Presentation to the Financial Community

Preliminary 2013 Consolidated Results

San Donato Milanese, February 11, 2014

Forward-Looking Statements

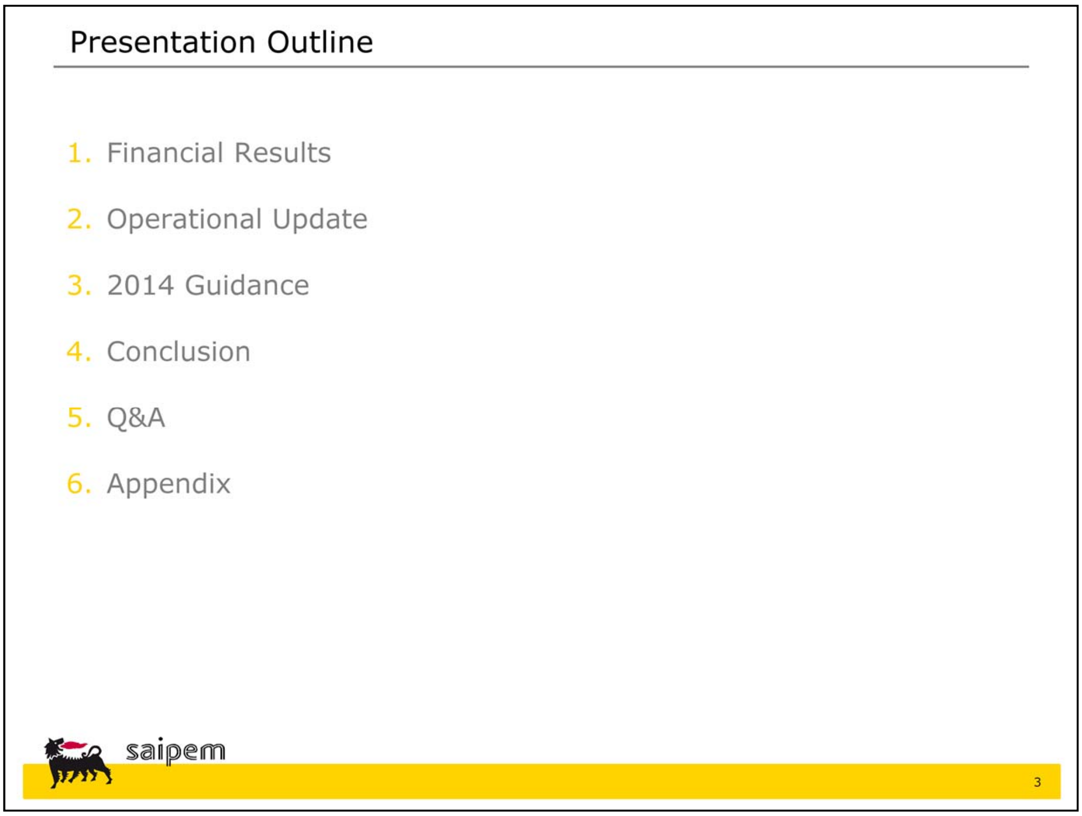
By their nature, forward-looking statements are subject to risk and uncertainty since they are dependent on upon circumstances which should or are considered likely to occur in the future and are outside of the Company's control. These include, but are not limited to: forex and interest rate fluctuations, 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.

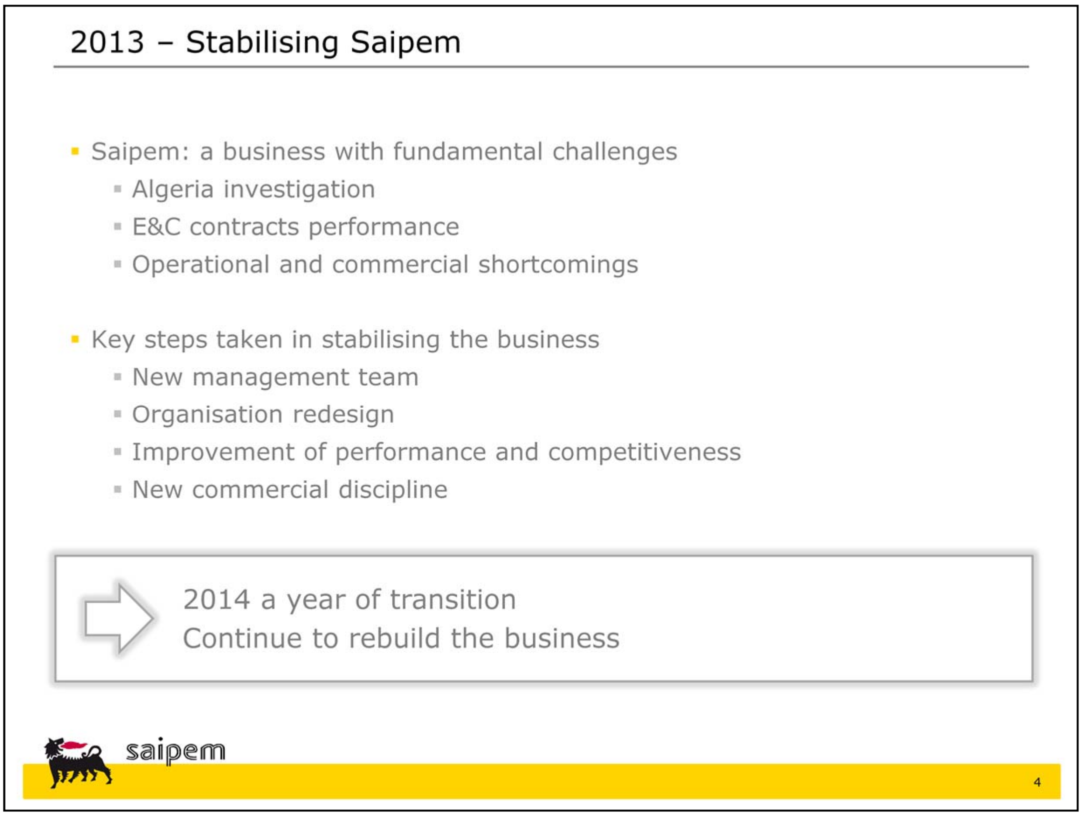


Slide 3

Good afternoon and welcome to our conference call to discuss our full year 2013 results.

I'm here with Alberto Chiarini, Saipem's Chief Financial and Compliance Officer, and Gigi Caselli, our Chief Operating Officer.

Today we are going to go over the main points relating to our 2013 full year performance, give you an update on the operations of Drilling and E&C and finish with our comments on 2014 guidance.



<u>Slide 4</u>

I was appointed Chief Executive at the end of 2012.

My review showed that Saipem business was affected by a lot of issues, some of which were systematic and long standing. My first priority was to understand the extent of this and to start managing and correcting all these issues.

As you are aware, these include an investigation in to allegations of corruption in Algeria, a lack of profitability in our E&C backlog and some poor operational performance stemming from an organisation which had grown fast, but without the vigorous controls necessary for a global business of this scale.

My immediate strategy has been to take actions which will stabilise Saipem, and in particular to tackle the major issues on the performance of E&C Onshore business. The Drilling business, by contrast, has been strong and has continued to provide consistently good financial returns throughout.

The three main actions have been:

First, installation of a new management team that I could trust, motivated, capable to support me in managing these problems and significant disruptions.

Second, to roll out a new worldwide operating structure focused on delivering the highest possible execution with clearly allocated responsibilities and to direct contacts with our clients.

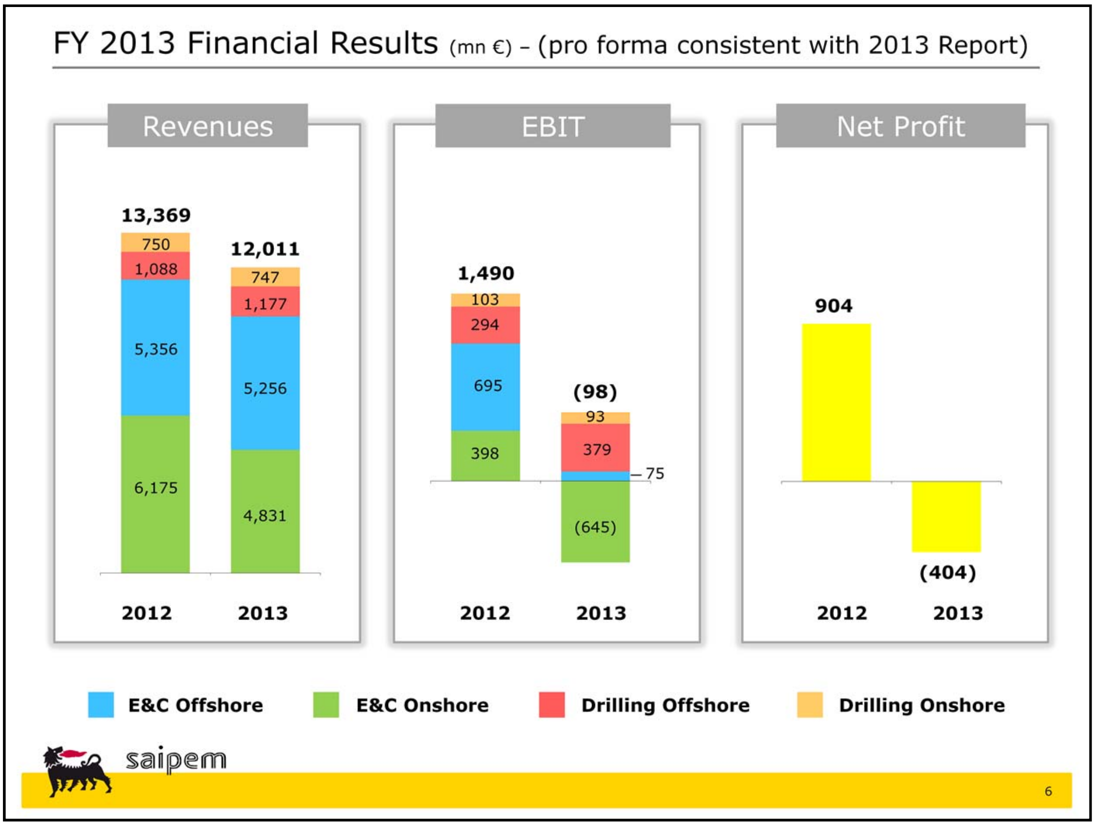
And thirdly, introduce a number of actions to improve our competitiveness so we can rebuild the profitability of our backlog. Among these actions, very important, we instituted a new commercial strategy which ensures we are submitting sustainable offers while bidding for new projects.

No doubt 2013 has been very complex and disruptive and many actions have been taken.

Back in october, we set out how the pace of recovery is contingent on both the pace of higher margin new business awards, and, on the breakeven delivery of low-margin legacy contracts. both these factors have influenced the final outcome for 2013.

By end of 2014, our legacy issues will be ‘largely’ resolved and by continuing to execute our backlog we will walk our way through the old contracts at breakeven margins, putting in place the foundations for a sustainable recovery in profitability.

1. Financial Results



<u>Slide 6</u>

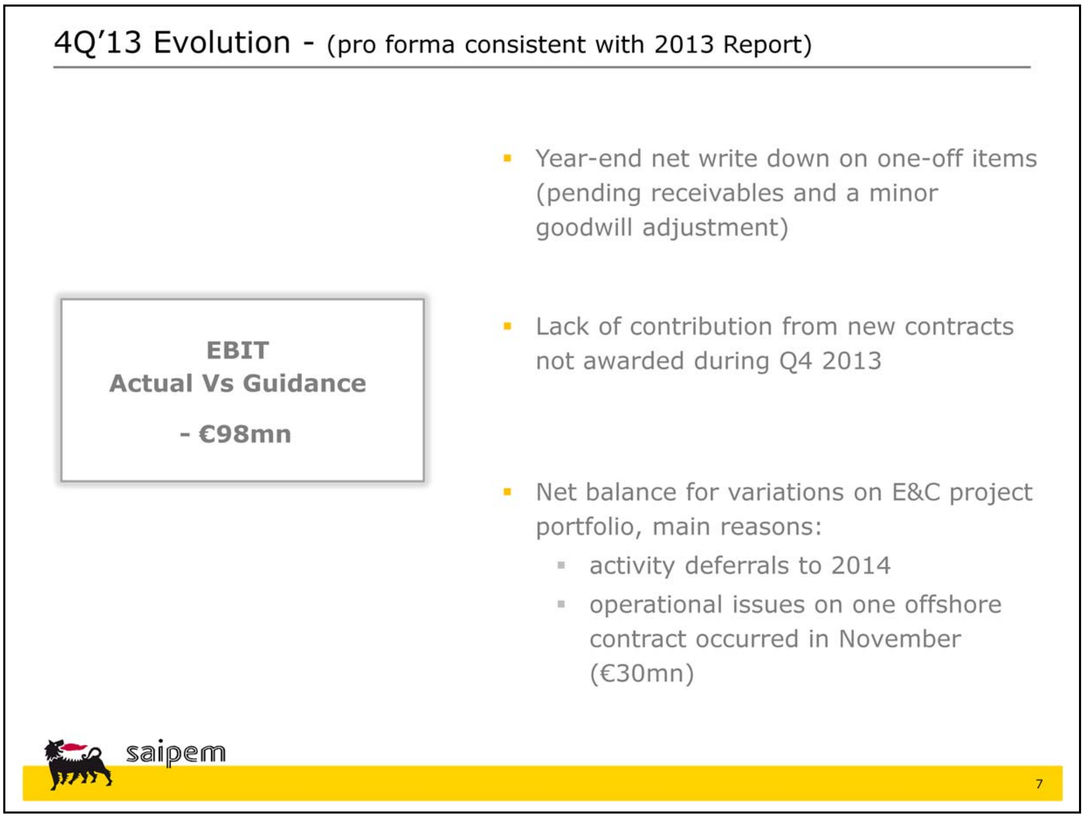
Turning to the details of our financial results.

Compared to 2012, full year revenues went from 13.3 to 12 billion euros. The single biggest component of this drop is the more than 20% decrease in onshore E&C activity.

Full year revenues of 12 billion came below our 12.5 billion guidance, due to a combination of a lower pace of contract awards in the second half of the year, and also deferrals of activities from existing contracts into 2014. This slow-down in the awards reflects a general trend, in both our Onshore and Offshore activities, which has increasingly impacted our sector throughout 2013.

EBIT stands at -98 million and the net result at -404 million due to a combination of factors which I will go onto analyse.

Drilling continued to perform strongly with a near 20% increase year on year at EBIT level, thanks to the full contribution of the new units, which are now delivering the quality of performance we expected.



Slide 7

We are reporting an out-turn on EBIT of 98 million euros lower than the breakeven guidance given in October, due to factors which occurred or became apparent only in the last two months of the year. This slide sets out clearly how the €98 million is divided between three components:

First, just under 20% of it resulted from a net year-end write down of pending receivables on a small number of projects, and a goodwill write-off of 7 million euros on a small acquisition made in 2012.

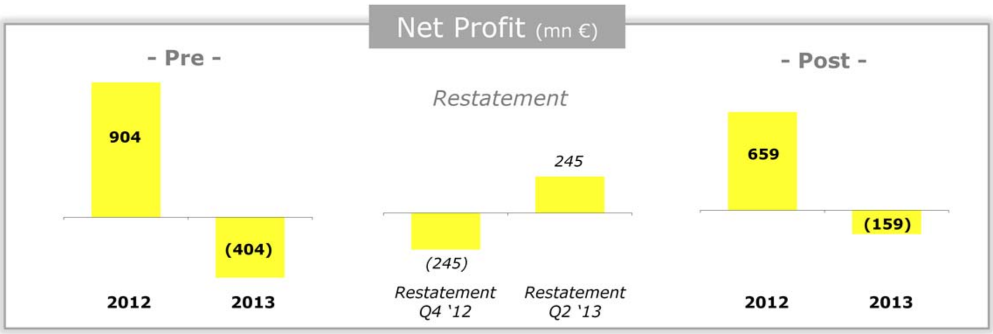
Next, around one-quarter of the total is the impact of a lower level of new contract awards, which we flagged as a possibility in October, and which has a double negative effect: both in terms of missing recognition of revenues and margins, and, in addition, of lower asset utilisation on a constant fixed-cost base.

The final item reflects the out-turn on certain E&C projects in November and December, some proving positive but outweighed by first certain project deferrals, and second, in November, the occurrence of a 30 million euro additional cost incurred on the Congo River Crossing project. This was due to a technical problem which slowed the pipe laying process and necessitated some remedial work. The project is being completed.

[Together, these unrelated items have had an impact on net results given that legacy contracts are at very low margins or breakeven and many have limited scope to absorb problems arising in execution.]

In conclusion, around 50% of the 98 million euro shortfall is due to slowdowns, as clients defer new projects, or to activities within existing projects that for a variety of reasons are partially postponed.

Comparison of restated results as agreed with Consob



- In a notice of 19 July 2013, Consob alleged Saipem failed to comply with IAS, particularly IAS 11, in the preparation of Saipem's financial statements as of 31 December 2012
- Consob alleged that part of the impact of the revised expected profitability of some contracts that were the subject of a profit warning on 14 June 2013 did not pertain to 2013
- Saipem, although not sharing Consob view, as a sign of cooperation with the Authorities, decided to comply with the request of Consob restating its accounts as shown above
- On 5 December 2013, Consob issued a ruling announcing the closing of the proceedings regarding the matter

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Slide 8

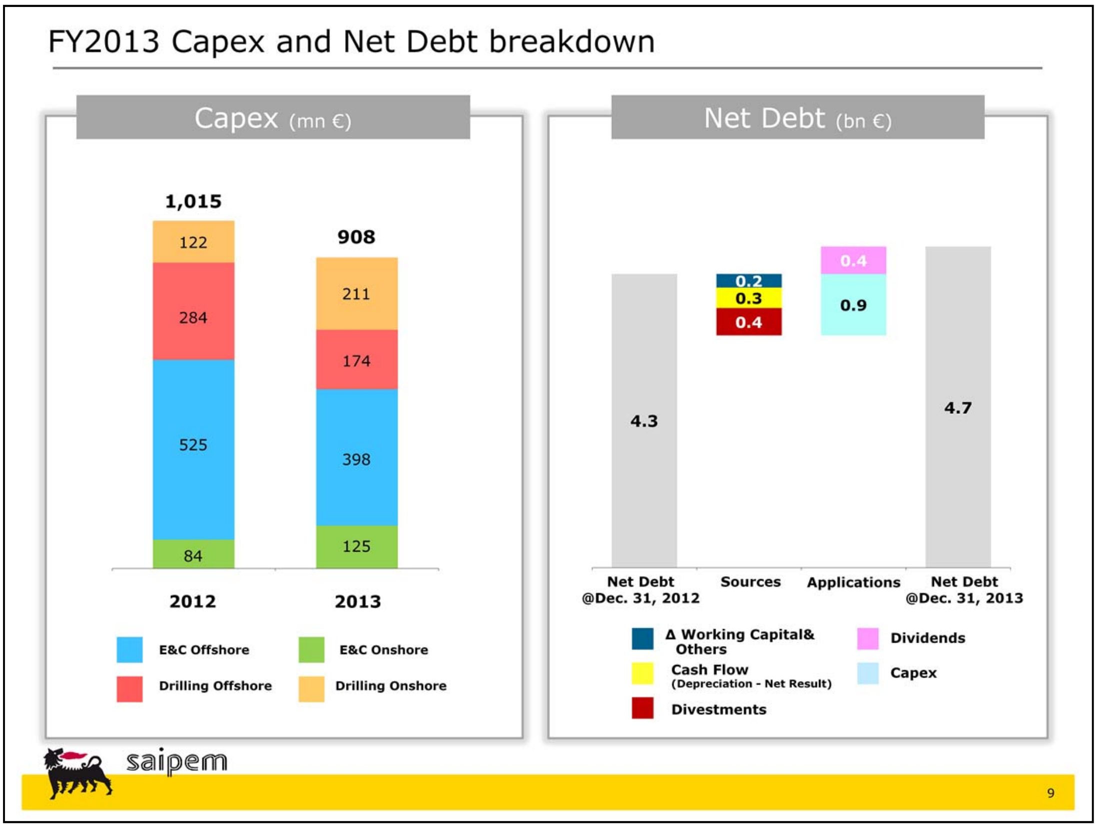
I want now to update you on the conclusion of the long-running dialogue with Consob during 2013.

As we stated in our announcement on the 6th of December 2013, Consob decided to close its proceedings related to [the notice they issued last July concerning] Saipem's financial statements as of 31st December 2012;

Consob alleged that 245 million euros of costs which were part of the profit warning on 14 June 2013 did not pertain to 2013, and should have been recognised in the 2012 financial year accounts;

Although we confirm that the correct accounting principles were applied in preparing the 2012 accounts, taking into consideration Consob's relevance for domestic and international capital markets, Saipem has restated its Financial Statements as of 1 January 2013, as shown in the slide. The restated net result for the year ended 31 December 2013 will be a loss of 159 million euros, instead of 404 million.

Our 2013 accounts will reflect this adjustment, which leaves aggregate net profit for 2012 and 2013 unchanged, but shifts 245m euros of net profit from 2012 to 2013. You will find full details on the restatement in the appendix of this presentation.



Slide 9

Now I will give you some detail behind our performance on Capex and Net Debt.

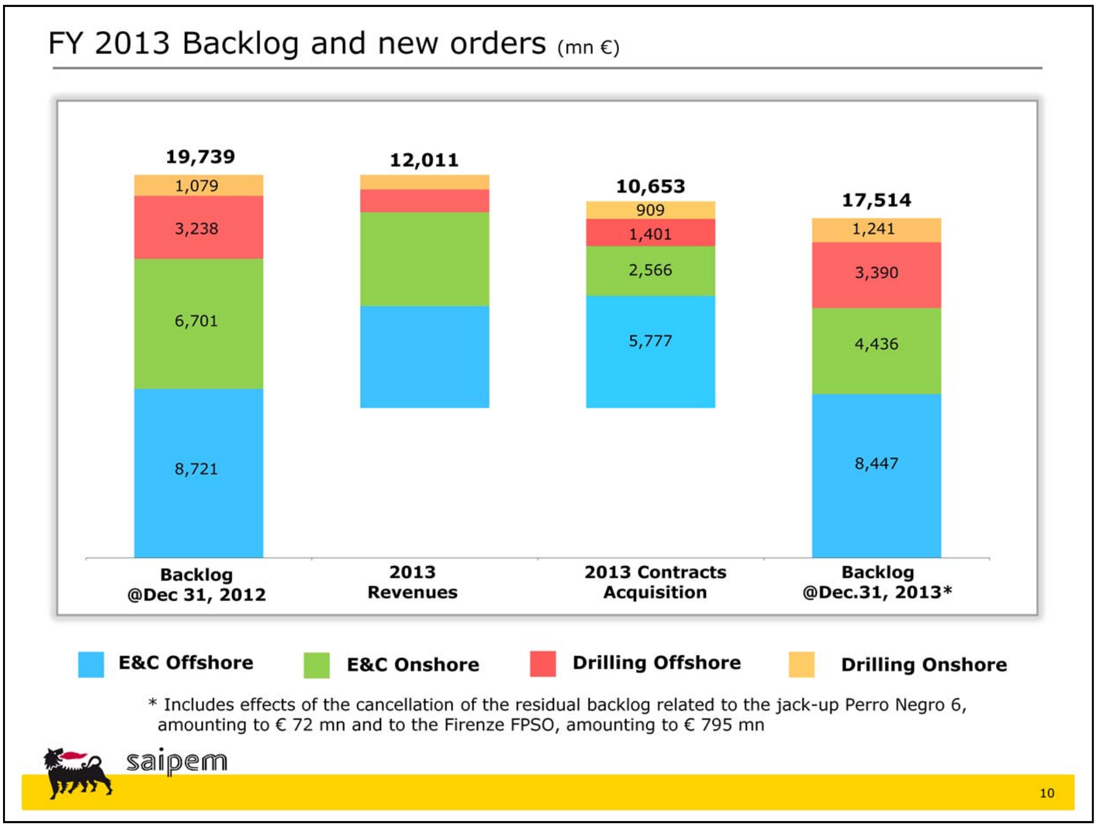
2013 is the last year of high Capex as we complete our major investment plan started in 2007. In 2013 our main milestone was the successful completion of the fabrication yard in Edmonton, Alberta that reinforces Saipem’s presence in the promising Canadian market. Meanwhile, the construction works on the Guarujà yard in Brazil are progressing according to schedule and budget.

Through the investment in new vessels, rigs and fabrication yards, we have optimised our asset base and positioned Saipem strongly in markets with higher growth and margin potential.

Now we have successfully completed this phase, we are in the position to maintain strict discipline on capital expenditure, as done in 2013, which will be at significantly lower levels.

This helps in our ability to focus on reducing Saipem’s debts. This has been one of my key objectives. Net debt at year end was €4.7 billion, and even excluding the €300 million contribution from the sale of an FPSO, the Firenze, we have been able to limit our net debt to the lower end of the guidance range provided in October. This is notwithstanding volatility in the levels of working capital across the year.

This has also been made possible thanks to our increased focus on resolving outstanding claims and delivery results and the recovery of significant outstanding receivables in Egypt and Venezuela.



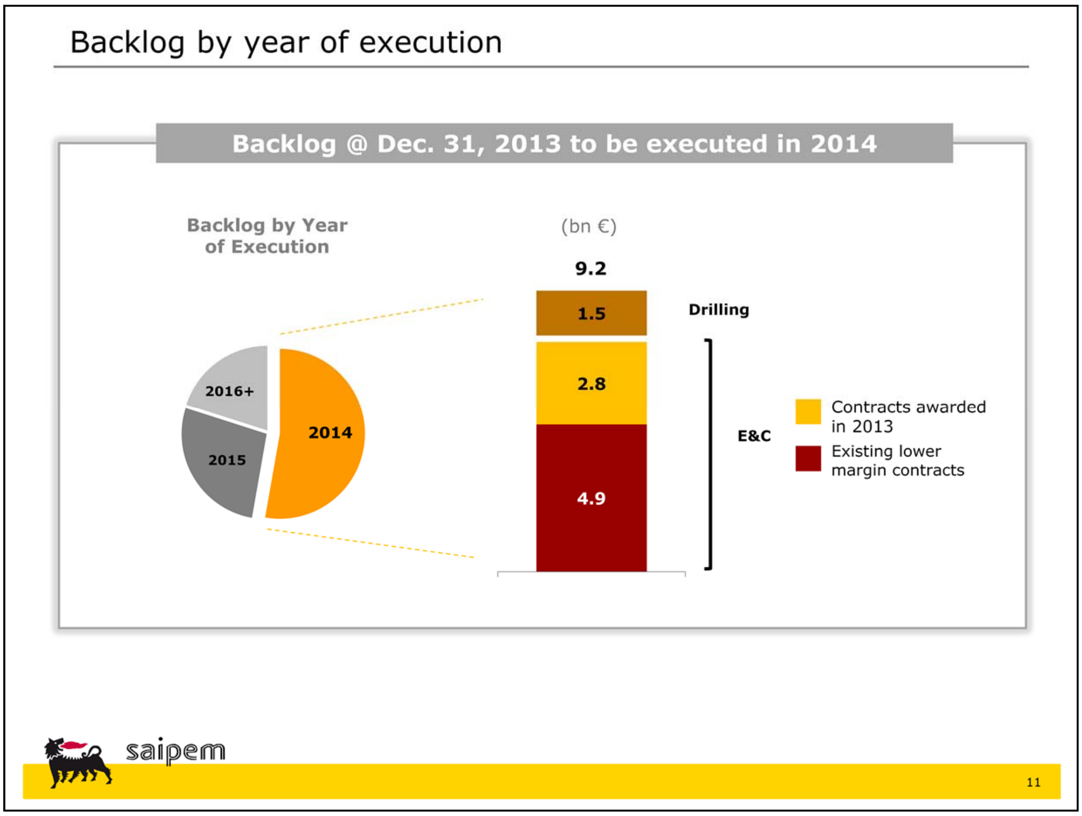
Slide 10

Turning to backlog and new order intake, the overall amount of backlog of 17.5 billion euros at year-end includes the effect of the cancellation of the backlog associated with the contracts of Perro Negro 6 and the Firenze leased FPSO.

The fourth quarter presented the same disappointing trend outlined in Q3 due to continuous postponement in contract awards of projects that have been subject to tenders.

We have been able to win 10.7 billion of new contracts, in competition with our major competitors and more importantly, a number of contracts which were Saipem's commercial targets for 2013 are still to be awarded.

We will be providing an updated overview of our commercial targets for 2014 in a dedicated slide later on.



Slide 11

Looking now at backlog by year of execution, we are going to book 53% of the existing backlog in 2014.

The value of E&C's lower margin contracts in our backlog due for execution in 2014 today accounts for 4,9 billion.

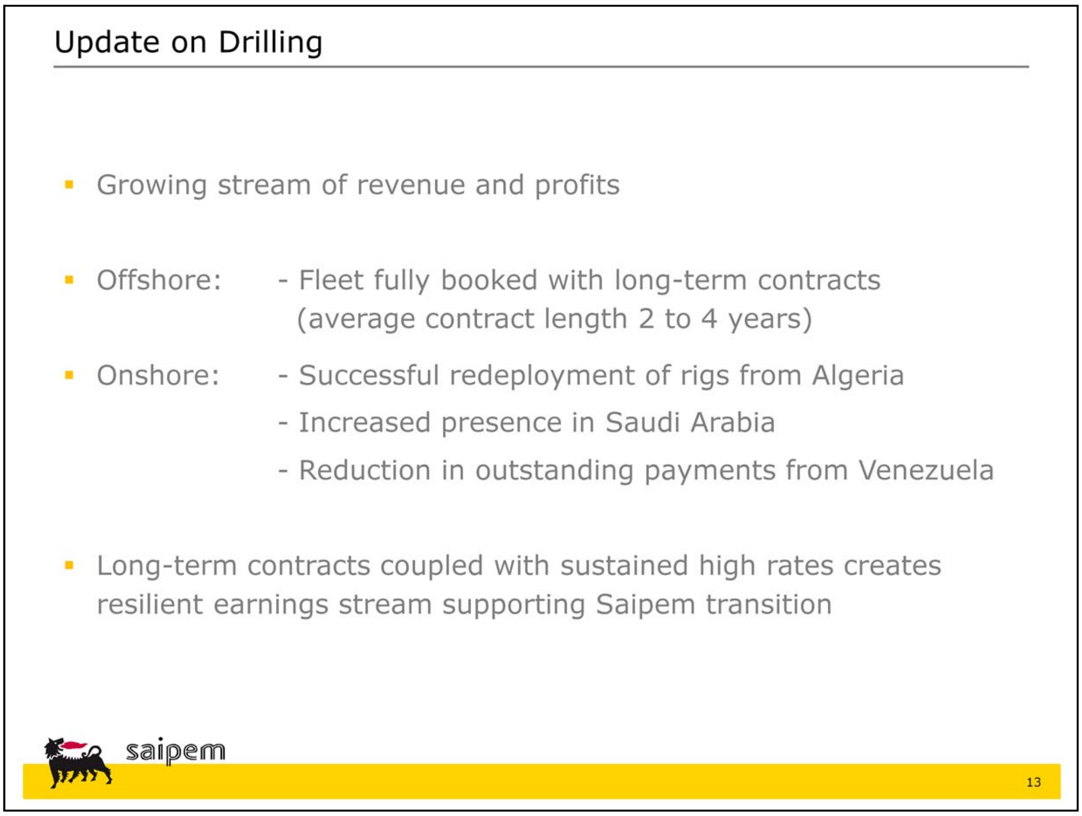
This further increase compared to the 4.8 billion euros indicated at the end of Q3 is due to the deferral of some activities originally expected in 2013 as previously indicated.

Revenues coming from contracts awarded in 2013 with a better embedded margin will be in the range of 2,8 billion.

Drilling will represent 1,5 billion.

27% of the current backlog will be booked in 2015 and the balance in the following years.

2. Operational Update



Slide 13

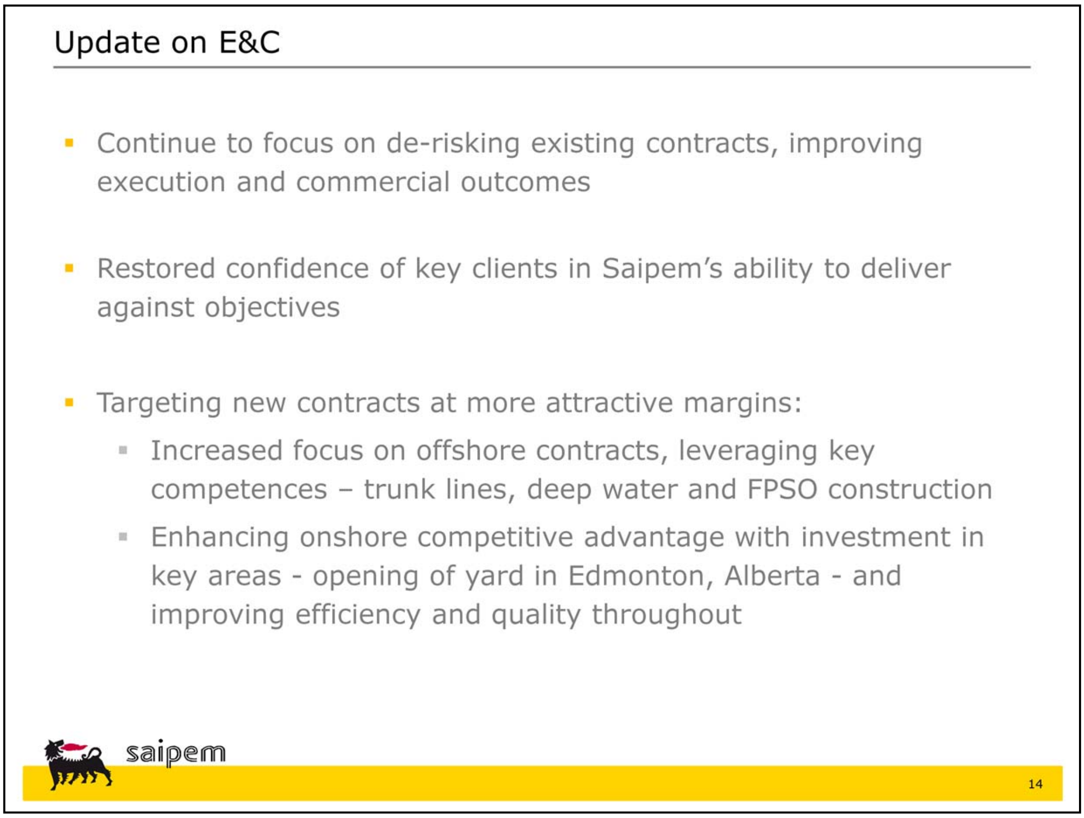
As we start our operational update, I would like to say a few words about Drilling.

It provided another year of very good financial performance.

All new contracts or contract extensions have been at generally better rates than those on existing contracts.

In the offshore business we are currently maintaining full capacity utilisation of our fleet, in particular with deepwater units, which are employed on long-term contracts, with contracts expiring not before than 2017.

In our Onshore activites, as we withdrew operationally from Algeria, we managed to successfully recover our rigs and redeploy them in other countries. We have also significantly increased our presence in Saudi Arabia. As mentioned before, I am also pleased to report that outstanding payments from Venezuela have been greatly reduced.



Slide 14

Moving to the E&C business, restoring it to health is Saipem's primary objective.

My first task has been to de-risk existing contracts by a relentless focus on high-quality execution, and to seek improvement in the commercial outcomes for Saipem.

Management has persistently addressed improvement in our project performance, and I am pleased to see increasing levels of client satisfaction, and restored confidence in our capacity to deliver. This is particularly true with the earlier issues we had in Mexico and Canada.

At the same time, we are selectively targeting new contracts, taking a highly disciplined approach, and only taking on contracts where we see possible attractive margins. Our current efforts in our offshore business are focusing on securing profitable contracts on trunk lines, deep water developments and FPSO construction.

While maintaining Capex discipline, we have continued to invest where we can see a competitive advantage. The completion and opening of our yard in Edmonton, Alberta, contributed to further contractual success in the attractive Canadian market. As we have announced today, we have recently won a new contract with CNRL.

As an update on our activities in Brazil and in the Asia Pacific region, we have a number of contracts under execution, their activity is progressing and we have almost completed the negotiation on vessel schedule optimisation that we mentioned in October.

Slide 15

Turning to Algeria and the commercial situation with Sonatrach, we have seen no substantial improvement in the relationship.

We therefore decided it is in the best interests of Saipem's shareholders to enter into an arbitration process for the MLE project, and we are considering possible further steps on three other projects. No decision taken yet.

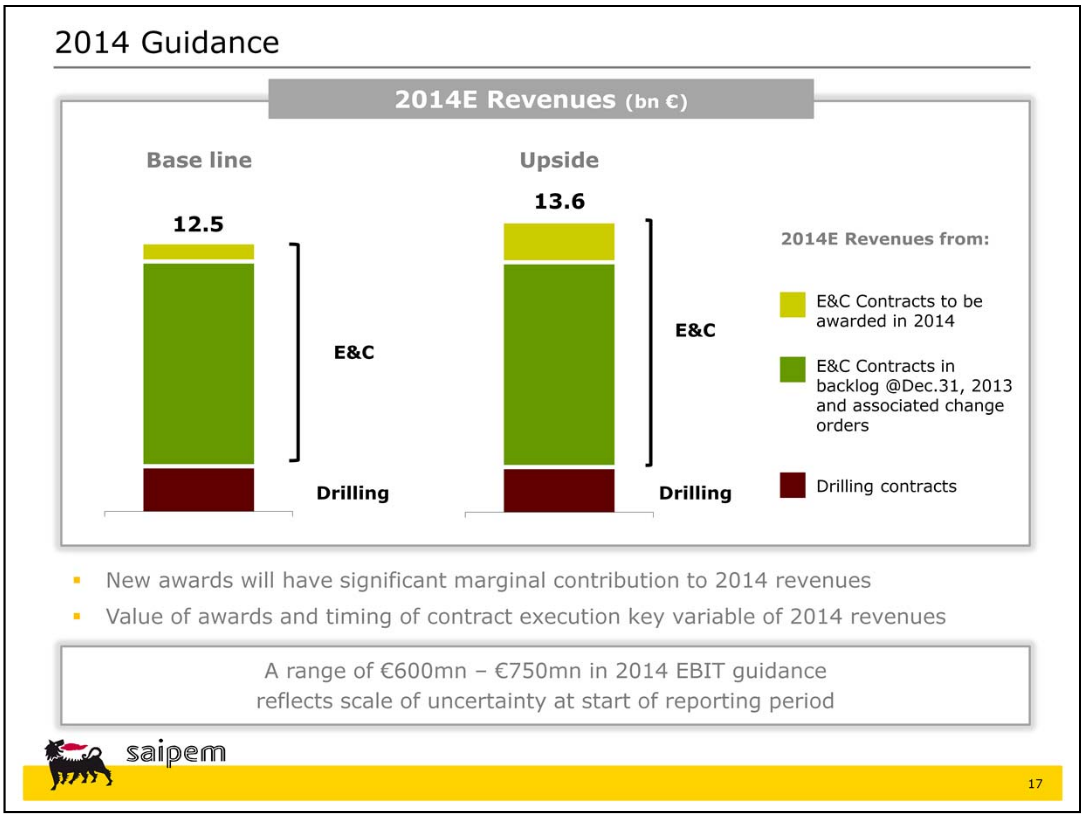
Arbitration could be a two to three year process, and we will keep you informed of all developments.

With regards to the Milan Prosecutor's investigation, we have seen no further developments beyond the fact that the prosecutor sought and obtained a further six month extension to the investigation, now up to June 2014.

Meanwhile, Saipem and the US Department of Justice agreed to extend the tolling agreement until the end of May 2014.

As already indicated the tolling agreement does not imply any recognition of the US jurisdiction in relation to this investigation.

3. 2014 Guidance



Slide 17

As already pointed out in October, the increased complexity and cost of new projects causes Oil Companies to delay contracts awards and start up even after FID. For Saipem, targeting large value contracts, this postponement resulted in missing the acquisition target, and a decrease in revenues and profitability in 2013.

In 2014, this uncertainty in timing of contracts awards during the year is expected to affect the amount of revenues and margins related to projects.

To reflect this uncertainty in the market, we adopted a prudent approach for the 2014 outlook. The “Base line’’ Scenario takes into account the limited positive impact of only partial conclusion and success of commercial bidding currently ongoing and its occurrence late in the year.

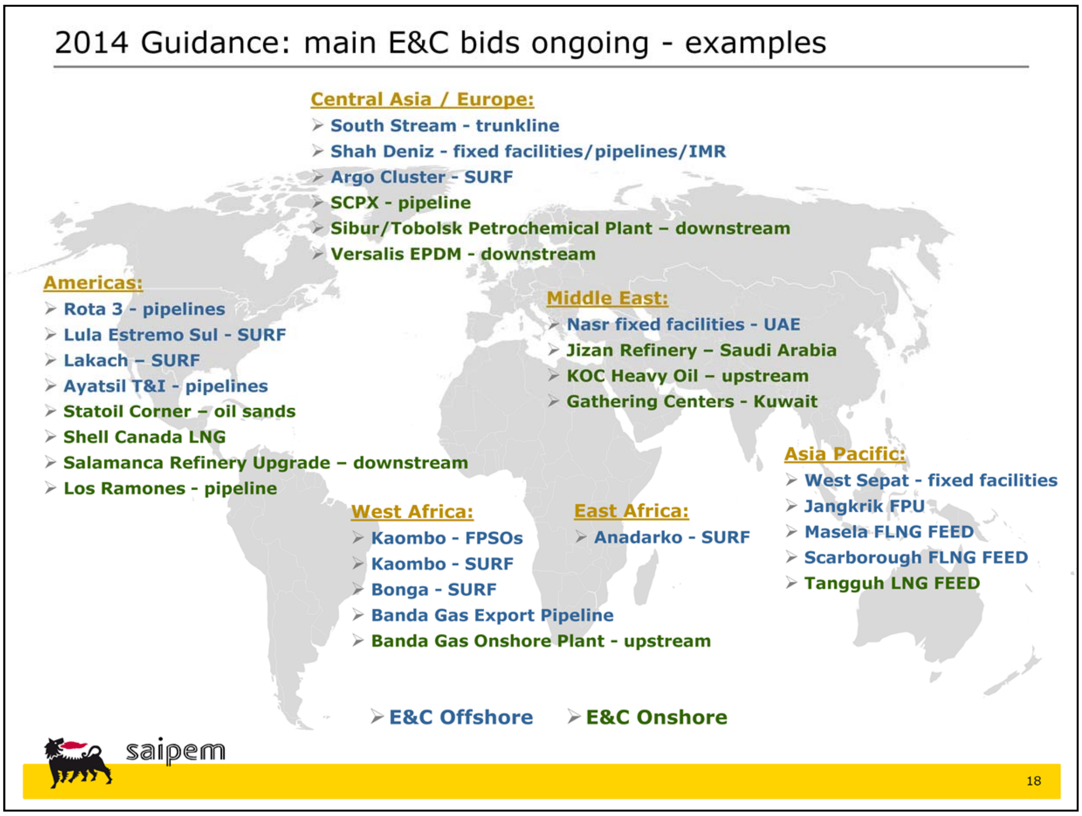
However, a more favorable conclusion and timing of bidding processes may have an incremental impact, determining the eventual recognition of their revenues and margins already during 2014.

The “Upside” Scenario, which includes this incremental impact currently not attributable to any specific contract, is coherent with an estimated new order inflow during the year in line with average acquisition inflows recorded in the previous years.

Therefore we expect 2014 revenues to be in a range between 12.5 and 13.6 billion euros as a result of the two scenarios just illustrated.

As indicated in the introduction of today presentation, during 2014 we will continue in resolving our legacy issue by completing our most challenging old projects and by progressing in the negotiation of contract variations with our clients.

These ongoing tasks plus the market uncertainties make 2014 a year of transition for which we are indicating a broad EBIT guidance that is represented by range of 600 and 750 M€, which lower end, the base case, is what prudently we can rely upon.



Slide 18

Since the outstanding bids whose outcome could impact 2014 results are so relevant for our guidance, I want to review them.

Here we have just divided them by our geographical Regions and by onshore and offshore.

As you can see we are mostly looking at opportunities that from both geographical and technological perspectives fit well with Saipem core strengths where we could be very competitive, some examples are: trunklines, subsea developments in deep and ultra-deep waters, FPSO construction and large and complex onshore projects.

We are getting good signals from the market on some of these target projects. The announcement from South Stream that they have placed the orders to buy the pipes for the offshore stretch for which we presented a bid for the laying activities and have already been awarded the early works, is the good indication we were waiting for, indicating the client's intention to progress with the project. There are important progresses for Shah Deniz in Azerbaijan where the first packages of the project, not of our interest, have been awarded and where we are competing on a number of other large packages.

Saipem is getting some positive signals on the results of bidding for new FPSOs and FPUs like those in Indonesia and Angola and for new Downstream plants in Italy.

On the other hand we are getting less positive signals on the timing of award of other projects such as the Jizan Refinery in Saudi Arabia, now under re-tendering.

On top of that we can rely on the renewal of some rigs for which we are already undertaking negotiations, both in onshore and offshore.

Slide 19 - 2014 Guidance

Looking now at slide [19], we present the full set of guidance for 2014:

Revenues ranging between 12.5 and 13.6 billion euros

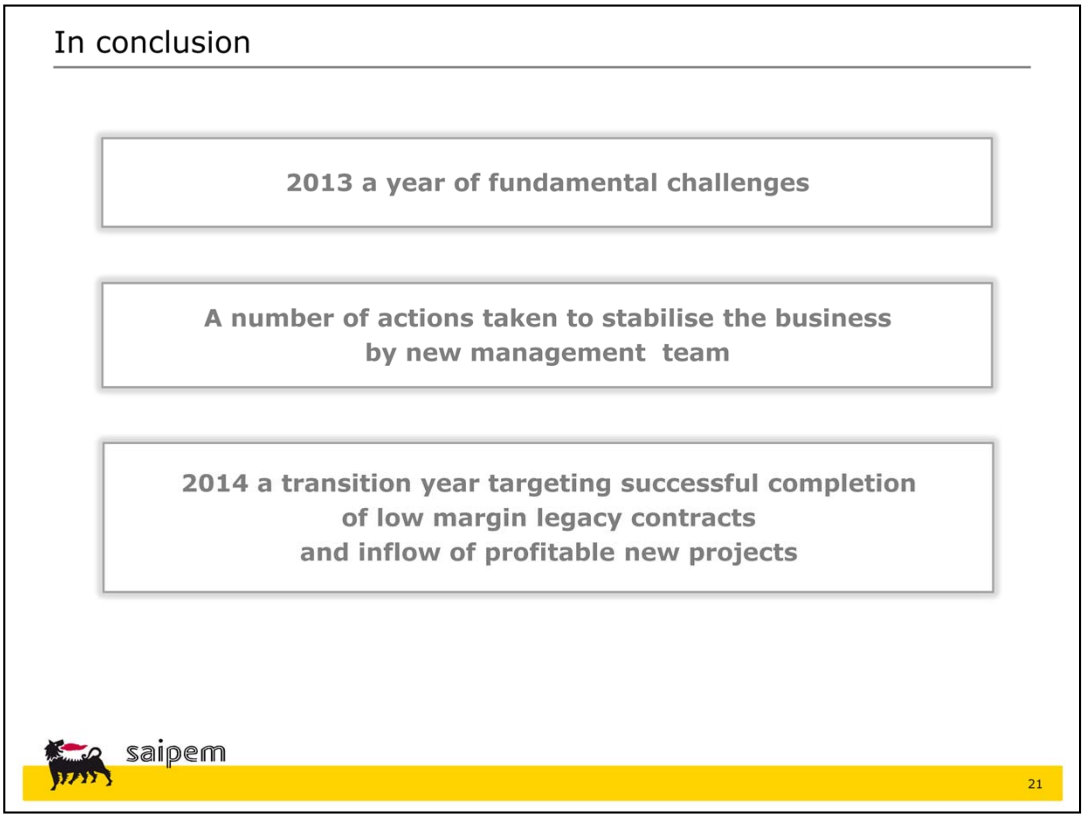
EBIT between 600 and 750 million euros

Net profit between 280 and 380 million euros

Capex is foreseen at around 750 million euros, and Net Debt at approximately 4.2 billion euros. Both lower than in 2013.

As previously indicated, we have decided to have a prudent approach due to significant uncertainties outside our control, and to define as Baseline for our guidance the lower value of the range indicated.

4. Conclusion



Slide 21

In summary, 2013 has been year of fundamental challenges and all our efforts have been devoted to the goal of stabilising the business, which suffered from a series of significant problems.

As I have pointed out, the stable income stream from Drilling has been a core strength while the E&C business has had to face up to its legacy issues. Our new management team has put in place an operating structure and commercial strategy that are delivering results, and that are the foundations for a return to profitable growth.

2014 will be a year of transition, in which a significant proportion of E&C activities will continue to stem from legacy contracts. We are focused on executing these to the highest possible standards, successfully completing the re-negotiating of some of them, and replacing them with new more profitable projects.

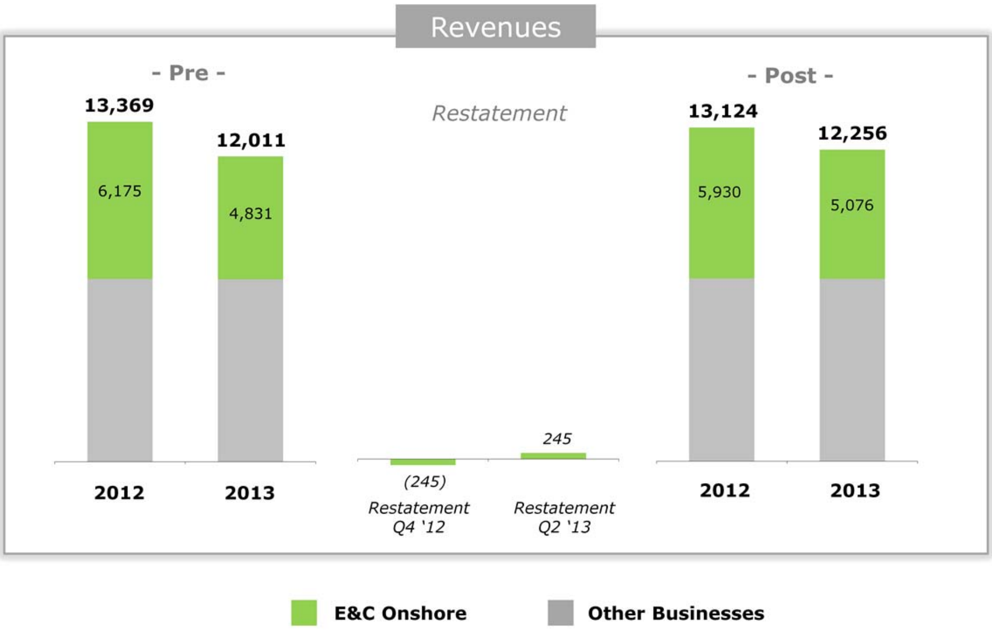
By the end of 2014, I expect that our legacy issues will be largely resolved, and if some of the big contracts we are targeting will be in our portfolio, we will be delivering good results to our shareholders.

On that note, I will finish this part of the presentation, and open the floor to questions.

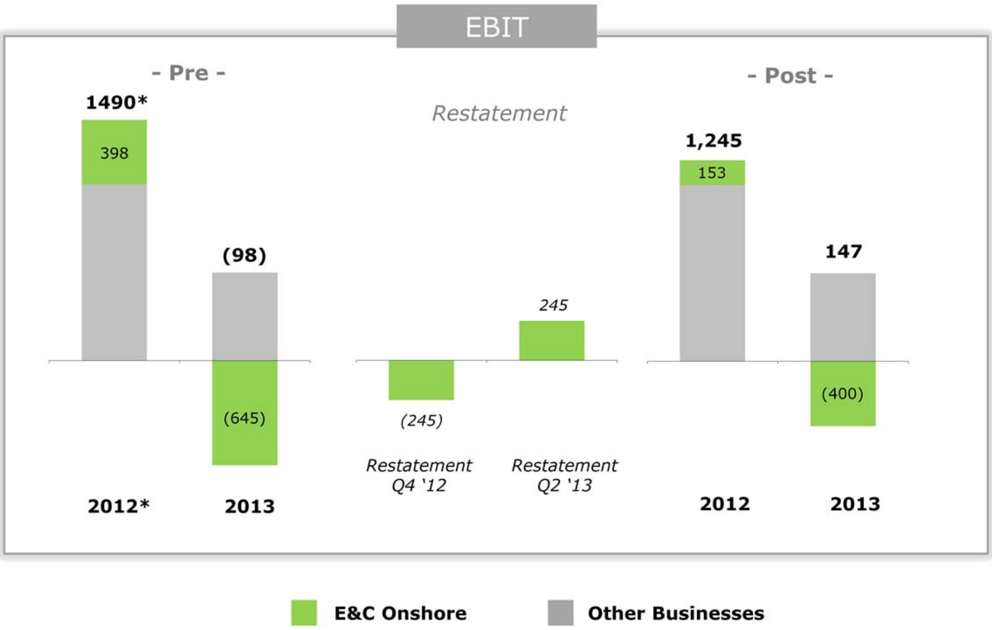
5. Q&A

6. Appendix

FY 2013 Financial Results - Restatement (mn €)



FY 2013 Financial Results - Restatement (mn €)



* Including IAS 19 impact of € 9 mn

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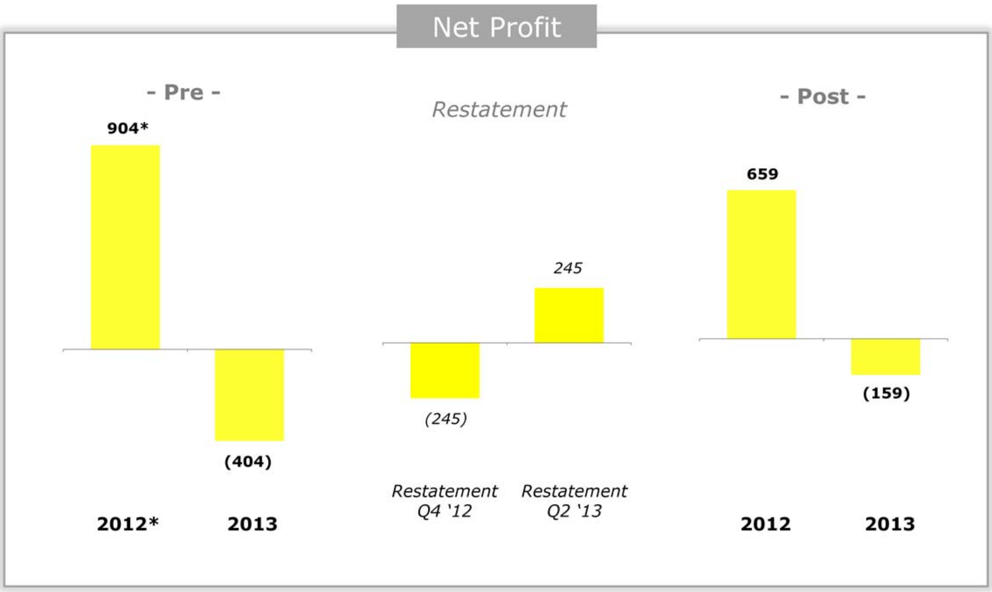
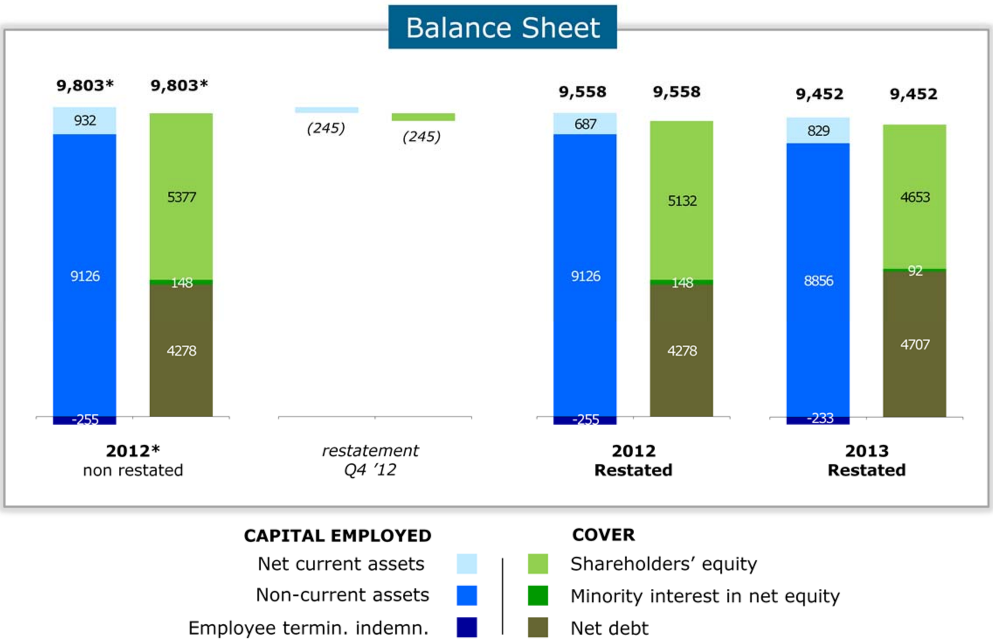
FY 2013 Financial Results - Restatement (mn €)



* Including IAS 19 impact of € 2 mn

FY 2013 Financial Results - Restatement (mn €)

Balance Sheet



* Including IAS 19 impact of - € 28 mn

Saipem Meetings - February 2014

MON LUN	TUE MAR	WED MER	THU GIO	FRI VEN	SAT SAB	SUN DOM
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18 *Paris* *Natixis* *1-1s*	19 *Frankfurt* *HSBC* *1-1s*	20	21	22	23
24	25	26	27 *London* *Barclays* *1-1s*	28 *London* *Barclays* *1-1s*		

Saipem Meetings - March 2014

MON LUN	TUE MAR	WED MER	THU GIO	FRI VEN	SAT SAB	SUN DOM
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3	4 *Boston* *Mediobanca* *1-1s*	5 *New York* *Mediobanca* *1-1s*	6 *New York* *Mediobanca* *1-1s*	7	8	9
10	11	12	13	14	15	16
17	18 *Abu Dhabi* *1-1s*	19	20 *London* *UBS Conference* *1-1s*	21	22	23
24	25	26	27	28	29	30
31						