



NEWS RELEASE

For Immediate Release:
8/19/2019

McDermott, Chiyoda and Zachry Group Announce First Liquid from Freeport LNG Train 1

- Train 1 begins producing first liquefied natural gas
- Liquid production marks another major project milestone for Train 1
- McDermott project team reaches milestone while maintaining continuous focus on safety

HOUSTON, Aug. 19, 2019 /PRNewswire/ -- McDermott International, Inc. (NYSE: MDR) along with its partners, Chiyoda International Corporation and Zachry Group, today announced that Train 1 of the Freeport LNG project on Quintana Island in Freeport, Texas, has begun producing liquefied natural gas (LNG). While production is in the initial phases, this significant project milestone is a precursor to first cargo, which is expected later this month.

"When a facility starts producing a product, it is always a notable achievement, especially for large-scale projects, such as Freeport LNG," said Mark Coscio, McDermott's Senior Vice President for North, Central and South America. "We are proud of the project team, which has worked hard to accomplish this milestone with exceptional safety performance during the construction phase. We look forward to celebrating first cargo for Train 1 soon with the same focus to safety and quality."

Zachry Group, as the joint venture lead, partnered with McDermott for the Pre-FEED in 2011, followed by FEED works to support the early development stage of Trains 1 and 2 of the project as a one-stop shop solution provider. Later Chiyoda joined the venture and the joint team provided engineering, procurement and facility construction as well as commissioning and initial operations for Train 3 of the project. The project scope includes three pre-treatment trains, a liquefaction facility with three trains, a second loading berth and a 165,000 m3 full containment LNG storage tank.

Freeport LNG Trains 2 and 3 remain on track to meet their previously announced schedules, with Train 2 initial production of LNG scheduled for Q4 of 2019 and Train 3 initial production of LNG scheduled for Q1 of 2020.

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.

About Zachry Group

Zachry Group is North America's pacesetter in turnkey construction, engineering, maintenance, turnaround and fabrication services to the power, energy, chemicals, manufacturing and industrial sectors.

We work with customers to plan, build and renew their most critical facilities, so they can achieve their immediate and

long-term goals, all at the highest safety standards. We operate in more than 30 offices, and our 20,000 employees work in more than 400 locations nationwide, united by a shared set of values and the desire to deliver the very best outcome for our customers.

Visit www.zachrygroup.com for more information.

About Chiyoda

Chiyoda Corporation, headquartered in Yokohama, Japan provides services in the fields of engineering, procurement and construction on a global basis for petroleum refineries, petrochemical complexes, other hydrocarbon or industrial plants, particularly LNG plants in the USA, South East Asia, the Oceania regions, the Middle East and Russia.

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 timing and scope on the Freeport LNG project. 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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