Saipem: Board of Directors approves results for Q3 and the first nine months of 2015

London, October 27, 2015 - The Board of Directors of Saipem S.p.A, chaired by Paolo Andrea Colombo, today approved Saipem Group's Interim Report as at September 30, 2015 (not subject to audit).

<u>Highlights:</u>

Q3 2015: Stable operating profit in complex scenario

- **Revenues: €3,072 million (€3,509 million in the third quarter of 2014)**
- **EBIT: €150 million (€150 million in the third quarter of 2014)**
- **Net result: €54 million (€76 million in the third quarter of 2014)**
- **New contracts: €1,857 million (€1,856 million in the third quarter of 2014)**

First 9 months of 2015: strong impact of write-downs announced at H1 results

- **Adjusted EBIT[1]: €-436 million, including the impact of €718 million of write-downs in current assets carried out in the second quarter of 2015**
- **EBIT: €-640 million, including the impact €929 million of write-downs in capital and current assets carried out in the second quarter of 2015**
- **Net result: €-866 million**
- **Investments: €407 million (€475 million in the first nine months of 2014)**
- **New contracts: €5,357 million (€14,988 million in the first nine months of 2014)**
- **Backlog: €17,750[2] million at September 30, 2015 (€22,147 million at December 31, 2014). The backlog does not include E&C offshore contracts in excess of €600 million announced following the close of the third quarter.**
- **Net debt at September 30, 2015: €5,736 million (€5,531 million at June 30, 2015 and €4,424 million at December 31, 2014)**

Guidance for 2015 results in line with that provided at H1

- **Revenues: ~€12 billion (underlying)**
- **Adjusted EBIT: ~ €-250 million**
- **EBIT: ~ €-450 million**
- **Net result: ~ €-800 million**
- **Investments: below €600 million**
- **Net debt: below €5 billion (excluding potential impact of US dollar fluctuations) [3]**

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[1] *Adjusted EBIT does not include €204 million relating to non monetary assets write-downs (logistics bases and vessels) announced with six-month results*

[2] *Cancelled from the backlog: €1,232 million from the South Stream contract, €53 million from a lease contract for the drillship Saipem 12000 and €24 million from the lease contract for the semi-submersible rig Scarabeo 5*

[3] *Current forecast: negative impact on net debt of approximately €500 million at year end*

Stefano Cao, Saipem CEO, commented:

"Saipem results for the third quarter of 2015 were in line with the same period of 2014, despite the deeply deteriorated market scenario.

This was achieved as a result of an improvement in the Onshore E&C segment, which returned to breakeven, coupled with the relative stability of the Drilling segment.

The encouraging results achieved in the third quarter allow us to confirm the guidance announced to the market at first-half results."

Results for the first nine months of 2015

(million €)

Q3 2014	Q2 2015	Q3 2015	Q3 2015 vs Q3 2014 (%)		First nine months 2014	First nine months 2015	Sept 2015 vs Sept 2014 (%)
3,509	2,353	3,072	(12.5)	Revenues	9,475	8,445	(10.9)
337	(548)	321	(4.7)	EBITDA	992	124	(87.5)
150	(949)	150	–	Operating result	443	(640)	ns
150	(738)	143	(4.7)	Adjusted operating result	443	(436)	ns
76	(997)	54	(28.9)	Net result	212	(866)	ns
76	(786)	47	(38.2)	Adjusted net result	212	(662)	ns
263	(596)	225	(14.4)	Cash flow (Net result + Depreciation and amortisation)	761	(102)	ns
146	118	139	(4.8)	Investments	475	407	(14.3)
1,856	1,101	1,857	0.1	New contracts	14,988	5,357	(64.3)

Revenues and associated profit levels, particularly in the Engineering and Construction sector, and, to a lesser extent, in the Drilling sector, are not consistent over time, as they are influenced not only by market performance but also by climatic conditions and individual project schedules. Consequently, the results from any one particular fiscal period can vary significantly, thereby precluding a direct comparison with the same period in other fiscal years or extrapolation of figures from a single quarter to the entire year.

Summary of write-downs and pre-write down "underlying" results[4]

	First nine months 2015 reported results	Impact of capital asset write-downs	First nine months 2015 Adjusted results	Impact of net current asset write-downs	First nine months 2015 "underlying" results	Delta
Revenues	**8,445**	–	**8,445**	536	8,981	536
Expenses	**(8,321)**	–	**(8,321)**	182	(8,139)	182
Depreciation	**(764)**	204	**(560)**	–	(560)	204
Operating result	**(640)**	204	**(436)**	718	282	922
EBITDA	**124**	–	**124**	718	842	718

Business update for the third quarter of 2015

In the third quarter of 2015, Saipem reported operating results in line with those of the third quarter of 2014 despite the deteriorated business environment.

Revenues amounted to €3,072 billion, a decrease of 12.5% compared to same period of 2014. This decrease is due to the Engineering & Construction Offshore segment, for €301 million (-14,9%), the Engineering & Construction Onshore sector for €95 million (-9,7%), in line with our increasingly selective approach, and to the Drilling sector for €41 million (-8,1%).

EBIT for the quarter amounted to €150 million, in line compared to the third quarter of 2014. The increase in profitability is driven by Engineering & Construction Onshore which broke even compared to an operating loss of €84 million in the third quarter of 2014. This broadly offset the

[4] *For ease of comparison with previous quarters, the analysis of results by Business Unit does not detail the impact of write-downs in capital assets and net current assets. The following table provides a reconciliation of results over the period with the breakdown by business unit.*

decrease in Engineering & Construction Offshore EBIT, mainly resulting from the cancellation of the South Stream project. Furthermore, Saipem benefitted from the contribution of Drilling, which has been slightly impacted in absolute terms, but whose profitability in terms of EBITDA margins is largely unchanged.

Capital expenditure in the first nine months of 2015 amounted to €407 million, of which €139 million in the third quarter (€146 million in the third quarter of 2014) and included:

- €38 million in the Offshore Engineering & Construction sector, relating mainly to the maintenance and upgrading of the existing asset base;
- €5 million in the Onshore Engineering & Construction sector, relating to the purchase of equipment and the maintenance of existing assets;
- €78 million in the Offshore Drilling sector, mainly relating to class reinstatement works for the drill-ships Saipem 10000 and Saipem 12000 and the jack-up Perro Negro 8, in addition to the maintenance and upgrading of the existing assets;
- €18 million in the Onshore Drilling sector, relating to the maintenance of the existing asset base.

Net financial debt at September 30, 2015 stood at €5,736 million, an increase of €1,312 million compared to December 31, 2014. This increase is primarily due to a deterioration in working capital resulting from the non-receipt of pending revenues under negotiation, the reduction of 2014 advance payments balance, as well delays in getting payments on variation orders and milestones. Furthermore, in the first nine months of 2015, cash flow was affected by the temporary negative impact of maturing forex derivatives, amounting to €528 million.

Backlog

During the first nine months of 2015, Saipem was awarded contracts amounting to €5,357 million, of which €1,857 million in the third quarter (€1,856 million in the third quarter of 2014).

Saipem’s backlog at September 30, 2015 stood at €17,750 million (€8,228 million in Offshore E&C, €6,134 million in Onshore E&C and €3,388 million in Drilling), of which €2,463 million is due to be realised in 2015. The total backlog includes the effects of the cancellation of the South Stream contract amounting to €1,232 million, of a lease contract for the drillship Saipem 12000 amounting to €53 million (both following notification of termination for convenience by the Clients South Stream BV and Total) and the suspension of the lease contract for the semi-submersible rig Scarabeo 5, amounting to €24 million (by the Client Statoil).

The backlog only includes the first engineering phase of the contract signed with Codelco in Chile as the second phase is subject to the finalization of initial engineering phase and of certain environmental permits. In addition, contract wins in Engineering & Construction Offshore in Saudi Arabia and Angola for a total value in excess of €600m, announced following the close of the third quarter, are not included.

Management Outlook for 2015

In the context of the continuing low oil-price environment, Saipem’s results for 2015 will be in line with the guidance provided with first-half results.

The Company expects to achieve revenues of €12 billion. Adjusted EBIT is forecast at around €-250 million, and reported EBIT at around €-450 million. Reported net result is expected to be €-800 million.

Capex will amount to less than €600 million thanks to the measures adopted to improve efficiency.

Finally, net debt at year end is expected to be below €5 billion, excluding the impact of exchange rate fluctuations. Based on the current prevailing forex rates, we expect the cash impact of hedging derivatives to affect net debt by approximately €500 million at year end.

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This press release should be read in conjunction with the condensed interim consolidated financial statements at June 30, 2015 and the statutory and consolidated financial statements of Saipem S.p.A. at December 31, 2014, which are already available on the Company's website (www.saipem.com) under the section "Investor Relations – Financial Information."

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Saipem's Chief Financial and Compliance Officer, Mr Alberto Chiarini, in his capacity as manager responsible for the preparation of the Company's financial reports, certifies, pursuant to art. 154-bis paragraph 2 of Legislative Decree no. 58/1998, that accounting data corresponds to the Company's documents and accounting books and entries.

By their nature, "forward-looking statements" are subject to risk and uncertainty since they are dependent upon circumstances which should, or are considered likely, to occur in the future and are outside of the Company's control. These include, but are not limited to: monetary exchange and interest rate fluctuations, commodity price volatility, credit and liquidity risks, HSE risks, the levels of capital expenditure in the oil and gas industry and other sectors, political instability in areas where the Group operates, actions by competitors, success of commercial transactions, risks associated with the execution of projects (including ongoing investment projects), in addition to changes in stakeholders' expectations and other changes affecting business conditions. Actual results could therefore differ materially from the forward-looking statements. The Financial Reports contain in-depth analyses of some of the aforementioned risks. Forward-looking statements are to be considered in the context of the date of their release.

Conference call and webcast

A conference call and webcast will be hosted in London on October 28th at 10.00am GMT (11.00am CET, 6:00am EDT, 3:00am PDT). It can be followed on Saipem's website www.saipem.com by clicking on the webcast banner on the home page, via the following link http://edge.media-server.com/m/p/jyjfbe3j.

During the conference call and webcast, a presentation will be given, which will be available for download from the webcast window and from the 'Investor Relations / Financial Information' section on the www.saipem.com website, around 1 hour before the scheduled start time. This presentation will be also available for download from the authorised storage device "Nis Storage" at www.emarketstorage.com and Borsa Italiana S.p.A (www.borsaitaliana.it).

Saipem operates in the Engineering & Construction and Drilling businesses, with a strong bias towards oil & gas-related activities in remote areas and deep-waters. Saipem is a leader in the provision of engineering, procurement, project management and construction services with distinctive capabilities in the design and execution of large-scale offshore and onshore projects, and technological competences such as gas monetization and heavy oil exploitation.

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Analysis by business sector

Engineering & Construction: Offshore

(million €)

Q3 2014	Q2 2015	Q3 2015	Q3 2015 vs Q3 2014 (%)		First nine months 2014	First nine months 2015	Sept 2015 vs Sept 2014 (%)
2,022	1,677	1,721	(14.9)	Revenues	5,206	5,149	(1.1)
(1,834)	(1,583)	(1,618)	(11.8)	Expenses	(4,691)	(4,804)	2.4
188	94	103	(45.2)	Gross operating result (EBITDA)	515	345	(33.0)
(75)	(81)	(66)	(12.0)	Depreciation	(222)	(226)	1.8
113	13	37	(67.3)	Operating result	293	119	(59.4)
9.3	5.6	6.0		EBITDA %	9.9	6.7	
5.6	0.8	2.1		EBIT %	5.6	2.3	
1,056	620	666		New contracts	9,294	3,408	

The backlog at September 30, 2015 stood at €8,228 million, of which €1,428 million is due to be realised in 2015. The backlog includes the effects of the cancellation of the South Stream contract amounting to €1,232 million having received notification of termination for convenience.

- Revenues for the first nine months of 2015 amounted to €5,149 million, representing a 1.1% decrease compared to the first nine months of 2014, mainly due to lower levels of activity in North and South America, which were partly offset by higher levels of activity recorded in Azerbaijan and Kazakhstan.

- Operating result for the first nine months of 2015 amounted to €119 million, equal to 2.3% of revenues, compared to €293 million in the same period of 2014, equal to 5.6% of revenues. The EBITDA margin stood at 6.7% compared to 9.9% in the same period for 2014. This decrease is due mainly to the cancellation of the South Stream project and lower profitability from projects in South America.

- The main contract acquired in the third quarter of 2015 is:
  - on behalf of Kuwait National Petroleum Corporation (KNPC), as part of the construction of the NRP Al-Zour New Refinery Project, Package 5, in joint venture with Hyundai Engineering & Construction and SK Engineering & Construction. The scope of work includes Engineering, Procurement, Construction, Pre-Commissioning and Assistance during Commissioning/Start-up/Performance Testing for a Solids Pier, Sulfur Pelletizing/Conveying, Subsea Outfall Lines, a Construction Dock, an Offshore Sea Island and a Small Boat Harbour.

Engineering & Construction: Onshore

(million €)

Q3 2014	Q2 2015	Q3 2015	Q3 2015 vs Q3 2014 (%)		First nine months 2014	First nine months 2015	Sept 2015 vs Sept 2014 (%)
981	786	886	(9.7)	Revenues	2,871	2,430	(15.4)
(1,056)	(893)	(869)	(17.7)	Expenses	(3,008)	(2,528)	(16.0)
(75)	(107)	17	ns	Gross operating result (EBITDA)	(137)	(98)	(28.5)
(9)	(11)	(10)	11.1	Depreciation	(28)	(31)	10.7
(84)	(118)	7	ns	Operating result	(165)	(129)	(21.8)
-7.6	-13.6	1.9		EBITDA %	-4.8	-4.0	
-8.6	-15.0	0.8		EBIT %	-5.7	-5.3	
154	175	934		New contracts	4,482	1,365	

The backlog at September 30, 2015 stood at €6,134 million, of which €671 million is due to be realised in 2015.

- Revenues for the first nine months of 2015 amounted to €2,430 million, representing a 15.4% decrease compared to the first nine months of 2014, mainly due to lower levels of activity in North America, Australia and West Africa.

- Operating result for the first nine months of 2015 amounted to €-129 million, compared to €-165 million in the first nine months of 2014.

- The main contracts acquired in the third quarter of 2015 include:

– on behalf of Kuwait National Petroleum Corporation (KNPC), as part of the construction of the NRP Al-Zour New Refinery Project, Pac 4, in joint venture with Essar Projects Limited. The contract consists of Engineering, Procurement, Construction, Pre-Commissioning and Assistance during Commissioning/Start-up/Performance Testing for the tankage, related road works, buildings, pipe racks, pipelines, water systems and control systems for the Al-Zour refinery;

– on behalf of Corporaciòn Nacional del Cobre de Chile (CODELCO), the first phase of the project which encompasses the engineering for the development of a water pipeline and all related facilities, including pumping stations.

Drilling: Offshore

(million €)

Q3 2014	Q2 2015	Q3 2015	Q3 2015 vs Q3 2014 (%)		First nine months 2014	First nine months 2015	Sept 2015 vs Sept 2014 (%)
322	230	272	(15.5	Revenues	878	810	(7.7)
(160)	(111)	(136)	(15.0)	Expenses	(438)	(410)	(6.4)
162	119	136	(16.0)	Gross operating result (EBITDA)	440	400	(9.1)
(66)	(54)	(55)	(16.7)	Depreciation	(189)	(168)	(11.1)
96	65	81	(15.6)	Operating result	251	232	(7.6)
50.3	51.7	50.0		EBITDA %	50.1	49.4	
29.8	28.3	29.8		EBIT %	28.6	28.6	
402	180	6		New contracts	544	195	

The backlog at September 30, 2015 stood at €2,228 million, of which €228 million is due to be realised in 2015. The backlog includes the effects of the cancellation of the contracts for the lease of the drillship Saipem 12000 amounting to €53 million and for the semi-submersible rig Scarabeo 5 amounting to €24 million.

- Revenues for the first nine months of 2015 amounted to €810 million, representing a 7.7% decrease compared to the first nine months of 2014, mainly attributable to reduced revenues from the drillship Saipem 10000 and the jack-up Perro Negro 8, which underwent upgrading works, and by the semi-submersible rig Scarabeo 3, which has been idle in March 2015, and by the semi-submersible rig Scarabeo 4, which was operational in the first few months of this year but has since been scrapped. These were partially offset by increased revenues from the full-scale operations of the semi-submersible rig Scarabeo 7, which had undergone preparatory works in the same period of 2014.

- Operating result for the first nine months of 2015 amounted to €232 million, compared to €251 million in the first nine months of 2014, with the margin on revenues in line with the previous period. The EBITDA margin stood at 49.4%, a decrease of less than 1% on the 50.1% achieved in the first nine months of 2014.

- Vessel utilisation in the first nine months of 2015 and the maintenance schedule for 2015 are as follows:

Vessel	***First nine months of 2015*** ***Under contract***	***Non operating***	***Year 2015*** ***Non operating***
	(days)		***(days)***
Semi-submersible rig Scarabeo 3	236	37 (b+c)	98 (b+c)
Semi-submersible rig Scarabeo 4*	95	86 (c)	86 (c)
Semi-submersible rig Scarabeo 5	267	6 (b)	6 (b)
Semi-submersible rig Scarabeo 6	258	15 (b)	46 (a+b)
Semi-submersible rig Scarabeo 7	273	–	–
Semi-submersible rig Scarabeo 8	273	–	–
Semi-submersible rig Scarabeo 9	272	1 (b)	1 (b)
Drillship Saipem 10000	168	105 (a+b)	123 (a+b)
Drillship Saipem 12000	178	95 (a+b)	95 (a+b)
Jack-up Perro Negro 2	199	74 (a)	74 (a)
Jack-up Perro Negro 3	273	–	–
Jack-up Perro Negro 4	263	10 (a)	10 (a)
Jack-up Perro Negro 5	271	2 (b)	93 (a+b)
Jack-up Perro Negro 7	273	–	–
Jack-up Perro Negro 8	57	216 (a+b)	216 (a+b)
Tender Assisted Drilling Barge	264	9 (a)	9 (a)
Ocean Spur**	96	–	–

***** Vessel written off and sold for scrapping in July 2015
****** Leased third-party vessel, returned to its owner

(a) = the vessel underwent/shall undergo class reinstatement works and/or preparation works for a new contract.
(b) = the vessel underwent maintenance works to address technical problems.
(c) = the vessel was not/ will not be under contract.

Drilling: Onshore

(million €)

Q3 2014	Q2 2015	Q3 2015	Q3 2015 vs Q3 2014 (%)		First nine months 2014	First nine months 2015	Sept 2015 vs Sept 2014 (%)
184	196	193	4.9	Revenues	520	592	13.8
(122)	(132)	(128)	4.9	Expenses	(346)	(397)	14.7
62	64	65	4.8	Gross operating result (EBITDA)	174	195	12.1
(37)	(44)	(47)	27.0	Depreciation	(110)	(135)	22.7
25	20	18	(28.0)	Operating result	64	60	(6.3)
33.7	32.7	33.7		EBITDA %	33.5	32.9	
13.6	10.2	9.3		EBIT %	12.3	10.1	
244	126	251		New contracts	668	389	

The backlog at September 30, 2015 stood at €1,160 million, of which €136 million is due to be realised in 2015.

- Revenues for the first nine months of 2015 amounted to €592 million, a 13.8% increase compared to the revenues achieved in the first nine months of 2014, due mainly to increased levels of activity in Saudi Arabia and South America.

- Operating result for the first nine months of 2015 amounted to €60 million, compared to €64 million in the first nine months of 2014, with the margin on revenues easing from 12.3% to 10.1%. The EBITDA margin stood at 32.9%, a slight decrease compared to the first nine months of 2014.

- The main contracts acquired in the third quarter of 2015 include:
  - on behalf of Kuwait Oil Company, a five-year contract plus an option to extend for a further twelve months, for the supply of two deep-drilling rigs for operations in Kuwait;
  - contracts on behalf of various clients for the lease of rigs in South America, mainly Peru and Colombia.

Average utilization of assets in the third quarter of 2015 stood at 92.3% (96.2% in the third quarter of 2014). As of September 30, 2015, the Company owned 100 rigs located as follows: 28 in Saudi Arabia, 28 in Venezuela, 19 in Peru, 6 in Colombia, 4 in Ecuador, 4 in Kazakhstan, 3 in Bolivia, 2 in Chile, 2 in Italia, 1 in Congo, 1 in Mauritania, 1 in Tunisia and 1 in Turkmenistan.
Additionally, 2 third-party rigs were deployed in Peru, 1 third-party rig in Congo and 1 in Chile.

Attachments:
Reclassified consolidated balance sheet, consolidated income statements reclassified by nature and function of expenses and reclassified statement of cash flow.

RECLASSIFIED CONSOLIDATED BALANCE SHEET

(million €)

	December 31, 2014	September 30, 2015
Net tangible fixed assets	7,601	7,301
Net intangible fixed assets	760	756
	8,361	8,057
Financial investments	112	97
Capital assets	**8,473**	**8,154**
Net current assets	**297**	**1,235**
Employee termination indemnities	**(237)**	**(237)**
Assets (Liabilities) available for disposal	**69**	–
CAPITAL EMPLOYED	**8,602**	**9,152**
Shareholders' equity	**4,137**	**3,390**
Minority interest in net equity	**41**	**26**
Net debt	**4,424**	**5,736**
COVER	**8,602**	**9,152**
Leverage (net debt/shareholders' equity)	**1.06**	**1.68**
SHARES ISSUED AND OUTSTANDING	**441,410,900**	**441,410,900**

CONSOLIDATED INCOME STATEMENT RECLASSIFIED BY NATURE OF EXPENSES

(million €)

Q3 2014	Q2 2015	Q3 2015		First nine months 2014	First nine months 2015
3,509	2,353	3,072	Operating revenues	9,475	8,445
3	–	2	Other revenues and income	7	2
(2,580)	(2,302)	(2,219)	Purchases, services and other costs	(6,698)	(6,568)
(595)	(599)	(534)	Payroll and related costs	(1,792)	(1,755)
337	**(548)**	**321**	**GROSS OPERATING RESULT**	**992**	**124**
(187)	(401)	(171)	Amortization, depreciation and write-downs	(549)	(764)
150	**(949)**	**150**	**OPERATING RESULT**	**443**	**(640)**
(52)	(58)	(72)	Financial expenses	(162)	(182)
13	(17)	(9)	Income from investments	30	(2)
111	**(1,024)**	**69**	**INCOME BEFORE INCOME TAXES**	**311**	**(824)**
(35)	30	(29)	Income taxes	(99)	(42)
76	**(994)**	**40**	**INCOME BEFORE MINORITY INTEREST**	**212**	**(866)**
–	(3)	14	Minority interest	–	–
76	**(997)**	**54**	**NET RESULT**	**212**	**(866)**
263	**(596)**	**225**	**CASH FLOW (Net result + Depreciation and amortization)**	**761**	**(102)**

CONSOLIDATED INCOME STATEMENT
RECLASSIFIED BY FUNCTION OF EXPENSES

(million €)

Q3 2014	Q2 2015	Q3 2015		First nine months 2014	First nine months 2015
3,509	2,353	3,072	Operating revenues	9,475	8,445
(3,227)	(3,175)	(2,785)	Production costs	(8,662)	(8,686)
(32)	(43)	(48)	Idle costs	(93)	(134)
(35)	(31)	(31)	Selling expenses	(105)	(94)
(3)	(2)	(4)	Research and development costs	(8)	(10)
(7)	(3)	(4)	Other operating income (expenses), net	(15)	(12)
205	**(901)**	**200**	**CONTRIBUTION FROM OPERATIONS**	**592**	**(491)**
(55)	(48)	(50)	General and administrative expenses	(149)	(149)
150	**(949)**	**150**	**OPERATING RESULT**	**443**	**(640)**
(52)	(58)	(72)	Financial expenses	(162)	(182)
13	(17)	(9)	Income from investments	30	(2)
111	**(1,024)**	**69**	**INCOME BEFORE INCOME TAXES**	**311**	**(824)**
(35)	30	(29)	Income taxes	(99)	(42)
76	**(994)**	**40**	**INCOME BEFORE MINORITY INTEREST**	**212**	**(866)**
–	(3)	14	Minority interest	–	–
76	**(997)**	**54**	**NET RESULT**	**212**	**(866)**
263	**(596)**	**225**	**CASH FLOW (Net Result + Depreciation and amortization)**	**761**	**(102)**

RECLASSIFIED STATEMENT OF CASH FLOW

(million €)

Q3 2014	Q2 2015	Q3 2015		First nine months 2014	First nine months 2015
76	(997)	54	Net result	212	(866)
	3	(14)	Minority interest	–	–
			Adjustments to reconcile cash generated from operating income before changes in working capital:		
188	589	190	Depreciation, amortization and other non-monetary items	509	913
(80)	147	(383)	Variation in working capital relating to operations	(487)	(1,052)
184	**(258)**	**(153)**	**Net cash flow from operations**	**234**	**(1,005)**
(146)	(118)	(139)	Investments in tangible and intangible fixed assets	(475)	(407)
(2)	(1)	–	Investments and purchase of consolidated subsidiaries and businesses	(4)	(1)
1	–	12	Disposals	8	109
37	**(377)**	**(280)**	**Free cash flow**	**(237)**	**(1,304)**
–	–		Buy back of treasury shares/Exercise of stock options	–	–
–	–	(17)	Cash flow from share capital and reserves	(44)	(17)
(63)	39	92	Effect of exchange rate differences on net debt and other changes	(89)	9
(26)	**(338)**	**(205)**	**Change in net debt**	**(370)**	**(1,312)**
5,104	**5,193**	**5,531**	**Net debt at beginning of period**	**4,760**	**4,424**
5,130	**5,531**	**5,736**	**Net debt at end of period**	**5,130**	**5,736**