



Saipem awarded new E&C Onshore contracts worth \$800 million

San Donato Milanese (Milan), 25 July 2011 – Saipem has been awarded new E&C Onshore contracts in South America and West Africa worth approximately \$800 million.

In Suriname, the National oil company Staatsolie awarded Saipem the contract for the expansion of the Tout Lui Faut Refinery which is located 20 kilometres south of the capital Paramaribo.

Saipem has already carried out 10 months of engineering activities based on a reimbursable agreement. The agreement has now been converted into a full EPC contract, encompassing engineering, procurement, fabrication and construction activities.

The project is aimed at achieving a twofold increase in the Suriname refinery's capacity to 15,000 barrels per day.

The fabrication of pre-assembled portion of the plant will be carried out at the Saipem Arbatax fabrication yard in Italy. The project will be completed in 43 months.

In Nigeria, Saipem has been awarded the contract for the Otumara-Saghara-Escravos gas pipeline by Shell Petroleum Development, as part of Shell's program to reduce gas flaring in the Country.

The 42-kilometre-long pipeline, of various sizes ranging from 2 to 12 inch, and passing through a swampy terrain with a major river crossing, will collect about 30 million cubic feet a day of processed associated gas from the Otumara and Saghara fields in the western Niger Delta and send it through the Escravos-Lagos system to the domestic market, helping to reduce flaring, or the burning of gas produced alongside oil.

The project will be completed in 18 months and will be fully executed in Nigeria, including Project Management and Procurement activities; also, up to 90% of personnel deployed will be Nigerian nationals, confirming Saipem's well-established local content commitment to the country.

Furthermore, Saipem has agreed increases in the scope of its work on existing onshore contracts in Nigeria.

Saipem is organised into two Business Units: Engineering & Construction and Drilling, with a strong bias towards oil & gas related activities in remote areas and deepwater. Saipem is a leader in the provision of engineering, procurement, project management and construction services with distinctive capabilities in the design and execution of large-scale offshore and onshore projects, and technological competences such as gas monetisation and heavy oil exploitation.

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