



SAIPEM NINE MONTHS 2020 RESULTS PRESENTATION

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’ 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), the recent Coronavirus outbreak (including its impact across our business, worldwide operations and supply chain); 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 caution 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.

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01

OPENING REMARKS

OPENING REMARKS

KEY PROJECTS DE-RISKED, NAVIGATING SAFELY

- Protecting people our top priority; resilient in unprecedented situation
- Solid & diversified backlog of c.€24bn¹ provides good visibility beyond 2020
 - Key E&C onshore projects substantially de-risked
 - €5.3bn awards in 9M 2020 (c.90% non-oil), with BtB at 1x
 - No significant backlog cancellations
- 9M 2020 operational highlights:
 - E&C Onshore margin recovery in 3Q
 - E&C Offshore slower phasing in 3Q, signs of recovery from 4Q
 - Drilling: positive commercial signals Offshore; margin resilience Onshore
- Well-balanced financial structure with ample liquidity
- Confirmed opex efficiency plan and capex target below €400mn

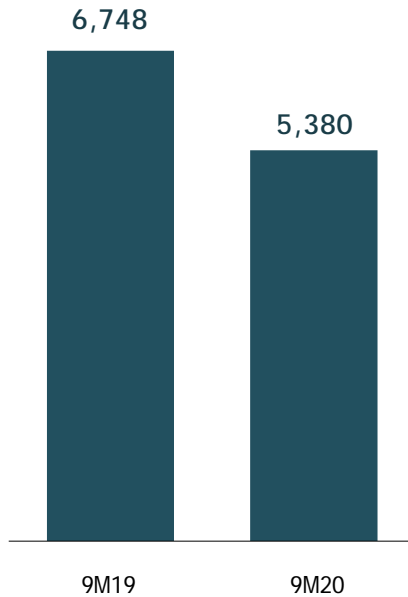
9M 2020 RESULTS

02

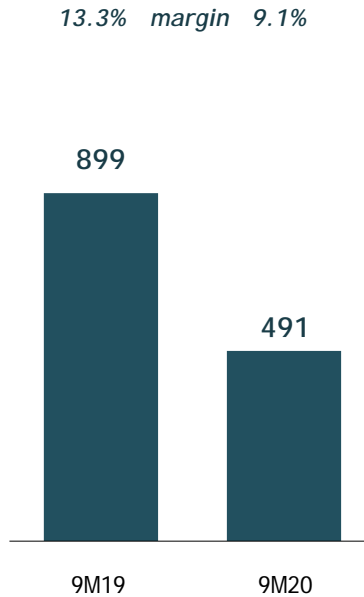
9M 2020 RESULTS

YoY COMPARISON (€ mn - IFRS16)

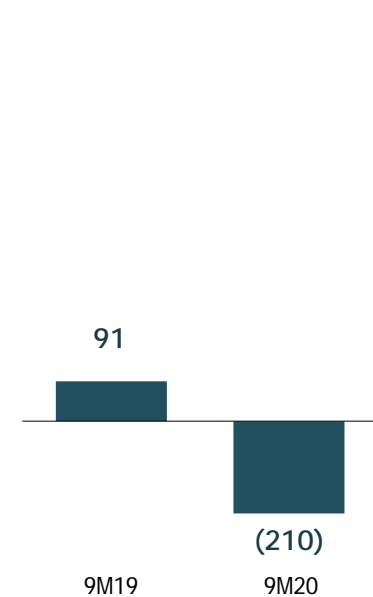
Revenues



Adjusted EBITDA¹



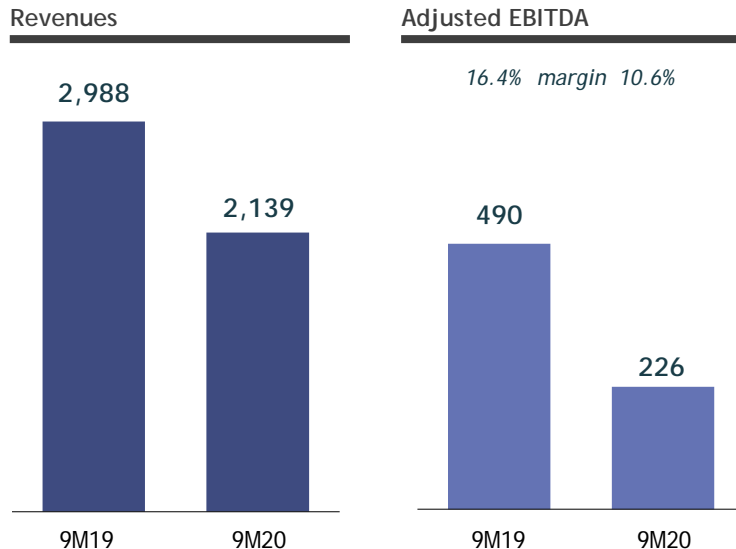
Adjusted Net Result¹



9M 2020 RESULTS - E&C

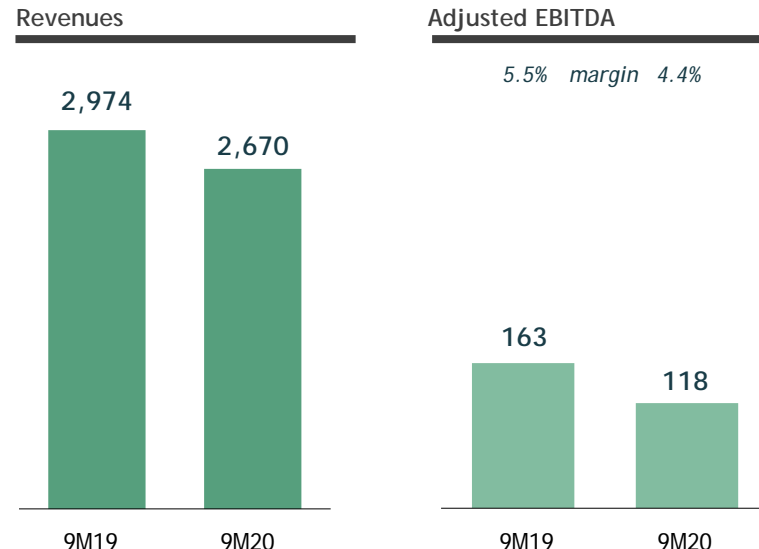
YoY COMPARISON (€ mn - IFRS16)

E&C OFFSHORE



- Lower volumes in North Africa, Middle East and Sub-Saharan due to project rephasing, partially offset by Caspian, Italy and North Sea
- Margin reflecting Covid-19 impact on revenue trend, and mix

E&C ONSHORE¹



- Revenue decrease due to Covid-19 related slowdown and rephasing mainly in Middle East
- Margin reflects revenue trend, with sequential improvement in 3Q

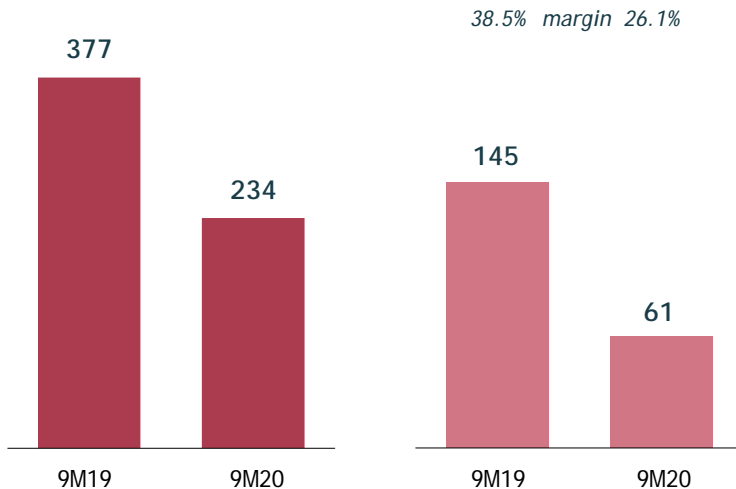
9M 2020 RESULTS - DRILLING

YoY COMPARISON (€ mn - IFRS16)

DRILLING OFFSHORE

Revenues

Adjusted EBITDA

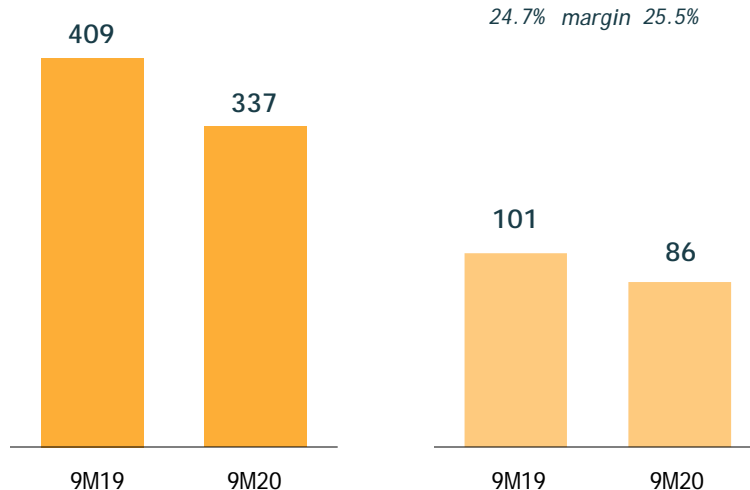


- Lower volumes, mainly driven by S10000, along with SC7, SC8 and SC9, partially offset by SC5 and Sea Lion 7
- Covid-19 impact on oil weighs on revenues and margin

DRILLING ONSHORE

Revenues

Adjusted EBITDA

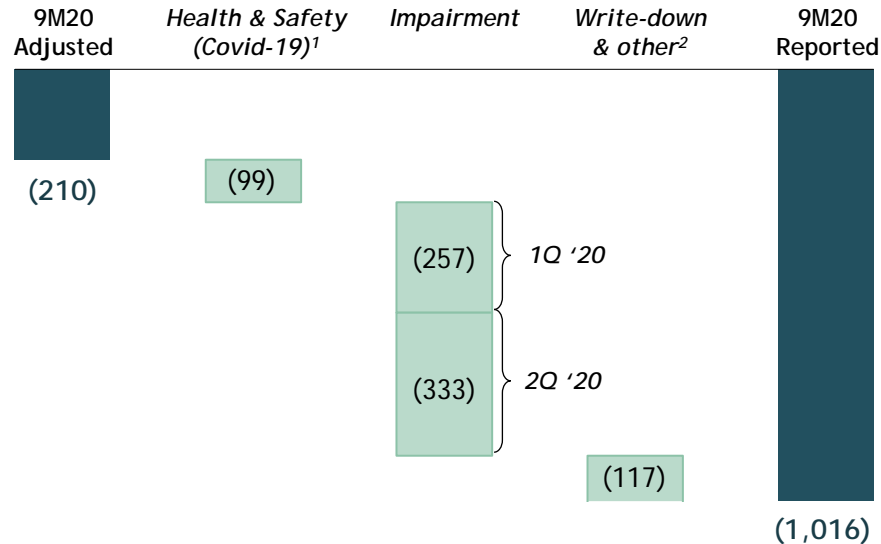


- Lower activity in Latam and the Middle-East, following Covid-19 and oil price drop
- EBITDA margin improvement both annually and quarterly

9M 2020 NET RESULT

RECONCILIATION ADJUSTED VS REPORTED

Net Result (€ mn - IFRS 16)



Higher costs from Covid-19, safety first

Principal costs related to management of pandemic and safeguarding people's health:

- Cost of personnel on stand-by (e.g. quarantine, extraordinary charter flights)
- Personal protective equipment in excess of the standard quantities
- Sanitising work areas

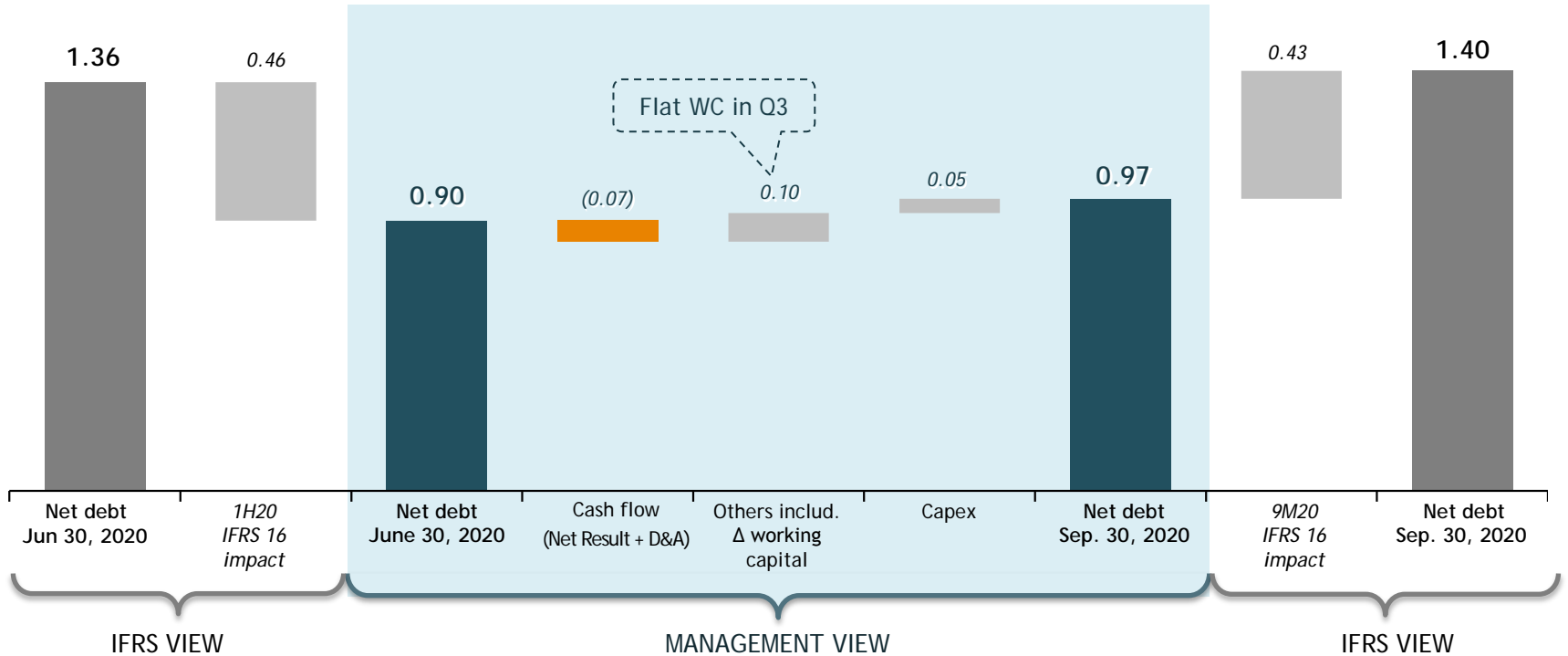
1Q and 2Q non-cash impairment triggered by drilling offshore market deterioration

¹ Expenses to support people's health and safety during Covid-19 pandemic

² Write-down of assets and inventories for efficiency measures; other includes the outcome of a litigation

3Q 2020 NET DEBT QUARTERLY EVOLUTION

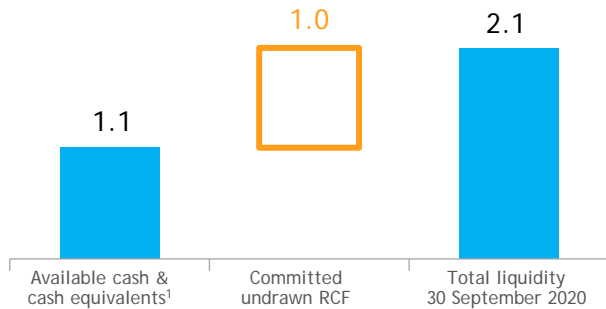
(€ bn)



SOLID BALANCE SHEET AND LIQUIDITY

IMPROVED FINANCIAL FLEXIBILITY SUPPORTING BUSINESS EXECUTION

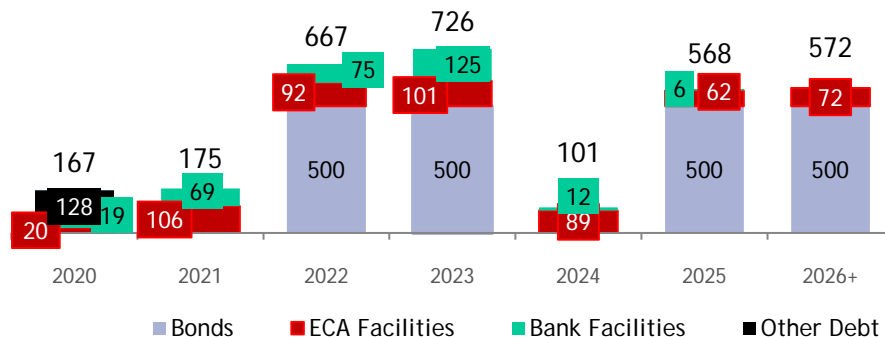
€bn



Solid liquidity

- Substantial available cash (€1.1 billion)¹
- Committed and fully undrawn RCF (€1 billion)

€mn



Well balanced debt structure

- No significant maturities before 2022
- Average tenor above 3Yrs
- Average debt cash cost at c.3%²

¹ In addition to this amount, the Group has c.€0.9bn of restricted liquidity

² Average cost of debt c.4% including treasury hedging

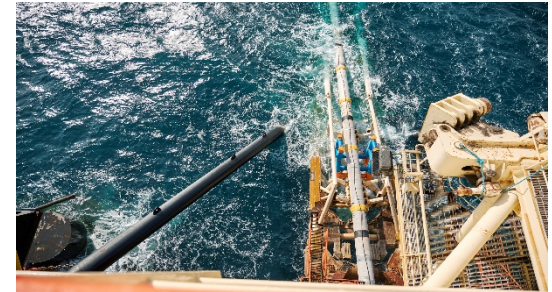
03

BUSINESS UPDATE

E&C OFFSHORE

ACTIVITY INCREASING IN 4Q

- Lower phasing in 3Q is expected to reverse from 4Q
 - Some projects with slow progress in 3Q (e.g. Africa) expected to recover from 4Q
 - Project delivery in 4Q in areas such as Asia Pacific, Caspian and Middle East
 - Change orders
 - Increased operational execution
 - Yard fabrication activity to increase sequentially vs 3Q



E&C ONSHORE BACKLOG SUBSTANTIALLY DERISKED

GOOD EXECUTION AND POSITIVE COOPERATION WITH CLIENTS

Top-ten projects representing c.75% of E&C onshore backlog¹

Africa: Mozambique Area 1 LNG

- Project on schedule
- No major disruption during lockdown
- Planning to reach 7,000 people at site in Spring 2021

Saudi Arabia: Jizan, Khurais, Haradh

- Revised schedules already agreed
- Technical solutions and project planning to share cost savings
- Khurais restoration project on reimbursable basis

Russia: Arctic LNG 2 GBS + Topsides

- Project on schedule
- Large portion of the topsides and GBS contract on reimbursable basis

Saudi Arabia: Berri & Marjan

- Schedule extension upon client request
- Compensation mechanism in discussion with client for schedule modification to safeguard project cash flow
- Berri negligibly impacted since in its early stage

Nigeria: NLNG7

- Project awarded in 2Q, early stage
- Schedule risk-sharing approach with client for initial 12 months, activity on track
- Initial 12 months are being used to optimize the execution strategy and de-risk project supply chain

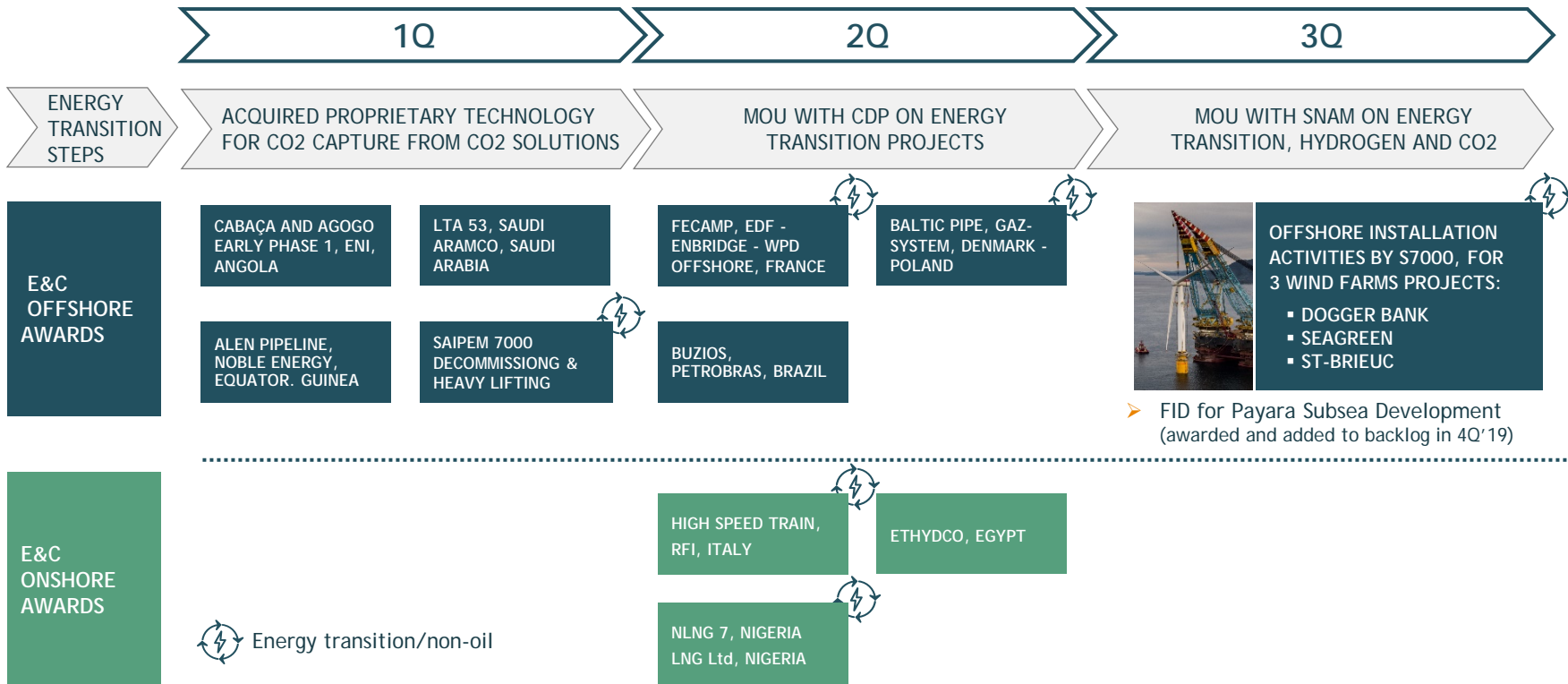
Indonesia: Tangguh LNG Expansion

- Key construction milestones achieved ahead of contract agreed schedule
- Covid-19 protocols applied to all personnel
- Prompt site de-manning and re-manning, working at max capacity allowed by health protocols

¹ Including non- consolidated

9M 2020 KEY COMMERCIAL E&C DEVELOPMENTS

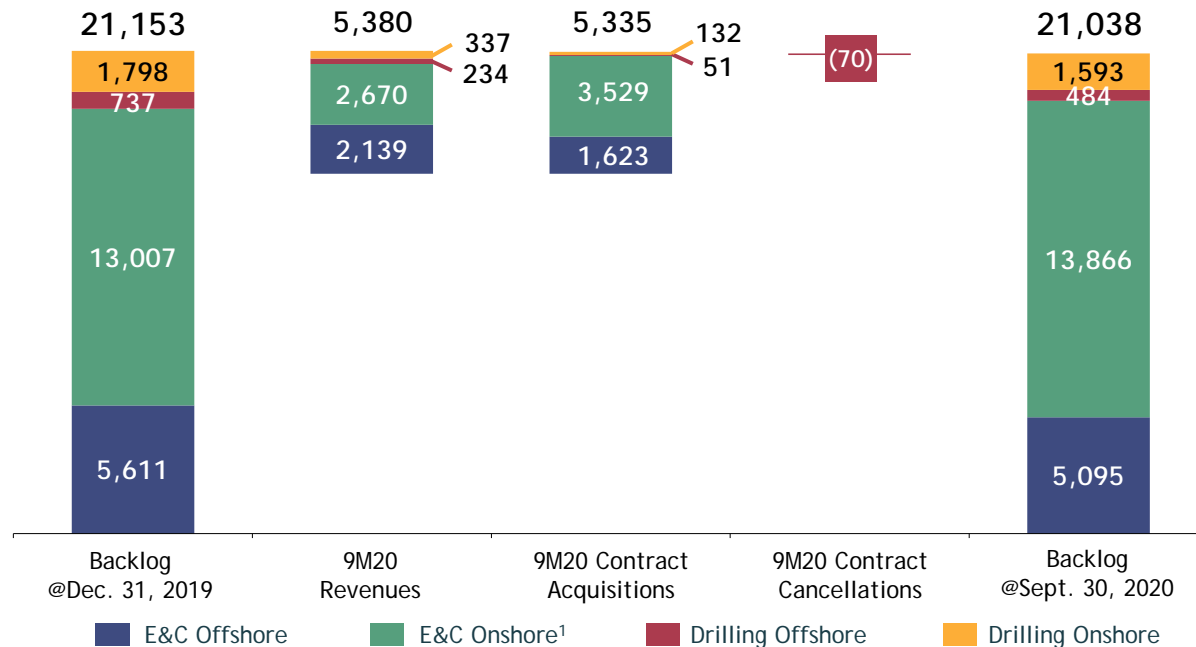
A DIVERSIFIED SET OF AWARDS, BOOK TO BILL OF c.1x IN 9M



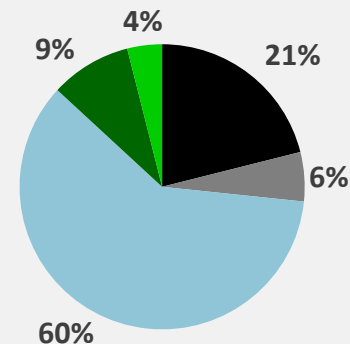
9M 2020 BACKLOG

WELL-DIVERSIFIED BACKLOG WITH NO MATERIAL CANCELLATIONS

(€ mn)



CURRENT E&C BACKLOG INCLUDING NON-CONSOLIDATED



NON-OIL 73%



OIL 27%

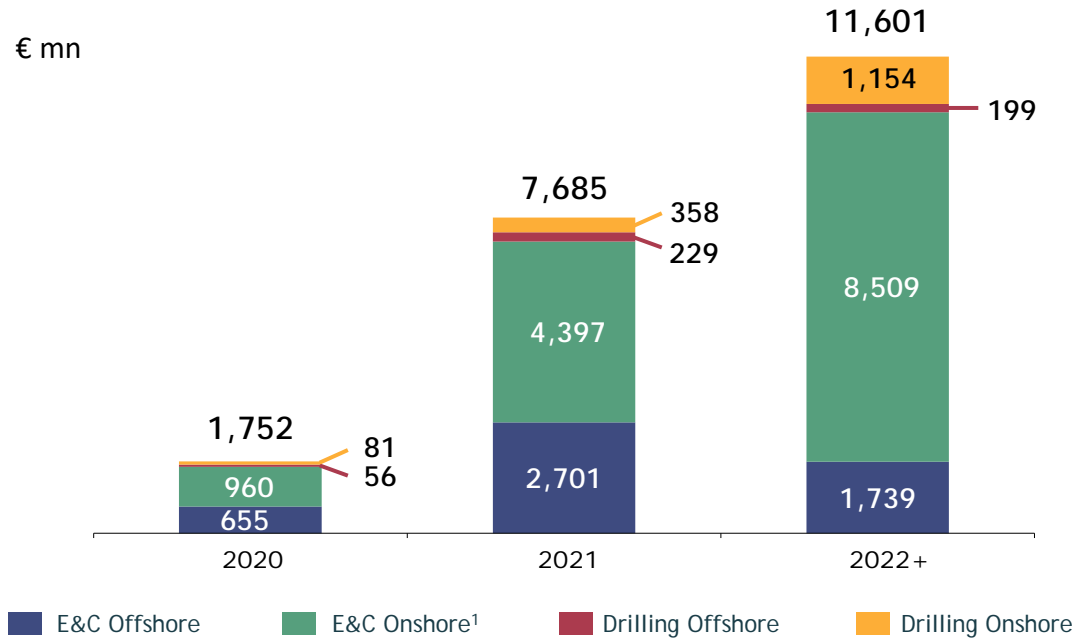


NON-CONSOLIDATED BACKLOG @ SEPT. 30, 2020	
(€ mn)	3,149

¹ E&C Onshore including Floaters business and XSight

9M 2020 BACKLOG DISTRIBUTION BY YEAR

VISIBILITY UNDERPINNED BY PROJECT DERISKING



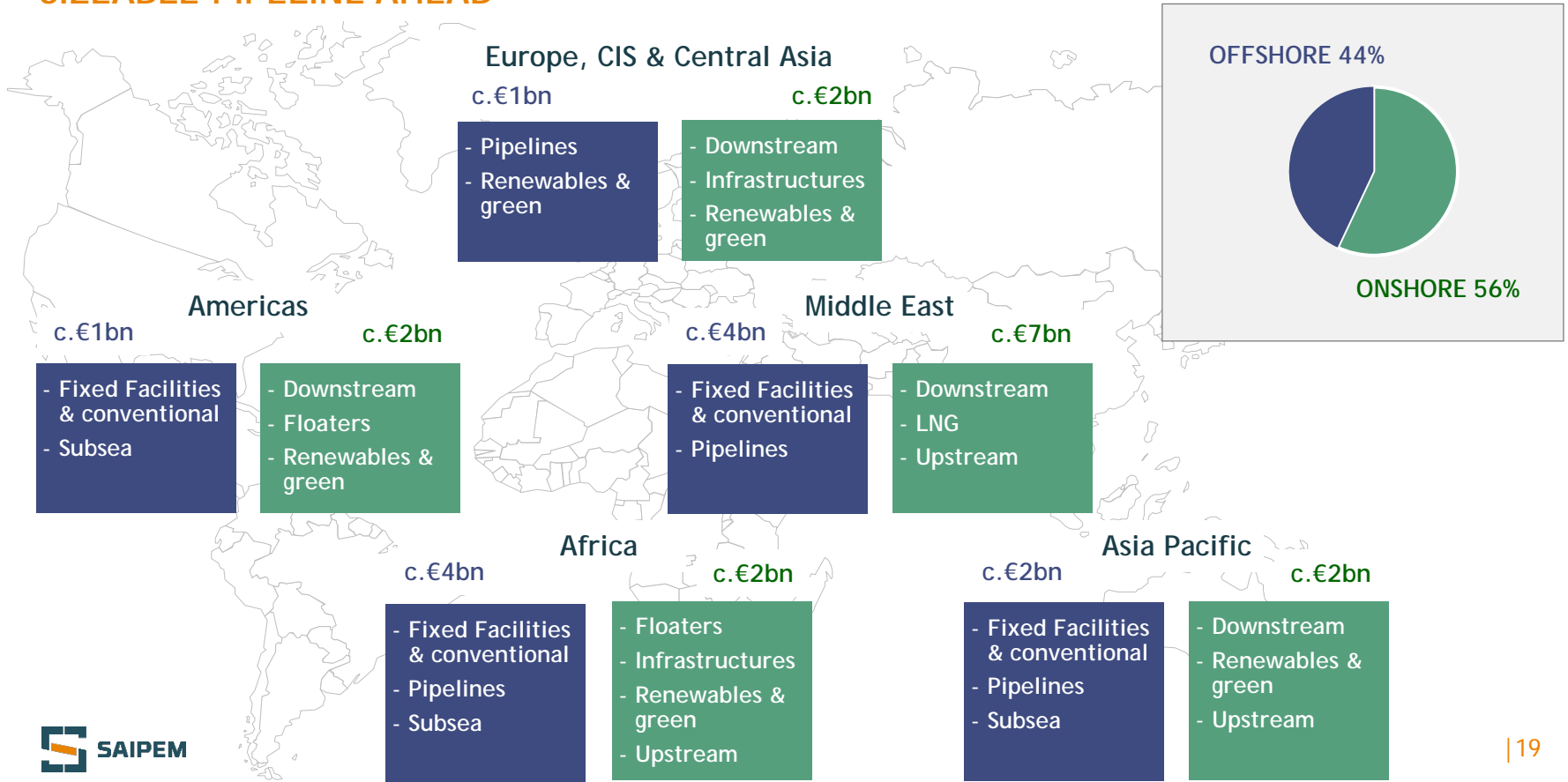
High-quality backlog supporting 2021+ revenues

NON-CONSOLIDATED BACKLOG BY YEAR OF EXECUTION

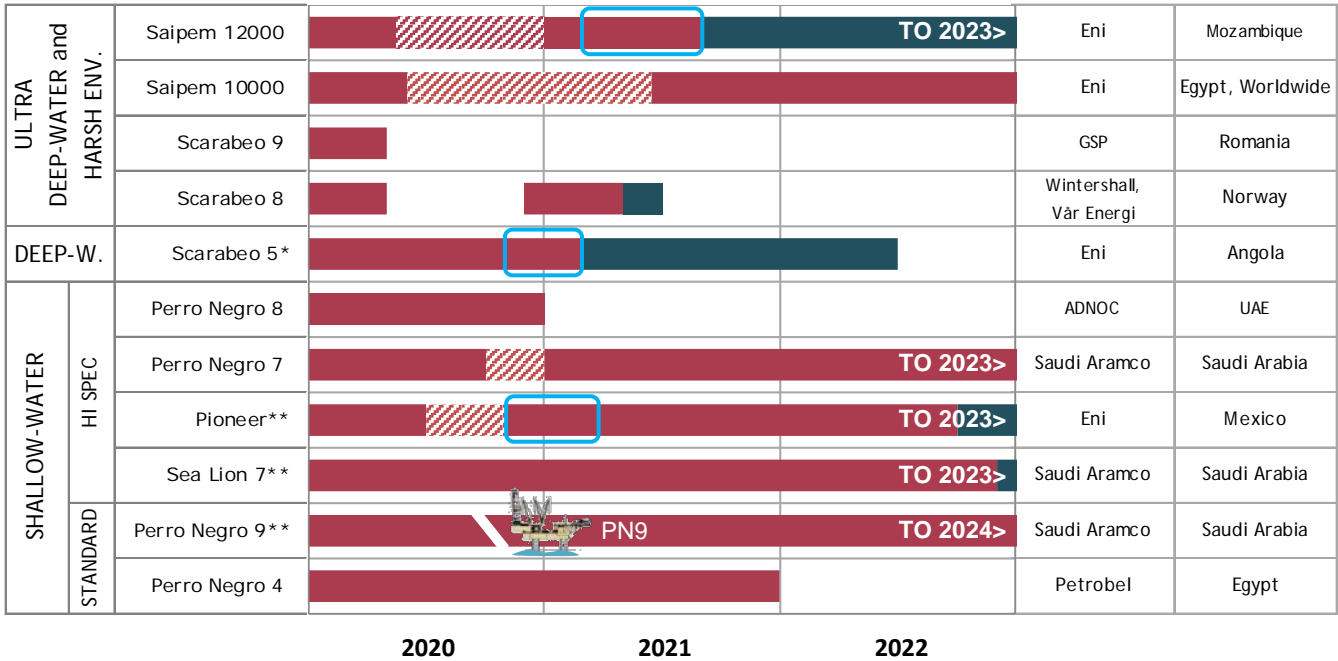
	2020	2021	2022+	
	309	946	1,894	€ mn

E&C OPPORTUNITIES c.€27bn

SIZEABLE PIPELINE AHEAD



OFFSHORE DRILLING FLEET



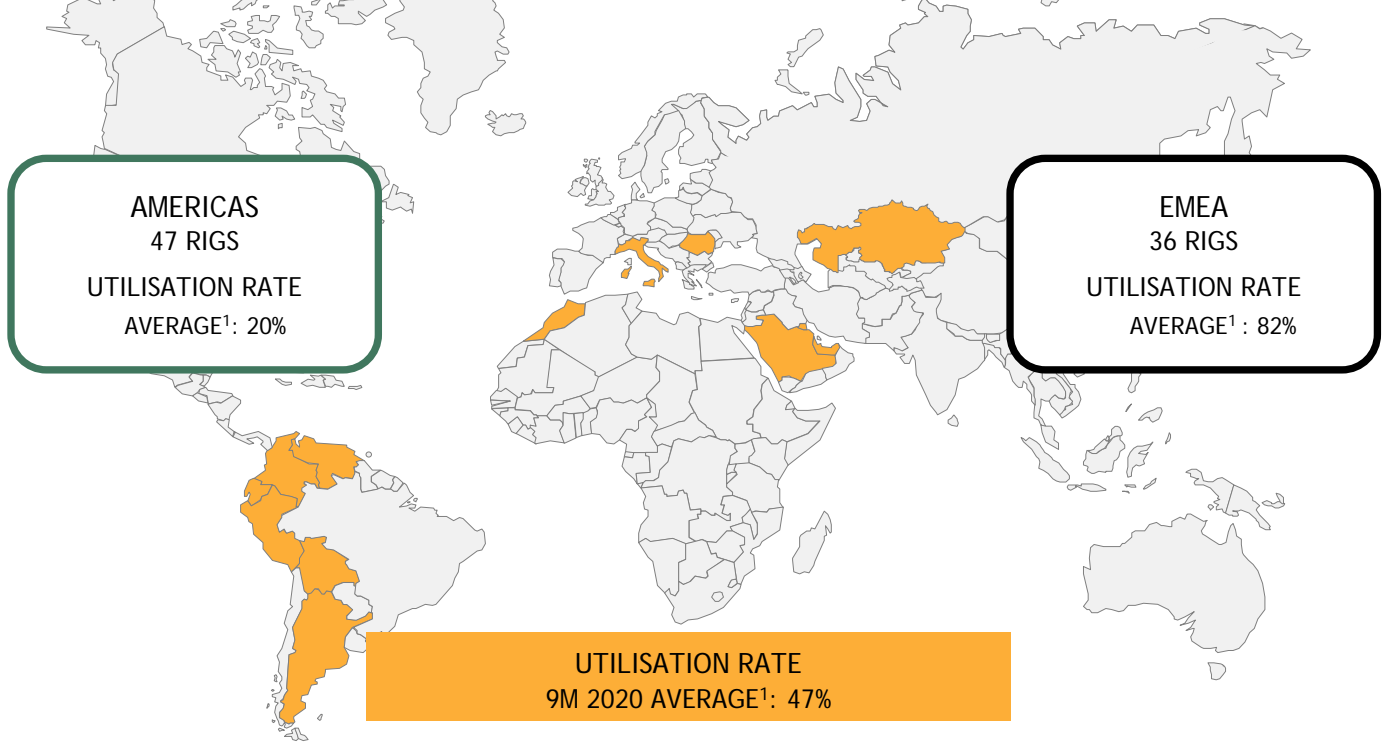
Committed
 Stand-by rate
 Optional period

QUARTER ON QUARTER IMPROVEMENTS

* ENGAGEMENT FOR PRODUCTION SUPPORT
** LEASED VESSEL

ONSHORE DRILLING FLEET

FLEET @ SEPTEMBER 30, 2020: 83 RIGS



BUSINESS OUTLOOK AND CLOSING REMARKS

04

BUSINESS OUTLOOK¹

- In a still challenging environment, group revenues and adj. EBITDA in 2H 2020 expected broadly in line with 1H 2020
- FY 2020 capex below €400mn

¹ Business outlook does not factor further and possible material business deterioration from Covid-19

CLOSING REMARKS

E&C ONSHORE MARGIN IMPROVING; KEY PROJECTS SUBSTANTIALLY DE-RISKED

E&C OFFSHORE EXPECTED RECOVERY FROM 4Q

CONFIRMED OPEX EFFICIENCY PLAN AND CAPEX TARGET

SOLID BALANCE SHEET, IMPROVED LIQUIDITY AND DIVERSIFIED BACKLOG

SIZEABLE AND DIVERSE BIDDING PIPELINE

NAVIGATING SAFELY WITH GOOD VISIBILITY INTO 2021

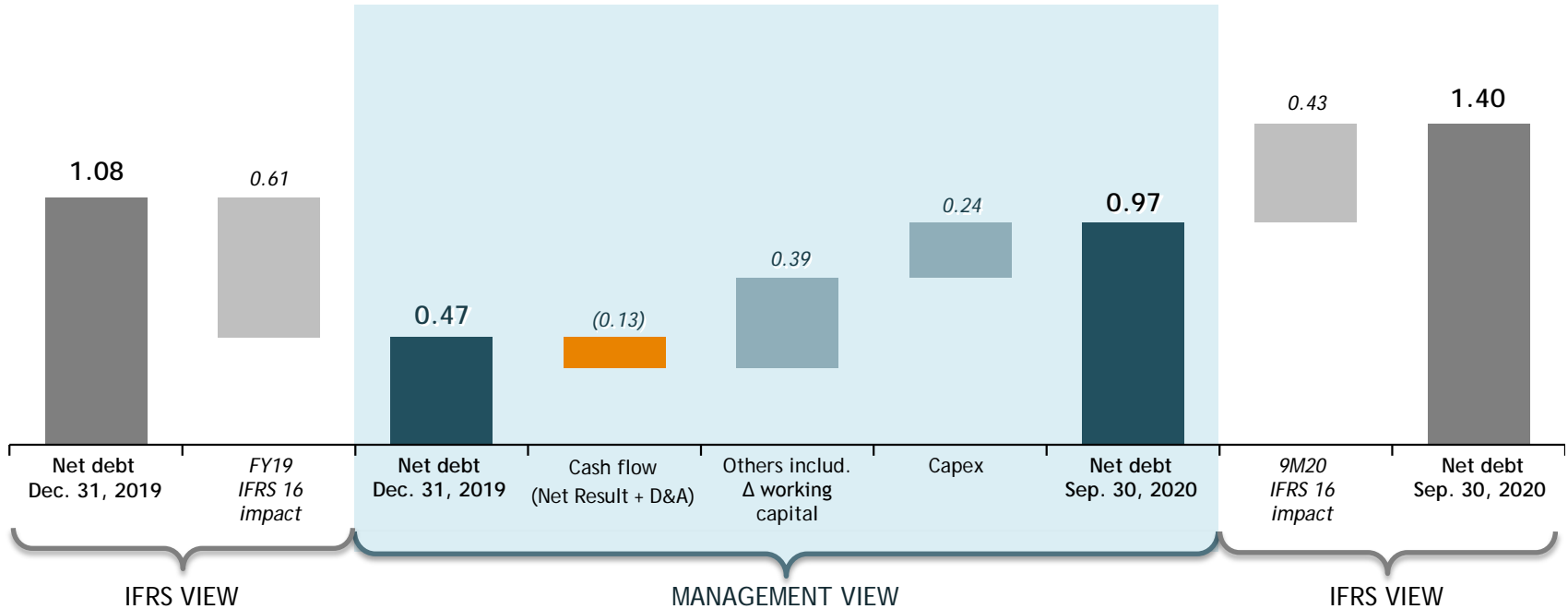
05

APPENDIX

9M 2020 NET DEBT EVOLUTION

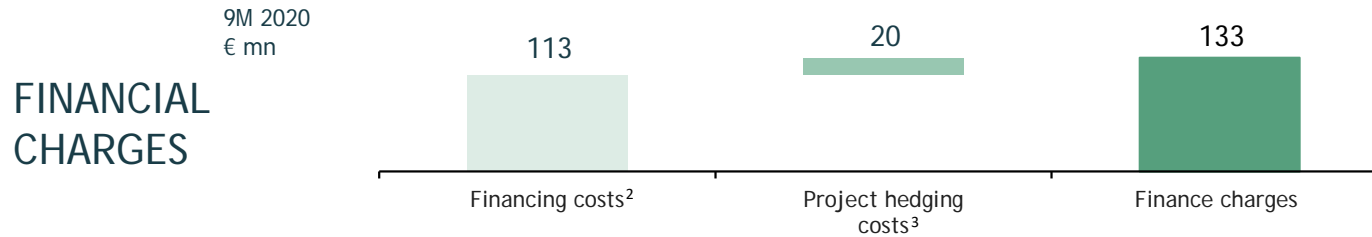
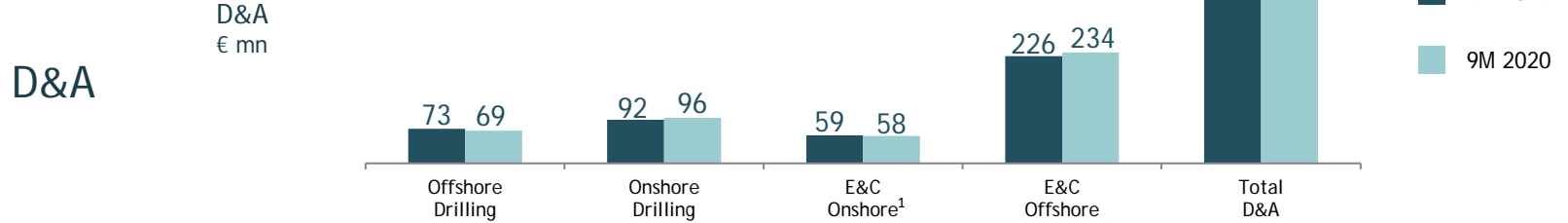
(€ bn)

9M IN LINE WITH 2H TRAJECTORY COMMENTED WITH 1H RESULTS



9M 2020 RESULTS - D&A, FINANCE CHARGES AND TAXES

(€ mn - IFRS16)



TAXES

- Taxes at €106mn in 9M 2020
- FY 2020 expected slightly above €140mn

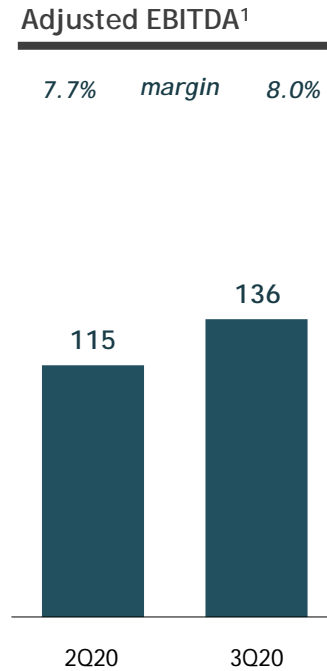
¹ Floaters business included in E&C Onshore

² Including €19mn of IFRS16 impact

³ Including exchange differences for € -12mn

3Q 2020 RESULTS

QoQ TREND (€ mn - IFRS16)



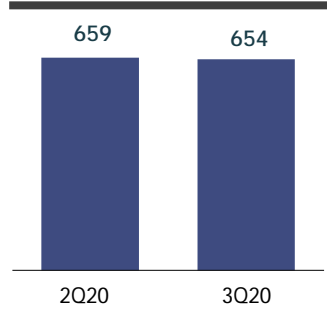
¹ Not including special items

3Q 2020 RESULTS - DIVISIONS

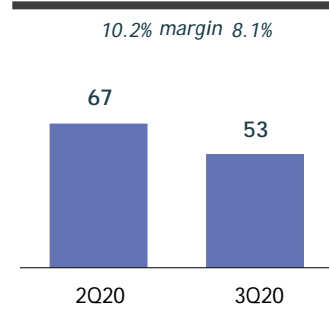
QoQ TREND (€ mn - IFRS16)

E&C OFFSHORE

Revenues

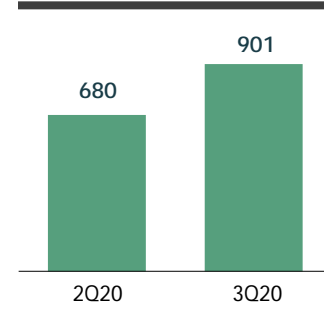


Adjusted EBITDA

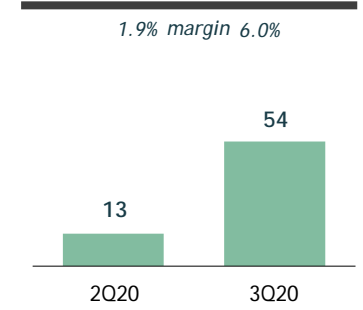


E&C ONSHORE¹

Revenues

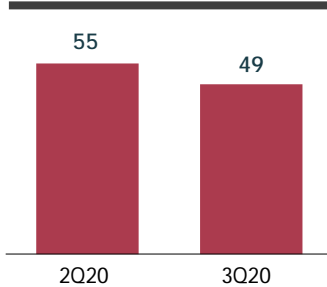


Adjusted EBITDA

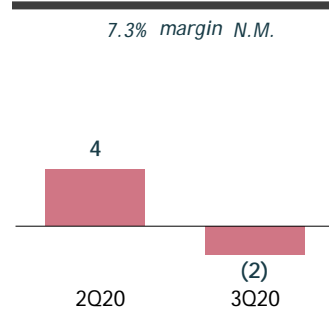


DRILLING OFFSHORE

Revenues

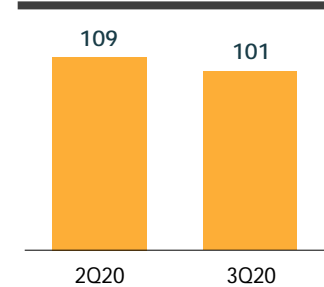


Adjusted EBITDA



DRILLING ONSHORE

Revenues



Adjusted EBITDA

