

MINUTES OF THE BOARD OF DIRECTORS' MEETING OF

"Saipem S.p.A."

REGISTER NO. 76.056

REFERENCE NO. 14.947

REPUBLIC OF ITALY

December 13

2010

in San Donato Milanese (Milan), IV° Palazzo Uffici , via Martiri di

Cefalonia no. 67,

at 11.30 hrs

upon request by:

- **"Saipem S.p.A."**

a company subject to the direction and coordination of Eni S.p.A.

with registered office in San Donato Milanese, via Martiri di Cefalonia

no. 67, share capital Euro 441,410,900.00 fully paid up

Taxpayer's code and VAT no. 00825790157

Economic and Administrative Business Register no. 788744

and secondary office in Cortemaggiore (PC) via E. Mattei no. 20.

I, **DOMENICO AVONDOLA, Public Notary** practising from via Cesare Battisti 11, member of the Milan Notary Board, visited San Donato Milanese (Milan), via Martiri di Cefalonia no. 67, to record the minutes of Board of Directors' meeting, pursuant to art. 2365 of the Italian Civil Code, of the requesting company, which convened today at the aforementioned location at 11.30 hrs to discuss and resolve on the following

AGENDA

1) Amendments to Saipem's Articles of Association

Omissis

Having entered the room where the meeting was held, I ascertained the presence of Mr. **MARCO MANGIAGALLI**, born in Milan on March 8th 1949, based in San Donato Milanese, via Martiri di Cefalonia 67, in his capacity as **CHAIRMAN OF THE BOARD OF DIRECTORS** of the requesting company; in this capacity he chaired the meeting, pursuant to art. 22 of Articles of Association.

I, the Notary, was certain of the personal identity of Mr. **MARCO MANGIAGALLI**.

The latter, in agreement with all attendees, invited me to record the minutes of today's meeting and stated that the following were in attendance:

from the Board of Directors:

the Chairman, the Deputy Chairman and C.E.O. Pietro Franco Tali, the Deputy C.E.O. Hugh James O'Donnell, the Directors Luca Anderlini, Pierantonio Nebuloni, Anna Maria Artoni, Ian Wybrew-Bond, Salvatore Sardo and Umberto Vergine;

from the Board of Statutory Auditors:

the Chairman Fabio Venegoni, and the Auditors Fabrizio Gardi and Adriano Propersi.

Giulio Bozzini, Board Secretary, attended the meeting.

At the Chairman's proposal, and with the unanimous consent of all present, Elisabetta Valle attended the meeting in her capacity as interpreter.

The Chairman also stated that the Board meeting was regularly convened, with the aforementioned Agenda.

- - - -

The Chairman stated that, as 9 out of 9 Directors, i.e. the entire Board, were in attendance, the meeting was considered valid and could resolve on the first item on the Agenda. He also specified that all other items on the agenda were recorded on separate minutes.

Having recalled the information provided at the Board meeting of April 22, 2010, the Chairman advised that Law Decree no. 27 of January 27, 2010, published in the Official Gazette on March 5, 2010, had implemented European Community Directive 2007/36/CE relating to the exercise of certain rights by Shareholders in listed companies.

The Chairman also reminded the meeting that, pursuant to art. 20 of Articles of Association and art. 2365, paragraph 2 of the Italian Civil Code, the Board of Directors has the power to amend the Articles of Association in compliance with the provisions of law.

Before this new law comes into force, the Board of Directors is required to make changes of a purely normative nature to the Company's Articles of Association in accordance to the new legislative provisions. These will apply to any Shareholders' meetings called subsequent to October 31, 2010.

Conversely, amendments to the Articles of Association, which, based on the new provisions empower the Company to make choices, shall be submitted for approval at the next extraordinary Shareholders' meeting.

The Chairman also advised that Consob resolution no. 17221 dated March 12, 2010, which implemented "Related parties" Regulations (amended through Resolution no. 17389 of June 23, 2010), had also amended art. 37, paragraph 1, letter d) of Issuers' Regulations, requiring that a listed company subject to the management and coordination of another listed company be admitted to trading on Italian regulated markets only if the majority of its Board members are independent.

The Chairman proposed that the Board of Directors approve the following amendments to the Articles of Association:

- Reduction in the percentage of share capital required to call a Shareholders' Meeting at the Shareholders' request

The new art. 2367 of the Italian Civil Code requires that a Shareholders' Meeting be called by the Board of Directors whenever Shareholders representing at least one twentieth of the share capital request it. The amount of share capital previously required in order for Shareholders to call a meeting was one tenth.

It is proposed that art. 11 of Articles of Association be amended to improve clarification for Shareholders.

- Calling of the Annual General Shareholders' Meeting

The new art. 125-bis of Law 58/98 (hereafter T.U.F.) provides that the AGM be called 30 days prior to date of the meeting through publication on the Company's website in addition to all other methods set forth in Consob Regulations.

It is proposed that art. 12 of Articles of Association be amended accordingly.

- Right to attend Shareholders' meetings and exercising of voting rights

The new art. 83-sexies of T.U.F. provides that the legitimate attendance of shareholders' meetings and the exercising of voting rights be confirmed by a statement to the issuer from the accredited intermediary, in compliance with intermediary accounting records, on behalf of the person entitled to vote.

The second paragraph of this article introduces the concept of "record date".

The statement is to be issued by the accredited intermediary on the basis of balances recorded at the end of the seventh trading day prior to the date of the shareholders' meeting on first call. Credit and debit records entered on accounts after this deadline shall not be considered for the purpose of legitimising the exercising of voting rights at the shareholders' meeting.

The statement to be issued by the accredited intermediary must reach the issuer by the end of the third trading day prior to the date of the Shareholders' meeting. However, the right to attend and vote at the meeting is guaranteed even in the even if the statement is received beyond the aforementioned deadline, provided it reaches the company before the start of the Shareholders' meeting.

Art. 13 of Articles of Association must be amended to implement the aforementioned new provisions.

- Additions to the meeting Agenda

Art. 126-bis of T.U.F. amended terms and methods for the exercise of the right to make additions to the agenda of Shareholders' meetings.

With regard to terms, this right can now be exercised within 10 days from issuing the AGM call (currently 5 days); additions must be notified at least 15 days prior to the Shareholders' meeting (currently 10 days).

It is proposed that art. 13 of Articles of Association be amended accordingly.

- Electronic notification of shareholder proxies

The new art. 135-novies of T.U.F., paragraph 6, provides that proxies can be granted electronically, following the procedure set by Ministry of Justice Regulations, and that companies must state in their Articles of Association at least one mode for the electronic notification of proxies to be used by Shareholders.

It is proposed that art. 13 of Articles of Association be amended accordingly.

- Election and composition of the Board of Directors and the Board of Statutory Auditors

New articles 147-ter, paragraph 1-bis, and 148, paragraph 2 of T.U.F. provide that lists of candidates for the positions of Directors and Statutory Auditors shall be filed at least 25 days prior to the date of the Shareholders' meeting, by a person who can prove to be a Shareholder on the day of filing. The latter may, subsequent to the filing, sell all or part of their Saipem holding without the list becoming void.

The Company shall make all lists available to the public at least 21 days prior to the shareholders' meeting.

Art. 19 of Articles of Association must be amended since it currently provides for the lists to be filed 15 days prior to the date of the Shareholders' meeting. Art. 27 relating to the Board of Statutory Auditors is also affected and must be amended to reflect the provisions of articles 147-ter, paragraph 1-bis, and 148, paragraph 2 of T.U.F.

The new art. 37, paragraph 1, letter d) of Issuers' Regulations requires that the Board of Directors of a listed company subject to the management and coordination of another listed company comprises a majority of independent members, who meet the independence requirements as set by Consob Regulations.

Art. 19 and art. 27 of Articles of Association will have to be amended accordingly.

- Conformity to Law Decree no. 39 of January 27, 2010

The new discipline contained in Law Decree no. 39 of January 27, 2010, which implemented EU Directive 2006/43/CE, regulates the legal audits of annual and consolidated accounts. Articles 8, 18, 21 and 27 of Articles of Association will have to be amended to reflect these new provisions. Moreover, following the abrogation of art. 155, paragraph 3 of T.U.F., which required that the Company keep the external Auditor's audit book at the Company's headquarters, the latter part of art. 18 of Articles of Association will also have to be abrogated.

- Consob regulation on the aggregation of offices by members of the Company's control bodies

Alongside the amendments provided for by the new legislation, we propose the elimination of the provisions of art. 27 relating to the aggregation of offices held by Statutory Auditors, in consideration of the

introduction of the new provisions set forth in Consob's Issuers' regulations.

At the Chairman proposal, the Board of Directors unanimously resolved: to approve amendments to articles 8, 11, 12, 13, 18, 19, 21 and 27 of Articles of Association

The Board of Directors, having acknowledged the aforementioned statement, with the unanimous vote of all members expressed by a show of hands

r e s o l v e d

a) to amend, in compliance with the aforementioned regulations and for the purposes of aligning to the regulations themselves, articles 8, 11, 12, 13, 18, 19, 21 and 27 of Articles of Association as follows:

“Art. 8

For the purposes of their relations with the Company, domiciles of Shareholders, persons entitled to vote, the Directors, Statutory Auditors and the company **responsible for the legal audit of accounts** are those registered in the company books or as subsequently indicated by the individuals concerned.”

“Art. 11

Shareholders' Meetings can be General/Ordinary or Extraordinary. General Meetings are convened at least once a year within 120 days from the end of the fiscal year, or 180 days, when permitted by law.

In addition to the meetings required by law, the Board of Directors may call a Shareholders' Meeting whenever it deems necessary, with regard to all those items the law decrees are the Shareholders' responsibility. Shareholders' Meetings are held at the company registered headquarters,

but they may be held elsewhere in Italy or in other European Union countries.

The Shareholders' Meeting of savings shareholders is governed by the applicable provisions of law.

Board Directors must call a Shareholders' meeting without delay, if it is requested by Shareholders representing at least one twentieth of the share capital. A Shareholders' meeting cannot be requested by the Shareholders to resolve on items that the Shareholders are required to resolve on pursuant to the Law, that have been proposed by Board Directors or those based on a project or a report the latter have prepared.

Shareholders requesting a Shareholders' meeting must predispose a report on items they wish to address; the Board of Directors shall make the report available to the public, along with their own considerations, if any, when the notice of meeting is issued at the Company's headquarters, on Saipem's website and all other methods required by Consob Regulations.

When the notice of Shareholders' meeting is issued, the Board of Directors also makes a report available to the public detailing items on the meeting agenda, using the same methods set forth in the previous paragraph."

“Art. 12

The calling of a Shareholders' meeting requires a notification to be published on Saipem's website in addition to methods and contents required by Consob Regulations, and in compliance with the Law and current legislation."

“Art. 13

The legitimate attendance at Shareholders’ meetings and the exercise of voting rights is confirmed by a statement to the Issuer from the accredited intermediary in compliance with his/her accounting records, on behalf of the Shareholder entitled to vote.

This statement is based on the intermediary accounting records registered at the end of the seventh trading day prior to the date of the Shareholders’ meeting on first call. Credit and debit records after this deadline shall not be considered for the purpose of legitimising the exercise of voting rights at the Shareholders’ meeting.

Statements issued by the intermediaries must reach the Issuer by the end of the third trading day prior to the Shareholders’ meeting on first call, or other deadline decreed by Consob regulations. It remains implicit that the right to attend and vote shall be legitimate if the statements are received by the Issuer after the deadlines indicated above, provided they are received before the opening of the Shareholders’ meeting.

Shareholders who, solely or jointly, represent at least one fortieth of the share capital may send a written request, within ten days from publication of the calling of the Shareholders’ meeting (**or other deadline decreed by Law**), detailing items they wish to be added to the meeting agenda. Additions are not accepted for those items that the Shareholders’ meeting is called to resolve on pursuant to the Law, those that have been proposed by Board Directors based on a project or report

they have arranged **and must relate to items other than those on the meeting agenda.**

Additions allowed by the Board of Directors are published at least ~~ten~~ **fifteen** days prior to the Shareholders' meeting, **unless another deadline is provided for by Law, with the same methods required for the publication of the Shareholders' meeting call.**

Shareholders requesting additions must forward a report to the Board of Directors on items they wish to add to the meeting agenda, before the relevant deadline. The Board of Directors shall make the report available to the public, along with their own considerations, if any, when the publication of additions is issued using the methods described in article 11 of these Articles of Association.

Shareholders entitled to vote may delegate others to represent them at the Shareholders' meeting pursuant to the Law; to do so, they must present a request in writing or electronically. The electronic proxy can be filled in on Saipem's website and sent through certified e-mail, under the terms advised in the notice of Shareholders' meeting.

Shareholders' meetings can take place via video-conference link, provided that:

- identity of attending shareholders or delegated representatives can be established and proxy statements verified at all times;
- the following is ensured at all times: the regular execution of the meeting; the right to speak as items from the agenda are discussed; the exercise of voting rights and correct minute taking;

- the person taking the minutes is in a position to follow and understand the proceedings.

To this end, the Chairman can appoint one or more scrutineers in each of the video-conferencing suites; the person taking the minutes may request the assistance of trusted personnel attending in each of the aforementioned suites.

The notice of meeting must contain the location of the audio and video-conferencing suites connected to the Company where Shareholders may attend.

The Shareholders' meeting is considered to be based where the Chairman of the Shareholders' meeting and the Secretary or the person taking the minutes are located.”

“Art. 18

The Company is managed by the Board of Directors; control/supervisory activities are carried out by the Board of Statutory Auditors, except for the **legal** audit of the Financial Statements which is the responsibility of an external Auditing Company.”

“Art. 19

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 voting lists, in which candidates are allocated a progressive number.

Lists shall be lodged with the Company at the registered headquarters at least **twenty five** days prior to the **Shareholders'** meeting **called to appoint the members of the Board of Directors (first call)** and **made available to the public**, pursuant to the Law and the regulations issued by Consob, **at least twenty one days prior to the date of the Shareholders' meeting (first call).**

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% of the share capital or other amount decreed by Consob regulations. Legal ownership of the minimum shareholding required to present a list is based on the number of shares registered as owned by the Shareholder on the day of filing with the Company. The relevant documentation may be produced after filing, but before the Company is required to publish the lists.**

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.

The majority of Directors must also comply with the independence requirements decreed by regulations set by Consob for Board Directors of listed companies subject to the control of another listed company.

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 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 ratios, 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 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.”

“Art. 21

The Board of Directors shall appoint the Chairman, if the Shareholders' Meeting has not done so; it shall also appoint a Secretary, who need not be a Director.

The Chairman:

- represents the Company;
- chairs Shareholders' meetings;
- calls and chairs Board of Directors' meetings, sets the agenda and coordinates its activities;
- ensures that adequate information is provided to the Directors on the items on the agenda;
- exercises the powers the Board of Directors has granted him.

The Board of Directors may appoint up to two Vice-Chairmen and one or more Managing Directors, and delegate its powers to one or more of its members, setting the powers, limitations and methods of exercise pursuant to art. 2381 of the Italian Civil Code.

The Board of Directors can also grant powers to carry out individual operations or categories of activities to employees of the Company or third parties.

The Board of Directors may also appoint one or more General Managers, granting them powers at the Chairman's proposal, having ascertained that they meet the integrity requirement pursuant to

regulations. Failure to satisfy this requirement shall result in disqualification from the position.

The Board of Directors, on the Chairman's proposal and having heard the opinion of the Board of Statutory Auditors, shall appoint a manager charged with preparing the company's financial reports.

This manager must be chosen amongst individuals who have carried out the following for at least three years:

- a) administrative and control activities in a managerial capacity at listed companies with a share capital exceeding two million euros, in Italy, in other European Union or OCSE member states; or
- b) legal audits **of accounts** at the companies, under letter a) or
- c) having had a professional position in the field of or a university professor teaching finances or accounting; or
- d) a management position at public or private companies with financial, accounting or control responsibilities.

The Board of Directors ensures that the manager charged with preparing the company's financial reports is granted adequate powers and has sufficient means to carry out his/her duties; the Board also ascertains that the administrative and accounting procedures are adhered to.

Directors with executive powers ensure that the Company structure, in terms of organisation, administration and accounts, is suited to the nature and size of the company. The Directors inform the Board of Directors and the Board of Statutory Auditors promptly or at least every quarter on company activities, major economic and financial transactions involving the Company or its subsidiaries; in particular they report those operations in which they have an interest, on behalf of

themselves or third parties, or those operations that are subject to the influence of the controlling party.”

“Art. 27

The General Shareholders’ Meeting appoints the Statutory Auditors and determines their remuneration. The Board of Auditors comprises three statutory; 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.

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 **the procedures detailed in art. 19** 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, **represent** at least to 2% (or other percentage set by the Law or other regulation) of **voting** shares at the Ordinary Shareholders' Meeting.

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 **Legal Auditors of Accounts** 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.

The Board of Statutory Auditors convenes, at least every 90 days, by video or teleconference link if required, provided that all participants can be identified, they can follow, receive and transmit documents and that they can participate in the discussion in real time.

The meeting is considered to be based where the Chairman of the Board of Statutory Auditors is attending.

The power to call a Board of Directors' meeting may be exercised individually by each member of the Board of Statutory Auditors; the power to call a Shareholders' meeting may be exercised by at least two members of the Board of Statutory Auditors.”

b) to approve the new text of the Articles of Association incorporating the modifications highlighted above by the Chairman of the Board and approved by the latter.

The Articles of Association are enclosed as Appendix “**A**” and form part of these minutes;

c) to grant the Chairman of the Board of Directors and the Deputy Chairman and C.E.O., separately, all powers to carry out these resolutions, through the use of special proxies if necessary and in compliance with the law;

- - - -

Finally, the Board of Directors with the unanimous vote of all members expressed by a show of hands granted the Chairman of the Board of Directors the power to make formal modifications to the aforementioned resolutions if required at the time of filing in the Company's Register

and to carry out the necessary actions to implement the aforementioned resolutions.

The Chairman closed the discussion of the first item on the agenda.

It is now 12.00 hrs.

I, the Notary, received these minutes, read them out with the Appendix, which the Board approved.

I wrote part of the statement by hand and part of it was typed by a person I trust on 27 sheets of paper.

Minutes were signed at 12.00 hrs.

Signature: Marco Mangiagalli