

BP Awards Contracts to McDermott and BHGE for Greater Tortue Ahmeyim Natural Gas Project

March 11, 2019

- BP awards BHGE and McDermott SURF and SPS equipment orders for Greater Tortue Ahmeyim (GTA) natural gas project

- The companies are working together to realize efficiency, drive project synergies and enhance delivery times

HOUSTON, March 11, 2019 /PRNewswire/ -- McDermott International, Inc. (NYSE: MDR) and Baker Hughes, a GE company (NYSE: BHGE) have announced today that they have been awarded subsea umbilicals, risers and flowlines (SURF) and subsea production system (SPS) equipment contracts by BP for the Greater Tortue Ahmeyim natural gas project, located offshore Mauritania and Senegal. BP, BHGE and McDermott are working together to realize efficiencies, synergies and enhanced delivery times.

McDermott was awarded a substantial* engineering, procurement, construction and installation (EPCI) SURF contract. McDermott plans to use its upgraded Amazon vessel, DLV 2000, North Ocean 102 (NO 102) and third-party vessels to support installation scheduled to begin in late 2020. The Amazon modifications are scheduled to be completed before the installation campaign begins and will include a multi-joint (hex) J-Lay system to handle the most challenging ultra-deepwater projects as well as the addition of a multi-joint facility, dual pipe loading cranes and additional power generation. McDermott-designed pipeline and riser structures will be fabricated at its yard in Batam, Indonesia.

BHGE is demonstrating the benefits of early-engagement and collaboration – some of the key components of Subsea Connect – as well as bringing its expertise in deepwater, long-offset gas projects. The company will provide five large-bore deepwater horizontal xmas trees (DHXTs), a 6-slot dual bore manifold, a pipeline end manifold, subsea distribution units (SDUs), three subsea isolation valves (SSIVs), diverless connections and subsea production control systems, specifically designed to enable the future integration of additional wells for the first phase of the development.

"This contract marks a number of firsts: our first significant subsea EPCI project in West Africa; the first project using our state of the art pipelay vessel Amazon; and our support of BP's first entry into Senegal and Mauritania. This project is also of significant importance in support of our aspirations in this region," said Tareq Kawash, McDermott's Senior Vice President for Europe, Africa, Russia and Caspian. "Our collaboration with BHGE allows us to offer BP an integrated approach that builds on our proven solutions. We look forward, along with BHGE, to deliver this landmark project to BP with the highest levels of safety and quality."

"Together with McDermott, we will deliver the best-in-class solution to BP with cost-efficiency and industry-leading safety. These awards demonstrate the value of early-engagement, collaborative partnerships and holistic project planning, which are very much central to our new approach to subsea developments, Subsea Connect," said Graham Gillies, BHGE's Vice President, Subsea Production Systems & Services. "This major deepwater gas development is strategically important for Mauritania and Senegal's domestic and global gas supply, and supports the industry's drive for a more sustainable, lower carbon future."

These latest awards follow an initial front-end engineering and design (FEED) phase, [awarded in March 2018](#), during which BHGE and McDermott worked together to define the technology and equipment scope for a four-well development phase. Project management and engineering teams from BP, BHGE and McDermott will remain co-located at McDermott's London offices for this next phase.

BHGE has also signed an agreement to become a "Country Partner" of Invest in Africa's (IIA) Senegal chapter, of which BP is a founding member. The IIA helps local suppliers to connect with international oil and gas companies, increasing the opportunities for local businesses to support large-scale projects, and training African suppliers on core business skills and entrepreneurship.

Project Details

The initial subsea infrastructure connects the first four of 12 wells consolidated through production pipelines leading to a floating production, storage, and offloading (FPSO) vessel. From here liquids are removed and the export gas is transported via a pipeline to the floating liquid natural gas (FLNG) hub terminal where the gas is liquefied.

* - McDermott defines a substantial contract as between \$500 million to \$750 million. The contract award will be reflected in McDermott's first quarter 2019 backlog.

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 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 32,000 employees, 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.

About Baker Hughes, a GE company

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 start-up –

inventing smarter ways to bring energy to the world. Visit us at BHGE.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 backlog, to the extent backlog may be viewed as an indicator of future revenues or profitability, and statements about the expected value, scope, execution and timing of the project discussed in this press release. Although we believe 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, 2018. 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.

McDermott International, Inc.

Investor Relations

Scott Lamb
Vice President, Investor Relations
+1 832 513 1068
Scott.Lamb@McDermott.com

Global Media Relations

Gentry Brann
Global Vice President, Communications
+1 281 870 5269
Gentry.Brann@McDermott.com

Baker Hughes, a GE company

Investor Relations

Philipp Mueller
+1 281 809 9088
investor.relations@BHGE.com

Media Relations

Lynne Turnbull
+44 7771996140
lynne.turnbull@bhge.com

MCDERMOTT

**BAKER
HUGHES**
a GE company



SOURCE McDermott International, Inc.; Baker Hughes, a GE company