

CHICAGO BRIDGE & IRON CO N V  
Form SC TO-T  
March 29, 2018

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE TO**

**Tender Offer Statement under Section 14(d)(1) or 13(e)(1)**

**of the Securities Exchange Act of 1934**

**Chicago Bridge & Iron Company N.V.**

**(Name of Subject Company (Issuer))**

**McDermott Technology, B.V.**

**(Name of Filing Person (Offeror))**

**A Wholly Owned Subsidiary of**

**McDermott International, Inc.**

**(Name of Filing Person (Offeror))**

**(Names of Filing Persons (identifying status as offeror, issuer or other person))**

**Common Stock, EUR 0.01 par value**

**(Title of Class of Securities)**

**167250109**

**(CUSIP Number of Class of Securities)**

**John M. Freeman**

**Senior Vice President,**

**General Counsel & Corporate Secretary**

**McDermott International, Inc.**

**4424 West Sam Houston Parkway North**

**Houston, Texas 77041**

**(281) 870-5000**

**(Name, address and telephone number of person authorized to receive notices and communications on behalf of filing persons)**

*Copies to:*

**Ted W. Paris**

**James H. Mayor**

**Travis J. Wofford**

**Baker Botts L.L.P.**

**910 Louisiana Street**

**Houston, Texas 77002**

**(713) 229-1234**

**CALCULATION OF FILING FEE**

**Transaction Valuation\***

\$1,701,832,879

**Amount Of Filing Fee\*\***

\$211,878.19

Edgar Filing: CHICAGO BRIDGE & IRON CO N V - Form SC TO-T

- \* Estimated for purposes of calculating the amount of filing fee only. This amount is based on the product of (1) \$16.07, the average of the high and low prices per share of Chicago Bridge & Iron Company N.V. common stock, par value EUR 0.01 per share ( CB&I Common Stock ), on the New York Stock Exchange on March 26, 2018, multiplied by (2) 105,901,237, the maximum number of shares of CB&I Common Stock that may be exchanged in the Exchange Offer (including shares of CB&I Common Stock underlying unexercised options to purchase shares of CB&I Common Stock and outstanding restricted stock unit awards, in each case outstanding under CB&I s equity-based incentive or other compensation plans as of March 26, 2018, as well as an estimate with respect to awards anticipated to be issued before the completion of the Combination).
- \*\* The amount of the filing fee, calculated in accordance with Rule 0-11 under the Securities Exchange Act of 1934, as amended, and SEC Fee Advisory #1 for Fiscal Year 2018 equals 0.0001245 multiplied by the estimated transaction valuation.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$251,101.30

Filing Parties: McDermott International, Inc.

and Comet I B.V.

Form or Registration No.: Form S-4

Date Filed: January 24, 2018

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

- Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
- Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

This Tender Offer Statement on Schedule TO (this Schedule TO) is filed by McDermott International, Inc., a Panamanian corporation (McDermott), and McDermott Technology, B.V., a company organized under the laws of the Netherlands and a direct wholly owned subsidiary of McDermott (McDermott Bidco). This Schedule TO relates to the offer by McDermott Bidco to exchange (the Exchange Offer) shares of McDermott common stock, par value \$1.00 per share (McDermott Common Stock) for any and all issued and outstanding common shares, par value EUR 0.01 per share (CB&I Common Stock), of Chicago Bridge & Iron Company N.V., a public company with limited liability incorporated under the laws of the Netherlands (CB&I), upon the terms and subject to the conditions set forth in the Exchange Offer Prospectus (as defined below) and the related Letter of Transmittal (as defined below).

McDermott Bidco is offering to exchange each share of CB&I Common Stock that is validly tendered and not properly withdrawn pursuant to the Exchange Offer for 2.47221 shares of McDermott Common Stock, or, if a 3-to-1 reverse stock split of the McDermott Common Stock has occurred prior to the time at which McDermott Bidco accepts all shares of CB&I Common Stock validly tendered and not properly withdrawn in the Exchange Offer, 0.82407 shares of McDermott Common Stock, subject to the terms and conditions described in this Schedule TO.

In connection with the Exchange Offer, McDermott filed with the U.S. Securities and Exchange Commission (the SEC) a Registration Statement on Form S-4 on January 24, 2018 (as it may be amended or supplemented from time to time, the Registration Statement) to, among other things, register the offer of shares of McDermott Common Stock in exchange for shares of CB&I Common Stock validly tendered and not properly withdrawn and accepted by McDermott Bidco in the Exchange Offer. The terms and conditions of the Exchange Offer are set forth in the Exchange Offer Prospectus, which is a part of the Registration Statement and filed as Exhibit (a)(4) hereto (as it may be amended or supplemented from time to time, the Exchange Offer Prospectus) and the related Letter of Transmittal filed as Exhibit (a)(1)(i) hereto (as it may be amended or supplemented from time to time, the Letter of Transmittal). Pursuant to General Instruction F to Schedule TO, the information set forth in the Exchange Offer Prospectus and the Letter of Transmittal and the instructions to the Letter of Transmittal therein, including any prospectus supplement or other supplement thereto related to the Exchange Offer hereafter filed with the SEC by McDermott or McDermott Bidco, is hereby expressly incorporated into this Schedule TO by reference in response to items 1 through 11 of this Schedule TO and is supplemented by the information specifically provided for in this Schedule TO. The Exchange Offer is being made pursuant to the Business Combination Agreement, dated as of December 18, 2017 and amended as of January 24, 2018, as it may be amended or supplemented from time to time, by and among McDermott, McDermott Bidco, CB&I and the other parties thereto (the Business Combination Agreement), copies of which are incorporated as Exhibits (d)(1) and (d)(2) to this Schedule TO and are incorporated into this Schedule TO by reference.

### **Item 1. Summary Term Sheet.**

The information set forth in the sections of the Exchange Offer Prospectus entitled Questions and Answers and Summary is incorporated into this Schedule TO by reference.

### **Item 2. Subject Company Information.**

- (a) *Name and Address.* The subject company of the Exchange Offer is Chicago Bridge & Iron Company N.V., a public company with limited liability incorporated under the laws of the Netherlands. CB&I's principal executive offices are located at Prinses Beatrixlaan 35, 2595 AK, The Hague, The Netherlands and its telephone number at that location is 011-31-70-373-2010. The CB&I group's administrative headquarters are located at One CB&I Plaza, 2103 Research Forest Drive, The Woodlands, TX 77380, USA and its telephone

number at that location is (832) 513-1000.

- (b) *Securities.* Shares of CB&I Common Stock are the subject securities in the Exchange Offer. Reference is made to the information relating to CB&I Common Stock set forth in Amendment No. 4 to CB&I's Registration Statement on Form 8-A, filed with the SEC on January 8, 2004, which is incorporated into this Schedule TO by reference. As of March 27, 2018, there were 102,544,213 shares of CB&I Common Stock outstanding.

- (c) *Trading market and price.* The information set forth in the section of the Exchange Offer Prospectus entitled Comparative Per Share Market Information and Dividend Information is incorporated into this Schedule TO by reference.

**Item 3. Identity and Background of Filing Person.**

- (a)-(c) *Name and Address; Business and Background of Entities; Business and Background of Natural Persons.* The information set forth in the sections of the Exchange Offer Prospectus entitled Summary Information About the Companies McDermott Technology, B.V., Summary Information About the Companies McDermott International, Inc., Business of McDermott and Other Information Regarding the Parties is incorporated into this Schedule TO by reference.

**Item 4. Terms of the Transaction.**

- (a) *Material Terms.* The information set forth in the following sections of the Exchange Offer Prospectus is incorporated into this Schedule TO by reference: Questions and Answers, Summary, The Exchange Offer, The Combination, The Business Combination Agreement, Description of McDermott Common Stock, Comparison of Shareholder Rights, and Material Tax Consequences of the Combination, as well as the cover page and Annex A. In addition, the information set forth in the Letter of Transmittal is incorporated into this Schedule TO by reference.

**Item 5. Past Contacts, Transactions, Negotiations and Agreements.**

- (a)-(b) *Transactions; Significant Corporate Events.* The information set forth in the following sections of the Exchange Offer Prospectus is incorporated into this Schedule TO by reference: Summary, The Combination Background of the Combination, The Combination CB&I's Reasons for the Combination; Recommendation of the CB&I Boards, The Combination McDermott's Reasons for the Combination; Recommendation of the McDermott Board, The Combination Interests of Certain Persons in the Combination, The Business Combination Agreement and Other Information Regarding the Parties.

**Item 6. Purposes of the Transaction and Plans or Proposals.**

- (a) *Purposes.* The information set forth in the sections of the Exchange Offer Prospectus entitled The Exchange Offer Purpose of the Exchange Offer, The Combination and The Business Combination Agreement is incorporated into this Schedule TO by reference.
- (c)(1)-(7) *Plans.* The information set forth in the sections of the Exchange Offer Prospectus entitled Summary, The Exchange Offer Purpose of the Exchange Offer, The Combination, The Business Combination Agreement, Financing for the Combination and Post-Combination Governance and Management is incorporated into this Schedule TO by reference.

**Item 7. Source and Amount of Funds or Other Consideration.**

- (a) *Source of Funds.* The information set forth in the sections of the Exchange Offer Prospectus entitled Summary, The Combination, The Business Combination Agreement, The Exchange Offer and Financing for the Combination is incorporated into this Schedule TO by reference.
- (b) *Conditions.* The information set forth in the sections of the Exchange Offer Prospectus entitled Summary, Risk Factors, The Combination Regulatory Approvals Related to the Combination, The Business Combination Agreement, The Exchange Offer and Financing for the Combination is incorporated into this Schedule TO by reference.

- (d) *Borrowed Funds.* The information set forth in the section of the Exchange Offer Prospectus entitled Summary and Financing for the Combination is incorporated into this Schedule TO by reference.

**Item 8. Interest in Securities of the Subject Company.**

- (a)-(b) *Securities Ownership; Securities Transactions.* The information set forth in the section of the Exchange Offer Prospectus entitled Other Information Regarding the Parties is incorporated into this Schedule TO by reference.

**Item 9. Persons/Assets, Retained, Employed, Compensated or Used.**

- (a) *Solicitations or Recommendations.* The information set forth in the following sections of the Exchange Offer Prospectus is incorporated into this Schedule TO by reference: Opinion of Financial Advisors to McDermott Goldman, Sachs & Co. LLC, Opinion of Financial Advisors to McDermott Greenhill & Co., LLC, Opinion of Financial Advisor to CB&I and The Business Combination Agreement Additional Agreements Expenses.

**Item 10. Financial Statements.**

- (a) *Financial Information.* The information set forth in the following sections of the Exchange Offer Prospectus is incorporated into this Schedule TO by reference: Summary Selected Historical Consolidated Financial Information of McDermott, Comparative Per Share Market Information and Dividend Information and Where You Can Find More Information. Additionally, the financial information set forth under Item 8 of McDermott's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, filed with the SEC on February 21, 2017 (the McDermott 10-K), including the audited financial statements of McDermott as of December 31, 2016, 2015 and 2014 and for the years ended December 31, 2016, 2015 and 2014, the financial information set forth under Item 1 of McDermott's Quarterly Report on Form 10-Q, filed with the SEC on November 1, 2017 (the McDermott 10-Q), including the unaudited financial statements of McDermott as of September 30, 2017 and for the nine months ended September 30, 2017, the information set forth under Exhibit 12.1 of the McDermott 10-K and the McDermott 10-Q is incorporated into this Schedule TO by reference.
- (b) *Pro Forma Information.* The information set forth in the following sections of the Exchange Offer Prospectus is incorporated into this Schedule TO by reference: Summary Selected Unaudited Pro Forma Combined Financial Information, Comparative Historical and Pro Forma Per Share Information and Unaudited Pro Forma Combined Financial Statements.
- (c) *Summary Information.* The information set forth in the following sections of the Exchange Offer Prospectus is incorporated into this Schedule TO by reference: Summary Selected Historical Consolidated Financial Information of McDermott and Comparative Per Share Market Information and Dividend Information.



**Item 11. Additional Information.**

- (a) *Agreements, Regulatory Requirements and Legal Proceedings.* The information set forth in the following sections of the Exchange Offer Prospectus is incorporated into this Schedule TO by reference: Summary, The Combination, The Business Combination Agreement, The Exchange Offer and Post-Combination Governance and Management.

The shares of CB&I Common Stock are currently margin securities under the Regulations of the Board of Governors of the Federal Reserve System (the Federal Reserve Board), which has the effect, among other things, of allowing brokers to extend credit on the collateral of the shares. Depending upon factors similar to those described above regarding the market for the shares and listing, it is possible that, following the Exchange Offer, the shares would no longer constitute margin securities for the purposes of the margin regulations of the Federal Reserve Board and, therefore, could no longer be used as collateral for loans made by brokers.

- (c) *Other Material Information.* The information contained in the Exchange Offer Prospectus, the Letter of Transmittal and the documents incorporated by reference in the Exchange Offer Prospectus, to the extent not already incorporated into this Schedule TO by reference, is incorporated into this Schedule TO by reference.

**Item 12. Exhibits.**

- (a)(1)(i) Letter of Transmittal and Instructions for Letter of Transmittal.\*
- (a)(1)(ii) Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.\*
- (a)(1)(iii) Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.\*
- (a)(1)(iv) Notice of Withdrawal of CB&I Common Stock.\*
- (a)(1)(v) Letter to CB&I 401(k) Plan Participants.\*
- (a)(1)(vi) Letter to Lutech Resources Savings Plan Participants.\*
- (a)(2) Solicitation/Recommendation Statement on Schedule 14D-9 of CB&I (incorporated by reference to the Schedule 14D-9 filed by CB&I on March 29, 2018).
- (a)(4) Exchange Offer Prospectus, dated March 29, 2018.\*
- (a)(5)(i) Joint Press Release, dated December 18, 2017, issued by McDermott and CB&I, dated December 18, 2017, announcing entry into the Business Combination Agreement (incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K filed by McDermott on December 18, 2017).
- (a)(5)(ii) Joint Investor Presentation, dated December 18, 2017, entitled *McDermott International + CB&I* (incorporated by reference to Exhibit 99.2 to the Current Report on Form 8-K filed by McDermott on December 18, 2017).
- (a)(5)(ii) Letter to Employees by Scott Munro (incorporated by reference to McDermott's filing pursuant to Rule 425 on December 19, 2017).
- (a)(5)(iv) Employee Video Transcript by David Dickson (incorporated by reference to McDermott's filing pursuant to Rule 425 on December 19, 2017).
- (a)(5)(v) Employee Questions (incorporated by reference to McDermott's filing pursuant to Rule 425 on December 19, 2017).
- (a)(5)(vi) Conference call invitation (incorporated by reference to McDermott's filing pursuant to Rule 425 on December 19, 2017).
- (a)(5)(vii) Letter to Employees by David Dickson (incorporated by reference to McDermott's filing pursuant to Rule 425 on December 19, 2017).
- (a)(5)(viii) McDermott webpage entitled *McDermott and CB&I to Combine* (incorporated by reference to McDermott's filing pursuant to Rule 425 on December 19, 2017).
- (a)(5)(ix) Employee Guidelines (incorporated by reference to McDermott's filing pursuant to Rule 425 on December 19, 2017).
- (a)(5)(x) Integration Team Presentation (incorporated by reference to McDermott's filing pursuant to Rule 425 on December 19, 2017).
- (a)(5)(xi)

Edgar Filing: CHICAGO BRIDGE & IRON CO N V - Form SC TO-T

Transcript of conference call held by McDermott on December 18, 2017 (incorporated by reference to McDermott's filing pursuant to Rule 425 on December 19, 2017).

- (a)(5)(xii) McDermott Slide Presentation entitled "Town Hall" (incorporated by reference to McDermott's filing pursuant to Rule 425 on December 19, 2017).

- (a)(5)(xiii) Social media posts (incorporated by reference to McDermott's filing pursuant to Rule 425 on December 19, 2017).
- (a)(5)(xiv) Email from Tony Brown, Chief Integration Officer, to McDermott employees (incorporated by reference to McDermott's filing pursuant to Rule 425 on December 26, 2017).
- (a)(5)(xv) Joint Investor Presentation, dated January 8, 2018 (incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K filed by McDermott on January 8, 2018).
- (a)(5)(xvi) Press Release issued by McDermott, dated January 8, 2018 (incorporated by reference to Exhibit 99.2 to the Current Report on Form 8-K filed by McDermott on January 8, 2018).
- (a)(5)(xvii) Article written by Bloomberg Markets entitled "McDermott CEO Bets on Next Turnaround at Ailing Chicago Bridge" (incorporated by reference to McDermott's filing pursuant to Rule 425 on January 9, 2018).
- (a)(5)(xviii) Social media posts (incorporated by reference to McDermott's filing pursuant to Rule 425 on January 11, 2018).
- (a)(5)(xix) Integration communication to McDermott employees (incorporated by reference to McDermott's filing pursuant to Rule 425 on January 16, 2018).
- (a)(5)(xx) Joint Press Release issued by McDermott and CB&I, dated January 25, 2018 (incorporated by reference to McDermott's filing pursuant to Rule 425 on January 25, 2018).
- (a)(5)(xxi) Integration communication to CB&I employees (incorporated by reference to McDermott's filing pursuant to Rule 425 on January 30, 2018).
- (a)(5)(xxii) Integration communication to McDermott employees (incorporated by reference to McDermott's filing pursuant to Rule 425 on February 5, 2018).
- (a)(5)(xxiii) Press Release issued by McDermott announcing McDermott's financial results for the quarter and year ended December 31, 2017, dated February 21, 2018 (incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K filed by McDermott on February 21, 2018).
- (a)(5)(xxiv) McDermott Slide Presentation entitled "Q4 2017 Supplemental Information" (incorporated by reference to Exhibit 99.2 to the Current Report on Form 8-K filed by McDermott on February 21, 2018).
- (a)(5)(xxv) Annual Report on Form 10-K of McDermott for the fiscal year ended December 31, 2017 (filed with the SEC on February 21, 2018 and incorporated herein by reference).
- (a)(5)(xxvi) Annual Report on Form 10-K of CB&I for the fiscal year ended December 31, 2017 (filed with the SEC on February 21, 2018 and incorporated herein by reference).
- (a)(5)(xxvii) McDermott Fourth Quarter 2017 Earnings Call Transcript (incorporated by reference to McDermott's filing pursuant to Rule 425 on February 22, 2018).
- (a)(5)(xxviii) Email to McDermott and CB&I employees, dated February 26, 2018 (incorporated by reference to McDermott's filing pursuant to Rule 425 on February 27, 2018).

- (a)(5)(xxix) Integration communication to McDermott and CB&I employees (incorporated by reference to McDermott's filing pursuant to Rule 425 on March 13, 2018).
- (a)(5)(xxx) Joint Press Release issued by McDermott and CB&I, dated March 13, 2018 (incorporated by reference to McDermott's filing pursuant to Rule 425 on March 13, 2018).
- (a)(5)(xxxi) Joint Press Release issued by McDermott and CB&I, dated March 14, 2018 (incorporated by reference to McDermott's filing pursuant to Rule 425 on March 15, 2018).
- (a)(5)(xxxii) McDermott Slide Presentation entitled "McDermott International + CB&I" (incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K filed by McDermott on March 22, 2018).
- (a)(5)(xxxiii) Joint Press Release issued by McDermott and CB&I dated March 29, 2018 (incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K filed by McDermott on March 29, 2018).
- (b) Commitment Letter, dated December 18, 2017 to which McDermott International, Inc., Barclays Bank PLC, Crédit Agricole Corporate and Investment Bank and Goldman Sachs Bank USA are parties (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by McDermott on December 18, 2017).
- (d)(1) Business Combination Agreement, dated December 18, 2017, by and among McDermott International, Inc., McDermott Technology, B.V., McDermott Technology (Americas), LLC, McDermott Technology (US), LLC, Chicago Bridge & Iron Company N.V., Comet I B.V., Comet II B.V., CB&I Oil & Gas Europe B.V., CB&I Group UK Holdings, CB&I Nederland B.V. and The Shaw Group, Inc. (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed by McDermott on December 18, 2017).
- (d)(2) Amendment No. 1 to Business Combination Agreement and Partial Assignment and Assumption of Business Combination Agreement, dated January 24, 2018, by and among McDermott International, Inc., McDermott Technology, B.V., McDermott Technology (2), B.V., McDermott Technology (3), B.V., McDermott Technology (Americas), LLC, McDermott Technology (US), LLC, Chicago Bridge & Iron Company N.V., Comet I B.V., Comet II B.V., CB&I Oil & Gas Europe B.V., CB&I Group UK Holdings, CB&I Nederland B.V. and The Shaw Group, Inc. (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed by McDermott on January 24, 2018).

\* Filed herewith

Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. McDermott Bidco hereby undertakes to furnish supplementally copies of any of the omitted schedules upon request by the U.S. Securities and Exchange Commission; provided, however, that McDermott Bidco may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any schedules so furnished

### **Item 13. Information Required by Schedule 13E-3.**

Not applicable.

### **Participants in Proxy Solicitation**

McDermott, CB&I and their respective directors and certain of their executive officers and employees may be deemed, under SEC rules, to be participants in the solicitation of proxies from McDermott's and CB&I's shareholders in connection with the proposed transactions. Information regarding the officers and directors of McDermott is included in its annual report on Form 10-K/A for the year ended December 31, 2017 filed with SEC on March 8, 2018. Information regarding the officers and directors of CB&I is included in its annual report on Form 10-K/A

for the year ended December 31, 2017 filed with the SEC on March 22, 2018. Additional information regarding the persons who may be deemed participants and their interests will be set forth in the Registration Statement and joint proxy statement/prospectus and other materials when they are filed with the SEC in connection with the proposed transactions. Free copies of these documents may be obtained as described in the paragraphs above.

### **Forward-Looking Statements**

McDermott and CB&I caution that statements in this communication which are forward-looking, and provide other than historical information, involve risks, contingencies and uncertainties that may impact actual results of operations of McDermott, CB&I and the combined business. These forward-looking statements include, among other things, statements about anticipated cost and revenue synergies, accretion, risks related to CB&I projects, best-in-class operations, opportunities to capture additional value from market trends, maintenance of a consistent customer approach to pricing, safety and transition issues, free cash flow, plans to de-lever, targeted credit ratings, expected completion date, and permanent debt financing. 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: the ability of McDermott and CB&I to obtain the shareholder approvals necessary to complete the proposed combination on the proposed timeline or at all; the risk that a condition to the closing of the proposed combination may not be satisfied or that the proposed combination may fail to close, including as the result of any inability to obtain the financing for the combination; the outcome of any legal proceedings, regulatory proceedings or enforcement matters that may be instituted relating to the proposed combination; the costs incurred to consummate the proposed combination; the possibility that the expected synergies from the proposed combination will not be realized, or will not be realized within the expected time period; difficulties related to the integration of the two companies, the credit ratings of the combined business following the proposed combination; disruption from the proposed combination making it more difficult to maintain relationships with customers, employees, regulators or suppliers; the diversion of management time and attention on the proposed combination; adverse changes in the markets in which McDermott and CB&I operate or credit markets; the inability of McDermott or CB&I to execute on contracts in backlog successfully; 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 customers and other business counterparties of McDermott and CB&I; or 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. You should not place undue reliance on forward looking statements. For a more complete discussion of these and other risk factors, please see each of McDermott's and CB&I's annual and quarterly filings with the SEC, including their respective annual reports on Form 10-K for the year ended December 31, 2017. This communication reflects the views of McDermott's management and CB&I's management as of the date hereof. Except to the extent required by applicable law, McDermott and CB&I undertake no obligation to update or revise any forward-looking statement.

**SIGNATURES**

After due inquiry and to the best of their knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: March 29, 2018

**MCDERMOTT INTERNATIONAL, INC.**

By: /s/ David Dickson  
Name: David Dickson  
Title: President and Chief Executive Officer

**MCDERMOTT TECHNOLOGY, B.V.**

By: /s/ Stuart Spence  
Name: Stuart Spence  
Title: Managing Director