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Presentation to the Financial Community

1H 2015 Consolidated Results

San Donato Milanese, July 28, 2015

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Forward-Looking Statements

By their nature, forward-looking statements are subject to risk and uncertainty since they are dependent on upon circumstances which should or are considered likely to occur in the future and are outside of the Company's control. 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.

Actual results could therefore differ materially from the forward-looking statements.

The Financial Reports contain in-depth analyses of some of the aforementioned risks.

Forward-looking statements are to be considered in the context of the date of their release. Saipem S.p.A. does not undertake to review, revise or correct forward-looking statements once they have been released, barring cases required by Law.

Forward-looking statements neither represent nor can be considered as estimates for legal, accounting, fiscal or investment purposes. Forward-looking statements are not intended to provide assurances and/or solicit investment.

Presentation Outline

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1. Opening Remarks: 90 days in the job

90 Days into the Job: a Foundation of Core Strengths

- Strong HSE culture and unmatched technical capabilities
- Global leader in the sector with a well diversified business portfolio
- Brand image, clients portfolio and industry relationships
- Competence, pride and commitment of people
- Excellence of Engineering know-how, highly geared to innovation
- Superior track record of complex project execution in challenging environments
- State of the art offshore fleet
- Best in class and resilient Drilling business model

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Good evening Ladies and Gentlemen and welcome to Saipem half year results presentation.

I'm Stefano Cao, Saipem's new CEO since April, 30th.

I'm here with Alberto Chiarini, Gigi Caselli and Vincenzo Maselli Campagna and very glad to meet you on this first official appointment with the financial market in my new role.

As most of you probably know, Saipem is the company where I matured professionally and managerially, reaching the position of CEO when in 2000 I was offered the opportunity to lead the E&P division in eni.

It is a great honour to be back and I am enthusiastic to lead Saipem in such a challenging environment.

After three months into the job I can acknowledge that the competencies and strong values embedded in Saipem foundations have been well preserved and nurtured in the context of a larger and more complex organisation.

Saipem is and will continue to be a leading player in the O&G services sector, thanks to its people, its core capabilities, its asset and its diversified business model.

The brand is strong as evidenced by our solid client relationships and business mix. Reputational issues that shadowed the company reliability in the recent past are being resolved as confirmed by the number of successful contract awards in 2014 and 2015.

The company has made a lot of effort in order to ensure that mistakes of the past are not repeatable.

Our women and men are the company best asset – competent, committed and proud to be part of Saipem. The 7,800 engineers and project managers employed worldwide in the company, provide a unique set of excellent knowhow, innovative attitude and technical/organizational capabilities which made possible for Saipem to deliver milestone initiatives in the industry, such as Bluestream, Nordstream, Khurais, Manifa and Kashagan.

Our offshore fleet is world class, thanks to the impressive capex plan recently completed which delivered 7 new vessels in Drilling Offshore and 2 in E&C Offshore providing the company with the appropriate technological asset base to succeed in the next decades.

In drilling, the quality of the assets in conjunction with a business model privileging operational continuity and long lasting relationships with clients, have proved to be successful and resilient in a deteriorating environment.

90 Days into the Job: Main Challenges

Market

- Oil price driving Clients' capex cut and pressure on supply chain
- Worsening scenario in specific geographic areas/market segments
- Reduced visibility on new awards/delayed FIDs
- Increasing confrontational attitude of Clients, in some cases leading to litigation
- Offshore fleet overcapacity

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- Adapt the mindset to the new oil order
- Pressure on cash flow generation
- Pending revenues related to legacy contracts
- South Stream termination
- Ongoing legal proceedings

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Nevertheless, following these 90 days of intense work assessing the company, its business and the market environment it is clear that several fundamental challenges are ahead of us and need to be tackled.

The prolonged Oil market downturn is showing no signs of inverting its trend.

O&G companies are extremely focused in reaching their revised capex targets through cost discipline, project delays and cancellations. Such behaviour is inevitably accompanied by an increased confrontational approach on ongoing initiatives and commercial negotiations, pressuring OFS contractors with the threat of long lasting and expensive litigations.

The situation is further deteriorated in those countries and segments with high oil production costs or crossed by geo political, security or compliance issues.

The reduced level of investments, especially in offshore, is leading to an increasing number of idle vessels and fleet overcapacity.

Such headwinds are weighing on Saipem alongside some specific concerns impacting the company.

I have inherited a large and complex organization, with an extended business spectrum structured to compete in a prosper environment, that has focused its efforts during recent years to resolve specific issues rather than reinforcing and rationalizing the Company business profile to fit with the market evolution.

Saipem today needs to adapt its mind-set to the new oil order: a cultural and operational change is necessary to evolve in a changing environment and revive our leadership position.

Meanwhile, the combination of worsening market conditions, a considerable number of problematic legacy contracts and poor business performance - mainly on Onshore Construction - are putting pressure on cash flow generation. In this context, I must highlight that the difficulties to positively conclude the negotiations for the recognition and payment of pending revenues are further exacerbating this aspect.

The recent termination of the South Stream contract is an additional concern, given the missed opportunity to perform a project perfectly suited to its engineering and technical expertise.

Moreover, significant management time is still absorbed by ongoing legal proceedings, mainly linked to the Algerian projects, a lengthy and time consuming process.

In this context, some immediate actions are needed in order to create a positive discontinuity to face the challenges and strengthen Saipem for future growth.

Let's move to slide 7: there are a number of immediate priorities that I identified and are already under implementation.

We have recently launched a **broad and in-depth cost efficiency and optimization project** called "Fit for the Future" that will reshape the company in view of a new low-oil order. The aim of this initiative is to detect efficiency and savings measures in our business and supporting units, through a detailed bottom up assessment of the Company's 2014 cost base, equal to approx. €12.7 bn.

The area of intervention covers of 95% of the total cost base and is articulated in approximately 150 initiatives organized under four main workstreams.

The preliminary estimated saving amounts to €1.3 bn cumulatively under a 3-year timeframe.

The project also directly involves our asset base, in terms of vessels, yards and logistic base, generating savings by reducing the number of obsolete vessels, rationalizing our presence in certain geographical areas and improving our maintenance processes and running costs profile.

With reference to our fleet we have therefore decided to adopt a proactive obsolescence management approach scrapping 4 E&C vessels and 1 mid-water semisub rig in 2015.

Regarding the fabrication yards, in non-strategic areas/segments of business we will consider to downsize or, where deemed appropriate, to exit. In other areas where market conditions may appear temporarily challenging or where an offer of quality sub-contractors exist we will move from a local content (direct investment) to a local supplier model, to regain flexibility and cost competitiveness.

On this respect during the second quarter of 2015 we have already taken some initial actions by downsizing our fabrication capacity in countries such as Canada and Brazil.

The rationalisation of our asset base led to write downs for €211 mn.

We are also in the process of reviewing our capex plan through the optimization of maintenance process, which will generate further savings for more than €50 mn already in 2015.

Pending revenues and working capital normalisation represent another top priority. The depth of the downturn is creating a lot of tensions with our clients as the resolution of pending revenues is in contrast with their current focus on capex and cost discipline.

As a result, priority is to de-risk the business after a careful assessment of the various initiatives, the status of ongoing negotiations and following certain issues lately materialized in certain areas like Canada, Nigeria and Venezuela. We are accounting a write off of €718 million of which €618 mn related to pending revenues.

However, we will aggressively and effectively continue to pursue our target to receive recognition of variation orders and claims under a sensible approach while preserving the dialogue with our customers.

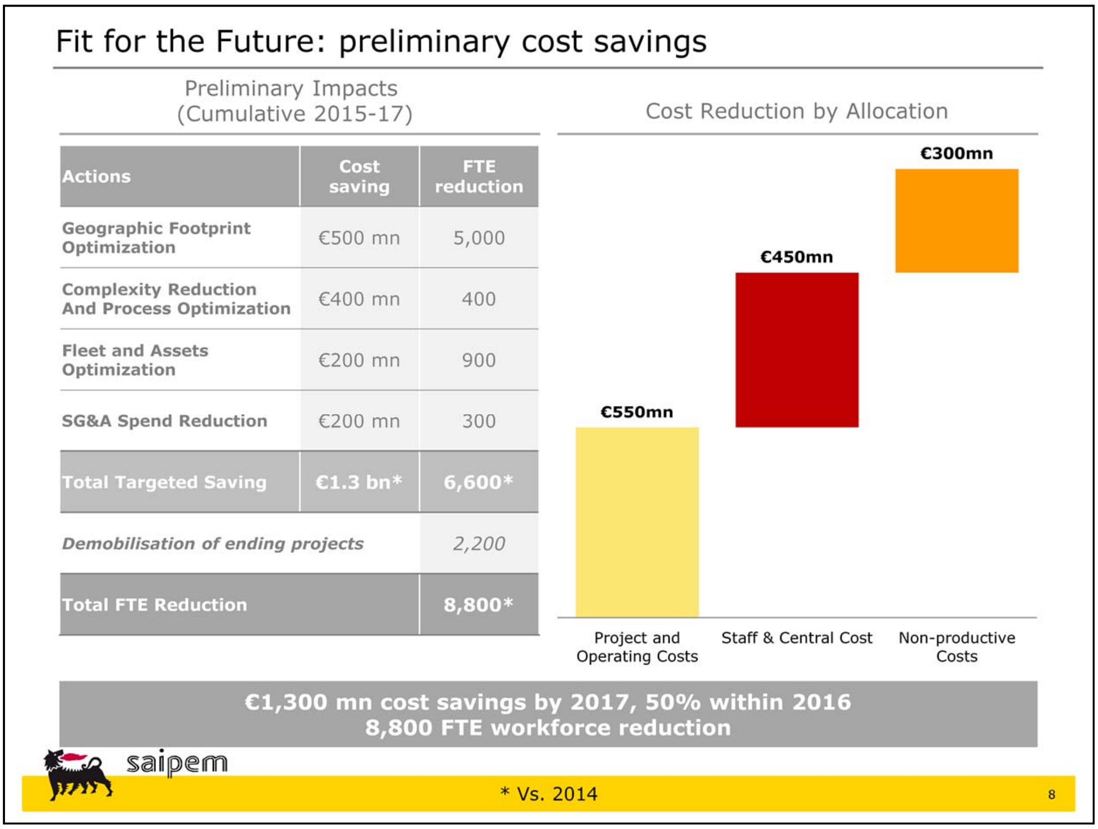
We intend to target a sustainable level of unbilled revenues and normalization of working capital adopting a stricter control on the evolution of variation orders and claims.

Alberto will talk you through the details of this action later on in the presentation.

As a third priority, we have accelerated the strategic review and planning cycle. The new medium term plan will enable the Company to renew its leadership in the current environment.

We will present this plan to the market community by Q3 results announcement in a dedicated event in London, details of which will be provided in due course.

I will spend a few words on the key guidelines of the strategic review later on.



Turning to slide 8, here we provide some highlights of the "Fit for the Future" efficiency project.

Our preliminary analysis highlights a cumulated costs saving potential over the period 2015-17 in excess of €1.3 bn of which, more than 50% to be achieved within the end of 2016.

The project is articulated in four main work streams, in accordance with the source of efficiency contribution, under which more than 150 initiatives have been aggregated.

The most relevant work stream regards the optimisation of our geographic footprint through the rationalization of our presence in non-strategic markets and non-competitive segments of business and the optimisation of peripheral offices and bases.

A considerable portion of costs savings (approx 30% of the total) is also expected from a deep review of saipem's operational processes, such as supply chain, construction and maintenance.

The efficiency plan includes a specific effort targeting fleet and other operating assets optimisation that foresees the immediate dismissal of 5 offshore obsolete assets and the capacity rationalization of some of our yards located in less attractive markets.

G&A costs reductions work stream includes various optimisation initiatives of central and staff costs, including for example renegotiation of facility management contracts, review of expatriates remunerations and travel policy.

Looking to the expected cumulative savings by area of allocation, approximately €550 mn will be generated from efficiency measures concentrated on project costs, €450 mn from reduction of staff and central functions costs while the reminder will be obtained by initiatives aimed at eliminating costs generated by non productive vessels and other assets.

The plan, in conjunction with other measures already forecasted, foresee a significant rationalisation also in term of FTEs, in the region of 8,800 people vs 2014YE figures. This goal will be largely achieved through the rightsizing of presence in certain geographical areas or business segments that do not present at the moment sustainable opportunities.

Fit for the future: asset base optimisation – preliminary results

Actions

Dismissal of obsolete vessels with expensive running costs and rationalization of fabrication yards

Area of focus

- Offshore Fleet:
  - 4 Construction vessels
  - 1 Drilling vessel
- Yards:
  - Downsize/exit from non strategic areas
  - Moving from local content to local supply on selected areas

Impact on 1H 2015

- Non cash impairments and write downs for a total amount of €211 million in 2015 (vessels, Canada and Brazil yards)

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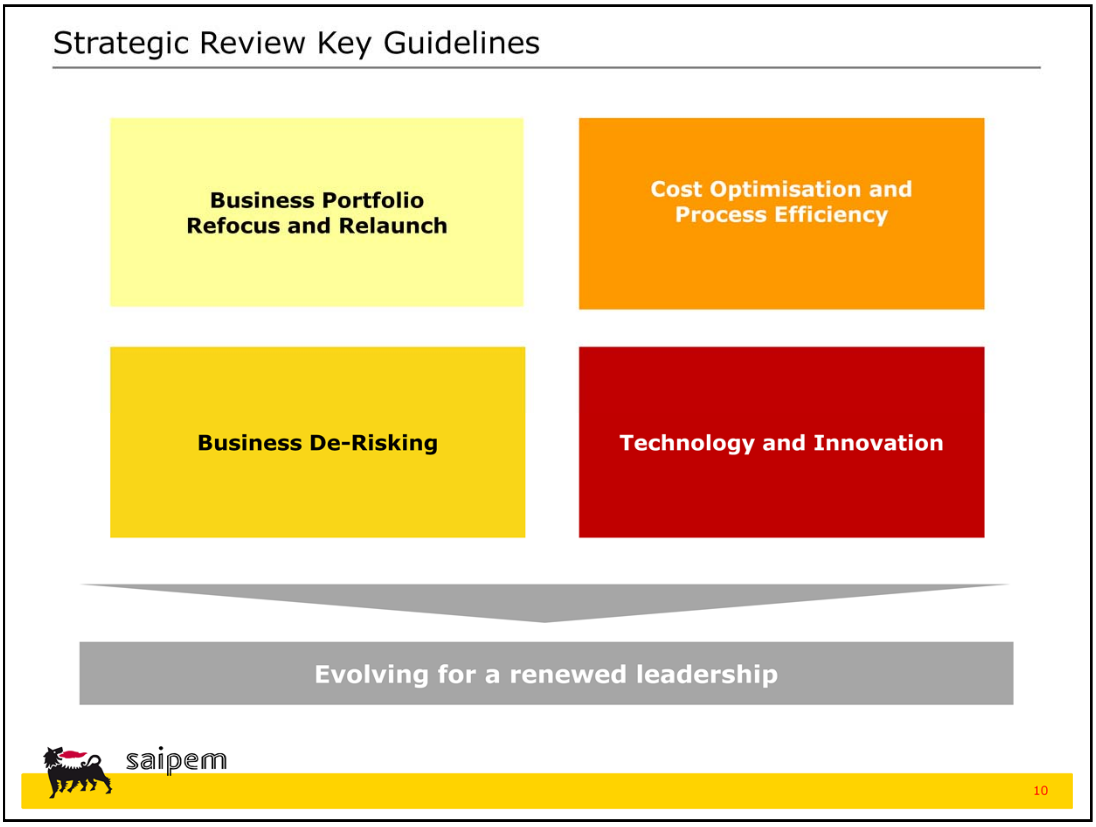
Slide 9 summarises the impact of Fit for the Future efficiency program on the optimisation of our asset base and rationalisation of company capital employed.

The initiatives led to a non cash impairment of €211 mn, of which €40 mn on Offshore fleet.



Before leaving the floor to Alberto for the illustration of the financial results, I would like to present the key guidelines that are driving our strategic review

First of all, we need to re-focus and re-launch our business portfolio, that means:

- Focus on core business
- Rationalization of business perimeter
- Geographic repositioning
- Local content
- Focus on performances

Current market context require to de-risk our business profile from an operational and strategic perspective:

- Onshore selectiveness in tendering
- Privilege EPCM rather than EPC when possible
- Unbilled revenues sustainability
- Increase financial and working capital sensitiveness

Cost efficiency and rationalization initiatives are required to protect profitability and improve business performance:

- Fit for the Future
- Asset base maintenance improvements,

Saipem needs to maintain its strong orientation toward innovation and technology as they are key for future success:

- Increase RD spending
- Invest on innovation approach
- New technology investments

“Evolving for a renewed leadership” is the message that summarize the approach adopted in our strategic review, with the aim to have significant and profound impacts on Saipem culture, business model and risk profile.

Focus on technology and innovation

"Top Five" priority areas

- **SURF Technologies**:
  - New systems/solutions for risers and flowlines (including flow assurance)
  - Heavy items subsea installation, reeling and related vessel/equipment
- **Materials Technologies**:
  - New and faster pipeline welding technologies
- **Export Lines and Trunklines**:
  - Solutions for optimizing installation techniques, especially in ultra-deep water
  - Trenching technologies, especially in shallow waters
- **Urea proprietary process Technology**:
  - Supercups plates, new more resistant reactor materials
  - "Zero-emissions" process
- **FLNG / Subsea Processing**:
  - FLNG - offshore offloading systems and other solutions for improving liquefaction process
  - Subsea Processing: SPRINGS – water purification process allowing enhanced oil recovery, as an entry point to SSF/SPS market

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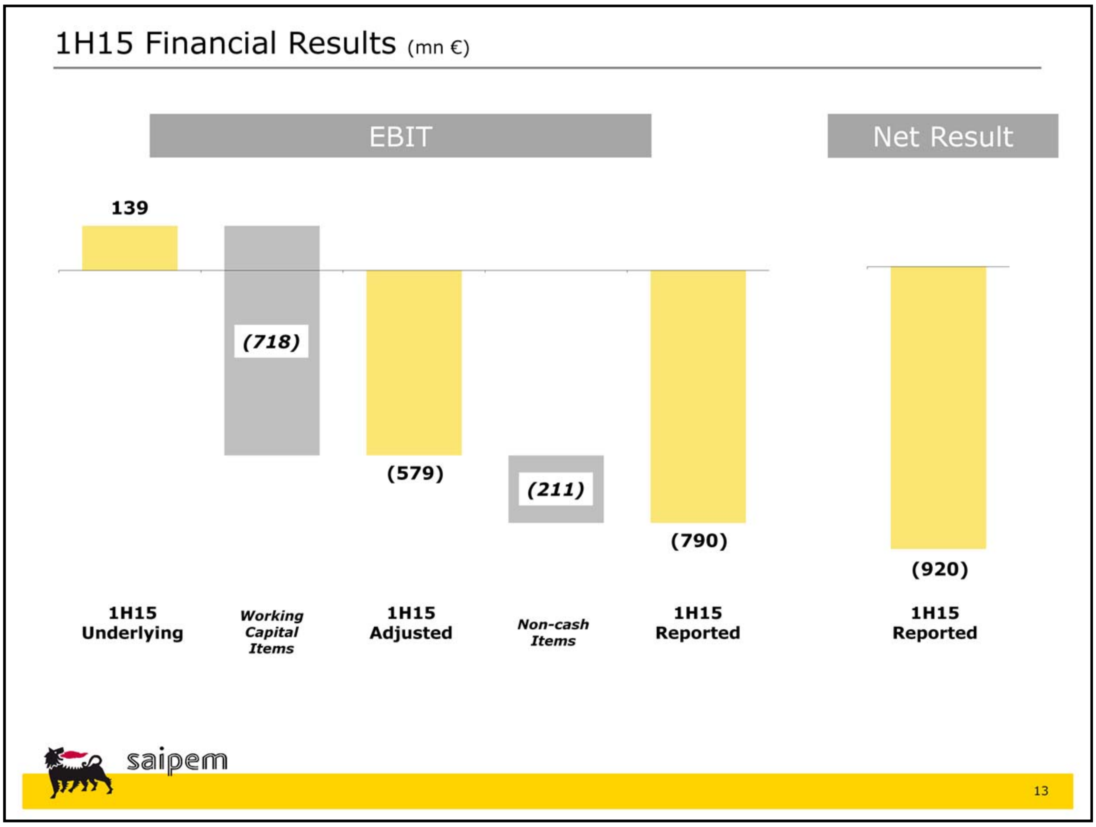
As a matter of example, you can find on slide 11 an outline description of our top 5 technologic and innovation priorities on which we are and will be focusing on, as part of our strategy to increase competitiveness and ensure future success.

2. 1H 2015 Financial Results



Thanks Stefano and good evening to you All.

As anticipated by Stefano, this quarter is heavily impacted by further deterioration of the environment leading to a review of our risk assessment on working capital and asset base. As a consequence, we have accounted for a write off equal to €718 mn, of which €618 mn regarding pending revenues and additional €100 mn on Venezuela overdue exposure.

Pending revenues write-off were driven by the dramatic change in attitude of our clients, as well as some additional country-specific issues on some projects.

It is now clear that the recovery of certain variation orders and claims can only be achieved through litigation (arbitration or court case).

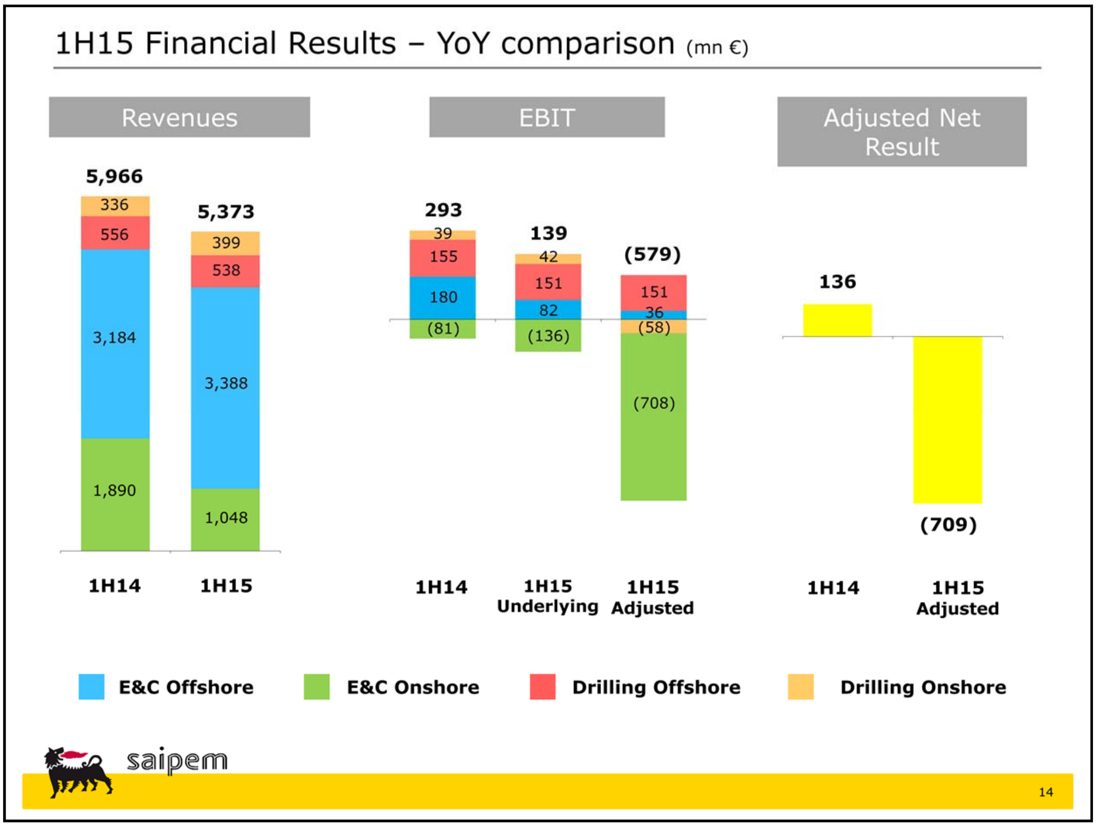
This has led to a review of those amounts keeping in mind commercial impacts, timing of recovery and the overall interest of the Company.

As far as Venezuela is concerned, despite some encouraging signs of cash recovery at the beginning of the year, we have experienced a progressive deterioration of our exposure, in parallel with the worsening of the Country financial situation.

Taking into account the cash impairments, our adjusted EBIT for the 1H15 is equal to negative €579 mn, while the reported EBIT stands at negative €790 mn, because of a non cash impairment on selected assets, 5 vessels and 2 fabrication yards, for approx. €211 mn.

Net Result for the period is negative by €920 mn.

Before the working capital write off and accounting of non cash items, the group underlying EBIT for the 1H15 is equal to €139 mn.



With slide 14 we provide you with the break down of our adjusted financial results.

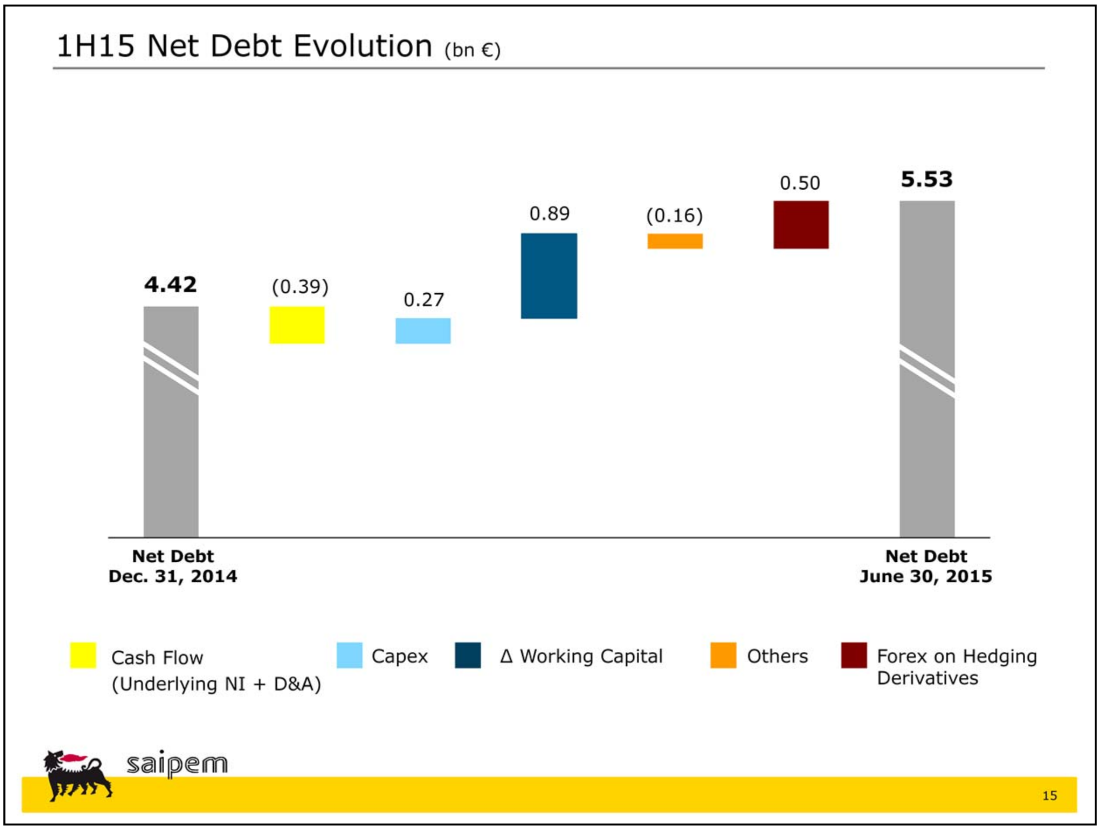
In the first half of 2015, revenues totaled €5.4 bn, affected by approx. €500 mn coming from the write off of pending revenues. Before this impact, revenues would have been broadly in line with the same period of last year.

In terms of EBIT, before write downs the underlying result is €139 mn. The significant deterioration compared to the first half of 2014 is driven by E&C Offshore and Onshore.

In E&C Offshore the margin has been affected by the reduced contribution of Brazilian projects and the impact of the South Stream termination which occurred early in July, after the contract had been restarted in early May. In E&C Onshore, underlying results have been affected by poor performance in some projects in the Middle East, Canada and Nigeria. Underlying results in the Drilling sector, offshore as well as onshore, were stable, with a high fleet utilization and reductions in rates well below those experienced in the industry.

Turning now to adjusted ebit, E&C business was affected by pending revenues write-offs for an overall amount of €618 mn, of which €572m related to onshore. Drilling onshore was impacted by the previously discussed write off of Venezuelan credits for €100 mn.

Consequently adjusted net income drops to a negative €709 mn.



Slide 17 shows the evolution of net debt.

Net debt at June, 30th reached the amount of €5.53 bn, with an increase of €1.11 bn since December, 31st and of €0.4 bn year on year.

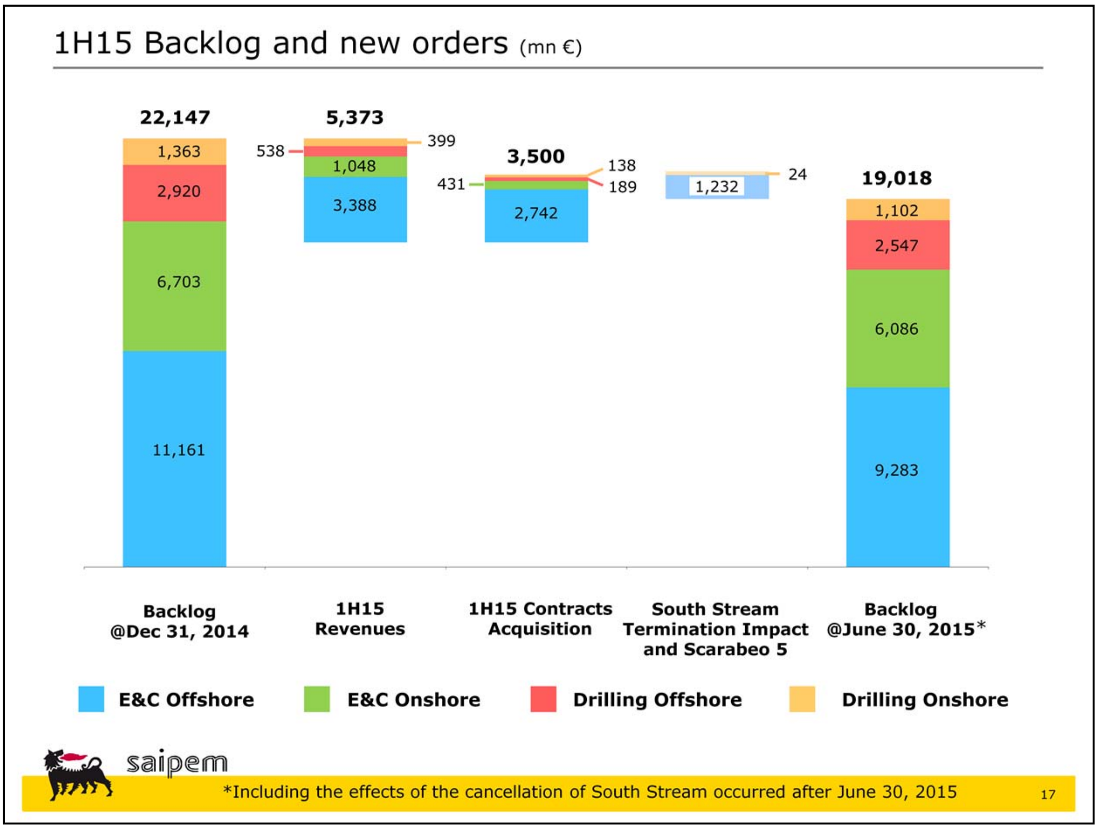
The operating cash flow generation of €0.39 bn has exceeded capex of €0.27 bn.

The increase of the debt is mainly due to the negative impact of working capital deterioration as well as the temporary impact of settlement of hedging derivatives.

The worsening of working capital was mainly connected to new issues arising in Nigeria and Canada, to the current situation in Brazil and to the increasing overdue in Venezuela.

With this I leave Stefano to conclude with the rest of the presentation, thank you.

3. Business Review



Thank you Alberto. The following slides provide you with some indications regarding our business. Slide 17 is showing the evolution of our backlog.

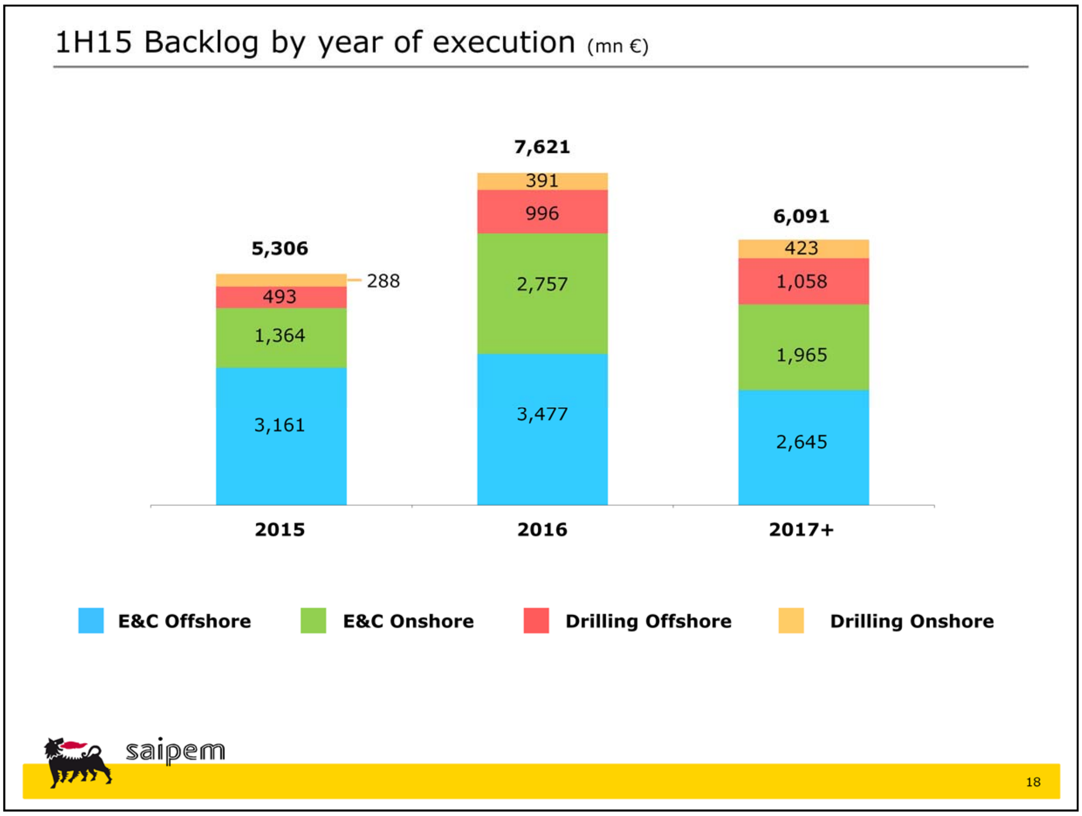
The weakness highlighted in the first quarter has persisted. During the first half, new contracts for €3.5 bn have been awarded, mainly in the E&C offshore and including the Kashagan project awarded in Q1.

Among the acquisitions of the second quarter it is worth to mention an EPC contract in Saudi Arabia for offshore fixed facilities, within the framework of the Long Term Agreement that has been recently renewed until 2021, confirming our good relationship with a long-term client Saudi Aramco.

Concerning Drilling, in addition to the awards already anticipated in our 1Q presentation (TAD and SC6), Saipem has been awarded a new contract by NCD for offshore UAE activities with the Perro Negro 8 jackup and a duration of 30 months. In the Onshore Drilling we signed new contracts for 14 land rigs.

In addition, as well known to all of you, at the beginning of July we received the termination notice of the South Stream contract, which resulted in a backlog reduction for approx. €1.2 bn. A reduction of €24 mn is also connected to SC5 suspension.

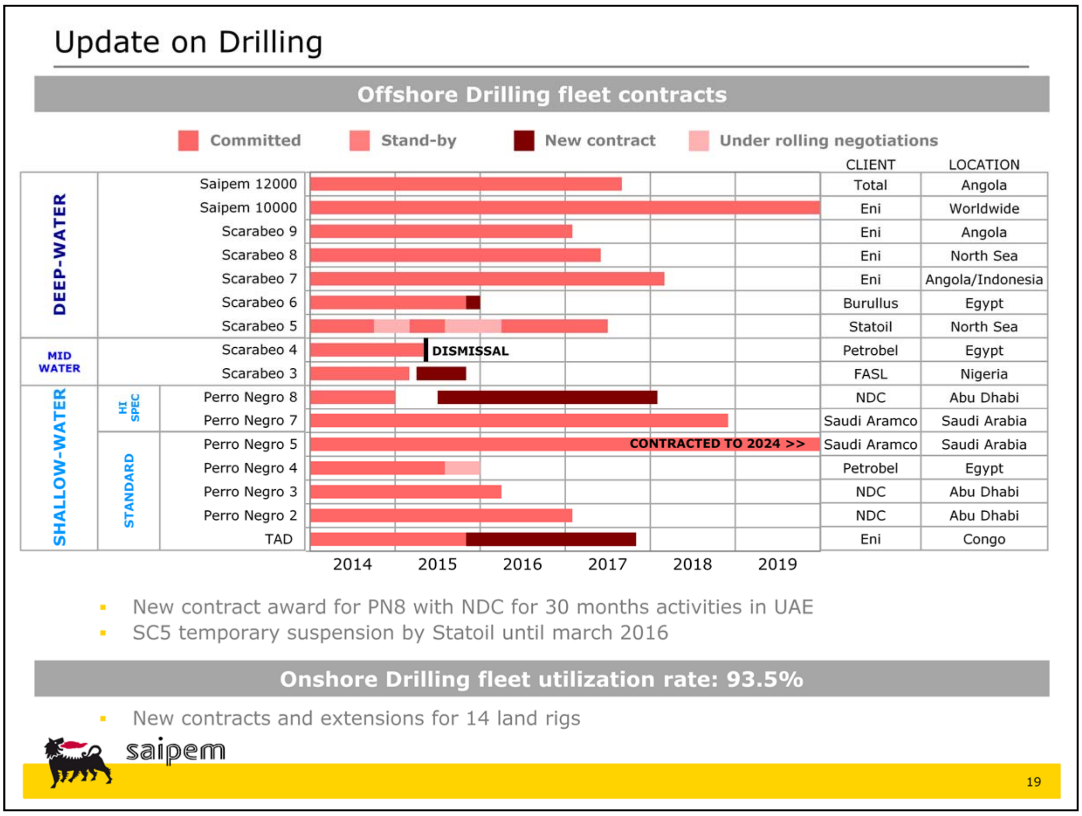
As a result backlog stands at €19 bn, including the South stream impact. The backlog remains anyway solid and diversified across business segments, geographic areas and between typology of Clients (NOCs and IOCs).



In terms of year of execution:

27% will be booked in the current year, 40% in 2016 and the remaining 32% in 2017 and onwards.

In addition, the backlog assures a good mix and visibility for the next years.



Taking into consideration the important drilling awards in the half we thought it was appropriate to provide you with an overview of our drilling commitments.

The mentioned new contract for PN8 jackup is strengthening our good presence in Middle East, securing an additional 30 months contract with NDC in UAE. Further we also signed a contract for the drilling of one well offshore Nigeria, for the SC3.

Our deep water and shallow water fleet is substantially fully employed and ongoing commitments confirm good coverage up to 2017. Our commercial team is already working with the aim to ensure visibility beyond 2017.

Regarding Onshore drilling, our fleet is still expected to experience a good level of utilization in 2015 and in the second quarter we extended or concluded contracts for 14 land rigs in Latin America and Italy.

Notwithstanding the difficult context we estimate a limited impact for Saipem in 2015 thanks to our long standing relationships and the support from the US dollar appreciation.

In conclusion our drilling business model is proving to be more adaptable and resilient in the current severe market contraction.

Slide 20 is showing the principal E&C projects that we are targeting today, with a focus mainly on the ones we believe will be sanctioned in the current year and early 2016.

Among the opportunities showed in the slide, there are some which are in an advanced negotiation phase with Clients or still pending FID, which under the current context are subject to delays due to budget constraints and cost discipline reasons.

As you may understand, I will not enter into many details as the matter is commercially sensitive.

The cumulate value of the opportunities showed in the slide is roughly €31 bn, €14 bn in the Offshore and €17 bn in the Onshore, so despite the oil price evolution, we are quite optimistic that a good number of these opportunities will fly within a reasonable length of time.

Update on E&C business new opportunities

1. Transcanada Prince Rupert Pack. 2-3: shortlisted contractor. Obtainment of permits by Client ongoing.
2. Radomiro Codelco Tomic: negotiations ongoing with Client.
3. Anadarko Onshore LNG: selected contractor. Award subject to Client Final Investment Decision.
4. KNPC Package 4: lowest bidder from the bid opening.
5. KNPC Package 5: lowest bidder from the bid opening.
6. Scarborough: minimum level of engineering in 2015.

Potential project awards in excess of €5bn

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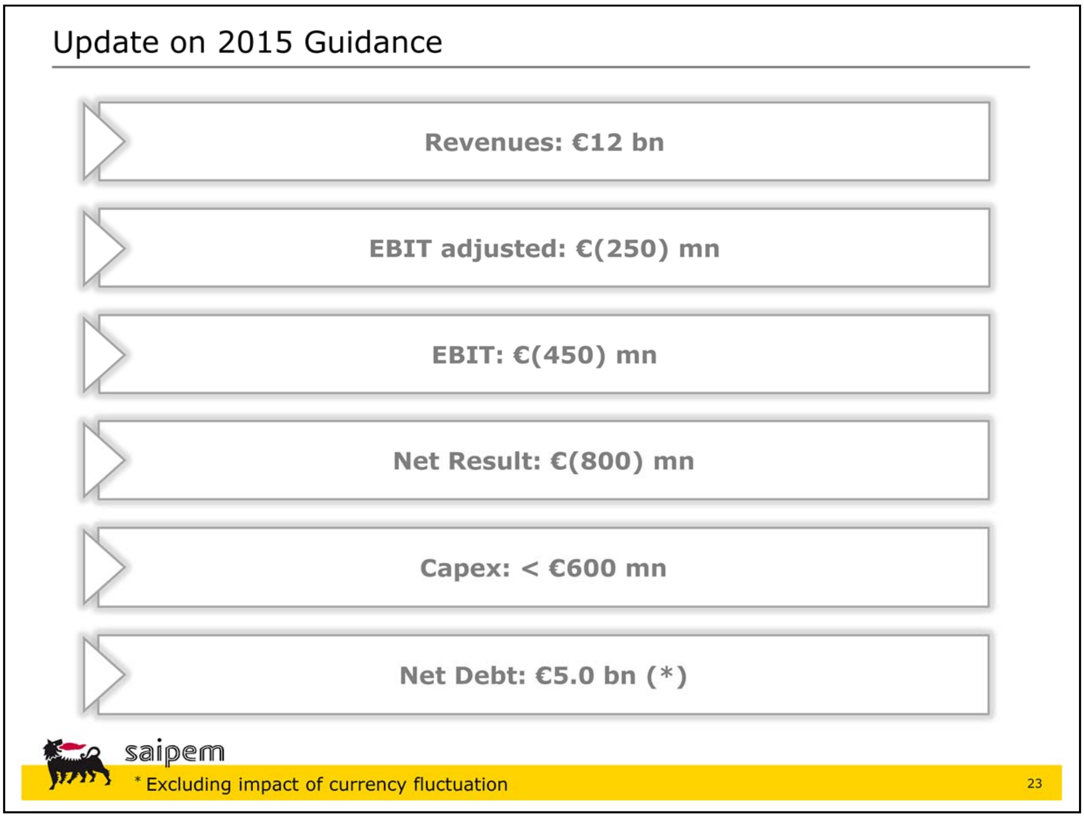
In Slide 21 we highlight those initiatives under an advances status of tendering/negotiation and which we are confident of a positive outcome.

As it can be appreciated, the overall amount of these initiatives is above €5 bn.

4. Guidance



Before ending my presentation, I will provide you with the updated guidance for 2015.

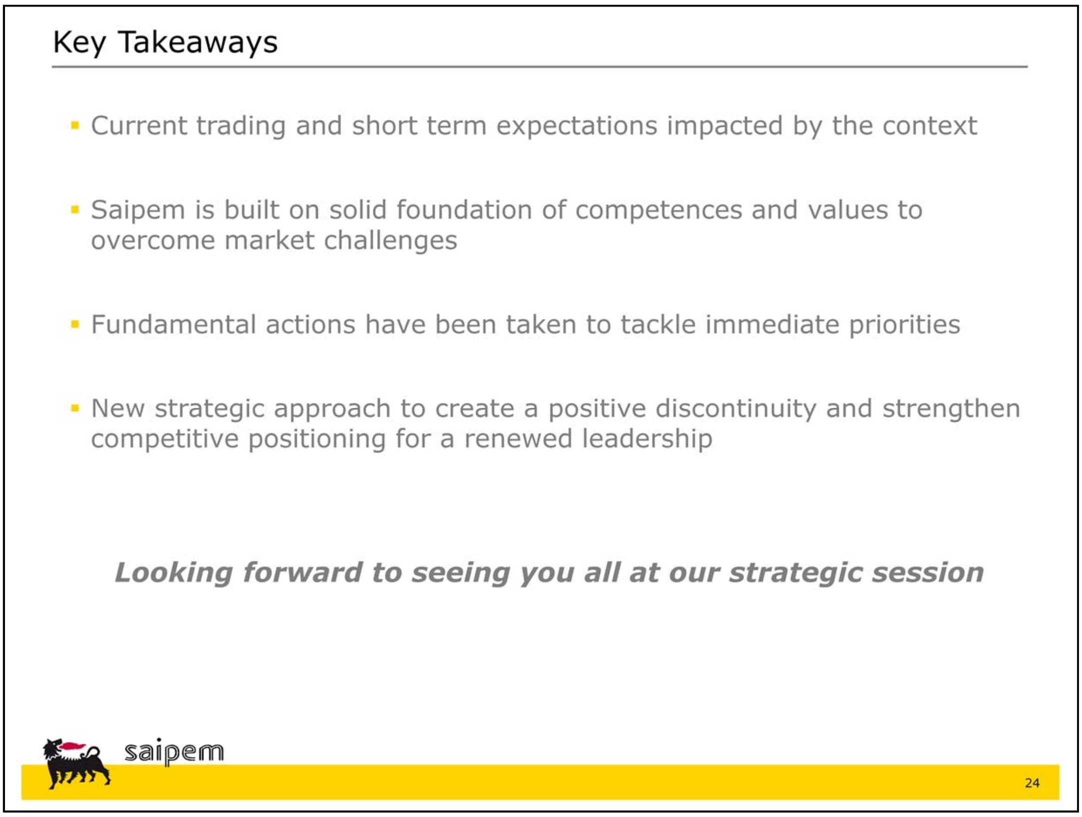
Revenues are expected to be around €12 bn.

EBIT adjusted will be equal to a negative €250 mn, reflecting H1 write-off.

Net Result will be equal to a negative €800 mn based on reported EBIT of negative €450 mn.

CapEx expected below €600 mn after rationalisation initiatives.

Net Debt target of €5 bn, excluding potential impact of currency fluctuations that - as already anticipated - are expected to remain equal to approx. €500 mn by year end.



In conclusion I'd like to summarize the key messages we are highlighting with this presentation.

The market context is impacting short term outlook.

Appropriate values and competencies enabling to face market challenges.

Actions addressed to tackle immediate priorities.

New strategic approach for a renewed future leadership.

5. Q&A