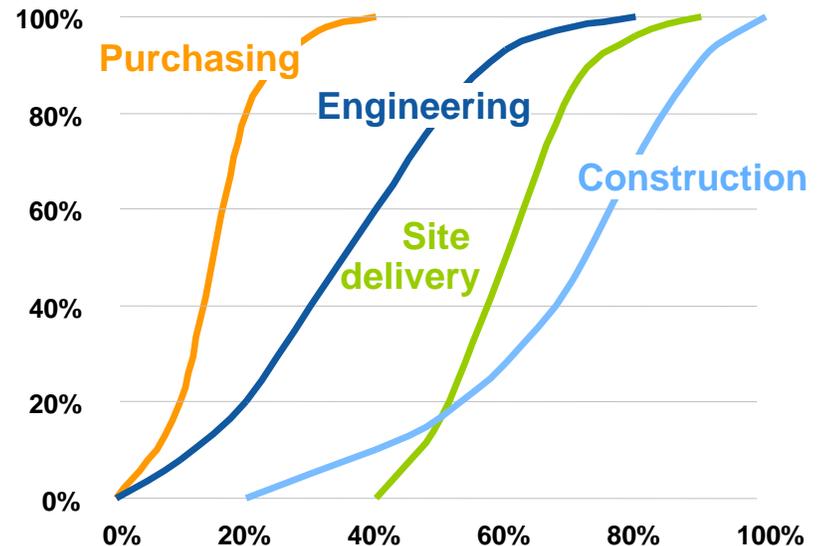
CLIENT BENEFITS

- ▶ A shorter schedule
- ▶ More value for money

Revisit our construction approach

- ▶ Improve constructability sessions during “Home Office” activities
- ▶ Reinforce Technip’s internal capabilities (direct hiring mode, construction supervision, ...)
- ▶ Develop regional partnerships with selected construction companies
- ▶ Revisit contractual arrangements with construction companies

EPC PROJECT PHASES

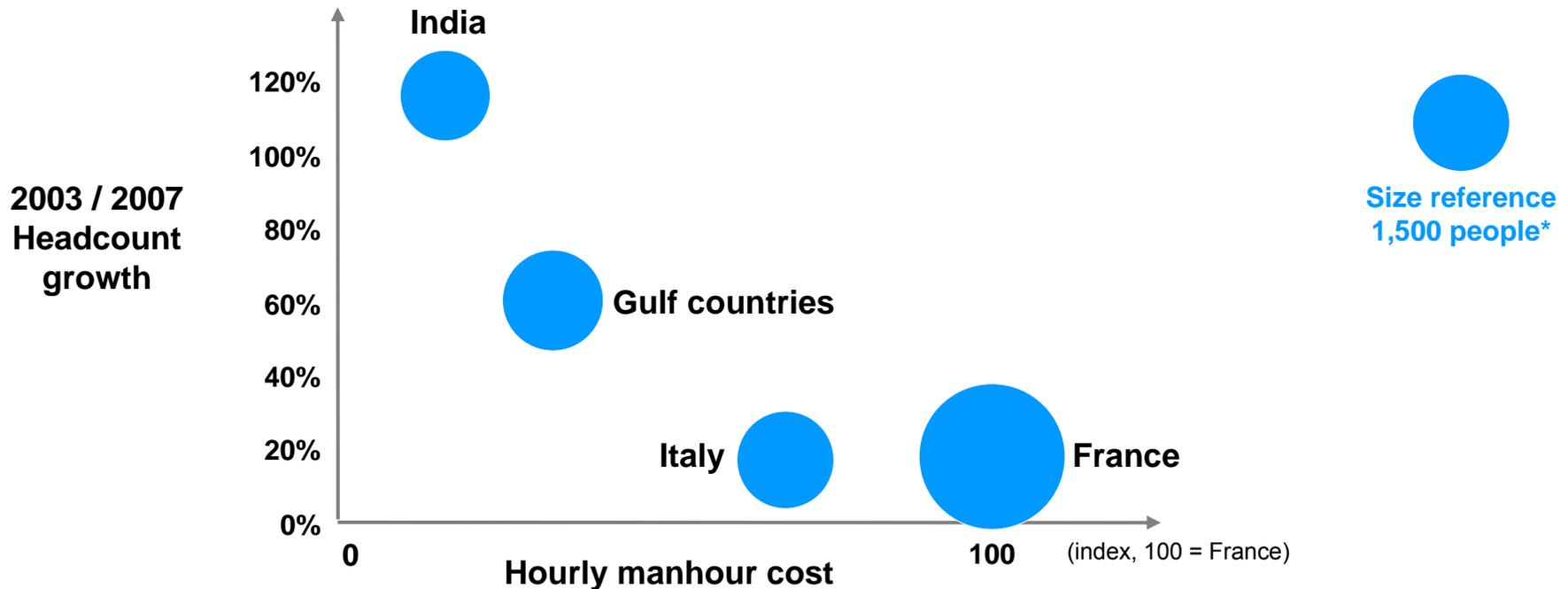


- Construction drives overall project schedule
- Technip 15 current largest projects: 570 M construction manhours
- Typical Middle East LNG project: 20,000 workers at peak

Prerequisite: continued commitment to Quality and Safety

Expand our global operating footprint while maintaining our know-how and technological expertise

TECHNIP OPERATING CENTERS FOR MIDDLE EAST PROJECTS



- ▶ Improve cost competitiveness for small / medium size projects
- ▶ Develop closer relationships with regional customers
- ▶ Increase local content and execution capabilities in high potential markets

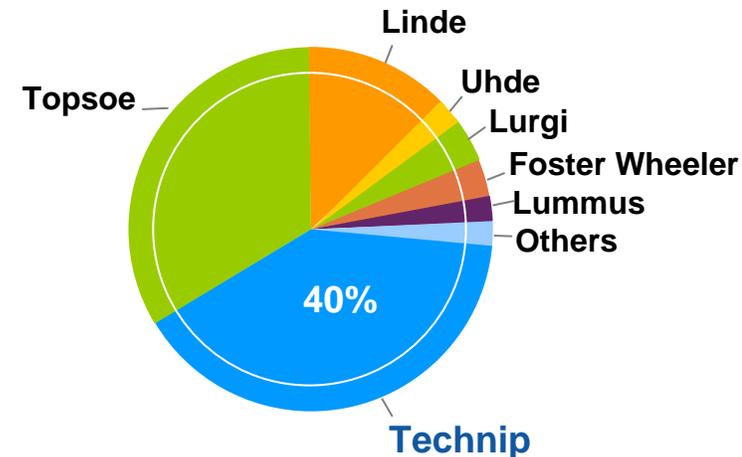
Differentiate through technology and know-how

- ▶ **Establish closer relationships and joint development efforts with major licensors**
 - Exclusive relationships for specific products (e.g.: Ineos, BP, Solvay...)
 - Non-exclusive developments (e.g.: Topsoe, Sasol, UOP, Axens...)
- ▶ **Invest in proprietary technologies to stay on top of competition and develop licensing activities**
 - e.g.: Ethylene, CRYOMAX, Hydrogen
- ▶ **Enlarge technology portfolio in selected areas**
 - Mega-syngas, Gasification, Carbon Capture and Storage
- ▶ **Enhance resources and activities in technological concept/FEED studies**
 - 900 process workforce today
- ▶ **Deploy best practices across the Group**
 - Training programs, Global Engineering Council (GEC), Lessons Learnt

Example of proprietary technology development

- ▶ **TECHNIP is the market leader in hydrogen with proprietary technologies**
- ▶ **Application of enhanced heat transfer in H₂ plants (new and upgrade of existing):**
 - 25 to 30% increase in hydrogen production
 - Improvement in the overall efficiency
 - Reduction of CO₂ emissions
- ▶ **CO₂ reduction for a world scale hydrogen plant:**
 - ~ 20,000 tons / year
 - Equivalent to 6,000 passenger cars* CO₂ emissions

H₂ AND H₂/SYNGAS
MARKET SHARE



Key management goals

▶ **Improve execution and increase operating margin to 6% by 2010**

- De-risking initiatives
- Lower exposure to construction risks
- Innovative contractual schemes
- Stronger internal construction capabilities

▶ **Increase differentiation**

- Expand global operating footprint
- Invest in technology
- Enhance resources and involvement in technological concept / FEED studies

Safe Harbor

This presentation contains both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, or statements of future expectations; within the meaning of Section 27A of the Securities Act of 1933 or Section 21E of the Securities Exchange Act of 1934, each as amended. These forward-looking statements are not based on historical facts, but rather reflect our current expectations concerning future results and events and generally may be identified by the use of forward-looking words such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “likely”, “should”, “planned”, “may”, “estimates”, “potential” or other similar words. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied by these forward-looking statements. Risks that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among other things: our ability to successfully continue to originate and execute large services contracts, and construction and project risks generally; the level of production-related capital expenditure in the oil and gas industry as well as other industries; currency fluctuations; interest rate fluctuations; raw material (especially steel) as well as maritime freight price fluctuations; the timing of development of energy resources; armed conflict or political instability in the Arabian-Persian Gulf, Africa or other regions; the strength of competition; control of costs and expenses; the reduced availability of government-sponsored export financing; losses in one or more of our large contracts; U.S. legislation relating to investments in Iran or elsewhere where we seek to do business; changes in tax legislation, rules, regulation or enforcement; intensified price pressure by our competitors; severe weather conditions; our ability to successfully keep pace with technology changes; our ability to attract and retain qualified personnel; the evolution, interpretation and uniform application and enforcement of International Financial Reporting Standards (IFRS), according to which we prepare our financial statements as of January 1, 2006; political and social stability in developing countries; competition; supply chain bottlenecks; the ability of our subcontractors to attract skilled labor; the fact that our operations may cause the discharge of hazardous substances, leading to significant environmental remediation costs; our ability to manage and mitigate logistical challenges due to underdeveloped infrastructure in some countries where we are performing projects; and our ability to remain compliant with the obligations imposed by Sarbanes-Oxley.

Some of these risk factors are set forth and discussed in more detail in our Annual Report on Form 20-F as filed with the SEC on June 20, 2007, and as updated from time to time in our SEC filings. Should one of these known or unknown risks materialize, or should our underlying assumptions prove incorrect, our future results could be adversely affected, causing these results to differ materially from those expressed in our forward-looking statements. These factors are not necessarily all of the important factors that could cause our actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors also could have material adverse effects on our future results. The forward-looking statements included in this release are made only as of the date of this release. We cannot assure you that projected results or events will be achieved. We do not intend, and do not assume any obligation to update any industry information or forward looking information set forth in this release to reflect subsequent events or circumstances. Except as otherwise indicated, the financial information contained in this document has been prepared in accordance with IFRS, and certain elements would differ materially upon reconciliation to U.S. GAAP.

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