

Saipem: results for the third quarter and the first nine months of 2022.

The Group's performance continued to improve compared to both the nine months of 2021 and the second quarter 2022, with revenues and margins growing at double-digit rates. Full year 2022 guidance revised upwards

- **Third quarter 2022:**
 - Revenues¹: €3,006 million, +21% compared to the second quarter;
 - EBITDA adjusted¹: €215 million, +22% compared to the second quarter.
- **In the first nine months of 2022:**
 - Revenues¹: €7,441 million, +47% compared to the first nine months of 2021;
 - EBITDA adjusted¹: €536 million, compared to a negative figure of €291 million in the first nine months of 2021.
- **Pre-IFRS-16 net debt at end-September: €88 million (€426 million including IFRS-16 effects), confirming the progressive deleveraging path undertaken.**
- **Order intake² year-to-date at 30 September totalled €8.6 billion, with approximately €4.6 billion of orders acquired in October, giving a total of more than €13 billion. Around 70% of acquisitions are in offshore businesses.**
- **Onshore drilling disposal: first closing confirmed by the end of October, with cash-in of approximately €0.5 billion euro and the acquisition of 10% stake in KCA Deutag.**
- **Updated full year 2022 guidance (excluding Onshore Drilling):**
 - Revenues: over €9 billion;
 - Adjusted EBITDA: over €550 million;
 - Post-IFRS-16 net debt expected to be around €300 million at year-end (including proceeds from the sale of Onshore Drilling).

This press release also provides the information required on a quarterly basis by Consob on 10 May 2022, pursuant to Article 114(5) of the Consolidated Law on Finance.

¹ Including discontinued operations (onshore drilling)

² Before backlog reduction in Onshore E&C in Q1 (€968 million); includes discontinued operations (onshore drilling)

San Donato Milanese, October 27, 2022 - The Board of Directors of Saipem SpA, chaired by Silvia Merlo, approved yesterday the consolidated interim management report of the Group as of September 30, 2022 (unaudited).

Highlights of the third quarter and first nine months of 2022

As a result of the announced sale of the Onshore Drilling business, the results of the segment being divested were recognised as *discontinued operations* in accordance with the provisions of IFRS 5. The comparative periods have been restated in accordance with this accounting treatment in all parts of this release.

For comparative purposes, the main figures are shown below with reference to both the scope including *discontinued operations* and *continuing operations only*.

- **Revenues:** €7,441 million, including revenues from *discontinued operations*, +47% compared to the first nine months of 2021; revenues from *continuing operations* of €7,043 million +46%.
- **Adjusted EBITDA:** €536 million, including *discontinued operations*, equal to 7.2% of revenues compared to a loss of €291 million in the first nine months of 2021; adjusted EBITDA from *continuing operations* of €445 million, equal to 6.3% of revenues.
- **Net result:** loss of €138 million (loss of €1,121 million in the first nine months of 2021).
- **Capital expenditure:** €211 million, including *discontinued operations* compared to €195 million in the first nine months of 2021; capital expenditure in *continuing operations* of €184 million.
- **Net debt post IFRS-16:** €426 million (€1,541 million as of December 31, 2021).
- **Net debt pre IFRS-16:** €88 million (€1,223 million as of December 31, 2021).
- **Order intake:** 7,595 million including *discontinued operations*; acquisitions *continuing operations* of €6,924 million.
- **Backlog:** €22,707 million including *discontinued operations* (€23,252 million including the backlog of non-consolidated companies); *continuing operations* backlog of €20,937 million (€21,482 million including the backlog of non-consolidated companies). The total order backlog of non-consolidated companies was reduced by €800 million during the third quarter, as a result of the cancellation of the activities falling within the sanctioning framework of the European Union against the Russian Federation.

Financial Highlights

(€ million)

third quarter 2021	second quarter 2022	third quarter 2022	third quarter 2022 vs third quarter 2021 (%)	Continuing Operations	first nine months 2021	first nine months 2022	Sept. 2022 vs Sept. 2021 (%)
1,779	2,363	2,856	60.5	Revenues	4,821	7,043	46.1
(86)	142	168	ns	EBITDA	(502)	412	ns
(48)	148	182	ns	Adjusted EBITDA	(344)	445	ns
(285)	25	54	ns	Operating result (EBIT)	(891)	81	ns
(152)	31	68	ns	Adjusted operating result (EBIT)	(638)	114	ns
(330)	(30)	(34)	(89.7)	Continuing operations net result	(1,069)	(157)	(85.3)
(197)	(24)	(20)	(89.8)	Continuing operations adjusted net result	(816)	(124)	(84.8)
(342)	(32)	(8)	(97.7)	Net Result	(1,121)	(138)	(87.7)
(206)	(23)	7	ns	Adjusted Net Result	(862)	(101)	(88.3)
(257)	(447)	(158)	(38,5)	Free cash flows	(376)	(773)	ns
1,394	1,395	88	(93.7)	Net debt pre-IFRS 16 lease liabilities	1,394	88	(93.7)
1,673	1,703	426	(74.5)	Net debt post-IFRS 16 lease liabilities	1,673	426	(74.5)
49	49	98	ns	Capital expenditure	172	184	7.0
404	1,945	2,696	ns	New contracts	4,620	6,924	49.9

* The results of the Onshore Drilling segment being divested, have been recognized as discontinued operations in accordance with the criteria set out in IFRS 5. The comparison periods have been restated for comparative purposes.

Revenues and associated profit levels are not consistent over time, as they are influenced not only by market performance but also by climatic conditions and individual project schedules in the Engineering and Construction sector, and by contract expiry and renegotiation timing in the Drilling sector.

Continuing and discontinued operations and non-current assets held for sale

The results of operations, financial position, and cash flows from the second quarter are represented, as well as overall, by distinguishing continuing operations from discontinued operations, by recognising the latter in accordance with IFRS 5.

The Onshore Drilling business is recognised in discontinued operations as of June 1, 2022, Saipem and KCA Deutag ('KCA') signed an agreement for the sale of the Onshore Drilling business (the 'DRON') for a consideration that includes a cash component of \$550 million and a 10% of KCA's class A ordinary shares. The transaction does not involve any transfer of debts from Saipem to KCA.

The DRON sale is in line with the 2022-2025 Strategic Plan, with a view to active management of the asset portfolio.

Considering that the above-mentioned transaction will take place in the fourth quarter of 2022, the sector contributes to results as "discontinued operation" in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

In this press release, the Onshore Drilling business is represented as a "discontinued operation" under the provisions of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

Therefore, the results of operations of the discontinued operation are presented separately from continuing operations in a single line in the income statement and limited only to transactions with third parties. The financial results for the comparison period have been presented again in accordance with the provisions of IFRS 5.

In addition, on June 27, 2022, Saipem and BW Energy signed a Memorandum of Agreement (MoA) for the sale, for \$73 million, of the floating production, storage, and offloading (FPSO) unit Cidade de Vitória, currently owned by Saipem and managed operationally on behalf of Petrobras in the Golfinho field, off the coast of Brazil. In accordance with IFRS 5, this asset meets the criteria to be classified as held for sale and has been shown separately from other assets in the balance sheet.

Reorganisation: impact on reporting

From January 2022, the Company has implemented a new organisation with four business lines: Asset Based Services, Energy Carriers, Robotics and Industrialized Solutions, and Sustainable infrastructures, and consequently is adjusting its reporting structure in accordance with IFRS 8.

In order to facilitate the financial market's understanding of the evolution of the economic/financial performance during 2022, the Company maintains, in continuity with previous years, the reporting structure based on the four divisions Engineering & Construction Offshore, Engineering & Construction Onshore, Drilling Offshore and Drilling Onshore, this choice derives also from the fact that the Company is completing the implementation of the management control system in line with the new organizational structure and as of today therefore the separate financial statement information is not available as required by IFRS 8.

Management update 2022 - continuing operations

In the first nine months of 2022, revenues amounted to €7,043 million (€4,821 million in the first nine months of 2021), and the **adjusted EBITDA** amounts to €445 million (a loss of €344 million in the first nine months of 2021). The improvement is recorded in all the activities, mainly driven by Offshore Engineering & Construction and drilling sectors, as commented below in the paragraph "Analysis by business sector".

The **adjusted net result** from continuing operations amounted to a loss of €124 million (a loss of €816 million in the first nine months of 2021). The positive change recorded in adjusted operating result (€752 million) is reduced by the deterioration in the balance of tax and financial operations totalling €60 million.

The **net result** from continuing operations shows a loss of €157 million (loss of €1,069 million in the first nine months of 2021) and compared to the adjusted net result includes costs for COVID-19 healthcare emergency of about €15 million and reorganization expenses of €18 million.

The **net result**, including the net result from discontinued operations of €19 million, recorded a loss of €138 million.

Adjusted EBIT reconciliation - reported EBIT

	(€ million)			
	Offshore E&C	Onshore E&C	Offshore Drilling	Total*
Adjusted EBIT	63	(29)	80	114
Costs for COVID-19 healthcare emergency	11	4	-	15
Re-organization expenses	6	12	-	18
Total special items	(17)	(16)	-	(33)
Reported EBIT	46	(45)	80	81

* Does not include charges from the health emergency of €1 million and reorganisation charges of €3 million from discontinued operations (onshore drilling).

In the corresponding period of 2021, net result from continuing operations recorded a loss of 1,069 million euros and compared to the adjusted net result included the following special items:

- partial impairment of three vessels and three logistic bases, which are expected to be disposed of over the course of the plan, and of the related working capital, for €113 million;
- contingent liabilities of €62 million, deriving from the resolution of a legal dispute relating to a long-completed project;
- costs deriving from the healthcare emergency for about €56 million. This amount included the costs incurred in the period directly attributable to the Covid-19 pandemic, such as costs for the resources on stand-by, in accordance with quarantine regulations and in cases where activities at operating sites and onboard vessels were suspended by the authorities, for the purchase of personal protective equipment and devices in addition to the standard requirements, for sanitising work areas and for the organisation of return charter flights for people;
- reorganization expenses of €22 million.

Capital expenditure in the first nine months of 2022, amounted to €184 million (€172 million in the first nine months of 2021), and was divided as follows:

- €83 million in Offshore Engineering & Construction;
- €17 million in Onshore Engineering & Construction;
- €84 million in Offshore Drilling.

Net debt as of September 30, 2022 pre IFRS-16 lease liability effects amounted to €88 million. Net debt including IFRS16 lease liability of €338 million amounted to €426 million.

Gross debt pre IFRS 16 lease liability effects as of September 30, 2022 amounted to €2,760 million, liquidity to €2,672 million of which available cash for €1,274 million.

Financing package

The subscription of the capital increase was completed on 15 July 2022 for a total amount of €2 billion fully paid and on 18 July 2022 the Company repaid the "SACE Facility" for the entire amount equal to €852 million. For further details on the financing package, please refer to the press release of 27 July 2022.

Continuing operations backlog

In the first nine months of 2022, Saipem was awarded new contracts amounting to a total of €6,924 million (€4,620 million in the first nine months of 2021). The backlog as of September 30, 2022, amounted to €20,937 million (€7,266 million in Offshore Engineering & Construction, €12,874 million in Onshore Engineering & Construction, €797 million in Offshore Drilling), of which €2,171 million to be executed in 2022.

The backlog including non-consolidated companies as of September 30, 2022, amounted to €21,482 million (€7,277 million in Offshore Engineering & Construction, €13,408 million in Onshore Engineering & Construction and €797 million in Offshore Drilling), of which €2,411 million to be executed in 2022. The non-consolidated backlog was reduced by €800 million during the third quarter, as a result of the cancellation of the activities falling within the sanctioning framework of the European Union against the Russian Federation.

Other information

Appointment of a new Board Director by co-optation

The Board of Directors of the Company met yesterday and, having received the opinion of the Compensation and Nomination Committee and with the approval of the Board of Statutory Auditors, appointed by co-optation, pursuant to art. 2386, paragraph one, of the Italian Civil Code, Mr. Davide Manunta as non-executive and non-independent Director. Mr. Manunta was also appointed member of the Sustainability, Scenarios and Governance Committee.

As disclosed to the market on August 31, 2022, on that day and following the resignation of the Director Pier Francesco Ragni, Saipem's Board of Directors appointed Mr. Alessandro Puliti as Board Director, by co-optation pursuant to art. 2386 of the Italian Civil Code. Also on August 31, 2022, following the resignation of Mr. Francesco Caio (then CEO and General Manager of the Company), the Board of Directors appointed Mr. Alessandro Puliti as CEO and confirmed him in his position as General Manager.

In light of the above, the composition of the Board of Directors had to be integrated and the number of its members brought to nine, as set by the Shareholders' Meeting on April 30, 2021.

The invitation to consider the candidacy of Davide Manunta (currently Head of Energy & Construction of CDP and CDP Equity SpA and Head of Finance, Planning & Control of CDP Reti SpA) for the independent review by the Board of Directors of Saipem SpA, was communicated to the Company by the shareholder CDP Industria SpA (and for information to the shareholder ENI SpA) through a letter sent on September 30, 2022. Based on his declarations, the new Director Davide Manunta does not possess the requirements of independence and does not hold shares in the Company. His curriculum vitae is published on the Company's website at www.saipem.com, under the "Governance" section.

Transfer of Registered Office

At the same meeting, the Board of Directors of the Company, under the powers granted by art. 20 of the Articles of Association, approved the transfer of the Registered Office of Saipem SpA from Via Martiri di Cefalonia, 67 in San Donato Milanese, to Via Luigi Russolo, 5 in Milan. Notice will be given in due course of the registration of this transfer in the Register of Companies, and of the publication of the updated Articles of Association.

This press release should be read in conjunction with the Interim Consolidated Financial Statements as of June 30, 2022 and the Consolidated Financial Statements as of December 31, 2021 of Saipem SpA, which are already available on the Company's website (www.saipem.com), under the section "Investor Relations /Financial information".

Paolo Calcagnini, Chief Financial Officer declares pursuant to Article 154a(2) of the Consolidated Law on Finance that the accounting information corresponds to the documentary results, books and accounting records.

Forward-looking data and information must be considered "forward-looking statements" and, therefore, not based on mere historical facts, by their nature have a component of risk and uncertainty, given that they also depend on the occurrence of future events and developments outside the control of the Company, such as: changes in exchange rates, changes in interest rates, volatility in commodity prices, credit risk, liquidity risk, HSE risk, investments in the oil industry and other industrial sectors, political instability in areas where the Group is present, competitive actions, success in commercial negotiations, the risk of project execution (including those relating to investments in progress), the Covid-19 pandemic evolution (including its impacts on our business, our projects running around the world and our supply chain), as well as changes in the expectations of stakeholders and other changes in business conditions. Actual results could therefore differ materially from the forecasts. The financial reports contain in-depth analyses of some of the aforementioned risks. Forward-looking statements and data are to be considered in the context of the date of their release.

Conference call and webcast

The results contained in this press release will be presented today at 10:00AM Italian time during a conference call and webcast by CEO Alessandro Puliti and CFO Paolo Calcagnini. The conference call can be joined by webcast, via the Company's website www.saipem.com, by clicking on the banner 'NINE MONTHS 2022 RESULTS' on the home page, or following the URL <https://edge.media-server.com/mmc/p/w33vtx2e>.

A presentation will be illustrated during the webcast conference call, which can be downloaded, approximately 30 minutes before the scheduled start time from the webcast window or from the "Investor Relations/Quarterly Results and Documentation/Archive" section of www.saipem.com. The presentation will also be made available at the authorized storage mechanism "eMarketSTORAGE" (www.emarketstorage.com) and on the website of Borsa Italiana SpA (www.borsaitaliana.it).

Saipem is an advanced technological and engineering platform for the design, construction and operation of complex, safe, and sustainable infrastructures and plants. Always oriented towards technological innovation, Saipem is today committed to working alongside its customers on the frontier of the energy transition with increasingly digital means, technologies and processes oriented from their conception to environmental sustainability. It is listed on the Milan stock exchange and operates in over 70 countries around the world with 32 thousand employees from 130 different nationalities.

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Analysis by business sector - Adjusted results

Offshore Engineering & Construction

(€ million)

third quarter 2021	second quarter 2022	third quarter 2022	third quarter 22 vs third quarter 21 (%)		first nine months 2021	first nine months 2022	Sept.22 vs Sept.21 (%)
951	1,240	1,592	67.4	Revenues	1,983	3,664	84.8
(1,058)	(1,139)	(1,460)	38.0	Expenses	(2,361)	(3,366)	42.6
(107)	101	132	ns	Adjusted EBITDA	(378)	298	ns
(67)	(84)	(85)	26.9	Depreciation and amortisation	(191)	(235)	23.0
(174)	17	47	ns	Adjusted operating result	(569)	63	ns
(11.3)	8.1	8.3		Adjusted EBITDA %	(19.1)	8.1	
(18.3)	1.4	3.0		Adjusted EBIT %	(28.7)	1.7	
210	1,051	1,131		New contracts	2,589	3,493	

Backlog as of 30 September 2022: €7,266 million, including €1,132 million to be executed in 2022.

- Revenues for the first nine months of 2022 amounted to €3,664 million, almost doubled compared to the corresponding period of 2021, mainly attributable to higher volumes developed in the Middle East, Sub-Saharan Africa, Central South America and Rest of Europe.
- Adjusted EBITDA for the first nine months of 2022 was positive for €298 million, or 8.1% of revenue, compared to a loss of €378 million in the corresponding period of 2021. The 2021 result was weighed down by the impacts of operational issues experienced on a wind project in the North Sea and the lack of contribution from contracts acquired to replace projects terminated in 2020.
- The most significant awards in the third quarter were:
 - on behalf of Eni Côte d'Ivoire, a contract for the Baleine Phase 1 project involving the engineering, procurement, construction, and installation (EPCI) of Subsea Umbilicals, Risers and Flowlines (SURF), and an onshore pipeline to connect to the distribution network;
 - for Eni Angola, a contract for engineering, procurement, and construction (EPC) and offshore hook-up & commissioning activities for the development of the Quiluma & Maboqueiro offshore the northwest coast of Angola;
 - for Eni, a contract for the transport and installation of a gas pipeline that will connect the four wells of the Argo and Cassiopea fields to the Sicilian coast.

Onshore Engineering & Construction

(€ million)

third quarter 2021	second quarter 2022	third quarter 2022	third quarter 22 vs third quarter 21 (%)		first nine months 2021	first nine months 2022	Sept.22 vs Sept.21 (%)
721	963	1,136	57.6	Revenues	2,564	2,962	15.5
(693)	(962)	(1,133)	63.5	Expenses	(2,606)	(2,948)	13.1
28	1	3	(89.3)	Adjusted EBITDA	(42)	14	ns
(17)	(14)	(14)	(17.6)	Depreciation and amortisation	(52)	(43)	(17.3)
11	(13)	(11)	ns	Adjusted operating result	(94)	(29)	(69,1)
3.9	0.1	0.3		Adjusted EBITDA %	(1.6)	0.5	
1.5	(1.3)	(1.0)		Adjusted EBIT %	(3.7)	(1.0)	
124	741	1,525		New contracts	1,835	2,577	

Backlog as of September 30, 2022: €12,874 million, including €963 million to be executed in 2022.

- Revenues for the first nine months of 2022 amounted to €2,962 million, higher than the corresponding period of 2021 due to the higher volume developed in South America, Middle East and Far East, partly offset by lower volume in Sub-Saharan Africa.
- Adjusted EBITDA for the first nine months of 2022 was positive for €14 million, or 0.5% of revenues, compared with a loss of €42 million in the corresponding period of 2021, whose margins were affected by the suspension of the LNG contract in Mozambique and the extra costs of extending timeline of a project in the Middle East due to the constraints related to COVID-19.
- The most significant awards in the third quarter were:
 - on behalf of Eni Côte d'Ivoire, a contract for the Baleine Phase 1 project, which includes engineering, procurement, construction, and commissioning activities related to the modernisation of the vessel Firenze FPSO, with an additional 10 years of operations and maintenance services for the vessel;
 - for Eni Angola, a contract for the engineering, procurement, and construction (EPC) and commissioning of an onshore gas treatment plant (GTP) for the development of the Quiluma & Maboqueiro offshore the northwest coast of Angola.

Offshore Drilling

(€ million)

third quarter 2021	second quarter 2022	third quarter 2022	third quarter 22 vs third quarter 21 (%)		first nine months 2021	first nine months 2022	Sept.22 vs Sept.21 (%)
107	160	128	19.6	Revenues	274	417	52.2
(76)	(114)	(81)	6.6	Expenses	(198)	(284)	43.4
31	46	47	51.6	Adjusted EBITDA	76	133	75.0
(20)	(19)	(15)	(25.0)	Depreciation and amortisation	(51)	(53)	3.9
11	27	32	ns	Adjusted operating result	25	80	ns
29.0	28.8	36.7		Adjusted EBITDA %	27.7	31.9	
10.3	16.9	25.0		Adjusted EBIT %	9.1	19.2	
70	153	40		New contracts	196	854	

Backlog as of September 30, 2022: €797 million, including €76 million to be executed in 2022.

- Revenues for the first nine months of 2022 amounted to €417 million, up 52.2% compared to the corresponding period of 2021, mainly due to the higher contribution of the semi-submersible platform Scarabeo 9 which was idle in the corresponding period of 2021, the jack-up Perro Negro 8 which was idle for cyclical maintenance activities for about three months in the first nine months of 2021, as well as the contribution of the drilling vessel Santorini chartered from third parties since the fourth quarter of 2021.
- Adjusted EBITDA for the first nine months of 2022 amounted to €133 million, or 31.9% of revenues, compared to €76 million in the corresponding period of 2021, or 27.7%, due to the full operation of fleet.

The utilization of major vessels in the first nine months of 2022:

<i>Vessel</i>	<i>First nine months 2022</i>	
	<i>under contract</i>	<i>idle</i>
	<i>(No. of days)</i>	
Semi-submersible platform Scarabeo 5	273	-
Semi-submersible platform Scarabeo 8	200	73 (a+b)
Semi-submersible platform Scarabeo 9	205	68 (a)
Drillship Saipem 10000	273	-
Drillship Saipem 12000	273	-
Drillship Santorini*	273	-
Jack up Perro Negro 4	273	-
Jack up Perro Negro 7	273	-
Jack up Perro Negro 8	186	87 (a)
Jack up Pioneer Jindal*	273	-
Jack up Sea Lion 7*	273	-
Jack up Perro Negro 9*	273	-
Tender Assisted Drilling Barge	-	210 (c)

(a) = days on which the vessel underwent class reinstatement works and/or preparation works

(b) = days on which the vessel was idle and not under contract.

(c) = plants sold during the third quarter under current regulations (green recycling)

*vessels leased by third parties

Discontinued operations - Onshore Drilling:

(€ millions)

third quarter 2021	second quarter 2022	third quarter 2022	third quarter 22 vs third quarter 21 (%)		first nine months 2021	first nine months 2022	Sept.22 vs Sept.21 (%)
85	130	150	76.5	Revenues	243	398	63.8
(62)	(102)	(117)	88.7	Expenses	(190)	(307)	61.6
23	28	33	43.5	Adjusted EBITDA	53	91	71.7
(30)	(20)	(2)	(93.3)	Depreciation and amortisation	(89)	(53)	(40.4)
(7)	8	31	ns	Adjusted operating result	(36)	38	ns
27.1	21.5	22.0		Adjusted EBITDA %	21.8	22.9	
(8.2)	6.2	20.7		Adjusted EBIT %	(14.8)	9.5	
61	565	33		New contracts	247	671	

Backlog as of September 30, 2022: €1,770 million.

- Revenues in the first nine months of 2022 amounted to €398 million, increasing by 63.8% compared to the same period of 2021, mainly as a result of higher volumes mainly developed in Saudi Arabia.
- The adjusted EBITDA for the first nine months of 2022 amounted to €91 million, equal to 22.9% of revenues, compared with €53 million, equal to 21.8% of revenues, for the same period of 2021.
- EBITDA for the first nine months of 2022 amounted to €87 million, compared to €47 million in the corresponding period of 2021, and was affected by €1 million of costs for Covid-19 healthcare emergency and by €3 million of reorganisation expenses (€5 million from costs for Covid-19 healthcare emergency and €1 million from reorganisation expenses in the corresponding period of 2021).
- The operating result for the first nine months of 2022 amounted to €34 million (loss of €42 million in the first nine months of 2021); financial expenses of €3 million and taxes of €12 million led the net result from discontinued operations to a profit of €19 million (€52 million in the first nine months of 2021).

Average utilisation of rigs stood at 48.1% (36.4% in the same period of 2021) also including the Venezuelan rigs. The average utilisation excluding the Venezuelan rigs is 60.4% (45.7% in the same period of 2021).

The highest utilisation rate was recorded in the regions of Europe, Middle East, and Africa, where contracted land rigs have improved their performances compared to 2021 with 79.2% of days sold (56.5% in the corresponding period of 2021).

The number of land rigs in EMEA as of June 30, 2022 was 36 (unchanged from the corresponding period of 2021). In addition, 1 unit owned by third parties was used in the Congo.

In Latin America, the average utilisation rate was 24.2% slightly higher than the 20.9% recorded in the corresponding period of 2021. This increase is due to an increased use of land rigs in Colombia, although the percentage is weighed down by the land rigs in Venezuela, which are stacked and already totally written-off. The number of land rigs in use in Latin America as of September 30, 2022, was 30 (equal to the corresponding period of 2021, not including the 17 land rigs located in Venezuela).

Attachments:

- reclassified consolidated balance sheet, reclassified income statement (the income statement is reclassified according to the nature and function of the operating costs) and cash flow statement.

RECLASSIFIED CONSOLIDATED BALANCE SHEET

(€ million)

	December 31, 2021	September 30, 2022
Net tangible assets	3,113	2,643
Right-of-Use assets	261	286
Intangible assets	<u>699</u>	<u>695</u>
	4,073	3,624
Equity investments	127	96
Non-current assets	4,200	3,720
Net current assets	(2,070)	(1,689)
Employee benefits	(238)	(193)
Assets held for sale	-	595
EMPLOYED CAPITAL, NET	1,892	2,433
Equity	326	1,982
Non-controlling interests	25	25
Net debt pre-IFRS 16 lease liabilities	1,223	88
Lease liabilities	318	338
Net debt	1,541	426
FUNDING	1,892	2,433
Leverage post-IFRS 16 (net borrowing/equity + third-party equity)	4.39	0.21
NUMBER OF SHARES ISSUED AND OUTSTANDING	1,010,977,439	1,995,558,791

CONSOLIDATED INCOME STATEMENT RECLASSIFIED BY NATURE OF EXPENSES

Third Quarter 2021	Second Quarter 2022	Third Quarter 2022		(€ million)	
				first 9 months	
				2021	2022
1,779	2,363	2,856	Core business revenues	4,821	7,043
2	5	-	- Other revenues and income	4	5
(1,485)	(1,794)	(2,277)	Purchases, services and other costs	(4,154)	(5,388)
1	(29)	1	Net reversals of impairment losses (impairment losses) on trade receivables and other assets	(49)	(51)
(383)	(403)	(412)	Payroll and related costs	(1,124)	(1,197)
(86)	142	168	GROSS OPERATING PROFIT	(502)	412
(199)	(117)	(114)	Depreciation, amortisation and impairment losses	(389)	(331)
(285)	25	54	OPERATING PROFIT	(891)	81
(32)	(36)	(57)	Finance expense	(86)	(116)
15	19	-	- Gains (losses) on equity investments	(10)	(24)
(302)	8	(3)	PROFIT (LOSS) BEFORE TAXES	(987)	(59)
(28)	(38)	(31)	Income taxes	(82)	(98)
(330)	(30)	(34)	PROFIT (LOSS) BEFORE NON-CONTROLLING INTERESTS	(1,069)	(157)
-	-	-	Profit (loss) attributable to non-controlling interests	-	-
(330)	(30)	(34)	NET RESULT - Continuing Operations	(1,069)	(157)
(12)	(2)	26	NET RESULT - Discontinued Operations	(52)	19
(342)	(32)	(8)	NET RESULT	(1,121)	(138)

CONSOLIDATED INCOME STATEMENT RECLASSIFIED BY DESTINATION

Third Quarter 2021	Second Quarter 2022	Third Quarter 2022		(€ million)	
				first 9 months	
				2021	2022
1,779	2,363	2,856	Core business revenues	4,821	7,043
(1,963)	(2,233)	(2,720)	Production costs	(5,328)	(6,658)
(43)	(30)	(12)	Idle costs	(152)	(88)
(21)	(27)	(27)	Selling expenses	(105)	(84)
(7)	(7)	(7)	Research and development expenses	(22)	(19)
3	(4)	6	Other net operating income (expenses)	6	3
(252)	62	96	CONTRIBUTION FROM OPERATIONS	(780)	197
(33)	(37)	(42)	General expenses	(111)	(116)
(285)	25	54	OPERATING PROFIT	(891)	81
(32)	(36)	(57)	Finance expense	(86)	(116)
15	19		- Gains (losses) on equity investments	(10)	(24)
(302)	8	(3)	PROFIT (LOSS) BEFORE TAXES	(987)	(59)
(28)	(38)	(31)	Income taxes	(82)	(98)
(330)	(30)	(34)	PROFIT (LOSS) BEFORE NON-CONTROLLING INTERESTS	(1,069)	(157)
-	-	-	Profit (loss) attributable to non-controlling interests	-	-
(330)	(30)	(34)	NET RESULT - Continuing Operations	(1,069)	(157)
(12)	(2)	26	NET RESULT - Discontinued Operations	(52)	19
(342)	(32)	(8)	NET RESULT	(1,121)	(138)

RECLASSIFIED CASH FLOW STATEMENT

(€ million)

Third Quarter 2021	Second Quarter 2022	Third Quarter 2022		first 9 months	
				2021	2022
(330)	(30)	(34)	Group Result for the Period - Continuing Operations	(1,069)	(157)
-	-	-	Result of the period of third parties	-	-
			<i>adjustments:</i>		
128	(40)	149	Depreciation, amortization and other non-monetary items	559	126
(28)	(312)	(195)	Changes in working capital related to operations	274	(574)
(230)	(382)	(80)	Net cash flow from continuing operations for the period	(236)	(605)
29	1	16	Net cash flow from discontinued operations for the period	49	37
(49)	(49)	(98)	Capital expenditure continuing operations	(172)	(184)
(11)	(18)	(1)	Capital expenditure discontinued operations	(23)	(27)
-	-	-	Investments in equity, consolidated subsidiaries, and business units	-	-
4	1	5	Disposals	6	6
(257)	(447)	(158)	Free cash flows	(376)	(773)
(15)	-	-	Treasury shares repurchased	(15)	-
-	-	-	Share capital increase net of expenses	-	-
-	-	1,461	Cash flow from capital and reserves	(26)	1,919
(22)	(28)	(40)	Repayment of lease liabilities	(107)	(97)
1	36	44	Exchange differences on net debt and other changes	2	86
(293)	(439)	1,307	Change in net debt before lease liabilities	(522)	1,135
17	(13)	(30)	Change in lease liabilities	75	(20)
(276)	(452)	1,277	Change in net debt	(447)	1,115
<hr/>					
1,397	1,251	1,703	Net debt at beginning of period	1,226	1,541
1,673	1,703	426	Net debt at end of period	1,673	426

**Information upon request of Consob pursuant to Article 114(5) of Legislative
Decree No. 58/98 ("TUF")**

* * *

At the request of CONSOB received on May 10, 2022 and motivated by the need for the market to be kept constantly informed following the existence of "uncertainties regarding the ability of the Company (and "the Saipem Group") to continue as a going concern", as reflected in the audit reports on the Company's statutory and consolidated financial statements as of December 31, 2021, the information requested by the Regulatory Authority is provided in this press release.

It should also be noted that on July 15, 2022, the Group carried out the Saipem capital increase approved by the Extraordinary Shareholders' Meeting held on May 17, 2022.

The prospect of the fulfilment of these circumstances, as highlighted in the reports to the aforementioned financial statements, constituted the assumption, now realised, of the Company as a going concern.

The following information as of September 30, 2022 concerning Saipem Spa and its Group is provided:

a) Net Financial Position of Saipem Spa and the Saipem Group as of September 30, 2022, showing short-term components separately from medium/long-term components

The tables below show the financial position as of September 30, 2022, of Saipem Spa and Saipem Group, prepared in accordance with the provisions of Consob document 5/21 as of April 29, 2021, which implements the ESMA guidelines, compared with the position as of December 31, 2021.

Net Financial Position of Saipem Spa

(€ million)	December 31, 2021			September 30, 2022		
	Current	Non - current	Total	Current	Non - current	Total
A. Cash and cash equivalents	889	-	889	944	-	944
B. Cash and cash equivalents	-	-	-	-	-	-
C. Other current financial assets:						
- financial assets measured at fair value through OCI	-	-	-	-	-	-
- Loan assets	267	-	267	437	-	437
D. Liquidity (A+B+C)	1,156	-	1,156	1,381	-	1,381
E. Current financial debt:	1,448	-	1,448	812	-	812
Current financial liabilities						
to banks	226	-	226	100	-	100
Current financial liabilities						
Related parties	1,182	-	1,182	680	-	680
- Other current financial liabilities						
- Lease liabilities	39	-	39	32	-	32
F. Current part of non-current financial debt:	63	-	63	138	-	138
Non-current financial liabilities						
to banks	63	-	63	138	-	138
- Ordinary bonds	-	-	-	-	-	-
G. Current financial debt (E+F)	1,511	-	1,511	950	-	950
H. Current financial debt net (G-D)	355	-	355	(431)	-	(431)
I. Non-current financial debt:	-	157	157	-	115	115
Non-current financial liabilities						
to banks	-	113	113	-	18	18
- Non-current financial liabilities						
Related parties	-	-	-	-	-	-
- Lease liabilities	-	45	45	-	97	97
J. Debt instruments:	-	-	-	-	-	-
- Ordinary bonds	-	-	-	-	-	-
K. Trade payables and other liabilities Non-current	-	-	-	-	-	-
L. Non-current financial debt (I+J+K)	-	157	157	-	115	115
M. Total financial debt as per Consob document No. 5/21 of April 29, 2021 (H+L)	355	157	512	(431)	115	(316)

Net debt of Saipem Spa does not include the fair value of derivative contracts amounting to €86 million (€51 million as of December 31, 2021).

Reconciliation of net debt

(€ million)	December 31, 2021			September 30, 2022		
	Current	Non - current	Total	Current	Non - current	Total
M. Total financial debt as per Consob document No. 5/21 of April 29, 2021 (H+L)	355	157	512	(431)	115	(316)
N. Non-current loan assets	-	-	-	-	-	-
O. Lease assets	-	-	-	-	-	-
P. Net financial debt (M-N-O)	355	157	512	(431)	115	(316)

As of September 30, 2022, Saipem Spa reported a positive net debt before lease liabilities of €455 million (negative €428 million as of December 31, 2021) and a net debt including lease liabilities positive for €316 million (negative €512 million as of December 31, 2021).

Saipem Group Net Financial Position

(€ million)	December 31, 2021			September 30, 2022		
	Current	Non - current	Total	Current	Non - current	Total
A. Cash and cash equivalents	1,632	-	1,632	1,981	-	1,981
B. Cash and cash equivalents	-	-	-	-	-	-
C. Other current financial assets:						
- Financial assets measured at fair value with OCI effects	59	-	59	75	-	75
- Loan assets	566	-	566	546	-	546
D. Liquidity (A+B+C)	(2,257)	-	(2,257)	2,602	-	2,602
E. Current financial debt:	559	-	559	399	-	399
Current financial liabilities						
to banks	367	-	367	132	-	132
Current financial liabilities						
Related parties	18	-	18	12	-	12
- Other current financial liabilities	27	-	27	100	-	100
- Lease liabilities	147	-	147	155	-	155
F. Current part of non-current financial debt:	697	-	697	749	-	749
Non-current financial liabilities						
to banks	151	-	151	229	-	229
- Ordinary bonds	546	-	546	520	-	520
G. Current financial debt (E+F)	1,256	-	1,256	1,148	-	1,148
H. Current financial debt net (G-D)	(1,001)	-	(1,001)	(1,454)	-	(1,454)
I. Non-current financial debt:	-	686	686	-	519	519
Non-current financial liabilities						
to banks	-	439	439	-	272	272
Non-current financial liabilities						
Related parties	-	-	-	-	-	-
- Lease liabilities	-	247	247	-	247	247
J. Debt instruments:	-	(1,993)	(1,993)	-	1,495	1,495
- Ordinary bonds	-	1,993	1,993	-	1,495	1,495
K. Trade payables and other liabilities						
Non-current	-	-	-	-	-	-
L. Non-current financial debt (I+J + K)	-	2,679	2,679	-	2,014	2,014
M. Total financial debt as per Consob document no. 5/21 of 29 April 2021 (H+L)	(1,001)	2,679	1,678	(1,454)	2,014	560

Reconciliation of net debt

(€ million)	31 December 2021			30 September 2022		
	Current	Non - current	Total	Current	Non - current	Total
M. Total financial debt as per Consob document No. 5/21 of April 29, 2021 (H+L)	(1.001)	2.679	1.678	(1,454)	2,014	560
N. Non-current loan assets	-	61	61	-	70	70
O. Lease assets	30	46	76	39	25	64
P. Net financial debt (M-N-O)	(1.031)	2.572	1,541	(1,493)	1,919	426

Net debt as of September 30, 2022, before IFRS 16 lease liability effects amounted to €88 million. Net debt inclusive of IFRS16 lease liabilities, for €338 million, amounted to €426 million.

Gross debt before IFRS 16 lease liability effects as of September 30, 2022 amounted to €2,760 million, liquidity to €2,672 million and available cash to €1,274 million.

- b) Overdue debt positions of Saipem Spa and the Saipem Group as of September 30, 2022, broken down by type (financial, trade, tax, social security and employee) and related creditor reaction initiatives (reminders, injunctions, suspension of supply, etc.)

Overdue debt positions of Saipem Spa

The overdue debt positions of Saipem Spa on September 30, 2022 are summarised below.

€ million	Total as of September 30, 2022
Trade payables	163
- of which expired by less than three months	126

The level of overdue payables falls within levels that can be considered physiological given the nature and complexity of business. It should also be noted that the balance of advances to suppliers on the same date was €91 million.

There are no overdue financial, tax, social security and employee payables.

Saipem Group overdue debt positions

The following is a summary of the Saipem Group's overdue debt positions as of September 30, 2022.

€ million	Total as of September 30, 2022
Trade payables	464
- of which expired by less than three months	381

The level of overdue payables, amounting to €464 million or about 5% of revenues for the last twelve months, falls within levels that can be considered physiological given the nature and complexity of business. It should also be noted that the balance of advances to suppliers on the same date was €198 million.

There are no overdue financial, tax, social security and employee payables.

c) Principal changes in transactions with related parties of Saipem Spa and the Saipem Group since the last annual financial report approved in accordance with Article 154-ter of the TUF

Transactions carried out by Saipem SpA and the companies included in the scope of consolidation with related parties essentially relate to the provision of services and the exchange of goods with joint ventures, associates and subsidiaries excluded from the scope of consolidation of Saipem SpA, with subsidiaries, joint ventures and associates mainly of Eni SpA, with certain joint ventures and associates of CDP Industria SpA (which took over from CDP Equity SpA on December 13, 2019), with companies controlled by the Italian state, in particular companies in the Snam Group; they are part of ordinary operations and are settled on market terms, i.e., on the terms that would be applied between two independent parties. All transactions were carried out in the interest of Saipem SpA companies.

Trade and other transactions

Trade and other transactions consisted of the following:

(€ million)

Name	Dec. 31, 2021			First 9 months of 2021			
	Trade receivables and other assets	Trade payables, other liabilities, and contract liabilities	Guarantees	Expenses		Revenue	
				Goods	Services ⁽¹⁾	Goods and services	Other
Continuing operations							
Subsidiaries not consolidated on a line-by-line basis							
Smacemex Scarl	5	4	-	-	-	-	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total subsidiaries not consolidated on a line-by-line basis	5	4	-	-	-	-	-
Joint ventures and associates							
ASG Scarl ⁽²⁾	1	3	-	-	-	-	-
CCS JV Scarl ⁽²⁾	208	479	-	-	682	811	-
CEPAV (Consorzio Eni per l'Alta Velocità) Due ⁽²⁾	100	327	468	-	132	120	-
CEPAV (Consorzio Eni per l'Alta Velocità) Uno ⁽²⁾	-	-	59	-	-	-	-
Gydan Lng Snc	1	-	-	-	-	9	-
Gydan Yard Management Services (Shanghai) Co Ltd	1	-	-	-	-	2	-
Gygaz Snc	1	-	-	-	-	-	-
KWANDA Suporte Logístico Lda	1	6	-	-	1	3	-
Novarctic Snc	1	-	-	-	-	2	-
Petromar Lda	6	1	-	-	(1)	6	-
PSS Netherlands BV	31	18	-	-	-	16	-
Saipem Taqa Al Rushaid Fabricators Co Ltd	16	12	-	-	(1)	-	-
Saipon Snc	1	-	-	-	-	-	-
SAME Netherlands BV	20	-	-	-	-	-	-
Saren BV	61	1	-	-	-	55	-
SCD JV Scarl ⁽²⁾	14	203	-	8	62	98	-
TSGI Mühendislik Insaat Ltd Sirketi	3	-	-	-	-	1	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total joint ventures and associates	466	1,050	527	8	875	1,123	-
Companies controlled by Eni/CDP Industria SpA							
Eni SpA ⁽²⁾	16	2	16	-	1	30	-
Eni Angola SpA	30	1	57	-	-	140	-
Eni Benelux BV	-	-	-	1	-	-	-
Eni Congo SA	18	7	-	(1)	(2)	15	-
Eni Cote d'Ivoire Ltd	-	-	-	-	-	11	-
Eni East Sepinggan Ltd	-	-	7	-	-	31	-
Eni Ghana E&P	-	-	2	-	-	17	-
Eni Kenya	4	-	-	-	-	-	-
Eni México, S. de R.L. de Cv	12	-	-	-	-	29	-
Eni New Energy SpA	1	-	-	-	-	2	-
EniProgetti SpA	1	-	-	-	(1)	2	-
Eni Rewind	-	-	-	-	-	1	-
EniServizi SpA	-	2	-	-	11	-	-
Floaters SpA	2	-	-	-	-	4	-
Naoc - Nigerian Agip Oil Co Ltd	-	120	-	-	-	5	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total companies controlled by Eni/CDP Industria SpA	84	132	82	-	9	287	-

(1) The item "Services" includes costs for services, use of third-party assets and other expenses, and net reversals of impairment losses (impairment losses) on trade receivables and other receivables.

(2) Revenue from limited liability consortium companies refer to the retrocession of fees that these companies invoice to the customer and that on the basis of the consortium nature of the investee company are attributed to the consortium partner.

(3) The item "Eni SpA" includes also the transactions with Eni SpA Divisione Exploration & Production, Eni SpA Divisione Gas & Power, Eni SpA Divisione Refining & Marketing.

Trade and other transactions consisted of the following:

(€ million)

Name	Dec. 31, 2021			First 9 months of 2021			
	Trade receivables and other assets	Trade payables, other liabilities, and contract liabilities	Guarantees	Expenses		Revenue	
				Goods	Services ⁽¹⁾	Goods and services	Other
Eni/CDP Industria SpA associates and jointly controlled companies							
Greenstream BV	-	-	-	-	-	2	-
Mellitah Oil&Gas BV	-	-	4	-	-	-	-
Mozambique Rovuma Venture SpA	7	-	-	-	-	78	-
Petrobel Belayim Petroleum Co	18	28	103	-	-	62	-
PetroJunin SA	-	-	2	-	-	-	-
Raffineria di Milazzo	-	-	1	-	-	-	-
Transmediterranean Pipeline Co Ltd	1	-	-	-	-	-	-
Var Energy AS	1	-	-	-	-	64	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total Eni/CDP Industria SpA associates and jointly controlled companies	27	28	110	-	-	206	-
Total Eni/CDP Industria SpA companies	111	160	192	-	9	493	-
Companies controlled or owned by the State	24	25	47	-	7	21	-
Total related party transactions - Continuing operations	606	1,239	766	8	891	1,637	-
Incidence (%)	26.92	23.97	9.58	0.73	30.61	33.96	-
Overall total - Continuing operations	2,251	5,168	7,995	1,100	2,911	4,821	4
Discontinued operations							
Companies controlled by Eni/CDP Industria SpA							
Eni Congo SA	-	-	-	-	-	6	-
Total companies controlled by Eni/CDP Industria SpA	-	-	-	-	-	6	-
Total related party transactions - Discontinued operations	-	-	-	-	-	6	-
Overall total - Discontinued operations	-	-	-	20	86	243	-
Total related party transactions	606	1,239	766	8	891	1,643	-
Overall total	2,251	5,168	7,995	1,120	2,997	5,064	4
Incidence (%)	26.92	23.97	9.58	0.71	29.73	32.44	-

(1) The item "Services" includes costs for services, use of third-party assets and other expenses, and net reversals of impairment losses (impairment losses) on trade receivables and other receivables.

Trade and other transactions as of September 30, 2022 consisted of the following:

(€ million)

Name	September 30, 2022			First 9 months of 2022			
	Trade receivables and other assets	Trade payables, other liabilities, and contract liabilities	Guarantees	Expenses		Revenue	
				Goods	Services (1)	Goods and services	Other
Continuing operations							
Subsidiaries not consolidated on a line-by-line basis							
Smacemex Scarl	5	4	-	-	-	-	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total subsidiaries not consolidated on a line-by-line basis	5	4	-	-	-	-	-
Joint ventures and associates							
ASG Scarl (2)	1	1	-	-	(1)	-	-
CCS JV Scarl (2)	276	654	-	-	77	112	-
CEPAV (Consorzio Eni per l'Alta Velocità) Due (2)	134	267	402	-	195	164	-
CEPAV (Consorzio Eni per l'Alta Velocità) Uno (2)	-	2	59	-	-	-	-
Gydan Lng Snc	1	-	-	-	-	4	-
Gydan Yard Management Services (Shanghai) Co Ltd	1	-	-	-	-	1	-
Gygaz Snc	1	-	-	-	-	1	-
KWANDA Suporte Logistico Lda	2	10	-	-	2	5	-
Novartic Snc	1	-	-	-	-	2	-
Petromar Lda	13	2	-	-	-	13	-
PSS Netherlands BV	26	2	-	-	-	11	-
Saipem Taqa Al Rushaid Fabricators Co Ltd	20	14	-	-	1	-	-
Saipon Snc	1	-	-	-	-	-	-
SAME Netherlands BV	-	-	-	-	-	60	-
Saren BV	92	1	-	-	-	37	-
SCD JV Scarl (2)	44	196	-	-	106	143	-
TSGI Mühendislik Insaat Ltd Sirketi	2	-	-	-	-	-	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total joint ventures and associates	615	1,149	461	-	380	553	-

(1) The item "Services" includes costs for services, use of third-party assets and other expenses, and net reversals of impairment losses (impairment losses) on trade receivables and other receivables.

(2) Revenue from limited liability consortium companies refer to the retrocession of fees that these companies invoice to the customer and that on the basis of the consortium nature of the investee company are attributed to the consortium partner.

Trade and other transactions consisted of the following:

(€ million)

Name	September 30, 2022			First 9 months of 2022			
	Trade receivables and other assets	Trade payables, other liabilities, and contract liabilities	Guarantees	Expenses		Revenue	
				Goods	Services (¹)	Goods and services	Other
Companies controlled by Eni/CDP Industria SpA							
Eni SpA ⁽²⁾	-	3	11	-	1	6	-
Eni Angola Exploration	11	7	-	-	-	10	-
Eni Angola SpA	30	-	37	-	-	196	-
Eni Congo SA	13	6	-	-	-	12	-
Eni Cote d'Ivoire Ltd	9	8	-	-	-	140	-
Eni East Sepinggan Ltd	-	-	8	-	-	-	-
Eni Gas e Luce SpA	-	-	-	-	1	-	-
Eni Ghana E&P	15	-	2	-	-	16	-
Eni Kenya BV	-	-	-	-	-	21	-
Eni México, S. de R.L. de Cv	7	-	-	-	-	36	-
Eni New Energy SpA	-	-	-	-	-	1	-
EniProgetti SpA	1	-	-	-	-	6	-
Eni Rewind SpA	-	-	-	-	-	-	-
EniServizi SpA	-	(1)	-	-	4	-	-
Eni US Operating Co Inc	21	27	-	-	-	71	-
Floaters SpA	16	-	-	-	-	16	-
Ieoc Exploration BV	-	-	-	-	-	-	-
Ieoc Production BV	2	-	-	-	-	2	-
Naoc - Nigerian Agip Oil Co Ltd	29	-	-	-	-	182	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total companies controlled by Eni/CDP Industria SpA	154	50	58	-	6	715	-
Eni/CDP Industria SpA associates and jointly controlled companies							
Greenstream BV	-	-	-	-	-	2	-
Mellitah Oil&Gas BV	8	-	4	-	-	7	-
Mozambique Rovuma Venture SpA	-	-	-	-	-	-	-
Petrobel Belayim Petroleum Co	52	28	158	-	-	114	-
PetroJunin SA	-	-	2	-	-	-	-
Raffineria di Milazzo	-	-	-	-	-	-	-
Solenova Ltd	12	-	-	-	-	23	-
Transmediterranean Pipeline Co Ltd	-	-	-	-	-	-	-
Var Energy AS	-	-	-	-	-	-	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-	-
Total Eni/CDP Industria SpA associates and jointly controlled companies	72	28	164	-	-	146	-
Total Eni/CDP Industria SpA companies	226	78	222	-	6	861	-
Companies controlled or owned by the State	16	28	6	-	6	26	-
Total related party transactions - Continuing operations	862	1,259	689	-	392	1,440	-
Incidence (%)	33.50	37.89	8.38	-	10.22	20.45	-
Overall total - Continuing operations	2,573	3,323	8,221	1,850	3,836	7,043	5
Discontinued operations							
Companies controlled by Eni/CDP Industria SpA							
Eni Congo SA	3	-	-	-	-	5	-
Total companies controlled by Eni/CDP Industria SpA	3	-	-	-	-	5	-
Total related party transactions - Discontinued operations	3	-	-	-	-	5	-
Overall total - Discontinued operations	125	129	48	56	140	398	1
Total related party transactions	865	1,259	689	-	392	1,445	-
Overall total	2,698	3,452	8,269	1,906	3,976	7,441	6
Incidence (%)	32.06	36.47	8.33	-	9.86	19.42	-

- (1) The item "Services" includes costs for services, use of third-party assets and other expenses, and net reversals of impairment losses (impairment losses) on trade receivables and other receivables.
- (2) The item "Eni SpA" includes also the transactions with Eni SpA Divisione Exploration & Production, Eni SpA Divisione Gas & Power, Eni SpA Divisione Refining & Marketing.

The Saipem Group provides services to Eni Group companies in all sectors in which it operates, both in Italy and abroad. Existing relations with entities controlled or owned by the State are mainly in relation to the Snam Group. Other transactions consisted of the following:

(€ million)	December 31, 2021		September 30, 2022	
	Other activity	Other liabilities	Other activity	Other liabilities
CCS JV Scarl	20	-	22	-
CEPAV (Consorzio Eni per l'Alta Velocità) Uno	5	-	1	-
Eni Angola SpA	-	-	5	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-
Total related party transactions - Continuing operations	25	-	28	-
Total related party transactions - Discontinued operations	-	-	-	-
Overall total - Continuing operations	268	216	295	409
Overall total - Discontinued operations	-	-	34	1
Incidence - continuing operations (%)	9,33	-	9,49	-

Related party transactions include also funds for employee benefits for €6 million as of September 2022 (€7 million as of December 31, 2021).

Financial Transactions

Financial transactions for 2021, excluding net lease liabilities, consisted of the following:

(€ million)	Dec. 31, 2021			First 9 months of 2021		
	Loan assets	Loans and borrowings	Commitments	Expenses	Income	Derivative financial instruments
CCS JV Scarl	344	-	-	-	-	-
Petromar Lda	-	-	-	-	1	-
Saren BV	-	8	-	-	-	-
Saipon Snc	-	1	-	-	-	-
SCD JV Scarl	208	-	-	-	-	-
Serfactoring SpA	1	-	-	-	-	-
Société pour la Réalisation du Port de Tanger Méditerranée	1	-	-	-	-	-
TSGI Mühendislik Insaat Ltd Sirketi	-	9	-	-	-	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-
Total related party transactions	554	18	-	-	1	-

Financial transactions, excluding net lease liabilities, as of September 30, 2022 consisted of the following:

(€ million)	September 30, 2022			First 9 months of 2022		
	Loan assets	Loans and borrowings	Commitments	Expenses	Income	Derivative financial instruments
CCS JV Scarl	349	-	-	-	2	-
Eni SpA	1	-	-	15	-	-
Eni México, S.de R.L. de C.V	-	-	-	-	1	-
Société pour la Réalisation du Port de Tanger Méditerranée	-	-	-	-	-	-
Saipon	-	1	-	-	-	-
SCD JV Scarl	184	-	-	-	-	-
Serfactoring SpA	-	-	-	-	-	-
TSGI Mühendislik Insaat Ltd Sirketi	-	11	-	-	-	-
Other (for transactions not exceeding €500 thousand)	-	-	-	-	-	-
Total related party transactions	534	12	-	15	3	-

The incidence of financial transactions and positions with related parties was as follows:

(€ million)	Dec. 31, 2021			September 30, 2022		
	Total	Related parties	Incidence %	Total	Related parties	Incidence %
Current financial liabilities	412	18	4.37	244	12	4.92
Non-current financial liabilities (including current portion)	3,129	-	-	2,516	-	-
Total	3,541	18		2,760	12	

(€ million)	First 9 months of 2021			First 9 months of 2022		
	Total	Related parties	Incidence %	Total	Related parties	Incidence %
Financial income	160	1	0.63	796	3	0.38
Finance expense	(172)	-	-	(777)	(15)	1.93
Derivative financial instruments	(76)	-	-	(135)	-	-
Other operating income (expense)	(3)	-	-	4	-	-
Total	(91)	-		(112)	(12)	

Financial lease transactions

Financial lease transactions for 2021, consisted of the following:

(€ million)	December 31, 2021		First 9 months of 2021		
	Selling	Trade	Obligations	Expenses	Revenues
Name					
Consorzio F.S.B.	-	1	-	-	-
Total related party transactions	-	1	-	-	-

Financial lease transactions as of 30 September 2022, consisted of the following:

(€ million)	September 30, 2022		First 9 months of 2022		
	Selling	Trade	Obligations	Expenses	Revenues
Name					
Consorzio F.S.B.	-	1	-	-	-
Total related party transactions	-	1	-	-	-

The incidence of transactions or positions with related parties relating to financial lease transactions is as follows:

(€ million)	December 31, 2021			September 30, 2022		
	Total	Related parties	Incidence %	Total	Related parties	Incidence %
Long-term leases liabilities (including current portion)	394	1	0.25	402	1	0.25
Totale - continuing operations	394	1		402	1	
Totale - discontinued operations	-	-		-	-	

The main cash flows with related parties were as follows:

(€ million)	September 30, 2021	September 30, 2022
Revenue and income	1,637	1,440
Costs and other expenses	(899)	(392)
Financial income (expenses) and derivatives	1	(12)
Change in trade receivables and payables	(22)	(236)
Net cash flows from operating activities - Continuing operations	717	800
Net cash flows from operating activities - Discontinued operations	6	2
Change in loan assets	(176)	20
Net cash flows from investing activities - Continuing operations	(176)	20
Net cash flows from investing activities - Discontinued operations	-	-
Change in loans and borrowings	-	(6)
Net capital contributions by non-controlling interests	-	869
Net cash flows from financing activities - Continuing operations	-	863
Net cash flows from financing activities - Discontinued operations	-	-
Total cash flows with related parties - Continuing operations	541	1,683
Total cash flows with related parties - Discontinued operations	6	2

The incidence of cash flows with related parties was as follows:

(€ million)	September 30, 2021			September 30, 2022		
	Total	Related parties	Incidence %	Total	Related parties	Incidence %
Cash flows from operating activities	(236)	717	n.s.	(605)	800	n.s.
Cash flows from investing activities	(327)	(176)	53.82	(176)	20	(11.36)
Cash flows from financing activities	239	-	-	1,023	863	84.36

d) Compliance with covenants, negative pledges and any other clause in the Saipem Group's indebtedness involving limits on the use of financial resources, with an indication at September 30, 2022 of the degree of compliance with such clauses

As of September 30, 2022, the portion of gross financial indebtedness characterised by clauses involving limits on the use of financial resources, including negative pledge and cross-default clauses, was €2,517 million, of which (i) the portion deriving from contracts characterised by clauses involving obligations to comply with financial parameters, or financial covenants, was €502 million and (ii) the portion deriving from contracts that require compliance with representations and warranties relating to the non-existence of the case provided for by article 2446 of the Italian Civil Code was €427 million.

As of September 30, 2022, these clauses were all fulfilled.

In particular, in relation to the loan agreements that require compliance with declarations and guarantees regarding the non-existence of the case provided for by article 2446 of the Italian Civil Code, Saipem has in good time requested and obtained specific waivers so that the Company would not have to make, on the scheduled renewal dates (i.e., on the first day of each interest period), the aforementioned representations relating to the non-existence of the circumstances set forth in article 2446 of the Civil Code. In this regard, the Company has already obtained the issuance of certain waivers by means of which it has been agreed to definitively waive the Company from making any representation regarding the occurrence of the circumstances set forth in Article 2446 of the Civil Code with specific reference to the financial statements for the year ending 31 December 2021. For the additional waivers obtained by the Company, taking into account that the same have a limited effectiveness in time (in this regard, the first waiver expiring is effective until November 23, 2022), while the statement about the fact that the Company is not and has never been in the circumstances provided for in article 2446 of the Civil Code must be renewed periodically until the expiration of the relevant contracts, it is the Company's intention, also because of the completion of the Capital Increase on July 15, 2022, to request the relevant banks the issuance of definitive waivers so that the Company will no longer be required to make any representation regarding the occurrence of the circumstances provided for in article 2446 of the Civil Code with specific reference to the financial statements for the year ending December 31, 2021.

e) Status of implementation of any industrial and financial plans, highlighting the deviations of the actual figures from those planned

The improvement in the Group's performance continued compared to both the first nine months 2021 and the second quarter, with revenues and margins growing in double digits. The results allow the upward revision of guidance for the full year 2022, already disclosed to the market on 25 March 2022.

The communicated guidance provided for revenues CAGR over the Plan horizon of around 15% from the 2021 level, an adjusted EBITDA (including Onshore Drilling) of over €500 million, and a post-IFRS-16 Net Debt of around €800 million.

The new guidance foresees revenues exceeding €9 billion (without Onshore Drilling), adjusted EBITDA to over €550 million (without Onshore Drilling) and post-IFRS-16 Net Debt at year-end to around €300 million, including the proceeds from the sale of Onshore Drilling.

With reference to the performance of the individual business lines, compared with the 22-25 Plan assumptions, revenues are expected to decline slightly in the Engineering & Construction Onshore business, on projects with no or very low margins, in any case not such as to lead to a decline in expected margins. In contrast, results in Offshore Drilling and Offshore Engineering & Construction are expected to improve compared to Plan assumptions.

The results obtained and the good level of orders acquired, have allowed for a revision of the forecasts of the results for the year as outlined above.

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