

Saipem awarded new offshore drilling contracts worth USD 380 million

San Donato Milanese (Milan), 1 December 2006 – Saipem has been awarded three new offshore drilling contracts, one in Egypt and two in Congo, for a total value of USD 380 million.

The Egyptian contract has been assigned to Saipem by the Burullus Gas Company and its shareholders BG Group, Petronas and the Egyptian Natural Gas Holding Company (EGAS). The contract will last two years and involves the charter of the semi-submersible drilling rig Scarabeo 6. Drilling operations will be executed off the coast of Egypt between the third quarter of 2007 and the third quarter of 2009. Scarabeo 6 is a third generation semi-submersible rig capable of operating in water depths of up to 780 meters and of drilling to depths of up to 7,500 meters.

For a period of five years, beginning in the fourth quarter of 2007, Eni Congo will charter a tender assisted drilling unit to carry out operations off the coast of Congo. Separately, Eni Congo has contracted Saipem for work-over¹ activities, to be executed using equipments owned by the client. The contract starts from the fourth quarter of 2006, and will last for three years.

Saipem (43% owned by Eni) is a leader in the provision of engineering, procurement, project management and construction services for the oil & gas Industry, with unique capabilities in designing and executing large scale offshore and onshore projects. Saipem has a strong expertise in operating in deepwater and remote areas. It has significant technological competence in gas monetization and heavy oil exploitation.

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¹ *Work-over:* well maintenance activities