

BHGE, McDermott, L&T Hydrocarbon Engineering Win Largest Indian Subsea Project for ONGC's Prestigious 98/2 Block

October 3, 2018

- *Companies will provide engineering, procurement, construction, installation and commissioning (EPCIC) for complete subsea scope including subsea production systems and subsea umbilicals, risers and flowlines for 34 wells*
- *Combines industry-leading equipment and services for end-to-end project delivery*
- *Project will help support India's energy development and Make in India goals through local manufacturing*

NEW DELHI--(BUSINESS WIRE)--Oct. 3, 2018-- Baker Hughes, a GE company (NYSE: BHGE), McDermott International, Inc. (NYSE: MDR) and L&T Hydrocarbon Engineering (LTHE), a subsidiary of Larsen & Toubro (NSE: LT), were awarded the subsea contract for India's Oil & Natural Gas Corporation's (ONGC) largest deepwater project, the development of block DWN-98/2 in the Krishna Godavari basin. The project brings together leading subsea equipment and services from BHGE, McDermott and LTHE to provide ONGC with end-to-end project delivery.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20181003005448/en/>

The integrated subsea package includes the supply of all subsea production systems (SPS), including 34 deepwater trees, and the installation of subsea umbilicals, risers and flowlines (SURF) at a water depth of between 984 feet (300 meters) and 10,500 feet (3,200 meters).

BHGE will provide all of the subsea hardware as well as pre-commissioning services, and McDermott will bring its specialized fleet of pipelay and construction vessels and engineering, procurement, construction and installation capabilities. By reducing the number of interfaces across the project, the group aims to reduce complexity, drive speed and increase execution efficiency for ONGC.

"Today's award represents an important milestone in support of ONGC and India's commitment to help reach its energy potential. Built on a unique successful partnership model with McDermott and LTHE, the project will deliver leading technologies to ONGC across a full subsea scope," said Neil Saunders, president & CEO, Oilfield Equipment, BHGE. "As the industry moves toward greater collaboration across the value chain, we believe our technology and our unique commercial models are well-positioned to meet demand for future subsea projects."

"The consortium will provide an integrated solution that not only takes full advantage of the international expertise brought by BHGE and McDermott, but provides a key made-in-India element by LTHE that represents local capabilities as well," said Ian Prescott, McDermott Senior Vice President for Asia Pacific. "Together, we will deliver the best in class solution to ONGC with cost-efficiency and industry leading safety."

BHGE's scope will include subsea hardware including trees, manifolds, controls, connection systems, SPS installation tools and services, as well as flexible risers and flowlines, umbilical and topside controls. BHGE will also provide the pre-commissioning services for additional phases of the project. The project will leverage BHGE's existing footprint in Kakinada for ongoing services.

McDermott will be responsible for transportation and installation of SURF and SPS facilities using its engineering and other key resources in Kuala Lumpur, Malaysia and Chennai, India as well as its installation assets Derrick Barge 30, Lay Vessel North Ocean 105 and Lay Vessel 108.

The project is one of the first major deepwater developments in India and a milestone for realizing India's domestic energy potential. The group will offer a comprehensive solution that will also boost local manufacturing, in support of Make in India. Built on an agreement signed in 2016, LTHE and BHGE will fabricate manifolds for the first time in India as part of this project.

The subsea award represents the largest single subsea contract awarded by ONGC. Delivery is scheduled for 2020 for the gas system and 2021 for the oil system.

About BHGE

Baker Hughes, a GE company (NYSE: BHGE) is the world's first and only fullstream provider of integrated oilfield products, services and digital solutions. We deploy minds and machines to enhance customer productivity, safety and environmental stewardship, while minimizing costs and risks at every step of the energy value chain. With operations in over 120 countries, we infuse over a century of experience with the spirit of a startup – inventing smarter ways to bring energy to the world. Visit us at BHGE.com.

About McDermott

McDermott is a premier, fully integrated provider of technology, engineering and construction solutions to the energy industry. For more than a century, customers have trusted McDermott to design and build end-to-end infrastructure and technology solutions—from the wellhead to the storage tank—to transport and transform oil and gas into the products the world needs today. Our proprietary technologies, integrated expertise and comprehensive solutions deliver certainty, innovation and added value to energy projects around the world. Customers rely on McDermott to deliver certainty to the most complex projects, from concept to commissioning. It is called the "One McDermott Way." Operating in over 54 countries, McDermott's locally focused and globally-integrated resources include approximately 40,000 employees and engineers, a diversified fleet of specialty marine construction vessels and fabrication facilities around the world. As used in this press release, McDermott includes McDermott International, Inc. and its subsidiaries and affiliates. To learn more, visit www.mcdermott.com.

Forward-Looking Statements

In accordance with the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995, McDermott cautions that statements in this press release which are forward-looking, and provide other than historical information, involve risks, contingencies and uncertainties that may impact McDermott's actual results of operations. These forward-looking statements include, among other things, statements about the expected scope, execution and timing of the project discussed in this press release. Although McDermott believes that the expectations reflected in those forward-looking statements are reasonable, we can give no assurance that those expectations will prove to have been correct. Those statements are made by using various underlying assumptions and are subject to numerous risks, contingencies and uncertainties, including, among others: adverse changes in the markets in which we operate or credit markets, our inability to successfully execute on contracts in backlog, changes in project design or schedules, the availability of qualified personnel, changes in the terms, scope or timing of contracts, contract cancellations, change orders and other modifications and actions by our customers and other business counterparties, changes in industry norms and adverse outcomes in legal or other dispute resolution proceedings. If one or more of these risks materialize, or if underlying assumptions prove incorrect, actual results may vary materially from those expected. For a more complete discussion of these and other risk factors, please see McDermott's annual and quarterly filings with the Securities and Exchange Commission, including its annual report on Form 10-K for the year ended December 31, 2017 and subsequent quarterly reports on Form 10-Q. This press release reflects management's views as of the date hereof. Except to the extent required by applicable law, McDermott undertakes no obligation to update or revise any forward-looking statement.

View source version on businesswire.com: <https://www.businesswire.com/news/home/20181003005448/en/>

Source: Baker Hughes, a GE company (BHGE) and McDermott International, Inc.

Baker Hughes, a GE company (BHGE)

Media Relations:

Lynne Turnbull, +44 7771 996140

lynne.turnbull@bhge.com

or

Stephanie Cathcart, +1 202 549 6462,

stephanie.cathcart@bhge.com

or

Investor Relations:

Philipp Mueller, +1 281 809 9088

investor.relations@bhge.com

or

McDermott International, Inc.

Investor Relations:

Scott Lamb, +1 832-513-1068

Scott.Lamb@McDermott.com

or

Global Media Relations:

Gentry Brann, +1 281-870-5269

Gentry.Brann@McDermott.com