

# saipem

## **Presentation to the Financial Community** First Half 2013 Results

San Donato Milanese, July 30, 2013



# Forward-Looking Statements

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By their nature, forward-looking statements are subject to risk and uncertainty since they are dependent on 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: forex 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. Saipem S.p.A. does not undertake to review, revise or correct forward-looking statements once they have been released, barring cases required by Law.

Forward-looking statements neither represent nor can be considered as estimates for legal, accounting, fiscal or investment purposes. Forward-looking statements are not intended to provide assurances and/or solicit investment.

# Presentation Outline

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## 1. Financial Results

1. 1H 2013 Financial Results
2. 1H 2013 Net Debt and Working Capital breakdown
3. Net Debt in 2013E

## 2. 2013 Update

1. 2013 Guidance
2. Operational Update: focus on Middle East and Brazil

## 3. Market evolution

1. Backlog at June 30,2013
2. New contract awards in 1H 2013
3. Margin mix improving as new projects come onstream
4. Short-term prospects (E&C)

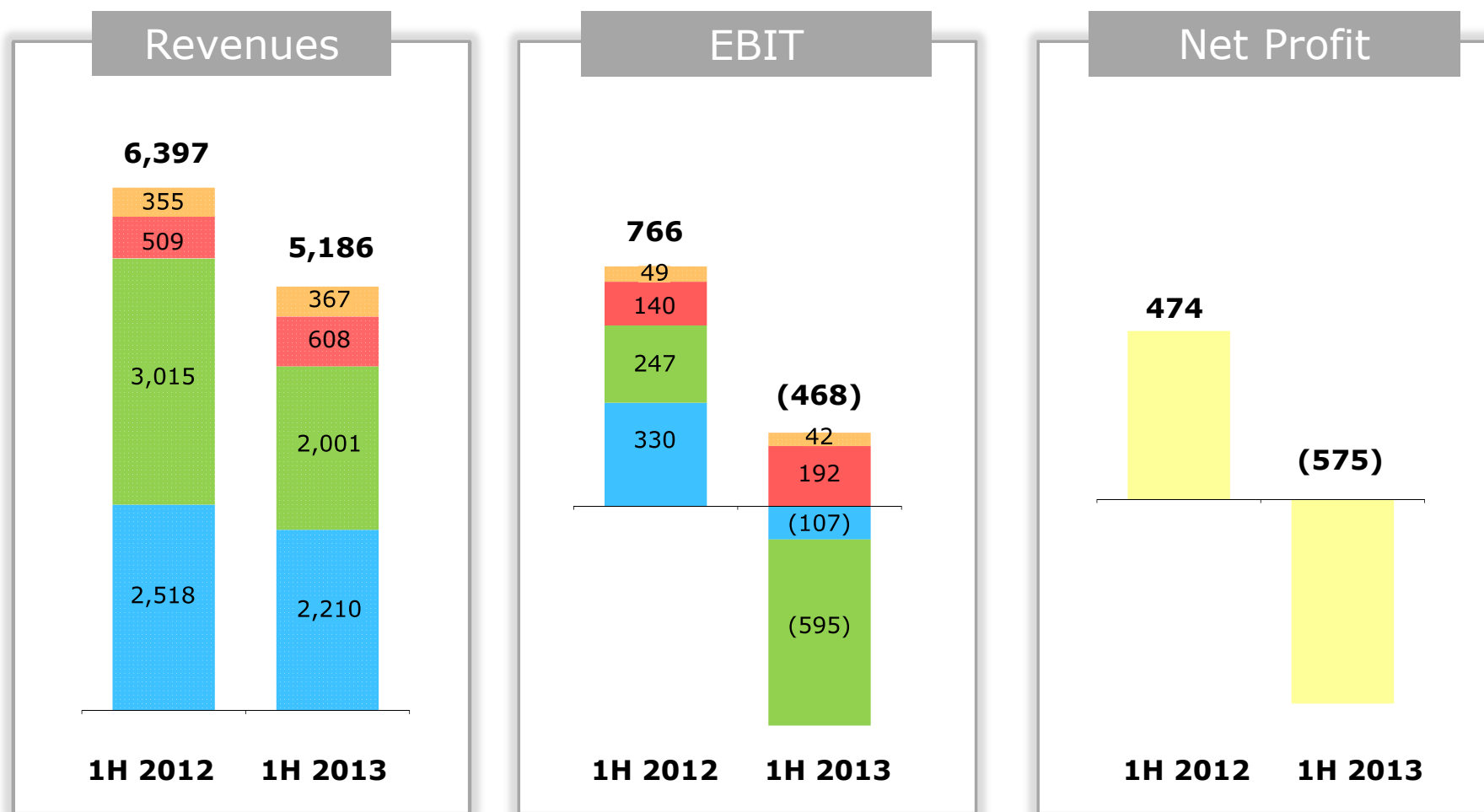
## 4. Conclusions

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# 1. Financial Results

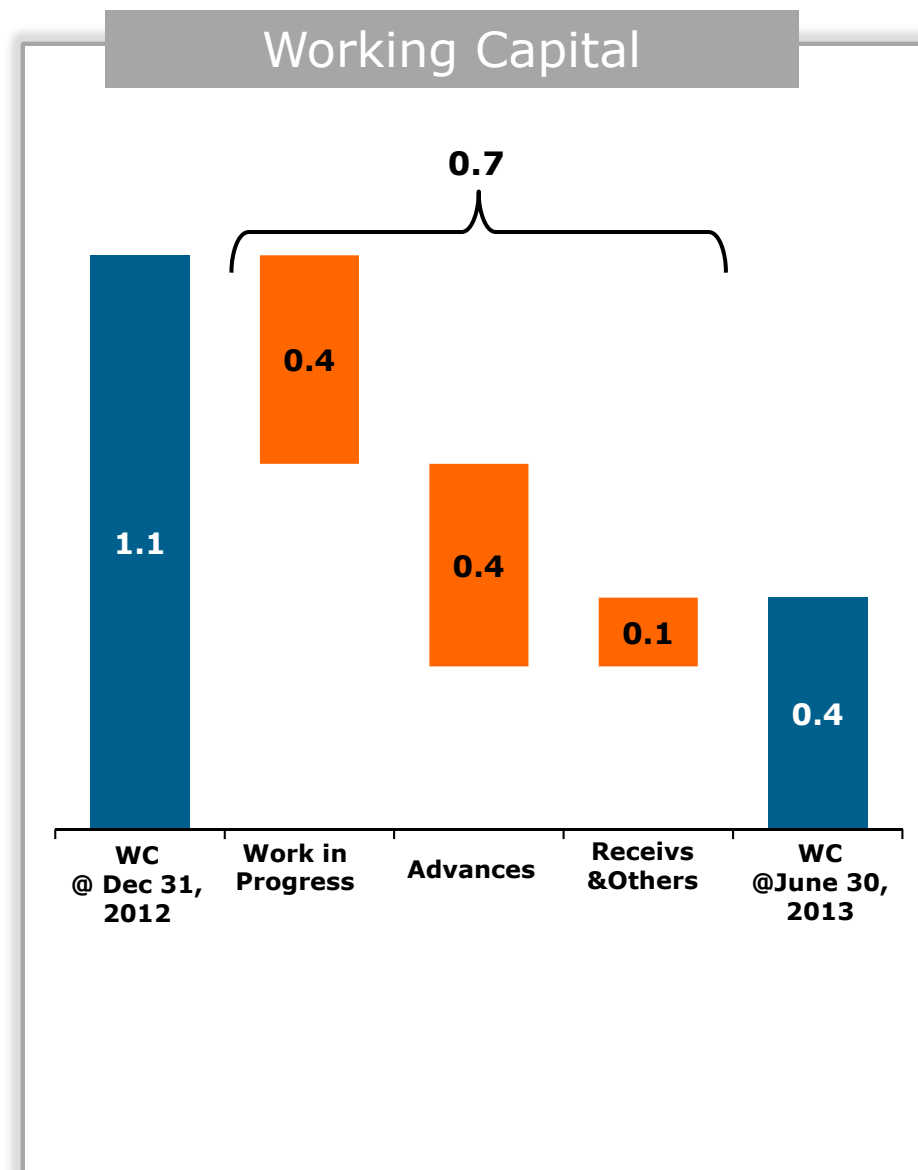
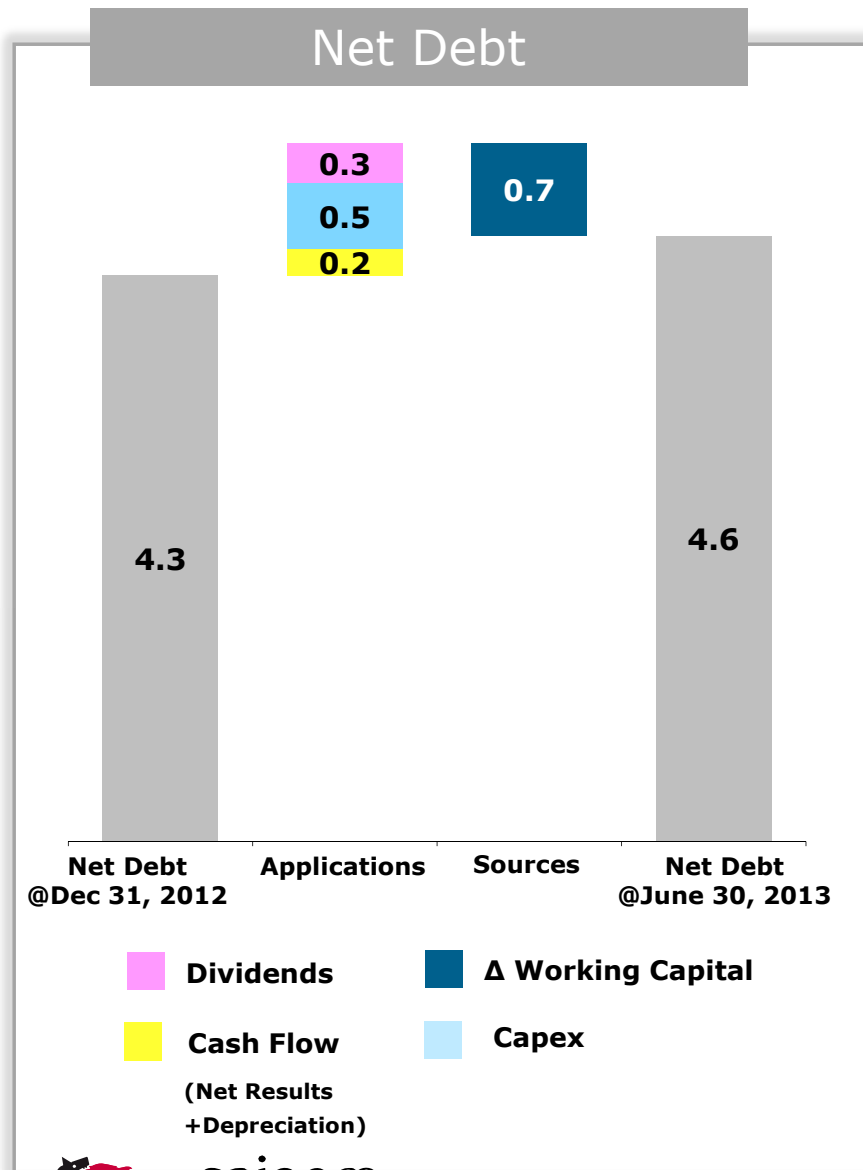
# 1H 2013 Financial Results (mn €)



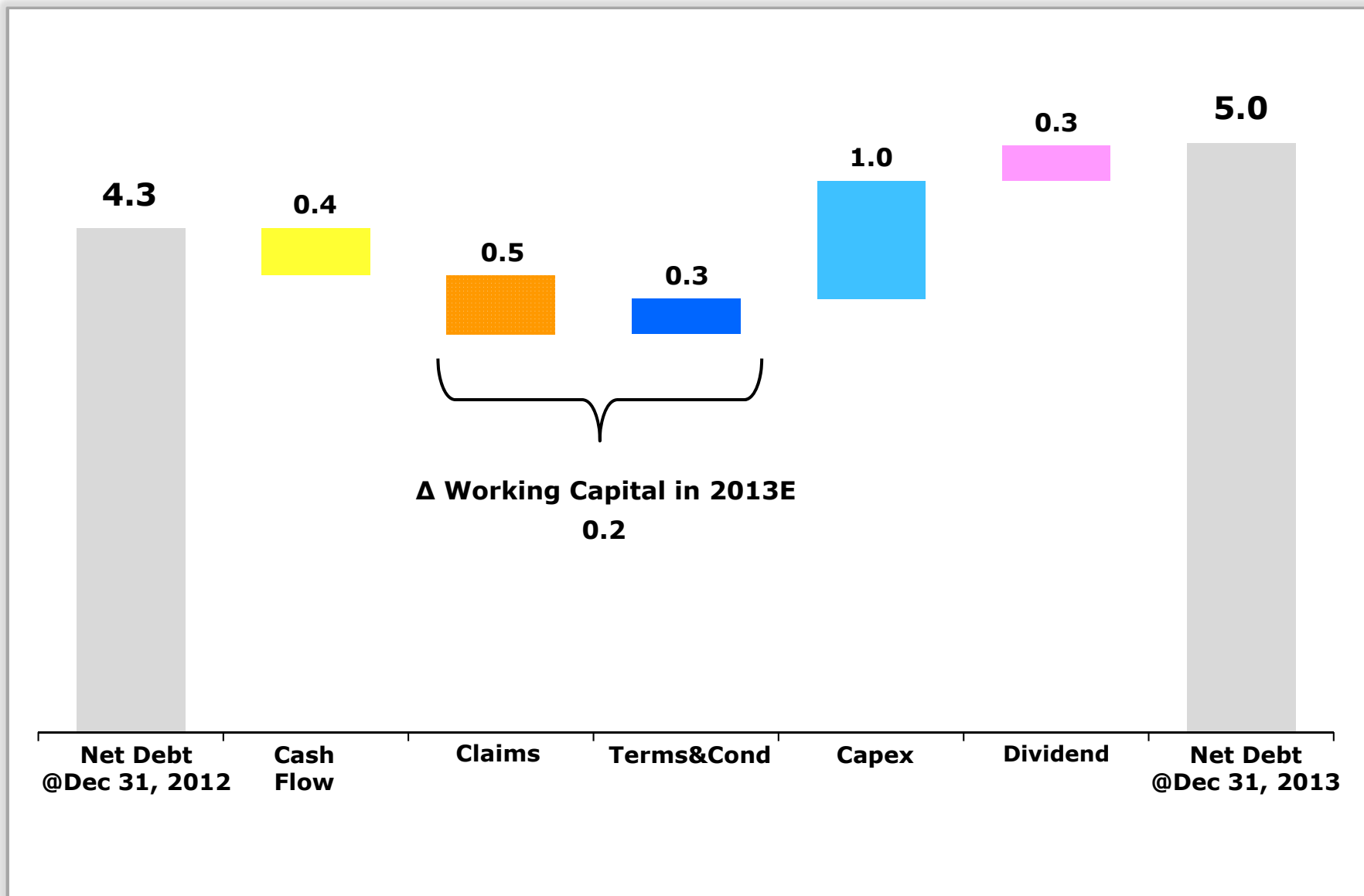
■ E&C Offshore   
 ■ E&C Onshore   
 ■ Drilling Offshore   
 ■ Drilling Onshore



# 1H2013 Net Debt and Working Capital breakdown (bn €)



# Net Debt in 2013E (bn €)



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## 2. 2013 Update



## 2013 Guidance

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• Revenues: € 13.0 bn

• EBIT: ~ € 0 mn

• Net profit: ~ € (300) - (350) mn

• Capex: € 1.0 bn

# Operational Update: focus on Middle East and Brazil

## Middle East



**Total Backlog in M.E.:** 3.7 €bn

### Saudi Arabia

**E&C** (Project - Award - %Progress)

- Manifa Q3'08 ~100%
- Al Wasit Q1'11 ~50%
- PetroRabigh II Q2'12 ~10%

**Drilling** (Contract expiring date)

- Perro Negro 5 Q3'14
- Perro Negro 7 Q4'14
- 19 onshore rigs

### Abu Dhabi

**E&C** (Project - Award - %Progress)

- Shah gas EPC Q2'10 ~80%
- Shah pipelines Q2'10 ~90%
- Etihad Railway Q4'11 ~50%

**Drilling** (Contract expiring date)

- Perro Negro 2 Q4'13
- Perro Negro 3 Q1'16

### Kuwait

**E&C** (Project - Award - %Progress)

- BS 171 Q2'10 ~70%

## Brazil

**Backlog:** 1.6 €bn

**E&C** (Project - Award - %Progress)

- Vitoria FPSO Lease Q3'05 (expiring 2018)
- P55 Q3'10 ~40%
- Guara-Lula NE Q2'11 ~80%
- Lula NE- Cernambi Q4'11 ~10%
- Rota Cabiunas Q1'12 ~20%
- Sapinhua Norte e Cernambi Sul Q4'12 ~10%
- Sapinhua e Iracema Sul Q2'13 ~10%



### Guarujá Yard Progress

**Permits progress:**

- Service Jetty Licence obtained (July'13)
- Yard Licencing to be completed in Feb.'14

**Operational progress:**

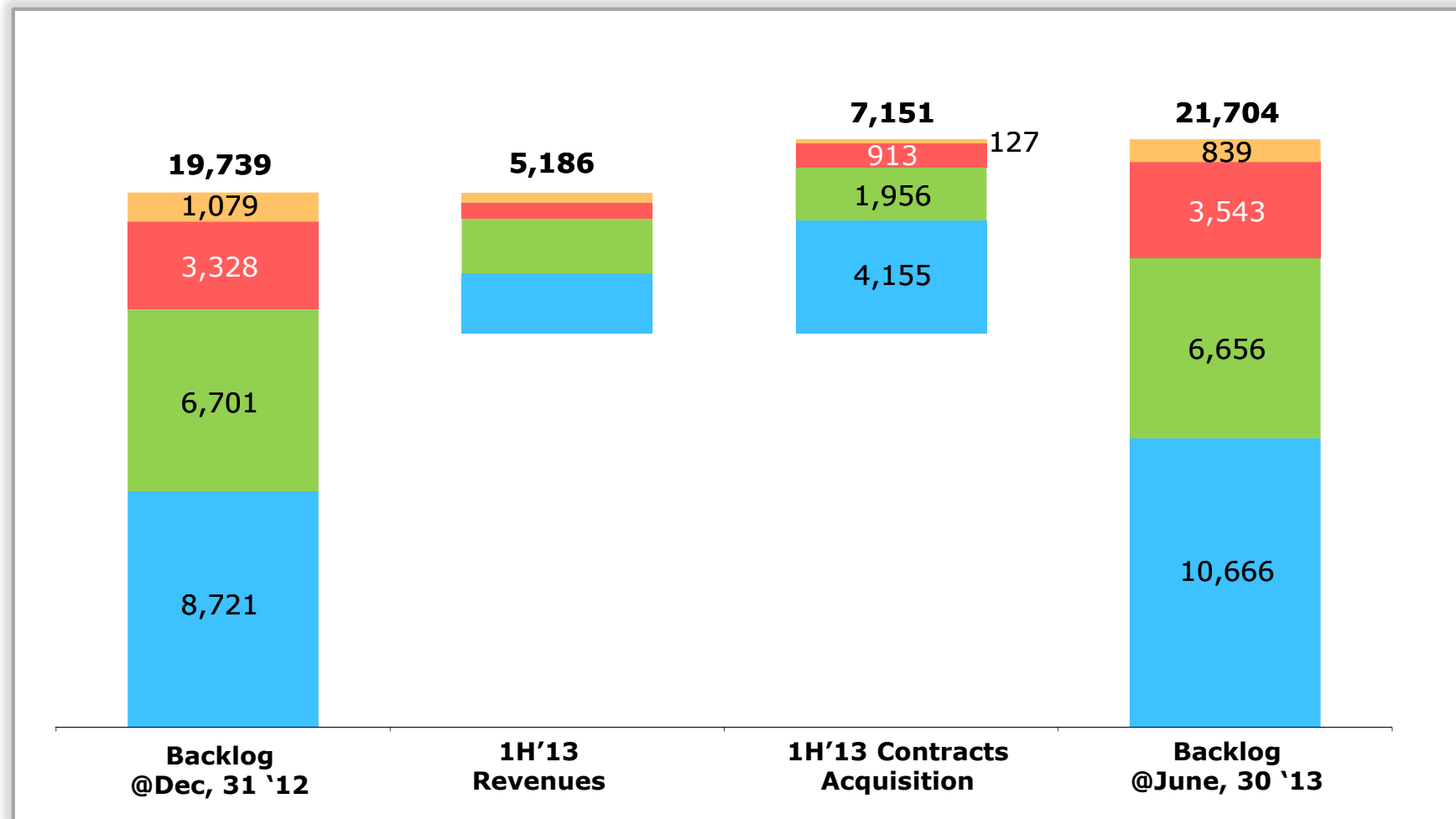
- More than 50% of Yard construction completed
- Logistic support to Rota Cabiunas project (pipe receiving and storage)

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### **3. Market evolution**

# Backlog at June 30, 2013 (mn €)

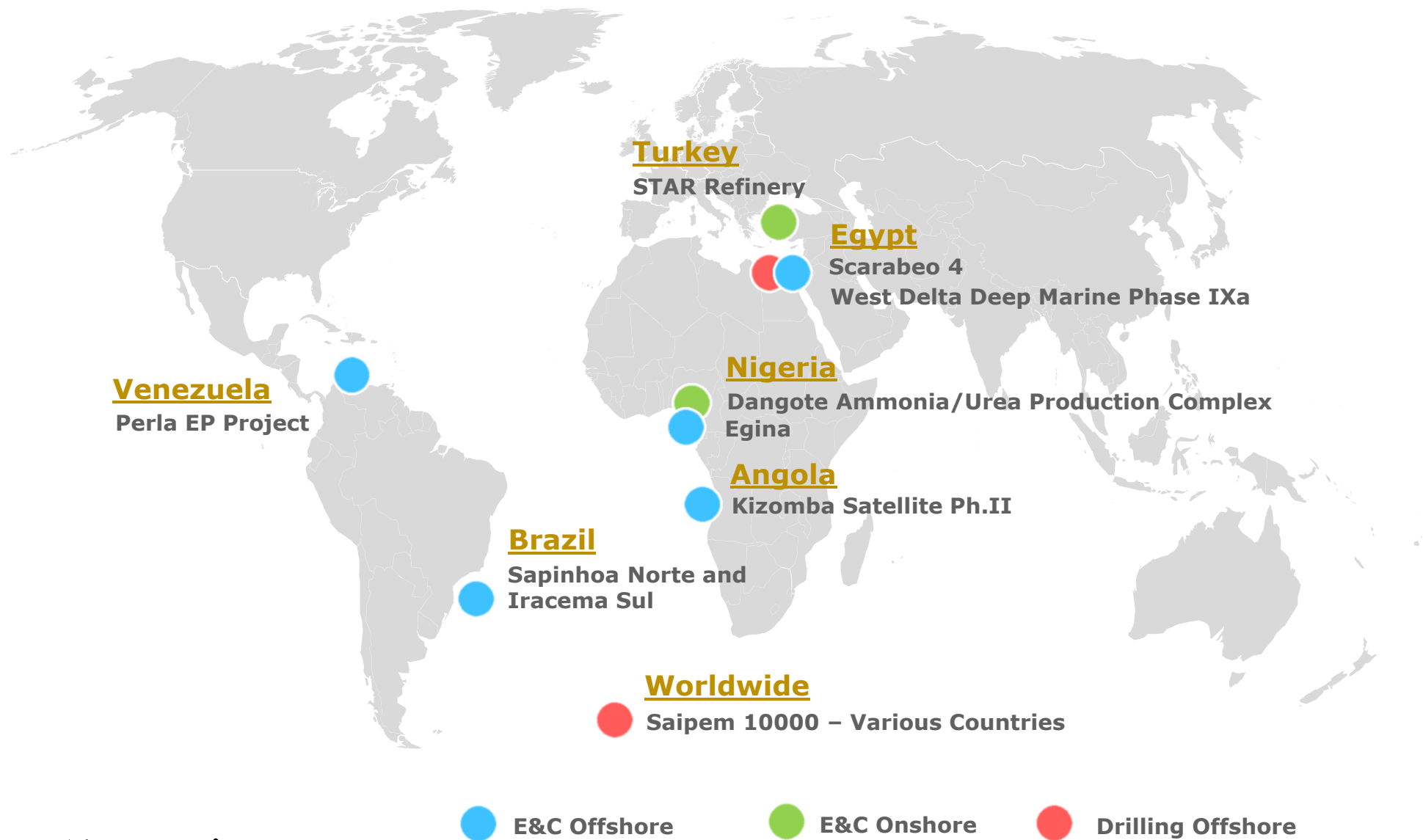


■ E&C Offshore   
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 ■ Drilling Offshore   
 ■ Drilling Onshore

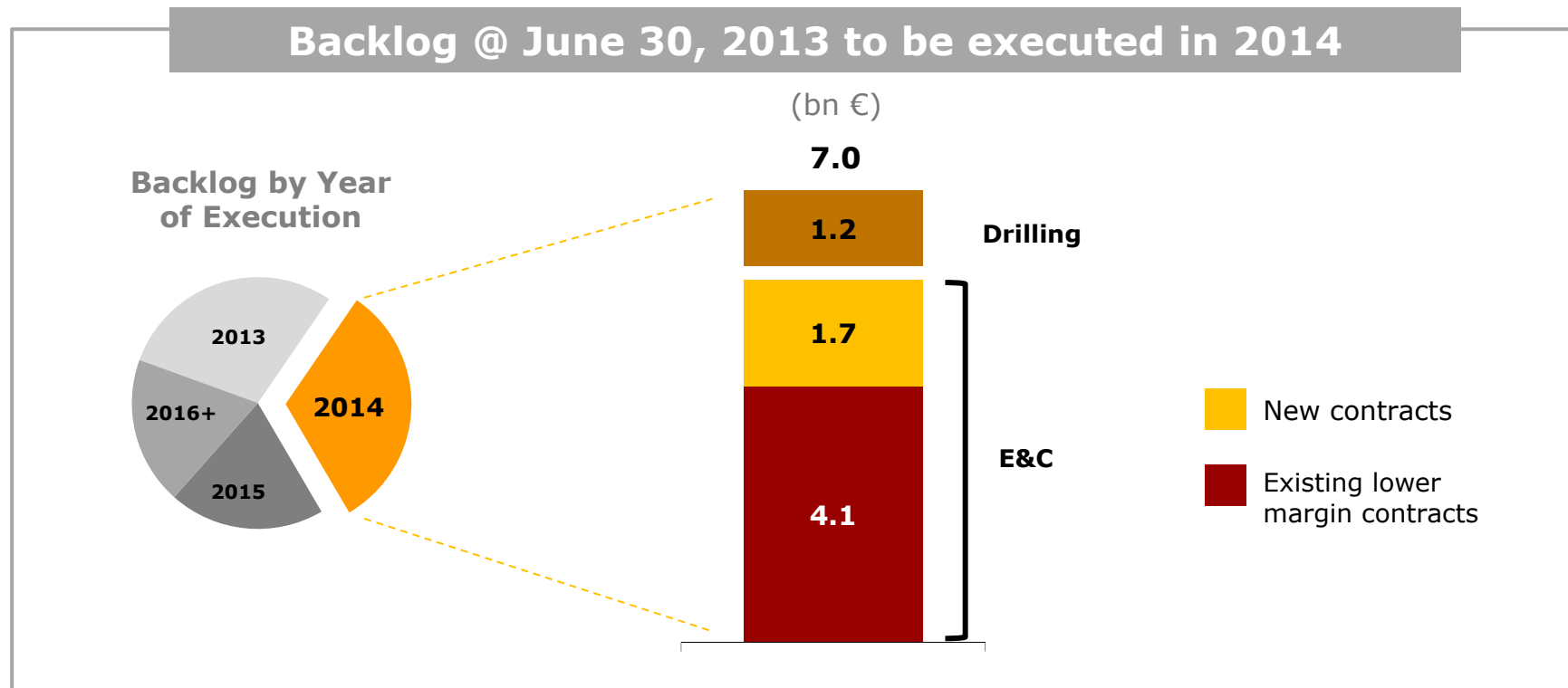


# New contract awards in 1H 2013

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# Margin mix improving as new projects come onstream



- Record order inflow in 1H supporting 2014 profitability
- Ongoing tendering activity under new, stricter commercial policy
- Improving embedded margins of new recently won contracts

Driving recovery of backlog profitability

# Short-term E&C market opportunities



## In conclusion

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**Relentless focus on operational excellence and contract execution**

**Saipem franchise continues to win robust new business  
from leading clients**

**Attractive market opportunities, although some timings uncertain**



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**Q&A**



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# Saipem Meetings September 2013

Mon	Tue	Wed	Thu	Fri	Sat	Su
						1
2	3	4	5	6	7	8
9	10 <b>Boston</b> Barclays - 1:1s	11 <b>New York</b> Barclays - CEO Energy Power Conference (1:1s)	12 <b>New York</b> Barclays - CEO Energy Power Conference (1:1s)	13	14	15
16	17 <b>Barcelona</b> Morgan Stanley - Global Natural Resources Conf. (1:1s)	18	19 <b>London</b> HSBC - 1:1s	20 <b>London</b> HSBC - 1:1s	21	22
23	24	25	26	27	28	29
30						

# Saipem Meetings October 2013

Mon	Tue	Wed	Thu	Fri	Sat	Sun
	1	2	3 <b>Paris</b> Natixis - Transatlantic Energy Services Conf. (1:1s)	4 <b>Frankfurt</b> Citi - 1:1s	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			