

**SAIPEM S.p.A.**  
**GENERAL SHAREHOLDERS' MEETING**  
**21<sup>ST</sup> / 28<sup>TH</sup> APRIL 2008**

Resolution proposal by the Board of Directors on items 1 and 2 of the Meeting Agenda.

**1) STATUTORY FINANCIAL STATEMENTS OF SAIPEM S.p.A.  
AT 31<sup>ST</sup> DECEMBER 2007, CONSOLIDATED FINANCIAL  
STATEMENTS, REPORTS BY THE DIRECTORS, THE  
STATUTORY AUDITORS AND THE INDEPENDENT  
AUDITORS.**

**2) NET INCOME ALLOCATION.**

(The Financial Statements have been lodged with the Company's Headquarters, Borsa Italiana S.p.A. and posted on Saipem's website).

"Messrs. Shareholders,

You are invited to approve Saipem's Statutory Financial Statements at 31<sup>st</sup> December 2007 and the proposal to allocate the company's net income for the year, amounting to Euro 286,930,571 as follows:

- Euro 14,346,529 to the legal reserve, equal to 5% of the 2007 net income, pursuant to art. 2430 of the Italian Civil Code;
- to the Shareholders a dividend on the shares in circulation on the ex-coupon date, exclusive of treasury shares held by the Company on that day, of Euro 0.44 per ordinary share and Euro 0.47 per savings share;
- retained earnings of the remaining amount after the aforementioned allocation and dividend distribution.

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You are also asked to approve the proposal to pay-out dividends from 22<sup>nd</sup> May 2008; ex-coupon date: 19<sup>th</sup> May 2008”.

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Report by the Board of Directors on item 3 of the Meeting Agenda.

**3) APPROVAL OF THE 2008 STOCK OPTION SCHEME.**

“Messrs. Shareholders,

in 2008, as in previous years, the Company plans to implement a Stock Option scheme.

2008 Stock Option Scheme information, as required by art. 114 bis of Law 58/98, are detailed in the information document prepared in compliance with art. 84 bis of Issuers' Regulations as well as Appendix 3A, Schedule 7 of the same Regulations.

This document is available at the Company's registered office and is posted on Saipem's website. It was also disclosed pursuant to art. 66, paragraphs 2 and 3 of Issuers' Regulations”.

**RESOLUTION PROPOSAL**

“Messrs. Shareholders,

you are invited to approve the 2008 Stock Option Scheme, as per the Board of Directors' proposal, and the Information Document prepared in compliance with art. 114 bis of Law 58/98 and vest the Board of Directors with all powers necessary to approve the Stock Option Scheme Regulations and identify assignees thereof”.

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Report by the Board of Directors on item 4 of the Meeting Agenda.

**4) GRANTING THE BOARD OF DIRECTORS AUTHORISATION,  
PURSUANT TO ART. 2357 OF THE ITALIAN CIVIL CODE, TO  
BUY BACK, OVER A PERIOD OF 18 MONTHS FROM THE  
DATA OF SHAREHOLDERS' APPROVAL, UP TO 1,700,000  
TREASURY SHARES**

“Messrs. Shareholders,

the Board of Directors, in order to avail itself of a flexible and efficient method to implement the Management Incentive Schemes, intends to replicate the treasury share buy-back programme of 2007, whose share allocation has been fully purchased.

The Board therefore proposes, pursuant to art. 2357 of the Italian Civil Code and art. 132 of Law Decree 58 of 24/02/98, to be granted the power to buy back, over a period of 18 months from date of Shareholders' approval, up to no. 1,700,000 treasury shares of a nominal value of Euro 1 each at a price not lower than their nominal value but not higher than 5% of the reference price on the day preceding each purchase, for an overall amount not exceeding Euro 58,000,000, equal to the share premium reserve plus the reserve for retained earnings recorded in the financial statements at 31<sup>st</sup> December 2007. The maximum number of shares to be purchased is equal to 0.38% of Saipem S.p.A.'s share capital, which is

within the limitation imposed by art. 2357, paragraph 3 of the Italian Civil Code.

Art. 2357 of the Italian Civil Code allows for the buy-back of treasury shares, limited to the distributable income and available reserves as per the last approved Financial Statements. The Board of Directors proposes to utilise, concomitantly with the buy-back of treasury shares, the “Reserve for the buy-back of treasury shares” pursuant to art. 2357-ter of the Italian Civil Code, to be established using the aforementioned reserves.

Shares purchase operations are regulated by art. 132, paragraph 1, Law Decree 58 of 24/02/98 and will be carried out pursuant to art. 144 bis, letter b) of Issuers’ Regulations, i.e. on regulated markets in accordance with trading methods laid down in the market rules that do not permit the direct matching of buy orders with predetermined sell orders.

The Board of Auditors expressed an opinion in favour of the proposed operation”.

## **RESOLUTION PROPOSAL**

“Messrs. Shareholders,

you are invited to:

- grant the Board of Directors the power to buy back, pursuant to art. 2357 second paragraph of the Italian Civil Code, over a period of 18 months from date of Shareholders’ approval, in compliance with current legislation, up to no. 1,700,000 treasury shares with a nominal value of Euro 1 each, equal to 0.38% of Saipem S.p.A.’s share capital, at a price not lower than their nominal value but not higher than 5% of the reference price on the day preceding each purchase, for an overall

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amount not exceeding Euro 58,000,000;

- approve the utilisation of the “Reserve for the buy-back of treasury shares”, established pursuant to art. 2357-ter of the Italian Civil Code;
- vest the Chairman with all necessary powers, including the use of proxies, to carry out this motion”.

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Report by the Board of Directors on item 5 of the Meeting Agenda.

**5) GRANTING THE BOARD OF DIRECTORS AUTHORISATION,  
PURSUANT TO ART. 2357-TER OF THE ITALIAN CIVIL  
CODE, TO ALLOCATE UP TO A MAXIMUM OF 1,700,000  
TREASURY SHARES TO THE 2008 STOCK OPTION SCHEME.**

“Messrs. Shareholders,

in recent years, the company has implemented successful incentive and loyalty schemes targeted at senior management utilising treasury shares.

Should the Board’s proposal relating to item 3 of the Shareholders’ meeting agenda be approved and in order to implement the 2008 Stock Option Scheme, the Board of Directors ask that the Shareholders Meeting grant the Board the power, pursuant to art. 2357-ter of the Italian Civil Code, to allocate treasury shares to the aforementioned Scheme.

Options will allow assignees to purchase Saipem shares in accordance with the terms and conditions set by the Board of Directors in the appropriate Stock Option Scheme Regulations.

The Board of Auditors expressed an opinion in favour of the proposed operation”.

**RESOLUTION PROPOSAL**

“Messrs. Shareholders,



should the Board's proposal relating to item 3 of the Shareholders' meeting agenda be approved, you are invited to:

- authorise the Board of Directors, pursuant to art. 2357-ter of the Italian Civil Code:
  - to implement the 2008 Stock Option Scheme using a maximum of 1,700,000 treasury shares; the unitary price of shares to be assigned will be the higher price between the shares' official price average recorded by the Telematic Stock Market of the Italian Stock Exchange (Borsa Italiana S.p.A.) over the month preceding the date of Stock Option allocation and the average cost of treasury shares held by the company on the day preceding the date of Stock Option allocation to senior managers of Saipem S.p.A., subsidiary companies, parent company and subsidiaries of the parent company, working within the Saipem Group and directly responsible for Group results or holding strategic positions as identified by the Board of Directors based on the company's appraisal system;
- vest the Chairman with all necessary powers, including the use of proxies, to carry out this motion".



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Report by the Board of Directors on item 6 of the Meeting Agenda.

**6) APPOINTMENT OF BOARD DIRECTORS, HAVING FIRST ESTABLISHED THEIR NUMBER AND DURATION OF THEIR MANDATE; SETTING THEIR REMUNERATION. APPOINTMENT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS.**

“Messrs Shareholders,

the mandate of the current Board Directors, granted by the Shareholders' meeting of 29<sup>th</sup> April 2005, will expire at the General Shareholders' Meeting called to approve the 2007 Financial Statements.

We remind you that the Shareholders' Meeting appoints the members of the Board of Directors from voting lists, pursuant to art. 19 of Articles of Association quoted hereafter:

“The Company is managed by a Board of Directors comprising a minimum of 5 (five) and a maximum of 9 (nine) members. The Shareholders' Meeting sets the number of Directors within the aforementioned parameters.

The Directors' maximum term of office is three years and expires on the date that the Shareholders' meeting is convened to approve the Financial Statements for the last year of their term. However, Directors can be returned.

The Shareholders' Meeting appoints the Board of Directors from

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voting lists, in which candidates are allocated a progressive number. Lists are put forward by Shareholders; these are lodged with the Company at the registered headquarters at least fifteen days prior to the meeting (first summons) and published pursuant to the Law and the regulations issued by Consob in matters of appointment of members of management and control bodies.

Each Shareholder may present, or participate in presenting, only one list and vote only for one list, in compliance with the Law and applicable regulations.

Each candidate may appear in one list only, otherwise they will be deemed ineligible.

Lists may be presented by shareholders who, individually or with others, are holders of shares amounting to at least 2% (or another percentage set by the Law or other regulation) of ordinary shares at the Ordinary Shareholders' Meeting (1% pursuant to Consob resolution no. 16319 of 29/01/2008). In order to prove legal ownership of the number of shares required to put forward voting lists, shareholders must present and/or send, alongside the lists, a copy of notifications issued by their authorised financial brokers holding their shares to Company headquarters when lodging the list. At least one Director if the Board comprises a maximum of seven members, or at least three Directors, if the Board comprises more than seven members, shall meet the independence requirement in compliance with current legislation applicable to Statutory Auditors of listed companies.

Lists shall only contain candidates that meet the aforementioned independence requirement.

All candidates must also meet the integrity requirements provided by current legislation.

For any list to be deemed eligible, it must be lodged along with the candidates' professional résumés, their statements accepting the nomination and their declaration that there are no grounds for ineligibility and/or incompatibility, and that they meet the integrity and/or independence requirements.

The appointed Directors undertake to inform the Company if they cease to meet the integrity and independence requirements and/or if causes for ineligibility or incompatibility arise.

The Board of Directors periodically assesses the independence and integrity of Directors and that there are no causes for ineligibility and incompatibility. Should a Director fail to meet the independence and integrity requirements that are provided by current legislation, or should causes for ineligibility and incompatibility exist, the Board of Directors shall declare the appointment void and provide for their replacement, or ask that they terminate the cause for incompatibility by a set date on pain of dismissal.

Directors shall be elected as follows:

- a) seven tenths of Directors to be appointed (the number will be rounded down if necessary) will be selected from the list which receives the majority of votes from the Shareholders' Meeting, in the order in which they are listed;
- b) the remaining Directors will be selected from the other lists, provided they are not in any way, not even indirectly, linked with the shareholders who have presented or voted for the list that has obtained the majority of votes; therefore, votes obtained for each

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list will be successively divided by one, two, three and so on, until the number of remaining Directors to be appointed has been reached. The ratios obtained will be progressively attributed to candidates of each list, in the order attributed to each candidate within that list. Candidates will be classified in decreasing order according to their respective ratio, and those who have received the higher ratios will be appointed. In the event that more than one candidate obtains the same ratio, the candidate on the list with no Director yet appointed or on the list with the lowest number of Directors appointed will be elected. If these lists have yet to elect a Director, or if they have already appointed an equal number of Directors, the candidate on the list with the highest number of votes will be appointed. In case of another tie, the Shareholders' Meeting will vote again, but only amongst the candidates under ballot, and the candidate who receives the majority of votes will be elected;

c) should this procedure fail to appoint the minimum number of independent Directors required by the Articles of Association, the ratio of votes is calculated for each candidate from said lists, in compliance with the system detailed under letter b); candidates who meet the independence requirement and who have obtained the highest ratios will be selected from lists as per procedure under a) and b); their number will depend on the regulations set forth in the Articles of Association. These take the place of non-independent Directors who have obtained the lowest ratios. Should the minimum number of independent Directors not be reached, the Shareholders' Meeting resolves through majority vote, as per legal requirements, the replacement of candidates who do not fulfil the independence

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requirement and have obtained the lowest ratio;

d) to elect Directors, who for any reason have not been appointed through the aforementioned procedure, the Shareholders' Meeting will vote according to the majority procedure as provided by law, to ensure that the composition of the Board of Directors complies with the Law and the Articles of Association.

This voting procedure from lists is only applicable whenever the entire Board of Directors is replaced.

The Shareholders' meeting may vary the number of Directors during their term in office and within the limitations imposed by paragraph 1 of this article, and shall proceed with their appointment. The term of office for Directors so appointed will cease simultaneously with the term of Directors already serving at the time of their appointment.

Should one or more Directors become unavailable during the course of the year, the others shall attend to their replacement pursuant to art. 2386 of the Italian Civil Code. Should the majority of Directors become unavailable, the entire Board of Directors shall resign and the Shareholders' Meeting will be called immediately by the outgoing Board in order to elect a new one.

The Board of Directors may set up internal Committees to perform consultative and propositive roles on specific subjects".

We also remind you that art. 21 of Articles of Association provides that "the Board of Directors shall appoint the Chairman, if the Shareholders' Meeting has not done so".

Also, we quote art. 24 of Articles of Association:

"Directors are entitled, on an annual basis and for the term of their office, to the remuneration set by the General Shareholders'

meeting at the time of their appointment; said remuneration is valid until the Shareholders' meeting resolves otherwise. Directors are also entitled to the reimbursement of expenses incurred pertaining to their office.

The Board of Directors sets the remuneration of Directors vested with particular powers, having heard the opinion of the Statutory Auditors”.

Finally we remind you that, pursuant to items 1.c.2 and 1.c.3 of the Corporate Governance Code, to ensure that Directors can devote enough time to their office, the Chairman proposes the adoption of the following guideline on the number of offices Directors may hold:

- an executive Director shall not hold: i) the office of executive Director in other listed companies, either in Italy or abroad, in financial companies, banks, insurance companies or companies with net equity in excess of Euro 1 billion; and ii) the office of non-executive Director or Statutory Auditor (or member of other control body) in more than three aforementioned companies;
- beside the appointment at this Company, a non-executive Director shall not hold: i) the office of executive Director in more than one of the aforementioned companies and the office of non-executive Director or Statutory Auditor (or member of other control body) in more than three aforementioned companies; and/or ii) the office of non-executive Director or Statutory Auditor in more than six of the aforementioned companies.

Offices held at companies of the same Group are excluded from the limit of cumulation.

Should the aforementioned limits be exceeded, Directors shall

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immediately inform the Board of Directors, who, after assessing the position and, in light of the Company's interests, shall invite the Director to take the relevant decisions".

**RESOLUTION PROPOSAL:**

"Messrs. Shareholders,

you are invited to:

- appoint Board Directors, having set their number at nine, whose term of office shall start in 2008 and end in 2010, i.e. when the Shareholders' Meeting will convene to approve the Financial Statements at 31<sup>st</sup> December 2010; the appointments shall occur from one of the voting lists lodged with the company in compliance with the provisions of Articles of Association, and published pursuant to the Law and the regulations issued by Consob;
- appoint the Chairman of the Board of Directors from the candidates on the list that has obtained the majority of votes, or leave the appointment to the Board of Directors;
- set the annual remuneration for each Director for the duration of their term of office and the fee due for attending each meeting of statutory bodies and committees set up by the Board of Directors."

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Report by the Board of Directors on item 7 of the Meeting Agenda.

**7) APPOINTMENT OF STATUTORY AUDITORS AND THE  
CHAIRMAN OF THE BOARD OF STATUTORY AUDITORS;  
SETTING THE REMUNERATION OF STATUTORY  
AUDITORS AND THE CHAIRMAN OF THE BOARD OF  
STATUTORY AUDITORS.**

“Messrs Shareholders,

the mandate of the current Board of Statutory Auditors, granted by the Shareholders' meeting of 29<sup>th</sup> April 2005, will expire at the General Shareholders' Meeting called to approve the 2007 Financial Statements.

With regard to the appointment of the Board of Statutory Auditors and their remuneration, we refer to art. 27 of Articles of Association quoted hereafter:

“The General Shareholders' Meeting appoints the Statutory Auditors and determines their remuneration. The Board of Auditors comprises three statutory auditors; two alternate auditors are also appointed. In order to be appointed, Statutory Auditors must meet the integrity and professionalism requirements set by the relevant regulations, in particular Ministerial Decree 162 of 30/03/2000.

For the purposes of the aforementioned decree, the subject matters strictly related to the Company's business are: commercial law, business administration and finance, and so are the engineering,



geological and mineral extraction sectors.

Statutory Auditors may hold positions as members of administrative and control bodies in other companies; however, these are limited by Consob regulations.

Until the new regulations come into force, candidates already holding the office of statutory auditors at five listed companies not controlled by Eni S.p.A. may not be appointed as auditors, and if elected, shall forfeit their office.

The Board of Statutory Auditors is appointed by the Shareholders' Meeting from voting lists presented by the Shareholders, on which candidates are allocated a progressive number.

Lists are lodged, presented and published in compliance with legal requirements and Consob regulations in matters of appointment of members of management and control bodies.

Each Shareholder may present, or participate in presenting, only one list and vote only for one list, in compliance with the aforementioned legal and regulatory provisions.

Lists may be presented by voting shareholders who, at the time of the presentation of the list, individually or with others, are holders of shares amounting at least to 2% (or other percentage set by the Law or other regulation) of ordinary shares at the Ordinary Shareholders' Meeting (1% pursuant to Consob resolution no. 16319 of 29/01/2008).

In order to prove legal ownership of the number of shares required to put forward voting lists, shareholders must present and/or send, alongside the lists, a copy of notifications issued by their authorised financial brokers holding their shares to Company headquarters

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when lodging the list.

Each candidate may appear in only one list, otherwise they will be deemed ineligible.

Lists are divided in two sections: the first concerns candidates to the post of Statutory Auditors, the second the offices of Alternate Auditor. At least the first candidate on each set of lists must have enrolled in the Register of Auditors and have practised as statutory accounts auditor for a minimum of three years.

Two statutory auditors and one alternate auditor will be selected from the list which receives the majority of votes. The remaining statutory auditor and alternate auditor will be selected as per the procedure detailed in art. 19 letter b), that applies to each section of all other lists.

The Shareholders' Meeting appoints as Chairman of the Board of Statutory Auditors one of the Auditors elected as per the procedure detailed in art. 19 letter b).

Should the need arise to replace an Auditor appointed from the list that received the majority of votes, this will be succeeded by the Alternate Auditor chosen from the same list; in case of replacement of an Auditor appointed from another list, this will be succeeded by an Alternate Auditor appointed from the latter.

This voting procedure from lists is only applicable whenever the entire Board of Statutory Auditors is replaced.

Outgoing Auditors can be returned".

**RESOLUTION PROPOSAL:**

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“Messrs. Shareholders,

you are invited

- to appoint the Statutory Auditors who will remain in office until the Shareholders’ Meeting will convene to approve the Financial Statements at 31<sup>st</sup> December 2010; the appointments shall occur from one of the voting lists lodged with the company and published pursuant to the Law and the regulations issued by Consob;
- to appoint the Chairman of the Board of Statutory Auditors from those appointed by the minority Shareholders.

You are also invited to set the annual remuneration for the Chairman of the Board of Statutory Auditors and that of the Statutory Auditors”.