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 September 30, 2022

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: **001-37983**

TechnipFMC plc

(Exact name of registrant as specified in its charter)

United Kingdom	**98-1283037**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Hadrian House, **Wincomblee Road** **Newcastle Upon Tyne** **United Kingdom**	**NE6 3PL**
(Address of principal executive offices)	(Zip Code)

+44 191-295-0303
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Ordinary shares, $1.00 par value per share	FTI	New York Stock Exchange

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 every Interactive Data File required to be submitted 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 such files). Yes ☒ No ☐

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at October 24, 2022
Ordinary shares, $1.00 par value per share	**446,440,061**

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q of TechnipFMC plc (the “Company,” “we,” “us,” or “our”) contains “forward-looking statements” as defined in Section 27A of the United States Securities Act of 1933, as amended, and Section 21E of the United States Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements usually relate to future events, market growth and recovery, growth of our new energies business and anticipated revenues, earnings, cash flows or other aspects of our operations or operating results. Forward-looking statements are often identified by the words “believe,” “expect,” “anticipate,” “plan,” “intend,” “foresee,” “should,” “would,” “could,” “may,” “estimate,” “outlook” and similar expressions, including the negative thereof. The absence of these words, however, does not mean that the statements are not forward-looking. These forward-looking statements are based on our current expectations, beliefs and assumptions concerning future developments and business conditions and their potential effect on us. While management believes these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting us will be those that we anticipate.

All of our forward-looking statements involve risks and uncertainties (some of which are significant or beyond our control) and assumptions that could cause actual results to differ materially from our historical experience and our present expectations or projections. Known material factors that could cause actual results to differ materially from those contemplated in the forward-looking statements include those set forth in Part I, Item 1A, “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2021 and Part II, Item 1A, “Risk Factors” and elsewhere of this Quarterly Report on Form 10-Q, including unpredictable trends in the demand for and price of crude oil and natural gas; competition and unanticipated changes relating to competitive factors in our industry, including ongoing industry consolidation; the COVID-19 pandemic, its impact on the demand for our products and services and global shipping and logistics challenges caused by it; our inability to develop, implement and protect new technologies and services, including new technologies and services for our new energy ventures; the cumulative loss of major contracts, customers or alliances and unfavorable credit and commercial terms of certain contracts; the refusal of DTC to act as depository agency for our shares; disruptions in the political, regulatory, economic and social conditions of the countries in which we conduct business; the United Kingdom’s withdrawal from the European Union; the impact of our existing and future indebtedness and the restrictions on our operations by terms of the agreements governing our existing indebtedness; the risks caused by our acquisition and divestiture activities; our inability to address increasing attention to ESG matters; uncertainties related to our investments in new energy industries; the risks caused by fixed-price contracts; any delays and cost overruns of new capital asset construction projects for vessels and manufacturing facilities; our failure to deliver our backlog; our reliance on subcontractors, suppliers and our joint venture partners; a failure or breach of our IT infrastructure or that of our subcontractors, suppliers or joint venture partners, including as a result of cyber-attacks; risks of pirates endangering our maritime employees and assets; potential liabilities inherent in the industries in which we operate or have operated; our failure to comply with numerous laws and regulations, including those related to environmental protection, climate change, health and safety, labor and employment, import/export controls, currency exchange, bribery and corruption, taxation, privacy, data protection and data security; the additional restrictions on dividend payouts or share repurchases as an English public limited company; uninsured claims and litigation against us, including intellectual property litigation; tax laws, treaties and regulations and any unfavorable findings by relevant tax authorities; potential departure of our key managers and employees; adverse seasonal and weather conditions and unfavorable currency exchange rates; and risk in connection with our defined benefit pension plan commitments. We caution you not to place undue reliance on any forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any of our forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise, except to the extent required by law.

PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions, except per share data)	**2022**	**2021**	**2022**	**2021**
Revenue				
Service revenue	$ 902.0	$ 901.0	$ 2,773.6	$ 2,640.6
Product revenue	778.6	640.0	2,074.9	2,121.8
Lease revenue	52.4	38.4	157.5	117.8
Total revenue	1,733.0	1,579.4	5,006.0	4,880.2
Costs and expenses				
Cost of service revenue	684.1	761.4	2,288.5	2,338.5
Cost of product revenue	753.5	571.4	1,914.5	1,815.0
Cost of lease revenue	36.8	31.2	120.0	94.2
Selling, general and administrative expense	151.9	153.4	454.6	473.6
Research and development expense	19.0	18.7	45.1	54.4
Impairment, restructuring and other expenses (Note 15)	6.9	7.3	15.1	34.8
Total costs and expenses	1,652.2	1,543.4	4,837.8	4,810.5
Other income (expense), net	(10.3)	(5.9)	33.5	28.7
Income (loss) from equity affiliates (Note 10)	13.8	(30.0)	23.5	(9.5)
Income (loss) from investment in Technip Energies (Note 10)	—	28.5	(27.7)	351.8
Income before net interest expense and income taxes	84.3	28.6	197.5	440.7
Interest income	4.2	2.1	12.2	8.9
Interest expense	(35.1)	(41.4)	(104.7)	(117.9)
Loss on early extinguishment of debt	—	(16.0)	(29.8)	(39.5)
Income (loss) before income taxes	53.4	(26.7)	75.2	292.2
Provision for income taxes (Note 17)	42.7	12.3	91.0	71.7
Income (loss) from continuing operations	10.7	(39.0)	(15.8)	220.5
Net (income) from continuing operations attributable to non-controlling interests	(5.7)	(1.6)	(19.4)	(5.5)
Income (loss) from continuing operations attributable to TechnipFMC plc	5.0	(40.6)	(35.2)	215.0
Income (loss) from discontinued operations	(15.3)	8.4	(34.7)	(44.1)
Income from discontinued operations attributable to non-controlling interests	—	—	—	(1.9)
Net income (loss) attributable to TechnipFMC plc	$ (10.3)	$ (32.2)	$ (69.9)	$ 169.0
Earnings (loss) per share from continuing operations attributable to TechnipFMC plc				
Basic	$ 0.01	$ (0.09)	$ (0.08)	$ 0.48
Diluted	$ 0.01	$ (0.09)	$ (0.08)	$ 0.47
Earnings (loss) per share from discontinued operations attributable to TechnipFMC plc				
Basic and diluted	$ (0.03)	$ 0.02	$ (0.08)	$ (0.10)
Total earnings (loss) per share attributable to TechnipFMC plc				
Basic	$ (0.02)	$ (0.07)	$ (0.16)	$ 0.38
Diluted	$ (0.02)	$ (0.07)	$ (0.16)	$ 0.37
Weighted average shares outstanding (Note 6)				
Basic	450.1	450.7	451.1	450.4
Diluted	458.1	450.7	451.1	454.7

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

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2022**	**2021**	**2022**	**2021**
Net income (loss) attributable to TechnipFMC plc	$ (10.3)	$ (32.2)	$ (69.9)	$ 169.0
Net (income) from continuing operations attributable to non-controlling interests	(5.7)	(1.6)	(19.4)	(5.5)
Income from discontinued operations attributable to non-controlling interests	—	—	—	(1.9)
Net income (loss) attributable to TechnipFMC plc, including non-controlling interests	(4.6)	(30.6)	(50.5)	176.4
Foreign currency translation adjustments[a]	(100.0)	(57.2)	(104.3)	(1.8)
Net gains (losses) on hedging instruments				
Net losses arising during the period	(33.4)	(16.8)	(92.0)	(28.8)
Reclassification adjustment for net (gains) losses included in net income (loss)	6.7	1.3	18.5	3.3
Net losses on hedging instruments[b]	(26.7)	(15.5)	(73.5)	(25.5)
Pension and other post-retirement benefits				
Net gains (losses) arising during the period	(1.5)	3.2	(3.0)	4.4
Reclassification adjustment for amortization of prior service cost included in net income (loss)	0.1	0.1	0.3	0.4
Reclassification adjustment for amortization of net actuarial loss included in net income (loss)	2.9	4.7	8.9	14.3
Net pension and other post-retirement benefits[c]	1.5	8.0	6.2	19.1
Other comprehensive loss, net of tax	(125.2)	(64.7)	(171.6)	(8.2)
Comprehensive income (loss)	(129.8)	(95.3)	(222.1)	168.2
Comprehensive income attributable to non-controlling interest	(2.9)	(0.2)	(12.2)	(5.9)
Comprehensive income (loss) attributable to TechnipFMC plc	$ (132.7)	$ (95.5)	$ (234.3)	$ 162.3

(a) Net of income tax benefit of nil for the three and nine months ended September 30, 2022 and 2021.

(b) Net of income tax benefit of $8.1 million and $3.6 million for the three months ended September 30, 2022 and 2021, respectively, and $8.2 million and $6.6 million for the nine months ended September 30, 2022 and 2021, respectively.

(c) Net of income tax expense of $(2.9) million and $(2.1) million for the three months ended September 30, 2022 and 2021, respectively, and $(6.0) million and $(5.5) million for the nine months ended September 30, 2022 and 2021, respectively.

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

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(In millions, except par value data)	September 30, 2022	December 31, 2021
Assets		
Cash and cash equivalents	$ 711.5	$ 1,327.4
Trade receivables, net of allowances of $35.9 in 2022 and $38.1 in 2021	1,048.8	911.9
Contract assets, net of allowances of $1.2 in 2022 and $1.1 in 2021	1,023.9	966.0
Inventories, net (Note 8)	1,031.6	1,031.9
Derivative financial instruments (Note 18)	306.1	110.3
Income taxes receivable	79.3	85.0
Advances paid to suppliers	51.9	79.4
Other current assets (Note 9)	505.9	512.3
Investment in Technip Energies (Note 10)	—	317.3
Total current assets	4,759.0	5,341.5
Investments in equity affiliates (Note 10)	315.3	292.4
Property, plant and equipment, net of accumulated depreciation of $2,270.1 in 2022 and $2,204.0 in 2021	2,258.2	2,597.2
Operating lease right-of-use assets	734.3	707.9
Finance lease right-of-use assets	51.6	52.2
Intangible assets, net of accumulated amortization of $642.7 in 2022 and $575.5 in 2021	734.2	813.7
Deferred income taxes	72.0	74.3
Derivative financial instruments (Note 18)	13.9	10.5
Other assets	120.4	130.4
Total assets	$ 9,058.9	$ 10,020.1
Liabilities and equity		
Short-term debt and current portion of long-term debt (Note 12)	$ 231.9	$ 277.6
Operating lease liabilities	133.0	126.2
Finance lease liabilities	52.1	0.7
Accounts payable, trade	1,299.4	1,294.3
Contract liabilities	711.1	1,012.9
Accrued payroll	163.0	194.1
Derivative financial instruments (Note 18)	523.9	161.0
Income taxes payable	90.5	124.6
Other current liabilities (Note 9)	534.1	660.4
Total current liabilities	3,739.0	3,851.8
Long-term debt, less current portion (Note 12)	1,134.9	1,727.3
Operating lease liabilities, less current portion	685.1	646.8
Financing lease liabilities, less current portion	1.1	51.1
Deferred income taxes	42.1	47.5
Accrued pension and other post-retirement benefits, less current portion	91.2	113.4
Derivative financial instruments (Note 18)	45.9	15.5
Other liabilities	145.3	148.3
Total liabilities	5,884.6	6,601.7
Commitments and contingent liabilities (Note 16)		
Stockholders' equity (Note 13)		
Ordinary shares, $1.00 par value; 618.3 shares authorized in 2022 and 2021; 446.4 shares and 450.7 shares issued and outstanding in 2022 and 2021, respectively	446.4	450.7
Capital in excess of par value of ordinary shares	9,143.8	9,160.8
Accumulated deficit	(4,973.9)	(4,903.8)
Accumulated other comprehensive loss	(1,469.4)	(1,305.0)
Total TechnipFMC plc stockholders' equity	3,146.9	3,402.7
Non-controlling interests	27.4	15.7
Total equity	3,174.3	3,418.4
Total liabilities and equity	$ 9,058.9	$ 10,020.1

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

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(In millions)	Nine Months Ended September 30, 2022	2021
Cash provided (required) by operating activities		
Net income (loss)	$ (50.5)	$ 176.4
Net loss from discontinued operations	34.7	44.1
Adjustments to reconcile income (loss) from continuing operations to cash provided (required) by operating activities		
Depreciation and amortization	284.4	289.7
Impairments	4.7	20.9
Employee benefit plan and share-based compensation costs	27.0	22.5
Deferred income tax benefit	(21.1)	(39.0)
(Income) loss from investment in Technip Energies	27.7	(351.8)
Unrealized (gain) loss on derivative instruments and foreign exchange	66.4	(19.3)
(Income) loss from equity affiliates, net of dividends received	(23.1)	9.4
Loss on early extinguishment of debt	29.8	39.5
Other	2.9	(19.0)
Changes in operating assets and liabilities, net of effects of acquisitions		
Trade receivables, net and contract assets	(375.1)	(320.0)
Inventories, net	(27.4)	165.9
Trade payables and contract liabilities	(108.0)	(26.8)
Income taxes payable, net	(19.0)	178.9
Other current assets and liabilities, net	(93.5)	57.4
Other non-current assets and liabilities, net	25.8	2.7
Cash provided (required) by operating activities from continuing operations	(214.3)	231.5
Cash provided by operating activities from discontinued operations	—	66.3
Cash provided (required) by operating activities	(214.3)	297.8
Cash provided (required) by investing activities		
Capital expenditures	(94.3)	(131.2)
Proceeds from sales of assets	13.4	95.7
Proceeds from sale of investment in Technip Energies	288.5	784.5
Proceeds from repayment of advances to joint venture	12.5	12.5
Other	(6.8)	(1.7)
Cash provided by investing activities from continuing operations	213.3	759.8
Cash required by investing activities from discontinued operations	—	(4.5)
Cash provided by investing activities	213.3	755.3
Cash required by financing activities		
Net decrease in short-term debt	(204.7)	(31.3)
Net decrease in commercial paper	—	(974.3)
Net increase in revolving credit facility	150.0	—
Proceeds from issuance of long-term debt	—	1,164.4
Repayments of long-term debt	(451.7)	(1,242.2)
Share repurchases	(50.1)	—
Payments for debt issuance costs	—	(53.5)
Acquisition of non-controlling interest	—	(48.6)
Other	(70.3)	(3.8)
Cash required by financing activities from continuing operations	(626.8)	(1,189.3)
Cash required by financing activities from discontinued operations	—	(3,617.7)
Cash required by financing activities	(626.8)	(4,807.0)
Effect of changes in foreign exchange rates on cash and cash equivalents	11.9	(19.9)
Change in cash and cash equivalents	(615.9)	(3,773.8)
Cash and cash equivalents, beginning of period	1,327.4	4,807.8
Cash and cash equivalents, end of period	$ 711.5	$ 1,034.0

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

TECHNIPFMC PLC AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED)
THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2022 and 2021

(In millions)	Ordinary Shares	Capital in Excess of Par Value of Ordinary Shares	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interest	Total Stockholders' Equity
Balance as of June 30, 2021	$ 450.6	$ 9,144.7	$ (4,714.0)	$ (1,294.9)	$ 42.9	$ 3,629.3
Net income (loss)	—	—	(32.2)	—	1.6	(30.6)
Other comprehensive loss	—	—	—	(63.3)	(1.4)	(64.7)
Share-based compensation (Note 14)	—	7.7	—	—	—	7.7
Accrued distributions to non-controlling interest	—	—	—	—	(15.0)	(15.0)
Other	—	—	(1.5)	—	(5.8)	(7.3)
Balance as of September 30, 2021	$ 450.6	$ 9,152.4	$ (4,747.7)	$ (1,358.2)	$ 22.3	$ 3,519.4
Balance as of June 30, 2022	$ 452.2	$ 9,178.2	$ (4,964.0)	$ (1,347.0)	$ 25.0	$ 3,344.4
Net income (loss)	—	—	(10.3)	—	5.7	(4.6)
Other comprehensive loss	—	—	—	(122.4)	(2.8)	(125.2)
Share-based compensation (Note 14)	—	9.9	—	—	—	9.9
Shares repurchased and cancelled	(5.8)	(44.3)	—	—	—	(50.1)
Other	—	—	0.4	—	(0.5)	(0.1)
Balance as of September 30, 2022	$ 446.4	$ 9,143.8	$ (4,973.9)	$ (1,469.4)	$ 27.4	$ 3,174.3

(In millions)	Ordinary Shares	Capital in Excess of Par Value of Ordinary Shares	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interest	Total Stockholders' Equity
Balance as of December 31, 2020	$ 449.5	$ 10,242.4	$ (4,915.2)	$ (1,622.5)	$ 60.1	$ 4,214.3
Net income	—	—	169.0	—	7.4	176.4
Other comprehensive loss	—	—	—	(6.7)	(1.5)	(8.2)
Issuance of ordinary shares	1.1	—	—	—	—	1.1
Share-based compensation (Note 14)	—	18.4	—	—	—	18.4
Spin-off of Technip Energies (Note 2)	—	(1,108.4)	—	271.0	(19.9)	(857.3)
Accrued distributions to non-controlling interest	—	—	—	—	(15.0)	(15.0)
Other	—	—	(1.5)	—	(8.8)	(10.3)
Balance as of September 30, 2021	$ 450.6	$ 9,152.4	$ (4,747.7)	$ (1,358.2)	$ 22.3	$ 3,519.4
Balance as of December 31, 2021	$ 450.7	$ 9,160.8	$ (4,903.8)	$ (1,305.0)	$ 15.7	$ 3,418.4
Net income (loss)	—	—	(69.9)	—	19.4	(50.5)
Other comprehensive loss	—	—	—	(164.4)	(7.2)	(171.6)
Issuance of ordinary shares	1.5	(1.6)	—	—	—	(0.1)
Share-based compensation (Note 14)	—	28.9	—	—	—	28.9
Shares repurchased and cancelled	(5.8)	(44.3)	—	—	—	(50.1)
Other	—	—	(0.2)	—	(0.5)	(0.7)
Balance as of September 30, 2022	$ 446.4	$ 9,143.8	$ (4,973.9)	$ (1,469.4)	$ 27.4	$ 3,174.3

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

NOTE 1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited condensed consolidated financial statements of TechnipFMC plc and its consolidated subsidiaries (“TechnipFMC,” the “Company,” “we,” “us,” or “our”) have been prepared in accordance with United States generally accepted accounting principles (“GAAP”) and the rules and regulations of the Securities and Exchange Commission (“SEC”) pertaining to interim financial information. As permitted under those rules, certain footnotes or other financial information that are normally required by GAAP have been condensed or omitted. These unaudited condensed consolidated financial statements should be read together with our audited consolidated financial statements contained in our Annual Report on Form 10-K (“Form 10-K”) for the year ended December 31, 2021.

Our accounting policies are in accordance with GAAP. The preparation of financial statements in conformity with these accounting principles requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Ultimate results could differ from our estimates.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, consisting of normal recurring adjustments necessary for a fair statement of our financial condition and operating results as of and for the periods presented. Revenue, expenses, assets and liabilities can vary during each quarter of the year. Therefore, the results and trends in these financial statements may not be representative of the results that may be expected for the year ending December 31, 2022. Certain prior-year amounts have been reclassified to conform to the current year’s presentation.

NOTE 2. DISCONTINUED OPERATIONS

The Spin-off

On February 16, 2021, we completed our separation of the Technip Energies business segment. The transaction was structured as a spin-off (the “Spin-off”), which occurred by way of a pro rata dividend (the “Distribution”) to our shareholders of 50.1% of the outstanding shares in Technip Energies N.V. Each of our shareholders received one ordinary share of Technip Energies N.V. for every five ordinary shares of TechnipFMC held at 5:00 p.m., Eastern Standard Time, on the record date, February 17, 2021. Technip Energies N.V. is now an independent public company and its shares trade under the ticker symbol “TE” on the Euronext Paris Stock Exchange.

In connection with the Spin-off, TechnipFMC and Technip Energies entered into a separation and distribution agreement, as well as various other agreements, including, among others, a tax matters agreement, an employee matters agreement, a transition services agreement and certain agreements relating to intellectual property. These agreements provide for the allocation between TechnipFMC and Technip Energies of assets, employees, taxes, liabilities and obligations attributable to periods prior to, at and after the Spin-off.

Discontinued Operations

The Spin-off represented a strategic shift that had a major impact to our operations and consolidated financial statements. Accordingly, historical results of Technip Energies prior to the Distribution on February 16, 2021 have been presented as discontinued operations in our condensed consolidated statements of income and condensed consolidated statements of cash flows for the three and nine months ended September 30, 2021. Our condensed consolidated statements of income and condensed consolidated statements of cash flows and notes to the condensed consolidated financial statements have been updated to reflect continuing operations only.

The following table summarizes the components of income (loss) from discontinued operations, net of income taxes:

(In millions)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Revenue	$ —	$ —	$ —	$ 906.0
Costs and expenses	(15.8)	—	(15.8)	(889.3)
Other expense, net	—	—	—	(18.6)
Loss from discontinued operations before income taxes	$ (15.8)	$ —	$ (15.8)	$ (1.9)
Income tax expense (benefit)	(0.5)	(8.4)	18.9	42.2
Income (loss) from discontinued operations, net of income taxes	$ (15.3)	$ 8.4	$ (34.7)	$ (44.1)

For both the three and nine months ended September 30, 2022, we recorded $15.8 million in expense from discontinued operations due to a change in estimate of liabilities recognized in connection with the Spin-off. Also, for the three and nine months ended September 30, 2022, we recorded $(0.5) million and $18.9 million, respectively, in income tax (benefit) expense from discontinued operations related to a change in estimate in our French tax group.

NOTE 3. NEW ACCOUNTING STANDARDS

Recently Adopted Accounting Standards under GAAP

In August 2020, the FASB issued ASU No. 2020-06, "*Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815 – 40)*." This update simplifies the accounting for certain financial instruments with characteristics of liabilities and equity, including convertible instruments and contracts in an entity's own equity. The amendments to this update are effective for fiscal years beginning after December 15, 2021, and interim periods within those fiscal years, with early adoption permitted no earlier than fiscal years beginning after December 15, 2020. We adopted this amendment as of January 1, 2022, which did not have a material impact on our condensed consolidated financial statements.

Recently Issued Accounting Standards under GAAP

In March 2020, the FASB issued ASU No. 2020-04, *"Facilitation of the Effects of Reference Rate Reform on Financial Reporting (Topic 848)."* In addition, in January 2021, FASB issued ASU No. 2021-01, *"Reference Rate Reform (Topic 848)"* which clarifies the scope of Topic 848*.* The amendments in these updates apply only to contracts, hedging relationships, and other transactions that reference the London interbank offered rate ("LIBOR") or another reference rate expected to be discontinued because of reference rate reform. The expedients and exceptions provided by the amendments do not apply to contract modifications made and hedging relationships entered into or evaluated after December 31, 2022, except for hedging relationships existing as of December 31, 2022, that an entity has elected certain optional expedients for and that are retained through the end of the hedging relationship. The amendments in this update were issued as of March 12, 2020, effective through December 31, 2022. We are currently evaluating the impact of this ASU on our condensed consolidated financial statements.

We consider the applicability and impact of all ASUs. We assessed ASUs not listed above and determined that they either were not applicable or were not expected to have a material impact on our financial statements.

NOTE 4. REVENUE

The majority of our revenue is from long-term contracts associated with designing and manufacturing products and systems and providing services to customers involved in exploration and production of crude oil and natural gas.

Disaggregation of Revenue

Revenues are disaggregated by geographic location and contract types.

The following tables present total revenue by geography for each reportable segment for the three and nine months ended September 30, 2022 and 2021:

	Reportable Segments			
	Three Months Ended			
	September 30, 2022		September 30, 2021	
(In millions)	Subsea	Surface Technologies	Subsea	Surface Technologies
Latin America	$ 411.7	$ 30.1	$ 211.5	$ 22.7
Europe and Central Asia	395.0	42.1	423.2	46.3
Africa	216.5	7.6	257.8	8.5
North America	205.1	146.2	174.7	99.3
Asia Pacific	162.7	26.4	244.9	20.9
Middle East	24.0	65.6	—	69.6
Total revenue	$ 1,415.0	$ 318.0	$ 1,312.1	$ 267.3

	Nine Months Ended			
	September 30, 2022		September 30, 2021	
(In millions)	Subsea	Surface Technologies	Subsea	Surface Technologies
Europe and Central Asia	$ 1,154.6	$ 121.6	$ 1,102.9	$ 145.2
Latin America	1,069.0	78.9	809.7	57.8
Africa	653.3	25.7	822.6	31.2
Asia Pacific	586.3	70.6	736.8	72.2
North America	582.3	406.9	594.4	266.6
Middle East	73.2	183.6	26.5	214.3
Total revenue	$ 4,118.7	$ 887.3	$ 4,092.9	$ 787.3

The following tables present total revenue by contract type for each reportable segment for the three and nine months ended September 30, 2022 and 2021:

	Reportable Segments			
	Three Months Ended			
	September 30, 2022		September 30, 2021	
(In millions)	Subsea	Surface Technologies	Subsea	Surface Technologies
Services	$ 845.0	$ 57.0	$ 861.7	$ 39.3
Products	556.0	222.6	441.6	198.4
Lease	14.0	38.4	8.8	29.6
Total revenue	$ 1,415.0	$ 318.0	$ 1,312.1	$ 267.3

	Nine Months Ended			
	September 30, 2022		September 30, 2021	
(In millions)	Subsea	Surface Technologies	Subsea	Surface Technologies
Services	$ 2,611.0	$ 162.6	$ 2,530.2	$ 110.4
Products	1,463.4	611.5	1,526.5	595.3
Lease	44.3	113.2	36.2	81.6
Total revenue	$ 4,118.7	$ 887.3	$ 4,092.9	$ 787.3

Contract Balances

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, costs and estimated earnings in excess of billings on uncompleted contracts (contract assets), and billings in excess of costs and estimated earnings on uncompleted contracts (contract liabilities) on the condensed consolidated balance sheets. Any expected contract losses are recorded in the period in which they become probable.

Contract Assets - Contract assets include unbilled amounts typically resulting from sales under long-term contracts when revenue is recognized over time and revenue recognized exceeds the amount billed to the customer, and right to payment is not just subject to the passage of time. Amounts may not exceed their net realizable value. Costs and estimated earnings in excess of billings on uncompleted contracts are generally classified as current.

Contract Liabilities - We sometimes receive advances or deposits from our customers, before revenue is recognized, resulting in contract liabilities.

The following table provides information about net contract assets (liabilities) as of September 30, 2022 and December 31, 2021:

(In millions)	September 30, 2022	December 31, 2021	$ change	% change
Contract assets	$ 1,023.9	$ 966.0	$ 57.9	6.0
Contract liabilities	(711.1)	(1,012.9)	301.8	29.8
Net contract assets (liabilities)	$ 312.8	$ (46.9)	$ 359.7	767.0

The increase in our contract assets from December 31, 2021 to September 30, 2022 was primarily due to the timing of project milestones.

The decrease in our contract liabilities was primarily due to progress relative to performance obligations and completion of performance obligations for contracts, for which consideration was received in advance of the work performed during the period.

In order to determine revenue recognized in the period from contract liabilities, we first allocate revenue to the individual contract liability balance outstanding at the beginning of the period until the revenue exceeds that balance. Any subsequent revenue we recognize increases the contract asset balance. Revenue recognized for the three months ended September 30, 2022 and 2021 that was included in the contract liabilities balance as of December 31, 2021 and 2020 was $256.0 million and $53.4 million, respectively, and $471.7 million and $250.5 million for the nine months ended September 30, 2022 and 2021, respectively.

In addition, net revenue recognized from our performance obligations satisfied in prior periods had favorable impacts of $97.2 million and $4.3 million for the three months ended September 30, 2022 and 2021, respectively, and $119.2 million and $6.9 million, for the nine months ended September 30, 2022 and 2021, respectively, from changes in the estimate of the stage of completion that impacted revenue.

Transaction Price Allocated to the Remaining Unsatisfied Performance Obligations

Remaining unsatisfied performance obligations ("RUPO" or "order backlog") represents the transaction price for products and services for which we have a material right but work has not been performed. Transaction price of the order backlog includes the base transaction price, variable consideration and changes in transaction price. The order backlog table does not include contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed. The transaction price of order backlog related to unfilled, confirmed customer orders is estimated at each reporting date. As of September 30, 2022, the aggregate amount of the transaction price allocated to order backlog was $8,841.0 million. TechnipFMC expects to recognize revenue on approximately 14.2% of the order backlog through 2022 and 85.8% thereafter.

The following table details the order backlog for each business segment as of September 30, 2022:

(In millions)	**2022**	**2023**	**Thereafter**
Subsea	$ 996.1	$ 3,747.3	$ 2,859.8
Surface Technologies	256.2	286.1	695.5
Total order backlog	$ 1,252.3	$ 4,033.4	$ 3,555.3

NOTE 5. BUSINESS SEGMENTS

Management's determination of our reporting segments was made on the basis of our strategic priorities within each segment and the differences in the products and services we provide, which corresponds to the manner in which our Chair and Chief Executive Officer, as our chief operating decision maker, reviews and evaluates operating performance to make decisions about resources to be allocated to the segment. We operate under two reporting segments, Subsea and Surface Technologies:

- *Subsea* - designs and manufactures products and systems, performs engineering, procurement and project management, and provides services used by oil and gas companies involved in offshore exploration and production of crude oil and natural gas.

- *Surface Technologies* - designs and manufactures products and systems and provides services used by oil and gas companies involved in land and shallow water exploration and production of crude oil and natural gas; designs, manufactures and supplies technologically advanced high-pressure valves and fittings for oilfield service companies; and also provides flowback and well testing services.

Segment operating profit is defined as total segment revenue less segment operating expenses. Income (loss) from equity method investments is included in computing segment operating profit. The following items have been excluded in computing segment operating profit: corporate staff expense, foreign exchange gains (losses), income (loss) from investment in Technip Energies, net interest income (expense) associated with corporate debt facilities and income taxes.

Segment revenue and segment operating profit were as follows:

(In millions)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Segment revenue				
Subsea	$ 1,415.0	$ 1,312.1	$ 4,118.7	$ 4,092.9
Surface Technologies	318.0	267.3	887.3	787.3
Total segment revenue	$ 1,733.0	$ 1,579.4	$ 5,006.0	$ 4,880.2
Segment operating profit				
Subsea	$ 105.0	$ 23.5	$ 256.1	$ 132.9
Surface Technologies	19.0	12.1	32.7	33.2
Total segment operating profit	$ 124.0	$ 35.6	$ 288.8	$ 166.1
Corporate items				
Corporate expense[a]	(25.2)	(29.3)	(76.7)	(88.4)
Net interest expense	(30.9)	(39.3)	(92.5)	(109.0)
Loss on early extinguishment of debt	—	(16.0)	(29.8)	(39.5)
Income (loss) from investment in Technip Energies	—	28.5	(27.7)	351.8
Foreign exchange gains (losses)	(14.5)	(6.2)	13.1	11.2
Total corporate items	(70.6)	(62.3)	(213.6)	126.1
Income (loss) before income taxes[b]	$ 53.4	$ (26.7)	$ 75.2	$ 292.2

(a) Corporate expense primarily includes corporate staff expenses, share-based compensation expenses, and other employee benefits.

(b) Includes amounts attributable to non-controlling interests.

NOTE 6. EARNINGS (LOSS) PER SHARE

A reconciliation of the number of shares used for the basic and diluted earnings (loss) per share calculation was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions, except per share data)	**2022**	**2021**	**2022**	**2021**
Income (loss) from continuing operations attributable to TechnipFMC plc	$ 5.0	$ (40.6)	$ (35.2)	$ 215.0
Income (loss) from discontinued operations attributable to TechnipFMC plc	(15.3)	8.4	(34.7)	(46.0)
Net income (loss) attributable to TechnipFMC plc	$ (10.3)	$ (32.2)	$ (69.9)	$ 169.0
Weighted average number of shares outstanding	450.1	450.7	451.1	450.4
Dilutive effect of restricted stock units	5.4	—	—	3.9
Dilutive effect of performance shares	2.6	—	—	0.4
Total shares and dilutive securities	458.1	450.7	451.1	454.7
Basic and diluted earnings (loss) per share attributable to TechnipFMC plc:				
Earnings (loss) per share from continuing operations attributable to TechnipFMC plc				
Basic	$ 0.01	$ (0.09)	$ (0.08)	$ 0.48
Diluted	$ 0.01	$ (0.09)	$ (0.08)	$ 0.47
Earnings (loss) per share from discontinued operations attributable to TechnipFMC plc				
Basic and diluted	$ (0.03)	$ 0.02	$ (0.08)	$ (0.10)
Total earnings (loss) per share attributable to TechnipFMC plc				
Basic	$ (0.02)	$ (0.07)	$ (0.16)	$ 0.38
Diluted	$ (0.02)	$ (0.07)	$ (0.16)	$ 0.37

For the three months ended September 30, 2021, we incurred a loss from continuing operations; therefore, the impact of 4.3 million shares was anti-dilutive. For the nine months ended September 30, 2022, we incurred a loss from continuing operations; therefore, the impact of 6.6 million shares was anti-dilutive.

Weighted average shares of the following share-based compensation awards were excluded from the calculation of diluted weighted average number of shares, where the assumed proceeds exceed the average market price from the calculation of diluted weighted average number of shares, because their effect would be anti-dilutive:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(millions of shares)	**2022**	**2021**	**2022**	**2021**
Share option awards	1.6	1.7	1.6	1.6
Restricted share units	—	0.1	—	0.3
Total	1.6	1.8	1.6	1.9

NOTE 7. RECEIVABLES

We manage our trade and loans receivables portfolios using published default risk as a key credit quality indicator. Our loans receivable and security deposits were related to sales of long-lived assets or businesses, loans to related parties for capital expenditure purposes, or security deposits for lease arrangements.

We manage our held-to-maturity debt securities using published credit ratings as a key credit quality indicator as our held-to-maturity debt securities consist of government bonds.

The table below summarizes the amortized cost basis of financial assets by years of origination and credit quality.

	September 30, 2022			December 31, 2021		
(In millions)	**Credit rating**	**Year of origination**	**Balance**	**Credit rating**	**Year of origination**	**Balance**
Loans receivables and other	Moody's rating A3 - Ba2	2020-2022	$ 53.9	Moody's rating Ba2	2019-2020	$ 50.9
Debt securities at amortized cost	Moody's rating Caa1	2021	16.1	Moody's rating B3	2019-2021	24.0
Total financial assets			$ 70.0			$ 74.9

Credit Losses

For contract assets, trade receivables, loans receivables, and other, we have elected to calculate an expected credit loss based on loss rates from historical data. We develop loss-rate statistics on the basis of the amount written-off over the life of the financial assets and contract assets and adjust these historical credit loss trends for forward-looking factors specific to the debtors and the economic environment to determine lifetime expected losses.

For held-to-maturity debt securities at amortized cost, we evaluate whether the debt securities are considered to have low credit risk at the reporting date using available and supportable information.

The table below shows the roll-forward of allowance for credit losses as of September 30, 2022 and 2021, respectively.

	Balance as of September 30, 2022			
(In millions)	**Trade receivables**	**Contract assets**	**Loans receivable and other**	**Held-to-maturity debt securities**
Allowance for credit losses at December 31, 2021	$ 38.1	$ 1.1	$ 0.6	$ 2.7
Current period provision (release) for expected credit losses	—	0.1	(0.1)	(1.5)
Recoveries	(2.2)	—	—	—
Allowance for credit losses at September 30, 2022	$ 35.9	$ 1.2	$ 0.5	$ 1.2

	Balance as of September 30, 2021			
(In millions)	**Trade receivables**	**Contract assets**	**Loans receivable and other**	**Held-to-maturity debt securities**
Allowance for credit losses at December 31, 2020	$ 40.2	$ 2.4	$ 7.9	$ 0.5
Current period provision (release) for expected credit losses	(0.7)	(0.5)	(0.2)	2.2
Recoveries	(1.2)	(0.7)	—	—
Allowance for credit losses at September 30, 2021	$ 38.3	$ 1.2	$ 7.7	$ 2.7

Certain trade receivables are due in one year or less. We do not have any financial assets that are past due or are on non-accrual status.

NOTE 8. INVENTORIES

Inventories consisted of the following:

(In millions)	September 30, 2022	December 31, 2021
Raw materials	$ 299.8	$ 250.1
Work in process	158.2	178.7
Finished goods	573.6	603.1
Inventories, net	$ 1,031.6	$ 1,031.9

NOTE 9. OTHER CURRENT ASSETS & OTHER CURRENT LIABILITIES

Other current assets consisted of the following:

(In millions)	September 30, 2022	December 31, 2021
Value-added tax receivables	$ 212.5	$ 222.4
Withholding tax and other receivables	137.8	176.7
Prepaid expenses	80.8	50.7
Assets held for sale	18.3	5.0
Held-to-maturity investments	13.8	8.8
Current financial assets at amortized cost	12.9	21.9
Other	29.8	26.8
Total other current assets	$ 505.9	$ 512.3

Other current liabilities consisted of the following:

(In millions)	September 30, 2022	December 31, 2021
Legal provisions	$ 106.8	$ 121.7
Warranty accruals and project contingencies	103.4	119.5
Value-added tax and other taxes payable	63.6	71.0
Social security liability	50.8	70.4
Compensation accrual	47.1	85.7
Provisions	11.3	23.6
Current portion of accrued pension and other post-retirement benefits	3.3	5.2
Other accrued liabilities	147.8	163.3
Total other current liabilities	$ 534.1	$ 660.4

NOTE 10. INVESTMENTS

Our income from equity affiliates is included in our Subsea segment. During the three and nine months ended September 30, 2022, our income from equity affiliates was $13.8 million and $23.5 million, respectively. Our loss from equity affiliates during the three and nine months ended September 30, 2021 was $30.0 million and $9.5 million, respectively.

During the first quarter of 2022, we entered into Magnora Offshore Wind AS, a partnership with Magnora ASA, in order to develop floating offshore wind projects. As of September 30, 2022, the equity method investment balance was $2.7 million and represented approximately 20% ownership.

Investment in Technip Energies

There was no gain or loss recognized for the three months ended September 30, 2022 as we fully divested our remaining ownership in Technip Energies prior to June 30, 2022. For the nine months ended September 30, 2022, we recognized a $27.7 million loss related to our investment in Technip Energies. The amount recognized includes purchase price discounts on the sales of shares and fair value revaluation gains (losses) of our investment.

For the three and nine months ended September 30, 2021, we recognized $28.5 million and $351.8 million of income, respectively, related to our investment in Technip Energies. The amounts recognized include purchase price discounts on the sales of shares and fair value revaluation gains (losses) of our investment.

NOTE 11. RELATED PARTY TRANSACTIONS

Receivables, payables, revenues and expenses, which are included in our condensed consolidated financial statements for all transactions with related parties, defined as entities related to our directors and main shareholders as well as the partners of our consolidated joint ventures, were as follows.

Accounts receivable consisted of receivables due from the following related parties:

(In millions)	September 30, 2022	December 31, 2021
Dofcon Navegacao	$ 10.4	$ 22.7
Techdof Brasil AS	5.3	4.5
Others	0.7	2.5
Total accounts receivable	$ 16.4	$ 29.7

Dofcon Navegacao and Techdof Brasil AS are our equity method investments. Additionally, we have a note receivable of $0 and $12.6 million with Dofcon Brasil AS as of September 30, 2022 and December 31, 2021, respectively. These are included in other assets in our condensed consolidated balance sheets.

As of September 30, 2022 and December 31, 2021, we did not have significant accounts payable outstanding with our related parties.

Revenue consisted of amounts from following related parties:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2022	2021	2022	2021
Dofcon Navegacao	$ 1.6	$ 0.1	$ 7.0	$ 1.3
Techdof Brasil AS	1.8	3.6	1.8	12.5
Others	1.8	3.5	4.8	7.8
Total revenue	$ 5.2	$ 7.2	$ 13.6	$ 21.6

Expenses consisted of amounts to the following related parties:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2022	2021	2022	2021
Dofcon Navegacao	$ 6.3	$ 8.3	$ 12.4	$ 21.3
Jumbo Shipping	3.5	—	11.8	—
Others	4.4	24.2	14.2	39.3
Total expenses	$ 14.2	$ 32.5	$ 38.4	$ 60.6

A member of our Board of Directors serves on the Board of Directors for Jumbo Shipping.

NOTE 12. DEBT

Overview

Long-term debt consisted of the following:

(In millions)	September 30, 2022	December 31, 2021
Revolving credit facility	$ 150.0	$ —
3.40% 2012 Private placement notes due 2022	—	169.9
3.15% 2013 Private placement notes due 2023	248.5	288.8
5.75% 2020 Private placement notes due 2025	194.9	226.5
6.50% Senior notes due 2026	202.9	633.1
4.00% 2012 Private placement notes due 2027	73.1	84.9
4.00% 2012 Private placement notes due 2032	97.5	113.3
3.75% 2013 Private placement notes due 2033	97.5	113.3
Bank borrowings and other	312.8	397.4
Unamortized debt issuance costs and discounts	(10.4)	(22.3)
Total debt	1,366.8	2,004.9
Less: current borrowings	231.9	277.6
Long-term debt	$ 1,134.9	$ 1,727.3

Credit Facilities and Debt

Revolving Credit Facility - On February 16, 2021, we entered into a credit agreement, which provides for a $1.0 billion three-year senior secured multi-currency Revolving Credit Facility, including a $450.0 million letter of credit sub-facility. We incurred $34.8 million of debt issuance costs in connection with the Revolving Credit Facility. These debt issuance costs are deferred and are included in other assets in our condensed consolidated balance sheets. The deferred debt issuance costs are amortized to interest expense over the term of the Revolving Credit Facility.

Availability of borrowings under the Revolving Credit Facility is reduced by the outstanding letters of credit issued against the facility. As of September 30, 2022, there were $150.0 million of borrowings and $45.4 million of letters of credit outstanding, and our availability under the Revolving Credit Facility was $804.6 million.

Borrowings under the Revolving Credit Facility bear interest at the following rates, plus an applicable margin, depending on currency:

- U.S. dollar-denominated loans bear interest, at the Company’s option, at a base rate or an adjusted rate linked to the London interbank offered rate; and
- Euro-denominated loans bear interest on an adjusted rate linked to the Euro interbank offered rate.

The applicable margin for borrowings under the Revolving Credit Facility ranges from 2.50% to 3.50% for Eurocurrency loans and 1.50% to 2.50% for base rate loans, depending on a total leverage ratio. The Revolving Credit Facility is subject to customary representations and warranties, covenants, events of default, mandatory repayment provisions and financial covenants.

2021 Notes - On January 29, 2021, we issued $1.0 billion of 6.50% senior notes due 2026 (the “2021 Notes”). The interest on the 2021 Notes is paid semi-annually on February 1 and August 1 of each year, beginning on August 1, 2021. The 2021 Notes are senior unsecured obligations and are guaranteed on a senior unsecured basis by substantially all of our wholly owned U.S. subsidiaries and non-U.S. subsidiaries in Brazil, the Netherlands, Norway, Singapore and the United Kingdom. We incurred $25.7 million of debt issuance costs in connection with issuance of the 2021 Notes. These debt issuance costs are deferred and are included in long-term debt in our condensed consolidated balance sheets. The deferred debt issuance costs are amortized to interest expense over the term of the 2021 Notes, which approximates the effective interest method.

During the nine months ended September 30, 2022, we completed a tender offer and purchased for cash $430.2 million of the outstanding 2021 Notes. We paid a cash premium of $21.5 million to the tendering note holders and wrote-off $8.3 million of debt issuance costs. Concurrent with the tender offer, the Company obtained consents of holders with respect to the 2021 Notes to certain proposed amendments (“Proposed Amendments”) to the indenture governing these notes. The Proposed Amendments, among other things, eliminated substantially all of the restrictive covenants and certain event of default triggers in the indenture.

As of September 30, 2022, we were in compliance with all debt covenants.

Bank borrowings - Include term loans issued in connection with financing for certain of our vessels and amounts outstanding under our foreign committed credit lines.

Foreign committed credit - We have committed credit lines at many of our international subsidiaries for immaterial amounts. We utilize these facilities for asset financing and to provide a more efficient daily source of liquidity. The effective interest rates depend upon the local national market.

NOTE 13. STOCKHOLDERS’ EQUITY

In July 2022, the Board of Directors authorized the repurchase of up to $400.0 million of our outstanding ordinary shares under our share repurchase program. Pursuant to this share repurchase program, we repurchased $50.1 million of ordinary shares during the three months ended September 30, 2022. Based upon the remaining repurchase authority of $349.9 million and the closing stock price as of September 30, 2022, approximately 41.4 million ordinary shares could be subject to repurchase. All share repurchases were immediately cancelled.

Accumulated other comprehensive income (loss) consisted of the following:

(In millions)	Foreign Currency Translation	Hedging	Defined Pension and Other Post-Retirement Benefits	Accumulated Other Comprehensive Loss Attributable to TechnipFMC plc	Accumulated Other Comprehensive Loss Attributable to Non-Controlling Interest
June 30, 2022	$ (1,158.3)	$ (64.1)	$ (124.6)	$ (1,347.0)	$ (10.1)
Other comprehensive income (loss) before reclassifications, net of tax	(97.2)	(33.4)	(1.5)	(132.1)	(2.8)
Reclassification adjustment for net losses included in net income, net of tax	—	6.7	3.0	9.7	—
Other comprehensive income (loss), net of tax	(97.2)	(26.7)	1.5	(122.4)	(2.8)
September 30, 2022	$ (1,255.5)	$ (90.8)	$ (123.1)	$ (1,469.4)	$ (12.9)

(In millions)	Foreign Currency Translation	Hedging	Defined Pension and Other Post-Retirement Benefits	Accumulated Other Comprehensive Loss Attributable to TechnipFMC plc	Accumulated Other Comprehensive Loss Attributable to Non-Controlling Interest
December 31, 2021	$ (1,158.4)	$ (17.3)	$ (129.3)	$ (1,305.0)	$ (5.7)
Other comprehensive loss before reclassifications, net of tax	(97.1)	(92.0)	(3.0)	(192.1)	(7.2)
Reclassification adjustment for net losses included in net income (loss), net of tax	—	18.5	9.2	27.7	—
Other comprehensive income (loss), net of tax	(97.1)	(73.5)	6.2	(164.4)	(7.2)
September 30, 2022	$ (1,255.5)	$ (90.8)	$ (123.1)	$ (1,469.4)	$ (12.9)

Reclassifications out of accumulated other comprehensive income (loss) consisted of the following:

(In millions)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021	
Details about Accumulated Other Comprehensive Income (loss) Components	**Amount Reclassified out of Accumulated Other Comprehensive Loss**				**Affected Line Item in the Condensed Consolidated Statements of Income**
Gains (losses) on hedging instruments					
Foreign exchange contracts	$ (1.4)	$ (1.6)	$ (1.9)	$ (27.6)	Revenue
	(5.6)	0.7	(12.6)	12.2	Cost of sales
	—	(0.1)	(0.3)	0.1	Selling, general and administrative expense
	(2.2)	(0.7)	(11.1)	6.2	Other income (expense), net
	(9.2)	(1.7)	(25.9)	(9.1)	Income (loss) before income taxes
	(2.5)	(0.4)	(7.4)	(5.8)	Provision for income taxes
	$ (6.7)	$ (1.3)	$ (18.5)	$ (3.3)	Net income (loss)
Pension and other post-retirement benefits					
Amortization of prior service credit (cost)	$ (0.1)	$ (0.1)	$ (0.3)	$ (0.4)	Other income (expense), net (a)
Amortization of net actuarial loss	(5.8)	(6.8)	(14.9)	(19.8)	Other income (expense), net (a)
	(5.9)	(6.9)	(15.2)	(20.2)	Income (loss) before income taxes
	(2.9)	(2.1)	(6.0)	(5.5)	Provision for income taxes
	$ (3.0)	$ (4.8)	$ (9.2)	$ (14.7)	Net income (loss)

(a) These accumulated other comprehensive income components are included in the computation of net periodic pension cost.

NOTE 14. SHARE-BASED COMPENSATION

Under the Amended and Restated TechnipFMC plc Incentive Award Plan (the “2017 Plan”), we were able to grant certain incentives and awards to our officers, employees, non-employee directors and consultants of the Company and its subsidiaries. Awards included share options, share appreciation rights, performance stock units, restricted stock units, restricted shares or other awards authorized under the 2017 Plan. On April 28, 2022, we adopted the TechnipFMC plc 2022 Incentive Award Plan (the “Plan”), which replaces the 2017 Plan. Under the Plan, 8.9 million ordinary shares were authorized for awards, and the remaining available shares from the 2017 Plan were added to the authorized amount under the Plan.

We recognize compensation expense and the corresponding tax benefits for awards under incentive award plans. Share-based compensation expense for non-vested share options, performance-based shares and restricted stock units was $9.9 million and $7.7 million for the three months ended September 30, 2022 and 2021, respectively, and $28.9 million and $18.4 million for the nine months ended September 30, 2022 and 2021, respectively.

NOTE 15. IMPAIRMENT, RESTRUCTURING AND OTHER EXPENSES

Impairment, restructuring and other expenses were as follows:

(In millions)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Subsea	$ 3.3	$ 6.9	$ 2.5	27.6
Surface Technologies	3.6	—	9.6	3.8
Corporate and other	—	0.4	3.0	3.4
Total impairment, restructuring and other expenses	$ 6.9	$ 7.3	$ 15.1	$ 34.8

During the nine months ended September 30, 2022, we recorded $15.1 million of impairment and restructuring expenses, primarily related to exiting our operations in Russia and Canada. During the nine months ended September 30, 2021, we recorded $19.6 million of impairment expenses, primarily relating to our operating lease right-of-use assets as a result of certain real estate rationalization actions.

Restructuring and Other Expenses

Restructuring and other charges primarily consisted of severance, facilities restructuring and other employee related costs across all segments and were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2022**	**2021**	**2022**	**2021**
Subsea	$ 1.4	$ 5.6	$ 0.6	10.0
Surface Technologies	1.9	—	6.8	3.5
Corporate and other	—	0.4	3.0	0.4
Total restructuring and other expenses	$ 3.3	$ 6.0	$ 10.4	$ 13.9

NOTE 16. COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities associated with guarantees - In the ordinary course of business, we enter into standby letters of credit, performance bonds, surety bonds and other guarantees with financial institutions for the benefit of our customers, vendors and other parties. The majority of these financial instruments expire within five years. Management does not expect any of these financial instruments to result in losses that, if incurred, would have a material adverse effect on our condensed consolidated financial position, results of operations or cash flows.

Guarantees consisted of the following:

(In millions)	**September 30, 2022**	**December 31, 2021**
Financial guarantees [a]	$ 203.4	$ 177.4
Performance guarantees [b]	1,423.1	1,069.0
Maximum potential undiscounted payments	$ 1,626.5	$ 1,246.4

(a) Financial guarantees represent contracts that contingently require a guarantor to make payments to a guaranteed party based on changes in an underlying agreement that is related to an asset, a liability or an equity security of the guaranteed party. These tend to be drawn down only if there is a failure to fulfill our financial obligations.

(b) Performance guarantees represent contracts that contingently require a guarantor to make payments to a guaranteed party based on another entity's failure to perform under a non-financial obligating agreement. Events that trigger payment are performance-related, such as failure to ship a product or provide a service.

We believe the ultimate resolution of our known contingencies will not materially adversely affect our consolidated financial position, results of operations, or cash flows.

Contingent liabilities associated with legal and tax matters - We are involved in various pending or potential legal and tax actions or disputes in the ordinary course of our business. These actions and disputes can involve our agents, suppliers, clients and venture partners, and can include claims related to payment of fees, service quality and ownership arrangements. We are unable to predict the ultimate outcome of these actions because of their inherent uncertainty. However, we believe that the most probable, ultimate resolution of these matters will not have a material adverse effect on our consolidated financial position, results of operations or cash flows.

On March 28, 2016, FMC Technologies received an inquiry from the U.S. Department of Justice (“DOJ”) related to the DOJ's investigation of whether certain services Unaoil S.A.M. provided to its clients, including FMC Technologies, violated the U.S. Foreign Corrupt Practices Act (“FCPA”). On March 29, 2016, Technip S.A. also received an inquiry from the DOJ related to Unaoil. We cooperated with the DOJ's investigations and, with regard to FMC Technologies, a related investigation by the SEC.

In late 2016, Technip S.A. was contacted by the DOJ regarding its investigation of offshore platform projects awarded between 2003 and 2007, performed in Brazil by a joint venture company in which Technip S.A. was a minority participant, and we have also raised with the DOJ certain other projects performed by Technip S.A. subsidiaries in Brazil between 2002 and 2013. The DOJ has also inquired about projects in Ghana and Equatorial Guinea that were awarded to Technip S.A. subsidiaries in 2008 and 2009, respectively. We cooperated with the DOJ in its investigation into potential violations of the FCPA in connection with these projects. We contacted and cooperated with the Brazilian authorities (Federal Prosecution Service (“MPF”), the Comptroller General of Brazil (“CGU”) and the Attorney General of Brazil (“AGU”)) with their investigation concerning the projects in Brazil and have also contacted and are cooperating with French authorities (the Parquet National Financier (“PNF”)) with their investigation about these existing matters.

On June 25, 2019, we announced a global resolution to pay a total of $301.3 million to the DOJ, the SEC, the MPF and the CGU/AGU to resolve these anti-corruption investigations. We will not be required to have a monitor and will, instead, provide reports on our anti-corruption program to the Brazilian and U.S. authorities for two and three years, respectively.

As part of this resolution, we entered into a three-year Deferred Prosecution Agreement (“DPA”) with the DOJ related to charges of conspiracy to violate the FCPA related to conduct in Brazil and with Unaoil. In addition, Technip USA, Inc., a U.S. subsidiary, pled guilty to one count of conspiracy to violate the FCPA related to conduct in Brazil. We will also provide the DOJ reports on our anti-corruption program during the term of the DPA.

In Brazil, our subsidiaries, Technip Brasil - Engenharia, Instalações E Apoio Marítimo Ltda. and Flexibrás Tubos Flexíveis Ltda., entered into leniency agreements with both the MPF and the CGU/AGU. We have committed, as part of those agreements, to make certain enhancements to their compliance programs in Brazil during a two-year self-reporting period, which aligns with our commitment to cooperation and transparency with the compliance community in Brazil and globally.

In September 2019, the SEC approved our previously disclosed agreement in principle with the SEC Staff and issued an Administrative Order, pursuant to which we paid the SEC $5.1 million, which was included in the global resolution of $301.3 million.

To date, the investigation by PNF related to historical projects in Equatorial Guinea and Ghana has not reached a resolution. We remain committed to finding a resolution with the PNF and will maintain a $70.0 million provision related to this investigation. Additionally, the PNF recently informed us that it is reviewing historical projects in Angola. We are not aware of any evidence that would support a finding of liability with respect to these projects, or whether the PNF would seek any additional penalty. As we continue our discussions with PNF towards a potential resolution of all of these matters, the amount of a settlement could exceed this provision.

There is no certainty that a settlement with PNF will be reached or that the settlement will not exceed current accruals. The PNF has a broad range of potential sanctions under anti-corruption laws and regulations that it may seek to impose in appropriate circumstances including, but not limited to, fines, penalties, confiscations and modifications to business practices and compliance programs. Any of these measures, if applicable to us, as well as potential customer reaction to such measures, could have a material adverse impact on our business, results of operations and financial condition. If we cannot reach a resolution with the PNF, we could be subject to criminal proceedings in France, the outcome of which cannot be predicted.

Contingent liabilities associated with liquidated damages - Some of our contracts contain provisions that require us to pay liquidated damages if we are responsible for the failure to meet specified contractual milestone dates and the applicable customer asserts a conforming claim under these provisions. These contracts define the conditions under which our customers may make claims against us for liquidated damages. Based upon the evaluation of our performance and other commercial and legal analysis, management believes we have appropriately recognized probable liquidated damages at September 30, 2022 and December 31, 2021, and that the ultimate resolution of such matters will not materially affect our consolidated financial position, results of operations or cash flows.

NOTE 17. INCOME TAXES

Our provision for income taxes for the three months ended September 30, 2022 and 2021 reflected effective tax rates of 80.0% and (46.1)%, respectively. The year-over-year increase in the effective tax rate was primarily due to the change in geographical profit mix year over year.

Our provision for income taxes for the nine months ended September 30, 2022 and 2021 reflected effective tax rates of 121.0% and 24.5%, respectively. The year-over-year increase in the effective tax rate was primarily due to the change in geographical profit mix year over year.

Our effective tax rate can fluctuate depending on our country mix of earnings, since our foreign earnings are generally subject to higher tax rates than in the United Kingdom.

NOTE 18. DERIVATIVE FINANCIAL INSTRUMENTS

For purposes of mitigating the effect of changes in exchange rates, we hold derivative financial instruments to hedge the risks of certain identifiable and anticipated transactions and recorded assets and liabilities in our condensed consolidated balance sheets. The types of risks hedged are those relating to the variability of future earnings and cash flows caused by movements in foreign currency exchange rates. Our policy is to hold derivatives only for the purpose of hedging risks associated with anticipated foreign currency purchases and sales created in the normal course of business, and not for speculative purposes.

Generally, we enter into hedging relationships such that changes in the fair values or cash flows of the transactions being hedged are expected to be offset by corresponding changes in the fair value of the derivatives. For derivative instruments that qualify as a cash flow hedge, the effective portion of the gain or loss of the derivative, which does not include the time value component of a forward currency rate, is reported as a component of other comprehensive income (“OCI”) and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. For derivative instruments not designated as hedging instruments, any change in the fair value of those instruments is reflected in earnings in the period such change occurs.

We hold the following types of derivative instruments:

Foreign exchange rate forward contracts - The purpose of these instruments is to hedge the risk of changes in future cash flows of anticipated purchase or sale commitments denominated in foreign currencies and recorded assets and liabilities in our condensed consolidated balance sheets. As of September 30, 2022, we held the following material net positions:

	Net Notional Amount Bought (Sold)	
(In millions)		**USD Equivalent**
Euro	1,128.0	1,099.3
Norwegian krone	3,239.9	299.3
Australian dollar	284.1	183.7
Singapore dollar	80.3	55.9
Indonesian rupiah	711,216.8	46.7
Canadian dollar	25.9	18.8
Indian rupee	1,312.9	16.1
British pound	(187.8)	(207.4)
Kuwaiti dinar	(4.1)	(13.1)
Malaysian ringgit	(452.6)	(97.6)
Brazilian real	(773.9)	(143.2)
U.S. dollar	(1,522.5)	(1,522.5)

Foreign exchange rate instruments embedded in purchase and sale contracts - The purpose of these instruments is to match offsetting currency payments and receipts for particular projects or comply with government restrictions on the currency used to purchase goods in certain countries. As of September 30, 2022, our portfolio of these instruments included the following material net positions:

	Net Notional Amount Bought (Sold)	
(In millions)		**USD Equivalent**
Brazilian real	115.0	21.3
Norwegian krone	(11.4)	(1.1)
Euro	(2.6)	(2.5)
U.S. dollar	(16.5)	(16.5)

Fair value amounts for all outstanding derivative instruments have been determined using available market information and commonly accepted valuation methodologies. See Note 19 for further details. Accordingly, the estimates presented may not be indicative of the amounts we would realize in a current market exchange and may not be indicative of the gains or losses we may ultimately incur when these contracts are settled.

The following table presents the location and fair value amounts of derivative instruments reported in the condensed consolidated balance sheets:

	September 30, 2022		December 31, 2021	
(In millions)	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Derivatives designated as hedging instruments				
Foreign exchange contracts				
Current - Derivative financial instruments	$ 289.2	$ 436.4	$ 106.4	$ 139.5
Long-term - Derivative financial instruments	13.9	39.5	10.5	15.5
Total derivatives designated as hedging instruments	303.1	475.9	116.9	155.0
Derivatives not designated as hedging instruments				
Foreign exchange contracts				
Current - Derivative financial instruments	16.9	87.5	3.9	21.5
Long-term - Derivative financial instruments	—	6.4	—	—
Total derivatives not designated as hedging instruments	16.9	93.9	3.9	21.5
Total derivatives	$ 320.0	$ 569.8	$ 120.8	$ 176.5

Cash flow hedges of forecasted transactions, net of tax, which qualify for hedge accounting, resulted in accumulated other comprehensive losses of $92.2 million and $18.7 million as of September 30, 2022 and December 31, 2021, respectively. We expect to transfer an approximate $59.5 million loss from accumulated OCI to earnings during the next 12 months when the anticipated transactions actually occur. All anticipated transactions currently being hedged are expected to occur by the first half of 2025.

The following table presents the gains (losses) recognized in other comprehensive income related to derivative instruments designated as cash flow hedges:

	Gain (Loss) Recognized in OCI			
	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2022**	**2021**	**2022**	**2021**
Foreign exchange contracts	$ (43.9)	$ (20.8)	$ (107.6)	$ (41.2)

The following tables represent the effect of cash flow hedge accounting in the condensed consolidated statements of income for the three and nine months ended September 30, 2022 and 2021:

(In millions)	Three Months Ended September 30, 2022				Three Months Ended September 30, 2021			
Total amount of income (expense) presented in the consolidated statements of income associated with hedges and derivatives	**Revenue**	**Cost of sales**	**Selling, general and administrative expense**	**Other income (expense), net**	**Revenue**	**Cost of sales**	**Selling, general and administrative expense**	**Other income (expense), net**
Amounts reclassified from accumulated OCI to income	$ (1.4)	$ (5.6)	$ —	$ (2.2)	$ (1.6)	$ 0.7	$ (0.1)	$ (0.7)
Amounts excluded from effectiveness testing	5.2	(4.8)	(0.1)	(11.7)	(1.0)	(0.3)	—	(1.2)
Total cash flow hedge gain (loss) recognized in income	3.8	(10.4)	(0.1)	(13.9)	(2.6)	0.4	(0.1)	(1.9)
Total hedge gain (loss) recognized in income	$ 3.8	$ (10.4)	$ (0.1)	$ (13.9)	$ (2.6)	$ 0.4	$ (0.1)	$ (1.9)
Gain (loss) recognized in income on derivatives not designated as hedging instruments	0.1	0.6	—	(22.0)	—	(0.1)	—	(25.2)
Total	$ 3.9	$ (9.8)	$ (0.1)	$ (35.9)	$ (2.6)	$ 0.3	$ (0.1)	$ (27.1)

(In millions)	Nine Months Ended September 30, 2022				Nine Months Ended September 30, 2021			
Total amount of income (expense) presented in the consolidated statements of income associated with hedges and derivatives	**Revenue**	**Cost of sales**	**Selling, general and administrative expense**	**Other income (expense), net**	**Revenue**	**Cost of sales**	**Selling, general and administrative expense**	**Other income (expense), net**
Amounts reclassified from accumulated OCI to income (loss)	$ (1.9)	$ (12.6)	$ (0.3)	$ (11.1)	$ (27.6)	$ 12.2	$ 0.1	$ 6.2
Amounts excluded from effectiveness testing	8.2	(8.6)	0.4	(31.3)	(0.8)	(3.0)	—	(3.2)
Total cash flow hedge gain (loss) recognized in income	6.3	(21.2)	0.1	(42.4)	(28.4)	9.2	0.1	3.0
Total hedge gain (loss) recognized in income	6.3	(21.2)	0.1	(42.4)	(28.4)	9.2	0.1	3.0
Gain (loss) recognized in income on derivatives not designated as hedging instruments	—	(0.8)	—	(8.0)	1.4	0.5	—	8.2
Total	$ 6.3	$ (22.0)	$ 0.1	$ (50.4)	$ (27.0)	$ 9.7	$ 0.1	$ 11.2

Balance Sheet Offsetting - We execute derivative contracts with counterparties that consent to a master netting agreement, which permits net settlement of the gross derivative assets against gross derivative liabilities. Each instrument is accounted for individually and assets and liabilities are not offset. As of September 30, 2022 and December 31, 2021, we had no collateralized derivative contracts. The following tables present both gross information and net information of recognized derivative instruments:

	September 30, 2022			December 31, 2021		
(In millions)	**Gross Amount Recognized**	**Gross Amounts Not Offset, Permitted Under Master Netting Agreements**	**Net Amount**	**Gross Amount Recognized**	**Gross Amounts Not Offset, Permitted Under Master Netting Agreements**	**Net Amount**
Derivative assets	$ 320.0	$ (200.2)	$ 119.8	$ 120.8	$ (78.6)	$ 42.2
Derivative liabilities	$ 569.8	$ (200.2)	$ 369.6	$ 176.5	$ (78.6)	$ 97.9

NOTE 19. FAIR VALUE MEASUREMENTS

Assets and liabilities measured at fair value on a recurring basis were as follows:

	September 30, 2022				December 31, 2021			
(In millions)	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**
Assets								
Investments								
Investment in Technip Energies	$ —	$ —	$ —	$ —	$ 317.3	$ 317.3	$ —	$ —
Equity securities	18.7	18.7	—	—	25.0	25.0	—	—
Money market and stable value funds	1.7	—	1.5	—	2.7	—	2.4	—
Held-to-maturity debt securities	15.0	—	15.0	—	24.0	—	24.0	—
Derivative financial instruments								
Foreign exchange contracts	320.0	—	320.0	—	120.8	—	120.8	—
Total assets	$ 355.4	$ 18.7	$ 336.5	$ —	$ 489.8	$ 342.3	$ 147.2	$ —
Liabilities								
Derivative financial instruments								
Foreign exchange contracts	569.8	—	569.8	—	176.5	—	176.5	—
Total liabilities	$ 569.8	$ —	$ 569.8	$ —	$ 176.5	$ —	$ 176.5	$ —

Investment in Technip Energies - The fair value of our investment in Technip Energies was based on quoted prices that we had the ability to access in public markets. As of September 30, 2022, we fully divested our remaining ownership in Technip Energies. See Note 10 for further details.

Equity securities - The fair value measurement of our traded securities is based on quoted prices that we have the ability to access in public markets.

Money market and stable value funds - These funds are valued at the net asset value of the shares held at the end of the quarter, which is based on the fair value of the underlying investments using information reported by our investment advisor at quarter-end. These funds include fixed income and other investments measured at fair value. Certain investments that are measured at fair value using net asset value per share (or its equivalent) have not been classified in the fair value hierarchy.

Held-to-maturity debt securities - Held-to-maturity debt securities consist of government bonds. These investments are stated at amortized cost, which approximates fair value.

Derivative financial instruments - We use the income approach as the valuation technique to measure the fair value of foreign currency derivative instruments on a recurring basis. This approach calculates the present value of the future cash flow by measuring the change from the derivative contract rate and the published market indicative currency rate, multiplied by the contract notional values. Credit risk is then incorporated by reducing the derivative’s fair value in asset positions by the result of multiplying the present value of the portfolio by the counterparty’s published credit spread. Portfolios in a liability position are adjusted by the same calculation; however, a spread representing our credit spread is used. Our credit spread, and the credit spread of other counterparties not publicly available, are approximated by using the spread of similar companies in the same industry, of similar size and with the same credit rating.

We currently have no credit-risk-related contingent features in our agreements with the financial institutions that would require us to post collateral for derivative positions in a liability position. See Note 18 for further details.

Nonrecurring Fair Value Measurements

Fair value of long-lived, non-financial assets - Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that carrying amounts of such assets may not be recoverable.

The following summarizes impairments of our long-lived assets and related post-impairment fair value for the nine months ended September 30, 2021:

	Nine Months Ended September 30, 2021	
(In millions)	Impairment	Fair Value
Long-lived assets[a]	$ 20.9	$ 31.6

(a) Measuring these asset groups for recoverability required the use of unobservable inputs that require significant judgment. Such judgments include expected future asset utilization in response to market conditions.

Other fair value disclosures

The carrying amounts of cash and cash equivalents, trade receivables, accounts payable, short-term debt, debt associated with our bank borrowings, credit facilities, as well as amounts included in other current assets and other current liabilities that meet the definition of financial instruments, approximate fair value.

Fair value of debt - We use a market approach to determine the fair value of our fixed-rate debt using observable market data, which results in a Level 2 fair value measurement. The estimated fair value of our private placement notes, revolving credit facility and senior notes was $1,019.8 million and $1,706.1 million as of September 30, 2022 and December 31, 2021, respectively.

Credit risk - By their nature, financial instruments involve risk, including credit risk, for non-performance by counterparties. Financial instruments that potentially subject us to credit risk primarily consist of trade receivables and derivative contracts. We manage the credit risk on financial instruments by transacting only with what management believes are financially secure counterparties, requiring credit approvals and credit limits and monitoring counterparties’ financial condition. Our maximum exposure to credit loss in the event of non-performance by the counterparty is limited to the amount drawn and outstanding on the financial instrument. Allowances for losses on trade receivables are established based on collectability assessments. We mitigate credit risk on derivative contracts by executing contracts only with counterparties that consent to a master netting agreement, which permits the net settlement of gross derivative assets against gross derivative liabilities.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

BUSINESS OUTLOOK

Overall Outlook – The growth in global energy demand has been driven by increased economic activity. Oil prices have been further supported by the industry’s more disciplined capital spend, particularly for OPEC+ countries which appear to be focused on realizing a price that supports both economic growth and continued energy investment.

The shift from the pandemic-led contraction to economic growth has resulted in high inflation and logistical bottlenecks. The energy transition and the Russian invasion of Ukraine have further exacerbated these trends, with the invasion disrupting access to several key commodities and supply routes. With long-term demand for energy forecast to increase, the conflict has highlighted the need for greater energy security for countries across the globe.

We have entered a multi-year upcycle for energy demand. We believe that investments in new sources of oil and natural gas production will increase over the intermediate-term, resulting in strong inbound orders for our Company through at least 2025. We are confident that these conventional resources will remain an important part of the energy mix for an extended period of time.

We are also committed to the energy transition, where we believe that offshore will play a meaningful role in the transition to renewable energy resources and reduction of carbon emissions. We are making real progress through our three main pillars of greenhouse gas removal, offshore floating renewables and hydrogen.

We have been successful in building on our partnerships and alliances to further position ourselves as the leading offshore energy architect.

- During the first quarter, we signed the Option to Lease Agreement for the ScotWind N3 area through our partnership in offshore renewables, Magnora Offshore Wind. The proposed development project will install 33 floating wind turbines with total capacity of approximately 500 megawatts – which could power more than 600,000 homes in the United Kingdom. We also signed an agreement with Shell to explore synergies with a shared goal of enabling offshore renewable energy generation and reducing total CO_2 emissions – another example of how our long-standing partnerships extend to all areas of our business.

- In July, Orbital Marine Power, which is collaborating with TechnipFMC to accelerate the global commercialization of its tidal stream turbine, was awarded two contracts for difference in the UK Allocation Round 4 multi-turbine projects in Eday, Orkney. Capable of delivering 7.2MW of predictable clean energy to the grid once completed, these Orbital tidal stream energy projects will support the UK’s security of supply, energy transition and broader climate change objectives.

Subsea – Innovative approaches to subsea projects, like our iEPCI solution, have improved project economics, and many offshore discoveries can be developed economically well below today’s crude oil prices. We believe deepwater development is likely to remain a significant part of many of our customers’ portfolios.

We have experienced renewed operator confidence in advancing subsea activity as a result of the robust economic outlook, improved project economics and more recent concerns regarding the security of energy supply. With crude above $90 per barrel, the opportunity set of large subsea projects to be sanctioned over the next 24 months has expanded, driven in part by new greenfield opportunities in Brazil and Guyana. We also expect increased tie-back activity, with growth from these smaller projects to come primarily from the North Sea, Gulf of Mexico and West Africa – all regions in which we have a strong presence and are well-positioned due to our extensive installed base.

For the current year, our early engagement and client partnerships support our view that subsea tree awards for the total industry are likely to exceed 350 – a level not seen since 2013. We experienced continued strength in Subsea inbound in the first nine months of the year, with orders growing to $5.2 billion, a book-to-bill of 1.3. Our Subsea Opportunities list remains at a record level. This strong project pipeline and the active dialogue with our large and expanded customer base gives us continued confidence that our full-year Subsea inbound will be up as much as 40 percent versus the prior year, with orders approaching $7.0 billion in 2022. Extending the outlook into 2023, we believe orders over the next five quarters will be at least $9.0 billion.

As the subsea industry continues to evolve, we are driving simplification, standardization, and industrialization to reduce cycle times. The industrialization of our project business through the introduction of configure-to-order (CTO) is another way in which we are driving real change in our industry that further improves the economics of our customer’s projects while driving greater efficiencies for TechnipFMC.

With CTO, we have designed an environment, process, culture and tools which are scalable and, more importantly, are transformational to the future of our company. Our customers require a product platform that provides them with choices which meet their unique and evolving needs, but also provides them with the significant speed, cost and efficiency benefits that come with product and process standardization. CTO has allowed us to redefine our sourcing strategy and transform our manufacturing flow, resulting in up to 25 percent lower product cost and a shortened 12 month delivery time for subsea production equipment – savings that are both real and sustainable. This has paved the way for other products to adopt a similar operating model, enabling an enterprise-wide way of working.

Since 2015, offshore economics have materially improved, and subsea cycle times have become significantly shorter. This has resulted in new subsea investments coming much earlier in the cycle and more in parallel with the short cycle U.S. land market. We believe these changes are fundamental and sustainable as a result of new business models and technology pioneered by our company.

Surface Technologies – Our performance is typically driven by variations in global drilling activity, creating a dynamic environment. Operating results can be further impacted by stimulation activity and the completions intensity of shale applications in North America.

Activity in North America is expected to increase in 2022, driven by higher drilling and completion activity and an improved pricing environment. Our completions-related revenue continues to benefit from the successful adoption of iComplete – our fully integrated, digitally enabled pressure control system. We also recently introduced our E-Mission solution for onshore production facilities. This digital offering uses proprietary process automation to provide the industry’s only real-time monitoring and control system that both reduces methane flaring by up to 50 percent and maximizes oil production.

International markets will continue to represent a significant portion of total segment revenue in 2022. Our unique capabilities in these markets, which demand higher specification equipment, global services and local content, provide a platform for us to extend our leadership positions.

The Middle East remains one of our largest market opportunities in the current decade. In December 2021, Surface Technologies’ received a multi-year contract from Abu Dhabi National Oil Company - its largest ever award - to provide wellheads, trees and associated services. We have also added new manufacturing capabilities in Saudi Arabia where the country is expected to increase its sustainable oil capacity and significantly increase its production of natural gas over the next decade.

CONSOLIDATED RESULTS OF OPERATIONS OF TECHNIPFMC PLC
THREE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021

	Three Months Ended September 30,		Change	
(In millions, except %)	**2022**	**2021**	**$**	**%**
Revenue	$ 1,733.0	$ 1,579.4	$ 153.6	9.7
Costs and expenses				
Cost of sales	1,474.4	1,364.0	110.4	8.1
Selling, general and administrative expense	151.9	153.4	(1.5)	(1.0)
Research and development expense	19.0	18.7	0.3	1.6
Impairment, restructuring and other expenses (Note 15)	6.9	7.3	(0.4)	(5.5)
Total costs and expenses	1,652.2	1,543.4	108.8	7.0
Other expense, net	(10.3)	(5.9)	(4.4)	(74.6)
Income (loss) from equity affiliates (Note 10)	13.8	(30.0)	43.8	146.0
Income from investment in Technip Energies (Note 10)	—	28.5	(28.5)	(100.0)
Loss on early extinguishment of debt	—	(16.0)	16.0	(100.0)
Net interest expense	(30.9)	(39.3)	8.4	21.4
Income (loss) before income taxes	53.4	(26.7)	80.1	300.0
Provision for income taxes (Note 17)	42.7	12.3	30.4	247.2
Income (loss) from continuing operations	10.7	(39.0)	49.7	127.4
Net (income) from continuing operations attributable to non-controlling interests	(5.7)	(1.6)	(4.1)	(256.3)
Income (loss) from continuing operations attributable to TechnipFMC plc	5.0	(40.6)	45.6	112.3
Income (loss) from discontinued operations	(15.3)	8.4	(23.7)	(282.1)
Net Income (loss) attributable to TechnipFMC plc	$ (10.3)	$ (32.2)	$ 21.9	68.0

Revenue

Revenue increased $153.6 million during the three months ended September 30, 2022, compared to the same period in 2021. Subsea revenue increased year-over-year, primarily driven by an increase in installation and services activity. Surface Technologies revenue increased, primarily as a result of the increase in operator activity in North America.

Gross Profit

Gross profit (revenue less cost of sales), as a percentage of sales, increased to 14.9% during the three months ended September 30, 2022, compared to 13.6% in the prior-year period. Subsea gross profit increased year over year due to improved margins in backlog and an increase in installation and services activity. Surface Technologies gross profit increased year-over-year, primarily due to an increase in operator activity in North America.

Selling, General and Administrative Expense

Selling, general and administrative expense decreased $1.5 million year-over-year, primarily driven by a decrease in costs associated with our support functions.

Impairment, Restructuring and Other Expenses

We incurred $6.9 million of impairment, restructuring and other expenses during the three months ended September 30, 2022, primarily related to exiting our operations in Canada compared, to $7.3 million during the three months ended September 30, 2021. See Note 15 for further details.

Other Income (Expense), Net

Other income (expense), net, primarily reflects foreign currency gains and losses, including gains and losses associated with the remeasurement of net cash positions, gains and losses on sales of property, plant and equipment and non-operating gains and losses. For the three months ended September 30, 2022, we recognized $10.3 million of other expense, net, which primarily included $14.5 million of net foreign exchange losses. For the three months ended September 30, 2021, we recognized $5.9 million of other expense, net, which primarily included $6.2 million of net foreign exchange losses. The change in foreign exchange gains and losses is primarily due to foreign exchange gains and losses from currencies that we cannot hedge.

Income (Loss) from Equity Affiliates

For the three months ended September 30, 2022 and 2021, we recorded an income of $13.8 million and a loss of $30.0 million, respectively, from equity method affiliates. During the three months ended September 30, 2021, we recorded a $36.7 million impairment of our Magma Global equity method investment.

Income from Investment in Technip Energies

During the three months ended September 30, 2021, we recorded $28.5 million of income as a result of our investment in Technip Energies. The amounts recognized primarily reflect fair value revaluation gains (losses) of our investment. See Note 10 for further details.

Loss on Early Extinguishment of Debt

For the three months ended September 30, 2021, we recognized a $16.0 million loss on early extinguishment of debt, which related to premium paid and write-off of debt issuance costs in connection with the repurchase of the 2021 Notes.

Net Interest Expense

Net interest expense of $30.9 million decreased by $8.4 million in the three months ended September 30, 2022, compared to the same period in 2021, primarily due to the reduction in outstanding debt.

Provision for Income Taxes

Our provision for income taxes for the three months ended September 30, 2022 and 2021 reflected effective tax rates of 80.0% and (46.1)%, respectively. The year-over-year increase in the effective tax rate was primarily due to the change in geographical profit mix year over year.

Our effective tax rate can fluctuate depending on our country mix of earnings, since our foreign earnings are generally subject to higher tax rates than those of the United Kingdom.

Discontinued Operations

Income (loss) from discontinued operations, net of income taxes, was a loss of $15.3 million and income of $8.4 million for the three months ended September 30, 2022 and 2021, respectively.

CONSOLIDATED RESULTS OF OPERATIONS OF TECHNIPFMC PLC
NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021

	Nine Months Ended September 30,		Change	
(In millions, except %)	**2022**	**2021**	**$**	**%**
Revenue	$ 5,006.0	$ 4,880.2	$ 125.8	2.6
Costs and expenses				
Cost of sales	4,323.0	4,247.7	75.3	1.8
Selling, general and administrative expense	454.6	473.6	(19.0)	(4.0)
Research and development expense	45.1	54.4	(9.3)	(17.1)
Impairment, restructuring and other expenses (Note 15)	15.1	34.8	(19.7)	(56.6)
Total costs and expenses	4,837.8	4,810.5	27.3	0.6
Other income, net	33.5	28.7	4.8	16.7
Income (loss) from equity affiliates (Note 10)	23.5	(9.5)	33.0	347.4
Income (loss) from investment in Technip Energies (Note 10)	(27.7)	351.8	(379.5)	(107.9)
Loss on early extinguishment of debt	(29.8)	(39.5)	9.7	24.6
Net interest expense	(92.5)	(109.0)	16.5	15.1
Income before income taxes	75.2	292.2	(217.0)	(74.3)
Provision for income taxes (Note 17)	91.0	71.7	19.3	26.9
Income (loss) from continuing operations	(15.8)	220.5	(236.3)	(107.2)
Net (income) from continuing operations attributable to non-controlling interests	(19.4)	(5.5)	(13.9)	(252.7)
Income (loss) from continuing operations attributable to TechnipFMC plc	(35.2)	215.0	(250.2)	(116.4)
Loss from discontinued operations	(34.7)	(44.1)	9.4	21.3
Income from discontinued operations attributable to non-controlling interests	—	(1.9)	1.9	100.0
Net income (loss) attributable to TechnipFMC plc	$ (69.9)	$ 169.0	$ (238.9)	(141.4)

Revenue

Revenue increased by $125.8 million during the nine months ended September 30, 2022, compared to the same period in 2021. Subsea revenue increased year-over-year, primarily as a result of higher project and services activity. Surface Technologies revenue increased, primarily as a result of the increase in operator activity in North America.

Gross Profit

Gross profit (revenue less cost of sales), as a percentage of sales, increased to 13.6% during the nine months ended September 30, 2022, compared to 13.0% in the prior-year period. Subsea gross profit increased year-over-year, as a result of improved margins in backlog and an increase in installation and services activity. Surface Technologies gross profit decreased year-over-year, primarily due to the increase in operator activity in North America.

Selling, General and Administrative Expense

Selling, general and administrative expense decreased by $19.0 million year-over-year, primarily due to a decrease in costs associated with our support functions.

Impairment, Restructuring and Other Expenses

We incurred $15.1 million of impairment, restructuring and other expenses during the nine months ended September 30, 2022, primarily related to exiting our operations in Russia and Canada, compared to $34.8 million during the nine months ended September 30, 2021. See Note 15 for further details.

Other Income, Net

Other income, net, primarily reflects foreign currency gains and losses, including gains and losses associated with the remeasurement of net cash positions, gains and losses on sales of property, plant and equipment and non-operating gains and losses. The foreign currency impact was a net gain of $13.1 million and $11.2 million for the nine months ended September 30, 2022 and 2021, respectively.

Income (Loss) from Equity Affiliates

For the nine months ended September 30, 2022 and 2021, we recorded an income of $23.5 million and a loss of $9.5 million, respectively, from equity method affiliates. During the nine months ended September 30, 2021, we recorded a $36.7 million impairment of our Magma Global equity method investment.

Income (Loss) from Investment in Technip Energies

During the nine months ended September 30, 2022 and 2021, we recorded a $27.7 million loss and $351.8 million of income, respectively, as a result of our investment in Technip Energies. The amounts recognized primarily represent fair value revaluation gains (losses) of our investment. See Note 10 for further details.

Loss on Early Extinguishment of Debt

For the nine months ended September 30, 2022 and 2021, we recognized losses of $29.8 million and $39.5 million on early extinguishment of debt, respectively. Loss on early extinguishment of debt recognized during the nine months ended September 30, 2022 related to premium paid and write-off of debt issuance costs in connection with the repurchase of the 2021 Notes. Loss on early extinguishment of debt recognized during the nine months ended September 30, 2021 related to premium paid in connection with the repayment of our 3.45% Senior Notes due 2022 and premium paid and write-off of debt issuance costs in connection with repurchase of the 2021 Notes. See Note 12 for further details.

Net Interest Expense

Net interest expense of $92.5 million decreased by $16.5 million in the nine months ended September 30, 2022, compared to the same period in 2021, primarily due to the reduction in outstanding debt.

Provision for Income Taxes

Our provision for income taxes for the nine months ended September 30, 2022 and 2021 reflected effective tax rates of 121.0% and 24.5%, respectively. The year-over-year increase in the effective tax rate was primarily due to the change in geographical profit mix year over year.

Our effective tax rate can fluctuate depending on our country mix of earnings, since our foreign earnings are generally subject to higher tax rates than in the United Kingdom.

Discontinued Operations

Loss from discontinued operations, net of income taxes, was $34.7 million and $44.1 million for the nine months ended September 30, 2022 and 2021, respectively. See Note 2 for further details.

SEGMENT RESULTS OF OPERATIONS OF TECHNIPFMC PLC
THREE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021

Segment operating profit is defined as total segment revenue less segment operating expenses. Certain items have been excluded in computing segment operating profit and are included in corporate items. See Note 5 for further details.

Subsea

	Three Months Ended September 30,		Favorable/(Unfavorable)	
(In millions, except % and pts.)	**2022**	**2021**	**$**	**%**
Revenue	$ 1,415.0	$ 1,312.1	102.9	7.8
Operating profit	$ 105.0	$ 23.5	81.5	346.8
Operating profit as a percentage of revenue	7.4 %	1.8 %		5.6 pts.

Subsea revenue increased $102.9 million or 7.8% year-over-year, primarily due to higher activity in Brazil.

Subsea operating profit for the three months ended September 30, 2022 improved versus the prior year, primarily due to improved margins in backlog and increased installation and services activity.

Refer to "*Non-GAAP Measures*" for further information regarding our segment operating results.

Surface Technologies

	Three Months Ended September 30,		Favorable/(Unfavorable)	
(In millions, except % and pts.)	**2022**	**2021**	**$**	**%**
Revenue	$ 318.0	$ 267.3	50.7	19.0
Operating profit	$ 19.0	$ 12.1	6.9	57.0
Operating profit as a percentage of revenue	6.0 %	4.5 %		1.5 pts.

Surface Technologies revenue increased $50.7 million, or 19.0%, year-over-year, primarily driven by an increase in operator activity in North America. Revenue outside of North America represented approximately 54.0% of total segment revenue during the three months ended September 30, 2022.

Surface Technologies operating profit increased versus the prior year, primarily due to an increase in operator activity in North America.

Refer to "*Non-GAAP Measures*" for further information regarding our segment operating results.

Corporate Expense

	Three Months Ended September 30,		Favorable/(Unfavorable)	
(In millions, except %)	**2022**	**2021**	**$**	**%**
Corporate expense	$ (25.2)	$ (29.3)	4.1	14.0

Corporate expense decreased by $4.1 million, or 14.0%, year-over-year, primarily due to decreased costs associated with our support functions.

Refer to "*Non-GAAP Measures*" for further information regarding our segment operating results.

SEGMENT RESULTS OF OPERATIONS OF TECHNIPFMC PLC
NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021

Subsea

	Nine Months Ended September 30,		Favorable/(Unfavorable)	
(In millions, except %)	**2022**	**2021**	**$**	**%**
Revenue	$ 4,118.7	$ 4,092.9	25.8	0.6
Operating profit	$ 256.1	$ 132.9	123.2	92.7
Operating profit as a percentage of revenue	6.2 %	3.2 %		3.0 pts.

Subsea revenue increased by $25.8 million, or 0.6%, primarily due to higher project installation activity in Brazil and the United Kingdom, which was partially offset by the negative impact of foreign exchange.

Subsea operating profit for the nine months ended September 30, 2022, increased versus the prior year, primarily due to the improved margins in backlog and an increased mix of installation and services activities.

Refer to "*Non-GAAP Measures"* below for more information regarding our segment operating results.

Surface Technologies

	Nine Months Ended September 30,		Favorable/(Unfavorable)	
(In millions, except %)	**2022**	**2021**	**$**	**%**
Revenue	$ 887.3	$ 787.3	100.0	12.7
Operating profit	$ 32.7	$ 33.2	(0.5)	(1.5)
Operating profit as a percentage of revenue	3.7 %	4.2 %		(0.5) pts.

Surface Technologies revenue increased by $100.0 million, or 12.7%, primarily driven by an increase in North America activity. Approximately 54.1% of total segment revenue was generated outside of North America during the nine months ended September 30, 2022.

Surface Technologies operating profit decreased year-over-year, primarily due to increase in operator activity in North America. Refer to "*Non-GAAP Measures"* below for more information regarding our segment operating results.

Corporate Expense

	Nine Months Ended September 30,		Favorable/(Unfavorable)	
(In millions, except %)	**2022**	**2021**	**$**	**%**
Corporate expense	$ (76.7)	$ (88.4)	11.7	13.2

Corporate expense decreased by $11.7 million, or 13.2%, year-over-year, primarily due to decreased costs associated with our support functions.

Refer to "*Non-GAAP Measures"* for further information regarding our segment operating results.

NON-GAAP MEASURES

In addition to financial results determined in accordance with U.S. generally accepted accounting principles (“GAAP”), we provide non-GAAP financial measures (as defined in Item 10 of Regulation S-K of the Exchange Act) below:

- Income (loss) from continuing operations attributable to TechnipFMC plc, excluding charges and credits, as well as measures derived from it;
- Income (loss) before net interest expense and taxes, excluding charges and credits (“Adjusted operating profit”) and Adjusted operating profit margin;
- Adjusted diluted earnings (loss) per share from continuing operations attributable to TechnipFMC plc;
- Depreciation and amortization, excluding charges and credits (“Adjusted depreciation and amortization”);
- Earnings before net interest expense, income taxes, depreciation and amortization, excluding charges and credits (“Adjusted EBITDA”) and Adjusted EBITDA margin;
- Corporate expenses excluding charges and credits; and
- Net (debt) cash;

Management believes that the exclusion of charges and credits from these financial measures enables investors and management to more effectively evaluate our operations and consolidated results of operations period-over-period, and to identify operating trends that could otherwise be masked or misleading to both investors and management by the excluded items. These measures are also used by management as performance measures in determining certain incentive compensation. The foregoing non-GAAP financial measures should be considered in addition to, not as a substitute for or superior to, other measures of financial performance prepared in accordance with GAAP.

The following is a reconciliation of the most comparable financial measures under GAAP to the non-GAAP financial measures.

CONSOLIDATED RESULTS OF OPERATIONS OF TECHNIPFMC PLC

RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

	Three Months Ended September 30, 2022						
	Income from continuing operations attributable to TechnipFMC plc	Income attributable to non-controlling interests from continuing operations	Provision for income taxes	Net interest expense and loss on early extinguishment of debt	Income before net interest expense and income taxes (Operating profit)	Depreciation and amortization	Earnings before net interest expense, income taxes, depreciation and amortization (EBITDA)
TechnipFMC plc, as reported	$ 5.0	$ 5.7	$ 42.7	$ 30.9	$ 84.3	$ 94.5	$ 178.8
Charges and (credits):							
Impairment and other charges	3.6	—	—	—	3.6	—	3.6
Restructuring and other charges	4.1	—	(0.9)	—	3.2	—	3.2
Adjusted financial measures	$ 12.7	$ 5.7	$ 41.8	$ 30.9	$ 91.1	$ 94.5	$ 185.6
Diluted earnings per share from continuing operations attributable to TechnipFMC plc, as reported	$ 0.01						
Adjusted diluted earnings per share from continuing operations attributable to TechnipFMC plc	$ 0.03						

	Three Months Ended September 30, 2021						
	Loss from continuing operations attributable to TechnipFMC plc	Income attributable to non-controlling interests from continuing operations	Provision for income taxes	Net interest expense and loss on early extinguishment of debt	Income (loss) before net interest expense and income taxes (Operating profit)	Depreciation and amortization	Earnings before net interest expense, income taxes, depreciation and amortization (EBITDA)
TechnipFMC plc, as reported	$ (40.6)	$ 1.6	$ 12.3	$ 55.3	$ 28.6	$ 96.5	$ 125.1
Charges and (credits):							
Impairment and other charges*	38.0	—	—	—	38.0	—	38.0
Restructuring and other charges	6.1	—	(0.1)	—	6.0	—	6.0
Income from investment in Technip Energies	(28.5)	—	—	—	(28.5)	—	(28.5)
Adjusted financial measures	$ (25.0)	$ 1.6	$ 12.2	$ 55.3	$ 44.1	$ 96.5	$ 140.6
Diluted loss per share from continuing operations attributable to TechnipFMC plc, as reported	$ (0.09)						
Adjusted diluted loss per share from continuing operations attributable to TechnipFMC plc	$ (0.06)						

*Includes $36.7 million impairment relating to our equity method investment.

	Nine Months Ended September 30, 2022						
	Income (loss) from continuing operations attributable to TechnipFMC plc	Income attributable to non-controlling interests from continuing operations	Provision for income taxes	Net interest expense and loss on early extinguishment of debt	Income before net interest expense and income taxes (Operating profit)	Depreciation and amortization	Earnings before net interest expense, income taxes, depreciation and amortization (EBITDA)
TechnipFMC plc, as reported	$ (35.2)	$ 19.4	$ 91.0	$ 122.3	$ 197.5	$ 284.4	$ 481.9
Charges and (credits):							
Impairment and other charges	4.7	—	—	—	4.7	—	4.7
Restructuring and other charges*	10.9	—	0.4	—	11.3	—	11.3
Loss from investment in Technip Energies	27.7	—	—	—	27.7	—	27.7
Adjusted financial measures	$ 8.1	$ 19.4	$ 91.4	$ 122.3	$ 241.2	$ 284.4	$ 525.6
Diluted loss per share from continuing operations attributable to TechnipFMC plc, as reported	$ (0.08)						
Adjusted diluted earnings per share from continuing operations attributable to TechnipFMC plc	$ 0.02						

*Includes inventory write-off of approximately $0.9 million.

	Nine Months Ended September 30, 2021						
	Income (loss) from continuing operations attributable to TechnipFMC plc	Income attributable to non-controlling interests from continuing operations	Provision for income taxes	Net interest expense and loss on early extinguishment of debt	Income before net interest expense and income taxes (Operating profit)	Depreciation and amortization	Earnings before net interest expense, income taxes, depreciation and amortization (EBITDA)
TechnipFMC plc, as reported	$ 215.0	$ 5.5	$ 71.7	$ 148.5	$ 440.7	$ 289.7	$ 730.4
Charges and (credits):							
Impairment and other charges*	57.6	—	—	—	57.6	—	57.6
Restructuring and other charges	13.7	—	0.2	—	13.9	—	13.9
Income from Investment in Technip Energies	(351.8)	—	—	—	(351.8)	—	(351.8)
Adjusted financial measures	$ (65.5)	$ 5.5	$ 71.9	$ 148.5	$ 160.4	$ 289.7	$ 450.1
Diluted earnings per share from continuing operations attributable to TechnipFMC plc, as reported	$ 0.47						
Adjusted diluted loss per share from continuing operations attributable to TechnipFMC plc	$ (0.14)						

*Includes $36.7 million impairment relating to our equity method investment.

CONSOLIDATED RESULTS OF OPERATIONS OF TECHNIPFMC PLC
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

	Three Months Ended September 30, 2022				
	Subsea	Surface Technologies	Corporate Expense	Foreign Exchange, net and Other	Total
Revenue	$ 1,415.0	$ 318.0	$ —	$ —	$ 1,733.0
Operating profit (loss), as reported (pre-tax)	$ 105.0	$ 19.0	$ (25.2)	$ (14.5)	$ 84.3
Charges and (credits):					
Impairment and other charges	1.9	1.7	—	—	3.6
Restructuring and other charges	1.4	1.8	—	—	3.2
Subtotal	3.3	3.5	—	—	6.8
Adjusted Operating profit (loss)	108.3	22.5	(25.2)	(14.5)	91.1
Depreciation and amortization	75.5	18.3	0.7	—	94.5
Adjusted EBITDA	$ 183.8	$ 40.8	$ (24.5)	$ (14.5)	$ 185.6
Operating profit margin, as reported	7.4 %	6.0 %			4.9 %
Adjusted Operating profit margin	7.7 %	7.1 %			5.3 %
Adjusted EBITDA margin	13.0 %	12.8 %			10.7 %

	Three Months Ended September 30, 2021				
	Subsea	Surface Technologies	Corporate Expense	Foreign Exchange, net	Total
Revenue	$ 1,312.1	$ 267.3	$ —	$ —	$ 1,579.4
Operating profit (loss), as reported (pre-tax)	$ 23.5	$ 12.1	$ (29.3)	$ 22.3	$ 28.6
Charges and (credits):					
Impairment and other charges*	38.0	—	—	—	38.0
Restructuring and other charges	5.6	—	0.4	—	6.0
Income from investment in Technip Energies	—	—	—	(28.5)	(28.5)
Subtotal	43.6	—	0.4	(28.5)	15.5
Adjusted Operating profit (loss)	67.1	12.1	(28.9)	(6.2)	44.1
Depreciation and amortization	79.4	16.3	0.8	—	96.5
Adjusted EBITDA	$ 146.5	$ 28.4	$ (28.1)	$ (6.2)	$ 140.6
Operating profit margin, as reported	1.8 %	4.5 %			1.8 %
Adjusted Operating profit margin	5.1 %	4.5 %			2.8 %
Adjusted EBITDA margin	11.2 %	10.6 %			8.9 %

*Includes $36.7 million impairment relating to our equity method investment.

	Nine Months Ended September 30, 2022				
	Subsea	Surface Technologies	Corporate Expense	Foreign Exchange, net and Other	Total
Revenue	$ 4,118.7	$ 887.3	$ —	$ —	$ 5,006.0
Operating profit (loss), as reported (pre-tax)	$ 256.1	$ 32.7	$ (76.7)	$ (14.6)	$ 197.5
Charges and (credits):					
Impairment and other charges	1.9	2.8	—	—	4.7
Restructuring and other charges*	0.6	7.7	3.0	—	11.3
Loss from investment in Technip Energies	—	—	—	27.7	27.7
Subtotal	2.5	10.5	3.0	27.7	43.7
Adjusted Operating profit (loss)	258.6	43.2	(73.7)	13.1	241.2
Depreciation and amortization	230.2	52.0	2.2	—	284.4
Adjusted EBITDA	$ 488.8	$ 95.2	$ (71.5)	$ 13.1	$ 525.6
Operating profit margin, as reported	6.2 %	3.7 %			3.9 %
Adjusted Operating profit margin	6.3 %	4.9 %			4.8 %
Adjusted EBITDA margin	11.9 %	10.7 %			10.5 %

*Includes inventory write-off of approximately $0.9 million.

	Nine Months Ended September 30, 2021				
	Subsea	Surface Technologies	Corporate Expense	Foreign Exchange, net	Total
Revenue	$ 4,092.9	$ 787.3	$ —	$ —	$ 4,880.2
Operating loss, as reported (pre-tax)	$ 132.9	$ 33.2	$ (88.4)	$ 363.0	$ 440.7
Charges and (credits):					
Impairment and other charges*	54.3	0.3	3.0	—	57.6
Restructuring and other charges	10.0	3.5	0.4	—	13.9
Income from investment in Technip Energies	—	—	—	(351.8)	(351.8)
Subtotal	64.3	3.8	3.4	(351.8)	(280.3)
Adjusted Operating profit (loss)	197.2	37.0	(85.0)	11.2	160.4
Depreciation and amortization	238.5	48.5	2.7	—	289.7
Adjusted EBITDA	$ 435.7	$ 85.5	$ (82.3)	$ 11.2	$ 450.1
Operating profit margin, as reported	3.2 %	4.2 %			9.0 %
Adjusted Operating profit margin	4.8 %	4.7 %			3.3 %
Adjusted EBITDA margin	10.6 %	10.9 %			9.2 %

*Includes $36.7 million impairment relating to our equity method investment.

INBOUND ORDERS AND ORDER BACKLOG

Inbound orders - Inbound orders represent the estimated sales value of confirmed customer orders received during the reporting period.

	Inbound Orders			
	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2022**	**2021**	**2022**	**2021**
Subsea	$ 1,400.8	$ 1,116.0	$ 5,222.4	$ 3,926.1
Surface Technologies	449.2	249.9	1,014.2	721.4
Total inbound orders	$ 1,850.0	$ 1,365.9	$ 6,236.6	$ 4,647.5

Order backlog - Order backlog is calculated as the estimated sales value of unfilled, confirmed customer orders at the reporting date. Backlog reflects the current expectations for the timing of project execution. See Note 4 for further details.

	Order Backlog	
(In millions)	**September 30, 2022**	**December 31, 2021**
Subsea	$ 7,603.2	$ 6,533.0
Surface Technologies	1,237.8	1,124.7
Total order backlog	$ 8,841.0	$ 7,657.7

Subsea - Subsea backlog of $7,603.2 million as of September 30, 2022 increased by $1,070.2 million compared to December 31, 2021. Subsea backlog was composed of various subsea projects, including Petrobras Buzios 6, Mero I, Mero II and Marlim; Total Energies Mozambique LNG, Lapa NE and Clov 3; ExxonMobil Yellowtail and Payara; Shell Jackdaw and Gumusut; Husky West White Rose; Equinor Halten East; Tullow Jubilee South East; Wintershall Maria; and Harbour Talbot.

Surface Technologies - Order backlog for Surface Technologies as of September 30, 2022 increased by $113.1 million compared to December 31, 2021.

Non-consolidated backlog - As of September 30, 2022, we had $508.9 million of non-consolidated order backlog in our Subsea segment. Non-consolidated order backlog reflects the proportional share of backlog related to joint ventures that is not consolidated due to our minority ownership position.

LIQUIDITY AND CAPITAL RESOURCES

Most of our cash is managed centrally and flows through centralized bank accounts controlled and maintained by TechnipFMC globally and in many operating jurisdictions to best meet the liquidity needs of our global operations.

Net Debt - Net debt, is a non-GAAP financial measure reflecting total debt, net of cash and cash equivalents. Management uses this non-GAAP financial measure to evaluate our capital structure and financial leverage. We believe net debt is a meaningful financial measure that may assist investors in understanding our financial condition and recognizing underlying trends in our capital structure. Net debt should not be considered an alternative to, or more meaningful than, our total debt as determined in accordance with GAAP or as an indicator of our operating performance or liquidity.

The following table provides a reconciliation of our total debt to net debt, utilizing details of classifications from our condensed consolidated balance sheets:

(In millions)	September 30, 2022	December 31, 2021
Cash and cash equivalents	$ 711.5	$ 1,327.4
Short-term debt and current portion of long-term debt	(231.9)	(277.6)
Long-term debt, less current portion	(1,134.9)	(1,727.3)
Net debt	$ (655.3)	$ (677.5)

Cash Flows

Operating cash flows from continuing operations - We used $214.3 million of cash in operating activities from continuing operations during the nine months ended September 30, 2022, as compared to $231.5 million of cash generated by operating cash flows from continuing operations during the same period in 2021. The decrease of $445.8 million in cash generated by operating activities from continuing operations was primarily due to timing differences on project milestones, vendor payments for inventory, fluctuations in derivative assets and liabilities and timing of income tax refund.

Investing cash flows from continuing operations - Investing activities from continuing operations provided $213.3 million and $759.8 million of cash during the nine months ended September 30, 2022 and 2021, respectively. The decrease of $546.5 million in cash provided by investing activities was primarily due to a $496.0 million decrease in proceeds received from sales of our investment in Technip Energies and a decrease in proceeds from sales of assets, partially offset by a decrease in capital expenditures during the nine months ended September 30, 2022.

Financing cash flows from continuing operations - Financing activities from continuing operations used $626.8 million and $1,189.3 million of cash during the nine months ended September 30, 2022 and 2021, respectively. The decrease in cash used by financing activities was primarily due to the decreased debt pay down activity, partially offset by share repurchases during the nine months ended September 30, 2022.

Debt and Liquidity

Availability of borrowings under the Revolving Credit Facility is reduced by the outstanding letters of credit issued against the facility. As of September 30, 2022, there were $150.0 million of borrowings and $45.4 million letters of credit outstanding, and our availability under the Revolving Credit Facility was $804.6 million.

Credit Ratings - Our credit ratings with Standard and Poor's ("S&P") are BB+ for our long-term unsecured, guaranteed debt (2021 Notes) and BB for our long-term unsecured debt (the Private Placement notes). Our credit ratings with Moody's are Ba1 for our long-term unsecured, guaranteed debt. See Note 12 for further details regarding our debt.

Credit Risk Analysis

For the purposes of mitigating the effect of the changes in exchange rates, we hold derivative financial instruments. Valuations of derivative assets and liabilities reflect the fair value of the instruments, including the values associated with counterparty risk. These values must also take into account our credit standing, thus including the valuation of the derivative instrument and the value of the net credit differential between the counterparties to the derivative contract. Adjustments to our derivative assets and liabilities related to credit risk were not material for any period presented.

The income approach was used as the valuation technique to measure the fair value of foreign currency derivative instruments on a recurring basis. This approach calculates the present value of the future cash flow by measuring the change from the derivative contract rate and the published market indicative currency rate, multiplied by the contract notional values. Credit risk is then incorporated by reducing the derivative's fair value in asset positions by the result of multiplying the present value of the portfolio by the counterparty's published credit spread. Portfolios in a liability position are adjusted by the same calculation; however, a spread representing our credit spread is used.

Our credit spread, and the credit spread of other counterparties not publicly available, are approximated using the spread of similar companies in the same industry, of similar size, and with the same credit rating. See Note 18 for further details.

At this time, we have no credit-risk-related contingent features in our agreements with the financial institutions that would require us to post collateral for derivative positions in a liability position.

Financial Position Outlook

We are committed to a strong balance sheet and ample liquidity that will enable us to access capital markets throughout the cycle. We believe our liquidity continues to exceed the level required to meet our requirements and plans for cash for the next 12 months.

Our capital expenditures can be adjusted and managed to match market demand and activity levels. We have reduced our expectations for capital expenditures for 2022 by $50.0 million to approximately $180.0 million, primarily due to the timing of vessel recertifications. Projected capital expenditures do not include any contingent capital that may be needed to respond to contract awards.

CRITICAL ACCOUNTING ESTIMATES

Refer to our Annual Report on Form 10-K for the year ended December 31, 2021 for a discussion of our critical accounting estimates. During the nine months ended September 30, 2022, there were no changes to our identified critical accounting estimates.

OTHER MATTERS

On March 28, 2016, FMC Technologies received an inquiry from the U.S. Department of Justice (“DOJ”) related to the DOJ's investigation of whether certain services Unaoil S.A.M. provided to its clients, including FMC Technologies, violated the U.S. Foreign Corrupt Practices Act (“FCPA”). On March 29, 2016, Technip S.A. also received an inquiry from the DOJ related to Unaoil. We cooperated with the DOJ's investigations and, with regard to FMC Technologies, a related investigation by the SEC.

In late 2016, Technip S.A. was contacted by the DOJ regarding its investigation of offshore platform projects awarded between 2003 and 2007, performed in Brazil by a joint venture company in which Technip S.A. was a minority participant, and we have also raised with the DOJ certain other projects performed by Technip S.A. subsidiaries in Brazil between 2002 and 2013. The DOJ has also inquired about projects in Ghana and Equatorial Guinea that were awarded to Technip S.A. subsidiaries in 2008 and 2009, respectively. We cooperated with the DOJ in its investigation into potential violations of the FCPA in connection with these projects. We contacted and cooperated with the Brazilian authorities (Federal Prosecution Service (“MPF”), the Comptroller General of Brazil (“CGU”) and the Attorney General of Brazil (“AGU”)) with their investigation concerning the projects in Brazil and have also contacted and are cooperating with French authorities (the Parquet National Financier (“PNF”)) about these existing matters.

On June 25, 2019, we announced a global resolution to pay a total of $301.3 million to the DOJ, the SEC, the MPF, and the CGU/AGU to resolve these anti-corruption investigations. We will not be required to have a monitor and will, instead, provide reports on our anti-corruption program to the Brazilian and U.S. authorities for two and three years, respectively.

As part of this resolution, we entered into a three-year Deferred Prosecution Agreement (“DPA”) with the DOJ related to charges of conspiracy to violate the FCPA related to conduct in Brazil and with Unaoil. In addition, Technip USA, Inc., a U.S. subsidiary, pled guilty to one count of conspiracy to violate the FCPA related to conduct in Brazil. We will also provide the DOJ reports on our anti-corruption program during the term of the DPA.

In Brazil, our subsidiaries, Technip Brasil - Engenharia, Instalações E Apoio Marítimo Ltda. and Flexibrás Tubos Flexíveis Ltda., entered into leniency agreements with both the MPF and the CGU/AGU. We have committed, as part of those agreements, to make certain enhancements to their compliance programs in Brazil during a two-year self-reporting period, which aligns with our commitment to cooperation and transparency with our compliance community in Brazil and globally.

In September 2019, the SEC approved our previously disclosed agreement in principle with the SEC Staff and issued an Administrative Order, pursuant to which we paid the SEC $5.1 million, which was included in the global resolution of $301.3 million.

To date, the investigation by PNF related to historical projects in Equatorial Guinea and Ghana has not reached a resolution. We remain committed to finding a resolution with the PNF and will maintain a $70.0 million provision related to this investigation. Additionally, the PNF recently informed us that it is reviewing historical projects in Angola. We are not aware of any evidence that would support a finding of liability with respect to these projects, or whether the PNF would seek any additional penalty. As we continue our discussions with PNF towards a potential resolution of all of these matters, the amount of a settlement could exceed this provision.

There is no certainty that a settlement with PNF will be reached or that the settlement will not exceed current accruals. The PNF has a broad range of potential sanctions under anti-corruption laws and regulations that it may seek to impose in appropriate circumstances including, but not limited to, fines, penalties, confiscations and modifications to business practices and compliance programs. Any of these measures, if applicable to us, as well as potential customer reaction to such measures, could have a material adverse impact on our business, results of operations, and financial condition. If we cannot reach a resolution with the PNF, we could be subject to criminal proceedings in France, the outcome of which cannot be predicted.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For quantitative and qualitative disclosures about market risk affecting the Company, see Part II, Item 7A, “Quantitative and Qualitative Disclosures About Market Risk,” in our Annual Report on Form 10-K for the year ended December 31, 2021. Our exposure to market risk has not changed materially since December 31, 2021.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of September 30, 2022, under the direction of our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures, as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act. Based upon this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of September 30, 2022.

Changes in Internal Controls over Financial Reporting

There were no changes in our internal control over financial reporting during the three months ended September 30, 2022 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

We are involved in various pending or potential legal actions or disputes in the ordinary course of our business. These actions and disputes can involve our agents, suppliers, clients and joint venture partners and can include claims related to payment of fees, service quality and ownership arrangements, including certain put or call options. Management is unable to predict the ultimate outcome of these actions because of their inherent uncertainty. However, management believes that the most probable, ultimate resolution of these matters will not have a material adverse effect on our consolidated financial position, results of operations or cash flows.

ITEM 1A. RISK FACTORS

As of the date of this filing, there have been no material changes or updates to our risk factors that were previously disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2021.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

We had no unregistered sales of equity securities during the three months ended September 30, 2022.

The following table summarizes repurchases of our ordinary shares during the three months ended September 30, 2022:

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased [(a)]	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
July 1, 2022—July 31, 2022	—	$ —	—	—
August 1, 2022—August 31, 2022	3,690,444	$ 8.43	3,690,444	45,089,163
September 1, 2022—September 30, 2022	2,143,007	$ 8.82	2,143,007	41,357,370
Total	5,833,451	$ 8.57	5,833,451	41,357,370

(a) In July 2022, we announced a repurchase plan approved by our Board of Directors authorizing up to $400.0 million to repurchase shares of our issued and outstanding ordinary shares through open market purchases. For the three months ended September 30, 2022, we repurchased 5,833,451 shares for a total cost of $50.1 million at an average price of $8.57 per share.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) and Rule 15d-14(a).
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) and Rule 15d-14(a).
32.1*	Certification of Chief Executive Officer Under Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. 1350.
32.2*	Certification of Chief Financial Officer Under Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. 1350.
101.INS	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Indicates a management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TechnipFMC plc
(Registrant)

/s/ Krisztina Doroghazi

Krisztina Doroghazi
Senior Vice President, Controller and Chief Accounting Officer
(Chief Accounting Officer and a Duly Authorized Officer)

Date: October 28, 2022

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Douglas J. Pferdehirt, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended September 30, 2022 of TechnipFMC plc (the “registrant”);

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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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: October 28, 2022

/s/ DOUGLAS J. PFERDEHIRT
Douglas J. Pferdehirt
Executive Chairman and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Alf Melin, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended September 30, 2022 of TechnipFMC plc (the "registrant");

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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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: October 28, 2022

/s/ ALF MELIN

Alf Melin
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
UNDER SECTION 906 OF THE SARBANES-OXLEY
ACT OF 2002, 18 U.S.C. SECTION 1350

I, Douglas J. Pferdehirt, Executive Chairman and Chief Executive Officer of TechnipFMC plc (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(a) The Quarterly Report on Form 10-Q of the Company for the period ended September 30, 2022, as filed with the Securities and Exchange Commission (the “Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

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

Date: October 28, 2022

/s/ DOUGLAS J. PFERDEHIRT
Douglas J. Pferdehirt
Executive Chairman and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
UNDER SECTION 906 OF THE SARBANES-OXLEY
ACT OF 2002, 18 U.S.C. SECTION 1350

I, Alf Melin, Executive Vice President and Chief Financial Officer of TechnipFMC plc (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(a) The Quarterly Report on Form 10-Q of the Company for the period ended September 30, 2022, as filed with the Securities and Exchange Commission (the “Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

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

Date: October 28, 2022

/s/ ALF MELIN

Alf Melin

Executive Vice President and Chief Financial Officer

(Principal Financial Officer)