



1Q 2018 RESULTS PRESENTATION



24 April 2018

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.

Therefore, the Company’s actual results may differ materially and adversely from those expressed or implied in any forward-looking statements. They are neither statements of historical fact nor guarantees of future performance. The Company therefore cautions against relying on any of these forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, economic conditions globally, the impact of competition, political and economic developments in the countries in which the Company operates, and regulatory developments in Italy and internationally. Any forward-looking statements made by or on behalf of the Company speak only as of the date they are made. The Company undertakes no obligation to update any forward-looking statements to reflect any changes in the Company’s expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. Accordingly, readers should not place undue reliance on forward-looking statements due to the inherent uncertainty therein.

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

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.

TODAY'S PRESENTATION

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OPENING REMARKS

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1Q 2018 RESULTS

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CLOSING REMARKS AND 2018 GUIDANCE UPDATE

OPENING REMARKS

1Q 2018 overall profitability resilient, despite declining volumes

- Healthy margin in Offshore E&C and Drilling
- E&C Onshore margin on track
- Efficiency initiatives supportive of Drilling Onshore

Positive net cash generation during quarter, despite settlement in Algeria

Backlog at €11.5bn, €1bn New Awards in 1Q

Saipem Constellation Rigid Reeling vessel acquisition

- Complementing the range of subsea development solutions
- Access to new strategic segments

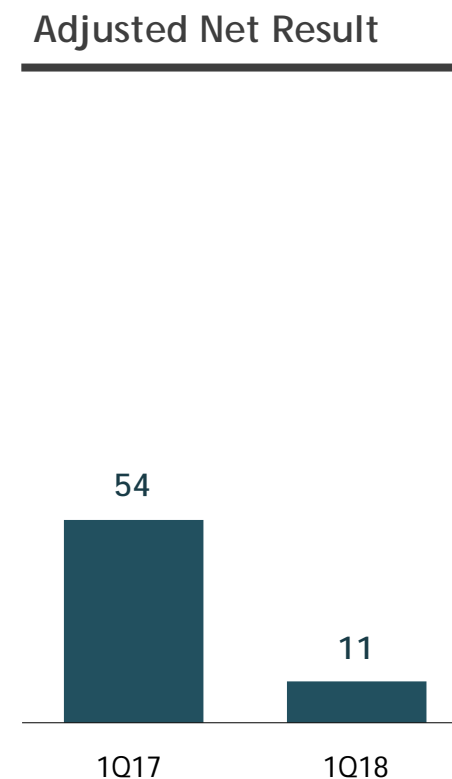
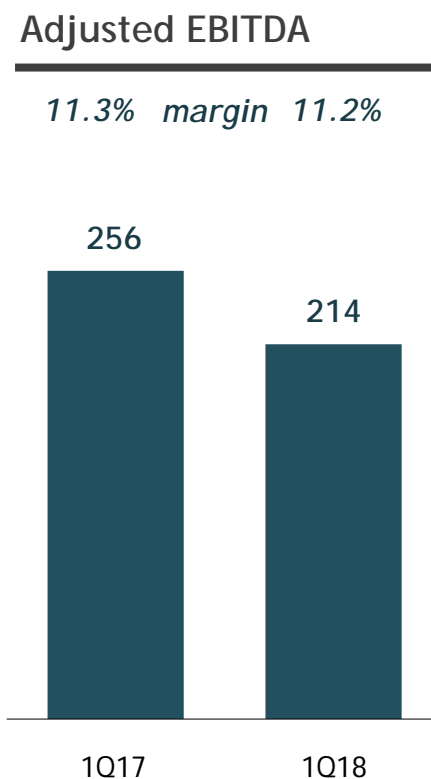
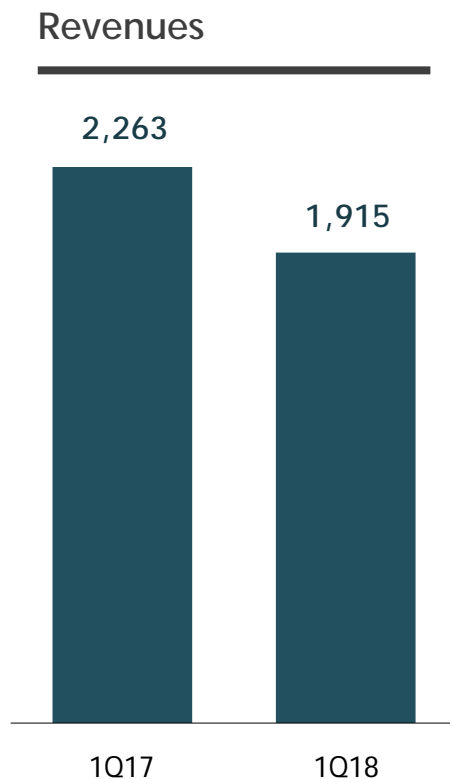
2018 Net Debt and Capex Guidance updated to reflect vessel investment



1Q 2018 RESULTS

1Q 2018 RESULTS

YoY COMPARISON (€ mn)

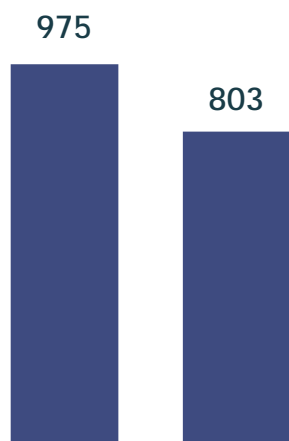


1Q 2018 RESULTS – E&C

YoY COMPARISON (€ mn)

E&C OFFSHORE

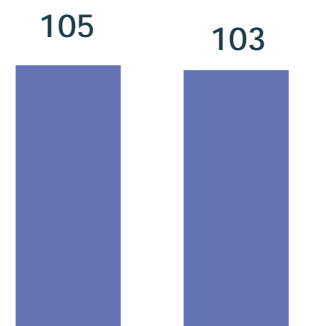
Revenues



1Q17 1Q18

Adj. EBITDA

10.8% margin 12.8%

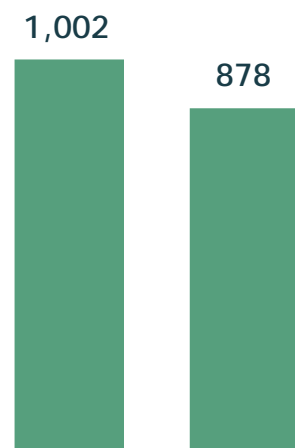


1Q17 1Q18

- Middle East partially offsetting lower activity elsewhere
- Good operational performance delivering solid margin

E&C ONSHORE*

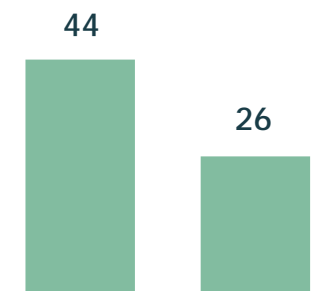
Revenues



1Q17 1Q18

Adj. EBITDA

4.4% margin 3.0%



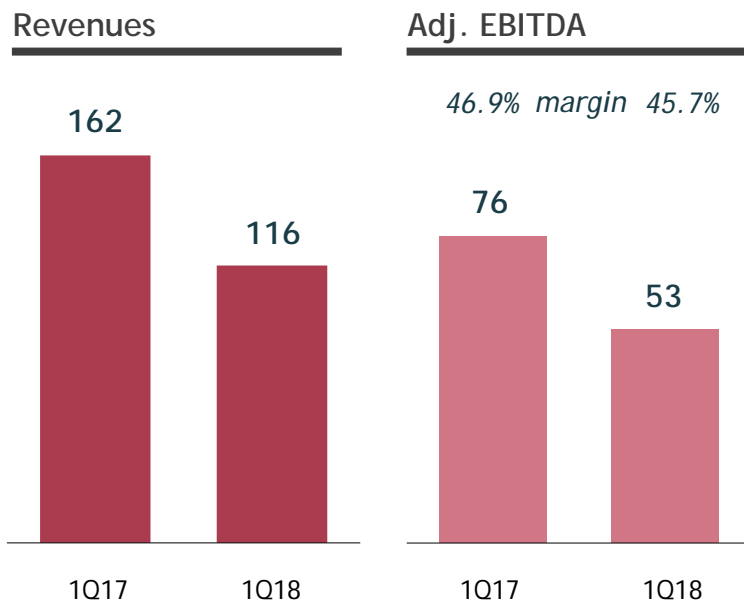
1Q17 1Q18

- Lower activity in Middle East, Far East and West Africa
- Margin on track

1Q 2018 RESULTS – Drilling

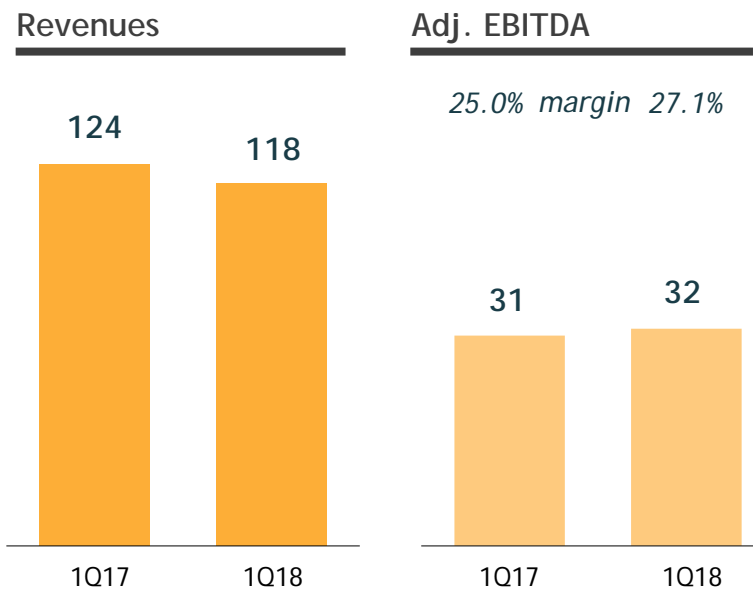
YoY COMPARISON (€ mn)

DRILLING OFFSHORE



- Declining revenues due to higher idleness
- Margin still resilient

DRILLING ONSHORE

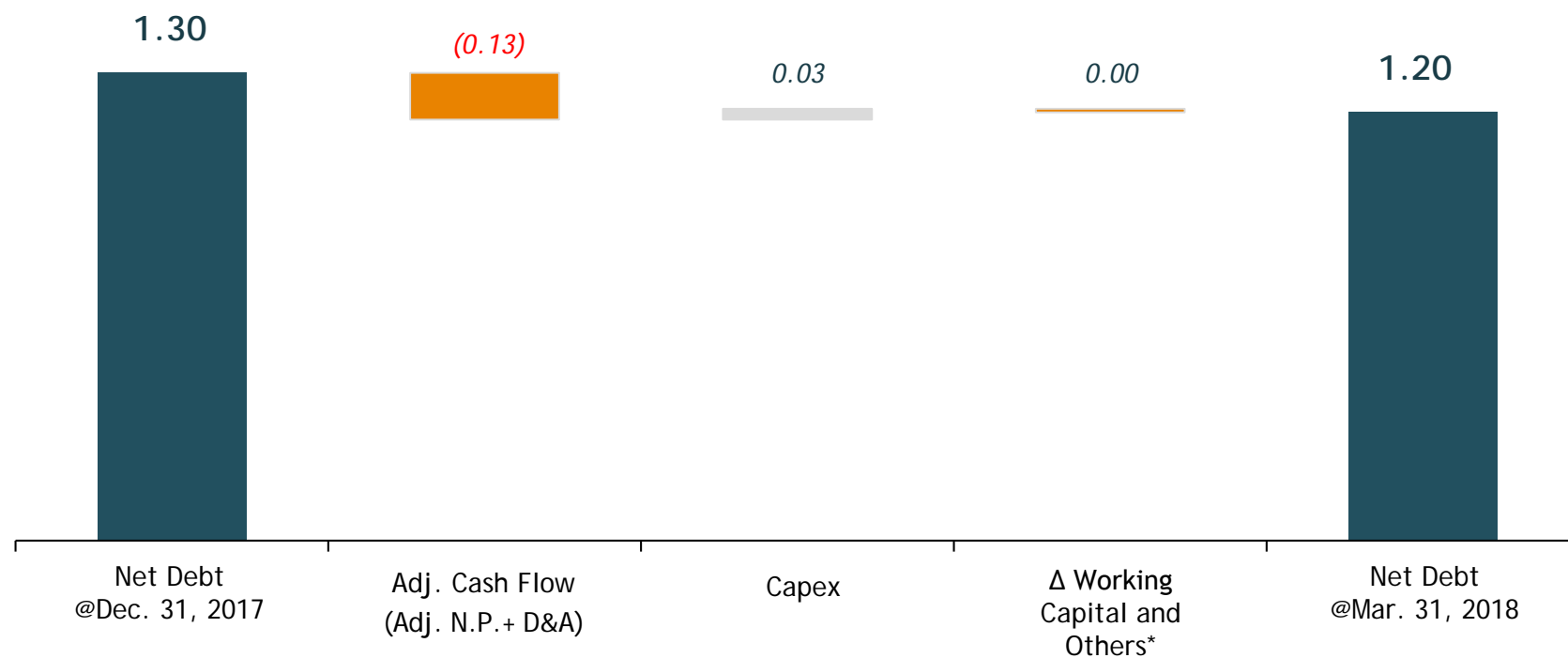


- Cost saving and higher rig utilization sustaining EBITDA and margin

1Q 2018 NET DEBT EVOLUTION

(€ bn)

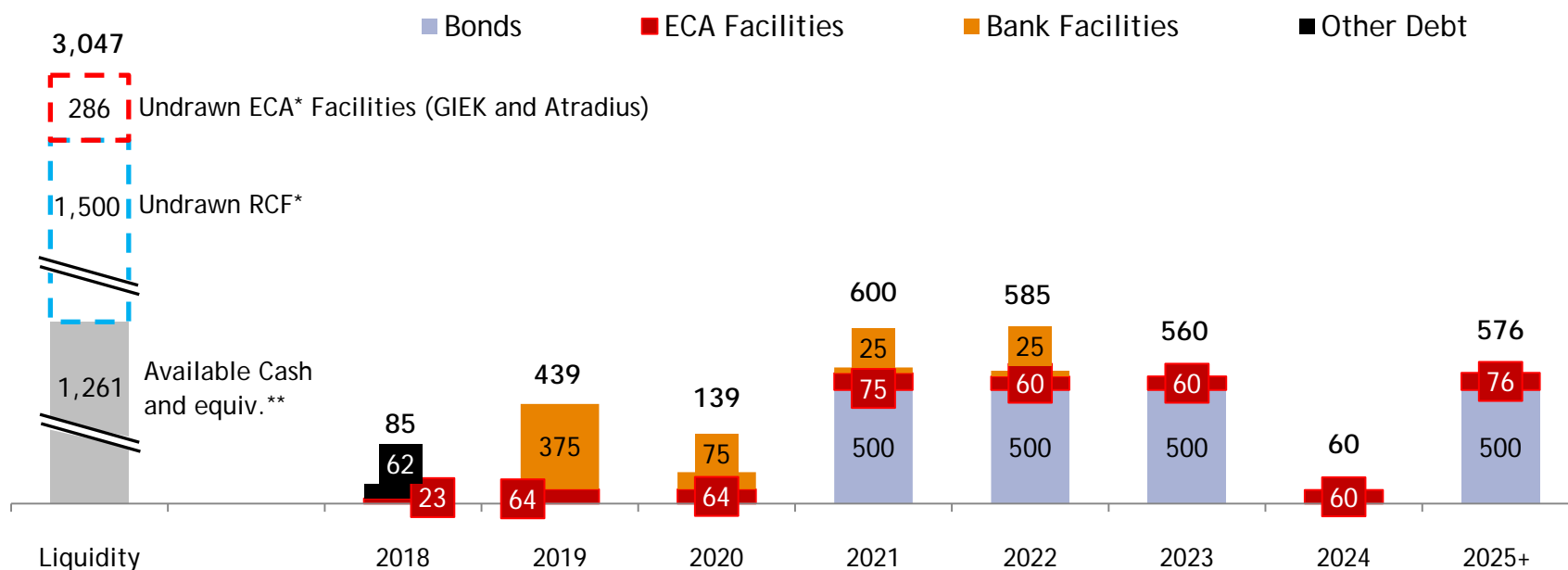
Good Cash Flow generation positively impacting Net Debt



CAPITAL STRUCTURE AS OF MARCH 31, 2018

(€ mn)

Debt maturity profile



- Average debt maturity c.4.1 years. Overall financing interest rate c.4% including treasury hedging
- Undrawn committed cash facilities totalling c.€1.8bn, in addition to c.€0.4bn of uncommitted facilities
- Available cash and equivalent c. €1.3bn**



BUSINESS UPDATE

NEW E&C OFFSHORE ASSET: SAIPEM CONSTELLATION 1/3

RIGID REEL-LAY AND SUBSEA DEVELOPMENT VESSEL



- Immediate access to Reel-Lay solutions with latest generation vessel (built 2013)
- Multipurpose “one stop shop”:
 - 800mT tension, for the deepest waters
 - 3000mT mast crane
 - Subsea installation
- Less spoolbase dependent, for remote locations

NEW E&C OFFSHORE ASSET: SAIPEM CONSTELLATION 2/3

COMPLEMENTING THE RANGE OF SUBSEA DEVELOPMENT SOLUTIONS

✓ S-Lay



CASTORONE

✓ J-Lay



FDS/FDS 2

✓ Flex-Lay



NORMAND MAXIMUS

✓ Rigid Reel-Lay



CONSTELLATION

EXTENDING
FLEET
SURF
CAPABILITIES

NEW SEGMENT: SUBSEA TIE BACK PROJECTS

ACCESS TO BROADER RANGE OF INTEGRATED
SUBSEA PROJECTS (SPS + SURF)

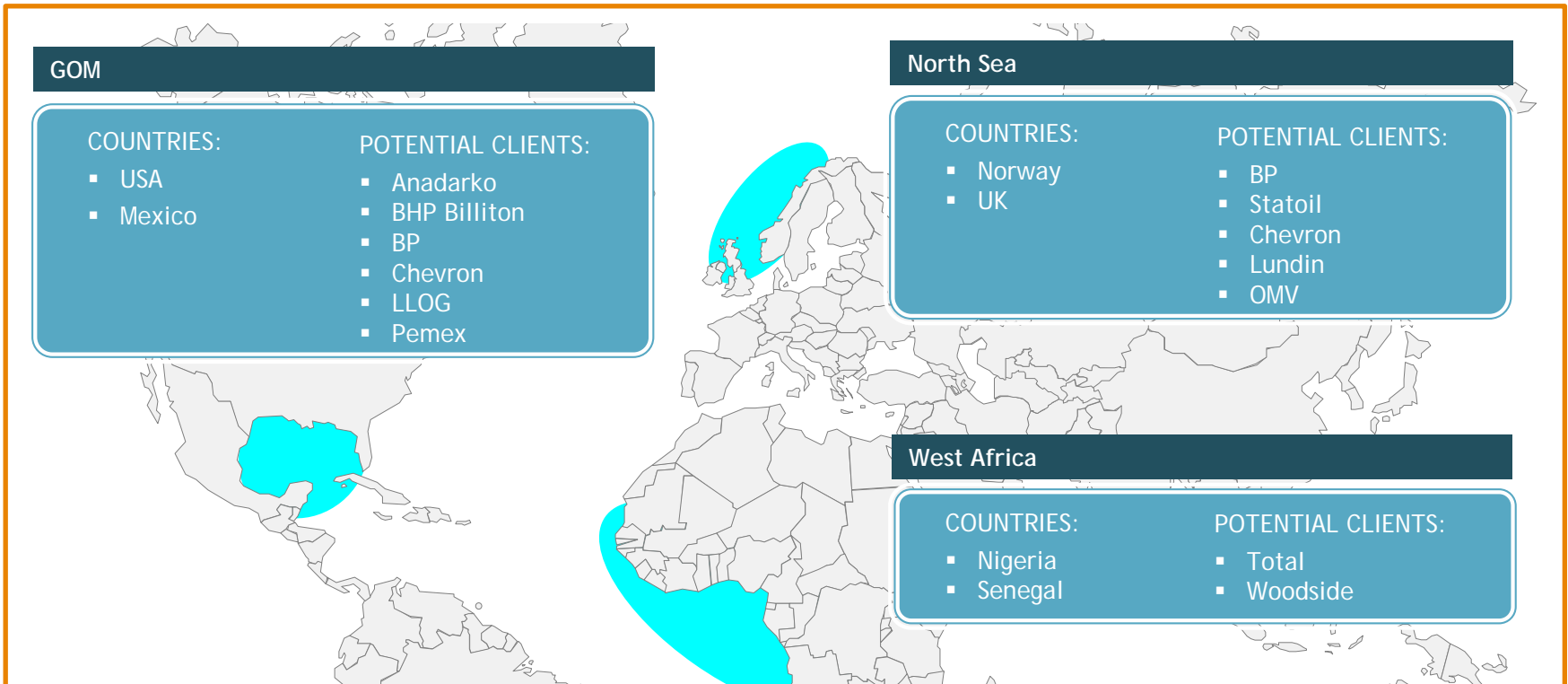
MULTIPURPOSE VESSEL
FOR GREENFIELD PROJECTS



TIE BACK TO EXISTING FACILITIES

NEW E&C OFFSHORE ASSET: SAIPEM CONSTELLATION 3/3

ACCESSIBLE MARKET



CONSIDERABLE NUMBER OF VISIBLE RIGID REELING INITIATIVES

ACCESSIBLE MARKET OF c.\$7bn IN 2019-2020

POTENTIAL FOR 2018 DEPLOYMENT ON ONGOING PROJECTS

MAIN AWARDS 2018

E&C ONSHORE

DUQM Refinery Package 3

- **Client:** Duqm Refinery and Petrochemical Industries Company
- **Location:** Oman
- **Scope of work:** EPC works for a new grassroots Crude Tank Farm at Ras Markaz composed by 8 crude oil tanks with a cumulative volume of 824,000 m³

E&C OFFSHORE

ConocoPhillips Decommissioning

2Q Award

- **Client:** ConocoPhillips
- **Location:** North Sea - UK sector
- **Scope of work:** decommissioning of marine structures

KJO Crude Pipeline

2Q Award

- **Client:** Al Khafji Joint Operations (KJO)
- **Location:** Arabian Gulf
- **Scope of work:** engineering, construction, installation and commissioning of a crude pipeline

OFFSHORE DRILLING

Scarabeo 8 - North Sea Norwegian sector

- **Client:** Total
- **Location:** offshore Norway
- **Terms:** 1 well project with start in 4Q18

Scarabeo 8 - North Sea Norwegian sector

- **Client:** Shell
- **Location:** offshore Norway
- **Terms:** option for second well exercised

Scarabeo 8 - North Sea Norwegian sector

2Q Award

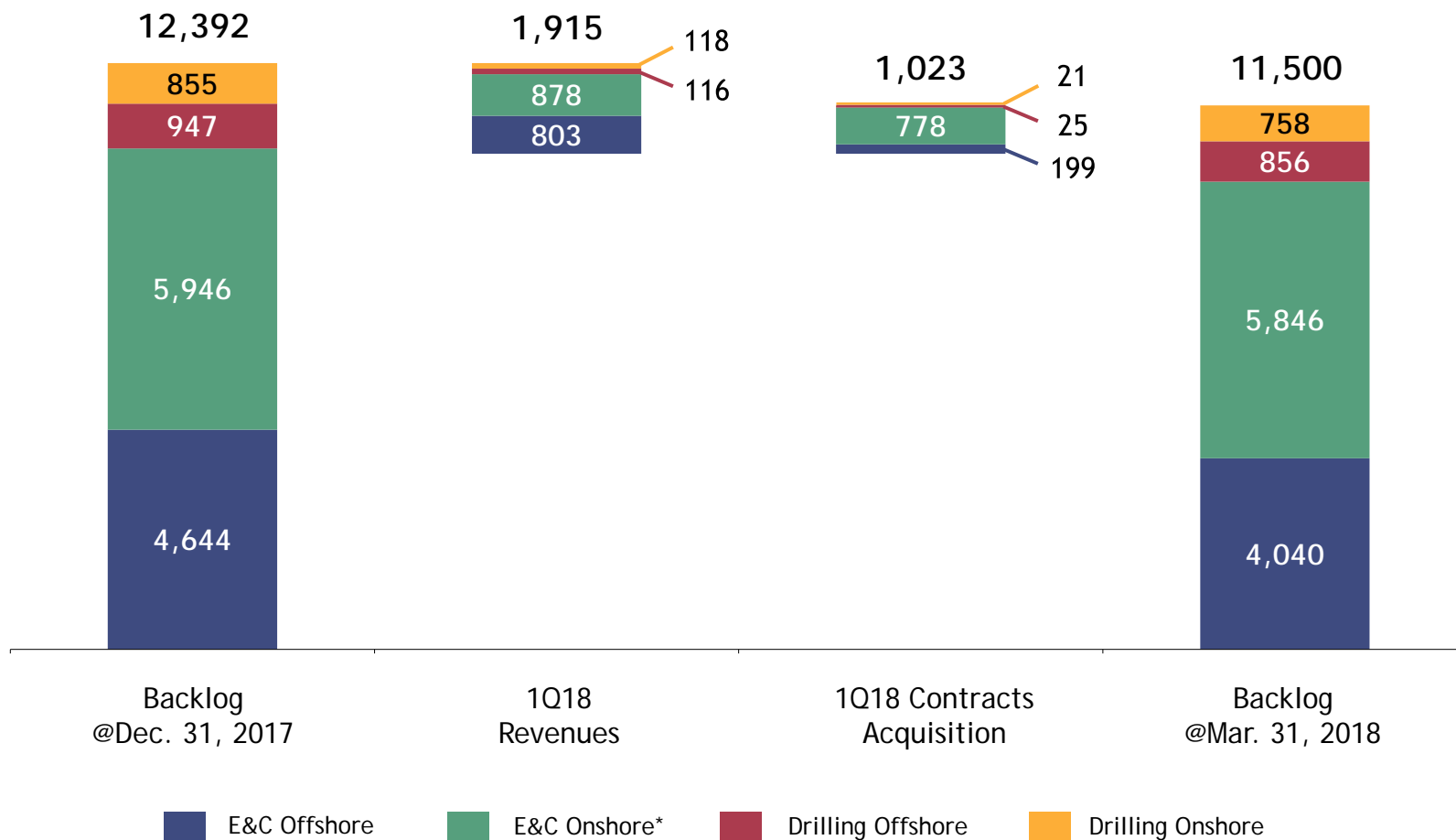
- **Client:** AkerBP
- **Location:** offshore Norway
- **Terms:** 4 wells project + 2 optional wells, start within the end of 4Q18

Saipem TAD - Congo

- **Client:** Total
- **Location:** offshore Congo
- **Terms:** 5 firm wells + up to 5 optional wells

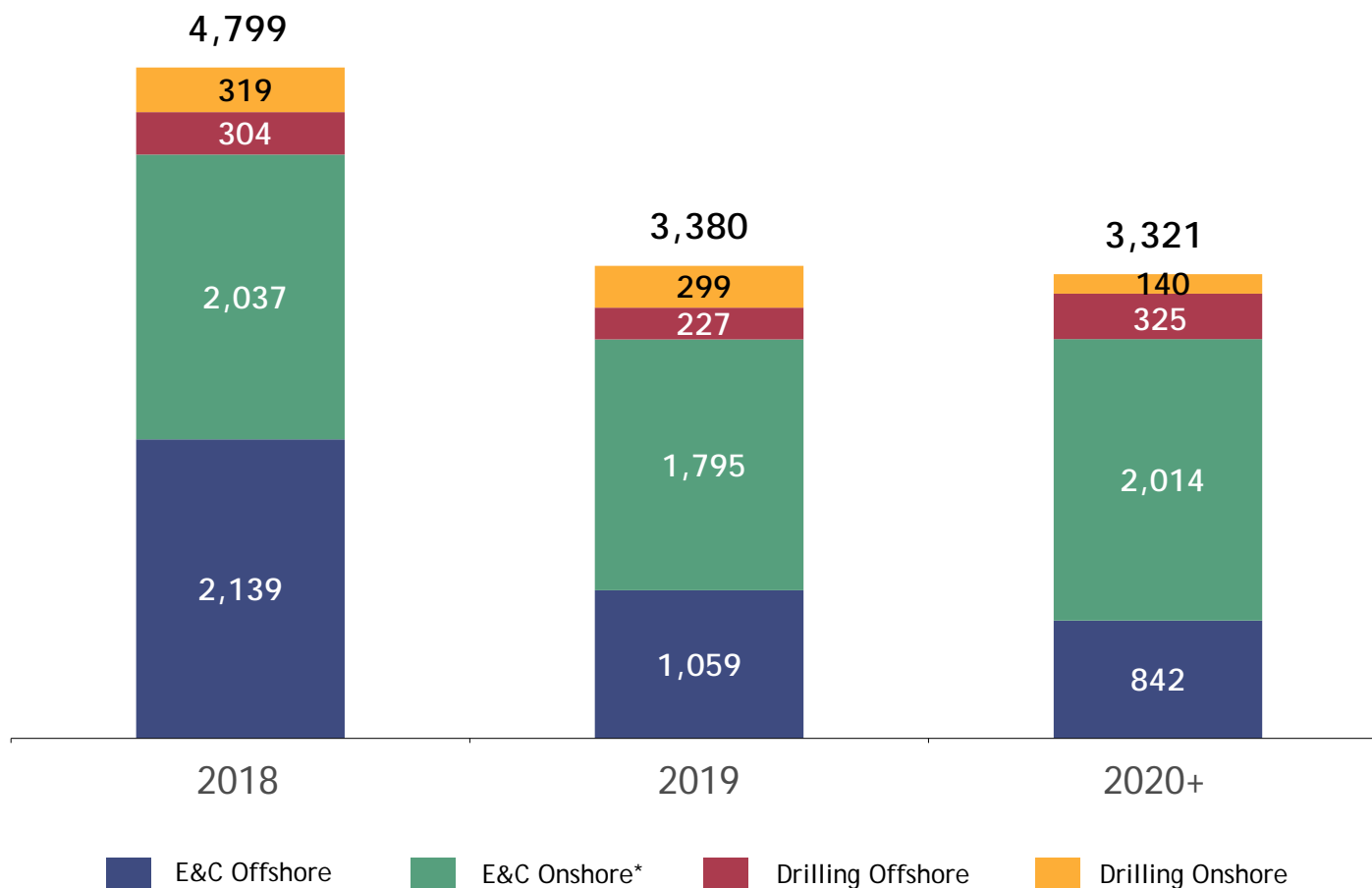
1Q 2018 BACKLOG

(€ mn)

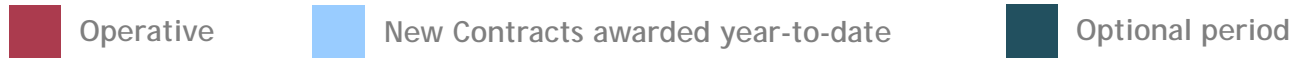


1Q 2018 BACKLOG BY YEAR OF EXECUTION

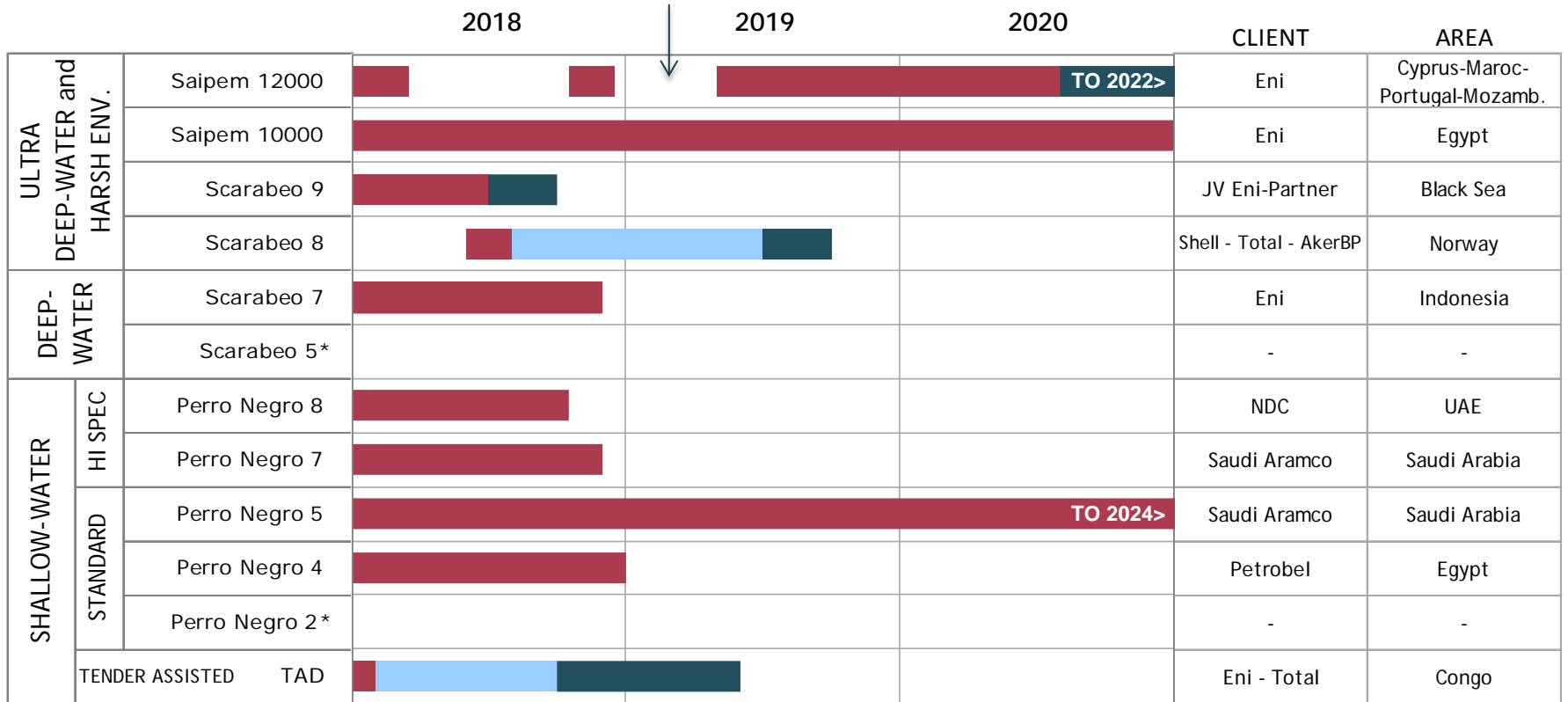
(€ mn)



OFFSHORE DRILLING FLEET CONTRACTS



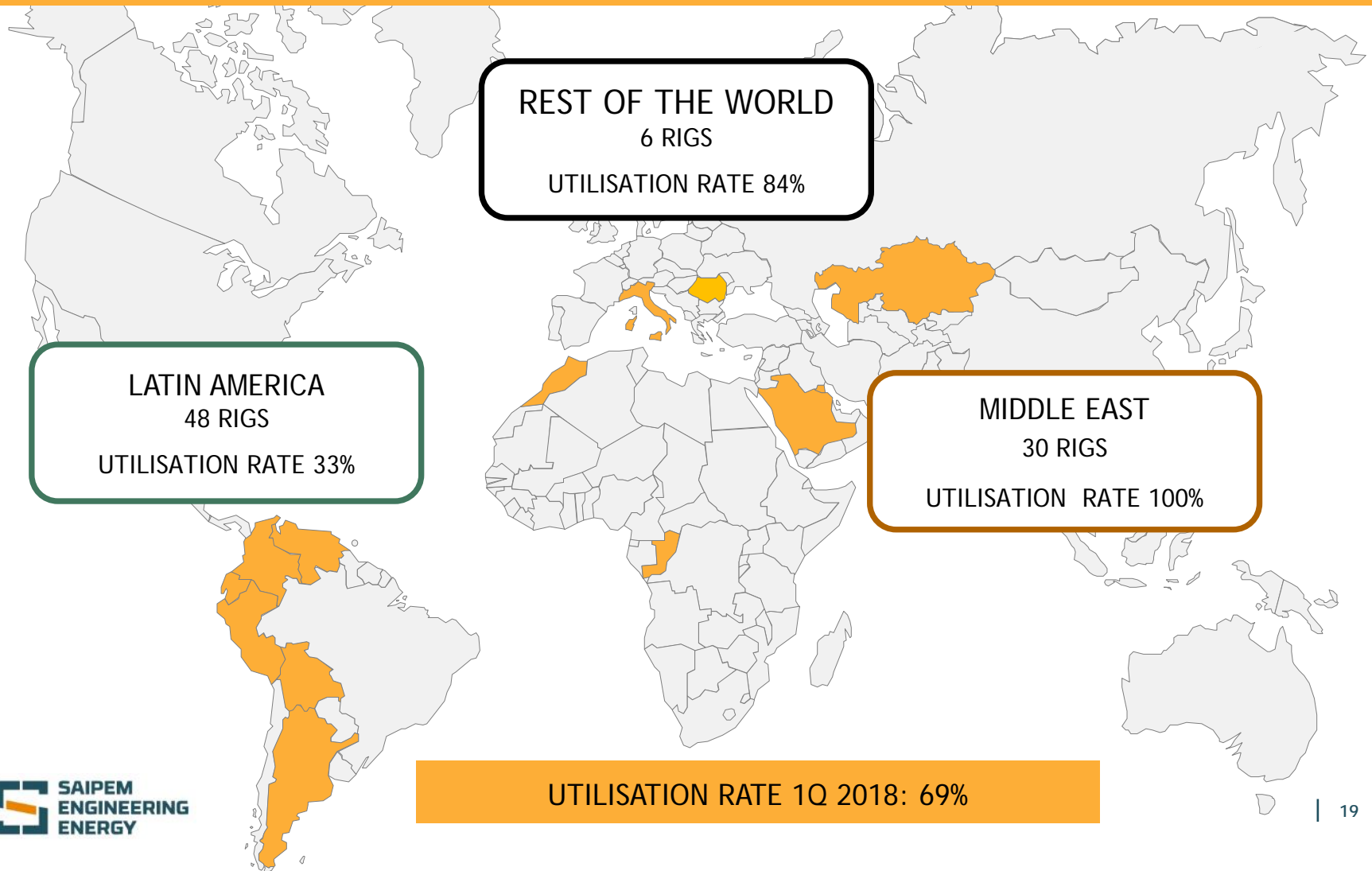
Preparation for Mozambique



* ON STACKING MODE - TOTALLY WRITTEN OFF

UPDATE ON ONSHORE DRILLING FLEET

ONSHORE FLEET @ March 31, 2018: 84 RIGS





CLOSING REMARKS AND 2018 GUIDANCE UPDATE

2018 GUIDANCE UPDATED

Metrics	FY 2018
Revenues	▪ c. €8bn
EBITDA Adjusted % margin	▪ >10%
CAPEX *	▪ c. €500mn
Net financial position *	▪ c. €1.3bn

CLOSING REMARKS

GOOD PROJECT EXECUTION DELIVERING SOLID OPERATIONAL MARGINS

POSITIVE CASH GENERATION DRIVING NET DEBT REDUCTION

GOOD VISIBILITY ON NEW PROJECTS - NOT YET REFLECTED IN FIDs / AWARDS

ACCESS TO TIE-BACK MARKET, STRENGTHENING SAIPEM GLOBAL SUBSEA OFFERING

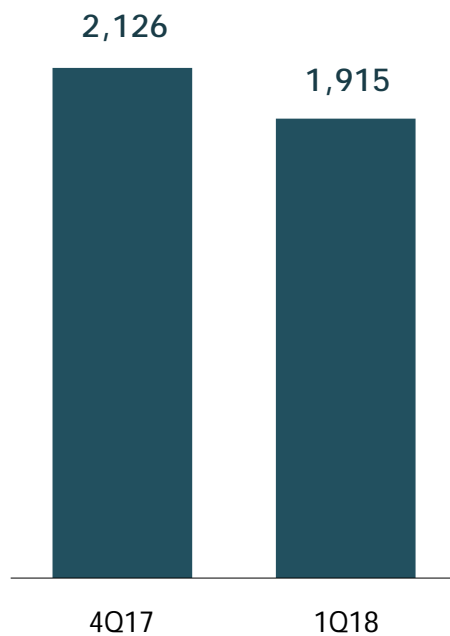


APPENDIX

1Q 2018 RESULTS

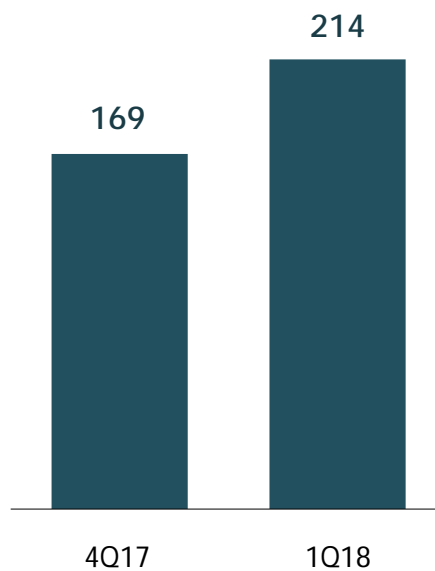
QoQ TREND (€ mn)

Revenues

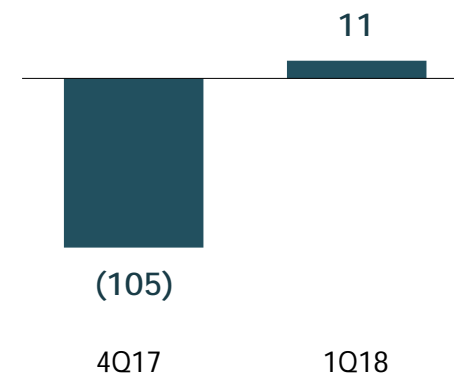


Adjusted EBITDA

7.9% margin 11.2%



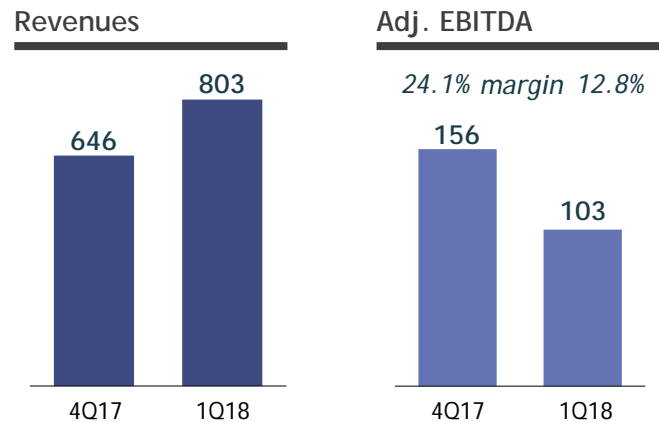
Adjusted Net Result



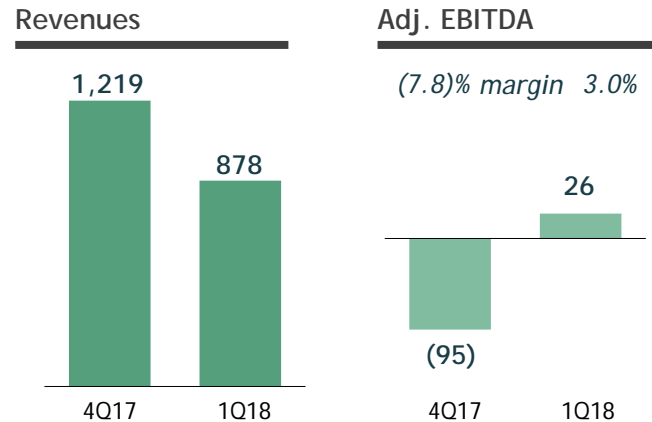
1Q 2018 RESULTS

QoQ TREND (€ mn)

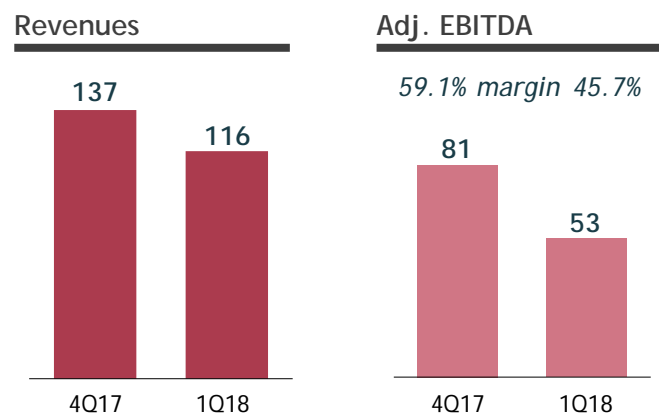
E&C OFFSHORE



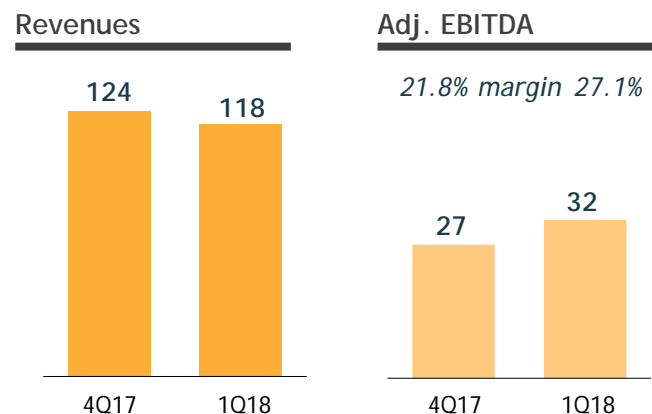
E&C ONSHORE*



DRILLING OFFSHORE



DRILLING ONSHORE



(*) E&C Onshore including Floaters business and XSight

E&C ONSHORE - OPPORTUNITIES

Americas

- DOWNSTREAM
- RENEWABLES
- PIPELINES

- Ferrostaal Pacific NW Ammonia Plant - downstream
- Pemex Refineries H-OIL - downstream
- CEP Imperia Valley 1 - renewables
- Quebrada Blanca Ph. II - pipelines
- Codelco Water Supply - pipelines

Europe/ CIS and Central Asia

- INFRASTRUCT.
- RENEWABLES
- PIPELINES
- FLOATERS
- DOWNSTREAM

- RFI TAV Brescia Verona - infrastructures
- High Speed Railway Moscow - Kazan - infrastructures
- Alfa Mediterranean Solar Thermal Power Plant - renewables
- TAPI gas Pipeline Project - pipelines
- Novatek ALNG2 GBS Package - floaters
- JSC Ammoni - Melamine - downstream - *New*

West and North Africa

- FLOATERS
- LNG
- INFRASTRUCT.

- Zaba Zaba - FPSO - floaters
- NLNG train 7 (FEED) - LNG
- High Speed Railway in Egypt - infrastructures

Asia Pacific

- DOWNSTREAM
- LNG
- RENEWABLES
- FLOATERS

- RDA Pentland Bio Enery Project Phase 1 - renewables
- Dung Quat Refinery Expansion Project - downstream
- ThaiOil Clean Fuel - downstream
- Pertamina Balikpapan Refinery - downstream
- PTTLNG Nong Fab receiving terminal - LNG
- Masela - Onshore LNG&FPU - floaters
- Eni Merakes Tie In - LNG/floaters

Middle East

- DOWNSTREAM
- UPSTREAM
- PIPELINES

- OTTCO Ras Markaz Crude Oil Park Project - downstream
- Takreer GAP (Gasoline Aromatic Proj.) - downstream
- KIPIC Petrochemical Refinery Integration AlZour - downstream
- ExxonMobil West Qurna major tie-ins DS6 Facilities- upstream
- Aramco Marjan Increment project - upstream
- Aramco Gas Compression Plants Pipelines (NGCP, SaGCP, SGCP) - pipelines
- ADCO Bu Hasa - upstream - *New*

East Africa

- LNG
- DOWNSTREAM

- Exxon/Eni Onshore - LNG
- Anadarko Onshore - LNG
- Fauji/Ferrostaal Fertilizer - downstream
- Uganda Refinery - downstream - *New*

E&C OFFSHORE - OPPORTUNITIES

GOM and NW Atlantic

- SUBSEA
- FIXED FACILITIES
- PIPELINES

- Eni Amoca-Mitzon Field - fixed facilities
- ExxonMobil Liza future dev. - subsea
- Chevron Anchor and Tigris - subsea tiebacks - *New*

North of Europe

- OFFSHORE WIND
- FIXED FACILITIES
- DECOMMISSIONING
- PIPELINES
- SUBSEA

- EDF Fecamp Offshore Windfarm - renewables
- EDF Courseulles Offshore Windfarm - renewables
- ENGIE Eoliennes en Mer - renewables
- Statoil Garantiana- subsea
- Chevron Rosebank - subsea tieback - *New*

West Africa and Brazil

- SUBSEA
- MMO
- FIXED FACILITIES
- PIPELINES

- Eni Zabazaba - subsea
- CEC Phase 2 Open Cycle - MMO
- SNE Development Phase 1 - subsea
- Petrobras Libra Developments - subsea
- Shell Bonga South West Aparo - subsea
- BP Tortue LNG terminal - fixed facilities - *New*

Mediterranean, Black and Caspian Sea

- PIPELINES
- SUBSEA

- Eni Shorouk (Zohr) future dev. - subsea/pipelines
- ExxonMobil Neptune - pipelines/subsea
- Total Absheron - pipelines - *New*

Asia Pacific

- SUBSEA
- PIPELINES

- ConocoPhillips Barossa Field Dev. - subsea/pipelines
- ONGC KG-98/2 - subsea (URF+SPS)

Arabian/Persian Gulf

- FIXED FACILITIES
- PIPELINES

- S. Aramco LTA development - fixed facilities
- Rasgas Barzan Subsea Pipelines - pipelines

East Africa

- SUBSEA

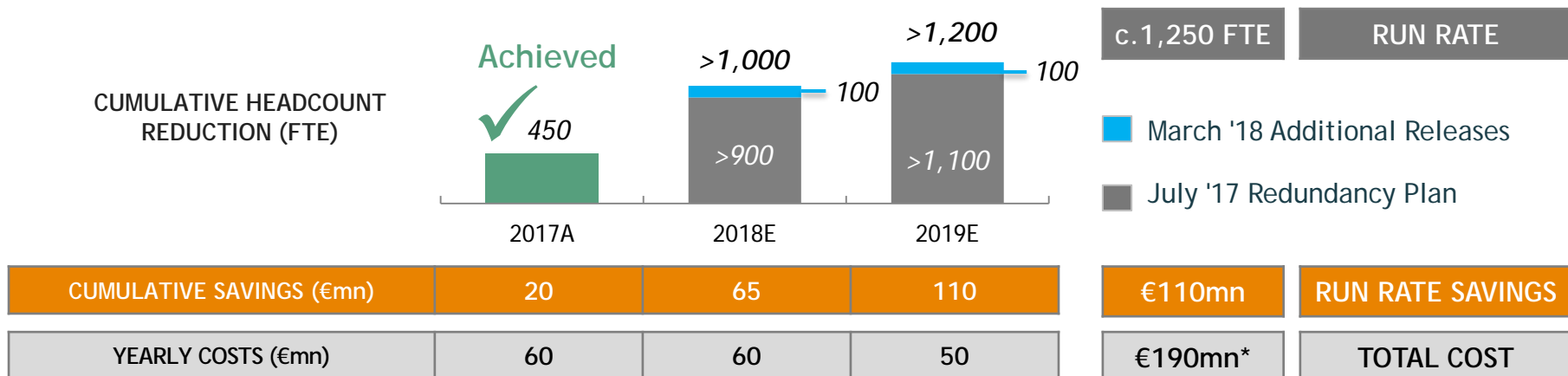
- Eni Mamba - subsea
- Anadarko Golfinho - subsea

FFF2.0 – OPTIMISATION PROGRAMME

NEW DIVISIONAL INITIATIVES INCREASING TARGET SAVINGS TO €150mn

ADDITIONAL REDUNDANCIES INCREASING RELEASES TO C.1,250 FTE

€10mn INCREMENTAL SAVINGS



NEW DIVISIONAL INITIATIVES INCREASING YEARLY SAVINGS TO c. €40mn**

- South America right-sizing
- Vessels performance improvement program
- Corporate optimization