

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Quarterly Period Ended March 31, 2014

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the transition period from _____ to _____

Commission File Number 001-35504

FORUM ENERGY TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware

*(State or other jurisdiction of
incorporation or organization)*

61-1488595

(I.R.S. Employer Identification No.)

**920 Memorial City Way, Suite 1000
Houston, Texas 77024**

(Address of principal executive offices)

(281) 949-2500

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of April 25, 2014, there were 93,173,052 common shares outstanding.

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PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

Forum Energy Technologies, Inc. and subsidiaries
Condensed consolidated statements of comprehensive income
(Unaudited)

(in thousands, except per share information)	Three Months Ended March 31,	
	2014	2013
Net sales	\$ 403,938	\$ 372,999
Cost of sales	276,000	258,193
Gross profit	127,938	114,806
Operating expenses		
Selling, general and administrative expenses	71,040	65,449
Transaction expenses	128	9
Loss (gain) on sale of assets and other	689	135
Total operating expenses	71,857	65,593
Earnings from equity investment	5,308	—
Operating income	61,389	49,213
Other expense (income)		
Interest expense	7,750	3,363
Foreign exchange (gains) losses and other, net	1,477	(1,467)
Total other expense	9,227	1,896
Income before income taxes	52,162	47,317
Provision for income tax expense	15,656	15,379
Net income	36,506	31,938
Less: Income attributable to noncontrolling interest	(24)	(2)
Net income attributable to common stockholders	36,530	31,940
Weighted average shares outstanding		
Basic	92,129	88,533
Diluted	95,191	94,356
Earnings per share		
Basic	\$ 0.40	\$ 0.36
Diluted	\$ 0.38	\$ 0.34
Other comprehensive income, net of tax:		
Net income	36,506	31,938
Change in foreign currency translation, net of tax of \$0	1,030	(22,749)
Gain on pension liability	2	—
Comprehensive income	37,538	9,189
Less: comprehensive loss (income) attributable to noncontrolling interests	27	62
Comprehensive income attributable to common stockholders	\$ 37,565	\$ 9,251

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

Forum Energy Technologies, Inc. and subsidiaries
Condensed consolidated balance sheets
(Unaudited)

(in thousands, except share information)	March 31, 2014	December 31, 2013
Assets		
Current assets		
Cash and cash equivalents	\$ 66,954	\$ 39,582
Accounts receivable—trade, net	280,151	250,272
Inventories	439,838	441,049
Prepaid expenses and other current assets	22,887	29,707
Costs and estimated profits in excess of billings	23,330	24,012
Deferred income taxes, net	24,381	24,846
Total current assets	857,541	809,468
Property and equipment, net of accumulated depreciation	180,085	180,292
Deferred financing costs, net	15,024	15,658
Intangibles	287,844	295,352
Goodwill	799,239	802,318
Investment in unconsolidated subsidiary	65,600	60,292
Other long-term assets	5,384	5,489
Total assets	\$ 2,210,717	\$ 2,168,869
Liabilities and equity		
Current liabilities		
Current portion of long-term debt	\$ 974	\$ 998
Accounts payable—trade	122,302	100,221
Accrued liabilities	90,592	96,529
Deferred revenue	19,380	15,837
Billings in excess of costs and profits recognized	15,921	6,398
Total current liabilities	249,169	219,983
Long-term debt, net of current portion	476,631	512,077
Deferred income taxes, net	98,734	97,774
Other long-term liabilities	8,736	8,069
Total liabilities	833,270	837,903
Commitments and contingencies		
Equity		
Common stock, \$0.01 par value, 296,000,000 shares authorized, 93,243,246 and 92,803,389 shares issued	932	928
Additional paid-in capital	835,270	826,064
Treasury stock at cost, 3,592,791 and 3,585,098 shares	(30,469)	(30,249)
Warrants	640	687
Retained earnings	561,670	525,140
Accumulated other comprehensive loss	8,820	7,785
Total stockholders' equity	1,376,863	1,330,355
Noncontrolling interest in subsidiary	584	611
Total equity	1,377,447	1,330,966
Total liabilities and equity	\$ 2,210,717	\$ 2,168,869

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

Forum Energy Technologies, Inc. and subsidiaries
Condensed consolidated statements of cash flows
(Unaudited)

(in thousands, except share information)	Three Months Ended March 31,	
	2014	2013
Cash flows from operating activities		
Net income	\$ 36,506	\$ 31,938
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation expense	9,123	8,473
Amortization of intangible assets	6,775	5,463
Share-based compensation expense	4,339	3,488
Deferred income taxes	1,425	1,834
Earnings from equity investment, net of distributions	(5,308)	—
Other	1,992	733
Changes in operating assets and liabilities		
Accounts receivable—trade	(34,345)	(18,802)
Inventories	533	21,717
Prepaid expenses and other current assets	8,790	(1,037)
Accounts payable, deferred revenue and other accrued liabilities	22,667	(2,966)
Billings in excess of costs and estimated profits earned, net	10,389	(22,347)
Net cash provided by operating activities	\$ 62,886	\$ 28,494
Cash flows from investing activities		
Acquisition of businesses, net of cash acquired	—	(1,502)
Capital expenditures for property and equipment	(11,083)	(10,108)
Proceeds from sale of business, property and equipment	6,674	182
Net cash used in investing activities	\$ (4,409)	\$ (11,428)
Cash flows from financing activities		
Borrowings under Credit Facility due to acquisitions	—	1,502
Borrowings under Credit Facility	—	8,391
Repayment of long-term debt	(35,470)	(42,005)
Excess tax benefits from stock based compensation	1,854	1,512
Repurchases of stock	(220)	—
Proceeds from stock issuance	2,971	1,737
Deferred financing costs	(6)	—
Net cash used in financing activities	\$ (30,871)	\$ (28,863)
Effect of exchange rate changes on cash	(234)	(2,321)
Net increase (decrease) in cash and cash equivalents	27,372	(14,118)
Cash and cash equivalents		
Beginning of period	39,582	41,063
End of period	\$ 66,954	\$ 26,945

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

Forum Energy Technologies, Inc. and subsidiaries
Notes to condensed consolidated financial statements
(Unaudited)

1. Organization and basis of presentation

Forum Energy Technologies, Inc. (the "Company"), a Delaware corporation, is a global oilfield products company, serving the subsea, drilling, completion, production and infrastructure sectors of the oil and natural gas industry. The Company designs, manufactures and distributes products and engages in aftermarket services, parts supply and related services that complement the Company's product offering.

Basis of presentation

The accompanying unaudited condensed consolidated financial statements of the Company include the accounts of the Company and its subsidiaries. All significant intercompany transactions have been eliminated in consolidation.

The Company's investment in an operating entity where the Company has the ability to exert significant influence, but does not control operating and financial policies, is accounted for using the equity method. The Company's share of the net income of this entity is recorded as "Earnings from equity investment" in the condensed consolidated statements of comprehensive income. The investment in this entity is included in "Investment in unconsolidated subsidiary" in the condensed consolidated balance sheets. The Company reports its share of equity earnings within operating income as the investee's operations are similar in nature to the operations of the Company.

In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for the fair statement of the Company's financial position, results of operations and cash flows have been included. Operating results for the three months ended March 31, 2014 are not necessarily indicative of the results that may be expected for the year ended December 31, 2014 or any other interim period.

These interim financial statements are unaudited and have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") regarding interim financial reporting. Accordingly, they do not include all of the information and notes required by accounting principles generally accepted in the United States of America ("GAAP") for complete consolidated financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2013, which are included in the Company's 2013 Annual Report on Form 10-K filed with the SEC on February 28, 2014 (the "Annual Report").

2. Recent accounting pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB"), which are adopted by the Company as of the specified effective date. Unless otherwise discussed, management believes that the impact of recently issued standards, which are not yet effective, will not have a material impact on the Company's consolidated financial statements upon adoption.

In April 2014, the FASB issued Accounting Standards Update ("ASU") 2014-08 — Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity. The ASU raises the threshold for a disposal to qualify as a discontinued operation and requires new disclosures of both discontinued operations and certain other disposals that do not meet the definition of a discontinued operation. The guidance is effective for the Company for the fiscal year beginning January 1, 2015, and is not expected to have a material impact on the consolidated financial statements.

Forum Energy Technologies, Inc. and subsidiaries
Notes to condensed consolidated financial statements (continued)
(Unaudited)

3. Acquisitions and investment in joint venture

2013 Acquisitions

Effective July 1, 2013, the Company completed the following two acquisitions for aggregate consideration of approximately \$180.0 million:

- Blohm + Voss Oil Tools GmbH and related entities ("B+V"), a manufacturer of pipe handling equipment used on offshore and onshore drilling rigs with locations in Hamburg, Germany and Willis, Texas. B+V is included in the Drilling & Subsea segment; and
- Moffat 2000 Ltd. ("Moffat"), a Newcastle, England based manufacturer of subsea pipeline inspection gauge launching and receiving systems, and subsea connectors. Moffat is included in the Drilling & Subsea segment.

The following table summarizes the fair values of the assets acquired and liabilities assumed at the date of the acquisition (in thousands):

	2013 Acquisitions
Current assets, net of cash acquired	\$ 60,669
Property and equipment	4,545
Intangible assets (primarily customer relationships)	59,242
Non-tax-deductible goodwill	100,257
Current liabilities	(17,619)
Long term liabilities	(7,879)
Deferred tax liabilities	(20,108)
Net assets acquired	<u>\$ 179,107</u>

Revenues and net income related to the 2013 acquisitions were not significant for the year ended December 31, 2013. Pro forma results of operations for the 2013 acquisitions have not been presented because the effects were not material to the consolidated financial statements on either an individual or aggregate basis.

Effective July 1, 2013, the Company jointly purchased Global Tubing, LLC ("Global Tubing") with an equal partner, with management retaining a small interest. Global Tubing is a Dayton, Texas based provider of coiled tubing strings and related services. The Company's equity investment is reported in the Production & Infrastructure segment and is accounted for using the equity method of accounting. As Global Tubing's products are complementary to the Company's well intervention and stimulation products and the investment's business is integral to the Company's operations, the earnings from the equity investment are included within operating income.

4. Inventories

The Company's significant components of inventory at March 31, 2014 and December 31, 2013 were as follows (in thousands):

	March 31, 2014	December 31, 2013
Raw materials and parts	\$ 135,158	\$ 139,573
Work in process	52,431	51,819
Finished goods	282,548	276,076
Gross inventories	470,137	467,468
Inventory reserve	(30,299)	(26,419)
Inventories	<u>\$ 439,838</u>	<u>\$ 441,049</u>

Forum Energy Technologies, Inc. and subsidiaries
Notes to condensed consolidated financial statements (continued)
(Unaudited)

5. Goodwill and intangible assets

Goodwill

The changes in the carrying amount of goodwill from January 1, 2014 to March 31, 2014, were as follows (in thousands):

	Drilling & Subsea	Production & Infrastructure	Total
Goodwill Balance at January 1, 2014 net	\$ 723,355	\$ 78,963	\$ 802,318
Acquisitions, divestitures and measurement period adjustments	(3,655)	—	(3,655)
Impact of non-U.S. local currency translation	722	(146)	576
Goodwill Balance at March 31, 2014 net	\$ 720,422	\$ 78,817	\$ 799,239

Intangible assets

Intangible assets consisted of the following as of March 31, 2014 and December 31, 2013, respectively (in thousands):

	March 31, 2014			
	Gross carrying amount	Accumulated amortization	Net amortizable intangibles	Amortization period (in years)
Customer relationships	\$ 283,522	\$ (72,507)	\$ 211,015	4-15
Patents and technology	32,323	(6,593)	25,730	5-17
Non-compete agreements	6,588	(5,161)	1,427	3-6
Trade names	46,740	(12,860)	33,880	10-15
Distributor relationships	22,160	(11,598)	10,562	8-15
Trademark	5,230	—	5,230	Indefinite
Intangible Assets Total	\$ 396,563	\$ (108,719)	\$ 287,844	

	December 31, 2013			
	Gross carrying amount	Accumulated amortization	Net amortizable intangibles	Amortization period (in years)
Customer relationships	\$ 283,171	\$ (67,435)	\$ 215,736	4-15
Patents and technology	33,843	(6,510)	27,333	5-17
Non-compete agreements	6,577	(5,108)	1,469	3-6
Trade names	46,654	(11,948)	34,706	10-15
Distributor relationships	22,160	(11,282)	10,878	8-15
Trademark	5,230	—	5,230	Indefinite
Intangible Assets Total	\$ 397,635	\$ (102,283)	\$ 295,352	

Forum Energy Technologies, Inc. and subsidiaries
Notes to condensed consolidated financial statements (continued)
(Unaudited)

6. Debt

Notes payable and lines of credit as of March 31, 2014 and December 31, 2013 consisted of the following (in thousands):

	March 31, 2014	December 31, 2013
6.25% Senior Notes due October 2021	\$ 403,106	\$ 403,208
Senior secured revolving credit line	73,000	108,000
Other debt	1,499	1,867
Total debt	477,605	513,075
Less: current maturities	(974)	(998)
Long-term debt	\$ 476,631	\$ 512,077

Senior Notes Due 2021

The Senior Notes bear interest at a rate of 6.25% per annum, payable on April 1 and October 1 of each year, and mature on October 1, 2021. The Senior Notes are senior unsecured obligations, and are guaranteed on a senior unsecured basis by the Company's subsidiaries that guarantee the Credit Facility and rank junior to, among other indebtedness, the Credit Facility to the extent of the value of the collateral securing the Credit Facility.

Credit Facility

The Company has a Credit Facility with several financial institutions as lenders that provides for a \$600.0 million revolving credit facility with up to \$75.0 million available for letters of credit and up to \$25.0 million in swingline loans. Subject to terms of the Credit Facility, the Company has the ability to increase the revolving Credit Facility by an additional \$300.0 million. The Credit Facility matures in November 2018. Weighted average interest rates under the Credit Facility at March 31, 2014 and December 31, 2013 were 2.16% and 2.17%, respectively.

Availability under the Credit Facility was approximately \$513.9 million at March 31, 2014. There have been no changes to the financial covenants disclosed in Item 7 of the Annual Report and the Company was in compliance with all financial covenants at March 31, 2014.

7. Income taxes

The Company's effective tax rate for the was 30.0% for the three months ended March 31, 2014 and was 32.5% for the three months ended March 31, 2013. The tax provision for the three months ended March 31, 2014 is lower than the comparable period in 2013 primarily due to a higher proportion of our earnings being generated outside the U.S. in jurisdictions subject to lower tax rates and benefits received from other tax incentives.

8. Fair value measurements

At March 31, 2014, the carrying value of the Credit Facility was \$73.0 million. Substantially all of the debt incurs interest at a variable interest rate and, therefore, the carrying amount approximates fair value. The fair value of the debt is classified as a Level 2 measurement because interest rates charged are similar to other financial instruments with similar terms and maturities.

The fair value of the Company's Senior Notes is estimated using Level 2 inputs in the fair value hierarchy and is based on quoted prices for those or similar instruments. At March 31, 2014, the fair value and the carrying value of the Company's Senior Notes approximated \$426.3 million and \$403.1 million, respectively. At December 31, 2013, the fair value and the carrying value of the Company's Senior Notes approximated \$419.3 million and \$403.2 million, respectively.

There were no outstanding financial assets as of March 31, 2014 and December 31, 2013 that required measuring the amounts at fair value. The Company did not change its valuation techniques associated with recurring fair value measurements from prior periods and there were no transfers between levels of the fair value hierarchy during the three months ended March 31, 2014.

Forum Energy Technologies, Inc. and subsidiaries
Notes to condensed consolidated financial statements (continued)
(Unaudited)

9. Business segments

The Company's operations are divided into the following two operating segments, which are our reportable segments: Drilling & Subsea ("D&S") and Production & Infrastructure ("P&I"). The amounts indicated below as "Corporate" relate to costs and assets not allocated to the reportable segments. Summary financial data by segment follows (in thousands):

	Three months ended March 31,	
	2014	2013
Revenue:		
Drilling & Subsea	\$ 261,769	\$ 221,939
Production & Infrastructure	142,575	151,210
Intersegment eliminations	(406)	(150)
Total Revenue	\$ 403,938	\$ 372,999
Operating income:		
Drilling & Subsea	\$ 47,065	\$ 35,156
Production & Infrastructure	23,882	21,374
Corporate	(8,741)	(7,173)
Total segment operating income	62,206	49,357
Transaction expenses	128	9
Loss (gain) on sale of assets and other	689	135
Income from operations	\$ 61,389	\$ 49,213

A summary of consolidated assets by reportable segment is as follows (in thousands):

	March 31, 2014	December 31, 2013
Assets		
Drilling & Subsea	\$ 1,675,763	\$ 1,655,355
Production & Infrastructure	476,839	468,520
Corporate	58,115	44,994
Total assets	\$ 2,210,717	\$ 2,168,869

10. Earnings per share

The calculation of basic and diluted earnings per share for each period presented was as follows (dollars and shares in thousands, except per share amounts):

	Three Months Ended March 31,	
	2014	2013
Net Income attributable to common stockholders	\$ 36,530	\$ 31,940
Average shares outstanding (basic)	92,129	88,533
Common stock equivalents	3,062	5,823
Diluted shares	95,191	94,356
Earnings per share		
Basic earnings per share	\$ 0.40	\$ 0.36
Diluted earnings per share	\$ 0.38	\$ 0.34

Forum Energy Technologies, Inc. and subsidiaries
Notes to condensed consolidated financial statements (continued)
(Unaudited)

The diluted earnings per share calculation excludes approximately 0.8 million and 1.0 million stock options for the three months ended March 31, 2014 and 2013, respectively, because they were anti-dilutive as the option exercise price was greater than the average market price of the common stock.

11. Commitments and contingencies

In the ordinary course of business, the Company is, and in the future could be, involved in various pending or threatened legal actions, that may or may not be covered by insurance. Management has reviewed such pending judicial and legal proceedings, the reasonably anticipated costs and expenses in connection with such proceedings, and the availability and limits of insurance coverage, and has established reserves that are believed to be appropriate in light of those outcomes that are considered to be probable and can be reasonably estimated. The reserves accrued at March 31, 2014 and 2013, respectively, are immaterial. It is management's opinion that the Company's ultimate liability, if any, with respect to these actions is not expected to have a material adverse effect on the Company's financial position, results of operations or cash flows.

12. Stockholders' equity

Share-based compensation

During the three months ended March 31, 2014, the Company granted 368,054 options and 629,409 shares of restricted stock or restricted stock units, which includes 115,610 performance share awards with a market condition. The stock options were granted on February 21, 2014 with an exercise price of \$26.96. Of the restricted stock or restricted stock units granted, 472,066 vest ratably over four years on each anniversary of the grant date. 41,733 shares of restricted stock or restricted stock units were granted to the non-employee members of the Board of Directors, which have a twelve month vesting period from the date of grant. The performance share awards granted may settle for between zero and two shares of the Company's common stock. The number of shares issued pursuant to the performance share awards will be determined based on the total shareholder return of the Company's common stock as compared to a group of peer companies, measured annually over a three-year performance period.

13. Related party transactions

The Company entered into lease agreements for office and warehouse space with former owners of acquired companies or affiliates of a director. The Company has sold and purchased inventory, services and fixed assets to and from various affiliates of certain directors. The dollar amounts related to these related party activities are not significant to the Company's condensed consolidated financial statements.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Item 2. Management's discussion and analysis of financial condition and results of operations

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control. All statements, other than statements of historical fact, included in this Quarterly Report on Form 10-Q regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this Quarterly Report on Form 10-Q, the words "could," "believe," "anticipate," "intend," "estimate," "expect," "may," "continue," "predict," "potential," "project" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words.

Forward-looking statements may include statements about:

- business strategy;*
- cash flows and liquidity;*
- the volatility of oil and natural gas prices;*
- our ability to successfully manage our growth, including risks and uncertainties associated with integrating and retaining key employees of the businesses we acquire;*
- the availability of raw materials and specialized equipment;*
- availability of skilled and qualified labor;*
- our ability to accurately predict customer demand;*
- competition in the oil and gas industry;*
- governmental regulation and taxation of the oil and natural gas industry;*
- environmental liabilities;*
- political, social and economic issues affecting the countries in which we do business;*
- our ability to deliver our backlog in a timely fashion;*
- our ability to implement new technologies and services;*
- availability and terms of capital;*
- general economic conditions;*
- benefits of our acquisitions;*
- availability of key management personnel;*
- operating hazards inherent in our industry;*
- the continued influence of our largest shareholder;*
- the ability to establish and maintain effective internal control over financial reporting;*
- the ability to operate effectively as a publicly traded company;*
- financial strategy, budget, projections and operating results;*
- uncertainty regarding our future operating results; and*
- plans, objectives, expectations and intentions contained in this report that are not historical.*

All forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. We disclaim any obligation to update or revise these statements unless required by law, and you should not place undue reliance on these forward-looking statements. Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements we make in this Quarterly Report on Form 10-Q are reasonable, we can

give no assurance that these plans, intentions or expectations will be achieved. We disclose important factors that could cause our actual results to differ materially from our expectations in "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on February 28, 2014 and elsewhere in this Quarterly Report on Form 10-Q. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf.

Overview

We are a global oilfield products company, serving the subsea, drilling, completion, production and infrastructure sectors of the oil and natural gas industry. We design, manufacture and distribute products, and engage in aftermarket services, parts supply and related services that complement our product offering. Our product offering includes a mix of highly engineered capital products and frequently replaced items that are used in the exploration, development, production and transportation of oil and natural gas. Our capital products are directed at: drilling rig equipment for new rigs, upgrades and refurbishment projects; subsea construction and development projects; the placement of production equipment on new producing wells; and downstream capital projects. Our engineered systems are critical components used on drilling rigs or in the course of subsea operations, while our consumable products are used to maintain efficient and safe operations at well sites in the well construction process, within the supporting infrastructure, and at processing centers and refineries. Historically, just over half of our revenue is derived from activity-based consumable products, while the balance is derived from capital products and a small amount from rental and other services.

We seek to design, manufacture and supply reliable products that create value for our diverse customer base, which includes, among others, oil and gas operators, land and offshore drilling contractors, well stimulation and intervention service providers, subsea construction and service companies, and pipeline and refinery operators.

We operate two business segments:

- *Drilling & Subsea segment.* We design and manufacture products and provide related services to the subsea, drilling, well construction, completion and intervention markets. Through this segment, we offer subsea technologies, including robotic vehicles and other capital equipment, specialty components and tooling, a broad suite of complementary subsea technical services and rental items, and applied products for subsea pipelines; drilling technologies, including capital equipment and a broad line of products consumed in the drilling and well intervention process; and downhole technologies, including cementing and casing tools, completion products, and a range of downhole protection solutions.
- *Production & Infrastructure segment.* We design and manufacture products and provide related equipment and services to the well stimulation, completion, production and infrastructure markets. Through this segment, we supply flow equipment, including well stimulation consumable products and related recertification and refurbishment services; production equipment, including well site production equipment and process equipment; and valves, which includes a broad range of industrial and process valves.

Market Conditions

The demand for our products and services is ultimately driven by energy prices and the expectation of exploration and production companies as to future trends in those prices. Management believes that the long-term fundamentals underlying the global demand for energy, such as long-term economic and demographic trends, remain strong. The level of demand for our products and services is directly related to activity levels and the capital and operating budgets of our customers, which in turn are influenced heavily by the outlook for energy prices.

The table below shows average crude oil and natural gas prices for West Texas Intermediate crude oil (WTI), United Kingdom Brent crude oil (Brent), and Henry Hub natural gas:

	Three months ended		
	March 31,	December 31,	March 31,
	2014	2013	2013
Average global oil, \$/bbl			
West Texas Intermediate	\$ 98.65	\$ 97.51	\$ 94.30
United Kingdom Brent	\$ 107.19	\$ 109.31	\$ 111.36

Average North American Natural Gas, \$/Mcf			
Henry Hub	\$ 5.15	\$ 3.85	\$ 3.48

Crude oil prices appear adequate to generally maintain the current level of exploration and production activity, including the development of deepwater prospects, which stimulate demand for our subsea products and services. Current oil prices are also supporting a generally steady level of oil related activity, both offshore and onshore. North American natural gas prices were higher in the first quarter of 2014, partially due to higher demand resulting from a cold winter season. Higher natural gas prices could result in higher exploration and development activity in North America, which could result in increased demand for our products, principally those tied to products and services we provide to the pressure pumping service sector and the land based drilling industry.

Corresponding to the commodity price levels, the average active rig count data below, based on the weekly Baker Hughes Incorporated rig count, reflect a broad measure of industry activity and resultant demand for our drilling and production related products and services.

	Three months ended		
	March 31,	December 31,	March 31,
	2014	2013	2013
Active Rigs by Location			
United States	1,779	1,757	1,758
Canada	525	379	531
International	1,337	1,321	1,274
Global Active Rigs	3,641	3,457	3,563
Land vs. Offshore Rigs			
Land	3,267	3,082	3,194
Offshore	374	375	369
Global Active Rigs	3,641	3,457	3,563
U.S. Commodity Target			
Oil/Gas	1,429	1,382	1,330
Gas	347	370	424
Unclassified	3	5	4
Total U.S. Rigs	1,779	1,757	1,758
U.S. Well Path			
Horizontal	1,183	1,120	1,126
Vertical	387	409	440
Directional	209	228	192
Total U.S. Active Rigs	1,779	1,757	1,758

Generally, our sales are impacted by changes in rig activity and wells completed. While the rig count decreased over the course of 2013, the average rig count in the first quarter of 2014 increased 2% from the first quarter of 2013. In addition, due to greater application of improved drilling and completion technologies, the current rig fleet is becoming more efficient allowing more wells to be drilled per rig. If this trend continues, well completions could grow at a faster

pace than the drilling rig count in the future. Higher drilling and completions activities should result in increased demand for our products.

Results of operations

We made two acquisitions and an investment in a joint venture in the third quarter 2013. For additional information about these acquisitions, see Note 3 to the condensed consolidated financial statements in Item 1 of Part I of this quarterly report. For this reason, our results of operations for the 2014 period presented may not be comparable to historical results of operations for the 2013 period.

Three months ended March 31, 2014 compared with three months ended March 31, 2013

	Three Months Ended March 31,		Favorable / (Unfavorable)	
	2014	2013	\$	%
<i>(in thousands of dollars, except per share information)</i>				
Revenue:				
Drilling & Subsea	\$ 261,769	\$ 221,939	\$ 39,830	17.9 %
Production & Infrastructure	142,575	151,210	(8,635)	(5.7)%
Eliminations	(406)	(150)	(256)	*
Total revenue	\$ 403,938	\$ 372,999	\$ 30,939	8.3 %
Operating income:				
Drilling & Subsea	\$ 47,065	\$ 35,156	\$ 11,909	33.9 %
<i>Operating income margin %</i>	<i>18.0%</i>	<i>15.8%</i>		
Production & Infrastructure	23,882	21,374	2,508	11.7 %
<i>Operating income margin %</i>	<i>16.8%</i>	<i>14.1%</i>		
Corporate	(8,741)	(7,173)	(1,568)	(21.9)%
Total segment operating income	\$ 62,206	\$ 49,357	\$ 12,849	26.0 %
<i>Operating income margin %</i>	<i>15.4%</i>	<i>13.2%</i>		
Transaction expenses	128	9	(119)	*
Loss (gain) on sale of assets and other	689	135	(554)	*
Income from operations	61,389	49,213	12,176	24.7 %
Interest expense, net	7,750	3,363	(4,387)	(130.4)%
Foreign exchange (gains) losses and other, net	1,477	(1,467)	(2,944)	*
Other (income) expense, net	9,227	1,896	(7,331)	*
Income before income taxes	52,162	47,317	4,845	10.2 %
Income tax expense	15,656	15,379	(277)	(1.8)%
Net income	36,506	31,938	4,568	14.3 %
Less: Income attributable to non-controlling interest	(24)	(2)	(22)	*
Income attributable to common stockholders	\$ 36,530	\$ 31,940	\$ 4,590	14.4 %
Weighted average shares outstanding				
Basic	92,129	88,533		
Diluted	95,191	94,356		
Earnings per share				
Basic	\$ 0.40	\$ 0.36		
Diluted	\$ 0.38	\$ 0.34		

* not meaningful

Revenue

Our revenue for the three months ended March 31, 2014 increased \$30.9 million, or 8.3%, to \$403.9 million compared to the three months ended March 31, 2013. For the three months ended March 31, 2014, our Drilling & Subsea segment and our Production & Infrastructure segment comprised 64.8% and 35.2% of our total revenue, respectively, which compared to 59.5% and 40.5% of total revenue, respectively, for the three months ended March 31, 2013. The changes in revenue by operating segment consisted of the following:

Drilling & Subsea segment — Revenue increased \$39.8 million, or 17.9%, to \$261.8 million during the three months ended March 31, 2014 compared to the three months ended March 31, 2013 primarily attributable to third quarter 2013 acquisitions and to higher sales of pipe handling tools and downhole products. Partially offsetting these increases are lower sales of subsea related products and services.

Production & Infrastructure segment — Revenue decreased \$8.6 million, or 5.7%, to \$142.6 million during the three months ended March 31, 2014 compared to the three months ended March 31, 2013 primarily due to a decrease in shipments of valves for large projects and weather related delays affecting some production equipment shipments. Increased sales of our flow equipment products resulting from higher well completion activity and an apparent decrease in market inventory levels partially offset the decrease in the segment.

Segment operating income and segment operating margin percentage

Segment operating income for the three months ended March 31, 2014, increased \$12.8 million, or 26.0%, to \$62.2 million compared to the three months ended March 31, 2013. The segment operating margin percentage is calculated by dividing segment operating income by revenue for the period. For the three months ended March 31, 2014, the segment operating margin percentage of 15.4% represents an increase of 220 basis points from the 13.2% operating margin percentage for three months ended March 31, 2013. The change in operating margin percentage for each segment is explained as follows:

Drilling & Subsea segment — The operating margin percentage increased 220 basis points to 18.0% for the three months ended March 31, 2014, from 15.8% for the three months ended March 31, 2013. The improvement in operating margin percentage is primarily attributable to higher volumes in drilling products and continuing benefits from the cost saving measures implemented in the third quarter 2013.

Production & Infrastructure segment — Operating margin percentage improved 270 basis points to 16.8% for the three months ended March 31, 2014, from 14.1% for the three months ended March 31, 2013. The improvement in operating margin percentage was attributable to the inclusion of equity from the Global Tubing, LLC joint venture in earnings for the current period.

Corporate — Selling, general and administrative expenses for Corporate increased by \$1.6 million, or 21.9%, for the three months ended March 31, 2014 compared to the three months ended March 31, 2013, due to higher personnel costs and higher professional fees. Corporate costs included, among other items, payroll related costs for general management and management of finance and administration, legal, human resources and information technology; professional fees for legal, accounting and related services; and marketing costs.

Other items not included in segment operating income

Several items are not included in segment operating income, but are included in total operating income. These items include: transaction expenses and gains/losses from the sale of assets. Transaction expenses relate to legal and other advisory costs incurred in acquiring businesses and are not considered to be part of segment operating income. In the first quarter 2014, we incurred a loss of \$0.8 million on the sale of our subsea pipe joint protective coatings business.

Other income and expense

Other income and expense includes interest expense and foreign exchange gains and losses. We incurred \$7.8 million of interest expense during the three months ended March 31, 2014, an increase of \$4.4 million from the three months ended March 31, 2013. The increase in interest expense was attributable to borrowings on the Credit Facility to fund third quarter 2013 acquisitions and to the higher interest rate on our Senior Notes issued in the fourth quarter 2013 compared to the variable interest rate under our Credit Facility.

Taxes

Tax expense includes current income taxes expected to be due based on taxable income to be reported during the periods in the various jurisdictions in which we conduct business, and deferred income taxes based on changes in the tax effect of temporary differences between the bases of assets and liabilities for financial reporting and tax purposes at the beginning and end of the respective periods. The effective tax rate, calculated by dividing total tax expense by income before income taxes, was 30.0% for the three months ended March 31, 2014 and 32.5% for the three months ended March 31, 2013. The tax provision for the three months ended March 31, 2014 is lower than the comparable period in 2013 primarily due to a higher proportion of our earnings being generated outside the U.S. in jurisdictions subject to lower tax rates and benefits received from other tax incentives.

Liquidity and capital resources

Sources and uses of liquidity

At March 31, 2014, we had cash and cash equivalents of \$67.0 million and total debt of \$477.6 million. We believe that cash on hand, cash generated from operations and amounts available under the Credit Facility will be sufficient to fund operations, working capital needs, capital expenditure requirements and financing obligations for the foreseeable future.

Our total 2014 capital expenditure budget is approximately \$60.0 million, which consists of, among other items, investments in constructing or expanding certain manufacturing facilities, purchases of machinery and equipment, expansion of our subsea rental fleet equipment, and general maintenance capital expenditures of approximately \$25.0 million. This budget does not include possible expenditures for future business acquisitions.

Although we do not budget for acquisitions, pursuing growth through acquisitions is a significant part of our business strategy. We expanded and diversified our product portfolio with the acquisition of two businesses and an investment in a joint venture in 2013 for total consideration (net of cash acquired) of approximately \$230.0 million. We used cash on hand and borrowings under the Credit Facility to finance these acquisitions. We continue to actively review acquisition opportunities on an ongoing basis. Our ability to make significant additional acquisitions for cash may require us to obtain additional equity or debt financing, which we may not be able to obtain on terms acceptable to us or at all.

Our cash flows for the three months ended March 31, 2014 and 2013 are presented below (in millions):

	Three Months Ended March 31,	
	2014	2013
Net cash provided by operating activities	\$ 62.9	\$ 28.5
Net cash used in investing activities	(4.4)	(11.4)
Net cash used in financing activities	(30.9)	(28.9)
Net increase (decrease) in cash and cash equivalents	\$ 27.4	\$ (14.1)

Cash flows provided by operating activities

Net cash provided by operating activities was \$62.9 million and \$28.5 million for the three months ended March 31, 2014 and 2013, respectively. Cash provided by operations increased primarily as a result of higher earnings and lower incremental investments in working capital as compared to the prior year.

Cash flows used in investing activities

Net cash used in investing activities was \$4.4 million and \$11.4 million for the three months ended March 31, 2014 and 2013, respectively, a \$7.0 million decrease. The decrease was attributable to the proceeds from a sale of a business, property and equipment of \$6.7 million in the 2014 period compared to cash used for an acquisition of \$1.5 million during 2013.

Cash flows used in financing activities

Net cash used in financing activities was \$30.9 million and \$28.9 million for the three months ended March 31, 2014 and 2013, respectively. The increase in cash used in financing activities was primarily due to a larger net pay down of long-term debt during the three months ended March 31, 2014 compared to the prior year.

Senior Notes Due 2021

The Senior Notes bear interest at a rate of 6.25% per annum, payable on April 1 and October 1 of each year, and mature on October 1, 2021. The Senior Notes are senior unsecured obligations, are guaranteed on a senior unsecured basis by our subsidiaries that guarantee the Credit Facility and rank junior to, among other indebtedness, the Credit Facility to the extent of the value of the collateral securing the Credit Facility.

Credit Facility

We have a Credit Facility with Wells Fargo Bank, National Association, as administrative agent, and several financial institutions as lenders, which provides for a \$600.0 million revolving credit line, with up to \$75.0 million available for letters of credit and up to \$25.0 million in swingline loans. Subject to terms of the Credit Facility, we have the ability to increase the revolving Credit Facility by an additional \$300.0 million. Our revolving Credit Facility had an outstanding balance of \$73.0 million at March 31, 2014 and matures in November 2018. Weighted average interest rates under the Credit Facility at March 31, 2014 and December 31, 2013 were 2.16% and 2.17%, respectively.

Future borrowings under the Credit Facility will be available for working capital and other general corporate purposes, including permitted acquisitions. It is anticipated that the Credit Facility will be available to be drawn on and repaid during the term thereof as long as we are in compliance with the terms of the credit agreement, including certain financial covenants. Availability under the Credit Facility, giving effect to the financial covenants provided therein, was approximately \$513.9 million as of March 31, 2014.

There have been no changes to the Credit Facility financial covenants disclosed in Item 7 of our 2013 Annual Report on Form 10-K and we were in compliance with all financial covenants at March 31, 2014 and December 31, 2013.

Off-balance sheet arrangements

As of March 31, 2014, we had no off-balance sheet instruments or financial arrangements, other than operating leases entered into in the ordinary course of business.

Contractual obligations

Except for net repayments under the Credit Facility, as of March 31, 2014, there have been no material changes in our contractual obligations and commitments disclosed in the Annual Report.

Critical accounting policies and estimates

There have been no material changes in our critical accounting policies and procedures during the three months ended March 31, 2014. For a detailed discussion of our critical accounting policies and estimates, refer to our 2013 Annual Report on Form 10-K.

Recent accounting pronouncements

In April 2014, the FASB issued Accounting Standards Update ("ASU") 2014-08 — Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity. The ASU raises the threshold for a disposal to qualify as a discontinued operation and requires new disclosures of both discontinued operations and certain other disposals that do not meet the definition of a discontinued operation. The guidance is effective for the Company for the fiscal year beginning January 1, 2015, and is not expected to have a material impact on the consolidated financial statements.

Item 3. Quantitative and qualitative disclosures about market risk

We are currently exposed to market risk from changes in foreign currency and changes in interest rates. From time to time, we may enter into derivative financial instrument transactions to manage or reduce our market risk, but we do not enter into derivative transactions for speculative purposes.

There have been no significant changes to our market risk since December 31, 2013. For a discussion of our exposure to market risk, refer to Part II, Item 7(a), "Quantitative and Qualitative Disclosures About Market Risk," in our 2013 Annual Report on Form 10-K.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined under Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Our management, under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of March 31, 2014. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2014 to provide reasonable assurance that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Our disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended March 31, 2014 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

Refer to Note 11, Commitments and Contingencies, in Part I, Item 1, *Financial Statements*, for a discussion of our legal proceedings, which is incorporated into this Item 1 of Part II by reference.

Item 1A. Risk Factors

For additional information about our risk factors, see "Risk Factors" in Item 1A of our Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Shares of common stock purchased and placed in treasury during the three months ended March 31, 2014 were as follows:

Period	Total number of shares purchased (a)	Average price paid per share	Total number of shares purchased as part of publicly announced plan or programs	Maximum number of shares that may yet be purchased under the plan or program (b)
January 1, 2014 - January 31, 2014	6,852	\$ 28.26	—	—
February 1, 2014 - February 28, 2014	—	\$ —	—	—
March 1, 2014 - March 31, 2014	841	\$ 30.98	—	—
Total	7,693	\$ 28.56	—	—

(a) All of the 7,693 shares purchased during the three months ended March 31, 2014 were acquired from employees in connection with the settlement of income tax and related benefit withholding obligations arising from the vesting of restricted stock grants. None of these shares were part of a publicly announced program to purchase common shares.

(b) Forum does not have any publicly announced equity securities repurchase plans or programs.

Item 6. Exhibits

Exhibit Number	DESCRIPTION
10.1*	— Employment Agreement effective as of January 13, 2014 by and between Forum Energy Technologies, Inc. and Prady Iyyanki (incorporated herein by reference to Exhibit 10.1 on the Company's Current Report on Form 8-K, filed on January 8, 2014).
10.2**	— Form of Restricted Stock Unit Agreement (Directors).
10.3**	— Form of Restricted Stock Agreement (Directors).
10.4**	— Form of Restricted Stock Unit Agreement (Employees and Consultants).
10.5**	— Form of Nonstatutory Stock Option Agreement (Employees and Consultants).
10.6**	— Form of Performance Share Award Agreement (Employees and Consultants).
31.1**	— Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2**	— Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1***	— Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2***	— Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS****†	— XBRL Instance Document.
101.SCH****†	— XBRL Taxonomy Extension Schema Document.
101.CAL ****†	— XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB****†	— XBRL Taxonomy Extension Label Linkbase Document.
101.PRE****†	— XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF****†	— XBRL Taxonomy Extension Definition Linkbase Document.

* Previously filed.

** Filed herewith.

*** Furnished herewith.

†Pursuant to Rule 406T of Regulation S-T, the Interactive data Files in the Exhibit 101 hereto are not deemed filed or part of any registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are not deemed filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

SIGNATURES

As required by Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has authorized this report to be signed on its behalf by the undersigned authorized individuals.

FORUM ENERGY TECHNOLOGIES, INC.

Date: April 29, 2014

By: /s/ James W. Harris
James W. Harris
Senior Vice President and Chief Financial Officer
(As Duly Authorized Officer and Principal Financial Officer)

By: /s/ Tylar K. Schmitt
Tylar K. Schmitt
Vice President and Corporate Controller
(As Duly Authorized Officer and Principal Accounting Officer)

**FORUM ENERGY TECHNOLOGIES, INC.
2010 STOCK INCENTIVE PLAN**

2014 NON-EMPLOYEE DIRECTOR RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (this "Agreement") is made as of the ___ day of _____, 2014 (the "Date of Grant"), between Forum Energy Technologies, Inc., a Delaware corporation (the "Company"), and _____ (the "Director").

1. **Award**. Pursuant to the Forum Energy Technologies, Inc. 2010 Stock Incentive Plan (the "Plan"), the Director is hereby awarded _____ units (the "RSUs") evidencing the right to receive an equivalent number of shares of the Company's common stock, par value \$.01 per share (the "Common Stock"), subject to certain restrictions thereon. The Director acknowledges receipt of a copy of the Plan, and agrees that this award of RSUs shall be subject to all of the terms and provisions of the Plan, including future amendments thereto, if any, pursuant to the terms thereof. Capitalized terms used in this Agreement that are not defined herein shall have the meanings given to them in the Plan.

2. **Forfeiture Restrictions and Assignment**.

(a) **Restrictions**. The RSUs may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of, and in the event of termination of the Director's service on the Board for any reason whatsoever, the Director shall, for no consideration, forfeit all unvested RSUs. The obligation to forfeit RSUs upon termination of service as provided in the preceding sentence is herein referred to as the "Forfeiture Restrictions."

(b) **Lapse of Forfeiture Restrictions**. Provided that the Director has served continuously on the Board from the Date of Grant through **[insert date]**, the Forfeiture Restrictions shall lapse. Notwithstanding the foregoing, if a Change in Control occurs and the Director has served continuously on the Board from the Date of Grant to the date upon which such Change in Control occurs, then the Forfeiture Restrictions shall lapse with respect to the RSUs on the date upon which such Change in Control occurs.

3. **Settlement and Delivery of Stock**. Settlement of RSUs shall be made no later than 15 days after the lapse of Forfeiture Restrictions, or, if the RSUs have been deferred, in accordance with the terms of the 2014 Restricted Stock Unit Deferral and Distribution Election Form (distributed separately from this Agreement). Settlement will be made by issuance of shares of Common Stock. Notwithstanding the foregoing, the Company shall not be obligated to issue any shares of Common Stock if counsel to the Company determines that such sale or delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which the Common Stock is listed or quoted. The Company shall in no event be obligated to take any affirmative action in order

to cause the issuance of shares of Common Stock to comply with any such law, rule, regulation or agreement.

4. **Shareholder Rights.** The Director shall have no rights to dividends or other rights of a shareholder with respect to shares of Common Stock subject to this award of RSUs unless and until such time as the award has been settled by the issuance of shares of Common Stock to the Director. The Director shall have the right to receive a cash dividend equivalent payment with respect to the RSUs for the period beginning on the Date of Grant and ending on the date the shares of Common Stock are issued to the Director in settlement of the RSUs, which shall be payable at the same time as cash dividends on Common Stock are paid to Company stockholders.

5. **Corporate Acts.** The existence of the RSUs shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange or other disposition of all or any part of its assets or business or any other corporate act or proceeding. The prohibitions of Section 2(a) hereof shall not apply to the transfer of RSUs pursuant to a plan of reorganization of the Company, but the stock, securities or other property received in exchange therefor shall also become subject to the Forfeiture Restrictions.

6. **Binding Effect; Survival.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under the Director.

7. **Amendment.** Any modification of this Agreement shall be effective only if it is in writing and signed by both the Director and an authorized officer of the Company.

8. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to conflicts of law principles thereof.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and the Director has executed this Agreement, all as of the date first above written.

FORUM ENERGY TECHNOLOGIES, INC.

By: _____

Name: _____

Title: _____

DIRECTOR

**FORUM ENERGY TECHNOLOGIES, INC.
2010 STOCK INCENTIVE PLAN**

2014 NON-EMPLOYEE DIRECTOR RESTRICTED STOCK AGREEMENT

This Restricted Stock Agreement (this "Agreement") is made as of the ___th day of _____, 2014 (the "Date of Grant"), between Forum Energy Technologies, Inc., a Delaware corporation (the "Company"), and _____ (the "Director").

1. **Award**. Pursuant to the Forum Energy Technologies, Inc. 2010 Stock Incentive Plan (the "Plan"), as of the Date of Grant, [Amount of shares] shares (the "Restricted Shares") of the Company's common stock, par value \$.01 per share, shall be issued as hereinafter provided in the Director's name subject to certain restrictions thereon. The Director acknowledges receipt of a copy of the Plan, and agrees that this award of Restricted Shares shall be subject to all of the terms and provisions of the Plan, including future amendments thereto, if any, pursuant to the terms thereof.

2. **Definitions**. Capitalized terms used in this Agreement that are not defined below or in the body of this Agreement shall have the meanings given to them in the Plan. In addition to the terms defined in the body of this Agreement, the following capitalized words and terms shall have the meanings indicated below:

- (a) "Earned Shares" means the Restricted Shares after the lapse of the Forfeiture Restrictions without forfeiture.
- (b) "Forfeiture Restrictions" shall have the meaning specified in Section 3(a) hereof.
- (c) "Securities Act" means the Securities Act of 1933, as amended.

3. **Restricted Shares**. The Director hereby accepts the Restricted Shares when issued and agrees with respect thereto as follows:

(a) **Forfeiture Restrictions**. The Restricted Shares may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of and in the event of termination of the Director's service on the Board for any reason whatsoever, the Director shall, for no consideration, forfeit all unvested Restricted Shares. The obligation to forfeit and surrender Restricted Shares to the Company upon termination of service as provided in the preceding sentence is herein referred to as the "Forfeiture Restrictions." The Forfeiture Restrictions shall be binding upon and enforceable against any transferee of Restricted Shares.

(b) **Lapse of Forfeiture Restrictions**. Provided that the Director served continuously on the Board from the Date of Grant through [insert date], the Forfeiture Restrictions shall lapse. Notwithstanding the foregoing, if a Change in Control occurs and the Director has served

continuously on the Board from the Date of Grant to the date upon which such Change in Control occurs, then the Forfeiture Restrictions shall lapse with respect to the Restricted Shares on the date upon which such Change in Control occurs.

(c) **Certificates**. A certificate evidencing the Restricted Shares shall be issued by the Company in the Director's name, pursuant to which the Director shall have all of the rights of a stockholder of the Company with respect to the Restricted Shares, including, without limitation, voting rights and the right to receive dividends (provided, however, that dividends paid in shares of the Company's stock shall be subject to the Forfeiture Restrictions and further provided that dividends that are paid other than in shares of the Company's stock shall be paid no later than the end of the calendar year in which the dividend for such class of stock is paid to stockholders of such class or, if later, the 15th day of the third month following the date the dividend is paid to stockholders of such class of stock). Notwithstanding the foregoing, the Company may, in its discretion, elect to complete the delivery of the Restricted Shares by means of electronic, book-entry statement, rather than issuing physical share certificates. The Director may not sell, transfer, pledge, exchange, hypothecate or otherwise dispose of the stock until the Forfeiture Restrictions have expired, and a breach of the terms of this Agreement shall cause a forfeiture of the Restricted Shares. The certificate, if any, shall be delivered upon issuance to the Secretary of the Company or to such other depository as may be designated by the Committee as a depository for safekeeping until the forfeiture of such Restricted Shares occurs or the Forfeiture Restrictions lapse pursuant to the terms of the Plan and this Agreement. At the Company's request, the Director shall deliver to the Company a stock power, endorsed in blank, relating to the Restricted Shares. Upon the lapse of the Forfeiture Restrictions without forfeiture, the Company shall cause a new certificate or certificates to be issued without legend (except for any legend required pursuant to applicable securities laws or any agreement to which the Director is a party) in the name of the Director in exchange for the certificate evidencing the Restricted Shares or, as may be the case, the Company shall issue appropriate instructions to the transfer agent if the electronic, book-entry method is utilized.

(d)
stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange or other disposition of all or any part of its assets or business or any other corporate act or proceeding. The prohibitions of Section 3(a) hereof shall not apply to the transfer of Restricted Shares pursuant to a plan of reorganization of the Company, but the stock, securities or other property received in exchange therefor shall also become subject to the Forfeiture Restrictions and provisions governing the lapsing of such Forfeiture Restrictions applicable to the original Restricted Shares for all purposes of this Agreement, and the certificates, if any, representing such stock, securities or other property shall be legended to show such restrictions.

4. **Status of Stock**. The Director understands that at the time of the execution of this Agreement the sale of the Restricted Shares has not been registered under the Securities Act or any state securities law and that the Company does not currently intend to effect any such registration.

The Director agrees that the Restricted Shares and the Earned Shares when issued under this Agreement are being acquired for investment without a view to distribution, within the meaning of the Securities Act, and shall not be sold, transferred, assigned, pledged or hypothecated in the absence of (a) an effective registration statement for the sale of such shares under the Securities Act and applicable state securities laws or (b) if requested by the Company, the delivery by the Director to the Company of a written opinion of legal counsel, who shall be satisfactory to the Company, addressed to the Company and satisfactory in form and substance to the Company's counsel, to the effect that an applicable exemption from the registration requirements of the Securities Act and any applicable state securities laws is available. The Director also agrees that the Restricted Shares and Earned Shares issued under this Agreement will not be sold or otherwise disposed of in any manner which would constitute a violation of any applicable federal or state securities laws.

In addition, the Director agrees that (a) the certificates, if any, representing the Restricted Shares and Earned Shares may bear such legend or legends as the Committee deems appropriate in order to reflect the Forfeiture Restrictions and to assure compliance with applicable securities laws, (b) the Company may refuse to register the transfer of the Restricted Shares or Earned Shares on the stock transfer records of the Company if such proposed transfer would constitute a violation of the Forfeiture Restrictions or, in the opinion of counsel satisfactory to the Company, of any applicable securities law, and (c) the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the Restricted Shares.

5. **Notices.** Any notices or other communications provided for in this Agreement shall be sufficient if in writing. In the case of the Director, such notices or communications shall be effectively delivered if hand delivered to the Director at the Director's principal place of service or if sent by registered or certified mail to the Director at the last address the Director has filed with the Company. In the case of the Company, such notices or communications shall be effectively delivered if sent by registered or certified mail to the Company at its principal executive offices.

6. **Binding Effect; Survival.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under the Director. The provisions of Section 4 shall survive the lapse of the Forfeiture Restrictions without forfeiture.

7. **Entire Agreement; Amendment.** This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to the Restricted Shares granted hereby. Without limiting the scope of the preceding sentence, all prior understandings and agreements, if any, among the parties hereto relating to the subject matter hereof are hereby null and void and of no further force and effect. Any modification of this Agreement shall be effective only if it is in writing and signed by both the Director and an authorized officer of the Company.

8. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to conflicts of law principles thereof.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and the Director has executed this Agreement, all as of the date first above written.

FORUM ENERGY TECHNOLOGIES, INC.

By: _____

Name:

Title:

DIRECTOR

**FORUM ENERGY TECHNOLOGIES, INC.
2010 STOCK INCENTIVE PLAN**

RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (this “Agreement”) is made as of the 21st day of February, 2014 (the “Date of Grant”), between Forum Energy Technologies, Inc., a Delaware corporation (the “Company”), and _____ (the “Employee”).

1. **Award.** Pursuant to the Forum Energy Technologies, Inc. 2010 Stock Incentive Plan (the “Plan”), the Employee is hereby awarded _____ units (the “RSUs”) evidencing the right to receive an equivalent number of shares of the Company’s common stock, par value \$.01 per share (the “Common Stock”), subject to certain restrictions thereon. The Employee acknowledges receipt of a copy of the Plan, and agrees that this award of RSUs shall be subject to all of the terms and provisions of the Plan, including future amendments thereto, if any, pursuant to the terms thereof. Capitalized terms used in this Agreement that are not defined herein shall have the meanings given to them in the Plan.

2. **Forfeiture Restrictions and Assignment.**

(a) **Restrictions.** The RSUs may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of, and in the event of the Employee’s termination of employment for any reason whatsoever, the Employee shall, for no consideration, forfeit all unvested RSUs. The obligation to forfeit RSUs upon termination of employment as provided in the preceding sentence is herein referred to as the “Forfeiture Restrictions.”

(b) **Lapse of Forfeiture Restrictions.** Provided that the Employee has been continuously employed by the Company or an Affiliate (collectively, the “Company Group”) from the Date of Grant through the lapse date set forth in the following schedule, the Forfeiture Restrictions shall lapse with respect to a percentage of the RSUs determined in accordance with the following schedule:

Lapse Date	Percentage of Total Number of RSUs as to Which Forfeiture Restrictions Lapse
First Anniversary of Date of Grant	25%
Second Anniversary of Date of Grant	25%
Third Anniversary of Date of Grant	25%
Fourth Anniversary of Date of Grant	25%

Notwithstanding the foregoing, if a Change in Control occurs and the Employee has remained continuously employed by a member of the Group Company from the Date of Grant to the date upon which such Change in Control occurs, then the Forfeiture Restrictions shall lapse with respect to 100% of the RSUs on the date upon which such Change in Control occurs. Any shares with respect to which the Forfeiture Restrictions do not lapse in accordance with the preceding provisions of this Section 2(b) shall be forfeited to the Company for no consideration as of the date of the termination of the Employee's employment with the Company.

3. **Settlement and Delivery of Stock.** Settlement of RSUs shall be made no later than 15 days after the lapse of Forfeiture Restrictions. Settlement will be made by issuance of shares of Common Stock. Notwithstanding the foregoing, the Company shall not be obligated to issue any shares of Common Stock if counsel to the Company determines that such sale or delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which the Common Stock is listed or quoted. The Company shall in no event be obligated to take any affirmative action in order to cause the issuance of shares of Common Stock to comply with any such law, rule, regulation or agreement.

4. **Shareholder Rights.** The Employee shall have no rights to dividends or other rights of a shareholder with respect to shares of Common Stock subject to this award of RSUs unless and until such time as the award has been settled by the issuance of shares of Common Stock to the Employee. The Employee shall have the right to receive a cash dividend equivalent payment with respect to the RSUs for the period beginning on the Date of Grant and ending on the date the shares of Common Stock are issued to the Employee in settlement of the RSUs, which shall be payable at the same time as cash dividends on Common Stock are paid to Company stockholders.

5. **Corporate Acts.** The existence of the RSUs shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange or other disposition of all or any part of its assets or business or any other corporate act or proceeding. The prohibitions of Section 2(a) hereof shall not apply to the transfer of RSUs pursuant to a plan of reorganization of the Company, but the stock, securities or other property received in exchange therefor shall also become subject to the Forfeiture Restrictions.

6. **Withholding of Tax.** To the extent that the lapse of any Forfeiture Restrictions results in compensation income or wages to the Employee for federal, state, local or foreign tax purposes, the Employee shall deliver to the Company or to any Affiliate nominated by the Company at the time of such lapse, such amount of money or, if permitted by the Committee in its sole discretion, shares of Common Stock as the Company or any Affiliate nominated by the Company may require to meet its minimum obligation under applicable tax or social security laws or regulations, and if the Employee fails to do so, the Company and its Affiliates are authorized to withhold from any cash or stock remuneration (including withholding any shares of Common Stock distributable to the Employee under this Agreement) then or thereafter payable to the Employee any tax or social

security required to be withheld by reason of such resulting compensation income or wages. The Employee acknowledges and agrees that the Company is making no representation or warranty as to the tax consequences to the Employee as a result of the receipt of the RSUs, the lapse of any Forfeiture Restrictions or the forfeiture of any RSUs pursuant to the Forfeiture Restrictions.

7. **Employment Relationship.** For purposes of this Agreement, the Employee shall be considered to be in the employment of the Company as long as the Employee remains an employee of either the Company or an Affiliate. Without limiting the scope of the preceding sentence, it is specifically provided that the Employee shall be considered to have terminated employment with the Company at the time of the termination of the “Affiliate” status of the entity or other organization that employs the Employee. Nothing in the adoption of the Plan, nor the award of the RSUs thereunder pursuant to this Agreement, shall confer upon the Employee the right to continued employment by the Company or affect in any way the right of the Company to terminate such employment at any time. Unless otherwise provided in a written employment agreement or by applicable law, the Employee’s employment by the Company shall be on an at-will basis, and the employment relationship may be terminated at any time by either the Employee or the Company for any reason whatsoever, with or without cause or notice. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee or its delegate, and its determination shall be final.

8. **Section 409A.** The award of RSUs is intended to be (i) exempt from Section 409A of the Code (“Section 409A”) including, but not limited to, by reason of compliance with the short-term deferral exemption as specified in Treas. Reg. § 1.409A-1(b)(4); or (ii) in compliance with Section 409A, and the provisions of this Agreement shall be administered, interpreted and construed accordingly. If the Employee is identified by the Company as a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code on the date on which the Employee has a “separation from service” (other than due to death) within the meaning of Section 1.409A-1(h) of the Treasury Regulations, notwithstanding the provisions of Section 2 hereof, any transfer of shares payable on account of a separation from service that are deferred compensation shall take place on the earlier of (i) the first business day following the expiration of six months from the Employee’s separation from service, (ii) the date of the Employee’s death, or (iii) such earlier date as complies with the requirements of Section 409A of the Code. To the extent required to comply with Section 409A, the Employee shall be considered to have terminated employment with the Company Group when the Employee incurs a “separation from service” with a member of the Company Group within the meaning of Section 409A(a)(2)(A)(i) of the Code. The Company makes no commitment or guarantee to the Employee that any federal or state tax treatment shall apply or be available to any person eligible for benefits under this Agreement.

9. **Binding Effect; Survival.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under the Employee.

10. **Amendment.** Any modification of this Agreement shall be effective only if it is in writing and signed by both the Employee and an authorized officer of the Company.

11. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to conflicts of law principles thereof.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and the Employee has executed this Agreement, all as of the date first above written.

FORUM ENERGY TECHNOLOGIES, INC.

By: _____
Name: _____
Title: _____

EMPLOYEE

**FORUM ENERGY TECHNOLOGIES, INC.
2010 STOCK INCENTIVE PLAN**

**NONSTATUTORY
STOCK OPTION AGREEMENT**

This Nonstatutory Stock Option Agreement (this "Agreement") is made as of 21st day of February, 2014 the "Date of Grant", between Forum Energy Technologies, Inc., a Delaware corporation (the "Company"), and _____ ("Employee").

To carry out the purposes of the Forum Energy Technologies, Inc. 2010 Stock Incentive Plan (the "Plan"), by affording Employee the opportunity to purchase shares of the common stock of the Company, par value \$.01 per share ("Common Stock"), and in consideration of the mutual agreements and other matters set forth herein and in the Plan, the Company and Employee hereby agree as follows:

1. Grant of Option. The Company hereby irrevocably grants to Employee the right and option ("Option") to purchase all or any part of an aggregate of _____, shares Common Stock on the terms and conditions set forth herein and in the Plan, which Plan is incorporated herein by reference as a part of this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the Plan shall control. Capitalized terms used but not defined in this Agreement shall have the meaning attributed to such terms under the Plan, unless the context requires otherwise. This Option shall not be treated as an incentive stock option within the meaning of section 422(b) of the Code.

2. Purchase Price. The purchase price of Common Stock purchased pursuant to the exercise of this Option shall be \$ _____ per share, which has been determined to be not less than the Fair Market Value of a share of Common Stock at the Date of Grant. For all purposes of this Agreement, Fair Market Value of Common Stock shall be determined in accordance with the provisions of the Plan.

3. Exercise of Option. Subject to the earlier expiration of this Option as herein provided, this Option may be exercised, by written notice to the Company at its principal executive office addressed to the attention of its Corporate Secretary (or such other officer or employee of the Company as the Company may designate from time to time), at any time and from time to time after the Date of Grant, but this Option shall not be exercisable for more than a percentage of the aggregate number of shares offered by this Option determined in accordance with the following schedule:

<u>Date Additional Option Shares Become Exercisable</u>	<u>Additional Percentage of Aggregate Option Shares Becoming Exercisable</u>
First Anniversary of Date of Grant	25%
Second Anniversary of Date of Grant	25%
Third Anniversary of Date of Grant	25%
Fourth Anniversary of Date of Grant	25%
	100%

Notwithstanding the schedule set forth above, if a Change in Control occurs and Employee has remained continuously employed by the Company or any of its Affiliates (collectively, the “Company Group”) from the Date of Grant to the date upon which such Change in Control occurs, then this Option shall be exercisable with respect to 100% of the shares offered by this Option from and after the date upon which such Change in Control occurs.

4. Termination of Employment. This Option may be exercised only while Employee remains an employee of the Company Group and will terminate and cease to be exercisable upon Employee’s termination of employment with the Company, except that:

(a) If Employee’s employment with the Company Group terminates by reason of Disability (as defined below), each quarter of the Option described in Section 3 that is unvested as of the date of Employee’s Disability shall become vested in a pro rata amount determined by a fraction with respect to each unvested quarter of the Option, the numerator of which shall be the number of months (not including any partial months) that have elapsed for the period beginning on the Date of Grant and ending on the date of Employee’s Disability, and the denominator of which shall be the number of months for the period beginning on the Date of Grant and ending on the corresponding anniversary of the date on which each such unvested quarter of the Option would have vested pursuant to Section 3. Any remaining unvested portion of this Option shall be forfeited. The vested portion of this Option may be exercised by Employee (or Employee’s estate or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Employee) at any time during the period of one year following such termination, but only as to the number of shares Employee was entitled to purchase hereunder as of the date Employee’s employment so terminates. For purposes of this Section 4(a), a “Disability” occurs on the date that Employee becomes eligible for long-term disability benefits pursuant to the Company’s long-term disability plan.

(a) If Employee’s employment with the Company Group terminates by reason of death, each quarter of the Option described in Section 3 that is unvested as of the date of Employee’s death shall become vested in a pro rata amount determined by a fraction with respect to each unvested quarter of the Option, the numerator of which shall be the number of months (not including any partial months) that have elapsed for the period beginning on the Date of Grant and ending on the date of Employee’s death, and the denominator of which shall be the number of months for the period beginning on the Date of Grant and ending on the corresponding anniversary of the date on which each such unvested quarter of the Option

would have vested pursuant to Section 3. Any remaining unvested portion of this Option shall be forfeited. Employee's estate, or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Employee, may exercise the vested portion of this Option at any time during the period of one year following the date of Employee's death, but only as to the number of shares Employee was entitled to purchase hereunder as of the date of Employee's death.

(b) If Employee's employment with the Company Group terminates for any reason other than as described in (a) or (b) above, this Option may be exercised by Employee at any time during the period of 30 days following such termination, or by Employee's estate (or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Employee) during a period of 30 days following Employee's death if Employee dies during such 30-day period, but in each case only as to the number of shares Employee was entitled to purchase hereunder as of the date Employee's employment so terminates.

(c) If Employee has remained continuously employed by the Company from the Date of Grant to the date upon which a Change in Control occurs, and if Employee's employment with the Company Group terminates for any reason on or after the date upon which such Change in Control occurs, then, notwithstanding the provisions of (a), (b) or (c) above, this Option may be exercised in full by Employee (or Employee's estate or the person who acquires this Option by will or the laws of descent and distribution or otherwise by reason of the death of Employee) at any time on or before the expiration of 10 years from the Date of Grant.

(d) If Employee's employment with the Company Group terminates by reason of Retirement (as defined below), each quarter of the Option described in Section 3 that is unvested as of the date of Employee's Retirement shall become vested in a pro rata amount determined by a fraction with respect to each unvested quarter of the Option, the numerator of which shall be the number of months (not including any partial months) that have elapsed for the period beginning on the Date of Grant and ending on the date of Employee's Retirement, and the denominator of which shall be the number of months for the period beginning on the Date of Grant and ending on the corresponding anniversary of the date on which each such unvested quarter of the Option would have vested pursuant to Section 3. For purposes of this Section 4(e), "Retirement" shall mean termination of Employee's service relationship with all members of the Company Group which is specifically determined by the Committee to constitute Retirement.

Notwithstanding the preceding provisions of this Section 4, this Option shall not be exercisable in any event after the expiration of 10 years from the Date of Grant.

The purchase price of shares as to which this Option is exercised shall be paid in full at the time of exercise (a) in cash (including check, bank draft or money order payable to the order of the Company), (b) if permitted by the Committee in its sole discretion, by delivering or constructively tendering to the Company shares of Common Stock having a Fair Market Value equal to the purchase price (provided such shares used for this purpose must have been held by Employee for such minimum period of time as may be established from time to time by the Committee), (c) through

a “cashless exercise” in accordance with a Company established policy or program for the same or (d) any combination of the foregoing. No fraction of a share of Common Stock shall be issued by the Company upon exercise of an Option or accepted by the Company in payment of the exercise price thereof; rather, Employee shall provide a cash payment for such amount as is necessary to effect the issuance and acceptance of only whole shares of Common Stock. Unless and until a certificate or certificates representing such shares shall have been issued by the Company to Employee, Employee (or the person permitted to exercise this Option in the event of Employee’s death) shall not be or have any of the rights or privileges of a stockholder of the Company with respect to shares acquirable upon an exercise of this Option.

If Employee is subject to taxation in the United Kingdom, then the exercise of this Option will be effective only if accompanied by an election under Section 431(1) of the Income Tax (Earnings & Pensions) Act 2003 in the form attached as Appendix A completed as far as possible by Employee.

5. Withholding of Tax To the extent that the grant or exercise of this Option or the disposition of shares of Common Stock acquired by exercise of this Option results in compensation income or wages to Employee for federal, state, local or foreign tax purposes, the Company shall withhold an appropriate number of shares of Common Stock, having a Fair Market Value determined in accordance with the Plan, equal to the amount necessary to satisfy the minimum federal, state, local and foreign tax withholding obligation with respect to this Option. The issuance of shares of Common Stock described in Section 3 will be net of such shares of Common Stock that are withheld to satisfy applicable taxes pursuant to this Section 5. In lieu of withholding of shares of Common Stock, the Committee may, in its discretion, authorize tax withholding to be satisfied by a cash payment to the Company, by withholding an appropriate amount of cash from base pay, or by such other method as the Committee determines may be appropriate to satisfy all obligations for withholding of such taxes.

6. Status of Common Stock Employee understands that at the time of the execution of this Agreement the shares of Common Stock to be issued upon exercise of this Option have not been registered under the Securities Act, or any state securities law, and that the Company does not currently intend to effect any such registration. Until the shares of Common Stock acquirable upon the exercise of the Option have been registered for issuance under the Securities Act, the Company will not issue such shares unless, if requested by the Company, the holder of the Option provides the Company with a written opinion of legal counsel, who shall be satisfactory to the Company, addressed to the Company and satisfactory in form and substance to the Company’s counsel, to the effect that the proposed issuance of such shares to such Option holder may be made without registration under the Securities Act. In the event exemption from registration under the Securities Act is available upon an exercise of this Option, Employee (or the person permitted to exercise this Option in the event of Employee’s death or incapacity), if requested by the Company to do so, will execute and deliver to the Company in writing an agreement containing such provisions as the Company may require to assure compliance with applicable securities laws.

Employee agrees that the shares of Common Stock which Employee may acquire by exercising this Option shall be acquired for investment without a view to distribution, within the meaning of the Securities Act, and shall not be sold, transferred, assigned, pledged or hypothecated in the absence of an effective registration statement for the sale of such shares under the Securities

Act and applicable state securities laws or an applicable exemption from the registration requirements of the Securities Act and any applicable state securities laws. Employee also agrees that the shares of Common Stock which Employee may acquire by exercising this Option will not be sold or otherwise disposed of in any manner which would constitute a violation of any applicable federal or state securities laws.

In addition, Employee agrees that (i) the certificates representing the shares of Common Stock purchased under this Option may bear such legend or legends as the Committee deems appropriate in order to assure compliance with the terms and provisions of the Stockholders Agreement and applicable securities laws, (ii) the Company may refuse to register the transfer of the shares of Common Stock purchased under this Option on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel satisfactory to the Company constitute a violation of the terms and provisions of the Stockholders Agreement or any applicable securities law, and (iii) the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the shares of Common Stock purchased under this Option.

7. Employment Relationship. For purposes of this Agreement, Employee shall be considered to be in the employment of the Company Group as long as Employee remains an employee of any member of the Company Group. Without limiting the scope of the preceding sentence, it is expressly provided that Employee shall be considered to have terminated employment with the Company Group at the time of the termination of the "Affiliate" status under the Plan of the entity or other organization that employs Employee. Nothing in the adoption of the Plan, nor the award of this Option thereunder pursuant to this Agreement, shall affect in any way the right of Employee or the Company to terminate such employment at any time. Unless otherwise provided in a written employment agreement or by applicable law, Employee's employment by the Company shall be on an at-will basis, and the employment relationship may be terminated at any time by either Employee or the Company for any reason whatsoever, with or without cause or notice. Any question as to whether and when there has been a termination of Employee's employment with the Company, and the cause of such termination, shall be determined by the Committee, and its determination shall be final.

8. Acknowledgements Regarding Taxation. Employee acknowledges and agrees that (a) he is not relying upon any written or oral statement or representation of the Company Group regarding the tax effects associated with Employee's execution of this Agreement and his receipt, holding and exercise of this Option, and (b) in deciding to enter into this Agreement, Employee is relying on his own judgment and the judgment of the professionals of his choice with whom he has consulted. Employee hereby releases, acquits and forever discharges the Company Group from all actions, causes of actions, suits, debts, obligations, liabilities, claims, damages, losses, costs and expenses of any nature whatsoever, known or unknown, on account of, arising out of, or in any way related to the tax effects associated with Employee's execution of this Agreement and his receipt, holding and exercise of this Option.

9. Notices. Any notices or other communications provided for in this Option shall be sufficient if in writing. In the case of Employee, such notices or communications shall be effectively delivered if hand delivered to Employee at Employee's principal place of employment or if sent by certified mail, return receipt requested, to Employee at the last address Employee has filed with the

Company. In the case of the Company, such notices or communications shall be effectively delivered if sent by certified mail, return receipt requested, to the Company at its principal executive offices.

10. Binding Effect. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

11. Entire Agreement; Amendment. This Agreement constitutes the entire agreement of the parties with regard to the subject matter hereof, and contains all the covenants, promises, representations, warranties and agreements between the parties with respect to the Option granted hereby; provided, however, that the terms of this Agreement shall not modify and shall be subject to the terms and conditions of any employment and/or severance agreement between the Company (or an Affiliate) and Employee in effect as of the date a determination is to be made under this Agreement. Without limiting the scope of the preceding sentence, except as provided therein, all prior understandings and agreements, if any, among the parties hereto relating to the subject matter hereof are hereby null and void and of no further force and effect. Any modification of this Agreement shall be effective only if it is in writing and signed by both Employee and an authorized officer of the Company.

12. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to conflicts of laws principles thereof.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by its officer thereunto duly authorized, and Employee has executed this Agreement, all as of the date first above written.

FORUM ENERGY TECHNOLOGIES, INC.

By: _____

EMPLOYEE

**FORUM ENERGY TECHNOLOGIES, INC.
2010 STOCK INCENTIVE PLAN**

PERFORMANCE SHARE AGREEMENT

This Performance Award Agreement (this "Agreement") is made as of the ___ day of _____, 2014 (the "Date of Grant"), between Forum Energy Technologies, Inc., a Delaware corporation (the "Company"), and _____ (the "Employee").

1. Award. The Employee is hereby awarded _____ performance shares (each a "Performance Share") pursuant to the Forum Energy Technologies, Inc. 2010 Stock Incentive Plan (the "Plan") which shall be allocated as the "Target Amount" as detailed in the chart below. The Performance Shares represent the opportunity to receive a number of shares of Common Stock based on the "Payout Multiplier" as defined in Exhibit A. The number of Performance Shares that are converted into "Earned Performance Shares" will be between 0% and 200% of the Target Amount. Each Performance Share that does not become an Earned Performance Share shall be forfeited.

The exact number of Performance Shares that shall be converted into Earned Performance Shares and issued to the Employee shall be based upon the achievement by the Company of the performance standards as set forth in Exhibit A hereto over three periods, each beginning on January 1, 2014 (the "Performance Beginning Date") and ending on December 31, 2014, and each of the first and second anniversary thereof, respectively, (each December 31, the "Performance End Date") (the period ending on each of the first, second and third Performance End Date is referred to as the "First Performance Period," the "Second Performance Period," and the "Third Performance Period," respectively). The determination by the Committee with respect to the achievement of such performance standards shall be made as soon as administratively practicable following each Performance Period after all necessary Company and peer information is available. The specific date on which such determination is formally made and approved by the Committee is referred to as the "Determination Date." After the Determination Date, the Company shall notify the Employee of the number of Earned Performance Shares, if any, and the corresponding number of shares of Common Stock to be issued to the Employee in satisfaction of the award. The shares of Common Stock shall be issued to the Employee on March 15 following the applicable Performance End Date (the "Settlement Date").

For each of the Performance Periods, the Target Amount, the Performance Beginning Date, the Performance End Date and the Settlement Date are detailed in the chart below:

<u>Performance Period</u>	<u>Target Amount</u>	<u>Performance Beginning Date</u>	<u>Performance End Date</u>	<u>Settlement Date</u>
First Performance Period		January 1, 2014	December 31, 2014	March 15, 2015
Second Performance Period		January 1, 2014	December 31, 2015	March 15, 2016
Third Performance Period		January 1, 2014	December 31, 2016	March 15, 2017

The performance standards are based on the Company’s Total Shareholder Return compared against the Peer Group. The methodology for calculating the number of Earned Performance Shares, including the definitions used therefor, is set forth in Exhibit A hereto.

The Employee acknowledges receipt of a copy of the Plan, and agrees that this award of Performance Shares shall be subject to all of the terms and provisions of the Plan, including future amendments thereto, if any, pursuant to the terms thereof. Capitalized terms used in this Agreement and Exhibit “A” hereto that are not defined herein shall have the meanings given to them in the Plan or Exhibit A, as applicable.

2. **Vesting/Forfeiture.** Except as otherwise provided in Sections 3 or 4 below, the Performance Shares shall vest on the applicable Determination Date, provided the Employee is continuously employed by the Company or any of its Affiliates (collectively, the “Company Group”) through the applicable Determination Date. If the Employee’s employment with the Company Group terminates for any reason prior to the applicable Determination Date other than by reason of Retirement (as defined below), death or Disability (as defined below), the Performance Shares shall be automatically forfeited on the date of the Employee’s termination of employment.

3. **Termination of Employment.**

(a) **Death or Disability.** If prior to a Determination Date with respect to a Performance Period, the Employee's employment with the Company Group is terminated by reason of death or the Employee becomes Disabled, the Performance Shares shall vest on a pro rata basis determined by multiplying the applicable Target Amount of Performance Shares for each remaining Performance Period by a fraction (not greater than 1.0), the numerator of which is the number of months (not including any partial months) that have elapsed since the Performance Beginning Date to the date of the Employee's death or Disability, as applicable, and the denominator of which is the total number of months in the applicable Performance Period. Any remaining unvested Performance Shares shall be forfeited. The shares of Common Stock in respect of the vested Performance Shares shall be issued to the Employee thirty (30) days after the date of the Employee's death or Disability, as applicable. For purposes of this Section 3(a), the Employee shall become "Disabled" or have a "Disability" on the date that the Employee becomes eligible for long-term disability benefits pursuant to the Company's long-term disability plan.

(b) **Retirement.** Provided the Employee remained continuously employed by the Company Group for the six (6) month period following the Date of Grant, if the Employee's employment with the Company Group is terminated prior to a Determination Date with respect to a Performance Period by reason of Retirement, the Performance Shares shall vest on a pro rata basis determined by multiplying the number of Performance Shares that would otherwise have been earned and vested on the applicable Determination Date by a fraction, the numerator of which is the number of months (not including any partial months) that have elapsed since the Performance Beginning Date to the date of the Employee's Retirement, and the denominator of which is the total number of months in the applicable Performance Period. The shares of Common Stock in respect of the Earned Performance Shares shall be based on the Payout Multiplier and shall be issued to the Employee on the applicable Settlement Date. For purposes of this Section 3(b), "Retirement" shall mean termination of the Employee's service relationship with all members of the Company Group which is specifically determined by the Committee to constitute Retirement.

4. **Change in Control.** Notwithstanding the foregoing, if a Change in Control occurs prior to a Determination Date with respect to a Performance Period and the Employee has remained continuously employed by the Company Group from the Date of Grant to the date upon which such Change in Control occurs, all Performance Shares with respect to each remaining Performance Period shall automatically vest and the number of Earned Performance Shares shall be equal to the Target Amount for each applicable Performance Period. Shares of Common Stock in respect of the Earned Performance Shares shall be issued to the Employee thirty (30) days after the effective date of the Change in Control.

5. **Settlement and Delivery of Stock.** Except as otherwise provided in Section 3(a) or 4, settlement of the Earned Performance Shares shall be made on the applicable Settlement Date. Settlement will be made by issuance of shares of Common Stock equal to the number of Earned Performance Shares. Notwithstanding the foregoing, the Company shall not be obligated to issue any shares of Common Stock if counsel to the Company determines that such sale or delivery would violate any applicable law or any rule or regulation of any governmental authority or any rule or regulation of, or agreement of the Company with, any securities exchange or association upon which the Common Stock is listed or quoted. The Company shall in no event be obligated to take any affirmative action in order to cause the issuance of shares of Common Stock to comply with any such law, rule, regulation or agreement.

6. **Shareholder Rights.** The Employee shall have no rights to dividend equivalent payments with respect to the Performance Shares and shall have no rights to dividends or other rights of a shareholder with respect to shares of Common Stock subject to this award of Performance Shares unless and until such time as the award has been settled by the issuance of shares of Common Stock to the Employee. Any Earned Performance Shares shall be subject to adjustment under Section XII(B) of the Plan with respect to dividends or other distributions that are paid in shares of Common Stock.

7. **Corporate Acts.** The existence of the Performance Shares shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities, the dissolution or liquidation of the Company or any sale, lease, exchange or other disposition of all or any part of its assets or business or any other corporate act or proceeding.

8. **Withholding.** To the extent that the vesting of the Performance Shares results in compensation income or wages to the Employee for federal, state, local or foreign tax purposes, the Employee shall deliver to the Company or to any Affiliate nominated by the Company at the time of such lapse, such amount of money or, if permitted by the Committee in its sole discretion, shares of Common Stock as the Company or any Affiliate nominated by the Company may require to meet its minimum obligation under applicable tax or social security laws or regulations, and if the Employee fails to do so, the Company and its Affiliates are authorized to withhold from any cash or stock remuneration (including withholding any shares of Common Stock distributable to the Employee under this Agreement) then or thereafter payable to the Employee any tax or social security required to be withheld by reason of such resulting compensation income or wages. The Employee acknowledges and agrees that the Company is making no representation or warranty as to the tax consequences to the Employee as a result of the receipt of the Performance Shares, vesting of the Performance Shares or the forfeiture of any Performance Shares pursuant to the Forfeiture Restrictions.

9. **Employment Relationship.** For purposes of this Agreement, the Employee shall be considered to be in the employment of the Company as long as the Employee remains an employee of any member of the Company Group. Without limiting the scope of the preceding sentence, it is specifically provided that the Employee shall be considered to have terminated employment with the Company at the time of the termination of the “Affiliate” status of the entity or other organization that employs the Employee.

Nothing in the adoption of the Plan, nor the award of the Performance Shares thereunder pursuant to this Agreement, shall confer upon the Employee the right to continued employment by the Company Group or affect in any way the right of the Company to terminate such employment at any time. Unless otherwise provided in a written employment agreement or by applicable law, the Employee’s employment by the Company Group shall be on an at-will basis, and the employment relationship may be terminated at any time by either the Employee or the Company for any reason whatsoever, with or without cause or notice.

Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee or its delegate, and its determination shall be final.

10. **Code Section 409A; No Guarantee of Tax Consequences.** The award of Performance Shares is intended to be (i) exempt from Section 409A of the Code (“Section 409A”) including, but not limited to, by reason of compliance with the short-term deferral exemption as specified in Treas. Reg. § 1.409A-1(b)(4); or (ii) in compliance with Section 409A, and the provisions of this Agreement shall be administered, interpreted and construed accordingly. If the Employee is identified by the Company as a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code on the date on which the Employee has a “separation from service” (other than due to death) within the meaning of Section 1.409A-1(h) of the Treasury Regulations, notwithstanding the provisions of Section 5 hereof, any transfer of shares payable on account of a separation from service that are deferred compensation shall take place on the earlier of (i) the first business day following the expiration of six months from the Employee’s separation from service, or (ii) such earlier date as complies with the requirements of Section 409A. To the extent required to comply with Section 409A, (i) the Employee shall be considered to have terminated employment with the Company Group when the Employee incurs a “separation from service” with a member of the Company Group within the meaning of Section 409A(a)(2)(A)(i) of the Code, and (ii) to the extent the settlement of the Performance Shares constitutes non-exempt “deferred compensation” for purposes of Section 409A by reason of the occurrence of a Change in Control, such amount would not be payable or distributable to the Employee unless the circumstances giving rise to such Change in Control meets any description or definition of “change in control event” in Section 409A and applicable regulations. The Company makes no commitment or guarantee to the Employee that any federal or state tax treatment shall apply or be available to any person eligible for benefits under this Agreement.

11. **Binding Effect; Survival**. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under the Employee.

12. **Entire Agreement; Amendment**. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, whether written or oral, between the parties with respect to Performance Shares commencing on the Performance Beginning Date. Any modification of this Agreement shall be effective only if it is in writing and signed by both the Employee and an authorized officer of the Company.

13. **Governing Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to conflicts of law principles thereof.

FORUM ENERGY TECHNOLOGIES, INC.

By: _____

Name:

Title:

EMPLOYEE

Exhibit A

Methodology for Calculating Earned Performance Shares

1. **Definitions.** For purposes of determining the number of shares of Common Stock issuable to the Employee in respect of the Earned Performance Shares for each Performance Period, the following definitions shall apply:

- (a) *Ending Share Price* means the average closing price of the shares over the twenty trading days prior to the Performance End Date.
- (b) *Peer Group* means Cameron International Corporation, Dresser-Rand Group, Inc., Dril-Quip Inc., Exterran Holdings, Inc., FMC Technologies, Inc., Hunting plc, National Oilwell Varco, Inc., Oceaneering International, Inc., and the Philadelphia Stock Exchange Oil Service Sector to the extent they or their successors are in existence and publicly traded as of the Performance End Date.
- (c) *Starting Share Price* means the average closing price of the shares over the twenty trading days prior to the Performance Beginning Date.
- (d) *Total Shareholder Return* means common stock price growth for each entity over the applicable Performance Period, as measured by dividing the sum of the cumulative amount of dividends for that Performance Period, assuming dividend reinvestment, and the difference between the entity's Ending Share Price and the Starting Share Price; by the entity's Starting Share Price.

2. **Committee Methodology.** For purposes of determining the number of shares of Common Stock issuable to the Employee in respect of the Earned Performance Shares, the Committee shall:

- (a) Calculate the Total Shareholder Return for the Company and each company in the Peer Group for the applicable Performance Period.
- (b) Rank the Company and each member of the Peer Group based on Total Shareholder Return with the company having the highest Total Shareholder Return ranking in the first position and the company with the lowest Total Shareholder Return ranking in the tenth position.
- (c) Determine the number of Earned Performance Shares based on the Nine Peer Company Payout Schedule below:

Nine Peer Company Payout Schedule	
Company Ranking	Payout Multiplier
1	2.00
2	1.75
3	1.50
4	1.25
5	1.00
6	1.00
7	0.75
8	0.50
9	0.25
10	0.00

- (d) Multiply the Employee's Target Amount by the Payout Multiplier.

Notwithstanding the calculations described in clauses (c) and (d) above, in the event the Total Shareholder Return for the Company as calculated in clause (a) above is (I) less than 0%, the Payout Multiplier applied in clause (d) shall not exceed 1.00, and (II) greater than or equal to 20%, the Payout Multiplier applied in clause (d) shall not be less than 1.00.

If any calculation with respect to the Earned Performance Shares would result in a fractional share, the number of shares of Common Stock to be issued shall be rounded up to the nearest whole share.

3. **Peer Group Changes.** If, as a result of merger, acquisition or a similar corporate transaction, a member of the Peer Group ceases to be a member of the Peer Group (an "Affected Peer Company"), the Affected Peer Company shall not be included in the Nine Peer Company Payout Schedule and the applicable of the following alternative schedules shall be used in its place:

Eight Peer Company Payout Schedule	
Company Ranking	Payout Multiplier
1	2.00
2	1.75
3	1.50
4	1.25
5	1.00
6	0.75
7	0.50
8	0.25
9	0.00

Seven Peer Company Payout Schedule	
Company Ranking	Payout Multiplier
1	2.00
2	1.75
3	1.50
4	1.25
5	1.00
6	0.75
7	0.50
8	0.00

Six Peer Company Payout Schedule	
Company Ranking	Payout Multiplier
1	2.00
2	1.67
3	1.33
4	1.00
5	0.67
6	0.33
7	0.00

Five Peer Company Payout Schedule	
Company Ranking	Payout Multiplier
1	2.00
2	1.67
3	1.33
4	1.00
5	0.50
6	0.00

Four Peer Company Payout Schedule	
Company Ranking	Payout Multiplier
1	2.00
2	1.50
3	1.00
4	0.50
5	0.00

If a member of the Peer Group declares bankruptcy, it shall be deemed to remain in the Peer Group until the applicable Performance End Date and shall occupy the lowest ranking in the Payout Schedule. If, as a result of merger, acquisition or a similar corporate transaction, there are five or more Affected Peer Companies, the Committee may in its sole discretion revise the makeup of the Peer Group and make adjustments to the Payout Multipliers.

Forum Energy Technologies, Inc.
Certification

I, C. Christopher Gaut, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Forum Energy Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2014

By: /s/ C. Christopher Gaut
C. Christopher Gaut
Chief Executive Officer

Forum Energy Technologies, Inc.
Certification

I, James W. Harris, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Forum Energy Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2014

By: /s/ James W. Harris
James W. Harris
Chief Financial Officer

Certification Pursuant to 18 U.S.C. Section 1350
(Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Quarterly Report on Form 10-Q of Forum Energy Technologies, Inc. (the "Company") for the quarter ended March 31, 2014, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), C. Christopher Gaut, as Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 29, 2014

By: /s/ C. Christopher Gaut
C. Christopher Gaut
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification shall not be deemed filed by the Company for purposes of § 18 of the Exchange Act.

Certification Pursuant to 18 U.S.C. Section 1350
(Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Quarterly Report on Form 10-Q of Forum Energy Technologies, Inc. (the "Company") for the quarter ended March 31, 2014, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), James W. Harris, as Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 29, 2014

By: /s/ James W. Harris
James W. Harris
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification shall not be deemed filed by the Company for purposes of § 18 of the Exchange Act.

