



NEWS RELEASE

For Immediate Release:
11/7/2019

McDermott's Lummus Technology Awarded Petrochemicals Contract in China

- Technology award for Formosa Chemicals Industries Ningbo Limited grassroots AMS (alpha-methylstyrene) recovery unit in Ningbo, China
- Award includes technology license and basic engineering services
- Commercialization of this technology improves margins, lessens environmental footprint

HOUSTON, Nov. 7, 2019 /PRNewswire/ -- McDermott International, Inc. (NYSE: MDR) today announced that it has been awarded a sizeable* technology contract by Formosa Chemicals Industries Ningbo Limited for the technology license and basic engineering services for a grassroots alpha-methylstyrene (AMS) recovery unit in Ningbo, China. This 10,000 MTA unit will utilize AMS technology jointly licensed by Versalis and McDermott's Lummus Technology to recover specialty chemicals for niche market sale.

"This award represents the first license of this AMS technology," said Leon de Bruyn, Senior Vice President of McDermott's Lummus Technology business. "The commercialization of this technology illustrates the effectiveness of our continuous innovation process. Lummus works to provide our customers market-leading solutions to enhance their competitiveness; the addition of the AMS recovery unit will enable Formosa to recover this specialty chemical with unmatched purity, ultimately enhancing the operating margins while lessening the environmental footprint."

The award strengthens the ongoing collaboration, dating back to 1995, between the Formosa organization and Lummus Technology. This technology incorporates many decades of operating and design experience by Versalis with Lummus design expertise.

McDermott's Lummus Technology is a leading licensor of proprietary petrochemicals, refining, gasification and gas processing technologies, and a supplier of proprietary catalysts and related engineering. With a heritage spanning more than 100 years, encompassing approximately 3,400 patents and patent applications, Lummus Technology provides one of the industry's most diversified technology portfolios to the hydrocarbon processing sector. Versalis (the chemical company of Italian energy major Eni) and Lummus have a long-standing collaboration to develop and offer a variety of petrochemical process licenses.

This award was reflected in McDermott's second quarter 2019 backlog.

*McDermott defines a sizeable contract as between USD \$1 million and USD \$50 million.

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. 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 backlog, to the extent backlog may be viewed as an indicator of future revenues or profitability, and the expected value and scope of the award 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 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.

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