



# Project overview

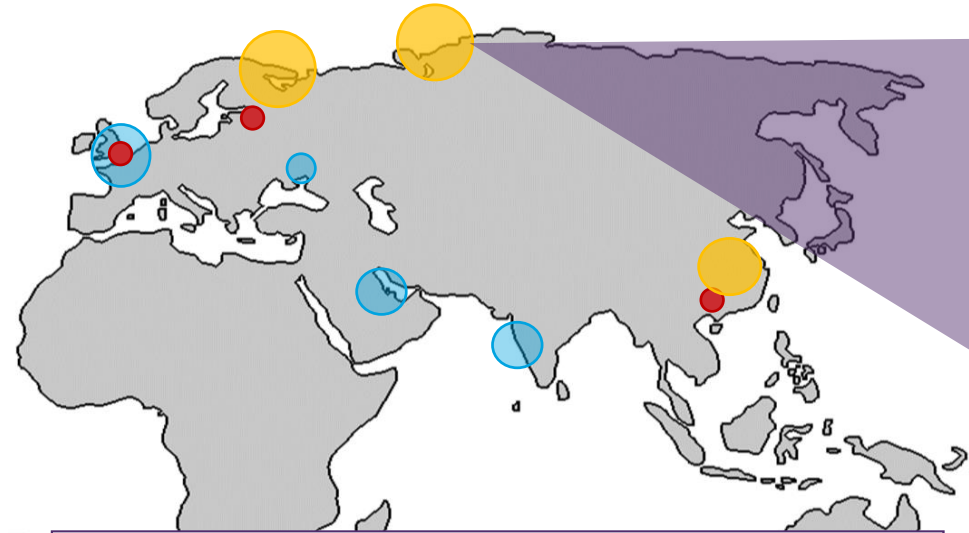
July 2019



# Project highlights

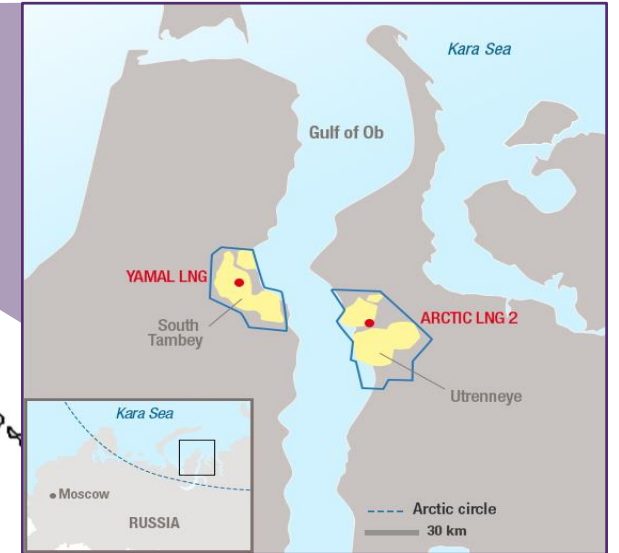
## Project overview

- Liquefied natural gas (LNG) facility consisting of three trains, each using concrete gravity-based (GBS) structures
- Client: Arctic LNG 2 – Novatek, Total, CNOOC, CNPC, JOGMEC/Mitsui (Japan Arctic LNG)
- Location: Gydan Peninsula, Siberia
- Capacity: 19.8 Mtpa<sup>1</sup> (3 trains x 6.6 Mtpa)
- FEED<sup>2</sup>: TechnipFMC, Linde and NIPIGas
- EPC<sup>3</sup>: TechnipFMC, Saipem and NIPIGas



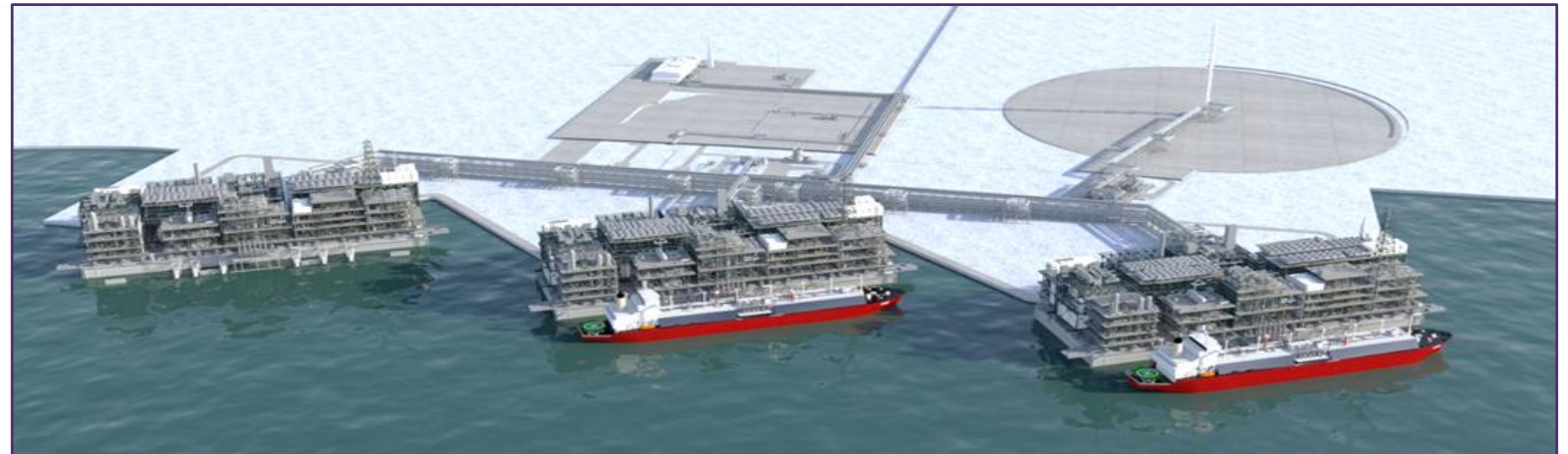
### Multi-center execution

- Directorate office
- Engineering center
- Construction yard



## TechnipFMC core competencies

- Multi-center execution; key enabler for complex module fabrication and integration
- Experienced in the delivery of harsh environment mega projects; Yamal LNG delivered in record time and on-budget
- Technical differentiation in the delivery of natural gas liquefaction engineered for minimal footprint; significant offshore topside and FLNG references



<sup>1</sup> Mtpa: Million metric tonnes per annum

<sup>2</sup> FEED: Front end engineering and design

<sup>3</sup> EPC: Engineering, procurement and construction

# Project structure and financial highlights<sup>1</sup>

## Joint venture execution

- Project executed utilizing two main joint ventures comprising the same partners but with different participating interests

### >> Consolidated backlog

- Scope of work executed outside Russia
- Predominantly lump-sum turnkey work
- Majority ownership; fully consolidated
- Partner's minority share of EBITDA (16%) deducted as non-controlling interest below segment reporting

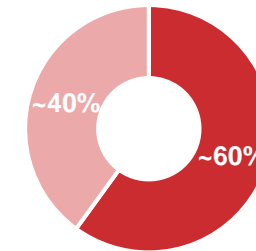
### >> Non-consolidated backlog

- Scope of work executed inside Russia
- Predominantly reimbursable work
- Minority ownership; no consolidation (equity method)
- TechnipFMC's share of net profit included as equity contribution within segment reporting

## Financial highlights

**\$7.6B consolidated contract value to TechnipFMC**

Backlog	Value	Accounting Treatment
Consolidated	\$7.6 billion	Fully consolidated
Non-consolidated	\$1.2 billion	Equity method



■ Lump-sum work    ■ Reimbursable work

<sup>1</sup>Subject to final completion of shareholder agreements; allocation of contractual scheme (lump-sum, reimbursable work) based on total JV scope

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