THIRD QUARTER 2015 RESULTS AND STRATEGY PRESENTATION

London, 28 October 2015

Saipem. Engineering Energy

FORWARD-LOOKING STATEMENTS

By their nature, forward-looking statements are subject to risk and uncertainty since they are dependent upon circumstances which should be 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 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.

CHAIRMAN'S OPENING REMARKS

A new chapter in Saipem's History

Saipem Board of Directors' resolutions:

- Approval of the new Strategic Plan
- Recapitalisation and debt refinancing
- Call a Shareholders' Meeting to approve a €3.5bn capital increase
- 3Q 2015 Results

Acknowledgement of eni Board of Directors' resolutions

- Divestiture of 12.5% of Saipem stake to FSI (Fondo Strategico Italiano), with a shareholders' agreement to discipline governance and proprietary structure
- eni and FSI committed to subscribe pro-quota the capital increase

CHAIRMAN'S OPENING REMARKS

Ensure a best in-class corporate governance system

- **Independence** of the Board from the controlling shareholder
- **Pivotal role** of the Board in the Company's key decisions
- **Checks and balances** system:
  - Internal Audit function direct report to Chairman
  - Chairman and CEO jointly proposing to the Board:
    - Extraordinary transactions
    - Appointment of COO, CFO and Internal Audit Manager
  - Chairman and CEO jointly in charge of managing **Institutional** and **Shareholder Relations**
- **Newly established Corporate Governance Committee** aimed at constantly monitoring and improving the governance system

BUILDING A STRONGER SAIPEM

World-class fleet

Reduced cost base

Focus on
core business

Improved governance
and processes

Robust
balance sheet

Clear targets

TODAY'S PRESENTATION

1	Third Quarter 2015 Results Highlights
2	Strategy Presentation
3	Q&A

9M 2015 RESULTS: HIGHLIGHTS

Highlights

- 3Q Reported EBIT at €150mn, in line with previous year
  - E&C Onshore returning to breakeven
  - E&C Offshore impacted by South Stream
  - Slowdown in Drilling
- 9M Reported EBIT at -€640mn, underlying at €282mn
- Net debt at € 5.7bn
- New awards in the quarter for a total of €1.9bn:
- Backlog of € 17.8bn

2015 Guidance confirmed

TODAY'S PRESENTATION

CONTEXT AND POSITIONING

OUR MARKET ENVIRONMENT

Complex offshore E&C projects delay/cancellation

- Delayed FIDs, especially in deepwater
- Offshore fleet overcapacity
- Offshore NOC activity less affected

Strong competition on onshore E&C projects

- Price pressure on least complex projects
- Middle East and downstream less impacted

Overcapacity in drilling

- Pressure on rig rates
- Steepest decline in North America
- Positive trend in offshore Middle East

Challenging negotiations with clients

- Project re-scoping/slowdown to optimise costs
- Difficult variation order/claim recognition
- Counterparty risk

RECOVERY EXPECTED FROM 2017

Pick-up in upstream capex
- E&P spending to recover from 2017
- OFS demand/supply to rebalance

Offshore E&C
- Near term opportunities in Egypt
- West Africa, Caspian and GoM mid-term opportunities
- FLNG and deepwater activity
- Industry efficiency to support spending

Onshore E&C
- Continuing strong demand in the Middle East
- Iran provides additional potential
- Downstream supported by low feedstock prices

Offshore Drilling
- Recovery in exploration
- Rebalanced rig capacity following attrition
- Day-rates to rise

Onshore Drilling
- Significant activity in Middle East
- US and Latin America rebound

The SAIPEM MODEL: WELL POSITIONED THROUGH THE CYCLE

Resilient in current markets, capturing evolving trends

E&C Offshore

- Solid track record on breakthrough projects
- Strong asset base addressing varied business mix
- Well balanced geographical exposure
- Favourable client portfolio (NOCs and majors)
- Visible opportunities

E&C Onshore

- Recognised expertise in Downstream
- Well placed in the Middle East
- Technological edge (e.g. Urea, LNG)
- Distinctive ability on large/complex projects

Group

- Robust backlog across all segments
- Adaptive organisation
- Frontier focus and innovative approach

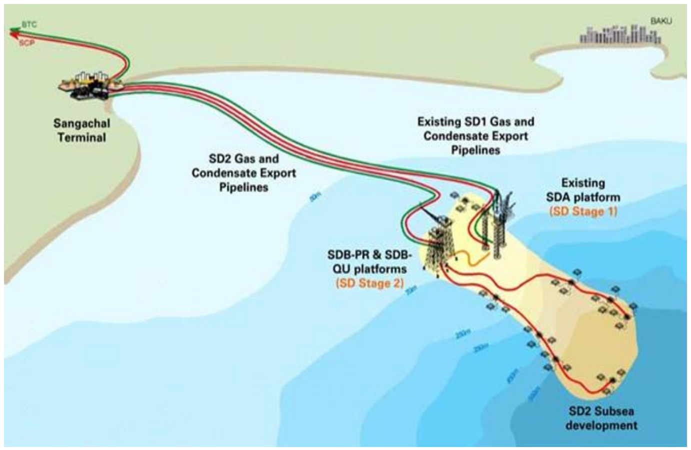
Drilling Offshore

- High-quality fleet
- Reliability and HSE track record
- Long-term contracts
- Long standing relationships with top clients

Drilling Onshore

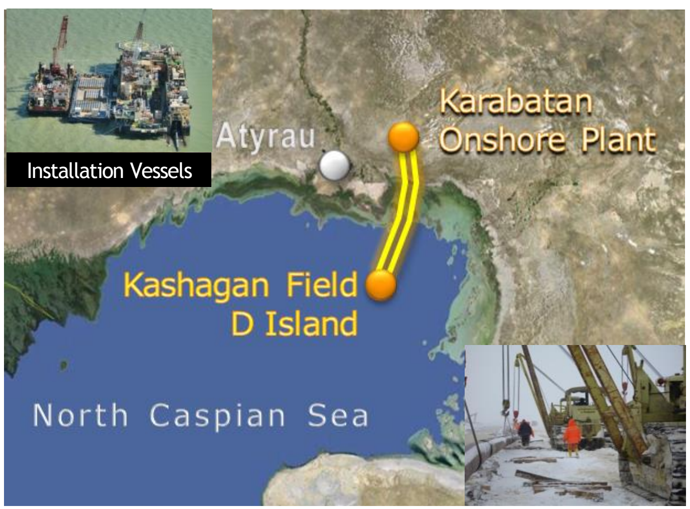
- No exposure to volatile US market
- Good position in the Middle East
- Flexibility on rig regional relocation

CURRENT FLAGSHIP PROJECTS (1/4)



Shah Deniz Stage 2 – Azerbaijan

- Client: BP (on behalf of Shah Deniz Consortium)
- Scope of work: T&I of jackets, topsides, subsea production systems and structures; over 360 km of pipelines
- Delivery: end of 2017
- Saipem Caspian Fleet Employed
- **Caspian area - harsh & remote environment**
- **Long-lasting relationship**
- **Approx. value: $1.8bn**



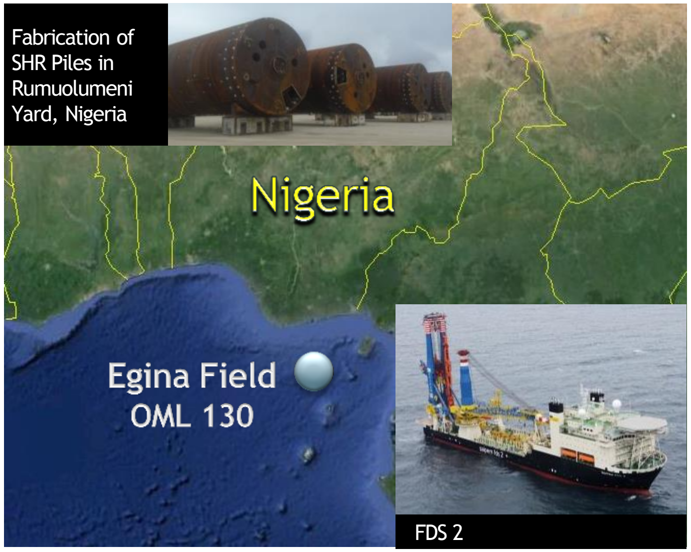
Kashagan Pipelines – Kazakhstan

- Client: North Caspian Operating Company (NCOC)
- Scope of work: 2 x 28” cladded pipelines, 95 Km each (65 Km offshore)
- Delivery: end of 2016
- Saipem Caspian Fleet Employed
- **Caspian area - harsh & remote environment**
- **Very shallow water swamp sub-arctic area**
- **Environmental restrictions**
- **Fast track project schedule**
- **Approx. value: $1.8bn**

CURRENT FLAGSHIP PROJECTS (2/4)

Kaombo FPSOs – Angola

- Client: Total
- Scope of work: EPCI of 2 turret-moored FPSOs and 7-years contract for operation and maintenance services
- Delivery: 1st FPSO 1Q2017, 2nd FPSO 2Q2017
- **Large Floater EPC - West Africa**
- **Fast track project**
- **In-house “design one, build two” approach**
- **Approx. value: > $4bn**

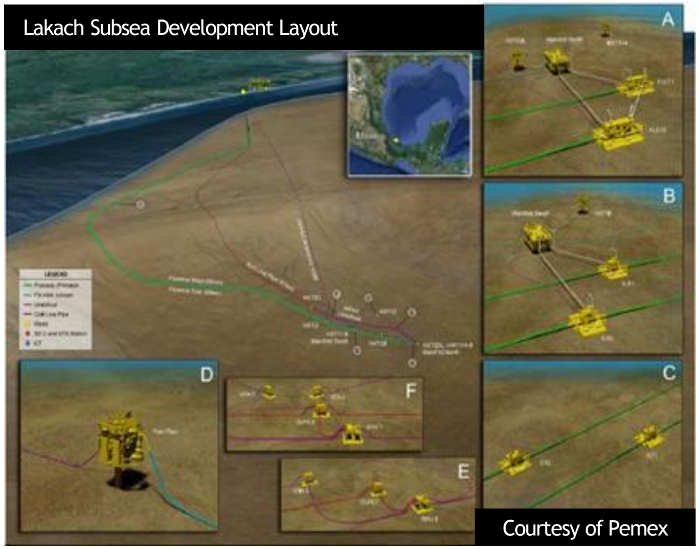


Egina SURF - Nigeria

- Client: Total
- Scope of work: EPCI of flowlines, jumpers, gas export pipelines, umbilicals and mooring & offloading systems
- Delivery: mid 2017
- **Deepwater URF - West Africa**
- **Local content**
- **Approx. value: $3bn**

CURRENT FLAGSHIP PROJECTS (3/4)

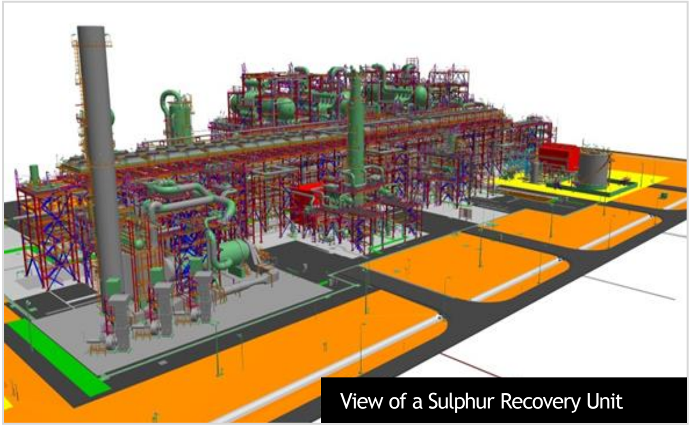
Lakach Subsea Development Layout



Courtesy of Pemex

Lakach - Mexico

- Client: Pemex
- Scope of work: EPCI of 2 18" gas flowlines 140 Km-long, 4" coiled line pipe 58km long, 50 Km-long umbilical and SURF facilities
- Delivery: end of 2017
- **First deepwater field development in Mexico**
- **Market opening to IOCs**
- **Approx. value: $0.7bn**



View of a Sulphur Recovery Unit

Jazan IGCC - Saudi Arabia

- Client: Saudi Aramco
- Scope of work: Package 1 - EPCI of gasification unit, soot/ash removal unit, acid gas removal and hydrogen recovery units; Package 2 - EPC of 6 sulphur recovery unit (SRU) trains and relevant storage
- **World-scale integrated gasification combined-cycle plant (IGCC)**
- **Remote area near Saudi border**
- **Approx. value: > $2bn**

CURRENT FLAGSHIP PROJECTS (4/4)

Saipem 10000 - Worldwide

- Client: working for eni since 2010, current contract ending 2019
- 5th generation Ultra Deepwater DP class 3 Drillship
- Dual Activity operation system
- Water depth: up to 10,000 ft (3,048 m)
- **April 2001: deepest well world record 2,791m w.d. offshore Gabon**
- **Q2 2014: Agulha-2 well discovery offshore Mozambique**
- **Q3 2015: Zohr-1 well discovery offshore Egypt**

Perro Negro 5

Drilling – Middle East

- Countries: Saudi Arabia, U.A.E., Kuwait
- Clients: Saudi Aramco, NDC, KOC
- 30 Land Rigs (of which 2 starting in 2017)
- 5 Jack-up Rigs
- **Key strategic area**
- **Long-term contracts:**
- **i.e. Perro Negro 5 contracted with Saudi Aramco up to 2024**
- **Kuwait new market**

E&C BUSINESS OPPORTUNITIES

Americas

- Transcanada Prince Rupert - offshore pipelines
- CFE Gulf Mex - offshore pipelines
- ✓ Transcanada Prince Rupert Pack 2, 3 - onshore pipelines[1]
- Coastal Gas Link Pack 2,3 - onshore pipelines
- CFE Tuxpan - Tula - onshore pipelines

West and North Africa

- Eni Bahr Essalam Fields - subsea
- Eni Shouruk development - subsea and pipelines
- Shell Bonga South West - subsea
- Eni Block 15-06 (West Hub) - subsea
- BG Burullus Phase IXB - subsea
- Eni Nenè EPC - offshore fixed facilities
- Eni OCTP Sankofa - subsea
- Namcor Kudu Gas Line - offshore pipelines
- Exxon Qua Iboe Power Plant - downstream
- Quantum Methanol - downstream

East Africa

- Eni Coral South - subsea
- Eni Coral - FLNG
- Anadarko Golfinho - subsea
- ✓ Anadarko Onshore - LNG[2]

Central Asia/Europe

- Lukoil Filanovsky Phase 2 - offshore fixed facilities
- BP Shah Deniz Ph. 2 Operational Construction Vessel - subsea
- TAP / TANAP - offshore pipelines
- Eni Argo Cluster - subsea
- INA Refinery - downstream
- Gazprom Moscow Refinery Upgrading - downstream

Middle East

- S. Aramco Hasbah phase 2 Wasit - offshore fixed facilities
- KNPC New Refinery pipeline - onshore pipelines
- ADCO BAB Integrated Facilities - onshore upstream
- S. Aramco MGS Pipelines - onshore pipelines
- BGC Ar Ratawi NGL Gas Plant - onshore upstream
- Oman Rail (Segment 1) - infrastructures

Asia Pacific

- Petronas Kasawari - offshore fixed facilities
- BP Tangguh - offshore fixed facilities and pipelines
- ✓ Exxon Scarborough - FLNG[3]
- Chevron Gehem Gendalo - FPU
- Shell Inpex Masela FEED - FLNG
- Petronas RAPID - downstream
- Tangguh Onshore - LNG

Total Value of opportunities: approx. €36bn

1. Shortlisted contractor, obtainment of permits by Client ongoing. 2. Selected contractor, award subject to client final investment decision.
3. Minimum level of engineering in 2015.

STRATEGY

STRATEGIC PILLARS

1. Business portfolio refocus
2. De-risking the business model
3. Cost optimisation and process efficiency
4. Technology and innovation
5. Debt reduction and capital discipline

BUSINESS PORTFOLIO REFOCUS

1

	E&C Offshore	E&C Onshore	Drilling Offshore	Drilling Onshore
Investment strategy	▪ Maintain state of the art fleet		▪ Maintain state of the art fleet	
Commercial effort	▪ FLNG ▪ Partnerships ▪ Early engagement	▪ Diversify into value-added services	▪ Harsh environment and deepwater operations ▪ Middle East	▪ Consolidate presence in the Middle East
Disposals	▪ Exit leased FPSOs	▪ Reduce engineering capacity ▪ Exit infrastructure business in Italy		
Rationalisation	▪ Reduce fabrication yard capacity ▪ Realign geographic presence			▪ Reduce presence in South America
Divisional positioning	▪ Refocus for future growth	▪ Selectiveness to restore profitability	▪ Resilient and stable	

DE-RISKING THE BUSINESS MODEL

2

Reduce risk across the portfolio

Commercial discipline

- Top management engagement on any significant commercial decision
- Selectiveness on opportunities
- Strengthened risk analysis

Rebalanced Service mix

- More engineering and design, less construction
- Alternative contractual schemes
  - EPCM - sharing construction responsibility with clients

Group

- Reinforce guidelines and procedures to monitor, prevent and manage risks

Partnerships

- Strategic partnerships in high value-added segments (e.g. LNG/FLNG)
- Manage local complexity and exploit opportunities through cooperation / partnerships (e.g. Kazakhstan)

Focus on client relationship

- Commitment to execution excellence
- Early engagement and proactive cost-efficiency solutions

COST OPTIMISATION PROGRAMME

3

Programme ongoing, progress as scheduled

€1.3bn
Cumulative Cost Savings

Staff & Central Costs

€0.45bn

Project & Operation costs

€0.55bn

Avoided costs

€0.3bn

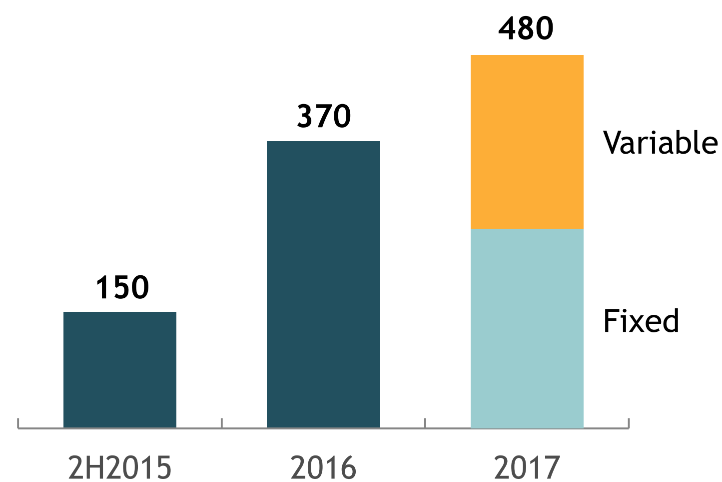
- Scrapped vessels
- Eliminate overcapacity in overseas centres and offices (assets and personnel)

Additional savings identified

€0.2bn

- Further optimisation of engineering footprint
- Review of policies to reduce expatriate and temporary workforce

€480mn EBIT improvement by 2017



FOUR MAIN WORK STREAMS AND OVER 150 ONGOING INITIATIVES

3

	E&C Offshore	E&C Onshore	Drilling
Geographical footprint	▪ Reduce presence in regions with least potential ▪ Rationalise local centres ▪ Revise yard strategy	▪ Reduce presence in regions with least potential ▪ Rationalise eng. centres and offices ▪ Rightsize Edmonton yard	▪ Rationalise supporting and execution centres
Complexity reduction & process optimisation	▪ Optimise ordinary maintenance processes ▪ Improve fabrication (make vs buy)	▪ Review construction supervision ▪ Construction direct hiring ▪ Review tender process ▪ Supply chain optimisation	▪ Optimise ordinary maintenance processes ▪ Optimise land rig logistics
Fleet & assets	▪ Asset scrapping (4 vessels) ▪ Asset disposals (2 FPSOs) ▪ Optimise fleet manning and cyclical maintenance	▪ Maximisation of asset saturation across project sites	▪ Asset scrapped (1 offshore rig) ▪ Optimise fleet manning and cyclical maintenance
G&A optimisation	▪ Optimise workforce and office space ▪ Rightsize overseas support functions (local and expat personnel) ▪ Review of HR policies (Expatriate and Travel Policy, Car and Telecommunication Contracts) ▪ Offshoring IT Services		
EBIT	~ € 450mn	~€450mn	~€100mn

TECHNOLOGY AND INNOVATION

4

<table>
<tr><th></th><th>Technology and innovative solutions</th><th>Business opportunities</th></tr>
<tr><td>Risers & flowlines</td><td>▪ Heat Traced Pipe-in-Pipe,
Ultra Deep Water risers (SIR, BIRDS) and
Plastic lined pipes (FBJ) for J-lay installation</td><td rowspan="3">▪ Enable Ultra Deep Water Fields
▪ Enable Stranded Fields long Tie-Backs
▪ Reduce costs of equipment & installation</td></tr>
<tr><td>Materials</td><td>▪ Best-in-class welding and coating technologies to improve quality at lower costs (i.e. IPW)
▪ Exotic and composite materials for subsea pipes, spools and ancillaries</td></tr>
<tr><td>Export Lines & trunklines</td><td>▪ Welding and new installation technologies, to optimise times and costs
▪ Leading edge technologies for subsea trenching, especially in very shallow waters</td></tr>
<tr><td>Subsea engineered systems</td><td>▪ Vertical integration of subsea engineered systems, over the full Life of Field
▪ Subsea Water Treatment and Separation tech.</td><td>▪ Reduce costs
▪ Enable Brownfields debottlenecking
▪ Increase/Enhance Oil Recovery
▪ Manage Subsea Fields complexity</td></tr>
<tr><td>FLNG</td><td>▪ New tandem offshore LNG offloading system, with cryogenic floating hoses</td><td>▪ Improve operability and safety by introducing a leading edge technology</td></tr>
<tr><td>Onshore</td><td>▪ Top-class proprietary Urea technology (132 licenses sold). Continuous improvement in efficiency, corrosion resistance and emissions</td><td>▪ Maintain and improve the level of excellence</td></tr>
</table>

DEBT REDUCTION AND CAPITAL DISCIPLINE

STRENGTHENING THE BALANCE SHEET

5

Transaction Rationale

- Reduce leverage to industry standards
- Improve financial and strategic flexibility
- Achieve financial independence
- Diversify sources of funding

Execution expected within 1Q 2016

Current gross debt: €6.7bn*

Capital Increase

€3.5bn rights issue
Fully underwritten

New Credit Facilities

€3.2bn Term Loan/Bridge to Bond
Fully underwritten

RCF

€1.5bn Revolving Credit Facility

Rating Outcome

	S&P	Moody's
Corporate credit rating	BBB-	Baa3

** Gross debt at draw down of €6.7bn expected in Q1 2016*

CAPITAL INCREASE: KEY FEATURES

5

Size	▪ €3.5bn rights issue ▪ Net leverage reduced from 4.6x (Dec-2015) to 1.7x (pro forma)*
Strategic Shareholder Support	▪ Irrevocable commitment for ~43% of total offering (or €1.5bn) by eni, or eni and FSI
Syndicate Structure	▪ Commitment to underwrite the remainder (€2bn) by a syndicate of 7 joint bookrunners (2 global coordinators, 5 joint bookrunners)
Timing	▪ Shareholder meeting on December, 2nd 2015 ▪ Capital increase to be executed in Q1 2016

** Net debt to underlying Ebitda, based on 2015E Underlying EBITDA of €1.2bn*

NEW CREDIT FACILITIES

5

Summary terms and conditions			
	Bridge to Bond	Term Loan	RCF
Size	€1.6bn	€1.6bn	€1.5bn
Tenor	Up to 24 months	5 years (amortizing)	5 years
Margin (bps p.a.)	Initial margin: 80bps	Margin:110bps	Margin: 80bps
Ranking	Senior unsecured	Senior unsecured	Senior unsecured
Financial Covenants	No financial covenants	No financial covenants	No financial covenants
Syndicate Structure	Fully underwritten by a syndicate of 5 MLAs and 2 joint lead arrangers		

- **Pro forma average cost of debt: ~ 2%***

* *For 2016, including fees*

CAPITAL DISCIPLINE

Working Capital Management

- Working capital normalization process, through:
  - Continued effort to monetise unbilled revenues and outstanding amounts on legacy contacts
  - Project cash flows management since early commercial phase (focus on advances, invoicing entitlement and other payment terms)
  - Optimisation and rationalisation of inventories

Target working capital: ca. 5% of revenues

Capex/Disposals

- Strong historical capex (around €10bn in 2007-2011) aimed at expanding E&C and Drilling offshore fleet and increasing fabrication capacity
- Calibrated level of capex going forward
  - Efficient maintenance program to preserve a state-of-the-art fleet
  - Monetisation of non-core activities

Medium/long term capex in line with 2015 guidance

BUSINESS PLAN TARGETS

Metrics (€)	2016	2017	Mid Term Targets
Revenues	▪ >11bn ▪ >65% covered by backlog	▪ >11bn ▪ >40% covered by backlog	▪ >12bn
EBIT ***EBIT Margin***	▪ >600mn ▪ *~5.5%*	▪ ~700mn ▪ *~6.5%*	▪ >900mn by 2019 ▪ *>7.5%*
CAPEX	▪ <600mn	▪ <600mn	▪ Disciplined pursuit of growth opportunities
Net Financial Position	▪ <1.5bn	▪ <1.0bn	▪ Cash neutral in 2019 ▪ Strong commitment to investment grade ▪ Attention to shareholders' remuneration

DIVISIONAL TARGETS

E&C

Offshore

- Backlog coverage: ~70% in 2016 and ~30% in 2017
- Contribution to group revenues: modest reduction
- Profitability trend : exceeding mid single digit

Onshore

- Backlog coverage: ~60% in 2016 and ~55% in 2017
- Revenue contribution: moderate increase
- Profitability trend: mid single digit

Drilling

Offshore

- Backlog coverage: ~80% in 2016 and ~60%% in 2017
- Revenue contribution: stable
- Profitability trend: above 25%

Onshore

- Backlog coverage: ~60% in 2016 and ~30% in 2017
- Revenue contribution: stable
- Profitability trend: high single digit

TAKEAWAYS

A STRONGER SAIPEM

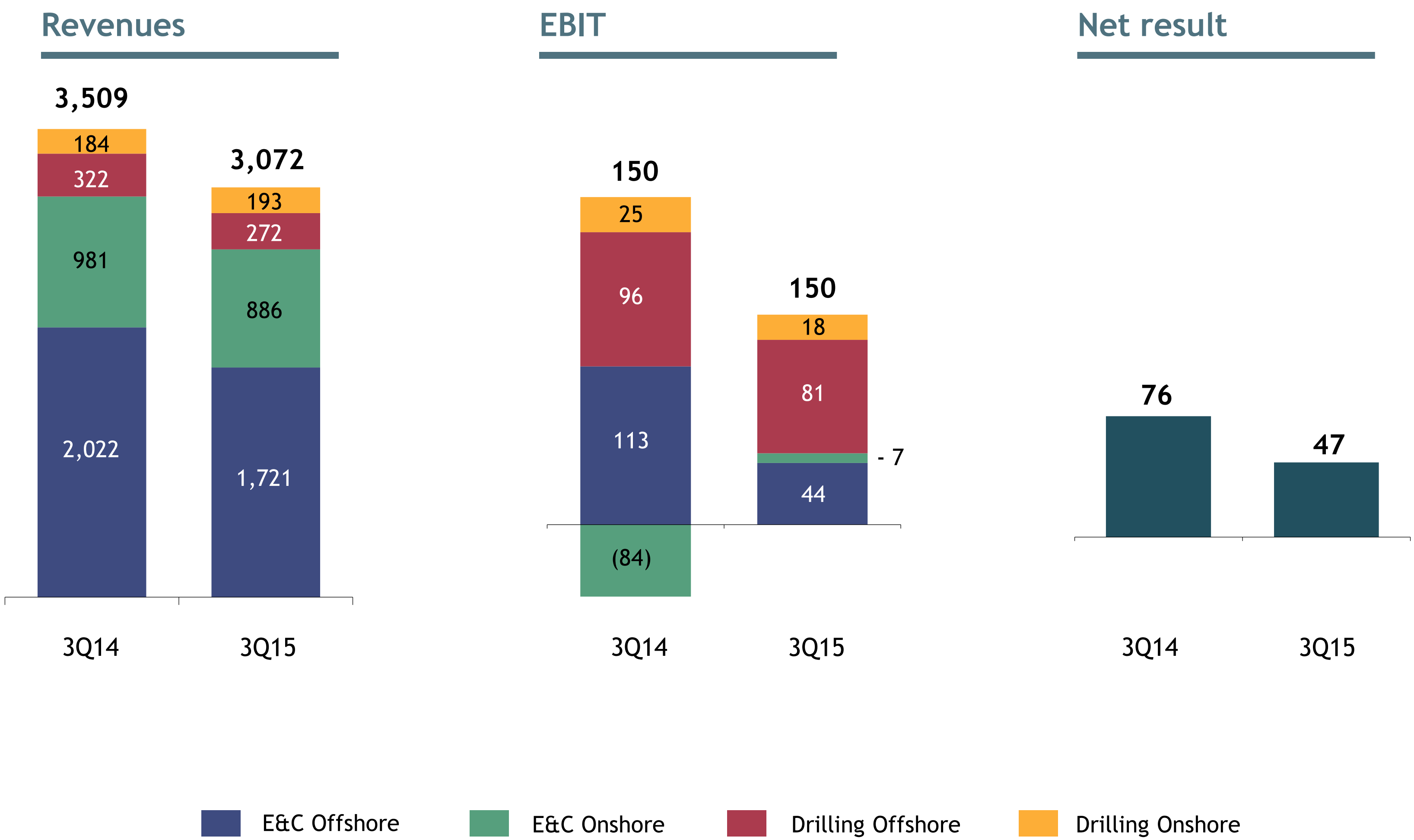
Differentiated business model	▪ Distinctive E&C offshore capabilities ▪ Strong expertise in E&C onshore ▪ High-quality drilling ▪ Longstanding relationships with key clients
Robust balance sheet	▪ Financial and strategic flexibility ▪ Investment grade rating ▪ World class assets
Enhanced governance and risk management	▪ Governance in line with best practice ▪ Monitoring, prevention and management of risks ▪ Commercial discipline
Lean and focused organisation	▪ Reduced cost base ▪ Streamlined geographical presence ▪ Focus on core business
Focus on cash generation	▪ Disciplined approach to working capital ▪ Moderate capex requirements ▪ Disposal of non-core assets
Clear objectives	▪ Maintain current rating ▪ Grow profitability ▪ Value creation for shareholders

TODAY'S PRESENTATION

APPENDIX A: THIRD QUARTER 2015 RESULTS HIGHLIGHTS

3Q 2015 FINANCIAL RESULTS

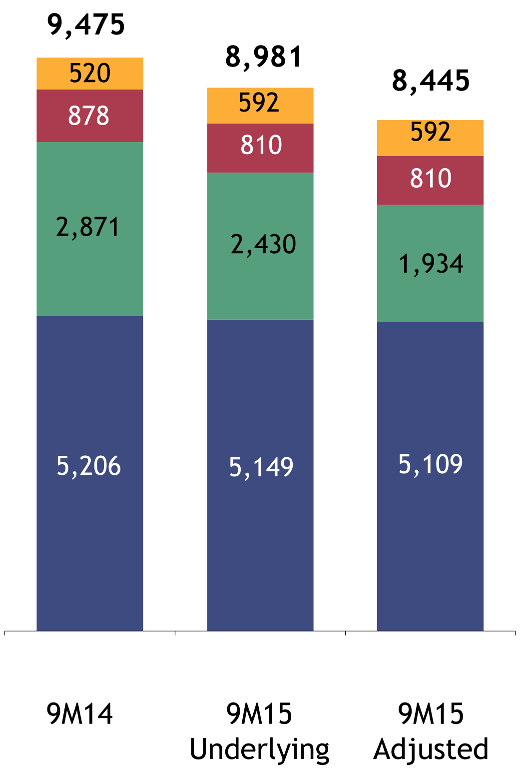
YoY comparison (€ mn)



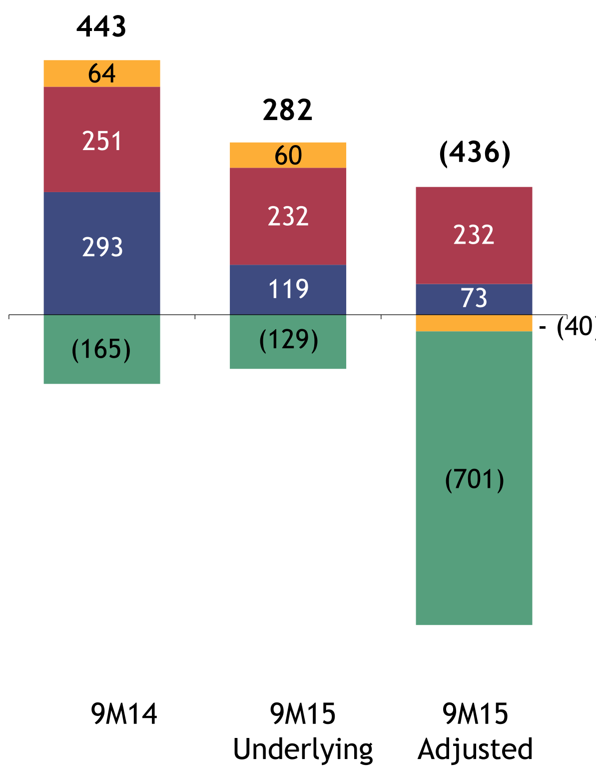
9M 2015 FINANCIAL RESULTS

YoY comparison (€ mn)

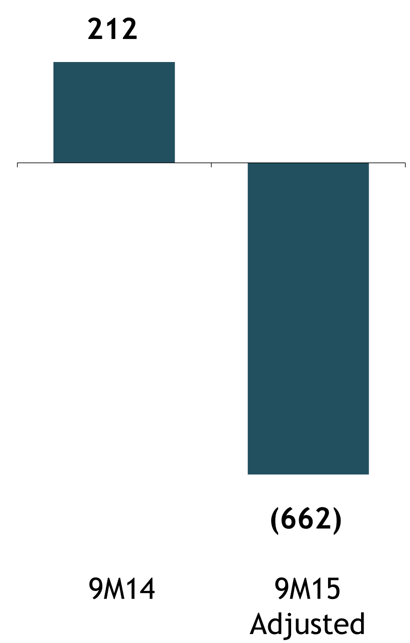
Revenues



EBIT

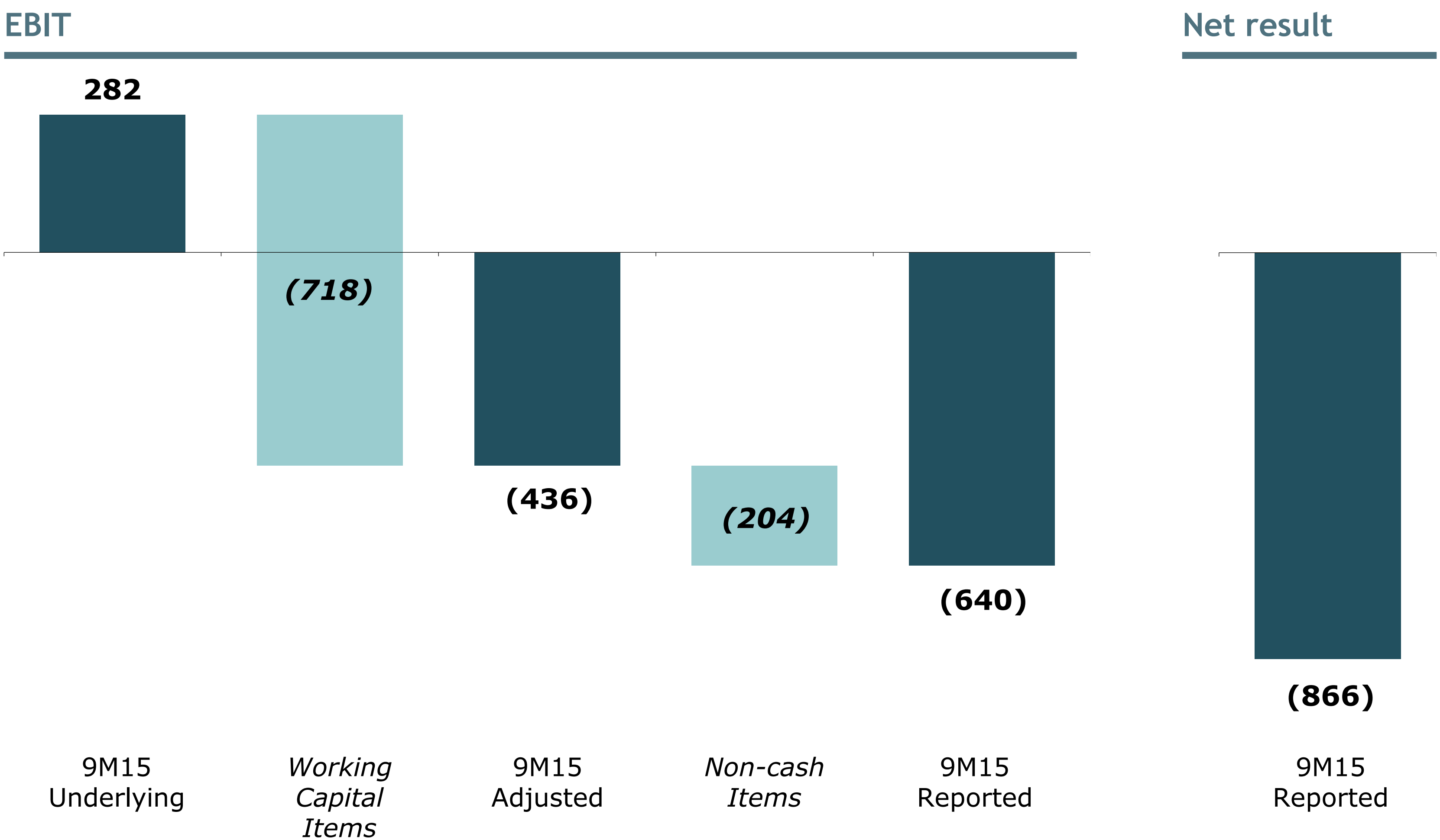


Net result

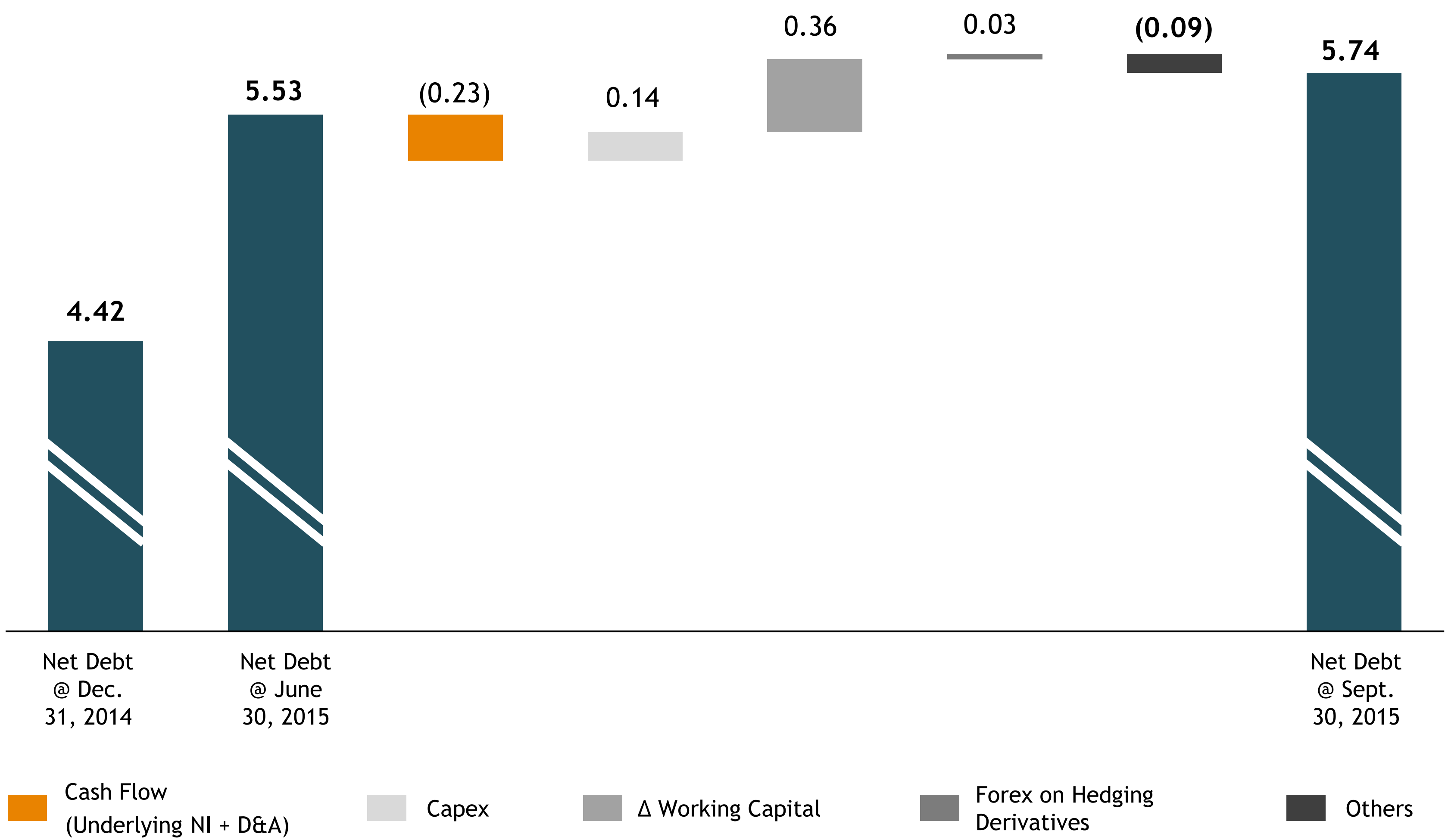


E&C Offshore E&C Onshore Drilling Offshore Drilling Onshore

9M 2015 FINANCIAL RESULTS
(€ mn)

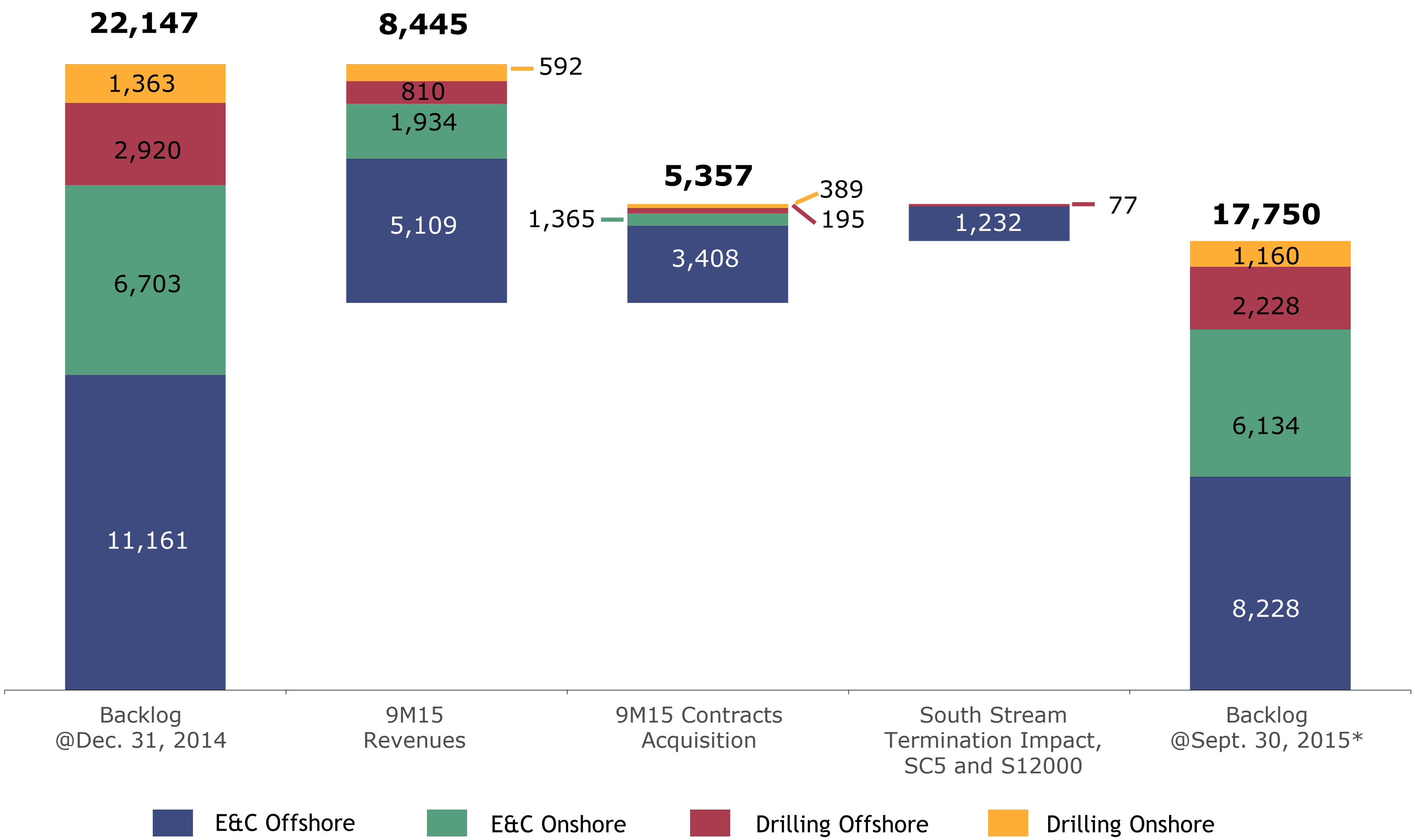


3Q 2015 NET DEBT EVOLUTION
(€ bn)



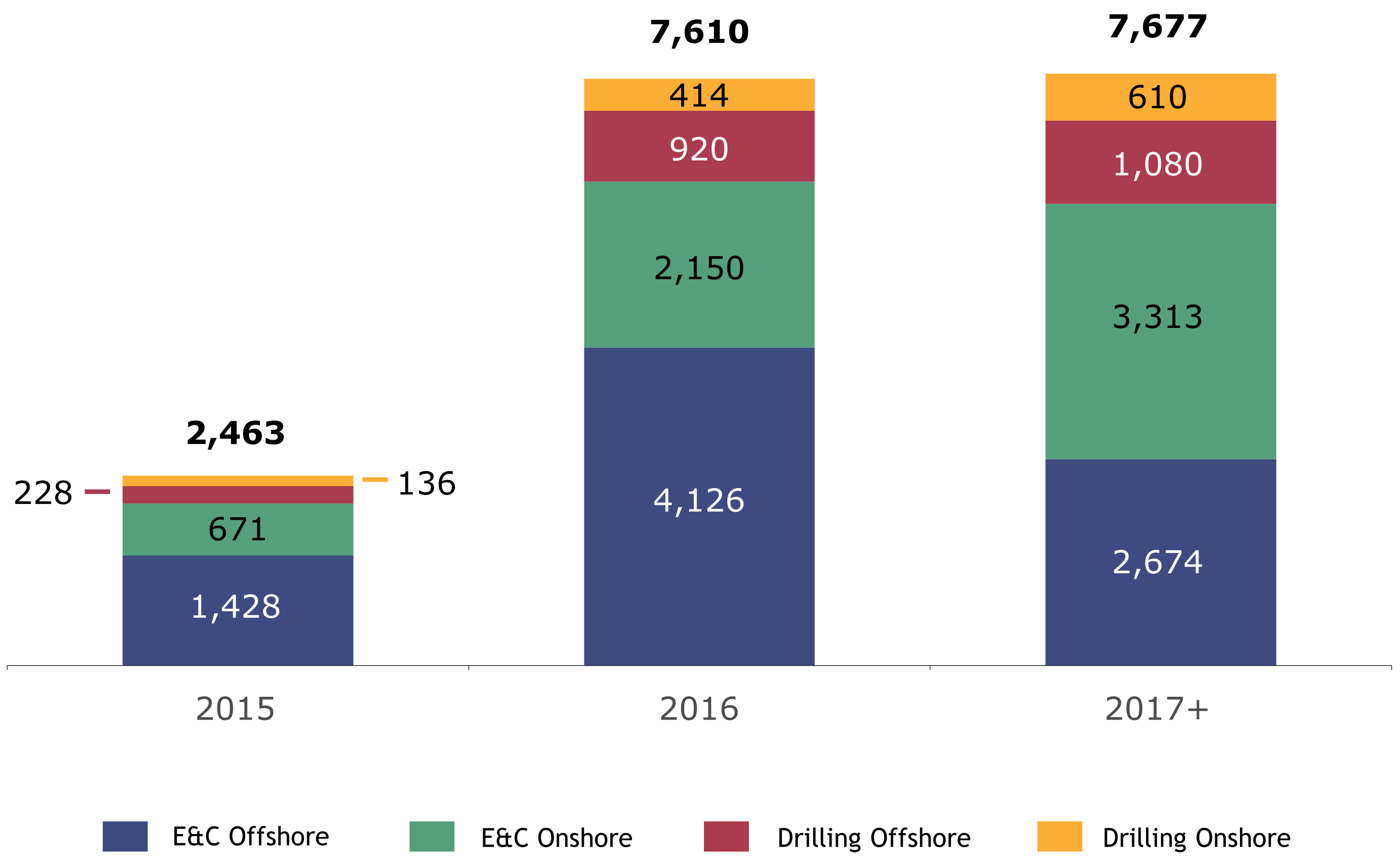
9M 2015 BACKLOG AND NEW ORDERS

(€ mn)



** Includes €15mn related to the water pipeline project in Chile; does not include contracts announced on October 9th worth >€600mn*

BACKLOG BY YEAR OF EXECUTION
(€ mn)



SAIPEM

APPENDIX B: COST CUTTING INITIATIVES

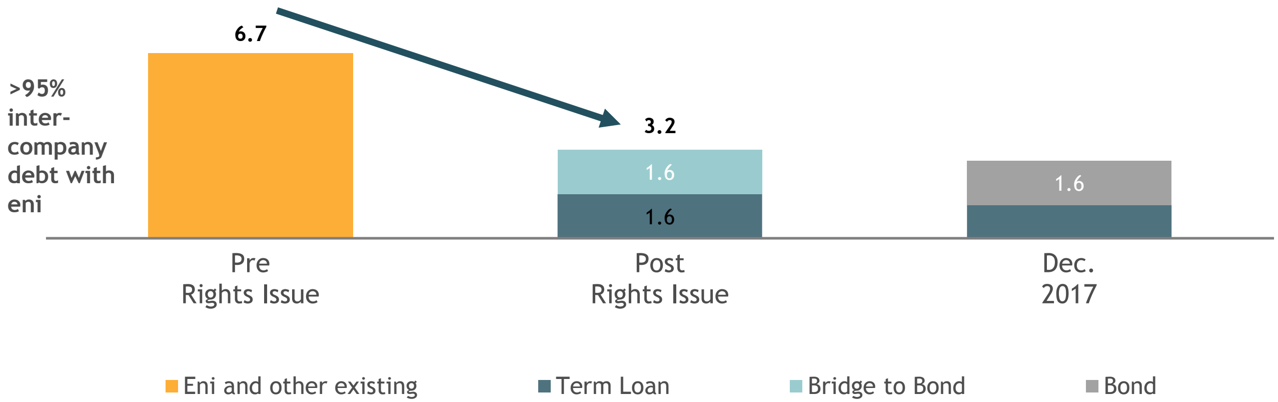
COST OPTIMISATION PROGRAM: ONGOING INITIATIVES BY REGION

		E&C Offshore	E&C Onshore	Drilling
Geographical footprint	**Yards**	Angola, Brazil, Congo, Nigeria, Far East	Canada, Iraq	
	Engineering centers	Emirates, United Kingdom, Brazil	Romania, India, Mexico, Canada	
	Offices	United Kingdom, Singapore, United States, Australia, Kazakhstan, Croatia, Netherlands	India, Romania, Libya, Mexico	Latin America, Norway
Complexity reduction & process optimisation	**Commercial**	All areas	Canada, Nigeria	Italy
	Project Execution	All yards (Angola, Brazil, Nigeria, Indonesia, Italy, Congo, Kazakhstan)	All on-going projects	Saudi Arabia
	Maintenance	Schiedam Base (Netherlands) and offshore fleet		Offshore fleet
Fleet & assets	**Vessel Scrapping**	Semac 1, Castoro 7, SB320, S355		Scarabeo 4
	Vessel Disposal	2 Leased FPSOs		
	Maintenance & Mob.	Offshore fleet		Onshore assets and Offshore fleet
	Manning	Offshore fleet		Offshore fleet
G&A optimisation	**Structure Costs**			
	Support Functions	Actions focused on Italy and overseas offices and location		
	HR and Others			

APPENDIX C: REFINANCING

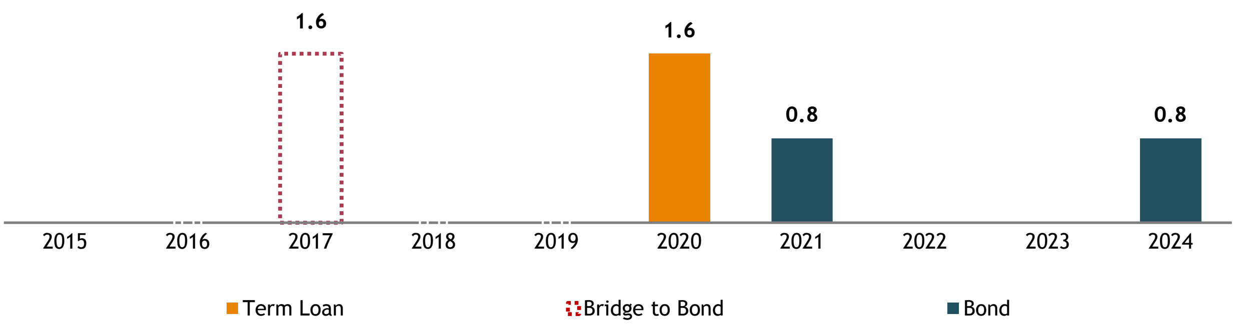
REFINANCING

Evolution of Saipem's Gross Debt (€bn)



- Meaningful reduction in total indebtedness
- Diversification of sources

Expected maturity profile post transaction (€bn)*



- Meaningful extension of debt maturities: from current duration of <5 years to >6 years
- Reduction in cost of debt from 2.7% to <2% first year

** Maturity profile assumes €0.8bn 5-year bonds issued in 2016 and €0.8bn 7-year bonds issued in 2017*