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Saipem: Terms set for the capital increase of up to €3.5 billion

- Issue price for new shares €0.362, a 37% discount to the Theoretical Ex-Rights Price¹
- Co-optation of a new member of the Board of Directors

San Donato Milanese (Milan), 21 January 2016 - Saipem S.p.A. ("Saipem" or the "Company"), announces that the Board of Directors has today set the final terms of the share capital increase for up to Euro 3,500 million, as approved by the Extraordinary Shareholders meeting of 2 December 2015, through the issue of new shares to be offered to on a pre-emptive basis to shareholders pursuant to Art. 2441, first paragraph, of the Italian Civil Code (the "Share Capital Increase").

In particular, the Share Capital Increase will take place through the issue of a maximum of No.9,668,363,496 new ordinary shares with no par value and having the same characteristics as the currently outstanding Saipem ordinary shares and regular entitlement, offered on a pre-emptive basis to shareholders, at an issue ratio of No. 22 new shares, for every No. 1 ordinary and/or saving share held, at an issue price equal to Euro 0.362 per share, for a total amount of Euro 3,499,947,586 (of which Euro 1,749,973,793 booked into share capital Euro 1,749,973,793 and as share premium).

The issue price of the new shares, determined in accordance with the criteria established by the Extraordinary Shareholders' meeting, has been set at a discount of 37% to the TERP of the ordinary shares of Saipem calculated on the basis of the Milan Stock Exchange official price on 21 January 2016, equal to Euro 5.26.

The option rights valid for the subscription of newly issued shares of Saipem will be exercisable, subject to forfeiture, from 25 January 2016, to 11 February 2016, included (the "Offering Period") and will also be tradeable on the Milan Stock Exchange from 25 January, 2016 to 5 February 2016, inclusive.

¹ *The Theoretical Ex-Rights Price (TERP) is the theoretical price of a share after a rights issue.*

Pursuant to art. 2441, paragraph 3 of the Italian Civil Code, any option rights remaining unexercised by the end of the option period will be sold on the Italian stock exchange within the next month after the end of the Offering Period, for at least five trading days unless they are fully sold before that time.

The commencement of the Offering Period is subject to Consob's authorisation to publish the Registration Document, the Information Note and the Summary Note relating to the Offer.

As disclosed to the market on 27 October 2015, Eni has irrevocably undertaken to subscribe all the newly issued shares to an extent corresponding to the shareholding held in the Company, equal to approximately 42.9% of the share capital. In such respect please note that Eni entered into the following agreement with FSI: (i) a sale and purchase agreement pursuant to which Eni undertook to sell, and FSI undertook to buy, a stake representing approximately 12.5% plus one share of the Company share capital, equal to 55,176,364 ordinary shares and (ii) a shareholders' agreement aimed at defining the terms of engagement governing the relations between parties as shareholders of Saipem (the "Sale"). Therefore, FSI, upon the completion of the Sale, has irrevocably undertaken to exercise all the option rights related to the shares acquired through the Sale.

The completion of the Sale is subject to Consob authorization to publish the Registration Document, the Information Note and the Summary Note. Upon realization of such condition precedent, the Sale is expected to be completed after the issuance of the authorization and not later than the commencement of the Share Capital Increase. Hence the commitment undertaken by Eni will be reduced proportionally to the shareholding held in Saipem after the delivery of the shares to FSI, while the FSI's commitment to exercise its option rights will become effective.

Goldman Sachs International and J.P. Morgan, as Joint Global Coordinator and Joint Bookrunner, Banca IMI, Citigroup, Deutsche Bank, Mediobanca, UniCredit, as Joint Bookrunner and HSBC Bank plc, BNP Paribas, ABN AMRO Bank N.V. and DNB Markets as Co-Lead Managers (together the "Underwriters") have undertaken, severally and not jointly, to subscribe a number of new shares equivalent to the option rights which may not have been exercised at the end of the Offer to the market, taking into consideration the shares subscribed by Eni and FSI, subject to customary conditions.

Stefano Cao, Saipem CEO, commented: *"Saipem's capital increase is a key pillar of the company's strategic plan. In what is a challenging moment for the entire energy industry, a strengthened financial structure will represent a significant competitive edge at both commercial and strategic level."*

Over the years, Saipem has built a very valuable market position, with a diversified portfolio of activities: we operate in industry segments which are less exposed to the fall in the price of oil (eg downstream and gas) and in areas of the world where new opportunities are emerging. We can leverage excellent engineering know-how, unique assets, and consolidated relationships with major clients. On top of this, we have launched an aggressive programme of rationalisation and cost reduction needed to face

the current market context, which already in the second half of 2015 has delivered important progress towards a savings target of €1.5 billion by 2017.

It is on this solid foundation that we are building the new Saipem. Our distinctive business model, a profoundly rationalised cost structure, and a consolidated financial position will sustain the company's profitability and the value creation for shareholders".

Pursuant to the acknowledgement agreement signed by Saipem and Eni on 27 October 2015, the Board of Directors has also approved the drawdown of the funds in accordance with the loan agreements entered into on 10 December 2015 by Saipem and Saipem Finance International B.V. with a pool of banks, to the extent necessary to allow full repayment of the debt owed by Saipem and its subsidiaries to the Eni group, taking into account the proceeds from the capital increase.

Finally, the Board of Directors has accepted the resignation of Stefano Siragusa, non-executive Director and member of the Corporate Governance Committee, effective immediately following the conclusion of today's Board meeting, and has co-opted Leone Pattofatto as non-executive Director and member of the Corporate Governance Committee, following the favourable opinion of Saipem's Compensation and Nomination Committee. Mr Siragusa was elected as non-independent Director in the majority list put forward by Eni. The candidacy of Mr Pattofatto was communicated to Saipem by Eni on the indication of the Fondo Strategico Italiano (FSI) in the framework of agreements relating to the Sale. The Board of Directors expressed its sincere gratitude to Mr Siragusa for the work carried out. On the basis of information provided by the new Director himself, Mr Pattofatto is not in possession of the independence requirements. The curriculum vitae of the new Director is available on the company website. The new Director Mr Pattofatto has no shareholdings in the Company.

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Saipem is one of the world leaders in drilling services, as well as in the engineering, procurement, construction and installation of pipelines and complex projects, onshore and offshore, in the oil & gas market. The company has distinctive competences in operations in harsh environments, remote areas and deepwater. Saipem provides a full range of services with "EPC" and "EPCI" contracts (on a "turn-key" basis) and has distinctive capabilities and unique assets with a high technological content.

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