

PROJECT FOR THE MERGER BY INCORPORATION OF SAIPEM ENERGY SERVICES S.p.A. INTO SAIPEM S.p.A.

This project for the merger by incorporation of SAIPEM ENERGY SERVICES S.p.A. into SAIPEM S.p.A. was drawn up pursuant to art. 2501 – ter of the Italian Civil Code.

The company to be merged is a sole shareholder company, fully owned by Saipem S.p.A., the incorporating company.

Both companies are subject to the direction and coordination of Eni S.p.A.

Rationale behind the merger

The purpose of this merger operation is the rationalisation of the holding structure of Saipem's Italian Group Companies, through the integration of Saipem Energy Services' offshore competencies, pertaining to engineering and project management services and FPSO (Floating, Production Storage and Offloading) business management, into Saipem's Engineering and Construction Business Unit.

The merger will also enable to optimise staff and business support structures, improving the effectiveness of the production system through the harmonization of operational and management standards.

Provisions of art. 2501 – ter of the Italian Civil Code

This document contains all information required by art. 2501 – ter of the Italian Civil Code, paragraph 1, numbers 1), 2) 6) , 7) and 8); Saipem Energy Services S.p.A., the company to be merged, is fully owned directly by Saipem S.p.A., the incorporating company, and the ownership will remain unchanged until the merger is completed.

For the purposes of this merger, the reference financial positions for both companies involved are their respective Financial Statements at December 31, 2010, approved by their respective Shareholders' Meeting.

Type, name and registered office of all companies involved in the merger

Incorporating company

Saipem S.p.A. with registered office in San Donato Milanese (Milan), via Martiri di Cefalonia, 67, share capital Euro 441,410,900, is listed on the Milan Register of Companies, fiscal code 00825790157. The Company is listed on the Telematic Stock Exchange and is subject to the direction and coordination of Eni S.p.A..

Company to be merged

Saipem Energy Services S.p.A. with registered office in San Donato Milanese (MI) via Martiri di Cefalonia, 67, share capital Euro 9,020,216, is listed on the Milan Register of Companies, fiscal code 03981460961. The company is a sole shareholder company and is 100% owned by the incorporating company Saipem S.p.A.

Deed of incorporation for the incorporating company, and any amendments deriving from the merger

Saipem S.p.A. was incorporated on September 1, 1969 (Deed of Incorporation by Mr Castellini, Notary, Rome, file no. 120712 deed no. 22844). The Deed of Incorporation and the Articles of Association of Saipem S.p.A. are enclosed (appendix A and B respectively).

As the corporate purpose of Saipem S.p.A. already includes that of the company to be merged and that no shares will be issued since the company to be merged is fully owned directly by the incorporating company Saipem S.p.A., no amendments will be made to the Articles of Association of Saipem S.p.A.

Effective date from which operations by the company to be merged will be posted to the financial statements of the incorporating company

From a legal, accounting and fiscal standpoint, the merger will be effective from 00.01 hrs on January 1, 2012.

From an accounting standpoint, both company shall prepare and file separate financial statements for the year January 1, 2011 – December 31, 2011.

From January 1, 2012, only the incorporating company shall draw up and file its own financial statements and tax return for the period January 1, 2012 – December 31, 2012.

Specific categories of shareholders and/or holders of securities other than shares enjoying preferential treatments, if any

There are no specific categories of shareholders and no preferential treatment is enjoyed by holders of securities other than shares.

Proposed privileges/benefits, if any, to be enjoyed by persons who will be responsible for managing the companies to be merged

No privileges and/or benefits will be enjoyed by persons responsible for managing the companies involved in the merger.

The Deputy Chairman and C.E.O. of Saipem S.p.A.

Pietro Franco Tali

The Chairman of Saipem Energy Services SpA

Mario Rossi Ganzer

Saipem S.p.A. – Report by the Board of Directors concerning the Project for the Merger by Incorporation of Saipem Energy Services S.p.A. into Saipem S.p.A., prepared in compliance with Form 1 (see Appendix 3A), of Consob Resolution no. 11971 dated May 14, 1999 (approved by the Board of Directors on June 16, 2011).

“1.a) Report and reasons for the merger, specifically in respect of the management objectives of both companies involved and plans made to achieve them.

The purpose of this operation is the merger by incorporation of Saipem S.p.A., with registered office in San Donato Milanese, Via Martiri di Cefalonia n. 67, fully paid up share capital of euro 441,410,900, enrolled in the Milan Register of Companies, fiscal code 00825790157, and Saipem Energy Services S.p.A., a sole shareholder company, with registered office in San Donato Milanese (MI) via Martiri di Cefalonia, 67, fully paid up share capital of Euro 9,020,216, listed on the Milan Register of Companies, fiscal code 03981460961.

Both companies are subject to the direction and coordination of Eni S.p.A..

This operation stems from the recent reorganization of Saipem’s operations into two business units. Its purpose is the integration of Saipem Energy Services’ core competencies (engineering and maintenance services, and leased FPSO), into Saipem’s competencies, maximising all possible industrial synergies and providing financial and operational benefits.

1.b) Financial evaluation of companies involved to determine their share exchange ratio.

1.c) Exchange ratio and criteria used for its calculation.

1.d) Methods of share allocation of the incorporating company and transfer date.

For the purposes of this merger, the reference financial positions for both companies are their Financial Statements at December 31, 2010, approved by their respective Shareholders’ Meetings.

Since Saipem S.p.A. is the sole shareholder of the company to be merged, no financial evaluation was required to determine its share exchange ratio, and no Saipem shares will be allocated. The shares of the company to be merged will be annulled.

1.e) Date from which operations carried out by the company to be merged are posted on the financial statements of the incorporating company.

Operations carried out by the company to be merged shall be posted, for fiscal and other purposes, on

the financial statements of Saipem S.p.A. from January 1, 2012.

1.f) Fiscal impact of the merger operation on companies involved.

As the merger will not generate gains, or distribution thereof, it will have no fiscal impact for either Saipem S.p.A. or the company to be merged.

1.g) Changes in the shareholding or control structure of the incorporating company.

The merger will have no impact on the shareholding or control structure of Saipem S.p.A.

1.h) Impact of the merger on relevant shareholders' agreements pursuant to art. 122 of Law 58/98, involving shares of the companies participating in the merger.

Saipem S.p.A. is not aware of any Shareholders' agreements.

1.i) Considerations of the Board of Directors regarding the right of withdrawal for dissenting Shareholders.

1.l) Subjects entitled to the right of withdrawal.

Since the corporate purpose of Saipem S.p.A. already includes that of the company to be merged, it will not need to be amended. Therefore, the right of withdrawal does not apply.

Messrs Directors, in light of the above,

you are invited to:

- approve the Project for the Merger by Incorporation into Saipem S.p.A. of Saipem Energy Services S.p.A. based on their respective financial statements at December 31, 2010;
- grant the Deputy Chairman and CEO the necessary powers to carry out this motion, through proxies if necessary and in compliance with current legislation, and to implement this motion, amend it, as and when required by the appropriate Authorities in order for it to be filed with the Register of Companies”.

San Donato Milanese, June 16, 2011

Deputy Chairman and CEO of Saipem S.p.A.

Pietro Franco Tali