

Saipem Chief Signals Openness to Breaking Off Parts of Company**19 October 2017****Angelina Rascouet**

Saipem SpA said it's open to breaking off parts of the company after crude's collapse put the brakes on oil-industry investment.

The Italian oil-services provider has four business units - - offshore and onshore divisions for both engineering/construction and drilling -- and would consider a different model, Chief Executive Officer Stefano Cao said in an interview.

"Is that something which by definition we want to keep?" he said. "No. I think we have to be shrewd and analyze business by business."

A structural change may be welcomed by investors following Saipem's 36 percent slump this year, the second-worst performance on the Stoxx Europe 600 Oil & Gas Index. It was among oil-service providers to sell new stock last year as crude's crash curbed demand. It's now weighing up the future of its various business divisions amid a wave of consolidation in the industry.

Saipem set up a partnership with Norway's Aker Solutions ASA in 2015 and is assessing that tie-up as a potential model of integration, Cao said Tuesday in London. "We are bidding on a number of projects around the world as an alliance," though it's yet to win contracts, he said, adding that no decision has been made on a potential merger.

Recent oil-service acquisitions include John Wood Group Plc's purchase of Amec Foster Wheeler Plc, while Technip SA formed a joint venture with FMC Technologies Inc. before deciding to merge completely in May last year.

"That is certainly a model; what Technip and FMC decided to do is something to look at," Cao said.

Saipem's core business is offshore engineering and construction. In offshore drilling, a sector hit particularly hard by oil's decline, the company is "looking at the evolution of the market," Cao said. In the next few years, a strategic decision on whether to remain in drilling -- both offshore and onshore -- will have to be taken, he said.

Benchmark Brent crude has recovered to around \$58 a barrel, double its price in early 2016 but still half the level of mid-2014.

"We have to think as if \$50 a barrel is going to be forever," Cao said. Saipem's management are monitoring spending programs among the oil majors, but "don't see signs of it going up" yet, he said.

Cao, 66, was named CEO in April 2015 and will be up for re-election next year. Other board positions will also be due for renewal.

Saipem Has No Immediate Opportunities in Iran, No Venezuela Ops**19 October 2017****Angelina Rascouet**

Saipem doesn't see "immediate" business opportunities in Iran, even though it signed a number of MoUs after sanctions lifted last year, CEO Stefano Cao says in interview in London.

* "We are monitoring the situation," following U.S. President Donald Trump's threat to terminate intl agreement that eased sanctions

* In Venezuela, where Saipem used to have most of its Latin America operations, company's activity has "completely stopped" since Cao took over and worked to reduce footprint there

** Saipem still has some rigs "stacked" in country

** Cao took over as CEO in April 2015