

Presentation to the Financial Community

Preliminary 2010 Consolidated Results



saipem

February 2011

Forward-Looking Statements

By their nature, forward-looking statements are subject to risk and uncertainty since they are dependent on upon circumstances which should or are considered likely to occur in the future and are outside of the Company's control. These include, but are not limited to: monetary exchange and interest rate fluctuations, commodity price volatility, credit and liquidity risks, HSE risks, the levels of capital expenditure in the oil and gas industry and other sectors, political instability in areas where the Group operates, actions by competitors, success of commercial transactions, risks associated with the execution of projects (including ongoing investment projects), in addition to changes in stakeholders' expectations and other changes affecting business conditions.

Actual results could therefore differ materially from the forward-looking statements.

The Financial Reports contain in-depth analyses of some of the aforementioned risks.

Forward-looking statements are to be considered in the context of the date of their release. Saipem S.p.A. does not undertake to review, revise or correct forward-looking statements once they have been released, barring cases required by Law.

Forward-looking statements neither represent nor can be considered as estimates for legal, accounting, fiscal or investment purposes. Forward-looking statements are not intended to provide assurances and/or solicit investment.

Presentation Outline

- FY 2010 Financial Results and Backlog Analysis
- Oil & Gas Industry Market Outlook
- Saipem Perspectives
 - Offshore
 - Onshore
 - Offshore Drilling
 - Beyond the Capex Plan
 - 2011 Guidance
 - Saipem 2011 & Beyond

FY 2010 Financial Results and Backlog Analysis

FY 2010 Financial Results

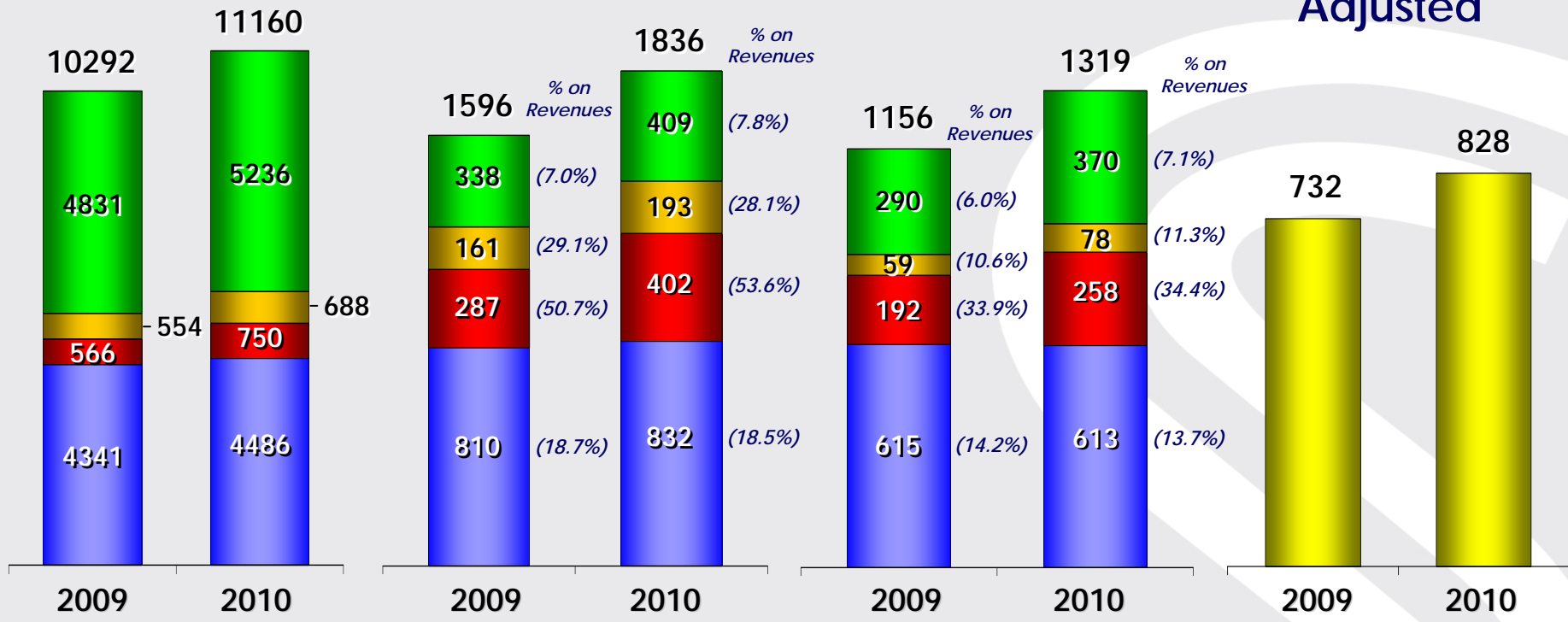
(Mln €)

Revenues

EBITDA

EBIT

Net Profit Adjusted



 Offshore

 Drilling

 Offshore
 Onshore

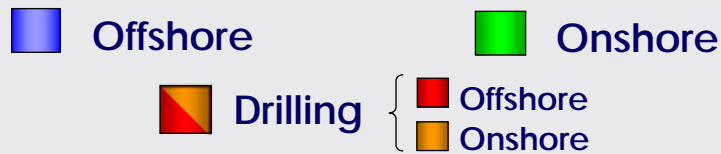
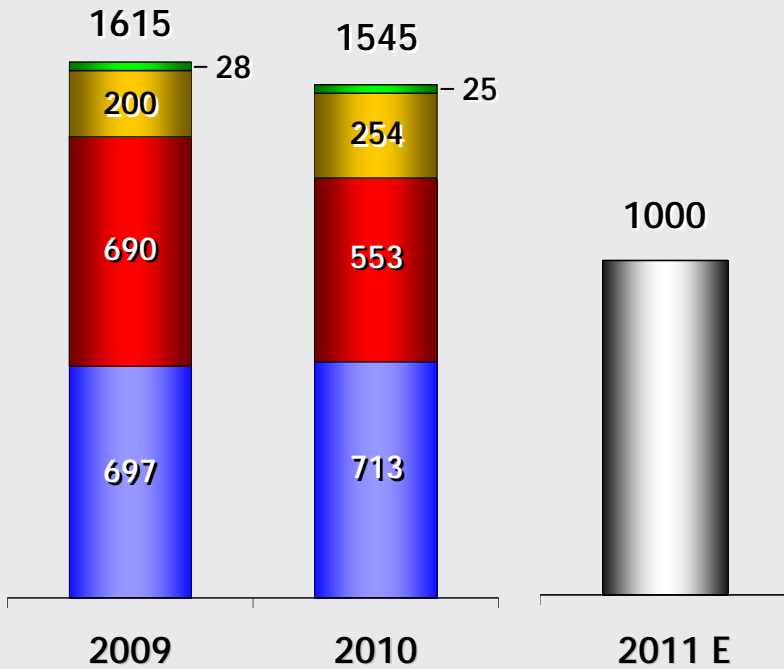
 Onshore

All-time Records across the board
Proposed dividend per share: € 0.63 (+14.5%)

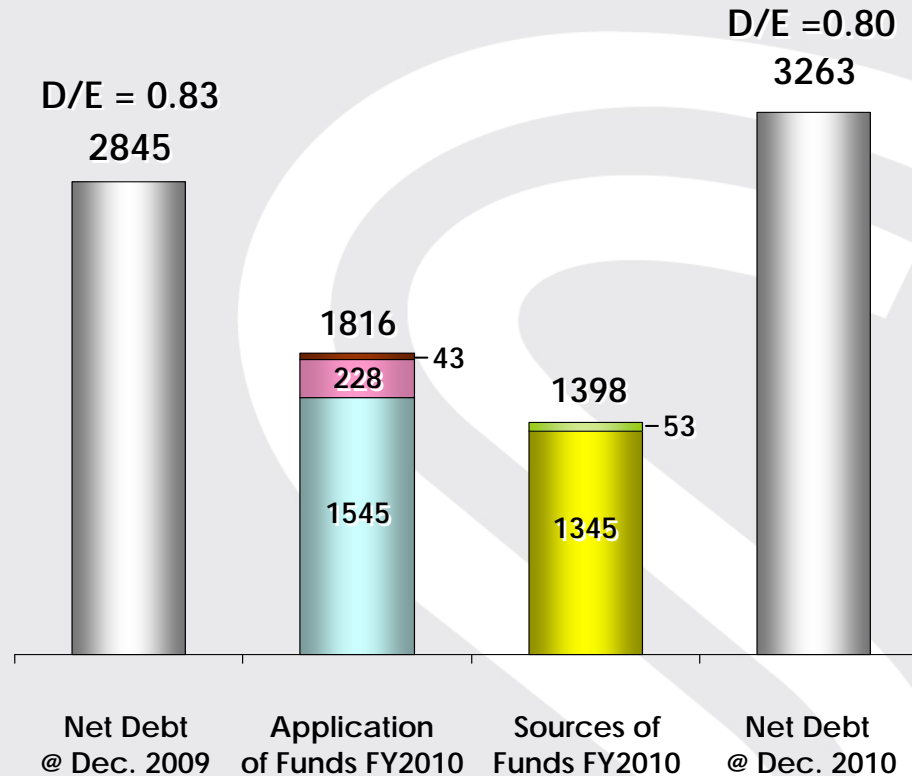
FY 2010 Financial Results

(Mln €)

Capex



Sources and Application of Funds, Net Debt & D/E Ratio



Net Debt @ Dec. 2009 Application of Funds FY2010 Sources of Funds FY2010 Net Debt @ Dec. 2010

Outflows

- △ Working Capital and Others
- Dividends & Shares Buyback
- Capex

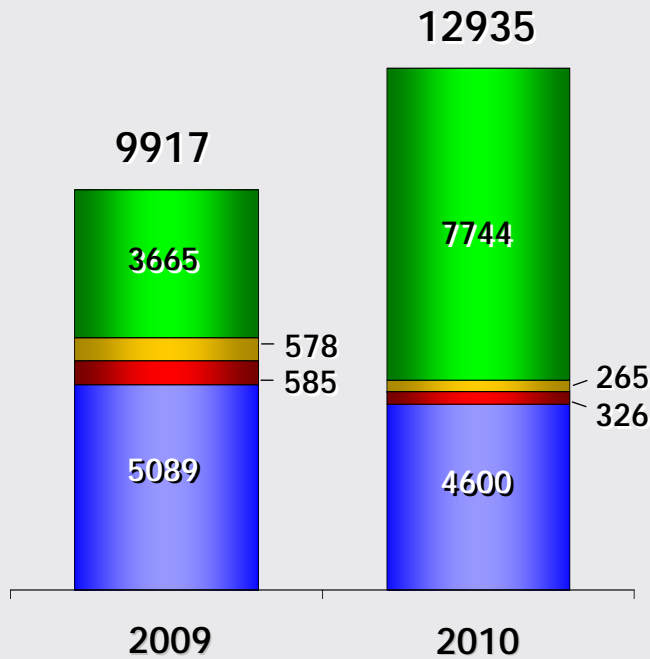
Inflows

- Cash from Disposals
- Adjusted Cash Flow (Adjusted Net Profit + Depreciation)

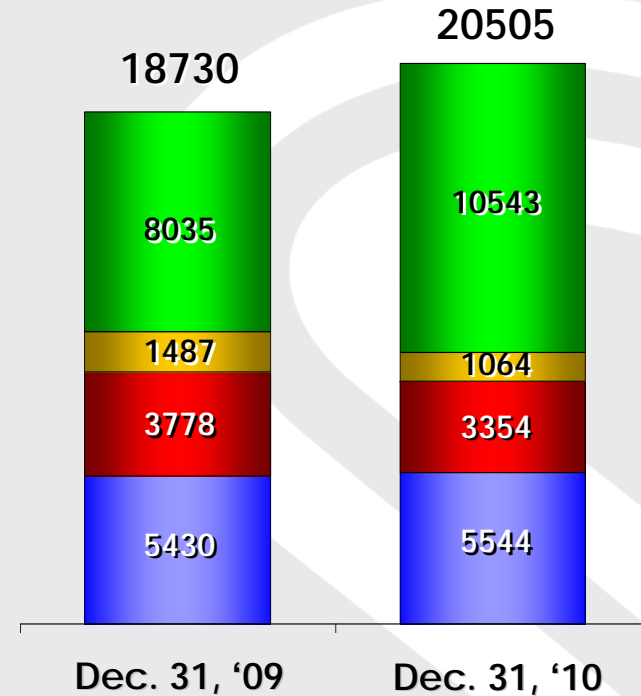
FY 2010 Contract Acquisitions & Backlog

(Mln €)

New Contract Acquisitions



Backlog



 Offshore

 Drilling

 Offshore
 Onshore

 Onshore

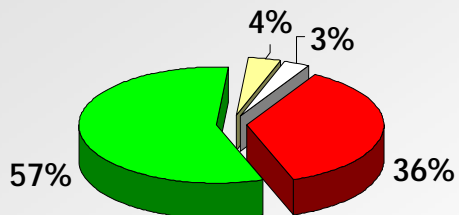
All-time Record Backlog (€ 20.5 Bln)



Backlog Analysis

Saipem Backlog € 20.5 Bln @ Dec, 31 2010

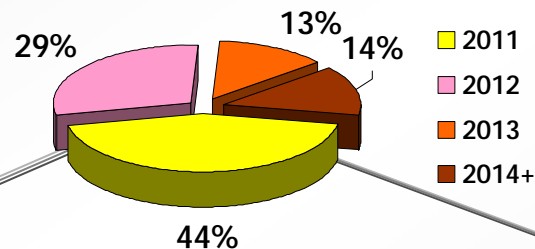
by Client



- Major & Supermajor
- National
- Independent
- Others*

(*) Mainly-downstream, Smaller and Others

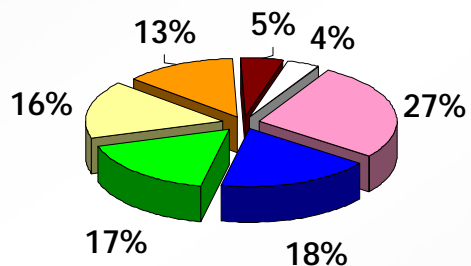
by Year of Execution



2011 Backlog split by Business Unit

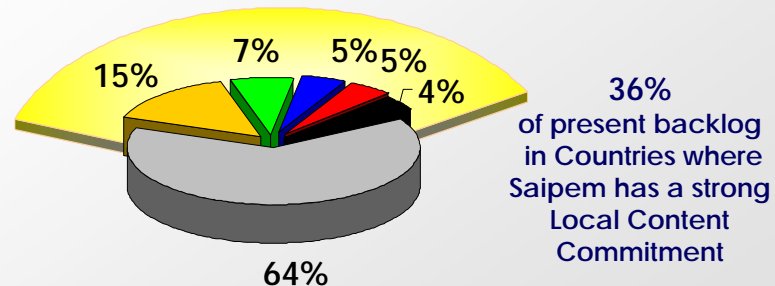


by Geo Area



- Middle East
- North Africa
- Europe
- America
- West Africa
- CIS
- Asia Pacific

by Country – Local Content Focus

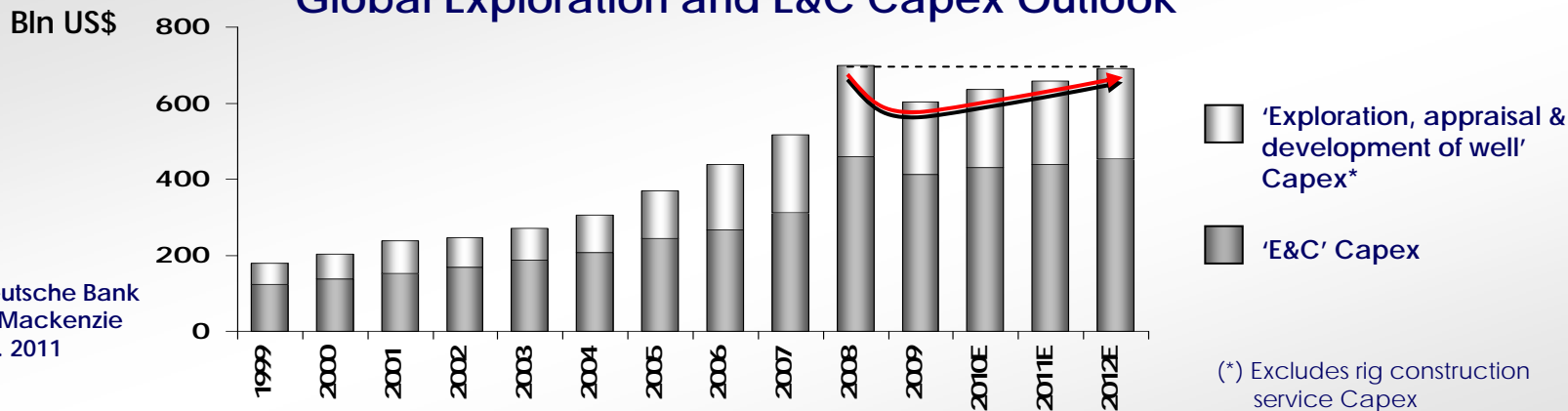


- Algeria
- Saudi Arabia
- Angola
- Nigeria
- Kazakhstan
- Others

Oil & Gas Industry Market Outlook

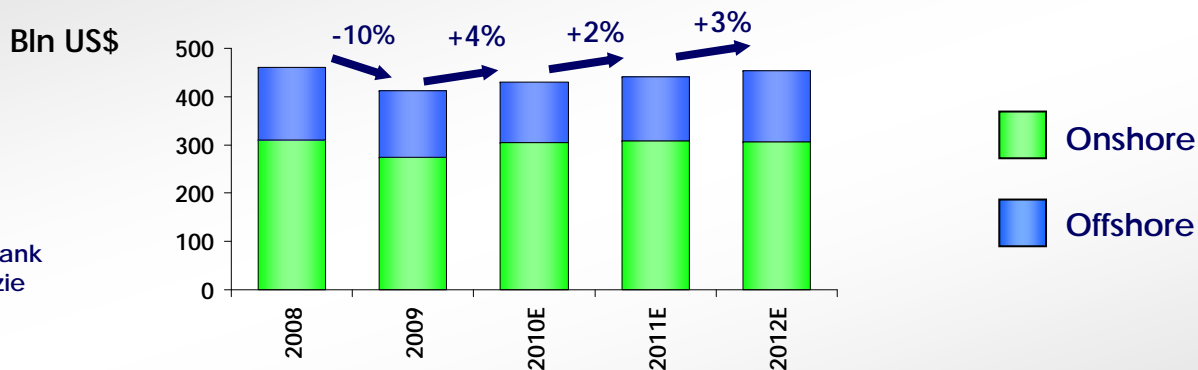
Oil & Gas Industry Market Outlook

Global Exploration and E&C Capex Outlook



Oil&Gas Investments expected to return to record 2008 levels in 2012...

Global E&C Capex Outlook

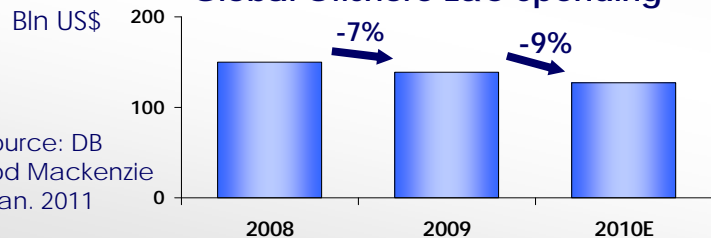


...with E&C Capex underpinning the recovery

Saipem Perspectives - Offshore -

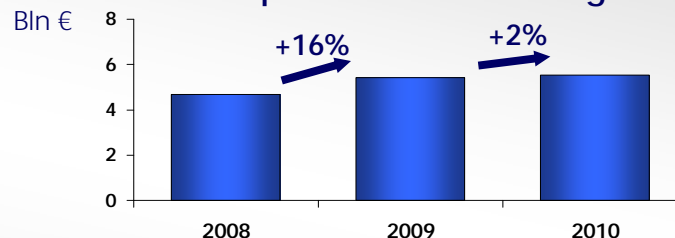
Recent History

- Global Offshore E&C Spending -



Source: DB & Wood Mackenzie Jan. 2011

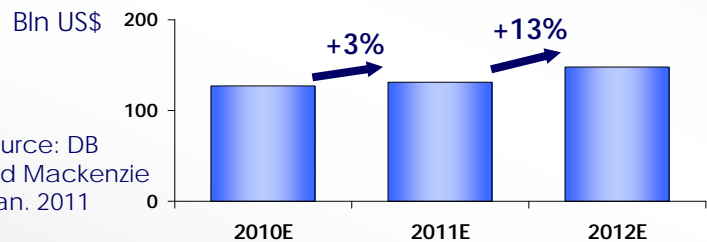
- Saipem Offshore Backlog -



Saipem: resilient in tough times

Outlook

- Global Offshore E&C Spending Forecast -



Source: DB & Wood Mackenzie Jan. 2011

Spending "hot themes"

- DW & Ultra-DW
- Extreme Pipelines
- Frontier Developments

2011: first mild signals of a recovery expected to occur steadily in 2012

FDS 2



Usan Field Development

Location: Nigeria
SoW: EPIC URF

Walker Ridge Export Pipeline

Location: US GOM
SoW: 220 Km Ø 24" oil pipeline

CastorOne



New Assets already contributing to Backlog and Execution

Prepared for strong momentum in Deep/Ultra-deepwater Development and Extreme Pipelines



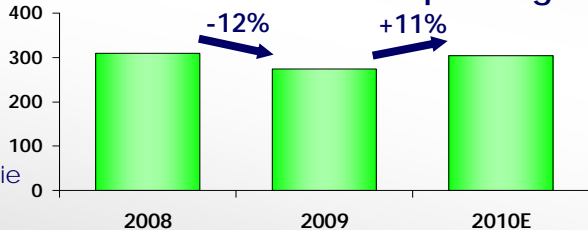
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Saipem Perspectives

- Onshore -

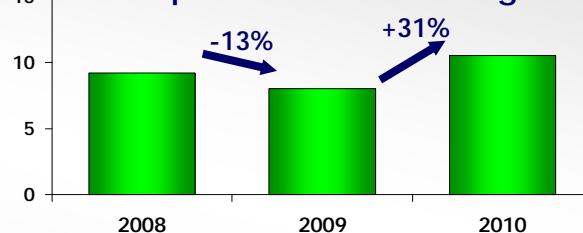
Recent History

Bln US\$ - Global Onshore E&C Spending -



Source: DB & Wood Mackenzie Jan. 2011

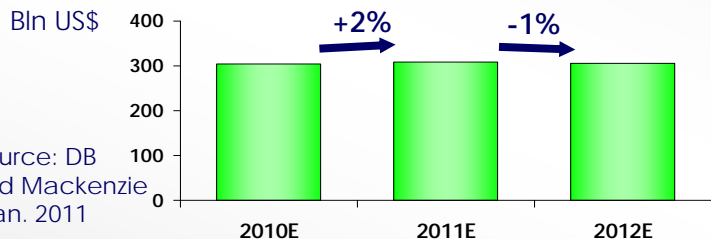
Bln € - Saipem Onshore Backlog -



Backlog Quality & Quantity increased in complex market

Outlook

- Global Onshore E&C Spending Forecast -



Source: DB & Wood Mackenzie Jan. 2011

Spending "hot themes"

- Iraq
- NOCs
- LNG

Market expected to stabilize on peak level since 2010 recovery

E-P-C Model Continuous Improvement

- Flexibility & Cost Effectiveness
- Project-to-Project learning loops
- Improve Efficiency - Reduce Risk



Saipem diversified business lines and presence in key onshore markets

➔ exploiting positive market across Business Segments and Geographic Areas

Gradual Revenue and Margin Improvement

Onshore - Exploiting Strong Market with Unique Industrial Model



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Saipem Perspectives - Offshore Drilling -

Recent History

Utilisation Rate

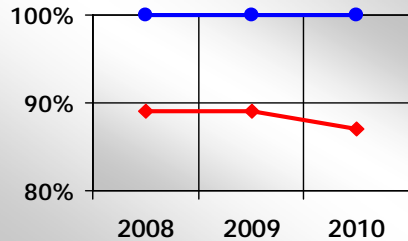
Saipem Fleet

VS

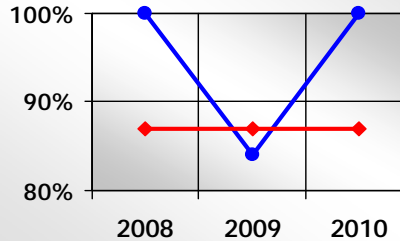
Worldwide Fleet

Source: ODS Petrodata
Rigs under contract,
marketed utilisation

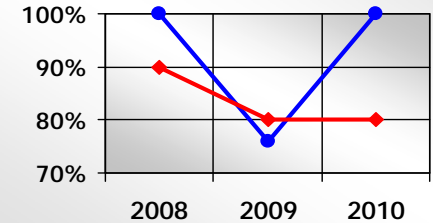
Floater >3000ft.



Floater ≤3000ft.



Jackup*



* All J-UP ≤400 ft, excluding Workover-only

Niche Fleet outperforms the market

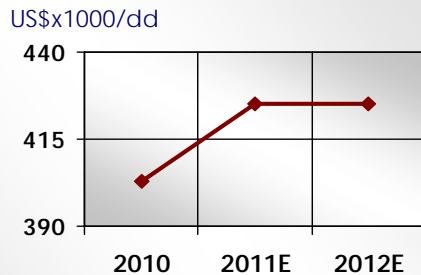
Outlook

Dayrates

Worldwide
Market Forecast
(Average)

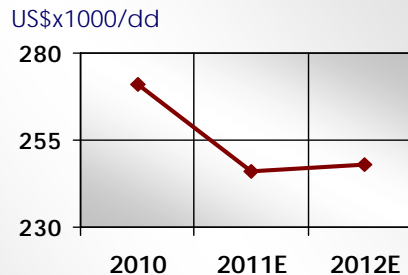
Source: ODS Petrodata

Floater >3000ft.



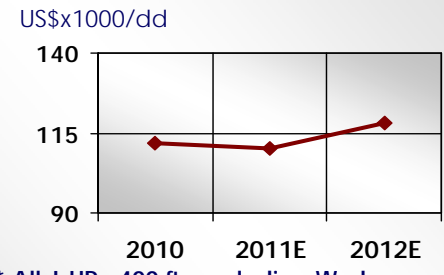
6 Floaters >3000ft.

Floater ≤3000ft.



3 Floaters ≤3000ft.

Jackup*



6 Jackup*

* All J-UP ≤400 ft, excluding Workover-only

Saipem fleet
post capex plan

% of Saipem
Capacity
Currently contracted

2011 = 100%

2012 = 92%

2011 = 94%

2012 = 67%

2011 = 67%

2012 = 18%

Benefiting from Long-Term Contracting Policy:
Dayrates locked-in compare well with market trend

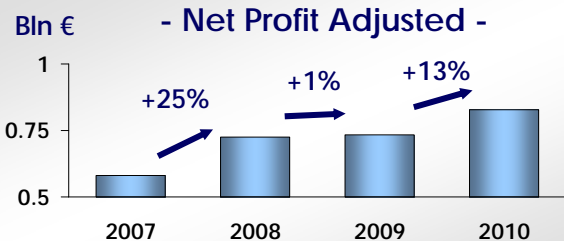
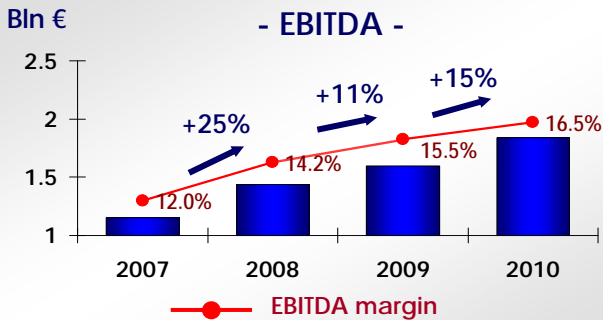
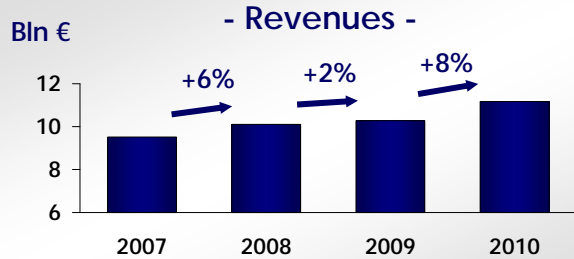
Imminent Capacity availability
to exploit Improving Dayrates

Beyond the Capex Plan



Saipem 2007-2010: Growth - without stressing Balance Sheet

Saipem recent Sound Growth...



Robust results based on Strong Industrial Model

...while funding a massive Capex Plan...

In Service

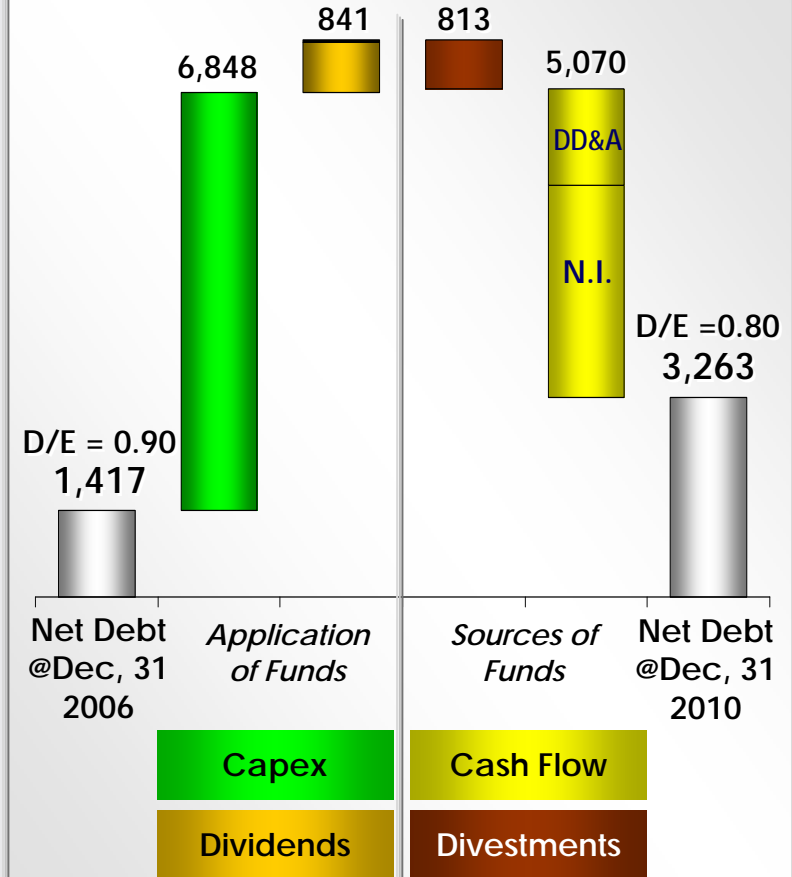
- Saipem 12000
- FPSO: Vitória Gimboa
- Castoro 7
- Perro Negro 6 - 7 - 8
- Caspian Fleet
- LandRigs

To Be Delivered

- FDS 2
- CastorOne
- Scarabeo 8
- Scarabeo 9
- Karimun Yard
- FPSO: Aquila 2

Capex ~ € 8 Bln
(including '11E)

...maintaining Financial Discipline



Dec, 31 2006 - Dec, 31 2010:
Net Debt increase < 2 Bln €
Gearing still below parity

Capex Plan largely funded by solid cash flow generation

2011 Guidance

Revenues: +5%

EBITDA: +10%

Net Profit Adjusted: +5%
(including the impact of additional ~ € 100 Mln depreciation
and increased financial charges)

Capex: ~ € 1 Bln

2011 & Beyond

- Encouraging Market Outlook
- 2011 Capex Target : € 1 Bln
- From 2012 - Maintenance Capex to preserve quality: ~ € 400 Mln per year
- Sustained Cash Flow Generation further reinforced by...
- Enlarged Fleet, dominated by Powerful Distinctive Assets

...Generating Resources for

- De-leveraging
- Future Opportunities:
 - New 'Local Content' Potential - examples: Brazil, Iraq
 - Technology to tackle future 'Frontiers' - examples: Ultra-DW, Arctic
 - Potential New FPSO investment
 - ...

End of Presentation

