



Saipem: awarded FPSO contracts in Angola worth more than \$4 billion

San Donato Milanese (Milan), 16 April 2014 – Saipem has been awarded two contracts in Angola by Total, for a combined total of more than \$4 billion.

The main contract is worth more than \$3 billion, and is an EPCI for the engineering, procurement, installation and commissioning of two converted turret-moored Floating Production Storage and Offloading units (FPSO) for the Kaombo Field Development Project, located in Block 32, offshore Angola. Saipem has also been awarded a seven-year contract of approximately \$1 billion for operation and maintenance services of the two vessels.

The two converted FPSO units, owned by Total, will each have an oil treating capacity of 115,000 barrels per day, a water injection capacity of 200,000 barrels per day, a 100 million scfd gas compression capacity and a storage capacity of 1.7 million barrels of oil. The scope of work of the contract includes engineering, procurement, conversion of the tankers, fabrication and integration of the topsides of the FPSO units and the installation of the mooring systems, as well as the hook-up, commissioning and operations start-up. Saipem will provide seven years of operation and maintenance services for the FPSO units.

The Kaombo FPSO project will be managed by the Saipem Floaters Business Unit located in France. Part of the activities related to engineering, procurement, topsides modules fabrication and integration as well as commissioning onshore and offshore works will be carried out in Angola. The topsides fabrication activities will be undertaken in Saipem's Karimun Island Yard, located in Indonesia. The tankers conversion and the topsides modules integration will be executed at a shipyard in the Far East. The first FPSO unit will be operational by the first quarter of 2017 and the second unit by the second quarter of the same year.

Commenting on the award, Umberto Vergine, Saipem CEO, said: "This contract is in line with Saipem's strategy of pursuing growth opportunities in high complexity Floaters and FLNG construction in specific geographic areas, such as Asia Pacific and Africa, where the company can leverage its engineering capabilities, strong local content competencies and unique availability of fabrication yards."

Saipem operates in the Engineering & Construction and Drilling businesses, with a strong bias towards oil & gas-related activities in remote areas and deep-waters. 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 monetization and heavy oil exploitation.



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