

MINUTES OF THE ANNUAL GENERAL SHAREHOLDERS'

MEETING OF SAIPEM S.p.A.

APRIL 30, 2013

On April 30, 2013, at 10.00 hrs, the Annual General Shareholders' Meeting of Saipem S.p.A., a subsidiary of Eni S.p.A., convened (second call) at Saipem's offices in Via Martiri di Cefalonia 67, San Donato Milanese (MI), Italy.

Pursuant to art. 16 of the Company's Articles of Association, the Chairman of the Board of Directors, Alberto Meomartini, chaired the meeting.

Voting by a show of hands (no votes against) and at the Chairman's proposal, the Shareholders' Meeting unanimously called for the Notary Mr. Domenico Avondola to act as Secretary.

The Chairman informed and advised that:

- the notice of Shareholders' Meeting had been published in the daily newspaper "Il Sole 24 Ore" and on the Company's website on March 25, 2013;
- the Shareholders' Meeting was held on the day of the second call, since no Shareholders attended the meeting's first call on April 24, 2013;
- the **Agenda** was as follows:

1. Statutory Financial Statements of Saipem S.p.A. at December 31, 2012. Relevant deliberations. Presentation of the Consolidated Financial Statements at December 31, 2012. Reports by the Board of Directors, the Board of Statutory Auditors and the external Auditors.

2. Allocation of the net profit.

3. Appointment of a Board Director.

4. Additional fees to the External Auditors.

5. Remuneration Report: Remuneration Policy.

- the following persons attended the meeting: the Chairman Alberto Meomartini, the CEO Umberto Vergine, the Deputy CEO Hugh James O'Donnell, the Directors Nicola Greco and Mauro Sacchetto;
- from the Board of Statutory Auditors:
Mario Busso, Chairman, and Adriano Propersi, Statutory Auditor;
- the following Directors justified their absence:
Gabriele Galateri di Genola, Maurizio Montagnese and Michele Volpi;
- the Statutory Auditor Anna Gervasoni justified her absence on the grounds that she had to attend another AGM;
- at the Chairman's request, Mr Stefano Goberti, Secretary of the Board of Directors, attended the meeting;
- Mr Roberto Ramorini, common representative of savings Shareholders attended the meeting;
- Messrs Pietro Carena, Marco di Giorgio and Maurizio Girardi representing the external auditors Reconta Ernst & Young were also present;
- Ms Valentina Torchella was present on behalf of Consob;
- also in attendance were the following Saipem employees; Mr Michele Nebbioli, Mr Marco Villa and Ms Lidia Lucchini in their capacity as scrutineers;
- following the meeting via video-link from an adjacent room were the journalists Giancarlo Navach and Stephan Jewkes of Reuters, Chiara di

Michele of Ansa, Antonella Palmieri of AGI, Marco Parboni of Adnkronos, and Fernando Mancini of Radiocor;

- at the Chairman's request Mr Ugo Marinelli, Chairman of Eni's Board of Statutory Auditors, was also present;
- no written requests were received asking for additional items to be added to the meeting agenda, pursuant to art. 126 of Legislative Decree 58/98;
- the share capital, equal to €441,410,900 and fully paid up, comprised of 441,272,615 ordinary shares and 113,285 savings shares.

Treasury shares on the day the Shareholders' meeting was called amounted to 1,989,332. Voting stock comprised of 439,308,283 ordinary shares.

All shares have a nominal value of €1 each;

- from the Shareholders register, updated for the Shareholders' meeting, it emerged that the number of ordinary Shareholders stood at 26,865;
- from the Shareholders register and information received as at April 19, 2013, pursuant to art. 120 of Legislative Decree 58/98, and other available information, major Shareholders holding voting stock in excess of 2% of the share capital were as follows (altogether their holdings amounted to 44.93% of the share capital):

Shareholder	number of ordinary shares	% held
Eni S.p.A.	189,423,307	42.91%
Massachusetts Financial		

Services Company	8,899,109	2.02%
	<hr/>	<hr/>
Total	198,322,416	44.93%

- No Shareholders' agreements, as per art. 122 of Legislative Decree 58/98, are known to be in place.
- All legal requirements provided for by the Civil Code and Issuers' Regulations have been duly met in respect of this Shareholders' meeting.
- To carry out the review and certification of the statutory and consolidated financial statements as at 31/12/2012, the limited review of the interim report as at 30/06/2012, , and the audit of accounts, the External Auditors Reconta Ernst & Young invoiced no. 24,436 man-hours and charged a total of € 1,686,479 (reviewed by the relevant bodies and deemed appropriate). Fees can be broken down as follows:

- statutory financial statements	13,400 hrs	913,760 euro
- consolidated financial statements	7,110 hrs	524,937 euro
- review of interim report	2,522 hrs	164,732 euro
- audit of accounts	1,404 hrs	83,047 euro
	<hr/>	<hr/>
total	24,436 hrs	1,686,479 euro

These fees include additional work related to inquiries by Milan's Public Prosecutor's Office, amounting to 3,210 man-hours, and to additional audit activities related to a few branches in foreign countries, amounting to 2,500 man-hours.

- Opening the proceedings pursuant to art. 7, paragraph 2 of "Shareholders' meeting regulations", the Chairman reminded all present

that each contribution must not exceed 15 minutes.

He stated that any Shareholder may provide only one contribution for each item on the agenda and that, following the discussion, only short voting comments are allowed.

He also stated his willingness to allow longer contributions and replies in order to encourage a constructive debate with attending Shareholders.

- Prior to the Shareholders' meeting, questions relating to the meeting agenda were received from the Shareholders Donato Pinto, Carlo Fabris and D&C Governance, pursuant to art. 127 ter of Legislative Decree 58/98, which will be answered during the meeting. Questions and answers have been included in the minutes of meeting.
- Shareholders were required to vote using the remote controls provided at the time of registration. These are activated at the start of the each voting session for each item on the agenda. Pressing the INFO key on the remote control shows the name of the Shareholder and the number of shares he/she represents, either on his own or third party's behalf. In the case of Shareholders having one or more proxies, the display on the remote control shows successively the details for each proxy or group of proxies. In the case of a substantial number of proxies, two or more remote controls are provided, in order to facilitate the voting procedure for all shares represented.
- An audio recording device was used to record the meeting in order to allow for the preparation of the minutes of meeting.
- In compliance with current data protection legislation, the Chairman informed that attendees' personal details (name, surname, place of birth,

address and professional qualifications) shall be used strictly for the purposes of the current legislation; details shall feature in the minutes of Shareholders' meeting and may be circulated in Italy and abroad, within and/or outwith the European Union, always within the limits and obligations set by and for the purposes of the current legislation.

The Chairman:

- having ascertained that no. 1,663 Shareholders were in attendance, either in person or by proxy, representing no. 316,178,926 shares, equal to 71.65% of the share capital, of which 7 in person and 1,656 by proxy;
- reserved to provide updated information on shares represented before each vote (all attendees are listed in Appendix A).

One Shareholder, Carlo Fabris, has appointed as his proxy Mr. Dario Trevisan, in his capacity as Designated Representative, pursuant to art. 135 undecies of Legislative Decree 58/98.

Having verified the identities and rights of attendance for all participants, the notices issued by intermediaries and the legitimacy of proxies in line with current legislation, the Chairman declared the Shareholders' meeting to be valid and fit to resolve on items of the Agenda.

Item one of the Agenda:

- 1. Statutory Financial Statements of Saipem S.p.A. at December 31, 2012. Relevant deliberations. Presentation of the Consolidated Financial Statements at December 31, 2012. Reports by the Board of Directors, the Board of Statutory Auditors and the external Auditors.**

The Chairman advised that the 2012 Annual Report includes the Statutory Financial Statements of Saipem S.p.A. and the Consolidated Financial Statements of the Saipem Group at December 31, 2012, and reports by the Statutory Auditors and External Auditors, pursuant to art. 154-bis, paragraph 5 of Legislative Decree 58/98. These, along with Directors' reports and proposals, have been filed and made available to the Shareholders at Saipem's Registered Office, at Borsa Italiana S.p.A. and on Saipem's website, in compliance with the provisions of Law and Issuers' Regulations.

Also available to the public is information requested by Consob pursuant to art. 114, paragraph 5 of Legislative Decree 58/98, relating to integrations made to the 2012 Annual Report and the Report by the Board of Statutory Auditors.

The financial statements of subsidiary and associated companies have also been lodged in compliance with the provisions of Law.

Before entering the meeting room, attendees were handed the following documents: the 2012 Annual Report, the 2013 Remuneration Report, the 2012 Corporate Governance Report and Shareholding Structure, the 2012 Sustainability Report, and the booklet featuring the additional information requested by Consob.

The Chairman, having started to read out the Directors' report, gave way to the Shareholder Antonio Cristodoro, representing Eni S.p.A., who proposed to forego the reading of all Shareholders' meeting documentation, namely the Financial Statements, Directors' report, as well as reports by the Statutory Auditors and External Auditors (all of which are enclosed).

He proposed that only the proposals put to the Shareholders be read out.

The Shareholders' meeting unanimously approved the proposal put forward by the Shareholder Eni.

The Chairman read out this brief introductory report:

“Messrs. Shareholders,

Shortly, we shall review the 2012 financial results of your Company and answer all your questions.

The 2012 Annual Report and the Report by the Board of Statutory Auditors have been integrated as per Consob's request of April 19, 2013, a request we have complied to willingly, in order to allow for a more transparent reading of Saipem Group activities.

First of all I would like to give you an overall evaluation, which is the result of my day-by-day insight, of the intangible factors that represent value for the Company, of the quality of investments in human resources and their training, in assets, and of the knowledge of our reference markets.

2012 has been a difficult year as you know, due to external and internal factors: we wish to reassure the Shareholders and our team that we have reacted, are reacting and shall continue to react with the necessary determination and resources. We are reviewing, with the support of our major Shareholder Eni, every procedure, having recourse to dedicated internal teams and external facilities to improve their effectiveness and ensure that our conduct is commensurate with our commitment to transparency: non just the top management but Saipem as a whole is committed to these issues.

We are lending our full cooperation to the investigation launched by Milan's

Public Procurator's Office in respect of certain alleged corruption offences on projects entered into in Algeria some years ago, before the new procedure on agency agreements was introduced.

We are also lending our full cooperation to Consob's inspection.

Saipem continues to be a strong and solid Company, and a world leader in important sectors for engineering, construction and drilling.

In 2012 Saipem's investments exceeded 1 billion euro; over the past three years they exceeded 3.7 billion euro.

The new vessel Castorone was launched in 2012, one of the largest and most sophisticated pipe-laying vessels in the world; also, the state-of-the-art semi-submersible drilling rig for arctic operations Scarabeo 8 was also completed, just to quote two of our most important investments.

The competencies in terms of technology and construction possessed by Saipem's 45,000-strong workforce around the world remain distinguishing and among the most skilled and valued by the markets.

Our industrial and operational model is valid and recognised as such.

Furthermore, market prospects for new contract awards are positive. In fact, in the first four months of 2013 we were awarded significant contracts both in terms of volumes and prospective margins.

However, I would like to talk briefly about two aspects which represent the backbone of our industrial model and make it unique. I am referring to our Local Content and Health and Safety Policies.

The Local Content policy allows us to develop entrepreneurial opportunities for the local communities in which Saipem has long-term operations, creating manufacturing industries that complement our activities.

In countries where the oil industry has grown strongly, Saipem's presence is deeply rooted and contributes significantly to their economic development, acting as a partner in national development programmes. This year's Sustainability Report, as in previous years, has been prepared in line with the most advanced international standards. It describes our contribution to the economic development in strategic countries through job creation, distributed economic value and the development of human capital and entrepreneurial spirit.

From Angola to Australia, from Kazakhstan to Brazil, from Canada to Nigeria, Saipem's contribution is significant when compared to these countries' GDP. It means the creation of jobs for thousands of persons employed either directly or in ancillary industries, whose social and economic impact we can now measure using ad-hoc tools, something fairly innovative in our industry.

In those areas where Saipem has made significant investments in fabrication yards to service the oil industry (for instance Brazil, Canada and Indonesia), we provide support to entrepreneurship resulting in economic growth, which can sometimes prove decisive for the host communities. The effect the construction of the yard in Karimun had on national employment figures in terms of job creation exceeds 10 times the number of personnel it employed directly.

The capital that Saipem has invested over the last three years in this type of projects for local communities exceeds €500 million.

It is the exact opposite of incorrect and not very transparent policies: this is who we are and the way we work, it is the very nature of Saipem's culture

and it definitely is a competitive advantage.

Health and Safety at work is another priority for us: in 2007 we launched a very ambitious, wide-ranging programme of cultural and managerial change called “Leadership in Safety (LIS)”, which since it was implemented has received important recognition even at international level. Hundreds of training courses on safety behaviours were held with the participation of thousands of employees including the top management. These form our cultural heritage and wealth of knowledge, which are relatively uncommon in the oil & gas industry. In real terms, this resulted in a constant reduction in the accident rate across a large number of operations. In 2010, Health was added to the programme, introducing important preventative initiatives, which have become a fundamental component of our operations in extreme and challenging environments.

In Saipem, Sustainability means looking after the health and safety of our employees and sub-contractors, protecting the environment and the appropriate use of natural resources, transparency in commercial transactions, a relationship with local communities and their development prospects.

I wanted to start this meeting with these considerations, so that, before talking about numbers, I could give an honest representation to our Shareholders and team members of Saipem’s identity, which is at the basis of every result”.

The Chairman then read out the Letter to the Shareholders included in the Annual Report, and the resolution proposal here below:

“Messrs Shareholders,

you are invited to approve Saipem's Statutory Financial Statements at December 31, 2012 and the proposal to allocate the company's net profit for the year of €437,027,097.54 as follows:

- to the Shareholders as dividend on the shares in circulation on the ex-coupon date, exclusive of treasury shares held by the Company on that day, of €0.68 per ordinary share and €0.71 per savings share;
- to the reserve for retained earnings of the remainder net income, following dividend distribution.

You are also asked to approve the proposal to pay-out dividends from May 23, 2013; ex-coupon date: May 20, 2013; record date: May 22, 2013”.

The Chairman handed over to the Chairman of the Board of Statutory Auditors Mario Busso, inviting him to read out the conclusions of their Report as transcribed below: “In light of the above and on the basis of our audit throughout the year, we do not see any objection to the proposal to approve the Financial Statements at December 31, 2012 and the net profit allocation as proposed by the Board of Directors”.

The Chairman then read out the Report by the External Auditors Reconta Ernst & Young, included in the Annual Report.

He opened the discussion on this item on the Agenda.

The Shareholder Deminor International, represented by Rosario Marcone, took the floor and asked the following:

- Confirmation that Consob launched a formal investigation following the Press Release dated January 29, 2013;
- What is the aim and status of the investigation and the maximum sanction applicable?

- When is the investigation likely to end?
- With regard to the integrations Consob required to be made to the Annual Report and the Report by the Board of Statutory Auditors, can you provide details as to the significant deficiencies found in the internal control system?
- Does the Board of Directors concur with the findings of the Board of Statutory Auditors and how can they be addressed?
- What are the reasons for the operational review launched in January?
- What are the reasons for the review of margins on some contracts?
- Can you confirm that the forecast of the previous CEO were too optimistic?
- What is the visibility on margins at the time of contract award?
- What is the average period between contract award and accounting of revenues?

The Shareholder Raffaele Scippa took the floor and pointed out what a delicate time this is for the Company, also with regard to the ongoing investigations by Milan's Public Prosecutor's Office, and in Algeria, which involve both current and former employees of the Company.

He also reminded the meeting of the declarations made by Mr Vergine regarding a €500 million in damages, which could be incurred as a result of the events in Algeria.

He talked about the sale of approximately 10 million shares that occurred the day before the issue of the Press Release on January 29, 2013 announcing the profit warning which gave way to the collapse of the share price by a third and the fall of the EBITDA of the E&C Business Unit, with

an estimated 50% reduction in 2013 profits. He stated that the explanation provided had been, in his opinion, insufficient.

Conversely, he believes that the declarations Eni made at the time (the fall in Saipem's profits is relatively minor in the context of its balance sheet, Shareholders profited much from Saipem in the past, Eni may decide to sell Saipem) damaged both Eni's and Saipem's image.

He also stated that he was astonished by the letter to the Shareholders, according to which it is "business as usual", not taking into account intervening events.

He proposed setting up a provision for the adjustment of dividends, in view of the large profit disparity in different years.

Finally, he asked the following:

- Are the technological changes that enable shale gas exploitation deemed an opportunity or a threat for Saipem's prospects?
- With regard to the Algerian proceedings, is the provision of €119 million adequate? With regard to the TSKJ Consortium, Eni provided financial settlement. However, the investigation damaged the Company's reputation. Furthermore, the Fos Caveau project could also cause the Company to incur considerable losses. On the other hand, the proceedings related to the Cepav contract are extremely relevant as we issued a request for €1.7 billion.

Other requests for settlements bring the total to €2.2 billion.

How do these legal proceedings feature in our accounts?

- When can we expect the increase in working capital and net debt to return to normal?

- Briefly, has the Company “stumbled” or “slumped”? He hopes for a quick recovery from both an economic and image perspective, so that the Company can again achieve €1 billion in net profit. He deems the resolution proposal on net income to go against the rule of the Code, as risks need to be taken into account, even if these came to light after year-end, since the financial statements must be drawn-up exercising caution and in a truthful and ethical manner.

In view of the pay-out risk following ongoing inquiries in Algeria and in compliance with specific provisions of Law, he proposed a vote on the following motions:

- Post in the financial statements € 250 million to the provision for disputes on account of the ongoing legal proceedings;
- Rectify net profit to €187 million;
- Amend the dividend proposal by reducing it to € 0.30 per ordinary share;
- Retain remaining earnings.

The Shareholder Mario Croce took the floor and asked the following:

- Have any Shareholders delegated a Designated Representative?
- How many Shareholders are present at the meeting?
- How are the questions submitted before the AGM answered?
- Clarification regarding information in the press as to how Saipem was disqualified from bidding for the Umm Lulu project in Abu Dhabi;
- Is it true that Eni could sell Saipem; and is having Eni as its main shareholder an advantage or a disadvantage for Saipem? He stated his despondence at hearing news of payments of bribes, when all

allegations of any involvement had been strenuously denied in the replies provided at last year's AGM.

The Chairman declared that he is not aware that any offences have been committed and invited him, if he is, to report them to the Procurator's Office; he stressed that a distinction always has to be made between allegations of offences and proven crimes.

The Shareholder Mario Croce continued by asking:

- The status of the re-gasification plant off the coast of Livorno;
- The status of the Galsi pipeline;
- Saipem's involvement in the Milan-Verona high-speed rail link; how many people are employed on it and what are the revenues?

The Shareholder Donato Pinto asked:

- Has the Company deemed it expedient to create, in the financial statements, a share premium reserve to protect Shareholders from share losses?

The Chairman reads out the answers to questions received from Shareholders prior to the Shareholders' meeting, pursuant to art. 127 ter of Legislative Decree 58/98, as detailed hereafter (questions and answers):

Questions submitted by the Shareholder Donato Pinto, pursuant to art. 127-ter, Legislative Decree 58/98, received before April 21, 2013.

1. What will the net financial position of the Group be on the day of the AGM, and the mean historic lending and borrowing interest rates?

A: The net financial position of the Saipem Group at 31/03/2013 is € 4,845 million. The mean borrowing interest rate is approximately 2.25%, while the mean lending interest rate is approximately 0.17%.

2. What was the expenditure on fines by Consob, Borsa Italiana (the Italian Stock Exchange), etc. and what did they pertain to?

A: No penalties have been imposed by Consob and/or Borsa Italiana.

3. What is the breakdown of revenues by sector from January 2013 to date?

A: As stated in the Press Release of April 23, 2013, revenues by sector are as follows: Offshore E&C €1,288 million, Onshore E&C €1,310 million, Offshore Drilling €304 million and Onshore Drilling €187 million.

4. Who are the journalists in attendance and which journalists are following the Shareholders' meeting via video-conference link from their newspapers. Also, who, if any, have consultancy agreements in place either directly or indirectly with Saipem Group companies?

A: The names of journalists in attendance will be recorded in the AGM minutes. There were no video-conference links with newspapers offices. There are no consultancy agreements with journalists.

5. Do any senior managers and/or directors hold interests in suppliers' companies?

A: Based on declarations received, one Director is a Shareholder of a company which was awarded a subcontract by Saipem following a tender process. The procedure for "transactions of lesser importance" with Related Parties was applied, and the Audit and Risk Committee was sent all information and documentation relating to this transaction. The Audit and Risk Committee was in favour of this transaction "in view of Saipem's interest in concluding this transaction, its economic expediency (best offer) and substantive fairness of its conditions".

6. Are there any judges amongst direct and/or indirect consultants of the Group? Which magistrates were members of Boards of Arbitrators, who are they, and what were their fees?

A: Saipem has no direct consultancy contracts with judges as a juridical conflict of interest exists between public office and private consultancy. No magistrates have been members of any Boards of Arbitrators.

7. Are there any ongoing penal proceedings involving members of the Board of Directors or the Board of Statutory Auditors?

A: the Company is not aware of any ongoing penal proceedings involving members of the Board of Directors or the Board of Statutory Auditors.

8. I wish to know:

a. non-monetary benefits and how bonuses and incentives are calculated;

b. the breakdown of employees by category; if proceedings have taken place due to mobbing, incitement to suicide, accidents at work and their outcome.

c. how many employees are involved in ongoing disputes, letters of resignation, suspension proceedings and disputes.

A: Non-monetary benefits are:

item a) Car, supplementary welfare and medical benefits.

The annual variable incentives and the long-term variable incentive are detailed in the Remuneration Report, pages 9, 10 and 11.

item b) the total number of employees in Italy (under the Energy Contract) at 31.12.12= 6,878 (302 Senior Manager - Cat. 1 =

2,443; Cat. 2 = 1,500, Cat. 3 = 1,321; Cat. 4 = 878; Cat. 5 =434).

No proceedings have taken place due to mobbing, incitement to suicide or accidents at work.

In 2012 three fatalities were recorded (2 involving Saipem personnel, and 1 contractor) and 99 LTI (LTI = Lost time injury, i.e. accidents occurred outside work, of which 66 involving Saipem personnel and 33 involving contractors).

item c) the number of ongoing proceedings in 2012 was 75.

9. How many pensioners work for the Company and under what contract? (Fixed-term contract – “Somministrazione” contract – consultancy contract);

A: At December 31, 2012 there were:

- 57 pensioners were employed under Fixed-term contracts;
- 2 pensioners under “Co.Co.Pro” contract;
- 1 pensioner under “Somministrazione” contract.

10. How many employees belong to legally protected categories and what sanctions were incurred by the Company as at 31.12.2012?

A: There are 126 employees belonging to legally protected categories.

No sanctions were incurred by the Company.

Questions submitted by the Shareholder Carlo Fabris, pursuant to art. 127-ter, Legislative Decree 58/98, received before April 21, 2013.

1. I would like to know why the questions I emailed last year were not answered at last year’s AGM. I find this unacceptable and I hereby

wish to file a complaint pursuant to art.2408 with the Board of Statutory Auditors. You will probably say that this was because they were sent to the non-certified email address segreteria.societaria@saipem.com (same address provided this year in the notice of AGM) which does not provide for return receipt. This is why this year I am sending my questions to both this address and the certified email address, so that you will not be able to say that they were not received.

A: The reasons why the questions posed by the Shareholder Carlo Fabris to last year's AGM were not answered are explained in item 11 of the Board of Statutory Auditors' Report.

2. What is the cost associated with the person responsible for gathering proxies?

A: For this Shareholders' meeting no provisions were made to request and/or gather proxies. The Designated Representative was appointed pursuant to art. 135-undecies of Legislative Decree 58/98; this service cost €5,000.

3. How much does it cost to manage the Shareholders' register and meeting?

A: the annual cost for the upkeep of the Shareholders' register is € 160,000.

4. What are the direct and indirect costs of the AGM?

A: the average cost for a Shareholders' meeting, inclusive of costs associated with the Notary, Monte Titoli charges for dividend distribution, notices in newspapers, registration and electronic voting at the meeting, Designated Representative, is approximately € 200,000.

5. What is the fee requested by the external auditors to sign tax returns?

A: The fee requested by the external auditors to sign tax returns is included in the fees requested for the periodic audit of the accounts, which in 2012 amounted to € 83,000.

6. How much is the audit contribution paid to Consob through the external auditors?

A: The audit contribution paid to Consob through the external auditors amounts to approximately €140,000.

7. I would like an update both for Saipem and the Group regarding disputes issued and received by the Company and amounts involved.

A: Please refer to pages 124 to 127 of the Annual Report and item 4 of the Addendum requested by Consob.

8. I would like an update both for Saipem and the Group regarding the tax disputes. What year has been closed out?

A: The year that was settled is 2007. With regard to tax disputes please refer to note 20 on page 113 of the Annual Report.

9. Information on the three fatalities which occurred in 2012 and what is being done to prevent such events.

A: In 2012 three fatalities occurred on three different projects:

- Onshore project in Nigeria (a person was hit by a pipe during cutting operations).
- Onshore project in the UAE (a person was hit by a crane bucket).
- Drilling project in Peru (a person was hit by a hose).

Saipem verified and analysed the causes for all fatalities and then launched risk assessments and preventive measures to improve control during digging

operations. With regard to drilling, the operating sequences involved in technical assembly were reviewed, further improving safety measures.

10. Who on the Board is an employee of the Company and/or of other Group Companies? What is the total cost of the Board of Directors?

A: Board Directors who are employees of Saipem SpA or its subsidiaries are: Umberto Vergine (CEO) and Hugh James O'Donnell (Deputy CEO).

The total remuneration for Directors in 2012 as set by the AGM was €360,000 (€40,000 for each Director).

11. Do any Directors also hold directorships at subsidiary companies?

A: Hugh James O'Donnell (Deputy CEO) is also Chairman of Saipem Limited.

12. I would like to know what fringe benefits the Directors enjoy.

A: Non-executive Directors do not enjoy any fringe benefits.

Executive Directors enjoy the following:

In line with the national contract of employment and supplementary company agreements for senior managers, the CEO enjoys supplementary welfare benefits (FOPDIRE), medical insurance (FISDE), additional welfare insurance covering death and disability, and a company car (see page 10 of the 2013 Remuneration Report).

The Deputy CEO, as an employee of Saipem Ltd, enjoys supplementary welfare benefits and medical insurance (see page 11 of the 2013 Remuneration Report).

13. What policies have been taken out for Directors? Have provisions been made for end-of-office indemnities?

A: All members of the BoD are covered by a D&O (Director & Officer)

insurance policy, which provides civil liability cover against equity losses caused to third parties in violation of obligations of Law, the Articles of Association or powers granted. The Board of Directors has not made provisions for end-of-office indemnities in favour of Board Directors. With regard to consideration due upon termination of office or contract of employment for the CEO and the Deputy CEO, please refer to pages 10 and 11 of the Remuneration Report.

14. As of today what is the status of treasury shares held by the Company or Group companies, what is their purchase price and when was their purchase authorised by the Board of Saipem S.p.A. and/or Group companies?

A: At December 31, 2012, the number of treasury shares, purchased based on the plans approved by the Shareholders' meeting from 2002, detailed on page 198 of the Statutory Financial Statements, was 1,988,032 equal to € 43,286,248.47. the average price per share is € 21.77.

15. Have treasury shares been bought-back or sold during the year, and what were the associated gains and/or losses?

A: Operations involving treasury shares are detailed on page 120, note 29, of the 2012 Annual Report. Treasury shares are used to service the 2002-2008 stock option plans. There have been no sale or buy-back transactions.

16. Who had or has the power to transact treasury shares?

A: the Shareholders' meeting approves the buy-back of treasury shares and grants the Board of Directors, i.e. the CEO, the power to carry out the operations of purchase and allocation.

Questions submitted by the Shareholder D&C Governance, pursuant to art.

127-ter, Legislative Decree 58/98, received before April 21, 2013.

1. What actions has the Company taken to encourage the engagement of savings Shareholders?

A: The Company has constant dialogue with the common representative of savings shares.

2. Why has the Company not deemed it expedient to set up a Common Fund to safeguard savings shares, pursuant to art. 146 of Legislative Decree 58/98?

A: The costs for the protection of savings shares are borne by the Company.

3. Why has the company decided not to appoint a Designated Representative, a tool introduced by the Shareholders Rights directive with the aim of encouraging Shareholders to vote?

A: Taking into account the shareholding structure, the Company decided not to appoint a Designated Representative for Savings Shareholders. A Designated Representative was appointed for the AGM.

4. How many proxies were sent to the Designated Representative?

A: For the AGM, one proxy.

5. Does the Company have procedures for the management of inside information and the disclosure of information to the market?

A: Yes, it is the "Procedure regulating market disclosure of inside information", which is posted on the Company website.

6. Does the Company have a reporting procedure for significant transactions carried out by subsidiaries?

A: The Parent Company of the Group is notified in advance of all relevant transaction planned by subsidiaries; furthermore, all Group companies'

forecasts and actual results are monitored periodically by means of a specific reporting system.

7. When were the following procedures last audited for adequacy: the Procedure regulating market disclosure of inside information and the Procedure for reporting significant transactions by subsidiaries?

A: The last adequacy tests on Saipem's regulatory system were carried out as part of the audit of the Internal Control System over Financial Reporting during the 2012 second monitoring session, i.e. at the closure of the fiscal year 2012.

8. How many Shareholders have submitted questions prior to the AGM?

A: Three

9. Has the Company responded before the AGM? If not, why?

A: The answers were provided during the AGM as per art. 127-ter of Legislative Decree 58/98.

10. With regard to information posted on Saipem's website, what is the chain of responsibility up to BoD level (pursuant to art. 125-quater Legislative Decree 58/98)?

A: The BoD resolves on items on the AGM's agenda. The Company Secretary's Office prepares, in compliance with BoD minutes, the notice of AGM and all documents to be submitted to the Shareholders and forwards this documentation to the Investor Relations department. The latter, together with the Company Secretary's Office, is responsible for the publication of information on the website, in compliance with methods and deadlines regulating the disclosure of information by listed companies.

11. What are the various levels of certification that ensure the

information on the website is correct?

A: Contents of financial reporting documents are certified by the CEO and the Office in charge of Financial Reporting.

All other content posted on the website is prepared and checked by the relevant functions.

12. Are Press Releases approved by the BoD? Who is responsible for their text?

A: The BoD approves those PR which relate to the quarterly, six-monthly and annual financial results, as well as those relating to issues which are the responsibility of the BoD itself. Other PR, i.e. contract acquisitions, are approved by the CEO and/or the CFO.

13. What resources are allocated by the Company to manage the relations with Shareholders besides the email/fax/telephone contacts of the Investor Relator?

A: The designated functions are: the Investor Relator for Institutional Investors and the Company Secretary's Office for Shareholders.

14. Has the Company evaluated the possibility of promoting the constitution of a Small Shareholders' Club or a Shareholders' Club aimed at sharing information?

A: The Company has not evaluated this option.

15. What are the existing processes within the Company for promoting gender equality and equal opportunities vis-à-vis managerial positions?

A: Saipem respects the universally-recognised core labour standards contained in the Fundamental Conventions of ILO (International Labour

Organisation); it guarantees the freedom to form a union and the right to collective bargaining; it repudiates any form of forced or juvenile labour and/or discrimination. In addition, Saipem is an equal opportunity employer and guarantees its employees equal treatment based on merit.

16. What are the budgets that the Audit Committee and the Internal Audit department can rely upon to carry out their duties?

A: Approximately 4 million euro.

17. Has the latest update of the Organization Model for Law 231/2001 been entrusted to an external consultant?

A: The update was prepared as a result of the cooperation of the internal function Team 231 (set up for the purposes of updating the Model). The review of standard and non-standard audit activities for environmental offences was entrusted to the company Erm Italia.

18. Has the Compliance Committee ascertained that the Organizational Model – which was last updated on 27/10/2010 (reference the website) – does not require updating?

A: The Organizational Model was last updated on April 23, 2013. The Compliance Committee monitored the updating process.

19. Did the Board of Statutory Auditors or the individual Statutory Auditors avail themselves of assistants, pursuant to art. 2403-bis of the Italian Civil Code?

A: They did not avail themselves of assistants, pursuant to art. 2403-bis of the Italian Civil Code.

20. How many transactions with related parties did not undergo the procedures provided by Consob Regulations because their amounts

were lower than the thresholds set by the Regulations themselves?

A: In 2012, transactions with related parties involving lower amounts than the thresholds set by Consob Regulations were approximately 100.

21. How many requests for information ex art. 115 Legislative Decree 58/1998 did Consob send to the Company and the Board of Statutory Auditors during 2012?

A: In the period 2012 – 2013 the Board of Statutory Auditors received the following requests pursuant to art. 115 of Legislative Decree 58/98: 2 requests to appear before Consob and 2 requests for information. In the period 2012 – 2013 the Company received the following requests pursuant to art. 115 of Legislative Decree 58/98: 2 requests to appear before Consob and 4 requests for information.

After the adjournment required to prepare the answers to the questions posed by the Shareholders during the meeting, the Chairman handed over to the CEO.

The CEO Umberto Vergine first answered the questions posed by the Shareholder Deminor International, represented by Rosario Marcone:

- Consob inquiry has not as yet resulted in a request of payments.

As far as we are aware, Consob is investigating possible violations to insider trading regulations, Saipem's prompt disclosure and the upkeep of the register of persons having access to inside information. The Company is lending its full cooperation and maintains it has acted in full compliance with the Law.

It is not possible to estimate when the investigation will conclude or quantify minimum or maximum risks that the Company may incur as

a result of a dispute the Company has not yet received.

- He pointed out that, the integration booklet prepared by the Board of Statutory Auditors (on page 6, item 3) clearly states all initiatives and corrective measures put in place by the Company to address significant deficiencies.
- The operational review was launched in January 2013, following a re-assessment of the 2012 guidance and the presentation of significantly reduced profits outlook for 2013. It aims at identifying the causes of the margin reduction for the E&C Business Unit, and the actions necessary to redress this negative trend. Furthermore, this review allowed us to clarify Saipem's positioning in the industry, and enable it to better grasp future market opportunities. He reminded the meeting of the reorganization that has involved foreign subsidiaries, with the identification of 8 regions and their regional managers who have been asked to keep in close contact with clients.
- He could not confirm that the forecast put forward by the former CEO had been too optimistic.
- Project margins are calculated very analytically during the commercial phase and are reviewed quarterly during the execution phase by estimating costs and revenues over the whole life of the contract.
- The average time lag between signing the contract and receiving revenues can vary significantly depending on the type of contract: it is approximately 6 months. Projects, which can also vary significantly in terms of duration, usually receive revenues over a

period of 3-4 years.

He then answered the questions posed by the Shareholder Raffaele Scippa:

- Technological changes represent an opportunity for Saipem as it tackles challenging frontier projects (ultra-deep waters, arctic seas, laying of large diameter pipelines at great depths). Specifically regarding shale gas, Saipem is not involved in the extraction process, but in the transport of gas from Canada to Mexico through its local companies.
- The Cepav active and passive disputes have no impact either financially or in terms of assets.
- As previously announced in press releases and presentations posted on the website, the management expects the working capital to return to normal levels between 2014 and 2015.
- With regard to the reference to damages of €500 million in Algeria, he pointed out the context in which those declarations were released.

Of the eight contracts that Saipem was awarded in the country, three have been completed, four are at the commissioning stage, i.e. near completion, and one is under execution. Payments are received as the work progresses.

Due to the rigidity of the client, while the case is continuing, payments may actually be delayed. The aforementioned €500 million are not therefore losses, but refer to the value of the work still to be invoiced, in the worst case scenario. However, he believes that an equitable solution could be reached in this matter.

The CEO answered the questions posed by the Shareholder Mario Croce:

- With regard to the Designated Representative, he advised that at the beginning of the meeting, Shareholders had been informed of the appointment of Dario Trevisan.
- There are seven Shareholders attending the meeting.
- Vis-à-vis responses to questions received prior to the meeting, he advised that these have been provided in writing to Shareholders and have been read out during the AGM and shall be included in the minutes of meeting. The possibility will be evaluated to have them posted on the Company's website prior to the AGM in future.
- The Umm Lulu project in Abu Dhabi, dating back to approximately one year ago, would have been awarded to Saipem. However, a thorough evaluation of the criteria at the basis of the bid caused the Company to withdraw from the tender.

The offer did not guarantee acceptable profit margins. At any rate, the contract has not yet been awarded.

- With respect to the Livorno re-gasification plant, he informed that the Company built the vessel, which is currently being handed over, and carried out the offshore works relating to the expansion of the gas loading bay.
- On the Galsi project (gas transport from Algeria to Sardinia), the Company has carried out pre-engineering studies and is awaiting feedback from the consortium that is due to realize the project as to their intention to proceed with the execution phase.
- The progress in the Milan-Verona high-speed rail link at December 31, 2013 is equal to 13% of the works, with revenues of approximately

€100 million. On this project Saipem employs approximately 30 personnel.

- The Shareholder Eni represents an advantage for Saipem, as it benefits for Eni's rating for financing. Conversely, Saipem has no competitive advantage vis-à-vis Eni tenders.

Finally, the CEO answered questions posed by the Shareholder Donato Pinto:

- The proposal to set up a share premium reserve is not allowed under current legislation.

The Chairman invited Shareholders to take the floor again if they needed further clarification. He emphasised the importance of having a climate of openness at this AGM in order that all Shareholders can be provided with exhaustive and constructive answers.

He advised of the support provided by the Shareholder Eni in recent months, when Saipem was striving to carry out a detailed review of internal procedures and Company structure.

The Shareholder Deminor International, represented by Rosario Marcone, took the floor and asked for clarification regarding the time-lag between contract award and receipt of revenues; he asked the Board of Statutory Auditors for further clarification regarding significant deficiencies.

The CEO confirmed the explanation provided earlier regarding time-lag between contract award and receipt of revenues, before handing over to Mario Busso, who, on behalf of the Board of Statutory Auditors, read out the note on significant deficiencies as transcribed hereafter:

“In March 2013, during a periodic exchange of information with the

External Auditors, it emerged that the latter found, while they were auditing Saipem's 2012 financial statements, some deficiencies in the Company's control system over financial reporting. These shortcomings were classified by the external auditors in the reference framework of the *Sarbanes Oxley Act* (SOA) applicable to Eni, under the category "*significant deficiencies*" of the internal control system over financial reporting. Specifically, (i) shortcomings were found in one internal procedure regulating the vetting and appointment of subcontractors; (ii) a few contracts and orders were found to exceed powers of signature.

Saipem's Board of Statutory Auditors requested from relevant company departments a close examination of the aforementioned deficiencies found by the external auditors and the corrective measures taken by the Company to rectify them. Measures taken included: (a) the precautionary suspension of some employees and the issue of internal inquiries; (b) the suspension of the procedure regulating the appointment of subcontractors; (c) the review of the allocation of powers of attorney and an audit of existing POAs; (d) more stringent checks of authorisations for contracts and work orders; (e) setting-up a dedicated function to support the identification of company procedures.

Specifically regarding the deficiency in the "Nominated Subcontractor" procedure, management identified four corrective actions; for the deficiency related to "POA thresholds", management identified five corrective actions. In both cases, corrective actions were developed as part of a detailed programme to be monitored monthly by the CFO function.

On April 3, 2013, the external auditors Reconta Ernst & Young issued their

Report as per art. 19, paragraph 3, of Legislative decree 39 dated 27/01/2010, which under item 2 included the aforementioned significant deficiencies. It concluded that: “These deficiencies were evaluated as part of the complete audit and, in light of the additional audit activities that were planned and carried out, we maintain that these have not affected our audit opinion”.

The Board of Statutory Auditors of Saipem S.p.A. reviewed documents produced by the various Company functions and external consultants, concurring with their conclusions and requesting the following:

- a) A monthly update on the status of implementation of corrective measures identified by the management.
- b) Constant monitoring by the Internal Audit function of the issue of Nominated Subcontractor.
- c) Further strengthening of the new “Nominated Subcontractor” procedure, introducing increased mandatory checks which could block the vetting phase of a subcontractor and providing for the binding opinion of the procurement department and the involvement of the legal department.
- d) Information on checks relating to POA thresholds introduced by the management, which will require independent monthly monitoring by the Internal Audit function.

Based on our knowledge and the foregoing, and in light of the corrective measures put in place by the Company, we believe that the significant deficiencies have not affected the effectiveness of Saipem’s Internal Control System”.

The Shareholder Raffaele Scippa asked if the Algeria risk is included amongst the provision for contingencies in the financial statements, considering the considerable outlays that could result from the ongoing dispute: he then proposed a dedicated provision to be made.

He deemed the answer relating to Cepav insufficient.

He asked a few questions about the four-year plan, specifically on the Company's recovery from 2014. He pointed out that no data or prospects has been provided for subsequent years.

He reminded the meeting of the dividend policy – i.e. distribution of a third of the profits – and asked for the opportunity to set up a dividend fund to prevent inconsistencies in their amounts, as between 2012 and 2013.

The Shareholder Mario Croce expressed his doubts on the Opinion of the External Auditors, and, specifically, if this gives a true reflection of the Company's current situation. He advised again of the damage to its reputation caused by the fall in the share price and the exclusion from the Abu Dhabi tender.

The Chairman replied that Saipem activities are extremely complex and it is difficult to make reliable predictions in today's market conditions. However, he maintains that Saipem will resume its journey, supported by the image of excellence it has earned in its reference sector and the professionalism and spirit of its people.

With regard the creation of a financial provision for contingencies for Algeria, the CEO replied that no provision has been made because there are no objective elements to predict both timeframes and/or outcome. The same applies to Cepav.

He stated that the dividend policy was deemed suitable by the Board of Directors.

With regard to the four-year plan, he pointed out that the Company focuses on an annual budget, providing only a qualitative outlook to the market for future years; it is extremely difficult for the Company to prepare long-term industrial plans, as Saipem plans out the work as and when Client requests are received and based on its construction capabilities.

He advised that Saipem's backlog still has a good percentage of low-margin contracts, awarded in highly-competitive years, which the Company will try to replace with new high-margin contracts. This is why it decided not to take part in the bid for the Umm Lulu contract in Abu Dhabi.

The Shareholder Raffaele Scippa, expressed his reservation at the responses provided; however, he stated that he retracts the motions on the distribution of dividends and the provision for contingencies.

The Chairman closed the discussion and:

- established and declared that no. 1,667 Shareholders were in attendance, in person or through proxies, representing no. 316,179,677 shares, equal to 71.97% of the voting capital;
- called a ballot (via remote control) on the proposal for the approval of the financial statements for the year ended on December 31, 2012.

The proposal was approved by a majority of votes in favour by no. 1,547 Shareholders representing no. 315,281,801 shares, no. 105 Shareholders against representing no. 238,918 shares, no. 15 Shareholder abstained representing no. 658,958 shares (see Annex 1 for details of voting).

The Chairman moved on to address item 2.

2. Allocation of net profit.

The Chairman proposed to allocate the net profit of €437,027,097.54 as follows:

- to the Shareholders as dividend on the shares in circulation on the ex-coupon date, exclusive of treasury shares held by the Company on that day, of €0.68 per ordinary share and €0.71 per savings share;
- to the reserve for retained earnings of the remainder net profit, following dividend distribution;

and to approve the pay-out of dividends from May 23, 2013; ex-coupon date: May 20, 2013.

The Chairman opened the discussion.

Nobody having asked leave to speak, the Chairman:

- established and declared that no. 1,666 Shareholders were in attendance, in person or through proxies, representing no. 316,179,677 shares, equal to 71.97% of the voting capital;
- called a ballot (via remote control) on the proposal put forward by the Board of Directors regarding the net profit allocation.

The proposal was approved by a majority of votes in favour from no. 1,655 Shareholders representing no. 316,019,192 shares, no. 2 Shareholders against representing no. 1,810 shares, no. 9 Shareholders abstained representing no. 158,675 shares (see Annex 2 for details of voting).

The Chairman moved on to address item 3.

3. Appointment of a Board Director.

The Chairman read out the Board of Directors' report and the resolution proposal on this item:

Directors' Report

“Messrs. Shareholders,

On December 5, 2012 Mr Pietro Franco Tali resigned from the office of Board Director, Deputy Chairman and C.E.O. of the Company.

Pietro Franco Tali had been selected – as non-independent Director pursuant to the Corporate Governance Code of listed companies – from the list put forward by Eni, and elected by the Shareholders' meeting on May 4, 2011; the same meeting that had also resolved to set at nine the number of Board Directors.

In view of the fact that the date of the Shareholders' meeting called to approve the Financial Statements for the year ended 2012 is imminent, the Board of Directors decided not to co-opt another Board Director.

The Shareholders' meeting is now required to appoint a Board Director, whose mandate will expire on the same day as the other members of the Board, i.e. the date of the Shareholders' meeting due to approve the Financial Statements as at December 31, 2013.

The procedure from voting lists is not applicable in this instance, as it only applies when the entire Board of Directors is renewed. Therefore, the Shareholders' meeting shall resolve through majority vote, as per legal requirements.

Candidates for the position of Board Director must provide, before the date of the Shareholders' meeting, the documentation stating that they meet the relevant requirements under the Law and the Articles of Association”.

Resolution Proposal

“Messrs. Shareholders,

you are called to appoint a Board Director based on proposals put forward at the Shareholders' meeting, pursuant to art. 19 of Articles of Association.

Shareholders putting forward candidates should ensure that there are no grounds for ineligibility and/or incompatibility, and that candidates meet the relevant requirements under the Law, the Articles of Association and/or other applicable regulations. You are also invited to provide sufficient information on the personal and professional characteristics of candidates and to supply a list of directorships and/or audit positions they may hold in other companies”.

The Chairman opened the discussion on this item.

The Shareholder Eni, represented by Antonio Cristodoro, took the floor and proposed the appointment of Fabrizio Barbieri, Eni Senior Executive Vice President for Human Resources, whose documents (CV, statements that he accepts his candidacy and that he meets the necessary requirements) are lodged with the Secretary's Office.

Fabrizio Barbieri has been also working for Saipem for a number of years.

At the Shareholder Croce's request, the Chairman pointed out that, upon the renewal of the Board of Directors in 2014, gender balance regulations will be applied, as provided in the already-amended Articles of Association.

The Chairman closed the discussion and:

- established and declared that no. 1,667 Shareholders were in attendance, in person or through proxies, representing no. 316,179,677 shares, equal to 71.97% of the voting capital;
- called a ballot (via remote control) on the proposal to appoint a Board Director.

The proposal was approved by a majority of votes in favour from no. 173 Shareholders representing no. 202,619,817 shares, no. 1,334 Shareholders against representing no. 106,210,242 shares, no. 159 Shareholders abstained representing no. 7,337,176 shares, no. 1 Shareholder did not vote representing no. 12,442 shares (see Annex 3 for details of voting).

The Chairman moved on to address item 4.

4. Additional fees to the External Auditors.

The Chairman read out the proposal put forward by the Board of Statutory Auditors on this item.

Justified Proposal

“Messrs. Shareholders,

External Auditors Reconta Ernst & Young SpA, in their letter dated June 12, 2012, requested the payment of fees additional to those paid to cover the audit of the statutory and consolidated Financial Statements of Saipem S.p.A. for the year 2011. Additional fees relate to the performance of additional work which exceeded the audit of accounts, as approved by the Shareholders’ meeting on April 26, 2010. This additional work could not have been foreseen at the time of the mandate based on the original proposal put forward by the External Auditors.

Additional work was carried out mainly in respect of the following:

- Judicial enquiries on the Jurassic (Kuwait) and Zubair (Iraq) projects; whistle-blower notification involving Group companies operating in Iraq;
- Introduction of new controls relating to procedures at subsidiary companies, including the procurement process;
- Derivative financial instruments to hedge the exchange rate risk.

With regard to enquiries into the Jurassic (Kuwait) and Zubair (Iraq) projects and the whistle-blowing incident involving Group companies operating in Iraq, an additional audit plan was set up which exceeded the original audit remit of the statutory and consolidated Financial Statements.

Furthermore, in 2011 additional work was carried out as part of the audit of internal controls regulating the flow of information of Saipem S.p.A., following the introduction of new control activities relating to management processes of Group subsidiaries, including the procurement process.

With regard to derivative financial instruments used by the Company and the Group to manage the exchange rate risk of projects whose costs and revenues are denominated in non-functional currencies, additional work was carried out in respect of an in-depth analysis of the current management process of the exchange rate risk, with specific regard to improving the current reporting system, the feasibility study of the so called “net cover” and managing the risk of intra-group transactions.

The aforementioned additional activities involved analyses and work that could not have been foreseen at the time of the original proposal. These activities were only quantified upon their completion and required a total of 5,663 man-hours, corresponding to a fee of € 470,000.

Additional man-hours and fees can be broken down as follows:

(in euro)

Additional activities	Hours	Fees
Enquiries regarding the Jurassic (Kuwait) and Zubair (Iraq) projects, and whistle-blower notification	2,671	234,000
Introduction of new controls relating to processes at subsidiary companies, including procurement,	2,026	161,000

as part of the audit of the internal controls regulating the information flow at Saipem S.p.A., including the information flow utilized in the preparation of the Consolidated Financial Statements of Eni S.p.A.		
In-depth study of the current hedging process	966	75,000
Total	5,663	470,000

≈ ≈ ≈

In their letter dated March 8, 2013, the External Auditors also requested additional fees relating to extra work carried out on the accounting audit of the Statutory and Consolidated Financial Statements of Saipem S.p.A. for the year ended December 31, 2012, in excess of the original proposal dated March 2, 2010.

This additional work related mainly to enquiries by the Milan Public Prosecutor's Office and the notification of investigation received by the Company on November 22, 2012, which involved current and former employees of the Company. Enquiries are ongoing and relate to alleged international corruption offences in Algeria. As a result, the following additional procedures were carried out:

- Analysis and understanding of facts under investigation;
- Audit of the operations of the internal control system in respect of activities carried out by the CEO and COO;
- Ascertaining adherence to all procedures provided by the internal control system vis-à-vis the management of agency contracts which had a financial effect in the year ended December 31, 2012;
- Additional procedures on the purchasing cycle;

- Ascertaining adherence to all procedures provided by the internal control system vis-à-vis the costs of consultancy and professional services relating to the year 2012;
- Extending the audit program to cover joint-ventures;
- Extending the audit program to costs borne in favour of suppliers involved in the notifications received by the Company;
- Carrying out a specific audit program on the procurement process and payments involving companies or branches operating in Algeria;
- Co-operating on the work carried out by Cleary Gottlieb Steen & Hamilton LLP and Protiviti S.r.l., appointed by the Company in respect of to the ongoing enquiries.

The above resulted in the firm carrying out additional studies, analyses, and processes which could not have been foreseen in the original proposal. These resulted in the performance of additional work, which has been estimated to amount to a total of 3,210 man-hours, corresponding to €266,000.

Additional man-hours can be broken down as follows:

Additional procedures	Hours
Analysis and understanding of facts under investigation	176
Audit of the operations of the internal control system in respect of activities carried out by the CEO and COO	354
Additional procedures relating to anti-corruption checks	288
Additional procedures relating to Intermediaries (2012)	148
Additional spot checks relating to consultancy and professional services	388
Additional procedures relating to audits of manual and automated postings in the purchasing cycle	292
Additional procedures relating to Joint-Ventures (vs anti-	172

corruption procedure)	
Procedures relating to audits of contracts entered into in 2012 and payments made in 2012 to suppliers involved in the notifications received by the Company	396
Additional work on procurement processes and payments of the Algerian Branch of Saipem S.p.A.	256
Review of work carried out on ongoing enquiries by external consultants appointed by the Company (Cleary Gottlieb Steen & Hamilton and Protiviti) and relevant results	224
Co-ordination of foreign teams for additional activities (work programs relating to agency and consultancy contracts and specific audits on companies operating in Algeria)	296
Involvement of experts from the “Forensic & Investigation Department Services”	220
Total	3,210

Finally, the External Auditors carried out a series of additional audit services, which exceed the ordinary audit program, vis-à-vis a few branches operating in foreign countries.

Branches involved in this additional work are:

- Abu Dhabi, Algeria, Iraq, Kazakhstan, Qatar and Norway (hereafter “relevant branches”);
- Algeria Sprog (formerly Snamprogetti Branch), Congo, Dubai, Kuwait and Poland (hereafter “other branches”).

Additional audit work involving the above branches is broken down as follows:

- Understanding the branch organisation;
- Understanding main procedures implemented at the branch and adherence checks;

- Understanding the periodic closing of accounts carried out locally;
- Understanding the procurement process, including awarding of procurement contracts, ascertaining adherence to procedures through spot checks on transactions;
- Procedures on significant items of branch Financial Statements as at December 31, 2012;
- Comparative analysis of branch account balances and discussion with local management regarding unusual variances;
- Spot checks on costs borne for: consultancy services, travel expenses, donations, sponsor payments, representation expenses and contributions to associations.

The above work was entrusted to the same audit team which carries out the audit of the Statutory Financial Statements of the Company.

This additional work, which could not have been foreseen at the time of the original offer covering audit services of the Statutory and Consolidated Financial Statements of Saipem S.p.A. for the years 2010-2018 (hereafter “original proposal”), amounted to a total of approximately 2,500 additional man-hours, corresponding to €200,000, requested in the letter dated March 8, 2013.

Fees for the additional work can be broken down as follows:

For each of the 6 relevant branches:

<u>Category</u>	<u>Hrs</u>	<u>Mix Hrs</u> <u>(%)</u>	<u>Hourly</u> <u>Rate</u>	<u>Amount</u>
Partner	42	14.5%	144.96	6,088
Manager	108	37.2%	89.28	9,642
Senior	140	48.3%	51.84	7,258

<u>290</u>	<u>22,988</u>
------------	---------------

For each of the 5 other branches:

<u>Category</u>	<u>Hrs</u>	<u>Mix Hrs</u> <u>(%)</u>	<u>Hourly</u> <u>Rate</u>	<u>Amount</u>
Partner	26	13%	144.96	3,769
Manager	68	34%	89.28	6,071
Senior	106	53%	51.84	5,495
	<u>200</u>			<u>15,335</u>

The Board of Statutory Auditors ascertained that the financial request put forward by the External Auditors is in line with the quantity and quality of the work performed, the professional competence of their personnel and market rates. It therefore proposes that the Shareholders' meeting approve additional fees of € 470,000 payable to External Auditors Reconta Ernst & Young for the year 2011 and € 466,000 for the year 2012, as per their proposals dated June 12, 2012 and March 8, 2013".

The Chairman opened the discussion on this item.

Nobody having asked leave to speak, the Chairman:

- established and declared that no. 1,667 Shareholders were in attendance, in person or through proxies, representing no. 316,179,677 shares, equal to 71.97% of the voting capital;
- called a ballot (via remote control) on the proposal of additional fees to the External Auditors.

The proposal was approved by a majority of votes in favour from no. 1,641 Shareholders representing no. 315,602,070 shares, no. 15 Shareholders

against representing no. 413,331 shares, no. 11 Shareholders abstained representing no. 164,276 shares (see Annex 4 for details of voting).

The Chairman moved on to address item 5.

5. Remuneration Report: Remuneration Policy.

The Chairman read out the Board of Directors' report and the resolution proposal on this item:

Directors' Report

“Messrs Shareholders,

at the proposal of the Compensation and Nomination Committee, the Board of Directors approved the Remuneration Report, drawn up in compliance with art. 123 ter of Legislative Decree 58/98 and art. 84 quater of Issuers' Regulations.

Pursuant to paragraph 6 of art. 123 ter of Legislative Decree 58/98, the Shareholders' meeting is called upon to express either in favour or against the first part of the Remuneration Report, illustrating the policy adopted by the Company in terms of the remuneration of members of the management bodies and senior managers with strategic responsibilities as well as the procedures used to implement this policy. This resolution is not binding”.

Resolution proposal

“Messrs Shareholders,

you are called to express in favour of the first part of the Remuneration Report, which illustrates the policy adopted by the Company in terms of the remuneration of members of the management bodies and senior managers with strategic responsibilities, as well as the procedures used to implement this policy”.

The Chairman handed over to the Director Nicola Greco so that he could read out the Report. With the consent of the meeting, Nicola Greco reads out the following summary note:

“In compliance with current legislation, Saipem’s Remuneration Report is comprised of two sections; the first section, 2013 Remuneration Policy, provides Saipem’s Guidelines for 2013 for the remuneration of Board Directors and Senior Managers with strategic responsibilities. This is the section that will be subject to the non-binding vote of the AGM.

The second section describes the remuneration of Board Directors and Senior Managers with strategic responsibilities and provides a detailed breakdown of amounts actually paid in 2012.

As the Shareholders’ Meeting represents the most important junction for its activities, the Committee focused on themes of the utmost interest to Shareholders: it included in the 2013 Remuneration Report a series of corrective measures aimed at improving disclosure and ensuring the most exhaustive and transparent reporting for Shareholders and investors on remuneration policies, in compliance with the relevant regulations.

Main corrective measures concerned:

- Increased information on performance targets for the annual variable incentive plan (indication of targets and related weights – pages 9 and 11)
- Minimum number of points required to receive the annual variable incentive: individual performance minimum threshold of 85 points (pages 9 and 11)
- Inclusion of a clawback clause (page 8)

- Discretionary and/or extraordinary bonuses: inclusion of the maximum percentage of bonus (25% of GAR) in addition to the other factors relevant in the calculation of bonuses (page 11)
- Severance payments: more details regarding the criteria for calculating severance payments in cases of voluntary redundancy (pages 10 and 11).

The 2013 Report also provides an Overview, whose aim is to provide the market and investors with a clear picture of the key elements in Saipem's Remuneration Policy for 2013 and further details on variable incentive plans.

2013 Remuneration Policy Guidelines

Compared to the previous year, and in view of recent events and the new market challenges to be faced, the 2013 Remuneration Policy Guidelines focus on defining Company objectives for 2013 in terms of targets and the assessment parameters therefor. Extreme selectiveness and precision are adopted in determining the Annual Variable Incentive Plan in terms of reducing spending and the number of beneficiaries, in line with the Company's results. Furthermore, long-term incentive plans will be subject to analysis and reviewed with the purpose of reinforcing mechanisms that link them with value created for Shareholders.

In more general terms, the Guidelines for 2013 reaffirm the policies and systems adopted in 2012 and are in line with market benchmarks updated in 2012.

Implementation of 2012 remuneration policies

The second section of the Remuneration Report provides a description of

the remuneration policies implemented in 2012 for the Chairman of the Board of Directors, non-executive Directors, the outgoing Deputy Chairman and CEO, the new CEO, the Deputy CEO and other Senior Managers with strategic responsibilities. As verified by the Compensation and Nomination Committee during the periodical assessment required under the Corporate Governance Code, implementation of the 2012 Remuneration Policy was in line with the resolutions taken by the Board of Directors. The Committee's assessment was that the 2012 Policy was consistent with the relevant market benchmarks in terms of overall positioning and pay-mix.

Finally, the tables provide a detailed account, by name, of remuneration paid to the Directors and an aggregate account of remuneration paid to Senior Managers with strategic responsibilities. Data includes variable incentives paid in 2012, deferred incentives and shareholdings. With regard to stock-based plans, information is provided in aggregate form, as these are the residual part of plans, which the Company had stopped allocating in 2009.

It is the opinion of the Remuneration and Appointment Committee that the 2013 Remuneration Report provides an exhaustive representation of the policies adopted by Saipem in terms of remuneration”.

The Chairman opened the discussion on this item.

The Shareholder Donato Pinto took the floor and proposed that the incentive policy be extended to all employees, through the production bonus they already receive.

The Shareholder Croce asked Mr. Vergine if he was a beneficiary of the stock option plan.

The CEO took the floor to answer the questions.

He reminded the meeting that the management incentive plan involves approximately 300 managers; it relies on objective criteria linked to the achievement of results. Conversely, the production bonus is regulated by specific trade union agreements.

Saipem's stock option plan has not been implemented since 2008 and never involved the current CEO.

The Chairman closed the discussion and

- established and declared that no. 1,665 Shareholders were in attendance, in person or through proxies, representing no. 316,179,527 shares, equal to 71.97% of the voting capital;
- called a ballot (via remote control) on the proposal to express a consultative vote on the first section of the Remuneration Report.

The proposal was approved by a majority of votes in favour from no. 1,117 Shareholders representing no. 290,961,849 shares, no. 528 Shareholders against representing no. 24,383,155 shares, no. 19 Shareholders abstained representing no. 829,423 shares, no. 1 Shareholder did not vote representing no. 5,100 shares (see Annex 5 for details of voting).

The Chairman thanked all attendees and declared the Annual General Shareholders meeting closed at 13.55 hrs.

The Secretary

(Mr. Domenico Avondola)

the Chairman

(Mr. Alberto Meomartini)