

COMPETITION COMMISSION OF INDIA
(Combination Registration No. C-2016/06/409)

21st September 2016

Notice under Section 6 (2) of the Competition Act, 2002 jointly given by:

- FMC Technologies Inc.
- FMC Technologies SIS Limited
- Technip S.A.

CORAM:

Mr. Devender Kumar Sikri
Chairperson

Mr. S. L. Bunker
Member

Mr. Sudhir Mital
Member

Mr. Augustine Peter
Member

Mr. U.C. Nahta
Member

Mr. M.S. Sahoo
Member

Legal Representative: M/s Khaitan & Co.

Order under Section 31(1) of the Competition Act, 2002

1. On 16th June 2016, the Competition Commission of India (hereinafter referred to as the "**Commission**") received a notice jointly filed by FMC Technologies Inc. ("**FMC**"), FMC Technologies SIS Limited ("**Topco**"); and Technip S.A. ("**Technip**") under subsection (2) of Section 6 of the Competition Act, 2002 ("**Act**"). (Hereinafter, FMC, Topco and Technip are collectively referred to as "**Parties**".) The proposed combination has been filed pursuant to board resolutions passed by the respective boards of directors of FMC and Technip and execution of a binding MoU by FMC,

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Topco and Technip, each dated 18th May 2016. Parties have also entered into a Business Combination Agreement on 14th June 2016.

2. The proposed combination relates to a composite transaction comprising the following steps:

- i. Step 1: Technip would merge with Topco, with Topco surviving the merger. Each of the issued and outstanding Technip shares shall be exchanged for two ordinary shares of Topco share capital;
- ii. Step 2: A wholly owned indirect subsidiary of Topco, i.e. the Merger Sub., would merge with and into FMC, with FMC surviving the merger and becoming a wholly- owned subsidiary of Topco. Each share of FMC common stock shall be converted to one Topco share.

Pursuant to the above two steps, Topco will be named 'TechnipFMC plc.' and shall serve as the parent company for the combined businesses of FMC and Technip. The former shareholders of FMC and Technip shall hold 49.1% and 50.9%, respectively of the shareholding of Topco.

3. In terms of Regulation 14 of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 ('**Combination Regulations**'), the Parties, on 16th June 2016, undertook to provide certain information pertaining to market sizes, market shares, details of competitors, customers etc. which were not provided at the time of filing the notice, the same was submitted on 30th June 2016. Further, In terms of Regulation 14 of the Combination Regulations, vide Commission's letter dated 5th August 2016, the Parties were required to provide certain information regarding product and services of Parties; the response to the same was provided on 11th August 2016. Thereafter, the Parties submitted further clarifications on 26th August 2016.

4. FMC Technologies, Inc., an entity incorporated in the United States of America, is a provider of products and services for the Oil & Gas segment ("O&G"). It designs, manufactures and services technologically sophisticated systems and products, including subsea production and processing systems, surface wellhead production systems, high

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pressure fluid control equipment, measurement solutions and marine loading systems for the energy industry. In India, FMC operates through (i) FMC Technologies India Private Limited providing technical services, including research and development and documentation services to FMC's business units; and (ii) FMC Technologies Singapore Pte Limited which supports the activities of FMC for equipment installation project.

5. Topco, a private limited company incorporated in the United Kingdom, is a wholly owned subsidiary of FMC. It has been formed for the purposes of the proposed combination and, at present, is not engaged in any business activities.
6. Technip, a public limited company incorporated in France, is active in the provision of Engineering, Procurement, Construction and Installation ("**EPCI**") services for facilities involved in offshore and onshore O&G activities. Technip is present in India through three entities: (i) Technip India Limited, which provides EPCI services including products and services related to platform and subsea engineering; (ii) Technip Global Business Services Private Limited, which is engaged in the provision of internal accounting and human resources services to entities within the Technip Group; and (iii) CyXplus, an entity incorporated in France and globally engaged in the supply of inspection equipment and software to manufacturing customers.
7. As per notice, the Parties do not produce or sell similar, identical or substitutable products or services in India or worldwide.
8. It has been stated in the notice that certain products and services of the Parties are complementary in nature. In this regard, the Commission observed that the presence of the FMC in India is insignificant so as to raise any competition concerns. Moreover, there are a number of competitors such as Oceaneering International, Fugro, Forum Energy Technologies, Krystdesign, Soil Machine Dynamics and Emco Wheaton that have global presence in products and services offered by FMC. With regards to the product and services offered by Technip, it is noted that there are a number of competitors such as Aker, McDermott, Saipem, Samsung Heavy Industries, Daewoo Shipbuilding & Marine Engineering and Swiber, providing similar products and services.
9. Considering the facts on record and the details provided in the notice and assessment of

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the combination on the basis of factors stated in sub-section (4) of Section 20 of the Act, the Commission is of the opinion that combination is not likely to have an appreciable adverse effect on competition in India and therefore, the Commission hereby approves the same under-section (1) of section 31 of the Act.

10. This order shall stand revoked if, at any time, the information provided by the Parties is found to be incorrect.
11. The information provided by the Parties is confidential at this stage in terms of and subject to provisions of Section 57 of the Act.
12. The Secretary is directed to communicate to the Parties accordingly.