



THIRD QUARTER 2017 RESULTS PRESENTATION



24 October 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.

TODAY'S PRESENTATION

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OPENING REMARKS

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9 MONTHS 2017 RESULTS

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OPERATIONAL AND COMMERCIAL UPDATE

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XSIGHT

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CLOSING REMARKS

OPENING REMARKS

9M 2017 Divisional Performance

- Good performance in Offshore E&C Division
- Margin recovery in Onshore E&C Division
- Resilient Offshore Drilling margin despite revenue decline in 3Q

Net Debt at €1.36bn, benefiting from cash flow generation and capital discipline

3Q Awards at €2.6bn (book to bill 115%), additional €0.3bn awarded in early October

Backlog as of Sept. 30, 2017 at €12.1bn

Good visibility for new projects in the near term

Fit For the Future 2.0:

- Redundancy plan implementation on track
- Ongoing identification of additional savings by Divisions

Improved Guidance on Net Debt as a result of Capex discipline

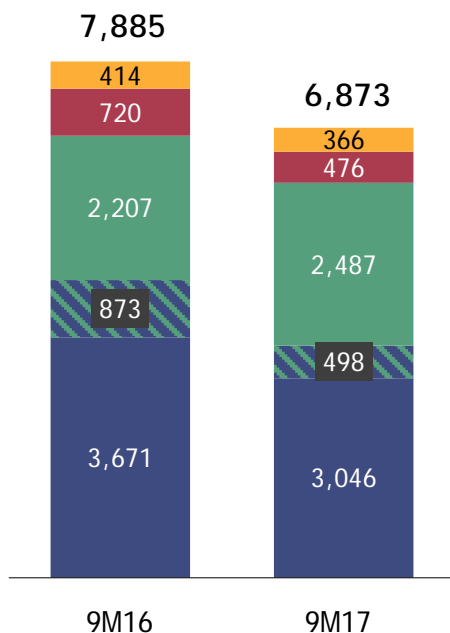


9 MONTHS 2017 RESULTS

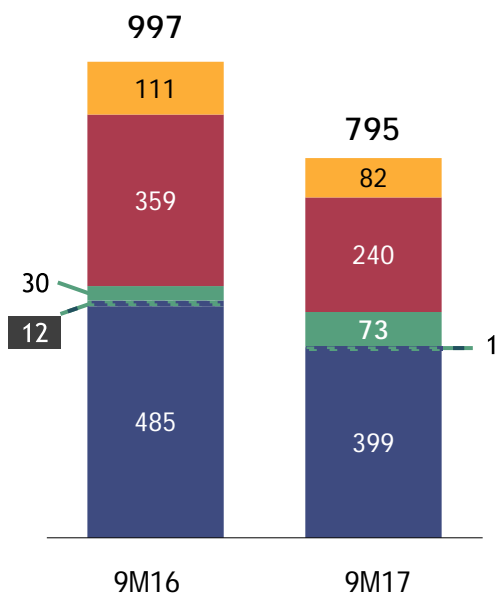
9M 2017 RESULTS

YoY COMPARISON (€ mn)

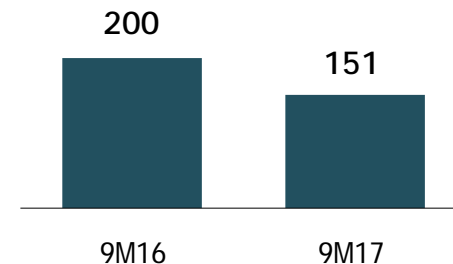
Revenues



Adjusted EBITDA



Adjusted Net Profit



E&C Offshore

E&C Onshore

Drilling Offshore

Drilling Onshore

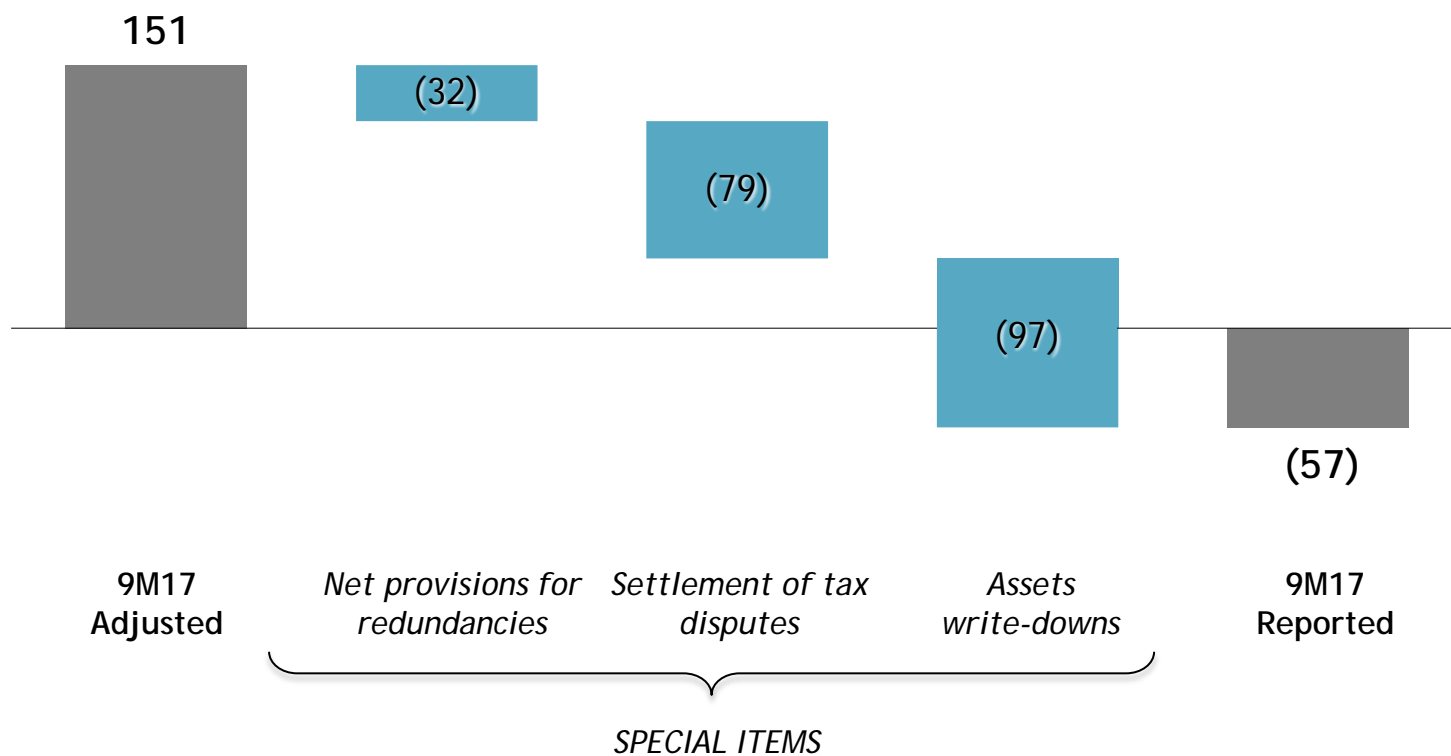
Floaters*

(* Floaters business reported separately, 9M 2016 restated accordingly)

9M 2017 NET RESULT

RECONCILIATION BETWEEN ADJUSTED AND REPORTED (€ mn)

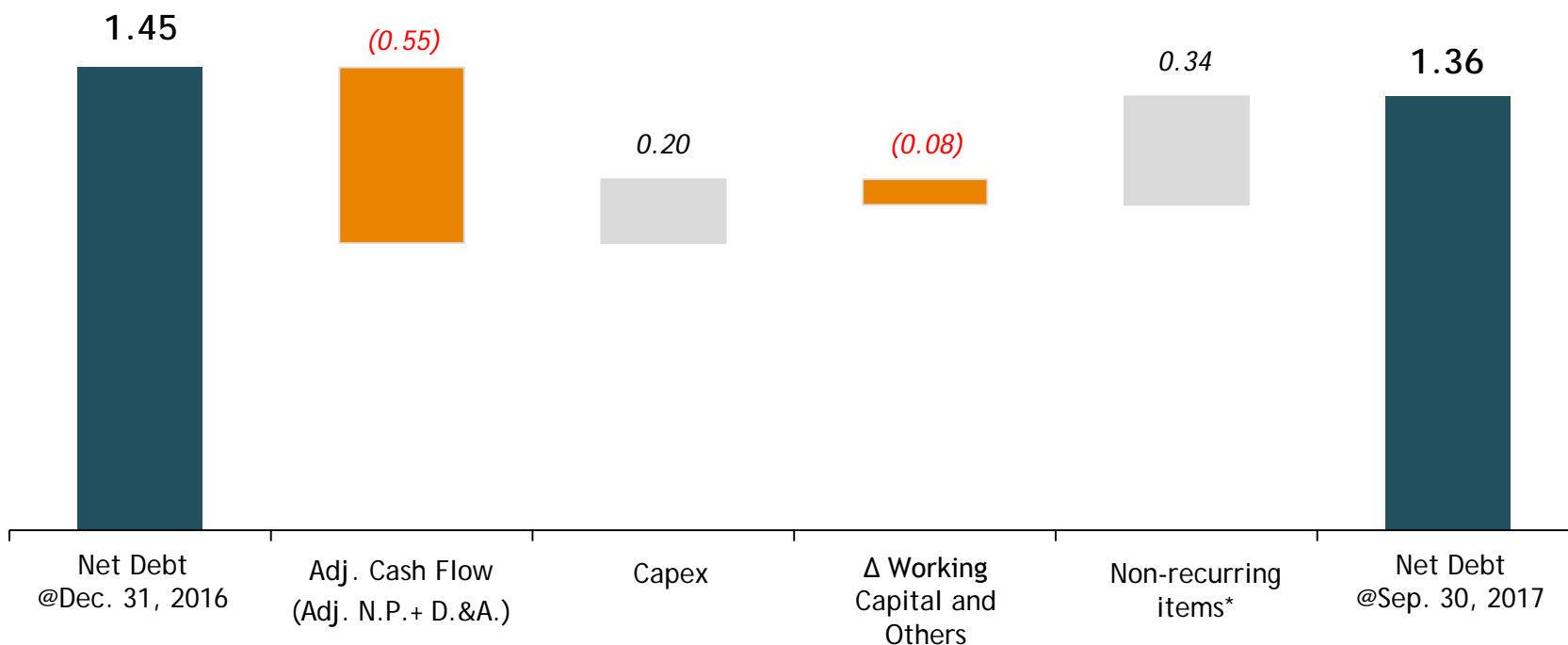
Net Result



9M 2017 NET DEBT EVOLUTION

(€ bn)

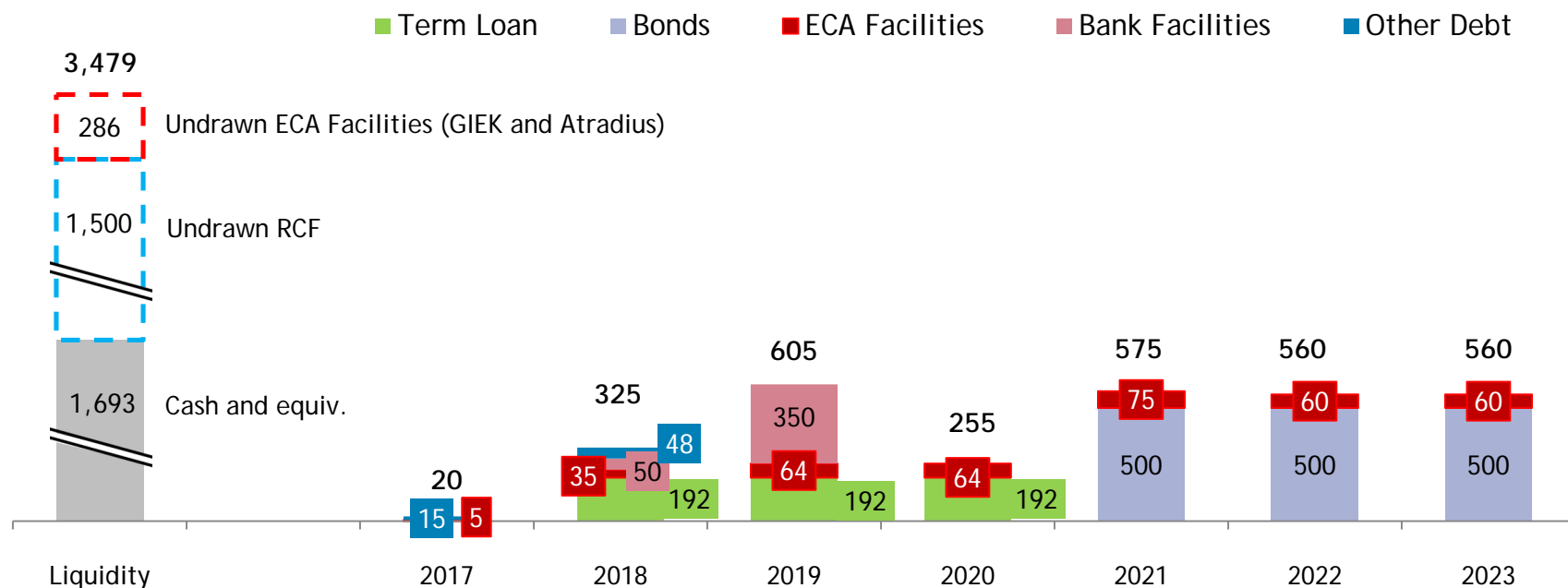
Net Debt improvement in 3Q thanks to Cash Flow and Capital Discipline



CAPITAL STRUCTURE AS OF SEPTEMBER 30, 2017

(€ mn)

Solid Capital Structure and Liquidity Position



- Average debt maturity of 3.7 years: in 3Q 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 €1.7bn (including c.€0.5bn trapped)



OPERATIONAL AND COMMERCIAL UPDATE

MAIN ONGOING E&C PROJECTS

LEGEND

- OFFSHORE
- ONSHORE

NORTH SEA

J. SVERDRUP - STATOIL - PIPELINES
 MILLER - BP - DECOMMISSIONING
 HYWIND SCOTLAND - RENEWABLES



Saipem 7000
 Hywind Scotland mating wind turbine
 Photo: Ørjan Richardsen / Woldcam / Statoil

MEDITERRANEAN AND EUROPE

ZOHR - PETROBELL - SUBSEA/PIPELINES
 TAP - PIPELINES
 STAR REFINERY - DOWNSTREAM
 ITAL GAS STORAGE - MIDSTREAM



Castorone

CASPIAN

SCPX PIPELINE - BP - PIPELINES
 SHAZ DENIZ PH.2 - BP - FIXED FACILITIES / PIPELINES



MIDDLE EAST

JAZAN PK1-2 - SAUDI ARAMCO - DOWNSTREAM
 KHURAI - SAUDI ARAMCO - UPSTREAM
 AL ZOUR PK4 - KNPC - DOWNSTREAM
 LTA PROJECTS - SAUDI ARAMCO - FIXED FACILITIES



WEST AFRICA

EGINA - TOTAL - SUBSEA
 WEST HUB - ENI - SUBSEA
 KAOMBO - TOTAL - FLOATERS
 DANGOTE FERTILIZERS - DOWNSTREAM



FAR EAST

TANGGUH - BP - FIXED FACILITIES AND PIPELINES
 TANGGUH - BP - LNG



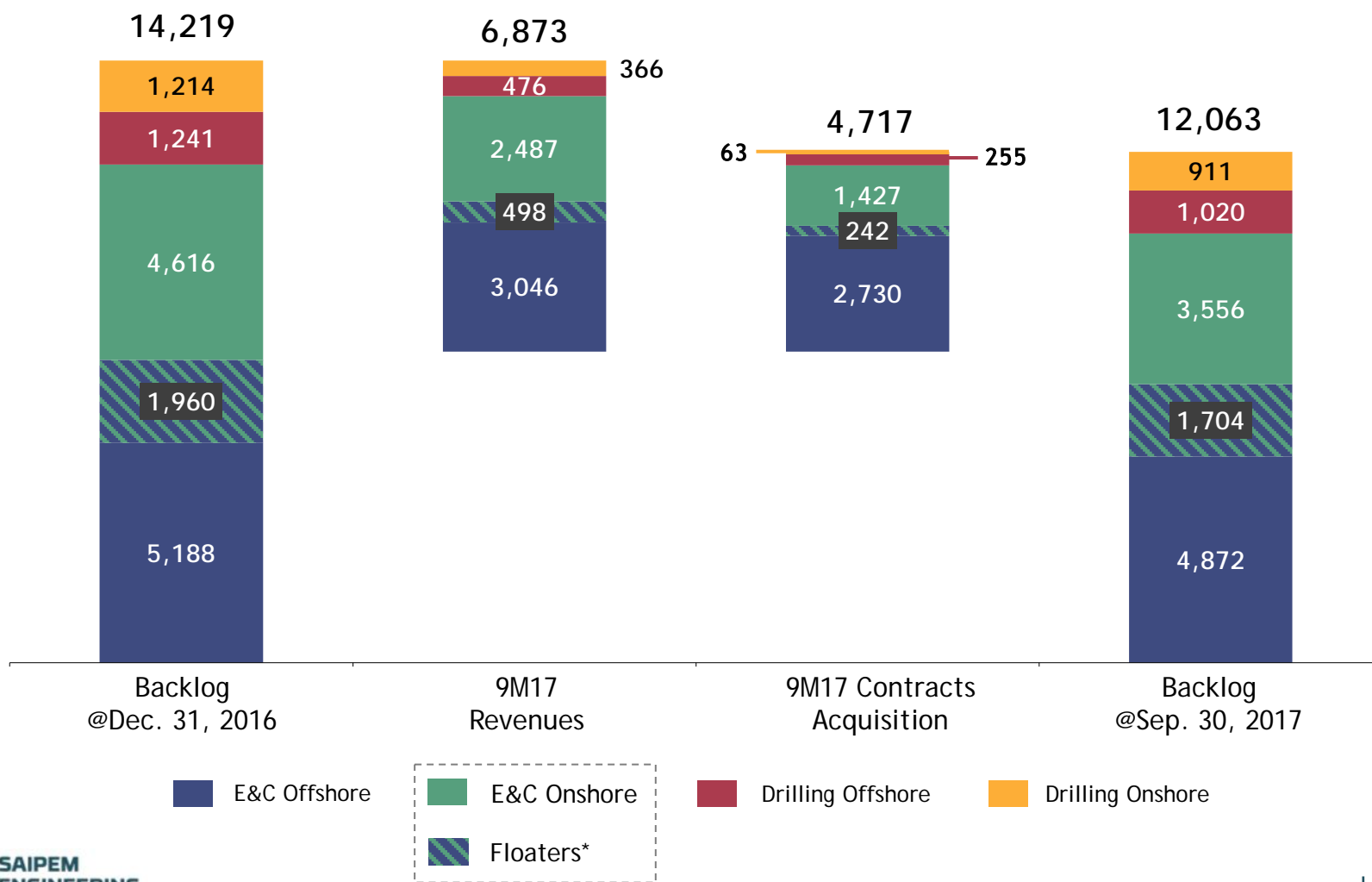
BRAZIL

LULA N. & EXTREMO SUL - PETROBRAS - PIPELINES



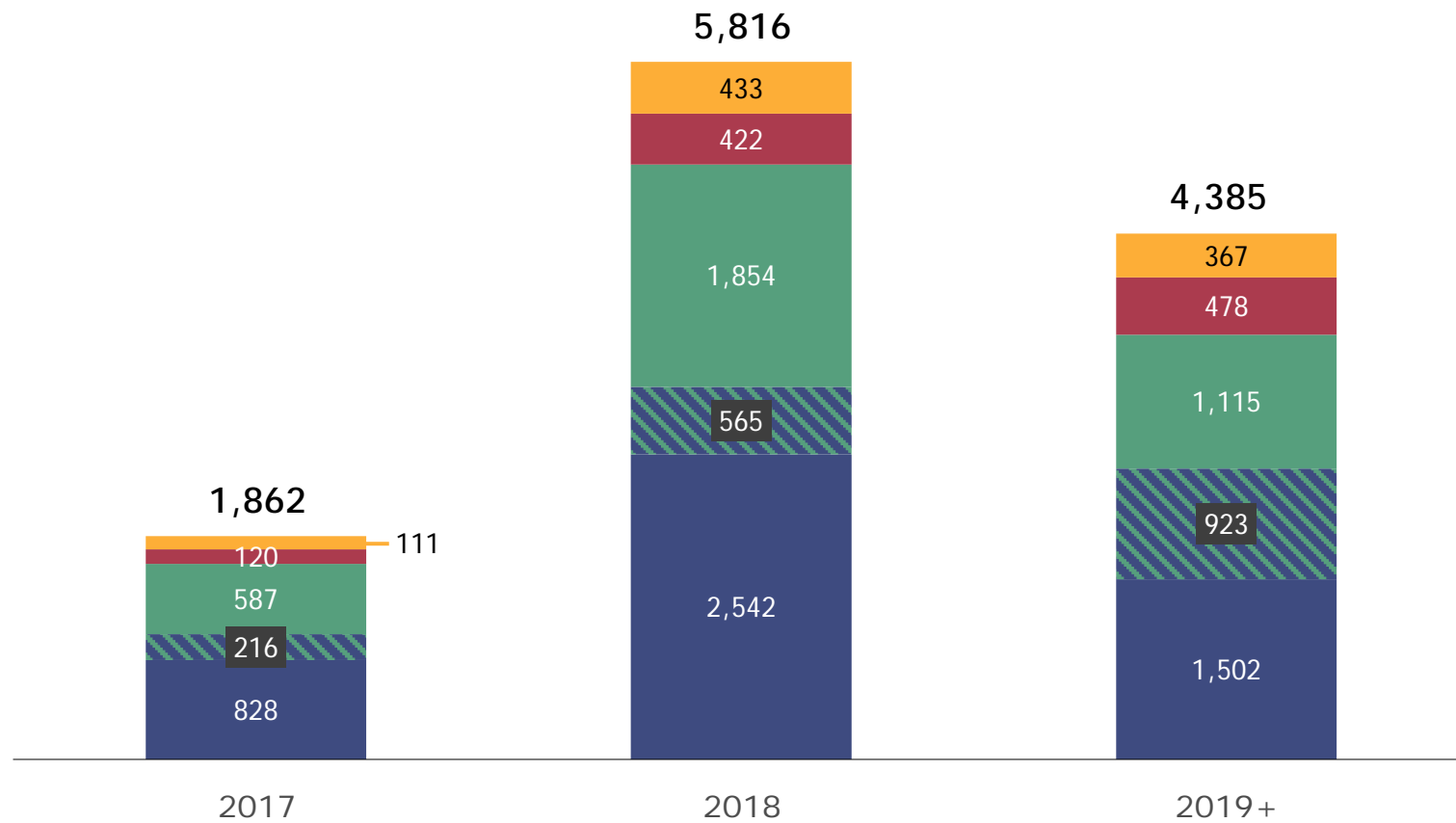
9M 2017 BACKLOG

(€ mn)



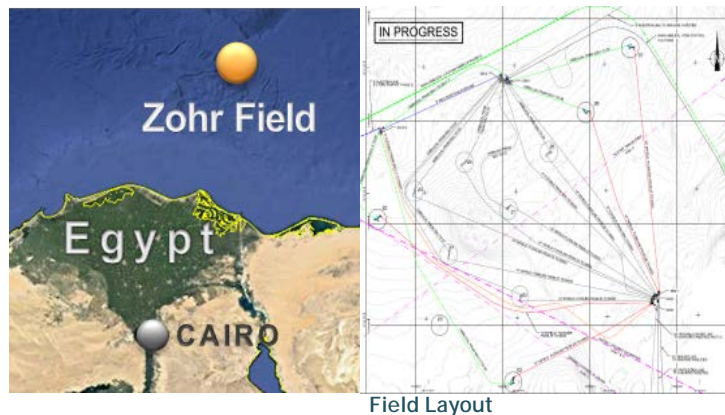
BACKLOG BY YEAR OF EXECUTION

(€ mn)



(*) Floaters business reported separately

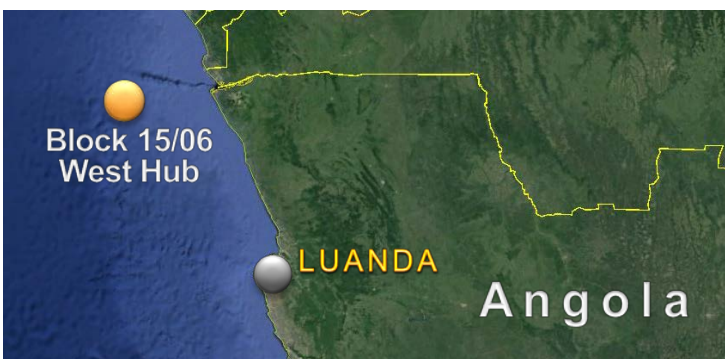
MAIN RECENT AWARDS – E&C OFFSHORE



Castorone

Castoro Sei

Saipem FDS2



Zohr Field Development - Ramp up phase

- Client: Petrobel (JV Eni / EGPC)
Addendum of the existing Contract
- Location: East Mediterranean Sea, offshore Egypt
- **Saipem Additional Scope:** EPCI including 30" Gas Export line x 218 Km, 8" MEG Injection line x 217 Km, 4 x14" in-field clad flowlines, 4x in-field Umbilicals and 2 x2" Flexible lines, Infield Subsea Structures.
N. 2 additional shore approach operations to install stab lines 1x 30" + 1 x14" for future use
- Main Saipem Vessels to be utilized: Castorone - Castoro Sei - Saipem FDS2 - Far Samson - Saipem 3000
- **Project highlights:**
 - Maximum water depth approx. 1,500m
 - Super fast-track approach
 - High number of vessels to be mobilised

West Hub

- Client: Eni
- Location: Angolan waters, 350 km north west of Luanda
- Scope of work: construction and deepwater installation of umbilicals, risers and flowlines for the development of Block 15/06
- **Project highlights:**
 - Maximum water depth nearly 1,400m
 - Cladded pipe in pipe flowlines
 - Flexibles installation with Normand Maximus and FDS

MAIN RECENT AWARDS – E&C ONSHORE



KOC Pipelines for New Refinery Project (NRP) - Kuwait

- **Client:** Kuwait Oil Company
- **Location:** Kuwait
- **Scope of work:** EPC of a system of pipelines of various diameters, for a total length of about 450 km, for crude oil and gas transportation from KOC South Tank Farm manifolds to the new Al-Zour refinery and for the transportation of the refined products to storage areas
- **Project highlights:**
 - Long term relationship and significant track record with the Client (Al Zour Package 4 project ongoing)
 - A key EPC Package within the Al-Zour refinery development



Spence Growth Options Pipeline

Post 3Q

- **Client:** Caitan S.p.A. (Mitsui and Técnicas de Desalinización de Aguas)
- **Location:** Chile
- **Scope of work:** EPC of a water transportations system encompassing 155km of 36" pipelines, 3 pumping stations and associated control and maintenance systems the for transportation of desalinized water from sea level to the "Spence" copper mine situated 1,710m above sea level
- **Project highlights:**
 - Major infrastructure project to serve the copper mining industry in Chile
 - Business segment non Oil & Gas related
 - New Country for Saipem Onshore E&C

UPDATE ON 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



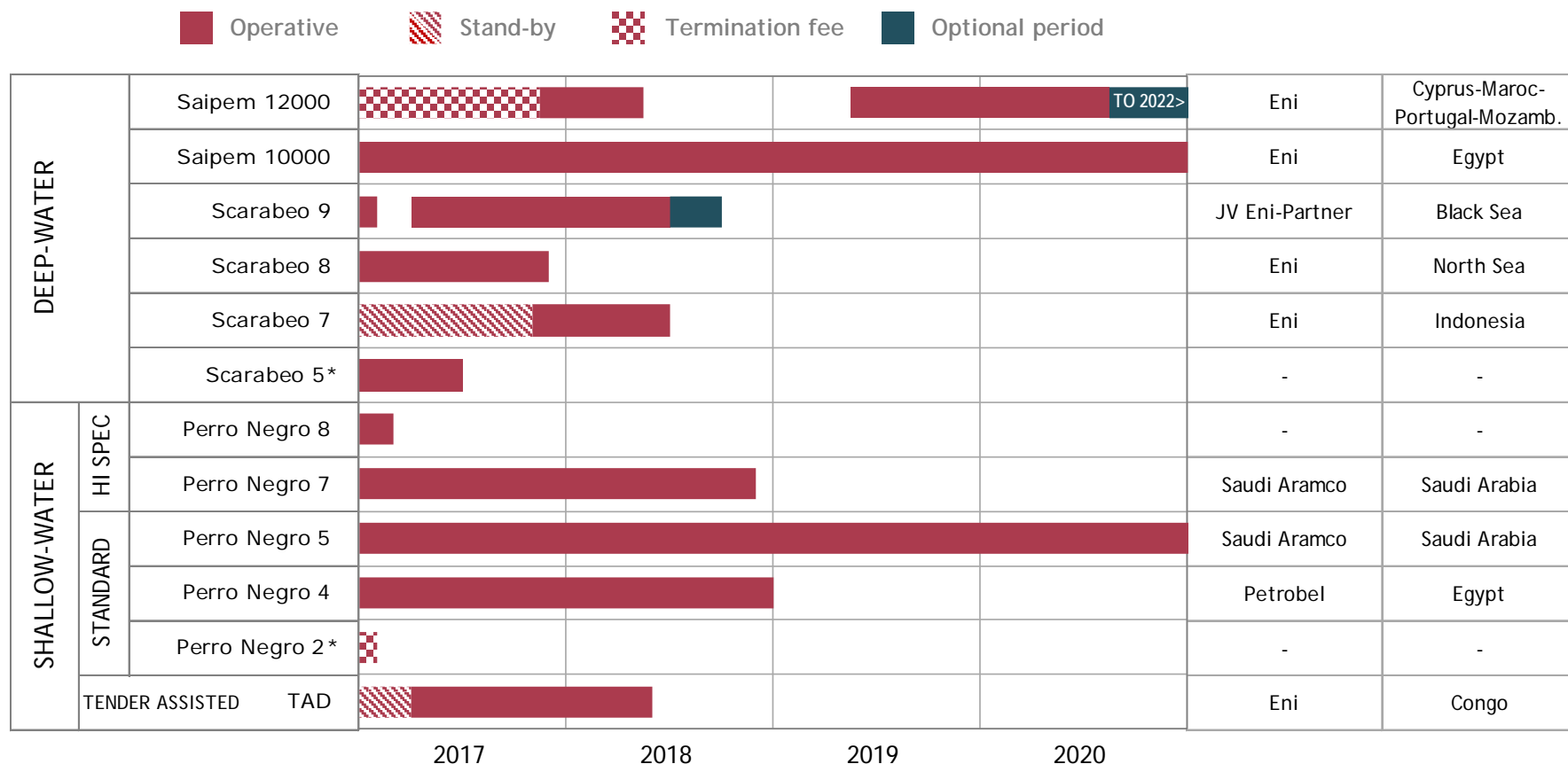
Infrastructures

- RFI TAV Brescia Verona - Italy

DELIVERING ON NEAR TERM OPPORTUNITIES

UPDATE ON DRILLING

OFFSHORE DRILLING FLEET CONTRACTS



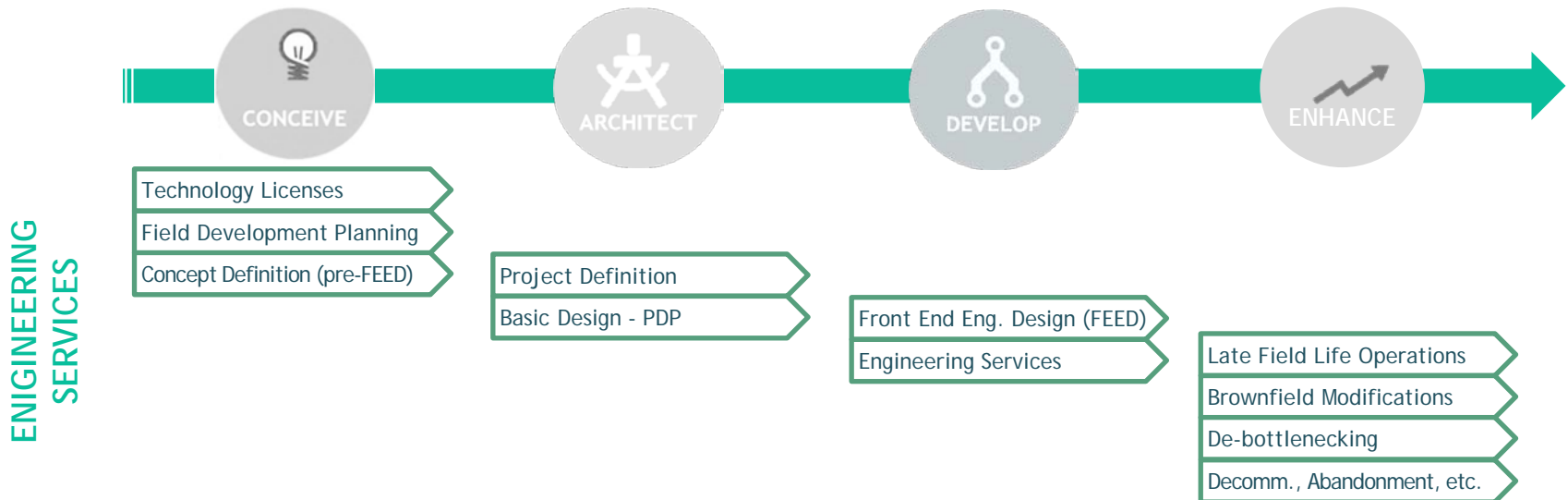
* ON STACKING MODE - TOTALLY WRITTEN OFF

ONSHORE DRILLING FLEET 9M 2017 UTILISATION RATE: 58%



XSIGHT

HIGH VALUE ENGINEERING SERVICES



FROM EARLY ENGAGEMENT TO LIFE-OF-FIELD SOLUTIONS

- Groupwide global presence with c.300 dedicated Engineers to date
- Expertise in Full Field Development, Up/Mid/Downstream, High Tech. Floaters, Renewables
- New contracts with strategic clients secured and robust pipeline of target initiatives

ANTICIPATE CHALLENGES AND DRIVE CHANGE, CAPITALIZING ON 60 YEARS EPC(I) EXPERIENCE



CLOSING REMARKS

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">c.€300mn
Net financial position	<ul style="list-style-type: none">c.€1.3bn

CLOSING REMARKS

SOLID 3Q OPERATIONAL AND FINANCIAL PERFORMANCE

GOOD ORDER INTAKE IN 3Q WITH VISIBILITY ON NEAR TERM COMMERCIAL TARGETS

SAVINGS PROGRAM ON TRACK AND ADDITIONAL EFFICIENCY INITIATIVES
UNDER ASSESSMENT

IMPROVED NET DEBT GUIDANCE

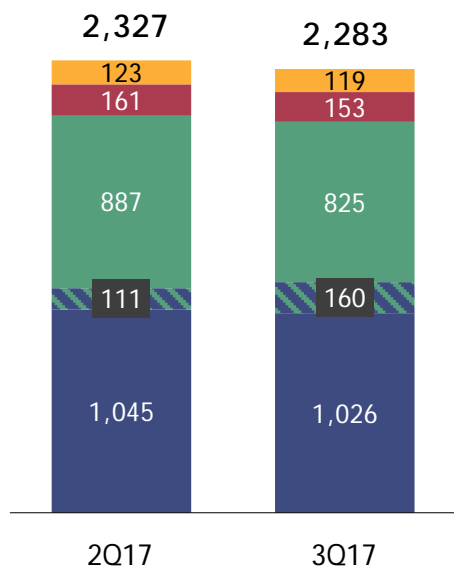


APPENDIX

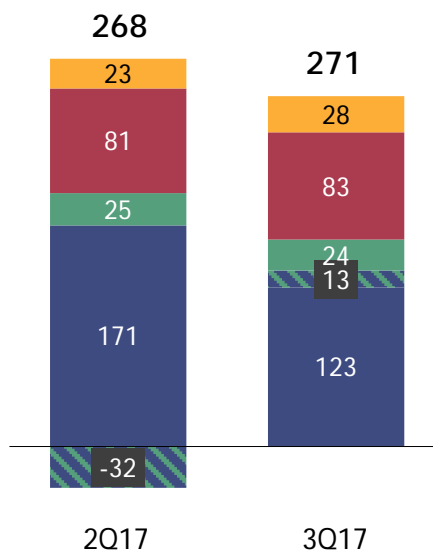
3Q 2017 RESULTS

QoQ TREND (€ mn)

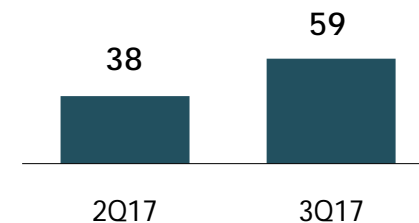
Revenues



Adjusted EBITDA



Adjusted Net Profit



E&C Offshore

E&C Onshore

Drilling Offshore

Drilling Onshore

Floaters*

E&C OPPORTUNITIES

LEGEND

- OFFSHORE
- ONSHORE

Americas

- BP Cassia Compression - fixed facilities
- Petrobras Libra Development - subsea
- Eni Amoca Field - fixed facilities
- ExxonMobil Liza future dev. - subsea **New**
- Shell LNG Canada - LNG
- Ferrostaal Pacific NW Ammonia Plant - downstream
- Pemex Refineries Maintenance - downstream
- CEP Imperia Valley 1 - renewables **New**

West and North Africa

- Eni Shorouk (Zohr) future dev. - subsea/pipelines
- BG Shell Burullus Phase IXB - subsea
- Eni Zabazaba - subsea
- Eni West Hub (Vandumbu field) - subsea
- CEC Phase 2 Open Cycle - MMO
- BP Tortue Deepwater Development Phase 1A - Subsea
- Eni Zabazaba - floaters
- BP Tortue FPSO - floaters **New**
- NAOC Okpai Phase II Power Plant - downstream

Asia Pacific

- ConocoPhillips Barossa Field Dev. - subsea/pipelines
- ONGC KG-98/2 - subsea (URF+SPS)
- ThaiOil Clean Fuel - downstream
- PTTLNG Nong Fab receiving terminal - LNG
- RDA Pentland Bio Energy Project Phase 1 - renewables

Europe/ CIS and Central Asia

- BP Shah Deniz IMR - inspection, maintenance & repair
- EDF Fecamp Offshore Windfarm - renewables
- EDF Courseulles Offshore Windfarm - renewables
- EDF Saint Nazaire Offshore Windfarm - renewables
- Total Garantiana Development Project - subsea
- ExxonMobil Neptune Deepwater - pipelines, platform/subsea
- ConocoPhillips LOGGS Central Complex - decommissioning
- SOCAR Baku Refinery - downstream
- Gazprom Moscow Refinery Upgrading FEED - downstream
- RFI TAV Brescia Verona - infrastructures
- High Speed Railway Moscow - Kazan - infrastructures

Middle East

- S. Aramco LTA development - CRPOs for fixed facilities
- Rasgas Barzan Subsea Pipelines - pipelines
- ADCO BAB Integrated Facilities - upstream/onshore pipelines
- DUQM Refinery - downstream
- OTTCO Ras Markaz Crude Oil Park Project - downstream
- Saudi Aramco Hawiyah e Haradh Field Gas Compression - upstream
- Jurassic Field Development - upstream
- ExxonMobil West Qurna major tie-ins **New**
- ADCO Qusahwira Field Develop. Phase 2 **New**

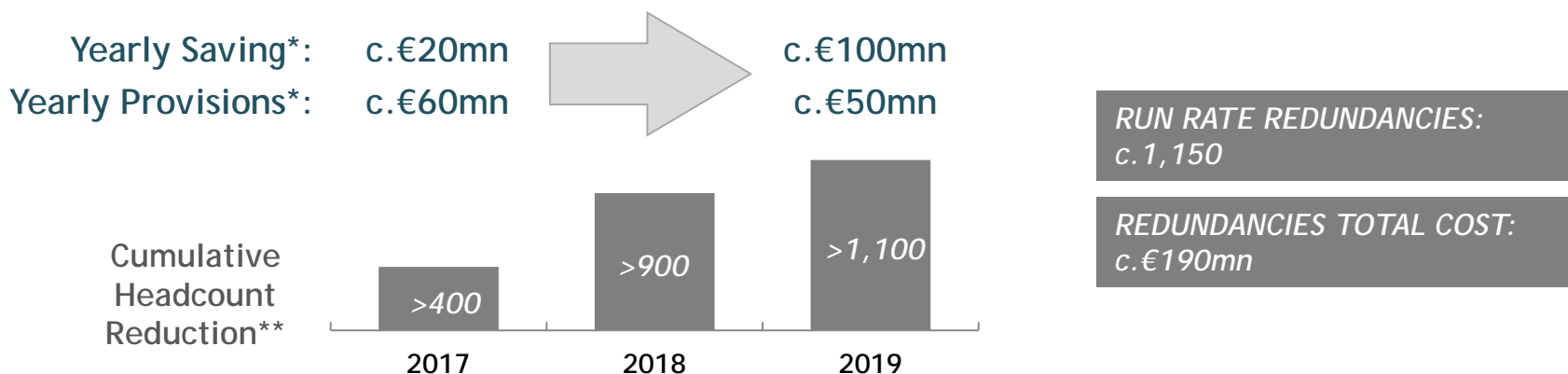
East Africa

- Eni Mamba - subsea
- Anadarko Golfinho - subsea
- Eni Onshore - LNG
- Anadarko Onshore - LNG
- Fauji/Ferrostaal Fertilizer Plant Tanzania - downstream

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