



Saipem

First Quarter Report  
at March 31, 2007





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Approved by the Board of Directors at their meeting of May 9, 2007

**Saipem is a subsidiary of Eni SpA**

***Quarterly reports are not subject to audit.***

## ECONOMIC AND FINANCIAL DATA

**Saipem stand-alone**

Fourth quarter		(million euro)	First quarter		
2006			2006	2007	% Ch.
1,466	Revenues		1,043	1,301	24.7
148	Operating profit		93	137	47.3
93	Net profit		66	96	45.4
181	Capital expenditure		98	244	149.0

**Saipem consolidated**

Fourth quarter		(million euro)	First quarter		
2006			2006	2007	% Ch.
2,259	Revenues		1,043	2,190	110.0
193	Operating profit		93	179	92.5
118	Net profit		66	115	74.2
189	Capital expenditure		98	252	157.1

(million euro)	Dec. 31, 2006	Mar. 31, 2007
Net debt:		
- medium/long-term	885	830
- short-term	1,906	2,249
- cash	(1,322)	(1,631)
- receivables and other financial assets	(52)	(11)
	1,417	1,437

## REVENUES BY BUSINESS SECTOR

## Saipem stand-alone

	(million euro)	First quarter		% Ch.
		2006	2007	
Offshore		593	843	42.2
Onshore		306	289	(5.5)
Offshore Drilling		88	98	11.4
Onshore Drilling		56	71	26.8
<b>Total</b>		<b>1,043</b>	<b>1,301</b>	<b>24.7</b>

## Saipem consolidated

	(million euro)	First quarter		% Ch.
		2006	2007	
Offshore		593	843	42.2
Onshore		306	1,178	285.0
Offshore Drilling		88	98	11.4
Onshore Drilling		56	71	26.8
<b>Total</b>		<b>1,043</b>	<b>2,190</b>	<b>110.0</b>

## REVENUES BY GEOGRAPHICAL AREA

## Saipem consolidated

Geographical area <sup>(1)</sup>	(million euro)	First quarter	
		2006	2007
Italy		40	141
Rest of Europe		184	237
Russia <sup>(2)</sup>		192	169
Rest of Asia		224	868
North Africa		89	147
West Africa		252	416
Americas		62	212
<b>Total</b>		<b>1,043</b>	<b>2,190</b>

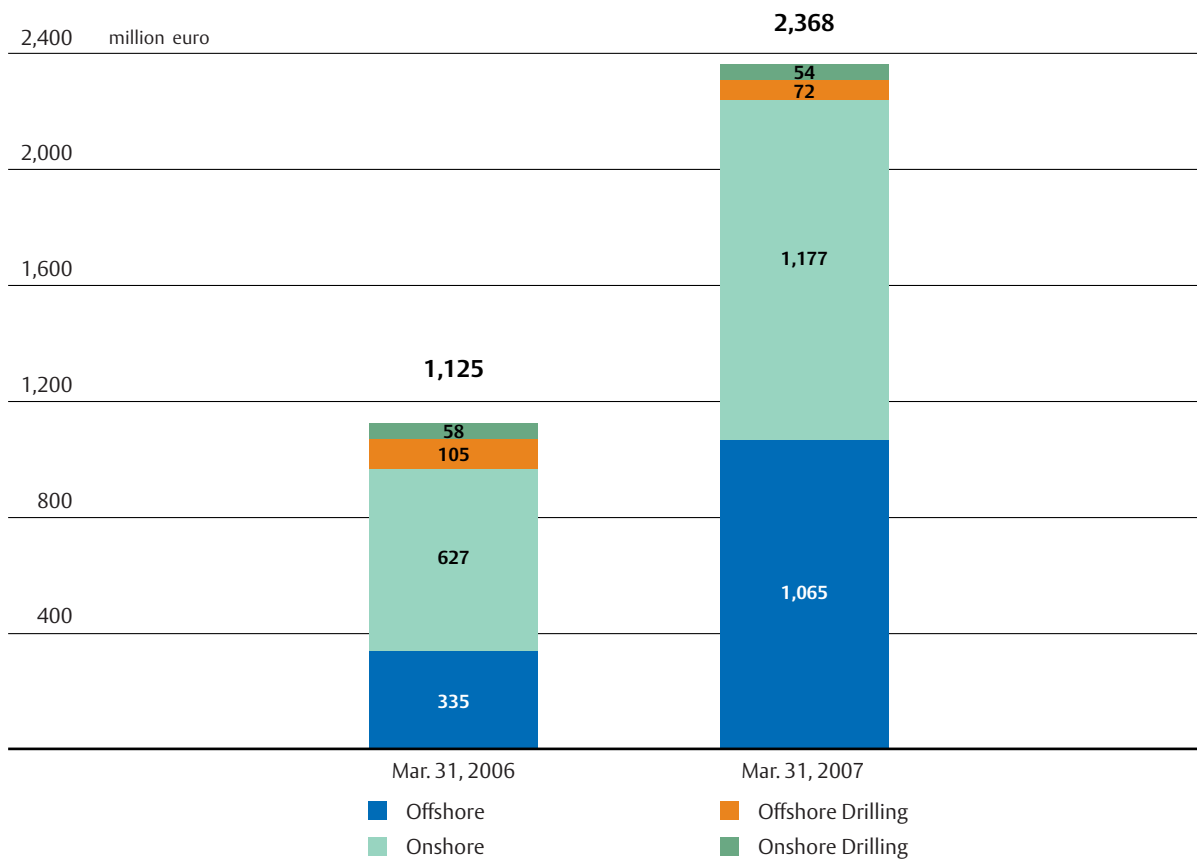
(1) Final destination of services.

(2) Russia includes Kazakhstan and Azerbaijan.

## NEW CONTRACTS AWARDED TO THE SAIPEM GROUP

	(million euro)	First quarter	
		2006	2007
Saipem SpA		166	556
Group companies		959	1,812
<b>Total</b>		<b>1,125</b>	<b>2,368</b>
<i>of which Snamprogetti</i>		-	589
Offshore		335	1,065
Onshore		627	1,177
Offshore Drilling		105	72
Onshore Drilling		58	54
<b>Total</b>		<b>1,125</b>	<b>2,368</b>

## New contracts



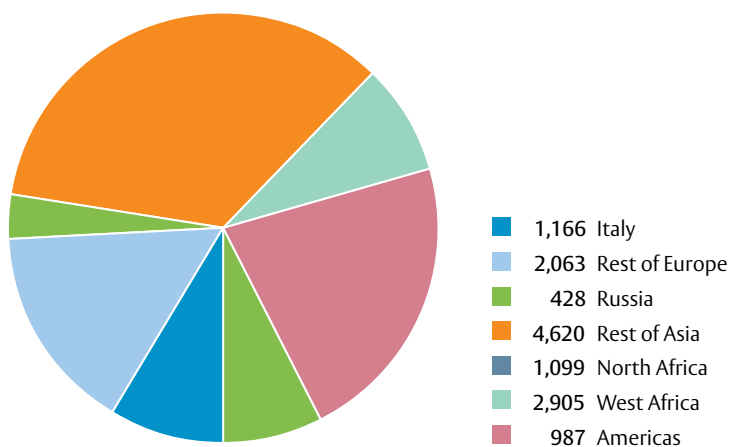
## BACKLOG

(million euro)	Saipem stand-alone		Snamprogetti	Mar. 31, 2007
	Dec. 31, 2006	Mar. 31, 2007	Mar. 31, 2007	
Offshore	4,182	4,404	-	<b>4,404</b>
Onshore	6,285	1,523	4,761	<b>6,284</b>
Offshore Drilling	2,247	2,221	-	<b>2,221</b>
Onshore Drilling	376	359	-	<b>359</b>
	<b>13,090</b>	<b>8,507</b>	<b>4,761</b>	<b>13,268</b>

## BACKLOG BY GEOGRAPHICAL AREA

(million euro)	Dec. 31, 2006	Mar. 31, 2007
Geographical area		
Italy	1,280	<b>1,166</b>
Rest of Europe	1,681	<b>2,063</b>
Russia	528	<b>428</b>
Rest of Asia	4,487	<b>4,620</b>
North Africa	819	<b>1,099</b>
West Africa	3,161	<b>2,905</b>
Americas	1,134	<b>987</b>
<b>Total</b>	<b>13,090</b>	<b>13,268</b>

**Backlog by geographical area at March 31, 2007**  
(million euro)



## BASIS OF PRESENTATION

The first quarter report at March 31, 2007, unaudited, has been prepared in accordance with the criteria defined by the Commissione Nazionale per le Società e la Borsa (Consob) in its regulation for companies listed on the Italian Stock Exchange.

Financial information relating to the profit and loss account are presented for the first quarter 2007 and for the first quarter 2006. Financial information relating to balance sheet data are presented at March 31, 2007 and December 31, 2006. Tables are comparable with those of 2006 financial statements and first half report. The first quarter report at March 31, 2007 have been prepared in compliance with the evaluation and measurement criteria contained in the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedure set forth in Article 6 of the European Regulation (CE) No. 1606/2002 of the European Parliament and European Council of July 19, 2002. With reference to Consob Resolution No. 14990, dated April 14, 2005, the information disclosed in this quarterly report has been prepared in compliance with the provisions of Appendix 3D of Listed Companies regulations (Consob Regulation No. 11971 dated May 14, 1999 and subsequent amendments); for this reason, the provisions of IAS 34 - Interim Financial Statements have not been applied. This Report includes concise financial information in the following tables: balance sheet, income statement, variation to net equity and cash flow statement.

Unless otherwise indicated, data is expressed in million euro.

## PRINCIPLES OF CONSOLIDATION

The principles of consolidation used in the preparation of this quarterly report are the same used in the preparation of the Consolidated and statutory financial statements at December 31, 2006.

## ECONOMIC RESULTS

### Foreword

As previously stated, revenues and associated profit levels, particularly in the Offshore and Onshore sectors, and, to a lesser extent, in the Drilling sector, are not consistent over time, as they are influenced not only by market performance but also by climatic conditions and individual

project schedules. Consequently, the results from any one particular fiscal period can vary significantly, thereby precluding a direct comparison with the same period in other fiscal years or extrapolation of figures from a single quarter to the entire year.

### Consolidated income statement

(million euro)

	Saipem stand-alone		First quarter		Saipem consolidated
	2006	2007	Snamprogetti 2007	Effects of acquisition 2007	
<b>Operating revenues</b>	<b>1,043</b>	<b>1,301</b>	<b>889</b>	-	<b>2,190</b>
Other revenues and income	1	2	-	-	2
Purchases, services and other costs	(691)	(856)	(766)	6	(1,616)
Payroll and related costs	(212)	(245)	(82)	-	(327)
<b>Gross operating profit</b>	<b>141</b>	<b>202</b>	<b>41</b>	<b>6</b>	<b>249</b>
Amortisation, depreciation and writedowns	(48)	(65)	(5)	-	(70)
<b>Operating profit</b>	<b>93</b>	<b>137</b>	<b>36</b>	<b>6</b>	<b>179</b>
Financial expenses	(13)	(19)	(5)	(6)	(30)
Income from investments	7	12	1	-	13
<b>Income before income taxes</b>	<b>87</b>	<b>130</b>	<b>32</b>	-	<b>162</b>
Income taxes	(21)	(34)	(13)	-	(47)
<b>Net profit</b>	<b>66</b>	<b>96</b>	<b>19</b>	-	<b>115</b>
<b>Cash flow (net profit + depreciation and amortisation)</b>	<b>114</b>	<b>161</b>	<b>24</b>	-	<b>185</b>

In line with the annual financial statements and the interim report, this quarterly report includes the reclassified consolidated income statement by destination of costs.

This reclassification is normally used to analyse the positive and negative income components, which

determine the contribution from operations (i.e. operating profit before general and administrative expenses) for the various business sectors in which Saipem operates.



## Operating profit and costs by destination

(million euro)

	First quarter				Saipem consolidated 2007
	Saipem stand-alone		Snamprogetti	Effects of acquisition	
	2006	2007	2007	2007	
<b>Operating revenues</b>	<b>1,043</b>	<b>1,301</b>	<b>889</b>	-	<b>2,190</b>
Production costs	(882)	(1,099)	(826)	6	(1,919)
Idle costs	(15)	(14)	-	-	(14)
Selling expenses	(19)	(16)	(10)	-	(26)
Research and development costs	(2)	(1)	(4)	-	(5)
Other operating income (expenses), net	-	-	-	-	-
<b>Contribution from operations</b>	<b>125</b>	<b>171</b>	<b>49</b>	<b>6</b>	<b>226</b>
General and administrative expenses	(32)	(34)	(13)	-	(47)
<b>Operating profit</b>	<b>93</b>	<b>137</b>	<b>36</b>	<b>6</b>	<b>179</b>

### First quarter

Revenues for the first quarter 2007 amounted to €1,301 million, an increase of €258 million versus those of the first quarter 2006, mainly due to higher levels of activity in the Offshore sector.

Operating costs amounted to €1,099 million, an increase of approximately 24.6% versus those for the same period 2006. This increase in operating costs is due to the higher levels of activity generated during the quarter.

Labour costs amounted to €245 million, an increase of approximately 15.6% versus the first quarter 2006.

General and administrative expenses in the first quarter 2007 amounted to €34 million, a 6.3% increase versus the same quarter the previous year. This rise is significantly lower when compared to the growth in volumes (general and administrative expenses as a percentage of revenues fell from 3.1% in 2006 to 2.6% in 2007).

Operating profit for the first quarter 2007 stood at €137 million, an increase of €44 million versus the first quarter 2006. This increase is analysed in detail hereafter under the various business units.

Data relating to Snamprogetti are analysed under the Onshore business unit.

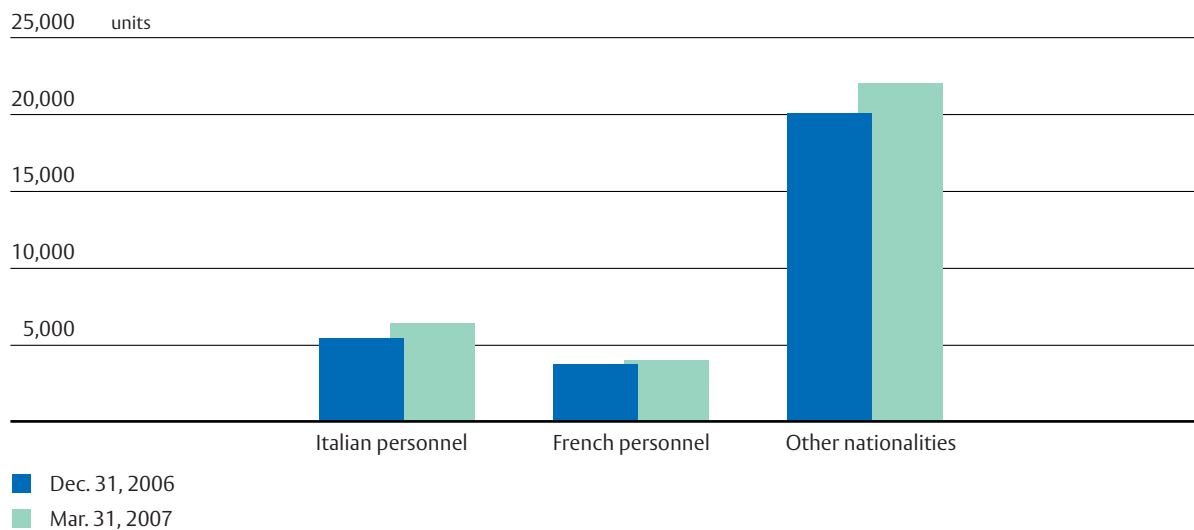
## HUMAN RESOURCES

The following table provides data comparing average employment levels at the end of 2006 and the first three months of 2007.

### Average workforce

(units)	Dec. 31, 2006	Mar. 31, 2007
Italian personnel	5,397	6,378
French personnel	3,742	3,992
Other nationalities	20,024	22,003
<b>Total</b>	<b>29,163</b>	<b>32,373</b>
Offshore	9,410	9,352
Onshore	13,399	15,590
Offshore Drilling	1,166	1,231
Onshore Drilling	2,755	3,335
Staff positions	2,433	2,865
<b>Total</b>	<b>29,163</b>	<b>32,373</b>
<b>No. of engineers at end of period</b>	<b>6,868</b>	<b>6,972</b>

### Average workforce



## CONSOLIDATED BALANCE SHEET AND FINANCIAL POSITION

The reclassified consolidated balance sheet aggregates the amount of assets and liabilities derived from the statutory balance sheet in accordance with functional criteria which consider the enterprise conventionally divided into the three fundamental areas focusing on resource investments, operations and financing.

Management believes that the reclassified consolidated balance sheet provides useful information in assisting investors to assess the capital structure and to analyse its sources of funds and investments in fixed assets and working capital.

(million euro)	Dec. 31, 2006	Mar. 31, 2007
Net tangible fixed assets	2,345	2,521
Net intangible fixed assets	849	853
	3,194	3,374
<i>Offshore</i>	1,720	1,814
<i>Onshore</i>	603	613
<i>Offshore Drilling</i>	776	813
<i>Onshore Drilling</i>	95	134
Financial investments	153	156
<b>Non-current assets</b>	<b>3,347</b>	<b>3,530</b>
Inventories	1,053	1,490
Trade and other receivables	3,261	3,336
Trade and other payables	(4,434)	(4,947)
Provisions for contingencies	(176)	(173)
Other income (expenses)	120	90
<b>Net current assets</b>	<b>(176)</b>	<b>(204)</b>
<b>Employee termination indemnities</b>	<b>(169)</b>	<b>(171)</b>
<b>CAPITAL EMPLOYED</b>	<b>3,002</b>	<b>3,155</b>
<b>Net equity</b>	<b>1,581</b>	<b>1,714</b>
<b>Minority interest in net equity</b>	<b>4</b>	<b>4</b>
<b>Net debt</b>	<b>1,417</b>	<b>1,437</b>
<b>COVER</b>	<b>3,002</b>	<b>3,155</b>
<b>Shares issued and outstanding</b>	<b>441,410,900</b>	<b>441,410,900</b>

### Capital expenditure

	(million euro)	
	2006	2007
Offshore	84	132
Onshore	5	23
Offshore Drilling	6	52
Onshore Drilling	3	45
<b>Total</b>	<b>98</b>	<b>252</b>

**Investments** in the first quarter 2007 amounted to €252 million and consisted of: maintenance and upgrading of the existing asset base, including works on the construction of the new semi-submersible platform Scarabeo 8 and the new pipelayer (€134 million); investments in vessels and equipment for specific projects, mainly in Saudi Arabia and preparatory works on Scarabeo 6 due to perform operations in Egypt

(€19 million); capex to strengthen the operating bases/yards in Kazakhstan and West Africa (€6 million); conversion of two tankers into FPSO units, due to operate respectively on Petrobras' Golfinho 2 field in Brazil and on behalf of Sonangol P&P in Angola (€85 million); and investments carried out by Snamprogetti (€8 million).

**Variation in net equity**

	(million euro)	
	First quarter	
	2006	2007
<b>Initial Group net equity</b>	<b>1,630</b>	<b>1,581</b>
Group net profit	66	115
IAS 32 and 39 - Treasury shares	-	3
IAS 32 and 39 - Fair value hedging operations	25	19
IFRS 3 - Surplus price for Snamprogetti's acquisition	(442)	-
Translation differences in foreign exchange and other variations	7	(4)
<b>Total variation</b>	<b>(344)</b>	<b>133</b>
<b>Resulting Group net equity</b>	<b>1,286</b>	<b>1,714</b>

The net equity during the first quarter 2007 increased by €133 million due to the net income for the period (€115 million), the fair value of hedging operations (Interest Rate Swaps) (€19 million), the value of

treasury shares bought back to service incentive schemes (€3 million), net of translation differences in foreign exchange and other variations (-€4 million).

**Reclassified statement of cash flow and variation in net debt**

	(million euro)	
	First quarter	
	2006	2007
Group net income	66	115
<i>Adjustments to reconcile cash generated from operating income before changes in working capital:</i>		
Depreciation, amortisation and other non monetary items	48	76
Dividends, interests and income taxes	6	48
<b>Cash generated from operating income before variation in working capital</b>	<b>120</b>	<b>239</b>
Variation in working capital relating to operations	(167)	1
Dividends, interests and income taxes received (paid)	(15)	(5)
<b>Net cash flow from operations</b>	<b>(62)</b>	<b>235</b>
Investments in tangible and intangible fixed assets	(98)	(252)
Disposals	-	1
<b>Free cash flow</b>	<b>(160)</b>	<b>(16)</b>
Variation in financial debt	969	329
Variations in scope of consolidation and exchange rate differentials on cash and equivalents	(295)	(4)
<b>Net cash flow</b>	<b>514</b>	<b>309</b>
<b>Free cash flow</b>	<b>(160)</b>	<b>(16)</b>
Exchange rate differentials and other variation concerning net financial debt	(295) <sup>(*)</sup>	(4)
<b>Variation in net debt</b>	<b>(455)</b>	<b>(20)</b>
Net debt at beginning of period	1,012	1,417
Net debt at end of period	1,467	1,437

(\*) Includes the effects of the acquisition of Snamprogetti amounting to -€298 million.

**Net financial debt**

Net financial debt at March 31, 2007 amounted to €1,437 million, an increase of €20 million versus

December 31, 2006, due mainly to investments made during the period.

## NEW CONTRACTS AND BACKLOG

During the first quarter 2007, Saipem, as a stand-alone entity, was awarded contracts amounting to €1,779 million (compared to €1,125 million in the first quarter 2006); during the same period, Snamprogetti won contracts amounting to €589 million.

The most significant orders awarded in the first quarter include:

Offshore:

- on behalf of Medgaz, an EPIC-type project, comprising installation of a subsea pipeline system which will enable the transportation of natural gas from Algeria to Spain under the Mediterranean Sea;
- on behalf of Eni Australia, an EPIC-type project in Australia, comprising engineering, procurement, construction, installation and commissioning of production platforms and the associated subsea pipeline system for transporting oil & gas to the onshore terminal;
- on behalf of BG Tunisia Ltd, a project in Tunisia, comprising procurement, installation and commissioning of a subsea pipeline connecting the Hasdrubal field, approximately 350 kilometres South-East of Tunis, to the onshore terminal;
- on behalf of BP Norge AS, a project in the Norwegian sector of the North Sea, comprising transport and installation of a jacket, mooring facilities and a three-tier deck that will house all production plant and associated structures for the Valhall field;
- on behalf of Cabinda Gulf Oil Co Ltd, an EPIC-type project in Angola, comprising engineering, procurement, transport and installation of two subsea pipelines in the Mafumeira field, located in Block 0 off the Angolan coast;

Onshore:

- on behalf of Saudi Aramco, an EPC-type project in Saudi Arabia, for the expansion of the Qurayyah plant, which forms part of the Khurais field facilities, located 250 kilometres South-West of Dhahran, and is used to treat sea-water for subsequent well injection;
- on behalf of Saudi Aramco, an EPC-type project in Saudi Arabia, comprising engineering, procurement, construction, installation and commissioning of pumping stations, which inject water from the Qurayyah treatment plant into the Khurais field. The contract was awarded to the 50-50 joint venture comprising Saipem and the Canadian company SNC-Lavallin;
- on behalf of Scogat, the Trans Tunisian Pipeline contract, in Tunisia, comprising engineering, procurement, construction and commissioning of two new gas compression stations in addition to the expansion of existing compression facilities;
- on behalf of Engro Chemical Pakistan Ltd (ECPL), in Pakistan, the project for the supply of technology licenses, engineering, procurement and supervisory activities relating to the construction of a plant for the production of ammonia and urea, inclusive of all service infrastructures; the plant will be located in Daharki, approximately 450 kilometres North-East of Karachi.

**The backlog of the Saipem Group at March 31, 2007 stands at a record level of €13,268 million.**

## MANAGEMENT OUTLOOK FOR 2007

The strong overall market performance, Saipem's positive results for the first quarter and the fact that projects under execution are generating expected volumes and margins underpin management's expectations of achieving, as previously announced, revenues in excess of €9 billion and an increase in net profit, before one-off income from disposals, of at least 20% compared with 2006. This, despite the fact that the devaluation of US dollar, the currency in which approximately 70% of revenues are denominated, has negatively impacted 2007 operating income by approximately €20 million compared with 2006. As previously stated, disposals of non-core assets are planned to take place in 2007. The proceeds from these disposals are expected to be in the region of €700 million, with a pre-tax capital gain amounting to approximately half of that sum. These disposals will contribute to a more effective financial planning of the Group's industrial development. Accordingly no immediate impact in Saipem's dividend policy is contemplated.

With regard to capital expenditure, the contract for the construction of a new pipelay vessel was formalised with the Chinese Shipyard Yantai Raffles. Also, a letter of intent was sent to the Italian company Fincantieri, for the completion and outfitting of the semi-submersible platform Scarabeo 8, whose hull is being built at the Russian Shipyard Sevmash in Severodvinsk. Works for the realisation of the new construction yard specialising in large offshore structures have yet to start, while negotiations with the land owners, in a specific area, continue; Saipem is committed to pursuing this project, and alternative locations are being considered.

Alongside the above mentioned investments, a turnkey contract was recently signed with Samsung Heavy Industries Co, of the value of US\$ 660 million, for the construction of a new deep-water drillship to be called Saipem 12000, due to be delivered in the first quarter 2010. This new ship will be 228 metres in length and 42 metres wide; it will be equipped with a dynamic-positioning system, and is designed to operate at depths of 3,600 metres (12,000 feet). Its maximum cruising speed will be 11.5 knots and it will be capable of accommodating up to 200 personnel. The decision to start construction of the new vessel was reached following protracted negotiations with clients for the award of a new long-term contract, and the fact that clients demand, as a pre-condition for negotiations, a definite delivery date of the vessel. The total capital expenditure for 2007 is forecast to be marginally in

excess of €1.2 billion, which was previously announced. This is due to the combined effect of the start of the investment on the drillship Saipem 12000 and the revised time schedule for other initiatives.

*Forward-looking statements are based on a number of assumptions and expectations that could ultimately prove inaccurate, as they are subject to risks and variables outside the company's control. These include: currency fluctuations, interest rate fluctuations, the level of capital expenditure in the oil & gas industry, as well as other industries, political instability in areas where the Group operates, and actions by the competitors. Moreover, contract execution is also subject to variables outside the company's control, such as weather conditions. Actual results could therefore differ materially from the forward-looking statements.*

## Analysis by business sector

### OFFSHORE

Fourth quarter 2006		(million euro)	First quarter		% Ch.
			2006	2007	
879	Revenues		593	<b>843</b>	42.2
(759)	Expenses		(522)	<b>(722)</b>	38.3
(34)	Depreciation and amortisation		(22)	<b>(37)</b>	68.2
86	Operating profit		49	<b>84</b>	71.4
793	New orders awarded		335	<b>1,065</b>	

The backlog as at March 31, 2007 amounted to €4,404 million, of which €1,719 million are to be realised in 2007.

Revenues for the first quarter 2007 amounted to €843 million, representing a 42.2% increase compared to the same period 2006, which is mainly due to higher levels

of activity in West Africa, the Far East and the Gulf of Mexico.

Operating profit for the first quarter 2007 amounted to €84 million, equal to 10% of revenues, versus €49 million, equal to 8.3% of revenues in the first quarter 2006. This increase in margin is attributable to improved contract conditions and strong operational performance.

## ONSHORE

Fourth quarter		(million euro)		First quarter		
Saipem stand-alone			Saipem stand-alone		Snamprogetti	Saipem consolidated
2006		2006	2007	% Ch.	2007	2007
413	Revenues	306	289	(5.5)	889	<b>1,178</b>
(383)	Expenses	(281)	(265)	(5.7)	(847)	<b>(1,112)</b>
(8)	Depreciation and amortisation	(9)	(7)	(22.2)	(5)	<b>(12)</b>
22	Operating profit	16	17	6.2	37	<b>54</b>
323	New orders awarded	627	588		589	<b>1,177</b>

The backlog as at March 31, 2007 amounted to €6,284 million, of which €3,448 million are to be realised in 2007.

**Saipem stand-alone**

Revenues for the first quarter 2007 amounted to €289 million, representing a modest decrease versus the first quarter 2006, due mainly to the completion of projects in the Far East.

Operating profit for the first quarter 2007 amounted to €17 million, versus €16 million in the same period

2006, with a margin on revenues rising from 5.2% to 5.9%. This increase in margin is attributable to high operational efficiency and improved contractual rates.

**Snamprogetti**

Revenues generated by Snamprogetti in the first quarter 2007 amounted to €889 million and are largely related to projects under execution in the Middle East. Operating profit totalled €37 million, with a margin on revenues of 4.2%.



## OFFSHORE DRILLING

Fourth quarter 2006		(million euro)	First quarter		% Ch.
			2006	2007	
100	Revenues		88	98	11.4
(55)	Expenses		(53)	(52)	(1.9)
(14)	Depreciation and amortisation		(13)	(15)	15.4
31	Operating profit		22	31	40.9
966	New orders awarded		105	72	

The backlog as at March 31, 2007 amounted to €2,221 million, of which €215 million are due to be realised in 2007.

Revenues for the first quarter 2007 amounted to €98 million, representing an 11.4% increase on the same period 2006, attributable mainly to increased activity by the jack-up Perro Negro 4, as well as to higher contractual rates.

Operating profit for the first quarter 2007 amounted to €31 million, versus €22 million in the first quarter 2006, with a margin on revenues rising from 25% to 31.6%. This growth both in absolute terms and in terms of profitability is due to higher margins on rates and increased utilisation of rigs.

Vessel utilisation in the first quarter 2007 was as follows:

Vessel	Days under contract
Semi-submersible platform Scarabeo 3	90
Semi-submersible platform Scarabeo 4	90
Semi-submersible platform Scarabeo 5	90
Semi-submersible platform Scarabeo 6	77 <sup>(a)</sup>
Semi-submersible platform Scarabeo 7	90
Drillship Saipem 10000	90
Jack-up Perro Negro 2	90
Jack-up Perro Negro 3	90
Jack-up Perro Negro 4	90
Jack-up Perro Negro 5	90

(a) For the remaining days (to 90), the vessel underwent upgrading works in readiness for a new contract.

## ONSHORE DRILLING

Fourth quarter		(million euro)	First quarter		
2006			2006	2007	% Ch.
74	Revenues		56	<b>71</b>	26.8
(58)	Expenses		(46)	<b>(55)</b>	19.6
(6)	Depreciation and amortisation		(4)	<b>(6)</b>	50.0
10	Operating profit		6	<b>10</b>	66.7
37	New orders awarded		58	<b>54</b>	

The backlog as at March 31, 2007 amounted to €359 million of which €154 million are due to be realised in 2007.

Revenues for the first quarter 2007 amounted to €71 million, representing a 26.8% increase compared to the same period 2006, attributable mainly to increased activity in South America.

Operating profit for the first quarter 2007 amounted to €10 million, versus €6 million in the first quarter 2006, with a margin on revenues rising from 10.7% to 14.1%.

This growth both in absolute terms and in terms of profitability is due to higher margins on rates and increased utilisation of rigs.

Average utilisation of rigs in the first quarter 2007 stood at 97% (93% in the first quarter 2006); rigs were located as follows: 12 in Peru, 9 in Saudi Arabia, 7 in Venezuela, 5 in Algeria, 2 in Italy, 1 in Egypt, 1 in Kazakhstan, 1 in Ecuador and 1 in Turkmenistan. In addition, 5 third-party rigs were deployed in Peru, 3 by the joint venture company SaiPar and two third-party rigs in Kazakhstan.



# Saipem

Società per Azioni

Headquarters: San Donato Milanese (Milan), Italy

Via Martiri di Cefalonia, 67

Capital stock:

€441,410,900 fully paid

Tax identification number and Milan Companies' Register

No. 00825790157

Branches:

Cortemaggiore (PC) - Via Enrico Mattei, 20

#### **Information for Shareholders**

Saipem SpA, Via Martiri di Cefalonia, 67

20097 San Donato Milanese (Milan) - Italy

#### **Relation with institutional investors and financial analysts**

Fax +39-0252054295

e-mail: [investor.relations@saipem.eni.it](mailto:investor.relations@saipem.eni.it)

#### **Publications**

Financial Report at 31<sup>st</sup> December (in English)

Bilancio al 31 dicembre (in Italian)

Report on the First, the Second and the Third Quarter  
(in Italian and English)

Six-monthly report at 30<sup>th</sup> June (in Italian and English)

Sustainability Report (in Italian and English)

Also available on Saipem's website: [www.saipem.eni.it](http://www.saipem.eni.it)

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Società per Azioni  
Via Martiri di Cefalonia, 67  
20097 San Donato Milanese (Milan) - Italy  
Tel. +39.02.5201 - Fax +39.02.52054295  
[www.saipem.eni.it](http://www.saipem.eni.it)