McDermott Announces Ethylene Award in Russia

- Technology award for Irkutsk Oil Company (IOC) ethylene plant in Russia
- Award includes basic engineering and technology licensing, plus detailed engineering and material supply of heaters
- Unit will utilize Lummus Technology's SRT® heater, low-pressure chilling train, and multi-component refrigeration

HOUSTON, March 20, 2019 /PRNewswire/ -- McDermott International, Inc. (NYSE: MDR) today announced that it has been awarded a large* technology contract for the basic engineering and licensing of Irkutsk Oil Company's (IOC) 650 KTA ethylene plant in Russia, plus the detailed engineering and material supply of six SRT® (Short Residence Time) pyrolysis heaters for the plant. The plant will be designed to produce 650 KTA of polymer grade ethylene from ethane and propane, and will also produce high-purity hydrogen and C5 by-products.

"This contract is a significant award for us in Russia," said Daniel M. McCarthy, Executive Vice President of McDermott's Lummus Technology business. "The remote location and harsh winter conditions presented constraints on the target project completion date that are being minimized through careful planning of the equipment design and specification schedule."

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 3,100 patents and patent applications, Lummus Technology provides one of the industry's most diversified technology portfolios to the hydrocarbon processing sector.

This award was reflected in McDermott's fourth quarter 2018 backlog.

*McDermott defines a large contract as between USD $50 million and USD $250 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 counterparts, 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.

Contacts:

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


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