



Galsi: Saipem and Technip awarded contract for onshore basic and detail engineering design of the Italian section of the pipeline

Milan, 28th July Galsi has assigned Saipem in association with Technip Italy an engineering services contract for the Italian onshore portion of the new natural gas pipeline that will connect Algeria to Italy. The contract is worth approximately €10 million. The activities, begun in June, will be completed within twelve months. The overall contract covers basic and detail design of the 280 kilometres of onshore pipeline in Sardinia and Tuscany.

The task of this contract will concern the Italian section of the pipeline. As established in the agreement signed the 30 November 2008 between Galsi and Snam Rete Gas, the latter will build and subsequently manage the gas transport activities for this section. Overall Galsi will stretch 596 km across Italian territory. A first undersea section of 45 km will land south of Porto Botte. It will then cross Sardinia for 272 km before dropping undersea to reach Tuscany near Piombino where it will connect to the Italian gas network

The assignment of this contract marks another important step in the development of the Galsi project, which concludes the FEED and begins the detail-engineering design phase.

*Created in 2003 as a design company, today **Galsi** is responsible for the development, construction and operation of a new pipeline connecting Algeria to Sardinia and Tuscany stretching over 900 km, of which around 600 km offshore. The initial capacity of the pipeline will be 8 billion cubic meters per year, a portion of which is destined to supply Sardinia with natural gas. Partners to the initiative are the Algerian Sonatrach (which today owns 41.6% of the company) and the Italian company Edison (with 20.8%). Other important Italian operators with a stake in Galsi are Enel (15.6%), Hera Trading (10.4%) and the Region of Sardinia through its subsidiary Sfiris (11.6%).*

Saipem, 43% owned by Eni, is organised in three Business Units: Offshore, Onshore and Drilling, with a strong bias towards oil & gas related activities in remote areas and deepwater. Saipem is a leader in the provision of engineering, procurement, project management and construction services with distinctive capabilities in the design and the execution of large scale offshore and onshore projects, and technological competences such as gas monetisation and heavy oil exploitation.

Technip is a world leader in the fields of project management, engineering and construction for the oil & gas industry, offering a comprehensive portfolio of innovative solutions and technologies. With 23,000 employees around the world, integrated capabilities and proven expertise in underwater infrastructures (Subsea), offshore facilities (Offshore) and large processing units and plants on land (Onshore), Technip is a key contributor to the development of sustainable solutions for the energy challenges of the 21st century. Present in 46 countries, Technip has operating centers and industrial assets (manufacturing plants, spoolbases, construction yard) on five continents, and operates its own fleet of specialized vessels for pipeline installation and subsea construction. The Technip share is listed on Euronext Paris exchange and over the counter (OTC) in the USA.

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