



FIRST QUARTER 2016 RESULTS PRESENTATION

27 April 2016

Saipem. Engineering Energy



FORWARD-LOOKING STATEMENTS

Forward-looking statements contained in this presentation regarding future events and future results are based on current expectations, estimates, forecasts and projections about the industries in which Saipem S.p.A. (the “Company”) operates, as well as the beliefs and assumptions of the Company’s management.

These forward-looking statements are only predictions and are subject to known and unknown risks, uncertainties, assumptions and other factors beyond the Company’s control that are difficult to predict because they relate to events and depend on circumstances that will occur in the future. These include, but are not limited to: forex 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.

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The Financial Reports contain analyses of some of the aforementioned risks.

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TODAY'S PRESENTATION

1 OPENING REMARKS

2 1Q 2016 RESULTS

3 BUSINESS REVIEW AND UPDATE ON COST OPTIMISATION

4 CONCLUSIONS

5 APPENDIX

Q1 HIGHLIGHTS

- Results on track
 - Operating margins €179mn, underpinned by Offshore performance
 - E&C Onshore positive for the 3rd consecutive quarter
 - Onshore Drilling results impacted by challenging environment in South America
- Net Debt at €2.0bn
 - Leverage* below 1.7x as per target
- Backlog: €14.0bn
 - Near-term order visibility on a number of sizable forthcoming projects
- Fit For the Future programme increased to €1.7bn
 - Additional savings identified for €200mn
 - Scrap/disposal of two further vessels

2016 Guidance confirmed



1Q 2016 RESULTS

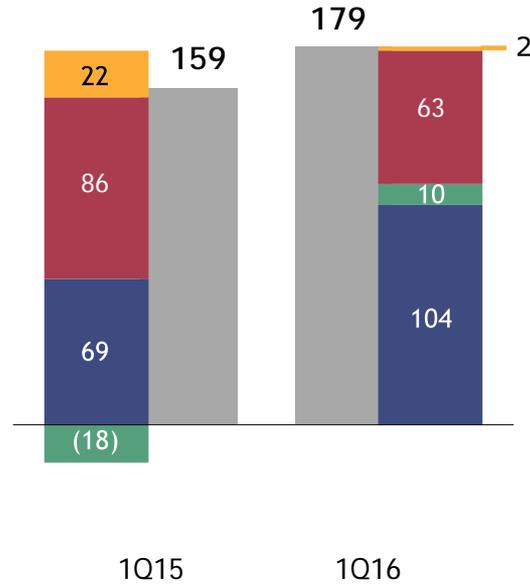
1Q 2016 RESULTS

YoY comparison (€ mn)

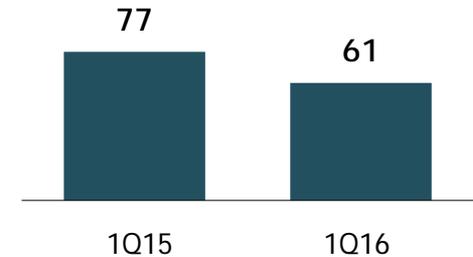
Revenues



EBIT

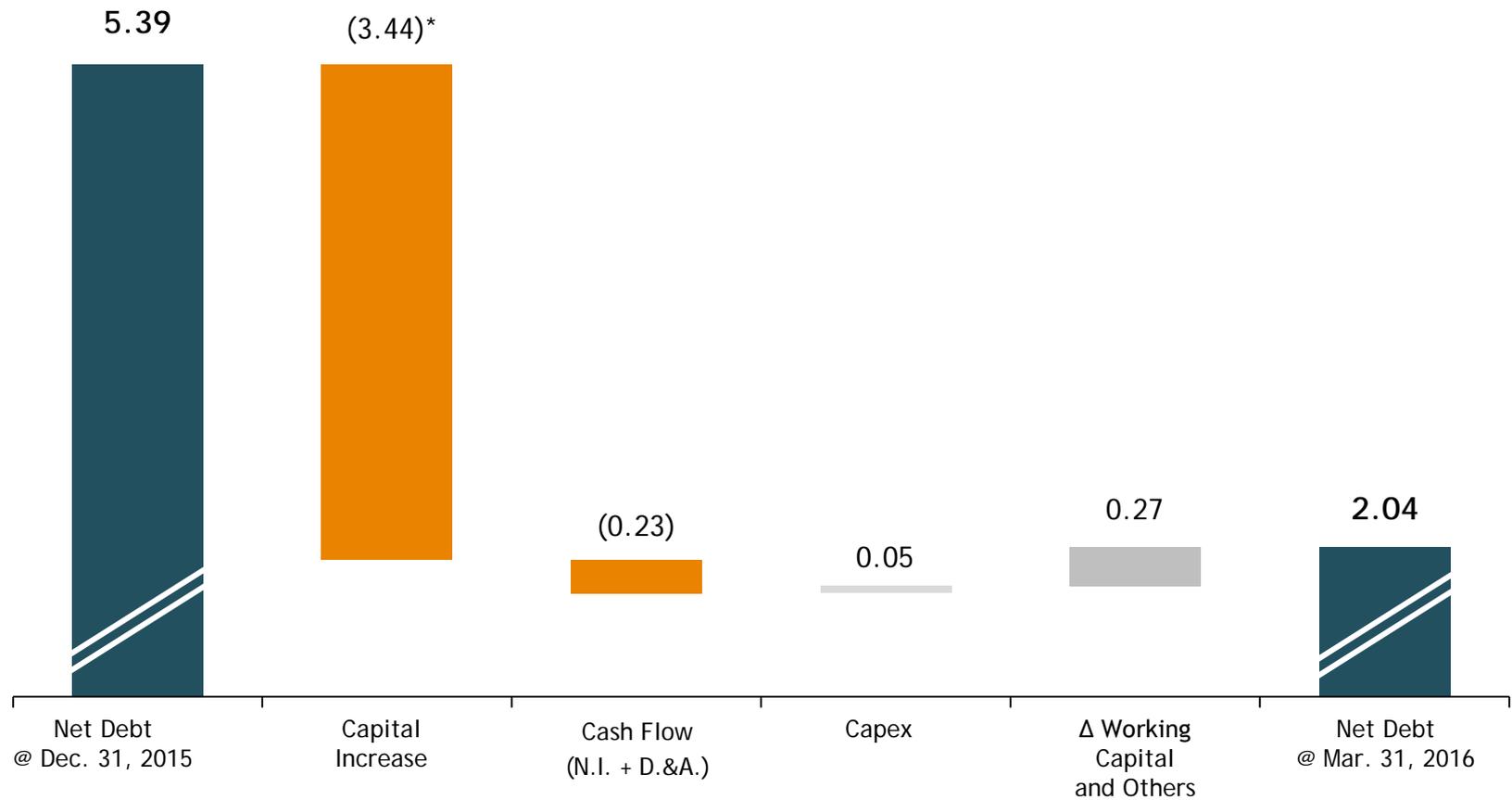


Net Profit



1Q 2016 NET DEBT EVOLUTION

(€ bn)

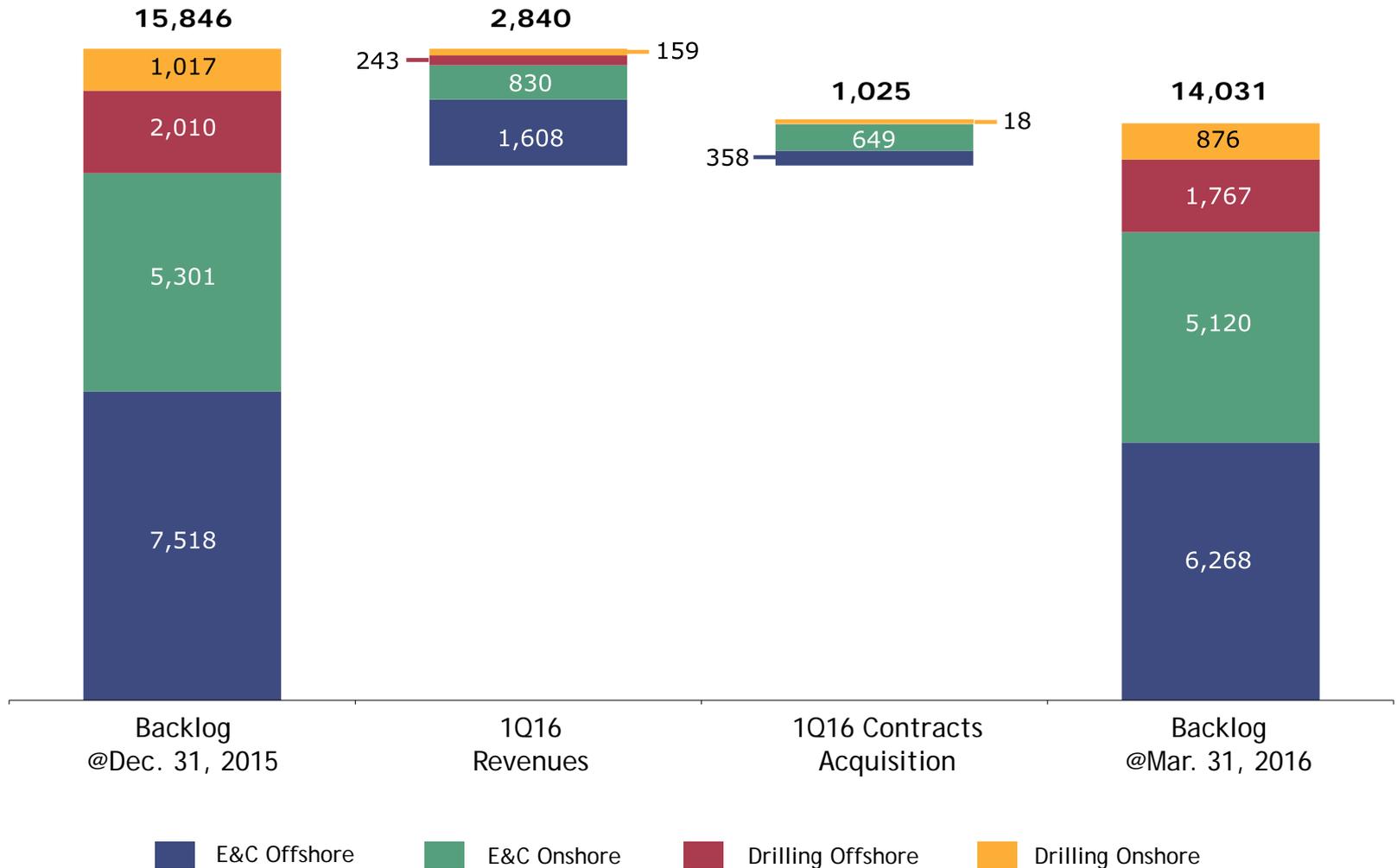




BUSINESS REVIEW AND UPDATE ON COST OPTIMISATION

1Q 2016 BACKLOG

(€ mn)



NEAR TERM E&C OPPORTUNITIES

- Eni Shorouk (Zohr) development Phase 1 - subsea/pipelines
- BP Tangguh - offshore fixed facilities and pipelines
- BP Shah Deniz Ph.2 CO 007 - subsea facilities
- Eni West Hub - subsea facilities
- Saudi Aramco LTA - offshore fixed facilities
- BP Tangguh - LNG
- CFE pipelines - onshore pipelines/ facilities
- BUP Baltic Urea Ammonia - downstream

LEGEND

- OFFSHORE
- ONSHORE

Potential project awards of approximately €5bn

E&C OPPORTUNITIES

Americas

- ExxonMobil Liza - subsea (post 2016)
- Kinder Morgan - onshore pipelines
- Codelco Rodomiro Tomic - onshore pipelines¹
- Shell LNG Canada - LNG²

West and North Africa

- Eni Shorouk future dev. - subsea/pipelines (post 2016)
- BG Burullus Phase IXB - subsea
- Eni Zabazaba - FPSO and subsea (post 2016)
- Eni Loango field development - fixed facilities
- BP Platina URF - subsea (post 2016)
- Exxon Qua Iboe Power Plant - downstream
- Quantum Methanol (early works) - downstream³
- E-Chem Petrochemical Complex - downstream (post 2016)

Asia Pacific

- Hess Equus - subsea/offshore pipelines (post 2016)
- Chevron Gehem Gendalo - FPU and subsea (post 2016)
- Shell Inpex Masela FEED - FLNG and subsea (post 2016)
- Agri Nutrients Balance Ammonia/Urea - downstream

1. Engineering phase ongoing. Execution phase subject to obtainment of environmental permits.
2. Preselected contractor for FEED and EPCM execution. Ongoing OBE updating to consolidate basis for client final investment decision.
3. Early Works awarded.
4. Selected contractor, award subject to client final investment decision.

Europe/ CIS and Central Asia

- Lukoil Filanovsky Phase 2 - offshore pipelines
- TANAP - offshore pipelines
- Nord stream 2 - offshore pipelines - New
- INA Refinery - downstream
- Gazprom Moscow Refinery Upgrading FEED - downstream
- Re-gas LNG Terminal - LNG
- SEIC Sakhalin 2 LNG extension - LNG (post 2016) - New

Middle East

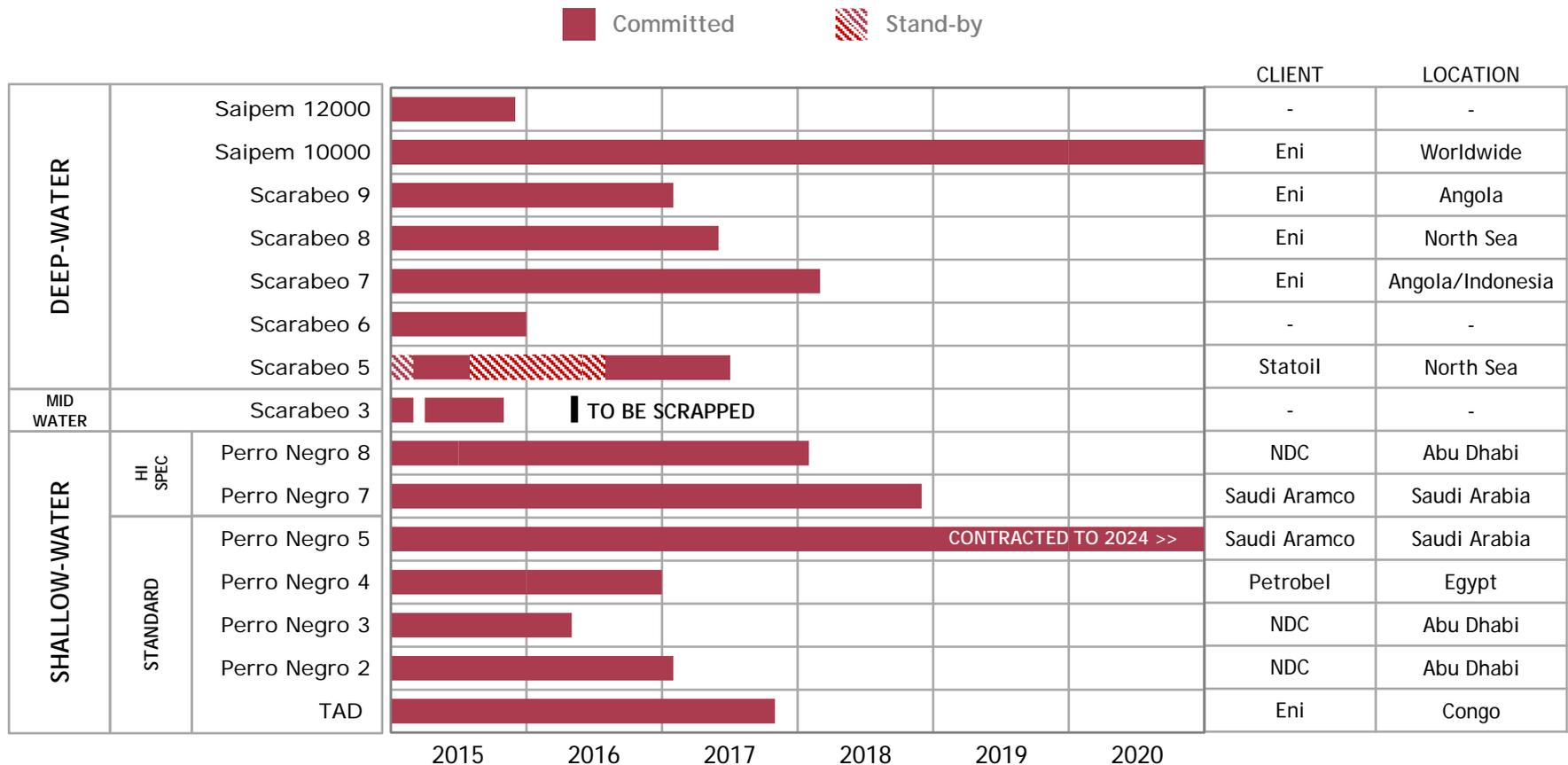
- S. Aramco Hasbah - offshore fixed facilities
- S. Aramco Safanya LTA development - offshore fixed facilities
- QP Bul Hanine EPCI - offshore fixed facilities (post 2016)
- KNPC New Refinery pipeline - onshore pipelines
- ADCO BAB Integrated Facilities - upstream
- BGC Ar Ratawi NGL Gas Plant - upstream (post 2016)
- S. Aramco Uthmaniyah Gas Plant - upstream
- KOC GC32 - upstream (post 2016)
- ADCO Al Dabbi'ya ASR Development - upstream
- DUQM Refinery - downstream
- Oman TTC Ras Markaz Terminal - downstream (post 2016)

East Africa

- Eni Mamba - subsea (post 2016)
- Anadarko Golfinho - subsea
- Eni Onshore - LNG - New (post 2016)
- Anadarko Onshore - LNG⁴

UPDATE ON DRILLING

Offshore Drilling fleet contracts



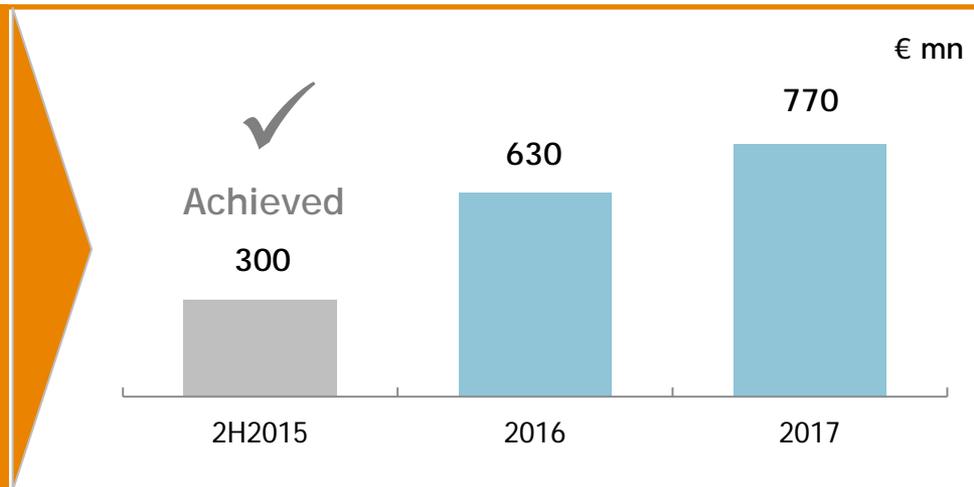
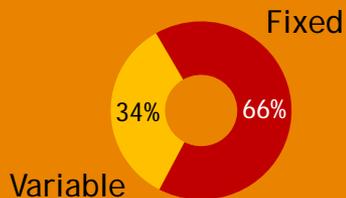
Onshore drilling fleet 1Q16 utilization rate: 74.6%

FIT FOR THE FUTURE PROGRAMME

Additional Savings for €0.2bn

- Additional rationalization of engineering and operation centres (France, Croatia, UK, UAE)
- Further rationalization in West Africa (Angola, Nigeria)
- Further rationalization of the fleet (scrap/disposal of two additional vessels)

Cumulative Cost Savings €1.7bn



EBIT improvement of €1.0bn confirmed over the plan

avoided costs for €0.7bn

Creating a leaner organization



CONCLUSIONS



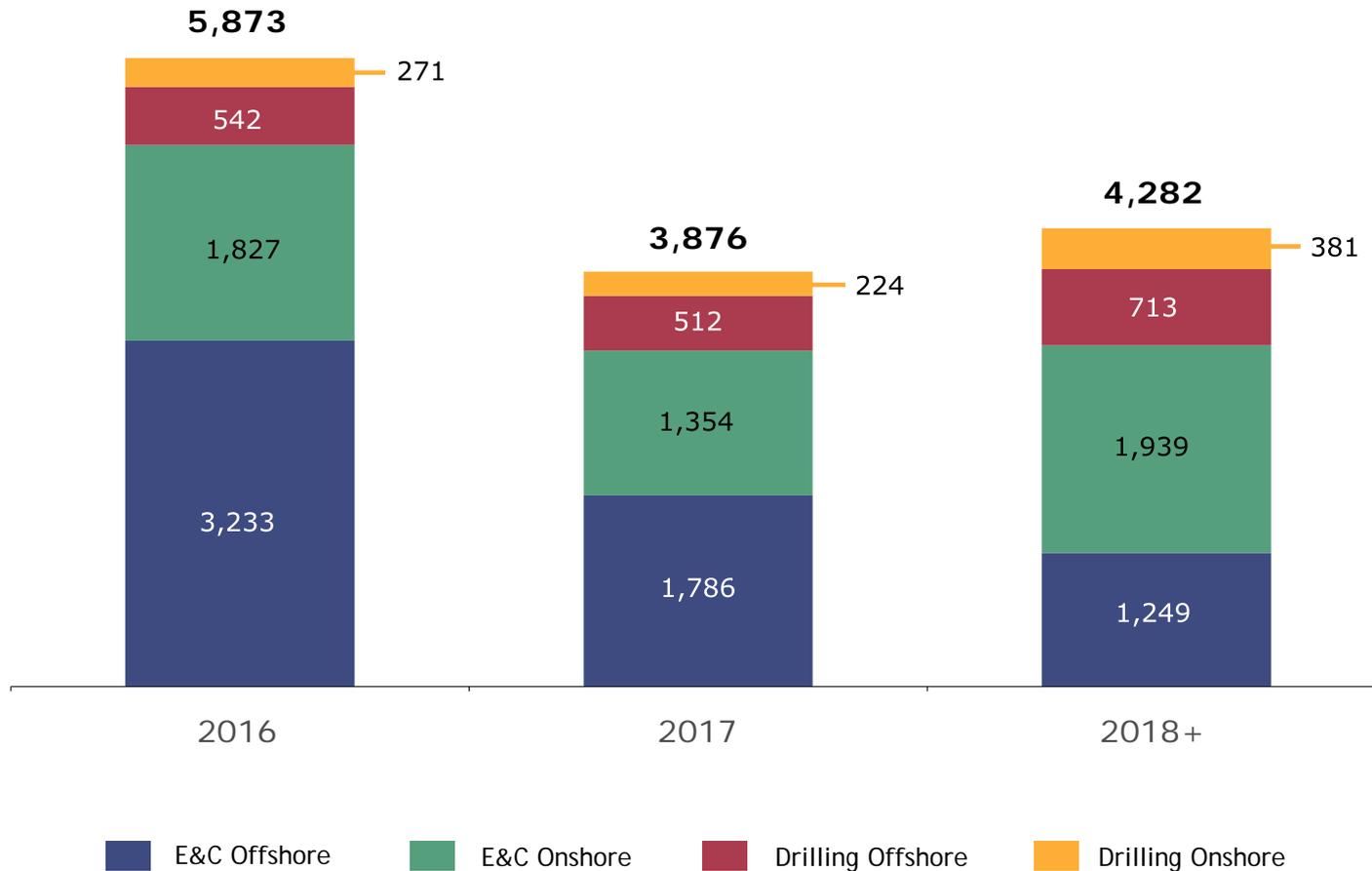
APPENDIX

REMINDER: 2016 GUIDANCE

Metrics	FY 2016
Revenues	<ul style="list-style-type: none">>€11bn
EBIT <i>% margin</i>	<ul style="list-style-type: none">>€600mm~5.5%
Net profit	<ul style="list-style-type: none">~ €300mm
CAPEX	<ul style="list-style-type: none">~ €500mm
Net financial position	<ul style="list-style-type: none"><€1.5bn

BACKLOG BY YEAR OF EXECUTION

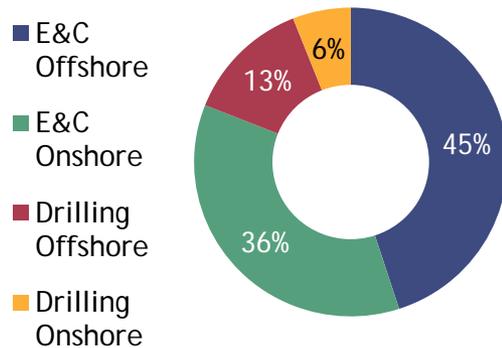
(€ mn)



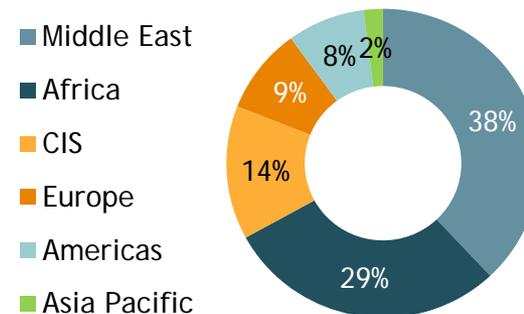
BREAKDOWN OF SAIPEM BACKLOG

€14.0bn at March, 31 2016

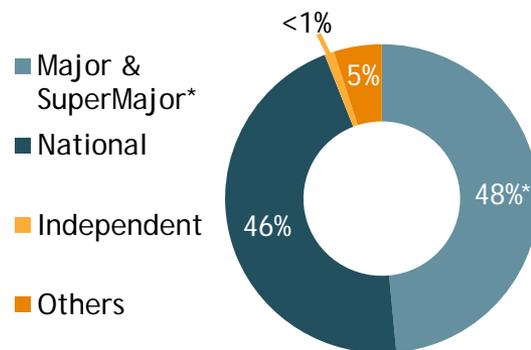
By Business Unit



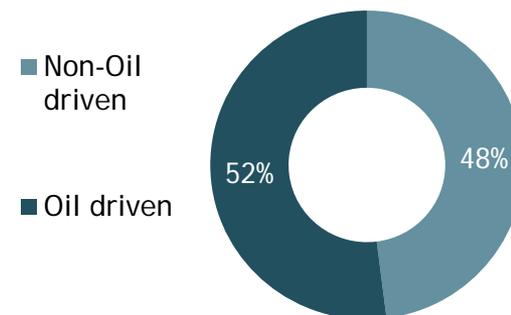
By Geographic Area



By Client



E&C Backlog Oil/ non-oil price driven



* Including Eni, ranking 3rd