

This is a free translation into English of the statutory auditors' report on the financial statements issued in French and it is provided solely for the convenience of English-speaking users.

The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures.

This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to the shareholders.

This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

Technip

Year ended December 31, 2014

Statutory auditors' report
on the financial statements

PricewaterhouseCoopers Audit
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Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Technip

Year ended December 31, 2014

Statutory auditors' report on the financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting, we hereby report to you, for the year ended December 31, 2014, on:

- the audit of the accompanying financial statements of Technip;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the board of directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sample techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as at December 31, 2014 and of the results of its operations for the year then ended in accordance with French accounting principles.

II. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French commercial code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- As indicated in note to the financial statements entitled "Provisions on affiliates", provisions on investments and related receivables are recognized considering the share held in the adjusted shareholders' equity, which notably takes into account the prospects for development of the subsidiary. Within the scope of our assessment of the significant estimates used to draw up the financial statements, we reviewed the assumptions used for the forecasting of future financial flows upon which these estimates were based and the corresponding figures for the most significant subsidiaries.
- As indicated in note to the financial statements entitled "Treasury shares", a provision for risks is calculated based on the treasury shares allocated to performance share plans and to share purchase option plans if the outflow of resources is probable. A provision for risks, corresponding to the probable share purchase cost decreased by the exercise price of the option for share purchase option plans, is also accrued if the outflow of resources is probable and when treasury shares held are not affected thereto or are insufficient to cover the plans.

The assessment of the probability of the outflow of resources is linked to turnover rate and performance conditions, for which a median assumption has been assumed by your company. We have examined the relevance of the communicated data and the assumptions on which these estimates are based.

We carried out an assessment of the reasonableness of these estimates.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the board of directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L. 225-102-1 of the French commercial code (*Code de commerce*) relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlling your company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the identity of the shareholders or holders of the voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine and Paris-La Défense, March 5, 2015

The statutory auditors
French original signed by

PricewaterhouseCoopers Audit

ERNST & YOUNG et Autres

Edouard Sattler

Edouard Demarcq

Nour-Eddine Zanouda

20.2.2 STATUTORY FINANCIAL STATEMENTS

1. BALANCE SHEET

ASSETS

In millions of Euro	Notes	As of December 31,	
		2014	2013
Intangible Assets		1.2	1.2
Intangible Assets under Construction		-	-
Total Intangible Assets		1.2	1.2
Other Tangible Assets		-	-
Advances Paid to Suppliers		-	-
Total Tangible Assets		-	-
Investments	6.1	3,881.3	3,949.5
Loans Related to Investments	6.1	1,591.4	1,589.7
Other Financial Assets	6.1	93.2	119.6
Total Financial Assets		5,565.9	5,658.9
Total Fixed Assets (I)	6.1	5,567.1	5,660.1
Advances Paid to Suppliers		1.1	0.3
Trade Receivables	6.2	189.0	268.0
Other Current Receivables	6.2	66.1	57.7
Receivables from Group Companies	6.2	0.1	0.2
Marketable Securities	6.3	4.1	14.8
Cash and Cash Equivalents		3.7	1.3
Total Current Assets, Cash and Cash Equivalents (II)		264.1	342.3
Accrued Assets (III)	6.4	22.9	30.4
Redemption Premiums on Bonds (IV)	6.4	11.9	12.9
Unrealized Exchange Losses (V)		1.0	7.6
TOTAL ASSETS (I to V)		5,867.0	6,053.3

EQUITY AND LIABILITIES

In millions of Euro	Notes	As of December 31,	
		2014	2013
Issued Capital		86.9	86.7
Share Capital Premiums		2,042.0	2,030.5
Reserves:			
Legal Reserves		9.8	9.8
Regulated Reserves		40.7	40.7
Other Reserves		119.0	119.0
Retained Earnings		611.2	617.4
Net Income		107.0	200.3
Interim Dividends		-	-
Net Equity	6.5	3,016.6	3,104.4
Regulated Provisions	6.6	-	-
Total Shareholders' Equity (I)		3,016.6	3,104.4
Provisions for Risks		96.7	140.1
Provisions for Charges		4.3	3.4
Total Provisions for Risks and Charges (II)	6.6	101.0	143.5
Bonds		1,927.6	1,927.6
Bank Borrowings and Credit Lines		17.5	17.7
Other Financial Debts and Liabilities		-	-
Financial Debts towards Group Companies		705.5	776.3
Advances Received from Clients		-	-
Accounts Payables and Related Accounts		52.4	63.7
Tax and Social Security Liabilities		16.4	19.6
Payables on Assets		-	-
Other Liabilities		0.5	0.4
Total Liabilities (III)	6.8	2,719.9	2,805.3
Unrealized Exchange Gains (IV)		29.5	-
TOTAL EQUITY AND LIABILITIES (I TO IV)		5,867.0	6,053.3

2. STATEMENT OF INCOME

In millions of Euro	Notes	12 months	
		2014	2013
Sales of Goods: Rendering of Services		183.1	176.0
Revenues	6.10	183.1	176.0
Capitalized Expenses		-	-
Reversals of Provisions and Charges Transferred		5.3	11.0
Other Operating Income		0.1	-
Total Operating Income		188.5	187.0
General and Administrative Costs		(208.5)	(218.0)
Taxes		(2.2)	(4.0)
Wages and Salaries, Social Security Costs		(17.4)	(23.2)
Allowances for Provisions and Amortization		-	-
- on Fixed Assets		-	-
- on Current Assets		-	-
- for Risks and Charges		(2.6)	(3.7)
Other Operating Expenses		(0.9)	(0.8)
Total Operating Expenses		(231.6)	(249.7)
Income/(Loss) from Operating Activities (I)		(43.1)	(62.7)
Dividends and Interim Dividends		203.6	286.3
Other Financial Income related to Financial Assets and Marketable Securities		53.3	48.1
Other Financial Interests		10.7	25.0
Reversals of Provisions and Charges Transferred		147.4	67.9
Exchange Gains Realized		1.0	15.0
Net Gain on Disposal of Marketable Securities		-	-
Total Financial Income		416.0	442.3
Allowance for Provisions and Amortization		(168.0)	(100.9)
Interest Charges		(48.7)	(35.9)
Exchange Loss Realized		(17.1)	(7.3)
Net Loss on Disposal of Marketable Securities		-	-
Total Financial Expenses		(233.8)	(144.0)
Financial Result (II)	6.11	182.2	298.3
Current Income before Tax (I to II)		139.1	235.6
Extraordinary Income from Operating Activities		1.5	1.3
Extraordinary Income from Financing Activities		12.1	0.1
Reversals of Provisions and Charges Transferred		4.4	5.3
Total Extraordinary Income		18.0	6.8
Extraordinary Expenses from Operating Activities		-	(3.9)
Extraordinary Expenses from Financing Activities		(61.6)	(56.7)
Allowance for Extraordinary Provisions		(8.2)	-
Total Extraordinary Expenses		(69.8)	(60.6)
Extraordinary Result (III)	6.12	(51.8)	(53.8)
Profit Sharing (IV)		-	-
Income Tax (V)	6.13	19.7	18.4
Total Income		622.5	636.1
Total Expenses		(515.5)	(435.9)
NET INCOME (I TO V)		107.0	200.3

3. STATEMENT OF CASH FLOWS

In millions of Euro	12 months	
	2014	2013
Net Income	107.0	200.3
Amortization and Depreciation of Fixed Assets and Prepaid Expenses	-	-
Increase/(Decrease) in Provisions ⁽¹⁾	25.7	28.6
Net (Gains)/Losses on Disposal of Assets and Investments	(11.9)	1.4
Cash Flow from Operations	120.8	230.3
Changes in Working Capital	99.8	(34.2)
Net Cash Generated from/(Used in) Operating Activities	220.6	196.1
(Purchases)/Disposals of Intangible Assets	-	-
(Purchases)/Disposals of Tangible Assets	-	-
(Purchases)/Disposals of Financial Assets ⁽²⁾	12.2	(275.4)
Net Cash Generated from/(Used in) Investing Activities	12.2	(275.4)
(Increase)/Decrease in Long-Term Receivables (subsidiaries loans) ⁽³⁾	(1.7)	(114.5)
(Increase)/Decrease in treasury shares net of selling price	35.4	25.0
Increase/(Decrease) in Current Account Cash Pooling	(70.8)	(29.6)
Increase/(Decrease) in Short-Term Debts	(0.2)	2.2
Increase/(Decrease) in Long-Term Debts ⁽⁴⁾	-	355.0
(Increase)/Decrease in Liquidity Contract	1.7	0.1
Capital Increase and Issuance Premium ⁽⁵⁾	11.7	25.7
Dividends Paid ⁽⁶⁾	(206.5)	(186.0)
Net Cash Generated from/(Used in) Financing Activities	(230.4)	77.8
Net Increase/(Decrease) in Cash and Cash Equivalents	2.4	(1.5)
Cash and Cash Equivalents as of January 1	1.3	2.8
CASH AND CASH EQUIVALENTS AS OF DECEMBER 31	3.7	1.3
Cash and Cash Equivalents	3.7	1.3
Bank Overdrafts	-	-
CASH AND CASH EQUIVALENTS AS OF DECEMBER 31	3.7	1.3

- (1) In 2014, including mainly the net decrease of provisions for risks regarding performance shares (€45.1 million) and the allowance for depreciation of investments in Malaysia Marine and Heavy Engineering Holdings Berhad (MHB) for €68.0 million.
In 2013, including mainly the net decrease of provisions for risks regarding performance shares (€26.6 million) and the net increase of provision on investments of subsidiaries (€48.8 million).
- (2) In 2014, including mainly the disposal of investments in Technip TPS.
In 2013, including mainly capital increase of Technip Holding Benelux NV (€315.5 million), capital increase of Technipnet SAS (€50 million) and repayment following share capital reduction of Technip Benelux NV (€88.7 million).
- (3) In 2014, non-significant.
In 2013, including mainly a loan to a subsidiary (€264 million) and the full repayment of a loan by a subsidiary (€172.5 million)
- (4) In 2014, no impact.
In 2013, long-term private placements issuance (€355 million).
- (5) In 2014 and in 2013, capital increase linked to share subscription options exercised.
- (6) In 2014, 2013 dividends for €206.5 million.
In 2013, 2012 dividends for €186.0 million.

4. NOTES ON ACCOUNTING PRINCIPLES

The accounting principles used by Technip in preparing the financial statements for financial year 2014 are in compliance with the *nouveau Plan Comptable Général* fixed by the *règlement* ANC No. 2014-03 validated by the *arrêté* of September 8, 2014 (French GAAP).

The statutory financial statements of Technip as of December 31, 2014, were approved by the Board of Directors on February 17, 2015.

Foreign currency transactions

Transactions in foreign currencies related to financial revenues or expenses are recorded in accordance with current accounting policies.

At year-end, receivables and liabilities are translated at the exchange rates prevailing at the closing date, and any differences are recorded as unrealized exchange gains or losses.

If a potential loss is identified when converting receivables and payables at the closing exchange rate, a provision for exchange risk is booked for the same amount.

Treasury accounts and current accounts of the cash pooling entity of the Group are translated at the exchange rates prevailing at the closing date, and any differences are recorded as financial gains or expenses.

Provisions on affiliates

Provisions on investments and related receivables are recognized whenever the gross carrying value of the investment is higher than the share held in the shareholders' equity, which has been adjusted in order to take into account certain commitments entered into by the parent company and the prospects for the development of the subsidiary.

For the main subsidiaries, these prospects are assessed on the basis of forecasted future cash flows, based on the most likely scenarios adopted by the management.

All provisions booked to cover affiliate risks are fully recorded under financial expenses whether they cover write-downs of investments in affiliated companies, related receivables, or the booking of additional provisions for risk, if necessary.

Debt waivers and subsidies granted to subsidiaries are also accounted in financial result.

Treasury shares

Treasury shares held by the Company are recorded at the acquisition cost, and gain/(loss) on sales of treasury shares are booked according to the FIFO method (First In, First Out).

The Company has applied the recommendations of the French accounting standards body, the *Comité de réglementation comptable* (CRC), dated December 2008 regarding accounting principles to be used for stock options plans and performance share plans granted to employees.

1. Treasury shares allocated to Company employees

The treasury shares allocated to Company employees are classified under marketable securities.

A provision for risks is calculated based on the treasury shares allocated to performance share plans and to share purchase option plans, and is spread over the vesting period if the cash out is expected.

The assessment of delivery is linked to performance conditions (for which a median hypothesis has been assumed) and turnover rate. Regarding the share purchase option plans, the assessment of delivery is also linked to a fair value at the closing date (if the exercise price of the share purchase option is less than the market value of Technip share).

When the cash out is expected and no treasury share is allocated or is not sufficient to cover the corresponding plans, a provision for risk is also recognized. This provision is spread over the vesting period.

When the cash out is not expected, a provision on marketable securities is recognized, if necessary, for the difference between the market value (based upon the average of share price for the last month of the year) and the gross carrying amount of the treasury shares.

2. Treasury shares allocated to subsidiaries' employees

The treasury shares allocated to share purchase option plans and performance share plans granted to subsidiaries' employees are classified under other financial assets.

At year-end, if the market value of Technip's share (computed on the basis of the average price for the last month of the year) is less than the gross carrying amount of treasury shares, a provision for depreciation is recognized for the difference.

Moreover, for performance shares granted to subsidiaries' employees, a provision for risks is booked based upon the net book value of the treasury shares, taking into account the performance conditions and turnover rate.

When the cash out is expected and no treasury share is allocated or is not sufficient to cover the corresponding plans, a provision for risk is also recognized.

Due to the Stock Incentive Plan Recharge Master Agreement put in force with subsidiaries concerned, the Company books financial revenues equal to the provision for risks.

3. Other treasury shares not allocated to plans

The treasury shares not allocated to plans are classified under other financial assets.

At year-end, if the market value of Technip's share (computed on the basis of the average price for the last month of the year) is less than the gross carrying amount of treasury shares, a provision for depreciation is recognized for the difference.

Intangible assets and property, plant and equipment

Intangible assets include software, which is amortized over a period of three to five years, and software development costs, when they fulfill the eligibility criteria provided by the French Accounting Standards.

Fixed assets are carried at their acquisition cost, their production cost, or at their fair value in case of business combinations.

Tangible assets mainly relate to Adria Tower equipment and furniture. Amortization lifetimes, principally straight line, represent the useful lives estimated to be likely by the Company:

- Office fixtures and furniture 8 to 10 years
- IT equipment 3 years

Trade receivables

Trade receivables are valued at their nominal value. A provision for doubtful accounts is recorded when receivables are highly likely to be uncollectible.

5. MAIN EVENTS OF THE YEAR

The Company's activities consist mainly in holding interests in affiliates, receiving dividends, centralizing and re-invoicing both management fees and other organizational costs, such as insurance and financing costs on guarantees.

- In May 2014, the Company paid a dividend of €1.85 per share, which represented a global distribution of €206.5 million.
- On April 30, 2014, Technip sold the totality of its fully owned subsidiary Technip TPS, specialized in engineering and construction for the industry, to the WSP Group.

Based in Paris with offices located in Lyon, Toulouse and Abu Dhabi, Technip TPS brings together all the necessary skills to devise and realize outstanding private and public projects: structures, thermal engineering, electrical engineering, sub-trade, exterior fitting. The company holds an impressive achievement track-record most notably working on *Bibliothèque de France*, Renault's Technocentre and Airbus' A380 assembly plant.

This sale is in line with Technip's strategy to focus on energy, its core business. It will also enable Technip TPS to better tackle its operational challenges and to carry on its growth as part of WSP, one of the world's leading professional services firms with a strong expertise in the building sector.

- During the 2014 financial year, the Company bought treasury shares in accordance with Shareholders' Meetings decisions on April 25, 2013 and on April 24, 2014, the period of purchase is limited to 18 months and the number of shares to be bought cannot exceed respectively 10% and 8% of issued capital, with a price ceiling amounting respectively to €115 and to €95. In 2014, the Company bought 610,569 shares at an average price of €68.4, total amount being €41.8 million.
- The number of treasury shares is 1,363,995 as of December 31, 2014. 95 700 of these shares are allocated to share purchase option plans and performance share plans granted to the Company employees; 1,072,295 shares are allocated to share purchase option plans and performance share plans granted to Group subsidiaries' employees; 196,000 shares are allocated to the liquidity contract.

6. NOTES TO THE FINANCIAL STATEMENTS

6.1 – Fixed Assets

(a) Changes over the past year

In millions of Euro	Intangible Assets	Tangible Assets	Financial Assets	Total Fixed Assets
Gross Value as of January 1, 2013	13.1	12.8	5,341.5	5,367.4
Acquisitions ⁽¹⁾	-	-	836.0	836.0
Disposals ⁽²⁾	-	-	(464.4)	(464.4)
Gross Value as of December 31, 2013	13.1	12.8	5,713.1	5,739.0
Acquisitions ⁽³⁾	-	-	139.6	139.6
Disposals ⁽⁴⁾	-	-	(164.6)	(164.6)
Gross Value as of December 31, 2014	13.1	12.8	5,688.1	5,714.0
Amortization and Depreciation as of January 1, 2013	(11.9)	(12.7)	(5.4)	(30.0)
Increase ⁽⁵⁾	-	(0.1)	(50.2)	(50.3)
Reversals ⁽⁶⁾	-	-	1.4	1.4
Amortization and Depreciation as of December 31, 2013	(11.9)	(12.8)	(54.2)	(78.9)
Increase	-	-	-	-
Reversals ⁽⁷⁾	-	-	(68.0)	(68.0)
Amortization and Depreciation as of December 31, 2014	(11.9)	(12.8)	(122.2)	(146.9)
NET VALUE AS OF DECEMBER 31, 2014	1.2	-	5,565.9	5,567.1

- (1) Increase in financial assets mainly due to subsidiaries share capital increases (Technip Holding Benelux NV for €315.5 million and Technipnet SAS for €50 million), increases in loans granted to subsidiaries (€364.9 million), and to increases in treasury shares on liquidity contract (€63.8 million) and for allocation to performance share plans and to share subscription option plans granted to subsidiaries employees (€41.1 million).
- (2) Decrease in financial assets mainly due to capital reduction of Technip Benelux BV (€88.7 million), repayments of loans granted to subsidiaries (€250 million), decreases in treasury shares due to performance shares vested (€45.2 million) and decreases in treasury shares on liquidity contract (€54 million).
- (3) Increase in fixed assets mainly due to increases in treasury shares related to the liquidity contract (€57.9 million) and to the allocation to performance share plans and to share subscription option plans granted to subsidiaries employees (€41.8 million).
- (4) Decrease in financial assets mainly due to decreases in treasury shares due to performance shares vested during the year (€66.6 million) and decreases in treasury shares on liquidity contract (€59.1 million).
- (5) Allowance for provisions on investments for €50.2 million.
- (6) Reversals of provisions on investments for €1.4 million.
- (7) Allowance for depreciation on investments in Malaysia Marine and Heavy Engineering Holdings Berhad (MHB).

(b) Financial assets

Financial assets break down as follows:

In millions of Euro	As of December 31,			2013 Net Value
	2014 Gross Value	2014 Provisions for Depreciation	2014 Net Value	
Investments	4,003.6	(122.3)	3,881.3	3,949.6
Loans Related to Investments	1,591.4	-	1,591.4	1,589.7
Treasury Shares	92.8	-	92.8	118.8
Liquidity Contract	0.4	-	0.4	0.8
TOTAL FINANCIAL ASSETS	5,688.2	(122.3)	5,565.9	5,658.9

The detail of investments is presented in Note 7.

Investments are recorded at their acquisition cost excluding directly attributable transaction costs.

Loans related to investments mainly consist in loans granted to subsidiaries held either directly or indirectly.

In 2014, Technip sold 886,325 treasury shares for performance shares vested to Group subsidiaries' employees. As of December 31, 2014, the balance of treasury shares (1,268,295 shares), as disclosed in financial assets,

included shares bought from 2006 to 2014 and allocated to performance share plans granted to subsidiaries' employees, as well as 196,000 shares bought from the liquidity contract.

In 2013, Technip sold 1,095,420 treasury shares for performance shares vested to Group subsidiaries' employees. As of December 31, 2013, the balance of treasury shares (1,514,551 shares), as disclosed in financial assets, included shares bought from 2006 to 2013 and allocated to performance share plans granted to subsidiaries' employees, included also 166,500 shares bought from the liquidity contract.

6.2 – Current Assets

Current assets break down as follows:

In millions of Euro	As of December 31,			2013 Net Value
	2014 Gross Value	Provisions for Depreciation	Net Value	
Trade Receivables	189.0	-	189.0	268.0
Other Receivables, Income Tax and VAT	61.8	-	61.8	45.6
Other Current Receivables, Sundry Debtors	4.3	-	4.3	12.1
Total Other Current Receivables	66.1	-	66.1	57.7
Current Accounts with subsidiaries	3.5	(3.4)	0.1	0.2

The trade receivables consist mainly in invoices to subsidiaries.

6.3 – Marketable Securities

Marketable securities correspond to treasury shares allocated to share purchase option plans and performance share plans granted to Company employees. Their variations break down as follows:

In millions of Euro	As of December 31,	
	2014	2013
Gross Value as of January 1	14.8	21.6
Transfer to Financial Assets	-	-
Increase in Treasury shares	-	0.2
Decrease in Treasury Shares	(10.7)	(6.9)
Gross Value as of December 31	4.1	14.8
Depreciation as of January 1	-	-
Increase	-	-
Reversals	-	-
Depreciation as of December 31	-	-
NET VALUE AS OF DECEMBER 31	4.1	14.8

6.4 – Accrued Assets and Redemption Premium

Accrued assets (€19.0 million as of December 31, 2014)

They mostly include insurance costs.

Deferred charges (€3.8 million as of December 31, 2014)

Deferred charges include:

- issuing fees (for a gross amount of €5.0 million) related to the €550 million convertible bond (OCEANE) issued in November 2010, to be amortized over five years and 45 days. Annual amortization amounted to €1.0 million in 2014, and net value was €1.0 million as of December 31, 2014;
- issuing fees (for a gross amount of €4.1 million) related to the €497.6 million convertible bond (OCEANE) issued on December 15, 2011, to be amortized over five years and 17 days. Annual amortization amounted to €0.8 million in 2014, and net value was €1.6 million as of December 31, 2014;

- renegotiation fees (for a gross amount of €1.3 million) related to an unutilized syndicated credit facility. Annual amortization amounted to €0.1 million in 2014, and net value was €1.2 million as of December 31, 2014.

Redemption premium (€11.9 million as of December 31, 2014)

This corresponds to:

- redemption premiums (for a gross amount of €3.1 million) related to the €200 million private placement received in 2010, to be amortized on a straight line basis over 10 years. The net value was €1.7 million as of December 31, 2014;
- redemption premiums (for a gross amount of €5.2 million) related to the €100 million private placement received in 2012, to be amortized on a straight line basis over 20 years. The net value was €4.6 million as of December 31, 2014;
- redemption premiums (for a gross amount of €0.3 million) related to the €150 million private placement received in 2012, to be amortized on a straight line basis over 10 years. The net value was €0.2 million as of December 31, 2014;
- redemption premiums (for a gross amount of €0.1 million) related to the €75 million private placement received in 2012, to be amortized on a straight line basis over 15 years. The net value was €0.1 million as of December 31, 2014.
- redemption premiums (for a gross amount of €1.3 million) related to the €130 million private placement received in 2013, to be amortized on a straight line basis over 10 years. The net value was €1.2 million as of December 31, 2014;
- redemption premiums (for a gross amount of €4.0 million) related to the €100 million private placement received in 2013, to be amortized on a straight line basis over 20 years. The net value was €3.8 million as of December 31, 2014;
- redemption premiums (for a gross amount of €0.4 million) related to the €125 million private placement received in 2013, to be amortized on a straight line basis over 10 years. The net value was €0.3 million as of December 31, 2014.

6.5 – Shareholders' Equity

(a) Changes in shareholders' equity

Changes in shareholders' equity are as follows:

In millions of Euro	As of December 31,	
	2014	2013
Shareholders' Equity as of January 1	3,104.4	3,064.5
Capital increase	0.2	0.5
Share Subscription Options Exercised	11.5	25.1
Net Income	107.0	200.3
Dividends	(206.5)	(186.0)
SHAREHOLDERS' EQUITY AS OF DECEMBER 31	3,016.6	3,104.4

(b) Changes in issued capital

Changes in issued capital are as follows:

	As of December 31,	
	2014	2013
Number of Shares as of January 1	113,680,256	113,040,513
Increase due to Share Subscription Options Exercised	265,061	639,743
NUMBER OF SHARES AS OF DECEMBER 31	113,945,317	113,680,256
Share Nominal Value (in Euros)	0.7625	0.7625
Common Stock as of December 31 (in millions of Euro)	86.9	86.7

The number of shares that carry double voting rights is 11,319,697 as of December 31, 2014.

(c) Share subscription option, share purchase option and performance share plans

1/ Technip share subscription option plans

The details of Technip share subscription option plans are as follows:

2005					
Year of the Plan	Part 1	Part 2	Part 3	Re-Granted Parts 1 and 2	Re-Granted Parts 1, 2 and 3
Date of the Shareholders' Meeting	April 29, 2005	April 29, 2005	April 29, 2005	April 29, 2005	April 29, 2005
Date of the Board of Directors Meeting	December 14, 2005	July 26, 2006	March 12, 2007	December 12, 2007	June 12, 2008
Term	6 years	6 years	6 years	6 years	6 years
Remaining Number of Options to be Exercised	-	-	-	-	-
Current Exercise Price (in Euros)	46.9	41.4	49.2	55.7	60.0

Regarding re-granting of June 2008, a total of 16,000 options were vested in the financial year.

2009	
Year of the Plan	Part 1
Date of the Shareholders' Meeting	April 30, 2009
Date of the Board of Directors Meeting	June 15, 2009
Term	6 years
Remaining Number of Options to be Exercised ^(*)	477,392
Current Exercise Price (in Euros)	34.7

(*) From the vesting date, i.e. four years after the grant date.

2010			
Year of the Plan	Part 1	Part 2	Part 3
Date of the Shareholders' Meeting	April 29, 2010	April 29, 2010	April 29, 2010
Date of the Board of Directors Meeting	June 23, 2010	December 15, 2010	March 4, 2011
Term	6 years	6 years	4 years
Remaining Number of Options to be Exercised ^(*)	882,133	17,400	70,700
Current Exercise Price (in Euros)	51.5	63.2	72.2

(*) From the vesting date, i.e. four years after the grant date.

2011			
Year of the Plan	Part 1	Part 2	Part 3
Date of the Shareholders' Meeting	April 28, 2011	April 28, 2011	April 28, 2011
Date of the Board of Directors Meeting	June 17, 2011	December 14, 2011	March 2, 2012
Term	7 years	7 years	7 years
Remaining Number of Options to be Exercised ^(*)	330,700	43,600	47,507
Current Exercise Price (in Euros)	72.7	66.9	78.4

(*) From the vesting date, i.e. four years after the grant date.

2012		
Year of the Plan	Part 2	Part 3
Date of the Shareholders' Meeting	April 26, 2012	April 26, 2012
Date of the Board of Directors Meeting	June 15, 2012	December 12, 2012

Term	7 years	7 years
Remaining Number of Options to be Exercised ^(*)	278,100	34,950
Current Exercise Price (in Euros)	74.6	87.1

(*) From the vesting date, i.e. four years after the grant date.

Year of the Plan	2013	
	Part 1	Part 2
Date of the Shareholders' Meeting	April 25, 2013	April 25, 2013
Date of the Board of Directors Meeting	June 14, 2013	January 10, 2014
Term	8 years	8 years
Remaining Number of Options to be Exercised ^(*)	321,500	16,520
Current Exercise Price (in Euros)	85.7	68.5

(*) From the vesting date, i.e. four years after the grant date.

No share subscription option plan was granted during the 2014 financial year.

These share subscription option plans were granted subject to certain performance targets. The final number of share subscription options granted to employees is contingent upon Technip achieving a satisfactory performance for its shareholders. For the 2012, 2013 and 2013 re-granting plans, the performance will be respectively measured over the 2012-2014 2013-2015 and 2014-2016 period on the basis of several criteria: Group results in terms of Total Shareholder Return, operating income from recurring activities and return on capital employed.

2/ Performance share plans

Performance share plans have been implemented since 2007. Their characteristics are as follows:

Year of the Plan	2009				
	Part 1 List 1	Part 1 List 2	Part 2 List 1	Part 3 List 1	Part 3 List 2
Date of the Shareholders' Meeting	April 30, 2009	April 30, 2009	April 30, 2009	April 30, 2009	April 30, 2009
Date of the Board of Directors Meeting	June 15, 2009	June 15, 2009	October 25, 2009	February 16, 2010	February 16, 2010
Term	5 ans	4 ans	5 ans	5 ans	4 ans
Number of Shares Granted	-	-	-	-	-

The performance shares related to the 2009 plan Part 3 List 2 were vested in 2014 for 53,100 shares and cancelled for 1,800 shares.

Year of the Plan	2010					
	Part 1 List 1	Part 1 List 2	Part 2 List 1	Part 2 List 2	Part 3 List 1	Part 3 List 2
Date of the Shareholders' Meeting	April 29, 2010	April 29, 2010	April 29, 2010	April 29, 2010	April 29, 2010	April 29, 2010
Date of the Board of Directors Meeting	June 23, 2010	June 23, 2010	December 15, 2010	December 15, 2010	March 4, 2011	March 4, 2011
Term	5 ans	4 ans	5 ans	4 ans	5 ans	4 ans
Number of Shares Granted	-	-	-	-	-	51,500

Year of the Plan	2011					
	Part 1 List 1	Part 1 List 2	Part 2 List 1	Part 2 List 2	Part 3 List 1	Part 3 List 2
Date of the Shareholders' Meeting	April 28, 2011	April 28, 2011	April 28, 2011	April 28, 2011	April 28, 2011	April 28, 2011

Date of the Board of Directors Meeting	June 17, 2011	June 17, 2011	December 14, 2011	December 14, 2011	March 2, 2012	March 2, 2012
Term	5 ans	4 ans	5 ans	4 ans	5 ans	4 ans
Number of Shares Granted	-	208,550	-	22,750	12,900	32,707

2012

Year of the Plan	Part 1 List 1	Part 1 List 2	Part 2 List 1	Part 2 List 2
Date of the Shareholders' Meeting	April 26, 2012	April 26, 2012	April 26, 2012	April 26, 2012
Date of the Board of Directors Meeting	June 15, 2012	June 15, 2012	December 12, 2012	December 12, 2012
Term	5 ans	4 ans	5 ans	4 ans
Number of Shares Granted	152,800	253,450	15,650	102,489

2013

Year of the Plan	Part 1 List 1	Part 1 List 2	Part 2 List 1	Part 2 List 2
Date of the Shareholders' Meeting	April 25, 2013	April 25, 2013	April 25, 2013	April 25, 2013
Date of the Board of Directors Meeting	June 14, 2013	June 14, 2013	January 10, 2014	January 10, 2014
Term	5 ans	4 ans	5 ans	4 ans
Number of Shares Granted	170,250	310,950	11,050	60,400

2014

Year of the Plan	Part 1 List 1	Part 1 List 2
Date of the Shareholders' Meeting	April 24, 2014	April 24, 2014
Date of the Board of Directors Meeting	December 10, 2014	December 10, 2014
Term	5 ans	4 ans
Number of Shares Granted	-	50,400

The 2014 performance share plan was granted in the financial year.

Performance shares were granted contingent upon performance conditions. For the 2011, 2012, 2013 and 2014 plans, the performance has been and will be respectively measured over the 2011-2013, 2012-2014, 2013-2015 and 2014-2016 period on the basis of several criteria: Group results in matter of Health/Safety/Environment, operating income from recurring activities and cash flow generated from operating activities.

(d) Distributable retained earnings

As of December 31, 2014, distributable retained earnings of the parent company amounted to €2,879.2 million, including €2,042.0 million of share capital premiums.

6.6 – Provisions

(a) Nature of provisions for risks and charges

As of December 31, 2014, provisions for risks mostly include €1.1 million of provisions for foreign exchange losses, provisions for risks on treasury shares allocated to performance share plans granted to Company's employees (booked as marketable securities) for €3.4 million and granted to subsidiaries' employees (booked as financial assets) for €3.4 million, and €4.3 million of provisions for retirement indemnities.

The provision for retirement indemnities is calculated according to the actuarial valuation method:

- discount rate: 1.85%;
- inflation rate: 1.80%;

- future salary increase above inflation rate: from 2.37% to 5.00%.

(b) Changes in provisions

Changes in provisions are as follows:

In millions of Euro	As of January 1, 2014	Increase	Used Reversals	Unused Reversals	As of December 31, 2014
Regulated Provisions	-	-	-	-	-
Provisions for Risks	140.1	94.4	(137.8)	-	96.7
Provisions for Charges	3.4	1.2	(0.3)	-	4.3
Total Provisions in Liabilities	143.5	95.6	(138.1)	-	101.0
Provisions on Investments	54.3	68.0	-	-	122.3
Provisions on Loans	-	-	-	-	-
Provisions on Current Assets	0.1	-	-	-	0.1
Provisions on other Current Assets	0.1	-	-	-	0.1
Provisions on Current Accounts	3.0	1.1	(0.8)	-	3.3
Total Provisions on Assets	57.5	69.1	(0.8)	-	125.8
TOTAL PROVISIONS	201.0	164.7	(138.9)	-	226.8

The allowances for provisions for risks are mainly related to performance shares plans for €86.8 million and foreign exchange losses for €1.1 million.

The reversals of provisions for risks are mainly related to performance shares plans for €126.7 million, share option plans for €5.3 million and foreign exchange losses for €7.6 million.

(c) Breakdown of provision allowances and reversals

Allowances and reversals of provisions break down as follows:

In millions of Euro	2014	2013
Operating Allowances	2.9	3.7
Financial Allowances ⁽¹⁾	153.5	98.3
Extraordinary Allowances	8.2	-
TOTAL PROVISION ALLOWANCES	164.6	102.0
Operating Reversals	5.6	5.3
Financial Reversals	133.2	67.9
Extraordinary Reversals	-	0.1
Total Provision Reversals	138.8	73.3
Operating Charges Transferred ⁽²⁾	1.2	5.7
Extraordinary Charges Transferred ⁽³⁾	4.4	5.2
TOTAL PROVISION REVERSALS AND CHARGES TRANSFERRED	144.4	84.2

(1) Excluding amortization of deferred charges and redemption premiums on bonds (€2.9 million).

(2) Including mainly the reclassification of insurance indemnities as operating result.

(3) Reclassification of the result on the Company employees' treasury shares as payroll expenses.

6.7 – Accrued Charges and Accrued Income Included in Assets and Liabilities

Accrued income included in assets amounts to €147.1 million as of December 31, 2014, against €12.4 million as of December 31, 2013.

Accrued charges included in liabilities amount to €48.8 million as of December 31, 2014, and €61.1 million as of December 31, 2013.

6.8 – Maturity of Assets and Liabilities

The maturity of assets (net of provisions) and liabilities breaks down as follows:

In millions of Euro	As of December 31, 2014	Less than 1 Year	More than 1 Year
Financial Assets ⁽¹⁾	1,591.4	117.2	1,474.2
Trade Receivables	189.0	189.0	-
Receivables from Group Companies	0.1	0.1	-
Other Current Receivables	66.1	24.1	42.0
Accrued Assets	22.9	21.0	1.9
TOTAL ASSETS	1,869.5	351.4	1,518.1

(1) Excluding investments, treasury shares and liquidity contract.

In millions of Euro	As of December 31, 2014	Less than 1 Year	Between 1 Year and 5 Years	More than 5 Years
Bonds ⁽¹⁾	1,927.6	-	1,047.6	880.0
Bank Borrowings and Credit Lines	17.5	17.5	-	-
Financial Debts and Liabilities with Group Companies ⁽²⁾	705.5	1.1	704.4	-
Accounts Payables	52.4	52.4	-	-
Tax and Social Security Liabilities	16.4	16.4	-	-
Other Liabilities	0.5	0.5	-	-
TOTAL LIABILITIES	2,719.9	87.9	1,752.0	880.0

(1) Bonds are described hereafter.

(2) Including current account with the Group cash pooling entity: €704.3 million.

The Company issued the following bonds:

- On November 17, 2010, a bond loan with an option for conversion and/or exchangeable for new or existing shares (OCEANE) for approximately €550 million.

The OCEANE convertible bond, which was approved by the French Securities Regulator (AMF) on November 9, 2010, has the main following features:

- issued at a price of €83.10 (the number of bonds issued was 6,618,531);
- a coupon of 0.5% payable on January 31 of each year, which amounts to €0.42 per year and per bond;
- a redemption date was set on January 1, 2016 for bonds not converted into shares at such date;
- the option for bondholders to convert their bonds into shares at any time at the ratio of one share for one bond;
- the option for the Group to call for early redemption of the bonds at any time on or after the third anniversary of the issue date for a price at par plus accrued interest if the quoted value of the share exceeds 130% of the par value of the bond.

- On July 27, 2010, a private placement notes for €200 million in accordance with contractual conditions agreed on November 19, 2009.

The main characteristics of this bond are as follows:

- bonds are listed on the Luxembourg stock exchange;
- the coupon payable on July 27 of each year amounts to 5% of nominal amount;
- redemption date: July 27, 2020;
- this placement includes the usual covenants and default provisions that are standard for this type of bond issue and does not include any financial ratio.

- On December 15, 2011, a bond loan with an option for conversion and/or exchangeable for new or existing shares (OCEANE) for approximately €497.6 million.

The OCEANE convertible bond, which was approved by the French Securities Regulator (AMF) on December 7, 2011, has the main following features:

- issued at a price of €96.09 (the number of bonds issued was 5,178,455);
- a coupon of 0.25% payable on January 31 of each year, which amounts to €0.24 per year and per bond;

- a redemption date was set on January 1, 2017 for bonds not converted into shares at such date;
 - the option for bondholders to convert their bonds into shares at any time at the ratio of one share for one bond;
 - the option for the Group to call for early redemption of the bonds at any time on or after the third anniversary of the issue date for a price at par plus accrued interest if the quoted value of the share exceeds 130% of the par value of the bond.
- On June 14, 2012, the Company received the private placement notes for €150 million.
- The main characteristics of this bond are as follows:
- an annual coupon of 3.40% payable on June 14 of each year
 - redemption date: June 14, 2022
- On June 15, 2012, the Company received the private placement notes for €75 million.
- The main characteristics of this bond are as follows:
- an annual coupon of 4.0% payable on June 15 of each year
 - redemption date: June 15, 2027
- On June 14, 2012, the Company received the private placement notes for €100 million.
- The main characteristics of this bond are as follows:
- an annual coupon of 4.0% payable on June 14 of each year
 - redemption date: June 14, 2032

The 2012 bond private placements notes include standard covenants and default clauses for these types of bond issues. The issues provide that in the event of a change of control of Technip and the Standard & Poor's rating downgrade of the notes below BBB-, any bondholder may request, at his sole option, the early redemption of all the bonds he owns. These bonds do not include any financial ratio.

- On October 7, 2013, the Company received the private placement notes for €100 million.
- The main characteristics of this bond are as follows:
- an annual coupon of 3.75% payable on October 7 each year
 - redemption date: October 7, 2033
- On October 16, 2013, the Company received the private placement notes for €130 million.
- The main characteristics of this bond are as follows:
- an annual coupon of 3.15% payable on October 16 each year
 - redemption date: October 16, 2023
- On October 18, 2013, the Company received the private placement notes for €125 million.
- The main characteristics of this bond are as follows:
- an annual coupon of 3.15% payable on October 18 each year
 - redemption date: October 18, 2023

The 2013 bond private placements notes include standard covenants and default clauses for these types of bond issues. The issues provide that in the event of a change of control of Technip and the Standard & Poor's rating downgrade of the notes below BBB-, any bondholder may request, at his sole option, the early redemption of all the bonds he owns. These bonds do not include any financial ratio.

Invoices due dates break down as follows:

In millions of Euro	As of December 31, 2014	Past Due Invoices	Not Past Due Invoices for less than 60 Days	Not Past Due Invoices for more than 60 Days
French Suppliers	2.0	-	2.0	-
Foreign Suppliers	1.5	-	1.5	-
Accruals	48.9	-	48.9	-
TOTAL ACCOUNTS PAYABLES	52.4	-	52.4	-

6.9 – Trade Bills Included in Assets and Liabilities

The Company does not have any outstanding trade bills as of December 31, 2014 and 2013.

6.10 – Revenues

Revenues amounted to €183.1 million in 2014 as compared to €176.0 million in 2013. In 2014, a total amount of €81.4 million of revenues was generated in France.

Revenues mostly consist in re-invoicing management fees and insurance costs to other entities of the Group.

6.11 – Financial Result

Financial result breaks down as follows:

In millions of Euro	2014	2013
Dividend Income	203.6	286.3
Allowance of Provisions on Investments	(68.0)	(48.7)
Allowance of Provisions on Current Accounts	(0.4)	0.1
Allowance of Provisions on Treasury Shares	-	-
Allowance of Provisions on Free Shares	42.8	23.8
Amortization of Redemption Premium Related to Bonds	(1.0)	(0.7)
(Allowance)/Reversal of Provision on Exchange Losses	6.6	(5.6)
Reversal of Provision on Loans	-	-
Interest Income from Loans	53.3	48.1
Financial Income from Stock Incentive Plan Recharge	10.7	25.0
Interest Expense on Bonds	(37.9)	(28.5)
Interest Expense on Credit Lines	(2.4)	(3.1)
Interest on Cash Pooling Current Accounts	(4.3)	(4.3)
Other Financial Expenses	(2.7)	-
Foreign Exchange (Loss)/Gain	(16.1)	7.8
Other	(2.0)	(1.9)
FINANCIAL RESULT	182.2	298.3

6.12 – Extraordinary Result

Extraordinary result breaks down as follows:

In millions of Euro	2014	2013
Contributions and Gifts	-	0.1
Other Extraordinary Income	4.5	1.4
Allowance and Reversal of Provisions for Litigation	(8.2)	-
Reversal of Provisions	-	-
Gains and Losses on Sales of Investments	11.9	(1.4)
Result on Treasury Shares Sold	(60.0)	(53.9)
EXTRAORDINARY RESULT	(51.8)	(53.8)

In 2014, the extraordinary result is mainly attributable to the result on treasury shares sold related to performance shares vested for €60.0 million.

In 2013, the extraordinary result is mainly attributable to the result on treasury shares sold related to performance shares vested for €53.9 million.

6.13 – Income Tax

The Company is the parent company of a consolidated tax group. The taxable income of the Company is added to taxable income of the other companies within the tax consolidation scope. The tax rate used in 2014 is 38% (including additional taxes).

The additional contribution to corporate income tax for amounts distributed, although booked in corporate income tax, is not included in this rate. For this year, the corresponding charge amounts to €6.2 million.

The impact on the 2014 income statement is a tax credit of €19.7 million that breaks down as follows:

- tax credit generated by the Company: €3.5 million;
- tax credit generated by the tax group: €16.2 million.

Temporary Differences: as of December 31, 2014, temporary differences are not material (€0.3 million) and consist of the “*contribution sociale de solidarité*” (French Social Security tax).

6.14 – Related Party Disclosure

The following amounts represent the Company’s accumulated shares in the assets (Gross values), liabilities, and financial income and expense of companies in which the Company directly or indirectly holds more than 50% of the share capital.

In millions of Euro	2014	2013
Financial Assets	5,563.0	5,587.8
Current Assets, Receivables from Group Companies	193.7	278.3
TOTAL ASSETS	5,756.7	5,866.1
Financial Debts (Group and Affiliates)	705.5	776.3
Current Liabilities	35.4	54.7
TOTAL LIABILITIES	740.9	831.0
Financial Charges	411.9	441.8
Financial Income	(170.1)	(91.2)

6.15 – Off-Balance Sheet Commitments

Off-balance sheet commitments break down as follows:

In millions of Euro	As of December 31,	
	2014	2013
Parent Company Guarantees ⁽¹⁾	60,720.9	40,538.6
Commitments Given ⁽²⁾	1,791.3	1,036.1
Commitments Received	-	-
Trade Bills Discounted before Maturity	-	-

(1) Parent company guarantees given by Technip to clients cover the proper performance of the specified contracts for which the average period until the release of the commitment guarantees is around five years. Parent company guarantee regarding joint ventures include the entire amount of the contract and are not reduced according to the projects’ percentage of completion.

(2) These commitments are given on behalf of Group companies and mainly relate to:

- guarantees given to third parties;
- guarantees or counter-guarantees given to banks;
- guarantees given to various customers or partners for the realization of contracts.

Adria Tower

In 2009, the Company signed a new 12-year long-term lease contract on the Adria Tower, located in La Défense, for the period from April 1, 2009, to March 31, 2021.

This office costs are back charged by the Company to a French subsidiary which signed a long-term sublease contract on the same period.

In millions of Euro	2014
2015	30.3
2016	30.3

2017	30.3
2018	30.3
2019 and beyond	67.9
TOTAL ADRIA TOWER LEASE ⁽¹⁾	189.1

(1) Provisional amount, as the rent amount varies according to the INSEE Construction cost index.

Technip did not enter into any leasing contracts in 2014 and 2013.

6.16 – Financial Instruments

The Company held no financial instruments as of December 31, 2014.

6.17 – Assets Used as Collateral

Technip has not pledged any of its assets as collateral for material liabilities.

6.18 – Average Number of Employees

The average number of employees was seven people in 2014 and in 2013.

6.19 – Board of Directors Compensation

In 2014, the amount of Director's fees paid by Technip to the members of the Board of Directors amounted to €518,134.14.

No loan was granted to the Board members of Technip during the financial year.

The compensation of the Company's Chairman and Chief Executive Officer is determined by the Board of Directors, upon the recommendation of the Nominations and Remunerations Committee (article 23.1 of the AFEP-MEDEF Code).

Every year, Technip retains external and independent consultants (Hay and Towers Watson), who are chosen by the Nominations and Remunerations Committee, to analyze the following market practices:

1. CAC 40 companies excluding financial companies (34 companies in 2014);
2. Industrial and engineering companies belonging to CAC 40 and SBF 80 (33 companies in 2014);
3. European oil companies (nine companies in 2014); and
4. US oil companies based in Texas (20 companies in 2014).

The compensation of the Chairman and Chief Executive Officer is composed of both a fixed and a variable portion.

For 2014, the aggregate amount of compensation paid by the Company to Thierry Pilenko amounted to €1,988,919.

In accordance with Article 23.2.2 of the AFEP-MEDEF Code, the fixed portion is reviewed at relatively long intervals since the base gross compensation (fixed portion) of Thierry Pilenko has remained unchanged since 2011.

The variable portion of compensation is based on the fixed compensation for the previous year. For 2014, the target variable portion is equal to 100% of the annual base compensation. In accordance with Article 23.2.3 of the AFEP-MEDEF Code, the variable portion of the compensation is subject to precise and predetermined objectives. 70% of the target variable portion is linked to the financial performance of the Group (quantitative criteria) and 30% is linked to the achievement of individual objectives (qualitative criteria). These objectives are in part directly linked to Technip's strategy and cannot be detailed for confidentiality reasons.

The share of the variable portion is linked with a financial target (70% of the total) and broken down into two objectives:

- up to 50% on the Group operating income budgeted for 2014: the share of the variable portion is (i) nil if real performance is below 80% of the budgeted amount (minimum level), (ii) between 0% and 100% for a performance equal to 80% to 100% of the budgeted amount, (iii) between 100% and 140% for a performance equal to 100% to 110% of the budgeted amount, (iv) between 140% and 160% for a performance equal to 110% to 120% of the budgeted amount and (v) between 160% and 200% for a performance equal to 120% to 125% of the budgeted amount (maximum level); and
- up to 20% on the percentage of gross margin on order intake: the share will be: (i) nil if real performance is below 80% of the budgeted amount (minimum level), and (ii) between 0% and 100% for a performance equal to 80% to 100% of the budgeted amount (maximum level).

The share of the variable portion corresponding to the individual objectives is composed as follows:

- Strategic criteria linked to the strategic development of the Group and to Quality;
- HSE (Health/Security/Environment) criteria which is key to the Group;
- Criteria linked to human resources such as diversity including gender diversity, management and talents development, succession plan.

If the Group current operating income achieved is superior to the budgeted objective, a multiplier rate is calculated, up to a maximum of 2. It is then applied to the other variable portion criteria to calculate the final variable share for 2014, which is capped at 200% of the target variable portion.

Based on the actual rate of achievement of objectives set for 2014 the variable compensation of Thierry Pilenko as mentioned hereabove has been calculated as follows. It was considered by the Nominations and Remunerations Committee on February 16, 2015 and set by the Board of Directors on February 17, 2015:

Weight	Nature	Scale	Effective realization	Weighted realization	Actual amounts
70%	Financial objectives: (OIFRA, gross margin on order intake)	0 to 200%	100-110%	73.3%	€659,610
30%	Individual objectives	0 to 200%	90.7%	27.2%	€244,998
100%				100.5%	€904,608

The variable portion due to Thierry Pilenko for financial year 2014 is thus €904,608 and will be paid in 2015.

Furthermore, on December 10, 2014, the Board of Directors resolved, for long-term considerations, that Thierry Pilenko may benefit from a deferred compensation equal to, at a maximum, 20% of his gross annual fixed compensation. This deferred compensation may be paid to him in 2017 and 2018 at the double condition (i) that he is still in the Group and (ii) that performance conditions of the Group are achieved. The performance will be measured by the progression and achievement by Technip, over the financial years 2014, 2015 and 2016, of satisfactory performance in relation to Health/Security/Environment (HSE), Operating Income From Recurring Activities (OIFRA) and Order Intake.

Thierry Pilenko does not receive any directors' fees for the positions he holds as a director of the Company or in the Group companies.

In compliance with Article 23.2.6 of the AFEP-MEDEF Code, there is no specific retirement plan for Thierry Pilenko as the Chairman and Chief Executive Officer. The Chairman and Chief Executive Officer is a beneficiary of the supplementary retirement plan for Group executives, with fixed contributions of 8% of gross annual compensation paid up to the 3rd tranche, *i.e.*, eight times the annual French Social Security ceiling. The contribution for 2014 amounted to €24,030.

The Chairman and Chief Executive Officer also benefits from the Company's existing supplementary retirement plan for Executive Committee (Excom) members: a retirement income guarantee of 1.8% per year of service, on the 4th tranche of gross annual compensation paid, *i.e.*, exceeding eight times the French Social Security ceiling, which is compliant with the conditions established by Article 23.2.6 of the AFEP-MEDEF Code. In order to be eligible for the retirement plan, the minimum seniority to be taken into account is five years as Excom members, up to a limit of 15 years. The amount of gross compensation to which this retirement income guarantee applies corresponds to the average of the gross compensation, paid over the five financial years preceding the date of

departure from the Company. The retirement income guarantee will only be due in the following events: a departure from the Company after his 60th birthday; a departure from the Company as a result of a 2nd or 3rd category disability (as defined under French law); a departure from the Company after his 55th birthday provided that such departure is not the result of gross misconduct or negligence (*faute grave* or *faute lourde*) on his part and that no professional activity is resumed between leaving the Company and receiving a pension under the general French Social Security scheme.

In compliance with Article 23.2.6 of the AFEP-MEDEF Code, the annual replacement ratio at retirement should not be higher than 45% of the reference income ie 21.4. The ratio for Thierry Pilenko complies with this condition.

No share subscription or purchase options nor performance shares were granted to Thierry Pilenko over financial year 2014.

In financial year 2014, Thierry Pilenko exercised 80,000 share purchase options. It should be noted that the compensation policy for the Chairman and Chief Executive Officer, who is the only executive director (*dirigeant mandataire social*), is at risk: 100% of the granted shares, options and deferred compensation is subject to performance conditions.

In addition, the Board of Directors fixed for the Chairman and Chief Executive Officer a holding rule for performance shares and stock options which have been granted since 2007 corresponding to 25% of the realized net gain, thus complying with Article 23.2.1 of the AFEP-MEDEF Code.

Furthermore, complying with recommendations of the AFEP-MEDEF Code, the Board of Directors decided that, on acquisition of performance shares, Thierry Pilenko will be required to purchase a number of shares of the Company corresponding to 5% of the acquired performance shares. This requirement will not apply to Thierry Pilenko as long as he owns Technip shares for a value equal to at least 100% of his net base compensation (the said compensation being that of the year preceding the acquisition of the performance shares, and the value of Technip share being that of the close of market of the day before the performance shares were acquired).

Thierry Pilenko is not a beneficiary of any share subscription warrants issued by the Company or any other company of the Group.

At the time of the renewal of Thierry Pilenko as Chairman of the Board of Directors during the meeting of the Board of Directors of April 28, 2011, it was decided to maintain the preexisting principles in the Company relating to a worldwide non-compete agreement for a 24-month period. According to this agreement, Thierry Pilenko could receive an amount corresponding to two years of gross fixed annual compensation paid (gross fixed compensation plus variable compensation). The basis of calculation is the best gross annual compensation paid over the last three years.

In view of the proposal to renew the mandate of Thierry Pilenko, the Board of Directors, upon recommendation of the Nominations and Remunerations Committee, propose a worldwide non-compete agreement for a 24-month period. According to this agreement, Thierry Pilenko could receive an amount corresponding to two years of gross fixed annual compensation paid (gross fixed compensation plus variable compensation). The basis of calculation would be the average of the gross annual compensation paid over the last three years, the payment of which would be paid on a monthly basis.

6.20 – Auditors’ fees

The Auditors’ fees break down as follows:

In thousands of Euro	Ernst & Young		PricewaterhouseCoopers	
	2014	2013	2014	2013
Auditing, Certification of Financial Statements, Examination of Company and Consolidated Financial Statements	846	761	750	639
Other Work and Services directly related to the Responsibilities of Statutory Auditors	572	364	375	440
TOTAL FEES	1,418	1,125	1,125	1,079

6.21 – Litigation and Pending Investigations

As of the date hereof, there have been no governmental, legal or arbitral proceedings (including any such proceedings that are pending or threatened of which the Company is aware) over the past 12 months, which may have, or have had a significant impact on the Group's financial position or profitability.

7. SUBSIDIARIES AND INVESTMENTS

In millions of Euro	Country	Per-centage of Ownership (%)	Share Capital	Reserves and Retained Earnings before Allocation*	Share Book Value (as of December 31, 2014)		Outstand ing Loans and Advances	Bonds Posted and Guarantees Issued	Revenues 2014	Net Income 2014	Dividends Received in 2014
					Gross Value	Net Value					
A. DETAILED INFORMATION CONCERNING INVESTMENTS FOR WHICH GROSS-VALUE EXCEEDS 1% OF TECHNIP'S SHARE CAPITAL											
Technip France	France	77.79%	22.7	14.3	42.7	42.7	-	1,003.1	2,907.9	34.6	46.9
Seal Engineering Technip Offshore International	France	100.00%	0.7	1.4	1.1	1.1	-	-	6.6	2.2	1.7
Technipnet	France	100.00%	2.0	(68.8)	52.0	2.0	-	-	19.9	(24.6)	-
Technip Corporate Services	France	77.97%	6.1	9.9	0.9	0.9	-	6.9	135.8	0.7	-
Cybernetix SAS	France	100.00%	5.0	2.9	30.9	30.9	-	0.3	16.2	(3.2)	-
Technip Italy	Italy	100.00%	68.0	81.6	22.1	22.1	-	165.1	488.5	94.9	80.0
TPL	Italy	100.00%	9.0	(1.9)	7.8	7.8	-	-	-	-	-
Technip Germany	Germany	100.00%	12.8	-	100.2	100.2	-	78.4	-	-	1.5
Technip Holding Benelux BV	Netherlands	100.00%	9.1	305.2	342.1	342.1	-	7.9	-	207.4	-
Technip Benelux NV	Belgium	100.00%	0.5	-	0.5	0.5	-	-	-	-	0.6
Technip International I AG	Switzerland	99.94%	4.2	(3.6)	3.1	-	-	-	-	-	-
Engineering Re	Switzerland	100.00%	1.7	27.9	1.7	1.7	-	10.4	-	3.4	-
Front End Re SA	Luxembourg	100.00%	3.1	13.3	117.4	117.4	-	-	-	-	-
Technip Far East	Malaysia	100.00%	7.4	6.6	5.9	5.9	-	-	199.1	16.3	-
Asiaflex Products	Malaysia	33.00%	49.2	7.6	16.7	16.7	74.1	-	83.8	1.9	-
Technip Tianchen Chemical Engineering Technip RUS	China	100.00%	1.9	17.0	3.3	3.3	-	-	29.1	5.3	-
Technip RUS	Russia	99.96%	0.1	15.5	0.9	0.2	-	-	17.2	6.7	7.0
MHB	Malaysia	8.50%	NC**	NC**	125.0	57.0	-	-	NC**	NC**	1.6
B. OTHER SUBSIDIARIES AND INVESTMENTS											
Other Subsidiaries of which share capital is more than 50% owned by Technip											
French Subsidiaries		NA	NA	NA	1.6	1.4	-	34.8	NA	NA	4.8
Foreign Subsidiaries		NA	NA	NA	1.1	0.9	-	1.8	NA	NA	5.4
Other Investments of which share capital is owned from 10% to 50% by Technip											
French Investments		NA	NA	NA	0.2	0.2	-	-	NA	NA	0.6
Foreign Investments		NA	NA	NA	1.1	1.1	-	168.9	NA	NA	1.4
TOTAL		NA	NA	NA	3,998.9	3,876.7	1,166.6	1,477.6	NA	NA	201.7

(*) Excluding the net result from the financial year.

(**) Based on yearly financial statements audited as of September 30, 2014.

8. SUBSEQUENT EVENTS

There has been no significant event since December 31, 2014.