

Presentation to the Financial Community

FY 2009 Results



saipem

February 2010

Forward-Looking Statements

Forward-looking statements are based on a number of assumptions and expectations that could ultimately prove inaccurate, as they are subject to risks and variables, outside the company's control, that could cause actual results to differ materially, including currency fluctuations, the level of capital expenditure in the oil and gas industry as well as other industries, the timing of development of energy resources, construction and project risks, armed conflict or political instability in the Arabic Gulf or other regions, the strength of competition and interest rate fluctuations.

Presentation Outline

- FY 2009 Financial Results
- Oil & Gas Industry Market Outlook
- Saipem in 2010: Resilient despite Recession
 - Backlog Analysis
 - Offshore Example
 - Onshore Example
 - Drilling Example
 - 2010 Guidance
- Beyond 2010: benefiting from Capex Plan
 - Conclusions



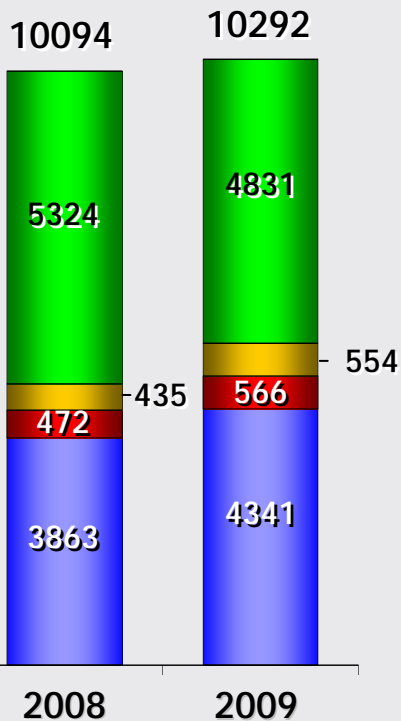
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FY 2009 Financial Results

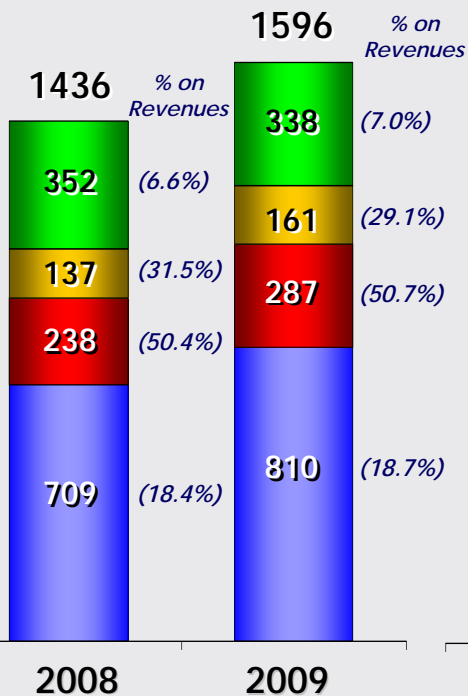
FY 2009 Financial Results

(Mln €)

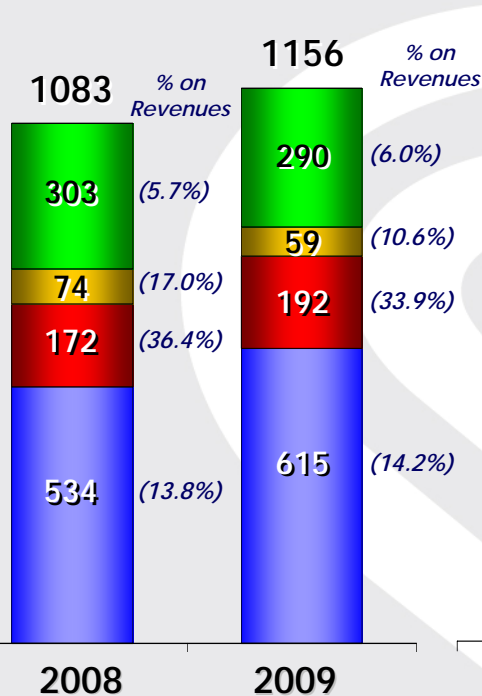
Revenues



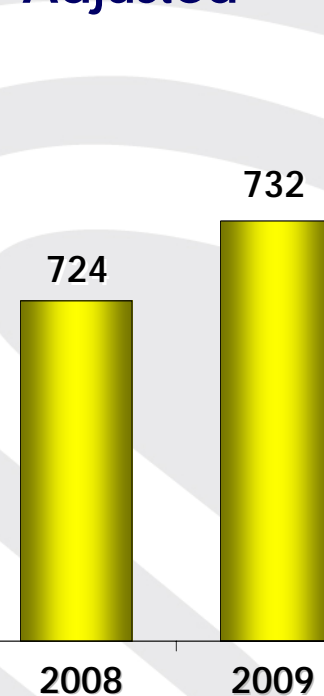
EBITDA



EBIT



Net Profit Adjusted



 Offshore

 Drilling

 Offshore
 Onshore

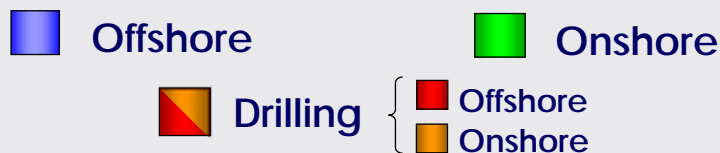
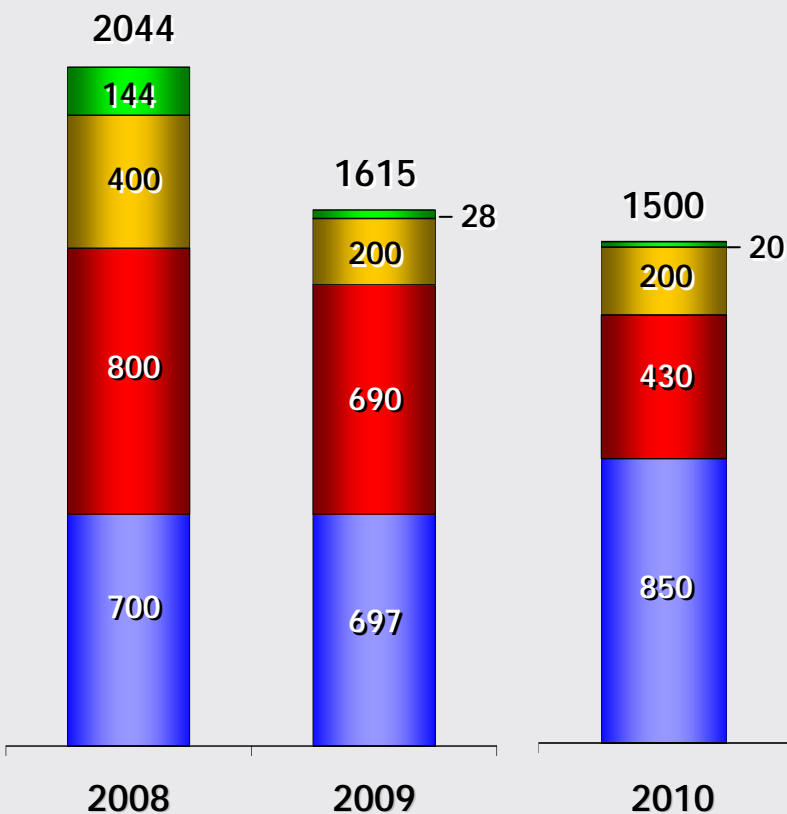
 Onshore

Record Results across-the-board
Proposed dividend per share: € 0.55

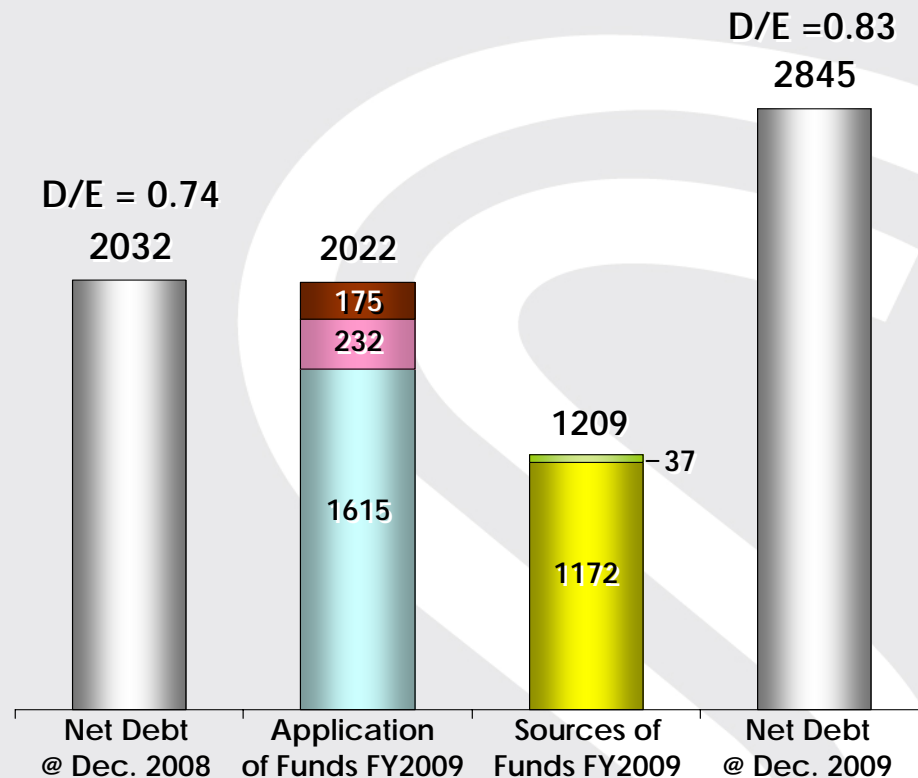
FY 2009 Financial Results

(MIn €)

Capex



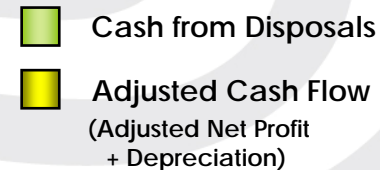
Sources and Application of Funds, Net Debt & D/E Ratio



Outflows



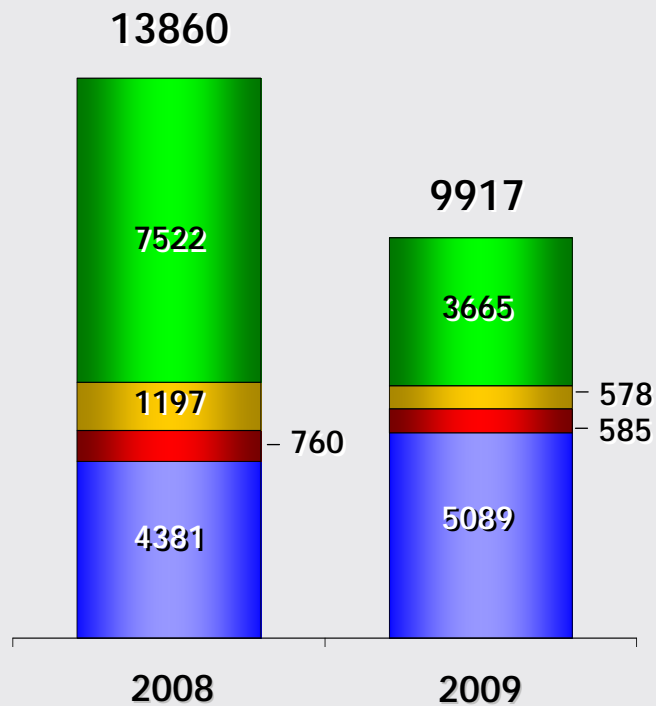
Inflows



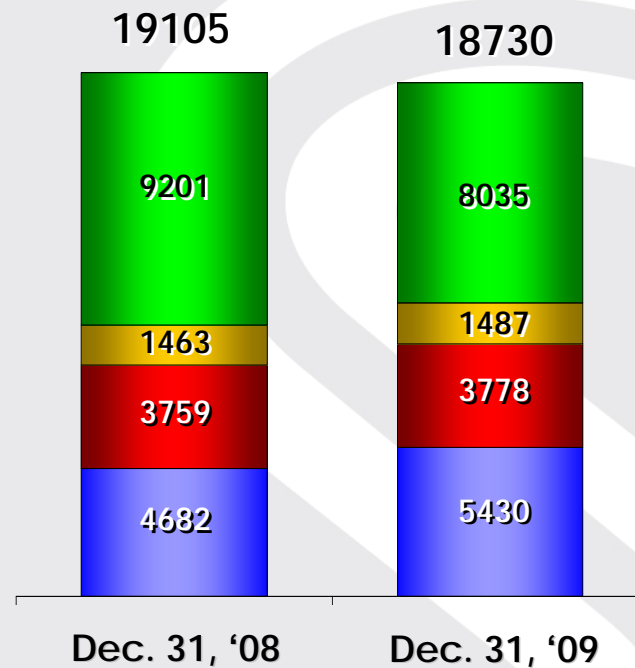
FY 2009 Contract Acquisitions & Backlog

(Mln €)

New Contract Acquisitions



Backlog



 Offshore

 Drilling

 Offshore
 Onshore

 Onshore



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Oil & Gas Industry Market Outlook

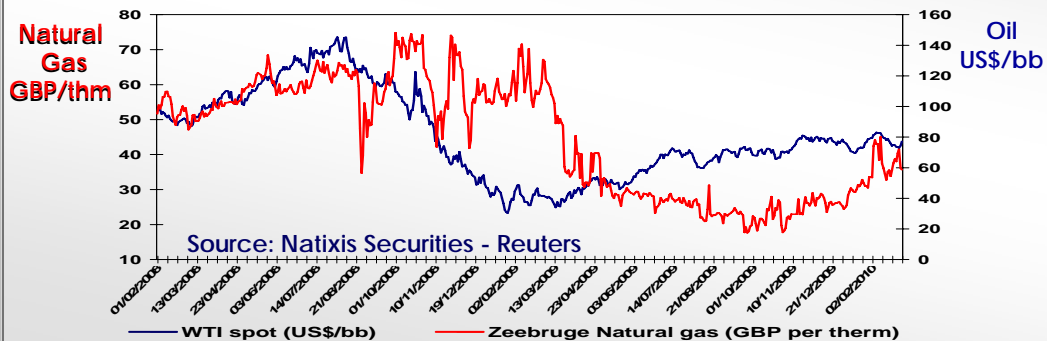


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Oil & Gas Industry Market Outlook

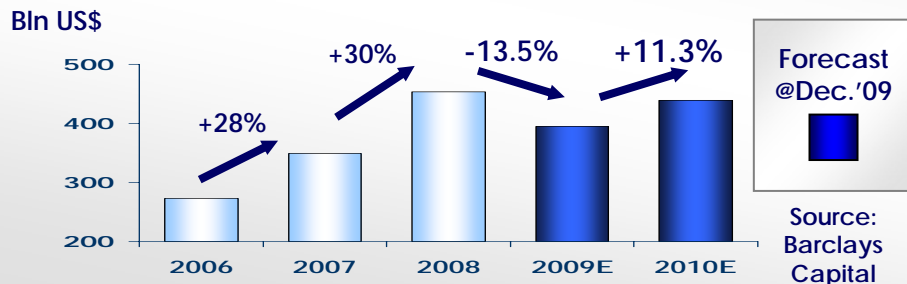
- Uncertainty Decreasing but Recovery is Hesitant -

Oil Price stabilizing - Natural Gas still weak



- Tentative steps towards sustainable economic recovery
- Oil Price perceived as stabilizing (gradually)
- Gas Demand still weak

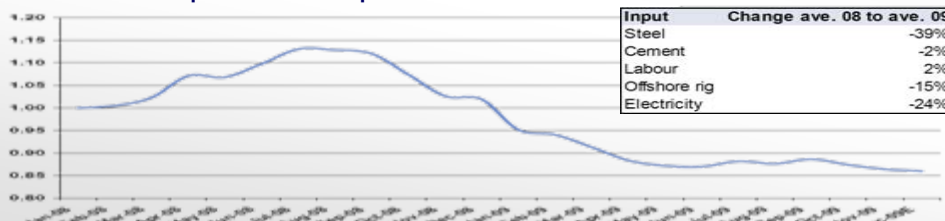
E&P Spending trending up



- E&P Investments expected to resume positive trend
- Timing of Gas-driven projects still doubtful

Cost Deflation

Deepwater development cost index Jan.'08 - Dec.'09



Source: Goldman Sachs Research

- Lower industry cost base could facilitate recovery

Outlook for Oil Services Industry - Improvement Still Hesitant



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Oil & Gas Industry Market Outlook

- Downturn Impact Timing:

Oil Companies
(Immediate)

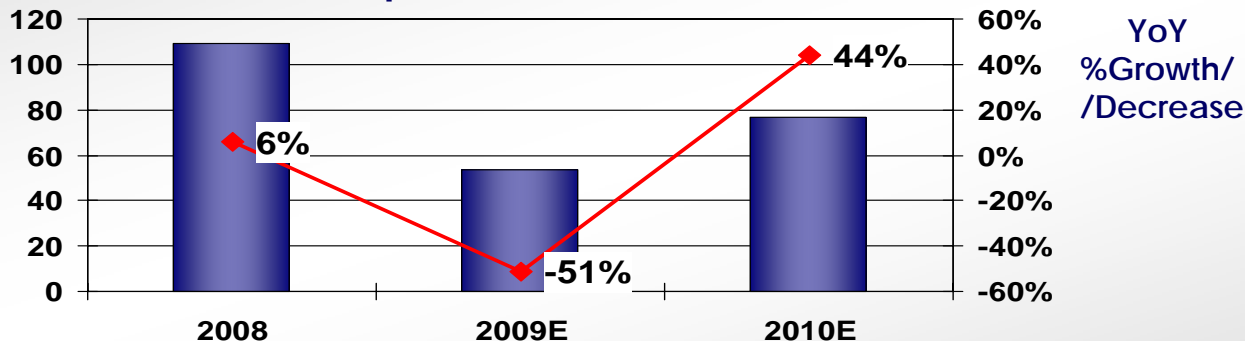
Vs.

Oil Services
(Delayed)

-

Oil Companies* - Net Income

Aggregate Net Income
(€ Bln)



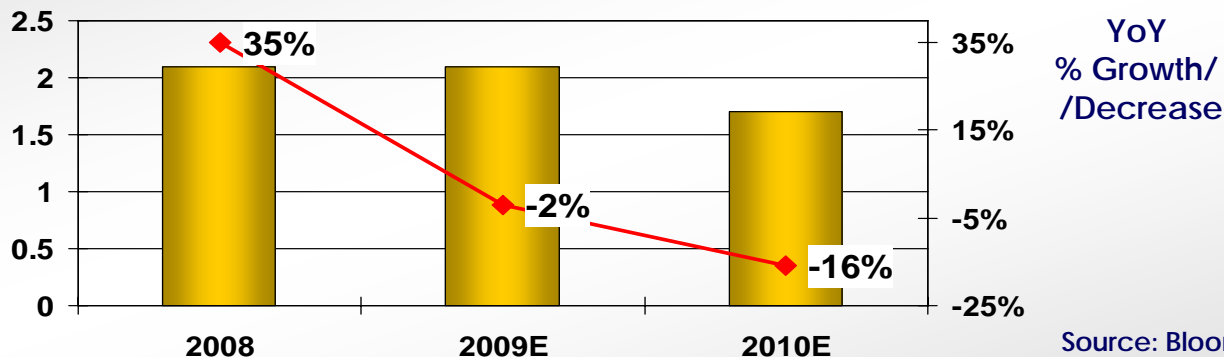
* Group of 7 Major Oil Companies

Source: Bloomberg

Immediate effect on Oil Co.s' bottom line

Oil Services Companies Peer Group** - Net Income

Aggregate Net Income
(€ Bln)



** Peer Group of 10 Oil Services Companies both Onshore and Offshore (Saipem not included)

Source: Bloomberg

Oil Services Industry: 2010 expected to be a more challenging year

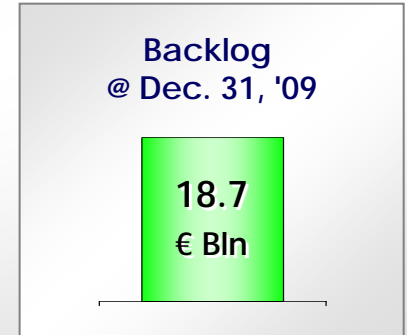
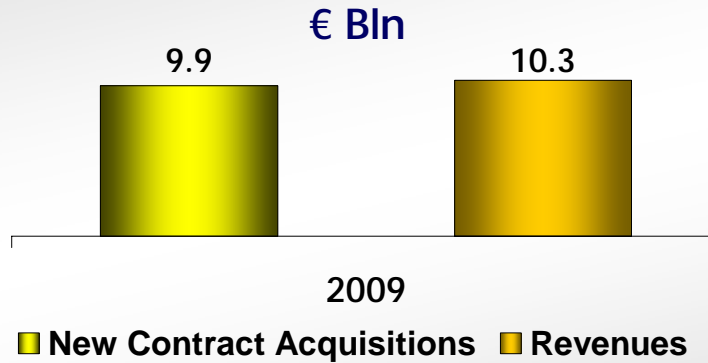
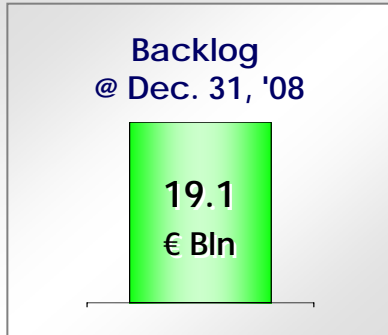
Saipem in 2010: Resilient despite Recession



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Saipem in 2010: Resilient despite Recession

Backlog: Remarkable Mix of Quality and Quantity

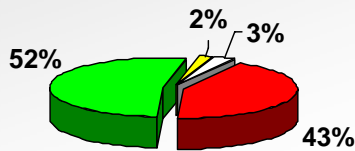


Saipem Exposure to High Quality - Resilient Markets

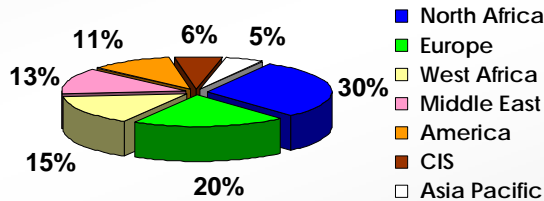
- Major and Supermajor
- National
- Independent
- Others*

(*) Mainly-downstream, Smaller and Others

by Client

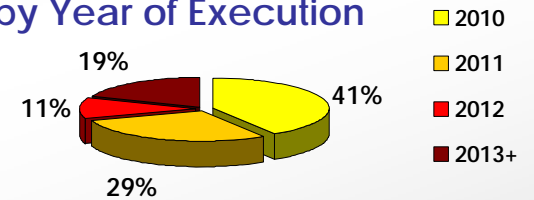


by Geo Area



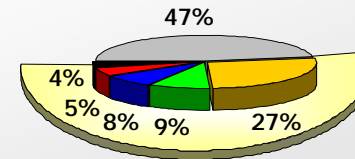
Backlog € 18.73 Bln @ Dec. 31, 2009

by Year of Execution



by Country - Local Content Focus

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



More than 50% of present backlog in Countries where Saipem has a strong Local Content Commitment

Good when bad and better when good

Saipem in 2010: Resilient despite Recession

Offshore Example: "Bigger and Tougher"

Nord Stream Gas Pipeline



Client: Nord Stream AG*

Scope of work: pipelaying of two 48" twin gas lines from Vyborg, Russia to Greifswald, Germany through the Baltic Sea; 1,220 kilometres (each line);

Overall transport capacity 55 bcm per annum approximately (two lines).

Additional SoW: Surveys, Pre-Intervention Works (Rock Dumping), German and Russian Landfalls.

**Timing: first line is scheduled in 2010 and 2011;
second line is scheduled in 2011 and 2012.**

Main Vessels: Castoro Sei - Castoro 10

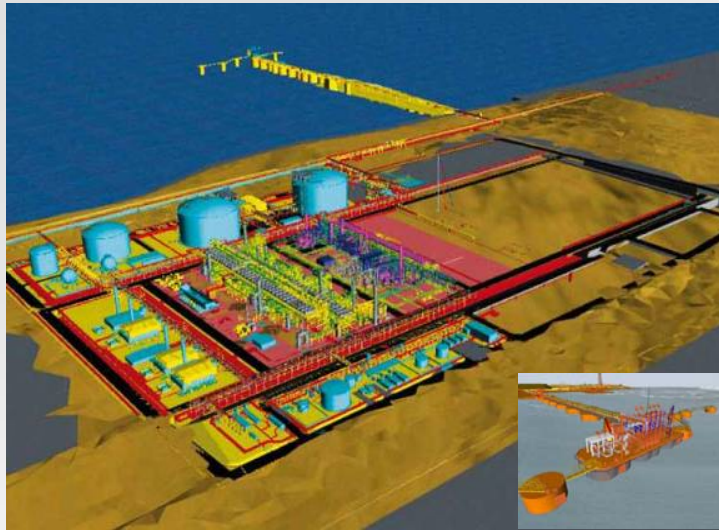
Overall Contract Value : € ~1.5 Bln



* Nord Stream AG Shareholders are: OAO Gazprom (51%), Wintershall Holding AG (20%), E.ON Ruhrgas AG (20%), N.V.Nederlandse Gasunie (9%)

Key Component of Current Workload

Onshore Example: Big and Complex



Arzew LNG 3rd Train (GNL3Z)

Client: Sonatrach

Scope of work: EPC of a single-train gas liquefaction (LNG) plant, capacity of 4.7 million tonnes per annum of LNG

Location: near the Algerian city of Arzew, 400 kilometres approximately west of Algiers

Contract Award : July 2008










Completion: end of 2012

Contract Value : € 2.9 Bln



Saipem in 2010: Resilient despite Recession

Offshore Drilling Capex Plan Completed in 2010

Rig type	Pre-Capex Fleet	Capex Plan 2006-2011		Final N. of Rig	% Growth
		P/L impact before 2010	P/L impact starting from 2010		
DW Drillship	 S10000	-	 S12000	2	+100%
DW Semisub	 SC5 SC7	-	 SC8 SC9	4	+100%
Conventional Semisub	 SC3 SC4 SC6	-	-	3	-
Jackup	 PN2 PN3 PN4 PN5	 PN7	 PN6	6	+50%
TAD	-	 TAD	-	1	NA

Enlarged fleet to boost P/L by 2010

Saipem in 2010: Resilient despite Recession

2010 Guidance

Revenues Maintained (some variation in BU mix)

Higher EBITDA

Increased Depreciation, mainly in Drilling

EBIT Maintained

Capex ~ € 1.5 Bln

Beyond 2010: Benefiting from Capex Plan

Beyond 2010: Benefiting from Capex Plan



Unique combination of high-quality assets and superior engineering coupled with stronger financial resources to address tougher frontier challenges



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Conclusions

Conclusions

Context

- Oil Price perceived as stabilizing:
gradual resumption of E&P Capex Positive Trend
- Gas Demand still weak: may affect timing of gas-driven projects

- Downturn/Recovery Bottom Line Impact – Different Timing:
 - Oil Companies: Immediate
 - Oil Services: Delayed

⇒ 2010 expected to be a more challenging year for Oil Services Co.'s results

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- In 2010:
 - Resilient despite Recession
 - Backlog: Distinctive Mix of Large, Tough, Strategic Projects
- Guidance: Revenues Maintained, Higher EBITDA,
Increased Depreciation mainly in Drilling, EBIT Maintained,
Lower Capex: ~ € 1.5 Bln

- Beyond 2010: Benefiting from Capex Plan
Powerful New Assets:
 - Strengthen 'Frontier' Capacity
 - Exploit Recovering Market
 - Tailored to Increased Project Complexity

⇒ Underpin Upward Results Trend and Cash Flow generation
(Depreciation much higher than Maintenance Capex)

⇒ Net Debt and Gearing Reducing quickly

⇒ Free Resources for Future Opportunities