



FIRST HALF 2017 RESULTS PRESENTATION



25 July 2017

FORWARD-LOOKING STATEMENTS

Forward-looking statements contained in this presentation regarding future events and future results are based on current expectations, estimates, forecasts and projections about the industries in which Saipem S.p.A. (the “Company”) operates, as well as the beliefs and assumptions of the Company’s management.

These forward-looking statements are only predictions and are subject to known and unknown risks, uncertainties, assumptions and other factors beyond the Company’ control that are difficult to predict because they relate to events and depend on circumstances that will occur in the future. 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.

Therefore, the Company’s actual results may differ materially and adversely from those expressed or implied in any forward-looking statements. They are neither statements of historical fact nor guarantees of future performance. The Company therefore caution against relying on any of these forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, economic conditions globally, the impact of competition, political and economic developments in the countries in which the Company operates, and regulatory developments in Italy and internationally. Any forward-looking statements made by or on behalf of the Company speak only as of the date they are made. The Company undertakes no obligation to update any forward-looking statements to reflect any changes in the Company’s expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. Accordingly, readers should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

The Financial Reports contain analyses of some of the aforementioned risks.

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.

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CLOSING REMARKS AND GUIDANCE

OPENING REMARKS

1H 2017 Operating Results

- Robust performance of the Offshore E&C Division
- Onshore E&C Division margin improvement on track
- Drilling Offshore margin resilient during 1H despite declining activity

Special items on Reported Results

Net Debt at €1.5bn benefiting from good cash generation in 2Q

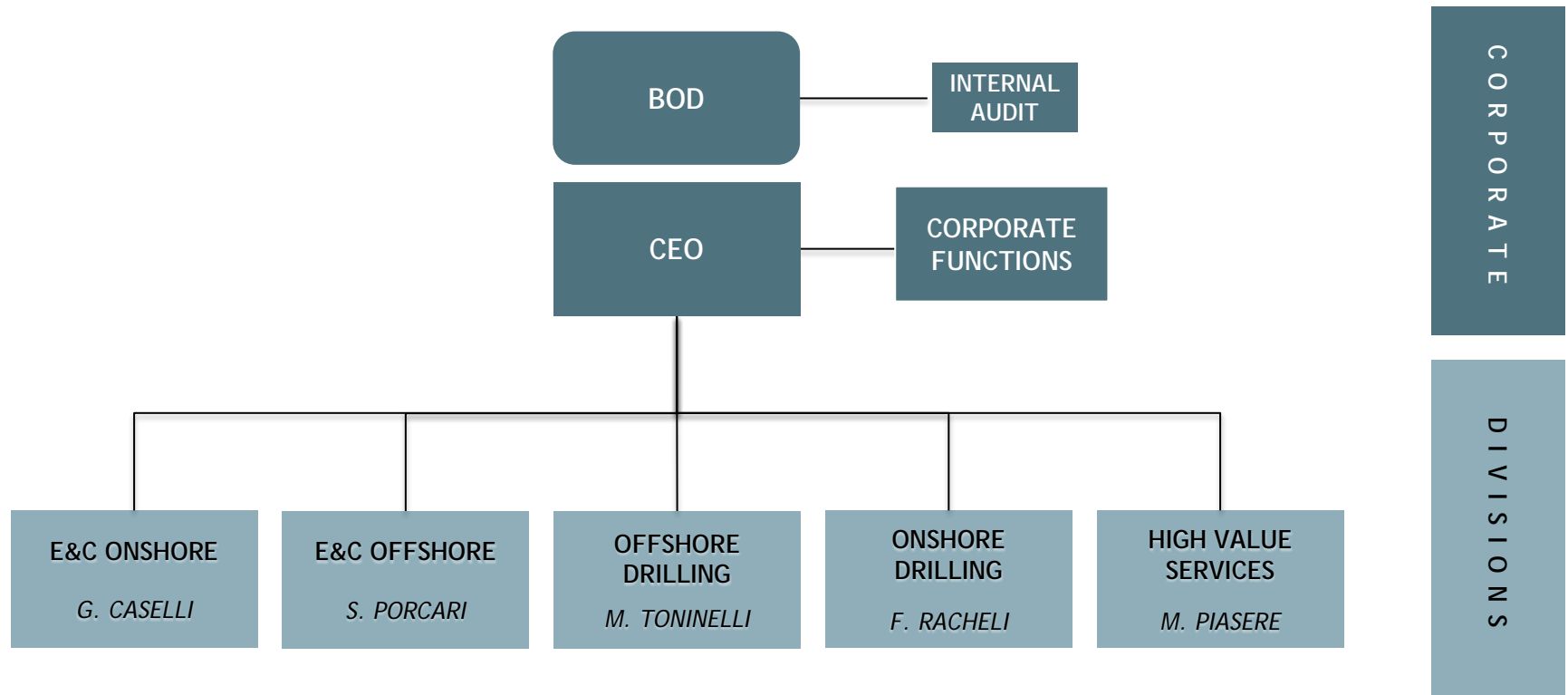
Backlog at €11.7bn, good visibility on significant new awards in the short term

Fit For the Future:

- 2015-2017 Cost Saving program of €1.7bn almost completed
- New organisational structure fully operational since May 2017
- Redundancy plan increased to 1,150; additional saving actions under assessment

2017 Guidance: Confirmed EBITDA and Net Debt, Updated Revenues and Net Profit

NEW ORGANISATIONAL STRUCTURE FULLY IN PLACE



LEANER, COST EFFECTIVE AND HIGHLY ACCOUNTABLE NEW ORGANIZATION

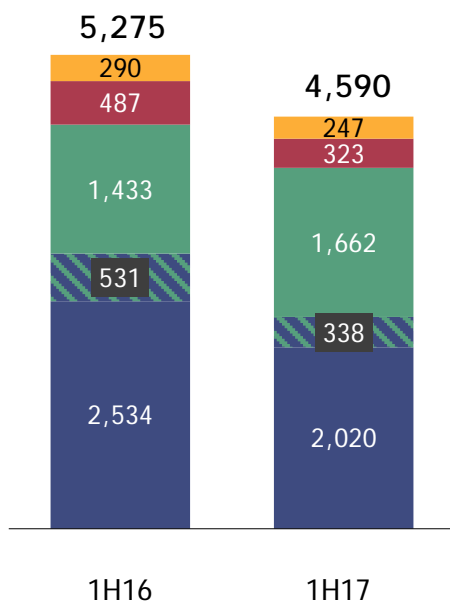


1H 2017 RESULTS

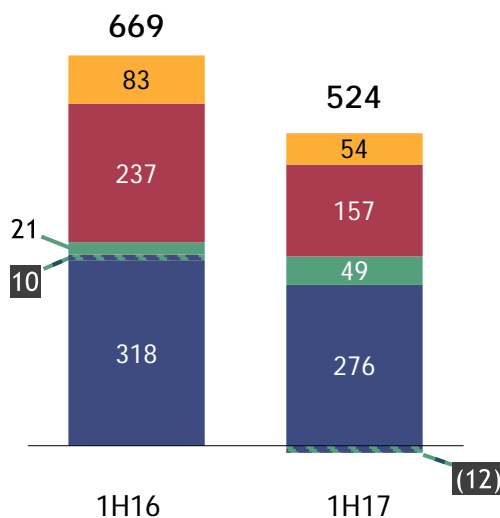
1H 2017 RESULTS

YoY COMPARISON (€ mn)

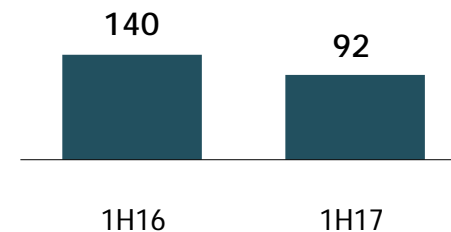
Revenues



Adjusted EBITDA



Adjusted Net Profit



E&C Offshore

E&C Onshore

Drilling Offshore

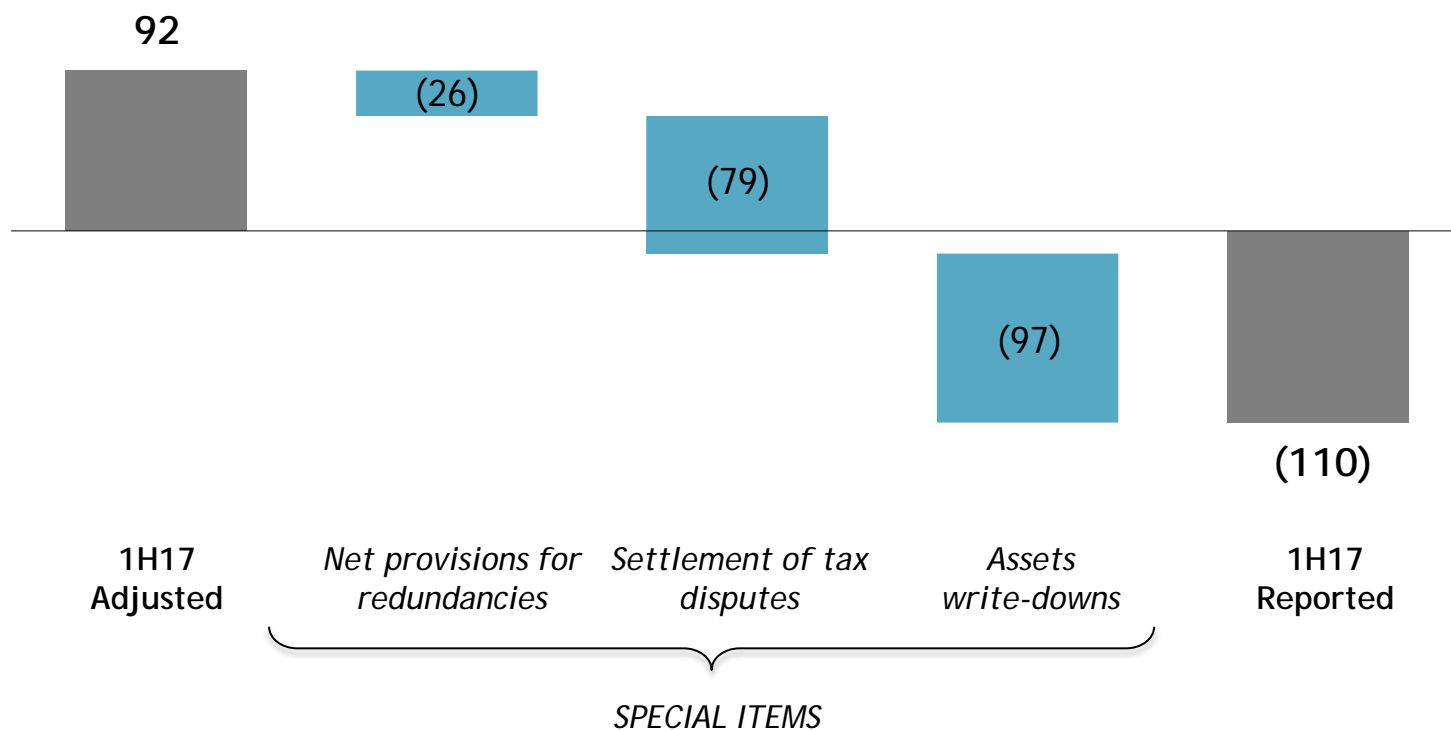
Drilling Onshore

Floaters*

(*) Floaters business reported separately, 1H 2016 restated accordingly

1H 2017 NET RESULT RECONCILIATION (€ mn)

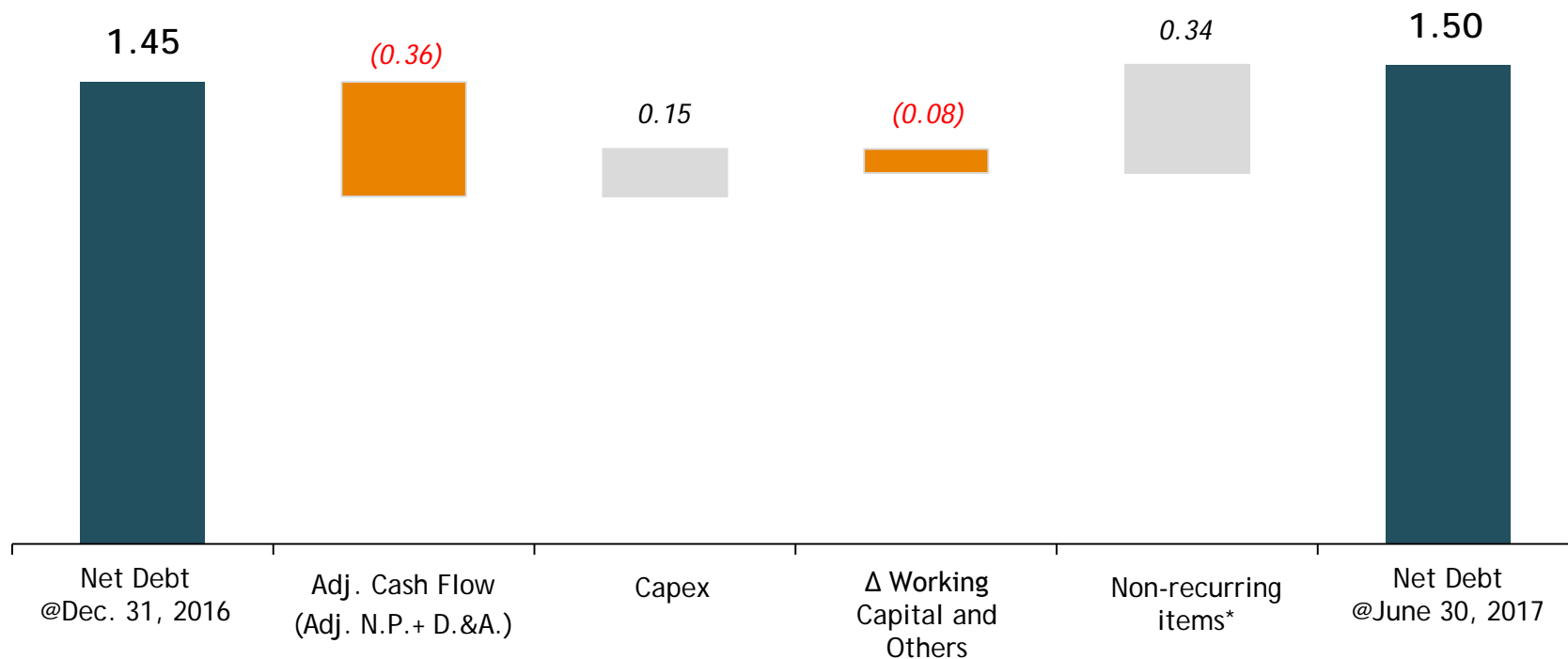
Net Result



1H 2017 NET DEBT EVOLUTION (€ bn)

Good Operating Cash Flow generation underpins year-end Net Debt guidance

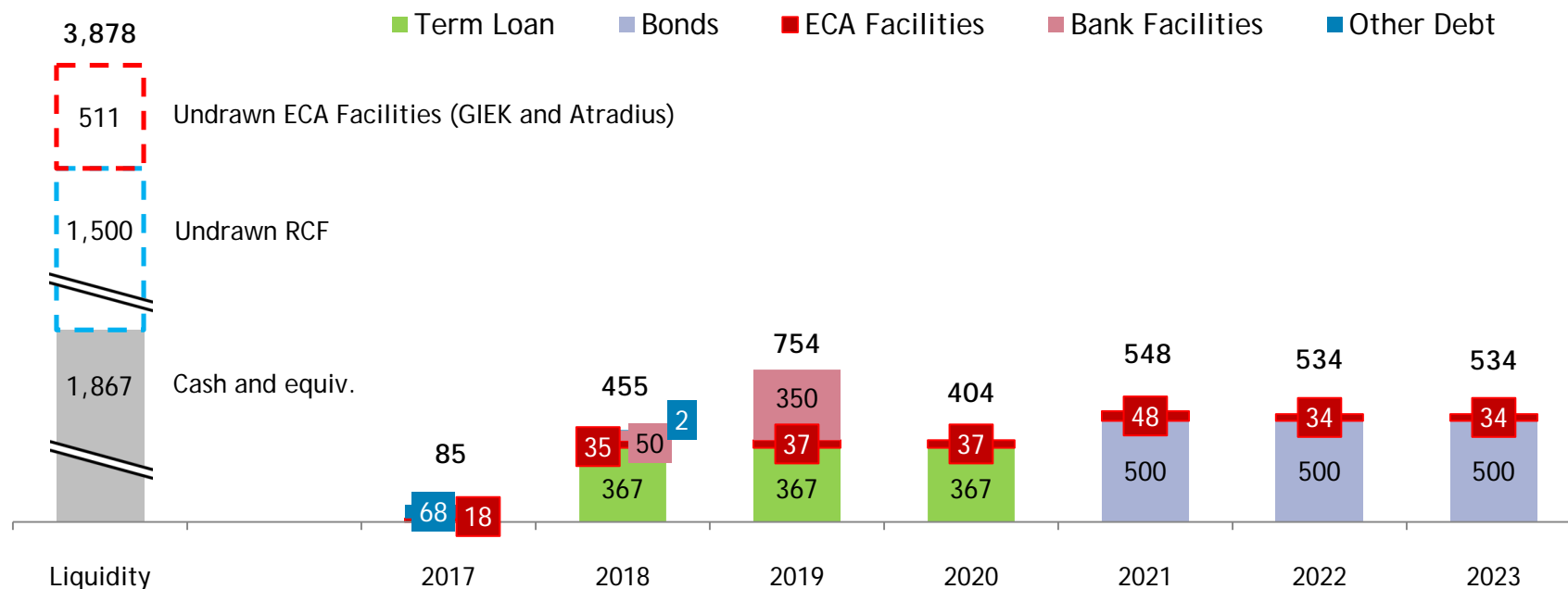
1H Net Debt down from €1.6bn at 1Q



CAPITAL STRUCTURE AS OF JUNE 30, 2017

(€ mn)

Solid Debt Maturity Profile and Liquidity Position

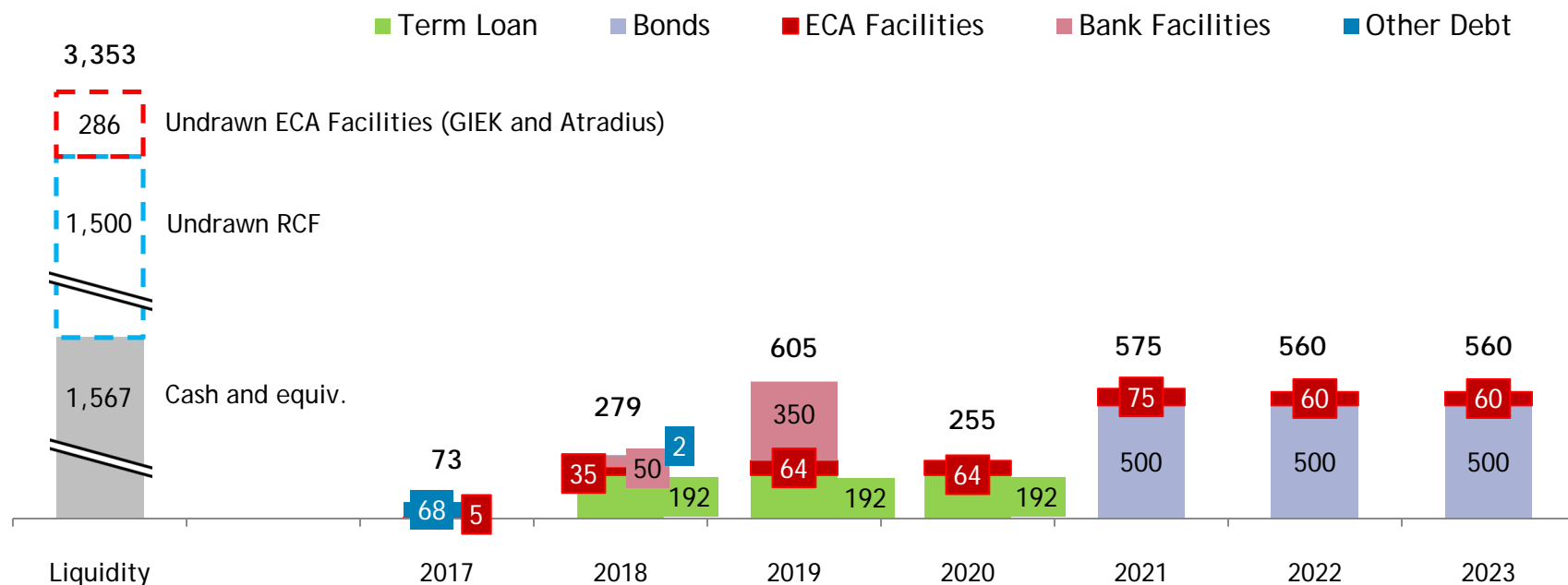


- Average debt maturity of 3.5 years
- Undrawn committed cash facilities totalling around €2.0bn, in addition to €0.3bn of uncommitted facilities
- Total cash and equivalents of around €1.9bn (including c. €0.5bn trapped)
- EMTN Programme extended to July 2018 and increased to €3.0bn (€1.5bn already issued)

CAPITAL STRUCTURE PROJECTED AS OF END OF JULY 2017

(€ mn)

Further improvement of Debt Maturity Profile and Liquidity Position



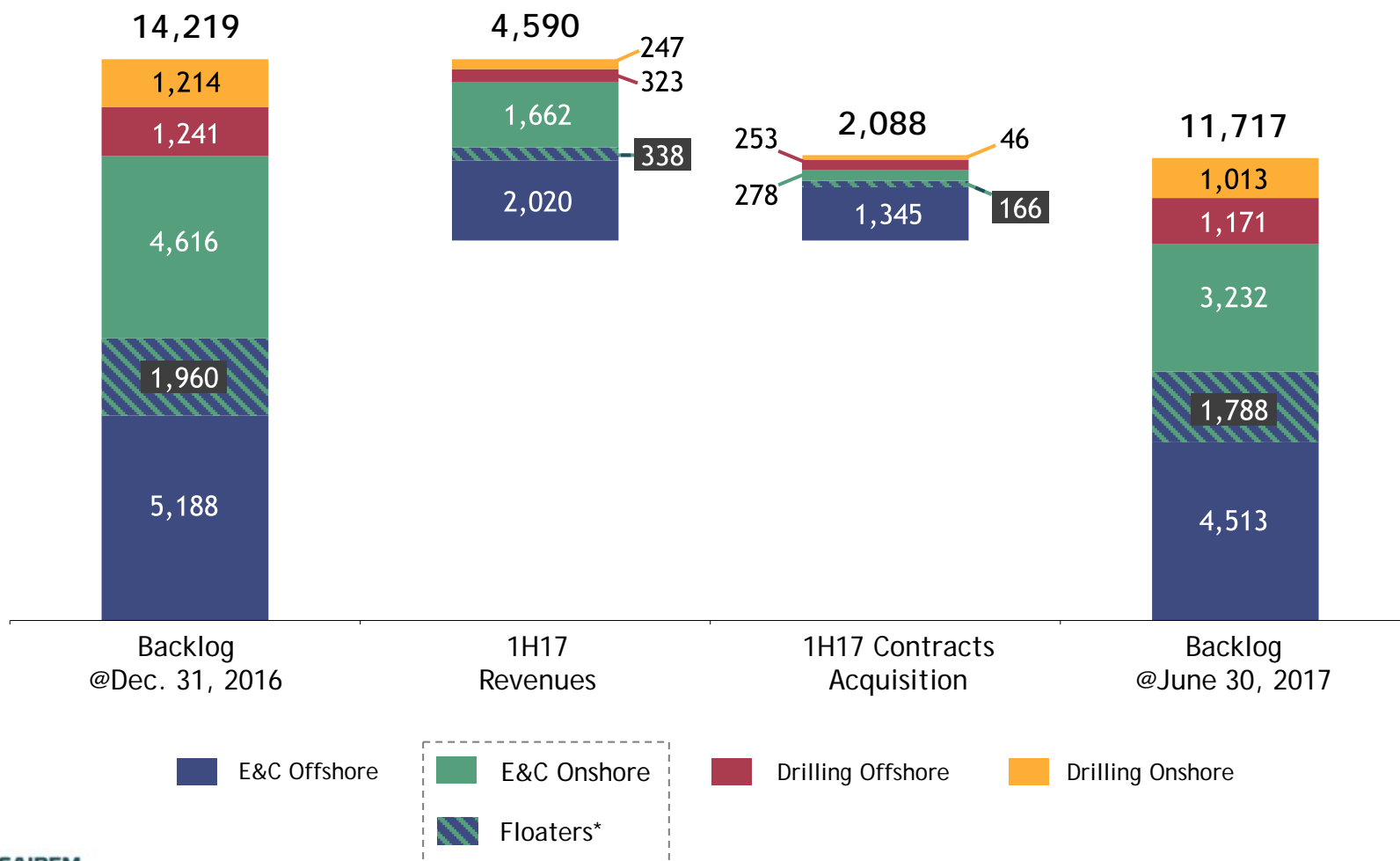
- Extended average debt maturity to 3.9 years: prepayment of €525mn of Term Loan through €300mn of cash and €225mn ECA Facility drawdown
- Undrawn committed cash facilities totalling around €1.8bn, in addition to €0.3bn of uncommitted facilities
- Total cash and equivalents of around €1.6bn (including c. €0.5bn trapped)



BUSINESS UPDATE

1H 2017 BACKLOG

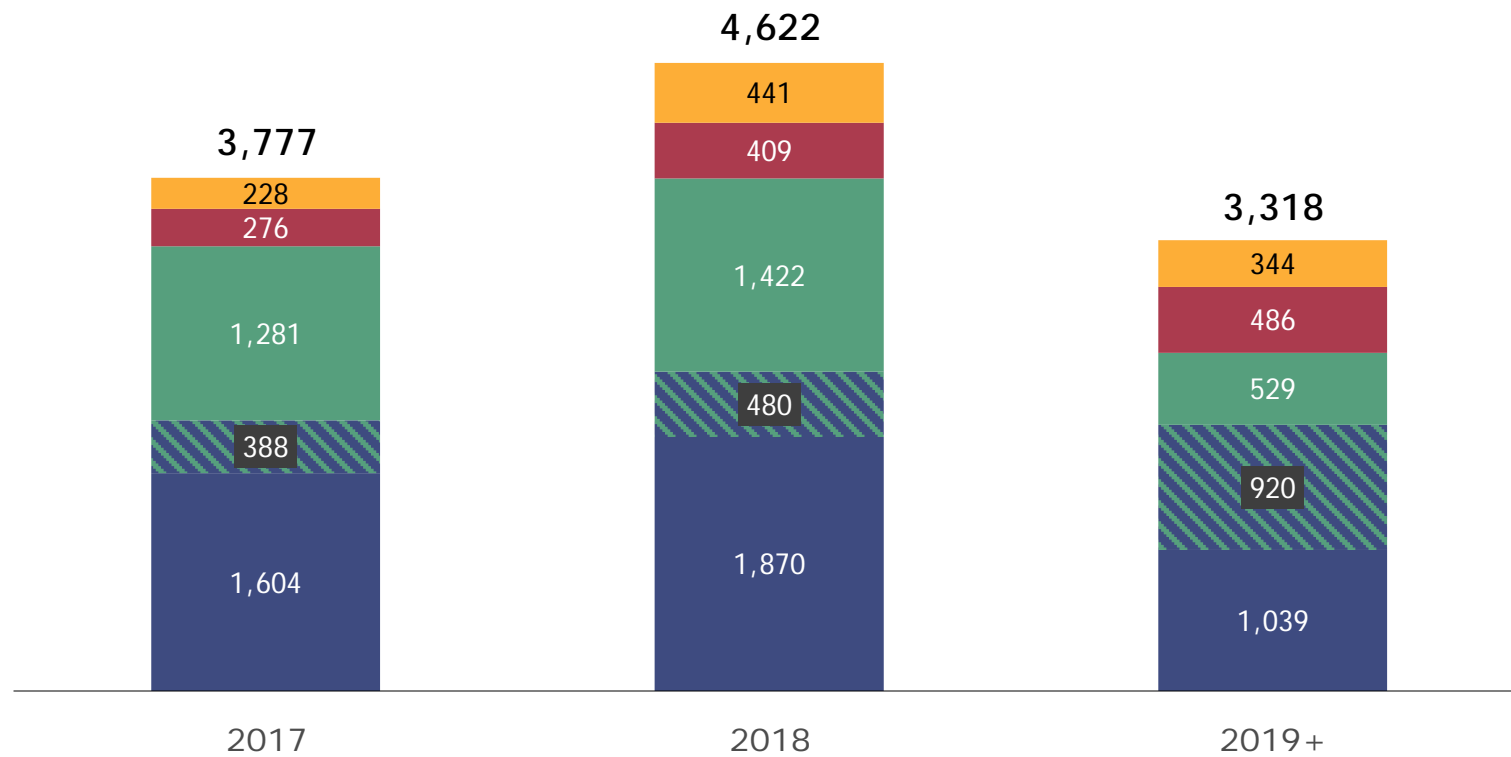
(€ mn)



(*) Floaters business reported separately, Dec. 31, 2016 restated accordingly

BACKLOG BY YEAR OF EXECUTION

(€ mn)



(*) Floaters business reported separately

MAIN AWARDS 2Q 2017 - DRILLING



SAIPEM 12000

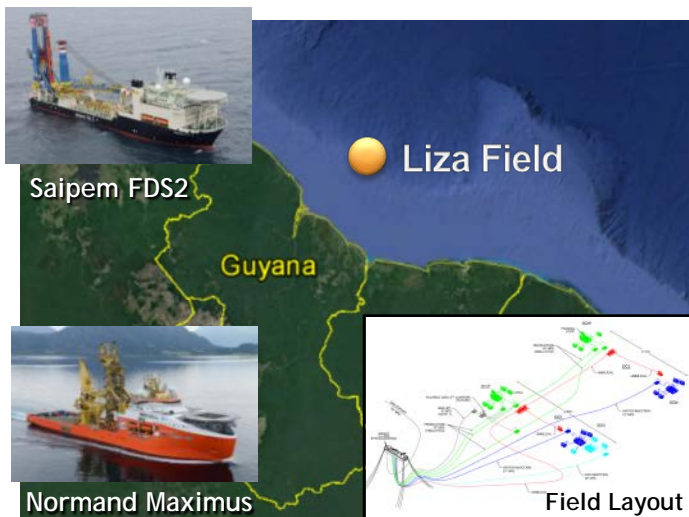
- Scope of work:
 - Execution of drilling services for 6 wells offshore Mozambique (Coral)
Terms: 15 months (firm period) plus options for additional 45 months
 - Execution of drilling services offshore Cyprus
Terms: 2 wells
- Conditions: firm period daily rates in line with current market



SCARABEO 9

- Scope of work: rig modifications for Bosphorus transit and execution of drilling services in the Black Sea for 1 well plus 1 well option
- Terms: from April'17 to June'18 including rig modifications and mob/demob to site
- Conditions: modifications and mob/demob on lump sum basis; firm period daily rates in line with current market

MAIN AWARDS 2Q 2017 – E&C



LIZA SURF

- Client: ExxonMobil
- Location: offshore Guyana in 1,800m water depth
- Scope of work:
 - EPCI of flowlines, risers and associated structures and jumpers
 - T&I of umbilicals, manifold and associated foundations for the production and water / gas injection systems
- Main vessels employed: FDS2 and Normand Maximus

PROJECT HIGHLIGHTS:

- First ever O&G project in Guyana, lack of infrastructures in the Country
- Demanding technical specifications



LTA CRPO BI-10-0216 (Long-Term Agreement)

- Client: Saudi Aramco
- Location: Saudi Arabia
- Offshore fields: Marjan, Zuluf, Berri, Hasbah, and Safaniya
- Scope of work: EPCI and T&I activities for 19 jackets
- Main vessels employed: Castoro II and third party vessel

GIMBOA Leased FPSO

- Client: Sonangol
- Location: Angola
- Extension: 3-years plus 1 optional year
- Scope of work: leasing, maintenance and production management



NEAR TERM E&C OPPORTUNITIES



Subsea

- Eni Zohr Ramp-up Phase - Egypt
- Eni West Hub - Angola



Fixed Facilities

- Saudi Aramco LTA Developments - Saudi Arabia



Upstream-Midstream

- ADCO BAB Integrated Facilities - Abu Dhabi
- KOC Pipelines for New Refinery Project (NRP) - Kuwait
- Saudi Aramco Hawiyah - Haradh Field Gas Compression



Downstream

- DUQM Refinery Program - Oman
- OTTCO Ras Markaz Crude Oil Park Project - Oman
- NAOC Okpai Power Plant - Nigeria
- T.L.N.JV Arctic LNG Export Terminal FEED - Russia



MMO

- CEC Phase 2 Open Cycle and O&M - Congo



Infrastructures

- RFI TAV Brescia Verona - Italy

TARGET PROJECT AWARDS IN EXCESS OF \$4.0bn

E&C OPPORTUNITIES

LEGEND

- OFFSHORE
- ONSHORE

Americas

- BP Cassia Compression - fixed facilities (post 2017)
- Petrobras Libra Development - subsea (post 2017) **New**
- Eni Amoca Field - fixed facilities **New**
- Shell LNG Canada - LNG (post 2017)
- Ferrostaal Pacific NW Ammonia Plant - downstream (post 2017)
- Pemex Minatitlan Refinery - downstream **New**

West and North Africa

- Eni Zohr Ramp-up - Egypt
- Eni Shorouk (Zohr) future dev. - subsea/pipelines
- BG Shell Burullus Phase IXB - subsea (post 2017)
- Eni Zabazaba - subsea
- Eni West Hub - subsea
- CEC Phase 2 Open Cycle and O&M - MMO
- Eni Zabazaba - floaters
- NAOC Okpai Phase II Power Plant - downstream
- Vestas NREA Windfarm - renewables

Asia Pacific

- Conoco Barossa Field Dev. - subsea/pipelines (post 2017)
- ONGC KG-98/2 - subsea (URF+SPS) (post 2017)
- Ballance Agri Nutrients Ammonia/Urea Plant - downstream
- ThaiOil Clean Fuel - downstream (post 2017)
- PTTLNG NONG FAB RECEIVING TERMINAL - LNG (post 2017)
- RDA Pentland Bio Energy Project Phase 1 - renewables **New**

Europe/ CIS and Central Asia

- BP Shah Deniz IMR - inspection, maintenance & repair
- EDF Courseulles Offshore Windfarm - renewables
- EDF Saint Nazaire Offshore Windfarm - renewables
- EDF Fecamp Offshore Windfarm - renewables
- Total Garantiana Development Project - subsea (post 2017) **New**
- ExxonMobil Neptune Deepwater - pipelines, platform/subsea (post 2017) **New**
- ConocoPhillips LOGGS Central Complex - decommissioning **New**
- SOCAR Baku Refinery - downstream (post 2017)
- Gazprom Moscow Refinery Upgrading FEED - downstream
- RFI TAV Brescia Verona - infrastructures
- High Speed Railway Moscow - Kazan - infrastructures (post 2017)
- T.L.N. JV Arctic LNG Export Terminal FEED - floaters **New**

Middle East

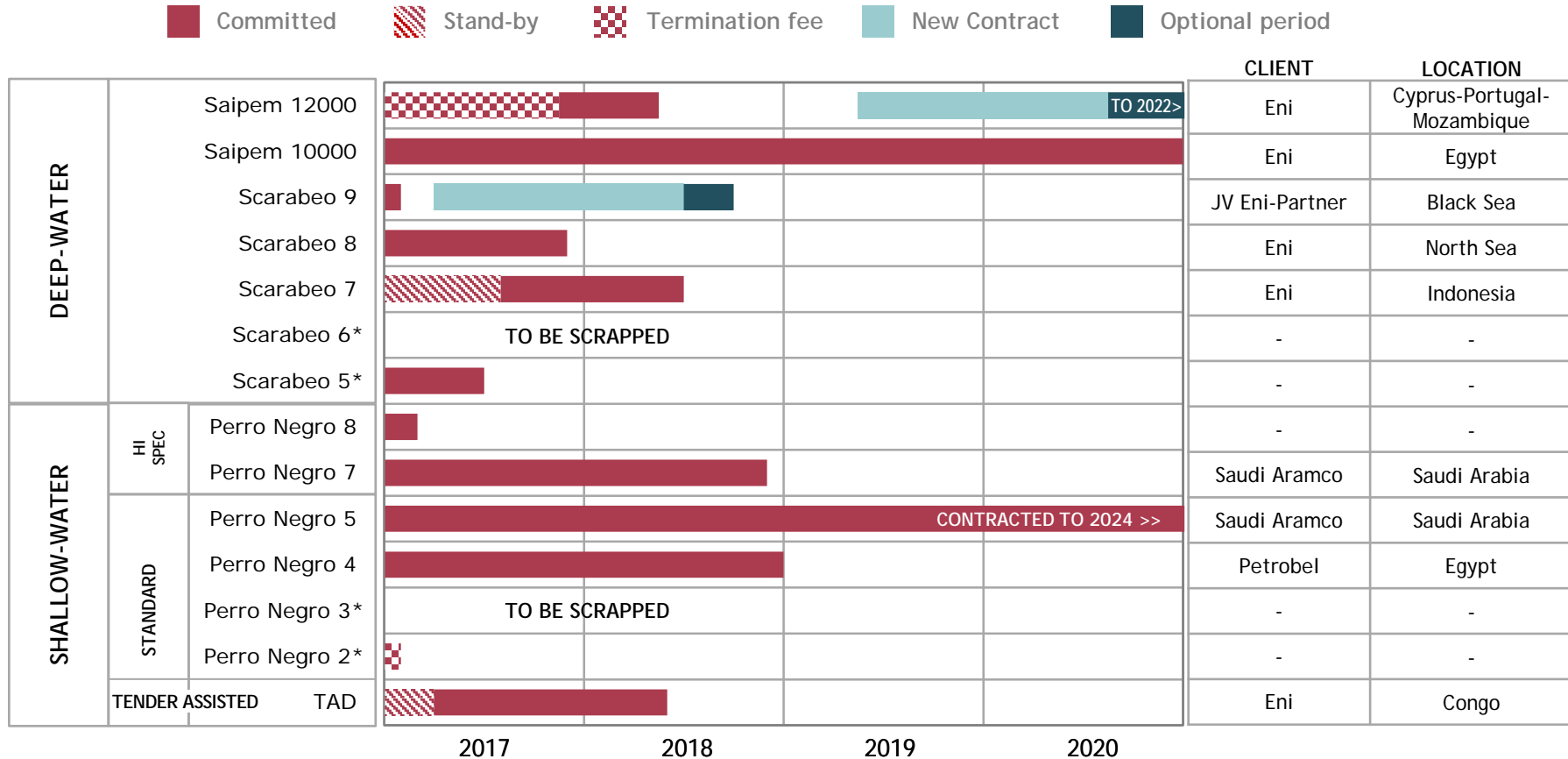
- S. Aramco LTA development - CRPOs for fixed facilities
- Rasgas Barzan Subsea Pipelines - pipelines (post 2017) **New**
- ADCO BAB Integrated Facilities - upstream/onshore pipelines
- ADCO Al Dabbi'ya ASR Development - upstream (post 2017)
- DUQM Refinery - downstream
- OTTCO Ras Markaz Crude Oil Park Project - downstream
- Saudi Aramco Hawiyah e Haradh Field Gas Compression - upstream
- Jurassic Field Development - upstream (post 2017)
- KOC New Refinery Pipelines - onshore pipeline

East Africa

- Eni Mamba - subsea (post 2017)
- Anadarko Golfinho - subsea (post 2017)
- BP Tortue Deepwater Development Phase 1A - Subsea (post 2017) **New**
- Eni Onshore - LNG (post 2017)
- Anadarko Onshore - LNG (post 2017)
- Fauji/Ferrostaal Fertilizer Plant Tanzania - downstream (post 2017)

UPDATE ON DRILLING

OFFSHORE DRILLING FLEET CONTRACTS



* ON STACKING MODE - TOTALLY WRITTEN OFF

ONSHORE DRILLING FLEET 1H 2017 UTILISATION RATE: 57%

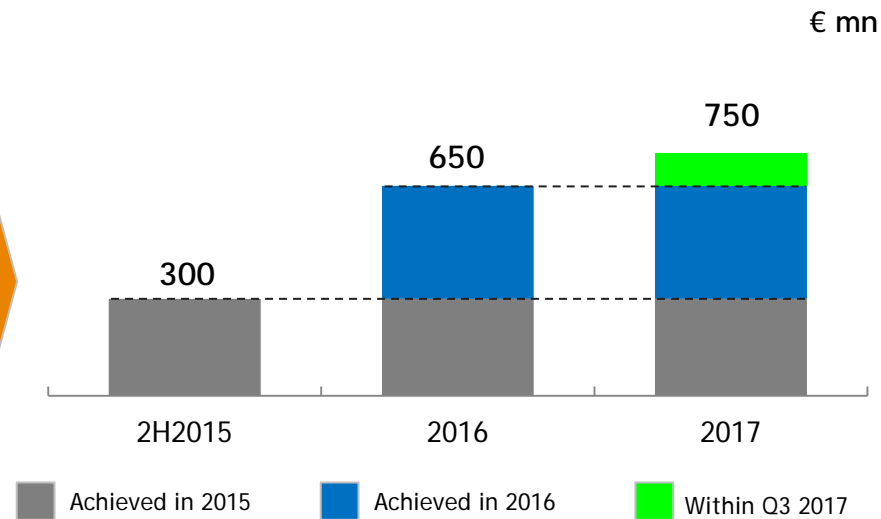


FIT FOR THE FUTURE

FIT FOR THE FUTURE

COST SAVINGS PROGRAM ALMOST COMPLETED AS OF JUNE 30.06.2017

Cumulative
Cost Savings
€1.7bn



Cumulative
EBIT
improvement
€1.0bn
through 2017

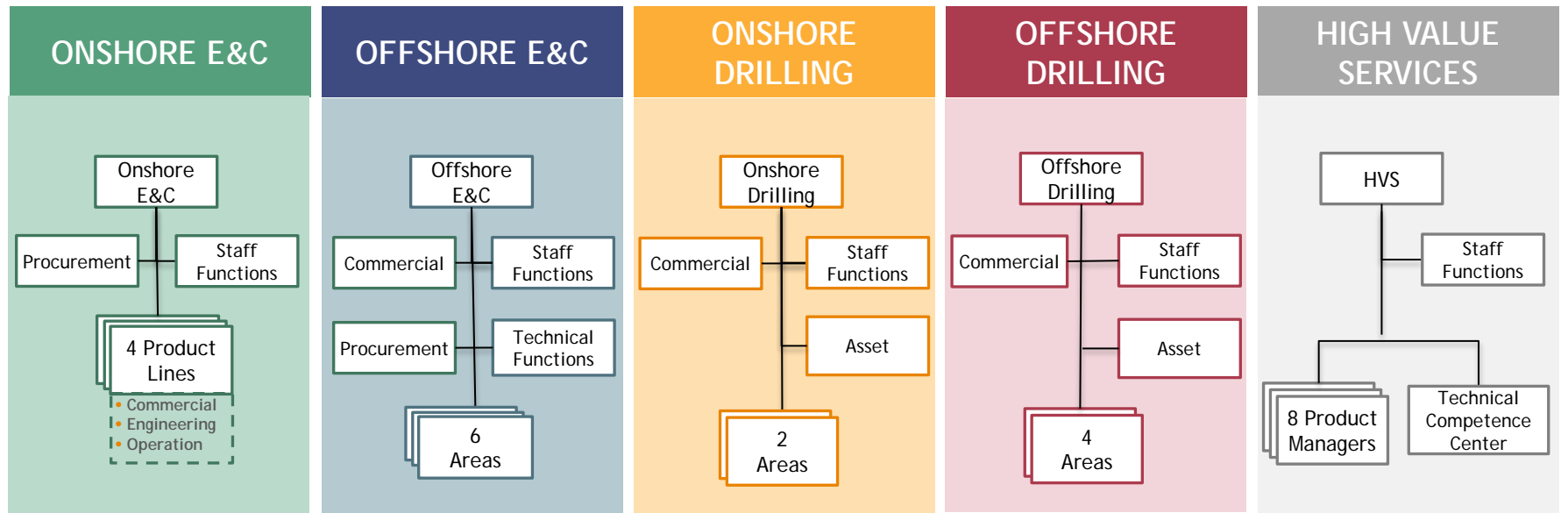
EFFICIENCY TARGETS FULLY IN PLACE BY 3Q

FFF2.0 – NEW ORGANIZATION IN PLACE

CORPORATE

- Few slim support functions (e.g.: Admin., Finance, Legal, Strategies, M&A, IR, Innovation ...)
- Steering and Control towards all Divisional Staff Functions

5 DIVISIONS ACCOUNTABLE WORLDWIDE

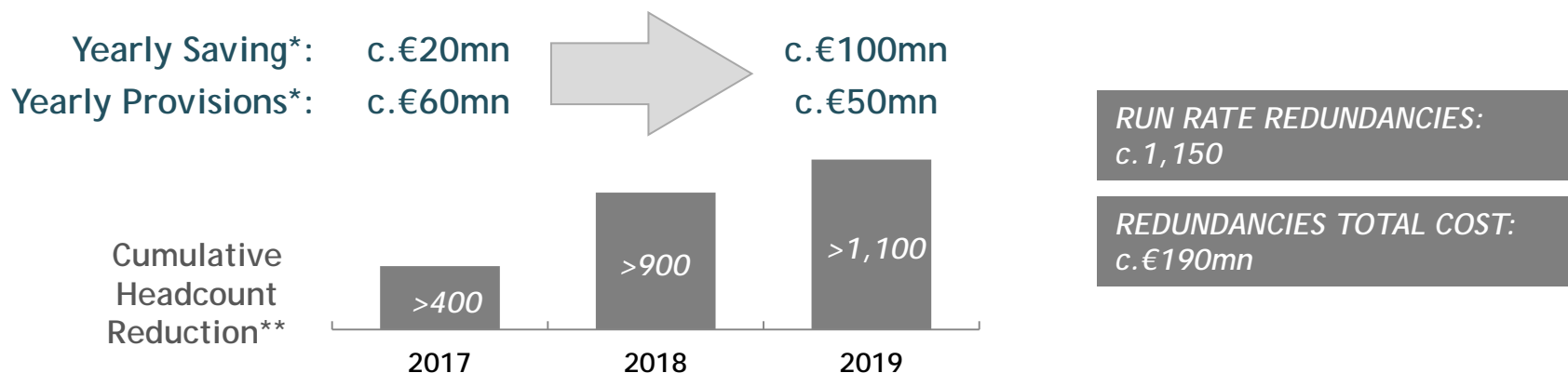


- Acceleration of 800 redundancies identified at programme launch (Oct. '16)
- Additional 350 redundancies identified from Divisions go-live (May '17)

FFF2.0 – REDUNDANCIES AND ADDITIONAL SAVINGS

€110mn OF IDENTIFIED SAVINGS WITH ADDITIONAL EFFICIENCIES POTENTIAL

REDUNDANCIES: €100mn annual savings



ADDITIONAL SAVINGS: €10mn per year

- Drilling vessel scrapping: Scarabeo 6, Perro Negro 3
- E&C vessel scrapping: Castoro 8

FURTHER ACTIONS UNDER ASSESSMENT

Ongoing review by Divisions Managers on:

- Dedicated business processes simplification and customization to specific Division needs
- Integration of divisional staff functions with business activities



CLOSING REMARKS AND GUIDANCE

2017 GUIDANCE

Metrics	FY 2017
Revenues	<ul style="list-style-type: none">c.€9.5bn
EBITDA <i>% margin</i>	<ul style="list-style-type: none">c.€1bn> 10%
Net Profit Adjusted	<ul style="list-style-type: none">c.€200mn *
CAPEX	<ul style="list-style-type: none">< €400mn
Net financial position	<ul style="list-style-type: none">c.€1.4bn

CLOSING REMARKS

SOLID OPERATIONAL PERFORMANCE; CAPITAL STRUCTURE STRENGTHENED FURTHER

HEALTHY CASH FLOW GENERATION AND NET DEBT REDUCTION IN Q2

NEW DIVISIONAL ORGANISATION IN PLACE, ADDITIONAL SAVINGS IDENTIFIED

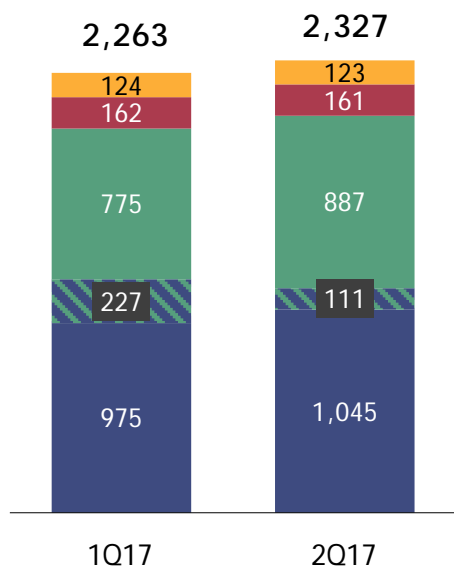
GOOD VISIBILITY ON SIGNIFICANT NEAR TERM AWARDS

APPENDIX

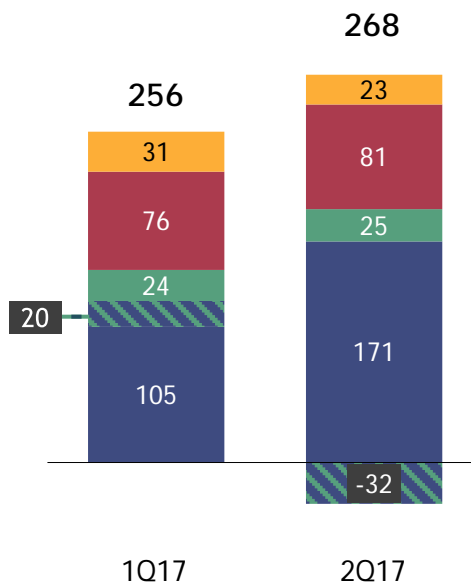
2Q 2017 RESULTS

QoQ TREND (€ mn)

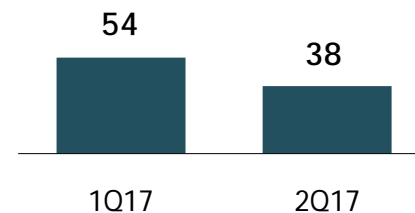
Revenues



Adjusted EBITDA



Adjusted Net Profit



E&C Offshore

E&C Onshore

Drilling Offshore

Drilling Onshore

Floaters*

2Q 2017 RESULT

RECONCILIATION (€ mn)

Net Result

